

# 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, AUGUST 14, 2024

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

*Teleconference Location for Trustees and the Public under California Government Code Section 54953(b):  
1388 Kapiolani Blvd., Honolulu, HI 96814*

#### TRUSTEES PRESENT

Patrick Jones, Chair

David Ryu, Vice Chair (Teleconference under Section 54953(b))

Mike Gatto

Elizabeth Ginsberg

Debbie Martin

Trevor Fay (Teleconference Due to Just Cause under Section 54953(f))

Nicole Mi

#### TRUSTEES ABSENT

Jason Green

Third Member, Seat Vacant

#### STAFF, ADVISORS, PARTICIPANTS:

Jonathan Grabel, Chief Investment Officer

Santos Kreimann, Chief Executive Officer

STAFF, ADVISORS, PARTICIPANTS (Continued)

Jude Pérez, Deputy Chief Investment Officer

Luis Lugo, Deputy Chief Executive Officer

Steven P. Rice, Chief Counsel

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

Ted Granger, Chief Financial Officer

Scott Zdrazil, Principal Investment Officer

Christopher J. Wagner, Principal Investment Officer

Vache Mahseredjian, Principal, Investment Officer

Esmeralda V. del Bosque, Principal Investment Officer

Dale Johnson, Senior Investment Officer

Derek Kong, Investment Officer

Krista Powell, Investment Officer

Quoc Nguyen, Investment Officer

Jason Choi, Senior Investment Analyst

StepStone Group LP (Equity Consultants)

Natalie Walker, Partner

Meketa Investment Group (General Investment Consultants)

Timothy Filla, Managing Principal

Aysun Kilic, Managing Principal

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

Steven Kennedy, Partner

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

Ms. Mi 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

A physical quorum was present at the noticed meeting location. There was one request received from Trustee Fay to attend by teleconference for Just Cause (A) Taking Care of a Child. Trustee Fay confirmed that there were no individuals 18 years of age or older present at the teleconference location.

IV. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of June 12, 2024

A motion was made by Trustee Gatto, seconded by Trustee Ryu, to approve the minutes of the Board of Investments meeting on June 12, 2024. The motion passed by following roll call vote:

Yes: Fay, Gatto, Ginsberg, Jones, Martin, Mi, Ryu

Absent: Green

V. PUBLIC COMMENT

There were no requests from the public to speak.

VI. EXECUTIVE UPDATE

A. Chief Investment Officer's Report

VI. EXECUTIVE UPDATE (Continued)

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, Diana Jimenez

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. **Credit Functional Category Investment Guideline Review**

Recommendation as submitted by Vache Mahseredjian, Principal Investment Officer; Chad Timko, Senior Investment Officer; Krista Powell, Investment Officer; Quoc Nguyen, Investment Officer; Jason Choi, Senior Investment Analyst; and Josiah Bezet, Senior Investment Analyst: That the Board approve the updated investment guidelines for the Credit functional category, as outlined on page 15 of the attached presentation. (Presentation) (Memo dated July 26, 2024)

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

Yes: Fay, Gatto, Ginsberg, Jones, Martin, Mi, Ryu

Absent: Green

VIII. REPORTS

A. **Investment-Related Services Procurement Policy Update**

Jonathan Grabel, Chief Investment Officer

Jude Pérez, Deputy Chief Investment Officer

Esmeralda del Bosque, Principal Investment Officer

Derek Kong, Investment Officer

Quoc Nguyen, Investment Officer

(Presentation) (Memo dated July 21, 2024)

VIII. REPORTS (Continued)

Messrs. Nguyen, Kong and Ms. del Bosque provided a presentation and answered questions from the Board. This item was received and filed.

**B. Joint Investor Statement on Hedge Fund Fee Structures**

Vache Mahseredjian, Principal Investment Officer

Scott Zdrazil, Principal Investment Officer

(For Information Only) (Memo dated July 17, 2024)

Messrs. Mahseredjian and Zdrazil were present to answer questions from the Board. This item was received and filed.

**C. Global Equity Emerging Manager Program Update**

Dale Johnson, Senior Investment Officer

Ron Senkandwa, Investment Officer

Magdalia Armstrong, Senior Investment Analyst

Adrian Gonzalez, Senior Investment Analyst

(For Information Only) (Memo dated July 17, 2024)

Mr. Johnson was present to answer questions from the Board. This item was received and filed.

**D. Legal Projects**

Christine Roseland, Senior Staff Counsel

(For Information Only) (Memo dated August 6, 2024)

This item was received and filed.

**E. Monthly Status Report on Legislation**

Barry W. Lew, Legislative Affairs Officer

(For Information Only) (Memo dated July 28, 2024)

This item was received and filed.

**F. Semi-Annual Interest Crediting for Reserves as of June 30, 2024 (UNAUDITED)**

Ted Granger, Chief Financial Officer

(For Information Only) (Memo dated July 23, 2024)

This item was received and filed.

VIII. REPORTS (Continued)

G. **Monthly Trustee Travel & Education Report – May 2024**

Ted Granger, Chief Financial Officer

(For Information Only) (Memo dated June 21, 2024)

This item was received and filed.

H. **Monthly Trustee Travel & Education Report – June 2024**

Ted Granger, Chief Financial Officer

(For Information Only) (Memo dated July 26, 2024)

This item was received and filed.

I. **Semi-Annual Report on Approved Engagements**

Barry W. Lew, Legislative Affairs Officer

(For Information Only) (Memo dated June 18, 2024)

This item was received and filed.

J. **June 2024 Fiduciary Counsel Contact and Billing Report**

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated June 27, 2024)

(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product and Exempt from Disclosure under California Government Code Sections 7927.705, 54957.5(a))

This item was received and filed.

K. **July 2024 Fiduciary Counsel Contact and Billing Report**

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated July 29, 2024)

(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product and Exempt from Disclosure under California Government Code Sections 7927.705, 54957.5(a))

This item was received and filed.

IX. ITEMS FOR STAFF REVIEW

There was nothing to report.

X. ITEMS FOR FUTURE AGENDAS

There was nothing to report.

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

Trustee Jones introduced the Investment Office Interns, Khalice Johnson, Jasmine Jones, Lorenzo Garcia. Mr. Grabel announced that Dale Johnson was promoted to Senior Investment Officer.

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  
Derek Kong, Investment Officer  
(For Information Only) (Memo dated July 1, 2024)

The Board received an information only memo reporting that, in June 2024, LACERA's Chief Investment Officer, within his Board-approved authority, approved a commitment of \$150 million to Kingswood Capital Opportunities Fund III, L.P., which is a private equity small buyout fund targeting consumer sector investments, primarily in the United States.

2. **One Item – II**

Christopher J. Wagner, Principal Investment Officer  
David Simpson, Investment Officer  
(For Information Only) (Memo dated July 11, 2024)

The Board received an information only memo reporting that, in July 2024, LACERA's Chief Investment Officer, within his Board-approved authority, approved a commitment of \$150

XII. EXECUTIVE SESSION (Continued)

million to Lightyear Fund VI, L.P., which is a private equity small buyout fund targeting financial sector investments, primarily in the United States.

3. **One Item – III**

James Rice, Principal Investment Officer  
Cindy Rivera, Investment Officer  
(For Information Only) (Memo dated July 22, 2024)

There is nothing to report.

4. **Private Equity Investment Update - I**

Didier Acevedo, Investment Officer  
Calvin Chang, Investment Analyst  
(For Information Only) (Memo dated July 11, 2024)

The Board received an information only memo reporting that, on May 2, 2024, LACERA's Chief Investment Officer, within his Board-approved authority, approved a \$57 million co-investment commitment in a professional services provider alongside Sterling Investment Partners, a Board-approved manager.

5. **Private Equity Investment Update - II**

Didier Acevedo, Investment Officer  
Cheryl Lu, Investment Officer  
(For Information Only) (Memo dated July 11, 2024)

The Board received an information only memo reporting that, on April 11, 2024, LACERA's Chief Investment Officer, within his Board-approved authority, approved a \$100 million co-investment commitment in the financial services sector alongside Centerbridge Partners, a Board-approved manager.

6. **Man AHL Alpha – Hedge Funds Investment**

Vache Mahseredjian, Principal Investment Officer  
Chad Timko Senior Investment Officer  
Quoc Nguyen, CFA Investment Officer  
(For Information Only) (Memo dated July 20, 2024)

XII. EXECUTIVE SESSION (Continued)

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 \$250 million to Man AHL Alpha, as part of LACERA's hedge fund portfolio.

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

1. **Title: Chief Counsel**

There was nothing to report.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 11:58 a.m.

*Signature on File*

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JASON GREEN, SECRETARY

*Signature on File*

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PATRICK JONES, CHAIR