

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, FEBRUARY 10, 2021

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

PRESENT: Keith Knox, Chair

Joseph Kelly, Vice Chair

Alan Bernstein, Secretary

David Green

Elizabeth Greenwood

Shawn Kehoe

Ronal Okum

Gina V. Sanchez

Herman Santos

STAFF ADVISORS AND PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

Jonathan Grabel, Chief Investment Officer

Steven P. Rice, Chief Counsel

Ted Granger, Interim Chief Financial Officer

Christine Roseland, Senior Staff Counsel

STAFF ADVISORS AND PARTICIPANTS (Continued)

Vache Mahseredjian, Principal Investment Officer

Jude Perez, Principal Investment Officer

Chad Timko, Senior Investment Officer

Quoc Nguyen, Investment Officer

Meketa Investment Group

Stephen McCourt, Managing Principal

Leandro Festino, Managing Principal

Timothy Filla, Principal

Alina Yuan, Associate

StepStone Group LP

Jose Fernandez, Partner

The Townsend Group

Rob Kochis, Partner

Felix Fels, Vice President

Albourne

Mark White, Head of Real Assets

James Walsh, Partner

Steve Kennedy, Partner

MSCI ESG Research LLC

Jorge Mina, Managing Director

Christopher Brady, Executive Director

Stella Kondonidakos, Executive Director

I. CALL TO ORDER

The meeting was called to order virtually by Chair Knox at 9: 22 a.m.

February 10, 2021

Page 3

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of January 13, 2021

Mr. Green made a motion, Mr. Bernstein seconded, to approve the minutes of the regular meeting of January 13, 2021. The motion passed unanimously (roll call) with Messrs. Green, Santos, Kehoe, Okum, Bernstein, Kelly, Knox, Ms. Greenwood and Ms. Sanchez voting yes.

III. REPORT ON CLOSED SESSION ITEMS

There was nothing to report.

IV. PUBLIC COMMENT

Kelley Dixon, Shahidah Carter, Dennis Greene, Maribel Castillon, Keenan Sheedy and Carolyn Dasher provided a comment regarding Political Contributions by Money Managers.

Crenshaw Manor Community Association provided a written comment regarding Baldwin Hills Crenshaw Plaza.

V. CHIEF EXECUTIVE OFFICER'S REPORT
(Memo dated January 25, 2021)

Mr. Kreimann provided a brief presentation on the Chief Executive Officer's Report.

VI. CHIEF INVESTMENT OFFICER'S REPORT
(Presentation dated February 10, 2021)

Mr. Grabel provided a brief presentation on the Chief Executive Officer's Report.

VII. NON-CONSENT ITEMS

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel, to approve the “Powers and Duties of Investments Board Members,” which will be included with the ballot materials for the 2021 election of the Third Member of the Board of Investments and posted on lacera.com.
(Memo dated February 1, 2021)

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

Mr. Santos made a motion, Mr. Bernstein seconded, to approve staff recommendation with the suggested changes provided by Mr. Rice. The motion passed unanimously (roll call) with Messrs. Green, Santos, Kehoe, Okum, Bernstein, Kelly, Knox, Ms. Greenwood and Ms. Sanchez voting yes.

VIII. REPORTS

- A. Strategic Asset Allocation Capital Market Assumptions and OPEB Master Trust Discussion
Jude Perez, Principal Investment Officer
Leandro Faustino, Meketa Investment Group
Tim Filla, Meketa Investment Group
Alina Yuan, Meketa Investment Group
(Memo dated February 2, 2021)

Mr. Perez and Messrs. Faustino, Filla and Ms. Yuan of Meketa provided a presentation and answered questions from the Board.

- B. MSCI Analytics Investment Risk Education
Jude Perez, Principal Investment Officer
Jorge Mina, MSCI ESG Research LLC
Christopher Brady, MSCI ESG Research LLC
Stella Kondonijakos, MSCI ESG Research LLC
(Memo dated January 26, 2021)

Mr. Perez and Messrs. Mina, Brady and Ms. Kondonijakos of MSCI ESG Research LLC provided a presentation and answered questions from the Board.

VIII. REPORTS (Continued)

- C. Update - LACERA Holdings in Securities Subject to Executive Order 13959
Related to Investments that Finance Chinese Military Companies
Ted Wright, Principal Investment Officer
Esmeralda Del Bosque, Senior Investment Officer
Jeff Jia, Senior Investment Analyst
(For Information Only) (Memo dated January 25, 2021)

This item was received and filed.

- D. Semi-Annual Interest Crediting for Reserves as of December 31, 2020
(UNAUDITED)
Ted Granger, Interim Chief Financial Officer
(For Information Only) (Memo dated January 22, 2021)

This item was received and filed.

- E. Cost-Of-Living Adjustment Effective April 1, 2021
Ted Granger, Interim Chief Financial Officer
(For Information Only) (Memo dated January 22, 2021)

This item was received and filed.

- F. Monthly Status Report on Board of Investments Legal Projects
Steven P. Rice, Chief Counsel
(For Information Only) (Memo dated February 1, 2021)

This item was received and filed.

- G. Monthly Education and Travel Reports for December 2020
Ted Granger, Interim Chief Financial Officer
(For Information Only)

Monthly Education and Travel Reports for December 2020

(Public Memo dated January 25, 2021)

(Confidential Memo dated January 25, 2021 – Includes Anticipated Travel)

This item was received and filed.

VIII. REPORTS (Continued)

- H. January 2021 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 January 28, 2021)

This item was received and filed.

IX. ITEMS FOR STAFF REVIEW

The Board requested for staff to include all LACERA recruitments on the monthly CEO Report.

The Board requested for staff to return at a future meeting the status of the CEO, CIO and Chief Counsel Performance Evaluations and Salary adjustments.

The Board requested for staff to provide confirmation on the status of the OPEB Trust Contributions Sources and to provide an update on the OPEB Trust Allocation to the Board of Retirement.

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

There was nothing to report.

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. Caxton Global Investments
Vache Mahseredjian, Principal Investment Officer
Chad Timko, Senior Investment Officer
Quoc Nguyen, Investment Officer
(Memo dated January 22, 2021)

XI. EXECUTIVE SESSION (Continued)

Messrs. Timko and Nguyen and Mr. Walsh of Albourne provided a presentation and answered questions from the Board.

Mr. Santos made a motion, seconded by Mr. Green, the Board voted 8-1 to approve an investment of \$250 million, with an initial allocation of \$200 million, to Caxton Global Investments, which is a discretionary global macro hedge fund with a track record of low correlations to equity and credit markets and strong downside protection. The motion passed with Messrs. Green, Santos, Kehoe, Bernstein, Okum, Knox, Ms. Greenwood and Ms. Sanchez voting yes and Mr. Kelly voting no.

2. Brevan Howard Master Fund
Vache Mahseredjian Principal Investment Officer
Chad Timko, Senior Investment Officer
Quoc Nguyen, Investment Officer
(Memo dated January 29, 2021)

Messrs. Timko and Nguyen and Mr. Walsh of Albourne provided a presentation and answered questions from the Board.

Mr. Okum made a motion, seconded by Mr. Kelly, the Board voted 9-0 to approve an investment of \$250 million to Brevan Howard Master Fund, which is a discretionary global macro fund that focuses on both directional and relative value trading strategies. The motion passed with Messrs. Green, Santos, Kehoe, Bernstein, Kelly, Knox, Ms. Greenwood and Ms. Sanchez voting yes.

XI. EXECUTIVE SESSION (Continued)

3. Manager Selection for TA Realty Takeover Asset
Amit Aggarwal, Investment Officer
Mike Romero, Senior Investment Analyst
Cindy Rivera, Senior Investment Analyst
(For Information Only) (Memo dated January 22, 2021)

The Board received an information only report regarding staff action. It will be reported out at a future date in accordance with the Brown Act.

4. Private Equity Investment Update
David Chu, Senior Investment Officer
Derek Kong, Investment Officer
(For Information Only) (Memo dated January 25, 2021)

The Board received an information only report providing notice that LACERA completed a \$30 million private equity investment alongside Access Holdings. The investment was made in compliance with LACERA's private equity investment guidelines.

- 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

The Board met with legal counsel to discuss one case of anticipated investment-related litigation. The Board did not take action. There is nothing to report.

XII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned in memory of Trustee Santos's brother, Euclides Santos, at 1:04 p.m.

Signature on File

ALAN BERNSTEIN, SECRETARY

Signature on File

KEITH KNOX, CHAIR