

MINUTES OF THE REGULAR MEETING  
**BOARD OF ADMINISTRATION**  
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

November 28, 2023

10:35 a.m.

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PRESENT:	President:	Annie Chao
	Vice President:	Sung Won Sohn
	Commissioners:	Thuy Huynh Elizabeth Lee Gaylord "Rusty" Roten Janna Sidley Michael R. Wilkinson
	Legal Counselor:	Anya Freedman
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian

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*The Items in the Minutes are numbered to correspond with the Agenda.*

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – President Chao asked if any persons wanted to make a general public comment to which there were four public comment cards received. The following members of the public made comments with respect to LACERS investment in Advent International and in support of restaurant/hotel workers: Jordan Fein, Maritza Villeda, Jesus Gonzalez, and Damaris Rivera.

II

GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager, advised the Board of the following items:
- Increase in hate crimes and discrimination
  - 10 Freeway Fire and Transit Impacts
  - Discretionary COLA Update
  - IRMAA Status
  - New Safety Measures at LACERS Headquarters

- City MOU regarding Employee Parking and Commute Options
- Core Strengths Training
- Health Benefits Administration updates
- Communications and Stakeholders Relations updates
- Upcoming Events

B. UPCOMING AGENDA ITEMS – Neil M. Guglielmo, General Manager, advised the Board of the following items:

- Board Meeting on December 12, 2023 – Education and travel expenditure report

### III

#### RECEIVE AND FILE ITEMS

A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR OCTOBER 2023 – This report was received by the Board and filed.

### IV

Commissioner Sidley moved approval of Consent Agenda Item IV-A, seconded by Commissioner Lee, and adopted by the following vote: Ayes, Commissioners Huynh, Lee, Roten, Sidley, Wilkinson, Vice President Sohn, and President Chao -7. Nays, None.

#### CONSENT ITEM(S)

A. APPROVAL OF MINUTES FOR THE REGULAR MEETING OF OCTOBER 24, 2023 AND POSSIBLE BOARD ACTION

### V

#### COMMITTEE REPORT (S)

A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE MEETING ON NOVEMBER 14, 2023 – Commissioner Lee stated the Committee approved the Private Equity Program 2024 Strategic Plan and the contract with Axiom Investors, LLC. The Committee also received the Brokerage Activity Report for the period July 1, 2022 to June 30, 2023 and the Committee continued the proposed investment policy regarding private credit investments and the investment program governance and review processes.

B. GOVERNANCE COMMITTEE VERBAL REPORT FOR THE MEETING ON NOVEMBER 28, 2023 – Commissioner Sidley stated the Committee discussed the Board Education and Travel Policy and the Committee’s direction will be brought to the full Board for consideration.

### VI

President Chao recessed the Regular meeting at 11:06 a.m. to convene in closed session.

#### CLOSED SESSION

**A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER A COMMITMENT TO KAYNE ANDERSON CORE REAL ESTATE, L.P. AND POSSIBLE BOARD ACTION**

President Chao reconvened the Regular meeting at 11:14 a.m.

VII

INVESTMENTS

A. CHIEF INVESTMENT OFFICER VERBAL REPORT INCLUDING DISCUSSION ON THE PORTFOLIO EXPOSURE TO GLOBAL EVENTS – Wilkin Ly, Investment Officer III, reported on the portfolio value of \$22.01 billion as of November 24, 2023. Wilkin Ly discussed the following items:

- VIX at 12.69
- Total exposure to Israel around \$137 million
- Russian exposure is still muted at \$991 thousand
- China Technology exposure is at \$24.3 million
- Jeff Goldberger and Trevor Jackson from Aksia presenting the Q2 2023 private equity portfolio performance report
- Aksia will present the 2024 private equity program strategic plan that was presented at the Investment Committee on November 14<sup>th</sup>
- One-year contract extension for Axiom Investors LLC
- Future Agenda Items: Q3 2023 total portfolio performance report by NEPC, Q2 2023 real estate portfolio performance report by Townsend, and the annual AB2833 report on fees from our alternative investment vehicles

B. PRESENTATION BY AKSIA LLC OF THE PRIVATE EQUITY PORTFOLIO PERFORMANCE REVIEW FOR THE PERIOD ENDING JUNE 30, 2023 – Trevor Jackson, Managing Director, and Jeff Goldberger, Managing Director, with Aksia LLC, presented and discussed this item with the Board for 30 minutes.

Commissioner Lee left the Board meeting at 12:00 p.m.

C. PRESENTATION BY AKSIA LLC OF THE PRIVATE EQUITY PROGRAM 2024 STRATEGIC PLAN AND POSSIBLE BOARD ACTION – Trevor Jackson, Managing Director, and Jeff Goldberger, Managing Director, Aksia LLC, presented and discussed this item with the Board for 15 minutes. Commissioner Roten moved approval, seconded by Vice President Sohn, and adopted by the following vote: Ayes, Commissioners Huynh, Roten, Sidley, Wilkison, Vice President Sohn, and President Chao -6; Nays, none.

D. APPROVAL OF 1-YEAR CONTRACT EXTENSION WITH AXIOM INVESTORS, LLC REGARDING THE MANAGEMENT OF AN ACTIVE NON-U.S. EMERGING MARKETS GROWTH EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Ellen Chen, Investment Officer III, presented and discussed this item with the Board for five minutes. Commissioner Wilkinson moved approval of the following Resolution:

**CONTRACT EXTENSION  
AXIOM INVESTORS, LLC  
ACTIVE NON-U.S. EMERGING MARKETS GROWTH EQUITIES  
PORTFOLIO MANAGEMENT**

**RESOLUTION 231128-B**

WHEREAS, LACERS' current one-year contract extension with Axiom Investors, LLC (Axiom) for active non-U.S. emerging markets growth equities portfolio management expires on December 31, 2023; and,

WHEREAS, a one-year contract extension will provide the necessary time to evaluate Axiom's performance with its stated growth strategy relative to its benchmark; and,

WHEREAS, on November 28, 2023, the Board approved the Investment Committee's recommendation to approve a one-year contract extension.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract subject to satisfactory business and legal terms and consistent with the following services and terms:

<u>Company Name:</u>	Axiom Investors, LLC
<u>Service Provided:</u>	Active Non-U.S. Emerging Markets Growth Equities Portfolio Management
<u>Effective Dates:</u>	January 1, 2024 through December 31, 2024
<u>Duration:</u>	One year
<u>Benchmark:</u>	MSCI Emerging Markets Index
<u>Allocation as of September 30, 2023:</u>	\$268 million

Which motion was seconded by Vice President Sohn, and adopted by the following vote: Ayes, Commissioners Huynh, Roten, Sidley, Wilkinson, Vice President Sohn, and President Chao -6; Nays, None.

- E. NOTIFICATION OF COMMITMENT OF UP TO \$40 MILLION IN ALTARIS HEALTH PARTNERS VI, L.P. – This report was received by the Board and filed.

VIII

OTHER BUSINESS – There was no other business.

IX

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, December 12, 2023, at 10:00 a.m., in the LACERS Boardroom, at 977 N. Broadway, Los Angeles, California 90012-1728.

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ADJOURNMENT – There being no further business before the Board, President Chao adjourned the Meeting at 12:08 p.m.

*Annie Chao*

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Annie Chao  
President

*Neil M. Guglielmo*

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Neil M. Guglielmo  
Manager-Secretary