

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, FEBRUARY 12, 2025

This meeting was conducted in person and by emergency teleconference under California Government Code Section 54953(e) based on the Board of Investments action at its meeting on January 8, 2025.

TRUSTEES PRESENT

Jason Green, Chair (In-Person)

Patrick Jones, Vice Chair (In-Person)

David Ryu, Secretary (In-Person)

Mike Gatto (By Teleconference)

Elizabeth Ginsberg (In-Person)

Aleen Langton (In-Person)

Debbie Martin (By Teleconference)

Alma Martinez (In-Person)

Nicole Mi (In-Person)

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

STAFF, ADVISORS, PARTICIPANTS (Continued)

Steven P. Rice, Chief Counsel

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

Scott Zdrazil, Principal Investment Officer

Ted Granger, Chief Financial Officer

Michael Huang, Accounting Officer II

Michael Herrera, Senior Staff Counsel

Terri Herubin, Senior Investment Officer

Jessica Rivas, Staff Counsel

Cindy Rivera, Investment Officer

Michael Romero, Senior Investment Analyst

Stephanie Xia, Senior Investment Analyst

Meketa Investment Group (General Investment Consultants)

Timothy Filla, Managing Principal

StepStone Group LP (Real Assets Consultants)

James Maine, Partner

StepStone Group LP (Equity Consultants)

Jose Fernandez, Partner & Co-COO

Milliman

Nick Collier, Consulting Actuary

Craig Glyde, Consulting Actuary

I. CALL TO ORDER

The meeting was called to order by Chair Green at 9:00 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Trustee Jones led the Trustees and staff in reciting the Pledge of Allegiance.

III. ELECTIONS OF COMMITTEE MEMBERS

Election of Trustees to Joint Organizational Governance Committee (1 Trustee) and Audit, Compliance, Risk, and Ethics Committee (3 Trustees)

Trustee Green nominated Trustee Mi; Trustee Jones nominated Trustee Langton. Trustee Mi was elected as Joint Organizational Governance Committee Member by the following vote:

Yes: Gatto, Ginsberg, Green, Langton, Martin, Martinez, Mi

No: Jones

Absent: Ryu

Trustee Green announced that Trustee Mi, was elected to the position of Joint Organizational Governance Committee Member for 2025.

Trustee Mi nominated Trustee Martin, Trustee Green nominated Trustee Martinez, Trustee Langton nominated Trustee Mi, and Trustee Jones nominated Trustee Langton. Trustee Langton withdraw her nomination.

Hearing no other nominations, the nominations were closed. Trustee Green announced that Trustee Martin, Trustee Martinez, and Trustee Mi were elected to the position of Audit, Compliance, Risk, and Ethics Committee Member for 2025.

IV. APPROVAL OF MINUTES

- A. Approval of the Minutes of the Regular Meeting of December 11, 2024
- B. Approval of the Minutes of the Regular Meeting of January 8, 2025

A motion was made by Trustee Gatto, seconded by Trustee Martin, to approve the minutes of the Board of Investments meetings of

IV. APPROVAL OF MINUTES (Continued)

December 11, 2024, and January 8, 2025. The motion passed by following roll call vote:

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

V. PUBLIC COMMENT

There were no requests from the public to speak.

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, Anne Nedd-Campo.

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 (Continued)

A. **2025 Strategic Framework and Initiatives: Towards Best-in-Class Investor**

Recommendation as submitted by Jonathan Grabel, Chief Investment Officer: That the Board approve the 2025 Strategic Framework and Initiatives. (Memo dated December 23, 2024)

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

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

VII. NON-CONSENT ITEMS (Continued)

B. Real Estate Structure Review

Recommendation as submitted by Terri Herubin, Senior Investment Officer: That the Board approve the recommendations within the Real Estate Structure Review, which includes amendments to the Real Estate investment guidelines, as outlined on slides 25 and 34 of the attached presentation. (Memo dated December 19, 2024)

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

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

C. 2024 Actuarial Valuation of Retirement Benefits

Recommendation as submitted by Santos H. Kreimann, Chief Executive Officer, Ted Granger, Chief Financial Officer: That the Board:

1. Accept the June 30, 2024 Actuarial Valuation of Retirement Benefits as submitted by the Plan's consulting actuary, Milliman.

2. Adopt recommended employer contribution rates (all plan tiers) and employee contribution rates (PEPRA plans - General Plan G and Safety Plan C).

3. Delegate authority to the Chief Executive Officer to communicate the results of the 2024 Actuarial Valuation of Retirement Benefits to the Board of Supervisors on or before May 15, 2025, with a recommendation to implement the employer and employee rates no later than September 29, 2025.

(Presentation) (Memo dated January 24, 2025)

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

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

VIII. REPORTS

- A. **Responsible Contractor Policy Report**
Scott Zdrazil, Principal Investment Officer
Michael Romero, Senior Investment Analyst
Stephanie Xia, Senior Investment Analyst
(Presentation) (Memo dated January 24, 2025)

Messrs. Zdrazil, Romero and Ms. Xia provided a presentation and answered questions from the Board. This item was received and filed.

- B. **Semi-Annual Interest Crediting for Reserves as of December 31, 2024**
Ted Granger, Chief Financial Officer
Michael Huang, Accounting Officer II
(Presentation) (Memo dated January 30, 2025)

Mr. Granger, Huang and Messrs. Collier and Glyde of Milliman provided a presentation and answered questions from the Board. This item was received and filed.

- C. **LACERA 2025 Election of Fourth Member: Review and Update of The Statement of Powers and Duties of Board of Investments Trustees**
Steven P. Rice, Chief Counsel
(Presentation) (Memo dated February 3, 2025)

Mr. Rice provided a presentation and answered question from the Board. The Board provided comments to be considered in returning the item for action at its March 12, 2025 meeting. This item was received and filed.

- D. **Updating LACERA's Code of Ethical Conduct**
Steven P. Rice, Chief Counsel
Allison E. Barrett, Senior Staff Counsel
Jessica Rivas, Staff Counsel
(Presentation) (Memo dated December 17, 2024)

Ms. Rivas provided a presentation and answered questions from the Board. This item was received and filed.

VIII. REPORTS (Continued)

- E. **OPEB Master Trust Commingled Account Liquidation Update**
Esmeralda del Bosque, Principal Investment Officer
Soniah Ginoyan, Senior Investment Analyst
(For Information Only) (Memo dated January 15, 2025)

This item was received and filed.

- F. **StepStone Group Private Equity Consultant Self-Evaluation**
Jose Fernandez, Natalie Walker, Daniel Krikorian
StepStone Group LP
(For Information Only) (Memo dated December 6, 2024)

This item was received and filed.

- G. **StepStone Real Estate Consultant Self-Evaluation**
Margaret McKnight, Thomas Hester, Kristen Moore, James Maina
StepStone Real Estate
(For Information Only) (Memo dated December 30, 2024)

This item was received and filed.

- H. **Meketa Investment Group General Investment Consultant Self-Evaluation**
Tim Filla, Aysun Kilic, Alex Khorsandian, Imran Zahid
Meketa Investment Group
(For Information Only) (Memo dated December 20, 2024)

This item was received and filed.

- I. **Albourne Credit, Hedge Fund and Real Assets Consultant- Self-Assessment**
James Walsh, Stephen Kennedy, Tom Cawkwell, Mark White
Albourne America LLC
(For Information Only) (Memo dated December 19, 2024)

This item was received and filed.

- J. **ACRE Committee Annual Report to the Boards**
Debbie Martin, 2024 ACRE Committee Chair
Richard P. Bendall, Chief Audit Executive
(For Information Only) (Memo dated December 19, 2024)

VIII. REPORTS (Continued)

This item was received and filed.

K. Legal Projects – January 2025

Christine Roseland, Senior Staff Counsel

(For Information Only) (Memo dated December 31, 2024)

This item was received and filed.

L. Legal Projects – February 2025

Christine Roseland, Senior Staff Counsel

(For Information Only) (Memo dated January 31, 2025)

This item was received and filed.

M. Real Estate Recoveries Report

Christine Roseland, Senior Staff Counsel

(For Information Only) (Memo dated February 4, 2025)

This item was received and filed.

N. Board of Retirement Board Officers: 2025 Calendar Year

Santos H. Kreimann, Chief Executive Officer

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

This item was received and filed.

O. Cost-Of-Living Adjustment Effective April 1, 2025

Ted Granger, Chief Financial Officer

(For Information Only) (Memo dated January 24, 2025)

This item was received and filed.

P. Monthly Trustee Travel & Education Reports - November 2024

Ted Granger, Chief Financial Officer

(Public memo dated December 19, 2024)

This item was received and filed.

VIII. REPORTS (Continued)

Q. **Monthly Trustee Travel & Education Reports – December 2024**

Ted Granger, Chief Financial Officer
(Public memo dated January 23, 2025)

This item was received and filed.

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

Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated December 19, 2024)

This item was received and filed.

S. **December 2024 Fiduciary Counsel Contact and Billing Report**

Steven P. Rice, Chief Counsel
(For Information Only) (Memo dated December 20, 2024) (Privileged and Confidential/Attorney-Client Communication/Attorney Work Product)

This item was received and filed.

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

Steven P. Rice, Chief Counsel
(For Information Only) (Memo dated January 27, 2025) (Privileged and Confidential/Attorney-Client Communication/Attorney Work Product)

This item was received and filed.

IX. ITEMS FOR STAFF REVIEW

Trustee Green requested adding the Actuarial Funded Ratio to the significant valuation results.

X. ITEMS FOR FUTURE AGENDAS

There was nothing to report.

XI. GOOD OF THE ORDER

(For Information Purposes Only)

The Board and staff welcomed Trustee Martinez to the Board of Investments.

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. **Private Equity Investment Update - I**

Derek Kong, Investment Officer

Chery Lu, Investment Officer

(For Information Only) (Memo dated December 7, 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 \$75 million to a special purpose vehicle created to acquire an interest in an underlying business solutions enterprise.

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

Christopher J. Wagner, Principal Investment Officer

Calvin Chang, Senior Investment Analyst

(For Information Only) (Memo dated January 24, 2025)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a commitment of \$100 million to Blue Sage Capital IV, L.P., which is a private equity fund pursuing a small market buyout strategy in the U.S. industrial sector.

B. **Potential Threats to Public Services or Facilities**

(Pursuant to Subdivision (a) of California Government Code Section 54957)

Consultation with: LACERA Chief Investment Officer Jon Gabel, Deputy Chief Investment Officer, Jude Perez, Deputy Chief Executive Officer, Luis Lugo, Chief Counsel, Steven Rice, Senior Investment Officer, Dale Johnson, and Information Security Officer Chaitanya Errande, and Other LACERA Staff. (For Information Only) (Memo dated January 31, 2025)

There is nothing to report.

XII. EXECUTIVE SESSION (Continued)

C. **Conference with Legal Counsel – Existing Litigation**

(Pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9)

1. ***CPPIB Credit Investments, Inc. II, et al. v. Lions Gate Entertainment Corp., et al.***

(Supreme Court of the State of New York, Case No. 654398/2024)

(For Information Only) (Memo dated January 31, 2025)

There is nothing to report.

D. **Conference with Legal Counsel – Anticipated Litigation**

Initiation of Litigation (Pursuant to Paragraph (4) of Subdivision (d) of California Government Code Section 54956.9)

1. **Number of Cases: 1**

(Memo dated December 31, 2024)

There is nothing to report.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 2:12 p.m.

Signature on File

DAVID RYU, SECRETARY

Signature of File

JASON GREEN, CHAIR