



Building on Experience
Investing for Tomorrow
BOARD OF INVESTMENTS OFFSITE



September 10-11 2024

MINUTES OF A SPECIAL MEETING OF THE BOARD OF INVESTMENTS

A SPECIAL MEETING OF THE BOARD OF INVESTMENTS

AND BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

HILTON HOTEL | 100 W GLENOAKS BLVD, GLENDALE, CA 91202

8:30 A.M., WEDNESDAY, SEPTEMBER 11, 2024

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

Teleconference Locations for Trustees and the Public under California Government Code Section 54953(b).

Northeastern University - Ryder Hall 11 Leon St, Rm 285, Boston, MA 02115

TRUSTEES PRESENT

Patrick Jones, Chair (Teleconference under 54953(b))

David Ryu, Vice Chair (Joined the meeting at 8:45 a.m.)

Trevor Fay

Jason Green (Joined the meeting at 9:02 a.m.)

Mike Gatto (Teleconference Due to Just Cause under Section 54953 (f))

Elizabeth Ginsberg

Debbie Martin

Nicole Mi

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TRUSTEES ABSENT

Third Member, Seat Vacant

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

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

Scott Zdrazil, Principal Investment Officer

Christopher J. Wagner, Principal Investment Officer

Vache Mahseredjian, Principal, Investment Officer

Esmeralda V. del Bosque, Principal Investment Officer

Jim Rice, Principal Investment Officer

Dale Johnson, Senior Investment Officer

Chad Timko, Senior Investment Officer

Terri Herubin, Senior Investment Officer

Cindy Rivera, Investment Officer

Didier Acevedo, Investment Officer

Krista Powell, Investment Officer

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STAFF, ADVISORS, PARTICIPANTS (Continued)

Quoc Nguyen, Investment Officer

Derek Kong, Investment Officer

Calvin Chang, Senior Investment Analyst

Mike Romero, Senior Investment Analyst

StepStone Group LP (Equity Consultants)

Jose Fernandez, Partner

Elizabeth Ferry, Head of Operational Due Diligence

StepStone Group LP (Real Estate Consultants)

Thomas Hester, Partner

Meketa Investment Group (General Investment Consultants)

Timothy Filla, Managing Principal

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

Steven Kennedy, Partner

James Walsh, Partner

Hamilton Lane

Douglas Ford, Head of Operational Due Diligence

8:30 a.m.

Call to Order

The meeting was called to order virtually by Chair Jones at 8:30 a.m. at the Hilton Hotel in Glendale, CA

Pledge of Allegiance

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.

Public Comment

There were no requests from the public to speak.

8:35 a.m.

Welcome & Opening Remarks

Jonathan Grabel, Chief Investment Officer

Chair Jones and Mr. Grabel made introductory comments.

8:45 a.m.

Operational Due Diligence

Calvin Chang, Senior Investment Analyst

Mike Romero, Senior Investment Analyst

Douglas Ford, Head of Operational Due Diligence, Hamilton Lane

Elizabeth Ferry, Head of Operational Due Diligence, StepStone

This session defined Operational Due Diligence (ODD), differentiate ODD from Investment Due Diligence (IDD) and discussed the importance of ODD. In addition, this session examined the Consultants' role in ODD regarding the process, monitoring tools, and case studies and, lastly, ODD benefits to Emerging Managers.

Investments staff, consultants and guest speakers provided a presentation and answered questions from the Board. The presentation materials were received and filed.

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10:15 a.m. Break

10:30 a.m. Evolution of LACERA's Portfolio

Cindy Rivera, Investment Officer
Didier Acevedo, Investment Officer
Krista Powell, Investment Officer
Quoc Nguyen, Investment Officer

The session discussed the proactive and intentional evolution of LACERA's Portfolio in anticipation of greater financial needs to meet the obligations of its beneficiaries. The session highlighted accomplishments to date and present continued efforts LACERA is taking to meet future needs.

Investments staff, consultants and guest speakers provided a presentation and answered questions from the Board. The presentation materials were received and filed.

11:45 p.m. Closing Remarks & Good of the Order

Mr. Grabel provided a meeting discussion summary.

12:00 p.m. Lunch

AGENDA
A REGULAR MEETING OF THE BOARD OF INVESTMENTS
1:00 P.M., WEDNESDAY, SEPTEMBER 11, 2024

I. Call to Order

The meeting was called to order virtually by Chair Jones at 11:30 a.m. at the Hilton Hotel in Glendale, CA.

II. Approval of Minutes

A. Approval of the Minutes of the Regular Meeting of August 14, 2024

A motion was made by Trustee Fay, seconded by Trustee Martin, to approve the minutes of the Board of Investments meeting on August 14, 2024. The motion passed by following roll call vote:

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

III. Executive Update

A. Chief Investment Officer's Report
(For Information Only)

This item was received and filed

B. Member Spotlight
(For Information Only)

This item was received and filed

C. Chief Executive Officer's Report
(For Information Only)

This item was received and filed

IV. Consent Items

A. **Ratify Chief Negotiator – Irma Rodriguez Moisa**

Recommendation as submitted by Vivian Gray, Chair, Joint Organizational Governance Committee: That the Board ratify Irma Rodriguez Moisa to serve as LACERA's Chief Negotiator for negotiations with Service Employees International Union (SEIU) Local 721. (Memo dated August 21, 2024)

IV. Consent Items (Continued)

B. The PPI Executive Seminar and the Asia Pacific Roundtable in Hong Kong on October 20-25, 2024

Recommendation as submitted to approve attendance of Trustees at the PPI Executive Seminar and the Asia Pacific Roundtable in Hong Kong on October 20-25, 2024, and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated August 18, 2024)

A motion was made by Trustee Fay, seconded by Trustee Ryu, to approve Consent items A and B. The motion passed by the following roll call vote:

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

V. Non-Consent Item

A. Investment-Related Procurement Policy

Recommendation as submitted by Jonathan Grabel, Chief Investment Officer, Jude Pérez, Deputy Chief Investment Officer, Esmeralda del Bosque, Principal Investment Officer, Derek Kong, Investment Officer and Quoc Nguyen, Investment Officer: That the Board approve the adoption of the revised Investment-Related Procurement Policy. (Memo dated September 4, 2024)

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

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

VI. Reports

A. Actuarial Funding Policy and Interest Crediting Policy

Luis A. Lugo, Deputy Chief Executive Officer
Laura Guglielmo, Assistant Executive Officer
JJ Popowich, Assistant Executive Officer
Steven P. Rice, Chief Counsel
Vache Mahseredjian, Principal Investment Officer
Ted Granger, Chief Financial Officer
(Presentation) (Memo dated August 26, 2024)

VI. Reports (Continued)

Messrs. Lugo, Granger and Ms. Dunning of Nossaman and Mr. Collier of Milliman provided a presentation and answered questions from the Board. This item was received and filed.

- B. LACERA Total Fund Quarterly Performance Book
Meketa Total Fund Quarterly Performance Book**
Esmeralda del Bosque, Principal Investment Officer
Dale Johnson, Senior Investment Officer
John Kim, Investment Officer
Soniah Ginoyan, Senior Investment Analyst
Kathryn Ton, Senior Investment Analyst
(Presentation) (Memo dated August 26, 2024)

This item was received and filed.

- C. OPEB Trust Quarterly Performance Book
Meketa OPEB Trust Quarterly Performance Book**
Esmeralda del Bosque, Principal Investment Officer
John Kim, Investment Officer
Soniah Ginoyan, Senior Investment Analyst
Kathryn Ton, Senior Investment Analyst
(Presentation) (Memo dated August 26, 2024)

This item was received and filed.

- D. 2025 Star COLA Program Cost**
Ted Granger, Chief Financial Officer
(For Information Only) (Memos dated August 26, 2024)

This item was received and filed.

- E. Legal Projects**
Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated September 2, 2024)

This item was received and filed.

VI. Reports (Continued)

F. Monthly Status Report on Legislation

Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated August 22, 2024)

This item was received and filed.

G. Monthly Trustee Travel & Education Reports – July 2024

Quarterly Trustee Travel & Education Reports – 4th Quarter Fiscal Year 2024

Quarterly Staff Travel Report – 4th Quarter Fiscal Year 2024

Ted Granger, Chief Financial Officer
(For Information Only) (Memos dated August 23, 2024)

This item was received and filed.

H. August 2024 Fiduciary Counsel Contact and Billing Report

Steven P. Rice, Chief Counsel
(For Information Only) (Memo dated August 23, 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.

VII. Items for Staff Review

There was nothing to report.

VIII. Items for Future Agendas

There was nothing to report.

IX. Good of the Order

There was nothing to report.

X. 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. **Altor Climate Transition I (No. 1) AB, and Altor ACT Feeder LP (Co-Invest)**

James Rice, Principal Investment Officer

Jain Pushpam, Investment Officer

Terra Elijah, Senior Investment Analyst

Stephanie Xia, Senior Investment Analyst

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

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a commitment of €135 million (\$147 million) to Altor Climate Transition I (No. 1) AB, an energy transition fund focusing in industrial, consumer, and business services segments primarily in Northern Europe, and a commitment of €65 million (\$71 million) to a LACERA-dedicated co-invest vehicle, Altor ACT Feeder LP (Co-Invest).

2. **ARDIAN Infrastructure Fund VI S S.C.S., SICAV-RAIF ARDIAN Infra LA Co-Invest S.C.S.**

James Rice, Principal Investment Officer

Jain Pushpam, Investment Officer

Terra Elijah, Senior Investment Analyst

Stephanie Xia, Senior Investment Analyst

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

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a commitment of €200 million (\$218 million) to ARDIAN Infrastructure Fund VI S.S.C.S., SICAV-RAIF, an infrastructure fund targeting energy, transport, and telecom investments primarily in Western Europe, and a commitment of €100 million (\$109 million) to a LACERA-dedicated co-invest vehicle, ARDIAN Infra LA Co-Invest S.C.S.

X. Executive Session (Continued)

3. One Item – I

Dale Johnson, Senior Investment Officer
Magdalia Armstrong, Senior Investment Analyst
(For Information Only) (Memo dated August 23, 2024)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, terminated CornerCap Investment Counsel, Inc. as a global equity emerging manager.

4. Update on Emerging Market Debt Mandates

Vache Mahseredjian, Principal Investment Officer
Chad Timko, Senior Investment Officer
(For Information Only) (Memo dated August 30, 2024)

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, initiated a full redemption from the emerging manager debt portfolios managed by Ashmore Investment Management and Aberdeen Asset Management.

B. Conference with Labor Negotiators (Pursuant to California Government Code Section 54957.6)

1. Agency Designated Representatives:

Chief Negotiator Irma Rodriguez Moisa, Carly Ntoya, Santos H. Kreimann, Luis Lugo, Laura Guglielmo, JJ Popowich, Annette Cleary, and Jasmine Bath

Employee Organization: SEIU Local 721

There is nothing to report.

C. Conference with Legal Counsel – Existing Litigation (Pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9)

1. Number of Cases: 1

Downtown Crenshaw Rising, et al. v. Deutsche Bank, et al,
United States District Court, Central District of California Case
2:24-cv-07266

There is nothing to report.

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XI. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 12:40 p.m.

Signature on File

JASON GREEN, SECRETARY

Signature on File

PATRICK JONES, CHAIR