

**REGULAR MEETING OF THE BOARD OF ADMINISTRATION OF THE
WATER AND POWER EMPLOYEES' RETIREMENT PLAN**

REVISED MINUTES

April 12, 2017

Board Members Present:

Javier Romero, President
Barry Poole, Vice President/Chair
LaTanya Bogin, Member
Timothy Hemming, Retiree Member
Mario Ignacio, Chief Accounting Employee
David H. Wright, General Manager

Board Members Absent:

Mel Levine, LADWP Commissioner

Staff Present:

Linda P. Le, Retirement Plan Manager
Monette Carranceja, Asst. Retirement Plan Manager
Katie S. Zordilla, Asst. Retirement Plan Manager
Jeremy Wolfson, Chief Investment Officer
Mary E. Alvarez, Utility Executive Secretary

Others Present:

Joshua M. Geller, Deputy City Attorney
Alan Manning, Assistant City Attorney

President Romero called the meeting to order at 9:02 a.m.

Ms. Le stated a quorum of the Board of Administration (Retirement Board) of the Water and Power Employees' Retirement Plan (Plan) was present.

Public Comments

Ms. Alvarez stated no requests for public comment were received.

1. Request for Approval of Minutes of March 8, 2017

2. Termination of Monthly Allowance from the March 2017 Retirement Roll

Mr. Poole moved that the Board approve Items 1 and 2; seconded by Mr. Hemming.

Ayes: Bogin, Hemming, Ignacio, Poole, Romero, Wright

Nays: None

Absent: Levine

THE MOTION CARRIED.

3. Report of Payment Authorizations for February 2017

4. Notice of Deaths for February 2017

5. Investment Reports for February 2017

a) Summary of Investment Returns as of February 28, 2017

b) Market Value of Investments by Fund and Month as of February 28, 2017

c) Market Value of the Retirement, Death, and Disability Funds and Retiree Health Care Fund as of February 28, 2017

6. Summary of Contract Expirations

7. Report on Status of Insurance as of March 22, 2017

Mr. Wright moved that the Board Receive and File Items 3 through 7; seconded by Mr. Poole.

Ayes: Bogin, Hemming, Ignacio, Poole, Romero, Wright

Nays: None

Absent: Levine

THE MOTION CARRIED.

8. Discussion of the Department of Water and Power's Engagement of the Water and Power Employees' Retirement Board's Outside Tax Counsel

Mr. Romero stated that the item would be tabled.

9. Discussion of Funding for Various Internal Revenue Code Section 415 Testing Projects

Ms. Zordilla presented the report to request approval of funding for Segal Consulting to complete various projects that are part of the Internal Revenue Code Section 415 testing process for the Plan.

Mr. Ignacio requested an explanation of Internal Revenue Code Section 415. Discussion ensued regarding excess benefits and IRS limits on the pension amount payable from Plan assets.

Mr. Hemming moved that the Board approve Resolution No. 17-50, seconded by Mr. Poole.

Ayes: Bogin, Hemming, Ignacio, Poole, Romero, Wright

Nays: None

Absent: Levine

THE MOTION CARRIED.

10. Discussion of Western Asset Management Company – Global Inflation Linked Securities Manager Performance

Mr. Wolfson briefly presented the report and introduced Fahad Haider, staff, and Becky Gratsinger and Ryan Sullivan of RVK, Inc. (RVK), the Plan's general consultant, who presented the report to place Western Asset Management Company (WAMCO) on watch status. Discussion ensued regarding the duration of time a manager may be placed on watch status.

Mr. Poole moved that the Board approve Resolution No. 17-51, seconded by Mr. Hemming.

Ayes: Bogin, Hemming, Ignacio, Poole, Romero, Wright

Nays: None

Absent: Levine

THE MOTION CARRIED.

11. Discussion of Organizational Change at Pacific Asset Management

Mr. Wolfson briefly presented the report and introduced Mr. Haider, Ms. Gratsinger, and Mr. Sullivan, who presented the report to remove Pacific Asset Management from watch status.

Mr. Hemming moved that the Board approve Resolution No. 17-52, seconded by Mr. Wright.

Ayes: Bogin, Hemming, Ignacio, Poole, Romero, Wright

Nays: None

Absent: Levine

THE MOTION CARRIED.

12. Discussion of Organizational Changes at Pension Consulting Alliance, LLC, and Item of Interest to the Retirement Board

Mr. Wolfson presented the report to discuss organizational changes at Pension Consulting Alliance, LLC (PCA), private equity consultant. Mr. Wolfson introduced Mike Moy, Managing Director, PCA, who proceeded to announce his retirement and provided brief updates on the organizational changes.

Mr. Romero acknowledged Mr. Moy and thanked him for his service to the Plan, and wished him well on his retirement.

13. Discussion of Request for Proposal Responses for Real Estate Consultant and Courtland Partners Contract Extension

Mr. Wolfson summarized the item and introduced Ms. Melissa Soo Hoo, staff, who presented the report to recommend the Retirement Board interview five respondents to the Request for Proposal (RFP), who met the requirements for the Plan's Real Estate consultant mandate. Ms. Soo Hoo also stated the recommendation to extend the contract with Courtland Partners for real estate consulting services.

Mr. Poole moved that the Board approve Resolution No. 17-53, seconded by Mr. Wright.

Ayes: Bogin, Hemming, Ignacio, Poole, Romero, Wright

Nays: None

Absent: Levine

THE MOTION CARRIED.

14. Annual Presentation by Fred Alger & Company, Inc. – Large-Cap Growth Manager

James Tambone, Executive Vice President, and Dan Chung, Chief Executive Officer, representatives of Fred Alger & Company, Inc., presented the annual report on the Large-Cap Growth Manager.

15. Annual Presentation by T. Rowe Price Associates, Inc. – Large-Cap Value Manager

John D. Plowright, CFA, Ronald H. Taylor, Vice President, and Taymour Tamaddon, Vice President, representatives of T. Rowe Price Associates, Inc., presented the annual report on the Large-Cap Value Manager.

19. Investment Reports for January 2017 – Out of Order

a) Summary of Investment Returns as of January 31, 2017

b) Market Value of Investments by Fund and Month as of January 31, 2017

c) Market Value of the Retirement, Death, and Disability Funds and Retiree Health Care Fund as of January 31, 2017

20. Retirement Plan Manager's Comments – Out of Order

Ms. Le reported on the following:

- The Benefits Committee met on April 12, 2017, to consider the appeals of Ms. Dawn Y. Taylor, and Mr. Efren Bugarin, and approved Resolution Nos. 17-46 and 17-47, respectively.

21. Future Agenda Items – Out of Order

There were no requests for future agenda items.

At 10:10 a.m. the Retirement Board met in Closed Session to discuss the following items:

- 16. CLOSED SESSION – PURSUANT TO GOVERNMENT CODE SECTION 54956.81 to Consider the Purchase of One Particular, Specific Pension Fund Investment**
- 17. CLOSED SESSION – PURSUANT TO GOVERNMENT CODE SECTION 54956.81 to Consider the Purchase of One Particular, Specific Pension Fund Investment**
- 18. CLOSED SESSION – PURSUANT TO SUBDIVISIONS (a) AND (d)(1) of GOVERNMENT CODE SECTION 54956.9 to Confer with, or Receive Advice from, Its Legal Counsel Regarding the Consolidated Class Action Against LendingClub Corporation Pending in the United States District Court, Northern District of California – Out of Order**

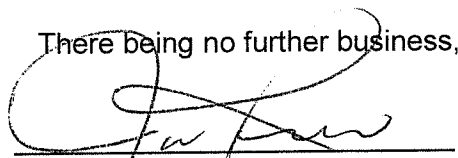
Mr. Wright left the meeting at 10:29 a.m.

The Retirement Board recessed the meeting at 10:38 a.m. and reconvened at 10:49 a.m.

Mr. Ignacio left the meeting at 10:38 a.m.

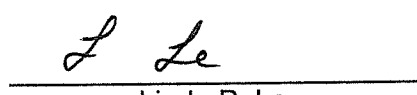
The Retirement Board reconvened in Open Session at 1:09 p.m. and announced no reportable actions.

There being no further business, the meeting adjourned at 1:11 p.m.



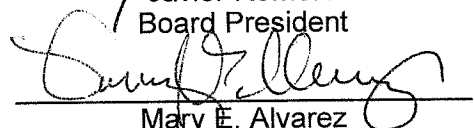
 Javier Romero
 Board President

6/28/17
 Date



 Linda P. Le
 Retirement Plan Manager

6/28/17
 Date



 Mary E. Alvarez
 Utility Executive Secretary

6/28/17
 Date