

**LOCATION:** LACC Foundation  
Student Union Building  
855 N Vermont Avenue  
Los Angeles, CA 90029

### **Zoom Information:**

(669) 900-6833

<https://laccd.zoom.us/j/89732160307?pwd=bhjQmxim811LcdqkasuUrIQ9WU8A51.1>

Meeting ID: 897 3216 0307

Passcode: 024511

**TIME:** 11:30 A.M.

### **MINUTES**

#### **Attendance:**

**Members Present:** Danny Chan (Chair); Marvin Hoffman, via Zoom; Robert Reeves; Robert Schwartz; and Martha C. Esparza (Executive Director)

**Members Absent:** Edward Dilkes

**Guests:** Derek Kellman (Angeles Investments); Gerard Tamparong, via Zoom; Helen Khachatryan and Silvia Martinez

#### **I. CALL TO ORDER AND WELCOME**

**D. CHAN**

- a. The meeting was called to order at 11:37 A.M. by Danny Chan, who confirmed that a quorum was present.
- b. Danny welcomed all attendees, including Derek Kellman of Angeles Investments, for his first presentation to the Committee.

#### **II. APPROVAL OF MINUTES**

**D.CHAN**

- a. Action Item: Approval of the Finance and Investment Committee meeting minutes from October 21, 2025, and special meeting of December 3, 2025,
  - i. Motion: Robert Reeves moved to approve the minutes of October 21, 2025, meeting and special meeting of December 3, 2025 as presented.
    1. Second: Robert Schwartz.
    2. Vote: Approved unanimously.
    3. Motion carried (**MSP – Motion, Second, Passed**).

#### **III. REVIEW OF ANGELES' INVESTMENT SUMMARY**

**D. KELLMAN**

- a. 4th Quarter Portfolio Review Report
  - i. Derek Kellman from Angeles Investments provided a high-level overview of the Fourth Quarter Investment Review Report and noted that future meetings will include deeper quarterly analysis.
- b. Private Markets Pacing and Transition
  - i. Derek reviewed the implementation of the Investment Policy Statement (IPS), approved December 11, 2025, which introduced a 30% allocation to private assets (15% private equity, 10% private credit, 5% private real assets). The strategy is intended to enhance long-term returns, improve diversification, and support an approximate 8% return target.

1. He outlined four investment vehicles: (1) Private Markets Fund (diversified private equity exposure), (2) Direct Equity Co-Investments (higher return, higher concentration risk), (3) Private Real Assets (value-add and development real estate), and (4) Private Credit Evergreen Fund (income-generating loans with ~10% yield).
  - a) Derek explained that private credit involves lending to middle-market companies where traditional banks have reduced activity. These investments are privately negotiated, not publicly traded, and require extensive underwriting. Risks include borrower default, collateral variability, and reliance on manager expertise.
- ii. The Committee reviewed a pacing strategy to reach the 30% allocation over approximately 8–9 years, with commitments made every 18–24 months and capital deployed gradually through drawdown structures. The pacing model will be reviewed annually and adjusted as needed.
  1. Two private credit deployment approaches were presented: gradual allocation (~2% annually) or full deployment. Angeles Investments (Derek Kellman) recommended full deployment to capture higher current yields relative to public fixed income.
  2. Liquidity considerations were discussed, including maintaining a 10% allocation to cash and short-term instruments to cover approximately two years of spending. The Evergreen Fund structure includes a 3-year lock-up and quarterly liquidity subject to a 5% fund-level cap.
- iii. Committee members discussed transparency, valuation, risk, and long-term performance expectations. It was noted that private market valuations are less frequent, which may reduce observed volatility but does not eliminate underlying risk.
- iv. Motion: Robert Schwartz moved to approve the proposed pacing model for private markets and the recommended pacing approach for private credit.
  1. Second: Robert Reeves.
  2. Discussion: The Committee discussed liquidity, risk tolerance, implementation timing, and long-term return expectations.
  3. Vote: Majority in favor; none opposed; Marv Hoffman abstained.
  4. **Result: Motion carried.**

#### IV. REVIEW OF FINANCIALS

D. CHAN

- a. The Finance and Investment Committee members reviewed and approved the December 2025 financials.
  - i. Motion: Robert Schwartz moved to approve the December 2025 financials as presented.
    1. Second: Robert Reeves.
    2. Vote: Approved unanimously.
    3. Motion carried (**MSP – Motion, Second, Passed**).

#### V. PUBLIC COMMENTS

- a. No public comments were made.

#### VI. NEXT MEETING AND ADJOURNMENT

- a. Next meeting will be on April 21, 2026, at 11:30 AM.
- b. Meeting adjourned at 1:02 PM