

APPROVED

MINUTES OF THE REGULAR MEETING OF THE BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, PASADENA, CA 91101

9:00 A.M., WEDNESDAY, AUGUST 10, 2022

This meeting was conducted by teleconference under California Government Code Section 54953(e).

PRESENT: Herman Santos, Chair

David Green, Vice Chair

Elizabeth Greenwood

Joseph Kelly (Left the meeting at 11:30 a.m.)

Keith Knox (Left the meeting at 11:15 a.m.)

Elizabeth B. Ginsberg (Joined the meeting at 11:03 a.m.)

Onyx Jones

Patrick Jones (Left the meeting at 11:30 a.m.)

Gina Sanchez

ABSENT: Shawn Kehoe, Secretary

STAFF ADVISORS AND PARTICIPANTS

Jonathan Grabel, Chief Investment Officer

Santos H. Kreimann, Chief Executive Officer

Steven P. Rice, Chief Counsel

Luis Lugo, Deputy Chief Executive Officer

JJ Popowich, Assistant Executive Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

Laura Guglielmo, Assistant Executive Officer

Christine Roseland, Senior Staff Counsel

Ted Granger, Interim Chief Financial Officer

Vache Mahseredjian, Principal Investment Officer

James Rice, Principal Investment Officer

Jude Pérez, Principal Investment Officer

Scott Zdrzil, Principal Investment Officer

Chad Timko, Senior Investment Officer

Quoc Nguyen, Investment Officer

Krista Powell, Investment Officer

Ron Senkandwa, Investment Officer

Amit Aggarwal, Investment Officer

Mike Romero, Senior Investment Analyst

Mel Tsao, Senior Investment Analyst

David Simpson, Investment Officer

Pushpam Jain, Investment Officer

John Kim, Senior Investment Analyst

Terra Elijah, Investment Analyst

Bob Schlotfelt, Chief Information Security Officer

Kathy Delino, Interim Chief Information Technology Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

Barry W. Lew, Legislative Affairs Officer

Meketa Investment Group (General Investment Consultants)

Aysun Kilic, Managing Principal

Tim Filla, Managing Principal

Albourne (Real Assets ex-Real Estate, Illiquid Credit & Hedge Funds Consultant)

Mark White, Head of Real Assets

James Walsh, Partner

Steven Kennedy, Partner

StepStone Group LP (Real Estate Consultants)

Thomas Hester, Managing Director

Margaret McKnight, Partner

James Maina, Vice President

Milliman,

Nick Collier, Actuary Consultant

Craig Glyde, Actuary Consultant

I. CALL TO ORDER

The meeting was called to order virtually by Chair Santos at 9:00 a.m.

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of July 13, 2022

Ms. Greenwood made a motion, Mr. Green seconded, to approve the minutes of the regular meeting of July 13, 2022. The motion passed (roll call), with Messrs. Kelly, Knox, Green, P. Jones, Santos, Mses. O. Jones, and Greenwood voting yes and Ms. Sanchez abstaining. Mr. Kehoe was absent from the vote.

III. REPORT ON CLOSED SESSION ITEMS

There was nothing to report.

IV. PUBLIC COMMENT

There were no requests from the public to speak.

V. CHIEF EXECUTIVE OFFICER'S REPORT
(Memo dated July 26, 2022)

Mr. Kreimann provided a brief presentation on the Chief Executive Officer's Report and answered questions from the Board.

VI. CHIEF INVESTMENT OFFICER'S REPORT
(Presentation dated August 10, 2022)

Mr. Grabel provided a brief presentation on the Chief Investment Officer's Report and answered questions from the Board.

VII. CONSENT ITEMS

Ms. Sanchez made a motion, Mr. Green seconded, to approve consent items VII.A through VII.D. The motion passed (roll call), with Messrs. Kelly, Knox, Green, P. Jones, Santos, Meses. O. Jones, Sanchez, and Greenwood. Mr. Kehoe was absent from the vote.

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board approves that, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, and if so, direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees. (Memo dated July 25, 2022)

VII. CONSENT ITEMS (Continued)

- B. Recommendation that the Board approve attendance of Trustees at the 16th Annual Small and Emerging Managers (SEM) Conference in Chicago, IL on October 12 – 13, 2022 and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated July 26, 2022) (Placed on the agenda at the request of Trustee Greenwood)
- C. Recommendation that the Board approve attendance of Trustees at the 2022 SuperReturn Africa in Cape Town, South Africa on December 5 – 7, 2022 and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated July 26, 2022) (Placed on the agenda at the request of Trustee O. Jones)
- D. Recommendation that the Board approve attendance of Trustees at the Infrastructure Investor America Forum Conference in New York, New York on December 6 – 7, 2022 and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated July 22, 2022) (Placed on the agenda at the request of Trustee P. Jones)

VIII. NON-CONSENT ITEMS

- A. Recommendation as submitted by Jude Pérez, Principal Investment Officer; Laura Guglielmo, Assistant Executive Officer; Ted Granger, Interim Chief Financial Officer; Christine Roseland, Senior Staff Counsel; Bob Schlotfeld, Chief Information Security Officer; and Kathy Delino, Interim Chief Information Technology Officer: That the Board retain State Street Bank and Trust Co. for global custody and commercial banking services for LACERA's Pension Plan and OPEB Master Trust. (Memo dated July 26, 2022)

Messrs. Perez, Granger, Schlotfeld and Meses. Guglielmo, Roseland, Delino were present and provided a presentation to the Board.

Mr. Kelly made a motion, Ms. Sanchez seconded, to retain State Street Bank and Trust Co. for global custody and commercial banking services for LACERA's Pension Plan and OPEB Master Trust.

VIII. NON-CONSENT ITEMS (Continued)

The motion passed (roll call), with Messrs. Kelly, Knox, Green, P. Jones, Santos, Mses. O. Jones, and Sanchez voting yes. Mr. Kehoe and Ms. Greenwood were absent from the vote.

IX. REPORTS

- A. 2022 Triennial Actuarial Projects – Retirement Benefits Educational Session
Santos H. Kreimann, Chief Executive Officer
Ted Granger, Interim Chief Financial Officer
Nick Collier, Milliman
Craig Glyde, Milliman
(Memo dated August 10, 2022)

Mr. Granger and Mr. Collier and Glyde of Milliman provided a presentation and answered questions from the Board.

This item was received and filed.

- B. U.S. Securities and Exchange Commission Comment Letter Regarding Climate-Related Disclosures
Scott Zdrazil, Principal Investment Officer
(For Information Only) (Memo dated July 29, 2022)

This item was received and filed.

- C. U.S. Securities and Exchange Commission Comment Letter Regarding Private Fund Advisers
Scott Zdrazil, Principal Investment Officer
(For Information Only) (Memo dated August 1, 2022)

This item was received and filed.

- D. Monthly Status Report on Legislation
Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated June 26, 2022)

This item was received and filed.

IX. REPORTS (Continued)

E. Legal Projects

Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated August 1, 2022)

Ms. Roseland was present and answered questions from the Board.

This item was received and filed.

F. Status Report on Recruitment Progress

Santos H. Kreimann, Chief Executive Officer
(For Information Only) (Memo dated July 28, 2022)

This item was received and filed.

G. Monthly Travel & Education Reports – June 2022

Ted Granger, Interim Chief Financial Officer

Staff Travel and Education Report for Fiscal Year End 2021-2022
(Memo dated July 18, 2022)

Trustee Travel and Education Report for Fiscal Year End 2021-2022
(Memo dated July 18, 2022)

Mr. Granger was present and answered questions from the Board.

This item was received and filed.

H. Semi-Annual Interest Crediting for Reserves as of June 30, 2022
(UNAUDITED)

Ted Granger, Interim Chief Financial Officer
(For Information Only) (Memo dated July 26, 2022)

This item was received and filed.

I. July 2022 Fiduciary Counsel Contact and Billing Report

Steven P. Rice, Chief Counsel
(For Information Only) (Privileged and Confidential)
(Attorney-Client Communication/Attorney Work Product)
(Memo dated July 25, 2022)

This item was received and filed.

X. ITEMS FOR STAFF REVIEW

A trustee requested the CEO to include the Report on Status of the EKA Strategic Update in the monthly CEO Report.

In addition, a trustee requested that a discussion of the topic of a uniform device policy for trustees be added to a future agenda.

A trustee requested staff to provide an update regarding the Status of PrimeGov and live Board meetings at a future meeting.

Lastly, a trustee requested staff to revise the Trustee Travel and Education Report for Fiscal Year End 2021-2022 to reflect an additional conference for Trustee Sanchez.

XI. GOOD OF THE ORDER
(For information purposes only)

This item was received and filed.

XII. EXECUTIVE SESSION (Mr. Kelly and Mr. Jones left the meeting at 11:30 a.m.)

A. Conference with Staff and Legal Counsel to Consider the Purchase or Sale of Particular, Specific Pension Fund Investments
(Pursuant to California Government Code Section 54956.81)

1. Illiquid Credit Emerging Manager Program Separate Account Manager Search Recommendation
Vache Mahseredjian, Principal Investment Officer
Chad Timko, Senior Investment Officer
Quoc Nguyen, Investment Officer
Krista Powell, Investment Officer
(Memo dated July 29, 2022)

Messrs. Mahseredjian, Timko, Nguyen and Ms. Powell provided a presentation and answered questions from the Board.

XII. EXECUTIVE SESSION (Continued)

Ms. Sanchez made a motion, seconded by Mr. Green, to approve the engagement of Stable Asset Management as a separate account manager to build an evergreen emerging manager program of illiquid credit strategies. The motion passed (roll call), with Messrs. Green and Santos and Meses. Ginsberg, Greenwood, O. Jones, and Sanchez voting yes. Messrs. P. Jones, Kehoe, and Kelly were absent from the vote.

2. Blackstone Real Estate Partners X
James Rice, Principal Investment Officer
Amit Aggarwal, Investment Officer
Mike Romero, Senior Investment Analyst
Mel Tsao, Senior Investment Analyst
(Memo dated July 25, 2022)

Messrs. Rice, Aggarwal, Romero and Tsao and Messrs. Hester and Maina and Ms. McKnight of StepStone Group provided a presentation and answered questions from the Board.

Ms. O. Jones made a motion, seconded by Mr. Santos, to approve a commitment of up to \$300 million to Blackstone Real Estate Partners X, which is a private real estate fund making opportunistic investments in the growth segment globally, with a primary focus in the United States and Canada. The motion passed (roll call), with Messrs. Green and Santos and Meses. Ginsberg, Greenwood, O. Jones, and Sanchez voting yes. Messrs. P. Jones, Kehoe, and Kelly were absent from the vote.

XII. EXECUTIVE SESSION

3. Brookfield Strategic Real Estate Partners IV
James Rice, Principal Investment Officer
Amit Aggarwal, Investment Officer
Cindy Rivera, Senior Investment Analyst
(Memo dated July 25, 2022)

Messrs. Rice, Aggarwal, and Ms. Rivera and Messrs. Hester and Maina and Ms. McKnight of StepStone Group provided a presentation and answered questions from the Board.

Ms. O. Jones made a motion, seconded by Mr. Green, to approve a commitment of up to \$300 million to Brookfield Strategic Real Estate Partners IV, which is a private real estate fund making opportunistic investments in the growth segment globally, with focus in the Americas, Europe, and Asia-Pacific. The motion passed (roll call), with Messrs. Green and Santos and Meses. Ginsberg, Greenwood, O. Jones, and Sanchez voting yes. Messrs. P. Jones, Kehoe, and Kelly were absent from the vote.

4. OPEB Master Trust Private Market Investment Search Recommendation
Jude Pérez, Principal Investment Officer
Chad Timko, Senior Investment Officer
David Simpson, Investment Officer
Pushpam Jain, Investment Officer
John Kim, Senior Investment Analyst
Terra Elijah, Investment Analyst
(Memo dated July 28, 2022)

Messrs. Perez, Timko, Simpson, Jain, Kim and Ms. Elijah provided a presentation and answered questions from the Board.

XII. EXECUTIVE SESSION

Ms. Sanchez made a motion, seconded by Mr. Green, to approve engagement of Hamilton Lane Advisors as a discretionary separate account manager to implement a private markets investment program, up to 20% of assets under management, for the OPEB Master Trust. The motion passed 6-0 (roll call), with Messrs. Green and Santos and Mses. Ginsberg, Greenwood, O. Jones, and Sanchez voting yes. Messrs. P. Jones, Kehoe, and Kelly were absent from the vote.

- B. Public Employee Performance Evaluation (Pursuant to Paragraph (1) of Subdivision (b) of California Government Code Section 54957)

Title: Chief Executive Officer

There was nothing to report. This item will be agendaized for the Board of Investments meeting on September 14, 2022.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:50 p.m.

Signature on File

SHAWN KEHOE, SECRETARY

Signature on File

HERMAN SANTOS, CHAIR