

**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, OCTOBER 12, 2022

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

PRESENT: Herman Santos, Chair

David Green, Vice Chair (Joined the meeting at 9:16 a.m.)

Shawn Kehoe, Secretary (Left the meeting at 12:00 p.m.)

Keith Knox (Left the meeting at 11:20 a.m.)

Elizabeth B. Ginsberg (Joined the meeting at 11:10 a.m.)

Elizabeth Greenwood

Patrick Jones

Gina Sanchez (Left the meeting at 9:56 a.m.)

ABSENT: Onyx Jones

Joseph Kelly

STAFF ADVISORS AND PARTICIPANTS

Jonathan Grabel, Chief Investment Officer

Steven P. Rice, Chief Counsel

Ted Granger, Interim Chief Financial Officer

Luis Lugo, Deputy Chief Executive Officer

JJ Popowich, Assistant Executive Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

Laura Guglielmo, Assistant Executive Officer

Esmeralda del Bosque, Acting Principal Investment Officer

Mel Tsao, Investment Officer

Ron Senkandwa, Investment Officer

Jeff Jia, Senior Investment Analyst

Magdalia Armstrong, Senior Investment Analyst

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)

James Walsh, Partner

Mark White, Partner

StepStone Group LP (Real Estate Consultants)

Thomas Hester, Managing Director

Margaret McKnight, Partner

Nossaman LLP

Ashley K. Dunning, Partner, Co-Chair, Public Pensions and Investments Group

Milliman,

Nick Collier, Milliman Actuary

Craig Glyde, Milliman Actuary

I. CALL TO ORDER

The meeting was called to order by Chair Santos at 9:12 a.m.

## II. APPROVAL OF MINUTES

Mr. Knox made a motion, Ms. Sanchez seconded, to approve the minutes of the special meeting of September 13, 2022 and the regular meeting of September 14, 2022. The motion passed (roll call), with Messrs. P. Jones, Kehoe, Knox, Santos, Mses. Greenwood and Sanchez voting yes. Ms. O. Jones and Messrs. Green and Kelly were absent from the vote.

- A. Approval of the Minutes of the Special Meeting of September 13, 2022
- B. Approval of the Minutes of the Regular Meeting of September 14, 2022

## III. PUBLIC COMMENT

There were no requests from the public to speak.

## IV. EXECUTIVE UPDATE

- A. CHIEF EXECUTIVE OFFICER'S REPORT  
(Memo dated September 27, 2022)

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

- B. CHIEF INVESTMENT OFFICER'S REPORT  
(Presentation dated October 12, 2022)

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

V. CONSENT ITEMS

Ms. Greenwood made a motion, Mr. Kehoe seconded, to approve consent items, V.A. and V.B. The motion passed (roll call), with Messrs. P. Jones, Kehoe, Knox, Santos, Mses. Greenwood and Sanchez voting yes. Ms. O. Jones and Messrs. Green and Kelly were absent from the vote.

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel: 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 other public agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, so long as the State of Emergency remains in effect, and direct staff to comply with the agenda and public comment requirements of Section 54953(e)(3). Action taken by each Board will only apply to that Board and its Committees. (Memo dated September 26, 2022)
- B. Recommendation that the Board approve attendance of Trustees at the SuperReturn Japan in Tokyo, Japan on November 30, 2022 to December 1, 2022 and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated October 4, 2022) (Placed on the agenda at the request of Trustee Kehoe)

VI. NON-CONSENT ITEM (Mr. Green joined the meeting at 9:16 a.m.)

- A. Recommendation as submitted by Esmeralda del Bosque, Acting Principal Investment Officer, Ron Senkandwa, Investment Officer, Jeff Jia, Senior Investment Analyst and Magdalia Armstrong, Senior Investment Analyst: That the Board approve to increase the global equity emerging manager program (EMP) range from 0-5% to 0-10%. (Memo dated September 27, 2022)

VI. NON-CONSENT ITEM (Continued)

Mr. Green made a motion, Ms. Sanchez seconded, to approve to increase the global equity emerging manager program (EMP) range from 0-5% to 0-10%. The motion passed (roll call), with Messrs. Green, P. Jones, Knox, Santos and Meses. Greenwood and Sanchez voting yes and Mr. Kehoe voting no. Ms. O. Jones and Mr. Kelly were absent from the vote.

(Without objection, Item XI.A.1 was held out of order, after Item VI. A.)

VII. REPORTS (Ms. Sanchez left the meeting at 9:56 a.m.)  
(This item was held out of order after XI. A.)

- A. Presentation on Fiduciary Duty in Actuarial Decision-Making  
Steven P. Rice, Chief Counsel  
Ashley K. Dunning, Nossaman LLP, Partner, Co-Chair, Public Pensions and Investments Group  
(Presentation and Memo dated October 5, 2022)  
(Upon Request and Submission of Required Information, MCLE Credit will be Provided for LACERA Trustees and Employees Who Are Members of the California Bar)

Ms. Dunning of Nossaman LLP provided a presentation and answered questions from the Board. This item was received and filed.

- B. Pension Plan Actuarial Assumption Review  
Santos H. Kreimann, Chief Executive Officer  
Ted Granger, Interim Chief Financial Officer  
Nick Collier, Milliman Actuary  
Craig Glyde, Milliman Actuary  
(Memo dated September 29, 2022)

Mr. Granger and Messrs. Collier and Glyde of Milliman provided a presentation and answered question from the Board. This item was received and filed. (Ms. Ginsberg joined the meeting at 11:10 a.m.) (Mr. Knox left the meeting at 11:20 a.m.)

VII. REPORTS (Continued)

- C. Council of Institutional Investors Voting Ballot  
Scott Zdrazil, Principal Investment Officer  
(For Information Only) (Memo dated September 26, 2022)

This item was received and filed.

- D. Real Estate Process Workflow Findings – Update IV  
Esmeralda del Bosque, Acting Principal Investment Officer  
Cindy Rivera, Senior Investment Analyst  
(For Information Only) (Memo dated October 1, 2022)

This item was received and filed.

- E. RFP For Securities Litigation Monitoring and Approved Counsel  
Michael D. Herrera, Senior Staff Counsel  
(For Information Only) (Memo dated September 29, 2022)

This item was received and filed.

- F. 2023 Star Cola Program Award  
Ted Granger, Interim Chief Financial Officer  
(For Information Only) (Memo dated September 27, 2022)

This item was received and filed.

- G. Monthly Status Report on Legislation  
Barry W. Lew, Legislative Affairs Officer  
(For Information Only) (Memo dated September 27, 2022)

This item was received and filed.

- H. Legal Projects  
Christine Roseland, Senior Staff Counsel  
(For Information Only) (Memo dated October 3, 2022)

This item was received and filed.

VII. REPORTS (Continued)

- I. Monthly Travel & Education Reports – August 2022  
Ted Granger, Interim Chief Financial Officer

Monthly Trustee Travel & Education Reports for August 2022

(Public memo dated September 21, 2022)

(Confidential memo dated September 21, 2022 – Includes Pending Travel)

This item was received and filed.

- J. August 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 September 26, 2022)

This item was received and filed.

VIII. ITEMS FOR STAFF REVIEW

Mr. Rice stated that Trustees desiring MCLE credit for Item VII.A should complete and return information regarding attendance and an evaluation form that will be provided via email after the meeting.

IX. ITEMS FOR FUTURE AGENDAS

There was nothing to report.

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

There was nothing to report.

- XI. EXECUTIVE SESSION (Without objection, Item XI.A.1 was held out of order, after Item VI. A. Items XI.B and C were held in their agenda order.)

- 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. Global Equity Emerging Separate Account Manager Search Recommendation  
Esmeralda del Bosque, Acting Principal Investment Officer  
Ron Senkandwa, Investment Officer

XI. EXECUTIVE SESSION (Continued)

Jeff Jia, Senior Investment Analyst  
Magdalia Armstrong, Senior Investment Analyst  
(Memo dated September 27, 2022)

Mses. del Bosque, Armstrong and Messrs. Senkandwa and Jia provided a presentation and answered question from the Board.

Ms. Sanchez made a motion, seconded by Mr. Santos, to approve selection of NewAlpha Asset Management and Leading Edge Investment Advisors as separate account managers to implement an emerging manager program in global equity. The motion passed (roll call), with Messrs. Green, P. Jones, Kehoe, Knox, Santos, Mses. Greenwood and Sanchez voting yes. Mr. Kelly and Ms. O. Jones were absent from the vote.

(Mr. Kehoe left the meeting at 12:00 p.m.)

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

Title: Chief Investment Officer

There is nothing to report.

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

Title: Chief Counsel

There is nothing to report.



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XII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:08 p.m.

*Signature on File*

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SHAWN KEHOE, SECRETARY

*Signature on File*

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HERMAN SANTOS, CHAIR