

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

MINUTES

July 26, 2017

Board Members Present:

Javier Romero, President
Barry Poole, Vice President
LaTanya Bogin, Regular Member
Timothy Hemming, Retiree Member
David H. Wright, General Manager
Mel Levine, LADWP Commissioner

Board Members Absent:

Mario Ignacio, Chief Accounting Employee

Staff Present:

Linda P. Le, Retirement Plan Manager
Monette Carranceja, Asst. Retirement Plan Manager
Katie S. Zordilla, Asst. Retirement Plan Manager
Carlo Manjikian, Sr. Investment Officer
Sandra Turner, Senior Administrative Clerk

Others Present:

Joshua Geller, Deputy City Attorney

President Romero called the meeting to order at 9:03 a.m.

Mr. Wright arrived at 9:04 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. Turner stated no requests for public comments were received.

- 1. Approval of Minutes of July 12, 2017, Regular Meeting**
- 2. Termination from Rolls**
 - a) Termination of Monthly Allowance from the July 2017 Retirement Roll**
 - b) Termination of Ricard A. Aragon from the June 2017 Retirement Roll**

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

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

Nays: None

Absent: Ignacio

THE MOTION CARRIED.

- 3. Report of Payment Authorizations for June 2017**
- 4. Notice of Deaths for June 2017**
- 5. Summary of Contract Expirations**

6. **Report of Status of Insurance as of July 26, 2017**
7. **Report on Neuberger Berman – Extended Global Credit – On Site Due Diligence Visit**
8. **Report on The Northern Trust Company – On Site Due Diligence Visit**
9. **Articles of Interest**
 - a) **Real Estate Industry Article – PERE News, Dated July 17 2017**
 - b) **Transparent California Press Release – DWP trio cleared over \$1 million in pension pay, new data shows – Dated July 17, 2017**
 - c) **LADWP Press Release – Fact Check: Transparent CA Misleads on LADWP Pension Recipient & Pension System, Dated July 17, 2017**
 - d) **L.A. Daily News – LADWP paid out \$435 million in pension benefits last year, watchdog says, Dated July 17, 2017**

Mr. Levine moved that the Board approve Items 3 through 9; seconded by Mr. Poole.

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

Nays: None

Absent: Ignacio

THE MOTION CARRIED.

10. 2017 Management Audit of the Water and Power Employees' Retirement Plan

Ms. Le presented the 2017 Management Audit for the period July 1, 2010 to June 30, 2015, completed by Aon Hewitt. Aon noted that the Plan is generally operating in an efficient and economical manner. Aon also highlighted many positives in administration of the Plan and provided fifty (50) recommendations. Ms. Le stated a quarter of the recommendations have already been completed. The Retirement Board instructed staff to break down the recommendations into sections of five to ten items. The sections should be brought back to the Retirement Board in a series of meetings for consideration.

11. Consideration of Designation of Trustee for Incompetents for Lupe Sornoso

Bradley Moe presented the report to request approval for Consideration of Designation of Trustee for Incompetents. Discussion ensued regarding the designation of trustees and the approval process.

Mr. Hemming moved that the Board approve Resolution No. 18-09; seconded by Mr. Wright.

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

Nays: None

Absent: Ignacio

THE MOTION CARRIED.

12. Annual Presentation by Zeno Consulting Group – Trading Cost Analysis Provider

Mr. Romero acknowledged Mr. Warren Chun of Zeno Consulting Group, who presented the Trading Cost Analysis Provider annual presentation.

13. Presentation by Pension Consulting Alliance, LLC – 2016 Fourth Quarter Private Equity Performance Report

Mr. Romero acknowledged Mr. Tad Fergusson and Mr. Ethan Samson of Pension Consulting Alliance, LLC, who presented the 2016 Fourth Quarter Private Equity Performance Report.

14. CLOSED SESSION - PURSUANT TO SUBDIVISIONS (a) AND (d)(1) OF GOVERNMENT CODE SECTION 54956.9 to Confer with, or Receive Advice from, Legal Counsel Regarding the Consolidated Class Action Against Lendingclub Corporation Pending in the United States District Court, Northern District of California

No discussion held.

15. Investment Reports for May 2017

- a) Summary of Investment Returns as of May 31, 2017
- b) Market Value of Investments by Fund and Month as of May 31, 2017
- c) Market Value of the Retirement, Death, and Disability Funds and Retiree Health Care Fund as of May 31, 2017.

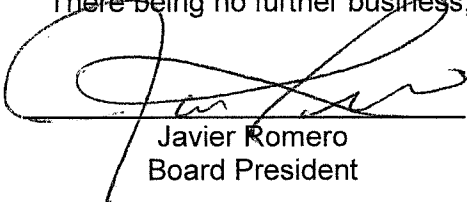
16. Retirement Plan Manager's Comments

There were no comments.

17. Future Agenda Items

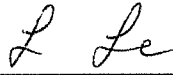
There were no requests for future agenda items.

There being no further business, the meeting adjourned at 9:39 a.m.



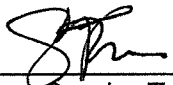
Javier Romero
Board President

8/19/17
Date



Linda P. Le
Retirement Plan Manager

8/19/17
Date



Sandra Turner
Sr. Administrative Clerk

8/19/17
Date