

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, FEBRUARY 14, 2024

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

*Teleconference Location for Trustees and the Public under California Government Code Section 54953(b)  
1118 Ala Moana Blvd., 2nd Floor in Honolulu, HI 96814*

TRUSTEES PRESENT

Patrick Jones, Chair

Keith Knox, Vice Chair

Herman Santos, Secretary

Trevor Fay

Mike Gatto

Debbie Martin

Nicole Mi

David Ryu (Teleconference under Section 54953(b))

ABSENT:

Jason Green

STAFF, ADVISORS, PARTICIPANTS:

Jonathan Grabel, Chief Investment Officer

Jude Pérez, Deputy Chief Investment Officer

STAFF, ADVISORS, PARTICIPANTS (Continued)

Luis Lugo, Deputy Chief Executive Officer

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

Steven P. Rice, Chief Counsel

Ted Granger, Chief Financial Officer

Vache Mahseredjian, Principal Investment Officer

Esmeralda del Bosque, Principal, Investment Officer

James Rice, Principal Investment Officer

Christopher Wagner, Principal Investment Officer

Chad Timko, Senior Investment Officer

Dale Johnson, Investment Officer

Didier Acevedo, Investment Officer

John Kim, Investment Officer

Kathryn Ton, Senior Investment Officer

Christine Roseland, Senior Staff Counsel

Meketa Investment Group (General Investment Consultants)

Timothy Filla, Managing Principal

Aysun Kilic, Managing Principal

John Camp, Managing Principal

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

Steven Kennedy, Partner

Nossaman LLP, Peter H. Mixon, Fiduciary Counsel

I. CALL TO ORDER

The meeting was called to order by Chair Jones at 9:10 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Mr. Jim Rice 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

There was nothing to report. No trustees participated under Section 54953(f).

IV. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of January 10, 2024

A motion was made by Trustee Knox, seconded by Trustee Martin to approve the minutes of the Board of Investments meetings of January 10, 2024. The motion passed by following roll call vote:

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

Absent: Green

V. PUBLIC COMMENT

Valentina Dabos of Private Equity Stakeholder Project addressed the Board regarding Blackstone's acquisition of Tricon Residential. Messrs. Fein, Dressbach and Nichols 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, Gloria Holder.

### C. Chief Executive Officer's Report

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

## VII. NON-CONSENT ITEMS

### A. **Strategic Asset Allocation Capital Markets Expectations**

Recommendation as submitted by Jonathan Grabel, Chief Investment Officer and Jude Pérez, Deputy Chief Investment Officer and Tim Filla of Meketa Investment Group: That the Board approve Meketa Investment Group's proposed 10-year capital market expectations for use in determining LACERA's policy portfolio in the upcoming Strategic Asset Allocation Studies ("SAA") for the Total Fund ("Fund") and the OPEB Master Trust ("OPEB"). (Presentation) (Memo dated February 6, 2024)

A motion was made by Trustee Gatto, seconded by Trustee Knox, to approve Meketa Investment Group's proposed 10-year capital market expectations for use in determining LACERA's policy portfolio in the upcoming Strategic Asset Allocation Studies for the Total Fund and the OPEB Master Trust. The motion passed by the following roll call vote:

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

Absent: Green

VII. NON-CONSENT ITEMS (Continued)

**B. Risk, Analytics, and ESG Research Services – Request for Proposal**

Recommendation as submitted by Esmeralda del Bosque, Principal Investment Officer, Dale Johnson, Investment Officer, John Kim, Investment Officer, Kathryn Ton, Senior Investment Officer and Soniah Ginoyan, Senior Investment Officer: That the Board approve the proposed scope of services, minimum qualifications, evaluation criteria, and selection authority for a risk, analytics, and environmental, social, and governance (“ESG”) research and analytics services Request for Proposal. (Presentation) (Memo dated January 30, 2024)

A motion was made by Trustee Santos, seconded by Trustee Knox, to approve the proposed scope of services, minimum qualifications, evaluation criteria, and selection authority for a risk, analytics, and environmental, social, and governance (“ESG”) research and analytics services Request for Proposal. The motion passed by the following roll call vote:

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

Absent: Green

**C. LACERA 2024 Election of Third Member: Approval of Statement of Powers and Duties of Board of Investments Trustees**

Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board approve the attached document entitled “Powers and Duties of Board of Investments Trustees,” which will be included with the ballot materials for the 2024 election of the Third Member of the Board of Investments and posted on lacera.com.

(Memo dated February 5, 2024)

A motion was made by Trustee Santos, seconded by Trustee Mi, to approve the document entitled “Powers and Duties of Board of Investments Trustees,” which will be included with the ballot materials for the 2024 election of the Third Member of the Board of Investments and posted on lacera.com, with the inclusion of certain changes.

## VII. NON-CONSENT ITEMS (Continued)

A substitute motion was made by Trustee Knox, seconded by Trustee Fay, to approve the document entitled “Powers and Duties of Board of Investments Trustees,” which will be included with the ballot materials for the 2024 election of the Third Member of the Board of Investments and posted on lacera.com, with the inclusion of changes suggested by the trustees. The substitute motion passed by the following roll call vote:

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

Absent: Green

## VIII. REPORTS

### A. **Fiduciary Training**

Steven P. Rice, Chief Counsel

Peter H. Mixon, Nossaman LLP, Fiduciary Counsel  
(Presentation) (Memo dated February 7, 2024)

Mr. Rice introduced Mr. Mixon of Nossaman LLP provided a presentation and answered questions from the Board. This item was received and filed.

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

Scott Zdrazil, Principal Investment Officer

(Presentation) (Memo dated January 31, 2024)

This item was postponed and will be presented at a future Board meeting.

### C. **Cost-of-Living Adjustment Effective April 1, 2024**

Ted Granger, Chief Financial Officer

(For Information Only) (Memo dated January 22, 2024)

This item was received and filed.

VIII. REPORTS (Continued)

D. **Semi-Annual Interest Crediting for Reserves as of December 31, 2023 (UNAUDITED)**

Ted Granger, Chief Financial Officer

(For Information Only) (Memo dated January 24, 2024)

This item was received and filed.

E. **Legal Projects**

Christine Roseland, Senior Staff Counsel

(For Information Only) (Memo dated February 2, 2024)

This item was received and filed.

F. **Monthly Trustee Travel & Education Reports – December 2023**

Ted Granger, Chief Financial Officer

(Public memo dated January 24, 2024) (Confidential memo dated January 24, 2024 – Including Pending Travel)

This item was received and filed.

G. **January 2024 Fiduciary Counsel Contact and Billing Report**

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated January 29, 2024) (Privileged and Confidential/Attorney-Client Communication/Attorney Work Product)

This item was received and filed.

IX. ITEMS FOR STAFF REVIEW

There were no items to report.

X. ITEMS FOR FUTURE AGENDAS

There was nothing to report.

XI. GOOD OF THE ORDER

(For Information Purposes Only)

There was nothing to report.

## XII. 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. **One Item – I**

Christopher J. Wagner, Principal Investment Officer  
(For Information Only) (Memo dated February 1, 2024)

There is nothing to report.

#### 2. **One Item – II**

Christopher J. Wagner, Principal Investment Officer  
Didier Acevedo, Investment Officer  
(For Information Only) (Memo dated January 16, 2024)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a commitment of up to \$400 million to Clearlake Capital Partners Fund VIII, which is a private equity fund employing a global buyout strategy to make investments primarily in North America, with a sector focus in consumer, industrials, and technology.

#### 3. **Private Equity Investment Update – I**

Derek Kong, Investment Officer  
Cheryl Lu, Investment Officer  
(For Information Only) (Memo dated January 26, 2024)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a secondary commitment of £80 million (approximately \$100 million at the time of commitment) to PSC Accelerator II, a special purpose vehicle employing a buyout strategy to make financial services investments in the United Kingdom.



XII. EXECUTIVE SESSION (Continued)

4. **Private Equity Investment Update – II**

Didier Acevedo, Investment Officer  
Calvin Chang, Investment Analyst  
(For Information Only) (Memo dated January 3, 2024)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a \$75 million co-investment commitment in the financial services sector in the United States alongside Leonard Green Partners, a Board-approved manager.

5. **Secondary Sale**

Christopher J. Wagner, Principal Investment Officer  
Derek Kong, Investment Officer  
(For Information Only) (Memo dated January 16, 2024)

There is nothing to report.

6. **Notice of Redemption**

Vache Mahseredjian, Principal Investment Officer  
Chad Timko, Senior Investment Officer  
(For Information Only) (Memo dated January 31, 2024)

There is nothing to report.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:45 p.m.

  
HERMAN SANTOS, SECRETARY

  
PATRICK JONES, CHAIR