

APPROVED

MINUTES OF A REGULAR MEETING OF THE BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

9:00 A.M., WEDNESDAY, MARCH 13, 2024

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

TRUSTEES PRESENT

Patrick Jones, Chair

Keith Knox, Vice Chair

Herman Santos, Secretary

Trevor Fay

Mike Gatto (Joined the meeting at 9:03 a.m.)

Jason Green (Joined the meeting at 9:06 a.m.)

Debbie Martin

Nicole Mi

David Ryu (Joined the meeting at 9:50 a.m.)

STAFF, ADVISORS, PARTICIPANTS:

Jonathan Gabel, Chief Investment Officer

Santo Kreimann, Chief Executive Officer

Jude Pérez, Deputy Chief Investment Officer

STAFF, ADVISORS, PARTICIPANTS (Continued)

Luis Lugo, Deputy Chief Executive Officer

JJ Popowich, Assistant Executive Officer

Steven P. Rice, Chief Counsel

Ted Granger, Chief Financial Officer

Michael Herrera, Senior Staff Counsel

Christine Roseland, Senior Staff Counsel

Vache Mahseredjian, Principal Investment Officer

Esmeralda del Bosque, Principal, Investment Officer

James Rice, Principal Investment Officer

Christopher Wagner, Principal Investment Officer

Scott Zdrazil, Principal Investment Officer

Dale Johnson, Investment Officer

Didier Acevedo, Investment Officer

John Kim, Investment Officer

Amit Aggarwal, Investment Officer

Cindy Rivera, Investment Officer

Ron Senkandwa, Investment Officer

Kathryn Ton, Senior Investment Analyst

Calvin Chang, Senior Investment Analyst

Soniah Ginoyan, Senior Investment Analyst

STAFF, ADVISORS, PARTICIPANTS (Continued)

Barry W. Lew, Legislative Affairs Officer

Meketa Investment Group (General Investment Consultants)

Timothy Filla, Managing Principal

Aysun Kilic, Managing Principal

Imran Zahid, Vice President

Albourne (Illiquid Credit, Real Assets and Hedge Funds Consultants)

Steven Kennedy, Partner

Jennifer Yeung, Senior Portfolio Analyst

StepStone Group LP (Real Assets Consultants)

Tom Hester, Partner

Margaret McKnight, Partner

StepStone Group LP (Equity Consultants)

Jose Fernandez, Partner & Co-COO

I. CALL TO ORDER

The meeting was called to order by Chair Jones at 9:00 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE (Trustee Green joined the meeting at 9:03 a.m.)

Trustee Fay 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

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

A physical quorum was present at the noticed meeting location. There were two requests received from Trustee Knox and Trustee Green to attend by teleconference for Just Cause (A) contagious illness. Trustee Knox confirmed that there were no individuals 18 years of age or older present at the teleconference location. Trustee Green confirmed that there were no individuals 18 years of age or older present at the teleconference location. No requests were received for Emergency Circumstances (B).

IV. APPROVAL OF MINUTES (Trustee Green joined the meeting at 9:05 a.m.)

A. Approval of the Minutes of the Regular Meeting of February 14, 2024

A motion was made by Trustee Santos, seconded by Trustee Green to approve the minutes of the Board of Investments meetings of February 14, 2024. The motion passed by following roll call vote:

Yes: Fay, Gatto, Green, Jones, Knox, Mi, Martin, Santos,

Absent: Ryu

V. PUBLIC COMMENT

Mr. Fein and Ms. Mejia from Unite Here Local 11 addressed the Board regarding an investment in Areas by PAI Europe VII.

VI. 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, Jenice Hines.

VI. EXECUTIVE UPDATE (Continued)

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.

VII. NON-CONSENT ITEMS

A. **Growth Functional Category Investment Guidelines Update**

Recommendation as submitted by Christopher J. Wagner, Principal Investment Officer and Esmeralda del Bosque, Principal Investment Officer: That the Board approve the proposed modifications to the Growth functional category investment guidelines, as outlined on slides 8 - 13 of the attached presentation.

(Memo dated February 23, 2024)

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

Yes: Fay, Gatto, Green, Jones, Knox, Mi, Martin, Ryu, Santos

B. **Real Estate Investment Guidelines Update**

Recommendation as submitted by James Rice, Principal Investment Officer: That the Board approve the proposed modifications to the Real Estate investment guidelines, as outlined on slides 10 - 15 of the attached presentation. (Memo dated February 28, 2024)

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

Yes: Fay, Green, Jones, Knox, Mi, Martin, Ryu, Santos

Abstain: Gatto

VIII. REPORTS

A. **Background on Strategic Approach to ESG-Related Investment Matters and Protocol for Incoming Inquiries**

Scott Zdrazil, Principal Investment Officer

(Presentation) (Memo dated February 15, 2024)

Mr. Zdrazil provided a presentation and answered questions from the Board. This item was received and filed.

B. **Strategic Asset Allocation Review and Risk Analysis**

Jonathan Grabel, Chief Investment Officer

Jude Perez, Deputy Chief Investment Officer

Tim Filla, Meketa

(Presentation) (Memo dated March 6, 2024)

Messrs. Grabel, Perez and Mr. Filla of Meketa provided a presentation and answered questions from the Board. This item was received and filed.

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

Esmeralda del Bosque, Principal Investment Officer

Dale Johnson, Investment Officer

John Kim, Investment Officer

Soniah Ginoyan, Senior Investment Analyst

Kathryn Ton, Senior Investment Analyst

(Presentation) (Memo dated March 1, 2024)

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

D. **OPEB Trust Quarterly Performance Book
Meketa OPEB Trust Quarterly Performance Book**

Esmeralda del Bosque, Principal Investment Officer

Dale Johnson, Investment Officer

John Kim, Investment Officer

Soniah Ginoyan, Senior Investment Analyst

Kathryn Ton, Senior Investment Analyst

(Presentation) (Memo dated March 1, 2024)

VIII. REPORTS (Continued)

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

E. **Private Equity Emerging Manager Program Update**

Christopher J. Wagner, Principal Investment Officer
Calvin Chang, Senior Investment Analyst
(Presentation) (Memo dated February 27, 2024)

Messrs. Wagner and Chang provided a presentation and answered questions from the Board. This item was received and filed.

F. **OPEB Master Trust Account Conversion**

Esmeralda V. del Bosque, Principal Investment Officer
John Kim, Investment Officer
Kathryn Ton, Senior Investment Analyst
Soniah Ginoyan, Senior Investment Analyst
(For Information Only) (Memo dated February 23, 2024)

Mses. Del Bosque, Ton, and Mr. Kim provided a presentation and answered questions from the Board. This item was received and filed.

G. **Legal Projects**

Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated March 4, 2024)

This item was received and filed.

H. **Salary Adjustments for Legal Office Staff Members**

Santos H. Kreimann, Chief Executive Officer
(For Information Only) (Memo dated February 21, 2024)

This item was received and filed.

I. **Monthly Status Report on Legislation**

Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated February 27, 2024)

This item was received and filed.

VIII. REPORTS (Continued)

- J. **Monthly Trustee Travel & Education Reports – January 2024, FY 22-23 2nd Quarter Trustee Travel & Education Expenditure Reports, and FY 23-24 2nd Quarter Staff Travel Report**
Ted Granger, Chief Financial Officer
(Public memo dated February 21, 2024) (Confidential memo dated February 21, 2024 - Includes Pending Travel)

This item was received and filed.

- K. **February 2024 Fiduciary Counsel Contact and Billing Report**
Steven P. Rice, Chief Counsel
(For Information Only) (Memo dated February 26, 2024) (Privileged and Confidential/Attorney-Client Communication/Attorney Work Product)

This item was received and filed.

IX. ITEMS FOR STAFF REVIEW

Trustee Mi requested a discussion regarding the challenges in the hiring process at LACERA.

X. ITEMS FOR FUTURE AGENDAS

There was nothing to report.

- XI. **GOOD OF THE ORDER**
(For Information Purposes Only)

The Board thanked Trustee Santos and Trustee Knox for their service on the Board of Investments.

XII. EXECUTIVE SESSION

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

1. Securities Lending Update

XII. EXECUTIVE SESSION (Continued)

Vache Mahseredjian, Principal Investment Officer
(For Information Only) (Memo dated February 29, 2024)

There was nothing to report.

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

1. *In re Interest Rate Swaps Antitrust Litigation*

United States District Court, Southern District of New York,
Case No. 16 MD 02704

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

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

Title: Chief Investment Officer

There was nothing to report.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 4:22 p.m.

Signature on File

JASON GREEN, SECRETARY

Signature on File

PATRICK JONES, CHAIR