

**CITY OF LAKELAND
EMPLOYEES' PENSION AND RETIREMENT SYSTEM
BOARD OF TRUSTEES**

Chairman Rick Lilyquist, CPPT
Vice-Chairman Jeffrey Stearns
Christopher Diaz, CPPT
Ruffin Gray
Brenden Hahn
Jeff Michel
Jim Studiale

MEETING AGENDA

December 3, 2024
8:30 AM

Building Inspection Conference Room, Large
228 South Massachusetts Avenue
Lakeland, Florida 33801



In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing special accommodation to participate in this proceeding should contact Cherie Watson no later than three (3) days prior to the proceeding at (863) 834-8794 for assistance; if hearing impaired, telephone the Florida Relay Service Numbers, (800) 955-8771 (TDD) or (800) 955-8770 (VOICE), for assistance.

CALL TO ORDER

ROLL CALL

APPROVAL OF THE AGENDA

APPROVAL OF MINUTES

- October 22, 2024 Regular Board Meeting Minutes
- October 22, 2024 Investment Committee Minutes
- November 7, 2024 Investment Committee Minutes

PRESENTATIONS

Investment Consultant

Kerry Richardville; Tyler Grumbles & Paul Murray (Virtual) – Mariner Consulting

- 10/31 pension flash
- 10/31 DC flash
- 6/30/2024 Final Quarterly Performance
- Board approval Adams Street allocation
- Board approval MAVIK allocation
- Board approval of Crescent allocation

Attorney

Pedro Herrera, Sugarman, Susskind, Braswell & Herrera, P.A.

- Special Report re Human Trafficking and Foreign Country w/Affidavits

Administrator

Cherie Watson, Lakeland Retirement Services

- Retirement & Refund Report October 2024

OTHER BUSINESS

PUBLIC COMMENTS

NEXT MEETING DATE

The next regular meeting of the Board of Trustees of the City of Lakeland Employees' Pension & Retirement System is scheduled for 8:30 a.m., January 21, 2025 in the Building Inspection Conference Room, Large, 228 South Massachusetts Avenue, Lakeland, Florida 33801.

ADJOURNMENT

**EMPLOYEES' PENSION & RETIREMENT SYSTEM
 RETIREMENTS AND REFUNDS
 OCTOBER 2024**

ENTER DROP				
Name	Job Title	Hire Date	Retire Date	Monthly Amount
Cy Smith	Recreation Specialist I	4/17/2017	10/6/2024	\$704.32
EXIT DROP				
Name	Job Title	Principal	Interest	Total
James Powers	Utilities Resource Specialist	\$290,007.75	\$23,792.12	\$313,799.87
Katrina Sirera*	Accounting Clerk II	\$106,623.10	\$4,277.30	\$110,900.40
TOTAL		\$ 396,630.85	\$ 28,069.42	\$ 424,700.27
*Portion was Self Directed				
PENSION BENEFIT MODIFICATIONS				
Name	Option	Eff Date	Old Amount	New Amount
REFUND CONTRIBUTIONS				
Name	Job Title	Hire Date	Term Date	Amount
Michael Pavlik	Grounds Maint Equip Spec	1/14/2019	5/23/2019	\$941.55
			Total	\$941.55
RETIREMENTS				
Name	Job Title	Hire Date	Retire Date	Monthly Amount
ROLLOVER CONTRIBUTIONS				
Name	Job Title	Hire Date	Term Date	Amount
Timothy Blair	Grounds Maintenance Foreman I	3/4/2024	10/11/2024	\$11,772.88
			Total	\$11,772.88
VESTED DEFER				
Name	Job Title	Hire Date	Term Date	Monthly Amount
Crystal Davis	Community Resources Coord	5/11/2015	10/3/2024	\$1,029.20
VESTED REFUND				
Name	Job Title	Hire Date	Term Date	Amount

**CITY OF LAKELAND
EMPLOYEES' PENSION AND RETIREMENT SYSTEM
BOARD OF TRUSTEES**

Chairman Rick Lilyquist, CPPT
Vice-Chair Jeff Stearns
Christopher Diaz, CPPT
Ruffin Gray
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Jim Studiale

MEETING MINUTES

October 22, 2024
9:00 AM

Building Inspection Conference Room, Large
228 South Massachusetts Avenue
Lakeland, Florida 33801



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CALL TO ORDER

Chairman Lilyquist called the meeting to order at 9:11 a.m.

ROLL CALL

Trustees: Chairman Rick Lilyquist, Vice Chairman Jeff Stearns; Chris Diaz, Ruffin Gray, Jeff Michel, Jim Studiale

Staff: Cherie Watson, Scott Rosner, Carla Bibby, Tonie Thompson

Guests: Kerry Richardville, Tyler Grumbles (Virtual), Paul Murray (Virtual) - Mariner – Investment Consultant; Chris Holway, Keista Ransome, Carl Goodwin – VOYA; Barbara Jordan – COLAR; David Anders - Water

APPROVAL OF THE AGENDA

Ruffin Gray moved approval of Agenda. All approved.

APPROVAL OF THE MINUTES

Cherie mentioned a typo with regards to investment of \$10MM, should be \$10M and Tyler suggested an IP meeting, should be an IC meeting.

*Jim Studiale moved approval of corrected minutes of September 24, 2024 Regular Board Meeting Minutes.
 All Approved.*

PRESENTATIONS

Investment Consultant

Kerry Richardville reviewed 9-30-2024 Flash report, value is \$769M, FYTD is 17.96%, may be able to add a couple more points when numbers are finalized. Domestic portion up 2.5%, International up 2%, Index up 2.37%, fixed rates came down a bit – Garcia Hamilton has been predicting rates would be coming down, RE had a slight positive return, Alternatives were flat. Investments are close to target:

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Target Allocation (%)	Min. Rebal. (\$000)	Max. Rebal. (\$000)	Target Rebal. (\$000)
Total Fund	768,679,742	100.0	N/A	N/A	100.0	-	-	-
Domestic Equity	263,974,191	34.3	27.5	47.5	32.5	-52,587,262	101,148,686	-14,153,275
International Equity	123,301,855	16.0	10.0	25.0	15.0	-46,433,881	68,868,080	-7,999,894
Private Equity	91,288,268	11.9	0.0	20.0	15.0	-91,288,268	62,447,680	24,013,693
Core Fixed Income	123,207,760	16.0	10.0	40.0	15.0	-46,339,786	184,264,137	-7,905,799
Private Fixed Income	51,732,269	6.7	0.0	15.0	10.0	-51,732,269	63,569,692	25,135,705
Core Real Estate	23,094,858	3.0	0.0	10.0	5.0	-23,094,858	53,773,116	15,339,129
Non-Core Real Estate	39,342,489	5.1	0.0	10.0	5.0	-39,342,489	37,525,485	-908,502
Private Multi-Asset	24,666,774	3.2	0.0	10.0	0.0	-24,666,774	52,201,200	-24,666,774
Private Infrastructure	24,709,676	3.2	0.0	5.0	2.5	-24,709,676	13,724,311	-5,492,882

Any distributions needed, are taken from Domestic Equity.

Reviewing DC Plan – August balance \$165M, Sept balance \$168M. All American Funds (new Default funds) are up. Active line up is doing well. Three funds are being watched Alger – good quarter, 1st nine months of this year, is up around 10%; AQR – defensive strategy – not in favor, has excellent manager; T Rowe Price – natural resources, difficult to benchmark.

Investment Committee

Chris Diaz – interviewing Private Equity Co-investments – Adams Street and Manulife for \$18M. Cherie will organize date of interviews once Mariner determines with managers and let everyone know.

VOYA




Carl – will be retiring after December 31st of this year. Our one year (July 1, 2023 (\$141M) – June 30, 2024) look back report, there was a 13.5% increase in value of plan.

Total Plan Assets as of June 30, 2024

	Total
401(a)	\$27,325,999.34
457(b)	\$130,480,083.75
FICA	\$2,240,736.99
Total	\$160,046,820.08

Balances include active and retired participants. Employee engagement, phone, app or web, reflects 64% as compared to other government agencies. If fraudulent activity occurs, VOYA will make us whole. Replacement income in retirement is 55%, higher than benchmark

DEFERRED COMPENSATION PL 457(B)

 Plan overview			 Plan health snapshot			 Employee engagement		
	Plan data	Benchmark		Plan data	Benchmark		Plan data	Benchmark
Total plan participants	2,207		Participation rate	72%	42%	Overall engagement	52%	36%
Total plan assets	\$128,926,485		Income replacement	55%	54%	Web engagement	42%	31%
Average balance	\$58,417	\$60,640	Employees on track to save 70%	23%	25%	Mobile app engagement	16%	7%
Participants in managed accounts	0%	2%	Average savings rate	7%	7%	Authenticated call engagement	11%	8%
Percent employees with loans	14%	3%				eDelivery	71%	45%
Average outstanding loan	\$6,281	\$1,979				Web registration	79%	46%

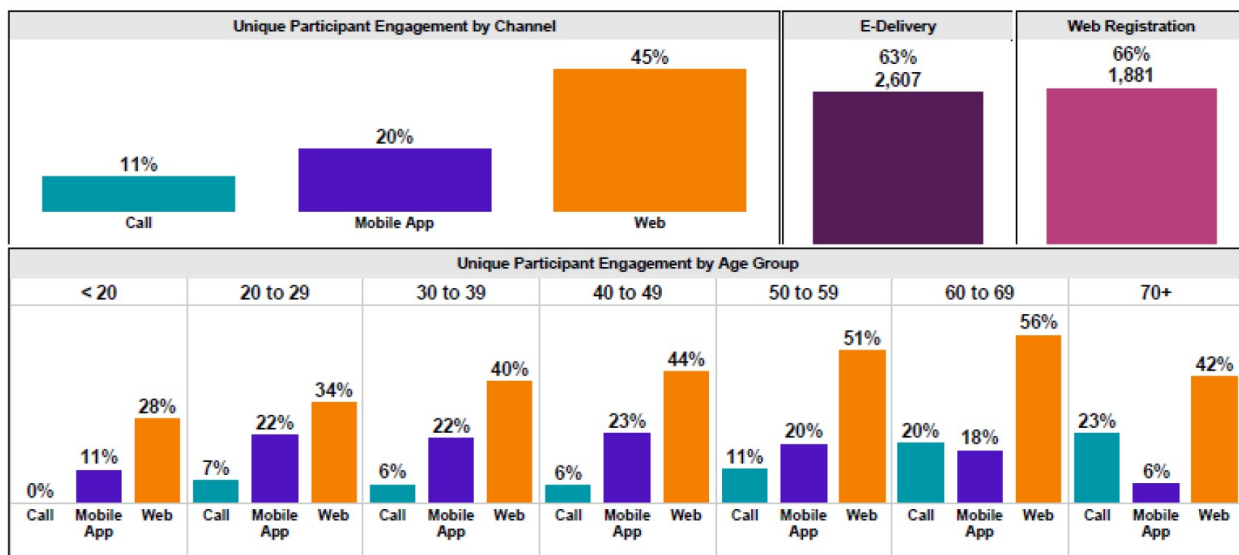
Orange Money tool allows outside assets to be input, on website, to help participants plan for retirement, VOYA cannot see those assets. Chris H. – Employees are encouraged to use tool and enter their estimated pension benefit. Cherie – Employees can now calculate their pension payment on their computers, unless they switched pension plans. Carl mentioned we adopted best practice of allowing one loan and VOYA uses Wall Street Journal Price plus 1% as repayment rate, currently at 8% +1% = 9%. Chris H. stated number of meetings include OnBoarding with Tonie and Carla and he also attended our Health Fair to meet with Employees. Communications for Employees are:

	2024-2025	Proposed dates	Delivery method
Targeted campaigns	National Save For Retirement Month	October	PDF/HTML Email
	E- Delivery	November	HTML Email
	Increasing Contributions/Save More	December	HTML Email
	Beneficiary Campaign	January	HTML Email
	Catch-Up (50+)	March	HTML Email
	Personalized Messages - Diversification - Beneficiary - Restart - Financial Wellness - Save More - Birthday	Ongoing	HTML Email/Other
Ongoing educational content	National Save For Retirement Month	October	HTML Email

We reached out to Employees and reminded them they could increase their Deferred Comp contributions during Hurricane pay. There were approximately 10 people that took advantage of increasing contributions. Engagement:

Participant Engagement – Q2 2024

55% of plan participants have engaged (used web, mobile, or called) over the past 12 months
 45% of plan participants have digitally engaged over the past 12 months



Carl reviewed Indirect Compensation Disclosure Report, reflecting any earnings from a few mutual funds inside our plan. These fees help offset investment adviser fees as well as City contributions. When distribution checks are sent, VOYA keeps funds in interest bearing account, until check is cashed. If check is not cashed before 90 days, VOYA will send a letter to remind participant to cash check, if longer

than 180 days, State Street sends VOYA notice as check will no longer be valid. VOYA will send Retirement Services (RS) a Stale Dated Check report, to see if there is an updated address, or better information in order to reach individual. Cherie mentioned RS is counseling employees to add their banking information onto their account, before they need any distribution. Jeff Michel asked if there was a way to reflect contributions inside ROTH and Pretax account, separately. Currently balances are shown as one amount. Chris Holway stated there is no way to split out balances on home page, but it is separated inside account. Carl reminded Trustees we have finalized ROTH conversion with implementation beginning December 6th. Cherie stated the ROTH conversion brochure would be posted to Insite for Active Employees to review. Jeff Stearns inquired as to Carl's replacement, in which Carl stated Deltra Hayes is his manager and will take over accounts until finalization of successor.

Administrator

Cherie Watson reminded Trustees, Jim Studiale's term expires on 12-31-2024, and our Employee Association, with Jim's approval, will submit election form to active Employees with Jim's name listed.

Cherie presented Retirements & Refunds report for September 2024.

Jeff Stearns motioned to approve September 2024 Retirements and Refunds Report.

Motion passed unanimously.

OTHER BUSINESS

PUBLIC COMMENTS

NEXT MEETING DATE

The next regular meeting of the Board of Trustees of the City of Lakeland Employees' Pension & Retirement System is scheduled for 8:30 AM, Tuesday, December 3, 2024, in the Building Inspection Conference Room, Large, 228 South Massachusetts Avenue, Lakeland, Florida 33801.

ADJOURNMENT

Upon motion, the meeting adjourned at 10:22 AM.

Respectfully Submitted,

Approval Date: December 3, 2024

Signed: _____
Rick Lilyquist, Chairman

Signed: _____
Jeffrey Stearns, Vice Chairman

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**CITY OF LAKELAND
EMPLOYEES' PENSION AND RETIREMENT SYSTEM
BOARD OF TRUSTEES**

Chairman Christopher Diaz, CPPT
Ruffin Gray
Jeffrey Stearns

**INVESTMENT COMMITTEE
MINUTES**

October 22, 2024
8:30 AM

Building Inspection Conference Room, Large
228 South Massachusetts Avenue
Lakeland, Florida 33801



CALL TO ORDER

Chris Diaz called the meeting to order at 8:31 AM

Committee Members: Chairman Chris Diaz, Ruffin Gray, Jeffrey Stearns

Staff: Cherie Watson, Scott Rosner, Carla Bibby, Tonie Thompson - Retirement Services

Guests: Rick Lilyquist, Jeff Michel, Jim Studiale – Pension Trustees; Kerry Richardville, Tyler Grumbles (Virtual), Paul Murray (Virtual) - Mariner – Investment Consultant; Chris Holway, Keista Ransome, Carl Goodwin – VOYA; David Anders - Water

PRESENTATIONS

Investment Consultant

Kerry reviewed purpose as this will be first allocation to co-investments, per pacing schedule which called for \$18M to private equity. Lean towards one manager.

Potential Benefits of Co-Investments

- An allocation to co-investment can complement an existing private equity portfolio, potentially by enhancing returns, and in the case of a co-investment fund, can provide diversification.
- Lower fees may result closing the gap between traditional “gross” and “net” private equity returns, allowing for higher net returns to investors.
- There is potential for quicker and more targeted deployment of capital. Co-investments can mitigate the effect of the J-curve relative to primary fund investments and deploy capital faster than fund of funds investments.
- Co-investments will have multiple layers of due diligence and deal selection processes, which should result in fewer losses and a higher quality portfolio:
 - Sponsor level (lead private equity fund)
 - Co-investment Fund Manager (applies to a multi-sponsor fund manager and fund of funds exposure)
 - LP level (applied when an LP co-invests directly alongside the GP rather than through a fund)

Diversification and layers of due diligence is with each GP and Mariner. Very selective. Stated life is 10 to 13 years.

Kerry presented 3 candidates:

Firm	Fund
Adams Street Partners LLC (Adams Street)	Adams Street Co-Investment Fund VI
Manulife Investment Management Private Markets (US) LLC (Manulife)	Manulife Co-Investment Partners Fund III
Schroders Capital Management (US) Inc. (Schroders)	Schroder Capital Private Equity Global Direct IV

Schroders is most Global and has less years of track record. Chris stated Manulife had a name change. Per Kerry, John Hancock, which is publicly traded and its ownership has changed over time through acquisitions.

Candidate Summary

Characteristics	Adams Street	Manulife	Schroders
AUM	\$59 Billion	\$26 Billion ²	\$94 Billion
Ownership	100% employee owned	Wholly owned subsidiary of Manulife Financial Corporation	44% publicly traded, 52% owned by the Schroder family, 4% owned by employees
Investment Team / Locations	100+ PE professionals, 13 focused on co-investment / Offices in Chicago, New York, and London	100 PE & Private Credit professionals, 14 focused on mezzanine credit and co-investment / Offices in New York, Boston, and Toronto	60 PE professionals, 51 focused on primary and co-investment / Global offices with co-heads in New York, Zurich, and Singapore
Fund Size Target / GP Commitment	\$2B / 1%	\$750M / 1% + \$375M from Manulife	\$800M / 1%
Geography	50-70% North America, 20-40% Europe, <10% RoW	90-95% North America, 5-10% Europe	40% North America, 40% Europe, 20% Asia
Position Count	40 – 50 co-investment deals	30 – 40 co-investment deals	30 - 40 co-investment deals
Vehicle Types by Invested Capital	Majority Buyout (expect 80%+)	100% Buyout	80% Buyout, 20% Growth Equity
Deal Structure	Majority Co-underwrite & Syndicated deals (expect 75%+)	Majority Co-underwrite (expect 70%+)	Majority Co-underwrite deals (expect 80%+)
Company Size	Majority Upper Middle Market and Large	Majority Middle Market and Large	Majority Lower Middle Market and Middle Market ¹
Annual Deal Flow / Close Rate	400+ deals / <10%	100+ deals / 9%	800+ deals / 6%
Target Return (net)	20% IRR; 2.0x TVPI	20% IRR; 2.0x TVPI	20% IRR; 2.0x TVPI

Per Kerry, Adams Street Funds – most have ranked in 1st or 2nd quartile , fund size has increased overtime, 40 to 50 deals. Manulife is very stable and General Partners are constantly in market, while Schroders does smaller deals. Key Terms:

Product	Investment Management Fee	First/Final Close	Preferred Return	Carried Interest	Fund Duration
Adams Street Co-Investment VI	<ul style="list-style-type: none"> 1% on the lesser of cumulative invested capital or subscriptions 10% annual reduction, but not below zero 	Q3 2024 / Q2 2026	8%	12.5%	10 years, up to 2x one-year extensions at GP discretion, up to 3x one-year extensions with Advisory Board consent or majority interest of investors in the Fund
Manulife Co-Investment Partners III	<ul style="list-style-type: none"> 1% on committed capital during the investment period 1% on invested capital after the investment period 	Q4 2023 / Q2 2025	8%	10.0%	9 years, 2x one-year extensions at GP discretion, 2x one-year extensions with LPAC approval, additional would require majority LP approval
Schroders Global Direct IV^{1,2}	<ul style="list-style-type: none"> 1.25% on commitments during the investment period 85% of the previous years fee after the investment period 	Q2 2024 / Q3 2025	8%	12.5%	10 years, up to 3x one-year extensions at GP discretion

Track record of all three funds:

Adams Street Co-investment Funds Track Record

	Adams Street Direct Co-Investment Fund	Adams Street Co-Investment Fund II	Adams Street Co-Investment Fund III ²	Adams Street Co-Investment Fund IV ²	Adams Street Co-Investment Select Fund ²	Adams Street Co-Investment Fund V ²
Vintage Year	2006	2009	2014	2018	2018	2021
Fund Size (\$M)	\$251	\$263	\$342	\$522	\$157	\$1,323
% of Fund Invested	92%	92%	99%	100%	104%	62%
# of Investments	21	27	28	58	24	27
Net IRR¹	5.0%	23.9%	17.2%	19.1%	25.4%	28.6%
Net TVPI¹	1.4x	2.5x	2.4x	1.8x	1.8x	1.3x
Net DPI¹	1.4x	2.0x	1.5x	0.5x	0.5x	0.0x
Loss Ratio (% of \$ Invested)	29.4%	7.4%	11.9%	6.8%	5.2%	0.3%

Manulife Co-investment Funds Track Record

	Manulife Pre-Fund I ¹	Manulife Pre-Fund II ¹	Manulife Pre-Fund III ¹	Hancock Co-Investment Partners ¹	Manulife Co-Investment Partners II ¹
Vintage Year	2006	2011	2016	2017	2020
Fund Size (\$M)	\$164	\$542	\$361	\$308	\$683
% of Fund Invested	100%	100%	100%	102.6% ²	90.2% ³
# of Investments	10	29	20	22	36
Net IRR	8.2%	20.3%	15.4%	12.9%	14.3%
Net TVPI	1.8x	2.3x	1.9x	1.6x	1.3x
Net DPI	1.7x	2.3x	1.3x	0.8x	0.2x
Loss Ratio (% of \$ Invested)	22.1%	6.3%	0.0%	11.3%	1.7%

Schroders Co-investment Funds Track Record

	Schroders Global Direct I ¹	Schroders Global Direct II ¹	Schroders Global Direct III
Vintage Year	2013	2017	2020
Fund Size (\$M)	\$344	\$870	\$443
% of Fund Invested	100%	100%	86%
# of Investments	40	70	33
Net IRR	13.5%	22.1%	10.6%
Net TVPI	2.1x	2.4x	1.2x
Net DPI	1.6x	0.8x	0.0x
Loss Ratio (% of \$ Invested)	21.0%	1.5%	2.6%

Jeff Stearns made motion to interview Adams Street and Manulife Co-Investment Funds.

Rick inquired as to how long investing in Private Equity. Kerry stated almost 10 years, natural progression, shortest J curve, investing in existing funds. Will not do direct but will stop with co-investments. Rick – questioned if it is not uncommon for Mariner to see co-investments under private equity and Kerry responded within Flash report, since inception up 21% within 10 years.

All in favor.

Jeff Stearns asked if any other investments are on the horizon and Tyler mentioned we committed to Mavik at our last meeting and will look at re-upping with private manager after finishing due diligence.

PUBLIC COMMENTS

Jeff Stearns motioned to adjourn meeting at 9:11 AM.

Respectfully Submitted,

Approval Date: 12/3/2024

Chris Diaz, Chairman

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EMPLOYEES' PENSION AND RETIREMENT SYSTEM
BOARD OF TRUSTEES**

Chairman Christopher Diaz, CPPT
Ruffin Gray
Jeffrey Stearns

**INVESTMENT COMMITTEE
MINUTES**

November 7, 2024
8:30 AM

Building Inspection Conference Room, Large
228 South Massachusetts Avenue
Lakeland, Florida 33801



CALL TO ORDER

Chris Diaz called the meeting to order at 8:33 AM

Committee Members: Chairman Chris Diaz, Ruffin Gray, Jeffrey Stearns
Staff: Cherie Watson, Scott Rosner, Carla Bibby - Retirement Services
Guests: Jeff Michel – Pension Trustee; Kerry Richardville, Tyler Grumbles - Mariner – Investment Consultant; Robb Upthegrove – COLAR; Wendy Valentine – Employee; David Brett, Jennifer Brown, Kristina Milberg – Adams Street; Scott Garfield, Jay Jarrett - Manulife

PRESENTATIONS

Investment Consultant

Kerry stated investment is for \$18M to a co-investment manager, interviewing Adams Street and Manulife.

Adams Street: Per David – their focus is Private Equity and Private Credit – co-investments offer a fee advantage, increases diversification.

Adams Street Partners has been recognized as one of the most respected and experienced private markets investment managers in the industry.

\$61bn Assets Under Management ¹	100% Independent and Employee-owned	440+ Adams Street General Partners Worldwide ²
45+ Years of Proprietary Data	31,400+ Companies Tracked	2,300+ Funds Tracked

INTEGRATED PLATFORM

- 320+ employees
- 12 offices worldwide
- 30 languages spoken
- 100+ investment professionals
- Shared insights and data across investment teams

EXTENSIVE RELATIONSHIPS

- 640+ institutional investors
- 580+ advisory board seats

ALIGNMENT OF INTERESTS

- 100% independent and employee-owned
- \$708mm+ invested alongside clients

Since our inception, no client has lost capital in an Adams Street investment program

Team sees 40 to 50 investments and can choose which investment is appropriate, currently overweight in N America, small and mid market, partner with best healthcare, industrial and tech managers. Two things they review are differentiated access and selectivity with consistent returns

Advantages of Adams Street's Co-Investment Program

Differentiated Access

- Strategically integrated private markets investor
- Established relationships with best-in-class general partners
- Solutions provider to general partners through value-added transaction structures
- Access to high quality opportunities

Proven Selectivity

- Selection generates performance
- Deeply experienced team executing a disciplined process
- Proprietary data resources
- Focus on companies experiencing growth, dislocation, and change

Strong Track Record

20.8%
Since Inception Net IRR¹

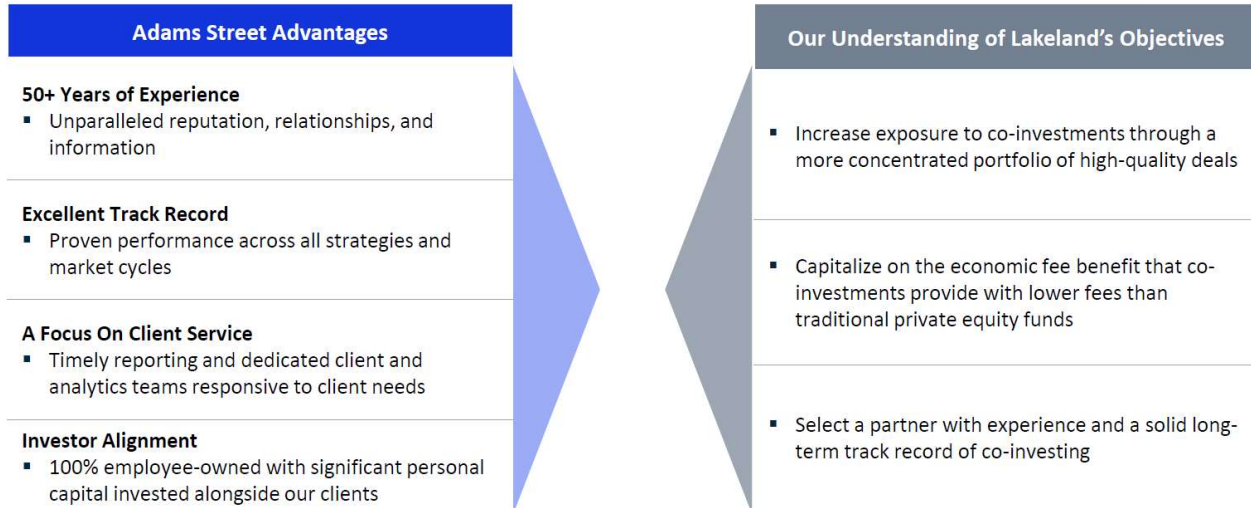
2.5x / 2.3x
Since Inception²
Gross Realized MOIC / Net Realized MOIC*

+330bps
Adams Street Net Outperformance
Versus All Opportunities Seen^{3,7}

Per Jennifer – we are working with Mariner to aggregate consultant discount which would reduce fee by another 10%, if approved by final close

Target Size	\$2.0 billion		
Target Investment Period	3 - 4 years		
Minimum Subscription	\$10 million		
Sponsor Commitment	At least 1% of the total capital commitments		
Management Fee¹	<u>Subscription Amount²</u>	<u>Management Fee</u>	<u>Management Fee with Early Closer Discount</u>
	<\$100 million	1.0% on invested capital	0.9% on invested capital
	\$100 million - <\$200 million	0.9% on invested capital	0.8% on invested capital
	≥\$200 million	0.8% on invested capital	0.7% on invested capital
Early Closer Discount	Participants that submit subscription documents by December 31 st , 2024 will be eligible for a 10 bps management fee discount		
Carried Interest³	12.5%		
Preferred Return	8%		

Some advantages for City:



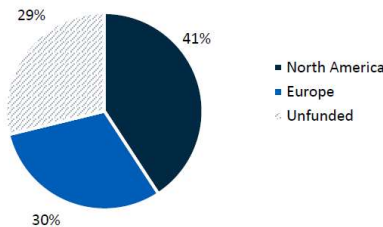
Chris inquired as to how many Employees are invested and Kristina stated a range of 1 to 3%, with a minimum of 1% in each fund. Tyler stated for Fund 5 was this 1 or 2 deals or broad based review:

Co-Investment Fund V Update

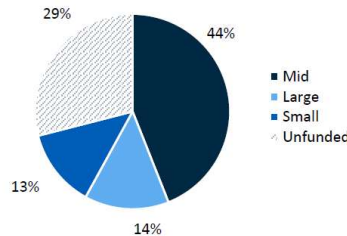


2021 / \$1.3bn <small>Vintage/Fund Size</small>	\$942mm / ~71% <small>\$ / % Committed</small>	31 <small># of Investments</small>	22 <small>Unique Sponsors</small>	1.8 years <small>Average Age of Portfolio¹</small>
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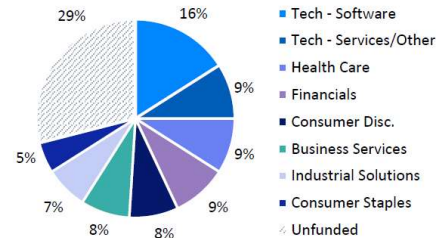
Geographic Diversification²



Size Diversification²



Sector Diversification²



Illustrative Portfolio Companies



Illustrative General Partners



Per David, in 2021 software was exploding, managers saw opportunities slowdown, focused on healthcare, end of 2022 GP's growth in software got cheaper; healthcare deals – turned out to be good deals. Do not like much of China, India and SE Asia – they are developing countries – in India – smaller bites – volatile from geopolitical stand point, risk adjusted deals – at most 2 to 3% in Fund 5. Jeff inquired if it is likely Mariner would be able to reach 2nd discount, but Tyler stated not likely.

Manulife: Per Jay, Scott is head of N America Private Equity

Manulife Investment Management

Part of a leading global financial services group



Protecting customer assets since 1887

More than **40,000** employees serving more than **34M** customers worldwide

\$1.1T in assets under management and administration

- Global wealth and asset management
- Financial advice
- Insurance

Manulife Investment Management

- Institutional asset management
- Retirement
- Retail investments

1,000+ institutional accounts

\$897B in assets under management and administration

More than **17M** retirement plan participants and investor accounts

270,000+ retirement plans served globally

Private Equity & Credit platform benefits co-investment strategy

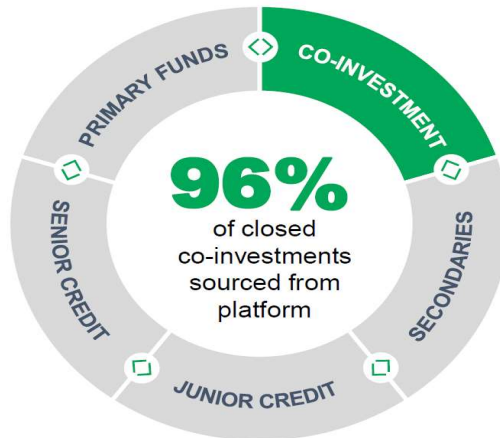
The platform includes over 100 employees, commits an average of \$1.4 billion annually to PE Funds and closes an average of 44 direct debt and equity investments per year.⁵ Additionally, the platform offers cross-strategy insight and access to analytic and functional support.^{1,2}

\$25.8B

PE&C AUM³ and
 Unfunded Commitments

100

PE&C Global Employees



\$1.4B

Average Annual
 Commitments to Primary
 Funds⁴

200+

Sponsor Partners

Consistent and robust deal flow

Synchronized information flow

Access to deep sponsor relationships

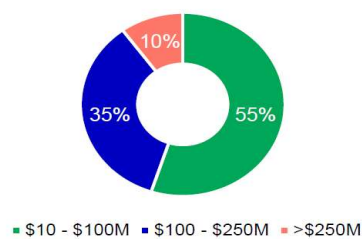
Shared governance and resources

Per Scott – they look for best opportunity by sourcing and selecting – they do not own companies. Use 5 different asset classes and are 100% focused on buyouts and have a group of managers producing deals.

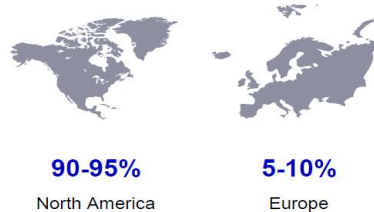
Manulife Co-Investment Partners III

Manulife seeks to construct a diversified portfolio of well-capitalized, high quality, free cash flowing businesses with flexible leverage, strong market positions, and multiple levers for value creation over a ~4-year period.¹

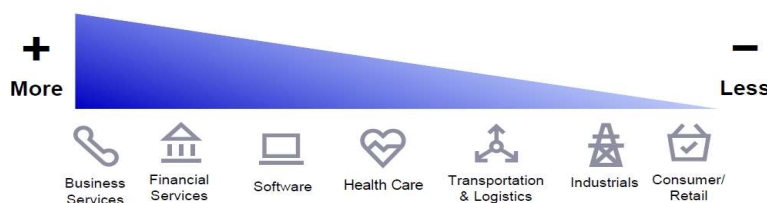
Indicative EBITDA At Close



Geographical Focus



Indicative Sector Diversification



\$750M

Target fund size

30-40

Investments²

\$10-30M

Investment Size

Per Scott, they attend board meetings, know business, growing, recession resilient, high free cash flow, leader. Jay stated will take 3 ½ to 4 years to invest, with 40 to 50% in 1st half of 2025, return minimum of 8%.

MCIP III Summary of Terms¹

Key Term	Description												
Target fund size	\$750 million												
Manulife commitment	1% of aggregate capital commitments to be committed by GP + \$380 million from Manulife investors												
Minimum commitment	\$5 million												
Preferred return	8% compounded annually												
Investment period	Four-year commitment period from date of final closing												
Terms	Nine-year term subject to two one-year extensions at the discretion of the General Partner, and two additional one-year periods with the approval of the Advisory Committee. Any additional extensions require majority LP approval.												
Carried interest and distribution waterfall	10% after return of capital and preferred return, European style												
Management fee and offset	Management fee rate: 1.00% on committed capital, 1.00% thereafter on invested capital. Hypothetical average annual fee ² over Fund life: 0.78% 100% management fee offset for commitment, transaction, break-up, or similar fees First close and size discounts available: <table border="1" data-bbox="440 961 1040 1094"> <thead> <tr> <th>Fund Capital Commitment</th> <th>First Close Investors</th> <th>Other Investors</th> </tr> </thead> <tbody> <tr> <td>Less than \$25 million</td> <td>0.85%</td> <td>1.00%</td> </tr> <tr> <td>\$25 million to < \$50 million</td> <td>0.80%</td> <td>0.90%</td> </tr> <tr> <td>\$50 million or more</td> <td>0.75%</td> <td>0.85%</td> </tr> </tbody> </table>	Fund Capital Commitment	First Close Investors	Other Investors	Less than \$25 million	0.85%	1.00%	\$25 million to < \$50 million	0.80%	0.90%	\$50 million or more	0.75%	0.85%
Fund Capital Commitment	First Close Investors	Other Investors											
Less than \$25 million	0.85%	1.00%											
\$25 million to < \$50 million	0.80%	0.90%											
\$50 million or more	0.75%	0.85%											
Investment manager	Manulife Investment Management Private Markets (US) LLC												
Legal counsel	Gibson, Dunn, and Crutcher LLP												
Auditor	Ernst & Young, LLP												

Jeff Stearns wanted to know if first close already occurred as an incentive was being offered. Per Scott it has already closed.

Tyler – more likely we can get discount with Adams Street as largest client invested \$50M. Per Chris it appears both work with a lot of same companies. Tyler stated funds are performing similarly. Per Jeff it seems like Manulife has ½ of funds from parent company, which Tyler mentioned that allows them to have a bigger ability to write bigger checks, Manulife is only on Fund 3, so they will grow gradually. Chris inquired if Adams Street has a dedicated relationship with Mariner and Kerry acknowledge they stay in close contact. Kerry also mentioned Adams Street charges fee on invested capital and Manulife charges on committed capital and management steps down 10% over life of fund. Per Jeff, David from Adams Street seemed more engaged and Kerry stated they did a lot of research.

**Jeff Stearns made motion to hire Adams Street to invest \$18M in Co-Investments.
 All in favor.**

Per Kerry, close is at end of December and we will send docs to Pedro early. Tyler stated funds will come from Domestic Equity.

Tyler also stated we invested in Crescent Direct Lending III, committed \$6M and we have sent called funds in amount of \$5M, received distributions of \$1.6M. Good investment with 10.5% IRR. Pacing

reflects \$10.5 commitment to private debt – we recommend to go into Crescent Fund IV for \$10.5M. We can get paperwork done and mark for this year., conservative fund, return target is 10 to 12%.

***Ruffin Gray made motion to commit \$10.5 to Crescent IV.
All in favor.***

Per Tyler, Mavik I has over 20% return. We committed \$10M to Mavik II, to close by 12-31, get automatic discount. Scheduled to appear at Investment Committee on 12-6. Per Cherie, we did already commit to this at a previous pension meeting.

Jeff wanted to know if we have completed pacing schedule, and Tyler stated Ag America is an opportunistic investment, which may be approved with their research. May bring next year to interview. They are different. Kerry stated this is a new asset class.

PUBLIC COMMENTS

Robb commented Board did a great job on Manager choice.

Jeff Stearns motioned to adjourn meeting at 10:06 AM.

Respectfully Submitted,

Approval Date: 12/3/2024

Chris Diaz, Chairman