

LIVE VIRTUAL BOARD MEETING

*

*This meeting will take place following the Committee meeting being held prior.



TO VIEW VIA WEB



TO PROVIDE PUBLIC COMMENT

You may submit a request to speak during Public Comment or provide a written comment by emailing PublicComment@lacera.com. If you would like to remain anonymous at the meeting without stating your name, please let us know.

Attention: Public comment requests must be submitted via email to PublicComment@lacera.com.

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION
300 N. LAKE AVENUE, SUITE 650, PASADENA, CA

AGENDA

A REGULAR MEETING OF THE BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, PASADENA, CALIFORNIA 91101

9:00 A.M.*, WEDNESDAY, JUNE 8, 2022

This meeting will be conducted by teleconference under California Government Code Section 54953(e).

Any person may view the meeting online at
<http://www.lacera.com/leadership/board-meetings>

*The Board may take action on any item on the agenda,
and agenda items may be taken out of order.*

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES
 - A. Approval of the Minutes of the Regular Meeting of May 13, 2022
- III. REPORT ON CLOSED SESSION ITEMS
- IV. PUBLIC COMMENT

(Written Public Comment - You may submit written public comments by email to PublicComment@lacera.com. Correspondence will be made part of the official record of the meeting. Please submit your written public comments or documentation as soon as possible and up to the close of the meeting.

Verbal Public Comment - You may also request to address the Board. A request to speak may be submitted via email to PublicComment@lacera.com before and during the meeting at any time up to the end of the Public Comment item. We will contact you with information and instructions as to how to access the meeting as a speaker. If you would like to remain anonymous at the meeting without stating your name, please let us know.)
- V. CHIEF EXECUTIVE OFFICER'S REPORT
(Memo dated May 23, 2022)
- VI. CHIEF INVESTMENT OFFICER'S REPORT
(Presentation dated June 8, 2022)

VII. CONSENT ITEMS

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board approves that, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, and if so, direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees. (Memo dated May 24, 2022)

- B. Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board approve the revised LACERA Budget Policy and review it annually as a companion to the adoption of the Administrative, Retiree Healthcare Benefits Program and Other Post- Employment Benefits Trust Budgets.
(Memo dated May 20, 2022)

- C. Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board adopt the LACERA Fiscal Year 2022-2023 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.
(Memo dated May 20, 2022)

VIII. NON-CONSENT ITEM

- A. Recommendation as submitted Barry W. Lew, Legislative Affairs Officer: That the Board adopt the revised LACERA Legislative Policy.
(Memo dated May 26, 2022)

IX. REPORTS

- A. 2022 Actuarial Risk Assessment Report
Santos H. Kreimann, Chief Executive Officer
Ted Granger, Interim Chief Financial Officer
Nick Collier, Milliman – Consulting Actuary
Craig Glyde, Milliman – Consulting Actuary
(Memo dated May 24, 2022)

IX. REPORTS (Continued)

- B. Legal Transactions Year End Report
Christine Roseland, Senior Staff Counsel
(Memo dated May 31, 2022)

- C. Board of Investments 2022 Offsite Tentative Agenda
Jonathan Grabel, Chief Investment Officer
(For Information Only) (Memo dated May 25, 2022)

- D. LACERA Quarterly Performance Book
Meketa Quarterly Performance Book
Jude Pérez Principal Investment Officer
(For Information Only) (Memo dated May 27, 2022)

- E. LACERA OPEB Quarterly Performance Book
Meketa OPEB Quarterly Performance Book
Jude Perez, Principal Investment Officer
(For Information Only) (Memo dated May 27, 2022)

- F. Monthly Status Report on Legislation
Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated May 20, 2022)

- G. Legal Projects
Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated May 31, 2022)

- H. Monthly Travel & Education Report – April 2022
Ted Granger, Interim Chief Financial Officer

Monthly Trustee Travel and Education Reports for April 2022
(Public Memo dated May 16, 2022)
(Confidential Memo dated May 16, 2022 – Includes Anticipated Travel)
3rd Quarter Trustee Travel and Education Reports
(Memo dated May 17, 2022)

- I. May 2022 Fiduciary Counsel Contact and Billing Report
Steven P. Rice, Chief Counsel
(For Information Only) (Privileged and Confidential)
(Attorney-Client Communication/Attorney Work Product)
(For Information Only) (Memo dated May 23, 2022)

X. ITEMS FOR STAFF REVIEW

XI. GOOD OF THE ORDER
(For information purposes only)

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. Hitec Vision New Energy Fund SCSP
Jim Rice, Principal Investment Officer
Pushpam Jain, Investment Officer
(Memo dated May 16, 2022)
2. Private Equity Investment Update
Derek Kong, Investment Officer
Cheryl Lu, Investment Officer
(For Information Only) (Memo dated May 18, 2022)

XIII. ADJOURNMENT

****Although the meeting is scheduled for 9:00 a.m., it can start anytime thereafter, depending on the length of the Committee meeting preceding it.***

Documents subject to public disclosure that relate to an agenda item for an open session of the Board of Investments that are distributed to members of the Board of Investments less than 72 hours prior to the meeting will be available for public inspection at the time they are distributed to a majority of the Board of Investments Members at LACERA's offices at 300 N. Lake Avenue, Suite 820, Pasadena, CA 91101, during normal business hours of 9:00 a.m. to 5:00 p.m. Monday through Friday.

Persons requiring an alternative format of this agenda pursuant to Section 202 of the Americans with Disabilities Act of 1990 may request one by calling Cynthia Guider at (626) 564-6000, from 8:30 a.m. to 5:00 p.m. Monday through Friday, but no later than 48 hours prior to the time the meeting is to commence. Assistive Listening Devices are available upon request. American Sign Language (ASL) Interpreters are available with at least three (3) business days' notice before the meeting date.

Requests for reasonable modification or accommodation of the telephone public access and procedures stated in this agenda from individuals with disabilities, consistent with the Americans with Disabilities Act of 1990, may call the Board Offices at (626) 564-6000, Ext. 4401/4402 from 8:30 a.m. to 5:00 p.m. Monday through Friday or email PublicComment@lacera.com, but no later than 48 hours prior to the time the meeting is to commence.

MINUTES OF THE REGULAR MEETING OF THE BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, PASADENA, CALIFORNIA 91101

9:00 A.M.*, WEDNESDAY, MAY 11, 2022

This meeting was conducted by teleconference under California Government Code Section 54953(e).

PRESENT: Herman Santos, Chair

David Green, Vice Chair

Shawn Kehoe, Secretary

Onyx Jones

Patrick Jones

Joseph Kelly

Keith Knox

ABSENT: Gina Sanchez

Elizabeth Greenwood

STAFF ADVISORS AND PARTICIPANTS

Jonathan Grabel, Chief Investment Officer

Santos H. Kreimann, Chief Executive Officer

Steven P. Rice, Chief Counsel

Christine Roseland, Senior Staff Counsel

Ted Granger, Interim Chief Financial Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

James Rice, Principal Investment Officer

Esmeralda del Bosque, Acting Principal Investment Officer

Daniel Joye, Investment Officer

Derek Kong, Investment Officer

Cheryl Lu, Investment Officer

Noah Damsky, Senior Investment Analyst

Meketa Investment Group (General Investment Consultants)

Leandro Festino, Managing Principal

Timothy Filla, Managing Principal/ Portfolio Consultant

Aysun Kilic, Managing Principal

Albourne (Real Assets ex-Real Estate, Illiquid Credit & Hedge Funds
Consultant)

Mark White, Head of Real Assets

James Walsh, Partner

Steven Kennedy, Partner

I. CALL TO ORDER

The meeting was called to order virtually by Chair Santos at 9:00 a.m.

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of April 13, 2022

Mr. Green made a motion, Mr. Knox seconded, to approve the minutes of the regular meeting of April 13, 2022, with the correction reflecting two items for V. Items for Staff Review. The motion passed (roll call), with Messrs. Green, P. Jones, Kehoe, Kelly, Knox, Santos and Ms. O. Jones voting yes. Mses. Greenwood and Sanchez were absent from the vote.

May 11, 2022

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III. REPORT ON CLOSED SESSION ITEMS

There was nothing to report.

IV. PUBLIC COMMENT

There were no requests from the public to speak.

V. CHIEF EXECUTIVE OFFICER'S REPORT
(Memo dated April 25, 2022)

Mr. Kreimann provided a brief presentation on the Chief Executive Officer's Report and answered questions from the Board.

VI. CHIEF INVESTMENT OFFICER'S REPORT
(Presentation dated May 11, 2022)

Mr. Grabel provided a brief presentation on the Chief Investment Officer's Report and answered questions from the Board.

VII. CONSENT ITEMS

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board approves that, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, and if so, direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees. (Memo dated April 26, 2022)

Mr. Jones made a motion, Mr. Knox seconded, to approve consent item, VII.A. The motion passed (roll call), with Messrs. Green, P. Jones, Kehoe, Knox, Santos and Ms. O. Jones voting yes and Mr. Kelly abstaining from the vote. Mses. Greenwood and Sanchez were absent from the vote.

VII. CONSENT ITEMS (Continued)

Mr. Kehoe made a motion, Mr. Green seconded, to approve the following consent items, VII.B through VII.E. The motion passed (roll call), with Messrs. Green, P. Jones, Kehoe, Kelly, Knox, and Santos and Ms. O. Jones voting yes. Mses. Greenwood and Sanchez were absent from the vote.

- B. Recommendation that the Board approve attendance of Trustees at the Leading in Artificial Intelligence: Exploring Technology and Policy - Harvard Kennedy School in Cambridge, Massachusetts on July 17 – July 22, 2022 and approve reimbursement of all travel costs incurred in accordance with LACERA’s Trustee Education and Trustee Travel Policies. (Memo dated April 18, 2022) (Placed on the agenda at the request of Trustee Patrick Jones)
- C. Recommendation that the Board Approve attendance of Trustees at the RFK Compass Summer Investors Conference in Chatham, Massachusetts on June 14 – 15, 2022 and approve reimbursement of all travel costs incurred in accordance with LACERA’s Trustee Education and Trustee Travel Policies. (Memo dated April 22, 2022) (Placed on the agenda at the request of Trustee Santos)
- D. Recommendation as submitted by Herman Santos, Chair, Joint Organizational Governance Committee: That the Board approve the revised Education and Travel Policies. (Memo dated April 25, 2022) (Supplemental Memo re Board of Retirement Revisions to JOGC’s Proposed Trustee Travel Policy) (Memo dated May 5, 2022)
- E. Recommendation as submitted by Herman Santos, Chair, Equity Public Private Committee: That the Board approve the proposed minimum qualifications, evaluation criteria, and scope of work for a global equity emerging separate account manager(s) advanced by the Equity Committee. (Memo dated April 22, 2022)

VIII. REPORTS

- A. Board Trustees Return to The Boardroom Discussion as Requested by Trustee Kelly
Santos H. Kreimann, Chief Executive Officer
(Memo dated May 3, 2022)

Mr. Kreimann was present and answered questions from the Board. The item was received and filed.

- B. Board Actions and Opinions on Legislation Found to be Contrary to LACERA Interests and Values as Requested by Trustee Kelly
Santos H. Kreimann, Chief Executive Officer
(For Information Only) (Memo dated May 3, 2022)

This item was received and filed.

- C. Monthly Status Report on Legislation
Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated April 25, 2022)

This item was received and filed.

- D. Legal Projects
Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated May 2, 2022)

This item was received and filed.

- E. Monthly Travel & Education Report – March 2022
Ted Granger, Interim Chief Financial Officer
(Public Memo dated April 15, 2022)
(Confidential Memo dated April 15, 2022 – Includes Anticipated Travel)

This item was received and filed.

- F. April 2022 Fiduciary Counsel Contact and Billing Report
Steven P. Rice, Chief Counsel
(For Information Only) (Privileged and Confidential)
(Attorney-Client Communication/Attorney Work Product)
(For Information Only) (Memo dated April 25, 2022)

This item was received and filed.

IX. ITEMS FOR STAFF REVIEW

Staff will further discuss the return to the Board room timing and logistics with the Board of Retirement and Board of Investment Chair and Vice Chairs.

X. GOOD OF THE ORDER
(For information purposes only)

There was nothing to report.

XI. 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. DIF Core-Plus Infrastructure Fund III
Jim Rice, Principal Investment Officer
Noah Damsky, Senior Investment Analyst
(Memo dated April 29, 2022)

Messrs. Rice and Damsky were present and answered questions from the Board.

Mr. Kelly made a motion, seconded by Mr. Green, that the Board approve a commitment of up to €150 million (approximately \$160 million) to DIF Core-Plus Infrastructure Fund III, which is a real assets fund focusing on infrastructure in the segments of digital, energy transition, transportation, and social primarily in Europe and North America. The motion passed (roll call), with Messrs. Green, P. Jones, Kehoe, Kelly, Knox, and Santos and Ms. O. Jones voting yes. Mses. Greenwood and Sanchez were absent from the vote.

XI. EXECUTIVE SESSION (Continued)

2. Oaktree Transportation Infrastructure Capital Partners, L.P.
James Rice, Principal Investment Officer
Daniel Joye, Investment Officer
(Memo dated April 27, 2022)

There was nothing to report.

3. Private Equity Investment Update
Cheryl Lu, Investment Officer
Derek Kong, Investment Officer
(For Information Only) (Memo dated April 13, 2022)

The Board received an information only report providing notice that, on October 28, 2021, LACERA approved a secondary purchase commitment of \$125 million in a special purpose vehicle managed by Accel-KKR Capital Partners, a Board of Investments approved private equity manager. The transaction closed on March 23, 2022. The secondary purchase is compliant with LACERA's secondary investment guidelines.

XII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 9:48 a.m.

SHAWN KEHOE, SECRETARY

HERMAN SANTOS, CHAIR



May 23, 2022

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Santos H. Kreimann ^{SHK}
Chief Executive Officer

SUBJECT: **CHIEF EXECUTIVE OFFICER'S REPORT – JUNE 2022**

The following Chief Executive Officer's Report highlights key operational and administrative activities that have taken place during the past month.

Strategic Plan Update

The LACERA Strategic Planning process is continuing to progress smoothly. Over the last month, we've interviewed key staff members across our divisions, held our first meetings with our Advisory team (Spark), and lastly engaged in a three-hour Strategy Lab session with the Spark team and leaders throughout the organization. The purpose of the Strategy Lab session was aimed at synthesizing information gained from staff interviews and beginning to formulate strategic priorities and goals for the organization.

The next steps in our Strategic Planning process will involve the Spark team identifying LACERA's Strategic Priorities and formulating Action Planning Teams to further outline specific objectives and tactics. KH Consulting and The Advisory team will continue to provide periodic updates on our Strategic Planning milestones, keeping staff and members regularly informed of important Strategic Planning information, dates, activities, and status updates throughout the process.

2022 Safety Member Elections

Elections will be held Friday, August 5 through Wednesday, August 31, 2022 for the safety member trustee seats on both boards. The positions are: seventh trustee seat and alternate safety trustee seat on the Board of Retirement, and the fourth trustee seat on the Board of Investments. The trustees' three-year terms will run from 2023 through 2025.

The Executive Office of the Board of Supervisors worked with various County departments to send out an email notifying all eligible active Safety Members about the election and providing details for interested candidates regarding the filing process and filing dates. These emails were sent on or around

May 17-18, 2022. LACERA also sent a message to all active Safety Members for whom we have a valid email address on May 19, 2022. Interested candidates have until June 17, 2022 to file their paperwork with the Registrar-Recorder. We continue to work with the Executive Office and will be sending out future informational notices when the County does.

- Candidate filing starts Thursday, May 19 and ends Friday, June 17, 2022. Nomination packets will be available during that time from the Registrar-Recorder/County Clerk, 12400 Imperial Highway, Norwalk, CA 90650, or via email at electionplanning@rrcc.lacounty.
- Voting will be electronic. Members will be mailed and emailed credentials for online and telephonic voting.
- LACERA's boards would like to include paper ballots by request; this request to the County is pending and will be decided at a later date.

In the meantime, LACERA is promoting the elections and the "call for nominations" announcement in the June issue of *PostScript*. *Due to the newsletter schedule, our newsletter will reach members in the middle of the nomination period.* LACERA will also provide election details (reminders, where to find information on how to vote, etc.) to members in coordination with the County's email blasts. The schedule is still being finalized.

Additionally, during our initial meeting with the Executive Office, we requested that this year's election allow an electronic nomination process. In past elections interested candidates were required to gather "wet signatures" of a specific number of eligible voters in the election on a physical petition. With the use of electronic signatures becoming more prominent, and considering the risks of the pandemic, an electronic process is safer and more efficient. The Executive Office included this in their process and interested candidates will have two options for signature collections – a traditional "wet signature" or an electronic process. Interested candidates can obtain a nomination package from the County Registrar-Recorder/County Clerk.

Hybrid Work Model

The executive team officially welcomed the LACERA staff back to the office on Monday, May 2, 2022. All staff have transitioned back to LACERA via a hybrid work model. As we adjust to this new work model, the executive team will continue to engage staff and division managers on areas of success and improvement. Ultimately, the goal for our hybrid work model is to offer workplace flexibility and balance, while also embracing a culture of accountability. Thus far, the feedback has been mostly positive from both staff and managers.

Recruitment Updates

Vacancies and Hiring

Filling vacant positions continues to be a high priority. Member facing Divisions, Investments Division, Systems Division, and Legal Division are the top priorities. The Executive team, HR, and our Investments Division have met to clearly outline their hiring priorities and develop a recruitment strategy. We plan to take a similar approach with other divisions. The Executive management and HR teams will review the organizational recruitment plan at least quarterly to ensure the priorities are still appropriate given attrition that may have occurred in the prior quarter.

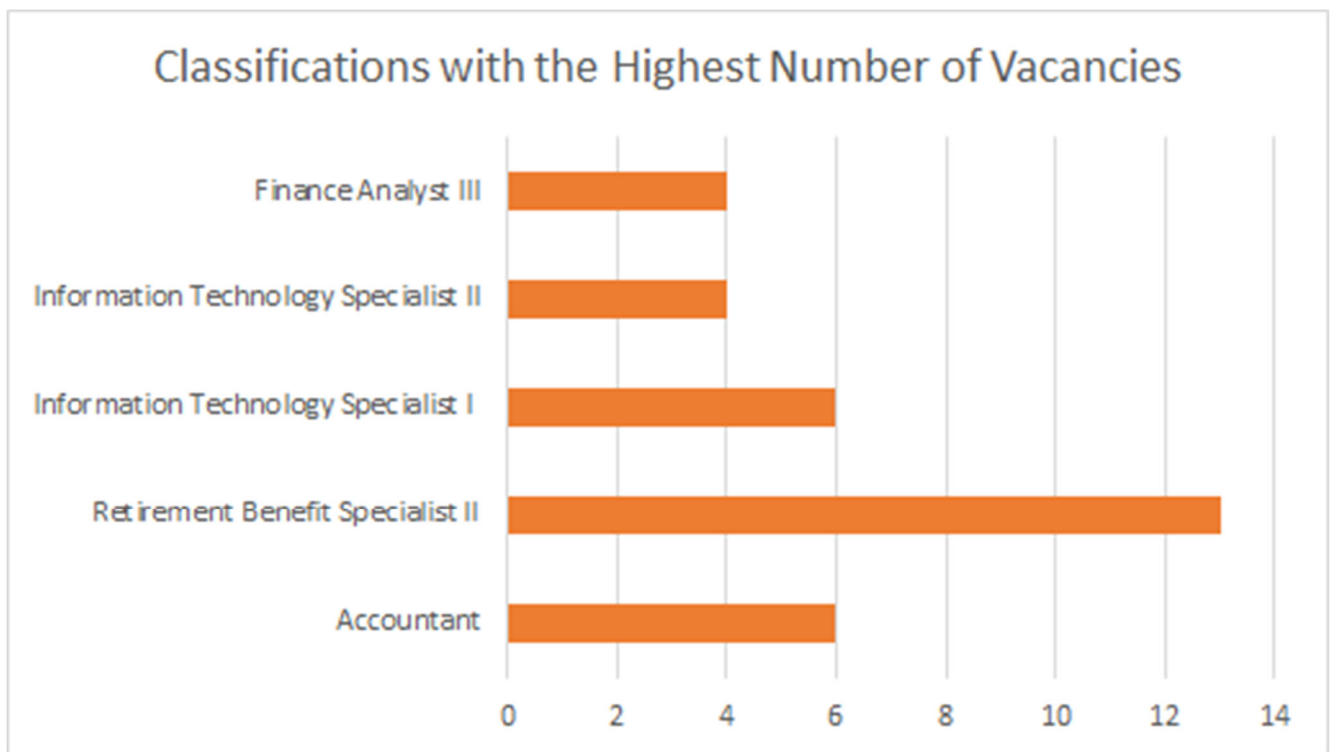
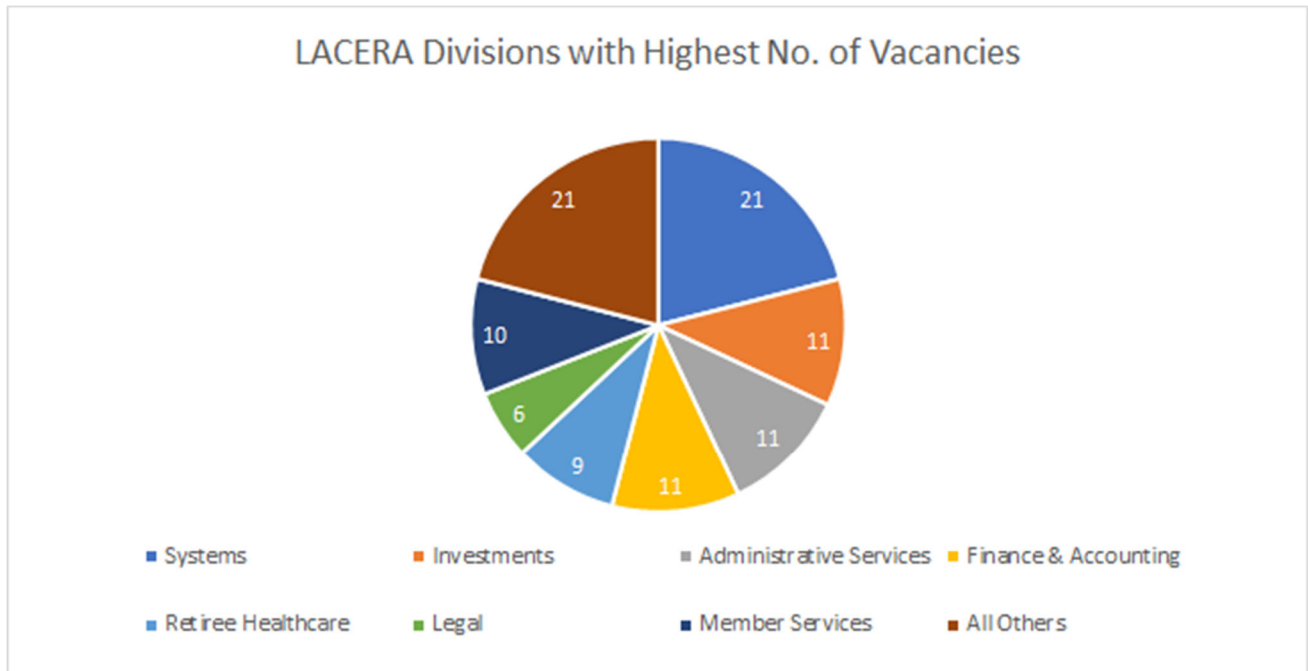
The current hiring priority in the Investments Division recruitment efforts is the Senior Investment Officer. There are eleven (11) vacancies in Investments (24% vacancy rate) and below is a summary of the recruitment status of these positions.

Status of vacant positions in the Investments Division

Classification	# of Vacancies	LACERA Priority	Recruitment Stage
Deputy Chief Investment Officer	1	Tier 2 – December 2022	Outsourced Recruitment
Senior Investment Officer (SIO)	1	Tier 1 – June 2022	4 - Recruitment
Finance Analyst III (FA III)	4	Tier 1 – June 2022	4 – Recruitment
Finance Analyst II (FA II)	2	Tier 2 – December 2022	1 – Exam Requested
Senior Management Secretary	1	Tier 2 – December 2022	n/a
Principal Investment Officer (PIO)	1	Tier 2 – December 2022	n/a
Senior Investment Officer	1	Unassigned	n/a

Recruitment Stages: (1) Exam requested, (2) Classification review, (3) Test development, (4) Resume canvas, (5) Recruitment, (6) Assessment qualification, (7) Assessment review, (8) List promulgated, (9) Division interviews, (10) Background check, (11) Onboarding

LACERA has 508 budgeted positions, of which 100 are vacant (20% vacancy rate). The Divisions with the highest number of vacancies, and the classifications with the highest number of vacancies, are shown below.



Development

Human Resources works with the hiring Division to review the classification description, create an ideal candidate profile, and discuss the assessment process. This information is used by HR to create the job bulletin and recruiting brochure (management positions only). The recruitments/assessments are in development for Accountant and Retirement Systems Specialist.

Recruiting & Assessment

The Human Resources Team opened the recruitments for Finance Analyst III in Corporate Governance and Stewardship and Portfolio Analytics. Senior Investment Officer in Real Estate and Finance Analyst III in Real Estate are in the assessment phase. The application period for Senior Accountant was reopened to accept additional applications with the intent of filling the remaining vacancy.

A Request for Proposal to solicit executive recruitment services to fill items such as the Deputy Chief Investment Officer, Chief Financial Officer, Chief Information Technology, and Information Security Officer, Principal Investment Officer, and Senior Investment Officer positions closed on March 22, 2022, the RFPs are currently being scored. Human Resources will move forward with a revised timeline.

Hiring

The Data Systems Analyst I Eligible Register was promulgated. In addition to, one offer (promotion) made, three additional offers are pending. The Senior Staff Counsel and Staff Counsel candidates started May 16 and May 6, 2022, respectively. A candidate for the Interdepartmental Transfer opportunity for the accountant position started May 16, 2022.

Retiree Healthcare (RHC) Update

California Dental Disclosure Matrix

In early 2021, the Department of Insurance approved a regulation requiring all specialized health care services plans that cover dental services and operating in California to provide a Summary of Dental Benefits and Coverage (SDBC) Disclosure Matrix to groups offering dental coverage to their retirees.

Cigna has provided this matrix for our Dental Preferred Provider Organization (DPPO) plan. Per the regulation, this document must be made available to members either electronically or in paper format. Due to the timing of the receipt of this information, we were unable to include it in the annual premium notification packet, so it's been made available on the website.

The California Department of Managed Care (CA DMHC) has not completed its final SDBC regulation for the Dental Health Maintenance Organization (DHMO) plan. The document for the DHMO will be provided upon approval of the DMHC's final regulation and as required by the regulation.

May 23, 2022

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\$1 Million Lifetime Maximum Benefit (LMB) for Non-Medicare Plans - Update

LACERA staff continues to be engaged with the Board of Supervisors and County of Los Angeles CEO's office on the elimination of the \$1 million dollar Lifetime Maximum Benefit (LMB). The LMB applies to over 8,700 County active members and retirees enrolled now (or in the future) in the PPO and indemnity plan options.

The County CEO's office, LACERA staff, LACERA's Healthcare consultant, and actuary, met with County staff to discuss the findings of the County's actuarial analysis. We will continue to work through the situation and will inform the Board Trustees as updates become available.

SHK
CEO report June.2022.doc

Attachments



CEO DASHBOARD



June 1, 2022



Striving for Excellence

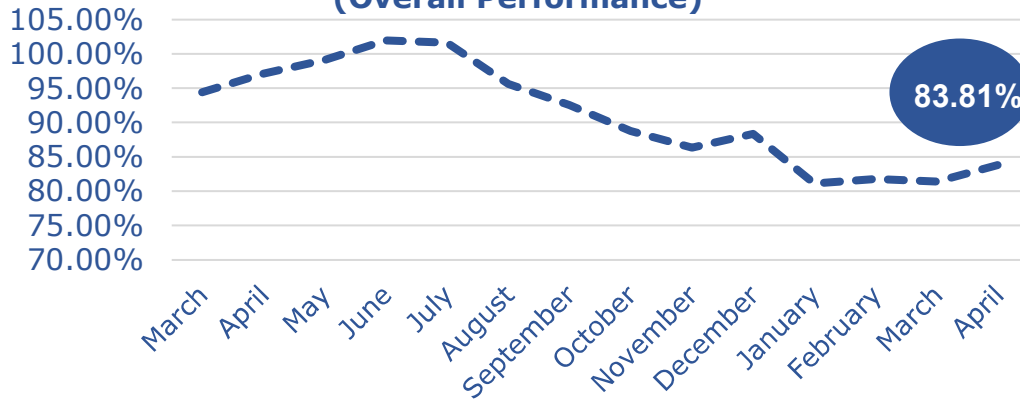
Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022

 WORKSHOP ATTENDANCE 850 Year-to-Date: 9,999	 OUTREACH EVENTS 14 Year-to-Date: 172	 WORKSHOP SATISFACTION N/A Mo. To Mo. Change: N/A	 MSC SATISFACTION N/A Mo. To Mo. Change: N/A	 MEMBER SERVICES CALL CENTER 15,170 3 Month Average: 17,682
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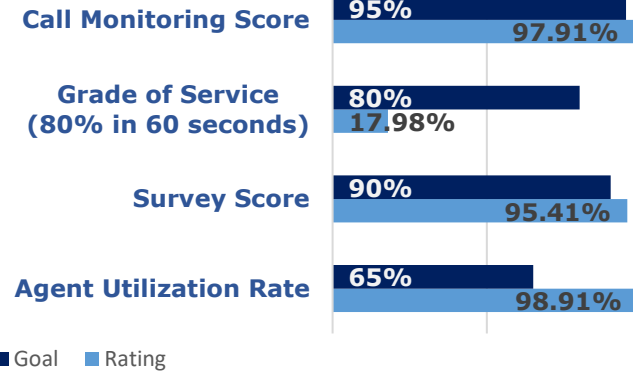
Member Services

Key Performance Indicator (Overall Performance)

Goal: 100%



Key Performance Indicator (Components)



Top Calls



1. Retirement Counseling: Process Overview
2. Retirement Counseling: Estimate
3. Retirement Counseling: Plan Overview



Emails

297
Avg. Response Time (ART)

24:00 hours

Secure Message
705



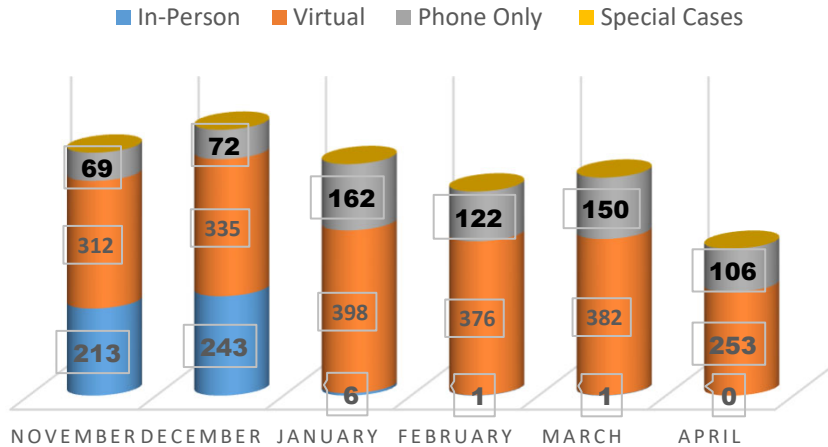


Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022

Member Services

Member Service Center Appointments

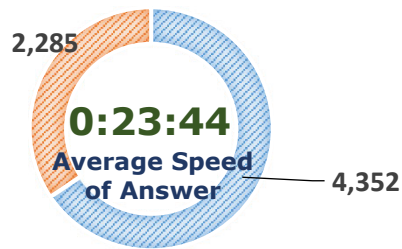


COMING SOON

Retiree Healthcare



Total RHC Calls: 6,637



■ Calls Answered ■ Calls Abandoned

Top Calls

1. Medical/Dental Enrollments

2. Medicare Part B Inquiries

3. General Inquiries

Call Monitoring Score



Grade of Service (80% in 60 seconds)



Survey Score



Agent Utilization Rate



■ Goal ■ Rating



Emails 359

Avg. Response Time (ART) 5 Days



Secure Messages

719



Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022

Applications
869

In Process
As Of
4/30/2022

853 Pending on: 3/31/2022

70 Received

650 Year-to-Date

0 Re-Opened

0 Year-to-Date

47 To Board - Initial

469 Year-to-Date

7 Closed

51 Year-to-Date

Appeals
68

In Process
As Of
4/30/2022

70 Pending on: 3/31/2022

2 Received

20 Year-to-Date

4 Admin Closed/Rule 32

26 Year-to-Date

0 Referee Recommended

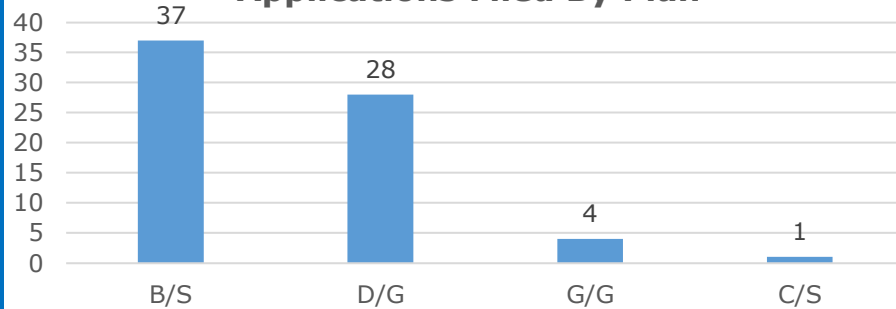
6 Year-to-Date

0 Revised/Reconsidered for Granting

0 Year-to-Date

Disability

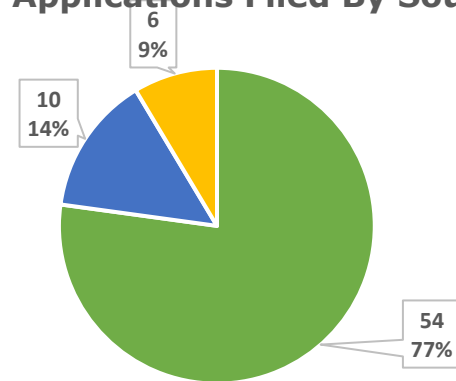
Applications Filed By Plan



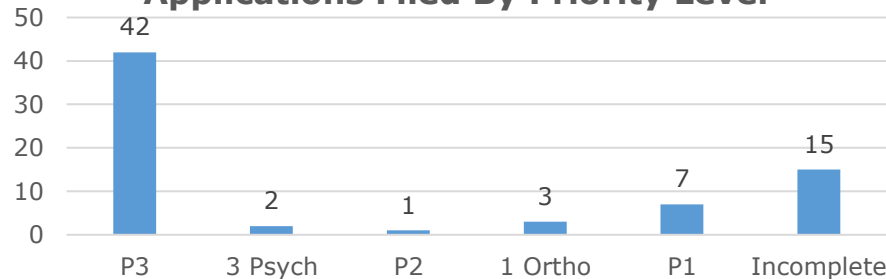
B/S: Plan B Safety - D/G: Plan D General
G/G: Plan G General - C/S Plan C Safety

Applications Filed By Source

- Employee
- Employer
- Survivor

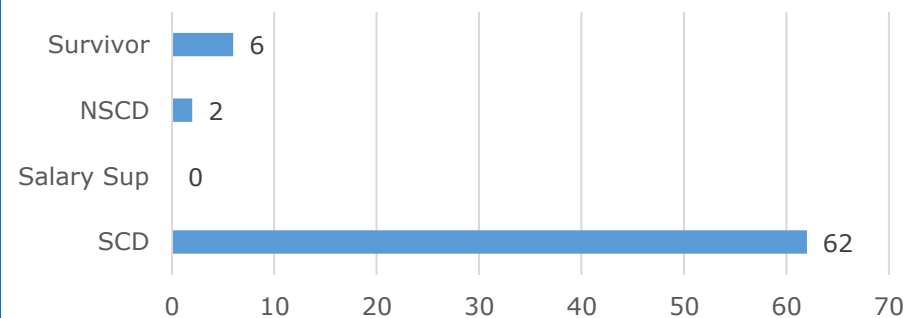


Applications Filed By Priority Level



Priority Level

Applications Filed By Type

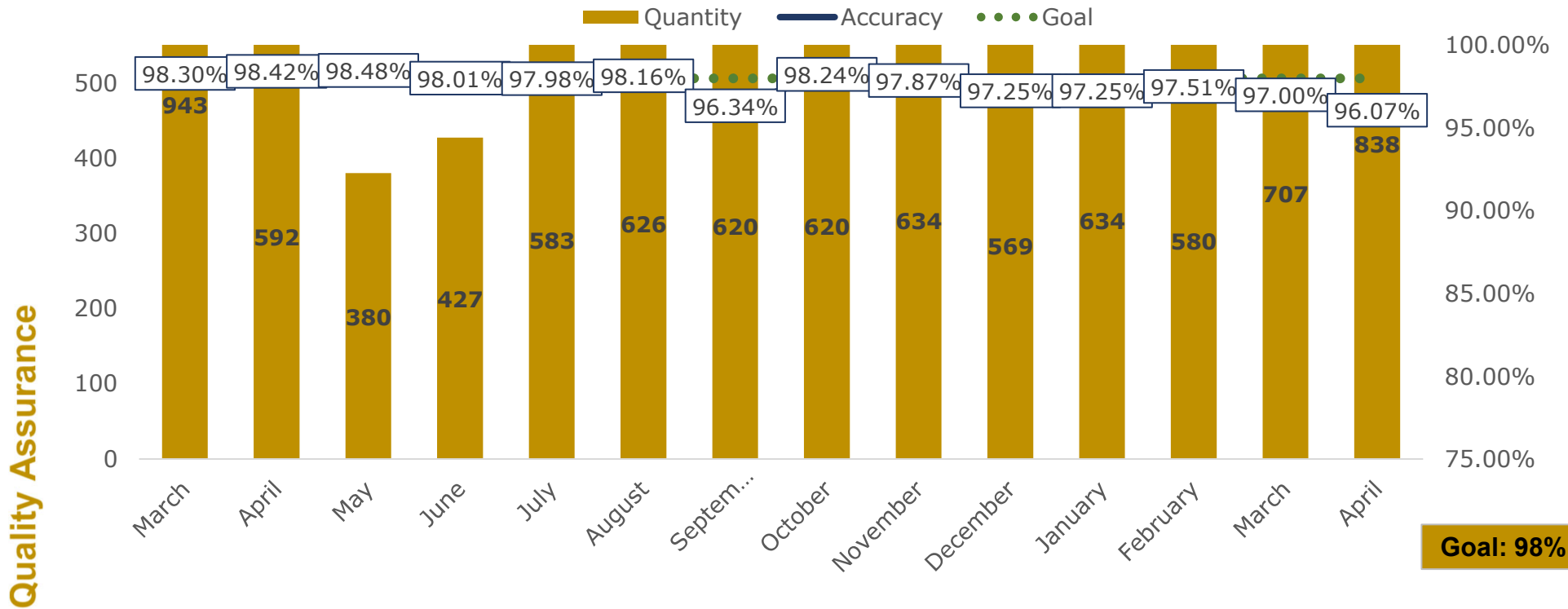




Striving for Excellence in Quality

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022

Audits of Retirement Elections, Payment Contracts, and Data Entry Completed by QA



April 2022

96.07%



Retirement Elections

496 Samples

98.29% Accuracy

Payment Contracts

251 Samples

95.60% Accuracy

Data Entry

91 Samples

94.32% Accuracy

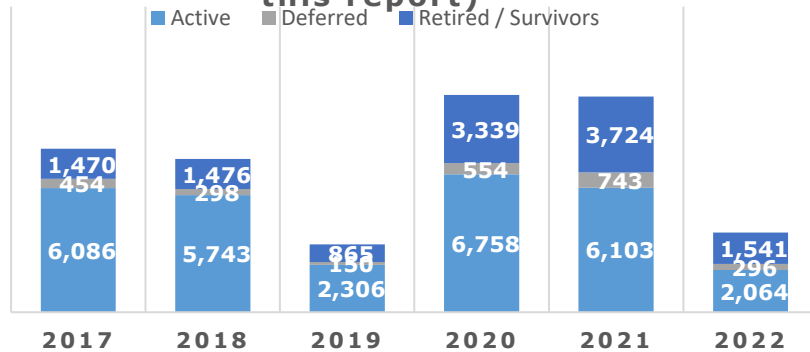


Service On-Line for All

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022

Serving Members Through LACERA.com and MyLACERA

MyLACERA Annual Registration
(as of the 15th of the month prior to this report)

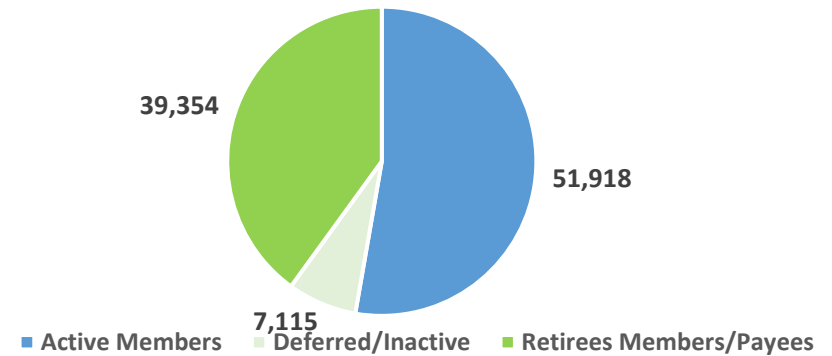


Total Registered Members

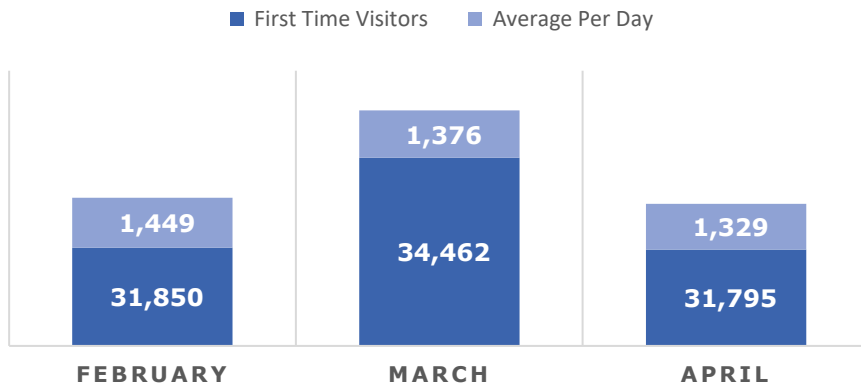
98,387

59%

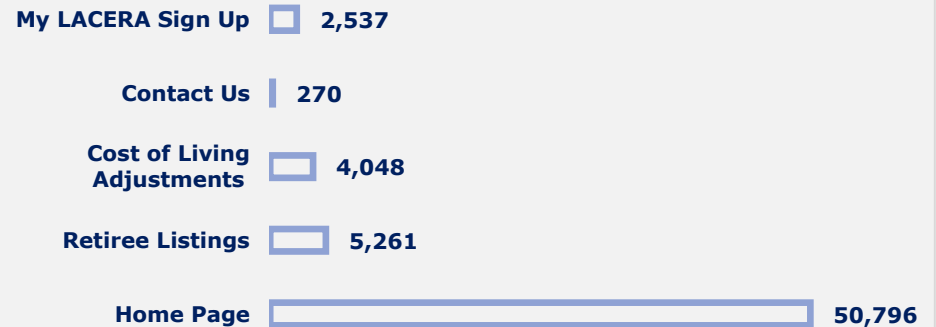
Total Registrations By Member Type



LACERA.com User Traffic



Top Five LACERA.com Page Views



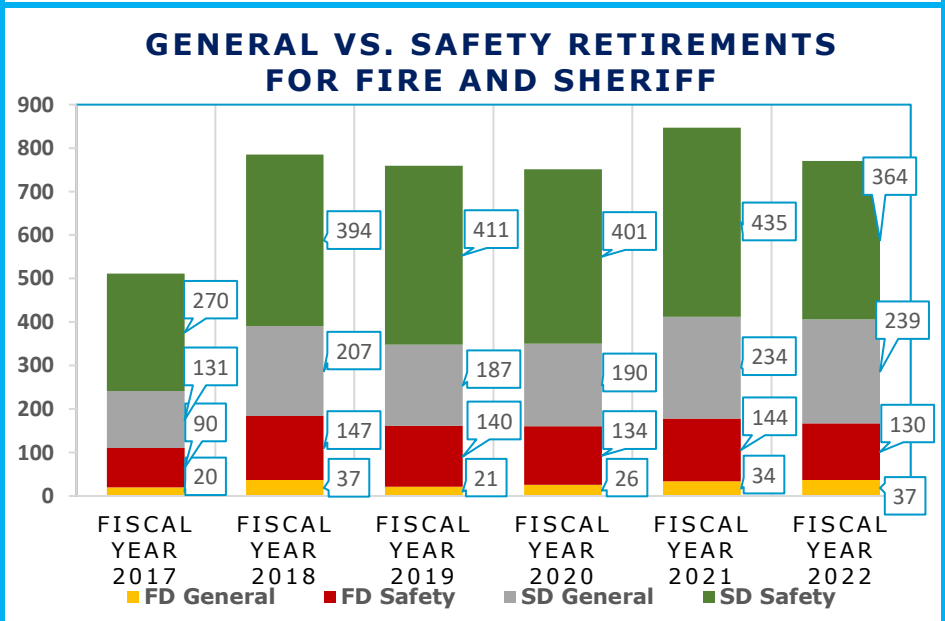
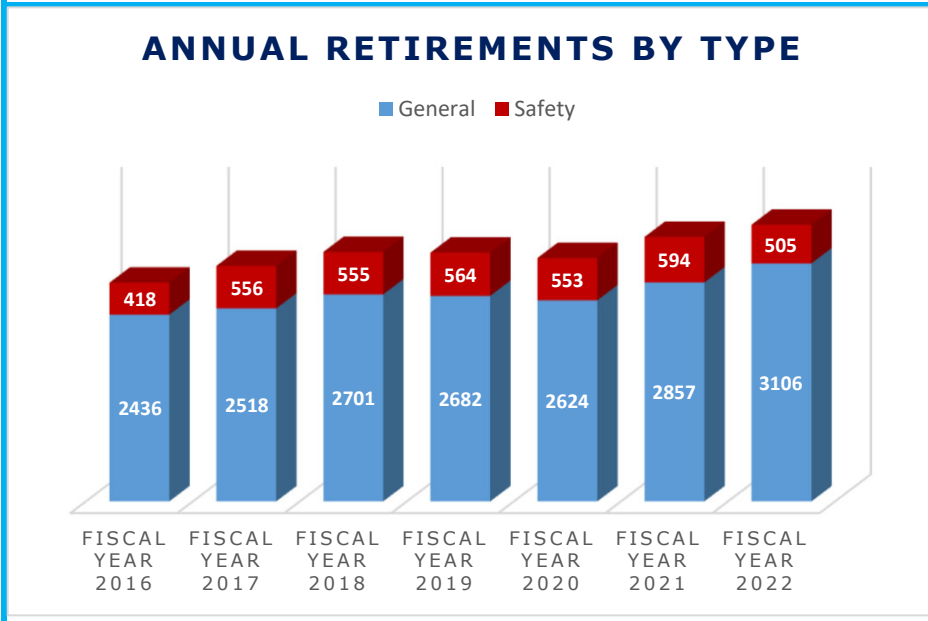
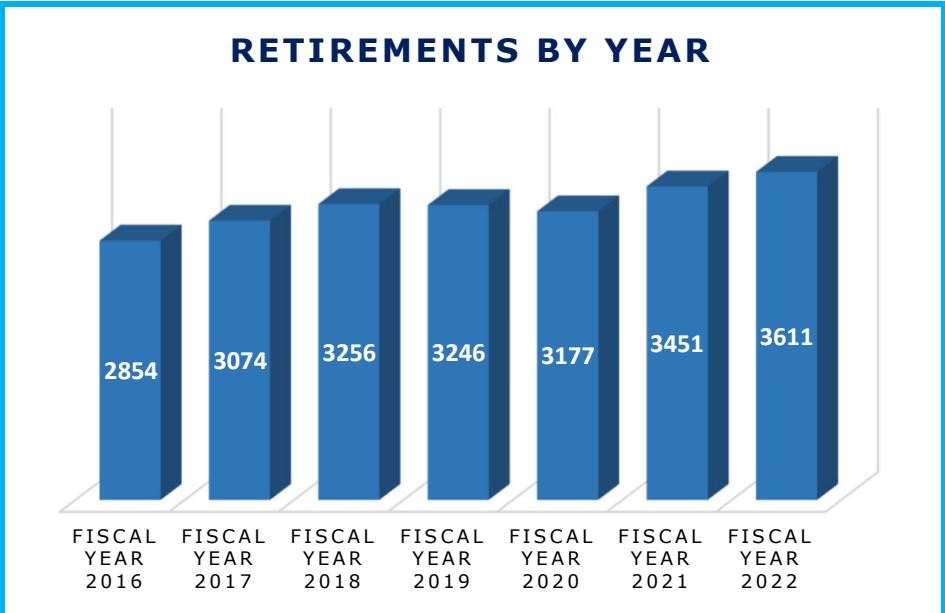
Home Page "I Would Like To" View	Views	% of Change	Home Page Tile Views	Views	% of Change
See My COLA	3,699	0%	My LACERA	2,537	-12%
Change My Tax Settings	1,459	10%	Pre-Retirement Workshops	1,108	-23%
Update My Beneficiary	1,089	-17%	Careers	1,198	2%
Print a Pay Day Calendar	985	-13%	Investments	732	-26%
Apply for Survivor Benefits	765	-46%	Annual Reports	550	-17%
Busiest Day of the Month	Wednesday, May 25, 2022		Investments	168	-23%



Member Snapshot

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022

Members as of 05/15/2022					
General	Plan	Active	Retired	Survivors	Total
	Plan A	56	14,059	4,166	18,281
	Plan B	15	645	70	730
	Plan C	18	421	65	504
	Plan D	36,022	19,865	1,815	57,702
	Plan E	14,142	14,813	1,506	30,461
	Plan G	33,281	174	14	33,469
	Total General	83,534	49,977	7,636	141,147
Safety	Plan A	1	4,576	1,648	6,225
	Plan B	8,130	7,378	383	15,891
	Plan C	4,731	19	2	4,752
	Total Safety	12,862	11,973	2,033	26,868
TOTAL MEMBERS	96,396	61,950	9,669	168,015	
% by Category	57%	37%	6%	100%	





Member Snapshot

Average Monthly Benefit Allowance Distribution May 25, 2022

	General	Safety	Total	%
\$0 to \$3,999	29,995	1,502	31,497	51.0%
\$4,000 to \$7,999	14,124	3,455	17,579	28.5%
\$8,000 to \$11,999	4,034	4,276	8,310	13.5%
\$12,000 to \$15,999	1,121	2,106	3,227	5.2%
\$16,000 to \$19,999	369	429	798	1.3%
\$20,000 to \$23,999	113	137	250	0.4%
\$24,000 to \$27,999	31	41	72	0.1%
> \$28,000	24	4	28	0.0%
Totals	49,811	11,950	61,761	100%

Average Monthly Benefit Amount:

\$ **4,760.00**

Healthcare Program

(Mo. Ending: 4/30/2022)

	Employer	Member
Medical	\$485.2	\$36.0
Dental	\$38.7	\$3.7
Part B	\$68.0	\$0.0
Total	\$591.9	\$39.7

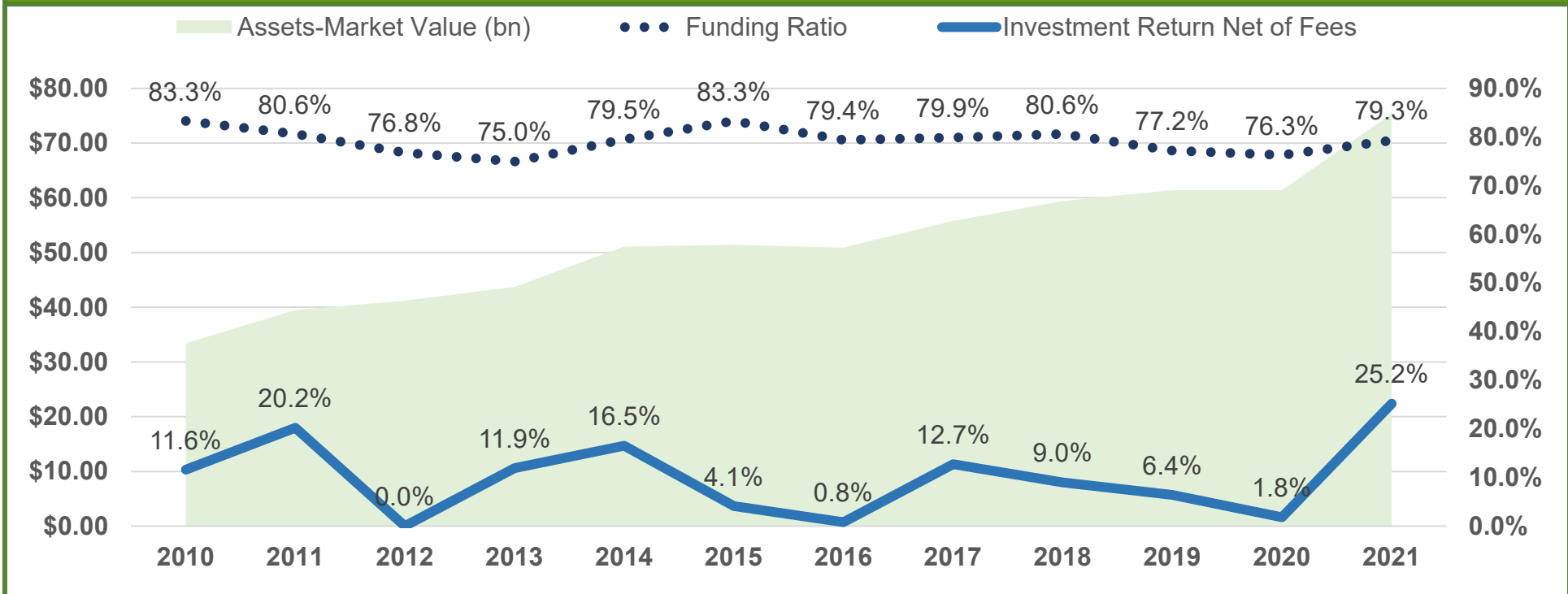
Health Care Enrollments

(Mo. Ending: 4/30/2022)

Medical	53,474
Dental	55,168
Part B	36,734
LTC	540
Total	145,916

KEY FINANCIAL METRICS

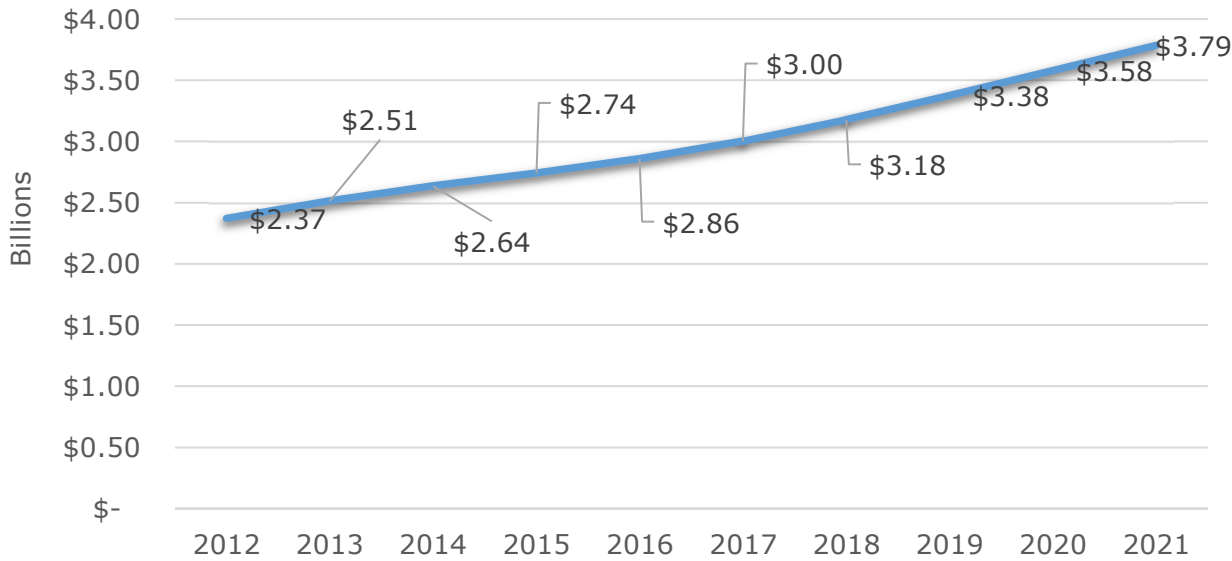
Fiscal Year End Financial Update (as of 06/30/2021)





Key Financial Metrics

Retiree Payroll by Year



FUNDING METRICS (as of 6/30/21)

Employer NC	10.88%
UAAL	13.58%
Assumed Rate	7.00%
Star Reserve	\$614m
Total Assets	\$73.0b

Contributions (as of 6/30/21)

	<u>Employer</u>	<u>Member</u>
Annual Add	\$2.0b	\$761.0m
% of Payroll	24.46%	7.87%

Contributions (as of 6/30/21)

(Net of Fees)

5 YR:	10.8%	10 YR:	8.6%
--------------	-------	---------------	------

Retired Members Payroll

(As of 4/30/2022)

Monthly Payroll	\$354.44m
Payroll YTD	\$3.4b
New Retired Payees Added	1,166
Seamless %	98.71%
New Seamless Payees Added	4,602
Seamless YTD	96.81%
By Check %	2.00%
By Direct Deposit %	98.00%



QUIET PERIOD LIST
Administrative/Operations
 Last Update:5/13/2022

RFP/RFI Name	Issuing Division	RFP Issued	Status*	Quiet Period for RFP Respondents*
Search for Classification & Compensation Study Services (HR)	Human Resources	5/24/2021	Bid Review	<ul style="list-style-type: none"> • Koff and Associates • Magnova Consultant • Grant Thornton • Reward Strategy Group
Search for Classification & Compensation Study Services (RHC)	Human Resources	5/24/2021	Bid Review	<ul style="list-style-type: none"> • Koff and Associates • Magnova Consultant • Grant Thornton • Reward Strategy Group
Contract Lifecycle Management Application	Administrative Services/ Systems	3/4/2022	Vendor Presentation and Evaluation	<ul style="list-style-type: none"> • Agiloft • Cobblestone • DocuSign • Icertis • Pantheon
2Case Management Software Solution	Systems Division	10/6/2021	Contract Negotiation	• Eccentex
Budget Software	Administrative Services/ Systems	3/10/2022	RFP Review	<ul style="list-style-type: none"> • Neubrain • ClearGov • Workday • Vena • Prophix • Questica • Denovo/Oracle • Board • TruEd/TruGov • IGM/Gravity



RFP/RFI Name	Issuing Division	RFP Issued	Status*	Quiet Period for RFP Respondents*
Executive Recruitment Services	Human Resources	2/23/2022	Bid Review	<ul style="list-style-type: none"> • Alliance Consulting • David Gomez Partners, Inc • EFL • Ralph Anderson • Spencer Stuart • WBCP

*Subject to change

INVESTMENTS QUIET PERIOD FOR SEARCH RESPONDENTS

Custody Bank Search

- ✓ State Street Bank and Trust Co.

Illiquid Credit Emerging Manager Program Search

- ✓ BlackRock Alternative Advisors
- ✓ Blackstone Alternative Asset Management
- ✓ Cambridge Associates
- ✓ GCM Grosvenor
- ✓ Stable Asset Management

OPEB Private Markets Investments Search

- ✓ BlackRock Financial Management Inc.
- ✓ Cambridge Associates LLC
- ✓ Goldman Sachs Asset Management, L.P.
- ✓ Hamilton Lane Advisors, LLC
- ✓ HarbourVest Partners, LLC
- ✓ J.P. Morgan Asset Management
- ✓ Morgan Stanley Investment Management
- ✓ Neuberger Berman Alternatives Advisers, LLC
- ✓ Pathway Capital Management, LP
- ✓ StepStone Group Holdings, LLC

Date	Conference
June, 2022	
5-8	Government Finance Officers Association (GFOA) Annual Conference Austin, TX
8-9	2022 PREA (Pension Real Estate Association) Institute Emory University Atlanta, GA
14-15	19 th Annual Consortium 2022 Diverse plus Women Managers Conference New York, NY
14-15	RFK Compass Summer Investors Conference Chatham, MA
21-23	AHIP (America's Health Insurance Plans) Institute Las Vegas, NV
24	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual
27-29	National Association of Securities Professionals (NASP) Annual Financial Services Conference Chicago, IL
27-29	IFEBP (International Foundation of Employment Benefit Plans) Public Employee Benefits Institute Seattle, WA
27-30	World Healthcare Congress National Harbor, MD
July, 2022	
13-15	Pacific Pension Institute (PPI) Summer Roundtable Vancouver, British Columbia
17-22	Leading in Artificial Intelligence: Exploring Technology and Policy Harvard Kennedy School, Cambridge, MA
August, 2022	
21-23	NCPERS (National Conference on Public Employee Retirement Systems) Public Pension Funding Forum Los Angeles, CA
29-September 1	CALAPRS (California Association of Public Retirement Systems) Principles of Pension Governance for Trustees Pepperdine University (<i>subject to change</i>)
September, 2022	
16	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual

Chief Investment Officer Monthly Report

Board of Investments

June 8, 2022



Jonathan Grabel 
Chief Investment Officer

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Table of Contents

1. Market Environment
2. Portfolio Performance and Risk Updates
3. Portfolio Structural Updates
4. Key Initiatives and Operational Updates
5. Commentary
6. Appendix
 1. Quiet Period for Search Respondents



Market Environment



Global Market Performance as of May 31, 2022

MSCI ACWI Index (Global Equity Market)*

Trailing Returns (%)			Annualized Returns (%)			
1-month	3-month	YTD	1Y	3Y	5Y	10Y
0.1	-6.0	-12.9	-7.5	11.5	8.8	10.2

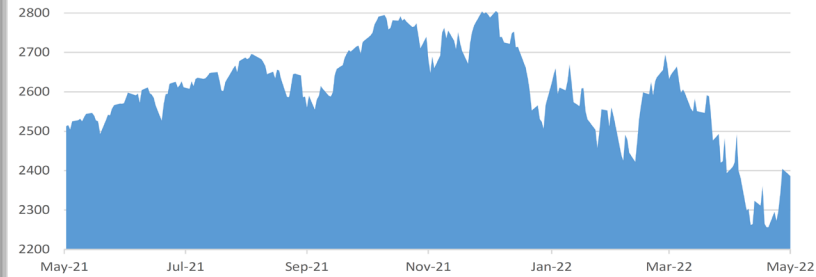
Russell 3000 Index (U.S. Equity Market)

Trailing Returns (%)			Annualized Returns (%)			
1-month	3-month	YTD	1Y	3Y	5Y	10Y
-0.1	-6.2	-13.9	-3.7	15.6	12.8	14.0

MSCI ACWI IMI Index 1-Year Performance



Russell 3000 1-Year Performance



MSCI Emerging Market Index

Trailing Returns (%)			Annualized Returns (%)			
1-month	3-month	YTD	1Y	3Y	5Y	10Y
0.4	-7.3	-11.8	-19.8	5.0	3.8	4.2

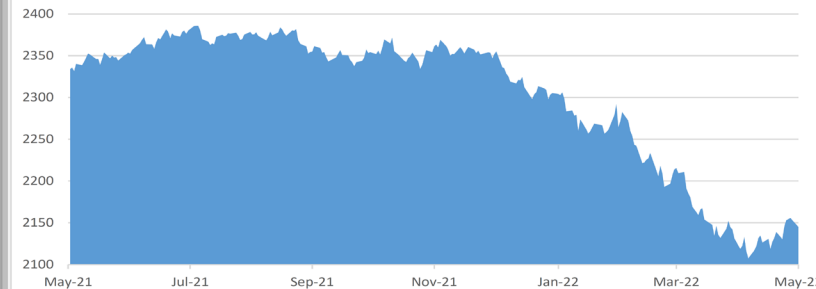
Barclays U.S. Aggregate Bond Index**

Trailing Returns (%)			Annualized Returns (%)			
1-month	3-month	YTD	1Y	3Y	5Y	10Y
0.6	-5.9	-8.9	-8.2	0.0	1.1	1.7

MSCI Emerging Markets 1-Year Performance



Barclays U.S. Aggregate Bond Index 1-Year Performance



*Global Equity Policy Benchmark - MSCI ACWI IMI Index

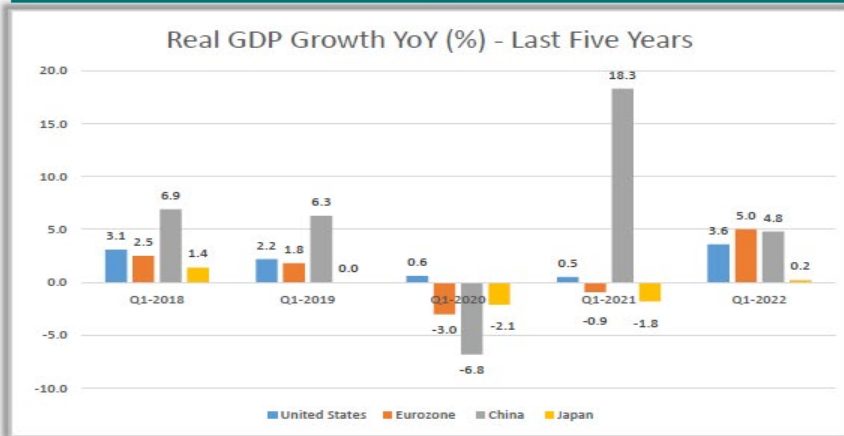
**Investment Grade Bonds Policy Benchmark - Barclays U.S. Aggregate Bond Index

Source: Bloomberg



Key Macro Indicators*

GDP Growth of Major Economies¹



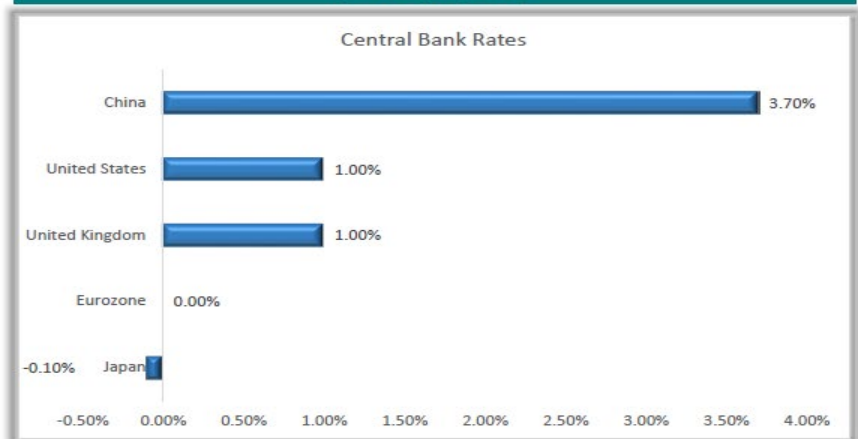
10-Year Treasury Yield²



World Equity Valuation³



Central Bank Rates⁴ (as of 5/31/2022)



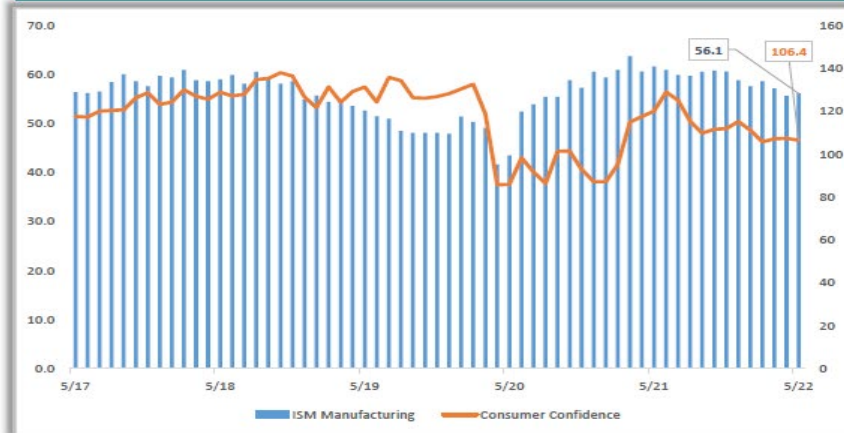
*The information on the "Key Macro Indicators" charts is the best available data as of 5/31/22 and may not reflect the current market and economic environment.

Sources: 1. Bloomberg 3. FactSet
2. St. Louis Federal Reserve 4. FactSet

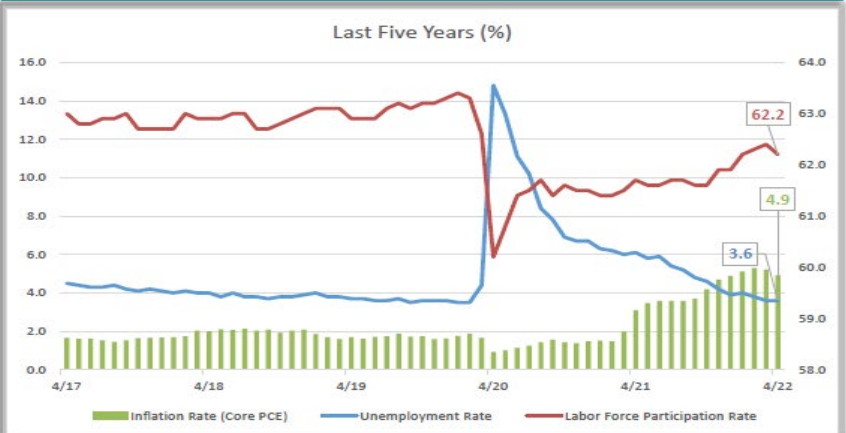


Key Macro Indicators*

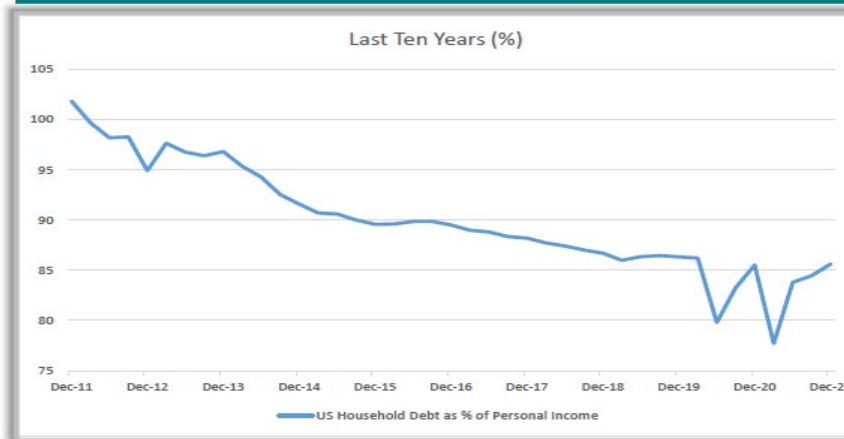
Consumer Confidence & ISM Manufacturing¹



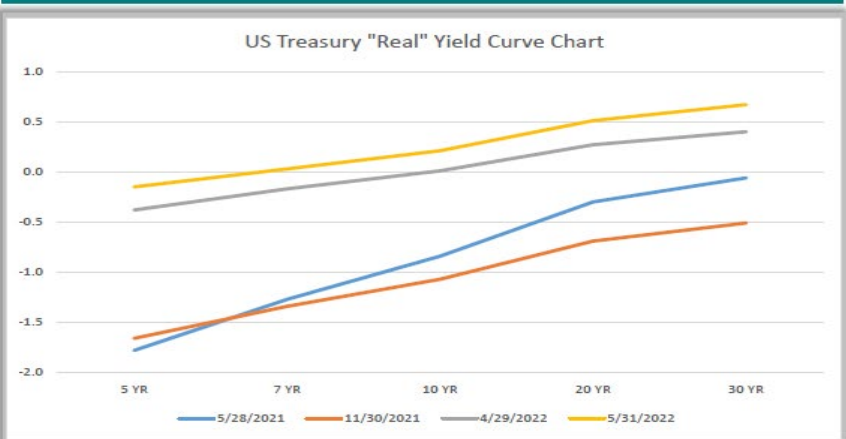
U.S. Inflation, Unemployment, & Labor Force Participation²



U.S. Household Debt as % of Personal Income³



U.S. Treasury "Real" Yield Curve⁴



*The information on the "Key Macro Indicators" charts is the best available data as of 5/31/22 and may not reflect the current market and economic environment.

Sources: 1. Bloomberg 3. Bloomberg
2. Bloomberg 4. U.S. Treasury



Market Themes and Notable Items to Watch

Recent Themes

- The U.S. Federal Reserve raised its primary borrowing rate by 0.50% in early May while citing urgency to combat rising inflation
 - Additional rate hikes are expected this year
- 40-year highs in inflation continue to be a headwind for consumer sentiment
- The U.S. 10-year treasury yield ended May at 2.85%, up from 1.52% at the end of 2021 and 0.93% at the end of 2020
- Global equities (MSCI All Country World Investable Market Index) rose 0.1% in May
- Covid-19
 - More than 529 million cases, 6.2 million deaths, and 11.5 billion vaccine doses

What to Watch

- Interest rates and consumer mortgage rates
- Economic data and trends
 - Inflation, supply chains, and labor developments
- Changing macro conditions
 - Central bank actions and geopolitical risks
- Environmental, social, governance
 - SEC proposes disclosure guidance on ESG funds
- Russia-Ukraine war
 - Continued geopolitical, global commerce, commodities, energy markets/transition impacts
- Covid-19
 - Economic and consumer behavior implications
 - Covid variants, transmission, vaccines



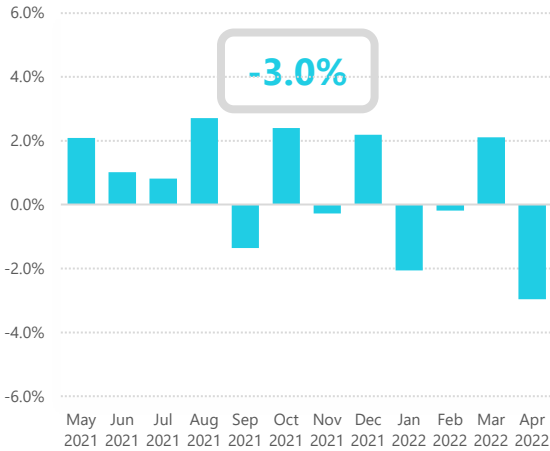
Portfolio Performance & Risk Updates



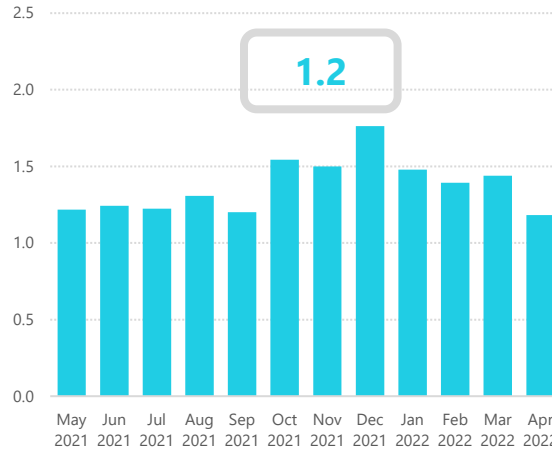
Total Fund Summary

as of April 2022

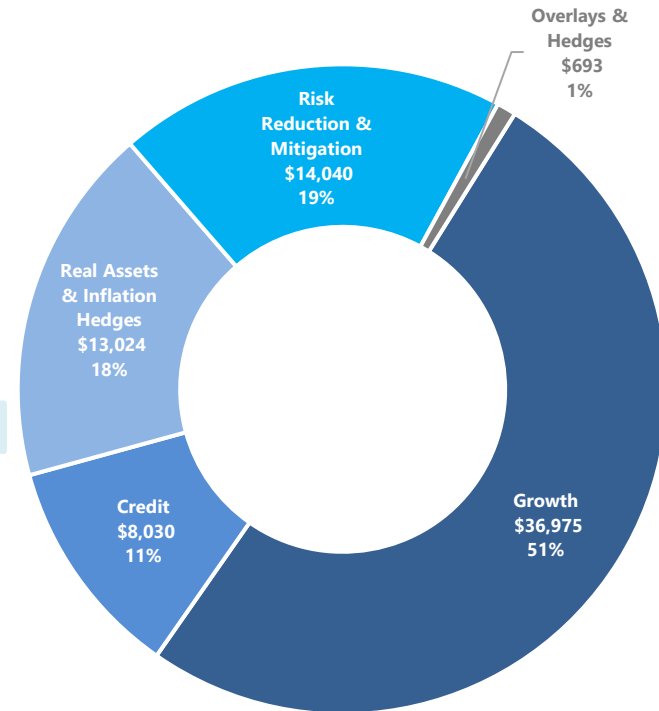
Monthly Return (net)



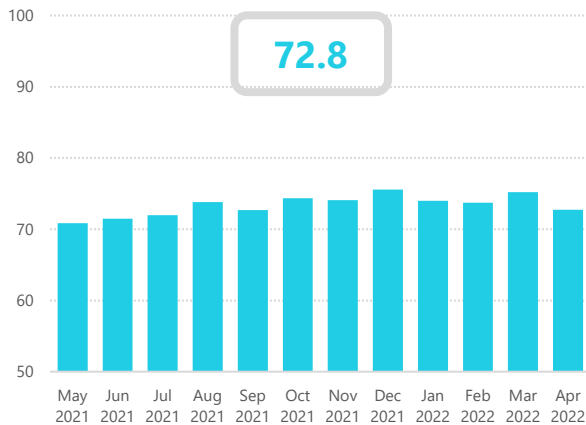
Sharpe Ratio (3-year annualized)



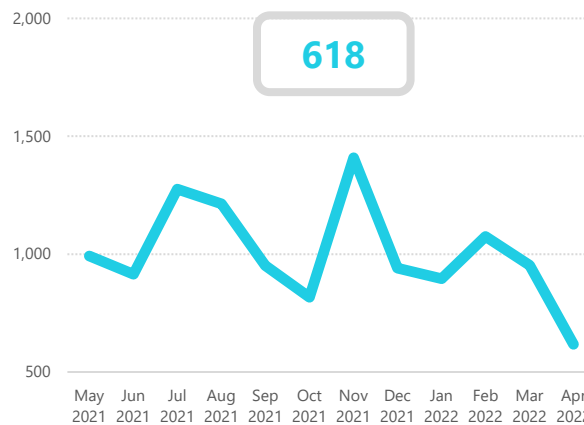
Asset Allocation (\$ millions)



Total Market Value (\$ billions)



Cash (\$ millions)

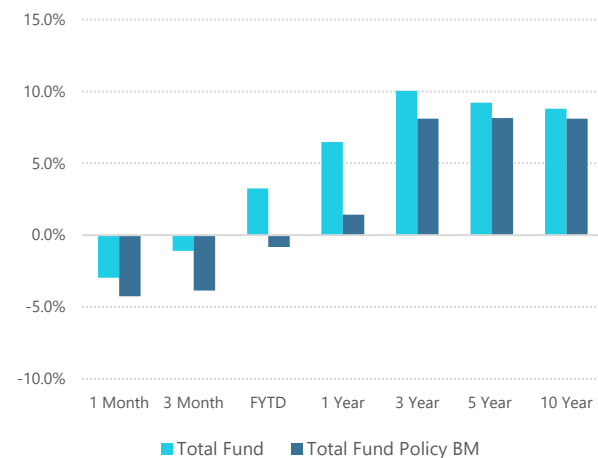


Historical Net Performance

as of April 2022

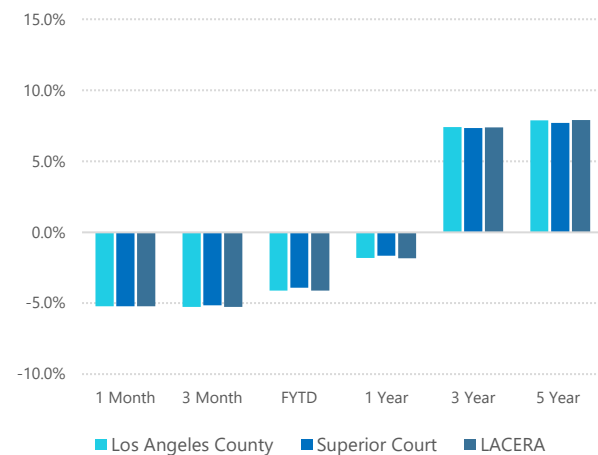
LACERA Pension Fund

	Market Value (\$ millions)	% of Total Fund	Interim Target	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
Total Fund	72,761	100.0%	100.0%	-3.0%	-1.1%	3.2%	6.5%	10.0%	9.2%	8.8%
Total Fund Policy BM				-4.2%	-3.8%	-0.8%	1.4%	8.1%	8.1%	8.1%
7% Annual Hurdle Rate				0.6%	1.7%	5.8%	7.0%	7.0%	7.0%	7.0%
Growth	36,975	50.8%	51.0%	-4.8%	-2.5%	3.0%	7.9%	14.7%		
Growth Policy BM				-6.5%	-6.0%	-2.9%	0.3%	11.9%		
Credit	8,030	11.0%	11.0%	-1.3%	-2.5%	-0.2%	1.6%	5.0%		
Credit Policy BM				-1.6%	-4.1%	-3.4%	-2.1%	3.1%		
Real Assets & Inflation Hedges	13,024	17.9%	17.0%	-0.5%	6.9%	15.6%	17.6%	8.9%		
Real Assets & Inflation Hedges Policy BM				-0.5%	5.7%	15.5%	17.9%	10.2%		
Risk Reduction & Mitigation	14,040	19.3%	21.0%	-2.8%	-5.3%	-6.5%	-5.6%	1.8%		
Risk Reduction & Mitigation Policy BM				-3.1%	-6.0%	-7.0%	-6.2%	1.0%		
Overlays & Hedges	693	1.0%		42.9%	85.0%					



OPEB Master Trust¹

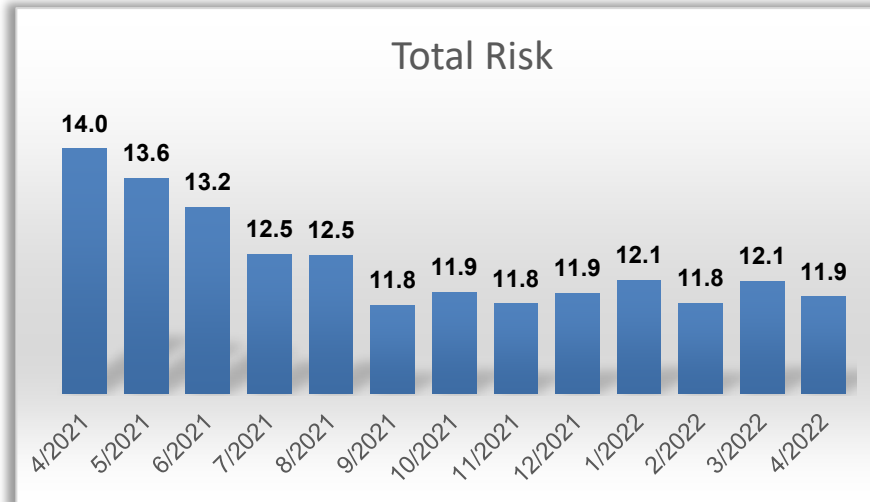
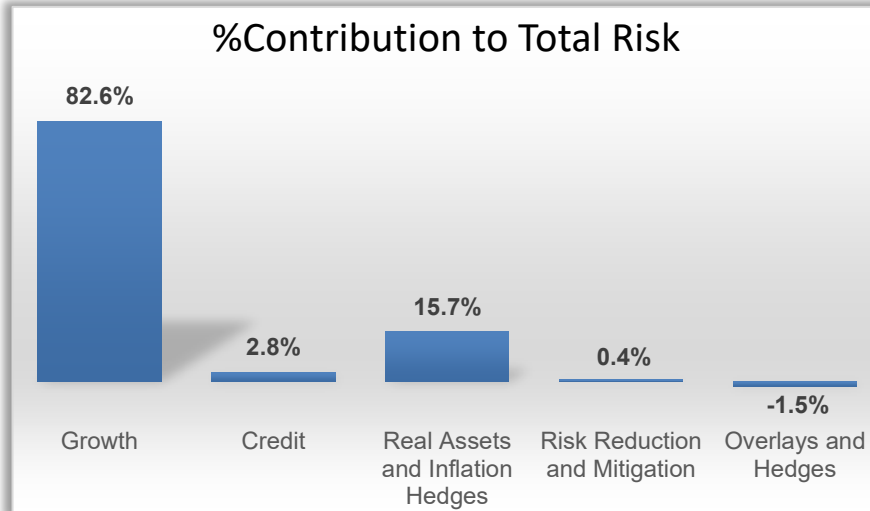
	Market Value (\$ millions)	% of Master Trust	Interim Target	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year
OPEB MASTER TRUST	2,481			-5.2%	-5.3%	-4.1%	-1.8%	7.4%	7.9%
Los Angeles County	2,412	97.2%	—	-5.2%	-5.3%	-4.1%	-1.8%	7.4%	7.9%
Superior Court	59	2.4%	—	-5.2%	-5.1%	-3.9%	-1.7%	7.3%	7.7%
LACERA	10	0.4%	—	-5.2%	-5.3%	-4.1%	-1.8%	7.4%	7.9%
OPEB Growth	1,229	49.5%	50.0%	-7.9%	-8.2%	-8.6%	-6.1%	9.5%	9.5%
OPEB MT Growth Policy BM				-7.9%	-8.2%	-8.7%	-6.2%	9.2%	9.2%
OPEB Credit	500	20.1%	20.0%	-2.0%	-4.0%	-4.7%	-3.5%	1.7%	--
OPEB MT Credit Policy BM				-2.1%	-4.2%	-4.7%	-3.6%	2.1%	--
OPEB Real Assets & Inflation Hedges	508	20.5%	20.0%	-2.1%	2.5%	11.8%	15.3%	10.1%	--
OPEB MT RA & IH Policy BM				-2.1%	2.1%	11.6%	15.0%	9.9%	--
OPEB Risk Reduction & Mitigation	244	9.8%	10.0%	-3.0%	-6.0%	-7.5%	-6.8%	0.6%	1.6%
OPEB MT RR & M Policy BM				-3.0%	-6.0%	-7.6%	-6.8%	0.5%	1.4%
Operational Cash	0	0.0%							



1. Market value differences between the sub-trusts and functional composites are due to operational cash.

Total Fund Forecast Risk*

as of April 2022



	%Weight	% Cont. to Total Risk	Standalone Total Risk	Standalone BMK Risk**
Total Fund			11.9	11.4
Growth	50.8%	82.6%	19.5	18.1
Global Equity	32.4%	45.0%	17.4	17.5
Private Equity	17.0%	34.6%	27.5	25.0
Non-Core Private Real Estate	1.4%	3.0%	36.8	17.9
Credit	11.1%	2.8%	4.0	4.8
Liquid Credit	6.6%	2.1%	5.0	4.8
Illiquid Credit	4.5%	0.7%	4.1	4.8
Real Assets & Inflation Hedges	17.8%	15.7%	12.2	12.6
Core Private Real Estate	5.7%	6.1%	18.6	17.9
Natural Resources & Commodities	5.0%	4.7%	15.2	19.3
Infrastructure	4.4%	4.6%	15.2	16.0
TIPS	2.8%	0.4%	5.5	5.4
Risk Reduction and Mitigation	19.3%	0.4%	4.5	4.3
Investment Grade Bonds	11.2%	0.2%	5.2	5.1
Diversified Hedge Funds	5.5%	0.4%	3.9	0.1
Long-Term Government Bonds	1.7%	-0.2%	12.6	12.6
Cash	0.9%	0.0%	-	-
Overlays and Hedges	1.0%	-1.5%	-	-

*Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 12/31/2021

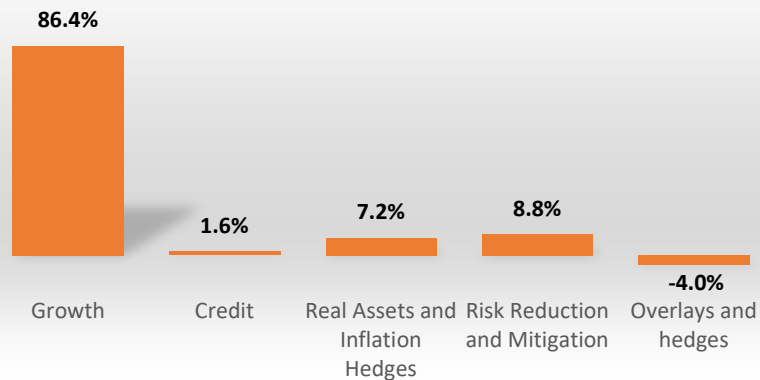
**BMK Risk stands for Benchmark Risk



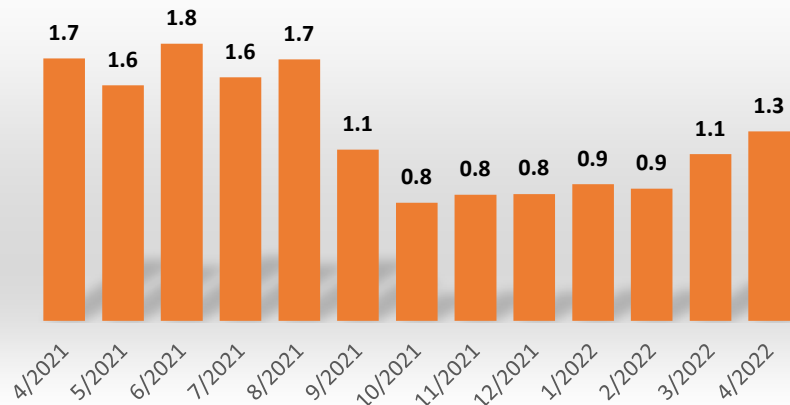
Total Fund Forecast Active Risk*

as of April 2022

Active Risk Contribution



Active Risk



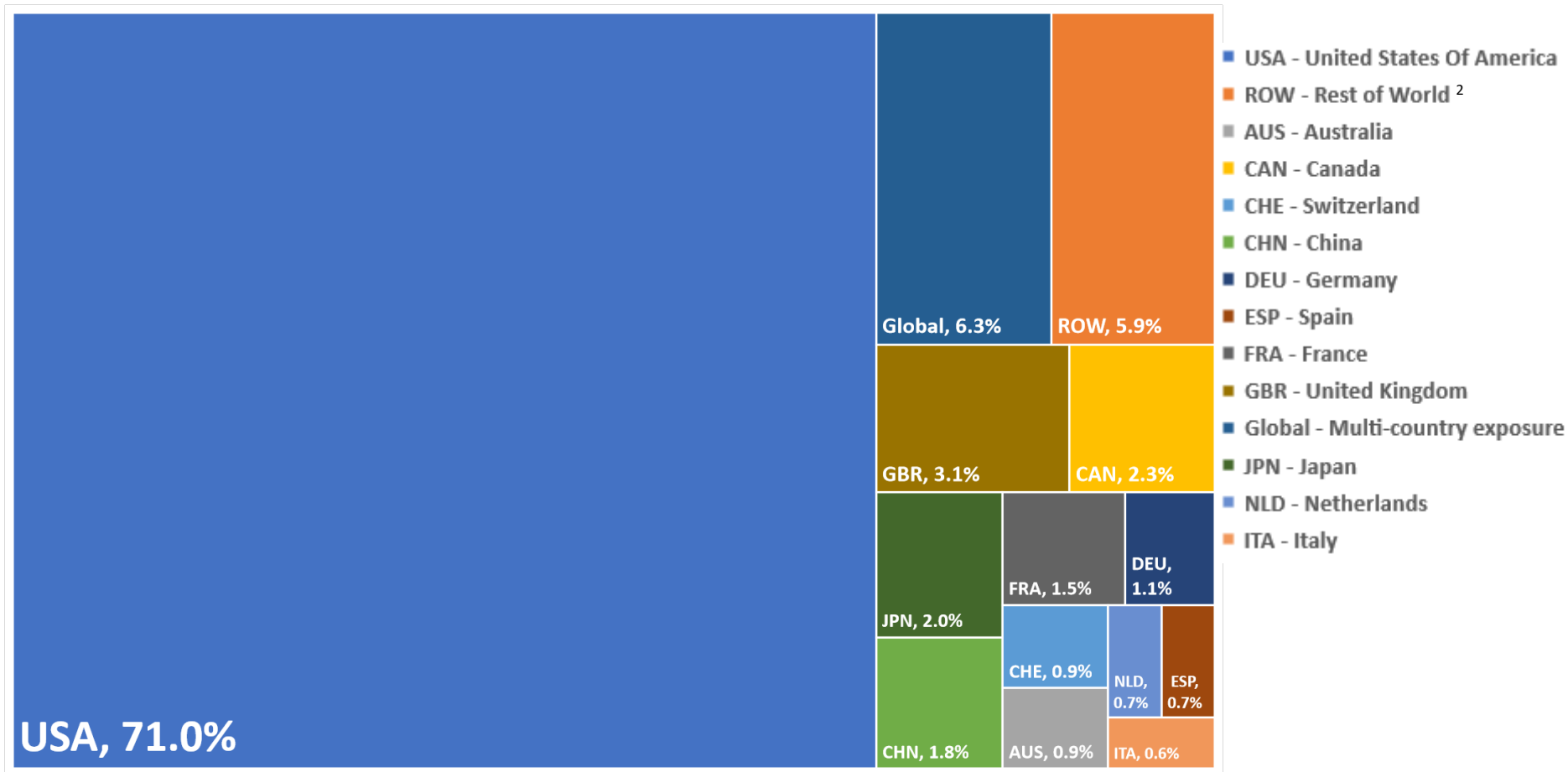
	%Weight	Active Weight%	Active Risk	Active Risk Allocation	Active Risk Selection
Total Fund			1.25	-0.02	1.28
Growth	50.8%	-0.21%	1.08	-0.01	1.09
Global Equity	32.4%				
Private Equity	17.0%				
Non-Core Private Real Estate	1.4%				
Credit	11.1%	0.14%	0.02	-0.01	0.03
Liquid Credit	6.6%				
Illiquid Credit	4.5%				
Real Assets & Inflation Hedges	17.8%	0.82%	0.09	-0.03	0.12
Core Private Real Estate	5.7%				
Natural Resources & Commodities	5.0%				
Infrastructure	4.4%				
TIPS	2.8%				
Risk Reduction and Mitigation	19.3%	-1.69%	0.11	0.07	0.04
Investment Grade Bonds	11.2%				
Diversified Hedge Funds	5.5%				
Long-Term Government Bonds	1.7%				
Cash	0.9%				
Overlays and Hedges	1.0%	0.95%	-0.05	-0.05	-

*Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 12/31/2021



Geographic Exposures by AUM* - Total Fund

as of April 2022 ex-overlays and hedges



*AUM = assets under management

¹ *Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 12/31/2021

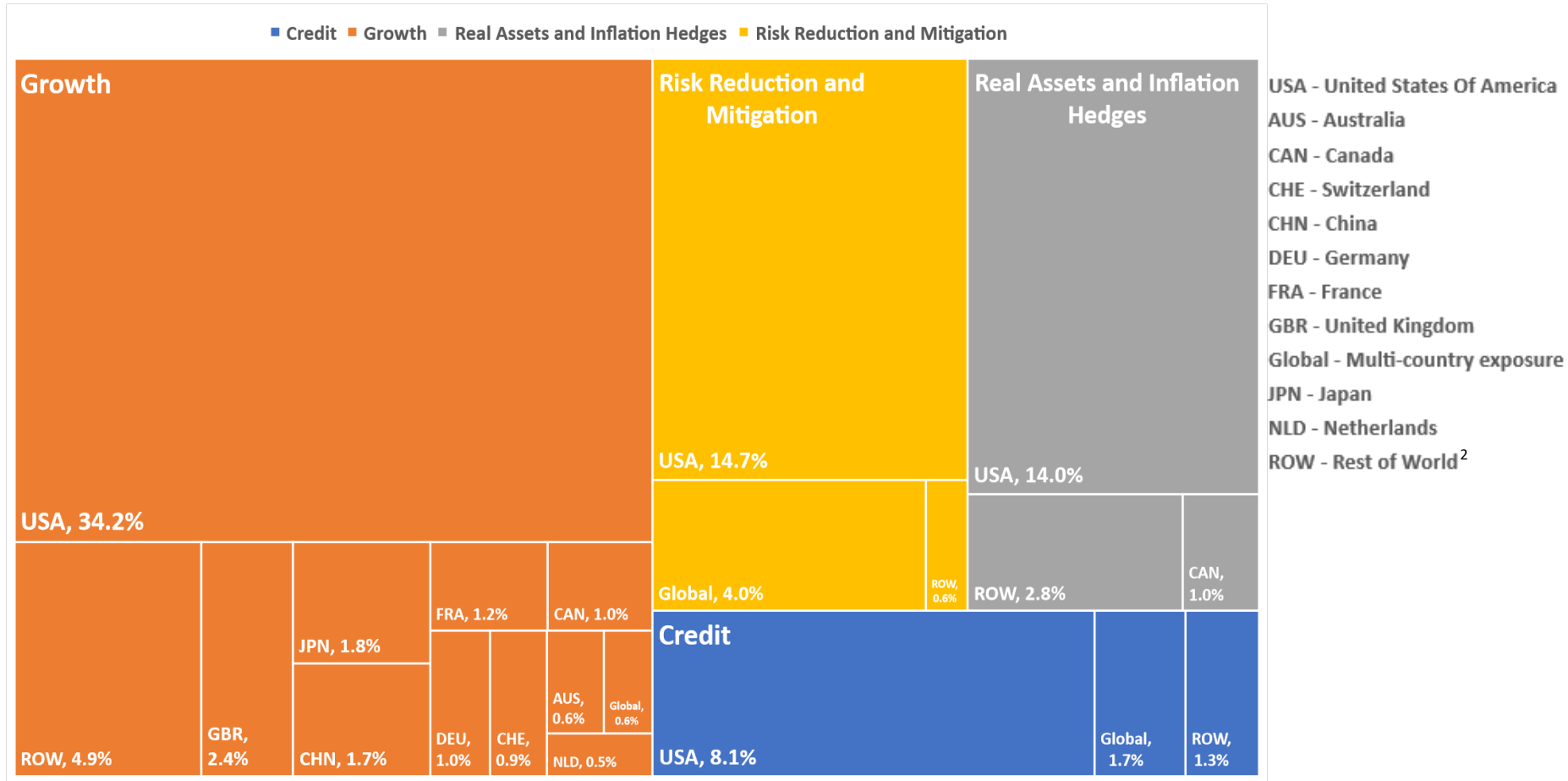
² "ROW - Rest of World" is sum of countries with weight below 0.5%

³ Geographic exposure is based on the domicile country of a given security/asset



Geographic Exposures by AUM* - Asset Categories

as of April 2022 ex-overlays and hedges



*AUM = assets under management

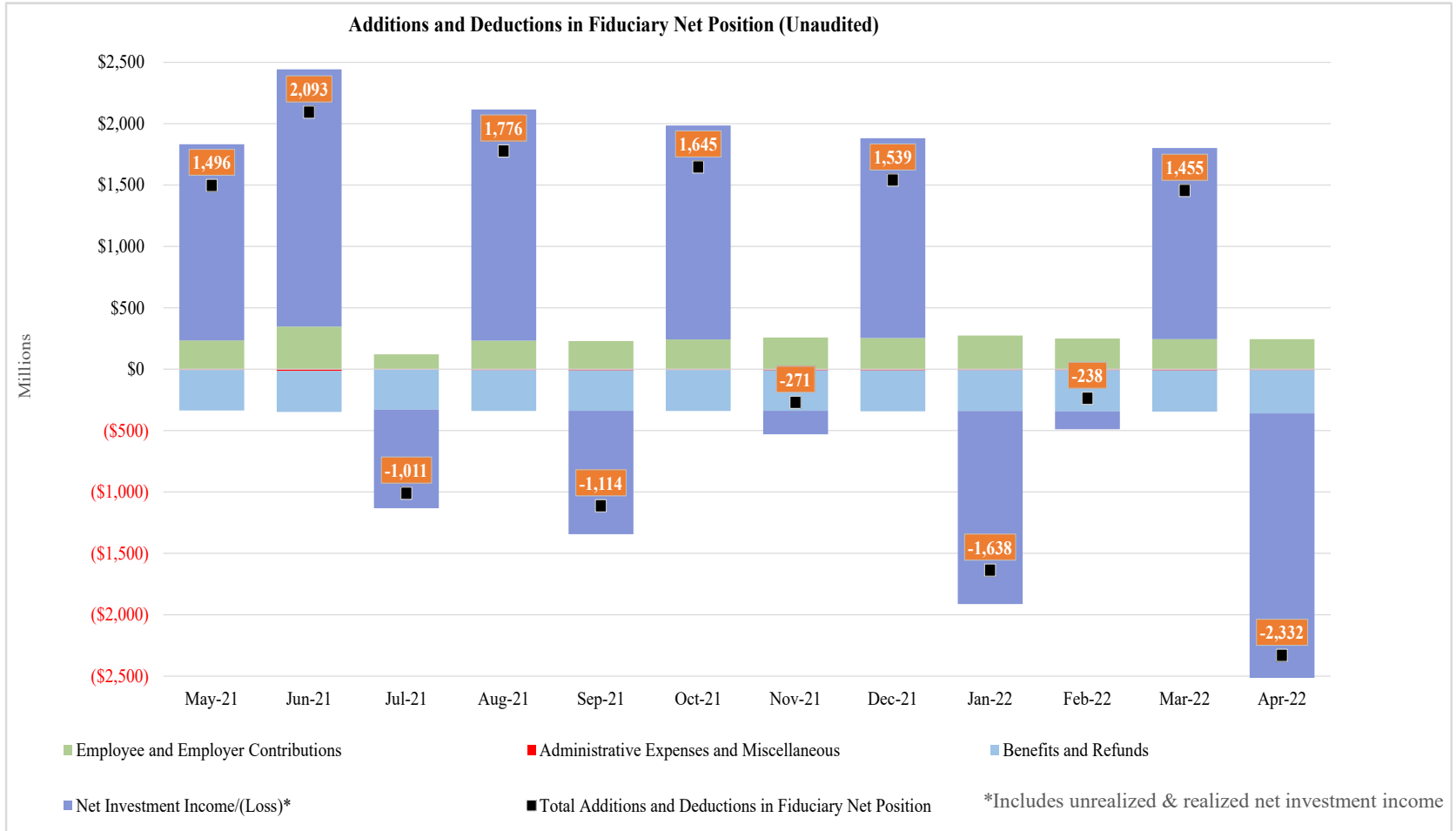
¹ *Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 12/31/2021

² "ROW - Rest of World" is sum of countries with weight below 0.5%

³ Geographic exposure is based on the domicile country of a given security/asset



Change In Fiduciary Net Position



Fiscal Year	Negative Months	Positive Months	Total Net Position Change \$
FY-20	5	7	-
FY-21	2	10	\$13.8 billion
FY-22	6	4	(\$190 thousand)



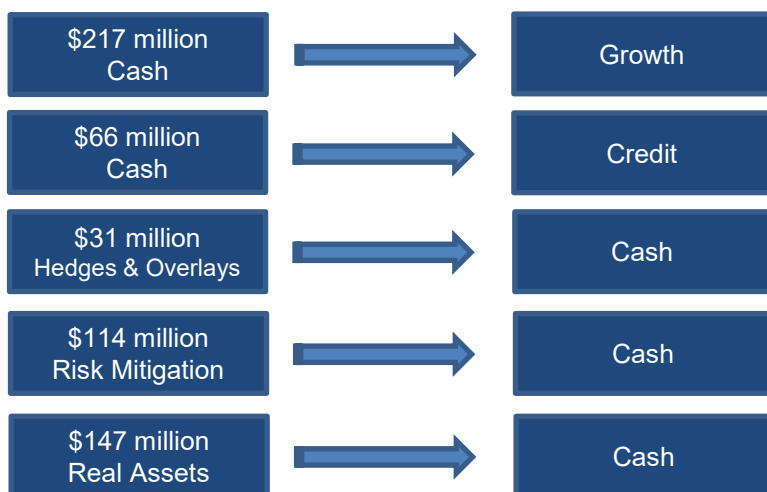
Portfolio Structural Updates



Portfolio Structural Updates

Portfolio Movements

Rebalancing Activity



Hedges and Overlays

Program	April Return	April Gain/(Loss)	Inception* Gain/(Loss)
Currency Hedge**	2.5%	\$30.6 Million	\$1.1 Billion
Cash/Rebalance Overlay***	2.3%	\$36.5 Million	\$116.4 Million

*Currency and overlay program inception dates are 9/2010 & 7/2019, respectively.

** LACERA's currency hedge program's 1-month return is calculated monthly whereas the monthly gain/loss amount for the same period is the net realized dollar amount at contract settlement over three monthly tranches.

*** LACERA's overlay program's 1-month return includes interest earned on the cash that supports the futures contracts.

Current Search Activity

Status of Active Searches – Subject to Change

Name	RFP Issued	Due Diligence	BOI Review
Illiquid Credit Emerging Manager Program Search	●	●	Anticipated Mid 2022
Custody Bank Search	●	●	Anticipated Late 2022
OPEB Private Markets Investments Search	●	●	Anticipated August 2022
Global Equity Emerging Separate Account Manager Search	●		Anticipated Late 2022

Quiet Period for Search Respondents

Please see the Appendix for this month's list of respondents to active searches



Key Initiatives and Operational Updates



Notable Initiatives and Operational Updates

Key Initiative Updates

- Implementation is ongoing for the new strategic asset allocation policy targets and benchmarks
- Preparations for the BOI Offsite in September are underway

Operational Updates

- Annual contract compliance review underway

Manager/Consultant Updates

Credit Suisse – Real Assets – John Calvaruso, Director at Credit Suisse Asset Management (“CSAM”), and Co-Portfolio Manager and Trader for the Commodities Team, will be leaving the firm in June. He had recently joined the team in October 2021. CSAM intends to hire an experienced portfolio manager to replace Mr. Calvaruso.

Deutsche Bank DWS – Real Assets – Asoka Woehrmann, Chief Executive Officer, resigned from the firm in June. He will be succeeded by Stefan Hoops, the current head Of Deutsche Bank’s corporate bank. The firm was raided by German authorities for allegations of greenwashing, the practice of firms and funds giving misleading claims about their products or ESG credentials.

Completed Actions

- Onboarded LACERA’s first dedicated managed account

Team Searches and Open Positions

- Working on launching new searches
 - 1 – Deputy Chief Investment Officer
 - 1 – Principal Investment Officer
 - 2 – Senior Investment Officer
 - 1 search in progress
 - 4 – Financial Analyst-III
 - 4 searches in progress
 - 2 – Financial Analyst-II



Commentary



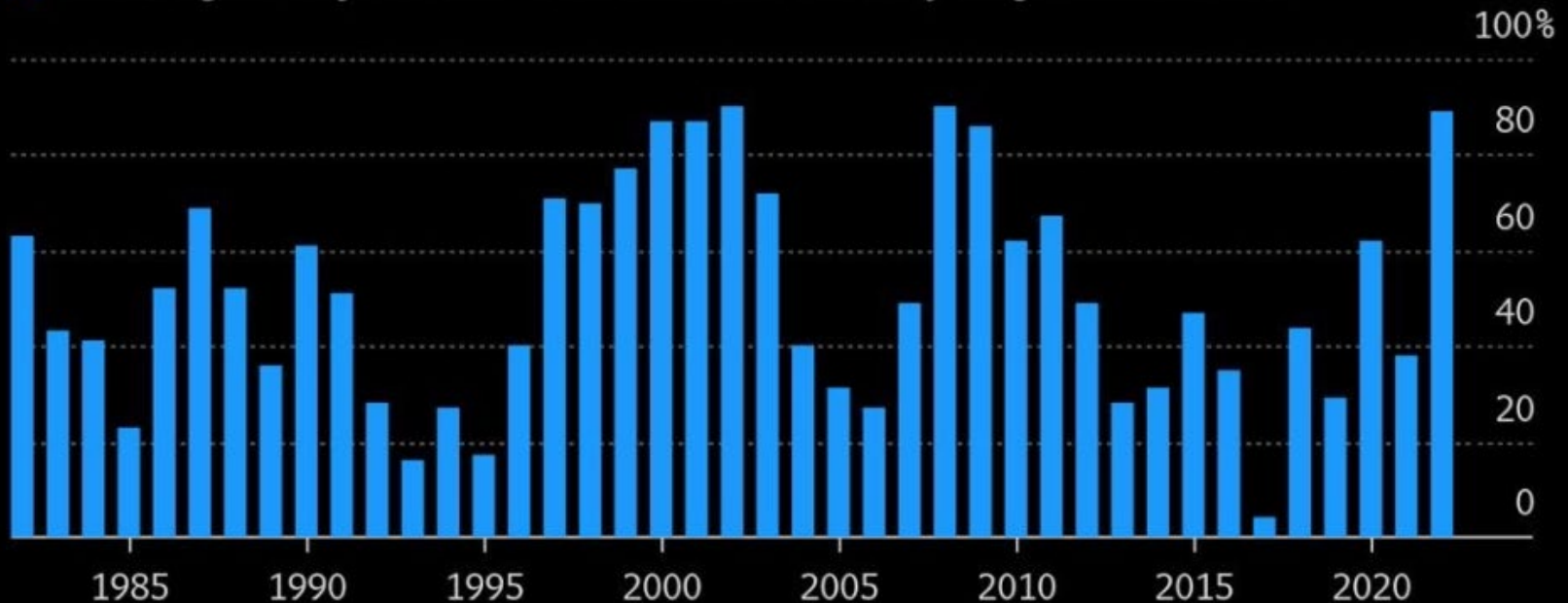
Staff Chart of the Month*

Rockiest Start to U.S. Equity Market since 2008

Buckle Up

S&P 500 is off to its wildest start to a year since 2008

■ Percentage of days the S&P 500 has traded in a daily range of at least 1%



Source: Strategas Securities, LLC

Bloomberg

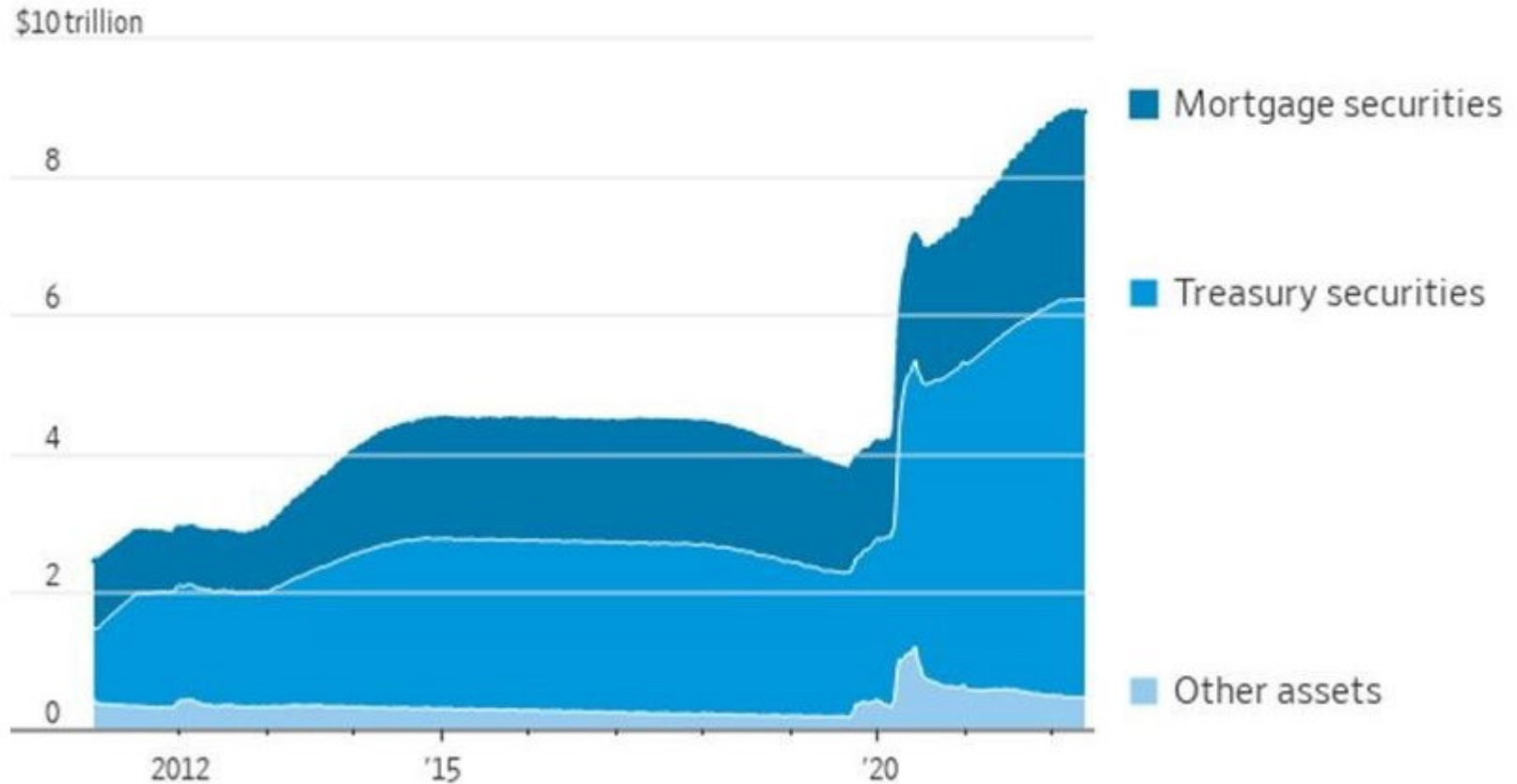


Staff Chart of the Month*

Still A Large Amount of Liquidity in the System

Bond Balances

The Federal Reserve's asset holdings have doubled since March 2020



Source: Federal Reserve



Appendix



Quiet Period for Search Respondents

Custody Bank Search

- ✓ State Street Bank and Trust Co.

Illiquid Credit Emerging Manager Program Search

- ✓ BlackRock Alternative Advisors
- ✓ Blackstone Alternative Asset Management
- ✓ Cambridge Associates
- ✓ GCM Grosvenor
- ✓ Stable Asset Management

OPEB Private Markets Investments Search

- ✓ BlackRock Financial Management Inc.
- ✓ Cambridge Associates LLC
- ✓ Goldman Sachs Asset Management, L.P.
- ✓ Hamilton Lane Advisors, LLC
- ✓ HarbourVest Partners, LLC
- ✓ J.P. Morgan Asset Management
- ✓ Morgan Stanley Investment Management
- ✓ Neuberger Berman Alternatives Advisers, LLC
- ✓ Pathway Capital Management, LP
- ✓ StepStone Group Holdings, LLC



May 24, 2022

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Steven P. Rice, *SPR*
Chief Counsel

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 Board of Investments Meeting

SUBJECT: Approval of Teleconference Meetings Under AB 361 and Government Code
Section 54953(e)

RECOMMENDATION

That, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, so long as the State of Emergency remains in effect, and direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees.

LEGAL AUTHORITY

Under Article XVI, Section 17 of the California Constitution, the Boards have plenary authority and exclusive fiduciary responsibility for the fund's administration and investments. This authority includes the ability of each Board to manage their own Board and Committee meetings and evaluate legal options for such meetings, such as whether to invoke teleconferencing of meetings under AB 361 and Government Code Section 54953(e) of the Brown Act to protect the health and safety of Trustees, staff, and the public. The Boards previously took this action at their meetings since October 2021. Findings made under this memo will be effective for meetings during the next 30 days, so long as the State of Emergency remains in effect.

DISCUSSION

A. Summary of Law.

On September 16, 2021, the Governor signed AB 361 which enacted new Government Code Section 54953(e) of the Brown Act to put in place, effective immediately and through

December 31, 2023, new teleconferencing rules that may be invoked by local legislative bodies, such as the LACERA Boards, upon making certain findings and following certain agenda and public comment requirements.

Specifically, Section 54953(e)(3) provides that the Boards may hold teleconference meetings without the need to comply with the more stringent procedural requirements of Section 54953(b)(3) if a state of emergency under Section 8625 of the California Emergency Services Act impacts the safety of in person meetings or state or local officials have imposed or recommended social distancing rules, provided that the Board makes the following findings by majority vote:

(A) The Board has considered the circumstances of the state of emergency; and

(B) Any of the following circumstances exist:

- (i) The state of emergency continues to directly impact the ability of the Trustees to meet safely in person; or
- (ii) State or local officials continue to impose or recommend measures to promote social distancing.

If each Board makes the required findings, that Board and its Committees may hold teleconference meetings for the next 30 days without the need to comply with the regular rules of Section 54953(b)(3) provided that: agendas are prepared and posted under the Brown Act; members of the public are allowed to access the meeting via a call-in option or an internet-based service option; and the agenda provides an opportunity for public comment in real time and provides notice of the means of accessing the meeting for public comment.

B. Information Supporting the Required Findings and Process if the Boards Determine to Invoke Section 54953(e).

The Governor's State of Emergency for the COVID-19 pandemic as declared in the Proclamation of a State of Emergency dated March 4, 2020 remains active. The Proclamation was issued under the authority of Section 8625 of the California Emergency Services Act. It is unclear when the State of Emergency will end, although the Governor recently extended certain COVID-19 emergency provisions only to March 31, 2022 and has actively terminated other emergency provisions. See Order No. N-21-21, issued November 10, 2021, Order No. N-04-22, issued February 25, 2022.

The Los Angeles County Department of Public Health maintains guidance to "Keep your distance. Use two arms lengths as your guide (about 6 feet) for social distancing with people outside your household when you are not sure that they are vaccinated." <http://publichealth.lacounty.gov/acd/ncorona2019/reducingrisk/>. The County Public Health Department also maintains guidance that employers should, "Whenever possible,

take steps to reduce crowding indoors and encourage physical distancing: ... Limit indoor occupancy to increase the physical space between employees at the worksite, between employees and customers, and between customers. ... Continue, where feasible to offer telework options for employees. Offer teleworking options during times of high community transmission (100 or more new cases per 100,000 persons in the past 7 days). In addition, at other times, consider offering teleworking arrangements that do not interfere with business operations to reduce crowding indoors.”
<http://publichealth.lacounty.gov/acd/ncorona2019/bestpractices/>.

As further indication of the County’s interpretation of the impact of the State of Emergency on public meetings, at its May 17, 2022 meeting, the Board of Supervisors voted to find that the State of Emergency remains active and “local officials continue to recommend measures to promote social distancing” and that the Board of Supervisors shall continue to hold teleconference meetings under the terms of Assembly Bill 361 and Government Code Section 54953(e)(3).

The City of Pasadena (City), where LACERA’s offices are located and Board and Committee meetings are held, has substantially revised its guidance to give more flexibility. The City still offers guidance that businesses recognize that COVID-19 continues to pose a risk to communities, and it is important for employers to continue to take steps to reduce the risk of COVID-19 transmission among their workers and visitors.
<https://www.cityofpasadena.net/economicdevelopment/covid-19-business-resources/>.
Earlier guidance promoting physical distancing by business also remains posted on the City’s COVID web page as a reference. As of the date of this memo, the City Council continues to hold its meetings by videoconference/teleconference, although some council members have started to attend in person in the council chambers. At its May 23, 2022 meeting, the City Council voted to extend the video and teleconference meeting process through June 22, 2022.

The Centers for Disease Control and Prevention (CDC) has recently updated its guidance, but the CDC still advises the public to “Stay 6 feet away from others” and that, “Indoors in public: “If you are not up to date on COVID-19 vaccines, stay at least 6 feet away from other people, especially if you are at higher risk of getting very sick with COVID-19.”
<https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html#stay6ft%20>.

Under these circumstances, the Boards may reasonably conclude and find that teleconferencing under Section 54953(e) is appropriate for Board and Committee meetings during the next 30 days, so long as the State of Emergency remains in effect, because (1) the State of Emergency continues to impact the ability of the Trustees to meet safely in person, or (2) the County and other authorities continue to recommend

measures to promote a safe workplace, including physical distancing, as required by the statute. Either finding is sufficient under Section 54953(e) to support continued teleconference meeting.

If each Board makes these findings and directs teleconferencing under Section 54953(e), procedures exist and will be implemented to ensure compliance with the agenda and public comment requirements of the statute, as stated above.

Finally, while the pandemic continues to present a significant health risk, as the virus presents itself in different variants, LACERA staff returned to the office on May 2, 2022 under hybrid work schedules for most employees, including both on site work and continued teleworking. The return to office for staff is made under COVID safety protocols, including vaccination and testing procedures and encouraging masks and social distancing. When the Boards decide to return to in person meetings, management will develop protocols for the boardroom, which will present separate safety challenges, including, for example, the small size of the room, ingress and egress, and public access and comment requirements.

CONCLUSION

Based on the above information, staff recommends that, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, so long as the State of Emergency remains in effect, and if so, direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees.

c:	Santos H. Kreimann	Luis Lugo	JJ Popowich
	Jonathan Grabel	Laura Guglielmo	Carly Ntoya



May 20, 2022

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Joint Organizational Governance Committee
Herman B. Santos, Chair
David Green, Vice Chair
Elizabeth Greenwood
James P. Harris
Shawn R. Kehoe
William R. Pryor
Antonio Sanchez
Gina V. Sanchez

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 Board of Investments Meeting

SUBJECT: Approval of the Revised LACERA Budget Policy

RECOMMENDATION

That the Board of Retirement (BOR) and Board of Investments (BOI) approve the revised LACERA Budget Policy, attached, and review it annually as a companion to the adoption of the Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.

SUMMARY

At its November 4, 2021 meeting, the Joint Organizational Governance Committee (JOGC) directed staff to consider developing a written budget adjustment policy. LACERA's Budget Policy was last updated in 2009. It has a more limited scope, references an out-of-date statutory authority, lacks sufficient detail in some areas, and reflects a bureaucratic process that may not meet LACERA's current and future needs. Staff reviewed sample policies from other systems and developed a new draft policy to modernize and provide greater clarity to the budget development and control processes. On April 22, 2022, the JOGC reviewed the revised policy as proposed by staff and recommend the Board of Retirement and Board of Investments adopt the Revised LACERA Budget Policy presented by staff. Because of the substantial nature of the changes, staff chose not to redline the prior policy. Both the new

draft policy proposed for your consideration and the current 2009 version are attached.

Proposed updates include:

- Expand scope to include the Retiree Healthcare Program Budget and the Other Post-Employment Benefits (OPEB) Trust as well as the Administrative Budget.
- Update the legal authority section to reflect the current statutory sections.
- Add definitions of terms.
- Update the budget development process to add more detail and include the role of the Audit Committee's review of the Internal Audit Division's budget.
- Update language regarding the Boards' authority to appropriate funding, including proposing protocols for increasing appropriations within the statutory limits and renaming the "contingency fund" to "unallocated statutory appropriation balance."
- Create a protocol for a mid-year budget review and update protocols for budgetary control reviews.
- Grant the Chief Executive Officer (CEO) greater flexibility to transfer appropriations within the Boards' statutory authority.
- Pre-fund the OPEB trust utilizing budgetary savings.

Of these proposed changes, three warrant greater discussion and explanation:

The Boards' Authority to Appropriate Funding

Government Code Section 31580.2 of the County Employees Retirement Law requires that a budget covering the entire expense for the administration of the retirement system, shall be adopted by the Boards annually, and shall be charged against the earnings of the retirement fund. The expense incurred in any year may not exceed twenty-one hundredths of one percent (0.21%) of the accrued actuarial liability of the retirement system.

Each year as part of the budget process, staff calculates the statutory limit that the Boards may appropriate. Historically, the difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit established by Government Code Section 31580.2 has been called the "Contingency Fund." Staff would request the Boards approval to utilize this "Contingency Fund" when expenses exceeded the budgeted levels for a particular account.

This past practice is no longer recommended. Instead, the CEO should make budgetary adjustments between accounts and major fund categories throughout the year with the goal of avoiding additional budgetary appropriations whenever possible. See discussion of the proposed new flexibility for the CEO to transfer appropriations in the section below.

In addition, it is recommended that LACERA move away from using the term "Contingency Fund" to reflect the difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit established by Government Code Section 31580.2, and instead use the term "Unallocated Statutory Appropriation Balance." In budgetary practices, the term "Contingency Fund" generally refers to funds appropriated for unanticipated expenditures. However, the Boards do not appropriate these funds as part of the annual budget. Should it be determined that the budget is insufficient to address an emergent need, staff will bring a mid-year budget adjustment to the Boards for consideration, and the Boards may appropriate additional fund not to exceed the amount specified in the Unallocated Statutory Appropriation Balance for that fiscal year.

Flexibility for the CEO to Transfer Funds

LACERA's Administrative Budget has two major accounts, Salaries and Employee Benefits (S&EB) and Services and Supplies (S&S). The current Administrative Budget Policy grants the CEO the authority to transfer funds between line items within a major account (such as between Office Supplies and Postage) but requires approval of the Boards to transfer funds across major accounts, such as from Salaries to Professional Services. There is no discussion of transfer limits in the current policy.

The CEO is a fiduciary and has broad executive responsibilities to manage and operate the organization. As such, he should be granted commensurate authority to make necessary financial adjustments to meet the organization's needs in a timely manner. Without such authority, the CEO risks violating policy to address urgent matters that may not rise to the level of an "emergency," or not acting timely, exposing the organization to unnecessary risks or higher costs.

It is proposed that such authority be limited to \$1 million for transfers across major funds, and that all transfers be communicated to the Boards at the next meeting after such a transfer. The budget adjustment should also be noted in the regular budget control reports. The CEO would not have the ability to increase permanent staffing or to exceed the funding appropriated by the Boards. The Boards would retain that authority within the limits of their statutory authority outlined in Government Code Section 31580.2.

Use of Budgetary Savings to Pre-Fund the OPEB Trust

LACERA provides healthcare benefits to its employees and pays premiums each month on a pay-as-you-go basis. However, the pay-as-you-go approach results in an ongoing liability that cannot be fully absorbed within the working lifetime of the member, resulting in intergenerational inequity. To address this problem, in FY 2012 - 2013, the County and LACERA established a trust to pre-fund their Retiree Healthcare Benefits Program and the Superior Court established its trust in FY17. Each agency's trust funds are reported separately in their financial statements. The Board of Investments of LACERA serves as the trustee and investment manager for the trusts.

In addition to the monthly pay-as-you-go premium costs for its employees, LACERA also makes a quarterly contribution to paydown the future OPEB liability at a rate proportional to that of Los Angeles County. As of the July 1, 2020, valuation date, the most recent available, the OPEB program has a funded ratio of 7.0% and an unfunded accrued actuarial liability (UAAL) of more than 200%.

To achieve our goal of intergenerational equity more quickly, it is recommended that some or all year-end budgetary savings be used at the discretion of the CEO to make additional OPEB contributions. Such funds are already appropriated by the Boards and, if used to pay down the OPEB liability in the same fiscal year that the savings are realized, will result in long term savings to the fund through reduced future OPEB contributions. The County of Los Angeles is also looking at strategies to reduce its OPEB liability more quickly.

CONCLUSION

As outlined above, the proposed changes to the Budget Policy will help guide LACERA's fiscal and budgetary activities in a sound and reasonable manner. Therefore, the JOGC recommends the Board of Retirement (BOR) and Board of Investments (BOI) approve the revised LACERA Budget Policy, attached, and review it annually as a companion to the adoption of the Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.

SK:LL:LG

Attachments



LACERA BUDGET POLICY

Responsible Manager: Laura Guglielmo, Assistant Executive Officer

Original Effective Date: 05/20/2009

Last Updated:

Mandatory Review: Annually

Approval Level: Board of Retirement and Board of Investments

1. PURPOSE

This document sets forth the fiscal policy to ensure LACERA's budgeting practices are in accordance with prudent fiscal management for the allocation and utilization of resources to meet the organization's mission and vision. The policy also serves to increase the transparency of our budgeting process, which ensures stakeholders and members have insight into how we manage their funds and meet fiduciary obligations.

LACERA's budget encompasses three components: The Administrative Budget, the Retiree Healthcare (RHC) Budget, and the Other Post-Employment Benefits (OPEB) Trust.

The objective of this policy is to set out the budgeting principles and timeline for the preparation of the budget and the process and responsibilities for the review, approval, and implementation of all three components of the budget.

LEGAL AUTHORITY

[Government Code Section 31580.2](#) of the County Employees Retirement Law requires a budget covering the entire expense for the administration of the retirement system, shall be adopted by the Boards annually, and shall be charged against the earnings of the retirement fund. The expense incurred in any year may not exceed twenty-one hundredths of one percent (0.21%) of the accrued actuarial liability of the retirement system.

[Government Code Section 31596.1](#) provides that the expenses of investing its moneys, securing custodial bank services, securing actuarial services for the annual valuation and triennial experience study, and securing attorney services to assist with

investment matters shall not be considered a cost of administering the system. As such, these costs are not included in the Administrative Budget and are identified as “non-administrative expenses.”

Section 31596.1 also provides that the cost of internal legal representation secured by the Board of Retirement and Board of Investments under Government Code Section 31529.1 for services previously performed by County Counsel are not administrative costs. [Section 31529.1](#) provides that such legal representation is limited to one-hundredth of 1 percent of system assets in any budget year, except that investment legal expenses under [Government Code Section 31607](#) are not limited.

Government Code Section 31580.2(b) provides that expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products.

Government Code [Sections 31691](#) and [31694](#) provide that the expenses of administering the RHCBP program and OPEB Trust may not be made from assets of the retirement fund. Therefore, such costs should be part of the pension system’s administrative budget.

2. SCOPE

This Policy applies to the development, preparation, and implementation of all three components of LACERA’s budget in accordance with County Employees Retirement Law (CERL).

Any exceptions to this Policy must be approved by the Board of Retirement and Board of Investments.

3. DEFINITIONS

Administrative Budget: LACERA’s annual Administrative Budget consists of two components: Salaries and Employee Benefits, and Services and Supplies.

Appropriation: Funds set aside for specific purposes outlined in the Adopted Budget.

Budget: The annual financial plan that outlines the resources and revenue needed to achieve LACERA’s work plan to meet its mission and vision.

Fiscal Year: LACERA’s fiscal year begins on July 1 and concludes on June 30th. LACERA shall follow a naming convention referencing the fiscal year ending date, for example, FY23 for the fiscal year ending June 30, 2023.

Information Technology Coordination Council (ITCC): Oversight body responsible for significant technology and system recommendations for incorporation into the Proposed Budget. Established to ensure the efficient and effective use of technology,

collaboration across the organization, and to ensure that strategic plan goals are achieved.

Non-Administrative Expenses: Expenses excluded from the Administrative Budget as specified in Government Code Section 31596.1.

Other Post-Employment Benefits (OPEB) Trust: Trust funds established by Los Angeles County, LACERA and the Superior Court to pre-fund their Retiree Healthcare Benefit Program.

Retiree Healthcare Benefits Program (RHCBP) Budget: The RHCBP Budget reflects the resources and revenue required to administer retiree healthcare benefits to eligible members. These costs are funded through a monthly administrative fee via healthcare premiums, charged to program participants, or the plan sponsor if the member's benefit is fully subsidized.

Statutory Appropriation Limit: The limit of the Boards' authority to appropriate funds to administer the retirement system established by Government Code Section 31580.2. Currently twenty-one hundredths (.21) of one percent, of the Actuarial Accrued Liability of the retirement fund.

Unallocated Statutory Appropriation Balance: The difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit established by Government Code Section 31580.2.

4. POLICY STATEMENT

This document sets forth the fiscal policy for the administration of LACERA's budget to ensure that the budgeting practices of the organization maintain a fiscally sustainable balanced budget that recognizes the fiduciary duty owed to our members. LACERA's budget encompasses three components: The Administrative Budget, the Retiree Healthcare (RHC) Program Budget and the Other Post-Employment Benefits (OPEB) Trust.

The objective of this policy is to set out the principles and timeline for the preparation of the budget and the process and responsibilities for the preparation, review, approval, and implementation of all three components of the budget.

4.1 Administrative Budget

The Administrative Budget reflects the resources needed to achieve the organization's work plan, strategic goals, and operational activities in support of pension administration and investment of plan assets required to deliver retirement benefits for LACERA members and beneficiaries. It consists of two primary components: Salaries and Employee Benefits (S&EB) and Services and Supplies (S&S).

S&EB costs consist of ongoing personnel costs for the organization, including salaries for permanent and temporary staff, overtime, and variable benefits. Variable benefits include retirement costs (pension, 457, and 401K plan costs), health insurance, OPEB contributions and other employee benefits.

S&S costs reflect the daily operational needs of the organization. Some examples include building expenses (rent, maintenance, insurance), information technology needs, professional and specialized services, legal fees, office supplies and equipment, education, travel, and insurance.

4.2 Retiree Healthcare (RHC) Benefits Program Budget

The Retiree Healthcare Benefits Program provides health care benefits to LACERA membership on behalf of our Plan Sponsors. The insurance premiums are born solely by the participants of the plan, or the Plan Sponsor if the employee is eligible for such benefit. LACERA trust funds are not used for premium payments or for the administration of the Program. The direct costs and variable overhead costs associated with the administration of the RHC Benefits Program are charged to our members and plan sponsors via an administrative fee. These administrative fees are added to the monthly premium costs and are not included in the Administrative Budget.

There are four categories of expenses for the RHC Benefits Program:

- Direct Costs of Salaries and Employee Benefits
- Direct Services and Supplies
- Indirect Salaries and Employee Benefits
- Indirect Services and Supplies.

Indirect Salaries and Employee Benefits and Indirect Services and Supplies reflect the program's pro-rata share of internal LACERA support functions such as Administrative Services, Information Technology and Human Resources.

4.3 Other Post-Employment Benefits (OPEB) Trust Budget

The County of Los Angeles (County), LACERA, and the Superior Court (Court) utilize an OPEB Trust to pre-fund the Retiree Healthcare Program benefits. In FY 2012-2013, the County and LACERA established a trust to fund their program and the Court established its trust in FY 2016-17. Each agency's trust funds are reported separately in their financial statements. The Board of Investments of LACERA serves as the trustee and investment manager for the trusts.

The Trust Agreements stipulate that "*... the Trustee (LACERA) shall be entitled to payment or reimbursement of all of its reasonable and appropriate expenses incurred in administering or investing the Trust...*" As such, LACERA seeks payment directly from the County and the Court to fund the OPEB Trust. To

avoid the OPEB Trust assets being co-mingled with retirement fund assets, LACERA maintains separate accounting of the costs associated with administering the OPEB Trust.

There are four categories of expenses of the OPEB Trust: Direct Costs of Salaries and Employee Benefits; Direct Services and Supplies; Indirect Salaries and Employee Benefits; and Indirect Services and Supplies. These expenses are allocated between the County, LACERA and the Court based on an agreed upon methodology. At the close of each fiscal year, actual costs are reconciled, and variances are credited or debited to each entity.

5. PROCESS

The budget process consists of activities that encompass the development, implementation, and evaluation of the annual financial plan for the allocation of resources to support and accomplish goals and strategic initiatives.

5.1 Budget Preparation and Development

It is the responsibility of LACERA management to develop and prepare an annual budget in accordance with responsible fiscal management for the allocation and utilization of resources to meet the organization's mission, vision, and values.

5.2 Criteria

LACERA Management develops the annual proposed budget reflecting the enterprise priorities established through the LACERA Strategic Plan. Criteria used by the organization to prioritize resources for the budget include, but are not limited to:

- Alignment with the Strategic Plan
- Mitigating risk
- Compliance with legally mandated requirements
- Technological advancements to support staff and improve service and offerings to our members
- Identifying opportunities for cost efficiencies
- Identifying opportunities to improve service to members
- Staff development and succession planning
- Direction of the LACERA Board of Retirement and/or Board of Investments

5.3 Alignment with Strategic Plan

The first step in developing a budget is to consider what the organization expects to achieve in the upcoming fiscal year. The organization's Strategic Plan lays out its strategic goals, objectives, and action plans toward achieving the organization's mission, vision, and values. Those goals and objectives identify responsibilities, timelines, and the metrics that will be used to determine if the goal or objective has been met. As part of the budget development process, it is the responsibility of LACERA Trustees and Management to ensure that the organization's budget, or financial plan, allocates the appropriate resources to achieve its strategic goals and objectives within the specified time frame.

5.4 Annual Budget Development and Approval Calendar

<i>Date</i>	<i>Activity</i>
By November 30	<ul style="list-style-type: none">• Executive Office and Management will review Strategic Plan initiatives for alignment with the upcoming Fiscal Year budget development cycle.• Administrative Services Division will provide each Division Manager a budget package with instructions for completing their proposed budget for the upcoming fiscal year, a budget preparation timetable with specific deadlines, and a schedule of meeting dates with the Budget Unit and a schedule of meeting dates with the Executive Office.
December	The Budget Unit with a representative from Human Resources, meets with Division Managers to provide guidance in the development of their budget requests.
By January 15	Division Managers will submit their proposed budget to the Budget Unit.
By February 15	The Executive Office will meet with each Division Manager to discuss the Division's needs and provide direction to the Division Managers and Budget Unit.
February	Audit Committee review of Internal Audit Proposed Budget
By Mid-April	The Budget Unit will prepare and distribute the preliminary Administrative, RHC, and OPEB

	Trust Budgets to all Trustees and Division Managers.
April and May	<ul style="list-style-type: none"> • Present preliminary budget to JOGC for review and input • Conduct budget hearings with all Trustees for final direction to staff
By June 30	Board of Retirement and Board of Investment approve final budget

5.5 Budget Adoption

The Board of Retirement and Board of Investment (“Boards”) have the joint responsibility to approve the enterprise-wide budget and resource allocations for all funds by June 30. The Boards have created the Joint Organizational Governance Committee (JOGC), to provide oversight over the budget preparation. The Preliminary Budget is presented to the JOGC in April for its review. Staff incorporates direction from the JOGC and the JOGC’s recommendations are presented to both Boards during annual Budget Hearings in May. Staff incorporates additional Board direction into a Proposed Budget. The Boards independently take action to approve and adopt a Final Adopted Budget by June 30th.

5.6 Budget Appropriation

The Final Adopted Budget reflects the funds appropriated, or set aside, for specific purposes. For LACERA, funds are appropriated for two primary purposes, Salaries and Employee Benefits, and Services and Supplies. Government Code Section 31580.2 states the annual budget for administrative expenses of a retirement system established under CERL may not exceed twenty-one hundredths (.21) of one percent of the Actuarial Accrued Liability (AAL) of the retirement system. Each year, LACERA’s statutory appropriation limit is identified in the Adopted Budget.

To the extent funding appropriated as part of the budget is less than the statutory appropriations limit, the Boards may, take specific action at any point during the fiscal year, to appropriate additional funds, not to exceed the maximum amount established by statute. LACERA’s budgeting process includes a Mid-Year Budget Adjustment proposal to facilitate changes in priorities, goals, or economic conditions. The difference between the funds appropriated to meet the organization’s operational needs and the statutory appropriation limit shall be referred to as the “Unallocated Statutory Appropriation Balance.”

5.7 Budget Monitoring and Reporting

Budget Unit staff monitor and analyze Division and enterprise-wide expenditures throughout the year, consult with Division Managers to identify planned expenditures and project full year under/over expenditures by Division and compare those estimates against the Adopted Budget. Significant budgetary variances are discussed and explained.

Budget Control Reports are prepared and provided to all Trustees and Management Staff on an outlined schedule within the fiscal year. These reports include year to date expenditures and projected expenditures compared to the budget. Budget adjustments impacting staffing levels or exceeding the CEO's authority shall be approved by the Boards.

This budget monitoring and control activity occurs concurrently while the Proposed Budget for the upcoming fiscal year is being developed.

5.8 Mid-Year Budget Review

By December 1, LACERA Executive Management will assess and evaluate the adequacy of the personnel and other resources included in the Final Adopted Budget and make recommendations to the JOGC for adjustments, if necessary. JOGC recommendations shall be considered for approval by the Boards.

5.9 Mid-Year and Year-End Adjustments Within the Administrative Budget

As part of LACERA's budget monitoring and reporting activities, it may become necessary to amend the Final Adopted Budget. Amendments may take the form of transferring appropriations between line items within a major account, transferring appropriations between major accounts, or increasing total appropriations within the statutory limits established by Government

5.10 Transferring Appropriations

LACERA's Administrative Budget has two major accounts, Salaries and Employee Benefits (S&EB), and Services and Supplies (S&S).

Within each major account are several line items with individual appropriations. The CEO has the authority to transfer appropriations not to exceed \$1 million across major accounts and has full discretion and authority to transfer appropriations between line items within each major account. The CEO shall notify all Trustees of such actions at the next meeting of the Board and as part of the routine Budget Control Reporting.

5.11 Pre-funding OPEB with Budgetary Savings

LACERA participates in the OPEB Trust as a “contributing employer” and funds its employees’ program benefits on a pay-as-you-go basis, funding actual monthly premium costs. It also makes a quarterly contribution to paydown the future OPEB liability at a rate equal to that of Los Angeles County. It is LACERA’s objective to fund these program benefits within the working lifetime of the program beneficiaries so as maintain intergenerational equity. To achieve intergenerational equity more quickly, some or all year-end budgetary savings may at the discretion of the LACERA CEO be used to make an additional OPEB contribution by June 30 of the year in which the funds were budgeted. Such additional OPEB contributions may be up to but may not exceed that year’s budgeted OPEB contribution.

5.12 Increasing Total Appropriations

Should unanticipated expenditures be required during the fiscal year beyond the total Adopted Budget amount, the Unappropriated Statutory Appropriation Balance is available. This balance represents the difference between the total statutory appropriation limit established under CERL and the Final Adopted Budget. To utilize these unappropriated funds, both Boards must approve a budget amendment, increasing the total annual appropriation.

6. Audit Committee Oversight of Internal Audit

LACERA’s Internal Audit Division provides independent and objective assurance services and consulting services to assist the organization achieve its mission by improving our effectiveness of governance, risk management and control processes. To protect its independence, the Internal Audit Division reports to the Audit Committee of the Boards with functional reporting to the Chief Executive Officer. The Audit Committee reviews and approves Internal Audit’s Proposed Budget in February, which is then incorporated into LACERA’s Administrative Proposed Budget reviewed by the JOGC in April.

7 HISTORY

- a. Approvals**
- b. Current Status**
- c. Versions**

- i. This policy was last updated on May 20, 2009

ATTACHMENT B

POLICY DIRECTIVE

ADMINISTRATIVE BUDGET

LACERA's Board of Retirement and Board of Investments (the Boards) have the exclusive responsibility to administer the system in a manner that will assure prompt delivery of benefits and related services to the participants and their beneficiaries. To facilitate meeting this responsibility, LACERA uses a budgetary process to plan and defray the expenses of administering the system. This policy defines LACERA's administrative budget process.

Legal Requirement

Government Code Section 31580.2, of the County Employees Retirement Law, requires a budget, covering the entire expense for the administration of the retirement system, shall be adopted by the Boards annually, and shall be charged against the earnings of the retirement fund.

Budget Preparation

- Annually, no later than December 1, each Manager (defined as the head of any distinct organizational unit) will be provided a budget package containing a proposed budget, a budget preparation timetable, and a schedule of meeting dates between each Manager and the Executive Office.
- By February 1 of each year, the Manager will submit their proposed budget to the budget staff.
- A meeting between each Manager and the Executive Office, held in February of each year, will allow for the opportunity to discuss the organization's goals, future program plans, and staffing needs in relation to their proposed budget.
- The Executive Office will meet with the budget staff no later than March 1, if necessary, to discuss any changes to the proposed budget based on the Manager meetings.
- Budget staff will prepare and distribute the proposed Administrative Budget to all board members and managers, no later than April 15.

Budget Adoption

Board members will be invited to open hearings during April and/or May to discuss the proposed Administrative Budget with the managers. Any requested revisions are completed and discussed at subsequent budget deliberation hearings/meetings.

A recommendation for approval of the Administrative Budget will be placed on the agenda at each Board of Retirement and Board of Investments meeting prior to June 30.

Budget Appropriation

Beginning with the 2009-2010 fiscal budget, Government Code Section 31580.3 shall be used to determine the budget appropriation for the LACERA Administrative Budget. This section shall remain in effect until January 1, 2013, the date that it is repealed (unless a later enacted statute is enacted before this date that would delete or extend this date).

Government Code Section 31580.3 limits the annual administrative expense to twenty-three hundredths of one percent of the total assets of the retirement system (Total Budget Appropriation). While Proposition 162 requires the Boards to defray **all reasonable expenses** of administering the system, it is the intent of the Boards to remain within the appropriation limit of twenty-three hundredths of one percent of the total assets of the retirement system, as defined in Government Code Section 31580.3

Government Code Section 31529.1 allows the Boards to elect to secure legal representation from other than the county counsel. The cost of the legal representation shall not exceed one-hundredth of one percent of the system assets in any budget year.

To determine the Total Budget Appropriation, the total fair market value of the retirement system's assets as of the prior calendar year end are projected forward to December 31 of the current calendar year. This projected value is then multiplied by twenty-three hundredths of one percent (for the Statutory Budget Appropriation) and one-hundredth of one percent (for the Legal Representation Appropriation) the sum of these two appropriations establishes the Total Budget Appropriation.

The Total Budget Appropriation is comprised of two major components: the Operating Budget (derived from the divisional budget requests) and the Budgetary Contingency Fund. The Budgetary Contingency Fund is the difference between the Total Budget Appropriation and the Operating Budget.

Budgetary Contingency Fund

The Budgetary Contingency Fund is available for unanticipated expenditures that may occur during the year. The respective board must approve funding for material over expenditures of previously budgeted items and previously unbudgeted expenditures.

Transfer of Funds Within the Operating Budget

Funding transfers between the major accounts, Salaries and Employee Benefits and Services and Supplies in the Operating Budget, must be approved by the Boards.

Budget Monitoring and Reporting

Budget staff monitors and analyzes departmental year-to-date expenditure information throughout the year; receives input from the Managers concerning any anticipated over/under expenditures; and prepares full year expenditure projections for each organizational unit. Significant budget variances are discussed and resolved with each Manager.

Budget Control Reports are prepared and provided to all Board members and management staff for review throughout the year. Subsequently, the Board of Retirement's Operations Oversight Committee and Managers discuss these reports in open public meetings.

NON-ADMINISTRATIVE EXPENSES

Investments, Actuarial Services, and Attorneys

As provided in Government Code Section 31596.1, the expenses of investing its moneys, securing custodial bank services, securing triennial actuarial services, and securing attorney services shall not be considered a cost of administering the system. As such, these costs are not included in the Administrative Budget.

Retiree Health Care Benefits Program

Our Retiree Health Care Benefits Program provides health care benefits to our membership on behalf of our plan sponsor, the County of Los Angeles. The insurance premiums are born solely by the participants of the plan and Los Angeles County. LACERA trust funds are not used for premium payments. The direct costs and variable overhead costs associated with the administration of the Retiree Health Care Benefits Program are charged against the premium payments and, as such, are not included in the Administrative Budget.



May 20, 2022

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Joint Organizational Governance Committee
Herman B. Santos, Chair
David Green, Vice Chair
Elizabeth Greenwood
James P. Harris
Shawn R. Kehoe
William R. Pryor
Antonio Sanchez
Gina V. Sanchez

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 Board of Investments Meeting

SUBJECT: Approval of Fiscal Year 2022-2023 Administrative, Retiree
Healthcare Benefits Program and Other Post-Employment Benefits
Trust Budgets

RECOMMENDATION

That the Board of Retirement (BOR) and the Board of Investments (BOI) adopt the LACERA Fiscal Year (FY) 2022-2023 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.

LEGAL AUTHORITY

County Employees Retirement Law (CERL) Section 31580.2 grants Joint Boards authority to approve a budget no greater than 21 basis points of the Actuarial Accrued Liability (AAL) by June 30. The Joint Boards have the fiduciary duty under the California Constitution Article XVI, Section 17(a) to remember that "The assets of a public pension or retirement system are trust funds and shall be held for the exclusive purposes of providing benefits to participants in the pension or retirement system and their beneficiaries and **defraying reasonable expenses of administering the system**" and the fiduciary duty under Section 17(b) "to discharge their duties with respect to

the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and **defraying reasonable expenses of administering the system**. A retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty."

The Boards' fiduciary duty is a three-legged stool, one leg of which is "defraying the reasonable expenses of administering the system." This duty is exercised most directly in reviewing and approving the budget.

INTRODUCTION

In accordance with its Charter and LACERA's Budget Policy, on April 22, 2022, the Joint Organizational Governance Committee (JOGC) considered the FY 2022-2023 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets and now brings them forward to the Boards for adoption.

SUMMARY

The preliminary Administrative Budget for FY 2022–2023 represents the fiscal plan for achieving our administrative and operational objectives of: continuing to simplify and improve LACERA's business practices by implementing modern technology; assessing and updating our existing policies and procedures; identifying and reducing enterprise-wide risk; investing and safeguarding pension assets; and investing in our workforce. While it is a best practice for organizations to develop their budget in tandem with their strategic plan as companion documents, LACERA's strategic planning effort is underway. Regardless, the FY 2022–2023 preliminary Administrative Budget is aligned with LACERA's well-established operational priorities. Specifically, the preliminary budget allocates resources to enable LACERA to:

- Develop and begin implementing our next strategic plan in a manner that engages trustees, staff, and members and creates agency at all levels of the organization toward our collective success.
- Continue to identify and implement modern technology tools that enable staff to fulfill efficiently and effectively fulfill their mission and provide a better member experience.
- Implement a robust hiring plan to attract and onboard highly qualified staff to minimize vacancies and support existing staff in

the delivery of member services and create a positive work culture and professional business environment.

- Prepare for succession by engaging staff and investing in their professional development.
- Support the investment team on the implementation of the Asset Allocation Strategy approved by the Board of Investments.
- Minimize risk and improve resiliency in all aspects of the organization.

LACERA ADMINISTRATIVE BUDGET

The LACERA Administrative Budget is composed of two components, Salaries and Employee Benefits (S&EB), and Services and Supplies (S&S). The total Preliminary LACERA Administrative Budget for Fiscal Year (FY) 2022-2023 is approximately \$127.8 million an increase of approximately \$13 million or 11.3% above the FY 2021-2022 approved budget of \$114.8 million.

Salaries and Employee Benefits

The S&EB portion of the FY 2022-2023 Preliminary Administrative Budget is approximately \$98.4 million, \$11.2 million or 12.8% above FY 2021-2022 approved levels.

This increase is primarily attributed to the following:

- Cost of living adjustments (COLA) recently approved by the Boards of Retirement and Investments (the Boards) retroactive to January 1, 2022, and assumed to be paid in FY 2022-2023
- Benefit increases negotiated by the County
- Merit and salary step increases
- Full year funding for partially funded vacant positions filled or anticipated to be filled before June 30th
- Agency temporary staff while we work toward filling vacant positions
- 19 proposed new positions – partial year funding

Services and Supplies

The S&S portion of the FY 2022-2023 Preliminary Administrative Budget is approximately \$29.4 million, \$1.8 million or 6.5% above the FY 2021-22 approved levels.

This increase primarily reflects the following:

- Inflationary cost increases for insurance, rent, panel physician and related disability process medical expenses, and legal fees
- Strategic planning consulting
- Specialized recruitment and testing services

- Information technology security services

RETIREE HEALTH CARE BENEFITS PROGRAM (RHCBP) BUDGET

The RHCBP administers healthcare benefits to our membership on behalf of our plan sponsors. The healthcare premiums are borne solely by the plan participants or plan sponsor if eligible for such coverage. The direct costs and variable overhead costs associated with administering the program are included with the monthly premium payments and the administrative fee charged covers these support costs.

The total RHCBP Preliminary Budget for 2022-2023 is approximately \$11.3 million, a decrease of \$78,000 or - 0.7%.

Salaries and Employee Benefits

The S&EB portion of this budget is approximately \$5.2 million, \$100,000 less than FY 2021-2022. Despite negotiated salary increases, total S&EB costs are decreasing due to cuts in temporary staff. At the beginning of 2021-2022, RHC had a high rate of staff vacancies and added several new positions to address significant increases in workload. As many of these positions have been filled, or anticipated to be filled by mid-year, RHC expects to decrease its reliance on agency temporary staff, which are more costly to LACERA to employ due to agency overhead.

Services and Supplies

The S&S portion of this Preliminary Budget is approximately \$6.1 million, \$23,000 or 0.4% more than FY 2022-2023. While inflationary increases are anticipated in some areas, travel and office supplies are reduced to reflect expected operational shifts post COVID-19.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST BUDGET

The OPEB Trust was established by Los Angeles County and LACERA to pre-fund retiree healthcare benefits costs to reduce future liabilities. The Superior Court later joined the trust and began making payments to the OPEB Trust. LACERA's Board of Investments is the trustee and investment manager for the fund. Each agency's trust assets are separately reported on financial statements

The trust agreements stipulate that LACERA shall be entitled to reimbursement for all its reasonable and appropriate expenses incurred in

administering or investing the trust. This Preliminary OPEB Trust Budget reflects these needs for FY 2022-2023.

The total Preliminary OPEB Trust Budget for FY 2022-2023 is \$672,000, a decrease of \$11,000 or -1.7%. The S&EB portion reflects a decrease of approximately \$14,000 or -1.7%, while S&S increased by approximately \$3,000 or 1.5%. Staff costs are based on estimates of direct staff time spent supporting OPEB as well as a proportionate amount of support received from Systems, Human Resources and Administrative Services divisions.

DISCUSSIONS

In addition to the JOGC, all Trustees were invited to participate in a Budget Hearing on May 16, 2022 affording them another opportunity to ask in depth questions of staff and exercise due diligence in the budget process.

General topics of discussion included:

- Staff vacancies and recruitment plans
- Effectiveness of the LACERA Intern Program and opportunities to make it more effective
- Why LACERA uses cash-based accounting instead of encumbrance (accrual-based) accounting typically used in Government.
- What happens to unspent appropriations at the end of the FY

Trustees also made suggestions for improving the information provided which staff will incorporate into future budget presentations including:

- Comparison of the current FY Adopted Budget, adjusted or Amended Budget and upcoming FY Preliminary Budget to highlight significant variances and changes over time
- Summarize investments in CyberSecurity
- Additional detail or explanation for Non-Administrative Expenses related to Investment performance and other fees

For more detailed information about the discussion, please refer to the JOGC minutes of April 22, 2022, and the recording of the Budget Hearing on May 16, 2022.

CONCLUSION

Based on the above information and attached documents, the JOGC recommends the Board of Retirement (BOR) and Board of Investments (BOI) adopt the preliminary FY 2022-2023 Administrative, Retiree Healthcare

Re: Approval of the FY 2022-2023 Budget
May 20, 2022
Page 6 of 6

Benefits Program and Other Post-Employment Benefits Trust Budgets.

SHK:LL:LG

Attachments



Fiscal Year 2022-2023 Proposed Budget Presentation

Administrative, Retiree Healthcare Benefits & OPEB Trust Budgets



Fiscal Year 2022-2023 Proposed Budget



AGENDA

- Management's Philosophy in Developing the Budget
- Budget Policies that Guide and Direct Us
- Budget Development Process
- 2021-2022 Accomplishments & 2022-2023 Planned Initiatives
- Administrative Budget
- Retiree Healthcare Benefits Program Budget
- OPEB Trust Budget



Leadership Philosophy = Improve and Simplify

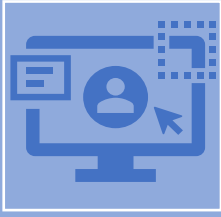
- Modern Technology
- Improving Member Experience
- Reducing enterprise risk
- Investing in Workforce
- Safeguarding Assets

Characteristics of a Growth Mindset?

- Embrace and adapt to change
- Work through obstacles with resilience
- Desire and openness to learning
- View failure as lessons and opportunities
- Strong work ethic modeled through effort
- Collaborative and supportive philosophy

Our Formula for Success

Organizational Focus



Technology - Modernizing our technology to simplify and improve our operations



People – Ensuring we recruit, develop and retain a well qualified workforce



Processes - Challenging the status quo, listening to our stakeholders, and preparing for and implementing change to provide better service



Legal Authority and Duty

CERL Section 31580.2

- Grants Joint Boards to approve a budget no greater than 21 basis points of AAL by June 30

CA Constitution Article XVI, Section 17(a)

- “The assets of a public pension or retirement system are trust funds and shall be held for the exclusive purposes of providing benefits to participants in the pension or retirement system and their beneficiaries and ***defraying reasonable expenses of administering the system***”

CA Constitution Article XVI, Section 17(b)

- Joint Boards’ fiduciary duty is to “discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and ***defraying reasonable expenses of administering the system***. A retirement board’s duty is to its participants and their beneficiaries shall take precedence over any other duties. “
- The Boards have a fiduciary duty to defray the expenses of administering LACERA, which includes reviewing and questioning the budget as appropriate to serve the members.



Budget Policies

Statutory
Appropriation

County Employees Retirement Law

- Govt Code 31580.2 limits our annual administrative appropriation to 0.21% of Actuarial Accrued Liabilities
- Govt Code 31596.1 excludes specific non-administrative expenses from the appropriation limit

Surplus
Unappropriated
Balance

Unappropriated Funds

- Previously referred to as “Contingency Funds”
- Represents the balance of available appropriation after Administrative Costs
- 2022-23 = Approximately \$44.2 Million

Retiree
Healthcare
Costs

RHC Administrative Overhead Costs

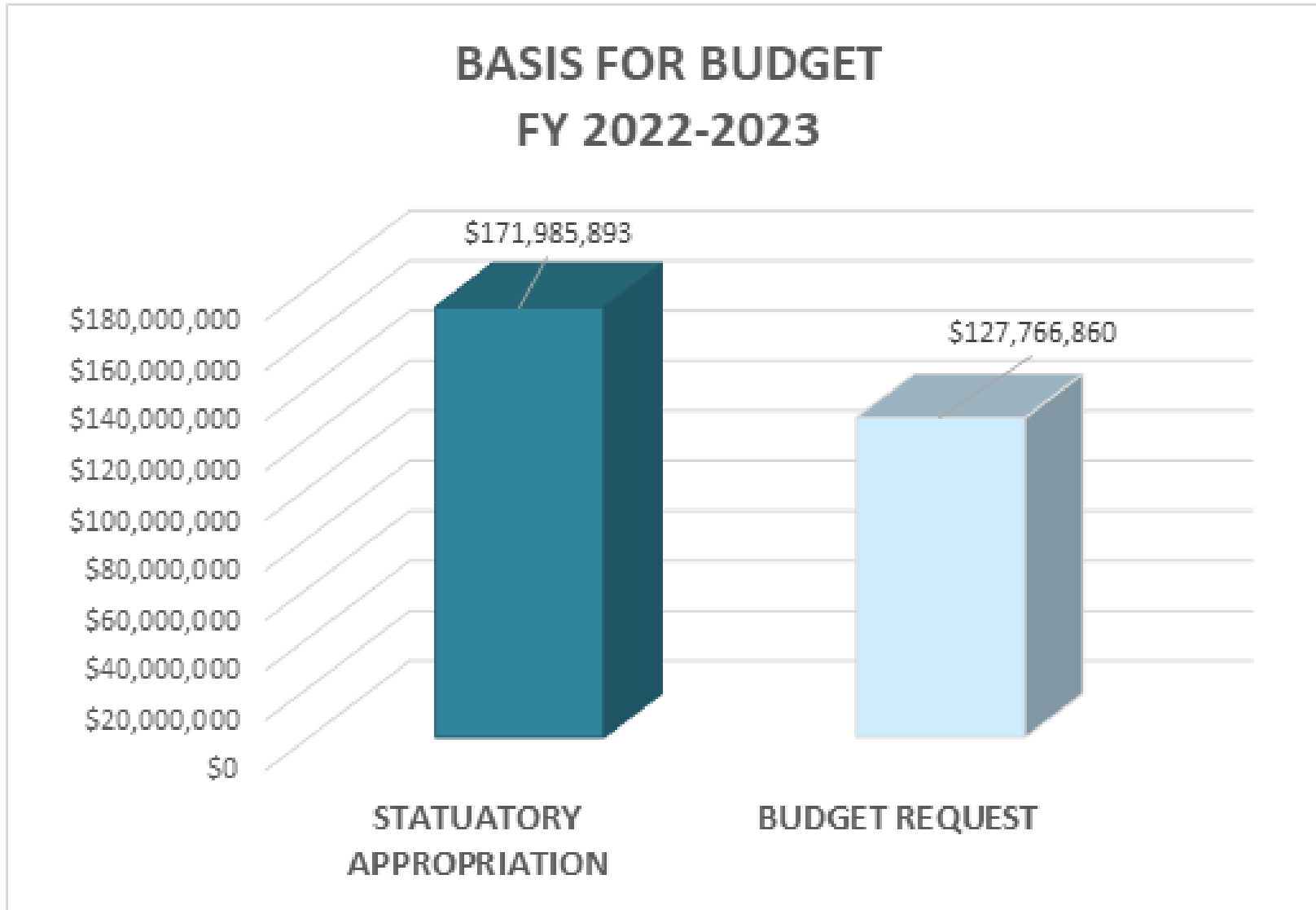
- Are *NOT* borne by the Pension System
- Are charged against the RHC Budget on an annual basis

Budget Development Process





Preliminary FY 2022-2023 Budget





Fiscal Year 2022-2023

Administrative Budget Request Summary

ADMINISTRATIVE BUDGET	FY 2021–2022 ADOPTED BUDGET	FY 2022–2023 PRELIMINARY BUDGET	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	\$87,230,186	\$98,387,160	\$11,156,974	12.8%
SERVICES & SUPPLIES	\$27,577,300	\$29,379,700	\$1,802,400	6.5%
ADMINISTRATIVE BUDGET TOTAL	\$114,807,486	\$127,766,860	\$12,959,374	11.3%



Technology Accomplishments FY 21-22



- **Launch of New LACERA Website**
Easier to navigate, modern source for members to access services
- **Launch of LACERA Connect (Intranet)**
Offers staff a one stop shop for all things LACERA
- **Launch of Service Now**
Helpdesk solution to better manage IT service
- **Enterprise WiFi & Docking Station Rollout**
Technology upgrades to allow staff greater in-office flexibility
- **Boardroom Audio Visual Enhancements**
Upgraded A/V system to support hybrid Board and Committee meetings



Technology Accomplishments FY 21-22



- **Disaster Recovery/Business Continuity**
Improved Recovery Time by 93% and Recovery Point by 81%
- **Creation of the IT Coordination Council**
Charged with internal oversight of all significant IT decisions
- **Mainframe Hosting to Cloud Migration**
Improved data recovery and security; lower costs
- **Microsoft Tenant Migration**
Upgraded infrastructure bolstering information security
- **Transparent IT Project Reporting Solution**
Leveraging JIRA to illustrate & document pending technology



Current Projects Technology Improvements

Travel & Accounts Payable

- Automate workflows and approvals
- Links to LACERA financial system
- Ease of reporting

Budget Management Solution- Phase I

- Modern system for budget development and control
- Timely reporting to allow for manager decision-making
- Links to LACERA Financial System

Enterprise Contract Lifecycle Management

- Creates central repository for all LACERA contracts
- Automates workflow
- Facilitates better contract administration

Future Technology Initiatives

FY 2022-2023



Case Management

- Modernize & Improve Operations
- Phase 1 = Focus on Disability Litigation, Disability Retirement & 1st Payment

Policy & Knowledge Management Solution

- Centralized repository for policies and SOPs
- Transparency – common understanding
- Eliminate older, disparate systems

Board Agenda Management Solution

- Replacement of Board Management solution
- Reduce manual process for staff
- Improved transparency for stakeholders

HR Document Management Solution

- Improve security of confidential records
- Accommodate storage needs for permanent records
- Allow for greater automation of HR processes – time savings

Future Technology Initiatives

FY 2022-2023



Hosted MS Contact Center

- Modernize telecommunications infrastructure
- Greater automation and improved member experience

Cloud Migration

- Migrate mission critical systems to hosted platforms
- Improved disaster recovery
- Decreases down time and data loss

IT Equipment Upgrades

- Replace end of life workstations w/Laptops & dual monitors
- Better supports modern hybrid work schedules

Budget Modernization Phase II

- Implement new budget management solution
- Reduce manual process – save time
- Better, timely budget control reporting

Case Management System

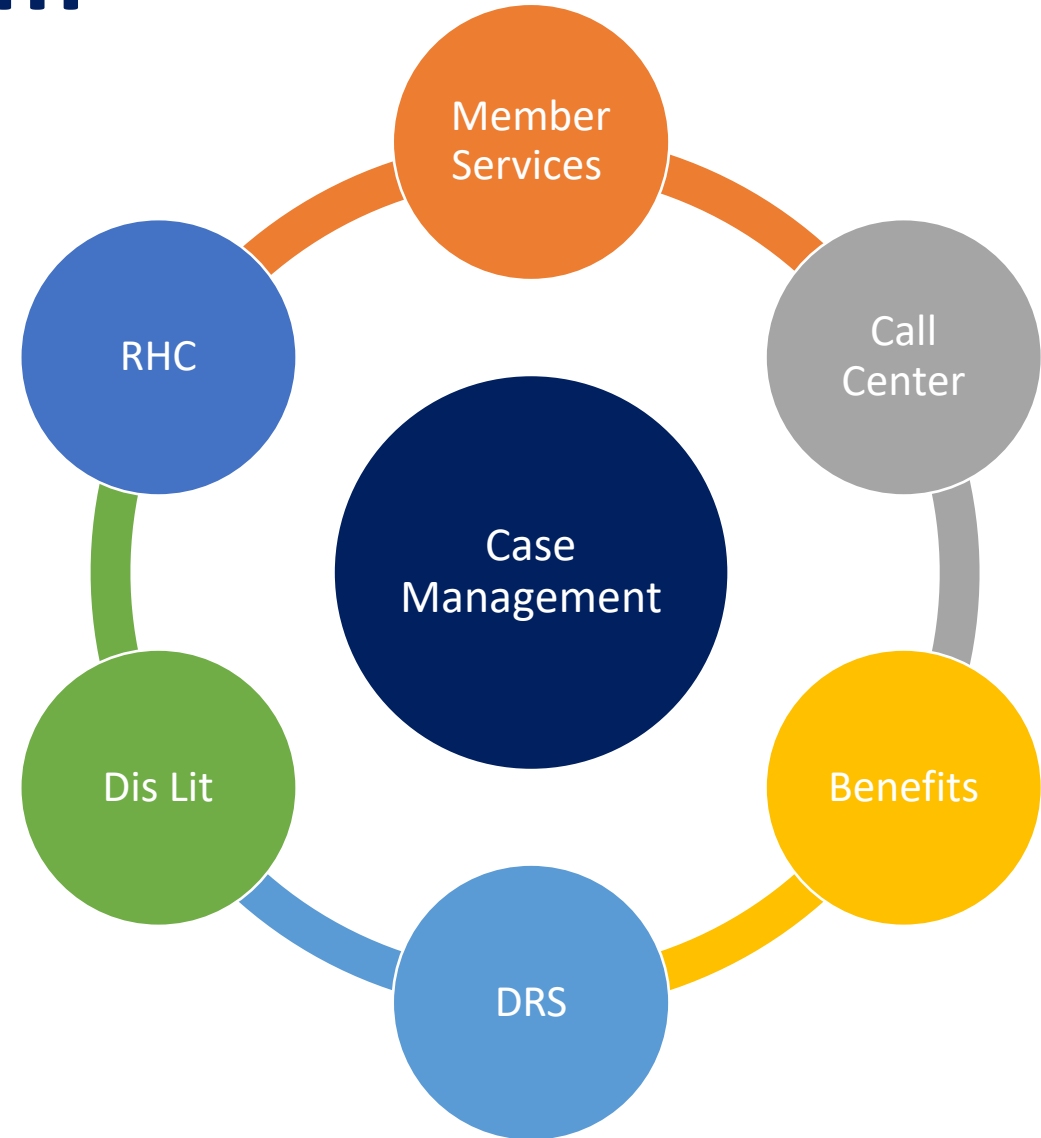


Benefits

- Integration with Workspace
- Greater automation
- Improved Member experience

Phase I of V

- 1st Payment
- Disability Retirement
- Disability Litigation





Member Operations Group Accomplishments



Fiscal Year 2021/2022

- **Launch MOG Metrics 2.0**

Redesigned production metrics for Benefits, Member Services; beta versions of QA metrics, and Demographics

- **Paperless "Board Letter"**

Converted retirement notification process to personnel offices to a paperless process – improving service and efficiency

- **Disability Collateral Resources Update**

Improved educational materials explaining how Long Term Disability and Reciprocity impact disability benefits



Efforts in Process to Simplify + Improve

Death Claim Process Reengineering

- Automate Death Claim Form Issuance
- Automate claim processing & improved workflows
- Measurable SLE, improved metrics, & improved service

Disability Online Application

- Online disability application
- Reduces manual inputs for received claim forms
- Improves the disability journey experience

Benefit Template Conversion Project

- Conversion of all Excel/Word Templates & Worksheets into Workspace
- Automates workflow – reduced error risk & delays, increased efficiency and service



Efforts in Process to Simplify + Improve

Member Service Center Queue Project

- Easier to use Appointment System
- Improved member communication – email & text updates & automated satisfaction survey
- Improved management and metrics processes

Member Operations Group Applications

- SharePoint apps improving workflow, tracking & metrics
- Improved efficiency & service to members
- Beta templates for future Case Management Initiatives

Retirement University Expansion

- Expanded multi-media materials on LACERA.com
- Improving Member Experience
- May reduce member inquiries



HR

Accomplishments

FY 21-22



- **Negotiated Three-Year Contract with SEIU**
Also impacts our non-represented staff
- **Launched LACERA Telework Policy**
Offering a flexible and hybrid work environment
- **Developed HR Recruitment Plan**
Established organization-wide priorities, reviewed practices & aligned HR resources
- **New CORE Training Class**
Onboarded 25 new RBS staff & launched first post-COVID class
- **List Promulgation & Promotions**
HR promulgated 11 new eligibility lists +5 more planned; on-boarded 32 new staff members +6 anticipated; and processed 30 promotions



Human Resources Challenges

Hiring

Vacancies

- Persistent vacancy rates hovering at 20%
- Long, rigid processes
- Regional labor market

Retention

Attrition

- Trend = rising, Aging workforce
- 30 staff anticipated to leave LACERA service in FY 22
- Succession planning

Resources

Staff Capacity

- LACERA has grown but HR staff has not
- Limited support from LA County
- Use of professional recruiters; exam specialists

Plan to address HR Challenges



Strategic plan process



Transparent hiring plan



Recruitment manual for Managers & HR staff



Succession planning



Cultivating a workplace culture reflecting our values



Establish KPIs and recruitment goals



Additional support for HR

Investments Division Strategic Initiatives



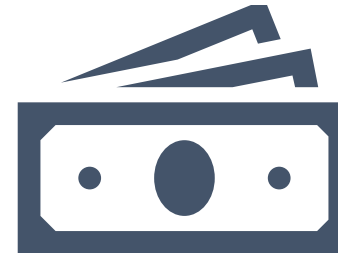
Enhance
Operational
Effectiveness



Optimize
Investment Model



Maximize
Stewardship &
Ownership Rights



Strengthen Influence on Fees &
Cost of Capital



LACERA T.I.D.E



ADMINISTRATIVE BUDGET



Fiscal Year 2022-2023

Administrative Budget Request Summary

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2021-2022 Budget to Projected Actual



	Preliminary Budget 2022-2023	2021-2022 Adopted Budget	2021-2022 Projected Actuals	2021-22 Projected to Actual (UNDER)/OVER
Administrative Services	\$ 15,071,615	\$ 13,932,127	\$ 13,091,823	\$ (840,304)
Benefits	\$ 12,019,386	\$ 11,103,844	\$ 10,514,500	\$ (589,344)
BOR	\$ 236,500	\$ 214,000	\$ 106,900	\$ (107,100)
BOI	\$ 458,000	\$ 436,000	\$ 192,800	\$ (243,200)
Communications	\$ 3,219,975	\$ 3,295,291	\$ 2,654,100	\$ (641,191)
Disability Litigation	\$ 2,407,817	\$ 2,193,630	\$ 2,175,600	\$ (18,030)
Disability Retirement	\$ 10,939,793	\$ 9,897,398	\$ 9,363,600	\$ (533,798)
Executive Office	\$ 5,451,099	\$ 3,562,946	\$ 2,812,800	\$ (750,146)
Finance & Accounting Services	\$ 5,120,014	\$ 4,340,488	\$ 4,035,000	\$ (305,488)
Human Resources	\$ 6,029,537	\$ 4,695,603	\$ 4,032,800	\$ (662,803)
Internal Audit	\$ 3,307,122	\$ 3,154,313	\$ 3,028,700	\$ (125,613)
Investment Office	\$ 18,239,154	\$ 16,458,019	\$ 14,810,900	\$ (1,647,119)
Legal Services	\$ 9,359,650	\$ 7,748,024	\$ 7,052,800	\$ (695,224)
Member Services	\$ 10,622,731	\$ 10,027,130	\$ 9,517,300	\$ (509,830)
Quality Assurance	\$ 3,443,785	\$ 3,195,316	\$ 2,985,800	\$ (209,516)
Systems	\$ 21,840,682	\$ 20,553,351	\$ 18,572,300	\$ (1,981,051)
Total Administrative Budget	\$ 127,766,860	\$ 114,807,486	\$ 104,947,723	\$ (9,859,763)



FY 2022-2023 Budget Assumptions



Salaries & Employee Benefits

- Filled positions are based on current actual salaries
- Vacant positions are based on Step 1 salary & funded for 6 months
- 4% COLA for all staff – January 1, 2022 to December 31, 2022
 - Includes 6 months retroactive increase
- 3% COLA for all staff – January 1, 2023 to June 30, 2023



Services & Supplies

- Historical expenditures adjusted for inflation



Salaries & Employee Benefits

19 New Positions

Full Year Costs for Partially Funded Positions

Negotiated COLA & Benefit Increases

Salary Step & Merit Increases

Overtime CMS

Increased Reliance on Agency Temporary Staff



Summary of Staffing Increases

DIVISION	BUDGETED POSITIONS FY 2021–2022	CHANGE	BUDGETED POSITIONS FY 2022–2023
ADMINISTRATIVE SERVICES	37	5	42
BENEFITS	78	1	79
COMMUNICATIONS	14		14
DISABILITY LITIGATION	7		7
DISABILITY RETIREMENT	41		41
EXECUTIVE OFFICE	14		14
FINANCIAL & ACCOUNTING	30		30
HUMAN RESOURCES	15	6	21
INTERNAL AUDIT	11		11
INVESTMENT	45		45
LEGAL SERVICES	28	1	29
MEMBER SERVICES	79		79
QUALITY ASSURANCE	19		19
SYSTEMS	56	6	62
TOTAL	474	19	493



Organizational Changes

Administrative Services

- Restructured for success and succession
- Better supports ASD staff and customers

Investments Division

- Reorganized around asset strategies
- Fosters self-reliance and deep knowledge

Secretarial Series Reclassification

- Reflected in each division organizational chart
- Properly aligns duties with title and pay



Services & Supplies

Summary of Changes

Insurance premium increases & brokerage fees - \$260,000

Rent for LACERA headquarters - \$275,000

Disability related medical services - \$485,000

Strategic planning - \$321,000

Information Security software subscriptions \$95,000

HR outside recruitment and testing services \$290,000

Outside legal counsel - \$450,000



RHC & OPEB BUDGETS

Fiscal Year 2022-2023 Retiree Healthcare Program Budget Overview

	FY 2021-2022 ADOPTED BUDGET	FY 2022-2023 PRELIMINARY BUDGET	VARIANCE	% CHANGE
Salaries & Employee Benefits	\$ 5,272,936	\$ 5,172,923	\$ (100,013)	-1.9%
Services & Supplies	\$ 6,118,192	\$ 6,140,699	\$ 22,507	0.4%
OPERATING BUDGET	\$ 11,391,128	\$ 11,313,623	\$ (77,505)	-0.7%



2021-2022 RHC Budget to Projected Actual

	FY 2022-23 Preliminary Budget	FY 2021-2022 Adopted Budget	FY 2021-2022 Projected Actual	2021-22 Projected to Actual (UNDER)/OVER
Salaries & Employee Benefits	\$ 5,172,923	\$ 5,272,936	\$ 4,379,900	\$ (893,036)
Services & Supplies	\$ 6,140,699	\$ 6,118,192	\$ 6,094,792	\$ (23,400)
Total RHC Operating Budget	\$ 11,313,623	\$ 11,391,128	\$ 10,474,692	\$ (916,436)



Fiscal Year 2022-2023 Other Post Employment Benefits Summary

OPEB	FY 2021-2022 ADOPTED BUDGET	FY 2022-2023 PRELIMINARY BUDGET	VARIANCE	% CHANGE
Salaries & Employee Benefits	\$ 481,543	\$ 495,700	\$ 14,157	2.9%
Services & Supplies	\$ 190,304	\$ 187,449	\$ (2,855)	-1.5%
OPEB OPERATING BUDGET	\$ 671,847	\$ 683,150	\$ 11,303	1.7%



2021-2022 OPEB Budget to Projected Actual

	FY 2022-2023 Preliminary	FY 2021-2022 Adopted Budget	FY 2021-2022 Projected Actual	FY 2021-22 Projected to Actual (UNDER)/OVER
Salaries & Employee Benefits	\$ 481,543	\$ 495,700	\$ 465,958	\$ (29,742)
Services & Supplies	\$ 190,304	\$ 187,449	\$ 176,203	\$ (11,247)
Total OPEB Budget	\$ 671,848	\$ 683,149	\$ 642,161	\$ (40,988)

THANK YOU!



QUESTIONS?



L/CERA

Administrative,
Retiree Healthcare Benefits
and OPEB Trust Budgets

WOVEN TOGETHER

FY 2022-2023

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EXECUTIVE SUMMARY

Budget Highlights

Fiscal Year 2022-2023

EXECUTIVE SUMMARY

The preliminary Administrative Budget for fiscal year 2022-2023 represents the fiscal plan for achieving our administrative and operational objectives of: continuing to simplify and improve LACERA's business practices by implementing modern technology; assessing and updating our existing policies and procedures; identifying and reducing enterprise-wide risk; and investing in our workforce. While it is a best practice for organizations to develop their budget in tandem with their strategic plan as companion documents, LACERA's strategic planning efforts is underway but will not coincide with the budget process this year. Regardless, the FY 2022-2023 preliminary Administrative Budget is aligned with LACERA's well-established priorities. Specifically, the preliminary budget provides the resources to enable LACERA to:

- Develop and begin implementing our next strategic plan in a manner that engages staff, trustees, and members, and creates agency at all levels of the organization toward our collective success.
- Continue to identify and implement modern technology tools that enable staff to more efficiently and effectively fulfill our mission and provide a better member experience.
- Implement a robust hiring plan to attract and onboard highly qualified staff to minimize vacancies and support existing staff.
- Prepare for succession by engaging staff and investing in their professional development.
- Minimize risk and improve resiliency in all aspects of the organization.

Strategic Planning

LACERA has launched its next strategic planning process by engaging a consultant to help the Trustees engage the executive management team, staff at all levels, members, and plan sponsors in the development of our strategic goals and priorities and to help us create an action plan to communicate and execute the strategic vision of the Trustees' plan. We want to ensure we fully understand our stakeholders' needs and create a sense of agency among our staff and trustees toward the future success of LACERA. The preliminary Administrative Budget includes Executive Office funding for the consultant (\$315,000) as well as \$80,000 for any high-priority improvement projects identified for immediate implementation during FY 2022-2023.

Leveraging Technology to Modernize Operations

Over the past two years, LACERA has invested heavily in technology to simplify many of our processes, reduce operational risk, and improve our member and staff experience through use of modern tools. While much progress has been made, much more investment is necessary. We have included a summary of our current and planned technology projects with proposed funding levels. (See table on page 4 for details on technology modernization projects.)

The most significant project for FY 2022-2023 is our Case Management System implementation. We propose that this project be implemented in phases, with the goal of streamlining and simplifying manual and error-prone processes to assist staff in more efficiently and effectively serving our members. The first three processes we hope to fold into the new case management system are first payments, disability retirement and disability litigation. Staff have been engaged in an extensive vendor selection process and are excited to begin implementation once approved by the Board of Retirement (BOR). The preliminary budget includes funding for the software implementation and consultant services, as well as overtime for subject matter experts to dedicate toward implementation, beta testing, and future planning.

Hiring and Succession Planning Efforts

The key to every successful organization is its people. LACERA has been fortunate to have had a very stable workforce throughout its history. However, even before the COVID-19 pandemic, LACERA began to experience vacancy rates above 10 percent due to its aging workforce. This was exacerbated by a temporary halt in hiring in the first several months of the pandemic. The demographic shift has similarly hit the County of Los Angeles, and we have transitioned more of our members from active to retired status, increasing our workload.

The national “great resignation” in all sectors and changing norms in private sector hiring practices have made it even more challenging for public-sector organizations like LACERA that follow rigid civil service rules to compete for talent. Almost all divisions have experienced resource constraints due to high vacancy levels in the past two years, which in turn has put more pressure on existing staff to address the increasing workload.

LACERA is working on becoming more nimble and strategic in its our hiring plans within the confines of merit-based civil service practices. We have developed an ambitious hiring plan that prioritizes the examination process by classification and leverages outside resources where feasible. Unfortunately, it is clear that the existing resources within the Human Resources (HR) Talent Acquisition and Management Unit are insufficient to address the backlog. In fact, despite the tremendous growth of LACERA staff over the past 10 years, the number of HR staff has not increased. This FY 2022-2023 preliminary Administrative Budget includes six new staff for HR to implement our hiring plan.

While we focus on adding to our workforce, we must also plan better for succession. This includes engaging staff, identifying risks in each division, and investing in employee development through training, professional memberships, coaching, and formal and informal mentorship.

Our overarching goal is to make LACERA the employer of choice, offering a superior workplace culture that values and encourages diversity, actively implements equity and inclusion in our

policies and practices, values our employees' ideas, pays fair wages, and supports our staff by giving them the tools and resources necessary to be successful.

Minimizing Risk and Improving Resiliency

LACERA's long-term success relies on thoughtful preparation and planning for both what *could* happen and likely *will* happen in the future. Our members expect and need us to be there for them throughout their lifetimes.

Over the past two years, LACERA has made significant investments toward this objective, particularly with our investment in technology and focus on information security hardening and business continuity planning. This investment continues in the preliminary Administrative Budget for FY 2022-2023. Our investments to evolve LACERA — whether it be by implementing modern technology, reducing error-prone processes, hardening our data, or readying our people to grow into leadership positions via succession planning — are critical to ensure LACERA is well-positioned to thrive in the future.

Summary of Technology Modernization Projects for FY 2022-2023

Project Title	Description	Benefit/Goal	FY 2022-2023 Budget	Phase	Estimated Completion Date
Member Case Management System - Phase I	All LACERA's member facing divisions are asking for Case Management for their complex processes to improve operational efficiency. Phase I includes the First Payment Process, Disability Application Process, and the Disability Litigation Process.	The goal is to track and manage cases coming from Workspace Pension Administration System. The benefits are more efficient processing, greater automation, and improved member satisfaction.	\$660,000	Phase I of V	06/30/23
Policy and Knowledgebase Solution - Phases I and II	LACERA seeks to purchase or build a repository and automated workflow solution for policies, standards, procedures, and operating instructions at LACERA. We currently maintain this critical enterprise content in multiple formats and on disparate systems. Phase I is the selection and implementation of a centralized repository and workflow for the development, review, and publication of policies, standards, and procedures. Phase II is the incorporation of business rules, operating instructions, and a knowledgebase.	The goals are a centralized repository and workflow for policies, standards, procedures, and operating instructions. The benefits are consistent and transparent development, review, and publication of policies and business rules as well as quicker and more consistent adoption of new policies and business rules. This new system will also allow us to retire older disparate systems: the Benefits WIKI, KBase, MSOI and Benefits Index.	\$300,000	Phase I and II of II	06/30/23
Telecommunications Upgrade and Hosted Contact Center	LACERA seeks to acquire a world-class Member Service Contact Center solution that integrates with our existing Microsoft suite of products, Case Management Application, and our Pension Administration System.	The goal is to modernize LACERA's existing telecommunications infrastructure. The benefits are more automation and greater member satisfaction.	\$250,000	Phase I of I	06/30/23
IT Equipment Upgrade	LACERA seeks to upgrade all staff with laptops and dual monitors as needed to improve mobility and productivity.	The goal is to replace end of life workstations with laptops and provide dual monitors to all LACERA's workforce as needed. The benefits are enhanced mobile and teleworking capabilities, a reduction in hardware, and increased user productivity.	\$210,000	Phase II of II	06/30/23
Cloud Migration	As part of LACERA's IT Modernization effort, the Systems Division is moving our enterprise systems to publicly hosted platforms. The systems that are targeted for migration in Fiscal Year 2022-23 are Workspace, My LACERA, and our enterprise reporting services.	The goal is to migrate mission critical systems to hosted platforms. The benefits are decreased dependency on the data center in Pasadena and an improved disaster recovery solution that decreases both downtime and data loss.	\$200,000	Phase II of II	06/30/23
Budget Systems Modernization Phase II	LACERA's current budget process is a tedious, manual process based on excel spreadsheets. This project is to implement an automated budget solution. Phase I included the selection of a consultant to guide LACERA through the select and procurement of an automated budget solution. Phase II includes the implementation of the selected solution.	The goal is to automate and streamline LACERA's budget process. The benefit is the reduction in time spent preparing annual budgets and mid-year adjustments as well as the ability to tie budget expenses to LACERA's strategic goals.	\$150,000	Phase II of II	09/30/22
Board Management Solution	LACERA seeks to implement PrimeGov for the management of both Boards and all Committee meetings, including agenda management, livestreaming, recordings, online archives, and a public interface solution, with an indefinite retention period for archiving the audio and visual recordings.	The goal is to transition from BoardVantage to PrimeGov from Board Management. The benefits include a more modern solution for agenda management that includes livestreaming, recordings, and online archives that can be integrated with lacera.com.	\$100,000	Phase I of I	09/30/22
Human Resources Digitization Project	LACERA seeks to create an electronic Human Resource file to securely store personnel, payroll, medical, and classification files.	The goal is to digitize Human Resources' personnel files. The benefits include more secure and permanent storage for essential personnel files and the greater opportunities for automation for Human Resources processes.	\$50,000	Phase I of I	06/30/23



MISSION STATEMENT

We Produce, Protect, and Provide the Promised Benefits



LACERA exists to:

- **Produce** the highest quality of service for our members and sponsors;
- **Protect** the promised benefits through prudent investment and conservation of plan assets;
- **Provide** the promised benefits.

What is the purpose of a corporate Mission Statement?

It explains why we are in business; it's the corporate mandate - in as few words as possible. The Mission Statement should be brief so every employee can remember it. New LACERA employees will receive the Mission Statement and immediately understand why we exist.

How does the Mission Statement differ from our corporate objectives?

Our objectives state how we will achieve our Mission. Our Objectives list our priorities - some are long-term and some short-term. Each Objective is well defined and includes the steps (goals) we must take to accomplish it. Our Objectives define how we conduct our business.

Our Vision and Values Statements Are Our Guiding Principles.

Our Vision is our pledge to be the premier retirement association through Excellence in retirement law; Commitment to teamwork; Trust to safeguard assets; and Service to members that is courteous, professional, and 100 percent accurate.

Our Values guide our personal behaviors - Professionalism, Respect, Open Communications, Fairness, Integrity, and Teamwork. We will reach our Vision through our shared Values.



LACERA VISION

Excellence—Our members deserve the best.

Therefore, we choose to be the best. We choose excellence through innovation. We choose to become unparalleled experts in retirement law, pension administration, and benefit solutions. We choose to be preeminent masters of portfolio management.

Commitment—We are the best.

We will work together to provide the best service. We will continually strengthen our commitment to effective teamwork by contributing our individual strengths, learning new methods and skills, and anticipating the demands of the future.

Trust—Our members place trust in LACERA.

Everyday, we will earn this trust by placing their interest first, by giving them easy-to-understand answers, by solving their problems quickly, and by safeguarding and maximizing their investment assets.

Service—Our members deserve the best.

We pledge to improve our member service until 100 percent of our members making inquiries receive courteous, professional, accurate answers with just one call. We have the ability to achieve this if each one of us reaches deep into our strengths and lends a hand. Our strengths are individual; collectively they are unstoppable.



Because members deserve the best,
LACERA will be the best.

LACERA VALUES

Professionalism

We take the initiative to develop our skills to get the job done. We are accountable for providing quality service to our members that is efficient and accurate.

Respect

Our members and coworkers deserve to be treated with courtesy, patience, and empathy. When we listen to and support each other, we create a nurturing work environment that promotes fairness and trust.

Open Communications

Our frank and straightforward expression of ideas fosters a common understanding of purpose — quality service to our members. We create a healthy work environment by sharing information, listening to each others' ideas, and giving constructive feedback.

Fairness

Our employees are entitled to a clear explanation of performance expectations. Performance evaluations are timely, honest, and impartial; personal improvement plans are reasonable and constructive; and we provide opportunities for professional development and promotion.

Integrity

We inspire confidence by our high standards for member services and sound investment practices. We are reliable, ethical, and honest. Loyalty to LACERA means loyalty to members. Integrity guides all of our work relationships.

Teamwork

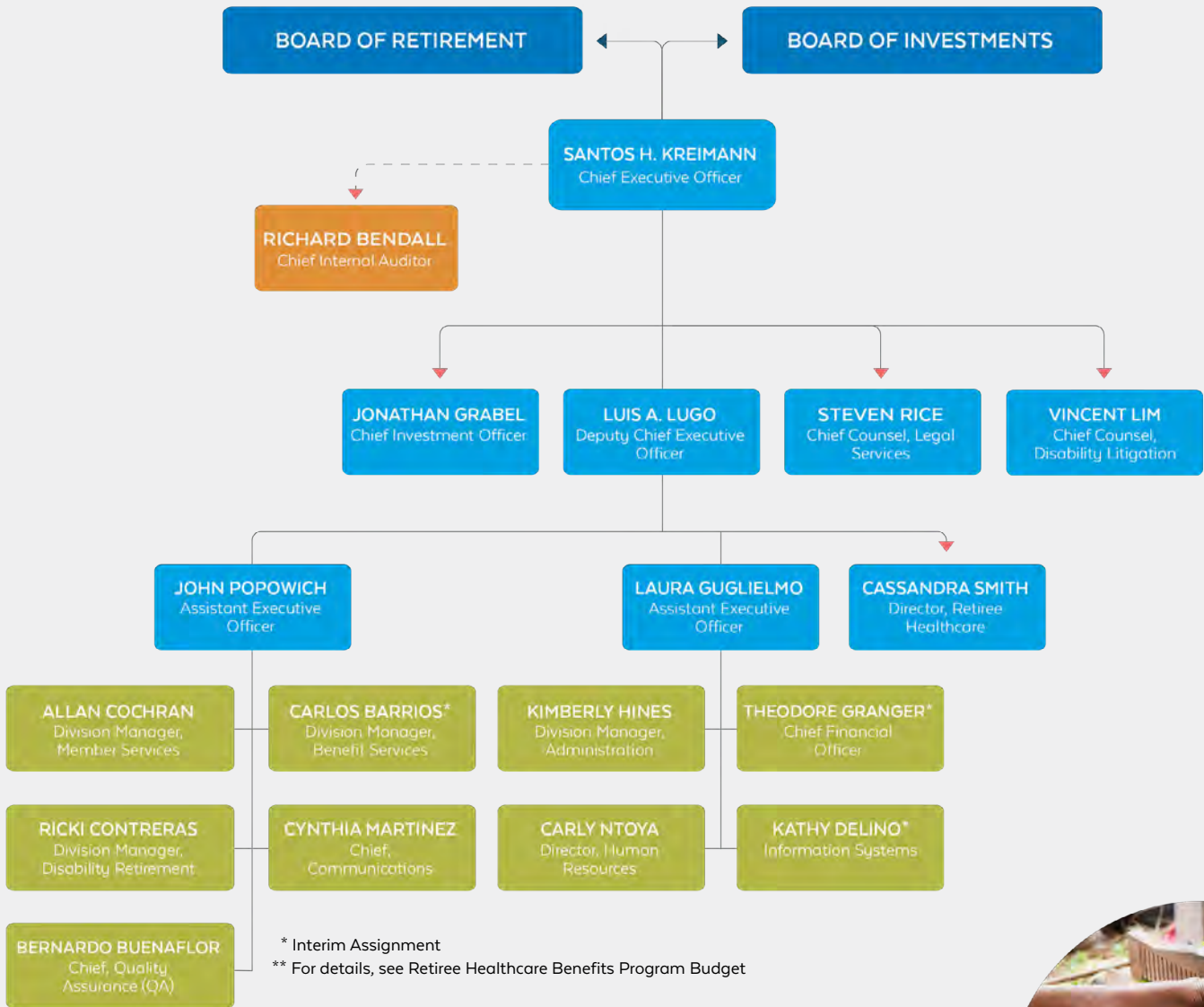
We are committed to teamwork and we openly share information and ideas. Working together to reach common goals is the essence of success.



Achieving our MISSION through
shared VALUES and a collective VISION.

Org Chart

Fiscal Year 2022-2023



BUDGET POLICIES

The LACERA Budget is an annual financial plan with the purpose of promoting the long-term economic sustainability and responsible resource allocation to meet LACERA's mission to produce, protect, and provide the promised benefits for our members and beneficiaries.

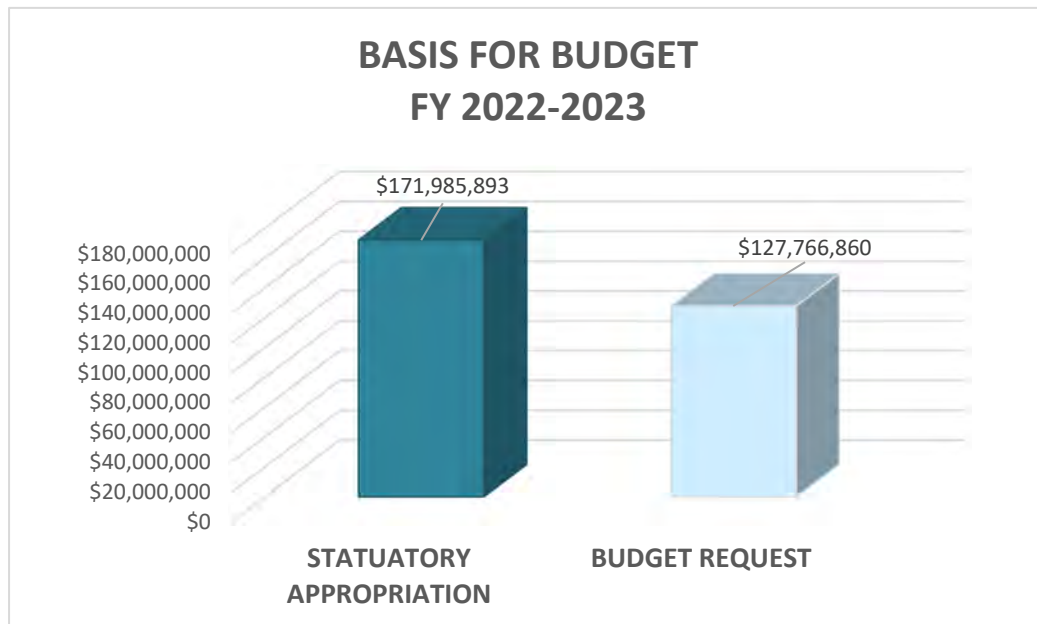
The budget is made up of three funds: the Administrative Fund, the Retiree Healthcare Fund, and the Other Post-Employment Benefits (OPEB) Trust Fund.

The annual budget aligns with LACERA's fiscal year (FY), the 12-month period from July 1 to June 30.

Legal Requirement

Government Code 31580.2 of the County Employees Retirement Law (1937 Act) requires the annual adoption of a budget covering the entire expense of administration of the retirement system. The code requires that the expenses be charged against the earnings of the retirement fund and that the expenses may not exceed 21 basis points (0.21 percent) of the accrued actuarial liability of the retirement system. Although expenses for computer software, hardware, and computer technology consulting services are included in the Administrative Budget, such costs are not subject to the budget limit. Additionally, Government Code Section 31596.1 provides that the following expenses shall not be considered as costs of administering the system: investing its moneys, securing custodial bank services, securing actuarial services, and securing attorney services. As such, these costs are not included in the Administrative Budget.

Per the 1937 Act, LACERA's statutory appropriation for FY 2022–2023 is \$171,985,893. The proposed budget for FY 2022–2023 totals \$127,766,860, \$44,219,033 below the statutory appropriation limit.



JOGC Oversight

In addition to the statutory codes, the budget is also guided by LACERA's Joint Organization Governance Committee (JOGC), which provides oversight during the annual budget development cycle. The process consists of staff developing a preliminary budget plan that considers and supports the approved strategic objectives and general operating needs. The preliminary budget is presented to the JOGC for review. Recommendations by the JOGC are presented to the Board of Retirement and Board of Investment ("the Boards") during the budget hearings. Staff incorporates changes agreed upon in the budget hearings and brings the recommended budget to the Board of Retirement and the Board of Investment for review and independent adoption before June 30.

Budgetary Control and Financial Forecasting: Proposed Policy Change

LACERA has a responsibility to maintain a fiscally sustainable budget that aligns our Strategic Plan objectives and goals with the itemized resources and organization required to fulfill our mission, vision, and values. This financial plan is developed by staff and management and is approved by the Boards. After the budget is developed and approved, staff and management have a responsibility to monitor and forecast expenditures to ensure resources are being used as intended to meet LACERA's needs. Historically, LACERA has lacked timely financial data and reporting tools, which has limited management's ability to share timely reporting information with the Boards. With the development of a new budget system in FY 2022–2023, management expects to meet these obligations more efficiently and effectively and will be able to provide such status updates to the Boards on a more regular basis.

While the annual budget process is designed to develop the 12-month budget or financial plan for approval prior to the start of the fiscal year, there should always be a mid-year review of that plan to ensure the enterprise is on track. By establishing a mid-year budget review process, the Boards can address any enterprise critical, unforeseen, and emergency resources not included in the current fiscal year budget. The mid-year budget review shall be presented to the JOGC for information or action if required.

Proposed Policy Change

Historically, LACERA considered the difference in the statutory appropriation limit and the approved budget to be its "contingency fund" that could be available for unanticipated expenditures that may occur during the year. LACERA management recommends ending this practice as it confuses the unallocated balance of the statutory appropriation limit with a reasonable amount of funding required to address unanticipated needs that may arise. Instead, it is recommended that the surplus be referred to as the "Unallocated Surplus Appropriation Balance."

Should it be determined that additional funds are needed to address a significant problem, the Boards may amend their Adopted Budget at any point during the year and increase the appropriation, so long as the total appropriation does not exceed the statutory limit.

Additionally, it is recommended that the CEO have the authority to transfer up to \$1 million between major fund categories (e.g., between Salaries and Employee Benefits and Services and Supplies) or between accounts within a major fund category (e.g., between postage and insurance within Services and Supplies) to address operational needs in a timely manner. Any such changes would be communicated to the Boards as part of the regular budget control reporting. The CEO could not increase total appropriations or add position authority without the approval of the Boards. The current policy, which has not been revised since 2009, requires changes between major accounts to be approved by both Boards, which could inhibit his ability to promptly address operational requirements of the organization. An updated Budget Policy is being provided to the JOGC and the Boards as a companion action to this Proposed Budget.

Retiree Healthcare Benefits Program

Our Retiree Healthcare Benefits Program provides healthcare benefits to our membership on behalf the plan sponsor. The insurance premiums are borne solely by the participants of the plan, or the plan sponsor if the participant is eligible for such benefits. LACERA trust funds are not used for premium payments. The direct costs and variable overhead costs associated with the administration of the Retiree Healthcare Benefits Program are fully included with the monthly premium payments and, as such, are not included in the Administrative Budget.

Non-Administrative Expenses

As provided in Government Code Section 31596.1, the expenses of investing its moneys, securing custodial bank services, actuarial services, and attorney services shall not be considered a cost of administering the system. As such, investment expenses are not included in the Administrative Budget, but are illustrated as part of the Non-Administrative Expenses section of the budget.

BUDGET PROCESS



LACERA's budget process includes six major stages as depicted in the diagram above. The budget process typically begins in October of each year and coincides with the strategic planning discussion, which is generally held offsite by the management team to engage in team-building exercises and begin discussion about organizational priorities and strategic direction consistent with the Boards vision.

From October to November, the management team begins to formulate their budget requests. Throughout the month of December, the budget team meets with the managers to gather information about their needs. This discussion helps the budget team, and their partners begin preparing spending plans to support the divisional and management requests.

The budget process normally parallels the strategic planning process. Ideally, the strategic planning process is also linked to the budget process to ensure the organization allocates the proper resources to support the plan to fruition. Although LACERA has a legacy strategic plan for FY 2018–2020, development of a new strategic plan has been delayed due to changes in executive leadership, responding to the COVID-19 pandemic, and the decision to engage a strategic planning consultant. As a result, executive management developed this proposed FY 2022–2023 budget with a

strategic vision to continue simplifying and improving LACERA's operations using technology, processes, and people, consistent with the Chief Executive Officer's 100-Day Report and objectives provided in the Board approved 2018-2020 Strategic Plan.

During the month of January, the management team meets with the Executive Office to present their proposed budgets. During this process, the Executive Office weighs the requests against the organizational goals and the strategic plan as well as ancillary support requirements. These discussions help refine the requests and balance competing needs throughout the organization. At the end of this process, the Executive Office and the management team agree upon their divisional requests and the Budget Unit begins to assemble the budget.

The fourth and fifth stages include presenting the preliminary budget to the JOGC for review and guidance then presenting the proposed budget at the budget hearing for review and discussion with the Boards and the public.

Lastly, the proposed budget is submitted for approval at the meetings of each Board in June.

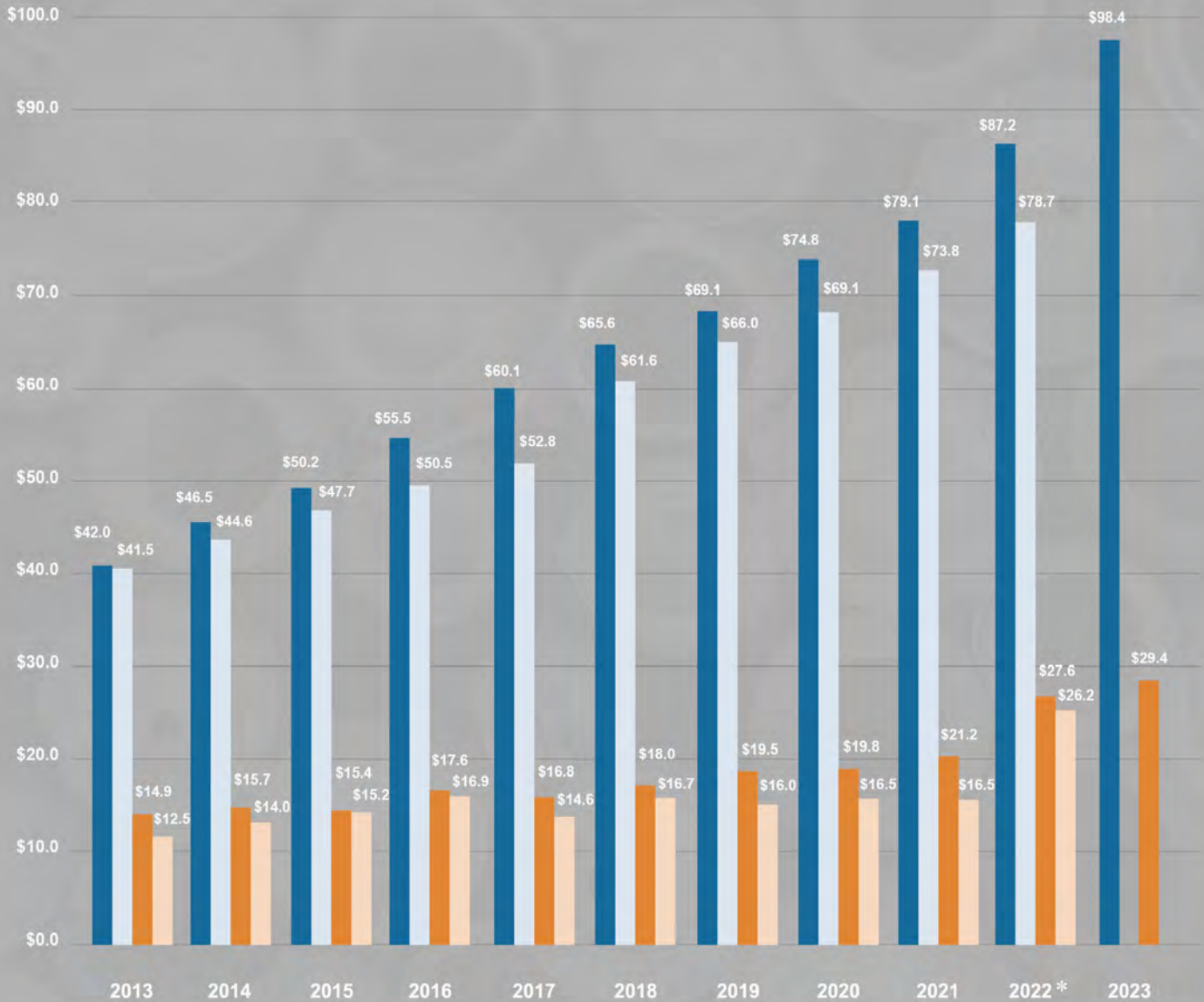
HISTORY: BUDGET EXPENDITURES



Salaries and Employee Benefits & Services and Supplies

2013-2023

(\$ in Millions)



* The Actual Expenditures for the budget year ending 2022 are projected based on YTD figures through 01/31/2022.

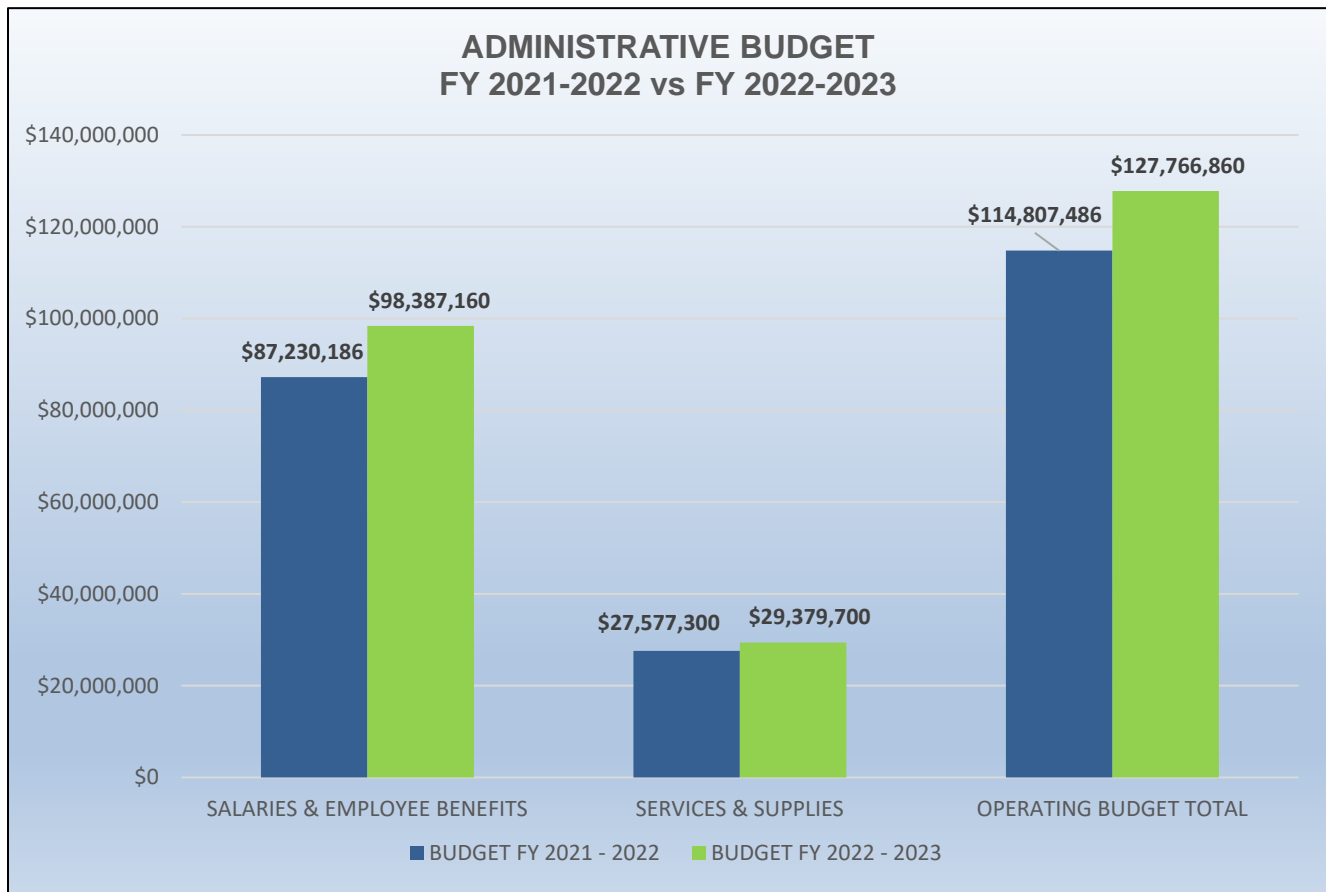
- Salaries and Employee Benefits Approved Budget
- Salaries and Employee Benefits Actual Expenditures
- Services and Supplies Approved Budget
- Services and Supplies Actual Expenditures

BUDGET REQUEST SUMMARY

Overview

The Administrative Budget consists of two components: Salaries and Employee Benefits (S&EB) and Services and Supplies (S&S). The proposed Administrative Budget request for FY 2022-2023 is \$127,766,860. This represents a 11.3 percent increase from the prior year budget.

ADMINISTRATIVE BUDGET	BUDGET FY 2021–2022	BUDGET FY 2022–2023	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	\$87,230,186	\$98,387,160	\$11,156,974	12.8%
SERVICES & SUPPLIES	\$27,577,300	\$29,379,700	\$1,802,400	6.5%
OPERATING BUDGET TOTAL	\$114,807,486	\$127,766,860	\$12,959,374	11.3%



The chart below displays the total budgeted costs per division in comparison to the prior year.

DIVISION	BUDGET REQUEST FY 2021–2022	BUDGET REQUEST FY 2022–2023	VARIANCE	% CHANGE
Administrative Services	\$13,932,137	\$15,071,615	\$1,139,478	8.2%
Benefits	11,103,844	12,019,386	915,542	8.2%
Board of Retirement	214,000	236,500	22,500	10.5%
Board of Investments	436,000	458,000	22,000	5.0%
Communications	3,295,291	3,219,975	(75,316)	-2.3%
Disability Litigation	2,193,630	2,407,817	214,187	9.8%
Disability Retirement	9,897,398	10,939,793	1,042,395	10.5%
Executive Office	3,562,946	5,451,099	1,888,153	53.0%
Financial & Accounting Services	4,340,488	5,120,014	779,526	18.0%
Human Resources	4,695,603	6,029,537	1,333,934	28.4%
Internal Audit	3,154,313	3,307,122	152,809	4.8%
Investment Office	16,458,019	18,239,154	1,781,135	10.8%
Legal Services	7,748,024	9,359,650	1,611,626	20.8%
Member Services	10,027,130	10,622,731	595,601	5.9%
Quality Assurance	3,195,316	3,443,785	248,469	7.8%
Systems	20,553,351	21,840,682	1,287,331	6.3%
TOTAL	\$114,807,486	\$127,766,860	\$12,959,374	11.3%

For additional details see the divisional tabs.

Salaries and Employee Benefits (S&EB)

Salaries and Employee Benefits (S&EB) costs consist of the ongoing personnel costs for the organization. These costs include salaries, variable benefits (e.g., retirement costs, 457(b) and 401(k) plan costs, etc.), agency temporary staff, overtime, OPEB contributions, and other benefit costs.

S&EB CATEGORY	BUDGET REQUEST FY 2021–2022	BUDGET REQUEST FY 2022–2023	VARIANCE	% CHANGE
SALARIES & OTHER PAYS				
Permanent/County Temporary	\$49,380,393	\$52,924,020	\$3,543,627	7.2%
Agency Temporary	4,001,700	5,908,400	1,906,700	47.6%
LACERA Intern Program	312,000	288,000	(24,000)	-7.7%
Stipends	65,000	65,000	0	0.0%
Overtime	888,900	1,088,800	199,900	22.5%
Bilingual Bonus	21,600	22,800	1,200	5.6%
Transportation Allowance	14,400	7,200	(7,200)	0.0%
Rideshare Allowance	70,300	70,300	0	0.0%
Sick Leave Buyback	68,800	68,800	0	0.0%
TOTAL SALARIES & OTHER PAYS	\$54,823,093	\$60,443,320	\$5,620,227	10.3%
VARIABLE BENEFITS				
Retirement	10,558,179	12,520,797	1,962,618	18.6%
FICA Contribution	866,851	937,475	70,624	8.1%
County Subsidy: Insurance	2,853,102	3,686,450	833,348	29.2%
Options Plan	4,422,034	4,888,781	466,747	10.6%
Life Insurance	18,182	22,772	4,590	25.2%
Health Insurance Temps	219,772	325,317	105,545	48.0%
Flexible Benefit Plan	16,178	22,263	6,085	37.6%
Thrift Plan/Horizons	1,682,186	2,144,074	461,888	27.5%
Savings Plan	1,225,790	1,625,730	399,940	32.6%
Pension Savings Plan	37,462	36,645	(817)	-2.2%
Megaflex	5,995,931	6,613,389	617,458	10.3%
TOTAL VARIABLE BENEFITS	\$27,895,666	\$32,823,693	\$4,928,027	17.7%
OPEB CONTRIBUTION	\$1,485,427	\$1,775,147	\$289,720	19.5%
OTHER BENEFITS	\$3,026,000	\$3,345,000	\$319,000	10.5%
TOTAL EMPLOYEE BENEFITS	\$32,407,093	\$37,943,840	\$5,536,747	17.1%
TOTAL SALARIES & EMPLOYEE BENEFITS	\$87,230,186	\$98,387,160	\$11,156,974	12.8%

Assumptions

The following assumptions were used in developing the S&EB portion of the budgets:

- Salaries are budgeted based on projected yearly costs by position.
- Vacant positions are budgeted at the first step and salary savings are calculated by reducing the salary cost by the number of months it takes to hire against the position. We estimate the vacancy at six months unless otherwise specified.
- Salary increases negotiated through a Memorandum of Understanding (MOU) are included in the budget request. Negotiations have been conducted and approved by LACERA's Boards; however, they are still pending the Board of Supervisors' approval. Once the salary schedules are modified and the increases are approved by the Board of Supervisors, they will most likely be effective in FY 2022-2023. The proposed salary increases are based on general salary movements of 4 percent for 2022 and 3 percent for 2023 per the approved MOU.

Increased Costs

The \$11.2 million increase in S&EB includes funds for additional staffing as well as certain non-discretionary costs, as detailed below.

Hiring Plan Changes

During the budget development process, we calculate a salary savings for the number of months that a position will be vacant during the fiscal year. In FY 2021-2022, hiring plans were delayed and timelines were shifted due to the pandemic. At the mid-year FY 2021-2022 budget, vacancy estimates were reassessed. Based on that examination, it was determined that positions would remain vacant for several months longer than originally planned and we would retain temporary staff for a longer period. To account for this, we reduced Permanent Salaries and Variable Benefits by \$2.1 million and increased agency-temporary staff salaries by \$0.9 million.

For FY 2022-2023 we have developed a robust hiring plan that includes getting non-ordinance positions processed with the Board of Supervisors and filling vacant positions throughout the organization. The Proposed Budget reflects an increase of \$8.7 million attributed to fully funding vacant positions filled or projected to be filled in FY 2022-2023. These previously vacant positions were either unfunded or partially funded in FY 2021-2022, but will require full year funding in FY 2022-2023.

Other cost increases are attributed to the following:

Performance/Merit Increases

Management Appraisal and Performance Plan (MAPP) Tier I and Tier II employees may be entitled to salary increases based on their performance ratings. The increase ranges from 0 to 5 percent depending on the staff performance rating. The increase is estimated to be \$415,000.

Salary Step Increases

Staff that are not at the top of their designated salary range are entitled to a salary step increase. These increases are budgeted at 5.5 percent. The total cost is estimated to be \$337,000.

Additional Staff

Staffing changes as outlined below include a net increase of 19 permanent positions (24 new and five deleted positions). Deleted positions are unfunded, but are not removed from LACERA's Ordinance. The total S&EB budget impact for these positions is estimated at \$1.5 million, approximately \$1.0 million for salaries and \$0.5 million for variable benefits.

DIVISION	NUMBER	POSTION TITLE	FULL- YEAR SALARY	BUDGETED SALARY *	VARIABLE BENEFITS	BUDGET IMPACT
Administrative Services	2.0	Administrative Services Analyst II	\$127,368	\$63,684	\$35,026	\$98,710
	1.0	DPC Coordinator	\$48,437	\$24,219	\$13,320	\$37,539
	2.0	Intermediate Typist Clerk	\$78,140	\$0	\$0	\$0
Benefits Division	1.0	Senior Typist Clerk	\$42,981	\$21,490	\$11,820	\$33,310
Financial & Accounting Services	1.0	Accountant	\$62,592	\$46,944	\$25,819	\$72,763
	(1.0)	Accounting Technician	(\$49,643)	\$0	\$0	\$0
Human Resources	2.0	Senior Human Resources Analyst	\$163,362	\$122,521	\$67,387	\$189,908
	4.0	Human Resources Analyst	\$293,145	\$219,858	\$120,922	\$340,781
Legal Services	1.0	Senior Staff Counsel	\$169,179	\$169,179	\$93,048	\$262,227
Systems Division	3.0	Information Technology Manager II	\$380,043	\$63,341	\$34,837	\$98,178
	1.0	Information Technology Specialist II	\$143,306	\$71,653	\$39,409	\$111,062
	2.0	Information Technology Specialist I	\$249,046	\$124,523	\$68,488	\$193,011
	1.0	Data Systems Coordinator	\$102,475	\$51,237	\$28,181	\$79,418
	3.0	Data Systems Analyst II	\$263,864	\$0	\$0	\$0
	(1.0)	Information Systems Manager	(\$146,396)	\$0	\$0	\$0
	(3.0)	Asst. Information Systems Manager	(\$126,681)	\$0	\$0	\$0
Total	19.0		\$1,801,216	\$978,649	\$538,257	\$1,516,906

* Based on Human Resources Recruitment Calendar

Intern Program

The LACERA Intern Program is a component of LACERA's Administrative Equity Initiative and is advertised at colleges, including community colleges, throughout the nation. Our Intern Program has proven to be successful, as two of the previous interns that graduated from the University of California, Los Angeles and one from Columbia University were later hired as permanent LACERA staff. The FY 2022-2023 budget includes funding for 12 interns to support Administrative Services, Communications, Human Resources, Internal Audit,

Investments, Legal Services, and Systems. The total cost for interns is estimated at \$288,000 and represents a \$24,000 decrease from the prior year budget amount of \$312,000.

Total Budgeted Positions

Based on the proposal of a net increase of 19 permanent positions, LACERA's total budgeted positions count will be 493.

DIVISION	BUDGETED POSITIONS FY 2021–2022	CHANGE	BUDGETED POSITIONS FY 2022–2023
ADMINISTRATIVE SERVICES	37	5	42
BENEFITS	78	1	79
COMMUNICATIONS	14		14
DISABILITY LITIGATION	7		7
DISABILITY RETIREMENT	41		41
EXECUTIVE OFFICE	14		14
FINANCIAL & ACCOUNTING	30		30
HUMAN RESOURCES	15	6	21
INTERNAL AUDIT	11		11
INVESTMENT	45		45
LEGAL SERVICES	28	1	29
MEMBER SERVICES	79		79
QUALITY ASSURANCE	19		19
SYSTEMS	56	6	62
TOTAL	474	19	493

Vacancy Information

Each year as part of the budgeting process, the management team reviews the current workload to forecast the number of staff needed to fulfill LACERA's mission to produce, protect, and provide the promised benefits. One of the results of the process is a staffing plan that is presented to the executive team as part of each division's budget proposal.

Once the executive and managements teams have agreed on a plan, the staffing requests are included in the budget proposal presented to the Boards. The vacant position chart below shows that there are 95 vacant positions as of March 31, 2022. The proposed budget will add 19 positions. This will increase the expected number of vacant positions to 114 by July 1, 2022 (this number will change – increase or decrease – based on new hires or separations that occur before or after June 30, 2022).

Executive Management recognizes the critical importance of rebuilding our staffing levels and made the development of a comprehensive and transparent hiring plan one of our top priorities for FY 2021-2022. That plan has been developed and we are in the process of assessing opportunities to streamline our processes within the confines of a civil

service system, and documenting those new procedures in a manual for recruiters and one for hiring managers.

Vacant Positions Summary

DIVISION	BUDGETED POSITIONS FY 2021–2022	VACANCY (AS OF 03/31/22)	%	PROPOSED BUDGETED POSITIONS FY 2022–2023*	VACANCY	%
Administrative Services	37	11	30%	42	16	38%
Benefits	78	0	0%	79	1	1%
Communications	14	4	29%	14	4	29%
Disability Litigation	7	0	0%	7	0	0%
Disability Retirement Services	41	2	5%	41	2	5%
Executive	14	6	43%	14	6	43%
Financial & Accounting Services	30	12	40%	30	12	40%
Human Resources	15	3	20%	21	9	43%
Internal Audit	11	1	9%	11	1	9%
Investments	45	11	24%	45	11	24%
Legal Services Ø	28	12	43%	29	13	45%
Member Services	79	7	9%	79	7	9%
Quality Assurance	19	5	26%	19	5	26%
Systems	56	21	38%	62	27	44%
LACERA Total	474	95	20%	493	114	23%

*Includes new requested positions.

Ø Includes three budgeted positions not yet approved by Board of Supervisors.

Services and Supplies (S&S)

The Services and Supplies (S&S) costs are reflective of the daily operational needs of the organization and are primarily based on historical expenditures adjusted for inflation. The 6.5 percent (\$1.8 million) increase in S&S costs represents a combination of increases and decreases, resulting in a total S&S budget of approximately \$29.4 million.

The following noteworthy items are included in the S&S budget:

- \$260,000 increase in insurance premiums and brokerage fees including the following:
 - \$46,600 increase in fiduciary insurance
 - \$67,000 increase in cyber liability insurance
 - \$125,000 for brokerage services fees
- \$275,000 increase in rent and operating costs due to terms of our five-year lease agreement, common area management fees and storage space
- \$485,000 increase due to the new medical fee schedule for disability panel physicians and an RFP for a new medical advisor
- \$491,000 increase in the Executive Office, which includes:
 - \$75,000 transferred from the Systems Division for an information technology security assessment
 - \$321,000 for strategic planning and improvement projects
 - \$95,000 for software subscriptions for the Information Security Office
- \$290,000 increase in recruitment and testing costs to support our robust hiring plan to fulfill divisional needs and reduce vacancies
- \$445,000 for outside legal counsel due to trends in usage (including major pending matters), while simultaneously committing to manage outside counsel assignments to contain costs

Services & Supplies Summary

SERVICES & SUPPLIES CATEGORY	BUDGET REQUEST FY 2021-2022	BUDGET REQUEST FY 2022-2023	VARIANCE	% CHANGE
Auto Expenses	\$131,200	\$133,500	\$2,300	1.8%
Communications	630,000	535,000	(95,000)	-15.1%
Transportation & Travel	604,500	605,100	600	0.1%
Postage	991,400	1,021,400	30,000	3.0%
Stationery & Forms	645,300	653,300	8,000	1.2%
Office Supplies & Equipment	746,500	845,700	99,200	13.3%
Insurance	1,114,200	1,248,900	134,700	12.1%
Equipment Maintenance	437,800	258,300	(179,500)	-41.0%
Equipment Rents & Leases	277,000	287,000	10,000	3.6%
Building Costs	7,472,400	7,211,300	(261,100)	-3.5%
Parking Fees	377,000	437,000	60,000	15.9%
Professional & Specialized Services	3,844,200	4,272,700	428,500	11.1%
Bank Services	200,500	200,500	0	0.0%
Legal Fees & Services	1,127,500	1,571,000	443,500	39.3%
Disability Fees & Services	2,665,500	3,145,300	479,800	18.0%
Computer Services & Support	4,689,100	5,018,600	329,500	7.0%
Educational Expenses	1,225,400	1,253,000	27,600	2.3%
Miscellaneous	397,800	682,100	284,300	71.5%
TOTAL	\$27,577,300	\$29,379,700	\$1,802,400	6.5%

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS
CATEGORY SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2 0 2 1 - 2 0 2 2			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Gross Salaries	\$52,924,020	\$49,380,393	\$22,781,033	\$45,343,400	(\$4,036,993)	-8.2%	\$3,543,627	7.2%
Salary Differential	-	-	-	-	-	-	-	-
Permanent Salaries	\$52,924,020	\$49,380,393	\$22,781,033	\$45,343,400	(\$4,036,993)	-8.2%	\$3,543,627	7.2%
Outside Agency Temporary Staffing	5,908,400	4,001,700	2,364,914	3,840,300	(161,400)	-4.0%	1,906,700	47.6%
LACERA Intern Program	288,000	312,000	8,488	80,500	(231,500)	-74.2%	(24,000)	-7.7%
Variable Benefits								
Retirement	12,520,797	10,558,179	4,693,905	9,386,200	(1,171,979)	-11.1%	1,962,618	18.6%
FICA Contribution	937,475	866,851	375,892	728,800	(138,051)	-15.9%	70,624	8.1%
County Subsidy - Insurance	3,686,450	2,853,102	1,058,837	2,223,800	(629,302)	-22.1%	833,348	29.2%
Options Plan	4,888,781	4,422,034	1,883,988	3,880,000	(542,034)	-12.3%	466,747	10.6%
Life Insurance	22,772	18,182	8,577	19,700	1,518	8.3%	4,590	25.2%
Health Insurance Temps	325,317	219,772	0	221,600	1,828	0.8%	105,545	48.0%
Flexible Benefit Plan	22,263	16,178	9,965	19,200	3,022	18.7%	6,085	37.6%
Thrift Plan/Horizons	2,144,074	1,682,186	681,889	1,445,900	(236,286)	-14.0%	461,888	27.5%
Savings Plan	1,625,730	1,225,790	502,384	1,119,100	(106,690)	-8.7%	399,940	32.6%
Pension Savings Plan	36,645	37,462	1,146	25,600	(11,862)	-31.7%	(817)	-2.2%
Megaflex	6,613,389	5,995,931	2,672,094	4,905,200	(1,090,731)	-18.2%	617,458	10.3%
Total	32,823,693	27,895,666	11,888,676	23,975,100	(3,920,566)	-14.1%	4,928,027	17.7%
Other Benefits	3,345,000	3,026,000	1,460,796	2,980,800	(45,200)	-1.5%	319,000	10.5%
OPEB Contribution	1,775,147	1,485,427	752,109	1,510,600	25,173	1.7%	289,720	19.5%
Stipends	65,000	65,000	25,321	59,000	(6,000)	-9.2%	0	0.0%
Overtime	1,088,800	888,900	456,126	857,000	(31,900)	-3.6%	199,900	22.5%
Bilingual Bonus	22,800	21,600	9,100	17,300	(4,300)	-19.9%	1,200	5.6%
Sickleave Buyback	68,800	68,800	25,848	57,300	(11,500)	-16.7%	0	0.0%
Rideshare Allowance	70,300	70,300	1,190	2,500	(67,800)	-96.4%	0	0.0%
Transportation Allowance	7,200	14,400	3,900	7,200	(7,200)	-50.0%	(7,200)	-50.0%
S&E TOTAL	\$98,387,160	\$87,230,186	\$39,777,500	\$78,731,000	(\$8,499,186)	-9.7%	\$11,156,974	12.8%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS
DIVISION SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Administrative Services	\$5,146,415	\$4,109,837	\$1,910,094	\$3,849,700	(\$260,137)	-6.3%	\$1,036,578	25.2%
Benefits	11,960,086	11,031,844	5,193,872	10,471,800	(560,044)	-5.1%	928,242	8.4%
Communications	2,168,975	2,253,791	854,293	1,744,700	(509,091)	-22.6%	(84,816)	-3.8%
Disability Litigation	2,353,917	2,141,130	1,115,509	2,127,800	(13,330)	-0.6%	212,787	9.9%
Disability Retirement	7,514,693	6,962,398	3,325,893	6,429,300	(533,098)	-7.7%	552,295	7.9%
Executive Office	4,662,799	3,244,146	1,388,879	2,604,500	(639,646)	-19.7%	1,418,653	43.7%
Financial & Accounting Services	4,870,714	4,100,488	1,810,071	3,796,100	(304,388)	-7.4%	770,226	18.8%
Human Resources	3,813,337	2,926,303	1,240,302	2,549,600	(376,703)	-12.9%	887,034	30.3%
Internal Audit	2,582,622	2,433,813	1,190,294	2,322,300	(111,513)	-4.6%	148,809	6.1%
Investment Office	17,968,354	16,189,519	7,250,423	14,660,900	(1,528,619)	-9.4%	1,778,835	11.0%
Legal Services	7,432,150	6,252,924	2,407,624	5,136,300	(1,116,624)	-17.9%	1,179,226	18.9%
Member Services	10,595,931	9,971,630	4,716,624	9,501,200	(470,430)	-4.7%	624,301	6.3%
Quality Assurance	3,355,885	3,111,416	1,331,767	2,926,800	(184,616)	-5.9%	244,469	7.9%
Systems Division	13,961,282	12,500,951	6,041,854	10,610,000	(1,890,951)	-15.1%	1,460,331	11.7%
S&EB TOTAL	\$98,387,160	\$87,230,186	\$39,777,500	\$78,731,000	(\$8,499,186)	-9.7%	\$11,156,974	12.8%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
AGENCY TEMPORARY STAFFING
DIVISION SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021 - 2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Administrative Services	\$473,400	\$587,000	\$256,051	\$517,700	(\$69,300)	-11.8%	(\$113,600)	-19.4%
Benefits	154,900	71,900	25,156	71,900	0	0.0%	83,000	115.4%
Communications	56,200	79,600	0	79,600	0	0.0%	(23,400)	-29.4%
Disability Litigation	9,800	0	0	0	0	0.0%	9,800	0.0%
Disability Retirement	129,000	143,000	28,243	100,900	(42,100)	-29.4%	(14,000)	-9.8%
Executive Office	1,129,700	0	0	0	0	0.0%	1,129,700	0.0%
Financial & Accounting Services	778,100	729,400	219,781	729,400	0	0.0%	48,700	6.7%
Human Resources	95,300	47,700	3,472	47,700	0	0.0%	47,600	99.8%
Internal Audit	0	0	0	0	0	0.0%	0	0.0%
Investment Office	0	0	0	0	0	0.0%	0	0.0%
Legal Services	135,900	150,000	51,724	100,000	(50,000)	-33.3%	(14,100)	-9.4%
Member Services	37,000	0	0	0	0	0.0%	37,000	0.0%
Quality Assurance	0	0	0	0	0	0.0%	0	0.0%
Systems Division	2,909,100	2,193,100	1,780,488	2,193,100	0	0.0%	716,000	32.6%
TOTAL	\$5,908,400	\$4,001,700	\$2,364,914	\$3,840,300	(\$161,400)	-4.0%	\$1,906,700	47.6%

*All amounts rounded to the nearest dollar.

LACERA
BUDGET REQUEST INFORMATION
AGENCY TEMPORARY STAFFING
HISTORY OF EXPENDITURES

DIVISION	FYE 2020		FYE 2021		FYE 2022		FYE 2023
	Budget	Actual	Budget	Actual	Budget	Projection	Budget
Administrative Services	\$54,000	\$211,262	\$305,200	\$236,187	\$587,000	\$517,700	\$473,400
Benefits	809,700	595,413	47,700	61,449	71,900	71,900	154,900
Communications	47,800	83,162	135,700	73,304	79,600	79,600	56,200
Disability Litigation	0	0	8,700	0	0	0	9,800
Disability Retirement	36,000	28,860	72,100	100,660	143,000	100,900	129,000
Executive Office	0	0	0	0	0	0	1,129,700
Financial Services	424,200	254,613	505,400	354,985	729,400	729,400	778,100
Human Resources	26,200	39,962	47,700	68,633	47,700	47,700	95,300
Internal Audit	0	0	0	0	0	0	0
Investment Office	0	0	0	0	0	0	0
Legal Services	60,000	57,365	53,500	57,562	150,000	100,000	135,900
Member Services	160,700	100,646	0	0	0	0	37,000
Quality Assurance	0	0	0	0	0	0	0
Systems	1,700,000	1,143,206	2,650,000	2,843,400	2,193,100	2,193,100	2,909,100
GRAND TOTAL	\$3,318,600	\$2,514,489	\$3,826,000	\$3,796,181	\$4,001,700	\$3,840,300	\$5,908,400

*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
OVERTIME REQUEST
DIVISION SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021 - 2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Administrative Services	\$49,400	\$50,000	\$1,219	\$30,000	(\$20,000)	-40.0%	(\$600)	-1.2%
Benefits	398,100	398,000	214,572	388,200	(9,800)	-2.5%	100	0.0%
Communications	4,800	4,100	3,076	4,100	0	0.0%	700	17.1%
Disability Litigation	6,600	0	0	0	0	0.0%	6,600	0.0%
Disability Retirement	165,300	16,100	17,654	20,000	3,900	24.2%	149,200	926.7%
Executive Office	25,600	25,600	0	5,000	(20,600)	-80.5%	0	0.0%
Financial & Accounting Services	65,300	67,900	27,649	56,500	(11,400)	-16.8%	(2,600)	-3.8%
Human Resources	3,800	2,900	726	1,500	(1,400)	-48.3%	900	31.0%
Internal Audit	5,000	4,900	771	1,700	(3,200)	-65.3%	100	2.0%
Investment Office	1,000	1,000	0	0	(1,000)	-100.0%	(0)	0.0%
Legal Services	18,400	30,000	8,561	16,000	(14,000)	-46.7%	(11,600)	-38.7%
Member Services	174,000	133,800	85,864	145,000	11,200	8.4%	40,200	30.0%
Quality Assurance	21,500	21,300	264	3,000	(18,300)	-85.9%	200	0.9%
Systems Division	150,000	133,300	95,769	186,000	52,700	39.5%	16,700	12.5%
TOTAL	\$1,088,800	\$888,900	\$456,126	\$857,000	(\$31,900)	-3.6%	\$199,900	22.5%

*All amounts rounded to the nearest dollar.

LACERA
BUDGET REQUEST INFORMATION

OVERTIME
HISTORY OF EXPENDITURES

DIVISION	FYE 2020		FYE 2021		FYE 2022		FYE 2023
	Budget	Actual	Budget	Actual	Budget	Projection	Budget
Administrative Services	\$31,500	\$25,421	\$43,700	\$19,806	\$50,000	\$30,000	\$49,400
Benefits	197,800	313,608	371,600	373,564	398,000	388,200	398,100
Communications	3,000	2,618	3,300	4,615	4,100	4,100	4,800
Disability Litigation	0	0	0	0	0	0	6,600
Disability Retirement	12,400	23,335	9,500	16,742	16,100	20,000	165,300
Executive Office	3,000	31,579	25,000	1,078	25,600	5,000	25,600
Financial Services	74,300	49,152	68,400	32,345	67,900	56,500	65,300
Human Resources	1,500	1,294	1,500	704	2,900	1,500	3,800
Internal Audit	3,000	390	4,800	785	4,900	1,700	5,000
Investment Office	0	0	1,000	0	1,000	0	1,000
Legal Services	35,000	743	12,500	6,290	30,000	16,000	18,400
Member Services	119,500	227,703	130,500	156,701	133,800	145,000	174,000
Quality Assurance	1,000	2,878	0	2,425	21,300	3,000	21,500
Systems	130,100	119,753	130,100	140,300	133,300	186,000	150,000
GRAND TOTAL	\$612,100	\$798,474	\$801,900	\$755,356	\$888,900	\$857,000	\$1,088,800

*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
BILINGUAL BONUS
SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Benefits Division	\$3,600	\$2,400	\$1,600	\$2,900	\$500	20.8%	\$1,200	50.0%
Legal Services	2,400	2,400	650	1,200	(1,200)	-50.0%	0	0.0%
Member Services Division	16,800	16,800	6,850	13,200	(3,600)	-21.4%	0	0.0%
TOTAL	\$22,800	\$21,600	\$9,100	\$17,300	(\$4,300)	-19.9%	\$1,200	5.6%

*All amounts rounded to the nearest dollar.

LACERA
BUDGET REQUEST INFORMATION
VACANT POSITIONS
SUMMARY

DIVISION	BUDGETED POSITIONS FY 2021-2022	VACANCY (AS OF 03/31/22)	%	PROPOSED BUDGETED POSITIONS FY 2022-2023*	VACANCY	%
Administrative Services	37	11	30%	42	16	38%
Benefits	78	0	0%	79	1	1%
Communications	14	4	29%	14	4	29%
Disability Litigation	7	0	0%	7	0	0%
Disability Retirement Services	41	2	5%	41	2	5%
Executive	14	6	43%	14	6	43%
Financial Accounting Services	30	12	40%	30	12	40%
Human Resources	15	3	20%	21	9	43%
Internal Audit	11	1	9%	11	1	9%
Investments	45	11	24%	45	11	24%
Legal Services Ø	28	12	43%	29	13	45%
Member Services	79	7	9%	79	7	9%
Quality Assurance	19	5	26%	19	5	26%
Systems	56	21	38%	62	27	44%
LACERA Total	474	95	20%	493	114	23%

* Includes new requested positions.

Ø Includes three (3) budgeted positions not yet approved by Board of Supervisors.

LACERA
FISCAL YEAR 2022-2023
SERVICES AND SUPPLIES
CATEGORY SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2 0 2 1 - 2 0 2 2			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Auto Expense	\$133,500	\$131,200	\$26,591	\$89,000	(\$42,200)	-32.2%	\$2,300	1.8%
Communications	535,000	630,000	374,108	665,000	35,000	5.6%	(95,000)	-15.1%
Transportation and Travel	605,100	604,500	30,915	176,200	(428,300)	-70.9%	600	0.1%
Postage	1,021,400	991,400	732,668	985,820	(5,580)	-0.6%	30,000	3.0%
Stationery and Forms	653,300	645,300	347,203	569,800	(75,500)	-11.7%	8,000	1.2%
Office Supplies and Equipment	845,700	746,500	453,036	822,100	75,600	10.1%	99,200	13.3%
Insurance	1,248,900	1,114,200	1,104,702	1,111,203	(2,997)	-0.3%	134,700	12.1%
Equipment Maintenance	258,300	437,800	60,019	252,800	(185,000)	-42.3%	(179,500)	-41.0%
Equipment Rents and Leases	287,000	277,000	95,084	205,000	(72,000)	-26.0%	10,000	3.6%
Building Costs	7,211,300	7,472,400	3,153,912	7,087,400	(385,000)	-5.2%	(261,100)	-3.5%
Parking Fees	437,000	377,000	217,600	418,000	41,000	10.9%	60,000	15.9%
Professional and Spec. Svcs.	4,272,700	3,844,200	1,424,899	3,814,600	(29,600)	-0.8%	428,500	11.1%
Bank Services	200,500	200,500	(10,519)	200,500	0	0.0%	0	0.0%
Legal Fees and Services	1,571,000	1,127,500	948,615	1,588,000	460,500	40.8%	443,500	39.3%
Disability Fees and Services	3,145,300	2,665,500	968,011	2,660,200	(5,300)	-0.2%	479,800	18.0%
Computer Services and Support	5,018,600	4,689,100	2,637,672	4,466,300	(222,800)	-4.8%	329,500	7.0%
Educational Expense	1,253,000	1,225,400	327,214	958,700	(266,700)	-21.8%	27,600	2.3%
Miscellaneous	682,100	397,800	47,047	146,100	(251,700)	-63.3%	284,300	71.5%
S&S TOTAL	\$29,379,700	\$27,577,300	\$12,938,776	\$26,216,723	(\$1,360,577)	-4.9%	\$1,802,400	6.5%

*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SERVICES AND SUPPLIES
DIVISION SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2 0 2 1 - 2 0 2 2			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Administrative Services	\$9,925,200	\$9,822,300	\$4,889,096	\$9,242,123	(\$580,177)	-5.9%	\$102,900	1.0%
Benefits	59,300	72,000	7,222	42,700	(29,300)	-40.7%	(12,700)	-17.6%
Board of Retirement	236,500	214,000	64,761	106,900	(107,100)	-50.0%	22,500	10.5%
Board of Investment	458,000	436,000	81,261	192,800	(243,200)	-55.8%	22,000	5.0%
Communications	1,051,000	1,041,500	538,266	909,400	(132,100)	-12.7%	9,500	0.9%
Disability Litigation	53,900	52,500	15,431	47,800	(4,700)	-9.0%	1,400	2.7%
Disability Retirement	3,425,100	2,935,000	1,109,442	2,934,300	(700)	0.0%	490,100	16.7%
Executive Office	788,300	318,800	73,060	208,300	(110,500)	-34.7%	469,500	147.3%
Financial & Accounting Services	249,300	240,000	(2,758)	238,900	(1,100)	-0.5%	9,300	3.9%
Human Resources	2,216,200	1,769,300	411,278	1,483,200	(286,100)	-16.2%	446,900	25.3%
Internal Audit	724,500	720,500	178,785	706,400	(14,100)	-2.0%	4,000	0.6%
Investment Office	270,800	268,500	89,230	150,000	(118,500)	-44.1%	2,300	0.9%
Legal Services	1,927,500	1,495,100	1,117,055	1,916,500	421,400	28.2%	432,400	28.9%
Member Services	26,800	55,500	2,169	16,100	(39,400)	-71.0%	(28,700)	-51.7%
Quality Assurance	87,900	83,900	2,985	59,000	(24,900)	-29.7%	4,000	4.8%
Systems	7,879,400	8,052,400	4,361,492	7,962,300	(90,100)	-1.1%	(173,000)	-2.1%
S&S TOTAL	\$29,379,700	\$27,577,300	\$12,938,776	\$26,216,723	(\$1,360,577)	-4.9%	\$1,802,400	6.5%

*All amounts rounded to the nearest dollar.



Mission

Produce, Protect, and Provide the Promised Benefits

INTRODUCTION

The Board of Retirement is responsible for the administration of the retirement system, the retiree healthcare program, and the review and processing of disability retirement applications. The Board must execute its duties with care, skill, prudence, and diligence. The Board is composed of 11 members. Four of its members are appointed by the Los Angeles County Board of Supervisors; two are elected by active general members; safety members elect one member and one alternate member; and retired members also elect one member and one alternate member. The law requires the County Treasurer and Tax Collector to serve as an ex-officio member.

SERVICES AND SUPPLIES

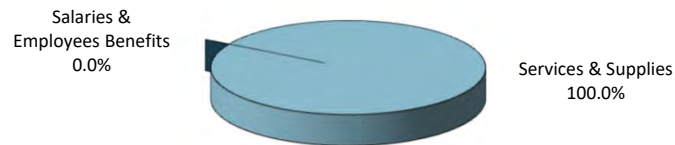
The Board's Services and Supplies budget request is based on actual expenditure trends.

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

BOARD OF RETIREMENT

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET		
Salaries & Employees Benefits	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Services & Supplies	236,500	214,000	64,761	106,900	(107,100)	22,500	10.5%
OPERATING BUDGET	\$236,500	\$214,000	\$64,761	\$106,900	(\$107,100)	\$22,500	10.5%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

BOARD OF RETIREMENT

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)			
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE	\$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	\$93,500	\$85,000	\$10,157	\$25,300	(\$59,700)	-70.2%	\$8,500	10.0%
EDUCATIONAL EXPENSES	86,000	82,000	46,003	71,000	(11,000)	-13.4%	4,000	4.9%
MISCELLANEOUS	57,000	47,000	8,600	10,600	(36,400)	-77.4%	10,000	21.3%
TOTAL	\$236,500	\$214,000	\$64,761	\$106,900	(\$107,100)	-50.0%	\$22,500	10.5%

*All amounts rounded to the nearest dollar.



BOARD OF INVESTMENTS

Budget Highlights

Fiscal Year 2022-2023

Mission

Produce, Protect, and Provide the Promised Benefits

INTRODUCTION

The Board of Investments is responsible for establishing LACERA's investment policy and objectives, as well as exercising authority and control over the investment management of the pension fund. The Board must execute its duties with care, skill, prudence, and diligence. The Board is composed of nine members. Four members are appointed by the Los Angeles County Board of Supervisors; two are elected by active general members; and both safety members and retired members elect one member each. The law requires the County Treasurer and Tax Collector to serve as an ex-officio member.

SERVICES AND SUPPLIES

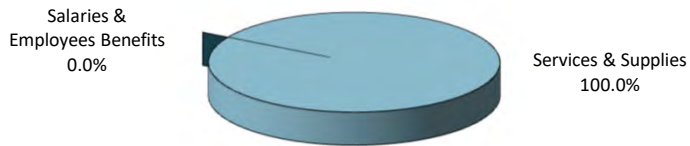
The Board's Services and Supplies budget request is based on actual expenditure trends.

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

BOARD OF INVESTMENTS

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%	
Services & Supplies	458,000	436,000	81,261	192,800	(243,200)	-55.8%	22,000	5.0%
OPERATING BUDGET	\$458,000	\$436,000	\$81,261	\$192,800	(\$243,200)	-55.8%	\$22,000	5.0%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

BOARD OF INVESTMENTS

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$242,000	\$220,000	\$14,693	\$59,800	(\$160,200)	-72.8%	\$22,000	10.0%
EDUCATIONAL EXPENSES	150,000	150,000	66,569	130,000	(20,000)	-13.3%	0	0.0%
MISCELLANEOUS	66,000	66,000	0	3,000	(63,000)	-95.5%	0	0.0%
TOTAL	\$458,000	\$436,000	\$81,261	\$192,800	(\$243,200)	-55.8%	\$22,000	5.0%

*All amounts rounded to the nearest dollar.



ADMINISTRATIVE SERVICES

Budget Highlights

Fiscal Year 2022-2023

Mission

Administrative Services collaborates with all LACERA Divisions to provide quality services through people, technology and innovation.

- People: We are a professional team dedicated to customer service and motivated to achieve excellence.
- Technology: We provide superior customer service through the creative use of technology.
- Innovation: We partner with LACERA to promote creative ideas to surpass customer expectations.

INTRODUCTION

The Administrative Services Division (ASD) provides the operational infrastructure that supports the divisions in administering LACERA programs and services. In short, we ensure that each person has the right resources to do their jobs. Specific functions include:

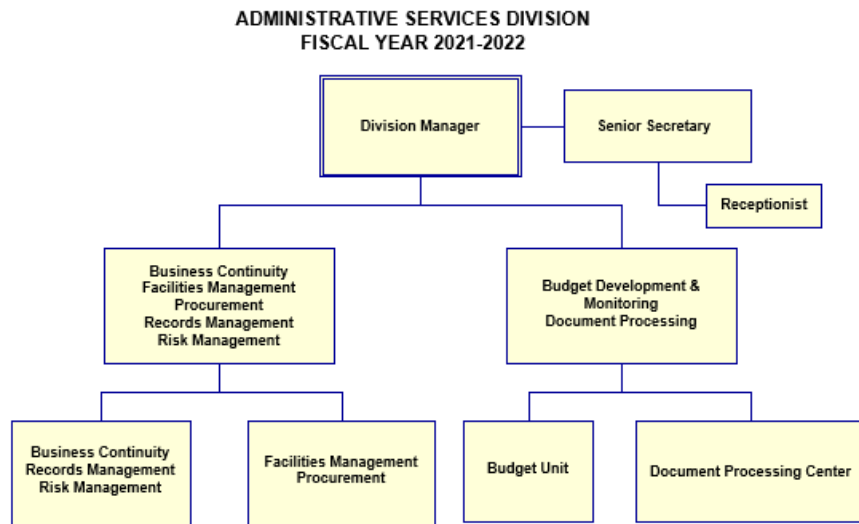
- Procurement Services
- Facilities Management
- Budget Development and Monitoring
- Document Processing (Imaging/Mail Room /Copy Services)
- Business Continuity Management
- Business Insurance Management
- Health and Safety Services
- Records and Information Management
- Risk Management
- Contract Management and Compliance
- Rideshare Administration

Proposed Organizational Chart Change

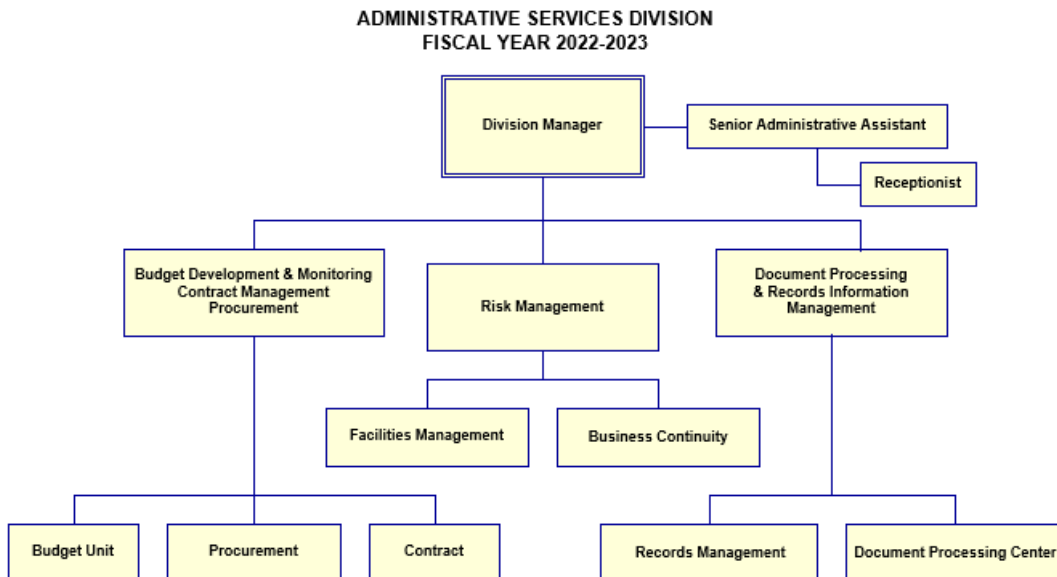
This budget request for the Administrative Services Division (ASD) includes a projected organization chart change.

The organization of the units in the ASD may have worked well in the history of the division, but as LACERA has evolved, ASD has lagged. We have reviewed the organization of the units within the division and found a misalignment of functions, making it difficult to recruit qualified supervisors and limiting career ladders for staff. By realigning the units into logical functional groupings, we anticipate improving ASD's ability to recruit and retain qualified staff.

The current org chart is as follows:



The proposed restructured for FY 2022–2023 is:



We propose three basic sections: The first section would comprise the Budget, Procurement, and Contracts Management units, to be supervised by one of the two Administrative Service Officers (ASO).

The second group would be a Records Section that includes the Document Processing Unit, mailroom, and Records Information Management functions. This unit would be supervised by the second ASO (currently vacant).

Lastly, Risk Management, Business Continuity, and Facilities Management Group would be supervised by the existing Supervising Administrative Assistant II position or Risk Management Supervisor. This last section has a smaller span of control, warranting a position below the ASO level. Both ASOs and the Risk Management Supervisor will report directly to the Division Manager as is the current reporting structure.

This new organizational structure is more straight-forward and aligns work units with complementary functions. We believe that this will help in recruiting qualified staff for these units which has been a challenge in staffing this position. Moreover, the change is expected to provide more opportunities for staff collaboration and cross training, resulting in better promotional opportunities for staff.

As part of this reorganization, we are requesting two additional staff positions, one focused on Contract Management and one for Records Information Management. Currently, there are no dedicated staff members performing these functions, which has resulted in a lack of consistency across the enterprise. The need for these staff is addressed more fully below.

STAFFING

New Positions Request

The Administrative Services Division is requesting to add the following five positions:

- One Administrative Services Analyst (ASA) II, Records Information Management
- One Document Processing Coordinator, Document Processing Center
- Two Intermediate Typist Clerks (ITCs), Mailroom
- One Administrative Services Analyst II, Contract Management

Records and Information Management: We are requesting the addition of one ASA II specifically for the Records and Information Management (RIM) Unit. This function had previously been assigned to Risk Management, but it is more functionally aligned with the Document Processing Center (DPC). Eventually, as LACERA transitions away from paper-based member documents, we envision the DPC and RIM unit evolving into a true Custodian of Records for all LACERA records.

The requested ASA II position will be responsible for ensuring that LACERA complies with its records retention schedule as well as all federal standards that regulate business records across all divisions. This includes over 20 million documents in 88 document categories. The RIM Unit works closely with staff in all LACERA divisions to identify and enforce retention requirements relating to the records in their unique functional areas, updates the records retention schedule as needed, and conducts quarterly audits to ensure all LACERA Divisions follow and comply with the established records management and retention policies. The RIM Unit trains staff on LACERA's records retention schedule and records management policies and procedures.

The RIM Unit also manages LACERA's offsite records archive program, containing more than 3,000 boxes of vital records stored offsite. Approximately 500 boxes are moved offsite each year, and the RIM Unit manages the quarterly archive purge to ensure that the stored boxes are destroyed based on the retention schedule requirements. The RIM Unit also assists staff throughout LACERA by retrieving documents stored offsite as needed and tracking their location, return and eventual destruction, if applicable.

Document Processing Center: The requested new Document Processing Coordinator is a supervisory position that will be primarily responsible for the one-year training program for all new permanent and temporary Document Processing Assistants (DPAs), messenger drivers, and mailroom clerks. Those new DPC staff members will report directly to the DP Coordinator, who will also train current staff members on new processes and procedures and provide remedial training for those who need a refresher on the DPC processes. The Coordinator will work closely with the DPC Quality Control Unit to understand those areas where staff may need additional training based on the results from the QC Unit. The Coordinator will also assist in the development and implementation of new imaging procedures and business rules.

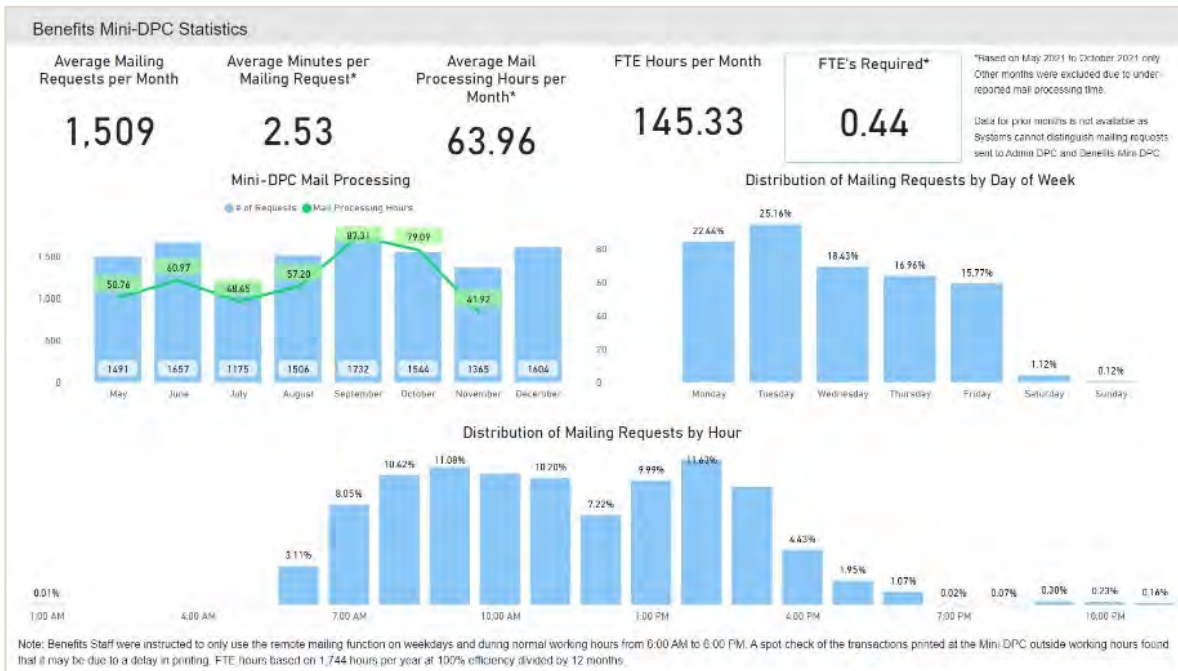
The training process in the DPC is a one-year process and is quite extensive due to the number of documents that are processed daily that must be prepared and indexed into the member's records. The DPC imaging process is the starting point for all benefit-related services for documents submitted both in hard-copy (the most common method currently) and electronically. Both hard-copy and electronic documents require categorization and quality control reviews. During FY 2020-2021, the DPC received 5,265 documents via the member portal and 161,631 documents by U.S. mail and fax. The Document Processing Assistants (DPAs) are expected to maintain a 97 percent accuracy rate in the documents they prepare and index. To meet quantity and quality performance expectations, DPAs must be

meticulously trained on hundreds of document types, business rules, and imaging procedures. Therefore, a robust training program is critical to avoid costly mistakes that may lead to service delays, overpayments, underpayments, and even privacy breaches that involve LACERA members.

The typical DPA receives 12 months of on-the-job training before reaching journey-level experience. The DPA training program has three phases. During the first phase, the DPAs shadow the trainer (Coordinator) and receive extensive one-on-one coaching to learn to prepare documents for scanning. During the second phase, the DPAs learn to index, use the member portal, and run production reports. Finally, in phase three, the DPAs learn the J-letter process and remaining administrative duties. The one-on-one coaching allows the trainer to assess each trainee's performance and adjust their training accordingly. The trainer also audits 100 percent of the trainees' work and takes corrective action when necessary.

The DPC currently has two coordinators. In addition to having full supervisory responsibilities, they have additional administrative responsibilities, including the remote deposit of incoming checks from title holding companies, class action litigation, and vendors; staff training and quality control; and assisting with daily processing of member retirement and healthcare documents during our peak workload season of December through March. By allocating a new position focused on thorough and continuous staff training, LACERA can have confidence that the DPC staff will continue to provide accurate and timely imaging and records processing services.

DPC Mailroom: The DPC mailroom is responsible for preparing and mailing member correspondence generated from the Workspace system, referred to as "J-letters." As functionality within Workspace evolves, we have seen a substantial increase in the number of J-letters generated. During FY 2020-2021, the DPC mailed an average of 19,417 letters per month, an increase of 37 percent over FY 2019-2020, which averaged 14,187 per month. In addition, during the COVID pandemic, Benefits staff who printed and mailed member correspondence on an ad-hoc basis were no longer able to do so. To not overburden the DPC with even more correspondence, Benefits created an ad-hoc mini-DPC, assigning secretarial staff to print and mail correspondence that was not automatically generated by the system. We estimate that Benefits was generating 1,500 J-letters per month. This work requires attention to detail, as these letters often contain personally identifiable information, and require different attachments depending upon the member's specific needs. The DPC was established to handle this type of work but must increase its staffing capacity to meet the current and future demand.



In addition to volume, LACERA expects J-letters to be mailed within one business day. The DPC has not been able to meet this expectation with our current staffing level. We are requesting the addition of two Intermediate Typist Clerks for the DPC mailroom to process the current number of correspondences received daily, prepare for future automation of member correspondence, and ensure high quality and timely service to our members.

Contract Management and Compliance: Currently, the Risk Management Unit maintains a contracts repository for LACERA. It has been housed in this unit due to the need to coordinate and identify insurance requirements. However, LACERA does not have a true contract management and compliance program. Processes are manual and result in inconsistency in the development and management of contracts across the organization. We are currently in the process of procuring an enterprise contract lifecycle management (ECLM) system that would automate these processes as well as link with the new budget and accounts payable systems currently in development. However, to be truly effective, Administrative Services needs a dedicated staff person to coordinate the centralized contract management and compliance function. An ASA II is proposed. This position will:

- Train and assist LACERA's contract administrators with the development of new solicitations, the Request for Proposal (RFP) and the Request for Quote processes, and new and renewed contract processes.
- Standardize and provide technical assistance for the ongoing administration of a variety of contracts for goods, operations, maintenance, and professional services.

- Utilize the new ECLM system to monitor contracts and validate that all LACERA vendors have on file an active contract and required insurance/security audit reports (SOC-2 reports).
- Validate that all vendor payments are in alignment with the Purchasing Policy and the terms and conditions as indicated in the contract.
- Obtain and validate all documentation and signatures required to comply with LACERA's contracting policies and procedures.
- Coordinate with the Budget Unit to ensure that funding for existing and new contracts are included in the annual budget.

Effective and consistent contract compliance and oversight is an important risk mitigation strategy. On average, LACERA processes five to 10 new contracts each month and closes out up to 40 contracts in high-volume months. While the new ECLM system will help considerably, LACERA requires a dedicated staff person to ensure consistent compliance with our contract and procurement policy.

Agency Temporary Request

The Administrative Services Division currently has five vacant Administrative Services Analyst positions, including ASA I, ASA II, and ASA III classifications. These classifications have not been updated for many years and the job specifications require updating. We require temporary staffing until Human Resources reviews and completes classification updates prior to recruiting so that we can hire candidates with the specific knowledge, skills, and abilities that best fit these positions, which are in the Budget, Risk, Facilities, and DPC units. The DPC has two DPA positions that also need to be filled and will utilize agency-temporary staff until the recruitments can be generated. In addition, the DPC also requests three full-time agency-temporary personnel to work from January through April to assist during the March rush period for retirements, timely processing of Medicare Part B Premium Verifications (INSPARTBs), and other less complex member documents. These agency-temporary employees will also assist with the return of member documents, J-letters, scanning, and act as backups for the mailroom.

Intern Request

Administrative Services Division requests an intern to assist with the regular duties of the Budget Unit staff to allow them dedicated time to apply toward the implementation of the new budget system, once selected. We expect that this new system will be ready for implementation in the first half of the fiscal year. Since staff are the subject matter experts, they will need dedicated time to work toward this implementation, and their other duties cannot wait until the implementation is completed. The intern will assist them with various budget projects during this time.

Overtime

Overtime is necessary during periods of heightened activity related to budget preparation, renovations, special projects and for the DPC staff during the March rush. In addition, Administrative Services Division staff are the identified subject matter experts for several technology projects currently underway. Overtime may be required for them to support these new projects while fulfilling their current duties. Typically, the DPC utilizes much of the overtime budget request during the March rush for the annual spike in retirement applications, Medicare Part B Premium Verifications, and 1099-R mailings.

SERVICES AND SUPPLIES

Most of the FY 2022-2023 Services and Supplies line items are similar to the prior year's budget. There are small changes attributable to vendor or overall supplier cost increases, and there are some significant changes proposed for Rent, Renovation Projects, and Business Insurance fees, including cyber liability insurance as follows:

- Additional \$275,000 increase for rent and operating costs for the headquarters building outlined in the lease agreement. Common area maintenance charges became effective January, 2022.
- \$750,000 is needed to partially renovate office spaces to create additional workspaces in three divisions and to refresh the staff lunchroom. We propose adding workspaces in the Communications, Human Resources, and Administrative Services divisions. This amount is \$550,000 less than fiscal year 2021-2022.
- Business insurance fees are expected to increase between 5 percent and 15 percent with the largest increases projected in cyber liability. LACERA's new insurance brokerage fee of \$125,000 is included in this line item.
- Staff development: Additional funds to cover memberships, training, and conference registrations are proposed to allow staff to participate in organizations and training related to their job responsibilities. We believe that memberships will contribute to staff's level of expertise in their profession. Attending training will provide them opportunities to gain additional knowledge in their respective positions and to pursue related professional certifications.

TECHNOLOGY SELECTION AND IMPLEMENTATION

The Administrative Services Division, in partnership with the Systems Division, is in the process of selecting new or upgrading existing technology and implementing several solutions to improve the efficiency and effectiveness of the units within the Division. This includes:

- **Procurement/Accounts Payable/Travel System:** Administrative Services, Finance and Accounting Division (FASD) and Systems Division have been collaborating to automate, simplify, and improve our procurement, travel, and

accounts payable approval and workflow processes. This software will provide an automated travel tool for expense tracking, management, and reporting. It will also process electronic payment methods, including automating the procurement and purchasing processes in the Administrative Services Division. We anticipate this system will roll out in phases, starting with Travel and Accounts Payable in FY 2021-2022, followed by Procurement in early FY 2022-2023.

- **Hardware Asset Management System (HAMS):** This inventory management solution provided through the ServiceNow software system will allow Administrative Services to more simply and efficiently conduct its annual life-cycle counts and track inventory by location.
- **Enterprise Contract Lifecycle Management System:** This system will replace our current contract management database with an enterprise-wide solution that includes automated workflows and reporting capabilities and that will integrate with new and existing technology solutions. The RFP was released in March 2022.
- **Budget System:** Administrative Services has never had an automated system for budget development or control, relying upon Excel spreadsheets and manual processes. We conducted an extensive needs assessment and released an RFP in March 2022. We anticipate full implementation by fall of 2023 and hope to use the new system for the development of the FY 2023-2024 budget.

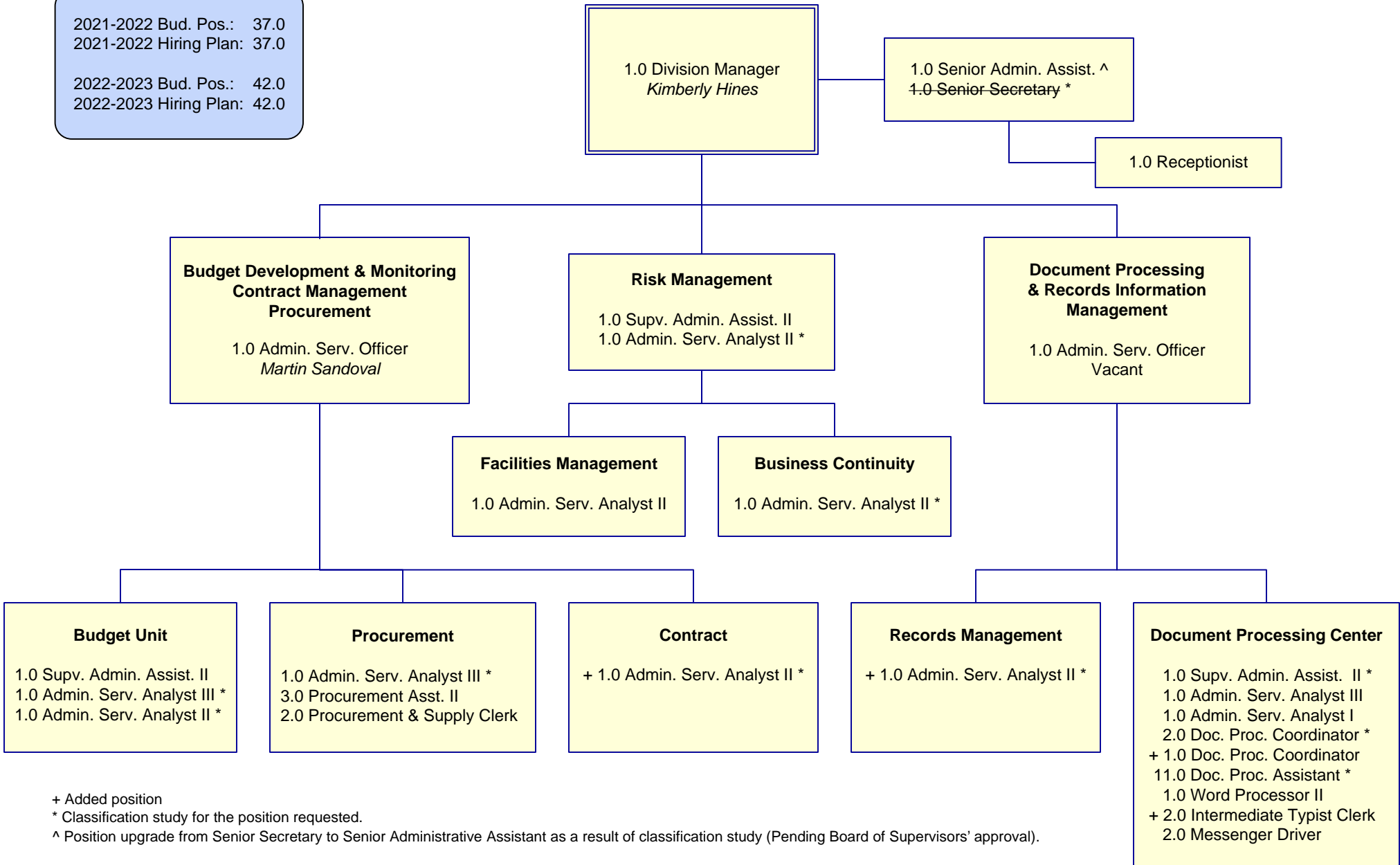
Utilizing technology, Administrative Services will be able to simplify and improve our work processes to better support LACERA's operating divisions.

ADMINISTRATIVE SERVICES DIVISION

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 37.0
 2021-2022 Hiring Plan: 37.0

2022-2023 Bud. Pos.: 42.0
 2022-2023 Hiring Plan: 42.0



+ Added position

* Classification study for the position requested.

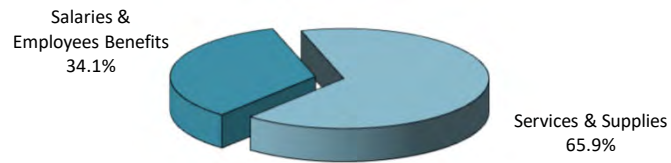
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

ADMINISTRATIVE SERVICES DIVISION

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$5,146,415	\$4,109,837	\$1,910,094	\$3,849,700	(\$260,137)	-6.3%	\$1,036,578	25.2%
Services & Supplies	9,925,200	9,822,300	4,889,096	9,242,123	(580,177)	-5.9%	102,900	1.0%
OPERATING BUDGET	\$15,071,615	\$13,932,137	\$6,799,189	\$13,091,823	(\$840,314)	-6.0%	\$1,139,478	8.2%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

ADMINISTRATIVE SERVICES DIVISION

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$2,638,546	\$2,106,280	\$995,313	\$1,969,700	(\$136,580)	-6.5%	\$532,266	25.3%
Total Agency Temp Salaries	473,400	587,000	256,051	517,700	(69,300)	-11.8%	(113,600)	-19.4%
Employee Benefits (Variable)	1,715,602	1,131,631	547,707	1,109,000	(22,631)	-2.0%	583,971	51.6%
Employee Benefits (Other)	166,766	148,050	71,426	146,000	(2,050)	-1.4%	18,716	12.6%
OPEB Contribution	88,501	72,676	35,371	70,800	(1,876)	-2.6%	15,825	21.8%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	49,400	50,000	1,219	30,000	(20,000)	-40.0%	(600)	-1.2%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	7,300	7,300	1,817	4,000	(3,300)	-45.2%	0	0.0%
Rideshare Allowance	6,900	6,900	1,190	2,500	(4,400)	-63.8%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$5,146,415	\$4,109,837	\$1,910,094	\$3,849,700	(\$260,137)	-6.3%	\$1,036,578	25.2%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$5,146,415	\$4,109,837	\$1,910,094	\$3,849,700	(\$260,137)	-6.3%	\$1,036,578	25.2%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

ADMINISTRATIVE SERVICES DIVISION

2022-2023 BUDGET

FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00773A	1	LS12	15,742	188,908
00410A	1	LS9	10,451	125,414
00423A	2	106E	18,647	223,761
00421A	1	97H	6,960	83,516
00420A	2	93H	11,739	140,867
00439A	1	90F	7,330	87,955
00439A	1	89G	7,151	85,810
00439A	(1)	89G	(7,151)	(85,810)
00464A	3	88A	16,438	197,256
00472A	2	83G	10,878	130,540
00448A	1	82F	5,281	63,372
00471A	9	80G	42,664	511,965
00466A	1	76C	3,891	46,693
00461A	2	74H	7,672	92,065

POSITIONS 26 1,892,313

VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00410A	1	LS9	8,498	101,973		76,480	
00423A	1	106E	7,494	89,930		67,448	
00421A	2	97H	5,915	70,978		106,467	
00420A	4	93H	5,307	63,684			127,368
00419A	1	84D	4,117	49,399			
00472A	1	83G	4,036	48,437			24,219
00471A	2	80G	3,724	44,689		67,034	
00467A	2	81E	3,807	45,685	91,370		
00445A	2	75C	3,256	39,070			

91,370 317,428 151,587

POSITIONS 16 560,385

TOTAL POSITIONS 42

GROSS SALARIES 2,452,698

ANTICIPATED MOU SALARY INCREASE ** 134,898

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE 35,841

BONUS 15,109

120-DAY RETIREE(S) 0

TOTAL SALARIES 2,638,546

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

ADMINISTRATIVE SERVICES DIVISION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
AUTO EXPENSE	\$111,500	\$111,500	\$21,739	\$75,300	(\$36,200)	-32.5%	\$0	0.0%
TRANSPORTATION & TRAVEL	8,000	8,000	0	4,100	(3,900)	-48.8%	0	0.0%
POSTAGE	331,400	301,400	301,320	301,320	(80)	0.0%	30,000	10.0%
STATIONERY & FORMS	3,800	3,800	0	3,800	0	0.0%	0	0.0%
OFFICE SUPPLIES & EQUIPMENT	327,000	288,500	107,402	237,500	(51,000)	-17.7%	38,500	13.3%
INSURANCE	1,248,900	1,114,200	1,104,702	1,111,203	(2,997)	-0.3%	134,700	12.1%
EQUIPMENT MAINTENANCE	3,300	3,300	675	3,300	0	0.0%	0	0.0%
EQUIPMENT RENTS & LEASES	287,000	277,000	95,084	205,000	(72,000)	-26.0%	10,000	3.6%
BUILDING COSTS	7,211,300	7,472,400	3,153,912	7,087,400	(385,000)	-5.2%	(261,100)	-3.5%
PROFESSIONAL & SPEC. SRVCS.	366,000	221,000	98,399	200,000	(21,000)	-9.5%	145,000	65.6%
EDUCATIONAL EXPENSES	13,500	7,700	512	3,200	(4,500)	-58.4%	5,800	75.3%
MISCELLANEOUS	13,500	13,500	5,351	10,000	(3,500)	-25.9%	0	0.0%
TOTAL	\$9,925,200	\$9,822,300	\$4,889,096	\$9,242,123	(\$580,177)	-5.9%	\$102,900	1.0%

*All amounts rounded to the nearest dollar.



Mission

The Benefits Division encapsulates LACERA’s mission to “produce, provide, and protect the promise benefit” through the collection of contributions and purchase contracts, the payment of benefits, and the safeguarding of member accounts—carried out in compliance with the CERL, PEPRA, Board of Retirement Regulations, and organizational policies.

INTRODUCTION

The Benefits Division pursues the highest quality standards and most efficient processing methods for member requests through continuous process improvements within the division and in collaboration with its partner divisions throughout LACERA. This fiscal year, the Benefits Division’s focus is to continue to refine its metrics and data analytics program to manage transactional processes, improve performance through automation of processes and services, identify resources to bring down backlogs, document all processes and procedures, and improve adherence to compliance requirements.

STAFFING

No. of Positions	Title of Requested Position	Section/Unit
1	Senior Typist Clerk	Account Maintenance Unit

The Benefits Division is requesting one position to fill a need in the Account Maintenance Unit (AMU) to handle increased workloads, alleviate the need to continuously employ an agency-temporary employee, reduce overtime, and perform work currently processed by higher-level staff.

Accounts Maintenance Unit (AMU)

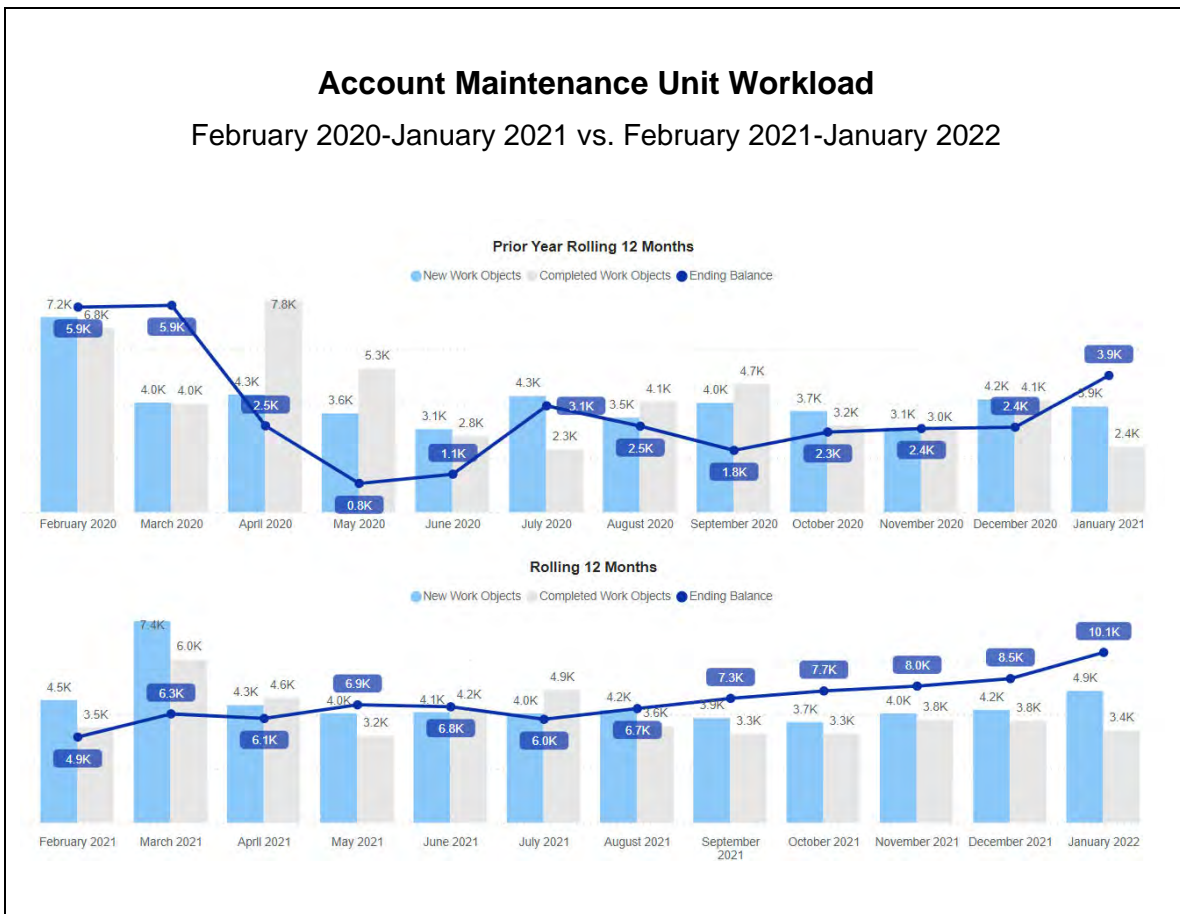
The AMU processes high volume, routine account updates initiated by members and affiliated agencies. These changes include beneficiary updates, tax election changes, member payment preferences, agency deductions, pension verifications to third parties and/or members, new member enrollments, and returned mail, to name a few of the 28 processes. We have used agency-temporary employees for several years to keep up with the workload. However, some higher-level work, such as the agency deduction reconciliation process, custom pension verifications requiring benefit calculations, account corrections, unidentified certificates, and ad hoc projects, demonstrate the need for a higher-level position than an Intermediate Typist Clerk (ITC) or agency-temporary employee.

Before 2016, the AMU included a Retirement Benefits Specialist I to perform the higher-level work. When the individual retired, the position was removed. We currently use Retirement Benefits Specialists to support the unit's more complex transactions and to bring the work queues down. Having Retirement Benefits Specialists work overtime is not a sustainable method for addressing the more complex issues and the high volume of work. Therefore, we request a Senior Typist Clerk (STC) to alleviate the need to provide overtime to address the work that is not suited for an ITC and to no longer employ an agency-temporary employee to maintain the high volumes of work. The STC would perform the following functions that are above the level of ITC.

Senior Typist Clerk	
Process	Description
Agency Deduction Processing	Receipt of deduction transmittals, uploading to Workspace, processing deductions.
Agency Deduction Reconciliation	After month-end disbursements, confirming the deduction total for each agency corresponds to the amount generated within Workspace. Discrepancies must be reconciled.
Agency Deduction Reconciliation Report Prep and Emailing to Agencies	Pulling reports from WebViewer platform and securely emailing appropriate reports to the agencies.
Manual Mailing of Monthly Agency Checks, ADRs, and Specialized Reports	In-office receipt of "will call" agency checks and ADRs. Generate appropriate agency reports and prepare certified and FedEx labels for mailing.
Correction Queue	Analyze and correct processed transactions.
Pension Verifications for Deceased Members	Calculate retirement benefit estimate and send customized letter.
Returned Mail	Assess the returned mail and route to the appropriate queues.

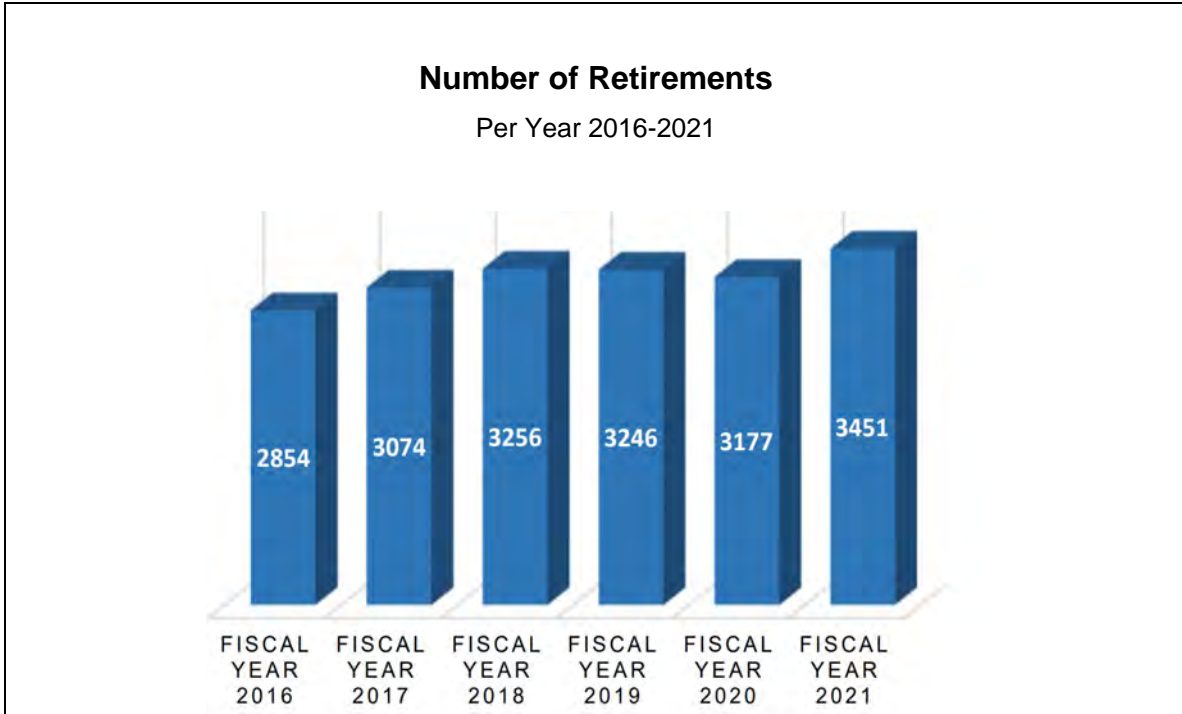
New Enrollments	Rectify discrepancies with new enrollment through an eHR review or contact County HR department.
Returned 1099-Rs	Assess the reason for a return 1099-R and remail or route to an appropriate queue.
Requests for Duplicate 1099-R	Evaluate if a party is authorized to receive a copy of a deceased member's 1099-R.
PSO Status Affidavits	Process affidavits for public safety officers to determine tax exclusion eligibility.
Unidentified Queues (3)	Resolve unidentified documents when Administrative Services is unable to determine the appropriate member account.

From February 2020 through January 2021, the aggregate work received for AMU was 48,900 items. In comparison, from February 2021 through January 2022, 53,200 items of work were received, an 8.8 percent increase over the prior year. The STC would be assigned to work on AMU queues when not performing the above assigned duties.



Core Benefits Section

The growth in membership directly affects the workload in the Benefits Division. We continue to see year-over-year growth with the number of retirement applications submitted each year.

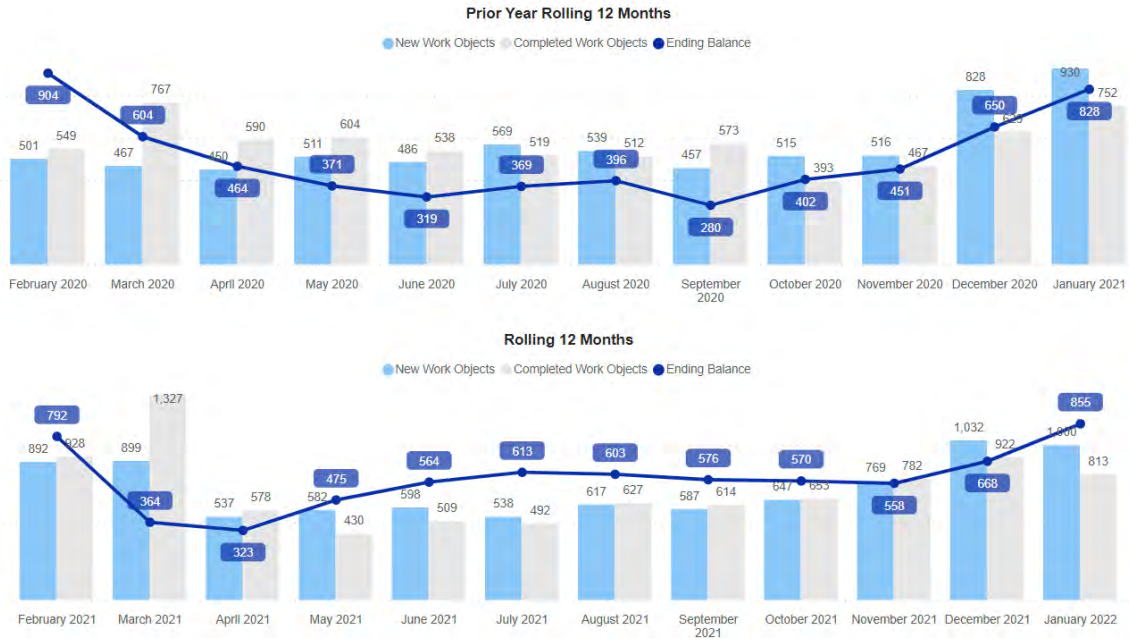


We anticipate another increase in the number of retirements for FY 2022-2023 as well. It is important to note that the number of retirements each year does not necessarily reflect the changes in workloads due to the increasing complexity of member transactions and improvements to compliance adherence.

We continue to refine our metrics to understand the workloads. Although there were 3,451 retirements in FY 2021-2022, the following chart shows there were 6,752 the work objects submitted between February 2020 and January 2021, compared to 8,060 between February 2021 and January 2022 – a 16.2 percent increase in the number of work objects placed in the Retirement Election queue.

Retirement Election Work Queue

February 2020-January 2021 vs. February 2021-January 2022



Reviewing the number of work objects involved in the retirement process includes not only retirement elections but also retirement rescissions, changes in retirement dates, changes in retirement options, etc. Tracking the different items enables us to better analyze workloads that do not necessarily result in a retirement. For example, the deferred compensation plans are supplemental pension plans offered by the County. Members could be inclined to rescind or postpone their LACERA retirement if their deferred compensation account decreased during a stock market downturn. Although retirement numbers might decrease, LACERA’s workload might not necessarily decrease as much, due to the need to process rescissions and retirement date postponements, which is not evident by counting retirements alone.

Improving Service Through Innovation

Through continuous innovation, we streamlined processes, added new documents, and worked with the Systems Division to automate and improve processes. To name a few improvements this fiscal year, we added:

- Metrics to better understand the work processes and time it takes to perform specific processes.
- A redeveloped required minimum distribution process.

- An attestation of authenticity for photocopies of birth certificates, marriage certificates, and death certificates.
- A revamped felony forfeiture process.
- Death claim reminder letters.

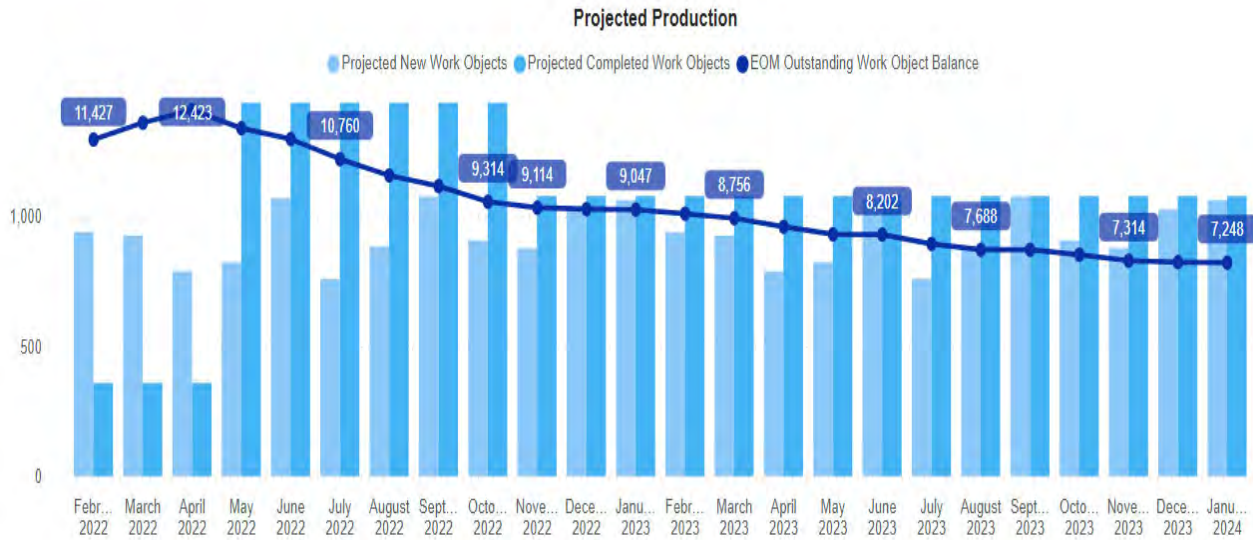
It generally follows that as we improve our service to members, it increases the amount of work staff must perform. We continuously review processing methods, business rules, and resources to stay ahead of this trend, and we refine our metrics to improve our ability to accurately capture workloads to predict the future needs of the division. Moreover, we continually seek opportunities to automate repetitive processes and ways to provide self service to our members.

Member Services Division staff have teamed with the Benefits Division to process retirement applications during the March rush during overtime. Member Services staff have processed 120 cases per month since November 2021 and we anticipate they will work through February 2022 for a total of approximately 480 cases. Reviews of Member Services staff production showed their commitment to the highest quality service to our members. This tremendous effort showed our commitment to teamwork across divisions to ensure our members received timely, high-quality service.

Account Settlement Unit (ASU)

The ASU takes appropriate action to resolve account imbalances and outstanding payables or receivables. A continual increase in thoroughness and improved compliance adherence reveals that the County's payroll system stopped collecting contributions from retroactive salary adjustments. We have been in contact with the County to work toward a solution to improve the process. Through those efforts, as of June 2021, the County identifies retroactive salary adjustments and manually sets up the collection of contributions. We continue to monitor the County's compliance with this requirement through regular testing of payroll data.

Past underpaid and unpaid contributions continue to be identified and the quantities identified outpace the resources available in ASU. The current backlog stands at just over 10,000 work objects. Open budgeted positions have been filled and the trainees are currently in the Core Benefits Training class. We anticipate half the trainees will complete the course by the end of September 2022 and the other half by end of October 2022. We anticipate the backlog will exceed 12,000 work objects by that time. Our current projections show it will take several years to reduce the backlog, even with staff working overtime.



We have also been working with the Legal and Executive offices to determine how we should address the backlog of work objects in this queue. Through this partnership we have:

- Improved our training.
- Developed new spreadsheets to streamline the work and reduce the time it takes to process the backlogged items.
- Reviewed work complexity to identify the cases that could be resolved by the Core Benefits Section’s Retirement Benefits Specialists IIs versus the complex cases that require a Retirement Benefits Specialist III.
- Supplemented the teams assigned to work on this by offering overtime to other Benefits and Member Services staff members.
- Reviewed our collections policy to make recommendations to address the backlogs in a more cost-effective manner.

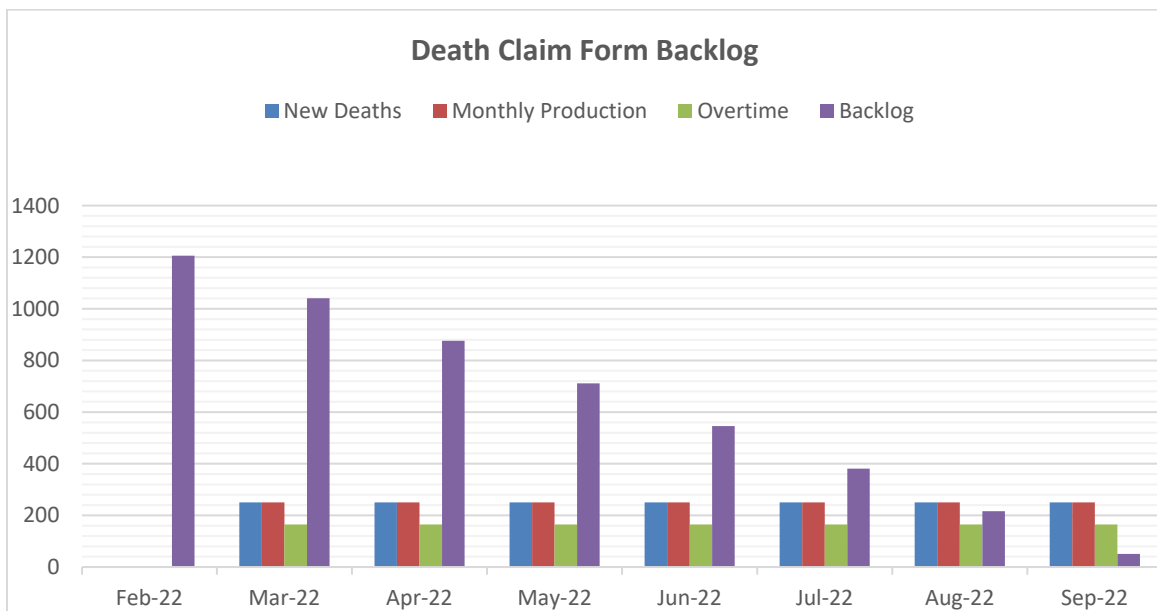
Death and Legal Unit (DLU)

The Death and Legal Unit (DLU) processes death-related transactions, as well as subpoena responses of member records, legal splits, tax levies, and spousal and child support orders. A sharp increase in the volume of deaths has occurred over the last two years and legal splits have become more complex and time-consuming to process.



The death claim process has a substantial backlog due to the increases over the last several years and the retirement of one of our staff members. We recently filled the vacant position as well as the additional position that was added to the prior budget. We anticipate that with both positions filled, processes improved, and overtime offered, we will eliminate the backlog by the first quarter of this FY 2022-2023. As of this writing, there are over 1,200 death-related work objects to process. We project the current trend of deaths will continue, with 250 deaths notifications per month.

We anticipate the additional staff and the overtime will help us to reduce the backlog by September 2022.



We have also re-engineered some of our death benefit processes and are working with Systems to implement two projects that we expect will improve our ability to efficiently resolve death claims and deal with the current backlogs.

The Seamless Survivor programming, which has been in place for nearly two decades and has proven to be a great success, sends claim forms to surviving spouses and sets up their survivor account automatically. We give the survivor three months to submit all the necessary paperwork to continue the payments without interruption. We are developing automated processes in other areas in the DLU that would replicate some of the benefits of the Seamless Survivor programming.

The first project automates the mailing of death claim forms through Workspace immediately upon the death notification for one-time payees. We anticipate this automated process will improve service levels compared to our current manual process. We anticipate completing this project during the beginning of this budget year. The second project automates the process once claim forms and other documents are returned. We anticipate the second process to be completed by the end of FY 2022-2023.

Process Management Group (PMG)

The Process Management Group (PMG) serves to improve organizational effectiveness through project initiatives, cross-divisional process integration, and the development of business process rules, procedures, and metrics. The PMG works with the entire Member Operations Group (MOG), which includes the Benefits Division, Member Services, Disability Retirement Services, Communications, and Quality Assurance. Recent efforts include large organization-wide projects such as the case management system and prepaid debit card initiatives, and divisional projects such as resolving Internal Audit recommendations, special projects due to recent court cases, and cleanup projects for regulatory compliance.

A top priority for the organization is to select and implement a case management system that will integrate with LACERA's legacy system and allow LACERA to manage member cases across multiple divisions. Over the next several fiscal years, the PMG will play an integral role in coordinating and overseeing the Member Operations Group's efforts to implement the case management project initiative, which will serve a broad cross-section of divisions, including Benefits, Disability Retirement Services, Legal Services, Disability Litigation, Systems, Retiree Healthcare, and Quality Assurance. Enhancements to our current processes and integrating efficient management of member requests with modern customer relationship software will allow us to improve the highly personalized service we provide members and do so in a more cost-efficient manner.

The PMG has developed and will be releasing an RFP to find a vendor that can provide members with a prepaid debit card as a more effective manner of receiving their retirement benefits. This initiative would especially benefit members living in

foreign countries who cannot obtain direct deposit, as well as some domestic members without bank accounts.

The PMG's role in the Member Operations Group is developing solutions, changing processes, developing new business rules, and writing new procedures to meet or exceed internal audit recommendations.

The PMG team also assists with the project development, oversight, and procedural changes involved in special cleanup projects for regulatory compliance, such as the required minimum distribution, COLA Accumulation, Alameda and Mallano court decisions, and legislative or regulatory changes.

Currently, several knowledge bases exist in silos that will be combined into one knowledge management system for the organization. The PMG will be working with strategic partners to acquire a knowledge management system to replace the Knowledge Base, Operating Instructions, Benefits Wiki, and other systems. In addition to being easier to maintain, the unified system will be accessible to the entire organization and can be leveraged for portal inquiries, chatbots, or embedded into staff processes as a resource for information.

Advanced Payroll Unit (APU)

The Advanced Payroll Unit (APU) handles complex retiree processes, including disability agenda processing, complex agenda processing, payroll corrections, and payroll issues. The volume and complexity of transactions has steadily increased due to issues related to final average compensation (FAC), disability payroll, and reciprocal disability cases, among others. For example, complex agenda cases require more thorough analysis to process due to PEPRAs changes. Although we are not requesting additional positions, we will address any additional needs of the unit at the mid-year budget, if necessary.

Special Projects

Two staff from the Core Benefits Section have been designated to complete special projects. The Alameda project identified salary items that were deemed as compensation earnable in the Alameda court decision. The project requires the return of overpaid contributions to active, retired, and deferred/inactive members; survivors; and beneficiaries of deceased members. It also impacted 118 purchase contracts using salaries that included pay items that are no longer deemed compensation earnable. Retired members whose final average compensation was based on salaries that included items no longer deemed as compensation earnable were overpaid and are receiving notification. We anticipate the project to be completed by November 2022, with 1) all overpaid contributions returned are set up to be returned through the suspension of contributions, or offset against retirement overpayments, 2) retirement overpayments to be collected or deductions set up to collect the overpayments, and 3) overpaid contracts to be paid off early or the excess balance placed in the member's account with interest.

The COLA Accumulation project seeks to correct 10,000 retiree accounts. All retiree and survivor benefits have been adjusted and retroactive payments made. The outstanding component of the COLA Accumulation project is to pay the beneficiaries and estates of deceased members. This project will resume after the completion of the Alameda project. We anticipate the COLA Accumulation project to be completed by February 2023.

Agency-Temporary Request

We are requesting three temporary staff to assist in the ASU and the AMU. The temporary staff in ASU would respond to service requests for outstanding underpayments and overpayments and perform the outlawed checks process. Another temporary staff in ASU would serve until the permanent staff in the Core Benefits Training have completed the course. A third temporary staff is needed in the AMU to assist with the workload until a Senior Typist Clerk is hired.

Overtime

Benefits Division has relied on the use of overtime to supplement its regular production strategies and to help limit the length of service levels. As in the past, overtime is being requested to manage the workload imbalances related to the annual March rush and to reduce backlogs as we continue to seek improvements in efficiency and automation of the work.

The Member Services Division has been working overtime on Saturdays to process March retirements. Reviews of Member Services staff production shows their commitment to the highest quality service to our members. This has been a tremendous undertaking and shows our commitment to teamwork across divisions to ensure our members receive timely, high-quality service.

Additional overtime will be needed for PMG staff, as their functions go beyond the Benefits Division and now serve to oversee broader organizational initiatives and projects.

Core Benefits Training classes began on January 3, 2022, and January 31, 2022, filled nine of the vacant Retirement Benefits Specialist II positions. The trainees are expected to complete their training by the end of September and October 2022, at which time they will become a productive part of the division. We anticipate an additional four months before they become fully acclimated to the work they are expected to perform and fully productive.

We anticipate three upcoming retirements: one retirement at the end of FY 2021-2022 and two retirements during the fiscal year 2022-2023.

SERVICES AND SUPPLIES

The following categories have been reduced from the previous year's budget:

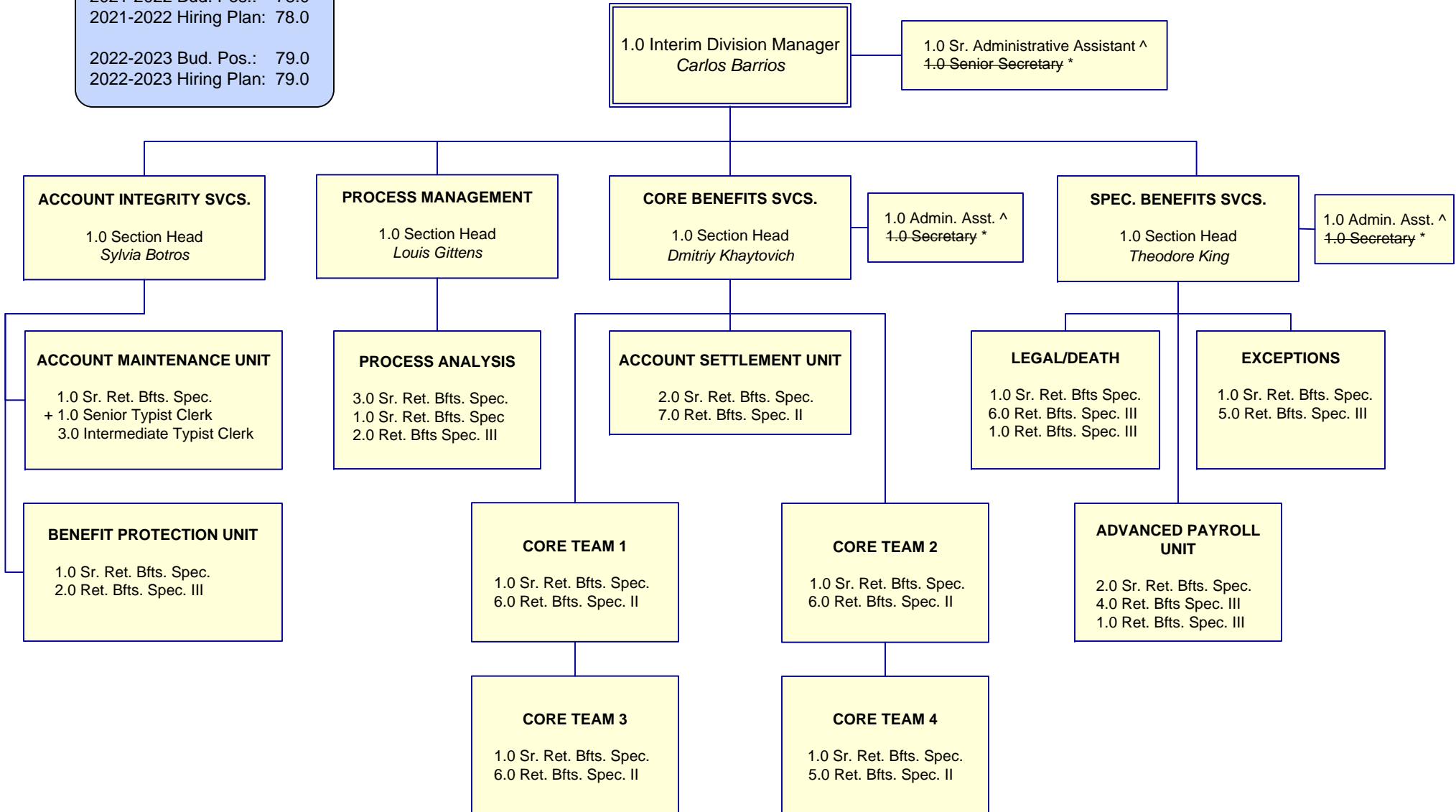
- Professional and Specialized Services -- Record searches have been reduced as we evaluate alternative methods to validate members' prior service.
- Educational Expenses -- Registration Fees have been reduced due to lower attendance for educational training/conferences because of the COVID-19 pandemic.

BENEFITS DIVISION

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 78.0
2021-2022 Hiring Plan: 78.0

2022-2023 Bud. Pos.: 79.0
2022-2023 Hiring Plan: 79.0



+ Added position

* Classification study for the position requested.

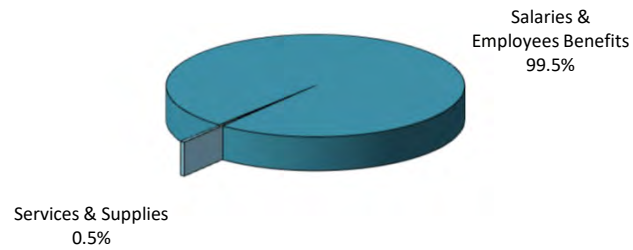
^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

BENEFITS DIVISION

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$11,960,086	\$11,031,844	\$5,193,872	\$10,471,800	(\$560,044)	-5.1%	\$928,242	8.4%
Services & Supplies	59,300	72,000	7,222	42,700	(29,300)	-40.7%	(12,700)	-17.6%
OPERATING BUDGET	\$12,019,386	\$11,103,844	\$5,201,094	\$10,514,500	(\$589,344)	-5.3%	\$915,542	8.2%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

BENEFITS DIVISION

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$6,706,995	\$6,154,980	\$3,058,288	\$6,063,700	(\$91,280)	-1.5%	\$552,015	9.0%
Total Agency Temp Salaries	154,900	71,900	25,156	71,900	0	0.0%	83,000	115.4%
Employee Benefits (Variable)	4,019,322	3,818,095	1,592,051	3,332,500	(485,595)	-12.7%	201,227	5.3%
Employee Benefits (Other)	423,908	374,387	181,081	369,000	(5,387)	-1.4%	49,521	13.2%
OPEB Contribution	224,962	183,782	113,815	227,600	43,818	23.8%	41,180	22.4%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	398,100	398,000	214,572	388,200	(9,800)	-2.5%	100	0.0%
Bilingual Bonus	3,600	2,400	1,600	2,900	500	20.8%	1,200	50.0%
Sick Leave Buyback	12,000	12,000	7,309	16,000	4,000	33.3%	0	0.0%
Rideshare Allowance	16,300	16,300	0	0	(16,300)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$11,960,086	\$11,031,844	\$5,193,872	\$10,471,800	(\$560,044)	-5.1%	\$928,242	8.4%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$11,960,086	\$11,031,844	\$5,193,872	\$10,471,800	(\$560,044)	-5.1%	\$928,242	8.4%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

BENEFITS DIVISION

2022-2023 BUDGET

FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00773A DIVISION MANAGER	1	LS12	11,939	143,272
00772A SECTION HEAD, LACERA	4	LS9	41,500	498,004
01312A SENIOR RETIREMENT BENEFITS SPECIALIST	14	101F	115,059	1,380,711
01311A RETIREMENT BENEFITS SPECIALIST III	22	96A	156,998	1,883,976
00439A SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,384.91	76,619
00439A SENIOR SECRETARY	1	89G	6,229	74,750
00439A SENIOR SECRETARY	(1)	89G	(6,229)	(74,750)
01310A RETIREMENT BENEFITS SPECIALIST II	30	89F	158,298	1,899,570
00438A ADMINISTRATIVE ASSISTANT	2	84C	11,372	136,461
00438A SECRETARY	2	83D	11,094	133,132
00438A SECRETARY	(2)	83D	(11,094)	(133,132)
00445A INTERMEDIATE TYPIST-CLERK	3	75C	11,485	137,825

POSITIONS 77 6,156,437

VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
01312A SENIOR RETIREMENT BENEFITS SPECIALIST	1	101F	6,560	78,719			39,359
00446A SENIOR TYPIST CLERK	1	79B	3,582	42,981			21,490
					0	0	60,850

POSITIONS 2 60,850

TOTAL POSITIONS 79

GROSS SALARIES 6,217,287

ANTICIPATED MOU SALARY INCREASE** 341,951

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE 75,343

BONUS 72,415

120-DAY RETIREE(S) 0

TOTAL SALARIES 6,706,995

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

BENEFITS DIVISION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$6,500	\$6,500	\$529	\$3,300	(\$3,200)	-49.2%	\$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	3,400	3,400	77	1,400	(2,000)	-58.8%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	41,000	46,000	4,526	28,000	(18,000)	-39.1%	(5,000)	-10.9%
EDUCATIONAL EXPENSES	7,600	14,600	2,090	9,400	(5,200)	-35.6%	(7,000)	-47.9%
MISCELLANEOUS	800	1,500	0	600	(900)	-60.0%	(700)	-46.7%
TOTAL	\$59,300	\$72,000	\$7,222	\$42,700	(\$29,300)	-40.7%	(\$12,700)	-17.6%

*All amounts rounded to the nearest dollar.

Mission

Our mission is to provide a full range of professional in-house communications services and create essential retirement information for LACERA members.

INTRODUCTION

Communications services include creative visioning, project management, public relations and strategic marketing, graphic design, photography, writing and editing, and video production. We create print materials, videos, and web design and content across our four websites (LACERA.com, Intranet, HR Pros, and Board Resources).

ANNUAL PROJECTS

Following are some of Communications Division's regular projects throughout the year.

- Quarterly *PostScript* and *Spotlight* newsletters
- Themed Annual Comprehensive Financial Report (ACFR), Popular Annual Financial Report (PAFR), and Who We Are brochure
- *Retirement Law Book*
- Cost-of-living inserts and associated email messaging and web content
- Executive Office communications and copywriting support
- Website maintenance and content creation
- Retiree payday, Boards, and staff calendars
- Retiree Healthcare annual mailings
- Budget binder production

- Collateral for annual events such as the Take Our Daughters and Sons to Work Day, Employee Wellness Fair, and Forum
- HR conference coordination and collateral
- LACERA Connect (Intranet) – Continual updates to keep staff members engaged and informed

2021 ACCOMPLISHMENTS AND ONGOING PROJECTS

Throughout 2021, Communications Division completed its regular projects on deadline, even with most staff members working remotely from home due to safer-at-home restrictions during the COVID-19 pandemic. In addition, staff members continued to move ongoing priority projects forward to help achieve the Boards' outlined strategic goals:

- **Redesign of lacera.com:** After more than two years of production (and several years of development prior to that), the new lacera.com was successfully launched in July 2021. Website development, design, content restructuring, and copywriting were all completed in-house by LACERA staff specialists. Communications also created a video to coincide with the launch, highlighting the website's new, interactive features and structure. The reception of the newly designed site has been overwhelmingly positive, with consensus that information is easier to find and understand. Website analytics also indicate the web traffic has increased post-launch. *Completed.*
- **Redesign of LACERA Intranet (LACERA Connect):** In collaboration Systems Division and vendor Compass 365, Communications has created new divisional landing pages based on internal client input, restructured major internal documents pages and the document library, and made other improvements. *Completed.*
- **Redesign of the Annual Retirement Benefits Statement:** Working with Systems Division, Communications has expanded the statement to include new, customized information fields from the member database. *In progress pending availability of internal resources and the selection of a new print vendor.*
- **Redesign of the Retirement Summary and Application Form** (formerly the Retirement Benefits Estimate): The form has been customized and expanded to include member-specific information including scenarios under the different retirement options. *In progress pending beta testing of the form.*
- **Redesign of the Pre-Retirement Guide:** The guide has been updated in coordination with multiple internal stakeholders and subject matter experts. *In progress; ready to print pending finalization of the Retirement Summary and Application Form.*
- **Plan Book updates:** Now that lacera.com has launched, the member plan books require updates. The plan books should be the definitive source for all plan information. Once completed, the plan centers on lacera.com will be further developed and updated to reflect the changes to the plan books. *In progress pending internal resources.*

- **Development of a social media strategy and policy:** A draft policy has been completed. *In progress pending the hiring of a Public Information Officer (PIO).*
- Quality Assurance and Metrics e-learning video modules: *In progress.*
- **Campaigns** for LACERA ID, Return to Office, SMS, Paperless, My LACERA, Direct Deposit, and Update Your Beneficiary. *In progress.*

STAFFING

The Web Support Technician position was filled in March 2021. Having a permanent staff member in this position has been crucial for completing the LACERA.com redesign in 2021 and developing LACERA Connect.

A new Media Artist was hired and started working February 2022, which will boost our capabilities and help us meet the increasing demand for both print and video projects.

The Staff Assistant I position is currently vacant and a temporary hire will be put in place until a permanent hire is recruited. Other vacant budgeted positions to be filled are one Senior Writer and one Senior Media Artist. (Two Senior Media Artist positions were approved by the Boards and Board of Supervisors in 2021 so each production team would have one Media Artist and one Senior Media Artist. Two current Media Artist positions were to be converted to senior positions. However, we currently have three Media Artists so only one Senior Media Artist position is vacant.)

To meet increased media requests and required communications to the public and implement our Social Media Program the Boards approved a Public Information Officer (PIO) in 2020. In accordance with the recently outlined hiring plan we plan to hire this position in FY 2022-2023.

In addition, we will be working with Human Resources to hire an Intern to assist with the research, compiling of data and content, and the writing of the draft of a LACERA Style Guide and other writing duties as assigned.

GOALS

FY 2022-2023 promises to be a time of continued positive change, growth, and evolution. We are committed to meeting the annual and day-to-day needs of LACERA's various divisions to better serve our members.

Communications Division is currently working to develop a "vision" communications plan for presentation to the Executive Office. A first draft is in review.

Short-Term Goals:

- Develop and implement a defined communication plan, which will discuss Communications' support of the implementation of various LACERA goals and initiatives. In addition, this plan will discuss our long-term vision to get to know our

audience better via surveys, data, and analytics so we can communicate more effectively.

- Provide support to the Case Management System project team by assisting with implementation of various processes – through updated communication to members, lacera.com, training videos, and updating collateral materials.
- Provide strategic planning support by assisting with various aspects of implementation and communication.
- Collaborate with the Business Continuity Plan (BCP) Team and public relations firm EKA to develop multiple crisis communication templates for the Business Continuity Plan.
- Continue professional development of staff in the areas of team-building and collaboration, as well as active participation in professional associations.
- Expand paperless campaign to move newsletters and other print collateral to digital format.
- Create a LACERA style guide.
- Continue to develop marketing campaigns to increase the sign up of My LACERA, paperless opt-in, Direct Deposit, online beneficiary updates, and more.
- Generate an RFP for the hiring of a professional firm to assist with creating a Social Media strategy and action plan for Board and Executive review.

Long-Term Goals:

- Establish and maintain a cohesive look for all print and digital materials and member communications, including a full rebranding of LACERA collateral.
- Automate our project request and tracking process through an online platform, to boost efficiency and provide convenience for internal clients.
- Increase video production for internal and member-facing communications, specifically:
 - Retirement Options Series: complete Options 2 and 3 in 2023
 - RHC Enrollment: complete in 2023
 - Medicare 101: complete in 2023
 - My LACERA: complete in 2023
 - Retirement University videos: update FY 2023-2024
- Increase use of technological tools and online platforms.

SERVICES AND SUPPLIES

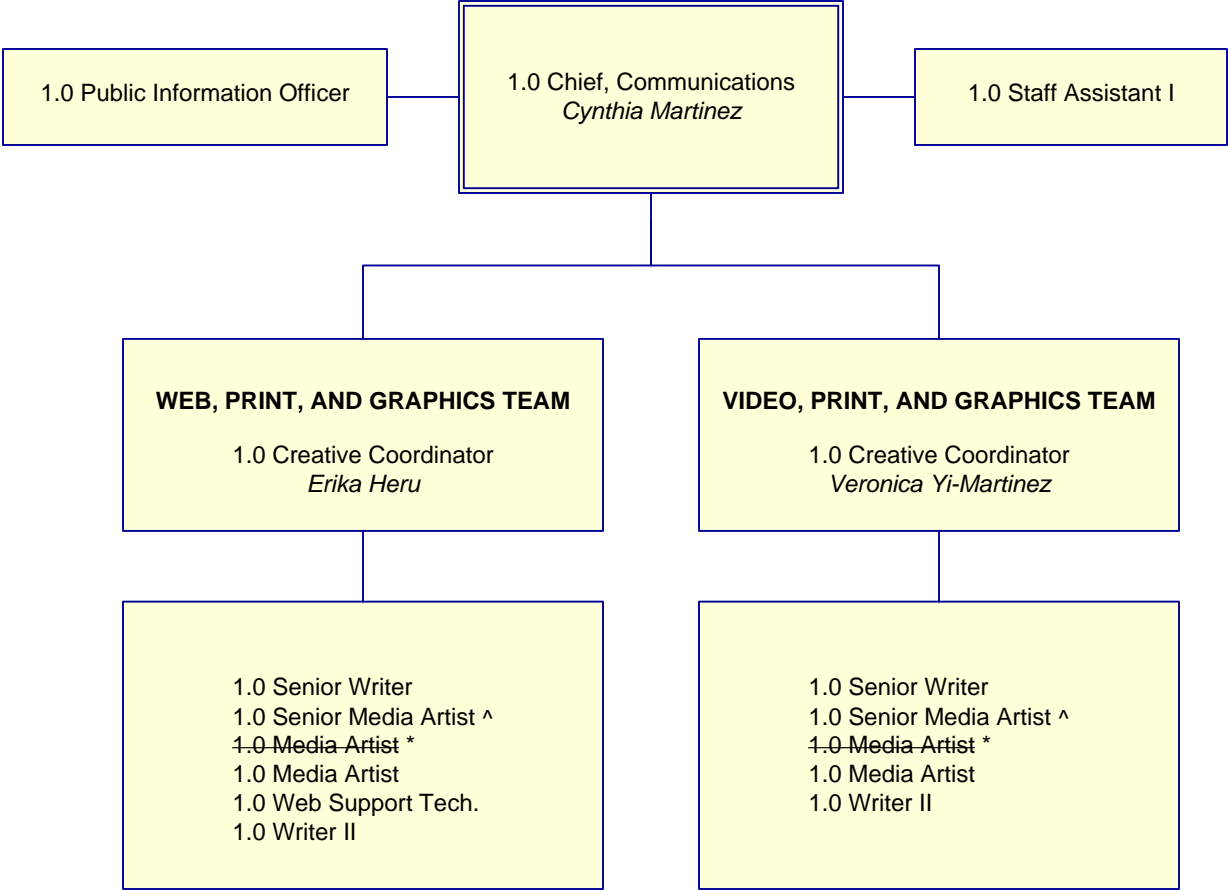
Each of the Communications Division's line items was carefully reviewed. Those not already addressed or having accompanying notes in the budget request are explained below:

- A one-time request for Mac equipment is requested to accommodate new hires (Media Artist and Senior Media Artist).
- Inflation related cost adjustments for postage and paper.
- Registration fees increased to accommodate all staff to assist with short-term goal of continued professional development and staff team-building.

2021-2022 Bud. Pos.: 14.0
 2021-2022 Hiring Plan: 14.0
 2022-2023 Bud. Pos.: 14.0
 2022-2023 Hiring Plan: 14.0

COMMUNICATIONS

FISCAL YEAR 2022-2023



* Classification study for the position requested.

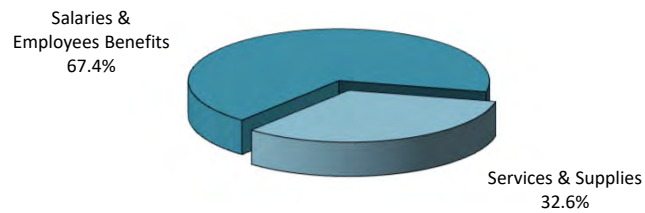
^ Position upgrade from Media Artist to Senior Media Artist as a result of classification study (Board of Supervisors approved on September 15, 2021).

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

COMMUNICATIONS

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$2,168,975	\$2,253,791	\$854,293	\$1,744,700	(\$509,091)	-22.6%	(\$84,816)	-3.8%
Services & Supplies	1,051,000	1,041,500	538,266	909,400	(132,100)	-12.7%	9,500	0.9%
OPERATING BUDGET	\$3,219,975	\$3,295,291	\$1,392,560	\$2,654,100	(\$641,191)	-19.5%	(\$75,316)	-2.3%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES & EMPLOYEE BENEFITS SUMMARY

COMMUNICATIONS

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$1,242,896	\$1,290,318	\$518,428	\$990,800	(\$299,518)	-23.2%	(\$47,422)	-3.7%
Total Agency Temp Salaries	56,200	79,600	0	79,600	0	0.0%	(23,400)	-29.4%
LACERA Intern Program	0	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	740,334	760,302	275,478	549,200	(211,102)	-27.8%	(19,968)	-2.6%
Employee Benefits (Other)	78,556	77,116	37,240	76,300	(816)	-1.1%	1,440	1.9%
OPEB Contribution	41,689	37,855	19,206	42,700	4,845	12.8%	3,834	10.1%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	4,800	4,100	3,076	4,100	0	0.0%	700	17.1%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	3,500	3,500	866	2,000	(1,500)	-42.9%	0	0.0%
Rideshare Allowance	1,000	1,000	0	0	(1,000)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$2,168,975	\$2,253,791	\$854,293	\$1,744,700	(\$509,091)	-22.6%	(\$84,816)	-3.8%
Salary Differential	-	-	-	-	-		-	
TOTAL S&EB	\$2,168,975	\$2,253,791	\$854,293	\$1,744,700	(\$509,091)	-22.6%	(\$84,816)	-3.8%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

COMMUNICATIONS

2022-2023 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00794A	CHIEF, COMMUNICATIONS	1	LS10	12,835	154,018			
00779A	CREATIVE COORDINATOR	2	107E	18,122	217,460			
00784A	SENIOR WRITER	1	105D	8,561	102,730			
99999A	SENIOR MEDIA ARTIST	1	103B	9,256	111,071			
00789A	MEDIA ARTIST	3	99H	22,417	269,000			
00789A	MEDIA ARTIST	(1)	99H	(6,245)	(74,935)			
00787A	WEB SUPPORT TECHNICIAN	1	95K	5,630	67,555			
00786A	WRITER II	2	95K	11,888	142,654			
POSITIONS		10			989,552			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00784A	SENIOR WRITER	1	105D	7,275	87,303			43,652
00465A	PUBLIC INFORMATION OFFICER	1	104C	7,063	84,757			42,379
99999A	SENIOR MEDIA ARTIST	1	103B	6,857	82,285			41,143
00789A	MEDIA ARTIST	1	99H	6,245	74,935			
00789A	MEDIA ARTIST	(1)	99H	6,245	74,935			
00426A	STAFF ASSISTANT I	1	85E	4,240	50,878			25,439
						0	0	152,612
POSITIONS		4			152,612			
TOTAL POSITIONS		14						
GROSS SALARIES					1,142,164			
ANTICIPATED MOU SALARY INCREASE**					62,819			
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE					37,914			
BONUS					0			
120-DAY RETIREE(S)					0			
TOTAL SALARIES					1,242,896			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA
FISCAL YEAR 2022-2023
SERVICES AND SUPPLIES

COMMUNICATIONS

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-22)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$4,500	\$7,500	\$0	\$2,400	(\$5,100)	-68.0%	(\$3,000)	-40.0%
POSTAGE	300,000	300,000	160,628	294,500	(5,500)	-1.8%	0	0.0%
STATIONERY & FORMS	649,500	641,500	347,203	566,000	(75,500)	-11.8%	8,000	1.2%
OFFICE SUPPLIES & EQUIPMENT	6,000	5,000	5,294	6,000	1,000	20.0%	1,000	20.0%
PROFESSIONAL & SPEC. SRVCS.	47,000	62,000	21,802	32,000	(30,000)	-48.4%	(15,000)	-24.2%
COMPUTER SERVICES & SUPPORT	14,000	14,500	2,400	5,500	(9,000)	-62.1%	(500)	-3.4%
EDUCATIONAL EXPENSES	29,400	10,400	940	3,000	(7,400)	-71.2%	19,000	182.7%
MISCELLANEOUS	600	600	0	0	(600)	-100.0%	0	0.0%
TOTAL	\$1,051,000	\$1,041,500	\$538,266	\$909,400	(\$132,100)	-12.7%	\$9,500	0.9%

*All amounts rounded to the nearest dollar.



Mission

Our mission is to provide timely and effective legal representation to LACERA in disability retirement and service-connected survivor benefit appeals. The goal of the Disability Litigation Office is to achieve impartial justice based on the facts and the law.

INTRODUCTION

The Disability Litigation Office (DLO) is a legal unit at LACERA that is separate from and independent of the Legal Office. The Disability Litigation Chief Counsel reports directly to the Chief Executive Officer. Established in 1996, the DLO has a staff of four attorneys (three Senior Staff Counsel and one Chief Counsel) and three secretaries (Senior Legal Secretaries). Our main operation consists of litigating appeals that members may file after the Board of Retirement denies any disability retirement application benefit. The DLO provides LACERA and its fund with legal representation for disability retirement and service-connected survivor benefit appeals at the administrative level before a hearing referee.

DIVISION UPDATE

Despite continued challenges from the ever-evolving pandemic, the DLO maintained a high level of performance in 2021. The DLO successfully conducted much of its operations remotely as we grew adept at working with Microsoft applications (Teams, OneDrive, and SharePoint). Our attorneys continued to hold hybrid hearings, with participants both on- and offsite, as the parties, hearing officers, and shifting pandemic landscape required. Several hearings were conducted entirely remotely via MS Teams or Zoom (which will continue into 2022). Remote capabilities allowed the DLO to maintain a minimum level of staff onsite, while still moving applicants' appeals forward at the expected and necessary pace for members to meet their Rule 32 deadlines. We rotated in office accordingly to protect staff, while still maintaining the highest levels of production.

Notwithstanding technological advances, the DLO remains heavily paper-based, requiring staff to be onsite periodically to handle mail, filing, and other paperwork. However, the DLO has made great strides in advancing its operations to minimize paper in favor of electronic files, with staff beginning to scan all new appeals (consisting of hundreds to thousands of pages of documents). Electronic appeal files are accessible remotely through MS OneDrive or SharePoint, providing attorneys 24/7 access to their case files to conduct discovery, prepare for hearings, and draft legal briefs. MS Teams and Outlook keep the DLO well-connected and fully informed.

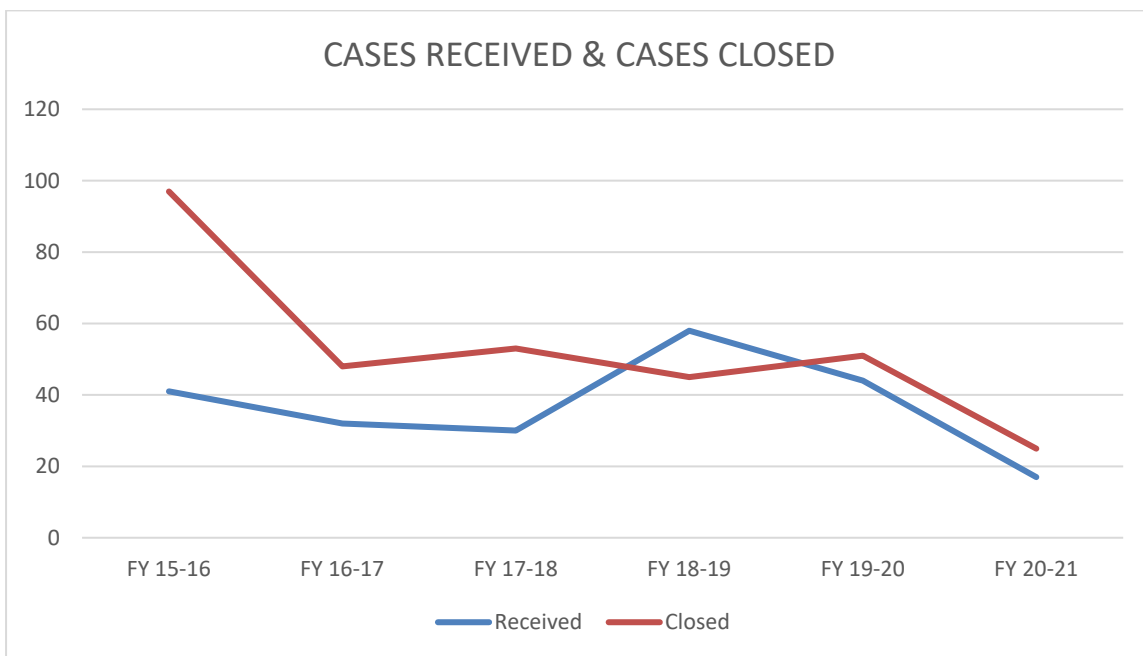
Our technical processes are still dependent on the electronic capabilities of third-party participants (pro per applicants, applicants' attorneys, and referees). The DLO staff continues to assist and encourage all parties to use technology (email, electronic filing, remote hearings) to reduce the need for paper correspondence, paper files, or in-person appearances, while maintaining the same levels of productivity with each appeal. Prior to each remote appearance, staff conducts a tech rehearsal to ensure every participant is familiar with logging into and maneuvering through MS Teams. Referees, pro per applicants, and applicants' attorneys are now comfortable appearing remotely for hearings, status conferences, and discovery disputes. Additionally, the DLO has worked with Systems to provide applicants' attorneys with a designated laptop and internet connection to appear via Zoom for oral argument from a secure location on LACERA's premises.

The DLO is also actively involved in the selection of a vendor for the case management software solution project, which included DLO subject matter experts presenting our operations, processes, and technology needs at the initial vendor presentation. With the recommendation of a selected vendor to the Board of Retirement, DLO will transition to focusing resources and efforts on the Phase I implementation. A Senior Staff Counsel will work directly with the vendor and Systems Division, consulting on the intricacies of DLO's processes. A Senior Legal Secretary will also participate during implementation, advising on day-to-day operations. We expect the case management software solution to place our digital casefiles at our fingertips, replacing manual processes and increasing productivity. More time can be spent on drafting legal arguments, litigation strategy, or legal research than thumbing through volumes of paper to locate a particular nugget of supporting evidence. In that vein and in support of the incoming case management system, we also plan to institute a pilot program to scan and convert our *entire* caseload of active paper files to digital files. We plan to enlist our Senior Legal Secretaries for this project, considering their knowledge of the DLO's processes, operations, and the content of the records we regularly handle (including P.I. and HIPAA-protected information). Accordingly, we are requesting overtime to cover this endeavor.

INVENTORY OF CASES

The DLO has 86 active cases as of December 31, 2021. The average age of these active cases is two years, three months, and 18 days. Under Rule 32 of the Board's *Procedures for Disability Retirement Hearings*, applicants must bring their cases to hearing within three years from the date the applicant is notified of the assignment of the referee. Cases do not move forward until the applicant files a prehearing statement. The respondent's deadline to file its prehearing statement is not triggered until the applicant (the moving party) first files its evidence.

The number of cases the DLO received versus those that have closed from FY 2015-2016 to FY 2020-2021 are demonstrated by the following graph:



There was a spike in the number of cases received in FY 2018-2019 and FY 2019-2020 due to the influx of the earlier effective date correction appeals. The deadline for applicants to file for correction appeal ended on December 31, 2019, effectively ending that upward trend. As of the beginning of January 2022, 43 earlier effective date correction appeals have been resolved (via recommendation, litigation, or withdrawal). Only two correction appeals remain open and active.

Based on statistics from the last three fiscal years, the DLO anticipates it will receive approximately 20 to 25 regular disability retirement appeals in FY 2022-2023.¹

¹ "Regular" appeals are cases other than earlier effective date *correction appeals*, i.e., De novo appeals on the issues of permanent incapacity, service connection, and/or earlier effective date.

The average lifespan for all cases that were closed from 2011 to 2021 was two years, seven months, and 26 days.

STAFFING

There are currently seven budgeted full-time positions in the DLO. No additional staff positions are requested at this time. The classification study for the Senior Management Secretary has been completed, with recommendation for a position upgrade to Senior Legal Secretary. As indicated above, the Senior Legal Secretaries will be spearheading the DLO's scanning operation to convert its entire caseload into digital files. In addition to overtime, this project may also include agency temps working under the Senior Legal Secretaries' direction to complete this project.

SERVICES AND SUPPLIES

The DLO budget request for services and supplies has increased 2.7 percent from the FY 2021-2022 mid-year approved budget. Rising gas prices, distribution challenges, and supply chain shortages are impacting everything from transportation and travel to office supplies and equipment. Additionally, the increase in travel and transportation funds includes a return to in-person educational seminars, previously cancelled due to COVID-19. This request includes attendance at the annual National Association for Public Pension Attorneys (NAPPA) conference (where attending attorneys can complete all required continuing legal education credits). Additionally, annual California Bar attorney license fees increase each year. We also anticipate a 10 percent increase for LexisNexis/Westlaw research database contracts. We are, however, only anticipating two new conflict cases in the upcoming fiscal year and have reduced our request for outside counsel funds accordingly.

FUTURE

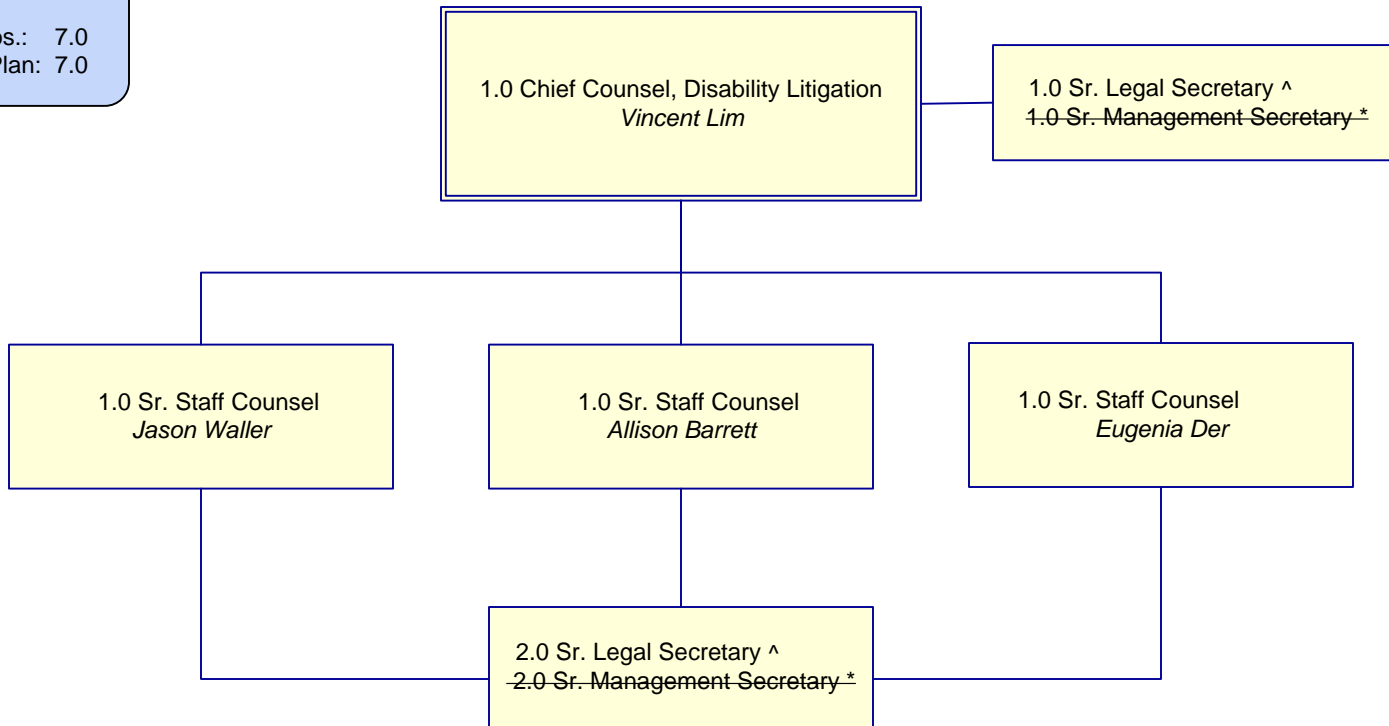
The DLO looks forward to working with its internal business partners in the ongoing move toward a fully electronic operation. We will continue to serve as active participants and subject matter experts in the selection and implementation of the case management software solution project. As always, the DLO will continue our mission of impartial justice – to provide applicants with full and fair hearings to ensure each determination on appeal is substantially supported by the facts and the law.

DISABILITY LITIGATION

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 7.0
2021-2022 Hiring Plan: 7.0

2022-2023 Bud. Pos.: 7.0
2022-2023 Hiring Plan: 7.0



* Classification study for the position requested.

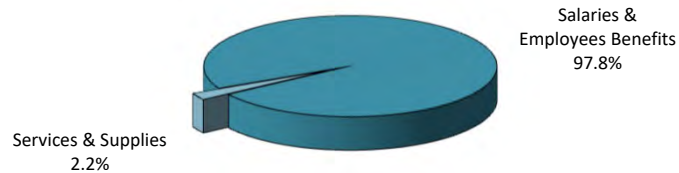
^ Position upgrade from Senior Management Secretary to Senior Legal Secretary as a result of classification study (Pending Board of Supervisors' approval).

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

DISABILITY LITIGATION

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$2,353,917	\$2,141,130	\$1,115,509	\$2,127,800	(\$13,330)	-0.62%	\$212,787	9.9%
Services & Supplies	53,900	52,500	15,431	47,800	(4,700)	-9.0%	1,400	2.7%
OPERATING BUDGET	\$2,407,817	\$2,193,630	\$1,130,940	\$2,175,600	(\$18,030)	-0.8%	\$214,187	9.8%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

DISABILITY LITIGATION

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$1,371,867	\$1,294,960	\$686,715	\$1,292,000	(\$2,960)	-0.2%	\$76,907	5.9%
Total Agency Temp Salaries	9,800	0	0	0	0	0.0%	9,800	0.0%
Employee Benefits (Variable)	832,028	729,886	370,181	716,800	(13,086)	-1.8%	102,142	14.0%
Employee Benefits (Other)	86,707	77,393	37,299	76,300	(1,093)	-1.4%	9,314	12.0%
OPEB Contribution	46,014	37,991	21,314	42,700	4,709	12.4%	8,023	21.1%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	6,600	0	0	0	0	0.0%	6,600	0.0%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	900	900	0	0	(900)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$2,353,917	\$2,141,130	\$1,115,509	\$2,127,800	(\$13,330)	-0.62%	\$212,787	9.9%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$2,353,917	\$2,141,130	\$1,115,509	\$2,127,800	(\$13,330)	-0.62%	\$212,787	9.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

DISABILITY LITIGATION

2022-2023 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
09215A	CHIEF COUNSEL, DISABILITY LITIGATION	1	LS18	23,936	287,234			
09213A	SENIOR STAFF COUNSEL	3	LS16	58,300	699,603			
00441A	SENIOR LEGAL SECRETARY	3	99B	23,787	285,448			
00441A	SENIOR MANAGEMENT SECRETARY	3	97G	22,807	273,680			
00441A	SENIOR MANAGEMENT SECRETARY	(3)	97G	(22,807)	(273,680)			
POSITIONS		7			1,272,286			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
POSITIONS		0			0			
TOTAL POSITIONS		7						
GROSS SALARIES					1,272,286			
ANTICIPATED MOU SALARY INCREASE**					69,976			
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE					29,605			
BONUS					0			
120-DAY RETIREE(S)					0			
TOTAL SALARIES					1,371,867			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

DISABILITY LITIGATION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-22)	PROJECTION	BUDGET	% CHANGE		
AUTO EXPENSE	\$2,900	\$3,000	\$1,098	\$2,200	(\$800)	-26.7%	(\$100)	-3.3%
TRANSPORTATION & TRAVEL	6,500	6,800	0	5,000	(1,800)	-26.5%	(300)	-4.4%
OFFICE SUPPLIES & EQUIPMENT	2,000	1,500	1,169	1,500	0	0.0%	500	33.3%
LEGAL FEES & SERVICES	5,500	7,500	0	7,500	0	0.0%	(2,000)	-26.7%
EDUCATIONAL EXPENSES	36,500	33,000	13,164	31,300	(1,700)	-5.2%	3,500	10.6%
MISCELLANEOUS	500	700	0	300	(400)	-57.1%	(200)	-28.6%
TOTAL	\$53,900	\$52,500	\$15,431	\$47,800	(\$4,700)	-9.0%	\$1,400	2.7%

*All amounts rounded to the nearest dollar.



DISABILITY RETIREMENT SERVICES

Budget Highlights

Fiscal Year 2022-2023

Mission

Our mission is to administer the LACERA Disability Retirement Program in an equitable, timely, accurate, and courteous manner consistent with applicable laws, policies, and procedures.

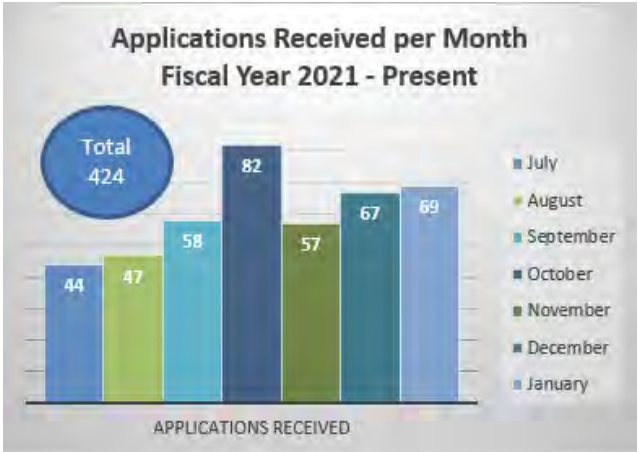
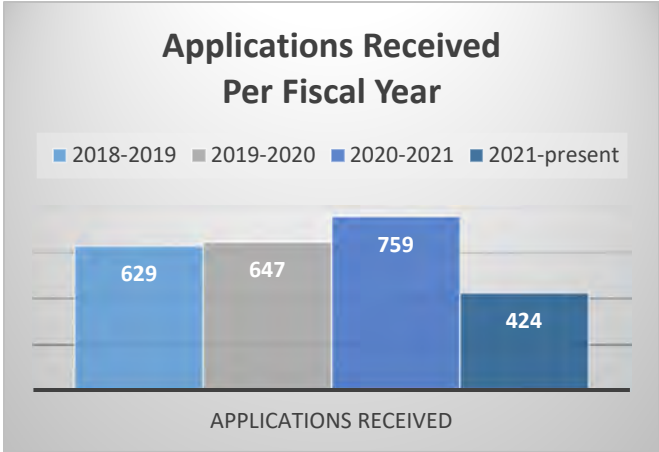
INTRODUCTION

The Disability Retirement Services Division (DRS) is responsible for investigating and evaluating disability retirement applications submitted by active, retired, and deferred members of LACERA. Staff presents recommendations to the Board of Retirement, which is the governing board responsible for adjudicating each application. Staff also administers the disability appeals process in conjunction with Disability Litigation and serves as the official Custodian of Records for all disability retirement files.

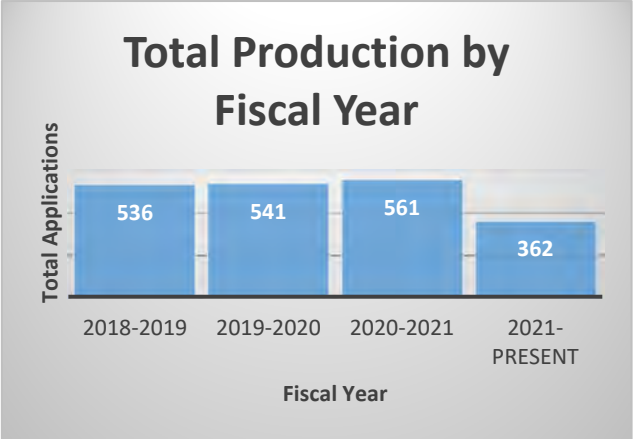
Additionally, our division contracts for professional services for both the investigation and appeals processes, including panel physicians, referees, copy services, court reporters, job analysts, investigative services, and outside legal counsel.

DISABILITY RETIREMENT CASE INVENTORY

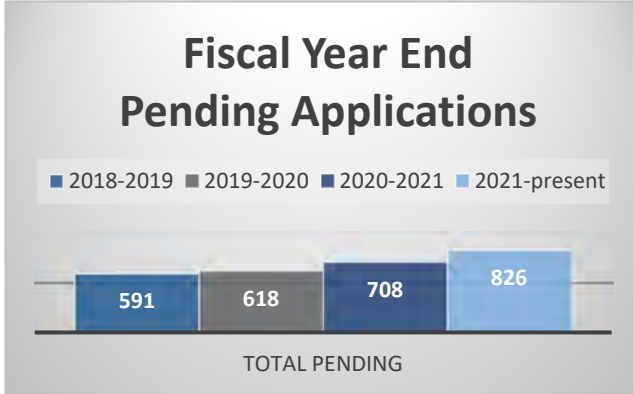
DRS experienced a sharp increase in applications beginning FY 2020-2021, with an unprecedented number of incoming applications in October 2021. There is uncertainty whether this trend will continue; however, staff continues to monitor it closely and develop measures to minimize the impact to our members.



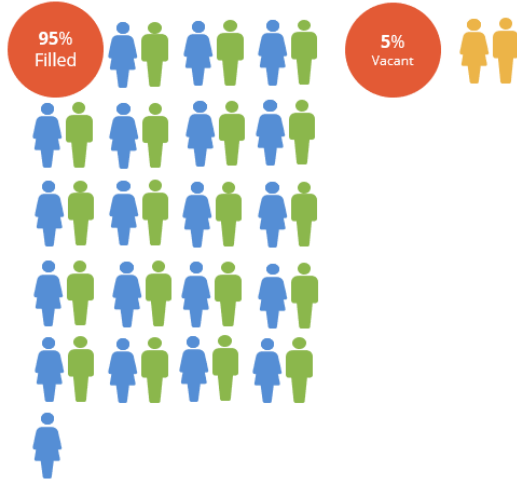
Disability Retirement Services currently has 826 pending disability applications. This is a dynamic statistic as applications move through production (i.e., are accepted, closed, and adjudicated). Of note is the current pending caseload, which has increased by approximately 17 percent since FY 2020-2021.



Our average annual case production to the Board is 546, with an average processing time of 13.5 months. In FY 2020-2021, our case production increased by approximately 2 percent. When fully staffed, DRS case processing capacity is 660 cases. Although we are operating at near capacity given our vacancy rate and staff leave of absences, we are unable to keep pace with the sharp increase in incoming applications.



Staffing



There are currently 41 budgeted full-time positions in DRS.

With the increase in incoming applications and due to vacancies in the Senior Disability Retirement Specialist and Staff Assistant II positions, the Executive Office and Human Resources approved a proposed pilot training opportunity for administrative support staff.

This opportunity is two-fold, as it allows for succession planning while partially addressing the increase in applications. The staff participating in the training will require significant overtime. Newly trained staff will assist in case processing by specifically targeting aging applications.

Overtime

DRS subject matter experts will be required to work overtime to ensure successful implementation of Phase I of the Case Management System. The implementation of the Case Management System will automate some aspects of the DRS process, help us work more efficiently, and allow us to create and track metrics and KPI'S tied to our strategic goals.

The table below illustrates the overtime budget needed for:

- Administrative support staff participating in the pilot training opportunity
- Subject matter experts for the case management implementation project
- Projected overtime for meeting operational and administrative deadlines, including generating statistics and special projects

Position	No. Staff	Total Hours Year	Total
Staff Assistant II (Pilot)	2	480	\$ 26,400
Senior Typist Clerk (Pilot)	2	480	\$ 18,240
SME Staff Assistant II (Case Management)	2	480	\$ 26,400
SME Supervisor (Case Management)	3	720	\$ 57,960
All Positions (Deadlines, Statistics and Special Projects)	20	640	\$ 36,300
TOTAL		2,800	\$ 165,300

Agency Temps

DRS currently has vacancies and is requesting two agency-temporary positions to support the administrative support staff participating in the pilot training opportunity and the team responsible for case management implementation.

Classification Study

The Board approved a classification study the for the Disability Retirement Specialist Supervisor position for FY 2021-2022, as the role and responsibilities of the supervisor position in Disability Retirement Services had substantially increased over the years. However, due to COVID-19 and competing priorities, the classification study was not completed by the end of the FY 2020-2021. Therefore, we are requesting the classification study be approved for FY 2022-2023.

SERVICES AND SUPPLIES

Medical Fees

Staff requests an additional \$400,000 to cover the anticipated increase in medical fees due to the adoption of a new medical fee schedule that was approved by the Board of Retirement in June 2021. The adoption of the new schedule was recommended by staff in response to a new workers' compensation fee schedule effective April 1, 2021. The recommended increase allowed LACERA to remain competitive with industry increases in panel physician compensation for med-legal evaluations and reporting. It is imperative for LACERA to retain a well-qualified panel of board-certified physicians and ensure our members continue to receive timely and quality independent medical evaluations.

Medical Advisor

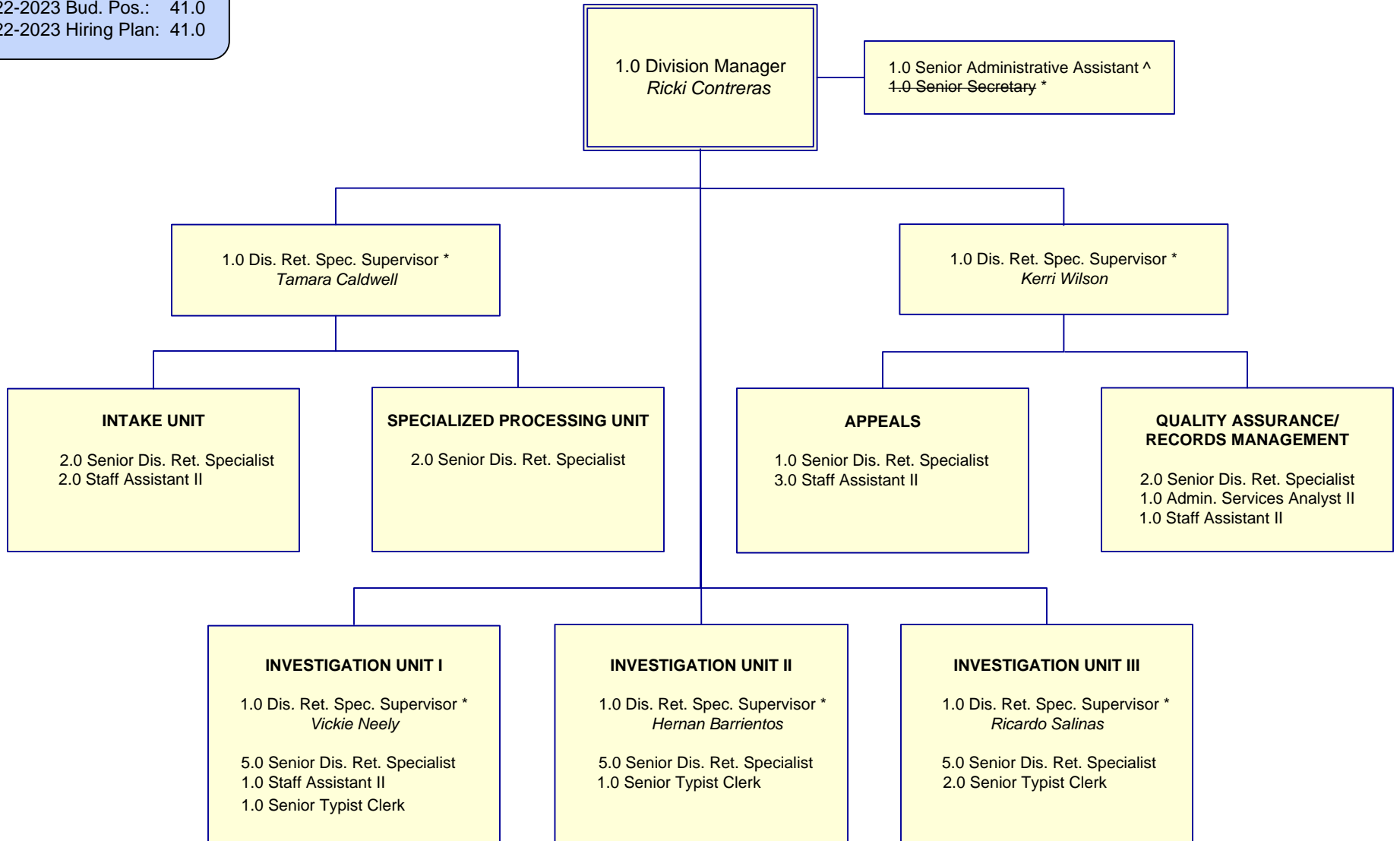
Staff requests an additional \$85,000 to cover the anticipated increase in medical advisor fees for FY 2022-2023 due to an anticipated expansion of the Medical Advisor's role in reviewing applications for disability retirement per the passage of Senate Bill 634.

DISABILITY RETIREMENT

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 41.0
 2021-2022 Hiring Plan: 41.0

2022-2023 Bud. Pos.: 41.0
 2022-2023 Hiring Plan: 41.0



* Classification and/or compensation study requested.

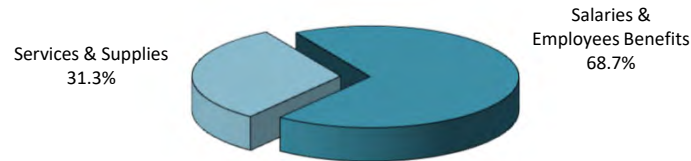
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

DISABILITY RETIREMENT

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$7,514,693	\$6,962,398	\$3,325,893	\$6,429,300	(\$533,098)	-7.66%	\$552,295	7.9%
Services & Supplies	3,425,100	2,935,000	1,109,442	2,934,300	(700)	0.0%	490,100	16.7%
OPERATING BUDGET	\$10,939,793	\$9,897,398	\$4,435,334	\$9,363,600	(\$533,798)	-5.4%	\$1,042,395	10.5%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

DISABILITY RETIREMENT

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$4,134,839	\$3,971,485	\$1,940,677	\$3,686,700	(\$284,785)	-7.2%	\$163,354	4.11%
Total Agency Temp Salaries	129,000	143,000	28,243	100,900	(42,100)	-29.4%	(14,000)	-9.79%
Employee Benefits (Variable)	2,675,028	2,467,442	1,145,714	2,229,100	(238,342)	-9.7%	207,586	8.41%
Employee Benefits (Other)	261,338	237,356	114,616	234,000	(3,356)	-1.4%	23,982	10.10%
OPEB Contribution	138,688	116,515	77,273	154,600	38,085	32.7%	22,173	19.03%
Stipends	0	0	0	0	0	0.0%	0	0.00%
Overtime	165,300	16,100	17,654	20,000	3,900	24.2%	149,200	926.71%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.00%
Sick Leave Buyback	6,000	6,000	1,715	4,000	(2,000)	-33.3%	0	0.00%
Rideshare Allowance	4,500	4,500	0	0	(4,500)	-100.0%	0	0.00%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.00%
ADJUSTED GROSS S&EB	\$7,514,693	\$6,962,398	\$3,325,893	\$6,429,300	(\$533,098)	-7.7%	\$552,295	7.9%
Salary Differential	-	-	-	-	-		-	
TOTAL S&EB	\$7,514,693	\$6,962,398	\$3,325,893	\$6,429,300	(\$533,098)	-7.66%	\$552,295	7.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

DISABILITY RETIREMENT

2022-2023 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00773A	DIVISION MANAGER	1	LS12	15,510	186,117
01643A	DISABILITY RETIRE. SPECIALIST SUPV.	5	106F	48,481	581,768
01632A	SENIOR DISABILITY RETIRE. SPECIALIST	21	102F	177,884	2,134,605
00420A	ADMINISTRATIVE SERVICES ANALYST II	1	93H	7,151	85,810
00427A	STAFF ASSISTANT II	6	92E	38,185	458,222
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,214	74,568
00439A	SENIOR SECRETARY	1	89G	6,062	72,750
00439A	SENIOR SECRETARY	(1)	89G	(6,062)	(72,750)
00446A	SENIOR TYPIST CLERK	4	79B	18,968	227,611

POSITIONS 39 3,748,701

VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
01632A	SENIOR DISABILITY RETIRE. SPECIALIST	1	102F	6,740	80,882			40,441
00427A	STAFF ASSISTANT II	1	92E	5,127	61,523			30,761
						0	0	71,203

POSITIONS 2 71,203

TOTAL POSITIONS 41

GROSS SALARIES 3,819,903

ANTICIPATED MOU SALARY INCREASE** 210,095

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE 32,535

BONUS 72,306

120-DAY RETIREE(S) 0

TOTAL SALARIES 4,134,839

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.

Vacancies are shown at the 1st Step.

*All amounts rounded to the nearest dollar.

** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

DISABILITY RETIREMENT

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-22)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$8,000	\$8,000	\$710	\$3,600	(\$4,400)	-55.0%	\$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	5,800	6,000	311	5,000	(1,000)	-16.7%	(200)	-3.3%
PROFESSIONAL & SPEC. SRVCS.	230,000	224,500	123,710	230,000	5,500	2.4%	5,500	2.4%
LEGAL FEES & SERVICES	25,000	20,000	16,181	25,000	5,000	25.0%	5,000	25.0%
DISABILITY FEES & SERVICES	3,145,300	2,665,500	968,011	2,660,200	(5,300)	-0.2%	479,800	18.0%
EDUCATIONAL EXPENSES	10,700	10,700	520	10,500	(200)	-1.9%	0	0.0%
MISCELLANEOUS	300	300	0	0	(300)	-100.0%	0	0.0%
TOTAL	\$3,425,100	\$2,935,000	\$1,109,442	\$2,934,300	(\$700)	0.0%	\$490,100	16.7%

*All amounts rounded to the nearest dollar.

Mission

To provide the vision and direction to the LACERA organization, utilizing people, systems, policies, and processes for the purpose of implementing LACERA's mission to produce, protect and provide the promised benefits.

INTRODUCTION

The Executive Office, with broad oversight from the Boards of Retirement and Investments, sets the organizational vision and provides direction to staff to effectively implement LACERA's mission and simplify and improve how LACERA's mission is achieved.

CREATION OF INFORMATION SECURITY OFFICE

The Information Security Office (Info Sec) was established in FY 2020-2021 as one of the CEO's first critical initiatives. Info Sec sits within the Executive Office, reports directly to the Deputy Chief Executive Officer (DCEO), and has responsibility for minimizing cyber-related risk across the enterprise. Info Sec works cooperatively with the Systems Division but is intentionally independent to ensure reasonable checks and balances are in place. In addition to assessing LACERA's internal cyber-related risks, Info Sec ensures that LACERA's strategic partners have implemented appropriate safeguards, policies, and practices to protect LACERA's interests. Lastly, Info Sec plays an important role in LACERA's disaster recovery and business continuity program by assisting in the development of appropriate procedures, developing or participating in tabletop and other test scenarios, and educating LACERA staff on system security and data loss prevention.

STAFFING

No new positions are requested for the Executive Office in FY 2022-2023. Over the past two years, the Executive Office has undergone significant organizational changes to

ensure better oversight and accountability of the LACERA organization. Changes included creating the new DCEO position and Info Sec, which reports to the DCEO. A Special Assistant also reports to the DCEO, in close coordination with the two Assistant Executive Officers (AEOs), to lead and manage LACERA's strategic planning efforts and help ensure that key LACERA-wide initiatives and projects receive the required focused attention and support to ensure success. The Special Assistant position is currently vacant with the goal of filling the position by the second quarter of FY 2022-2023.

When LACERA created Info Sec, which is independent from the Systems Division, LACERA added a new Chief Information Security Officer (CISO) as a temporary leader while we awaited County adoption and approval of the classification. In the fall of 2021, the County CEO recommended, and the Board of Supervisors adopted a lower Information Security Officer classification. LACERA will be utilizing an outside recruiter to help market and fill this critical position with a permanent Information Security Officer (ISO). Our goal is to have this position filled by the first quarter of FY 2022-2023. Four additional positions in the Information Security Office were initially "borrowed" from the Systems Division and filled with temporary staff with specialized information technology security expertise. This budget request includes \$1,129,700 in Agency Temp Salaries for six months' funding for the ISO and full year funding for the four-subordinate staff. The original positions' authorities are slated to be restored in the Systems Division.

SERVICES AND SUPPLIES

The Executive Office is requesting an increase of \$464,500 over the FY 2021-2022 Mid-Year Adopted Budget. Of this amount, \$321,000 is included for strategic planning, \$75,000 is transferred from the Systems Division to the Executive Office for an information technology security assessment, and \$95,000 is included for two software subscriptions (Risk Recon and Threat Intelligence Reporting) for the Information Security Office. The Executive Office also plans to maintain funds for public media relations (\$125,000) and improvement projects (\$80,000) that may come out of our strategic planning efforts and/or internal audit recommendations.

KEY INITIATIVES FOR FY 2022-2023

LACERA as an organization is currently undergoing many changes and process improvements to serve our members more efficiently and effectively. This includes implementing modern technology, policy and procedure review, and refinements to our organizational structure. However, effective change management requires a clearly articulated plan that incorporates input and has buy-in from key stakeholders. For this reason, the Executive Office plans to dedicate significant efforts in FY 2022-2023 toward developing and implementing LACERA's strategic plan. The strategic plan will lay the foundation for our growth and highlight our vision for the future. Our intent is for this to be

a living guide that is frequently referenced and that will allow us to measure our progress as an organization. LACERA will utilize a consultant to facilitate and document the process and to provide specific guidance to ensure consistent and thorough implementation. Funds are included in the Executive Office's FY 2022-2023 budget for the consultant as well as funding to ensure any critical projects can begin immediately after adoption.

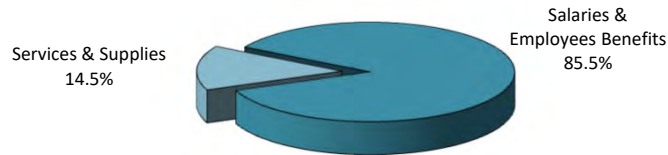
The Executive Office will also be sponsoring the significant technology projects identified to better serve our members. The most significant technology improvement project is the case management system, which we see as crucial for eventually eliminating mistake-prone manual processes and more seamlessly provide services to our members throughout their career and retirement journeys.

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

EXECUTIVE OFFICE

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$4,662,799	\$3,244,146	\$1,388,879	\$2,604,500	(\$639,646)	-19.7%	\$1,418,653	43.7%
Services & Supplies	788,300	318,800	73,060	208,300	(110,500)	-34.7%	469,500	147.3%
OPERATING BUDGET	\$5,451,099	\$3,562,946	\$1,461,940	\$2,812,800	(\$750,146)	-21.1%	\$1,888,153	53.0%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

EXECUTIVE OFFICE

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$2,065,815	\$1,908,555	\$829,063	\$1,535,000	(\$373,555)	-19.6%	\$157,260	8.2%
Total Agency Temp Salaries	1,129,700	0	0	0	0	0.0%	1,129,700	0.0%
Employee Benefits (Variable)	1,175,425	1,051,621	445,649	827,000	(224,621)	-21.4%	123,804	11.8%
Employee Benefits (Other)	130,567	123,933	59,728	119,500	(4,433)	-3.6%	6,634	5.4%
OPEB Contribution	69,290	60,837	29,118	59,000	(1,837)	-3.0%	8,453	13.9%
Stipends	65,000	65,000	25,321	59,000	(6,000)	-9.2%	0	0.0%
Overtime	25,600	25,600	0	5,000	(20,600)	-80.5%	0	0.0%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	1,400	1,400	0	0	(1,400)	-100.0%	0	0.0%
Transportation Allowance	0	7,200	0	0	(7,200)	-100.0%	(7,200)	-100.0%
ADJUSTED GROSS S&EB	\$4,662,799	\$3,244,146	\$1,388,879	\$2,604,500	(\$639,646)	-19.7%	\$1,418,653	43.7%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$4,662,799	\$3,244,146	\$1,388,879	\$2,604,500	(\$639,646)	-19.7%	\$1,418,653	43.7%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

EXECUTIVE OFFICE

2022-2023 BUDGET

<u>FILLED POSITIONS</u>		<u># POS.</u>	<u>SCHEDULE</u>	<u>ACTUAL MO. RATE</u>	<u>ANNUAL AMOUNT</u>			
00776L	CHIEF EXECUTIVE OFFICER	1	LR27	33,333	400,000			
00770A	DEPUTY CHIEF EXECUTIVE OFFICER (UC)	1	LR18	20,475	245,700			
00792A	ASSISTANT EXECUTIVE OFFICER (UC)	2	LS16	38,462	461,544			
00745A	EXECUTIVE BOARD ASSISTANT	2	104K	18,850	226,200			
00442A	EXECUTIVE ADMINISTRATIVE ASSISTANT	2	101G	17,249	206,991			
00442A	EXECUTIVE SECRETARY	2	101G	17,249	206,991			
00442A	EXECUTIVE SECRETARY	(2)	101G	(17,249)	(206,991)			
	POSITIONS	8			1,540,436			
<u>VACANT POSITIONS</u>		<u># POS.</u>	<u>SCHEDULE</u>	<u>1ST STEP MO. RATE</u>	<u>ANNUAL AMOUNT</u>	<u>FILLED AT 12 MONTHS</u>	<u>FILLED AT 9 MONTHS</u>	<u>FILLED AT 6 MONTHS</u>
00775A	SPECIAL ASSISTANT	1	LS12	10,557	126,681			63,341
00806A	INFORMATION SECURITY OFFICER	1	LS12	10,557	126,681	126,681		
00806A	CHIEF INFORMATION SECURITY OFFICER	1	LS12	10,557	126,681			
00806A	CHIEF INFORMATION SECURITY OFFICER	(1)	LS12	10,557	126,681			
00802A	INFORMATION TECHNOLOGY SPECIALIST II	1	123G	11,942	143,306			71,653
00801A	INFORMATION TECHNOLOGY SPECIALIST I	2	118E	10,377	124,523			124,523
00469A	DATA SYSTEMS COORDINATOR	1	111C	8,540	102,475			
						126,681	0	259,517
	POSITIONS	6			386,198			
	TOTAL POSITIONS	14						
	GROSS SALARIES				1,926,633			
	ANTICIPATED MOU SALARY INCREASE**				105,965			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				33,217			
	BONUS				0			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				2,065,815			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

EXECUTIVE OFFICE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
AUTO EXPENSE	\$12,300	\$12,300	\$3,520	\$8,300	(\$4,000)	-32.5%	\$0	0.0%
TRANSPORTATION & TRAVEL	22,000	17,000	2,654	3,400	(13,600)	-80.0%	5,000	29.4%
OFFICE SUPPLIES & EQUIPMENT	3,500	4,500	598	1,600	(2,900)	-64.4%	(1,000)	-22.2%
PROFESSIONAL & SPEC. SRVCS.	696,000	205,000	47,255	140,000	(65,000)	-31.7%	491,000	239.5%
EDUCATIONAL EXPENSES	44,000	64,000	12,283	44,000	(20,000)	-31.3%	(20,000)	-31.3%
MISCELLANEOUS	10,500	16,000	6,750	11,000	(5,000)	-31.3%	(5,500)	-34.4%
TOTAL	\$788,300	\$318,800	\$73,060	\$208,300	(\$110,500)	-34.7%	\$469,500	147.3%

*All amounts rounded to the nearest dollar.



Mission

Our mission is to provide sound guardianship of LACERA's assets and deliver quality service to our stakeholders through timely and accurate financial information.

INTRODUCTION

The Financial and Accounting Services Division (FASD) contributes to LACERA's mission by conducting investment and administrative financial transactions while ensuring compliance with regulatory and statutory financial reporting mandates.

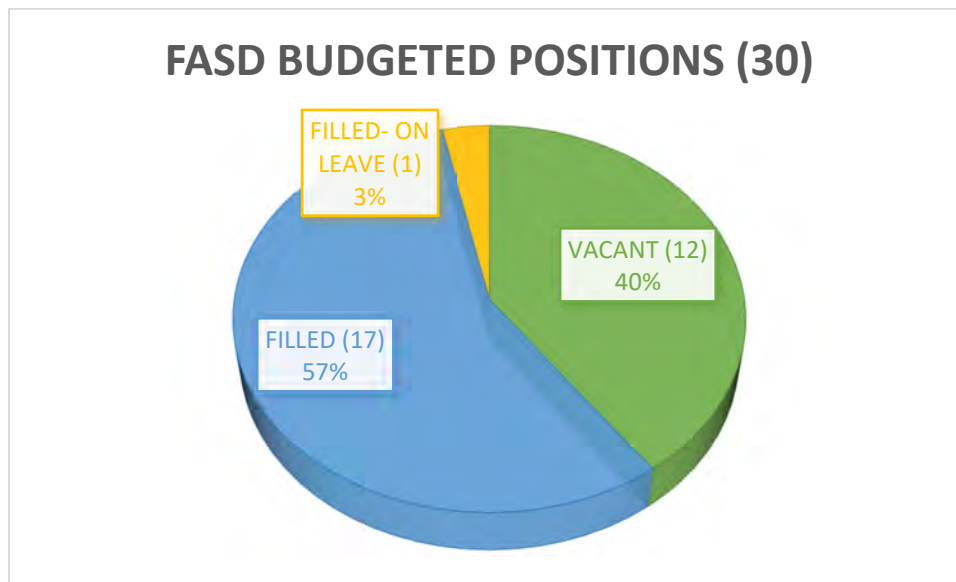
CURRENT CHALLENGES

The FASD team strives to provide a high level of service to external and internal stakeholders. Our current operating capacity is constrained by our human resources, as we have a high number of vacant positions within the division. Staff continue to demonstrate their significant commitment to the organization and to serving LACERA members. The workload is managed by remaining staff absorbing the duties and responsibilities of vacant positions, using overtime, deferring vacations, and acquiring temporary staffing resources. A significant focus for the upcoming fiscal year will be on ensuring the recruiting and hiring goals that were not achieved in the prior fiscal year are met. Once the staffing numbers reach a higher level, the Division will have the capacity to address additional strategic initiatives and special projects.

FASD's budget request seeks to maintain financial reporting quality, ensure financial transactions are completed timely and accurately, and support LACERA's Trustees, operations, and organizational initiatives, while mitigating risks and managing change. To accomplish this, FASD requests authorization to:

1. Defund one Accounting Technician I, LACERA from the Reconciliation Unit
2. Fund one Accountant, LACERA for the Reporting and Compliance Section to meet operational needs due to increased workload and responsibilities. The addition of a subordinate position to the Reporting and Compliance Section will strengthen the ability to manage and distribute the increased workload and accommodate new projects.

STAFFING



One new Accountant, LACERA position is requested for the Reporting and Compliance Section. The Reporting and Compliance Section is currently staffed with one Senior Accountant position. This Section has seen an increase in workload due to adding a new annual actuarial report, the Risk Assessment Report, and coordination of more frequent special projects involving plan sponsors and the actuarial consultants. In addition, LACERA is routinely subject to implementation of new financial statement reporting disclosures which require study, review, and close coordination with the external financial statement auditor. The additional Accountant positions will help alleviate the heavy workload and ensure the Senior Accountant has the ability to supervise, an expectation of that classification. This additional Accountant position is proposed to be off-set by eliminating a vacant Accounting Technician position.

The Division's organizational chart currently includes two budgeted Accounting Technician I positions. One of the positions is recently vacant. The Division's needs have changed over time, becoming more complex. We recommend the vacant position authority in the Reconciliation Unit be defunded and funding be added for an additional Accountant position in the Reporting and Compliance Section.

Recruitment

FASD currently has 30 position authorities with 12 vacancies and one staff on long-term leave. This high rate of vacancy is due to retirements, resignations, and internal transfers, coupled with delays in hiring due to a classification study impacting most of the positions. This classification study was necessary because job analysis had not been updated to reflect the needs of the Division in more than a decade. LACERA was reluctant to hire new permanent accounting staff without a clear understanding of the current needs. Bulletins, brochures, and exams must all reflect the minimum and desired qualifications. Filling positions based on outdated requirements would not meet the organization's needs.

Ten Temporary Staff — Accountants and One Administrative Assistant

Because of the vacancies, FASD relies heavily on temporary staff and is limited in its ability to provide higher levels of service.

With our current vacancy level at 12 positions, we anticipate the need for a total of 10 temporary staff positions, two more than approved in FY 2021-2022. These temporary staff would be assigned as follows:

- Five temporary accountants to the Investment Accounting Section, with three in the Public Markets Unit and two in the Direct Investments Unit. Given the challenges of hiring temporary staff right now, the unit supervisors will evaluate each unit's responsibilities and then assign duties to the temporary staff based on their experience and knowledge. Hiring temporary staff to fill these vacant positions will help the Investment Accounting Section reduce the risk of errors and implement Investment Office initiatives by distributing the workload among a larger team.
- Four temporary accountants to the General Accounting Section, with three allocated to the Disbursements Unit and one in the Reconciliation Unit. The duties and responsibilities within each unit will be reallocated, depending on the ability to acquire and retain temporary staff. The temporary accounting staff will complete the daily workload that has been absorbed by existing staff who have been postponing vacation time and working overtime.
- One temporary staff to handle administrative assistant duties and responsibilities. The administrative staff manage a significant workload volume, including daily tasks as well as project-based assignments. The staff member currently assigned to the Administrative Assistant position is performing a dual-role assignment as the interim Senior Administrative Assistant, a position which remains vacant.

Overtime

As in the past, overtime is requested to manage the peak workload related to the annual fiscal year-end financial statement preparation and audit, which is the basis for preparing the Annual Comprehensive Financial Report (ACFR) and Popular Annual Financial Report (PAFR). Overtime will also allow management flexibility should special projects arise or if a sufficient number of temporary staff are unavailable for hire.

SERVICES AND SUPPLIES

The Services and Supplies total budget request of \$249,300 represents a \$9,300, or 3.9 percent, increase when compared with the prior fiscal year. This increase is primarily due to a proposed increase in travel required to allow for professional staff development.

LOOKING FORWARD

FASD actively participates in strategic organizational initiatives. During FY 2022-2023, FASD staff will be working on several important projects with other LACERA divisions. For the Investment Accounting Section, staff are assisting the Investment Office with the custodian bank search and OPEB Trust private market investments search projects. For the custodian bank search, FASD is assigned as co-lead of the multidivisional evaluation team. The evaluation team is conducting the Request for Proposal (RFP), which includes issuing the RFP and evaluating responses, as well as presenting the results with a recommendation to the Board of Investments.

If the Board selects a new custodian bank, the transition process will be a significant undertaking. FASD and Investment Office staff will work closely and diligently together to transfer all LACERA's investment assets from State Street Bank to the new custodian bank. The changeover date to the new custodian is tentatively scheduled for July 1, 2023.

For the OPEB Trust private market investments search project, FASD's Investment Accounting Section will create new processes and general ledger accounts for the OPEB Trust private market assets, which will be similar to the pension plan structure (e.g. private equity, illiquid credit, private real estate, and private infrastructure).

In the General Accounting Section, staff plan on finalizing the implementation of an automated procure-to-pay and accounts payable (P2P AP) solution, after completing the implementation of the travel and expense modules within the same online software. P2P AP will digitize documents and use optimized character recognition to reduce manual data entry, strengthen internal controls by routing invoices online for approval, and reduce or eliminate check printing process by offering a variety of electronic payment types to LACERA vendors.

Staff are also significantly involved in implementing a new enterprise budget application system. LACERA expects this new application to provide enhanced data management

and reporting for managers and executives as well as reduce staff time in completing the current manual budget processes.

FASD's General Accounting Section is also working closely with a cross-functional team to implement a prepaid debit card program that can be used to issue member benefits. The goal of this new initiative is to reduce the costs and risks associated with generating paper checks, while providing better service to our members, particularly those who reside outside of the United States.

And finally, FASD's General Accounting Section will continue working with another LACERA cross-functional team to implement a new software tool for managing the organization's contracts and associated documentation and processes. Contract administration is an important administrative and compliance process where automation can help mitigate risks to the organization.

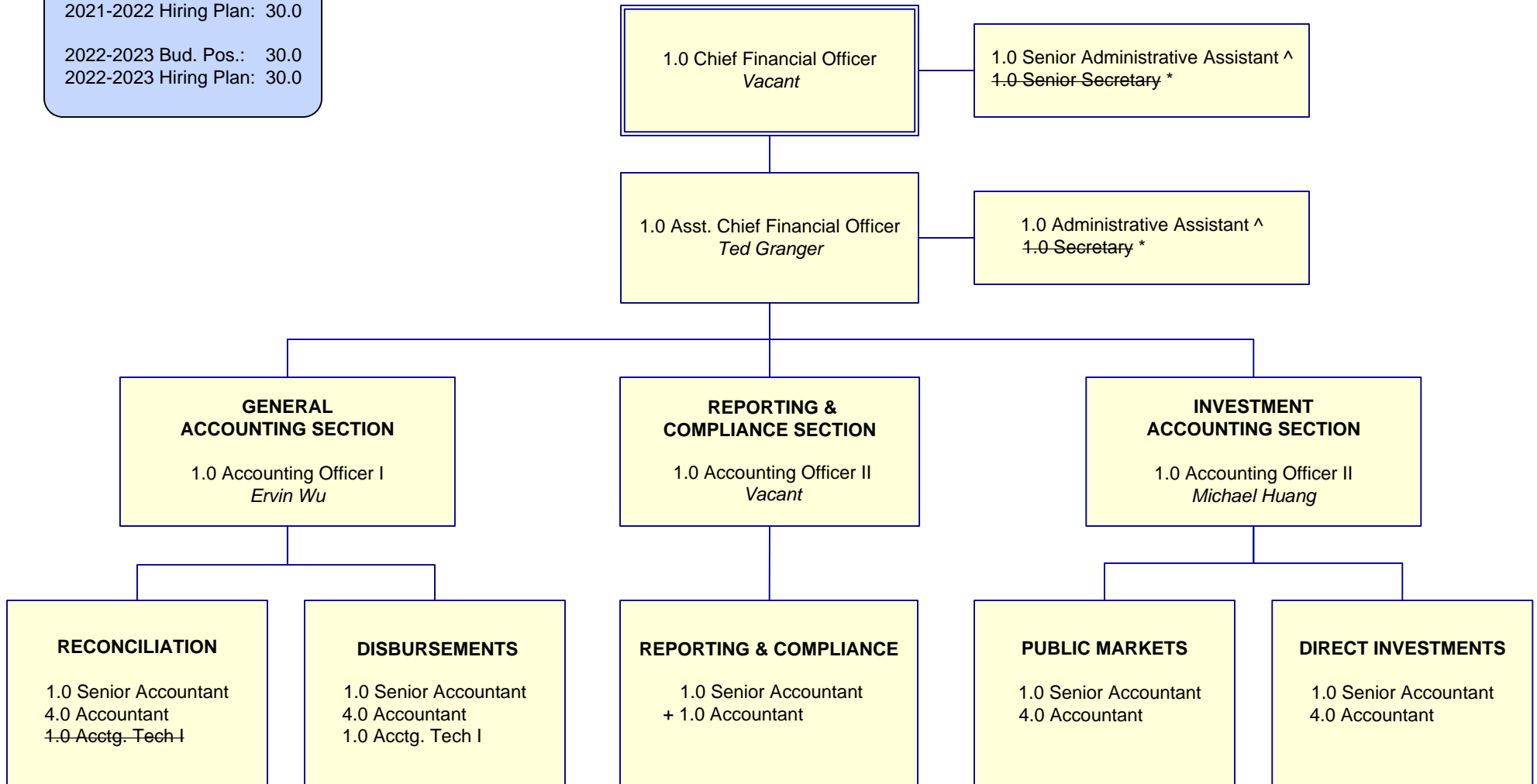
CONCLUSION

This budget request was developed to provide the Financial and Accounting Services Division with vital resources to readily contribute toward serving our members in the fulfillment of LACERA's mission and vision.

FINANCIAL AND ACCOUNTING SERVICES DIVISION

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 30.0
 2021-2022 Hiring Plan: 30.0
 2022-2023 Bud. Pos.: 30.0
 2022-2023 Hiring Plan: 30.0



+ Added position

- Deleted position

* Classification study in progress for all positions except management.

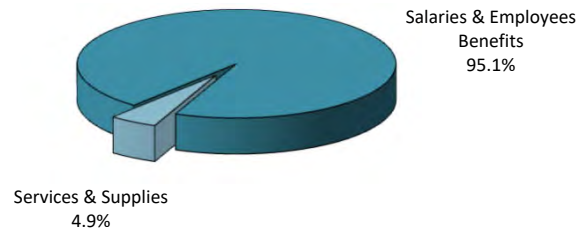
^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$4,870,714	\$4,100,488	\$1,810,071	\$3,796,100	(\$304,388)	-7.4%	\$770,226	18.8%
Services & Supplies	249,300	240,000	(2,758)	238,900	(1,100)	-0.5%	9,300	3.9%
OPERATING BUDGET	\$5,120,014	\$4,340,488	\$1,807,314	\$4,035,000	(\$305,488)	-7.0%	\$779,526	18.0%

2022 -2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$2,346,649	\$1,942,091	\$990,863	\$1,858,300	(\$83,791)	-4.3%	\$404,558	20.8%
Total Agency Temp Salaries	778,100	729,400	219,781	729,400	0	0.0%	48,700	6.7%
Employee Benefits (Variable)	1,434,138	1,168,551	477,012	959,600	(208,951)	-17.9%	265,587	22.7%
Employee Benefits (Other)	148,317	116,069	56,388	114,500	(1,569)	-1.4%	32,248	27.8%
OPEB Contribution	78,710	56,977	34,383	68,800	11,823	20.8%	21,733	38.1%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	65,300	67,900	27,649	56,500	(11,400)	-16.8%	(2,600)	-3.8%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	12,000	12,000	3,995	9,000	(3,000)	-25.0%	0	0.0%
Rideshare Allowance	7,500	7,500	0	0	(7,500)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$4,870,714	\$4,100,488	\$1,810,071	\$3,796,100	(\$304,388)	-7.4%	\$770,226	18.8%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$4,870,714	\$4,100,488	\$1,810,071	\$3,796,100	(\$304,388)	-7.4%	\$770,226	18.8%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

FINANCIAL & ACCOUNTING SERVICES

2022-2023 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00799A	ASSISTANT CHIEF FINANCIAL OFFICER	1	LS10	13,622	163,469
00418A	ACCOUNTING OFFICER II	1	105D	9,542	114,503
00417A	ACCOUNTING OFFICER I	1	101H	8,190	98,276
00146A	SENIOR ACCOUNTANT	4	97C	30,261	363,127
00415A	ACCOUNTANT	9	93A	61,263	735,156
00413A	ACCOUNTING TECHNICIAN I	1	84F	5,575	66,896
00438A	ADMINISTRATIVE ASSISTANT	1	84C	4,832	57,984
00438A	SECRETARY	1	83D	4,714	56,570
00438A	SECRETARY	(1)	83D	(4,714)	(56,570)
POSITIONS		18			1,599,410

VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00800A	CHIEF FINANCIAL OFFICER	1	LS12	10,557	126,681	126,681		
00418A	ACCOUNTING OFFICER II	1	105D	7,275	87,303			
00146A	SENIOR ACCOUNTANT	1	97C	5,842	70,105	70,105		
00415A	ACCOUNTANT	8	93A	5,216	62,592		375,552	
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,048	72,571			
00439A	SENIOR SECRETARY	1	89G	4,749	56,992			
00439A	SENIOR SECRETARY	(1)	89G	4,749	56,992			
00413A	ACCOUNTING TECHNICIAN I	1	84F	4,137	49,643			
00413A	ACCOUNTING TECHNICIAN I	(1)	84F	4,137	49,643			
						196,786	375,552	0
POSITIONS		12			572,338			

TOTAL POSITIONS 30

GROSS SALARIES

2,171,748

ANTICIPATED MOU SALARY INCREASE**

119,446

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE

8,954

BONUS

46,500

120-DAY RETIREE(S)

0

TOTAL SALARIES

2,346,649

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-22)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$21,800	\$14,000	\$0	\$13,400	(\$600)	-4.3%	\$7,800	55.7%
OFFICE SUPPLIES & EQUIPMENT	5,000	3,500	3,456	5,000	1,500	42.9%	1,500	42.9%
BANK SERVICES	200,500	200,500	(10,519)	200,500	0	0.0%	0	0.0%
EDUCATIONAL EXPENSES	19,000	19,000	3,040	17,500	(1,500)	-7.9%	0	0.0%
MISCELLANEOUS	3,000	3,000	1,265	2,500	(500)	-16.7%	0	0.0%
TOTAL	\$249,300	\$240,000	(\$2,758)	\$238,900	(\$1,100)	-0.5%	\$9,300	3.9%

*All amounts rounded to the nearest dollar.



Mission

Our mission is to effectively administer human resource programs; provide quality service to LACERA employees, supervisors, and managers; and reflect LACERA's values and vision in both the effort put forth and the work accomplished.

INTRODUCTION

Human Resources is responsible for providing human resources services to all LACERA staff members. Our work encompasses recruitment, selection, performance and workforce management, classification, compensation, employee and organizational development, employee payroll and benefits, employee relations, labor negotiations, workplace investigations, workers' compensation, career planning and development, and leave management.

STAFFING

Human Resources (HR) is requesting the addition of six permanent positions for FY 2022-2023, specifically, two Senior HR Analysts, and four HR Analysts. The purpose of these additions is to provide administrative support in HR and to provide increased service to LACERA's 15 divisions. Additionally, HR is requesting two agency temps (one Intermediate Typist Clerk and one HR Analyst) and one Intern.

One Senior HR Analyst will report to the Director, HR and have primary responsibility for policies, procedures, and technology implementation. A successful incumbent will have the ability to work independently and across divisions to execute plans and provide deliverables. One HR Analyst will be assigned to the Return to Work Unit for Leave Case Management to administer various wellness plans and to support the organization's COVID-19 plans.

The additional four position are requested to enable HR to change the way it supports LACERA's 15 divisions. A two-person team, consisting of one Senior HR Analyst and one HR Analyst, will support a group of divisions. These additional positions will be placed in the Talent Acquisition and Management Unit.

There are currently four Analysts (three Senior HR Analysts and one HR Analyst) who work in the Talent Acquisition and Management Unit. They are responsible for supporting the entire organization. Since approximately 1995, four Analysts were assigned to the Talent Acquisition and Management unit. Despite the growth of the organization from 250 to 400 staff members, with nearly 500 budgeted positions, the HR staff that supports the organization has not grown. The addition of four positions to the Talent Acquisition and Management Unit will allow each two-person team to perform all the HR functions for approximately 130 staff members in three to four divisions and serve as the divisions' primary contacts. This relationship will increase HR's capacity to respond timely to division requests, better anticipate division's needs, and work towards implementing initiatives at the division level. Most importantly, the additional staff members will provide HR the staff capacity to significantly decrease the vacancy rate.

SUCSESSES

Human Resources continues to improve its processes and procedures to increase efficiency and provide services to staff members. Examples of recent improvements include:

- Partnered with the Systems Division to automate processes using Smartsheets.
- Used the SparkHire platform to conduct online interviews.
- Conducted a completely virtual hiring process to hire 26 Retirement Benefits Specialist I staff members to participate in the Core Benefits Training Class.
- Conducted contact tracing and processed special leave requests related to COVID-19.
- Continued progress on the Employee Engagement Survey by scheduling focus groups to gather information for use by the action planning group.
- Negotiated a successor agreement with the Service Employees International Union (SEIU).
- Hired 38 staff members and secured 16 temporary staff to fill critical vacancies.
- Processed 150 protected leaves, including 62 supplemental paid sick leave requests related to COVID-19.

CHALLENGES

- HR continues to work towards reducing the vacancy rate. Using a different approach, HR is contracting with vendors to conduct civil service examinations.
- Implementation of recommendations resulting from completed classification studies.

- In response to the Administrative Equity Program, HR used a different approach to recruit Interns. Despite 150 applicants, the first round of recruiting did not yield successful candidates. Therefore, HR is conducting a second round of recruiting.
- Despite opening a transfer opportunity and making an employment offer, HR was not able to fill a vacant Human Resources Analyst position in the first six months of the fiscal year.

HUMAN RESOURCES' FUTURE PLANS

We are pleased to present an outline of goals and initiatives that will be our focus for FY 2022-2023:

- Work with the Executive Office to prioritize examinations and reduce the number of vacancies. Setting a maximum organizational vacancy rate will be discussed during strategic planning.
- Continue to partner with the Systems Division to automate frequent processes and to reduce paper-driven processes.
- Develop an Employee Engagement Program to address the actionable items discovered from the Employee Engagement Survey.
- Update methodologies and procedures used for job analysis and classification maintenance.
- Conduct the executive searches for the Investments, Systems, and Financial and Accounting Services Divisions.
- Support the development and execution of LACERA's strategic plan.

Budget Variances:

In comparing our FY 2022-2023 budget to the previous fiscal year, notable variances are found in the following areas:

- Agency Temp: Additional expenses anticipated for agency staff to perform scanning duties as part of HR's file digitization project.
- Overtime Request: Additional expenses in anticipation of new staff members.
- Organizational Program: A contract with Fulgent Genetics was added to the HR budget to provide COVID-19 testing for staff members.

SERVICES AND SUPPLIES

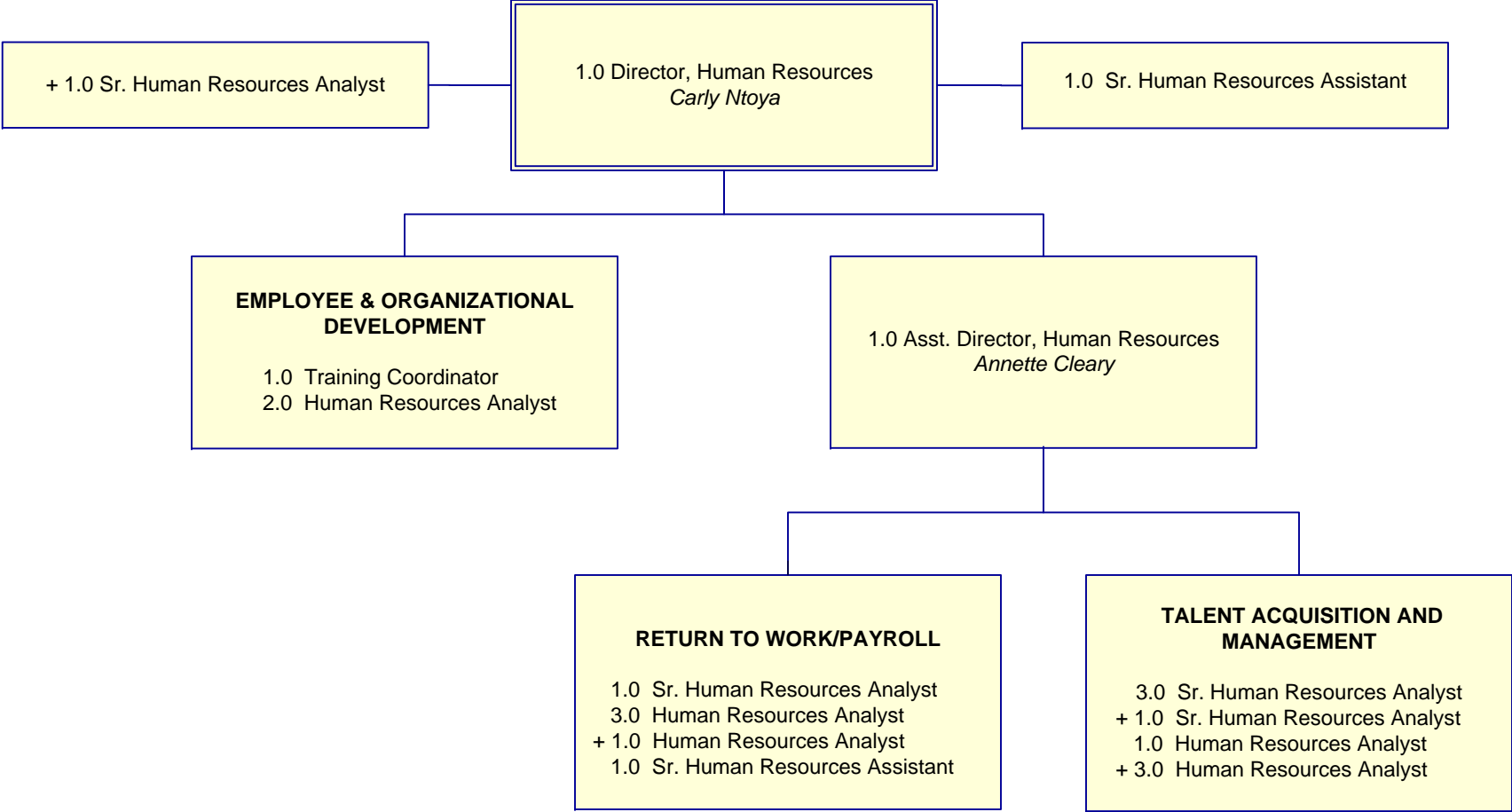
Departmental Training

Human Resources expects to continue LACERA's commitment as a learning organization and requests to retain the existing budget of \$250,000. Training has been impacted by COVID-19, primarily due to gathering restrictions. For example, organization-wide active shooter training is included on the training list; however, the unpredictability of gathering restrictions makes it difficult to schedule training.

HUMAN RESOURCES

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 15.0
 2021-2022 Hiring Plan: 15.0
 2022-2023 Bud. Pos.: 21.0
 2022-2023 Hiring Plan: 21.0



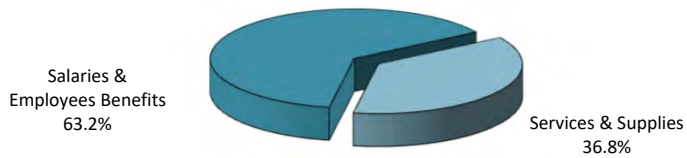
+ Added Position
 * Classification study for all positions requested.

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

HUMAN RESOURCES

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$3,813,337	\$2,926,303	\$1,240,302	\$2,549,600	(\$376,703)	-12.9%	\$887,034	30.3%
Services & Supplies	2,216,200	1,769,300	411,278	1,483,200	(286,100)	-16.2%	446,900	25.3%
OPERATING BUDGET	\$6,029,537	\$4,695,603	\$1,651,580	\$4,032,800	(\$662,803)	-14.1%	\$1,333,934	28.4%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

HUMAN RESOURCES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$1,948,338	\$1,513,977	\$705,049	\$1,428,300	(\$85,677)	-5.7%	\$434,361	28.7%
Total Agency Temp Salaries	95,300	47,700	3,472	47,700	0	0.0%	47,600	99.8%
LACERA Intern Program	288,000	312,000	8,488	80,500	(231,500)	-74.2%	(24,000)	-7.7%
Employee Benefits (Variable)	1,287,706	913,126	449,402	843,200	(69,926)	-7.7%	374,580	41.0%
Employee Benefits (Other)	123,142	90,483	43,607	89,200	(1,283)	-1.4%	32,659	36.1%
OPEB Contribution	65,350	44,417	29,559	59,200	14,783	33.3%	20,933	47.1%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	3,800	2,900	726	1,500	(1,400)	-48.3%	900	31.0%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	1,700	1,700	0	0	(1,700)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$3,813,337	\$2,926,303	\$1,240,302	\$2,549,600	(\$376,703)	-12.9%	\$887,034	30.3%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$3,813,337	\$2,926,303	\$1,240,302	\$2,549,600	(\$376,703)	-12.9%	\$887,034	30.3%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

HUMAN RESOURCES

2022-2023 BUDGET

<u>FILLED POSITIONS</u>		<u># POS.</u>	<u>SCHEDULE</u>	<u>ACTUAL MO. RATE</u>	<u>ANNUAL AMOUNT</u>			
00425A	DIRECTOR, HUMAN RESOURCES	1	LS12	13,774	165,290			
00437A	ASSISTANT DIRECTOR, HUMAN RESOURCES	1	LS10	12,835	154,018			
00436A	SENIOR HUMAN RESOURCES ANALYST	4	102K	35,709	428,513			
01886A	TRAINING COORDINATOR	1	102J	8,906	106,867			
00434A	HUMAN RESOURCES ANALYST	4	98K	31,617	379,399			
00435A	SENIOR HUMAN RESOURCES ASSISTANT	1	92A	6,657	79,884			
	POSITIONS	12			1,313,970			
<u>VACANT POSITIONS</u>		<u># POS.</u>	<u>SCHEDULE</u>	<u>1ST STEP MO. RATE</u>	<u>ANNUAL AMOUNT</u>	<u>FILLED AT 12 MONTHS</u>	<u>FILLED AT 9 MONTHS</u>	<u>FILLED AT 6 MONTHS</u>
00436A	SENIOR HUMAN RESOURCES ANALYST	2	102K	6,807	81,681		122,521	
00434A	HUMAN RESOURCES ANALYST	6	98K	6,107	73,286		329,788	
00435A	SENIOR HUMAN RESOURCES ASSISTANT	1	92A	5,076	60,912			30,456
	POSITIONS	9			482,765	0	452,309	30,456
	TOTAL POSITIONS	21						
	GROSS SALARIES				1,796,735			
	ANTICIPATED MOU SALARY INCREASE**				98,820			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				9,579			
	BONUS				43,203			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				1,948,338			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

HUMAN RESOURCES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$9,400	\$9,000	\$0	\$100	(\$8,900)	-98.9%	\$400	4.4%
OFFICE SUPPLIES & EQUIPMENT	7,000	8,000	546	4,000	(4,000)	-50.0%	(1,000)	-12.5%
PARKING FEES	437,000	377,000	217,600	418,000	41,000	10.9%	60,000	15.9%
PROFESSIONAL & SPEC. SRVCS.	675,800	575,800	146,838	574,700	(1,100)	-0.2%	100,000	17.4%
COMPUTER SERVICES & SUPPORT	55,000	55,000	3,290	31,200	(23,800)	-43.3%	0	0.0%
EDUCATIONAL EXPENSES	509,000	512,000	18,945	351,500	(160,500)	-31.3%	(3,000)	-0.6%
MISCELLANEOUS	523,000	232,500	24,059	103,700	(128,800)	-55.4%	290,500	124.9%
TOTAL	\$2,216,200	\$1,769,300	\$411,278	\$1,483,200	(\$286,100)	-16.2%	\$446,900	25.3%

*All amounts rounded to the nearest dollar.



Mission

To support LACERA's mission through independent, objective assurance and consulting services.

INTRODUCTION

The purpose of Internal Audit is to provide independent, objective assurance services and consulting services designed to add value and improve LACERA's operations. The mission of Internal Audit is to enhance and protect LACERA's organizational values by providing risk-based and objective assurance, advice, and insight. Internal Audit brings a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management, and control processes to help LACERA accomplish its mission.

Internal Audit assists the organization in meeting its control objectives through evaluating:

- Risk exposure relating to achievement of LACERA's strategic objectives
- The reliability and integrity of information and the means used to identify, measure, classify, and report such information
- The systems established to ensure compliance with those policies, procedures, laws, and regulations, which could have a significant impact on LACERA
- The means of safeguarding assets and, as appropriate, verifying the existence of such assets
- The effectiveness and efficiency with which resources are employed
- Operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operation or programs are being carried out as planned
- Monitoring governance processes

NOTABLE ACHIEVEMENTS AND CONTRIBUTIONS

All staff within Internal Audit are certified public accountants, certified internal auditors, or certified information systems auditors. Some have more than one certification and other relevant certifications, such as certified fraud examiner and certified information security designations. During the current fiscal year, we established a pool of external audit firms and began using them to supplement the work we perform internally. Included in the performance of our annual audit plan, Internal Audit developed, oversaw, or contributed significantly, in a consulting capacity, to the following notable achievements and ongoing efforts within LACERA.

- Initiated SOC-1 over OPEB census data
- Oversaw ongoing actuarial audit activities
- Oversaw real estate advisor compliance and operational audits
- Oversaw Audit Committee Charter revisions and hiring of new Audit Committee consultant
- Established a fully functional remote audit team
- Enhanced and formalized the recommendation follow-up process
- Performed a quality assurance improvement program (QAIP) over Internal Audit operations
- Upgraded Internal Audit's automated audit management system

STAFFING

We have 11 budgeted positions in Internal Audit of which 10 are currently filled. One of those positions, a Senior Internal Auditor, has been on loan to the Systems Division. While we are not requesting an increase in the number of budgeted positions within Internal Audit, we do look forward to ensuring that we are able to fully staff the office in FY 2022-2023.

It is important that we get to our full budget capacity and operate Internal Audit effectively and efficiently. This is becoming all the more important as the organization is continuing to develop and mature, undergoing a formal strategic planning process and a number of other initiatives. One of these, for example, is the implementation of the Case Management System (CMS) that will affect most of LACERA's divisions, and which Internal Audit will be supporting through assurance, as well as consulting and advisory services.

We will be seeking, whenever possible, to hire staff with specialized expertise needed by Internal Audit, which currently is in the areas of information technology (IT) and investment-related auditing. Also, a study was previously requested for the Principal Internal Auditor positions.

We look forward to participating in LACERA's internship program and are planning to employ an intern to work on a special project during the fiscal year. The budget for our intern will be included in Human Resources' budget.

We are continuing to evaluate, improve, and ensure that we provide comprehensive training for personnel at all levels to develop themselves as auditors, obtain credentials, and provide for succession planning to the management (Principal) and Division Management level (Chief Audit Executive).

SERVICES AND SUPPLIES

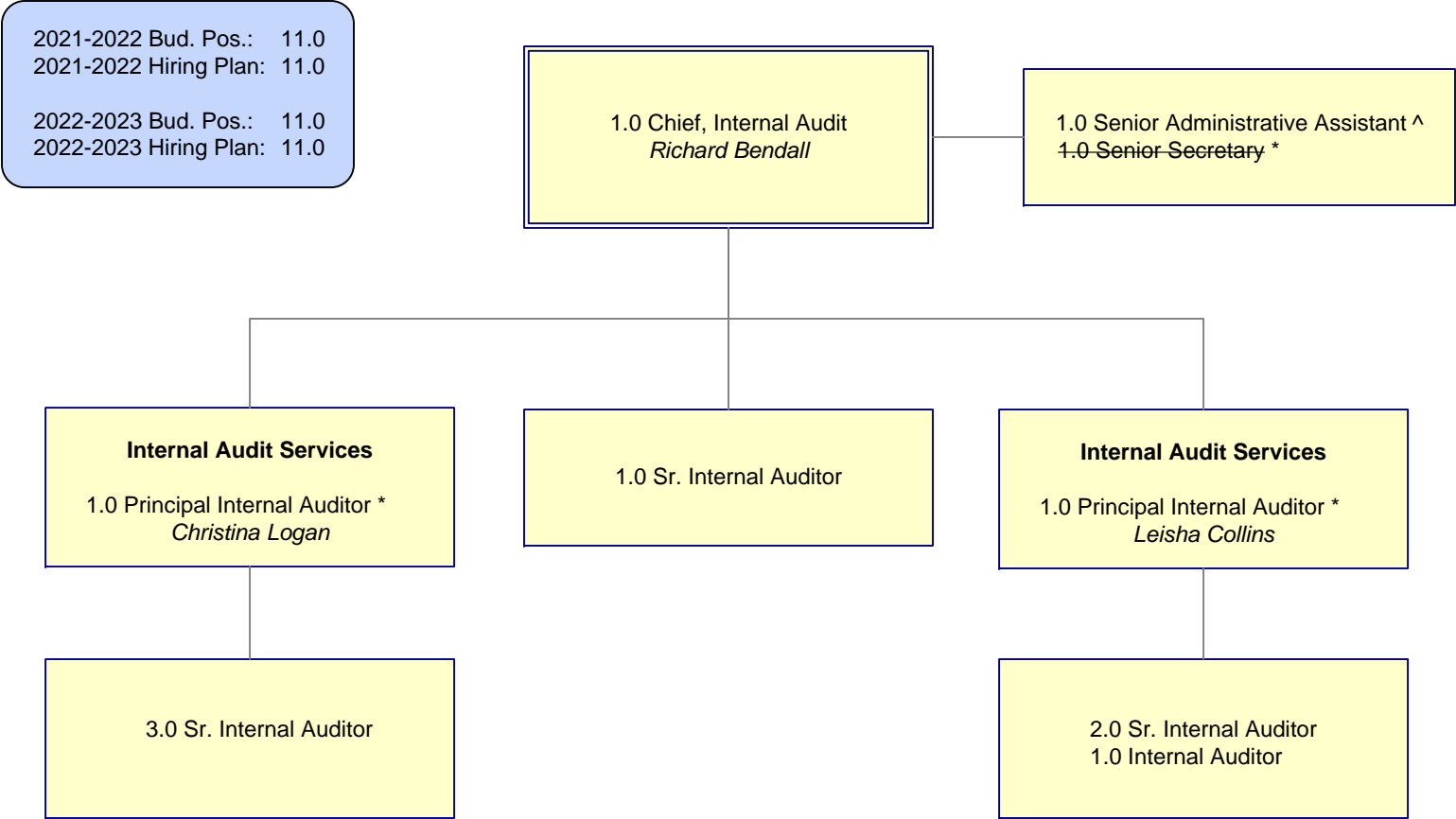
Each fiscal year, Internal Audit prepares a risk-based Audit Plan, approved by the Audit Committee. The Audit Plan defines the allocation of audit resources and communicates Internal Audit planned activities and resource requirements. This provides the basis for the Chief Audit Executive (CAE) and the Audit Committee to ensure that Internal Audit resources are appropriate, sufficient, and effectively deployed.

Internal Audit continues to leverage the use of external resources to better meet the needs of the organization and address the Audit Plan. The cost associated with these resources is a significant portion of the budget, \$650,000. Of this, approximately \$150,000 is for the external financial audit. \$500,000 is to be used at the discretion of the Audit Committee and/or staff to perform external IT audits, real estate advisor audits, and other external audits as needed to address the Audit Plan.

Our total S&S budget has remained relatively unchanged, increasing only by \$4,000, from \$720,500 for FY 2021-2022 to \$724,500 for FY 2022-2023.

INTERNAL AUDIT

FISCAL YEAR 2022-2023



2021-2022 Bud. Pos.: 11.0
 2021-2022 Hiring Plan: 11.0
 2022-2023 Bud. Pos.: 11.0
 2022-2023 Hiring Plan: 11.0

* Classification study for the position requested.

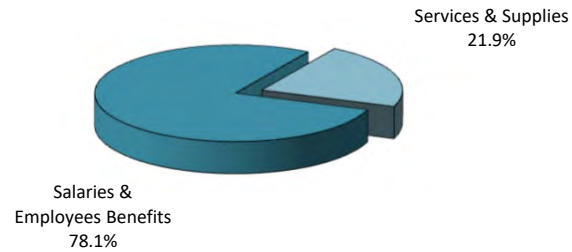
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

INTERNAL AUDIT

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$2,582,622	\$2,433,813	\$1,190,294	\$2,322,300	(\$111,513)	-4.6%	\$148,809	6.1%
Services & Supplies	724,500	720,500	178,785	706,400	(\$14,100)	-2.0%	4,000	0.6%
OPERATING BUDGET	\$3,307,122	\$3,154,313	\$1,369,079	\$3,028,700	(\$125,613)	-4.0%	\$152,809	4.8%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

INTERNAL AUDIT

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$1,486,653	\$1,454,721	\$723,273	\$1,399,400	(\$55,321)	-3.8%	\$31,932	2.2%
Total Agency Temp Salaries	0	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	945,642	843,072	397,664	782,100	(60,972)	-7.2%	102,570	12.2%
Employee Benefits (Other)	93,962	86,941	41,900	85,700	(1,241)	-1.4%	7,021	8.1%
OPEB Contribution	49,864	42,678	26,685	53,400	10,722	25.1%	7,186	16.8%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	5,000	4,900	771	1,700	(3,200)	-65.3%	100	2.0%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	1,500	1,500	0	0	(1,500)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$2,582,622	\$2,433,813	\$1,190,294	\$2,322,300	(\$111,513)	-4.6%	\$148,809	6.1%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$2,582,622	\$2,433,813	\$1,190,294	\$2,322,300	(\$111,513)	-4.6%	\$148,809	6.1%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

INTERNAL AUDIT

2022-2023 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00774A	CHIEF, INTERNAL AUDIT	1	LS12	15,979	191,742			
00762A	PRINCIPAL INTERNAL AUDITOR	2	115B	23,625	283,499			
00763A	SENIOR INTERNAL AUDITOR	6	108K	61,116	733,392			
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	5,728	68,737			
00439A	SENIOR SECRETARY	1	89G	5,588	67,060			
00439A	SENIOR SECRETARY	(1)	89G	(5,588)	(67,060)			
POSITIONS		10			1,277,370			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00764A	INTERNAL AUDITOR	1	102G	6,757	81,082			40,541
POSITIONS		1			40,541	0	0	40,541
TOTAL POSITIONS		11						
GROSS SALARIES					1,317,910			
ANTICIPATED MOU SALARY INCREASE**					72,485			
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE					23,035			
BONUS					73,223			
120-DAY RETIREE(S)					0			
TOTAL SALARIES					1,486,653			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

INTERNAL AUDIT

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$17,000	\$17,000	\$0	\$4,700	(\$12,300)	-72.4%	\$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	1,500	1,500	295	1,000	(500)	-33.3%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	675,000	671,000	159,016	671,000	0	0.0%	4,000	0.6%
EDUCATIONAL EXPENSES	30,500	30,500	19,475	29,500	(1,000)	-3.3%	0	0.0%
MISCELLANEOUS	500	500	0	200	(300)	-60.0%	0	0.0%
TOTAL	\$724,500	\$720,500	\$178,785	\$706,400	(\$14,100)	-2.0%	\$4,000	0.6%

*All amounts rounded to the nearest dollar.



Mission

Prudently invest the trust assets to achieve the highest risk-adjusted return in accordance with the policies and decisions of the Board of Investments.

INTRODUCTION

The Investment Office's staff responsibilities include developing and recommending prudent investment policies and risk management strategies to assist LACERA toward achieving the return objectives established by the Board of Investments. The Investment Office's staff is also responsible for implementing and monitoring Board-approved programs and policies.

BACKGROUND

On an ongoing basis, the Investment Office implements LACERA's strategic asset allocation and the Investment Office's strategic initiatives identified in its annual work plan. As part of this effort, the Investment Office's staff works to optimize asset category returns through structure reviews, monitor existing investments, and perform diligence on prospective mandates. The team takes a total portfolio approach that incorporates environmental, social, and governance (ESG) considerations and diversity, equity, and inclusion (DEI) factors in its analysis. The Investment Office balances risks such as leverage and illiquidity with its goal of optimizing risk-adjusted returns.

A challenge that the Investment Office faces is achieving the target rate of return in an environment of more muted expectations from all asset classes. To confront this, the Investment Office continues to increase its focus on risk management, proper portfolio diversification, and LACERA-friendly fee models.

In the recent period, the Investment Office has developed and begun implementing a new strategic asset allocation, successfully implemented a co-investment program in private equity and is building out this capability in other asset categories, enhanced the accounting internal controls in the real estate portfolio, and established a leading DEI framework around our TIDE (toward inclusion, diversity, and equity) initiative.

LACERA's most important resource is its people. Toward this end, the Investment Office has continued to focus on cross-asset category collaboration to enhance the team's overall investment knowledge and perspectives. The greater depth of investment talent best positions the fund to meet its goals in a challenging macroeconomic environment.

Over the coming years, the Investment Office will continue to enhance its operational capabilities, optimize LACERA's investment model, strengthen its influence on fees, and improve outcomes for the LACERA portfolio through its ESG and DEI efforts. For additional information, please see the 2022 Investments Division Work Plan, which is located in the Strategic Plans. This plan continues the strategic journey of morphing from an Allocator to Best-in-Class Investor.

STAFFING

For the Fiscal Year 2022-2023, the Investment Office will focus on filling 11 current vacancies. After the vacancy rate is reduced, an effort will be made to align the organizational structure to better meet the objectives of the portfolio. Also, the Investment Office is requesting that the Senior Management Secretary be changed to an Executive Administrative Assistant to administratively support the Chief Investment Officer and the Deputy Chief Investment Officer, as well as having this position serve as the Investment Office Manager.

SERVICES AND SUPPLIES

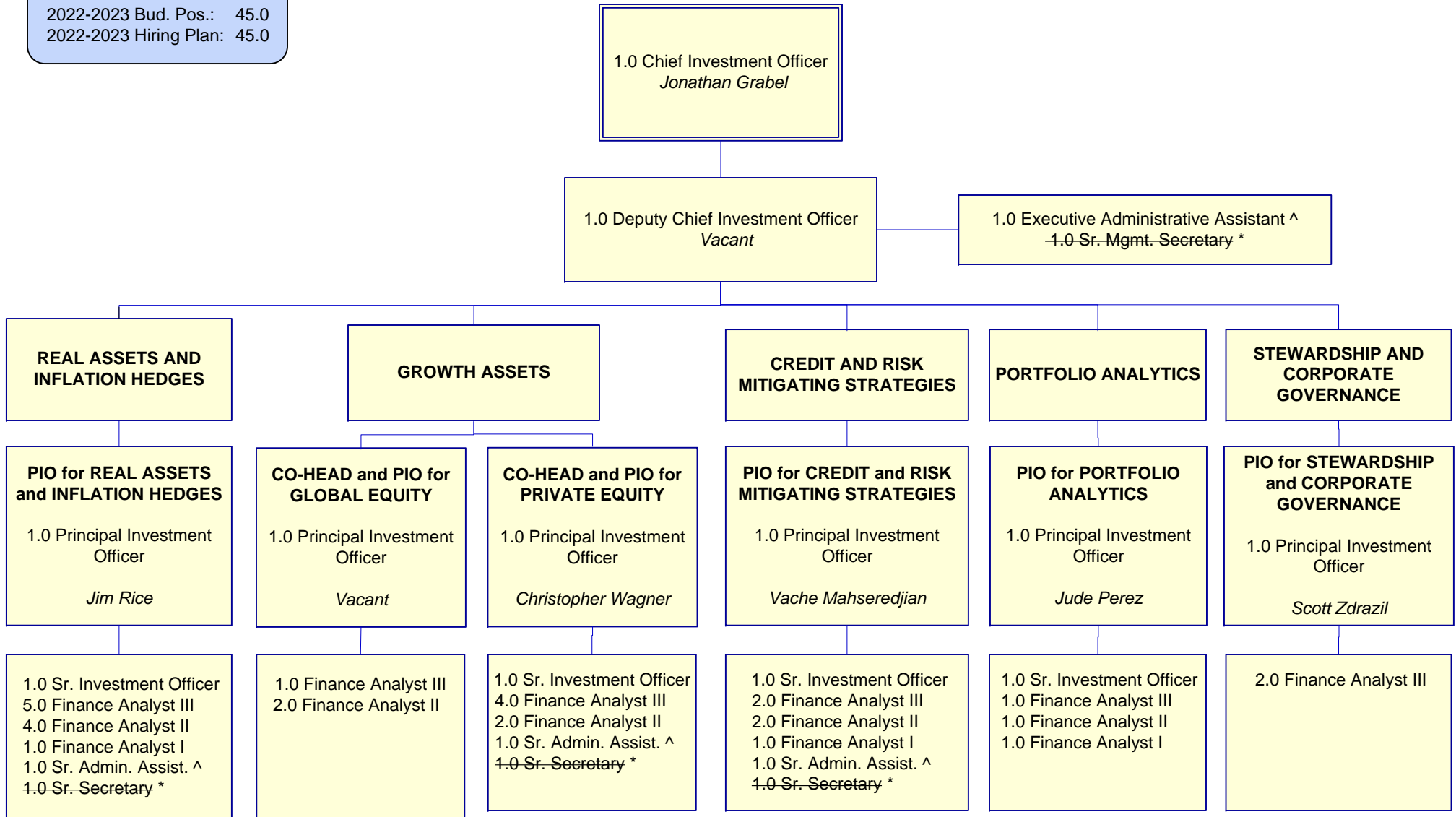
There is a one percent increase in the proposed FY 2022-2023 Supplies and Services budget compared to the approved FY 2021-2022 budget. We expect that the overall Services and Supplies expenses to remain in line with the prior fiscal year's budget.

INVESTMENT OFFICE

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 45.0
2021-2022 Hiring Plan: 45.0

2022-2023 Bud. Pos.: 45.0
2022-2023 Hiring Plan: 45.0



* Classification study for the position requested.

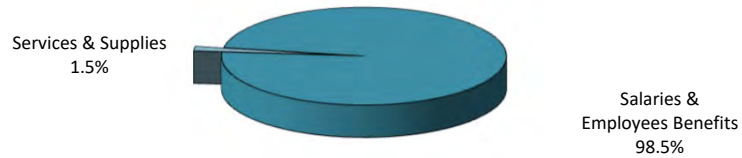
^ Position upgrade from Senior Management Secretary to Executive Administrative Assistant and Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

INVESTMENT OFFICE

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$17,968,354	\$16,189,519	\$7,250,423	\$14,660,900	(\$1,528,619)	-9.44%	\$1,778,835	11.0%
Services & Supplies	270,800	268,500	89,230	150,000	(118,500)	-44.1%	2,300	0.9%
OPERATING BUDGET	\$18,239,154	\$16,458,019	\$7,339,653	\$14,810,900	(\$1,647,119)	-10.0%	\$1,781,135	10.8%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

INVESTMENT OFFICE

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$10,325,037	\$10,263,564	\$4,712,922	\$9,425,000	(\$838,564)	-8.2%	\$61,473	0.6%
Total Agency Temp Salaries	0	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	6,631,219	4,998,241	2,148,386	4,444,000	(554,241)	-11.1%	1,632,978	32.7%
Employee Benefits (Other)	652,582	613,402	295,622	604,700	(8,702)	-1.4%	39,180	6.4%
OPEB Contribution	346,317	301,112	89,593	180,000	(121,112)	-40.2%	45,205	15.0%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	1,000	1,000	0	0	(1,000)	-100.0%	(0)	0.0%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	5,000	5,000	0	0	(5,000)	-100.0%	0	0.0%
Transportation Allowance	7,200	7,200	3,900	7,200	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$17,968,354	\$16,189,519	\$7,250,423	\$14,660,900	(\$1,528,619)	-9.4%	\$1,778,835	11.0%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$17,968,354	\$16,189,519	\$7,250,423	\$14,660,900	(\$1,528,619)	-9.44%	\$1,778,835	11.0%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

INVESTMENT OFFICE

2022-2023 BUDGET

FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00493A CHIEF INVESTMENT OFFICER (UC)	1	LR28	56,266	675,187
00495A PRINCIPAL INVESTMENT OFFICER	1	LR23	38,813	465,760
00496A PRINCIPAL INVESTMENT OFFICER (UC)	3	LR23	95,983	1,151,796
00492A SENIOR INVESTMENT OFFICER	3	LR20	70,739	848,866
00769A FINANCE ANALYST III	11	LR16	209,178	2,510,138
00768A FINANCE ANALYST II	9	LR12	113,508	1,362,098
00767A FINANCE ANALYST I	3	105E	28,441	341,293
00439A SENIOR ADMINISTRATIVE ASSISTANT	3	90F	19,155	229,857
00439A SENIOR SECRETARY	3	89G	18,688	224,250
00439A SENIOR SECRETARY	(3)	89G	(18,688)	(224,250)

POSITIONS 34 7,584,995

VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00494A DEPUTY CHIEF INVESTMENT OFFICER (UC)	1	LR24	25,144	301,726	301,726		
00495A PRINCIPAL INVESTMENT OFFICER	1	LR23	23,390	280,676	280,676		
00496A PRINCIPAL INVESTMENT OFFICER (UC)	1	LR23	23,390	280,676	280,676		
00492A SENIOR INVESTMENT OFFICER	1	LR20	18,828	225,933	225,933		
00769A FINANCE ANALYST III	4	LR16	14,098	169,179		507,536	
00768A FINANCE ANALYST II	2	LR12	10,557	126,681		190,022	
00442A EXECUTIVE ADMINISTRATIVE ASSISTANT	1	101G	6,576	78,913			39,457
00441A SENIOR MANAGEMENT SECRETARY	1	97G	5,900	70,803			
00441A SENIOR MANAGEMENT SECRETARY	(1)	97G	5,900	70,803			

1,089,011 697,558 39,457

POSITIONS 11 1,826,025

TOTAL POSITIONS 45

GROSS SALARIES 9,411,020

ANTICIPATED MOU SALARY INCREASE** 517,606

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE 210,415

BONUS 185,996

120-DAY RETIREE(S) 0

TOTAL SALARIES 10,325,037

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

INVESTMENT OFFICE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-22)	PROJECTION	BUDGET	% CHANGE		
AUTO EXPENSE	\$2,400	\$0	\$0	\$0	\$2,400	0.0%	\$2,400	0.0%
TRANSPORTATION & TRAVEL	\$123,900	\$141,000	\$46	\$35,000	(\$106,000)	-75.2%	(\$17,100)	-12.1%
OFFICE SUPPLIES & EQUIPMENT	3,500	4,500	30	1,000	(3,500)	-77.8%	(1,000)	-22.2%
EDUCATIONAL EXPENSES	140,000	116,000	88,872	113,000	(3,000)	-2.6%	24,000	20.7%
MISCELLANEOUS	1,000	7,000	282	1,000	(6,000)	-85.7%	(6,000)	-85.7%
TOTAL	\$270,800	\$268,500	\$89,230	\$150,000	(\$118,500)	-44.1%	\$2,300	0.9%

*All amounts rounded to the nearest dollar.



Mission

To provide timely and effective legal representation, advice, and counsel at the highest professional level to LACERA, the Board of Retirement and Board of Investments, and executive management and staff.

INTRODUCTION

The Legal Services Office provides comprehensive legal services to LACERA and its Boards and staff. These services currently are provided through the Chief Counsel, four sections within the Office (Benefits, Disability, Investments and Commercial Contracts, and Litigation and Employment), and the Legislative Affairs Officer. As noted below, we hope to soon add the Principal Staff Counsel and Director of Compliance, which also appear on the attached organizational chart.

While the Office is performing well now across its areas of specialization, our staffing must evolve over time to meet the changing needs of the organization. Our staffing challenges fall in the areas of 1) Benefits, to ensure adequate expert legal resources into the future, 2) Investments, to ensure that we keep up with the sophistication of investment operations and build our in-house resources so that we further reduce the use of outside counsel, 3) Compliance, to bolster the operational lines of compliance within the organization by providing a compliance leader to work with subject matter experts in LACERA's other divisions, and 4) Succession Planning.

The Office's FY 2022-2023 organizational chart continues to include the Principal Counsel positions not yet approved by the Board of Supervisors. These positions were approved by LACERA's Boards in 2017 and again in 2021.

Even as the Office's staffing grows in capability and as demand for legal services within the organization continues to expand, we will strive in FY 2022-2023 to be more efficient. Therefore, we have increased the Services and Supplies budget only to reflect the proposed greater headcount.

STAFFING

A. Positions

The Office's FY 2022-2023 budget addresses four categories of positions that are needed to ensure that the Office continues to provide excellent legal services to the Boards, staff in all divisions, and members, and to meet organizational changes in other parts of LACERA, such as the Executive Office, Investments, and the new organizational chart proposed by the Chief Executive Office. The current structure is over 15 years old. LACERA has greatly evolved during that time, as has the legal landscape and the sophistication of the services that the Office's clients in the organization require. The requested positions will help establish the foundation on which the Office can build to meet the challenges of the future.

1. **Principal Counsel:** Two positions were approved by the Boards in 2017. They have not yet been approved by the Board of Supervisors. These positions will enable better management of the Office by freeing Chief Counsel to focus on strategic planning with the Executive Office and the managers of LACERA's other divisions – enhancing the development of higher-level expertise and management experience within the Legal Office and improving succession planning. The Principal Staff Counsel will, between them, provide substantive oversight of the sections in the Office. Currently, the Chief Counsel must personally and directly oversee work in all sections, which detracts from the time available for strategic planning, the most important legal issues across the sections, and the increasingly complex governance issues raised by the Boards. With the increase in the amount and complexity of legal issues in the organization since 2017, the need for these positions is greater now than it was then.
2. **Senior Staff Counsel:** The Office proposes that the budget add one additional Senior Staff Counsel for the Investments Section to support investment and commercial transactions work. Currently, this section of the Office has nine staff members, including two Senior Staff Counsel (one vacant) and three Staff Counsel (all vacant), supporting billions of dollars of investment transactions and millions of dollars in commercial contracts annually. Recruitments are in progress for the vacant attorney positions. The investment component of the Office's work has and will continue to experience increasing volume as the management of the portfolio has increased in complexity, particularly with direct investments, and as the size of the Investments Office has grown. Even with the current recruitments, the Office requires another Senior Staff Counsel to supervise and perform investment and commercial work. The addition of another Senior Staff Counsel will also allow the office to allocate asset class specialization responsibility among three Senior Staff Counsel, which will enable the Legal Division to develop additional client focus and expertise in serving the needs of the Investment Office. The additional Senior Staff Counsel will focus on one or more asset class, while also providing support for the increasing volume and complexity of all investment work.

As a result of adding the new Senior Staff Counsel, it will be necessary to increase number of ordinance positions for this classification. The current number of

authorized positions is 10, which will be exhausted by the new position. To accommodate future needs, the number should be increased to 11.

The hiring of new lawyers is important not just to perform necessary legal work for the present, but to build the foundation for future leadership and succession planning in the Legal Division for senior positions, including Chief Counsel, Principal Staff Counsel, and Senior Staff Counsel. We have also learned that excellent lawyers hired by the Legal Division sometimes transfer to other LACERA divisions, where they pursue their ambitions and become part of the future in other areas of the fund.

3. **Director of Compliance:** This position has been previously discussed with the Boards. However, it has not been proposed to be filled in the past three budgets to assist in austerity measures. The time has come to fill this position, which will require action by the Board of Supervisors to add the position to the compensation ordinance. A compliance director will further the organization's operational and investment compliance by providing dedicated expertise and full-time commitment to the compliance function, which is currently spread throughout the Legal Office and even other parts of the organization. Adding a dedicated position will also strengthen LACERA's management and Internal Audit compliance efforts. A Director of Compliance will enable LACERA to implement a compliance structure in line with the Institute of Internal Auditors' "three lines" model of compliance, with the first line being the delivery of services and support for services, the second line being management of risk, and the third line being the independent role of Internal Audit. A Director of Compliance fits within the second line, which currently does not have dedicated staff at LACERA, although a variety of staff give some attention to the issue.

B. Classification Studies

1. Secretarial Classification Study

As a result of the secretarial classification study, the Legal Division secretaries will be converted from Senior Management Secretaries and Management Secretaries to Senior Legal Secretaries and Legal Secretaries, respectively. This is a positive development that reflects the special expertise required to provide secretarial support for LACERA's legal needs.

2. Senior Legal Analyst

The Legal Division requests a new classification for Senior Legal Analysts, in addition to the existing Legal Analyst classification, to recognize the Legal Division's increasing reliance on experienced legal analysts to perform high level legal work that is extremely important and sophisticated but does not require the services of an attorney. The Division currently relies upon Legal Analysts for work in the Benefits, Disability, and Investment sections of the Office. Senior Legal Analysts will perform advanced work in areas of benefit and legal order analysis, investment contract and investment

regulatory requirements, and Form 700 and other ethics compliance functions. Senior Legal Analysts will free attorneys from performing these functions and leverage the legal staff of the office in an efficient and economical way.

C. Temporary Services and Overtime

The Agency-Temporary budget for FY 2022-2023 will provide for temporary staff to cover Legal Office needs, such as potential attorney and clerical assistance for special projects and coverage for administrative staff absences or medical leave. The Office also needs overtime occasionally throughout the year to support secretarial and Legal Analyst staff in the Investment Section of the Legal Office in keeping up with the very high volume and time-sensitive demands of the organization's investment work; in the Benefits Section of the Office to cover March Madness and other member service needs; and to complete compliance projects and other special assignments. However, the Office will continue to be efficient in the use of temporary staff and overtime and authorizes requests in these areas only when there is demonstrated need to complete work necessary to fulfill LACERA's mission.

In addition to usual temporary and overtime hiring, the Legal Division has brought back a retired former LACERA investment attorney as a 120-day returning retiree to assist in training and performance of investment work while the Division absorbs several new investment Staff Counsel and a new investment Senior Staff Counsel. This attorney's work will be of limited duration and is expected to be completed in FY 2022-2023.

D. Intern

The Legal Division intends to hire an intern in FY 2022-2023 to help recruit talent for the future and to provide opportunity to a law school student who may be interested in a career in government and public pension law. The Division intends to expose the intern to the work of all sections of the Office in order to provide broad experience of LACERA's legal needs and promote understanding of all major dimensions of LACERA's business. The Division will also support additional work in specialized areas if the intern expresses a focused interest. The Legal Division focuses on diversity as an important factor in all our recruiting, which will be a consideration as well in selecting an excellent intern.

SERVICES AND SUPPLIES

The budget for Services and Supplies is primarily based on historical expenditures, adjusted for experience, and increased headcount. LACERA will continue to be efficient across the board in FY 2022-2023, primarily through a focus on efficiency; continued reduction in the physical, hard copy library in favor of electronic resources; allocation of education opportunities and organizational memberships to minimize – if not eliminate – travel, avoid duplication, and increase the sharing of knowledge and information; and better management of outside legal resources.

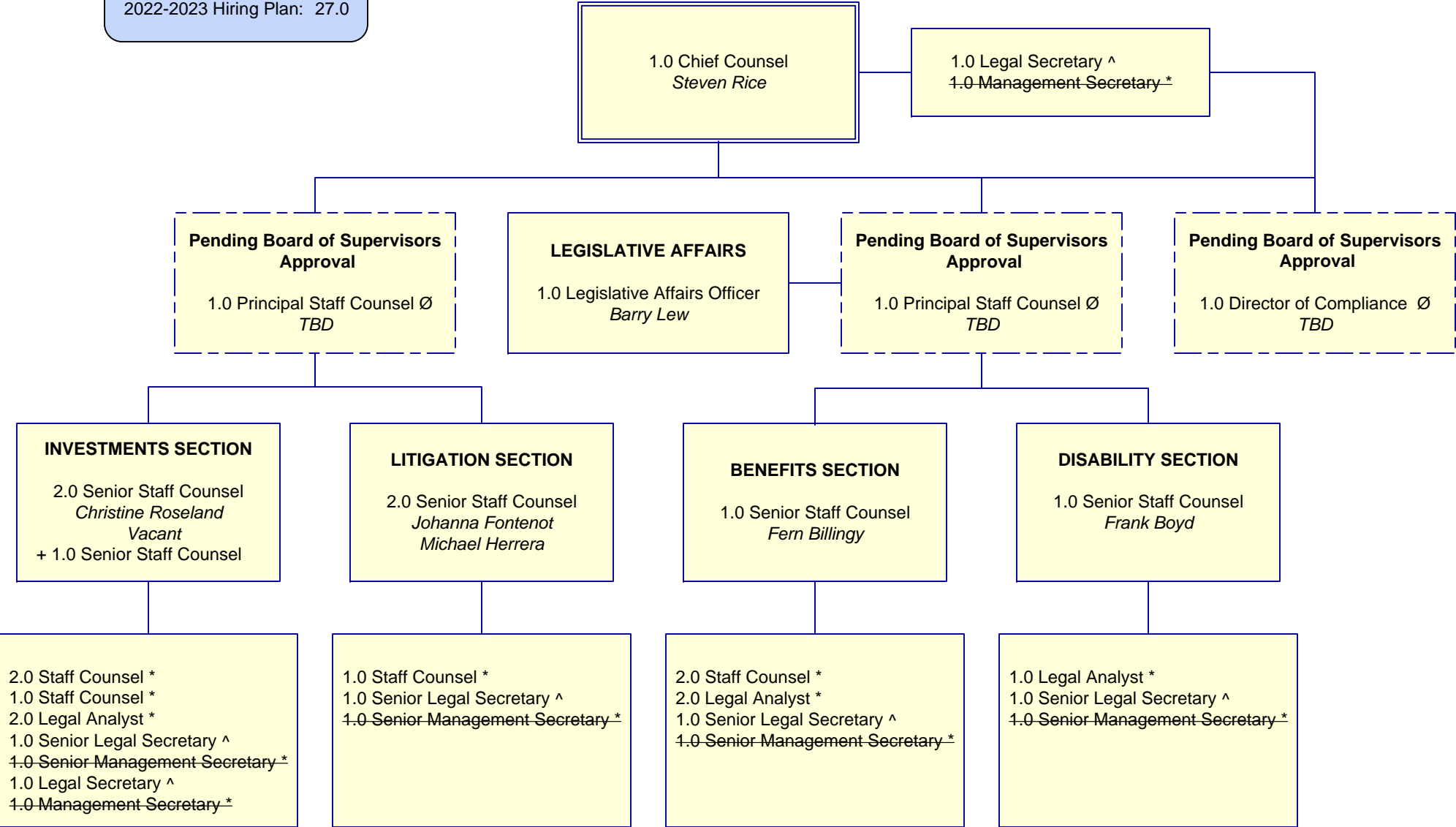
Outside Legal Resources is a difficult category to budget and control, because it is dependent on unpredictable contingencies and claims as well as Board issues that may arise. The Office proposes a significant increase in FY 2022-2023 to recognize recent trends in outside counsel usage, including major pending matters, while at the same time committing to manage outside counsel assignments to control cost.

In order to supplement the Division's recruitment efforts for full-time investment attorneys, the Division is currently exploring secondments with some of our major outside investment law firms to be used in support of the Division's work for the Investments Division. Under this arrangement, one or more firms will place an attorney with LACERA on a full- or part-time basis. A secondment relationship will provide LACERA with high-quality investment attorneys devoted to our work, whom we may be able to recruit for a full-time position. Such a relationship will also deepen the selected law firms' understanding of LACERA and enable them to provide better service to the fund even after the secondment has ended. The secondment will be used if the Division is not able to recruit permanent investment Senior Staff Counsel and Staff Counsel through the civil service exam process and will be used on a temporary basis until permanent staff can be hired. This is a creative way of addressing staffing shortages and recruiting challenges for sophisticated permanent investment attorneys, while supporting LACERA's investment transactional work at the needed level of expertise. Because this expense is in support of investment work, it is not an administrative expense and therefore is not included in the administrative budget.

LEGAL SERVICES

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 28.0
 2021-2022 Hiring Plan: 28.0
 2022-2023 Bud. Pos.: 29.0
 2022-2023 Hiring Plan: 27.0



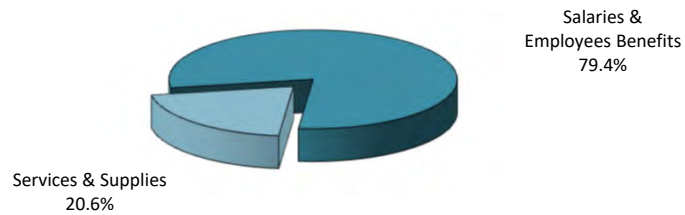
+ Added position
 * Classification study for the position requested
 ^ Position upgrade from Senior Management Secretary to Senior Legal Secretary and Management Secretary to Legal Secretary as a result of classification study (Pending Board of Supervisors' approval).
 Ø Not yet approved by Board of Supervisors (1.0 Principal Staff Counsel in Investments and Litigation Team, 1.0 Principal Staff Counsel in Benefits and Disability Team, & 1.0 Director of Compliance in Legal Services)

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

LEGAL SERVICES

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$7,432,150	\$6,252,924	\$2,407,624	\$5,136,300	(\$1,116,624)	-17.9%	\$1,179,226	18.9%
Services & Supplies	1,927,500	1,495,100	1,117,055	1,916,500	421,400	28.2%	432,400	28.9%
OPERATING BUDGET	\$9,359,650	\$7,748,024	\$3,524,679	\$7,052,800	(\$695,224)	-9.0%	\$1,611,626	20.8%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

LEGAL SERVICES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$4,143,932	\$3,630,372	\$1,405,001	\$3,049,000	(\$581,372)	-16.0%	\$513,560	14.1%
Total Agency Temp Salaries	135,900	150,000	51,724	100,000	(50,000)	-33.3%	(14,100)	-9.4%
Employee Benefits (Variable)	2,728,113	2,117,944	792,219	1,666,400	(451,544)	-21.3%	610,169	28.8%
Employee Benefits (Other)	261,912	214,441	103,348	211,400	(3,041)	-1.4%	47,471	22.1%
OPEB Contribution	138,993	105,267	46,121	92,300	(12,967)	-12.3%	33,726	32.0%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	18,400	30,000	8,561	16,000	(14,000)	-46.7%	(11,600)	-38.7%
Bilingual Bonus	2,400	2,400	650	1,200	(1,200)	-50.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	2,500	2,500	0	0	(2,500)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$7,432,150	\$6,252,924	\$2,407,624	\$5,136,300	(\$1,116,624)	-17.9%	\$1,179,226	18.9%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$7,432,150	\$6,252,924	\$2,407,624	\$5,136,300	(\$1,116,624)	-17.9%	\$1,179,226	18.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

LEGAL SERVICES

2022-2023 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
09216A	CHIEF COUNSEL	1	LS19	26,509	318,109
09213A	SENIOR STAFF COUNSEL	4	LS16	82,851	994,212
09212A	STAFF COUNSEL	2	LS12	29,894	358,722
00795A	LEGISLATIVE AFFAIRS OFFICERS	1	113B	11,795	141,544
09235A	LEGAL ANALYST	5	99L	39,641	475,686
00441A	SENIOR LEGAL SECRETARY	2	99B	14,225	170,704
00441A	SENIOR MANAGEMENT SECRETARY	2	97G	13,639	163,666
00441A	SENIOR MANAGEMENT SECRETARY	(2)	97G	(13,639)	(163,666)
00440A	LEGAL SECRETARY	2	94H	12,604	151,244
00440A	MANAGEMENT SECRETARY	2	93G	12,237	146,839
00440A	MANAGEMENT SECRETARY	(2)	93G	(12,237)	(146,839)

POSITIONS 17 2,610,221

VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
99999A	PRINCIPAL STAFF COUNSEL Ø	2	LS17	15,156	181,867			
99999A	DIRECTOR OF COMPLIANCE Ø	1	LS16	14,098	169,179			
09213A	SENIOR STAFF COUNSEL	3	LS16	14,098	169,179	507,536		
09212A	STAFF COUNSEL	4	LS12	10,557	126,681	506,724		
00441A	SENIOR LEGAL SECRETARY	2	99B	6,152	73,828	147,657		
00441A	SENIOR MANAGEMENT SECRETARY	2	97G	5,900	70,803			
00441A	SENIOR MANAGEMENT SECRETARY	(2)	97G	5,900	70,803			

1,161,916 0 0

POSITIONS 12 1,161,916

TOTAL POSITIONS 29

GROSS SALARIES 3,772,137

ANTICIPATED MOU SALARY INCREASE** 207,468

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE 58,008

BONUS 7,785

120-DAY RETIREE(S) 1 98,533

TOTAL SALARIES 4,143,932

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

LEGAL SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
AUTO EXPENSE	\$4,400	\$4,400	\$235	\$3,200	(\$1,200)	-27.3%	\$0	0.0%
TRANSPORTATION & TRAVEL	17,800	26,400	520	9,000	(17,400)	-65.9%	(8,600)	-32.6%
OFFICE SUPPLIES & EQUIPMENT	6,000	6,000	670	3,000	(3,000)	-50.0%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	252,300	252,300	134,254	252,300	0	0.0%	0	0.0%
LEGAL FEES & SERVICES	1,540,500	1,100,000	932,434	1,555,500	455,500	41.4%	440,500	40.0%
EDUCATIONAL EXPENSES	104,500	103,000	48,494	91,500	(11,500)	-11.2%	1,500	1.5%
MISCELLANEOUS	2,000	3,000	449	2,000	(1,000)	-33.3%	(1,000)	-33.3%
TOTAL	\$1,927,500	\$1,495,100	\$1,117,055	\$1,916,500	\$421,400	28.2%	\$432,400	28.9%

*All amounts rounded to the nearest dollar.



MEMBER SERVICES

Budget Highlights

Fiscal Year 2022-2023

Mission

To provide world-class service in a positive, supportive, professional, and equitable manner through any channel the member chooses. We will strive at all times to provide accurate, clear, and common-language explanations of all plans, plan options, purchases, purchase options, and retirement-related issues. We strive to function as a team working together to fulfill our assigned mission of servicing members.

INTRODUCTION

Member Services is focused on finding innovative solutions that improve our members' experience as they progress through their LACERA journey. We provide services across multiple channels to ensure members can connect with us in the manner they feel most comfortable. Our Contact Center, which includes our Call Center and Correspondence units, provide members with quick access to everything from basic account maintenance to in-depth counseling on matters throughout all stages of a member's or a survivor's journey. Our Outreach Section, consisting of our Member Service Center and our Outreach team, connects with members often for in-depth, detailed counseling, both virtually and in-person. Our Member Services Quality Control Unit supports the division by ensuring that our service meets expectations. And this year we are proud to introduce our new Member Care Unit, dedicated to resolving escalated issues and providing case management in conjunction with the Outreach team for the more urgent or delicate cases that need extra attention.

Together, these teams work with our business partners to provide the service our members expect. This fiscal year we are proud to share some of our collective accomplishments:

- Handled a record number of incoming calls
- Expanded the number of virtual counseling sessions that have made it easier than ever to connect with members

- Continued our successful partnership with Empower to provide comprehensive pre-retirement seminars
- Launched the new Member Care Unit
- Partnered with the PMG to rollout a new member appeals and escalation database, which will help us improve our services to critical member concerns and define and develop the requirements that will be translated to the Case Management strategic project in its later phases
- Partnered with the PMG to roll out a new application for call monitoring, which will help us improve our efforts to provide consistent service and develop staff

This fiscal year we are finalizing plans to launch a new queue management and appointment system for the Member Service Center. The new process features a more user-friendly appointment scheduling interface, the addition of text message confirmations, updates to collect feedback about counseling sessions, increased insights into Member Service Center metrics, and the development of specific key performance indicators for the Member Service Center.

We are also partnering with other Member Operations Group divisions in the development of process improvements designed to provide faster and more efficient service to our members. Among these projects are the re-engineering of our death benefit claim process, required minimum distribution compliance program, and a closer partnership to proactively reach members regarding returned checks, lost contact, or special counseling needs.

Preparing for the Case Management System

We are also excited and motivated to be a participant in the Case Management System project. The various phases outlined for the Case Management System will revolutionize how we provide services to our members — creating more touchpoints, improved personalization, expanded self-service, and more efficient and effective interactions.

Member Services participated in the selection committee that will be making a recommendation to the Board of Retirement for the selected vendor. We are gearing up to provide subject matter experts to assist in the development and implementation of Phase I to help ensure the new processes and procedures maximize improvements to the member experience. Member Services provides support to members going through two of the first three areas of focus of Phase I of the Case Management project.

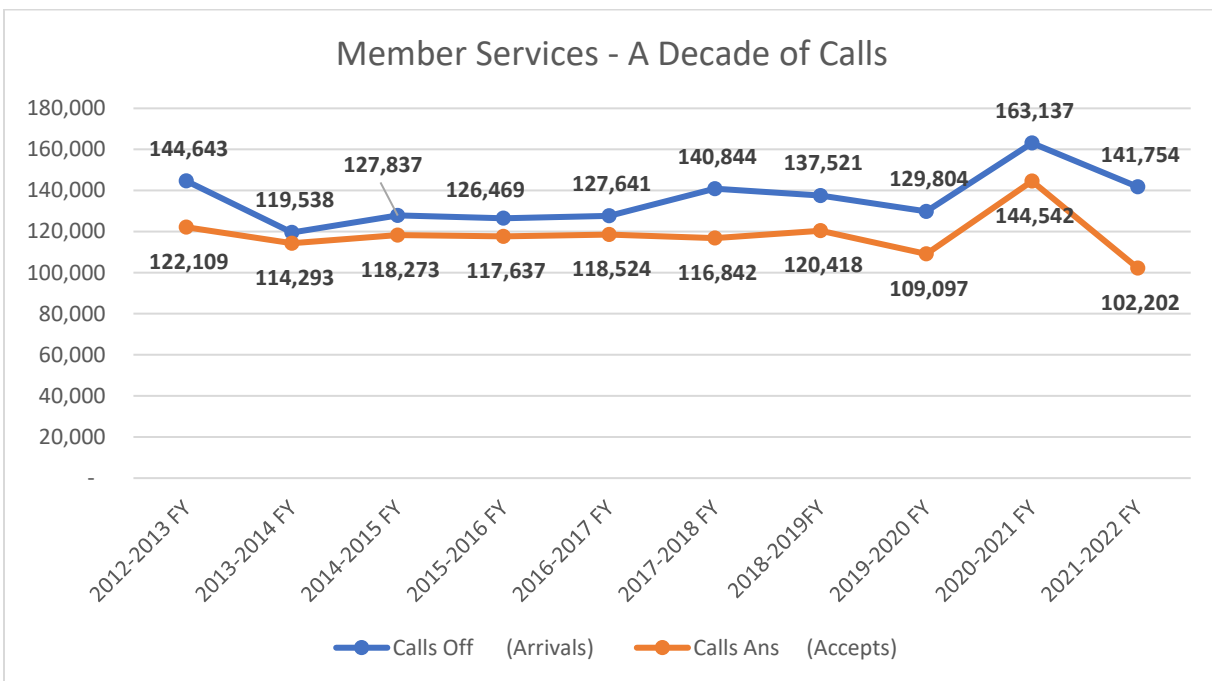
Member Services provides support and counseling to members as they progress through their retirement journey and transition to a retired payee, as well as support and counseling to members at the beginning of the disability process and during the transition to a retired payee. In support of this strategic initiative, we have requested an increase in overtime related expenses for support and testing of the new processes and tools.

Rising to Meet our Challenges

Despite our accomplishments, we acknowledge this past fiscal year proved to be challenging in terms of the volume of member contacts. Our Member Service Center and Outreach teams continued to adjust to pandemic-related impacts. At the beginning of the fiscal year, we were excited to reopen the Member Service Center. Unfortunately, the Omicron COVID-19 surge impacted LACERA, making it a necessity to close the MSC temporarily for staff and member safety. Despite these temporary setbacks, we remain focused on preparing to reopen the Member Service Center in May of the current fiscal year.

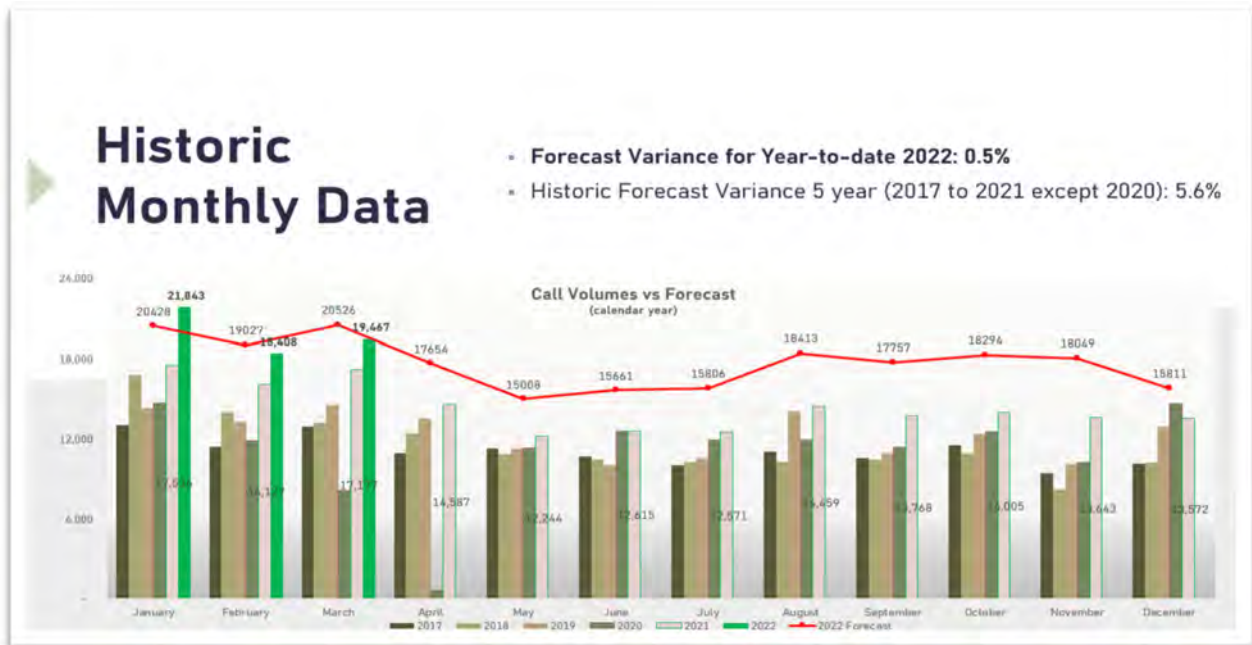
Throughout the ups and downs, the team adjusted well and increased the number of virtual appointments to help ensure we can connect with members. Our online seminar series has been tremendously successful, allowing us to reach more members per session than our traditional services. Both of these services have been received positively by members, and we will continue to offer and refine them in the coming fiscal year.

Our Member Services Call Center and Contact Center have seen record breaking increases in member contacts in the last two years:



During FY 2019-2020, which includes the first stages of the pandemic, we fielded 144,452 calls out of 163,137 calls offered.

Using monthly incoming call volumes for the last five years, we estimate an average variance of +/- 5.6 percent over historical call volumes. Based on these projections, we expect to finish the FY 2021-2022 having received between 180,000 and 190,000 calls.



The COVID-19 pandemic has had a significant impact on staffing levels in Member Services. This past fiscal year was the first fiscal year of living with the full impacts of the pandemic. The Board of Retirement has authorized Member Services with 79 positions that provide the staffing to service our more than 185,000 members and over 69,000 benefit payees. Due to retirements, departures, and internal movement, Member Services is operating with 55 of 79 positions filled and actively working. Approximately four of those 79 staff member positions are staff on approved leave, and 11 are part of the CORE Benefits Training class. We have nine vacant positions. This, along with the sharp increase in call volume, has led to a decrease in our response time in the Call Center and other areas.

In partnership with Human Resources and Quality Assurance, and with the support of the Executive Office, LACERA launched two Specialist Core Benefits Training classes this past fiscal year that will provide new specialists to Member Services and Benefits. These classes will be graduating in the autumn of 2022, restoring much-needed staff members to our Member Services Call Center. Member Services will still need additional staff member resources.

Even running a full complement in two classes, additional retirements and promotions during the fiscal year will necessitate at least one additional Core Benefits Training class that should begin during FY 2022-2023. While Member Services believes it will need additional staffing in the upcoming fiscal years if call volume trends continue, we are not requesting any new staffing until we can fill our current teams.

Focusing on the Future

Current call volume trends are likely to increase unless we can take proactive steps to reduce the number of incoming calls while improving the overall service we provide to members. As part of our ongoing initiative to examine call trends, we have identified several promising call triggers that can help us reduce call volume and improve service:

- Approximately 10 percent of our incoming calls have been to reset My LACERA passwords or to gain guidance on how to upload documents. Partnering with the Systems Division, they have identified changes to the login process that we feel will help reduce password reset-related calls. Additional future plans to introduce multifactor authentication will further efforts to provide members with a more efficient and safe self-service process. Systems and Communications has also worked with Member Services to continually improve our upload interface. We hope to add how-to videos in the near future to make it even easier.
- During the beginning of each calendar year, our Retiree Healthcare (RHC) Division processes Medicare Part B reimbursements, which can generate many calls to LACERA. Member Services identified that approximately 7 percent of our incoming calls are overflow calls from RHC or the result of members inadvertently selecting the Member Services Call Center option. We have taken several proactive steps to help reduce the impact of these calls:
 - Partnering with RHC, we adjusted the interactive voice response (IVR) system welcome greeting to help improve members' selection of the RHC Call Center option.
 - We also expanded our IVR by adding a Medicare Part B informational message box. Use of the IVR allows members to get needed information without speaking with a Specialist, and still affords them the opportunity to speak with RHC if they have additional questions.
 - We also worked with RHC to implement confirmation of receipt and processing letters to help provide members with proactive notification of the status of their Medicare Part B documents.

The use of an expanded IVR with unique message boxes for high volume calls like 1099-R mailings and COLA increases are some of the ways in which we are using existing technology to reduce call volume. Future projects included in this fiscal year's budget request such as the Case Management System and the selection of a new, modern contact center system will provide additional opportunities to reduce call volume while improving the member experience. Both of these initiatives will increase our ability to proactively communicate with members, reduce service times by increasing access to information for staff members assisting members, and by providing additional self-service options to members.

Overtime

The Member Services overtime budget provides resources for March Madness Saturday service and projects assisting the Benefits Division with retirement processing. Member Services routinely provides support for the Benefits Division in processing work to help meet service levels or reduce backlogs that develop throughout the year. During the past fiscal year, Member Services assisted in processing previous service applications and issuing death benefit claim forms, and has spent the last several months helping to process retirement Board letters. We also use overtime to address staff shortages within Member Services in the Call Center and Member Service Center.

We anticipate a similar effort this fiscal year and we are asking for \$174,000 for overtime funds to support Saturday service, retirement processing and, for the first time, to allocate Member Services subject matter experts to the Case Management initiative during the design and testing of the Phase I implementations.

Agency Temporary Employees

We are asking for funding of \$37,000 to have an agency-temporary employee work as an Administrative Assistant for the first six months of this fiscal year. As our Member Service Center (MSC) reopens to an increasing number of appointments, administrative support is needed there. Funding for an agency-temporary employee will allow for the recruitment of an Administrative Assistant to be completed by the end of this calendar year 2022.

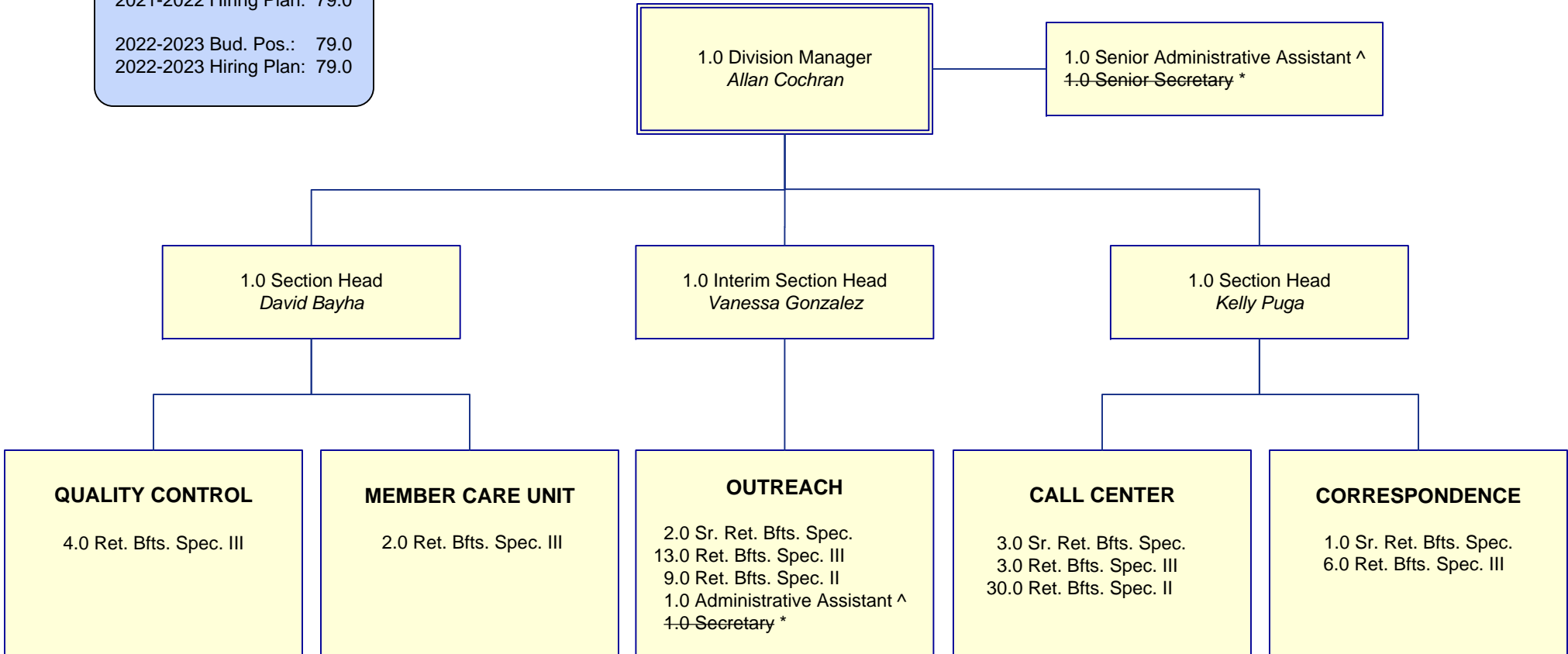
SERVICES AND SUPPLIES

The Services and Supplies budget requests are in line with previous years and based on actual and historical expenditure trends.

MEMBER SERVICES DIVISION

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 79.0
 2021-2022 Hiring Plan: 79.0
 2022-2023 Bud. Pos.: 79.0
 2022-2023 Hiring Plan: 79.0



* Classification study for the position requested.

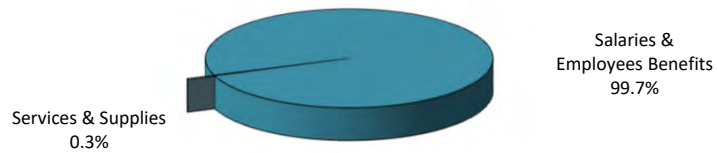
^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

MEMBER SERVICES

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$10,595,931	\$9,971,630	\$4,716,624	\$9,501,200	(\$470,430)	-4.7%	\$624,301	6.3%
Services & Supplies	26,800	55,500	2,169	16,100	(39,400)	-71.0%	(28,700)	-51.7%
OPERATING BUDGET	\$10,622,731	\$10,027,130	\$4,718,793	\$9,517,300	(\$509,830)	-5.1%	\$595,601	5.9%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

MEMBER SERVICES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$6,063,633	\$5,973,011	\$2,849,670	\$5,715,000	(\$258,011)	-4.3%	\$90,622	1.5%
Total Agency Temp Salaries	37,000	0	0	0	0	0.0%	37,000	0.0%
Employee Benefits (Variable)	3,692,871	3,275,270	1,482,610	3,037,100	(238,170)	-7.3%	417,601	12.8%
Employee Benefits (Other)	383,245	367,397	177,888	362,200	(5,197)	-1.4%	15,848	4.3%
OPEB Contribution	203,383	180,351	108,312	216,700	36,349	20.2%	23,032	12.8%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	174,000	133,800	85,864	145,000	11,200	8.4%	40,200	30.0%
Bilingual Bonus	16,800	16,800	6,850	13,200	(3,600)	-21.4%	0	0.0%
Sick Leave Buyback	15,000	15,000	5,430	12,000	(3,000)	-20.0%	0	0.0%
Rideshare Allowance	10,000	10,000	0	0	(10,000)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$10,595,931	\$9,971,630	\$4,716,624	\$9,501,200	(\$470,430)	-4.7%	\$624,301	6.3%
Salary Differential **	-	-	-	-	-		-	
TOTAL S&EB	\$10,595,931	\$9,971,630	\$4,716,624	\$9,501,200	(\$470,430)	-4.7%	\$624,301	6.3%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

MEMBER SERVICES

2022-2023 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00773A	DIVISION MANAGER	1	LS12	14,187	170,249			
00772A	SECTION HEAD, LACERA	2	LS9	21,614	259,370			
01312A	SENIOR RETIREMENT BENEFITS SPECIALIST	5	101F	41,959	503,511			
01311A	RETIREMENT BENEFITS SPECIALIST III	27	96A	187,641	2,251,692			
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,214	74,568			
00439A	SENIOR SECRETARY	1	89G	6,062	72,750			
00439A	SENIOR SECRETARY	(1)	89G	(6,062)	(72,750)			
01310A	RETIREMENT BENEFITS SPECIALIST II	38	89F	188,381	2,260,576			
POSITIONS		74			5,519,966			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00772A	SECTION HEAD, LACERA	1	LS9	8,498	101,973			50,987
01312A	SENIOR RETIREMENT BENEFITS SPECIALIST	1	101F	6,560	78,719			39,359
01311A	RETIREMENT BENEFITS SPECIALIST III	1	96A	5,657	67,884			
01310A	RETIREMENT BENEFITS SPECIALIST II	1	89F	4,738	56,852			
00438A	ADMINISTRATIVE ASSISTANT	1	84C	4,106	49,276			
00438A	SECRETARY	1	83D	4,007	48,081			
00438A	SECRETARY	(1)	83D	4,007	48,081			
POSITIONS		5			90,346	0	0	90,346
TOTAL POSITIONS		79						
GROSS SALARIES					5,610,312			
ANTICIPATED MOU SALARY INCREASE**					308,567			
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE					128,160			
BONUS					16,594			
120-DAY RETIREE(S)					0			
TOTAL SALARIES					6,063,633			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

MEMBER SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$8,000	\$21,700	\$0	\$3,500	(\$18,200)	-83.9%	(\$13,700)	-63.1%
OFFICE SUPPLIES & EQUIPMENT	5,000	12,500	2,019	3,500	(9,000)	-72.0%	(7,500)	-60.0%
EDUCATIONAL EXPENSES	11,300	16,500	150	8,600	(7,900)	-47.9%	(5,200)	-31.5%
MISCELLANEOUS	2,500	4,800	0	500	(4,300)	-89.6%	(2,300)	-47.9%
TOTAL	\$26,800	\$55,500	\$2,169	\$16,100	(\$39,400)	-71.0%	(\$28,700)	-51.7%

*All amounts rounded to the nearest dollar.

Mission

To provide the promised benefits to our members in a timely and accurate manner by training and monitoring staff's quality and improving our business processes.

INTRODUCTION

In its current configuration, the Quality Assurance & Metrics Division (QA) performs four main functions in service to LACERA's Member Operations Group (MOG), which are those divisions that provide retirement benefit services to LACERA's members. QA's services consist of:

- Independent transactional audits of work processed by MOG staff for our members
- Technical benefits training for MOG staff, from new hires to veterans
- Developing performance metrics based upon new functions in Workspace
- Special projects as assigned by the Executive Office and consistent with QA's independent quality assurance function

A 2021 Internal Audit recommendation suggested that LACERA can increase the independence of the quality assurance operations by removing the function from the purview of the Member Operations Group. While discussions are ongoing with the Executive Office on how we will accomplish this, the general plan is to move Quality Assurance to the Administrative management group and move the Metrics and Training functions currently in Quality Assurance to the Member Operations Group under the Process Management Group (PMG) umbrella. Our metrics development program has been a PMG project and responsibility for metrics has been formally assumed by PMG during this fiscal year. This change did not involve any movement of staff positions as the lead for the metrics program currently resides in PMG.

LACERA's management is developing plans to transfer QA's training function to PMG. This change will help ensure the independence and objectivity of QA auditors and will increase the synergy between the business rule administration function that is already in PMG and the training function currently overseen by QA. In preparation for this transition, QA's Senior Quality Auditor responsible for the training function will be developing the project plan in conjunction with PMG to manage the transition and to organize the program and the new training unit within PMG.

It is proposed that, once this transition takes place, the Quality Assurance and Metrics Division may be renamed the Quality Assurance Division. No additional resources or staff movement are included in this year's fiscal request. However, once plans are developed movement and or additional requests may be included in the mid-year budget adjustment process or as part of the FY 2023-2024 budget request.

Quality Assurance is also looking forward to partnering with the development team for the Case Management System. During the current fiscal year, Quality Assurance was an active partner in evaluating the vendors for the Case Management System Phase I implementation. QA will be an integral part of the development of the new system once the Board has approved a vendor. We expect to be contributing subject matter experts to work on the development of the new first payment process and will be conducting user acceptance testing throughout the various stages of the implementation.

QUALITY AUDITING

QA independently reviews and reports on the benefit-related business transactions performed by the MOG. The accuracy and completeness of business transactions are measured by audit parameters established by QA and the Executive Office after consultation between QA and auditee divisions. QA compiles an annual report to the Operations Oversight Committee of the Board of Retirement regarding the overall accuracy and quality of the preceding fiscal year's member transactions.

QA reviews audit parameters with the auditee divisions annually so QA can audit cases based primarily on risk. These parameters include:

- **Audit Criteria:** These are the standards against which the quality of transactions are measured, based on LACERA's policies and procedures, as well as governing laws and regulations.
- **Audit Risk Levels:** This is a ranking of the magnitude of a particular transaction's risks to LACERA or its member. Various risk-related characteristics are associated with each risk level. Risk levels help QA auditors triage cases for risk-based sampling and workload management.
- **Audit Sampling Plan:** Auditors apply a pre-determined sampling methodology when selecting cases to be audited for each audited group of transactions.
- **Audit Workflow:** To conduct its audits, QA uses a series of standardized steps designed to test the transaction's quality at appropriate points in the process.

PMG and QA, in conjunction with other members of MOG and Systems, implemented a new audit platform to manage all audit work, known as the MOG Audit Platform (MOGAP). This application allows QA and its MOG partners to more efficiently and reliably manage and report on all forms of QA audit work. To illustrate the benefits of this development, MOGAP has helped reduce the time it takes to resolve audit review notes. Without the MOGAP, those cases not resolved within the Service Level Expectations (SLE) of three to five days took over a month to resolve on average. QA anticipates that the MOGAP will similarly benefit the checking process for Core Benefits Training production.

The MOGAP has proven to be an effective interim solution until LACERA is able to fully integrate the audit function into LACERA's primary member service platform, Workspace, as well as LACERA's new Case Management System.

Future Quality Audit Plans

In addition to traditional transactional testing, QA will be working with the MOG divisions to undertake call monitoring to help support the quality of LACERA's service to its members as delivered through the Call Center and possibly other future channels of communication.

Training

QA has appointed a Senior QA Auditor to oversee its training program. The key initiatives of this training program are:

- Core Benefits Training for newly hired Retirement Benefits Specialists and others who may benefit from entry-level retirement benefit specialist training
- Ad hoc training on various topics at the request of the MOG divisions
- Advanced CERL Education (ACE) to help increase the analytical and advanced processing skills of specialists to prepare them to perform the most complex work at the level of RBS III or higher
- QA Staff Development Training.

The CORE Benefit Training program takes place over 10 months, alternating classroom instruction and practice with periods of actual processing of member requests. All training production work is checked 100 percent before being finalized. Training materials are reviewed and updated before each session to reflect changes in the retirement law, LACERA's business policies, and LACERA's Systems processing. The 2020 CORE Benefits Training class consisted of 13 participants, were trained and evaluated by nine QA instructors on 22 benefits processes. Even under the COVID conditions, trainees processed 2,951 cases with an overall accuracy of 96.37 percent during the production periods.

QA has developed e-learning modules to broaden our blended learning approach and continues to develop more, using the Udemy, SharePoint and Articulate software tools, which has proven most effective. This offers a combination of interactive learning complemented with face-to-face learning, as well as easily accessed refresher information.

In 2020, QA conducted our second Advanced CERL Education (ACE) training. ACE training was not conducted in FY 2020-2021, due to COVID exigencies as well as staff shortages, but refresher training for veteran staff was conducted. For FY 2021-2022, refresher training for veteran staff was provided covering Account Analysis, Redeposits, and General-to-Safety Transfers.

To help alleviate staffing shortages in all transactional operations divisions, QA must conduct two simultaneous CORE training classes. Staff conducting training cannot participate in the primary quality audit function of QA. Moreover, vacancies in both QA and MOG divisions have severely limited the number of trainers and checkers that can

cover the 26 trainees distributed between the two simultaneous training classes. Consequently, QA will be increasing its use of overtime to keep pace with its unprecedented workload surge.

Production Metrics

PMG and QA, in conjunction with other members of MOG and Systems, implemented a new production metrics program (PMP) utilizing data from LACERA's primary member service platform, Workspace, that monitors the productivity of QA and MOG staff.

The objectives of the PMP are to support Member Operations Group in:

- Resource planning and budgeting
- Process improvement
- Workload management
- Workforce management

Performance of the PMP is measured based on its:

- Efficiency
- Reliability and accuracy
- Usability

This current PMP has proven to be an effective interim solution until LACERA is able to fully integrate it into LACERA's primary member service platform, Workspace, as well as LACERA's new case management system, for which a Request for Proposal is currently being conducted.

Special Projects

QA engages in special projects assigned by the Executive Office that are appropriate for QA's skills and resources and do not compromise QA's standards of independence, objectivity, and professional ethics. For example, QA Senior Auditors analyze, test, and validate new procedures, calculations, legislation, and system benefit calculation programming, such as beta testing the benefit calculation engine, validating mass contribution rate changes, validating member account adjustments for the felony conviction process, and analyzing new County pay codes. Pay code analysis can take from 90 minutes to several weeks for each batch of new pay codes, depending upon availability of information, and the extent of coordination needed between LACERA's Quality Assurance Division, Legal Division, and Executive Office, as well as Los Angeles County's Auditor Controller and Executive Office. The Quality Analysts also performed annual census testing of 30 randomly selected member records. The PEPRAs embedded pay codes testing, Alameda project, and PEPRAs final compensation testing are in process.

Quality Assurance also collaborates with other divisions to facilitate data cleanup projects as directed by LACERA's strategic goals.

Future Special Projects

QA will collaborate with the MOG Divisions on new special projects, such as additional Alameda project testing, PEPRA embedded earnings testing, FAC testing, organization-wide member surveys, other internal/external party surveys, and the Case Management System implementation.

STAFFING REQUEST

QA has five existing staff vacancies, which consist of three Senior QA Auditors and two QA Auditor IIs. To better match resources to QA's key functions, QA will seek to fill two Senior QA Auditor positions to ensure sufficient supervision of the QA audit staff, and then use the remaining vacancies to further increase audit staffing. Once these vacancies are filled, QA plans to utilize the new metrics reports developed for QA to determine future staffing needs.

In light of increased member transactions and the existing QA staff shortages, the QA budget request includes \$21,500 for overtime, which is for nonexempt staff who support the various QA functions, especially during the peak retirement season.

SERVICES AND SUPPLIES

Our request for Services and Supplies has decreased based on divisional restructuring for lean operating efficiency, the increased use of paperless remote working tools, and changes from physical travel to online training for staff.

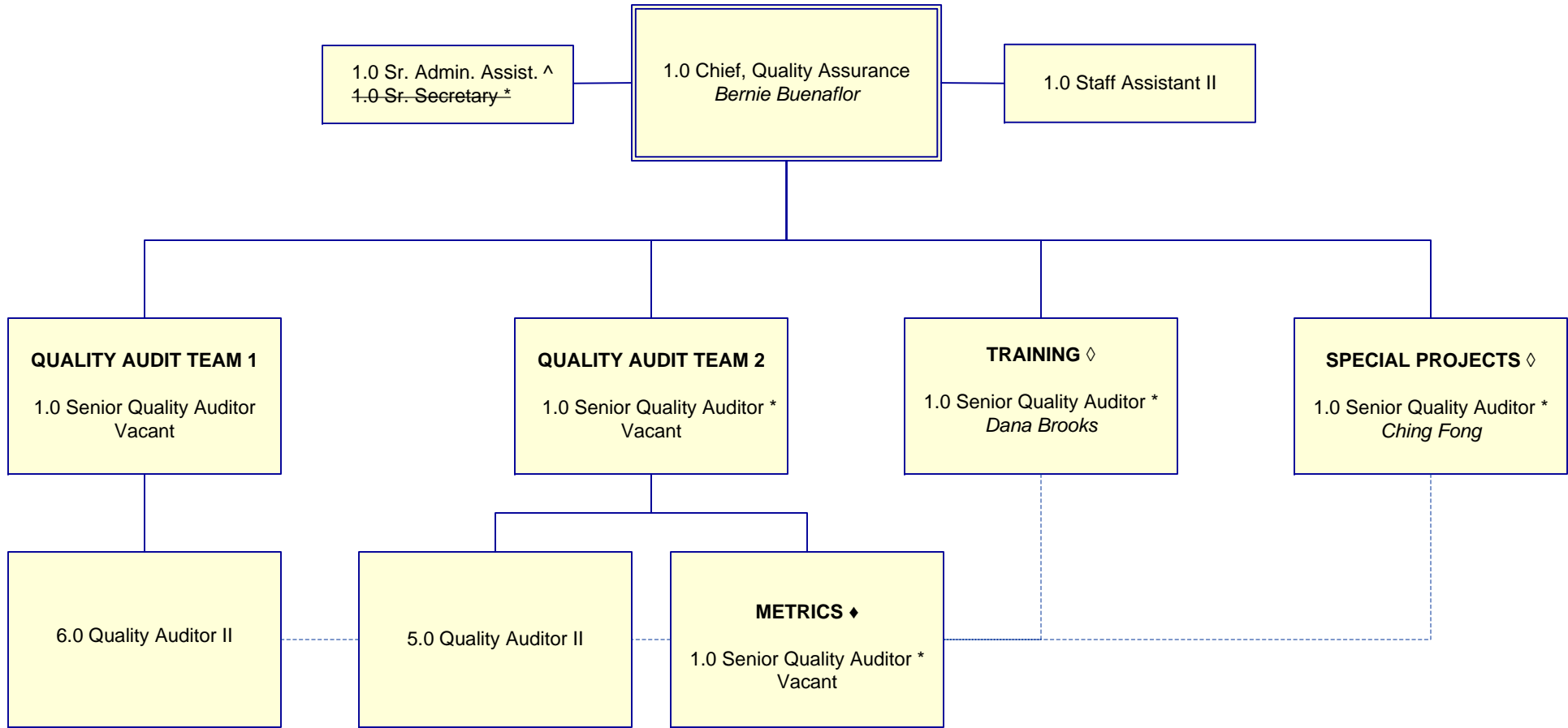
Educational expenses have increased from \$19,500 to \$24,500 to account for the planned increase in staffing levels as QA's vacancies are filled. In addition, new classes will be included in the QA staff development program so that LACERA is better able to prepare both current and future QA auditors to serve LACERA's quality control needs.

QUALITY ASSURANCE DIVISION

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 19.0
 2021-2022 Hiring Plan: 19.0

2022-2023 Bud. Pos.: 19.0
 2022-2023 Hiring Plan: 19.0



* Classification study for the position requested.

^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

◊ In addition to the quality audit, QA Auditors conduct training and work on special projects, which are coordinated by the QA Sr. Auditor for Training and the QA Sr. Auditor for Special Projects, respectively.

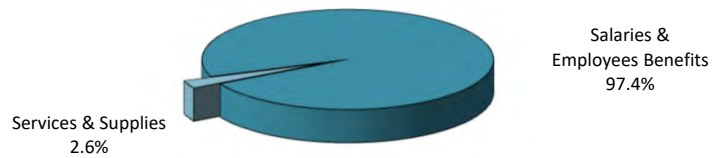
♦ The Metrics function has been transferred to PMG under the Benefits Division. The Sr. Quality Auditor that was originally budgeted for this function will be repurposed to increase resources dedicated to auditing and special projects.

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

QUALITY ASSURANCE

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$3,355,885	\$3,111,416	\$1,331,767	\$2,926,800	(\$184,616)	-5.9%	\$244,469	7.9%
Services & Supplies	87,900	83,900	2,985	59,000	(24,900)	-29.7%	4,000	4.8%
OPERATING BUDGET	\$3,443,785	\$3,195,316	\$1,334,753	\$2,985,800	(\$209,516)	-6.6%	\$248,469	7.8%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

QUALITY ASSURANCE

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$1,952,360	\$1,821,199	\$796,763	\$1,852,800	\$31,601	1.7%	\$131,161	7.2%
Total Agency Temp Salaries	0	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	1,189,944	1,090,338	446,853	892,600	(197,738)	-18.1%	99,606	9.1%
Employee Benefits (Other)	123,397	117,634	56,692	116,000	(1,634)	-1.4%	5,763	4.9%
OPEB Contribution	65,485	57,745	31,195	62,400	4,655	8.1%	7,740	13.4%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	21,500	21,300	264	3,000	(18,300)	-85.9%	200	0.9%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	1,000	1,000	0	0	(1,000)	-100.0%	0	0.0%
Rideshare Allowance	2,200	2,200	0	0	(2,200)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$3,355,885	\$3,111,416	\$1,331,767	\$2,926,800	(\$184,616)	-5.9%	\$244,469	7.9%
Salary Differential	-	-	-	-	-		-	
TOTAL S&EB	\$3,355,885	\$3,111,416	\$1,331,767	\$2,926,800	(\$184,616)	-5.9%	\$244,469	7.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

QUALITY ASSURANCE

2022-2023 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00780A	CHIEF, QUALITY ASSURANCE	1	LS12	15,742	188,908			
00798A	SENIOR QUALITY AUDITOR	2	106A	18,202	218,424			
00797A	QUALITY AUDITOR II	9	100K	74,561	894,733			
00427A	STAFF ASSISTANT II	1	92E	5,127	61,523			
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,385	76,619			
00439A	SENIOR SECRETARY	1	89G	6,229	74,750			
00439A	SENIOR SECRETARY	(1)	89G	(6,229)	(74,750)			
	POSITIONS	14			1,440,208			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00798A	SENIOR QUALITY AUDITOR	3	106A	7,420	89,040	267,120		
00797A	QUALITY AUDITOR II	2	100K	6,448	77,371			77,371
	POSITIONS	5			344,491	267,120	0	77,371
	TOTAL POSITIONS	19						
	GROSS SALARIES				1,784,698			
	ANTICIPATED MOU SALARY INCREASE**				98,158			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				19,821			
	BONUS				49,682			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				1,952,360			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

QUALITY ASSURANCE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		OVER/(UNDER)	
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE	\$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	\$12,000	\$12,000	\$0	\$0	(\$12,000)	-100.0%	\$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	1,000	2,000	235	600	(1,400)	-70.0%	(1,000)	-50.0%
PROFESSIONAL & SPECIALIZED SERVICES	50,000	50,000	0	50,000	0	0.0%	0	0.0%
EDUCATIONAL EXPENSES	24,500	19,500	2,750	8,200	(11,300)	-57.9%	5,000	25.6%
MISCELLANEOUS	400	400	0	200	(200)	-50.0%	0	0.0%
TOTAL	\$87,900	\$83,900	\$2,985	\$59,000	(\$24,900)	-29.7%	\$4,000	4.8%

*All amounts rounded to the nearest dollar.

Mission

The Systems Division (Systems) oversees all aspects of information technology for LACERA. Systems provides technology support services and creates innovative application solutions to assist the organization in meeting our commitment to protect, produce, and provide the promised benefits to our members.

INTRODUCTION

In support of the LACERA's mission to strengthen, modernize, and build a world-class technological infrastructure, Systems has implemented new remote computing capabilities, cloud-hosted services, better systems redundancies, and stronger cybersecurity features. This budget request for FY 2022-2023 reflects the Division's ongoing commitment to provide the highest level of end-user support to our internal customers, as well as providing more self-service options for LACERA members. This budget will also provide the organization with the resources needed to address disruptive cyber incidents, improve our cybersecurity program, and modernize the enterprise authentication and authorization capabilities.

FY 2021-2022 ACCOMPLISHMENTS

FY 2021-2022 has been transformative for the Systems Division. Our three information technology sections – Applications Development, Project Management Office, and Infrastructure – are engaged, working effectively, and making an impact on the organization. Here are the projects we've completed so far this year:

Disaster Recovery: Disaster recovery (DR) is a top priority for the current fiscal year. In FY 2020-2021, LACERA conducted its first disaster recovery exercise in six years. We successfully accomplished our goal of recovering all the mission critical applications used to support our members. In the current fiscal year, the Systems Division conducted a second disaster recovery exercise that included *all* applications used by LACERA. Representatives from all 15 divisions participated in the exercise, and 115 applications and websites were successfully recovered. Additionally, the LACERA DR team improved two key metrics for disaster recovery: the recovery time objective (RTO) – the amount of

time it takes to recover systems and data, and the recovery point objective (RPO) – the age of the backup that is used for recovery. In January 2021, our RTO was 75 hours; in December 2021, it was 5.5 hours. In January 2021, our RPO was 132 hours; in December 2021, it was less than 24 hours. We will continue to finetune our disaster recovery plan going forward and work in partnership with Information Security and LACERA's Business Continuity Team to execute annual disaster recovery exercises.

Information Technology Coordination Council (ITCC): LACERA established the ITCC in April 2021. The purpose of this council is to provide oversight of all significant technology decisions and ensure the effective and efficient use of technology as well as organizational collaboration to achieve LACERA's strategic goals within acceptable levels of risk. In short, the Council is tasked with reviewing and prioritizing new project requests as well as approving strategic technology decisions. This fiscal year, the ITCC established a standard process to submit new IT project requests. This process provides transparency to incoming requests and the priorities assigned to new projects. The implementation of this process also includes an IT project dashboard that allows executive sponsors, stakeholders, project managers, and subject matter experts to get real-time status information on approved projects.

Mainframe Hosting: The Systems Division successfully migrated LACERA's mainframe operations to a multi-tenant, privately hosted solution. The successful migration also addresses many challenges LACERA faced with our mainframe: aging hardware, long disaster recovery time, support staff shortages, high operational cost, and compulsory hardware investments.

Microsoft Dynamics Great Plains (GP) Hosting: The Systems Division successfully migrated LACERA's legacy Microsoft Dynamics GP application to a privately hosted solution in November 2021. This migration will ensure the stability of LACERA's mission critical application until LACERA completes the transition to a more modern solution in three years. Additionally, the migration will provide LACERA an improved disaster recovery solution that decreases both downtime and data loss.

Wi-Fi Implementation: The infrastructure team completed the implementation of LACERA's first enterprise Wi-Fi network, to be used by trustees, employees, and members. All fiber, cables, access points, and switches have been installed and the appropriate segmented networks have been configured.

Boardroom Audio/Visual Enhancements: In preparation for a return to in-person meetings, the audio and visual equipment in LACERA's boardroom has been upgraded to a modern system that will support hybrid board and committee meetings. The enhancements will allow for remote participation while maintaining the current look, feel, and functionality of the current Zoom meetings. The audio and visual enhancements include new 24" touchscreen monitors, dedicated, fixed cameras, and LED/touch switch microphones at each seated position. The touchscreen monitors will display video feeds from the fixed cameras as well as from participants attending remotely while enabling users to control all onscreen functions via touch. The microphone touch switches allow users to individually mute their microphones.

We also have the following projects in progress, which we expect to complete before June 30, 2022:

HR Case Management: The Systems Division has assisted HR in procuring a low-code workflow solution for their core business processes: personnel requisition, onboarding, training and travel requests, and orientation. The workflows have been completed, are in final acceptance testing, and should be implemented by the end of April 2022.

ServiceNow Implementation: The Systems Division selected ServiceNow, a cloud-based IT service management tool, to improve how the division manages IT incidents, problems, requests, and knowledge. Phase I of the ServiceNow implementation will be completed by April 2022 and will provide automation and tracking for all requests coming into the Systems Helpdesk. Future phases of the project will introduce sophisticated automation for routine IT requests.

LACERA Intranet 2.0: In collaboration with the Communications Division, LACERA has developed a modern internet that will be implemented by the end of April 2022. This new intranet is called “LACERA Connect” and will become the hub for electronic resources and collaboration at LACERA.

Microsoft (MS) Tenant Migration: LACERA has consolidated from two MS Tenants to one commercial tenant to take advantage of integration opportunities and streamline future administration for LACERA.

Procure-to-Pay (P2P) Solution: LACERA has procured a procure-to-pay solution that integrates and automates purchasing and accounts payments for greater efficiencies. It exists within the larger procurement management process and involves four key stages: selecting goods and services; enforcing compliance and order; receiving and reconciliation; and invoicing and payment. We expect to implement the solution by June 2022.

Travel and Expense Management Solution: LACERA has procured travel and expense management software to automate travel booking and expense reporting. The solution includes approval workflow approval and leverages character recognition to reduce manual data entry. We expect to implement the solution by June 2022.

Hardware Asset Management Solution: LACERA has selected a cloud-based solution for hardware asset management (HAM). This low-code solution automates the tracking of assets throughout their lifecycle – from procurement to disposal – and has mobile capabilities for asset inventory auditing, remote asset receiving, and asset disposal scanning. This enterprise solution is currently being configured and is expected to be implemented by June 30, 2022.

PERMANENT STAFFING

The Systems Division is continuing to evaluate and make the appropriate staffing adjustments necessary to ensure we have the proper resources to meet our commitments, support LACERA’s mission, and to create the most efficient, productive, and secure enterprise.

The Systems Division is requesting the addition of positions to the budget to provide operational support for new solutions, engineering support for our continued IT modernization efforts, development resources for increased member self-service and administrative automation, and a leadership pipeline for succession planning. In addition, we would like to remove classifications no longer needed and replace them with classifications that appropriately support LACERA's operations.

We are requesting a net increase of six positions, which will result in 62 budgeted positions for FY 2022-2023, with the following changes:

- We are requesting that two positions, Information Systems Manager and Chief Technology Officer, be removed and replaced with one position, Chief Information Technology Officer, who will provide strategic leadership and overall management of the Information Technology program at LACERA.
- We are requesting that the three lead positions in our division, Assistant Information System Manager, be replaced with three new lead positions, Information Technology Manager II, to reflect their changing role. These positions are more than assistants to the division manager; they are leaders who plan, organize, and direct a major information systems section.
- We are requesting a position upgrade of the Senior Secretary to a Senior Administrative Assistant, based on a classification study.
- We are requesting the restoration of one IT Technology Specialist II to support LACERA's infrastructure on the network engineering team to support IT modernization and hosted solutions. This position is one of five transferred from Systems to create the new Information Security Office to address LACERA's then most pressing need. This position is needed to ensure LACERA's modernization efforts can move forward at the pace the organization now requires.
- We are requesting the restoration of two IT Technology Specialist I positions to support LACERA's infrastructure on the network engineering team to support IT modernization and hosted solutions. These positions were two of five positions transferred from Systems to the newly created Information Security Office. These positions are needed to ensure LACERA's modernization efforts can move forward at the pace the organization now requires.
- We are requesting the restoration of one Data Systems Coordinator in the System Administration team to support case management and pension administration. This position is one of five transferred from Systems to the newly created Information Security Office. This position is critical to address LACERA's current technology support needs.
- We are requesting the addition of three Data Systems Analyst IIs: one in the System Administration team to support administrative applications such as our general ledger application, procurement-to-payment automation, and a travel and expense management solution; and two in the Operational Applications team to provide programming and analysis support for increased process automation and member self-service.

The Systems Division is requesting the addition of 12 positions to the budget, including the restoration of four previously transferred positions. At the same time, we are requesting the removal of six positions from the budget. These requests will result in a net change of six positions added to the Systems Division budget, including four positions previously transferred to form the Information Security Office. No positions will be removed from the LACERA Ordinance.

Positions Requested for FY 2022-2023:	12
Positions Removed FY 2022-2023:	(6)
Net Change:	6

TEMPORARY STAFFING

The Systems Division uses temporary staffing for two reasons: to fill a temporary gap in skillsets for a limited amount of time and to acquire essential technical resources on a temporary basis while waiting for competitive exams to be opened. Most of our current temporary staffing fall into the second category. They are performing work that will be performed by permanent staff members once the permanent positions are filled. These temporary staff members have the technical skills needed to support our IT operations, and we hope they will apply for the positions when they open.

While we have had vacancies in the Systems Division for a long time, Human Resources has developed a hiring plan that includes our vacancies. We look forward to working with them to fill our vacant positions through the remainder of this fiscal year as well as FY 2022-2023.

INTERNS

The Systems Division is requesting three interns: one for each of our major information systems sections. Our goals for hiring interns are to provide meaningful work to students that are studying Information Technology, obtain energetic resources with a new perspective for short-term projects, and find qualified candidates to permanently join our division.

OVERTIME

The overtime budget is primarily allocated for

- After-hour system maintenance and upgrades
- Emergency system support
- Support for Saturday Member Services and Benefits operations

- Support for extended office hours during peak months
- Support for case management implementation

SERVICES AND SUPPLIES

LACERA’s budget aggregates all information technology expenditures, including those that are division-specific, within Systems’ budget. This provides centralized technology services to all divisions, sets LACERA’s technology standards, and coordinates and governs organization-wide technology-related initiatives to improve planning and technology investments decisions.

The Systems Division’s services and supplies budget is intended to support the needs of the entire organization, and contains the following major components:

- Planning: Ensure LACERA’s IT processes support the organization’s overall strategic plan; consolidate fragmented infrastructure and network appliances; develop and update standard operating procedures; expand enterprise solutions; and redesign the delivery of services
- Maintenance: Product support, licensing fees, ongoing and established operational costs, etc.
- New Projects: Requirements gathering, workflow understanding and optimization, allocation for new systems, applications, products, or services

The list of projects highlights Systems FY 2022-2023 budget requests:

Project	Total Cost	Description
Member Case Management (Phase 1)	\$660,000	Case Management is the top priority for LACERA next fiscal year. It has been discussed at LACERA for many years, and we are now able to move forward with the project. During the current FY 2021-2022, LACERA published a Request for Proposal (RFP) for a case management solution. Thirteen vendors submitted proposals for the project, and we identified three finalists. These finalists are presenting proof of capabilities demonstrations and we expect to recommend a final vendor for consideration by the BOR by May 2022. The case management solution will integrate with Workspace and My LACERA and will be used by all member-facing divisions. This estimate is for the software and hardware (or hosted solution) plus professional implementation and consulting services.

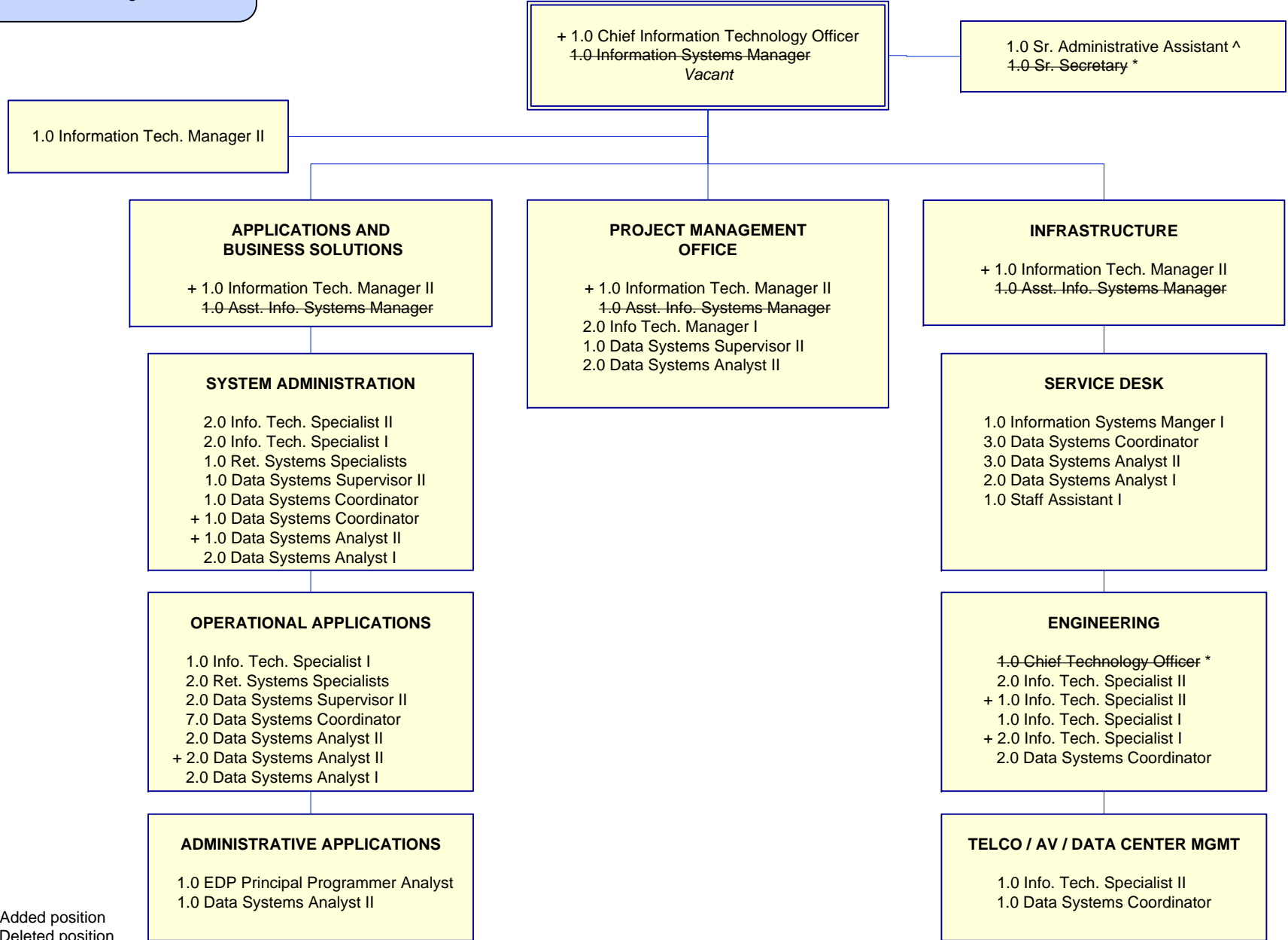
Project	Total Cost	Description
Member Case Management (Phase 1) <i>(Continued)</i>		This estimate represents the highest bid of all three vendors plus a 20 percent contingency allowance. We requested \$300,000 for this project over two previous fiscal year budgets, but the project was not moving forward, and we did not use the funds. This estimate is for phase one of five phases. The future phases may involve additional RFPs for professional services, or LACERA may choose to implement the additional phases using internal resources. The licensing costs for the case management solution will be an annual cost going forward.
Policy and Knowledgebase Solution	\$380,000	LACERA seeks to purchase or build a repository and automated workflow solution for policies, standards, procedures, and operating instructions at LACERA. We currently maintain this critical enterprise content in multiple formats and on disparate systems. This project will ensure consistent and transparent development, review, and publication of policies and business rules.
Telecommunications Upgrade and Hosted Contact Center	\$250,000	LACERA seeks to modernize our existing telecommunications infrastructure. This funding is requested to support LACERA's telecommunications strategy both for our Pasadena office and to acquire a world-class Member Service Contact Center solution that integrates with our existing Microsoft suite of products, case management application, and pension administration system.
Cloud Migration	\$200,000	As part of LACERA's IT modernization effort, the Systems Division is moving our enterprise systems to publicly hosted platforms. The systems that are targeted for migration in FY 2022–2023 are Workspace, My LACERA, and our enterprise reporting services.
Budget System Software	\$150,000	LACERA seeks to implement an enterprise budget software solution to replace our current tediously manual process. We are currently developing the RFP for the solution and hope to release it in March 2022.

Project	Total Cost	Description
Continual IT Equipment Upgrade (workstations, laptops and monitors)	\$210,000	LACERA seeks to replace end-of-life workstations, acquiring more laptops to further enhance mobile and teleworking capabilities, and provide dual monitors to all LACERA's workforce as needed.
Board Management Solution	\$100,000	LACERA seeks to implement PrimeGov for the management of both Boards and all Committee meetings, including agenda management, livestreaming, recordings, online archives, and a public interface solution, with an indefinite retention period for archiving the audio and visual recordings.
Human Resources Digitization Project	\$50,000	LACERA seeks to create electronic Human Resource files to securely store personnel, payroll, medical, and classification files

2021-2022 Bud. Pos.: 56.0
 2021-2022 Hiring Plan: 56.0
 2022-2023 Bud. Pos.: 62.0
 2022-2023 Hiring Plan: 62.0

SYSTEMS DIVISION

FISCAL YEAR 2022-2023



+ Added position
 - Deleted position

* Classification study for the position requested.

^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

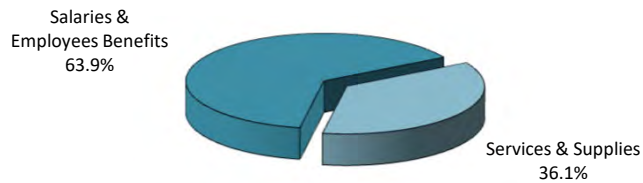
Note: Information Tech. Manager II approved by Board of Supervisors on 10/05/2021. (Effective 10/19/2021).

LACERA
FISCAL YEAR 2022-2023
BUDGET SUMMARY

SYSTEMS DIVISION

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$13,961,282	\$12,500,951	\$6,041,854	\$10,610,000	(\$1,890,951)	-15.1%	\$1,460,331	11.7%
Services & Supplies	7,879,400	8,052,400	4,361,492	7,962,300	(90,100)	-1.1%	(173,000)	-2.1%
OPERATING BUDGET	\$21,840,682	\$20,553,351	\$10,403,346	\$18,572,300	(\$1,981,051)	-9.6%	\$1,287,331	6.3%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

SYSTEMS DIVISION

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$6,496,459	\$6,054,880	\$2,569,009	\$5,077,700	(\$977,180)	-16.1%	\$441,579	7.3%
Total Agency Temp Salaries	2,909,100	2,193,100	1,780,488	2,193,100	0	0.0%	716,000	32.6%
Employee Benefits (Variable)	3,756,321	3,530,149	1,317,749	2,586,500	(943,649)	-26.7%	226,172	6.4%
Employee Benefits (Other)	410,601	381,398	183,960	376,000	(5,398)	-1.4%	29,203	7.7%
OPEB Contribution	217,901	187,224	90,163	180,400	(6,824)	-3.6%	30,677	16.4%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	150,000	133,300	95,769	186,000	52,700	39.5%	16,700	12.5%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	12,000	12,000	4,716	10,300	(1,700)	-14.2%	0	0.0%
Rideshare Allowance	8,900	8,900	0	0	(8,900)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$13,961,282	\$12,500,951	\$6,041,854	\$10,610,000	(\$1,890,951)	-15.1%	\$1,460,331	11.7%
Salary Differential	-	-	-	-	-		-	
TOTAL S&EB	\$13,961,282	\$12,500,951	\$6,041,854	\$10,610,000	(\$1,890,951)	-15.1%	\$1,460,331	11.7%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

SYSTEMS DIVISION

2022-2023 BUDGET

FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00804A	1	LS12	26,100	313,200
00803A	1	LS11	14,004	168,052
00802A	1	123G	13,311	159,731
00460A	2	116K	25,845	310,141
00782A	1	116E	12,891	154,688
02644A	2	115E	25,373	304,476
00453A	1	116B	12,795	153,539
00469A	14	111C	148,420	1,781,034
00458A	8	105G	76,993	923,922
00457A	3	102L	22,414	268,973
00426A	1	85E	5,268	63,216

POSITIONS 35 4,600,972

VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00805A	1	LS14	12,200	146,396	146,396		
00783A	1	LS14	12,200	146,396			
00783A	(1)	LS14	12,200	146,396			
00781A	3	LS12	10,557	126,681			
00781A	(3)	LS12	10,557	126,681			
00805A	(1)	LS12	10,557	126,681			
00805A	1	LS12	10,557	126,681			
00804A	3	LS12	10,557	126,681			63,341
00803A	1	LS11	9,820	117,843			58,921
00802A	5	123G	11,942	143,306			358,265
00801A	6	118E	10,377	124,523			373,569
00460A	2	116K	9,950	119,403			
02644A	1	115E	9,566	114,787	114,787		
00469A	1	111C	8,540	102,475			51,237
00458A	3	105G	7,330	87,955			
00457A	3	102L	6,823	81,880	245,641		
00439A	1	90F	4,868	58,416			
00439A	1	89G	4,749	56,992			
00439A	(1)	89G	4,749	56,992			

POSITIONS 27 1,412,157 506,823 0 905,333

TOTAL POSITIONS 62

GROSS SALARIES 6,013,128

ANTICIPATED MOU SALARY INCREASE** 330,722

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE 49,991

BONUS 25,080

120-DAY RETIREE(S) 1 77,538

TOTAL SALARIES 6,496,459

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

SYSTEMS DIVISION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
COMMUNICATIONS	\$535,000	\$630,000	\$374,108	\$665,000	\$35,000	5.6%	(\$95,000)	-15.1%
TRANSPORTATION & TRAVEL	4,200	4,600	1,605	3,600	(1,000)	-21.7%	(400)	-8.7%
POSTAGE	390,000	390,000	270,720	390,000	0	0.0%	0	0.0%
OFFICE SUPPLIES & EQUIPMENT	469,000	399,600	330,935	551,000	151,400	37.9%	69,400	17.4%
EQUIPMENT MAINTENANCE	255,000	434,500	47,637	249,500	(185,000)	-42.6%	(179,500)	-41.3%
PROFESSIONAL & SPECIALIZED SERVICES	1,239,600	1,536,600	689,100	1,636,600	100,000	6.5%	(297,000)	-19.3%
COMPUTER SERVICES & SUPPORT	4,949,600	4,619,600	2,643,689	4,429,600	(190,000)	-4.1%	330,000	7.1%
EDUCATIONAL EXPENSES	36,500	36,500	3,407	36,500	0	0.0%	0	0.0%
MISCELLANEOUS	500	1,000	291	500	(500)	-50.0%	(500)	-50.0%
TOTAL	\$7,879,400	\$8,052,400	\$4,361,492	\$7,962,300	(\$90,100)	-1.1%	(\$173,000)	-2.1%

*All amounts rounded to the nearest dollar.

PROJECTED NON-ADMINISTRATIVE EXPENSES
For the Fiscal Year Ended June 30, 2023

	Current Year		Prior Year ACTUAL FOR FY 2020-2021
	EXPENSES AS OF 12/31/2021	PROJECTED FOR FY 2022-2023	
Pension Trust Fund:			
Investment Management Fees			
U.S. Equity	\$ 7,195,036	\$ 14,390,072	\$ 10,832,357
Non-U.S. Equity	15,367,842	30,735,684	27,470,353
Fixed Income	17,838,016	35,680,014	45,605,634
Cash and Short-Term	187,686	375,373	446,854
Mortgage Loan Services	15,470	30,939	43,756
Private Equity	3,167,971	11,129,848	15,345,573
Real Estate	11,963,587	16,963,587	15,174,234
Hedge Funds	53,941	761,870	-
Commodities	2,594,148	5,188,297	4,029,157
Total Investment Management Fees	58,383,698	115,255,685	118,947,918
Other Investment Expenses			
Consultants			
General Investment Portfolio	98,750	395,000	395,000
Private Equity	485,000	1,140,000	1,103,750
Real Estate	159,750	310,500	390,150
Other Consulting Fees	486,375	1,028,750	957,095
	1,229,875	2,874,250	2,845,995
Custodians			
Investment Custodian and Banking Fees	2,347,948	3,399,500	2,500,712
Mortgages	1,250	5,000	3,750
	2,349,198	3,404,500	2,504,462
Performance and Other Fees	117,277,294	212,772,938	144,811,407
Investment Management Software	899,907	1,675,455	1,378,400
Investment Legal Counsel	560,011	1,600,000	1,263,301
Total Other Investment Expenses	122,316,285	222,327,143	152,803,564
Total Management Fees and Other Investment Expenses	\$ 180,699,983	\$ 337,582,829	\$ 271,751,482
Actuarial Consulting Services	135,108	270,215	247,956
Total Pension Fund Non-Administrative Expenses	\$ 180,835,091	\$ 337,853,044	\$ 271,999,438
Retiree Health Care (RHC) Program Funds:			
Fixed Income Management Fees	\$ 45,225	\$ 89,528	\$ 81,992
Short-Term Management Fees	14,072	25,220	25,096
Custodian Fees	15,167	30,167	30,000
Total RHC Program Non-Administrative Expenses	\$ 74,463	\$ 144,915	\$ 137,088
Other Post Employment Benefits (OPEB) Trust Fund:			
Enhanced Cash Management Fees	\$ 9,473	\$ 18,947	\$ 12,090
Commodities Management Fees	76,251	152,503	111,321
Global Equity Management Fees	130,601	261,203	229,322
Fixed Income Management Fees	163,154	326,309	231,757
Real Estate Management Fees	70,818	141,637	107,366
General Investment Portfolio Consultant	27,500	55,000	55,000
Custodian Fees	136,293	272,586	270,342
Total OPEB Trust Non-Administrative Expenses	\$ 614,092	\$ 1,228,184	\$ 1,017,199

CEO's 100-Day Plan Status



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Los Angeles County Employees Retirement Association (LACERA)

Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 04/13/2022

Focus				Action Steps		Accountability		Timeline									Percent Completed
								FY2020-21			FY2021-22	FY2022-23					
								Lead	Support	Jul			Aug	Sep	Q2	Q3	
CHAPTER II - UPDATE ON ACTIONS TAKEN																	
Strategic Planning & Action Plans																	
SP	II.1	Report review with Trustees	CEO	Trustees										100%			
SP	II.2	Refined "Next Action Steps"	CEO	Execs										100%			
SP	II.3	Strategic planning effort	CEO	Trustees, Execs										90%			
SP	II.4	Strategic Plan actions defined	CEO	Execs										90%			
COVID-19 Transition Plan																	
C19	II.5	After action reviews	CEO	Execs	M	M	M	M	M	M		Ongoing					
C19	II.6	COVID-19 Transition Plan	CEO, AEO/Ops	IT, Admin, HR	Starting with Member Services									100%			
C19	II.7	Plans to address the work backlog:	AEO/Ops	Mem Group													
C19	II.7a	-- Retiree Disability (moving to paperless)	AEO/Ops	Mgr/Disab	Slight delays in third-parties providing documentation									100%			
C19	II.7b	-- Member Services (heavily "real time")	AEO/Ops	Mgr/Mem										75%			
C19	II.7c	-- Benefit Services (rules, resources, tech)	AEO/Ops	Mgr/Benefits, IT	Heavy backlog pre-/post-COVID-19							Ongoing					
C19	II.7c1	. "Quick fix" Benefits backlog plan	Mgr/Benefits	Legal, IT								Ongoing					
C19	II.7c2	. Longer term Benefits backlog plan (self-service)	Mgr/Benefits	IT, PMG								Ongoing					
Business Continuity Planning (BCP)																	
SP	II.8	Unified BCP	AEO/Ops	Admin., HR										100%			
IT	II.9	BCP/DRP initiatives implementation for IT	IT Exec		See Chapter V									100%			
Management of Staff Working Remotely																	
Culture	II.10	Remote staff management	Execs	HR Dir										90%			
CHAPTER III - NEW ORGANIZATIONAL ALIGNMENT																	
Org	III.1	Structural review with both Boards	CEO	Trustees										100%			
Org	III.2	Staff announcement of new structure	CEO	Execs		MAC								100%			
Org	III.3	Routine executive meetings	CEO	Execs								Ongoing		100%			
Org	III.4	Member-facing functional alignment	AEO/Ops	Mem Ops										100%			
Org	III.5	New COO position	CEO	HR Dir										100%			
Org	III.6	CFO position redefined & filled	CEO	HR Dir										10%			
Org	III.7	CI&TO position defined; recruitment begun	CEO	HR Dir										10%			
Org	III.8	Compliance Officer position filled	Chief Counsel	HR Dir										25%			
Org	III.9	PIO position filled	CEO	HR Dir										10%			
Org	III.10	Organizational refinements if any	CEO	Execs								Ongoing					
Org	III.11	Job titles/org hierarchy consistency	HR Dir									Ongoing					
CHAPTER IV - PLANNING																	
SP	IV.1	Best practices identified for Strategic Plan	Execs	Mgrs								See also VII.4					
SP	IV.2	Shared vision & strategic planning	CEO	Trustees								See Chapter II on Update		25%			

Los Angeles County Employees Retirement Association (LACERA)

Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 04/13/2022

Focus		Action Steps		Accountability		Timeline							Percent Completed
						FY2020-21			FY2021-22	FY2022-23			
						Jul	Aug	Sep			Q2	Q3	
SP	IV.3	Unified BCP	Admin Services	IT	See Chapter II on Update							100%	
SP	IV.4	IT plans (strategy, security BCP, DRP)	IT	ITMC	See Chapter V on IT Modernization							100%	
SP	IV.5	HR Plans	HR Dir	Execs								50%	
SP	IV.6	Improved budgeting process	CFO, Admin		See also VII.1 on budgeting							25%	
SP	IV.7	Communications Plan	Comm	Mem Ops, RHC, IT					Ongoing			75%	
SP	IV.8	Linkage of plans to Strategic Plan	Execs						Ongoing				
CHAPTER V - IT MODERNIZATION													
IT Planning, Structure, & Staffing													
IT-Org	V.1	IT Management Council established	IT Exec	CEO, Execs					Meets quarterly thereafter			100%	
IT-Org	V.2	Priority IT plans developed & implemented	IT Exec	IT Team								50%	
IT-Org	V.3	Priority IT policies & IT developed	IT Exec	ITMC					Ongoing				
		-- PMO										100%	
		-- IT Operations										30%	
IT-Org	V.4	IT Strategic Plan developed & aligned	IT Exec	ITMC								50%	
IT-Org	V.5	IT Program Management Office established	CEO	CTO, AEO/Admin								100%	
IT-Org	V.6	IT/IS structure realigned	CEO, CTO	AEO/Admin								75%	
IT-Org	V.7	IT staffing plan implemented	IT Exec	HR Dir								25%	
IT Security													
IT-Security	V.8	Immediate IT vulnerabilities addressed	IT Exec	IT Sec Consultant								100%	
IT-Security	V.9	Security expert consultant study completed	CEO	IT Exec								100%	
IT-Security	V.10	Security study recommendations adopted	IT Exec	ITMC								75%	
IT Investment													
IT-Invest	V.11	IT recommended investments	CTO, AEO/Admin	ITMC					Ongoing				
IT-Invest	V.12	IT Modernization/IT Strategic Plan adopted	IT Exec	Trustees								90%	
IT-Invest	V.13	IT capabilities/systems upgrade investments	Trustees, IT Exec	ITMC								60%	
IT-Imple	IT Implementation												
IT-Imple	V.14	IT "quick fixes" implemented	CTO, AEO/Admin									100%	
IT-Imple	V.15	IT Strategic Plan/other IT plans implemented	CTO, AEO/Admin						Ongoing				
IT-Imple	V.16	Robust telecommuting capabilities	CTO, AEO/Admin	IT Exec								100%	
IT-Imple	V.17	Migration to the cloud (vendor resources)	CTO, AEO/Admin	CIO								100%	
IT-Imple	V.18	Migration to the cloud (servers & systems)	IT Exec									75%	
IT-Imple	V.19	Virtual call center, including counseling	AEO/Ops, IT	Mem Group								100%	
IT-Imple	V.20	Remote work capability for benefits analysts	IT									100%	
CHAPTER VI - WORK CULTURE & CHANGE MANAGEMENT													
Culture	VI.1	Leadership & management dev program	CEO	HR Dir								10%	

Los Angeles County Employees Retirement Association (LACERA)
Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 04/13/2022

Focus			Action Steps		Accountability		Timeline							Percent Completed
							FY2020-21			FY2021-22	FY2022-23			
							Lead	Support	Jul			Aug	Sep	
Culture	VI.2	Diversity/Inclusion Plan (culture/values)	CEO	Execs, HR Dir										50%
Culture	VI.3	Shortened technical training	QA	Mem Group				Prepare				Monitor		100%
Culture	VI.4	Levels of Protection defined & implemented	Chief Counsel	Compliance Officer										20%
CHAPTER VII - ENHANCED PROCESSES & OPERATIONS														
Improve	VII.1	New budget system and processes	Admin Services	CFO	Build on existing "Great Plains" platform									25%
Improve	VII.1	Division staffing & metrics in budget	CEO/COO	Mgrs/Mem Ops			Draft Budget					Ongoing		
Improve	VII.2	Continuous process improvement initiative	AEO/Mem Serv	PMG							Ongoing	Ongoing		
Improve	VII.3	Metrics & priority processes to improve	PMG	Mgrs/Mem Ops							Annual	Annual		50%
Improve	VII.4	Best practices & best-in-class standard	Execs	Mgrs/Mem Ops							See also IV.1			
Improve	VII.5	Process inventory/priorities approved	Execs	AEO/Ops, PMG							Annual	Annual		100%
Improve	VII.6	Process improvement with metrics	PMG	Mgrs/Mem Ops							Ongoing	Ongoing		75%
Improve	VII.7	Potential expansion of PMG's services	CEO	Execs										25%

STRATEGIC PLAN

Retirement Benefits FOR FISCAL YEARS ENDING 2018-2020



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Status Update

The Strategic Plan has been reformatted and aligned along the four main key objectives outlined by our CEO. The format has also been redesigned so that we can easily see where we are on each goal (In Process, Substantially Complete, or Completed) and color coded to represent how well we are doing in terms of progress on the goals (red for behind, yellow for in danger of or near to being behind, and green for completed).

The goals each have current “owners” and “business partners” who are working on the goal. These assignments may change as we continue to review and restructure our teams to meet these goals. Here is the index that shows what the different initials stand for:

Division Codes									
AS	Admin Services	BE	Benefits	CO	Communications	FA	Financial & Accounting Services	DR	Disability Retirement Services
DL	Disability Litigation	EO	Executive Office	HR	Human Resources	IA	Internal Audit	IN	Investments
LS	Legal Services	MS	Member Services	QA	Quality Assurance	RH	Retiree Healthcare	SY	Systems

Governance

Work together to improve our Board and internal governance by:

1. Engaging the NACD to provide continual Board member training and development to provide them with the tools and knowledge to continually improve their ability to provide responsible leadership for LACERA.
2. Working with the internal management and supervisory team to develop and deliver education to organizational leadership to transform LACERA into an innovative and best-in-class organization focused on delivering its mission.

Fund Sustainability

To advance LACERA's mission of producing the promised benefits, a separate plan for 2019 addresses five interrelated objectives:

1. Execute strategic asset allocation
2. Enhance operational effectiveness
3. Optimize Investment Implementation
4. Maximize ownership rights and stewardship
5. Strengthen influence on fees and capital costs

Please refer to the Investments Strategic Plan.

Preserving Retiree Healthcare

Preserve Retiree Healthcare by taking innovative and proactive steps to minimize costs and improve services provided to members and survivors.

Please refer to the Retiree Healthcare Strategic Plan.

Reduce Complexity of Our Organization

Continually work to make the process easier for our members and staff.

- Disability Retirement Information Integration and Enhancements

We are focusing our organizational energy on modernizing our disability investigation and appeal processes through revising Board policy, streamlining staff procedures, evaluating staffing deployment, changing operational expectations, improving accountability, creating new measurement structures, and developing new assistive technology tools.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Process Modification	Review the application processing to identify efficiencies and begin program design stage.					
	FY 2013–14	SY	DR			
Current Update	Completed					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Data Integration: Tracker	Export data from Tracker and import the data to Workspace.					
	FY 2013–14	SY	DR			
Current Update	Completed					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Document Management	Description Not Available					
	FY 2014–15	SY	DR, AS			
Current Update	Completed					

- Reduce Complexity of Our Organization >>> Disability Retirement Information Integration and Enhancements (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Process Management	Program and move most disability processes, including disability application intake, interviews, medical appointments, etc.					
	FY 2015–16	SY	DR			
Current Update	Substantially Complete: Rollout of the Board agenda process resulted in additional testing and reprogramming.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Board and Management Metric Reporting for Disability Processes	The development of metrics and reports to provide management and BOR critical insight to the status of disability cases. The intended goal of processing disability cases is nine to 12 months.					
	FY 2016–17	SY	DR, EO			
Current Update	Substantially Complete: The Workspace page provides metrics on pending completed cases. Provides aging (number of days) for pending cases. Additional reports will be developed as case tracking is implemented in Workspace.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Medical Document Portal System	The development of a system where doctors, medical record retrieval vendors, and others can electronically submit medical reports to LACERA.					
	FY 2017–18	SY	DR			
Current Update	The implementation of SharePoint has made this application obsolete. Since the objective of the goal has been met by alternate technological solutions, the goal is complete.					

- Reduce Complexity of Our Organization >>> Disability Retirement Information Integration and Enhancements (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Medical Document Portal Training	The development of training for staff members on how to use this and how to train outside parties to use the system.					
	FY 2017–18	SY	DR			
Current Update	The implementation of SharePoint has made this application obsolete.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Case Management	Development of a case management system that will assist DRS staff members to manage individual cases more efficiently.					
	FY 2017–18	SY	DR			
Current Update	The trustees approved, and the LACERA Project Management Office (PMO) released, an RFP for vendors to provide a case management system and implement Phase I of a multiphase, multiyear project. Phase I consists of creating a case management process for first payments (aka “agenda process”), disability retirements, and disability appeals. LACERA has completed the first round of vendor interviews and narrowed the field down to four competing vendors. The final vendor interviews are being conducted and the team expects to pick a final vendor by the last quarter of FY 2021–2022. This is on target for the new timeline.					

- Reduce Complexity of Our Organization >>> Disability Appeal Process Modernization

We are leveraging our efforts and the lessons learned in the disability retirement process to modernize the disability litigation appeals process by streamlining staff processes and procedures, developing case management tools to improve resource management, process and manage writs, and develop a new measurement structure to provide greater insight into the caseload.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Appeal Packages	Create and store disability appeal packages electronically.					
	FY 2016–17	SY	AS, DR			
Current Update	Completed					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
E-Board Package: Digital Appeal Cases	Deliver disability appeal packages to the Board electronically.					
	FY 2016–17	SY	AS, DR			
Current Update	Completed					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Planning Writ Management Process	Complete a needs assessment and develop an overview of the writ management process to assist Systems in developing a writ management system.					
	FY 2016–17	SY	LS			
Current Update	In Process as part of case management project					

- Reduce Complexity of Our Organization >>> Disability Appeal Process Modernization (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Implement Writ Process Management	Create a case management process for managing the response to writs filed to appeal Board decisions on disability cases.					
	FY 2017-18	SY	LS			
Current Update	<p>In Process: This should be included in the case management project going forward. The case management project was recently reinitiated with Iveta Brecko serving as the Project Manager under Celso Templo's direction in the Systems Division Project Management Office.</p> <p>The business partner assigned has been corrected from DL to LS.</p>					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Appeal Process Management	Integrate the disability litigation appeal process with Workspace and the writ management system to allow electronic management of the process and institute metrics and reporting.					
	FY 2017-18	SY	DL, LS			
Current Update	This is part of the case management process.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Retire Legacy System Tracker	Retire the legacy Tracker system after all functionality has been migrated to Workspace.					
	FY 2017-18	SY	DR			
Current Update	The major features of the Disability Tracker have been implemented in Workspace. The remaining process that has not been migrated is disability appeals. (This is part of Phase I of the case management project.)					

- Reduce Complexity of our Organization >>> Managing Work Through the Job Ticket Process

Through the years, LACERA introduced various tools to improve the accuracy, timeliness, and reliability of our member transactions. Building upon this foundation, LACERA is designing and implementing a system to track the progress of each transaction as it undergoes triaging, assigning, calculating, quality review, and completion. Intrinsic to each job ticket is process-centric and member-centric data to manage work objects efficiently and effectively.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 1.0: Planning	Develop a needs assessment and outline of the job ticket requirements and system.					
	FY 2013–14	SY	BE			
Current Update	Complete					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 1.0: Prototyping	Create a prototype of a the job ticket system.					
	FY 2015–16	SY	BE			
Current Update	Complete					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 1.0: Production	Implement the job ticket system into the production environment of Workspace.					
	FY 2015–16	SY	BE			
Current Update	Complete					

- Reduce Complexity of our Organization >>> Managing Work Through the Job Ticket Process (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 2.0: Reporting	Create and generate metric and tracking reports from the job ticket system.					
	FY 2017–18	SY	BE			
Current Update	LACERA has shifted focus from a job ticket system to a case management system. The functionality originally expected for a job ticket has been incorporated into the case management process. Additionally, a separate initiative was developed to create business metrics for Benefits, Member Services, and Quality Assurance (QA). The majority of the Benefits and Member Services metrics are completed and in production and will be re-evaluated on a periodic basis. QA is in development and Retiree Healthcare will follow shortly after QA.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 3.0: Case Management	Update the job ticket system to facilitate individual case management of work objects and member requests.					
	FY 2018–19	SY	BE			
Current Update	This should be included in the case management project going forward. The case management project was recently reinitiated with Iveta Brecko serving as the Project Manager under Celso Templo's direction in the Systems Division Project Management Office.					

- Reduce Complexity of Our Organization >>> Managing Work Through the Job Ticket Process (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 4.0 – Audit Version	N/A					
	FY 2019–20	SY	BE			
Current Update	Eventually the audit versions of a job ticket will be folded into the case management system, as QA is a part of the processes that are required to resolve member issues. In the meantime, a Member Operations Audit platform was created using SharePoint to provide a system for coordinating, resolving, and reporting on assurance audits.					

- Reduce Complexity of Our Organization >>> LACERA.com

Our website will have an easy to use and modern look that facilitates members' ability to learn about their LACERA benefits.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
LACERA.com Redesign	Update and modernize LACERA.com. This includes a complete review of all content on the website.					
	FY 2017–18	SY	CO			
Current Update	Completed as of July 30, 2021.					

- Reduce Complexity of Our Organization >>> LACERA.com: Member Portal

Our My LACERA member portal website will support online transactions so our members can self-service their accounts in a protected and expeditious manner.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Beneficiary Update	Implement ability for members to add, update, or delete beneficiary information on My LACERA member portal.					
	FY 2013–14	SY	BE, MS			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Portal Redesign	Update and modernize the My LACERA member portal.					
	FY 2016–17	SY	EO, CO, MS			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Secure Message Center	Implement a secure message center through the My LACERA member portal so members can communicate electronically with MS and RHC.					
	FY 2016–17	SY	EO, CO, MS			
Current Update	Completed.					

- Reduce Complexity of Our Organization >>> LACERA.com: Member Portal (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Online Pension Verification	Allow members to request and print pension verification and amount-in-fund letters through the My LACERA member portal.					
	FY 2017–18	SY	BE, CO, MS			
Current Update	Completed. In addition to the pension verification letters, Systems also delivered the ability to generate amount-in-fund letters. Additional functionality is being added to allow Member Services Outreach to print letters at the Member Service Center.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Online Form: Service Credit Purchase	Allow members to submit a request to purchase service credit online through the My LACERA member portal.					
	FY 2018–19	SY	BE, CO, MS			
Current Update	Completed: This task was completed on October 28, 2019. Version 6.0 of My LACERA included a new Purchases page that allows members to submit requests to purchase service credit online.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Online Form: Disability Application	Allow members to securely submit a disability application online through the My LACERA member portal.					
	FY 2018–19	SY	BE, CO, DR			
Current Update	Substantial work has been completed and a beta version is nearing a testing phase. We expect to begin UAT by the end of FY 2021–2022 The team is also working on developing a training and rollout plan to prepare staff to help members file their applications and to create a coordinated communication plan for members.					

- Reduce Complexity of Our Organization >>> LACERA.com: Member Portal (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Online Form: Retirement Election	Allow members to securely submit a retirement election online through the My LACERA member portal.					
	FY 2019–20	SY	BE, LS, MS			
Current Update	Significant progress has been made on designing a new retirement application, which will serve as the template for an online election form. Testing of the revised application and election has been postponed due to COVID-19 and the temporary suspension of in-person appointments. We will re-evaluate the timetable once we reopen the MSC.					

- Reduce Complexity of Our Organization >>> Retiree Healthcare Program

In 1987, we embarked on an ambitious program to create our own benefit administration software application. Over the ensuing decades, we have devoted considerable resources to support our retirement benefit administration and, more recently, our disability application work processes. Looking to the future, now is the time to begin planning how to best support the Retiree Healthcare Program with improved document control, workflow, and technology. Similar to our efforts in the disability application area, this will be a multidimensional effort that will require us to evaluate Board policy, staff procedures, staffing deployment, operational expectations, accountability, and measurement structures.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop Needs Assessment	Complete a needs assessment to determine what future efforts will be needed to integrate RHC operations into Workspace.					
	FY 2017-18	SY	RH			
Current Update	Completed.					

- Reduce Complexity of Our Organization >>> Managing Member Interactions

The ability to provide world-class service to our members is dependent on ensuring LACERA manages member interactions in an efficient manner, measures service levels, and keeps an accurate record of member interactions in the member’s file. LACERA will focus resources on expanding our ability to record and store inbound and outbound calls with members to the Benefits and Disability Retirement Services divisions. Recording calls ensures we have an accurate record of member interactions, which improves service and can be leveraged to provide quality assurance and training to staff. We will also begin focusing on the development of a Member Service Center queuing system to improve our ability to forecast, budget, and allocate staffing resources and improve management of service levels in the Member Service Center.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Member Service Center Queue System: Planning	Needs assessment and planning for implementation of a queuing system in the Member Services Center.					
	FY 2018–19	SY	MS			
Current Update	Significant work was completed, but initial testing of the system indicated that it was not ready for a rollout. The team has been working with the vendor to ensure that required functionality is available. The team is expected to go through training on functionality in March or April. Following the training, we will re-enter a UAT process. The goal is to launch the new appointment and queue management system for the Member Services Center by the end of FY 2021–2022.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Call Recording, Benefits Division: Planning	Planning the implementation and rollout of call recording for Benefits Division Specialists.					
	FY 2019–20	SY	BE			
Current Update	This project has been completed and those staff members in Benefits who make outbound calls to members are now recorded.					

- Reduce Complexity of Our Organization >>> Managing Member Interactions
(Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Call Recording, Disability Division: Planning	Planning the implementation and rollout of call recording for Disability Division Investigators.					
	FY 2017–18	SY	DR			
Current Update	<p>Systems has completed the planning for the technical implementation of the call recording. Disability staff still has to be engaged to discuss the call-recording rollout.</p> <p>LACERA is in the process of hiring a Compliance Director. Once the Compliance Director has been hired, we will revisit this goal, given that information discussed on these calls is highly sensitive.</p>					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Replace Call Recording System	Replace current call recording software and storage.					
	FY 2018–19	SY	BE, DR, MS			
Current Update	<p>During FY 2019–2020, this objective was listed as “In Process,” with 48 additional recording ports added and 24 designated for Disability staff, scheduled for implementation later in FY 2019-2020. The COVID-19 pandemic required LACERA to pivot to a cloud-based Call Center solution. As a result, this objective was terminated. Systems will work with Member Services, Retiree Healthcare, and the IT Council to developing a post-COVID telecom strategy, including a call recording system.</p>					

- Reduce Complexity of Our Organization >>> Workspace

The information system will facilitate members service while protecting membership information. The system environment will be continually evaluated and updated. We look to improve the way we circulate the member’s electronic document by creating a job ticket processing system.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Replace Green Screens	Replace the mainframe green screens by importing all functionality into Workspace.					
	FY 2017–18	SY	BE			
Current Update	Completed. The final green screens in use were retired on June 5, 2017.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Retire CICS						
	FY 2017–18	SY	BE			
Current Update	Completed. CICS is no longer in use as of June 5, 2017.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
COBOL Program Replacement: Planning						
	FY 2017–18	SY				
Current Update	Completed.					

- Reduce Complexity of Our Organization >>> Workspace (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Update Retirement Estimate Program	Update the retirement estimate logic to reflect current requirements.					
	FY 2017–18	SY	LS, IA			
Current Update	Completed: The estimate program was updated on May 8, 2017. The program now generates estimates for service retirements, deaths, and both service-connected and non-service-connected disability retirements.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Multiple Plan Streams	Updating Workspace programming to properly support members who have more than one membership stream.					
	FY 2018–19	BE	LS, SY			
Current Update	In Process: Plan E-related plan stream eligibility rules have been incorporated into the final calculation and estimate programs. A safety plan stream with non-E eligibility rules has not been incorporated at this time. The initial decision to not complete this stream was due to low volume. However, it must be completed in order to ensure error-free processing.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Reengineer First Payment: Planning	Review the first payment process to ensure the process is designed to efficiently and accurately issue the first benefit payment to members.					
	FY 2018–19	SY	BE, LS, QA			
Current Update	The first payment (or agenda) process was selected as a Phase I project for case management. The process has been re-engineered and will be further reviewed and revised once we select a case management system and begin implementation. This will be reported as part of the case management project.					

- **Reduce Complexity of Our Organization >>> Member Communications**

Members have important retirement choices to make, from plan selection when first hired through choosing the best date and retirement option at the end of their careers. It is our responsibility to provide the education they need to make good choices for their individual circumstances. Our strategic direction is to continue to expand and improve our communication to members by offering a wide variety of user-friendly, updated, informative, and creative educational tools that include print materials, seminars and workshops, website materials, videos, etc. We will review our current pre-retirement workshop and develop and offer topic-specific modules that members could choose from as alternatives.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Outreach Web Video: New Member	Develop an online video that explains the new membership process.					
	FY 2014–15	MS	CO, LS			
Current Update	Completed.					

- Reduce Complexity of Our Organization >>> Member Communications
(Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Active Member Benefit Statement	Redesign and implement a new Active Member Benefit Statement.					
	FY 2017–18	CO	EO, LS, MS, SY			
Current Update	<p>Communications developed a new design and worked with Systems on ensuring data elements would be available. However, work was halted due to continued delays in resolving challenges with systematically calculating PEPRA Final Average Compensation (FAC). Once we have resolved the PEPRA FAC issues, we will restart this project. When we restart the project, we will:</p> <ul style="list-style-type: none"> Finalize the design and seek staff input Revise and finalize the RFP for printing both Active and Retirement Member Benefit Statements Request approval from the Trustees to release an RFP <p>It is difficult to determine a target date, as it depends on the PEPRA FAC project. Rebecca Sun from Systems is the IT representative on the project team.</p>					

- Reduce Complexity of Our Organization >>> Member Communications
(Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Retirement Estimate Document	Redesign the Retirement Estimate and Benefit Election form to make it more informative and user-friendly.					
	FY 2017–18	CO	EO, LS, MS, SY			
Current Update	Significant progress has been completed on the creation of a new retirement application and supporting materials. The new document was scheduled to be tested in early 2020. However, testing was delayed due to COVID-19 and the temporary closure of the MSC. Once we reopen the MSC, we will revisit the time frame for beta testing.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Retirement University: Course 1	Design and implement an online course on the retirement benefit options.					
	FY 2017–18	CO	BE, DR, EO, LS, MS, RH, SY			
Current Update	Communications and Member Services finalized the first three segments of the course that addresses the top options chosen by members: Unmodified, Unmodified Plus, and Option 4. These courses were published to LACERA.com shortly after the launch of the new site. Communications is scheduling the production for the remaining options, 2 and 3. We anticipate publication of these videos by the end of the first quarter of FY 2022–2023.					

- Reduce Complexity of Our Organization >>> Member Communications
(Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Retirement University: Course 2	Select the content and design, and implement the second course in our online university.					
	FY 2020–21	CO	BE, DR, EO, LS, MS, RH, SY			
Current Update	Not started. Pending completion of Course 1 project.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Member Survey	Conduct a survey of all LACERA members and survivors to assess the services and service level that LACERA is providing.					
	FY 2020–21	EO	BE, DR, LS, MS, RH, SY			
Current Update	This project was delayed due to COVID-19. There may be some discussion of developing a survey as part of the strategic planning process.					

- Reduce Complexity of Our Organization >>> Board Operations

It is important for all members of the organization—Boards, executive management, and staff—to be dedicated to creating and maintaining a professional workspace. The Boards’ workspace should foster an aesthetic appearance while maintaining functionality and readily communicate LACERA’s commitment to its membership.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Boardroom Branding Entryway	Refresh and update the entryway to the boardroom to include pictures of Board members, so the members and public can see who is representing them.					
	FY 2017–18	EO	AS			
Current Update	Completed.					
<hr/>						
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Boardroom Branding	Refresh and update the boardroom, including branding.					
	FY 2017–18	EO	AS			
Current Update	Completed.					
<hr/>						
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Boardroom Speaker Timer and Signal						
	FY 2017–18	SY	EO, AS			
Current Update	Completed.					

Cultivate a Risk-Intelligent Organization

Creating an organization that is aware of risks and manages those risks appropriately, and that has a shared knowledge system and formalized operational compliance program.

- Knowledge and Content Management

Provide an enterprise content management system (ECMS) that integrates a centralized search of all knowledge content. We expect to internally ingest the Board of Retirement's committee documents and implement a user-friendly tool to access our membership rules and plan information.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Board Package Web Posting	Post all Board of Retirement and Board of Investments agendas online.					
	FY 2015–16	SY	EO, IN, LS			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive, BOI Back Files: Implement	Archive all prior versions of BOI agendas/minutes.					
	FY 2016–17	SY	EO, IN, LS			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive, BOR Committee Agendas: Implement	Archive all prior versions of BOR Committee agendas/minutes.					
	FY 2016–17	SY	EO, IN, LS			
Current Update	Completed.					

- Cultivate a Risk-Intelligent Organization >>> Knowledge and Content Management (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive, Disability Case Back Files: Evaluate	Conduct a needs assessment of what it would take to archive all disability case back files.					
	FY 2017–18	SY	EO, DR, LS			
Current Update	<p>During the height of the COVID-19 pandemic, LACERA initiated efforts to move DRS to a digital processing environment. All new cases are handled electronically with third parties encouraged to submit data electronically and any paper documents imaged upon receipt. The team is currently imaging active case files that are still in paper format.</p> <p>Back case records are maintained according to LACERA’s Document Retention Policy.</p>					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: RFP	Issue an RFP.					
	FY 2017–18	SY	EO, DR, LS			
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: Actuary Reports	Archive all actuary reports.					
	FY 2018–19	SY	EO, LS			
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					

- Cultivate a Risk-Intelligent Organization >>> Knowledge and Content Management (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: Accounting Reports	Archive all accounting reports.					
	FY 2018–19	SY	EO, FA, LS			
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: Brochures	Archive all brochures.					
	FY 2018–19	SY	EO, CO, LS			
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: Summary Plan Descriptions	Archive all Summary Plan Descriptions.					
	FY 2018—19	SY	EO, CO, LS			
Previous Update	Not Started.					
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					

- Cultivate a Risk-Intelligent Organization >>> Knowledge and Content Management (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: Retiree Healthcare Program	Archive all Retiree Healthcare Program materials.					
	FY 2018–19	SY	EO, CO, RH, LS			
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					

- Cultivate a Risk-Intelligent Organization >>> Operational Compliance

LACERA continues implementing innovative and best practice quality initiatives by introducing another line of defense: a formalized operational compliance program. The operational compliance program is geared to nurture a culture of compliance and provide a structured and transparent approach to adhere to operational processes, policies, and key organizational training regimens. The program’s ultimate success is achieved by an organization demonstrating a culture of compliance and ethical business practices coupled with the efficient and effective integration of operational compliance into daily business practices.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Create Compliance Program Charter	Create a charter to define the compliance program roles, responsibilities, and approach.					
	FY 2017–18	LS	EO			
Current Update	<p>As described during the February 17, 2022 Audit Committee meeting, LACERA supports the approach outlined in the Institute of Internal Auditors’ (IIA) Three Lines of Defense Model. The model provides a structure that assigns responsibility for compliance to all components of LACERA through mutually reinforcing roles to fulfill the organization’s mission.</p> <p>An important piece in developing a strong compliance and ethics program is the hiring of a Compliance Director whose responsibilities focus on risk management—without operational responsibility. The Compliance Director will be responsible for examining the policy, procedures, and rules set forth by LACERA, and build a compliance program that minimizes organizational risk and enforces policy and procedural compliance throughout LACERA.</p> <p>The Compliance Director position will report to the Chief Counsel within the Legal Division. The classification and hiring for this position will be prioritized in calendar year 2022.</p>					

- Cultivate a Risk-Intelligent Organization >>> Operational Compliance
(Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Implement Organizational Compliance Committee	Create a Compliance Committee that will work together to define the compliance program; draft or review compliance policies, procedures, or charters; and provide oversight until a Compliance Officer is appointed.					
	FY 2017–18	LS	EO			
Current Update	Although previously completed, we will revisit this task once we hire a Compliance Director.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop Compliance Reporting Protocols						
	FY 2017–18	LS	EO			
Current Update	Templates gathered and reviewed by members of Compliance Committee; further action deferred pending hiring of Compliance Director.					

- Cultivate a Risk-Intelligent Organization >>> Operational Compliance
(Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop Policy Governance Procedures and Training	Procedures for training on compliance principles, procedures, and values.					
	FY 2018 – 19	LS	EO			
Current Update	<p>LACERA has developed an enterprise-wide Policy and Procedures Committee with representation across LACERA divisions. LACERA’s Policy and Procedures Committee (“Policy Committee”) is an administrative committee created by the LACERA executive team.</p> <p>The Policy Committee will exist to review new and existing policies and procedures against established standards. The Policy committee is responsible for ensuring that LACERA’s policies and procedures support the mission and strategic goals of the organization. The committee is responsible for assisting policy authors with:</p> <ol style="list-style-type: none"> 1. Reviewing proposed Board, administrative, and divisional policies to ensure proper translation of governmental and legislative mandates into meaningful policy 2. Promoting and educating policy authors on LACERA-specific policy template and writing standards 3. Providing organizational guidance and standards on policy management 4. Ensuring all LACERA policies and procedures are up to date and have a routine review cycle for new and existing policies 5. Providing organizational guidance and direction on properly designating policies, procedures, and standards 6. Overseeing LACERA’s enterprise-wide policy management solution 					

- Cultivate a Risk-Intelligent Organization >>> Operational Compliance
(Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop and Deliver Compliance and Ethics Training	Training on compliance principles, procedures, and values.					
	FY 2018 – 19	LS	EO			
Current Update	This responsibility will be delegated to LACERA's Compliance Director, once onboarded.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Inventory LACERA Policies and Standardize	Develop log of all LACERA policies.					
	FY 2019–20	EO	ALL			
Current Update	<p>The Executive Office has conducted an inventory of all LACERA policies. As part of its responsibility, the Policy Committee will review existing policies to ensure relevance and address obsolescence.</p> <p>The Policy Committee will also work to implement a policy management solution that will offer a centralized repository for all existing, new, and archived LACERA policies, ensuring internal and external stakeholders can easily access such policies in a more structured and user-friendly format.</p>					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Conduct Best Practices Review	Confirm success in achieving compliance program objectives.					
	FY 2019–20	LS				
Current Update	Project has been deferred until Compliance Director is on board.					

- Cultivate a Risk-Intelligent Organization >>> In-Line Quality Audit

LACERA has made great strides in building a quality ecosystem over the past 10 years. Our efforts include comprehensive training courses, data cleanup projects, apprenticeship programs, standardized business practices, and independent quality assurance. These practices achieved impressive results, with our quality improving from 88 percent to a world-class quality level exceeding 98 percent. Our next evolutionary step is to identify data anomalies and calculation errors earlier when working a member’s account to prevent errors from reaching the member in the first place.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Increase the In-Line Audit Ratio to 60 Percent						
	FY 2015–16	QA	BE			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Increase the In-Line Audit Ratio to 75 Percent						
	FY 2016–17	QA	BE			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Assess Program Resource Requirements						
	FY 2017–18	QA				
Current Update	Completed. Incorporated assessment of program into budget highlights.					

- Cultivate a Risk-Intelligent Organization >>> Member-Centric Process Management

Benefits Division has developed a Process Management Group (PMG) that has successfully managed its business rules, documentation, and tools so that they are coordinated, standardized, and optimized through a continuous process-improvement effort. Our Strategic Plan will expand this effort to include all member-centric service divisions and business-rule repositories.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop Coordinated Procedures	Develop a process to coordinate the development of procedures for use by Benefits Division staff members.					
	FY 2017–18	BE	DR, LS, MS, QA			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Monitor and Harmonize Procedures						
	FY 2017–18	BE	DR, LS, MS, QA			
Current Update	The PMG continually monitors and harmonizes procedures internally and works with its business partners to ensure that DRS, MS, and QA are consulted on and apprised of new and updated procedures. The divisions work closely on this project. This is an ongoing objective and part of the normal work process. It is deemed complete, in as much as a formal process has been developed and implemented on an ongoing basis.					

- Cultivate a Risk-Intelligent Organization >>> Member-Centric Process Management (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop Requirements for Knowledge System	Develop a set of requirements for a knowledge management system that can be used to share operational knowledge, procedures, and rules throughout the organization.					
	FY 2017-18	BE	DR, LS, MS, QA, SY			
Current Update	Compass 365, a Microsoft Gold Partner, recently completed an assessment of our legacy knowledge management system(s). This project has been assigned to the Policy Committee, as it may share some synergy with the policy management solution. The Policy Committee will explore opportunities.					

- Cultivate a Risk-Intelligent Organization >>> **Scrubbing Legacy Data**

Our membership data is diverse, voluminous, and spans many decades of time. We maintain our membership data in perpetuity. The consequences of poor or incomplete data can magnify as time progresses and may cause serious ramifications to our members. The 1989–90 database conversion included a series of poor or incomplete data that placed a number of our members in harm’s way. Our three-year strategic plan places a high priority in scrubbing our legacy data.

- **Scrubbing Legacy Data**

A multiyear project to identify and prioritize data cleanup projects that will improve processing accuracy and service to members.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
MOU Retroactive Salary Adjustments: 26,000	The County completed MOU negotiations that included retroactive salary increases. The County’s payroll system could not retroactively collect contributions and assign them to the correct pay period, so Benefits had to adjust the accounts manually.					
	FY 2014–15	BE	MS, QA, SY			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Missing Service Credit: 1,000	A project to review accounts that had known periods of missing service credit and ensure the total service credit and related contributions were correct.					
	FY 2015–16	BE	MS, QA, SY			
Current Update	Completed.					

- Cultivate a Risk-Intelligent Organization >>> Scrubbing Legacy Data
(Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Missing Service Credit: 1,000	A project to review accounts that had known periods of missing service credit and ensure the total service credit and related contributions were correct.					
	FY 2015–16	BE	MS, QA, SY			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Back Contributions Uncollected: 1,000						
	FY 2015–16	BE	MS, QA, SY			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Service Contract, not Resident: 1,000	Members with a purchase in the system but no service contract set up.					
	FY 2015–16	BE	MS, QA, SY			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Recalculate Contracts Uncompleted: 4,000						
	FY 2017–18	BE	MS, QA, SY			
Current Update	Completed.					

- Cultivate a Risk-Intelligent Organization >>> Implementing PEPRA

The Public Employees’ Pension Reform Act of 2013 (PEPRA) required LACERA to open new plan tiers, design information systems to support the new benefit structure, develop member communications, conduct staff training, and create new monitoring protocols. With the new plan tiers successfully launched, the organization needs to take a fresh look at the additional implementation efforts yet to be completed.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
PEPRA Implementation Needs Assessment	A review of all systems, materials, and rules to identify any remaining PEPRA implementation items that need to be completed.					
	FY 2016–17	EO	BE, MS, LS, QA, SY			
Current Update	<p>Staff has evaluated and implemented a majority of the PEPRA processing needs. The following processes remain:</p> <ul style="list-style-type: none"> • Annual Benefit Statements (ABS), Active Members: The current version of the ABS has not been revised to accommodate PEPRA. The PEPRA estimate logic has not been added to the program that generates these statements, and the text has not been updated to reflect PEPRA rules. This process is dependent on the completion of the ABS redesign. • Creating a PEPRA compliance payroll report that will help LACERA determine if any non-pensionable pay codes were paid out as pensionable by the Auditor-Controller. • PEPRA limits: Staff is working with the Legal Office to obtain guidance on how periods of absence without pay impact the Final Average Compensation period for PEPRA members. This is critical to be able to define the FAC period for comparison to PEPRA pensionable pay limitations. • Returning member processes to support the Superior Court employees. • Non-Concurrent Retirement Process: Members in double plans may have different retirement eligibility rules based on each plan. These rules, currently managed manually, will be automated. 					

- Cultivate a Risk-Intelligent Organization >>> Implementing PEPRA
(Continued)

• Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
PEPRA Implementation Tactical Plan						
	FY 2017–18	EO	BE, MS, LS, QA, SY			
Current Update	The Auditor-Controller (AC) has determined that it is not feasible to break apart the 099-pay code so that embedded pensionable and non-pensionable pay codes are reported to LACERA separately. However, they are making programming changes that will allow LACERA to identify pay code changes that occur during a payroll cycle. We continue to work with them to resolve this critical issue and will update the Committee on our efforts.					

High Performance and Diversified Team

We strive to create and maintain an environment where all staff members are coached and developed to be high performers by developing the tools and training to reach higher levels of performance as an effective team. Each staff member should receive continual, relevant, and timely feedback. A diverse workforce represents a greater range of knowledge, ideas, and opinions, and spurs innovative approaches to serving our members better.

- **Advanced CERL Education (ACE) Certification**

The International Foundation of Employee Benefits, in conjunction with the University of Pennsylvania, provides an outstanding educational certification in compensation management covering all aspects of benefits and compensation. This rigorous designation, known as the Certified Employee Benefit Specialist (CEBS), allows the student to specialize their CEBS certification into one of three specialty areas:

- *Compensation Management Specialist*: compensation and human resources
- *Group Benefits Associate*: healthcare and other group benefits
- *Retirement Plans Associate*: all aspects of retirement plans

While these are excellent educational opportunities, they do not specifically address plan design, practices, and procedures unique to LACERA. Our initial concept is for the ACE certification to serve as advanced certification available to LACERA's Benefits, Member Services, Retiree Healthcare, Quality Assurance, and Internal Audit staff. The program would include an eligibility test, class work, proficiency tests (classroom and production), and continuing education requirements. It is our hope that this designation will be eligible for certification compensation.

- High Performance and Diversified Team >>> Advanced CERL Education (ACE) Certification (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop ACE Program	Develop and design the curriculum and processes of the program.					
	FY 2016–17	QA	EO			
Current Update	Completed.					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Implement Program	QA will conduct two pilot programs to solicit feedback on the program structure, content, and delivery. After the two pilot groups have completed the program, a final program will be outlined and presented for approval.					
	FY 2020–21	QA	EO/MS			
Current Update	<p>This goal has been extended based on the experience of completing the first pilot group. QA’s first pilot was conducted with nine selected staff over a 22-month period. Using data gathered from this pilot group, the program content was revised for the second pilot, which began in mid-2019, consisted of five selected staff, and was expected to last about 17 months. Once the second pilot has been completed and reviewed, we will begin the implementation.</p> <p>QA believes this task is complete.</p>					

- High Performance and Diversified Team >>> Advanced CERL Education (ACE) Certification (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Graduate Inaugural Class						
	FY 2020–21	QA	EO/MS			
Current Update	The inaugural class graduated in 2020. However, the program was placed on hold due to the need to re-evaluate the goals. The program was originally designed to train staff to a high technical level. Additional components were added to include management and supervisory skill development. The program will be re-evaluated to determine how it can be redesigned to focus on technical skills, complex account analysis, and correcting and certifying accounts.					

- High Performance and Diversified Team >>> Succession Planning

Succession planning is an important part of doing business, no matter how certain the future seems. It promotes strong leadership, facilitates organizational responsiveness, and builds team strength. A successful plan includes employees throughout the organization at all operational levels.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Employee Survey: Planning	Develop an Employee Engagement Program starting with an employee survey.					
	FY 2016–17	HR	EO			
Current Update	Completed					
Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Employee Survey: Conduct	Implement an employee survey as part of the Employee Engagement Program.					
	FY 2016–17	HR	EO			
Current Update	Complete. CPS conducted the Employee Engagement Survey in February 2021. A total of 352 staff members completed the survey, which is an 86 percent response rate. The results were delivered to staff and the Boards in May and June 2021.					

JP:jp
Strategic Plan Retirement Benefits Status Update – February 2022.docx

Towards Best-In-Class Investor

2022 Work Plan and Strategic Initiatives

Investments Division

Board of Investments

January 12, 2022

Jonathan Grabel – Chief Investment Officer



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Discussion Outline

I. Work Plan Background

II. Strategic Initiatives

III. Appendix: Preliminary Project Schedules for 2022

2022 Work Plan



It is recommended that the Board approve the 2022 Work Plan and Strategic Initiatives with the **following goals**:

1. Provide **visibility** into current and upcoming initiatives
2. Accurately **reflect and synthesize** all Board-approved projects and input, recent Board meetings, and Offsite discussions into a cohesive action plan that includes best-in-class aspirations
3. Promote **disciplined execution** and aligned resources for defined priorities

2022 Work Plan

Objective and Strategic Initiatives



Strategic Initiatives



2022 Work Plan

Strategic Initiatives Towards Best-In-Class Investor

Across LACERA's five strategic initiatives, our **journey** from an allocator to a best-in-class investor has numerous **accomplishments**, **ongoing efforts**, and **aspirational considerations**.



Upcoming slides describe our journey for each initiative and reflect feedback from the BOI.



2022 Work Plan

Strategic Initiatives



Enhance
Operational
Effectiveness



Optimize
Investment
Model



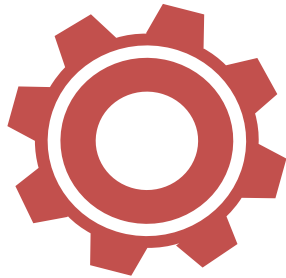
Maximize
Stewardship and
Ownership Rights



Strengthen
Influence on Fees
and Cost of Capital



LACERA
T.I.D.E.



Enhance
Operational
Effectiveness

Objective

To maximize the efficiency of our resources (internal and external, human and technological) and mitigate varied investment and enterprise risks, which can improve future outcomes

Connection to Investment Beliefs

"Risk is a broad term used to capture the concept of uncertainty. Since no single metric adequately conveys risk, LACERA will evaluate risk holistically, incorporating quantitative measures and qualitative assessments in managing its portfolio."

"Rebalancing the portfolio is a key aspect of prudent long-term asset allocation policy."

2022 Work Plan

Strategic Initiatives



Enhance
Operational
Effectiveness



Optimize
Investment
Model



Maximize
Stewardship and
Ownership Rights



Strengthen
Influence on Fees
and Cost of Capital



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Aspirational Considerations



- Strengthen risk orientation in a low expected return environment
- Continuously improve BOI meeting information
- Enhance compliance efforts
- Avoid uncompensated complexity



Ongoing Efforts

- Business continuity and information technology
- Comprehensive performance, risk, and return reporting
- Complete investment procedures manual
- Review OPEB operational structure



Accomplishments

- ✓ Elevated operational due diligence (“ODD”) capabilities
- ✓ Improved cash flow accounting for real estate operations
- ✓ Consolidated and simplified securities lending program
- ✓ Approval for initial dedicated managed account (“DMA”)

Enhance Operational Effectiveness



2022 Work Plan

Strategic Initiatives



Enhance
Operational
Effectiveness



Optimize
Investment
Model



Maximize
Stewardship and
Ownership Rights



Strengthen
Influence on Fees
and Cost of Capital



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Optimize Investment Model

Objective

To leverage our competitive advantages through deliberate investment models and structures that harness technology, cost effectiveness, and human capital to maximize risk-adjusted returns

Connection to Investment Beliefs

"Consideration of net-of-fees returns is an integral part of a successful long-term investment strategy."

"LACERA will allow for modest tactical asset allocation adjustments during times of disruption."

"LACERA believes that conflicts of interest may pose risk; therefore, any perceived conflicts should be identified and explored as a material factor in risk analysis."

2022 Work Plan

Strategic Initiatives



Enhance
Operational
Effectiveness



Optimize
Investment
Model



Maximize
Stewardship and
Ownership Rights



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Influence on Fees
and Cost of Capital



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Aspirational Considerations



- Shared ownership interests with investment manager firms
- Continued co-investment program developments
- Further development of investor mindset



Ongoing Efforts

- Implement strategic asset allocation nuances
- Risk measurement and monitoring across the portfolio
- Evaluate most advantageous investment structures
- Evaluation of merits and risks for internal management



Accomplishments

- ✓ Co-investment program successes in private equity
- ✓ Co-leading secondary investment
- ✓ Portfolio adjustments towards 2021 strategic asset allocation
- ✓ Rebalancing and exposure management through overlay

Optimize Investment Model



2022 Work Plan

Strategic Initiatives



Enhance
Operational
Effectiveness



Optimize
Investment
Model



Maximize
Stewardship and
Ownership Rights



Strengthen
Influence on Fees
and Cost of Capital



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T.I.D.E.



Maximize Stewardship and Ownership Rights

Objective

To steward our investments – including legal rights associated with them – in a manner that promotes and safeguards our economic interests and durable financial value, including through proxy voting, engagement, and policy advocacy

Connection to Investment Beliefs

"LACERA considers the risks of environmental, social, and governance ("ESG") factors as relevant to its investment process."

"In an increasingly complex and dynamic investment universe, continued education on investment concepts and investment strategies within that universe is essential for long-term success."

2022 Work Plan

Strategic Initiatives



Enhance
Operational
Effectiveness



Optimize
Investment
Model



Maximize
Stewardship and
Ownership Rights



Strengthen
Influence on Fees
and Cost of Capital



LACERA
T.I.D.E.



Aspirational Considerations



- Total Fund view of climate investment risks and opportunities
- Refine ESG language in investment beliefs
- Expand thought leadership through education and research

Ongoing Efforts



- Continue advancing corporate board diversity initiative
- Improve ESG data availability and reliability, i.e., SASB support
- Encourage corporate climate risk disclosures and reductions
- Ongoing regulatory and legislative advocacy

Accomplishments



- ✓ Global proxy voting authority across 8,000 holdings
- ✓ Routine SEC comment letters on investor rights
- ✓ Climate Action 100+ initiative on climate risks
- ✓ Elevated industry collaboration (i.e., CII, PRI, SASB, etc.)

Maximize Stewardship and Ownership Rights



2022 Work Plan

Strategic Initiatives



Enhance
Operational
Effectiveness



Optimize
Investment
Model



Maximize
Stewardship and
Ownership Rights



Strengthen
Influence on Fees
and Cost of Capital



LACERA
T.I.D.E.



Strengthen Influence on Fees and Cost of Capital

Objective

To strengthen our influence on fees and cost of capital with the goal of maximizing returns by minimizing cost across all investment strategies and structures in a manner that promotes durable investment returns

Connection to Investment Beliefs

"Consideration of net-of-fees returns is an integral part of a successful long-term investment strategy."

"Costs and fees should be actively monitored and negotiated to the greatest extent possible."

"As markets are largely efficient, passive management, when available, is the preferred structure for investment management; however, the Board recognizes that some asset classes may justify the higher fees and/or expected enhanced returns associated with active management."

2022 Work Plan

Strategic Initiatives



Enhance
Operational
Effectiveness



Optimize
Investment
Model



Maximize
Stewardship and
Ownership Rights



Strengthen
Influence on Fees
and Cost of Capital



LACERA
T.I.D.E.



Aspirational Considerations



- Broadly be “term-makers” as opposed to “term-takers”
- Be a prominent co-investment and secondary investor
- Further measure and reduce costs across portfolio
- Develop a risk and fee adjusted performance measurement



Ongoing Efforts

- Expansion of co-investment and secondary programs
- Creative and beneficial fee structures such as hard hurdles
- Shared ownership interest alongside select managers
- Remain mindful of strategic considerations



Accomplishments

- ✓ Secondary purchase activity
- ✓ Beneficial structures such as dedicated managed accounts
- ✓ Capacity rights and fee negotiations
- ✓ Increased influence and improved fee terms

Strengthen Influence on
Fees and Cost of Capital



2022 Work Plan

Strategic Initiatives



Enhance
Operational
Effectiveness



Optimize
Investment
Model



Maximize
Stewardship and
Ownership Rights



Strengthen
Influence on Fees
and Cost of Capital



LACERA
T.I.D.E.



LACERA T.I.D.E: Towards Inclusion, Diversity, and Equity

Objective

To improve outcomes through comprehensive, total Fund efforts that encourage constructive, inclusive, and equitable talent management at investment partners, industry, and internally

Connection to Investment Policy Statement

"LACERA values diversity, equity, and inclusion, and believes that effectively accessing and managing diverse talent leads to improved outcomes."

"LACERA's ongoing monitoring of third-party service providers incorporates an assessment of vendors' commitment to, adherence with, and track record of accessing and retaining diverse workforces in an inclusive and equitable manner."

2022 Work Plan

Strategic Initiatives



Enhance
Operational
Effectiveness



Optimize
Investment
Model



Maximize
Stewardship and
Ownership Rights



Strengthen
Influence on Fees
and Cost of Capital



LACERA
T.I.D.E.



Aspirational Considerations



- All investment partners have clear DEI policies and reporting
- Be a catalyst for leading DEI practices at our business partners and in the investment industry
- Demonstrate cohesive, comprehensive DEI integration



Ongoing Efforts

- Diplomatic agitation of investment partners for further progress
- Industry advocacy to elevate DEI and improve data reporting
- Convening regional institutional investors on DEI practices
- Facilitate avenues for capital formation
- Intern program and avenues for DEI in internal practices



Accomplishments

- ✓ Due diligence across all new and current mandates
- ✓ Strides with partners regarding DEI policies and demographics
- ✓ Progress in corporate board diversity initiative
- ✓ LACERA tracking more data
- ✓ Increased allocation opportunities for emerging managers

LACERA T.I.D.E.



2022 Work Plan Recommendation

Towards Best-In-Class Investor

Recommendation:

Approve the 2022 Work Plan and Strategic Initiatives

Best-In-Class
Investor



Strategic Initiatives

- Execute 2022 Work Plan and Strategic Initiatives
- Maintain principles and re-evaluate as necessary
- Scale division along with Strategic Initiatives
- A component of LACERA's broad strategic plan



Appendix



Prospective 2022 Calendar

Board of Investments and Committee Meetings

	January	February	March	April	May	June	July	August	September	October	November	December
Board of Investments	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
							[Potential Offsite]					
Corporate Governance Committee				✓						✓		
Credit and Risk Mitigation Committee					✓				✓			
Equity: Public/Private Committee			✓	✓							✓	
Real Assets Committee	✓					✓						✓

- Each committee meets at least two times per calendar year
- Additional meetings would be scheduled on an as-needed basis
- Will work with the Board regarding Offsite format and logistics



1st Quarter 2022 Preliminary Monthly Calendar

FEBRUARY 9, 2022	
Board of Investments:	
Category	Subject
Total Fund	General Consultant Search Recommendation
Total Fund	4Q2021 Trust and OPEB Performance Report
Total Fund	General Consultant 4Q2021 Trust and OPEB Performance Report
Growth	Private Equity Investment Recommendations
Growth	Private Equity Emerging Manager Recommendation
Real Assets	Private Fund Investment Recommendation
Credit	Illiquid Credit Investment Recommendation
Committee: (open)	
Category	Subject

MARCH 9, 2022	
Board of Investments:	
Category	Subject
Growth	Private Equity Investment Recommendations
Real Assets	Real Estate Restructuring Update
Real Assets	Private Fund Investment Recommendation
Risk Mitigation	Long Duration Treasury Manager Recommendation
Committee: Equity: Public/Private	
Category	Subject
Growth	Analysis of Global Equity Activist Managers

Please note that certain listed items are subject to Committee advancement and/or Board approval.



2nd Quarter 2022 Preliminary Monthly Calendar

APRIL 13, 2022	
Board of Investments:	
Category	Subject
Total Fund	Annual Securities Lending Income Report
Growth	Private Equity Investment Recommendation
Real Assets	Private Fund Investment Recommendation
Committees: Corporate Governance and Equity	
Category	Subject
Corporate Gov.	Principles Policy Review
Corporate Gov.	ESG Standards Report
Growth	Global Equity Emerging Manager Program Assessment

MAY 11, 2022	
Board of Investments:	
Category	Subject
Total Fund	1Q2022 Trust and OPEB Performance Report
Total Fund	General Consultant 1Q2022 Trust and OPEB Performance Report
Total Fund	OPEB Private Markets Search Recommendation
Growth	Private Equity Investment Recommendation
Committee: Credit and Risk Mitigation	
Category	Subject
Credit	Outside Speaker: Inflation and Interest Rates

JUNE 8, 2022	
Board of Investments:	
Category	Subject
Total Fund	Internal Trading Update (Global Equity and Fixed Income)
Total Fund	Securities Lending Update Report
Real Assets	Private Fund Investment Recommendation
Committee: Real Assets	
Category	Subject
Real Assets	GRESB Review
Real Assets	RCP Review
Real Assets	Real Estate Emerging Manager Program RFP

Please note that certain listed items are subject to Committee advancement and/or Board approval.



3rd Quarter 2022 Preliminary Monthly Calendar

JULY 13, 2022	
Board of Investments:	
Category	Subject
Total Fund	Board Offsite (potential)
Growth	Private Equity Portfolio Performance Review
Growth	Private Equity Investment Recommendation
Real Assets	Private Fund Investment Recommendation
Credit	Illiquid Credit Emerging Manager Program Recommendation
Committee: (open)	
Category	Subject

AUGUST 10, 2022	
Board of Investments:	
Category	Subject
Total Fund	Board Offsite (potential)
Total Fund	2Q2022 Trust and OPEB Performance Report
Total Fund	General Consultant 2Q2022 Trust and OPEB Performance Report
Credit and Risk Mitigation	Credit and Hedge Funds Portfolio Performance Review
Committee: (open)	
Category	Subject

SEPTEMBER 14, 2022	
Board of Investments:	
Category	Subject
Total Fund	Board Offsite (potential)
Total Fund	Custody Bank Search RFP Recommendation
Total Fund	Fiscal Year End Risk Review
Real Assets	Private Fund Investment Recommendation
Committee: Credit and Risk Mitigation	
Category	Subject
Credit	Investment Manager Panel
Risk Mitigation	Implementation Update

Please note that certain listed items are subject to Committee advancement and/or Board approval.



4th Quarter 2022 Preliminary Monthly Calendar

OCTOBER 12, 2022	
Board of Investments:	
Category	Subject
Growth	Private Equity Investment Recommendation
Real Assets	Private Fund Investment Recommendation
Real Assets	Real Assets Portfolio Performance Review
Credit	Illiquid Credit Manager Recommendation
Committee: Corporate Governance	
Category	Subject
Corporate Gov.	Proxy Results and Trends
Corporate Gov.	PRI Assessment and ESG Update

NOVEMBER 9, 2022	
Board of Investments:	
Category	Subject
Total Fund	3Q2022 Trust and OPEB Performance Report
Total Fund	General Consultant 3Q2022 Trust and OPEB Performance Report
Committee: Equity: Public/Private	
Category	Subject
Growth	Structure Review

DECEMBER 14, 2022	
Board of Investments:	
Category	Subject
Total Fund	T.I.D.E. Initiative Update
Total Fund	AB2833 – Investment Fee Validation
Real Assets	Private Fund Investment Recommendation
Other	2022 Actuarial Valuation of Retirement Benefits
Committee: Real Assets	
Category	Subject
Real Assets	Real Assets Emerging Manager Program RFP
Real Assets	Structure Review Update

Please note that certain listed items are subject to Committee advancement and/or Board approval.



STRATEGIC PLAN

RETIREE HEALTHCARE PROGRAM

Yesterday, Today, Tomorrow

FISCAL YEARS ENDING 2021–2023



L//CERA

OVERVIEW

LACERA's Board of Retirement administers the Los Angeles County Retiree Healthcare Program. LACERA staff, external consultants, and advisors assist the Board of Retirement's Insurance, Benefits & Legislative Committee in overseeing the Los Angeles County Retiree Healthcare Program.

In 1961, the County Employees Retirement Law of 1937 (CERL) was amended to allow pension systems to provide healthcare to retirees in two ways:

- Board of Supervisors can pay all or part of the cost
- Board of Retirement can pay via excess earnings

OUR MISSION

To efficiently administer the Healthcare Benefits Program for retired association members and beneficiaries and provide a healthcare program of the highest quality at an affordable cost.

OUR CORE VALUES

PROFESSIONALISM: We take the initiative to develop our skills to get the job done. We are accountable for providing quality service to our members that is efficient and accurate.

RESPECT: Our members and coworkers deserve to be treated with courtesy, patience, and empathy. When we listen to and support each other, we create a nurturing work environment that promotes fairness and trust.

OPEN COMMUNICATIONS: Our frank and straightforward expression of ideas fosters a common understanding of purpose—quality service to our members. We create a healthy work environment by sharing information, listening to each other's ideas, and giving constructive feedback.

FAIRNESS: Our employees are entitled to a clear explanation of performance expectations. Performance evaluations are timely, honest, and impartial; personal improvement plans are reasonable and constructive; and we provide opportunities for professional development and promotion.

INTEGRITY: We inspire confidence by our high standards for member services and sound investment practices. We are reliable, ethical, and honest. Loyalty to LACERA means loyalty to members. Integrity guides all our work relationships.

TEAMWORK: We are committed to teamwork, and we openly share information and ideas. Working together to reach common goals is the essence of success.

OUR OBJECTIVES

PRUDENT FIDUCIARY

To act at all times as prudent fiduciaries, executing our responsibilities exclusively on behalf of our members, beneficiaries, and participating employers.

RESPONSIVE AND QUALITY SERVICES

To provide responsive and consistent quality service using integrated, cost-effective procedures.

COMMUNICATION

To promote and enhance the understanding of LACERA benefits among members, employers, County officials, and the public.

QUALITY WORKFORCE

To develop a human resources program to recruit, train, develop, and promote qualified staff; provide a quality work environment; and enhance the quality of life for our employees.

MANAGE GROWTH AND CHANGE

To manage growth and change through planning, innovation, and the maximum use of available technology.

OUR HISTORY

The 1970s

In January 1971, with the assistance of its healthcare consultant, Johnson & Higgins, LACERA first offered a hospital-medical plan and subsidized the retiree's premium by using excess earnings. At that time, the Board of Retirement offered retirees the choice of remaining in Blue Cross, Kaiser, or Ross-Loos from an active employment status. For those electing not to stay with their active plan carrier, Occidental or Kaiser Permanente was made available to them.

The indemnity dental/vision plan became a part of the Los Angeles County Retiree Healthcare Benefit Program effective January 1, 1977. In with July 1, 1996, we first offered the CIGNA Dental Health Plan/prepaid HMO plan.

The 1980s

In April 1982, the Board of Retirement negotiated an agreement with the County obligating the County to fund the healthcare program as long as the County provided a healthcare program for active employees.

The administration of the Los Angeles County Retiree Healthcare Program has gone through several evolutionary organizational changes. Initially, the insurance processing was handled as a function of the Retiree Member Unit as part of the retirement payroll function. Subsequently, at the recommendation of an independent auditor, the function was decentralized to several benefits processing units (team concept).

The 1990s

In early 1992, a determination was made that the health and dental/vision staff support provided to our members was at an unacceptable level. Thus, in May 1992, LACERA established the Insurance Services Section (now known as the Retiree Healthcare Division) to centralize the administration of the healthcare program.

With the establishment of the Retiree Healthcare Division in 1992, LACERA added its first Medicare Advantage plans along with a Medicare Part B Reimbursement Program: Kaiser Health Pledge, now Senior Advantage; Secure Horizons; FHP Golden Healthcare (terminated June 30, 1994); and Medicare Supplement plan (Provident III). This complimented the five medical plans (Kaiser, Blue Cross Prudent Buyer, CIGNA Network Model, Provident I, and Provident II) and one dental/vision plan with Provident already offered to retirees.

Effective August 1994, the 1982 agreement was amended to guarantee the County's obligation to continue providing a program even if the County terminated their health program for active employees.

The 21st Century

Our progression to the future is necessarily focused on our primary goal of providing efficient, accurate, and friendly service to members. We want to utilize and develop the skills and expertise of our staff to achieve the highest quality service possible. We continue to explore ways to ensure that we capitalize our human and technological resources to maximum effect.

Prior to 2009, all enrollment forms, correspondence, etc. were delivered directly to the Retiree Healthcare Division. In March 2009, we began scanning enrollment forms and correspondence via the CIB (Client In-Basket) document management system, which provided us the ability to better track and monitor workflow. When scanning of healthcare work objects began, an average of 950 forms were received monthly. With Baby Boomers reaching retirement eligibility, that average has climbed to 1,260 enrollment forms per month, while the number of staff processing those enrollments has decreased due to restructuring of the division and additional staff responsibilities.

In 2013, we reorganized the division to capitalize on the skills and strengths of staff and to ensure that we provide efficient and effective customer service to our members. Our division is currently divided into four

specialized units: Call Center, Operations, Financial/Special Projects, and Audits.

OUR STRATEGIC INITIATIVES

Successful Implementation of 2014 RHC Program Changes

In January 2014, Los Angeles County (plan sponsor) informed LACERA of a proposed plan to lower the employer costs for the Retiree Healthcare Program—changes for new employees hired on or after July 1, 2014. The adopted plan has been named Los Angeles County Retirees Healthcare Program, Tier 2 (Tier 2). We worked closely with other divisions, including Communications, Member Services, Claims Processing, and Systems, to update processes, information, and procedures. Retiree Healthcare staff is in the process of revising our *Exploring Your Healthcare Benefits Through LACERA* booklet and information packet. We are also working with Systems in programming Workspace to calculate the County subsidy at the retiree-only premium level to support the new benefits structure and mandated Medicare enrollment for Tier 2 members. The only outstanding item is to modify Information Systems: Enrollment, which was completed by Systems in FY 2015-2016. All staff from our RHC Units (Call Center, Operations, Audits, and Quality Assurance/Special Projects) are fully trained on all aspects of the new healthcare benefits so our members can continue to receive excellent and accurate service.

Continued Integration of Information Technology

Information technology continues to play a vital role in Retiree Healthcare’s ability to serve our retirees and their dependents. For the past few years, all enrollment processing functions have been integrated into Workspace. This has helped increase the efficiency of our Operations staff and helped improve the overall member experience. We continue working toward providing our members more electronic options to download forms and carrier-related documents, receive education, and complete enrollment. Already in place is the ability for members to input information into enrollment forms online, which can then be printed and submitted for processing. The goal is for members to complete the enrollment process online, with no need to print or mail forms. We are moving forward with anticipated informational and training videos to be included in the Retiree Healthcare section of LACERA.com that will be produced with the help of the Communications Division. The first of these videos were originally intended to be ready by the end of the 2014–2015 fiscal year, but were delayed due to the reallocation of staff resources to prepare for the implementation of Tier 2 to assist with Retiree Drug Subsidy (RDS) and Early Retiree Reinsurance Program (ERRP), programs by the federal government audits, and process an increased number of enrollments.

LACERA.com

GOAL	IMPLEMENTATION DATE
RHC Enrollment web video	FY 2022–2023
Medicare 101 web video	FY 2022–2023
RHC members’ electronic submission of enrollment	FY 2023–2024

Workspace

The focus began with improving the tools available to Retiree Healthcare Specialists by changing the 1960s-era computer input screens (green screens) with user-friendly, Windows-based input screens. We have fully transitioned to all enrollment functions being processed through Workspace. We are also still looking toward automating transmittal of members' enrollment information to the carriers. We have been working with Systems to create an efficient process to automate the population of imputed income in 1099-R forms for affected members. We are now re-evaluating the need for such a system.

GOAL	IMPLEMENTATION DATE
Streamline generation and mailing of confirmation letter upon member election via Workspace	FY 2022–2023
Automate monthly premium reconciliation process	FY 2023–2024
Electronic submission to carriers*	FY 2023–2024

*Currently working on electronic submission of enrollments to Kaiser.

Member Interaction and Communication

It is our responsibility to educate our members and assist them while they are making healthcare choices suitable for their needs. With so many changes in the world of healthcare today coupled with the various options available to our members, our plan is to continue to expand and improve our communication to members by offering a wide variety of user-friendly, updated, informative, and creative educational tools, including print materials and videos. We have made significant strides forward in automating correspondence to members and continue to look toward making the member's experience as consistent, informative, and efficient as possible.

GOAL	IMPLEMENTATION DATE
Implement new seminar for members becoming Medicare-eligible*	FY 2022–2023
Develop Medicare 101 Packet	FY 2022–2023

*Partnership with Member Services Division

Financial and Special Projects Section

The Quality Assurance and Special Projects Section is responsible for identifying, creating, and implementing new efficiencies. They build upon the quality assurance practices we have already put in place to assess needs such as staff training or task allocation. This section will also coordinate and conduct quality control of staff work (both Operations and Call Center) to ensure accuracy and will be responsible for working audits of our insurance carriers. Finally, this section will handle higher level tasks and projects such as Centers for Medicare and Medicaid Services Retiree Drug Subsidy Program (RDS) research, implementation, Affordable Care Act implementation, and accounting and monthly financial reconciliation.

The development of guidelines for the higher-level functions listed below are in progress:

GOAL	IMPLEMENTATION DATE
Dependent database audit RFP	Postponed

Audits Section

The Audits Section is responsible for generating and conducting audits that are generated based on internal needs (such as the Code 19 project) or reports received from different carriers (Kaiser, Cigna, SCAN and United Healthcare). The staff assigned to this section are responsible for researching and updating discrepancies found between members' accounts on LACERA and carriers' systems, including processing of complex premium adjustments and Medicare Part B retrievals. Part of the process is notifying other divisions at LACERA regarding eligibility updates

for members and beneficiaries. The staff are also responsible for notifying members of any premium adjustments or eligibility changes and being the ultimate point of contact for future calls or correspondence regarding the audits they conducted. In addition, the Audits Section is responsible in checking the enrollment forms for accuracy.

GOAL	IMPLEMENTATION DATE
Automation of Medicare Part B retrievals	FY 2023–2024

Call Center Section

The Retiree Healthcare Call Center is the primary interface by which our staff interact with members. Call Center Specialists are responsible for answering member inquiries pertaining to their medical and dental/vision enrollment, eligibility issues, and premium payments, in addition to assisting members and their eligible dependents in selecting an appropriate medical and/or dental/vision plan that suits their needs.

To ensure our Call Center staff are well versed in all LACERA-administered plans, our specialists receive in-house training for approximately six weeks. This training is in addition to the Core Benefits training offered by the Quality Assurance Division.

GOAL	IMPLEMENTATION DATE
RHC new toll-free number	Postponed

Operations Section

Operations Section staff are assigned a specific carrier with whom they work and serve as a point-of-contact for the carrier, internal staff, and members for questions and issues regarding that carrier. Operations staff are responsible for processing all enrollments (including new members), changes, and cancellations for all plans.

GOAL	IMPLEMENTATION DATE
Process enrollment through Workspace (PDF) and submission to carriers via email	FY 2019–2020
Revise RHC Enrollment Processing Guidelines	FY 2022–2023

FY 2022-2023

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Retiree Healthcare Benefits Program

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Mission

To effectively administer the Retiree Healthcare Benefits Program for LACERA members, survivors, and their eligible dependents and to provide a healthcare program of the highest quality at an affordable cost.

INTRODUCTION

The Retiree Healthcare Division (RHC) is responsible for administering the Retiree Healthcare Benefits Program (RHCBP) for retired members, survivors, and eligible dependents. This budget request for Fiscal Year 2022-2023 reflects our ongoing commitment to provide the highest level of customer service to our members and eligible dependents. RHC is also responsible for understanding and implementing the many complex changes in Federal and State Programs such as the Affordable Care Act (ACA), Medicare, and Social Security guidelines as applicable to the RHCBP, in addition to the general healthcare landscape. This budget will provide the division with the support needed to deliver timely quality service to our retired members/survivors and their eligible dependents.

The RHC Division consists of the following units:

- **Operations Unit:** Assists in planning, assigning, organizing, and directing the work of staff engaged in the research, resolution, and processing of healthcare enrollment forms and retiree healthcare benefits.
- **Audits Unit/Finance Section:** Assists in conducting extensive operational and procedural audits to ensure guidelines are followed by staff. Responsible for quality control. Provides review of retiree healthcare enrollment forms to ensure accuracy. Engages in carrier auditing of account to reflect that accurate eligibility and premiums are being paid. Monitors calls between members and staff monthly to assure that retirees are being provided accurate information during each encounter; conducts quality checks of enrollment forms processed by Operations staff. This unit will ultimately be responsible for coordinating with other RHC units, training new staff, and providing refresher classes to existing RHC staff.

- **RHC Call Center:** Assists members and the organization at large with responding to retiree healthcare benefits related questions and resolving complex questions regarding the Retiree Healthcare Benefits Program and healthcare enrollment, as well as providing information to management regarding its impact on division operations.

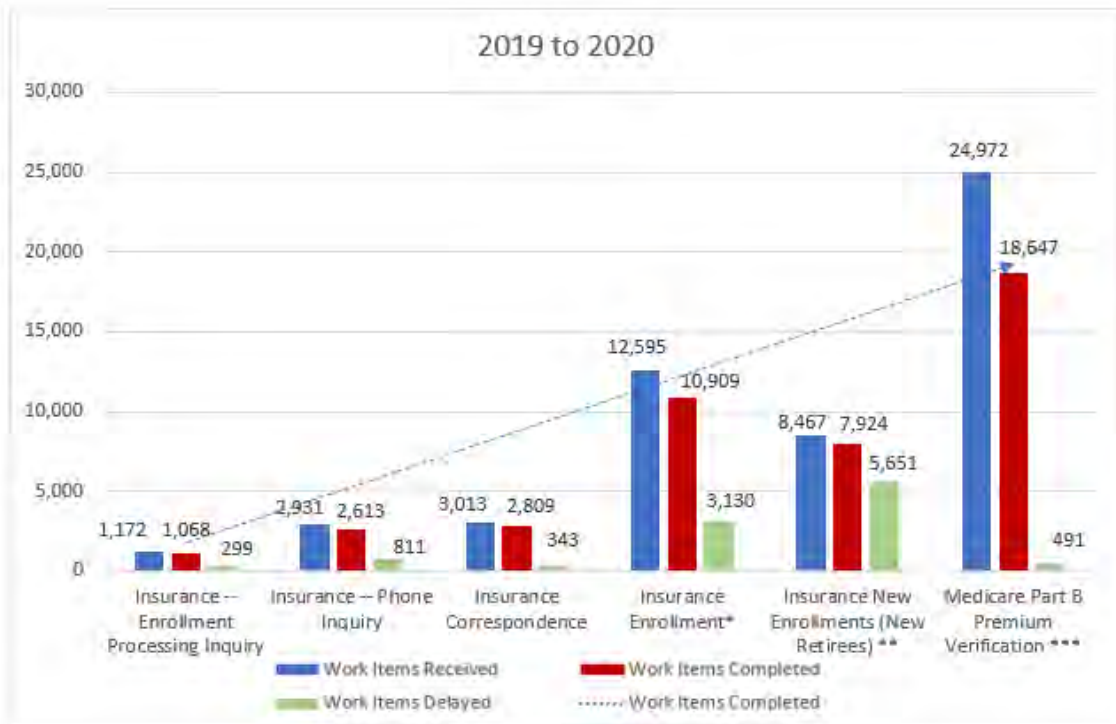
RHC Successes:

- Polished procedures to address the varying monthly Medicare Part B premium cost to eligible members/survivors and their eligible dependents
- Achieved an overall single-digit premium increase
- Improved the Operations enrollment processing triage description for efficiency
- Aligned each divisional unit in accordance with the organizational chart
- Solidified remote work capabilities, with access to the system, eHR and Intranet
- Ensured staff can upload documents to Workspace and send electronic documents to members via Workspace and Member Portal
- Continued to adjust working remotely and processing enrollment forms electronically
- Created a new interactive enrollment checklist that is simpler and more user-friendly for the processors and Audit team
- Created a divisional training plan and manuals for new hires in RHC
- Started supporting and participating in the case management search and implementation plan (although RHC is not part of the first three targeted divisions) so that we will be ready to test our RHC division plan when necessary

RHC Challenges:

- Members are unable to submit electronic enrollment forms; paper enrollments still being submitted to the health plan carriers
- Limited office space
- Medicare Part B premium verification requirement processing
- Policy mandating that all employees hired as a Retirement Benefits Specialist participate in the one-year CORE benefits training class even though they are being hired to perform other work within the organization
- Some work processes still require staff to go into the office

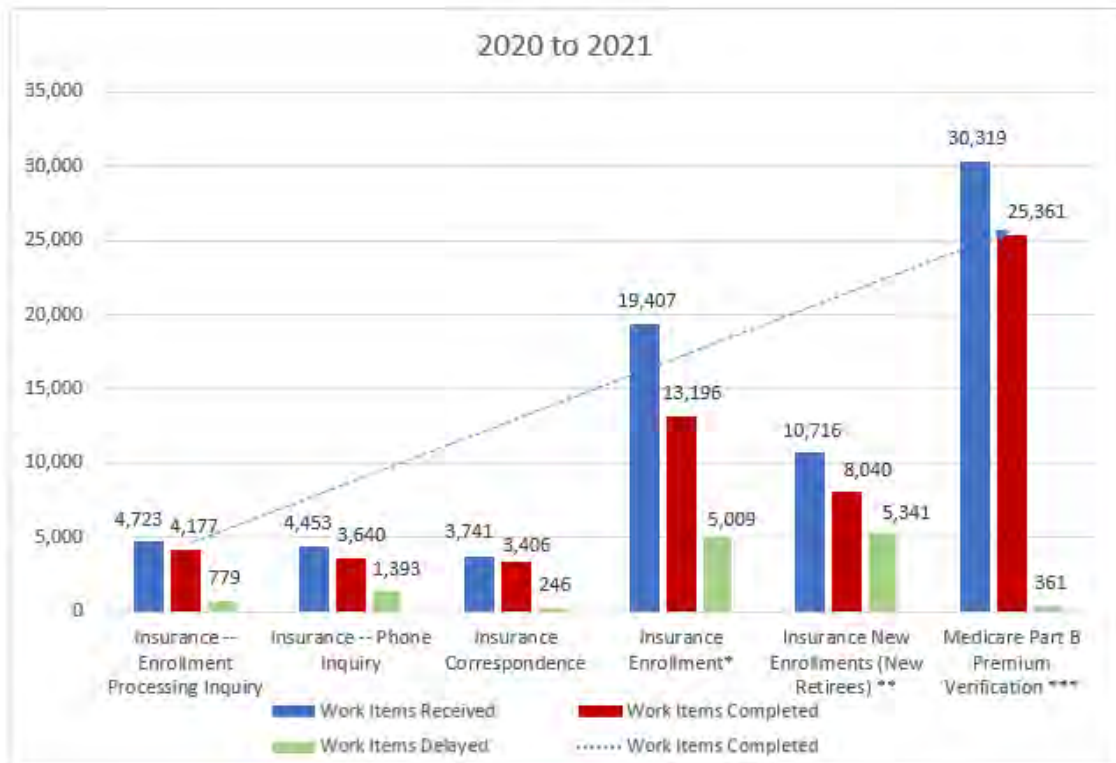
The Retiree Healthcare (RHC) division prides itself in providing members with best-in-class quality service. Over the last two years, the demand for our services has increased as a result of the pandemic and corresponding “Great Resignation.” Since last year, RHC saw a year-over-year increase in the following critical workloads:



* Changes (inside and outside plans)/Survivors/New enrollments with wait periods/adding and deleting family members/cancellations

** New enrollments (non-March Madness)

*** 2022 Part B Verification is as of January 2022



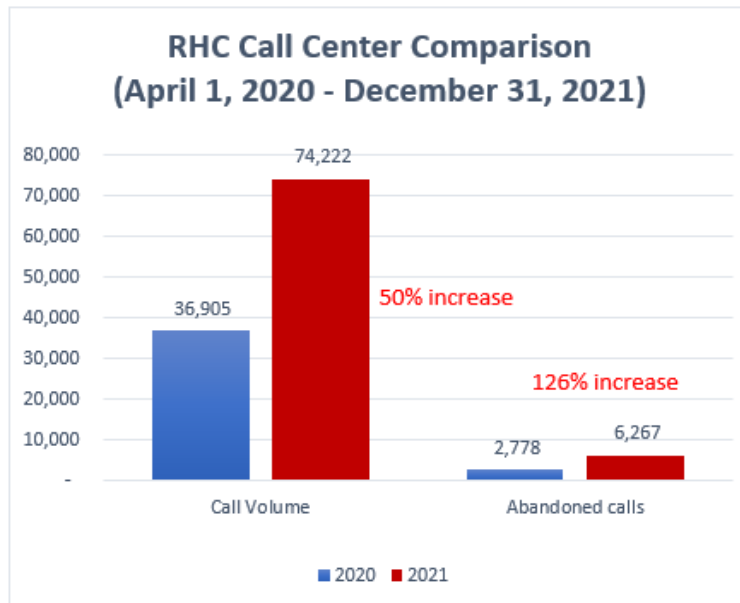
* Changes (inside and outside plans)/Survivors/New enrollments with wait periods/adding and deleting family members/cancellations

** New enrollments (non-March Madness)

*** 2022 Part B Verification is as of January 2022

Process Name	Percentage Increase
Insurance -- Enrollment Processing Inquiry	303.0%
Insurance -- Phone Inquiry	51.9%
Insurance Correspondence	24.2%
Insurance Enrollment*	54.1%
Insurance New Enrollments (New Retirees) **	26.6%
Medicare Part B Premium Verification	21.4%

As a result of increased workloads, RHC has also realized constraints on call wait times:

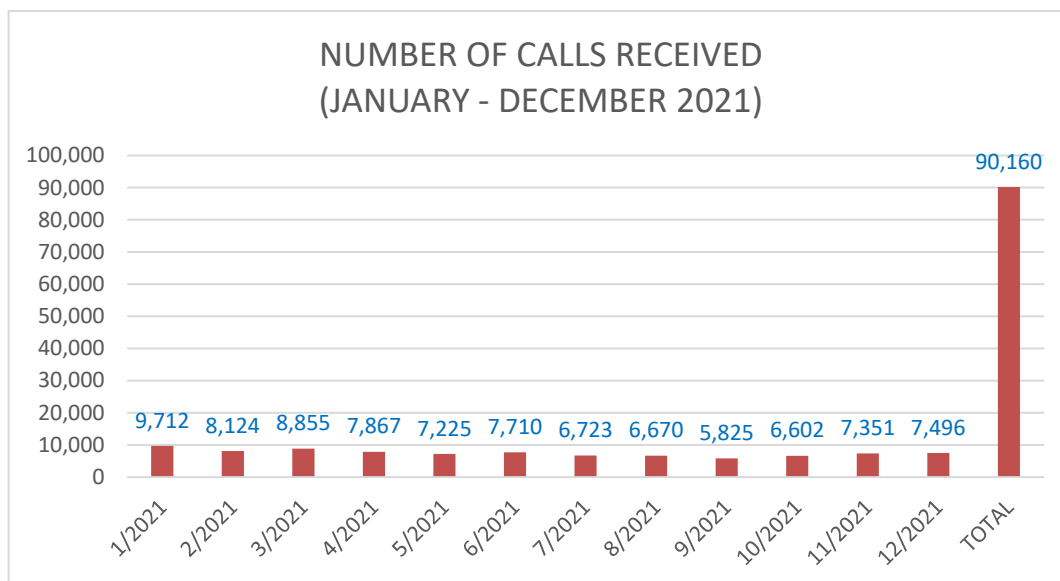


Retiree Healthcare Call Center Comparison - April 1, 2020, through December 31, 2021		
Process	2020	2021
Average Queue Answer Time	11:27	23:43
Service Level	49.86%	36.04%*

* Service Level dropped 13.82 percent

**Amazon connect inception date was April 2020.

For the past year, staff experienced a steady increase in calls:



In order to continue meeting the growing demands of our members and providing high quality service, the Board of Retirement approved an increase in the monthly administrative fee to \$10 per member, per plan, per month for FY 2022-2023. The administrative fee increase equates to about an additional \$1.6 million increase. RHC's current administrative budget is estimated at \$11.4 million. The increase will provide adequate funding for the RHC and will facilitate program administration as the retiree population continues to increase, federal programs expand and become more complex, and employers seek to mitigate program costs through new benefit tiers. In addition, the Center for Medicaid and Medicare Services (CMS) is making many changes to the Medicare Program, and whatever happens in the Medicare Program becomes mainstream in the healthcare landscape.

STAFFING

We have a total of 37 budgeted positions.

Temporary Agency Staff

We are requesting two agency-temp staff members at the level of the RBS II and Senior Typist Clerk for a year each due to increasing workload because of an increase in retirements and March Madness. The temp staff members will assist with critical annual projects including assisting in processing retiree healthcare enrollments, the large volume of Medicare Part B verifications, mailing member materials such as the new retiree healthcare packets, and assisting with member phone calls. The additional staffing will be assigned in Operations and Call Center.

Quality Auditor Position

Currently, RHC has a Quality Auditor position budgeted who will work closely with the Audit Section Head and Quality Assurance Division in the development of a formal RHC training class, like the current CORE retirement benefits training. In the future, RHC will be seeking to upgrade the Quality Auditor to a Training Coordinator specifically assigned

to handle the RHC training upon final completion of new RHC staff and refresher RHC course training.

120-Day Return to Work Position

The 120-day retiree will continue to work on that basis as an advisor to the Retiree Healthcare Division, which she developed. With experience at developing programs on the County CEO side as well as having been LACERA's former Healthcare Director, she is instrumental in providing clarity and background on the intent behind ordinance language that supports LACERA's administration of the healthcare program for L.A. County. In addition, and most importantly, she diligently arranges introductions with the CEOs and presidents of various health plans that LACERA conducts business with as they are made available. The healthcare industry is and continues to become more complex – coupled with the unique program LACERA administers, the 120-day retiree advisor is and has been a resource to executive management, LACERA's healthcare consultants, and the Board of Retirement. This handoff of knowledge and relationships is vital to understanding both the intent behind the County ordinance and methods that would be allowable while remaining compliant.

Overtime

Overtime is being requested to manage the workload related to the high volume of enrollment forms received from March Madness, processing of Medicare Part B premium verifications, and for any unanticipated special projects and special mailings that regularly occur. The total overtime amount being requested remains constant for this fiscal year at \$121,800.

SERVICES AND SUPPLIES

Postage – Special Retiree Mailings

Our Special Retiree Mailing account is primarily used to fund the postage costs and printing for the following retiree healthcare member materials:

- Annual letter packet mass mailing
- New retiree healthcare packet
- Rate booklets
- Medicare Part D prescription drug coverage Creditable Coverage Notice
- Retiree Staying Healthy Together Program bi-annual workshop invitations mass mailing
- Medicare Part B Premium Verification Notices mass mailing
- Retiree Healthcare member brochures and forms
- Other unanticipated special mailings

The total Special Retiree Mailings amount being requested remains constant for this fiscal year at \$300,000.

Professional and Specialized Services – Audits

We have budgeted \$141,100 to cover the cost of conducting the following program audits for this fiscal year:

Plante Moran/Cav Mac	\$17,850
GASB 75 Work	\$31,190
SOC-1 Audit	\$92,000
TOTAL	\$141,040

Internal Audit is adding a SOC 1 Type 2 audit over OPEB data and the cost of GASB 75 as it relates to the RHCBP for this fiscal year and Plante Moran/Cav Mac will be performing the audits.

In addition, we have budgeted \$338,300 to cover the cost of conducting the OPEB valuation for this fiscal year, consistent with the previous fiscal year.

FUNDING AND OPERATING EXPENSES

The RHCBP’s operating expenses must be funded by the program and its operations cannot be subsidized by the trust funds used to operate the retirement benefit trust. The administrative fee covers administrative expenses, including consulting services, vendor fees, and the cost of administering the RHCBP. As such, a RHCBP administrative fee is included as part of the retiree healthcare medical and dental/vision plan premiums, per member, per plan, per month.

The RHCBP operating expenses must be funded by the program and its operations cannot be subsidized by trust funds used to operate the retirement benefit trust. For this reason, an administrative fee is charged per member, per plan, per month and included in the monthly premium rates. This fee covers the RHCBP’s administrative expenses, which include consulting services, vendor fees, audit fees, and benefits administration. The current administrative fee was last increased in 2016 from \$5 to \$8.

The BOR recently approved a \$2 increase to the administrative fee from \$8 per member, per plan, per month to \$10. The plan sponsor pays the majority of these fees. We are currently in discussion with the County CEO office in evaluating how to reconcile the BOR’s actions within the County’s budgetary constraints for the FY 2023-2024 retiree healthcare premium renewals.

Below is a chart of administrative fee amounts from 1999 to present:

Time Period	Administrative Fee Amount
July 1, 2022 – Current	\$10.00 *
July 1, 2016 – June 30, 2022	\$8.00
July 1, 2013 – June 30, 2016	\$5.00
July 1, 2005 – June 30, 2013	\$3.00
July 1, 2000 – June 30, 2005	\$3.20
July 1, 1999 – June 30, 2000	\$2.50

* Approved by LACERA Boards, but not yet approved by the County.

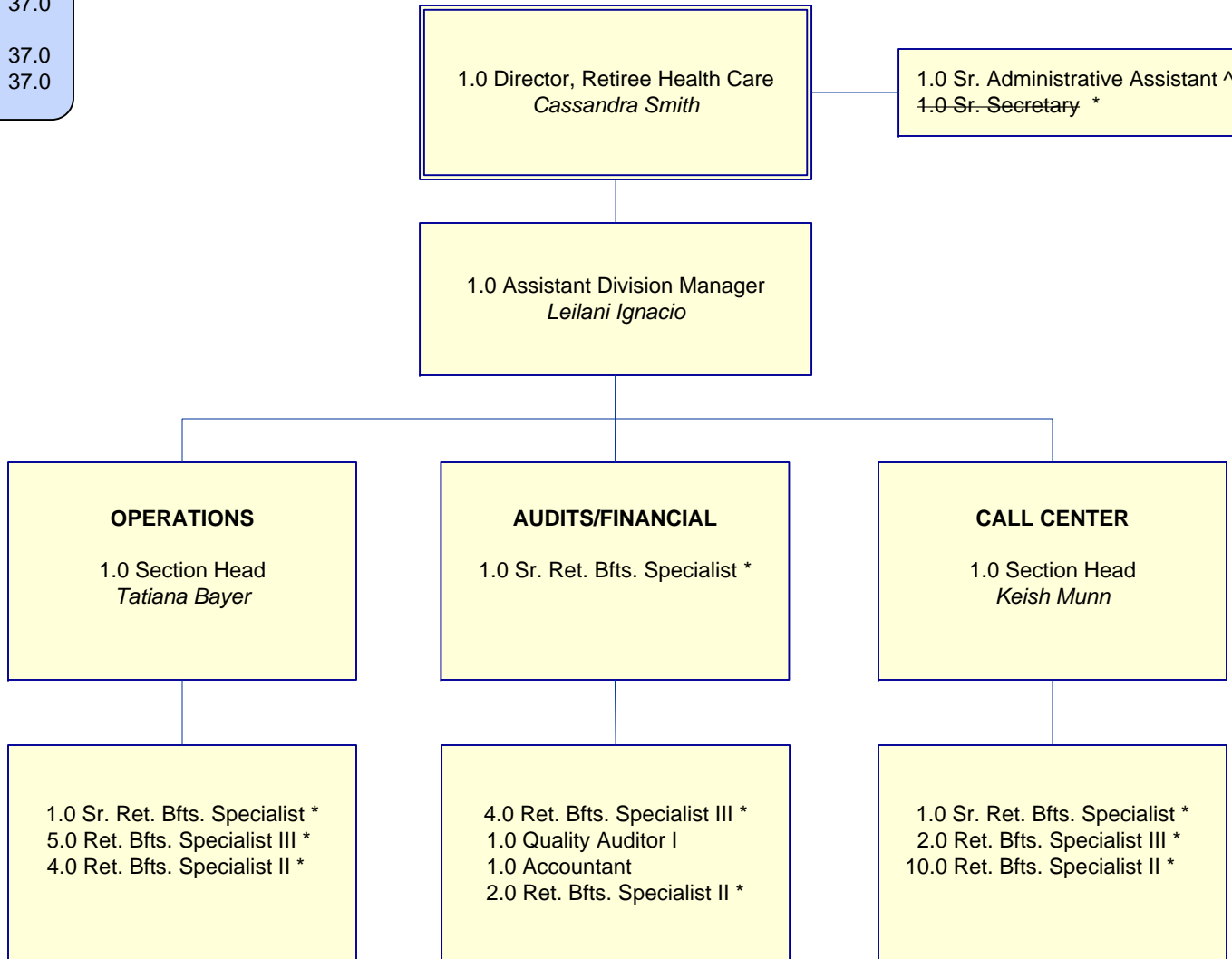
The chart below shows the RHC administrative revenue and expenses for the last 10 years.

RHC ADMIN REVENUE AND EXPENSES FOR THE LAST 10 YEARS			
	Admin Revenue	Admin Expenses	Over/(Under)
FYE 2021	10,245,895	8,099,102	2,146,793
FYE 2020	10,076,876	6,828,067	3,248,809
FYE 2019	9,823,062	6,118,267	3,704,794
FYE 2018	9,559,745	5,681,953	3,877,792
FYE 2017	9,631,327	5,326,190	4,305,137
FYE 2016	5,984,986	5,279,617	705,369
FYE 2015	5,578,149	5,424,333	153,816
FYE 2014	5,466,487	5,006,498	459,989
FYE 2013	3,351,652	4,597,261	(1,245,609)
FYE 2012	3,133,352	3,232,274	(98,922)

RETIREE HEALTH CARE BENEFITS PROGRAM

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 37.0
 2021-2022 Hiring Plan: 37.0
 2022-2023 Bud. Pos.: 37.0
 2022-2023 Hiring Plan: 37.0



* Classification study for the position requested.

^ Position upgrade from Senior Secretary to Senior Administrative Assistant (Pending Board of Supervisors' approval).

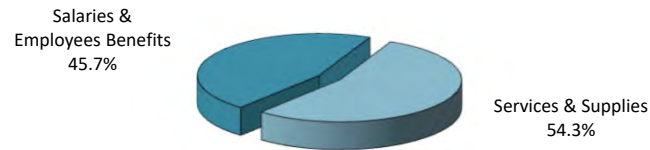
RETIREE HEALTHCARE BENEFITS PROGRAM

FISCAL YEAR 2022-2023

BUDGET SUMMARY

	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	PROPOSED BUDGET 2022-2023	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-22)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$5,172,923	\$5,272,936	\$2,167,991	\$4,379,900	(\$893,036)	-16.9%	(\$100,013)	-1.9%
Services & Supplies	6,140,699	6,118,192	3,149,841	6,094,792	(23,400)	-0.4%	22,507	0.4%
OPERATING BUDGET	\$11,313,623	\$11,391,128	\$5,317,833	\$10,474,692	(\$916,436)	-8.0%	(\$77,505)	-0.7%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM
FISCAL YEAR 2022-2023
SALARIES AND EMPLOYEE BENEFITS SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$3,006,805	\$2,814,534	\$1,264,607	\$2,498,600	(\$315,934)	-11.2%	\$192,271	6.8%
Total Agency Temp Salaries	149,800	511,700	212,745	418,800	(92,900)	-18.2%	(361,900)	-70.7%
Employee Benefits (Variable)	1,775,266	1,728,430	623,238	1,267,200	(461,230)	-26.7%	46,836	2.7%
OPEB Contribution	100,853	82,573	32,892	65,800	(16,773)	-20.3%	18,280	22.1%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	121,800	118,500	29,283	118,500	0	0.0%	3,300	2.8%
Bilingual Bonus	4,800	3,600	1,300	2,400	(1,200)	-33.3%	1,200	33.3%
Sick Leave Buyback	10,000	10,000	3,927	8,600	(1,400)	-14.0%	0	0.0%
Rideshare Allowance	3,600	3,600	0	0	(3,600)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$5,172,923	\$5,272,936	\$2,167,991	\$4,379,900	(\$893,036)	-16.9%	(\$100,013)	-1.9%
Salary Differential	-	-	-	-	-		-	
TOTAL S&EB	\$5,172,923	\$5,272,936	\$2,167,991	\$4,379,900	(\$893,036)	-16.9%	(\$100,013)	-1.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA
FISCAL YEAR 2022-2023
SALARIES

RETIREE HEALTHCARE BENEFITS PROGRAM

2022-2023 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00793A	DIRECTOR, RETIREE HEALTHCARE	1	LS14	16,887	202,646
00771A	ASSISTANT DIVISION MANAGER	1	LS10	13,421	161,053
00772A	SECTION HEAD	2	LS9	19,129	229,544
01312A	SENIOR RETIREMENT BENEFITS SPECIALIST	3	101F	23,224	278,693
01311A	RETIREMENT BENEFITS SPECIALIST III	11	96A	75,618	907,416
00415A	ACCOUNTANT	1	93A	7,028	84,336
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,385	76,619
00439A	SENIOR SECRETARY	1	89G	6,229	74,750
00439A	SENIOR SECRETARY	(1)	89G	(6,229)	(74,750)
01310A	RETIREMENT BENEFITS SPECIALIST II	9	89F	47,135	565,624

POSITIONS 29 2,505,930

VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00796A	QUALITY AUDITOR I	1	95H	5,602	67,225			33,613
01310A	RETIREMENT BENEFITS SPECIALIST II	7	89F	4,738	56,852			198,981
						<u>0</u>	<u>0</u>	<u>232,593</u>

POSITIONS 8 232,593

TOTAL POSITIONS 37

GROSS SALARIES 2,738,523

ANTICIPATED MOU SALARY INCREASE** 150,619

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE 41,669

BONUS 0

120-DAY RETIREE(S) 1 75,994

TOTAL SALARIES 3,006,805

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

RETIREE HEALTHCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

**AGENCY TEMPORARY STAFFING
HISTORY OF EXPENDITURES**

DIVISION	FYE 2020		FYE 2021		FYE 2022		FYE 2023
	Budget	Actual	Budget	Actual	Budget	Projection	Budget
Retiree Healthcare	\$60,300	\$231,964	\$308,000	\$290,409	\$511,700	\$418,800	\$149,800
GRAND TOTAL	\$60,300	\$231,964	\$308,000	\$290,409	\$511,700	\$418,800	\$149,800

*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

**OVERTIME
HISTORY OF EXPENDITURES**

DIVISION	FYE 2020		FYE 2021		FYE 2022		FYE 2023
	Budget	Actual	Budget	Actual	Budget	Projection	Budget
Retiree Healthcare	\$113,700	\$27,124	\$115,600	\$118,314	\$118,500	\$118,500	\$121,800
GRAND TOTAL	\$113,700	\$27,124	\$115,600	\$118,314	\$118,500	\$118,500	\$121,800

*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

**VACANT POSITIONS
SUMMARY**

Division	Budgeted Positions FY 2021-2022	Vacancy (as of 03/31/22)	%	Budgeted Positions FY 2022-2023	Vacancy	%
Retiree Healthcare	37	10	27%	37	10	27%
TOTAL	37	10	27%	37	10	27%

RETIREE HEALTHCARE BENEFITS PROGRAM
FISCAL YEAR 2022-2023
SERVICES & SUPPLIES ACCOUNT SUMMARY

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$24,700	\$28,500	\$0	\$8,700	(\$19,800)	-69.5%	(\$3,800)	-13.3%
POSTAGE	300,000	300,000	12,059	300,000	0	0.0%	0	0.0%
OFFICE SUPPLIES & EQUIPMENT	4,500	6,000	975	3,000	(3,000)	-50.0%	(1,500)	-25.0%
OPERATIONAL COSTS	4,540,999	4,532,792	2,642,828	4,533,692	900	0.0%	8,207	0.2%
PROFESSIONAL AND SPECIALIZED SERVICES	1,229,400	1,209,800	475,556	1,208,300	(1,500)	-0.1%	19,600	1.6%
BANK SERVICES	21,500	21,500	10,694	21,500	0	0.0%	0	0.0%
EDUCATIONAL EXPENSES	19,300	19,300	7,730	19,300	0	0.0%	0	0.0%
MISCELLANEOUS	300	300	0	300	0	0.0%	0	0.0%
TOTAL	\$6,140,699	\$6,118,192	\$3,149,841	\$6,094,792	(\$23,400)	-0.4%	\$22,507	0.4%

*All amounts rounded to the nearest dollar.

FY 2022-2023

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Other Post-Employment Benefits (OPEB) Trust

Program Description

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Program Description

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Cost Summary

Cost Summary

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OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST

Budget Highlights

Fiscal Year 2022-2023

Cost Allocation: The Need for Separate Accounting of the OPEB Trust

LACERA administers a Retiree Healthcare Program for members that is funded through the employer plan sponsors. Historically, these plan sponsors have paid the monthly premium costs for current eligible retirees on a pay as you go basis. In FY 2012-2013, the County of Los Angeles (County) and LACERA established a trust to begin to pre-fund the program and address the long-term liability. LACERA's Board of Investments is the trustee and investment manager for the trust. In FY 2016-2017, the Superior Court joined the program. Beginning in FY 2017-2018, the costs of administering the program were required to be reported separately on financial statements based on the size of the participating agencies.

The trust agreements between the County, Superior Court, and LACERA stipulate that "...the Trustee (LACERA) shall be entitled to payment or reimbursement of all its reasonable and appropriate expenses incurred in administering or investing the Trust..." In other words, LACERA will not expend its principal or operating allocation to administer the trusts. Instead, the trust agreements allow LACERA to seek payment directly from the County and Superior Court, or to obtain payment from the OPEB Trust.

To avoid OPEB Trust assets being commingled with the retirement fund assets, it is important for LACERA to maintain a separate accounting of the costs associated with administering the OPEB Trust.

A Method for Tracking OPEB Trust Expenses

Only the LACERA divisions that participate in the administration of the OPEB Trust are included in the calculation of costs. These divisions are: Administrative Services, Communications, Executive Office, FASD, Human Resources, Internal Audit, Investments, Legal Services, Systems, and Retiree Healthcare.

Each division utilizes staff and resources to administer the OPEB Trust. In estimating the costs to administer the trust, LACERA considers the amount of time expended by employees as a share of the total cost of salaries and benefits. In estimating the additional costs used to administer the trust, LACERA also considers the share of the total costs of services and supplies.

Cost Methodology

There are four categories of expenses applicable to our cost methodology as follows:

Direct Costs of Salaries and Employee Benefits

Division managers provided a list of staff members and the number of hours those staff members worked on OPEB activities. Those “hours spent” are converted into a percentage of annual hours. The salaries and benefits totals of each staff member are then multiplied by the percentage of annual hours devoted to OPEB.

Indirect Services and Supplies

These costs were estimated by taking the overall cost of services and supplies for LACERA and dividing it by the total number of employees. This provides LACERA with a “per employee cost,” which is then multiplied by the overall percentage of hours worked on OPEB.

Indirect Salaries and Employee Benefits

Systems, Human Resources, and Administrative Services divisions provide staffing support to all LACERA divisions. The Salary and Employee Benefits costs for these divisions are added up, then divided by the number of LACERA employees to determine a per employee cost. This total is then multiplied by the overall percentage of hours worked on OPEB.

Direct Services and Supplies

Direct Services and Supplies costs are based on actual payment requests that are applicable to OPEB.

Allocation of Costs

The total overhead cost is divided amongst County, LACERA, and the Superior Court. The shared cost is allocated in a hybrid method that considers fund size, effort, and resources to approximate a fair and equitable allocation. These allocations are scheduled to be reviewed every two years. The current allocation is:

- County: 75 percent
- LACERA: 5 percent
- Superior Court: 20 percent

Reconciliation of Actual Costs

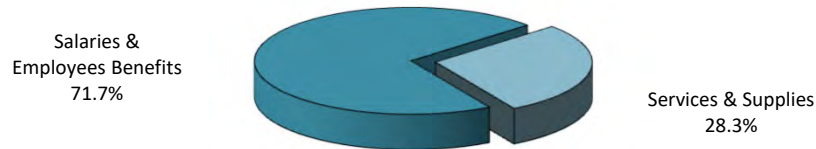
At the close of each fiscal year, the actual costs are reconciled with the budget costs. Variances are either credited or debited to each allocated entity to ensure that each OPEB Trust is appropriately capturing the true operating costs.

OPEB TRUST COST ALLOCATION

FISCAL YEAR 2022-2023

PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021 - 2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET		
	YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE	
	BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE			
Salaries & Employees Benefits	\$481,543	\$495,700	\$371,775	\$465,958	(\$29,742)	-6.0%	(\$14,157)	-2.9%
Services & Supplies	190,304	187,449	140,587	176,203	(11,247)	-6.0%	2,855	1.5%
OPERATING BUDGET	\$671,847	\$683,150	512,362	642,161	(40,989)	-6.0%	(\$11,303)	-1.7%

2022 - 2023 PROPOSED BUDGET



May 26, 2022

TO: Each Trustee
Board of Investments

FROM: Barry W. Lew 
Legislative Affairs Officer

FOR: June 3, 2022 Board of Investments Meeting

SUBJECT: **Legislative Policy Revisions**

RECOMMENDATION

That the Board of Investments adopt the revised *LACERA Legislative Policy*.

LEGAL AUTHORITY

The Legislative Policy provides that “[it] shall be reviewed by the Board of Retirement and Board of Investments biannually at the end of each two-year legislative session and may be amended by action of both Boards at any time.” (The Board of Retirement adopted the revised Legislative Policy on April 6, 2022.)

SUMMARY OF PROPOSED REVISIONS

Harmonization of Policy

p.5, 7: Based on feedback from the Board of Investments, the Investments Division and Legal Office collaborated to harmonize the *LACERA Legislative Policy* and the *Corporate Governance and Stewardship Principles* (“*Principles*”). The *Principles* were modernized in 2017 to guide LACERA’s engagement in financial market policy matters and investment-related issues. In recent years, the Board of Investments engagement on regulatory matters under the guidance of the *Principles* and oversight by the Board of Investments has increased, with regular formal comments filed with the Securities and Exchange Commission on a range of matters related to investor rights and financial market disclosures. As such, following discussion at the Board of Investments Corporate Governance Committee meeting on November 21, 2021, the proposed revisions aim to harmonize the *Principles* and the *Legislative Policy* by clarifying and delineating that policy engagement on financial market and investment-related matters fall within the purview of the *Principles*, whereas the *Legislative Policy* continues to address benefits and fund administration. To the extent that the *Principles* do not provide adequate guidance to address an investments-related matter that may arise in the future, the proposed *Legislative Policy* revisions provide that the procedures outlined therein would serve as “default” parameters to guide LACERA’s process for engagement.

The legislative policy standards would be revised to reflect the updated *Principles* and the *Legislative Policy*. The standards would also be revised to reflect that the *Statement of Investment Beliefs* have been incorporated into the *Investment Policy Statement*.

Repeal or Modification of Windfall Elimination Provision and Government Pension Offset

Page 6: LACERA has traditionally supported the repeal of Social Security's Windfall Elimination Provision (WEP) and Government Pension Offset (GPO), both of which reduce or eliminate benefits for members and their dependents. Over the years, proposals to repeal the WEP and GPO have been introduced through either the Senate Finance Committee or the House of Representatives Ways & Means Committee. More recently, through engagement with Ways & Means Committee Chair Richard Neal, LACERA has also supported proposals to modify the WEP. A specific legislative policy standard related to the WEP and GPO would reflect LACERA's historical engagement on this issue.

Repeal of Direct Payment Requirement for Public Safety Officer Tax Exclusion

Page 6: The Pension Protection Act of 2006 provides that eligible retired public safety officers may exclude up to \$3,000 per year from gross income for health and long-term care premiums deducted from taxable retirement plan distributions and paid directly to insurance carriers by a governmental plan. LACERA staff have found the direct payment requirement to be administratively onerous in its relationship with certain third-party payees, which can cause overpayments or underpayments of premiums for LACERA members. The current Legislative Policy in general supports proposals that provide the Board of Retirement (BOR) with administrative flexibility or enable efficient and effective service to members. The BOR supported H.R. 6436 (Chabot, 2016), which would have repealed the direct payment requirement. A specific legislative policy standard on repealing the direct payment would reflect LACERA's continued engagement on this issue.

Evaluation of Legislative Advocates

Page 17: At its last revision in August 2019, the Legislative Policy provided for annual evaluations by staff of LACERA's federal and state legislative advocates. The revision would provide that the legislative advocates will provide a self-evaluation.

IT IS THEREFORE RECOMMENDED THAT THE BOARD adopt the revised *LACERA Legislative Policy*.

Reviewed and Approved:



Steven P. Rice, Chief Counsel

Attachments

Attachment A—Legislative Policy (redlined)
Attachment B—Legislative Policy (clean)

cc: Santos H. Kreimann
Luis Lugo
JJ Popowich
Laura Guglielmo
Steven P. Rice
Jon Gabel
Jude Perez
Scott Zdrzil
Cassandra Smith
Tony Roda, Williams & Jensen
Shari McHugh, McHugh Koepke & Associates
Naomi Padron, McHugh Koepke & Associates

ATTACHMENT A

LACERA LEGISLATIVE POLICY

Revised:

Board of Retirement: April 5, 2022

Board of Investments: ~~August 14, 2019~~

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Statement of Mission and Purpose

The Los Angeles County Employees Retirement Association (LACERA) was established under the County Employees Retirement Law of 1937 (CERL) and administers retirement benefits provided by CERL and the California Public Employees' Pension Reform Act of 2013 (PEPRA). LACERA is governed by the Board of Retirement and the Board of Investments. The Boards have plenary authority and fiduciary responsibility for the system as provided by Section 17 of Article XVI of the California Constitution and in CERL. The Boards have the sole and exclusive fiduciary responsibility to administer the system in a manner that will assure prompt delivery of benefits and related services to its members and beneficiaries.

The existence of LACERA and the fiduciary responsibility of its governing Boards are embodied in the organizational mission to *produce, protect, and provide the promised benefits*.

Each element of our mission informs the foundation of this Legislative Policy:

- *Produce* the highest quality of service for our members and sponsors.
- *Protect* the promised benefits through prudent investment and conservation of plan assets.
- *Provide* the promised benefits.

LACERA's retirement plan benefits are provided by CERL, PEPRA, and other provisions under the California Government Code. As a tax-qualified defined benefit plan, LACERA is also subject to federal law under the Internal Revenue Code. The value to our members of the benefits administered by LACERA may also be affected by other provisions of state and federal law. Changes to provisions that affect LACERA are achieved through the state and federal legislative process and through forms of direct democracy by California voters, which include ballot initiatives and referenda. It is also intended that this policy cover state and federal rulemaking, although such action takes place within the Executive branch of government rather than the Legislative. These various proposals, whether submitted through the state or federal legislative process or through rulemaking, may enhance or detract from LACERA's administrative capability and mission; they may also further or infringe upon the Boards' fiduciary responsibilities, member rights and benefits, or LACERA's mission. As such, the Boards will proactively monitor such proposals and voice its position regarding proposals as described in this policy.

LACERA may identify issues that it determines to pursue through sponsorship of legislative proposals. The scope of such issues may vary in applicability to LACERA only or also to other public retirement systems. The diversity of public retirement plans within California implies a diversity of issues that may overlap with or have impact upon other public retirement systems. Consequently, the Boards may directly sponsor legislation or they may co-sponsor legislation with other public retirement systems, through the State

Association of County Retirement Systems, or with other parties that may have an alignment of interest with LACERA with respect to an issue or proposal.

The purpose of this Legislative Policy is to:

- Establish legislative policy standards to guide staff in making recommendations regarding legislative proposals to the Boards.
- Define the range of positions that the Boards may take with respect to legislative proposals.
- Establish a standard memorandum format to provide legislative analysis and recommendations to the Boards.
- Define circumstances in which the Board may need to communicate a position regarding a legislative proposal before the proposal is considered at a regularly scheduled Board meeting.
- Establish guidelines for staff and Board actions related to ballot measures.
- Provide for status reports of LACERA's legislative advocacy efforts.

The overall goal of this policy is to provide the Boards with flexibility to pursue legislative action on any and all issues that the Boards may view as affecting LACERA's mission.

This policy shall be reviewed by the Board of Retirement and Board of Investments biannually at the end of each two-year legislative session and may be amended by action of both Boards at any time.

Legislative Policy Standards

The legislative policy standards are categorized for the Board of Retirement, the Board of Investments, and both Boards. Legislative action items of interest to the Board of Retirement are first brought before the Board of Retirement's Insurance, Benefits and Legislative Committee for consideration before being recommended to the Board of Retirement. However, items may go directly to the Board of Retirement for consideration with the agreement of both the Chair of the Board of Retirement and the Chair of the Insurance, Benefits and Legislative Committee.

~~Legislative action items of interest to the Board of Investments are brought directly to the Board of Investments. Issues related to financial markets and investment-related matters fall under the purview of LACERA's Corporate Governance and Stewardship Principles ("Principles") as outlined in the Principles' "Statement of Purpose" and approved by the Board of Investments. The methods of engagement by the Board of Investments, its Corporate Governance Committee, and staff are outlined in the Principles' "Responsibilities and Delegations." This Legislative Policy addresses state and federal policies on benefits and fund administration as well as any matters for which the Principles do not provide adequate guidance.~~

Legislative action items of interest to both the Board of Retirement and Board of Investments are brought separately to both Boards. However, such items to be considered by the Board of Retirement will first be considered by the Board of Retirement's Insurance, Benefits, and Legislative Committee before being recommended to the Board of Retirement.

The legislative policy standards conceptually relate to LACERA's mission to produce, protect, and provide the promised benefits; the legislative policy standards also embody the themes of quality of service, prudent investment, conservation of plan assets, and prompt delivery of benefits and services within each element of LACERA's mission.

Legislative proposals or rulemaking that are enacted into law ultimately require implementation by LACERA. The approach staff will take in formulating positions and recommendations is to foster collaboration with divisions within LACERA and resources outside of LACERA, including other public pension systems, LACERA's legislative advocate, and others whose interests align with LACERA's or who may have relevant information, to fully assess the impact of proposals.

Although the legislative policy standards are intended to guide staff in formulating positions and recommendations to the Boards on legislative proposals or rulemaking, the Boards may in their discretion adopt any position on specific proposals. This policy is not intended to limit the flexibility of the Boards to take a position or other action on any legislative matter or rulemaking that may impact LACERA or its stakeholders, whether or not the specific subject matter is listed in this policy.

Board of Retirement

- Support proposals that provide the Board of Retirement with increased flexibility in its administration of retirement plans and operations or enable more efficient and effective service to members and stakeholders.
- Support proposals that correct structural deficiencies in plan design.
- Support proposals that provide clarification, technical updates, or conforming changes to the County Employees Retirement Law of 1937, the California Public Employees' Pension Reform Act of 2013, or other applicable provisions under California law related to public retirement systems.
- Support proposals that protect vested benefits or have a positive impact upon LACERA's members.
- Support proposals that seek to prevent fraud in connection with retirement benefits and applications.
- Support proposals to repeal or modify the Windfall Elimination Provision and Government Windfall Provision.
- Support proposals to repeal the direct payment requirement for healthcare insurance and long-term care premiums from the pension distributions of public safety officers.
- Oppose proposals that infringe on the Board of Retirement's plenary authority or fiduciary responsibility.
- Oppose proposals that deprive members of vested benefits.
- Oppose proposals that mandate the release of confidential information of members and beneficiaries.
- Oppose proposals that jeopardize the tax-exempt status of LACERA's qualified retirement plan under the Internal Revenue Code and the California Revenue and Taxation Code or the deferred treatment of income tax on employer and employee contributions and related earnings.
- Oppose proposals that create unreasonable costs or complexity in the administration of retirement benefits.
- Oppose proposals that are contrary to or interfere with the Board of Retirement's adopted policies or decisions.

Board of Investments

- Support proposals that give increased flexibility to the Board of Investments in its investment policy and administration.
- Support proposals that preserve the assets and minimize the liabilities of trust funds administered by LACERA.
- ~~Support proposals that are consistent with the Board of Investments' Corporate Governance Principles, Investment Policy Statement, Corporate Governance and Stewardship Principles, and other adopted policies and decisions.~~
- ~~Support proposals that are consistent with the Board of Investments' Statement of Investment Beliefs.~~
- Support proposals that promote transparent financial reporting.
- Oppose proposals that infringe on the Board of Investments' authority over the actuarial valuation process.
- Oppose proposals that infringe on the Board of Investments' plenary authority or fiduciary responsibility, including but not limited to investment mandates or restrictions.
- Oppose proposals that create unreasonable costs or complexity in the administration of investments.
- Oppose proposals that are contrary to or interfere with the Board of Investment's adopted policies or decisions.

Board of Retirement & Board of Investments

- Support proposals that harmonize the powers and functions of the Board of Retirement and Board of Investments but do not encroach on each Board's respective separate jurisdiction.
- Support proposals that enhance board member education and ethics.
- Address proposals related to the administrative budget.
- Address proposals related to the appointment of personnel.
- Address proposals related to administrative or organizational matters that affect both Boards.

Definitions of Board Positions

SPONSOR OR CO-SPONSOR

- Indicates that the proposal was initiated by the Board or that the proposal was initiated by one or more organizations with which LACERA shares sponsorship.
- Authorizes staff to engage with LACERA’s legislative advocate to achieve passage of the proposal.

SUPPORT

- Indicates that the Board believes the proposal should become law.
- Authorizes staff to engage with LACERA’s legislative advocate to achieve passage of the proposal.

SUPPORT IF AMENDED

- Indicates that the Board conditionally supports the proposal in becoming law and that amendments are necessary to facilitate implementation and administration.
- Authorizes staff to engage with LACERA’s legislative advocate to communicate the Board’s position and incorporate amendments into the proposal.
- If amendments requested by LACERA are adopted, authorizes staff to engage with LACERA’s legislative advocate to achieve passage of the proposal without a resubmission of the proposal to the Board, unless the Board directs otherwise.
- If there are substantive¹ amendments to the proposal not requested by LACERA that may cause the Board not to support the proposal, staff will resubmit the proposal to the Board for consideration.

NEUTRAL

- Indicates that the proposal affects LACERA and its stakeholders, but the Board neither supports nor opposes it.
- Does not require engagement with LACERA’s legislative advocate to achieve passage or defeat of the proposal.

¹ The term “substantive” as used in this Legislative Policy is defined as a change in the proposal that does not merely provide clarification but creates and defines rights and duties or, conversely, removes rights and duties.

OPPOSE

- Indicates that the Board does not believe the proposal should become law.
- Authorizes staff to engage with LACERA's legislative advocate to communicate the Board's position and to defeat the proposal.

OPPOSE UNLESS AMENDED

- Indicates that the Board conditionally opposes the proposal in becoming law and that amendments are necessary to remove the Board's opposition.
- Authorizes staff to engage with LACERA's legislative advocate to communicate the Board's position and to incorporate amendments into the proposal.
- If amendments requested by LACERA are adopted, the Board's position will be Neutral or Watch without a resubmission of the proposal to the Board, unless the Board directs otherwise.
- If there are substantive amendments to the proposal not requested by LACERA that may cause the Board not to remove its opposition, staff will resubmit the proposal to the Board for consideration.

WATCH

- Indicates that the proposal does not affect LACERA and its stakeholders but would be enacted under a law that covers LACERA such as CERL or PEPRA.
- Indicates that although the proposal is not based on a law that covers LACERA such as CERL or PEPRA, the proposal may be of interest or concern to the Board and its stakeholders and that the Board in the future may take a substantive position on the matter.
- Indicates that proposal will be resubmitted to the Board for consideration if amendments cause the proposal to affect LACERA and its stakeholders.

Once the Board has acted, these positions will typically be communicated by means of a letter from the Chief Executive Officer to the appropriate legislative officers. Staff coordinates with LACERA's legislative advocate in preparing this letter and developing a communication and distribution strategy for the letter, which may include verbal communications by the legislative advocate with relevant legislators and/or legislative staff. In the rulemaking context, LACERA's positions will typically be communicated to the enacting state or federal agency by means of a comment letter where the agency has provided an opportunity for public comment on a proposed rule before it is finalized and becomes effective.

Legislative Analysis Memorandum Format

The following is an outline of the format of the legislative analysis memorandum provided by staff. In general, the memorandum will follow this format but may be modified for specific cases.

Date

TO:

FROM:

FOR:

SUBJECT: **Bill Number**

Author:

Sponsor:

Introduced:

Amended:

Status:

Board Position:

Committee Recommendation:

Staff Recommendation:

[If the memo addresses rulemaking, the Subject section will provide similar relevant information.]

RECOMMENDATION

[This section states staff's or the Committee's recommendation to the Board.]

LEGISLATIVE POLICY STANDARD

[This section discusses the application of LACERA's legislative policy standards to the proposal and the justification for the recommendation to the Board.]

SUMMARY

[This section describes the provisions of the proposal and the key additions or updates the proposal makes to existing law.]

ANALYSIS

[This section provides an analysis of the effects and implications of the proposal on LACERA.]

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD

[This section restates staff's or the Committee's recommendation and summary or concluding comments.]

Attachments

Attachment 1—Board Positions Adopted On Related Legislation

[This attachment states the positions the Board has previously taken on the subject matter of the bill.]

Attachment 2—Support And Opposition

[This attachment identifies those entities that have already taken a position on the bill.]

Bill Text

Action between Board Meetings

The Board of Retirement generally meets twice a month, including a disability meeting on the first Wednesday and an administrative meeting on the Thursday following the second Wednesday; the Board of Investments meets once a month on the second Wednesday. Since the meeting schedules of the Boards do not necessarily accord with the hearing schedules and deadlines of the state Legislature and Congress. In the event a time-sensitive matter arises, action by staff may be required before the matter is considered by the Board at the next regularly scheduled Board meeting.

I. Legislation on Which the Board Previously Adopted a Position

Staff may engage with LACERA's legislative advocate to communicate a position on amendments to a bill before formal consideration by the Board of Retirement or Board of Investments if all the following conditions are met:

1. The Board had adopted a Support or Oppose position on the bill *before* it was amended.
2. Substantive amendments that may justify a change in the Board's position to other than Neutral or Watch have occurred in the bill *after* the Board adopted a position and *before* the next regularly scheduled board meeting.
3. Consideration of the amended bill by a legislative committee or by the Assembly or Senate floor will occur *before* the amended bill can be considered at the next regularly scheduled board meeting.

Staff will take the following actions:

1. Prepare a legislative analysis of the amended bill for use in consultation.
2. Consult with the Chief Executive Officer, Chief Counsel, and legislative advocate for input regarding the amended bill to determine if the new position should be communicated to the Legislature.
3. If the new position should be communicated to the Legislature, consult with the Chair (or if not available, the Vice Chair) of the Board that has jurisdiction over the subject matter of the amended bill and obtain approval that the new position be communicated.
4. At the next regularly scheduled Board meeting, present a report to the Board regarding the position communicated in Step 3 and a summary of actions taken.

II. Formally Affiliated Organizations

1. Staff may participate in joint written communications that are organized or requested by formal organizations to which LACERA has formally affiliated and that are consistent with the Board's legislative policy standards.
2. In the event a matter has been addressed in written communications by a formal organization to which LACERA has formally affiliated, staff may, consistent with the Board's legislative policy standards, write letters of support or opposition or engage in advocacy on the matter.

Staff will take the following actions:

1. Prepare a legislative analysis of the matter for use in consultation.
2. Consult with the Chief Executive Officer, Chief Counsel, and legislative advocate to determine whether staff should engage in the written communications described in II.1 and II.2.
3. If staff should engage in the written communications described in II.1 and II.2, consult with the Chair (or if not available, the Vice Chair) of the Board that has jurisdiction over the subject matter and obtain approval to engage in such written communications.
4. At the next regularly scheduled Board meeting, present a report to the Board of actions taken and copies of the written communications.

SACRS Voting Delegate

BACKGROUND

The Bylaws of the State Association of County Retirement Systems (SACRS) provide that all duly elected or appointed members of the County Retirement and Investment Boards operating under the County Employees Retirement Law of 1937 (CERL) are regular members of SACRS; the administrator of a County Retirement System is also a regular member. Each County Retirement System is entitled to one voting delegate (who must be a regular member) for business meetings of the SACRS membership. The delegate and any alternate delegates are designated in writing and provided to SACRS by the County Retirement Board. The voting delegates serve as proxies for their retirement systems and vote as directed by their systems.

Legislative proposals submitted to SACRS are generally voted on at its Fall Conference, although it is also possible for them to be voted on at its Spring Conference. In 2002, the Board of Retirement (BOR) adopted a policy that provides for the LACERA Chief Executive Officer to be LACERA's SACRS voting delegate. Alternate delegates are the BOR officers and the remaining BOR members in order of board seat.

PROCESS

1. The Executive Office provides a list of LACERA's voting delegate and alternate delegates as requested by SACRS prior to the SACRS Business Meetings. This list will constitute the credentials for the delegates who are voting participants at the SACRS Business Meetings.
2. The SACRS Legislative Committee forwards the legislative proposals it has received and reviewed to the CERL retirement systems with its recommendations on inclusion in the SACRS legislative platform.
3. Staff presents the legislative proposals received from the SACRS Legislative Committee to the Board of Retirement or the Board of Investments for consideration based on the respective board's jurisdiction on the proposal's subject matter.
 - a. Proposals for the Board of Retirement are first presented for consideration to its Insurance, Benefits and Legislative Committee.
 - b. Proposals with subject matters under both boards' jurisdictions are first presented for consideration to the Joint Operations Governance Committee, unless scheduling issues dictate otherwise.
4. Voting instructions from each board are summarized by staff and forwarded to the secretaries of the Executive Office and Board of Retirement to be provided to those who will be attending the SACRS conference. The LACERA voting delegate at the SACRS Business Meeting will vote as directed by the instructions.

Ballot Measures

California law provides for citizens to use ballot measures to initiate a state statute or a constitutional amendment or to repeal legislation through a veto referendum. The California State Legislature may also use ballot measures to offer legislatively referred state statutes or constitutional amendments.

In general, a government agency may not spend *public funds* for a partisan *campaign* advocating the passage or defeat of a ballot measure. It is, however, permissible for a government agency to engage in *informational* activities. What distinguishes *informational* activities from *campaign* activities depends on the style, tenor, and timing of the activity.

From time to time, ballot measures may be offered that are related to public retirement plans. The following guidelines are intended to provide guidance on actions that may be taken with respect to ballot measures on public retirement plans:

- Providing informational staff reports and analysis on the ballot measure's effect in a meeting open to the public.
- Providing a recommendation for the Board to take a position on the ballot measure in a meeting open to the public where all perspectives can be shared. (The Board may or may not take a position on any ballot measure. The Board may take a position when it determines it is necessary to publicly express its opinion for or against a matter on which it feels strongly with respect to its impact on LACERA.)
- Providing the Board's position and views on the ballot measure's merits and effects to interested stakeholders and organizations.
- Responding to inquiries from stakeholders and the public regarding the Board's position and views on the ballot measure.

The Fair Political Practices Commission (FPPC) was created by the Political Reform Act and requires government agencies to report expenses used to advocate or unambiguously urge the passage or defeat of a measure in an election. The FPPC also prohibits government agencies from paying for communication materials that advocate or unambiguously urge the passage or defeat of a measure in an election. LACERA must be cautious in not engaging in activities that can be characterized as *campaign* activities, which are prohibited and would be subject to campaign expenditure reporting requirements. Therefore, all activities related to ballot measures are subject to review by Chief Counsel.

Status Reports

For bills on which the Boards have taken a position or that staff is monitoring, staff will provide a monthly status report listing each bill, its current status in the legislative process, and copies of communications used for lobbying the California State Legislature, United States Congress, the Governor of California, the President of the United States, or any regulatory agencies. The status report will be provided as monthly reports to the Board of Retirement and Board of Investments.

At the end of each legislative session, staff will provide a year-end report of all the bills on which the Boards had taken a position and their final disposition.

Evaluation of Legislative Advocates

The Board of Retirement has retained federal and state legislative advocates to assist in fulfilling the Mission and Purpose of the *LACERA Legislative Policy*. Staff will provide an annual evaluation of the legislative advocates to the Board of Retirement for ~~review.~~review, or the legislative advocates will provide an annual self-evaluation to the Board of Retirement for review. The evaluation will assess the performance of the legislative advocates with respect to their services that were agreed upon to be performed in their contracts. The assessments will be rated according to whether the legislative advocates exceeded expectations, met expectations, or did not meet expectations.

Legislative Process

The following pages include an outline² and a flowchart³ of the California legislative process through which a bill becomes law. In general, bills in the federal legislative process move through similar stages.

² Overview of Legislative Process – Official California Legislative Information (<http://www.leginfo.ca.gov/bil2lawx.html>).

³ The Life Cycle of Legislation: From Idea into Law. California Legislature: Assembly Rules Committee.

OVERVIEW OF LEGISLATIVE PROCESS

The process of government by which bills are considered and laws enacted is commonly referred to as the Legislative Process. The California State Legislature is made up of two houses: the Senate and the Assembly. There are 40 Senators and 80 Assembly Members representing the people of the State of California. The Legislature has a legislative calendar containing important dates of activities during its two-year session.

Idea

All legislation begins as an idea or concept. Ideas and concepts can come from a variety of sources. The process begins when a Senator or Assembly Member decides to author a bill.

The Author

A Legislator sends the idea for the bill to the Legislative Counsel where it is drafted into the actual bill. The draft of the bill is returned to the Legislator for introduction. If the author is a Senator, the bill is introduced in the Senate. If the author is an Assembly Member, the bill is introduced in the Assembly.

First Reading/Introduction

A bill is introduced or read the first time when the bill number, the name of the author, and the descriptive title of the bill is read on the floor of the house. The bill is then sent to the Office of State Printing. No bill may be acted upon until 30 days has passed from the date of its introduction.

Committee Hearings

The bill then goes to the Rules Committee of the house of origin where it is assigned to the appropriate policy committee for its first hearing. Bills are assigned to policy committees according to subject area of the bill. For example, a Senate bill dealing with health care facilities would first be assigned to the Senate Health and Human Services Committee for policy review. Bills that require the expenditure of funds must also be heard in the fiscal committees: Senate Appropriations or Assembly Appropriations. Each house has a number of policy committees and a fiscal committee. Each committee is made up of a specified number of Senators or Assembly Members.

During the committee hearing the author presents the bill to the committee and testimony can be heard in support of or opposition to the bill. The committee then votes by passing the bill, passing the bill as amended, or defeating the bill. Bills can be amended several times. Letters of support or opposition are important and should be mailed to the author and committee members before the bill is scheduled to be heard in committee. It takes a majority vote of the full committee membership for a bill to be passed by the committee.

Each house maintains a schedule of legislative committee hearings. Prior to a bill's hearing, a bill analysis is prepared that explains current law, what the bill is intended to do, and some background information. Typically the analysis also lists organizations that support or oppose the bill.

Second and Third Reading

Bills passed by committees are read a second time on the floor in the house of origin and then assigned to third reading. Bill analyses are also prepared prior to third reading. When a bill is read the third time it is explained by the author, discussed by the Members and voted on by a roll call vote. Bills that require an appropriation or that take effect immediately, generally require 27 votes in the Senate and 54 votes in the Assembly to be passed. Other bills generally require 21 votes in the Senate and 41 votes in the Assembly. If a

bill is defeated, the Member may seek reconsideration and another vote.

Repeat Process in other House

Once the bill has been approved by the house of origin it proceeds to the other house where the procedure is repeated.

Resolution of Differences

If a bill is amended in the second house, it must go back to the house of origin for concurrence, which is agreement on the amendments. If agreement cannot be reached, the bill is referred to a two house conference committee to resolve differences. Three members of the committee are from the Senate and three are from the Assembly. If a compromise is reached, the bill is returned to both houses for a vote.

Governor

If both houses approve a bill, it then goes to the Governor. The Governor has three choices. The Governor can sign the bill into law, allow it to become law without his or her signature, or veto it. A governor's veto can be overridden by a two thirds vote in both houses. Most bills go into effect on the first day of January of the next year. Urgency measures take effect immediately after they are signed or allowed to become law without signature.

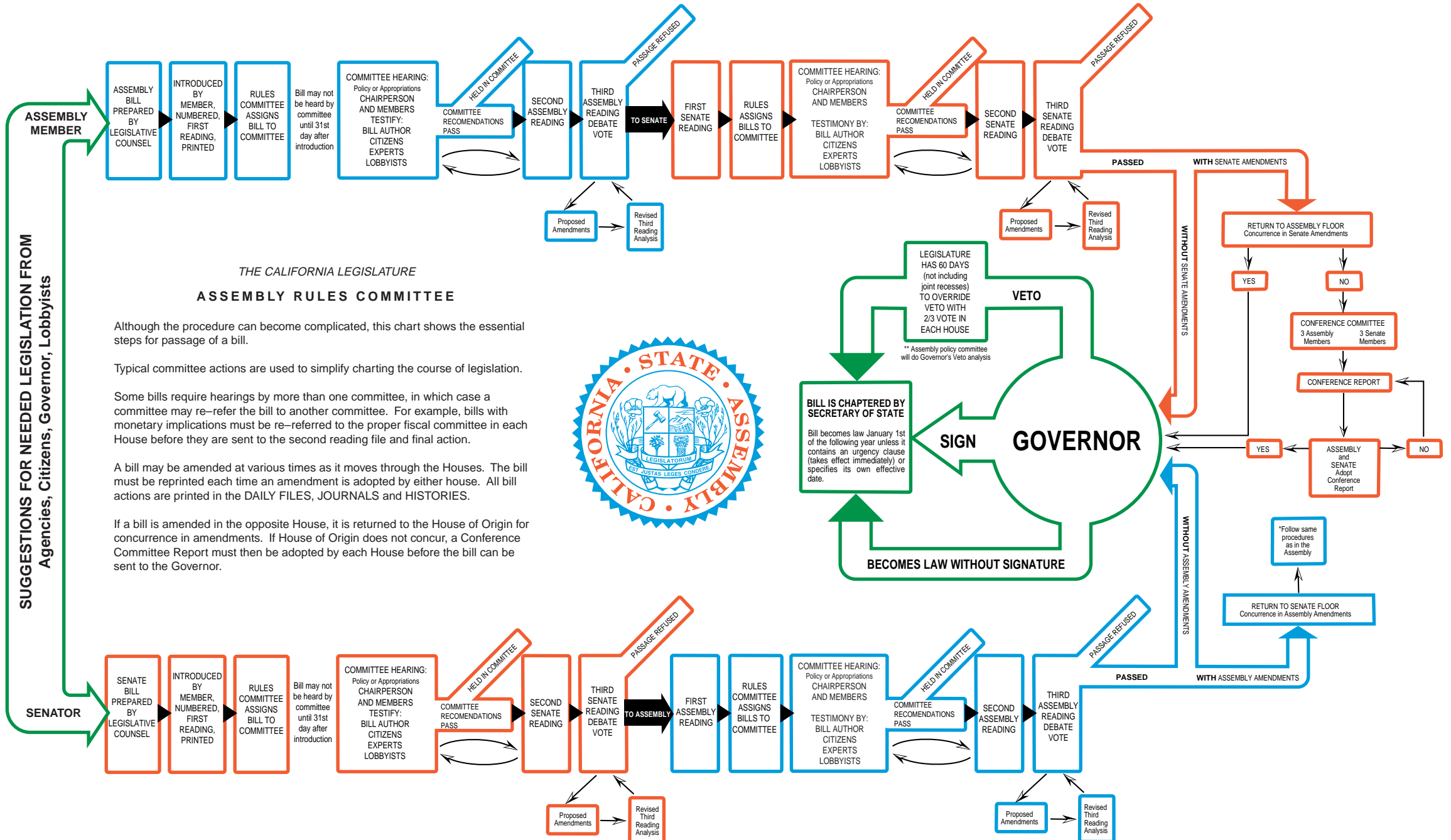
California Law

Bills that are passed by the Legislature and approved by the Governor are assigned a chapter number by the Secretary of State. These Chaptered Bills (also referred to as Statutes of the year they were enacted) then become part of the California Codes. The California Codes are a comprehensive collection of laws grouped by subject matter.

The California Constitution sets forth the fundamental laws by which the State of California is governed. All amendments to the Constitution come about as a result of constitutional amendments presented to the people for their approval.

THE LIFE CYCLE OF LEGISLATION

From Idea into Law



THE CALIFORNIA LEGISLATURE

ASSEMBLY RULES COMMITTEE

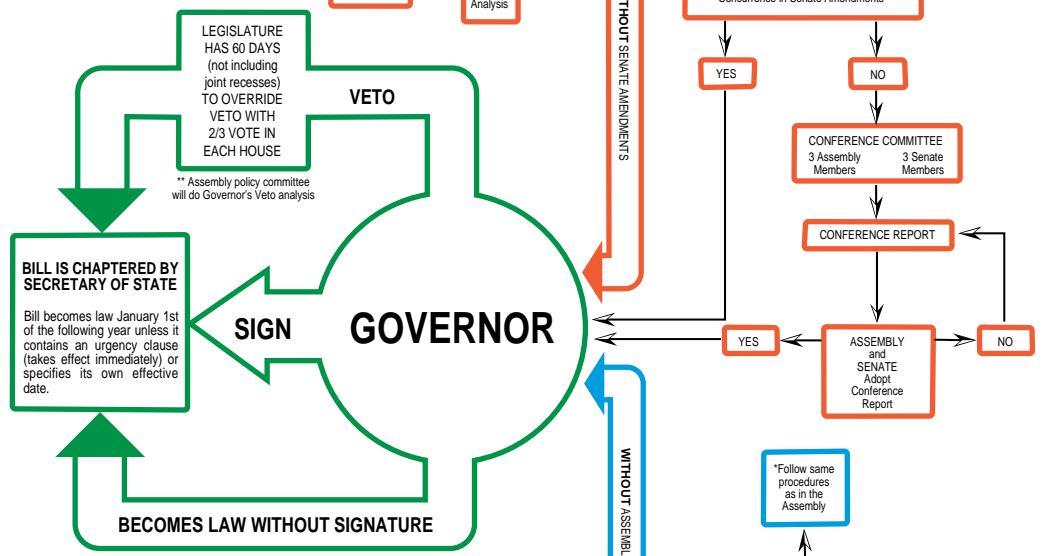
Although the procedure can become complicated, this chart shows the essential steps for passage of a bill.

Typical committee actions are used to simplify charting the course of legislation.

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If a bill is amended in the opposite House, it is returned to the House of Origin for concurrence in amendments. If House of Origin does not concur, a Conference Committee Report must then be adopted by each House before the bill can be sent to the Governor.



SUGGESTIONS FOR NEEDED LEGISLATION FROM
 Agencies, Citizens, Governor, Lobbyists
ASSEMBLY MEMBER
SENATOR

Change Log

Revised by the Board of Retirement on August 7, 2019 and the Board of Investments on August 14, 2019.

Revised by the Board of Retirement on January 10, 2019 and the Board of Investments on January 9, 2019.

Revised by the Board of Retirement on May 10, 2018 and the Board of Investments on May 9, 2018.

Restated and approved by the Board of Retirement on October 13, 2016 and the Board of Investments on October 12, 2016.

ATTACHMENT B

LACERA LEGISLATIVE POLICY

Revised: Board of Retirement: April 5, 2022
Board of Investments:

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Statement of Mission and Purpose

The Los Angeles County Employees Retirement Association (LACERA) was established under the County Employees Retirement Law of 1937 (CERL) and administers retirement benefits provided by CERL and the California Public Employees' Pension Reform Act of 2013 (PEPRA). LACERA is governed by the Board of Retirement and the Board of Investments. The Boards have plenary authority and fiduciary responsibility for the system as provided by Section 17 of Article XVI of the California Constitution and in CERL. The Boards have the sole and exclusive fiduciary responsibility to administer the system in a manner that will assure prompt delivery of benefits and related services to its members and beneficiaries.

The existence of LACERA and the fiduciary responsibility of its governing Boards are embodied in the organizational mission to *produce, protect, and provide the promised benefits*.

Each element of our mission informs the foundation of this Legislative Policy:

- *Produce* the highest quality of service for our members and sponsors.
- *Protect* the promised benefits through prudent investment and conservation of plan assets.
- *Provide* the promised benefits.

LACERA's retirement plan benefits are provided by CERL, PEPRA, and other provisions under the California Government Code. As a tax-qualified defined benefit plan, LACERA is also subject to federal law under the Internal Revenue Code. The value to our members of the benefits administered by LACERA may also be affected by other provisions of state and federal law. Changes to provisions that affect LACERA are achieved through the state and federal legislative process and through forms of direct democracy by California voters, which include ballot initiatives and referenda. It is also intended that this policy cover state and federal rulemaking, although such action takes place within the Executive branch of government rather than the Legislative. These various proposals, whether submitted through the state or federal legislative process or through rulemaking, may enhance or detract from LACERA's administrative capability and mission; they may also further or infringe upon the Boards' fiduciary responsibilities, member rights and benefits, or LACERA's mission. As such, the Boards will proactively monitor such proposals and voice its position regarding proposals as described in this policy.

LACERA may identify issues that it determines to pursue through sponsorship of legislative proposals. The scope of such issues may vary in applicability to LACERA only or also to other public retirement systems. The diversity of public retirement plans within California implies a diversity of issues that may overlap with or have impact upon other public retirement systems. Consequently, the Boards may directly sponsor legislation or they may co-sponsor legislation with other public retirement systems, through the State

Association of County Retirement Systems, or with other parties that may have an alignment of interest with LACERA with respect to an issue or proposal.

The purpose of this Legislative Policy is to:

- Establish legislative policy standards to guide staff in making recommendations regarding legislative proposals to the Boards.
- Define the range of positions that the Boards may take with respect to legislative proposals.
- Establish a standard memorandum format to provide legislative analysis and recommendations to the Boards.
- Define circumstances in which the Board may need to communicate a position regarding a legislative proposal before the proposal is considered at a regularly scheduled Board meeting.
- Establish guidelines for staff and Board actions related to ballot measures.
- Provide for status reports of LACERA's legislative advocacy efforts.

The overall goal of this policy is to provide the Boards with flexibility to pursue legislative action on any and all issues that the Boards may view as affecting LACERA's mission.

This policy shall be reviewed by the Board of Retirement and Board of Investments biannually at the end of each two-year legislative session and may be amended by action of both Boards at any time.

Legislative Policy Standards

The legislative policy standards are categorized for the Board of Retirement, the Board of Investments, and both Boards. Legislative action items of interest to the Board of Retirement are first brought before the Board of Retirement's Insurance, Benefits and Legislative Committee for consideration before being recommended to the Board of Retirement. However, items may go directly to the Board of Retirement for consideration with the agreement of both the Chair of the Board of Retirement and the Chair of the Insurance, Benefits and Legislative Committee.

Issues related to financial markets and investment-related matters fall under the purview of LACERA's *Corporate Governance and Stewardship Principles* ("Principles") as outlined in the *Principles'* "Statement of Purpose" and approved by the Board of Investments. The methods of engagement by the Board of Investments, its Corporate Governance Committee, and staff are outlined in the *Principles'* "Responsibilities and Delegations." This *Legislative Policy* addresses state and federal policies on benefits and fund administration as well as any matters for which the *Principles* do not provide adequate guidance.

Legislative action items of interest to both the Board of Retirement and Board of Investments are brought separately to both Boards. However, such items to be considered by the Board of Retirement will first be considered by the Board of Retirement's Insurance, Benefits, and Legislative Committee before being recommended to the Board of Retirement.

The legislative policy standards conceptually relate to LACERA's mission to produce, protect, and provide the promised benefits; the legislative policy standards also embody the themes of quality of service, prudent investment, conservation of plan assets, and prompt delivery of benefits and services within each element of LACERA's mission.

Legislative proposals or rulemaking that are enacted into law ultimately require implementation by LACERA. The approach staff will take in formulating positions and recommendations is to foster collaboration with divisions within LACERA and resources outside of LACERA, including other public pension systems, LACERA's legislative advocate, and others whose interests align with LACERA's or who may have relevant information, to fully assess the impact of proposals.

Although the legislative policy standards are intended to guide staff in formulating positions and recommendations to the Boards on legislative proposals or rulemaking, the Boards may in their discretion adopt any position on specific proposals. This policy is not intended to limit the flexibility of the Boards to take a position or other action on any legislative matter or rulemaking that may impact LACERA or its stakeholders, whether or not the specific subject matter is listed in this policy.

Board of Retirement

- Support proposals that provide the Board of Retirement with increased flexibility in its administration of retirement plans and operations or enable more efficient and effective service to members and stakeholders.
- Support proposals that correct structural deficiencies in plan design.
- Support proposals that provide clarification, technical updates, or conforming changes to the County Employees Retirement Law of 1937, the California Public Employees' Pension Reform Act of 2013, or other applicable provisions under California law related to public retirement systems.
- Support proposals that protect vested benefits or have a positive impact upon LACERA's members.
- Support proposals that seek to prevent fraud in connection with retirement benefits and applications.
- Support proposals to repeal or modify the Windfall Elimination Provision and Government Windfall Provision.
- Support proposals to repeal the direct payment requirement for healthcare insurance and long-term care premiums from the pension distributions of public safety officers.
- Oppose proposals that infringe on the Board of Retirement's plenary authority or fiduciary responsibility.
- Oppose proposals that deprive members of vested benefits.
- Oppose proposals that mandate the release of confidential information of members and beneficiaries.
- Oppose proposals that jeopardize the tax-exempt status of LACERA's qualified retirement plan under the Internal Revenue Code and the California Revenue and Taxation Code or the deferred treatment of income tax on employer and employee contributions and related earnings.
- Oppose proposals that create unreasonable costs or complexity in the administration of retirement benefits.
- Oppose proposals that are contrary to or interfere with the Board of Retirement's adopted policies or decisions.

Board of Investments

- Support proposals that give increased flexibility to the Board of Investments in its investment policy and administration.
- Support proposals that preserve the assets and minimize the liabilities of trust funds administered by LACERA.
- Support proposals that are consistent with the Board of Investments' *Investment Policy Statement, Corporate Governance and Stewardship Principles*, and other adopted policies and decisions. Support proposals that promote transparent financial reporting.
- Oppose proposals that infringe on the Board of Investments' authority over the actuarial valuation process.
- Oppose proposals that infringe on the Board of Investments' plenary authority or fiduciary responsibility, including but not limited to investment mandates or restrictions.
- Oppose proposals that create unreasonable costs or complexity in the administration of investments.
- Oppose proposals that are contrary to or interfere with the Board of Investment's adopted policies or decisions.

Board of Retirement & Board of Investments

- Support proposals that harmonize the powers and functions of the Board of Retirement and Board of Investments but do not encroach on each Board's respective separate jurisdiction.
- Support proposals that enhance board member education and ethics.
- Address proposals related to the administrative budget.
- Address proposals related to the appointment of personnel.
- Address proposals related to administrative or organizational matters that affect both Boards.

Definitions of Board Positions

SPONSOR OR CO-SPONSOR

- Indicates that the proposal was initiated by the Board or that the proposal was initiated by one or more organizations with which LACERA shares sponsorship.
- Authorizes staff to engage with LACERA’s legislative advocate to achieve passage of the proposal.

SUPPORT

- Indicates that the Board believes the proposal should become law.
- Authorizes staff to engage with LACERA’s legislative advocate to achieve passage of the proposal.

SUPPORT IF AMENDED

- Indicates that the Board conditionally supports the proposal in becoming law and that amendments are necessary to facilitate implementation and administration.
- Authorizes staff to engage with LACERA’s legislative advocate to communicate the Board’s position and incorporate amendments into the proposal.
- If amendments requested by LACERA are adopted, authorizes staff to engage with LACERA’s legislative advocate to achieve passage of the proposal without a resubmission of the proposal to the Board, unless the Board directs otherwise.
- If there are substantive¹ amendments to the proposal not requested by LACERA that may cause the Board not to support the proposal, staff will resubmit the proposal to the Board for consideration.

NEUTRAL

- Indicates that the proposal affects LACERA and its stakeholders, but the Board neither supports nor opposes it.
- Does not require engagement with LACERA’s legislative advocate to achieve passage or defeat of the proposal.

¹ The term “substantive” as used in this Legislative Policy is defined as a change in the proposal that does not merely provide clarification but creates and defines rights and duties or, conversely, removes rights and duties.

OPPOSE

- Indicates that the Board does not believe the proposal should become law.
- Authorizes staff to engage with LACERA's legislative advocate to communicate the Board's position and to defeat the proposal.

OPPOSE UNLESS AMENDED

- Indicates that the Board conditionally opposes the proposal in becoming law and that amendments are necessary to remove the Board's opposition.
- Authorizes staff to engage with LACERA's legislative advocate to communicate the Board's position and to incorporate amendments into the proposal.
- If amendments requested by LACERA are adopted, the Board's position will be Neutral or Watch without a resubmission of the proposal to the Board, unless the Board directs otherwise.
- If there are substantive amendments to the proposal not requested by LACERA that may cause the Board not to remove its opposition, staff will resubmit the proposal to the Board for consideration.

WATCH

- Indicates that the proposal does not affect LACERA and its stakeholders but would be enacted under a law that covers LACERA such as CERL or PEPRA.
- Indicates that although the proposal is not based on a law that covers LACERA such as CERL or PEPRA, the proposal may be of interest or concern to the Board and its stakeholders and that the Board in the future may take a substantive position on the matter.
- Indicates that proposal will be resubmitted to the Board for consideration if amendments cause the proposal to affect LACERA and its stakeholders.

Once the Board has acted, these positions will typically be communicated by means of a letter from the Chief Executive Officer to the appropriate legislative officers. Staff coordinates with LACERA's legislative advocate in preparing this letter and developing a communication and distribution strategy for the letter, which may include verbal communications by the legislative advocate with relevant legislators and/or legislative staff. In the rulemaking context, LACERA's positions will typically be communicated to the enacting state or federal agency by means of a comment letter where the agency has provided an opportunity for public comment on a proposed rule before it is finalized and becomes effective.

Legislative Analysis Memorandum Format

The following is an outline of the format of the legislative analysis memorandum provided by staff. In general, the memorandum will follow this format but may be modified for specific cases.

Date

TO:

FROM:

FOR:

SUBJECT: **Bill Number**

Author:

Sponsor:

Introduced:

Amended:

Status:

Board Position:

Committee Recommendation:

Staff Recommendation:

[If the memo addresses rulemaking, the Subject section will provide similar relevant information.]

RECOMMENDATION

[This section states staff's or the Committee's recommendation to the Board.]

LEGISLATIVE POLICY STANDARD

[This section discusses the application of LACERA's legislative policy standards to the proposal and the justification for the recommendation to the Board.]

SUMMARY

[This section describes the provisions of the proposal and the key additions or updates the proposal makes to existing law.]

ANALYSIS

[This section provides an analysis of the effects and implications of the proposal on LACERA.]

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD

[This section restates staff's or the Committee's recommendation and summary or concluding comments.]

Attachments

Attachment 1—Board Positions Adopted On Related Legislation

[This attachment states the positions the Board has previously taken on the subject matter of the bill.]

Attachment 2—Support And Opposition

[This attachment identifies those entities that have already taken a position on the bill.]

Bill Text

Action between Board Meetings

The Board of Retirement generally meets twice a month, including a disability meeting on the first Wednesday and an administrative meeting on the Thursday following the second Wednesday; the Board of Investments meets once a month on the second Wednesday. Since the meeting schedules of the Boards do not necessarily accord with the hearing schedules and deadlines of the state Legislature and Congress. In the event a time-sensitive matter arises, action by staff may be required before the matter is considered by the Board at the next regularly scheduled Board meeting.

I. Legislation on Which the Board Previously Adopted a Position

Staff may engage with LACERA's legislative advocate to communicate a position on amendments to a bill before formal consideration by the Board of Retirement or Board of Investments if all the following conditions are met:

1. The Board had adopted a Support or Oppose position on the bill *before* it was amended.
2. Substantive amendments that may justify a change in the Board's position to other than Neutral or Watch have occurred in the bill *after* the Board adopted a position and *before* the next regularly scheduled board meeting.
3. Consideration of the amended bill by a legislative committee or by the Assembly or Senate floor will occur *before* the amended bill can be considered at the next regularly scheduled board meeting.

Staff will take the following actions:

1. Prepare a legislative analysis of the amended bill for use in consultation.
2. Consult with the Chief Executive Officer, Chief Counsel, and legislative advocate for input regarding the amended bill to determine if the new position should be communicated to the Legislature.
3. If the new position should be communicated to the Legislature, consult with the Chair (or if not available, the Vice Chair) of the Board that has jurisdiction over the subject matter of the amended bill and obtain approval that the new position be communicated.
4. At the next regularly scheduled Board meeting, present a report to the Board regarding the position communicated in Step 3 and a summary of actions taken.

II. Formally Affiliated Organizations

1. Staff may participate in joint written communications that are organized or requested by formal organizations to which LACERA has formally affiliated and that are consistent with the Board's legislative policy standards.
2. In the event a matter has been addressed in written communications by a formal organization to which LACERA has formally affiliated, staff may, consistent with the Board's legislative policy standards, write letters of support or opposition or engage in advocacy on the matter.

Staff will take the following actions:

1. Prepare a legislative analysis of the matter for use in consultation.
2. Consult with the Chief Executive Officer, Chief Counsel, and legislative advocate to determine whether staff should engage in the written communications described in II.1 and II.2.
3. If staff should engage in the written communications described in II.1 and II.2, consult with the Chair (or if not available, the Vice Chair) of the Board that has jurisdiction over the subject matter and obtain approval to engage in such written communications.
4. At the next regularly scheduled Board meeting, present a report to the Board of actions taken and copies of the written communications.

SACRS Voting Delegate

BACKGROUND

The Bylaws of the State Association of County Retirement Systems (SACRS) provide that all duly elected or appointed members of the County Retirement and Investment Boards operating under the County Employees Retirement Law of 1937 (CERL) are regular members of SACRS; the administrator of a County Retirement System is also a regular member. Each County Retirement System is entitled to one voting delegate (who must be a regular member) for business meetings of the SACRS membership. The delegate and any alternate delegates are designated in writing and provided to SACRS by the County Retirement Board. The voting delegates serve as proxies for their retirement systems and vote as directed by their systems.

Legislative proposals submitted to SACRS are generally voted on at its Fall Conference, although it is also possible for them to be voted on at its Spring Conference. In 2002, the Board of Retirement (BOR) adopted a policy that provides for the LACERA Chief Executive Officer to be LACERA's SACRS voting delegate. Alternate delegates are the BOR officers and the remaining BOR members in order of board seat.

PROCESS

1. The Executive Office provides a list of LACERA's voting delegate and alternate delegates as requested by SACRS prior to the SACRS Business Meetings. This list will constitute the credentials for the delegates who are voting participants at the SACRS Business Meetings.
2. The SACRS Legislative Committee forwards the legislative proposals it has received and reviewed to the CERL retirement systems with its recommendations on inclusion in the SACRS legislative platform.
3. Staff presents the legislative proposals received from the SACRS Legislative Committee to the Board of Retirement or the Board of Investments for consideration based on the respective board's jurisdiction on the proposal's subject matter.
 - a. Proposals for the Board of Retirement are first presented for consideration to its Insurance, Benefits and Legislative Committee.
 - b. Proposals with subject matters under both boards' jurisdictions are first presented for consideration to the Joint Operations Governance Committee, unless scheduling issues dictate otherwise.
4. Voting instructions from each board are summarized by staff and forwarded to the secretaries of the Executive Office and Board of Retirement to be provided to those who will be attending the SACRS conference. The LACERA voting delegate at the SACRS Business Meeting will vote as directed by the instructions.

Ballot Measures

California law provides for citizens to use ballot measures to initiate a state statute or a constitutional amendment or to repeal legislation through a veto referendum. The California State Legislature may also use ballot measures to offer legislatively referred state statutes or constitutional amendments.

In general, a government agency may not spend *public funds* for a partisan *campaign* advocating the passage or defeat of a ballot measure. It is, however, permissible for a government agency to engage in *informational* activities. What distinguishes *informational* activities from *campaign* activities depends on the style, tenor, and timing of the activity.

From time to time, ballot measures may be offered that are related to public retirement plans. The following guidelines are intended to provide guidance on actions that may be taken with respect to ballot measures on public retirement plans:

- Providing informational staff reports and analysis on the ballot measure's effect in a meeting open to the public.
- Providing a recommendation for the Board to take a position on the ballot measure in a meeting open to the public where all perspectives can be shared. (The Board may or may not take a position on any ballot measure. The Board may take a position when it determines it is necessary to publicly express its opinion for or against a matter on which it feels strongly with respect to its impact on LACERA.)
- Providing the Board's position and views on the ballot measure's merits and effects to interested stakeholders and organizations.
- Responding to inquiries from stakeholders and the public regarding the Board's position and views on the ballot measure.

The Fair Political Practices Commission (FPPC) was created by the Political Reform Act and requires government agencies to report expenses used to advocate or unambiguously urge the passage or defeat of a measure in an election. The FPPC also prohibits government agencies from paying for communication materials that advocate or unambiguously urge the passage or defeat of a measure in an election. LACERA must be cautious in not engaging in activities that can be characterized as *campaign* activities, which are prohibited and would be subject to campaign expenditure reporting requirements. Therefore, all activities related to ballot measures are subject to review by Chief Counsel.

Status Reports

For bills on which the Boards have taken a position or that staff is monitoring, staff will provide a monthly status report listing each bill, its current status in the legislative process, and copies of communications used for lobbying the California State Legislature, United States Congress, the Governor of California, the President of the United States, or any regulatory agencies. The status report will be provided as monthly reports to the Board of Retirement and Board of Investments.

At the end of each legislative session, staff will provide a year-end report of all the bills on which the Boards had taken a position and their final disposition.

Evaluation of Legislative Advocates

The Board of Retirement has retained federal and state legislative advocates to assist in fulfilling the Mission and Purpose of the *LACERA Legislative Policy*. Staff will provide an annual evaluation of the legislative advocates to the Board of Retirement for review, or the legislative advocates will provide an annual self-evaluation to the Board of Retirement for review. The evaluation will assess the performance of the legislative advocates with respect to their services that were agreed upon to be performed in their contracts. The assessments will be rated according to whether the legislative advocates exceeded expectations, met expectations, or did not meet expectations.

Legislative Process

The following pages include an outline² and a flowchart³ of the California legislative process through which a bill becomes law. In general, bills in the federal legislative process move through similar stages.

² Overview of Legislative Process – Official California Legislative Information (<http://www.leginfo.ca.gov/bil2lawx.html>).

³ The Life Cycle of Legislation: From Idea into Law. California Legislature: Assembly Rules Committee.

OVERVIEW OF LEGISLATIVE PROCESS

The process of government by which bills are considered and laws enacted is commonly referred to as the Legislative Process. The California State Legislature is made up of two houses: the Senate and the Assembly. There are 40 Senators and 80 Assembly Members representing the people of the State of California. The Legislature has a legislative calendar containing important dates of activities during its two-year session.

Idea

All legislation begins as an idea or concept. Ideas and concepts can come from a variety of sources. The process begins when a Senator or Assembly Member decides to author a bill.

The Author

A Legislator sends the idea for the bill to the Legislative Counsel where it is drafted into the actual bill. The draft of the bill is returned to the Legislator for introduction. If the author is a Senator, the bill is introduced in the Senate. If the author is an Assembly Member, the bill is introduced in the Assembly.

First Reading/Introduction

A bill is introduced or read the first time when the bill number, the name of the author, and the descriptive title of the bill is read on the floor of the house. The bill is then sent to the Office of State Printing. No bill may be acted upon until 30 days has passed from the date of its introduction.

Committee Hearings

The bill then goes to the Rules Committee of the house of origin where it is assigned to the appropriate policy committee for its first hearing. Bills are assigned to policy committees according to subject area of the bill. For example, a Senate bill dealing with health care facilities would first be assigned to the Senate Health and Human Services Committee for policy review. Bills that require the expenditure of funds must also be heard in the fiscal committees: Senate Appropriations or Assembly Appropriations. Each house has a number of policy committees and a fiscal committee. Each committee is made up of a specified number of Senators or Assembly Members.

During the committee hearing the author presents the bill to the committee and testimony can be heard in support of or opposition to the bill. The committee then votes by passing the bill, passing the bill as amended, or defeating the bill. Bills can be amended several times. Letters of support or opposition are important and should be mailed to the author and committee members before the bill is scheduled to be heard in committee. It takes a majority vote of the full committee membership for a bill to be passed by the committee.

Each house maintains a schedule of legislative committee hearings. Prior to a bill's hearing, a bill analysis is prepared that explains current law, what the bill is intended to do, and some background information. Typically the analysis also lists organizations that support or oppose the bill.

Second and Third Reading

Bills passed by committees are read a second time on the floor in the house of origin and then assigned to third reading. Bill analyses are also prepared prior to third reading. When a bill is read the third time it is explained by the author, discussed by the Members and voted on by a roll call vote. Bills that require an appropriation or that take effect immediately, generally require 27 votes in the Senate and 54 votes in the Assembly to be passed. Other bills generally require 21 votes in the Senate and 41 votes in the Assembly. If a

bill is defeated, the Member may seek reconsideration and another vote.

Repeat Process in other House

Once the bill has been approved by the house of origin it proceeds to the other house where the procedure is repeated.

Resolution of Differences

If a bill is amended in the second house, it must go back to the house of origin for concurrence, which is agreement on the amendments. If agreement cannot be reached, the bill is referred to a two house conference committee to resolve differences. Three members of the committee are from the Senate and three are from the Assembly. If a compromise is reached, the bill is returned to both houses for a vote.

Governor

If both houses approve a bill, it then goes to the Governor. The Governor has three choices. The Governor can sign the bill into law, allow it to become law without his or her signature, or veto it. A governor's veto can be overridden by a two thirds vote in both houses. Most bills go into effect on the first day of January of the next year. Urgency measures take effect immediately after they are signed or allowed to become law without signature.

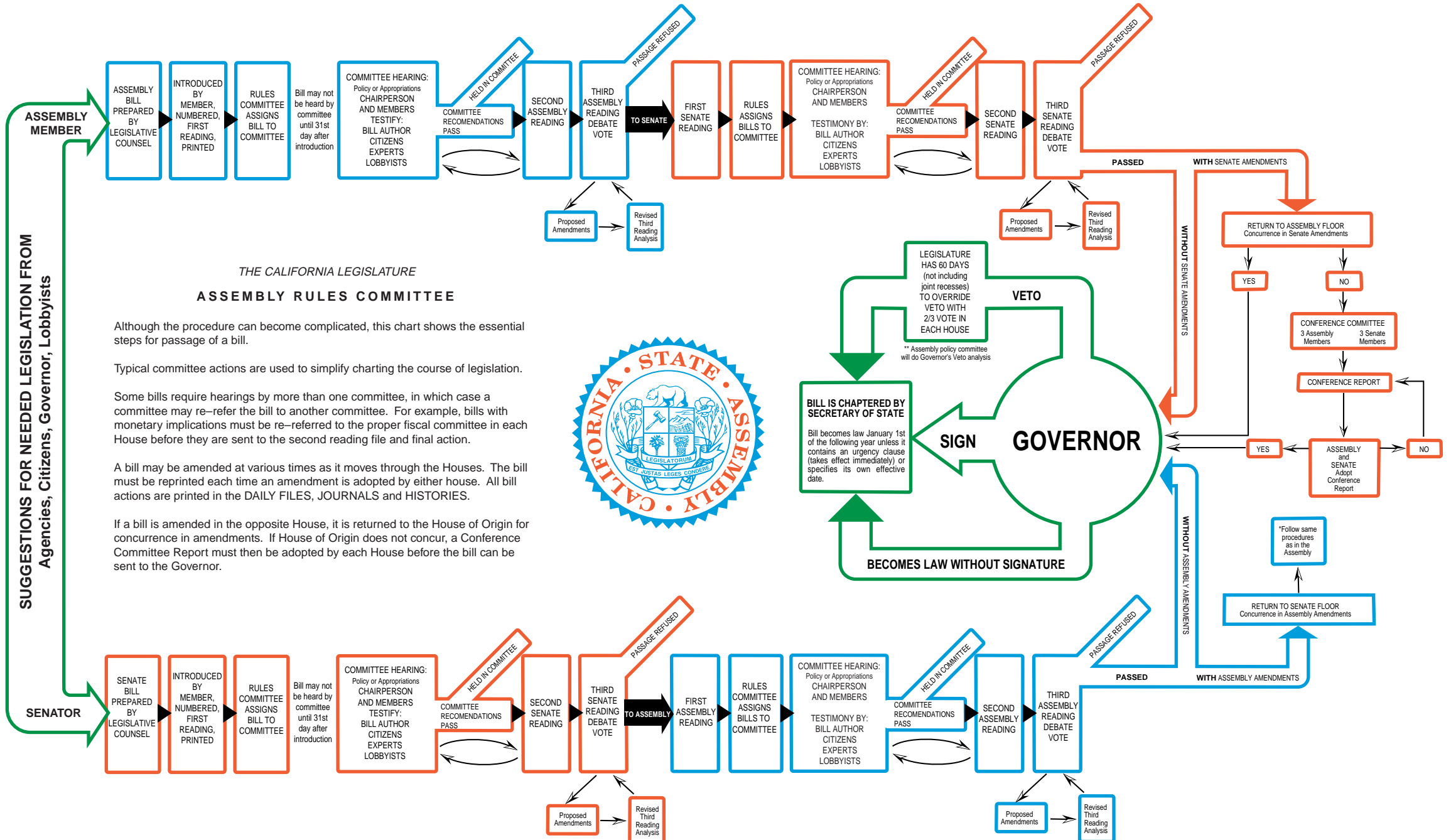
California Law

Bills that are passed by the Legislature and approved by the Governor are assigned a chapter number by the Secretary of State. These Chaptered Bills (also referred to as Statutes of the year they were enacted) then become part of the California Codes. The California Codes are a comprehensive collection of laws grouped by subject matter.

The California Constitution sets forth the fundamental laws by which the State of California is governed. All amendments to the Constitution come about as a result of constitutional amendments presented to the people for their approval.

THE LIFE CYCLE OF LEGISLATION

From Idea into Law



THE CALIFORNIA LEGISLATURE

ASSEMBLY RULES COMMITTEE

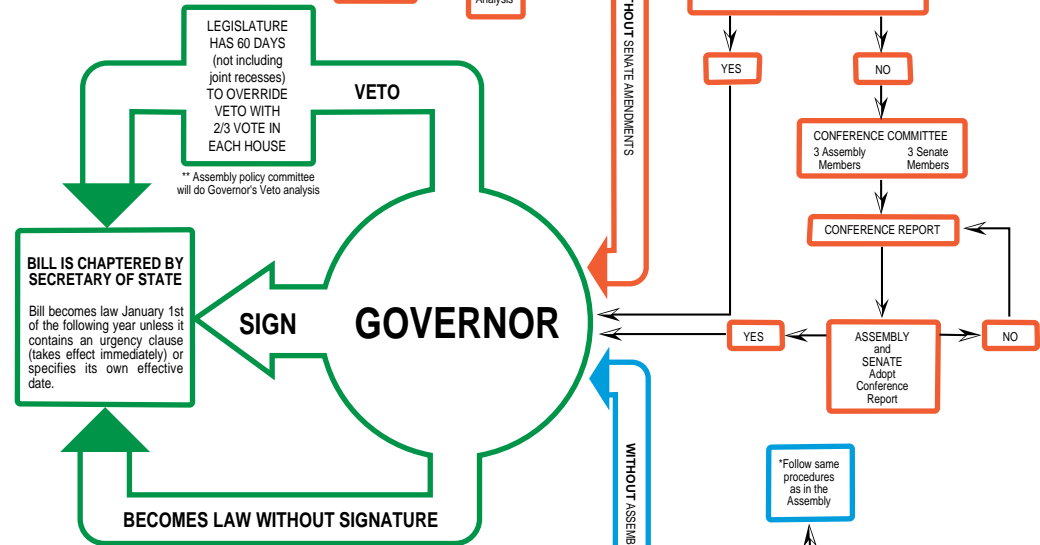
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Restated and approved by the Board of Retirement on October 13, 2016 and the Board of Investments on October 12, 2016.



May 24, 2022

TO: Trustees - Board of Investments

FROM: Santos H. Kreimann ^{SHK}
Chief Executive Officer

Ted Granger ^{TG}
Interim Chief Financial Officer

FOR: Board of Investments Meeting on June 8, 2022

SUBJECT: **2022 ACTUARIAL RISK ASSESSMENT REPORT**

Overview

LACERA requested that Milliman prepare a “Risk Assessment” report (in accordance with Actuarial Standard of Practice (ASOP) No. 51) and present it to the Board of Investments Trustees. The report has been prepared for a third sequential year, includes additional information regarding the consulting actuary’s risk assessment analysis and provides a forum for the Board to discuss and evaluate these actuarial concepts outside of a routine report presentation.

The 2022 Actuarial Risk Assessment Report (2022 Risk Assessment) is included as Attachment A. Milliman has also prepared a presentation based on this report (see Milliman’s Presentation Slides, Attachment B). The report and analysis are based on Milliman’s June 30, 2021 Actuarial Valuation of Retirement Benefits (2021 Valuation) report, presented to the Board of Investments in December 2021. The 2021 Valuation includes a risk discussion beginning on Page 44 (see Attachment C) that uses the framework of ASOP 51 to communicate important information about significant risks to the plan.

The 2022 Risk Assessment and presentation provides information on various risk factors that may impact future expected measurements of pension obligations, actuarially determined contributions, and the plan’s funded status. Milliman links these risks to the actuarial assumptions used in calculating these measures in their 2021 Valuation report. Milliman also identifies controls in place to mitigate these risks and the limitations of these mitigating controls. Their analysis should provide the Board with an additional perspective that could be referenced in the future, when contemplating decisions on investment matters such as asset allocation and when setting actuarial assumptions.

Actuarial Standards

The Actuarial Standards Board (ASB) sets standards for appropriate actuarial practice in the United States through the development and promulgation of Actuarial Standards of Practice (ASOPs). These ASOPs describe the procedures an actuary should follow when

performing actuarial services and identify what the actuary should disclose when communicating the results of those services.

In September 2017, the ASB adopted Actuarial Standard of Practice No. 51, *Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions* (ASOP 51). This ASOP provides guidance to actuaries when performing certain actuarial services with respect to measuring obligations under a defined benefit pension plan (plan) and calculating actuarially determined contributions for such plans, with regard to the assessment and disclosure of the risk that actual future measurements may differ significantly from expected future measurements.

ASOP 51 became effective for actuarial work products with a measurement date on or after November 1, 2018 and applies to actuaries when performing a funding valuation of a pension plan.

Actuarial Projects Roadmap

For the upcoming June 30, 2022, actuarial reporting cycle, Milliman will complete an investigation of experience for the Retirement Benefits Plan. The experience and assumption study is conducted every three years to review retirement benefit economic and demographic assumptions and recommend changes. Staff prepared a roadmap included as Attachment D, to provide a reminder of key dates and when future actuarial items will be presented to the Board.

LACERA's consulting actuaries, Nick Collier and Craig Glyde with Milliman, will be attending the June 8, 2022 meeting to discuss the 2022 Actuarial Risk Assessment report results and answer any questions from the Board. Management encourages active Board discussion of the risk information contained in the report.

Attachments

- A. Milliman's 2022 Actuarial Risk Assessment Report
- B. Milliman's June 8, 2022 Presentation Slides
- C. June 30, 2021 Actuarial Valuation of Retirement Benefits Report
- D. Actuarial Projects 2022 – Roadmap

SHK:tg
BOI Memo-2020 Risk Assessment (ASOP 51)-Final

- c: Luis Lugo, LACERA
Laura Guglielmo, LACERA
Steven P. Rice, LACERA
Jonathan Grabel, LACERA
Richard Bendall, LACERA
Fesia Davenport, CEO, Los Angeles County

Attachment A

Milliman's 2022 Actuarial Risk Assessment Report



Los Angeles County Employees Retirement Association

Risk Assessment

Based on June 30, 2021 Actuarial Valuation of Retirement Benefits

Prepared by:

Nick Collier, ASA, EA, MAAA
Consulting Actuary

Craig Glyde, ASA, EA, MAAA
Consulting Actuary

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May 23, 2022

Board of Investments
Los Angeles County Employees Retirement Association
300 North Lake Avenue, Suite 820
Pasadena, CA 91101-4199

Re: Los Angeles County Employees Retirement Association

Dear Trustees of the Board:

As requested, we have performed a risk assessment based on the actuarial valuation of retirement benefits for the Los Angeles County Employees Retirement Association (LACERA) as of June 30, 2021. The purpose of this report is to communicate key risk factors that could affect LACERA's future funding.

We have provided financial information showing the estimated hypothetical impact of various modifications to the valuation assumptions. We believe the valuation assumptions provide a reasonable estimate of anticipated experience affecting LACERA. However, as discussed in this report, the emerging costs will vary from those presented in the valuation to the extent that actual experience differs from that projected by the actuarial assumptions. Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as the following:

- Plan experience differing from the actuarial assumptions,
- Future changes in the actuarial assumptions,
- Increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as potential additional contribution requirements due to changes in the plan's funded status), and
- Changes in the plan provisions or accounting standards.

In preparing the valuation this report is based upon, we relied without audit on information (oral and written) supplied by LACERA's staff. This information includes, but is not limited to, statutory provisions, employee data, and financial information. We used LACERA's benefit provisions as stated in our June 30, 2021 Actuarial Valuation report. In our examination, after discussion with LACERA and making certain adjustments, we have found the data to be reasonably consistent and comparable with data used for other purposes. Since the risk assessment results are dependent on the integrity of the data supplied, the results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations might need to be revised.

The valuation that this risk assessment is based upon provides an estimate of the LACERA's financial condition as of a single date. The valuation can neither predict the System's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of System benefits, only the timing of System contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. We have shown the results based on a variety of alternative assumptions and scenarios in this report.

These alternatives are not intended to be inclusive of all the possible outcomes. The valuation results were developed using models intended for valuations that use standard actuarial techniques.

Milliman's work is prepared solely for the internal business use of LACERA. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third-party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exception(s):

- (a) The System may provide a copy of Milliman's work, in its entirety, to the System's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the System.
- (b) The System may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third-party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are retirement actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuaries are independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

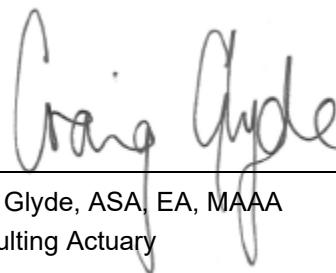
On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

We respectfully submit the following report, and we look forward to discussing it with you.

Sincerely,



Nick Collier, ASA, EA, MAAA
Consulting Actuary



Craig Glyde, ASA, EA, MAAA
Consulting Actuary

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1. Report Overview

Purpose of this Report

The June 30, 2021 actuarial valuation includes a Risk Discussion section – section 9 beginning on page 44 - that provides a general discussion of the main risks that could result in a deviation from the results shown in that report, and could cause a significant financial impact to LACERA, as measured by impacts on the Funded Ratio and employer contribution rates. This report provides a more detailed discussion of the potential risks and a quantitative analysis of the potential impact of selected risk factors.

This report is informational in nature, and as such there are no specific recommendations included. The Board of Investments has adopted several policies (including funding and investment policies) and procedures to guide the Trustees in fulfilling their fiduciary responsibilities to the members and stakeholders of LACERA. This report should be considered as an additional resource, along with information and guidance provided by advisors and staff, to help the Trustees meet their fiduciary responsibilities.

Identifying and Assessing Risk

The results of any actuarial valuation are based on one set of assumptions. Although we believe the current assumptions used in LACERA's June 30, 2021 actuarial valuation provide a reasonable estimate of future expectations as of that date, it is almost certain that future experience will differ, to some extent, from the assumptions. It is therefore important to consider the potential impacts of these likely differences when making decisions that may affect the future financial health of the plan, or of the plan's members.

Actuarial Standard of Practice No. 51 (ASOP 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions) addresses these issues by providing actuaries with guidance for assessing and disclosing the risk associated with measuring pension liabilities and the determination of pension plan contributions. Specifically, it directs the actuary to:

- Identify risks that may be significant to the plan, and in some cases to the plan's participants.
- Assess the risks identified as significant to the plan. The assessment does not need to include numerical calculations.
- Disclose plan maturity measures and historical information that are significant to understanding the plan's risks.

Addressing Risks

This report is designed to identify and assess risks. Once these risks are understood, the important issue for LACERA is how these risks are addressed and potentially reduced. To help meet its fiduciary responsibilities to members and stakeholders of LACERA, the Board of Investments already has policies and procedures in place to mitigate key aspects of these risks. The manner in which these policies and procedures help to mitigate these risks is summarized below.

- **Assets:** LACERA regularly performs asset allocation studies which are integrated with LACERA's funding in order to set a target allocation that maximizes return at a level of risk that is acceptable to the System.
- **Liabilities:** LACERA has regular investigations of experience performed to monitor and set the assumptions and methods used to calculate the liabilities.

- **Funding:** LACERA strives to balance projected funding levels with reasonable and stable employer contribution rates. This was reviewed in detail at the time of the last investigation of experience. In particular, to strengthen long-term funding LACERA reduced the amortization period to pay off new unfunded amounts to 20 years. To help stabilize year-to-year changes in the employer contribution rate, a five-year asset smoothing period is used.

As discussed above, LACERA has several procedures in place to mitigate risk; however, the effectiveness of these techniques is limited. There will always be a trade-off between projected funding levels and low employer contribution rates, particularly for a mature plan such as LACERA. The risks inherent in these limitations are discussed further in this report.

Note that when action is taken to reduce risk, there is almost always a cost, sometimes referred to as the “cost of certainty.” For example, reductions in investment risk tend to reduce expected returns, which increases expected costs. These additional costs will generally be in the form of increased employer contributions. LACERA should regularly evaluate the current level of risk and whether more resources should be devoted to reducing risk.

Report Outline

The remainder of the report is divided into four sections.

Section 2 (Identification of Risks) This section identifies and discusses the key risks to LACERA’s future funding. In our opinion the key risk factors are investment returns, payroll increases, compensation increases, and mortality, with investment returns being the biggest risk. Looking at the sources of change in the Unfunded Actuarial Accrued Liability over the past 20 valuations, the single biggest source of annual change in most years is the return on investments being either greater than or less than the assumption.

Section 3 (Maturity Measures) Like other public retirement systems, LACERA continues to mature. As pension plans mature, they become more sensitive to certain risks. In this section, the maturity of LACERA is examined in the context of the number of active members to retirees, the projected cash flows, and volatility ratios.

Section 4 (Historical Measures) One way to assess future risks is to look at historical measurements. In this section, we review how the employer contribution rate and Funded Ratio have changed over the last 20 to 30 years. We also look at past investment returns for LACERA as they have been a key factor in the other two measurements.

Section 5 (Assessment of Risks) This section analyzes the potential impact of key risk factors on future employer contribution rates and Funded Ratios, with the emphasis on investment returns. For example, in the subsection titled Historical Returns, it is shown that if the returns from the 1990s were to recur, the employer contribution rate would be projected to decrease to 0% of pay; whereas, if the returns from the 2000s were to recur, the employer contribution rate would be projected to exceed 35% of pay. Note that member contribution rates are not included in this analysis, as they are not materially impacted by future experience, only assumption changes.

There are several methods to analyze and assess risk. ASOP 51 states that the actuary should use professional judgment in selecting the appropriate methods to use. Methods may include, but are not limited to, scenario tests, sensitivity tests, stress tests and stochastic modeling. ASOP 51 defines these tests as follows:

- **Scenario Test** A process for assessing the impact of one possible event, or several simultaneously or sequentially occurring possible events, on a plan’s financial condition.

- Sensitivity Test A process for assessing the impact of a change in an actuarial assumption on an actuarial measurement.
- Stress Test A process for assessing the impact of adverse changes in one or relatively few factors affecting a plan's financial condition.
- Stochastic Modeling A process for generating numerous potential outcomes by allowing for random variations in one or more inputs over time for the purpose of assessing the distribution of those outcomes.

Throughout this report we have utilized each of these methods to assess risks facing LACERA. We believe the included testing presents a reasonable assessment of the financial impact of the measured risks to LACERA's Funded Ratio and employer contribution rates. Additional testing can be performed if the Trustees believe it would be helpful.

2. Identification of Risks

Factors Affecting Future Results

There are a number of factors that will affect future valuation results. To the extent actual experience for these factors varies from the assumptions, this will likely cause either increases or decreases in the plan's future funding level and the employer contribution rate.

While these factors can be reviewed and analyzed directly to measure the magnitude of the variance, the reasons for the actual experience that is observed is often not as clear, or at least not easily assigned to one particular cause. As the COVID-19 pandemic appears to move into a new phase over the last few months, many new issues have emerged that have and will continue to affect the world's population as a whole. These issues are not mutually exclusive and can also impact the risks and challenges faced by a retirement system such as LACERA. These issues include, but are not limited to:

- governmental fiscal and monetary policy,
- investment markets,
- labor markets, and
- global supply chains and the cost of goods and services.

COVID-19 had already caused significant supply chain interruptions that made it difficult for many companies to operate and had contributed to rising inflation due to a shortage of goods. At the same time, and partly due to the actions of the Federal Reserve and other central banks to stimulate their economies during the pandemic, inflation is higher than it has been in many decades. The Federal Reserve has raised its benchmark federal funds rate and signaled its intent to raise it further in an attempt to control inflation. Treasury yields and other bond yields have risen. Labor markets are experiencing shortages of employees at the same time as inflation is forcing wages higher. The war in Ukraine and any potential escalations has caused significant unease and unrest and is impacting global supply chains and investment markets.

All of these factors, and more, will have an impact on the macro environment in which LACERA operates. Combinations of these factors may result in more investment market volatility, higher salaries and retiree cost-of-living adjustments, difficulties hiring and retaining qualified employees, and continually changing mortality and longevity expectations. These will all have an impact on the operation and financing of LACERA either directly or indirectly, although the precise implications are unknown.

Ultimately the risks faced by LACERA and other retirement systems remain similar to what they have always been, however, certain risks may be greater at this time than they have been in recent years due to the evolving macro conditions. And those risks may be temporary or may be more permanent. Regardless of the reasons, the factors that can have the most significant impact on LACERA's valuation results are:

- Investment risk

To the extent that actual investment returns differ from the assumed investment return, the plan's future assets, employer contribution rate, and funded status may differ significantly from those presented in the valuation. There are a myriad of factors that can influence investment markets, such as those described above. In addition to the risk of variances in the investment markets, leverage and illiquidity of investments may magnify investment gains or losses for LACERA. Further, risk may be increased if restrictions are put on available investments that impact future returns. These types of risks are outside the scope of our analysis, but we have quantified the potential overall impact of variance in past and future investment returns below and in Section 5, Assessment of Risks.

- Inflation risk

Inflation is currently at levels not seen in several decades. The impact of inflation risk will be observed in investment risk, compensation risk, and retiree COLA (including the STAR COLA) risk rather than more directly, as it is generally a component of other assumptions and experience of LACERA rather than a specific component by itself.

- Compensation risk

Individual member retirement benefits are linked to the member's compensation. As such, assumptions need to be made as to a member's future compensation increases. Higher future compensation increases will generally result in larger retirement benefits, liabilities, employer contribution rates, and a lower funded status. Conversely, lower compensation increases than assumed will generally result in smaller retirement benefits, liabilities, employer contribution rates, and a higher funded status.

Over the near-term we expect to observe higher compensation increases than projected by the assumptions due to labor market and inflationary pressures.

- Payroll risk (includes labor market risk)

In the valuation, an assumption is made for the overall rate of payroll growth of LACERA members from year-to-year. To the extent that the overall rate of payroll growth is greater than assumed, the employer contribution rate may decrease since the Unfunded Actuarial Accrued Liability (UAAL) will be amortized over a larger payroll base. The opposite will occur if the overall rate of payroll growth is lower than assumed.

For example, if Los Angeles County were to reduce its payroll, an offsetting increase in the UAAL contribution percentage rate would be necessary to maintain the contribution level needed by LACERA. Note that the impact of payroll increases different than assumed will often have some offsetting impact of individual compensation increases different than assumed.

In the current macro environment, pressures on the labor market potentially create more payroll risk than has been observed in the recent past. As mentioned previously, labor markets in general are experiencing shortages of employees, and this shortage and inflation is forcing wages higher. For LACERA there are likely other labor market risks that could have an impact on payroll risk, including the following.

- Any changes in participant behavior, such as through a faster rate of early retirement or terminations from employment that are either not replaced, or that take some time to replace, could cause a decrease in payroll, or an increase less than assumed. (Note that these scenarios also create demographic risks.)
- Any changes in employer budgets or priorities that restrict the employee base, the pace of hiring replacement employees or level of payroll increases could result in a lower payroll than assumed.

Although we do not have any evidence currently to suggest these scenarios are likely, the current environment and how employers and governments will respond is perhaps more uncertain than in recent years, and as such risks related to payroll and labor markets may be higher than has been typical in recent years.

- Longevity and other demographic risks

The liabilities reported in the valuation were calculated by assuming that members will follow specific patterns of demographic experience (e.g., mortality, retirement, termination, disability) as described in Appendix A of the valuation report. To the extent that actual demographic experience is different than is assumed to occur, future liabilities, employer contribution rates, and funded status may differ from that presented in the valuation.

Higher mortality than expected will generally have a positive financial impact on LACERA's funding, and lower mortality than expected will have a negative financial impact. Although we expect mortality experience for the fiscal

year 2021 to 2022 to be lower than the prior fiscal year, we may still observe higher rates of mortality among retirees and beneficiaries than projected by the assumptions. To the extent that the higher mortality occurs among older retirees with lower than average benefits, the financial impact may not be significant since the liability for those members is generally relatively low. It is unclear at this time whether future mortality will revert to assumed levels, or will be higher or lower as a result of the pandemic.

An example of mortality changes which could pose a financial risk to LACERA would be a cure for a broad range of cancers, which could reduce mortality over an extended period of time and therefore materially increase future benefit payments.

- Contribution risk

Contribution risk is defined in ASOP 51 as the potential of actual future contributions deviating from expected future contributions. For example, for some retirement systems in the US, a significant source of their underfunding has been the plan sponsor not making the actuarially determined contribution. If the County does not make its full contribution in the future, it could present a significant risk to LACERA's funding. We have assumed for purposes of this analysis that LA County will continue to contribute at the actuarially determined rate in the future. It should be noted that the County has consistently made its actuarially determined contribution in the past, and there are legal requirements specified in the 1937 Act that govern future contributions. However, there are several ways contributions are being pushed off into the future: 1) the STAR Reserve is included in assets, but STAR liabilities are not; 2) employer contribution increases due to assumption changes have been phased in instead of recognized immediately; and 3) the County has a history of reflecting contribution rate decreases as soon as possible (July) and deferring increases as late as possible (September). We do not view any of these as a significant risk to LACERA, but lower contributions in the short term mean higher contributions will ultimately be needed. For example, the phase-in of the employer contribution rate resulted in a smaller short-term increase, but the ultimate increase in the employer contribution rate effective with the fiscal year beginning in 2022 is projected to be 0.22% of pay higher for the following 18 years.

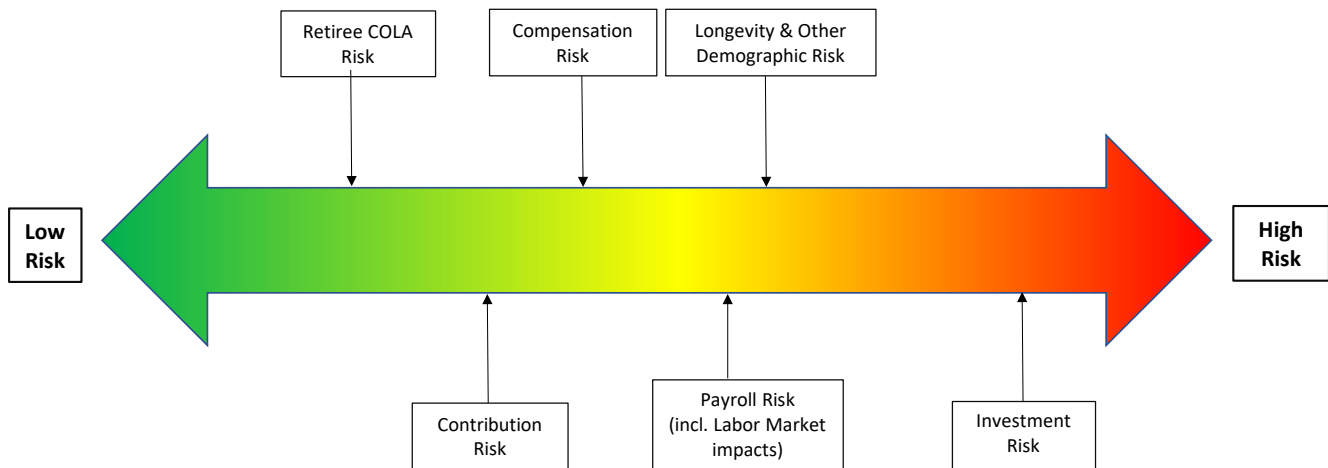
- Retiree COLA risk

Retiree COLA risk is the potential of actual future cost-of-living adjustments for retirees and beneficiaries deviating from the assumed increases. LACERA's funding could be adversely impacted if greater-than-assumed inflation causes future COLAs to exceed the assumption. For LACERA, COLAs are capped at either 2% or 3% based on the respective plan, with the Plan E cap being based on pro-rated service after 2002. As the assumed COLAs for Plans B-E and G are set equal to the cap, there is no direct risk of the actual COLA exceeding the assumption. For Plan A, there is a small risk as the assumed COLA is 2.75% and the cap is 3.00%, so the actual COLA could potentially exceed the assumption by 0.25%. As Plan A retirees account for less than half of the total retiree liability and this proportion is projected to decline in the future, we believe the direct COLA risk is small. There is also an indirect COLA risk related to the STAR COLA Reserve. If future inflation exceeds the cap amount, this would lead to the erosion of retirees' purchasing power and an increase in COLA bank amounts that could exceed 20% which would exceed the threshold for additional STAR COLA benefits. If STAR COLAs are granted, this would decrease the STAR COLA reserve and increase the UAAL.

The assumptions are reviewed in detail during the triennial Investigation of Experience study and are also reviewed annually during the valuation process. Changes in assumptions are generally recommended as part of the triennial Investigation of Experience if actual experience has been materially different than assumed or forecasts have changed materially. Additionally, changes may be recommended and discussed at each valuation if they are deemed to be appropriate at that time.

Relative Magnitude of Each Risk

The prior discussion identified the key risks to LACERA's funding. Which risk poses the biggest threat? The analysis at the end of this section provides a historical analysis of how these risks have affected LACERA's funded status. Which of these factors will have the greatest impact on LACERA's future funding is unknown; however, based on the analysis shown in this report and our experience working with public sector retirement systems, we have provided the following ranking of the risks from the greatest risk to the least risk. This is also illustrated in the scale below. Note that we considered both the likelihood of a negative impact as well as the potential magnitude. For example, if long-term inflation is expected to average the assumption of 2.75%, there is a 50% probability that the Plan A COLA will exceed the assumption, which will result in future actuarial losses, so the probability of this occurring is fairly high; however, the potential magnitude is low due to the 3% Plan A COLA cap, so we view the associated COLA risk to be low.



Note: The above graphic is based on Milliman's opinion and is not numerically based.

We have adjusted the relative levels of compensation and retiree COLA risk since last year to reflect the evolving macro environment, specifically related to current and projected inflation and its potential impact on retiree COLAs and employee compensation.

Risk Factor	Commentary
Investment risk	Historically investment performance has had the greatest year-to-year impact on LACERA's Funded Ratio and the employer contribution rate. We believe it is likely that this will continue to be the case in the future.
Longevity and other demographic risks	Of the demographic risks, mortality probably has the greatest potential to impact LACERA's funding. The current valuation assumption includes a provision for mortality improvement, which allows for longevity improvements similar to historical trends; however, if there were a major medical breakthrough, such as a cure for a broad range of cancers, this could significantly increase life expectancies beyond current expectations and materially impact liabilities.
Payroll risk (including labor market risks)	<p>A decline in payroll, or a long-term increase less than the 3.25% assumption, could result in a significant increase in the employer contribution rate as a percentage of payroll. However, provided the calculated employer contribution rate is paid, a decline in payroll should not, by itself, negatively impact the Funded Ratio.</p> <p>Labor market risks, such as hiring not keeping pace with terminations and retirements, which in the current environment could be due to shortages of new employees and reductions in employer budgets that impact hiring, each increase payroll risk.</p>
Contribution risk	Our understanding is that there are certain legal requirements that make it unlikely the employers would not pay the actuarially calculated contribution rate; however, if LACERA were not to receive the full contribution amount, this could become a significant risk.
Compensation risk	Compensation increases larger than assumed will result in larger retirement benefits, and therefore liabilities than currently projected. Conversely, smaller increases than assumed will result in smaller liabilities. The impact on the employer contribution rate of larger or smaller than assumed compensation increases will generally be offset somewhat by changes in payroll (as discussed above) since these two risks generally occur in tandem. We note that generally large compensation increases occur when there is either high inflation or a strong economy. Either case is likely to be associated with better-than-assumed investment returns (although in the case of higher inflation, it may take a while for higher returns to materialize), which should mitigate the liability increase due to the compensation increase.
Retiree COLA risk	As previously noted, the potential for significant actuarial losses for COLAs greater than the assumption are limited due to the cap on COLAs. Even if a significant increase in inflation were to occur and STAR benefits were used, the STAR Reserve is only about 1% of total assets and this proportion is projected to decline as the STAR Reserve is not credited interest under current policy, so the potential negative impact is relatively small.

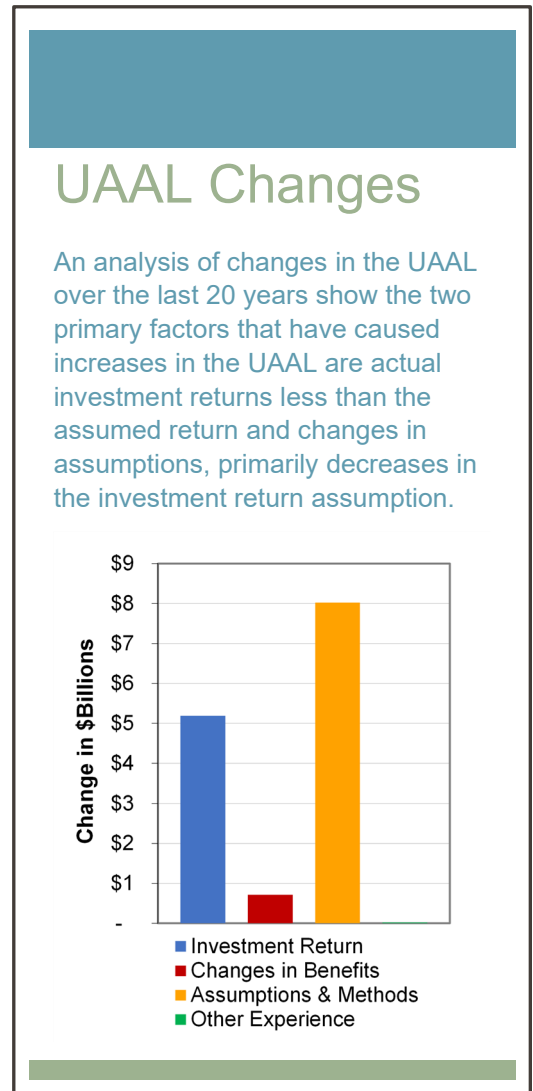
How We Got Here: Analysis of Changes in Unfunded Actuarial Accrued Liability

The portion allocated to service already rendered or accrued is called the Actuarial Accrued Liability (AAL). The difference between the AAL and the Valuation Assets is called the UAAL. If a UAAL exists, it usually results from prior years' benefit or assumption changes and the net effect of accumulated gains and losses. If the employer had always contributed the current Normal Cost, and if there were no prior benefit or assumption changes, and if actual experience exactly matched the actuarial assumptions, then the present value of all future Normal Cost contributions would be sufficient to fund all benefits and there would be no UAAL.

The UAAL, at any date after establishment of a pension plan, is affected by any actuarial gains (decreases in UAAL) or losses (increases in UAAL) arising when the actual experience of the pension plan varies from the experience anticipated by the actuarial assumptions. To the extent actual experience, as it develops, differs from that expected according to the assumptions used, so also will the emerging costs differ from the estimated costs. Additionally, changes in assumptions or benefit provisions can also increase or decrease the UAAL.

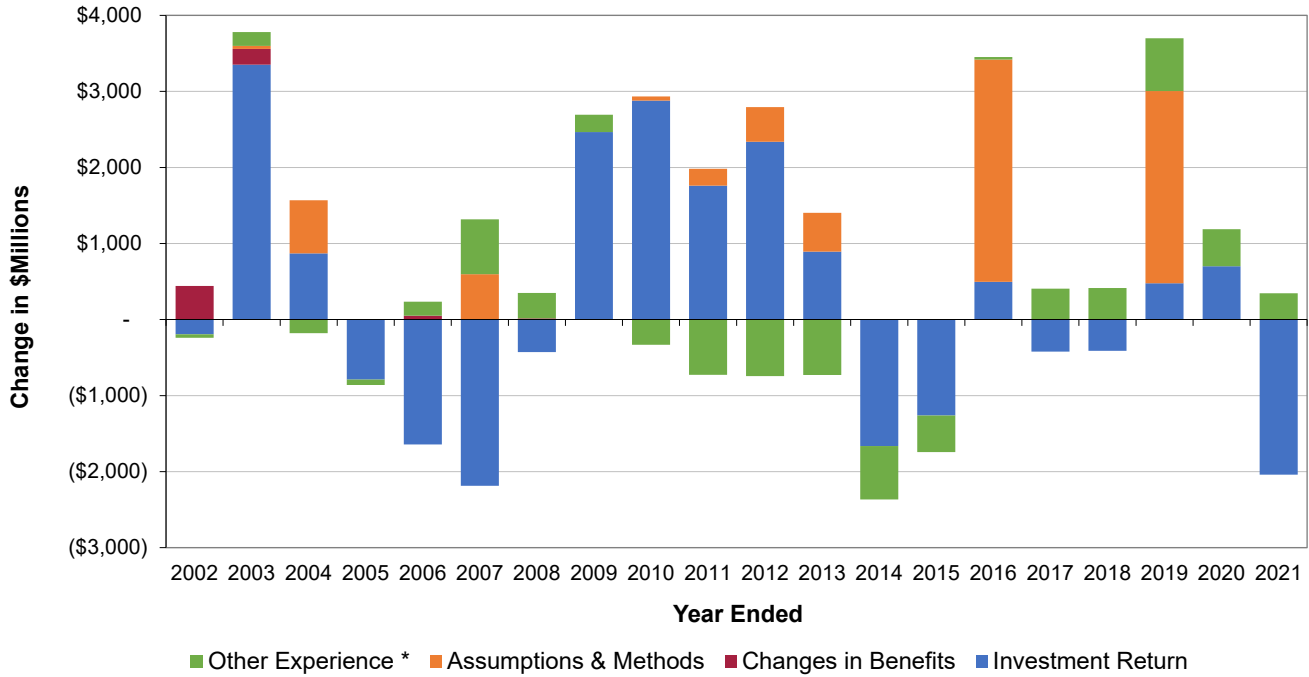
Over the last 20 years, the UAAL has increased and decreased from year to year due to a number of factors:

- **Investment Returns:** The average actual return on market assets for the 20-year period was 7.4% (net of investment expenses) compared to the assumed returns for the period of between 7.0% and 8.0%. This was the primary cause of year-to-year changes in the UAAL.
- **Actuarial Assumptions and Methods:** Changes in the actuarial assumptions were the primary cause of the total increase in the UAAL over the 20-year period, with the reduction in the investment return assumption from 8.0% to 7.0% having the greatest impact.
- **Other Experience:** This includes gains and losses from demographic experience different than assumed, such as termination, service retirement, disability retirement, and mortality experience. It also includes the difference between actual and assumed salary increases and COLAs.
- **Changes in Benefits:** Benefit enhancements increased the UAAL over the 20-year period. This was primarily due to the MOU enhancements that were first reflected in the June 30, 2002 Actuarial Valuation. The relative impact is much smaller than the actuarial assumption changes and the investment returns.



The following exhibit shows the sources of change in the UAAL over the past 20 valuations. The single biggest source of annual change in most years is the return on investments being either greater than or less than the assumption (blue bars).

Analysis of Change in Unfunded Actuarial Accrued Liability
 (Dollars in Millions)



* Other Experience includes changes due to Salary, CPI, Mortality, and other factors.

3. Plan Maturity Measures

Like other public retirement systems, LACERA continues to mature. As pension plans mature, they become more sensitive to certain risks. In this section, the maturity of LACERA is examined in the context of the number of active members to retirees, the projected cash flows, and volatility ratios.

The magnitude of the year-to-year increase or decrease in the employer contribution rate is affected by the maturity level, and specifically, the asset volatility ratio (the ratio of LACERA assets to payroll). LACERA has accumulated a significant amount of assets relative to its payroll and by several measures is considered a mature plan. Accumulating assets to pay for future benefit obligations is responsible funding, but it does mean that changes in the investment markets can have a significant impact on the employer contribution rate.

This section discusses the following plan maturity measures.

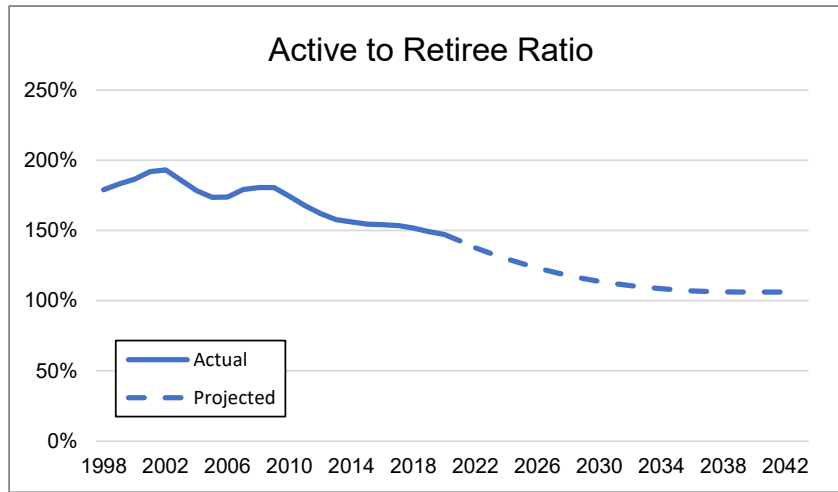
- **Active-to-Retiree Ratio:** As the percentage of actives declines relative to the number of retirees, this indicates a maturing of the plan.
- **Cash Flow:** As the cash flow (contributions less benefit payments) becomes increasingly negative, this generally indicates a maturing of the plan.
- **Asset Volatility Ratio:** A higher ratio indicates a maturing of the plan and greater sensitivity in the employer contribution rate to investment returns.
- **Liability Volatility Ratio:** A higher ratio indicates a maturing of the plan and greater sensitivity in the employer contribution rate to liability experience and changes in valuation assumptions.

Active Members to Retirees Ratio

As the number of retirees (and dollar value of retiree liabilities) grows, the dollar size of any gains or losses (particularly mortality and COLA gains and losses) associated with retirees also grows, and has a more significant impact on the overall Funded Ratio. Additionally, as the number of actives compared to retirees decreases, a larger percent of active payroll is needed to finance any gains or losses associated with retirees. The aging of the population and the retirement of baby boomers has been felt by retirement systems across the nation. This demographic shift has long been predicted by actuaries and taken into account in LACERA's funding calculations. Even though it was anticipated, this demographic shift is impacting LACERA and has increased the amount of risk faced, which is seen throughout this report.

There are various ways to assess the maturity level of a retirement system. One way is to look at the ratio of active members to retirees. In the early years of a retirement system, the ratio of active to retired members will be very high as the system will be mostly comprised of active members. As the system matures, the ratio starts declining. A mature system will often have a ratio near or below one. For LACERA and other retirement systems in the U.S., these ratios have been steadily declining.

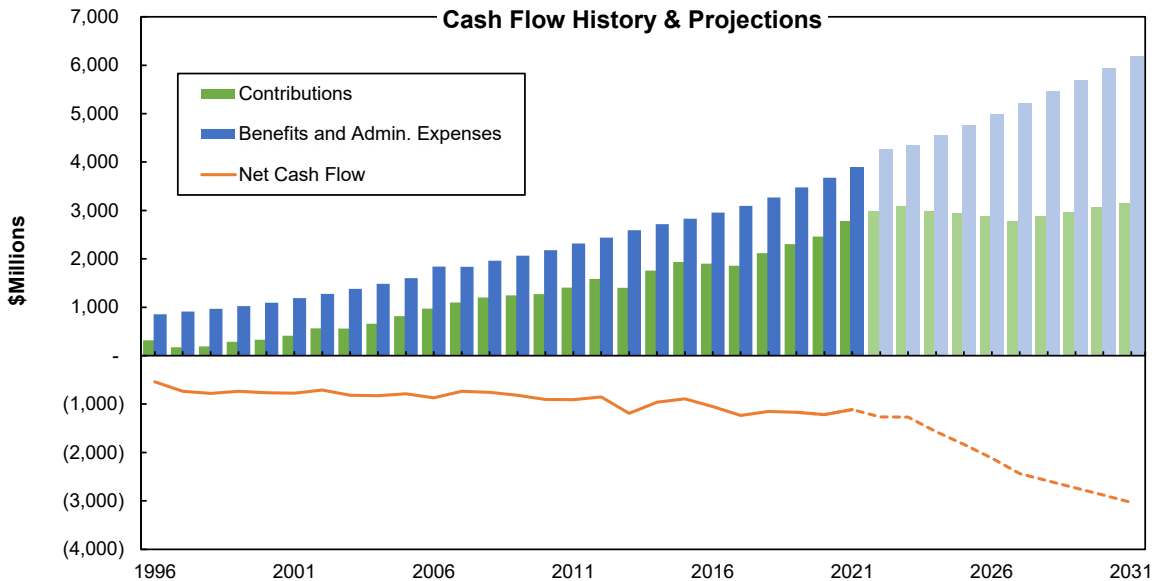
The chart below illustrates LACERA's historical and projected active members to retirees ratio. Consistent with the assumption used in the valuation, we have assumed that the active population will remain at the same level in the future.



Cash Flow

The cash flows for a retirement system are another good indicator of the maturity level of the system. As a pension plan matures, it is normal for benefit payments to exceed contributions coming into the system. When pre-funding a pension plan, it is important to remember that the objective is to accumulate assets to pay benefits. Put another way, pre-funding is expected to ultimately create negative cash flows. Note that cash flows for purposes of this analysis do not take into account cash income generated from investments.

LACERA has been in a negative cash flow position for over 25 years. The gap between contributions (combined member and employer) and benefits paid plus expenses has increased over time, and this trend is projected to continue in the future. The graph below shows LACERA's projected cash flows. Note that the cash flow is projected to become increasingly negative after 2038 when UAAL amortization layers begin to become fully amortized resulting in a reduction in the contributions, all else being equal.



This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

Asset and Liability Volatility Ratios

The Asset-to-Payroll ratio, also referred to as the Asset Volatility Ratio (AVR), is a measure of the level of assets to payroll. As assets grow compared to payroll, so does the size of any asset gains or losses compared to payroll. This causes asset gains and losses to have a larger impact on employer contribution rates that are calculated as a percent of payroll.

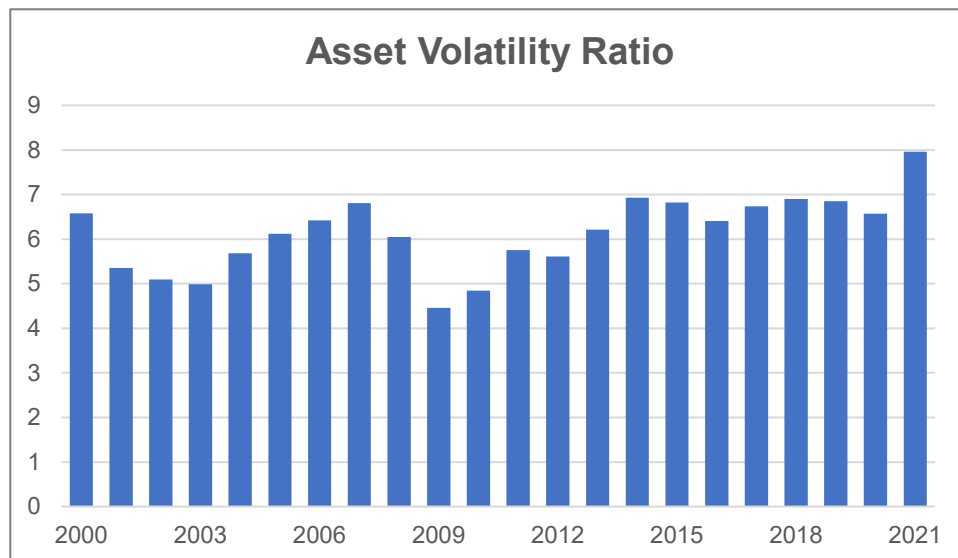
As shown in the graphs below, the AVR has increased over time as LACERA has matured. As of June 30, 2021, LACERA has an Asset Volatility Ratio of 8.0, which is typical of a mature system. Expressed another way, LACERA’s June 30, 2021 market value of assets of \$73.0 billion is approximately 8.0 times larger than the payroll of all active members of LACERA (\$9.1 billion).

Due to the investment return of 25.2% in the fiscal year ended June 30, 2021, assets increased significantly more than the payroll over the period, and therefore the AVR increased from 6.6 to 8.0. This means that the employer contribution rate is more sensitive to changes in the level of assets than it was just one year ago.

The graph below shows that LACERA has gradually matured over the last 20+ years, as represented by the increasing AVR, although the ratio has declined in some years corresponding to those with poor investment returns in the prior year.

Asset Volatility Ratio

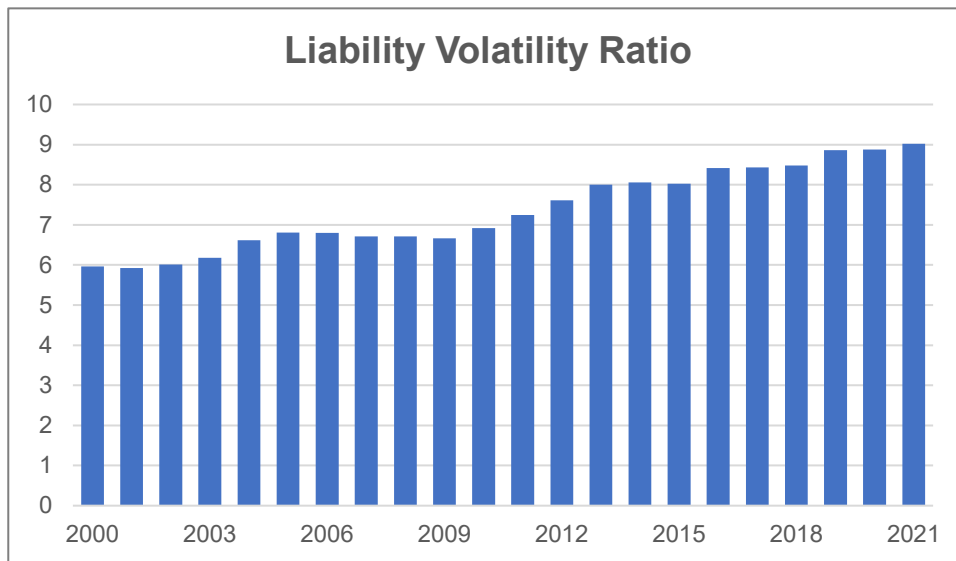
LACERA has an Asset Volatility Ratio of 8.0; that is, assets are about 8 times as big as the payroll. In practical terms, a - 3% return is expected to ultimately cause a 5.6% of pay increase in the employer contribution rate.



The 8.0 AVR means that for each 1% asset loss (or gain) in relation to the assumed investment return, the employer contribution rate will increase (or decrease) by 0.56% of payroll. Since LACERA uses actuarial smoothing, the increase would not be immediate, but would occur gradually over five years and could potentially be offset, or further increased, by future investment gains or losses or other factors.

The Liability-to-Payroll ratio, also referred to as the Liability Volatility Ratio (LVR) is another measure of a system’s maturity. This ratio provides an indication of employer contribution rate volatility due to liability experience (gains and losses) and liability re-measurements (assumption changes). For LACERA, the LVR as of June 30, 2021 is 9.0, an increase from 8.9 as of June 30, 2020. That is, the June 30, 2021 Actuarial Accrued Liability of \$81.9 billion is approximately 9.0 times larger than the payroll of all active members of LACERA (\$9.1 billion). Ultimately, the Asset and LVR should converge to the LVR as LACERA moves toward 100% funding in the future.

The graph below shows the historical LVR. The ratio has increased gradually, with much less year-to-year variance than observed in the AVR. The 9.0 AVR means that for each 1% liability loss (or gain), other than those due to assumption changes, the employer contribution rate will increase (or decrease) by 0.63% of payroll. Assumption changes can also affect employer Normal Cost and member contribution rates.



4. Historical Measures

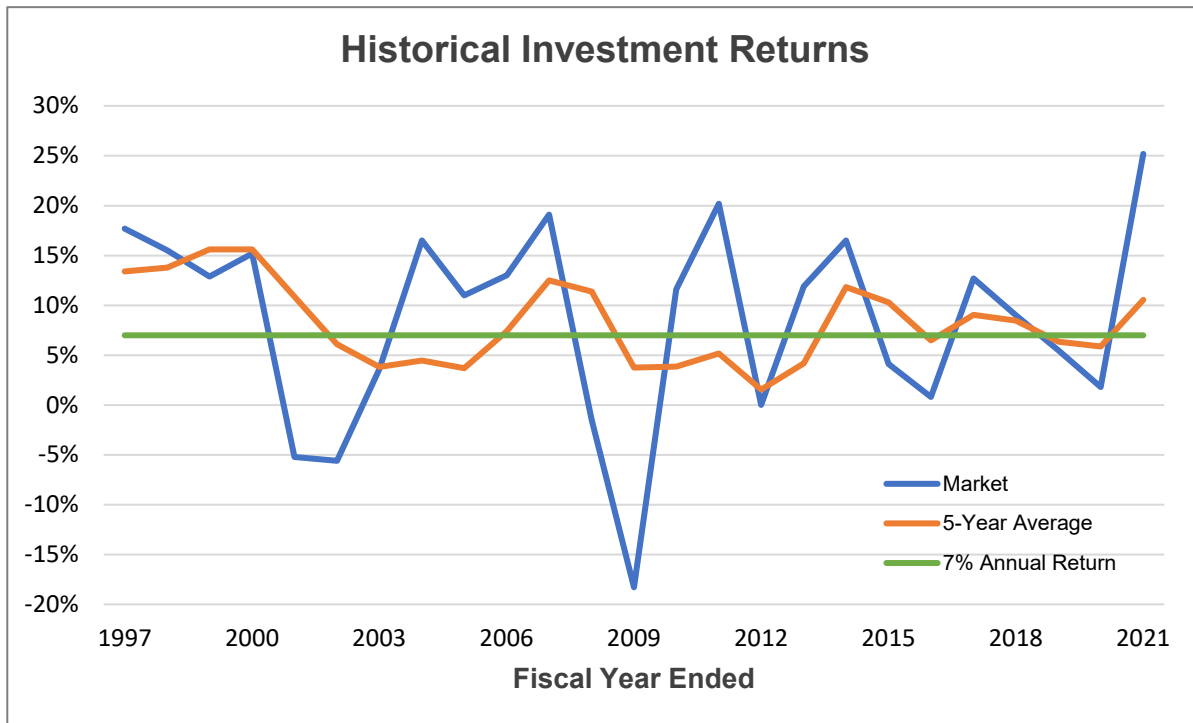
One way to assess future risks is to look at historical measurements. This section discusses the following historical measures.

- Investment Returns
- Funded Ratio
- Employer Contribution Rate

Historical Investment Returns

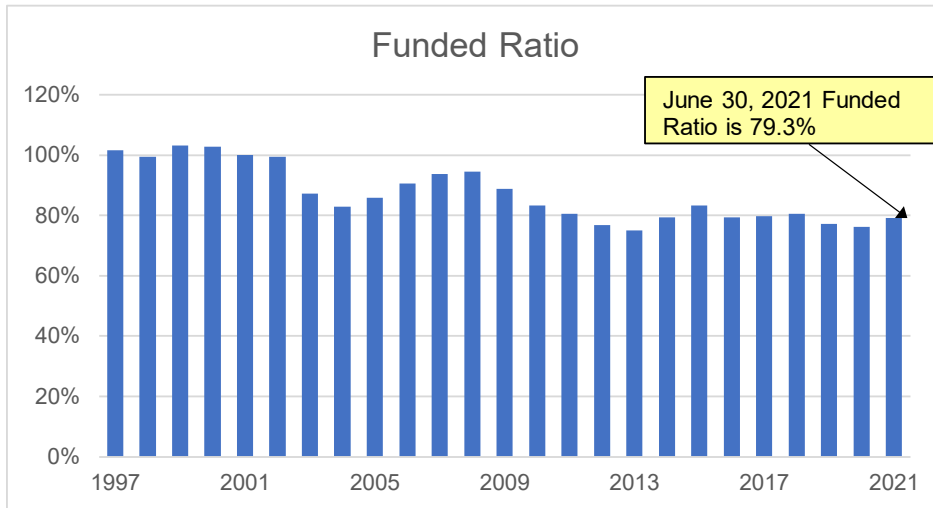
Investment returns over the last 25 years have varied significantly from year-to-year. This variance is the primary cause of year-to-year changes in funded status and employer contribution rates. The valuation uses an actuarial asset method that smooths investment gains or losses (in relationship to the assumed return) over a five-year period. The graph below presents a comparison of historical returns for LACERA on a market basis and a five-year average to approximate the return on actuarial assets. Although the five-year average is smoother, it has still been as high as 15% and as low as 2%, showing that not all market volatility can be smoothed over time.

Additionally, the graph highlights the year-to-year volatility of market and smoothed asset values relative to an annual 7% investment return. This volatility exists and leads to variance in year-to-year funded status and employer contribution rates even if the long term average annual investment return is close to 7%.



Historical Funded Ratios

The graph below shows how LACERA’s Funded Ratio has varied over the last 25 years. In particular, it reflects the significant impact that investment returns can have. The two periods where LACERA experienced significant declines in its Funded Ratio were following the dot-com bubble of the early 2000s and the financial crisis that started in 2008.

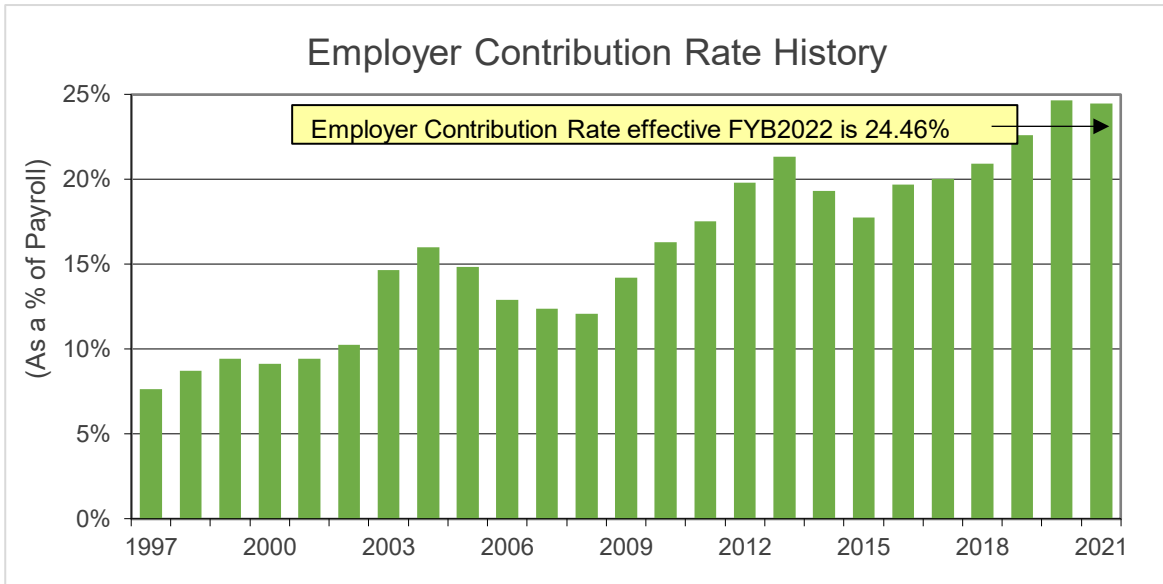


Funded Ratio

Over the past quarter century, LACERA has experienced two noticeable declines in Funded Ratio, both following periods of low investment returns: 1) after the Dot-com bubble; and 2) after the financial crisis.

Historical Employer Contribution Rates

The graph below shows how the employer contribution rate has varied over the last 25 years. Similar to the Funded Ratio history, the impact that investment returns have can be seen here. Significant increases in the employer contribution rate occurred following the dot-com bubble of the early 2000s and the financial crisis that started in 2008. The recent uptick in employer contribution rates has been primarily due to a reduction in expectations for future investment returns (as reflected in the investment return assumption), and larger salary increases than expected by the salary increase assumption.



5. Assessment of Risks

The prior sections identified risks and discussed risk measures. This section quantifies the potential impact of several risks that could materially impact the employer contribution rate and Funded Ratio. The risks assessed for this purpose include:

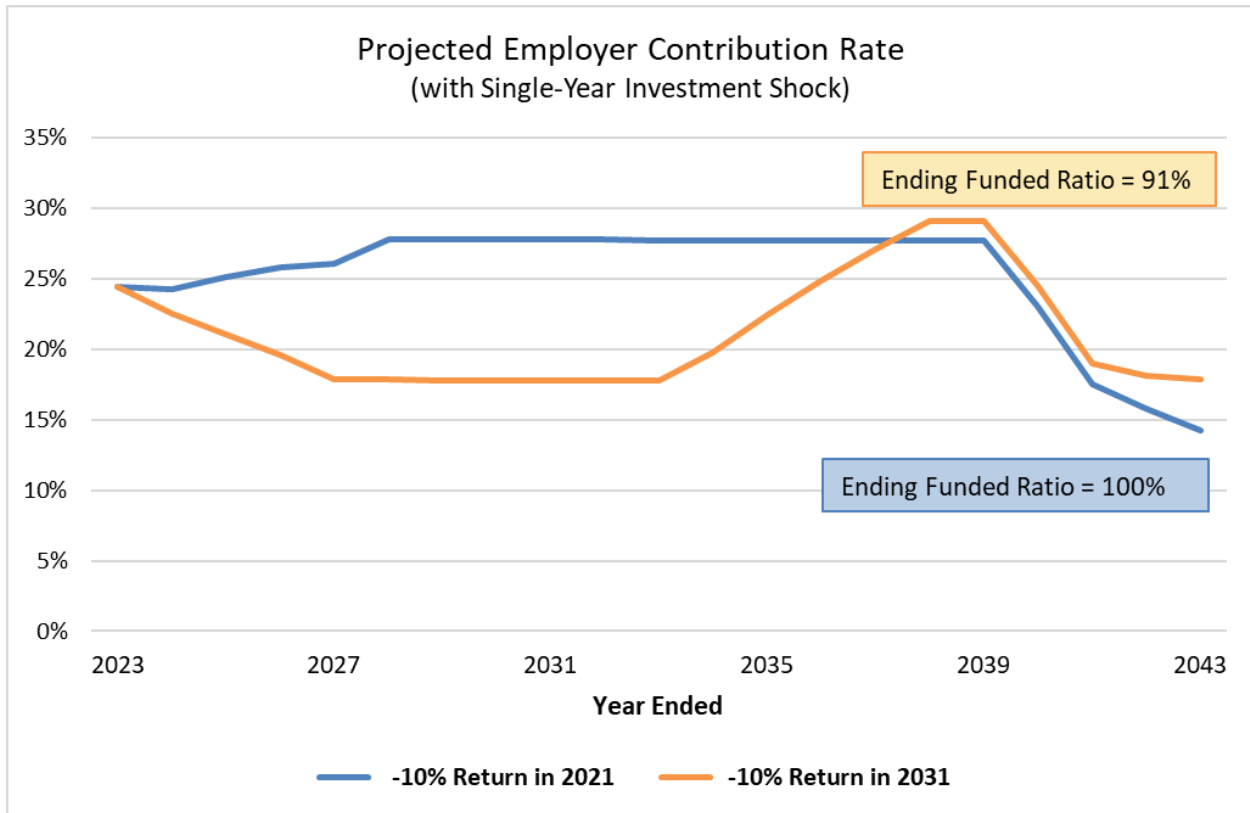
- Investment risk
- Retiree COLA risk
- Payroll growth and salary increase risk
- Longevity risk

In order to understand the extent of the risks faced, several stress tests were performed to determine the impact on employer contribution rates and funding levels. Although each risk was examined in isolation, the System has the potential to face these challenges in combination, which could have either an offsetting or compounding effect. Specifically, inflation is generally a component of investment return, payroll growth, salary increases, and retiree COLAs. High inflation might reasonably be expected to result in higher payroll growth, salary increases, and retiree cost of living adjustments (COLAs). Similarly, sustained high inflation will likely lead to higher interest rates which will result in decreasing values of traditional government-issued fixed income investments. However, new issues of those fixed income investments will include higher yields which could result in higher future investment returns from that asset class in the longer-term.

One-Time Investment Shock

The valuation assumes LACERA earns a constant 7% per year in the future. The reality is the actual return will vary from year to year. As shown in the Historical Measures section, LACERA's return has ranged from approximately -20% to 25% over the last 25 years. As discussed in the Asset Volatility Ratio portion of Section 3, as a plan matures the employer contribution rate tends to become more sensitive to asset losses and gains. Asset losses and gains are generated by actual investment returns less than, or greater than, the investment return assumption.

The graph below shows the potential impact of a -10% return (a 17% loss relative to the 7% assumption) on the employer contribution rate and Funded Ratio if that return were to occur in the fiscal year 2021 to 2022 or the fiscal year 2031 to 2032. Based on LACERA’s assumed 7.0% return and a standard deviation of 12.4% (from asset allocation option B of the Strategic Asset Allocation – LACERA Pension Trust memo for the May 19, 2021 Board of Investments meeting), there is an approximate 6% probability that in any given year the investment return will be -10% percent or worse.



As expected, due to the projected maturing of the plan in the future, the increase in the employer contribution rate is greater if the shock occurs 10 years from now (orange line) than if it occurs in the current year (blue line), although the employer contribution rate would have been lower in the intervening years. The Funded Ratio is lower in 2043 if the shock takes places 10 years from now, as the System’s funding would have had less time to recover. In addition, employer contributions will be higher in years beyond 2043 as that additional deficit is amortized over 20 years.

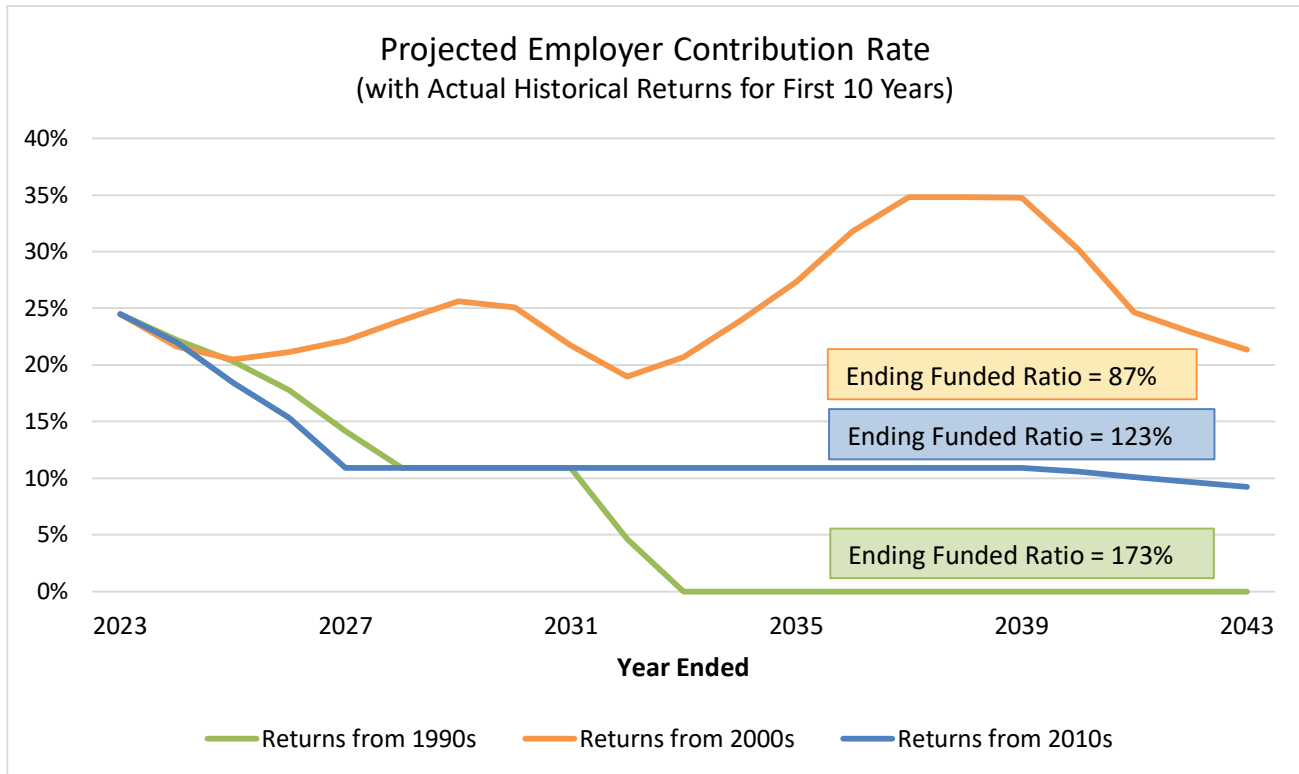
The following table shows the total employer contributions projected over the 30-year period beginning July 1, 2022 under each investment shock scenario. As can be seen in the table, total contributions are projected to be higher under the later investment shock scenario.

	(amounts in \$ billions)	
	2021 Shock	2031 Shock
Total Contributions (2022 - 2052)	\$ 90.5	\$ 100.9

We note that based on the Chief Investment Officer’s Monthly Report to the Board of Investments on May 11, 2022 the fiscal year-to-date investment return through March 2022 is 6.4%, which on an annualized basis is higher than the 7% investment return valuation assumption.

Historical Investment Returns

Another way to look at the potential impact of future variance of returns is to look at what would happen if history were to repeat itself. The graph below shows the potential impact on the employer contribution rate and Funded Ratio, if LACERA’s actual returns from the three previous decades were repeated. In each scenario, the returns from one of the decades is assumed to occur followed by annual 7% returns in the following years.



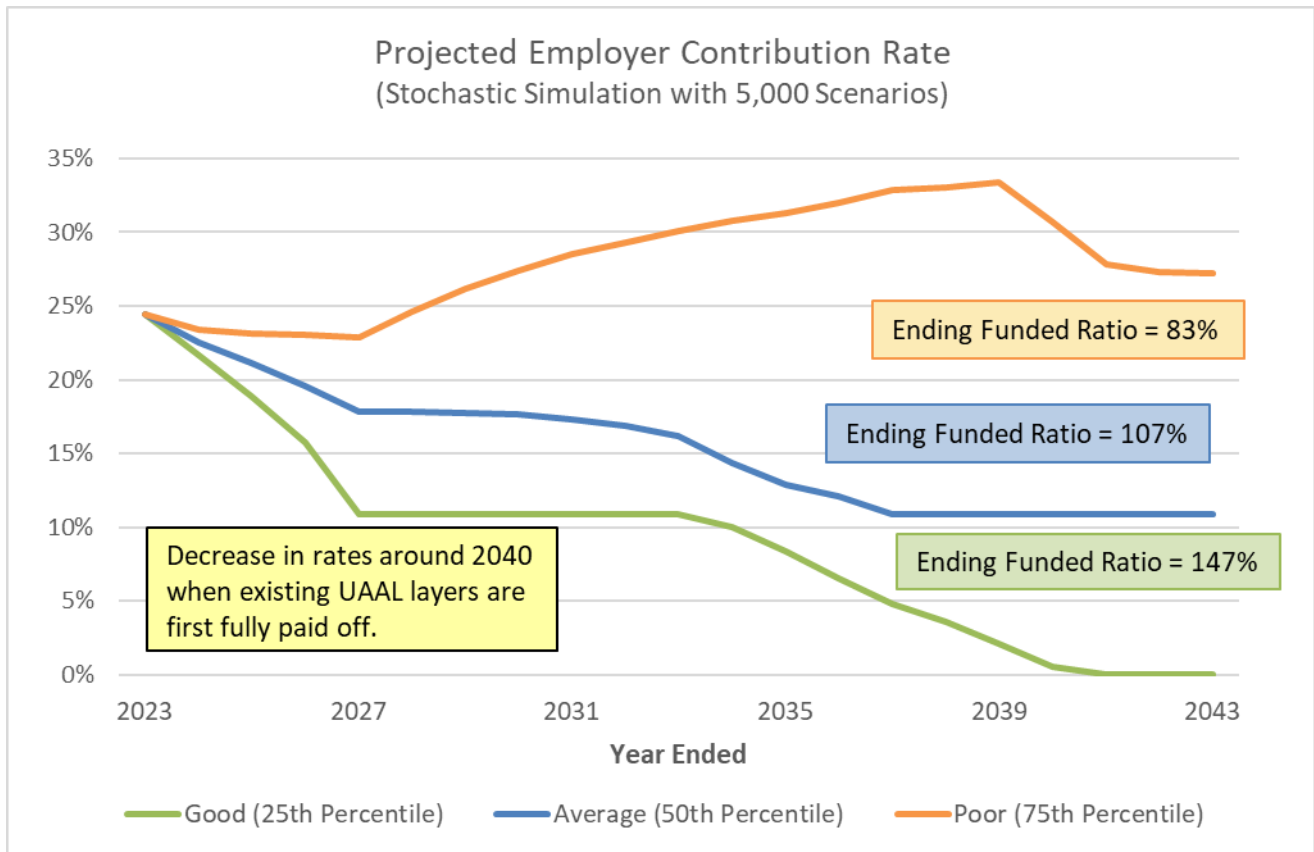
The potential variability of the employer contribution rate is evident with the projected rates varying from 35% of pay in the 2000s scenario to 0% in the 1990s scenario. It should be noted that it is unlikely that the Returns from 1990s scenario (blue line) will recur, at least in the near future, as the strong returns were at least in part driven by a significant decline in interest rates, which given the current inflationary and interest rate environments does not seem likely. The significant increase in the employer contribution under the Return from 2000s scenario (orange line) was caused primarily by the approximate -18% return for the fiscal year ended June 30, 2009. It does not reflect the recovery that occurred in the 2010s which ultimately mitigated some of the impact.

Stochastic Analysis of Investment Returns

The analyses above focused on deterministic scenarios based on a specific set of returns. To better understand how the variance of future returns could impact LACERA’s funding, a stochastic model was used to generate 5,000 sets of Monte Carlo simulations based on LACERA’s assumed 7.0% return and our estimate of the standard deviation of LACERA’s target asset allocation of 12.4%.

Each of these 5,000 simulations represent a hypothetical future set of returns that could occur based on the assumed return and standard deviation. For each simulation, the assets and liabilities for the System were projected for the next 20 years. With this information it is possible to assess the potential impact of long-term investment performance and variance in funding levels.

The graph below shows the 25th, 50th, and 75th percentile of the projected funded status for LACERA. For example, the 75th percentile indicates that 75% of the results under the model were better (in the case of the employer contribution rate, lower than the orange line) and 25% were worse. Combining a large number of scenarios in this type of analysis results in smooth lines, although the actual outcome will have more variability. Note that the compounded investment return over the 20-year period was about 8.8% for the 25th percentile (above average) and about 5.1% for the 75th percentile (below average).



The goal of these stochastic simulations is to provide a realistic estimate of the range of possible future outcomes. The stochastic analysis shows that the range between the 25th and 75th percentiles is quite large, illustrating the potential variance in future funding of the System. It should be remembered that half of the scenarios fall outside this range, with

25% of the scenarios being at or above the green line and 25% being at or below the blue line. Ideally, the range between the 25th and 75th percentiles for both measures would be narrower; however, there is a tradeoff between each of the two outcomes. To reduce the variance in the employer contribution rates would likely lead to an increase in the 50th percentile employer contribution rate and cause a wider range in the Funded Ratios. For example, when LACERA recently moved to a 20-year amortization period of future UAAL changes, this reduced the probability that the Funded Ratio would be low but increased the probability that the employer contribution rate would be higher.

The charts below show additional information regarding funding levels and employer contribution rates based on the stochastic analysis.

Funded Ratio after 20 Years	
Probability greater than 60%	96%
Probability greater than 80%	78%
Probability greater than 100%	56%

Employer Contribution Rate	
How often is the Employer Contribution Rate > 30%? ¹	18%
How often is the Employer Contribution Rate Increase > 3%? ²	9%

1. Percentage of years that the total employer contribution rate exceeds 30% of payroll during the 20-year projection period.

2. Probability of increase exceeding 3% of payroll in any given year of 20-year projection period.

Retiree Cost of Living Adjustments (COLAs)

LACERA provides annual cost of living adjustments (COLAs) to a significant majority of retirees. These COLAs are determined based on published local Consumer Price Index (CPI) statistics and cannot be greater than 3% (Plan A retiree allowances) or 2% (all other non-Plan E retiree allowances). Plan E retiree allowances receive a pro-rated COLA up to 2% based on the proportion of service after June 4, 2002. LACERA maintains a COLA accumulation bank for retirees so that in years when the calculated COLA exceeds the maximum COLA the excess is accumulated in the bank and may be used to “top-up” retiree COLAs in future years when calculated COLAs are less than the maximum allowed.

Based on the current accumulations of the COLA accumulation bank and current actual and projected CPI we expect maximum COLAs to be paid to most, if not all, current retirees for the next several years.

The funding valuation CPI assumption is 2.75%, and the COLA assumption is set equal to the CPI assumption, subject to the maximum COLA allowed by each Plan. As such, the funding valuation liabilities include an expectation that all Plan A retirees will receive a 2.75% annual COLA and all other non-Plan E retirees will receive a 2% annual COLA.

If CPI exceeds 3% annually, the impact on the funding valuation is an actuarial loss on Plan A retirees of approximately \$4 million annually since their benefits will increase at 3% annually compared to the assumed 2.75% annual increase. This amount does not create a material impact on employer contribution rates or LACERA’s Funded Ratio. If COLAs are less than assumed in the funding valuation, this creates an actuarial gain. However, as noted above we do not expect this scenario to materialize to a level that will result in a material cumulative impact on LACERA’s Funded Ratio or employer contribution rates over the foreseeable future.

Supplemental Targeted Adjustment for Retirees (STAR) COLA

The STAR program is designed as a restoration-of-purchasing-power program for eligible retirees whose retirement allowance has lost more than 20% of its purchasing power since retirement. No retirees have been eligible for, nor received, a STAR COLA for more than a decade.

The LACERA Board of Retirement determines on an annual basis whether to provide either on an ad-hoc or permanent basis STAR COLA to impacted retirees. Based on the current accumulations of the COLA accumulation bank and current actual and projected CPI, we expect it is likely that all Plan B, C and D retirees who retired prior to March 31, 1991 will have retirement allowances that have lost more than 20% of their purchasing power through 2022, and it is possible that more recent Plan B, C and D retirees may also cross that threshold in 2022 or 2023 if a high inflationary environment persists. We estimate that the financial impact of providing ad-hoc or permanent STAR COLAs in the short-term will not have a material impact on employer contribution rates or LACERA's Funded Ratio. However, if a high inflationary environment persists, the impact could ultimately become material if a significant number of retiree allowances lose more than 20% of their purchasing power.

LACERA maintains a STAR COLA reserve (\$614 million as of June 30, 2021) that may be used to provide STAR COLAs. Under LACERA's Funding Policy, the reserve value for STAR benefits is included in the Valuation Assets; however, the liability for any STAR benefits that may be granted in the future is not included in the valuation. If the STAR reserve of \$614 million was depleted, or otherwise excluded from the Valuation Assets, the UAAL would increase by this amount. In the June 30, 2021 funding valuation, we estimated that in this event the calculated employer contribution rate for the fiscal year beginning July 1, 2022 would increase by 0.49% of payroll, and the Funded Ratio would decrease by 0.8%.

Future Salary and Payroll Levels

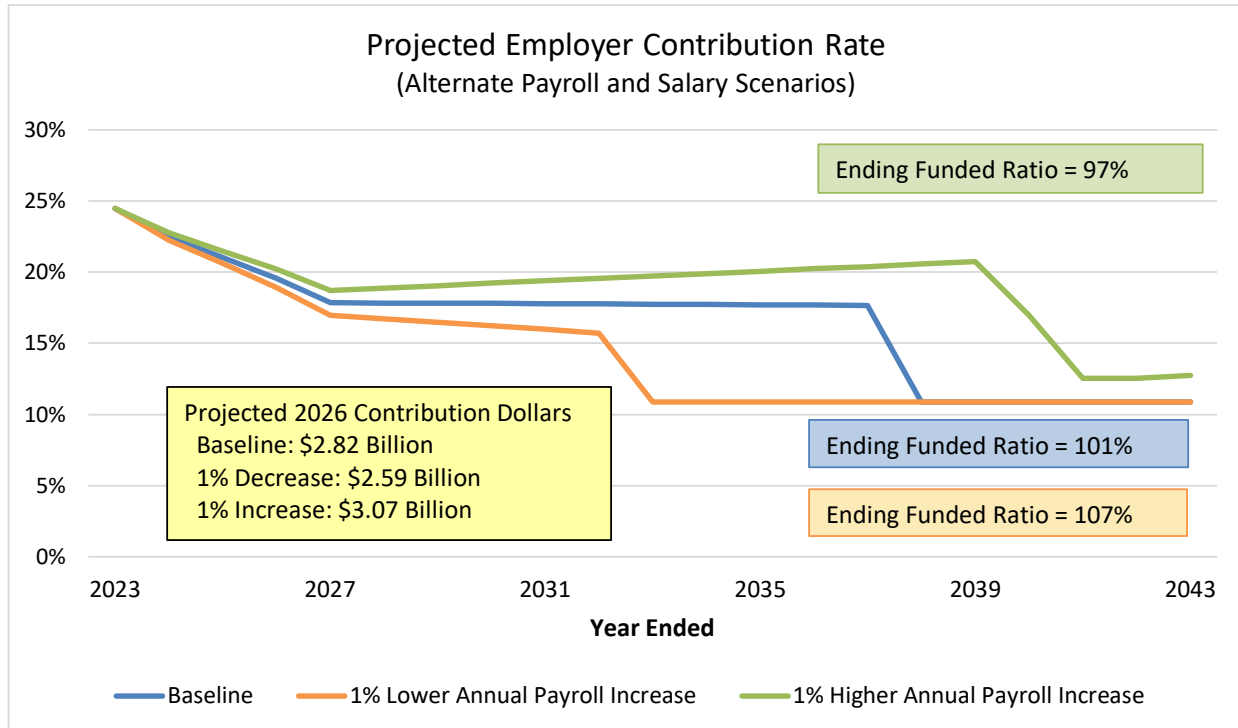
Changes in payroll and salary levels can be caused by the following factors:

- 1) a decline or an increase in the active employee population, and
- 2) compensation increases to current active employees that are greater or less than assumed.

As LACERA is funded as a percentage of payroll, a decline in payroll (or an increase less than the assumed annual increase of 3.25%) will result in the calculated percentage of payroll not being a sufficient dollar amount to pay off the UAAL on schedule, which will result in an increase being needed in the UAAL portion of the employer contribution rate to balance this out. That is, the same contribution dollars will still be needed to pay off the UAAL, but they will be a higher percentage of a smaller payroll. Conversely, an increase in payroll greater than the assumed annual increase of 3.25% will result in a smaller percentage of payroll being needed to pay off the UAAL. Such an increase might occur as a result of the current and projected inflationary environment. Note that a higher or lower payroll is not expected to impact the Normal Cost rate, so a lower payroll would be expected to result in reduced employer Normal Cost contributions, and vice versa for a higher payroll.

Compensation increases different than assumed to current active employees can affect the employer contribution rate and Funded Ratio. For current active employees, salary increases greater than expected will generally cause an actuarial loss which will increase the UAAL and lower the Funded Ratio. However, it will also increase the payroll by more than assumed which will result in the UAAL being amortized over a larger payroll and cause an offsetting decrease in the employer contribution rate. The opposite will occur for salary increases lower than expected.

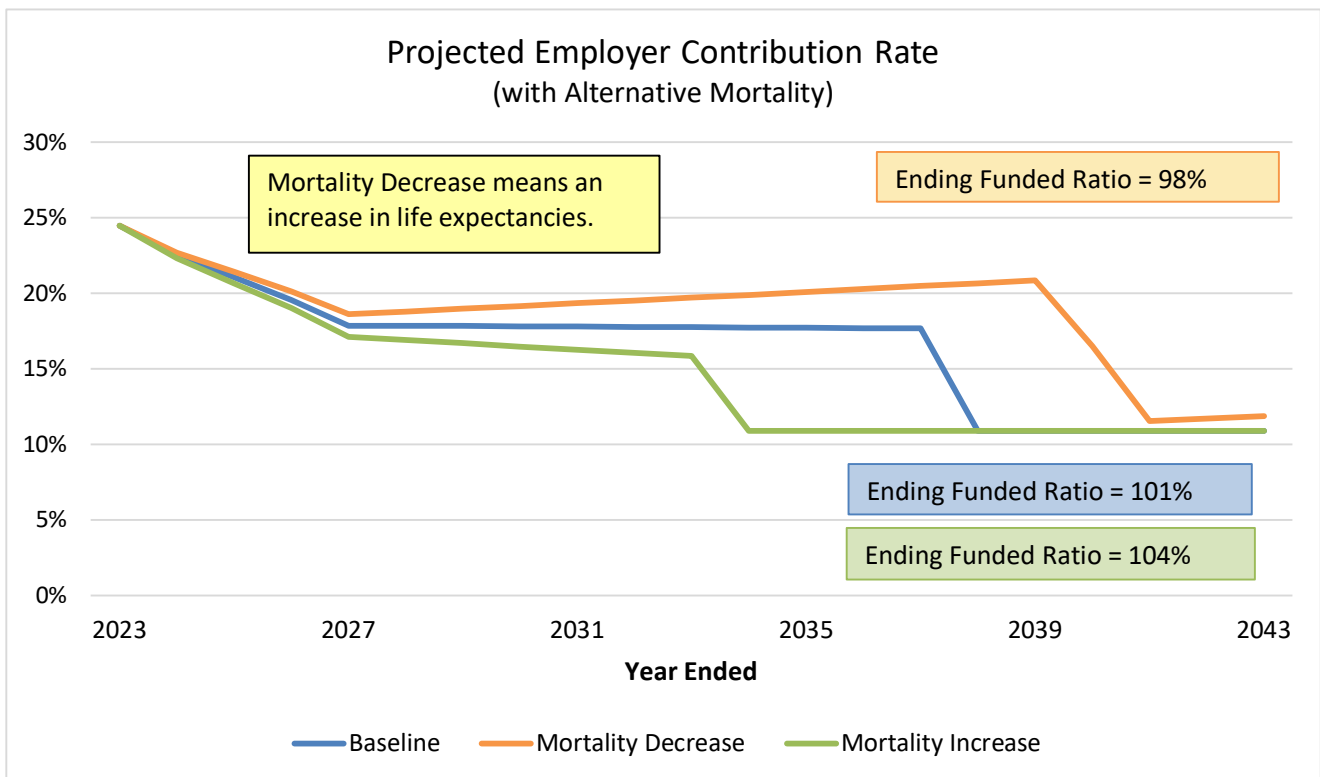
The graph below shows the impact on the employer contribution rate if the annual payroll growth rate and salary increase rates are one percent higher (green line) or one percent lower (orange line) than assumed each year. This scenario may occur in a high inflationary environment or in an economic recession. For comparison, the baseline (blue line) shows the projected employer contribution rate assuming all assumptions are met, including an annual 3.25% payroll growth rate.



Mortality Risk

Unlike investment returns, mortality rates tend to be fairly consistent from year to year; however, over time mortality rates can shift materially. Historically, mortality rates have gradually declined, which has resulted in increasing life expectancies. LACERA’s valuation anticipates a certain level of mortality improvement each year. To the extent future mortality is either better or worse than projected by the assumptions, the valuation results will be affected.

To quantify the potential impact of changes in mortality, the graph below shows a projection if in each future year 0.5% less (or more) of the total population died each year. For perspective, about 3% of LACERA’s retiree population dies each year, so reducing the aggregate mortality rate from 3.0% to 2.5% is equivalent to a 1/6th decrease in the number of deaths each year. Over the last four years, the mortality gain on retirees has averaged about 0.05%, so the 0.5% reduction (or increase) is about a 10-fold increase in recent variance. This type of variance seems unlikely unless there was a significant outside factor, such as a medical breakthrough.



Assumption Risk

The prior analysis has focused on the impact of future experience deviating from the assumptions. As noted in Section 2 (Identification of Risk), one of the biggest factors in the increase of LACERA’s UAAL over the last 20 years has been changes in actuarial assumptions, in particular changes in the investment return assumption. These changes are driven by expectations of future experience, and generally guided by the triennial Investigation of Experience study. The following table provides a simple analysis on how the short-term costs are affected by the investment return assumption. Note that the long-term cost of the Plan will be largely driven by actual investment returns and other experience; the assumptions used in the valuation impact the timing of the contributions over the long term.

	Investment Return Assumption		
	Current 7.00%	+0.5% 7.50%	-0.5% 6.50%
Employer Contribution Rate	24.46%	19.66%	29.49%
Change		-4.80%	5.03%
Funded Ratio	79.3%	84.3%	74.4%
Change		5.0%	-4.9%

Attachment B

Milliman's June 8, 2022 Presentation Slides

LACERA

Risk Assessment

Based on June 30, 2021 Actuarial Valuation of Retirement Benefits

Nick Collier, Craig Glyde

June 8, 2022

Introduction

- Valuations are based on one set of assumptions
 - Almost certain that future experience will differ from the assumptions
 - Important to consider the potential impacts of these differences when making decisions that may affect the future financial health of the plan
- The risk assessment is designed to:
 - Give Trustees information on risks specific to future pension liability measurements and contribution levels that may be helpful in carrying out fiduciary responsibilities
 - Identify & assess risks that may be significant to the plan
 - Disclose plan maturity measures and historical information that are significant to understanding the plan's risk
- Identified and assessed risks similar to those identified and assessed on July 1, 2021
- Guidance on risk assessment is provided in Actuarial Standard of Practice No. 51

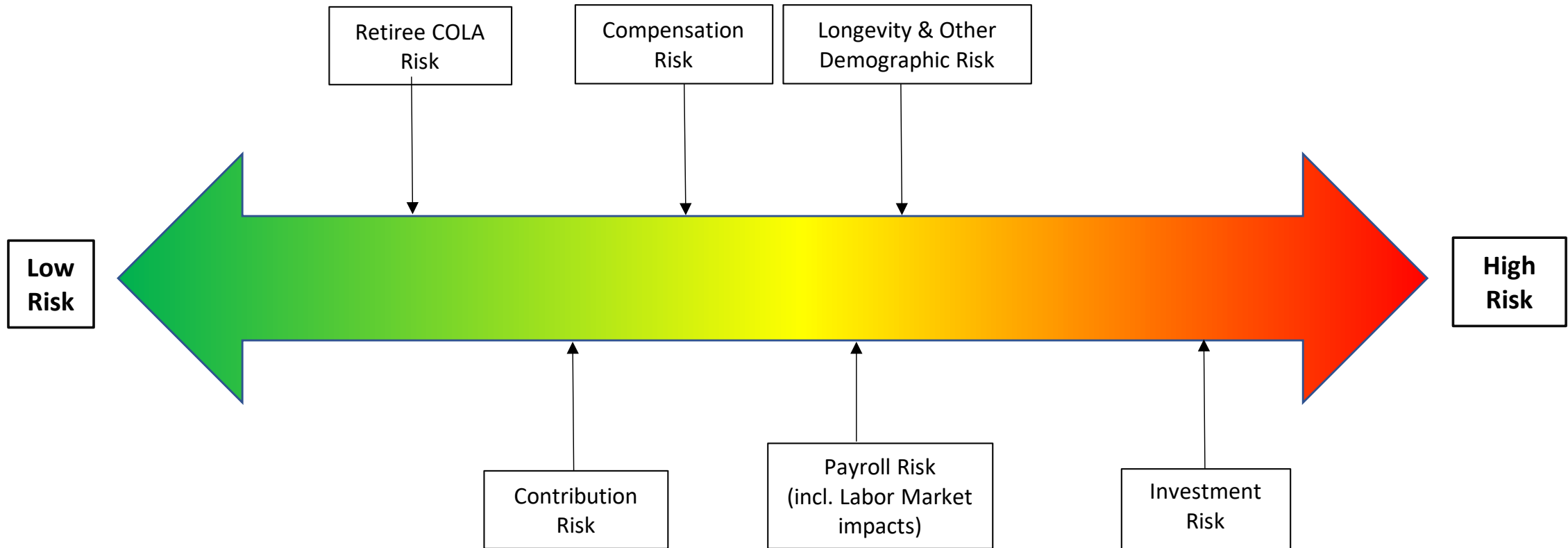
Macro conditions impacting risks faced by LACERA

- COVID-19 impact evolving:
 - New phase as the return to pre-pandemic lifestyle and “norms” continues
 - Higher vaccinations and boosters; fewer deaths
- Russia - Ukraine war; fears of an escalation
- Supply chain shortages
- Investment market volatility
 - S&P 500 has declined approximately 12% (through April 27, 2022)
 - Rising bond yields
- Inflation - CPI at a four-decade high
 - Adds pressure on wages and retiree COLAs
- Federal Reserve actions
 - Raising benchmark interest rates; combating inflation
- Labor market impacts
 - Shortage of employees, pace of resignations/hiring, County budgeting

Identification of Risks – Ranking

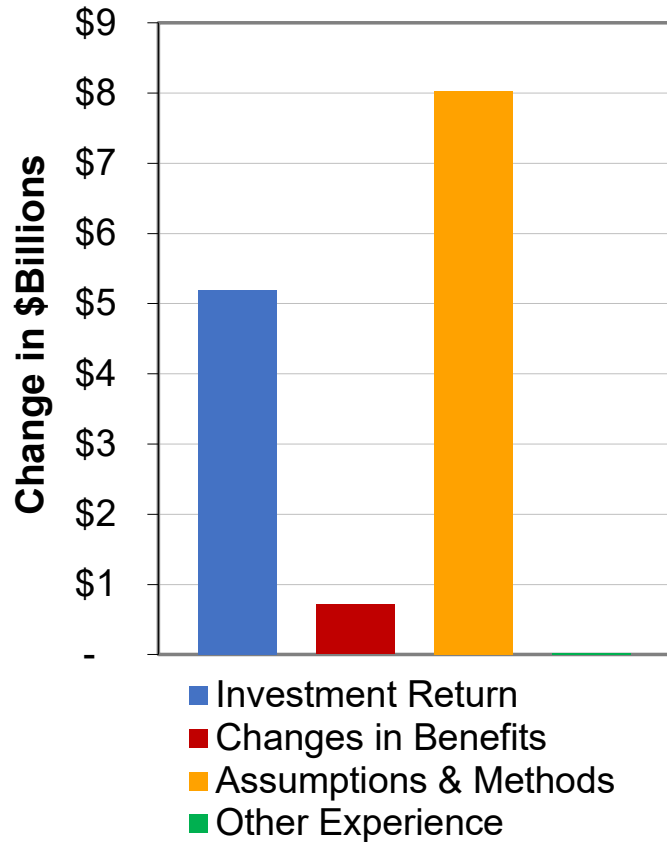
Risk: The potential of actual future measurements deviating from expected future measurements resulting from actual future experience deviating from actuarially assumed experience.

- We view future investment returns as the risk with the potential to have the greatest impact

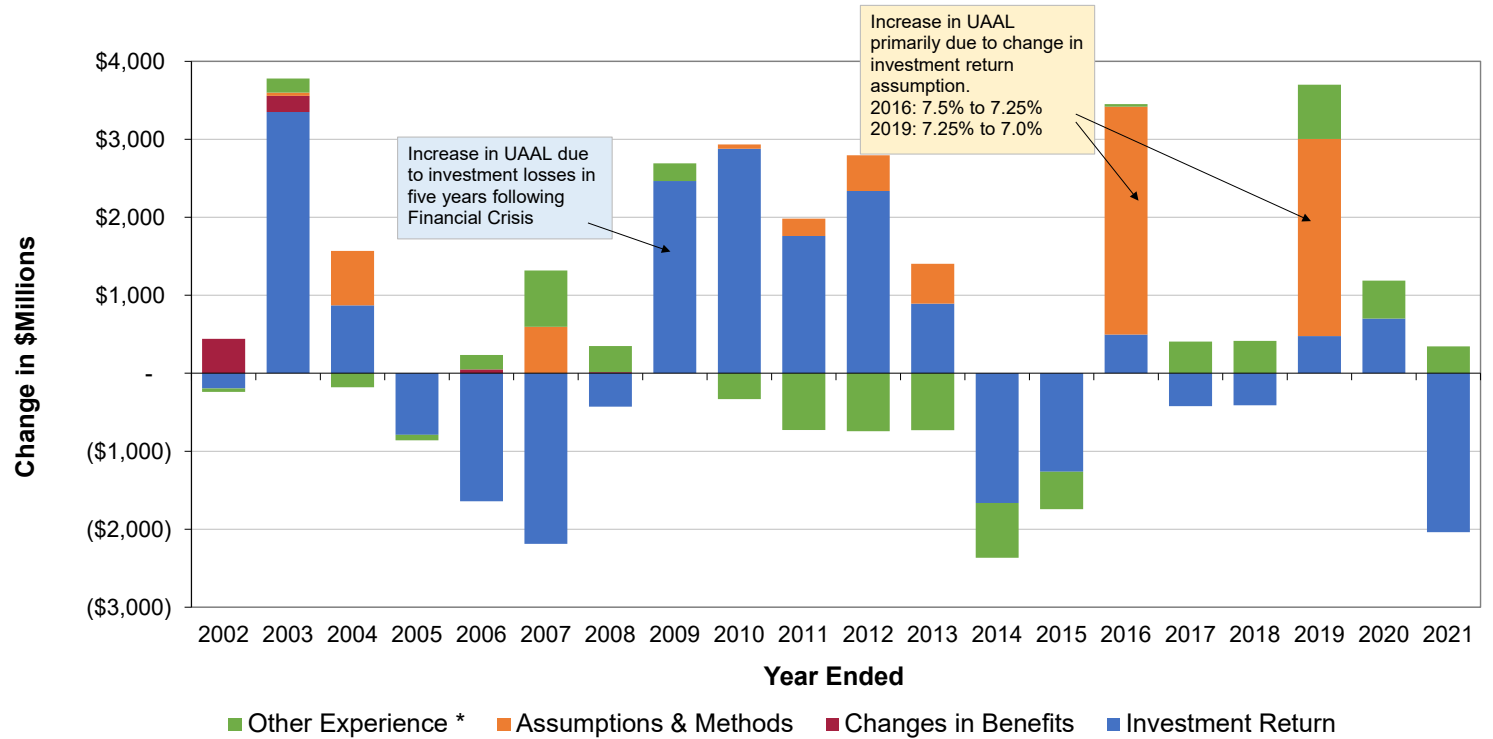


Identification of Risks – Historical Experience

Cumulative changes in the UAAL since 2001

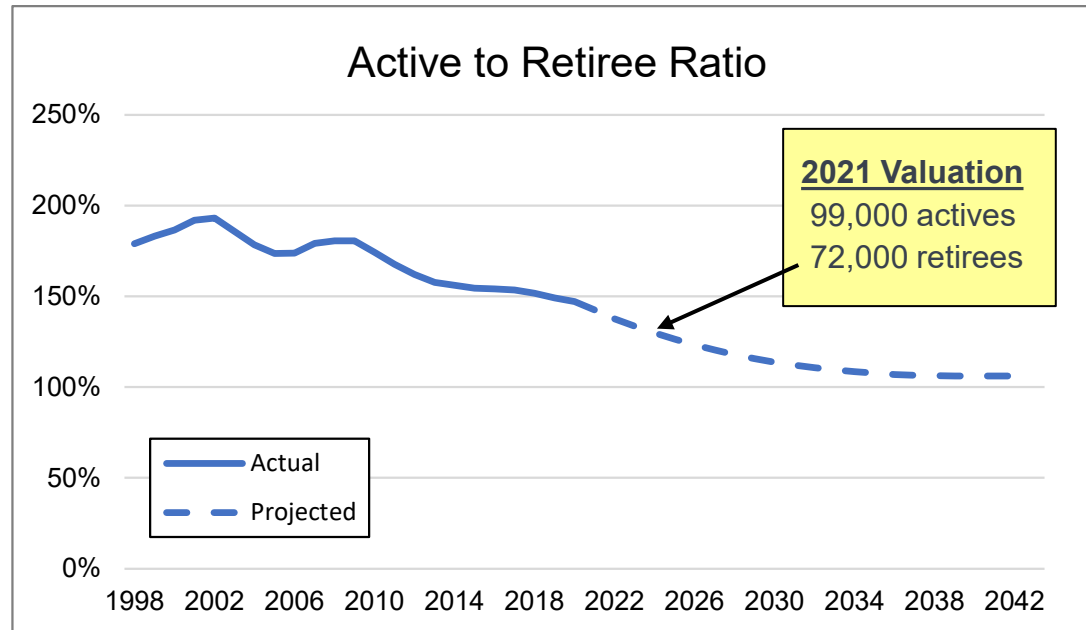


Year-to-year changes in the UAAL

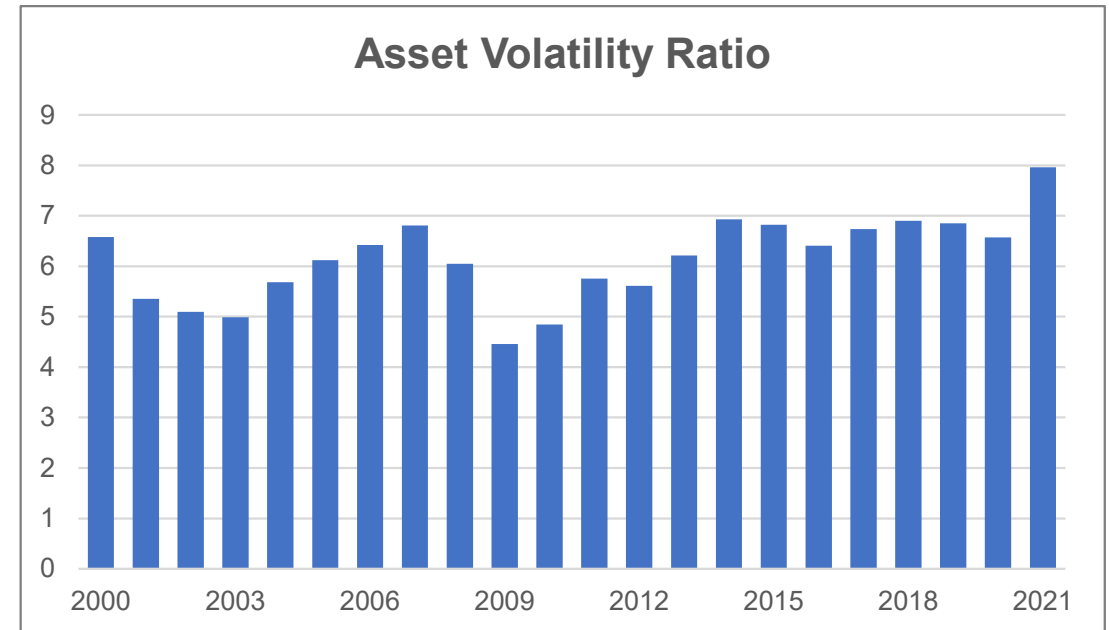


Plan Maturity Measures

- Mature plans are generally more susceptible to risk



- Asset Volatility Ratio is ratio of assets relative to the plan's payroll

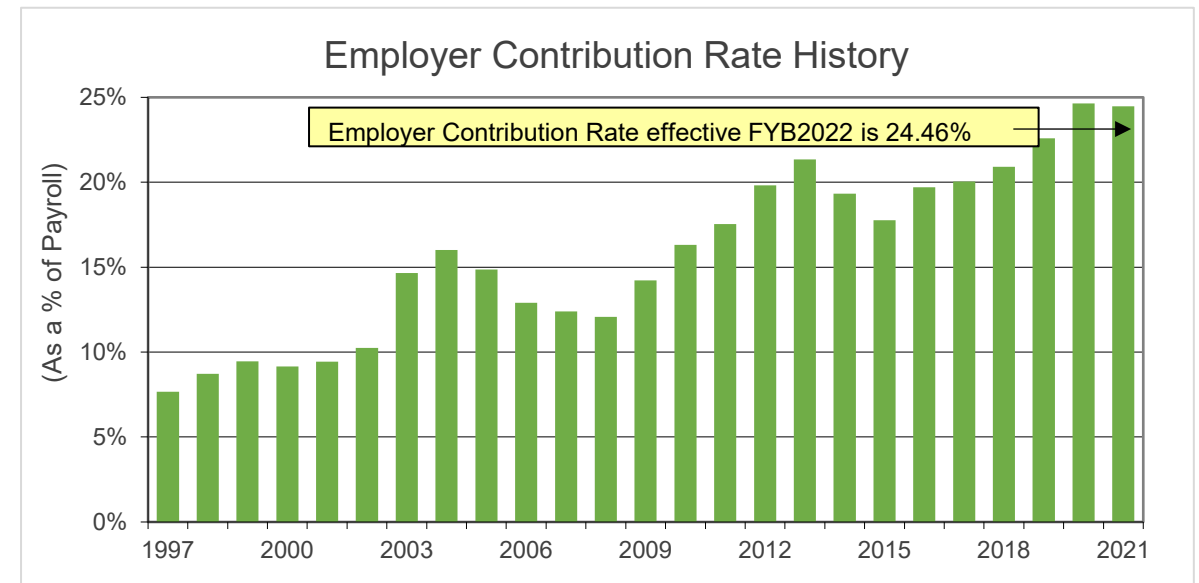
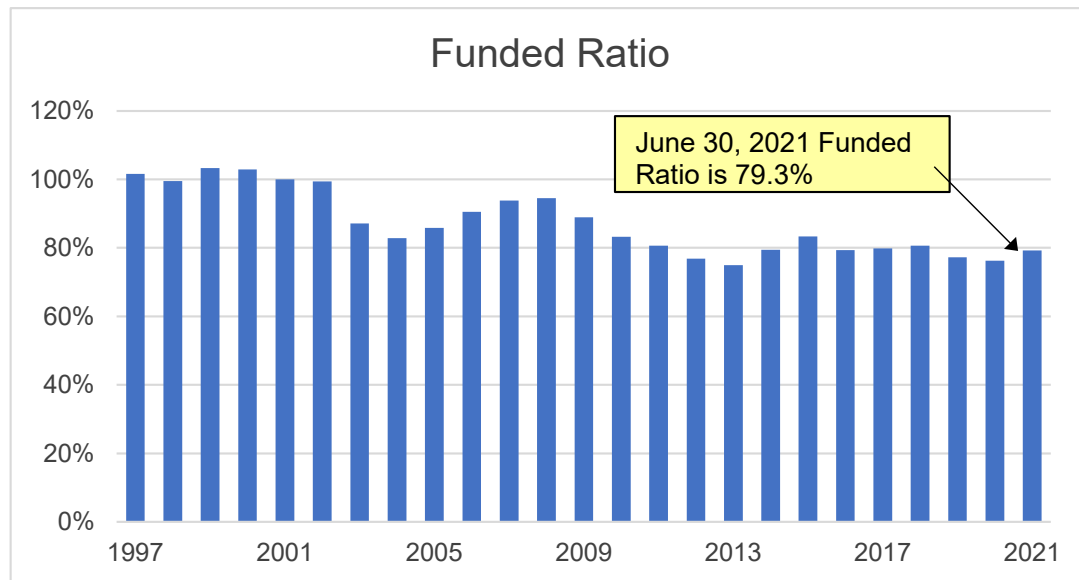


- For each 1% the actual return is less than the assumed return, it causes a 0.56% of pay increase in the employer contribution rate.

Historical Measures

- Funded Ratio has ranged between about 75% to 100% over last 25 years
 - Primary driver of increases and decreases has been investment returns

- Employer contribution rate has increased from less than 10% of pay to almost 25% of pay over last 25 years

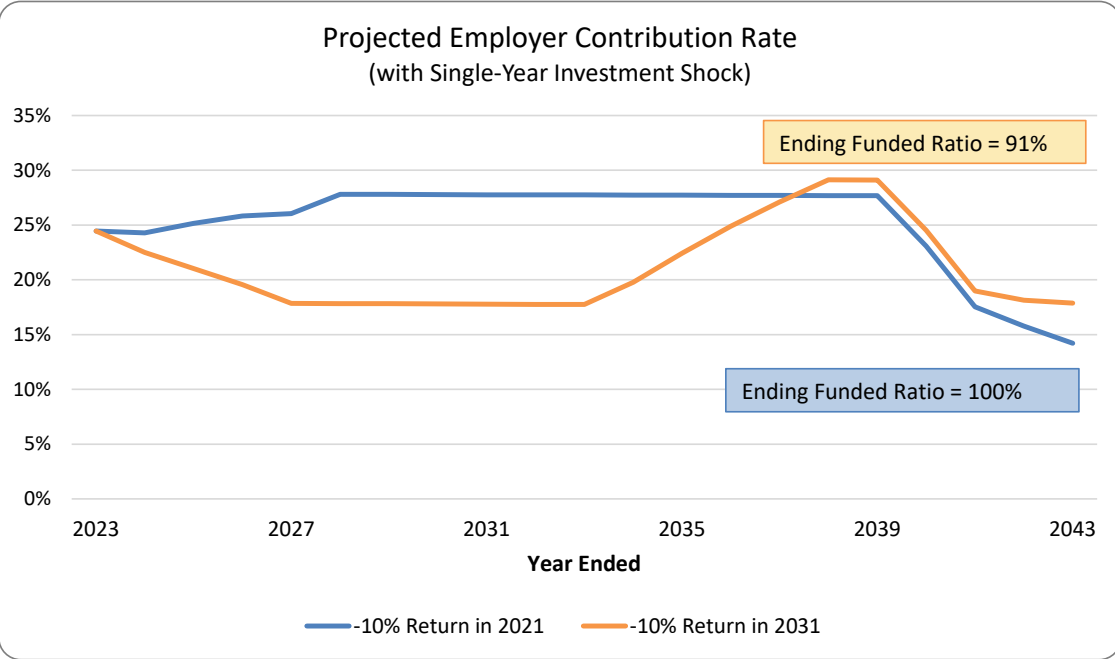


Assessment of Risk

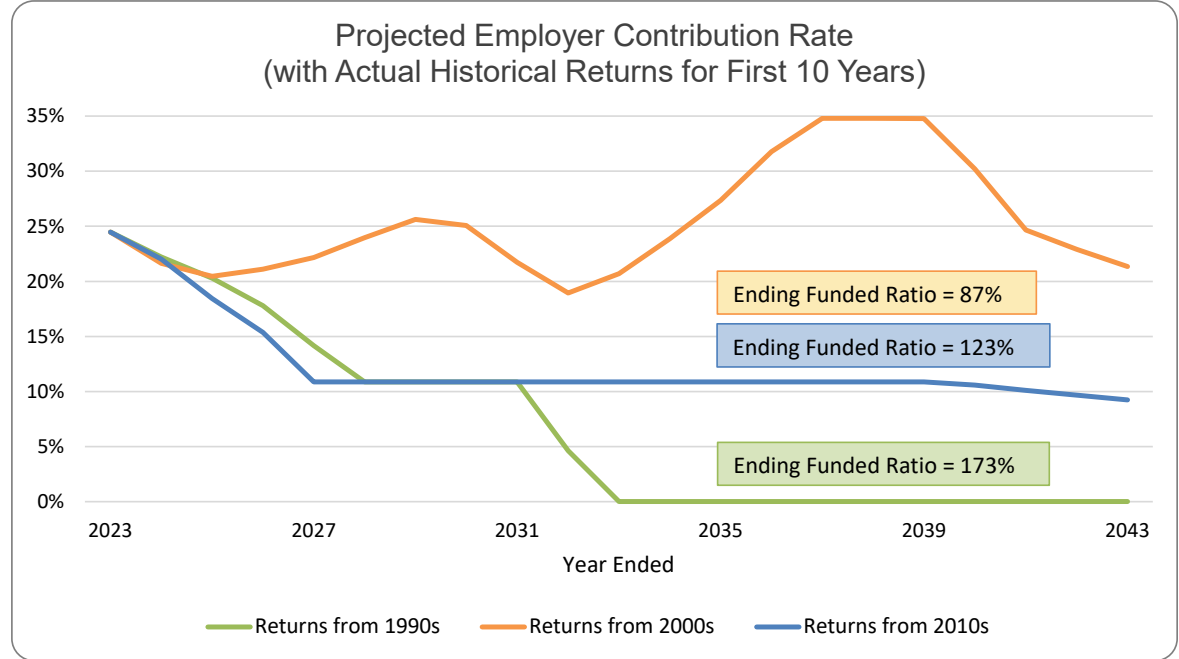
- Scenario Test
 - A process for assessing the impact of one possible event, or several simultaneously or sequentially occurring possible events, on a plan's financial condition.
- Sensitivity Test
 - A process for assessing the impact of a change in an actuarial assumption on an actuarial measurement.
- Stress Test
 - A process for assessing the impact of adverse changes in one or relatively few factors affecting a plan's financial condition.
- Stochastic Modeling
 - A process for generating numerous potential outcomes by allowing for random variations in one or more inputs over time for the purpose of assessing the distribution of those outcomes.

Assessment of Risk – Investment Risk

- One-year Shock (-10% Return)
 - Investment loss causes a greater increase in the employer contribution rate as LACERA matures



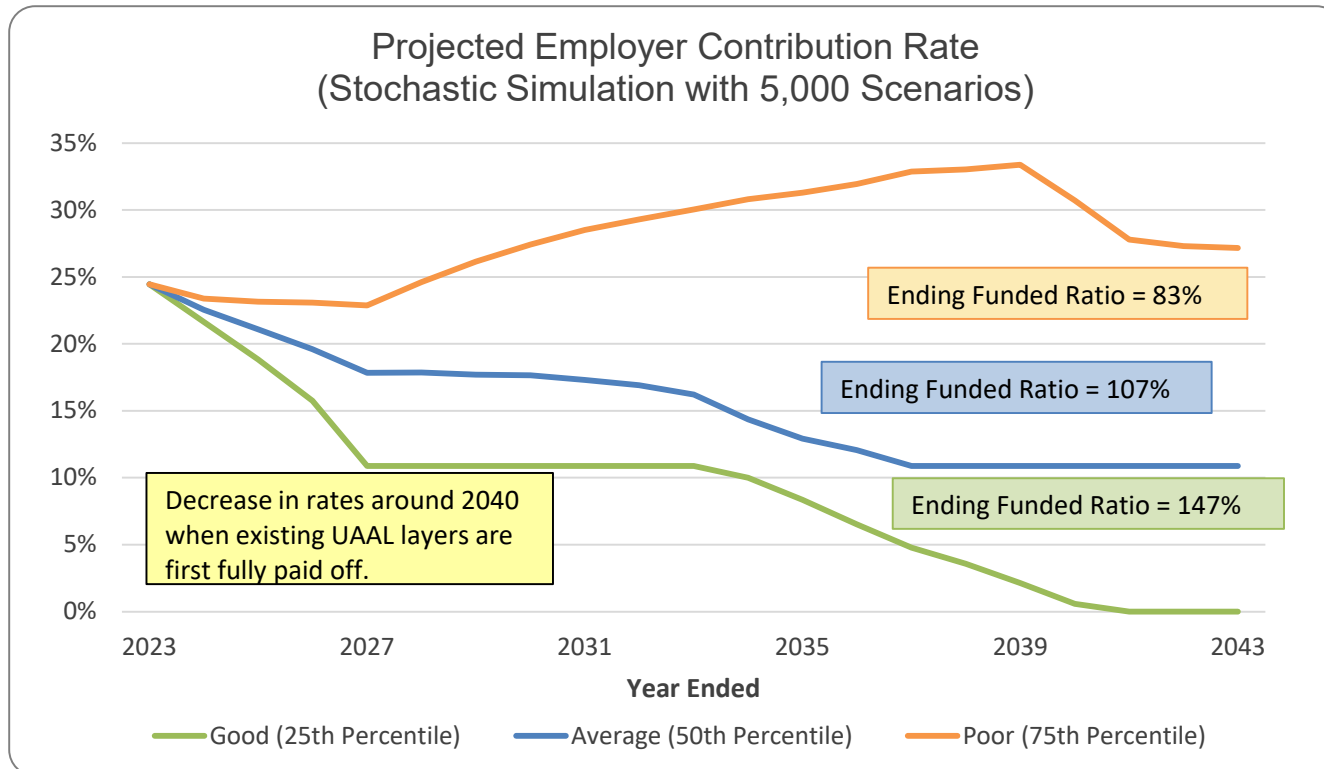
- Historical Returns Repeat
 - If returns from recent decades were to recur, projected results vary significantly



* Future investment returns are uncertain. The above charts are an illustration of potential outcomes and are not a prediction of future outcomes.

Assessment of Risk – Investment Risk

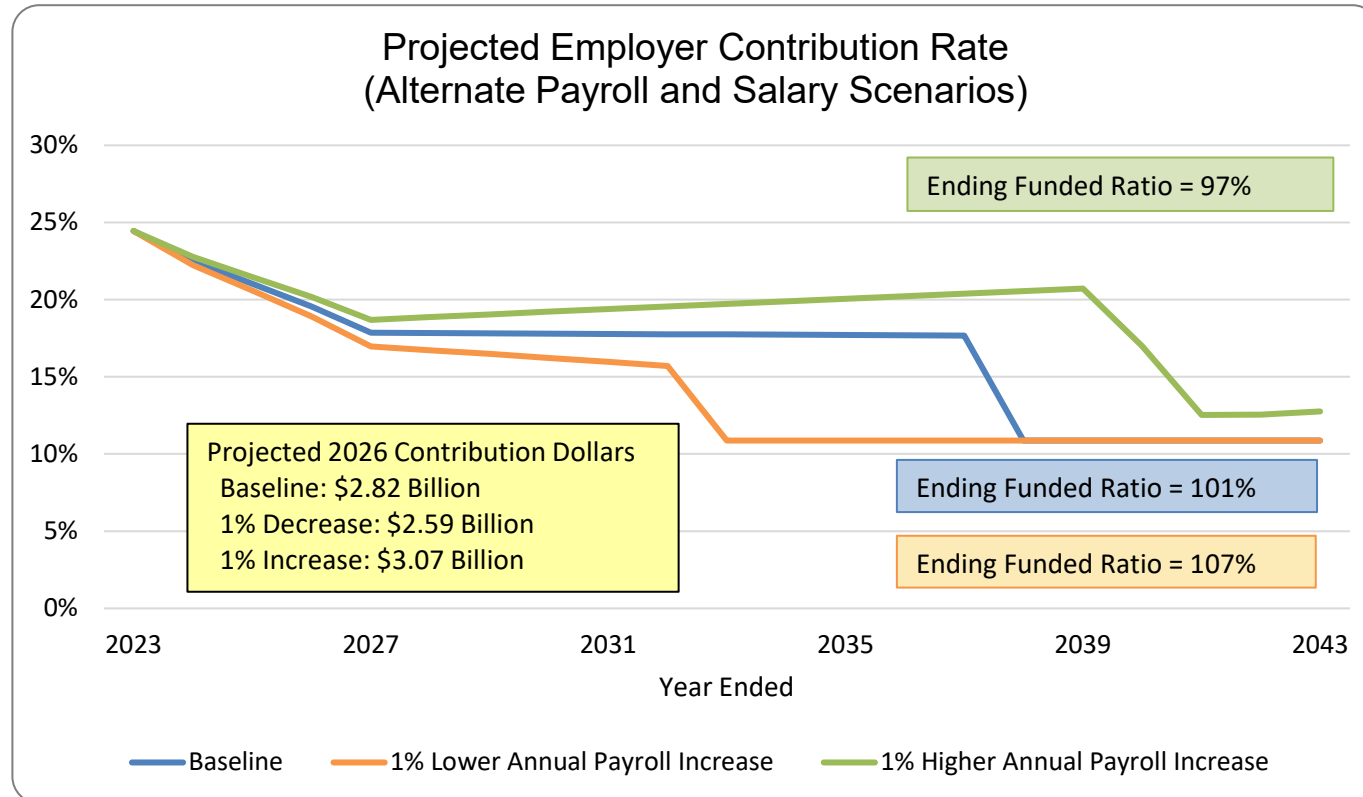
- Probability of future outcomes based on standard deviation of asset allocation



Funded Ratio after 20 Years	
Probability greater than 60%	96%
Probability greater than 80%	78%
Probability greater than 100%	56%

Employer Contribution Rate	
How often is the Employer Contribution Rate > 30%?	18%
How often is the Employer Contribution Rate Increase > 3%?	9%

Assessment of Risk – Compensation and Payroll Risk



- Alternate scenario assumes 1% higher (or lower) annual payroll and compensation increases than assumed
- Decrease in payroll could materially affect employer contribution as a percentage of pay
- Decrease in compensation will lower liabilities and create a gain (and lower UAAL rate), but lower payroll base will result in higher projected employer contribution rate.

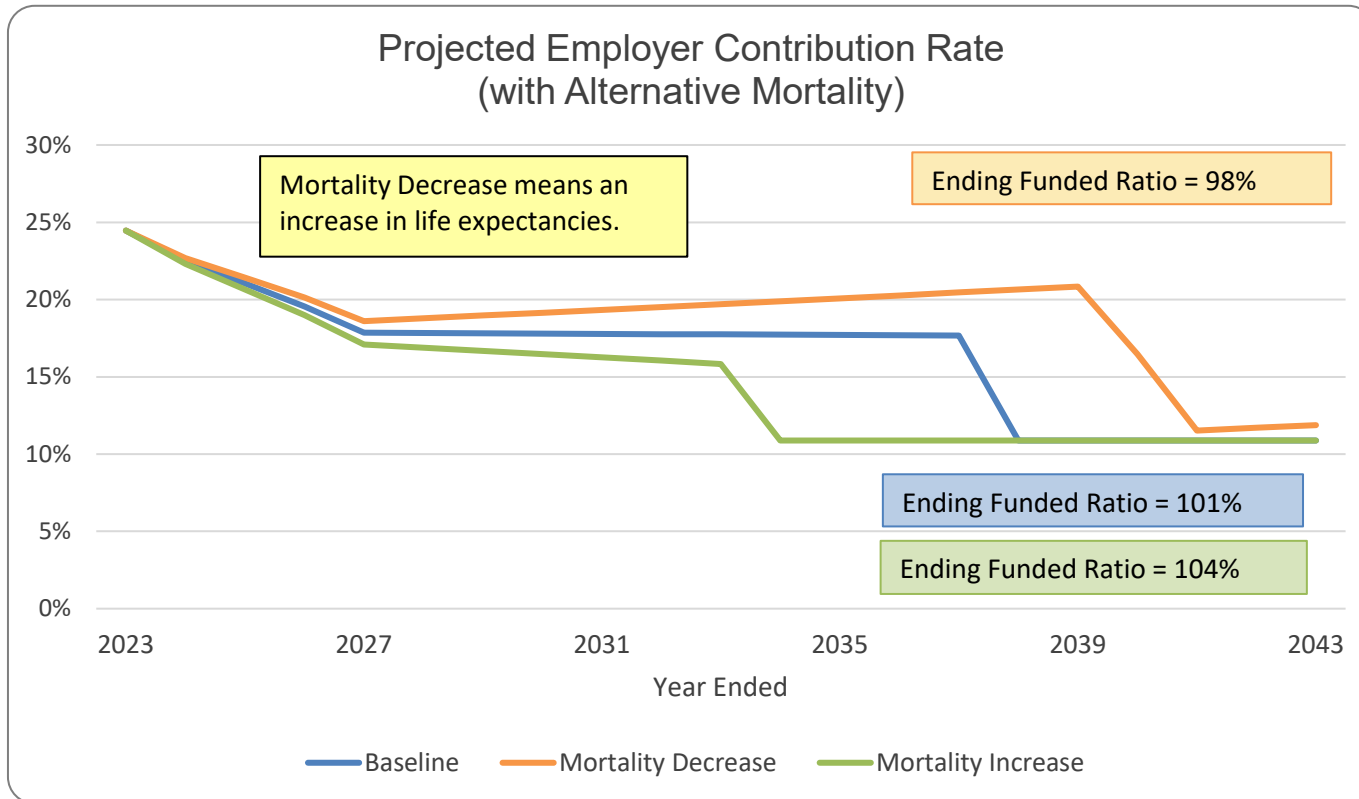
Assessment of Risk – Retiree COLA Risk

- Annual regular retiree COLA is linked to Consumer Price Index (CPI)
 - Regular retiree COLA capped at either 2% or 3% (depending on Plan)
 - CPI in excess of the maximum is accumulated in COLA Banks
 - COLA Banks can be used to top-up COLA to the maximum allowed in years when CPI is less than the cap
- Funding valuation assumes annual retiree COLA equal to CPI assumption (2.75%) subject to the 2% maximum for applicable plans.
- Financial impact of higher inflation on regular retiree COLAs is therefore limited

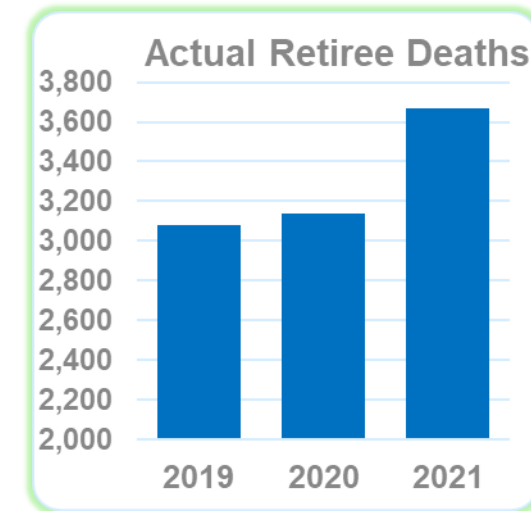
Assessment of Risk – STAR COLA Risk

- STAR COLA may be provided when a retiree's allowance has lost more than 20% of its original purchasing power
 - Ad-hoc or permanent; determined by the Board of Retirement
 - Increases benefits and liabilities, and decreases STAR Reserve
 - The STAR Reserve (\$614 million) is included in assets, but STAR liabilities are not included in the funding valuation
 - If the STAR Reserve is not included in assets, Funded Ratio decreases 0.8% and employer contribution rate increases 0.49% of payroll

Assessment of Risk – Mortality Risk



- Impact of mortality unlikely to have same impact as investment experience, but can add up over time
- This example reflects an increase (or decrease) in the number of retiree deaths of approximately 17% per year.



Assessment of Risk – Contribution Risk

- Primary contribution risk = Employers not making the required contribution
 - For some retirement systems, a significant source of their underfunding has been the plan sponsor not making the actuarially determined contribution
- We have not assessed the risk of employers not making the required contribution
 - County and other employers have consistently made the actuarially determined contribution in the past
 - There are legal requirements specified in the 1937 Act that govern future contributions
 - If the County does not make its full contribution in the future, it could present a significant risk to LACERA's funding
- Secondary contribution risk = Pushing contributions into the future
 - Contribution increases due to assumption changes have been phased in instead of recognized immediately
 - The STAR Reserve is included in assets, but STAR liabilities are not
 - The County has a history of reflecting contribution rate decreases as soon as possible (July) and deferring increases as late as possible (September)

Addressing Risk

- The Board of Investments has policies and procedures to guide it in the fulfillment of its fiduciary responsibilities, and to address the management of risk.
- The key methods used to address risks are:
 - **Assets:** LACERA regularly performs asset allocation studies which are integrated with LACERA's funding in order to set a target allocation that maximizes return at a level of risk that is acceptable to the system.
 - **Liabilities:** LACERA has regular investigations of experience performed to monitor and set the assumptions and methods used to calculate the liabilities.
 - **Funding:** LACERA strives to balance projected funding levels with reasonable and stable employer contribution rates.
- Reducing risk generally creates a tradeoff:
 - Reducing investment risk generally:
 - Lowers the likelihood of a significant poor single-year return.
 - But also reduces the expected long-term investment return.
 - Reduction in expected future income will likely result in the need for additional contributions.
 - A lower investment return assumption reduces the likelihood and magnitude of investment losses, but it also increases the member and employer contribution rates.

Conclusion

- As a mature plan, LACERA is subject to several risks which could ultimately affect the Funded Ratio and employer contribution rate
 - Investment returns have historically had the greatest impact, and this is likely to continue
- LACERA has several mechanisms in place to address risks, but they can only mitigate risks, not eliminate them
 - Reducing risks generally creates a tradeoff
- Continue to monitor risks and consider areas where additional risk mitigation may be appropriate

Questions



Caveats and Disclaimers

This presentation is based on the data, methods, assumptions, and plan provisions described in our risk assessment report based on the June 30, 2021 Actuarial Valuation of Retirement Benefits. The statements of reliance and limitations on the use of this material are reflected in that report and still apply to this presentation.

These statements include reliance on data provided, actuarial certification, and the purpose of the report.

Milliman's work product was prepared exclusively for LACERA for a specific and limited purpose. It is a complex, technical analysis that assumes a high level of knowledge concerning LACERA's operations, and uses LACERA's data, which Milliman has not audited. It is not for the use or benefit of any third party for any purpose. Any third-party recipient of Milliman's work product who desires professional guidance should not rely upon Milliman's work product but should engage qualified professionals for advice appropriate to its own specific needs.

Attachment C

**June 30, 2021 Actuarial Valuation of Retirement
Benefits Report**



Los Angeles County Employees Retirement Association

Actuarial Valuation of Retirement Benefits

June 30, 2021

Prepared by:

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Consulting Actuary

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November 22, 2021

Board of Investments
Los Angeles County Employees Retirement Association
300 North Lake Avenue, Suite 820
Pasadena, CA 91101-4199

Re: **LACERA Actuarial Valuation of Retirement Benefits as of June 30, 2021**

Dear Trustees of the Board:

As requested, we have performed an actuarial valuation of retirement benefits for the Los Angeles County Employees Retirement Association (LACERA) as of June 30, 2021 to be used in determining the contribution rates effective July 1, 2022. The major findings of the valuation are contained in this report. This report reflects the benefit provisions and contribution rates in effect as of June 30, 2021, and LACERA's Retirement Benefit Funding Policy (Funding Policy) that was adopted in December of 2009 and amended as of February 2013. It should be noted that under the amended Funded Policy, the reserve value for STAR benefits is included in the Valuation Assets for 2014 and future valuations; however, the liability for any potential STAR benefits that may be granted in the future is not included in this valuation.

In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by LACERA's staff. This information includes, but is not limited to, statutory provisions, employee data, and financial information. In our examination of these data, we have found them to be reasonably consistent and comparable with data used for other purposes. Since the valuation results are dependent on the integrity of the data supplied, the results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised.

All costs, liabilities, rates of interest, and other factors for LACERA have been determined on the basis of actuarial assumptions and methods that are individually reasonable (taking into account the experience of LACERA and reasonable expectations); and that, in combination, offer a reasonable estimate of anticipated experience affecting LACERA. Further, in our opinion, each actuarial assumption used is reasonably related to the experience of the Plan and to reasonable expectations, which, in combination, represent a reasonable estimate of anticipated experience for LACERA. The valuation results were developed using models intended for valuations that use standard actuarial techniques.

This valuation report is only an estimate of LACERA's financial condition as of a single date. It can neither predict LACERA's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of benefits, only the timing of contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement, although for informational purposes we have shown valuation results at +/- 0.5% on the investment return assumption at the end of the Executive Summary.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or

demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. The Board of Investments has the final decision regarding the appropriateness of the assumptions and adopted them as indicated in Appendix A of this report.

Actuarial computations presented in this report are for purposes of determining the recommended funding amounts of LACERA. The calculations in the enclosed report have been made on a basis consistent with our understanding of LACERA's funding requirements as stated under their Funding Policy. Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes. Milliman will provide LACERA financial reporting results relevant to GASB Statements No. 67 and 68 in separate reports.

Milliman's work is prepared solely for the internal business use of LACERA. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions:

- (a) LACERA may provide a copy of Milliman's work, in its entirety, to LACERA's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit LACERA.
- (b) LACERA may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are retirement actuaries. Milliman's advice is not intended to be a substitute for qualified legal, investment, or accounting counsel.

The signing actuaries are independent of the plan sponsors. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the *Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States*, published by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

We would like to express our appreciation to members of LACERA staff who gave substantial assistance in supplying the data on which this report is based.

We respectfully submit the following report, and we look forward to discussing it with you.

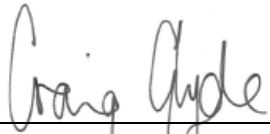
Sincerely,



Mark Olleman, FSA, EA, MAAA
Consulting Actuary



Nick Collier, ASA, EA, MAAA
Consulting Actuary



Craig Glyde, ASA, EA, MAAA
Consulting Actuary

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1. Summary of Findings

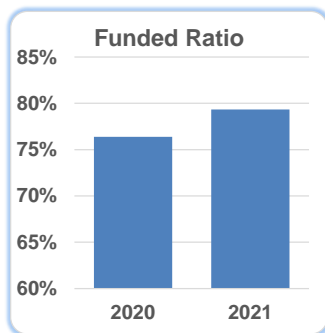
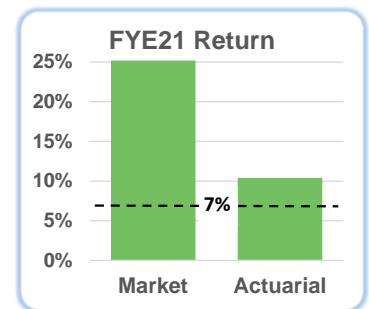
2021 Valuation Results

	Fiscal Year Beginning	
	July 1, 2022	July 1, 2021
Employer Contribution Rate with phase-in	24.46% ⁽¹⁾	24.64% ⁽²⁾
Funded Ratio	79.3%	76.3%

1. The FYB 2022 employer contribution rate was calculated in the June 30, 2021 valuation.
2. The FYB 2021 employer contribution rate was calculated in the June 30, 2020 valuation.

This report presents the results of the June 30, 2021 actuarial valuation. This valuation determines the member and employer contribution rates payable starting July 1, 2022. Several key points are summarized below:

Investment Returns: For the fiscal year ending in 2021, the fund returned 25.2% on a market-value basis (net of investment expenses). In total, there was an \$11.5 billion gain on market assets relative to the assumed rate of return of 7.0%. Under the actuarial asset method, which recognizes investment gains and losses over a five-year period, 20% of this gain (\$2.3 billion) is recognized in the current year and the remaining amount (\$9.2 billion) will be recognized in the actuarial value of assets evenly over the next four years. Due to this deferred recognition, the return on actuarial assets was 10.4%, equivalent to a gain of \$2.0 billion relative to the assumed return of 7.0%.

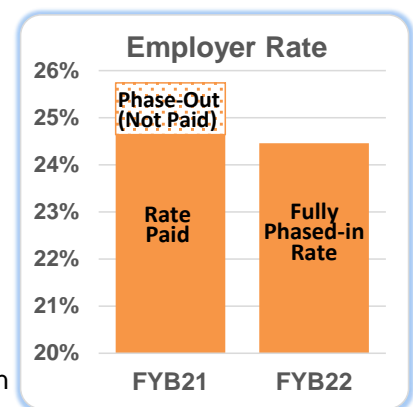


Funding: Due primarily to the recognition of current year investment gains, the Funded Ratio increased from 76.3% to 79.3%. Overall the recognition of current and prior year investment gains and losses caused a 2.5% increase in the Funded Ratio. Contributions to amortize the Unfunded Actuarial Accrued Liability (UAAL) increased the Funded Ratio by an additional 0.7%, while salary increases larger than predicted by the assumptions caused a 0.4% decrease in the Funded Ratio. On a market-value basis, the Funded Ratio increased from 74.0% to 88.3%.

The “Analysis of Change” section that follows later in Section 1 provides an analysis of the sources of change in the Funded Ratio since last year.

Employer Contribution Rate: At the January 2020 Board of Investments (BOI) meeting, the BOI adopted a three-year phase-in of the increase in the employer contribution rate due to the new assumptions and amortization method effective June 30, 2019. The rate increases are fully phased-in with the employer contributions effective July 1, 2022.

The total calculated employer contribution rate decreased from the prior valuation by 0.18% of payroll, from 24.64% to 24.46%. The decrease in the employer contribution rate due the recognition of current year investment gains is largely offset by the increase this year due to the phase-in of the final portion of the 2019 assumption changes, where the recognition was deferred in the prior valuation. Without the phase-in, the employer contribution rate in FYB 2021 would have been 25.74% of pay instead of the 24.64% that is currently being paid.

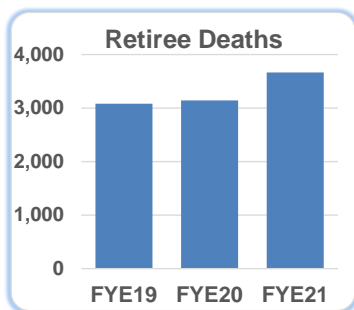
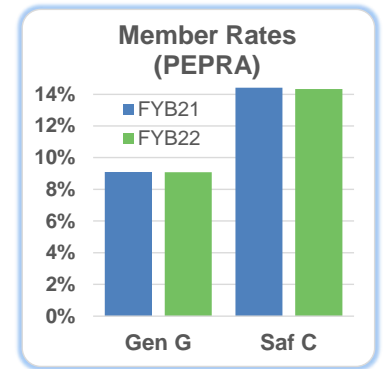


The “Analysis of Change” section provides an analysis of the sources of change in employer contribution rates since last year. In addition, the section “Projected Future Employer Contribution Rates” below shows a 10-year projection of employer contribution rates.

Member Contribution Rates: New member contribution rates are recommended for General Plan G and Safety Plan C effective July 1, 2022. General Plan G and Safety Plan C member rates are required to be equal to 50% of the Gross Normal Cost of the respective plan. The recommended member contribution rates are slightly lower for General Plan G (9.10% decreased to 9.08%) and Safety Plan C (14.42% decreased to 14.33%) relative to the fiscal year beginning July 1, 2021.

Member contribution rates for all plans, except General Plans E and G and Safety Plan C, vary based on a member’s entry age to LACERA and the underlying actuarial assumptions. Since no new assumptions were adopted effective with this valuation, there are no recommended changes to member contribution rates for those plans.

Member contribution rates are discussed in detail in Section 5 of this report.



Pandemic Impact: Although it is difficult to isolate the exact impact of the pandemic on LACERA, we did observe several areas where there was a noticeable difference from recent experience. Relative to the prior fiscal year, the mortality rate among healthy retirees was approximately 13% higher. Additionally, both the numbers of service retirements and other terminations of employment were up about 10% over recent experience, which was likely impacted by the pandemic. Although there was clearly a meaningful impact of the pandemic on LACERA members, the results of the valuation did not show a significant impact on LACERA’s funding.

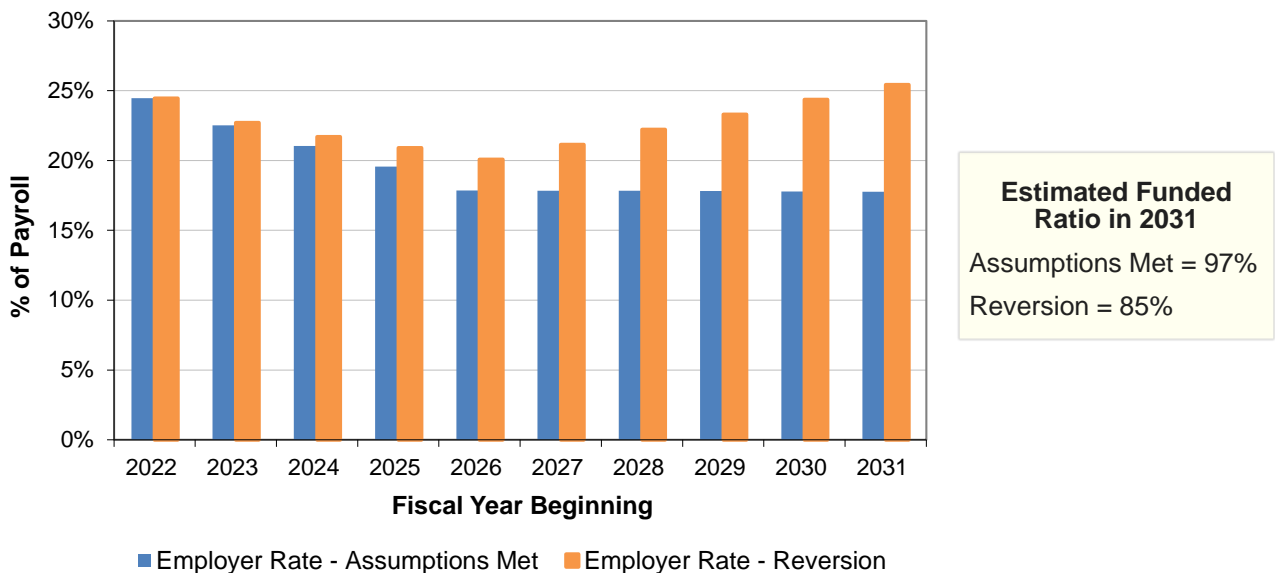
Projected Future Employer Contribution Rates

The employer contribution rate beginning July 1, 2022 is 24.46% of payroll, which is a weighted average for all LACERA plans. The actual percent of payroll to be contributed by the employers varies by plan as shown in Exhibit 11.

The calculated employer contribution rate is effective for the fiscal year beginning July 1, 2022. Employer contribution rates in future years will be largely dependent on actual experience relative to that projected by the actuarial assumptions, particularly the investment return assumption. Additionally, if the assumptions change, this could also have a material impact on future results. Even if all actuarial assumptions are met over the next few years and there are no changes in the underlying assumptions, we project additional changes in future employer contribution rates as deferred investment gains and losses are recognized. As will almost certainly be the case, actual experience will not exactly match the actuarial assumptions over those years, and a different pattern of future employer contribution rates will emerge.

To illustrate this potential variance, we have performed a 10-year projection of the employer contribution rate and Funded Ratio under two scenarios 1) one assuming that all actuarial assumptions are met (including 10 years of investment return of 7.0% per year); and 2) one that assumes a reversion to the assumed investment return. The 10-year reversion to the mean illustration is determined by calculating the annual investment return (5.15%) that would be necessary in each of the following 9 years, so that combined with the 25.2% rate of investment return from the fiscal year ended June 30, 2021 the 10-year average annual rate of investment return would be equal to the assumed annual investment return assumption of 7.0%. This projection is shown in the chart below.

Projected Employer Contribution Rate



As shown in the chart above, if all assumptions are met in future years, the employer contribution rate will decrease through 2026 as deferred investment gains and losses are recognized, and will then stabilize at about 17.8% of pay. However, if long term average investment return reverts gradually to the assumed mean value of 7.0%, then the long term employer contribution rate is projected to rise to about 25% of pay. The employer contribution rate is likely to be subject to more variance than shown due to year-to-year volatility in the actual investment return and actual experience deviating from that projected by the assumptions.

Under the projection scenarios, the Funded Ratio will be approximately 97% as of June 30, 2031 if all assumptions are met and will be approximately 85% as of that date under the investment return mean reversion illustration.

Analysis of Change

The following table shows an analysis of the primary causes of the change in the employer contribution rate and the Funded Ratio over the last year. The recognition of a portion of the current year’s investment gain was the most significant factor affecting the employer contribution rate and Funded Ratio. The increase due to the final recognition of the 2019 assumption changes mostly offsets the decrease in the employer contribution rate from the recognition of the combined investment gains and losses.

Sources of Change	Employer Contribution Rate	Funded Ratio
June 30, 2020 Actuarial Valuation	24.64%	76.3%
Expected Year-to-Year Change ⁽¹⁾	0.08%	0.7%
Assumption and Method Changes	0.00%	0.0%
<u>Recognized Investment Gain/Loss</u>		
From Current Year	-1.90%	2.8%
From Prior Years	0.21%	-0.3%
Combined Investment Gain/Loss	<u>-1.69%</u>	<u>2.5%</u>
Contributions greater than assumed	-0.05%	0.0%
Payroll Increase less than assumed	0.04%	0.0%
<u>Liability Gain / Loss</u>		
Salary Increase greater than assumed	0.40%	-0.4%
Retiree COLAs less than assumed	-0.06%	0.0%
Other	0.00%	0.2%
Combined Liability Gain/Loss	<u>0.34%</u>	<u>-0.2%</u>
Recognition of 2019 Assumption Changes	<u>1.10%</u>	<u>0.0%</u>
Total Change	<u>-0.18%</u>	<u>3.0%</u>
June 30, 2021 Actuarial Valuation	24.46%	79.3%

1. Expected increase in employer contribution rate reflects the impact of the phase-in of 2019 assumption changes.

Based on the 2020 valuation, the expected UAAL as of June 30, 2021 was \$18.7 billion. The actual UAAL as of June 30, 2021 is \$17.0 billion. The lower than expected UAAL is primarily due to the recognition of actuarial asset gains from the current year. This was partially offset by salary increases greater than assumed in the prior fiscal year. An analysis of the difference between expected and actual UAAL is shown in Exhibit 8a.

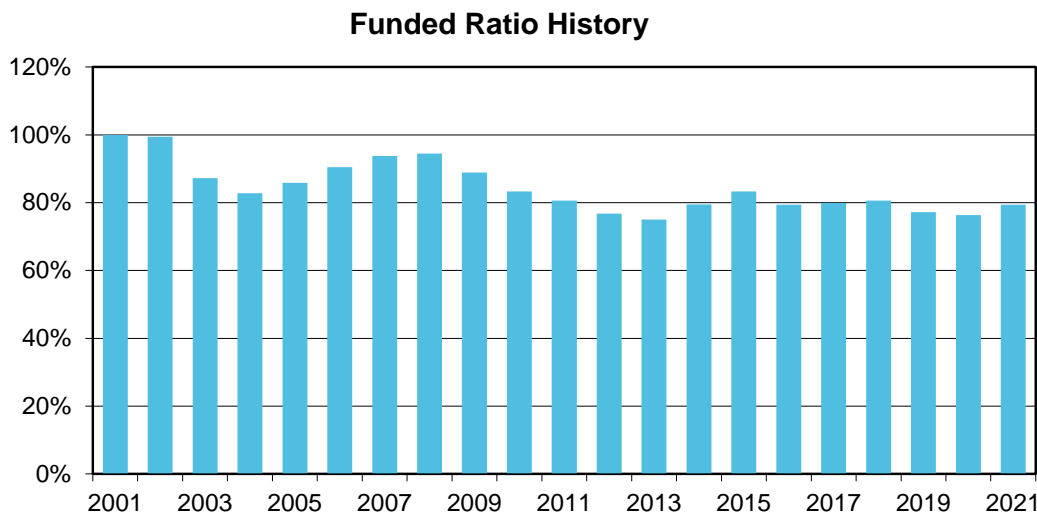
Funding Progress

One measure of the funding adequacy of the system is the Funded Ratio, which compares the Valuation Assets (the actuarial value of assets net of certain non-valuation reserves) to the Actuarial Accrued Liability (AAL). The

Funded Ratio shown in this valuation is appropriate for assessing the future contributions needed. Other calculations may be necessary for other purposes, such as assessing the sufficiency of current system assets to satisfy the estimated cost of settling the system’s accrued benefit obligations.

As shown in the graph that follows, the Funded Ratio was 94.5% as of June 30, 2008, but decreased steadily over the five-year period following the economic downturn to a low of 75.0% as of June 30, 2013 as asset losses were gradually recognized. The Funded Ratio has increased slightly since that time, although this increase has been slow as the actuarial assumptions have been strengthened over the period, thereby increasing the AAL and offsetting some of the increase in the Funded Ratio from other sources.

A historical perspective of the Funded Ratio is shown in the following chart.



Assets

On June 30, 2021, the market value of the fund (including non-valuation reserves) was \$73.0 billion. The actuarial value of assets was \$65.6 billion, split between \$0.7 billion of Non-Valuation Assets and \$64.9 billion of Valuation Assets. The actuarial value of assets is approximately 90% of the market value of assets.

On a market-value basis, for the fiscal year ended June 30, 2021, LACERA earned 25.2% net of investment expenses, as reported by LACERA in the June 30, 2021 Annual Comprehensive Financial Report (ACFR). The market value of assets is used in calculating the actuarial value of assets. Under the actuarial asset method, investment gains and losses are recognized (or smoothed in) over a five-year period. Due to the recognition of current and deferred net asset gains, the return on the actuarial valuation of assets is 10.4% net of investment and administrative expenses, and is higher than the assumed return for the prior year of 7.0%.

Valuation Assets are used in the calculation of the UAAL contribution rate and Funded Ratio. Valuation Assets are equal to the actuarial value of assets less certain non-valuation reserves. The Valuation Assets of \$64.9 billion are equal to 79.3% of the \$81.9 billion AAL.

The non-valuation reserves are set aside for obligations or contingencies and are excluded from the assets used in the funding valuation. They are not used to fund the retirement benefits unless explicitly stated. As of June 30, 2021, the non-valuation reserves include only the Contingency Reserve, which is equal to 1% of the market value

of assets, or \$730 million. Note that this Contingency Reserve is different than the Contingency Reserve amount determined by LACERA for accounting purposes and included in the ACFR.

Under LACERA's Funding Policy, the reserve value for STAR benefits is included in the Valuation Assets; however, the liability for any STAR benefits that may be granted in the future is not included in the valuation. Note that if the STAR reserve of \$614 million was excluded from the Valuation Assets, the UAAL would increase by this amount. Under this hypothetical scenario, the calculated employer contribution rate for the fiscal year beginning July 1, 2022 would increase by 0.49% of payroll, and the Funded Ratio would decrease by 0.8% to 78.5%.

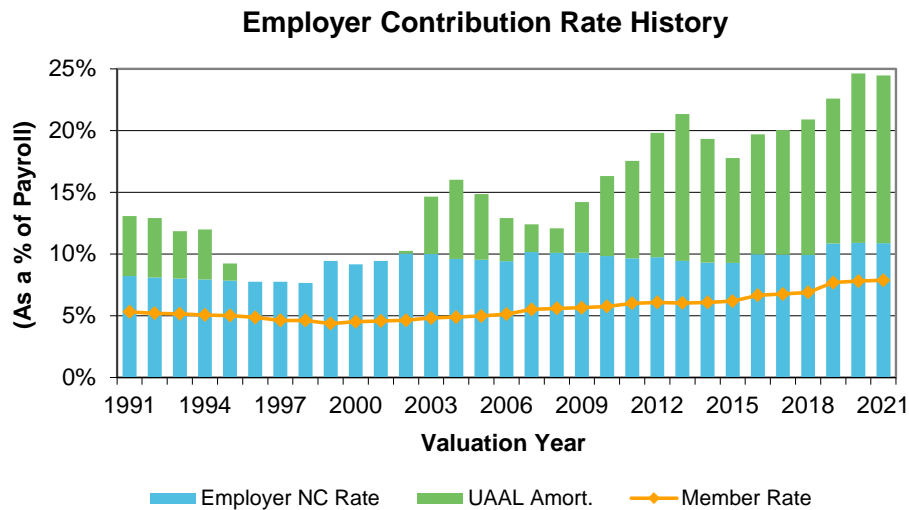
Future Impact of Recognition of Deferred Gains/Losses

The smoothing method is currently deferring \$7.4 billion in net asset gains. As the currently deferred gains and losses are recognized over upcoming valuations, it is projected there will be fluctuations in the calculated employer contribution rate.

The potential future impact of the recognition of these deferred gains and losses on the projected employer contribution rate is included in the graph on page 3.

Employer Contribution Rate History

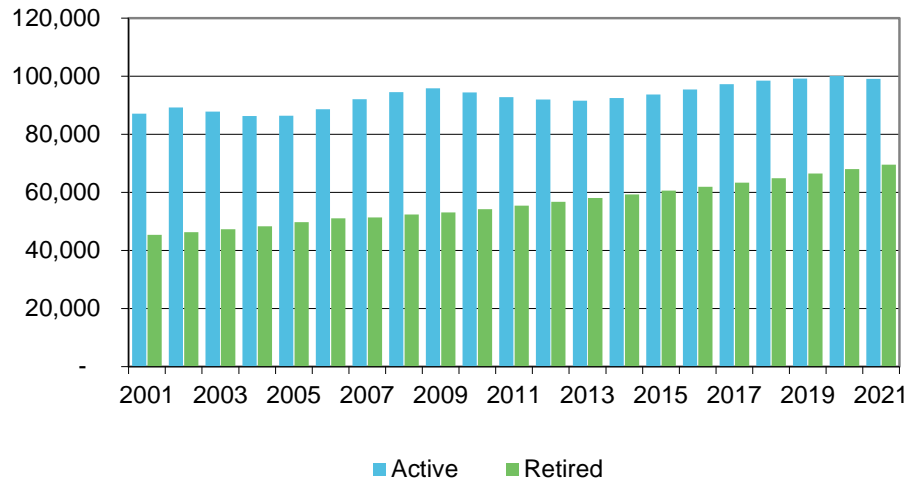
Based on the results of the valuation, the calculated employer contribution rate should decrease for the fiscal year beginning in 2022 to a rate of 24.46% of pay. A historical perspective of the employer contribution rates is shown in the following chart.



Member Information

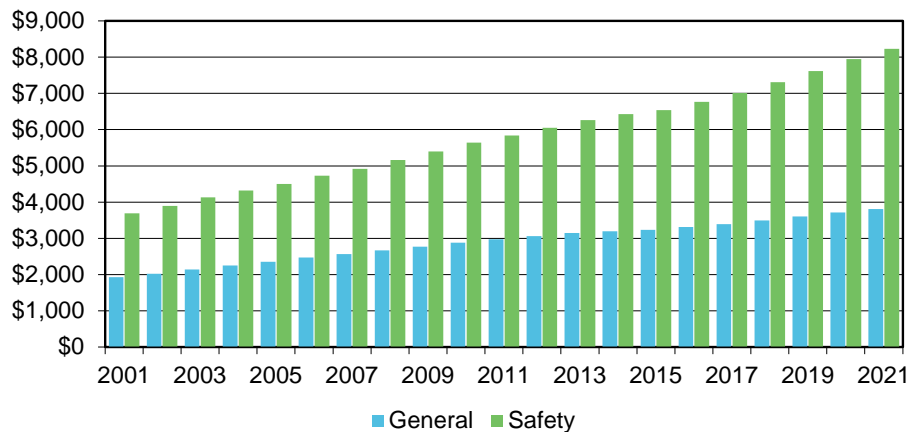
Active payroll has increased while active membership has decreased since 2020. As of June 30, 2021, the annualized payroll is \$9.1 billion for 99,101 active members. This reflects a 4.0% increase in average member pay and a 1.0% decrease in the number of active members.

Membership Count



Retired member counts and average retirement benefit amounts continue to increase steadily. For 2021, there were 69,497 retired members and beneficiaries with an average benefit of \$4,679 per month. This represents a 2.2% increase in count and a 3.0% increase in the average monthly benefit.

Average Monthly Retirement Benefit



The charts show that over the last 20 years the number of retired members has grown faster than the number of active members, and the average monthly benefit of retired members and beneficiaries has roughly doubled. This is typical of a maturing retirement system. The increasing number of retirees (relative to active members) and average monthly benefit is a key driver of the negative cashflows experienced over the last several years, and

that are projected to continue growing. Cashflow history and projections are shown and described in more detail in Section 8.

Analysis of Change in Member Population

The following table summarizes the year-to-year change in member population.

	Active Members	Inactive Members	Service Retired Members	Disabled Retired Members	Beneficiaries in Pay	Total
As of June 30, 2020	100,108	16,168	48,628	10,105	9,279	184,288
New Members	4,069	143	18		831	5,061
Status Change:						
to Active	94	(94)				-
to Inactive	(1,719)	1,719				-
to Service Retirement	(2,783)	(443)	3,226			-
to Disabled Retirement	(264)	(11)	(266)	541		-
Refunds	(220)	(258)				(478)
Terminated non-vested	(12)					(12)
Benefits Expired			(21)		(8)	(29)
Deaths	(172)	(36)	(1,819)	(333)	(684)	(3,044)
As of June 30, 2021	99,101	17,188	49,766	10,313	9,418	185,786

Note: Inactive Members include non-vested former members who have not taken a refund of their contributions.

Sensitivity to Investment Return Assumption

The valuation results are projections based on the actuarial assumptions. Actual experience will differ from these assumptions, either increasing or decreasing the ultimate cost. Of the assumptions, the investment return generally has the biggest impact. The following table provides a simple analysis on how the short-term costs are affected by the investment return assumption. Note that the long-term cost of the Plan will be largely driven by actual investment returns and other experience; the assumptions used in the valuation impact the timing of the contributions over the long term.

	Investment Return Assumption		
	Current 7.00%	+0.5% 7.50%	-0.5% 6.50%
Employer Contribution Rate	24.46%	19.66%	29.49%
Change		-4.80%	5.03%
Funded Ratio	79.3%	84.3%	74.4%
Change		5.0%	-4.9%

Risk Discussion

Additional risks to the Plan are described in more detail in Section 9: Risk Disclosure. Some key points that can be seen in this report are:

- **Maturity:** As previously discussed, LACERA continues to mature as a system. One example of the impact of this maturity is that the employer contribution rate is becoming more sensitive to investment gains or losses and other experience. This sensitivity is measured by the asset and liability volatility ratios discussed in Section 9.
- **Risk Factors:** We believe investment returns are the greatest potential risk to future valuation results of LACERA. As shown in the reversion-to-the-mean example above, investment returns have a significant impact on employer contribution rates and Funded Ratios. One way to measure the potential impact is using the Asset Volatility Ratio (AVR), which is a measure of the level of assets to payroll. LACERA's AVR of 8.0 implies that a 10% investment gain or loss relative to the assumed 7% investment return (that is, an investment return of -3% or +17%) will result in a 5.7% of pay increase (or decrease) in the employer contribution rate (after investment gains or losses are smoothed in).
- **Variation:** Although we believe the actuarial assumptions provide a reasonable estimate of future experience, one thing is certain: future results will vary from those projected by the actuarial assumptions, either better or worse. One way to assess the potential future variation is to look at the past. The Funding Progress and Employer Contribution Rate History subsections above provide a historical perspective of LACERA's Funded Ratios and the employer contribution rate. These both show noticeable variation, both up and down, over the last 20 years.

Summary Valuation Results

Exhibit 1 on the following page presents a summary of key valuation elements as of June 30, 2021 and June 30, 2020, and shows the relative change over the past year. More detail on each of these elements can be found in the following sections and exhibits of this report.

Exhibit 1
Summary of Significant Valuation Results

	June 30, 2021	June 30, 2020	Percentage Change
Total Membership			
A. Active Members	99,101	100,108	(1.0)%
B. Retired Members & Beneficiaries	69,497	68,012	2.2%
C. Vested Former Members ⁽¹⁾	17,188	16,168	6.3%
D. Total	185,786	184,288	0.8%
Pay Rate as of valuation date			
A. Annual Total (\$millions)	\$ 9,080	\$ 8,819	3.0%
B. Monthly Average per Active Member	7,635	7,341	4.0%
Average Monthly Benefit Paid to Current Retirees and Beneficiaries			
A. Service Retirement	4,577	4,469	2.4%
B. Disability Retirement	6,440	6,141	4.9%
C. Surviving Spouse and Dependents	3,289	3,176	3.6%
D. Total	4,679	4,541	3.0%
Actuarial Accrued Liability (\$millions)			
A. Active Members	35,124	33,775	4.0%
B. Retired Members	45,397	43,239	5.0%
C. Vested Former Members	1,377	1,261	9.2%
D. Total	81,898	78,275	4.6%
Assets			
A. Market Value of Fund (\$millions)	73,012	58,510	24.8%
B. Actuarial Value (\$millions)			
1. Valuation Reserves	64,909	59,763	8.6%
2. Non-valuation Reserves	730	585	24.8%
C. Annual Investment Return			
1. Market Basis (Net Return)	25.2%	1.8%	n/a
2. Valuation (Actuarial) Basis	10.4%	5.8%	n/a
Unfunded Actuarial Accrued Liability (\$ millions)	\$ 16,989	\$ 18,512	(8.2)%
Employer contribution rate for all plans combined as a percent of total payroll			
A. Gross Normal Cost	18.75%	18.69%	0.3%
B. Member Contributions ⁽²⁾	(7.87)%	(7.80)%	0.9%
C. Employer Normal Cost	10.88%	10.89%	(0.1)%
D. UAAL Amortization	13.58%	14.85%	(8.6)%
E. Calculated Contribution Rate	24.46%	25.74%	(5.0)%
F. Deferred Recognition of new assumptions	-	(1.10)%	n/a
G. Employer Contribution Rate with phase-in	24.46%	24.64%	(0.7)%
Funded Ratio	79.3%	76.3%	3.9%
Results Based on Market Value (Informational Purposes Only)			
Calculated Contribution Rate	18.57%	26.15%	(29.0)%
Funded Ratio (excluding non-valuation reserves)	88.3%	74.0%	19.3%

1. Includes non-vested former members with contributions on deposit.

2. Includes non-contributory members. The average rate for contributory plans increased from 9.13% to 9.16%.

2. Scope of the Report

This report presents the actuarial valuation of the Los Angeles County Employees Retirement Association as of June 30, 2021. This valuation was requested by the Board of Investments. Section 31453 of the County Employees Retirement Law of 1937 (the CERL) requires an actuarial valuation to be performed at least every three years for the purpose of setting contribution rates. The 2021 valuation meets this requirement. Under LACERA's Funding Policy, annual valuations determine the employer contribution rates each year. Member contribution rates for all plans except General Plan G and Safety Plan C are set in years in which relevant actuarial assumptions are altered. For members of General Plan G and Safety Plan C, member contribution rates are recalculated each year, based on one-half of the Plan's normal cost rate.

A summary of the findings resulting from this valuation is presented in the previous section. Section 3 describes the assets and investment experience of the Plan. The assets and investment income are presented in Exhibits 2-4. Exhibit 5 develops the actuarial value of assets as of June 30, 2021. Exhibit 6 develops the Valuation Assets used for funding benefits.

Section 4 describes the benefit obligations of LACERA. Exhibit 7 is the Actuarial Balance Sheet and Exhibit 8a analyzes the change in UAAL. Exhibit 8b shows a history of these changes.

Section 5 discusses the member contribution rates.

Section 6 discusses the employer contributions rates.

Section 7 discloses supplemental information for use in the Annual Comprehensive Financial Report (ACFR). Milliman provides LACERA financial reporting information relevant to GASB Statements No. 67 and 68 in separate reports.

Section 8 shows the estimated cash flow of the Plan, including a projection of both contributions and benefit payments.

This report includes several appendices:

- Appendix A A summary of the actuarial procedures and assumptions used to estimate liabilities and contributions.
- Appendix B A summary of the current benefit structure, as determined by the provisions of governing law on June 30, 2021.
- Appendix C Schedules of valuation data classified by various categories of plan members.
- Appendix D Member contribution rates by plan.
- Appendix E Historical information.
- Appendix F A glossary of actuarial terms used in this report.

3. Assets

In many respects, an actuarial valuation can be thought of as an inventory process. The inventory is taken as of the actuarial valuation date, which for this valuation is June 30, 2021. On that date, the assets available for the payment of retirement benefits are appraised. These assets are compared with the actuarial liabilities (both accrued and future) for current members, which are generally in excess of the actuarial assets. The purpose of the valuation is to determine what future contributions by the members and employers are needed to pay all expected future benefits.

This section of the report looks at the assets used for funding purposes. In the next section, the actuarial liabilities will be discussed. Section 6 reviews the process for determining required contributions based on the relationship between the valuation assets and the actuarial liabilities.

A historical summary of the Plan's assets is presented below (dollar amounts in billions).

	Market Value of Total Assets		Actuarial Value				
			Non-Valuation Reserves	Valuation Assets	Total Fund Return (%) ⁽¹⁾		
2012	\$	38.3	\$	0.9	\$	39.0	0.0
2013		41.8		0.4		39.9	11.9
2014		47.7		0.5		43.7	16.5
2015		48.8		0.5		47.3	4.1
2016		47.8		0.5		49.4	0.8
2017		52.7		0.5		52.2	12.7
2018		56.3		0.6		55.2	9.0
2019		58.3		0.6		57.6	6.4
2020		58.5		0.6		59.8	1.8
2021		73.0		0.7		64.9	25.2

1. As reported in the Investment Section of LACERA's ACFR for the fiscal year ended June 30, 2021. All returns are shown net of investment expenses and calculated on a time-weighted basis.

On June 30, 2021, the total market value of the fund, less current liabilities, was \$73.0 billion. The actuarial value of the fund was determined to be \$65.6 billion, including the non-valuation reserves. The average total fund return for the last 10 years is 8.6% net of fees, as reported by LACERA.

Financial Exhibits

Exhibit 2 presents a Statement of Fiduciary Net Position and Exhibit 3 presents a Statement of Changes in Fiduciary Net Position. Exhibit 4 describes the allocation of LACERA's assets by the various reserve values determined for accounting purposes as disclosed in the audited financial statements.

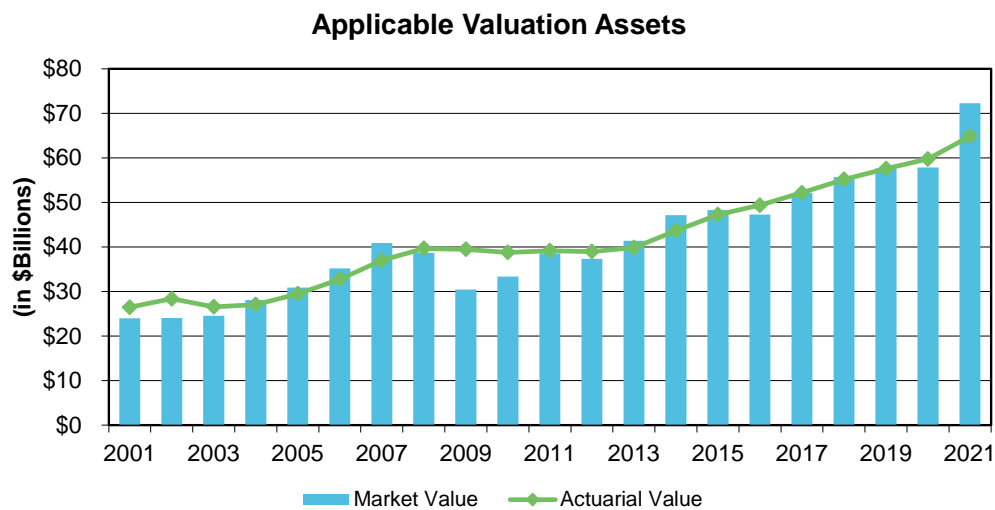
Exhibits 2-4 are taken directly from data furnished to us by LACERA in its annual financial report. We have accepted these tables for use in this report without audit, but we have reviewed them both for the prior year and the current year for reasonableness and consistency with previous reports.

Actuarial Asset Method

The actuarial asset method projects the expected market value of assets based on the prior year’s market value of assets, the actual cash flow of contributions and benefit payments, and the assumed investment rate of return. For the previous year, the assumed rate of return was 7.0%, net of all expenses. The difference between the actual market value and the expected market value is recognized evenly (also referred to as “smoothing”) over a five-year period.

Actuarial Value of Assets

The development of the June 30, 2021 actuarial value of assets is shown in Exhibit 5. Note the smoothing process is deferring past investment gains and losses, and is currently in a net actuarial gain position. The result is an actuarial value of assets that is less than the June 30, 2021 market value by \$7.4 billion. The following graph shows a historical comparison of the actuarial and market assets used for valuation purposes.



Funding Policy

Under the LACERA’s Retirement Benefit Funding Policy, the following is the allocation of actuarial assets. A Funded Ratio equal to 100% is the Funding Goal. Note that although the allocation of assets used in the actuarial valuation is similar to the process LACERA uses for accounting purposes, there are some differences, including the earnings considered for interest crediting purposes.

For funding purposes and for setting employer contributions rates, recognized earnings for a plan year is the recognized investment income as determined by the actuarial asset method and includes both unrealized income and net realized income, together with the prior balance in the Contingency Reserve. The allocation of recognized earnings is performed once a year as of the Valuation Date in the following order of priority:

Priority 1: Allocate to the Member Reserve so the Actuarial Asset allocation to that Reserve equals the accounting value for that Reserve on the Valuation Date.

Priority 2: Allocate to the Advanced Employer Contributions Reserve so the Actuarial Asset allocation to that Reserve equals the accounting value for that Reserve on the Valuation Date.

- Priority 3: Allocate to the Employer Reserve so the Actuarial Asset allocation to that reserve equals the accounting value for that Reserve on the Valuation Date.
- Priority 4: Allocate to the County Contribution Credit Reserve so the Actuarial Asset allocation to that reserve equals the accounting value for that Reserve on the Valuation Date. Note: This Reserve is not a Valuation Reserve.
- Priority 5: Allocate to the Employer Reserve so the total amounts allocated equal one-year's interest at the assumed interest rate used in the actuarial valuation as of the preceding Valuation Date to the extent there are positive recognized earnings to allocate.
- Priority 6: Allocate to the Contingency Reserve an amount equal to 1% of the Market Value of Assets as of the Valuation Date to the extent there are positive recognized earnings to allocate.
- Priority 7: Allocate to the Employer Reserve an amount, if necessary, when combined with other Valuation Reserves, to provide 100% funding of the AAL as of the Valuation Date to reach the Funding Goal. In the event there are negative recognized earnings, allocate the entire amount.
- Priority 8: The Board may consider additional actions as permitted under the County Employee Retirement Law (CERL) using funds in excess of the amount needed to meet the Funding Goal for funding discretionary benefits. "Excess Earnings" as defined in the County Employees Retirement Law (CERL) may be appropriated upon reaching the Funding Goal; however, the Board may consider adjustment to the employer's contributions only upon satisfying California Government Code Section 7522.52(b).

Valuation Assets

Valuation Assets are the actuarial value of the fund, less the value of any Non-Valuation Reserves. Non-Valuation Reserves include Contingency Reserves and other reserves that have been set aside for current liabilities and special benefits to be funded outside of the actuarially determined contribution rates. The Contingency Reserve is set at a minimum of 1.0% of the market value of the total assets.

The Funding Policy allows the STAR Reserve to be allocated to the Valuation Assets (subject to periodic review), if needed. The June 30, 2021 STAR Reserve accounting value of \$614 million was included in Valuation Assets and used to determine the employer contribution rates for the fiscal year beginning July 1, 2022. Although the STAR Reserve is included in the 2021 Valuation Assets, there is no liability included in this valuation for STAR benefits that may be granted in the future.

The Non-Valuation Reserves shown in Exhibit 6 for funding purposes are not the same as those shown in the audited financial statements and in Exhibit 4.

Exhibit 2
Statement of Fiduciary Net Position
As of June 30, 2021 and June 30, 2020

	2021	2020
Assets		
Cash and Short-Term Investments	\$ 3,034,716,419	\$ 2,668,514,883
Cash Collateral on Loaned Securities	1,198,528,379	1,177,374,278
Receivables		
Contributions Receivable	114,101,681	101,730,406
Accounts Receivable - Sale of Investments	439,841,239	697,420,087
Accrued Interest and Dividends	169,925,118	133,935,398
Accounts Receivable - Other	109,138,958	7,586,880
Total Receivables	<u>833,006,996</u>	<u>940,672,771</u>
Investments at Fair Value		
Equity	29,705,842,700	23,332,239,318
Fixed Income	21,077,313,430	18,778,182,107
Private Equity	11,471,947,142	7,141,780,830
Real Estate	5,294,150,081	5,128,770,609
Hedge Funds	2,748,464,892	2,193,437,377
Total Investments	<u>70,297,718,245</u>	<u>56,574,410,240</u>
Total Assets	<u>75,363,970,038</u>	<u>61,360,972,171</u>
Liabilities		
Accounts Payable - Purchase of Investments	1,055,062,733	1,598,943,189
Retiree Payroll and Other Payables	1,550,257	1,176,761
Accrued Expenses	50,275,900	34,887,345
Tax Withholding Payable	40,144,308	38,002,636
Obligations under Securities Lending Program	1,198,528,379	1,177,374,278
Accounts Payable - Other	6,382,744	180,051
Total Liabilities	<u>2,351,944,321</u>	<u>2,850,564,261</u>
Fiduciary Net Position Restricted For Pension Benefits	<u>\$ 73,012,025,718</u>	<u>\$ 58,510,407,911</u>

Exhibit 3
Statement of Changes in Fiduciary Net Position
For the Fiscal Years Ended June 30, 2021 and 2020

	2021	2020
Additions		
Contributions		
Employer	\$ 2,012,877,282	\$ 1,800,137,447
Member ⁽¹⁾	760,993,626	659,295,961
Total Contributions	<u>2,773,870,909</u>	<u>2,459,433,409</u>
Investment Income		
From Investing Activities:		
Net Appreciation/(Depreciation) in Fair Value of Investments	9,981,327,917	(4,256,243,407)
Investment Income/(Loss)	5,915,583,546	5,906,599,371
Total Investing Activity Income	<u>15,896,911,462</u>	<u>1,650,355,964</u>
Less Expenses From Investing Activities	<u>(271,751,482)</u>	<u>(209,320,451)</u>
Net Investing Activity Income	15,625,159,981	1,441,035,513
From Securities Lending Activities:		
Securities Lending Income	5,071,951	15,987,146
Less Expenses From Securities Lending Activities:		
Borrower Rebates	869,192	(10,030,889)
Management Fees	(1,186,215)	(1,115,182)
Total Expenses from Securities Lending Activities	<u>(317,023)</u>	<u>(11,146,071)</u>
Net Securities Lending Income	4,754,928	4,841,076
Total Net Investment Income	<u>15,629,914,908</u>	<u>1,445,876,588</u>
Miscellaneous	2,927,574	2,382,427
Total Additions	<u>18,406,713,391</u>	<u>3,907,692,424</u>
Deductions		
Retiree Payroll	3,785,607,812	3,578,878,907
Administrative Expenses	76,369,711	72,054,032
Investment Expenses	14,216,047	13,329,577
Refunds	24,512,008	25,231,451
Lump Sum Death Benefits	4,142,050	2,230,036
Miscellaneous	247,956	397,076
Total Deductions	<u>3,905,095,584</u>	<u>3,692,121,078</u>
Net Increase/(Decrease)	14,501,617,807	215,571,346
Fiduciary Net Position Restricted For Pension Benefits		
Beginning of Year	58,510,407,911	58,294,836,565
End of Year	<u>\$ 73,012,025,718</u>	<u>\$ 58,510,407,911</u>

1. Member contributions include employer pick-up contributions.

Exhibit 4
Allocation of Assets by Accounting Reserve Amounts

(Dollars in Thousands)

	June 30, 2021	June 30, 2020
1. Member Reserves		
a. Active Members	\$ 24,646,373	\$ 23,481,576
b. Unclaimed Deposits	-	-
c. Total Member Reserves	<u>24,646,373</u>	<u>23,481,576</u>
2. Employer Reserves		
a. Actual Employer Contributions	29,026,898	25,818,509
b. Advanced Employer Contributions	-	-
c. Total Employer Contributions	<u>29,026,898</u>	<u>25,818,509</u>
3. County Contribution Credit Reserve	-	-
4. STAR Reserve	614,011	614,011
5. Contingency Reserve	<u>147,104</u>	<u>-</u>
6. Total Reserves at Book Value	54,434,386	49,914,096
7. Unrealized Investment Portfolio Appreciation	<u>18,577,640</u>	<u>8,596,312</u>
8. Total Reserves at Fair Value	<u>\$ 73,012,026</u>	<u>\$ 58,510,408</u>

Note: These amounts were determined by LACERA for accounting purposes and are reported in the ACFR for the fiscal year ended June 30, 2021.

**Exhibit 5
 Five-Year Smoothing of Gains and Losses on Market Value**

(Dollars in Thousands)

June 30, 2021 Valuation						
Plan Year Ending	Contributions	Benefit Payments	Expected Market Value	Actual Market Value	Phase-Out of Gain / (Loss)	
6/30/2021	\$ 2,773,871	\$ 3,814,262	\$ 61,529,948	\$ 73,012,026	80.00% x \$	11,482,078 = \$ 9,185,662
6/30/2020	2,459,433	3,606,340	61,189,106	58,510,408	60.00% x	(2,678,698) = (1,607,219)
6/30/2019	2,303,566	3,407,155	59,238,837	58,294,837	40.00% x	(944,000) = (377,600)
6/30/2018	2,116,085	3,203,375	55,441,551	56,299,982	20.00% x	858,431 = 171,686
6/30/2017	1,857,938	3,029,633	50,102,154	52,743,651	0.00% x	2,641,497 = <u>0</u>
					(a) Total Phase-Out of Gain / (Loss) =	\$ 7,372,529
					(b) Total Market Value of Assets =	\$ 73,012,026
					(c) Total Actuarial Value of Assets [(b) - (a)] =	\$ 65,639,497

Total Actuarial Value of Assets = Total Market Value of Assets less the Total Phase-Out amount
 Phase-Out amounts will be recognized in future years.

Projected Recognition of Actuarial Asset Gains / (Losses) in Future Valuations

	2022 Val	2023 Val	2024 Val	2025 Val	Total
Amount to be Recognized	\$ 1,743,562	\$ 1,571,876	\$ 1,760,676	\$ 2,296,415	\$ 7,372,529

Exhibit 6
Allocation of Valuation and Non-Valuation Assets

(Dollars in Thousands)

	June 30, 2021	June 30, 2020
1. Total Market Value of Assets	\$ 75,363,970	\$ 61,360,972
2. Current Liabilities	<u>2,351,944</u>	<u>2,850,564</u>
3. Net Assets Held in Trust for Pension Benefits	73,012,026	58,510,408
4. Market Stabilization Reserve ⁽¹⁾	<u>7,372,529</u>	<u>(1,837,687)</u>
5. Actuarial Value of Fund Assets	65,639,497	60,348,095
6. Non-Valuation Reserves ⁽²⁾		
a. Unclaimed Deposits	-	-
b. Contingency Reserve	730,120	585,104
c. Advanced Employer Contributions	-	-
d. County Contribution Credit Reserve	-	-
e. Reserve for STAR Program	<u>-</u>	<u>-</u>
f. Total	730,120	585,104
7. Valuation Assets ⁽²⁾		
a. Member Reserves	24,646,373	23,481,576
b. Employer Reserves for Funding Purposes	<u>40,263,004</u>	<u>36,281,415</u>
c. Total	64,909,377	59,762,991

1. The Market Stabilization Reserve represents the difference between the Market Value of the fund less Current Liabilities, and the Actuarial Value of the fund as determined in Exhibit 5.

2. The values used for funding purposes for all reserves are based on the Board's Funding Policy. Amounts used for funding purposes may differ from those reported in the audited financial statements as shown in Exhibit 4.

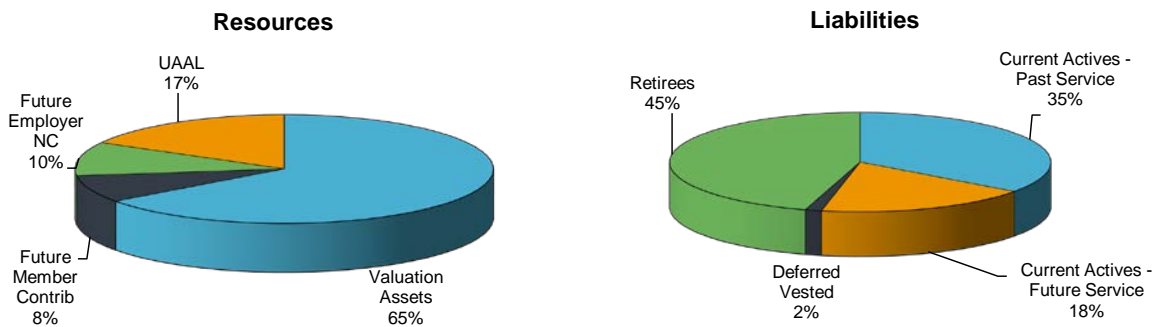
4. Actuarial Liabilities

In the previous section, an actuarial valuation was compared with an inventory process, and an analysis was given of the inventory of LACERA's assets as of the valuation date, June 30, 2021. In this section, the discussion will focus on the commitments of LACERA for retirement benefits, which are referred to as its actuarial liabilities.

Actuarial Balance Sheet – Liabilities

The first step in the valuation process is to compare the total resources of LACERA with the present value of all future benefits (liabilities) for all plans. Resources include Valuation Assets and expected future contributions by both the employers and members. Liabilities reflect benefits already earned in the past and those expected to be earned in the future by current members. This relationship is shown in the pie charts below.

The AAL is the total of these liabilities less expected future Normal Cost contributions. The 2021 actuarial valuation indicates that LACERA's Valuation Assets are less than its AAL.



The difference between the Valuation Assets and the liabilities is the amount that needs to be funded by future member and employer contributions. Both the current and future assets (contributions) are included on the actuarial balance sheet and compared to the liabilities. The difference between these two values is the UAAL.

Exhibit 7 contains an analysis of the present value of future benefits for inactive members (both retired and vested former members) and active members. The analysis is given by class of membership, by plan and by type of benefit. Note that for purposes of this exhibit the Valuation Assets are shown allocated by plan in proportion to each plan's reserves (employer and member).

Liabilities are the actuarial present value of all future benefits expected to be paid with respect to each member. For an active member, this value includes measures of both benefits already earned and future benefits to be earned. For all members, active and inactive, the value extends over the rest of their lives and for the lives of any surviving beneficiaries.

The actuarial assumptions used to determine the liabilities are based on the results of the 2019 Investigation of Experience Report. New assumptions were most recently adopted by the Board effective with the June 30, 2019 actuarial valuation. See Appendix A of this report for details.

All liabilities reflect the benefits effective through June 30, 2021. This includes permanent STAR COLAs that have been adopted through the valuation date, but does not include the value of any STAR benefits that may be granted in the future.

Exhibit 7
Actuarial Balance Sheet – June 30, 2021

(Dollars in Millions)

	General						Safety			All Plans
	Plan A	Plan B	Plan C	Plan D	Plan E	Plan G	Plan A	Plan B	Plan C	
LIABILITIES										
Present Value of Benefits - Inactives										
- Retirees and Beneficiaries	\$ 10,731	\$ 475	\$ 289	\$ 10,976	\$ 4,852	\$ 26	\$ 6,859	\$ 11,176	\$ 13	\$ 45,397
- Vested Former	5	1	1	671	488	64	0	141	6	1,377
- Inactive Total	10,736	476	290	11,647	5,340	90	6,859	11,317	19	46,774
Present Value of Benefits - Actives										
- Service Retirement	80	22	26	22,135	6,329	6,765	5	8,747	1,610	45,719
- Transfer Service (prior LACERA plan)	0	0	0	242	415	9	0	13	0	679
- Disability Retirement	1	0	0	924	N/A	490	0	3,230	875	5,520
- Death	1	0	0	378	N/A	153	0	73	28	633
- Termination	0	0	0	164	75	378	0	39	83	739
- Active Total	82	22	26	23,843	6,819	7,795	5	12,102	2,596	53,290
Total Actuarial Liabilities	\$ 10,818	\$ 498	\$ 316	\$ 35,490	\$ 12,159	\$ 7,885	\$ 6,864	\$ 23,419	\$ 2,615	\$ 100,064
ASSETS										
Valuation Assets	(4,503)	343	275	32,580	15,089	3,442	(2,565)	19,511	737	64,909
PV Future Member Contributions	1	0	0	2,816	N/A	3,149	0	1,024	1,121	8,111
PV Future Employer Normal Cost Contributions	2	1	1	3,233	1,073	2,842	0	1,865	1,038	10,055
UAAL or (Surplus Funding)	15,318	154	40	(3,139)	(4,003)	(1,548)	9,429	1,019	(281)	16,989
Total Current and Future Assets	\$ 10,818	\$ 498	\$ 316	\$ 35,490	\$ 12,159	\$ 7,885	\$ 6,864	\$ 23,419	\$ 2,615	\$ 100,064

Actuarial Balance Sheet – Assets

For the purpose of the Actuarial Balance Sheet, LACERA's assets are equal to the sum of:

- (a) Assets currently available to pay benefits and considered for funding purposes (the Valuation Assets);
- (b) The present value of future contributions expected to be made by current active members; and
- (c) The present value of future contributions expected to be made by the employer.

Actuarial Cost Method

The Actuarial Balance sheet determines the amount of future contributions that are needed, but the method used to determine when those future contributions will be made in future years is called the "actuarial cost method." For this valuation, the entry age actuarial cost method has been used. Under this method, the contributions required to meet the difference between current assets and current actuarial liabilities are allocated each year between two elements:

- A normal cost amount; and
- An amount to amortize the UAAL (Unfunded Actuarial Accrued Liability). Note that the UAAL may be negative (representing current assets greater than current actuarial liabilities).

The two items described above – the Normal Cost and UAAL – are the keys to understanding the actuarial cost method.

Normal Cost

The Normal Cost is the theoretical contribution rate that will meet the ongoing costs of a group of average new employees. Suppose that a group of new employees was covered under a separate fund from which all benefits and to which all contributions and associated investment returns were paid. Under the entry age actuarial cost method, the Normal Cost contribution rate maintains the funding of benefits as a level percentage of pay. If experience follows the actuarial assumptions precisely, the fund would be completely liquidated when the last payment to the last survivor of the group is made.

By applying the Normal Cost contribution rate to the present value of salaries expected to be paid in the future, we determine the present value of future Normal Cost contributions. Future contributions are expected to be made by both the members and the employer. The member contribution rates are determined based upon requirements established in the CERL and the actuarial assumptions. Based on these member contribution rates, we determine the present value of future member contributions. We subtract that value from the total future Normal Cost contributions expected, based on the entry age cost method. The remaining difference is the employer portion of the future Normal Cost contributions.

Actuarial Accrued Liability

The difference between the present value of all future obligations and the present value of the future Normal Cost contributions is referred to as the Actuarial Accrued Liability (AAL). The AAL is calculated and then compared to the value of assets available to fund benefits. The difference is referred to as the UAAL. The results for all LACERA plans in aggregate are summarized below:

(Dollars in millions)	2021	2020	Percent Change
A. Actuarial present value of all future benefits for contributing members, former contributing members, and their survivors	\$ 100,064	\$ 95,946	4.3%
B. Actuarial present value of total future normal costs for current members	18,166	17,671	2.8%
C. Actuarial accrued liability [A-B]	81,898	78,275	4.6%
D. Valuation Assets	64,909	59,763	8.6%
E. UAAL or (Surplus Funding) [C-D]	16,989	18,512	-8.2%
F. Funded Ratio [D/C]	79.3%	76.3%	3.9%

Unfunded Actuarial Accrued Liability

The portion allocated to service already rendered or accrued is called the AAL. The difference between the AAL and the Valuation Assets is called the Unfunded AAL (UAAL). If a UAAL amount exists, it usually results from prior years' benefit or assumption changes and the net effect of accumulated gains and losses. If the employer had always contributed the current Normal Cost, and if there were no prior benefit or assumption changes, and if actual experience exactly matched the actuarial assumptions, then the present value of all future Normal Cost contributions would be sufficient to fund all benefits and there would be no UAAL.

Exhibit 7 shows how the UAAL was derived for each level of plan benefits. In the Actuarial Balance sheet, the total actuarial liability for all future benefits must be equal to the current and future assets.

The Actuarial Balance Sheet for each plan, as well as its UAAL, is based on an estimated allocation of the total LACERA Valuation Assets, as previously shown in Exhibit 7. The allocation is based on the relative value of each plan's employer and member reserves as reported to us by LACERA. These allocations are shown for illustrative purposes only, as the UAAL contribution rates are paid by the employer based on the valuation results in aggregate.

Funding Adequacy

A key consideration in determining the adequacy of the funding of LACERA is how the UAAL is being funded. Under LACERA's Funding Policy, a new UAAL "layer" is established each year when the Funded Ratio is less than 100% or greater than or equal to 120%. Effective with the June 30, 2019 valuation, all new UAAL layers are amortized over 20-year periods.

If future experience is significantly more favorable than expected based on the actuarial assumptions, then LACERA's UAAL may be eliminated. Conversely, if experience is less favorable, a larger UAAL will develop.

Analysis of Change in Unfunded Actuarial Accrued Liability

The UAAL, at any date after establishment of a retirement plan, is affected by any actuarial gains (decreases in UAAL) or losses (increases in UAAL) arising when the actual experience of the retirement plan varies from the experience anticipated by the actuarial assumptions. To the extent actual experience, as it develops, differs from that expected according to the assumptions used, so will the emerging costs differ from the estimated costs.

The 2021 actuarial valuation reflects a decrease in the UAAL of approximately \$1.5 billion since the prior year. The effect of the gains and losses on the UAAL is shown in Exhibit 8a. A summary of these factors is:

- Investment Returns: Returns on market assets were 25.2% (net of investment expenses) compared to the assumed return of 7.0%. This, combined with recognitions of gains and losses from prior periods, resulted in an actuarial asset gain of \$2.0 billion.
- Active Member Experience (non salary): This includes gains and losses from termination, service retirement, disability retirement, and death different than assumed. This resulted in an actuarial loss of \$77 million.
- Salary Increases: Individual salaries for continuing active members increased at a rate greater than the valuation assumption. This resulted in an actuarial loss of \$484 million.
- Actual CPI versus Assumption: The actual CPI increase was lower than assumed. This resulted in COLA increases less than the assumption, which generated an actuarial gain of \$73 million.
- Mortality Experience: An actuarial loss due to mortality generally indicates that retired members are living longer than the current assumption predicts. Similarly, an actuarial gain on mortality indicates that retired members are not living as long as predicted. This year, there was an actuarial gain of \$96 million due to mortality experience for retirees and beneficiaries.
- Other Experience: Examples of this are gains and losses from retirement and mortality experience of inactive members, reciprocity, and transfers between plans. These factors combined resulted in an actuarial gain of \$47 million.

Change in Unfunded Actuarial Accrued Liability – History

Exhibit 8b shows the sources of change in the UAAL over the past five valuations. The single biggest source of annual change in most years, when there are no changes in the assumptions, is the return on investments being either greater than or less than the assumption.

Exhibit 8a
Analysis of Change in Unfunded Actuarial Accrued Liability

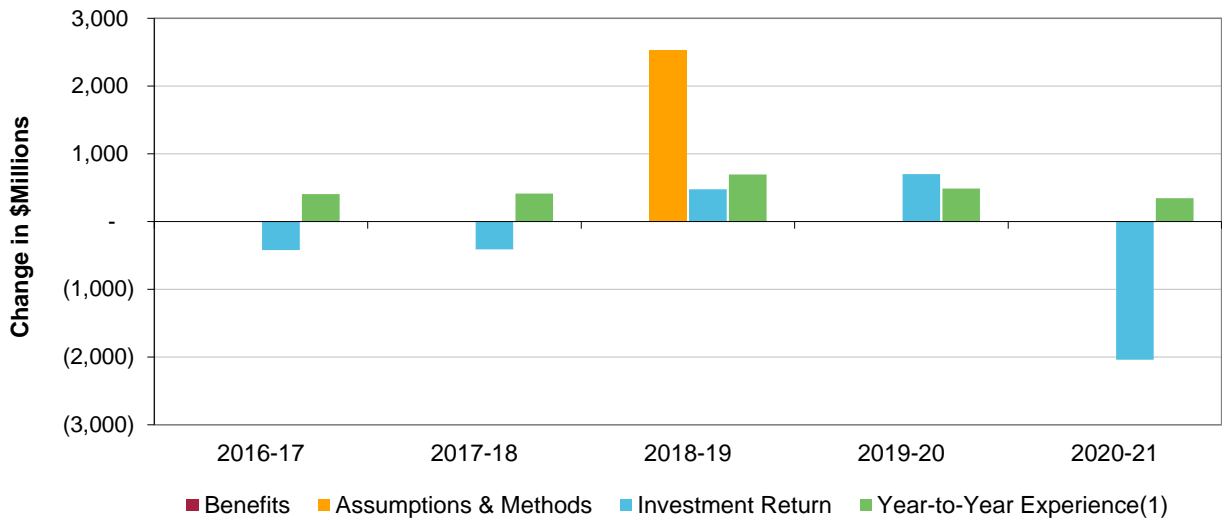
(Dollars in Millions)

	Amount	As a Percent of June 30, 2021 Actuarial Accrued Liability
Unfunded Actuarial Accrued Liability - June 30, 2020	\$ 18,512	22.60%
Interest Accrued	1,311	1.60%
Benefits Accrued (Normal Cost)	1,634	2.00%
<u>Contributions</u>		
Employer - Cash	\$ (2,013)	-2.46%
Employer - Contribution Credit	-	0.00%
Member	(761)	-0.93%
Total	<u>(2,774)</u>	-3.39%
Expected Unfunded Actuarial Accrued Liability - June 30, 2021	\$ 18,683	22.81%
Sources of Change:		
Increase in UAAL due to New Assumptions	-	0.00%
<u>Asset (Gains) and Losses</u>		
(Gain) / Loss due to Investment Income	(2,039)	-2.49%
<u>Liability (Gains) and Losses</u>		
Active Member Experience (non salary)	\$ 77	0.09%
Salary Increases Greater than Expected	484	0.59%
CPI Less than Expected	(73)	-0.09%
Mortality Experience	(96)	-0.12%
All Other Experience	(47)	-0.06%
Total	<u>345</u>	0.42%
Total Changes	\$ (1,694)	-2.07%
Unfunded Actuarial Accrued Liability - June 30, 2021	\$ 16,989	20.74%

Exhibit 8b
History of Changes in Unfunded Actuarial Accrued Liability

(Dollars in Millions)

	2016-17	2017-18	2018-19	2019-20	2020-21	2016-21
Prior Valuation UAAL	\$ 12,841	\$ 13,145	\$ 13,294	\$ 17,018	\$ 18,512	\$ 12,841
Increase in UAAL due to:						
Expected Increase / (Decrease)	320	146	25	306	171	968
■ Asset (Gains) and Losses	(421)	(411)	477	701	(2,039)	(1,693)
■ Changes in Benefits	-	-	-	-	-	-
■ Changes in Assumptions	-	-	2,528	-	-	2,528
■ Changes in Methods	-	-	-	-	-	-
■ Salary Increases	277	223	486	388	484	1,858
■ CPI Increases	(139)	45	44	43	(73)	(80)
■ Mortality Experience	(51)	(20)	(6)	1	(96)	(172)
■ All Other Experience	318	166	170	55	30	739
Total Increase / (Decrease)	304	149	3,724	1,494	(1,523)	4,148
Valuation UAAL	\$ 13,145	\$ 13,294	\$ 17,018	\$ 18,512	\$ 16,989	\$ 16,989
Funded Ratio	79.9%	80.6%	77.2%	76.3%	79.3%	79.3%



1. Year-to-Year Experience includes changes due to Salary, CPI, Mortality and Other Experience.

5. Member Contributions

Normal Contributions for non-PEPRA Plans

Member contributions are of two types: Normal contributions and cost-of-living contributions.

Normal contributions for each of the legacy plans (all plans except General Plan G and Safety Plan C) are defined in the following sections of the CERL:

Plan	CERL	
	Reference	Formula
General A	31621.3	1/240th of FAC at age 55
General B	31621.1	1/120th of FAC at age 55
General C	31621	1/120th of FAC at age 60
General D	31621	1/120th of FAC at age 60
General E	N/A	Plan E is non-contributory
Safety A	31639.5	1/200th of FAC at age 50
Safety B	31639.25	1/100th of FAC at age 50

Note: FAC = Final Average Compensation

Normal member contributions are determined using the Entry Age Normal Funding Method and the following actuarial assumptions:

1. Expected rate of return on assets.
2. Individual salary increase rate (wage growth + merit).
3. Mortality for members on service retirement.

Since new assumptions were not adopted for the 2021 valuation, we are not recommending changes to the member contribution rates for General Plans A to D and Safety Plans A and B. Member contributions are shown in Appendix D. A sample of these recommended member contribution rates is shown in Exhibit 9.

Member contribution rates for General Plan G and Safety Plan C are discussed below.

Cost-of-Living Contributions for Legacy Plans

The determination of the member cost-of-living (COLA) contributions is based on Section 31873 of the CERL. This section requires that the cost of the COLA benefit be shared equally between members and the employer. Unlike the member normal contributions, these rates are based on the actuarial cost of the benefits and reflect all assumptions used in the valuation of liabilities.

Since new assumptions were not adopted for the 2021 valuation we are not recommending changes in the member cost-of-living contribution rates. The recommended cost-of-living contribution rates, expressed as a percentage of the normal member contribution rates, are as follows:

Plan	COLA %
General A	84.46%
General B	25.90%
General C	26.81%
General D	25.94%
General E	0.00%
Safety A	87.15%
Safety B	33.03%

The relative magnitude of these amounts reflects the differences in the normal contribution rates for each plan and the different cost-of-living benefits offered by the different plans. The rate for Plan E is 0.00% since it is non-contributory.

A sample of the current member contribution rates (normal plus cost-of-living) can be found in Exhibit 9.

Full disclosure of the member rates showing both the normal and the total (normal plus cost-of-living) contribution rates can be found in Appendix D.

Member Contribution Rates for General Plan G and Safety Plan C (PEPRA Plans)

Members of the two plans developed in compliance with the California Public Employees’ Pension Reform Act of 2013 (PEPRA) contribute a flat rate (i.e., does not vary by entry age) based on whether they are in the General or Safety plan. This rate is set equal to one-half of the total Normal Cost rate. We are recommending changes to the member contribution rates for these plans, as shown below, to reflect the Plan’s Normal Cost rates for the 2021 valuation.

	General Plan G	Safety Plan C
All Ages: Recommended	9.08%	14.33%
All Ages: Current	9.10%	14.42%
Ratio (Recommended / Current)	99.8%	99.4%

Note that the member contribution rates for these plans are further split for purposes of this report into a “Normal” and “Cost of Living” component. The cost-of-living component for these members, as shown in Exhibit 9 on the following page, represents one-half of the cost of the COLA for these plans.

Average Member Rates

The average member contribution rate for only those active members in contributory plans at June 30, 2021 is 9.16% of covered payroll, compared to 7.87% of covered payroll for all active members including non-contributory members. The 7.87% offsets the gross normal cost to yield the employer normal cost rate. Note that covered payroll does not include pay for PEPRA plan members that is above the PEPRA compensation limit.

**Exhibit 9
 Sample Member Contribution Rates**

Recommended Rates (Based on 2021 Valuation)						
	Entry Age	Normal	Cost of Living	Total as a % of Pay	Current Rate (Total)	Ratio (New / Current)
General Members						
Plan A	25	3.24%	2.74%	5.98%	5.98%	100.0%
	35	3.99%	3.37%	7.36%	7.36%	100.0%
	45	4.83%	4.08%	8.91%	8.91%	100.0%
	55	5.13%	4.33%	9.46%	9.46%	100.0%
Plan B	25	6.47%	1.68%	8.15%	8.15%	100.0%
	35	7.98%	2.07%	10.05%	10.05%	100.0%
	45	9.66%	2.50%	12.16%	12.16%	100.0%
	55	10.25%	2.65%	12.90%	12.90%	100.0%
Plan C	25	5.52%	1.48%	7.00%	7.00%	100.0%
	35	6.80%	1.82%	8.62%	8.62%	100.0%
	45	8.33%	2.23%	10.56%	10.56%	100.0%
	55	9.68%	2.60%	12.28%	12.28%	100.0%
Plan D	25	5.52%	1.43%	6.95%	6.95%	100.0%
	35	6.80%	1.76%	8.56%	8.56%	100.0%
	45	8.33%	2.16%	10.49%	10.49%	100.0%
	55	9.68%	2.51%	12.19%	12.19%	100.0%
Plan G	All Ages	7.33%	1.75%	9.08%	9.10%	99.8%
Safety Members						
Plan A	25	4.74%	4.13%	8.87%	8.87%	100.0%
	35	5.63%	4.91%	10.54%	10.54%	100.0%
	45	6.70%	5.84%	12.54%	12.54%	100.0%
	55	6.70%	5.84%	12.54%	12.54%	100.0%
Plan B	25	9.48%	3.13%	12.61%	12.61%	100.0%
	35	11.27%	3.72%	14.99%	14.99%	100.0%
	45	13.40%	4.43%	17.83%	17.83%	100.0%
	55	13.40%	4.43%	17.83%	17.83%	100.0%
Plan C	All Ages	11.11%	3.22%	14.33%	14.42%	99.4%

Note: A portion of some of the member contribution rates is paid for (“picked up”) by the employer and is not considered part of the member’s contribution account for refund purposes. Such contributions are referred to as the surcharge amount and are subject to change each year. The rates shown in the table above are prior to any surcharge payments.

6. Employer Contributions

Calculated Employer Contribution Rate

Contributions to LACERA are determined using the Entry Age Normal Cost Method. The portion of the actuarial present value of retirement benefits allocated to a valuation year by the actuarial cost method is called the Normal Cost. These amounts are usually expressed as a percentage of payroll and called the Normal Cost Contribution Rate. Exhibit 10 illustrates the Normal Cost Contribution Rates by type of benefit and for each plan based on this valuation. A comparison with last year is also shown.

Under the Funding Policy, the total contribution rate is set equal to the Normal Cost contribution rate plus a payment by the employer towards the UAAL. The calculation of the UAAL contribution rate is shown in Exhibit 12. A portion of the Normal Cost contribution is funded by member contributions. The remainder is paid for by the employer.

The total calculated employer contribution rates for each plan, along with a comparison to the prior year's calculated rates, can be found in Exhibit 11. These results are expressed as a percentage of payroll and annual contribution dollars. Note that LACERA's UAAL contribution rate is not determined separately for each plan but is funded evenly as a percentage of pay over salaries for all members.

For the fiscal year beginning in 2022, the total calculated employer contribution rate decreases to 24.46% from the current fiscal year rate of 24.64%. This is equal to the aggregate employer Normal Cost contribution rate of 10.88% based on the 2021 valuation, plus the layered amortization payment of the UAAL, shown in Exhibit 12. Effective with the June 30, 2019 valuation, all new UAAL layers are amortized over a 20-year period, beginning with the date the contribution is first expected to be made.

(All values as a % of Payroll)

Employer Normal Cost Contribution Rate	10.88%
Layered Amortization of UAAL	<u>13.58%</u>
Calculated Employer Contribution Rate (before phase-in)	24.46%
Deferred Recognition of 2019 Assumption Changes	<u>0.00%</u>
Calculated Employer Contribution Rate (with phase-in)	24.46%

At the January 2020 meeting, the Board of Investments adopted a three-year phase-in of the impact of the change in employer contribution rate resulting from the new assumptions adopted effective June 30, 2019. For the fiscal year beginning July 1, 2022, the impact of the June 30, 2019 assumption changes is fully phased in.

The phase-in approach described above resulted in smaller employer contributions than would otherwise have been payable by employers in fiscal years beginning in 2020 and 2021. While the phase-in approach allowed a gradual increase in employer contribution rates rather than a large one-time increase in the fiscal year beginning in 2020, calculated employer contributions in the long term are larger to make LACERA whole for the smaller contributions (with interest) over that two year period. We estimate that the calculated employer contribution is approximately 0.23% of pay higher effective July 1, 2022 to account for the phase-in approach.

Exhibit 10
Calculated Normal Cost Contribution Rates – June 30, 2021

	General							Safety				Grand Total
	Plan A	Plan B	Plan C	Plan D	Plan E	Plan G	Total	Plan A	Plan B	Plan C	Total	
A. Normal Cost Contribution Rate												
Service Retirement	20.77%	18.30%	13.36%	14.66%	10.11%	15.53%	14.15%	24.55%	18.68%	17.21%	18.30%	14.92%
Disability Retirement	1.00%	1.03%	0.70%	1.15%	0.00%	1.29%	0.99%	11.57%	9.38%	10.16%	9.58%	2.62%
Death	0.27%	0.28%	0.24%	0.37%	0.00%	0.35%	0.30%	0.41%	0.35%	0.31%	0.34%	0.31%
Termination	0.45%	0.40%	0.40%	0.97%	0.61%	0.99%	0.91%	0.82%	0.83%	0.98%	0.87%	0.90%
Total	22.49%	20.01%	14.70%	17.15%	10.72%	18.16%	16.35%	37.35%	29.24%	28.66%	29.09%	18.75%
B. Member Contributions	(5.48)%	(9.46)%	(7.05)%	(7.98)%	0.00%	(9.08)%	(6.94)%	(11.00)%	(11.02)%	(14.33)%	(11.88)%	(7.87)%
C. Net Employer Normal Cost as of June 30, 2021 (A) - (B)	17.01%	10.55%	7.65%	9.17%	10.72%	9.08%	9.41%	26.35%	18.22%	14.33%	17.21%	10.88%
D. Net Employer Normal Cost as of June 30, 2020	17.13%	10.41%	7.64%	9.19%	10.74%	9.10%	9.45%	26.37%	17.85%	14.42%	17.07%	10.89%
E. Increase (Decrease) as a Percentage of Payroll (C) - (D)	(0.12)%	0.14%	0.01%	(0.02)%	(0.02)%	(0.02)%	(0.04)%	(0.02)%	0.37%	(0.09)%	0.14%	(0.01)%
F. Estimated Payroll for fiscal year beginning July 1, 2022⁽¹⁾	\$ 9	\$ 2	\$ 3	\$ 3,899	\$ 1,341	\$ 2,343	\$ 7,597	\$ 0	\$ 1,316	\$ 462	\$ 1,778	\$ 9,375
G. Estimated Total Normal Cost Contribution in Dollars (A x F)⁽²⁾	\$ 2	\$ -	\$ -	\$ 669	\$ 144	\$ 425	\$ 1,242	\$ -	\$ 385	\$ 132	\$ 517	\$ 1,759

1. Estimated Payroll based upon annualized salary rate as of June 30, 2021 increased by 3.25% wage inflation. Dollar figures in millions.
2. The timing of the Normal Cost shown in this exhibit is spread over the entire year and corresponds to payroll timing.

Exhibit 11
Total Employer Contributions

	General							Safety				All Plans
	Plan A	Plan B	Plan C	Plan D	Plan E	Plan G	Total	Plan A	Plan B	Plan C	Total	
A. Net Employer Normal Cost												
1. Basic Benefits	13.46%	8.49%	6.15%	7.52%	8.86%	7.33%	7.70%	20.50%	14.43%	11.11%	13.57%	8.80%
2. Cost-of-Living Benefits	3.55%	2.06%	1.50%	1.65%	1.86%	1.75%	1.71%	5.85%	3.79%	3.22%	3.64%	2.08%
3. Total June 30, 2021	17.01%	10.55%	7.65%	9.17%	10.72%	9.08%	9.41%	26.35%	18.22%	14.33%	17.21%	10.88%
B. UAAL Contribution Rate	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%
C. Total June 30, 2021 Contribution Rate (A) + (B)	30.59%	24.13%	21.23%	22.75%	24.30%	22.66%	22.99%	39.93%	31.80%	27.91%	30.79%	24.46%
D. Total June 30, 2020 Contribution Rate	30.88%	24.16%	21.39%	22.94%	24.49%	22.85%	23.20%	40.12%	31.60%	28.17%	30.82%	24.64%
E. Estimated Payroll for fiscal year beginning July 1, 2022 ⁽¹⁾	\$ 9	\$ 2	\$ 3	\$ 3,899	\$ 1,341	\$ 2,343	\$ 7,597	\$ 0	\$ 1,316	\$ 462	\$ 1,778	\$ 9,375
F. Estimated Annual Contribution (C x E)	\$ 3	\$ 1	\$ 1	\$ 887	\$ 326	\$ 531	\$ 1,746	\$ -	\$ 418	\$ 129	\$ 547	\$ 2,293
G. Last Year's Estimated Annual Contribution	\$ 3	\$ 1	\$ 1	\$ 897	\$ 336	\$ 477	\$ 1,713	\$ -	\$ 422	\$ 109	\$ 531	\$ 2,244
H. Increase / (Decrease) in Annual Contribution	\$ -	\$ -	\$ -	\$ (10)	\$ (10)	\$ 54	\$ 33	\$ -	\$ (4)	\$ 20	\$ 16	\$ 49

1. Estimated Payroll based upon annualized salary rate as of June 30, 2021 increased by 3.25% wage inflation. Dollar figures in millions.

Exhibit 12
Unfunded Actuarial Accrued Liability Detail

(Dollars in Millions)

Unfunded Actuarial Accrued Liability - Amortization Detail							
Date Established	Description	Balance as of June 30, 2021	Interest on Balance	Amort. Payment on June 30, 2022 ⁽¹⁾	Balance as of June 30, 2022 ⁽²⁾	Remaining Period as of June 30, 2022 ⁽⁵⁾	July 1, 2022 Amortization Payment
June 30, 2009	Initial UAAL	\$ 5,567.0	\$ 389.7	\$ 440.6	\$ 5,516.1	17 Years	\$ 433.4
June 30, 2010	(Gain) / Loss ⁽³⁾	3,047.9	213.3	232.2	3,029.0	18 Years	228.4
June 30, 2011	(Gain) / Loss ⁽³⁾	1,514.7	106.0	111.4	1,509.4	19 Years	109.6
June 30, 2012	(Gain) / Loss ⁽³⁾	2,482.5	173.8	176.6	2,479.7	20 Years	173.7
June 30, 2013	(Gain) / Loss ⁽³⁾	1,403.6	98.2	99.8	1,401.9	20 Years	98.2
June 30, 2014	(Gain) / Loss	(2,599.0)	(181.9)	(184.9)	(2,596.1)	20 Years	(181.9)
June 30, 2015	(Gain) / Loss	(2,030.5)	(142.1)	(144.4)	(2,028.2)	20 Years	(142.1)
June 30, 2016	(Gain) / Loss ⁽³⁾	3,901.4	273.1	277.5	3,897.0	20 Years	273.0
June 30, 2017	(Gain) / Loss	(21.1)	(1.5)	(1.5)	(21.1)	20 Years	(1.5)
June 30, 2018	(Gain) / Loss	61.1	4.3	4.3	61.0	20 Years	4.3
June 30, 2019	(Gain) / Loss ⁽³⁾	3,935.8	275.5	299.8	3,911.4	18 Years	294.9
June 30, 2020	(Gain) / Loss	1,461.8	102.3	107.5	1,456.6	19 Years	105.7
June 30, 2021	(Gain) / Loss	(1,736.0)	(121.5)	(107.6) ⁽⁴⁾	(1,749.8)	20 Years	(122.6)
Total Amortization Payment July 1, 2022:							\$ 1,273.2
Projected Payroll July 1, 2022:							\$ 9,374.6
UAAL as of June 30, 2021:		\$ 16,989.0	UAAL Contribution Rate (as a % of Payroll) FYB July 1, 2022:				13.58%

Explanatory Notes:

- Amortization Payments are based on a fixed schedule that increases by the payroll assumption each year.
- The assets and liabilities used in the calculation of the UAAL are as of June 30, 2021, whereas, the contribution rates are not effective until July 1, 2022. Therefore, the UAAL is adjusted to June 30, 2022 based on the actual contribution rate for the period.
- (Gain) / Loss layers include impact of assumption changes in these years.
- The amortization of UAAL does not begin until July 1, 2022; therefore, the UAAL amount is adjusted by one year to reflect the actual July 1, 2021 contribution rate.
- Effective with the June 30, 2019 valuation, all new UAAL layers are amortized over a 20-year period, beginning with the date the contribution is first expected to be made.

7. Supplemental Information

Governmental Accounting Standards Board (GASB) Statement No. 67 sets out requirements for defined benefit pension plan reporting and disclosures. GASB Statement No. 68 sets out requirements for accounting by state and local government employers.

Milliman provides LACERA with results relevant to Statements No. 67 and 68 in separate stand-alone financial reporting valuation reports.

For informational purposes, we have provided the following exhibits in this report that LACERA may use in the audited financial statements:

- Exhibit 13: Schedule of Funding Progress
- Exhibit 14: Schedule of Employer Contributions
- Exhibit 15: Solvency Test
- Exhibit 16: Actuarial Analysis of Financial Experience
- Exhibit 17: Retirants and Beneficiaries added to / removed from Retiree Payroll

Exhibit 13, Schedule of Funding Progress, compares actuarial assets and liabilities of the Plan, based on the actuarial funding method used.

Exhibit 14, Schedule of Employer Contributions, compares the employer contributions required based on the actuarial valuation with the employer contributions actually made. Information shown in this exhibit comes from LACERA's audited financial statements.

Exhibit 15 compares the Actuarial Value of Valuation Assets to the types of Actuarial Accrued Liabilities, applying them first to Active Member contributions, then to retirees and beneficiaries, and then the remaining amount to the Active Members benefits. This is referred to as the Solvency Test.

Exhibit 16 shows the changes in actual versus expected UAAL from year to year.

Exhibit 17 reconciles the retired members and beneficiaries who have been added to and removed from the retiree payroll.

Exhibit 13
Schedule of Funding Progress

(Dollars in Thousands)

Actuarial Valuation Date	(a) Actuarial Value of Valuation Assets	(b) Actuarial Accrued Liabilities	(b-a) Unfunded Actuarial Accrued Liabilities (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll ⁽¹⁾	[(b-a)/c] UAAL as a Percentage of Covered Payroll
June 30, 2012 ⁽²⁾	\$ 39,039,364	\$ 50,809,425	\$ 11,770,061	76.8%	\$ 6,619,816	177.8%
June 30, 2013 ⁽²⁾	39,932,416	53,247,776	13,315,360	75.0%	6,595,902	201.9%
June 30, 2014	43,654,462	54,942,453	11,287,991	79.5%	6,672,228	169.2%
June 30, 2015	47,328,270	56,819,215	9,490,945	83.3%	6,948,738	136.6%
June 30, 2016 ⁽²⁾	49,357,847	62,199,214	12,841,367	79.4%	7,279,777	176.4%
June 30, 2017	52,166,307	65,310,803	13,144,496	79.9%	7,637,032	172.1%
June 30, 2018	55,233,108	68,527,354	13,294,246	80.6%	7,957,981	167.1%
June 30, 2019 ⁽²⁾	57,617,288	74,635,840	17,018,552	77.2%	8,370,050	203.3%
June 30, 2020	59,762,991	78,275,175	18,512,184	76.3%	8,724,151	212.2%
June 30, 2021	64,909,377	81,898,044	16,988,667	79.3%	9,062,051	187.5%

1. Covered Payroll includes compensation paid to all active employees on which contributions are calculated, as reported by LACERA. Covered Payroll differs from the Active Member Valuation Payroll shown in Table C-1, which is an annualized compensation of only those members who were active on the actuarial valuation date.

2. Assumption changes.

Exhibit 14
Schedule of Contributions from the Employer

(Dollars in Thousands)

Fiscal Year Ending	Actuarially Determined Employer Contribution	Actual Employer Contributions			Percentage of Actuarially Determined Contribution Contributed
		Cash Payment	Transfer from Reserve Accounts	Total	
June 30, 2012	\$ 1,078,929	\$ 1,078,929	\$ -	\$ 1,078,929	100%
June 30, 2013	1,172,014	723,195	448,819	1,172,014	100%
June 30, 2014	1,320,442	1,320,442	-	1,320,442	100%
June 30, 2015	1,494,975	1,494,975	-	1,494,975	100%
June 30, 2016	1,443,130	1,443,130	-	1,443,130	100%
June 30, 2017 ⁽¹⁾	1,392,813	1,370,922	21,891	1,392,813	100%
June 30, 2018	1,564,284	1,564,284	-	1,564,284	100%
June 30, 2019	1,708,122	1,708,122	-	1,708,122	100%
June 30, 2020	1,800,137	1,800,137	-	1,800,137	100%
June 30, 2021	2,012,877	2,012,877	-	2,012,877	100%

1. The County Contribution Reserve was used to offset the contribution required from the Courts in the fiscal year ended June 30, 2017.

**Exhibit 15
 Solvency Test**

(Dollars in Millions)

Actuarial Valuation Date	Actuarial Value of Valuation Assets	Actuarial Accrued Liabilities for			Portion of Actuarial Accrued Liabilities Covered by Assets		
		Active Member Contributions (A)	Retirees and Beneficiaries ⁽¹⁾ (B)	Active Members (Employer Financed Portion) (C)	(A)	(B)	(C)
June 30, 2012	\$ 39,039	\$ 6,961	\$ 29,118	\$ 14,730	100%	100%	20%
June 30, 2013	39,932	7,837	30,980	14,430	100%	100%	8%
June 30, 2014	43,654	8,354	31,882	14,706	100%	100%	23%
June 30, 2015	47,328	8,805	32,734	15,280	100%	100%	38%
June 30, 2016	49,358	8,767	35,316	18,116	100%	100%	29%
June 30, 2017	52,166	9,482	37,077	18,752	100%	100%	30%
June 30, 2018	55,233	9,882	39,192	19,453	100%	100%	32%
June 30, 2019	57,617	10,210	42,235	22,190	100%	100%	23%
June 30, 2020	59,763	10,650	44,500	23,125	100%	100%	20%
June 30, 2021	64,909	11,115	46,774	24,009	100%	100%	29%

1. Includes vested and non-vested former members.

Notes:

For the purpose of this exhibit, valuation assets are allocated, in order, to active member contribution accounts (A), the Actuarial Accrued Liability for retirees and beneficiaries (B) and the employer financed portion of active member liabilities (C). Active member contributions are always assumed to be 100% funded. Assets are then allocated to the Actuarial Accrued Liability for retirees and beneficiaries until that category is 100% funded, and then any remaining valuation assets are allocated to the employer financed portion of active member liabilities. The employer's UAAL contributions are based on a percentage of active member salaries and those contributions are projected to eliminate any unfunded liability in that category over the scheduled amortization period.

Exhibit 16
Actuarial Analysis of Financial Experience

(Dollars in Millions)

	Valuation as of June 30						
	2015	2016	2017	2018	2019	2020	2021
Unfunded Actuarial Accrued Liability	\$11,288	\$9,491	\$12,841	\$13,145	\$13,294	\$17,018	\$18,512
Expected Increase/(Decrease) from Prior Valuation	(54)	(102)	320	146	25	306	171
Salary Increases Greater/(Less) than Expected	79	162	277	223	486	388	484
CPI Greater/(Less) than Expected	(570)	(191)	(139)	45	44	43	(73)
Change in Assumptions	-	2,922	-	-	2,528	-	-
Asset Return Less/(Greater) than Expected	(1,263)	496	(421)	(411)	477	701	(2,039)
All Other Experience	11	63	267	146	164	56	(66)
Ending Unfunded Actuarial Accrued Liability	\$9,491	\$12,841	\$13,145	\$13,294	\$17,018	\$18,512	\$16,989

Exhibit 17
Retirants and Beneficiaries added to and removed from Retiree Payroll

(Dollars in Thousands)

Valuation Date	Added to Rolls		Removed from Rolls		Rolls at End of Year		% Increase in Retiree Allowance	Average Annual Allowance
	Member Count	Annual Allowance ⁽¹⁾	Member Count	Annual Allowance ⁽¹⁾	Member Count	Annual Allowance ⁽¹⁾		
June 30, 2012	3,194	\$ 193,865 ⁽²⁾	(1,795)	\$ (61,588)	56,770 ⁽³⁾	\$ 2,474,902	5.65%	\$ 43.6
June 30, 2013	3,373	205,659 ⁽²⁾	(2,057)	(69,494)	58,086 ⁽³⁾	2,611,067	5.50%	45.0
June 30, 2014	3,128	172,743 ⁽²⁾	(1,985)	(71,730)	59,229 ⁽³⁾	2,712,080	3.87%	45.8
June 30, 2015	3,501	180,549 ⁽²⁾	(2,124)	(80,028)	60,606 ⁽³⁾	2,812,601	3.71%	46.4
June 30, 2016	3,479	220,632 ⁽²⁾	(2,171)	(80,881)	61,914 ⁽³⁾	2,952,352	4.97%	47.7
June 30, 2017	3,721	245,915 ⁽²⁾	(2,311)	(89,624)	63,324 ⁽³⁾	3,108,643	5.29%	49.1
June 30, 2018	3,826	276,118 ⁽²⁾	(2,270)	(89,033)	64,880 ⁽³⁾	3,295,728	6.02%	50.8
June 30, 2019	3,978	302,022 ⁽²⁾	(2,351)	(97,840)	66,507 ⁽³⁾	3,499,910	6.20%	52.6
June 30, 2020	3,930	311,206 ⁽²⁾	(2,425)	(104,914)	68,012 ⁽³⁾	3,706,202	5.89%	54.5
June 30, 2021	4,350	327,745 ⁽²⁾	(2,865)	(132,185)	69,497 ⁽³⁾	3,901,762	5.28%	56.1

1. Annual allowance is the monthly benefit allowance annualized for those members counted as of June 30.

2. Includes COLAs that occurred during the fiscal year and therefore were not included in the previous years' Annual Allowance totals.

3. For the actuarial valuation year, Member Count includes retirees who due to timing at year end, are not yet included in the total Retired Members count disclosed in Note A - Plan Description of LACERA's ACFR for the fiscal year ended June 30, 2021.

8. Cash Flow History and Projections

Exhibits 18a and 18b contain tables and graphs that illustrate both the cash flow history for the past 10 years and a projection on the valuation basis for the next 10 years.

Contributions include both employer and member contributions. Exhibit 18a shows that net cash outflow has gradually increased over the last five years. In future years, the cash flow is expected to become increasingly negative. This is a typical pattern for a mature retirement plan where it is expected that contributions will be less than benefits and that the plan will begin drawing on the fund that has been built up over prior years.

Note that the actual cash contributions do not reflect the transfers made between reserve funds, but only cash coming into the Plan. We are assuming no further transfers, only full cash contributions. In addition, LACERA will receive dividends and interest payments from its investments. These types of payments are not considered for this analysis, which focuses solely on comparing contributions with benefit payments and administrative expenses.

The projected cash flows include contributions, statutory benefits, and administrative expenses only. They are based on the actuarial assumptions as stated in Appendix A of this valuation report. The total employer contribution rate is assumed to be 24.64% for the first year and 24.46% for the second year; total employer contributions for the remainder of the period reflect the expected recognition of asset gains and losses currently being deferred. The aggregate member rate is assumed to stay at the calculated rate for June 30, 2021 of 7.87% of payroll. Expenses are based on the expenses for the year ended June 30, 2021, increased annually with the actuarial inflation assumption of 2.75%.

Any increases or reductions in future contribution rates will increase or decrease the net cash flow. The projected cash flows do not include:

- Projected STAR benefits that have not yet been granted. STAR benefits that were vested as of January 2021 are included.
- Projected benefits payable under certain insurance contracts for a group of retired members. These payments are netted against the total expected retiree benefits.

Exhibit 18a
Cash Flow History and Projections – Dollars

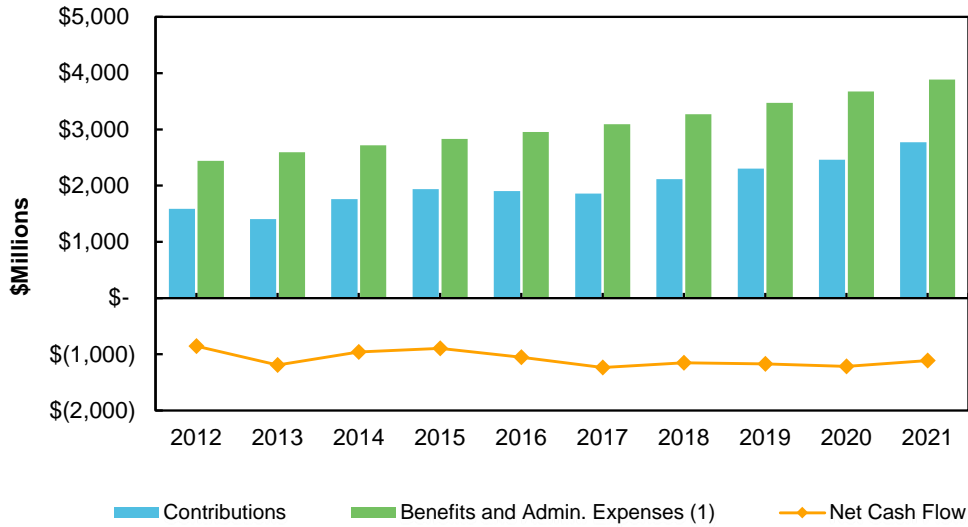
Plan Year Ending	Cash Flow History		
	Total Contributions	Benefits & Administrative Expenses ⁽¹⁾	Net Cash Flow
2012	\$ 1,586	\$ 2,439	\$ (853)
2013	1,403	2,593	(1,190)
2014	1,759	2,719	(960)
2015	1,936	2,829	(893)
2016	1,902	2,954	(1,052)
2017	1,858	3,094	(1,236)
2018	2,116	3,268	(1,152)
2019	2,304	3,475	(1,171)
2020	2,459	3,676	(1,217)
2021	2,774	3,886	(1,112)

Plan Year Ending	Cash Flow Projections ⁽²⁾		
	Total Contributions	Benefits & Administrative Expenses ⁽¹⁾	Net Cash Flow
2022	\$ 2,993	\$ 4,258	\$ (1,266)
2023	3,080	4,351	(1,271)
2024	2,989	4,559	(1,570)
2025	2,937	4,771	(1,835)
2026	2,877	4,993	(2,116)
2027	2,785	5,222	(2,437)
2028	2,874	5,457	(2,583)
2029	2,966	5,697	(2,731)
2030	3,060	5,941	(2,881)
2031	3,157	6,190	(3,033)

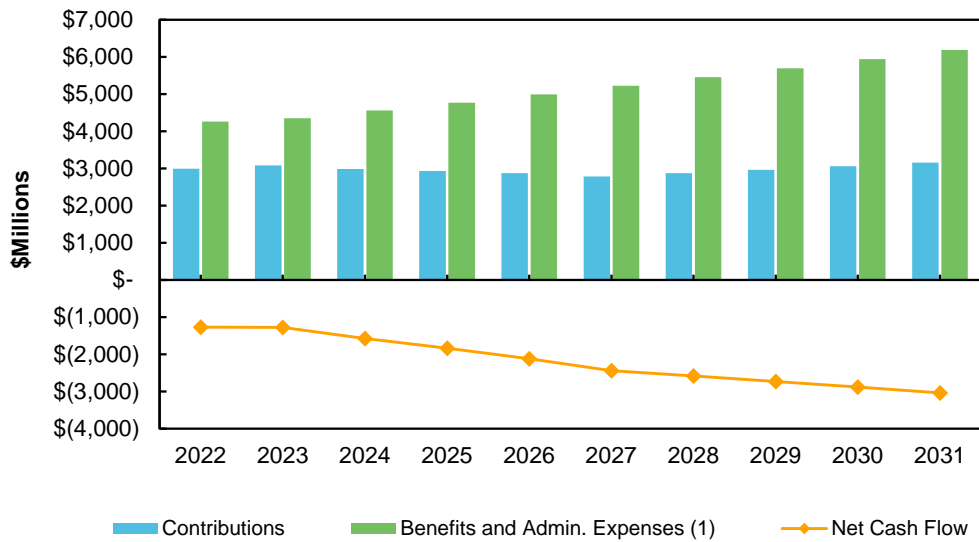
1. Investment expenses are assumed to be covered by investment return.
2. Future contributions reflect the expected impact of asset gains and losses currently being deferred.

Exhibit 18b
Cash Flow History and Projections – Graphs

Cash Flow History



Cash Flow Projections⁽²⁾



1. Investment expenses are assumed to be covered by investment return.
2. Future contributions reflect the expected impact of asset gains and losses currently being deferred.

9. Risk Discussion

Please refer to the Risk Assessment report dated June 28, 2021 for a detailed analysis of the main risks applicable to LACERA. That report includes detailed identification and assessment of risks.

Overview

The results of any actuarial valuation are based on one set of reasonable assumptions. Although we believe the current assumptions provide a reasonable estimate of future expectations, it is almost certain that future experience will differ from the assumptions to some extent. It is therefore important to consider the potential impacts of these likely differences when making decisions that may affect the future financial health of the Plan, or of the Plan's members.

Actuarial Standard of Practice No. 51 (ASOP 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions) addresses these issues by providing actuaries with guidance for assessing and disclosing the risk associated with measuring pension liabilities and the determination of pension plan contributions. Specifically, it directs the actuary to:

- Identify risks that may be significant to the Plan.
- Assess the risks identified as significant to the Plan. The assessment does not need to include numerical calculations.
- Disclose plan maturity measures and historical information that are significant to understanding the Plan's risks.

ASOP 51 states that if in the actuary's professional judgment, a more detailed assessment would be significantly beneficial in helping the individuals responsible for the Plan to understand the risks identified by the actuary, then the actuary should recommend that such an assessment be performed.

In addition, the California Actuarial Advisory Panel (CAAP) has adopted a set of model disclosure elements for actuarial valuation reports of public retirement systems in California. Most of these elements are included in other areas of this report. The remaining CAAP-recommended disclosures are as follows:

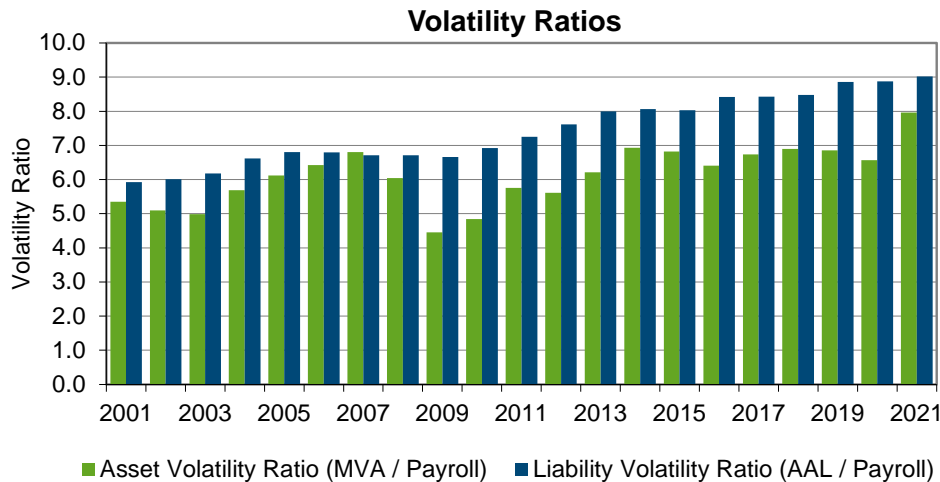
Disclosure Element	Description	Value
Gross Normal Cost \$ ¹	Normal Cost allocated to valuation year, paid at mid-year.	\$ 1,729.8
Statutory Contribution \$ ¹	Expected Employer Contribution paid at mid-year.	\$ 2,273.3
Asset Smoothing Ratio	Actuarial Value of Assets divided by Market Value of Assets	89.9%
Asset Volatility Ratio	Market Value of Assets divided by Payroll	8.0
Liability Volatility Ratio	Actuarial Accrued Liability divided by Payroll	9.0

1. Amounts shown in millions of dollars

This Section 9 uses the framework of ASOP 51 and the Asset and Liability Volatility Ratios shown above to communicate important information about: significant risks to the Plan, the Plan’s maturity, and relevant historical plan data.

Asset and Liability Volatility Ratios

Asset and Liability Volatility Ratios are a measure of the level of assets (or liabilities) to payroll. In general, a higher ratio means that the employer contribution rates (ECR) are more sensitive to changes in levels of assets or liabilities. Asset and Liability Volatility Ratios are shown below, and in Exhibit E-4.



As shown above, in the current valuation LACERA has an Asset Volatility Ratio of 8.0 and a Liability Volatility Ratio of 9.0. These ratios have increased over time as LACERA has matured. Specifically, due to the investment return of 25.2% in the fiscal year ended June 30, 2021, the assets have increased significantly more than the payroll, and therefore the Asset Volatility Ratio has increased from 6.6 to 8.0. This means that the ECR is more sensitive to changes in the level of assets now than it was just one year ago.

LACERA has accumulated a significant amount of assets relative to its payroll and by several measures is considered a mature plan. Accumulating assets to pay for future benefit obligations is responsible funding, but it does mean changes in the investment markets can have a significant impact on the ECR.

For LACERA, an 8.0 Asset Volatility Ratio means that a 10% investment gain or loss relative to the assumed 7.0% investment return assumption (that is, an investment return of -3.0% or of 17.0%) translates to a 5.7% of pay increase (or decrease) in the ECR, all other things being equal. Since LACERA uses actuarial smoothing, the increase would not be immediate, but would occur gradually over five years and could potentially be offset, or further increased, by future investment gains or losses or other factors.

The Liability Volatility Ratio measures the sensitivity of the ECR to changes in the level of liabilities, all else being equal. With a liability volatility ratio of 9.0 an increase (or decrease) in the investment return assumption of 0.5% translates to a decrease (or increase) in the ECR of approximately 4.9% of pay for LACERA.

Factors Affecting Future Results

There are a number of factors that affect future valuation results. To the extent actual experience for these factors varies from the assumptions, this will likely cause either increases or decreases in the plan's future funding level and ECR. The factors that can have the most significant impact on LACERA's valuation results are:

- Investment returns

To the extent that actual investment returns differ from the assumed investment return, the Plan's future assets, ECR, and funded status may differ significantly from those presented in this valuation. Additional discussion of the impact of variance of investment returns is included below.

- Compensation increases

Individual member retirement benefits are linked to that member's compensation. As such, assumptions need to be made as to a member's future compensation increases. Higher future compensation increases will generally result in larger retirement benefits, liabilities, ECRs, and a lower funded status. Conversely, lower compensation increases than assumed will generally result in smaller retirement benefits, liabilities, ECRs, and a higher funded status.

- Payroll variation

In the valuation, an assumption is made for the overall rate of payroll growth of LACERA from year-to-year. To the extent that the overall rate of payroll growth is greater than assumed, the ECR may decrease since the UAAL will be amortized over a larger payroll base. The opposite will occur if the overall rate of payroll growth is lower than assumed.

This effect often will offset somewhat with individual compensation increases, discussed above.

- Longevity and other demographic risks

The liabilities reported in this valuation have been calculated by assuming that members will follow specific patterns of demographic experience (e.g., mortality, retirement, termination, disability) as described in Appendix A. To the extent that actual demographic experience is different than is assumed to occur, future liabilities, ECRs, and funded status may differ from that presented in this valuation.

All of these assumptions are reviewed in detail during the triennial Investigation of Experience study, and are also reviewed annually during the valuation process. Changes in assumptions are generally recommended as part of the triennial Investigation of Experience if actual experience has been materially different than assumed or forecasts have changed significantly. Additionally, changes may be recommended and discussed at each valuation if they are deemed to be appropriate at that time.

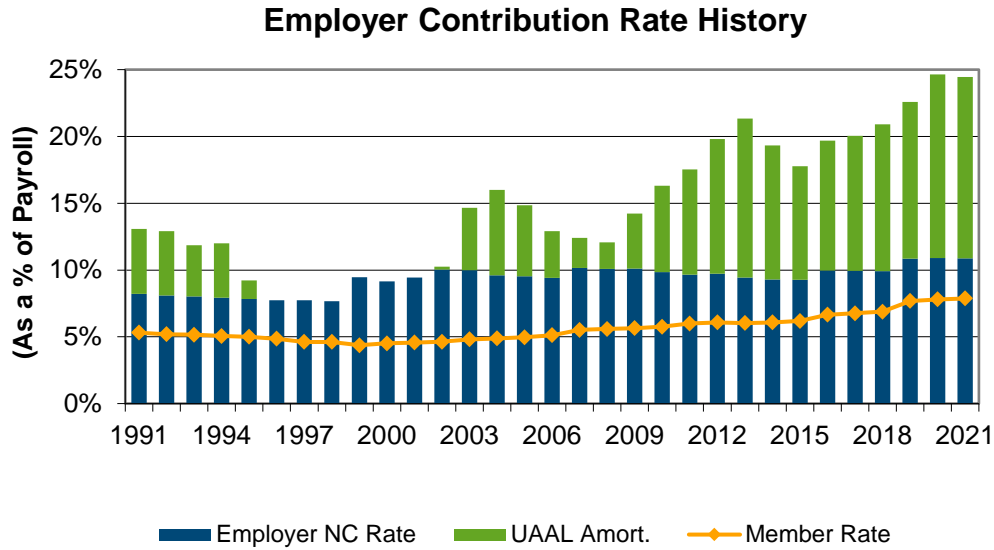
Discussion of Investment Return Risk

Of these factors, we believe the factor with the greatest potential risk to impact future valuation results for LACERA is future investment returns. For example, if actual returns fall short of the current assumption of 7.0% per year, this will cause an increase in the ECR and a decrease in the Funded Ratio, all other things being equal. Conversely, if actual returns exceed the current assumption of 7.0% per year, this will cause a decrease in the ECR and an increase in the Funded Ratio.

The magnitude of the increase or decrease in the ECR is affected by the maturity level, and specifically, the asset volatility ratio. LACERA has accumulated a significant amount of assets relative to its payroll and by several measures is considered a mature plan. Accumulating assets to pay for future benefit obligations is responsible funding, but it does mean that changes in the investment markets can have a significant impact on the ECR.

Historical Variation in Employer Contribution Rate

One way to assess future risks is to look at historical measurements. The following graph shows how the ECR has varied over the last 30 years under various investment return and assumption environments.



Appendix A Actuarial Procedures and Assumptions

The actuarial procedures and assumptions used in this valuation are described in this section. The assumptions were reviewed and changed for the June 30, 2019 actuarial valuation as a result of the 2019 triennial Investigation of Experience Study.

The actuarial assumptions used in the valuations are intended to estimate the future experience of the members of LACERA and of LACERA itself in areas that affect the projected benefit flow and anticipated investment earnings. Any variations in future experience from that expected from these assumptions will result in corresponding changes in the estimated costs of LACERA's benefits.

Table A-1 summarizes the assumptions. The mortality probabilities are taken from the sources listed. Tables A-2 and A-3 show how members are expected to leave retired status due to death.

Table A-4 presents the probability of refund of contributions upon termination of employment while vested. Table A-5 presents the expected annual percentage increase in salaries.

Tables A-6 to A-13 were developed from the experience as measured by the 2019 Investigation of Experience Study. These are the probability that a member will leave the System for various reasons.

Actuarial Cost Method

The actuarial valuation is prepared using the entry age actuarial cost method (CERL 31453.5). Under the principles of this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated as a level percentage of the individual's projected compensation between entry age and assumed exit (until maximum retirement age).

For members who transferred between plans, entry age is based on original entry into the System.

The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the sum of (a) the actuarial value of the assets, and (b) the actuarial present value of future normal costs is called the Unfunded Actuarial Accrued Liability (UAAL). The original UAAL as of June 30, 2009 is amortized as a level percentage of the projected salaries of present and future members of LACERA over a closed 30-year period. As of the June 30, 2019 valuation, all amortization layers with periods greater than 22 years as of July 1, 2020 were amortized over a 22-year period. Future gains and losses are amortized over new closed 20-year periods, beginning with the date the contribution is first expected to be made. This is referred to as "layered" amortization.

For General Plan G and Safety Plan C, the normal cost rate is rounded up to the nearest 0.02%.

Records and Data

The data used in this valuation consists of financial information and the age, service, and income records for active and inactive members and their survivors. All of the data were supplied by LACERA and are accepted for valuation purposes without audit.

Replacement of Former Members

The ages and relative salaries at entry of future members are assumed to follow a new entrant distribution based on the pattern of current members. Under this assumption, the normal cost rates for active members will remain fairly stable in future years unless there are changes in the governing law, the actuarial assumptions, or the pattern of the new entrants.

Growth in Membership

For benefit determination purposes, no growth in the membership of LACERA is assumed. For funding purposes, if amortization is required, the total payroll of covered members is assumed to grow due to the combined effects of future wage increases of current active members and the replacement of the current active members by new employees. No growth or decline in the total number of active members is assumed.

Internal Revenue Code Section 415 Limit

The Internal Revenue Code Section 415 maximum benefit limitation is not reflected in the valuation for funding purposes. Any limitation is reflected in a member's benefit after retirement.

Internal Revenue Code Section 401(a)(17)

The Internal Revenue Code Section 401(a)(17) maximum compensation limitation is not reflected in the valuation for funding purposes. Any limitation is reflected in a member's benefit after retirement.

Employer Contributions

The employer contribution rate is set by the Board of Investments based on actuarial valuations.

Member Contributions

The member contribution rates of contributory legacy plans (all plans except General Plans E and G and Safety Plan C) vary by entry age and are described in the law. Code references are shown in Appendix B of the valuation report. The methods and assumptions used are detailed later in this section.

The individual member rates by entry age, plan, and class are illustrated in Appendix D of the valuation report.

Valuation of Assets

The assets are valued using a five-year smoothed method based on the difference between the expected market value and the actual market value of the assets as of the valuation date. The expected market value is the prior year's market value increased with the net increase in the cash flow of funds, all increased with interest during the past fiscal year at the expected investment return rate assumption. The five-year smoothing valuation basis for all assets was adopted effective June 30, 2009.

Investment Earnings and Expenses

The future investment earnings of the assets of LACERA are assumed to accrue at an annual rate of 7.00% compounded annually, net of both investment and administrative expenses. This rate was adopted June 30, 2019.

Postretirement Benefit Increases

Postretirement increases are assumed for the valuation in accordance with the benefits provided as described in Appendix B. These adjustments are assumed payable each year in the future as they are not greater than the expected increase in the Consumer Price Index of 2.75% per year. This rate was adopted June 30, 2016.

Interest on Member Contributions

The annual credited interest rate on member contributions is assumed to be 7.00% compounded semi-annually for an annualized rate of 7.12%. This rate was adopted effective June 30, 2019.

Future Salaries

The rates of annual salary increase assumed for the purpose of the valuation are illustrated in Table A-5. In addition to increases in salary due to promotions and longevity, this scale includes an assumed 3.25% per annum rate of increase in the general wage level of the membership. These rates were adopted June 30, 2019.

Increases are assumed to occur mid-year (i.e., January 1st) and only apply to base salary, excluding megaflex compensation. The mid-year timing reflects that salary increases occur throughout the year, or on average mid-year.

For plans with a one-year final average compensation period, actual average annual compensation is used. For Plan E, Plan G and Safety Plan C, the monthly rate as of June of the valuation year was annualized. Due to irregular compensation payments now included as pensionable earnings, actual annual pay is preferred over annualizing a single monthly payment amount.

Social Security Wage Base

Plan E members have their benefits offset by an assumed Social Security Benefit. For valuation funding purposes, we need to project the Social Security Benefit. We assume the current Social Security provisions will continue and the annual Wage Base will increase at the rate of 3.25% per year. Note that statutory provisions describe exactly how to compute the offset for purposes of determining a member's offset amount at time of termination or retirement. This rate was adopted June 30, 2016.

Note also, that it is assumed all Plan E members born after 1950 have less than 10 years of Social Security-covered service and, therefore, do not have their benefit offset.

General Plan G and Safety Plan C members have their compensation limited to approximately 120% of the Social Security Wage Base. The limit for 2021 is \$153,671 (after applying the 120% factor) and is projected to increase at the CPI rate of 2.75%. This rate of future increase was adopted effective June 30, 2016.

Retirement

Members in General Plans A-D may retire at age 50 with 10 years of service, or any age with 30 years of service, or age 70 regardless of the number of years of service. General Plan G members are eligible to retire at age 52 with 5 years of service, or age 70 regardless of the number of years of service. Non-contributory Plan E members may retire at age 55 with 10 years of service. Members of Safety Plans A and B may retire at age 50 with 10 years of service, or any age with 20 years of service. Safety Plan C members are eligible to retire at age 50 with 5 years of County service. Retirement probabilities vary by age and are shown by plan in Tables A-6 through A-13.

All general members who attain or have attained age 75 in active service and all safety members who attain or have attained age 65 in active service are assumed to retire immediately (except for Safety Plan C members who have not yet attained 5 years of service).

Vested former members are assumed to retire at the later of their current age and the assumed retirement age specified as follows:

Assumption for Deferred Commencement	
Plan	Age at Commencement
GA	62
GB	62
GC	62
GD	59
GE	62
GG	57
SA	55
SB	50
SC	50

The assumptions regarding termination of employment, early retirement, and unreduced service retirement are treated as a single set of decrements in regard to a particular member. For example, a General Plan D member hired at age 30 has a probability of withdrawing from LACERA due to death, disability or other termination of employment until age 50. After age 50, the member can withdraw due to death, disability, or retirement. Thus, in no year during the member's projected employment would the member be eligible for both a probability of other termination of employment and a probability of retirement.

The retirement probabilities were adopted June 30, 2019.

Disability

The probabilities of disability used in the valuation are also illustrated in Tables A-6 through A-13. These probabilities were adopted June 30, 2019.

Postretirement Mortality – Other Than Disabled Members

The same postretirement mortality probabilities are used in the valuation for members retired for service and beneficiaries. These probabilities are illustrated in Table A-2. Current beneficiary mortality is assumed to be the same as for healthy members of the same sex. Future beneficiaries are assumed to be of the opposite sex and have the same mortality as General members. The amount-weighted Pub-2010 mortality tables are used.

Note that these assumptions include a projection for expected future mortality improvement. These probabilities were adopted June 30, 2019.

Males: General members: PubG-2010 Healthy Retiree Mortality Table for Males, with MP-2014 Ultimate Projection Scale.

Safety members: PubS-2010 Healthy Retiree Mortality Table for Males multiplied by 85%, with MP- 2014 Ultimate Projection Scale.

Females: General members: PubG-2010 Healthy Retiree Mortality Table for Females multiplied by 110%, with MP-2014 Ultimate Projection Scale.

Safety members: PubS-2010 Healthy Retiree Mortality Table for Females, with MP-2014 Ultimate Projection Scale.

Postretirement Mortality – Disabled Members

For members retired for disability, the mortality probabilities used in the valuation are illustrated in Table A-3. The amount-weighted Pub-2010 mortality tables are used.

Note that these assumptions include a projection for expected future mortality improvement. These probabilities were adopted June 30, 2019.

Males: General members: Average of PubG-2010 Healthy Retiree Mortality Table for Males and PubG-2010 Disabled Retiree Mortality Table for Males, both projected with MP-2014 Ultimate Projection Scale.

Safety members: PubS-2010 Healthy Retiree Mortality Table for Males, with MP-2014 Ultimate Projection Scale.

Females: General members: Average of PubG-2010 Healthy Retiree Mortality Table for Females and PubG-2010 Disabled Retiree Mortality Table for Females, both projected with MP-2014 Ultimate Projection Scale.

Safety members: PubS-2010 Healthy Retiree Mortality Table for Females, with MP-2014 Ultimate Projection Scale.

Mortality while in Active Status

For active members, the mortality probabilities used in the valuation are illustrated in Tables A-6 through A-13. The amount-weighted Pub-2010 mortality tables are used. These probabilities were adopted June 30, 2019.

Class	Gender	Proposed Table
General	Male	PubG-2010 (120%) Employee Male ⁽¹⁾
General	Female	PubG-2010 (130%) Employee Female ⁽¹⁾
Safety	Male	PubS-2010 (100%) Employee Male ⁽¹⁾
Safety	Female	PubS-2010 (100%) Employee Female ⁽¹⁾

1. Projected using the MP-2014 Ultimate projection scale.

Note that Safety members have an additional service-connected mortality probability of 0.01% per year.

Other Employment Terminations

Tables A-6 to A-13 show, for all ages, the probabilities assumed in this valuation for future termination from active service other than for death, disability, or retirement. These probabilities do not apply to members eligible for service retirement. These probabilities were adopted June 30, 2019.

Terminating employees may withdraw their contributions immediately upon termination of employment and forfeit the right to further benefits, or they may leave their contributions with LACERA. Former contributing members whose contributions are on deposit may later elect to receive a refund, may return to work, or may remain inactive until becoming eligible to receive a retirement benefit under either LACERA or a reciprocal retirement system. All terminating members who are not eligible for vested benefits are assumed to withdraw their contributions immediately. It is assumed that all terminating members will not be rehired in the future.

Table A-4 gives the assumed probabilities that vested members will withdraw their contributions and elect a refund immediately upon termination and the probability that remaining members will elect a deferred vested benefit. All non-vested members are assumed to elect a refund and withdraw their contributions. These probabilities were adopted June 30, 2019.

Probability of Eligible Survivors

For members not currently in pay status, 77% of all males and 50% of all females are assumed to have eligible survivors (spouses or qualified domestic partners). Survivors are assumed to be four years younger than male members and two years older than female members. Survivors are assumed to be of the opposite gender as the member. There is no explicit assumption for children's benefits. We believe the survivor benefits based on this assumption are sufficient to cover children's benefits as they occur.

Valuation of Vested Former Members

The deferred retirement benefit is calculated based on the member's final compensation and service at termination. The compensation amount is projected until the assumed retirement age for members who are assumed to be employed by a reciprocal agency. For members who are missing compensation data, Final Compensation is estimated as the average amount for all members who terminated during the same year and had a valid compensation amount. The greater of the present value of the calculated benefit and the employee's current contribution balance is valued for future deferred vested members.

Reciprocal Employment

16% of General and 35% of Safety current and future vested former members are assumed to work for a reciprocal employer.

Current vested reciprocal members are assumed to receive annual salary increases of 4.25%. Future reciprocal vested members are assumed to receive the same salary increases they would have received if they had stayed in active employment with LACERA and retired at the assumed retirement age.

Valuation of Annuity Purchases

Over 30 years ago, LACERA purchased single life annuities from two insurance companies for some retired members (currently less than 1% of the retired population). The total liability for these members is calculated and then offset by the expected value of the benefit to be paid by the insurance companies.

For affected members, the insurance companies are responsible for:

1. Straight life annuity payments
2. Statutory COLAs

LACERA is responsible for:

1. Benefit payments payable to any beneficiary
2. STAR COLAs

Member Contribution Rate Assumptions

The following assumptions summarize the procedures used to compute member contribution rates based on entry age:

In general, the member rate is determined by the Present Value of the Future Benefit (PVFB) payable at retirement age, divided by the present value of all future salaries payable between age at entry and retirement age. For these purposes, per the CERL:

- A. The Annuity factor used for general members is based on a 35% / 65% blend of the male and female valuation mortality tables and projection scale, with a static projection to 2041. For Safety members, it is based on an 85% / 15% blend of the male and female annuity factors determined using the same mortality tables as used for service-retired members.

- B. The annuity factor used in determining the present value of future benefits (PVFB) at entry age is equal to the life only annuity factor at 7.00%.
- C. The Final Compensation is based on the salary paid in the year prior to attaining the retirement age.
- D. Example: For a General Plan C Member who enters at age 59 or earlier, the Final Compensation at retirement (age 60) will be the monthly average of the annual salaries during age 59.
- E. Member Rates are assumed to increase with entry age. There are a few exceptions at the higher entry ages where the calculated rate is less than the previous entry age. In these cases the member contribution rate is adjusted so that it is no less than the value for the previous entry age.

Table A-1
Summary of Valuation Assumptions as of June 30, 2021

- I. Economic assumptions
 - A. General wage increases 3.25%
 - B. Investment earnings 7.00%
 - C. Growth in membership 0.00%
 - D. Postretirement benefit increases (varies by plan) Plan COLA not greater than CPI assumption.
 - E. CPI inflation assumption 2.75%
- II. Demographic assumptions
 - A. Salary increases due to service Table A-5
 - B. Retirement Tables A-6 to A-13
 - C. Disability Tables A-6 to A-13
 - D. Mortality during active employment Tables A-6 to A-13
 - E. Mortality for active members after termination and service retired members⁽¹⁾ Table A-2

Class	Gender	
General	Male	PubG-2010 (100%) Healthy Retiree Male
General	Female	PubG-2010 (110%) Healthy Retiree Female
Safety	Male	PubS-2010 (85%) Healthy Retiree Male
Safety	Female	PubS-2010 (100%) Healthy Retiree Female

- F. Mortality among disabled members⁽¹⁾ Table A-3

Class	Gender	
General	Male	Avg of: PubG-2010 (100%) Healthy Retiree Male PubG-2010 (100%) Disabled Retiree Male
General	Female	Avg of: PubG-2010 (100%) Healthy Retiree Female PubG-2010 (100%) Disabled Retiree Female
Safety	Male	PubS-2010 (100%) Healthy Retiree Male
Safety	Female	PubS-2010 (100%) Healthy Retiree Female

- G. Mortality for beneficiaries⁽¹⁾ Table A-2
 Basis – Beneficiaries are assumed to have the same mortality as a general member of the opposite gender who has taken a service retirement.
- H. Other terminations of employment Tables A-6 to A-13
- I. Refund of contributions on vested termination Table A-4

1. All mortality probabilities are projected using the MP-2014 Ultimate projection scale.

Table A-2
Mortality for Members Retired for Service⁽¹⁾

<u>Age</u>	<u>Safety Male</u>	<u>Safety Female</u>	<u>General Male</u>	<u>General Female</u>
20	0.0520%	0.0210%	0.0740%	0.0380%
25	0.0470%	0.0260%	0.0560%	0.0260%
30	0.0520%	0.0350%	0.0720%	0.0440%
35	0.0590%	0.0470%	0.0940%	0.0680%
40	0.0750%	0.0640%	0.1320%	0.1060%
45	0.1037%	0.0870%	0.1960%	0.1650%
50	0.1632%	0.1490%	0.2980%	0.2442%
55	0.2601%	0.2580%	0.4310%	0.3146%
60	0.4318%	0.4460%	0.6150%	0.4224%
65	0.7489%	0.7700%	0.9130%	0.6743%
70	1.3328%	1.3290%	1.5260%	1.1693%
75	2.4021%	2.2950%	2.6710%	2.0713%
80	4.3376%	3.9620%	4.7740%	3.6960%
85	7.7648%	6.8420%	8.5910%	6.8255%
90	13.4810%	11.8150%	14.6720%	12.6357%

<u>Age</u>	<u>All Groups</u>
65 & Less	1.000%
70	1.000%
75	1.000%
80	1.000%
85	1.000%
90	0.930%
95	0.850%
100	0.640%
105	0.430%
110	0.210%
115	0.000%

1. Mortality probabilities are those applicable for the fiscal year beginning in 2010. Annual projected improvements are assumed in the following years under the schedule shown. For example, the annual mortality probability for an 85-year old Safety male in fiscal year beginning in 2021 is 76.9521% calculated as follows:

$$\begin{aligned}
 \text{Age 85 probability in 2021} &= \text{Age 85 probability in 2010 with 11 years improvement} \\
 &= 7.7648\% \times (100.0\% - 1.0\%)^{11} \\
 &= 6.9521\%
 \end{aligned}$$

Table A-3
Mortality for Members Retired for Disability⁽¹⁾

Age	Safety Male	Safety Female	General Male	General Female
20	0.0610%	0.0210%	0.2430%	0.1340%
25	0.0550%	0.0260%	0.1670%	0.0940%
30	0.0610%	0.0350%	0.2130%	0.1485%
35	0.0700%	0.0470%	0.2760%	0.2315%
40	0.0880%	0.0640%	0.3885%	0.3625%
45	0.1220%	0.0870%	0.6015%	0.5675%
50	0.1920%	0.1490%	0.9515%	0.8525%
55	0.3060%	0.2580%	1.2725%	1.0140%
60	0.5080%	0.4460%	1.5590%	1.1700%
65	0.8810%	0.7700%	1.9785%	1.4345%
70	1.5680%	1.3290%	2.7135%	1.9625%
75	2.8260%	2.2950%	3.9315%	2.9430%
80	5.1030%	3.9620%	6.0610%	4.6835%
85	9.1350%	6.8420%	9.7030%	7.7680%
90	15.8600%	11.8150%	15.4625%	12.5760%

1. Mortality probabilities are those applicable for the fiscal year beginning in 2010. Annual projected improvements are assumed in the following years under the schedule shown on the preceding page.

Table A-4
Immediate Refund of Contributions upon Termination of Employment
(Excludes Plan E)

Years of Service	General	Safety
0	100%	100%
1	100%	100%
2	100%	100%
3	100%	100%
4	100%	100%
5	32%	30%
6	32%	30%
7	32%	30%
8	32%	28%
9	31%	26%
10	31%	24%
11	30%	22%
12	30%	20%
13	29%	18%
14	28%	16%
15	26%	14%
16	25%	12%
17	24%	10%
18	22%	9%
19	21%	8%
20	19%	7%
21	18%	6%
22	16%	5%
23	14%	4%
24	12%	3%
25	10%	2%
26	8%	2%
27	6%	2%
28	4%	2%
29	2%	2%
30 & Above	0%	0%

Table A-5
Annual Increase in Salary⁽¹⁾

Years of Service	General	Safety
<1	6.00%	9.00%
1	5.25%	8.50%
2	4.75%	8.00%
3	4.10%	6.00%
4	3.50%	4.50%
5	3.00%	3.25%
6	2.50%	2.50%
7	2.00%	2.00%
8	1.60%	1.50%
9	1.30%	1.35%
10	1.15%	1.20%
11	1.00%	1.05%
12	0.85%	0.95%
13	0.75%	0.85%
14	0.70%	0.75%
15	0.65%	0.70%
16	0.60%	0.65%
17	0.55%	0.60%
18	0.50%	0.55%
19	0.45%	2.25%
20	0.40%	0.50%
21	0.35%	0.50%
22	0.30%	0.50%
23	0.25%	0.50%
24	0.25%	3.00%
25	0.25%	0.50%
26	0.25%	0.50%
27	0.25%	0.50%
28	0.25%	0.50%
29	0.25%	3.00%
30 & Above	0.25%	0.50%

1. The total expected increase in salary includes both merit (shown above) and the general wage increase assumption of 3.25% per annum increase. The total result is compounded rather than additive. For example, the total assumed increase for General members for service less than one year is 9.45%.

Appendix A Probabilities of Separation from Active Service Tables A-6 to A-13

A schedule of the probabilities of termination of employment due to the following causes can be found on the following pages:

Service Retirement:	Member retires after meeting age and service requirements for reasons other than disability.
Withdrawal:	Member terminates and elects a refund of member contributions, or a deferred vested retirement benefit.
Service Disability:	Member receives disability retirement; disability is service related.
Ordinary Disability:	Member receives disability retirement; disability is not service related.
Service Death:	Member dies before retirement; death is service related.
Ordinary Death:	Member dies before retirement; death is not service related.

Each of these represents the probability that a member will separate from service at each age due to the particular cause. For example, a probability of 0.0300 for a member's service retirement at age 50 means we assume that 30 out of 1,000 members who are age 50 will retire at that age.

Each table represents the detailed probabilities needed for each LACERA plan by gender:

Table A-6: General Plan A, B & C – Males	A-10: General Plan E – Males
A-7: General Plan A, B & C – Females	A-11: General Plan E – Females
A-8: General Plan D & G – Males	A-12: Safety Plan A, B & C – Males
A-9: General Plan D & G – Females	A-13: Safety Plan A, B & C – Females

Table A-6
Probability of Separation from Active Service for General Members
Plans A, B & C – Male

Age	Service Retirement	Other Terminations	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.00000	0.00500	0.00010	0.00010	N/A	0.00043
19	0.00000	0.00500	0.00010	0.00010	N/A	0.00046
20	0.00000	0.00500	0.00010	0.00010	N/A	0.00044
21	0.00000	0.00500	0.00010	0.00010	N/A	0.00043
22	0.00000	0.00500	0.00010	0.00010	N/A	0.00040
23	0.00000	0.00500	0.00010	0.00010	N/A	0.00037
24	0.00000	0.00500	0.00010	0.00010	N/A	0.00035
25	0.00000	0.00500	0.00010	0.00010	N/A	0.00034
26	0.00000	0.00500	0.00010	0.00010	N/A	0.00036
27	0.00000	0.00500	0.00010	0.00010	N/A	0.00037
28	0.00000	0.00500	0.00010	0.00010	N/A	0.00040
29	0.00000	0.00500	0.00010	0.00010	N/A	0.00041
30	0.00000	0.00500	0.00010	0.00020	N/A	0.00043
31	0.00000	0.00500	0.00010	0.00020	N/A	0.00046
32	0.00000	0.00500	0.00010	0.00020	N/A	0.00048
33	0.00000	0.00500	0.00016	0.00020	N/A	0.00050
34	0.00000	0.00500	0.00022	0.00020	N/A	0.00053
35	0.00000	0.00500	0.00028	0.00020	N/A	0.00056
36	0.00000	0.00500	0.00034	0.00020	N/A	0.00060
37	0.00000	0.00500	0.00040	0.00020	N/A	0.00064
38	0.00000	0.00500	0.00048	0.00020	N/A	0.00068
39	0.00000	0.00500	0.00056	0.00020	N/A	0.00073
40	0.03000	0.00500	0.00064	0.00020	N/A	0.00079
41	0.03000	0.00500	0.00072	0.00020	N/A	0.00085
42	0.03000	0.00500	0.00080	0.00020	N/A	0.00092
43	0.03000	0.00500	0.00084	0.00024	N/A	0.00100
44	0.03000	0.00500	0.00088	0.00028	N/A	0.00108
45	0.03000	0.00500	0.00092	0.00032	N/A	0.00118
46	0.03000	0.00500	0.00096	0.00036	N/A	0.00128
47	0.03000	0.00500	0.00100	0.00040	N/A	0.00139
48	0.03000	0.00500	0.00104	0.00044	N/A	0.00152
49	0.03000	0.00500	0.00108	0.00048	N/A	0.00166
50	0.03000	0.00500	0.00112	0.00052	N/A	0.00179
51	0.03000	0.00500	0.00116	0.00056	N/A	0.00194
52	0.03000	0.00500	0.00120	0.00060	N/A	0.00210
53	0.03000	0.00500	0.00156	0.00064	N/A	0.00227
54	0.06000	0.00500	0.00192	0.00068	N/A	0.00244
55	0.10000	0.00500	0.00228	0.00072	N/A	0.00263
56	0.12000	0.00500	0.00264	0.00076	N/A	0.00283
57	0.17000	0.00500	0.00300	0.00080	N/A	0.00306
58	0.26000	0.00500	0.00330	0.00084	N/A	0.00330
59	0.26000	0.00500	0.00360	0.00088	N/A	0.00355
60	0.32000	0.00500	0.00390	0.00092	N/A	0.00383
61	0.32000	0.00500	0.00420	0.00096	N/A	0.00413
62	0.32000	0.00500	0.00450	0.00100	N/A	0.00445
63	0.32000	0.00500	0.00450	0.00104	N/A	0.00481
64	0.32000	0.00500	0.00450	0.00108	N/A	0.00520
65	0.32000	0.00500	0.00450	0.00112	N/A	0.00562
66	0.25000	0.00500	0.00450	0.00116	N/A	0.00607
67	0.24000	0.00500	0.00450	0.00120	N/A	0.00658
68	0.24000	0.00500	0.00450	0.00124	N/A	0.00713
69	0.24000	0.00500	0.00450	0.00128	N/A	0.00775
70	0.24000	0.00500	0.00450	0.00132	N/A	0.00844
71	0.24000	0.00500	0.00450	0.00136	N/A	0.00920
72	0.24000	0.00500	0.00450	0.00140	N/A	0.01004
73	0.24000	0.00500	0.00450	0.00144	N/A	0.01098
74	0.24000	0.00500	0.00450	0.00148	N/A	0.01201
75	1.00000	0.00000	0.00000	0.00000	N/A	0.01315

Table A-7
Probability of Separation from Active Service for General Members
Plans A, B & C – Female

<u>Age</u>	<u>Service Retirement</u>	<u>Other Terminations</u>	<u>Service Disability</u>	<u>Ordinary Disability</u>	<u>Service Death</u>	<u>Ordinary Death</u>
18	0.00000	0.00500	0.00015	0.00010	N/A	0.00017
19	0.00000	0.00500	0.00015	0.00010	N/A	0.00017
20	0.00000	0.00500	0.00015	0.00010	N/A	0.00017
21	0.00000	0.00500	0.00015	0.00010	N/A	0.00016
22	0.00000	0.00500	0.00015	0.00010	N/A	0.00014
23	0.00000	0.00500	0.00015	0.00010	N/A	0.00013
24	0.00000	0.00500	0.00015	0.00010	N/A	0.00012
25	0.00000	0.00500	0.00015	0.00010	N/A	0.00012
26	0.00000	0.00500	0.00015	0.00010	N/A	0.00013
27	0.00000	0.00500	0.00015	0.00010	N/A	0.00014
28	0.00000	0.00500	0.00015	0.00010	N/A	0.00016
29	0.00000	0.00500	0.00015	0.00010	N/A	0.00017
30	0.00000	0.00500	0.00015	0.00010	N/A	0.00020
31	0.00000	0.00500	0.00015	0.00010	N/A	0.00021
32	0.00000	0.00500	0.00015	0.00010	N/A	0.00023
33	0.00000	0.00500	0.00020	0.00010	N/A	0.00025
34	0.00000	0.00500	0.00025	0.00010	N/A	0.00027
35	0.00000	0.00500	0.00030	0.00010	N/A	0.00030
36	0.00000	0.00500	0.00035	0.00010	N/A	0.00033
37	0.00000	0.00500	0.00040	0.00010	N/A	0.00036
38	0.00000	0.00500	0.00042	0.00014	N/A	0.00039
39	0.00000	0.00500	0.00044	0.00018	N/A	0.00043
40	0.03000	0.00500	0.00046	0.00022	N/A	0.00047
41	0.03000	0.00500	0.00048	0.00026	N/A	0.00052
42	0.03000	0.00500	0.00050	0.00030	N/A	0.00056
43	0.03000	0.00500	0.00060	0.00032	N/A	0.00061
44	0.03000	0.00500	0.00070	0.00034	N/A	0.00066
45	0.03000	0.00500	0.00080	0.00036	N/A	0.00073
46	0.03000	0.00500	0.00090	0.00038	N/A	0.00079
47	0.03000	0.00500	0.00100	0.00040	N/A	0.00086
48	0.03000	0.00500	0.00110	0.00042	N/A	0.00092
49	0.03000	0.00500	0.00120	0.00044	N/A	0.00100
50	0.03000	0.00500	0.00130	0.00046	N/A	0.00108
51	0.03000	0.00500	0.00140	0.00048	N/A	0.00117
52	0.03000	0.00500	0.00150	0.00050	N/A	0.00126
53	0.03000	0.00500	0.00156	0.00052	N/A	0.00137
54	0.06000	0.00500	0.00162	0.00054	N/A	0.00147
55	0.10000	0.00500	0.00168	0.00056	N/A	0.00160
56	0.12000	0.00500	0.00174	0.00058	N/A	0.00173
57	0.17000	0.00500	0.00180	0.00060	N/A	0.00187
58	0.26000	0.00500	0.00194	0.00064	N/A	0.00203
59	0.26000	0.00500	0.00208	0.00068	N/A	0.00221
60	0.32000	0.00500	0.00222	0.00072	N/A	0.00242
61	0.32000	0.00500	0.00236	0.00076	N/A	0.00264
62	0.32000	0.00500	0.00250	0.00080	N/A	0.00289
63	0.32000	0.00500	0.00250	0.00084	N/A	0.00317
64	0.32000	0.00500	0.00250	0.00088	N/A	0.00350
65	0.32000	0.00500	0.00250	0.00092	N/A	0.00385
66	0.25000	0.00500	0.00250	0.00096	N/A	0.00425
67	0.24000	0.00500	0.00250	0.00100	N/A	0.00471
68	0.24000	0.00500	0.00250	0.00104	N/A	0.00520
69	0.24000	0.00500	0.00250	0.00108	N/A	0.00575
70	0.24000	0.00500	0.00250	0.00112	N/A	0.00636
71	0.24000	0.00500	0.00250	0.00116	N/A	0.00703
72	0.24000	0.00500	0.00250	0.00120	N/A	0.00777
73	0.24000	0.00500	0.00250	0.00124	N/A	0.00859
74	0.24000	0.00500	0.00250	0.00128	N/A	0.00950
75	1.00000	0.00000	0.00000	0.00000	N/A	0.01050

Table A-8
Probability of Separation from Active Service for General Members
Plan D & G – Male

Age	Service Retirement Plan D	Service Retirement Plan G	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.00000	0.00000	0.00010	0.00010	N/A	0.00043	0	0.07000
19	0.00000	0.00000	0.00010	0.00010	N/A	0.00046	1	0.05500
20	0.00000	0.00000	0.00010	0.00010	N/A	0.00044	2	0.04000
21	0.00000	0.00000	0.00010	0.00010	N/A	0.00043	3	0.03250
22	0.00000	0.00000	0.00010	0.00010	N/A	0.00040	4	0.02500
23	0.00000	0.00000	0.00010	0.00010	N/A	0.00037	5	0.02330
24	0.00000	0.00000	0.00010	0.00010	N/A	0.00035	6	0.02170
25	0.00000	0.00000	0.00010	0.00010	N/A	0.00034	7	0.02000
26	0.00000	0.00000	0.00010	0.00010	N/A	0.00036	8	0.01900
27	0.00000	0.00000	0.00010	0.00010	N/A	0.00037	9	0.01800
28	0.00000	0.00000	0.00010	0.00010	N/A	0.00040	10	0.01700
29	0.00000	0.00000	0.00010	0.00010	N/A	0.00041	11	0.01600
30	0.00000	0.00000	0.00010	0.00020	N/A	0.00043	12	0.01500
31	0.00000	0.00000	0.00010	0.00020	N/A	0.00046	13	0.01400
32	0.00000	0.00000	0.00010	0.00020	N/A	0.00048	14	0.01300
33	0.00000	0.00000	0.00016	0.00020	N/A	0.00050	15	0.01200
34	0.00000	0.00000	0.00022	0.00020	N/A	0.00053	16	0.01100
35	0.00000	0.00000	0.00028	0.00020	N/A	0.00056	17	0.01000
36	0.00000	0.00000	0.00034	0.00020	N/A	0.00060	18	0.00920
37	0.00000	0.00000	0.00040	0.00020	N/A	0.00064	19	0.00840
38	0.00000	0.00000	0.00048	0.00020	N/A	0.00068	20	0.00760
39	0.00000	0.00000	0.00056	0.00020	N/A	0.00073	21	0.00680
40	0.01500	0.00000	0.00064	0.00020	N/A	0.00079	22	0.00600
41	0.01500	0.00000	0.00072	0.00020	N/A	0.00085	23	0.00560
42	0.01500	0.00000	0.00080	0.00020	N/A	0.00092	24	0.00520
43	0.01500	0.00000	0.00084	0.00024	N/A	0.00100	25	0.00480
44	0.01500	0.00000	0.00088	0.00028	N/A	0.00108	26	0.00440
45	0.01500	0.00000	0.00092	0.00032	N/A	0.00118	27	0.00400
46	0.01500	0.00000	0.00096	0.00036	N/A	0.00128	28	0.00400
47	0.01500	0.00000	0.00100	0.00040	N/A	0.00139	29	0.00400
48	0.01500	0.00000	0.00104	0.00044	N/A	0.00152	30 & Above	0.00000
49	0.01500	0.00000	0.00108	0.00048	N/A	0.00166		
50	0.01500	0.01200	0.00112	0.00052	N/A	0.00179		
51	0.01200	0.00960	0.00116	0.00056	N/A	0.00194		
52	0.01200	0.00960	0.00120	0.00060	N/A	0.00210		
53	0.01500	0.01200	0.00156	0.00064	N/A	0.00227		
54	0.02000	0.01600	0.00192	0.00068	N/A	0.00244		
55	0.02500	0.02000	0.00228	0.00072	N/A	0.00263		
56	0.02500	0.02000	0.00264	0.00076	N/A	0.00283		
57	0.03000	0.02400	0.00300	0.00080	N/A	0.00306		
58	0.03500	0.02800	0.00330	0.00084	N/A	0.00330		
59	0.05000	0.04000	0.00360	0.00088	N/A	0.00355		
60	0.07000	0.05600	0.00390	0.00092	N/A	0.00383		
61	0.08000	0.06400	0.00420	0.00096	N/A	0.00413		
62	0.11000	0.11000	0.00450	0.00100	N/A	0.00445		
63	0.11000	0.11000	0.00450	0.00104	N/A	0.00481		
64	0.16000	0.16000	0.00450	0.00108	N/A	0.00520		
65	0.23000	0.18000	0.00450	0.00112	N/A	0.00562		
66	0.20000	0.18000	0.00450	0.00116	N/A	0.00607		
67	0.19000	0.30000	0.00450	0.00120	N/A	0.00658		
68	0.18000	0.18000	0.00450	0.00124	N/A	0.00713		
69	0.20000	0.20000	0.00450	0.00128	N/A	0.00775		
70	0.23000	0.23000	0.00450	0.00132	N/A	0.00844		
71	0.20000	0.20000	0.00450	0.00136	N/A	0.00920		
72	0.20000	0.20000	0.00450	0.00140	N/A	0.01004		
73	0.20000	0.20000	0.00450	0.00144	N/A	0.01098		
74	0.20000	0.20000	0.00450	0.00148	N/A	0.01201		
75	1.00000	1.00000	0.00000	0.00000	N/A	0.01315		

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Table A-9
Probability of Separation from Active Service for General Members
Plan D & G – Female

Age	Service Retirement Plan D	Service Retirement Plan G	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.00000	0.00000	0.00015	0.00010	N/A	0.00017	0	0.07000
19	0.00000	0.00000	0.00015	0.00010	N/A	0.00017	1	0.05500
20	0.00000	0.00000	0.00015	0.00010	N/A	0.00017	2	0.04000
21	0.00000	0.00000	0.00015	0.00010	N/A	0.00016	3	0.03250
22	0.00000	0.00000	0.00015	0.00010	N/A	0.00014	4	0.02500
23	0.00000	0.00000	0.00015	0.00010	N/A	0.00013	5	0.02330
24	0.00000	0.00000	0.00015	0.00010	N/A	0.00012	6	0.02170
25	0.00000	0.00000	0.00015	0.00010	N/A	0.00012	7	0.02000
26	0.00000	0.00000	0.00015	0.00010	N/A	0.00013	8	0.01900
27	0.00000	0.00000	0.00015	0.00010	N/A	0.00014	9	0.01800
28	0.00000	0.00000	0.00015	0.00010	N/A	0.00016	10	0.01700
29	0.00000	0.00000	0.00015	0.00010	N/A	0.00017	11	0.01600
30	0.00000	0.00000	0.00015	0.00010	N/A	0.00020	12	0.01500
31	0.00000	0.00000	0.00015	0.00010	N/A	0.00021	13	0.01400
32	0.00000	0.00000	0.00015	0.00010	N/A	0.00023	14	0.01300
33	0.00000	0.00000	0.00020	0.00010	N/A	0.00025	15	0.01200
34	0.00000	0.00000	0.00025	0.00010	N/A	0.00027	16	0.01100
35	0.00000	0.00000	0.00030	0.00010	N/A	0.00030	17	0.01000
36	0.00000	0.00000	0.00035	0.00010	N/A	0.00033	18	0.00920
37	0.00000	0.00000	0.00040	0.00010	N/A	0.00036	19	0.00840
38	0.00000	0.00000	0.00042	0.00014	N/A	0.00039	20	0.00760
39	0.00000	0.00000	0.00044	0.00018	N/A	0.00043	21	0.00680
40	0.01500	0.00000	0.00046	0.00022	N/A	0.00047	22	0.00600
41	0.01500	0.00000	0.00048	0.00026	N/A	0.00052	23	0.00560
42	0.01500	0.00000	0.00050	0.00030	N/A	0.00056	24	0.00520
43	0.01500	0.00000	0.00060	0.00032	N/A	0.00061	25	0.00480
44	0.01500	0.00000	0.00070	0.00034	N/A	0.00066	26	0.00440
45	0.01500	0.00000	0.00080	0.00036	N/A	0.00073	27	0.00400
46	0.01500	0.00000	0.00090	0.00038	N/A	0.00079	28	0.00400
47	0.01500	0.00000	0.00100	0.00040	N/A	0.00086	29	0.00400
48	0.01500	0.00000	0.00110	0.00042	N/A	0.00092	30 & Above	0.00000
49	0.01500	0.00000	0.00120	0.00044	N/A	0.00100		
50	0.01500	0.01200	0.00130	0.00046	N/A	0.00108		
51	0.01200	0.00960	0.00140	0.00048	N/A	0.00117		
52	0.01200	0.00960	0.00150	0.00050	N/A	0.00126		
53	0.01500	0.01200	0.00156	0.00052	N/A	0.00137		
54	0.02000	0.01600	0.00162	0.00054	N/A	0.00147		
55	0.02500	0.02000	0.00168	0.00056	N/A	0.00160		
56	0.02500	0.02000	0.00174	0.00058	N/A	0.00173		
57	0.03000	0.02400	0.00180	0.00060	N/A	0.00187		
58	0.03500	0.02800	0.00194	0.00064	N/A	0.00203		
59	0.05000	0.04000	0.00208	0.00068	N/A	0.00221		
60	0.07000	0.05600	0.00222	0.00072	N/A	0.00242		
61	0.08000	0.06400	0.00236	0.00076	N/A	0.00264		
62	0.11000	0.11000	0.00250	0.00080	N/A	0.00289		
63	0.11000	0.11000	0.00250	0.00084	N/A	0.00317		
64	0.16000	0.16000	0.00250	0.00088	N/A	0.00350		
65	0.23000	0.18000	0.00250	0.00092	N/A	0.00385		
66	0.20000	0.18000	0.00250	0.00096	N/A	0.00425		
67	0.19000	0.30000	0.00250	0.00100	N/A	0.00471		
68	0.18000	0.18000	0.00250	0.00104	N/A	0.00520		
69	0.20000	0.20000	0.00250	0.00108	N/A	0.00575		
70	0.23000	0.23000	0.00250	0.00112	N/A	0.00636		
71	0.20000	0.20000	0.00250	0.00116	N/A	0.00703		
72	0.20000	0.20000	0.00250	0.00120	N/A	0.00777		
73	0.20000	0.20000	0.00250	0.00124	N/A	0.00859		
74	0.20000	0.20000	0.00250	0.00128	N/A	0.00950		
75	1.00000	1.00000	0.00000	0.00000	N/A	0.01050		

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Table A-10
Probability of Separation from Active Service for General Members
Plan E – Male

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.00000	N/A	N/A	N/A	0.00043	0	0.15000
19	0.00000	N/A	N/A	N/A	0.00046	1	0.08000
20	0.00000	N/A	N/A	N/A	0.00044	2	0.06000
21	0.00000	N/A	N/A	N/A	0.00043	3	0.04500
22	0.00000	N/A	N/A	N/A	0.00040	4	0.03500
23	0.00000	N/A	N/A	N/A	0.00037	5	0.03100
24	0.00000	N/A	N/A	N/A	0.00035	6	0.02700
25	0.00000	N/A	N/A	N/A	0.00034	7	0.02300
26	0.00000	N/A	N/A	N/A	0.00036	8	0.02200
27	0.00000	N/A	N/A	N/A	0.00037	9	0.02100
28	0.00000	N/A	N/A	N/A	0.00040	10	0.02000
29	0.00000	N/A	N/A	N/A	0.00041	11	0.01900
30	0.00000	N/A	N/A	N/A	0.00043	12	0.01800
31	0.00000	N/A	N/A	N/A	0.00046	13	0.01680
32	0.00000	N/A	N/A	N/A	0.00048	14	0.01560
33	0.00000	N/A	N/A	N/A	0.00050	15	0.01440
34	0.00000	N/A	N/A	N/A	0.00053	16	0.01320
35	0.00000	N/A	N/A	N/A	0.00056	17	0.01200
36	0.00000	N/A	N/A	N/A	0.00060	18	0.01160
37	0.00000	N/A	N/A	N/A	0.00064	19	0.01120
38	0.00000	N/A	N/A	N/A	0.00068	20	0.01080
39	0.00000	N/A	N/A	N/A	0.00073	21	0.01040
40	0.00000	N/A	N/A	N/A	0.00079	22	0.01000
41	0.00000	N/A	N/A	N/A	0.00085	23	0.01000
42	0.00000	N/A	N/A	N/A	0.00092	24	0.01000
43	0.00000	N/A	N/A	N/A	0.00100	25	0.01000
44	0.00000	N/A	N/A	N/A	0.00108	26	0.01000
45	0.00000	N/A	N/A	N/A	0.00118	27	0.01000
46	0.00000	N/A	N/A	N/A	0.00128	28	0.01000
47	0.00000	N/A	N/A	N/A	0.00139	29	0.01000
48	0.00000	N/A	N/A	N/A	0.00152	30 & Above	0.01000
49	0.00000	N/A	N/A	N/A	0.00166		
50	0.00000	N/A	N/A	N/A	0.00179		
51	0.00000	N/A	N/A	N/A	0.00194		
52	0.00000	N/A	N/A	N/A	0.00210		
53	0.00000	N/A	N/A	N/A	0.00227		
54	0.00000	N/A	N/A	N/A	0.00244		
55	0.02000	N/A	N/A	N/A	0.00263		
56	0.02000	N/A	N/A	N/A	0.00283		
57	0.02500	N/A	N/A	N/A	0.00306		
58	0.02500	N/A	N/A	N/A	0.00330		
59	0.03000	N/A	N/A	N/A	0.00355		
60	0.04000	N/A	N/A	N/A	0.00383		
61	0.06000	N/A	N/A	N/A	0.00413		
62	0.09000	N/A	N/A	N/A	0.00445		
63	0.09000	N/A	N/A	N/A	0.00481		
64	0.20000	N/A	N/A	N/A	0.00520		
65	0.28000	N/A	N/A	N/A	0.00562		
66	0.19000	N/A	N/A	N/A	0.00607		
67	0.19000	N/A	N/A	N/A	0.00658		
68	0.19000	N/A	N/A	N/A	0.00713		
69	0.19000	N/A	N/A	N/A	0.00775		
70	0.19000	N/A	N/A	N/A	0.00844		
71	0.19000	N/A	N/A	N/A	0.00920		
72	0.19000	N/A	N/A	N/A	0.01004		
73	0.19000	N/A	N/A	N/A	0.01098		
74	0.19000	N/A	N/A	N/A	0.01201		
75	1.00000	N/A	N/A	N/A	0.01315		

Table A-11
Probability of Separation from Active Service for General Members
Plan E – Female

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.00000	N/A	N/A	N/A	0.00017	0	0.15000
19	0.00000	N/A	N/A	N/A	0.00017	1	0.08000
20	0.00000	N/A	N/A	N/A	0.00017	2	0.06000
21	0.00000	N/A	N/A	N/A	0.00016	3	0.04500
22	0.00000	N/A	N/A	N/A	0.00014	4	0.03500
23	0.00000	N/A	N/A	N/A	0.00013	5	0.03100
24	0.00000	N/A	N/A	N/A	0.00012	6	0.02700
25	0.00000	N/A	N/A	N/A	0.00012	7	0.02300
26	0.00000	N/A	N/A	N/A	0.00013	8	0.02200
27	0.00000	N/A	N/A	N/A	0.00014	9	0.02100
28	0.00000	N/A	N/A	N/A	0.00016	10	0.02000
29	0.00000	N/A	N/A	N/A	0.00017	11	0.01900
30	0.00000	N/A	N/A	N/A	0.00020	12	0.01800
31	0.00000	N/A	N/A	N/A	0.00021	13	0.01680
32	0.00000	N/A	N/A	N/A	0.00023	14	0.01560
33	0.00000	N/A	N/A	N/A	0.00025	15	0.01440
34	0.00000	N/A	N/A	N/A	0.00027	16	0.01320
35	0.00000	N/A	N/A	N/A	0.00030	17	0.01200
36	0.00000	N/A	N/A	N/A	0.00033	18	0.01160
37	0.00000	N/A	N/A	N/A	0.00036	19	0.01120
38	0.00000	N/A	N/A	N/A	0.00039	20	0.01080
39	0.00000	N/A	N/A	N/A	0.00043	21	0.01040
40	0.00000	N/A	N/A	N/A	0.00047	22	0.01000
41	0.00000	N/A	N/A	N/A	0.00052	23	0.01000
42	0.00000	N/A	N/A	N/A	0.00056	24	0.01000
43	0.00000	N/A	N/A	N/A	0.00061	25	0.01000
44	0.00000	N/A	N/A	N/A	0.00066	26	0.01000
45	0.00000	N/A	N/A	N/A	0.00073	27	0.01000
46	0.00000	N/A	N/A	N/A	0.00079	28	0.01000
47	0.00000	N/A	N/A	N/A	0.00086	29	0.01000
48	0.00000	N/A	N/A	N/A	0.00092	30 & Above	0.01000
49	0.00000	N/A	N/A	N/A	0.00100		
50	0.00000	N/A	N/A	N/A	0.00108		
51	0.00000	N/A	N/A	N/A	0.00117		
52	0.00000	N/A	N/A	N/A	0.00126		
53	0.00000	N/A	N/A	N/A	0.00137		
54	0.00000	N/A	N/A	N/A	0.00147		
55	0.02000	N/A	N/A	N/A	0.00160		
56	0.02000	N/A	N/A	N/A	0.00173		
57	0.02500	N/A	N/A	N/A	0.00187		
58	0.02500	N/A	N/A	N/A	0.00203		
59	0.03000	N/A	N/A	N/A	0.00221		
60	0.04000	N/A	N/A	N/A	0.00242		
61	0.06000	N/A	N/A	N/A	0.00264		
62	0.09000	N/A	N/A	N/A	0.00289		
63	0.09000	N/A	N/A	N/A	0.00317		
64	0.20000	N/A	N/A	N/A	0.00350		
65	0.28000	N/A	N/A	N/A	0.00385		
66	0.19000	N/A	N/A	N/A	0.00425		
67	0.19000	N/A	N/A	N/A	0.00471		
68	0.19000	N/A	N/A	N/A	0.00520		
69	0.19000	N/A	N/A	N/A	0.00575		
70	0.19000	N/A	N/A	N/A	0.00636		
71	0.19000	N/A	N/A	N/A	0.00703		
72	0.19000	N/A	N/A	N/A	0.00777		
73	0.19000	N/A	N/A	N/A	0.00859		
74	0.19000	N/A	N/A	N/A	0.00950		
75	1.00000	N/A	N/A	N/A	0.01050		

Table A-12
Probability of Separation from Active Service for Safety Members
Plan A, B & C – Male

Age	Service Retirement Plans A-B	Service Retirement Plan C	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.00000	0.00000	0.00200	0.00000	0.00010	0.00037	0	0.03500
19	0.00000	0.00000	0.00200	0.00000	0.00010	0.00040	1	0.02750
20	0.00000	0.00000	0.00200	0.00000	0.00010	0.00041	2	0.02000
21	0.00000	0.00000	0.00200	0.00000	0.00010	0.00041	3	0.01500
22	0.00000	0.00000	0.00200	0.00000	0.00010	0.00040	4	0.01200
23	0.00000	0.00000	0.00200	0.00000	0.00010	0.00039	5	0.01130
24	0.00000	0.00000	0.00200	0.00000	0.00010	0.00038	6	0.01070
25	0.00000	0.00000	0.00200	0.00000	0.00010	0.00037	7	0.01000
26	0.00000	0.00000	0.00200	0.00000	0.00010	0.00038	8	0.00920
27	0.00000	0.00000	0.00200	0.00000	0.00010	0.00039	9	0.00840
28	0.00000	0.00000	0.00200	0.00000	0.00010	0.00040	10	0.00760
29	0.00000	0.00000	0.00200	0.00000	0.00010	0.00041	11	0.00680
30	0.00000	0.00000	0.00200	0.00000	0.00010	0.00041	12	0.00600
31	0.00000	0.00000	0.00200	0.00000	0.00010	0.00042	13	0.00560
32	0.00000	0.00000	0.00200	0.00000	0.00010	0.00043	14	0.00520
33	0.00000	0.00000	0.00210	0.00000	0.00010	0.00044	15	0.00480
34	0.00000	0.00000	0.00220	0.00000	0.00010	0.00045	16	0.00440
35	0.00000	0.00000	0.00230	0.00000	0.00010	0.00047	17	0.00400
36	0.00000	0.00000	0.00240	0.00000	0.00010	0.00049	18	0.00360
37	0.00000	0.00000	0.00250	0.00000	0.00010	0.00050	19	0.00320
38	0.00000	0.00000	0.00260	0.00000	0.00010	0.00053	20	0.00280
39	0.00000	0.00000	0.00270	0.00000	0.00010	0.00056	21	0.00240
40	0.00750	0.00000	0.00280	0.00000	0.00010	0.00059	22	0.00200
41	0.00750	0.00000	0.00290	0.00000	0.00010	0.00062	23	0.00200
42	0.00750	0.00000	0.00300	0.00000	0.00010	0.00067	24	0.00200
43	0.00750	0.00000	0.00310	0.00000	0.00010	0.00071	25	0.00200
44	0.00750	0.00000	0.00320	0.00000	0.00010	0.00076	26	0.00200
45	0.00750	0.00000	0.00330	0.00000	0.00010	0.00082	27	0.00200
46	0.00750	0.00000	0.00340	0.00000	0.00010	0.00088	28	0.00200
47	0.00750	0.00000	0.00350	0.00000	0.00010	0.00095	29	0.00200
48	0.00750	0.00000	0.00400	0.00000	0.00010	0.00102	30 & Above	0.00000
49	0.00750	0.00000	0.00500	0.00000	0.00010	0.00111		
50	0.02000	0.02000	0.00750	0.00000	0.00010	0.00120		
51	0.02000	0.02000	0.00750	0.00000	0.00010	0.00129		
52	0.02000	0.02000	0.00750	0.00000	0.00010	0.00140		
53	0.03000	0.03000	0.02000	0.00000	0.00010	0.00151		
54	0.15000	0.10000	0.02000	0.00000	0.00010	0.00162		
55	0.26000	0.15000	0.07500	0.00000	0.00010	0.00175		
56	0.17000	0.15000	0.07500	0.00000	0.00010	0.00190		
57	0.17000	0.28000	0.10000	0.00000	0.00010	0.00205		
58	0.17000	0.17000	0.10000	0.00000	0.00010	0.00223		
59	0.27000	0.27000	0.10000	0.00000	0.00010	0.00243		
60	0.27000	0.27000	0.10000	0.00000	0.00010	0.00264		
61	0.25000	0.25000	0.05000	0.00000	0.00010	0.00288		
62	0.25000	0.25000	0.05000	0.00000	0.00010	0.00315		
63	0.25000	0.25000	0.05000	0.00000	0.00010	0.00344		
64	0.25000	0.25000	0.05000	0.00000	0.00010	0.00375		
65	1.00000	1.00000	0.00000	0.00000	0.00000	0.00410		

Table A-13
Probability of Separation from Active Service for Safety Members
Plan A, B & C – Female

Age	Service Retirement Plans A-B	Service Retirement Plan C	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.00000	0.00000	0.00300	0.00000	0.00010	0.00014	0	0.03500
19	0.00000	0.00000	0.00300	0.00000	0.00010	0.00015	1	0.02750
20	0.00000	0.00000	0.00300	0.00000	0.00010	0.00016	2	0.02000
21	0.00000	0.00000	0.00300	0.00000	0.00010	0.00017	3	0.01500
22	0.00000	0.00000	0.00300	0.00000	0.00010	0.00017	4	0.01200
23	0.00000	0.00000	0.00300	0.00000	0.00010	0.00018	5	0.01130
24	0.00000	0.00000	0.00300	0.00000	0.00010	0.00019	6	0.01070
25	0.00000	0.00000	0.00300	0.00000	0.00010	0.00020	7	0.01000
26	0.00000	0.00000	0.00300	0.00000	0.00010	0.00021	8	0.00920
27	0.00000	0.00000	0.00300	0.00000	0.00010	0.00022	9	0.00840
28	0.00000	0.00000	0.00340	0.00000	0.00010	0.00024	10	0.00760
29	0.00000	0.00000	0.00380	0.00000	0.00010	0.00025	11	0.00680
30	0.00000	0.00000	0.00420	0.00000	0.00010	0.00027	12	0.00600
31	0.00000	0.00000	0.00460	0.00000	0.00010	0.00028	13	0.00560
32	0.00000	0.00000	0.00500	0.00000	0.00010	0.00030	14	0.00520
33	0.00000	0.00000	0.00560	0.00000	0.00010	0.00032	15	0.00480
34	0.00000	0.00000	0.00620	0.00000	0.00010	0.00034	16	0.00440
35	0.00000	0.00000	0.00680	0.00000	0.00010	0.00036	17	0.00400
36	0.00000	0.00000	0.00740	0.00000	0.00010	0.00038	18	0.00360
37	0.00000	0.00000	0.00800	0.00000	0.00010	0.00041	19	0.00320
38	0.00000	0.00000	0.00840	0.00000	0.00010	0.00043	20	0.00280
39	0.00000	0.00000	0.00880	0.00000	0.00010	0.00046	21	0.00240
40	0.00750	0.00000	0.00920	0.00000	0.00010	0.00049	22	0.00200
41	0.00750	0.00000	0.00960	0.00000	0.00010	0.00052	23	0.00200
42	0.00750	0.00000	0.01000	0.00000	0.00010	0.00056	24	0.00200
43	0.00750	0.00000	0.01040	0.00000	0.00010	0.00059	25	0.00200
44	0.00750	0.00000	0.01080	0.00000	0.00010	0.00063	26	0.00200
45	0.00750	0.00000	0.01120	0.00000	0.00010	0.00067	27	0.00200
46	0.00750	0.00000	0.01160	0.00000	0.00010	0.00071	28	0.00200
47	0.00750	0.00000	0.01200	0.00000	0.00010	0.00076	29	0.00200
48	0.00750	0.00000	0.01300	0.00000	0.00010	0.00080	30 & Above	0.00000
49	0.00750	0.00000	0.01500	0.00000	0.00010	0.00085		
50	0.02000	0.02000	0.01800	0.00000	0.00010	0.00091		
51	0.02000	0.02000	0.02000	0.00000	0.00010	0.00097		
52	0.02000	0.02000	0.02400	0.00000	0.00010	0.00103		
53	0.03000	0.03000	0.02800	0.00000	0.00010	0.00109		
54	0.15000	0.10000	0.03200	0.00000	0.00010	0.00116		
55	0.26000	0.15000	0.11000	0.00000	0.00010	0.00123		
56	0.17000	0.15000	0.06000	0.00000	0.00010	0.00131		
57	0.17000	0.28000	0.06000	0.00000	0.00010	0.00140		
58	0.17000	0.17000	0.06000	0.00000	0.00010	0.00148		
59	0.27000	0.27000	0.06000	0.00000	0.00010	0.00158		
60	0.27000	0.27000	0.06000	0.00000	0.00010	0.00168		
61	0.25000	0.25000	0.06000	0.00000	0.00010	0.00178		
62	0.25000	0.25000	0.06000	0.00000	0.00010	0.00190		
63	0.25000	0.25000	0.06000	0.00000	0.00010	0.00202		
64	0.25000	0.25000	0.06000	0.00000	0.00010	0.00215		
65	1.00000	1.00000	0.00000	0.00000	0.00000	0.00228		

This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

Appendix B Summary of Plan Provisions

All actuarial calculations are based on our understanding of the statutes governing LACERA as contained in the County Employees Retirement Law (CERL) of 1937 and the California Public Employees' Pension Reform Act of 2013 (PEPRA). The benefit and contribution provisions of this law are summarized briefly below, along with corresponding references to the Government Code Section. This summary does not attempt to cover all the detailed provisions of the law.

MEMBERSHIP	Government Code Section
Permanent employees of Los Angeles County (County) and participating districts who work $\frac{3}{4}$ time or more are eligible for membership in LACERA.	(31551, 31552, Bylaws)
Employees eligible for safety membership (law enforcement, firefighting and specific lifeguards) become safety members on the first day of the month after date of hire. Employees who become members on or after January 1, 2013, will enter into Safety Plan C.	(31558)
All other employees become general members on the first day of the month after date of hire or the first day of the month after they make an election of either Plan D or Plan E, depending on the law in effect at that time. Employees who become members on or after January 1, 2013 will enter into General Plan G.	(31493, 31493.5, 31493.6, Bylaws)
Elective officers become members on the first day of the month after filing a declaration with the Board of Retirement (Board).	(31553, 31562)
General members in Plan E may transfer all their Plan E service credit to Plan D during an approved transfer period by making the required contributions. Transferred members relinquish, waive, and forfeit any and all vested or accrued benefits available under any other retirement plan and are entitled only to the benefits of Plan D.	(31494.1, 31494.3)

RETIREMENT PLANS

The County has established nine defined benefit plans. The following outlines the dates these plans were available, based on a member’s date of entry into LACERA:

Safety Member Plans:

- Plan A:** Inception to August 1977
- Plan B:** September 1977 through December 2012
- Plan C:** January 2013 to present (7522.02)

General Member Plans:

- Plan A:** Inception through August 1977
- Plan B:** September 1977 through September 1978
- Plan C:** October 1978 through May 1979
- Plan D:** June 1979 through December 2012
- Plan E:** February 1982 through December 2012 (31487, 31496)
- Plan G:** January 2013 to present (7522.02)

NOTE: After review of a new member’s account, a member with prior membership may be enrolled into one of the pre-PEPRA plans.

MEMBER CONTRIBUTIONS

Plans A, B, D and General Plan C members

- Contributions are based on the entry age and class of each member and are required of all members in Plans A, B, C, and D. Current member rates are shown in Appendix D. Section 5 provides additional detail on how these rates are calculated. (31620)
- Contributions cease when general members are credited with 30 years of service in a contributory plan, provided they were members of LACERA or a reciprocal plan on March 7, 1973, and continuously thereafter. All safety members are eligible for the 30-year cessation of contributions. (31625.2, 31836.1)
- Interest is credited to contributions semiannually on June 30 and December 31 at an interest rate set by the Board of Investments on amounts that have been on deposit for at least six months. (31591, 31700)
- In addition to the normal contributions, members pay one-half of the cost of their plan’s COLA. This is discussed further in Section 5 of this report. (31873)

General Plan G and Safety Plan C members

- Members contribute 50% of the aggregate Normal Cost rate for their Plan. (7522.30)

EMPLOYER CONTRIBUTIONS

The employer (County or District) contributes to the retirement fund a percent of the total compensation provided for all members based on an actuarial valuation and recommendation of the actuary and the Board of Investments. (31453, 31454 31581)

SERVICE RETIREMENT ALLOWANCE

Eligibility

- Plans A-B: Safety members** (31662.4, 31662.6, 31663.25)
 Age 50 with 10 years of County service;
 Any age with 20 years of service; or
- Plans A-D: General members** (31672)
 Age 50 with 10 years of County service;
 Any age with 30 years of service; or
 Age 70 and actively employed, regardless of service.
- Plan C: Safety members** (7522.25(d))
 Age 50 with 5 years of service.
- Plan E: General members** (31491, 31491.3)
 Age 65 with 10 years of service.
 A reduced benefit is also payable at age 55 with 10 years of service.
- Plan G: General members** (7522.20(a))
 Age 52 with 5 years of service.

Final Compensation

- General Plans A-D and Safety Plans A-B** (31462.3)
 Average of the member's highest monthly pensionable earnings during any 12-consecutive-month period.
- Plan E:** (31488)
 Average of the member's highest monthly pensionable earnings during any three 12-consecutive month periods.
- General Plan G and Safety Plan C** (7522.32)
 Average of the member's highest monthly pensionable earnings during any 36-consecutive month period.

The amount of compensation that is taken into account in computing benefits payable to any person who first becomes a member on or after July 1, 1996, shall not exceed the dollar limitations in Section 401(a)(17) of Title 26 of the US Code. (31671)

The amount of compensation taken into account for General Plan G and Safety Plan C members is limited to \$151,549 for 2020. The amount of compensation taken into account shall be adjusted based on changes in the Consumer Price Index for All Urban Consumers: U.S. City Average. Adjustments shall be effective annually on January 1. (7522.10)

SERVICE RETIREMENT ALLOWANCE (continued)

Monthly Allowance

Plans A-B:	Safety members 1/50 x Final Compensation x Safety age factor x Years of service. (The Safety Plan A and Safety Plan B age factors are the same.)	(31664)
Plans A-D:	General members 1/60 x Final Compensation x a Plan specific age factor x years of service. (The General Plan C and General D age factors are the same.)	(31676.1) (31676.11) (31676.14) (7522.25(d))
Plan C:	Safety members Final Compensation x Safety Plan percentage x Years of service.	
Plan E:	General members [(a)+(b)-(c)] x d where: (a) 2% x Final Compensation x (Years of Service (up to 35 years), plus (b) 1 % x Final Compensation x Years of Service in excess of 35 (up to 10) (c) Estimated Primary Insurance Amount (PIA) x Years of Covered Service (up to 35) divided by 35. (d) Early Retirement Adjustment Factor The PIA is calculated based on certain assumptions specified by statute, and an assumed Social Security retirement age of 62. If retirement occurs prior to age 65, benefit amount is adjusted by an Early Retirement Adjustment Factor.	(31491, 31491.3 (b)&(c))
Plan G:	General members Final Compensation x General Plan percentage x Years of Service.	(7522.20(a))
 Social Security Integration		
Plans A-C:	General Members For County service covered by Social Security prior to January 1, 1983, the 1/60 factor is replaced by 1/90 for the first \$350 of compensation.	(31808)
Plan D:	The 1/90 factor is applied to the first \$1,050 of compensation.	

SERVICE RETIREMENT ALLOWANCE (continued)

Sample Plan Age Factors

Plan	Age 50	Age 55	Age 60	Age 65 & Up	
General A	0.8850	1.1686	1.4638	1.5668	(31676.14)
General B	0.7454	1.0000	1.3093	1.5668	(31676.11)
General C&D	0.7091	0.8954	1.1500	1.4593	(31676.1)
General E	N/A	0.3748	0.6009	1.0000	(31491.3(a))
Safety A&B	1.0000	1.3099	1.3099	1.3099	(31664)

Sample Plan Age Percentages

Plan	Age 50	Age 55	Age 60	Age 65 & Up	
General G	N/A	1.30%	1.80%	2.30%*	(7522.20(a))
Safety C	2.00%	2.50%	2.70%	2.70%	(7522.25(d))

*Maximum percentage for General Plan G is 2.50% at age 67.

Maximum Allowance

Plans A-D, G:	Allowance may not exceed 100% of final compensation.	(31676.1, 31676.11, 31676.14)
Plan E:	The sum of the normal retirement allowance and the estimated PIA cannot exceed 70% of Final Compensation for a member with 35 or less years of service, and cannot exceed 80% of Final Compensation if service exceeds 35 years.	(31491)

Unmodified Retirement Allowance (Normal Form)

Plans A-D, G:	Life Annuity payable to retired member with 65% continuance to an eligible survivor (or eligible children).	(31760.12, 31785.4)
Plan E:	Life Annuity payable to retired member with 55% continuance to an eligible survivor (or eligible children).	(31492.1)

Eligible survivor includes certain domestic partners. (31780.2)

SERVICE RETIREMENT ALLOWANCE (continued)

Optional Retirement Allowance

A member may elect to have the actuarial equivalent of the service or disability retirement allowance applied to a lesser retirement allowance during the retired member's life in order to provide an optional survivor allowance. (31760)

Unmodified Plus: Members with eligible survivors may elect a higher percent than the standard unmodified continuance, up to 100%. The benefit is actuarially reduced from the unmodified amount. The elected percent of the member's reduced allowance is payable to the eligible survivor. (31760.5)

Option 1: Member's allowance is reduced to pay a cash refund of any unpaid annuity payments (up to the amount of the member's contributions at retirement) to the member's estate or to a beneficiary having an insurable interest in the life of the member. (31761)

Option 2: 100% of member's reduced allowance is payable to a beneficiary having an insurable interest in the life of the member. (31762)

Option 3: 50% of member's reduced allowance is payable to a beneficiary having an insurable interest in the life of the member. (31763)

Option 4: Other % of member's reduced allowance is payable to a beneficiary(ies) having an insurable interest in the life of the member. (31764)

A member may not revoke and name another beneficiary if the member elects Option 2, 3, or 4. (31782)

Pension Advance Option: The Pension Advance Option is available to members who are fully insured under Social Security for the purpose of coordinating a member's retirement allowance with benefits receivable from Social Security. It is not available to disability retirees or members who elect Option 2, 3, or 4. The allowance is increased prior to age 62 and then reduced after 62 by amounts which have equivalent actuarial values. The automatic 65% continuance for eligible spouses of members who elect the Pension Advance Option is based on the unmodified allowance the member would have received if the member had not elected the option. (31810, 31811)

All Allowances (31452.7, 31600)

All allowances are made on a pro-rata basis (based on the number of days in that month) if not in effect for the entire month of retirement. For deaths that occur mid-month, the full month's payment is made.

SERVICE-CONNECTED DISABILITY RETIREMENT ALLOWANCE

Eligibility

Plans A-D, G:	Any age or years of service; disability must result from occupational injury or disease, and member must be permanently incapacitated for the performance of duty.	(31720)
Plan E:	Not available under Plan E.	(31487)

Monthly Allowance

Greater of (1) 50% of final compensation, and (2) the service retirement allowance, if eligible to retire. (31727.4)

Normal Form Of Payment

Life Annuity with 100% continuance to a surviving spouse (or eligible children). (31786)

NONSERVICE-CONNECTED DISABILITY RETIREMENT ALLOWANCE

Eligibility

Plans A-D, G:	Any age with five years of service, and permanently incapacitated for the performance of duty.	(31720)
Plan E:	Not available under Plan E.	(31487)

Monthly Allowance

The monthly allowance is equal to a service retirement allowance if a General member is age 65 or a Safety member is age 55; otherwise the monthly allowance is the greater of that to which the member would be entitled as service retirement or the sum of (a) or (b) where: (31726, 31726.5)

General Members:	(a) 90% of 1/60 of Final Compensation x years of service, if member must rely on service in another retirement plan in order to be eligible to retire, or allowance exceeds 1/3 of final compensation.	(31727(a))
	(b) 90% of 1/60 of Final Compensation x years of service projected to age 65, not to exceed 1/3 of Final Compensation.	(31727(b))

Safety Members: 1/60 is replaced by 1/50 and age 65 is replaced by age 55 in (a) and (b) above. (31727.2)

Normal Form of Payment

Life Annuity with 65% continuance to a surviving spouse (or eligible children). (31760.1, 31760.12, 31785, 31785.4)

SERVICE-CONNECTED PRE-RETIREMENT DEATH BENEFITS

Eligibility

Plans A-D, G:	Active members who die in service as a result of injury or disease arising out of and in the course of employment.	(31787)
Plan E:	Not available under Plan E.	(31487)

Monthly Allowance (31787)

A monthly allowance payable to an eligible survivor (or eligible children) equal to the retirement allowance the deceased member would have received under a service-connected disability retirement.

Optional Combined Benefit (31781.3)

In lieu of the monthly allowance above, a surviving spouse may elect:
 (a) A lump sum equal to 1/12 of the compensation earned in the preceding 12 months x years of service (benefit not to exceed 50% of the 12 months' compensation), plus
 (b) A monthly payment equal to 50% of the member's Final Compensation, reduced by a monthly amount, which is the actuarial equivalent of (a) above based on the age of surviving spouse.

Death Benefit (Lump Sum) (31781)

The member's accumulated contributions with interest, plus 1/12 of the compensation earned in the preceding 12 months x years of service (benefit not to exceed 50% of the 12 months' compensation).

Additional Allowance for Children (31787.5)

In the case of a surviving spouse of a member who is killed in the performance of duty or who dies as the result of an accident or an injury caused by external violence or physical force, incurred in the performance of the member's duty: 25% of death allowance (whether or not the monthly allowance or combined benefit is chosen) for one child, 40% for two children, and 50% for three or more children.

Additional Amount for Spouse of Safety Member (31787.6)

A surviving spouse of a safety member, who is killed in the performance of duty or who dies as the result of an accident or injury caused by external violence or physical force, incurred in the performance of his or her duty, is also entitled to receive a lump-sum death benefit equal to 12 x monthly rate of compensation at the time of member's death in addition to all other benefits.

Note: For valuation purposes, an unmarried member is assumed to take the lump sum benefit. A married member is assumed to take the monthly allowance or the lump sum, whichever is more valuable.

NONSERVICE-CONNECTED PRE-RETIREMENT DEATH BENEFITS

Eligibility

Plans A-D, G:	Active members who die while in service or while physically or mentally incapacitated for the performance of duty.	(31780)
Plan E:	Not available under Plan E.	(31487)

Death Benefit (Lump Sum) (31781)

The member's accumulated contributions with interest, plus 1/12 of the compensation earned in preceding 12 months x the number of completed years of service (benefit not to exceed 50% of the 12 months' compensation).

Optional Death Benefit

In lieu of the lump-sum death benefit, the following several optional death benefits are available to provide flexibility to survivors.

First Optional Death Benefit (31781.1,
31781.12)

If a member who would have been entitled to a non-service-connected disability retirement allowance dies prior to retirement as a result of such disability, the surviving spouse (or eligible children) may elect to receive an optional death allowance equal to 65% of the monthly retirement allowance to which the member would have been entitled as of the date of death.

Second Optional Death Benefit (31781.2,
31765.2)

If a member dies prior to reaching the minimum retirement age but has 10 or more years of County service, a surviving spouse (or eligible children) may elect to leave the amount of the death benefit on deposit until the earliest date the member could have retired and at that time receive the allowance provided for in Section 31765 (an Option 3 benefit) or 31765.2 (a 65% continuance).

Third Optional Death Benefit

A surviving spouse of a member who dies after five years of County service may elect a combined benefit equal to:

- (a) A lump sum equal to 1/12 of the compensation earnable in the preceding 12 months x the number of completed years of service (benefit not to exceed 50% of the 12 months' compensation), plus (31781.3)
- (b) A monthly payment equal to 65% of the monthly retirement allowance to which the member would have been entitled if the member retired or could have retired for a non-service-connected disability as of the date of death, reduced by a monthly amount which is the actuarial equivalent of (a) above based on the age of surviving spouse. (31781.1,
31781.12)

Fourth Optional Death Benefit

If a member dies while eligible for a service retirement and the surviving spouse is designated as beneficiary, the spouse (or eligible children) may elect to receive 65% of the monthly retirement allowance to which the member would have been entitled as of the date of death. (31765.1, 31765.2)

Fifth Optional Death Benefit

If a member dies while eligible for a service retirement and the surviving spouse is designated as beneficiary and survives the member by not less than 30 days, the spouse (or eligible children) may elect to receive the same retirement allowance as the spouse would have received had the member retired on the date of death and selected Option 3. (31765)

Note: For valuation purposes, an unmarried member is assumed to take the lump sum benefit. A married member is assumed to take the first optional death benefit or the lump sum, whichever is more valuable.

POSTRETIREMENT DEATH/BURIAL BENEFIT

Plans A-E:	A one-time lump-sum benefit of \$5,000 is payable to the estate or to the beneficiary designated by the member upon the death of any member while receiving a retirement allowance. This is in addition to any other death or survivor benefits. The amount is currently paid by the County based on agreement with LACERA. It is not included for valuation purposes.	(31789.3)
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DEFERRED RETIREMENT ALLOWANCE

Eligibility

Plans A, B, D and General Plan C:		
	Five years of county or reciprocal service. Member contributions must be left on deposit.	(31700)
Safety Plan C:	Age 50 with 5 years of service.	(7522.25(d))
Plan E:	Age 55 with 10 years of service.	(31491)
Plan G:	Age 52 with 5 years of service.	(7522.20(a))

DEFERRED RETIREMENT ALLOWANCE (continued)

Monthly Allowance

Plans A-D, G:	Same as service retirement allowance; payable any time after the member would have been eligible for service retirement.	(31703, 31704, 31705)
	If a former member dies before the effective date of the deferred retirement allowance, the member's accumulated contributions are paid to the estate or to the named beneficiary.	(31702)
Plan E:	Same as service retirement allowance at normal retirement age 65 or in an actuarially equivalent reduced amount at early retirement, after age 55.	(31491)

TRANSFERS BETWEEN PLAN D AND PLAN E

Members in Plan D may transfer to Plan E on a prospective basis. Members in Plan E may transfer to Plan D on a prospective basis.	(31494.2, 31494.5)
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RECIPROCITY

All Plans:	Reciprocal benefits are may be granted to members who are entitled to retirement benefits from two or more retirement plans established under the CERL or from a County retirement plan and the California Public Employees' Retirement System (CalPERS). Reciprocity also applies to the members of the State Teachers' Retirement System Defined Benefit Plan.	(31830, 31840.4, 31840.8)
	Final Compensation may be based on service with CalPERS or another County retirement plan, if greater.	(31835)
	Vested former members are eligible for disability and death benefits from LACERA, if disabled while a member of CalPERS or another County retirement plan, but combined benefits are limited.	(31837, 31838, 31838.5, 31839)

TRANSFER FROM CALPERS

Whenever firefighting or law enforcement functions performed by a public agency or the state subject to the California Public Employees Retirement Law are transferred to the County, fire authority, or district, employees performing those functions become members of LACERA. LACERA and CalPERS may enter into an agreement whereby the members' service credit plus the members' and the cities' or states' retirement contributions are transferred from CalPERS to LACERA. (31657)

COST-OF-LIVING INCREASES

Cost-of-living increases (or decreases) are applied to all retirement allowances (service and disability), optional death allowances, and annual death allowances effective April 1, based on changes in the Consumer Price Index (CPI) from the previous January 1 to the current January 1, to the nearest ½ of 1%. (31870, 31870.1)

Plan A: Members (and their beneficiaries) are limited to a maximum 3% cost-of-living increase. (31870.1)

Plans B-D, G: Members (and their beneficiaries) are limited to a maximum 2% cost-of-living increase. (31870)

When the CPI exceeds 2% or 3%, the difference between the actual CPI and the maximum cost-of-living increase given in any year is credited to the COLA Accumulation. It may be used in future years to provide cost-of-living increases when the CPI falls below 2% or 3%, depending on the retirement plan.

Plan E: Members (and their beneficiaries) are limited to a maximum 2% cost-of-living increase. The 2% is pro-rated based on service earned after June 4, 2002. "Elective COLA" increases for service earned prior to June 4, 2002 may be purchased by the member. (31495.5)

STAR PROGRAM

Contributory plan members who have a COLA Accumulation of more than 20% resulting from CPI increases that exceeded the maximum cost-of-living increases that could be granted are eligible for a supplemental cost-of-living increase effective January 1 known as the Supplemental Targeted Adjustment for Retirees Cost-of-Living Adjustment (STAR COLA). These benefits are not evaluated in this report, or as part of the actuarially required funding amount, unless they have been vested by the Board of Retirement. (31874.3(b))

Appendix C Valuation Data and Schedules

On the following table, Exhibit C-1, we present a summary of LACERA membership at June 30, 2021 for active members. Similar information is shown in Exhibit C-2 Retired for retired members and C-2 Former for vested former members.

Note that salary amounts shown are the prior year annual pensionable earnings for those members of plans with a one-year final compensation period. For plans with a three-year final compensation period, the monthly rate of pay at June 2021 is shown.

Additional statistical data on both active and retired members is shown in the following tables. Additional detailed summaries are supplied to LACERA staff in a supplementary report.

Exhibit C-3: Age Distribution of Active Members

Exhibit C-4: Age, Service, Compensation Distribution of Active Members

Exhibit C-5: Age, Retirement Year, Benefit Amount and Plan Distribution of Retired Members Exhibits C-4 and C-5 are shown for all plans combined as well as for each plan separately.

Data on LACERA membership as of June 30, 2021 was supplied to us by LACERA staff. Based on our review of this data and discussions with LACERA staff, all retiree and beneficiary records were included in our valuation.

All records for active and former members supplied by LACERA were included in the valuation.

Exhibit C-1
LACERA Membership – Active Members as of June 30, 2021

	Sex	Vested	NonVested	Total Number	Annual Salary	Average Age	Average Monthly Salary	Average Service
General Members								
Plan A	M	25	-	25	\$ 3,672,588	74.7	\$ 12,242	45.7
	F	46	-	46	4,326,972	70.6	7,839	40.4
Plan B	M	5	-	5	518,616	69.6	8,644	34.5
	F	14	-	14	1,688,208	66.9	10,049	38.1
Plan C	M	6	-	6	507,540	66.3	7,049	41.6
	F	18	-	18	1,988,544	68.2	9,206	41.2
Plan D	M	12,291	78	12,369	1,298,890,356	51.7	8,751	19.7
	F	25,610	155	25,765	2,452,347,696	51.3	7,932	19.8
Plan E	M	4,597	196	4,793	464,613,792	55.7	8,078	23.1
	F	10,108	319	10,427	833,525,664	55.7	6,662	24.0
Plan G	M	4,077	6,666	10,743	839,899,620	39.6	6,515	4.1
	F	7,819	13,933	21,752	1,535,543,340	38.6	5,883	4.0
Total		64,616	21,347	85,963	\$ 7,437,522,936	47.5	\$ 7,210	14.6
Safety Members								
Plan A	M	2	-	2	\$ 326,532	66.5	\$ 13,606	34.2
	F	-	-	-	-	N/A	N/A	N/A
Plan B	M	7,256	111	7,367	1,031,002,740	46.7	11,662	19.9
	F	1,273	9	1,282	171,595,356	44.6	11,154	18.1
Plan C	M	1,080	2,754	3,834	382,158,036	31.9	8,306	3.7
	F	198	455	653	65,774,268	31.1	8,394	3.7
Total		9,809	3,329	13,138	\$ 1,650,856,932	41.4	\$ 10,471	14.2
Grand Total		74,425	24,676	99,101	\$ 9,088,379,868	46.7	\$ 7,642	14.5

Exhibit C-2
Retired LACERA Membership – Retired Members as of June 30, 2021

	Sex	Number	Annual Allowance	Average Age	Average Monthly Benefit
General Members					
Plan A	M	6,775	\$ 495,805,714	80.8	\$ 6,098
	F	12,298	651,028,451	80.5	4,411
Plan B	M	213	15,240,885	75.3	5,963
	F	510	27,718,865	75.3	4,529
Plan C	M	145	8,336,711	74.5	4,791
	F	344	16,542,742	74.8	4,007
Plan D	M	6,890	326,691,732	69.1	3,951
	F	12,968	545,925,791	69.0	3,508
Plan E	M	5,001	167,266,254	72.7	2,787
	F	10,561	295,588,076	72.4	2,332
Plan G	M	55	1,056,912	65.7	1,601
	F	68	916,309	63.8	1,123
Total		55,828	\$ 2,552,118,442	74.1	\$ 3,809
Safety Members					
Plan A	M	4,379	\$ 476,183,209	77.6	\$ 9,062
	F	2,016	153,189,167	79.0	6,332
Plan B	M	5,948	619,948,332	61.2	8,686
	F	1,311	99,417,044	58.6	6,319
Plan C	M	10	717,017	58.8	5,975
	F	5	188,941	41.4	3,149
Total		13,669	\$ 1,349,643,710	68.8	\$ 8,228
Grand Total		69,497	\$ 3,901,762,152	73.0	\$ 4,679

Exhibit C-2
Former LACERA Membership – Vested Former Members as of June 30, 2021⁽¹⁾
Subtotaled by Plan and Retirement Type

	Sex	Number	Average Age
<i>General Members</i>			
Plan A	M	16	75.3
	F	35	73.5
Plan B	M	2	73.5
	F	7	70.9
Plan C	M	5	68.0
	F	9	66.4
Plan D	M	2,537	50.0
	F	5,319	49.3
Plan E	M	1,002	57.4
	F	2,173	57.4
Plan G	M	1,498	38.4
	F	3,457	37.6
Total		16,060	47.6
 <i>Safety Members</i>			
Plan A	M	4	69.0
	F	-	-
Plan B	M	678	44.9
	F	123	45.4
Plan C	M	278	31.9
	F	45	31.2
Total		1,128	41.3
 <i>Grand Total</i>		 17,188	 47.2

1. Includes non-vested former members who still have member contributions with LACERA

Exhibit C-2a
LACERA Membership – Retired Members as of June 30, 2021
Subtotaled by Plan and Retirement Type

Plan	Retirement Type	Number	Annual Benefits in Thousands	Average Monthly Benefit
General Plans:				
Plan A				
	Healthy	13,495	\$ 923,824	\$ 5,705
	Disabled	1,332	58,290	3,647
	Beneficiaries	4,246	164,720	3,233
	Total	<u>19,073</u>	<u>\$ 1,146,834</u>	<u>\$ 5,011</u>
Plan B				
	Healthy	603	\$ 38,386	\$ 5,305
	Disabled	55	2,114	3,203
	Beneficiaries	65	2,460	3,153
	Total	<u>723</u>	<u>\$ 42,960</u>	<u>\$ 4,952</u>
Plan C				
	Healthy	374	\$ 21,300	\$ 4,746
	Disabled	50	1,742	2,903
	Beneficiaries	65	1,838	2,357
	Total	<u>489</u>	<u>\$ 24,880</u>	<u>\$ 4,240</u>
Plan D				
	Healthy	15,923	\$ 749,634	\$ 3,923
	Disabled	2,256	82,472	3,046
	Beneficiaries	1,679	40,511	2,011
	Total	<u>19,858</u>	<u>\$ 872,617</u>	<u>\$ 3,662</u>
Plan E				
	Healthy	14,176	\$ 441,452	\$ 2,595
	Disabled	N/A	N/A	N/A
	Beneficiaries	1,386	21,402	1,287
	Total	<u>15,562</u>	<u>\$ 462,854</u>	<u>\$ 2,479</u>
Plan G				
	Healthy	105	\$ 1,602	\$ 1,271
	Disabled	8	243	2,526
	Beneficiaries	10	129	1,073
	Total	<u>123</u>	<u>\$ 1,974</u>	<u>\$ 1,337</u>
Safety Plans:				
Plan A				
	Healthy	2,047	\$ 233,304	\$ 9,498
	Disabled	2,731	277,908	8,480
	Beneficiaries	1,617	118,160	6,089
	Total	<u>6,395</u>	<u>\$ 629,372</u>	<u>\$ 8,201</u>
Plan B				
	Healthy	3,034	\$ 322,963	\$ 8,871
	Disabled	3,876	373,955	8,040
	Beneficiaries	349	22,447	5,360
	Total	<u>7,259</u>	<u>\$ 719,365</u>	<u>\$ 8,258</u>
Plan C				
	Healthy	9	\$ 647	\$ 5,991
	Disabled	5	210	3,493
	Beneficiaries	1	49	4,109
	Total	<u>15</u>	<u>\$ 906</u>	<u>\$ 5,033</u>
Grand Totals		69,497	3,901,762	4,679

Exhibit C-2b
LACERA Membership – Retired Members as of June 30, 2021
Subtotaled by Retirement Type and Plan

<u>Type</u>	<u>Plan</u>	<u>Number</u>	<u>Annual Benefits in Thousands</u>	<u>Average Monthly Benefit</u>
Healthy Retirees				
	General A	13,495	\$ 923,824	\$ 5,705
	General B	603	38,386	5,305
	General C	374	21,300	4,746
	General D	15,923	749,634	3,923
	General E	14,176	441,452	2,595
	General G	105	1,602	1,271
	Safety A	2,047	233,304	9,498
	Safety B	3,034	322,963	8,871
	Safety C	9	647	5,991
	Total	49,766	\$ 2,733,112	\$ 4,577
Disabled Retirees				
	General A	1,332	\$ 58,290	\$ 3,647
	General B	55	2,114	3,203
	General C	50	1,742	2,903
	General D	2,256	82,472	3,046
	General E	N/A	N/A	N/A
	General G	8	243	2,526
	Safety A	2,731	277,908	8,480
	Safety B	3,876	373,955	8,040
	Safety C	5	210	3,493
	Total	10,313	\$ 796,934	\$ 6,440
Beneficiaries				
	General A	4,246	\$ 164,720	\$ 3,233
	General B	65	2,460	3,153
	General C	65	1,838	2,357
	General D	1,679	40,511	2,011
	General E	1,386	21,402	1,287
	General G	10	129	1,073
	Safety A	1,617	118,160	6,089
	Safety B	349	22,447	5,360
	Safety C	1	49	4,109
	Total	9,418	\$ 371,716	\$ 3,289
Grand Totals		69,497	\$ 3,901,762	\$ 4,679

**Exhibit C-3
 Age Distribution of Active Members as of June 30, 2021**

	Age Groups						Total
	0-29	30-39	40-49	50-59	60-69	70+	
General Plans:							
Plan A							
Male	-	-	-	-	6	19	25
Female	-	-	-	-	21	25	46
Plan B							
Male	-	-	-	-	3	2	5
Female	-	-	-	-	12	2	14
Plan C							
Male	-	-	-	-	4	2	6
Female	-	-	-	-	11	7	18
Plan D							
Male	6	1,200	3,917	4,680	2,299	267	12,369
Female	3	2,549	8,682	9,611	4,399	521	25,765
Plan E							
Male	-	268	1,009	1,738	1,480	298	4,793
Female	2	509	1,991	4,101	3,327	497	10,427
Plan G							
Male	1,412	4,885	2,579	1,305	530	32	10,743
Female	3,157	10,498	4,808	2,471	760	58	21,752
Safety Plans:							
Plan A							
Male	-	-	-	-	2	-	2
Female	-	-	-	-	-	-	-
Plan B							
Male	11	1,452	2,927	2,786	189	2	7,367
Female	3	339	583	345	12	-	1,282
Plan C							
Male	1,476	1,967	316	63	12	-	3,834
Female	297	301	48	7	-	-	653
Grand Totals:	6,367	23,968	26,860	27,107	13,067	1,732	99,101

Exhibit C-4
Age and Service Distribution of Active Members by Count
and Average Compensation as of June 30, 2021
All Plans

Count														
Age	Years of Service												Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	275	283	108	50	15	1	-	-	-	-	-	-	-	732
25-29	1,233	1,327	1,036	827	656	556	-	-	-	-	-	-	-	5,635
30-34	1,077	1,338	1,359	1,392	1,505	3,889	574	12	-	-	-	-	-	11,146
35-39	644	846	893	1,013	1,059	4,171	3,333	822	41	-	-	-	-	12,822
40-44	427	503	535	644	692	2,614	3,610	3,042	1,203	77	-	-	-	13,347
45-49	279	367	383	409	462	1,731	2,526	2,867	3,617	805	65	2	-	13,513
50-54	207	237	262	296	302	1,276	1,861	2,154	3,565	2,537	1,663	145	-	14,505
55-59	142	162	175	221	224	981	1,332	1,628	2,322	1,921	2,544	950	-	12,602
60-64	46	87	102	112	129	652	1,040	1,176	1,654	1,094	1,526	1,486	-	9,104
65 & Over	15	22	45	48	55	373	697	860	1,324	670	679	907	-	5,695
Total Count	4,345	5,172	4,898	5,012	5,099	16,244	14,973	12,561	13,726	7,104	6,477	3,490	-	99,101

Compensation														
Age	Years of Service												Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over		
Under 25	58,266	68,392	63,280	69,495	71,550	45,348	-	-	-	-	-	-	-	63,942
25-29	58,267	65,964	68,569	72,908	75,854	78,114	-	-	-	-	-	-	-	68,128
30-34	66,941	68,870	71,903	72,516	77,353	81,746	87,851	89,291	-	-	-	-	-	76,146
35-39	71,149	73,314	80,605	79,102	80,315	88,131	97,078	92,271	108,916	-	-	-	-	87,075
40-44	69,831	71,910	78,790	79,436	80,509	93,294	99,664	98,377	103,300	115,418	-	-	-	93,735
45-49	68,984	68,387	73,374	75,862	78,685	90,398	97,285	101,269	106,662	118,599	129,382	143,664	-	97,858
50-54	67,097	67,360	72,859	81,046	79,381	86,211	92,995	100,679	105,473	119,632	120,857	116,251	-	103,012
55-59	68,887	69,334	73,441	73,467	74,920	85,493	88,875	92,070	95,175	111,562	110,620	112,631	-	98,615
60-64	72,766	67,195	85,663	72,134	80,125	84,209	84,638	86,094	89,178	105,080	107,875	108,400	-	95,417
65 & Over	105,609	72,855	84,241	89,965	127,061	89,499	83,047	85,454	83,471	91,748	100,139	99,654	-	90,151
Avg. Annual Compensation	\$ 65,236	\$ 69,021	\$ 73,968	\$ 75,748	\$ 78,927	\$ 86,893	\$ 94,628	\$ 96,172	\$ 99,778	\$ 112,416	\$ 111,691	\$ 107,625	\$ -	\$ 91,708

Exhibit C-4a
Age and Service Distribution of Active Members by Count
and Average Compensation as of June 30, 2021
General Plan A

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	2	2
65 & Over	-	-	-	-	-	-	-	4	5	7	3	50	69
Total Count	-	-	-	-	-	-	-	4	5	7	3	52	71

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	74,100	74,100
65 & Over	-	-	-	-	-	-	-	102,819	122,827	104,318	94,560	116,241	113,788
Avg. Annual Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,819	\$ 122,827	\$ 104,318	\$ 94,560	\$ 114,620	\$ 112,670

**Exhibit C-4b
 Age and Service Distribution of Active Members by Count
 and Average Compensation as of June 30, 2021
 General Plan B**

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	1	-	-	2	3
65 & Over	-	-	-	-	-	-	-	1	1	2	1	11	16
Total Count	-	-	-	-	-	-	-	1	2	2	1	13	19

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	63,120	-	-	93,744	83,536
65 & Over	-	-	-	-	-	-	-	85,848	191,676	133,008	141,264	115,583	122,264
Avg. Annual Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,848	\$ 127,398	\$ 133,008	\$ 141,264	\$ 112,223	\$ 116,149

Exhibit C-4c
Age and Service Distribution of Active Members by Count
and Average Compensation as of June 30, 2021
General Plan C

Count													
Age	Years of Service												Total Count
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	11	11
65 & Over	-	-	-	-	-	-	-	-	-	-	-	13	13
Total Count	-	-	-	-	-	-	-	-	-	-	-	24	24

Compensation													
Age	Years of Service												Average Comp.
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	90,766	90,766
65 & Over	-	-	-	-	-	-	-	-	-	-	-	115,205	115,205
Avg. Annual Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,004	\$ 104,004

Exhibit C-4d
Age and Service Distribution of Active Members by Count
and Average Compensation as of June 30, 2021
General Plan D

Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	1	-	-	8	-	-	-	-	-	-	9
30-34	1	2	5	8	4	263	264	9	-	-	-	-	556
35-39	5	5	18	14	13	683	1,952	472	31	-	-	-	3,193
40-44	1	4	10	10	18	551	2,388	2,046	692	60	-	-	5,780
45-49	2	5	13	8	17	379	1,762	1,942	2,151	496	43	1	6,819
50-54	1	3	6	12	10	263	1,300	1,463	2,146	1,369	747	109	7,429
55-59	1	3	3	5	8	195	957	1,159	1,508	1,151	1,303	569	6,862
60-64	-	2	4	2	5	114	751	789	1,079	688	756	597	4,787
65 & Over	-	1	2	2	2	73	459	555	741	353	310	201	2,699
Total Count	11	25	62	61	77	2,529	9,833	8,435	8,348	4,117	3,159	1,477	38,134

Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	81,912	-	-	55,322	-	-	-	-	-	-	58,276
30-34	54,240	54,540	77,484	81,924	84,756	82,925	72,455	79,532	-	-	-	-	77,695
35-39	116,506	117,936	96,871	92,469	96,742	95,638	88,474	83,957	102,168	-	-	-	89,660
40-44	66,228	86,934	108,572	67,558	86,513	104,351	95,247	94,332	95,778	107,735	-	-	95,921
45-49	47,514	113,503	96,138	94,158	110,238	102,221	95,718	99,581	100,175	108,912	118,529	156,840	99,732
50-54	79,560	144,356	194,874	149,937	116,710	97,429	91,883	100,504	102,964	110,014	104,726	112,884	102,149
55-59	44,460	74,716	193,808	111,156	86,894	94,408	89,641	94,032	97,130	110,286	109,098	118,740	101,779
60-64	-	158,838	122,670	104,796	161,441	94,713	86,493	89,412	93,368	110,456	112,161	115,787	100,017
65 & Over	-	111,720	85,236	68,550	73,740	88,570	82,759	90,724	86,280	95,134	109,818	118,166	92,879
Avg. Annual Compensation	\$ 83,822	\$ 108,025	\$ 112,264	\$ 99,681	\$ 101,882	\$ 96,919	\$ 91,133	\$ 95,276	\$ 97,872	\$ 108,722	\$ 108,996	\$ 117,062	\$ 98,370

Exhibit C-4e
Age and Service Distribution of Active Members by Count
and Average Compensation as of June 30, 2021
General Plan E

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	2	-	-	-	-	-	-	2
30-34	-	-	-	-	1	44	76	-	-	-	-	-	121
35-39	-	-	-	-	-	113	394	147	2	-	-	-	656
40-44	-	-	-	-	-	70	492	455	204	3	-	-	1,224
45-49	-	-	-	-	-	80	405	541	659	88	3	-	1,776
50-54	-	-	-	-	1	50	376	454	801	513	401	18	2,614
55-59	-	-	-	-	-	64	320	382	627	548	962	322	3,225
60-64	-	-	-	-	-	59	271	362	539	371	736	839	3,177
65 & Over	-	-	-	-	-	44	226	296	572	303	359	625	2,425
Total Count	-	-	-	-	2	526	2,560	2,637	3,404	1,826	2,461	1,804	15,220

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	57,300	-	-	-	-	-	-	57,300
30-34	-	-	-	-	64,944	79,813	62,286	-	-	-	-	-	68,681
35-39	-	-	-	-	-	81,281	76,336	70,836	87,702	-	-	-	75,990
40-44	-	-	-	-	-	82,798	82,890	78,765	74,787	103,072	-	-	80,050
45-49	-	-	-	-	-	88,289	81,188	83,137	83,739	80,264	89,784	-	83,017
50-54	-	-	-	-	65,136	83,790	82,459	81,570	83,826	92,119	85,928	77,980	85,139
55-59	-	-	-	-	-	75,948	79,764	76,311	77,342	96,503	93,948	87,262	86,632
60-64	-	-	-	-	-	89,937	76,179	75,756	77,565	90,918	100,918	99,595	90,257
65 & Over	-	-	-	-	-	111,504	79,720	75,133	78,697	86,034	90,980	91,059	84,874
Avg. Annual Compensation	\$ -	\$ -	\$ -	\$ -	\$ 65,040	\$ 85,424	\$ 79,556	\$ 78,527	\$ 80,222	\$ 91,628	\$ 94,287	\$ 94,221	\$ 85,292

**Exhibit C-4f
 Age and Service Distribution of Active Members by Count
 and Average Compensation as of June 30, 2021
 General Plan G**

Count													
Age	Years of Service												Total Count
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	172	150	67	29	8	1	-	-	-	-	-	-	427
25-29	1,004	980	765	582	452	359	-	-	-	-	-	-	4,142
30-34	915	1,149	1,186	1,170	1,220	2,880	25	-	-	-	-	-	8,545
35-39	579	752	815	916	916	2,830	29	1	-	-	-	-	6,838
40-44	397	469	506	592	614	1,792	19	2	-	-	-	-	4,391
45-49	267	341	359	389	426	1,197	14	2	1	-	-	-	2,996
50-54	194	229	252	274	287	926	19	1	-	1	-	-	2,183
55-59	125	152	170	213	215	700	13	4	1	-	-	-	1,593
60-64	42	83	98	110	123	469	8	4	1	-	-	-	938
65 & Over	15	21	43	46	53	253	9	2	-	-	-	-	442
Total Count	3,710	4,326	4,261	4,321	4,314	11,407	136	16	3	1	-	-	32,495

Compensation													
Age	Years of Service												Average Comp.
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	46,417	49,215	46,703	55,709	55,068	45,348	-	-	-	-	-	-	48,235
25-29	53,422	56,718	58,636	61,769	63,277	62,508	-	-	-	-	-	-	58,201
30-34	64,576	65,098	68,558	67,390	70,480	74,060	75,152	-	-	-	-	-	69,655
35-39	69,769	70,757	78,927	76,878	76,350	81,331	104,890	75,108	-	-	-	-	77,738
40-44	68,720	70,436	77,500	78,083	77,743	87,758	164,117	99,756	-	-	-	-	80,636
45-49	67,326	66,272	71,717	74,585	75,950	85,239	139,489	59,100	43,188	-	-	-	77,381
50-54	63,598	65,591	69,329	76,841	77,907	81,892	119,546	285,252	-	41,832	-	-	76,351
55-59	58,505	67,441	70,806	71,631	74,193	82,533	131,695	173,673	124,116	-	-	-	76,029
60-64	61,104	64,396	84,152	71,540	76,354	79,721	137,679	104,250	114,660	-	-	-	77,229
65 & Over	105,609	71,004	84,195	90,896	129,074	85,274	159,673	72,234	-	-	-	-	92,474
Avg. Annual Compensation	\$ 62,039	\$ 64,428	\$ 70,396	\$ 71,843	\$ 74,084	\$ 80,460	\$ 121,423	\$ 120,890	\$ 93,988	\$ 41,832	\$ -	\$ -	\$ 73,102

Exhibit C-4g
Age and Service Distribution of Active Members by Count
and Average Compensation as of June 30, 2021
Safety Plan A

Count													
Age	Years of Service												Total Count
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	1	-	-	-
65 & Over	-	-	-	-	-	-	-	-	-	-	-	1	-
Total Count	-	-	-	-	-	-	-	-	-	1	-	1	2

Compensation													
Age	Years of Service												Average Comp.
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	175,032	-	-	-
65 & Over	-	-	-	-	-	-	-	-	-	-	-	151,500	-
Avg. Annual Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,032	\$ -	\$ 151,500	\$ 163,266

**Exhibit C-4h
 Age and Service Distribution of Active Members by Count
 and Average Compensation as of June 30, 2021
 Safety Plan B**

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	14	-	-	-	-	-	-	14
30-34	2	4	1	3	7	168	205	3	-	-	-	-	393
35-39	4	9	5	4	5	216	945	202	8	-	-	-	1,398
40-44	8	5	2	4	10	95	702	536	307	14	-	-	1,683
45-49	5	4	3	2	3	40	344	380	805	221	19	1	1,827
50-54	9	-	-	6	-	20	165	234	618	654	515	18	2,239
55-59	13	1	-	1	-	7	42	82	186	222	279	59	892
60-64	3	-	-	-	-	3	10	21	34	34	34	35	174
65 & Over	-	-	-	-	-	2	3	2	5	5	6	6	29
Total Count	44	23	11	20	25	565	2,416	1,460	1,963	1,150	853	119	8,649

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	111,791	-	-	-	-	-	-	111,791
30-34	77,376	100,725	129,516	112,864	111,178	117,770	117,957	118,568	-	-	-	-	117,369
35-39	97,302	97,909	115,339	95,994	107,902	118,285	122,965	127,383	140,364	-	-	-	122,587
40-44	100,416	98,947	122,316	119,460	101,074	120,839	124,557	130,384	139,200	150,989	-	-	128,749
45-49	135,794	101,166	119,848	102,078	128,316	117,333	122,518	135,937	142,840	155,603	160,194	130,488	138,520
50-54	141,231	-	-	124,138	-	114,494	122,603	137,951	142,240	161,465	171,453	174,909	152,642
55-59	157,909	141,840	-	138,444	-	116,491	127,593	133,188	139,287	155,345	175,219	192,172	157,003
60-64	164,692	-	-	-	-	136,656	132,097	136,186	140,323	148,775	163,184	201,793	158,191
65 & Over	-	-	-	-	-	144,936	147,844	129,108	152,371	164,839	144,028	165,100	152,843
Avg. Annual Compensation	\$ 132,823	\$ 101,101	\$ 119,126	\$ 114,392	\$ 108,538	\$ 118,368	\$ 123,064	\$ 132,842	\$ 141,716	\$ 158,669	\$ 171,911	\$ 190,507	\$ 139,045

Exhibit C-4i
Age and Service Distribution of Active Members by Count
and Average Compensation as of June 30, 2021
Safety Plan C

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	103	133	41	21	7	-	-	-	-	-	-	-	305
25-29	229	347	270	245	204	173	-	-	-	-	-	-	1,468
30-34	159	183	167	211	273	534	4	-	-	-	-	-	1,531
35-39	56	80	55	79	125	329	13	-	-	-	-	-	737
40-44	21	25	17	38	50	106	9	3	-	-	-	-	269
45-49	5	17	8	10	16	35	1	2	1	-	-	-	95
50-54	3	5	4	4	4	17	1	2	-	-	-	-	40
55-59	3	6	2	2	1	15	-	1	-	-	-	-	30
60-64	1	2	-	-	1	7	-	-	-	-	-	-	11
65 & Over	-	-	-	-	-	1	-	-	-	-	-	-	1
Total Count	580	798	564	610	681	1,217	28	8	1	-	-	-	4,487

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	78,051	90,020	90,368	88,534	90,387	-	-	-	-	-	-	-	85,931
25-29	79,509	92,075	96,663	99,367	103,720	109,068	-	-	-	-	-	-	95,797
30-34	80,498	92,013	95,145	100,015	107,136	111,444	126,141	-	-	-	-	-	101,825
35-39	79,496	91,790	96,989	101,665	106,556	113,594	118,303	-	-	-	-	-	105,008
40-44	79,347	91,750	94,544	99,420	108,199	111,646	111,112	112,644	-	-	-	-	103,820
45-49	99,293	89,836	93,305	105,656	108,683	112,850	106,548	101,100	106,548	-	-	-	104,533
50-54	66,788	102,199	112,236	97,740	111,672	121,773	109,236	113,286	-	-	-	-	110,098
55-59	123,844	102,514	116,838	142,308	135,636	134,016	-	140,076	-	-	-	-	126,362
60-64	286,788	91,716	-	-	137,472	143,057	-	-	-	-	-	-	146,281
65 & Over	-	-	-	-	-	147,156	-	-	-	-	-	-	147,156
Avg. Annual Compensation	\$ 80,206	\$ 91,773	\$ 95,858	\$ 99,752	\$ 106,062	\$ 112,379	\$ 116,368	\$ 113,348	\$ 106,548	\$ -	\$ -	\$ -	\$ 99,829

Exhibit C-5
Distribution of Retired Members by Age and Retirement Year
as of June 30, 2021
All Plans

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	1	9	8	18	80	17	133	\$ 1,024
35-39	-	-	-	-	-	-	2	4	8	74	29	117	2,618
40-44	-	-	-	-	-	1	2	14	57	104	41	219	2,921
45-49	-	-	-	-	-	2	26	49	75	153	64	369	3,233
50-54	-	-	-	1	11	49	106	101	173	483	339	1,263	3,723
55-59	-	-	-	2	60	128	161	166	415	1,904	1,193	4,029	5,771
60-64	-	-	5	39	100	146	166	324	1,437	3,214	1,338	6,769	5,417
65-69	-	9	45	72	112	171	365	1,409	3,067	4,917	1,871	12,038	4,774
70-74	6	76	138	135	186	469	1,611	3,194	4,269	3,673	764	14,521	4,678
75-79	17	130	203	192	485	1,473	2,944	2,832	2,433	1,330	333	12,372	4,821
80-84	46	110	146	348	1,075	1,658	1,901	1,298	850	673	223	8,328	4,427
85-89	69	89	245	588	1,209	1,025	716	466	402	413	164	5,386	4,101
90-94	57	130	355	461	626	310	207	189	232	212	71	2,850	3,708
95-99	32	96	165	175	128	64	65	71	69	67	21	953	3,421
100 & Over	14	24	33	16	15	12	8	7	15	6	-	150	2,889
Total Count	241	664	1,335	2,029	4,007	5,509	8,289	10,132	13,520	17,303	6,468	69,497	
Avg Monthly Benefit	\$ 2,420	\$ 3,081	\$ 3,165	\$ 3,591	\$ 4,559	\$ 4,552	\$ 5,248	\$ 4,578	\$ 4,619	\$ 4,757	\$ 5,104		\$ 4,679

Exhibit C-5a
Distribution of Retired Members by Age
and Retirement Year as of June 30, 2021
General Plan A

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	1	1	3	4	-	9	\$ 644
35-39	-	-	-	-	-	-	-	2	1	3	2	8	1,590
40-44	-	-	-	-	-	-	2	4	4	1	1	12	2,066
45-49	-	-	-	-	-	-	1	3	3	-	-	7	3,007
50-54	-	-	-	1	-	4	4	5	3	3	1	21	2,442
55-59	-	-	-	-	1	2	1	6	4	8	5	27	3,520
60-64	-	-	1	3	2	5	8	16	19	31	2	87	3,570
65-69	-	4	14	12	11	24	93	218	521	205	36	1,138	5,317
70-74	2	39	41	36	49	223	566	1,215	849	219	71	3,310	5,867
75-79	11	55	84	66	299	715	1,493	1,035	354	242	85	4,439	5,705
80-84	26	65	65	241	709	948	1,034	329	217	233	96	3,963	5,032
85-89	38	57	171	433	892	669	272	165	188	207	95	3,187	4,390
90-94	33	100	279	362	501	172	101	105	144	130	49	1,976	3,739
95-99	29	78	143	156	96	44	44	54	51	48	19	762	3,346
100 & Over	11	23	33	16	11	10	5	5	9	4	-	127	3,004
Total Count	150	421	831	1,326	2,571	2,816	3,625	3,163	2,370	1,338	462	19,073	
Avg Monthly Benefit	\$ 1,806	\$ 2,498	\$ 2,543	\$ 3,091	\$ 4,399	\$ 4,560	\$ 6,125	\$ 6,192	\$ 5,986	\$ 4,585	\$ 3,843		\$ 5,011

Exhibit C-5b
Distribution of Retired Members by Age and Retirement Year
as of June 30, 2021
General Plan B

Age	Retirement Year											Total Count	Average Monthly Benefit	
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24			
Under 35	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	1	-	1	2,793	
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-	
55-59	-	-	-	-	-	-	-	-	-	1	1	2	4,299	
60-64	-	-	-	-	-	-	-	5	2	18	6	31	5,683	
65-69	-	-	-	-	1	2	5	20	63	63	1	155	5,807	
70-74	-	-	1	5	4	5	17	52	84	26	5	199	5,904	
75-79	-	-	2	3	4	13	39	38	28	7	2	136	4,510	
80-84	-	-	-	3	5	16	34	19	11	5	1	94	4,028	
85-89	-	-	1	2	5	21	7	11	4	1	1	53	3,915	
90-94	-	-	2	4	16	11	3	4	1	3	-	44	2,167	
95-99	-	-	-	2	3	1	2	-	-	-	-	8	2,830	
100 & Over	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Count	-	-	6	19	38	69	107	149	193	125	17	723		
Avg Monthly Benefit	\$ -	\$ -	\$ 1,466	\$ 1,470	\$ 2,076	\$ 2,475	\$ 3,728	\$ 4,800	\$ 6,430	\$ 6,799	\$ 5,209		\$ 4,952	

Exhibit C-5c
Distribution of Retired Members by Age and Retirement Year
as of June 30, 2021
General Plan C

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	-	-	-	1	-	1	\$ 5,103
35-39	-	-	-	-	-	-	-	-	-	1	-	1	5,103
40-44	-	-	-	-	-	-	-	-	1	-	-	1	1,655
45-49	-	-	-	-	-	-	-	-	2	-	-	2	1,504
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	1	-	-	1	1	3	2,362
60-64	-	-	-	-	-	1	-	2	4	20	6	33	4,384
65-69	-	1	1	5	1	3	4	11	35	39	9	109	5,659
70-74	-	-	4	1	1	2	19	19	42	25	4	117	5,462
75-79	-	-	1	2	8	8	9	26	21	8	-	83	3,692
80-84	-	-	-	7	8	8	15	12	6	2	2	60	2,721
85-89	-	-	-	4	6	11	14	7	3	3	-	48	2,651
90-94	-	-	1	2	8	6	3	2	-	3	-	25	1,576
95-99	-	-	-	-	2	1	-	1	1	-	-	5	2,741
100 & Over	-	-	-	-	1	-	-	-	-	-	-	1	702
Total Count	-	1	7	21	35	40	65	80	115	103	22	489	
Avg Monthly Benefit	\$ -	\$ 1,880	\$ 1,327	\$ 1,083	\$ 1,396	\$ 2,119	\$ 2,940	\$ 3,392	\$ 5,911	\$ 6,087	\$ 6,211		\$ 4,240

Exhibit C-5d
Distribution of Retired Members by Age and Retirement Year
as of June 30, 2021
General Plan D

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	3	2	10	38	7	60	\$ 866
35-39	-	-	-	-	-	-	1	-	1	25	13	40	1,708
40-44	-	-	-	-	-	-	-	5	25	37	17	84	2,045
45-49	-	-	-	-	-	2	7	13	27	60	17	126	2,302
50-54	-	-	-	-	3	5	18	22	73	270	189	580	2,242
55-59	-	-	-	-	8	18	45	59	250	773	387	1,540	2,862
60-64	-	-	-	5	17	40	52	182	540	1,428	841	3,105	3,939
65-69	-	-	3	6	19	50	147	451	964	2,419	934	4,993	4,348
70-74	-	1	2	16	33	98	251	551	1,485	1,637	340	4,414	3,862
75-79	-	-	2	10	36	132	301	700	887	481	96	2,645	3,493
80-84	-	-	5	12	42	123	315	404	288	179	37	1,405	2,895
85-89	-	-	2	12	33	110	183	125	73	55	23	616	2,598
90-94	-	-	1	4	24	55	43	32	22	22	6	209	2,261
95-99	-	-	-	3	10	9	4	4	2	3	1	36	1,573
100 & Over	-	-	-	-	1	-	-	1	1	2	-	5	1,095
Total Count	-	1	15	68	226	642	1,370	2,551	4,648	7,429	2,908	19,858	
Avg Monthly Benefit	\$ -	\$ 2,929	\$ 1,816	\$ 1,575	\$ 1,783	\$ 2,054	\$ 2,414	\$ 2,841	\$ 3,617	\$ 4,077	\$ 4,543		\$ 3,662

Exhibit C-5e
Distribution of Retired Members by Age and Retirement Year
as of June 30, 2021
General Plan E

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	1	-	2	1	19	4	27	\$ 745
35-39	-	-	-	-	-	-	1	2	2	10	3	18	822
40-44	-	-	-	-	-	1	-	2	6	10	5	24	1,362
45-49	-	-	-	-	-	-	-	-	9	24	7	40	1,278
50-54	-	-	-	-	-	-	2	7	16	25	8	58	882
55-59	-	-	-	-	-	-	1	5	17	223	161	407	1,056
60-64	-	-	-	-	-	-	2	5	238	571	325	1,141	1,831
65-69	-	-	-	-	-	1	5	286	674	1,902	810	3,678	3,031
70-74	-	-	-	-	-	8	234	685	1,617	1,631	296	4,471	2,796
75-79	-	-	-	-	1	138	361	894	1,069	483	106	3,052	2,465
80-84	-	-	-	-	39	183	413	500	257	165	56	1,613	1,977
85-89	-	-	-	14	68	165	206	107	88	82	23	753	1,569
90-94	-	-	-	11	50	60	35	23	23	19	5	226	1,311
95-99	-	-	1	8	14	4	4	3	7	4	-	45	846
100 & Over	-	-	-	-	2	2	2	1	2	-	-	9	516
Total Count	-	-	1	33	174	563	1,266	2,522	4,026	5,168	1,809	15,562	
Avg Monthly Benefit	\$ -	\$ -	\$ 81	\$ 305	\$ 553	\$ 811	\$ 1,268	\$ 1,699	\$ 2,612	\$ 3,026	\$ 3,297		\$ 2,479

**Exhibit C-5f
 Distribution of Retired Members by Age and Retirement Year
 as of June 30, 2021
 General Plan G**

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	-	-	-	1	-	1	\$ 2,478
35-39	-	-	-	-	-	-	-	-	-	1	-	1	1,315
40-44	-	-	-	-	-	-	-	-	-	2	-	2	2,521
45-49	-	-	-	-	-	-	-	-	-	2	2	4	1,251
50-54	-	-	-	-	-	-	-	-	-	1	3	4	1,765
55-59	-	-	-	-	-	-	-	-	1	4	12	17	731
60-64	-	-	-	-	-	-	-	-	-	4	13	17	886
65-69	-	-	-	-	-	-	-	-	-	17	29	46	996
70-74	-	-	-	-	-	-	-	-	1	12	8	21	1,689
75-79	-	-	-	-	-	-	-	1	-	4	1	6	4,206
80-84	-	-	-	-	-	-	-	-	-	3	1	4	2,381
85-89	-	-	-	-	-	-	-	-	-	-	-	-	-
90-94	-	-	-	-	-	-	-	-	-	-	-	-	-
95-99	-	-	-	-	-	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Count	-	-	-	-	-	-	-	1	2	51	69	123	
Avg Monthly Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,007	\$ 2,530	\$ 1,624	\$ 1,080	\$ 1,337	

Exhibit C-5g
Distribution of Retired Members by Age and Retirement Year
as of June 30, 2021
Safety Plan A

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	-	-	2	3	-	5	\$ -
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	1	1	-	2	6,820
45-49	-	-	-	-	-	-	-	-	-	1	-	1	5,252
50-54	-	-	-	-	1	-	3	-	1	-	-	5	6,259
55-59	-	-	-	-	1	1	1	-	3	3	1	10	4,369
60-64	-	-	-	-	2	1	4	1	29	14	7	58	9,168
65-69	-	4	15	19	17	32	31	170	165	40	26	519	9,881
70-74	4	36	84	58	78	108	465	485	83	85	35	1,521	9,005
75-79	6	75	111	111	129	452	708	113	60	96	42	1,903	8,448
80-84	20	45	76	84	271	378	87	32	70	85	29	1,177	7,699
85-89	31	32	71	122	204	48	34	51	45	64	22	724	6,862
90-94	24	30	71	78	26	6	21	22	41	35	11	365	6,221
95-99	3	18	21	6	3	5	11	9	8	12	1	97	5,978
100 & Over	3	1	-	-	-	-	1	-	3	-	-	8	5,138
Total Count	91	241	449	478	732	1,031	1,366	883	511	439	174	6,395	
Avg Monthly Benefit	\$ 3,432	\$ 4,107	\$ 4,461	\$ 5,848	\$ 7,523	\$ 8,578	\$ 10,022	\$ 10,419	\$ 9,085	\$ 7,232	\$ 7,405		\$ 8,201

Exhibit C-5h
Distribution of Retired Members by Age and Retirement Year
as of June 30, 2021
Safety Plan B

Age	Retirement Year										Total Count	Average Monthly Benefit	
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19			2020-24
Under 35	-	-	-	-	-	-	5	3	2	13	5	28	\$ 1,574
35-39	-	-	-	-	-	-	-	-	4	33	10	47	4,191
40-44	-	-	-	-	-	-	-	3	20	52	18	93	4,164
45-49	-	-	-	-	-	-	18	33	34	65	38	188	4,334
50-54	-	-	-	-	7	40	79	67	80	184	138	595	5,481
55-59	-	-	-	2	50	107	112	96	140	888	622	2,017	9,041
60-64	-	-	4	31	79	99	100	113	605	1,128	137	2,296	9,218
65-69	-	-	12	30	63	59	80	253	645	232	25	1,399	8,479
70-74	-	-	6	19	21	25	59	187	107	37	5	466	7,244
75-79	-	-	3	-	8	15	33	25	14	9	1	108	4,926
80-84	-	-	-	1	1	2	3	2	1	1	1	12	4,603
85-89	-	-	-	1	1	1	-	-	1	1	-	5	2,549
90-94	-	-	1	-	1	-	1	1	1	-	-	5	1,129
95-99	-	-	-	-	-	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Count	-	-	26	84	231	348	490	783	1,654	2,643	1,000	7,259	
Avg Monthly Benefit	\$ -	\$ -	\$ 2,451	\$ 2,666	\$ 3,571	\$ 3,907	\$ 4,290	\$ 6,484	\$ 8,678	\$ 9,642	\$ 10,458		\$ 8,258

Exhibit C-5i
Distribution of Retired Members and Beneficiaries by Age and Retirement Year
as of June 30, 2021
Safety Plan C

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	-	-	-	1	1	2	\$ 3,294
35-39	-	-	-	-	-	-	-	-	-	1	1	2	3,522
40-44	-	-	-	-	-	-	-	-	-	1	-	1	3,035
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	3	3	6	1,925
60-64	-	-	-	-	-	-	-	-	-	-	1	1	2,035
65-69	-	-	-	-	-	-	-	-	-	-	1	1	2,125
70-74	-	-	-	-	-	-	-	-	1	1	-	2	21,561
75-79	-	-	-	-	-	-	-	-	-	-	-	-	-
80-84	-	-	-	-	-	-	-	-	-	-	-	-	-
85-89	-	-	-	-	-	-	-	-	-	-	-	-	-
90-94	-	-	-	-	-	-	-	-	-	-	-	-	-
95-99	-	-	-	-	-	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Count	-	-	-	-	-	-	-	-	1	7	7	15	
Avg Monthly Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,749	\$ 5,307	\$ 2,799		\$ 5,033

Appendix D Member Contribution Rates

This section illustrates the member normal contribution rates and the normal plus cost-of-living contribution rates by entry age.

Exhibit D-1
Normal Member Contribution Rates

Entry Age	General					Safety		
	Plan A	Plan B	Plan C	Plan D	Plan G	Plan A	Plan B	Plan C
16	2.68%	5.36%	4.57%	4.57%	7.33%	4.17%	8.34%	11.11%
17	2.74%	5.48%	4.66%	4.66%	7.33%	4.17%	8.34%	11.11%
18	2.80%	5.59%	4.76%	4.76%	7.33%	4.17%	8.34%	11.11%
19	2.86%	5.71%	4.87%	4.87%	7.33%	4.25%	8.50%	11.11%
20	2.92%	5.83%	4.97%	4.97%	7.33%	4.34%	8.67%	11.11%
21	2.98%	5.95%	5.07%	5.07%	7.33%	4.42%	8.85%	11.11%
22	3.04%	6.08%	5.18%	5.18%	7.33%	4.51%	9.03%	11.11%
23	3.10%	6.21%	5.29%	5.29%	7.33%	4.61%	9.21%	11.11%
24	3.17%	6.34%	5.40%	5.40%	7.33%	4.70%	9.40%	11.11%
25	3.24%	6.47%	5.52%	5.52%	7.33%	4.74%	9.48%	11.11%
26	3.30%	6.61%	5.63%	5.63%	7.33%	4.78%	9.55%	11.11%
27	3.37%	6.75%	5.75%	5.75%	7.33%	4.87%	9.75%	11.11%
28	3.45%	6.89%	5.87%	5.87%	7.33%	4.97%	9.95%	11.11%
29	3.52%	7.04%	6.00%	6.00%	7.33%	5.08%	10.15%	11.11%
30	3.59%	7.19%	6.12%	6.12%	7.33%	5.14%	10.28%	11.11%
31	3.67%	7.34%	6.25%	6.25%	7.33%	5.20%	10.40%	11.11%
32	3.75%	7.50%	6.38%	6.38%	7.33%	5.31%	10.61%	11.11%
33	3.83%	7.66%	6.52%	6.52%	7.33%	5.41%	10.83%	11.11%
34	3.91%	7.82%	6.66%	6.66%	7.33%	5.52%	11.04%	11.11%
35	3.99%	7.98%	6.80%	6.80%	7.33%	5.63%	11.27%	11.11%
36	4.07%	8.14%	6.95%	6.95%	7.33%	5.75%	11.49%	11.11%
37	4.15%	8.30%	7.10%	7.10%	7.33%	5.86%	11.72%	11.11%
38	4.23%	8.47%	7.25%	7.25%	7.33%	5.98%	11.95%	11.11%
39	4.32%	8.63%	7.40%	7.40%	7.33%	6.09%	12.19%	11.11%
40	4.40%	8.80%	7.55%	7.55%	7.33%	6.21%	12.43%	11.11%
41	4.49%	8.97%	7.70%	7.70%	7.33%	6.34%	12.67%	11.11%
42	4.57%	9.15%	7.85%	7.85%	7.33%	6.45%	12.91%	11.11%
43	4.66%	9.32%	8.01%	8.01%	7.33%	6.56%	13.12%	11.11%
44	4.75%	9.49%	8.17%	8.17%	7.33%	6.65%	13.30%	11.11%
45	4.83%	9.66%	8.33%	8.33%	7.33%	6.70%	13.40%	11.11%
46	4.91%	9.83%	8.49%	8.49%	7.33%	6.70%	13.40%	11.11%
47	4.99%	9.97%	8.66%	8.66%	7.33%	6.70%	13.40%	11.11%
48	5.04%	10.09%	8.82%	8.82%	7.33%	6.70%	13.40%	11.11%
49	5.09%	10.18%	8.98%	8.98%	7.33%	6.70%	13.40%	11.11%
50	5.12%	10.23%	9.14%	9.14%	7.33%	6.70%	13.40%	11.11%
51	5.13%	10.25%	9.30%	9.30%	7.33%	6.70%	13.40%	11.11%
52	5.13%	10.25%	9.43%	9.43%	7.33%	6.70%	13.40%	11.11%
53	5.13%	10.25%	9.54%	9.54%	7.33%	6.70%	13.40%	11.11%
54	5.13%	10.25%	9.63%	9.63%	7.33%	6.70%	13.40%	11.11%
55	5.13%	10.25%	9.68%	9.68%	7.33%	6.70%	13.40%	11.11%
56	5.13%	10.25%	9.70%	9.70%	7.33%	6.70%	13.40%	11.11%
57	5.13%	10.25%	9.70%	9.70%	7.33%	6.70%	13.40%	11.11%
58	5.13%	10.25%	9.70%	9.70%	7.33%	6.70%	13.40%	11.11%
59	5.13%	10.25%	9.70%	9.70%	7.33%	6.70%	13.40%	11.11%
60	5.13%	10.25%	9.70%	9.70%	7.33%	6.70%	13.40%	11.11%

Exhibit D-2
Normal Plus Cost-of-Living Member Contribution Rates

Entry Age	General					Safety		
	Plan A	Plan B	Plan C	Plan D	Plan G	Plan A	Plan B	Plan C
16	4.94%	6.75%	5.80%	5.76%	9.08%	7.80%	11.09%	14.33%
17	5.05%	6.90%	5.91%	5.87%	9.08%	7.80%	11.09%	14.33%
18	5.16%	7.04%	6.04%	5.99%	9.08%	7.80%	11.09%	14.33%
19	5.28%	7.19%	6.18%	6.13%	9.08%	7.95%	11.31%	14.33%
20	5.39%	7.34%	6.30%	6.26%	9.08%	8.12%	11.53%	14.33%
21	5.50%	7.49%	6.43%	6.39%	9.08%	8.27%	11.77%	14.33%
22	5.61%	7.65%	6.57%	6.52%	9.08%	8.44%	12.01%	14.33%
23	5.72%	7.82%	6.71%	6.66%	9.08%	8.63%	12.25%	14.33%
24	5.85%	7.98%	6.85%	6.80%	9.08%	8.80%	12.50%	14.33%
25	5.98%	8.15%	7.00%	6.95%	9.08%	8.87%	12.61%	14.33%
26	6.09%	8.32%	7.14%	7.09%	9.08%	8.95%	12.70%	14.33%
27	6.22%	8.50%	7.29%	7.24%	9.08%	9.11%	12.97%	14.33%
28	6.36%	8.67%	7.44%	7.39%	9.08%	9.30%	13.24%	14.33%
29	6.49%	8.86%	7.61%	7.56%	9.08%	9.51%	13.50%	14.33%
30	6.62%	9.05%	7.76%	7.71%	9.08%	9.62%	13.68%	14.33%
31	6.77%	9.24%	7.93%	7.87%	9.08%	9.73%	13.84%	14.33%
32	6.92%	9.44%	8.09%	8.03%	9.08%	9.94%	14.11%	14.33%
33	7.06%	9.64%	8.27%	8.21%	9.08%	10.12%	14.41%	14.33%
34	7.21%	9.85%	8.45%	8.39%	9.08%	10.33%	14.69%	14.33%
35	7.36%	10.05%	8.62%	8.56%	9.08%	10.54%	14.99%	14.33%
36	7.51%	10.25%	8.81%	8.75%	9.08%	10.76%	15.29%	14.33%
37	7.66%	10.45%	9.00%	8.94%	9.08%	10.97%	15.59%	14.33%
38	7.80%	10.66%	9.19%	9.13%	9.08%	11.19%	15.90%	14.33%
39	7.97%	10.87%	9.38%	9.32%	9.08%	11.40%	16.22%	14.33%
40	8.12%	11.08%	9.57%	9.51%	9.08%	11.62%	16.54%	14.33%
41	8.28%	11.29%	9.76%	9.70%	9.08%	11.87%	16.85%	14.33%
42	8.43%	11.52%	9.95%	9.89%	9.08%	12.07%	17.17%	14.33%
43	8.60%	11.73%	10.16%	10.09%	9.08%	12.28%	17.45%	14.33%
44	8.76%	11.95%	10.36%	10.29%	9.08%	12.45%	17.69%	14.33%
45	8.91%	12.16%	10.56%	10.49%	9.08%	12.54%	17.83%	14.33%
46	9.06%	12.38%	10.77%	10.69%	9.08%	12.54%	17.83%	14.33%
47	9.20%	12.55%	10.98%	10.91%	9.08%	12.54%	17.83%	14.33%
48	9.30%	12.70%	11.18%	11.11%	9.08%	12.54%	17.83%	14.33%
49	9.39%	12.82%	11.39%	11.31%	9.08%	12.54%	17.83%	14.33%
50	9.44%	12.88%	11.59%	11.51%	9.08%	12.54%	17.83%	14.33%
51	9.46%	12.90%	11.79%	11.71%	9.08%	12.54%	17.83%	14.33%
52	9.46%	12.90%	11.96%	11.88%	9.08%	12.54%	17.83%	14.33%
53	9.46%	12.90%	12.10%	12.01%	9.08%	12.54%	17.83%	14.33%
54	9.46%	12.90%	12.21%	12.13%	9.08%	12.54%	17.83%	14.33%
55	9.46%	12.90%	12.28%	12.19%	9.08%	12.54%	17.83%	14.33%
56	9.46%	12.90%	12.30%	12.22%	9.08%	12.54%	17.83%	14.33%
57	9.46%	12.90%	12.30%	12.22%	9.08%	12.54%	17.83%	14.33%
58	9.46%	12.90%	12.30%	12.22%	9.08%	12.54%	17.83%	14.33%
59	9.46%	12.90%	12.30%	12.22%	9.08%	12.54%	17.83%	14.33%
60	9.46%	12.90%	12.30%	12.22%	9.08%	12.54%	17.83%	14.33%

Appendix E Historical Information

This section presents historical statistical information on LACERA's membership and the calculated contribution rates.

Exhibit E-1
Active Membership Data

General Members						Safety Members					Total Members				
Valuation Date (June 30)	Annual Salary (in millions)	Average Age	Average Service	Average Monthly Salary	Number	Annual Salary (in millions)	Average Age	Average Service	Average Monthly Salary	Number	Annual Salary (in millions)	Average Age	Average Service	Average Monthly Salary	Number
1998	\$ 2,837	44.7	12.9	\$ 3,594	65,782	\$ 725	39.9	13.8	\$ 5,519	10,947	\$ 3,562	44.0	13.0	\$ 3,870	76,729
1999	\$ 3,105	44.6	12.7	\$ 3,769	68,652	\$ 753	40.0	13.7	\$ 5,696	11,024	\$ 3,858	43.9	12.8	\$ 4,035	79,676
2000	\$ 3,353	44.4	12.5	\$ 3,884	71,940	\$ 790	39.8	13.8	\$ 5,849	11,264	\$ 4,143	43.8	12.6	\$ 4,150	83,204
2001	\$ 3,608	44.5	12.3	\$ 4,006	75,048	\$ 860	39.6	13.0	\$ 5,967	12,021	\$ 4,468	43.9	12.4	\$ 4,277	87,069
2002	\$ 3,833	44.7	12.3	\$ 4,145	77,062	\$ 894	39.6	13.8	\$ 6,115	12,190	\$ 4,727	44.0	12.5	\$ 4,414	89,252
2003	\$ 3,954	45.2	12.7	\$ 4,336	75,995	\$ 899	40.1	13.7	\$ 6,370	11,765	\$ 4,853	44.5	12.9	\$ 4,609	87,760
2004	\$ 3,967	45.6	13.1	\$ 4,418	74,826	\$ 885	40.6	14.7	\$ 6,467	11,409	\$ 4,852	44.9	13.3	\$ 4,689	86,235
2005	\$ 4,046	45.8	13.2	\$ 4,486	75,167	\$ 905	41.0	14.9	\$ 6,722	11,217	\$ 4,951	45.2	13.4	\$ 4,777	86,384
2006	\$ 4,267	45.7	13.0	\$ 4,608	77,167	\$ 969	41.2	15.0	\$ 7,047	11,464	\$ 5,236	45.1	13.3	\$ 4,924	88,631
2007	\$ 4,673	45.7	12.8	\$ 4,878	79,829	\$ 1,104	40.8	14.4	\$ 7,499	12,267	\$ 5,777	45.1	13.0	\$ 5,227	92,096
2008	\$ 5,017	45.8	12.8	\$ 5,119	81,664	\$ 1,187	40.5	13.7	\$ 7,714	12,828	\$ 6,204	45.1	12.9	\$ 5,471	94,492
2009	\$ 5,348	46.1	13.1	\$ 5,377	82,878	\$ 1,240	40.8	14.0	\$ 8,002	12,910	\$ 6,588	45.4	13.2	\$ 5,731	95,788
2010	\$ 5,318	46.6	13.6	\$ 5,444	81,413	\$ 1,257	41.3	14.5	\$ 8,062	12,997	\$ 6,575	45.9	13.7	\$ 5,804	94,410
2011	\$ 5,295	47.0	14.0	\$ 5,506	80,145	\$ 1,240	41.9	15.1	\$ 8,172	12,641	\$ 6,535	46.3	14.2	\$ 5,869	92,786
2012	\$ 5,272	47.3	14.4	\$ 5,528	79,467	\$ 1,230	42.3	15.5	\$ 8,209	12,485	\$ 6,502	46.7	14.6	\$ 5,892	91,952
2013	\$ 5,253	47.6	14.8	\$ 5,541	79,006	\$ 1,235	42.3	15.7	\$ 8,207	12,539	\$ 6,488	46.9	14.9	\$ 5,906	91,545
2014	\$ 5,488	47.6	14.9	\$ 5,720	79,943	\$ 1,253	42.6	15.8	\$ 8,337	12,523	\$ 6,741	47.0	15.0	\$ 6,075	92,466
2015	\$ 5,706	47.6	14.8	\$ 5,854	81,228	\$ 1,300	42.8	16.0	\$ 8,702	12,446	\$ 7,006	46.9	15.0	\$ 6,233	93,674
2016	\$ 5,950	47.4	14.6	\$ 5,980	82,916	\$ 1,343	42.8	16.0	\$ 8,931	12,528	\$ 7,293	46.8	14.8	\$ 6,367	95,444
2017	\$ 6,290	47.3	14.5	\$ 6,202	84,513	\$ 1,388	42.5	15.6	\$ 9,110	12,698	\$ 7,678	46.7	14.6	\$ 6,582	97,211
2018	\$ 6,610	47.2	14.4	\$ 6,428	85,703	\$ 1,452	42.2	15.3	\$ 9,471	12,771	\$ 8,062	46.6	14.5	\$ 6,822	98,474
2019	\$ 6,816	47.3	14.4	\$ 6,574	86,392	\$ 1,540	42.0	15.1	\$ 10,032	12,794	\$ 8,356	46.6	14.5	\$ 7,020	99,186
2020	\$ 7,186	47.3	14.4	\$ 6,889	86,930	\$ 1,591	41.4	14.4	\$ 10,058	13,178	\$ 8,777	46.5	14.4	\$ 7,306	100,108
2021	\$ 7,438	47.5	14.6	\$ 7,210	85,963	\$ 1,651	41.4	14.2	\$ 10,471	13,138	\$ 9,088	46.7	14.5	\$ 7,642	99,101

Exhibit E-2
Retired Membership Data

General Members					Safety Members				Total Members			
Valuation Date (June 30)	Number	Annual Allowance (in millions)	Average Age	Average Monthly Benefit	Number	Annual Allowance (in millions)	Average Age	Average Monthly Benefit	Number	Annual Allowance (in millions)	Average Age	Average Monthly Benefit
1998	35,462	\$ 692	71.1	\$ 1,626	7,425	\$ 267	62.5	\$ 3,001	42,887	\$ 959	69.6	\$ 1,864
1999	35,837	\$ 725	71.4	\$ 1,686	7,674	\$ 291	63.1	\$ 3,166	43,511	\$ 1,016	70.0	\$ 1,947
2000	36,596	\$ 780	71.4	\$ 1,778	8,032	\$ 324	63.1	\$ 3,358	44,628	\$ 1,104	69.9	\$ 2,062
2001	37,077	\$ 890	71.6	\$ 2,001	8,319	\$ 382	63.4	\$ 3,828	45,396	\$ 1,272	70.1	\$ 2,336
2002	37,618	\$ 914	71.8	\$ 2,025	8,624	\$ 403	63.7	\$ 3,892	46,242	\$ 1,317	70.3	\$ 2,374
2003	38,283	\$ 984	71.9	\$ 2,142	8,949	\$ 443	63.9	\$ 4,128	47,232	\$ 1,427	70.4	\$ 2,518
2004	39,097	\$ 1,056	72.0	\$ 2,250	9,235	\$ 478	64.2	\$ 4,318	48,332	\$ 1,534	70.5	\$ 2,645
2005	40,251	\$ 1,138	72.1	\$ 2,355	9,518	\$ 514	64.6	\$ 4,504	49,769	\$ 1,652	70.7	\$ 2,766
2006	41,309	\$ 1,224	72.2	\$ 2,469	9,683	\$ 549	65.0	\$ 4,728	50,992	\$ 1,773	70.8	\$ 2,898
2007	41,584	\$ 1,280	72.2	\$ 2,565	9,808	\$ 578	65.4	\$ 4,914	51,392	\$ 1,858	70.9	\$ 3,013
2008	42,298	\$ 1,356	72.4	\$ 2,671	10,052	\$ 623	65.8	\$ 5,167	52,350	\$ 1,979	71.1	\$ 3,150
2009	42,825	\$ 1,423	72.6	\$ 2,768	10,244	\$ 663	66.3	\$ 5,394	53,069	\$ 2,086	71.4	\$ 3,275
2010	43,752	\$ 1,514	72.7	\$ 2,883	10,444	\$ 706	66.7	\$ 5,638	54,196	\$ 2,220	71.6	\$ 3,414
2011	44,726	\$ 1,597	72.9	\$ 2,976	10,645	\$ 746	67.0	\$ 5,836	55,371	\$ 2,343	71.7	\$ 3,526
2012	45,899	\$ 1,686	73.0	\$ 3,061	10,871	\$ 789	67.3	\$ 6,049	56,770	\$ 2,475	71.9	\$ 3,633
2013	46,939	\$ 1,774	73.2	\$ 3,149	11,147	\$ 837	67.5	\$ 6,261	58,086	\$ 2,611	72.1	\$ 3,746
2014	47,867	\$ 1,836	73.4	\$ 3,196	11,362	\$ 876	67.8	\$ 6,427	59,229	\$ 2,712	72.3	\$ 3,816
2015	48,958	\$ 1,898	73.5	\$ 3,231	11,648	\$ 914	68.0	\$ 6,541	60,606	\$ 2,813	72.5	\$ 3,867
2016	50,034	\$ 1,988	73.6	\$ 3,311	11,880	\$ 965	68.3	\$ 6,766	61,914	\$ 2,952	72.6	\$ 3,974
2017	51,083	\$ 2,079	73.8	\$ 3,391	12,241	\$ 1,030	68.4	\$ 7,012	63,324	\$ 3,109	72.7	\$ 4,091
2018	52,292	\$ 2,192	73.9	\$ 3,493	12,588	\$ 1,104	68.5	\$ 7,308	64,880	\$ 3,296	72.8	\$ 4,233
2019	53,560	\$ 2,316	73.9	\$ 3,603	12,947	\$ 1,184	68.6	\$ 7,620	66,507	\$ 3,500	72.9	\$ 4,385
2020	54,693	\$ 2,436	74.0	\$ 3,712	13,319	\$ 1,270	68.8	\$ 7,946	68,012	\$ 3,706	73.0	\$ 4,541
2021	55,828	\$ 2,552	74.1	\$ 3,809	13,669	\$ 1,350	68.8	\$ 8,228	69,497	\$ 3,902	73.0	\$ 4,679

**Exhibit E-3
 Contribution Rates**

General Plans						Safety Plans					Total All Plans				
Valuation Date (June 30)	Calculated Normal Cost	Member Contributions	Net Employer Normal Cost	UAAL Rate	Total Employer Contribution	Calculated Normal Cost	Member Contributions	Net Employer Normal Cost	UAAL Rate	Total Employer Contribution	Calculated Normal Cost	Member Contributions	Net Employer Normal Cost	UAAL Rate	Total Employer Contribution
1998	10.27%	3.06%	7.21%	0.00%	7.21%	25.00%	8.70%	16.30%	0.00%	16.30%	13.27%	4.21%	9.06%	0.00%	9.06%
1999	10.98%	3.20%	7.78%	0.00%	7.78%	25.41%	9.12%	16.29%	0.00%	16.29%	13.81%	4.36%	9.45%	0.00%	9.45%
2000	10.91%	3.33%	7.58%	0.00%	7.58%	25.22%	9.44%	15.78%	0.00%	15.78%	13.66%	4.51%	9.15%	0.00%	9.15%
2001	11.27%	3.45%	7.82%	0.00%	7.82%	25.47%	9.27%	16.20%	0.00%	16.20%	14.01%	4.57%	9.44%	0.00%	9.44%
2002	12.04%	3.53%	8.51%	0.21%	8.72%	25.92%	9.37%	16.55%	0.21%	16.76%	14.66%	4.63%	10.03%	0.21%	10.24%
2003	12.25%	3.72%	8.53%	4.66%	13.19%	25.89%	9.55%	16.34%	4.66%	21.00%	14.80%	4.81%	9.99%	4.66%	14.65%
2004	12.20%	3.82%	8.38%	6.41%	14.79%	24.61%	9.61%	15.00%	6.41%	21.41%	14.48%	4.88%	9.60%	6.41%	16.01%
2005	12.22%	3.91%	8.31%	5.33%	13.64%	24.69%	9.68%	15.01%	5.33%	20.34%	14.50%	4.97%	9.53%	5.33%	14.86%
2006	12.22%	4.07%	8.15%	3.49%	11.64%	24.70%	9.70%	15.00%	3.49%	18.49%	14.54%	5.12%	9.42%	3.49%	12.91%
2007	13.15%	4.38%	8.77%	2.24%	11.01%	26.04%	10.18%	15.86%	2.24%	18.10%	15.67%	5.51%	10.16%	2.24%	12.40%
2008	13.18%	4.47%	8.71%	1.99%	10.70%	26.01%	10.22%	15.79%	1.99%	17.78%	15.68%	5.59%	10.09%	1.99%	12.08%
2009	13.29%	4.57%	8.72%	4.12%	12.84%	26.08%	10.21%	15.87%	4.12%	19.99%	15.75%	5.65%	10.10%	4.12%	14.22%
2010	13.32%	4.68%	8.64%	6.47%	15.11%	25.00%	10.19%	14.81%	6.47%	21.28%	15.59%	5.75%	9.84%	6.47%	16.31%
2011	13.36%	4.91%	8.45%	7.89%	16.34%	25.09%	10.50%	14.59%	7.89%	22.48%	15.65%	6.00%	9.65%	7.89%	17.54%
2012	13.50%	5.01%	8.49%	10.09%	18.58%	25.42%	10.52%	14.90%	10.09%	24.99%	15.81%	6.08%	9.73%	10.09%	19.82%
2013	13.25%	5.01%	8.24%	11.90%	20.14%	24.67%	10.26%	14.41%	11.90%	26.31%	15.47%	6.03%	9.44%	11.90%	21.34%
2014	13.14%	5.09%	8.05%	10.04%	18.09%	24.71%	10.23%	14.48%	10.04%	24.52%	15.37%	6.08%	9.29%	10.04%	19.33%
2015	13.28%	5.22%	8.06%	8.49%	16.55%	24.71%	10.26%	14.45%	8.49%	22.94%	15.46%	6.18%	9.28%	8.49%	17.77%
2016	14.51%	5.72%	8.79%	9.73%	18.52%	25.54%	10.57%	14.97%	9.73%	24.70%	16.62%	6.65%	9.97%	9.73%	19.70%
2017	14.62%	5.87%	8.75%	10.10%	18.85%	25.69%	10.56%	15.13%	10.10%	25.23%	16.70%	6.76%	9.94%	10.10%	20.04%
2018	14.77%	6.04%	8.73%	10.99%	19.72%	25.70%	10.59%	15.11%	10.99%	26.10%	16.80%	6.88%	9.92%	10.99%	20.91%
2019	16.24%	6.74%	9.50%	11.73%	21.23%	28.58%	11.78%	16.80%	11.73%	28.53%	18.54%	7.68%	10.86%	11.73%	22.59%
2020	16.31%	6.86%	9.45%	13.75%	23.20%	28.95%	11.88%	17.07%	13.75%	30.82%	18.69%	7.80%	10.89%	13.75%	24.64%
2021	16.35%	6.94%	9.41%	13.58%	22.99%	29.09%	11.88%	17.21%	13.58%	30.79%	18.75%	7.87%	10.88%	13.58%	24.46%

**Exhibit E-4
Funded Status History**

Valuation Year	Actuarial Liability (AAL)	Market Value Basis			Actuarial Value Basis			Annual Total Payroll	Asset Smoothing Ratio (AVA / MVA)	Asset Volatility Ratio (MVA / Payroll)	Liability Volatility Ratio (AAL / Payroll)
		Market Value of Assets (MVA) ¹	Unfunded AAL (UAAL)/Surplus MVA Basis	Funded Ratio MVA Basis	Actuarial Value of Assets (AVA) ¹	Unfunded AAL (UAAL)/Surplus AVA Basis	Funded Ratio AVA Basis				
1996 ²	17,300	18,600	1,300	107.5%	17,700	400	102.3%	3,356	95.2%	5.5	5.2
1997 ²	19,300	21,100	1,800	109.3%	19,600	300	101.6%	3,373	92.9%	6.3	5.7
1998	20,960	22,332	1,372	106.5%	20,851	(109)	99.5%	3,562	93.4%	6.3	5.9
1999	22,785	24,382	1,597	107.0%	23,536	751	103.3%	3,858	96.5%	6.3	5.9
2000	24,721	27,257	2,536	110.3%	25,427	706	102.9%	4,143	93.3%	6.6	6.0
2001	26,490	23,916	(2,574)	90.3%	26,490	-	100.0%	4,469	110.8%	5.4	5.9
2002	28,437	24,085	(4,352)	84.7%	28,262	(175)	99.4%	4,730	117.3%	5.1	6.0
2003	30,474	24,616	(5,858)	80.8%	26,564	(3,910)	87.2%	4,934	107.9%	5.0	6.2
2004	32,700	28,094	(4,606)	85.9%	27,089	(5,611)	82.8%	4,942	96.4%	5.7	6.6
2005	34,375	30,904	(3,471)	89.9%	29,497	(4,878)	85.8%	5,051	95.4%	6.1	6.8
2006	36,259	34,256	(2,003)	94.5%	32,820	(3,439)	90.5%	5,333	95.8%	6.4	6.8
2007	39,503	40,073	570	101.4%	37,042	(2,461)	93.8%	5,886	92.4%	6.8	6.7
2008	41,975	37,834	(4,141)	90.1%	39,662	(2,313)	94.5%	6,257	104.8%	6.0	6.7
2009	44,469	29,723	(14,746)	66.8%	39,542	(4,927)	88.9%	6,673	133.0%	4.5	6.7
2010	46,646	32,629	(14,017)	69.9%	38,839	(7,807)	83.3%	6,739	119.0%	4.8	6.9
2011	48,599	38,587	(10,012)	79.4%	39,194	(9,405)	80.6%	6,705	101.6%	5.8	7.2
2012	50,809	37,453	(13,356)	73.7%	39,039	(11,770)	76.8%	6,675	104.2%	5.6	7.6
2013	53,247	41,334	(11,913)	77.6%	39,932	(13,315)	75.0%	6,656	96.6%	6.2	8.0
2014	54,942	47,223	(7,719)	86.0%	43,654	(11,288)	79.5%	6,815	92.4%	6.9	8.1
2015	56,819	48,308	(8,511)	85.0%	47,328	(9,491)	83.3%	7,078	98.0%	6.8	8.0
2016	62,199	47,347	(14,852)	76.1%	49,358	(12,841)	79.4%	7,390	104.2%	6.4	8.4
2017	65,311	52,217	(13,094)	80.0%	52,166	(13,145)	79.9%	7,749	99.9%	6.7	8.4
2018	68,527	55,737	(12,790)	81.3%	55,233	(13,294)	80.6%	8,079	99.1%	6.9	8.5
2019	74,635	57,712	(16,923)	77.3%	57,617	(17,018)	77.2%	8,423	99.8%	6.9	8.9
2020	78,275	57,925	(20,350)	74.0%	59,763	(18,512)	76.3%	8,819	103.2%	6.6	8.9
2021	81,898	72,282	(9,616)	88.3%	64,909	(16,989)	79.3%	9,080	89.8%	8.0	9.0

1. Asset values exclude non-valuation reserves
2. Only rounded values are available.

Exhibit E-5
Reconciliation of Changes in Unfunded Actuarial Accrued Liability or Surplus

Valuation Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Prior Year UAAL	9,405	11,770	13,315	11,288	9,491	12,841	13,145	13,294	17,018	18,512
Normal Cost	1,237	1,430	1,163	1,068	1,118	1,246	1,243	1,352	1,553	1,634
Contributions	(1,646)	(1,455)	(1,824)	(1,936)	(1,902)	(1,880)	(2,116)	(2,303)	(2,459)	(2,774)
Interest	724	895	999	814	682	954	968	976	1,212	1,311
Changes in Assumptions/Methodology	457	511	-	-	2,922	-	-	2,528	-	-
Changes in Benefit Provisions	-	-	-	-	-	-	-	-	-	-
Expected Current Year UAAL	10,177	13,151	13,653	11,234	12,311	13,161	13,240	15,847	17,324	18,683
Actual Current Year UAAL	11,770	13,315	11,288	9,491	12,841	13,145	13,294	17,018	18,512	16,989
Total (Gain)/Loss on UAAL	1,593	164	(2,365)	(1,743)	530	(16)	54	1,171	1,188	(1,694)
Asset (Gains)/Losses	2,337	893	(1,664)	(1,263)	496	(421)	(411)	477	701	(2,039)
Salary Increases	(629)	(563)	(291)	79	162	277	223	486	388	484
All Other Actuarial (Gains)/Losses	(115)	(166)	(410)	(559)	(128)	128	242	208	99	(139)

Exhibit E-6
Reconciliation of Changes in Calculated Employer Contribution Rate

Valuation Year	Prior Year Contribution Rate	Changes in Existing Amortization Bases	Assumption/ Method Changes	Salary/Payroll Variations	Plan Amendments	Asset (Gains)/Losses	Demographic/Other (Gains)/Losses	Current Year Contribution Rate
2004	14.65%	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹	16.01%
2005	16.01%	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹	14.86%
2006	14.86%	-0.29%	0.00%	0.02%	0.00%	-1.82%	0.14%	12.91%
2007	12.91%	-0.28%	1.34%	0.61%	0.00%	-2.14%	-0.04%	12.40%
2008	12.40%	-0.17%	0.00%	0.21%	0.00%	-0.24%	-0.12%	12.08%
2009	12.08%	-0.04%	-1.76%	0.21%	0.00%	3.91%	-0.18%	14.22%
2010	14.22%	0.00%	-0.27%	-0.10%	0.00%	2.29%	0.17%	16.31%
2011	16.31%	0.00%	0.25%	-0.14%	0.00%	1.39%	-0.27%	17.54%
2012	17.54%	0.00%	0.54%	-0.11%	0.00%	1.92%	-0.07%	19.82%
2013	19.82%	0.00%	0.82%	-0.01%	0.00%	0.74%	-0.03%	21.34%
2014	21.34%	0.00%	0.00%	-0.15%	0.00%	-1.43%	-0.43%	19.33%
2015	19.33%	0.00%	0.00%	0.04%	0.00%	-1.04%	-0.56%	17.77%
2016	17.77%	0.00%	2.87%	0.20%	0.00%	0.39%	-0.02%	21.21%
2017	21.21%	0.00%	0.00%	0.05%	0.00%	-0.32%	0.06%	21.00%
2018	21.00%	0.00%	0.00%	0.04%	0.00%	-0.30%	0.17%	20.91%
2019	20.91%	0.00%	1.10%	0.20%	0.00%	0.42%	-0.04%	22.59%
2020	22.59%	0.00%	1.09%	0.04%	0.00%	0.58%	0.34%	24.64%
2021	24.64%	0.00%	1.10%	0.39%	0.00%	-1.69%	0.02%	24.46%

1. Data not available.

**Exhibit E-7
 Funding Policy History**

	Description of changes, if any	Effective Date	Impact on Contribution Rate	Impact on Funded Ratio	Rationale
2009	Changed from 3-year to 5-year asset smoothing. Included STAR reserve as a valuation asset. Adopted 30-year layered amortization period.	June 30, 2009	-1.68% ¹	4.40%	See June 30, 2009 valuation report.
2010	Included STAR reserve as a valuation asset.	June 30, 2010	-0.52% ¹	1.40%	See June 30, 2010 valuation report.
2011	Included STAR reserve as a valuation asset.	June 30, 2011	-0.52% ¹	1.20%	See June 30, 2011 valuation report.
2012	Included STAR reserve as a valuation asset for 2012 and future valuations (adopted February 2013).	June 30, 2012	-0.53% ¹	1.20%	See June 30, 2012 valuation report.
2019	Adopted 20-year layered amortization period for new layers. Existing layers are set to be no greater than 22 years, so they are fully amortized no later than 2042.	June 30, 2019	0.30%	0.00%	See June 30, 2019 valuation report.

1. Note that savings due to inclusion of STAR reserve as valuation asset are not cumulative from year to year.

Exhibit E-8
History of Changes in Economic Assumptions

Valuation Year	Price Inflation	Wage Inflation	Real Wage Inflation ¹	Investment Return Assumption	Real Investment Return ²	Effective Date	Change in Contribution Rate	Change in Funded Ratio
2004	3.50%	3.75%	0.25%	7.75%	4.25%	July 1, 2004	1.65%	N/A ³
2007	3.50%	4.00%	0.50%	7.75%	4.25%	July 1, 2007	0.66%	-1.3%
2011	3.45%	3.95%	0.50%	7.70%	4.25%	July 1, 2011	0.25%	-0.3%
2012	3.35%	3.85%	0.50%	7.60%	4.25%	July 1, 2012	0.54%	-0.7%
2013	3.00%	3.50%	0.50%	7.50%	4.50%	July 1, 2013	0.37%	-0.1%
2016	2.75%	3.25%	0.50%	7.25%	4.50%	July 1, 2016	1.14%	-1.4%
2019	2.75%	3.25%	0.50%	7.00%	4.25%	July 1, 2019	2.20%	-2.3%

1. Excess of assumed wage inflation over price inflation.
2. Excess of assumed investment return over price inflation.
3. Information not available.

Exhibit E-9
History of Changes in Demographic and Other Non-Economic Assumptions

	Demographic Assumption Revisions	Effective Date	Change in Contribution Rate	Change in Funded Ratio	Rationale
2004	Mortality, merit salary scale, retirement, termination, probability of refund, probability of eligible survivor revised.	July 1, 2004	-0.63%	N/A ¹	Refer to the 2004 Investigation of Experience Report.
2007	Mortality, retirement, termination, probability of refund, merit salary scale for Safety members revised.	July 1, 2007	0.68%	N/A ¹	Refer to the 2007 Investigation of Experience Report.
2010	Mortality, retirement, termination, probability of refund, assumed benefit commencement age revised.	July 1, 2010	-0.27%	-0.1%	Refer to the 2010 Investigation of Experience Report.
2013	Mortality, retirement, termination, probability of refund, merit salary scale for Safety members, probability of eligible survivor, assumption for beneficiary age, reciprocity assumption revised.	July 1, 2013	0.45%	-0.6%	Refer to the 2013 Investigation of Experience Report.
2016	Mortality, retirement, termination, probability of eligible survivor, assumed benefit commencement age, reciprocity assumption revised.	July 1, 2016	1.73%	-2.5%	Refer to the 2016 Investigation of Experience Report.
2019	Mortality, retirement, termination, probability of refund, merit salary scale, assumed benefit commencement age.	July 1, 2019	0.80%	-0.4%	2019 Investigation of Experience.

1. Information not available.

Appendix F Glossary

The following definitions include excerpts from a list adopted by the major actuarial organizations in the United States. In some cases, the definitions have been modified for specific applicability to LACERA and include terms used exclusively by LACERA. Defined terms are capitalized throughout this Appendix.

Accrued Benefit

The amount of an individual's benefit (whether or not vested) as of a specific date, determined in accordance with the terms of a pension plan and based on compensation and service to that date.

Actuarial Accrued Liability

That portion, as determined by a particular Actuarial Cost Method, of the Actuarial Present Value of pension plan benefits and expenses which is not provided for by future Normal Costs.

Actuarial Assumptions

Assumptions as to the occurrence of future events affecting pension costs, such as: mortality, withdrawal, disability, and retirement; changes in compensation; rates of investment earnings and asset appreciation or depreciation; procedures used to determine the Actuarial Value of Assets; and other relevant items.

Actuarial Gain (Loss)

A measure of the difference between actual experience and that expected based on a set of Actuarial Assumptions during the period between two Actuarial Valuation dates, as determined in accordance with a particular Actuarial Cost Method.

Actuarial Present Value

The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions.

Actuarial Valuation

The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a pension plan.

Actuarial Value of Assets

The value of cash, investments and other property belonging to a pension plan, as used by the actuary for the purpose of an Actuarial Valuation.

Actuarially Equivalent

Of equal Actuarial Present Value, determined as of a given date with each value based on the same set of Actuarial Assumptions.

Amortization Payment

That portion of the pension plan contribution which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.

Contingency Reserve

Reserves accumulated for future earning deficiencies, investment losses, and other contingencies. Additions include investment income and other revenues; deductions include investment expense, administrative expense, interest allocated to other reserves, funding the STAR Reserve, and distributions to the Contribution Credit Reserve. Amounts are allocated to the Contingency Reserve to the extent there are positive recognized earnings to allocate. The California Government Code (Sections 31592 and 31592.2) requires the Contingency Reserve to be set at a minimum of 1.0% of the market value of total assets.

County Contribution Credit Reserve

The accumulated balance of the County's proportionate share of excess earnings as stipulated in the Retirement System Funding Agreement between LACERA and the County. Additions include distributions from excess earning during the fiscal years ending 1994 through 1998 and related earnings. Deductions include payments, as the County authorizes, for future employer contributions due LACERA and for funding a portion of the Retiree Healthcare Program under the provisions of Internal Revenue Code 401(h).

Employer Reserve

The accumulation of employer contributions for future retirement benefit payments. Additions include contributions from employers and related earnings. Deductions include annuity payments to retired members and survivors, lump sum death benefit payments to member survivors, and supplemental disability payments.

Entry Age Actuarial Cost Method

A method under which the Actuarial Present Value of the Projected Benefits of each individual included in an Actuarial Valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit ages. The portion of this Actuarial Present Value allocated to a valuation year is called the Normal Cost. The portion of this Actuarial Present Value not provided for at a valuation date by the Actuarial Present Value of future Normal Costs is called the Actuarial Accrued Liability.

Funded Ratio

A measurement of the funded status of the Plan. The Funded Ratio is calculated by dividing the Valuation Assets by the Actuarial Accrued Liability. For example, a Funded Ratio of 90% indicates assets are 10% less than liabilities.

Funding Goal

The Funding Goal is the funded status the Board of Investments would like LACERA to achieve. The main goal is to provide benefit security for its members as well as to achieve and maintain stable employer contributions that are as low as possible. A Funded Ratio equal to 100% is the Funding Goal.

Layered Amortization Period

Payment of each year's change in the Unfunded Actuarial Accrued Liability (UAAL) is amortized over separate closed periods. For LACERA, the original UAAL as of June 30, 2009 is being amortized over a closed 30-year period. Subsequent changes in the UAAL were amortized over new closed 30-year periods. Effective with the June 30, 2019 valuation all existing layers with more than 22 years remaining as of June 30, 2020 were re-amortized over closed 22-year periods. All new UAAL layers thereafter are amortized over closed 20-year periods beginning with the date the contribution is first expected to be made. All amortization payments are based on a level percent of pay.

Member Reserve

The accumulation of member contributions. Additions include member contributions and related earnings. Deductions include annuity payments to retirees and refunds to members.

Non-Valuation Reserves

Reserves excluded from the calculation of contribution rates, including the Contingency Reserve, the County Contribution Credit Reserve, and any other reserves specifically excluded by the Board of Investments.

Normal Cost

That portion of the Actuarial Present Value of pension plan benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method.

Plan Year

A 12-month period beginning July 1 and ending June 30.

Projected Benefits

Those pension plan benefit amounts which are expected to be paid at various future times under a particular set of Actuarial Assumptions, taking into account such items as the effect of advancement in age and past and anticipated future compensation and service credits.

STAR Reserve

Reserves accumulated for the payment of cost-of-living benefits as defined in California Government Code Section 31874.3.

Supplemental Targeted Adjustment for Retirees (STAR) Benefits Supplemental cost-of-living payments to retired members to restore purchasing power at a specified percentage level, as described in California Government Code Section 31874.3.

Surplus Funding

The excess, if any, of the Actuarial Value of Assets over the Actuarial Accrued Liability. Standard actuarial terminology defines this as the "Funding Excess." LACERA uses the term "Surplus Funding."

Unfunded Actuarial Accrued Liability

The excess, if any, of the Actuarial Accrued Liability over the Actuarial Value of Assets.

Valuation Date

The date upon which the Normal Cost, Actuarial Accrued Liability, and Actuarial Value of Assets are determined. Generally, the Valuation Date will coincide with the ending of a Plan Year.

Valuation Reserves

All reserves excluding the Non-Valuation Reserves.

Attachment D
Actuarial Projects 2022 - Roadmap

Actuarial Projects 2022 - Roadmap

Retirement Benefits Plan

Risk Assessment Report

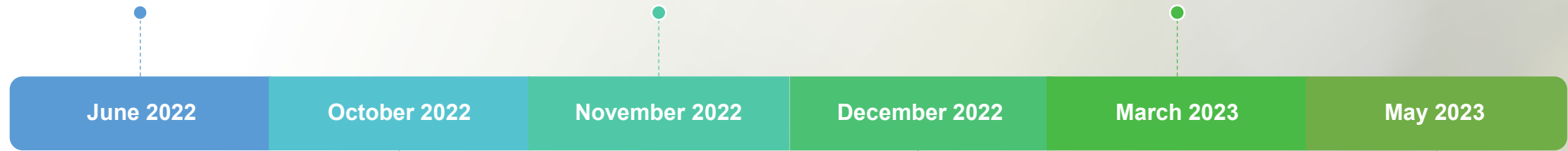
Milliman will present the 2022 Risk Assessment report based on the June 30, 2021 Valuation report.

Demographic Assumptions

This meeting will focus on reviewing the demographic assumptions (i.e., salary increases, retirement rates, disability rates, retirement mortality) and actuarial methods used by Milliman.

Valuation Report

Milliman will discuss the actuarial valuation results including the impact to employer and employee contribution rates, having applied the Board's approved assumptions from the experience study.



Economic Assumptions

The actuary will review and recommend changes on assumptions (i.e., investment return, CPI inflation, general wage increases, growth in membership and plan COLAs).

Experience Study Report

The Board will decide on Milliman's recommendations for both the demographic and economic assumption changes.

Member and Employer Contribution Rates Adoption

CERL requires LACERA to transmit the LACERA Board of Investments approved contribution rates by May 15 to the Board of Supervisors for adoption.

May 31, 2021

TO: Trustees,
Board of Investments

FROM: Christine Roseland *CR*
Senior Staff Counsel

FOR: June 8, 2022 Board of Investments Meeting

SUBJECT: **Legal Transactions Year End Report**

Please find attached a brief report summarizing the legal work that the Transactions Section of the Legal Division accomplished in calendar year 2021. It includes a breakdown of work done by asset class and LACERA divisions both in terms of number of assignments or transactions and the dollar amount that those assignments or transactions represent. It also provides some insight into LACERA operations, workflow trends and staff productivity.

Attachment

c: Santos H. Kreimann
Luis Lugo
Laura Guglielmo
Jonathan Grabel
JJ Popowich
Vache Mahseredjian
Christopher Wagner
Esmerelda Del Bosque
Jim Rice
Jude Perez
Steven Rice
John Harrington
Earl Buehner
Board of Retirement

Legal Transactions Year End Report

2021



THE REPORT

This report provides a summary of the legal work that the Transactions Section of the Legal Division accomplished in calendar year 2021 in terms of number of tasks and the dollar amount that those tasks represent (such as the value of an investment commitment or commercial contracts). The report also includes charts that provide a visual representation of this work and provide a comparison to prior years. As shown below, the group handled 753 projects during 2021, representing \$8,756,982,907 in contract value.

By way of background, the Transactions Section generally consists of three attorneys, two paralegals, and two management secretaries.¹ Those seven individuals are responsible for handling all investment-related and commercial transactional matters, including drafting, negotiating, and reviewing investment management agreements, limited partnership agreements and side letters, managing title holding companies, acquisitions, dispositions, and financings as well as drafting and reviewing commercial contracts, and responding to Public Records Act requests. In performing their work, the team collaborates closely with their clients in the Investment Division and in other LACERA divisions to accomplish their business objectives and manage organizational risk. The team's objective is not merely to consummate deals and transactions but to protect the pension fund from liability and excessive risk, mitigate losses, minimize fees, assist stakeholders in making informed decisions, provide advice, present alternatives and solutions and collaborate on organizational initiatives such as T.I.D.E., business continuity and disaster recovery planning. In addition, outside counsel may be engaged to assist with certain matters while overseen by in-house counsel and those matters are included in the figures presented in this report

¹Currently, the team is composed of two attorneys and two paralegals and is in the process of recruiting for the existing vacant positions.

CALENDAR YEAR END LEGAL TRANSACTIONS AS OF 12-31-21

INVESTMENT PROJECT	TRANSACTION TOTAL	TRANSACTION AMOUNT
Private Equity	253	\$2,324,785,121
Public Markets (Equity/Fixed Income)	23	\$0
Hedge Funds	38	\$3,020,000,000
Real Assets	37	\$1,785,279,852
Portfolio Analytics	27	\$1,274,340
Real Estate	104	\$1,500,040,796
Investment Prospects ²	29	\$115,009,964
TOTAL INVESTMENTS	511	\$8,746,390,073
Non-Investment Vendor Agreements	151	\$10,592,834
TOTAL (Investments and Vendor Transactions)	662	\$8,756,982,907

²This category represents matters and transactions that are submitted for legal review and at some point during that review, the owner of the project abandons or terminates it for various reasons. For example, staff may be considering a co-investment that they submit for legal review given the tight closing deadlines but then decide not to proceed with it either for business or legal reasons. If the Legal team started working on such a matter, it is reflected in this chart as work or a prospect not having been completed.

CALENDAR YEAR END PUBLIC RECORDS ACT RESPONSES AS OF 12-31-21

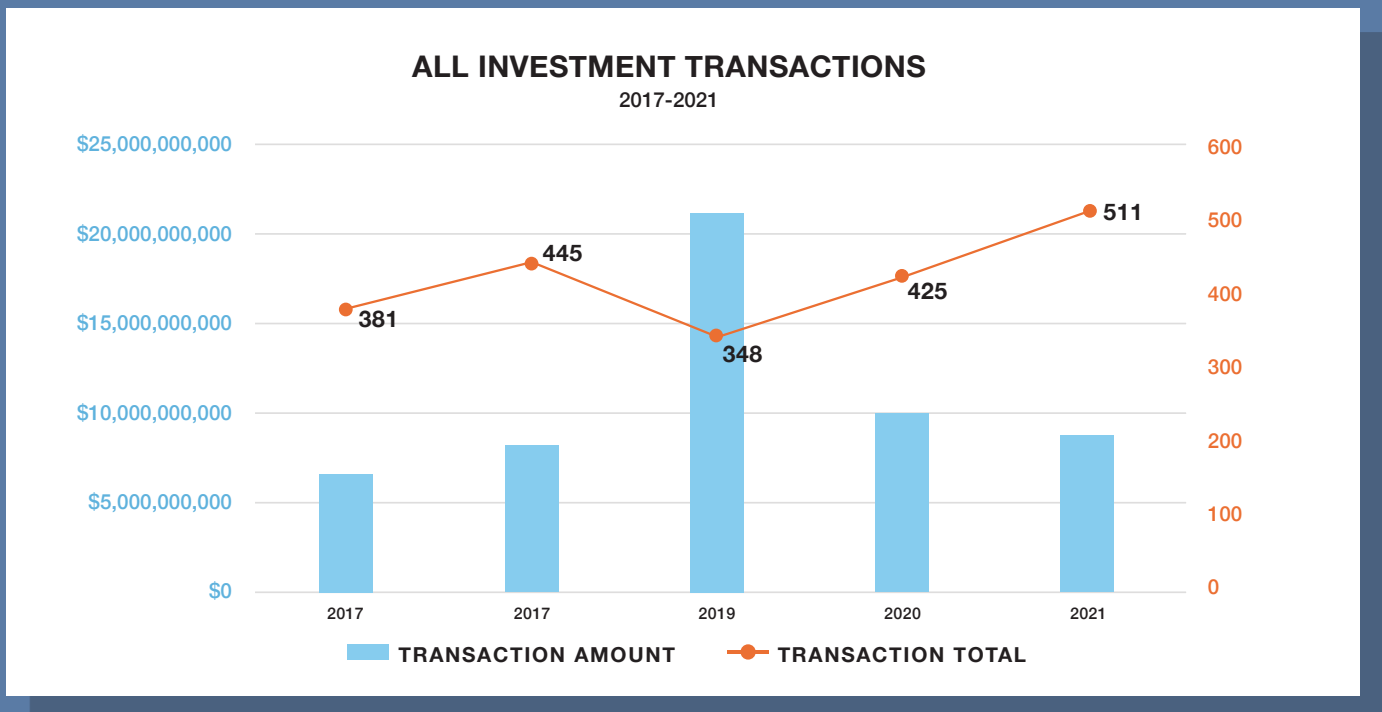
TYPE OF ACTIVITY	TRANSACTION TOTAL	TRANSACTION AMOUNT
Public Records Act Responses	91	\$0.00



CONTRACT VALUE

The following graphs represent the legal work performed as a function of the aggregate amount of the contract, commitment or value associated with the underlying documents as well as a function of the number of transactions completed or projects performed. As an example of contract value, if the Board of Investments (BOI) approved a \$300 million commitment to a hedge fund manager, it is recorded as a project valued at \$300 million for purposes of this report and is then compared to prior years. As an example of the number of projects, if the BOI approved a commitment to a hedge fund manager for \$300 million, it is counted as one project. Similarly, if staff works on a consent or amendment that a manager provides for review and approval, it is counted as one. Therefore, some projects or transactions may take several weeks or months, while others may take an hour.

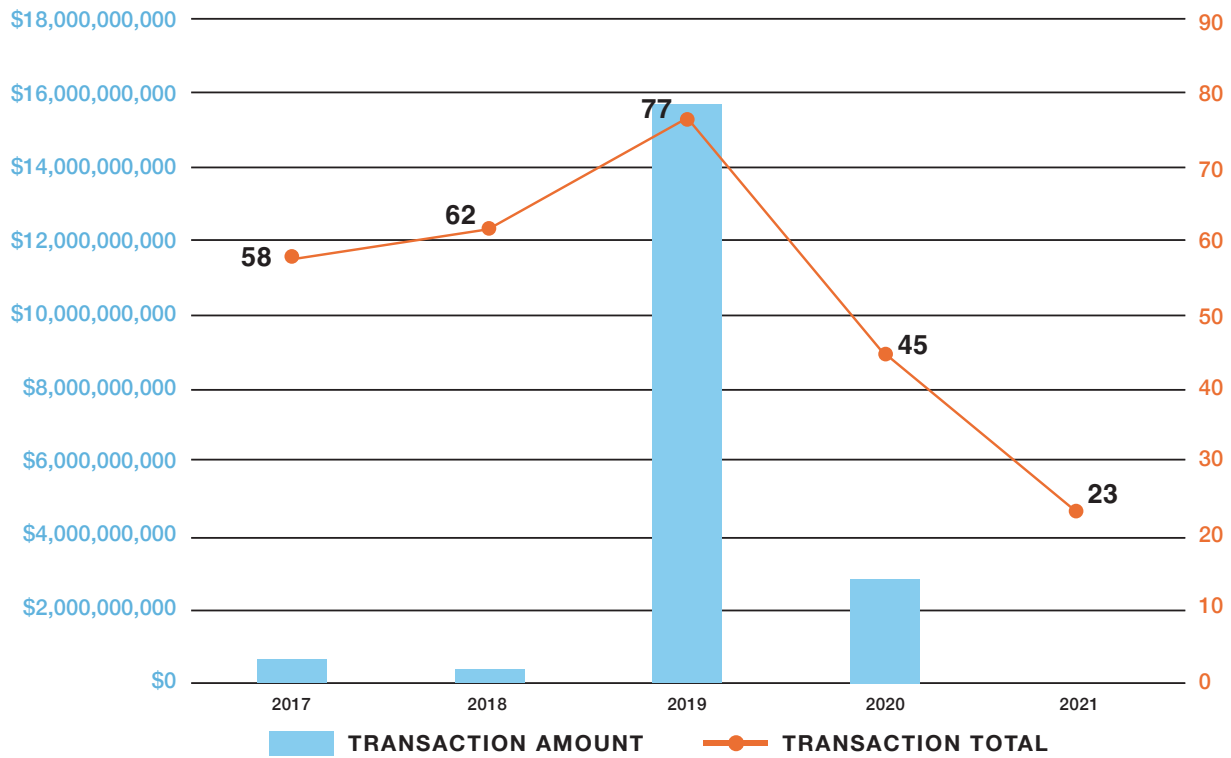
ALL INVESTMENT TRANSACTIONS YEARLY COMPARISON 2017 - 2021		
ALL INVESTMENT TRANSACTIONS 2017-2021		
YEAR	TRANSACTION TOTAL	TRANSACTION AMOUNT
2017	381	\$6,497,218,140
2018	445	\$8,160,258,686
2019	348	\$21,297,627,581
2020	425	\$10,006,466,834
2021	511	\$8,746,390,073



PUBLIC MARKETS (EQUITY/FIXED INCOME) TRANSACTIONS
 YEARLY COMPARISON 2017-2021

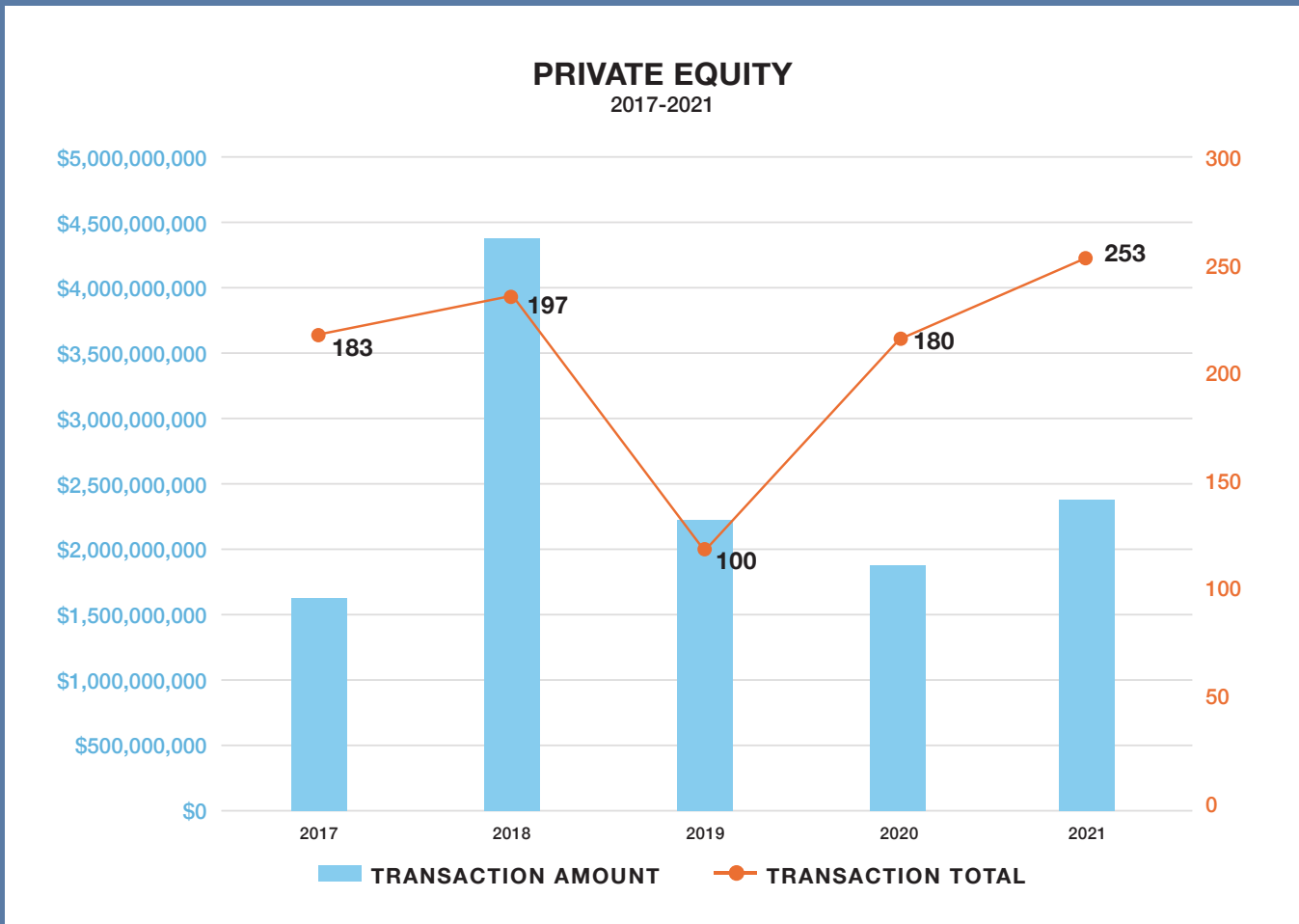
PUBLIC MARKETS 2017-2021		
YEAR	TRANSACTION TOTAL	TRANSACTION AMOUNT
2017	58	\$677,174,200
2018	62	\$345,078,413
2019	77	\$15,700,000,000
2020	45	\$2,901,447,000
2021	23	\$0

PUBLIC MARKETS
 2017-2021



PRIVATE EQUITY TRANSACTION AMOUNT³
YEARLY COMPARISON 2017-2021

PRIVATE EQUITY 2017-2021		
YEAR	TRANSACTION TOTAL	TRANSACTION AMOUNT
2017	183	\$1,653,457,925
2018	197	\$4,406,599,162
2019	100	\$2,243,415,762
2020	180	\$1,885,986,886
2021	253	\$2,324,785,121

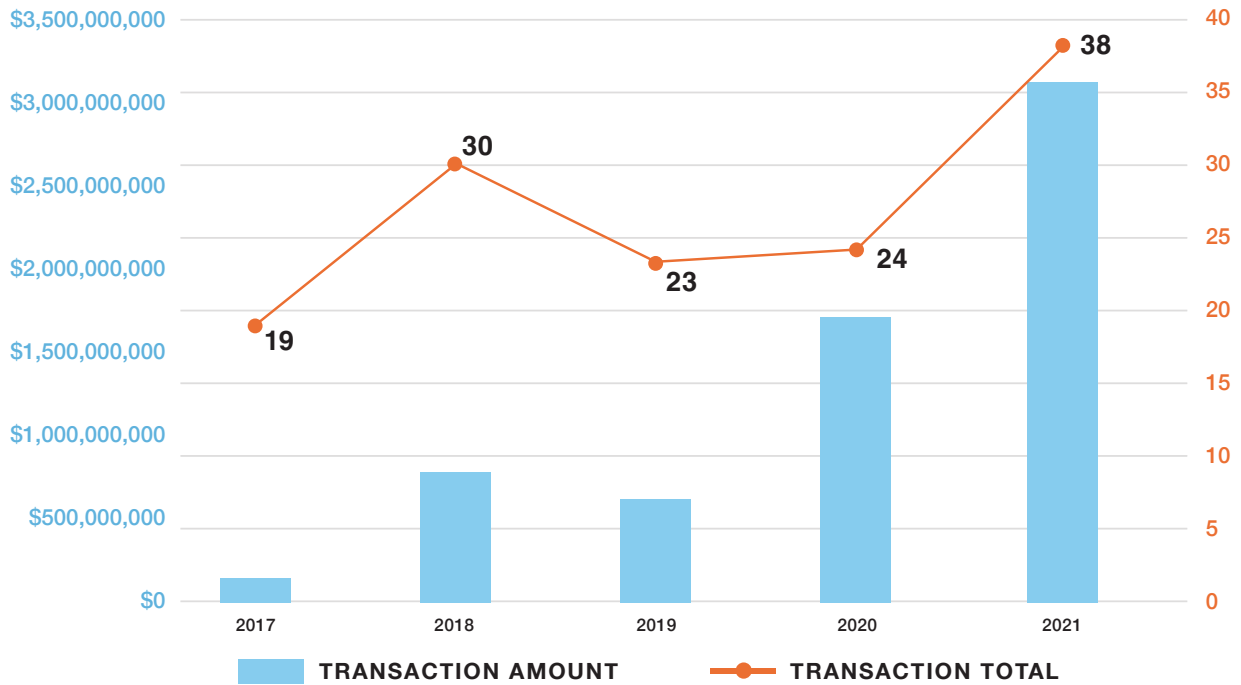


³Methodology on transaction amount: Some matters have no value (for example, terminations, consents, fee amendments etc.) so they are given a value of 0. If an agreement has a five-year term then the entire five-year value of that contract is recorded for that initial year when the contract is entered into. Some contracts are too difficult to value (for example, a Human Resources agreement for temporary staff when the hours and duration of employment for the temp staff is unknown) and in such cases, the contract is given a value of 0 for purposes of this report.

HEDGE FUNDS TRANSACTION AMOUNT
YEARLY COMPARISON 2017-2021

HEDGE FUNDS 2017-2021		
YEAR	TRANSACTION TOTAL	TRANSACTION AMOUNT
2017	19	\$153,700,000
2018	30	\$882,400,000
2019	23	\$625,000,000
2020	24	\$1,717,000,000
2021	38	\$3,020,000,000

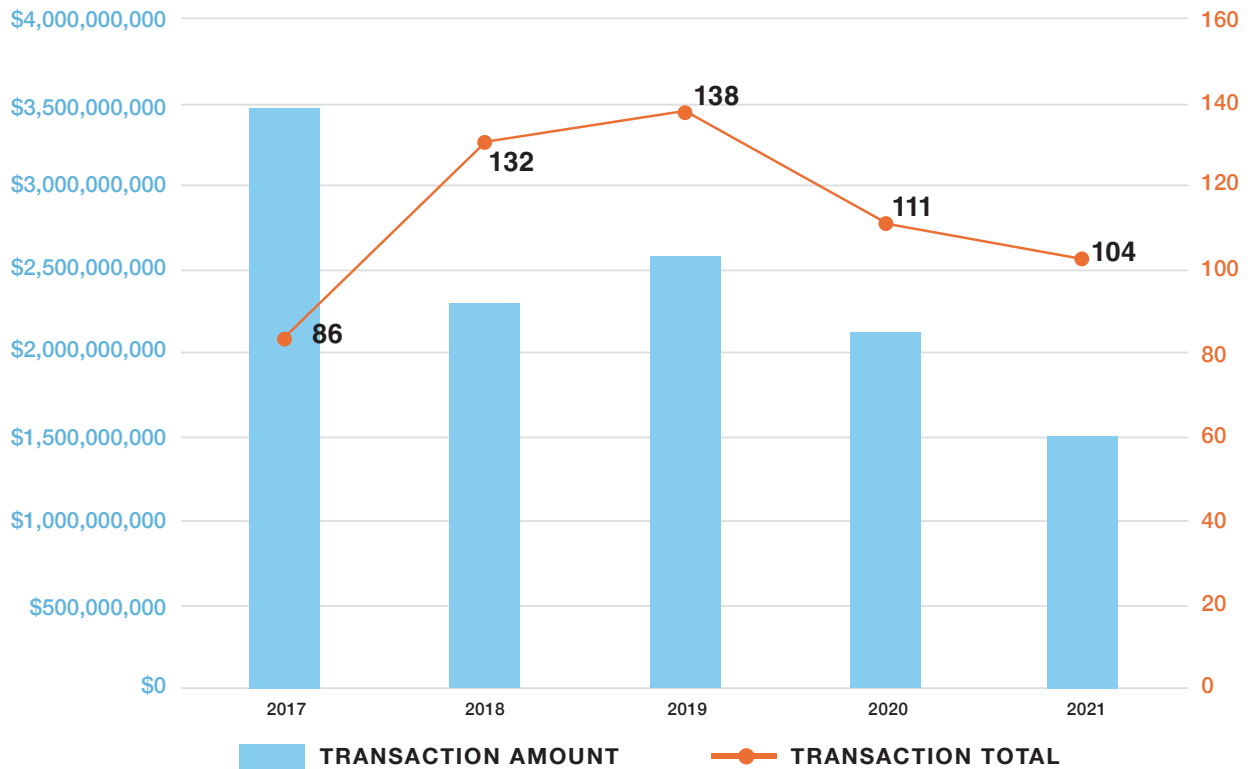
HEDGE FUNDS
2017-2021



REAL ESTATE TRANSACTION AMOUNT
YEARLY COMPARISON 2017-2021

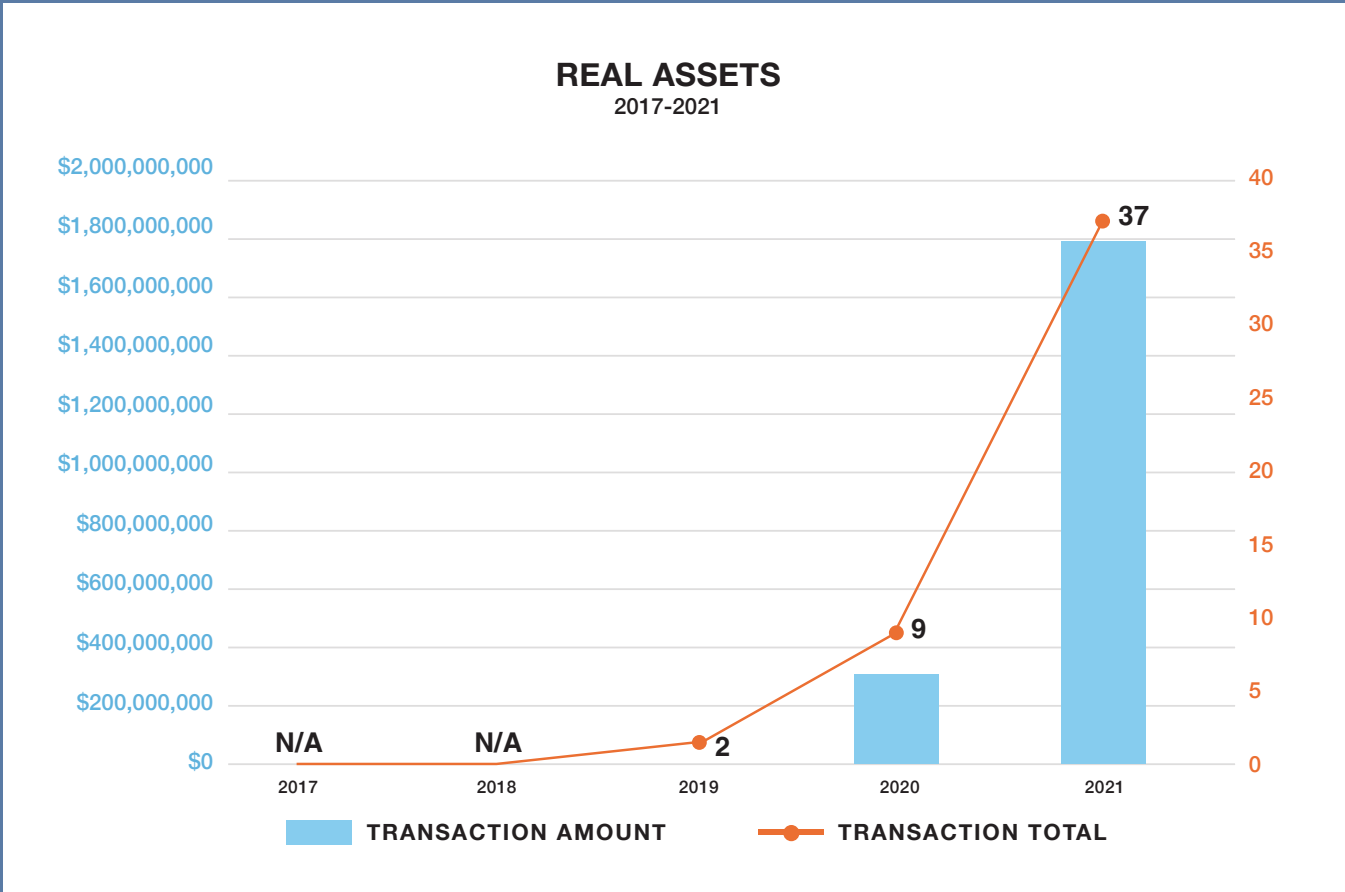
REAL ESTATE 2017-2021		
YEAR	TRANSACTION TOTAL	TRANSACTION AMOUNT
2017	86	\$3,469,239,528
2018	132	\$2,301,181,111
2019	138	\$2,578,464,619
2020	111	\$2,113,222,250
2021	104	\$1,500,040,796

REAL ESTATE
2017-2021



REAL ASSETS TRANSACTIONS⁴
 YEARLY COMPARISON 2017-2021

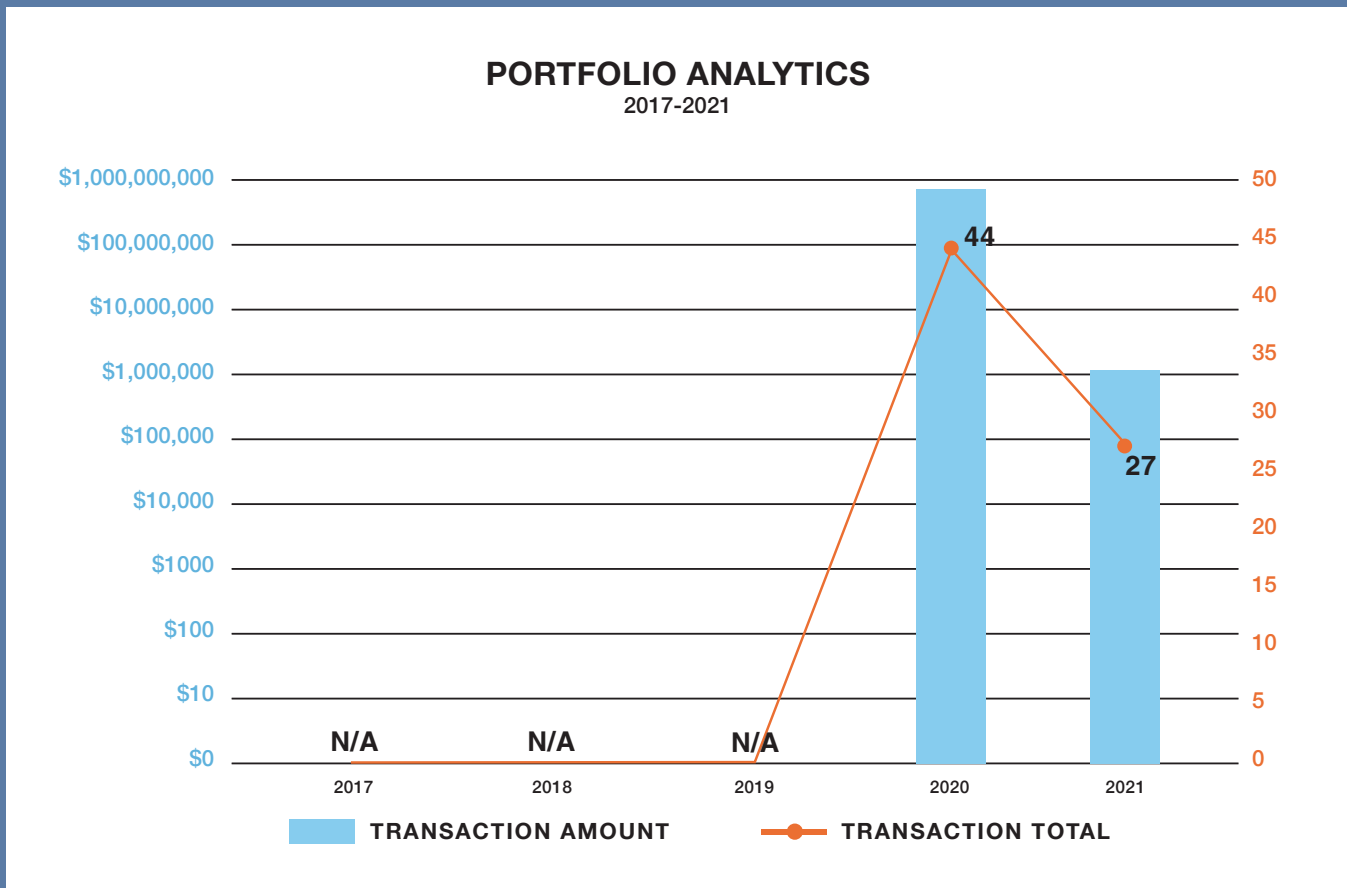
REAL ASSETS 2017-2021		
YEAR	TRANSACTION TOTAL	TRANSACTION AMOUNT
2017	0	\$0
2018	0	\$0
2019	2	\$747,200
2020	9	\$320,000,000
2021	37	\$1,785,279,852



⁴This asset class has only been tracked since 2019 and therefore, prior years do not exist for comparison.

PORTFOLIO ANALYTICS TRANSACTIONS⁵
YEARLY COMPARISON 2017-2021

PORTFOLIO ANALYTICS 2017-2021		
YEAR	TRANSACTION TOTAL	TRANSACTION AMOUNT
2017	N/A	N/A
2018	N/A	N/A
2019	N/A	N/A
2020	44	\$603,810,698
2021	27	\$1,274,340



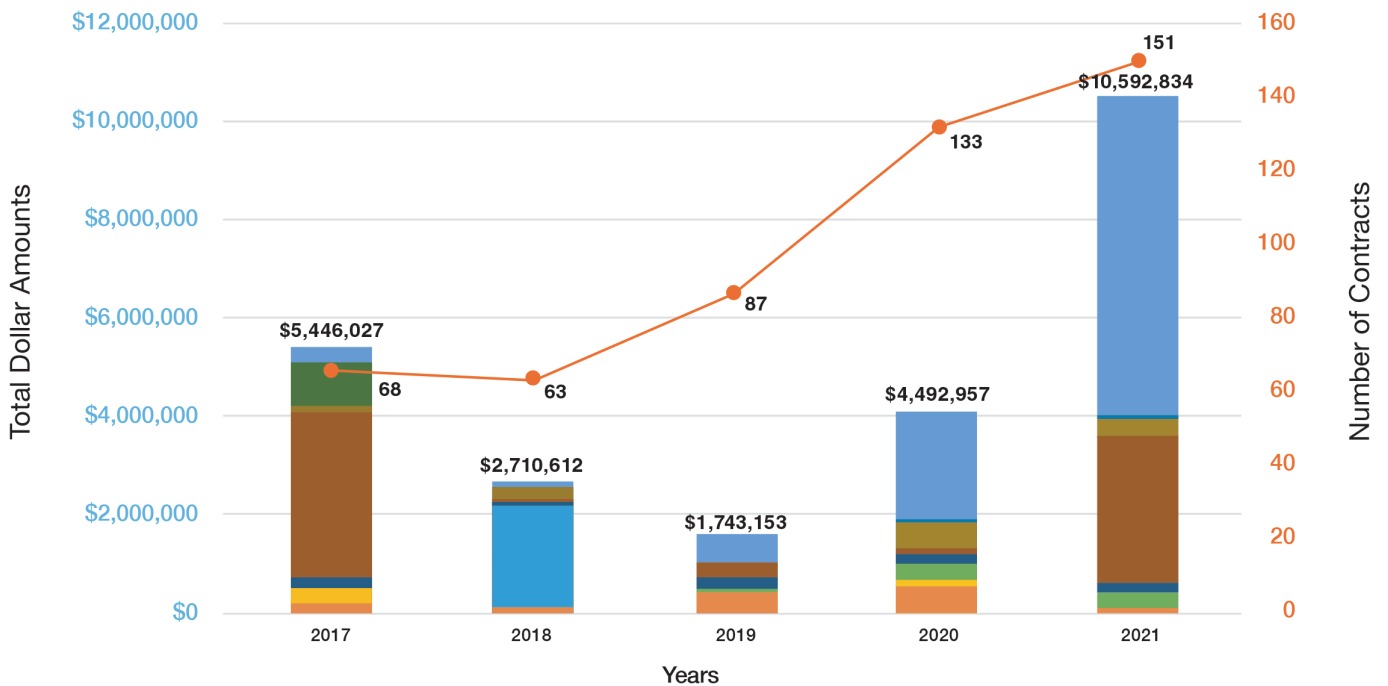
⁵This category has only been tracked since 2020 and therefore, prior years do not exist for comparison.

NON-INVESTMENT TRANSACTIONS
YEARLY COMPARISON 2017-2021

NON-INVESTMENT TRANSACTIONS 2017-2021

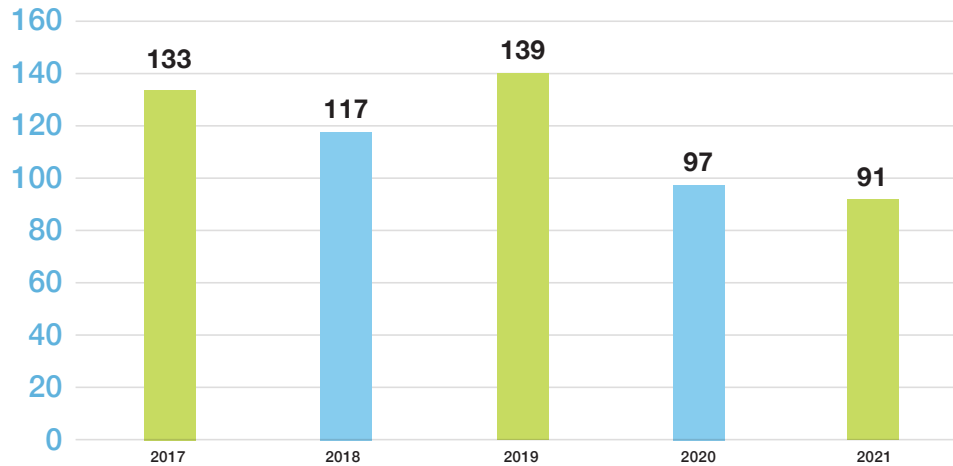
YEAR	TRANSACTION TOTAL	TRANSACTION AMOUNT
2017	68	\$5,446,027
2018	63	\$2,710,612
2019	87	\$1,743,153
2020	133	\$4,492,957
2021	151	\$10,592,834

NON-INVESTMENT TRANSACTIONS
2017-2021



- Accounting
- Administrative Services
- Benefits
- Communications
- Disability
- Executive
- Human Resources
- Internal Audit
- Legal
- Quality Assurance
- Retiree Healthcare
- Systems
- Number of Contracts

PUBLIC RECORDS REQUESTS 2017-2021



In summary, legal support for investment activity has continued to increase year over year. While the volume of work is up, the value of transactions has seen a slight decrease. The increase in volume is attributed mostly to increased activity in Private Equity as well as the Credit/Hedge fund and Real Assets space. In line with the Investment work plan and strategic initiatives for 2021, a focus on operational effectiveness and cost effectiveness resulted in increased co-investment activity and the establishment of a dedicated managed account (“DMA”) program. Both of these changes, in turn, resulted in increased legal support to ensure timely onboarding and closing for co-investments and the buildout of the DMA structure, which involved the drafting of numerous legal templates. Legal has also supported the T.I.D.E. initiative through enhanced data tracking and the addition of contractual terms that enable further monitoring and reporting in this area. In addition, legal support for the Real Assets team increased this year as that team continued the implementation of its strategic plan and meeting asset allocation targets. Furthermore, the acquisition of more portfolio and risk management tools, as well as reporting and monitoring tools, has meant additional legal review. In the meantime, there was a decrease in transactions in the separate account Real Estate program as Covid affected the attractiveness of certain property types and the asset

class is being restructured and its focus shifted to commingled fund structures. However, this is likely to change in the coming years as the team shifts gears to implement the new strategy. Similarly, legal support for Public Markets saw a drop in activity in 2021 as the Public Markets team reassessed the program’s direction. Staff anticipates that future legal needs and support will likely continue to increase given that activity in the Investment space is projected to be strong as the fund has grown in the last few years from \$65 billion to \$75 billion and will continue to grow, investment structures are getting more complex and sophisticated and compliance requirements are becoming more stringent.

For commercial transactions, both the volume of work and value of contracts increased since last year. In fact, the value of contracts more than doubled year over year. Most of the activity occurred in the Systems Division. This is due to LACERA’s focus on modernizing its technology to simplify and improve its operations and a shifting emphasis from onsite capabilities to a remote and hybrid workspace. The contracting for many of the improvements taking place right now actually occurred in 2021, including for tenant migration, cloud storage and the installation of docking stations to support the return to the office effort. In addition to legal support for remote

capabilities improvements, there was also a lot of activity in the area of enterprise risk reduction, such as disaster preparedness, as well as improving member experience, installation of enterprise wifi and bolstering information security. Even as the technology improvement efforts have stabilized, staff expects the transaction volume to remain at elevated levels given that the Systems Division continues to expand the network of subject matter experts and specialty vendors to adjust to a post-Covid world and support an organization with many different constituents and levels of need.

Public Records requests have experienced a slight reduction year over year. Most requests are from investment related data aggregators and reporters. Since staff has moved to publish a lot of frequently requested materials on LACERA's newly revamped website, there has been less activity in this space. In the same spirit, as trends in the type and character of information requested become apparent, staff will make the most frequently requested records readily available online to ensure full transparency and create operational efficiencies. Our continued goal is to provide the highest level of service to the public and LACERA members. Overall staff expects the year over year volume of public records requests to remain relatively the same.





Legal Transactions Year End Report



Los Angeles County Employees
Retirement Association

FOR INFORMATION ONLY

May 25, 2022

TO: Trustees – Board of Investments

FROM: Jonathan Grabel 
Chief Investment Officer

FOR: June 8, 2022 Board of Investments Meeting

SUBJECT: **BOARD OF INVESTMENTS 2022 OFFSITE TENTATIVE AGENDA**

SUMMARY

On September 13th and 14th, LACERA’s Board of Investments is scheduled to have its annual offsite meeting. We are planning to gather in-person at the Hyatt Regency Long Beach. Additional information regarding logistics will be provided in the future. Offsite topics will be presented and discussed on both days and a Board meeting is scheduled to occur on the afternoon of the 14th. We expect to collaborate with numerous business partners and advisors to arrange for an insightful and productive event. The following is a tentative high-level agenda¹ for the event:

Tuesday, September 13, 2022*Morning*

- The Macro Environment
- Investment Opportunities Related to Energy Transition

Afternoon

- Globalization and Emerging Markets
- Embracing Technology

Wednesday, September 14, 2022*Morning*

- Real Estate Opportunities
- Investment Beliefs

Afternoon

- Board of Investments Meeting

¹ The tentative high-level agenda shown above is subject to change or refinement.

BACKGROUND

In an effort to develop a responsive and engaging agenda, a list of potential topics was compiled while considering interactions with Trustees, current events, and LACERA's 2022 Work Plan and Strategic Initiatives, as referenced below.



An online survey was created, and Trustees were asked to rank their relative interest in each of the eleven potential topics or identify a new topic. Aggregate survey results were discussed with Board leadership. The six topics that received the highest survey rankings are shown below with a brief description.


- **The Macro Environment**
 - Investment market implications related to inflation, geopolitics, and interest rates
- **Investment Opportunities Related to Energy Transition**
 - Investment opportunities in a low carbon transition (biofuels, hydrogen, smart grid tech, renewables) and meaningful metrics to measure exposures and avoid pitfalls
- **Globalization and Emerging Markets**
 - Global trade, supply chains, and investment implications for a U.S. pension fund. Risks and opportunities associated with emerging market investments.
- **Embracing Technology**
 - How institutional investors can better incorporate technology into their investment organization

- **Real Estate Opportunities**
 - Commercial real estate is at a crossroads into the pandemic as industrial logistics and multi-family assets attract investors while office and retail continue to suffer. What can we expect from here?
- **Investment Beliefs**
 - Revisit and discuss potential enhancements to LACERA's Investment Beliefs

Over the next several months, we will work with key partners to develop content for these topics and invite select outside speakers.

May 27, 2022

TO: Trustees – Board of Investments

FROM: Jude Pérez 
Principal Investment Officer

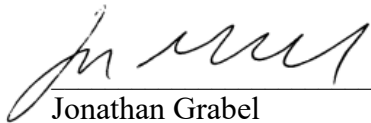
FOR: June 8, 2022 Board of Investments Meeting

SUBJECT: **LACERA QUARTERLY PERFORMANCE BOOK**

Attached is LACERA's quarterly performance book as of March 31, 2022. The report includes both performance and risk sections utilizing data from our platform providers, Solovis and MSCI BarraOne, respectively.

Please note that new MSCI risk summaries have been added to the Real Assets and Inflation Hedges section of the book, including composite and investment manager pages.

Noted and Reviewed:


Jonathan Grabel
Chief Investment Officer

Attachments

EdB:JP



Los Angeles County Employees Retirement Association

Investments Division

TOTAL FUND

**PERFORMANCE
REPORT**

For the quarter ended
March 31, 2022

A nighttime photograph of the Los Angeles State Capitol building, illuminated against a dark sky with a purple and orange sunset. The building's dome is prominent. In the foreground, there are trees and a street with some light trails. The word 'review' is overlaid in large, semi-transparent, light blue letters across the bottom half of the image.

review

Table of Contents

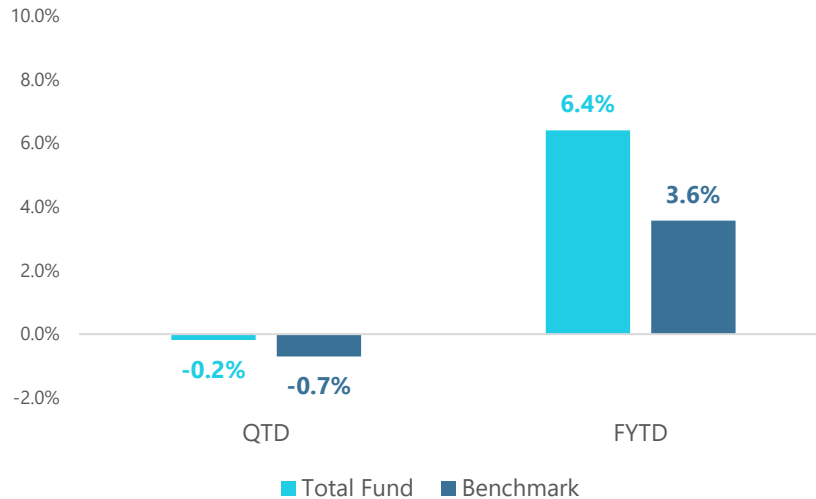
01	TOTAL FUND
02	GROWTH
03	CREDIT
04	REAL ASSETS & INFLATION HEDGES
05	RISK REDUCTION & MITIGATION
06	PRIVATE MARKETS
07	EMERGING MANAGER PROGRAM
08	RISK REPORTS
09	MANAGER SCORECARDS
10	APPENDIX

total fund

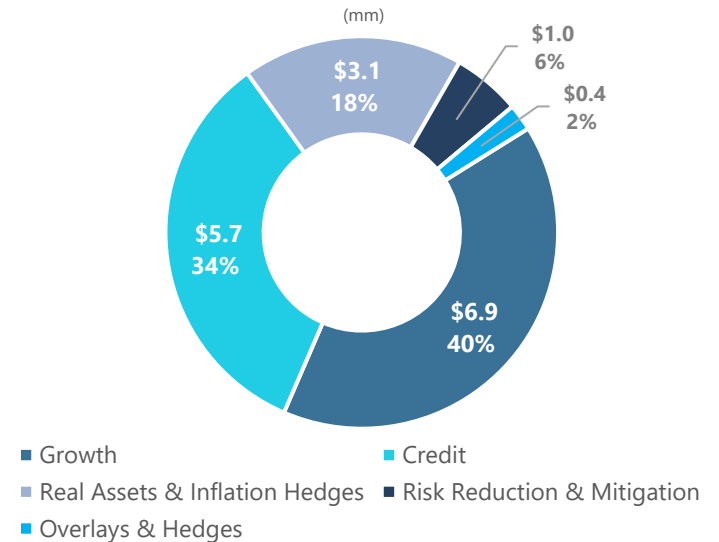
Quarterly Snapshot

for the quarter ended March 31, 2022

Performance (net)



Public Markets Fees¹



Ending Market Value

75,209

0%

from prior quarter

Sharpe Ratio²

1.2

↓ -18%

from prior quarter

Batting Average³

53%

↓ -14%

from prior quarter

Standard Deviation²

8.1

↑ 1%

from prior quarter

Tracking Error²

2.6

↑ 5%

from prior quarter

1. Reflects estimated investment management fees only. Additional details found in the appendix.

2. 3 Year Annualized.

3. Percentage of managers that outperformed the benchmark for the quarter.

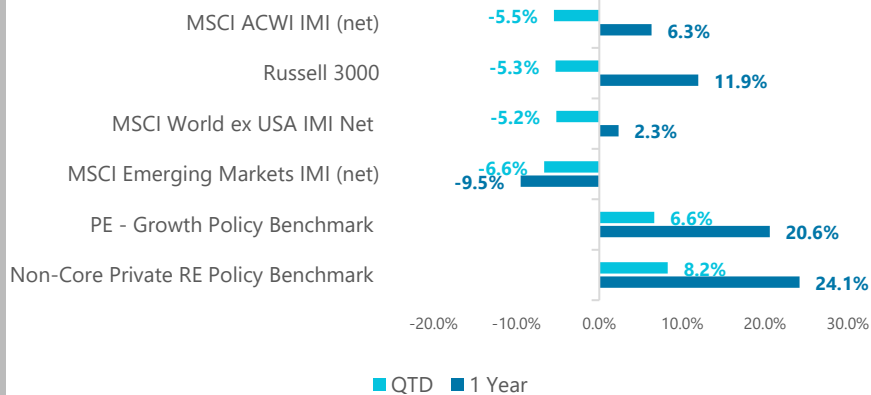
Market Environment

for the quarter ended March 31, 2022

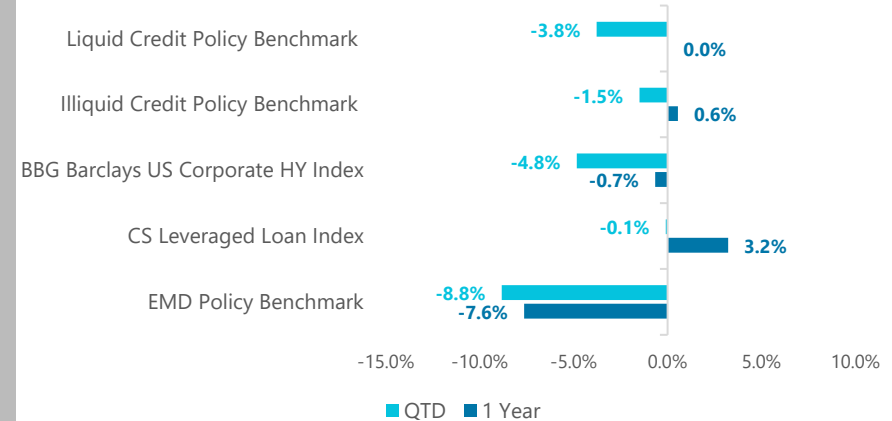


Los Angeles County Employees Retirement Association

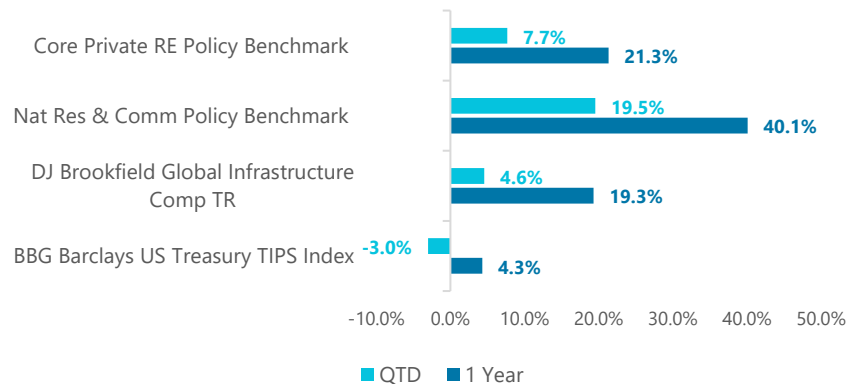
Growth



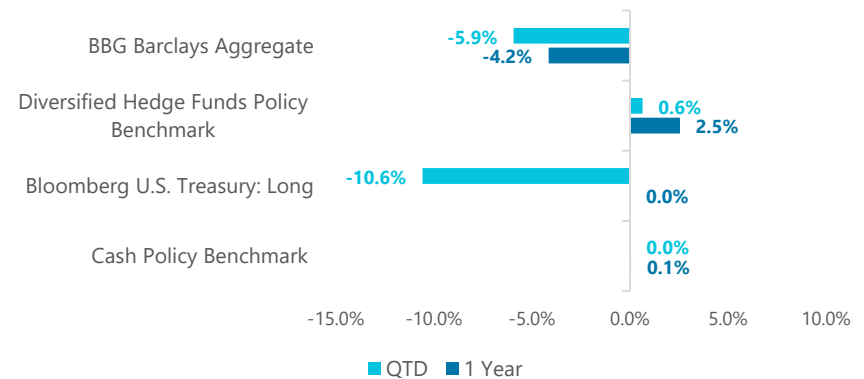
Credit



Real Assets & Inflation Hedges



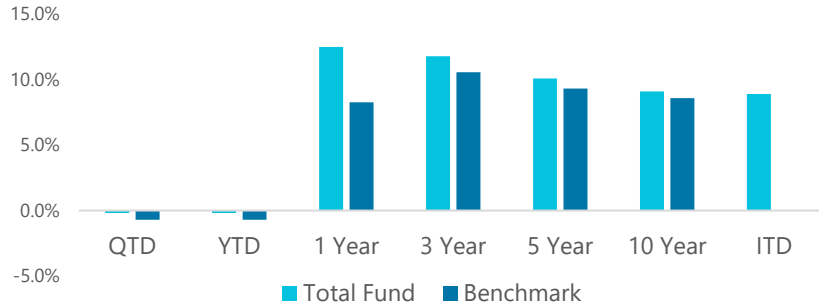
Risk Reduction & Mitigation



Summary

for the quarter ended March 31, 2022

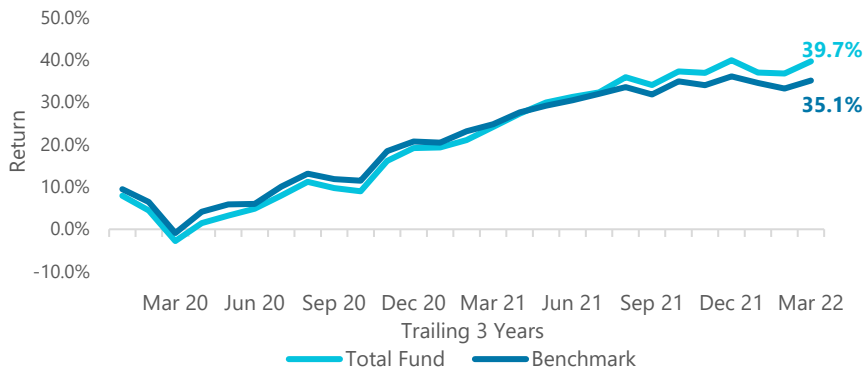
Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Total Fund	-0.2%	-0.2%	12.5%	11.8%	10.1%	9.1%	8.9%
Benchmark	-0.7%	-0.7%	8.3%	10.6%	9.3%	8.6%	--
Excess	0.5%	0.5%	4.2%	1.2%	0.8%	0.5%	--

	FY21	FY20	FY19	FY18	FY17
Total Fund	25.2%	1.8%	6.4%	9.0%	12.7%
Benchmark	23.1%	2.0%	8.6%	7.8%	11.2%

Cumulative Return



Functional Category

	QTD	FYTD	1 Year	3 Year
Growth	-1.2%	8.2%	17.6%	17.8%
Growth Policy Benchmark	-1.4%	3.9%	10.9%	16.1%
Excess	0.2%	4.2%	6.7%	1.7%
Credit	-1.9%	1.1%	4.0%	5.8%
Credit Policy Benchmark	-2.7%	-1.9%	0.0%	4.2%
Excess	0.8%	2.9%	4.0%	1.6%
Real Assets & Inflation Hedges	7.7%	16.2%	21.3%	9.1%
RA & IH Policy Benchmark	7.7%	16.1%	21.8%	10.5%
Excess	0.1%	0.0%	-0.5%	-1.5%
Risk Reduction & Mitigation	-4.1%	-3.8%	-2.3%	2.9%
RR & M Policy Benchmark	-4.6%	-4.0%	-2.5%	2.1%
Excess	0.5%	0.1%	0.2%	0.8%
Overlays & Hedges	57.6%	--	--	--

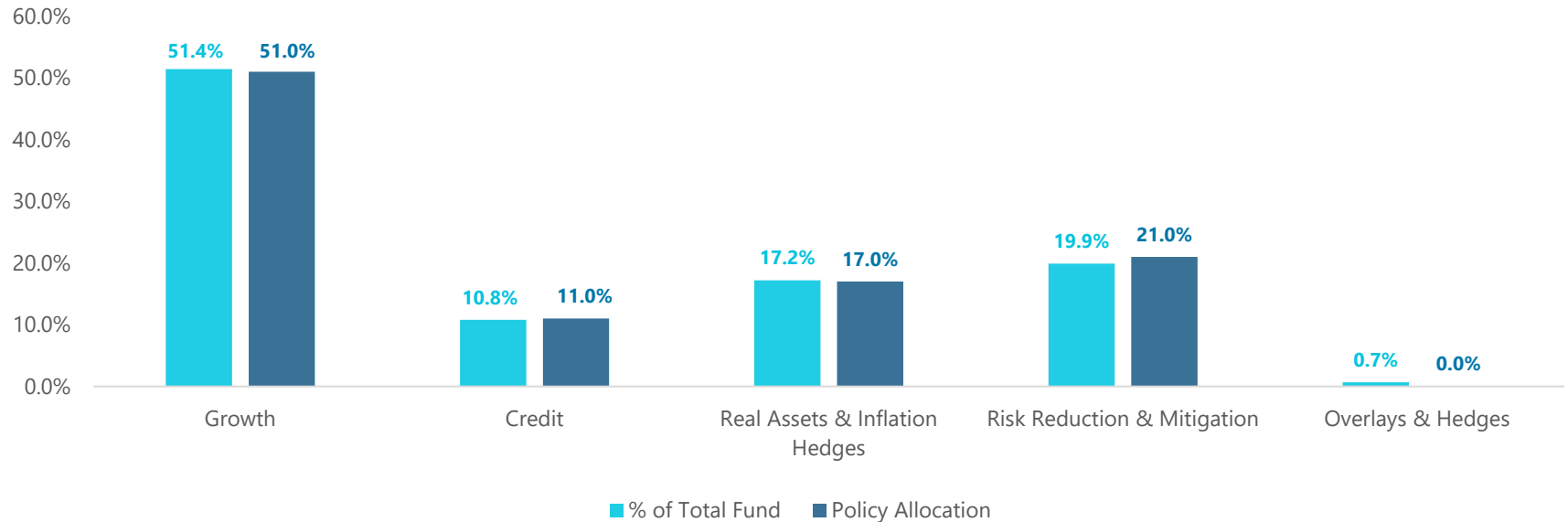
Peer Ranking (gross)

	QTD	1 Year	3 Year	5 Year	10 Year					
Total Fund	-0.10%	8	12.95%	13	12.14%	31	10.41%	30	9.38%	39
60/40 Portfolio	-5.62%	88	2.13%	89	9.03%	82	7.91%	84	7.04%	90
S&P 500 Index	-4.60%	77	15.65%	7	18.92%	4	15.99%	4	14.64%	4
5th Percentile	0.47%		16.25%		14.83%		12.39%		10.80%	
25th Percentile	-1.69%		11.90%		12.27%		10.62%		9.66%	
50th Percentile	-2.86%		8.61%		11.62%		9.82%		9.11%	
75th Percentile	-4.52%		5.71%		9.92%		8.89%		8.32%	
95th Percentile	-6.50%		-1.44%		4.82%		4.67%		4.89%	

Asset Allocation

for the quarter ended March 31, 2022

Actual vs. Policy

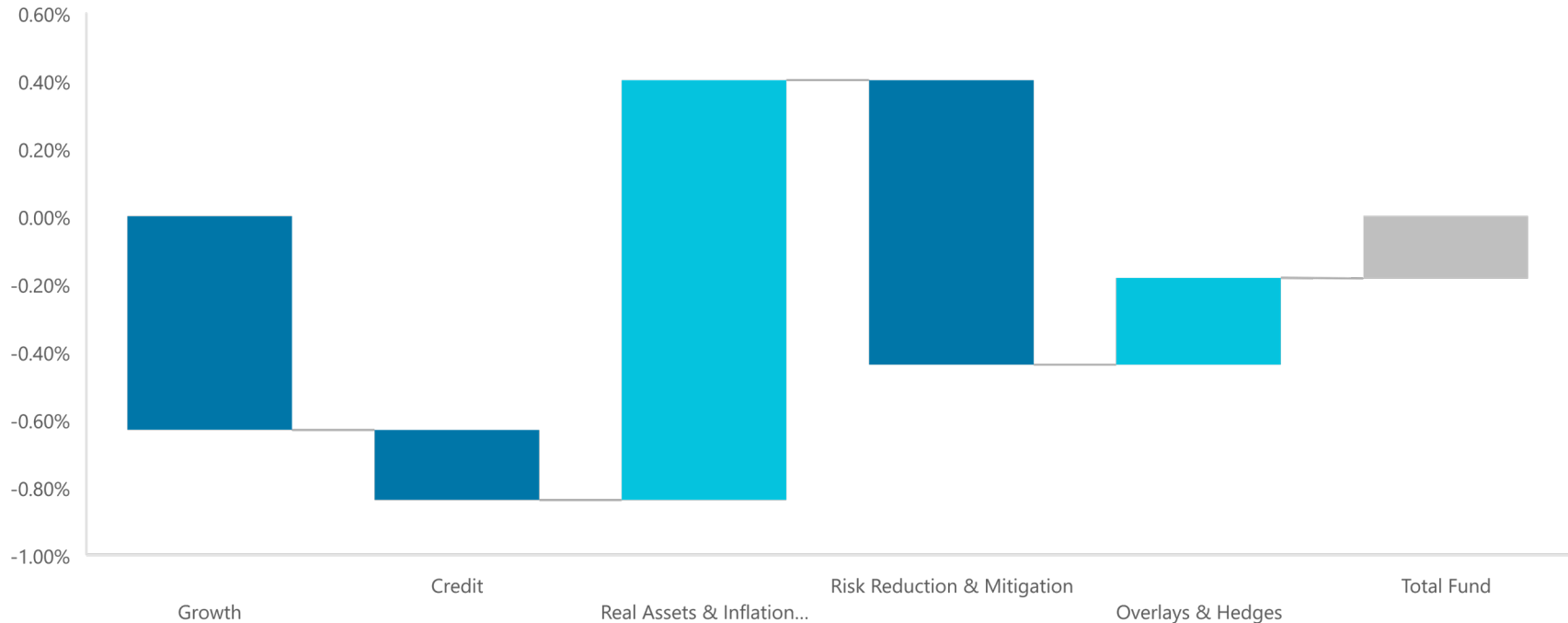


	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Over/Under (%)	Over/Under (mm)
Total Fund	75,209	100.0%	100.0%		
Growth	38,682	51.4%	51.0%	0.4%	326
Credit	8,111	10.8%	11.0%	-0.2%	-162
Real Assets & Inflation Hedges	12,933	17.2%	17.0%	0.2%	148
Risk Reduction & Mitigation	14,969	19.9%	21.0%	-1.1%	-825
Overlays & Hedges	513	0.7%	0.0%	0.7%	513

Contribution to Return

for the quarter ended March 31, 2022

QTD Contribution to Return



Functional Category	Contributors	Detractors
Growth	-0.63% LACERA PE Growth	1.25% SSGA MSCI ACWI IMI
Credit	-0.21% LACERA RE - Real Assets	0.36% BTC Passive Currency Hedge
Real Assets & Inflation Hedges	1.24% DWS Natural Resources	0.36% BTC US Debt Index Fund
Risk Reduction & Mitigation	-0.84% Parametric RA & IH Overlay	0.17% JPMAM Strategic Beta US
Overlays & Hedges	0.26% Credit Suisse Commodity	0.16% BlackRock Long Treasury Bonds
Total Fund	-0.18%	

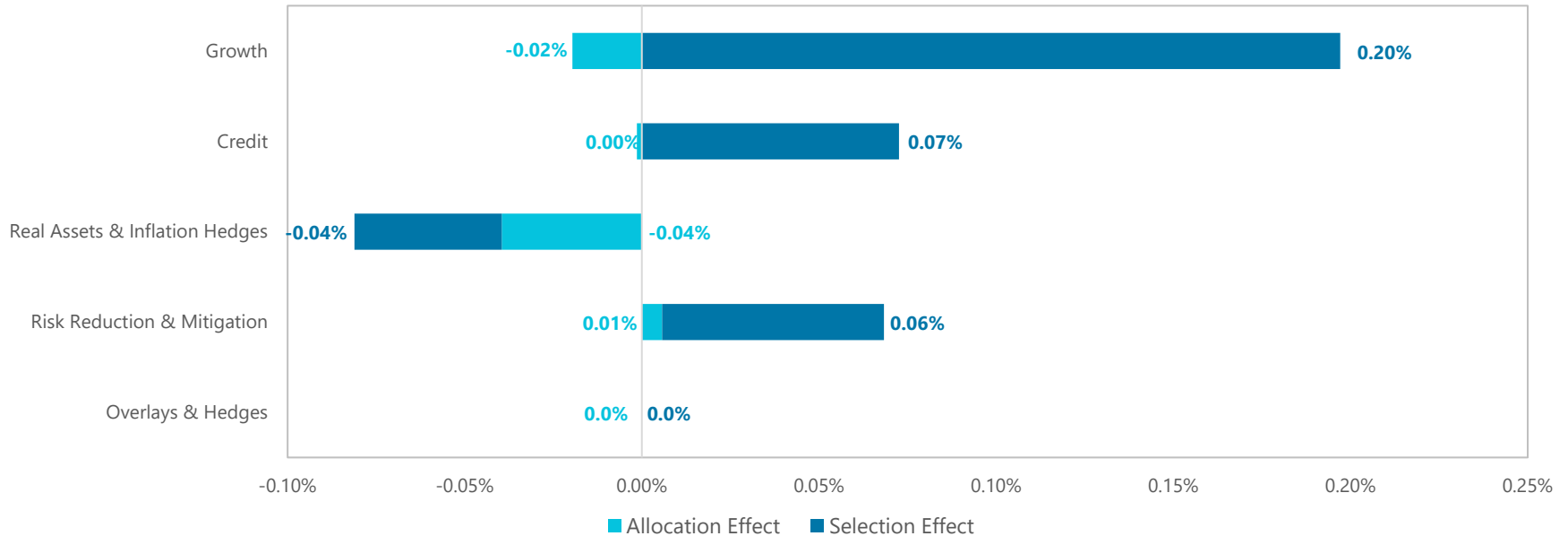
Return Attribution

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

QTD Performance Attribution¹



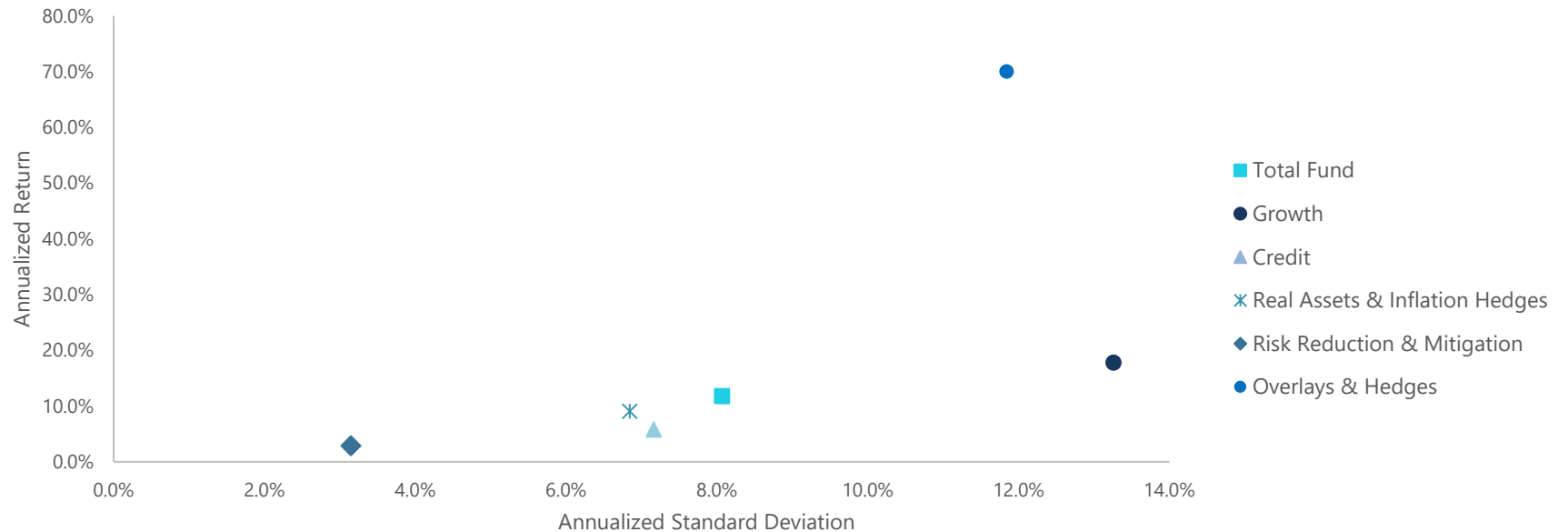
	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
Total Fund	75,209	100.0%	100.0%	-0.2%	-0.7%	-0.06%	0.29%	0.52%
Growth	38,682	51.4%	51.0%	-1.2%	-1.4%	-0.02%	0.20%	0.08%
Credit	8,111	10.8%	11.0%	-1.9%	-2.7%	0.00%	0.07%	0.09%
Real Assets & Inflation Hedges	12,933	17.2%	17.0%	7.7%	7.7%	-0.04%	-0.04%	-0.02%
Risk Reduction & Mitigation	14,969	19.9%	21.0%	-4.1%	-4.6%	0.01%	0.06%	0.11%
Overlays & Hedges	513	0.7%	0.0%	57.6%	--	--	--	--

1. Total Value Add includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2022

3 Year (Annualized)¹



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Total Fund	11.8%	8.1%	1.23	0.14	0.96	2.6%
Growth	17.8%	13.3%	1.13	(0.01)	0.93	5.0%
Credit	5.8%	7.2%	0.74	0.63	1.00	2.9%
Real Assets & Inflation Hedges	9.1%	6.8%	1.21	(0.62)	0.92	2.1%
Risk Reduction & Mitigation	2.9%	3.1%	0.66	0.98	0.95	0.8%
Overlays & Hedges	70.0%	11.8%				

1. Functional composites risk statistics are since inception.

Performance Detail

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Annualized Net Returns

	% of Total Fund	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Total Fund	100.0%	75,209	75,580	-0.2%	-0.2%	12.5%	11.8%	10.1%	9.1%	8.9%
Total Fund Policy Benchmark				-0.7%	-0.7%	8.3%	10.6%	9.3%	8.6%	--
Growth	51.4%	38,682	39,441	-1.2%	-1.2%	17.6%	17.8%	--	--	17.8%
Growth Policy Benchmark				-1.4%	-1.4%	10.9%	16.1%	--	--	16.1%
Global Equity	33.4%	25,137	26,947	-5.6%	-5.6%	7.0%	13.9%	--	--	13.9%
Global Equity Policy Benchmark				-5.5%	-5.5%	6.3%	13.5%	--	--	13.5%
Private Equity - Growth	16.6%	12,457	11,490	8.2%	8.2%	47.0%	28.2%	--	--	25.9%
PE - Growth Policy Benchmark				6.6%	6.6%	20.6%	22.6%	--	--	15.7%
Non-Core Private Real Estate	1.4%	1,088	1,005	7.8%	7.8%	24.0%	13.1%	12.4%	12.0%	4.5%
Non-Core Private RE Policy Benchmark				8.2%	8.2%	24.1%	11.3%	10.9%	12.7%	11.4%
Credit	10.8%	8,111	8,193	-1.9%	-1.9%	4.0%	5.8%	--	--	5.8%
Credit Policy Benchmark				-2.7%	-2.7%	0.0%	4.2%	--	--	4.2%
Liquid Credit	6.6%	4,977	5,142	-3.2%	-3.2%	--	--	--	--	-3.0%
Liquid Credit Policy Benchmark				-3.8%	-3.8%	--	--	--	--	-3.4%
Illiquid Credit	4.2%	3,135	3,051	0.3%	0.3%	11.2%	12.2%	--	--	12.2%
Illiquid Credit Policy Benchmark				-1.5%	-1.5%	0.6%	6.1%	--	--	6.1%
Real Assets & Inflation Hedges	17.2%	12,933	12,075	7.7%	7.7%	21.3%	9.1%	--	--	9.1%
RA & IH Policy Benchmark				7.7%	7.7%	21.8%	10.5%	--	--	10.5%
Core Private Real Estate	5.4%	4,079	3,969	6.9%	6.9%	18.6%	6.2%	6.8%	8.1%	7.1%
Core Private RE Policy Benchmark				7.7%	7.7%	21.3%	8.7%	8.2%	10.0%	7.0%
Natural Resources & Commodities	5.0%	3,796	3,413	18.5%	18.5%	38.3%	14.6%	8.7%	-0.2%	-0.5%
Nat Res & Comm Policy Benchmark				19.5%	19.5%	40.1%	16.4%	9.2%	-0.6%	-1.4%
Infrastructure	4.0%	2,999	2,582	3.1%	3.1%	19.2%	--	--	--	12.4%
DJ Brookfield Global Infrastr Comp TR				4.6%	4.6%	19.3%	--	--	--	8.9%
TIPS	2.7%	2,059	2,111	-2.5%	-2.5%	5.0%	--	--	--	6.4%
Bloomberg U.S. Treasury: U.S. TIPS				-3.0%	-3.0%	4.3%	--	--	--	6.3%
Risk Reduction & Mitigation	19.9%	14,969	15,485	-4.1%	-4.1%	-2.3%	2.9%	--	--	2.9%
RR & M Policy Benchmark				-4.6%	-4.6%	-2.5%	2.1%	--	--	2.1%
Investment Grade Bonds	11.5%	8,649	9,191	-5.9%	-5.9%	-4.3%	1.9%	2.4%	2.8%	5.6%
BBG BC Aggregate Bond Index				-5.9%	-5.9%	-4.2%	1.7%	2.1%	2.2%	5.1%
Diversified Hedge Funds	5.3%	4,001	3,835	1.5%	1.5%	3.3%	7.0%	--	--	7.0%
Diversified Hedge Funds Policy Benchmark				0.6%	0.6%	2.5%	3.3%	--	--	3.3%
Long-Term Government Bonds	1.8%	1,366	1,520	-10.1%	-10.1%	--	--	--	--	-9.8%
Bloomberg U.S. Treasury: Long				-10.6%	-10.6%	--	--	--	--	-11.5%
Cash	1.3%	953	940	0.2%	0.2%	0.9%	1.3%	1.5%	1.0%	1.8%
Cash Policy Benchmark				0.0%	0.0%	0.1%	0.8%	1.1%	0.6%	1.4%
Overlays & Hedges	0.7%	513	384	57.6%	57.6%	--	--	--	--	70.0%
Cash Overlay	0.6%	448	329	36.1%	36.1%	33.8%	--	--	--	-11.1%
Currency Hedge	0.1%	65	55	1.0%	1.0%	--	--	--	--	1.6%

growth

Summary

for the quarter ended March 31, 2022

Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Growth	-1.2%	-1.2%	17.6%	17.8%	--	--	17.8%
Benchmark	-1.4%	-1.4%	10.9%	16.1%	--	--	16.1%
Excess	0.2%	0.2%	6.7%	1.7%	--	--	1.7%

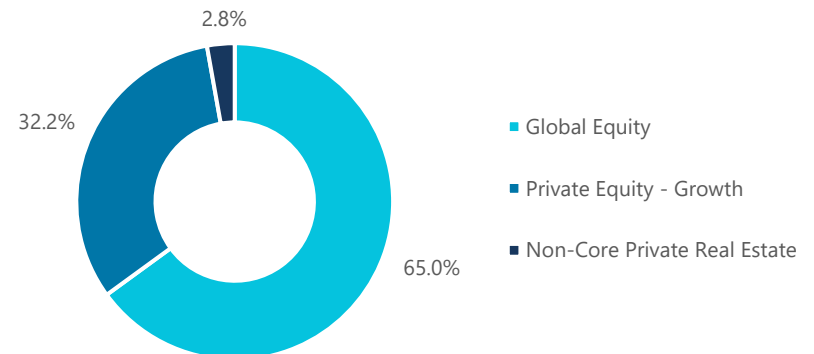
Cumulative Return



Functional Category

	QTD	FYTD	1 Year	3 Year
Global Equity	-5.6%	0.0%	7.0%	13.9%
Global Equity Policy Benchmark	-5.5%	-0.8%	6.3%	13.5%
Excess	-0.1%	0.8%	0.7%	0.4%
Private Equity - Growth	8.2%	29.1%	47.0%	28.2%
PE - Growth Policy Benchmark	6.6%	14.1%	20.6%	22.6%
Excess	1.6%	15.0%	26.5%	5.6%
Non-Core Private Real Estate	7.8%	17.9%	24.0%	13.1%
Non-Core Private RE Policy Benchmark	8.2%	21.0%	24.1%	11.3%
Excess	-0.5%	-3.0%	-0.2%	1.7%

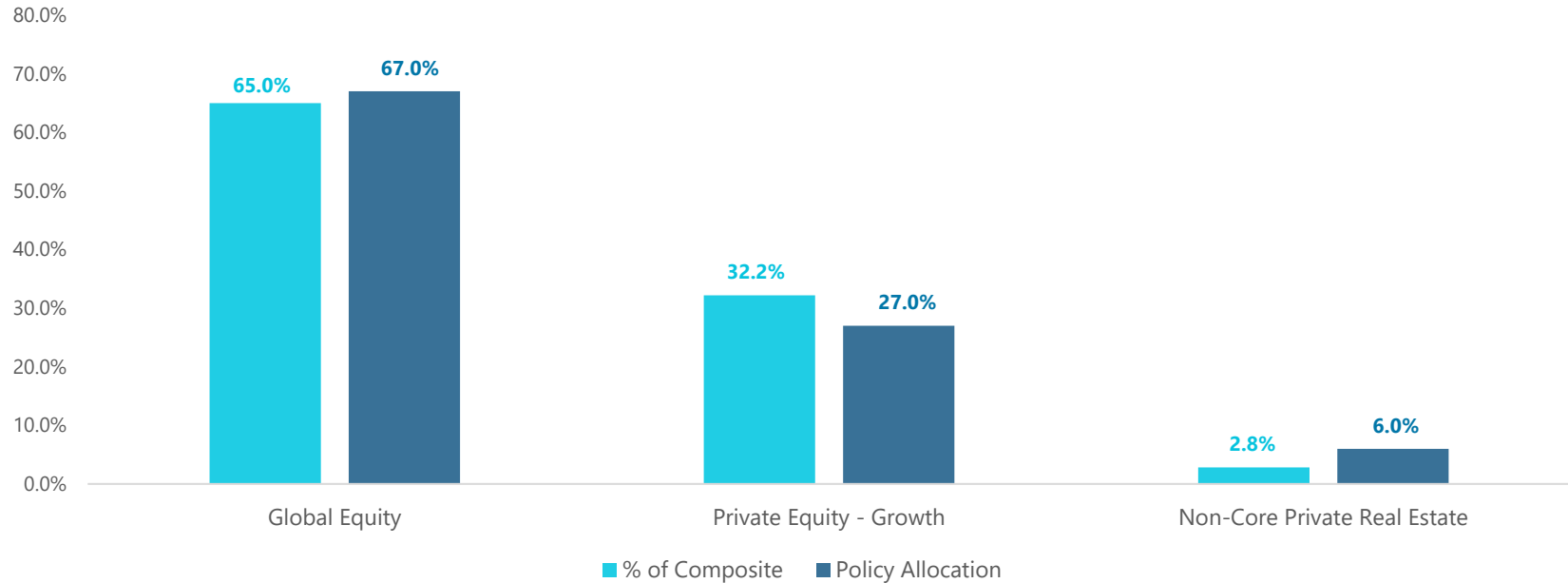
Exposure



Asset Allocation

for the quarter ended March 31, 2022

Actual vs. Policy

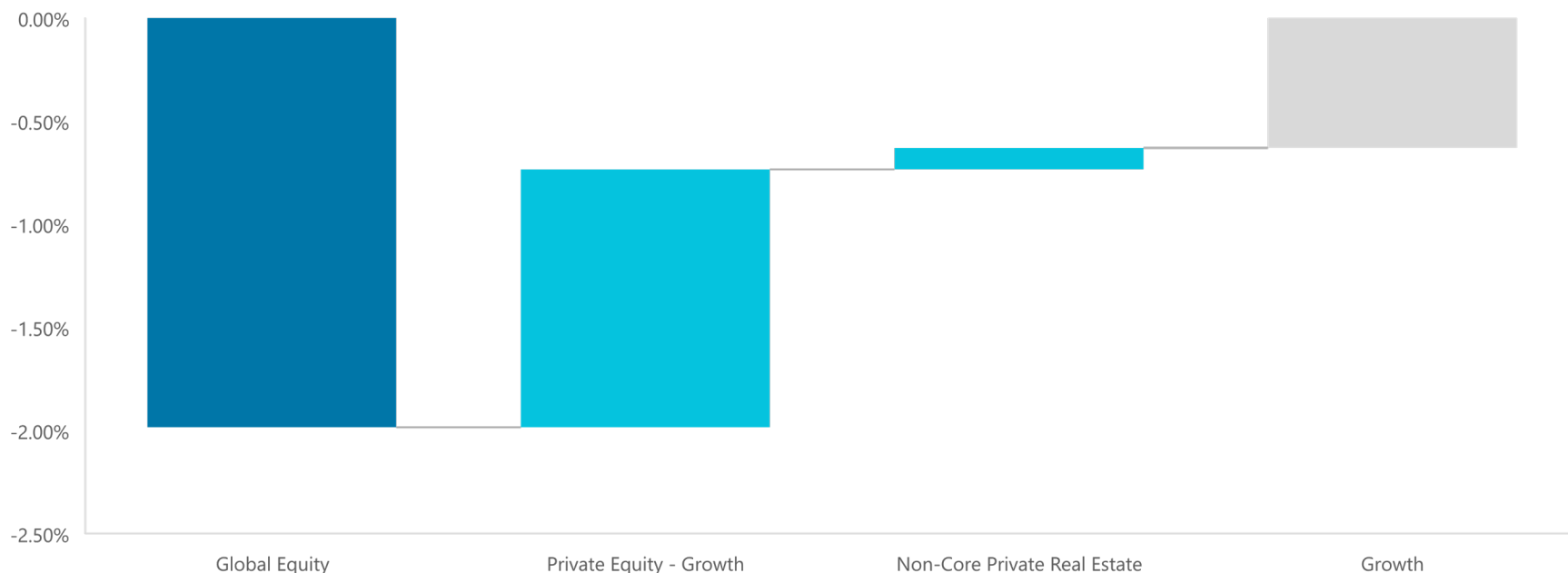


	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Growth	38,682	100.0%	100.0%		
Global Equity	25,137	65.0%	67.0%	-2.0%	-781
Private Equity - Growth	12,457	32.2%	27.0%	5.2%	2,013
Non-Core Private Real Estate	1,088	2.8%	6.0%	-3.2%	-1,233

Contribution to Return

for the quarter ended March 31, 2022

QTD Contribution to Return

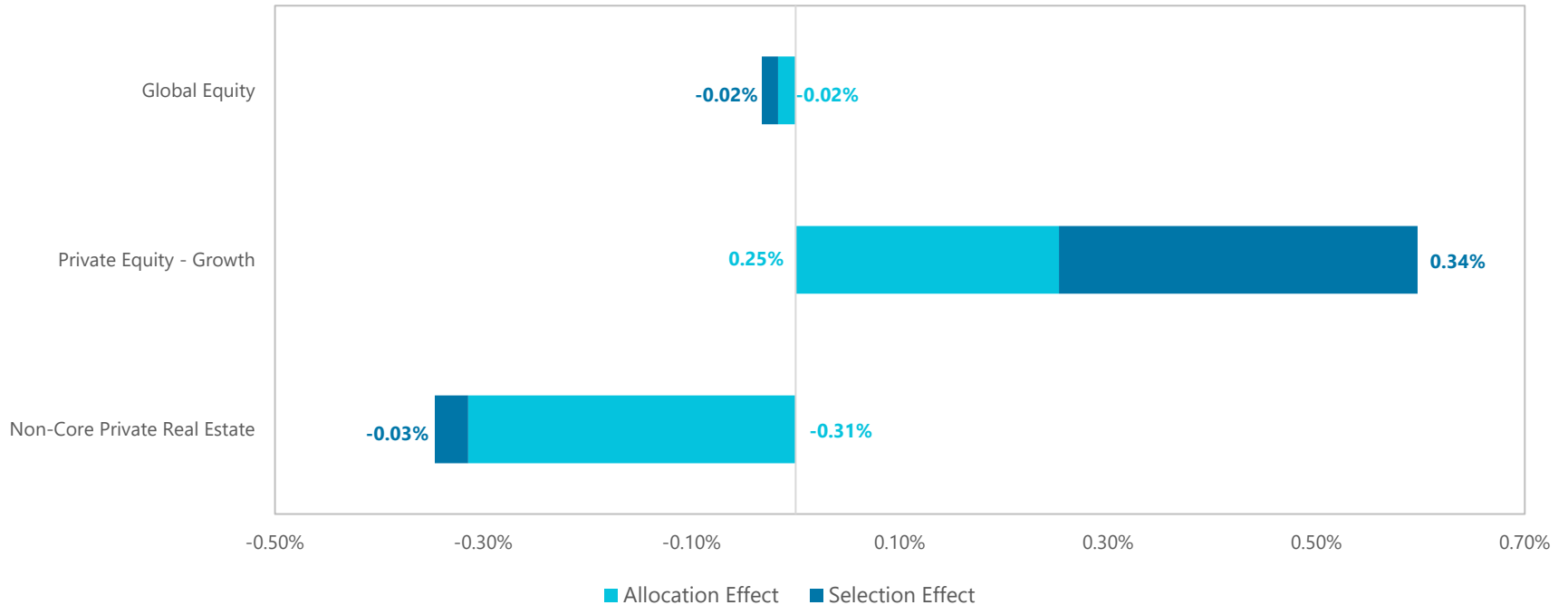


Functional Category	Contributors		Detractors		
Global Equity	-1.99%	LACERA PE Growth	1.25%	SSGA MSCI ACWI IMI	-1.18%
Private Equity - Growth	1.25%	LACERA RE - Growth	0.10%	JPMAM Strategic Beta US	-0.30%
Non-Core Private Real Estate	0.10%	Parametric GE Market Cap	0.01%	Genesis Emerging Markets	-0.11%
Growth	-0.63%	Parametric GE Region	0.01%	Lazard Emerging Markets	-0.08%
		Jana JSI Fund V - Activist	0.00%	Capital Group Developed Markets	-0.08%

Return Attribution

for the quarter ended March 31, 2022

QTD Performance Attribution¹



	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
Growth	38,682	100.0%	100.0%	-1.2%	-1.4%	-0.08%	0.30%	0.25%
Global Equity	25,137	65.0%	67.0%	-5.6%	-5.5%	-0.02%	-0.02%	-0.09%
Private Equity - Growth	12,457	32.2%	27.0%	8.2%	6.6%	0.25%	0.34%	0.66%
Non-Core Private Real Estate	1,088	2.8%	6.0%	7.8%	8.2%	-0.31%	-0.03%	-0.33%

1. Total Value Add includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2022

Since Inception (Annualized)¹



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Growth	17.8%	13.3%				
Growth Policy Benchmark	16.1%	13.4%	1.13	(0.01)	0.93	5.0%

1. Composite risk statistics are relative to the policy benchmark.

Performance Detail

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Annualized Net Returns

	% of Composite	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Growth	100.0%	38,682	39,441	-1.2%	-1.2%	17.6%	17.8%	--	--	17.8%
Growth Policy Benchmark				-1.4%	-1.4%	10.9%	16.1%	--	--	16.1%
Global Equity	65.0%	25,137	26,947	-5.6%	-5.6%	7.0%	13.9%	--	--	13.9%
Global Equity Policy Benchmark				-5.5%	-5.5%	6.3%	13.5%	--	--	13.5%
Passive										
SSGA MSCI ACWI IMI	40.1%	15,518	16,611	-5.4%	-5.4%	7.1%	--	--	--	12.9%
Factor Based										
JPMAM Strategic Beta Non-US	1.6%	618	644	-4.1%	-4.1%	1.3%	--	--	--	14.2%
JPMAM Strategic Beta US	12.0%	4,643	4,872	-4.7%	-4.7%	14.5%	--	--	--	26.7%
Active										
Acadian Developed Markets	1.6%	632	659	-4.1%	-4.1%	4.4%	11.2%	10.2%	9.4%	5.4%
BTC Euro Tilts	1.4%	560	764	-7.4%	-7.4%	7.4%	9.6%	7.6%	7.9%	3.9%
Capital Group Developed Markets	1.1%	414	475	-12.8%	-12.8%	-7.3%	9.4%	10.0%	8.1%	--
Cevian Capital II - Activist	1.0%	393	413	-5.0%	-5.0%	2.4%	11.3%	6.7%	--	8.5%
Cornercap US Small Cap - EMP	0.2%	86	87	-1.1%	-1.1%	9.6%	15.8%	--	--	10.8%
Frontier US SMID Growth	0.8%	298	312	-4.5%	-4.5%	2.5%	14.2%	10.7%	12.3%	10.9%
Genesis Emerging Markets	1.4%	557	637	-12.6%	-12.6%	-19.1%	2.1%	4.9%	3.4%	4.1%
Global Alpha Intl Small Cap - EMP	0.5%	189	163	-7.9%	-7.9%	-1.1%	8.7%	--	--	9.3%
Jana JSI Fund V - Activist	0.3%	123	123	1.0%	1.0%	11.1%	21.8%	13.9%	--	20.1%
Lazard Emerging Markets	1.1%	413	475	-13.1%	-13.1%	-16.5%	6.5%	7.1%	--	3.5%
Parametric GE Market Cap	0.4%	139	123	3.6%	3.6%	--	--	--	--	24.1%
Parametric GE Region	0.3%	124	106	-8.2%	-8.2%	--	--	--	--	-7.1%
Symphony Financial - Activist	0.6%	237	258	-9.7%	-9.7%	1.2%	12.1%	14.9%	--	14.5%
Systematic US Small Cap Value	0.5%	197	207	-5.0%	-5.0%	2.8%	13.2%	--	--	7.9%
Private Equity - Growth	32.2%	12,457	11,490	8.2%	8.2%	47.0%	28.2%	--	--	25.9%
PE - Growth Policy Benchmark				6.6%	6.6%	20.6%	22.6%	--	--	15.7%
Non-Core Private Real Estate	2.8%	1,088	1,005	7.8%	7.8%	24.0%	13.1%	12.4%	12.0%	4.5%
Non-Core Private RE Policy Benchmark				8.2%	8.2%	24.1%	11.3%	10.9%	12.7%	11.4%

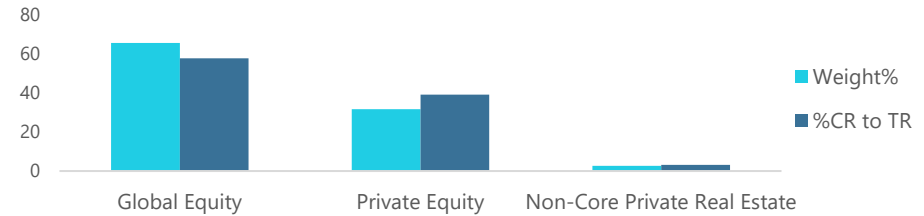
Growth Risk Summary

for the quarter ended March 31, 2022

Risk Summary

	Value
Total Risk	19.16
Benchmark Risk	18.17
Active Risk	1.65
Portfolio Beta	1.05

Contribution to Risk

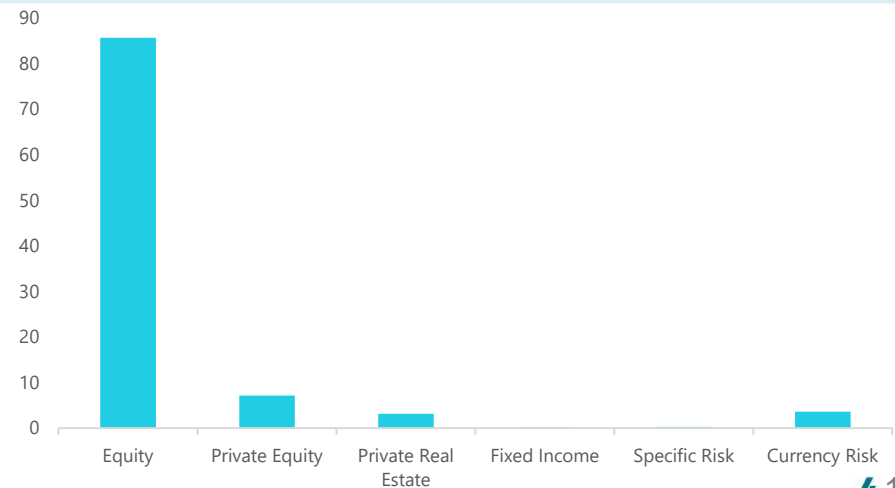


	Mkt Value (mm)	Weight%	Total Risk	Risk Contribution	%CR to TR
Growth	38,216	100.00	19.16	19.16	100.00
Global Equity	25,060	65.58	17.57	11.06	57.73
Private Equity	12,117	31.71	25.88	7.49	39.08
Non-Core Private Real Estate	1,039	2.72	37.06	0.61	3.19

Risk Decomposition

Risk Source	Portfolio		Active	
	Risk Contribution	%Risk	Risk Contribution	%Risk
Total Risk	19.16	100.00	1.65	100.00
Local Market Risk	18.47	96.40	1.59	96.40
Common Factor Risk	18.42	96.13	1.40	96.13
Specific Risk	0.05	0.27	0.19	0.27
Currency Risk	0.69	3.60	0.06	3.60

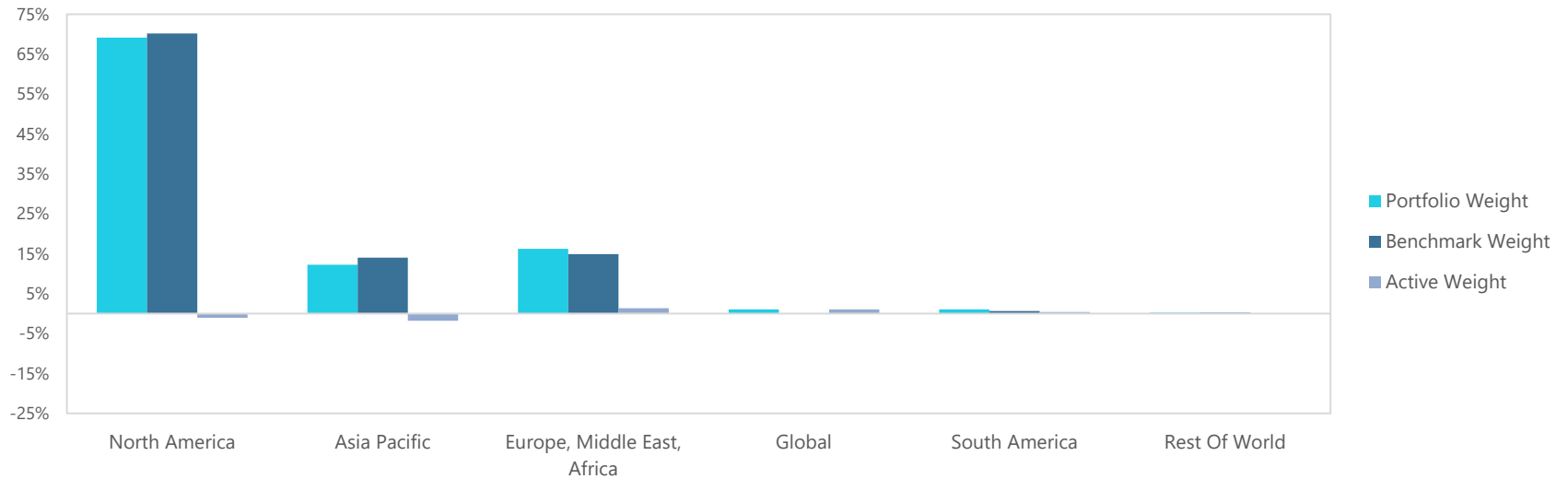
Active Risk from Common Factors



Growth Risk Summary

for the quarter ended March 31, 2022

Portfolio Allocation By Region

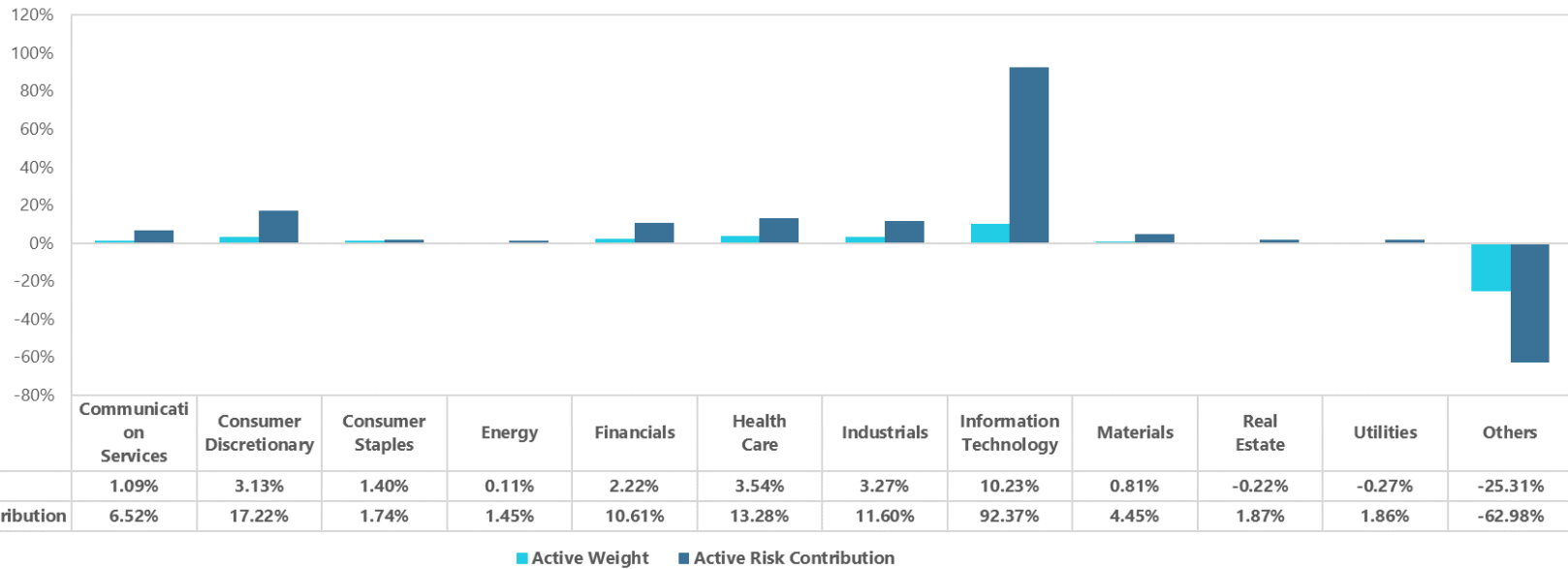


Region	Weight%			Total Risk	Active Risk CR	% of Active TR	MC to Total Tracking Error
	Portfolio	Benchmark	Active				
Total Fund	100.00%	100.00%	0.00%	19.16	1.65	100.00	0.02
North America	69.13%	70.17%	-1.04%	20.62	1.25	75.91	0.07
Asia Pacific	12.26%	14.03%	-1.77%	15.70	0.17	10.17	-0.04
Europe, Middle East, Africa	16.25%	14.89%	1.36%	21.44	0.19	11.50	0.01
Global	1.06%	0.00%	1.06%	20.82	-0.02	-1.04	-0.02
South America	1.07%	0.67%	0.40%	30.87	0.05	2.93	0.03
Rest Of World	0.24%	0.23%	0.01%	13.98	0.01	0.53	-0.05

Growth Risk Summary

for the quarter ended March 31, 2022

Portfolio Allocation By GICS Sector



Growth – Global Equity Acadian Developed Markets

for the quarter ended March 31, 2022

Strategy

Seeks to capture mispriced opportunities through systematic stock, sector, and country valuation models that are customized to each market. The strategy may be suited to investors looking to gain exposure in non-U.S. developed markets and diversify portfolio through active quantitative investment approach.

Inception Date: April 2006

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	47,816.1	80,437.2
No. Of Issues	609.0	0.0
Dividend Yield	3.6	2.9
Return on Equity	23.5	18.1
Price to Sales	3.3	4.0
Price to Book	10.9	5.5
PE Ratio	10.6	16.0

Top Holdings (% of assets)

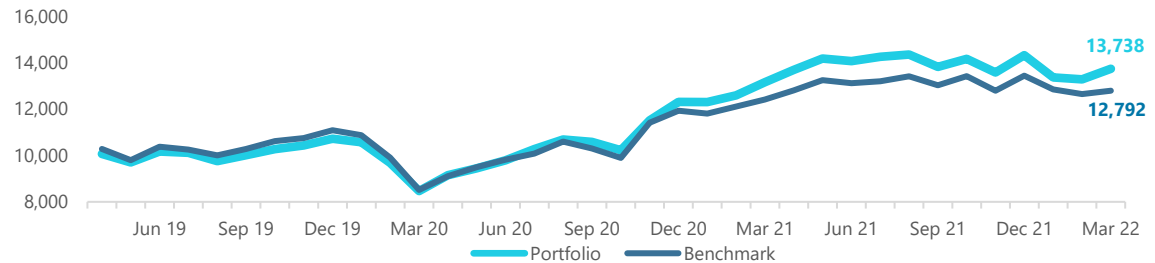
ROCHE HOLDING AG GENUSSSCHEIN	3.5%
NOVO NORDISK A/S B	2.6%
SOUTH32 LTD DI	2.0%
ENI SPA	1.8%
AP MOLLER MAERSK A/S B	1.7%
Top 5 Holdings	11.5%

Performance (net)¹

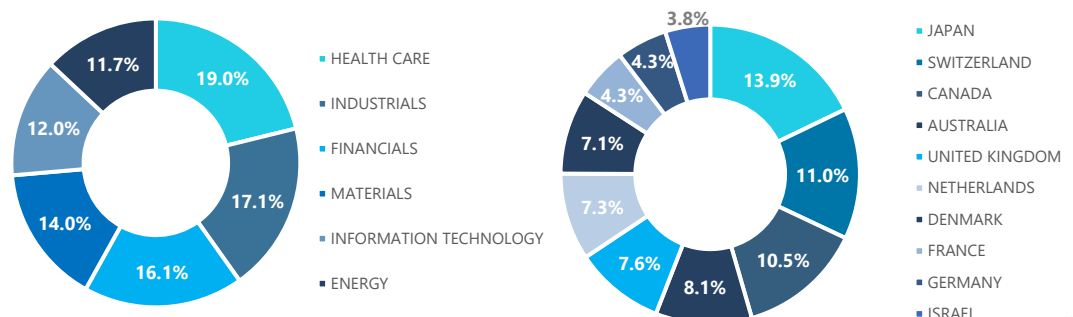
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Acadian Developed Markets	632.2	-4.1%	4.4%	11.2%	10.2%
MSCI EAFE + Canada Net Index		-4.8%	3.0%	8.6%	7.1%
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: Intl/Global Equity Funds - Core	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Acadian Developed Markets	-4.0%	29	4.8%	41	11.6%	43	10.6%	37
Median	-5.9%		2.9%		10.7%		9.5%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Growth Risk Analysis – Global Equity

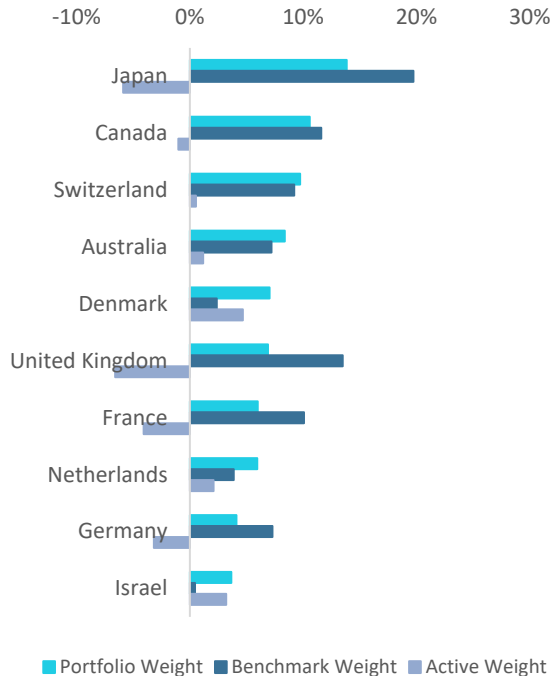
Acadian Developed Markets

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	19.74
Benchmark Risk	17.81
Active Risk	4.83
Portfolio Beta	1.08

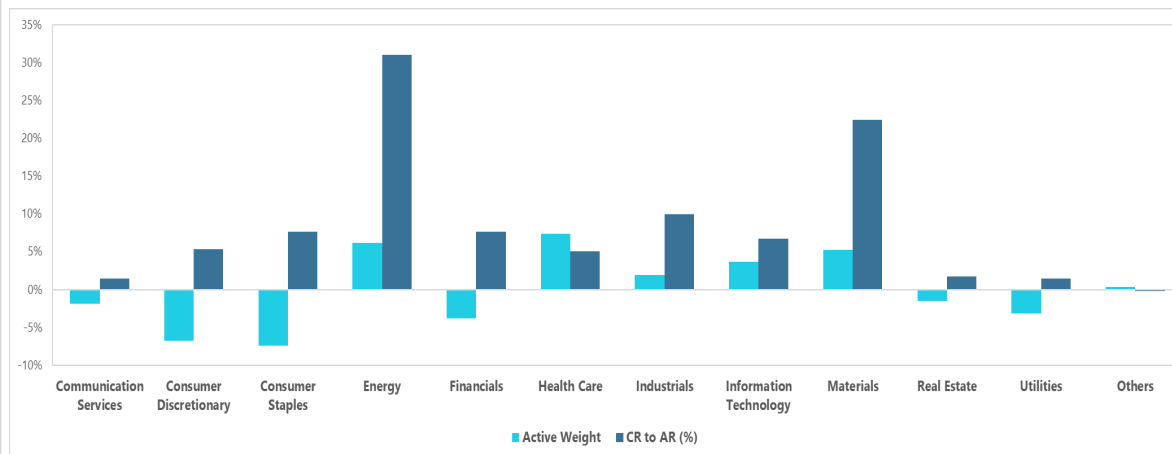
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
SOUTH32 LIMITED	1.96%	0.10%	1.87%	36.86	5.55	0.194
TOURMALINE OIL CORP	1.19%	0.08%	1.11%	47.07	5.00	0.269
LYNAS RARE EARTHS LIMITED	0.93%	0.00%	0.93%	53.63	3.86	0.251
EQUINOR ASA	1.42%	0.20%	1.22%	39.75	3.84	0.203
MEG ENERGY CORP	0.50%	0.00%	0.50%	62.94	3.31	0.370
ZIM INTEGRATED SHIPPING SERVICES	0.93%	0.00%	0.93%	56.20	3.25	0.219
BLUESCOPE STEEL LTD	1.22%	0.04%	1.18%	39.82	3.15	0.180
WHITECAP RESOURCES INC	0.50%	0.00%	0.50%	58.56	3.01	0.342
BIRCHCLIFF ENERGY LTD	0.52%	0.00%	0.52%	62.79	2.83	0.314
ANGLO AMERICAN PLC	1.54%	0.37%	1.18%	37.17	2.71	0.162

Portfolio Risk by GICS Sector



Growth – Global Equity BTC Europe Alpha Tilts

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Seeks to generate risk-controlled and consistent active returns by using a unique blend of bottom-up stock selection insights and broader top-down thematic insights. The strategy may be suited to investors looking to capture active return opportunities in European region.

Inception Date: January 2007

Risk Statistics (since inception)

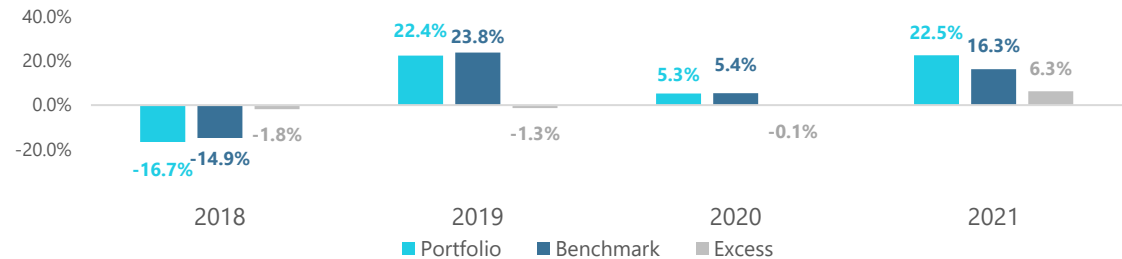
Standard Deviation	19.1%
Benchmark Standard Deviation	19.1%
Sharpe Ratio	0.25
Information Ratio	0.47
Beta	1.00
Tracking Error	1.9%

Performance (net)¹

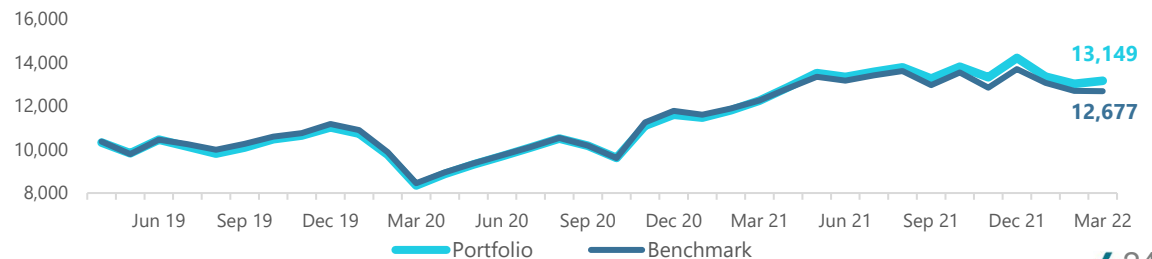
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
BTC Euro Tilts	559.6	-7.4%	7.4%	9.6%	7.6%
MSCI EUROPE		-7.4%	3.5%	8.2%	6.9%
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: Intl Equity Developed Mkt Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
BTC Euro Tilts	-7.3%	65	7.8%	8	10.0%	31	8.1%	37
Median	-5.8%		0.0%		8.2%		7.1%	

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

Growth Risk Analysis – Global Equity

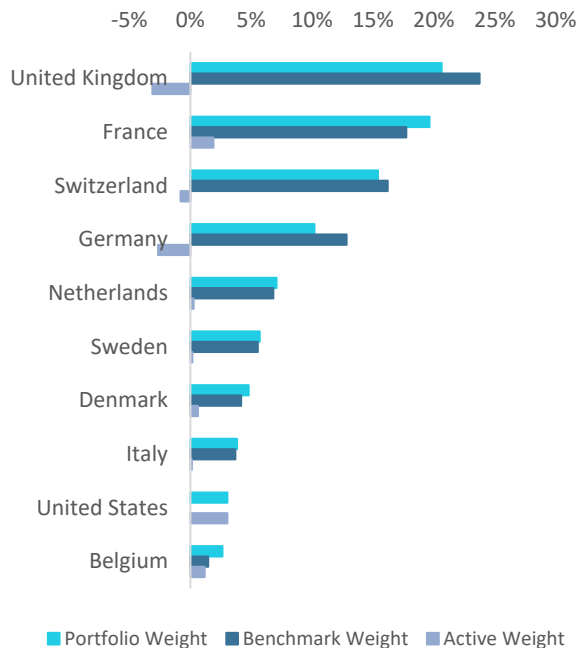
BTC Europe Alpha Tilts

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	19.54
Benchmark Risk	19.97
Active Risk	1.45
Portfolio Beta	0.98

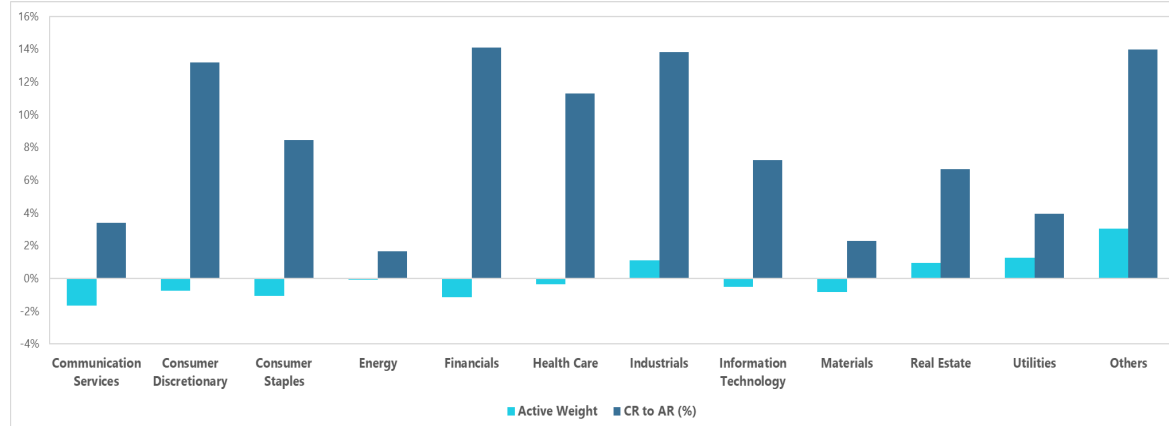
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
G L OTHER	2.88%	0.00%	2.88%	0.00	13.25	0.000
WAREHOUSES DE PAUW COMM VA	1.40%	0.00%	1.40%	25.46	6.00	-0.005
NOVO NORDISK A/S	3.10%	1.82%	1.28%	25.78	5.01	-0.010
NOVARTIS AG	3.29%	1.86%	1.42%	18.56	4.85	-0.017
BRITISH AMERICAN TOBACCO PLC	2.25%	0.88%	1.36%	25.47	4.47	-0.019
HSBC HOLDINGS PLC	0.00%	1.36%	-1.36%	31.78	4.44	-0.114
STRAUMANN HOLDING AG	1.34%	0.16%	1.18%	31.57	3.27	-0.027
PERNOD RICARD SA	1.60%	0.45%	1.15%	22.08	2.89	-0.030
ACCIONA SA	0.87%	0.00%	0.87%	30.54	2.68	-0.022
PROSUS NV	0.00%	0.49%	-0.49%	43.99	2.51	-0.141

Portfolio Risk by GICS Sector



Growth – Global Equity Capital Group Developed Markets

for the quarter ended March 31, 2022

Strategy

Seeks to generate long-term capital appreciation through fundamental research and proprietary models for earnings estimates and valuations. The strategy may be suited to investors looking to gain exposures in non-U.S. developed markets with emphasis on bottom-up, fundamental investment analysis.

Inception Date: October 1987

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	121,011.0	80,437.2
No. Of Issues	161.0	0.0
Dividend Yield	2.0	2.9
Return on Equity	20.1	18.1
Price to Sales	6.6	4.0
Price to Book	9.4	5.5
PE Ratio	25.0	16.0

Top Holdings (% of assets)

ASML HOLDING NV	5.5%
LVMH MOET HENNESSY LOUIS VUI	2.8%
NOVO NORDISK A/S B	2.7%
EVOLUTION AB	2.6%
OCADO GROUP PLC	2.4%
Top 5 Holdings	15.9%

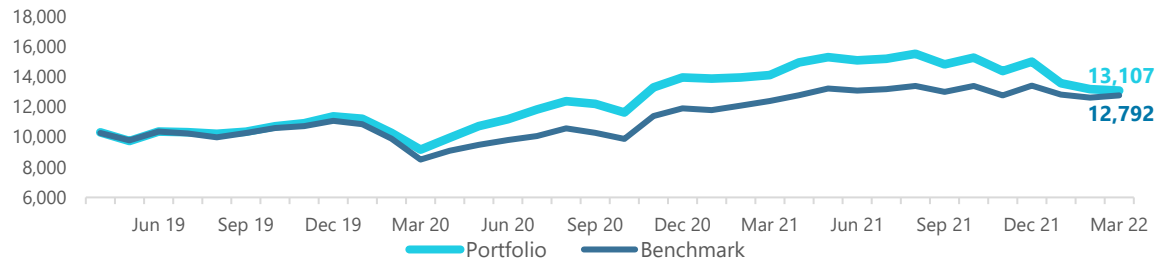
1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Performance (net)¹

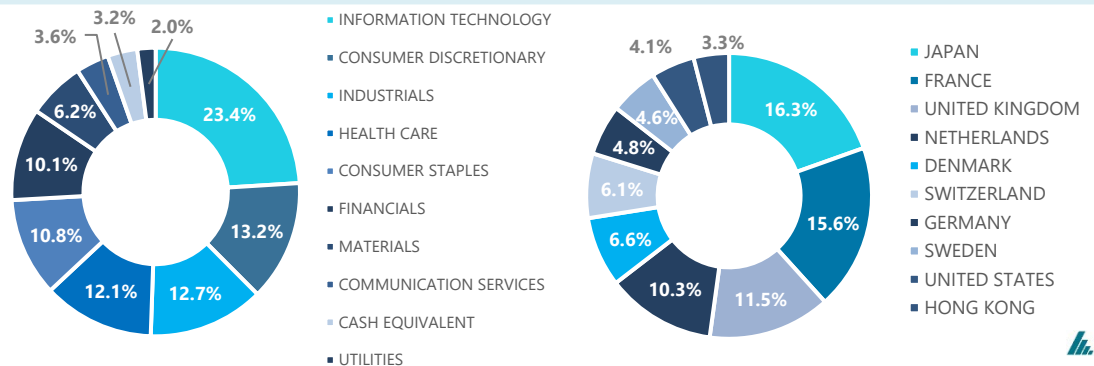
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Capital Group Developed Markets	414.3	-12.8%	-7.3%	9.4%	10.0%
EAFE Custom Benchmark		-4.8%	3.0%	8.6%	7.1%
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: Intl/Global Equity Funds - Core	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Capital Group Developed Markets	-12.8%	94	-7.0%	78	9.8%	57	10.4%	40
Median	-5.9%		2.9%		10.7%		9.5%	

Growth of \$10,000



Top Exposures (% of assets)²



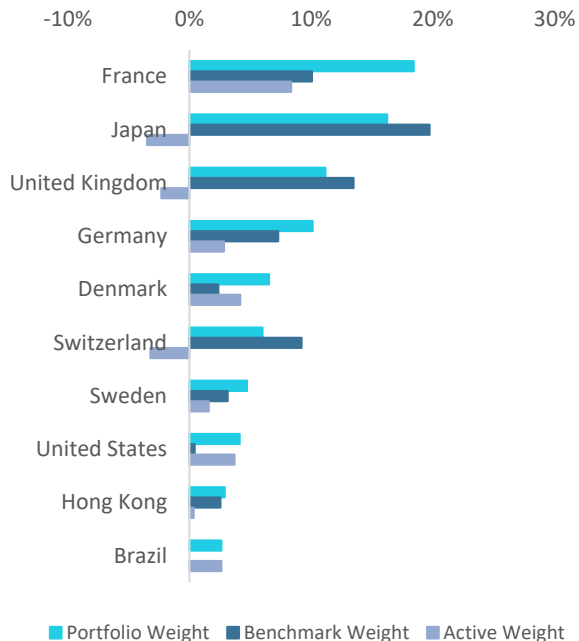
Growth Risk Analysis – Global Equity Capital Group Developed Markets

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	19.48
Benchmark Risk	17.81
Active Risk	5.19
Portfolio Beta	1.06

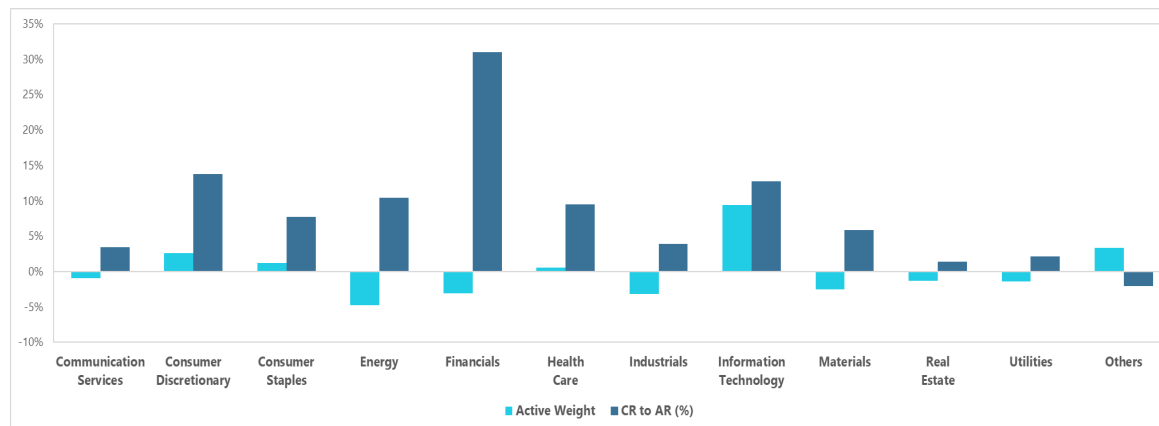
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
AURELIUS EQUITY OPPORTUNITIES SE & CO.	6.30%	0.00%	6.30%	45.06	20.30	0.201
EVOLUTION AB (PUBL)	2.63%	0.10%	2.53%	53.39	9.71	0.233
OCADO GROUP PLC	2.38%	0.04%	2.34%	41.03	5.60	0.158
TOKYO ELECTRON LTD	1.97%	0.43%	1.54%	35.58	2.71	0.125
GENMAB A/S	1.64%	0.13%	1.51%	31.28	2.55	0.122
SHELL PLC	0.00%	1.17%	-1.17%	35.24	2.33	-0.069
LVMH MOET HENNESSY LOUIS VUITTON SE	2.77%	1.10%	1.67%	28.99	2.01	0.096
KEYENCE CORP	1.92%	0.50%	1.42%	28.31	1.89	0.103
HAMAMATSU PHOTONICS KK	1.80%	0.04%	1.76%	25.97	1.73	0.085
SAFRAN SA	2.05%	0.22%	1.83%	36.26	1.70	0.077

Portfolio Risk by GICS Sector



Growth – Global Equity

Cevian Capital II

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Seeks to generate long-term returns by researching and investing in European companies that have profitable businesses and significant improvement potential. The strategy may be suited to investors looking to increase portfolio diversification through differentiated investment approach and take advantage of return opportunities in Europe.

Inception Date: April 2006

Risk Statistics (since inception)

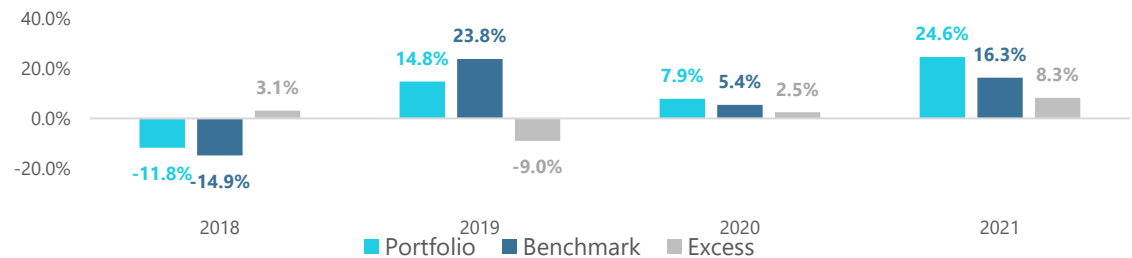
Standard Deviation	16.2%
Benchmark Standard Deviation	16.2%
Sharpe Ratio	0.52
Information Ratio	0.10
Beta	0.84
Tracking Error	9.2%

Performance (net)¹

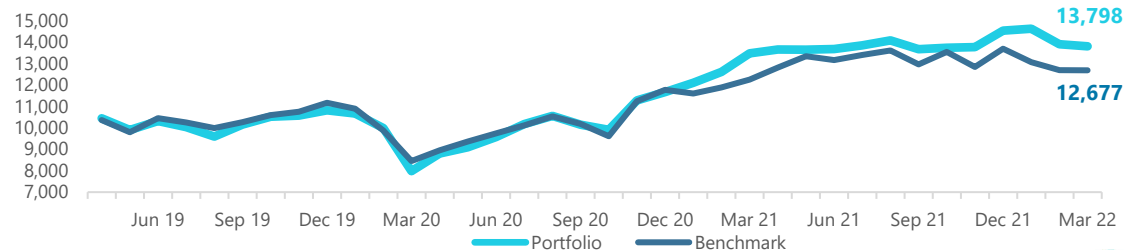
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Cevian Capital II - Activist	392.6	-5.0%	2.4%	11.3%	6.7%
MSCI EUROPE		-7.4%	3.5%	8.2%	6.9%
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: Europe Equity	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Cevian Capital II - Activist	-1.3%	24	-6.0%	69	6.4%	58	--	--
Median	-2.3%		-3.1%		6.8%		--	

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

Growth Risk Analysis – Global Equity

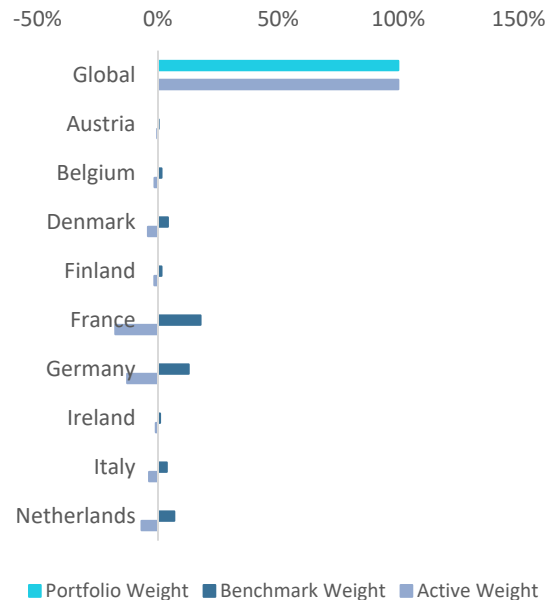
Cevian Capital II

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	21.33
Benchmark Risk	19.97
Active Risk	8.40
Portfolio Beta	0.98

Top Countries by Weight%

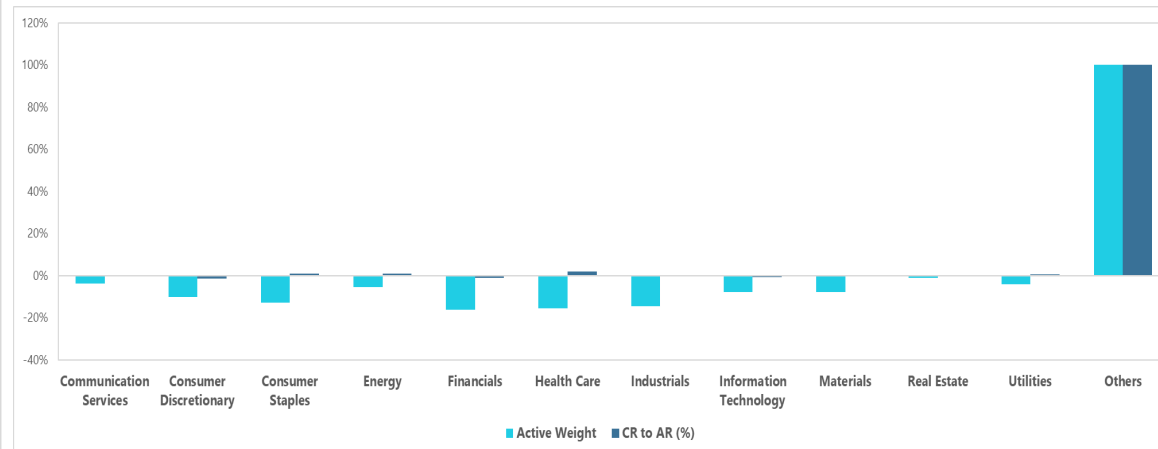


Note: Commingled fund account with no position-level transparency.

Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
CEVIAN CAPITAL II - ACTIVIST	100.00%	0.00%	100.00%	21.33	100.00	0.075
ASTRAZENECA PLC	0.00%	1.99%	-1.99%	26.37	0.73	-0.039
SHELL PLC	0.00%	2.06%	-2.06%	35.24	0.56	-0.031
ROCHE HOLDING AG	0.00%	2.70%	-2.70%	21.25	0.49	-0.024
NESTLE SA	0.00%	3.54%	-3.54%	17.36	0.48	-0.020
NOVO NORDISK A/S	0.00%	1.82%	-1.82%	25.78	0.29	-0.022
GLAXOSMITHKLINE PLC	0.00%	1.05%	-1.05%	21.65	0.24	-0.028
NOVARTIS AG	0.00%	1.86%	-1.86%	18.56	0.24	-0.020
BP PLC	0.00%	0.94%	-0.94%	36.90	0.22	-0.028
UNILEVER PLC	0.00%	1.13%	-1.13%	22.29	0.18	-0.022

Portfolio Risk by GICS Sector



Growth – Global Equity CornerCap US Small Cap

for the quarter ended March 31, 2022

Strategy

Seeks to exploit small cap market inefficiencies by using proprietary fundamental factors. The strategy may be suited to investors looking to increase U.S. small cap exposure and diversify portfolio through an active quantitative investment approach.

Inception Date: October 2018

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	2,679.4	3,353.1
No. Of Issues	287.0	0.0
Dividend Yield	1.4	2.5
Return on Equity	15.2	11.2
Price to Sales	3.3	11.6
Price to Book	2.9	3.7
PE Ratio	16.3	40.7

Top Holdings (% of assets)

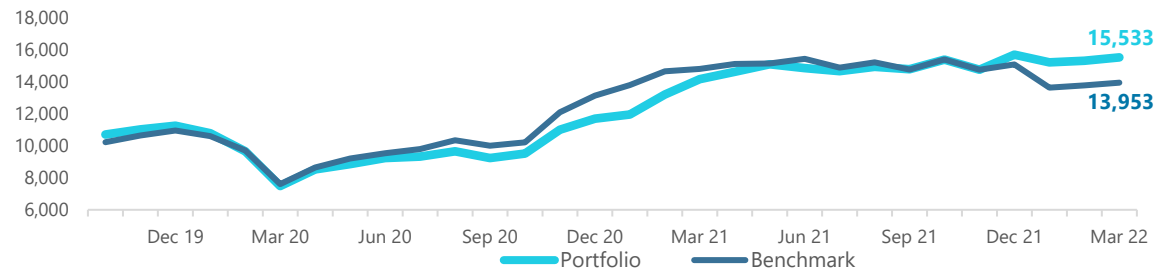
APA CORP	0.6%
OVINTIV INC	0.6%
AMPHASTAR PHARMACEUTICALS IN	0.6%
SOLARIS OILFIELD INFRAST A	0.6%
AMERICAN VANGUARD CORP	0.5%
Top 5 Holdings	2.8%

Performance (net)¹

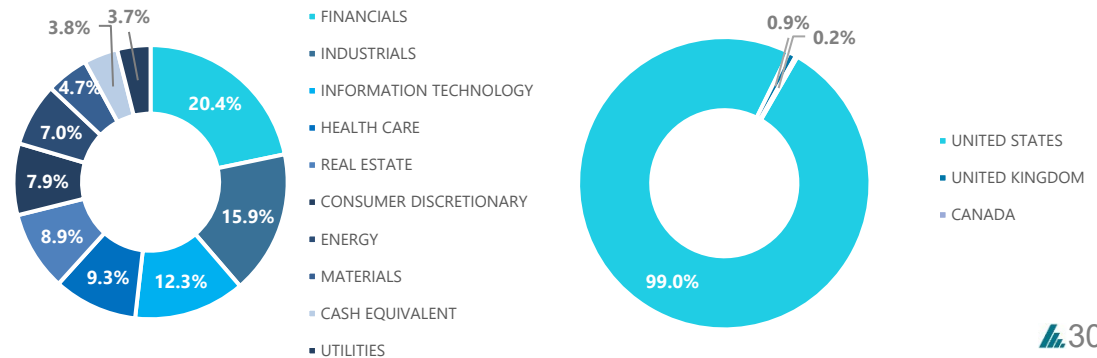
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Cornercap US Small Cap - EMP	85.7	-1.1%	9.6%	15.8%	--
RUSSELL 2000		-7.5%	-5.8%	11.7%	--
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: US Equity Funds - Small Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Cornercap US Small Cap - EMP	-1.0%	16	10.2%	13	16.4%	15	--	--
Median	-4.9%		4.5%		14.2%		--	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Growth Risk Analysis – Global Equity

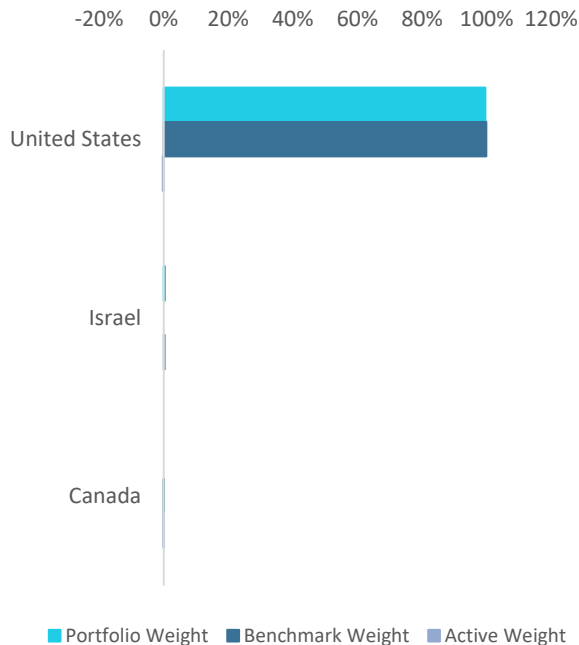
CornerCap US Small Cap

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	22.71
Benchmark Risk	25.12
Active Risk	5.70
Portfolio Beta	0.88

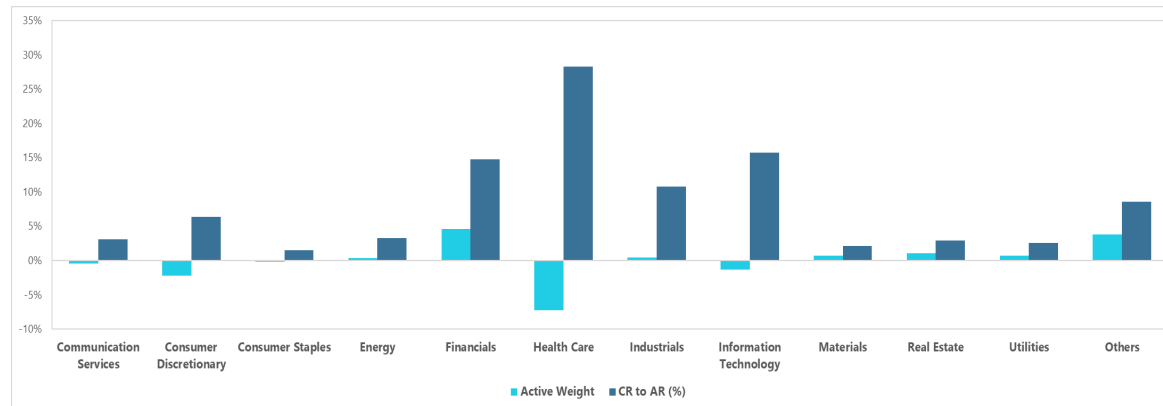
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
SSC GOVERNMENT MM GVMXX	3.78%	0.00%	3.78%	2.79	8.60	0.000
AMC ENTERTAINMENT HOLDINGS INC	0.00%	0.47%	-0.47%	86.02	1.59	-0.324
PINNACLE WEST CAPITAL CORP	0.45%	0.00%	0.45%	23.71	1.07	0.006
MIDLAND STS BANCORP INC	0.50%	0.02%	0.48%	31.52	1.04	-0.007
MERCANTILE BANK CORP	0.43%	0.02%	0.41%	32.58	0.95	0.002
FIRST FINANCIAL CORP	0.40%	0.02%	0.38%	26.41	0.94	0.012
HAWAIIAN ELECTRIC INDUSTRIES INC	0.41%	0.00%	0.41%	23.71	0.94	0.001
QCR HOLDINGS INC	0.50%	0.03%	0.47%	31.40	0.93	-0.016
APA CORP	0.60%	0.00%	0.60%	61.31	0.91	-0.044
CIVISTA BANCSHARES INC	0.43%	0.01%	0.42%	32.38	0.90	-0.008

Portfolio Risk by GICS Sector



Growth – Global Equity Frontier US SMID Growth

for the quarter ended March 31, 2022

Strategy

Seeks to invest in high quality companies at attractive valuations and sustainable secular growth through fundamental analysis. The strategy may be suited to investors looking to increase U.S. mid and small cap exposures and generate returns through stock selection and low turnover.

Inception Date: April 2006

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	8,067.9	7,780.5
No. Of Issues	140.0	0.0
Dividend Yield	0.9	1.8
Return on Equity	12.9	14.3
Price to Sales	4.1	8.4
Price to Book	7.6	5.4
PE Ratio	35.5	28.9

Top Holdings (% of assets)

KBR INC	2.2%
BUILDERS FIRSTSOURCE INC	1.9%
WOLFSPEED INC	1.9%
MACOM TECHNOLOGY SOLUTIONS H	1.8%
LPL FINANCIAL HOLDINGS INC	1.8%

Top 5 Holdings

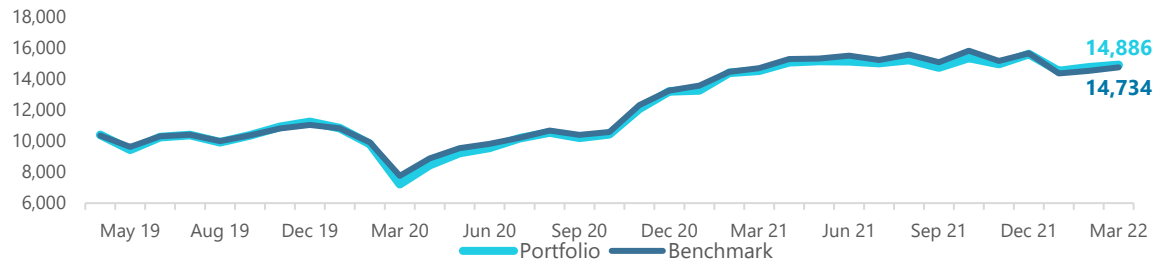
9.7%

Performance (net)¹

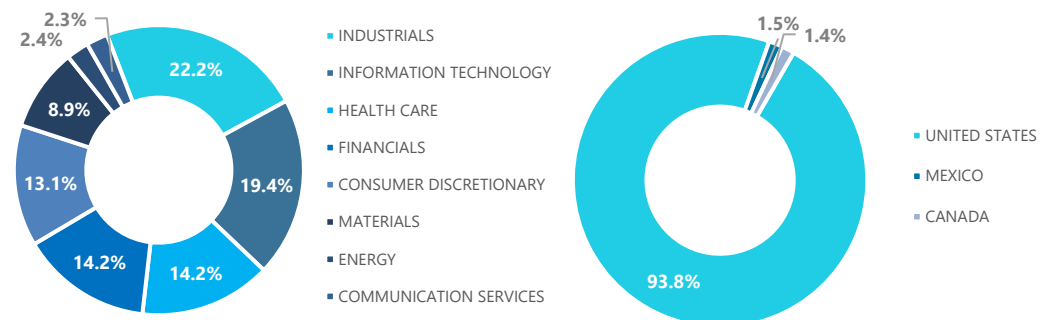
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Frontier US SMID Growth	298.0	-4.5%	2.5%	14.2%	10.7%
RUSSELL 2500		-5.8%	0.3%	13.8%	11.6%
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: US Equity Funds - Small Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Frontier US SMID Growth	-4.3%	43	3.3%	62	15.0%	33	11.5%	35
Median	-4.9%		4.5%		14.2%		11.2%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Growth Risk Analysis – Global Equity

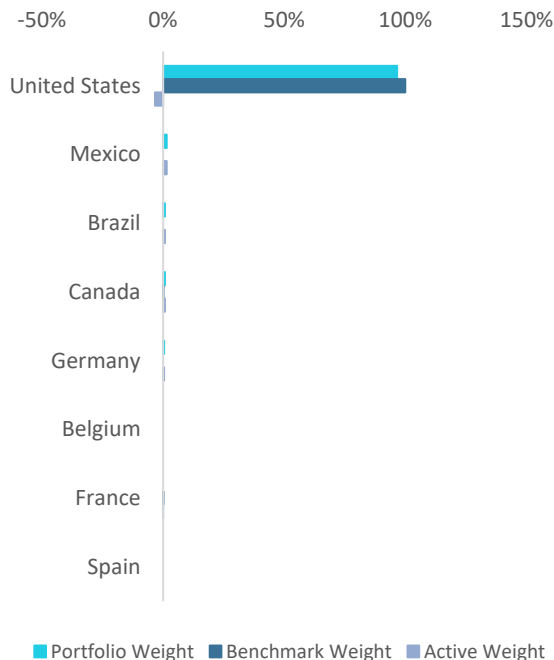
Frontier US SMID Growth

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	25.91
Benchmark Risk	23.75
Active Risk	4.18
Portfolio Beta	1.08

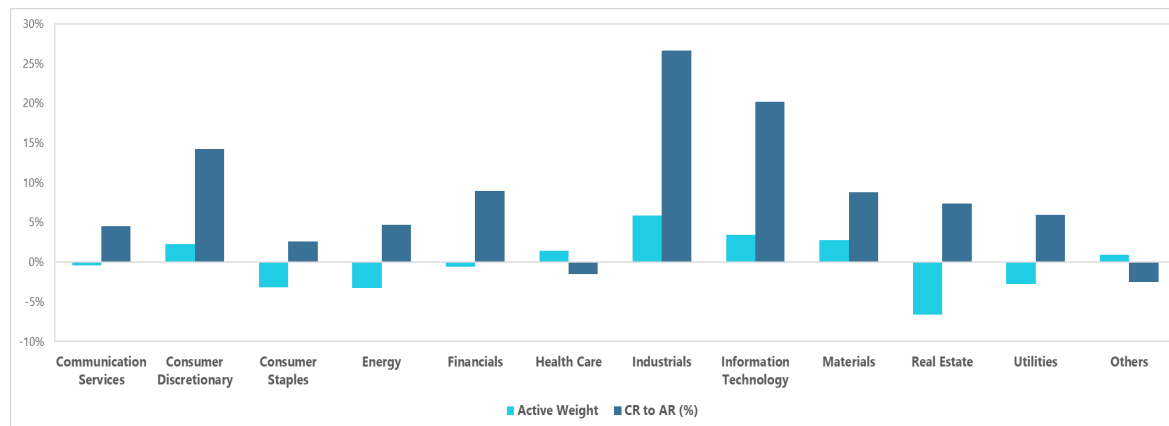
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
WOLFSPEED INC	1.94%	0.21%	1.73%	49.93	6.65	0.268
CAESARS ENTERTAINMENT INC	1.50%	0.00%	1.50%	56.50	5.44	0.259
ARRAY TECHNOLOGIES INC	0.92%	0.02%	0.90%	75.59	4.89	0.335
DANA INC	1.33%	0.04%	1.29%	50.31	4.55	0.254
CONTROLADORA VUELA	1.45%	0.00%	1.45%	53.45	4.20	0.228
MRC GLOBAL INC	1.44%	0.02%	1.42%	56.65	3.81	0.219
CARDLYTICS INC	0.94%	0.03%	0.91%	66.97	3.76	0.280
MACOM TECHNOLOGY SOLUTIONS	1.80%	0.05%	1.76%	37.05	3.50	0.191
AZUL SA	0.76%	0.00%	0.76%	72.25	2.97	0.270
ALBEMARLE CORP	1.33%	0.00%	1.33%	43.27	2.86	0.198

Portfolio Risk by GICS Sector



Growth – Global Equity

Genesis Emerging Markets

for the quarter ended March 31, 2022

Strategy

Seeks to generate long-term returns in emerging markets through independent bottom-up research and creating a diversified portfolio. The strategy may be suited to investors looking to take advantage of emerging market growth opportunities at attractive valuations.

Inception Date: September 2007

Risk Statistics (since inception)

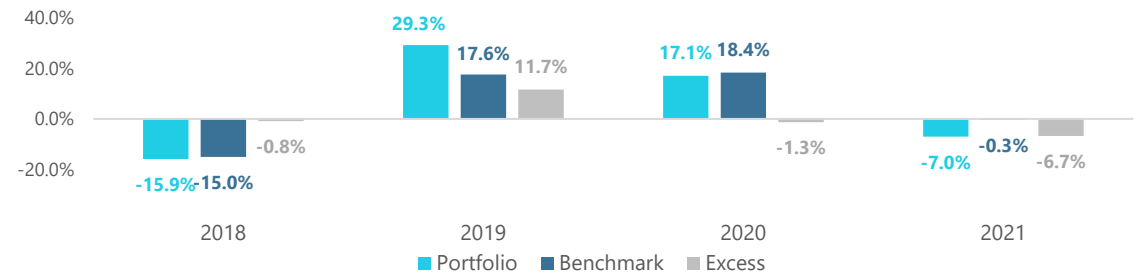
Standard Deviation	21.0%
Benchmark Standard Deviation	21.7%
Sharpe Ratio	0.27
Information Ratio	0.26
Beta	0.95
Tracking Error	4.3%

Performance (net)¹

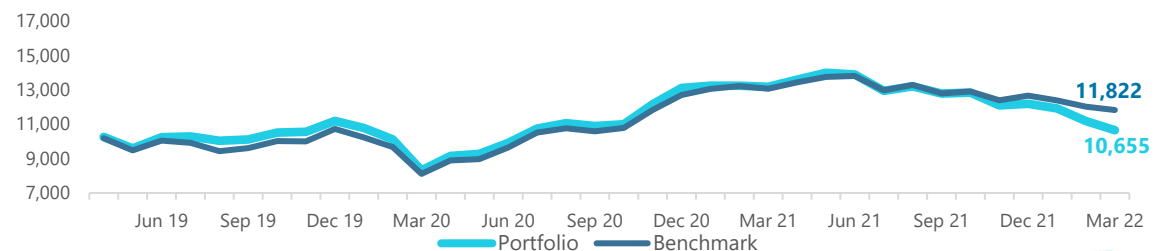
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Genesis Emerging Markets	556.6	-12.6%	-19.1%	2.1%	4.9%
MSCI EM IMI Custom Benchmark		-6.6%	-9.5%	5.7%	6.2%
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: Intl Equity Emerging Mkt Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Genesis Emerging Markets	-12.5%	89	-18.6%	92	2.9%	86	5.6%	77
Median	-7.0%		-7.0%		6.3%		6.8%	

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

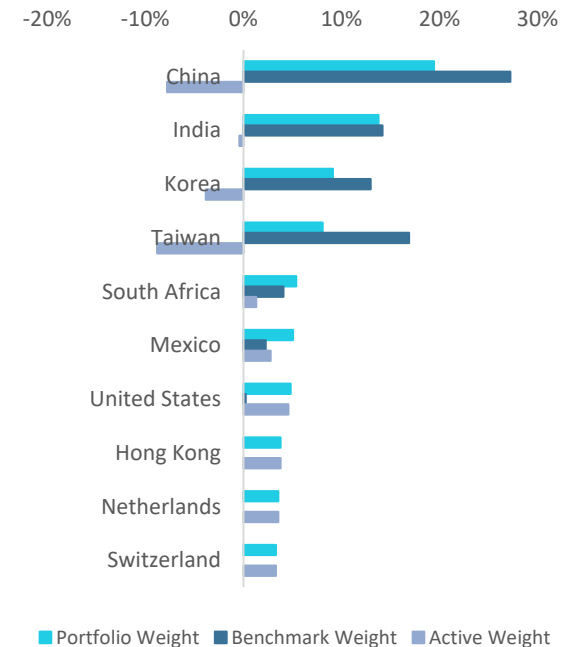
Growth Risk Analysis – Global Equity Genesis Emerging Markets

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	17.60
Benchmark Risk	18.16
Active Risk	4.67
Portfolio Beta	0.94

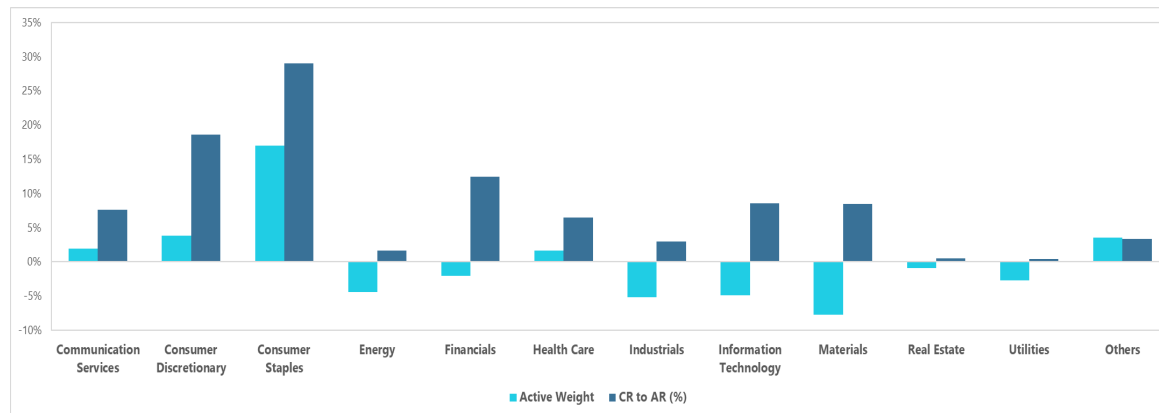
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
COMPAGNIE FINANCIERE RICHEMONT SA	3.29%	0.00%	3.29%	35.83	7.59	0.063
OTP BANK PLC	1.61%	0.10%	1.51%	49.33	4.54	0.095
HEINEKEN NV	1.86%	0.00%	1.86%	25.28	4.40	0.066
HEINEKEN HOLDING NV	1.70%	0.00%	1.70%	25.74	4.20	0.070
GREEK ORGA OF FOOTBALL PROGNOSTICS	1.69%	0.04%	1.65%	34.90	3.10	0.043
YANDEX N.V.	0.62%	0.00%	0.62%	80.74	3.00	0.181
BID CORPORATION LIMITED	2.12%	0.09%	2.04%	35.66	2.84	0.020
HDFC BANK LTD	2.00%	0.00%	2.00%	29.70	2.68	0.018
WULIANGYE YIBIN CO LTD	1.59%	0.00%	1.59%	36.97	2.48	0.028
MEDICLINIC INTERNATIONAL PLC	1.39%	0.00%	1.39%	31.64	2.39	0.035

Portfolio Risk by GICS Sector



Growth – Global Equity

Global Alpha

for the quarter ended March 31, 2022

Strategy

Seeks to identify mispriced companies with high rates of growth, strong balance sheets, and high insider ownership using a bottom-up, research-based approach coupled with investment themes. The strategy may be suited to investors looking to increase exposure to international small cap stocks.

Inception Date: November 2018

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	2,525.9	3,039.2
No. Of Issues	64.0	0.0
Dividend Yield	2.8	3.3
Return on Equity	9.7	13.3
Price to Sales	16.6	10.7
Price to Book	2.9	4.0
PE Ratio	27.9	17.5

Top Holdings (% of assets)

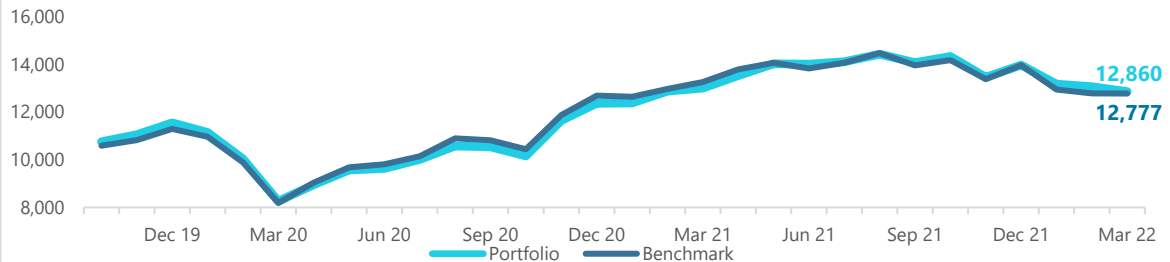
SOPRA STERIA GROUP	3.2%
BIFFA PLC	3.2%
ORMAT TECHNOLOGIES INC	3.1%
L OCCITANE INTERNATIONAL SA	3.0%
SEGA SAMMY HOLDINGS INC	2.9%
Top 5 Holdings	15.4%

Performance (net)¹

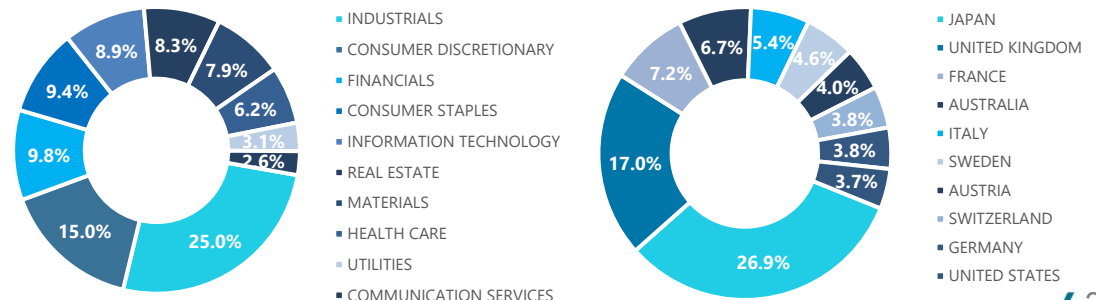
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Global Alpha Intl Small Cap - EMP	188.6	-7.9%	-1.1%	8.7%	--
MSCI EAFE SMALL CAP NET		-8.5%	-3.6%	8.5%	--
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: International Equity Funds Core	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Global Alpha Intl Small Cap - EMP	-7.8%	79	-0.4%	59	9.6%	57	--	--
Median	-5.9%		2.9%		10.7%		--	--

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
 2. Charts display top exposures only and may not add up to 100%.

Growth Risk Analysis – Global Equity

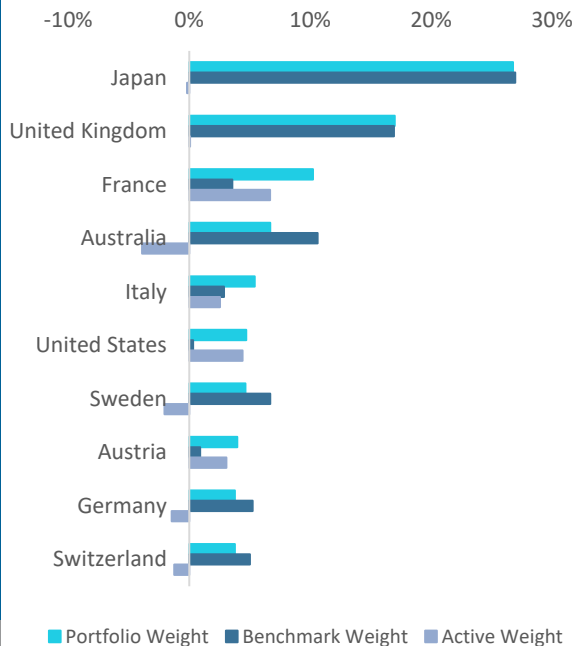
Global Alpha

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	20.29
Benchmark Risk	20.18
Active Risk	4.14
Portfolio Beta	0.98

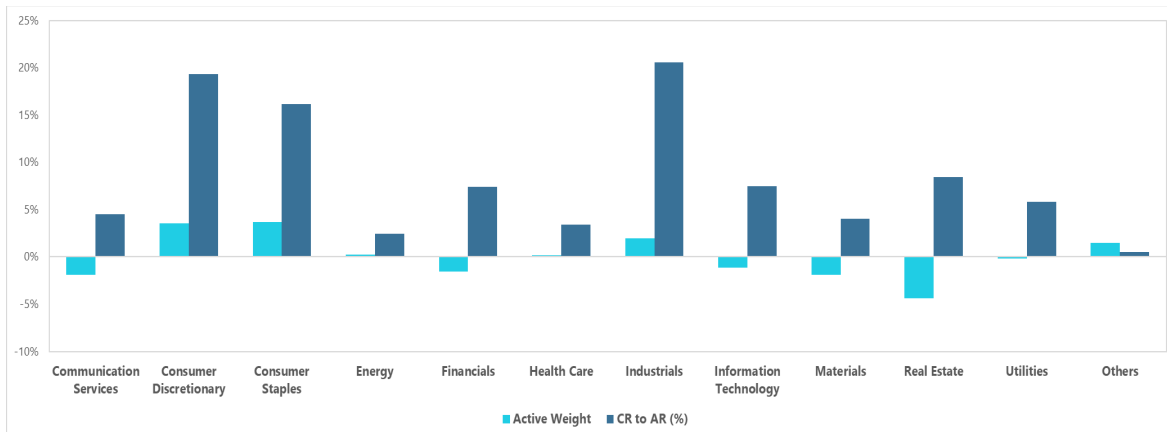
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
L'OCCITANE INTERNATIONAL SA	3.01%	0.00%	3.01%	40.68	8.59	0.103
NORWAY ROYAL SALMON ASA	2.45%	0.01%	2.44%	48.13	5.92	0.085
ORMAT TECHNOLOGIES INC	3.08%	0.00%	3.08%	37.92	5.60	0.060
AUTOGRILL SPA	2.22%	0.05%	2.17%	48.67	4.73	0.075
INTERNET INITIATIVE JAPAN INC	2.57%	0.06%	2.51%	37.09	4.71	0.062
CLIPPER LOGISTICS	2.60%	0.03%	2.57%	45.55	4.64	0.059
BIFFA PLC	3.17%	0.04%	3.12%	36.43	3.93	0.036
SOPRA STERIA GROUP SA	3.23%	0.10%	3.13%	31.58	3.91	0.036
ASICS CORP	2.02%	0.10%	1.92%	45.19	3.72	0.065
SEGA SAMMY HOLDINGS INC	2.92%	0.10%	2.81%	29.33	3.44	0.035

Portfolio Risk by GICS Sector



Growth – Global Equity

JANA JSI Fund V

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Seeks to invest in undervalued public companies located primarily in North America, with a potential catalyst for value creation that management has not considered or is not executing. The strategy may be suited to investors looking to increase portfolio diversification through activist approach and focus on absolute return.

Inception Date: October 2016

Risk Statistics (since inception)

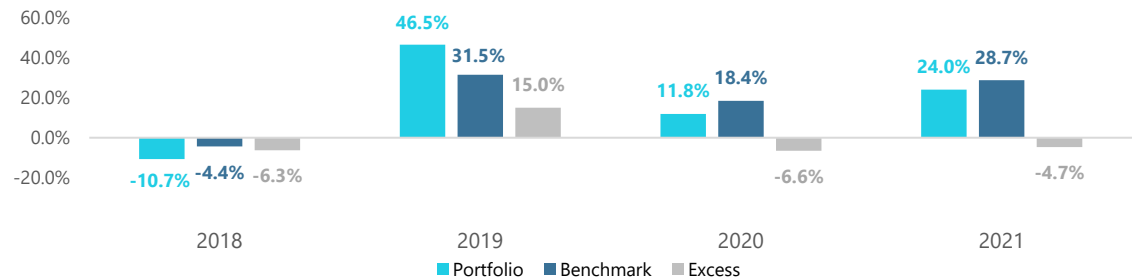
Standard Deviation	24.3%
Benchmark Standard Deviation	15.1%
Sharpe Ratio	0.81
Information Ratio	0.15
Beta	0.85
Tracking Error	20.9%

Performance (net)¹

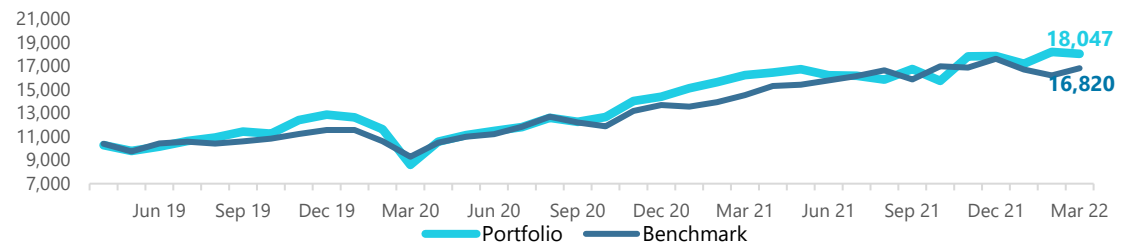
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Jana JSI Fund V - Activist	123.4	1.0%	11.1%	21.8%	13.9%
S&P 500 INDEX		-4.6%	15.6%	18.9%	16.0%
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: US Equity Funds - Large Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Jana JSI Fund V - Activist	1.4%	8	16.3%	8	26.9%	1	18.2%	22
Median	-4.6%		12.0%		18.3%		15.6%	

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

Growth Risk Analysis – Global Equity

JANA JSI Fund V

for the quarter ended March 31, 2022

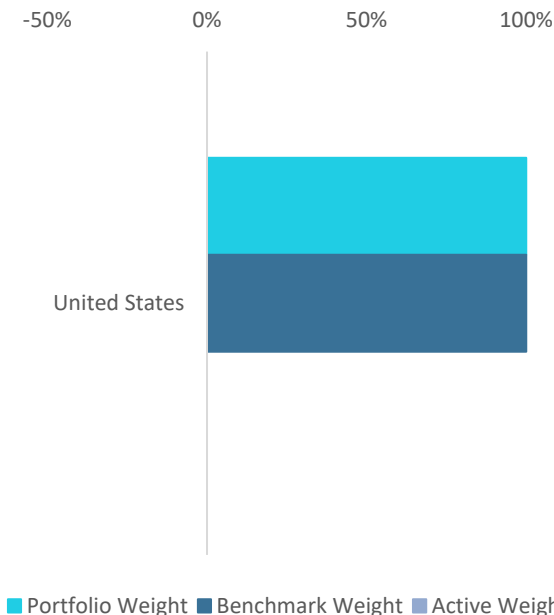


Los Angeles County Employees Retirement Association

Portfolio Risk Summary

	Value
Total Risk	21.07
Benchmark Risk	17.40
Active Risk	13.04
Portfolio Beta	0.95

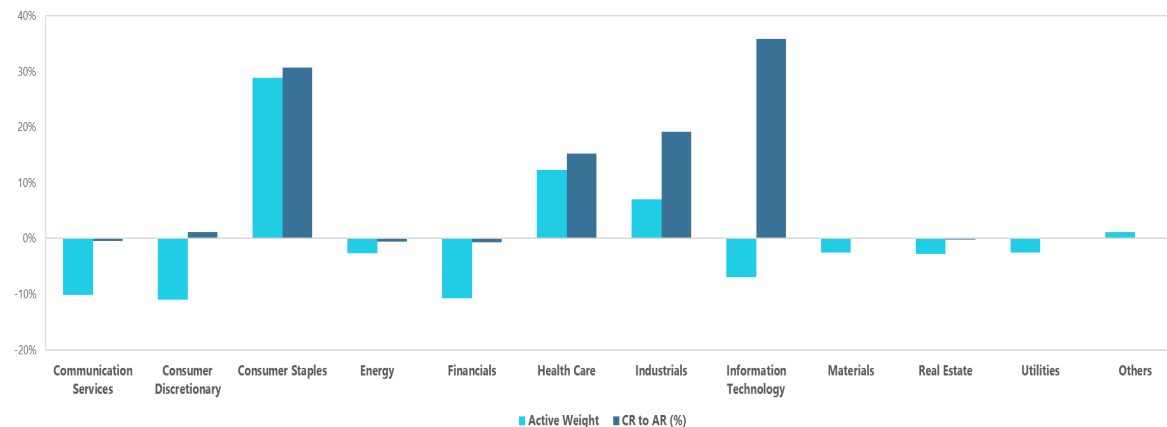
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
ZENDESK INC	21.06%	0.00%	21.06%	41.90	31.11	0.182
MERCURY SYSTEMS INC	14.78%	0.00%	14.78%	42.26	19.94	0.165
TREEHOUSE FOODS INC	15.76%	0.00%	15.76%	33.24	19.06	0.147
CONAGRA BRANDS	18.98%	0.04%	18.94%	21.48	12.23	0.073
ENCOMPASS HEALTH CORPORATION	13.72%	0.00%	13.72%	31.92	10.53	0.089
LABORATORY CORPORATION OF AMERICA	11.86%	0.07%	11.78%	29.26	5.69	0.052
APPLE INC	0.00%	6.86%	-6.86%	28.02	2.31	-0.055
NVIDIA CORP	0.00%	1.82%	-1.82%	39.99	0.86	-0.073
TESLA INC	0.00%	2.13%	-2.13%	53.56	0.76	-0.057
MICROSOFT CORP	0.00%	6.26%	-6.26%	22.35	0.69	-0.026

Portfolio Risk by GICS Sector



Note: Data is as of December 31, 2021 (one quarter lagged).

Growth – Global Equity

JPMorgan Strategic Beta Non-US

for the quarter ended March 31, 2022

Strategy

Seeks to capture incremental alpha through investing in equity factors that are rule-based, transparent, and academically proven. This strategy may be suited to investors looking to gain equity factor exposures in non-U.S. markets at lower volatility and cost than active strategies.

Inception Date: August 2020

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	78,734.2	77,879.5
No. Of Issues	1,581.0	0.0
Dividend Yield	3.3	2.9
Return on Equity	19.4	17.4
Price to Sales	4.2	5.2
Price to Book	4.8	5.1
PE Ratio	12.7	15.0

Top Holdings (% of assets)

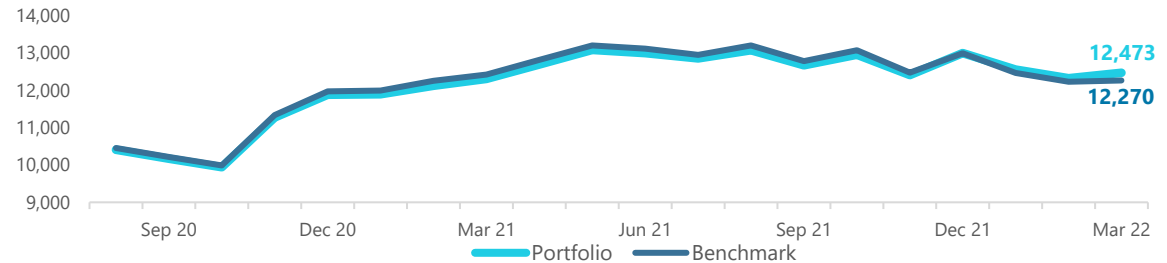
ISHARES MSCI INDIA ETF	3.9%
TAIWAN SEMICONDUCTOR MANUFAC	1.7%
ISHARES MSCI SAUDI ARABIA ETF	1.3%
NESTLE SA REG	1.2%
ROCHE HOLDING AG GENUSSCHEIN	1.0%
Top 5 Holdings	9.0%

Performance (net)¹

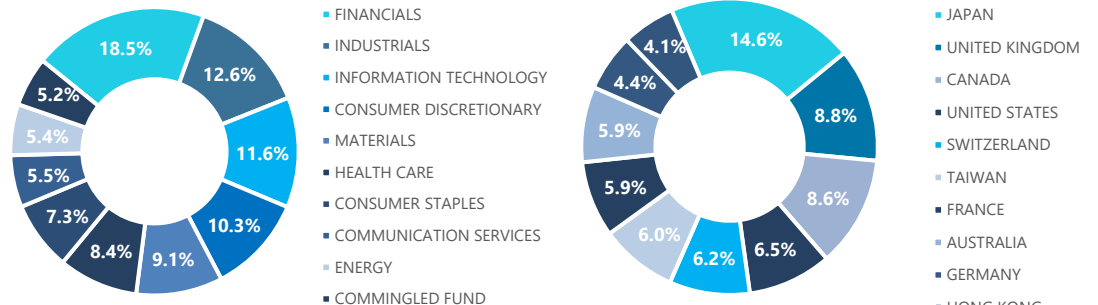
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
JPMAM Strategic Beta Non-US	617.9	-4.1%	1.3%	--	--
MSCI ACWI ex USA IMI Net		-5.6%	-1.3%	--	--
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: International Equity	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
JPMAM Strategic Beta Non-US	-4.1%	20	1.3%	29	--	--	--	--
Median	-6.6%		-1.6%		--	--	--	--

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
 2. Charts display top exposures only and may not add up to 100%.

Growth Risk Analysis – Global Equity

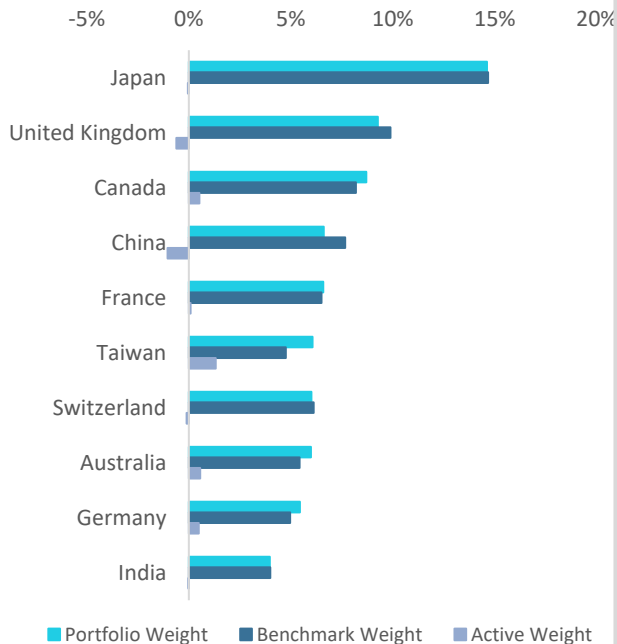
JPMorgan Strategic Beta Non-US

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	17.46
Benchmark Risk	17.58
Active Risk	1.06
Portfolio Beta	0.99

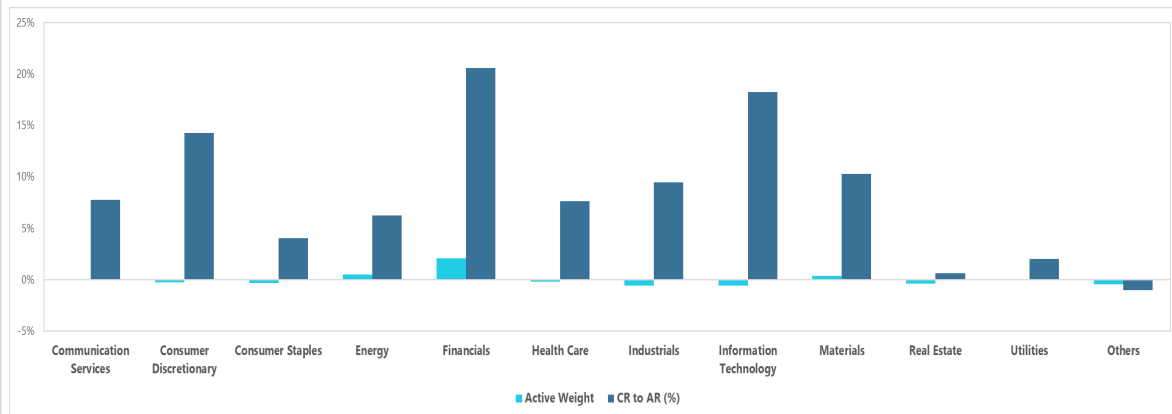
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
ALIBABA GROUP HOLDING LTD	0.00%	0.73%	-0.73%	48.14	11.84	-0.198
AURELIUS EQUITY OPPORTUNITIES SE & CO.	1.03%	0.00%	1.03%	34.90	10.62	-0.129
ASML HOLDING NV	0.01%	0.94%	-0.93%	34.90	9.13	-0.129
JD.COM INC	0.03%	0.20%	-0.17%	49.08	2.62	-0.184
VALE SA COMMON STOC	0.30%	0.00%	0.30%	44.80	2.19	0.051
NETEASE INC	0.00%	0.13%	-0.13%	40.15	1.37	-0.139
WUXI BIOLOGICS CAYMAN INC	0.05%	0.10%	-0.05%	53.48	1.04	-0.231
IMPERIAL OIL LTD	0.10%	0.04%	0.06%	42.25	0.80	0.116
NIO INC	0.05%	0.09%	-0.04%	62.32	0.75	-0.218
LI AUTO INC	0.01%	0.05%	-0.04%	58.14	0.70	-0.200

Portfolio Risk by GICS Sector



Growth – Global Equity

JPMorgan Strategic Beta US

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Seeks to capture incremental alpha through investing in equity factors that are rule-based, transparent, and academically proven. This strategy may be suited to investors looking to gain equity factor exposures in the U.S. at lower volatility and cost than active strategies.

Inception Date: July 2020

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	552,420.6	647,093.9
No. Of Issues	906.0	0.0
Dividend Yield	1.1	1.0
Return on Equity	32.4	33.4
Price to Sales	6.1	6.5
Price to Book	6.8	6.9
PE Ratio	21.2	23.0

Top Holdings (% of assets)

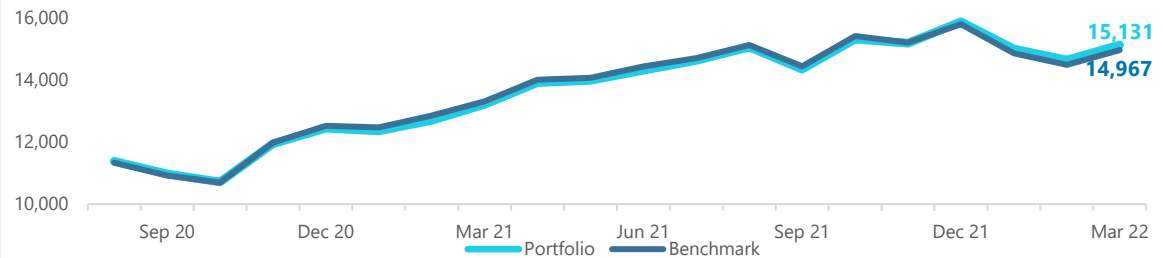
APPLE INC	6.3%
MICROSOFT CORP	4.9%
AMAZON.COM INC	3.2%
TESLA INC	2.0%
ALPHABET INC CL A	1.8%
Top 5 Holdings	18.2%

Performance (net)¹

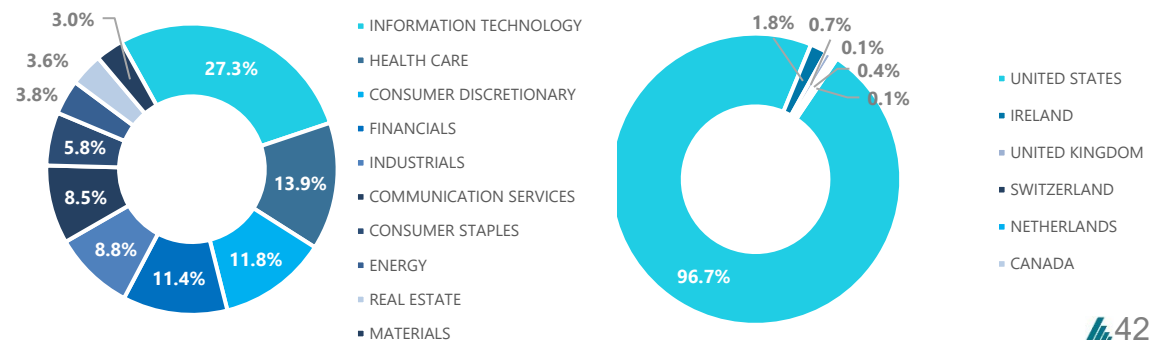
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
JPMAM Strategic Beta US	4,643.0	-4.7%	14.5%	--	--
MSCI USA IMI Gross		-5.3%	12.4%	--	--
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: U.S. Equities Total Large Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
JPMAM Strategic Beta US	-4.7%	52	14.5%	35	--	--	--	--
Median	-4.6%		12.0%		--	--	--	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Growth Risk Analysis – Global Equity

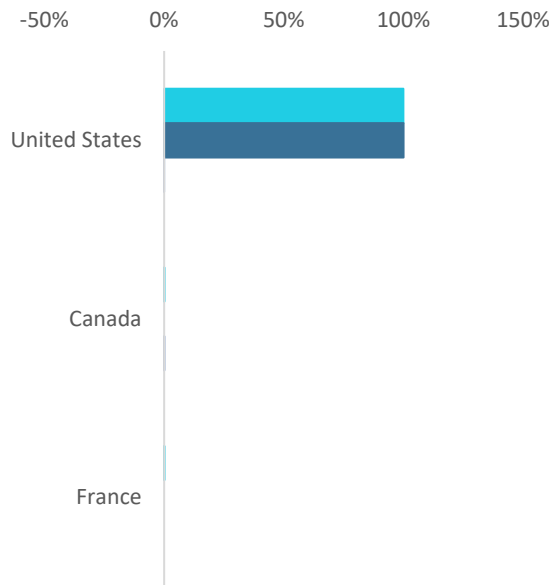
JPMorgan Strategic Beta US

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	18.34
Benchmark Risk	18.76
Active Risk	0.91
Portfolio Beta	0.98

Top Countries by Weight%

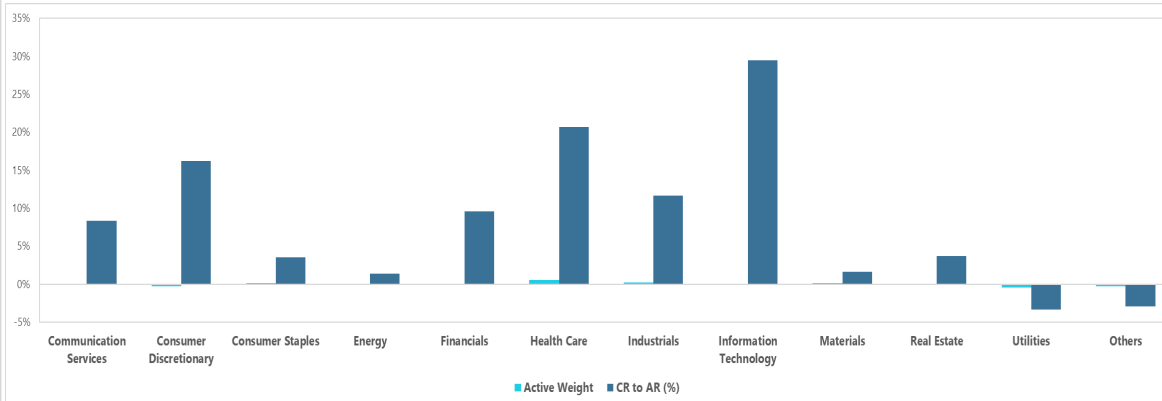


■ Portfolio Weight ■ Benchmark Weight ■ Active Weight

Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
JPMORGAN CHASE & CO	0.00%	0.89%	-0.89%	27.79	4.24	-0.134
BLOCK INC	0.10%	0.15%	-0.06%	56.19	1.78	-0.382
CLOUDFLARE INC	0.02%	0.07%	-0.05%	62.15	1.50	-0.362
MONGODB INC	0.01%	0.06%	-0.05%	57.29	1.43	-0.365
TWILIO INC	0.02%	0.06%	-0.04%	54.82	1.24	-0.388
SNAP INC	0.05%	0.09%	-0.04%	59.95	1.21	-0.377
PALANTIR TECHNOLOGIES INC	0.01%	0.05%	-0.04%	59.17	1.21	-0.341
SSC GOVERNMENT MM GVMXX	0.12%	0.00%	0.12%	2.79	1.20	0.003
CROWDSTRIKE HOLDINGS INC	0.04%	0.10%	-0.06%	49.24	1.20	-0.289
MERCADOLIBRE INC	0.07%	0.12%	-0.05%	54.70	1.14	-0.306

Portfolio Risk by GICS Sector



Growth – Global Equity Lazard Emerging Markets

for the quarter ended March 31, 2022

Strategy

Seeks to provide long-term capital appreciation by investing in companies trading at a discount to their estimated net asset value, sum of the parts valuation, and/or underlying investments/businesses. The strategy may be suited to investors looking to capture growth opportunities in emerging markets and increase portfolio diversification.

Inception Date: February 2013

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	46,185.8	115,220.5
No. Of Issues	52.0	0.0
Dividend Yield	4.5	2.8
Return on Equity	24.2	17.6
Price to Sales	13.2	5.8
Price to Book	2.5	4.6
PE Ratio	5.6	12.5

Top Holdings (% of assets)

SAMSUNG ELECTRONICS PEF	7.9%
JPMORGAN EMERGING MARKETS INVE	6.8%
PROSUS NV	6.1%
CITIC SECURITIES CO LTD H	5.9%
FIDELITY CHINA SPECIAL SITUATI	5.7%

Top 5 Holdings

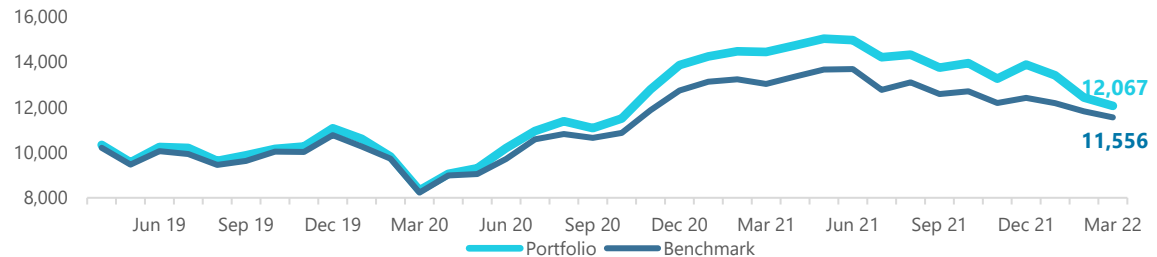
32.5%

Performance (net)¹

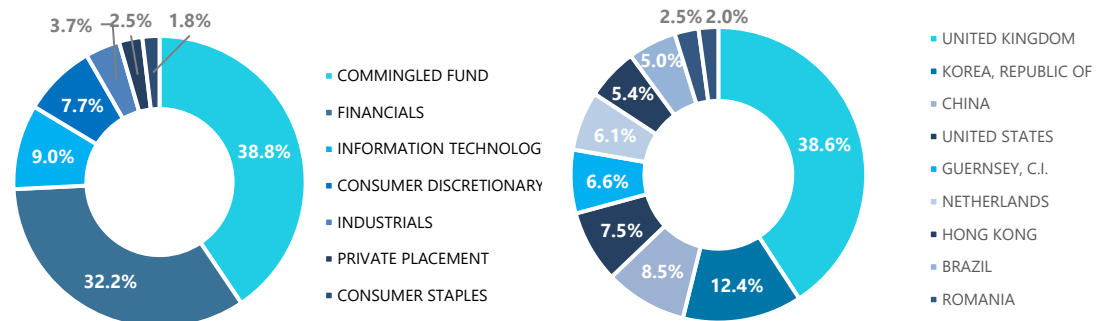
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Lazard Emerging Markets	412.8	-13.1%	-16.5%	6.5%	7.1%
MSCI EMERGING MARKETS		-7.0%	-11.4%	4.9%	6.0%
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: Intl Equity Emerging Mkt Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Lazard Emerging Markets	-13.0%	94	-16.0%	79	7.2%	44	7.8%	33
Median	-7.0%		-7.0%		6.3%		6.8%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Growth Risk Analysis – Global Equity

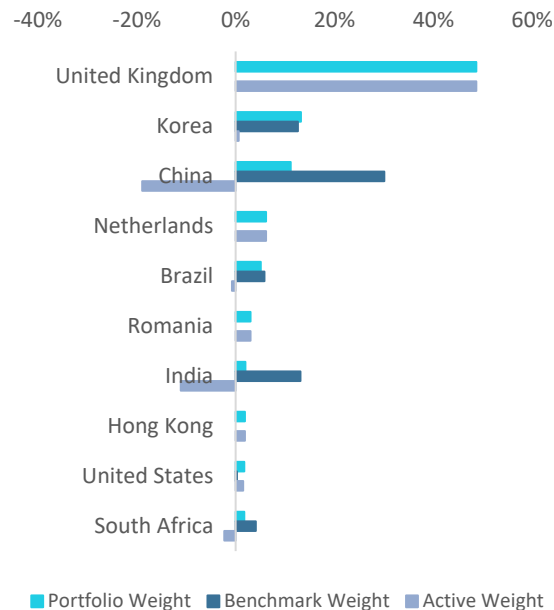
Lazard Emerging Markets

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	20.09
Benchmark Risk	18.02
Active Risk	10.74
Portfolio Beta	0.94

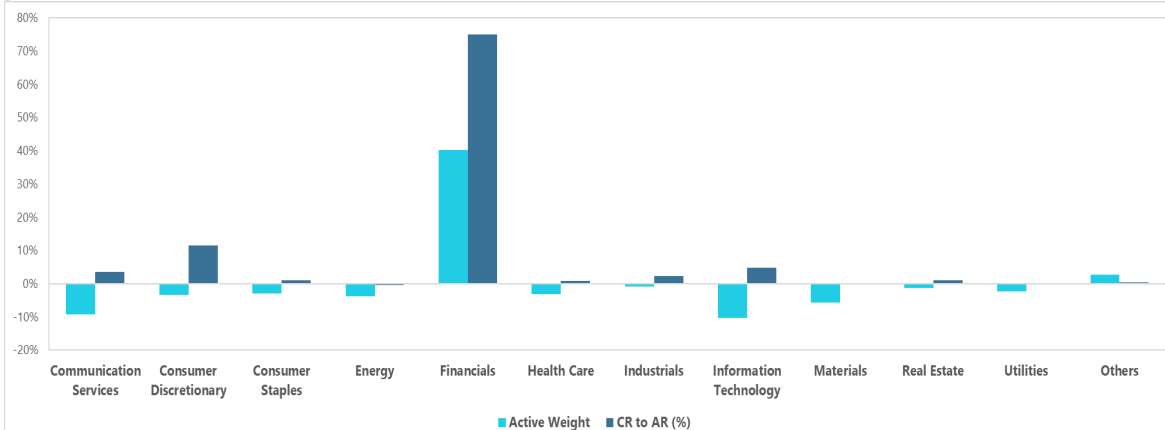
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
JPMORGAN EMERGING MK	6.75%	0.00%	6.75%	30.91	10.22	0.145
FIDELITY CHINA SPECIAL SITUATIONS PLC	5.74%	0.00%	5.74%	38.90	10.02	0.170
TEMPLETON EM INVSTMNT TRUST	5.15%	0.00%	5.15%	31.37	8.95	0.170
PROSUS NV	6.13%	0.00%	6.13%	43.99	7.66	0.117
VINACAPITAL VIETNAM OPPORTUNITY FD	4.13%	0.00%	4.13%	28.27	5.18	0.118
ASIA DRAGON TRUST PLC	2.62%	0.00%	2.62%	32.04	4.31	0.159
SCHRODER ASIA PAC	2.89%	0.00%	2.89%	29.31	4.23	0.140
UTILICO EMERGING MARKETS TRUST PLC	2.47%	0.00%	2.47%	30.85	3.85	0.150
ABRDN CHINA INVESTMENT COMPANY LTD	2.19%	0.00%	2.19%	32.50	3.61	0.160
ABERDEEN NEW INDIA INV TRUST PLC	2.00%	0.00%	2.00%	32.64	3.49	0.170

Portfolio Risk by GICS Sector



Note: Weights represent country of domicile of closed-end fund and not country of underlying fund holdings.

Growth – Global Equity

SSGA MSCI ACWI IMI

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Seeks to provide global equity market exposure and passive index returns. This strategy may be suited to investors looking to gain passive, global equity exposures with low tracking error.

Inception Date: January 2020

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	367,363.2	364,939.0
No. Of Issues	6,477.0	0.0
Dividend Yield	1.8	18.0
Return on Equity	25.5	25.3
Price to Sales	6.1	6.5
Price to Book	6.7	6.8
PE Ratio	19.2	19.6

Top Holdings (% of assets)

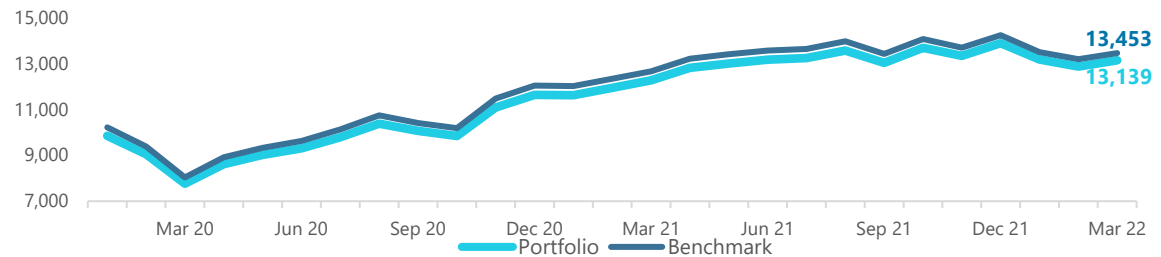
APPLE INC	3.8%
MICROSOFT CORP	2.9%
AMAZON.COM INC	1.9%
TESLA INC	1.2%
ALPHABET INC CL A	1.1%
Top 5 Holdings	10.9%

Performance (net)¹

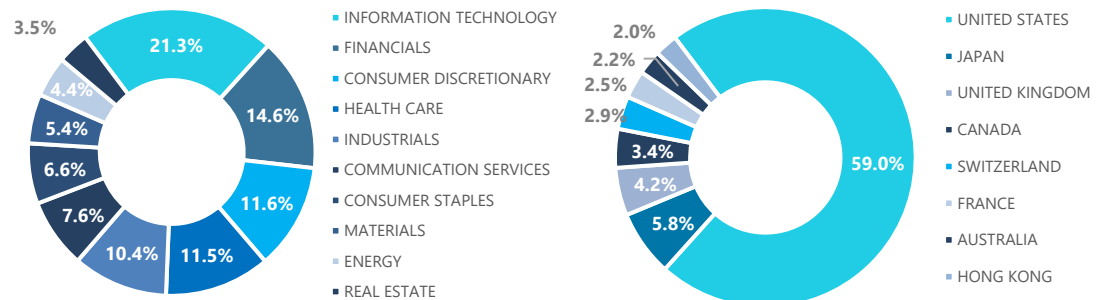
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
SSGA MSCI ACWI IMI	15,518.3	-5.4%	7.1%	--	--
MSCI ACWI IMI Net		-5.5%	6.3%	--	--
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: Global Equity Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
SSGA MSCI ACWI IMI	-5.4%	57	7.1%	23	--	--	--	--
Median	-4.7%		3.0%		--	--	--	--

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Growth Risk Analysis – Global Equity

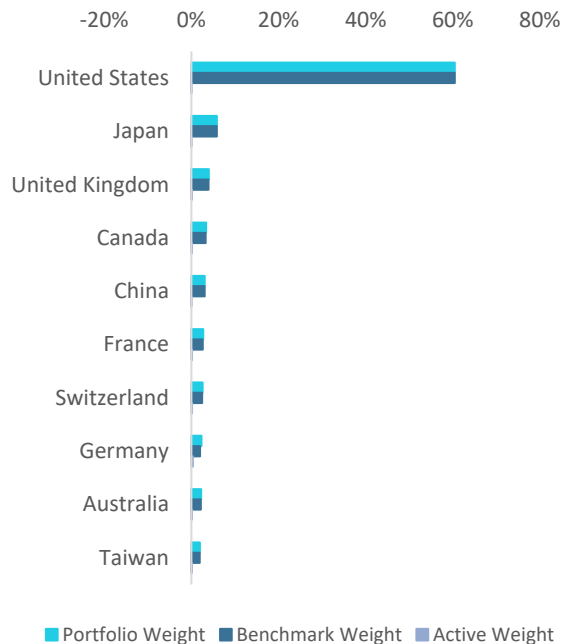
SSGA MSCI ACWI IMI

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	17.73
Benchmark Risk	17.71
Active Risk	0.27
Portfolio Beta	1.00

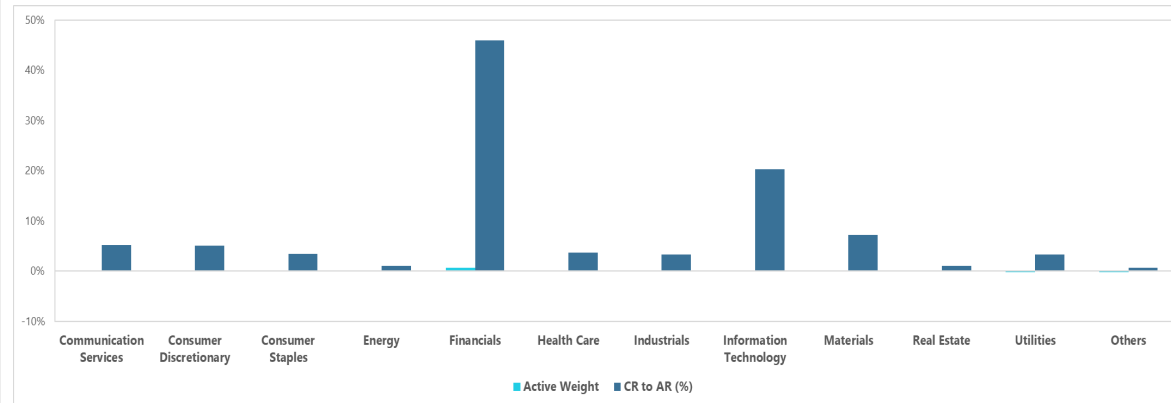
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
AURELIUS EQUITY OPPORTUNITIES SE & CO.	0.38%	0.00%	0.38%	45.06	27.94	0.210
ASML HOLDING NV	0.00%	0.37%	-0.37%	34.90	8.88	-0.059
RELIANCE INDUSTRIES LTD	0.00%	0.13%	-0.13%	31.80	1.80	-0.031
USD FUTURE CASH OFFSET	-0.62%	0.00%	-0.62%	0.00	1.51	0.000
DAIMLER AG REGISTERED SHARES	0.09%	0.00%	0.09%	36.95	1.50	0.054
SEA LIMITED	0.02%	0.05%	-0.03%	58.97	1.40	-0.113
AL RAJHI BANK	0.00%	0.07%	-0.07%	25.43	1.25	-0.043
CLOUDFLARE INC	0.02%	0.04%	-0.02%	62.15	1.11	-0.138
INFOSYS LTD	0.00%	0.11%	-0.11%	27.22	1.09	-0.020
MITSUBISHI UFJ FINANCIAL GRO	0.10%	0.00%	0.10%	23.42	1.02	0.034

Portfolio Risk by GICS Sector



Growth – Global Equity Symphony Financial

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Seeks to invest in profitable Japanese companies where the share prices do not reflect the true value of the underlying business. The strategy may be suited to investors looking to capture return opportunities in Japan.

Inception Date: November 2016

Risk Statistics (since inception)

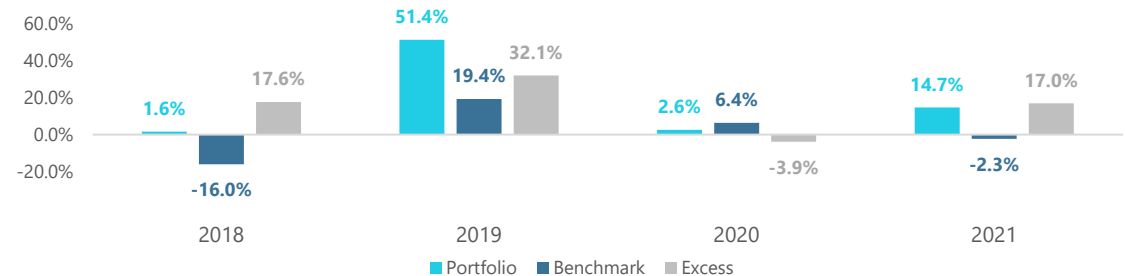
Standard Deviation	22.5%
Benchmark Standard Deviation	13.5%
Sharpe Ratio	0.67
Information Ratio	0.56
Beta	0.92
Tracking Error	18.7%

Performance (net)¹

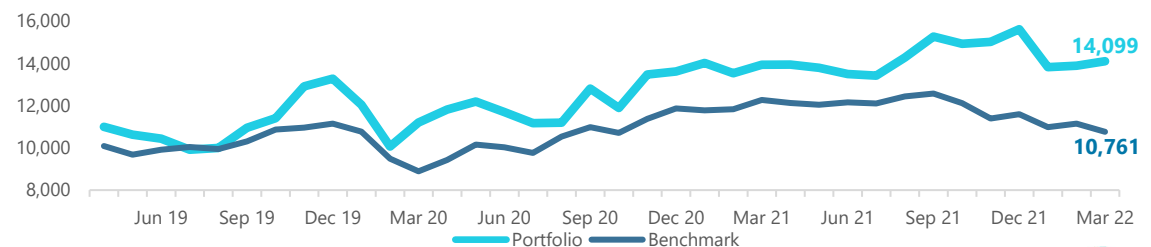
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Symphony Financial - Activist	237.2	-9.7%	1.2%	12.1%	14.9%
MSCI Japan Small Cap		-7.2%	-12.3%	2.5%	3.5%
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: Intl Equity Developed Mkt Funds (Active)	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Symphony Financial - Activist	-8.0%	64	3.7%	20	15.3%	5	17.6%	2
Median	-5.9%		-0.4%		8.2%		7.1%	

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

Growth Risk Analysis – Global Equity

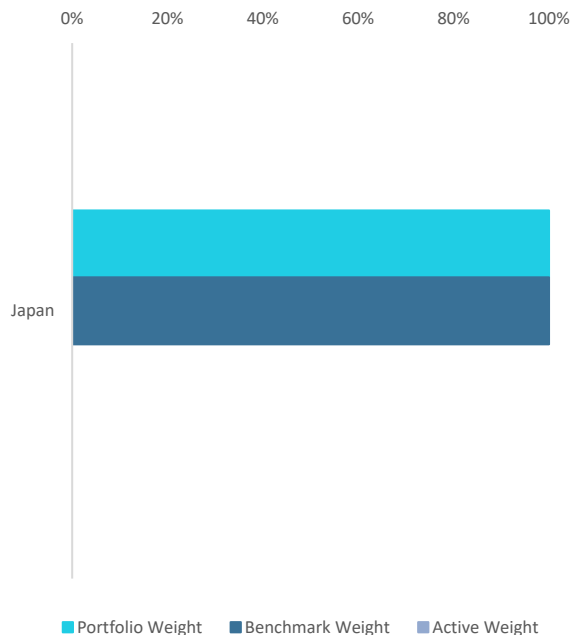
Symphony Financial

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	21.47
Benchmark Risk	16.63
Active Risk	12.68
Portfolio Beta	1.04

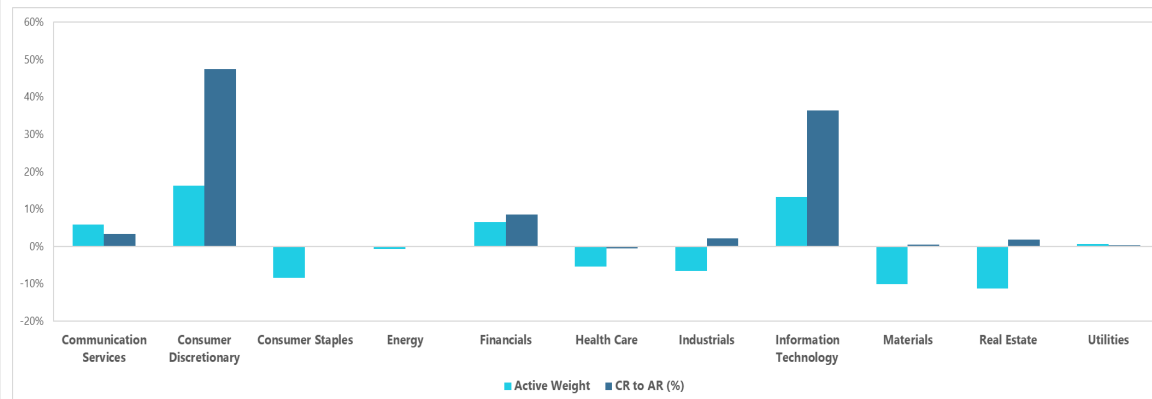
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
NAGAWA	25.71%	0.08%	25.63%	36.46	44.59	0.230
INFOMART	15.39%	0.14%	15.25%	45.69	25.65	0.223
RIKEN KEIKI	10.03%	0.07%	9.97%	45.30	12.80	0.172
JAPAN SECURITIES FINANCE CO LTD	13.20%	0.09%	13.11%	30.17	7.89	0.086
UNDISCLOSED – ENTERTAINMENT ¹	8.31%	0.11%	8.20%	29.34	3.67	0.066
KOMATSU MATERE CO LTD	5.90%	0.00%	5.90%	31.75	2.63	0.066
ZUIKO	5.79%	0.00%	5.79%	31.94	1.16	0.035
NISHIO RENT ALL	7.45%	0.05%	7.40%	25.57	0.59	0.019
K&O ENERGY GROUP INC	2.90%	0.00%	2.90%	24.96	0.16	0.016
DENYO	1.97%	0.00%	1.97%	28.83	0.15	0.019

Portfolio Risk by GICS Sector



¹ Security name undisclosed due to confidentiality reasons.

Growth – Global Equity Systematic US Small Cap Value

for the quarter ended March 31, 2022

Strategy

Seeks to identify high quality small cap companies capable of generating high rates of return with attractive valuations. The strategy may be suited for investors looking to increase U.S. small cap exposure with defensive characteristics.

Inception Date: July 2018

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	4,212.8	3,353.1
No. Of Issues	150.0	0.0
Dividend Yield	1.3	2.5
Return on Equity	16.6	11.2
Price to Sales	2.3	11.6
Price to Book	2.3	3.7
PE Ratio	15.3	40.7

Top Holdings (% of assets)

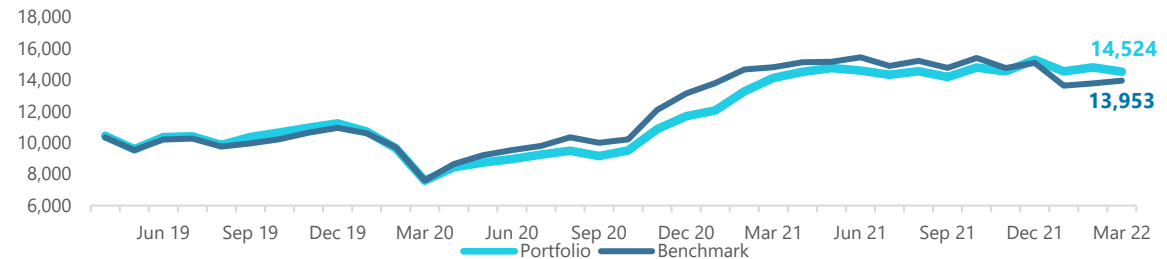
FIRST CITIZENS BCSHS CL A	2.8%
MAGNOLIA OIL + GAS CORP A	1.8%
KBR INC	1.6%
WEBSTER FINANCIAL CORP	1.5%
CROSS COUNTRY HEALTHCARE INC	1.4%
Top 5 Holdings	9.1%

Performance (net)¹

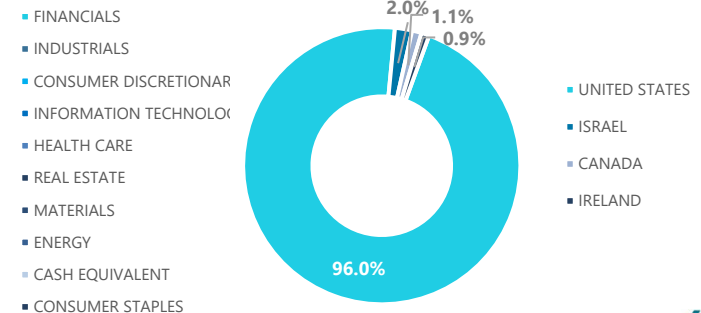
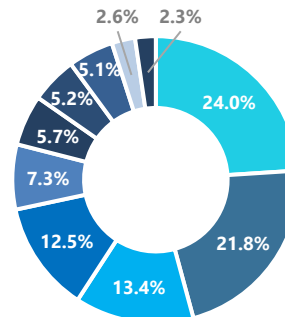
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Systematic US Small Cap Value	196.6	-5.0%	2.8%	13.2%	--
RUSSELL 2000		-7.5%	-5.8%	11.7%	--
Growth Policy Benchmark		-1.4%	10.9%	16.1%	--

Universe data: US Equity Funds - Small Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Systematic US Small Cap Value	-4.9%	49	3.4%	61	13.9%	64	--	--
Median	-4.9%		4.5%		14.2%		--	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

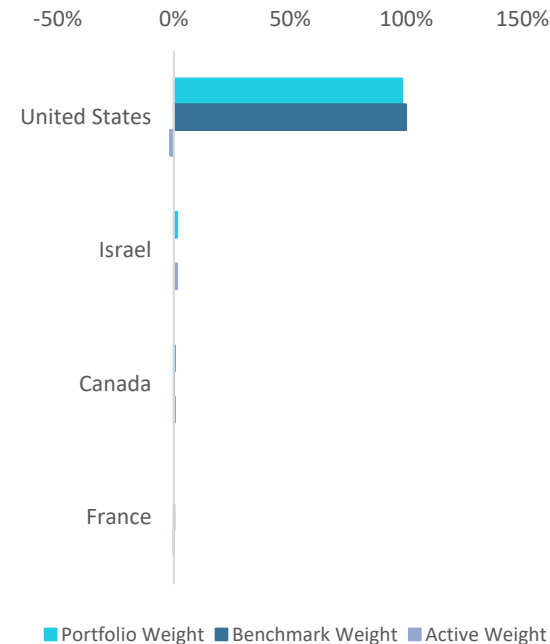
Growth Risk Analysis – Global Equity Systematic US Small Cap Value

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	22.75
Benchmark Risk	25.12
Active Risk	5.72
Portfolio Beta	0.88

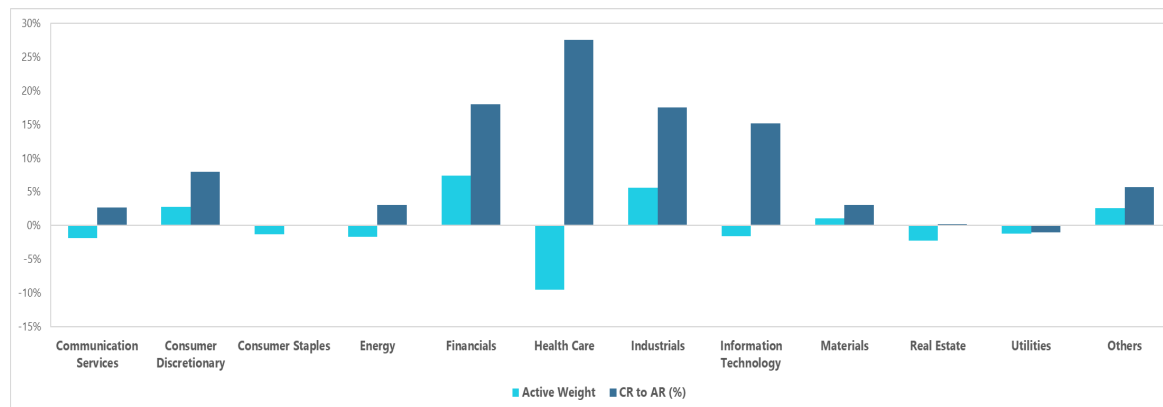
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
SSC GOVERNMENT MM GVXX	2.55%	0.00%	2.55%	2.79	5.72	0.000
FIRST CITIZENS BANCSHARES INC NRTH	2.81%	0.00%	2.81%	39.62	4.97	-0.027
NORTHWESTERN CORP	1.37%	0.12%	1.25%	23.24	2.68	-0.006
WEBSTER FINANCIAL CORP	1.50%	0.00%	1.50%	34.28	2.29	-0.040
WASHINGTON FEDERAL INC	1.20%	0.08%	1.12%	30.19	1.80	-0.036
SELECTIVE INSURANCE GROUP INC	1.26%	0.19%	1.07%	27.87	1.72	-0.036
MUELLER INDUSTRIES INC	1.35%	0.11%	1.24%	32.71	1.71	-0.049
OLD REPUBLIC INTERNATIONAL CORP	0.90%	0.00%	0.90%	26.63	1.69	-0.020
AMC ENTERTAINMENT HOLDINGS INC	0.00%	0.47%	-0.47%	86.02	1.67	-0.333
UNITED COMMUNITY BANKS INC	0.98%	0.13%	0.85%	33.85	1.63	-0.018

Portfolio Risk by GICS Sector

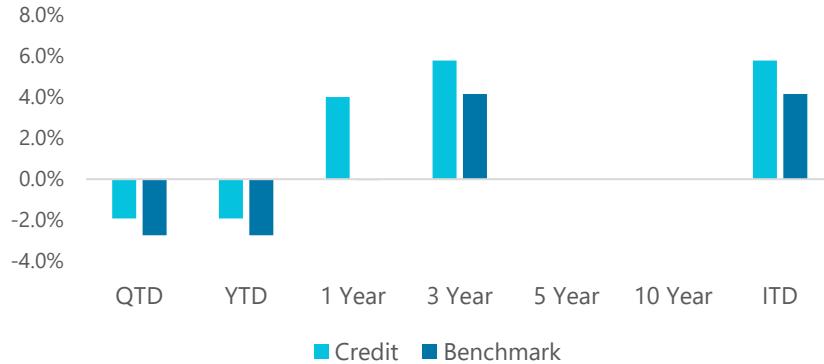


credit

Summary

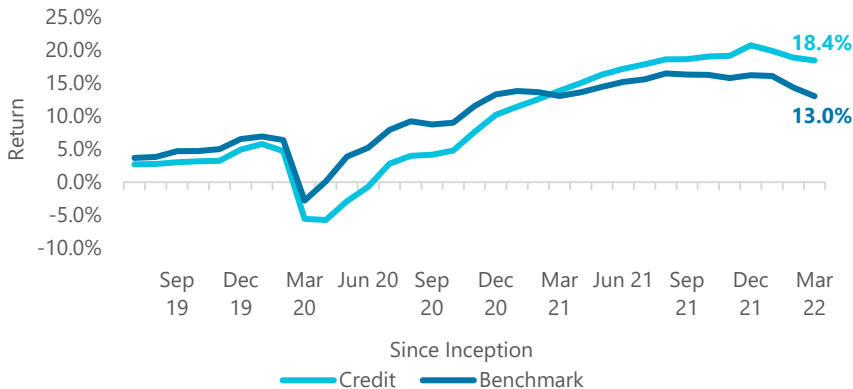
for the quarter ended March 31, 2022

Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Credit	-1.9%	-1.9%	4.0%	5.8%	--	--	5.8%
Benchmark	-2.7%	-2.7%	0.0%	4.2%	--	--	4.2%
Excess	0.8%	0.8%	4.0%	1.6%	--	--	1.6%

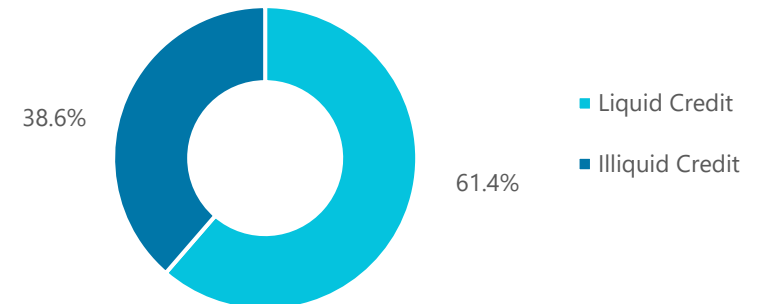
Cumulative Return



Functional Category

	QTD	FYTD	1 Year	3 Year
Liquid Credit	-3.2%	--	--	--
Liquid Credit Policy Benchmark	-3.8%	--	--	--
Excess	0.6%	--	--	--
Illiquid Credit	0.3%	7.8%	11.2%	12.2%
Illiquid Credit Policy Benchmark	-1.5%	0.1%	0.6%	6.1%
Excess	1.8%	7.7%	10.7%	6.0%

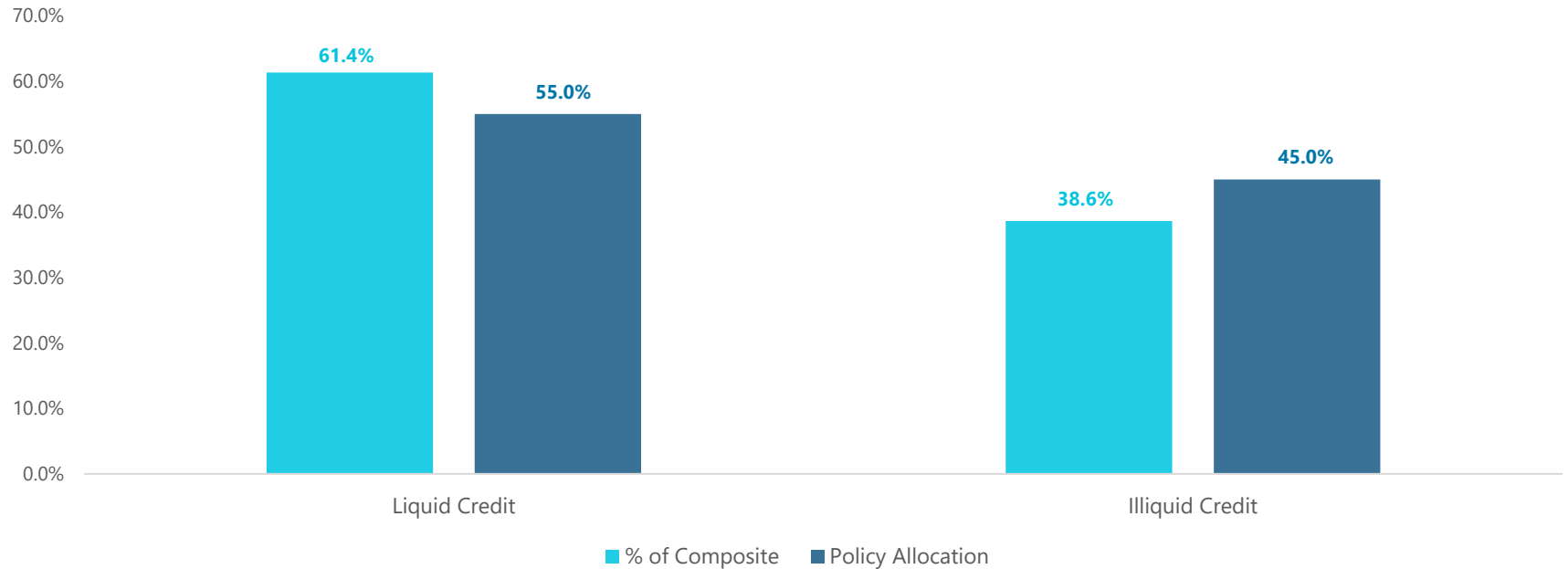
Exposure



Asset Allocation

for the quarter ended March 31, 2022

Actual vs. Policy

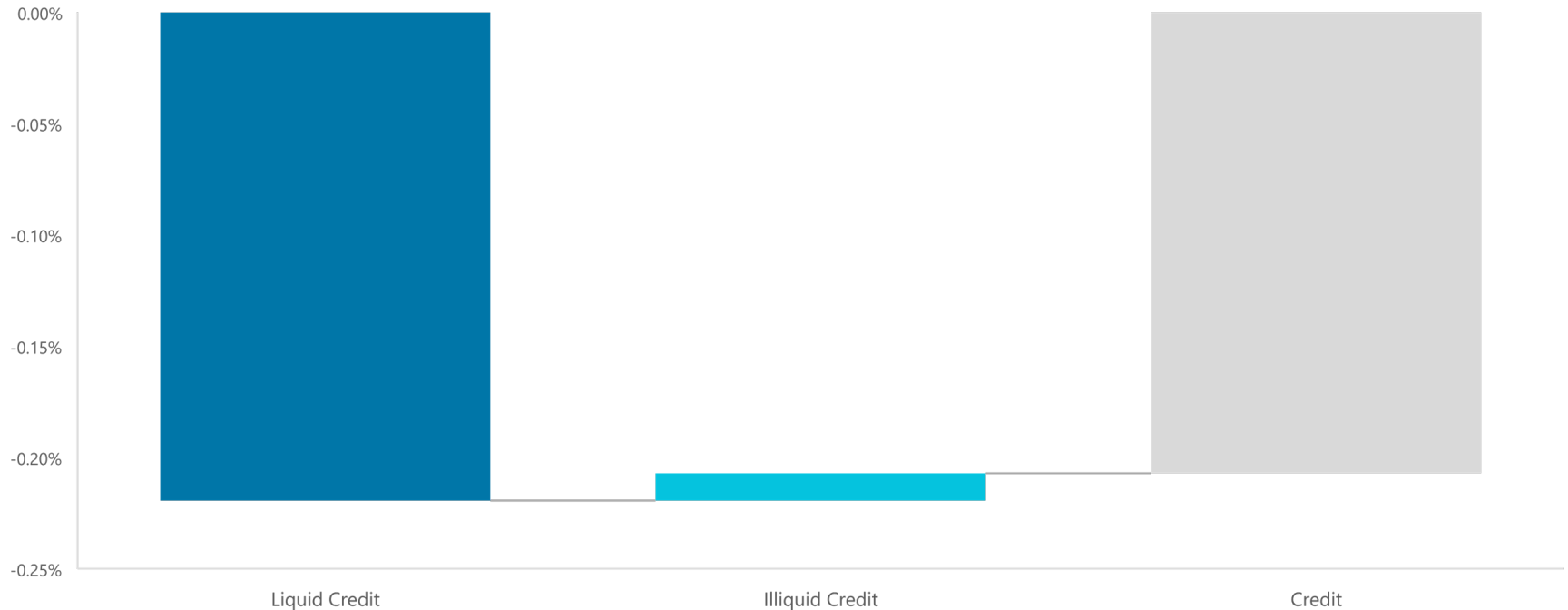


	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Credit	8,111	100.0%	100.0%		
Liquid Credit	4,977	61.4%	55.0%	6.4%	515
Illiquid Credit	3,135	38.6%	45.0%	-6.4%	-515

Contribution to Return

for the quarter ended March 31, 2022

QTD Contribution to Return

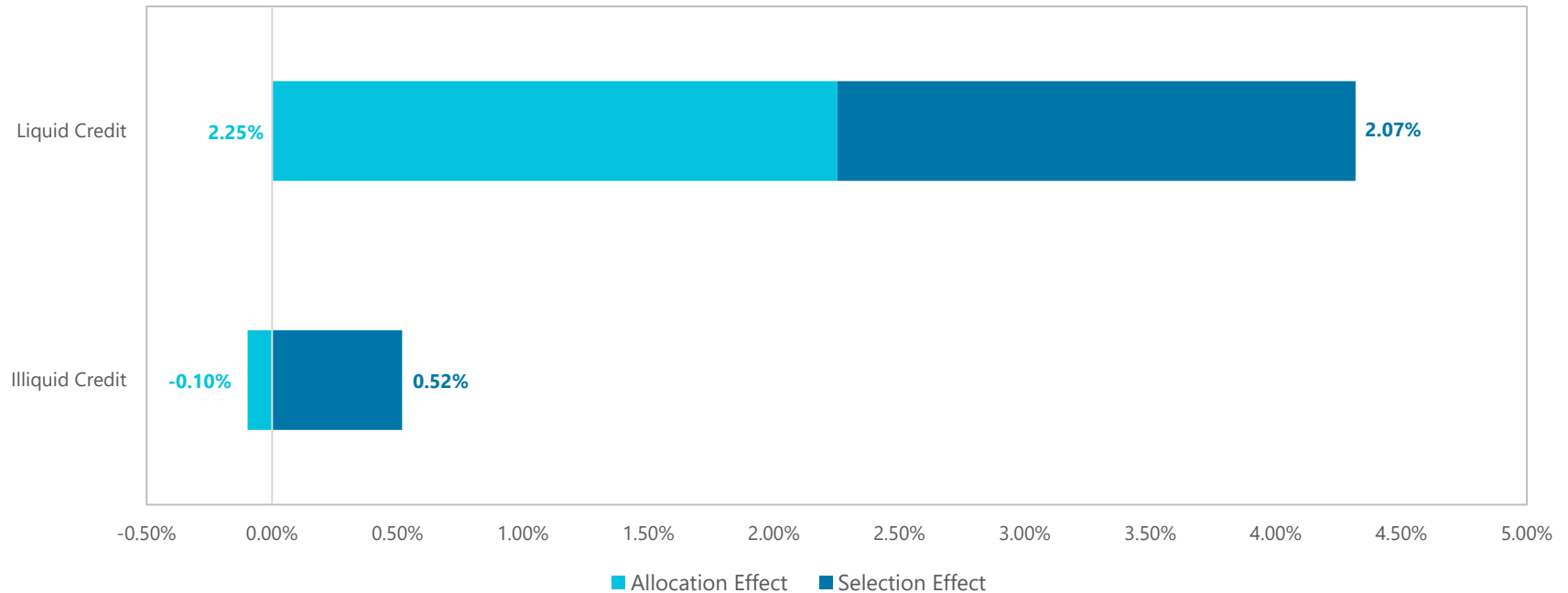


Functional Category		Contributors		Detractors	
Liquid Credit	-0.22%	LACERA PE - Credit	0.01%	Aberdeen Asset Management	-0.06%
Illiquid Credit	0.01%	Tennenbaum Capital	0.01%	Ashmore Investment Management	-0.05%
Credit	-0.21%	LACERA RE - Credit	0.01%	BlackRock HY ETF	-0.04%
		Napier Park	0.00%	Pinebridge Investments	-0.03%
		Grosvenor OPCRD 2 HFOF	0.00%	Brigade Cap Mgmt	-0.02%

Return Attribution

for the quarter ended March 31, 2022

QTD Performance Attribution¹



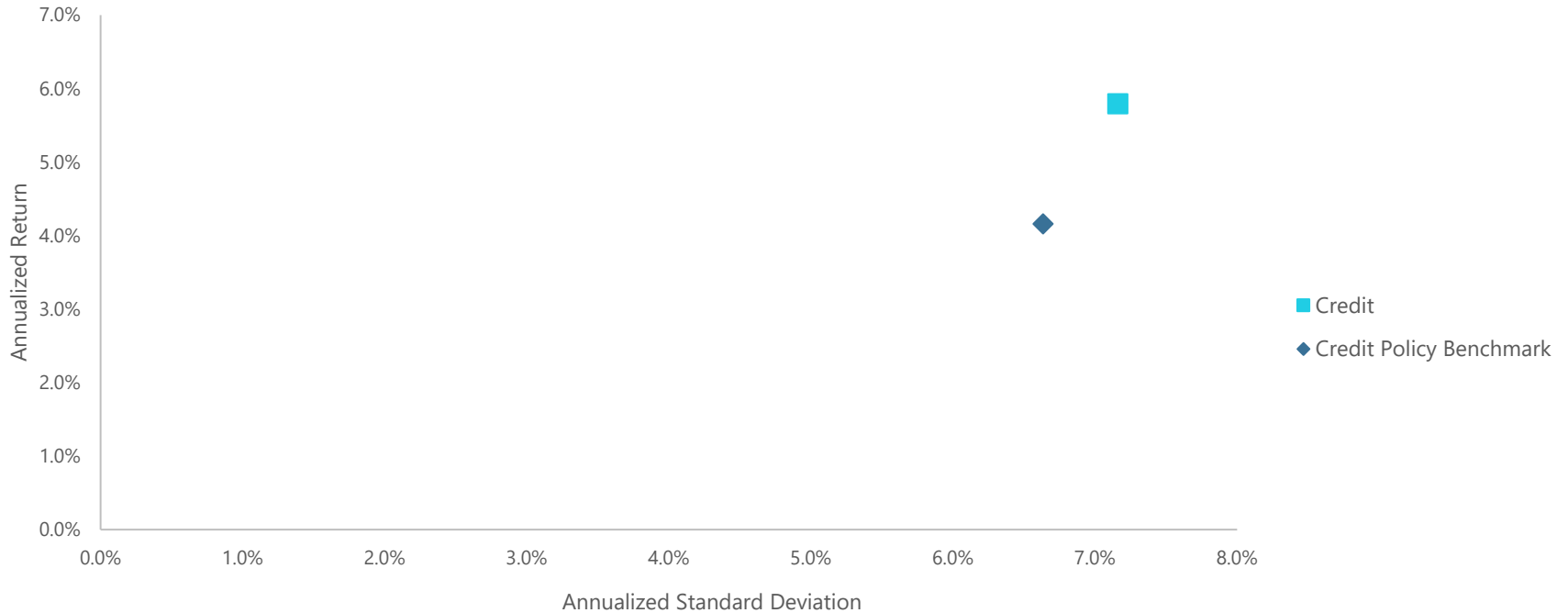
	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
Credit	8,111	100.0%	100.0%	-1.9%	-2.7%	2.15%	2.58%	0.84%
Liquid Credit	4,977	61.4%	55.0%	-3.2%	-3.8%	2.25%	2.07%	0.26%
Illiquid Credit	3,135	38.6%	45.0%	0.3%	-1.5%	-0.10%	0.52%	0.57%

1. Total Value Add includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2022

Since Inception (Annualized)¹



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Credit	5.8%	7.2%				
Credit Policy Benchmark	4.2%	6.6%	0.74	0.63	1.00	2.9%

1. Composite risk statistics are relative to the policy benchmark.

Performance Detail

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Annualized Net Returns

	% of Composite	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Credit	100.0%	8,111	8,193	-1.9%	-1.9%	4.0%	5.8%	--	--	5.8%
Credit Policy Benchmark				-2.7%	-2.7%	0.0%	4.2%	--	--	4.2%
Liquid Credit	61.4%	4,977	5,142	-3.2%	-3.2%	--	--	--	--	-3.0%
Liquid Credit Policy Benchmark				-3.8%	-3.8%	--	--	--	--	-3.4%
Aberdeen Asset Management	4.9%	401	443	-9.6%	-9.6%	-8.6%	-0.6%	--	--	0.5%
Ashmore Investment Management	4.6%	377	414	-9.1%	-9.1%	-9.1%	-2.9%	--	--	-0.8%
Bain Capital	5.2%	421	421	0.0%	0.0%	4.6%	4.9%	4.6%	--	4.0%
Beach Point	3.8%	304	317	-4.1%	-4.1%	-0.7%	4.5%	4.8%	--	5.3%
BlackRock HY ETF	7.6%	619	650	-4.8%	-4.8%	-1.1%	--	--	--	2.5%
Brigade Cap Mgmt	8.6%	696	710	-1.8%	-1.8%	4.7%	6.5%	5.1%	6.0%	7.0%
Credit Suisse Bank Loans	14.3%	1,158	1,159	-0.1%	-0.1%	3.1%	--	--	--	8.9%
Crescent Capital	6.4%	517	520	-0.6%	-0.6%	3.5%	6.1%	5.1%	--	4.0%
Pinebridge Investments	6.0%	484	508	-4.7%	--	--	--	--	--	-3.9%
Illiquid Credit	38.6%	3,135	3,051	0.3%	0.3%	11.2%	12.2%	--	--	12.2%
Illiquid Credit Policy Benchmark				-1.5%	-1.5%	0.6%	6.1%	--	--	6.1%
Beach Point - Fund II	0.2%	14	14	--	--	--	--	--	--	--
Beach Point - Fund III	2.4%	197	216	-2.0%	-2.0%	31.5%	16.8%	--	--	14.2%
Grosvenor OPCRD 2 HFOF	0.4%	32	39	-2.0%	-2.0%	5.2%	2.4%	2.7%	--	4.9%
Magnetar	10.0%	810	693	-1.7%	-1.7%	0.4%	--	--	--	26.9%
Napier Park	10.5%	848	847	0.1%	0.1%	8.6%	--	--	--	24.7%
PIMCO Tac Opps	3.6%	290	291	-0.5%	-0.5%	8.7%	9.2%	--	--	8.4%
LACERA PE - Credit	2.6%	212	225	4.6%	4.6%	43.4%	17.3%	--	--	14.4%
LACERA RE - Credit	1.3%	107	125	5.8%	5.8%	13.7%	10.5%	9.9%	9.3%	9.2%
Tennenbaum Capital	7.7%	624	602	1.6%	1.6%	8.3%	7.2%	7.4%	--	7.3%

Liquid Credit Risk Summary

for the quarter ended March 31, 2022

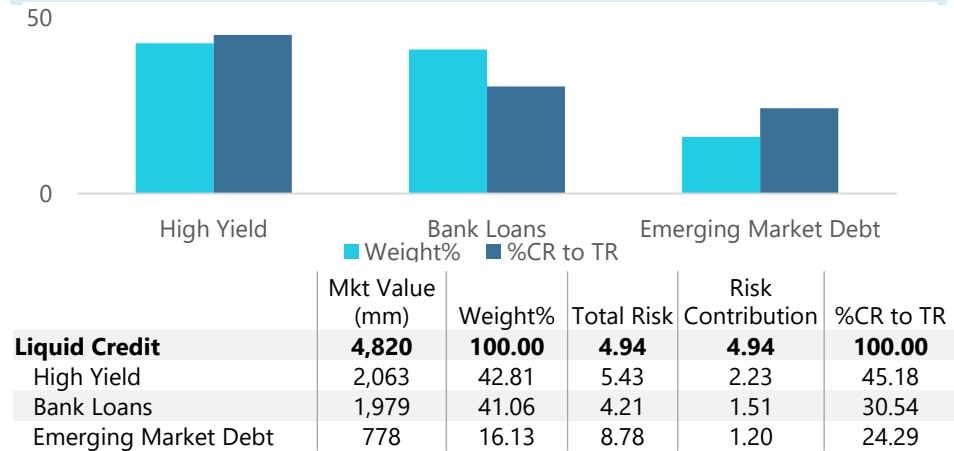
Risk Summary

	Value
Total Risk	4.94
Benchmark Risk	4.64
Active Risk	0.65
Portfolio Beta	1.06
Cont. to Eff. Duration	2.89
Convexity	0.14
Yield to Worst (%)	6.49
OAS to Swap (bp)	372

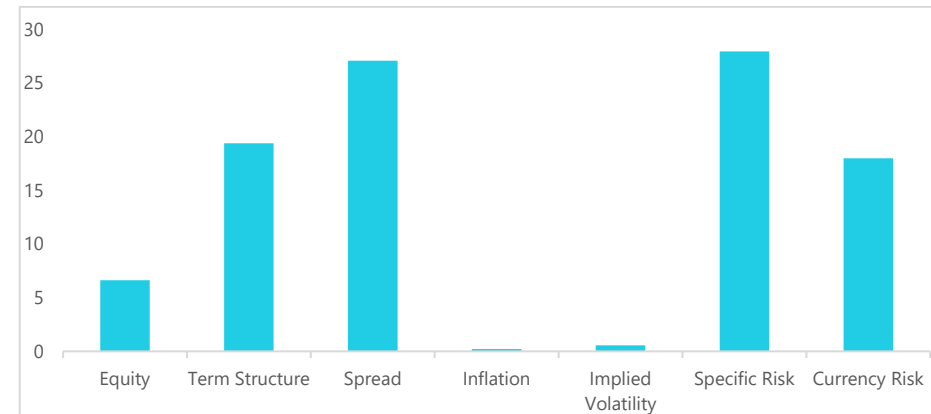
Risk Decomposition

Risk Source	Portfolio		Active	
	Risk Contribution	%Risk	Risk Contribution	%Risk
Total Risk	4.94	100.00	0.65	100.00
Local Market Risk	4.71	95.23	0.54	82.05
Common Factor Risk	4.68	94.63	0.35	54.12
Specific Risk	0.03	0.60	0.18	27.94
Currency Risk	0.24	4.77	0.12	17.95

Contribution to Risk



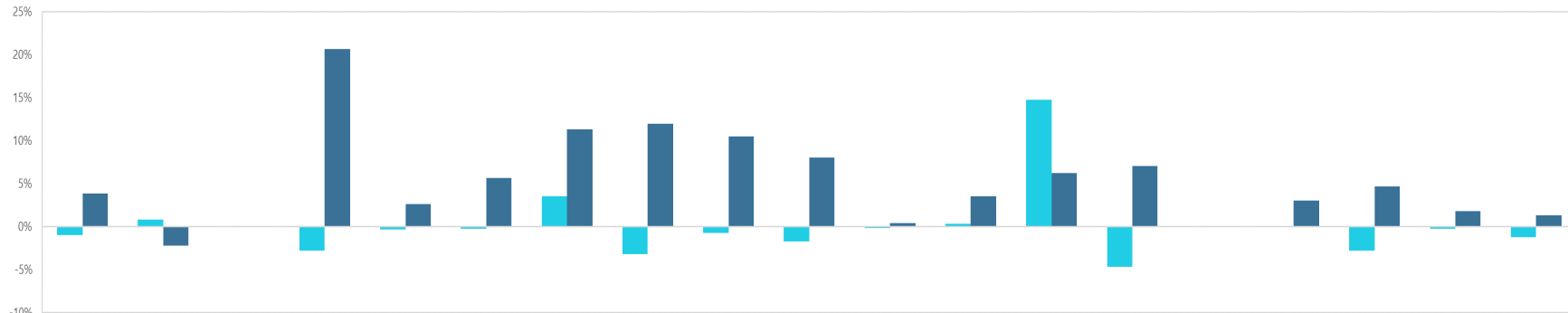
Active Risk from Common Factors



Liquid Credit Risk Summary

for the quarter ended March 31, 2022

Portfolio Allocation By Bond Sector

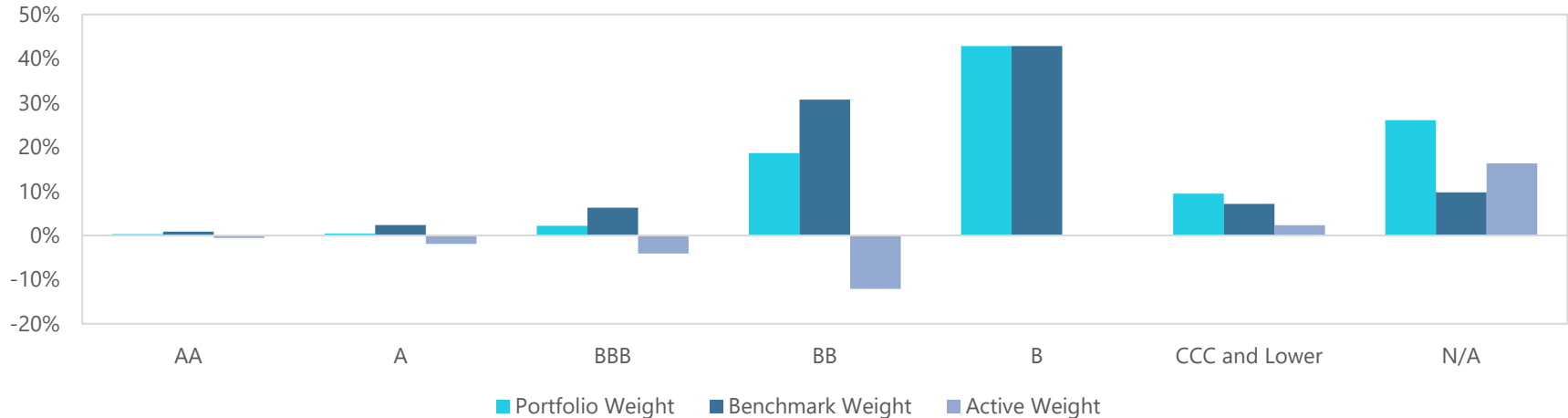


	Agency	Collateralized Loan Obligation	Commercial Mortgage Backed Security	Consumer Discretionary	Consumer Staples	Energy	Financial	Government	Health Care	Industrial	Local/Provincial	Materials	Other	Sovereign	Supranational	Technology	Telecom	Transportation	Utility
Active Weight	-0.96%	0.83%	0.06%	-2.79%	-0.33%	-0.29%	3.53%	-3.17%	-0.77%	-1.71%	-0.17%	0.28%	14.75%	-4.71%	-0.06%	-0.13%	-2.84%	-0.25%	-1.27%
Active Risk CR	3.79%	-2.26%	-0.09%	20.60%	2.59%	5.65%	11.32%	11.94%	10.50%	7.99%	0.41%	3.52%	6.18%	7.04%	0.03%	3.01%	4.65%	1.82%	1.30%

Liquid Credit Risk Summary

for the quarter ended March 31, 2022

Portfolio Allocation By Moody's Rating



Rating	Weight%			Total Risk	Active Risk CR	% of Active TR	CR to Effective Duration
	Portfolio	Benchmark	Active				
Credit	100.00%	100.00%	0.00%	4.94	0.65	100.00	2.89
AA	0.32%	0.86%	-0.54%	10.36	0.01	0.4%	0.4%
A	0.44%	2.36%	-1.92%	9.05	0.04	-0.2%	-0.2%
BBB	2.19%	6.29%	-4.10%	5.41	0.04	-5.9%	-5.9%
BB	18.65%	30.74%	-12.09%	5.06	0.19	-6.5%	-6.5%
B	42.86%	42.86%	0.00%	5.29	0.21	32.0%	32.0%
CCC and Lower	9.47%	7.14%	2.33%	7.79	0.08	18.7%	18.7%
N/A	26.08%	9.76%	16.32%	4.10	0.09	61.5%	61.5%

Credit – High Yield Beach Point

for the quarter ended March 31, 2022

Strategy

A fundamental, value oriented high yield bond strategy that utilizes legal skills to identify market anomalies in bond covenants and indentures. The primary investment goal is to generate superior returns while controlling risk to minimize the possibility of capital impairment.

Inception Date: March 2014

Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	264.0	0.0
Effective Duration	3.9	4.1
Convexity	-0.1	-0.1
Coupon Rate	5.2	5.7
Yield to Maturity	6.4	6.0
Current Yield	5.5	5.9
Rating – Moody's	B-2	B-1
Rating – S & P	B-2	BB-

Top Holdings (% of assets)

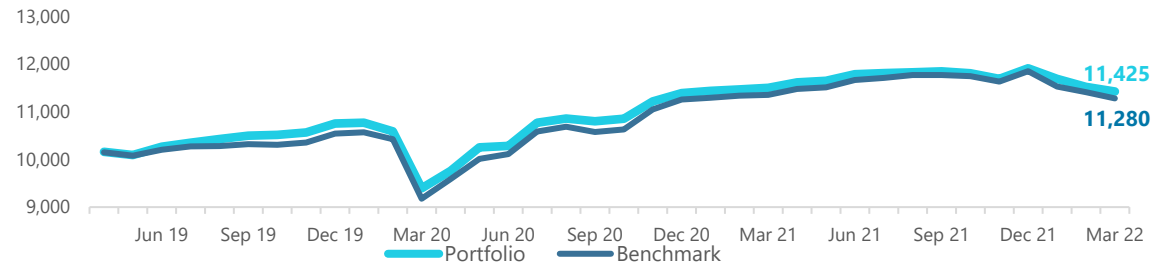
AMERICAN GREETINGS CORP	1.7%
SANDSTONE PEAK LTD.	1.5%
MPH ACQUISITION HOLDINGS	1.4%
COMPASS GROUP DIVERSIFIE	1.4%
DEALER TIRE LLC/DT ISSR	1.4%
Top 5 Holdings	7.5%

Performance (net)¹

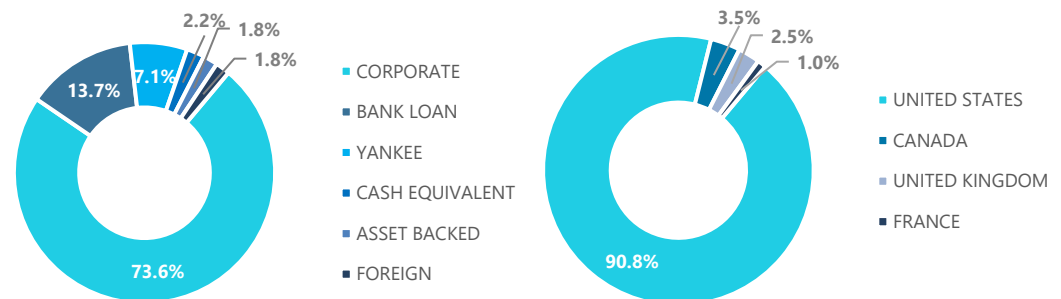
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Beach Point	304.3	-4.1%	-0.7%	4.5%	4.8%
Beachpoint Custom Benchmark		-4.8%	-0.7%	4.1%	4.2%
Credit Policy Benchmark		-2.7%	0.0%	4.2%	--

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Beach Point	-4.0%	54	-0.3%	42	5.1%	27	5.4%	19
Median	-3.4%		-2.1%		2.5%		2.8%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

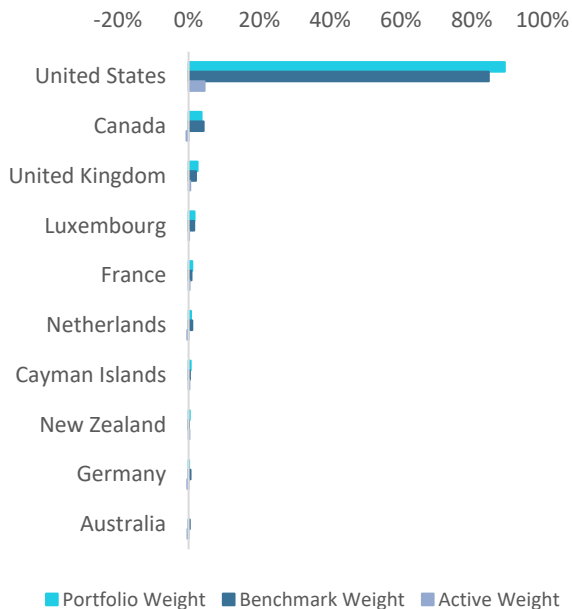
Credit Risk Analysis – Liquid Credit Beach Point

for the quarter ended March 31, 2022

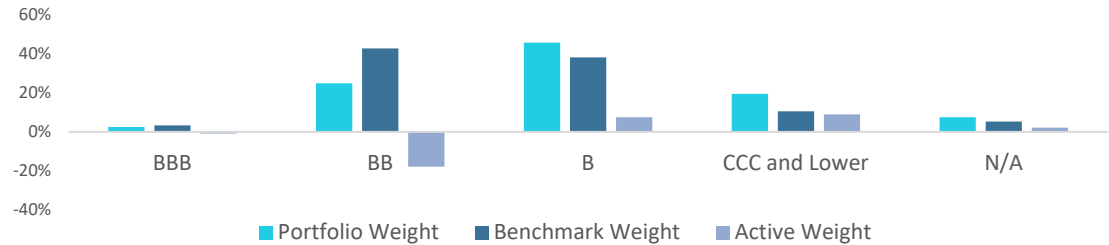
Portfolio Risk Summary

	Value
Total Risk	5.93
Benchmark Risk	4.71
Active Risk	1.64
Portfolio Beta	1.23
Cont. to Eff. Duration	4.01
Yield to Worst (%)	-0.03
OAS to Swap (bp)	6.25

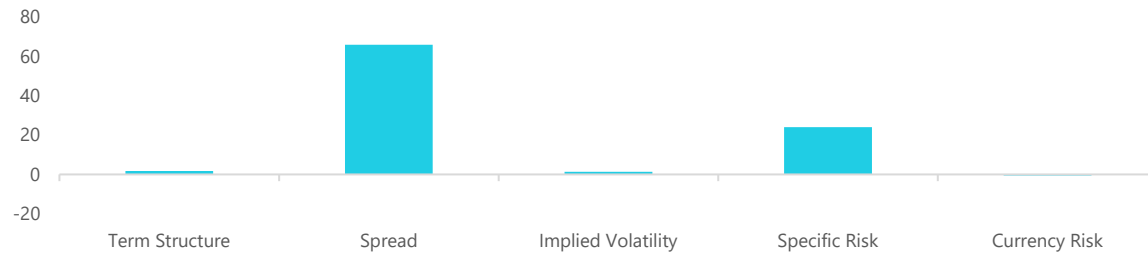
Top Countries by Weight%



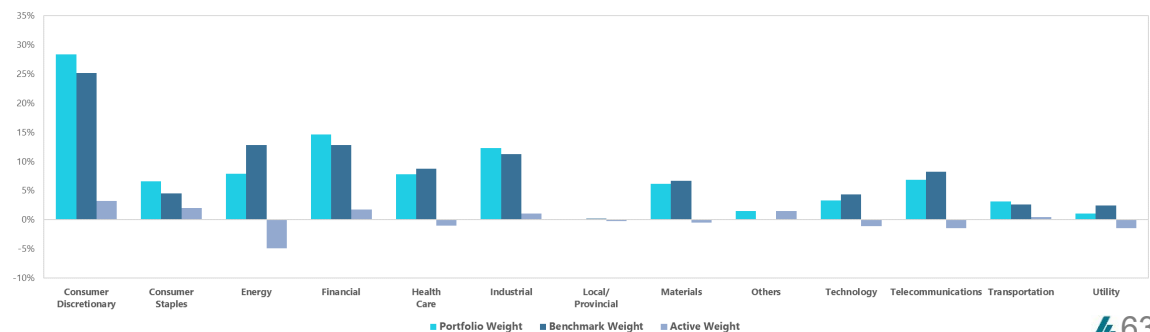
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – High Yield Brigade Capital

for the quarter ended March 31, 2022

Strategy

A strategy that focuses on identifying attractive companies within the high yield bond marketplace. The strategy invests in companies that have a lower likelihood of default or are better able to recover from economic downturns because of their substantial asset value relative to debt.

Inception Date: July 2010

Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	342.0	0.0
Effective Duration	2.9	4.1
Convexity	-0.1	-0.1
Coupon Rate	6.5	5.7
Yield to Maturity	8.2	6.0
Current Yield	6.9	5.9
Rating – Moody's	B-2	B-1
Rating – S & P	B	BB-

Top Holdings (% of assets)

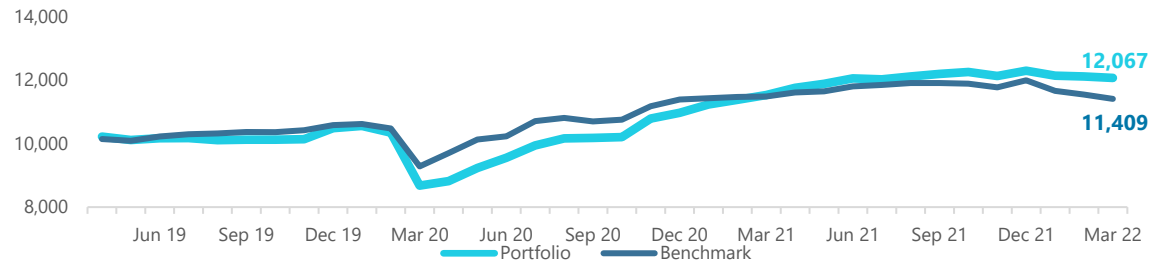
CORNERSTONE CHEMICAL CO	1.8%
EPIC Y GRADE SERVICES, LP	1.6%
RAIN CII CARBON LLC/CII	1.2%
BAFFINLAND IRON CORP/LP	1.1%
SYNIVERSE HLDGS INC	1.0%
Top 5 Holdings	6.7%

Performance (net)¹

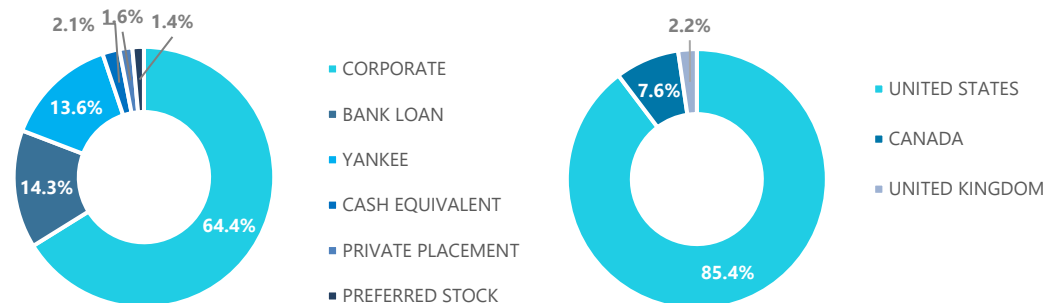
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Brigade Cap Mgmt	696.4	-1.8%	4.7%	6.5%	5.1%
Brigade Custom Benchmark		-4.8%	-0.7%	4.5%	4.5%
Credit Policy Benchmark		-2.7%	0.0%	4.2%	--

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Brigade Cap Mgmt	-1.8%	40	4.8%	23	7.1%	18	5.7%	15
Median	-3.4%		-2.1%		2.5%		2.8%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

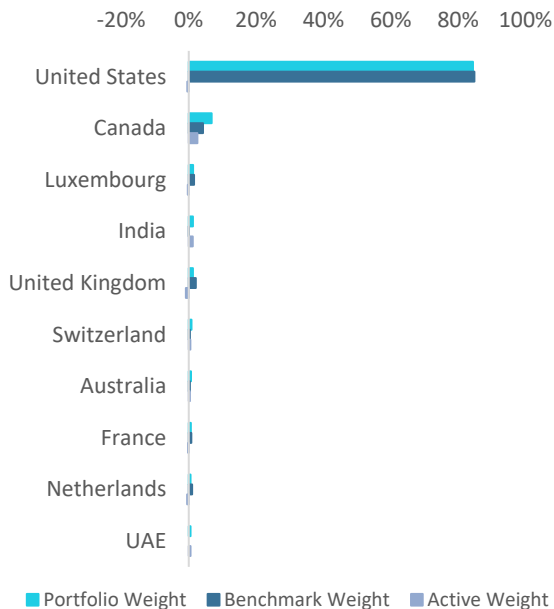
Credit Risk Analysis – Liquid Credit Brigade Capital

for the quarter ended March 31, 2022

Portfolio Risk Summary

	Value
Total Risk	5.67
Benchmark Risk	4.71
Active Risk	1.92
Portfolio Beta	1.14
Cont. to Eff. Duration	2.99
Yield to Worst (%)	-0.08
OAS to Swap (bp)	7.34

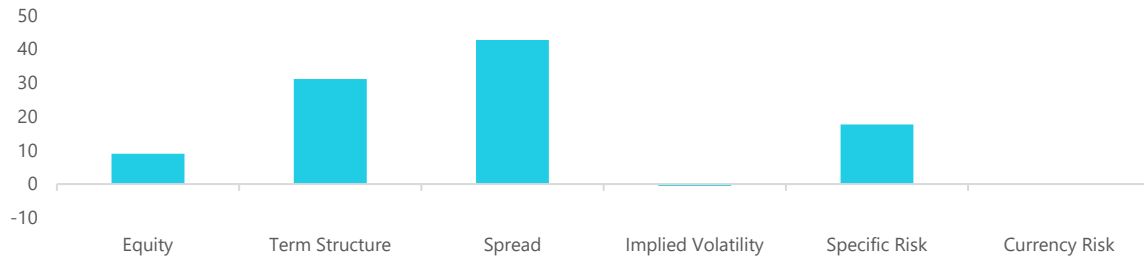
Top Countries by Weight%



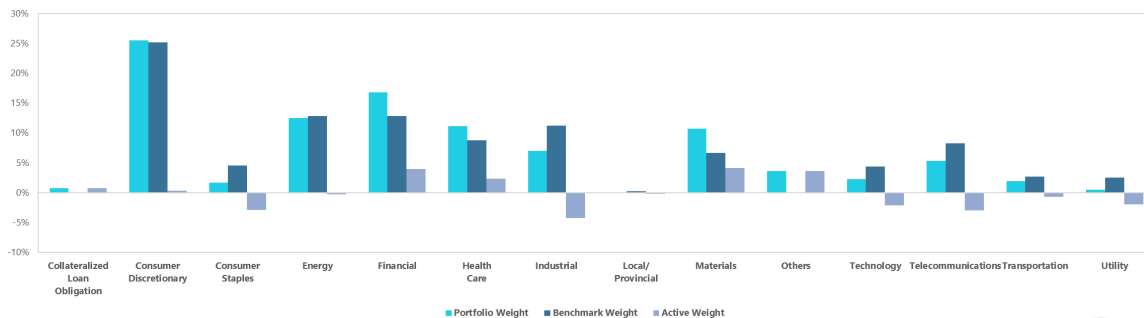
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Emerging Market Debt Pinebridge

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Active manager of a broadly diversified portfolio primarily of U.S. dollar denominated high yield securities

Inception Date: August 2021

Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	242.0	--
Effective Duration	6.9	4.1
Convexity	0.7	-0.1
Coupon Rate	2.7	5.7
Yield to Maturity	3.1	6.0
Current Yield	2.7	5.9
Rating – Moody's	AA-3	B-1
Rating – S & P	AA-	BB-

Top Holdings (% of assets)

FORD MOTOR COMPANY	1.1%
OCCIDENTAL PETROLEUM COR	1.0%
ALTICE FINANCING SA	1.0%
AMERICAN AIRLINES INC	1.0%
HCA INC	0.9%
Top 5 Holdings	5.1%

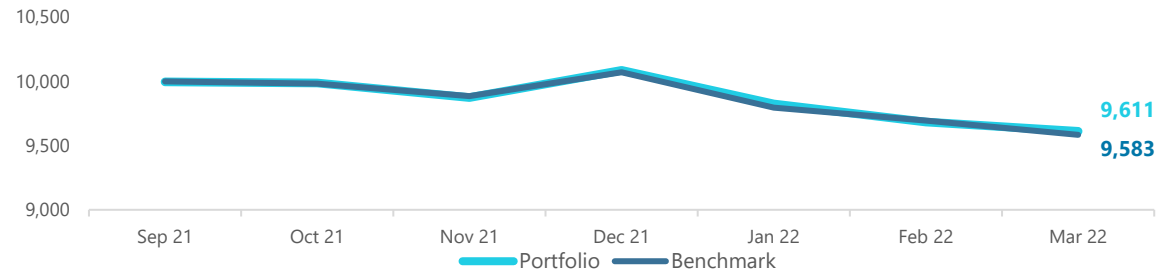
Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

Performance (net)¹

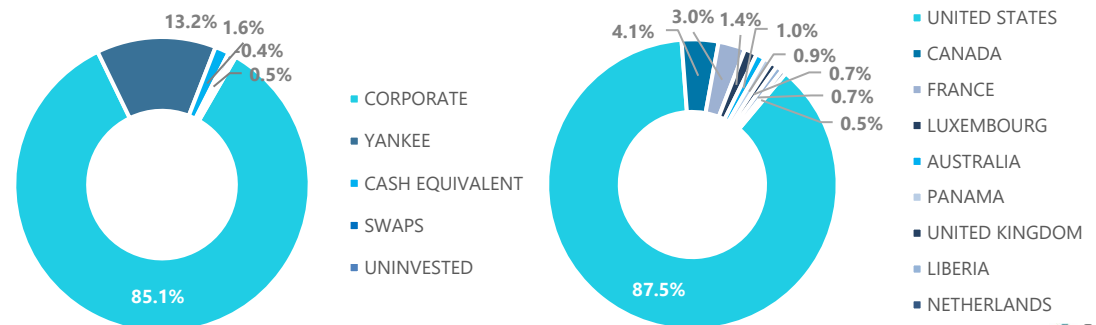
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Pinebridge Investments	483.7	-4.7%	--	--	--
BBG BARC US Corp HY Idx		-4.8%	--	--	--
Credit Policy Benchmark		-2.7%	0.0%	4.2%	--

Universe data: US Fixed Income Pools	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Pinebridge Investments	-4.6%	52	--	--	--	--	--	--
Median	-4.5%		--		--		--	

Growth of \$10,000



Top Exposures (% of assets)



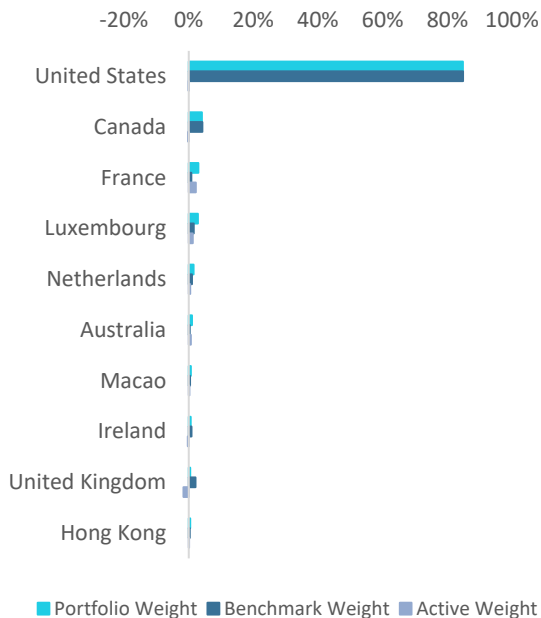
Credit Risk Analysis – Liquid Credit Pinebridge

for the quarter ended March 31, 2022

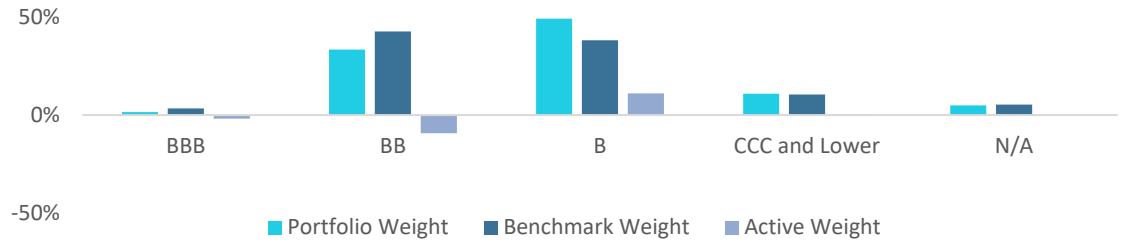
Portfolio Risk Summary

	Value
Total Risk	5.56
Benchmark Risk	4.71
Active Risk	1.04
Portfolio Beta	1.17
Cont. to Eff. Duration	4.40
Yield to Worst (%)	-0.13
OAS to Swap (bp)	6.11

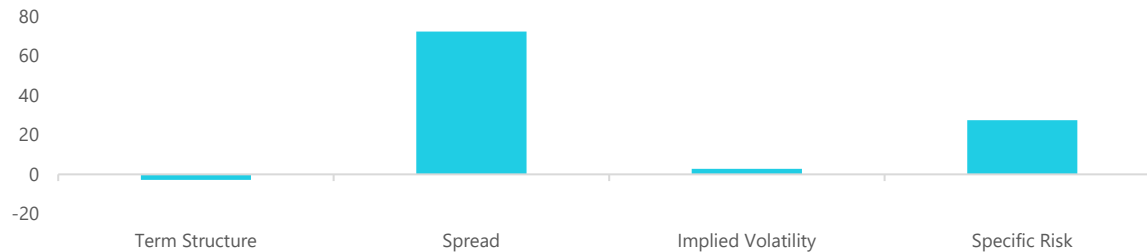
Top Countries by Weight%



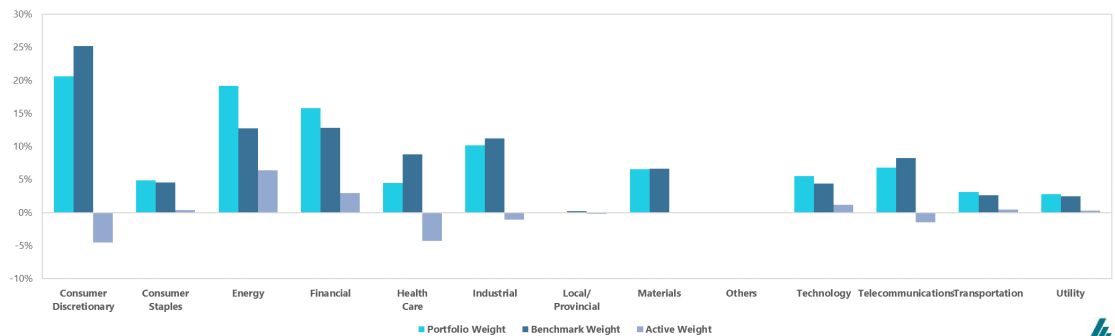
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Bank Loans

Bain Capital

for the quarter ended March 31, 2022

Strategy

A long-only strategy designed to provide exposure to senior secured, floating-rate bank loans. The strategy takes a fundamental, active, and global approach to investing, capitalizing on opportunities in an inefficient asset class. The return objective is to outperform the Index through strong credit selection and active portfolio management.

Inception Date: June 2014

Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	549.0	--
Effective Duration	0.5	4.1
Convexity	0.0	-0.1
Coupon Rate	3.4	5.7
Yield to Maturity	4.9	6.0
Current Yield	3.3	5.9
Rating – Moody's	B-2	B-1
Rating – S & P	B	BB-

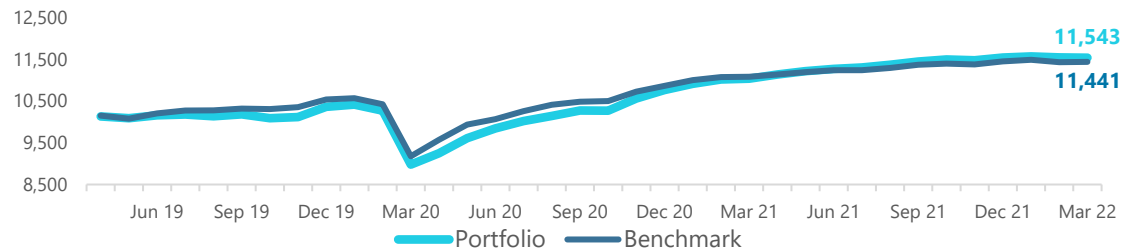
Top Holdings (% of assets)

NAVICURE INC	0.7%
CHAMBER BIDCO LIMITED	0.6%
CST BUYER COMPANY	0.6%
TEI HOLDINGS INC	0.6%
AQGEN ISLAND HOLDINGS INC	0.6%
Top 5 Holdings	3.1%

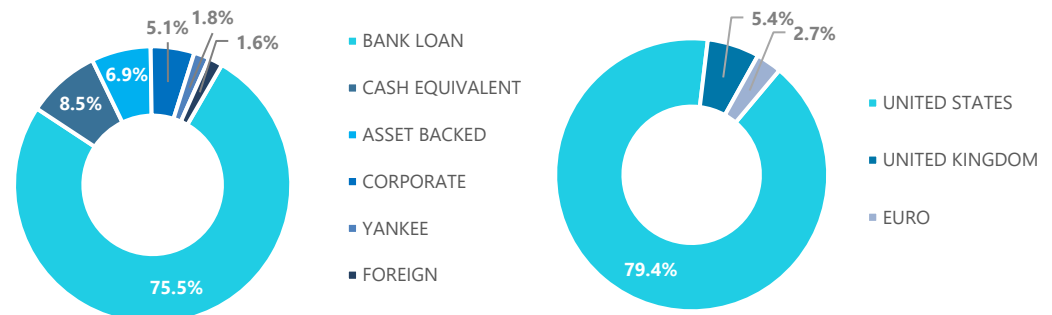
Performance (net)¹

	Ending Market Value (mm)			QTD	1 Year	3 Year	5 Year	
Bain Capital	421.3			0.0%	4.6%	4.9%	4.6%	
Bank Loans Custom Benchmark				-0.1%	3.2%	4.6%	4.5%	
Credit Policy Benchmark				-2.7%	0.0%	4.2%	--	
Universe data: U.S. Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Bain Capital	0.1%	19	5.1%	22	5.6%	24	5.3%	20
Median	-3.4%		-2.1%		2.5%		2.8%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

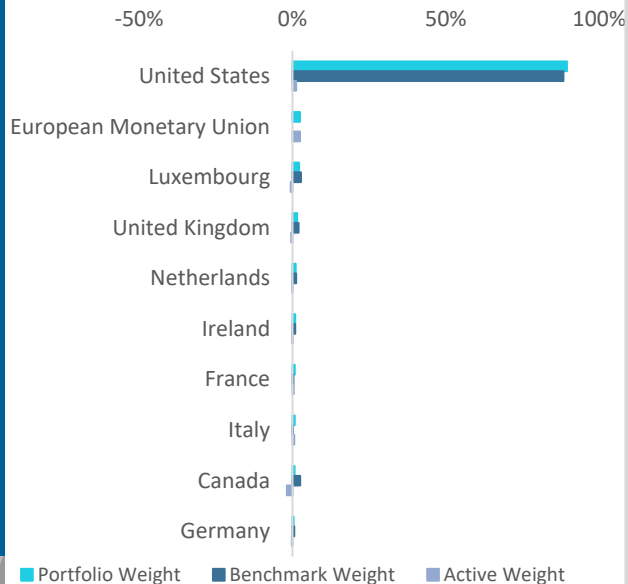
Credit Risk Analysis – Liquid Credit Bain Capital

for the quarter ended March 31, 2022

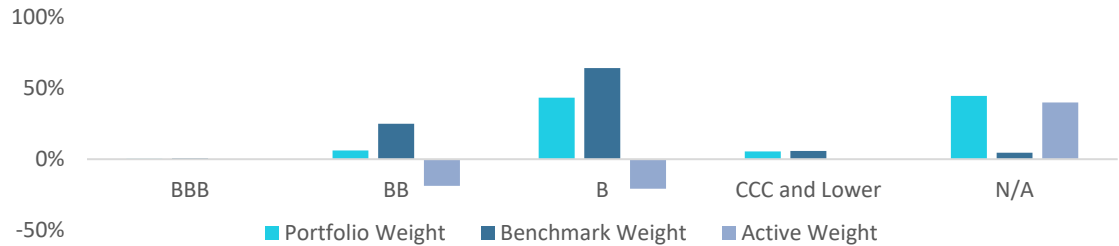
Portfolio Risk Summary

	Value
Total Risk	3.14
Benchmark Risk	4.95
Active Risk	2.03
Portfolio Beta	0.62
Cont. to Eff. Duration	0.80
Yield to Worst (%)	0.11
OAS to Swap (bp)	7.25

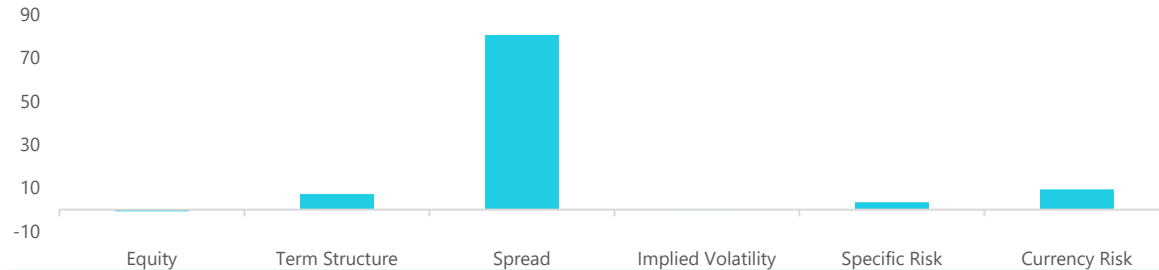
Top Countries by Weight%



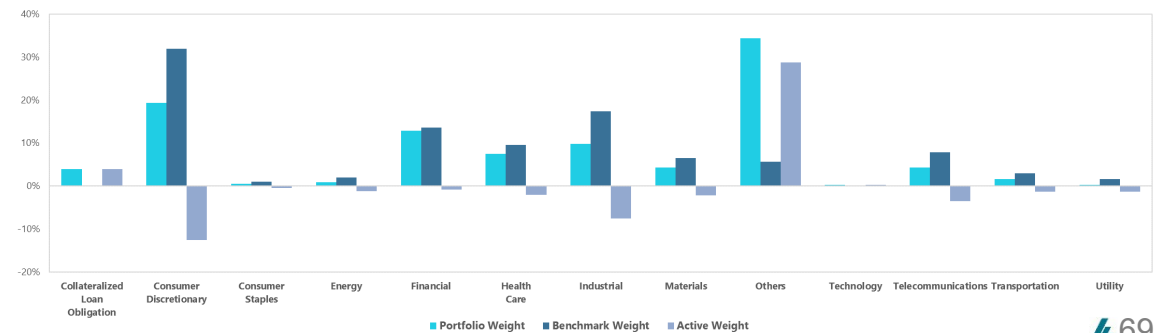
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Bank Loans

Credit Suisse

for the quarter ended March 31, 2022

Strategy

A bank loan strategy that invests in senior floating rate loans whose primary performance objective is to generate alpha while mitigating loss, utilizing bottom-up, fundamental credit analysis emphasizing a relative value approach.

Inception Date: April 2020

Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	495.0	--
Effective Duration	0.3	4.1
Convexity	0.0	-0.1
Coupon Rate	3.5	5.7
Yield to Maturity	5.6	6.0
Current Yield	3.5	5.9
Rating – Moody's	B-2	B-1
Rating – S & P	B	BB-

Top Holdings (% of assets)

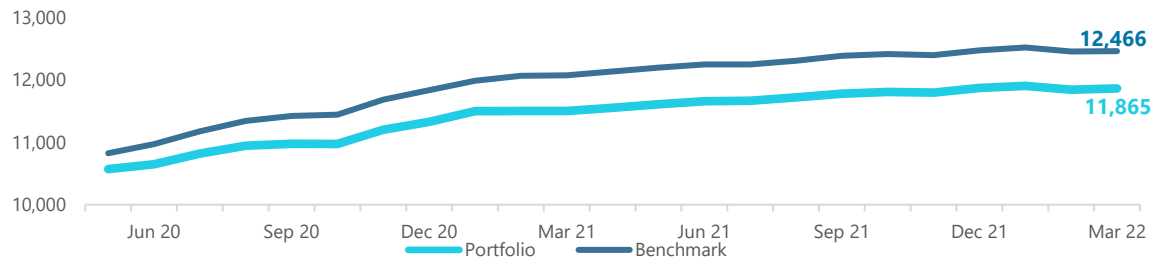
FINASTRA USA, INC.	0.9%
ATOTECH B.V.	0.8%
WILLIAM MORRIS ENDEAVOR ENTMT	0.7%
NFP CORP	0.7%
ATHENAHEALTH INC	0.7%
Top 5 Holdings	3.8%

Performance (net)¹

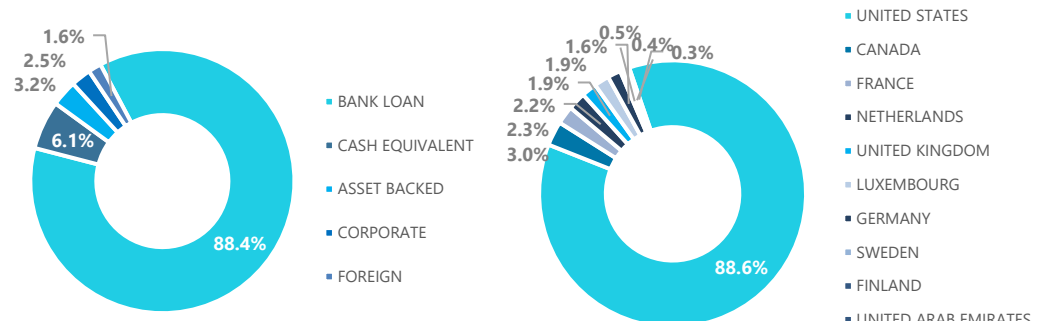
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Credit Suisse Bank Loans	1,157.9	-0.1%	3.1%	--	--
CS Leveraged Loan Index		-0.1%	3.2%	--	--
Credit Policy Benchmark		-2.7%	0.0%	4.2%	--

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Credit Suisse Bank Loans	0.0%	32	3.4%	27	--	--	--	--
Median	-3.4%		-2.1%		--	--	--	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Credit Risk Analysis – Liquid Credit

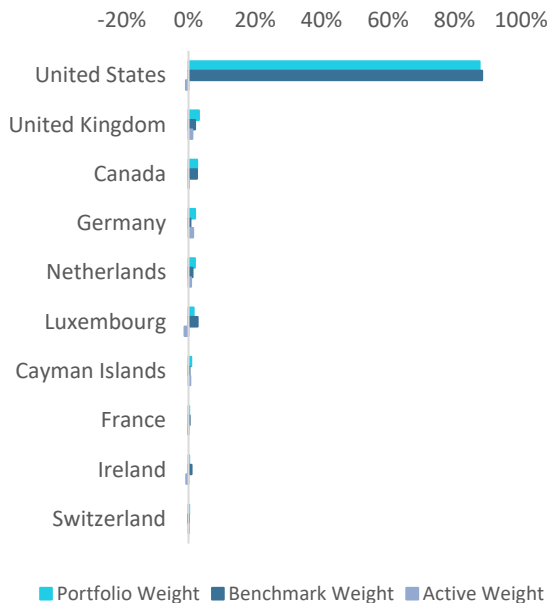
Credit Suisse

for the quarter ended March 31, 2022

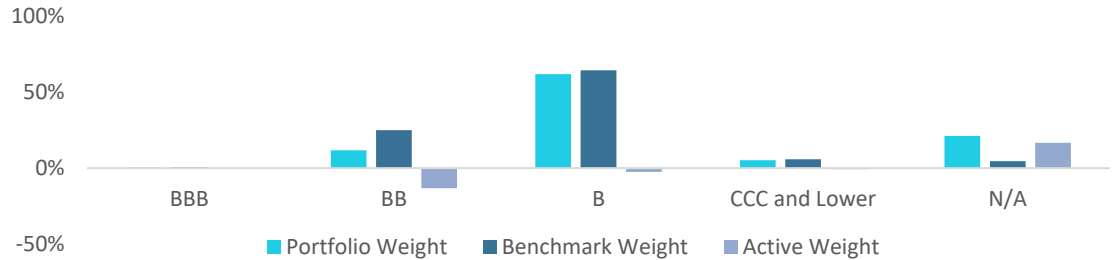
Portfolio Risk Summary

	Value
Total Risk	4.04
Benchmark Risk	4.95
Active Risk	1.13
Portfolio Beta	0.81
Cont. to Eff. Duration	0.72
Yield to Worst (%)	0.19
OAS to Swap (bp)	4.52

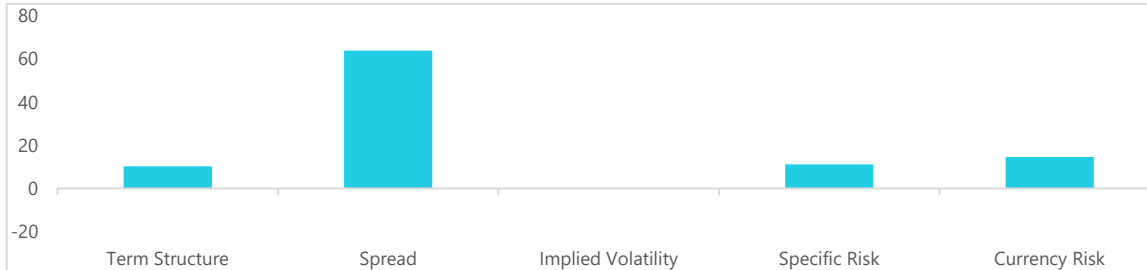
Top Countries by Weight%



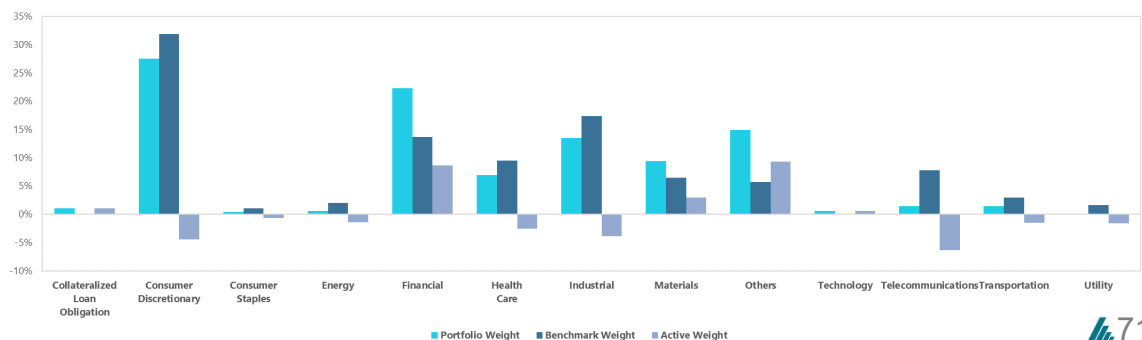
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Bank Loans

Crescent Capital

for the quarter ended March 31, 2022

Strategy

A bank loan strategy that invests in privately negotiated, below investment grade, secured corporate debt. The primary target is U.S. based middle market companies whose EBITDA falls between \$30M to \$100M. The strategy's bottom-up credit research process emphasizes high current income and principal preservation.

Inception Date: May 2014

Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	136.0	--
Effective Duration	0.5	4.1
Convexity	0.0	-0.1
Coupon Rate	5.3	5.7
Yield to Maturity	7.3	6.0
Current Yield	5.3	5.9
Rating – Moody's	B-2	B-1
Rating – S & P	B-	BB-

Top Holdings (% of assets)

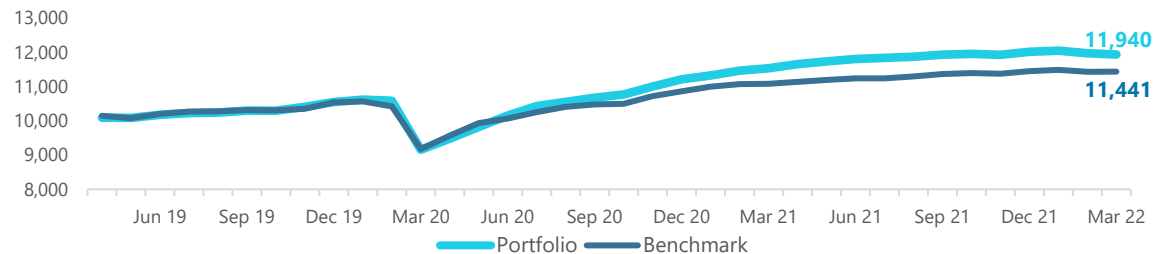
MAGNATE WORLDWIDE LLC	1.8%
RUNNER BUYER INC.	1.8%
EVERGREEN ACQCO 1 LP	1.8%
LERETA LLC	1.6%
COREL CORPORATION	1.6%
Top 5 Holdings	8.7%

Performance (net)¹

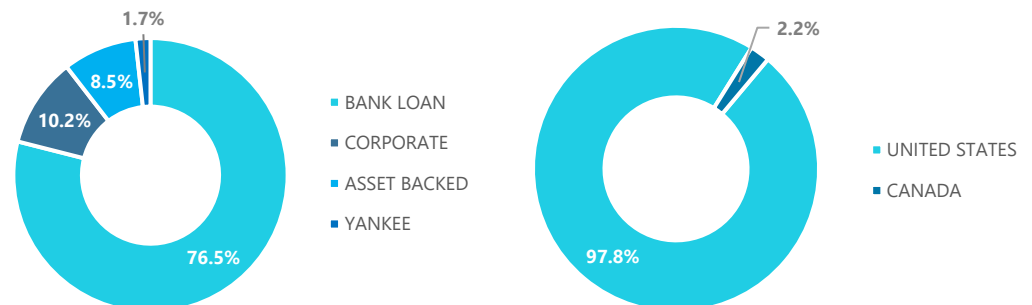
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Crescent Capital	516.7	-0.6%	3.5%	6.1%	5.1%
Bank Loans Custom Benchmark		-0.1%	3.2%	4.6%	4.5%
Credit Policy Benchmark		-2.7%	0.0%	4.2%	--

Universe data: U.S. Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Crescent Capital	-0.5%	36	3.9%	26	6.6%	19	5.7%	15
Median	-3.4%		-2.1%		5.5%		2.8%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
 2. Charts display top exposures only and may not add up to 100%.

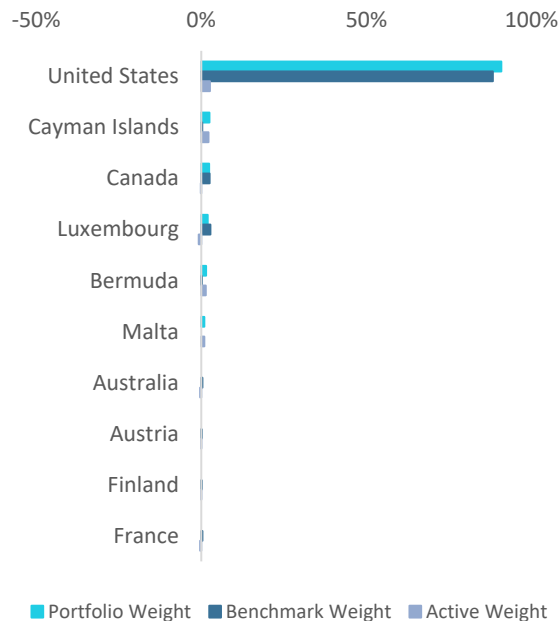
Credit Risk Analysis – Liquid Credit Crescent Capital

for the quarter ended March 31, 2022

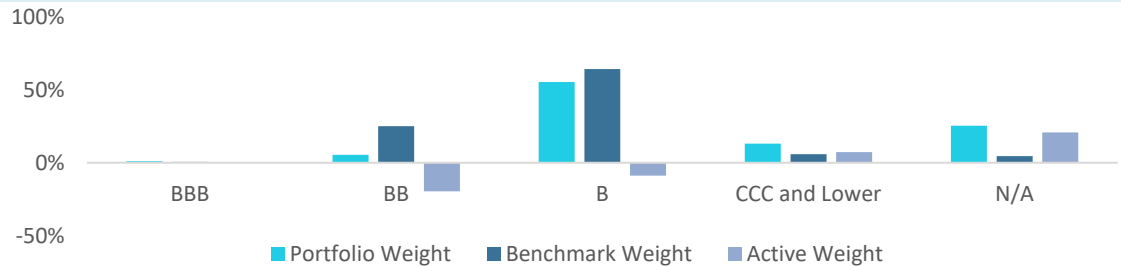
Portfolio Risk Summary

	Value
Total Risk	5.56
Benchmark Risk	4.95
Active Risk	1.35
Portfolio Beta	1.09
Cont. to Eff. Duration	0.74
Yield to Worst (%)	0.47
OAS to Swap (bp)	6.94

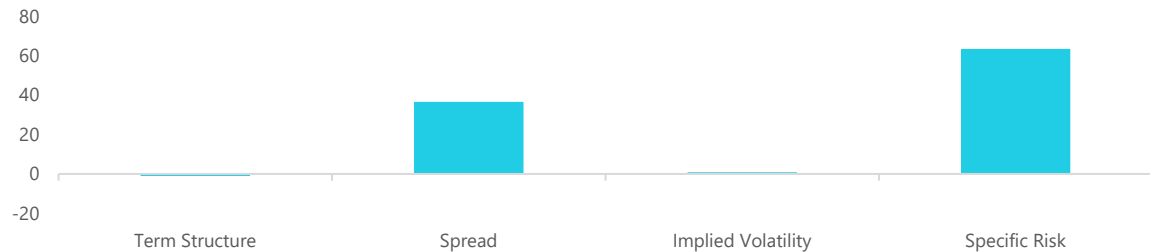
Top Countries by Weight%



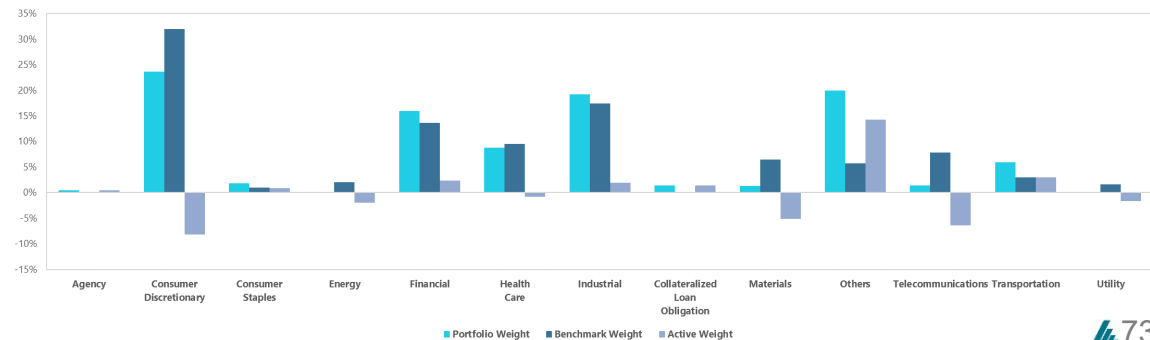
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Emerging Market Debt

Aberdeen Asset Management

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

An emerging market debt strategy that invests in sovereigns, quasi-sovereigns, and corporate bonds denominated in US Dollar or local currencies.

Inception Date: July 2017

Risk Statistics (since inception)

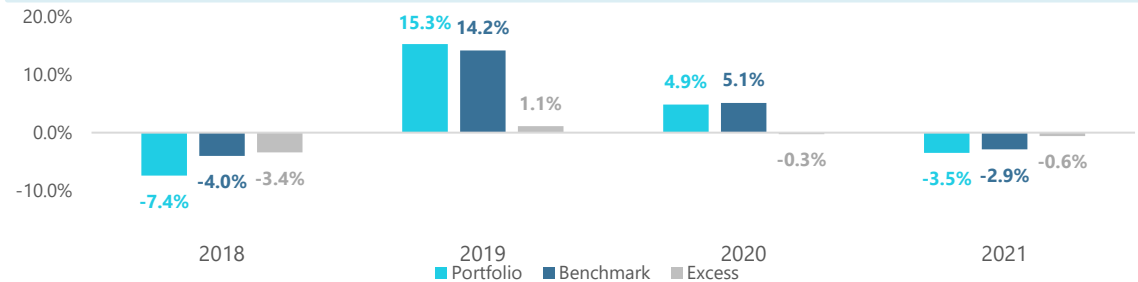
Standard Deviation	10.7%
Benchmark Standard Deviation	8.9%
Sharpe Ratio	-0.02
Information Ratio	-0.34
Beta	1.19
Tracking Error	2.5%

Performance (net)¹

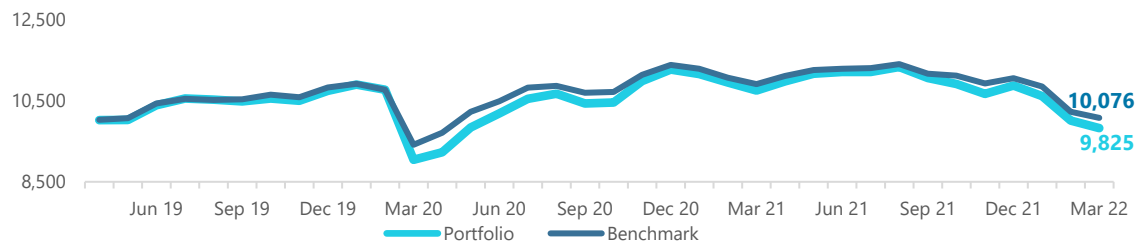
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Aberdeen Asset Management	400.6	-9.6%	-8.6%	-0.6%	--
EMD Custom Benchmark		-8.8%	-7.6%	0.3%	--
Credit Policy Benchmark		-2.7%	0.0%	4.2%	--

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Aberdeen Asset Management	-9.5%	93	-8.3%	97	-0.2%	96	--	--
Median	-3.4%		-2.1%		2.5%		--	

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

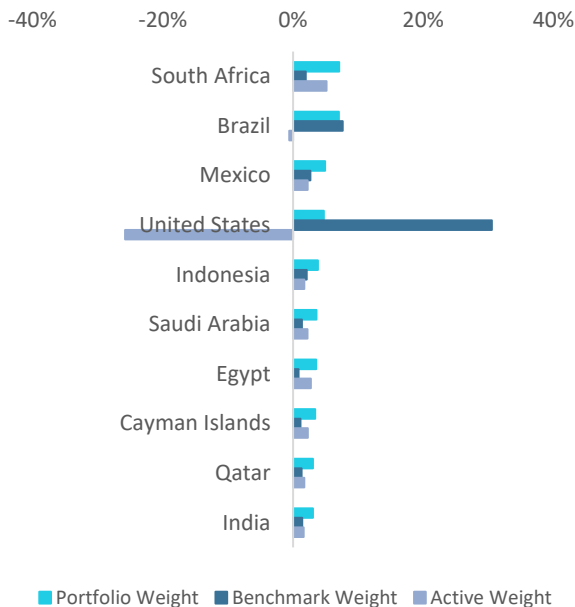
Credit Risk Analysis – Liquid Credit Aberdeen Asset Management

for the quarter ended March 31, 2022

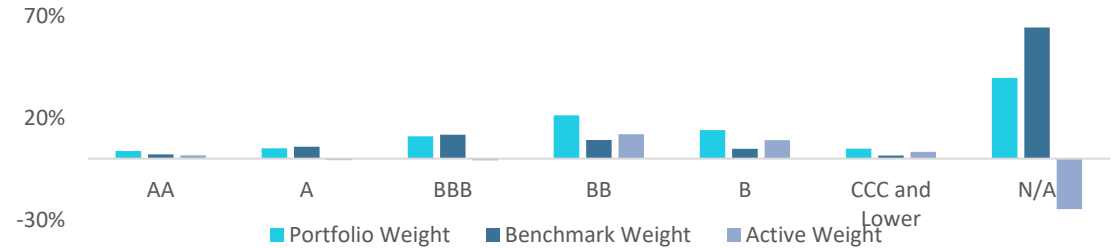
Portfolio Risk Summary

	Value
Total Risk	9.83
Benchmark Risk	11.50
Active Risk	6.20
Portfolio Beta	0.72
Cont. to Eff. Duration	6.31
Yield to Worst (%)	0.76
OAS to Swap (bp)	7.72

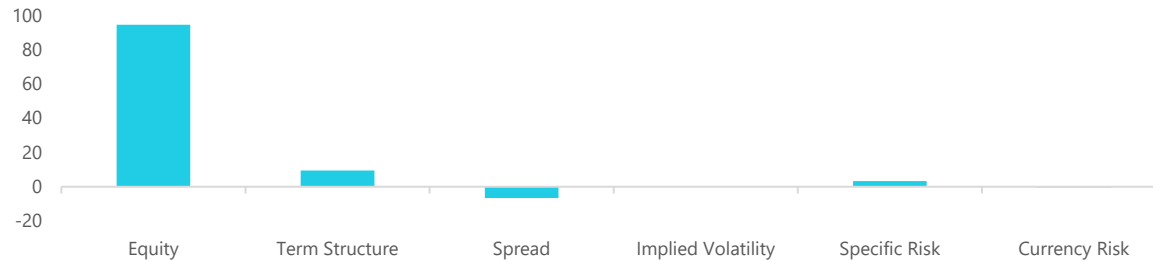
Top Countries by Weight%



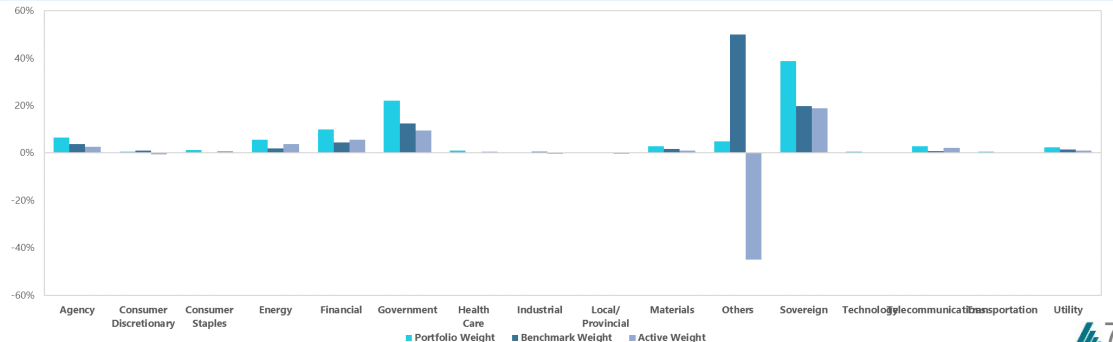
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Emerging Market Debt Ashmore

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

A value-driven emerging market debt strategy that applies a macro, top-down approach to build a well-diversified portfolio that adds value through asset rotation, security selection, and currency positioning utilizing a committee driven, systematic risk mitigating process.

Inception Date: June 2017

Risk Statistics (since inception)

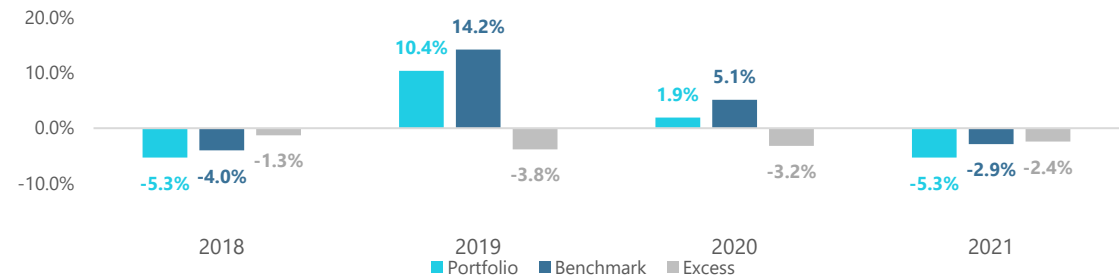
Standard Deviation	12.9%
Benchmark Standard Deviation	8.9%
Sharpe Ratio	-0.07
Information Ratio	-0.40
Beta	1.42
Tracking Error	4.6%

Performance (net)¹

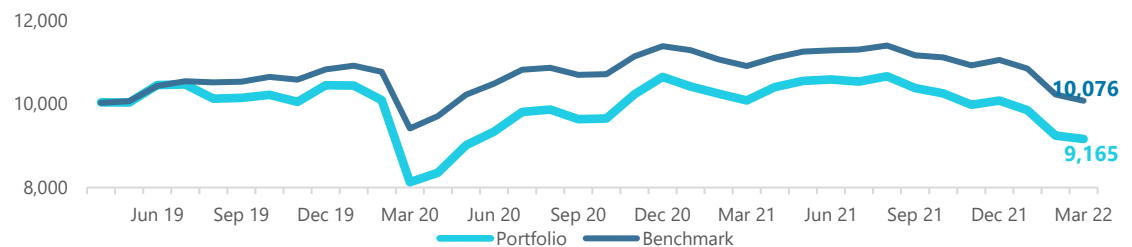
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Ashmore Investment Management	376.5	-9.1%	-9.1%	-2.9%	--
EMD Custom Benchmark		-8.8%	-7.6%	0.3%	--
Credit Policy Benchmark		-2.7%	0.0%	4.2%	--

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Ashmore Investment Management	-9.0%	92	-8.7%	97	-2.3%	97	--	--
Median	-3.4%		-2.1%		2.5%		--	

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

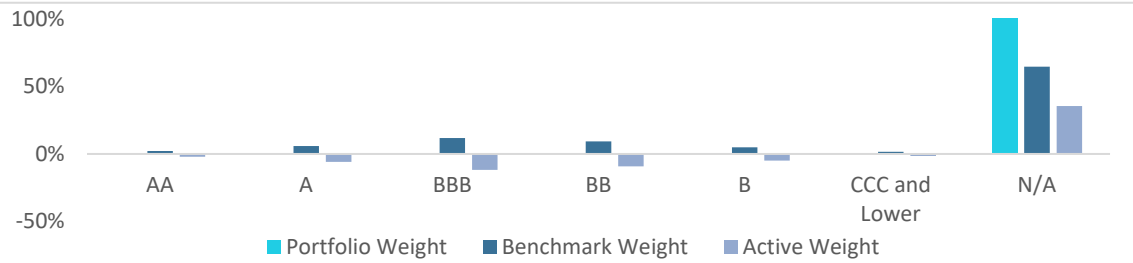
Credit Risk Analysis – Liquid Credit Ashmore

for the quarter ended March 31, 2022

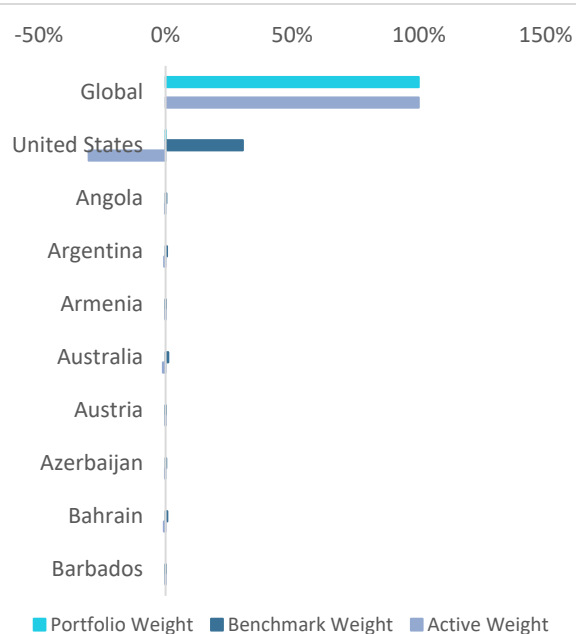
Portfolio Risk Summary

	Value
Total Risk	8.66
Benchmark Risk	11.50
Active Risk	8.29
Portfolio Beta	0.52
Cont. to Eff. Duration	5.14
Yield to Worst (%)	0.14
OAS to Swap (bp)	0.00

Allocation by Moody's Rating



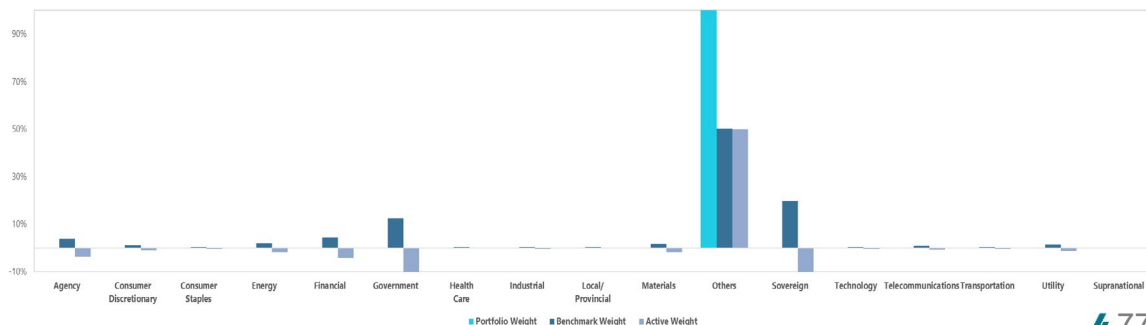
Top Countries by Weight%



Active Risk from Common Factors



Portfolio Risk by Bond Sector

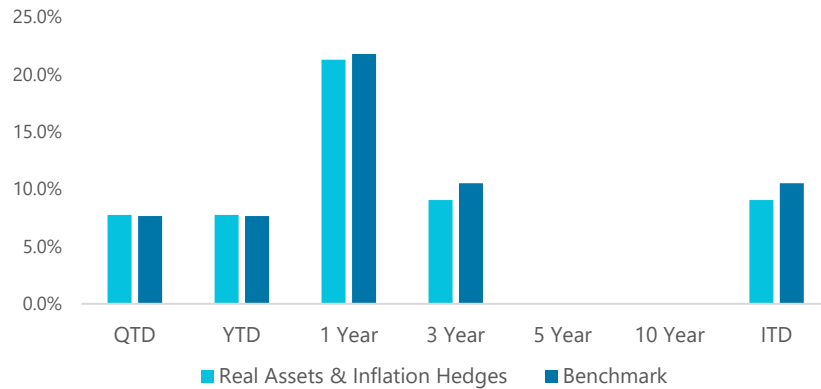


real assets & inflation hedges

Summary

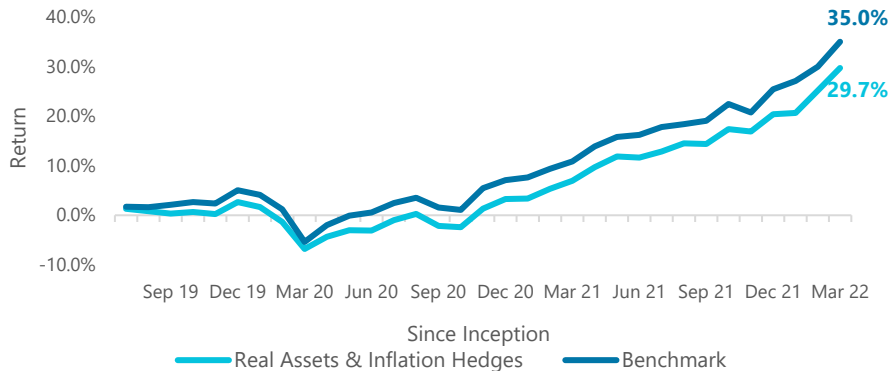
for the quarter ended March 31, 2022

Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Real Assets & Inflation Hedges	7.7%	7.7%	21.3%	9.1%	--	--	9.1%
Benchmark	7.7%	7.7%	21.8%	10.5%	--	--	10.5%
Excess	0.1%	0.1%	-0.5%	-1.5%	--	--	-1.5%

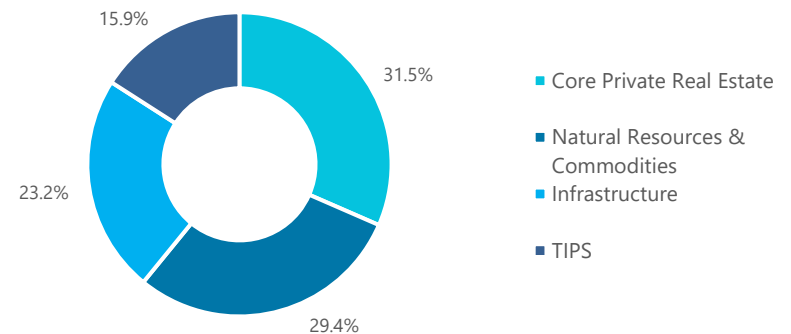
Cumulative Return



Functional Category

	QTD	FYTD	1 Year	3 Year
Core Private Real Estate	6.9%	18.0%	18.6%	6.2%
Core Private RE Policy Benchmark	7.7%	18.9%	21.3%	8.7%
Excess	-0.7%	-0.9%	-2.8%	-2.5%
Natural Resources & Commodities	18.5%	26.2%	38.3%	14.6%
Nat Res & Comm Policy Benchmark	19.5%	28.1%	40.1%	16.4%
Excess	-1.0%	-1.9%	-1.8%	-1.8%
Infrastructure	3.1%	11.4%	19.2%	--
DJ Brookfield Global Infrastr Comp TR	4.6%	10.4%	19.3%	--
Excess	-1.5%	1.0%	-0.1%	--
TIPS	-2.5%	1.5%	5.0%	--
BBG BARC US Tsy TIPS Idx	-3.0%	1.0%	4.3%	--
Excess	0.6%	0.5%	0.7%	--

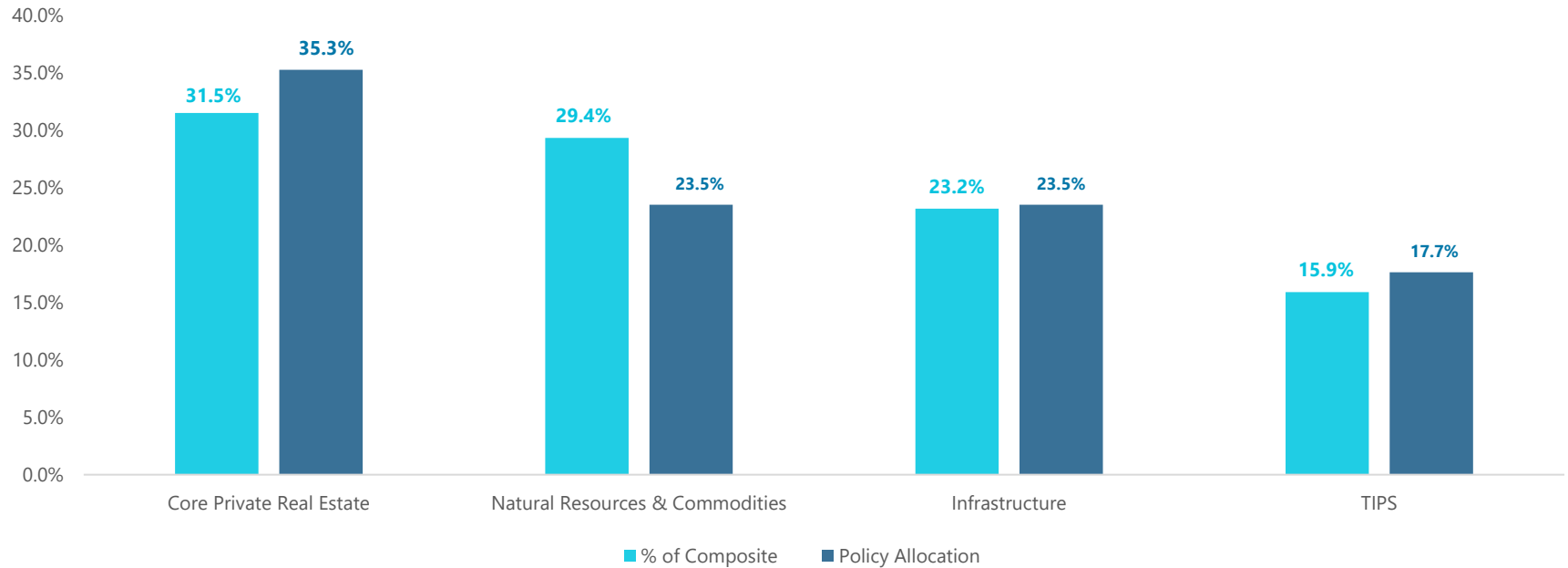
Exposure



Asset Allocation

for the quarter ended March 31, 2022

Actual vs. Policy

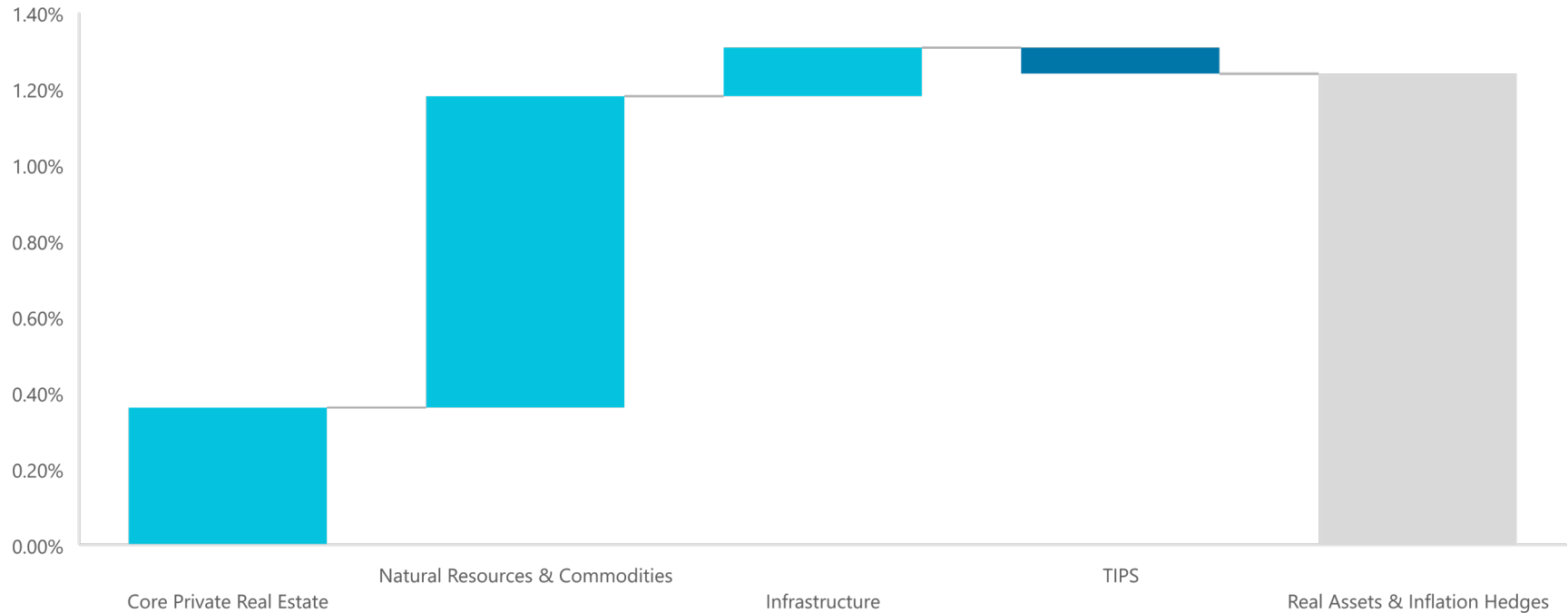


	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Real Assets & Inflation Hedges	12,933	100.0%	100.0%		
Core Private Real Estate	4,079	31.5%	35.3%	-3.8%	-485
Natural Resources & Commodities	3,796	29.4%	23.5%	5.8%	753
Infrastructure	2,999	23.2%	23.5%	-0.3%	-44
TIPS	2,059	15.9%	17.7%	-1.7%	-223

Contribution to Return

for the quarter ended March 31, 2022

QTD Contribution to Return



Functional Category	Contributors	Detractors
Core Private Real Estate	0.36% LACERA RE - Real Assets	0.36% BlackRock TIPS -0.07%
Natural Resources & Commodities	0.82% DWS Natural Resources	0.36% Antin Mid Cap 0.00%
Infrastructure	0.13% Credit Suisse Commodity	0.16% Axiom Infrastructure 0.00%
TIPS	-0.07% PIMCO Commodity Plus	0.15% Grain Spectrum Holdings III 0.00%
Real Assets & Inflation Hedges	1.24% DWS Infrastructure	0.13% TIAA-CREF Global Agriculture II 0.00%

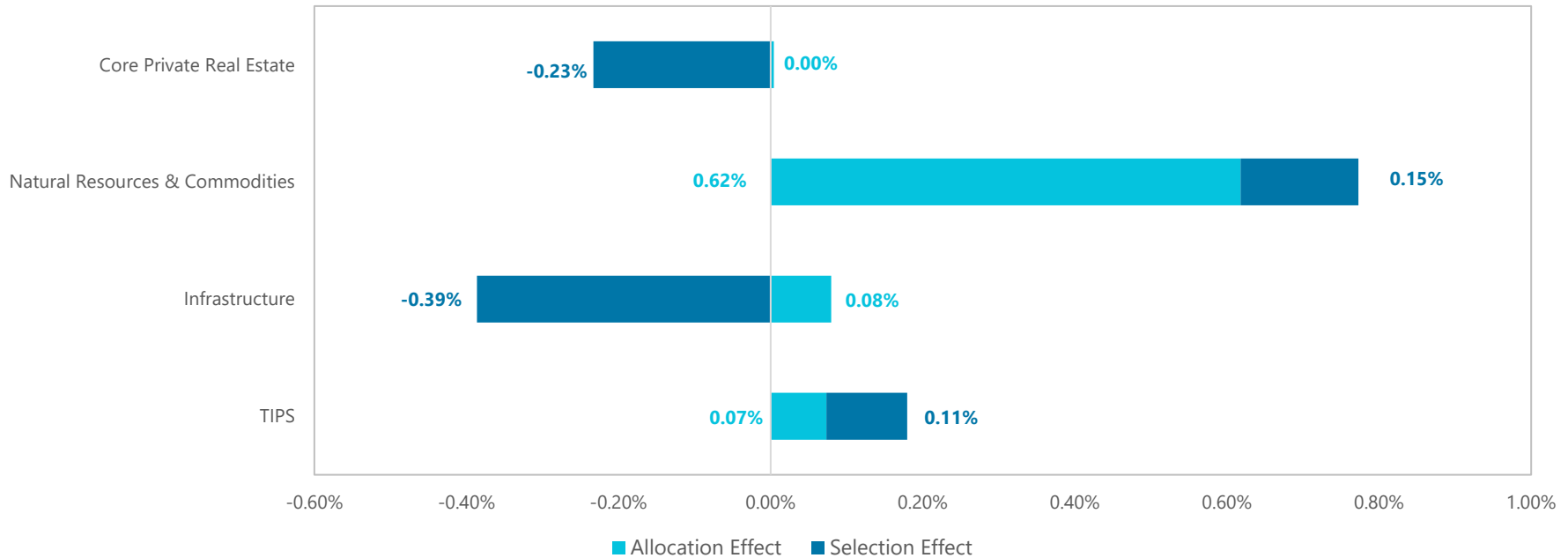
Return Attribution

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

QTD Performance Attribution¹



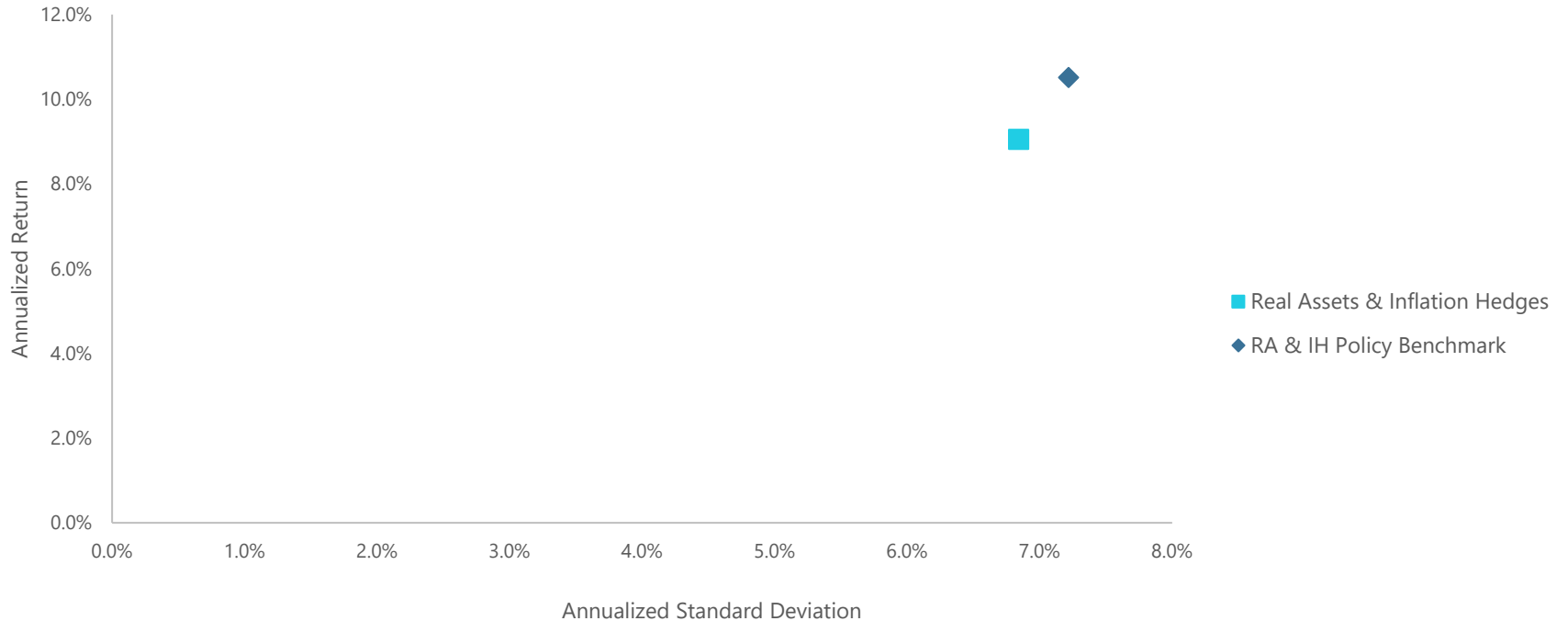
	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
Real Assets & Inflation Hedges	12,933	100.0%	100.0%	7.7%	7.7%	0.78%	-0.36%	0.09%
Core Private Real Estate	4,079	31.5%	35.3%	6.9%	7.7%	0.00%	-0.23%	-0.21%
Natural Resources & Commodities	3,796	29.4%	23.5%	18.5%	19.5%	0.62%	0.15%	0.34%
Infrastructure	2,999	23.2%	23.5%	3.1%	4.6%	0.08%	-0.39%	-0.21%
TIPS	2,059	15.9%	17.7%	-2.5%	-3.0%	0.07%	0.11%	0.17%

1. Total Value Add includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2022

Since Inception (Annualized)¹



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Real Assets & Inflation Hedges	9.1%	6.8%				
RA & IH Policy Benchmark	10.5%	7.2%	1.21	(0.62)	0.92	2.1%

1. Composite risk statistics are relative to the policy benchmark.

Performance Detail

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Annualized Net Returns¹

	% of Composite	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Real Assets & Inflation Hedges	100.0%	12,933	12,075	7.7%	7.7%	21.3%	9.1%	--	--	9.1%
RA & IH Policy Benchmark				7.7%	7.7%	21.8%	10.5%	--	--	10.5%
Core Private Real Estate	31.5%	4,079	3,969	6.9%	6.9%	18.6%	6.2%	6.8%	8.1%	7.1%
Core Private RE Policy Benchmark				7.7%	7.7%	21.3%	8.7%	8.2%	10.0%	7.0%
Natural Resources & Commodities	29.4%	3,796	3,413	18.5%	18.5%	38.3%	14.6%	8.7%	-0.2%	-0.5%
Nat Res & Comm Policy Benchmark				19.5%	19.5%	40.1%	16.4%	9.2%	-0.6%	-1.4%
Credit Suisse Commodity	4.5%	580	462	25.6%	25.6%	50.2%	17.3%	9.4%	-0.1%	-1.5%
DWS Natural Resources	11.2%	1,455	1,427	20.2%	20.2%	37.1%	--	--	--	21.2%
Neuberger Berman/Gresham	4.3%	562	447	25.8%	25.8%	48.6%	15.3%	9.7%	-0.1%	-0.2%
Orion Mine Finance Fund III	0.7%	88	77	--	--	--	--	--	--	2.5%
Orion Mining Royalty Fund I	0.1%	14	13	--	--	--	--	--	--	11.2%
PIMCO Commodity Plus	4.4%	569	456	24.8%	24.8%	49.7%	16.4%	9.9%	0.8%	-0.1%
LACERA PE - Real Assets	0.6%	81	78	3.2%	3.2%	14.1%	-10.8%	--	--	-12.5%
TIAA-CREF Global Agriculture I	1.4%	183	188	--	--	--	--	--	--	0.0%
TIAA-CREF Global Agriculture II	2.0%	265	265	--	--	--	--	--	--	--
Infrastructure	23.2%	2,999	2,582	3.1%	3.1%	19.2%	--	--	--	12.4%
DJ Brookfield Global Infrastr Comp TR				4.6%	4.6%	19.3%	--	--	--	8.9%
Antin Mid Cap	0.1%	12	14	-16.2%	-16.2%	--	--	--	--	-16.0%
Axiom Infrastructure	0.1%	14	0	-2.6%	-2.6%	--	--	--	--	-2.6%
Axiom Infrastructure Canada	0.0%	0	0	-100.0%	-100.0%	--	--	--	--	-100.0%
DIF Infrastructure VI	0.5%	65	53	-0.1%	-0.1%	63.4%	--	--	--	26.1%
DWS Infrastructure	21.2%	2,742	2,403	3.6%	3.6%	20.3%	--	--	--	12.9%
Grain Communications Opportunity III	0.2%	29	23	--	--	-100.0%	--	--	--	-100.0%
Grain Spectrum Holdings III	0.4%	47	47	-0.2%	-0.2%	-0.6%	--	--	--	-1.3%
Pan-European Infrastructure Fund III	0.3%	44	41	5.7%	5.7%	15.0%	--	--	--	3.7%
Partners Grp Direct Infra 2020	0.3%	45	0	--	--	--	--	--	--	--
TIPS										
Blackrock TIPS	15.9%	2,059	2,111	-2.5%	-2.5%	5.0%	--	--	--	6.4%
Bloomberg U.S. Treasury: U.S. TIPS				-3.0%	-3.0%	4.3%	--	--	--	6.3%

1. Private natural resources and infrastructure funds reflect early-stage life cycle performance.

Real Assets & Inflation Hedges

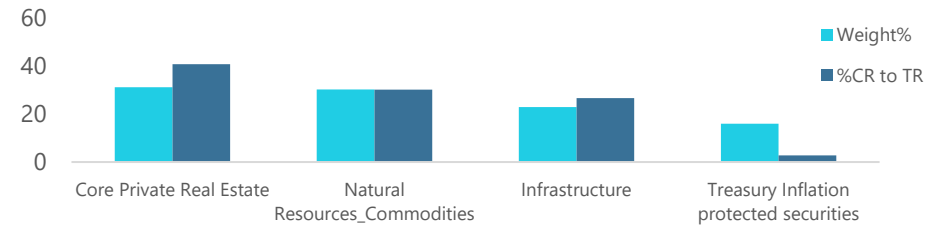
Risk Summary

for the quarter ended March 31, 2022

Risk Summary

	Value
Total Risk	12.12
Benchmark Risk	12.69
Active Risk	1.86
Portfolio Beta	0.95

Contribution to Risk

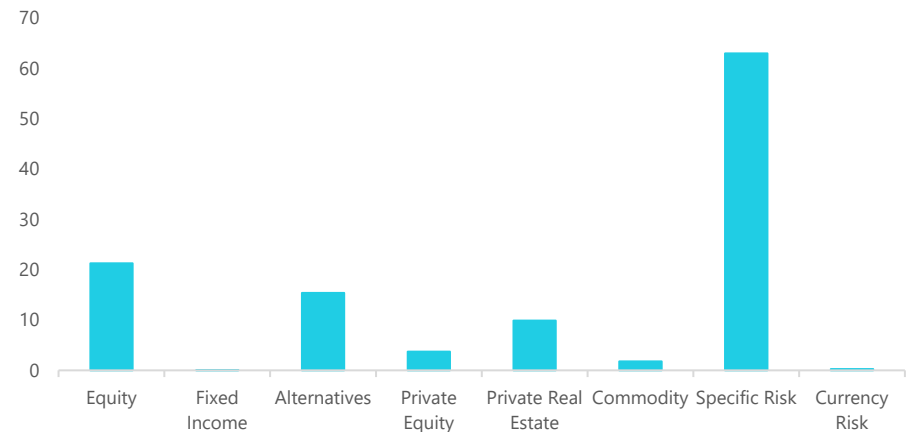


	Mkt Value (mm)	Weight%	Total Risk	Risk Contribution	%CR to TR
Real Assets & Inflation Hedges	12,918	100.00	12.12	12.12	100.00
Core Private Real Estate	4,014	31.07	18.75	4.92	40.62
Natural Resources Commodities	3,893	30.14	14.64	3.65	30.09
Infrastructure	2,951	22.84	15.76	3.22	26.54
Treasury Inflation protected securities	2,060	15.95	5.30	0.33	2.75

Risk Decomposition

Risk Source	Portfolio		Active	
	Risk Contribution	%Risk	Risk Contribution	%Risk
Total Risk	12.2	100.00	1.86	100.00
Local Market Risk	11.47	94.61	1.85	99.75
Common Factor Risk	11.38	93.91	0.68	36.75
Specific Risk	0.09	0.70	1.17	63.00
Currency Risk	0.65	5.39	0.00	0.25

Active Risk from Common Factors

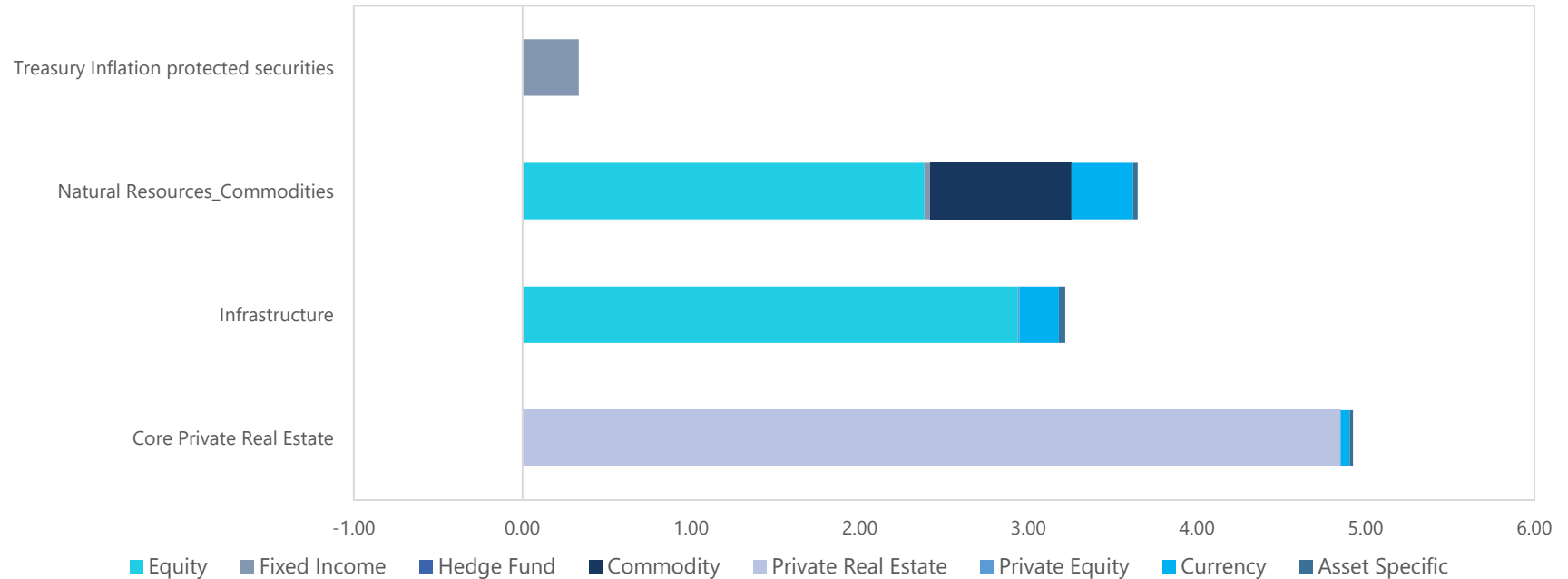


Real Assets & Inflation Hedges

Risk Summary

for the quarter ended March 31, 2022

Portfolio Allocation By Sector

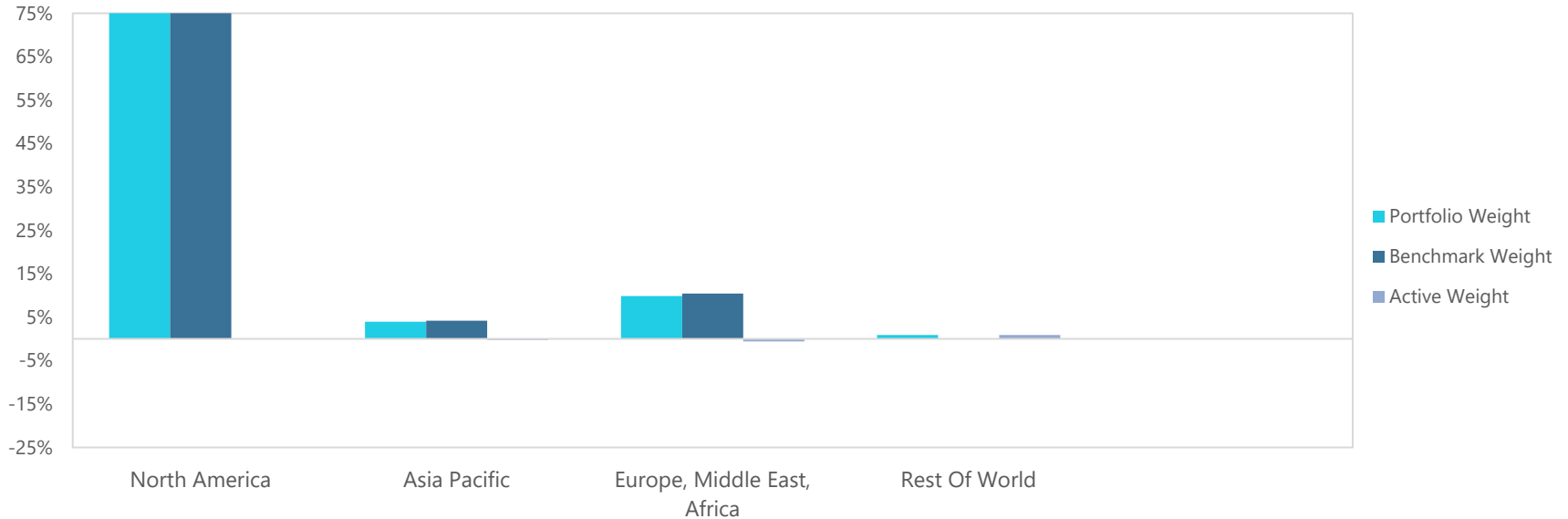


Functional Category	Port Risk Contribution	Equity	Fixed Income	Hedge Fund	Commodity	Private Real Estate	Private Equity	Currency	Asset Specific
Total Fund	12.12	5.32	0.37	0.00	0.84	4.85	0.01	0.65	0.09
Core Private Real Estate	4.92	0.00	0.00	0.00	0.00	4.85	0.00	0.05	0.02
Infrastructure	3.22	2.94	0.00	0.00	0.00	0.00	0.01	0.23	0.04
Natural Resources_Commodities	3.65	2.38	0.03	0.00	0.84	0.00	0.00	0.37	0.03
Treasury Inflation protected securities	0.33	0.00	0.33	0.00	0.00	0.00	0.00	0.00	0.00

Real Assets & Inflation Hedges Risk Summary

for the quarter ended March 31, 2022

Portfolio Allocation By Region



Region	Weight%			Total Risk	Active Risk CR	% of Active TR	MC to Total Tracking Error
	Portfolio	Benchmark	Active				
Total Fund	100.00%	100.00%	0.00%	12.12	1.86	100.00	0.02
North America	85.27%	85.34%	-0.07%	11.57	1.64	88.42	0.00
Asia Pacific	3.97%	4.21%	-0.23%	15.92	0.03	1.58	0.03
Europe, Middle East, Africa	9.87%	10.45%	-0.58%	22.43	0.15	7.84	0.02
Rest Of World	0.89%	0.00%	0.89%	7.88	0.04	2.16	0.05

Real Assets & Inflation Hedges

Natural Resources & Commodities

Credit Suisse

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Seeks to provide a hedge against inflation and exposure to commodities markets such as energy, agriculture and timber, and metals and mining.

Inception Date: March 2011

Risk Statistics (since inception)

Standard Deviation	15.5%
Benchmark Standard Deviation	15.8%
Sharpe Ratio	0.65
Information Ratio	0.74
Beta	0.98
Tracking Error	0.9%

Top Holdings (% of assets)

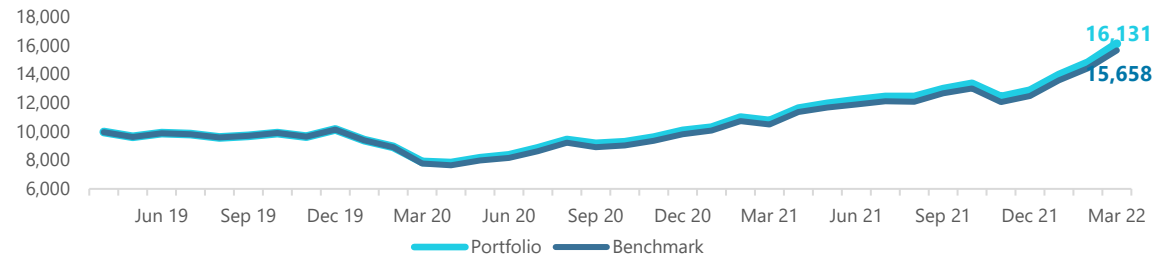
GOLD 100 OZ FUTR JUN22	13.4%
US TREASURY FRN	11.2%
NATURAL GAS FUTR MAY22	10.0%
US TREASURY FRN	9.7%
US TREASURY FRN	9.6%
Top 5 Holdings	53.8%

Performance (net)¹

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Credit Suisse Commodity	579.8	25.6%	50.2%	17.3%	9.4%
Bloomberg Commodity Index Total Return		25.5%	49.3%	16.1%	9.0%
RA & IH Policy Benchmark		7.7%	21.8%	10.5%	--

Universe data: Commodity Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Credit Suisse Commodity	25.7%	9	50.6%	34	17.6%	31	9.7%	47
Median	4.7%		25.4%		14.3%		8.8%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Real Assets & Inflation Hedges Risk Analysis

Natural Resources & Commodities

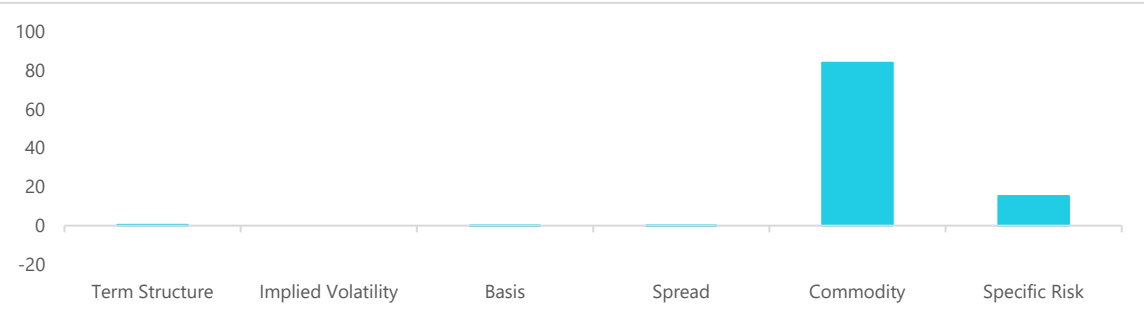
Credit Suisse

for the quarter ended March 31, 2022

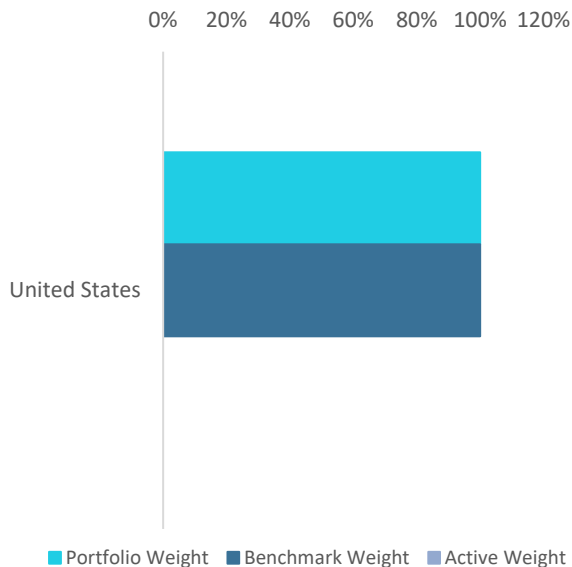
Portfolio Risk Summary

	Value
Total Risk	18.90
Benchmark Risk	18.69
Active Risk	3.92
Portfolio Beta	0.99

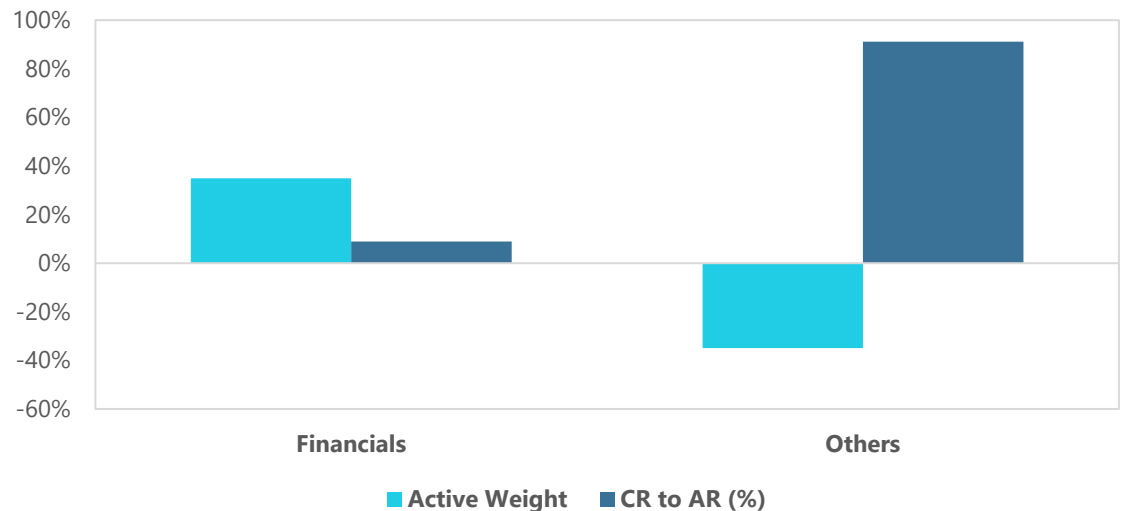
Active Risk from Common Factors



Top Countries by Weight%



Portfolio Risk by Sector



Real Assets & Inflation Hedges

Natural Resources & Commodities

DWS

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Seeks to provide capital appreciation and a hedge to inflation. A diversified approach within infrastructure to gain exposure to infrastructure related to telecommunication, transportation, utilities, waste and energy.

Inception Date: June 2019

Risk Statistics (since inception)

Standard Deviation	23.5%
Benchmark Standard Deviation	23.8%
Sharpe Ratio	0.91
Information Ratio	-0.17
Beta	0.97
Tracking Error	4.5%

Top Holdings (% of assets)

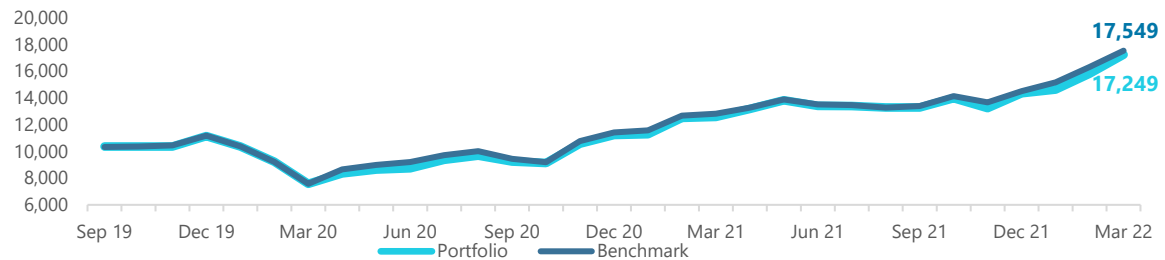
NUTRIEN LTD	12.4%
CORTEVA INC	6.5%
VALE SA SP ADR	5.5%
SHELL PLC	5.1%
CONOCOPHILLIPS	4.7%
Top 5 Holdings	34.2%

Performance (net)¹

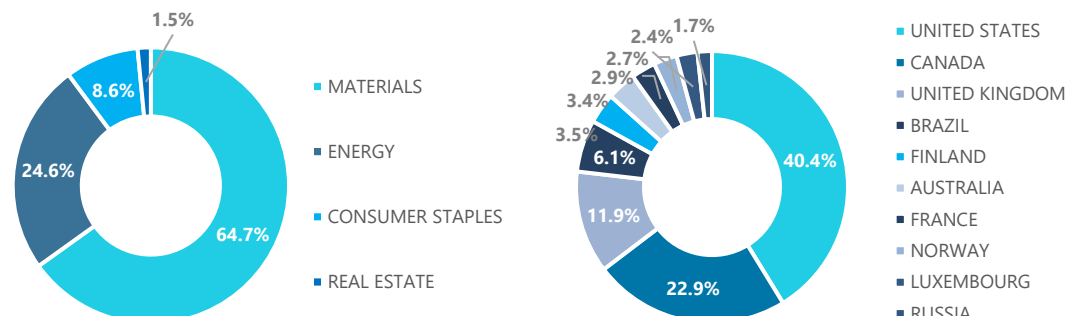
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
DWS Natural Resources	1,454.8	20.2%	37.1%	--	--
S&P Glb LargeMidCap Commod & Resources		20.9%	36.9%	--	--
RA & IH Policy Benchmark		7.7%	21.8%	10.5%	--

Universe data: Commodity Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
DWS Natural Resources	20.2%	16	37.4%	38	--	--	--	--
Median	4.7%		25.4%		--	--	--	--

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Real Assets & Inflation Hedges Risk Analysis

Natural Resources & Commodities

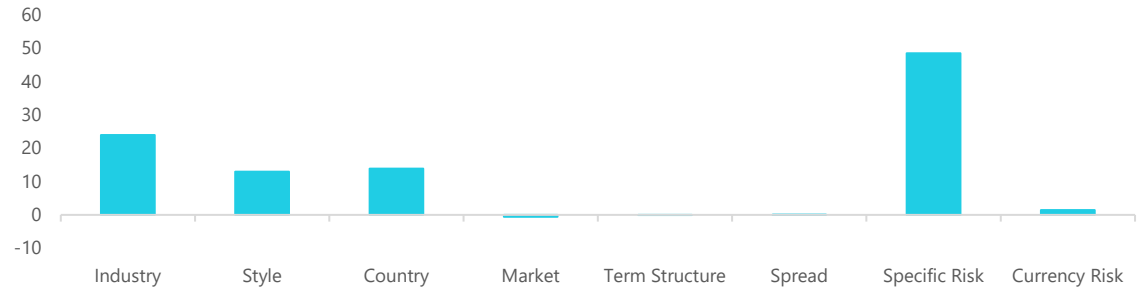
DWS

for the quarter ended March 31, 2022

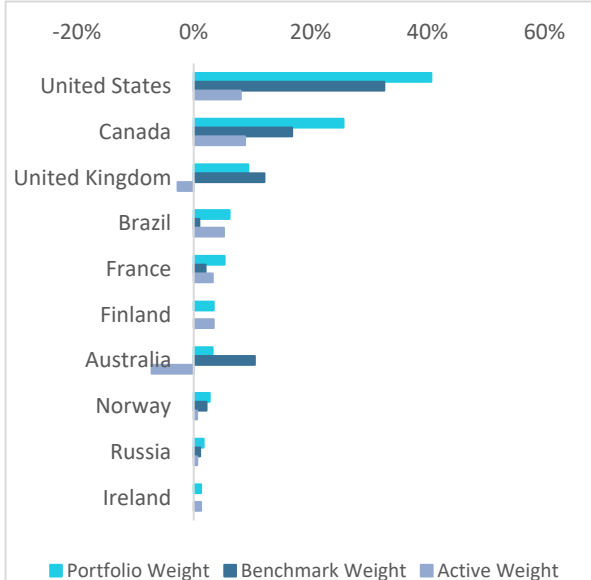
Portfolio Risk Summary

	Value
Total Risk	22.87
Benchmark Risk	22.08
Active Risk	4.94
Portfolio Beta	1.01

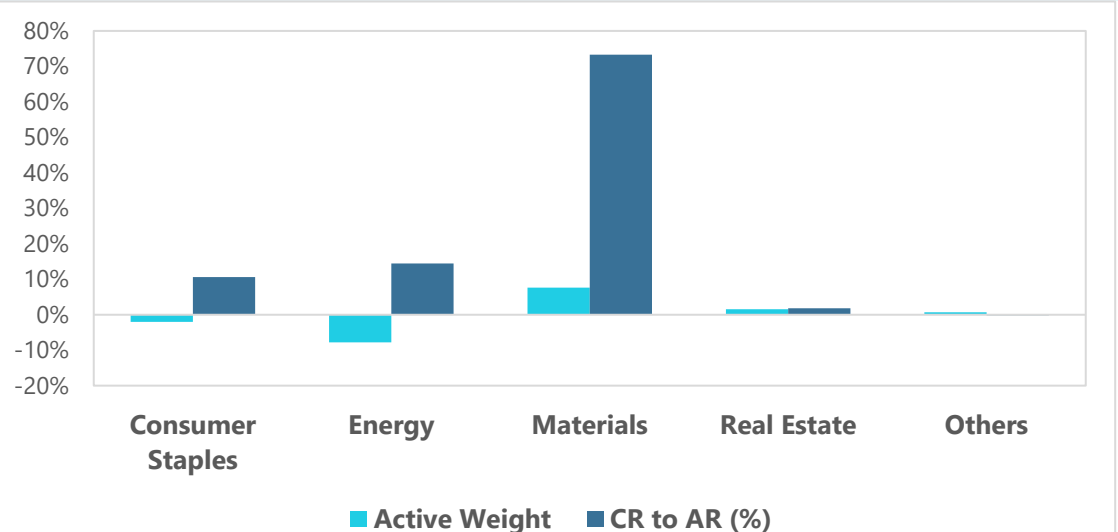
Active Risk from Common Factors



Top Countries by Weight%



Portfolio Risk by Sector



Real Assets & Inflation Hedges

Natural Resources & Commodities

Neuberger Berman / Gresham

for the quarter ended March 31, 2022

Strategy

Seeks to provide a hedge against inflation and exposure to commodities markets such as energy, agriculture and timber, and metals and mining. The collateral portfolio provides income with conservative fixed income exposure.

Inception Date: July 2007

Risk Statistics (since inception)

Standard Deviation	18.4%
Benchmark Standard Deviation	17.0%
Sharpe Ratio	0.04
Information Ratio	0.14
Beta	1.04
Tracking Error	5.0%

Top Holdings (% of assets)

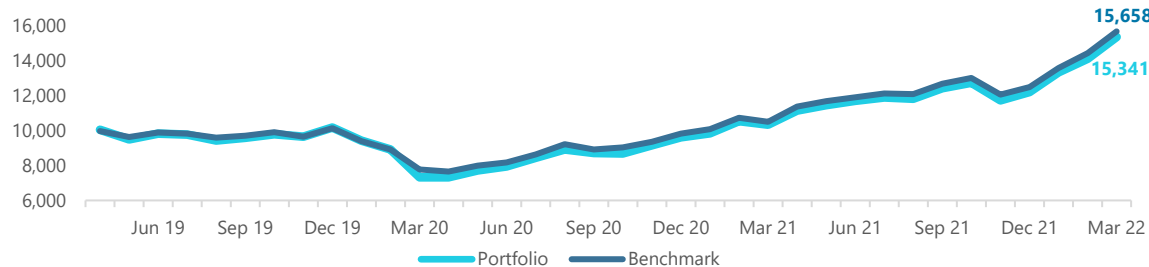
GOLD 100 OZ FUTR JUN22	10.7%
TREASURY BILL	10.5%
NATURAL GAS FUTR MAY22	8.7%
BRENT CRUDE FUTR JUL22	6.9%
WTI CRUDE FUTURE MAY22	5.5%
Top 5 Holdings	42.5%

Performance (net)¹

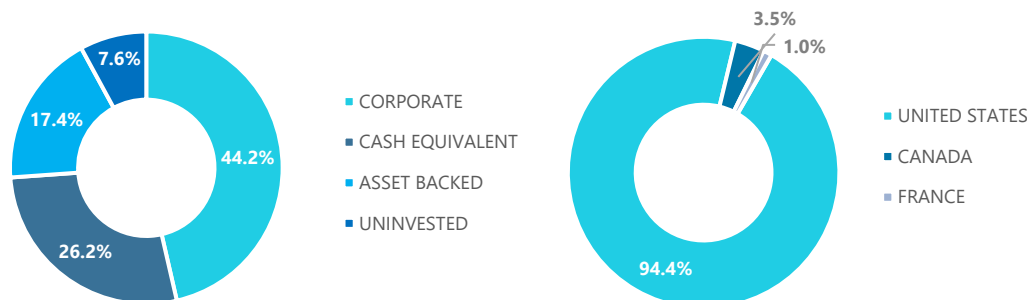
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
NEUBERGER BERMAN/GRESHAM	562.1	25.8%	48.6%	15.3%	9.7%
Bloomberg Commodity Index Total Return		25.5%	49.3%	16.1%	9.0%
RA & IH Policy Benchmark		7.7%	21.8%	10.5%	--

Universe data: Commodities Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
NEUBERGER BERMAN/GRESHAM	25.9%	9	49.1%	35	15.8%	40	10.1%	46
Median	4.7%		25.4%		14.3%		8.8%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
 2. Charts display top exposures only and may not add up to 100%.

Real Assets & Inflation Hedges Risk Analysis

Natural Resources & Commodities

Neuberger Berman / Gresham

for the quarter ended March 31, 2022

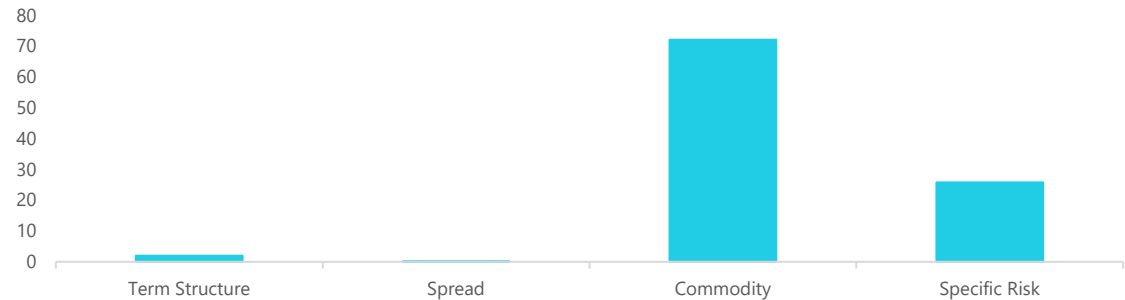


Los Angeles County Employees Retirement Association

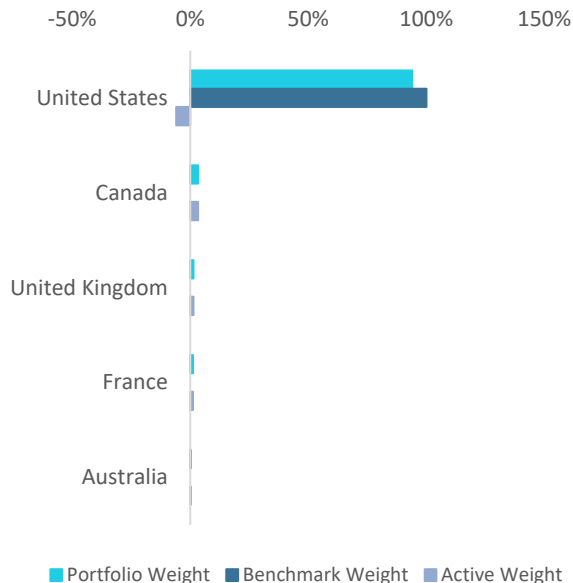
Portfolio Risk Summary

	Value
Total Risk	18.46
Benchmark Risk	18.94
Active Risk	2.97
Portfolio Beta	0.96

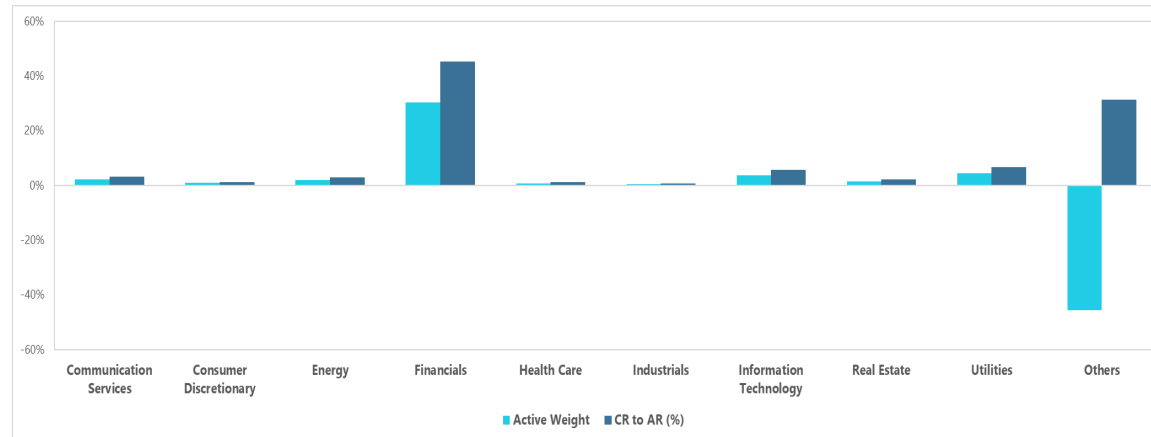
Active Risk from Common Factors



Top Countries by Weight%



Portfolio Risk by Sector



Real Assets & Inflation Hedges

Natural Resources & Commodities

PIMCO

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Seeks to provide a hedge against inflation and exposure to commodities markets such as energy, agriculture and timber, and metals and mining. The collateral portfolio provides income with conservative fixed income exposure.

Inception Date: July 2007

Risk Statistics (since inception)

Standard Deviation	18.1%
Benchmark Standard Deviation	17.0%
Sharpe Ratio	0.04
Information Ratio	0.50
Beta	1.05
Tracking Error	2.5%

Top Holdings (% of assets)

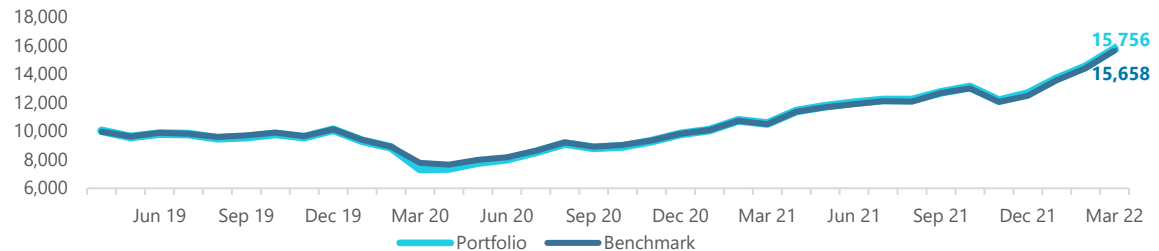
DEUTSCHE BANK REPO	37.7%
J P MORGAN TERM REPO	34.8%
PIMCO FDS SHORT TERM FLTG NAV MUTUAL FUND	34.8%
SWUOSY268 TRS USD R E	13.6%
SWUOSY516 TRS USD R E	11.8%
Top 5 Holdings	132.7%

Performance (net)¹

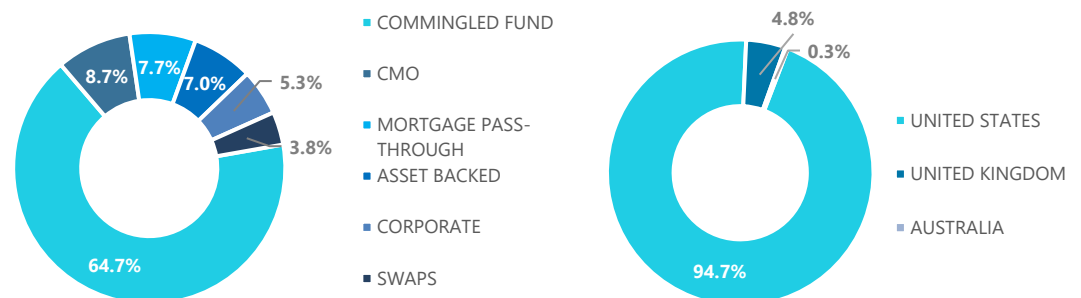
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
PIMCO Commodity Plus	569.0	24.8%	49.7%	16.4%	9.9%
Bloomberg Commodity Index Total Return		25.5%	49.3%	16.1%	9.0%
RA & IH Policy Benchmark		7.7%	21.8%	10.5%	--

Universe data: Commodity Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
PIMCO Commodity Plus	24.8%	10	50.1%	35	16.8%	37	10.3%	45
Median	4.7%		25.4%		14.3%		8.8%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Real Assets & Inflation Hedges Risk Analysis

Natural Resources & Commodities

PIMCO



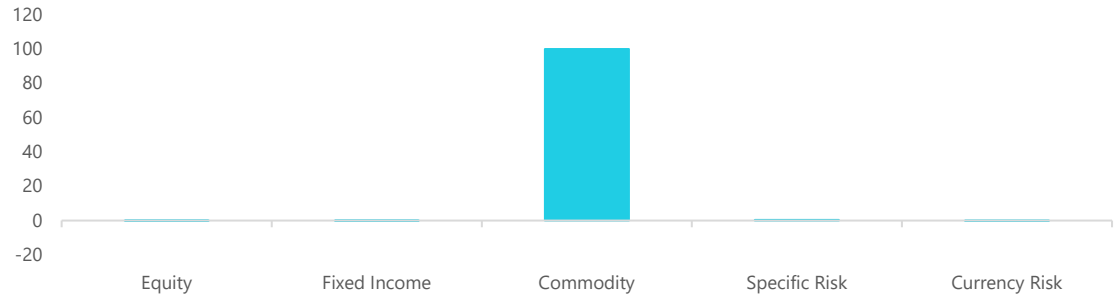
Los Angeles County Employees Retirement Association

for the quarter ended March 31, 2022

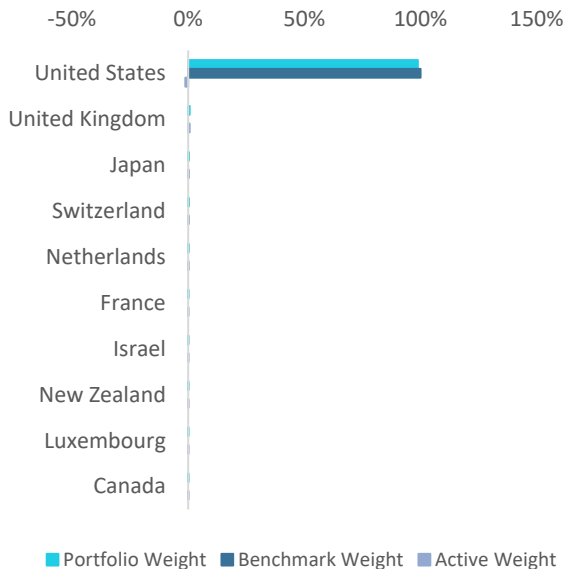
Portfolio Risk Summary

	Value
Total Risk	0.61
Benchmark Risk	18.69
Active Risk	18.87
Portfolio Beta	-0.01

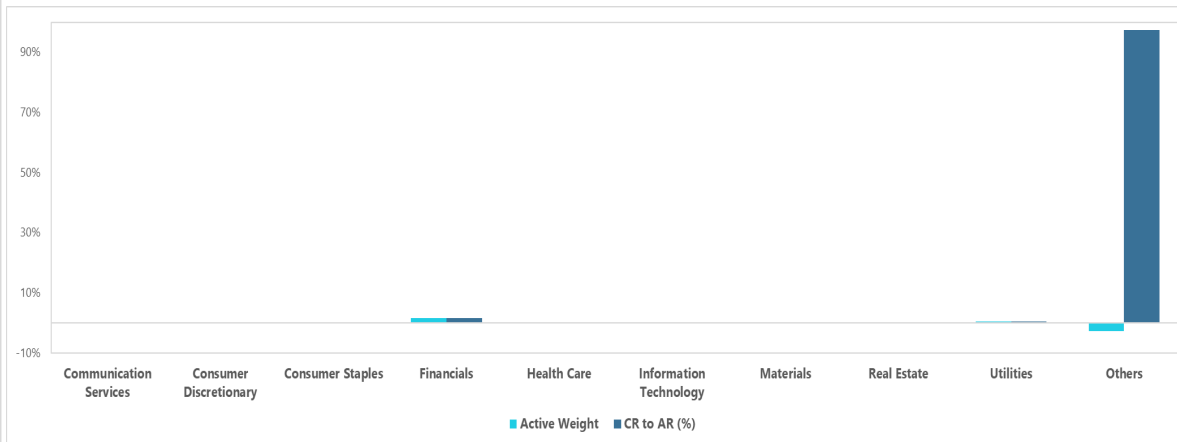
Active Risk from Common Factors



Top Countries by Weight%



Portfolio Risk by Sector



Real Assets & Inflation Hedges

Infrastructure

DWS

for the quarter ended March 31, 2022

Strategy

Seeks to provide capital appreciation and income with global infrastructure securities. The strategy takes a diversified approach within infrastructure to gain exposure to infrastructure related to telecommunication, transportation, utilities, waste and energy.

Inception Date: June 2019

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	44,868.8	44,837.9
No. Of Issues	47.0	0.0
Dividend Yield	2.1	3.0
Return on Equity	15.3	14.0
Price to Sales	6.7	6.0
Price to Book	3.4	4.1
PE Ratio	44.3	33.7

Top Holdings (% of assets)

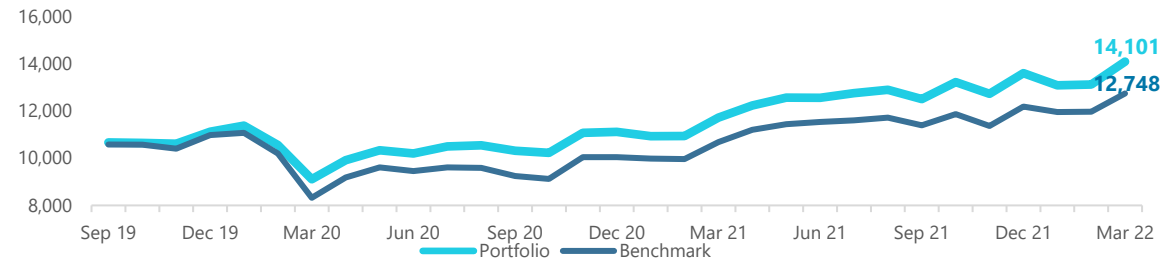
CROWN CASTLE INTL CORP	7.7%
SEMPRA ENERGY	6.1%
SBA COMMUNICATIONS CORP	5.1%
NATIONAL GRID PLC	4.8%
CHENIERE ENERGY INC	4.4%
Top 5 Holdings	28.1%

Performance (net)¹

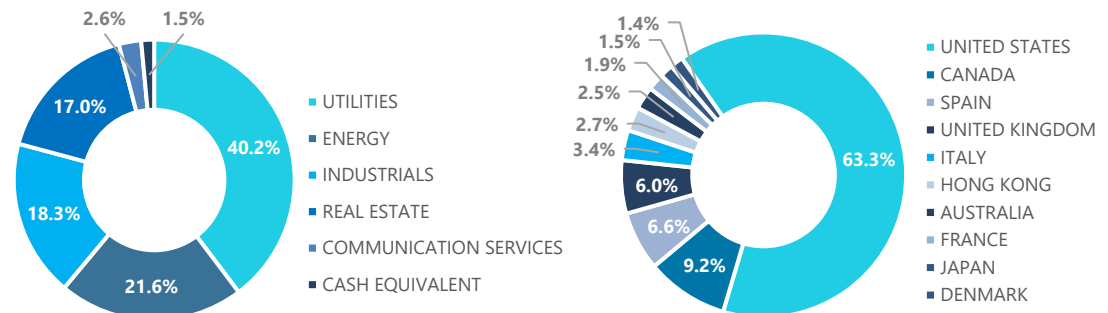
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
DWS Infrastructure	2,741.9	3.6%	20.3%	--	--
DJ Brookfield Global Infrastr Comp TR		4.6%	19.3%	--	--
RA & IH Policy Benchmark		7.7%	21.8%	10.5%	--

Universe data: Infrastructure	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
DWS Infrastructure	3.6%	--	20.5%	--	--	--	--	--
Median	--	--	--	--	--	--	--	--

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data for infrastructure is unavailable.
 2. Charts display top exposures only and may not add up to 100%.

Real Assets & Inflation Hedges Risk Analysis

Infrastructure

DWS

for the quarter ended March 31, 2022

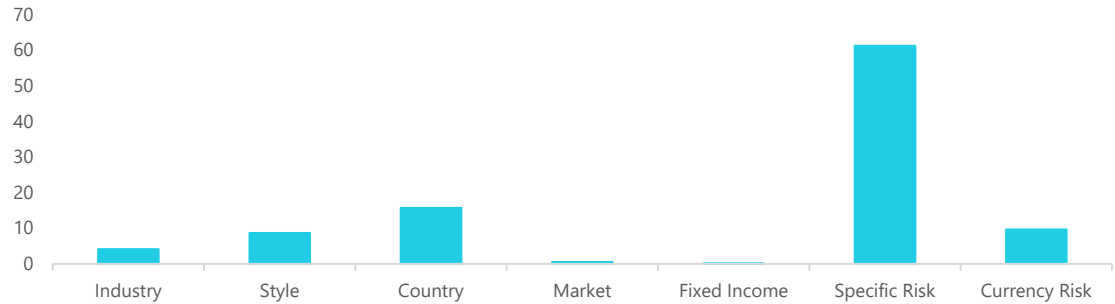


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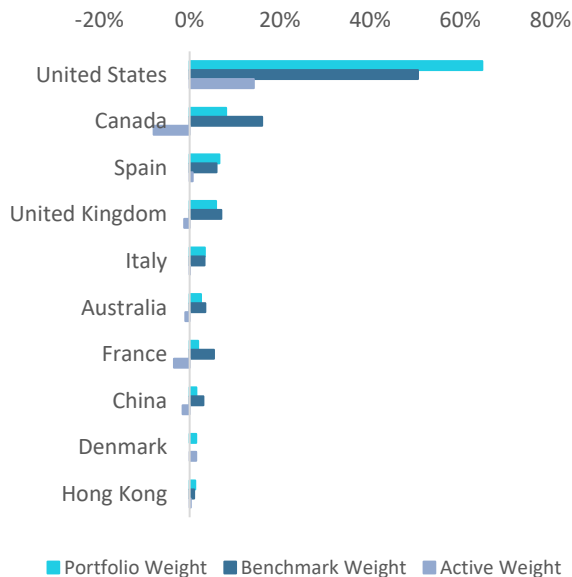
Portfolio Risk Summary

	Value
Total Risk	15.78
Benchmark Risk	16.21
Active Risk	2.54
Portfolio Beta	0.96

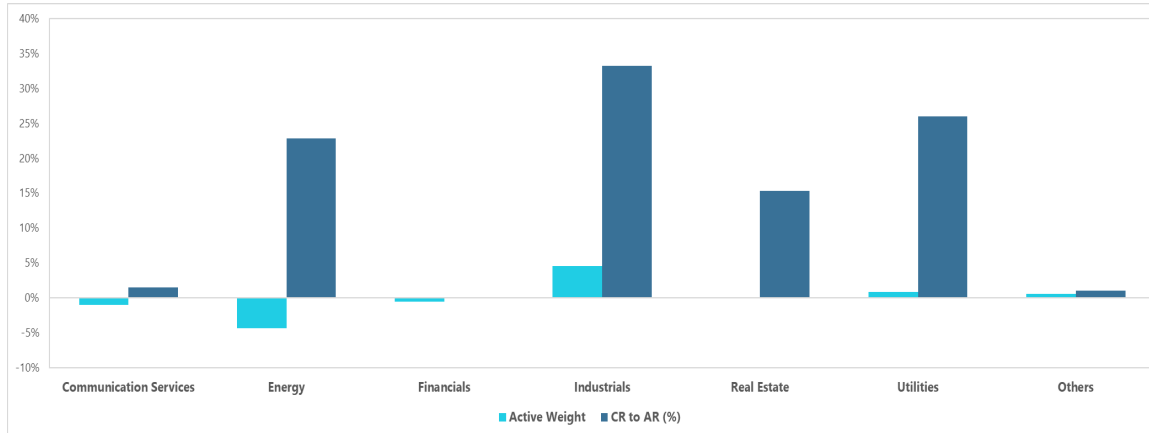
Active Risk from Common Factors



Top Countries by Weight%



Portfolio Risk by Sector



Real Assets & Inflation Hedges

TIPS

BlackRock

for the quarter ended March 31, 2022

Strategy

Seeks to provide income and a hedge against inflation with passive TIPS exposure.

Inception Date: May 2019

Risk Statistics (since inception)

Standard Deviation	4.4%
Benchmark Standard Deviation	4.4%
Sharpe Ratio	1.26
Information Ratio	0.19
Beta	0.99
Tracking Error	0.6%

Top Holdings (% of assets)

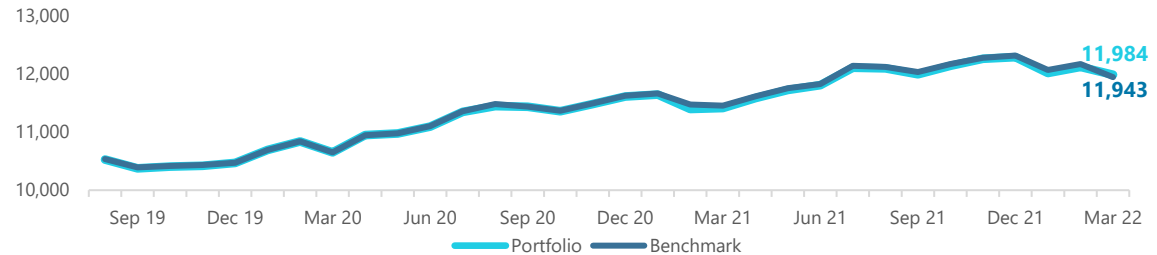
TSY INFL IX N/B	6.6%
TSY INFL IX N/B	4.5%
TSY INFL IX N/B	4.3%
TSY INFL IX N/B	3.9%
TSY INFL IX N/B	3.8%
Top 5 Holdings	23.1%

Performance (net)¹

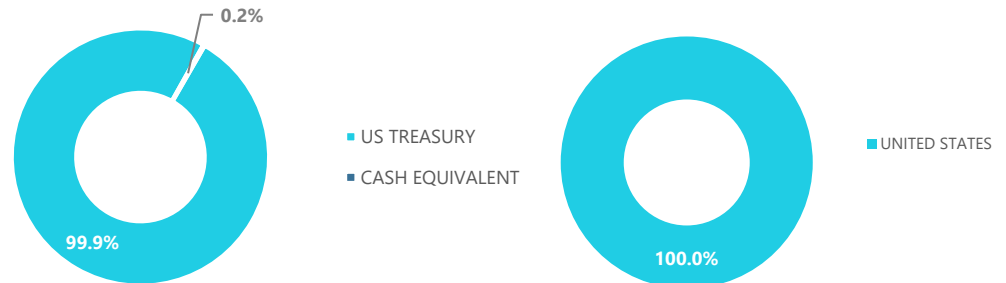
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
BlackRock TIPS	2,059.3	-2.5%	5.0%	--	--
Bloomberg U.S. Treasury: U.S. TIPS		-3.0%	4.3%	--	--
Real Assets & Inflation Hedges Policy BM		7.7%	21.8%	10.5%	--

Universe data: Inflation Linked Bond Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
BlackRock TIPS	-2.5%	--	5.0%	--	--	--	--	--
Median	--		--		--		--	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data for TIPS is unavailable.
 2. Charts display top exposures only and may not add up to 100%.

Real Assets & Inflation Hedges Risk Analysis

TIPS

BlackRock

for the quarter ended March 31, 2022

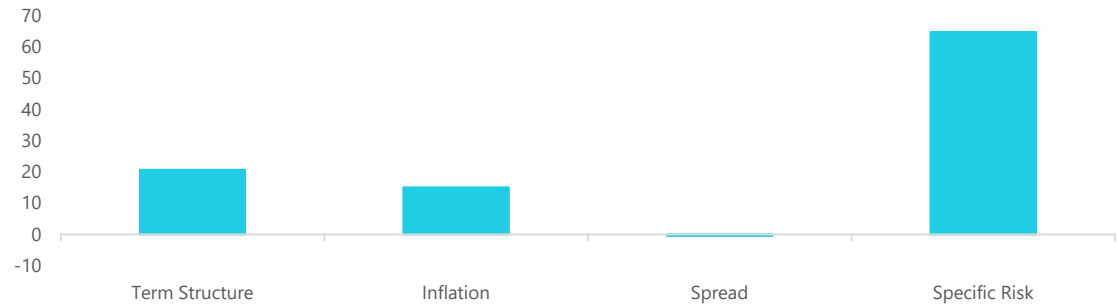


Los Angeles County Employees Retirement Association

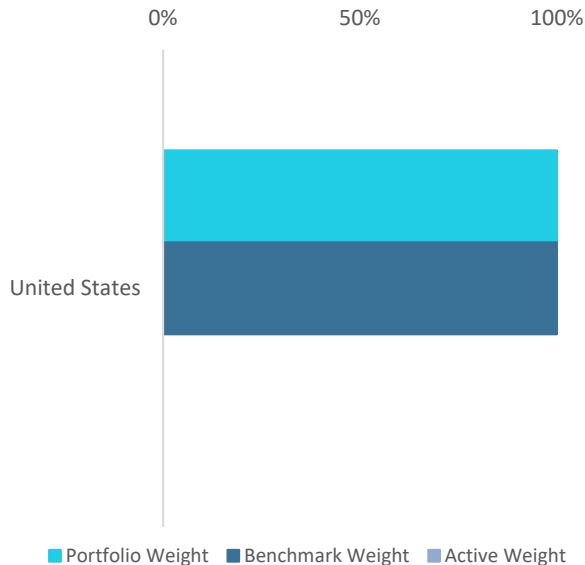
Portfolio Risk Summary

	Value
Total Risk	5.30
Benchmark Risk	5.31
Active Risk	0.04
Portfolio Beta	1.00

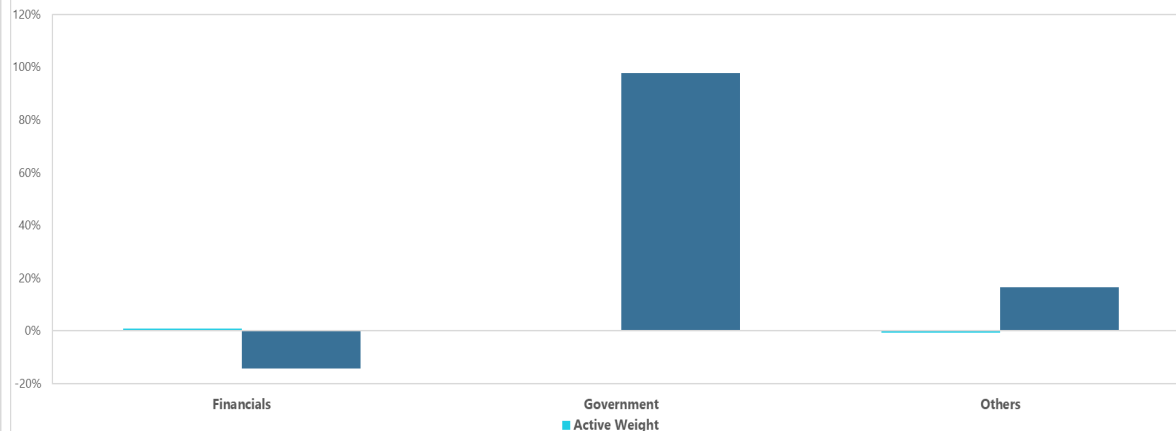
Active Risk from Common Factors



Top Countries by Weight%



Portfolio Risk by Sector

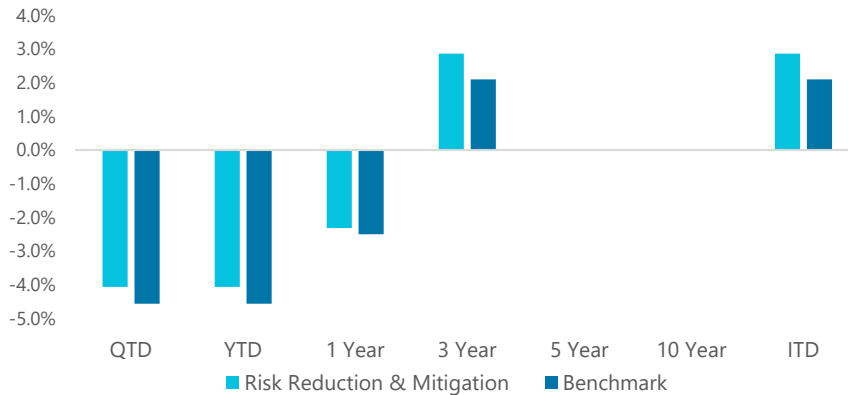


risk reduction & mitigation

Summary

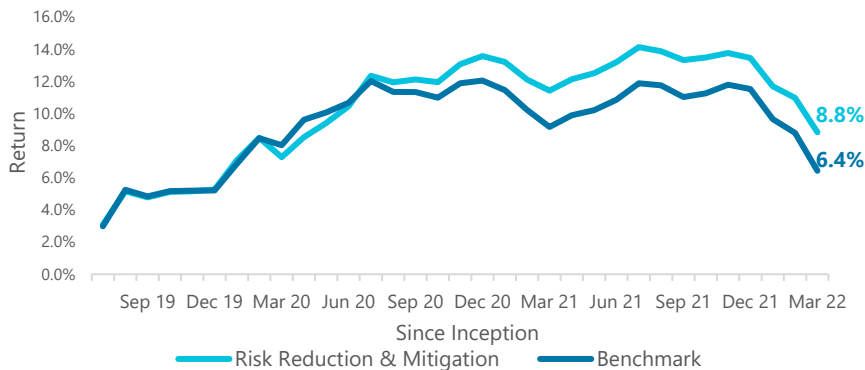
for the quarter ended March 31, 2022

Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Risk Reduction & Mitigation	-4.1%	-4.1%	-2.3%	2.9%	--	--	2.9%
Benchmark	-4.6%	-4.6%	-2.5%	2.1%	--	--	2.1%
Excess	0.5%	0.5%	0.2%	0.8%	--	--	0.8%

Cumulative Return

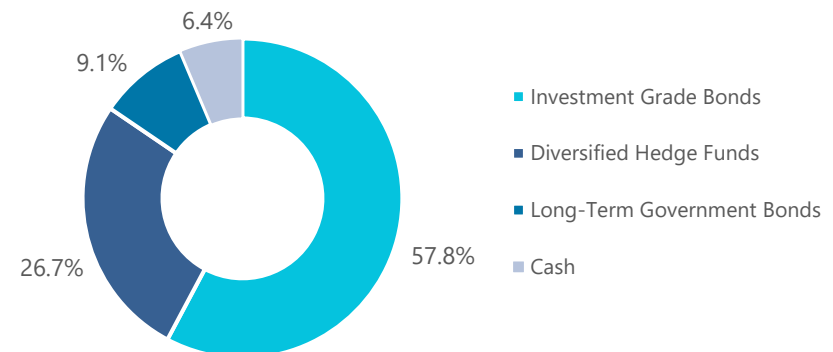


Functional Category¹

	QTD	FYTD	1 Year	3 Year
Investment Grade Bonds	-5.9%	-6.1%	-4.3%	1.9%
BBG BC Aggregate Bond Index	-5.9%	-5.9%	-4.2%	1.7%
Excess	0.0%	-0.2%	-0.2%	0.2%
Diversified Hedge Funds	1.5%	2.5%	3.3%	7.0%
Diversified Hedge Funds Policy Benchmark	0.6%	1.9%	2.5%	3.3%
Excess	0.8%	0.6%	0.7%	3.6%
Long-Term Government Bonds	-10.1%	--	--	--
Bloomberg U.S. Treasury: Long	-10.6%	--	--	--
Excess	0.5%	--	--	--
Cash	0.2%	0.8%	0.9%	1.3%
Cash Policy Benchmark	0.0%	0.0%	0.1%	0.8%
Excess	0.2%	0.8%	0.9%	0.6%

1. Diversified Hedge Funds returns are net of all fees and expenses.

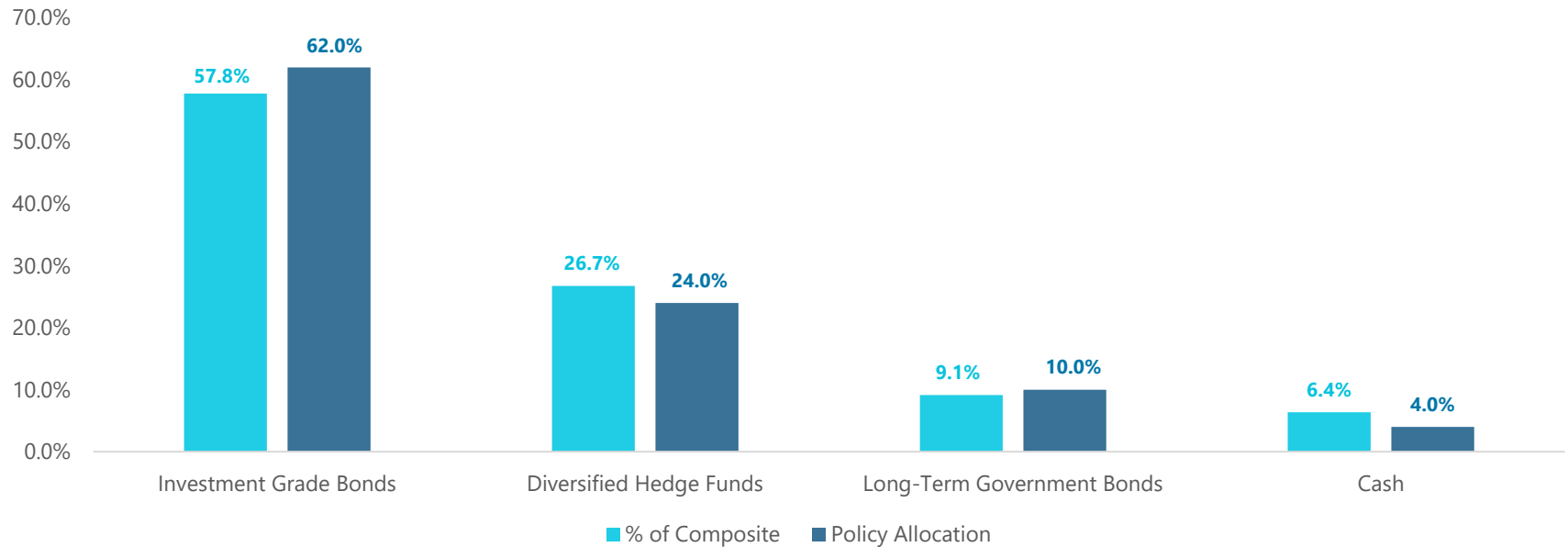
Exposure



Asset Allocation

for the quarter ended March 31, 2022

Actual vs. Policy

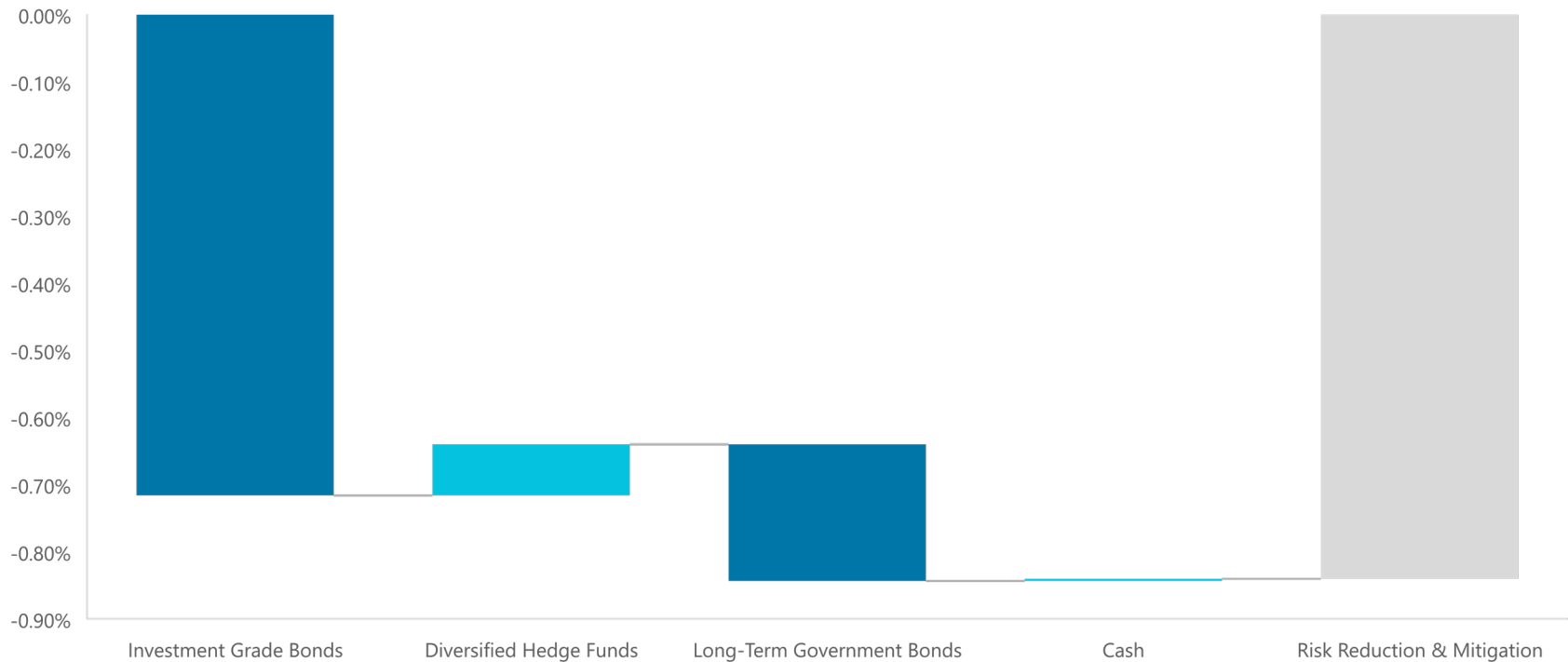


	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Risk Reduction & Mitigation	14,969	100.0%	100.0%		
Investment Grade Bonds	8,649	57.8%	62.0%	-4.2%	-632
Diversified Hedge Funds	4,001	26.7%	24.0%	2.7%	409
Long-Term Government Bonds	1,366	9.1%	10.0%	-0.9%	-131
Cash	953	6.4%	4.0%	2.4%	354

Contribution to Return

for the quarter ended March 31, 2022

QTD Contribution to Return



Functional Category	Contributors	Detractors
Investment Grade Bonds	-0.72% Capula GRV	0.02% BTC US Debt Index Fund -0.46%
Diversified Hedge Funds	0.08% Caxton Global Investments	0.02% BlackRock Long Treasury Bonds -0.20%
Long-Term Government Bonds	-0.20% Brevan Howard Master Fund	0.02% Allspring/Wells -0.17%
Cash	0.00% AM Asia Strategies	0.00% Pugh Capital Mgmt -0.09%
Risk Reduction & Mitigation	-0.84% DK Institutional Partners	0.00% Amundsen -0.01%

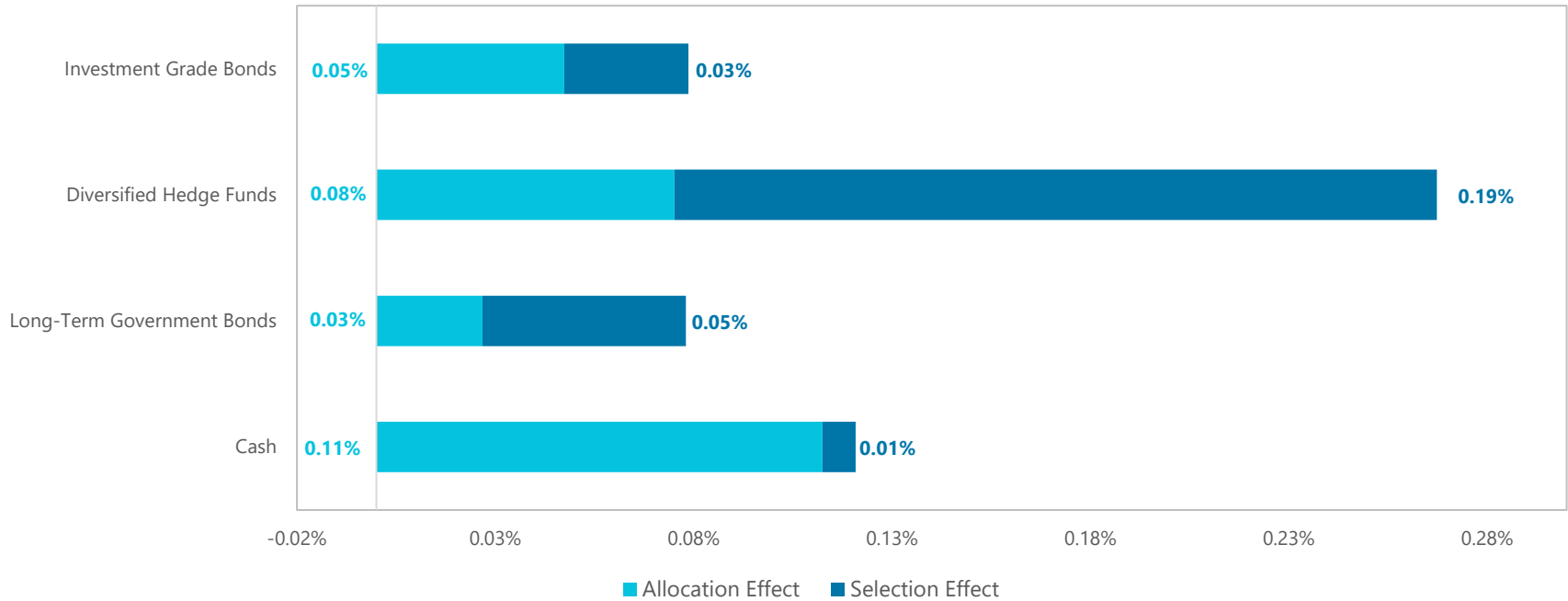
Return Attribution

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

QTD Performance Attribution¹



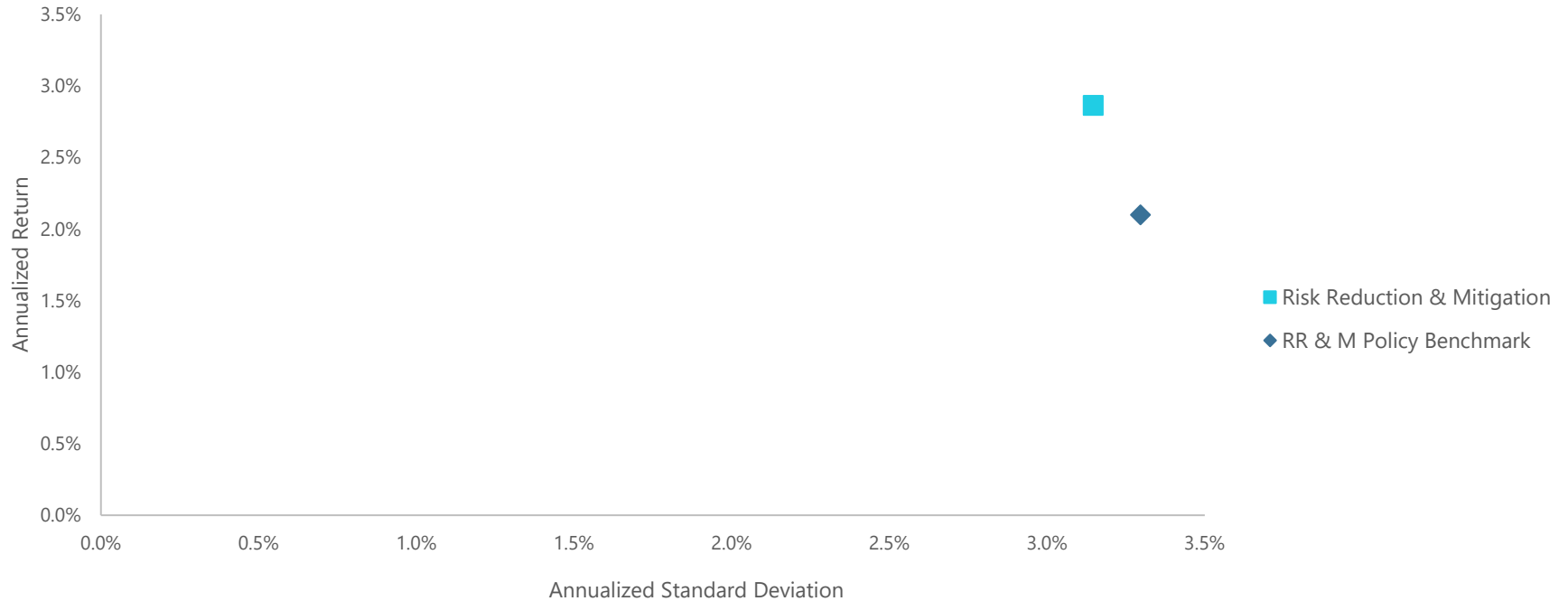
	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
Risk Reduction & Mitigation	14,969	100.0%	100.0%	-4.1%	-4.6%	0.26%	0.28%	0.56%
Investment Grade Bonds	8,649	57.8%	62.0%	-5.9%	-5.9%	0.05%	0.03%	0.08%
Diversified Hedge Funds	4,001	26.7%	24.0%	1.5%	0.6%	0.08%	0.19%	0.28%
Long-Term Government Bonds	1,366	9.1%	10.0%	-10.1%	-10.6%	0.03%	0.05%	0.07%
Cash	953	6.4%	4.0%	0.2%	0.0%	0.11%	0.01%	0.13%

1. Total Value Add includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2022

Since Inception (Annualized)¹



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Risk Reduction & Mitigation	2.9%	3.1%				
RR & M Policy Benchmark	2.1%	3.3%	0.66	0.98	0.95	0.8%

1. Composite risk statistics are relative to the policy benchmark.

Performance Detail

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Annualized Net Returns¹

	% of Composite	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Risk Reduction & Mitigation	100.0%	14,969	15,485	-4.1%	-4.1%	-2.3%	2.9%	--	--	2.9%
RR & M Policy Benchmark				-4.6%	-4.6%	-2.5%	2.1%	--	--	2.1%
Investment Grade Bonds	57.8%	8,649	9,191	-5.9%	-5.9%	-4.3%	1.9%	2.4%	2.8%	5.6%
BBG BARC Agg				-5.9%	-5.9%	-4.2%	1.7%	2.1%	2.2%	5.1%
BTC US Debt Index Fund	37.1%	5,549	5,894	-5.8%	-5.8%	-4.1%	1.7%	2.2%	2.3%	4.3%
MHLP	0.1%	13	13	1.2%	1.2%	5.3%	5.3%	7.8%	5.3%	5.4%
Pugh Capital Mgmt	7.4%	1,110	1,181	-6.0%	-6.0%	-4.1%	1.9%	2.3%	2.4%	3.8%
Allspring/Wells	13.2%	1,977	2,103	-6.0%	-6.0%	-4.1%	2.3%	2.5%	2.8%	4.4%
Diversified Hedge Funds	26.7%	4,001	3,835	1.5%	1.5%	3.3%	7.0%	--	--	7.0%
Diversified Hedge Funds Policy Benchmark				0.6%	0.6%	2.5%	3.3%	--	--	3.3%
AM Asia Strategies	1.5%	229	176	1.4%	1.4%	--	--	--	--	1.4%
Brevan Howard Master Fund	3.8%	566	549	3.1%	3.1%	1.9%	--	--	--	1.9%
Capula GRV	3.6%	543	526	3.2%	3.2%	3.9%	5.5%	--	--	5.5%
Caxton Global Investments	1.8%	273	206	6.6%	6.6%	10.0%	--	--	--	8.6%
DK Institutional Partners	3.3%	495	492	0.6%	0.6%	4.1%	7.2%	--	--	6.1%
Grosvenor HFOF	0.3%	52	60	0.2%	0.2%	5.6%	9.7%	6.7%	5.2%	5.1%
HBK Multi-Strategy	3.7%	558	556	0.3%	0.3%	4.5%	6.0%	--	--	5.6%
Hudson Bay	4.2%	631	631	-0.1%	-0.1%	4.9%	--	--	--	13.6%
Polar	3.1%	464	462	0.4%	0.4%	-1.1%	--	--	--	14.4%
Stable Asset Management	1.3%	190	175	-1.2%	-1.2%	--	--	--	--	-1.1%
Long-Term Government Bonds	9.1%	1,366	1,520	-10.1%	-10.1%	--	--	--	--	-9.8%
Bloomberg U.S. Treasury: Long				-10.6%	-10.6%	--	--	--	--	-11.5%
Bloomberg U.S. Treasury: Long	9.1%	1,366	1,520	-10.1%	-10.1%	--	--	--	--	-9.8%
Cash	6.4%	953	940	0.2%	0.2%	0.9%	1.3%	1.5%	1.0%	1.8%
Cash Policy BM				0.0%	0.0%	0.1%	0.8%	1.1%	0.6%	1.4%

1. Diversified Hedge Funds returns are net of all fees and expenses.

Risk Reduction & Mitigation

Investment Grade Bonds

Pugh Capital

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

A core fixed income strategy that invests in investment-grade securities, with an emphasis on higher credit quality and mortgage-backed securities. The strategy seeks to add value relative to the Index by minimizing downside risk across the portfolio while adding incremental return through issue selection.

Inception Date: July 2005

Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	242.0	0.0
Effective Duration	6.9	6.9
Convexity	0.7	0.7
Coupon Rate	2.7	2.5
Yield to Maturity	3.1	2.9
Current Yield	2.7	2.5
Rating – Moody's	AA-3	AA-2
Rating – S & P	AA-	AA-

Top Holdings (% of assets)

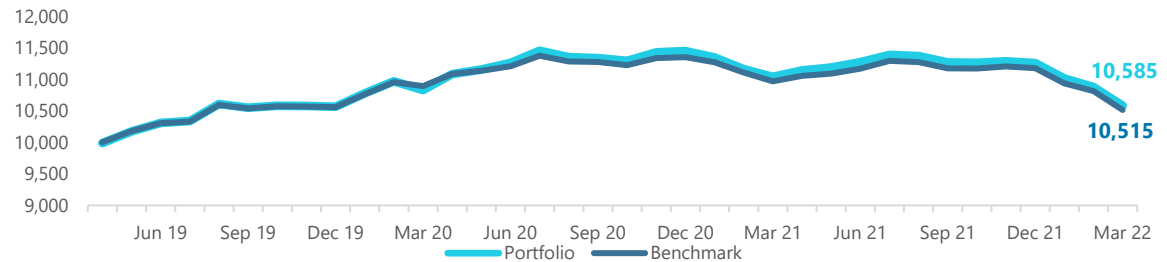
US TREASURY N/B	3.8%
US TREASURY N/B	3.7%
US TREASURY N/B	3.6%
US TREASURY N/B	3.3%
US TREASURY N/B	2.3%
Top 5 Holdings	16.7%

Performance (net)¹

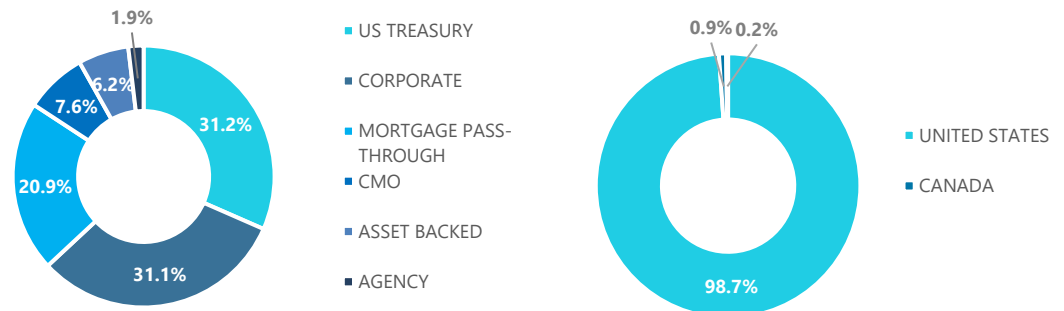
	Ending Market Value (mm)		QTD	1 Year	3 Year	5 Year
Pugh Capital Mgmt	1,110.2		-6.0%	-4.1%	1.9%	2.3%
BBG BARC Agg			-5.9%	-4.2%	1.7%	2.1%
RR & M Policy Benchmark			-4.6%	-2.5%	2.1%	--

Universe data: US Fixed Income Pools	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Pugh Capital Mgmt	-6.0%	67	-4.0%	83	2.1%	65	2.5%	74
Median	-4.5%		-2.8%		2.6%		3.3%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
 2. Charts display top exposures only and may not add up to 100%.

Risk Reduction & Mitigation

Investment Grade Bonds

Allspring/Wells

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

A core fixed income strategy focusing on bottom-up quantitative and qualitative security selection and comprehensive risk management. Value is added primarily through security selection and sector rotation.

Inception Date: March 2004

Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	861.0	0.0
Effective Duration	6.8	6.9
Convexity	0.6	0.7
Coupon Rate	2.2	2.5
Yield to Maturity	3.0	2.9
Current Yield	2.3	2.5
Rating – Moody's	AA-2	AA-2
Rating – S & P	AA-2	AA-

Top Holdings (% of assets)

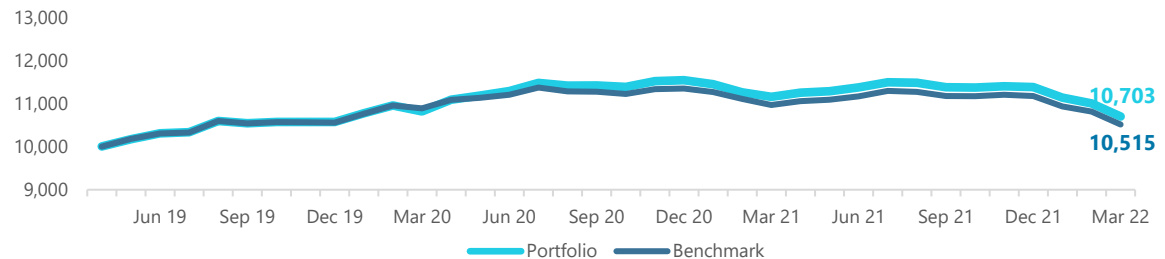
FNMA TBA 30 YR 3	2.4%
US TREASURY N/B	2.1%
US TREASURY N/B	1.9%
US TREASURY N/B	1.9%
US TREASURY N/B	1.9%
Top 5 Holdings	10.1%

Performance (net)¹

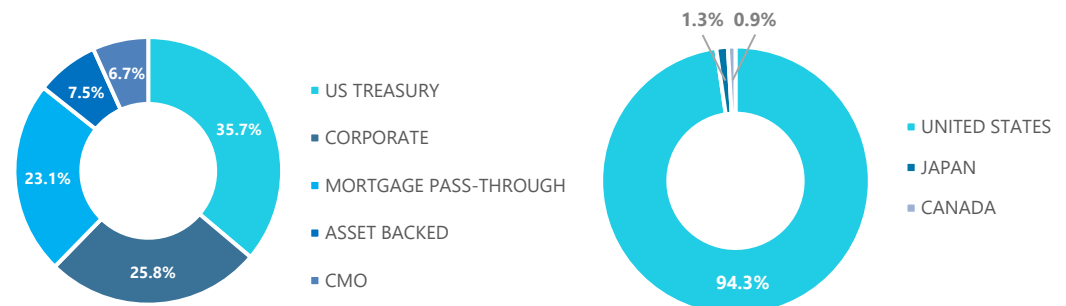
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Allspring/Wells	1,976.8	-6.0%	-4.1%	2.3%	2.5%
BBG BARC Agg		-5.9%	-4.2%	1.7%	2.1%
RR & M Policy Benchmark		-4.6%	-2.5%	2.1%	--

Universe data: US Fixed Income Pools	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Allspring/Wells	-6.0%	67	-4.0%	83	2.4%	56	2.6%	65
Median	-4.5%		-2.8%		2.6%		3.3%	

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.
2. Charts display top exposures only and may not add up to 100%.

Risk Reduction & Mitigation

Diversified Hedge Funds

AM Asia Strategies Fund

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Relative value multi-strategy hedge fund. The strategy deploys capital opportunistically to relative value strategies such as convertible bond arbitrage, credit relative value, capital structure arbitrage, and equity long/short.

Inception Date: June 2021

Risk Statistics (since inception)

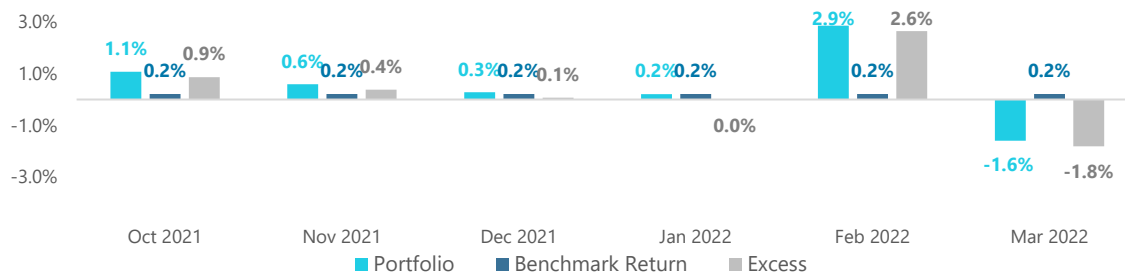
Standard Deviation	1.3%
Benchmark Standard Deviation	0.0%
Sharpe Ratio	-0.05
Information Ratio	-0.05
Beta	-6.90
Tracking Error	4.6%

Performance (net all)¹

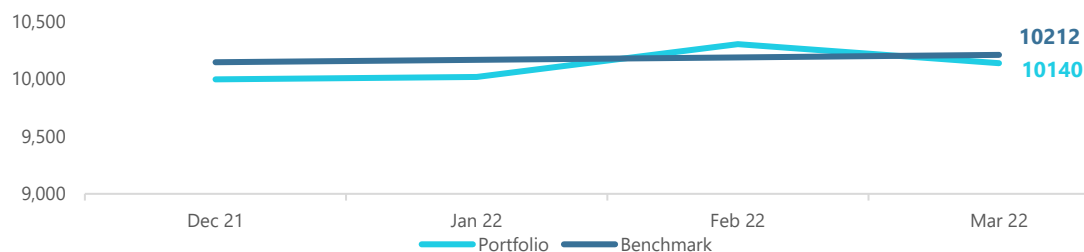
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
AM Asia Strategies	229.0	1.4%	--	--	--
Custom Hedge Fund Benchmark		0.6%	--	--	--
RR & M Policy Benchmark		-4.6%	-2.5%	2.1%	--

Universe data: Hedge Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
AM Asia Strategies	1.4%	34	--	--	--	--	--	--
Median	--		--		--		--	

Monthly Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

Risk Reduction & Mitigation

Diversified Hedge Funds

Brevan Howard

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Discretionary global macro fund with multiple portfolio manager teams that focus on both directional and relative value trading strategies.

Inception Date: March 2021

Risk Statistics (since inception)

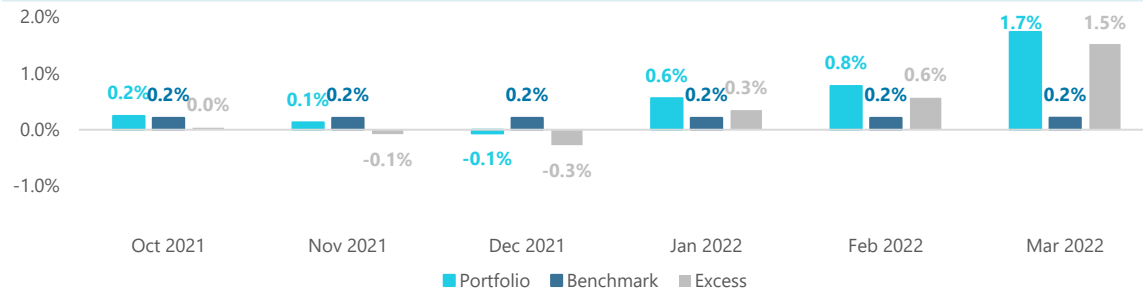
Standard Deviation	0.8%
Benchmark Standard Deviation	0.0%
Sharpe Ratio	0.16
Information Ratio	-1.42
Beta	-35.87
Tracking Error	0.8%

Performance (net all)¹

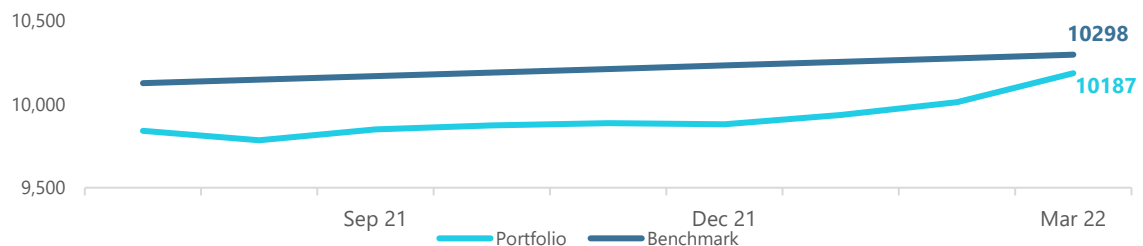
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Brevan Howard Master Fund	565.6	3.1%	1.9%	--	--
Custom Hedge Fund Benchmark		0.6%	2.5%	--	--
RR & M Policy Benchmark		-4.6%	-2.5%	2.1%	--

Universe data: Hedge Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Brevan Howard Master Fund	3.1%	26	1.9%	62	--	--	--	--
Median	0.0%		4.6%		--	--	--	

Monthly Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

Risk Reduction & Mitigation

Diversified Hedge Funds

Capula GRV

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Global fixed income relative value hedge fund. The strategy seeks to benefit from pricing distortions generally caused by market flows in the government bond, interest rate swap and bond futures markets.

Inception Date: December 2018

Risk Statistics (since inception)

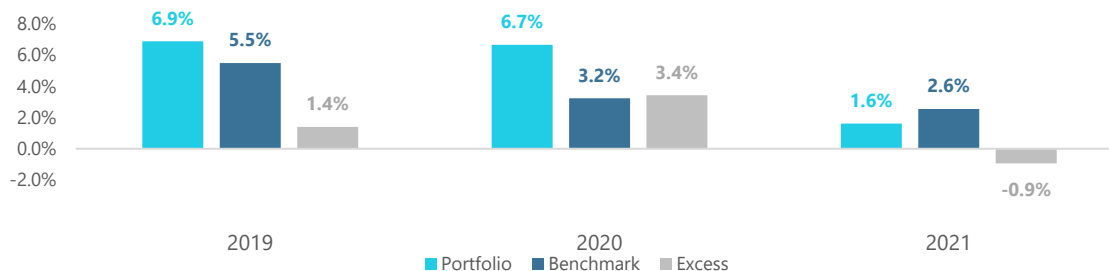
Standard Deviation	1.8%
Benchmark Standard Deviation	0.4%
Sharpe Ratio	2.52
Information Ratio	1.01
Beta	-0.20
Tracking Error	1.7%

Performance (net all)¹

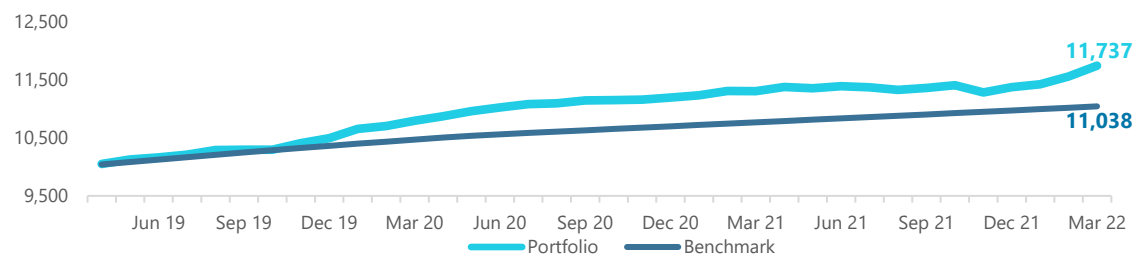
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Capula GRV	543.2	3.2%	3.9%	5.5%	--
Custom Hedge Fund Benchmark		0.6%	2.5%	3.3%	--
RR & M Policy Benchmark		-4.6%	-2.5%	2.1%	--

Universe data: Hedge Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Capula GRV	3.2%	24	3.9%	54	5.5%	54	--	--
Median	0.0%		4.6%		5.9%		--	

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

Risk Reduction & Mitigation

Diversified Hedge Funds

Caxton

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Discretionary global macro fund with multiple portfolio manager teams that focus on both directional and relative value trading strategies.

Inception Date: February 2021

Risk Statistics (since inception)

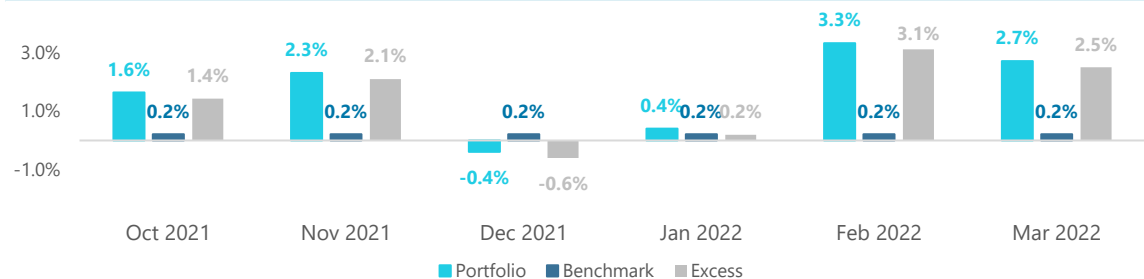
Standard Deviation	5.8%
Benchmark Standard Deviation	0.0%
Sharpe Ratio	1.42
Information Ratio	1.03
Beta	-51.59
Tracking Error	5.8%

Performance (net all)¹

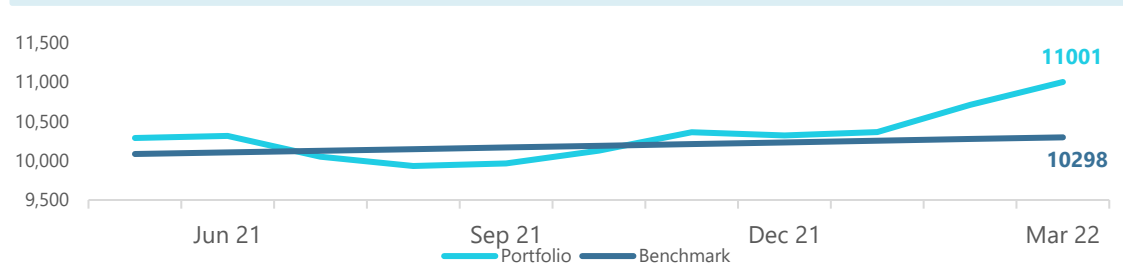
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Caxton Global Investments	273.3	6.6%	10.0%	--	--
Custom Hedge Fund Benchmark		0.6%	2.5%	--	--
RR & M Policy Benchmark		-4.6%	-2.5%	2.1%	--

Universe data: Hedge Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Caxton Global Investments	6.6%	16	10.0%	39	--	--	--	--
Median	0.0%		4.6%		--	--	--	--

Monthly Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

Risk Reduction & Mitigation

Diversified Hedge Funds

DK Institutional Partners

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Relative value multi-strategy hedge fund. The strategy deploys capital opportunistically to relative value strategies such as convertible bond arbitrage, risk arbitrage, credit relative value, capital structure arbitrage, and equity long/short.

Inception Date: May 2018

Risk Statistics (since inception)

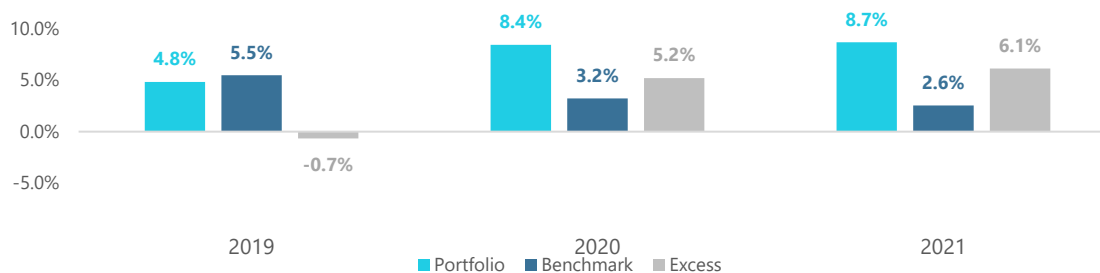
Standard Deviation	4.8%
Benchmark Standard Deviation	0.5%
Sharpe Ratio	1.03
Information Ratio	0.37
Beta	-3.72
Tracking Error	4.9%

Performance (net all)¹

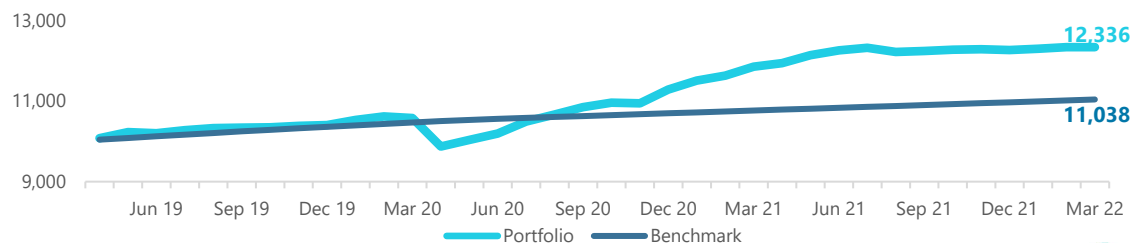
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
DK Institutional Partners	495.4	0.6%	4.1%	7.2%	--
Custom Hedge Fund Benchmark		0.6%	2.5%	3.3%	--
RR & M Policy Benchmark		-4.6%	-2.5%	2.1%	--

Universe data: Hedge Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
DK Institutional Partners	0.6%	38	4.1%	53	7.3%	41	--	--
Median	0.0%		4.6%		5.9%		--	

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

Risk Reduction & Mitigation

Diversified Hedge Funds

HBK Multi-Strategy

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Relative value multi-strategy hedge fund. The strategy deploys capital opportunistically to relative value strategies such as convertible bond arbitrage, risk arbitrage, credit relative value, capital structure arbitrage, and equity long/short.

Inception Date: June 2018

Risk Statistics (since inception)

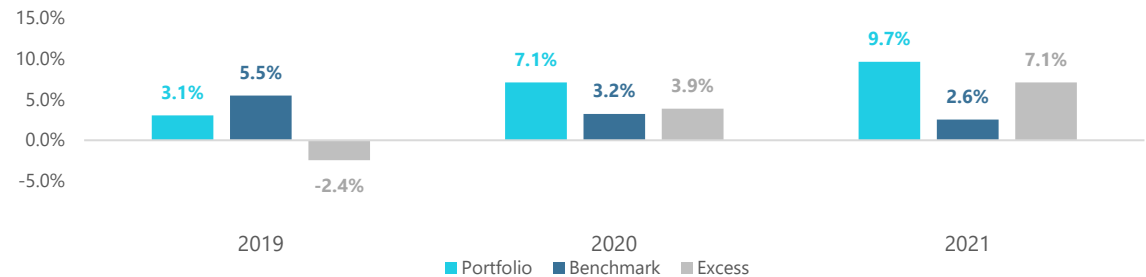
Standard Deviation	6.1%
Benchmark Standard Deviation	0.5%
Sharpe Ratio	0.73
Information Ratio	0.22
Beta	-2.64
Tracking Error	6.2%

Performance (net all)¹

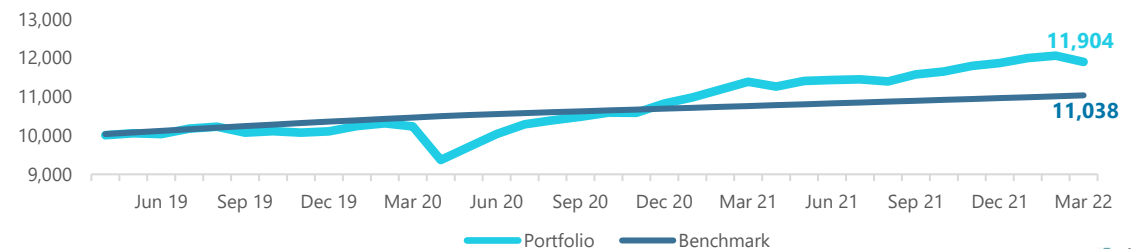
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
HBK Multi-Strategy	557.8	0.3%	4.5%	6.0%	--
Custom Hedge Fund Benchmark		0.6%	2.5%	3.3%	--
RR & M Policy Benchmark		-4.6%	-2.5%	2.1%	--

Universe data: Hedge Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
HBK Multi-Strategy	0.3%	41	4.5%	51	6.0%	48	--	--
Median	0.0%		4.6%		5.9%		--	

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

Risk Reduction & Mitigation

Diversified Hedge Funds

Hudson Bay Fund

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Strategy

Relative value multi-strategy hedge fund. The strategy deploys capital opportunistically to relative value strategies such as convertible bond arbitrage, risk arbitrage, credit relative value, capital structure arbitrage, and equity long/short.

Inception Date: July 2020

Risk Statistics (since inception)

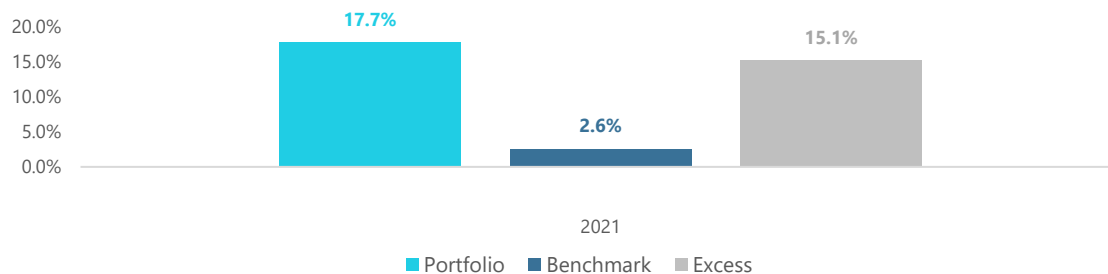
Standard Deviation	5.3%
Benchmark Standard Deviation	0.0%
Sharpe Ratio	2.43
Information Ratio	2.09
Beta	-16.25
Tracking Error	5.3%

Performance (net all)¹

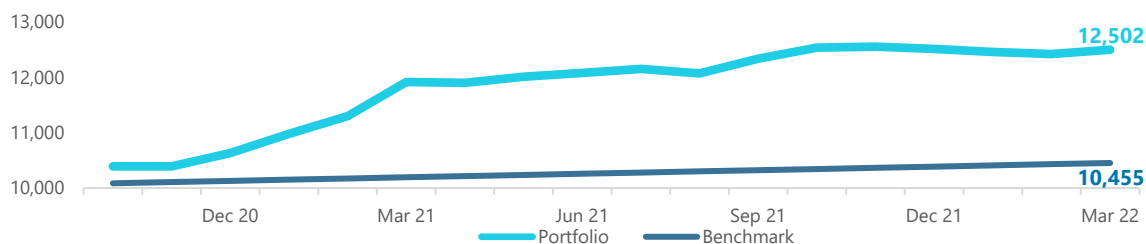
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Hudson Bay	630.6	-0.1%	4.9%	--	--
Custom Hedge Fund Benchmark		0.6%	2.5%	--	--
RR & M Policy Benchmark		-4.6%	-2.5%	2.1%	--

Universe data: Hedge Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Hudson Bay	-0.1%	58	4.9%	49	--	--	--	--
Median	0.0%		4.6%		--	--	--	--

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency.
1. Universe data is gross-of-fees.

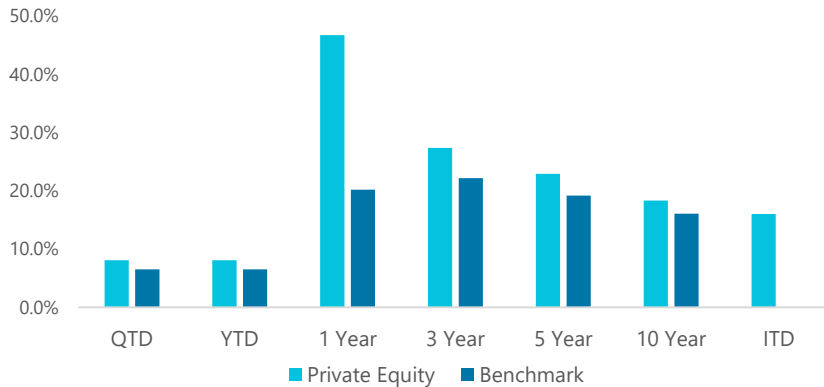
private markets

Summary

Private Equity

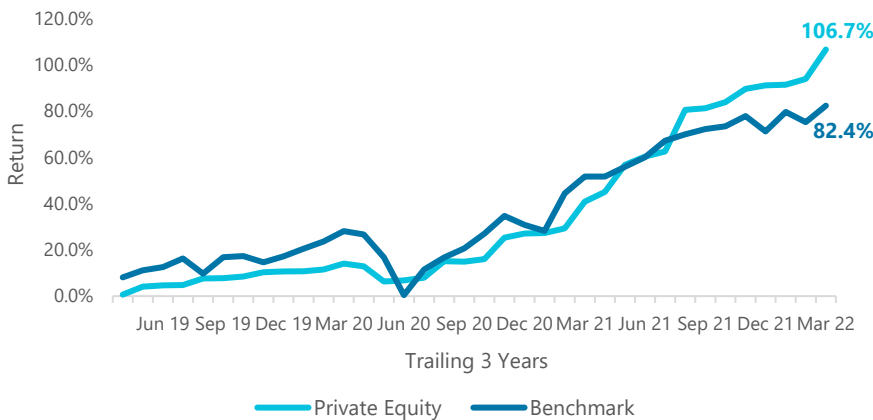
for the quarter ended March 31, 2022

Performance (net)



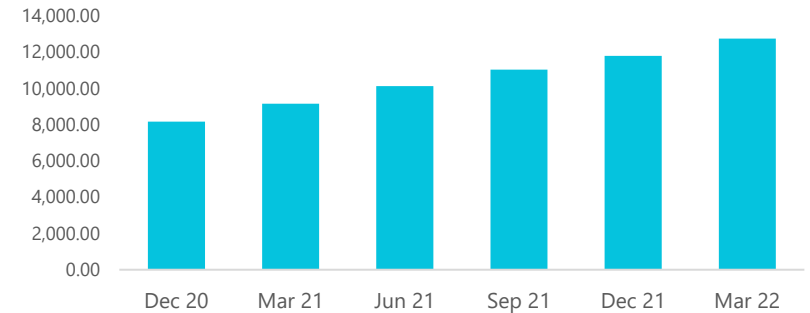
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Private Equity	8.1%	8.1%	46.7%	27.4%	22.9%	18.3%	16.0%
Benchmark	6.5%	6.5%	20.2%	22.2%	19.2%	16.1%	--
Excess	1.6%	1.6%	26.5%	5.2%	3.7%	2.3%	--

Cumulative Return

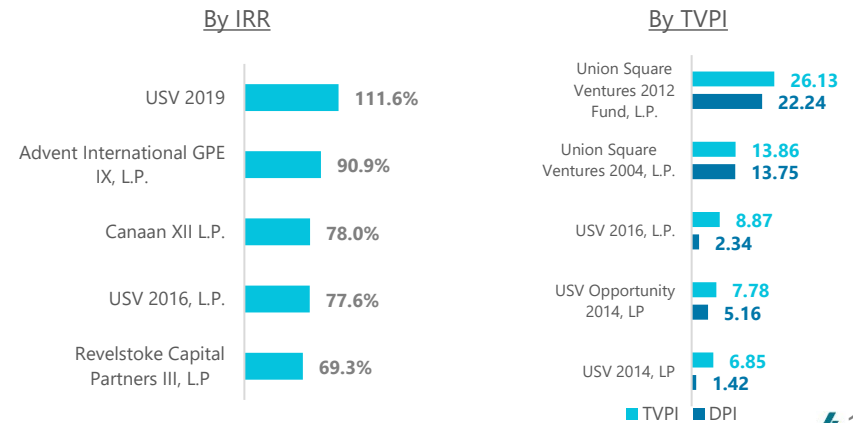


Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	11,793	9,158	5,441
Net Cash Flow	2	-512	626
Gain/Loss	956	4,104	6,684
Ending Market Value	12,751	12,751	12,751



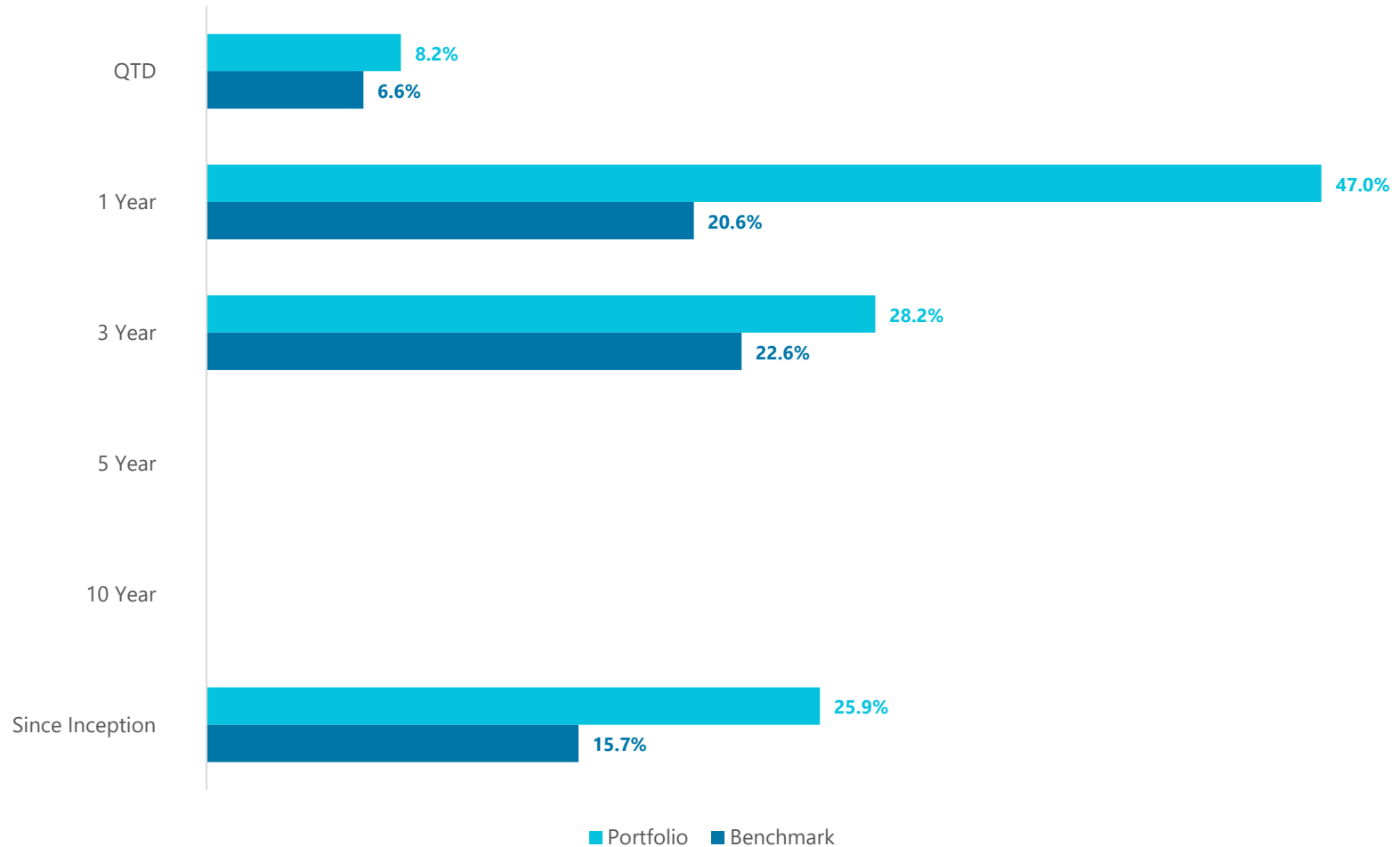
Top Performing Investments (since inception)



Historical Returns

Private Equity – Growth
for the quarter ended March 31, 2022

Time-Weighted Returns (net)

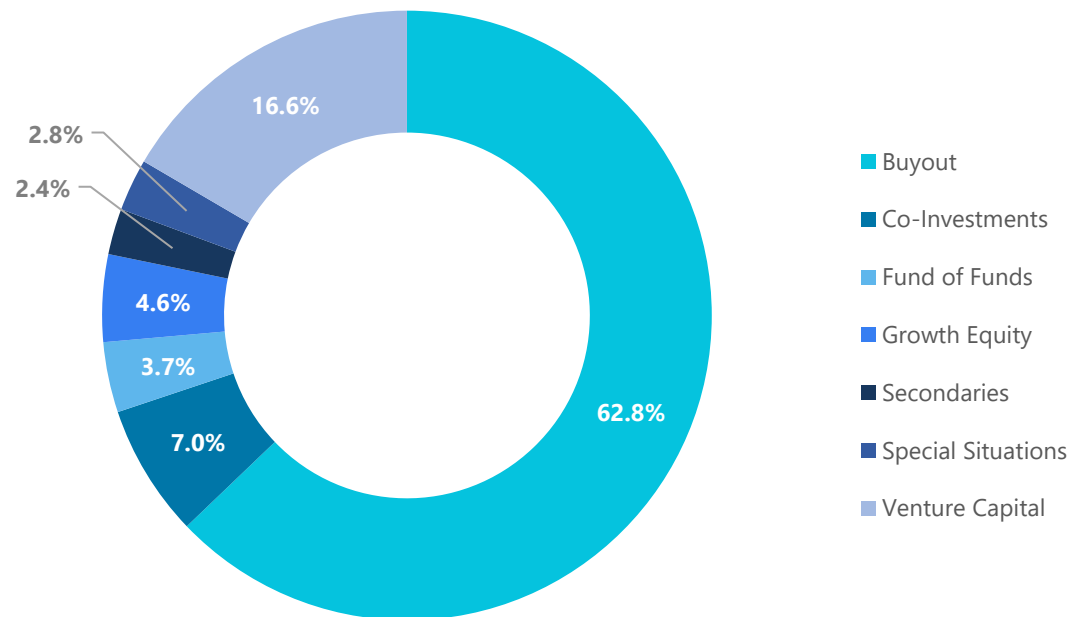


Performance by Strategy

Private Equity – Growth

for the quarter ended March 31, 2022

By Strategy^{1,2}



	Number of Investments ²	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Buyout	199	13,694.1	11,935.5	13,536.1	7,187.5	20,723.6	8,788.1	1.13x	1.74x	14.3%	1.56
Co-Investments	12	1,137.5	991.3	902.1	803.3	1,705.5	714.1	0.90x	1.69x	18.6%	1.45
Fund of Funds	16	1,462.3	1,256.6	1,402.7	427.0	1,829.7	573.0	1.11x	1.45x	9.8%	1.06
Growth Equity	21	1,183.0	994.3	1,428.9	529.6	1,958.4	964.1	1.44x	1.97x	86.9%	1.70
Secondaries	15	535.3	399.0	342.0	278.1	620.1	221.0	0.83x	1.50x	17.9%	1.33
Special Situations	22	1,178.0	947.4	1,010.9	316.8	1,327.7	380.3	1.07x	1.40x	9.1%	1.12
Venture Capital	104	2,170.4	1,867.6	2,498.7	1,895.0	4,393.7	2,526.2	1.34x	2.35x	21.8%	2.06
Total Growth Portfolio	389	21,360.6	18,391.8	21,121.3	11,437.3	32,558.7	14,166.9	1.15x	1.77x	16.5%	1.67

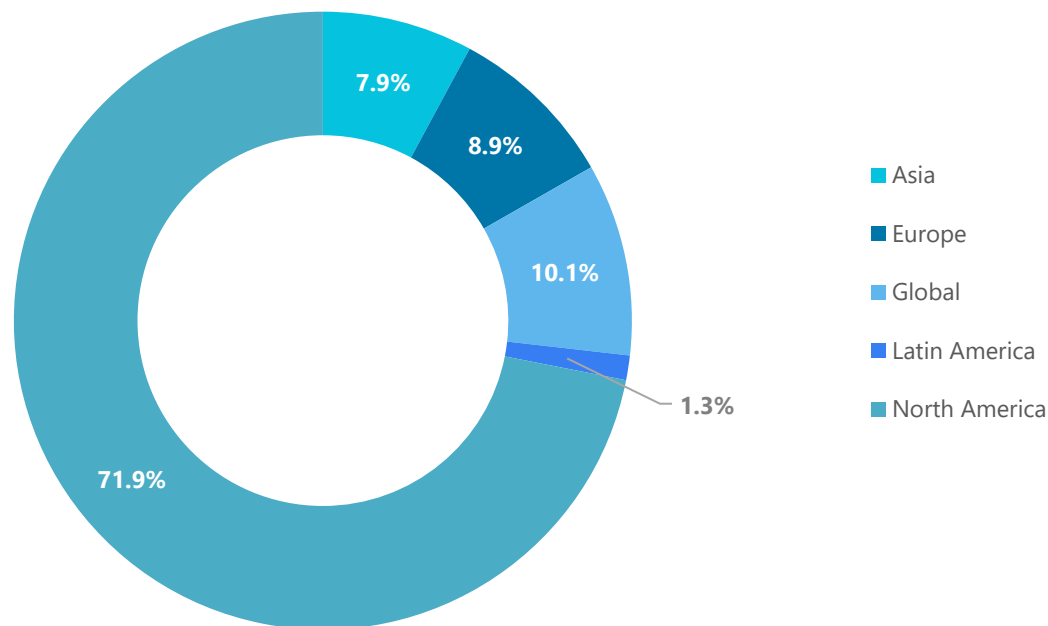
1. Based on best available cash flow adjusted market values.

2. Investment counts for Co-Investments and Fund of Funds do not include underlying funds.

Performance by Geography

Private Equity – Growth
for the quarter ended March 31, 2022

By Geography^{1,2}



	Number of Investments ²	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Asia	14	793.0	666.8	387.6	900.9	1,288.5	621.7	0.58x	1.93x	19.3%	1.35
Europe	34	2,411.3	2,005.1	2,173.4	1,013.2	3,186.6	1,181.4	1.08x	1.59x	15.8%	1.33
Global	25	1,754.3	1,190.2	760.5	1,151.5	1,912.0	721.8	0.64x	1.61x	17.5%	1.34
Latin America	2	200.0	165.0	43.7	147.2	190.9	25.9	0.27x	1.16x	6.1%	0.86
North America	314	16,202.1	14,364.6	17,756.1	8,224.6	25,980.7	11,616.1	1.23x	1.80x	16.5%	1.69
Total Growth Portfolio	389	21,360.6	18,391.8	21,121.3	11,437.3	32,558.7	14,166.9	1.15x	1.77x	16.5%	1.67

1. Based on best available cash flow adjusted market values.
2. Investment counts for Co-Investments and Fund of Funds do not include underlying funds.

Performance by Vintage Year

Private Equity – Growth

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

By Vintage Year^{1,2,3}

	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME	Quartile Ranking
1986	3	80.0	80.0	267.5	0.0	267.5	187.5	3.34x	3.34x	15.7%	--	1st
1987	1	25.0	25.0	40.3	0.0	40.3	15.3	1.61x	1.61x	7.3%	--	3rd
1988	2	200.0	216.6	466.9	0.0	466.9	250.3	2.16x	2.16x	15.5%	89.91	2nd
1989	0	--	--	--	--	--	--	--	--	--	--	N/A
1990	1	7.5	7.5	16.7	0.0	16.7	9.2	2.22x	2.22x	13.0%	9.13	3rd
1991	0	--	--	--	--	--	--	--	--	--	--	N/A
1992	10	116.0	111.0	242.5	0.0	242.5	131.6	2.19x	2.19x	29.1%	3.78	2nd
1993	8	68.0	64.8	239.5	0.0	239.5	174.7	3.70x	3.70x	39.7%	3.22	1st
1994	5	56.9	58.8	237.6	0.0	237.6	178.8	4.04x	4.04x	54.1%	2.82	1st
1995	7	100.5	102.3	362.6	0.0	362.6	260.2	3.54x	3.54x	43.2%	2.58	1st
1996	12	222.9	224.4	608.8	0.0	608.8	384.3	2.70x	2.70x	37.5%	2.15	1st
1997	11	397.5	410.4	606.4	0.0	606.4	196.0	1.48x	1.48x	7.7%	1.20	3rd
1998	22	644.4	655.2	945.2	0.7	945.9	290.6	1.44x	1.44x	7.3%	1.19	2nd
1999	21	363.6	369.7	436.6	0.1	436.7	67.0	1.18x	1.18x	3.4%	0.96	2nd
2000	25	375.6	387.3	575.0	0.2	575.2	187.9	1.48x	1.49x	8.7%	1.07	2nd
2001	15	413.4	442.4	834.2	3.7	837.9	395.5	1.89x	1.89x	21.7%	1.38	1st
2002	8	220.4	230.3	537.4	0.0	537.4	307.1	2.33x	2.33x	19.0%	1.64	2nd
2003	8	310.7	339.2	700.6	1.2	701.9	362.7	2.07x	2.07x	21.3%	1.60	1st
2004	7	348.4	392.2	744.2	2.8	746.9	354.8	1.90x	1.90x	19.5%	1.58	1st
2005	15	508.5	506.2	1,038.6	3.6	1,042.2	536.0	2.05x	2.06x	13.4%	1.64	1st
2006	28	1,523.4	1,607.0	2,553.4	50.7	2,604.1	997.1	1.59x	1.62x	9.0%	1.25	2nd
2007	11	517.6	461.0	777.1	37.0	814.0	353.0	1.69x	1.77x	11.5%	1.19	2nd
2008	10	645.9	700.2	1,228.5	39.7	1,268.2	568.0	1.75x	1.81x	13.3%	1.21	2nd
2009	0	--	--	--	--	--	--	--	--	--	--	N/A
2010	2	450.0	468.6	648.8	41.6	690.4	221.8	1.38x	1.47x	10.4%	1.04	3rd
2011	7	391.0	412.8	785.6	190.8	976.4	563.6	1.90x	2.37x	19.1%	1.49	2nd
2012	7	435.0	571.3	1,017.4	168.3	1,185.8	614.5	1.78x	2.08x	22.4%	1.68	2nd
2013	10	898.4	959.5	1,059.9	710.1	1,770.0	810.6	1.10x	1.84x	16.4%	1.29	2nd
2014	11	1,251.9	1,368.1	1,342.7	1,355.7	2,698.4	1,330.3	0.98x	1.97x	19.2%	1.39	2nd
2015	10	1,087.0	1,189.2	1,138.1	927.4	2,065.5	876.3	0.96x	1.74x	17.9%	1.22	3rd
2016	12	1,135.1	1,267.3	760.8	1,568.5	2,329.2	1,061.9	0.60x	1.84x	21.7%	1.29	3rd
2017	8	594.0	545.0	306.9	775.6	1,082.5	537.5	0.56x	1.99x	27.1%	1.43	2nd
2018	9	1,260.8	1,013.4	268.8	1,394.5	1,663.3	649.9	0.27x	1.64x	30.2%	1.34	2nd
2019	32	2,567.6	1,829.9	226.7	2,645.4	2,872.2	1,042.3	0.12x	1.56x	32.7%	1.28	2nd
2020	10	1,023.4	573.9	89.8	645.0	734.8	160.9	0.16x	1.28x	34.6%	1.22	2nd
2021	35	2,720.1	801.4	16.4	874.8	891.2	89.8	0.02x	1.09x	18.2%	1.10	2nd
2022	6	400.0	--	--	0.0	--	--	--	--	--	--	N/A
Total Growth Portfolio	389	21,360.6	18,391.8	21,121.3	11,437.3	32,558.7	14,166.9	1.15x	1.77x	16.5%	1.67	

1. Based on best available cash flow adjusted market values.

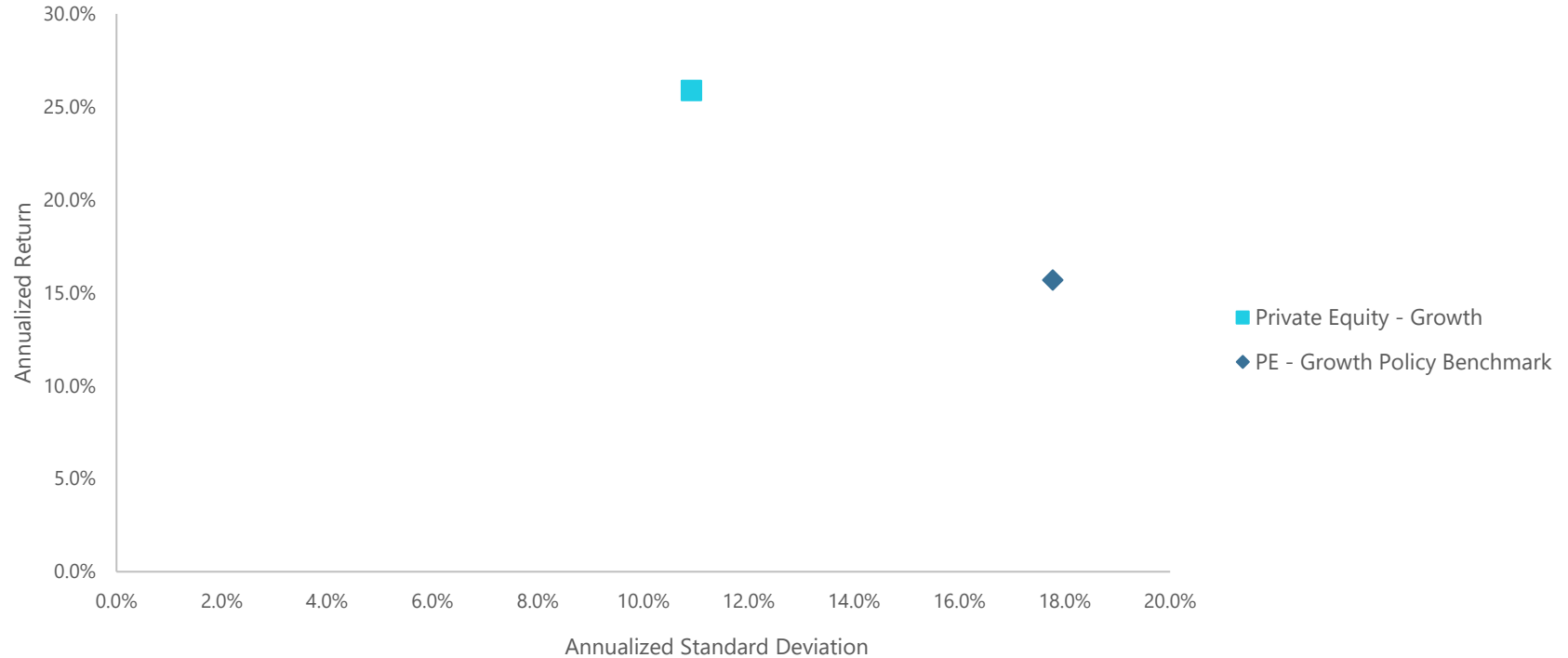
2. Investment counts for Co-Investments and Fund of Funds do not include underlying funds.

3. Benchmark data used is latest available by Burgiss Private IQ. Quartile rankings are reported as not applicable (N/A) if commitment date is within 3 years of reporting date or if no commitments were made for the respective vintage year.

Risk vs. Return

Private Equity – Growth
for the quarter ended March 31, 2022

Since Inception (Annualized)¹



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Private Equity - Growth	25.9%	10.9%				
PE - Growth Policy Benchmark	15.7%	17.8%	2.11	0.57	0.18	18.3%

1. Composite risk statistics are relative to the policy benchmark.

Annual Cash Flow Activity

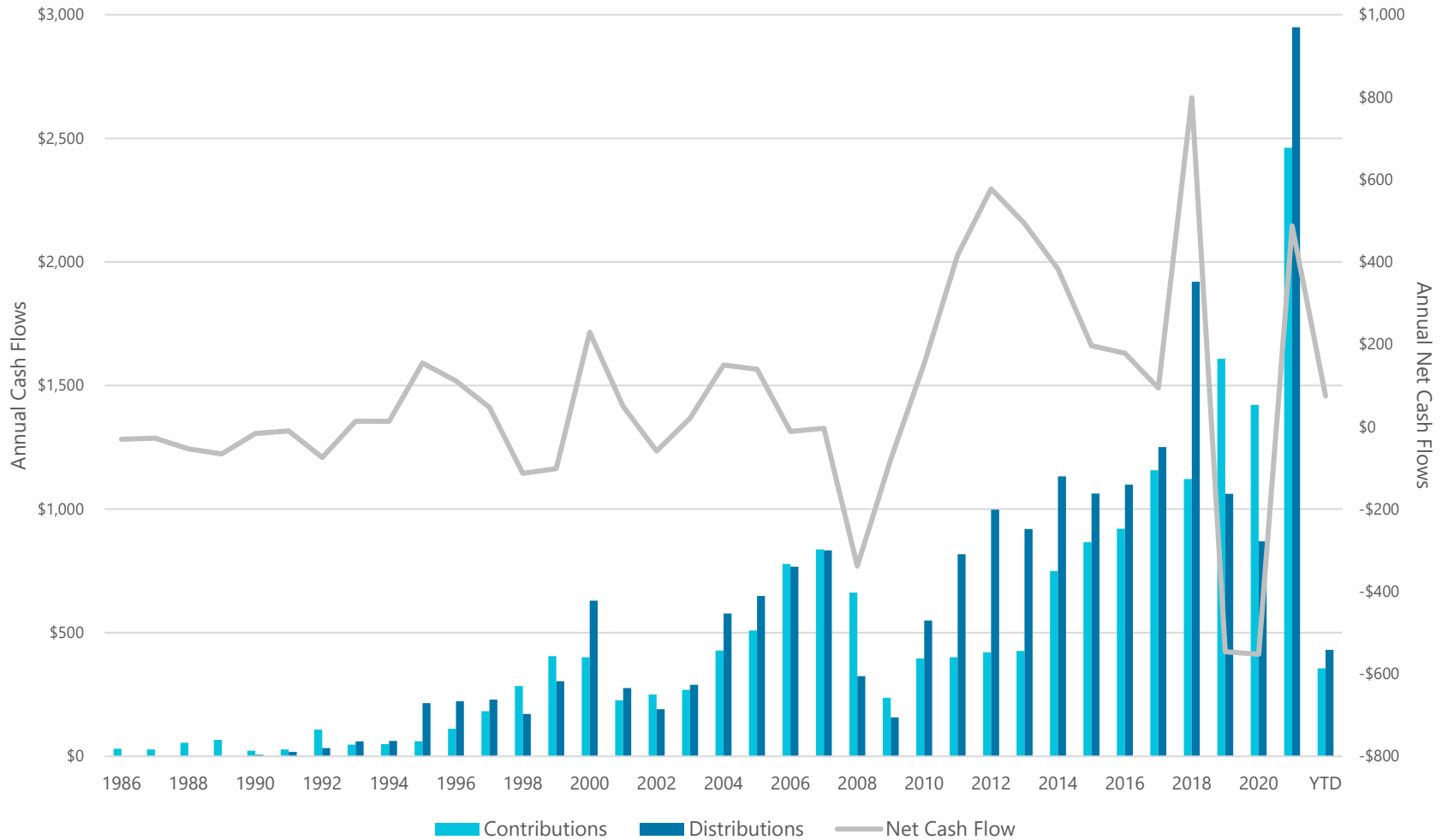
Private Equity

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

By Year (mm)



Summary

Real Estate

for the quarter ended March 31, 2022



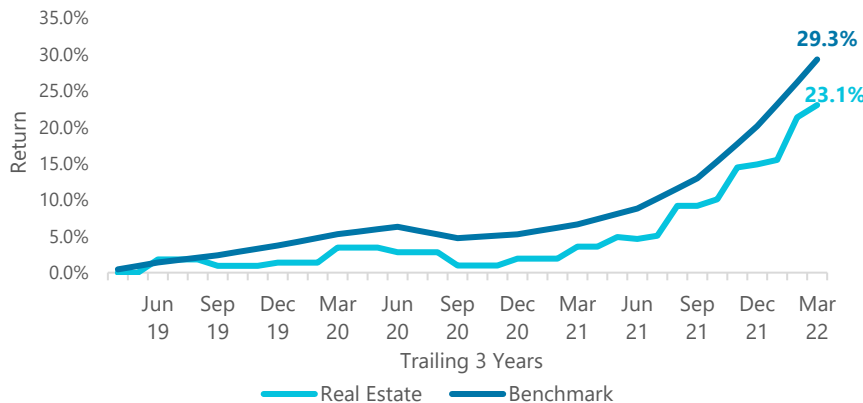
Los Angeles County Employees Retirement Association

Performance (net)



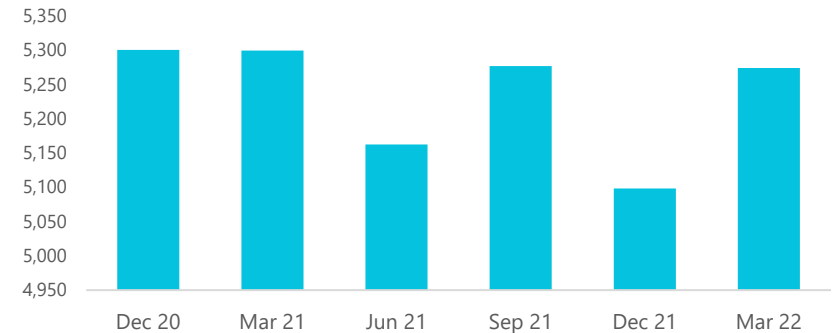
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Real Estate	7.1%	7.1%	18.8%	7.2%	7.7%	8.7%	7.9%
Benchmark	7.6%	7.6%	21.3%	9.0%	8.3%	9.9%	--
Excess	-0.5%	-0.5%	-2.5%	-1.8%	-0.7%	-1.2%	--

Cumulative Return

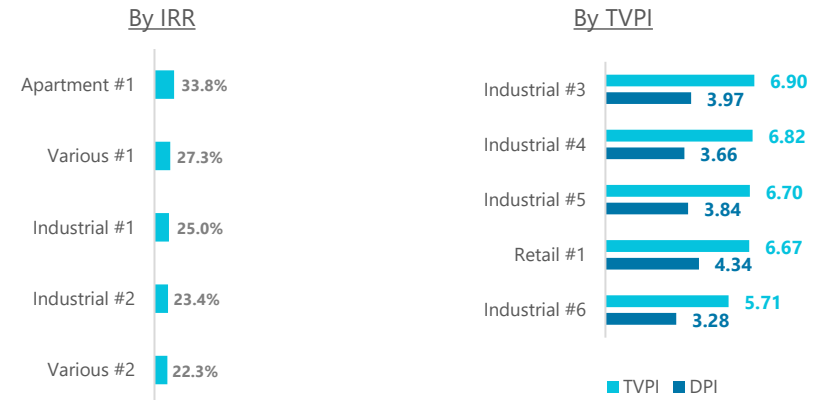


Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	5,098	5,299	6,341
Net Cash Flow	-182	-933	-2,190
Gain/Loss	358	908	1,123
Ending Market Value	5,274	5,274	5,274



Top Performing Investments (since inception)¹



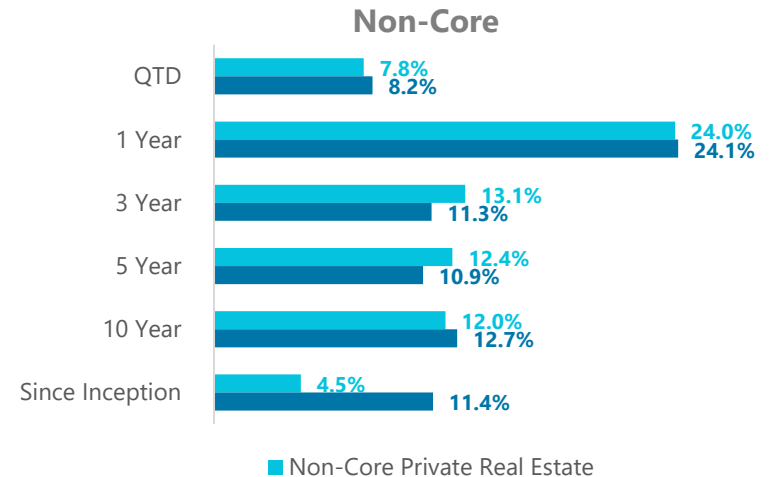
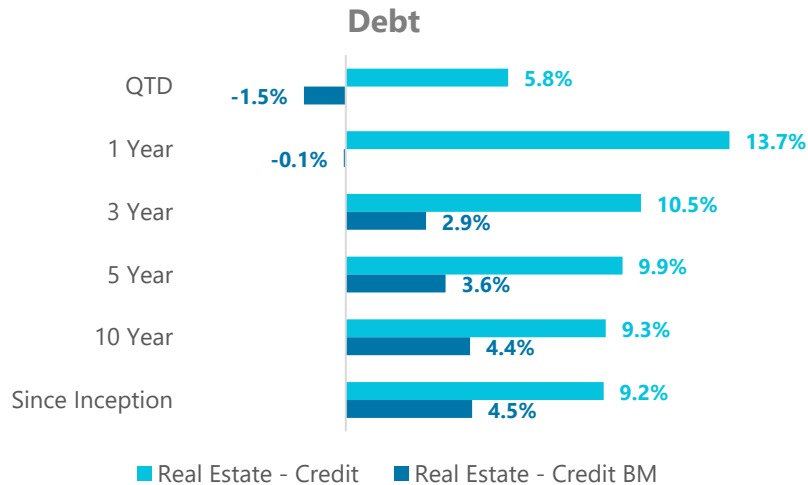
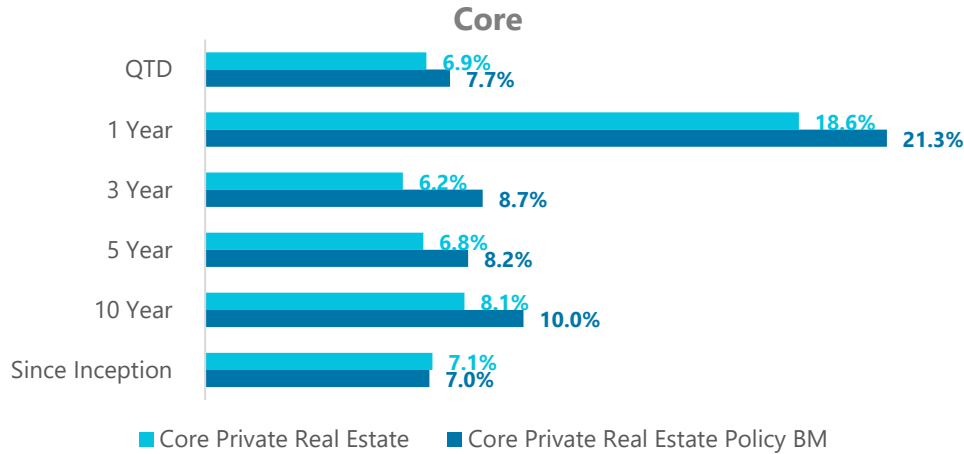
1. Property names removed due to confidentiality reasons.

Historical Returns

Real Estate

for the quarter ended March 31, 2022

Time-Weighted Returns (net)

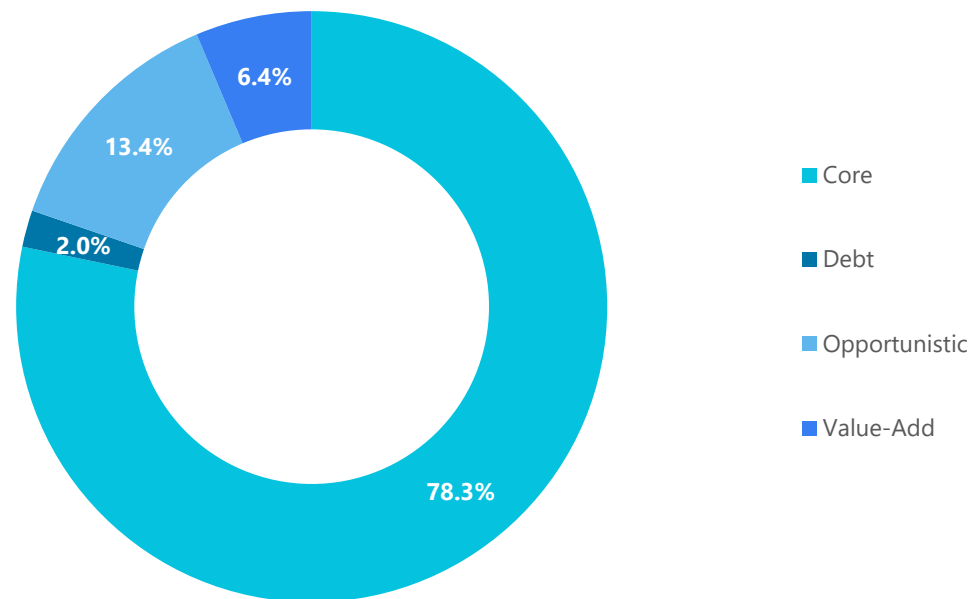


Performance by Strategy

Real Estate

for the quarter ended March 31, 2022

By Strategy^{1,2}



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Core	95	436.3	8,957.6	8,678.4	4,144.5	12,822.9	3,865.2	0.97x	1.43x	8.5%	1.01
Debt	12	0.0	584.8	525.7	106.6	632.3	47.5	0.90x	1.08x	8.8%	1.06
Opportunistic	22	1,009.2	1,297.5	1,044.3	708.1	1,752.4	454.9	0.80x	1.35x	7.6%	0.93
Value-Add	13	476.3	576.2	115.0	336.8	451.8	(124.4)	0.20x	0.78x	-6.3%	0.46
Total Real Estate	142	1,921.7	11,416.1	10,363.3	5,296.1	15,659.4	4,243.3	0.91x	1.37x	8.1%	0.98

1. Based on best available cash flow adjusted market values and includes only active investments.

2. Commitment amounts reflect only commingled fund investments.

Performance by Property Type

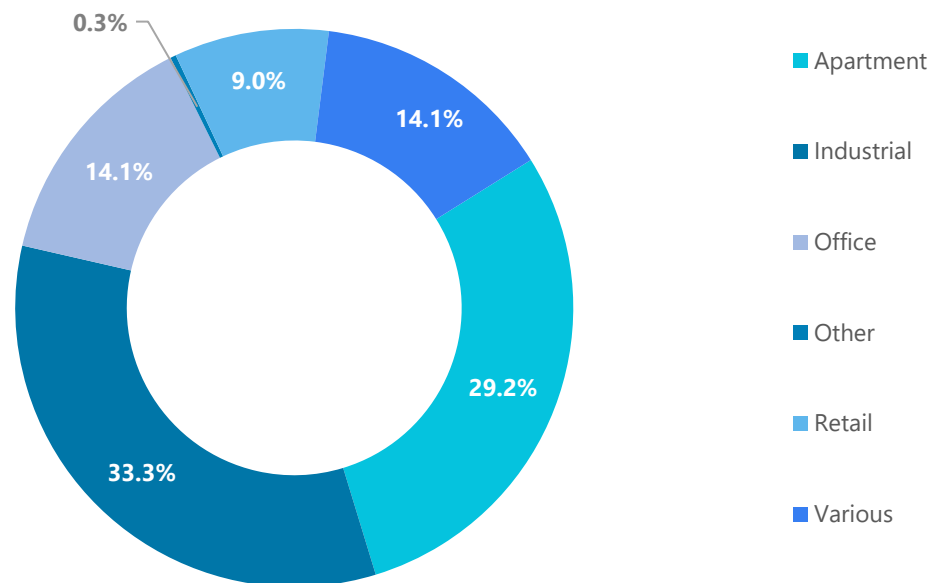
Real Estate

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

By Property Type^{1,2,3}



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Apartment	51	384.0	4,094.0	3,951.0	1,544.8	5,495.8	1,401.7	0.97x	1.34x	8.4%	0.97
Industrial	25	236.3	1,766.6	1,378.4	1,763.9	3,142.4	1,375.8	0.78x	1.78x	12.9%	1.38
Office	27	0.0	2,819.9	2,852.4	747.0	3,599.4	779.5	1.01x	1.28x	6.7%	1.05
Other	4	100.0	170.3	182.5	17.5	200.0	29.7	1.07x	1.17x	3.6%	0.74
Retail	17	0.0	1,569.8	1,640.8	475.0	2,115.8	546.0	1.05x	1.35x	7.0%	0.79
Various	18	1,201.5	995.5	358.1	747.9	1,106.0	110.5	0.36x	1.11x	2.4%	0.67
Total Real Estate	142	1,921.7	11,416.1	10,363.3	5,296.1	15,659.4	4,243.3	0.91x	1.37x	8.1%	0.98

1. Based on best available cash flow adjusted market values and includes only active investments.
2. Commitment amounts reflect only commingled fund investments.
3. Various refers to commingled fund investments with more than one property type; Other refers to hotel.

Performance by Geography

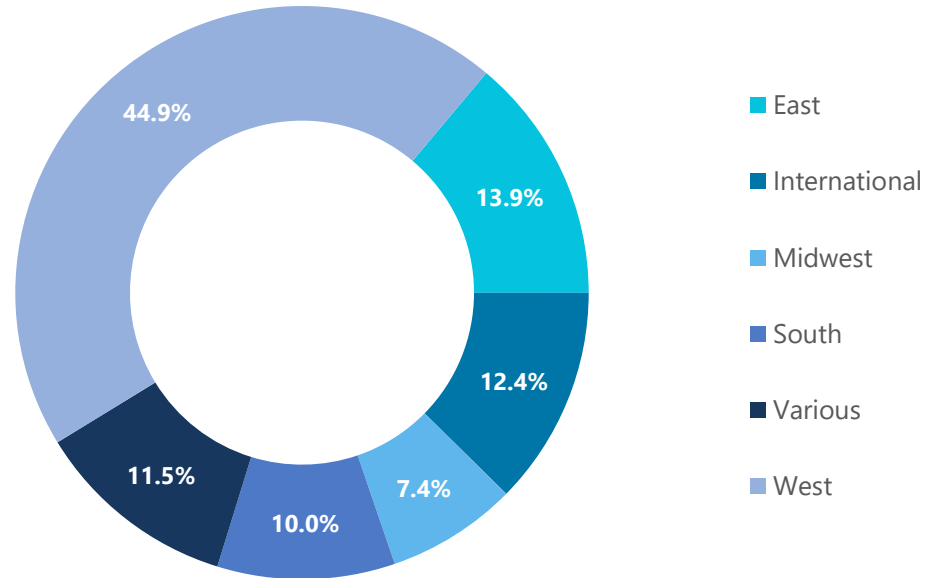
Real Estate

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

By Geography (US NCREIF)^{1,2}



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
East	36	0.0	3,585.8	3,819.6	736.1	4,555.7	969.9	1.07x	1.27x	6.9%	0.86
International	13	732.1	839.5	420.3	654.9	1,075.2	235.8	0.50x	1.28x	5.9%	0.82
Midwest	13	0.0	675.8	464.3	390.8	855.1	179.3	0.69x	1.27x	5.5%	0.81
South	19	0.0	1,664.6	1,760.5	530.5	2,291.0	626.5	1.06x	1.38x	9.3%	0.95
Various	10	805.6	650.9	293.5	608.1	901.6	250.7	0.45x	1.39x	6.7%	0.84
West	51	384.0	3,999.5	3,605.0	2,375.6	5,980.6	1,981.1	0.90x	1.50x	9.2%	1.23
Total Real Estate	142	1,921.7	11,416.1	10,363.3	5,296.1	15,659.4	4,243.3	0.91x	1.37x	8.1%	0.98

1. Based on best available cash flow adjusted market values and includes only active investments.

2. Commitment amounts reflect only commingled fund investments.

Performance by Vintage Year

Real Estate

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

By Vintage Year^{1,2,3}

	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME	Quartile Ranking
1990	1	0.0	249.9	294.0	121.2	415.2	165.3	1.18x	1.66x	6.3%	4.40	N/A
1991	3	0.0	32.6	121.1	89.9	211.1	178.5	3.72x	6.48x	12.4%	13.16	N/A
1992	0	0.0	--	--	--	--	--	--	--	--	--	N/A
1993	0	0.0	--	--	--	--	--	--	--	--	--	N/A
1994	1	0.0	15.3	66.3	35.5	101.8	86.5	4.34x	6.67x	12.9%	1.37	N/A
1995	1	0.0	39.0	109.2	75.0	184.1	145.1	2.80x	4.72x	11.7%	1.20	N/A
1996	1	0.0	23.9	38.0	31.2	69.2	45.3	1.59x	2.89x	7.7%	0.76	N/A
1997	1	0.0	18.2	66.8	57.7	124.4	106.2	3.66x	6.82x	15.7%	1.88	N/A
1998	2	0.0	367.4	557.4	56.0	613.4	246.0	1.52x	1.67x	8.1%	0.77	N/A
1999	1	0.0	80.9	203.8	0.0	203.8	122.9	2.52x	2.52x	9.6%	0.90	N/A
2000	1	0.0	203.2	275.7	0.0	275.7	72.5	1.36x	1.36x	7.9%	0.78	N/A
2001	1	0.0	143.3	75.1	88.2	163.3	20.0	0.52x	1.14x	4.0%	0.63	N/A
2002	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2003	1	0.0	142.6	129.9	72.0	202.0	59.3	0.91x	1.42x	4.5%	0.68	N/A
2004	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2005	1	0.0	116.3	119.6	0.0	119.6	3.3	1.03x	1.03x	0.5%	0.64	N/A
2006	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2007	3	39.1	454.5	401.4	6.6	407.9	(46.6)	0.88x	0.90x	-4.7%	0.55	3rd
2008	1	150.0	150.0	95.5	0.9	96.4	(53.5)	0.64x	0.64x	-5.7%	0.34	4th
2009	1	19.2	22.3	28.5	0.5	29.0	6.7	1.27x	1.30x	8.3%	0.84	3rd
2010	1	100.0	97.1	135.6	17.9	153.5	56.4	1.40x	1.58x	9.3%	0.89	3rd
2011	4	17.8	213.3	114.9	43.4	158.4	(55.0)	0.54x	0.74x	-18.7%	0.33	4th
2012	5	134.0	734.1	543.2	157.3	700.4	(33.6)	0.74x	0.95x	-1.2%	0.66	4th
2013	8	100.0	524.2	661.8	111.9	773.6	249.4	1.26x	1.48x	9.2%	1.00	3rd
2014	19	266.9	1,077.3	910.2	672.0	1,582.1	504.8	0.84x	1.47x	8.5%	1.03	3rd
2015	13	0.0	1,395.5	1,202.8	675.5	1,878.3	482.8	0.86x	1.35x	12.3%	1.18	N/A
2016	10	150.0	550.2	352.8	472.0	824.8	274.6	0.64x	1.50x	13.9%	1.15	2nd
2017	15	180.6	1,432.0	931.7	881.5	1,813.2	381.1	0.65x	1.27x	10.0%	1.01	3rd
2018	12	150.0	403.3	208.8	286.2	494.9	91.6	0.52x	1.23x	9.7%	0.98	3rd
2019	30	430.6	2,806.2	2,703.8	1,238.3	3,942.1	1,135.9	0.96x	1.40x	9.3%	0.98	2nd
2020	3	0.0	77.6	15.7	59.6	75.3	(2.3)	0.20x	0.97x	-1.6%	0.86	4th
2021	2	183.4	45.8	0.0	45.7	45.7	(0.0)	0.00x	1.00x	-0.1%	0.91	3rd
2022	0	0.00	--	--	--	--	--	--	--	--	--	N/A
Total Real Estate	142	1,921.7	11,416.1	10,363.3	5,296.1	15,659.4	4,243.3	0.91x	1.37x	8.1%	0.98	

1. Based on best available cash flow adjusted market values.
2. Commitment amounts reflect only commingled fund investments.
3. Benchmark data used is latest available by Burgiss Private IQ. Quartile rankings exclude IMAs and Core Funds.

Leverage Exposure

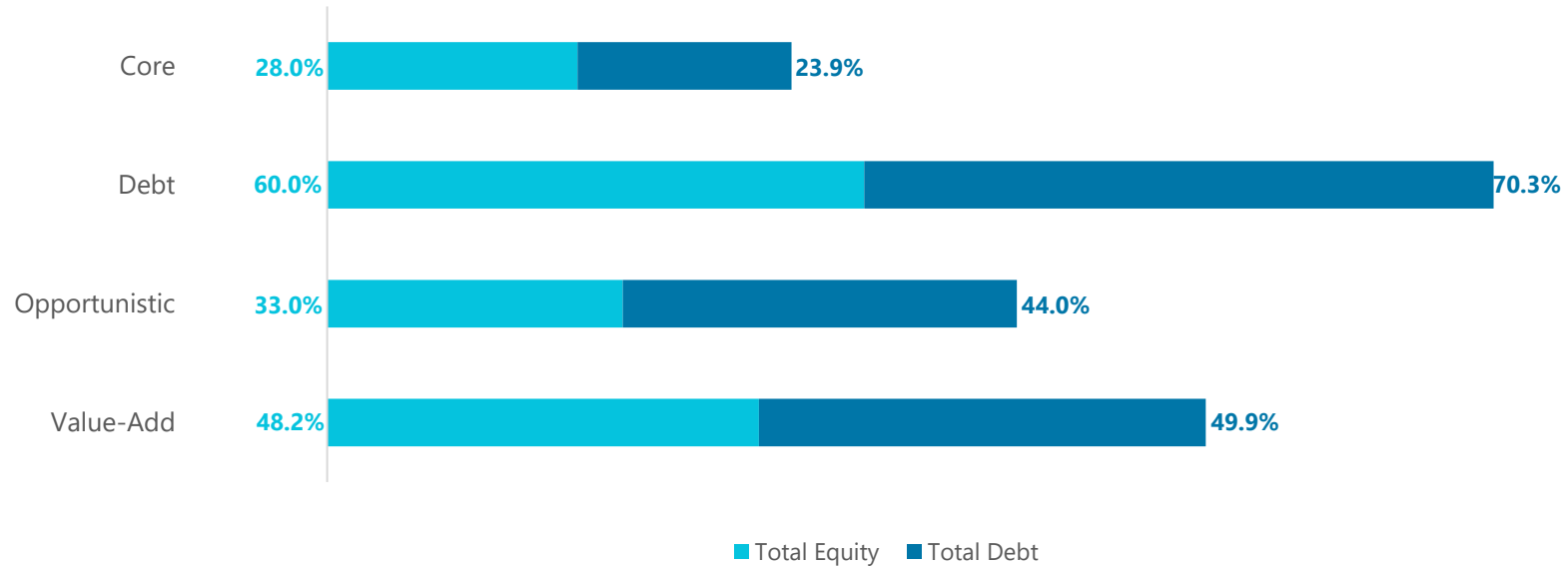
Real Estate

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Leverage Exposure^{1,2}



■ Total Equity ■ Total Debt

	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME	Total Debt-Fund Level (mm)	Total Equity-Fund Level (mm)	Total Debt-Fund Level (%)	Total Equity-Fund Level (%)
Core	95	436.3	8,957.6	8,678.4	4,144.5	12,822.9	3,865.2	0.97x	1.43x	8.5%	1.01	7,022.8	8,215.5	23.9%	28.0%
Debt	12	0.0	584.8	525.7	106.6	632.3	47.5	0.90x	1.08x	8.8%	1.06	192.0	163.8	70.3%	60.0%
Opportunistic	22	1,009.2	1,297.5	1,044.3	708.1	1,752.4	454.9	0.80x	1.35x	7.6%	0.93	7,323.4	5,493.1	44.0%	33.0%
Value-Add	13	476.3	576.2	115.0	336.8	451.8	(124.4)	0.20x	0.78x	-6.3%	0.46	74,747.3	72,224.5	49.9%	48.2%
Total Real Estate	142	1,921.7	11,416.1	10,363.3	5,296.1	15,659.4	4,243.3	0.91x	1.37x	8.1%	0.98	89,285.5	86,097.0	45.6%	43.9%

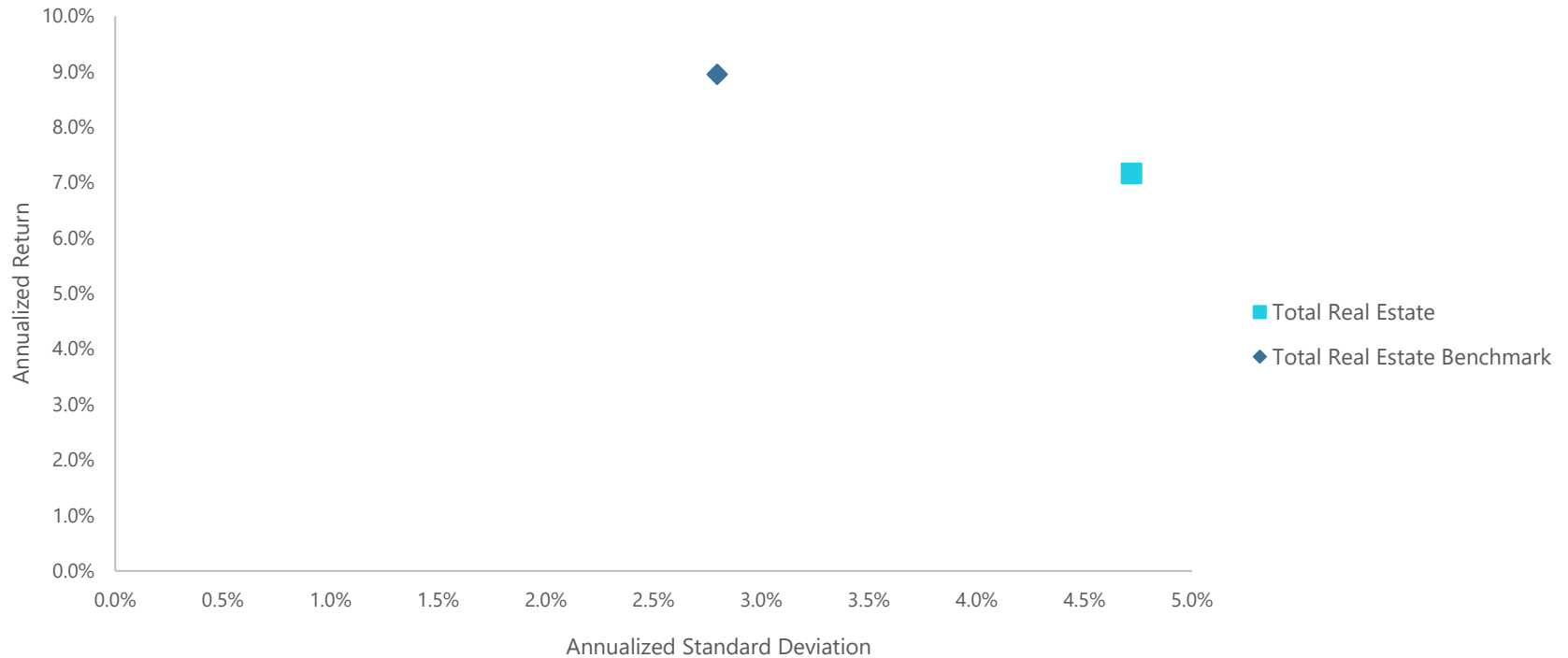
1. Based on best available cash flow adjusted market values and includes only active investments.
 2. Commitment amounts reflect only commingled fund investments.

Risk vs. Return

Real Estate

for the quarter ended March 31, 2022

3 Year (Annualized)¹



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Total Real Estate	7.2%	4.7%				
Total Real Estate Benchmark	9.0%	2.8%	1.32	(0.47)	0.97	13.3%

1. Composite risk statistics are relative to the policy benchmark.

Annual Cash Flow Activity

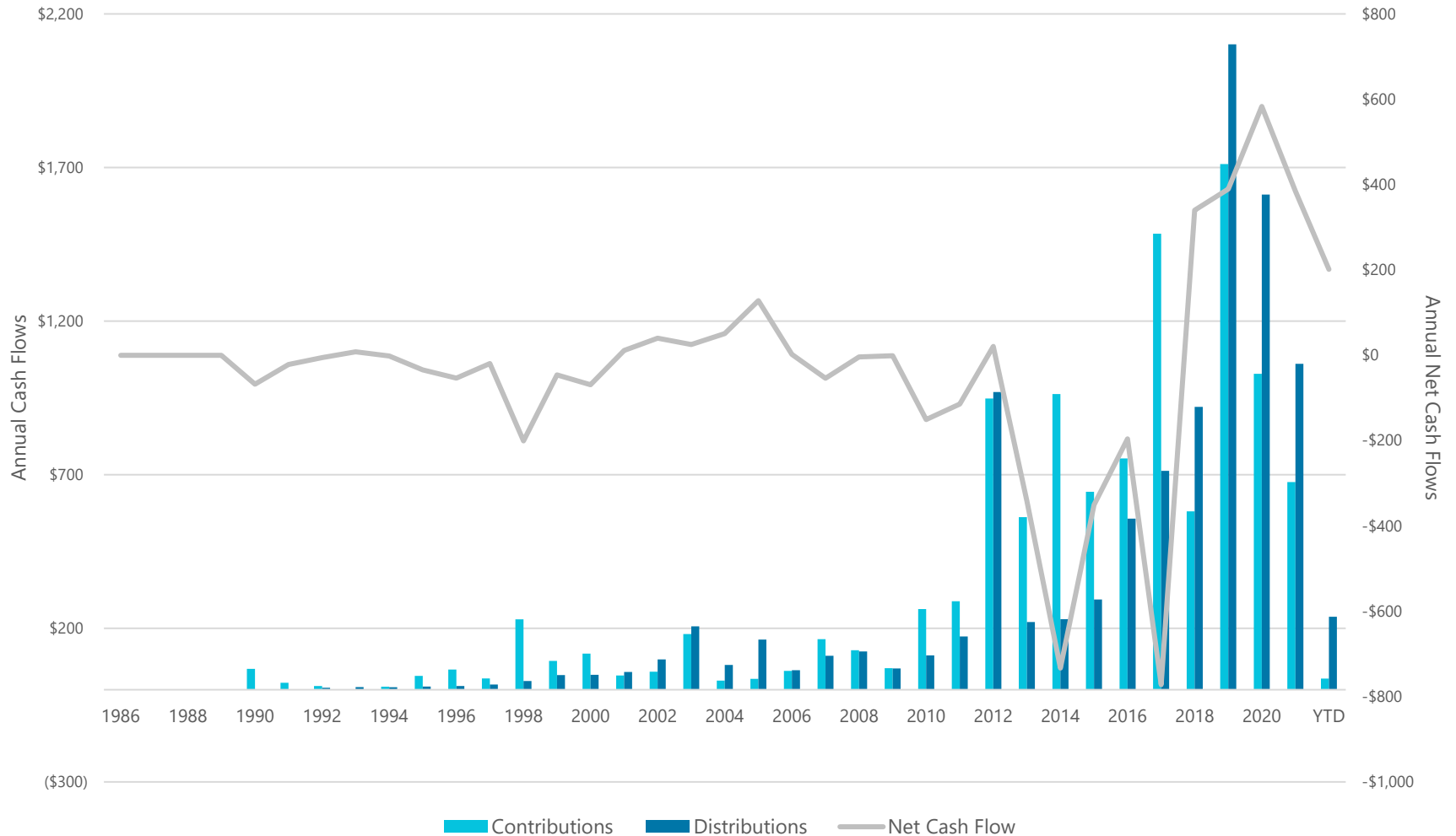
Real Estate

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

By Year (mm)



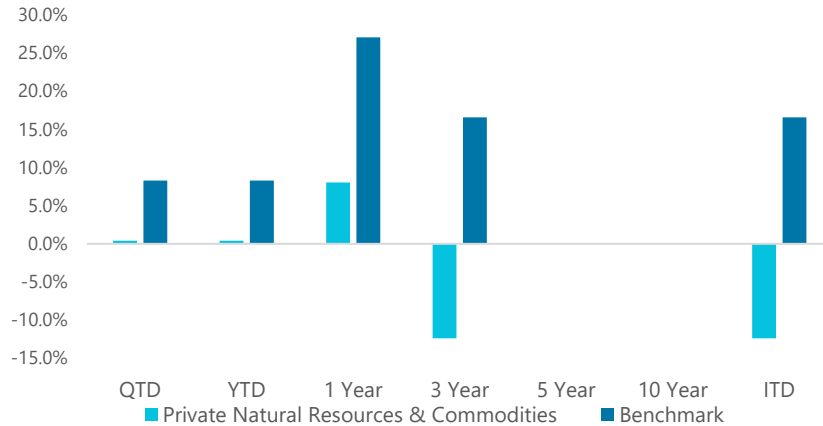
Summary

Private Real Assets ex. Real Estate
for the quarter ended March 31, 2022



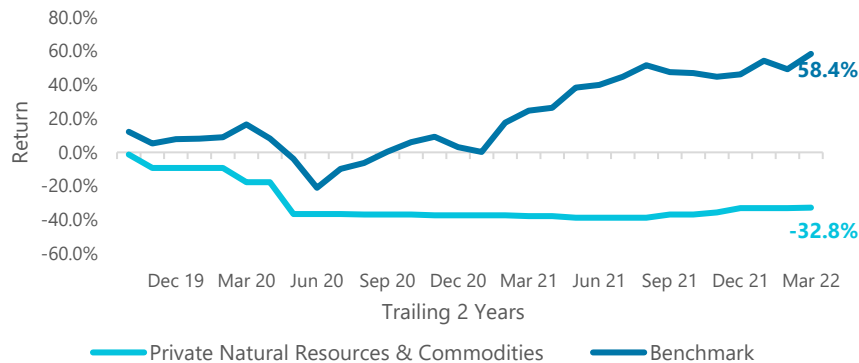
Los Angeles County Employees Retirement Association

Performance (net)¹



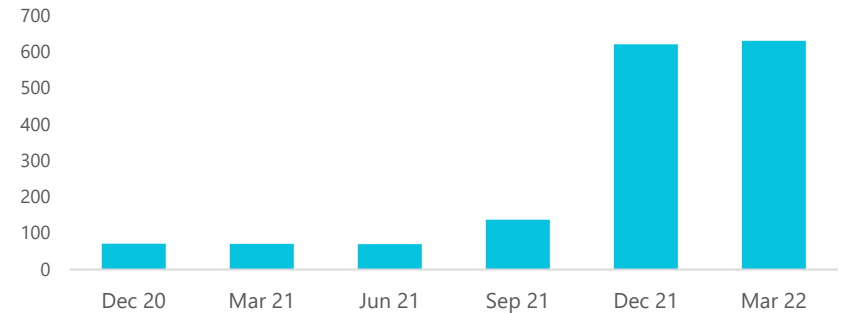
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Private Natural Resources & Commodities	0.4%	0.4%	8.0%	-12.4%	--	--	-12.4%
Benchmark	8.3%	8.3%	27.0%	16.6%	--	--	16.6%
Excess	-7.9%	-7.9%	-19.0%	-29.0%	--	--	-29.0%

Cumulative Return¹

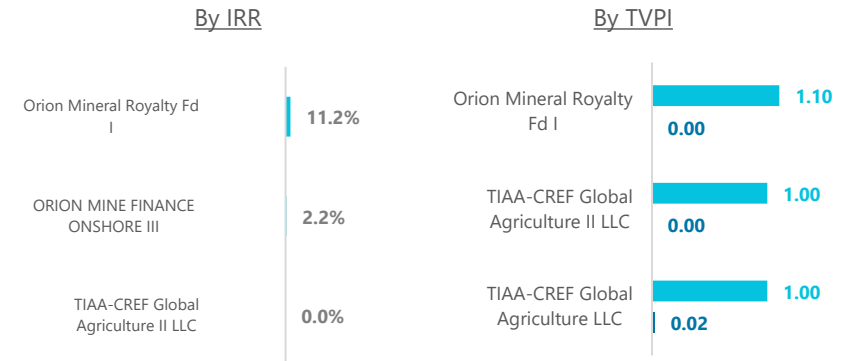


Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	621	71	112
Net Cash Flow	7	547	548
Gain/Loss	2	12.9	-30.1
Ending Market Value	631	631	631



Top Performing Investments (since inception)¹

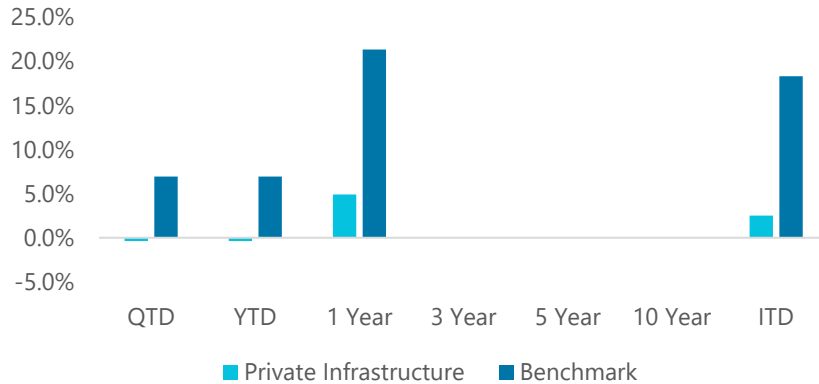


1. Private natural resources & commodities funds reflect early-stage life cycle performance.

Summary

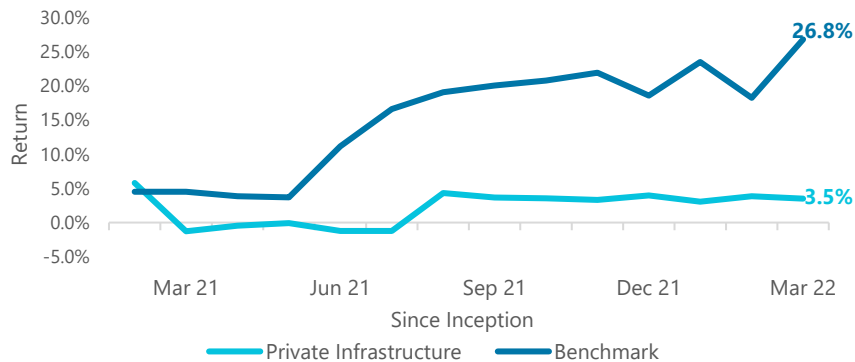
Private Real Assets ex. Real Estate
for the quarter ended March 31, 2022

Performance (net)¹



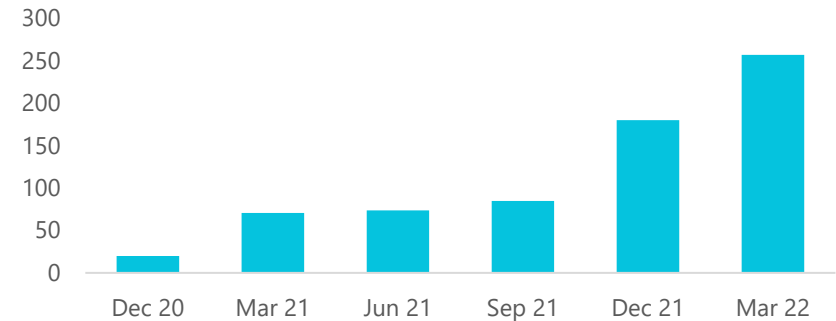
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Private Infrastructure	-0.4%	-0.4%	4.9%	--	--	--	2.5%
Benchmark	6.9%	6.9%	21.4%	--	--	--	18.3%
Excess	-7.3%	-7.3%	-16.5%	--	--	--	-15.8%

Cumulative Return¹

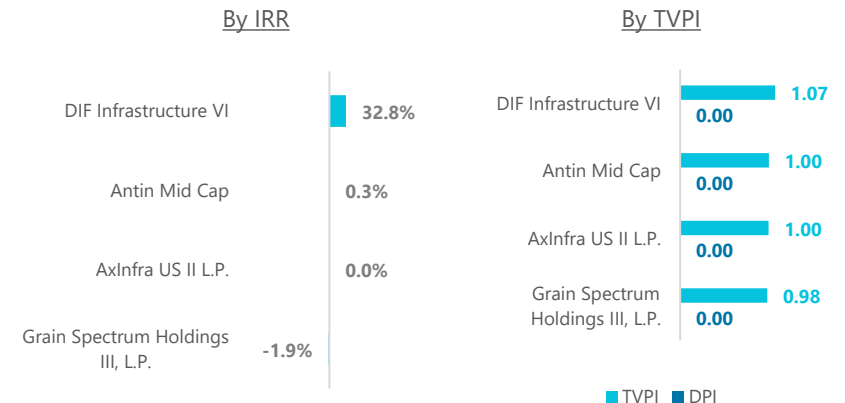


Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	180	71	--
Net Cash Flow	78	183	--
Gain/Loss	-1	4	--
Ending Market Value	257	257	--



Top Performing Investments (since inception)¹



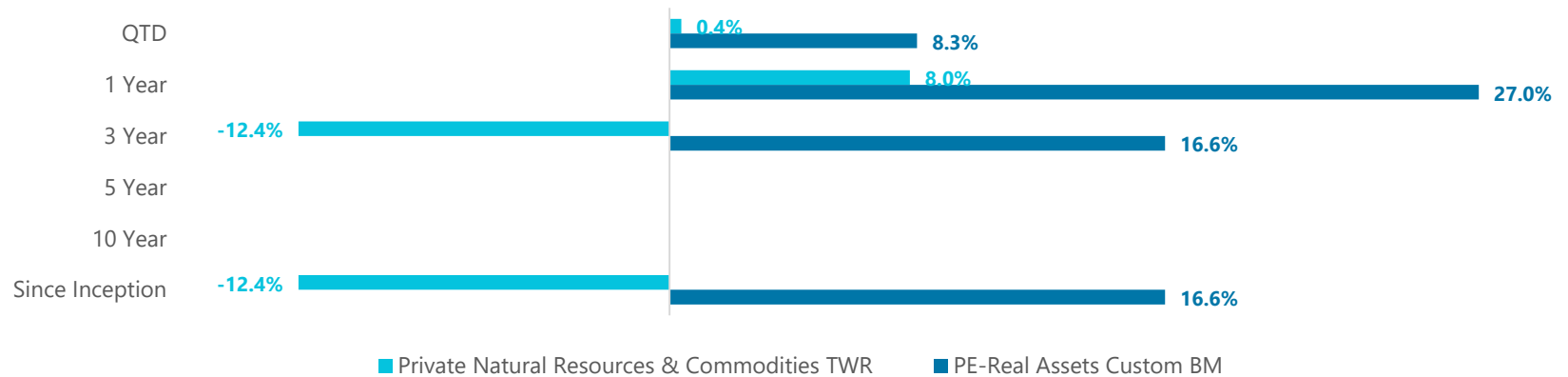
1. Private infrastructure funds reflect early-stage life cycle performance.

Historical Returns

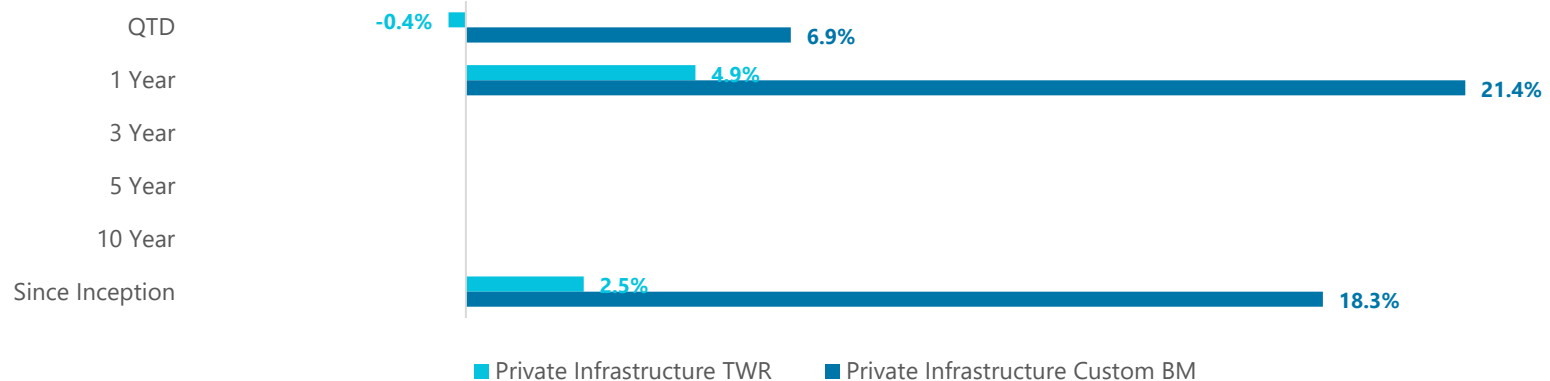
Private Real Assets ex. Real Estate
for the quarter ended March 31, 2022

Time-Weighted Returns (net)

Private Natural Resources & Commodities



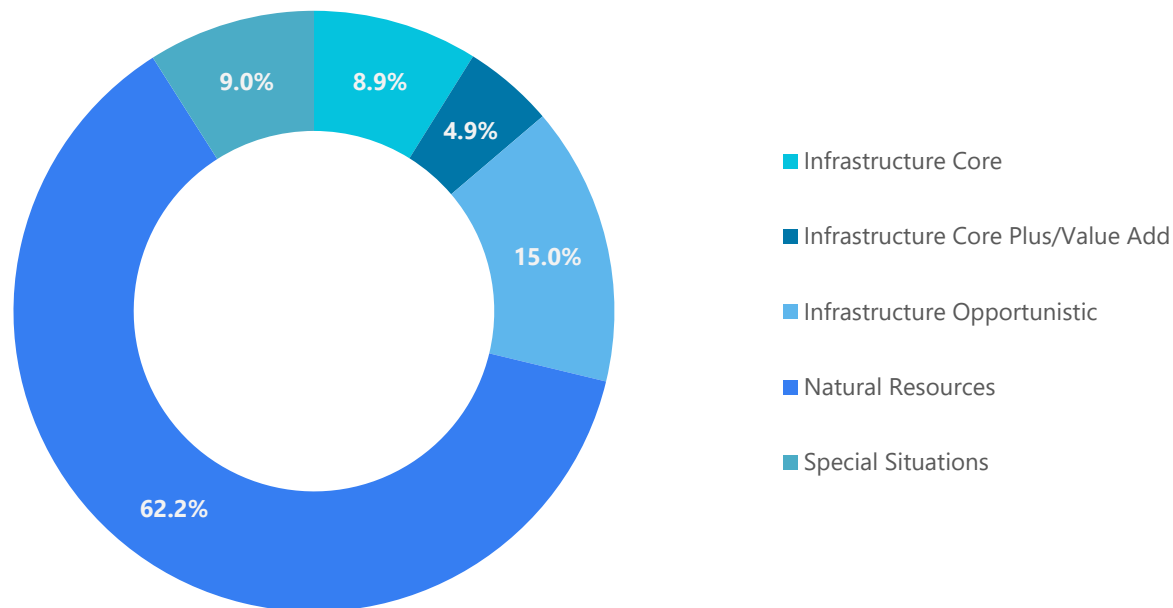
Private Infrastructure



Performance by Strategy

Private Real Assets ex. Real Estate
for the quarter ended March 31, 2022

By Strategy¹



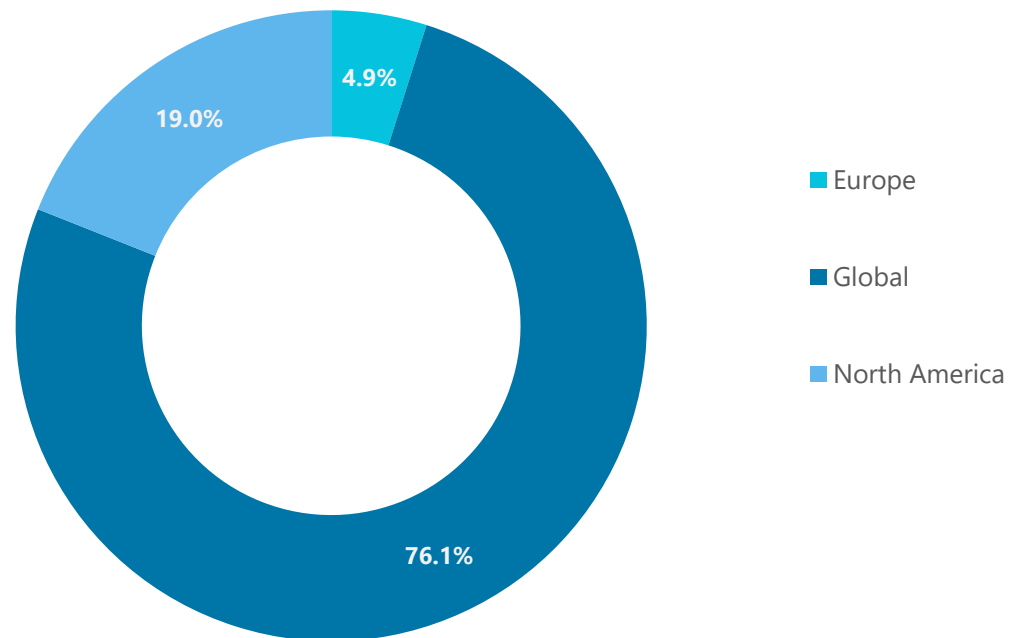
	Number of Investments ²	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Infrastructure Core	2	416.9	76.4	0.1	79.7	79.8	3.3	0.00x	1.04x	12.0%	0.88
Infrastructure Core Plus/Value Add	1	111.3	44.9	2.6	43.8	46.4	1.5	0.06x	1.03x	4.4%	0.79
Infrastructure Opportunistic	4	438.8	138.6	0.0	134.5	134.5	(4.2)	0.00x	0.97x	-5.5%	0.81
Natural Resources	4	850.0	559.7	4.6	558.0	562.6	2.9	0.01x	1.01x	3.7%	0.87
Special Situations	2	200.0	200.9	108.1	80.8	188.9	(12.0)	0.54x	0.94x	-2.2%	0.72
Total Private Real Assets ex. Real Estate	13	2,016.9	1,020.6	115.4	896.8	1,012.2	(8.5)	0.11x	0.99x	0.0%	0.81

1. Based on best available cash flow adjusted market values.

Performance by Geography

Private Real Assets ex. Real Estate
for the quarter ended March 31, 2022

By Geography¹



	Number of Investments ²	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Europe	1	111.3	44.9	2.6	43.8	46.4	1.5	0.06x	1.03x	4.4%	0.79
Global	7	1,328.2	681.0	4.6	682.8	687.4	6.3	0.01x	1.01x	7.7%	0.87
North America	5	577.5	294.7	108.2	170.2	278.4	(16.3)	0.37x	0.94x	-2.7%	0.73
Total Private Real Assets ex. Real Estate	13	2,016.9	1,020.6	115.4	896.8	1,012.2	(8.5)	0.11x	0.99x	0.0%	0.81

1. Based on best available cash flow adjusted market values.

Performance by Vintage Year

Private Real Assets ex. Real Estate
for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

By Vintage Year¹

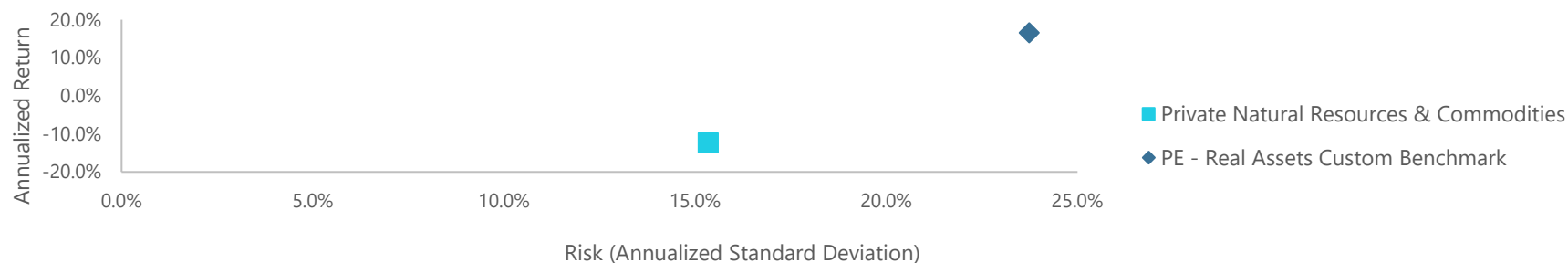
	Number of Investments ²	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
2004	1	50.0	50.0	91.4	0.0	91.4	41.4	1.83x	1.83x	31.1%	1.40
2011	1	300.0	--	--	--	--	--	--	--	--	--
2014	2	450.0	415.7	16.7	345.6	362.3	(53.4)	0.04x	0.87x	-6.3%	0.65
2020	3	338.2	154.7	2.6	156.4	159.0	4.3	0.02x	1.03x	3.9%	0.81
2021	5	678.8	166.7	0.1	165.8	165.9	(0.8)	0.00x	1.00x	12.2%	0.87
2022	1	200.0	0.0	0.0	45.6	45.6	45.6	--	--	0.0%	0.89
Total Private Real Assets ex. Real Estate	13	2,016.9	1,020.6	115.4	896.8	1,012.2	(8.5)	0.11x	0.99x	0.0%	0.81

1. Based on best available cash flow adjusted market values.

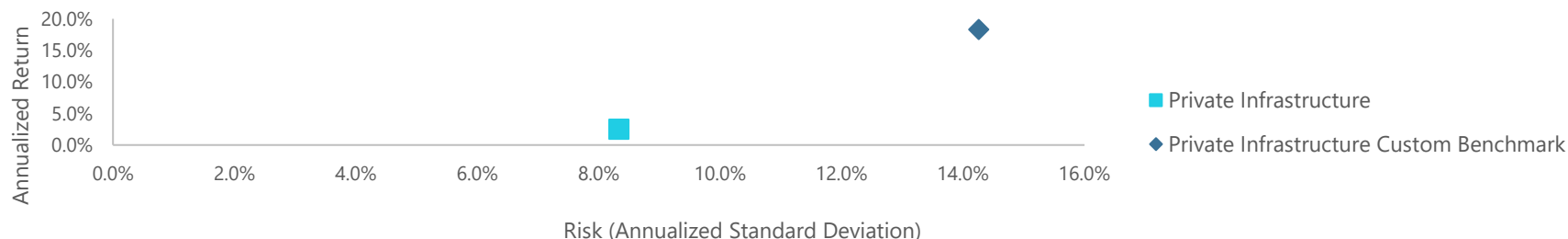
Risk vs. Return

Private Real Assets ex. Real Estate
for the quarter ended March 31, 2022

Since Inception (Annualized)¹



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Private Natural Resources & Commodities	-12.4%	15.3%				
PE - Real Assets Custom Benchmark	16.6%	23.7%	(0.82)	(1.18)	0.00	24.5%



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Private Infrastructure	2.5%	8.3%				
Private Infrastructure Custom Benchmark	18.3%	14.3%	0.32	(0.91)	0.00	17.4%

1. Composite risk statistics are relative to the custom benchmark.

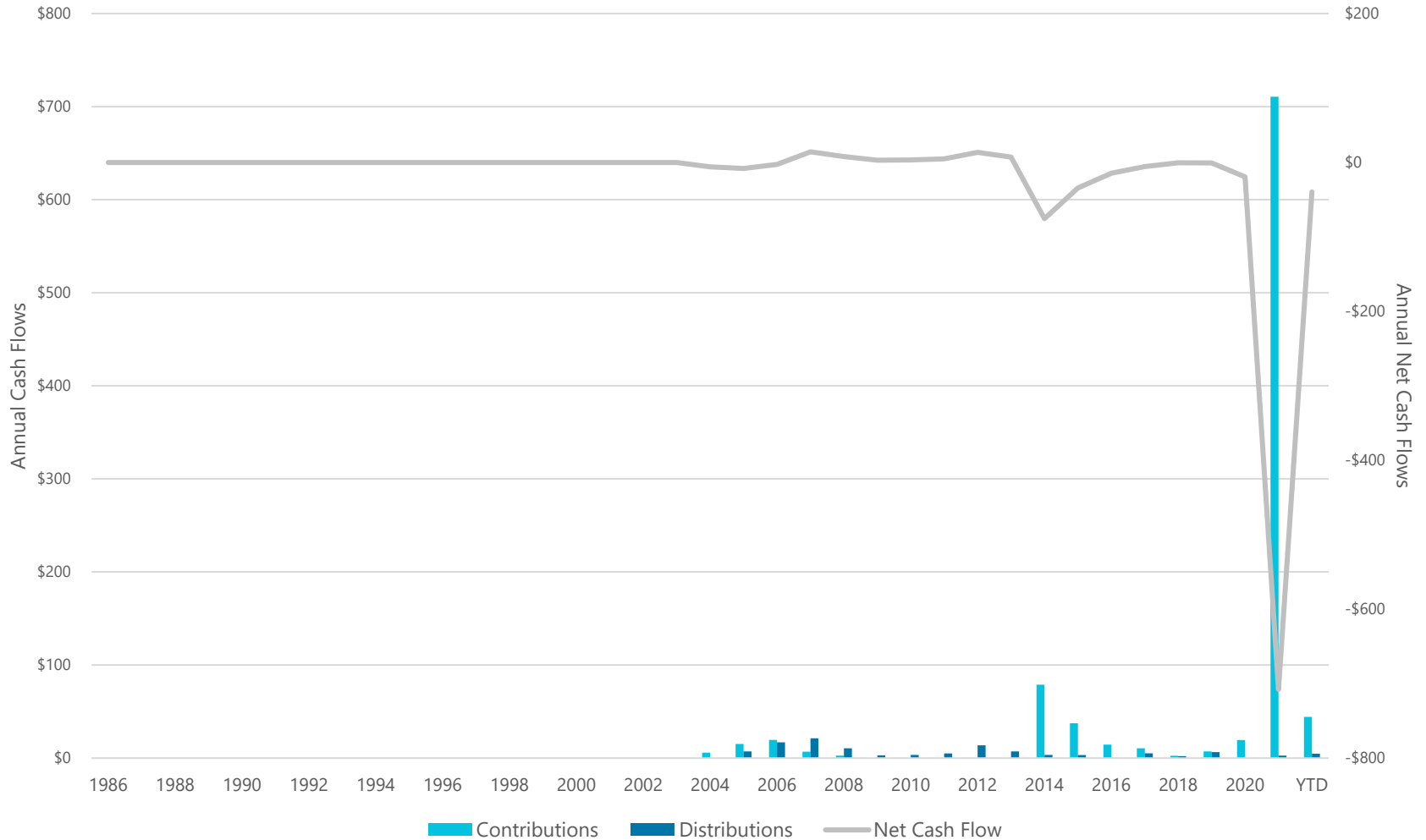
Annual Cash Flow Activity

Private Real Assets ex. Real Estate
for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

By Year (mm)



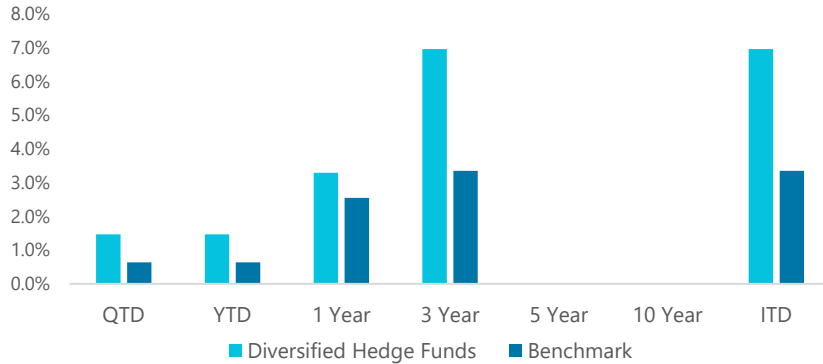
Summary

Diversified Hedge Funds
for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

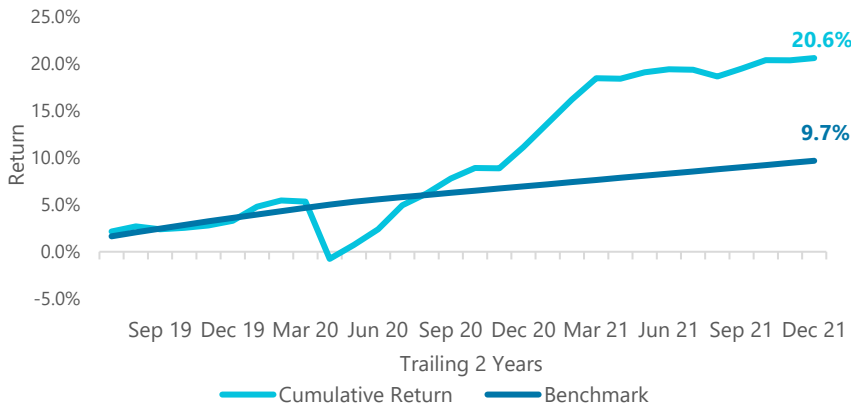
Performance (net all)¹



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Diversified Hedge Funds	1.5%	1.5%	3.3%	7.0%	--	--	7.0%
Benchmark	0.6%	0.6%	2.5%	3.3%	--	--	3.3%
Excess	0.8%	0.8%	0.7%	3.6%	--	--	3.6%

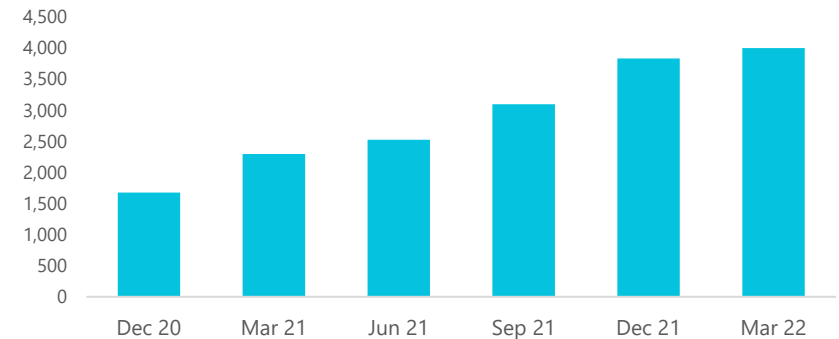
1. Diversified Hedge Funds returns are net of all fees and expenses.

Cumulative Return

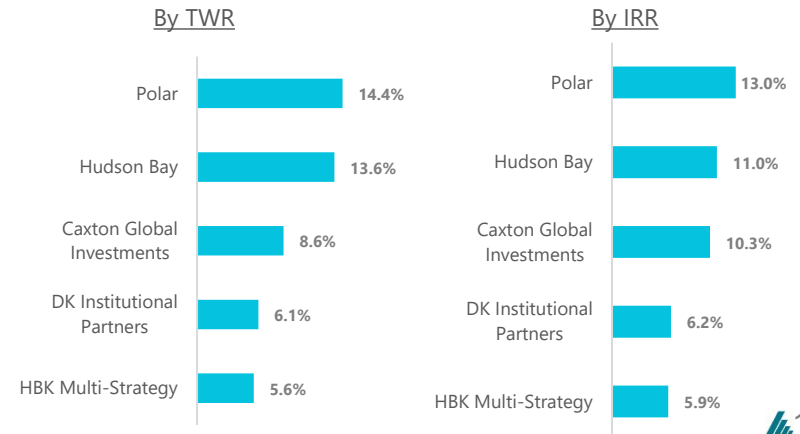


Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	3,835	2,297	0
Net Cash Flow	109	1,591	3,568
Gain/Loss	57	114	434
Ending Market Value	4,001	4,001	4,001



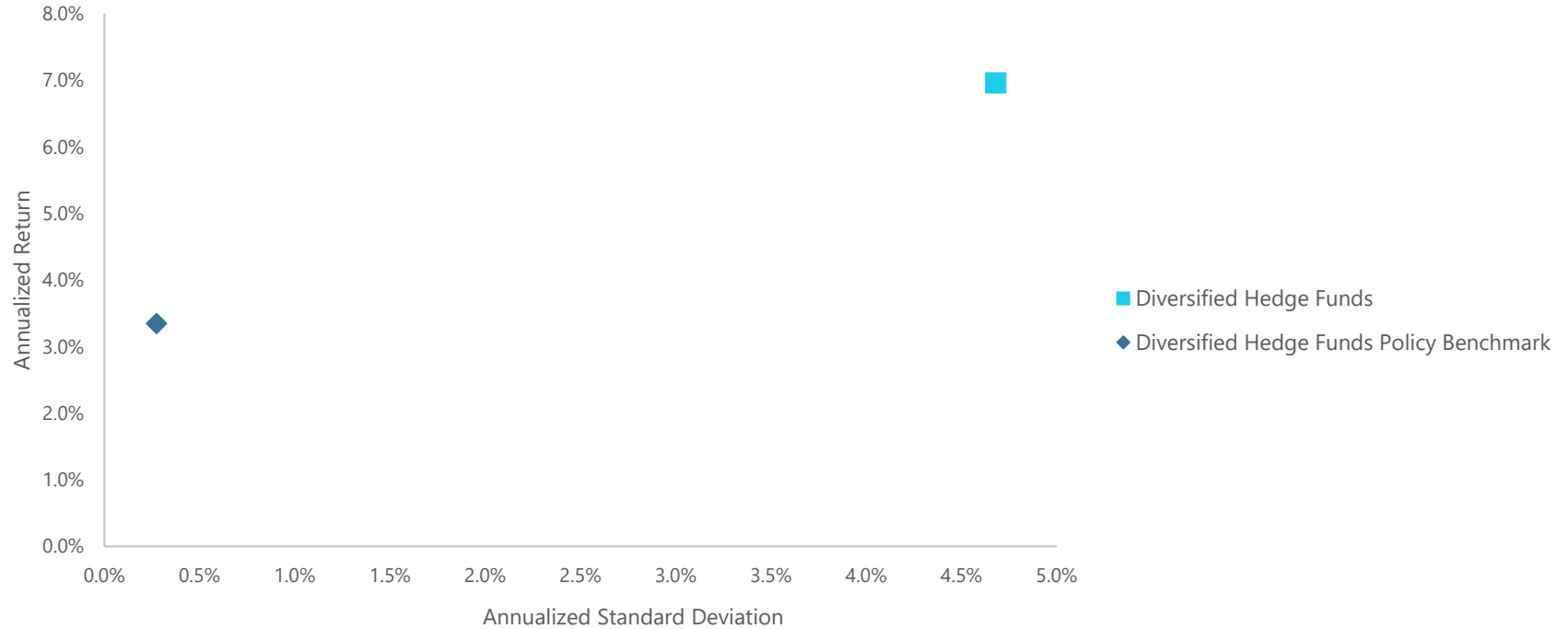
Top Performing Investments (since inception)



Risk vs. Return

Diversified Hedge Funds
for the quarter ended March 31, 2022

Since Inception (Annualized)¹



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Diversified Hedge Funds	7.0%	4.7%				
Diversified Hedge Funds Policy Benchmark	3.3%	0.3%	1.29	0.76	(9.30)	4.8%

1. Composite risk statistics are relative to the policy benchmark.

Performance Detail

Diversified Hedge Funds
for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Annualized Net All Returns¹

	% of Composite	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Diversified Hedge Funds	100.0%	4,001	3,835	1.5%	1.5%	3.3%	7.0%	--	--	7.0%
Diversified Hedge Funds Policy Benchmark				0.6%	0.6%	2.5%	3.3%	--	--	3.3%
LACERA HF Direct	93.9%	3,759	3,599	1.6%	1.6%	3.4%	6.8%	--	--	4.9%
Custom Hedge Fund Benchmark				0.6%	0.6%	2.5%	3.3%	--	--	4.2%
AM Asia Strategies	5.7%	229	176	1.4%	1.4%	--	--	--	--	1.4%
Brevan Howard Master Fund	14.1%	566	549	3.1%	3.1%	1.9%	--	--	--	1.9%
Capula GRV	13.6%	543	526	3.2%	3.2%	3.9%	5.5%	--	--	5.5%
Caxton Global Investments	6.8%	273	206	6.6%	6.6%	10.0%	--	--	--	8.6%
DK Institutional Partners	12.4%	495	492	0.6%	0.6%	4.1%	7.2%	--	--	6.1%
HBK Multi-Strategy	13.9%	558	556	0.3%	0.3%	4.5%	6.0%	--	--	5.6%
Hudson Bay	15.8%	631	631	-0.1%	-0.1%	4.9%	--	--	--	13.6%
Polar	11.6%	464	462	0.4%	0.4%	-1.1%	--	--	--	14.4%
HF Emerging Managers Program	4.8%	190	175	-1.2%	-1.2%	--	--	--	--	-1.1%
Custom Hedge Fund Benchmark				0.6%	0.6%	--	--	--	--	1.9%
Stable Asset Management	4.8%	190	175	-1.2%	-1.2%	--	--	--	--	-1.1%
Stable Fund Investments	4.8%	190	175	-1.1%	-1.1%	--	--	--	--	-1.1%
Amundsen	1.6%	62	67	-7.1%	-7.1%	--	--	--	--	-3.9%
Linear B	1.2%	48	30	1.0%	1.0%	--	--	--	--	1.5%
Sparta	1.3%	51	50	2.1%	2.1%	--	--	--	--	1.5%
Trutino	0.7%	29	28	4.1%	4.1%	--	--	--	--	-3.4%

1. Diversified Hedge Funds returns are net of all fees and expenses.

emerging manager program

Emerging Manager Program

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Annualized Net Returns

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
GROWTH					
GLOBAL EQUITY					
CORNERCAP	85.7	-1.1%	9.6%	15.8%	--
GLOBAL ALPHA	188.6	-7.9%	-1.1%	8.7%	--
Global Equity Policy Benchmark		-5.5%	6.3%	13.5%	--
PRIVATE EQUITY					
J.P. MORGAN EMERGING MANAGERS PROGRAM	122.7	0.0%	43.5%	37.7%	31.8%
J.P. MORGAN EMERGING MANAGERS PROGRAM II	112.1	-0.1%	30.6%	23.2%	30.6%
J.P. MORGAN EMERGING MANAGERS PROGRAM III	133.6	-0.8%	62.9%	45.6%	39.9%
J.P. MORGAN EMERGING MANAGERS PROGRAM IV	134.4	1.6%	24.4%	25.4%	--
Total Private Equity Custom Benchmark		6.5%	20.2%	22.2%	19.2%
NON-CORE PRIVATE REAL ESTATE					
CITYVIEW BAY AREA FUND II	77.3	1.3%	8.6%	2.7%	4.9%
CITYVIEW WESTERN FUND I, L.P.	152.5	5.6%	23.7%	13.4%	-37.9%
CVBAF II UNION CITY CO-INVEST	23.5	1.9%	12.4%	0.5%	1.7%
Non-Core Private RE Policy Benchmark		8.2%	24.1%	11.3%	10.9%
REAL ASSETS & INFLATION HEDGES					
CORE PRIVATE REAL ESTATE					
CITYVIEW CORE I.M.A.	198.9	0.1%	14.2%	2.5%	2.6%
Core Private RE Policy Benchmark		7.7%	21.3%	8.7%	8.2%
RISK REDUCTION & MITIGATION					
HEDGE FUNDS					
STABLE ASSET MANAGEMENT	190.2	-1.0%	--	--	--
Custom Hedge Fund Benchmark		0.6%	--	--	--

*Global Alpha graduation January 2022

risk reports

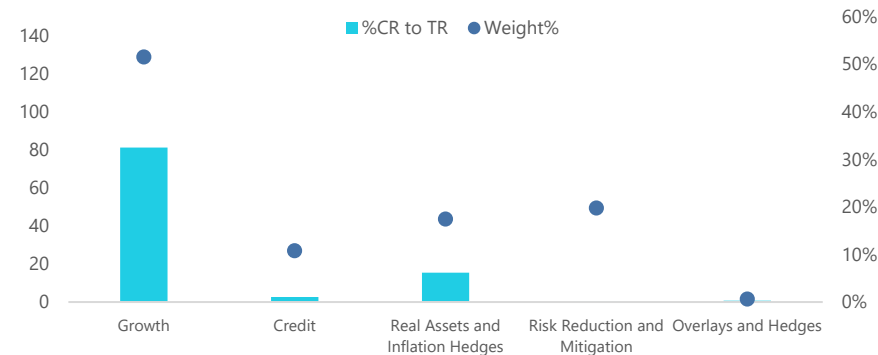
Summary

for the quarter ended March 31, 2022

Risk Summary

	Value
Total Risk	12.03
Benchmark Risk	11.38
Active Risk	1.09
Portfolio Beta	1.05
Effective Duration	1.75

Contribution to Risk

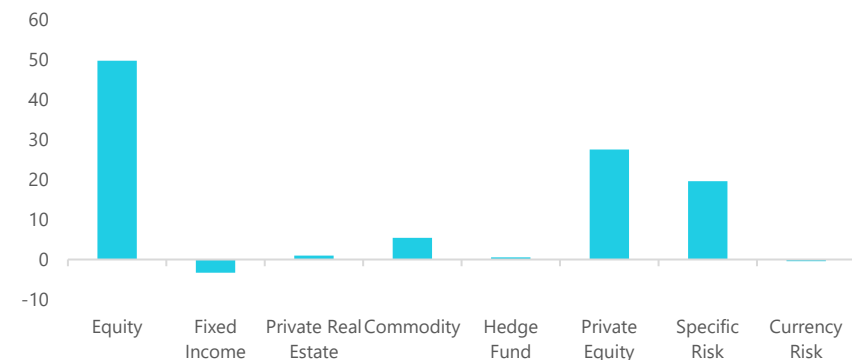


	Mkt Value (mm)	Weight%	Total Risk	Risk Contribution	%CR to TR
Total Fund	74,212	100.0%	12.03	12.03	100.00
Growth	38,216	51.50%	19.16	9.77	81.16
Credit	7,976	10.75%	3.96	0.32	2.63
Real Assets and Inflation Hedges	12,918	17.41%	12.12	1.86	15.42
Risk Reduction and Mitigation	14,659	19.75%	4.15	0.01	0.06
Overlays and Hedges	442	0.60%	39.76	0.09	0.73

Risk Decomposition

Risk Source	Portfolio			Active		
	Risk Contribution	%Risk	Correlation	Risk Contribution	%Risk	Correlation
Total Risk	12.03	100.00	1.00	1.09	100.00	1.00
Local Market Risk	11.59	96.30	1.00	1.10	100.41	0.99
Common Factor Risk	11.56	96.06	1.00	0.88	80.84	0.89
Equity	9.46	78.61	0.96	0.54	49.69	0.69
Fixed Income	0.26	2.14	0.24	-0.04	-3.28	-0.24
Private Real Estate	1.04	8.66	0.68	0.01	1.00	0.09
Commodity	0.19	1.54	0.45	0.06	5.43	0.26
Hedge Fund	0.00	0.00	0.01	0.01	0.55	0.07
Private Equity	0.61	5.07	0.23	0.30	27.51	0.52
Specific Risk	0.03	0.25	0.05	0.21	19.57	0.44
Currency Risk	0.44	3.70	0.50	0.00	-0.41	-0.04

Active Risk from Risk Factors



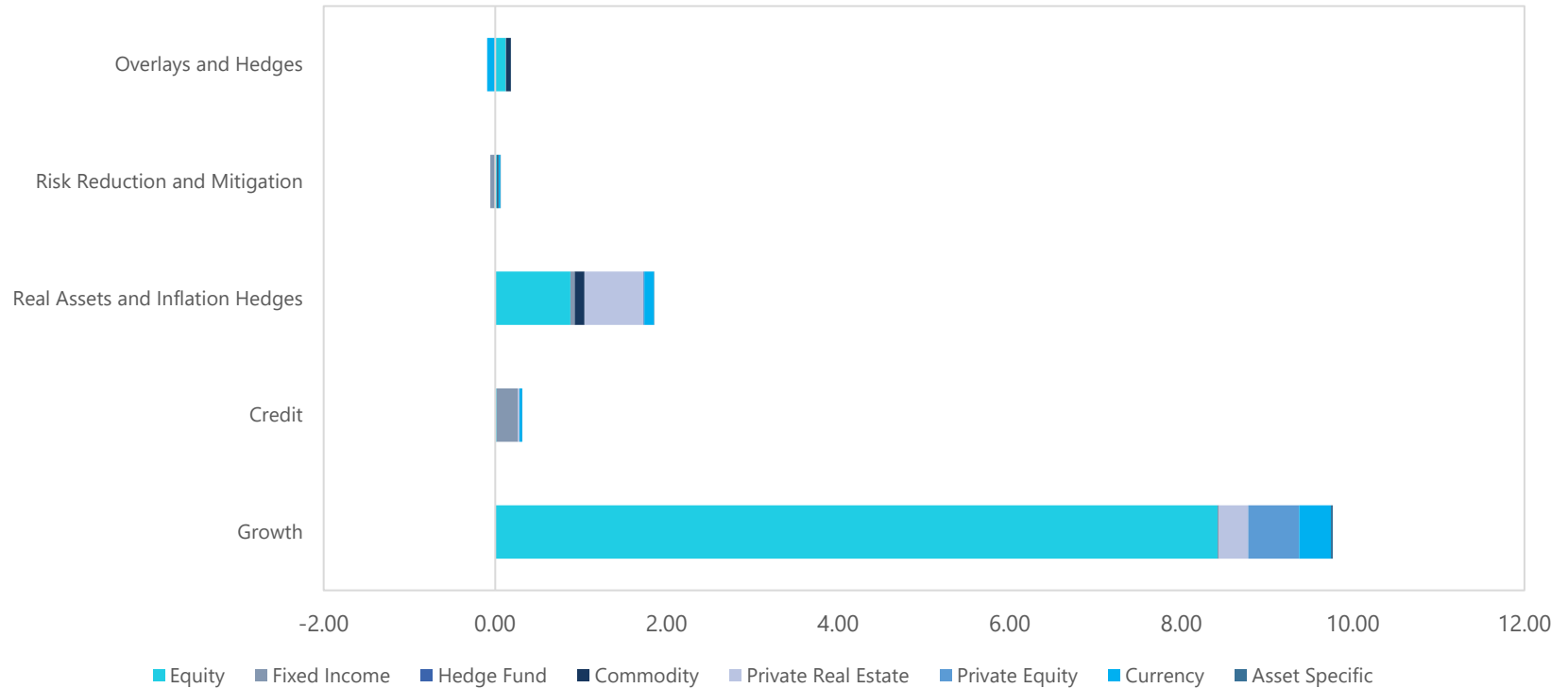
Risk Contribution Breakdown

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

By Risk Type

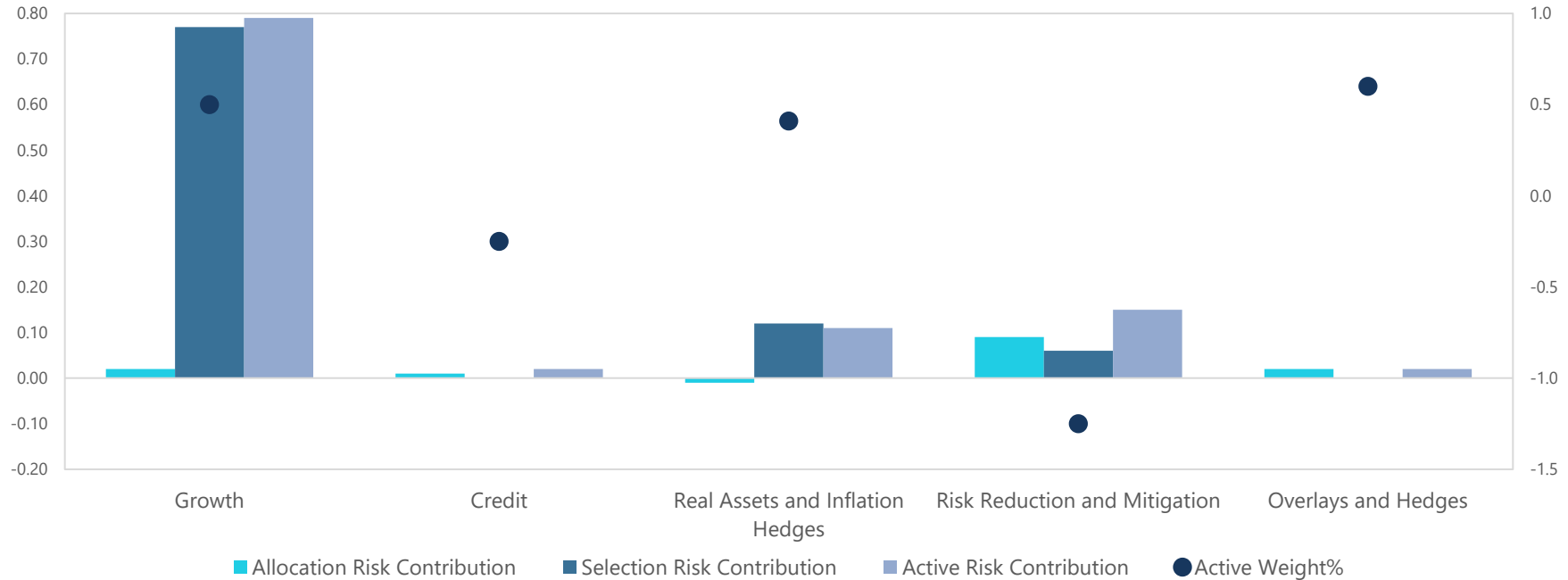


Functional Category	Mkt Value	Weight%	Total Risk	%CR to Total Risk	Port Risk Contribution	Equity	Fixed Income	Hedge Fund	Commodity	Private Real Estate	Private Equity	Currency	Asset Specific	Eff Weight%
Total Fund	74,212	100.00%	12.03	100.00	12.03	9.46	0.26	0.00	0.19	1.04	0.61	0.44	0.03	102.77%
Growth	38,216	51.50%	19.16	81.16	9.77	8.42	0.02	0.00	0.00	0.34	0.59	0.37	0.02	51.50%
Credit	7,976	10.75%	3.96	2.63	0.32	0.02	0.25	0.00	0.00	0.02	0.00	0.03	0.00	10.75%
Real Assets and Inflation Hedges	12,918	17.41%	12.12	15.42	1.86	0.88	0.05	0.00	0.11	0.68	0.01	0.11	0.00	18.77%
Risk Reduction and Mitigation	14,659	19.75%	4.15	0.06	0.01	0.02	-0.06	0.00	0.02	0.00	0.00	0.02	0.00	19.75%
Overlays and Hedges	442	0.60%	39.76	0.73	0.09	0.12	0.00	0.00	0.06	0.00	0.00	-0.09	0.00	0.60%

Allocation Selection

for the quarter ended March 31, 2022

Active Total Risk



Functional Category	Active Weight%	Allocation			Selection			Active Risk Contribution
		Volatility	Correlation	Risk Contribution	Volatility	Correlation	Risk Contribution	
Active Total Risk				0.14			0.95	1.09
Growth	0.50	7.14	0.68	0.02	1.65	0.91	0.77	0.79
Credit	-0.25	8.48	-0.59	0.01	1.71	0.01	0.00	0.02
Real Assets and Inflation Hedges	0.41	6.05	-0.42	-0.01	1.86	0.37	0.12	0.11
Risk Reduction and Mitigation	-1.25	12.28	-0.58	0.09	1.02	0.31	0.06	0.15
Overlays and Hedges	0.60	37.12	0.10	0.02	0.00	0.00	0.00	0.02

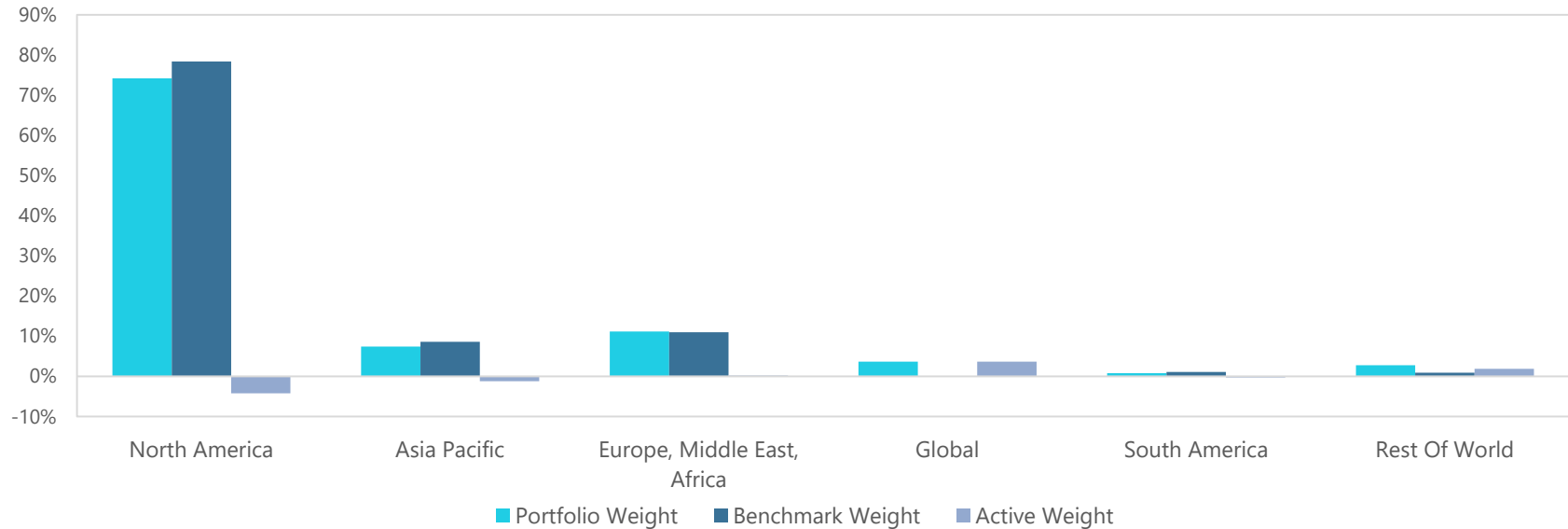
Portfolio Allocation

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

By Region

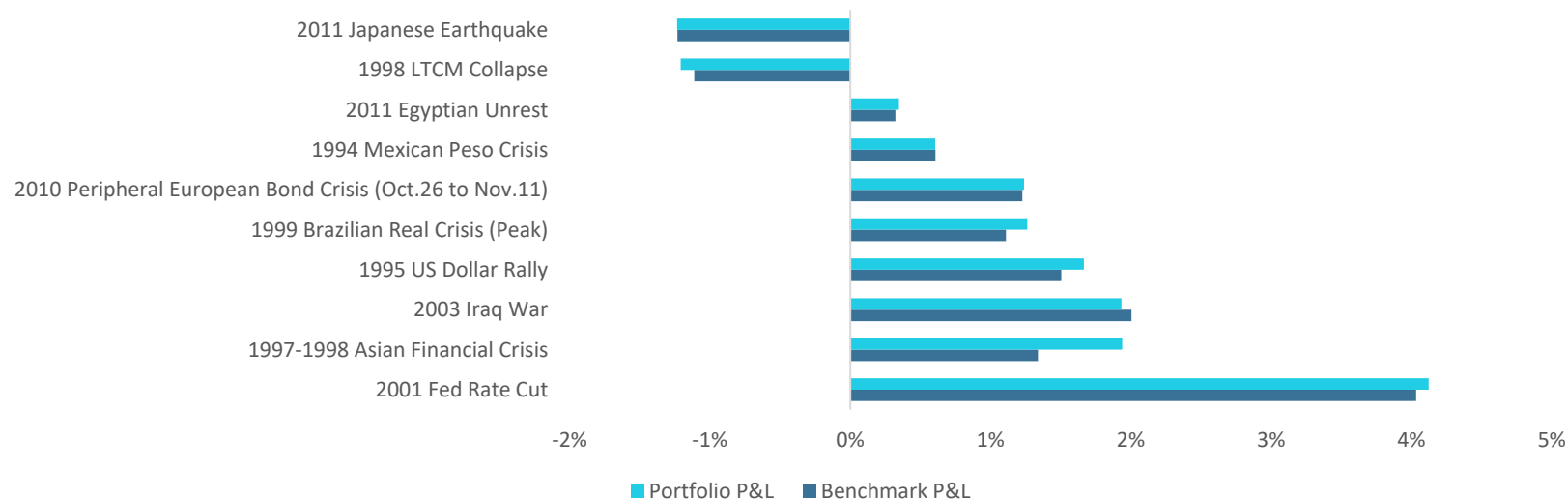


Region	Weight%			Total Risk	Active Risk CR	% of Active TR	MC to Total Tracking Error
	Portfolio	Benchmark	Active				
Total Fund	100.00%	100.00%	0.00%	12.03	1.09	100.00	0.01
North America	74.19%	78.40%	-4.21%	11.95	0.99	91.09	0.02
Asia Pacific	7.40%	8.62%	-1.22%	15.12	0.05	4.55	0.00
Europe, Middle East, Africa	11.18%	10.98%	0.20%	20.38	0.22	20.16	0.04
Global	3.66%	0.00%	3.66%	6.29	-0.15	-13.63	-0.04
South America	0.80%	1.10%	-0.29%	24.87	0.06	5.41	0.01
Rest Of World	2.77%	0.91%	1.86%	6.64	-0.08	-7.58	-0.05

Stress Tests

for the quarter ended March 31, 2022

Top 10 Best Stress Scenarios

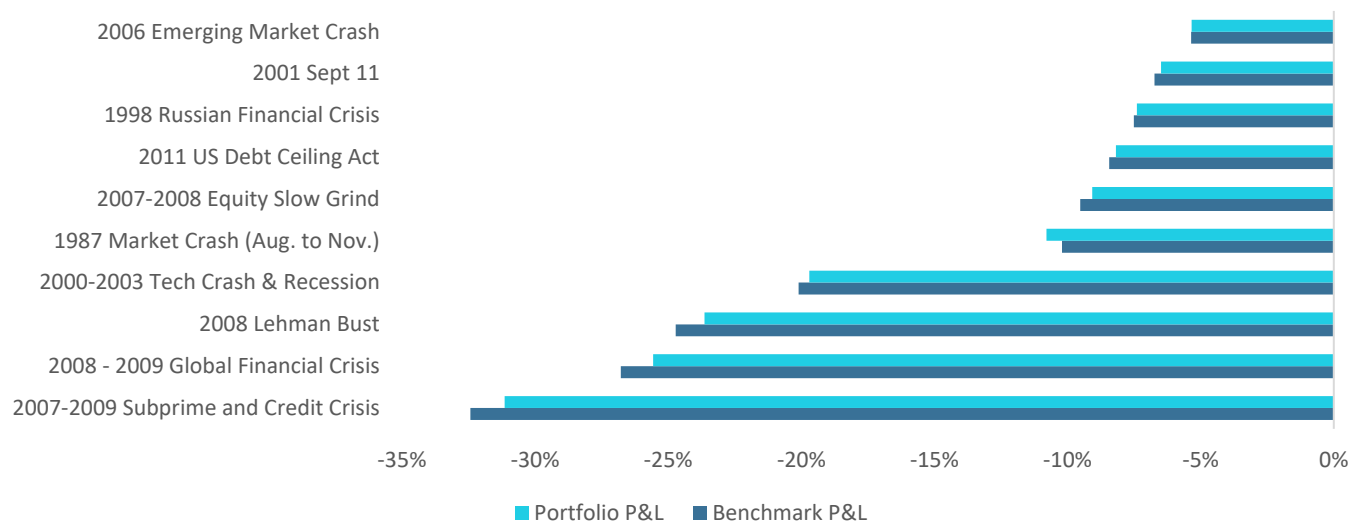


Scenario	Portfolio P&L	Benchmark P&L	Market Change (\$)
2001 Fed Rate Cut	4.12%	4.03%	3,058,943,384
1997-1998 Asian Financial Crisis	1.94%	1.34%	1,438,285,897
2003 Iraq War	1.93%	2.00%	1,433,549,183
1995 US Dollar Rally	1.66%	1.50%	1,234,975,022
1999 Brazilian Real Crisis (Peak)	1.26%	1.11%	936,024,189
2010 Peripheral European Bond Crisis (Oct.26 to Nov.11)	1.24%	1.23%	919,043,187
1994 Mexican Peso Crisis	0.61%	0.61%	449,007,923
2011 Egyptian Unrest	0.35%	0.32%	257,488,698
1998 LTCM Collapse	-1.21%	-1.11%	(897,540,596)
2011 Japanese Earthquake	-1.23%	-1.23%	(915,819,165)

Stress Tests

for the quarter ended March 31, 2022

Top 10 Worst Stress Scenarios



Scenario	Portfolio P&L	Benchmark P&L	Market Change (\$)
2007-2009 Subprime and Credit Crisis	-31.15%	-32.43%	(23,115,366,288)
2008 - 2009 Global Financial Crisis	-25.57%	-26.78%	(18,974,970,351)
2008 Lehman Bust	-23.64%	-24.72%	(17,544,947,491)
2000-2003 Tech Crash & Recession	-19.70%	-20.11%	(14,619,449,581)
1987 Market Crash (Aug. to Nov.)	-10.79%	-10.21%	(8,010,783,804)
2007-2008 Equity Slow Grind	-9.08%	-9.52%	(6,734,847,675)
2011 US Debt Ceiling Act	-8.18%	-8.44%	(6,074,150,551)
1998 Russian Financial Crisis	-7.40%	-7.51%	(5,490,336,824)
2001 Sept 11	-6.49%	-6.74%	(4,814,250,169)
2006 Emerging Market Crash	-5.34%	-5.36%	(3,963,644,987)

manager scorecards



Los Angeles County Employees Retirement Association
PUBLIC MARKETS MANAGER SCORECARD
 1st Quarter 2022

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms		
			1 to 5 (with 5 the best)	S+, S, or S- (with S+ the best)	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)		
			SCORE	SCORE	SCORE	SCORE	SCORE		
Manager	Market Value (in \$ millions)	% of Total Fund	Risk-Adjusted Return	ER					
GROWTH	GLOBAL EQUITY								
	ACADIAN DEVELOPED MARKETS	632.2	0.8%	5	●	S	3	B	3
	BTC EURO TILTS	559.6	0.7%	5	●	S+	4	B	3
	CAPITAL GROUP DEVELOPED MARKETS	414.3	0.6%	4	●	S	2	B	3
	CEVIAN CAPITAL II - ACTIVIST	392.6	0.5%	1	●	S	4	B	1
	CORNERCAP US SC - EMP	85.7	0.1%	4	●	S-	1	A	3
	FRONTIER US SMID GROWTH	298.0	0.4%	4	●	S	2	B	1
	GENESIS EMERGING MARKETS	556.6	0.7%	1	●	S	3	A	1
	GLOBAL ALPHA IE SC - EMP	188.6	0.3%	3	●	S+	3	A	3
	JANA JSI FUND V - ACTIVIST	123.4	0.2%	2	●	S-	2	A	1
	JPMAM STRATEGIC BETA NON-U.S.	617.9	0.8%	* 3	●	S	2	B	3
	JPMAM STRATEGIC BETA U.S.	4,643.0	6.2%	* 3	●	S	2	B	3
	LAZARD EMERGING MARKETS	412.8	0.5%	2	●	S	3	B	3
SSGA MSCI ACWI IMI	15,518.3	20.6%	* 3	●	S	—	B	5	
SYMPHONY FINANCIAL - ACTIVIST	237.2	0.3%	4	●	S	2	A	3	
SYSTEMATIC US SMALL CAP VALUE	196.6	0.3%	3	●	S-	2	A	3	
CREDIT	HIGH YIELD								
	BEACH POINT	304.3	0.4%	5	●	S	3	B	1
	BRIGADE CAP MGMT	696.4	0.9%	4	●	S	2	B	3
	PINEBRIDGE INVESTMENTS	483.7	0.6%	* 3	●	S	4	B	3
	BANK LOANS								
	BAIN CAPITAL CREDIT	421.3	0.6%	3	●	S	2	B	1
	CREDIT SUISSE BANK LOANS	1,157.9	1.5%	* 3	●	S	+	B	5
	CRESCENT CAPITAL	516.7	0.7%	4	●	S	2	B	1
	EMERGING MARKET DEBT								
ABERDEEN ASSET MANAGEMENT	400.6	0.5%	1	●	S	3	B	3	
ASHMORE INVESTMENT MANAGEMENT	376.5	0.5%	1	●	S	3	B	3	
REAL ASSETS & INFLATION HEDGES	NATURAL RESOURCES & COMMODITIES								
	CREDIT SUISSE COMMODITY	579.8	0.8%	4	●	S-	3	A	3
	DWS NATURAL RESOURCES	1,454.8	1.9%	* 3	●	S+	2.4	A	5
	NEUBERGER BERMAN/GRESHAM	562.1	0.7%	2	●	S	3	A	1
	PIMCO COMMODITY PLUS	569.0	0.8%	4	●	S-	3	C	1
	INFRASTRUCTURE								
	DWS INFRASTRUCTURE	2,741.9	3.6%	* 3	●	S+	2.4	A	5
	TIPS								
	BLACKROCK TIPS	2,059.3	2.7%	* 3	●	S	3.2	B	5

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms		
			1 to 5 (with 5 the best)	S+, S, or S- (with S+ the best)	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)		
			SCORE	SCORE	SCORE	SCORE	SCORE		
			Risk-Adjusted Return	ER					
Manager			Market Value (in \$ millions)	% of Total Fund					
RISK REDUCTION & MITIGATION	INVESTMENT GRADE BONDS								
	BTC US DEBT INDEX FUND	5,549.5	7.4%	4	●	S+	—	B	5
	PUGH CAPITAL MGMT	1,110.2	1.5%	2	●	S	1	A	3
	WELLS CAPITAL	1,976.8	2.6%	5	●	S	3	B	5
	CASH								
	SSGA CASH	656.0	0.9%	* 3	●	S+	—	A	5

	Exceeds 3-Year Net Excess Return
	Meets 3-Year Net Excess Return
	Below 3-Year Net Excess Return

Footnotes

- Pillar methodologies in refinement and may evolve over time

Category Descriptions

Performance

- Quarterly score based on Sharpe and Information Ratios, which provide insight into a manager’s risk-adjusted performance and performance relative to its benchmark, respectively
- ‘*’ denotes a manager with an inception date of less than 3 years, resulting in a neutral score of 3
- Circle icons reflect trailing 3-year net excess returns against the manager’s benchmark above or below a specified range

Organization & Operations

- Includes factors such as organization, professional staff, diversity & inclusion, investment philosophy & process, risk management, legal & compliance framework
- ‘S’ stands for Satisfactory

ESG

- Evaluates the extent to which material ESG factors are identified, assessed, and incorporated into risk/return analysis and portfolio construction
- ‘-’ denotes passive index funds and cash where ESG scores are not relevant and/or reflect strategies that do not incorporate active decisions, including ESG considerations, in portfolio construction
- ‘+’ denotes mandates where ESG scores are currently under review

Partnership

- Blended score based on:
 - Value added services – e.g., providing education, distributing research, and performing analytics on portfolio
 - Client service – e.g., responsiveness, timeliness, competency, and approach
 - Size of LACERA’s investment relative to the firm’s assets under management

Fees & Terms

- Compared to a benchmark of median fees by asset category and/or investment structure



Los Angeles County Employees Retirement Association

PRIVATE MARKETS MANAGER SCORECARD

1st Quarter 2022

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms
			1 to 5 (with 5 the best)	S+, S, or S- (with S+ the best)	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)
			SCORE	SCORE	SCORE	SCORE	SCORE
Manager	Market Value (in \$ millions)	% of Total Fund					
GLOBAL/LARGE BUYOUT							
Advent International Group	155.0	0.2%	*	S+	3	C	4
Blackstone Management	271.1	0.4%	1	S-	4	C	5
CVC Capital Partners	522.2	0.7%	5	S	4	A	4
Green Equity Investors	371.5	0.5%	4	S+	3	B	4
Hellman & Friedman	453.8	0.6%	2	S+	3	B	4
MBK	313.3	0.4%	1	S	4	A	2
Silver Lake Partners	607.3	0.8%	5	S+	3	B	5
Thoma Bravo LLC	125.1	0.2%	*	S+	3	B	3
Vista Equity Partners	927.8	1.2%	3	S-	3	A	2
MID-MARKET BUYOUT							
Accel-KKR Capital Partners	104.1	0.1%	*	S+	4	A	3
BlackFin Capital Partners	20.2	0.0%	*	S	3	B	3
Carlyle Group	313.1	0.4%	3	S+	4	B	4
Clearlake Capital	465.8	0.6%	5	S+	4	A	4
GHO Capital	17.5	0.0%	*	S	3	B	3
Gilde Partners	95.8	0.1%	5	S	2	C	5
Harvest Partners	115.4	0.2%	4	S	1	C	3
Marlin Equity	30.5	0.0%	2	S-	2	C	3
Novacap	0.0	0.0%	*	S	3	B	3
Onex Partners	302.3	0.4%	2	S	4	A	5
PAI	122.9	0.2%	*	S-	2	B	4
Revelstoke	0.0	0.0%	*	S	4	A	2
Riverside Capital	101.8	0.1%	1	S	3	C	3
Siris Capital Group	135.4	0.2%	2	S	3	A	4
Sterling Partners	97.1	0.1%	4	S	3	A	4
STG Partners	25.9	0.0%	*	S	3	A	3
Triton	122.2	0.2%	*	S-	3	C	5
TSG	0.0	0.0%	*	S+	3	C	2
Veritas Capital	9.7	0.0%	*	S+	3	A	3
Vinci Partners	38.1	0.1%	*	S	4	B	5
Webster Equity Partners	38.4	0.1%	*	S	3	B	3
Wynnchurch Capital	26.3	0.0%	*	S+	3	C	3
SMALL BUYOUT							
AE Industrial Partners	112.2	0.1%	*	S+	3	A	3
Atlantic Street Capital	57.4	0.1%	*	S	3	A	3
Clarion	11.1	0.0%	*	S+	2	B	4
Excellere Partners	90.7	0.1%	5	S-	3	A	3
Incline Equity Partners	30.8	0.0%	5	S-	2	C	4
Insignia Capital Partners	165.1	0.2%	3	S	1	B	5
Juggernaut Capital Partners	281.7	0.4%	3	S	3	A	4
Lightyear Capital	235.8	0.3%	4	S-	2	A	5
Livingbridge	53.7	0.1%	1	S+	4	A	3
Montefiore Investment	10.7	0.0%	*	S+	4	B	4
One Rock Capital Partners	148.4	0.2%	2	S	3	A	4
Palladium Equity Partners	93.9	0.1%	1	S-	4	C	2

PRIVATE EQUITY



Los Angeles County Employees Retirement Association

PRIVATE MARKETS MANAGER SCORECARD

1st Quarter 2022

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms
			1 to 5 (with 5 the best)	S+, S, or S-	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)
			SCORE	SCORE	SCORE	SCORE	SCORE
Manager	Market Value (in \$ millions)	% of Total Fund					
GROWTH EQUITY							
Australis Partners	99.7	0.1%	1	S-	4	B	5
Great Hill Partners	0.0	0.0%	*	S	4	A	4
JMI Equity	3.5	0.0%	2	S	3	C	2
RedBird Capital Partners	178.7	0.2%	*	S	4	A	3
Summit Partners	82.5	0.1%	4	S+	4	A	4
TA Associates	117.6	0.2%	*	S+	4	B	4
Technology Crossover Ventures	9.0	0.0%	5	S	2	B	3
VENTURE CAPITAL							
BlueRun Ventures	100.7	0.1%	1	S	2	A	2
Canaan Partners	148.0	0.2%	5	S+	3	A	4
GGV Capital	695.5	0.9%	3	S	3	A	3
Institutional Venture Partners	253.1	0.3%	3	S	1	C	5
Joy Capital	73.6	0.1%	*	S-	2	B	4
Lilly Asia Ventures	170.5	0.2%	2	S	4	B	2
Sinovation Ventures	93.3	0.1%	1	S-	2	C	2
Storm Ventures LLC	259.7	0.3%	4	S	3	A	4
Union Square	225.4	0.3%	5	S-	1	B	5
SPECIAL SITUATIONS							
Alchemy Partners	33.3	0.0%	*	S	3	B	4
Black Diamond	128.5	0.2%	1	S	3	C	4
Centerbridge	127.1	0.2%	5	S	4	A	2
FUND OF FUNDS							
Gateway	885.3	1.2%	5	S	3	B	4
MS GTB Capital Partners	300.4	0.4%	1	S	4	A	2
J.P. Morgan	483.3	0.6%	3	S+	+	B	4

PRIVATE EQUITY
(continued)



Los Angeles County Employees Retirement Association

PRIVATE MARKETS MANAGER SCORECARD

1st Quarter 2022

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms
			1 to 5 (with 5 the best)	S+, S, or S-	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)
			SCORE	SCORE	SCORE	SCORE	SCORE
Manager	Market Value (in \$ millions)	% of Total Fund					
COMMINGLED FUNDS							
AERMONT Real Estate Fund IV	29.0	0.0%	*	S	4	B	3
AEW Value Investors Asia III	51.0	0.1%	3	S	4	B	4
AG Asia Realty Fund IV	68.0	0.1%	*	S	2	B	3
AG Europe Realty Fund II	56.0	0.1%	4	S	2	B	3
Bain Capital Real Estate Fund I	83.0	0.1%	5	S	3	B	3
Bain Capital Real Estate Fund II	23.0	0.0%	*	S	3	B	3
CapMan Nordic Real Estate Fund II	61.0	0.1%	4	S	3	A	3
CapMan Nordic Real Estate Fund III	16.0	0.0%	*	S	3	A	3
Capri Urban Investors	1.0	0.0%	2	S-	1	C	3
CityView Bay Area Fund II	77.0	0.1%	1	S	3	B	3
CityView Southern California Fund II	1.0	0.0%	2	S	3	B	3
CityView Western Fund I, L.P.	152.0	0.2%	4	S	3	B	3
Core Property Index Fund	119.0	0.2%	*	S	2	B	5
Europa Fund IV	12.0	0.0%	1	S	3	B	2
Heitman Asia-Pacific Property Investors	38.0	0.1%	2	S	3	B	4
Invesco Real Estate Asia Fund	164.0	0.2%	3	S	4	B	5
Prologis European Logistics Fund (PELF)	215.0	0.3%	5	S	4	A	1
RREEF Core Plus Industrial Fund (CPIF)	248.0	0.3%	5	S	3	B	5
Starwood Capital Hospitality Fund	18.0	0.0%	1	S	2	C	3
TPG Real Estate Partners III	41.0	0.1%	*	S	3	C	3
SEPARATE ACCOUNTS							
Cityview Core I.M.A.	198.0	0.3%	1	S	3	B	1
Clarion I.M.A.	416.0	0.6%	5	S	4	B	4
Clarion Takeover Core IMA	360.0	0.5%	*	S	4	B	4
Clarion Takeover Value IMA	60.0	0.1%	*	S	4	B	3
Clarion Takeover Value IMA Vintage 2012	2.0	0.0%	*	S	4	B	4
Heitman I.M.A.	359.0	0.5%	4	S	3	B	4
RREEF Core/High Return I.M.A. III	899.0	1.2%	2	S	3	C	5
RREEF Takeover I.M.A.	629.0	0.8%	1	S	3	C	4
Stockbridge I.M.A.	662.0	0.9%	4	S	3	B	4
Stockbridge High I.M.A. Vintage 2014	99.0	0.1%	*	S	3	B	5
Stockbridge Value I.M.A. Vintage 2014	23.0	0.0%	*	S	3	B	3

REAL ESTATE



Los Angeles County Employees Retirement Association

PRIVATE MARKETS MANAGER SCORECARD

1st Quarter 2022

HEDGE FUNDS &
ILLIQUID CREDIT

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms
			1 to 5 (with 5 the best)	S+, S, or S- (with S+ the best)	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)
			SCORE	SCORE	SCORE	SCORE	SCORE
Manager	Market Value (in \$ millions)	% of Total Fund					
HEDGE FUNDS							
AM Asia	229.0	0.3%	4	S-	2	A	5
Brevan Howard	565.6	0.8%	4	S+	2	B	2
Capula GRV	543.2	0.7%	5	S-	1	A	3
Caxton	273.3	0.4%	5	S	3	B	3
DK Institutional Partners	495.4	0.7%	4	S	1	B	3
HBK Multistrategy	557.8	0.7%	4	S	1	A	3
Hudson Bay	630.6	0.8%	5	S	1	B	3
Polar	464.2	0.6%	5	S	2	B	4
Stable	190.2	0.3%	*	S	2	A	5
ILLIQUID CREDIT							
Barings	73.8	0.1%	5	S	3	A	5
Beach Point	515.2	0.7%	5	S	1	A	3
Glendon	128.8	0.2%	1	S	1	A	2
Magnetar	810.1	1.1%	*	S	2	A	3
Napier Park	847.8	1.1%	*	S	2	A	4
Oaktree	142.5	0.2%	4	S	2	B	2
PIMCO Tac Opps	859.1	1.1%	3	S-	1	C	3
Quadrant	83.2	0.1%	2	S	1	B	5
Silver Rock	0.0	0.0%	*	S	2	A	4
Tennenbaum	9,411.2	12.5%	1	S	2	B	5

Footnotes

- Pillar methodologies in refinement and may evolve over time

Category Descriptions

Performance

- Quarterly score based on risk-adjusted performance metrics over time
- '*' denotes a manager with an inception date of less than 3 years

Organization & Operations

- Includes factors such as organization, professional staff, investment philosophy & process, risk management, legal & compliance framework, diversity & inclusion
- 'S' stands for Satisfactory

ESG

- Evaluates the extent to which material ESG factors are identified, assessed, and incorporated into risk/return analysis and portfolio construction
- '+' denotes mandates where ESG scores are currently under review

Partnership

- Assesses the quality of investment manager relationships both quantitatively and qualitatively

Fees & Terms

- Compares various fees and terms within each asset category, strategy and/or investment structure

appendix

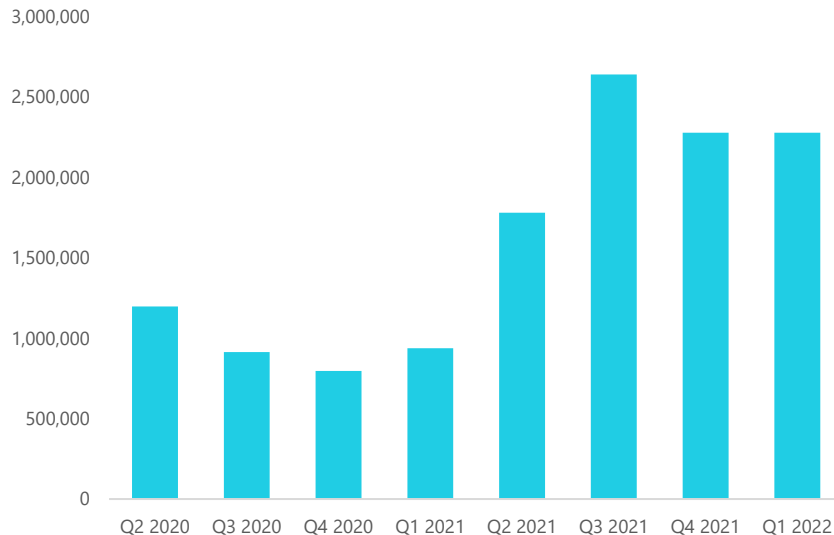
Summary

Securities Lending Income
for the quarter ended March 31, 2022

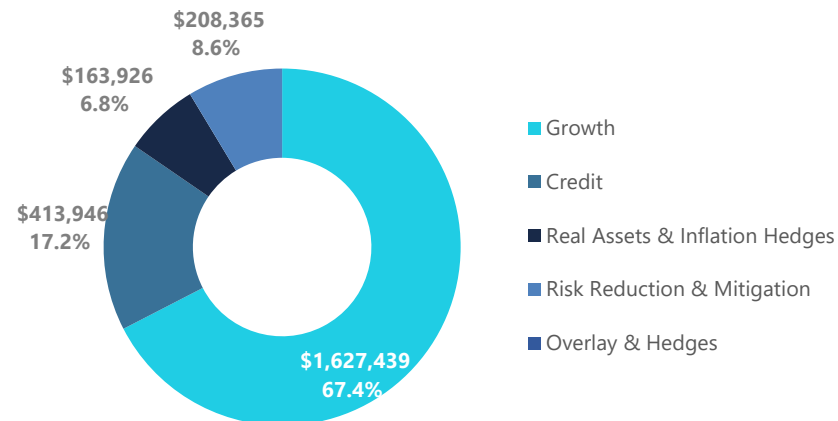


Los Angeles County Employees Retirement Association

Earnings by Quarter



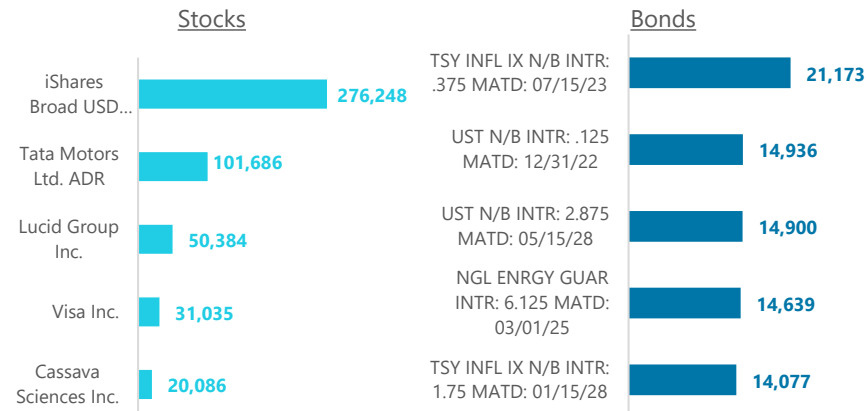
Earnings by Functional Category



Top Earning Funds

	% of Total Fund Earnings	Total Earnings	Cash Earnings	Non-Cash Earnings
SSGA MSCI ACWI IMI	51.3%	1,238,581	535,824	702,758
BlackRock HY ETF	11.4%	276,248	174,559	101,689
JPMAM Strategic Beta US	8.3%	201,342	71,501	129,841
Allspring/Wells	5.9%	143,028	92,354	50,674
BlackRock TIPS	5.1%	122,165	89,630	32,535

Top Earning Securities



Public Markets Manager Fees

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Growth

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Active			
Acadian Asset Management	\$619.5	\$577,160	37.3
BTC Europe Alpha Tilts	\$562.9	\$485,825	34.5
Capital Guardian	\$427.8	\$370,951	34.7
Cevian Capital	\$401.4	\$1,086,406	108.3
CornerCap	\$84.7	\$111,544	52.7
Frontier Capital Management	\$294.4	\$552,078	75.0
Genesis Investment Management	\$587.7	\$903,490	61.5
Global Alpha	\$178.0	\$316,757	71.2
JANA Partners ²	\$120.0	\$300,000	100.0
Lazard Asset Management	\$432.4	\$686,159	63.5
Parametric GE Market Cap	\$990.4	\$67,592	2.7
Parametric GE Region	\$918.9	\$62,712	2.7
Symphony Financial	\$207.1	\$388,351	75.0
Systematic	\$197.9	\$272,154	55.0
Subtotal:	\$6,023.3	\$6,181,178	41.0
Factor-Based			
JPMAM Strategic Beta Non-US	\$616.9	\$52,205	3.4
JPMAM Strategic Beta US	\$4,580.7	\$387,619	3.4
Subtotal:	\$5,197.7	\$439,825	3.4
Passive			
SSGA MSCI ACWI IMI	\$15,424.2	\$283,901	0.7
Subtotal:	\$15,424.2	\$283,901	0.7

1. Reflects estimated investment management fees only.
2. Based on committed capital of \$120 million.

Public Markets Manager Fees

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Credit

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Liquid Credit			
Aberdeen Standard Investments	\$418.5	\$383,355	36.6
Ashmore Investment Management	\$376.5	\$454,758	48.3
Bain Capital	\$421.3	\$574,854	54.6
Beach Point Capital	\$307.6	\$346,011	45.0
Brigade Capital Management	\$698.7	\$705,144	40.4
Credit Suisse Bank Loan	\$1,158.6	\$571,382	19.7
Crescent Capital Group	\$518.9	\$600,145	46.3
Pinebridge	\$488.5	\$402,991	33.0
Subtotal:	\$4,388.6	\$4,038,640	36.8
Illiquid Credit			
Beach Point Capital - Fund II	\$14.3	\$152,121	425.9
Beach Point Capital - Fund III	\$201.1	\$302,354	60.2
Tennenbaum Capital Partners	\$624.1	\$1,250,004	80.1
Subtotal:²	\$2,467.6	\$1,704,480	27.6

1. Reflects estimated investment management fees only.

2. Magnetar and Napier Park market values are included in the subtotal, but the fees are deducted directly from the fund by the manager.

Public Markets Manager Fees

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Real Assets & Inflation Hedges

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Natural Resources & Commodities			
Credit Suisse	\$537.6	\$345,045	25.7
DWS Natural Resources	\$1,427.4	\$660,423	18.5
Neuberger Berman/Gresham	\$512.3	\$400,821	31.3
PIMCO	\$528.9	\$490,730	37.1
Subtotal:	\$3,006.1	\$1,897,019	25.2
Infrastructure			
DWS Infrastructure	\$2,521.2	\$1,166,459	18.5
Subtotal:	\$2,521.2	\$1,166,459	18.5
Treasury Inflation-Protected Securities			
BlackRock TIPS	\$2,068.8	\$52,145	1.0
Subtotal:	\$2,068.8	\$52,145	1.0

1. Reflects estimated investment management fees only.

Public Markets Manager Fees

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Risk Reduction & Mitigation

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Investment Grade Bonds			
Pugh Capital Management	\$1,135.5	\$340,859	12.0
Allspring/Wells	\$2,049.4	\$433,679	8.5
Subtotal:²	\$8,860.5	\$893,490	4.0
Cash			
SSGA Cash	\$677.0	\$67,697	4.0
Subtotal:	\$677.0	\$67,697	4.0

1. Reflects estimated investment management fees only.
2. Includes BTC US Debt Index.

Public Markets Manager Fees

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Overlays & Hedges

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Overlays			
Parametric Cash Overlay	\$1,447.5	\$98,788	2.7
Subtotal:	\$1,447.5	\$98,788	2.7
Hedges			
50% Developed Markets Currency Hedge	\$7,303.7	\$276,141	1.5
Subtotal:	\$7,303.7	\$276,141	1.5

1. Reflects estimated investment management fees only.

A

ANNUAL RETURN

The total return of a security over a specified period, expressed as an annual rate of interest.

ACTIVE RISK

The expected standard deviation of the differential return between the portfolio and the benchmark. Active total risk arises from active management, and it is the result of active weights (deviations from the benchmark at the asset level) and therefore active exposures; for passively managed portfolios, it is referred to as “total tracking error.”

ACTIVE RISK CONTRIBUTION

Percent contribution to active total risk (or tracking error). The percent of active total risk that an individual asset or risk source contributes. For example, a % CR to Active Total Risk of 10% indicates that 10% of the portfolio’s active total risk is arising from the active position in that particular asset.

B

BASIS POINTS (BPS)

One one-hundredth of one percent. One hundred basis points equal one percent.

BETA

A measure of the volatility of a stock relative to the overall market. A beta of less than one indicates lower risk than the market; a beta of more than one indicates higher risk than the market.

BRIGADE CUSTOM INDEX

Inception – 3/31/20
50% Bloomberg Barclays Ba to B U.S. High Yield / 50% Credit Suisse Leveraged Loan Index
4/1/20 – Present
Bloomberg Barclays U.S. Corporate High Yield

C

CASH POLICY BM

Inception – 3/31/19
FTSE 6-Month U.S. T-Bill Index
4/1/19 – Present
FTSE 3-Month U.S. T-Bill Index

CORE PRIVATE REAL ESTATE POLICY BM

Inception-9/30/21
NFI ODCE + 50 bps (3-month lag)
10/1/21 – Present
NFI ODCE (3-month lag)

CREDIT POLICY BM

Inception-9/30/21
25% Bloomberg Barclays Ba to B U.S. High Yield / 33% Credit Suisse Leveraged Loan Index / 17% Emerging Markets Debt Custom BM / 25% Illiquid Credit Custom BM
10/1/21 – Present
Based on sub-asset market values
55% Liquid Credit BM / 45% Illiquid Credit Policy BM

CUSTOM HEDGE FUND BM

Inception – 3/31/19

FTSE 3-Month U.S. T-Bill Index + 500 bps
(1-month lag)

4/1/19 – Present

FTSE 3-Month U.S. T-Bill Index + 250 bps
(1-month lag)

D

DIVERSIFIED HEDGE FUNDS POLICY BM

FTSE 3-Month U.S. T-Bill Index + 250 bps
(1-month lag)

DURATION

A measure of the price sensitivity of a bond portfolio to changes in interest rates.

DISTRIBUTED TO PAID-IN (DPI)

A measure of distributions received relative to contributed capital.

E

EAFE CUSTOM INDEX

Inception - 6/30/06

MSCI EAFE (Net)

6/30/06 – Present

MSCI EAFE + Canada (Net)

EMERGING MARKET DEBT (EMD) POLICY BM

50% JP Morgan EMBI Global Diversified /
25% JP Morgan GBI-EM GD / 25% JP
Morgan CEMBI BD

F

FUTURES CONTRACT

Agreement to buy or sell a specific amount of a commodity or financial instrument at a particular price and a stipulated future date.

G

GLOBAL EQUITY POLICY BM

4/1/2019 – 6/31/2019

80% MSCI ACWI IMI Net / 20% MSCI WORLD IMI ex U.S. (100% Currency Hedged)

7/1/2019 – Present

MSCI ACWI IMI Net

GROWTH POLICY BM

Based on sub-asset market values

67% Global Equity Custom BM / 27%

Private Equity - Growth Custom BM / 6%

Non-Core Private Real Estate Custom BM

H

HIGH YIELD BOND

A bond with a low investment quality and credit worthiness, usually with a rating of BB or less.

I

ILLIQUID CREDIT POLICY BM

7/1/20188 – 9/30/2021

Bloomberg Barclays U.S. Aggregate Index
+ 250 bps (1-month lag)

10/1/21 – Present

Liquid Credit BM + 150 bps
(1-month lag)

INFORMATION RATIO

The excess return (alpha) per unit of
active risk (tracking error).

INTERNAL RATE OF RETURN (IRR)

A total rate of return that gives full
weight to the size and timing of cash
flows over the period measured and fully
reflects unrealized gains and losses in
addition to realized gains and losses,
interest and dividend income.

K

KAPLAN & SCHOAR PUBLIC MARKET EQUIVALENT (KS-PME)

A ratio that benchmarks the performance
of a fund against an appropriate public
market index while accounting for the
timing of a fund's cash flows.

L

LIQUID CREDIT BM

40% BBG Barc US Corp HY Index / 40%
Credit Suisse Leverage Loan Index / 10%
JPM EMBI Global Diversified Index / 5%
JPM GBI-EM Global Diversified Index /
5% JPM CEMBI Broad Diversified Index

M

MC TO TOTAL TRACKING ERROR

This value represents the change in the active risk of an asset's portfolio or group that would result from a one percent increase in the asset's effective position plus an equal short position in the benchmark.

MSCI EM IMI CUSTOM INDEX

Inception – 12/31/00

MSCI EM (Gross)

12/31/00 – 8/31/08

MSCI EM (Net)

8/31/08 – Present

MSCI EM IMI (Net)

N

NATURAL RESOURCES & COMMODITIES POLICY BM

Inception-9/30/21

50% Bloomberg Commodity Index / 50% S&P Global Large MidCap Commodity and Resources Index

10/1/21 – Present

33% Bloomberg Commodity Index /

67% S&P Global Natural Resources Index

NON-CORE PRIVATE REAL ESTATE POLICY BM

Inception-9/30/21

NFI ODCE + 300 bps (3-month lag)

10/1/21 – Present

NFI ODCE + 225 bps (3-month lag)

O

OPPORTUNISTIC REAL ESTATE POLICY BM

NFI ODCE + 300 bps (3-month lag)

P

PRIVATE EQUITY – CREDIT CUSTOM BM

Bloomberg Barclays U.S. Aggregate + 250 bps (3-month lag)

PRIVATE EQUITY – GROWTH POLICY BM

MSCI ACWI IMI Net Index + 200 bps (3-month lag)

PRIVATE EQUITY – REAL ASSETS CUSTOM BM

S&P Global Large MidCap Commodity and Resources Index (3-month lag)

PRIVATE INFRASTRUCTURE CUSTOM BM

Inception-9/30/21

Dow Jones Brookfield Global Infrastructure Index (3-month lag)

10/1/21 – Present

Dow Jones Brookfield Global Composite Infrastructure Index (3-month lag)

R

REAL ASSETS & INFLATION HEDGES POLICY BM

Based on sub-asset market values

35% Core Private Real Estate Custom BM / 24% Natural Resources & Commodities Custom BM / 24% DJ Brookfield Global Composite Infrastructure / 17% Bloomberg Barclays U.S. TSY TIPS

RISK REDUCTION & MITIGATION POLICY BM

Based on sub-asset market values

Inception-9/30/21

79% Bloomberg Barclays Aggregate / 17% Diversified Hedge Funds Custom BM / 4% FTSE 3-month Treasury Bill
10/1/21 – Present

62% Bloomberg Barclays Aggregate / 24% Diversified Hedge Funds Custom BM / 9% Bloomberg US Treasury: Long / 5% FTSE 3-month Treasury Bill

S

SHARPE RATIO

Measures the performance of an investment compared to a risk-free asset, after adjusting for its risk. It is the difference between the returns of the investment and the risk-free return, divided by the standard deviation of the investment.

STANDARD DEVIATION

Statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. The greater the degree of dispersion, the greater the risk.

T

TIME-WEIGHTED RATE OF RETURN (TWR)

A measure of the compound rate of growth in a portfolio. Often used to compare the returns of investment managers because it eliminates the distorting effects on growth rates created by inflows and outflows of money.

TOTAL PRIVATE EQUITY BENCHMARK

Inception – 3/31/19

Private Equity Target (Russell 3000 rolling 10 year + 500 bps)

3/31/19 – Present

Composite weighted blend of Private Equity-Growth Custom BM, Private Equity-Credit Custom BM, and Private Equity-Real Assets Custom BM

TOTAL REAL ESTATE BENCHMARK

Inception – 3/31/19

Real Estate Target (NCREIF ODCE Net + 40 bps)

3/31/19 – 9/30/21

Composite weighted blend of Opportunistic Real Estate Custom BM, NPI Income Lagged, and Core & Value-Added Real Estate Custom BM

10/1/21 – Present

Composite weighted blend of Non-Core Private Real Estate BM, NPI Income Lagged, and Core Private Real Estate BM

TOTAL RISK

The total (gross) risk to an asset (or portfolio), which is the standard deviation of the asset's total return distribution, expressed in percent. Total risk is forecasted using MSCI Barra's multiple factor models. The total risk for an asset depends on the asset's exposures to the risk factors, the factor variance/covariance matrix, and the forecast selection risk of the asset.

TOTAL RISK CONTRIBUTION

The percent of total risk that an individual asset or risk source contributes. For example, a % CR to Total Risk of 10% indicates that 10% of the portfolio's total risk is arising from the portfolio's position in that particular asset.

TOTAL VALUE TO PAID-IN (TVPI)

A measure of total value created relative to capital invested.

TRACKING ERROR

The volatility of a manager's excess return. It is measured by subtracting the benchmark return from the manager's return and calculating the standard deviation.

Y

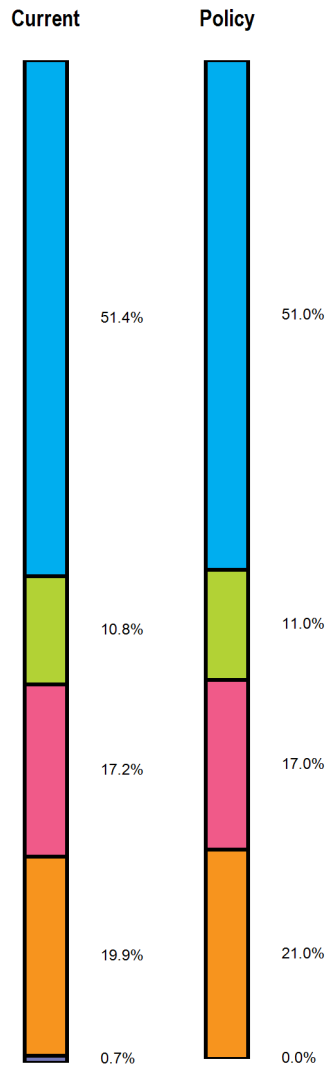
YIELD TO MATURITY

The return a bond earns on the price at which it was purchased if it were held to maturity. It assumes that coupon payments can be reinvested at the yield to maturity.

**Los Angeles County Employees
Retirement Association**

March 31, 2022

Fund Evaluation Report



Allocation vs. Targets and Policy							
	Current Balance	Current Allocation	Policy	Difference	Policy Range	Within IPS Range?	
Growth	\$38,682,298,262	51.4%	51.0%	0.4%	43.0% - 59.0%	Yes	
Global Equity	\$25,136,546,233	33.4%	34.0%	-0.6%	27.0% - 41.0%	Yes	
Private Equity	\$12,457,368,323	16.6%	14.0%	2.6%	9.0% - 17.0%	Yes	
Non-Core Private Real Estate	\$1,088,383,706	1.4%	3.0%	-1.6%	1.0% - 5.0%	Yes	
Credit	\$8,111,171,926	10.8%	11.0%	-0.2%	8.0% - 14.0%	Yes	
Liquid Credit ¹	\$4,976,507,919	6.6%	6.0%	0.6%	3.0% - 9.0%	Yes	
Illiquid Credit ²	\$3,134,644,322	4.2%	5.0%	-0.8%	2.0% - 8.0%	Yes	
Real Assets and Inflation Hedges	\$12,933,055,857	17.2%	17.0%	0.2%	14.0% - 20.0%	Yes	
Core Private Real Estate	\$4,078,698,558	5.4%	6.0%	-0.6%	3.0% - 9.0%	Yes	
Natural Resources & Commodities	\$3,796,368,692	5.0%	4.0%	1.0%	2.0% - 6.0%	Yes	
Infrastructure	\$2,998,667,866	4.0%	4.0%	0.0%	1.0% - 6.0%	Yes	
TIPS	\$2,059,320,740	2.7%	3.0%	-0.3%	0.0% - 6.0%	Yes	
Risk Reduction and Mitigation	\$14,969,064,214	19.9%	21.0%	-1.1%	15.0% - 27.0%	Yes	
Investment Grade Bonds	\$8,648,945,660	11.5%	13.0%	-1.5%	7.0% - 19.0%	Yes	
Diversified Hedge Funds	\$4,001,363,164	5.3%	5.0%	0.3%	1.0% - 7.0%	Yes	
Long-Term Government Bonds	\$1,366,165,344	1.8%	2.0%	-0.2%	0.0% - 7.0%	Yes	
Cash	\$952,590,046	1.3%	1.0%	0.3%	0.0% - 3.0%	Yes	
Overlays and Hedges	\$512,950,322	0.7%	0.0%	0.7%			
Cash Overlay	\$447,947,168	0.6%	0.0%	0.6%			
Currency Hedge	\$65,003,154	0.1%	0.0%	0.1%			
Total³	\$75,208,540,581	100.0%	100.0%				

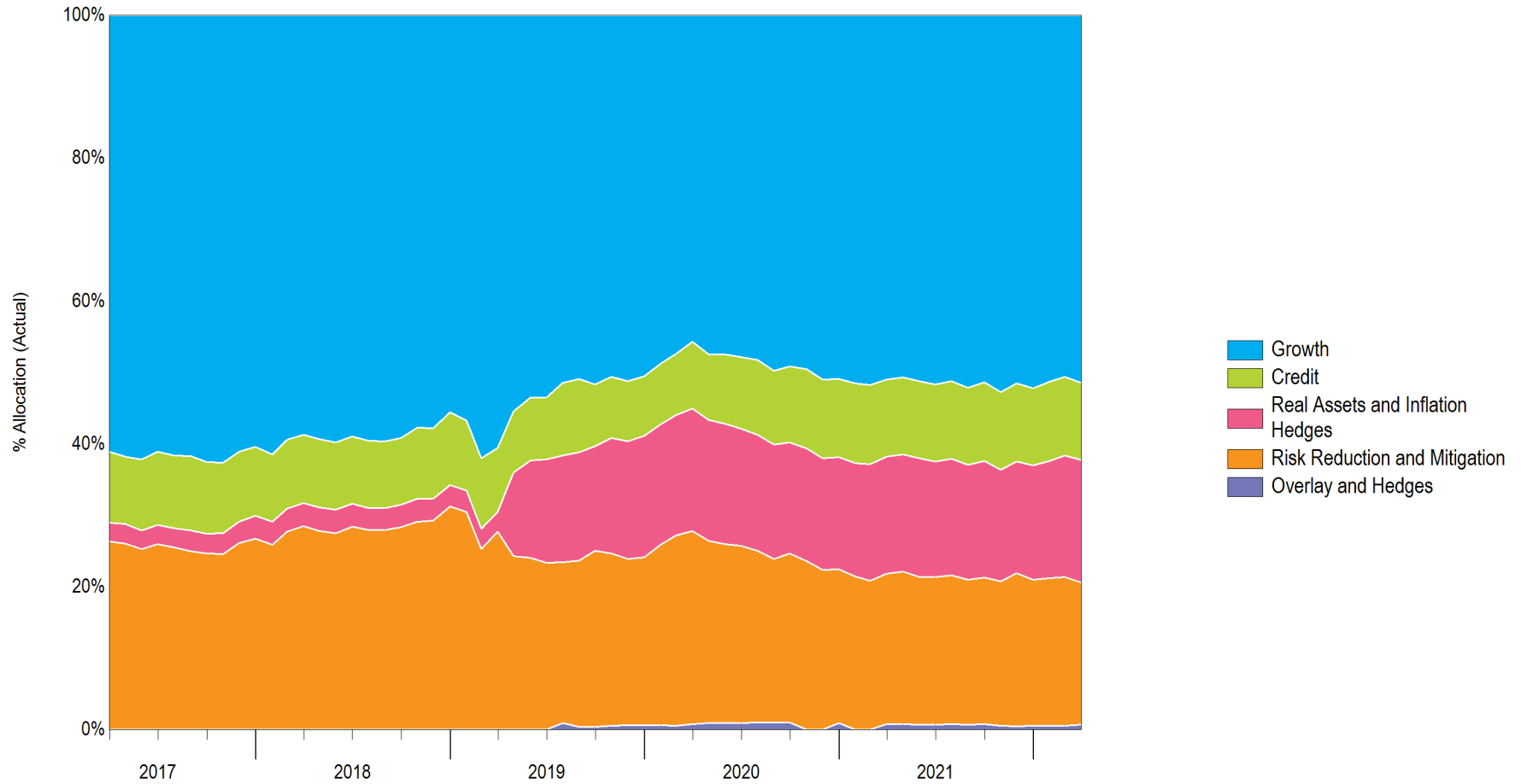
¹ Liquid Credit contains high yield, bank loans, and EM debt.

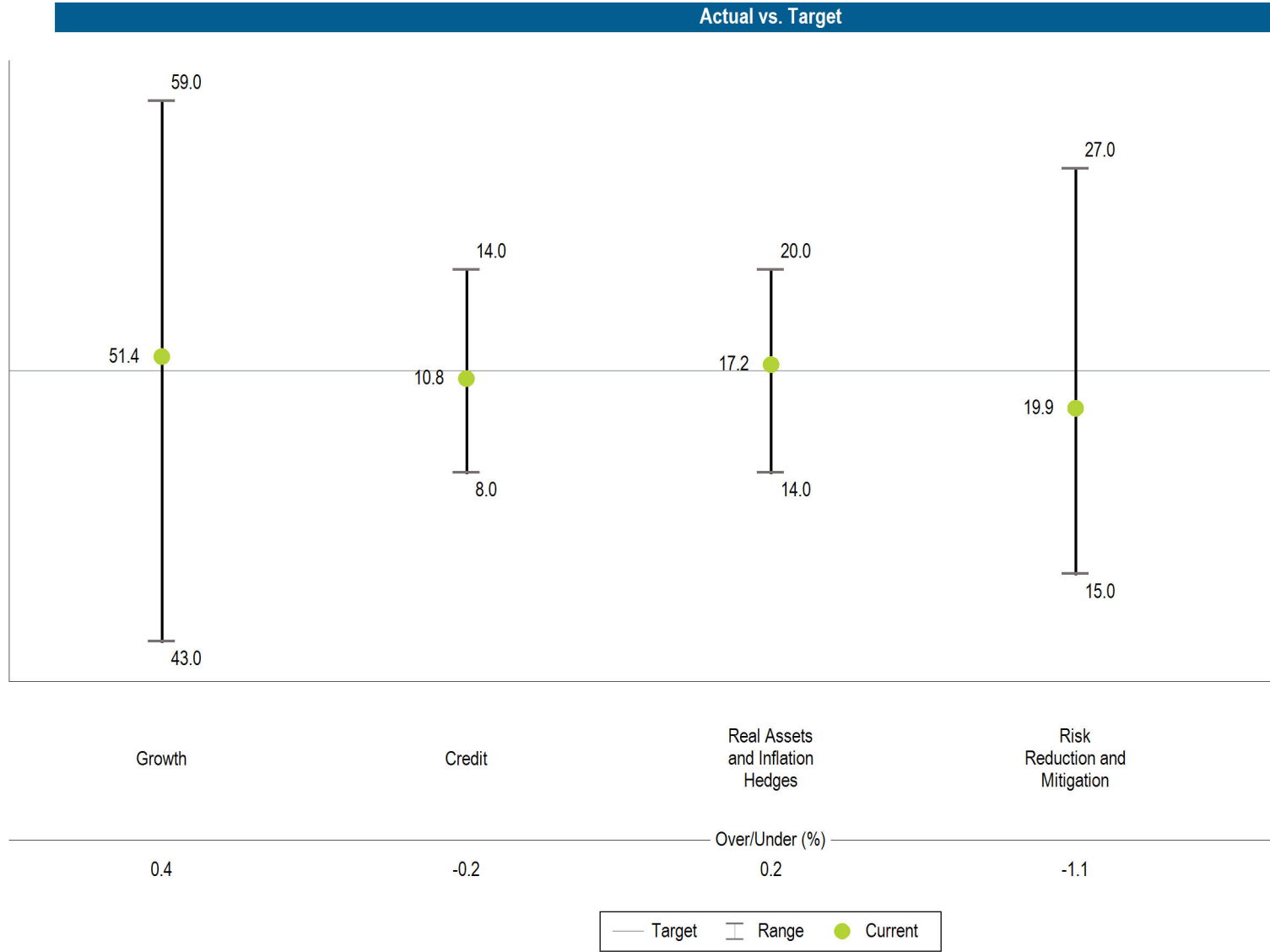
² Illiquid Credit contains credit hedge funds, real estate debt, private debt strategies and private equity-related debt.

³ Totals may not add up due to rounding.

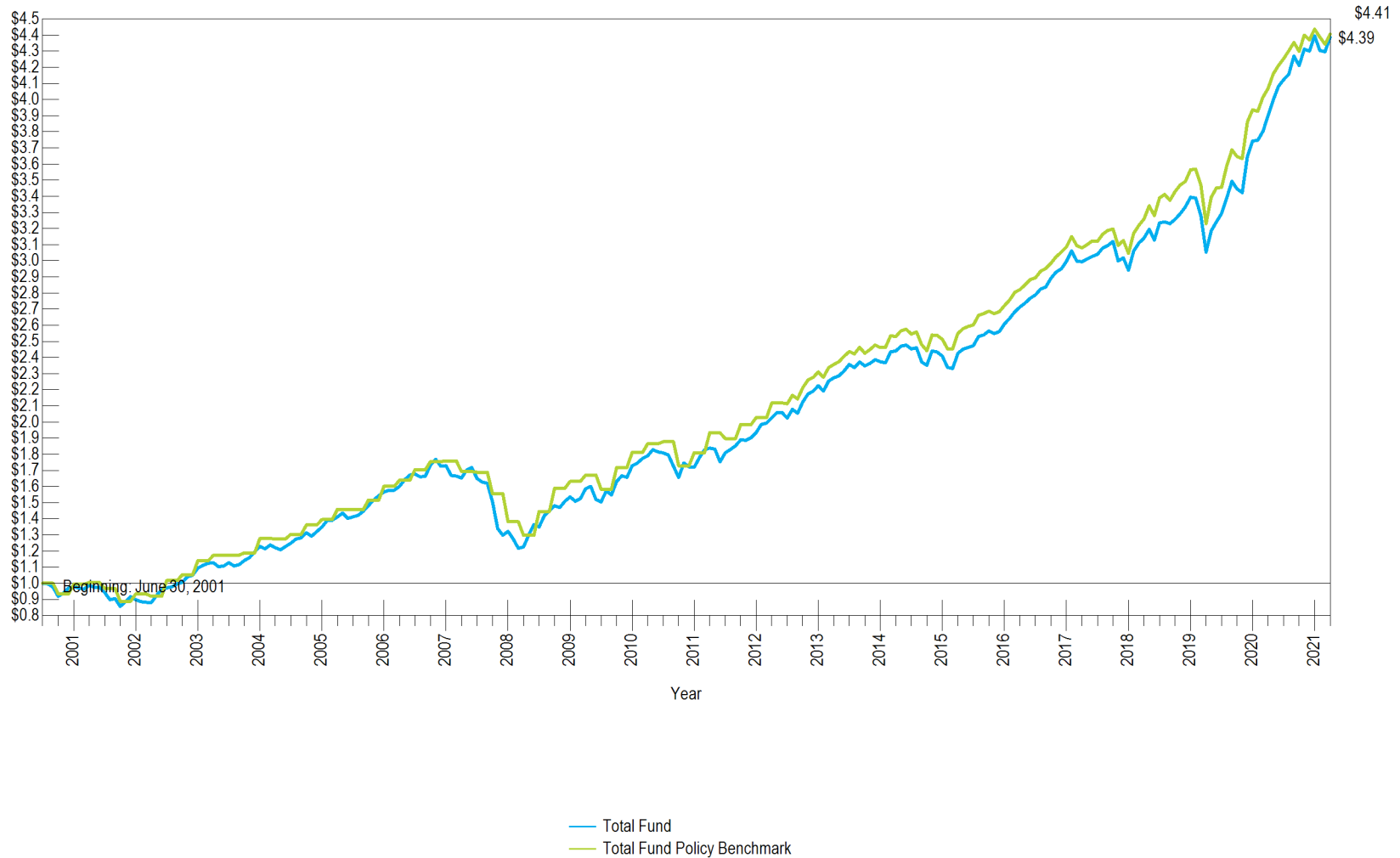
* The Functional Framework became effective April 1, 2019.

Asset Allocation History
5 Years Ending March 31, 2022





Growth of a Dollar



Asset Class Performance Summary (Net)									
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD ¹ (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund (Net)	75,208,540,581	100.0	2.1	-0.2	6.4	12.5	11.8	10.1	9.1
<i>Total Fund Policy Benchmark</i>			<i>1.4</i>	<i>-0.7</i>	<i>3.6</i>	<i>8.3</i>	<i>10.6</i>	<i>9.3</i>	<i>8.6</i>
Excess Return			0.7	0.5	2.8	4.2	1.2	0.8	0.5
Growth (Net)	38,682,298,262	51.4	3.5	-1.2	8.2	17.6	17.8	--	--
<i>Growth Custom Blended Benchmark</i>			<i>2.7</i>	<i>-1.4</i>	<i>3.9</i>	<i>10.9</i>	<i>16.1</i>	--	--
Excess Return			0.8	0.2	4.3	6.7	1.7		
Credit (Net)	8,111,171,926	10.8	-0.4	-1.9	1.1	4.0	5.8	--	--
<i>Credit Custom Blended Benchmark</i>			<i>-1.1</i>	<i>-2.7</i>	<i>-1.9</i>	<i>0.0</i>	<i>4.2</i>	--	--
Excess Return			0.7	0.8	3.0	4.0	1.6		
Real Assets and Inflation Hedges (Net)	12,933,055,857	17.2	3.7	7.7	16.2	21.3	9.1	--	--
<i>Real Assets & Inflation Hedges Custom BM</i>			<i>3.9</i>	<i>7.7</i>	<i>16.1</i>	<i>21.8</i>	<i>10.5</i>	--	--
Excess Return			-0.2	0.0	0.1	-0.5	-1.4		
Risk Reduction and Mitigation (Net)	14,969,064,214	19.9	-1.9	-4.1	-3.8	-2.3	2.9	--	--
<i>Risk Reduction and Mitigation Custom Blended Benchmark</i>			<i>-2.2</i>	<i>-4.6</i>	<i>-4.0</i>	<i>-2.5</i>	<i>2.1</i>	--	--
Excess Return			0.3	0.5	0.2	0.2	0.8		
Overlay and Hedges (Net)	512,950,322	0.7	27.3	57.6	--	--	--	--	--

¹ Fiscal Year begins July 1.

* See Glossary for all custom index definitions.

Trailing Performance									
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund (Net)	75,208,540,581	100.0	2.1	-0.2	6.4	12.5	11.8	10.1	9.1
Total Fund (Gross)			2.1	-0.1	6.7	13.0	12.1	10.4	9.4
<i>Total Fund Policy Benchmark</i>			<u>1.4</u>	<u>-0.7</u>	<u>3.6</u>	<u>8.3</u>	<u>10.6</u>	<u>9.3</u>	<u>8.6</u>
Excess Return (vs. Net)			0.7	0.5	2.8	4.2	1.2	0.8	0.5
Growth (Net)¹	38,682,298,262	51.4	3.5	-1.2	8.2	17.6	17.8	--	--
Growth (Gross)			3.6	-1.1	8.7	18.3	18.3	--	--
<i>Growth Custom Blended Benchmark</i>			<u>2.7</u>	<u>-1.4</u>	<u>3.9</u>	<u>10.9</u>	<u>16.1</u>	--	--
Excess Return (vs. Net)			0.8	0.2	4.3	6.7	1.7		
Global Equity (Net)	25,136,546,233	33.4	2.0	-5.6	0.0	7.0	13.9	--	--
Global Equity (Gross)			2.0	-5.5	0.1	7.1	14.1	--	--
<i>Global Equity Custom BM</i>			<u>2.0</u>	<u>-5.5</u>	<u>-0.8</u>	<u>6.3</u>	<u>13.5</u>	--	--
Excess Return (vs. Net)			0.0	-0.1	0.8	0.7	0.4		
Acadian Developed Markets (Net)	632,235,635	0.8	3.4	-4.1	-2.3	4.4	11.2	10.2	9.4
Acadian Developed Markets (Gross)			3.5	-4.0	-2.1	4.8	11.6	10.6	9.8
<i>EAFE Custom Benchmark</i>			<u>1.2</u>	<u>-4.8</u>	<u>-2.5</u>	<u>3.0</u>	<u>8.6</u>	<u>7.1</u>	<u>6.3</u>
Excess Return (vs. Net)			2.2	0.7	0.2	1.4	2.6	3.1	3.1
BTC Euro Tilts (Net)	559,606,137	0.7	1.0	-7.4	-1.3	7.4	9.6	7.6	7.9
BTC Euro Tilts (Gross)			1.1	-7.3	-1.1	7.8	10.0	8.1	8.4
<i>MSCI EUROPE</i>			<u>-0.1</u>	<u>-7.4</u>	<u>-3.6</u>	<u>3.5</u>	<u>8.3</u>	<u>6.9</u>	<u>6.3</u>
Excess Return (vs. Net)			1.1	0.0	2.3	3.9	1.3	0.7	1.6

¹ Includes accounts that are lagged by 3-months and latest available adjusted for cash flows.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Capital Guardian (Net)	414,308,561	0.6	-0.7	-12.8	-13.3	-7.3	9.4	10.0	8.1
Capital Guardian (Gross)			-0.7	-12.8	-13.1	-7.0	9.8	10.4	8.5
<i>EAFE Custom Benchmark</i>			<u>1.2</u>	<u>-4.8</u>	<u>-2.5</u>	<u>3.0</u>	<u>8.6</u>	<u>7.1</u>	<u>6.3</u>
Excess Return (vs. Net)			-1.9	-8.0	-10.8	-10.3	0.8	2.9	1.8
Cevian Capital (Net)	392,629,177	0.5	-0.7	-5.0	0.9	2.4	11.3	6.7	--
Cevian Capital (Gross)			-0.6	-4.8	1.7	3.6	12.5	8.1	--
<i>MSCI EUROPE</i>			<u>-0.1</u>	<u>-7.4</u>	<u>-3.6</u>	<u>3.5</u>	<u>8.3</u>	<u>6.9</u>	--
Excess Return (vs. Net)			-0.6	2.4	4.5	-1.1	3.0	-0.2	
CornerCap (Net)	85,691,312	0.1	1.4	-1.1	4.5	9.6	15.8	--	--
CornerCap (Gross)			1.4	-1.0	4.9	10.2	16.4	--	--
<i>Russell 2000</i>			<u>1.2</u>	<u>-7.5</u>	<u>-9.7</u>	<u>-5.8</u>	<u>11.7</u>	--	--
Excess Return (vs. Net)			0.2	6.4	14.2	15.4	4.1		
Frontier Capital Management (Net)	298,040,884	0.4	1.0	-4.5	-1.6	2.5	14.2	10.7	12.3
Frontier Capital Management (Gross)			1.1	-4.3	-1.0	3.3	15.1	11.5	13.2
<i>Russell 2500</i>			<u>1.6</u>	<u>-5.8</u>	<u>-4.8</u>	<u>0.3</u>	<u>13.8</u>	<u>11.6</u>	<u>12.1</u>
Excess Return (vs. Net)			-0.6	1.3	3.2	2.2	0.4	-0.9	0.2
Genesis (Net)	556,626,246	0.7	-4.7	-12.6	-23.3	-19.1	2.1	4.9	3.4
Genesis (Gross)			-4.6	-12.5	-22.9	-18.6	2.9	5.6	4.2
<i>MSCI EM IMI Custom Index</i>			<u>-1.7</u>	<u>-6.6</u>	<u>-14.4</u>	<u>-9.5</u>	<u>5.7</u>	<u>6.2</u>	<u>3.6</u>
Excess Return (vs. Net)			-3.0	-6.0	-8.9	-9.6	-3.6	-1.3	-0.2

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Global Alpha IE EMP (Net)	188,558,170	0.3	-1.6	-7.9	-8.2	-1.1	8.7	--	--
Global Alpha IE EMP (Gross)			-1.5	-7.8	-7.7	-0.4	9.5	--	--
<i>MSCI EAFE Small Cap</i>			<u>0.0</u>	<u>-8.5</u>	<u>-7.6</u>	<u>-3.6</u>	<u>8.5</u>	--	--
Excess Return (vs. Net)			-1.6	0.6	-0.6	2.5	0.2		
Jana Partners (Net)	123,414,511	0.2	-0.9	1.0	11.2	11.1	21.8	13.9	--
Jana Partners (Gross)			-0.8	1.4	14.9	16.3	26.8	18.1	--
<i>S&P 500</i>			<u>3.7</u>	<u>-4.6</u>	<u>6.6</u>	<u>15.7</u>	<u>19.0</u>	<u>16.0</u>	--
Excess Return (vs. Net)			-4.6	5.6	4.6	-4.6	2.8	-2.1	
JPMAM Strategic BETA NON-U.S. (Net)	617,888,693	0.8	1.2	-4.1	-4.1	1.3	--	--	--
JPMAM Strategic BETA NON-U.S. (Gross)			1.2	-4.0	-4.0	1.3	--	--	--
<i>MSCI ACWI ex USA IMI</i>			<u>0.3</u>	<u>-5.6</u>	<u>-6.5</u>	<u>-1.3</u>	--	--	--
Excess Return (vs. Net)			0.9	1.5	2.4	2.6			
JPMAM Strategic BETA U.S. (Net)	4,642,972,324	6.2	3.3	-4.7	5.7	14.5	--	--	--
JPMAM Strategic BETA U.S. (Gross)			3.3	-4.7	5.7	14.5	--	--	--
<i>MSCI USA IMI Gross</i>			<u>3.3</u>	<u>-5.3</u>	<u>3.6</u>	<u>12.4</u>	--	--	--
Excess Return (vs. Net)			0.0	0.6	2.1	2.1			
Lazard Emerging Markets (Net)	412,812,436	0.5	-3.0	-13.1	-19.4	-16.5	6.5	7.1	--
Lazard Emerging Markets (Gross)			-2.9	-13.0	-19.0	-16.0	7.2	7.8	--
<i>MSCI Emerging Markets</i>			<u>-2.3</u>	<u>-7.0</u>	<u>-15.7</u>	<u>-11.4</u>	<u>4.9</u>	<u>6.0</u>	--
Excess Return (vs. Net)			-0.7	-6.1	-3.7	-5.1	1.6	1.1	

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Parametric GE Market Cap (Net)	139,088,471	0.2	8.9	3.6	--	--	--	--	--
Parametric GE Market Cap (Gross)			8.9	3.6	--	--	--	--	--
Parametric GE Region (Net)	124,071,778	0.2	24.0	-8.2	--	--	--	--	--
Parametric GE Region (Gross)			24.0	-8.1	--	--	--	--	--
SSGA MSCI ACWI IMI (Net)	15,518,338,716	20.6	2.1	-5.4	-0.2	7.1	--	--	--
SSGA MSCI ACWI IMI (Gross)			2.1	-5.4	-0.2	7.1	--	--	--
<i>MSCI ACWI IMI Net (DAILY)</i>			<u>2.0</u>	<u>-5.5</u>	<u>-0.8</u>	<u>6.3</u>	--	--	--
Excess Return (vs. Net)			0.1	0.1	0.6	0.8			
Symphony Financial Partners (Net)	237,171,564	0.3	1.5	-9.7	4.5	1.2	12.1	14.9	--
Symphony Financial Partners (Gross)			3.3	-8.0	6.9	3.7	15.3	17.6	--
<i>MSCI Japan Small Cap</i>			<u>-3.5</u>	<u>-7.2</u>	<u>-11.5</u>	<u>-12.3</u>	<u>2.5</u>	<u>3.5</u>	--
Excess Return (vs. Net)			5.0	-2.5	16.0	13.5	9.6	11.4	
Systematic Financial Management (Net)	196,571,284	0.3	-1.9	-5.0	-0.5	2.8	13.2	--	--
Systematic Financial Management (Gross)			-1.8	-4.9	-0.1	3.4	13.9	--	--
<i>Russell 2000</i>			<u>1.2</u>	<u>-7.5</u>	<u>-9.7</u>	<u>-5.8</u>	<u>11.7</u>	--	--
Excess Return (vs. Net)			-3.1	2.5	9.2	8.6	1.5		

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Private Equity - Growth (Net)	12,457,368,323	16.6	6.7	8.2	29.1	47.0	28.2	--	--
Private Equity - Growth (Gross)			6.7	8.4	30.8	49.5	29.5	--	--
<i>Private Equity - Growth Custom BM</i>			<u>4.1</u>	<u>6.6</u>	<u>14.1</u>	<u>20.6</u>	<u>22.6</u>	--	--
Excess Return (vs. Net)			2.6	1.6	15.0	26.4	5.6		
Non-Core Private Real Estate (Net)	1,088,383,706	1.4	4.4	7.8	17.9	24.0	13.1	12.4	12.0
Non-Core Private Real Estate (Gross)			4.5	8.0	18.3	24.9	14.6	14.1	14.5
<i>Non-Core Private RE Policy BM</i>			<u>2.7</u>	<u>8.2</u>	<u>21.0</u>	<u>24.1</u>	<u>11.3</u>	<u>10.9</u>	<u>12.7</u>
Excess Return (vs. Net)			1.7	-0.4	-3.1	-0.1	1.8	1.5	-0.7
Credit (Net)¹	8,111,171,926	10.8	-0.4	-1.9	1.1	4.0	5.8	--	--
Credit (Gross)			-0.4	-1.8	1.4	4.5	6.4	--	--
<i>Credit Custom Blended Benchmark</i>			<u>-1.1</u>	<u>-2.7</u>	<u>-1.9</u>	<u>0.0</u>	<u>4.2</u>	--	--
Excess Return (vs. Net)			0.7	0.8	3.0	4.0	1.6		
Liquid Credit (Net)	4,976,507,918	6.6	-0.6	-3.2	--	--	--	--	--
Liquid Credit (Gross)			-0.5	-3.1	--	--	--	--	--
<i>Liquid Credit Custom BM</i>			<u>-0.7</u>	<u>-3.8</u>	--	--	--	--	--
Excess Return (vs. Net)			0.1	0.6					

¹ Includes accounts that are lagged by 1-month, 3-months, and latest available adjusted for cash flows.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
High Yield (Net)	2,103,507,379	2.8	-0.8	-3.7	-2.2	0.8	4.5	--	--
High Yield (Gross)			-0.8	-3.6	-2.0	1.0	4.8	--	--
<i>BBgBarc US High Yield TR</i>			<i>-1.1</i>	<i>-4.8</i>	<i>-3.3</i>	<i>-0.7</i>	<i>4.6</i>	--	--
Excess Return (vs. Net)			0.3	1.1	1.1	1.5	-0.1		
Beach Point (Net)	304,319,443	0.4	-0.9	-4.1	-3.1	-0.7	4.5	4.8	--
Beach Point (Gross)			-0.8	-4.0	-2.8	-0.2	5.1	5.4	--
<i>Beach Point Custom BM</i>			<i>-1.1</i>	<i>-4.8</i>	<i>-3.3</i>	<i>-0.7</i>	<i>4.1</i>	<i>4.2</i>	--
Excess Return (vs. Net)			0.2	0.7	0.2	0.0	0.4	0.6	
BlackRock HY ETF (Net)	618,843,779	0.8	-1.3	-4.8	-3.5	-1.1	--	--	--
BlackRock HY ETF (Gross)			-1.3	-4.8	-3.5	-1.1	--	--	--
<i>BBgBarc US High Yield TR</i>			<i>-1.1</i>	<i>-4.8</i>	<i>-3.3</i>	<i>-0.7</i>	--	--	--
Excess Return (vs. Net)			-0.2	0.0	-0.2	-0.4			
Brigade Capital Management (Net)	696,421,105	0.9	-0.4	-1.8	0.2	4.7	6.5	5.1	6.0
Brigade Capital Management (Gross)			-0.3	-1.7	0.5	4.9	7.1	5.7	6.8
<i>Brigade Custom Index</i>			<i>-1.1</i>	<i>-4.8</i>	<i>-3.3</i>	<i>-0.7</i>	<i>4.5</i>	<i>4.5</i>	<i>5.1</i>
Excess Return (vs. Net)			0.7	3.0	3.5	5.4	2.0	0.6	0.9
Pinebridge Investments (Net)	483,701,110	0.6	-0.7	-4.7	--	--	--	--	--
Pinebridge Investments (Gross)			-0.7	-4.6	--	--	--	--	--
<i>BBgBarc US High Yield TR</i>			<i>-1.1</i>	<i>-4.8</i>	--	--	--	--	--
Excess Return (vs. Net)			0.4	0.1					

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Bank Loans (Net)	2,095,867,552	2.8	0.0	-0.2	1.9	3.9	6.7	--	--
Bank Loans (Gross)			0.0	-0.1	2.2	4.3	7.2	--	--
<i>CS Leveraged Loan Index</i>			<u>0.0</u>	<u>-0.1</u>	<u>1.8</u>	<u>3.2</u>	<u>4.1</u>	--	--
Excess Return (vs. Net)			0.0	-0.1	0.1	0.7	2.6		
Bain Capital (Net)	421,262,071	0.6	0.0	0.0	2.4	4.6	4.9	4.6	--
Bain Capital (Gross)			0.0	0.1	2.8	5.1	5.5	5.3	--
<i>Bank Loans Custom Index</i>			<u>0.0</u>	<u>-0.1</u>	<u>1.8</u>	<u>3.2</u>	<u>4.6</u>	<u>4.5</u>	--
Excess Return (vs. Net)			0.0	0.1	0.6	1.4	0.3	0.1	
Credit Suisse Bank Loans (Net)	1,157,886,912	1.5	0.2	-0.1	1.8	3.1	--	--	--
Credit Suisse Bank Loans (Gross)			0.2	0.0	1.9	3.3	--	--	--
<i>CS Leveraged Loan Index</i>			<u>0.0</u>	<u>-0.1</u>	<u>1.8</u>	<u>3.2</u>	--	--	--
Excess Return (vs. Net)			0.2	0.0	0.0	-0.1			
Crescent Capital Group (Net)	516,718,569	0.7	-0.3	-0.6	1.1	3.5	6.1	5.1	--
Crescent Capital Group (Gross)			-0.3	-0.5	1.5	4.0	6.6	5.7	--
<i>Bank Loans Custom Index</i>			<u>0.0</u>	<u>-0.1</u>	<u>1.8</u>	<u>3.2</u>	<u>4.6</u>	<u>4.5</u>	--
Excess Return (vs. Net)			-0.3	-0.5	-0.7	0.3	1.5	0.6	

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
EM Debt (Net)	777,132,987	1.0	-1.4	-9.4	-12.9	-8.9	-1.7	--	--
EM Debt (Gross)			-1.3	-9.3	-12.6	-8.5	-1.2	--	--
<i>EMD Custom</i>			<u>-1.5</u>	<u>-8.8</u>	<u>-10.7</u>	<u>-7.6</u>	<u>0.3</u>	--	--
Excess Return (vs. Net)			0.1	-0.6	-2.2	-1.3	-2.0		
Aberdeen Asset Management (Net)	400,623,016	0.5	-1.8	-9.6	-12.3	-8.6	-0.6	--	--
Aberdeen Asset Management (Gross)			-1.7	-9.5	-12.1	-8.3	-0.2	--	--
<i>EMD Custom</i>			<u>-1.5</u>	<u>-8.8</u>	<u>-10.7</u>	<u>-7.6</u>	<u>0.3</u>	--	--
Excess Return (vs. Net)			-0.3	-0.8	-1.6	-1.0	-0.9		
Ashmore Investment Management (Net)	376,509,970	0.5	-0.9	-9.1	-13.4	-9.1	-2.9	--	--
Ashmore Investment Management (Gross)			-0.8	-9.0	-13.1	-8.7	-2.3	--	--
<i>EMD Custom</i>			<u>-1.5</u>	<u>-8.8</u>	<u>-10.7</u>	<u>-7.6</u>	<u>0.3</u>	--	--
Excess Return (vs. Net)			0.6	-0.3	-2.7	-1.5	-3.2		

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Illiquid Credit (Net)	3,134,644,322	4.2	-0.1	0.3	7.8	11.2	12.2	--	--
Illiquid Credit (Gross)			-0.1	0.5	8.4	12.2	13.2	--	--
<i>Illiquid Credit Custom BM</i>			<i>-1.6</i>	<i>-1.5</i>	<i>0.1</i>	<i>0.6</i>	<i>6.1</i>	--	--
Excess Return (vs. Net)			1.5	1.8	7.7	10.6	6.1		
Beach Point - Fund II (Net)	14,177,279	0.0							
Beach Point - Fund II (Gross)									
Beach Point - Fund III (Net)	196,702,543	0.3	2.5	-2.0	24.2	31.5	16.8	--	--
Beach Point - Fund III (Gross)			2.5	1.9	32.4	44.0	23.8	--	--
<i>Opportunistic Custom Index 1 Month Lag</i>			<i>-0.8</i>	<i>-0.7</i>	<i>0.6</i>	<i>1.9</i>	<i>4.7</i>	--	--
Excess Return (vs. Net)			3.3	-1.3	23.6	29.6	12.1		
Grosvenor OPCRD 2 HFOF (Net)	32,465,820	0.0	-5.7	-2.0	3.2	5.2	2.4	2.7	--
Grosvenor OPCRD 2 HFOF (Gross)			-5.7	-2.0	3.2	5.2	2.4	2.7	--
<i>Grosvenor Custom Benchmark</i>			<i>-1.6</i>	<i>-1.5</i>	<i>0.1</i>	<i>0.6</i>	<i>6.1</i>	<i>6.3</i>	--
Excess Return (vs. Net)			-4.1	-0.5	3.1	4.6	-3.7	-3.6	
Magnetar Credit Fund (Net)	810,147,899	1.1	-0.1	-1.7	5.0	0.4	--	--	--
Magnetar Credit Fund (Gross)			-0.1	-1.7	5.0	0.4	--	--	--
<i>Illiquid Credit Custom BM</i>			<i>-1.6</i>	<i>-1.5</i>	<i>0.1</i>	<i>0.6</i>	--	--	--
Excess Return (vs. Net)			1.5	-0.2	4.9	-0.2			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Napier Park (Net)	847,774,914	1.1	-1.6	0.1	4.3	8.6	--	--	--
Napier Park (Gross)			-1.6	0.1	4.3	8.6	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-1.6</u>	<u>-1.5</u>	<u>0.1</u>	<u>0.6</u>	--	--	--
Excess Return (vs. Net)			0.0	1.6	4.2	8.0			
Pimco TAC OPPS Funds (Net)	290,034,608	0.4	0.3	-0.5	7.1	8.7	9.2	--	--
Pimco TAC OPPS Funds (Gross)			0.3	-0.5	7.1	8.7	9.2	--	--
<i>PIMCO Tac Opps Custom BM</i>			<u>-1.6</u>	<u>-1.5</u>	<u>0.1</u>	<u>0.5</u>	<u>2.2</u>	--	--
Excess Return (vs. Net)			1.9	1.0	7.0	8.2	7.0		
Private Equity - Credit (Net)	212,488,833	0.3	2.1	4.6	21.7	43.4	17.3	--	--
Private Equity - Credit (Gross)			2.1	4.6	21.7	43.4	17.3	--	--
<i>PE-Credit Custom Benchmark</i>			<u>-0.1</u>	<u>0.6</u>	<u>3.8</u>	<u>0.9</u>	<u>7.4</u>	--	--
Excess Return (vs. Net)			2.2	4.0	17.9	42.5	9.9		
Real Estate - Credit (Net)	106,889,397	0.1	0.9	5.8	11.9	13.7	10.5	9.9	9.3
Real Estate - Credit (Gross)			0.9	5.9	12.4	14.5	11.4	10.9	10.3
<i>RE Credit BM</i>			<u>-1.6</u>	<u>-1.5</u>	<u>-1.1</u>	<u>-0.1</u>	<u>2.9</u>	<u>3.6</u>	<u>4.4</u>
Excess Return (vs. Net)			2.5	7.3	13.0	13.8	7.6	6.3	4.9
Tennenbaum Capital (Net)	623,963,029	0.8	0.3	1.6	5.6	8.3	7.2	7.4	--
Tennenbaum Capital (Gross)			0.3	1.7	6.1	9.0	7.9	8.2	--
<i>CSFB Leveraged Loan Index 1 Month Lagged</i>			<u>-0.5</u>	<u>0.5</u>	<u>2.1</u>	<u>3.3</u>	<u>4.0</u>	<u>4.1</u>	--
Excess Return (vs. Net)			0.8	1.1	3.5	5.0	3.2	3.3	

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Real Assets and Inflation Hedges (Net)¹	12,933,055,857	17.2	3.7	7.7	16.2	21.3	9.1	--	--
Real Assets and Inflation Hedges (Gross)			3.7	7.8	16.5	21.7	9.4	--	--
<i>Real Assets & Inflation Hedges Custom BM</i>			<u>3.9</u>	<u>7.7</u>	<u>16.1</u>	<u>21.8</u>	<u>10.5</u>	--	--
Excess Return (vs. Net)			-0.2	0.0	0.1	-0.5	-1.4		
Core Private Real Estate (Net)	4,078,698,558	5.4	0.6	6.9	18.0	18.6	6.2	6.8	8.1
Core Private Real Estate (Gross)			0.7	7.0	18.4	19.1	6.8	7.4	8.7
<i>Core Private Real Estate Custom BM</i>			<u>2.5</u>	<u>7.7</u>	<u>18.9</u>	<u>21.3</u>	<u>8.7</u>	<u>8.2</u>	<u>10.0</u>
Excess Return (vs. Net)			-1.9	-0.8	-0.9	-2.7	-2.5	-1.4	-1.9
Natural Resources and Commodities (Net)	3,796,368,692	5.0	7.4	18.5	26.2	38.3	14.6	8.7	-0.2
Natural Resources and Commodities (Gross)			7.4	18.6	26.7	38.9	15.0	9.1	0.1
<i>Natural Resources & Commodities Custom BM</i>			<u>7.8</u>	<u>19.5</u>	<u>28.1</u>	<u>40.1</u>	<u>16.4</u>	<u>9.2</u>	<u>-0.6</u>
Excess Return (vs. Net)			-0.4	-1.0	-1.9	-1.8	-1.8	-0.5	0.4
Public Natural Resources and Commodities (Net)	3,165,643,317	4.2	8.9	22.7	30.5	43.5	--	--	--
Public Natural Resources and Commodities (Gross)			8.9	22.8	30.8	43.8	--	--	--
<i>Natural Resources & Commodities Custom BM</i>			<u>7.8</u>	<u>19.5</u>	<u>28.1</u>	<u>40.1</u>	--	--	--
Excess Return (vs. Net)			1.1	3.2	2.4	3.4			
Credit Suisse Commodity (Net)	579,750,079	0.8	9.0	25.6	32.4	50.2	17.3	9.4	-0.1
Credit Suisse Commodity (Gross)			9.0	25.7	32.6	50.6	17.6	9.7	0.1
<i>Bloomberg Commodity Index TR USD</i>			<u>8.7</u>	<u>25.6</u>	<u>31.7</u>	<u>49.3</u>	<u>16.1</u>	<u>9.0</u>	<u>-0.7</u>
Excess Return (vs. Net)			0.3	0.0	0.7	0.9	1.2	0.4	0.6

¹ Includes accounts that are lagged by 3-months and latest available adjusted for cash flows.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
DWS Natural Resources (Net)	1,454,760,880	1.9	9.0	20.2	28.7	37.1	--	--	--
DWS Natural Resources (Gross)			9.0	20.2	28.9	37.4	--	--	--
<i>S&P Global Large/MidCap Commodities & Resources</i>			<u>7.5</u>	<u>20.9</u>	<u>29.8</u>	<u>36.9</u>	--	--	--
Excess Return (vs. Net)			1.5	-0.7	-1.1	0.2			
Neuberger Berman/ Gresham (Net)	562,105,367	0.7	8.9	25.8	31.2	48.6	15.3	9.7	-0.1
Neuberger Berman/ Gresham (Gross)			8.9	25.9	31.6	49.1	15.8	10.1	0.3
<i>Bloomberg Commodity Index TR USD</i>			<u>8.7</u>	<u>25.6</u>	<u>31.7</u>	<u>49.3</u>	<u>16.1</u>	<u>9.0</u>	<u>-0.7</u>
Excess Return (vs. Net)			0.2	0.2	-0.5	-0.7	-0.8	0.7	0.6
PIMCO Commodities (Net)	569,026,991	0.8	8.6	24.8	31.5	49.7	16.4	9.9	0.8
PIMCO Commodities (Gross)			8.7	24.8	31.9	50.2	16.8	10.3	1.2
<i>Bloomberg Commodity Index TR USD</i>			<u>8.7</u>	<u>25.6</u>	<u>31.7</u>	<u>49.3</u>	<u>16.1</u>	<u>9.0</u>	<u>-0.7</u>
Excess Return (vs. Net)			-0.1	-0.8	-0.2	0.4	0.3	0.9	1.5
Private Natural Resources and Commodities (Net)	630,725,375	0.8	0.4	0.4	9.8	8.0	-12.4	--	--
Private Natural Resources and Commodities (Gross)			0.4	0.4	15.0	13.1	-11.0	--	--
<i>PE - Real Assets Custom BM</i>			<u>6.1</u>	<u>8.3</u>	<u>13.2</u>	<u>27.1</u>	<u>16.6</u>	--	--
Excess Return (vs. Net)			-5.7	-7.9	-3.4	-19.1	-29.0		
Orion Mine Finance Fund III (Net)	87,758,430	0.1							
Orion Mine Finance Fund III (Gross)									
<i>PE - Real Assets Custom BM</i>			<u>6.1</u>	<u>8.3</u>	--	--	--	--	--
Excess Return (vs. Net)									

Private natural resources and infrastructure funds reflect early-stage life cycle performance.

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	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Orion Mining Royalty Fund I (Net)	13,987,205	0.0							
Orion Mining Royalty Fund I (Gross)									
<i>PE - Real Assets Custom BM</i>			<u>6.1</u>	<u>8.3</u>	--	--	--	--	--
Excess Return (vs. Net)									
PE - Real Assets & Inflation Hedges (Net)	80,812,583	0.1	3.2	3.2	16.0	14.1	-10.8	--	--
PE - Real Assets & Inflation Hedges (Gross)			3.2	3.2	16.0	14.1	-10.7	--	--
<i>PE - Real Assets Custom BM</i>			<u>6.1</u>	<u>8.3</u>	<u>13.2</u>	<u>27.1</u>	<u>16.6</u>	--	--
Excess Return (vs. Net)			-2.9	-5.1	2.8	-13.0	-27.4		
TIAA-CREF Global Agriculture (Net)	183,379,819	0.2							
TIAA-CREF Global Agriculture (Gross)									
TIAA-CREF Global Agriculture II (Net)	264,787,338	0.4							
TIAA-CREF Global Agriculture II (Gross)									
Infrastructure (Net)	2,998,667,866	4.0	6.7	3.1	11.4	19.2	--	--	--
Infrastructure (Gross)			6.7	3.1	11.6	19.3	--	--	--
<i>DJ Brookfield Global Infrastructure TR</i>			<u>6.5</u>	<u>4.6</u>	<u>10.4</u>	<u>19.3</u>	--	--	--
Excess Return (vs. Net)			0.2	-1.5	1.0	-0.1			
Public Infrastructure (Net)	2,741,924,368	3.6	7.4	3.6	12.2	20.3	--	--	--
Public Infrastructure (Gross)			7.4	3.6	12.3	20.5	--	--	--
<i>DJ Brookfield Global Infrastructure TR</i>			<u>6.5</u>	<u>4.6</u>	<u>10.4</u>	<u>19.3</u>	--	--	--
Excess Return (vs. Net)			0.9	-1.0	1.8	1.0			

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	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
DWS Infrastructure (Net)	2,741,924,368	3.6	7.4	3.6	12.2	20.3	--	--	--
DWS Infrastructure (Gross)			7.4	3.6	12.3	20.5	--	--	--
<i>DJ Brookfield Global Infrastructure TR</i>			<u>6.5</u>	<u>4.6</u>	<u>10.4</u>	<u>19.3</u>	--	--	--
Excess Return (vs. Net)			0.9	-1.0	1.8	1.0			
Private Infrastructure (Net)	256,743,499	0.3	-0.3	-0.4	4.8	2.4	--	--	--
Private Infrastructure (Gross)			-0.3	-0.4	4.6	4.4	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>7.2</u>	<u>6.9</u>	<u>14.1</u>	<u>19.6</u>	--	--	--
Excess Return (vs. Net)			-7.5	-7.3	-9.3	-17.2			
Antin Mid Cap (Net)	11,941,892	0.0	-15.2	-16.2	--	--	--	--	--
Antin Mid Cap (Gross)			-15.2	-16.2	--	--	--	--	--
<i>DJ Brookfield Global Infrastructure TR</i>			<u>6.5</u>	<u>4.6</u>	--	--	--	--	--
Excess Return (vs. Net)			-21.7	-20.8					
Axium Infrastructure (Net)	14,418,668	0.0	-2.6	-2.6	--	--	--	--	--
Axium Infrastructure (Gross)			-2.5	-2.5	--	--	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>7.2</u>	<u>6.9</u>	--	--	--	--	--
Excess Return (vs. Net)			-9.8	-9.5					
Axium Infrastructure Canada (Net)	0	0.0	-100.0	-100.0	--	--	--	--	--
Axium Infrastructure Canada (Gross)			-100.0	-100.0	--	--	--	--	--

Private natural resources and infrastructure funds reflect early-stage life cycle performance.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
DIF Infrastructure VI (Net)	65,235,802	0.1	-0.9	-0.1	53.7	63.4	--	--	--
DIF Infrastructure VI (Gross)			-0.9	-0.3	50.2	57.4	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>7.2</u>	<u>6.9</u>	<u>14.1</u>	<u>19.6</u>	--	--	--
Excess Return (vs. Net)			-8.1	-7.0	39.6	43.8			
Grain Communications Opportunity III (Net)	28,952,268	0.0							
Grain Communications Opportunity III (Gross)									
<i>Private Infrastructure Policy BM</i>			<u>7.2</u>	<u>6.9</u>	<u>14.1</u>	<u>19.6</u>	--	--	--
Excess Return (vs. Net)									
Grain Spectrum Holdings III (Net)	47,376,511	0.1	-0.2	-0.2	-0.4	-0.6	--	--	--
Grain Spectrum Holdings III (Gross)			-0.2	-0.2	-0.4	-0.6	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>7.2</u>	<u>6.9</u>	<u>14.1</u>	<u>19.6</u>	--	--	--
Excess Return (vs. Net)			-7.4	-7.1	-14.5	-20.2			
Pan European Infrastructure Fund III (Net)	43,818,358	0.1	7.0	5.7	10.0	15.0	--	--	--
Pan European Infrastructure Fund III (Gross)			7.0	5.7	10.0	15.0	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>7.2</u>	<u>6.9</u>	<u>14.1</u>	<u>19.6</u>	--	--	--
Excess Return (vs. Net)			-0.2	-1.2	-4.1	-4.6			
Partners Grp Direct Infra 2020 (Net)	45,000,000	0.1							
Partners Grp Direct Infra 2020 (Gross)									

Private natural resources and infrastructure funds reflect early-stage life cycle performance.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
TIPS (Net)	2,059,320,740	2.7	-1.1	-2.5	1.5	5.0	--	--	--
TIPS (Gross)			-1.1	-2.5	1.5	5.0	--	--	--
<i>BBgBarc US TIPS TR</i>			<u>-1.9</u>	<u>-3.0</u>	<u>1.0</u>	<u>4.3</u>	--	--	--
Excess Return (vs. Net)			0.8	0.5	0.5	0.7			
Blackrock TIPS (Net)	2,059,320,740	2.7	-1.1	-2.5	1.5	5.0	--	--	--
Blackrock TIPS (Gross)			-1.1	-2.5	1.5	5.0	--	--	--
<i>BBgBarc US TIPS TR</i>			<u>-1.9</u>	<u>-3.0</u>	<u>1.0</u>	<u>4.3</u>	--	--	--
Excess Return (vs. Net)			0.8	0.5	0.5	0.7			
Risk Reduction and Mitigation (Net)¹	14,969,064,214	19.9	-1.9	-4.1	-3.8	-2.3	2.9	--	--
Risk Reduction and Mitigation (Gross)			-1.9	-4.1	-3.8	-2.3	2.9	--	--
<i>Risk Reduction and Mitigation Custom Blended Benchmark</i>			<u>-2.2</u>	<u>-4.6</u>	<u>-4.0</u>	<u>-2.5</u>	<u>2.1</u>	--	--
Excess Return (vs. Net)			0.3	0.5	0.2	0.2	0.8		
Investment Grade Bonds (Net)	8,648,945,660	11.5	-2.7	-5.9	-6.1	-4.3	1.9	2.4	2.8
Investment Grade Bonds (Gross)			-2.7	-5.9	-6.1	-4.3	2.0	2.5	2.9
<i>BBgBarc US Aggregate TR</i>			<u>-2.8</u>	<u>-5.9</u>	<u>-5.8</u>	<u>-4.2</u>	<u>1.7</u>	<u>2.1</u>	<u>2.2</u>
Excess Return (vs. Net)			0.1	0.0	-0.3	-0.1	0.2	0.3	0.6
BTC US Debt Index (Net)	5,549,477,957	7.4	-2.7	-5.8	-5.8	-4.1	1.7	2.2	2.3
BTC US Debt Index (Gross)			-2.7	-5.8	-5.8	-4.1	1.7	2.2	2.4
<i>BBgBarc US Aggregate TR</i>			<u>-2.8</u>	<u>-5.9</u>	<u>-5.8</u>	<u>-4.2</u>	<u>1.7</u>	<u>2.1</u>	<u>2.2</u>
Excess Return (vs. Net)			0.1	0.1	0.0	0.1	0.0	0.1	0.1
Member Home Loan Program (MHLP) (Net)	12,524,935	0.0	0.4	1.2	4.0	5.3	5.3	7.8	5.3
Member Home Loan Program (MHLP) (Gross)			0.4	1.2	4.2	5.6	5.5	8.1	5.6

¹ Includes accounts that are lagged by 1-month.

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	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Pugh Capital Management (Net)	1,110,184,281	1.5	-2.7	-6.0	-6.1	-4.1	1.9	2.3	2.4
Pugh Capital Management (Gross)			-2.7	-6.0	-6.0	-4.0	2.1	2.5	2.6
<i>BBgBarc US Aggregate TR</i>			<u>-2.8</u>	<u>-5.9</u>	<u>-5.8</u>	<u>-4.2</u>	<u>1.7</u>	<u>2.1</u>	<u>2.2</u>
Excess Return (vs. Net)			0.1	-0.1	-0.3	0.1	0.2	0.2	0.2
Wells Capital Management (Net)	1,976,758,460	2.6	-2.8	-6.0	-5.9	-4.1	2.3	2.5	2.8
Wells Capital Management (Gross)			-2.8	-6.0	-5.9	-4.0	2.4	2.6	2.9
<i>BBgBarc US Aggregate TR</i>			<u>-2.8</u>	<u>-5.9</u>	<u>-5.8</u>	<u>-4.2</u>	<u>1.7</u>	<u>2.1</u>	<u>2.2</u>
Excess Return (vs. Net)			0.0	-0.1	-0.1	0.1	0.6	0.4	0.6
Long-Term Government Bonds (Net)	1,366,165,344	1.8	-5.0	-10.1	--	--	--	--	--
Long-Term Government Bonds (Gross)			-5.0	-10.1	--	--	--	--	--
<i>Bloomberg U.S. Treasury: Long</i>			<u>-5.3</u>	<u>-10.6</u>	--	--	--	--	--
Excess Return (vs. Net)			0.3	0.5					
Long US Treasury Transition (Net)	1,366,165,344	1.8	-5.0	-10.1	--	--	--	--	--
Long US Treasury Transition (Gross)			-5.0	-10.1	--	--	--	--	--
<i>Bloomberg U.S. Treasury: Long</i>			<u>-5.3</u>	<u>-10.6</u>	--	--	--	--	--
Excess Return (vs. Net)			0.3	0.5					
Diversified Hedge Fund Portfolio (Net)	4,001,363,164	5.3	0.4	1.5	2.5	3.3	7.0	--	--
Diversified Hedge Fund Portfolio (Gross)			0.4	1.5	2.5	3.3	7.0	--	--
<i>Diversified Hedge Funds Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	<u>2.5</u>	<u>3.3</u>	--	--
Excess Return (vs. Net)			0.2	0.9	0.6	0.8	3.7		

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
LACERA HF Direct (Net)	3,758,953,283	5.0	0.5	1.6	2.6	3.4	6.8	--	--
LACERA HF Direct (Gross)			0.5	1.6	2.6	3.4	6.8	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	<u>2.6</u>	<u>3.3</u>	--	--
Excess Return (vs. Net)			0.3	1.0	0.7	0.8	3.5		
AM Asia Strategies Fund (Net)	228,987,446	0.3	-1.6	1.4	1.4	--	--	--	--
AM Asia Strategies Fund (Gross)			-1.6	1.4	1.4	--	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	--	--	--	--
Excess Return (vs. Net)			-1.8	0.8	-0.5				
Brevan Howard Master Fund (Net)	565,574,233	0.8	1.7	3.1	1.6	1.9	--	--	--
Brevan Howard Master Fund (Gross)			1.7	3.1	1.6	1.9	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	<u>2.6</u>	--	--	--
Excess Return (vs. Net)			1.5	2.5	-0.3	-0.7			
Capula GRV (Net)	543,166,354	0.7	1.6	3.2	3.1	3.9	5.5	--	--
Capula GRV (Gross)			1.6	3.2	3.1	3.9	5.5	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	<u>2.6</u>	<u>3.3</u>	--	--
Excess Return (vs. Net)			1.4	2.6	1.2	1.3	2.2		
Caxton Global Investments (Net)	273,306,900	0.4	2.7	6.6	6.6	10.0	--	--	--
Caxton Global Investments (Gross)			2.7	6.6	6.6	10.0	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	<u>2.6</u>	--	--	--
Excess Return (vs. Net)			2.5	6.0	4.7	7.4			

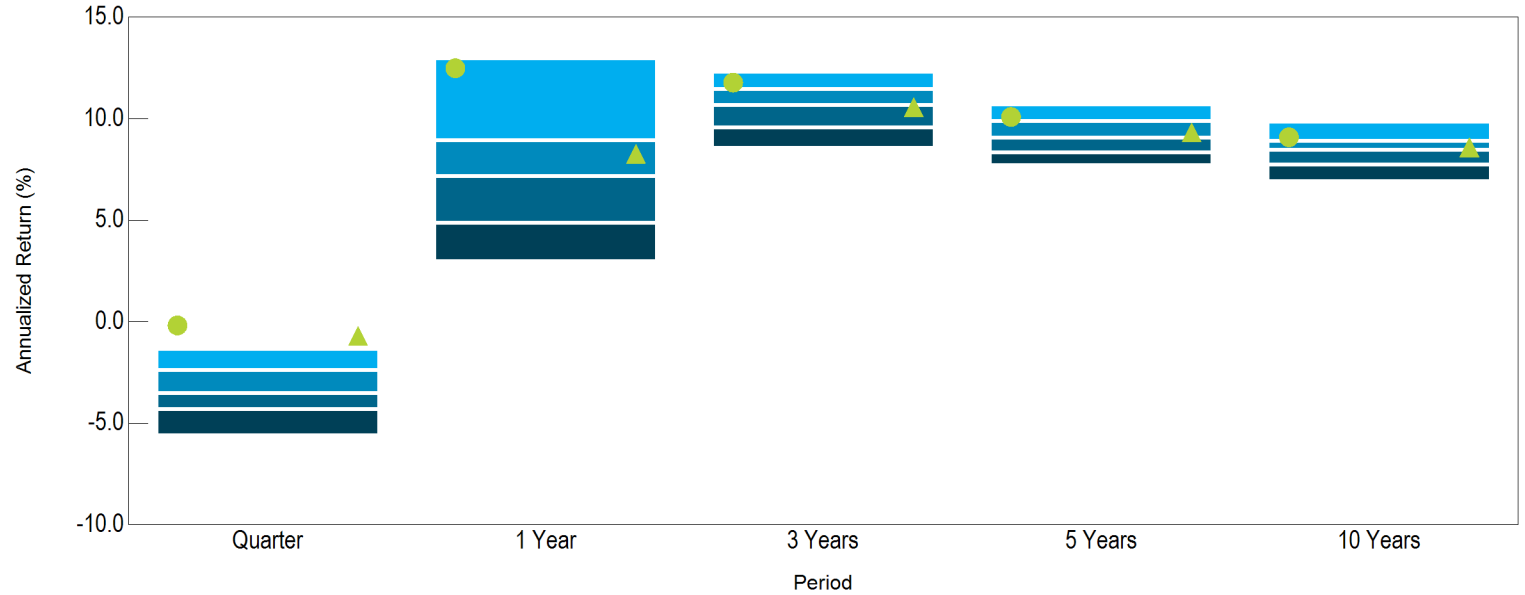
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	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
DK Institutional Partners (Net)	495,359,704	0.7	0.0	0.6	0.7	4.1	7.2	--	--
DK Institutional Partners (Gross)			0.0	0.6	0.7	4.1	7.2	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	<u>2.6</u>	<u>3.3</u>	--	--
Excess Return (vs. Net)			-0.2	0.0	-1.2	1.5	3.9		
HBK Multistrategy (Net)	557,763,122	0.7	-1.3	0.3	4.1	4.5	6.0	--	--
HBK Multistrategy (Gross)			-1.3	0.3	4.1	4.5	6.0	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	<u>2.6</u>	<u>3.3</u>	--	--
Excess Return (vs. Net)			-1.5	-0.3	2.2	1.9	2.7		
Hudson Bay Fund (Net)	630,629,455	0.8	0.6	-0.1	3.5	4.9	--	--	--
Hudson Bay Fund (Gross)			0.6	-0.1	3.5	4.9	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	<u>2.6</u>	--	--	--
Excess Return (vs. Net)			0.4	-0.7	1.6	2.3			
Polar (Net)	464,166,070	0.6	0.4	0.4	0.8	-1.1	--	--	--
Polar (Gross)			0.4	0.4	0.8	-1.1	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	<u>2.6</u>	--	--	--
Excess Return (vs. Net)			0.2	-0.2	-1.1	-3.7			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Hedge Fund Emerging Managers Program (Net)	190,220,906	0.3	-1.7	-1.2	-1.1	--	--	--	--
Hedge Fund Emerging Managers Program (Gross)			-1.7	-1.0	-1.0	--	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	--	--	--	--
Excess Return (vs. Net)			-1.9	-1.8	-3.0				
Stable Asset Management (Net)	190,220,906	0.3	-1.7	-1.2	-1.1	--	--	--	--
Stable Asset Management (Gross)			-1.7	-1.0	-0.9	--	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	--	--	--	--
Excess Return (vs. Net)			-1.9	-1.8	-3.0				
Stable Fund Investments (Net)	190,220,906	0.3	-1.7	-1.1	-1.1	--	--	--	--
Stable Fund Investments (Gross)			-1.7	-1.1	-1.1	--	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.2</u>	<u>0.6</u>	<u>1.9</u>	--	--	--	--
Excess Return (vs. Net)			-1.9	-1.7	-3.0				
Cash (Net)	952,590,046	1.3	0.1	0.2	0.8	0.9	1.3	1.5	1.0
Cash (Gross)			0.1	0.2	0.8	1.0	1.4	1.6	1.1
<i>Cash Custom BM</i>			<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.1</u>	<u>0.8</u>	<u>1.1</u>	<u>0.7</u>
Excess Return (vs. Net)			0.1	0.2	0.8	0.8	0.5	0.4	0.3
SSGA Cash (Net)			0.0	0.0	0.0	0.1	--	--	--
SSGA Cash (Gross)			0.0	0.0	0.0	0.1	--	--	--
<i>Cash Custom BM</i>			<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.1</u>	--	--	--
Excess Return (vs. Net)			0.0	0.0	0.0	0.0			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Overlay and Hedges (Net)	512,950,322	0.7	27.3	57.6	--	--	--	--	--
Overlay and Hedges (Gross)			27.3	57.8	--	--	--	--	--
Cash Overlay (Net)	447,947,168	0.6	17.9	36.1	40.5	33.8	--	--	--
Cash Overlay (Gross)			17.9	36.1	41.1	34.4	--	--	--
Cash Overlay (Net)	447,947,168	0.6	17.9	36.1	40.5	33.8	--	--	--
Cash Overlay (Gross)			17.9	36.1	41.1	34.4	--	--	--
<i>Total Overlay Policy BM</i>			<u>0.5</u>	<u>-4.0</u>	<u>-0.3</u>	<u>5.1</u>	--	--	--
Excess Return (vs. Net)			17.4	40.1	40.8	28.7			
Currency Hedge (Net)	65,003,154	0.1	0.6	1.0	--	--	--	--	--
Currency Hedge (Gross)			0.6	1.0	--	--	--	--	--
Currency Hedge (Net)	65,003,154	0.1	0.6	1.0	--	--	--	--	--
Currency Hedge (Gross)			0.6	1.0	--	--	--	--	--

InvMetrics Public DB > \$1B Net Return Comparison Ending March 31, 2022



	Quarter		1 Year		3 Years		5 Years		10 Years	
5th Percentile	-1.3		12.9		12.3		10.7		9.8	
25th Percentile	-2.4		8.9		11.5		9.9		8.9	
Median	-3.5		7.2		10.7		9.1		8.5	
75th Percentile	-4.3		4.9		9.6		8.4		7.8	
95th Percentile	-5.6		3.0		8.6		7.7		6.9	
# of Portfolios	62		61		61		61		56	
● Total Fund	-0.2	(1)	12.5	(6)	11.8	(22)	10.1	(17)	9.1	(13)
▲ Total Fund Policy Benchmark	-0.7	(1)	8.3	(33)	10.6	(55)	9.3	(47)	8.6	(43)

Benchmark History

As of March 31, 2022

Total Fund		
10/1/2021	Present	51% Growth Custom Blended Benchmark / 11% Credit Custom Blended Benchmark / 17% Real Assets & Inflation Hedges Custom BM / 21% Risk Reduction and Mitigation Custom Blended Benchmark
10/1/2019	9/30/2021	35% Global Equity Custom BM / 10% PE-Credit Custom Benchmark / 2% Non-Core Private RE Policy BM / 3% Bloomberg U.S. High Yield / 4% Credit Suisse Leveraged Loans / 2% EMD Custom / 3% Illiquid Credit Custom BM / 7% Core Private Real Estate Custom BM / 4% Natural Resources & Commodities Custom BM / 3% DJ Brookfield Global Infrastructure TR / 3% Bloomberg U.S. TIPS Index / 19% Bloomberg US Aggregate TR / 4% Diversified Hedge Funds Custom BM / 1% Citigroup 3-Month U.S. Treasury Bill Index
1/1/2019	9/30/2019	41% Global Equity Custom BM / 10% PE-Credit Custom Benchmark / 1% Non-Core Private RE Policy BM / 4% Bloomberg U.S. High Yield / 3% Credit Suisse Leveraged Loans / 1% EMD Custom / 2% Illiquid Credit Custom BM / 8% Core Private Real Estate Custom BM / 3% Natural Resources & Commodities Custom BM / 2% DJ Brookfield Global Infrastructure TR / 2% Bloomberg U.S. TIPS Index / 19% Bloomberg US Aggregate TR / 3% Diversified Hedge Funds Custom BM / 1% Citigroup 3-Month U.S. Treasury Bill Index
10/1/2018	12/31/2018	22.7% Russell 3000 / 18.7% Custom MSCI ACWI IMI Net 50% Hedge / 27.8% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 5.0% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
7/1/2018	9/30/2018	23.1% Russell 3000 / 20.3% Custom MSCI ACWI IMI Net 50% Hedge / 26.6% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 4.2% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
1/1/2018	6/30/2018	22.4% Russell 3000 / 21.0% Custom MSCI ACWI IMI Net 50% Hedge / 26.6% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 4.2% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
10/1/2017	12/31/2017	23.5% Russell 3000 / 21.9% Custom MSCI ACWI IMI Net 50% Hedge / 25.4% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.4% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
7/1/2017	9/30/2017	23.7% Russell 3000 / 21.7% Custom MSCI ACWI IMI Net 50% Hedge / 25.4% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.4% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
4/1/2017	6/30/2017	24.1% Russell 3000 / 21.3% Custom MSCI ACWI IMI Net 50% Hedge / 25.4% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.4% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
1/1/2017	3/31/2017	24.4% Russell 3000 / 21.0% Custom MSCI ACWI IMI Net 50% Hedge / 25.4% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.4% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
10/1/2016	12/31/2016	23.8% Russell 3000 / 21.6% Custom MSCI ACWI IMI Net 50% Hedge / 25.4% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.4% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
7/1/2016	9/30/2016	24.5% Russell 3000 / 21.4% Custom MSCI ACWI IMI Net 50% Hedge / 25.1% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.2% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
10/1/2015	6/30/2016	3% Bloomberg Commodity Index TR USD / 25.5% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 22.5% Bloomberg US Universal TR / 11% Private Equity Target / 23% Custom MSCI ACWI IMI Net 50% Hedge / 3% 3-month U.S. T-Bill Index + 5% (1M-lag)

4/1/2015	9/30/2015	3% Bloomberg Commodity Index TR USD / 25% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 22.5% Bloomberg US Universal TR / 11% Private Equity Target / 23.5% Custom MSCI ACWI IMI Net 50% Hedge / 3% 3-month U.S. T-Bill Index + 5% (1M-lag)
1/1/2015	3/31/2015	3% Bloomberg Commodity Index TR USD / 25.5% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 22.5% Bloomberg US Universal TR / 11% Private Equity Target / 23% Custom MSCI ACWI IMI Net 50% Hedge / 3% 3-month U.S. T-Bill Index + 5% (1M-lag)
10/1/2014	12/31/2014	3% Bloomberg Commodity Index TR USD / 25% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 23% Bloomberg US Universal TR / 11% Private Equity Target / 24% Custom MSCI ACWI IMI Net 50% Hedge / 2% 3-month U.S. T-Bill Index + 5% (1M-lag)
1/1/2014	9/30/2014	3% Bloomberg Commodity Index TR USD / 24% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 23% Bloomberg US Universal TR / 11% Private Equity Target / 25% Custom MSCI ACWI IMI Net 50% Hedge / 2% 3-month U.S. T-Bill Index + 5% (1M-lag)
10/1/2013	12/31/2013	3% Bloomberg Commodity Index TR USD / 24% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 24% Bloomberg US Universal TR / 10% Private Equity Target / 26% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
4/1/2013	9/30/2013	3% Bloomberg Commodity Index TR USD / 24% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 24% Bloomberg US Universal TR / 10% Private Equity Target / 26% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
1/1/2013	3/31/2013	3% Bloomberg Commodity Index TR USD / 23% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 24% Bloomberg US Universal TR / 10% Private Equity Target / 27% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
10/1/2012	12/31/2012	3% Bloomberg Commodity Index TR USD / 24% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 24% Bloomberg US Universal TR / 10% Private Equity Target / 26% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
1/1/2012	9/30/2012	3% Bloomberg Commodity Index TR USD / 24% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 27% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
10/1/2011	12/31/2011	3% Bloomberg Commodity Index TR USD / 23% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 28% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
4/1/2011	9/30/2011	3% Bloomberg Commodity Index TR USD / 23% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 29% Custom MSCI ACWI IMI Net 50% Hedge
1/1/2011	3/31/2011	3% Bloomberg Commodity Index TR USD / 22% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 30% Custom MSCI ACWI IMI Net 50% Hedge
10/1/2010	12/31/2010	3% Bloomberg Commodity Index TR USD / 23% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 29% Custom MSCI ACWI IMI Net 50% Hedge
7/1/2010	9/30/2010	3% Bloomberg Commodity Index TR USD / 26% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 26% Custom MSCI ACWI IMI Net 50% Hedge
4/1/2010	6/30/2010	3% Bloomberg Commodity Index TR USD / 26% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 26% MSCI ACWI ex USA IMI
1/1/2010	3/31/2010	3% Bloomberg Commodity Index TR USD / 29% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 23% MSCI ACWI ex USA IMI
4/1/2009	12/31/2009	2% Bloomberg Commodity Index TR USD / 30% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 28% Bloomberg US Universal TR / 7% Private Equity Target / 21% MSCI ACWI ex USA IMI
10/1/2008	3/31/2009	2% Bloomberg Commodity Index TR USD / 30% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 1.96% Bloomberg US High Yield BA/B TR / 26.04% Bloomberg US Aggregate TR / 7% Private Equity Target / 21% MSCI ACWI ex USA IMI
3/1/2001	9/30/2008	100% LACERA TF Blended Benchmark

Bank Loans Custom Index: Credit Suisse Leveraged Loan Index.

Beach Point Custom BM:BBg Barc US Corporate High Yield Index

Brigade Custom Index: BBg Barc US Corporate High Yield Index.

Cash Custom BM:FTSE 3-month Treasury Bill.

Core & Value-Added Real Estate Custom BM:NFI ODCE + 50 bps (3-month lag).

Credit Custom Blended BM:~25% BBg Barc US High Yield Ba/B / 33.3% Credit Suisse Leveraged Loan Index / 25% Illiquid Credit Custom BM / 16.7% EMD Custom BM.

Diversified Hedge Funds Custom BM:FTSE 3-Month U.S. Treasury Bill Index + 250 bps (1-month lag).

EAFE Custom Index:MSCI EAFE + Canada (Net).

EMD Custom:50% JP Morgan EMBI + 25% JP Morgan GBI-EM GD + 25% JP Morgan CEMBI BD.

Global Equity Custom BM:MSCI ACWI IMI Index

Grosvenor Custom BM:100% Illiquid Credit Custom BM.

Growth Custom Blended BM:~74.5% Global Equity Custom BM/ 21.3% Private Equity- Growth Custom BM/ 4.3% Opportunistic Real Estate Custom BM.

Hedge Fund Custom Index:100% Diversified Hedge Funds Custom BM.

Illiquid Credit Custom BM:BBg Barc US Aggregate Index + 250 bps (1-month lag).

MSCI EM IMI Custom Index:MSCI EM IMI (Net)

Natural Resources & Commodities Custom BM:50% Bloomberg Commodity Index / 50% S&P Global Large MidCap Commodity and Resources Index.

Opportunistic Real Estate Custom BM:NFI ODCE + 300 bps (3-month lag).

PE – Credit Custom Benchmark:BBgBarc US Agg Index + 250bps with a (3-month lag).

Private Equity - Growth Custom BM:MSCI ACWI IMI Index + 200 bps (3-month lag).

PE – Real Assets Custom BM:S&P Global LargeMidCap Commodity and Resources (3-month lag).

Real Assets and Inflation Hedges Custom Blended BM: ~41.2% Core & Value-Added Real Estate Custom BM/ 23.5% Natural Resources & Commodities Custom BM /17.6% DJ Brookfield Global Infrastructure / 17.6% BBg Barc US TSY TIPS.

Risk Reduction and Mitigation Custom Blended BM: ~79.2% BBg Barc Agg / 16.7% Diversified Hedge Funds Custom BM / 4.2% FTSE 3-month Treasury Bill.

Securitized Custom Index:Barclays Securitized Bond Index + 400 bps.

Opportunistic Custom Index 1-Month Lag:50% Barclays U.S. High Yield Index / 50% Credit Suisse Leveraged Loan Index (1-month lag).

50% FX Hedge Index: 50% MSCI World ex US IMI FX Hedged index 50% Zero Return.

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT AND THAT IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. ANY OPINIONS OR RECOMMENDATIONS PRESENTED HEREIN REPRESENT OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND ARE SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK. THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.


INFORMATION USED TO PREPARE THIS REPORT WAS OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY OF ALL SOURCE INFORMATION CONTAINED HEREIN.

CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD - LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM", "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE" OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

May 27, 2022

TO: Trustees – Board of Investments

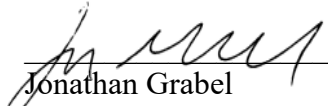
FROM: Jude Pérez 
Principal Investment Officer

FOR: June 8, 2022 Board of Investments Meeting

SUBJECT: **OPEB QUARTERLY PERFORMANCE BOOK**

Attached is the OPEB Master Trust quarterly performance book as of March 31, 2022. The report includes both performance and risk sections utilizing data from our platform providers, Solovis and MSCI BarraOne, respectively.

Noted and Reviewed:



Jonathan Grabel
Chief Investment Officer

Attachments

EdB:JP



Los Angeles County Employees Retirement Association

Investments Division

OPEB MASTER TRUST

PERFORMANCE REPORT

For the quarter ended
March 31, 2022

review

An aerial photograph of Los Angeles at sunset. The city skyline is visible in the background, with the sun setting behind the mountains, creating a warm, orange and pink glow. The foreground shows residential areas with palm trees and a river or canal winding through the city.

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01 OPEB TRUST

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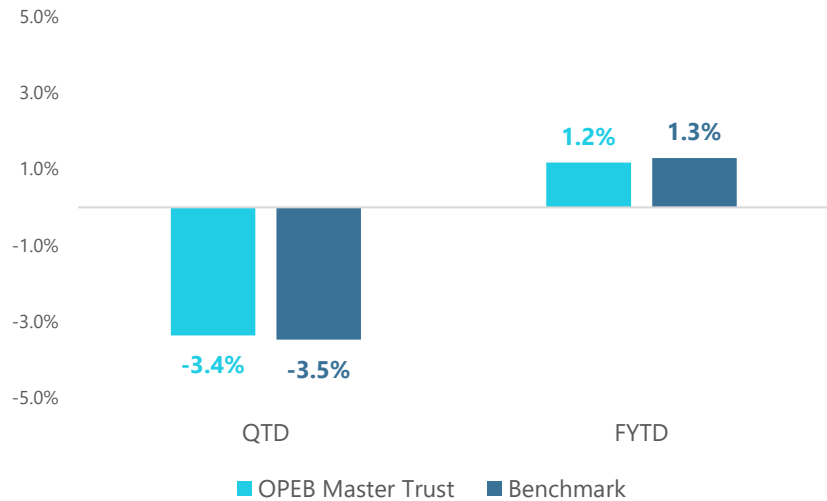
03 APPENDIX

opeb trust

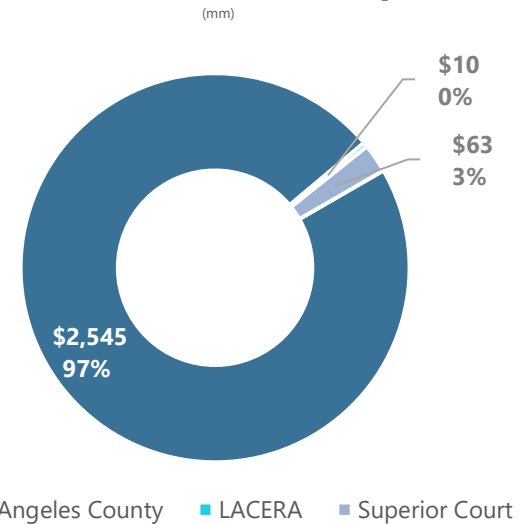
Quarterly Snapshot

for the quarter ended March 31, 2022

Performance (net)



Sub-Trust Ownership



Ending Market Value

2,618

0%

from prior quarter

Sharpe Ratio¹

0.8

↓ -29%

from prior quarter

Batting Average²

60%

↑ 500%

from prior quarter

Standard Deviation¹

12.5

0%

from prior quarter

Tracking Error¹

0.3

0%

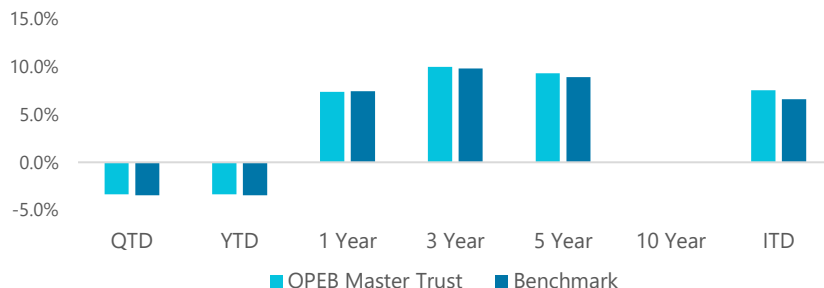
from prior quarter

1. 3-year annualized.
2. Percentage of managers that outperformed the benchmark for the quarter.

Summary

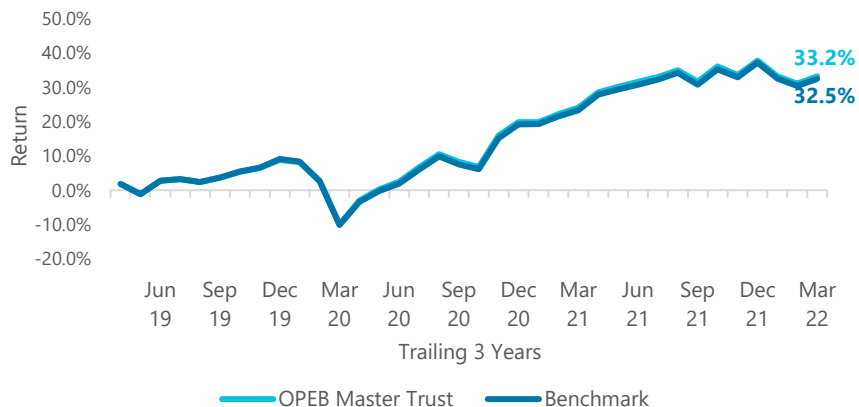
for the quarter ended March 31, 2022

Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
OPEB Master Trust	-3.4%	-3.4%	7.4%	10.0%	9.3%	--	7.6%
Benchmark	-3.5%	-3.5%	7.4%	9.8%	8.9%	--	6.6%
Excess	0.1%	0.1%	0.0%	0.2%	0.4%	--	1.0%
Sub-Trusts							
Los Angeles County	-3.4%	-3.4%	7.4%	10.0%	9.4%	--	7.0%
LACERA	-3.4%	-3.4%	7.4%	10.0%	9.4%	--	7.0%
Superior Court	-3.2%	-3.2%	7.6%	9.9%	9.1%	--	9.3%

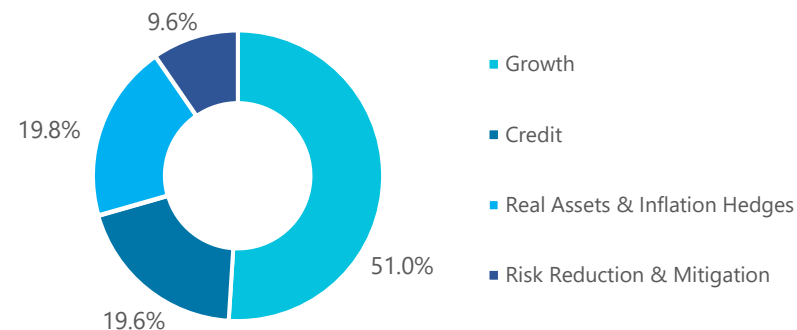
Cumulative Return



Functional Category

	QTD	FYTD	1 Year	3 Year	5 Year
OPEB Growth	-5.4%	-0.7%	6.5%	13.8%	11.7%
OPEB Growth Policy Benchmark	-5.5%	-0.8%	6.3%	13.5%	11.4%
Excess	0.0%	0.1%	0.2%	0.3%	0.3%
OPEB Credit	-2.8%	-2.8%	-0.6%	2.8%	--
OPEB Credit Policy Benchmark	-3.3%	-2.7%	-0.5%	3.2%	--
Excess	0.5%	0.0%	-0.1%	-0.4%	--
OPEB Real Assets & Inflation Hedges	2.5%	14.2%	25.1%	10.8%	--
OPEB RA & IH Policy Benchmark	2.1%	14.0%	24.8%	10.6%	--
Excess	0.4%	0.3%	0.3%	0.2%	--
OPEB Risk Reduction & Mitigation	-4.7%	-4.7%	-3.3%	1.6%	2.2%
OPEB RR & M Policy Benchmark	-4.8%	-4.7%	-3.3%	1.5%	2.0%
Excess	0.1%	0.0%	0.0%	0.1%	0.2%

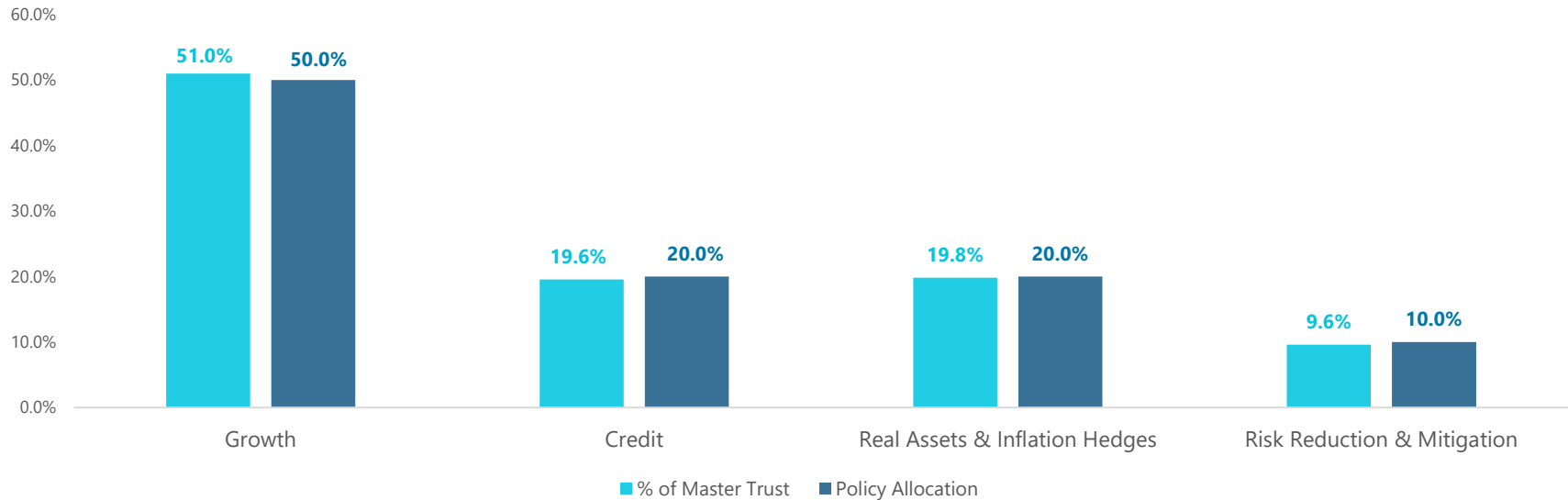
Exposure



Asset Allocation

for the quarter ended March 31, 2022

Actual vs. Policy



	Ending Market Value (mm)	% of Master Trust	Policy Allocation	Over / Under (%)	Over / Under (mm)
OPEB Master Trust	2,618	100.0%	100.0%		
Growth	1,335	51.0%	50.0%	1.0%	26
Credit	512	19.6%	20.0%	-0.4%	-11
Real Assets & Inflation Hedges	519	19.8%	20.0%	-0.2%	-5
Risk Reduction & Mitigation	251	9.6%	10.0%	-0.4%	-10
Operational Cash	0	0.0%			

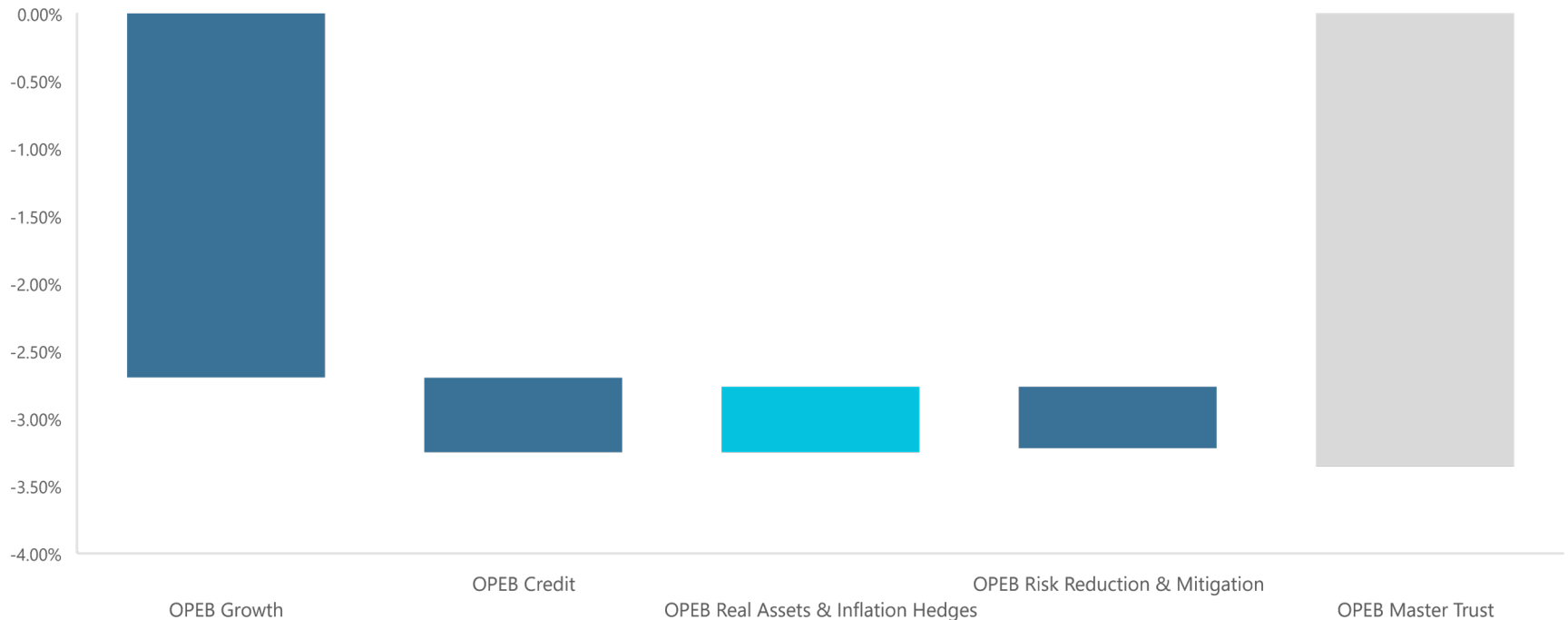
Contribution to Return

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

QTD Contribution to Return



Functional Category	Contributors	Detractors
OPEB Growth	OPEB BTC Commodities 1.05%	OPEB Global Equities -2.72%
OPEB Credit	OPEB SSGA Cash 0.00%	OPEB BTC IG Bonds -0.46%
OPEB Real Assets & Inflation Hedges		OPEB BTC REITs -0.39%
OPEB Risk Reduction & Mitigation		OPEB BTC High Yield Bonds -0.27%
OPEB Master Trust		OPEB BTC EM Debt -0.24%

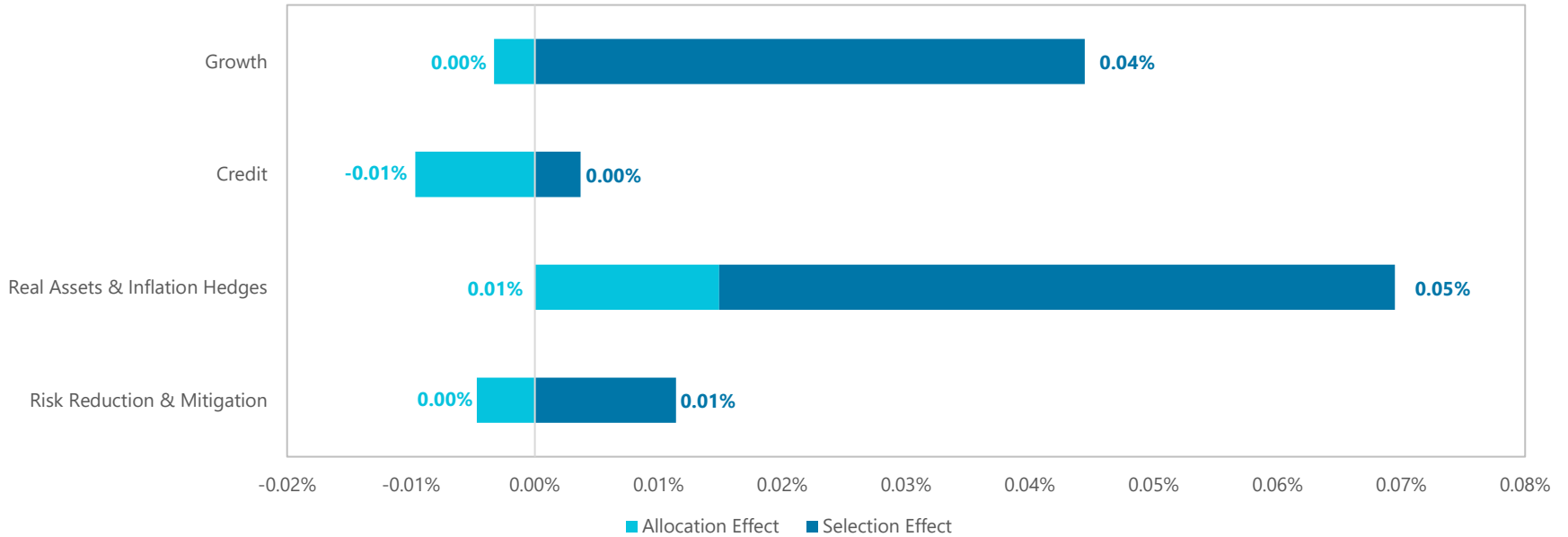
Return Attribution

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

QTD Performance Attribution¹



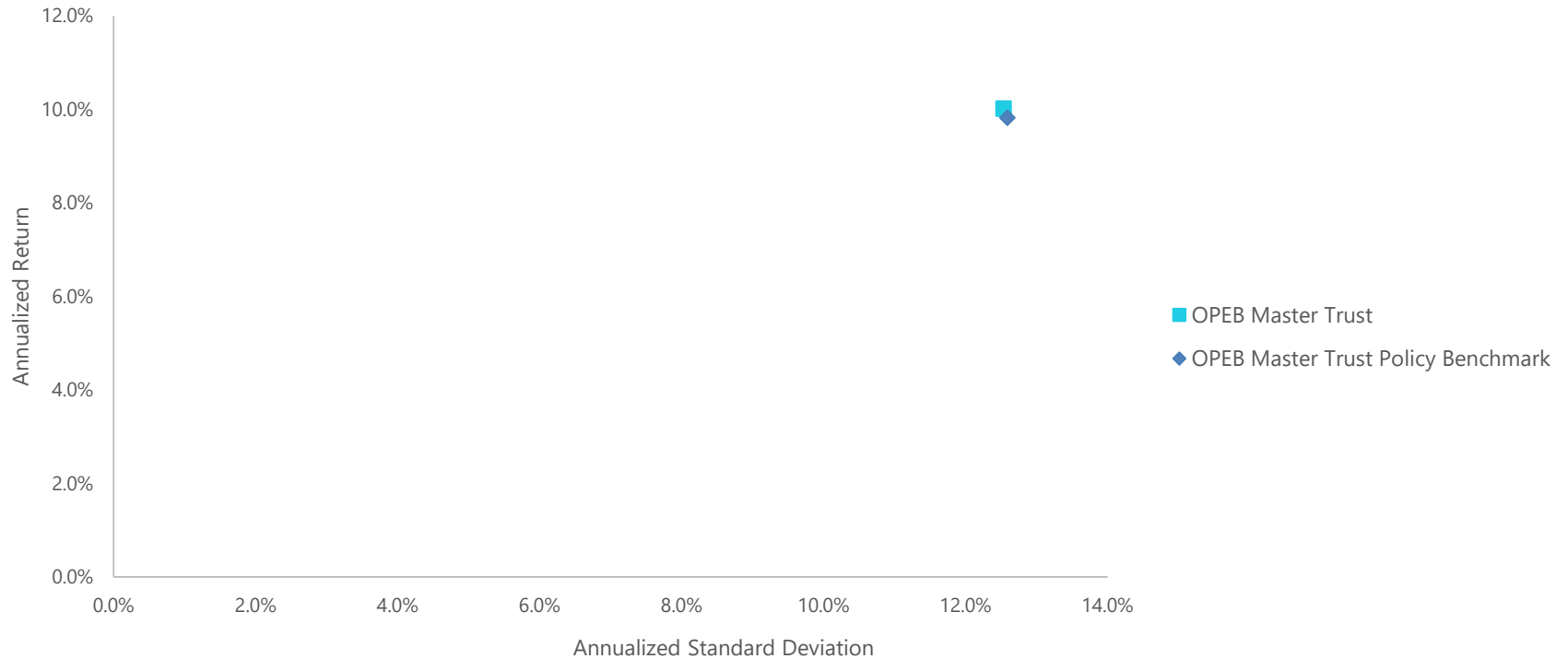
	Ending Market Value (mm)	% of Master Trust	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
OPEB Master Trust	2,618	100.0%	100.0%	-3.4%	-3.5%	0.00%	0.11%	0.25%
Growth	1,335	51.0%	50.0%	-5.4%	-5.5%	0.00%	0.04%	0.04%
Credit	512	19.6%	20.0%	-2.8%	-3.3%	-0.01%	0.00%	0.10%
Real Assets & Inflation Hedges	519	19.8%	20.0%	2.5%	2.1%	0.01%	0.05%	0.10%
Risk Reduction & Mitigation	251	9.6%	10.0%	-4.7%	-4.8%	0.00%	0.01%	0.01%
Operational Cash	0	0.0%						

1. Total Value Add includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2022

3 Year (Annualized)¹



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
OPEB Master Trust	10.0%	12.5%				
OPEB Master Trust Policy Benchmark	9.8%	12.6%	0.76	0.63	1.00	0.3%

1. Composite risk statistics are relative to the policy benchmark.

Performance Detail

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

Annualized Net Returns

	% of Master Trust	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
OPEB Master Trust	100.0%	2,618	2,608	-3.4%	-3.4%	7.4%	10.0%	9.3%	--	7.6%
OPEB Master Trust Policy Benchmark				-3.5%	-3.5%	7.4%	9.8%	8.9%	--	6.6%
Sub-Trusts										
Los Angeles County	97.2%	2,545	2,533	-3.4%	-3.4%	7.4%	10.0%	9.4%	--	7.0%
LACERA	0.4%	10	10	-3.4%	-3.4%	7.4%	10.0%	9.4%	--	7.0%
Superior Court	2.4%	63	65	-3.2%	-3.2%	7.6%	9.9%	9.1%	--	9.3%
OPEB Growth	51.0%	1,335	1,312	-5.4%	-5.4%	6.5%	13.8%	11.7%	--	12.7%
OPEB Growth Policy Benchmark				-5.5%	-5.5%	6.3%	13.5%	11.4%	--	12.4%
OPEB Global Equities	51.0%	1,335	1,312	-5.4%	-5.4%	6.5%	13.8%	11.7%	--	9.2%
MSCI ACWI IMI Net				-5.5%	-5.5%	6.3%	13.5%	11.4%	--	8.9%
OPEB Credit	19.6%	512	515	-2.8%	-2.8%	-0.6%	2.8%	--	--	3.0%
OPEB Credit Policy Benchmark				-3.3%	-3.3%	-0.5%	3.2%	--	--	3.5%
Liquid Credit										
OPEB BlackRock Bank Loans	9.8%	256	257	-0.4%	-0.4%	2.5%	3.7%	--	--	3.5%
S&P/LSTA Leverage Loan				-0.1%	-0.1%	3.3%	4.2%	--	--	4.0%
OPEB BTC EM Debt LC	3.9%	102	102	-6.3%	-6.3%	-8.7%	-1.6%	--	--	-0.5%
JPM GBI-EM Global Diversified				-6.5%	-6.5%	-8.5%	-1.1%	--	--	-0.1%
OPEB BTC High Yield Bonds	5.9%	154	155	-4.6%	-4.6%	-0.5%	4.1%	--	--	4.6%
BBG BARC US Corp HY				-4.8%	-4.8%	-0.7%	4.6%	--	--	5.0%
OPEB Real Assets & Inflation Hedges	19.8%	519	526	2.5%	2.5%	25.1%	10.8%	--	--	9.7%
OPEB RA & IH Policy Benchmark				2.1%	2.1%	24.8%	10.6%	--	--	9.6%
OPEB BTC Commodities	4.1%	107	104	26.3%	26.3%	50.0%	16.3%	--	--	11.1%
Bloomberg Commodity Index Total Return				25.5%	25.5%	49.3%	16.1%	--	--	11.0%
OPEB BTC REITS	10.1%	263	267	-3.8%	-3.8%	27.6%	9.7%	--	--	10.1%
DJ US SELECT REAL ESTATE SECURITIES				-3.7%	-3.7%	27.7%	9.9%	--	--	10.3%
OPEB BTC TIPS	5.7%	149	155	-3.0%	-3.0%	4.3%	6.3%	--	--	5.6%
Bloomberg U.S. Treasury: U.S. TIPS				-3.0%	-3.0%	4.3%	6.2%	--	--	5.5%
OPEB Risk Reduction & Mitigation	9.6%	251	255	-4.7%	-4.7%	-3.3%	1.6%	2.2%	--	2.0%
OPEB RR & M Policy Benchmark				-4.8%	-4.8%	-3.3%	1.5%	2.0%	--	1.8%
OPEB BTC Investment Grade Bonds	7.7%	201	204	-5.8%	-5.8%	-4.1%	1.7%	--	--	2.6%
BBG BARC Aaa				-5.9%	-5.9%	-4.2%	1.7%	--	--	2.6%
OPEB SSGA Cash	1.9%	51	51	0.0%	0.0%	0.0%	1.1%	1.5%	--	1.0%
OPEB Cash Policy Benchmark				0.0%	0.0%	0.1%	0.9%	1.2%	--	0.7%

risk reports

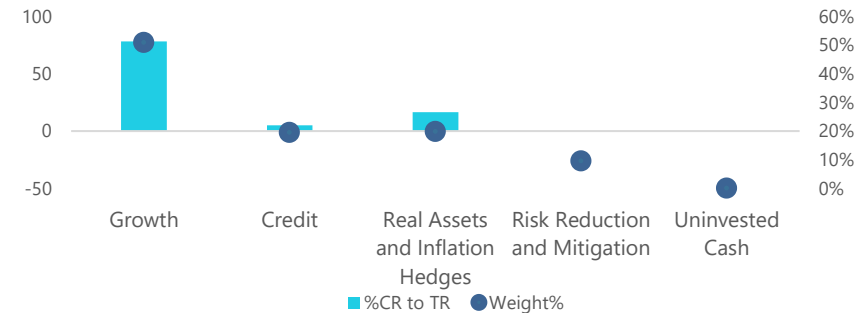
Summary

for the quarter ended March 31, 2022

Risk Summary

	Value
Total Risk	11.37
Benchmark Risk	11.68
Active Risk	0.88
Portfolio Beta	0.97
Effective Duration	1.51

Contribution to Risk

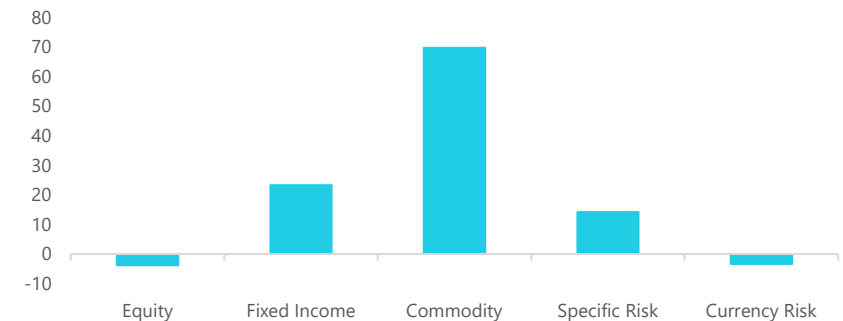


	Mkt Value (mm)	Weight%	Total Risk	Risk Contribution	%CR to TR
Total Fund	2,618.1	100.0%	11.37	11.37	100.00
Growth	1,335.1	51.0%	17.66	8.89	78.22
Credit	512.2	19.6%	4.01	0.59	5.21
Real Assets and Inflation Hedges	519.0	19.8%	11.36	1.89	16.65
Risk Reduction and Mitigation	251.4	9.6%	3.68	-0.01	-0.08
Uninvested Cash	0.4	0.0%	2.79	0.00	0.00

Risk Decomposition

Risk Source	Portfolio			Active		
	Risk Contribution	%Risk	Correlation	Risk Contribution	%Risk	Correlation
Total Risk	11.37	100.00	1.00	0.88	100.00	1.00
Local Market Risk	10.81	95.06	1.00	0.91	103.38	0.98
Common Factor Risk	10.75	94.60	0.99	0.78	89.16	0.91
Equity	10.21	89.78	0.99	-0.03	-3.80	-0.16
Fixed Income	0.55	4.82	0.54	0.20	23.30	0.54
Commodity	0.00	0.00	0.00	0.61	69.66	0.82
Specific Risk	0.05	0.46	0.07	0.12	14.23	0.38
Currency Risk	0.56	4.94	0.53	-0.03	-3.38	-0.16

Active Risk from Risk Factors



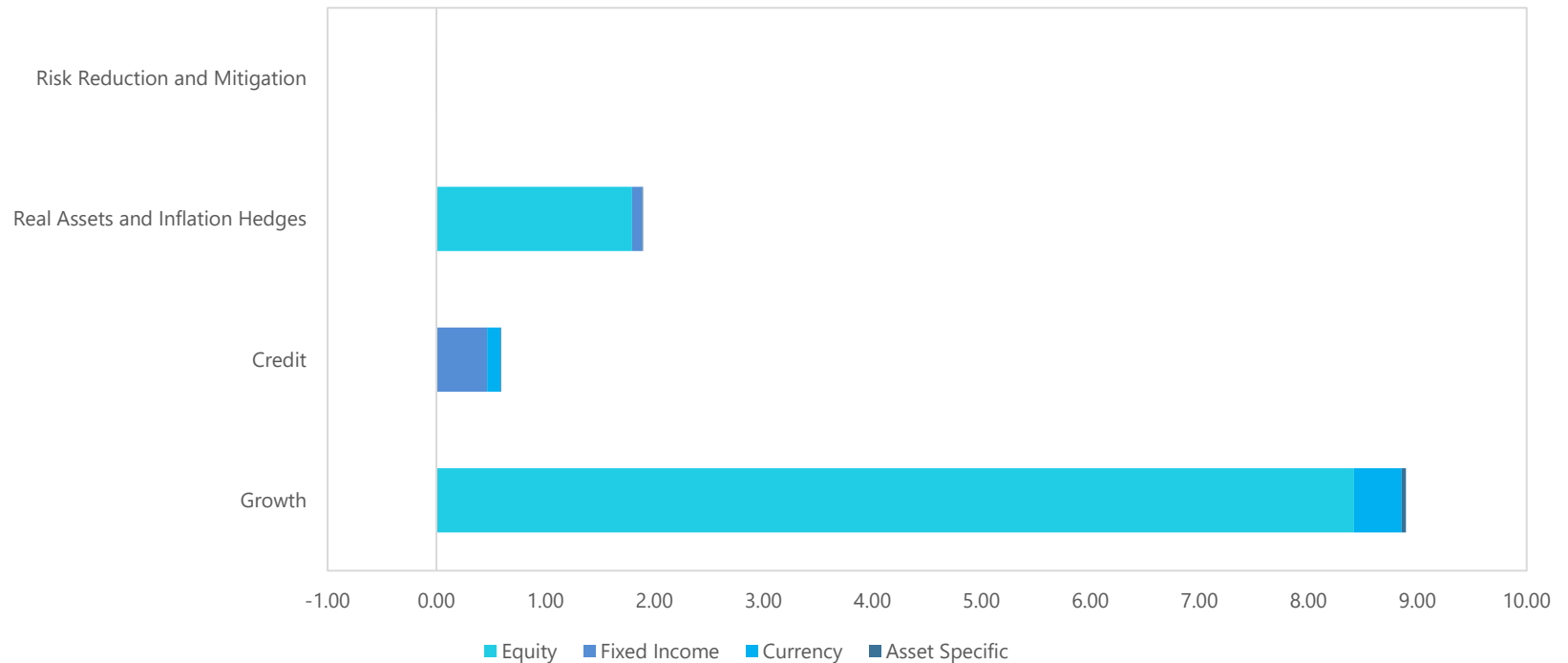
Risk Contribution Breakdown

for the quarter ended March 31, 2022



Los Angeles County Employees Retirement Association

By Risk Type

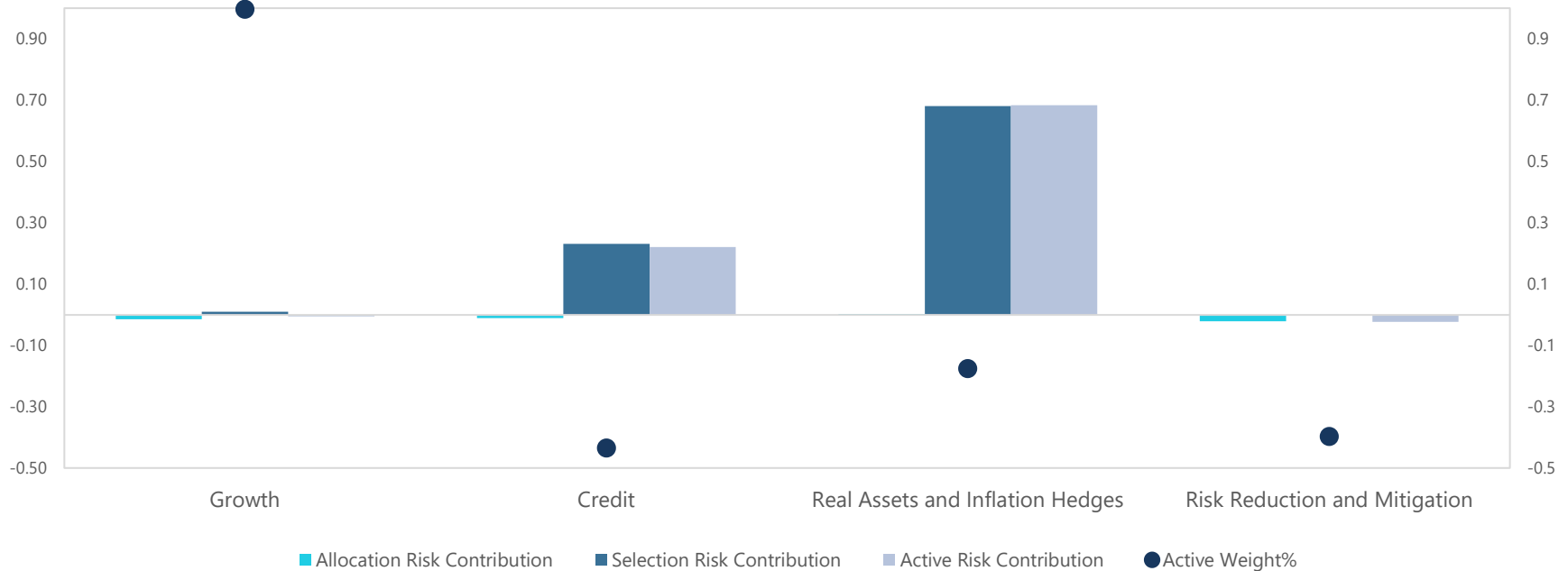


Functional Category	Mkt Value	Weight%	Total Risk	%CR to Total Risk	Port Risk Contribution	Equity	Fixed Income	Currency	Asset Specific
Total Fund	2,618	100.0%	11.37	100.00	11.37	10.21	0.55	0.56	0.05
Growth	1,335	51.0%	17.66	78.22	8.89	8.42	0.00	0.44	0.04
Credit	512	19.6%	4.01	5.21	0.59	0.00	0.46	0.12	0.00
Real Assets and Inflation Hedges	519	19.8%	11.36	16.65	1.89	1.79	0.09	0.00	0.01
Risk Reduction and Mitigation	251	9.6%	3.68	-0.08	-0.01	0.00	-0.01	0.00	0.00

Allocation Selection

for the quarter ended March 31, 2022

Active Total Risk

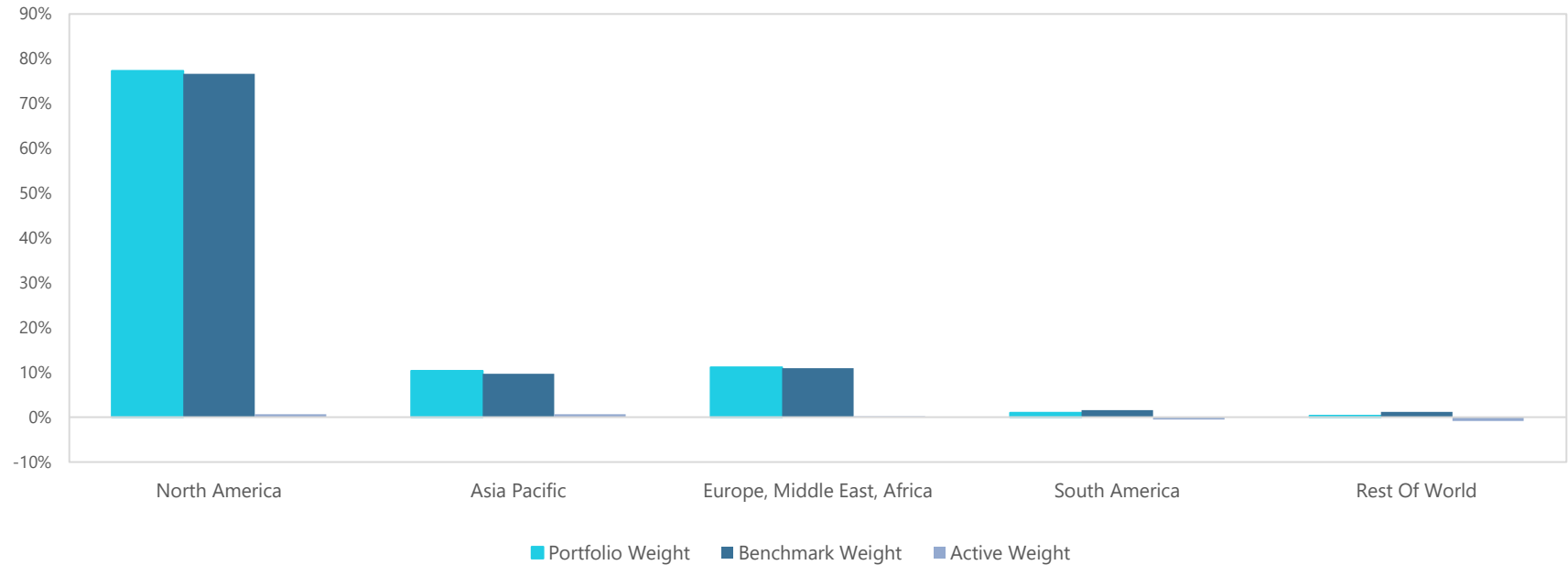


Functional Category	Active Weight%	Allocation			Selection			Active Risk Contribution
		Volatility	Correlation	Risk Contribution	Volatility	Correlation	Risk Contribution	
Active Total Risk				-0.04			0.92	0.88
Growth	1.00	6.48	-0.22	-0.01	0.08	0.25	0.01	0.00
Credit	-0.44	8.64	0.28	-0.01	2.19	0.54	0.23	0.22
Real Assets and Inflation Hedges	-0.18	6.22	-0.24	0.00	3.93	0.87	0.68	0.68
Risk Reduction and Mitigation	-0.40	12.43	0.43	-0.02	0.09	-0.19	0.00	-0.02

Portfolio Allocation

for the quarter ended March 31, 2022

By Region

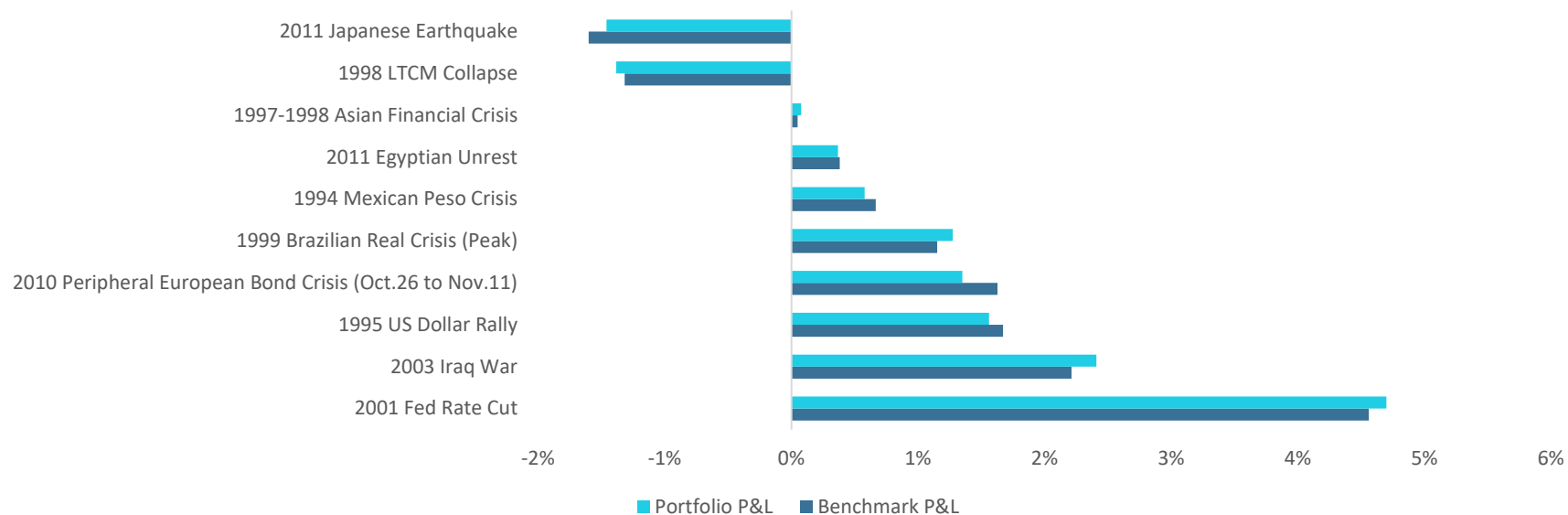


Region	Weight%			Total Risk	Active Risk CR	% of Active TR	MC to Total Tracking Error
	Portfolio	Benchmark	Active				
Total Fund	100.00%	100.00%	0.00%	11.37	0.88	100.00	0.01
North America	77.28%	76.66%	0.62%	10.75	0.67	76.81	0.02
Asia Pacific	10.32%	9.69%	0.63%	14.28	0.02	2.54	0.03
Europe, Middle East, Africa	11.10%	10.93%	0.17%	17.35	0.20	22.55	-0.03
South America	0.97%	1.53%	-0.56%	19.78	0.00	0.24	0.01
Rest Of World	0.33%	1.19%	-0.86%	8.79	-0.02	-2.15	0.02

Stress Tests

for the quarter ended March 31, 2022

Top 10 Best Stress Scenarios

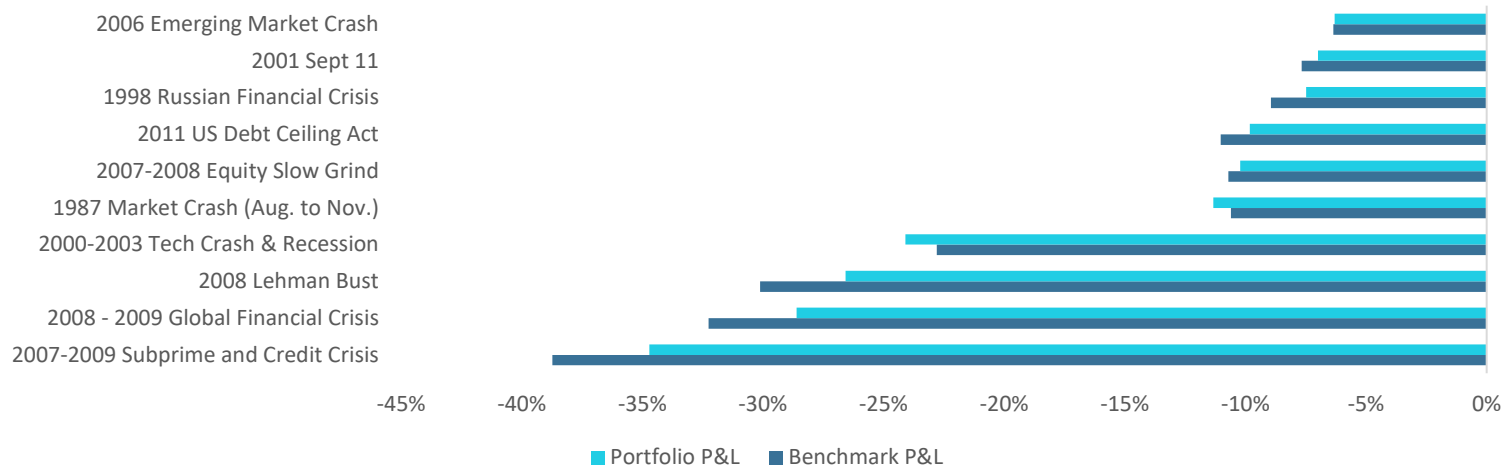


Scenario	Portfolio P&L	Benchmark P&L	Market Change (\$)
2001 Fed Rate Cut	4.70%	4.56%	123,057,822
2003 Iraq War	2.41%	2.21%	63,055,233
1995 US Dollar Rally	1.56%	1.67%	40,867,849
2010 Peripheral European Bond Crisis (Oct.26 to Nov.11)	1.35%	1.63%	35,349,360
1999 Brazilian Real Crisis (Peak)	1.27%	1.15%	33,360,400
1994 Mexican Peso Crisis	0.58%	0.67%	15,116,461
2011 Egyptian Unrest	0.37%	0.38%	9,652,113
1997-1998 Asian Financial Crisis	0.08%	0.05%	1,989,871
1998 LTCM Collapse	-1.38%	-1.32%	(36,197,482)
2011 Japanese Earthquake	-1.46%	-1.60%	(38,222,578)

Stress Tests

for the quarter ended March 31, 2022

Top 10 Worst Stress Scenarios



Scenario	Portfolio P&L	Benchmark P&L	Market Change (\$)
2007-2009 Subprime and Credit Crisis	-34.72%	-38.73%	(908,974,549)
2008 - 2009 Global Financial Crisis	-28.60%	-32.26%	(748,878,656)
2008 Lehman Bust	-26.58%	-30.12%	(696,020,371)
2000-2003 Tech Crash & Recession	-24.10%	-22.79%	(631,065,054)
1987 Market Crash (Aug. to Nov.)	-11.33%	-10.61%	(296,749,997)
2007-2008 Equity Slow Grind	-10.22%	-10.71%	(267,689,335)
2011 US Debt Ceiling Act	-9.82%	-11.03%	(257,135,882)
1998 Russian Financial Crisis	-7.49%	-8.95%	(196,028,281)
2001 Sept 11	-7.00%	-7.67%	(183,204,524)
2006 Emerging Market Crash	-6.31%	-6.35%	(165,182,144)

appendix

A

ANNUAL RETURN

The total return of a security over a specified period, expressed as an annual rate of interest.

ACTIVE RISK

The expected standard deviation of the differential return between the portfolio and the benchmark. Active total risk arises from active management, and it is the result of active weights (deviations from the benchmark at the asset level) and therefore active exposures; for passively managed portfolios, it is referred to as "total tracking error."

ACTIVE RISK CONTRIBUTION

Percent contribution to active total risk (or tracking error). The percent of active total risk that an individual asset or risk source contributes. For example, a % CR to Active Total Risk of 10% indicates that 10% of the portfolio's active total risk is arising from the active position in that particular asset.

B

BASIS POINTS (BPS)

One one-hundredth of one percent. One hundred basis points equal one percent.

BETA

A measure of the volatility of a stock relative to the overall market. A beta of less than one indicates lower risk than the market; a beta of more than one indicates higher risk than the market.

D

DURATION

A measure of the price sensitivity of a bond portfolio to changes in interest rates.

F

FUTURES CONTRACT

Agreement to buy or sell a specific amount of a commodity or financial instrument at a particular price and a stipulated future date.

H

HIGH YIELD BOND

A bond with a low investment quality and credit worthiness, usually with a rating of BB or less.

I

INFORMATION RATIO

The excess return (alpha) per unit of active risk (tracking error).

INTERNAL RATE OF RETURN (IRR)

A total rate of return that gives full weight to the size and timing of cash flows over the period measured and fully reflects unrealized gains and losses in addition to realized gains and losses, interest and dividend income.

M

MC TO TOTAL TRACKING ERROR

This value represents the change in the active risk of an asset's portfolio or group that would result from a one percent increase in the asset's effective position plus an equal short position in the benchmark.

O

OPEB CASH POLICY BM

Inception – 9/30/21

FTSE 6 M Treasury Bill Index

10/1/21 – Present

FTSE 3 M Treasury Bill Index

OPEB MT CREDIT POLICY BM

Inception – 9/30/21

50% S&P/LSTA Leverage Loan Index /

30% BBG BARC US Corp HY Index / 20%

JPM GBI-EM Global Diversified Index

10/1/21 – Present

100% OPEB MT Liquid Credit Policy BM

OPEB MT LIQUID CREDIT POLICY BM

46% Credit Suisse Leverage Loan Index /

38% BBG BARC US Corp HY Index / 8%

JPM EMBI Global Diversified Index / 4%

JPM GBI-EM Global Diversified Index /

4% JPM CEMBI Broad Diversified Index

OPEB MT GROWTH POLICY BM

MSCI ACWI IMI Net

OPEB MT POLICY BM

Inception – 6/30/18

80% MSCI ACWI IMI Net / 20% FTSE 6 M

Treasury Bill Index

7/1/18 – Present

50% OPEB MT Growth Policy BM / 20%

OPEB MT Credit Policy BM / 20% OPEB

MT RA & IH Policy BM / 10% OPEB BM

RR & M Policy BM

OPEB MT RA & IH POLICY BM

50% DJ US SELECT REAL ESTATE

SECURITIES INDEX / 30% BBG BARC US

Treasury TIPS Index / 20% Bloomberg

Commodity Index Total Return

OPEB MT RR & M POLICY BM

Inception – 6/30/18

FTSE 6 M Treasury Bill Index

7/1/18 – 9/30/21

80% BBG BARC Agg / 20% FTSE 6 M

Treasury Bill Index

10/1/21 – Present

80% BBG BARC Agg / 20% FTSE 3 M

Treasury Bill Index

S

SHARPE RATIO

Average return earned in excess of the risk-free rate per unit of total risk.

STANDARD DEVIATION

Statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. The greater the degree of dispersion, the greater the risk.

T

TIME-WEIGHTED RETURN (TWR)

A measure of the compound rate of growth in a portfolio. Often used to compare the returns of investment managers because it eliminates the distorting effects on growth rates created by inflows and outflows of money.

TOTAL RISK

The total (gross) risk to an asset (or portfolio), which is the standard deviation of the asset's total return distribution, expressed in percent. Total risk is forecasted using MSCI Barra's multiple factor models. The total risk for an asset depends on the asset's exposures to the risk factors, the factor variance/covariance matrix, and the forecast selection risk of the asset.

TOTAL RISK CONTRIBUTION

The percent of total risk that an individual asset or risk source contributes. For example, a % CR to Total Risk of 10% indicates that 10% of the portfolio's total risk is arising from the portfolio's position in that particular asset.

Y

YIELD TO MATURITY

The return a bond earns on the price at which it was purchased if it were held to maturity. It assumes that coupon payments can be reinvested at the yield to maturity.

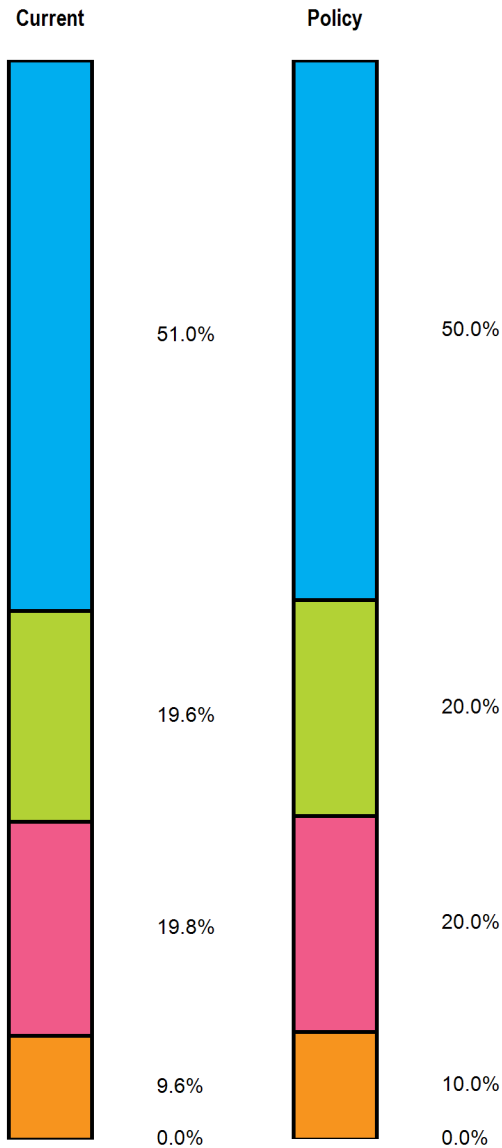
MEKETA

INVESTMENT GROUP

LACERA: OPEB Master Trust

March 31, 2022

Fund Evaluation Report

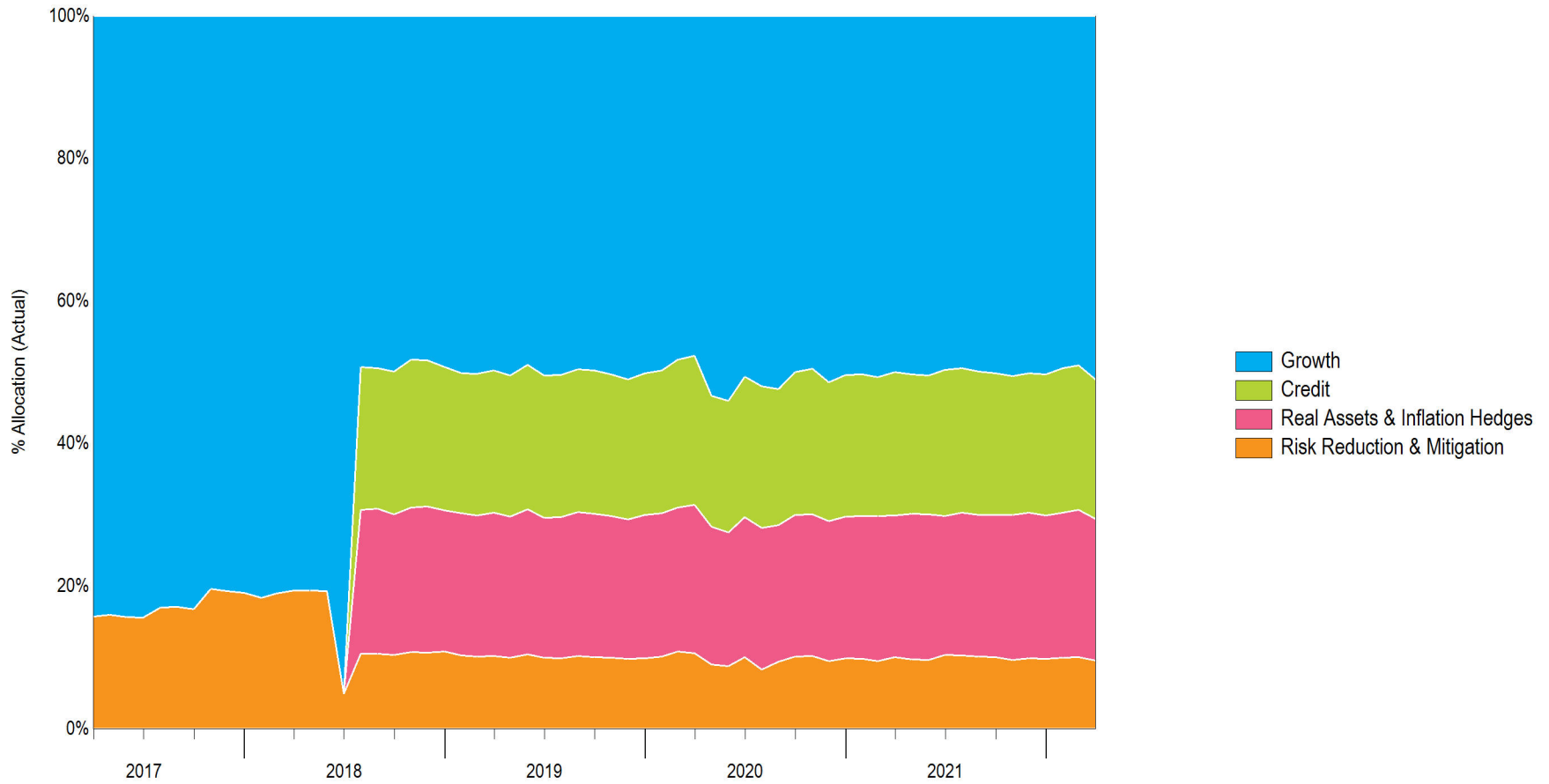


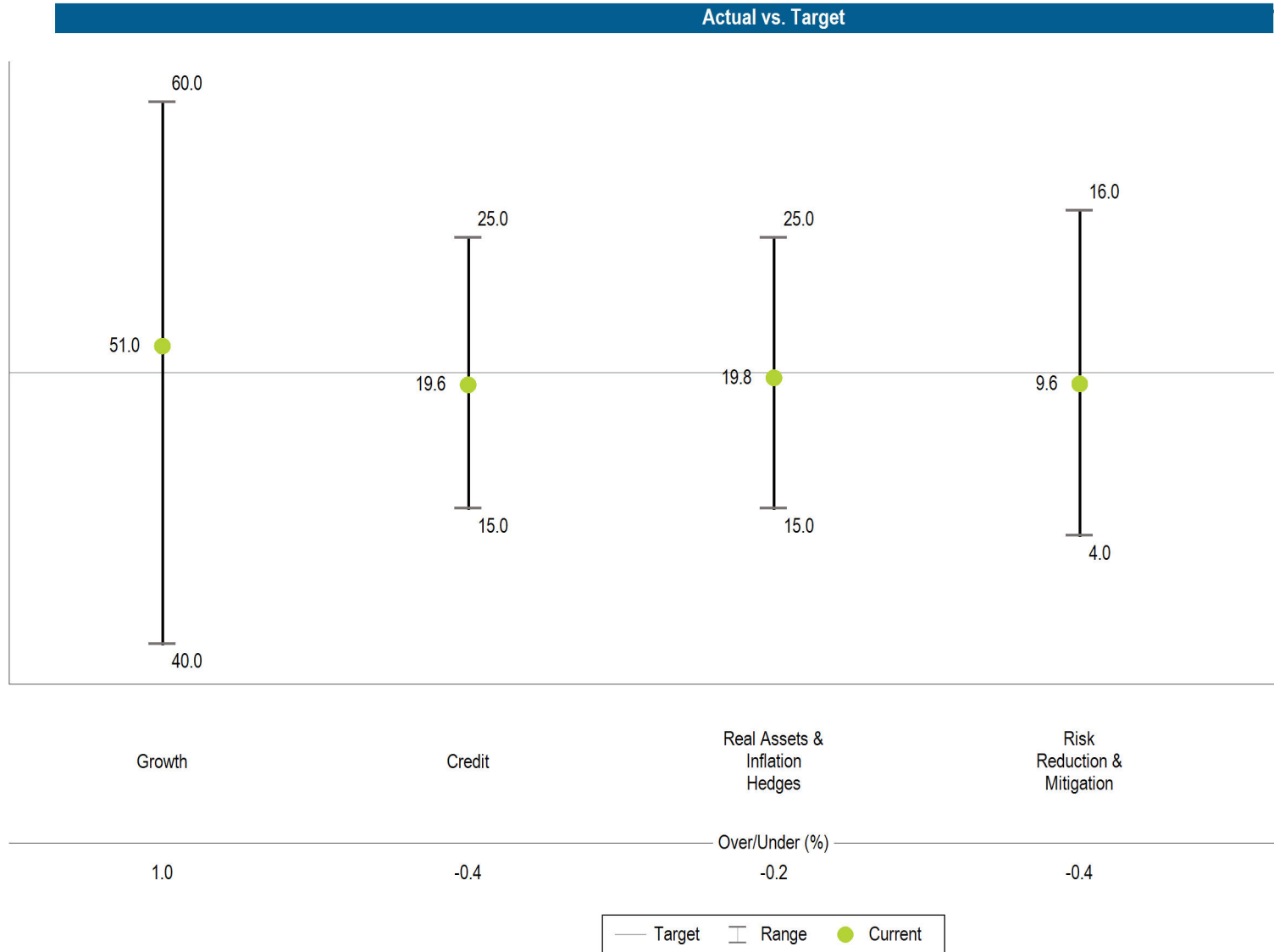
	Allocation vs. Target				Within IPS Range?
	Current Balance	Current Allocation	Policy	Policy Range	
Growth	\$1,335,055,962	51.0%	50.0%	40.0% - 60.0%	Yes
Global Equity	\$1,335,055,962	51.0%	50.0%	40.0% - 60.0%	Yes
Private Equity	\$0	0.0%	0.0%	0.0% - 5.0%	Yes
Credit	\$512,154,019	19.6%	20.0%	15.0% - 25.0%	Yes
Liquid Credit	\$512,154,019	19.6%	20.0%	15.0% - 25.0%	Yes
Illiquid Credit	\$0	0.0%	0.0%	0.0% - 5.0%	Yes
Real Assets & Inflation Hedges	\$518,927,915	19.8%	20.0%	15.0% - 25.0%	Yes
Real Estate	\$263,269,827	10.1%	10.0%	6.0% - 14.0%	Yes
Natural Resources	\$0	0.0%	0.0%	0.0% - 2.0%	Yes
Commodities	\$107,095,549	4.1%	4.0%	2.0% - 6.0%	Yes
Infrastructure	\$0	0.0%	0.0%	0.0% - 2.0%	Yes
TIPS	\$148,562,538	5.7%	6.0%	2.0% - 10.0%	Yes
Risk Reduction & Mitigation	\$251,393,702	9.6%	10.0%	4.0% - 16.0%	Yes
Investment Grade Bonds	\$200,711,309	7.7%	8.0%	4.0% - 12.0%	Yes
Long-Term Government Bonds	\$0	0.0%	0.0%	0.0% - 5.0%	Yes
Cash	\$50,682,394	1.9%	2.0%	0.0% - 4.0%	Yes
Operational Cash²	\$353,099	0.0%	0.0%		
Total¹	\$2,617,884,697	100.0%	100.0%		

¹Total market value includes cash held at the participant level.

² includes unsettled trade activity.

Asset Allocation History
5 Years Ending March 31, 2022





Trailing Net Performance

	Market Value ¹ (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Total Fund (Net)	2,617,957,947	100.0	-3.4	1.2	7.4	10.0	9.3
Total Fund (Gross)			-3.3	1.2	7.4	10.1	9.4
<i>Custom OPEB Master Trust BM</i>			<u>-3.5</u>	<u>1.3</u>	<u>7.4</u>	<u>9.8</u>	<u>8.9</u>
Excess Return (vs. Net)			0.1	-0.1	0.0	0.2	0.4
Growth (Net)	1,335,055,962	51.0	-5.4	-0.7	6.5	13.8	11.7
Growth (Gross)			-5.4	-0.7	6.5	13.8	11.7
OPEB Global Equity (Net)	1,335,055,962	51.0	-5.4	-0.7	6.5	13.8	11.7
OPEB Global Equity (Gross)			-5.4	-0.7	6.5	13.8	11.7
<i>MSCI ACWI IMI Net (DAILY)</i>			<u>-5.5</u>	<u>-0.8</u>	<u>6.3</u>	<u>13.5</u>	<u>11.4</u>
Excess Return (vs. Net)			0.1	0.1	0.2	0.3	0.3
Credit (Net)	512,154,019	19.6	-2.8	-2.8	-0.6	2.8	--
Credit (Gross)			-2.8	-2.7	-0.6	2.8	--
Liquid Credit (Net)	512,154,019	19.6	-2.8	--	--	--	--
Liquid Credit (Gross)			-2.8	--	--	--	--
<i>OPEB Liquid Credit BM</i>			<u>-3.3</u>	--	--	--	--
Excess Return (vs. Net)			0.5				
OPEB BTC Bank Loans (Net)	256,238,459	9.8	-0.4	1.1	2.5	3.7	--
OPEB BTC Bank Loans (Gross)			-0.4	1.1	2.5	3.7	--
<i>S&P/LSTA Leveraged Loan TR</i>			<u>-0.1</u>	<u>1.8</u>	<u>3.3</u>	<u>4.2</u>	--
Excess Return (vs. Net)			-0.3	-0.7	-0.8	-0.5	

Fiscal Year begins July 1.

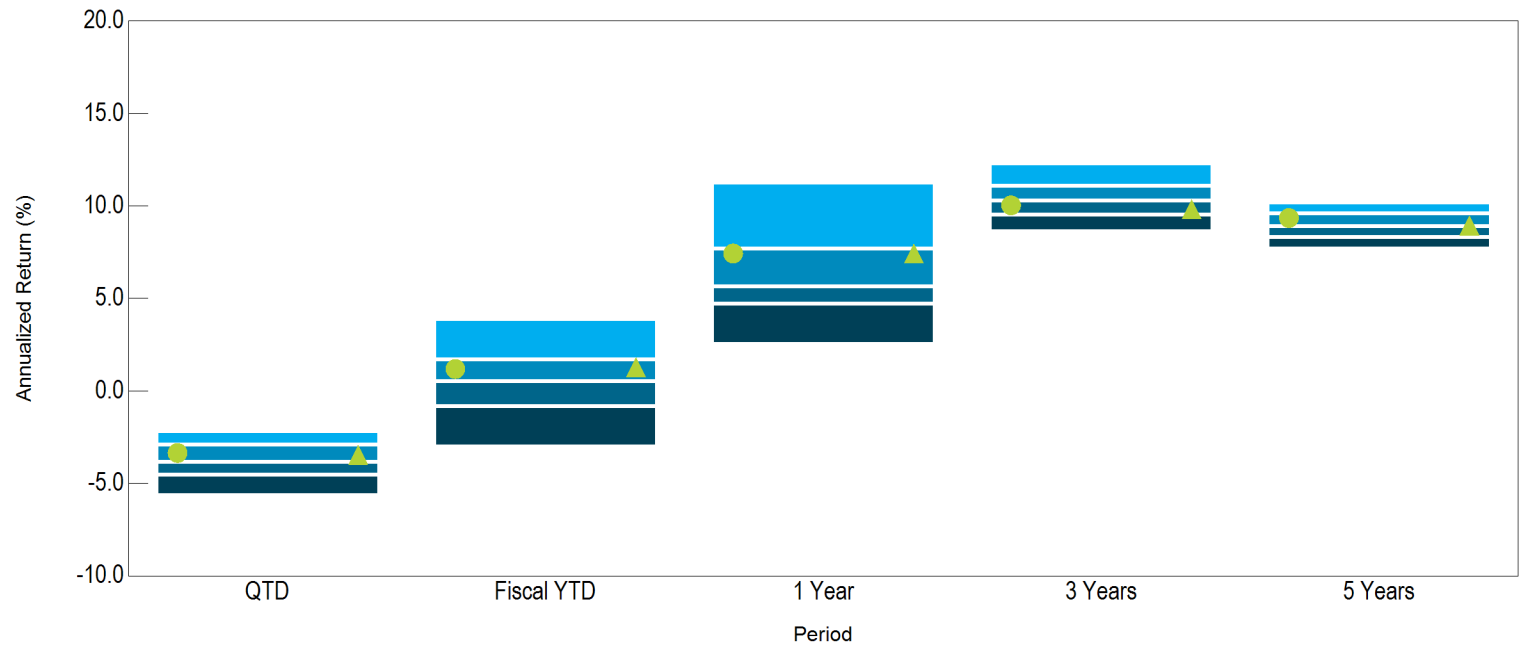
¹Total market value includes cash held at the participant level.

The OPEB Master Trust started in February 2013

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
OPEB BTC EM Debt LC (Net)	102,309,299	3.9	-6.3	-11.7	-8.7	-1.6	--
OPEB BTC EM Debt LC (Gross)			-6.2	-11.6	-8.6	-1.5	--
<i>JPM GBI-EM Global Diversified Index</i>			<u>-6.5</u>	<u>-11.7</u>	<u>-8.5</u>	<u>-1.1</u>	--
Excess Return (vs. Net)			0.2	0.0	-0.2	-0.5	
OPEB BTC High Yield Bonds (Net)	153,606,261	5.9	-4.6	-3.1	-0.5	4.1	--
OPEB BTC High Yield Bonds (Gross)			-4.6	-3.0	-0.3	4.3	--
<i>BBgBarc US High Yield TR</i>			<u>-4.8</u>	<u>-3.3</u>	<u>-0.7</u>	<u>4.6</u>	--
Excess Return (vs. Net)			0.2	0.2	0.2	-0.5	
Real Assets & Inflation Hedges (Net)	518,927,915	19.8	2.5	14.2	25.1	10.8	--
Real Assets & Inflation Hedges (Gross)			2.5	14.3	25.1	10.9	--
OPEB BTC Commodities (Net)	107,095,549	4.1	26.3	32.4	50.0	16.3	--
OPEB BTC Commodities (Gross)			25.6	31.8	49.4	16.2	--
<i>Bloomberg Commodity Index TR USD</i>			<u>25.5</u>	<u>31.7</u>	<u>49.3</u>	<u>16.1</u>	--
Excess Return (vs. Net)			0.8	0.7	0.7	0.2	
OPEB BTC REITs (Net)	263,269,827	10.1	-3.8	14.2	27.6	9.7	--
OPEB BTC REITs (Gross)			-3.7	14.3	27.9	10.0	--
<i>DJ US Select REIT TR USD</i>			<u>-3.7</u>	<u>14.3</u>	<u>27.7</u>	<u>9.9</u>	--
Excess Return (vs. Net)			-0.1	-0.1	-0.1	-0.2	
OPEB BTC TIPS (Net)	148,562,538	5.7	-3.0	1.0	4.3	6.3	--
OPEB BTC TIPS (Gross)			-3.0	1.0	4.3	6.3	--
<i>BBgBarc US TIPS TR</i>			<u>-3.0</u>	<u>1.0</u>	<u>4.3</u>	<u>6.2</u>	--
Excess Return (vs. Net)			0.0	0.0	0.0	0.1	

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Risk Reduction & Mitigation (Net)	251,399,997	9.6	-4.7	-4.7	-3.3	1.6	2.2
Risk Reduction & Mitigation (Gross)			-4.7	-4.7	-3.3	1.7	2.2
OPEB BTC Investment Grade Bonds (Net)	200,711,309	7.7	-5.8	-5.8	-4.1	1.7	--
OPEB BTC Investment Grade Bonds (Gross)			-5.8	-5.8	-4.1	1.7	--
<i>BBgBarc US Aggregate TR</i>			<u>-5.9</u>	<u>-5.8</u>	<u>-4.2</u>	<u>1.7</u>	--
Excess Return (vs. Net)			0.1	0.0	0.1	0.0	
OPEB Cash (Net)	50,682,394	1.9	0.0	0.0	0.0	1.1	1.5
OPEB Cash (Gross)			0.0	0.0	0.1	1.1	1.5
<i>Custom Cash BM</i>			<u>0.0</u>	<u>0.1</u>	<u>0.1</u>	<u>0.9</u>	<u>1.2</u>
Excess Return (vs. Net)			0.0	-0.1	-0.1	0.2	0.3
Operational Cash (Net)	353,099	0.0					
Operational Cash (Gross)							

InvMetrics Public DB \$1-5B (net) USD Return Comparison



	Return (Rank)									
5th Percentile	-2.2		3.9		11.3		12.3		10.2	
25th Percentile	-2.9		1.7		7.7		11.1		9.6	
Median	-3.8		0.5		5.7		10.3		8.9	
75th Percentile	-4.5		-0.8		4.7		9.6		8.3	
95th Percentile	-5.6		-3.0		2.6		8.6		7.7	
# of Portfolios	40		40		40		40		40	
● Total Fund	-3.4	(32)	1.2	(33)	7.4	(32)	10.0	(55)	9.3	(37)
▲ Custom OPEB Master Trust BM	-3.5	(37)	1.3	(33)	7.4	(32)	9.8	(70)	8.9	(48)

Benchmark History
As of March 31, 2022

Total Fund

10/01/2021	Present	Custom OBEP Master Trust BM
2/28/2013	09/30/21	Custom OPEB Master Trust BM
2/01/2014	6/30/2018	80% MSCI ACWI IMI Net / 20% FTSE 6M T-Bill Index
2/01/2013	1/31/2014	FTSE 6M T-Bill Index

Custom OPEB Total Fund:50% Custom OBEP MT Growth, 20% Custom OBEP MT Credit Pool, 10% Custom OBEP MT RR & M Pool, 20% Custom OBEP MT RA & IH Pool.

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT AND THAT IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. ANY OPINIONS OR RECOMMENDATIONS PRESENTED HEREIN REPRESENT OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND ARE SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK. THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.

INFORMATION USED TO PREPARE THIS REPORT WAS OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY OF ALL SOURCE INFORMATION CONTAINED HEREIN.


CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD - LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM", "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE" OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

FOR INFORMATION ONLY

May 20, 2022

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Barry W. Lew 
Legislative Affairs Officer

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 Board of Investments Meeting

SUBJECT: **Monthly Status Report on Legislation**

Attached is the monthly report on the status of legislation that staff is monitoring or on which LACERA has adopted a position. Also included are copies of recent support letters.

Reviewed and Approved:



Steven P. Rice, Chief Counsel

Attachments

LACERA Legislative Report Index
LACERA Legislative Report
AB 1824 and AB 1944 support letters

cc: Santos H. Kreimann
Luis Lugo
JJ Popowich
Laura Guglielmo
Steven P. Rice
Jon Gabel
Scott Zdrazil
Tony Roda, Williams & Jensen
Shari McHugh, McHugh Koepke & Associates
Naomi Padron, McHugh Koepke & Associates

LACERA Legislative Report
2021-22 Legislative Session
Status as of May 20, 2022

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AB 1667	Cooper (D)	State Teachers' Retirement System: Administration	2
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AB 1824	Public Employment and Retirement Cmt	Public Employees' Retirement	2
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LACERA Legislative Report
2021-22 Legislative Session
Status as of May 20, 2022

PUBLIC RETIREMENT

CA AB 498	<p>AUTHOR: Quirk-Silva [D] TITLE: County Employees Retirement Compensation Earnable INTRODUCED: 02/09/2021 LAST AMEND: 09/10/2021 DISPOSITION: Pending SUMMARY: Relates to the County Employees Retirement Law of 1937, which authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension, disability, and other benefits to county and district employees. Replaces the term "grade" with "group" for purposes of the definition of compensation earnable under this law. Defines group or class of positions. STATUS: 09/10/2021 In SENATE. Senate Rules suspended. 09/10/2021 From SENATE Committee on APPROPRIATIONS with author's amendments. 09/10/2021 In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.</p>
CA AB 551	<p>AUTHOR: Rodriguez [D] TITLE: Disability Retirement: Covid-19: Presumption INTRODUCED: 02/10/2021 LAST AMEND: 05/09/2022 DISPOSITION: Pending SUMMARY: Establishes a disability retirement presumption that is applicable to the members of various public employee retirement systems who are employed in certain firefighter, public safety officer, and health care job classifications, among others, who test positive for COVID-19, as specified. Extends the operation of the provisions until specified date. STATUS: 05/18/2022 Re-referred to SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.</p>
CA AB 826	<p>AUTHOR: Irwin [D] TITLE: Compensation and Compensation Earnable INTRODUCED: 02/16/2021 LAST AMEND: 08/31/2021 DISPOSITION: Pending SUMMARY: Relates to the bill, which would apply only in Ventura County. Provides that compensation and compensation earnable include flexible benefits plan allowances paid by a county or a district on behalf of its employees as part of a cafeteria plan, as specified, if certain requirements are met. STATUS: 09/08/2021 In SENATE. From third reading. To Inactive File. BOR_Position: Watch 09/01/2021 IBLC_Recommendation: Watch 08/12/2021 Staff_Recommendation: Watch</p>

CA AB 1667 **AUTHOR:** Cooper [D]
TITLE: State Teachers' Retirement System: Administration
INTRODUCED: 01/19/2022
LAST AMEND: 05/19/2022
DISPOSITION: Pending
SUMMARY:
Defines exclusive representative for purposes of State Teachers' Retirement System. Requires the public agency to provide, as specified, the board and the exclusive representative a list of the names of any member affected by the audit not included in the board' s list.
STATUS:
05/19/2022 From ASSEMBLY Committee on APPROPRIATIONS: Do pass as amended. (12-0)
05/19/2022 In ASSEMBLY. Read second time and amended. To second reading.

CA AB 1722 **AUTHOR:** Cooper [D]
TITLE: Public Employees' Retirement: Safety Members
INTRODUCED: 01/27/2022
DISPOSITION: Pending
SUMMARY:
Relates to the Public Employees' Retirement Law which, until January 1, 2023, provides a state safety member of the Public Employees' Retirement System who retires for industrial disability a retirement benefit equal to the greatest amount resulting from 3 possible calculations. Deletes the termination of these provisions on January 1, 2023, thereby making them operative in perpetuity.
STATUS:
05/19/2022 In ASSEMBLY. Read second time. To third reading.

CA AB 1824 **AUTHOR:** Public Employment and Retirement Cmt
TITLE: Public Employees' Retirement
INTRODUCED: 02/07/2022
LAST AMEND: 03/07/2022
DISPOSITION: Pending
SUMMARY:
Revises the description of trustee service under the State Teachers' Retirement Law to link it to the definition of this service, which means duties performed by a member of the governing body of an employer. Specifies that termination of services does not include retired member activities, as defined, or retired participant activities, as defined. Makes Cash Balance Benefit Program.
STATUS:
05/04/2022 To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.
Comments:
Omnibus bill containing SACRS 2022 legislative proposals.
BOR_Position: Support 05/05/2022
IBLC_Recommendation: Support 04/06/2022
Staff_Recommendation: Support

CA AB 1971 **AUTHOR:** Cooper [D]
TITLE: County Employees Retirement Law of 1937
INTRODUCED: 02/10/2022
LAST AMEND: 04/18/2022

DISPOSITION: Pending

SUMMARY:

Authorizes a person who is retired and receiving a retirement benefit from a county system to serve without reinstatement for service on a part-time board or commission operating under a participating agency of the same county retirement system. Prohibits a retired person acting in this capacity from acquiring benefits, service credit, or retirement rights with respect to the service and would prescribe limits on the salary or stipend for service with the board or commission.

STATUS:

04/21/2022 In ASSEMBLY. Read second time. To third reading.

Comments:

Omnibus bill containing SACRS 2022 legislative proposals.

IBLC_Recommendation: Support 05/05/2022

Staff_Recommendation: Support

CA AB 2443

AUTHOR: Cooley [D]

TITLE: Public Employees' Retirement: Federal Law: Limitation

INTRODUCED: 02/17/2022

LAST AMEND: 03/17/2022

DISPOSITION: Pending

SUMMARY:

Prescribes the method by which benefits are to be reduced when federal law requires aggregation of benefits from different plans maintained by the same employer and federal limits on benefits are reached.

STATUS:

05/18/2022 To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

CA AB 2493

AUTHOR: Chen [R]

TITLE: County Employees' Retirement Disallowed Compensation

INTRODUCED: 02/17/2022

LAST AMEND: 04/05/2022

DISPOSITION: Pending

SUMMARY:

Authorizes a county retirement system to adjust retirement payments based on disallowed compensation for sworn peace officers and firefighters of that system. Provides that if the retirement system determines that the compensation reported for a sworn peace officer or firefighter of the system is disallowed compensation, as defined, the system would require the county employer or agency to discontinue reporting the disallowed compensation.

STATUS:

05/11/2022 To SENATE Committees on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT and JUDICIARY.

US HR 2954

SPONSOR: Neal [D]

TITLE: Strong Retirement

INTRODUCED: 05/04/2021

LAST AMEND: 03/29/2022

DISPOSITION: Pending

SUMMARY:

Secures a Strong Retirement Act of 2021.

STATUS:

03/30/2022 In SENATE. Read second time.
03/30/2022 To SENATE Committee on FINANCE.
Comments:

Would gradually raise the age for mandatory distributions to age 75 by 2032.

US HR 6241

SPONSOR: Thompson M [D]
TITLE: Use of Retirement Funds
INTRODUCED: 12/09/2021
DISPOSITION: Pending
SUMMARY:

Amends the Internal Revenue Code of 1986 to provide for rules for the use of retirement funds in connection with federally declared disasters.

STATUS:

12/09/2021 INTRODUCED.
12/09/2021 To HOUSE Committee on WAYS AND MEANS.

US S 1703

SPONSOR: Grassley [R]
TITLE: Retirement Plan Administration
INTRODUCED: 05/19/2021
DISPOSITION: Pending
SUMMARY:

Amends the Internal Revenue Code of 1986 to increase retirement savings, to improve retirement plan administration.

STATUS:

05/19/2021 INTRODUCED.
05/19/2021 In SENATE. Read second time.
05/19/2021 To SENATE Committee on FINANCE.

US S 1770

SPONSOR: Cardin [D]
TITLE: Retirement Provisions
INTRODUCED: 05/20/2021
DISPOSITION: Pending
SUMMARY:

Amends the Internal Revenue Code of 1986 to reform retirement provisions.

STATUS:

05/20/2021 INTRODUCED.
05/20/2021 In SENATE. Read second time.
05/20/2021 To SENATE Committee on FINANCE.

PUBLIC INVESTMENT

CA SB 457

AUTHOR: Portantino [D]
TITLE: Public Employee Retirement Systems: Investments
INTRODUCED: 02/16/2021
DISPOSITION: Pending
SUMMARY:

Requires the boards of administration of the Public Employees Retirement System and the State Teachers Retirement System to provide employers that are school districts and cities that participate in the systems an option to elect an investment portfolio that does not contain investment vehicles that are issued or owned by the government of the Republic of Turkey.

STATUS:

05/28/2021 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

CA SB 1173	<p>AUTHOR: Gonzalez [D] TITLE: Public Retirement Systems: Fossil Fuels: Divestment INTRODUCED: 02/17/2022 LAST AMEND: 04/21/2022 DISPOSITION: Pending SUMMARY: Prohibits the boards of the Public Employees' Retirement System and the State Teachers' Retirement System from making new investments or renewing existing investments of public employee retirement funds in a fossil fuel company. Suspends the above described liquidation provision upon a good faith determination by the board that certain conditions materially impact normal market mechanisms for pricing assets. STATUS: 05/19/2022 From SENATE Committee on APPROPRIATIONS: Do pass. (4-2) 05/19/2022 In SENATE. Read second time. To third reading.</p>
CA SB 1328	<p>AUTHOR: McGuire [D] TITLE: Investments and Contracts: Russia and Belarus INTRODUCED: 02/18/2022 LAST AMEND: 05/19/2022 DISPOSITION: Pending SUMMARY: Prohibits the Treasurer from making additional or new investments or renewing existing investments of state moneys in any investment vehicle in the government of Russia or the government of Belarus that meets certain conditions, or in or from a Russian or Belarusian financial institution currently under sanctions imposed by the United States. STATUS: 05/19/2022 From SENATE Committee on APPROPRIATIONS: Do pass as amended. (6-0) 05/19/2022 In SENATE. Read second time and amended. To second reading.</p>

WORKERS COMPENSATION

CA AB 334	<p>AUTHOR: Mullin [D] TITLE: Workers Compensation: Skin Cancer INTRODUCED: 01/27/2021 DISPOSITION: Pending SUMMARY: Relates to existing law which provides that skin cancer developing in active lifeguards, for purposes of workers' compensation, is presumed to arise out of and in the course of employment, unless the presumption is rebutted. Expands the scope of this provision to certain peace officers of the Department of Fish and Wildlife and the Department of Parks and Recreation. STATUS: 09/10/2021 In SENATE. From third reading. To Inactive File.</p>
CA AB 1751	<p>AUTHOR: Daly [D] TITLE: Workers' Compensation: COVID-19: Critical Workers INTRODUCED: 02/01/2022 DISPOSITION: Pending</p>

	SUMMARY:	
		Extends specified workers' compensation provisions relating to COVID-19 until January 1, 2025.
	STATUS:	
	05/19/2022	In ASSEMBLY. Read second time. To third reading.
CA SB 213	AUTHOR:	Cortese [D]
	TITLE:	Workers Compensation: Hospital Employees
	INTRODUCED:	01/12/2021
	LAST AMEND:	05/05/2022
	DISPOSITION:	Pending
	SUMMARY:	
		Defines injury for a hospital employee who provides direct patient care in an acute care hospital, to include infectious diseases, cancer, musculoskeletal injuries, post traumatic stress disorder, and respiratory diseases. Includes the novel coronavirus 2019, among other conditions, in the definitions of infectious and respiratory diseases. Creates rebuttable presumptions that these injuries that develop or manifest in a hospital employee who provides direct patient care in an acute care hospital.
	STATUS:	
	05/05/2022	To ASSEMBLY Committee on INSURANCE.
	05/05/2022	From ASSEMBLY Committee on INSURANCE with author's amendments.
	05/05/2022	In ASSEMBLY. Read second time and amended. Re-referred to Committee on INSURANCE.
CA SB 284	AUTHOR:	Stern [D]
	TITLE:	Workers' Compensation: Firefighters and Peace Officers
	INTRODUCED:	02/01/2021
	LAST AMEND:	08/30/2021
	DISPOSITION:	Pending
	SUMMARY:	
		Relates to existing Law which provides that injury includes post-traumatic stress that develops during a period in which the injured person is in the service of the department or unit. Makes that provision applicable to active firefighting members of the State Department of State Hospitals, the State Department of Developmental Services, and the Military Department, and the Department of Veterans Affairs, including security officers of the Department of Justice when performing assigned duties.
	STATUS:	
	08/30/2021	In ASSEMBLY. Read second time and amended. To second reading.
	08/30/2021	In ASSEMBLY. To Inactive File.
CA SB 335	AUTHOR:	Cortese [D]
	TITLE:	Workers' Compensation: Liability
	INTRODUCED:	02/08/2021
	LAST AMEND:	03/10/2021
	DISPOSITION:	Pending
	SUMMARY:	
		Reduces the time periods after the date the claim form is filed with an employer in which the injury is presumed compensable and the presumption is rebuttable only by evidence discovered subsequent to the time period for certain injuries or

illnesses, including hernia, heart trouble, pneumonia, or tuberculosis, among others, sustained in the course of employment of a specified member of law enforcement or a specified first responder.

STATUS:

07/13/2021 In ASSEMBLY Committee on INSURANCE: Failed passage.

BROWN ACT

CA AB 1944	AUTHOR: Lee [D] TITLE: Local Government: Open and Public Meetings INTRODUCED: 02/10/2022 LAST AMEND: 04/18/2022 DISPOSITION: Pending SUMMARY: Requires an updated agenda reflecting all of the members participating in the meeting remotely to be posted, if a member of the legislative body elects to participate in the meeting remotely after the agenda is posted. Authorizes a member to be exempt from identifying the address of the member's teleconference location in the notice and agenda or having the location be accessible to the public. STATUS: 05/05/2022 In ASSEMBLY. Read second time. To third reading. BOR_Position: Support 05/05/2022 IBLC_Recommendation: Support 04/06/2022 Staff_Recommendation: Support
CA AB 2449	AUTHOR: Rubio [D] TITLE: Open Meetings: Local Agencies: Teleconferences INTRODUCED: 02/17/2022 DISPOSITION: Pending SUMMARY: Authorizes a local agency to use teleconferencing without complying with specified teleconferencing requirements if at least a quorum of the members of the legislative body participates in person from a singular location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. The bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions. STATUS: 05/05/2022 In ASSEMBLY. Read second time. To third reading.
CA AB 2647	AUTHOR: Levine [D] TITLE: Local Government: Open Meetings INTRODUCED: 02/18/2022 LAST AMEND: 04/19/2022 DISPOSITION: Pending SUMMARY: Requires a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates and list the address of the office or location on the agenda for all meetings of the legislative body of the agency unless the local agency meets certain requirements, including the local agency immediately posts the writings on the local agency's internet website in a position and manner that makes it clear.

STATUS:
05/12/2022 In ASSEMBLY. Read third time. Passed ASSEMBLY.
*****To SENATE. (62-0)

CA SB 1100

AUTHOR: Cortese [D]
TITLE: Open Meetings: Orderly Conduct
INTRODUCED: 02/16/2022
LAST AMEND: 04/21/2022
DISPOSITION: Pending
SUMMARY:

Authorizes the presiding member of the legislative body conducting a meeting to remove an individual for disrupting the meeting. Requires removal to be preceded by a warning by the presiding member of the legislative body that the individual is disrupting the proceedings, a request that the individual curtail their disruptive behavior or be subject to removal, and a reasonable opportunity to curtail their disruptive behavior.

STATUS:
05/05/2022 To ASSEMBLY Committees on LOCAL GOVERNMENT and JUDICIARY.

PUBLIC RECORDS ACT

CA AB 343

AUTHOR: Fong [R]
TITLE: California Public Records Act Ombudsperson
INTRODUCED: 01/28/2021
LAST AMEND: 05/24/2021
DISPOSITION: Pending
SUMMARY:

Establishes, within the California State Auditor's Office, the California Public Records Act Ombudsperson. Requires the California State Auditor to appoint the Ombudsperson subject to certain requirements. Requires the Ombudsperson to receive and investigate requests for review, determine whether the denials of original requests complied with the California Public Records Act, and issue written opinions of its determination.

STATUS:
06/09/2021 To SENATE Committees on JUDICIARY and GOVERNMENTAL ORGANIZATION.

CA AB 386

AUTHOR: Cooper [D]
TITLE: Public Employees Retirement: Investments: Confidential
INTRODUCED: 02/02/2021
LAST AMEND: 06/29/2021
DISPOSITION: Pending
SUMMARY:

Exempts from disclosure under the California Public Records Act specified records regarding an internally managed private loan made directly by the Public Employees' Retirement Fund. Provides that these records would include quarterly and annual financial statements of the borrower or its constituent owners, unless the information has already been publicly released by the keeper of the information. Prescribes specified exceptions to this exemption from disclosure.

STATUS:
07/13/2021 In SENATE Committee on JUDICIARY: Failed passage.
07/13/2021 In SENATE Committee on JUDICIARY: Reconsideration

granted.

SOCIAL SECURITY

US HR 82	SPONSOR: Davis R [R] TITLE: Government Pension Offset Repeal INTRODUCED: 01/04/2021 DISPOSITION: Pending SUMMARY: Amends the Social Security Act; repeals the Government pension offset and windfall elimination provisions. STATUS: 01/04/2021 INTRODUCED. 01/04/2021 To HOUSE Committee on WAYS AND MEANS. BOR_Position: Support 05/05/2021 IBLC_Recommendation: Support 04/15/2021 Staff_Recommendation: Support
US HR 2337	SPONSOR: Neal [D] TITLE: Noncovered Employment INTRODUCED: 04/01/2021 DISPOSITION: Pending SUMMARY: Amends Title II of the Social Security Act to provide an equitable Social Security formula for individuals with noncovered employment and to provide relief for individuals currently affected by the Windfall Elimination Provision. STATUS: 04/01/2021 INTRODUCED. 04/01/2021 To HOUSE Committee on WAYS AND MEANS. BOR_Position: Support 09/01/2021 IBLC_Recommendation: Support 08/12/2021 Staff_Recommendation: Support
US HR 5723	SPONSOR: Larson [D] TITLE: Social Security System Benefits INTRODUCED: 10/26/2021 DISPOSITION: Pending SUMMARY: Protects our Social Security system and improve benefits for current and future generations. STATUS: 10/26/2021 In HOUSE Committee on WAYS AND MEANS: Referred to Subcommittee on SOCIAL SECURITY.
US S 1302	SPONSOR: Brown S [D] TITLE: Pension Offset INTRODUCED: 04/22/2021 DISPOSITION: Pending SUMMARY: Amends Title II of the Social Security Act to repeal the government pension offset and windfall elimination provisions. STATUS: 04/22/2021 INTRODUCED. 04/22/2021 In SENATE. Read second time.

04/22/2021 To SENATE Committee on FINANCE.
BOR_Position: Support 09/01/2021
IBLC_Recommendation: Support 08/12/2021
Staff_Recommendation: Support

HEALTHCARE

US HR 4148 **SPONSOR:** Malinowski [D]
TITLE: First Responders Medicare Option
INTRODUCED: 06/24/2021
DISPOSITION: Pending
SUMMARY:
Amends Title XVIII of the Social Security Act to provide an option for first responders age 50 to 64 who are separated from service due to retirement or disability to buy into Medicare.
STATUS:
06/24/2021 INTRODUCED.
06/24/2021 To HOUSE Committee on WAYS AND MEANS.
06/24/2021 To HOUSE Committee on ENERGY AND COMMERCE.
06/25/2021 In HOUSE Committee on ENERGY AND COMMERCE:
Referred to Subcommittee on HEALTH.

US S 2236 **SPONSOR:** Brown S [D]
TITLE: Medicare Buy In Option for First Responders
INTRODUCED: 06/24/2021
DISPOSITION: Pending
SUMMARY:
Amends Title XVIII of the Social Security Act to provide an option for first responders age 50 to 64 who are separated from service due to retirement or disability to buy into Medicare.
STATUS:
06/24/2021 INTRODUCED.
06/24/2021 In SENATE. Read second time.
06/24/2021 To SENATE Committee on FINANCE.



May 19, 2022

The Honorable Dave Cortese, Chair
Senate Committee on Labor, Public Employment
And Retirement
1021 O Street, Room 6740
Sacramento, CA 95814

RE: Support AB 1824 (Assembly PE&R Committee)

Dear Chair Cortese:

The Los Angeles County Employees Retirement Association (LACERA) respectfully requests your Committee's support of Assembly Bill 1824, which is sponsored by the State Association of County Retirement Systems (SACRS).

SACRS represents 20 independent county retirement systems, including LACERA, which operate under the County Employees Retirement Law of 1937 (CERL). The bill makes several amendments to CERL that provide clarification, technical updates, and conforming changes. These amendments are noncontroversial and ensure efficient administration of plan benefits for our members.

The Board of Retirement of LACERA respectfully requests your Committee's support and an "aye" vote for AB 1824.

Respectfully submitted,

Santos H. Kreimann
Interim Chief Executive Officer

SHK:bwl

cc: Members of the Senate
LPE&R Committee
Shari McHugh, McHugh Koepke & Associates
Naomi Padron, McHugh Koepke & Associates



May 19, 2022

The Honorable Alex Lee
California State Assembly
1021 O Street, Room 6330
Sacramento, CA 95814

The Honorable Cristina Garcia
California State Assembly
1021 O Street, Room 8140
Sacramento, CA 95814

RE: Support AB 1944

Dear Assemblymember Lee and Assemblymember Garcia:

The Los Angeles County Employees Retirement Association (LACERA) writes in strong support of your bill, AB 1944. The bill would allow members of a local legislative body, upon majority vote, to waive the Brown Act requirements of publishing the private location of a member who participates in a meeting through teleconference and making the location open and accessible to the public. It would also require a remote participation option for the public to address the legislative body.

LACERA manages over \$75 billion in pension fund assets to ensure the retirement security of our 186,000 members, including over 100,000 active members who serve the 10 million residents of Los Angeles County. Over the past two years of the COVID-19 public health emergency, LACERA has successfully conducted teleconference meetings by ensuring effective public participation and communication, achieving full engagement of our board members in their decision-making process, and advancing the business of LACERA in the interests of our members.

AB 1944 ensures that should a board member choose to participate in a meeting by teleconference without revealing their private location or making the location accessible to the public, a livestream of the meeting is required, and the public can address the legislative body through a call-in or video option.

By allowing for remote participation options outside of a declared state of emergency, the bill provides flexibility to local agency boards to hold teleconference meetings and enables increased access and participation by the public and other stakeholders.

For these reasons, LACERA writes in strong support of your bill. If you have any questions, please contact LACERA's legislative advocates at McHugh Koepke & Associates: Shari McHugh (916-930-1993, smchugh@mchughgr.com) and Naomi Padron (916-930-1993, npadron@mchughgr.com).

Honorable Alex Lee
Honorable Cristina Garcia
AB 1944 – Support
May 19, 2022

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Santos H. Kreimann". The signature is fluid and cursive, with a long horizontal stroke at the end.

Santos H. Kreimann
Chief Executive Officer

SHK:bwl

cc: Shari McHugh, McHugh Koepke & Associates
Naomi Padron, McHugh Koepke & Associates

FOR INFORMATION ONLY

May 31, 2022

TO: Trustees,
Board of Investments

FROM: Christine Roseland *CR*
Senior Staff Counsel

FOR: June 8, 2022 Board of Investments Meeting

SUBJECT: **Legal Projects**

Attached is the monthly report on the status of Board-directed investment-related projects handled by the Legal Division as of May 31, 2022.

Attachment

c: Santos H. Kreimann
Luis A. Lugo
Jonathan Grabel
Esmeralda Del Bosque
Vache Mahseredjian
Jude Perez
Jim Rice
Christopher Wagner
Steven Rice
John Harrington
Earl Buehner
Margo McCabe
Lisa Garcia



LACERA Legal Division
Board of Investments Projects
Monthly Status Report - Pending as of June 1, 2022



	Project/ Investment	Description	Amount	Board Approval Date	Completion Status	% Complete	Notes
EQUITIES/ FIXED INCOME	BlackRock Institutional Trust Company, N.A.	Amendment to Investment Management Agreement - US Long Treasury Contract Amendment	\$3,750,000,000	March 9, 2022	Complete	100%	Completed.
	Varde Global Illiquid Credit Strategy	Subscription	\$775,000,000	February 9, 2022	In Progress	60%	Legal negotiations in process.
PRIVATE EQUITY	Hamilton Lane	Investment Management Agreement	\$400,000,000	February 9, 2022	In Progress	65%	Legal negotiations in process.
	Thoma Bravo Fund XV, L.P.	Subscription	\$100,000,000	February 9, 2022	Complete	100%	Completed.
	Thoma Bravo Discover Fund IV, L.P.	Subscription	\$50,000,000	February 9, 2022	Complete	100%	Completed.
	Advent International GPE X, L.P.	Subscription	\$150,000,000	April 13, 2022	Complete	100%	Completed.
	Silver Lake Partners VII, L.P.	Subscription - Re-Up	\$200,000,000	April 13, 2022	In Progress	75%	Legal negotiations in process.



LACERA Legal Division
Board of Investments Projects
Monthly Status Report - Pending as of June 1, 2022



	Project/ Investment	Description	Amount	Board Approval Date	Completion Status	% Complete	Notes
REAL ASSETS	Smart Infrastructure Capital Partners Fund, L.P.	Subscription	\$100,000,000	July 14, 2021	In Progress	50%	Legal negotiations in process.
	Cibus Fund II, L.P. and Cibus Enterprise Fund II, L.P.	Subscription	\$80,000,000 \$20,000,000	April 13, 2022	Complete	100%	Completed.
	DIF Core-plus Infrastructure Fund III	Subscription	\$160,000,000	May 11, 2022	Complete	100%	Completed.

**FOR INFORMATION ONLY**

May 16, 2022

TO: Each Trustee
Board of Retirement
Board of Investments

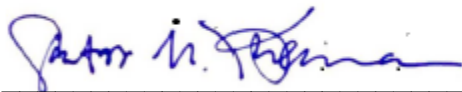
FROM: Ted Granger 
Interim Chief Financial Officer

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 Board of Investments Meeting

SUBJECT: **MONTHLY TRAVEL & EDUCATION REPORT – APRIL 2022**

Attached for your review is the Trustee Travel & Education Report. This report includes all events (i.e., attended and canceled) from the beginning of the fiscal year through April 2022. Staff travel and education has been omitted from this document and reported to the Chief Executive Officer separately.

REVIEWED AND APPROVED:



Santos H. Kreimann
Chief Executive Officer

TG/EW/gj

Attachments

c: L. Lugo
J. Popowich
L. Guglielmo
J. Grabel
S. Rice
R. Van Nortrick

**TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2021 - 2022
APRIL 2022**

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Alan Bernstein			
A	1 Edu - NCPERS 2021 Public Pension Funding Forum - New York NY	08/22/2021 - 08/24/2021	Attended
	2 Edu - 2021 SuperReturn North America - Boston MA	10/04/2021 - 10/05/2021	Attended
	3 Edu - Latin America US Real Estate Meeting - South Beach FL	11/29/2021 - 11/30/2021	Attended
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	- Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
V	- Edu - NACD Women in the Workforce: Beyond Diversity, Equity, and Inclusion - VIRTUAL	04/20/2022 - 04/20/2022	Attended
X	- Edu - SuperReturn International Berlin - Berlin, Germany	11/09/2021 - 11/12/2021	Canceled
Vivian Gray			
A	1 Edu - NCPERS 2021 Public Pension Funding Forum - New York NY	08/22/2021 - 08/24/2021	Attended
B	- Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	- Admin - SACRS Board of Directors Meeting - Rancho Mirage CA	12/14/2021 - 12/14/2021	Attended
	- Admin - SACRS Board of Directors and Program Committee Meeting - Berkeley CA	01/24/2022 - 01/25/2022	Attended
	- Edu - 2022 CALAPRS - General Assembly - San Diego CA	03/05/2022 - 03/08/2022	Attended
	- Admin - SACRS Program Committee Meeting - Long Beach CA	03/22/2022 - 03/23/2022	Attended
	- Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
V	- Edu - Congressional Black Caucus Foundation - VIRTUAL	09/12/2021 - 09/17/2021	Attended
	- Edu - Private Credit Outlook: Key Trends and the Road Ahead - VIRTUAL	09/16/2021 - 09/16/2021	Attended
	- Edu - NASP 32nd Annual Financial Services Virtual Conference - VIRTUAL	09/22/2021 - 09/24/2021	Attended
	- Edu - New America Alliance: U.S. Economic Recovery - VIRTUAL	11/10/2021 - 11/10/2021	Attended
	- Edu - CFA Society of Los Angeles - Diversity, Equity, and Inclusion Virtual Conference - VIRTUAL	02/10/2022 - 02/10/2022	Attended
	- Edu - NASP Women's Forum - VIRTUAL	03/30/2022 - 03/31/2022	Attended
David Green			
B	- Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	- Edu - 2022 PPI Winter Roundtable - Westlake Village CA	02/23/2022 - 02/25/2022	Attended
	- Edu - 2022 CALAPRS - General Assembly - San Diego CA	03/05/2022 - 03/08/2022	Attended
X	- Edu - 2021 CII Fall Conference - Chicago IL	09/22/2021 - 09/24/2021	Host Canceled
Elizabeth Greenwood			
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
James Harris			
B	- Edu - CRCEA 2021 Fall Conference - Long Beach CA	11/07/2021 - 11/10/2021	Attended

**TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2021 - 2022
APRIL 2022**

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Patrick Jones			
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	- Edu - 2022 CALAPRS - General Assembly - San Diego CA	03/05/2022 - 03/08/2022	Attended
	- Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
V	- Edu - SACRS Public Pension Investment Management Program - VIRTUAL	07/13/2021 - 07/22/2021	Attended
	- Edu - Harvard Kennedy School Executive Education: Leading Smart Policy Design: A Multisectoral Approach to Economic Decisions - VIRTUAL	09/21/2021 - 10/12/2021	Attended
	- Edu - Duke University Executive Education Program - Corporate Social Responsibility - VIRTUAL	12/06/2021 - 12/14/2021	Attended
	- Edu - Harvard Kennedy School Executive Education: Behavioral Insights and Public Policy Program - VIRTUAL	01/31/2022 - 02/16/2022	Attended
	- Edu - CFA Society of Los Angeles - Diversity, Equity, and Inclusion Virtual Conference - VIRTUAL	02/10/2022 - 02/10/2022	Attended
Shawn Kehoe			
V	- Edu - Morgan Stanley Virtual Global Insights Day - VIRTUAL	02/09/2022 - 02/09/2022	Attended
X	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Canceled
	- Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Canceled
Joseph Kelly			
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
V	- Edu - SACRS Public Pension Investment Management Program - VIRTUAL	07/13/2021 - 07/22/2021	Attended
	- Edu - Private Credit Outlook: Key Trends and the Road Ahead - VIRTUAL	09/16/2021 - 09/16/2021	Attended
	- Edu - Pugh Capital 30th Anniversary Virtual Event Series - VIRTUAL	09/22/2021 - 09/22/2021	Attended
	- Edu - 2021 Institute of Internal Auditors Los Angeles Conference: Governance, Grit and Gravitas - VIRTUAL	10/04/2021 - 10/06/2021	Attended
	- Edu - NACD Pacific Southwest / USC Marshall Corporate Directors Symposium - November 2021 - VIRTUAL	11/10/2021 - 11/10/2021	Attended
	- Edu - 2022 CII Spring Conference - VIRTUAL	03/07/2022 - 03/09/2022	Attended
	- Edu - NACD Pacific Southwest / USC Marshall Corporate Directors - March 2022 - VIRTUAL	03/24/2022 - 03/24/2022	Attended
	- Edu - ESG - SEC Proposed Rule on Climate Disclosures: Roles for Internal Audit - VIRTUAL	04/06/2022 - 04/06/2022	Attended
	- Edu - NACD - Future of Water in the Pacific Southwest - VIRTUAL	04/06/2022 - 04/06/2022	Attended
Keith Knox			
V	- Edu - Harvard Business School Audit Committees In A New Era of Governance - VIRTUAL	07/21/2021 - 07/23/2021	Attended
	- Edu - Pugh Capital 30th Anniversary Virtual Event Series - VIRTUAL	09/22/2021 - 09/22/2021	Attended
	- Edu - New America Alliance: U.S. Economic Recovery - VIRTUAL	11/10/2021 - 11/10/2021	Attended
	- Edu - NACD Climate Continuous Learning Cohort Two-Day Program - VIRTUAL	03/31/2022 - 04/01/2022	Attended

TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2021 - 2022
APRIL 2022

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Wayne Moore			
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	- Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
William Pryor			
A	1 Edu - IFEBP Healthcare Management and Investments Institute Conference - Phoenix AZ	04/25/2022 - 04/28/2022	Attended
B	- Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
V	- Edu - 2022 CII Spring Conference - VIRTUAL	03/07/2022 - 03/09/2022	Attended
	- Edu - CALAPRS Special Virtual Trustee Round Table - VIRTUAL	04/29/2022 - 04/29/2022	Attended
Les Robbins			
B	- Edu - CRCEA 2021 Fall Conference - Long Beach CA	11/07/2021 - 11/10/2021	Attended
V	- Edu - CALAPRS Trustees Roundtable - VIRTUAL	10/29/2021 - 10/29/2021	Attended
Gina Sanchez			
A	1 Edu - 2022 CII Spring Conference - Washington, DC MD	03/07/2022 - 03/09/2022	Attended
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	- Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	- Edu - 2022 PPI Winter Roundtable - Westlake Village CA	02/23/2022 - 02/25/2022	Attended
	- Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
	- Edu - 2022 Annual Pension Bridge - San Francisco CA	04/18/2022 - 04/20/2022	Attended
V	- Edu - 2021 CII Fall Conference - VIRTUAL	09/22/2021 - 09/24/2021	Attended
	- Edu - 2021 Virtual NACD Summit - VIRTUAL	10/04/2021 - 10/08/2021	Attended
	- Edu - PRI Roundtable: The Road to Net-Zero with Ophir Bruck - VIRTUAL	10/12/2021 - 10/12/2021	Attended
	- Edu - PRI Roundtable: Equity, Diversity & Inclusion with Ophir Bruck - VIRTUAL	10/14/2021 - 10/14/2021	Attended
	- Edu - CALAPRS Trustees Roundtable - VIRTUAL	10/29/2021 - 10/29/2021	Attended
	- Edu - Institutional ESG Investing Conference North America - VIRTUAL	04/10/2022 - 04/10/2022	Attended
X	- Edu - 2021 CII Fall Conference - Chicago IL	09/22/2021 - 09/24/2021	Host Canceled

TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2021 - 2022
APRIL 2022

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Herman Santos			
A	1 Edu - NCPERS 2021 Public Pension Funding Forum - New York NY	08/22/2021 - 08/24/2021	Attended
	2 Edu - 2022 CII Spring Conference - Washington, DC MD	03/07/2022 - 03/09/2022	Attended
	3 Edu - Congress of Private Capital and Entrepreneurial Capital of the Pacific Alliance - Bogota, Colombia	04/26/2022 - 04/27/2022	Attended
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	- Edu - PPI Asia Pacific Roundtable - Pasadena CA	10/27/2021 - 10/29/2021	Attended
	- Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	- Admin - SACRS Board of Directors Meeting - Rancho Mirage CA	12/14/2021 - 12/14/2021	Attended
	- Edu - 2022 PPI Winter Roundtable - Westlake Village CA	02/23/2022 - 02/25/2022	Attended
V	- Edu - PPI Roundtable - July 2021 - VIRTUAL	07/13/2021 - 07/15/2021	Attended
	- Edu - Private Credit Outlook: Key Trends and the Road Ahead - VIRTUAL	09/16/2021 - 09/16/2021	Attended
X	- Edu - Global Investors Annual Meeting - New York NY	12/13/2021 - 12/14/2021	Canceled
	- Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/23/2022 - 03/24/2022	Canceled

Category Legend:

A - Pre-Approved/Board Approved

B - Educational Conferences and Administrative Meetings in CA where total cost is no more than \$2,000 per Trustee Travel Policy; Section III.A

C - Second of two conferences and/or meetings counted as one conference per Trustee Education Policy Section IV.C.2 and Trustee Travel Policy Section IV.

V - Virtual Event

X - Canceled events for which expenses have been incurred.

Z - Trip was Canceled - Balance of \$0.00



Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**

**FOR INFORMATION ONLY**

May 17, 2022

TO: Trustees
Board of Retirement
Board of Investments

FROM: Ted Granger *TG*
Interim Chief Financial Officer

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 Board of Investments Meeting

SUBJECT: **3RD QUARTER TRUSTEE TRAVEL & EDUCATION REPORTS**

Attached for your review, is the Trustee Travel & Education Report which includes expenses paid and submitted for reimbursement for events between July 1, 2021 to March 31, 2022. In addition, the Trustee Cancellation & Credit Expenditures Report which includes credits and expenses associated with trip cancellations, for Fiscal Years 2019-2020, 2020-2021, and 2021-2022 are attached for your reference.

REVIEWED AND APPROVED:

Santos H. Kreimann
Chief Executive Officer

TG/EW/gj

Attachments

c: L. Lugo
J. Popowich
L. Guglielmo
J. Gabel
S. Rice
R. Van Nortrick



3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Alan Bernstein													
A	1 Edu - NCPERS 2021 Public Pension Funding Forum - New York NY - 08/22/2021 - 08/24/2021	Attended	\$3,684.58	\$685.00	\$529.83	\$1,922.40	\$348.35	\$0.00	\$0.00	\$0.00	\$0.00	\$157.00	\$42.00
	2 Edu - 2021 SuperReturn North America - Boston MA - 10/04/2021 - 10/05/2021	Attended	\$3,196.31	\$110.88	\$1,128.00	\$1,786.79	\$145.64	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00
	3 Edu - Latin America US Real Estate Meeting - South Beach FL - 11/29/2021 - 11/30/2021	Attended	\$4,927.75	\$200.00	\$1,402.76	\$3,033.80	\$137.84	\$16.35	\$0.00	\$0.00	\$0.00	\$122.00	\$15.00
B	- Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	\$837.86	\$120.00	\$0.00	\$578.86	\$0.00	\$0.00	\$0.00	\$11.00	\$0.00	\$103.00	\$25.00
X	- Edu - SuperReturn International Berlin - Berlin, Germany - 11/09/2021 - 11/12/2021	Canceled	\$375.02	\$375.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for Alan Bernstein:			\$13,021.52	\$1,490.90	\$3,060.59	\$7,321.85	\$631.83	\$16.35	\$0.00	\$11.00	\$0.00	\$382.00	\$107.00



**3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Vivian Gray													
A	1 Edu - NCPERS 2021 Public Pension Funding Forum - New York NY - 08/22/2021 - 08/24/2021	Attended	\$3,569.08	\$685.00	\$529.83	\$1,810.81	\$149.44	\$0.00	\$0.00	\$0.00	\$0.00	\$195.00	\$199.00
B	- Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	\$2,065.50	\$120.00	\$1,773.42	\$0.00	\$10.08	\$0.00	\$0.00	\$0.00	\$0.00	\$137.00	\$25.00
	- Admin - SACRS Board of Directors Meeting - Rancho Mirage CA - 12/14/2021 - 12/14/2021	Attended	\$349.44	\$0.00	\$349.44	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Admin - SACRS Board of Directors and Program Committee Meeting - Berkeley CA - 01/24/2022 - 01/25/2022	Attended	\$499.26	\$0.00	\$0.00	\$0.00	\$0.00	\$442.26	\$0.00	\$0.00	\$0.00	\$52.00	\$5.00
	- Edu - 2022 CALAPRS - General Assembly - San Diego CA - 03/05/2022 - 03/08/2022	Attended	\$281.93	\$0.00	\$0.00	\$0.00	\$0.00	\$150.93	\$0.00	\$0.00	\$0.00	\$121.00	\$10.00
	- Admin - SACRS Program Committee Meeting - Long Beach CA - 03/22/2022 - 03/23/2022	Attended	\$46.53	\$0.00	\$0.00	\$0.00	\$0.00	\$10.53	\$0.00	\$0.00	\$0.00	\$31.00	\$5.00
	- Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/23/2022 - 03/24/2022	Attended	\$10.53	\$0.00	\$0.00	\$0.00	\$0.00	\$10.53	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
V	- Edu - NASP 32nd Annual Financial Services Virtual Conference - VIRTUAL - 09/22/2021 - 09/24/2021	Attended	\$75.00	\$75.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for Vivian Gray:			\$6,897.27	\$880.00	\$2,652.69	\$1,810.81	\$159.52	\$614.25	\$0.00	\$0.00	\$0.00	\$536.00	\$244.00



**3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
David Green													
B -	Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	\$1,323.44	\$120.00	\$902.79	\$0.00	\$0.00	\$21.95	\$0.00	\$161.70	\$0.00	\$102.00	\$15.00
-	Edu - 2022 PPI Winter Roundtable - Westlake Village CA - 02/23/2022 - 02/25/2022	Attended	\$186.66	\$0.00	\$0.00	\$0.00	\$0.00	\$50.66	\$0.00	\$0.00	\$0.00	\$121.00	\$15.00
-	Edu - 2022 CALAPRS - General Assembly - San Diego CA - 03/05/2022 - 03/08/2022	Attended	\$390.80	\$0.00	\$0.00	\$0.00	\$0.00	\$163.80	\$0.00	\$0.00	\$0.00	\$207.00	\$20.00
X -	Edu - 2021 CII Fall Conference - Chicago IL - 09/22/2021 - 09/24/2021	Host Canceled	\$130.33	\$0.00	\$0.00	\$130.33	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for David Green:			\$2,031.23	\$120.00	\$902.79	\$130.33	\$0.00	\$236.41	\$0.00	\$161.70	\$0.00	\$430.00	\$50.00
James Harris													
B -	Edu - CRCEA 2021 Fall Conference - Long Beach CA - 11/07/2021 - 11/10/2021	Attended	\$269.65	\$130.00	\$139.65	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for James Harris:			\$269.65	\$130.00	\$139.65	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Patrick Jones													
B -	Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Attended	\$96.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$96.00	\$0.00	\$0.00	\$0.00
V -	Edu - SACRS Public Pension Investment Management Program - VIRTUAL - 07/13/2021 - 07/22/2021	Attended	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - Harvard Kennedy School Executive Education: Leading Smart Policy Design: A Multisectoral Approach to Economic Decisions - VIRTUAL - 09/21/2021 - 10/12/2021	Attended	\$3,800.00	\$3,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



**3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Patrick Jones													
V -	Edu - Duke University Executive Education Program - Corporate Social Responsibility - VIRTUAL - 12/06/2021 - 12/14/2021	Attended	\$1,995.00	\$1,995.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for Patrick Jones:			\$6,391.00	\$6,295.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$96.00	\$0.00	\$0.00	\$0.00
Shawn Kehoe													
X -	Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Canceled	\$23.96	\$0.00	\$23.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Canceled	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for Shawn Kehoe:			\$143.96	\$120.00	\$23.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Joseph Kelly													
B -	Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Attended	\$45.58	\$0.00	\$0.00	\$0.00	\$3.50	\$10.08	\$0.00	\$32.00	\$0.00	\$0.00	\$0.00
V -	Edu - SACRS Public Pension Investment Management Program - VIRTUAL - 07/13/2021 - 07/22/2021	Attended	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - 2021 Institute of Internal Auditors Los Angeles Conference: Governance, Grit and Gravitas - VIRTUAL - 10/04/2021 - 10/06/2021	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - NACD Pacific Southwest / USC Marshall Corporate Directors Symposium - November 2021 - VIRTUAL - 11/10/2021 - 11/10/2021	Attended	\$375.00	\$375.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



**3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Joseph Kelly													
V -	Edu - NACD Pacific Southwest / USC Marshall Corporate Directors - March 2022 - VIRTUAL - 03/24/2022 - 03/24/2022	Attended	\$375.00	\$375.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for Joseph Kelly:			\$1,415.58	\$1,370.00	\$0.00	\$0.00	\$3.50	\$10.08	\$0.00	\$32.00	\$0.00	\$0.00	\$0.00
Keith Knox													
V -	Edu - Harvard Business School Audit Committees In A New Era of Governance - VIRTUAL - 07/21/2021 - 07/23/2021	Attended	\$5,700.00	\$5,700.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for Keith Knox:			\$5,700.00	\$5,700.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Wayne Moore													
B -	Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Attended	\$141.44	\$0.00	\$0.00	\$0.00	\$0.00	\$13.44	\$0.00	\$128.00	\$0.00	\$0.00	\$0.00
-	Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/23/2022 - 03/24/2022	Attended	\$133.85	\$0.00	\$0.00	\$0.00	\$133.85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for Wayne Moore:			\$275.29	\$0.00	\$0.00	\$0.00	\$133.85	\$13.44	\$0.00	\$128.00	\$0.00	\$0.00	\$0.00
William Pryor													
B -	Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	\$330.76	\$120.00	\$210.76	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for William Pryor:			\$330.76	\$120.00	\$210.76	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



**3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Les Robbins													
B -	Edu - CRCEA 2021 Fall Conference - Long Beach CA - 11/07/2021 - 11/10/2021	Attended	\$75.00	\$75.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
V -	Edu - CALAPRS Trustees Roundtable - VIRTUAL - 10/29/2021 - 10/29/2021	Attended	\$50.00	\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for Les Robbins:			\$125.00	\$125.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Gina Sanchez													
A 1	Edu - 2022 CII Spring Conference - Washington, DC MD - 03/07/2022 - 03/09/2022	Attended	\$48.23	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$48.23	\$0.00	\$0.00
B -	Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Attended	\$166.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$166.00	\$0.00	\$0.00	\$0.00
-	Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	\$179.00	\$135.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$44.00	\$0.00	\$0.00	\$0.00
V -	Edu - 2021 Virtual NACD Summit - VIRTUAL - 10/04/2021 - 10/08/2021	Attended	\$1,995.00	\$1,995.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - CALAPRS Trustees Roundtable - VIRTUAL - 10/29/2021 - 10/29/2021	Attended	\$50.00	\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals for Gina Sanchez:			\$2,438.23	\$2,180.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$210.00	\$48.23	\$0.00	\$0.00
Herman Santos													
A 1	Edu - NCPERS 2021 Public Pension Funding Forum - New York NY - 08/22/2021 - 08/24/2021	Attended	\$2,709.58	\$685.00	\$706.45	\$503.40	\$160.99	\$84.00	\$0.00	\$160.00	\$0.00	\$263.00	\$146.74



**3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
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Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.	
Herman Santos														
A	2 Edu - 2022 CII Spring Conference - Washington, DC MD - 03/07/2022 - 03/09/2022	Attended	\$1,000.07	\$0.00	\$0.00	\$501.90	\$41.18	\$54.99	\$0.00	\$135.00	\$242.00	\$0.00	\$25.00	
B	- Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Attended	\$2,012.82	\$0.00	\$1,708.92	\$0.00	\$0.00	\$105.95	\$0.00	\$0.00	\$0.00	\$155.00	\$42.95	
	- Edu - PPI Asia Pacific Roundtable - Pasadena CA - 10/27/2021 - 10/29/2021	Attended	\$1,837.24	\$950.00	\$643.32	\$0.00	\$0.00	\$88.92	\$0.00	\$70.00	\$0.00	\$70.00	\$15.00	
	- Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	\$1,469.91	\$120.00	\$902.79	\$0.00	\$130.62	\$100.80	\$0.00	\$161.70	\$0.00	\$34.00	\$20.00	
	- Admin - SACRS Board of Directors Meeting - Rancho Mirage CA - 12/14/2021 - 12/14/2021	Attended	\$530.32	\$0.00	\$349.44	\$0.00	\$0.00	\$75.88	\$0.00	\$0.00	\$0.00	\$95.00	\$10.00	
V	- Edu - PPI Roundtable - July 2021 - VIRTUAL - 07/13/2021 - 07/15/2021	Attended	\$175.00	\$175.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
X	- Edu - Global Investors Annual Meeting - New York NY - 12/13/2021 - 12/14/2021	Canceled	\$4.99	\$4.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Totals for Herman Santos:			\$9,739.93	\$1,934.99	\$4,310.92	\$1,005.30	\$332.79	\$510.54	\$0.00	\$526.70	\$242.00	\$617.00	\$259.69	
Cnt: 7			Grand Totals:	\$48,779.42	\$20,465.89	\$11,301.36	\$10,268.29	\$1,261.49	\$1,401.07	\$0.00	\$1,165.40	\$290.23	\$1,965.00	\$660.69

Category Legend:

- A - Pre-Approved/Board Approved
- B - Educational Conferences and Administrative Meetings in CA where total cost is no more than \$2,000 per Trustee Travel Policy; Section III.A
- C - Second of two conferences and/or meetings counted as one conference per Trustee Education Policy Section IV.C.2 and Trustee Travel Policy Section IV.
- V - Virtual Event
- X - Canceled events for which expenses have been incurred.
- Z - Trip was Canceled - Balance of \$0.00



**BOARD CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2020
FOR TRAVEL THROUGH THE 4TH QUARTER OF FY19-20**

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Register	Lodging	Airfare	Other Misc Travel Exp.	Chair Pardon	Register Credit (1802)	Register Credit Expiration Date	Airfare (1803)	Credit Expiration Date	Airfare Credit Expiration Date	Refund Pending
Vivian Gray													
Admin - SACRS Program Committee and SACRS Board of Directors Meeting - Sacramento CA - 07/15/2019 - 07/19/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Admin - SACRS Legislative Committee - Sacramento CA - 07/19/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Admin - SACRS Program Committee and SACRS Board of Directors Meeting - Sacramento CA - 09/16/2019 - 09/17/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Admin - SACRS Legislative Committee - Sacramento CA - 09/20/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Admin - SACRS Legislative Committee - Sacramento CA - 10/19/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - KACALP Annual Conference - Los Angeles CA - 10/29/2019 - 10/30/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - NASP 2020 "Day of Education in Private Equity" - Los Angeles CA - 03/26/2020 - 03/26/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - TBI Med Legal Conference - San Diego CA - 04/02/2020 - 04/04/2020 - Host Canceled	X	\$299.00	\$299.00	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00			\$0.00
Edu - Trustee Leadership Forum (TLF) Trustee Forum - Boston MA - 06/08/2020 - 06/10/2020 - Host Canceled	X	\$275.00	\$0.00	\$0.00	\$275.00	\$0.00	Yes	\$0.00		\$0.00			\$0.00
Attendee Totals:		\$574.00	\$299.00	\$0.00	\$275.00	\$0.00		\$0.00		\$0.00			\$0.00
David Green													
Edu - 2019 Fortune Brainstorm Tech Conference - Aspen CO - 07/15/2019 - 07/17/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
James Harris													
Edu - CALAPRS Advanced Principles of Pension Management for Trustees - Los Angeles CA - 03/30/2020 - 04/01/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Shawn Kehoe													
Edu - National Association of Corporate Directors - Global Board Leaders' Summit - Washington D.C. MD - 09/21/2019 - 09/24/2019 - Canceled	X	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00			\$0.00
Edu - 2019 Pacific Pension Institute Executive Seminar and Asia Roundtable - Shanghai, China; Hong Kong, China - 11/03/2019 - 11/08/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - IAFCI 2020 Cyber Fraud Summit - Austin TX - 04/15/2020 - 04/16/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Attendee Totals:		\$500.00	\$500.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00



**BOARD CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2020
FOR TRAVEL THROUGH THE 4TH QUARTER OF FY19-20**

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Register	Lodging	Airfare	Other Misc Travel Exp.	Chair Pardon	Register Credit (1802)	Register Credit Expiration Date	Airfare Credit (1803)	Credit Expiration Date	Airfare Credit Expiration Date	Refund Pending
Joseph Kelly													
Edu - PPI 2019 Summer Roundtable - Chicago IL - 07/10/2019 - 07/12/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Keith Knox													
Edu - CII's Trustee Training Course for California Public Fund Trustees - Berkeley CA - 10/4/2019 - 10/4/2019 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - NASP 2020 "Day of Education in Private Equity" - Los Angeles CA - 03/26/2020 - 03/26/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - IFEBP Wharton Portfolio Concepts and Management - Philadelphia PA - 04/20/2020 - 04/23/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - SACRS: Don't Stop Thinking About Tomorrow; China A-Share Market & Opportunities - Webinar - 05/13/2020 - 05/13/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - SACRS: Private Markets Today Vs. The Global Financial Crisis - Webinar - 05/14/2020 - 05/14/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - SACRS: Cash Flows & Investment Management in the Time of COVID-19 - Webinar - 05/15/2020 - 05/15/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - SACRS: Private Market Investing in a Late-Cycle Market or Private Market Investing in the 8th Inning - Webinar - 05/20/2020 - 05/20/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - SACRS: Litigation 101 & Current Cases - Webinar - 05/20/2020 - 05/20/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Wayne Moore													
Edu - CII's Trustee Training Course for California Public Fund Trustees - Berkeley CA - 10/4/2019 - 10/4/2019 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - CII Spring 2020 Conference and 35th Anniversary Celebration - Washington D.C. MD - 03/09/2020 - 03/11/2020 - Canceled	X	\$1,776.08	\$0.00	\$0.00	\$1,776.08	\$0.00	Yes	\$0.00		\$0.00			\$0.00
Edu - NASP 2020 "Day of Education in Private Equity" - Los Angeles CA - 03/26/2020 - 03/26/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Attendee Totals:		\$1,776.08	\$0.00	\$0.00	\$1,776.08	\$0.00		\$0.00		\$0.00			\$0.00



**BOARD CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2020
FOR TRAVEL THROUGH THE 4TH QUARTER OF FY19-20**

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Register	Lodging	Airfare	Other Misc Travel Exp.	Chair Pardon	Register Credit (1802)	Register Credit Expiration Date	Airfare Credit (1803)	Credit Expiration Date	Airfare Credit Expiration Date	Refund Pending
David Muir													
Edu- CII Spring 2020 Conference and 35th Anniversary Celebration - Washington D.C. MD - 03/09/2020 - 03/11/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
William Pryor													
Edu - NCPERS 2019 Public Safety Conference - New Orleans LA - 10/27/2019 - 10/30/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00			\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Les Robbins													
Edu - CRCEA Fall 2019 Conference - Rohnert Park CA - 10/28/2019 - 10/30/2019 - Host Canceled	X	\$291.95	\$0.00	\$0.00	\$291.95	\$0.00	Yes	\$0.00		\$0.00			\$0.00
Attendee Totals:		\$291.95	\$0.00	\$0.00	\$291.95	\$0.00		\$0.00		\$0.00			\$0.00
Gina Sanchez													
Edu - NACI Engage - Oakland CA - 03/24/2020 - 03/25/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - NASP 2020 "Day of Education in Private Equity" - Los Angeles CA - 03/26/2020 - 03/26/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - Pomerantz Roundtable Event - Beverly Hills CA - 06/16/2020 - 06/16/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Herman Santos													
Edu - INCA Investments Latin American Investments Conference - Buenos Aires, Argentina - 10/16/2019 - 10/17/2019 - Canceled	X	\$1,858.15	\$0.00	\$1,579.75	\$278.40	\$0.00	Yes	\$0.00		\$0.00			\$0.00
Edu - 2020 ICGN Seoul Conference - Seoul, South Korea - 02/25/2020 - 02/28/2020 - Host Canceled	X	\$45.08	\$23.48	\$0.00	\$21.60	\$0.00	Yes	\$0.00		\$0.00			\$0.00
Edu- CII Spring 2020 Conference and 35th Anniversary Celebration - Washington D.C. MD - 03/09/2020 - 03/11/2020 - Canceled	X	\$1,081.80	\$0.00	\$0.00	\$1,081.80	\$0.00	Yes	\$0.00		\$0.00			\$0.00
Edu - NASP 2020 "Day of Education in Private Equity" - Los Angeles CA - 03/26/2020 - 03/26/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - TBI Med Legal Conference - San Diego CA - 04/02/2020 - 04/04/2020 - Host Canceled	X	\$299.00	\$299.00	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00			\$0.00
Attendee Totals:		\$3,284.03	\$322.48	\$1,579.75	\$1,381.80	\$0.00		\$0.00		\$0.00			\$0.00



**BOARD CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2020
FOR TRAVEL THROUGH THE 4TH QUARTER OF FY19-20**

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Register	Lodging	Airfare	Other Misc Travel Exp.	Chair Pardon	Register Credit (1802)	Register Credit Expiration Date	Airfare Credit (1803)	Credit Expiration Date	Airfare Credit Expiration Date	Refund Pending
Gina Zapanta													
Edu - IFEBP 65th Employee Benefits Conference - San Diego CA - 10/20/2019 - 10/23/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - NCPERS 2019 Public Safety Conference - New Orleans LA - 10/27/2019 - 10/30/2019 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Edu - TBI Med Legal Conference - San Diego CA - 04/02/2020 - 04/04/2020 - Host Canceled	X	\$299.00	\$299.00	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00			\$0.00
Attendee Totals:		\$299.00	\$299.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00			\$0.00
Grand Totals:		\$6,725.06	\$1,420.48	\$1,579.75	\$3,724.83	\$0.00		\$0.00		\$0.00			\$0.00

Category Legend:

- X - Canceled events for which expenses have been incurred.
- Z - Trip was Canceled - Balance of \$0.00



**TRUSTEE CANCELLATION AND CREDIT EXPENDITURES
REPORT FOR FISCAL YEAR 2021
FOR TRAVEL DURING JULY 2020 - JUNE 2021**

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Registration (Reg.)	Lodging	Airfare	Other Misc. Travel Exp.	Chair Pardon	Reg. Credit	Reg. Credit Expiration Date	Airfare Credit	Airfare Credit Expiration Date	Refund Pending
Alan Bernstein												
Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Vivian Gray												
Edu - CII & NYU Corporate Governance Bootcamp - VIRTUAL -9/23/2020 - 9/25/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Shawn Kehoe												
Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Les Robbins												
Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled	X	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00	12/31/2022	\$0.00		\$0.00
Edu- 2020 SACRS Fall Virtual Conference -VIRTUAL - 11/10/2020 - 11/13/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00		\$0.00		\$0.00
Grand Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00		\$0.00		\$0.00

Category Legend:

X - Canceled events for which expenses have been incurred.
Z - Trip was Canceled - Balance of \$0.00



**TRUSTEE CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - JUNE 2022**

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Registration (Reg.)	Lodging	Airfare	Other Misc. Travel Exp.	Chair Pardon	Reg. Credit	Reg. Credit Expiration Date	Airfare Credit	Airfare Credit Expiration Date	Refund Pending
Alan Bernstein												
Edu - SuperReturn International Berlin - Berlin, Germany - 11/09/2021 - 11/12/2021 - Canceled	X	\$375.02	\$375.02	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$375.02
Attendee Totals:		\$375.02	\$375.02	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$375.02
David Green												
Edu - 2021 CII Fall Conference - Chicago, IL - 09/22/2021 - 09/24/2021 - Host Canceled	X	\$130.33	\$0.00	\$0.00	\$130.33	\$0.00	Yes	\$0.00		\$256.80	10/6/2022	\$0.00
Attendee Totals:		\$130.33	\$0.00	\$0.00	\$130.33	\$0.00		\$0.00		\$256.80		\$0.00
Patrick Jones												
Edu - Duke University Executive Education Program - Corporate Social Responsibility - Durham, NC - 09/23/2021 - 09/25/2021 - Host Canceled	X	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$616.80	12/31/2023	\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$616.80		\$0.00
Shawn Kehoe												
Edu - 2021 Milken Institute Global Conference - Los Angeles, CA - 10/17/2021 - 10/20/2021 - Canceled	X	\$23.96	\$0.00	\$23.96	\$0.00	\$0.00	Yes	\$0.00		\$0.00		\$0.00
Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021 - Canceled	X	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00		\$0.00
Attendee Totals:		\$143.96	\$120.00	\$23.96	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Joseph Kelly												
Edu - Global Investors Annual Meeting - New York, NY - 12/13/2021 - 12/14/2021 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Gina Sanchez												
Edu - 2021 CII Fall Conference - Chicago, IL - 09/22/2021 - 09/24/2021 - Host Canceled	X	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$282.80	7/27/2022	\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$282.80		\$0.00
Herman Santos												
Edu - Global Investors Annual Meeting - New York, NY - 12/13/2021 - 12/14/2021 - Canceled	X	\$4.99	\$4.99	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Attendee Totals:		\$4.99	\$4.99	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Grand Totals:		\$654.30	\$500.01	\$23.96	\$130.33	\$0.00		\$0.00		\$1,156.40		\$375.02

Category Legend:

- X - Canceled events for which expenses have been incurred.
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Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**



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