

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

**AMENDED MINUTES**

**November 14, 2018**

**Board Members Present:**

LaTanya Bogin, President  
Barry Poole, Vice President  
Adolfo Felix, Member  
Timothy Hemming, Retiree Member  
David H. Wright, LADWP, General Manager

**Board Members Absent:**

Mario Ignacio, Chief Accounting Employee  
Aura Vasquez, LADWP Commissioner

**Staff Present:**

Linda P. Le, Retirement Plan Manager  
Monette Carranceja, Asst. Retirement Plan Manager  
Thomas Simonovski, Interim Asst. Retirement Plan  
Manager  
Jeremy Wolfson, Chief Investment Officer  
Ligia Johnson, Sr. Administrative Clerk

**Others Present:**

Joshua Geller, Deputy City Attorney

President Bogin called the meeting to order at 9:05 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. Johnson stated no requests for public comments were received.

**1. Approval of Minutes**

- a) **September 26, 2018, Regular Meeting**
- b) **September 26, 2018, Special Meeting**
- c) **October 24, 2018, Regular Meeting**

**2. Termination of Monthly Allowance from the October 2018 Retirement Roll**

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

*Ayes: Bogin, Felix, Hemming, Poole, Wright*

*Nays: None*

*Absent: Ignacio, Vasquez*

*THE MOTION CARRIED.*

**3. Report of Payment Authorizations**

- a) **September 2018**
- b) **October 2018**

**4. Notice of Deaths for September 2018**

**5. Investment Reports for September 2018**

- a) **Summary of Investment Returns as of September 30, 2018**
- b) **Market Value of Investments by Fund and Month as of September 30, 2018**
- c) **Market Value of the Retirement, Death, and Disability Funds and Retiree Health Care Fund as of September 30, 2018.**

6. **Summary of Contract Expirations for October 2018**
7. **Report on Status of Insurance for October 2018**
8. **Articles of Interest**
9. **Retirement Plan Office 2019 Annual Schedules**
  - a) **Board of Administration of the Water and Power Employees' Retirement Plan – 2019 Schedule of Regular Meetings**
  - b) **Board of Administration of the Water and Power Employees' Retirement Plan – 2019 Schedule of Annual Reports**
  - c) **Water and Power Employees' Retirement Plan – 2019 Calendar of Retirement Seminars**
  - d) **Water and Power Employees' Retirement Plan – 2019 Calendar of Retirement Deadlines**
10. **Report on Real Estate Investment in Brookfield Premier Real Estate Partners, L.P.**
11. **Report on Real Estate Investment in USAA Eagle Estate Fund**

*Mr. Hemming moved that the Board receive and file Items 3 through 11; seconded by Mr. Poole.*

*Ayes: Bogin, Felix, Hemming, Poole, Wright*

*Nays: None*

*Absent: Ignacio, Vasquez*

*THE MOTION CARRIED*

12. **Investment Reports for August 2018**
  - a) **Summary of Investment Returns as of August 31, 2018**
  - b) **Market Value of Investments by Fund and Month as of August 31, 2018**
  - c) **Market Value of the Retirement, Death, and Disability Funds and Retiree Health Care Fund as of August 31, 2018.**

The Retirement Board entered Closed Session at 9:08 a.m. to discuss the following:

13. **CLOSED SESSION – PURSUANT TO GOVERNMENT CODE SECTION 54956.81 to Consider the Purchase of One Particular, Specific Pension Fund Investment**

Discussion held – action taken but not reportable.

The Retirement Board reconvened in Open Session at 9:42 a.m.

14. **Status of Recommendations from the 2017 Management Audit**

Ms. Carranceja presented the report to create an Ad Hoc Committee to review and determine the direction to staff for each of the outstanding recommendations from the 2017 Management Audit for Actuarial and Financial, Systems and Website, and Miscellaneous categories. She also pointed out that Investment Recommendation No. 15, Private Equity as a component within the Equity rebalancing range, was being presented to the Retirement Board for informational purposes, since it was inadvertently omitted from the July 25, 2018, meeting.

The Retirement Board agreed and Ms. Bogin recommended that the Ad Hoc Committee be comprised of Mr. Poole as the Chair, Mr. Felix, and Mr. Ignacio.

*Mr. Poole moved that the Board approve Resolution No. 19-35; seconded by Mr. Hemming.*

*Ayes: Bogin, Felix, Hemming, Poole, Wright*

*Nays: None*

*Absent: Ignacio, Vasquez*

*THE MOTION CARRIED.*

#### **15. Discussion of Extension for JP Morgan Investment Management, Inc., Principal Protection**

Mr. Wolfson briefly discussed the item and introduced Fahad Haider, staff, and Ryan Sullivan and Becky Gratsinger of RVK, Inc. (RVK), the Plan's general consultant, who presented the item to extend the contract with JP Morgan Investment Management, Inc., one of the Plan's Principal Protection fixed-income investment managers, for three years beginning April 1, 2019 through March 31, 2022. Mr. Haider requested a minor amendment to the first paragraph of the report's Summary to correct the Plan asset amount from \$7320 to \$732 million.

*Mr. Poole moved that the Board approve Resolution No. 19-36, as amended; seconded by Mr. Felix.*

*Ayes: Bogin, Felix, Hemming, Poole, Wright*

*Nays: None*

*Absent: Ignacio, Vasquez*

*THE MOTION CARRIED.*

#### **16. Discussion of Contract Extension for Western Asset Management Company, Global Inflation-Linked Securities**

Mr. Wolfson briefly discussed the item and introduced Mr. Haider and Mr. Sullivan and Ms. Gratsinger of RVK who presented the request to extend the contract with Western Asset Management Company (WAMCO), the Plan's Global Inflation-Linked Securities (GILS) manager, for three years beginning April 1, 2019 through March 31, 2022. Mr. Felix inquired if WAMCO remains on watch status, and Mr. Wolfson confirmed it does.

*Mr. Poole moved that the Board approve Resolution No. 19-37; seconded by Mr. Felix.*

*Ayes: Bogin, Felix, Hemming, Poole, Wright*

*Nays: None*

*Absent: Ignacio, Vasquez*

*THE MOTION CARRIED.*

#### **17. Annual Presentation by Blackrock Institutional Trust Company – International Developed Passive Equity Manager**

Mr. Wolfson briefly discussed the item and introduced Christian De Leon, Vice President and Jeremy Watt, Director, of Blackrock Institutional Trust Company, presented the annual report on the International Developed Passive Equity Manager.

**18. Annual Presentation by FIAM, LLC – International Developed Growth Equity Manager**

Yvette Friber, Senior Vice President, Camille L. Carlstrom, Portfolio Manager, and Matthew C. Torrey, Executive Investment Director, of FIAM, LLC, presented the annual report on International Developed Growth Equity Manager.

**19. Annual Presentation by MFS Institutional Advisors – International Developed Value Equity Manager**

Carolyn Lucey, Relationship Manager, and Camille Humphries Lee, Institutional Portfolio Manager, of MFS Institutional Advisors, Inc., presented the annual report on the International Developed Value Equity Manager.

**20. Annual Presentation by Blackstone – Hedge Fund of Funds Manager**

Bobby McGann, James Sliger, Vice President, and Brad Rudner, Managing Director, of Blackstone, presented the annual report on the Hedge Fund of Funds Manager.

**21. Presentation by StepStone Real Estate – 2018 Second Quarter Real Estate Portfolio Performance**

Jay Morgan, Partner of StepStone Real Estate presented the 2018 Second Quarter Real Estate Portfolio Performance.

**Retirement Plan Manager’s Comments**

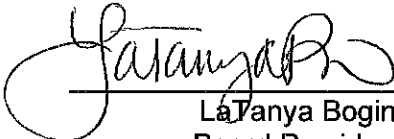
Ms. Le reported on the following:

- The Benefits Committee met on October 31, 2018, to consider Rosa Ortiz denial of request to rescind her retirement application, and the Committee upheld the denial.
- The Benefits Committee met today, November 14, 2018, to consider Ckentrell L. Johnson denial of temporary disability benefits, and the Committee upheld the denial.

**Future Agenda Items**

No future items.

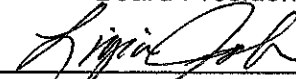
There being no further business, the meeting adjourned at 11:10 a.m.

  
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 Lanya Bogin  
 Board President

12/12/18  
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 Date

  
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 Linda P. Le  
 Retirement Plan Manager

12/12/18  
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 Date

  
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 Ligia Johnson  
 Recording Secretary/Sr. Admin. Clerk

12/12/18  
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 Date