

APPROVED

MINUTES OF THE REGULAR MEETING OF THE BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

8:30 A.M., WEDNESDAY, SEPTEMBER 13, 2023

This meeting was conducted by the Board of Investments both in person and by teleconference under California Government Code Section 54953(f).

TRUSTEES PRESENT

Gina Sanchez, Chair

Herman Santos, Vice Chair

Elizabeth Ginsberg

Jason Green

Onyx Jones (Arrived at 9:00 a.m.)

Patrick Jones

David Ryu (Arrived at 9:15 a.m.)

TRUSTEES ABSENT

Joseph Kelly, Secretary

David Green

Keith Knox

STAFF ADVISORS AND PARTICIPANTS

Jonathan Gabel, Chief Investment Officer

Santos Kreimann, Chief Executive Officer

Jude Pérez, Deputy Chief Investment Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

Steven P. Rice, Chief Counsel

Luis Lugo, Deputy Chief Executive Officer

JJ Popowich Assistant Chief Executive Officer

Ted Granger, Interim Chief Financial Officer

James Rice, Principal Investment Officer

Christopher Wagner, Principal Investment Officer

Magdalia Armstrong, Senior Investment Analyst

John Kim, Investment Officer

Didier Acevedo, Investment Officer

Terra Elijah, Senior Investment Analyst

Mike Romero, Senior Investment Analyst

Quoc Nguyen, Investment Officer

Shelly Tilaye, Senior Investment Analyst

Inga Tadevosyan, Senior Investment Analyst

Soniah Ginoyan, Senior Investment Analyst

Kathryn Ton, Senior Investment Analyst

Meketa Investment Group (General Investment Consultants)

Timothy Filla, Managing Principal

Leandro Festino, Managing Principal

Aysun Kilic, Managing Principal

STAFF ADVISORS AND PARTICIPANTS (Continued)

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

Kristen Jones, Partner

Jennifer Yeung, Senior Portfolio Analyst

Mark White, Partner

StepStone Group LP (Real Estate and Private Equity Consultants)

Jose Fernandez, Partner

Margaret McKnight, Partner

I. CALL TO ORDER

The meeting was called to order by Chair Sanchez at 8:30 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Trustee Santos led the Trustees and staff in reciting the Pledge of Allegiance.

III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953(f)

A. Just Cause

B. Action on Emergency Circumstance Requests

C. Statement of Persons Present at AB 2449 Teleconference Locations

No requests were received for (A) Just Cause or (B) Emergency Circumstances.

IV. WELCOME AND OPENING REMARKS

Chair Sanchez and Mr. Grabel made introductory comments.

V. PUBLIC COMMENT

There were no requests from the public to speak.

VI. RISK MANAGEMENT IN PRIVATE MARKETS

This session was divided into two sections starting with an introduction to LACERA's multi-dimensional risk management in private markets and presentations by Albourne and StepStone that discuss their respective risk management framework in private markets. The session will then lead into a panel discussion focused on various risk factors across private asset classes.

James Rice, LACERA
Terra Elijah, LACERA
Kristen Jones, Albourne
Jennifer Yeung, Albourne
Mark White, Albourne
Margaret McKnight, Stepstone
Jose Fernandez, Stepstone

Investments staff, consultants and guest speakers provided a presentation and answered questions from the Board. The presentation materials were received and filed.

VII. EVOLUTION OF LACERA'S PORTFOLIO

This session discussed how LACERA's portfolio has evolved over the last 20 years across multiple dimensions of portfolio management, highlighting several significant historical initiatives and outlining future aspirations to further advance the portfolio objectives.

Mike Romero, LACERA
Magdalia Armstrong, LACERA
Quoc Nguyen, LACERA
Shelly Tilaye, LACERA
Inga Tadevosyan, LACERA

Investments staff, consultants and guest speakers provided a presentation and answered questions from the Board. The presentation materials were received and filed.

VIII. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of August 9, 2023

A motion was made by Trustee P. Jones, seconded by Trustee Ryu, to approve the Regular Meeting Minutes of August 9, 2023. The motion passed by the following roll call vote:

Yes: Ginsberg, Santos, J. Green, Ryu, P. Jones, O. Jones, Sanchez

Absent: D. Green, J. Kelly

IX. EXECUTIVE UPDATE

A. Chief Investment Officer's Report

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

B. Member Spotlight

Mr. Popowich recognized LACERA member, Magdalena Lopez.

C. Chief Executive Officer's Report

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

X. CONSENT ITEMS

A motion was made by Trustee Santos, seconded by Trustee Ryu to approve consent item B-H, excluding items A and F. The motion passed by the following roll call vote:

Yes: Ginsberg, Santos, P. Jones, Sanchez, Ryu, J. Green, O. Jones

Absent: D. Green, J. Kelly

A. **Credit Structure Review**

Recommendation as submitted by Joseph Kelly, Chair, Credit and Risk Mitigation Committee: That the Board approve the initiatives and recommendations within the Credit Structure Review as well as

X. CONSENT ITEMS (Continued)

amendments proposed and advanced by the Credit and Risk Mitigation Committee. The amendments pertain to delegating manager selection authority for this asset category to the CIO, subject to reporting requirements. (Memo dated August 21, 2023)

A motion was made by Trustee Santos, seconded by Trustee Ryu to approve consent item A. The motion passed by the following roll call vote:

Yes: Ginsberg, Santos, P. Jones, Sanchez, Ryu, J. Green

No: O. Jones

Absent: D. Green, J. Kelly

B. **Risk Reduction and Mitigation Structure Review**

Recommendation as submitted by Joseph Kelly, Chair, Credit and Risk Mitigation Committee: Approve the initiatives and recommendations within the Risk Reduction and Mitigation Structure Review advanced by the Credit and Risk Mitigation Committee. (Memo dated September 1, 2023)

C. **Revision of Trustee Education Policy—Preapproved External Educational Conferences**

Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board approve the deletion of the following conferences from the list of Approved External Educational Conferences in the Trustee Education Policy: 1. Government Finance Officers Association (GFOA); 2. Milken Institute; and 3. Harvard Law School Labor and Worklife Program. (Memo dated August 21, 2023)

D. **LACERA's Revised Mission, Vision, and Values**

Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board approve and adopt LACERA's revised Mission, Vision, and Values. (Memo dated August 24, 2023)

X. CONSENT ITEMS (Continued)

E. **2023 Midwest + West Coast Summit in Chicago, Illinois on October 5, 2023**

Recommendation that the Board approve attendance of Trustees at the 2023 Midwest + West Coast Summit in Chicago, Illinois on October 5, 2023, and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated August 31, 2023) (Placed on the agenda at the request of Trustee, Sanchez)

F. **Revised Joint Organizational Governance Committee Charter**

Revised Joint Organizational Governance Committee Charter Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board review and approve and adopt the revised Joint Organizational Governance Committee Charter. (Memo dated August 29, 2023) (Confidential Attachment dated May 31, 2023)

A motion was made by Trustee Santos, seconded by Trustee J. Green to approve consent item F. The motion passed by the following roll call vote:

Yes: Ginsberg, Santos, P. Jones, O. Jones, Sanchez, Ryu, J. Green

Absent: D. Green, J. Kelly

G. **Staff Assistant Classification and Compensation Study**

Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board approve the following proposed classification and compensation changes for implementation: 1) Title change, description revision and salary change for the Disability Retirement Support Specialist I, LACERA classification; and 2) Delete the Disability Retirement Support Specialist II, LACERA classification. (Memo dated August 29, 2023)

H. **Southeast Investors Annual Meeting in Miami, Florida on December 6, 2023**

Recommendation that the Board approve attendance of Trustees at the Southeast Investors Annual Meeting in Miami, Florida on

X. CONSENT ITEMS (Continued)

December 6, 2023, and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated September 7, 2023) (Placed on the agenda at the request of Trustee, Santos)

XI. EXCLUDED FROM CONSENT ITEMS

Item VIII. A. and VIII. F was pulled and further discussed.

XII. REPORTS

A. **LACERA Total Fund Quarterly Performance Book**
Meketa Total Fund Quarterly Performance Book

Jude Pérez Principal Investment Officer
Dale Johnson, Investment Officer
John Kim, Investment Officer
Soniah Ginoyan, Investment Analyst
Kathryn Ton, Investment Analyst
(Memo dated September 1, 2023)

Messrs. Perez, Johnson, Kim, and Meses. Ton and Ginoyan provided a presentation and answered questions from the Board. This item was received and filed.

B. **LACERA OPEB Trust Quarterly Performance Book**
Meketa OPEB Trust Quarterly Performance Book

Jude Pérez, Principal Investment Officer
(For Information Only) (Memo dated September 1, 2023)

This item was received and filed.

C. **Monthly Status Report on Legislation**

Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated August 25, 2023)

This item was received and filed.

XII. REPORTS (Continued)

D. **Legal Projects**

Earl Buehner, Senior Staff Counsel
(For Information Only) (Memo dated August 31, 2023)

This item was received and filed.

E. **2024 STAR COLA Program**

Ted Granger, Interim Chief Financial Officer
(For Information Only) (Memo dated August 24, 2023)

This item was received and filed.

F. **Monthly Trustee Travel & Education Reports – July 2023**
Quarterly Trustee Travel & Education Reports – 4th Quarter Fiscal Year 2023

Quarterly Staff Travel Report – 4th Quarter Fiscal Year 2023
(Public memo dated August 24, 2023) (Confidential memo dated August 24, 2023 - Includes Pending Travel)

This item was received and filed.

G. **August 2023 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 August 23, 2023)

This item was received and filed.

XIII. ITEMS FOR STAFF REVIEW

There were no items to report.

XIV. ITEMS FOR FUTURE AGENDAS

Trustee Patrick Jones requested to agendize a discussion regarding the hiring process for new positions and salary limits.

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

Trustees thanked staff for their work on the BOI Offsite.

XVI. EXECUTIVE SESSION

- 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. Innovation Endeavors V, L.P.

Christopher Wagner, Principal Investment Officer
Didier Acevedo, Investment Officer
(Memo dated August 21, 2023)

Messrs. Wagner and Acevedo and Mr. Fernandez of StepStone Group provided a presentation and answered questions from the Board.

Mr. P. Jones made a motion, seconded by Mr. Santos, to approve a commitment of up to \$75 million to Innovation Endeavors V, L.P., which is an early-stage venture capital fund that will invest across a variety of industries, including industrials, life sciences, health care delivery, vertical software, computing infrastructure, and climate. The motion passed by the following roll call vote:

Yes: Ginsberg, Santos, P. Jones, Sanchez, Ryu, J. Green, O. Jones

Absent: D. Green, J. Kelly

- B. Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation (Pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9) and
Initiation of Litigation (Pursuant to Paragraph (4) of Subdivision (d) of Section 54956.9)

Number of Cases: 1

There is nothing to report out at this time. The Board took action, which will be reported at the appropriate time under the Brown Act.

XVI. EXECUTIVE SESSION (Continued)

- C. Conference with Legal Counsel – Existing Litigation
Significant Exposure to Litigation
(Pursuant to Paragraph (1) of Subdivision (d) of California Government
Code Section 54956.9)

Number of Cases: 1

In re Revlon, Inc. Bankruptcy
Aimco CLO 10 Ltd, et al. v. Revlon, Inc., et al. Adversary
Proceeding (LACERA named as a Plaintiff)
U.S. District Court, Southern District of New York,
Case No. 22-01167-DSJ

There is nothing to report out.

XVII. ADJOURNMENT

There being no further business to come before the Board, the meeting was
adjourned at 2:45 p.m.

Signature on File

JOSEPH KELLY, SECRETARY

Signature on File

GINA SANCHEZ, CHAIR