

# APPROVED

## MINUTES OF THE REGULAR MEETING OF THE BOARD OF INVESTMENTS

### LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, PASADENA, CALIFORNIA 91101

9:00 A.M., WEDNESDAY, AUGUST 12, 2020

This meeting was conducted by teleconference under the Governor's Executive Order  
No. N-29-20.

PRESENT: David Green, Chair

Herman B. Santos, Vice Chair

Wayne Moore, Secretary

Alan Bernstein (Joined the meeting at 9:06 a.m.)

Elizabeth Greenwood (Joined the meeting at 9:50 a.m.)

Shawn Kehoe

Keith Knox

David Muir

Gina V. Sanchez

#### STAFF ADVISORS AND PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

Jonathan Grabel, Chief Investment Officer

Steven P. Rice, Chief Counsel

Christine Roseland, Senior Staff Counsel

Christopher Wagner, Principal Investment Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

John McClelland, Principal Investment Officer

Vache Mahseredjian, Principal Investment Officer

Jude Perez, Principal Investment Officer

Scott Zdrazil, Senior Investment Officer

Chad Timko, Senior Investment Officer

Derek Kong, Senior Investment Officer

Robert Santos, Investment Officer

Quoc Nguyen, Investment Officer

Jeff Jia, Senior Investment Analyst

Adam Cheng, Senior Investment Analyst

Barry W. Lew, Legislative Affairs Officer

Meketa Investment Group

Stephen McCourt, Managing Principal

Leandro Festino, Managing Principal

StepStone Group LP

Jose Fernandez, Partner

Albourne

James Walsh, Head of Portfolio Advisory

DLA Piper

David Parrish, Partner

I. CALL TO ORDER

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

## II. APPROVAL OF MINUTES

### A. Approval of the Minutes of the Regular Meeting of July 8, 2020

Mr. Santos made a motion, Mr. Knox seconded, to approve the minutes of the regular meeting of July 8, 2020. The motion passed unanimously (roll call) with Messrs. Green, Kehoe, Knox, Moore, Muir, Santos, and Ms. Sanchez voting yes.

## III. REPORT ON CLOSED SESSION ITEMS

There was nothing to report.

## IV. PUBLIC COMMENT

Daniel Goodman, Robert Farrell, Malcolm Harris, Veronica Sance and Jan Williams addressed the Board regarding the Baldwin Hills Crenshaw Plaza investment transaction.

Jordan Fein, Nakita Campbell and Elizabeth Mejia from Unite Here Local 11 addressed the Board regarding PAI Europe VII's investment in Areas.

(Mr. Bernstein joined the meeting at 9:06 a.m.)

## V. CHIEF EXECUTIVE OFFICER'S REPORT (Memo dated July 27, 2020)

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 12, 2020)

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

## VII. CONSENT ITEMS

Mr. Kehoe made a motion, Mr. Santos seconded, to approve the following consent items. The motion passed (roll call) with Messrs. Bernstein, Green, Kehoe, Knox, Moore, Muir, Santos, and Ms. Sanchez voting yes.

- A. Recommendation as submitted by Herman Santos, Chair, Equity: Public/Private Committee: That the Board approve the Growth Functional Category 2020 Mid-Cycle Structure Review advanced by the Equity: Public/Private Committee. (Memo dated July 31, 2020)
- B. Recommendation as submitted by David Muir, Chair, Real Estate Committee: That the Board approve the proposed Minimum Qualifications, Evaluation Criteria, and Scope of Work advanced by the Real Estate Committee. ( Memo dated July 23, 2020)

## VIII. REPORTS

- A. Risk Mitigation 2020 Mid-Cycle Structure Review  
Vache Mahseredjian, Principal Investment Officer  
Robert Santos, Investment Officer  
Chad Timko, Senior Investment Officer  
Quoc Nguyen, Investment Officer  
(Memo dated July 31, 2020)

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

(Ms. Greenwood joined the meeting at 9:50 a.m.)

- B. The Role of the General Partner and the Limited Partner Including in Times of Distress  
Christopher Wagner, Principal Investment Officer  
Christine Roseland, Senior Staff Counsel  
David Parrish, DLA Piper  
Thomas Califano, DLA Piper  
(Memo dated August 3, 2020)

VIII. REPORTS (Continued)

Mr. Wagner and Ms. Roseland and Mr. Parrish of DLA Piper provided a presentation and answered questions from the Board.

- C. Credit 2020 Mid-Cycle Structure Review  
Vache Mahseredjian, Principal Investment Officer  
Robert Santos, Investment Officer  
Chad Timko, Senior Investment Officer  
Quoc Nguyen, Investment Officer  
Jeff Jia, Senior Investment Analyst  
Adam Cheng, Senior Investment Analyst  
(Memo dated July 31, 2020)

Messrs. Mahseredjian, Santos, Timko, Nguyen, Jia and Cheng provided a presentation and answered questions from the Board.

- D. Investment and Operational Due Diligence in the Era of Covid-19  
Jude Perez, Principal Investment Officer  
James Walsh, Global Head of Portfolio Advisory - Albourne  
(Memo dated August 3, 2020)

Mr. Perez and Mr. Walsh of Albourne provided a presentation and answered questions from the Board.

- E. Diversity, Equity, and Inclusion Education Program and Action Plan  
Santos H. Kreimann, Chief Executive Officer  
Carly Ntoya, Ph.D., Director, Human Resources  
(For Information Only) (Memo dated July 28, 2020)

Staff were present and answered questions from the Board.

- F. Semi-Annual Interest Crediting for Reserves as of June 30, 2020  
(UNAUDITED)  
Ted Granger, Interim Chief Financial Officer  
(For Information Only) (Memo dated August 3, 2020)

This item was received and filed.

VIII. REPORTS (Continued)

- G. Statewide Ballot Measures: November 3, 2020 Election  
Barry W. Lew, Legislative Affairs Officer  
(For Information Only) (Memo dated July 24, 2020)

Staff were present and answered questions from the Board.

- H. Monthly Status Report on Legislation  
Barry W. Lew, Legislative Affairs Officer  
(For Information Only) (Memo dated July 22, 2020)

Staff were present and answered questions from the Board.

- I. Status of (1) Request for Proposals for Fiduciary Counsel Legal Services  
and (2) Request for Proposals for Media and Public Relations Consultant  
Steven P. Rice, Chief Counsel  
(For Information Only) (Memo dated July 27, 2020)

This item was received and filed.

- J. Monthly Status Report on Board of Investments Legal Projects  
Steven P. Rice, Chief Counsel  
(For Information Only) (Memo dated August 3, 2020)

This item was received and filed.

- K. Monthly Education and Travel Reports for June 2020  
Ted Granger, Interim Chief Financial Officer  
(For Information Only) (Public Memo dated July, 22 2020)

This item was received and filed.

- L. July 2020 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 27, 2020)

This item was received and filed.

August 12, 2020

Page 7

#### IX. ITEMS FOR STAFF REVIEW

Mr. Parrish of DLA Piper will provide staff with examples relating to limited liability protection and actions of limited partners in distressed private equity investments.

#### X. GOOD OF THE ORDER (For information purposes only)

Ms. Sanchez and Mr. Moore provided comments regarding diversity, equity, and inclusion in the investment portfolio.

Ms. Sanchez requested that Form 700 training be provided to the trustees. Mr. Bernstein requested simplification of the online filing process in filing of the Form 700.

Mr. Green recognized Mr. Perez for his excellent work on behalf of LACERA.

#### XI. 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. Secondary Sale Recommendation Jonathan Grabel, Chief Investment Officer (Memo dated July 29, 2020)

The Board discussed an investment. No action was taken. There is nothing to report out.

#### XII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:20 p.m.

August 12, 2020

Page 8

Signature on File

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WAYNE MOORE, SECRETARY

Signature on File

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DAVID GREEN, CHAIR