

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, DECEMBER 11, 2024

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

TRUSTEES PRESENT

Patrick Jones, Chair

David Ryu, Vice Chair (Teleconference Due to Just Cause under Section 54953(f))

Jason Green, Secretary (Joined the meeting at 9:22 a.m.)

Trevor Fay

Mike Gatto

Elizabeth Ginsberg

Aleen Langton

Debbie Martin

Nicole Mi

STAFF, ADVISORS, PARTICIPANTS:

Jonathan Grabel, Chief Investment Officer

Santos Kreimann, Chief Executive Officer

Jude Pérez, Deputy Chief Investment Officer

Luis Lugo, Deputy Chief Executive Officer

Steven P. Rice, Chief Counsel

STAFF, ADVISORS, PARTICIPANTS:

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

Ted Granger, Chief Financial Officer

Scott Zdrazil, Principal Investment Officer

Vache Mahseredjian, Principal Investment Officer

Magdalia Armstrong, Senior Investment Analyst

Terri Herubin, Senior Investment Officer

Quoc Nguyen, Investment Officer

Kathryn Ton, Senior Investment Analyst

Cheryl Lu, Investment Officer

John Kim, Investment Officer

Calvin Chang, Senior Investment Analyst

Carly Ntoya, Director of Human Resources

StepStone Group LP (Equity Consultants)

Jose Fernandez, Partner

StepStone Group LP (Real Assets)

Margaret McKnight, 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 9:05 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Ms. Martin 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 Ryu to attend by teleconference for Just Cause (A) Childcare. Trustee Ryu 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 November 13, 2024

A motion was made by Trustee Gatto, seconded by Trustee Martin, to approve the minutes of the Board of Investments meeting on November 13, 2024. The motion passed by following roll call vote:

Yes: Fay, Gatto, Ginsberg, Jones, Langton, 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)(Trustee Green joined the meeting at 9:22 a.m.)

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, Vera Ashley-Potter.

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 ITEM (This item was held out of order, after XII.B.1, which was advanced, without objection, to before Item VII.)

A. **Chief Executive Officer Compensation**

Recommendation as submitted by Shawn Kehoe, Chair, Board of Retirement and Patrick Jones, Chair, Board of Investments: That the Board 1) Discuss and approve a merit increase for the Chief Executive Officer, Santos H. Kreimann, effective October 1, 2024; and 2) That the Board approve a 3% cost of living adjustment (COLA) for the Chief Executive Officer, Santos H. Kreimann, effective January 1, 2025. (Memo dated November 25, 2024)

At its December 4, 2024 meeting, the Board of Retirement voted to approve a merit adjustment of 5% effective October 1, 2024, a retention increase of 5% effective October 1, 2024 in recognition of the Chief Executive Officer having completed five years of LACERA service, and a cost of living adjustment of 3% effective January 1, 2025, subject to Board of Investments approval, for a total increase in salary as of January 1, 2025 from \$523,971 to \$593,659. (Supplemental Memo dated December 5, 2024)

A motion was made by Trustee Green, seconded by Trustee Langton, to approve a merit adjustment of 5% effective October 1, 2024, a retention increase of 5% effective October 1, 2024 in recognition of the Chief Executive Officer having completed five years of LACERA

VII. NON-CONSENT ITEM (Continued)

service, and a cost-of-living adjustment of 3% effective January 1, 2025, subject to Board of Investments approval, for a total increase in salary as of January 1, 2025 from \$523,971 to \$593,659.

The motion passed by the following roll call vote:

Before the vote on the item was taken, the statement of the proposed salary adjustments for the Chief Executive Officer was read by Director, Human Resources Carly Ntoya, Ph.D. as required by California Government Code Section 54953(c)(3).

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

VIII. REPORTS

A. **Annual Update and Review of LACERA TIDE (Towards Inclusion, Diversity, and Equity)**

Jonathan Grabel, Chief Investment Officer
(Memo dated November 26, 2024)

Mses. Armstrong, Ton, Lu and Messrs. Zdrzil and Nguyen provided a presentation and answered questions from the Board.

This item was received and filed.

B. **Total Fund Investment Cost Report – Fiscal Year 2024**

John Kim, Investment Officer
Calvin Chang, Senior Investment Analyst
(Memo dated December 1, 2024)

Messrs. Kim and Chang provided a presentation and answered questions from the Board.

This item was received and filed.

C. **LACERA Total Fund Quarterly Board Book**

Esmeralda del Bosque, Principal Investment Officer
(For Information Only) (Memo dated November 25, 2024)

VIII. REPORTS (Continued)

This item was received and filed.

- D. **OPEB Trust Quarterly Board Book**
Esmeralda del Bosque, Principal Investment Officer
(For Information Only) (Memo dated November 25, 2024)

This item was received and filed.

- E. **Principles for Responsible Investment Signatory Ballot**
Scott Zdrazil, Principal Investment Officer
(For Information Only) (Memo dated November 25, 2024)

This item was received and filed.

- F. **Board of Investments 2025 Meeting Calendar**
Linda El-Farra, Executive Board Assistant
(For Information Only) (Memo dated November 21, 2024)

This item was received and filed.

- G. **Legal Projects**
Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated December 3, 2024)

This item was received and filed.

- H. **2025 Brown Act Amendments Regarding Teleconferencing and Information Security**
Steven P. Rice, Chief Counsel
(For Information Only) (Memo dated November 20, 2024)

This item was received and filed.

- I. **Monthly Trustee Travel & Education Report – October 2024**
Fiscal Year 2024-2025 - 1st Quarter Trustee Travel and Education Expenditure Reports
Fiscal Year 2024-2025 - 1st Quarter Staff Travel Report
Ted Granger, Chief Financial Officer

VIII. REPORTS (Continued)

(For Information Only) (Memo dated November 19, 2024)

This item was received and filed.

J. **Fiduciary Counsel Annual Self-Assessments**

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated November 20, 2024)

(Attachments are 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. **November 2024 Fiduciary Counsel Contact and Billing Report**

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated November 18, 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)

The Board thanked Trustee Fay, whose term expires on December 31, 2024, for his service on the Board. Mr. Grabel welcomed Piers Hugh Smith to the Investment Office.

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. **Siguler Guff – Credit Investment**

Vache Mahseredjian, Principal Investment Officer

Chad Timko, Senior Investment Officer

Quoc Nguyen, Investment Officer

Krista Powell, Investment Officer

Jason Choi, Senior Investment Analyst

(For Information Only) (Memo dated November 25, 2024)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved an investment of \$500 million with Siguler Guff & Company, LP, a manager which will execute a credit strategy for LACERA structured as a dedicated managed account (DMA) by LACERA's DMA platform manager, Innocap.

2. **Mariner Atlantic Multi-Strategy Fund – Hedge Funds Investment**

Vache Mahseredjian, Principal Investment Officer

Chad Timko, Senior Investment Officer

Quoc Nguyen, Investment Officer

Krista Powell, Investment Officer

Jason Choi, Senior Investment Analyst

(For Information Only) (Memo dated November 25, 2024)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a hedge fund investment of \$600 million in Mariner Atlantic Multi- Strategy Fund, which executes relative value strategies across interest rate, credit, and mortgage securities.

3. **Centerbridge – Credit Investment**

Vache Mahseredjian, Principal Investment Officer

Chad Timko, Senior Investment Officer

XII. EXECUTIVE SESSION (Continued)

Quoc Nguyen, Investment Officer
Krista Powell, Investment Officer
Jason Choi, Senior Investment Analyst
(For Information Only) (Memo dated November 25, 2024)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved an investment of \$775 million to Centerbridge Partners, L.P., a manager which will manage a credit strategy for LACERA structured as a dedicated managed account (DMA) by LACERA's DMA platform manager, Innocap.

4. **Real Estate Investment Update**

Terri Herubin, Senior Investment Officer
Cindy Rivera, Investment Officer
(For Information Only) (Memo dated November 20, 2024)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a secondary acquisition of shares up to \$25 million in net asset value in IDR Core Property Index Trust, which is a core open-end commingled real estate fund investing in diversified United States regions and in which LACERA previously made an investment in 2019.

5. **One Item – I**

Christopher J. Wagner, Principal Investment Officer
Cheryl Lu, Investment Officer
(For Information Only) (Memo dated November 20, 2024)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a commitment of \$50 million to Jungle Ventures V, L.P., which is a private equity fund investing in early and early-growth stage opportunities primarily in Southeast Asia and India.

XII. EXECUTIVE SESSION (Continued)

6. **One Item – II**

Christopher J. Wagner, Principal Investment Officer
Shelly P. Tilaye, Senior Investment Analyst
(For Information Only) (Memo dated November 20, 2024)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a commitment of \$150 million to Thoma Bravo XVI, L.P., which is a private equity fund which executes a global buyout strategy primarily in the IT infrastructure, software and applications, and data security sectors in North America, and a commitment of \$100 million to Thoma Bravo Discover V, L.P., which is a private equity fund which executes a middle market buyout strategy primarily in the same sectors and geography.

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

(Without objection, this item was held out of order, before VIII.B.)

Title: Chief Executive Officer

There is nothing to report.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:46 p.m.

Signature on File

JASON GREEN, SECRETARY

Signature on File

PATRICK JONES, CHAIR