LIVE VIRTUAL BOARD MEETING





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, SEPTEMBER 8, 2021

This meeting will be conducted by teleconference under the Governor's Executive Order No. N-29-20.

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

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 August 11, 2021

III. REPORT ON CLOSED SESSION ITEMS

IV. PUBLIC COMMENT

(Written Public Comment - You may submit written public comments by email to <u>PublicComment@lacera.com</u>. 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 must be submitted via email to <u>PublicComment@lacera.com</u>. 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 August 20, 2021)
- VI. CHIEF INVESTMENT OFFICER'S REPORT (Presentation dated September 8, 2021)

VII. CONSENT ITEMS

- A. Recommendation as submitted by Gina Sanchez, Chair, Credit and Risk Mitigation Committee: That the Board approve the initiatives and recommendations listed on page 37 of the Risk Reduction and Mitigation Structure Review advanced by the Credit and Risk Mitigation Committee. (Memo dated August 30, 2021)
- B. Recommendation as submitted by Gina Sanchez, Chair, Credit and Risk Mitigation Committee: That the Board approve the Minimum Qualifications advanced by the Credit and Risk Mitigation Committee and authorize a Request for Proposal for Long-Term U.S. Treasury Bond investment managers. (Memo dated August 30, 2021)

VIII. NON CONSENT ITEM

 A. Recommendation as submitted by Jude Pérez, Principal Investment Officer and Esmeralda del Bosque, Senior Investment Officer: That the Board approve the adoption of the revised Investment Policy Statement. (Memo dated August 30, 2021)

IX. REPORTS

- A. Options for Election of Board Officers
 Keith Knox, Chair Board of Investments
 Alan J. Bernstein, Chair Board of Retirement
 (Memo dated August 19, 2021)
- B. LACERA Quarterly Performance Book Meketa Quarterly Performance Book Jude Pérez Principal Investment Officer
 Esmeralda del Bosque Senior Investment Officer
 (For Information Only) (Memo dated August 31, 2021)
- C. LACERA OPEB Master Trust as of June 30, 2021
 Meketa OPEB Master Trust as of June 30, 2021
 Jude Perez, Principal Investment Officer
 (For Information Only) (Memo dated August 30, 2021)
- D Albourne Consultant Self-Assessment
 James Rice, Principal Investment Officer
 Vache Mahseredjian, Principal Investment Officer
 (For Information Only) (Memo dated August 30, 2021)

IX. REPORTS (Continued)

- E. Private Equity Consultant Search Slide Correction Christopher J. Wagner, Principal Investment Officer (For Information Only) (Memo dated August 21, 2021)
- F. International Corporate Governance Network Annual General Meeting Ballot
 Scott Zdrazil, Senior Investment Officer
 Dale Johnson, Investment Officer
 (For Information Only) (Memo dated August 27, 2021)
- G. Legal Projects Christine Roseland, Senior Staff Counsel (For Information Only) (Memo dated August 30, 2021)
- H. Monthly Status Report on Legislation
 Barry W. Lew, Legislative Affairs Officer
 (For Information Only) (Memo dated August 22, 2021)
- I. Monthly Education and Travel Reports for June 2021 Ted Granger, Interim Chief Financial Officer Monthly Education and Travel Reports for July 2021 (Public Memo dated August 18, 2021)
 (Confidential Memo dated August 18, 2021 – Includes Anticipated Travel) 4th Quarter Education & Travel Expenditure Reports (Memo dated August 18, 2021)
- J. August 2021 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 August 16, 2021)
- 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)
 - STG Allegro, L.P. Christopher J. Wagner, Principal Investment Officer Derek Kong, Investment Officer (Memo dated August 16, 2021)
 - Atlantic Street Capital V, L.P Christopher J. Wagner, Principal Investment Officer Calvin Chang, Senior Investment Analyst (Memo dated August 25, 2021)
 - Orion Mine Finance Fund III, L.P. & Orion Mineral Royalty Fund I, L.P. James Rice, Principal Investment Officer Pushpam Jain, Investment Officer (Memo dated August 18, 2021)
 - Brevan Howard Master Fund Vache Mahseredjian, Principal Investment Officer Chad Timko, Senior Investment Office Quoc Nguyen, Investment Officer (Memo dated August 30, 2021)
 - Private Equity Investment Update David Chu, Senior Investment Officer Derek Kong Investment Officer (For Information Only) (Memo dated August 16, 2021)
- B. Conference With Legal Counsel—Existing Litigation (Pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9)
 - Wells Fargo Bank, National Association, as Trustee for Morgan Stanley Bank of America Merrill Lynch Trust 2013-C9, Commercial Mortgage Pass-Through Certificates, Series 2013-C9 v. 700 Milford Holdings LLC, et al., Case No. 1:21-cv-06059-JPC (S.D.N.Y.)

XII. EXECUTIVE SESSION (Continued)

C. Conference with Legal Counsel – Anticipated Litigation Significant Exposure to Litigation (Pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9)

1. One Case

XIII. ADJOURNMENT

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.

*Requests for reasonable modification or accommodation of the telephone public access and Public Comments 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, AUGUST 11, 2021

This meeting was conducted by teleconference under the Governor's Executive Order No. N-29-20.

PRESENT: Keith Knox, Chair

Joseph Kelly, Vice Chair

Alan Bernstein, Secretary

David Green (Left the meeting at 10:53 a.m.)

Elizabeth Greenwood

Shawn Kehoe

Patrick Jones

Gina V. Sanchez (Left the meeting at 10:45 a.m.)

Herman Santos

STAFF ADVISORS AND PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

Jonathan Grabel, Chief Investment Officer

Steven P. Rice, Chief Counsel

Luis A. Lugo, Deputy Chief Executive Officer

JJ Popowich, Assistant Executive Officer

Michael Herrera, Senior Staff Counsel

Jude Perez, Principal Investment Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

Christopher Wagner, Principal Investment Officer

Scott Zdrazil, Senior Investment Officer

Esmeralda del Bosque, Senior Investment Officer

Didier Acevedo, Investment Officer

Derek Kong, Investment Officer

Barry W. Lew, Legislative Affairs Officer

Meketa Investment Group Stephen McCourt, Managing Principal Timothy Filla, Managing Principal

Albourne

Mark White, Head of Real Assets James Walsh, Partner

StepStone Group LP (Real Estate Consultants) Thomas Hester, Managing Director Margaret McKnight, Partner

StepStone Group LP (Private Equity Consultants) Natalie Walker, Partner

I. CALL TO ORDER

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

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of July 14, 2021

Mr. Green made a motion, Mr. Kelly seconded, to approve the minutes of the regular meeting of July 14, 2021. The motion passed (roll call) with Messrs.

II. APPROVAL OF MINUTES (Continued)

Green, Santos, Jones, Kehoe, Kelly, Knox, Ms. Sanchez and Ms. Greenwood voting yes and Mr. Bernstein abstaining.

III. REPORT ON CLOSED SESSION ITEMS

There was nothing to report.

IV. PUBLIC COMMENT

Jan Williams, Patrice Fisher, Michael Guynn, Greg Akili, Kim Isaacs, Donald

Byers, Tamara Kasa, Jason Reedy, Maagic Collins, Eliza Franklin, Kim Yergan,

Amber Height, Nightly Moore, Brad Carson addressed the Board regarding the Baldwin

Hills Crenshaw Plaza. In addition, Patrice Fisher, Michael Guynn, Kim Yergan and

Assata Umoja provided a written comment.

V. CHIEF EXECUTIVE OFFICER'S REPORT (Memo dated July 28, 2021)

Mr. Kreimann provided a brief presentation on the Chief Executive

Officer's Report.

VI. CHIEF INVESTMENT OFFICER'S REPORT (Presentation dated August 11, 2021)

Mr. Grabel provided a brief presentation on the Chief Investment Officer's

Report.

VII. CONSENT ITEMS

A. Recommendation as submitted by Shawn Kehoe, Chair, Joint Organizational Governance Committee: That the Board approve for implementation the recommended proposed classification changes for the existing Media Artist classification and approve for implementation the

VII. CONSENT ITEMS (Continued)

recommended proposed classification and compensation changes for the creation of a new Senior Media Artist classification. (Memo dated July 21, 2021)

Mr. Green made a motion, Ms. Sanchez seconded, to approve staff's recommendation. The motion passed (roll call) with Messrs. Green, Santos, Jones, Kehoe, Bernstein, Knox, Ms. Sanchez and Ms. Greenwood voting yes and Mr. Kelly voting no.

VIII. NON-CONSENT ITEMS

A. Recommendation as submitted by Jonathan Grabel, Chief Investment Officer; Jude Perez, Principal Investment Officer; Scott Zdrazil, Senior Investment Officer and Esmeralda del Bosque, Senior Investment Officer: That the Board approve the adoption of the revised Investments Policy Statement. (Memo dated August 4, 2021)

Messrs. Grabel, Perez and Zdrazil and Ms. Del Bosque were present to

answer questions from the Board.

Mr. Bernstein made a motion, Ms. Sanchez seconded, to approve staff's recommendation. The motion passed (roll call) with Messrs. Green, Santos, Jones, Kehoe, Bernstein, Kelly, Knox, Ms. Sanchez and Ms. Greenwood voting yes.

B. Recommendation submitted by Christopher Wagner, Principal Investment Officer; Cheryl Lu, Investment Officer; and Derek Kong, Investment Officer: That the Board select StepStone to provide private equity consulting services. (Memo dated July 13, 2021

Messrs. Wagner and Kong and Ms. Lu provided a presentation and answered

VIII. NON-CONSENT ITEMS (Continued)

Mr. Santos made a motion, Ms. Sanchez seconded, to approve staff's recommendation. The motion passed (roll call) with Messrs. Green, Santos, Jones, Kehoe, Bernstein, Kelly, Knox, Ms. Sanchez and Ms. Greenwood voting yes.

 C. Recommendation that the Board approve attendance of Trustees at the 2021 SuperReturn North America meeting on October 4 – 5, 2021 in Boston, Massachusetts and approve reimbursement of all travel costs incurred in accordance with the Trustee Education and Trustee Travel Policies. (Placed on the agenda at the request of Mr. Bernstein) (Memo dated July 19, 2021)

> Mr. Kelly made a motion, Ms. Sanchez seconded, to approve staff's recommendation. The motion passed (roll call) with Messrs. Green, Santos, Jones, Kehoe, Bernstein, Kelly, Knox, Ms. Sanchez and Ms. Greenwood voting yes.

D. Recommendation as submitted by Jude Pérez, Principal Investment Officer; Scott Zdrazil, Senior Investment Officer; Quoc Nguyen, Investment Officer; Magdalia Armstrong, Senior Investment Analyst and Terra Elijah, Investment Analyst: That the Board approve the proposed general consultant search Minimum Qualifications, Evaluation Criteria, and Scope of Work. (Memo dated July 19, 2021)

Messrs. Perez, Zdrazil and Nguyen and Ms. Armstrong and Ms. Elijah

provided a presentation and answered questions from the Board.

Mr. Santos made a motion, Mr. Kelly seconded, to approve staff's recommendation. The motion passed (roll call) with Messrs. Green, Santos, Jones, Kehoe, Bernstein, Kelly, Knox, Ms. Sanchez and Ms. Greenwood voting yes.

VIII. NON-CONSENT ITEMS (Continued)

E. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board review the Board Teleconference Meeting Policy and provide input as to or approve changes. (Memo dated August 2, 2021)

Mr. Rice was present and answered questions from the Board.

Mr. Santos made a motion, Mr. Kehoe seconded, to approve staff's recommendation that the policy be revised with Items 1-4 in staff's memo. The motion passed (roll call) with Messrs. Green, Santos, Jones, Kehoe, Bernstein, Kelly, Knox, Ms. Sanchez and Ms. Greenwood voting yes.

IX. REPORTS

 A. State Street Incident Report – July 2021 Data Disclosure Jude Pérez, Principal Investment Officer
 Esmeralda V. del Bosque, Senior Investment Officer
 (For Information Only) (Memo dated July 29, 2021)

This item was received and filed.

 B. Labor Negotiator - Irma Rodriguez Moisa Carly Ntoya, Director, Human Resources (For Information Only) (Memo dated July 21, 2021)

This item was received and filed.

C. Legal Projects Christine Roseland, Senior Staff Counsel (For Information Only) (Memo dated July 29, 2021)

This item was received and filed.

 D. Semi-Annual Interest Crediting for Reserves as of June 30, 2021 (UNAUDITED)
 Ted Granger, Interim Chief Financial Officer (For Information Only) (Memo dated July 26, 2021)

This item was received and filed.

- IX. REPORTS (Continued)
 - E. Monthly Status Report on Legislation
 Barry W. Lew, Legislative Affairs Officer
 (For Information Only) (Memo dated July 23, 2021)

This item was received and filed.

F. Monthly Education and Travel Reports for June 2021 Ted Granger, Interim Chief Financial Officer (Memo dated July 21, 2021)

This item was received and filed.

G. July 2021 Fiduciary Counsel Contact and Billing Report Steven P. Rice, Chief Counsel (For Information Only) (Privileged and Confidential) (Attorney-Client Communication/Attorney Work Product) (Memo dated July 26, 2021)

This item was received and filed.

X. ITEMS FOR STAFF REVIEW

There was nothing to report.

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

The Board and staff congratulated Senior Staff Counsel, Johanna Fontenot on her

upcoming retirement after 30 years of County and LACERA service.

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)
 - Summit Partners Growth Equity XI, L.P. Christopher J. Wagner, Principal Investment Officer Didier Acevedo, Investment Officer (Memo dated July 15, 2021)

XII. EXECUTIVE SESSION (Continued)

Messrs. Wagner and Acevedo and Ms. Walker of StepStone Group LP were

present and answered questions from the Board.

Mr. Santos made a motion, seconded by Ms. Greenwood, to approve a commitment of up to \$150 million to Summit Partners Growth Equity XI, L.P. This investment is a private equity fund focusing on growth equity across sectors. The motion passed (roll call) with Messrs. Knox, Bernstein, Santos, Kehoe, Jones, Kelly and Ms. Greenwood voting yes. Mr. Green and Ms. Sanchez were absent from the vote.

 Private Equity Investment Update David Chu, Senior Investment Officer Derek Kong, Investment Officer (For Information Only) (Memo dated July 14, 2021)

The Board received an information only report providing notice that

LACERA completed a co-investment commitment of \$40 million alongside Oak Hill

Capital Management, LLC. The commitment is compliant with the private equity co-

investment guidelines.

 Private Equity Investment Update David Chu, Senior Investment Officer Calvin Chang, Senior Investment Analyst (For Information Only) (Memo dated July 14, 2021)

The Board received an information only report providing notice that LACERA completed a co-investment commitment of \$15 million alongside AE Industrial Partners, L.P. The commitment is compliant with the private equity co-investment guidelines.

- XII. EXECUTIVE SESSION (Continued)
 - B. Conference with Legal Counsel Anticipated Litigation Significant Exposure to Litigation (Pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9)
 - 1. One Case

There is nothing to report.

- C. Conference with Legal Counsel Initiation of Litigation (Pursuant to Paragraph (4) of Subdivision (d) of California Government Code Section 54956.9).
 - 1. Number of cases: 1 (Pending Under Seal) (For Information Only) (Memo dated July 29, 2021)

There is nothing to report.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was

adjourned at 11:44 a.m.

ALAN BERNSTEIN, SECRETARY

KEITH KNOX, CHAIR

August 20, 2021

TO: Each Trustee, Board of Retirement Board of Investments

FROM: Santos H. Kreimann Stre Chief Executive Officer

SUBJECT: CHIEF EXECUTIVE OFFICER'S REPORT – AUGUST 2021

The following reflects the Chief Executive Officer's Report for August 2021, which highlights key operational and administrative activities that have taken place during the past month.

Our Ongoing COVID-19 Response and Return to Office

The Executive Team continues to monitor the COVID-19 landscape, both locally and nationally. The COVID-19 Pandemic continues to be an unfolding and fast-moving event. The recent increases in cases and hospitalizations in the County of Los Angeles, and throughout the United States, have led to fast moving changes in how public service organizations are responding to protect members of the public and public service employees.

The County of Los Angeles mandated vaccinations for all County employees. As part of our own health and safety requirements, the Executive Team reported at the August 11, 2021, Board of Investments (BOI) meeting, that vaccinations will be required for all LACERA staff by October 1, 2021. The only vaccination staff exceptions are (1) credible religious reasons, and (2) medical reasons which prevent staff from getting vaccinated. Staff will be required to provide Human Resources with proof of vaccination, as well as appropriate documentation should either exception be declared.

Staff members have completed the mandatory vaccination questionnaire. Although Human Resources continues to review the responses, preliminary information indicates approximately 50 (11%) staff members did not complete the questionnaire (this includes staff on leave) and approximately 55 (12%) staff members self-reported being unvaccinated. Approximately 360 staff members indicated they were fully vaccinated resulting in 77% of LACERA staff being vaccinated. Human Resources continues to confirm responses; therefore, the number of vaccinated staff may be adjusted if staff members who indicated they were vaccinated did not provide sufficient proof of vaccination or if unvaccinated staff receive the vaccine.

We are working through COVID 19 testing logistics for staff members approved for vaccination exceptions. Specifically, we're focused on a repository solution to help securely capture and report test results. We're exploring both commercial and internal options.

In terms of staff being able to conveniently access COVID 19 tests and testing sites, we will share a resource from the State of California's COVID 19 readiness page. The resource provides an interactive map allowing residents to search for a free testing site by zip code (Finding a Testing Site (arcgis.com). We continue to take a proactive approach in maintaining the health and safety of our staff and members. Our staff continues to follow established safety protocols when visiting our building, allowing us to continue to meet member expectations and deliver the high level of service we strive to always provide.

Finally, we are committed to working collaboratively with our labor partners in finalizing our return to office plans through upcoming "Meet and Confer" engagements, with the first meeting scheduled on August 26, 2021.

LACERA COVID-19 Incidents

As of the date of this memo, there have been seven incidents of a staff member exposure and one COVID-19 positive staff member. The following chart shows the number of LACERA staff members who were exposed (had direct close contact) to a person who tested positive for COVID-19; the number of LACERA staff members who tested positive for COVID-19; and the number of staff members who were in the office 14 days before testing positive for COVID-19.

July 21, 2021 – August 20, 2021

Exposed	Confirmed Positive	In Office Before Positive Test
7	1	1

LACERA continues to follow the Public Health guidelines as they change and evolve, including the City of Pasadena's requirement to use masks indoors. Management continues to limit the number of staff members physically in our offices daily. Based on the most recent numbers, we are averaging approximately 15% of our staff in the office on any given day. Staff members have the option to be vaccinated during working hours and may apply for Supplemental Paid Sick Leave for COVID-19 and vaccine related absences.

Board of Retirement Offsite

The Board of Retirement (BOR) Chair and Vice Chair are working collaboratively with LACERA leadership to secure a location and develop an agenda for the BOR offsite scheduled for late October 2021. BOR Trustees have completed a survey providing LACERA staff with their availability and whether they're able to attend the offsite in person or virtually. Also, the team has agreed to bring in a facilitator for part of the meeting. Specifically, the part of the agenda that focuses on setting the stage for Strategic Planning efforts.

August 20, 2021 Page 3

A meeting is scheduled with the BOR Chair and Vice Chair on August 27, 2021 to finalize the offsite agenda and potential location. The team will update BOR Trustees as plans are finalized.

Strategic Planning Consultant RFP Update

The Board of Retirement (BOR) officers (Trustees) and LACERA leadership continue to work collaboratively on LACERA's Strategic Plan. The first step in this process was finalizing the RFP for a Strategic Planning consultant. The purpose of the RFP is to engage a consultant to assist the BOR and LACERA leadership with two phases of work. First is developing a new strategic planning process and, second, guiding the implementation of the new process through to completion of a new plan. We expect LACERA and the consultant will use their knowledge, perspective, and judgment to evaluate our current planning process and LACERA's needs based on input from the Board of Retirement, Board of Investments, LACERA leadership, and staff. The consultant will also consider LACERA's 2017 Strategic Plan, the 100-Day CEO Report, current ongoing initiatives, best practices, and any additional information.

The RFP has been posted to LACERA's website for bid, effective August 24, 2021. The BOR and LACERA leadership hope to bring a vendor recommendation back to the BOR during the November 2021 BOR meeting.

Vacancies and Hiring

In order to provide a more complete reporting picture of LACERA's recruitment, assessment, and hiring efforts to reduce the number of vacancies, below is a summary of current Human Resources (HR) activities.

Development

Before the position is advertised and applications are accepted, HR works with the Division(s) to review the classification description, create an ideal candidate profile, and discuss the assessment process. There are five (5) recruitments/assessments in development: Data Systems Analyst I, Document Processing Assistant, Administrative Services Analyst I, Administrative Services Analyst II, and Administrative Services Analyst III. There are currently three (3) Data Systems Analyst I vacancies; one (1) Document Processing Assistant vacancy; one (1) Administrative Services Analyst I vacancies; and two (2) Administrative Services Analyst III vacancies.

Recruiting

The Human Resources team is recruiting qualified internal and external candidates to fill vacancies. Finding the right candidate(s) who will add value to the organization and help move us forward in meeting our goals is a top priority of our Human Resources Division. LACERA is currently accepting applications for:

- Senior Staff Counsel and Staff Counsel: interested candidates are encouraged to submit their resumes of consideration.
- Data Systems Analyst II (Promotional Examination): LACERA staff are able to apply between August 19, 2021 and September 2, 2021.

• Competitive candidates are encouraged to apply for Senior Accountant and Media Artist. The recruiting period will remain open until a pool of qualified applications are received; however, early applicants are participating in the assessment process.

Assessment

Having received a pool of qualified candidates, HR is administering assessments for the recruitments listed below:

- Retirement Benefits Specialist (RBS) III
- Retirement Benefits Specialist (RBS) I
- Senior Disability Retirement Specialist
- Procurement and Supply Clerk
- Senior Internal Auditor
- Senior Accountant
- Media Artist

Upon completing the above assessments, HR staff creates the eligible lists from which Divisions can hire. Once offers have been made, HR staff have the capacity to start the development process for other recruitments/assessments. Based on the current requests, the next classifications for exam development are Data Systems Coordinator (one vacancy), and Principal Investment Officer (two vacancies).

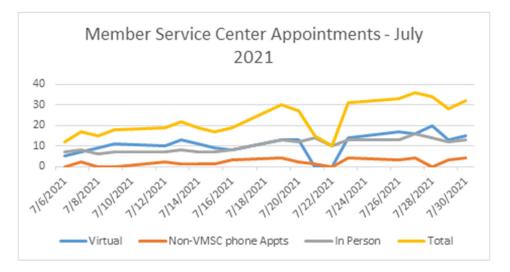
Lastly, Laura Guglielmo has accepted the Assistant Executive Officer position and successfully completed the background/clearance process. She will join LACERA on Monday September 13, 2021. Many thanks to Alliance Resources Consulting for conducting the Deputy Chief Executive Officer and Assistant Executive Officer recruitments.

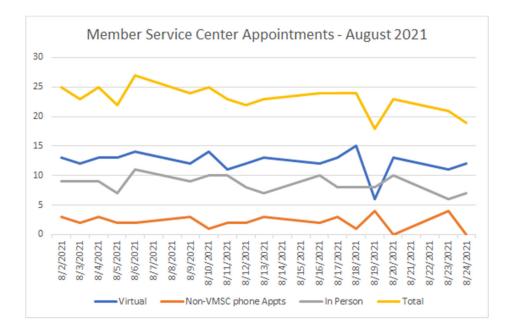
Member Service Center

Our Member Service Center (MSC) is entering its second month of operation since we re-opened on July 6, 2021. Members have adjusted well to the new Appointment Only model that we instituted to improve the member experience. The new model allows us to set the number of appointments to match the number of staff available – eliminating the long waits that walk-in members used to experience. Additionally, it allows us to control the flow of traffic in our MSC, which allows greater adherence to the COVID-19 safety protocols that protect both staff and members alike.

Those safety protocols seem to be working. There have been no reported exposures among the MSC staff. Staff remain vigilant in following the protocols (face coverings always required, gloves for handling documents, and routine cleaning of work areas). Members have also been adhering to those protocols and we have not had any incidents since the last CEO Report.

On average we are serving 24 members per day between Virtual and In-Person MSC visits. This is still below our pre-COVID average of 50 appointments per day. We have provided the two charts below to reflect the daily traffic.





As reported in the August CEO Report, the number of appointments offered is dictated by the available staff to see members. Last month we provided a breakdown of the available staff. Since then, one staff member has resigned for personal reasons, and we are aware of two additional staff members who may be going out on leaves in the near future. Mr. Popowich has been working with the Member Services management team on possible steps to bolster the staffing by moving staff assigned to the Call Center to the MSC and changing some job assignments in both the Call Center and in the MSC and offering overtime, if possible, until we can complete planned recruitments. The team estimates it will not be until late 2022 that MSC staffing is restored to full capacity, as we train new member service team members. It should be noted this delay will have some impacts to the services we provide across the board, but we intend to mitigate them as described above.

August 20, 2021 Page 6

Retiree Healthcare (RHC) Update

On July 29, 2021, RHC and staff from the County of Los Angeles Chief Executive Office held our first virtual meeting regarding LACERA's \$1 million Lifetime Maximum Benefit (LMB) on the Anthem Blue Cross I, II, and Prudent Buyer plans.

The meeting was productive, and the following topics were discussed to better understand the LMB issue, impact, and possible resolution:

- Migration Assumptions Addresses potential for retirees migrating to Anthem plans should the LMB increase or be eliminated completely.
- Retiree Reimbursement Option- County of Los Angeles proposed exploring a cash equivalent reimbursement option for those who reach their LMB. All agreed that there will be very specific guidelines and requirements that must be met prior to being considered as eligible for the proposed cash reimbursement.

Both LACERA and the County of Los Angeles are working with their respective consultants to review assumptions and potential actuarial impact of potential options. Staff will continue to keep the Trustees informed of the status of this major project.

On August 18, 2021, RHC Director, Cassandra Smith was invited to virtually present an overview of the Retiree Healthcare Program to the Coalition of County Unions (CCU). CCU represents a coalition of fourteen unions within the County of Los Angeles. LACERA's Chief Executive Officer (CEO), Santos H. Kreimann and Deputy CEO, Luis A. Lugo also attended the virtual meeting. The presentation was well received. A particular area of focus for members of the CCU was the LMB issues and its impact on retirees.

LACERA.com Launch

On July 30, 2021, we launched the newly redesigned LACERA.com. The goal of the new site was to improve the overall member, retiree, and stakeholder experience through modernized interactivity and design, and refined content.

The new design offers a responsive layout for all platforms, so it can be used easily from any device. The site homepage offers a clear and streamlined navigation menu, helping our different audiences quickly find the information relevant to them. Robust site analytics are already providing helpful data on web traffic and patterns and will provide meaningful insights for further improving the site experience going forward.

The entire organization played a role in helping to organize and simplify site content and features. We'd like to give a special thanks to our Communications and Systems teams for their leadership, dedication, and expertise in guiding this project from inception to rollout. The team is continuing to make improvements and add content and will be optimizing site features in subsequent phases. August 20, 2021 Page 7

Survivor Income Benefit Mailing

LACERA will be mailing our annual Survivor Income Benefit reminder to all eligible Plan E participants in mid-September.

Plan E members who are MegaFlex participants have the option of electing the Countyadministered Survivor Income Benefit (SIB), an optional life insurance plan available only to Plan E MegaFlex participants.

This is important, as Plan E does not include pre-retirement death benefits through LACERA, and MegaFlex participants are not eligible for continuing survivor benefits administered through the County. Members interested in enrolling in the County's Survivor Income Benefit may do so only during the annual enrollment period, October 1 through October 31. For additional information, members are referred to the County's *MegaFlex 2022 Enrollment Highlights Guide*, mailed by the County to its employees, and to the County's online benefit web portal, mylacountybenefits.com.

Although LACERA does not administer the Survivor Income Benefit, we partner with the County in mailing the annual reminder to Plan E members before the enrollment period begins. A copy of this letter is attached.

SHK/ll CEO report Aug.2021.doc

Attachments



300 N. Lake Ave., Pasadena, CA 91101 / PO Box 7060, Pasadena, CA 91109-7060 / lacera.com / 626/564-6132 • 800/786-6464

<Month> <Day>, 2021

[Member's Full Name] [Member's Mailing Address] [City, State ZIP code]

SURVIVOR INCOME BENEFIT: ANNUAL ENROLLMENT FOR PLAN E MEMBERS

Choose Your Insurance Wisely; Your Choices Can Impact the Financial Security of Your Loved Ones

It is important that all Plan E members who are MegaFlex participants fully understand their insurance options. Therefore, we are taking this opportunity to prepare you for the October 2021 annual enrollment by reviewing the advantages of the Survivor Income Benefit (SIB), an optional life insurance plan *available only to Plan E members*.

Plan E does not include pre-retirement death benefits. Therefore, should you die while in County service, *your survivors would not be eligible for continuing benefits through LACERA*. Additionally, MegaFlex participants are *not eligible* for any continuing survivor benefits administered through the County.

As a Plan E member, you have the option of electing the SIB plan under your MegaFlex benefit plan during annual enrollment.

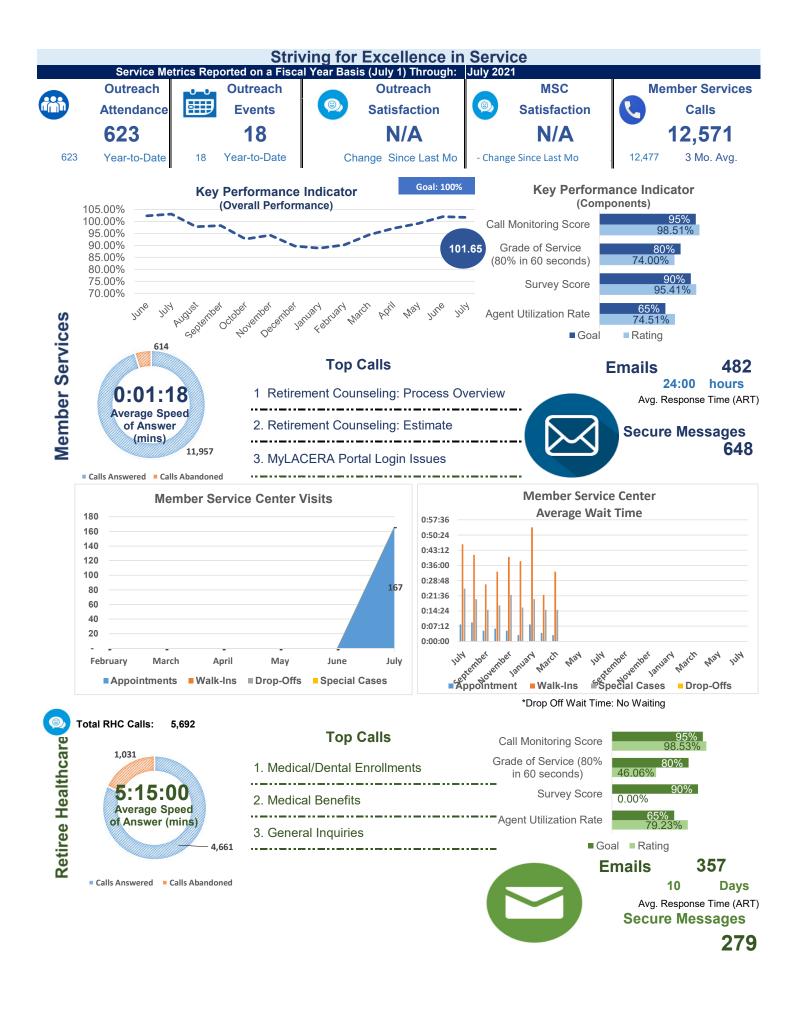
SIB pays a lifetime benefit to your surviving spouse or domestic partner should you die in active service. Your eligible surviving spouse or domestic partner will receive a monthly cash benefit for the rest of their life. If there is no surviving spouse or domestic partner, the benefit will be split equally among your unmarried dependent children under age 18, or until age 22 if enrolled full time in an accredited school.

Watch for your 2022 MegaFlex benefits enrollment packet in the mail in late September. As you select your benefits, we encourage you to consider the impact the SIB could have on your family. The rates for the SIB plan can be found on your personalized worksheet, which is included in your packet. *Remember, if you decide to enroll in the SIB, you may only do so during the annual enrollment period, October 1 through October 31.*

Refer to your MegaFlex annual enrollment materials for instructions on enrolling online or by phone.

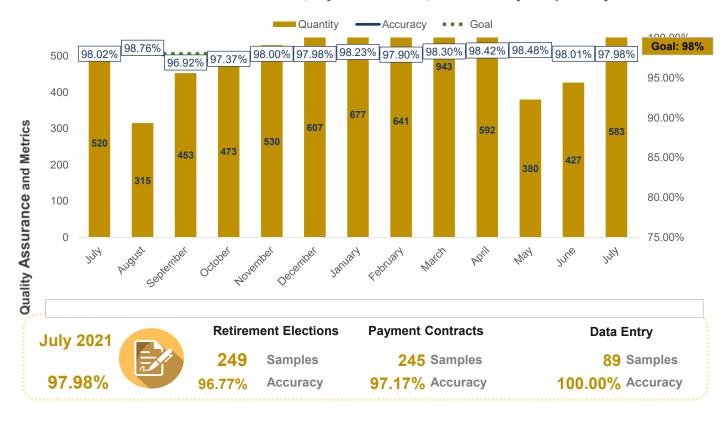
For questions regarding tax matters or issues involving your individual financial situation, consult a professional advisor; LACERA does not offer tax or financial advice.





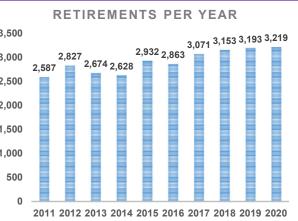




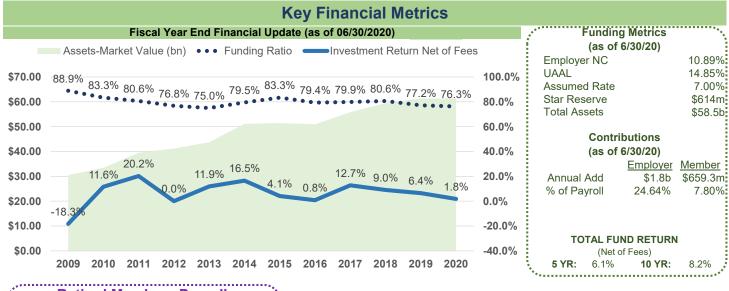


Member Snapshot

	Memb	ers as of 08	/16/2021	
Plan	Active	Retired	Survivors	Total
Plan A	71	14,745	4,254	19,070
Plan B	19	657	65	741
Plan C	22	424	65	511
🖁 Plan D	38,013	18,357	1,691	58,061
Plan E	15,131	14,277	1,401	30,809
Plan G	32,543	114	10	32,667
Total General	85,799	48,574	7,486	141,859
Plan A	2	4,778	1,627	6,407
Plan B Plan C	8,626	6,938	350	15,914
👼 Plan C	4,519	15	1	4,535
o Total Safety	13,147	11,731	1,978	26,856
TOTAL MEMBERS	98,946	60,305	9,464	168,715
% by Category	59%	36%	6%	100%



Average Mon	thly Benefit Allo	wance Distril	bution Augus	t 24, 2021	Average	Average Monthly Benefit Allowance:			\$ 4,190.00	
	General	Safety	Total	%					······	
\$0 to \$3,999	29,909	1,702	31,611	52.52%	l (Healthcare Program			thcare	
\$4,000 to \$7,999	13,430	3,476	16,906	28.09%		neallicale Pit	gram	Enrol	Iments	
\$8,000 to \$11,999	3,656	4,267	7,923	13.16%		(Mo. Ending: 07/31	/2021)	(Mo. Ending: 0	7/31/2021)	
\$12,000 to \$15,999	1,002	1,788	2,790	4.64%		Employer	Member	Medical	52,836	
\$16,000 to \$19,999	328	346	674	1.12%	Medical	48.50	3.61	Dental	54,263	
\$20,000 to \$23,999	100	113	213	0.35%	Dental	3.84	371,363	Part B	36,130	
\$24,000 to \$27,999	24	27	51	0.08%	Part B	6.70	0	LTC	571	
> \$28,000	20	3	23	0.04%	Total	59.04	3.98	Total	143,800	
Totals	48,469	11.722	60.191	100%						







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RFP/RFI Name	lssuing Division	RFP Issued	Status*	Quiet Period for RFP Respondents
Search for Classification and Compensation Study Services (HR)	Human Resources	May 24, 2021	Bid Review	 Koff and Associates Magnova Consultant Grant Thornton Reward Strategy Group
Search for Classification and Compensation Study Services (RHC)	Human Resources	May 24, 2021	Bid Review	 Koff and Associates Magnova Consultant Grant Thornton Reward Strategy Group
Agenda Management, Livestream, Recording, and Archiving	Board Offices	April 16, 2021	Vendor Selection	 Granicus Diligent iCompass PrimeGov eSCRIBE Hyland Provox Systems
Contract Lifecycle Management Application	Administrative Services/ Systems	February 16, 2021	Vendor Review	 Icertis Cobblestone Ageloft Iron Clad SmartSheet
External Quality Assessment	Internal Audit	August 9, 2021	Solicitation Process	•

*Subject to change

**Does not include Investments related vendor searches

Date	Conference
September, 2021	
17	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual <i>(subject to change in venue)</i>
21-24	AHIP (America's Health Insurance Plans) National Conferences on Medicare, Medicaid and Dual Eligibles Virtual
22-24	National Association of Securities Professionals (NASP) 32 nd Annual Pension & Financial Services Conference Virtual
22-24	Council of Institutional Investors (CII) Fall Conference Virtual/Limited In-Person Attendance
23-25	Duke University Executive Education Program – Corporate Social Responsibility Durham, NC
26-28	NCPERS (National Conference on Public Employee Retirement Systems) FALL (Financial, Actuarial, Legislative & Legal) Conference Scottsdale, AZ
28 – 30	CALAPRS (California Association of Public Retirement Systems) Principles of Pension Governance for Trustees Virtual <i>(subject to change in venue)</i>
October, 2021 11-15	Investment Strategies & Portfolio Management <i>(prev. Pension Fund & Investment Mgmt.)</i> Wharton School, University of Pennsylvania
17-20	IFEBP (International Foundation of Employment Benefit Plans) Annual Employee Benefits Conference Denver, CO
17-20	Milken Institute Global Conference Los Angeles, CA
25-27	PREA (Pension Real Estate Association) Annual Institutional Investor Conference Chicago, IL
25-27	ICGN (International Corporate Governance Network) Annual Conference Toronto, Canada
29	CALAPRS (California Association of Public Retirement Systems) Round Table – Trustees Virtual <i>(subject to change in venue)</i>
November, 2021 7-10	CRCEA (California Retired County Employees Association) Conference Long Beach, CA

Chief Investment Officer Monthly Report



September 8, 2021



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

Market Environment

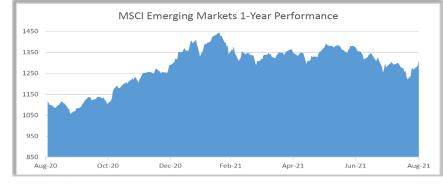


Global Market Performance as of August 31, 2021

MSCI ACWI Index (Global Equity Market)* Trailing Returns (%) Annualized Returns (%) 1-month 3-month YTD 1Y 3Y 5Y 10Y 2.5 4.2 16.1 30.1 14.0 14.111.3 MSCI ACWI IMI Index 1-Year Performance 1900 1800 1700 1600 1500 1400 1300 1200 Oct-20 Dec-20 Feb-21 Apr-21 Jun-21 Aug-20 Aug-21

MSCI Emerging Market Index

Traili	Annualized Returns (%)						
1-month	3-month	YTD	1Y	ЗY	5Y	10Y	
2.6	-4.1	2.8	21.1	9.9	10.4	4.9	



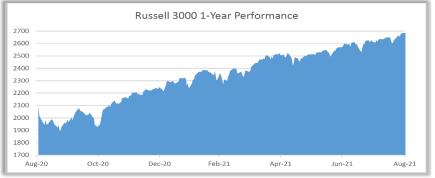
*Global Equity Policy Benchmark - MSCI ACWI IMI Index

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

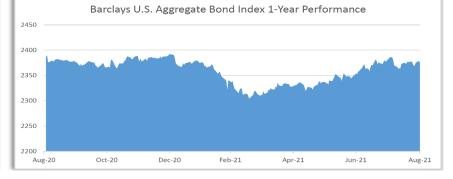
Russell 3000 Index (U.S. Equity Market)

Trail	Trailing Returns (%)			Annualized Returns (%)			
1–month	3-month	YTD	1 Y	ЗY	5Y	10Y	
2.9	7.2	20.4	33.0	17.9	18.0	16.2	



Barclays U.S. Aggregate Bond Index**

Trailing Returns (%)			Ar	%)			
1–month	3-month	YTD	1 Y	ЗY	5Y	10Y	
-0.2	1.6	-0.7	-0.1	5.4	3.1	3.2	

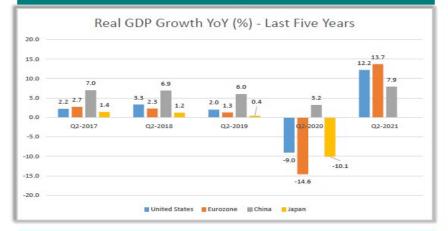


Source: Bloomberg

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Key Macro Indicators*

GDP Growth of Major Economies¹

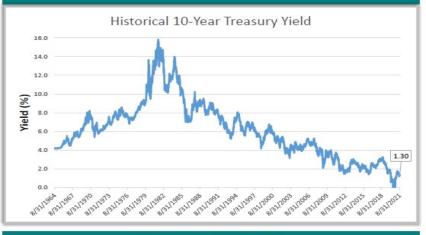


World Equity Valuation³

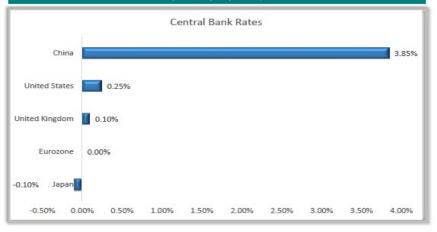


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Historical Low for 10-Year Treasury Yield²



Central Bank Rates⁴ (as of 8/31/2021)

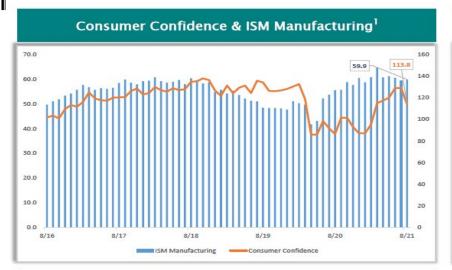


*The information on the "Key Macro Indicators" charts is the best available data as of 8/31/21 and may not reflect the current market and economic environment. Japan 2Q2021 GDP data not yet available.

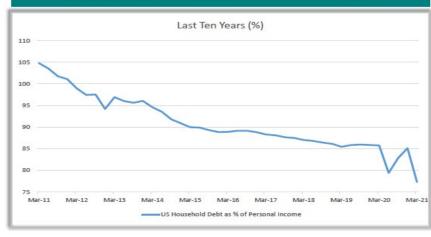
Sources: 1. Bloomberg 3. FactSet 2. St. Louis Federal Reserve 4. FactSet

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Key Macro Indicators*

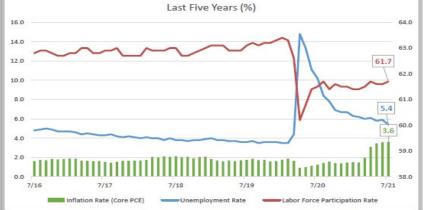


U.S. Household Debt as % of Personal Income³

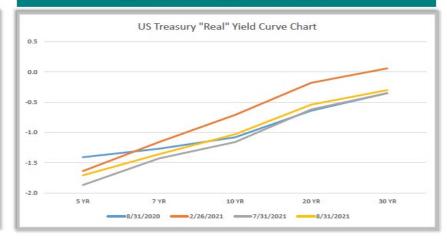


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U.S. Inflation, Unemployment, & Labor Force Participation²



U.S. Treasury "Real" Yield Curve⁴



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

*The information on the "Key Macro Indicators" charts is the best available data as of 8/31/21 and may not reflect the current market and economic environment.

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Market Themes and Notable Items to Watch

Recent Themes

- COVID-19
 - More than 217 million cases, 4.5 million deaths, and 5.2 billion vaccine doses administered worldwide
 - Emergence and spread of coronavirus variants, including the Delta and C.1.2 variants
- The U.S. 10-year treasury yield ended June at 1.30%, up from 0.93% at the end of 2020 and below 1.74% at the end of March 2021
- Global equities again set new all-time highs in late August
- U.S. Federal Reserve Chair Jerome Powell advised that the central bank could reduce monthly bond purchases this year, but there would not be a hurry to raise interest rates
- Annual inflation of 3% equaled a 10-year high in Europe according to Eurostat, the statistics agency of the European Union.

What to Watch

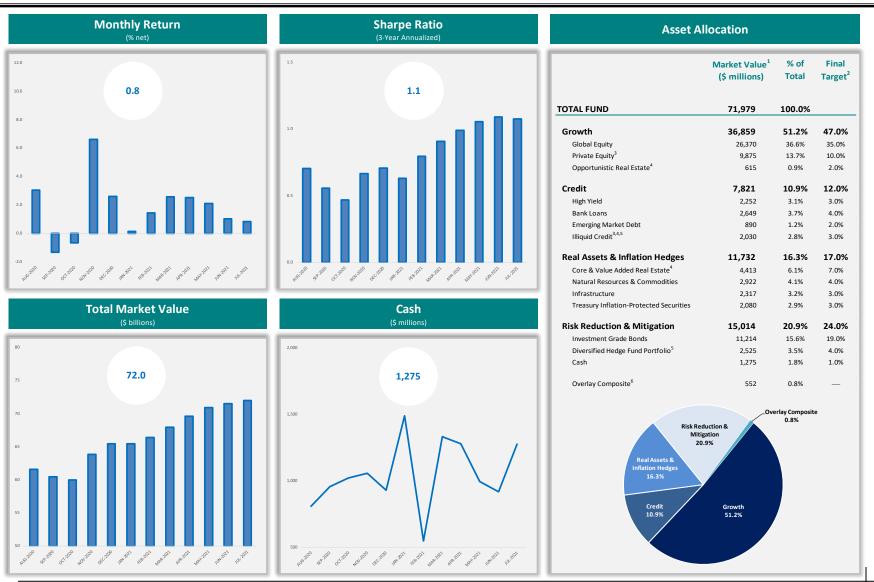
- COVID-19
 - Economic and consumer behavior impacts
 - Evolution of virus variants and vaccine efforts
- Global GDP growth rate
- Environmental, Social, Governance
 - Expanded ESG corporate reporting guidance under consideration at U.S. Securities and Exchange Commission and International Accounting Standards Board
 - COP26 Conference starts October 31 may update Paris Agreement goals
- Unemployment and consumer spending
- Potential government infrastructure spending
- Inflation pressures and trends
- Geopolitical risks and trade arrangements
- Central bank activity and bond yields

Portfolio Performance & Risk Updates



Total Fund Summary

as of July 2021



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6.

Transition balances are included in each subcategory total, if applicable Final target weights effective as of 10/1/19 Private Equity market values reflect latest available and are adjusted for cash flows

Real Estate market values reflect latest available and are adjusted for cash flows Hedge Fund market values reflect a 1-month lag Reflects net cash position for overlay investing

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Historical Net Performance

as of July 2021

LACERA Pension Fund (% net)										
	Market Value (\$ millions)	% of Total Fund	Final Target ¹	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
TOTAL FUND Total Fund Custom BM 7% Annual Hurdle Rate	71,979	100.0%	100.0%	0.8 1.1 0.57	4.0 3.4 1.71	0.8 1.1 0.57	22.6 19.9 7.00	10.5 10.8 7.00	10.4 10.1 7.00	8.8 8.6 7.00
Functional Composites ²				1 Month	3 Month	FYTD	1 Year			
GROWTH Growth Custom BM	36,859	51.2%	47.0%	0.7 1.4	5.5 4.7	0.7 1.4	38.7 <i>37.0</i>			
CREDIT Credit Custom BM	7,821	10.9%	12.0%	0.6 0.3	2.5 1.7	0.6 0.3	14.6 7.1			
REAL ASSETS & INFLATION HEDGES Real Assets & Inflation Hedges Custom BM	11,732	16.3%	17.0%	1.1 1.4	2.9 3.4	1.1 1.4	14.0 <i>15.0</i>			
RISK REDUCTION & MITIGATION Risk Reduction & Mitigation Custom BM	15,014	20.9%	24.0%	0.8 0.9	1.8 1.8	0.8 0.9	1.6 -0.1			
OVERLAY COMPOSITE	552	0.8%	_							

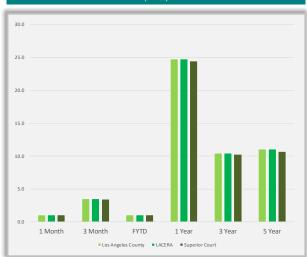


OPEB Master Trust Fund

net)

Sub-Trusts	Market Value (\$ millions) ³	Trust Ownership %	Final Target	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year
TOTAL OPEB MASTER TRUST	2,332								
Los Angeles County	2,260	96.9%	_	1.1	3.5	1.1	24.7	10.5	11.0
LACERA	9	0.4%	_	1.1	3.5	1.1	24.7	10.5	11.1
Superior Court	62	2.7%	_	1.1	3.4	1.1	24.5	10.3	10.7
Functional Composites				1 Month	3 Month	FYTD	1 Year	3 Year	
OPEB Growth	1,151	49.4%	50.0%	0.5	3.3	0.5	34.9	13.7	14.0
Custom OPEB MT Growth Pool				0.5	3.2	0.5	34.7	13.4	13.7
OPEB Credit	473	20.3%	20.0%	0.0	1.1	0.0	7.4	4.5	_
Custom OPEB MT Credit Pool				0.0	1.2	0.0	8.6	4.9	—
OPEB Real Assets & Inflation Hedges	467	20.0%	20.0%	3.8	7.0	3.8	30.7	8.9	_
Custom OPEB MT RA & IH Pool				3.8	7.0	3.8	30.8	8.8	—
OPEB Risk Reduction & Mitigation	240	10.3%	10.0%	0.9	1.7	0.9	-0.5	5.0	3.5
Custom OPEB MT RR & M Pool				0.9	1.7	0.9	-0.5	4.9	3.3
Operating Cash	0.3	0.0%	_						

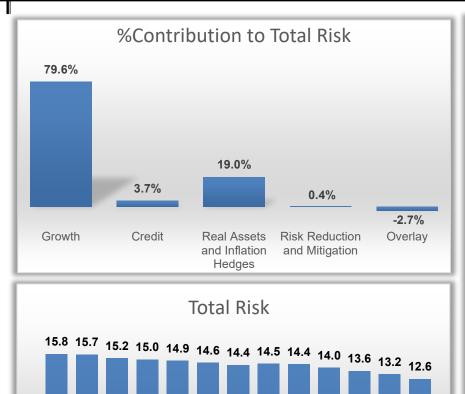
Historical Returns





Total Fund Forecast Risk*

as of July 2021



1/22 8/22 9/22 0/22 1/22 1/22 1/22 1/22 3/22 4/22 5/22 6/22 1/22

Total Fund			12.6	11.5
Growth	51.5%	79.6%	19.6	19.3
Global Equity	37.3%	54.9%	19.0	19.1
Private Equity	13.3%	23.2%	25.4	25.8
Opportunistic Real Estate	0.9%	1.5%	30.8	19.8
Credit	10.4%	3.7%	5.3	4.5
High Yield Bonds	3.2%	1.2%	6.0	5.0
Bank Loans	3.7%	1.0%	5.1	6.5
Illiquid Credit	2.3%	0.9%	7.3	3.5
Emerging Market Debt	1.3%	0.6%	9.1	8.1
Real Assets & Inflation Hedges	17.0%	19.0%	15.2	13.6
Core & VA Real Estate	6.3%	9.2%	22.7	19.8
Natural Resources & Commodities	4.4%	4.5%	15.3	15.5
Infrastructure	3.3%	4.8%	20.0	20.4
TIPS	2.9%	0.4%	4.8	4.7
Risk Reduction and Mitigation	20.5%	0.4%	3.0	2.8
Investment Grade Bonds	15.9%	0.2%	3.7	3.5
Diversified Hedge Funds	2.8%	0.2%	5.3	0.1
Cash	1.8%	0.0%	-	-
Overlay	0.7%	-2.7%	-	-

%Weight

% Cont. to

Total Risk

Standalone

BMK

Risk**

Standalone

Total Risk

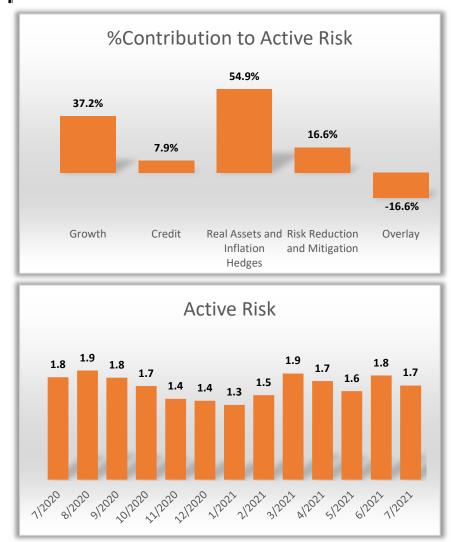
*Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 3/31/2021
**BMK Risk stands for Benchmark Risk

ementation of the MSCI Risk Platform is ong
KRisk stands for Benchmark Risk
RCE: MSCI BarraOne

SOU

Total Fund Forecast Active Risk*

as of July 2021

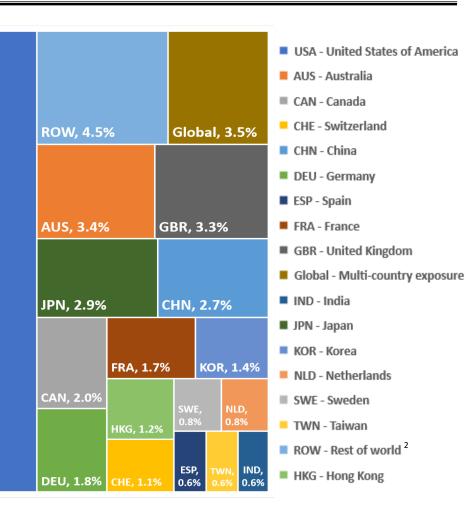


	%Weight	Active Weight%	Active Risk	Active Risk Allocation	Active Risk Selection
Total Fund			1.66	0.32	1.34
Growth	51.5%	4.47%	0.62	0.26	0.36
Global Equity	37.3%				
Private Equity	13.3%				
Opportunistic Real Estate	0.9%				
Credit	10.4%	-1.63%	0.13	0.08	0.05
High Yield Bonds	3.2%				
Bank Loans	3.7%				
Illiquid Credit	2.3%				
Emerging Market Debt	1.3%				
Real Assets & Inflation Hedges	17.0%	0.01%	0.91	0.00	0.91
Core & VA Real Estate	6.3%				
Natural Resources & Commodities	4.4%				
Infrastructure	3.3%				
TIPS	2.9%				
Risk Reduction and Mitigation	20.5%	-3.54%	0.28	0.25	0.02
Investment Grade Bonds	15.9%				
Diversified Hedge Funds	2.8%				
Cash	1.8%				
Overlay	0.7%	0.69%	-0.28	-0.28	0.00

*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 3/31/2021



Geographic Exposures by AUM* - Total Fund as of July 2021 ex-overlay



USA, 67.4%

*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 3/31/2021

 $^{\rm 2}$ "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 July 2021 ex-overlay

Credit = Growth = Real Assets and Inflation Hedges = Risk Reduction and Mitigation **Real Assets and Risk Reduction and** Growth USA - United States of America Mitigation Inflation Hedges AUS - Australia CAN - Canada CHE - Switzerland CHN - China **DEU - Germany** FRA - France USA, 9.0% **GBR** - United Kingdom Global - Multi-country exposure IND - India USA, 32.2% JPN - Japan **USA. 18.0%** KOR - Korea **ROW. 3.2%** AUS, 2.8% NLD - Netherlands FRA, 1.3% CHE, 1.0% CAN, KOR, **Global**, 1.6% HKG, 0.9% 0.6% SWE - Sweden SWE, AUS, **GBR, 2.4%** 0.6% 0.6% Credit TWN - Taiwan JPN, 2.3% CAN. 1.0% TWN, IND, ROW - Rest of world² Global, 1.3% 0.6% 0.5% ROW, HKG - Hong Kong KOR, Global, NLD, 3.7% CHN, 2.3% **DEU, 1.5%** USA, 8.2% 0.7% 0.5% ROW, 0.9% 0.6%

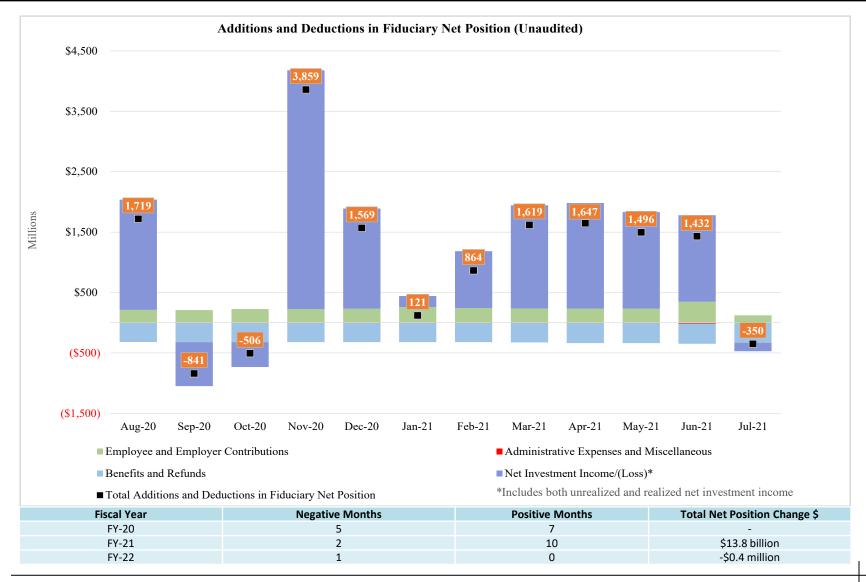
*AUM = assets under management

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 3/31/2021

 $^{\rm 2}$ "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

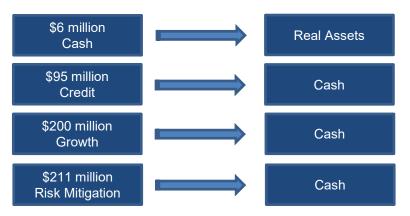


Portfolio Structural Updates



Portfolio Structural Updates

Portfolio Movements



Rebalancing Activity

Current Search Activity

Status of Active Searches – Subject to Change

Name	RFP Issued	Due Diligence	BOI Review
Global Equity Emerging Manager Search	•		Anticipated Late 2021
Private Equity Emerging Manager Discretionary Separate Account Search	•		Anticipated Early 2022
General Consultant Search			Anticipated Early 2022

Quiet Period for Search Respondents

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

Hedges and Overlays

Program	July Return	July Gain/Loss	Inception [*] Gain/Loss
Currency Hedge**	-0.1%	\$4.5 Million	\$832.5 Million
Cash/Rebalance Overlay***	0.8%	\$36.4 Million	-\$22.5 Million

*Currency and overlay program inception dates are 8/2010 & 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

Key Initiatives and Operational Updates



Notable Initiatives and Operational Updates

Key Initiative Updates

- Ongoing implementation and development of LACERA T.I.D.E. initiative
- New Strategic Asset Allocation implantation is ongoing
- Preparing for 2021 BOI Offsite

Completed Actions

- The new performance system onboarding process has been completed
- The new risk system onboarding process has been completed

Operational Updates

- Annual Contract Compliance exercise for public markets in process
- LACERA T.I.D.E demographic data collection across all mangers is in process

Team Searches and Open Positions

- Active Searches
 - Financial Analyst III Credit
 - Interns Start October 1, 2021

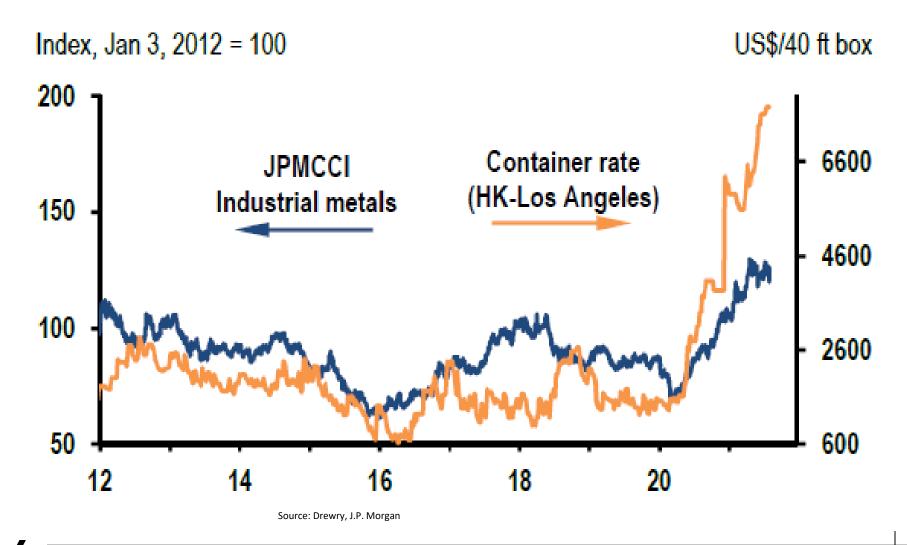
Manager/Consultant Updates

 DWS Group (Real Estate and Real Assets) – It has been reported that U.S. authorities are investigating the firm after a former DWS head of sustainability said that the group has overstated how much it used sustainable investing criteria to manage its assets. Probes are in the early stages and are being conducted by the Securities and Exchange Commission and federal prosecutors.





Staff Chart of the Month* Industrial Metals Prices and Transportation Costs



Quiet Period for Search Respondents

Private Equity Emerging Manager Discretionary Separate Account Search

- ✓ 50 South Capital Advisors
- ✓ AlpInvest
- ✓ Barings
- ✓ Cambridge Associates
- ✓ Commonfund Capital
- ✓ Fairview Capital
- ✓ HamiltonLane
- ✓ HarbourVest
- ✓ Invesco
- ✓ JP Morgan
- ✓ Morgan Stanley
- ✓ Neuberger Berman
- PineBridge Investments
- ✓ Sango Capital
- ✓ Unigestion
- ✓ Wilshire

Global Equity Emerging Manager Search

- ✓ Advisory Research Investment Management
- ✓ Akiya Investment Management
- ✓ Applied Research Investments, LLC
- ✓ Blackcrane Capital, LLC
- ✓ Brasil Capital
- ✓ Bridge City Capital
- Cartica Management, LLC
- ✓ CDAM (UK) Limited
- ✓ Cedar Street Asset Management
- ✓ Centerstone Investors, LLC
- ✓ Columbus Point LLP
- ✓ Cove Street Capital, LLC
- ✓ Dundas Partners LLP
- ✓ EAM Investors, LLC
- ✓ Emerge Capital Management
- ✓ Evolutionary Tree Capital Management
- ✓ Foresight Global Investors, Inc.
- ✓ FountainCap Research & Investment
- ✓ Frontier Global Partners
- ✓ Legion Partners Asset Management, LLC
- ✓ MayTech Global Investments, LLC
- ✓ Metis Global Partners, LLC
- ✓ Nipun Capital, LP
- ✓ NZS Capital, LLC
- ✓ Port Capital, LLC
- ✓ Redwood Investments, LLC
- ✓ Sustainable Insight Capital Management
- ✓ Taylor Frigon Capital Management, LLC
- ✓ Trinity Alps Capital Partners, LP



August 30, 2021

TO:	Trustees – Board of Investments
FROM:	Credit and Risk Mitigation Committee
	Vache Mahseredjian, CFA, CAIA, FRM, ASA VW
FOR:	September 8, 2021 Board of Investments Meeting

SUBJECT: RISK REDUCTION AND MITIGATION STRUCTURE REVIEW

RECOMMENDATION

Approve the initiatives and recommendations listed on page 37 of the Risk Reduction and Mitigation Structure Review (see **Attachment**) advanced by the Credit and Risk Mitigation Committee.

BACKGROUND

At the August 11, 2021 meeting of the Credit and Risk Mitigation Committee ("Committee"), staff presented a structure review for the Risk Reduction and Mitigation functional asset category. That review included several recommendations (summarized on page 37 of the **Attachment**), which the Committee advanced to the Board of Investments ("BOI"). Among the most salient of those recommendations are the following:

Investment Grade Bonds

- Adopt a target mix of 70% Passive / 30% Active strategies
- Formally terminate the Core Plus mandates, which were liquidated earlier this year

Long Treasury Securities

• Launch a manager search to implement the new 5% allocation¹

Hedge Funds

• Increase the target allocation for the emerging manager program to 15%

Other recommendations in the structure review are not listed above because they pertain to initiatives the BOI has previously approved, such as attaining new strategic asset allocation targets. The structure review also contained program-level guidelines.

¹ Approval of MQs for the search are a separate item on this meeting's Agenda.

Trustees – Board of Investments August 30, 2021 Page 2 of 2

OPTIONS AVAILABLE TO THE BOARD

The Board may wish to approve, modify, or reject the recommendation.

DELIBERATIONS AND OPINIONS EXPRESSED BY THE COMMITTEE

Committee members asked a couple of questions:

• **Question 1**: Is the allocation to long-term Treasury bonds tactical or strategic?

Response: The allocation is strategic. The allocation to long-term Treasury bonds is part of the new SAA adopted in May. The long-term Treasurys are intended to act as a partial hedge to the Fund's equity exposure.

• **Question 2**: Why not adopt a structure that is 100% passive versus 70% passive/30% active?

Response: The combination of U.S. Treasury securities and U.S. Agency MBS represents over 75% of the benchmark index. As a result, active core managers have demonstrated a consistent ability to outperform the index with low risk. Therefore, the 70/30 mix provides a prudent mix of low tracking error plus some potential for modest outperformance.

Following the discussion, the Committee voted unanimously to advance the structure review to the BOI.

RISKS OF ACTION AND INACTION

If the Board approves the recommendation, staff will begin implementing initiatives included in the structure review.

Should the Board reject the recommendation, the structure of the Risk Reduction and Mitigation functional category would be out of alignment with its objectives and its benchmark, thereby increasing the risk of the Total Fund.

CONCLUSION

The Committee voted unanimously to advance the Risk Reduction and Mitigation structure review to the Board for approval.

Attachment

Noted and Reviewed:

min

Jonathan Grabel Chief Investment Officer

July 30, 2021

TO: Trustees - Credit and Risk Mitigation Committee

FROM: Vache Mahseredjian, CFA, CAIA, FRM, ASA (アン) Chad Timko, CFA, CAIA Cて Principal Investment Officer Senior Investment Officer

> Robert Z. Santos & Investment Officer

Quoc Nguyen, CFA Investment Officer

Adam Cheng, CFA $\wedge e$ Senior Investment Analyst

FOR: August 11, 2021 Credit and Risk Mitigation Committee Meeting

SUBJECT: RISK REDUCTION AND MITIGATION STRUCTURE REVIEW

RECOMMENDATION

Advance the initiatives and recommendations on page 37 of the Risk Reduction and Mitigation structure review (Attachment A) to the Board of Investments for approval.

BACKGROUND

The Strategic Asset Allocation ("SAA") analysis completed in May of this year added a new segment to LACERA's Risk Reduction and Mitigation functional category. In addition to the three existing components--investment grade bonds, hedge funds, and cash—the SAA added a 5% target allocation to Long-Term U.S. Treasury bonds. All four components are designed to reduce the Total Portfolio's risk and to provide downside protection when the Growth functional category encounters a downturn.

SUMMARY

This structure review considers potential portfolio adjustments in response to new SAA targets adopted in May of 2021.

The presentation consists of an introductory overview followed by sections dedicated to each of the four portfolio components. A concluding section provides a summary of initiatives and recommendations (see page 37). Please note that a manager search will be required to fund the new Long-Term U.S. Treasury bond allocation; minimum qualifications for that search will be discussed in a separate agenda item immediately following the structure review.

Trustees – Credit and Risk Mitigation Committee July 30, 2021 Page 2 of 2

LACERA's consultants Meketa and Albourne reviewed the segments of the presentation that apply to their respective mandates and are in support. (Albourne reviewed the hedge fund section and Meketa reviewed the rest). The consultants' consent memos are included as **Attachments B** and **C**).

Attachments

Noted and Reviewed:

min

Jonathan Grabel Chief Investment Officer

ATTACHMENT A

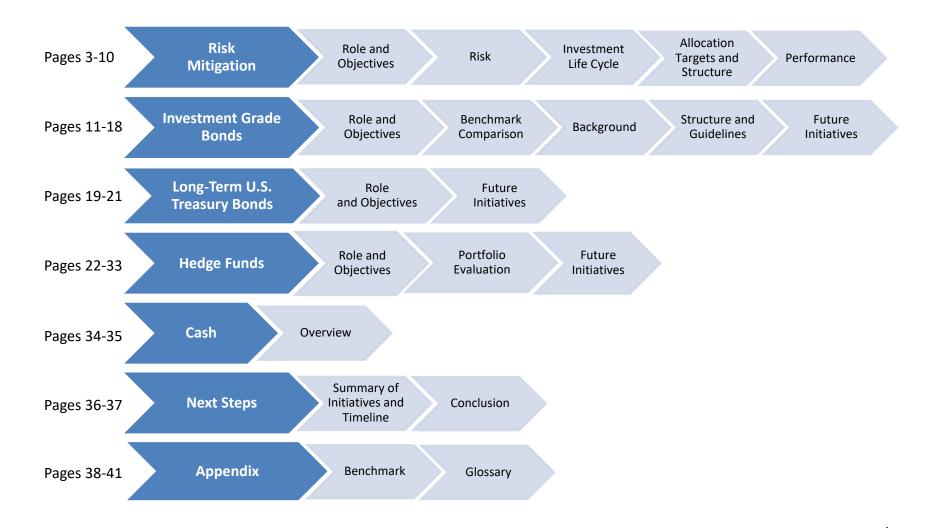
Risk Reduction and Mitigation Structure Review

Credit and Risk Mitigation Committee Meeting August 11, 2021

> Vache Mahseredjian – Principal Investment Officer Chad Timko – Senior Investment Officer Robert Santos – Investment Officer Quoc Nguyen – Investment Officer Adam Cheng – Senior Investment Analyst John Kim – Senior Investment Analyst

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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Risk Mitigation: Role

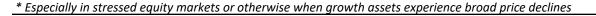
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Risk N	litigation
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- Reduce Total Fund risks
- Capital preservation*
- Downside protection*
- Moderate income

- Low volatility
- Low correlation to growth assets
- Source of liquidity

	Cash Investment Grade Bonds		Long-Term Government Bonds	Hedge Funds
•	Primary source of Total Fund liquidity	• Secondary source of Total Fund liquidity	• Good Hedge to Equities (Negative correlation)	• Benefit Total Fund Sharpe ratio and diversification
•	Paramount to LACERA's mission of providing	Generate income	• Performs well in a flight to quality	Downside protection
	the promised benefit	Lower volatility	• Liquid	Non-directional market risks
•	Focus on capital preservation	Low correlation to global equity		Contribute positive returns frequently

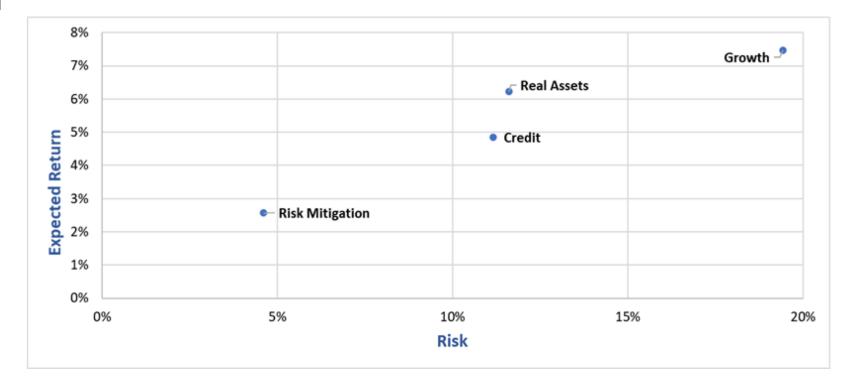


Risk Mitigation: Continuum

An intentionally designed risk mitigation portfolio:

Cash, Investment Grade Bonds, Mostly and Long-Term U.S. Treasury Bonds **Passive** Market beta **Risk Mitigation** Investable benchmarks Directional interest rate risk • **Portfolio** (not applicable to cash) Implemented to capture market-based returns **Hedge Funds** Active • "Alpha" or absence of market beta No investable benchmark ٠ Non-directional to growth, real asset, and credit markets Implemented to capture complex or idiosyncratic sources of risk/return

Risk Mitigation: Lowest Risk Among the Four Functional Categories



 Based on the most recent strategic asset allocation assumptions, Risk Mitigation has an expected return of 2.6% and expected risk of 4.6%

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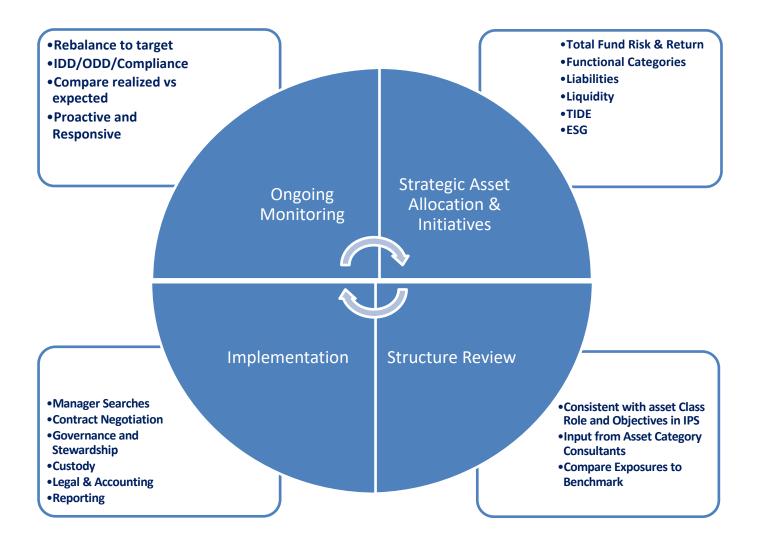
Risk Mitigation: Total Fund Risk Contribution as of May 2021

LACERA's Risk Analytics (MSCI BarraOne) confirm that the Risk Reduction and Mitigation functional category is the smallest contributor to Total and Active Fund Risk

Asset Class	Market Value	Weight (%)	Stand Alone Total Risk	%Cont to Total Risk	Stand Alone Active Risk	%Cont to Active Risk
Growth	35,975,490,564	50.9%	20.7	76.4%	1.3	61.1%
Credit	7,637,951,236	10.8%	5.9	4.1%	2.1	7.7%
Real Assets & Inflation Hedges	11,935,772,679	16.9%	19.2	21.4%	5.2	45.2%
Risk Reduction & Mitigation	14,605,849,804	20.7%	3.1	0.6%	0.8	2.5%
Total Fund	70,707,407,755	100.0%	13.6	100.0%	1.6	100.0%

Asset Class	Market Value	Weight (%)	Stand Alone Total Risk	%Cont to Total Risk	Stand Alone Active Risk	%Cont to Active Risk
Risk Reduction & Mitigation	14,605,849,804	20.7%	3.1	100%	0.8	100%
Investment Grade Bonds	11,191,465,002	76.6%	3.8	90.2%	0.2	2.0%
Diversified Hedge Funds	2,419,546,499	16.6%	4.7	9.8%	4.7	98.0%
Cash	994,838,303	6.8%	0.0	0.0%	0.1	0.1%

Risk Mitigation: Investment Life Cycle*

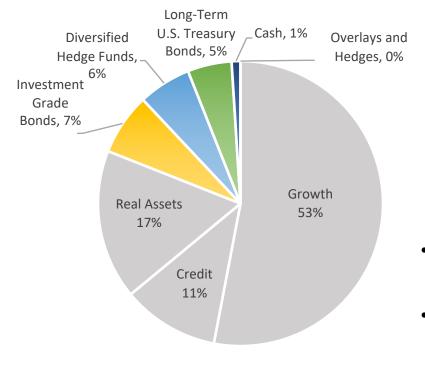


* Items may reside in multiple categories

7

Risk Mitigation: New and Prior SAA Targets

Total Fund Asset Allocation¹



Asset Allocation Targets & Rebalancing Amounts Based on Actual 6/30/21 Values²

				Actual
	Prior SAA	New SAA	Change in	Change in
	Targets	Targets	%	(\$Million)
Risk Mitigation	24%	19%	-5%	-\$1,100
Cash	1%	1%	0%	\$0
Investment Grade Bonds	19%	7%	-12%	-\$6,300
Long-Term U.S. Treasury Bonds	0%	5%	5%	\$3,500
Diversified Hedge Funds	4%	6%	2%	\$1,800

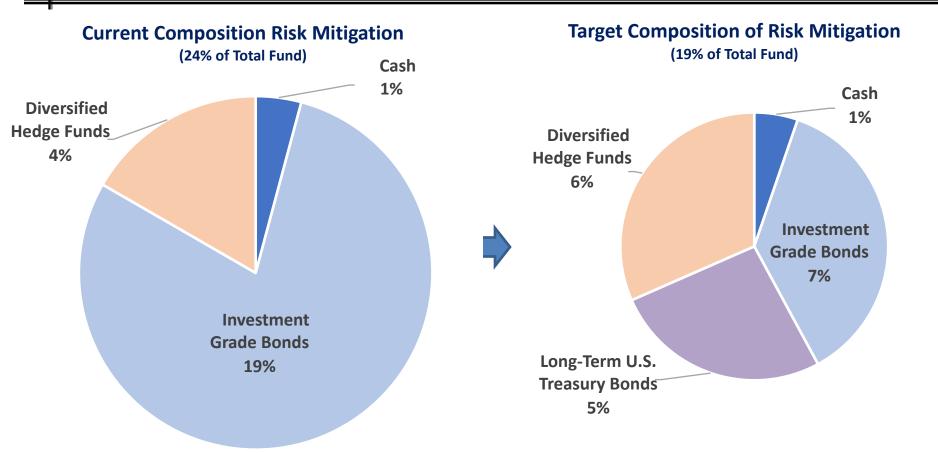
- Risk Mitigation reduction of \$1.1 Billion to
 be sourced from Investment Grade Bonds (-\$6.3B)
- New Allocation to Long-Term U.S. Treasury Bonds of \$3.5 Billion
- Diversified Hedge Funds increasing \$1.8 Billion

¹Strategic Asset Allocation approved at Board of Investments Meeting on May 19, 2021

² Actual values are based on preliminary 6/30/21 report and may be subject to revision; hedge fund value based on Albourne calculation

Risk Mitigation: Portfolio Structure

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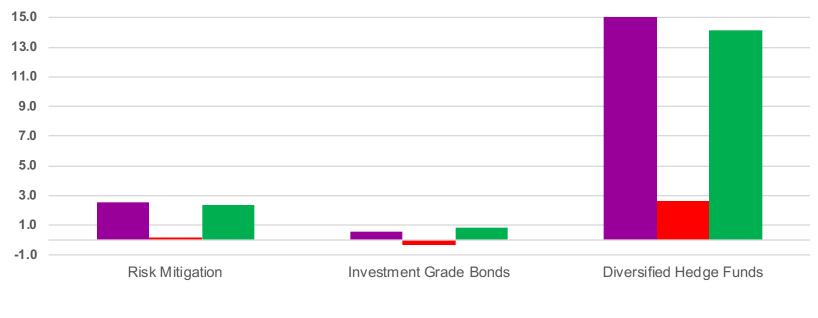
- Reduction in Risk Mitigation from 24% to 19% (approx. \$1.1B)
- Reallocation of assets: Increase in Hedge Fund allocation, substantial reduction in Investment Grade Bonds allocation, and new allocation to Long-Term U.S. Treasury Bonds

Risk Mitigation: Performance

Π.

Net-of-Fee Performance as of June 30, 2021

Risk Mitigation





All underlying strategies within Risk Mitigation outperformed their respective benchmarks, led by Hedge Funds and Investment Grade Bonds

Based on preliminary data as of June 30, 2021 from State Street and lagged one month for Hedge Funds

Section Break

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Risk Mitigation

Investment Grade Bonds

Investment Grade Bonds:

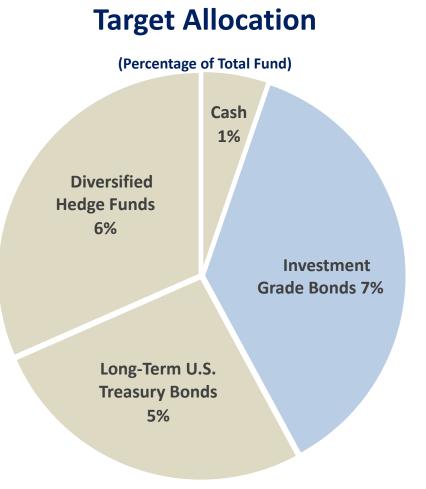
Role, Objectives, and Target Allocation

Role

- Secondary source of Total Fund liquidity
- Reduce portfolio risk

Objectives

- Generate income
- Diversify equity risk
- Preserve capital during equity market downturns



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Investment Grade Bonds:

Benchmark Comparison & Risk as of May 2021

The portfolio is closely aligned with the benchmark ${f *}$

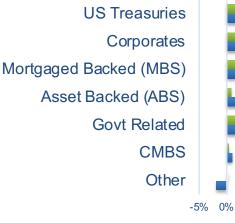
	Portfolio	Benchmark
Total Risk	3.8	3.6
Active Risk	0.2	-
Beta	1.1	1.0
Duration	6.8	6.4
Convexity	0.2	0.1
Yield (YTW)	2.0%	2.1%
Spread (OAS)	38	43
Coupon	2.5%	2.7%

Risk Source	% Total Risk	% Active Risk	
Term Structure	102.1%	87.9%	Interest rates are the primary
Spread	-3.5%	5.6%	source of risk
Selection Risk	0.1%	7.3%	
Currency Risk	0.0%	0.0%	
Other	1.2%	-0.8%	
Total	100%	100%	

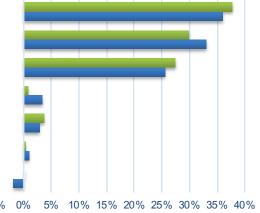
* Please see Appendix for Benchmark Information

**Source: MSCI BarraOne

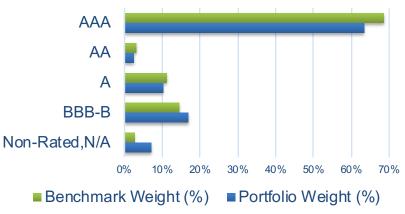
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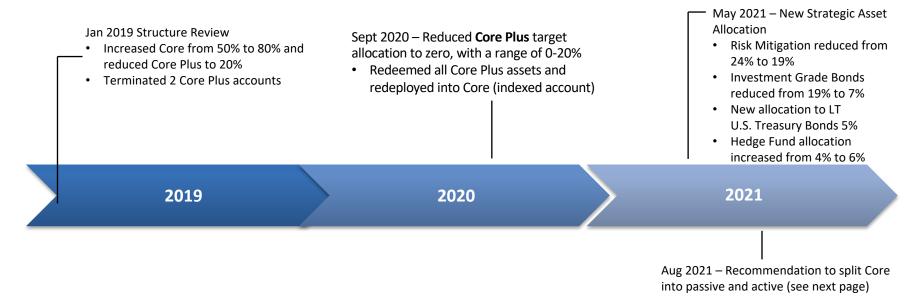
Sector Weights vs. Index



Moody's Rating vs. Index



Investment Grade Bonds: Background



- Portfolio structure has been refined over recent structure reviews to more closely align with the risk mitigation objective
- Core Plus strategies have been liquidated; Board authorization is needed to formally terminate Investment Management Agreements (IMAs)
- The current recommendation is to separate Core into indexed (passive) and active strategies

Investment Grade Bonds: Portfolio Structure

Following the liquidation of Core Plus strategies, IG Bonds consists entirely of Core strategies. The recommendation is to split Core into Passive and Active components. The recommended mix below reflects the category's riskmitigation role, as well as the expected return, risk, fees, and liquidity of active and passive strategies

	Target Allocation	Allocation Ranges
Passive	70%	50% - 100%
Active	30%	0% - 50%

Recommended Strategy Allocation

The recommended target allocation is consistent with the current implementation, as the passive/active mix was 69%/31% as of 6/30/21.

Investment Grade Bonds: Portfolio Guidelines

Return Objective & Benchmark	Meet or exceed the return of the Bloomberg Barclays U.S. Aggregate Bond Index net of fees
Risk Target	Annualized tracking error of no more than 50bps
Sectors	Only sectors in the benchmark
Geography	Only countries represented in the benchmark
Currency	U.S. Dollar denominated
Quality	Only bonds rated investment grade
Leverage	None

Investment Grade Bonds:

Timeline



The reduction in Investment Grade Bonds will be phased-in, contingent upon a BOI-approved schedule for implementing benchmark changes

Investment Grade Bonds: Future Initiatives

Implement new strategic asset allocation

 Reduce investment grade bond allocation to 7% (Approx. \$6.3B)

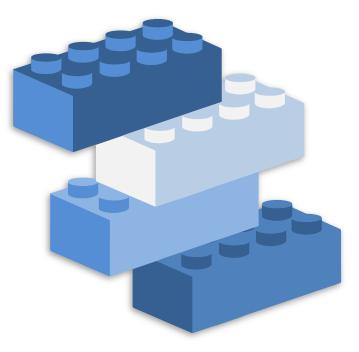
Continue to improve analytics and reporting

- Onboard MSCI Barra risk system
- Enhance dialogue with managers on ESG/Climate Risk
- Elevate T.I.D.E. Reporting

Recommendations

Terminate Legacy Core Plus Managers

70% Passive / 30% Active Structure



Section Break



Long-Term U.S. Treasury Bonds: Role, Objectives, Allocation & Implementation

Role

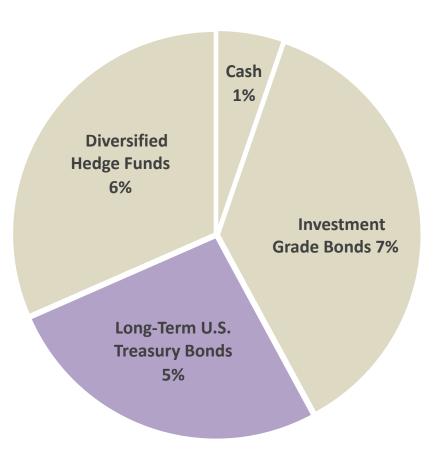
- Add value in equity market downturns
- Key component of Total Fund risk profile

Objectives

- Expected to have negative correlation to equities
- No credit risk
- Liquid implementation

Implementation

- Efficient segment of bond market
- Beta exposure, not seeking alpha



Target Allocation

Long-Term U.S. Treasury Bonds: Future Initiatives

New Allocation within Risk Mitigation: 5% allocation

- Conduct search for Long-Term U.S. Treasury Bond Manager
 - Indexed implementation
 - Recommend approval of Minimum Qualifications
 - Utilize Transition/Overlay manager to gain exposure until RFP is completed
- Minimum Qualifications will be addressed in separate agenda item

Section Break



Hedge Funds: Role and Objectives

Role:

1.

- Reduce Total Fund risk
- Enhance diversification

Objective:

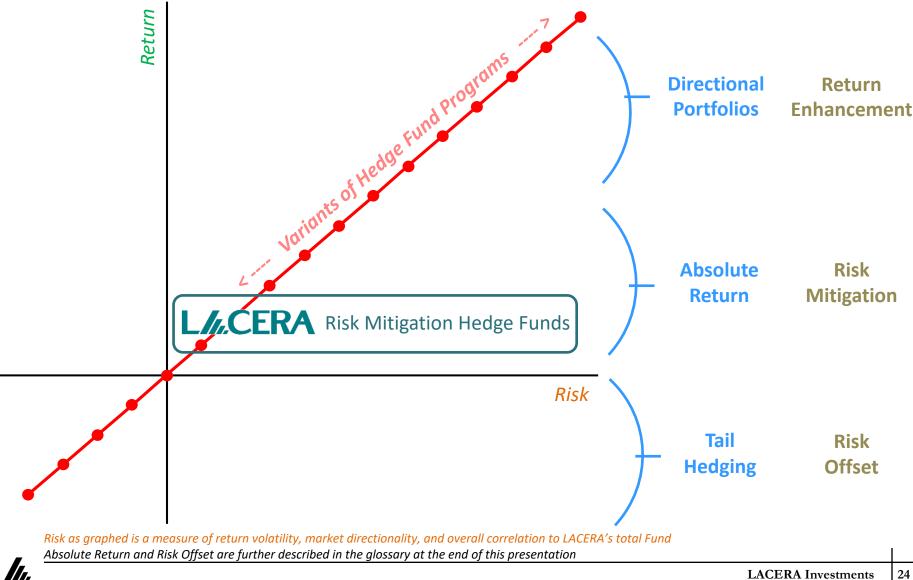
- Downside protection
- Low correlation
- Frequently positive
- Moderate returns
- Improve Total Fund Sharpe ratio
- Cash + 2.5% per year benchmark



- Not tail hedging
- Not negative return expectations



Hedge Funds: **Types of Hedge Fund Programs**



Hedge Funds: Portfolio Development

2.0 Portfolio monitoring and enhancement ٠ **Direct Portfolio Emerging Manager Program maturation and** ٠ • Direct portfolio initial graduations build-out "completed" 1.0 Shared ownership investments (seeding) ٠ **Fund of Funds** Launched Emerging ٠ Manager Program • Fund of funds origination We Evolution from low beta ٠ are Policy establishment ٠ to risk mitigation here

- Portfolio is strongly fit for purpose (risk mitigation)
- Rebalancing (upsizing) the existing portfolio is possible to reach an increased allocation target

3.0

Next Phases

Adapt to 2021 Strategic Asset Allocation (6% target)

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Hedge Funds: Recent Activity

Activity Over Last Two Years

Portfolio Evolution

- Benchmark: Cash + 5% → Cash+2.5%
- Liquidated two hedge fund of fund programs
- Established an emerging manager program

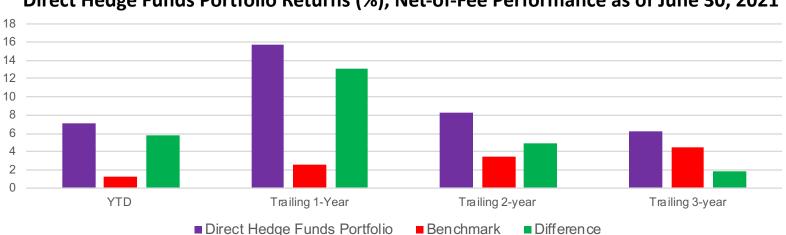
Manager Changes

- Added five managers that fit risk mitigation objectives
- Removed two managers that did not fit objectives well

Objective Oriented Portfolio

 In March 2020, when the MSCI ACWI IMI index lost 13.5%, the average return from LACERA's current eight managers was -0.4%, a low 3% downside capture

Hedge Funds: Performance¹



Direct Hedge Funds Portfolio Returns (%), Net-of-Fee Performance as of June 30, 2021

 \geq The direct portfolio has outperformed over the 1, 2, and 3-year periods driven by performance that is in line with risk mitigating objectives as shown in the table below

Trailing Period (as of 6/30/21)	Sharpe Ratio	Beta ²	Standard Deviation	Downside Deviation	Max Drawdown	Upside/ Downside Capture Spread ²
1 Year	5.0	0.09	3.2%	0.1%	-0.1%	80%
2 Year	1.7	0.18	4.8%	3.3%	-4.8%	14%
3 Year	1.3	0.15	4.2%	2.7%	-4.8%	13%

¹ Returns and returns analysis use data as of June 30, 2021 from State Street which is lagged by one month

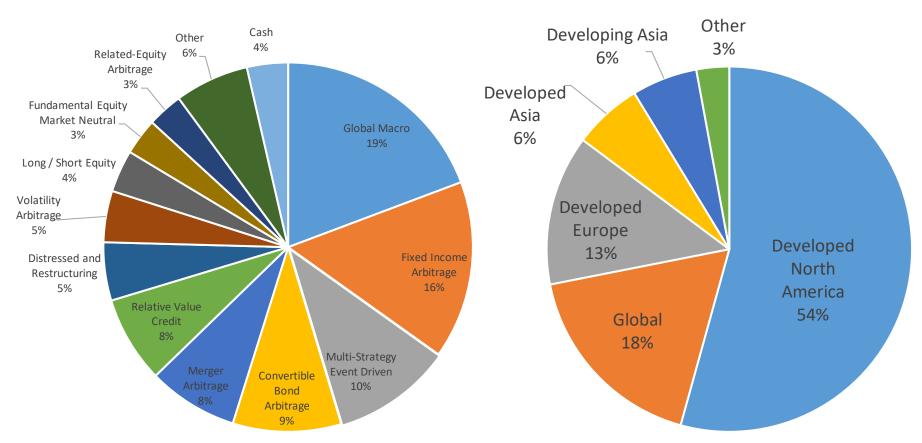
² To the MSCI ACWI IMI index (global equity market index and LACERA's public equities benchmark)

Select terms are further described in the glossary at the end of this presentation

Hedge Funds: Portfolio Structure

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LACERA's 8-manager portfolio is diversified across strategies and regions:

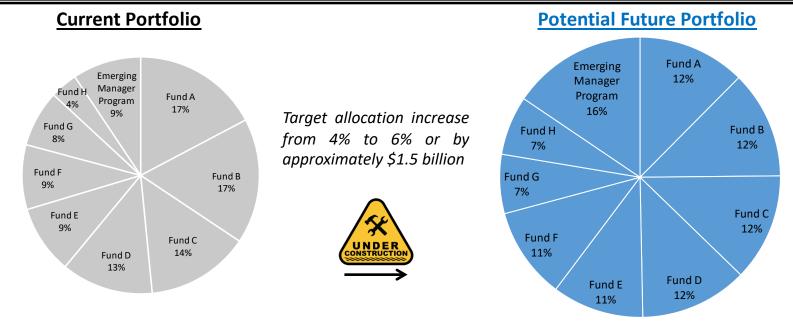


Strategy Allocation

Geographic Allocation

Data is as of 6/30/2021 and includes considerations for a \$100 million investment in AM Asia that occurred on 7/1/2021. The pie chart's do not consider fund of funds portfolios that are being liquidated

Hedge Funds: Portfolio Structure



Initiatives Underway

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- □ Increase portfolio size to reach 6% target as established in the recent strategic asset allocation study
- □ Increase allocations to well-performing funds via existing rebalancing authority delegated to the CIO

Initiatives That Would Require Future Approvals

- Selectively consider new investments without feeling forced to act
- □ Increase portfolio weight of the Emerging Manager Program and plan for future graduations

The Potential Future Portfolio is an illustrative example and actual implementation is likely to vary based on fund capacity and performance over time Two fund of hedge funds mandates (approximately \$91 million) are not shown. These mandates were built by Grosvenor Capital Management and Goldman Sachs Asset Management and are now liquidating

Hedge Funds: Emerging Manager Program



- 1. In December of 2020, LACERA's BOI approved Stable Asset Management as a separate account manager for an emerging manager program
 - Future manager graduations are the goal



2. Initial investments are in the process of being made and are consistent with emerging manager definitions and program characteristics previously approved by the Board



- 3. Future steps
 - 2021 2023: expected initial deployment by separate account manager
 - 2022 and beyond: program updates and performance reporting
 - 2024 and beyond: select graduations and evergreen re-investments

Hedge Funds: Emerging Manager Program

• Increasing the size of the Hedge Funds Emerging Manager Program would uplift and benefit several strategic plan initiatives:



LACERA T.I.D.E.

- Due diligence
- Capital formation
- Engagement
- Industry advocacy



Strengthen Influence on Fees and Cost of Capital

- Shared ownership benefits such as revenue sharing
- Future capacity rights at attractive fee terms
- Early-stage strategic partnerships with high influence
- Mandate tailoring, co-investments, and transparency



Optimize Investment Model

- Casting a wide net
- Graduation is the goal and negotiated capacity rights allow for it at scale
- Diversifying sources of risk and return

• Portfolio Composition Recommendation:

	Current / Approved	Recommended for Approval	
Policy Allocation Range:	0-10%	10-20%	
Policy Allocation Target:	none	15%	
		Based on allocation target;	
Mandate Size:	\$250 million	~ \$650 million considering a \$70 Billion	
		total Fund and a 6% target to Hedge Funds	
Program Structure:	Evergreen separate account manager	Evergreen separate account manager	

* A \$650 million emerging manager program allows for diversification across ~ 10 managers and investment sizes that materially impact a newly launching firm

Hedge Funds: Portfolio Guidelines

• Portfolio guidelines are noted below with comments relative to existing guidelines

	Proposed	Relative to Existing Guidelines
Return Objective & Benchmark	Cash + 2.5%; with risk mitigation objectives as guided by the IPS and structure review	Added clarifying language
Risk Target	3-7% standard deviation of program monthly returns on an annualized basis	Clarified metric
Market Sensitivity	MSCI ACWI equity beta less than 0.2 for any portfolio and the Program	No change
Geographic Exposure	Maximum of 30% invested in non-developed markets	New guideline
Liquidity	100% of capital within 5 years; at least 50% within 3 years	No change
Side Pockets	Allowed with the reasonable expectation that no side pocket would last beyond 5 years	No change
Leverage	10x when aggregating individual funds	No change
Manager Count	~ 10 direct portfolio and ~ 10 emerging manager portfolio	Adjustment from 0-10 for EMP
Emerging Manager Program	Evergreen separate account emerging manager program 15% target allocation with a 10-20% range (of the hedge funds portfolio)	No change 10% maximum; no target
Emerging Manager Definition	 An emerging hedge fund manager meets the three following criteria: Organization has less than \$500 of assets under management; Organization has managed external capital for less than 3 years; and Organization is at least 66% owned by managing principals and employees A manager is no longer emerging if any of the following occur: Organization managing the fund has assets under management that exceed \$1 Billion for the trailing 24 months and the fund has a performance track record of at least 36 months; LACERA's initial investment occurred greater than 5 years ago; or Organization managing the fund is not at least 66% owned by managing principals or employees 	No change No change No change No change No change No change
Transparency	Position-level or risk-exposure data is required from managers	No change
Partnership Size Limits	Less than 35% of a commingled fund structure; does not apply to managers defined as emerging	No change

Hedge Funds: Future Initiatives

Direct Portfolio

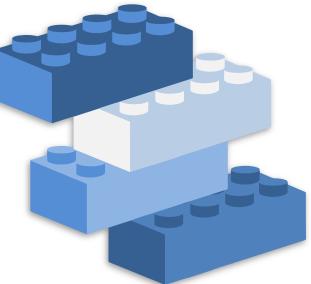
- Prioritize risk mitigation objectives
- Consider potential 9th or 10th manager without feeling forced (the program is well-structured already)
- Upsize existing managers to accommodate an increased strategic allocation target (4% to 6%)

Emerging Manager Program ("EMP")

- Establish a 15% target allocation for the EMP to cast a wide net and benefit the probability of future graduations
- Uphold risk mitigation objectives as the EMP program is implemented
- Evaluate graduation prospects over the coming years

Fund of Fund Portfolios

• Complete wind-down of legacy portfolios





Section Break



Cash: Overview

Role

• Primary source of total Fund liquidity

Objectives

- Paramount to LACERA's mission of providing the promised benefit
- Nexus for all rebalancing
- Capital preservation
- Prioritize liquidity over outperformance



Credit

Cash

Structure

- Cash^{*}
- SSgA Enhanced Cash Strategy
- State Street Money Market Fund

Future Initiatives

Enhance operational effectiveness

- Cash management tools to monitor daily cash projections
- Cash movement protocols to ensure all activity is routed from/to a single destination

* \$700 million floor (equal to 1% target allocation) to ensure adequate reserves for benefit payments at all times

Real Assets

Growth

Risk Mitigation



Risk Mitigation: Summary of Initiatives

Investment Grade Bonds

- Terminate Core Plus Manager Investment Management Agreements
- Adopt Target Mix: 70% Passive / 30% Active
- Reduce allocation consistent with new SAA target

Long Treasurys

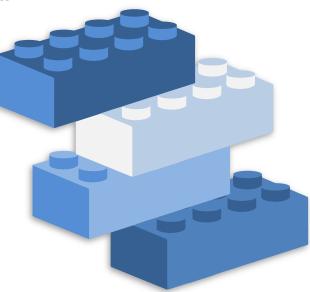
Launch manager search

Hedge Funds

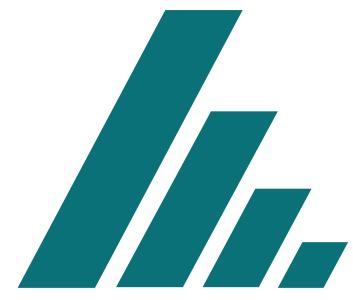
- Continue to expand direct program to achieve 6% SAA target
- Increase target allocation to emerging manager program to 15%
- Complete wind-down of legacy fund of funds

Cash

Continue to enhance operational tools and protocols







Appendix 1: Risk Mitigation Benchmarks

	Benchmark
Risk Mitigation	Custom Blended (Aggregated weight of sub-category benchmarks)
Investment Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index
Long Term U.S. Treasury Bonds	Bloomberg Barclays U.S. Long Treasury Bond Index*
Diversified Hedge Funds	FTSE 3M T-Bill index Plus 250 bps (1-month lag)
Cash	FTSE 3M T-Bill index

Appendix 2 – Glossary of Terms

TERM	DEFINITION
Absolute Return	A strategy that is independent of traditional benchmarks such as the S&P 500 Index or the Barclays U.S. Aggregate Bond Index. These strategies tend to have lower volatility over time and may to operate independently of market direction.
Active	A measure of the difference relative to a benchmark. For example, if a portfolio's return is 5%, and the benchmark's return is 3%, then the portfolio's active return is 2%. A portfolio's active total risk is the risk associated with the volatility of active returns. Active weight is the portfolio's weight in an asset minus the benchmark's weight in the same asset. Active exposure is the portfolio's exposure to a factor minus the benchmark's exposure to that same factor.
Active Total 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."
Beta	A measure of the sensitivity of an asset to movements in the market or other benchmark; thus, a measure of its non-diversifiable or systematic risk. A beta of one (1) indicates that, on average, the asset is expected to move in tandem with the market or benchmark.
Common Factor Risk	A common factor is a characteristic shared by a group of securities that influences the returns of those securities. Securities with similar characteristics exhibit similar return behavior, which may be distinct from the rest of the market. Examples of common factors are industries, styles, term structure, and spreads. Common factor risk is the part of total risk due to exposure to common factors.
Downside Capture	Measure of an investment's performance during down markets, calculated as the strategy's returns divided by the returns of the benchmark index during the down market. A lower down market capture ratio means an investment was less negatively impacted during market downturns.
Downside Deviation	Volatility of monthly returns that measures the average deviation from the mean and only considers negative returning months.
Effective Duration	A measure of the price sensitivity of bonds with respect to a parallel shift of the discount curve that is particularly useful for bonds with embedded options (e.g., callable bonds, putable bonds, and mortgage-backed securities).
Marginal Contribution to Risk (MC to Risk)	An asset's contribution, on the margin, to a particular risk characteristic of a portfolio. It measures the change in that characteristic caused by a one percent change in that asset's or group's percent holding (while shorting an equal amount of cash to keep all other asset weights constant).
Maximum Drawdown	The compounded but not annualized maximum loss over a time period.

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Appendix 2 – Glossary of Terms (continued)

TERM	DEFINITION
Option-Adjusted Convexity (OA Convexity)	The sensitivity of a security's effective duration to changes in interest rates, calculated taking its embedde options into account.
Option-Adjusted Spread in Basis Points (OAS (bp))	The spread over the asset's discount curve that equates the price of a security to the present value of its cash flows, with the latter adjusted to reflect any embedded options.
Percent Contribution to Total Risk (%CR to Total Risk)	The percent of total risk that an individual asset or risk source contributes. For example, a %CR to Total Ris of 10% indicates that 10% of the portfolio's total risk is arising from the portfolio's position in that particul asset.
Risk Offset	Strategies designed to perform well during a significant market downturn, typically in equity markets. The strategies are similar to buying insurance where there is a cost of premium associated with receiving a payoff when an adverse [market] event occurs.
Selection Risk	Risk that is specific to an asset and is uncorrelated (or negligibly correlated) with the risks of other assets. That is, asset selection risk is the portion of an asset's or portfolio's risk that is unexplained by the risk model. Also called specific, unique, idiosyncratic, or independent risk.
Sharpe Ratio	Measures risk-adjusted performance of an investment compared to a risk-free asset.
Spread Risk	The risk due to exposure to spread movements, a risk factor that captures typical movements in term structure spreads. Spread factors in Barra's risk model include non-government spread (also known as spread) and emerging market spread.
Standard Deviation	Volatility of monthly returns that measures the average deviation from the mean.
Term Structure Risk	The part of risk due to exposure to term structure movements. The term structure shows the relationship between interest rates and maturities—commonly known as a yield curve.
Total Risk	The total (gross) risk to an asset, which is the standard deviation of the asset's total return distribution, expressed in percent. We forecast total risk using Barra's multiple factor model. 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.
Upside –Downside Capture Spread	A measurement of the difference between upside capture and downside capture.
Upside Capture	Measure of an investment's performance during up markets, calculated as returns divided by the returns the benchmark index during the up market. A high up capture ratio means an investment outperformed the index during up markets.



LACERA Hedge Fund Structure Review Concurrence Memo

July 30, 2021

То:	Each Member Credit and Risk Mitigation Committee Board of Investments
From:	James Walsh, G. Stephen Kennedy Albourne America LLC
T	

For: August 11, 2021 Credit and Risk Mitigation Committee Meeting

Recommendation: Albourne America LLC ("Albourne") recommend that the 2021 Structure Review of LACERA Hedge Fund Portfolio be advanced to the Board of Investments for approval

Background: Albourne consults LACERA on the Hedge Fund portfolio. Staff has prepared the 2021 Hedge Fund Structure Review for the Credit and Risk Mitigation Committee and the Board of Investments for its consideration and ultimately approval. Albourne has reviewed the Structure Review and agrees with the recommendations.

The Structure Review re-asserts the Investment Role and Objectives as updated in November 2018 and reviewed in August 2019, which emphasize the risk mitigation characteristics of the portfolio to achieve "Absolute Returns" and diversifying returns within the overall investment plan. Commensurate with that, the portfolio focuses on downside protection, an increased Sharpe ratio with lower volatility, driven by non-directional market risks.

The Structure Review notes that the Direct portfolio is now built out. The overall size of the portfolio will increase as the target allocation moves to 6%, which will be achieved by adding to existing managers and selectively considering new managers. It is anticipated that the weight committed to the Emerging Manager Program will increase, with capacity also accessed from future graduates of this program. Staff note that not only will the Emerging Manager Program benefit LACERA from the perspective of fees and manager capacity, it will also uplift the T.I.D.E. initiative.

Conclusion: Staff's Structure Review outlines the focus on risk mitigation and expanding the size of the program, and the actions necessary to move in that direction.

Sincerely,

James Walsh Head of Portfolio Group Senior Analyst

b. Styph Kinnedy

G. Stephen Kennedy Portfolio Senior Analyst



Albourne

LACERA Hedge Fund Structure Review Concurrence Memo

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ATTACHMENT C

MEMORANDUM

- **TO:** Board of Trustees LACERA Board of Investments
- FROM: Stephen McCourt, Leo Festino, Tim Filla, and Imran Zahid
- CC: Jon Grabel, CIO LACERA
- DATE: July 29, 2021
- **RE:** Risk Mitigation Structure Review

The purpose of this memo is for Meketa Investment Group to formalize its support for the recommendations related to the Investment Grade Bond future initiatives contained in LACERA's Risk Mitigation Structure Review 2021 presentation.

We support staff's recommendation to terminate the legacy core plus fixed income managers and adopt a 70% passive / 30% active structure. We also recognize the actual passive / active mix as of June 30, 2021 was 69% passive / 31% active so this change will not be much of a departure from the portfolio's current stance and agree that the reduction in the portfolio target allocation for Investment Grade Bonds from 16% to 7% should be phased in over time with a completion target of Fiscal Year 2022.

Additionally, we concur with staff's recommendation to conduct a new passive manager search for the purpose of filling the newly approved 5% allocation to Long-Term Treasury Bonds within the Risk Reduction and Mitigation functional category. While the search is being conducted, we agree that utilizing an Index Exchange Traded Fund or cash overlay to gain passive exposure in an expeditious manner to the asset class would be a prudent decision for implementation purposes.

If you have any questions, please feel free to reach us at 760-795-3450. We thank you for your continued trust in Meketa. We look forward to speaking with you soon.

SPM/LF/TF/IZ/sf

L//.CERA



August 30, 2021

TO: Trustees – Board of Investments

FROM: Credit and Risk Mitigation Committee

Robert Z. Santos Investment Officer

Adam Cheng AC Senior Investment Analyst

FOR: September 8, 2021 Board of Investments Meeting

SUBJECT: MANAGER SEARCH – LONG-TERM U.S. TREASURY BONDS PROPOSED MINIMUM QUALIFICATIONS

RECOMMENDATION

Approve the Minimum Qualifications advanced by the Credit and Risk Mitigation Committee (see **attached** memo) and authorize a Request for Proposal ("RFP") for Long-Term U.S. Treasury Bond investment managers.

BACKGROUND

At the August 11, 2021 Credit and Risk Mitigation Committee ("Committee") meeting, staff proposed minimum qualifications ("MQs") for a Long-Term U.S. Treasury Bond manager search, which the Committee advanced. The **attached** PowerPoint presentation lists the MQs, along with a proposed RFP timeline.

The purpose of the search is to gain indexed exposure to the long-term U.S. Treasury market. LACERA's target allocation to long-term Treasurys is 5% of the Total Fund, with a range of 0 to 10%.

OPTIONS AVAILABLE TO THE BOARD

The Board may wish to approve, modify, or reject the recommendation.

DELIBERATIONS AND OPINIONS EXPRESSED BY THE COMMITTEE

The Committee unanimously approved staff's recommendation to advance the MQs for a Long-Term U.S. Treasury Bond manager search. Committee members asked the following questions:

Trustees – Board of Investments August 30, 2021 Page 2 of 2

- Is this allocation meant to be a tactical play on the yield curve?
 - $\circ\,$ No. This allocation is strategic and meant to be a hedging position to our Growth allocation.
- Why do we not specify a size for pension clients invested in the subject product?
 - Size is addressed via the manager's AUM requirements, whereas the MQ for number of pension clients is intended to assess the manager's experience servicing public pension clients regardless of size.

RISKS OF ACTION AND INACTION

If the Board approves the recommendation, staff will issue an RFP to conduct a search for Long-Term U.S. Treasury managers. The anticipated funding size is approximately \$3 billion.

Should the Board reject the recommendation, the portfolio would not be invested in Long-Term U.S. Treasurys, missing a component of the Strategic Asset Allocation.

CONCLUSION

The Committee unanimously approved staff's recommendation to advance the MQs for a Long-Term U.S. Treasury Bond RFP to the Board for approval. If the Board approves, staff will issue an RFP using the attached MQs.

Attachment

Noted and Reviewed:

min

Jonathan Grabel Chief Investment Officer



July 30, 2021

L///CERA

TO: Trustees - Credit and Risk Mitigation Committee

FROM: Robert Santos & Investment Officer

> Adam Cheng, CFA AC Senior Investment Analyst

FOR: August 11, 2021 Credit and Risk Mitigation Committee Meeting

SUBJECT: LONG-TERM U.S. TREASURY BONDS REQUEST FOR PROPOSAL – MINIMUM QUALIFICATIONS

RECOMMENDATION

Advance the minimum qualifications on page 5 in the attached PowerPoint presentation for a Long-Term U.S. Treasury Bonds investment management services request for proposal to the Board of Investments for approval.

BACKGROUND

At the May 2021 Board of Investments meeting, the Board of Investments adopted a 5% target allocation to Long-Term U.S. Treasury Bonds.

The attached PowerPoint presentation contains the recommendation and background, evaluation process, proposed search timeline, minimum qualifications, evaluation criteria, and scope of work.

Meketa has provided a memo that concurs with staff's recommendation (Attachment 1).

Attachments

Noted and reviewed:

min

Jonathan Grabel Chief Investment Officer

RZS:rzs

ATTACHMENT

Long-Term U.S. Treasury Bonds Request for Proposal Minimum Qualifications



Robert Santos – Investment Officer Adam Cheng, CFA – Senior Investment Analyst

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

I. Recommendation and Background

Recommendation

Approve the proposed Minimum Qualifications, Evaluation Criteria, and Scope of Work for a Long-Term U.S. Treasury Bond Index manager search

Background

At the May 2021 Board of Investments meeting, the board approved a 5% allocation to Long-Term U.S. Treasury Bonds as part of the Strategic Asset Allocation Review

Objectives:

- Exposure to long-term interest rates to offset risk from growth assets
- Liquidity in times of stress

Implementation:

- Index Strategy
- Separate account custodied at LACERA's custodian

I Evaluation Process

- Proposed Evaluation Team would consist of three members of the Credit and Risk Reduction and Mitigation team
- Evaluation Team will conduct the Request for Proposal process in two phases:
 - Phase One: Evaluation of written RFP responses
 - Phase Two: Candidate interviews (virtual and possibly on-site)
- Final scores, evaluation review, and recommendation will be advanced to the Board of Investments
- Selection authority for this RFP will be the Board of Investments

III. Proposed Search Timeline



Minimum Qualifications

- 1. Must agree to be a fiduciary to LACERA under California and other applicable law
- 2. Must be registered as an investment adviser with the U.S. Securities and Exchange Commission ("SEC") or exempt from registration (if exempt, must explain the nature of the exemption)
- 3. Must be in good standing with regulatory authorities
- 4. Must have at least \$10 billion in assets under management in bond index strategies as of June 30, 2021
- 5. Must have at least \$5 billion in assets under management in the Long-Term U.S. Treasury Bonds index strategy as of June 30, 2021
- 6. Must have a minimum 5-year performance history for the proposed strategy that is benchmarked to the Bloomberg Barclays Long-Term U.S. Treasury Index (consisting of Bonds with maturities greater than or equal to 10 years), as of June 30, 2021
- 7. Must have a least two defined benefit public pension plan clients in the proposed strategy
- 8. Must comply with the Global Investment Performance Standards of the CFA Institute

Evaluation Criteria

All responses received shall be subject to evaluations on the following six categories:

- 1. Organization
- 2. Professional Staff
- 3. Investment Process
- 4. Trading and Operations
- 5. Performance & Risk Management
- 6. Fees

II. Scope of Work Summary

Provide Long-Term U.S. Treasury Bonds investment management services:

- Manage LACERA assets in accordance with the terms of the investment management agreement and all applicable laws, rules, and regulations
- Act as fiduciary to LACERA and put the interests of LACERA ahead of investment manager's own interests

Investment Monitoring and Reporting:

- Monitoring and report on investments in collaboration with LACERA's custodian bank ("State Street Bank and Trust"), as well as meet all reporting requirements under California and other applicable laws
- Reflect LACERA's values of diversity, equity, and inclusion ("DEI") and provide DEI metrics
- Incorporate environmental, social, and governance ("ESG") factors into investment process and provide ESG metrics on a regular basis, if applicable

Data Feeds and Analytics

• Provide all necessary data points to LACERA's custodian (State Street Bank and Trust) and third-party risk vendor to facilitate portfolio analysis

Collaboration with Board and Staff

- Provide topical updates on market environment and investment themes as requested
- Share periodic research papers, house views, and market outlook

ATTACHMENT 1



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MEMORANDUM

- **TO:** Board of Trustees LACERA Board of Investments
- **FROM:** Stephen McCourt, Leo Festino, Tim Filla, and Imran Zahid
- CC: Jon Grabel, CIO LACERA

DATE: July 29, 2021

RE: Long-Term Treasury RFP Minimum Qualifications

The purpose of this memo is for Meketa Investment Group to formalize its support for staff's recommendations related to Minimum Qualifications, Evaluation Criteria, and Scope of Work for the upcoming passive Long-Term US Treasury Bond manager search.

We concur with staff's recommendation to establish a list of minimum manager qualification requirements, which include serving as a fiduciary and possessing a minimum of a 5-year performance history specific to LACERA's mandate. We are also in agreement with the evaluation criteria and the scope of work summary outlined in the presentation materials. Lastly, we agree that identifying the internal evaluation team at LACERA consisting of multiple members of the Credit and Risk Reduction & Mitigation team in advance will aid in streamlining the manager selection process.

If you have any questions, please feel free to reach us at 760-795-3450. We thank you for your continued trust in Meketa. We look forward to speaking with you soon.

SPM/LF/TF/IZ/sf

L///CERA

August 30, 2021

TO:	Trustees – Board of Investments
FROM:	Jude Pérez <i>H</i> Principal Investment Officer
	Esmeralda del Bosque
FOR:	September 8, 2021 Board of Investments Meeting

SUBJECT: INVESTMENT POLICY STATEMENT UPDATE – OPEB MASTER TRUST

RECOMMENDATION

Staff recommends the Board of Investments ("Board" or "BOI") approve the adoption of the revised Investment Policy Statement.

SUMMARY

The Board approved a new strategic asset allocation ("SAA") for the OPEB Master Trust ("OPEB Trust") at the June 2021 Board meeting. The next step in implementing the revised SAA is updating the OPEB Trust's Investment Policy Statement ("IPS") to incorporate the Board-approved changes. Similar to the process for the Pension IPS, a working group, including investment staff, Meketa, and LACERA's legal division, has worked on the proposed draft IPS edits attached to this memo.

At last month's BOI meeting, the Board approved the Pension IPS. At the July and August Board meetings, it was communicated that the Pension IPS would be used as the model for updating the OPEB Trust IPS, both in content and format. As a reminder, a comprehensive revamp of the Pension IPS was conducted in 2018 that enhanced the clarity of fund objectives and policy by elevating the IPS as the Board's primary guiding document. The revamp also incorporated multiple aspects applicable to the OPEB Trust, given the addition of actively managed and private assets to the plan. These include contemplating various alternative asset classes, investment structures, risk management, and various operational features. As the work has already been completed and approved by the Board, using the Pension IPS as the template for the OPEB Trust IPS is a reasonable approach and aligns the OPEB Trust to the Pension. Any adjustments that are specific to the OPEB Trust have been incorporated and red-lined.

The proposed OPEB Trust draft aims to update the IPS in two ways:

- (1.)Reflect the revised OPEB Trust SAA, including Meketa's recommended composite benchmarks and policy ranges.
- (2.)Incorporate language from the working group's review of the document that considers the unique aspects of the OPEB Trust. The following highlights the most significant modifications:

Trustees – Board of Investments August 30, 2021 Page 2 of 2

About LACERA, Statement of Purpose, and Legal Authority Sections

Updated to provide history, context, represent legal authorities, and fiduciary duties specific to the OPEB Trust.

I: Investment Philosophy and Strategy

Updated all sections to point to the OPEB Trust as well as revised SAA.

II: Investment Process

Updated all sections to point to the OPEB Trust as well as revised SAA.

C. (iii.) Securities Lending Deleted section as securities lending is not applicable for OPEB Trust.

III: Risk Management

Updated all sections to point to the OPEB Trust as well as revised SAA.

IV: Roles and Responsibilities

Updated all sections to point to the OPEB Trust as well as revised SAA.

- **D.** Participating Employers
 - Added a new sub-section under IPS "Roles and Responsibilities" to describe the role of participating employers.

Appendices

• Appendix A – Approved Asset Allocation

Table 1. Updated to reflect the new SAA, investment policy ranges, and steps to the revised asset allocation. The OPEB Trust will move to its final target policy weights in three phases given the introduction of actively managed mandates and illiquid assets: The first step, starting October 1st, keeps the current policy weights but introduces the revised allocation structure. Then, on July 1, 2022, the second step begins, which adjusts target weights halfway to the final target. Final target weights will be applied as of July 1, 2023.

Table 2. Updated to reflect proposed policy benchmarks.

• Appendix B – Chief Investment Officer Delegated Authority Language refined for the OPEB Trust.

Attached to this memo are documents that will be used to facilitate a discussion with the Board on the proposed OPEB Trust IPS changes: Attachment 1 is a red-lined version of the draft OPEB Trust IPS based on the Pension IPS. Attachment 2 is a clean version of the IPS. Attachment 3 is the current OPEB Trust IPS. Attachment 4 is Meketa's presentation on proposed composite benchmark changes from the June 2021 BOI meeting. Attachment 5 is Meketa's letter of concurrence.

Attachments

Noted and Reviewed:

Jonathan Grabel Chief Investment Officer

Investment Policy Statement-OPEB Master Trust

Restated September 8, 2021



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About LACERA and the OPEB Trust

The Los Angeles County Employees Retirement Association ("LACERA") administers a defined benefit retirement plan (the "Fund") and <u>has been appointed as the Investment Manager for the Los Angeles County's, LACERA's, and Los Angeles</u> <u>County Superior Court's Other Post-Employment Benefit Trusts ("Trust[s]"), which are the participating employers under the LACERA Master Trust ("OPEB Trust"). other post-employment benefits ("OPEB" or the "Trust") for employees of Los Angeles <u>County and certain other districts</u></u>

The Los Angeles County Board of Supervisors established LACERA by ordinance in 1937. LACERA has operated since 1938, and today, serves over 170,000 active and retired members.

LACERA's mission is to "produce, protect, and provide the promised benefits." LACERA aims to fulfill its mission through prudent investment and conservation of plan assets, in accordance with its Investment Beliefs and in consideration of actuarial analysis.

LACERA MISSION STATEMENT

We Produce, Protect, and Provide the Promised Benefits

LACERA's Board of Investments (the "Board") is responsible for establishing LACERA's investment policy and objectives, as well as exercising oversight of the investment management for both the Fund and the <u>OPEB</u> Trust.

The County of Los Angeles ("County") established the OPEB Trust –for the purpose of pre-funding the Retiree Healthcare Benefits Program ("OPEB Program"). The OPEB Trust serves as a funding tool for the participating employers to hold and invest assets used to pay OPEB Program benefits, such as medical, dental and vision.

In 2012, the County Board of Supervisors approved entering into a Trust and Investment Services Agreement with the LACERA Board to serve as trustee and investment manager for two participating employers: Los Angeles County and LACERA. In 2016, the governing body of the Los Angeles Superior Court approved a similar agreement, and the Board of Supervisors in turn approved amending the County agreement to include the Superior Court as a third participant in a pooled investment structure through the OPEB Master Trust Declaration.

Statement of Purpose

<u>The OPEB Trust LACERA's</u> Investment Policy Statement (the "IPS") defines the framework by which LACERA manages the assets of the <u>OPEB Trust Fund</u> in order to fulfill its mission. The document provides the primary guidance for <u>OPEB</u> <u>TrustLACERA's</u> investment activities by outlining the philosophy and structure of <u>the OPEB TrustLACERA's</u> investment program, describing the general process by which assets are managed, and defining the key roles and responsibilities <u>forin</u> <u>the LACERA's</u> investment program.

The IPS is in furtherance of the OPEB Trust's purpose to permit the co-investing and commingling the assets of the participating Trusts for investments purposes. The ultimate purpose of the investment program is to fund and pay benefits under the OPEB Program.

Legal Authority

Article 8.6 of the County Employees Retirement Law of 1937, as amended (California Government Code Sections 31694 - 31694.5) ("CERL") provides authority to governing bodies of the County and Superior Court to establish a Trust to fund an OPEB Program and for the Board of Investments to be appointed and serve as Trustee, investment manager and/or third-party administrator for such Trust. The County and Court Trust agreements were established pursuant to this legal authority and approved by the Board of Investments. LACERA, in turn, used its authority to create the Master Trust to facilitate the investment of the County, Court, and LACERA funds set aside for the OPEB Program. Under the OPEB Trust Declaration, the Board of Investments has "sole and exclusive authority, control over and responsibility for directing the investment and management of" OPEB Trust assets. The Board of Investments is a fiduciary in performing its responsibilities as Trustees. The Trust documents provide for the Board of Investments to adopt investment policies and asset allocation formula as the Board sees fit in the performance of its duties to fulfill the purpose of the Trusts.

The California Constitution and LACERA's governing statutes create a legal framework within which this IPS must be interpreted and implemented by the Board in approaching its decisions. <u>Under the OPEB Trust Declaration</u>, the Board is independent and has sole and exclusive legal responsibility over investment of <u>OPEB Trust the Fund</u> assets, including the establishment of the investment policy and asset allocation.

A. Fiduciary Duty

The Board and its <u>Trusteesmembers</u> are fiduciaries <u>under the Trust documents and applicable by law</u>, making decisions for the benefit of the <u>FundTrusts</u> as a whole without-other concerns or outside influence. All <u>TrusteesBoard members</u>, whether they are elected, appointed, or ex officio,have the same fiduciary duty under the law. This fiduciary duty has two components:

- Duty of Loyalty. Under the duty of loyalty, <u>TrusteesBoard members</u> have the sole and exclusive responsibility to administer the <u>FundOPEB Trust</u> to ensure prompt delivery of benefits in the interest of and for the exclusive purpose of providing benefits to the participating employers' participants members in the OPEB Program and their beneficiaries. In making every decision, the Board must act according to a three-pronged legal formula that balancesthe interests of <u>OPEB the FundTrusts</u> stakeholders: (1) solely in the interest of providing <u>OPEB Program</u> benefits to <u>Program participants</u> members and beneficiaries, (2) to minimize employer contributions <u>necessary to fund the OPEB Program</u>, and (3) to defray the expenses of administering the <u>FundOPEB Trust</u>. The Board's duty to <u>participants members</u> and their beneficiaries takes precedence over any other duty.
- Duty of Prudence. Board members Trustees must discharge their duties with the care, skill, prudence, and diligence that a prudent fiduciary familiar with the matters and the circumstances of each particular decision would use in the conduct of a similar enterprise with like aims. The Board must diversify OPEB Trustfund investments so as to minimize risk of loss and maximize the rate of return, unless under the circumstances it is clearly prudent not to do so. The Board may invest or delegate the authority to invest Fund OPEB Trust assets through the purchase, holding, or sale of any form or type of investment, financial instrument, or financial transaction when prudent in the informed opinion of the Board.

B. Ethics and Code of Conflicts

The Board and LACERA staff must refrain from personal activity that could conflict with the proper management of the <u>OPEB Trust</u> investment program, or that could impair their ability to make decisions in compliance with fiduciaryduty. Further details are defined in LACERA's Code of Ethical Conduct, Conflict of Interest Code, the PoliticalReform Act, Fair Political Practices Commission regulations, and other applicable law.

C. Process

Because the Board is a governing body of a public agency, the Board and its <u>membersTrustees</u> must conduct business according to the State of California Ralph M. Brown Act, which provides that Board meetings, deliberations, and actions must be public unless subject to a specific closed session exception. The Board may go into closed session to discuss the purchase and sale of particular, specific <u>OPEB Trust</u> investments under the Brown Act.

Investment Policy

I. Investment Philosophy and Strategy

A. Objectives of the Investment Program

LACERA follows a carefully planned and executed strategic investment program in order to:

- i. **Produce** the promised benefits for <u>OPEB Trust participants</u>LACERA members and beneficiaries by achieving the <u>FundOPEB Trust</u> assumed rate of return on a total return basis over the long-term, consistent with LACERA's mission;
- ii. Protect the promised benefits on behalf of <u>OPEB Trust participants</u> <u>LACERA members</u> and beneficiaries by mitigating investment risks through Fund diversification and other means, consistent with LACERA's mission; and
- iii. **Provide** the promised benefits for <u>OPEB Trust participants</u><u>LACERA members</u> and beneficiaries, in part by ensuring adequate_liquidity, consistent with LACERA's mission.

B. Investment Beliefs

The Board has adopted the following investment beliefs ("Investment Beliefs") to describe its core beliefs and underlying assumptions about how capital markets operate. Collectively, the Investment Beliefs provide a framework to guide LACERA's investment decisions in a manner consistent with theLACERA's <u>Fund's</u> nature as an institutional investor with a long-term investment horizon in order to achieve the <u>Fund's</u> objectives defined above.

i. Strategic Asset Allocation

Long-term strategic asset allocation will be the primary determinant of <u>OPEB TrustLACERA's</u> risk/return outcomes.

- a. It is important that LACERA be forward looking, as its investment horizon spans decades, if not indefinitely into the future.
- Asset allocation has a greater effect on return variability than asset class investment structure or manager selection. It is essential to account for <u>OPEB Trust LACERA's</u> liabilities in setting long-term investment strategy.
- c. Rebalancing the portfolio is a key aspect of prudent long-term asset allocation policy.

ii. Market Efficiency

Markets are largely efficient over the long term (10–20 years); however, during certain economic and financial environments markets may not be efficient in setting prices.

a. Consequently, LACERA will allow for modest tactical asset allocation adjustments during times of disruption.

iii. Active Versus Passive Management

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.

a. Consequently, active strategies will be used only when there is strong conviction that they can be expected to add value net of their higher fees and are adjusted for risk.

iv. Private Markets and Liquidity

Private market assets can add value to a portfolio, providing opportunities for returns that exceed those expected from public markets.

- a. The total capital allocated to illiquid strategies must be kept at a prudent level.
- b. The high return potential of these assets needs to be balanced with the OPEB Trust's LACERA's need for liquidity.
- c. Liquid assets serve a critical role to fund benefit payments and rebalance the portfolio.

v. Risk

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.

- a. LACERA operates in a global financial marketplace, and as such, LACERA believes that in order to diversify its risk broadly, it is vital that LACERA possess a global perspective.
- b. Diversification across different risk factors is necessary for risk reduction.
- c. Markets are cyclical; risk premia, volatility, and correlations vary over time.
- d. The pattern of returns matters because volatility levels and the sequence of gains and losses can impact funded status and contribution rates.
- e. Risk that is not expected to be rewarded over the long-term, or mitigated through diversification, will be minimized.
- f. For LACERA, not taking enough risk is risky; therefore, LACERA will accept a prudent amount of risk to achieve its long-term target returns.
- g. LACERA considers the risks of environmental, social, and governance ("ESG") factors as relevant to its investment process.
- h. 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.

vi. Costs and Fees

Investment outcomes are determined by risk, returns, and costs. All three must be managed, and cost is the most certain.

- a. Consideration of net-of-fees returns is an integral part of a successful long-term investment strategy.
- b. Costs and fees should be actively monitored and negotiated to the greatest extent possible.

vii. Education

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.

C. Strategic Asset Allocation

LACERA fundamentally believes long-term strategic asset allocation will be the primary determinant of risk/ return outcomes, and therefore establishes a strategic asset allocation to meet its mission and investment objectives.

<u>The OPEB Trust LACERA's</u>-strategic asset allocation categorizes capital outlays into four groups, defined by the function each allocation is intended to serve in the portfolio: (1) Growth, (2) Credit, (3) Real Assets and Inflation Hedges, and (4) Risk Reduction and Mitigation, and (5) Overlays and Hedges. The functional categories include various asset classes that represent the risk/return characteristics of each area. LACERA expects the four functional categories to diversify the FundOPEB Trust and optimize upside growth while mitigating downside risk. The asset allocation determines what proportion of the FundOPEB Trust are allocated to each functional category and underlying asset class, including target weights and allowable ranges as a percentage of the FundOPEB Trust.

In order to determine <u>the OPEB Trust</u> strategic asset allocation, LACERA conducts a comprehensive asset allocation study every three to five years, or at the Board's request. The asset allocation study considers a number offactors, such as:

- A projection of actuarial assets, liabilities, benefits payments, contributions, and the actuarial rate of return for the <u>FundOPEB Trust</u>, as well as its current and projected funded status.
- Historical results and expected long-term capital market risk, return, and correlation forecasts.
- An assessment of future economic conditions, including inflation and interest rate levels.
- Various risk/return scenarios.
- The FundOPEB Trust liquidity requirements.

LACERA's a<u>A</u>pproved asset allocation<u>and</u> benchmarks for the OPEB Trust table are detailed in the tables of the Appendix.

D. Overview of Strategic Asset Allocation

LACERA groups asset classes into the following functional categories:

- i. Growth
 - a. Role in the portfolio: The role of assets in this category is to be the primary driver of long-term total returns for the <u>OPEB Trust</u> Fund.
 - b. Asset Classes: Global Equity and Private Equity, and Non-Core Private Real Estate.
 - c. Investment Approach: Growth assets generally represent equity or equity-like interests in current and future income streams. Growth assets include public and private market strategies that include both liquid and illiquid investments. <u>The OPEB Trust LACERA</u> utilizes passive strategies in relatively efficient segments of the market for global equity <u>and</u>. <u>LACERA</u> employs active strategies in relatively less efficient market_segments<u>including</u> of global equities, as well as in private equity-and non-core private real estate.

d. Risk Factors: Growth assets are primarily equity ownership positions that tend to perform well in times of positive economic growth. They are highly sensitive to economic conditions and are subject to potential loss in value based on a number of factors. For example, growth assets may be sensitive to inflation and generally perform poorly in times of high and unexpected inflation. To a lesser extent, growth assets may be sensitive to interest rates due to the use of leverage in certain strategies as well as the relationship between interest rates and the discount rates used to price securities.

ii. Credit

- a. Role in the portfolio: LACERA expects assets categorized as Credit to produce current income and moderate long-term total returns. Credit has more moderate levels of risk than assets categorized as Growth, and, accordingly, provides incremental diversification to the total Fund_OPEB Trust.
- b. Asset Classes: Liquid Credit (High Yield, Bank Loans, Emerging Market Debt), and Illiquid Credit
- c. Investment Approach: Credit assets are generally fixed claims on assets or income streams of an issuer (e.g., government, corporation, asset-backed securities). The category is composed of certain fixed income, hedge funds, real estate, and private debt investments. Investment strategies within this category may have a specific mandate or be multi-strategy. The investment strategies may be liquid, illiquid, or a combination of both, depending on the nature and terms of the specific investment vehicle. LACERA-The OPEB Trust employs passive strategies across all asset classes within for the more efficient segments of the credit market and Credit category but may employ active passive strategies in certain segments that are relatively moreless -efficient.
- d. Risk Factors: The primary risk for owners of Credit assets is the failure of the borrower to make timely payments of interest and principal. There are three elements of credit risk: the risk of default, the risk of a credit downgrade, and spread risk, which is the risk that investors may demand greater compensation for bearing the first two types of risk. Bonds with credit risk offer a yield premium over government bonds to compensate investors for the additional risk. Bonds with greater credit risk (i.e., bonds with lower credit ratings) are typically less liquid than higher quality bonds.

iii. Real Assets and Inflation Hedges

- a. Role in the portfolio: LACERA expects assets in this category to provide income as well as a hedge against inflation, while diversifying the FundOPEB Trust due to the assumed low correlation of returns between these assets and other asset classes.
- b. Asset classes: Core Private Real Estate, Natural Resources, & Commodities, Private Infrastructure, and Treasury Inflation-Protected Securities ("TIPS")
- c. Investment Approach: Real Assets generally include physical assets, such as real estate and infrastructure, or securities whose value is derived from a physical asset, such as commodities or natural resources. Assets in this category may be invested in both public and private investments and may be liquid or illiquid, as well as passively or actively managed.
- d. Risk Factors: Real Assets and Inflation Hedges are sensitive to inflation. The primary risk for owners of real assets/inflation hedges is that they fail to provide a hedge against long-term changes in inflation. A secondary risk is loss of principal. The value of real estate and natural resources assets may fall, particularly during an economic downturn, but also due to idiosyncratic aspects of each asset. Diversification may offset asset-specific risk. Foreign assets are also subject to currency movements against the U.S. dollar. TIPS are exposed to liquidity risk, as they tend to be less liquid than nominally U.S. Treasuries, particularly during a market environment in which there is a flight to safety.

iv. Risk Reduction and Mitigation

- a. Role in the portfolio: LACERA expects assets in this category to provide moderate amounts of current income by generating a modest level of return while also reducing total Fund risks for the <u>OPEB Trust</u>, in part by preserving capital in the event of a downturn in equity markets. LACERA anticipates that assets in this category will have a low level of volatility and a low correlation to Growth assets, thereby providing downside protection. In the event of a market correction, these assets could also provide a source of liquidity for benefit payments.
- b. Asset classes: Investment Grade Bonds, Diversified Hedge Fund Portfolio, Long-Term Government Bonds, and Cash
- c. Investment Approach: The category is composed of investment grade bonds, diversified hedge funds, long-term government bonds, and cash. Cash is the least volatile asset class, as well as the most liquid; the flexibility it provides during periods of market decline helps to mitigate risk. Investment grade bonds comprise a mix of U.S. Treasuries, corporate debt, and other bonds of high quality, typically rated "BBB" or above by rating agencies. High quality bonds would be expected to protect the <u>OPEB Trust total Fund</u> by retaining or increasing their value during a market correction. Diversified hedge funds comprise a variety of hedged investments, such as relative value, arbitrage, and long/short strategies within a diversified portfolio. They would be expected to produce returns at or above high grade bond portfolios, with equal or lower volatility, and be largely uncorrelated with other portfolio assets.
- d. Risk Factors: The primary risk factor for Risk Reduction and Mitigation Assets is that they will fail to provide the anticipated level of protection during market downturns. Assets in this category are also subject to additional risks. For example, investment grade bonds are sensitive to fluctuations in interest rates and have some risk of default. Specific hedge fund investments are subject to a variety of risk factors, including equity risk, credit risk, interest rate risk, and leverage risk. Cash can include short-term instruments and vehicles where there is a low probability of loss of principal.

v. Overlays and Hedges

- a. Role in the portfolio: The category consists of overlays and hedges as a distinct functional category. LACERA expects exposures in this group to assist in adhering to total Fund policy allocation targets, meeting asset class specific objectives, and managing portfolio risk.
- b. Asset classes: Total Fund and all BOI approved asset classes may be utilized or subject to overlays and hedging strategies.
- c. Investment Approach: The category is composed of derivatives and synthetic replication investment vehicles that emulate LACERA's physical assets, holdings, foreign currency, or market exposures via overlay and hedging programs. The separation of these mandates into one category allows for increased ability to monitor exposures across the total Fund and enhances the ability to evaluate performance, attribution, portfolio impacts, and risk drivers across individual asset categories and the total Fund.
- d. Risk Factors: The primary risk factors for Overlays and Hedges are exposure mismatch and benchmarking. Best efforts will be made to replicate LACERA's underlying exposures and risk; however, there may be instances when the vehicles used will not mirror a given asset, causing an exposure mismatch. Another consideration is benchmarking. Benchmarking overlay and hedging programs is challenging as positions are often resized more frequently than underlying

physical exposures, and mandates may be used to achieve multiple objectives or be a temporary portfolio construction tool.

E. Performance Objectives

The <u>FundOPEB Trust's</u> long-term performance objective is to generate risk-adjusted returns that meet or exceed its defined actuarial target as well as its policy benchmark, net-of-fees, over the <u>FundOPEB Trust</u> designated investment time horizon. <u>The OPEB Trust's LACERA's</u> policy benchmarks at the total <u>OPEB Trust</u> <u>Fund</u> level, the functional category level, and the asset class level can be found in the Appendix.

F. Rebalancing

LACERA considers rebalancing the <u>OPEB Trust</u> Fund a key aspect of prudent long-term portfolio management. LACERA rebalances the <u>OPEB</u> <u>Trust</u> Fund's portfolio in accordance with established guidelines and procedures to adhere to its approved strategic asset allocation, consistent with the <u>OPEB</u> <u>Trust</u> <u>tFund's</u> stated Investment Beliefs. The approved ranges for each functional asset category and underlying asset class are defined in the Appendix.

G. Responsible Stewardship and Beneficial Ownership Rights

In pursuing its investment program, and as part of mitigating risks associated with <u>the OPEB TrustLACERA's</u> investments, LACERA seeks to manage its investments in a manner that promotes and safeguards the economic interests of <u>LACERA and</u> its <u>participantsmembers</u>, consistent with LACERA's mission. LACERA prudently exercises its rights as an investor to support policies and practices at companies in which LACERA invests, as well as public policies governing financial markets, that are consistent with <u>the OPEB</u> <u>Trust'sLACERA's</u> economic interests. In doing so, LACERA aims to promote sustainable, long-term value on behalf of <u>its participants its members</u> and enhance LACERA's ability to fulfill its mission. LACERA has therefore adopted Corporate Governance and Stewardship Principles (see Attachments). Beneficial ownership rights pertaining to <u>the OPEB TrustLACERA's</u> investments, including, but not limited to proxy voting where LACERA has retained voting authority, are managed in accordance with LACERA's Corporate Governance and Stewardship Principles.

H. Integration of Environmental, Social, and Governance (ESG) Factors

LACERA recognizes that environmental, social, and governance factors may influence the risk-return profile and financial performance of investments. Financially material ESG factors may vary by industry, geographic exposure, business strategy, investment time horizon, and other variables. LACERA endeavors to identify, assess, and manage relevant ESG factors in its market research, portfolio construction, and throughout its investment process in furtherance of its mission and fiduciary duties. Careful consideration of ESG factors throughout LACERA's investment process aims to generate sustainable investment returns. LACERA assesses and monitors all investment partners on their capacity and skill in evaluating ESG risks and opportunities in a compelling manner to enhance LACERA's risk-adjusted returns.

I. Diversity, Equity, and Inclusion

LACERA values diversity, equity, and inclusion, and believes that effectively accessing and managing diverse talent leads to improved outcomes. LACERA considers diversity broadly, inclusive of—but not limited to—professional backgrounds, age, experience, race, sexual orientation, gender, gender identity, disability status, military service, ethnicity, national origin, and culture. LACERA expects external asset managers and other third party providers torespect and reflect LACERA's value of diversity, equity, and inclusion. LACERA's ongoing monitoring of third partyservice providers incorporates an assessment of vendors' commitment to, adherence with, and track recordof accessing and retaining diverse workforces in an inclusive and equitable

manner.

II. Investment Process

The following sections articulate the general parameters and processes by which LACERA executes its investment strategy, in adherence to established policies and procedures.

A. Structure Review

After an asset allocation study apportions capital across categories, LACERA conducts a structure review to address how to implement each asset category. A structure review establishes the framework for each asset category by addressing its role within a total <u>portfolioFund</u> context. The structure review evaluates the objectives, portfolio composition, related strategic initiatives, and how the portfolio may evolve in the near to medium term. These reviews are presented to the Board no less frequently than the comprehensive asset allocation_study conducted for the <u>OPEB Trust total Fund</u>, or at the Board's request.

B. Investment Management

i. Investment Agreements

Board-approved investment recommendations are subject to negotiation and execution of an agreement that, in the judgment of LACERA's Chief Investment Officer and Chief Counsel, includes all terms necessary to provide adequate protection for the OPEB Trust's LACERA's interests under the circumstances of the transaction, including but not limited to an appropriate standard of care on the part of the investment manager.

ii. Selection and Monitoring

LACERA may utilize internal resources or externally managed portfolios implemented by asset management firms and service providers to effectuate the OPEB Trust LACERA's investment program. In determining whether to use internal or external resources to implement a specific investment mandate, strategy, or investment-related service, LACERA takes into consideration numerous factors, including, but not limited to, return expectations, associated risks, compliance requirements, and expenses related to the specific strategyor service.

LACERA has adopted formal procedures to guide the selection, appointment, and monitoring of external managers and service providers. LACERA expects any external party that manages assets on behalf of <u>the</u> <u>OPEB Trust LACERA</u> to serve as a fiduciary.

iii. Costs

LACERA considers the costs and expenses related to executing its investment program to be a crucial component of its fiduciary duty and an important element in determining its strategic asset allocation. In all aspects and functions of its investment program, LACERA seeks to actively identify, assess, and monitor expenses. LACERA expects that the economic terms and conditions by which any external party is compensated for investment-related services should promote an alignment of interests between the OPEB Trust LACERA and the external party in fulfilling LACERA's mission and investment objectives. Accordingly, LACERA diligently attends to and negotiates the economic terms of investment services rendered to the Fund OPEB Trust.

C. Liquidity Management and Other Investment Functions

The following sections provide the general guiding principles and parameters for certain components of LACERA's investment process, including liquidity management, the use of derivative instruments, securities lending, and certain prohibited transactions.

i. Liquidity and Cash Management

Effective cash management is integral to LACERA's investment process. LACERA strives to maintain appropriate levels of liquidity—i.e., the ability to convert investments into cash—in order to meet immediate or short-term obligations and liabilities, such as <u>satisfying a request by a participating employer to</u> funding <u>OPEB Program member participant</u> benefits, meeting capital calls, and rebalancing the portfolio per the strategic asset allocation. LACERA manages liquidity by monitoring the <u>Fund</u> aggregate liquidity and liquidity risk exposures <u>of the OPEB Trust</u>.

ii. Derivatives Management

LACERA may employ derivative instruments to hedge or gain exposure to certain investments. A derivative is a financial instrument that derives its value from an underlying asset which represents direct ownership of a security or a direct obligation of an issuer. Derivatives may be exchange-traded or traded over the counter (OTC). LACERA expects that any use of derivatives by external managers must adhere to LACERA's policies and investment guidelines.

iii. Securities Lending

LACERA may lend designated securities to provide the Fund with additional income generation and offset administrative expenses. LACERA lends eligible securities (both U.S. and Non-U.S. equities and bonds) to approved and qualified borrowers, subject to the terms and conditions specified in LACERA's contract agreements. Any securities lending activity is expected to be transparent to LACERA's external investment managers and should not impede or otherwise impair the investment management process.

iv.iii. Prohibited Transactions

LACERA prohibits the following transactions unless stated otherwise in the investment management agreement:

- "Prohibited transactions" as defined under the Employee Retirement Income Security Act of 1974 (ERISA)
- Transactions that involve a broker acting as a "principal," where such broker is also the investment manager (or an entity related to the investment manager) who is making the transaction
- Any or all applicable investment activities forbidden by the United States Securities and Exchange Commission or other applicable governing bodies
- Any acts or omissions that violate state and local laws regarding conflicts of interest and disclosures

LACERA does not lever the Fund<u>OPEB Trust</u> investment portfolio as a whole. However, leverage is implicit in manyinvestment strategies. LACERA expects that any use of leverage by external managers must adhere to LACERA's established policies and investment guidelines.

III. Risk Management

LACERA manages risk by establishing and adhering to investment guidelines, pursuing multiple approaches to diversification (such as asset class, geography, liquidity profile, currency, and degree of active management), and conducting regular measurement and analytical exercises. LACERA assumes certain risks to achieve sufficient returns to meet <u>the Fund</u> <u>OPEB Trust's</u> financial obligations and investment objectives. Investment risks pertain to the prospect of a permanent loss of capital or of not meeting objectives within the designated timeframe. LACERA seeks to mitigate the impact of a drawdown-to the Fund<u>OPEB Trust</u> in order to accomplish its investment objectives, reduce volatility, and avoid increased contributions to the Fund<u>OPEB Trust</u> from the participating employers sponsor or employees.

A. Philosophy and Objectives

LACERA considers risk multi-faceted and, therefore, views risk from multiple perspectives. Risk may vary and evolve over time, across sectors or geographic exposures, and depends on the nature and terms of the investment vehicle that LACERA deploys to implement the Fund_OPEB_Trust investment strategies. Risk may be systematic (i.e. present across the market) or unsystematic (i.e., specific to a particular investment strategy). A risk may pertain to and potentially impact the OPEB_Trust total Fund, a functional asset category, or individual underlyingasset classes.

LACERA seeks to diligently identify, assess, and monitor relevant investment risks throughout the investment process, from determining its strategic asset allocation to ongoing evaluation and monitoring of the Fund<u>OPEB Trust</u> performance. This helps to ensure that risks assumed by the Fund<u>OPEB Trust</u> are intentional and adequately compensated.

B. Approach

LACERA's The OPEB Trust strategic asset allocation attempts to position the Fund OPEB Trust to capture growth while mitigating large drawdowns. LACERA's investment strategy is designed to take intentional risk, called active risk, in order to achieve commensurate investment results. LACERA may define expectations for active return earned per unit of active risk taken for various investment strategies and portfolios.

LACERA seeks to identify and acknowledge the sources and types of risk inherent in each investment strategy. However, LACERA also recognizes that even sophisticated risk measurement techniques may not detect certain risks, including extreme events, in advance. Accordingly, risk models may only provide limited predictive qualities. LACERA endeavors to test and challenge investment strategies and assumptions prior to a capital outlay as well as for ongoing monitoring.

LACERA measures investment risk using multiple metrics on both an absolute and relative basis at all relevant levels (i.e., total <u>OPEB Trust Fund</u>, functional asset categories, and underlying asset classes). LACERA also strives to employ stress testing, scenario analyses, and broader financial and economic analyses to understand current and potential risks related to its investment strategy and decisions. LACERA selects appropriate benchmarks to assess and determine whether investment risks taken by the Fund OPEB Trust are appropriate in order to achieve expected investment returns.

LACERA may establish a risk budget to set active risk targets for each functional asset category and underlying asset classes. LACERA aims to minimize unintended risk caused by asset allocation drift or other factors.

IV. Roles and Responsibilities

LACERA has established the following roles and responsibilities to implement its investment program, all of which must be performed under the terms of the Trust documents and the Board's fiduciary duty as defined above. The duties explained below apply to the Board, staff, and various external parties who collectively oversee and administer the functions necessary for LACERA to accomplish its investment objectives.

The overview outlined below is further complemented by the following documents: (Board of Investments Charter, Board of Investments Powers Reserved Defined, Board of Investments Powers Reserved and Delegated Authorities, and the Board of Investments Regulations (previously referred to as "Bylaws".) Roles and responsibilities are performed in a manner consistent with these governance documents and other Board policies.

A. Board of Investments

i. Board

The exclusive fiduciary responsibility of the Board is to ensure prudent investment and management of the Fund_OPEB Trust so as to provide, through the utilization of the Board's powers and duties as Trustee, _-for the timely payment of OPEB Program benefits to-_members-participants and their beneficiaries, minimize employer contributions, and defray the reasonable cost of administration, with the duty to participants members being paramount. It is the responsibility of the Board to ensure that LACERA employees administer Fund_OPEB Trust investments at reasonable cost, while preserving the quality of investments. The Board exercises oversight of all aspects of the investment program. The Board oversees the management of the Fund_OPEB Trust in compliance with all aspects of this IPS and all applicable federal and state laws and regulations concerning the administration of a government pension_plan. The Board may request staff and investment consultants to inform and make recommendations on matters pertinent to <u>OPEB Trust</u>LACERA's investment operations. The Board may request to the Chief Investment Officer ("CIO"), as further outlined in the Appendix.

ii. Committees

To assist the Board in carrying out its duties, the Board may establish one or more committees ("Committee"). A Committee makes recommendations to the Board on investment actions related to its area of focus. A Committee may request staff and investment consultants to inform and make recommendations to it on matters pertinent to the OPEB Trust LACERA's investment program.

B. Staff

i. Chief Executive Officer

The Board and LACERA'S Board of Retirement jointly appoint the Chief Executive Officer ("CEO"). The CEO is responsible for planning, organizing, and administering the operations of LACERA under policy guidance and direction from the Board and the Board of Retirement. The CEO exercises administrative oversight of the CIO, excluding investment decisions delegated to the CIO. The Board provides input to the CEO in the CEO's oversight of the CIO.

ii. Chief Investment Officer and Investment Staff

The CIO and staff assist the Board in performing its fiduciary duty. The internal investment staff reports to the CIO, who in turn reports to the CEO, with the input of the Board. The CIO, with the assistance of

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staff, has the responsibility and authority to assist the Board in establishing investment and administrative policies. The CIO and staff are responsible for implementing the policies and programs established by the Board. The CIO has primary responsibility for the implementation of the Board's investment decisions.

The CIO and staff manage the portfolio according to the Board's policies, advise and inform the Board about investments, assist with development and review of investment policies and procedures, oversee operational aspects of the Fund_OPEB Trust, report on the progress of the Fund_OPEB Trust in meeting its investment objectives, and monitor and report to the Board on the performance of the <u>OPEB Trust Fund</u> relative to the appropriate benchmarks. The Board has delegated specific investment authority and responsibility directly to the CIO as described in the Appendix. The CIO is authorized to interact with and communicate directly with the Board regarding all investment-related matters. The CEO does not have any authority over any and all investment decisions_that are delegated to the CIO.

iii. Chief Counsel and Legal Staff

The Office of Chief Counsel and legal staff (Legal Counsel) are primarily responsible for legal issues concerning the investment program and advise the Board, CEO, CIO, and staff on investment-related legal matters. Legal Counsel advises the Board in performing its fiduciary responsibility. In addition to reliance upon internal resources for such matters, the Chief Counsel or designee within the Legal Office may retain external legal counsel, when deemed necessary and appropriate, to advise staff, negotiate and prepare contracts on investment-related matters and individual transactions, and provide other investment legal advice to protect LACERA's interests...

C. Third Party Service Providers

LACERA may engage external service providers, as described below, to implement <u>the OPEB Trustits</u> investment program. All service providers, unless otherwise not applicable, are expected to serve as fiduciaries to the <u>Fund_OPEB Trust</u> in fulfilling their contracted services. Third party service providers must refrain from gift-giving or other efforts that may jeopardize the impartiality, or appearance thereof, of LACERA's Board and staff.

i. Investment Consultants

An investment consultant works for the Board in the oversight and implementation of investment objectives. In meeting the Board's objectives, investment consultants may work with staff and investment managers. The Board's general investment consultant provides advice and recommendations to the Board or Committee regarding <u>OPEB Trust LACERA's</u> strategic objectives, risks, oversight, and implementation of investment objectives. Investment consultants, both general and specialized, provide advice and recommendations regarding strategic asset allocation, portfolio implementation, and oversight of the <u>Fund_OPEB Trust</u> to the Board, CIO, and staff. Investment consultants report to the Board or the Committee, as directed, and serve as an independent economic interests and conflicts in accordance with California law and LACERA policy, including the Code of Ethical Conduct and filing of Form 700s.

ii. Custodian Bank

The Custodian Bank ("Bank") serves as a fiduciary in the safekeeping of FundOPEB Trust assets. The Bank is responsible for maintaining the Fund_OPEB Trust's official accounting book of record, including the ongoing pricing and valuation of all assets, collection of income generated by those assets, any corporate action notification, and performance calculation. The Bank cooperates with and provides assistance to staff and investment managers in the reconciliation process. LACERA may opt to designate other duties to the Bank as stipulated in the professional services agreement. LACERA's investment office

works with LACERA's accounting division to manage the custodial relationship.

iii. Investment Managers

Investment managers are selected by the Board and, subject to the terms and conditions of this IPS, serve LACERA through contracts that specify investment guidelines, administrative requirements, responsibilities, investment fees, and performance expectations for management of each mandate. Investment managers provide reporting <u>for the OPEB Trust</u> to LACERA on the performance of specific investment managers in adherence to established guidelines and agreements. Staff and consultants synthesize investment managers' performance for presentation to the Board in accordance with established performance monitoring and oversight procedures. Investment managers should accept a fiduciary duty to LACERA, must report economic interests and conflicts in accordance with California law and LACERA policy, including the Code of EthicalConduct and filing of Form 700s, and enforce their own diversity, ethics, and sexual harassment policies.

iv. Other Third Party Service Providers

Additional third party service providers may be retained, subject to the terms and conditions of LACERA's established policies and procedures, in order to perform other duties to assist in the administration of the Fund OPEB Trust.

D. Participating Employers

The Participating Employers, the County, the Court, and LACERA, have those roles and responsibilities set forth in the County and Court Trust agreements and the Master Trust Declaration, including the right to determine contributions made. The Participating Employers have given the fiduciary responsibility over investments and disbursements to the Board of Investments, according to the terms set forth in the Trust documents.

Appendix

A. Investment Tables

Table 1: Approved Asset Allocation

Appendix A: Tables 1 & 2 have been updated to reflect information for the OPEB Trust

Asset Class	Target Allocation (%)	Allocation Range +/- (%)	Target Allocation (Step I) 10/1/2021	Target Allocation (Step II) 7/1/2022	Target Allocation (Step III) 7/1/2023
Growth	45	+/-10	50	48	45
Global Equity	40	+/-10	50	45	40
Private Equity	5	+/-5	0	3	5
Credit	18	+/-5	20	20	18
Liquid Credit	13	+/-5	20	17	13
Illiquid Credit	5	+/-5	0	3	5
Real Assets and Inflation Hedges	20	+/-5	20	20	20
Real Estate	8	+/-4	10	9	8
Natural Resources	2	+/-2	0	1	2
Commodities	2	+/-2	4	3	2
Infrastructure	2	+/-2	0	1	2
TIPS	6	+/-4	6	6	6
Risk Reduction and Mitigation	17	+/-6	10	14	17
Investment Grade Bonds	10	+/-4	8	9	10
Long-term Government Bonds	5	+/-5	0	3	5
Cash	2	+/-2	2	2	2
TOTAL FUND	100		100	100	100

Table 2: Benchmark Table

Asset Class	Benchmark
Growth	Custom Blend
Global Equity	MSCI ACWI IMI Net
Private Equity	MSCI ACWI IMI + 200 bps (3-Month lagged)
Credit	Custom Blend
Liquid Credit	 38% BBg Barc U.S. Corporate High Yield; 46% Credit Suisse Leveraged Loans; 8% JP Morgan EMBI GD; 4% JP Morgan GBI-EM GD; 4% JP Morgan CEMBI BD
Illiquid Credit	Custom Liquid Credit Benchmark + 150 bps (1-month lagged)
Real Assets and Inflation Hedges	Custom Blend
Real Estate	75% NFI ODCE; 25% DJ US Select Real Estate (Private 3-Month lagged)
Natural Resources	S&P Global Natural Resources TR
Commodities	Bloomberg Commodity TR
Infrastructure	Dow Jones Brookfield Global Composite Infrastructure TR
TIPS	BBg Barc US TIPS
Risk Reduction and Mitigation	Custom Blend
Investment Grade Bonds	BBg Barc US Aggregate TR
Long-term Government Bonds	BBg Barc U.S. Long Treasury Bond
Cash	FTSE 3-Month US Treasury Bill
TOTAL FUND	Custom Blended Policy Benchmark

B. Chief Investment Officer Delegated Authorities

The Board has delegated to the CIO the following authorities in accordance with Board-approved asset class specific program parameters. CIO actions will be reported to Trustees consistent with the reporting provisions below, or in a timely manner.

Total Fund

General Authorities	Authority to limit or freeze manager trading activity pending discussion and action by the Board. Such actions shall be reported as an informational item as reasonably practicable to the Board, and no later than the next scheduled meeting of the Board. Authority to take actions not otherwise specifically delegated, in
	concurrence with the CEO and the Chair of the Board, when deemed necessary in the best interest of the Fund OPEB Trust and when there is not enough time to take the action to the full Board. Such actions shall be reported as an informational item as soon as reasonably practicable to the full Board, and no later than the next scheduled meeting of the Board.
	Authority to rebalance the Fund_OPEB_Trust in order to raise cash for satisfying a participating employer's request benefit payments, adjust investment exposures, or pay operational expenses while adhering to investment policy targets. Rebalancing may include increasing or decreasing all Board-approved mandates.
	Authority to take actions as specified in LACERA's Procurement Policy.
Approval of Variances	Authority to approve temporary variances from asset-level program and investment manager guidelines.
Contract Authorities	Authority to sign, or delegate authority to sign, all investment-related contracts and agreements necessary to implement Board-approved action. Thereafter, during the original term, authority to sign all amendments and modifications with respect to such contracts and agreements and make all decisions with respect to their day-to-day operation and implementation where the investment mandate remains substantially unchanged. Upon expiration of a contract or agreement for Board-approved mandates, an extension or modification may only be made with Board approval or as outlined in LACERA's Procurement Policy.
	Authority to approve reductions to investment manager fee schedules and service provider costs.
	Authority to negotiate and execute investment agreements that, in the judgment of the CIO and Chief Counsel, provide adequate protection for LACERA's interests, including an appropriate standard of care on the part of each manager.

Asset Class Specific

Private Equity	Authority to approve the purchase or sale of any existing fund investment within the Private Equity portfolio.
	Authority to approve co-investments, secondary transactions, re-ups, and advisory board seats.
Real Estate	Authority to approve the purchase or sale of any existing fund investment within the Real Estate portfolio.
	Authority to authorize the formation, dissolution of, and designate officers for Title Holding Companies.
	Authority to approve co-investments, secondary transactions, re-ups, and advisory board seats.
Real Assets (ex-Real Estate)	Authority to approve the purchase or sale of any existing fund investment within the Real Assets portfolio.
	Authority to approve co-investments, secondary transactions, re-ups, and advisory board seats.
Credit	Authority to approve the purchase or sale of any existing fund investment within the Credit portfolio.
	Authority to approve co-investments, secondary transactions, re-ups, and advisory board seats.
Hedge Funds (Including Equity)	Authority to approve the purchase or sale of any existing fund investment.
	Authority to approve co-investments, secondary transactions, re-ups, and advisory board seats.
	Authority to terminate a hedge fund manager.

In the event the CIO is not available, and time is of the essence in making a decision, LACERA will follow the Board-approved Crisis Response Plan. The Board will receive written notification of all such actions.

List of Attachments

Corporate Governance and Stewardship Principles Responsible Contractor Policy Emerging Manager Policy Placement Agent Policy Private Equity Privatization Policy Procurement Policy for Investment-Related Services

Investment Policy Statement-OPEB Master Trust

Restated September 8, 2021



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List of Attachments

Corporate Governance and Stewardship Principles
Responsible Contractor Policy
Emerging Manager PolicyPlacement Agent Policy
Placement Agent Policy
Private Equity Privatization Policy
Procurement Policy for Investment-Related Services

About LACERA and the OPEB Trust

The Los Angeles County Employees Retirement Association ("LACERA") administers a defined benefit retirement plan (the "Fund") and has been appointed as the Investment Manager for the Los Angeles County's, LACERA's, and Los Angeles County Superior Court's Other Post-Employment Benefit Trusts ("Trust[s]"), which are the participating employers under the LACERA Master Trust ("OPEB Trust").

The Los Angeles County Board of Supervisors established LACERA by ordinance in 1937. LACERA has operated since 1938, and today, serves over 170,000 active and retired members.

LACERA's mission is to "produce, protect, and provide the promised benefits." LACERA aims to fulfill its mission through prudent investment and conservation of plan assets, in accordance with its Investment Beliefs and in consideration of actuarial analysis.

LACERA MISSION STATEMENT

We Produce, Protect, and Provide the Promised Benefits

LACERA's Board of Investments (the "Board") is responsible for establishing LACERA's investment policy and objectives, as well as exercising oversight of the investment management for both the Fund and the OPEB Trust.

The County of Los Angeles ("County") established the OPEB Trust for the purpose of pre-funding the Retiree Healthcare Benefits Program ("OPEB Program"). The OPEB Trust serves as a funding tool for the participating employers to hold and invest assets used to pay OPEB Program benefits, such as medical, dental and vision.

In 2012, the County Board of Supervisors approved entering into a Trust and Investment Services Agreement with the LACERA Board to serve as trustee and investment manager for two participating employers: Los Angeles County and LACERA. In 2016, the governing body of the Los Angeles Superior Court approved a similar agreement, and the Board of Supervisors in turn approved amending the County agreement to include the Superior Court as a third participant in a pooled investment structure through the OPEB Master Trust Declaration.

Statement of Purpose

The OPEB Trust Investment Policy Statement (the "IPS") defines the framework by which LACERA manages the assets of the OPEB Trust in order to fulfill its mission. The document provides the primary guidance for OPEB Trust investment activities by outlining the philosophy and structure of the OPEB Trust investment program, describing the general process by which assets are managed, and defining the key roles and responsibilities for the investment program.

The IPS is in furtherance of the OPEB Trust's purpose to permit the co-investing and commingling the assets of the participating Trusts for investments purposes. The ultimate purpose of the investment program is to fund and pay benefits under the OPEB Program.

Legal Authority

Article 8.6 of the County Employees Retirement Law of 1937, as amended (California Government Code Sections 31694 - 31694.5) ("CERL") provides authority to governing bodies of the County and Superior Court to establish a Trust to fund an OPEB Program and for the Board of Investments to be appointed and serve as Trustee, investment manager and/or third-party administrator for such Trust. The County and Court Trust agreements were established pursuant to this legal authority and approved by the Board of Investments. LACERA, in turn, used its authority to create the Master Trust to facilitate the investment of the County, Court, and LACERA funds set aside for the OPEB Program. Under the OPEB Trust Declaration, the Board of Investments has "sole and exclusive authority, control over and responsibility for directing the investment and management of" OPEB Trust assets. The Board of Investments is a fiduciary in performing its responsibilities as Trustees. The Trust documents provide for the Board of Investments to adopt investment policies and asset allocation formula as the Board sees fit in the performance of its duties to fulfill the purpose of the Trusts.

LACERA's governing statutes create a legal framework within which this IPS must be interpreted and implemented by the Board in approaching its decisions. Under the OPEB Trust Declaration, the Board is independent and has sole and exclusive legal responsibility over investment of OPEB Trust assets, including the establishment of the investment policy and asset allocation.

A. Fiduciary Duty

The Board and its Trustees are fiduciaries under the Trust documents and applicable by law, making decisions for the benefit of the Trusts as a whole without other concerns or outside influence. All Trustees, whether they are elected, appointed, or ex officio, have the same fiduciary duty under the law. This fiduciary duty has two components:

- Duty of Loyalty. Under the duty of loyalty, Trustees have the sole and exclusive responsibility to
 administer the OPEB Trust in the interest of and for the exclusive purpose of providing benefits to the
 participating employers' participants in the OPEB Program and their beneficiaries. In making every
 decision, the Board must act according to a three-pronged legal formula that balances the interests of
 OPEB Trust stakeholders: (1) solely in the interest of providing OPEB Program benefits to Program
 participants and beneficiaries, (2) to minimize employer contributions necessary to fund the OPEB
 Program, and (3) to defray the expenses of administering the OPEB Trust. The Board's duty to
 participants and their beneficiaries takes precedence over any other duty.
- Duty of Prudence. Trustees must discharge their duties with the care, skill, prudence, and diligence that a prudent fiduciary familiar with the matters and the circumstances of each particular decision would use in the conduct of a similar enterprise with like aims. The Board must diversify OPEB Trust investments so as to minimize risk of loss and maximize the rate of return, unless under the circumstances it is clearly prudent not to do so. The Board may invest or delegate the authority to invest OPEB Trust assets through the purchase, holding, or sale of any form or type of investment, financial instrument, or financial transaction when prudent in the informed opinion of the Board.

B. Ethics and Code of Conflicts

The Board and LACERA staff must refrain from personal activity that could conflict with the proper management of the OPEB Trust investment program, or that could impair their ability to make decisions in compliance with fiduciary duty. Further details are defined in LACERA's Code of Ethical Conduct, Conflict

of Interest Code, the Political Reform Act, Fair Political Practices Commission regulations, and other applicable law.

C. Process

Because the Board is a governing body of a public agency, the Board and its Trustees must conduct business according to the State of California Ralph M. Brown Act, which provides that Board meetings, deliberations, and actions must be public unless subject to a specific closed session exception. The Board may go into closed session to discuss the purchase and sale of particular, specific OPEB Trust investments under the Brown Act.

Investment Policy

I. Investment Philosophy and Strategy

A. Objectives of the Investment Program

LACERA follows a carefully planned and executed strategic investment program in order to:

- i. **Produce** the promised benefits for OPEB Trust participants and beneficiaries by achieving the OPEB Trust assumed rate of return on a total return basis over the long-term, consistent with LACERA's mission;
- **ii. Protect** the promised benefits on behalf of OPEB Trust participants and beneficiaries by mitigating investment risks through diversification and other means, consistent with LACERA's mission; and
- iii. **Provide** the promised benefits for OPEB Trust participants and beneficiaries, in part by ensuring adequate liquidity, consistent with LACERA's mission.

B. Investment Beliefs

The Board has adopted the following investment beliefs ("Investment Beliefs") to describe its core beliefs and underlying assumptions about how capital markets operate. Collectively, the Investment Beliefs provide a framework to guide LACERA's investment decisions in a manner consistent with LACERA's nature as an institutional investor with a long-term investment horizon in order to achieve the objectives defined above.

i. Strategic Asset Allocation

Long-term strategic asset allocation will be the primary determinant of OPEB Trust risk/return outcomes.

- a. It is important that LACERA be forward looking, as its investment horizon spans decades, if not indefinitely into the future.
- b. Asset allocation has a greater effect on return variability than asset class investment structure or manager selection. It is essential to account for OPEB Trust liabilities in setting long-term investment strategy.
- c. Rebalancing the portfolio is a key aspect of prudent long-term asset allocation policy.

ii. Market Efficiency

Markets are largely efficient over the long term (10–20 years); however, during certain economic and financial environments markets may not be efficient in setting prices.

a. Consequently, LACERA will allow for modest tactical asset allocation adjustments during times of disruption.

iii. Active Versus Passive Management

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.

a. Consequently, active strategies will be used only when there is strong conviction that they can be expected to add value net of their higher fees and are adjusted for risk.

iv. Private Markets and Liquidity

Private market assets can add value to a portfolio, providing opportunities for returns that exceed those expected from public markets.

- a. The total capital allocated to illiquid strategies must be kept at a prudent level.
- b. The high return potential of these assets needs to be balanced with the OPEB Trust's need for liquidity.
- c. Liquid assets serve a critical role to fund benefit payments and rebalance the portfolio.

v. Risk

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.

- a. LACERA operates in a global financial marketplace, and as such, LACERA believes that in order to diversify its risk broadly, it is vital that LACERA possess a global perspective.
- b. Diversification across different risk factors is necessary for risk reduction.
- c. Markets are cyclical; risk premia, volatility, and correlations vary over time.
- d. The pattern of returns matters because volatility levels and the sequence of gains and losses can impact funded status and contribution rates.
- e. Risk that is not expected to be rewarded over the long-term, or mitigated through diversification, will be minimized.
- f. For LACERA, not taking enough risk is risky; therefore, LACERA will accept a prudent amount of risk to achieve its long-term target returns.
- g. LACERA considers the risks of environmental, social, and governance ("ESG") factors as relevant to its investment process.
- h. 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.

vi. Costs and Fees

Investment outcomes are determined by risk, returns, and costs. All three must be managed, and cost is the most certain.

- a. Consideration of net-of-fees returns is an integral part of a successful long-term investment strategy.
- b. Costs and fees should be actively monitored and negotiated to the greatest extent possible.

vii. Education

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.

C. Strategic Asset Allocation

LACERA fundamentally believes long-term strategic asset allocation will be the primary determinant of risk/ return outcomes, and therefore establishes a strategic asset allocation to meet its mission and investment objectives.

The OPEB Trust strategic asset allocation categorizes capital outlays into four groups, defined by the function each allocation is intended to serve in the portfolio: (1) Growth, (2) Credit, (3) Real Assets and Inflation Hedges, and (4) Risk Reduction and Mitigation. The functional categories include various asset classes that represent the risk/return characteristics of each area. LACERA expects the four functional categories to diversify the OPEB Trust and optimize upside growth while mitigating downside risk. The asset allocation determines what proportion of the OPEB Trust are allocated to each functional category and underlying asset class, including target weights and allowable ranges as a percentage of the OPEB Trust.

In order to determine the OPEB Trust strategic asset allocation, LACERA conducts a comprehensive asset allocation study every three to five years, or at the Board's request. The asset allocation study considers a number of factors, such as:

- A projection of actuarial assets, liabilities, benefits payments, contributions, and the actuarial rate of return for the OPEB Trust, as well as its current and projected funded status.
- Historical results and expected long-term capital market risk, return, and correlation forecasts.
- An assessment of future economic conditions, including inflation and interest rate levels.
- Various risk/return scenarios.
- OPEB Trust liquidity requirements.

Approved asset allocation and benchmarks for the OPEB Trust are detailed in the tables of the Appendix.

D. Overview of Strategic Asset Allocation

LACERA groups asset classes into the following functional categories:

- i. Growth
 - a. Role in the portfolio: The role of assets in this category is to be the primary driver of long-term total returns for the OPEB Trust.
 - b. Asset Classes: Global Equity and Private Equity.
 - c. Investment Approach: Growth assets generally represent equity or equity-like interests in current and future income streams. Growth assets include public and private market strategies that include both liquid and illiquid investments. The OPEB Trust utilizes passive strategies in relatively efficient segments of the market for global equity and employs active strategies in relatively less efficient market segments including private equity.
 - d. Risk Factors: Growth assets are primarily equity ownership positions that tend to perform well in times of positive economic growth. They are highly sensitive to economic conditions and are subject to potential loss in value based on a number of factors. For example, growth assets may be sensitive to inflation and generally perform poorly in times of high and unexpected inflation. To a lesser extent, growth assets may be sensitive to interest rates due to the use of leverage in certain strategies as well as the relationship between interest rates and the discount rates used to price securities.

ii. Credit

- a. Role in the portfolio: LACERA expects assets categorized as Credit to produce current income and moderate long-term total returns. Credit has more moderate levels of risk than assets categorized as Growth, and, accordingly, provides incremental diversification to the OPEB Trust.
- b. Asset Classes: Liquid Credit (High Yield, Bank Loans, Emerging Market Debt), and Illiquid Credit.
- c. Investment Approach: Credit assets are generally fixed claims on assets or income streams of an issuer (e.g., government, corporation, asset-backed securities). The category is composed of certain fixed income, real estate, and private debt investments. Investment strategies within this category may have a specific mandate or be multi-strategy. The investment strategies may be liquid, illiquid, or a combination of both, depending on the nature and terms of the specific investment vehicle. The OPEB Trust employs passive strategies for the more efficient segments of the credit market and may employ active strategies in certain segments that are relatively less efficient.
- d. Risk Factors: The primary risk for owners of Credit assets is the failure of the borrower to make timely payments of interest and principal. There are three elements of credit risk: the risk of default, the risk of a credit downgrade, and spread risk, which is the risk that investors may demand greater compensation for bearing the first two types of risk. Bonds with credit risk offer a yield premium over government bonds to compensate investors for the additional risk. Bonds with greater credit risk (i.e., bonds with lower credit ratings) are typically less liquid than higher quality bonds.

iii. Real Assets and Inflation Hedges

- a. Role in the portfolio: LACERA expects assets in this category to provide income as well as a hedge against inflation, while diversifying the OPEB Trust due to the assumed low correlation of returns between these assets and other asset classes.
- b. Asset classes: Private Real Estate, Natural Resources, Commodities, Private Infrastructure, and Treasury Inflation-Protected Securities ("TIPS").
- c. Investment Approach: Real Assets generally include physical assets, such as real estate and infrastructure, or securities whose value is derived from a physical asset, such as commodities or natural resources. Assets in this category may be invested in both public and private investments and may be liquid or illiquid, as well as passively or actively managed.
- d. Risk Factors: Real Assets and Inflation Hedges are sensitive to inflation. The primary risk for owners of real assets/inflation hedges is that they fail to provide a hedge against long-term changes in inflation. A secondary risk is loss of principal. The value of real estate and natural resources assets may fall, particularly during an economic downturn, but also due to idiosyncratic aspects of each asset. Diversification may offset asset-specific risk. Foreign assets are also subject to currency movements against the U.S. dollar. TIPS are exposed to liquidity risk, as they tend to be less liquid than nominally U.S. Treasuries, particularly during a market environment in which there is a flight to safety.

iv. Risk Reduction and Mitigation

a. Role in the portfolio: LACERA expects assets in this category to provide moderate amounts of current income by generating a modest level of return while also reducing risks for the OPEB Trust, in part by preserving capital in the event of a downturn in equity markets. LACERA anticipates that assets in this category will have a low level of volatility and a low correlation to Growth assets, thereby providing downside protection. In the event of a market correction, these assets could also provide a

source of liquidity for benefit payments.

- b. Asset classes: Investment Grade Bonds, Long-Term Government Bonds, and Cash.
- c. Investment Approach: The category is composed of investment grade bonds, long-term government bonds, and cash. Cash is the least volatile asset class, as well as the most liquid; the flexibility it provides during periods of market decline helps to mitigate risk. Investment grade bonds comprise a mix of U.S. Treasuries, corporate debt, and other bonds of high quality, typically rated "BBB" or above by rating agencies. High quality bonds would be expected to protect the OPEB Trust by retaining or increasing their value during a market correction.
- d. Risk Factors: The primary risk factor for Risk Reduction and Mitigation Assets is that they will fail to provide the anticipated level of protection during market downturns. Assets in this category are also subject to additional risks. For example, investment grade bonds are sensitive to fluctuations in interest rates and have some risk of default. Cash can include short-term instruments and vehicles where there is a low probability of loss of principal.

E. Performance Objectives

The OPEB Trust's long-term performance objective is to generate risk-adjusted returns that meet or exceed its defined actuarial target as well as its policy benchmark, net-of-fees, over the OPEB Trust designated investment time horizon. The OPEB Trust's policy benchmarks at the total OPEB Trust level, the functional category level, and the asset class level can be found in the Appendix.

F. Rebalancing

LACERA considers rebalancing the OPEB Trust a key aspect of prudent long-term portfolio management. LACERA rebalances the OPEB Trust portfolio in accordance with established guidelines and procedures to adhere to its approved strategic asset allocation, consistent with the OPEB Trust stated Investment Beliefs. The approved ranges for each functional asset category and underlying asset class are defined in the Appendix.

G. Responsible Stewardship and Beneficial Ownership Rights

In pursuing its investment program, and as part of mitigating risks associated with the OPEB Trust investments, LACERA seeks to manage its investments in a manner that promotes and safeguards the economic interests of its participants, consistent with LACERA's mission. LACERA prudently exercises its rights as an investor to support policies and practices at companies in which LACERA invests, as well as public policies governing financial markets, that are consistent with the OPEB Trust's economic interests. In doing so, LACERA aims to promote sustainable, long-term value on behalf of its participants and enhance LACERA's ability to fulfill its mission. LACERA has therefore adopted Corporate Governance and Stewardship Principles (see Attachments). Beneficial ownership rights pertaining to the OPEB Trust investments, including, but not limited to proxy voting where LACERA has retained voting authority, are managed in accordance with LACERA's Corporate Governance and Stewardship Principles.

H. Integration of Environmental, Social, and Governance (ESG) Factors

LACERA recognizes that environmental, social, and governance factors may influence the risk-return profile and financial performance of investments. Financially material ESG factors may vary by industry, geographic exposure, business strategy, investment time horizon, and other variables. LACERA endeavors to identify, assess, and manage relevant ESG factors in its market research, portfolio construction, and throughout its investment process in furtherance of its mission and fiduciary duties. Careful consideration of ESG factors throughout LACERA's investment process aims to generate sustainable investment returns. LACERA assesses and monitors all investment partners on their capacity and skill in evaluating ESG risks and opportunities in a compelling manner to enhance LACERA's risk-adjusted returns.

I. Diversity, Equity, and Inclusion

LACERA values diversity, equity, and inclusion, and believes that effectively accessing and managing diverse talent leads to improved outcomes. LACERA considers diversity broadly, inclusive of—but not limited to—professional backgrounds, age, experience, race, sexual orientation, gender, gender identity, disability status, military service, ethnicity, national origin, and culture. LACERA expects external asset managers and other third-party providers to respect and reflect LACERA's value of diversity, equity, and inclusion. 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.

II. Investment Process

The following sections articulate the general parameters and processes by which LACERA executes its investment strategy, in adherence to established policies and procedures.

A. Structure Review

After an asset allocation study apportions capital across categories, LACERA conducts a structure review to address how to implement each asset category. A structure review establishes the framework for each asset category by addressing its role within a total portfolio context. The structure review evaluates the objectives, portfolio composition, related strategic initiatives, and how the portfolio may evolve in the near to medium term. These reviews are presented to the Board no less frequently than the comprehensive asset allocation study conducted for the OPEB Trust, or at the Board's request.

B. Investment Management

i. Investment Agreements

Board-approved investment recommendations are subject to negotiation and execution of an agreement that, in the judgment of LACERA's Chief Investment Officer and Chief Counsel, includes all terms necessary to provide adequate protection for the OPEB Trust's interests under the circumstances of the transaction, including but not limited to an appropriate standard of care on the part of the investment manager.

ii. Selection and Monitoring

LACERA may utilize internal resources or externally managed portfolios implemented by asset management firms and service providers to effectuate the OPEB Trust investment program. In determining whether to use internal or external resources to implement a specific investment mandate, strategy, or investment-related service, LACERA takes into consideration numerous factors, including, but not limited to, return expectations, associated risks, compliance requirements, and expenses related to the specific strategy or service.

LACERA has adopted formal procedures to guide the selection, appointment, and monitoring of external managers and service providers. LACERA expects any external party that manages assets on behalf of the OPEB Trust to serve as a fiduciary.

iii. Costs

LACERA considers the costs and expenses related to executing its investment program to be a crucial component of its fiduciary duty and an important element in determining its strategic asset allocation. In all aspects and functions of its investment program, LACERA seeks to actively identify, assess, and monitor expenses. LACERA expects that the economic terms and conditions by which any external party is compensated for investment-related services should promote an alignment of interests between the OPEB Trust and the external party in fulfilling LACERA's mission and investment objectives. Accordingly, LACERA diligently attends to and negotiates the economic terms of investment services rendered to the OPEB Trust.

C. Liquidity Management and Other Investment Functions

The following sections provide the general guiding principles and parameters for certain components of

LACERA's investment process, including liquidity management, the use of derivative instruments, securities lending, and certain prohibited transactions.

i. Liquidity and Cash Management

Effective cash management is integral to LACERA's investment process. LACERA strives to maintain appropriate levels of liquidity—i.e., the ability to convert investments into cash—in order to meet immediate or short-term obligations and liabilities, such as satisfying a request by a participating employer to fund OPEB Program participant benefits, meeting capital calls, and rebalancing the portfolio per the strategic asset allocation. LACERA manages liquidity by monitoring the aggregate liquidity and liquidity risk exposures of the OPEB Trust.

ii. Derivatives Management

LACERA may employ derivative instruments to hedge or gain exposure to certain investments. A derivative is a financial instrument that derives its value from an underlying asset which represents direct ownership of a security or a direct obligation of an issuer. Derivatives may be exchange-traded or traded over the counter (OTC). LACERA expects that any use of derivatives by external managers must adhere to LACERA's policies and investment guidelines.

iii. Prohibited Transactions

LACERA prohibits the following transactions unless stated otherwise in the investment management agreement:

- "Prohibited transactions" as defined under the Employee Retirement Income Security Act of 1974 (ERISA)
- Transactions that involve a broker acting as a "principal," where such broker is also the investment manager (or an entity related to the investment manager) who is making the transaction
- Any or all applicable investment activities forbidden by the United States Securities and Exchange Commission or other applicable governing bodies
- Any acts or omissions that violate state and local laws regarding conflicts of interest and disclosures

LACERA does not lever the OPEB Trust investment portfolio as a whole. However, leverage is implicit in many investment strategies. LACERA expects that any use of leverage by external managers must adhere to LACERA's established policies and investment guidelines.

III. Risk Management

LACERA manages risk by establishing and adhering to investment guidelines, pursuing multiple approaches to diversification (such as asset class, geography, liquidity profile, currency, and degree of active management), and conducting regular measurement and analytical exercises. LACERA assumes certain risks to achieve sufficient returns to meet the OPEB Trust's financial obligations and investment objectives. Investment risks pertain to the prospect of a permanent loss of capital or of not meeting objectives within the designated timeframe. LACERA seeks to mitigate the impact of a drawdown to the OPEB Trust in order to accomplish its investment objectives, reduce volatility, and avoid increased contributions to the OPEB Trust from the participating employers.

A. Philosophy and Objectives

LACERA considers risk multi-faceted and, therefore, views risk from multiple perspectives. Risk may vary and evolve over time, across sectors or geographic exposures, and depends on the nature and terms of the investment vehicle that LACERA deploys to implement OPEB Trust investment strategies. Risk may be systematic (i.e., present across the market) or unsystematic (i.e., specific to a particular investment strategy). A risk may pertain to and potentially impact the OPEB Trust, a functional asset category, or individual underlying asset classes.

LACERA seeks to diligently identify, assess, and monitor relevant investment risks throughout the investment process, from determining its strategic asset allocation to ongoing evaluation and monitoring of OPEB Trust performance. This helps to ensure that risks assumed by the OPEB Trust are intentional and adequately compensated.

B. Approach

The OPEB Trust strategic asset allocation attempts to position the OPEB Trust to capture growth while mitigating large drawdowns. LACERA's investment strategy is designed to take intentional risk, called active risk, in order to achieve commensurate investment results. LACERA may define expectations for active return earned per unit of active risk taken for various investment strategies and portfolios.

LACERA seeks to identify and acknowledge the sources and types of risk inherent in each investment strategy. However, LACERA also recognizes that even sophisticated risk measurement techniques may not detect certain risks, including extreme events, in advance. Accordingly, risk models may only provide limited predictive qualities. LACERA endeavors to test and challenge investment strategies and assumptions prior to a capital outlay as well as for ongoing monitoring.

LACERA measures investment risk using multiple metrics on both an absolute and relative basis at all relevant levels (i.e., total OPEB Trust, functional asset categories, and underlying asset classes). LACERA also strives to employ stress testing, scenario analyses, and broader financial and economic analyses to understand current and potential risks related to its investment strategy and decisions. LACERA selects appropriate benchmarks to assess and determine whether investment risks taken by the OPEB Trust are appropriate in order to achieve expected investment returns.

LACERA may establish a risk budget to set active risk targets for each functional asset category and underlying asset classes. LACERA aims to minimize unintended risk caused by asset allocation drift or other factors.

IV. Roles and Responsibilities

LACERA has established the following roles and responsibilities to implement its investment program, all of which must be performed under the terms of the Trust documents and the Board's fiduciary duty as defined above. The duties explained below apply to the Board, staff, and various external parties who collectively oversee and administer the functions necessary for LACERA to accomplish its investment objectives.

The overview outlined below is further complemented by the following documents: (Board of Investments Charter, Board of Investments Powers Reserved Defined, Board of Investments Powers Reserved and Delegated Authorities, and the Board of Investments Regulations (previously referred to as "Bylaws".) Roles and responsibilities are performed in a manner consistent with these governance documents and other Board policies.

A. Board of Investments

i. Board

The exclusive fiduciary responsibility of the Board is to ensure prudent investment and management of the OPEB Trust so as to provide, through the utilization of the Board's powers and duties as Trustee, the timely payment of OPEB Program benefits to participants and their beneficiaries, minimize employer contributions, and defray the reasonable cost of administration, with the duty to participants being paramount. It is the responsibility of the Board to ensure that LACERA employees administer OPEB Trust investments at reasonable cost, while preserving the quality of investments. The Board exercises oversight of all aspects of the investment program. The Board oversees the management of the OPEB Trust in compliance with all aspects of this IPS and all applicable federal and state laws and regulations The Board may request staff and investment consultants to inform and make recommendations on matters pertinent to OPEB Trust investment Officer ("CIO"), as further outlined in the Appendix.

ii. Committees

To assist the Board in carrying out its duties, the Board may establish one or more committees ("Committee"). A Committee makes recommendations to the Board on investment actions related to its area of focus. A Committee may request staff and investment consultants to inform and make recommendations to it on matters pertinent to the OPEB Trust investment program.

B. Staff

i. Chief Executive Officer

The Board and LACERA'S Board of Retirement jointly appoint the Chief Executive Officer ("CEO"). The CEO is responsible for planning, organizing, and administering the operations of LACERA under policy guidance and direction from the Board and the Board of Retirement. The CEO exercises administrative oversight of the CIO, excluding investment decisions delegated to the CIO. The Board provides input to the CEO in the CEO's oversight of the CIO.

ii. Chief Investment Officer and Investment Staff

The CIO and staff assist the Board in performing its fiduciary duty. The internal investment staff reports to the CIO, who in turn reports to the CEO, with the input of the Board. The CIO, with the assistance of staff, has the responsibility and authority to assist the Board in establishing investment and administrative policies. The CIO and staff are responsible for implementing the policies and programs

established by the Board. The CIO has primary responsibility for the implementation of the Board's investment decisions.

The CIO and staff manage the portfolio according to the Board's policies, advise and inform the Board about investments, assist with development and review of investment policies and procedures, oversee operational aspects of the OPEB Trust, report on the progress of the OPEB Trust in meeting its investment objectives, and monitor and report to the Board on the performance of the OPEB Trust relative to the appropriate benchmarks. The Board has delegated specific investment authority and responsibility directly to the CIO as described in the Appendix. The CIO is authorized to interact with and communicate directly with the Board regarding all investment-related matters. The CEO does not have any authority over any and all investment decisions that are delegated to the CIO.

iii. Chief Counsel and Legal Staff

The Office of Chief Counsel and legal staff (Legal Counsel) are primarily responsible for legal issues concerning the investment program and advise the Board, CEO, CIO, and staff on investment-related legal matters. Legal Counsel advises the Board in performing its fiduciary responsibility. In addition to reliance upon internal resources for such matters, the Chief Counsel or designee within the Legal Office may retain external legal counsel, when deemed necessary and appropriate, to advise staff, negotiate and prepare contracts on investment-related matters and individual transactions, and provide other investment legal advice to protect LACERA's interests.

C. Third Party Service Providers

LACERA may engage external service providers, as described below, to implement the OPEB Trust investment program. All service providers, unless otherwise not applicable, are expected to serve as fiduciaries to the OPEB Trust in fulfilling their contracted services. Third party service providers must refrain from gift-giving or other efforts that may jeopardize the impartiality, or appearance thereof, of LACERA's Board and staff.

i. Investment Consultants

An investment consultant works for the Board in the oversight and implementation of investment objectives. In meeting the Board's objectives, investment consultants may work with staff and investment managers. The Board's general investment consultant provides advice and recommendations to the Board or Committee regarding OPEB Trust strategic objectives, risks, oversight, and implementation of investment objectives. Investment consultants, both general and specialized, provide advice and recommendations regarding strategic asset allocation, portfolio implementation, and oversight of the OPEB Trust to the Board, CIO, and staff. Investment consultants report to the Board or the Committee, as directed, and serve as an independent resource accountable to the Board. Investment consultants have a fiduciary duty to LACERA and must report economic interests and conflicts in accordance with California law and LACERA policy, including the Code of Ethical Conduct and filing of Form 700s.

ii. Custodian Bank

The Custodian Bank ("Bank") serves as a fiduciary in the safekeeping of OPEB Trust assets. The Bank is responsible for maintaining the OPEB Trust's official accounting book of record, including the ongoing pricing and valuation of all assets, collection of income generated by those assets, any corporate action notification, and performance calculation. The Bank cooperates with and provides assistance to staff and investment managers in the reconciliation process. LACERA may opt to designate other duties to the Bank as stipulated in the professional services agreement. LACERA's investment office works with LACERA's accounting division to manage the custodial relationship.

iii. Investment Managers

Investment managers are selected by the Board and, subject to the terms and conditions of this IPS, serve LACERA through contracts that specify investment guidelines, administrative requirements, responsibilities, investment fees, and performance expectations for management of each mandate. Investment managers provide reporting for the OPEB Trust to LACERA on the performance of specific investment mandates in adherence to established guidelines and agreements. Staff and consultants synthesize investment managers' performance for presentation to the Board in accordance with established performance monitoring and oversight procedures. Investment managers should accept a fiduciary duty to LACERA, must report economic interests and conflicts in accordance with California law and LACERA policy, including the Code of Ethical Conduct and filing of Form 700s, and enforce their own diversity, ethics, and sexual harassment policies.

iv. Other Third Party Service Providers

Additional third-party service providers may be retained, subject to the terms and conditions of LACERA's established policies and procedures, in order to perform other duties to assist in the administration of the OPEB Trust.

D. Participating Employers

The Participating Employers, the County, the Court, and LACERA, have those roles and responsibilities set forth in the County and Court Trust agreements and the Master Trust Declaration, including the right to determine contributions made. The Participating Employers have given the fiduciary responsibility over investments and disbursements to the Board of Investments, according to the terms set forth in the Trust documents.

Appendix

A. Investment Tables

Table 1: Approved Asset Allocation

Appendix A: Tables 1 & 2 have been updated to reflect information for the OPEB Trust

Asset Class	Target Allocation (%)	Allocation Range +/- (%)	Target Allocation (Step I) 10/1/2021	Target Allocation (Step II) 7/1/2022	Target Allocation (Step III) 7/1/2023
Growth	45	+/-10	50	48	45
Global Equity	40	+/-10	50	45	40
Private Equity	5	+/-5	0	3	5
Credit	18	+/-5	20	20	18
Liquid Credit	13	+/-5	20	17	13
Illiquid Credit	5	+/-5	0	3	5
Real Assets and Inflation Hedges	20	+/-5	20	20	20
Real Estate	8	+/-4	10	9	8
Natural Resources	2	+/-2	0	1	2
Commodities	2	+/-2	4	3	2
Infrastructure	2	+/-2	0	1	2
TIPS	6	+/-4	6	6	6
Risk Reduction and Mitigation	17	+/-6	10	14	17
Investment Grade Bonds	10	+/-4	8	9	10
Long-term Government Bonds	5	+/-5	0	3	5
Cash	2	+/-2	2	2	2
TOTAL FUND	100		100	100	100

Table 2: Benchmark Table

Asset Class	Benchmark	
Growth	Custom Blend	
Global Equity	MSCI ACWI IMI Net	
Private Equity	MSCI ACWI IMI + 200 bps (3-Month lagged)	
Credit	Custom Blend	
Liquid Credit	 38% BBg Barc U.S. Corporate High Yield; 46% Credit Suisse Leveraged Loans; 8% JP Morgan EMBI GD; 4% JP Morgan GBI-EM GD; 4% JP Morgan CEMBI BD 	
Illiquid Credit	Custom Liquid Credit Benchmark + 150 bps (1-month lagged)	
Real Assets and Inflation Hedges	Custom Blend	
Real Estate	75% NFI ODCE; 25% DJ US Select Real Estate (Private 3-Month lagged)	
Natural Resources	S&P Global Natural Resources TR	
Commodities	Bloomberg Commodity TR	
Infrastructure	Dow Jones Brookfield Global Composite Infrastructure TR	
TIPS	BBg Barc US TIPS	
Risk Reduction and Mitigation	Custom Blend	
Investment Grade Bonds	BBg Barc US Aggregate TR	
Long-term Government Bonds	BBg Barc U.S. Long Treasury Bond	
Cash	FTSE 3-Month US Treasury Bill	
TOTAL FUND	Custom Blended Policy Benchmark	

B. Chief Investment Officer Delegated Authorities

The Board has delegated to the CIO the following authorities in accordance with Board-approved asset class specific program parameters. CIO actions will be reported to Trustees consistent with the reporting provisions below, or in a timely manner.

Total Fund

General Authorities	Authority to limit or freeze manager trading activity pending discussion and action by the Board. Such actions shall be reported as an informational item as reasonably practicable to the Board, and no later than the next scheduled meeting of the Board.
	Authority to take actions not otherwise specifically delegated, in concurrence with the CEO and the Chair of the Board, when deemed necessary in the best interest of the OPEB Trust and when there is not enough time to take the action to the full Board. Such actions shall be reported as an informational item as soon as reasonably practicable to the full Board, and no later than the next scheduled meeting of the Board.
	Authority to rebalance the OPEB Trust in order to raise cash for satisfying a participating employer's request, adjust investment exposures, or pay operational expenses while adhering to investment policy targets. Rebalancing may include increasing or decreasing all Board-approved mandates.
	Authority to take actions as specified in LACERA's Procurement Policy.
Approval of Variances	Authority to approve temporary variances from asset-level program and investment manager guidelines.
Contract Authorities	Authority to sign, or delegate authority to sign, all investment-related contracts and agreements necessary to implement Board-approved action. Thereafter, during the original term, authority to sign all amendments and modifications with respect to such contracts and agreements and make all decisions with respect to their day-to-day operation and implementation where the investment mandate remains substantially unchanged. Upon expiration of a contract or agreement for Board-approved mandates, an extension or modification may only be made with Board approval or as outlined in LACERA's Procurement Policy.
	Authority to approve reductions to investment manager fee schedules and service provider costs.
	Authority to negotiate and execute investment agreements that, in the judgment of the CIO and Chief Counsel, provide adequate protection for LACERA's interests, including an appropriate standard of care on the part of each manager.

Asset Class Specific

Private Equity	Authority to approve the purchase or sale of any existing fund investment within the Private Equity portfolio. Authority to approve co-investments, secondary transactions, re-ups, and advisory board seats.
Real Estate	Authority to approve the purchase or sale of any existing fund investment within the Real Estate portfolio. Authority to approve co-investments, secondary transactions, re-ups, and advisory board seats.
Real Assets (ex-Real Estate)	Authority to approve the purchase or sale of any existing fund investment within the Real Assets portfolio. Authority to approve co-investments, secondary transactions, re-ups, and advisory board seats.
Credit	Authority to approve the purchase or sale of any existing fund investment within the Credit portfolio. Authority to approve co-investments, secondary transactions, re-ups, and advisory board seats.

In the event the CIO is not available, and time is of the essence in making a decision, LACERA will follow the Board-approved Crisis Response Plan. The Board will receive written notification of all such actions.

List of Attachments

Corporate Governance and Stewardship Principles

Responsible Contractor Policy

Emerging Manager PolicyPlacement Agent Policy

Placement Agent Policy

Private Equity Privatization Policy

Procurement Policy for Investment-Related Services

ATTACHMENT 3

OTHER POST-EMPLOYMENT BENEFITS (OPEB) MASTER TRUST FUND



INVESTMENT POLICY STATEMENT

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INTRODUCTION

The Los Angeles County Employees Retirement Association ("LACERA") has been appointed as the Investment Manager for the Los Angeles County's, LACERA's, and Los Angeles County Superior Court's Other Post-Employment Benefit Trusts, which are Participating Trusts under the LACERA Master OPEB Trust (the "Trust"). As the Trustee of the Trust, the Board of Investments for LACERA (the "Board") has the responsibility to oversee investment of the Trust assets. LACERA's investment staff ("investment staff" or "staff") provides the day-to-day oversight of the investment activities, and executes the instructions of the Board. The Trust assets may be invested collectively or may be divided into funds determined by the Trustee (each, a "Subfund"), and each Subfund shall be unitized to reflect the interest of each Participating Trust in each Subfund. The Trustee shall keep a record of the available Subfunds.

This document provides the framework for the management of the Trust's assets. The purpose of the Investment Policy is to assist the Board and staff in effectively supervising and monitoring the investment and use of Trust assets. Specifically, it addresses the following issues:

- The general goals of the investment program.
- Specific asset class allocations, targets, and ranges.
- Performance objectives.
- The investment policies and structures for the management of the assets.
- Responsible parties and duties.

The Board establishes this investment policy in accordance with applicable local, State, and Federal laws. The Board members exercise authority and control over the management of the Trust, by setting policy which the investment staff executes through the use of external investment managers. The Board oversees and guides the Trust subject to the following basic fiduciary responsibilities:

- Solely in the interest of, and for the exclusive purpose of providing other post-employment benefits to persons eligible to receive such benefits pursuant to the terms of each Participating Trust's OPEB program.
- With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character with like objectives.
- Diversify the investments of the Trust so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances, it is clearly prudent not to do so. Diversification is applicable to the deployment of the assets as a whole.

The Trust has a long-term investment horizon, and utilizes an asset allocation which encompasses a strategic, long-run perspective of capital markets. It is generally recognized that a strategic long-term asset allocation plan implemented in a consistent and disciplined manner will be the major determinant of the Trust's investment performance. This policy statement is designed to allow for sufficient flexibility in the management oversight process to capture investment opportunities as they may occur, while setting forth reasonable parameters to ensure prudence and care in the execution of the investment program.

All transactions undertaken will be for the sole economic benefit of beneficiaries and for the exclusive purpose of providing benefits to them.

This policy statement generally covers both separate account and commingled investments except where not applicable. Other LACERA policies that are indirectly associated with this IPS may also apply. Incorporated by reference and attached to this document are the following:

Attachments

- A Manager Monitoring and Annual Review Policy
- B Securities Lending Program Policy

INVESTMENT GOALS

The Trust's general investment goals are broad in nature. The objective shall be to efficiently allocate and manage the assets dedicated to the payment of other post-employment benefits and administrative expenses. The following goals, consistent with the above described purpose, are adopted:

- The overall goal of the Trust's investment program is to provide employees and retirees of Los Angeles County, LACERA, and Los Angeles County Superior Court with post-employment health care benefits as promised. This will be accomplished through a carefully planned and executed long-term investment program.
- Trust assets will be managed on a total return basis. While the Trust recognizes the importance of the preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally rewarded with compensating returns in the long term.
- Trust assets will be invested in an effort to maximize total return, consistent with market conditions and appropriate levels of risk and liquidity.

The Investment Policy has been designed to allow the Trust to achieve a long-term total return. Consequently, prudent risk-taking is warranted within the context of overall portfolio diversification to meet this goal. The investment activities are designed and executed in a manner that serves the best interests of the beneficiaries of the Trust.

Investment recommendations and subsequent actions are expected to comply with "prudent expert" standards.

ASSET ALLOCATION POLICY

The asset allocation policy is predicated on a number of factors presented by the General Investment Consultant, including:

- Historical behavior and expected long-term capital market risk, return, and correlation forecasts.¹
- An assessment of future economic conditions, including inflation and interest rate levels.
- The current and projected funded status of the Trust.
- Various risk/return scenarios.
- Liquidity requirements.
- Direction provided by the Participating Trust in connection with the investment of assets, such as liquidity needs or contribution plans.

This policy provides diversification of assets in an effort to maximize the total return of the Trust consistent with market conditions and risk control. The asset allocation modeling process identifies asset classes that the Trust may utilize and the percentage that each class represents of the Trust. Due to the fluctuation of market values, positioning within a specified range is acceptable and constitutes compliance

¹ Based on Meketa's December 2017 Presentation, the 10-year return assumption is 6.30%.

with the policy. It is anticipated that an extended period of time may be required to fully implement the asset allocation policy, and that periodic revisions will occur. The investment staff will monitor and assess the actual asset allocation versus policy and will evaluate any variation deemed significant.

The Board will implement the asset allocation policy in large part through the use of passive investment managers. All investments are subject to investment guidelines incorporated into the executed agreements with external managers or the policies established by the Board.² The strategic asset allocation targets and ranges for the investments of the Trust's assets are shown below:

Asset Class	Benchmark	Target Allocation (%)	Allocation Range
Growth		50.0	+/- 10%
Global Equity	MSCI ACWI IMI	50.0	
Credit-Oriented Fixed Income		20.0	+/- 5%
High Yield Bonds	Bloomberg Barclays High Yield Index ³	6.0	
Bank Loans	S&P /LSTA Leveraged Loan Index	10.0	
Emerging Market Local Currency Bonds	JP Morgan GB - EMGD Index	4.0	
Risk Reduction & Mitigation		10.0	+/- 5%
Cash Equivalents	Citi 6-month T-Bills Index	2.0	
Investment Grade Bonds	Bloomberg Barclays U.S. Aggregate Index	8.0	
Inflation Hedges		20.0	+/- 5%
TIPS	Bloomberg Barclays U.S. TIPS Index	6.0	
Real Estate (REITs)	DJ U.S. Select Real Estate Sec Index	10.0	
Commodities	Bloomberg Commodity Index TR	4.0	
TOTAL FUND	Custom Benchmark ⁴	100.0	

Table 1. Asset Allocation

The target allocation yields an expected 6.3% average annualized (geometric, or compounded) 10-year return projection, with a standard deviation of 13.84%. These projections are based on the General Investment Consultant's 10-year return, volatility, and correlation estimates for each asset class, which are included in Tables 2 and 3 at the end of the document. The estimates for each asset class are arrived

² Through this Investment Policy Statement, staff is authorized to implement Investment Guidelines specific to each portfolio within these constraints. Investment Guidelines falling outside these constraints require approval by the Chief Investment Officer, with notice to the Board.

³ Bloomberg Barclays High Yield 500MM Par, 2% Issuer Capped Index.

⁴ Custom Benchmark: A blended benchmark of each investment category's target allocation.

at by incorporating both quantitative and qualitative factors, and are reviewed and updated no less frequently than annually. The portfolio return and volatility estimates are based on the aggregation of these projections and LACERA's target allocation.

ASSET ALLOCATION REBALANCING POLICY

The purpose of rebalancing back to asset class targets is to ensure that the Trust's actual asset allocation does not drift from the strategic asset allocation policy. The strategic asset allocation policy has been developed after a rigorous analysis of the Board's objectives and risk tolerance. Rebalancing ensures that the Trust's desired asset allocation policy is maintained consistently over time. It, therefore, ensures that a major policy decision of the Board is implemented effectively.

In the absence of any other considerations, the optimal strategy would be to rebalance continually back to the Board-approved target asset allocation. However, rebalancing involves costs such as brokerage and other trading costs.

It shall be the policy of the Board that:

- Cash flows, into and out of the Trust, will be used to rebalance back to asset class targets whenever possible.
- The Trust's actual asset allocation should be reviewed at the end of each month when asset valuations become available. More frequent reviews may be undertaken, if appropriate. Rebalancing may take place if the weight to any asset class deviates materially from its Board-approved target weight. Rebalancing must take place when Board-approved ranges are breached. Rebalancing should be implemented by the most cost-effective means available and without market disruption.
- When rebalancing occurs, the portfolio will be rebalanced toward the Board- approved asset allocation policy targets.

Monthly, the Board shall be notified of any rebalancing that has taken place. Additionally, the Trust's quarterly investment performance report will include a direct comparison of the portfolio's actual asset allocation to the target allocation. The implementation of the rebalancing program will be undertaken by the Chief Investment Officer.

PERFORMANCE OBJECTIVES

The long-term performance objective of the Trust's total fund is to mirror its Policy benchmark gross-of-fees.

INVESTMENT STRATEGY AND GUIDELINES

The Trust will have the following functional risk overlay of the traditional asset classes:

Growth

Role in the portfolio: The primary role of assets in this category is to produce a sufficiently high level of long-term growth to provide the promised benefits.

Asset Classes: Global Equity

• **Global Equity** invests in a portfolio of global equity securities with the objective of approximating as closely as practicable the capitalization weighted rates of return of the markets in certain countries for publicly traded equity securities. The benchmark shall be the MSCI ACWI IMI Net Dividend Return Index. The full spectrum of securities may include American Depositary Receipts, Global Depositary Receipts, and other structured transactions utilizing foreign stocks and currencies.

Implementation: Index funds will be utilized to access equity market returns in a low-cost manner.

Credit-Oriented Fixed Income

Role in the portfolio: The role of Credit-Oriented Fixed Income is to produce moderate long-term total returns that provide diversification from public equities.

Asset Classes: High Yield, Emerging Markets Debt, Bank Loans

- **High Yield** invests primarily in a portfolio of debt securities with the objective of approximating the total rate of return of the Bloomberg Barclays U.S. High Yield 500MM Par, 2% Issuer Capped Index. Debt securities shall include obligations that are included in the Bloomberg Barclays U.S. High Yield 500MM Par, 2% Issuer Capped Index or which the manager believes will allow the portfolio to better track the Bloomberg Barclays U.S. High Yield 500MM Par, 2% Issuer Capped Index.
- Emerging Markets Local Currency Debt invests primarily in a portfolio of debt securities denominated in local currency and issued by governments and agencies of, and companies domiciled or exercising the predominant part of economic activity in, emerging markets. The full spectrum of securities may also include non-investment grade securities.
- **Bank Loans** invest primarily in U.S. dollar denominated floating rate loans which provide income that can rise with rates and inflation.

Implementation: Index and/or mutual funds will be utilized to access the credit market in a low-cost manner.

<u>Risk Reduction & Mitigation</u>

Role in the portfolio: The role of assets in this category is to provide diversification and risk reduction.

Asset Classes: Cash Equivalents, Investment Grade Bonds

- **Cash Equivalents** managers may invest in high quality, short-term fixed income instruments with a credit rating of at least A-2/P-2 by Moody's or S&P. The portfolio's maximum average duration is one year, and the maximum average maturity for individual securities is two years. The use of repurchase agreements will be permitted provided these agreements are adequately collateralized.
- **Investment Grade Bonds** invest primarily in a portfolio of debt securities with the objective of approximating as closely as practicable the total rate of return of the market for debt securities as defined by the Bloomberg Barclays U.S. Aggregate Bond Index.

Implementation: Index funds will be utilized to access the investment grade bonds market in a low-cost manner and an existing external manager will be utilized for Cash Equivalents.

Inflation Hedges

Role in the portfolio: The role of assets in this category is to provide a hedge against unanticipated inflation and improve total fund diversification due to anticipated low correlation of returns with other asset classes.

Asset classes: TIPS, Real Estate, Commodities

- **TIPS** exposure is achieved through investments in inflation-indexed bonds of varying maturities issued by the U.S. and non-U.S. governments, their agencies, or instrumentalities, and U.S. and non-U.S. corporations.
- **Real Estate (Real Estate Investment Trusts or REITs)** exposure is achieved through a portfolio of equity-oriented real estate investments to diversify against other asset classes and to enhance overall fund returns.
- **Commodities** invests primarily in commodity futures contracts; short-term fixed income obligations, including, but not limited to U.S. Treasury obligations; cash instruments; and/or other investments with the objective of approximating the rate of return of the Bloomberg Commodity Index Total Return.

Implementation: Index funds will be utilized to access the TIPS, REITs, and Commodities markets in a low-cost manner.

INVESTMENT MANAGEMENT POLICIES

The Trust may utilize externally managed portfolios based on specific mandates and methodologies. The external managers will be expected to acknowledge in writing that they are Trust fiduciaries and that they

will have discretion and authority to determine investment strategy, security selection and timing, subject to the Policy guidelines herein and investment guidelines specific to their portfolio.

Investment managers, as prudent experts, will be expected to know specific investment guidelines for their portfolios, and to comply with these guidelines. It is each manager's responsibility to identify guidelines that may have an adverse impact on performance, and to initiate discussion with staff toward possible improvement of said guidelines.

As outlined in the Manager Monitoring and Annual Review Policy (Attachment A), staff, under Board supervision, is responsible for monitoring investment managers' adherence to their investment mandate, and any material changes in the managers' organization. The investment managers retained by the Trust will be responsible for informing staff of all such material changes on a timely basis. Further, staff is responsible for monitoring and evaluating manager performance on a regular basis relative to each portfolio's benchmark return and relative to a peer group of managers with similar investment mandates.

Investment managers under contract to the Trust shall have discretion to establish and execute transactions with any securities broker/dealers as needed. However, the Trust reserves the right to preclude investment managers from directing trades through certain brokerages as it deems appropriate. The investment managers must obtain the most favorable executions with respect to all of the portfolio transactions as market conditions permit.

Prohibited Transactions

The following transactions will be prohibited unless stated otherwise in the investment manager guidelines:

- Short sales.
- Selling or buying on margin.
- "Prohibited transactions" as defined under the Employee Retirement Income Security Act of 1974 (ERISA).
- Transactions that involve a broker acting as a "principal", where such broker is also the investment manager who is making the transaction.
- Any or all investment activities forbidden by SEC or other applicable governing bodies.
- No investment manager or trustee may leverage the Trust portfolio by investing more than 100% of the total market value. This measure must reflect the effective exposure associated with derivative securities. The exposure for options, when permitted by contract, must be based on an appropriate options pricing model.

Selection Criteria for Investment Managers

Criteria will be established for each manager search undertaken and will be tailored to the Trust's needs in such a search. In general, eligible managers will possess attributes including, but not limited to, the following:

• The firm must be experienced in managing investments for institutional clients in the asset class/product category/investment style specified by the Trust.

- The firm must display a record of stability in retaining and attracting qualified investment professionals, as well as a record of managing asset growth effectively, both in gaining and retaining clients.
- The firm must have an asset base sufficient to accommodate the Trust's portfolio. In general, the Trust's portfolio should make up no more than 25% of the firm's total asset base at funding. Exceptions may be made on a case-by-case basis.
- The firm must demonstrate adherence to the investment mandate sought by the Trust, and adherence to the firm's stated investment discipline.
- The firm's fees should be competitive with industry standards for the product category.
- The firm must comply with the "Duties of the Investment Managers" outlined herein.
- The firm must conform to Global Investment Performance Standards (GIPS) for performance reporting.

In addition, the Trust's assessment of investment managers will take into account the degree to which the manager's qualified investment professionals exhibit diversity, including such considerations as background, age, experience, race, gender, ethnicity, and culture.

As much as possible, the Trust intends to leverage the relationships LACERA maintains with various asset management organizations in order to take advantage of preferred pricing and capabilities. Where the needs of the Trust differ from those of LACERA, such considerations shall take precedence in the manager selection process.

Termination Criteria for Investment Managers

The Board of Investments, representing the Trust, reserves the right to terminate an investment manager for any reason. Grounds for investment manager termination may include, but are not limited to, the following:

- Failure to comply with the guidelines agreed upon for management of the Trust portfolio, including holding restricted issues.
- Failure to achieve performance objectives specified in the manager's guidelines.
- Significant deviation from the manager's stated investment philosophy and/or process.
- Loss of key personnel.
- Evidence of illegal or unethical behavior by the investment management firm.
- Lack of willingness to cooperate with reasonable requests by Board and staff for information, meetings or other material related to its portfolios.
- Loss of confidence by staff and the Board in the investment manager.
- A change in the Trust's asset allocation program which necessitates a shift of assets to another sector.

The presence of any one of these factors will be carefully reviewed by LACERA staff, but will not necessarily result in an automatic termination.

DUTIES OF RESPONSIBLE PARTIES

Duties of LACERA's Board of Investments

The Board or its designee(s) will adhere to the following in the management of Trust assets:

- Shall approve guidelines for the execution of the Trust's investment program. Only the Board in its sole discretion can delegate its decision-making authority regarding the investment program. Staff will be responsible for the timely implementation and administration of these decisions.
- Shall review the Trust's investment structure and financial performance annually and asset allocation triennially, or more frequently as the need arises. The reviews may include recommended adjustments to the long-term, strategic asset allocation to reflect any changes in applicable regulations, long-term capital market assumptions, actuarial assumptions or the Trust's financial condition.
- Shall review Trust investments quarterly or as needed to ensure that policies and guidelines continue to be met. The Board shall monitor investment returns on both an absolute basis and relative to appropriate benchmarks and peer group comparisons. The source of information for these reviews shall come from staff, consultants, the custodian and the Trust's investment managers.
- May retain investment consultants to provide such services as conducting performance reviews, asset allocation, manager reviews and investment research. The comments and recommendations of the consultants will be considered in conjunction with other available information to aid the Board in making informed, prudent decisions.
- Shall take appropriate action if investment objectives are not being met or if policies and guidelines are not being followed. Reviews for separate portfolios managed by external managers are defined in the Manager Monitoring and Annual Review Policy (**Attachment A**).
- Shall expect staff to administer Trust investments in a cost-effective manner subject to Board approval. These costs include, but are not limited to, management, consulting and custodial fees, transaction costs and other administrative costs chargeable to the Trust.
- Shall select a qualified custodian with advice from staff.
- Shall strive to avoid conflicts of interests.

Duties of the Investment Staff

The investment staff, as designated by the Board, plays a significant role in the management and oversight of the Trust. Investment staff shall be responsible for the following:

- Manage the strategic asset allocation of the Trust in accordance with agreed upon target ranges and rebalancing policies.
- Establish investment guidelines for manager portfolios that are consistent with existing policies and with Board-approved investment structure.
- Monitor external managers for adherence to appropriate policies and guidelines. Ensure that investment managers conform to the terms of their contracts.

- Ensure that due diligence and oversight of the Investment portfolios is conducted.
- Assist the Board in the evaluation of consultants to ensure that they are providing all necessary assistance to the Trust, as set forth in their service contracts.
- Conduct the manager search process, as set forth in this document, with assistance from consultants as directed by the Board.
- Manage portfolio restructurings resulting from external manager terminations with the assistance of consultants and managers, as needed.
- As directed by the Board, conduct special research required to manage the Trust more effectively.
- Report on investment activity and matters of significance at least monthly.
- Rebalance the portfolio to maintain asset allocation and/or to provide liquidity for cash needs or benefit payments. This requires delegating authority to the Chief Investment Officer to shift up to 3% of Trust's assets without Board approval. Any such action by the CIO will require notification to the Board of Investments via the monthly CIO Report.
- Maintain control over all wire transfers or movement of monies to or from all investment accounts.
- Strive to avoid conflicts of interest.
- Authorize consent to assignments of Investment Manager Agreements that are technical assignments under the Investment Advisors Act of 1940 with subsequent notification to the Board.
- Report to the entire Board if either the Chief Executive Officer (CEO) or a member of the Board of Investments has contacted the investment staff on three separate occasions over a rolling one-year period regarding a potential investment manager.

In addition to these core responsibilities, the Board has delegated to the Chief Investment Officer the following authorities. In the event the CIO is not available, and time is of the essence in making a decision, the CEO shall have the authorities identified below. In the event neither the CIO or CEO are available, a committee comprised of all available Principal and Senior Investment Officers and Assistant Executive Officers shall have these powers, provided that the committee is comprised of at least one Principal or Senior Investment Officer and one Assistant Executive Officer. The Board will receive written notification of all such actions.

- Authority to sign all investment-related consultant contracts and agreements, subsequent to Board approval. Thereafter, authority to sign all amendments and modifications with respect to such contracts and agreements, and make all decisions with respect to their day-to-day operation and implementation where the investment mandate remains substantially unchanged. The Board will receive written notification of all material actions taken.
- Authority to approve temporary variances from investment manager guidelines. The Board will receive written notification of all such actions.
- Authority to approve reductions to investment manager fee schedules. The Board will receive written notification of all such actions.

- Authority to limit or freeze manager trading activity pending discussion and action by the Board of Investments. Such actions shall be reported as an informational item as reasonably practicable to the Board of Investments and no later than the next scheduled meeting of the Board.
- Authority to take actions not otherwise specifically delegated, in concurrence with the CEO and the Chair of the Board of Investments, when deemed necessary in the best interest of the Trust and there is not time to take the action to the full Board of Investments. Such action shall be reported as an informational item as soon as reasonably practicable to the full Board and no later than the next scheduled meeting of the Board of Investments.

All investment-related contracts and agreements and all amendments and modifications to them are subject to review and approval by LACERA's Legal Office.

Duties of the Investment Managers

The investment managers shall have designated discretion to direct and manage the investment and reinvestment of assets allocated to their accounts in accordance with this document; applicable Local, State and Federal statutes and regulations; and individual management investment plans and executed contracts. The investment managers shall be responsible for the following:

- Execution of a contractual agreement to invest within the guidelines established in the Investment Plan.
- Provide to the Trust proof of liability and fiduciary insurance coverage.
- Be a SEC-Registered Investment Advisor under the 1940 Act, unless LACERA has previously approved an exemption from registration, and be recognized as providing demonstrated expertise over a number of years in the management of institutional, tax-exempt assets within a defined investment specialty.
- Adhere to the investment management style and principles for which they were retained, including, but not limited to, developing portfolio strategy, performing research, developing buy, hold and sell lists, and purchasing and selling securities.
- Execute all transactions for the benefit of the Trust with brokers and dealers qualified to execute institutional orders on an ongoing basis at the best net cost to the Trust.
- Reconcile monthly accounting, transaction and asset summary data with custodian valuations, and communicate and resolve any significant discrepancies with the custodian.
- Maintain frequent and open communication with staff on all significant matters that affect the Trust, including, but not limited to, the following:
 - 1. Major changes in the Investment Manager's investment outlook, investment strategy and portfolio structure.
 - 2. Significant changes in ownership, organizational structure, financial condition or senior personnel.
 - 3. Any changes in the portfolio manager or other key personnel assigned to the Trust.
 - 4. Each significant client which terminates its relationship with the Investment Manager, within 30 days of such termination.

- 5. All pertinent issues which the Investment Manager deems to be of significant interest or material importance.
- 6. Meet with the Board or its designee(s) on an as-needed basis.

Duties of the Master Custodian

The Master Custodian shall be responsible for the following:

- Provide complete global custody and depository services for the designated accounts.
- Manage a Short-Term Investment Fund (STIF) for investment of any cash not invested by managers, and ensure that all available cash is invested. If the cash reserves are managed externally, full cooperation must be provided.
- Provide staff with portfolio performance in a timely manner, and reconcile differences with managers.
- Provide, in a timely and effective manner, a monthly report of the investment activities implemented by the investment managers.
- Calculate all income and principal realized and properly report the results in periodic statements.
- Provide monthly and fiscal year-end accounting statements for the portfolio, including all transactions; these should be based on accurate security values for both cost and market. These reports should be provided within acceptable time frames.
- Report to the Trust situations where accurate security pricing, valuation and accrued income is either not possible or subject to considerable uncertainty.
- Provide assistance to the Trust to complete such activities as the annual audit, transaction verification, corporate actions, securities litigation, or unique issues as required by the Board.
- Manage a securities lending program to enhance income if directed by the Board. If the securities lending program is managed externally, full cooperation must be provided.
- Deliver all U.S. and non-U.S. proxy voting materials to LACERA, including meeting notices, voting instruction forms, proxy statements, quarterly and annual shareholder reports and miscellaneous proxy voting materials.

Duties of Consultants

The Board and staff will consider the comments and recommendations of consultants in conjunction with other available information to make informed, prudent decisions.

General Investment Consultant

The General Investment Consultant shall be responsible for the following:

- **Conduct an asset-liability study** work closely with LACERA's actuaries and senior investment staff to prepare a comprehensive asset-liability study, no less frequently than every three to five years.
- Assist LACERA's investment staff with strategic investment decisions-focus on "big-picture" total fund investment policy and structure issues.

- **Provide independent reviews**—when requested, provide independent reviews via reports to the Board on staff projects and recommendations in areas including, the investment policy and guidelines, asset class structures, and investment manager searches.
- **Calculate performance measurement**-independently from the custodian and provide quarterly performance reports to the Trust. Once a year the Consultant will make a performance presentation to the Board of Investments.
- **Research investment ideas**-provide independent, thorough research on current industry issues.
- Educate LACERA's Investment Board-provide educational presentations to the Board on specific issues. Education will range from informational items to critical investment policy issues.

Table 2. Correlation Matrix

Asset Class / Sub Asset Class	Cash	IG Bonds	TIPS	High Yield	Bank Loans	EM Bonds	Global Equity	REITs	Commodities
Cash Equivalents	1.00								
Investment Grade Bonds	0.05	1.00							
TIPS	0.05	0.80	1.00						
High Yield Bonds	0.00	0.20	0.30	1.00					
Bank Loans	0.05	0.00	0.20	0.80	1.00				
Emerging Market Bonds	0.05	0.50	0.50	0.70	0.40	1.00			
Global Equity	0.00	0.05	0.10	0.70	0.60	0.60	1.00		
REITs	0.05	0.15	0.20	0.70	0.55	0.50	0.70	1.00	
Commodities	0.00	0.05	0.35	0.40	0.40	0.40	0.50	0.30	1.00

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Asset Class	Expected Return (%)	Volatility (%)
Growth		
Global Equity	6.7	19.0
Credit-Oriented Fixed		
Income		
High Yield Bonds	5.0	12.5
Bank Loans	5.1	10.0
Emerging Market Bonds	5.1	13.3
Risk Reduction &		
Mitigation		
Cash Equivalents	1.5	1.0
Investment Grade Bonds	2.5	4.0
Inflation Hedges		
TIPS	3.0	7.5
Real Estate (REITs)	6.0	29.0
Commodities	4.4	19.5

Table 3. Ten-Year Annualized Return and Volatility Expectations

LIST OF ATTACHMENTS

Incorporated by reference and attached to this document are the following concise policy statements.

- A Manager Monitoring and Annual Review Policy
- **B** Securities Lending Program Policy

Attachment A

MANAGER MONITORING AND ANNUAL REVIEW POLICY

This policy outlines and defines, in accordance with Board Policies, a process for the on-going monitoring and review of investment managers by LACERA's investment staff and to establish guidelines for scheduling manager presentations to the Board of Investments (the Board). In adopting this policy, the Board acknowledges that LACERA has developed a highly qualified and capable in-house investment staff. The staff is led by a Chief Investment Officer with asset class responsibility delegated to individual Investment Officers. This Investment Staff is responsible for and fully capable of performing the work assigned to it by the procedures discussed below.

The Board recognizes it is not necessary to meet with every investment manager annually, although from time-to-time, the Board may wish to meet with managers experiencing either performance or organizational related problems.

The following outlines the investment staff's responsibilities for monitoring and reporting back to the Board investment manager activities.

MONTHLY AND QUARTERLY INVESTMENT REPORTS

Monthly Chief Investment Officer Reports

This report will provide the Board asset class market values and target allocations, as well as preliminary performance results for calendar year-to-date, fiscal year-to-date, and three, five and ten year returns. Other information may include investment activity such as manager rebalancing and funding activity, and upcoming staff projects.

Performance Measurement Reports

The investment staff will provide quarterly performance measurement reports for the most recent calendar quarter end. Staff will supplement these written reports with oral presentations to the Board annually, alternating every six months with LACERA's general investment consultant.

Performance reports will include the Total Fund results for the trailing quarter, one-, three- and five-year periods. Composite results for all asset classes will also be reported.

Individual external manager results will also be included in this report. Manager results will include a summary page reviewing all managers' gross and net-of-fee performance results for the most recent quarter, one, three, and five years. Risk-adjusted graphs will be provided for managers with at least three years of data.

A one-page summary for each manager will also be provided in the quarterly performance report. This summary will list each manager's mandate, provide peer and benchmark relative performance and since inception results. Estimated manager fees will be included in the appendix.

ASSET CLASS STRUCTURE AND MANAGER REVIEWS

Biennially, staff will review with the Board the current strategies for implementing the public markets allocations in relation to the Board's adopted asset allocation policy. Periodically, staff may recommend the Board adopt strategy changes; however, because these are long-term investment goals, the Board and staff recognize that continually changing these strategies could negatively impact composite results.

Equity strategy papers will review the composite portfolio's active/passive allocations and any style biases or other deviations resulting from either past policy decisions or occurring from recent market trends.

Fixed income strategy papers will review the rationale for utilizing strategic and tactical allocations to the different sectors of global fixed income markets and their specific role in the composite portfolio structure. Additionally, specific sector allocations will be discussed as part of the fixed income strategic review.

Commodities strategy memos will analyze whether the asset class is fulfilling its desired objectives diversification and inflation hedging—within the Fund. The Commodities Composite's performance will be examined, including a review of the return and risk of individual managers. Broad issues such as the potential impact of derivatives regulation or the optimum benchmark may also be addressed.

Manager reviews will include, but are not limited to, a review of each manager's investment mandate, investment process, key personnel and/or organizational structure and historical performance.

MONITORING MANAGERS BY INVESTMENT STAFF

The Board has delegated to the investment staff the fundamental responsibility of monitoring the Trust's investment managers on an on-going basis. Effectively monitoring managers can be broken into two key areas: identifying critical factors to monitor and establishing how managers will be monitored.

Staff will monitor the following critical factors: adherence to investment style, changes in key personnel, performance, organizational changes such as a sale of a firm, rapid asset growth or loss, and high staff turnover. Additionally, manager portfolios will be monitored for adherence to investment guidelines and contract compliance issues.

Managers will be monitored via periodic telephone calls and on-site visits. Each manager's performance will be reviewed monthly. In addition, portfolio characteristics will be reviewed periodically to ensure that a manager is adhering to its investment style. Such reviews will incorporate analytics from external software packages and data provided by the Trust's custodian or obtained from the investment managers.

FORMAL BOARD REVIEW OF INVESTMENT MANAGERS

Formal manager reviews may be undertaken for any of the following reasons:

• When a manager's last three consecutive quarters of one year rolling excess returns are

below the calculated performance bands.

- When a manager's last three consecutive quarters of one year rolling excess returns are *above* the calculated performance bands, a manager review may be undertaken at the discretion of the Chief Investment Officer.
- At the Board's request.
- At either staff's or Consultant's recommendations.

Staff will notify the Board during performance reviews, or at other times of the year, when in staff's opinion it is necessary to conduct a manager review. Additionally, the Board may periodically decide for no particular reason to invite investment managers to undertake a formal review.

The review may entail the manager conducting a formal presentation to the Board of Investments. (Managers requested to present to the Board because of performance or organizational concerns will be asked to specifically address these issues.) They will also be asked to review the following key points:

- Investment philosophy.
- Performance results.
- Past Investment strategy and performance impact relative to the benchmark.
- Current investment strategy.
- Potential investment strategy risk.

Reviewed: November 19, 2014 Revised: November 20, 2013 Revised: November 13, 2012 Revised: January 12, 2011 Revised: March 11, 2009

SECURITIES LENDING PROGRAM POLICY

The Master Trust's securities lending program provides the Fund with an opportunity to earn incremental income and offset administrative expenses. The program may be managed by the Fund's custodian, and/or qualified third-party securities lending agent(s), and/or direct borrowers (principals). The operation of the securities lending program should remain transparent to the Trust's external investment managers and should not impede their investment management process.

The securities lending program consists of two separate functions. The first function is the lending of the Trust's eligible securities (U.S. and Non-U.S. equities & bonds), to approved and qualified borrowers, either through an agent or directly, subject to the terms and conditions specified in the Trust's "Securities Lending Authorization Agreement." Loans of U.S. securities must have a minimum collateralization level of 102% and loans of Non-U.S. securities must have a collateralization level of at least 105%.

The second function is the reinvestment of cash proceeds generated by the lending of the Trust's portfolio securities. This is an investment management function, and is therefore governed by the same "prudent man rules" employed by the Trust's existing investment managers. Cash proceeds may be invested in commingled funds or in separately managed accounts. Separately managed accounts will be managed in accordance with investment policies and guidelines adopted by the Board of Investments.

To maintain appropriate risk controls, staff shall continually monitor the securities lending program for compliance with the investment guidelines and policies pertaining to the reinvestment of cash proceeds. These guidelines and policies shall be periodically reviewed and, if needed, amended to incorporate any appropriate revisions.

Revised: April 11, 2018 Reviewed: November 19, 2014 Revised: November 20, 2013 Revised: November 13, 2012 Revised: June 25, 2003

ATTACHMENT 4



Los Angeles County Employees Retirement Association June 2021 Benchmarking

MEKETA.COM



Introduction

- The Board of Investments (BOI) approved a new asset allocation at the May 2021 meeting. The new policy allocation added one additional asset class, introduced a new functional category, and consolidated underlying asset classes within Growth and Credit functional categories.
- The BOI is also reviewing asset allocation options for the OPEB Trust which may introduce new asset categories and therefore require updated benchmarks.
- As part of LACERA's strategic asset allocation, it is appropriate to review the Pension's Total Fund and aggregate benchmarks to ensure each is effective for measuring performance at the asset class, functional category, and total Plan level.
- Benchmarks help facilitate the planning, implementation, and review of an investment mandate. Periodic reviews of asset category benchmarks are an important component of ongoing portfolio monitoring and management.
- Benchmarks are just one of many tools available for measuring the performance of a fund.
- The inclusion of private market assets/alternatives strategies increases the likelihood of tracking error versus benchmarks, but also improves the funds' prospects for meeting long-term strategic objectives.
- Benchmarks at the manager level are not addressed in this presentation but are reviewed periodically as part of the asset class structure reviews. The benchmarks presented here were developed in collaboration with LACERA staff.
- This presentation is designed to review the current benchmarks and introduce solutions to align benchmarks with the new asset allocations for the Pension and OPEB Trusts.



Bailey Benchmark Characteristics

The Bailey¹ criteria provide a generally accepted framework for assessing benchmark quality and fit with the portfolio objectives. The six characteristics are:

- Unambiguous The individual securities and their weights in a benchmark should be clearly identifiable.
- Investable It must be possible to replicate and hold the benchmark to earn its return (gross of fees).
- **Measurable** It must be possible to measure the benchmark's return on a reasonably frequent and timely basis.
- Appropriate The benchmark must be consistent with the manager's investment style or area of expertise.
- **Reflective of current investment options** The manager should be familiar with the securities that constitute the benchmark and their factor exposures.
- **Specified in advance** The benchmark must be constructed prior to the evaluation period so that the manager is not judged against benchmarks created after the fact.

¹ Financial Analysts Journal, CFA Institute, 1992.



Los Angeles County Employees Retirement Association

Benchmarking

What are the challenges to choosing an appropriate benchmark?

- Benchmarks provide a standard against which realized performance can be measured.
- Most commonly used benchmarks lack one or more of the Bailey characteristics, and thus for some asset categories, there never will be a perfect comparison.
- Alternative asset classes present a benchmarking challenge because of the illiquid nature of the underlying investments, lack of transparency, and insufficient transaction data. The use of these strategies increases the likelihood of tracking error versus benchmarks.
- Peer group benchmarks measure how well a fund's performance compares to a similar universe, but peer comparisons also have drawbacks including:
 - Survivorship bias, the exclusion of performance data of funds no longer in existence.
 - Selection bias, the exclusion of a subset of data because of a particular attribute.
 - Mismatches, differences across mandates being measured.



Current Pension Benchmarks

LACERA Portfolio Segments ⁱ	New Policy (%)	Current Benchmarks	Benchmark Score²	Primary Score Detractor
Growth				
Global Equity	32	MSCI ACWI IMI Index	6	
Private Equity	17	MSCI ACWI IMI Index + 200 bps (3-month lag)	4	not investable
Non-Core Private Real Estate	4	N/A	N/A	
Credit				
Liquid Credit	4	N/A	N/A	
Illiquid Credit	7	BBg Barc US Aggregate Index + 250 bps (1-month lag)	4	not investable
Real Assets and Inflation Hedges				
Core Private Real Estate	б	N/A	N/A	
Natural Resources and	3	50% Bloomberg Commodity Index	5	not investable/
Commodities		50% S&P Global LargeMidCap Commodity and Resources Gross Index		composite
Infrastructure	5	Dow Jones Brookfield Global Infrastructure Index	6	
TIPS	3	BBg Barc US TIPS Index	6	
Risk Reduction and Mitigation				
Investment Grade Bonds	7	BBg Barc US Aggregate TR	6	
Diversified Hedge Fund Portfolio	6	FTSE 3-Month US Treasury Bill Index +250 bps (1-month lag)	4	not investable
Long-term Government Bonds	5	New Asset Class	N/A	
Cash	1	FTSE 3-Month US Treasury Bill Index	б	
Overlays and Hedges				

¹ Total Fund and the four functional categories are omitted, given they are a weighted blend of underlying strategy benchmarks and thus, would receive a "N/A" rating.

² The Benchmark Score is a rating based on the six Bailey characteristics. The maximum score is a 6, in which a benchmark meets all six criteria.



Current and Potential Pension Benchmarks

	New Policy		Benchmark	
LACERA Portfolio Segments ¹	(%)	Current Benchmarks	Score ²	Potential Benchmark
Growth	22		E	Na sharra
Global Equity	32	MSCI ACWI IMI Index	6	No change
Private Equity	17	MSCI ACWI IMI Index + 200 bps (3-month lag)	4	No change
Non-Core Private Real Estate	4	N/A	5	NFI ODCE + 225 bps (3-month lag)
Credit				
Liquid Credit	4	N/A	5	40% BBg Barc US Corporate High Yield Index 40% Credit Suisse Leveraged Loans 10% JP Morgan EMBI GD 5% JP Morgan GBI-EM GD 5% JP Morgan CEMBI BD
Illiquid Credit	7	BBg Barc US Aggregate Index + 250 bps (1-month lag)	5	Custom Liquid Credit Benchmark + 150 bps
Real Assets and Inflation Hedges				
Core Private Real Estate	6	N/A	5	NFI ODCE (3-month lag)
Natural Resources and Commoditie	is 3	50% Bloomberg Commodity Index 50% S&P Global LargeMidCap Commodity and Resources Gross Index	5	33% Bloomberg Commodity Index 66% S&P Global Natural Resources TR Index
Infrastructure	5	Dow Jones Brookfield Global Infrastructure Index	6	Dow Jones Brookfield Global Composite Infrastructure TR Index
TIPS	3	BBg Barc US TIPS Index	6	No change
Risk Reduction and Mitigation				
Investment Grade Bonds	7	BBg Barc US Aggregate TR	6	No change
Diversified Hedge Fund Portfolio	6	FTSE 3-Month US Treasury Bill Index +250 bps (1-month lag)	4	No change
Long-term Government Bonds	5	N/A	6	BBg Barc U.S. Long Treasury Bond Index
Cash	1	FTSE 3-Month US Treasury Bill Index	6	No change
Overlays and Hedges				

¹ Total Fund and the four functional categories are omitted, given they are a weighted blend of underlying strategy benchmarks and thus, would receive a "N/A" rating.

² The Benchmark Score is a rating based on the six Bailey characteristics. The maximum score is a six, in which a benchmark meets all six criteria.



Growth: Non-Core Private Real Estate

- Non-Core Real Estate is a new "roll-up" category composed of Value- add and Opportunistic Real Estate.
- Meketa believes using the NFI ODCE Index plus a 225 basis point premium as the benchmark for Non-Core Real Estate is appropriate.
- This benchmark reflects a 50/50 weighting of Opportunistic and Value-Added Real Estate.
 - Meketa believes the NFI ODCE Index plus 300 basis points is an appropriate benchmark for Opportunistic Real Estate.
 - Meketa believes the NFI ODCE Index plus 150 basis points (lowered from +200) is an appropriate benchmark for Value-Added Real Estate.
- The relative weights in the benchmark can be adjusted over time to reflect LACERA's investment structure review.
- The benchmark is consistent with the recommendation for Core Real Estate.

Proposed Benchmark Score: 5

Unambiguous	Investable	Measurable	Appropriate	Reflective	Specified
\checkmark	×	\checkmark	\checkmark	\checkmark	\checkmark

• The benchmark is considered non-investable due to the use of a premium over a peer benchmark.



Credit: Liquid Credit

- Liquid Credit is a new "roll-up" category composed of High Yield, Bank Loans and Emerging Markets Debt.
- Each asset class currently has its own benchmark. The benchmark below is simply a combination of the existing benchmarks to reflect the category consolidation.
- Meketa believes that using the static custom blended benchmark below is appropriate for Liquid Credit.

High Yield	40% BBg Barc US Corporate High Yield Index				
Bank Loans	40% Credit Suisse Leveraged Loans				
Emerging Market Debt	10% JP Morgan EMBI GD				
	5% JP Morgan GBI-EM GD				
	5% JP Morgan CEMBI BD				

- This benchmark reflects a proportional allocation of each underlying asset class.
 - Utilizing an aggregate Custom Liquid Credit benchmark increases implementation flexibility.

Proposed Benchmark Score: 5

Unambiguous	Investable	Measurable	Appropriate	Reflective	Specified
\checkmark	×	\checkmark	\checkmark	\checkmark	\checkmark

• While each underlying benchmark is individually investable, the custom blend may not represent an investable option. Additionally, using a custom blend can make attribution and risk analysis more difficult.



Credit: Illiquid Credit

• Meketa believes using a 150 bps premium over the Custom Liquid Credit benchmark represented below is appropriate for Illiquid Credit.

High Yield	40% BBg Barc US Corporate High Yield Index				
Bank Loans	40% Credit Suisse Leveraged Loans				
Emerging Market Debt	et Debt 10% JP Morgan EMBI GD				
	5% JP Morgan GBI-EM GD				
	5% JP Morgan CEMBI BD				

- This benchmark is consistent with the Liquid Credit Benchmark.
- This premium reflects Meketa's capital market expectations and LACERA's expected exposures.

Proposed Benchmark Score: 5

Unambiguous	Investable	Measurable	Appropriate	Reflective	Specified
\checkmark	×	\checkmark	\checkmark	\checkmark	\checkmark

• The benchmark is considered not investable because it involves both a custom composite and the use of a premium.



Los Angeles County Employees Retirement Association

Benchmarking

Real Assets and Inflation Hedges: Core Private Real Estate

- Meketa believes the NFI ODCE is an appropriate benchmark for Core Real Estate.
- The benchmark is the most widely used benchmark for Core Real Estate.

Proposed Benchmark Score: 5

Unambiguous	Investable	Measurable	Appropriate	Reflective	Specified
\checkmark	×	\checkmark	\checkmark	\checkmark	\checkmark

• The benchmark is not considered investable because it is a peer benchmark.



Real Assets and Inflation Hedges: Natural Resources and Commodities

• Meketa believes the custom benchmark outlined below is appropriate for Natural Resources & Commodities.

Natural Resources	66% S&P Global Natural Resources TR Index
Commodities	33% Bloomberg Commodity Index

- The S&P Global Natural Resources Index is more reflective of LACERA's implementation and is also more tradable than the previous benchmark.
- The S&P Global Natural Resources TR Index is composed of roughly equal weight given to three subcomponents; S&P Global Agribusiness Index, S&P Global Energy Index and the S&P Global Metals and Mining Index.
- The pacing of private investments may influence the custom benchmark and can be revisited during a structure review. Specifically, the weights to each of the subcomponents of the S&P Global Natural Resources Index may be adjusted to reflect LACERA implementation as well as use of a return premium.

Proposed Benchmark Score: 5

Unambiguous	Investable	Measurable	Appropriate	Reflective	Specified
\checkmark	×	\checkmark	\checkmark	\checkmark	\checkmark

• While each underlying benchmark is individually investable, the custom blend may not represent an investable option. Additionally, using a custom blend can make attribution and risk analysis more difficult.



Los Angeles County Employees Retirement Association

Benchmarking

Real Assets and Inflation Hedges: Infrastructure

- Meketa recommends adopting the Dow Jones Brookfield Global Infrastructure Composite TR Index USD.
- The Dow Jones Brookfield Global Infrastructure Composite Index is more consistent with LACERA's implementation and includes MLPs.
- The pacing of private investments may influence the custom benchmark and can be revisited during a structure review. Specifically, the use of a return premium may be considered based on implementation plans.

Proposed Benchmark Score: 6

Unambiguous	Investable	Measurable	Appropriate	Reflective	Specified
\checkmark	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark



Los Angeles County Employees Retirement Association

Benchmarking

Real Assets and Inflation Hedges: Long-Term Government Bonds

• Meketa believes the Bloomberg Barclays US Long Treasury Bond Index is an appropriate benchmark for Long-Term Government Bonds.

Proposed Benchmark Score: 6

Unambiguous	Investable	Measurable	Appropriate	Reflective	Specified
\checkmark	\checkmark	\checkmark	\checkmark	\checkmark	\checkmark



Overlays and Hedges

- The Overlays and Hedges category was established primarily for accounting and performance attribution purposes.
- Based on the current use of the category, Meketa does not believe that it requires a benchmark.
 - The cash overlay is a program utilized to both reduce the drag of cash on total fund performance and also as a mechanism for efficient portfolio rebalancing. The variable nature of such a program makes it difficult to benchmark.
 - The intent of the currency overlay is to reduce the volatility of the total fund over a long time horizon by reducing exposure to developed market foreign currencies. Since the primary objective is volatility reduction typical benchmarking approaches are not applicable.



Los Angeles County Employees Retirement Association

Benchmarking

Potential Total Fund Benchmark

Functional Category	% of Aggregate	Recommended Benchmark
Growth	53	Custom Growth Benchmark
Credit	11	Custom Credit Benchmark
Real Assets and Inflation Hedges	17	Custom Real Assets and Inflation Hedges
Risk Reduction and Mitigation	19	Custom Risk Reduction and Mitigation
Overlays and Hedges	0	N/A
Total Fund Benchmark	100	53% Custom Growth Benchmark
		11% Credit Custom Benchmark
		17% Real Assets and Inflation Hedges Custom Benchmark
		19% Risk Reduction and Mitigating Custom Benchmark

- Each Functional Category Benchmark will consist of a custom blended benchmark.
- Meketa believes that using a static benchmark is appropriate for LACERA at the total fund level.
 - A static benchmark is transparent from a stakeholder perspective and simple from an operational aspect.
 - A static benchmark allows for measurement of allocation/implementation decisions in addition to manager selection.



	Current Policy (%)	Actual Allocation (%)	New Policy (B) (%)	Change from Actual Allocation (%)
Growth	48	52	53	+1
Global Equity	35	38	32	-6
Private Equity	10	12	17	+5
Non-Core Private Real Estate	3	2	4	+2
Credit	12	11	11	
Liquid Credit	9	9	4	-5
Illiquid Credit	3	2	7	+5
Real Assets and Inflation Hedges	16	15	17	+2
Core Private Real Estate	6	6	6	-
Custom Natural Resources	4	4	3	-1
Custom Infrastructure	3	3	5	+2
TIPS	3	2	3	+1
Risk Reduction and Mitigation	24	22	19	-3
Investment Grade Bonds	19	18	7	-11
Custom Hedge Funds	4	3	6	+3
Long-term Government Bonds	0	0	5	+5
Cash Equivalents	1	2	1	-1

Implementation Considerations



Implementation Considerations

- The new Strategic Asset Allocation includes several notable increasing in private market/alternative asset classes which are highlighted in the table above and listed below:
 - Private Equity increases to 17% from 12%.
 - Illiquid Credit increases from 2% to 7%.
 - Infrastructure increases to 5% from 3%.
 - Hedge Funds increase from 3% to 6%.
- Large increases in private market/alternative asset classes require careful consideration of factors such as achievability, vintage year diversification, J-curve effect and impact on tracking error.
- The corresponding decreases are primarily in public market assets classes which provide sufficient liquidity to achieve the new targets quickly.
- The BOI should consider the following approaches:
 - Glidepath: An incremental approach with scaled targets each quarter.
 - Two-phase approach: Establish one interim target.
 - Immediate adoption: Move to the new targets upon approval of the IPS.
- Each approach has strengths and weakness ranging from ease/difficulty of reporting and monitoring to impact on tracking error and total fund performance.



Summary & Next Steps

Summary:

- Don't expect perfection, the very nature of some asset classes implies that there is no perfect way to measure performance.
- No benchmark can substitute for understanding your portfolio, from both a top down and bottom up perspective.
- As the complexity of LACERA's portfolio increases, so too does the potential for tracking error versus benchmarks. It is important to note that tracking error versus a benchmark is one of many considerations in evaluating performance with the primary consideration being the achievement of LACERA's long term objectives.

Next Steps:

- Approve Benchmarks and updated Investment Policy Statement (July/August).
- Consider developing interim policy targets (July).
- Implementation (ongoing).



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, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT, 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.



ATTACHMENT 5

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MEMORANDUM

- **TO:** LACERA Board of Investments
- FROM: Stephen McCourt, Leandro Festino, Tim Filla, Meketa Investment Group
- DATE: September 8, 2021
- **RE:** Revised OPEB Master Trust Investment Policy Statement

Background

The Board of Investments approved a new strategic asset allocation for the OPEB at the June 2021 meeting. It is customary to also update a fund's Investment Policy Statement ("IPS") whenever the asset allocation changes. The revised Investment Policy Statement incorporates the new strategic asset allocation and also reflects updates made to the Pension Trust's Investment Policy Statement.

Process

Staff drafted the updated Investment Policy Statement with support from Meketa. Staff worked diligently to incorporate the main elements of the LACERA IPS, most importantly adding LACERA's Investment Beliefs. Overall, the document we received from staff was well drafted, accurately reflecting the OPEB's new strategic asset allocation while also addressing important elements of LACERA's growth and evolution. We reviewed the full document and reported back to staff our findings and observations.

Summary and Recommendation

Meketa has reviewed the new draft of the OPEB and we concur with staff's recommendation for the Board to approve this new IPS. We look forward to discussing this matter with you at the September 8th meeting.

SM/TF/LF/sf

L//.CERA

August 19, 2021

- TO: Each Trustee Board of Retirement Board of Investments
- FROM: Alan J. Bernstein, Chair Board of Retirement

Keith Knox, Chair Board of Investments

- FOR: September 1, 2021 Board of Retirement Meeting September 8, 2021 Board of Investments Meeting
- SUBJECT: Options for Election of Board Officers

BACKGROUND

The Board of Retirement and Board of Investments each provide for a Chair, Vice Chair, and Secretary to serve as officers of the Board. The current process provides for elections to be held every January with nominations submitted by any trustees during the board meeting. This memo presents different options investigated by staff at the request of the Chairs. It has also been forwarded to fiduciary counsel for review, and staff will relay any comments provided.

LEGAL AUTHORITY

Government Code Section 31525 provides that the Board of Retirement (BOR) and Board of Investments (BOI) may make regulations that are not inconsistent with the County Employees Retirement Law of 1937 (CERL). The regulations become effective when approved by the Board of Supervisors.

The <u>BOR Regulations</u> (Attachment A) provide that each January the BOR shall elect from its members a Chair, Vice Chair, and Secretary to serve for a term of one year or until his or her successor is duly elected and qualified.

The <u>BOI Bylaws</u>¹ (Attachment B) provide that each January the BOI shall elect from its members a Chair, Vice Chair, and Secretary to serve for a term of one year or until his or her successor is duly elected and qualified.

DISCUSSION

Staff surveyed the practices of the other CERL retirement systems, the California state retirement systems, and other local agencies (Attachment C). Although many agencies provide for annual elections, which is also the practice of the LACERA Boards, a few

¹ The BOI Bylaws were updated and approved by the BOI on August 9, 2017. However, they have not been forwarded to and approved by the Board of Supervisors as provided under Government Code Section 31525. Note that the updated BOI Bylaws did not change the provisions on the election of board officers.

agencies provide for automatic succession through various methods. Based on some of the concepts embodied in the survey of the practices of other agencies, the following are options for the Boards to consider as alternatives to annual elections for each position of Chair, Vice Chair, and Secretary. (Note that the context of "Board" in the options below means either the BOR or BOI from the perspective of a trustee on that board. Each Board makes its own regulations.)

Option 1: Automatic Succession to Position of Chair (or Vice Chair)

- Provide for the automatic succession of Vice Chair to Chair and the possibility of automatic succession of Secretary to Vice Chair. This process would still entail an annual election for those positions that were vacated due to automatic succession. However, any trustee who will automatically succeed to the position of Chair or Vice Chair may opt out of serving.
- Consider whether the Chair and Vice Chair must be trustees of a different group (i.e., an elected trustee vs. an appointed trustee vs. the ex officio trustee). This may entail the Secretary being in the group same as the Chair if there is automatic succession of the Secretary to Vice Chair.

Option 2: Seat Number (Attachment D)

- Provide for the positions of Chair, Vice Chair, and Secretary to be rotated by the seat number of the trustees in ascending order. For example, the first member would be Chair, the second member would be Vice Chair, and the third member would be Secretary. This would provide for automatic succession of trustees through all the officer positions and avoid the need for annual elections. However, trustees may also elect out of serving as an officer.
- Since an appointed trustee (who has already served as a board officer in a
 particular seat number) may end up being appointed to a different seat number
 depending on which County Supervisor makes the appointment and thereby end
 up in a subsequent impending seat number that is up for automatic succession, it
 may be advisable to base the appointed seats on a rotation of Supervisorial
 Districts rather than by board seat number.
- Consider whether the Chair and Vice Chair must be trustees of a different group (i.e., an elected trustee vs. an appointed trustee vs. the ex officio trustee). This constraint may cause nonconsecutive seat numbers to be rotated into these positions. For example, the order would be Seat 1 (Treasurer-Tax Collector), Seat 2 (Elected), Seat 4 (Appointed), Seat 3 (Elected), et seq. and rotated through the positions of Chair, Vice Chair, and Secretary.
- Provide that trustees have a minimum number of years of board experience before automatically serving as an officer (e.g., two years of experience that may be from their current or prior term of office).

Option 3: Seniority (Attachment E)

- In contrast to the use of board seat numbers, a seniority-based system would be based on years of board service for each trustee.
- Each board officer position of Chair, Vice Chair, and Secretary would have a list of trustees in descending order of seniority. At inception of this option, the list for all three positions would be the same.
- The most senior trustee on each list would have priority in deciding whether to serve in that particular board officer position. However, only one position may be chosen by any one trustee (i.e., if the same trustee is the most senior on the list for Chair and Vice Chair, he or she cannot choose to hold both positions simultaneously).
- Once a trustee chooses to serve in a board officer position, his or her years of seniority under that position is reset to zero and would begin anew to accrue years of service to determine seniority for future terms.
- The trustee with the most seniority under a position may opt-out of serving. In that case, his or her years of service remain intact, and the next trustee in seniority may consider whether he or she wants to fill the position.
- The Board may also consider whether there should be a constraint on the Chair and Vice Chair being from different groups (i.e., an elected trustee vs. an appointed trustee vs. the ex officio trustee).

Option 4: Nomination Committee

- A Nomination Committee can provide a slate of candidates for board officers. To formulate its slate of candidates, the Nomination Committee would receive submissions from trustees who wish to serve in a board officer position.
- Consider whether the candidates for Chair and Vice Chair must be from trustees of a different group (i.e., an elected trustee vs. an appointed trustee vs. the ex officio trustee).
- Consider whether nominations may also be taken from the floor during the election in addition to the slate of candidates provided by the Nomination Committee.
- Provide that trustees have a minimum number of years of board experience before being eligible to be considered for a board officer position (e.g., minimum of two years' experience that may be from their current or prior term of office).
- The Nomination Committee will have to decide by a certain amount of time which candidates it will present to the full Board at the January meeting on which the election will take place.

- The Board will need to decide on a number of features of the Nomination Committee:
 - the number of committee members;
 - o how it will be decided as to who serves on the committee;
 - whether a committee member may also run for a board office; and
 - the terms of the committee members (i.e., should there be a new committee each year for each annual election or should the committee function over multiple annual elections, which may require dealing with vacancies on the committee?).

Option 5: No Change

• Continue with the current process of an annual election each January.

Other Considerations

- Whether there should be term limits that would restrict a trustee from serving consecutive terms in the same board officer position or limit the number of consecutive terms.
- Some agencies do not provide for alternate board members to serve as board officers. The BOR Regulations provide that the alternate retired member (who is the alternate to the office of the eighth member) is eligible to serve as an officer of the BOR. However, they are silent regarding eligibility for the alternate seventh member to serve as a board officer. The BOR would need to consider whether the Regulations should also provide for the eligibility of the alternate seventh member to serve as a board officer. Staff and fiduciary counsel believe that there is a strong case under CERL that the safety and retiree alternates are eligible. Note that for purposes of *Option 3: Seniority*, the seniority list does not include the alternate ex officio member, who does not regularly attend board meetings unless the ex officio member is absent, in contrast to the alternate seventh and alternate retired members who generally attend board meetings concurrently with the seventh and eighth members.

CONCLUSION

If the BOR or BOI arrives at a consensus to change the method by which board officers are selected, the BOR Regulations or the BOI Bylaws may be amended to reflect the new method. The amended Regulations or Bylaws would subsequently be presented for approval to the Board of Supervisors.²

² The State Association of County Retirement Systems' (SACRS) Legislative Committee is currently evaluating a proposal to amend Government Code Section 31525 that would remove the need for amended regulations to be approved by the board of supervisors. If approved by the SACRS membership, this proposal would be introduced in a bill for the 2022 legislative session and, if enacted, would be effective January 1, 2023.

Attachments

Attachment A: BOR Regulations – Election of the Chair, Vice Chair, and Secretary Attachment B: BOI Bylaws – Election of the Chair, Vice Chair, and Secretary Attachment C: Practices of Other Agencies in Selecting Board Officers Attachment D: Option 2: Seat Number - Scenarios Attachment E: Option 3: Seniority - BOR & BOI Priority List

cc: Santos H. Kreimann Luis Lugo JJ Popowich Steven P. Rice Jon Grabel



ATTACHMENT A

BOARD OF RETIREMENT REGULATIONS

Managing the Benefits

Adopted, Board of Retirement: April 9, 2015 Approved, Board of Supervisors: May 5, 2015

I. ADMINISTRATION

1. Election of Chair

At the first regular meeting in January, the Board of Retirement shall elect one of its members chair for a term of one year or until his or her successor is duly elected and qualified.

2. Election of Vice Chair

At the first regular meeting in January, the Board of Retirement shall elect one of its members vice chair for a term of one year or until his or her successor is duly elected and qualified.

3. Election of Secretary

At the first regular meeting in January, the Board of Retirement shall elect one of its members secretary for a term of one year or until his or her successor is duly elected and qualified.

4. Election of Audit Committee Member

At the first regular meeting in January, the Board of Retirement shall elect one of its members to serve on the Audit Committee of the Boards of Retirement and Investments for a term of one year or until his or her successor is duly elected.

5. Filling of Vacancy in Office

In the event of a vacancy in the office of chair, vice chair or secretary, the Board of Retirement shall, at its next regular meeting, elect one of its members to fill such vacancy for the remainder of the term.

6. Board Member's Responsibility

A Board member shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to his or her duties as local agency officer or employee or with the duties, functions, or responsibilities of the Board. Such member shall not perform any work, service, or counsel for compensation outside of his or her Board responsibilities where any part of his or her efforts will be subject to approval by any other member or members of the Board.

7. Alternate Retired Member

Pursuant to Government Code Section 31520.5, the Board of Retirement shall include an alternate retired member whose duties shall include:

(a) Participation in Board Meetings

The alternate retired member shall vote as a member of the Board of Retirement only in the absence of the regular retired member. However, the alternate retired member may sit with the Board during the meeting and may participate in deliberations and make motions.



ATTACHMENT B

BYLAWS BOARD OF INVESTMENTS



Amended by the Board of Investments February 11, 2009

BYLAWS BOARD OF INVESTMENTS

I. ADMINISTRATION

1. Election of Chair

At the first regular meeting in January, the Board of Investments shall elect one of its members chair for a term of one year or until his or her successor is duly elected and qualified.

2. Election of Vice Chair

At the first regular meeting in January, the Board of Investments shall elect one of its members vice chair for a term of one year or until his or her successor is duly elected and qualified.

3. Election of Secretary

At the first regular meeting in January, the Board of Investments shall elect one of its members secretary for a term of one year or until his or her successor is duly elected and qualified.

4. Election of Audit Committee Member

At the first regular meeting in January, the Board of Investments shall elect one of its members to serve on the Audit Committee of the Boards of Retirement and Investments for a term of one year or until his or her successor is duly elected.

Agency	Practice	Source
Alameda County Employees' Retirement Association	Chair, Vice Chair, and Second Vice Chair are elected annually.	Board and Committee Operations Policy
California Public Employees' Retirement System	President and Vice-President are elected annually.	Board Governance Policy
California State Teachers' Retirement System	Chair and Vice-Chair are elected annually.	Policy Manual
Contra Costa County Employees' Retirement Association	Chairperson, Vice-Chairperson, and Secretary are elected annually.	Board of Retirement Regulations
Fresno County Employees' Retirement Association	Chair and Vice-Chair are elected annually.	Board Operations Policy
Imperial County Employees' Retirement System	Chairman, Vice-Chairman, and Secretary are elected annually.	Bylaws and Regulations
Kern County Employee's Retirement Association	Nominating Committee consists of two members designated by Board Chair and two members designated by full Board. Committee presents slate of nominees to full Board, but Chair can call for other nominations as well. The nominees are elected annually to Chair and Vice Chair.	Board of Retirement CERL Regulations

Practices of Other Agencies in Selecting Board Officers

Agency	Practice	Source
Los Angeles City Council	President and President Pro Tem are elected every two even-numbered years.	Rules of the Los Angeles City Council
Los Angeles City Employees' Retirement System	President and Vice-President are elected annually.	Board Manual
Los Angeles County Board of Supervisors	The Board of Supervisors shall elect a Chairman and select a Chairman pro tem.	Los Angeles County Charter Article II Section 9
Marin County Employees' Retirement Association	Chairperson, Vice-Chairperson, and Secretary are elected annually.	Bylaws and Regulations
Mendocino County Employees Retirement Association	Chairman, Vice Chairman, and Secretary are elected annually.	Bylaws
Merced County Employees' Retirement Association	Chair, Vice Chair, and Secretary are elected annually.	
Metropolitan Transportation Authority	Election of officers held annually. Commencing with first full term of office, there is an automatic rotation of appointees from Los Angeles County, Los Angeles City, and the Los Angeles County City Selection Committee to fill the offices of Chair, 1st Vice-Chair, and 2nd Vice-Chair.	Board Rules and Procedures

Agency	Practice	Source
Orange County Employees Retirement System	Chairperson and Vice-Chairperson serve one-year terms. At end of term, Vice-Chairperson automatically succeeds to Chairperson, and a new Vice-Chairperson is elected. The Chairperson and Vice-Chairperson must be from different groups of board members: elected or appointed.	By-Laws
San Mateo County Employees' Retirement Association	Chair, Vice Chair, and Secretary are elected annually.	Board Regulations
San Bernardino County Employees' Retirement Association	Chair and Vice Chair elected annually.	Board Regulations
Santa Barbara Employees Retirement System	Chair, Vice-Chair, and Secretary are elected annually.	Bylaws
Sacramento County Employees' Retirement System	President and Vice President are elected annually.	Bylaws
San Diego County Employees Retirement Association	Chair, Vice Chair, and Secretary are elected annually.	Policy on the Role of the Officers of the Board of Retirement

Agency	Practice	Source
San Joaquin County Employees' Retirement Association	Chairperson, Vice-Chairperson, and Secretary are elected annually. County Treasurer serves ex-officio as SJCERA's Treasurer.	Bylaws
Sonoma County Employees Retirement Association	Chair and Vice-Chair are elected annually.	Bylaws and Board Operations Policy
Stanislaus County Employees' Retirement Association	Positions of Chair and Vice Chair rotate in ascending order by succession by the number assigned to the board member for a term of one year. Member must have at least two years' experience on the board to be eligible for succession.	Bylaws
Tulare County Employees' Retirement Association	Chairman and Vice Chairman are elected annually.	Bylaws
Ventura County Employees' Retirement Association	Chair and Vice Chair are elected annually. Member must have at least one year of board service before being eligible for election.	Bylaws and Regulations

BY SEAT (WITHOUT ALTERNATING GROUPS)

Seat	Member	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
1	Ex Officio - TTC	Chair						
2	Elected - General	Vice Chair	Chair					
3	Elected - General	Secretary	Vice Chair	Chair				
4	Appointed		Secretary	Vice Chair	Chair			
5	Appointed			Secretary	Vice Chair	Chair		
6	Appointed				Secretary	Vice Chair	Chair	
7	Elected - Safety					Secretary	Vice Chair	Chair
8	Elected - Retired						Secretary	Vice Chair
9	Appointed							Secretary

BY SEAT (WITH ALTERNATING GROUPS)

Seat	Member	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
1	Ex Officio - TTC	Chair						
2	Elected - General	Vice Chair	Chair					
4	Appointed	Secretary	Vice Chair	Chair				
3	Elected - General		Secretary	Vice Chair	Chair			
5	Appointed			Secretary	Vice Chair	Chair		
7	Elected - Safety				Secretary	Vice Chair	Chair	
6	Appointed					Secretary	Vice Chair	Chair
8	Elected - Retired						Secretary	Vice Chair
9	Appointed							Secretary

Note: These scenarios are intended to illustrate the concept of automatic rotations of trustees through the board officer positions. The scenarios do not take into account various contingencies that might occur such as vacancies due to death or resignation or a trustee not having been appointed by the Board of Supervisors to an open seat. When vacancies occur, the next eligible trustee for succession would have the option to assume the available board officer position.

Option 2: Seat Number Scenarios

BY SEAT AND DISTRICT (WITHOUT ALTERNATING GROUPS)

Seat	Member	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
1	Ex Officio - TTC	Chair										
2	Elected - General	Vice Chair	Chair									
3	Elected - General	Secretary	Vice Chair	Chair								
4	Appointed - District 1		Secretary	Vice Chair	Chair							
5	Appointed - District 2	2		Secretary	Vice Chair	Chair						
6	Appointed - District 3	3			Secretary	Vice Chair	Chair					
7	Elected - Safety					Secretary	Vice Chair	Chair				
8	Elected - Retired						Secretary	Vice Chair	Chair			
9	Appointed - District 4	Ļ						Secretary	Vice Chair	Chair		
1	Ex Officio - TTC								Secretary	Vice Chair	Chair	
2	Elected - General									Secretary	Vice Chair	Chair
3	Elected - General										Secretary	Vice Chair
4	Appointed - District 5	5										Secretary

BY SEAT AND DISTRICT (WITH ALTERNATING GROUPS)

Seat	Member	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Jeat			Teal 2	Teal 5		Teal J	Tear o		Teal o	ieal 5	Teal To	ieai ii
1	Ex Officio - TTC	Chair										
2	Elected - General	Vice Chair	Chair									
4	Appointed - District 1	Secretary	Vice Chair	Chair								
3	Elected - General		Secretary	Vice Chair	Chair							
5	Appointed - District 2			Secretary	Vice Chair	Chair						
7	Elected - Safety				Secretary	Vice Chair	Chair					
6	Appointed - District 3					Secretary	Vice Chair	Chair				
8	Elected - Retired						Secretary	Vice Chair	Chair			
9	Appointed - Distrct 4							Secretary	Vice Chair	Chair		
1	Appointed - TTC								Secretary	Vice Chair	Chair	
2	Elected - General									Secretary	Vice Chair	Chair
4	Appointed - Distrct 5										Secretary	Vice Chair
3	Elected - General											Secretary

BOARD OF RETIREMENT SENIORITY LIST CHAIR

Trustee Name	Priority Date*	Seniority
William R. Pryor	1/1/2000	21 Years, 9 Months
Les Robbins	11/1/1997	20 Years, 11 Months
Shawn R. Kehoe	1/1/2011	10 Years, 9 Months
Vivian H. Gray	1/1/2013	8 Years, 9 Months
Ronald A. Okum	8/1/2013	7 Years, 1 Month
Herman B. Santos	9/14/2017	4 Years
JP Harris	1/1/2018	3 Years, 9 Months
Gina Zapanta	1/1/2018	3 Years, 9 Months
Keith Knox, Ex-Officio	7/14/2019	2 Years, 2 Months
Wayne Moore	1/1/2020	1 Year, 9 Months
Alan J. Bernstein	1/1/2022	0 Years

VICE CHAIR

Trustee Name	Priority Date*	Seniority
William R. Pryor	1/1/2000	21 Years, 9 Months
Les Robbins	11/1/1997	20 Years, 11 Months
Shawn R. Kehoe	1/1/2011	10 Years, 9 Months
Ronald A. Okum	8/1/2013	7 Years, 1 Month
Alan J. Bernstein	1/1/2013	6 Years, 9 Months
Herman B. Santos	9/14/2017	4 Years
JP Harris	1/1/2018	3 Years, 9 Months
Gina Zapanta	1/1/2018	3 Years, 9 Months
Keith Knox, Ex-Officio	7/14/2019	2 Years, 2 Months
Wayne Moore	1/1/2020	1 Year, 9 Months
Vivian H. Gray	1/1/2022	0 Years

SECRETARY

Trustee Name	Priority Date*	Seniority
William R. Pryor	1/1/2000	21 Years, 9 Months
Les Robbins	11/1/1997	20 Years, 11 Months
Shawn R. Kehoe	1/1/2011	10 Years, 9 Months
Vivian H. Gray	1/1/2013	8 Years, 9 Months
Ronald A. Okum	8/1/2013	7 Years, 1 Month
Alan J. Bernstein	1/1/2013	6 Years, 9 Months
Herman B. Santos	9/14/2017	4 Years
JP Harris	1/1/2018	3 Years, 9 Months
Keith Knox, Ex-Officio	7/14/2019	2 Years, 2 Months
Wayne Moore	1/1/2020	1 Year, 9 Months
Gina Zapanta	1/1/2022	0 Years

*Priority Date reflects the first term date of the Trustee on the Board and time on the Board. 2021 Officers have been placed at the end of the list and the priority date reset to zero.

BOARD OF INVESTMENTS SENIORITY LIST CHAIR

Trustee Name	Priority Date*	Seniority
Herman B. Santos	1/1/2004	17 Years, 9 Months
David Green	1/1/2012	9 Years, 9 Months
Shawn R. Kehoe	1/1/2014	7 Years, 9 Months
Joseph Kelly	4/1/2014	5 Years, 11 Months
Gina V. Sanchez	1/1/2018	3 Year, 9 months
Alan J. Bernstein	1/1/2019	2 Year, 9 months
Elizabeth Greenwood	1/1/2020	1 Year, 9 months
Patrick L. Jones	4/6/2021	5 months
Keith Knox, Ex-Officio	1/1/2022	0 Years

VICE CHAIR

Trustee Name	Priority Date*	Seniority
Herman B. Santos	1/1/2004	17 Years, 9 Months
David Green	1/1/2012	9 Years, 9 Months
Shawn R. Kehoe	1/1/2014	7 Years, 9 Months
Gina V. Sanchez	1/1/2018	3 Year, 9 months
Alan J. Bernstein	1/1/2019	2 Year, 9 months
Keith Knox, Ex-Officio	7/14/2019	2 Years, 2 Months
Elizabeth Greenwood	1/1/2020	1 Year, 9 months
Patrick L. Jones	4/6/2021	5 months
Joseph Kelly	1/1/2022	0 Years

SECRETARY

Trustee Name	Priority Date*	Seniority
Herman B. Santos	1/1/2004	17 Years, 9 Months
David Green	1/1/2012	9 Years, 9 Months
Shawn R. Kehoe	1/1/2014	7 Years, 9 Months
Joseph Kelly	4/1/2014	5 Years, 11 Months
Gina V. Sanchez	1/1/2018	3 Year, 9 months
Keith Knox, Ex-Officio	7/14/2019	2 Years, 2 Months
Elizabeth Greenwood	1/1/2020	1 Year, 9 months
Patrick L. Jones	4/6/2021	5 months
Alan J. Bernstein	1/1/2022	0 Years

*Priority Date reflects the first term date of the Trustee on the Board and time on the Board. 2021 Officers have been placed at the end of the list and the priority date reset to zero.

FOR INFORMATION ONLY

August 31, 2021

 TO: Trustees – Board of Investments
 FROM: Jude Pérez H Principal Investment Officer
 Esmeralda del Bosque K Senior Investment Officer
 FOR: September 8, 2021 Board of Investments Meeting

SUBJECT: LACERA QUARTERLY PERFORMANCE BOOK

Attached is LACERA's quarterly performance book as of June 31, 2021. This report is the inaugural version utilizing data from our new investment performance provider, Solovis. The report has a refreshed look and includes all asset classes represented in LACERA's total Fund. Trustees may recall that prior versions of the quarterly report included consultant reports for alternative assets, private equity, real estate, and hedge funds. This report incorporates those asset classes, including the recent conversion of real estate, with underlying data sourced from LACERA's custodian. From a performance perspective, the book introduces a quarterly snapshot that provides key quarterly performance measures at a glance, as well as attribution and contribution to return analysis by functional and asset class categories.

The book also includes a revised set of risk reports from the MSCI BarraOne risk platform. Reporting includes risk decomposition and contribution by asset class, risk type, and region. There is also of set of stress tests representing hypothetical portfolio performance for various economic and market scenarios.

Importantly, despite the redesign, the book still contains LACERA's manager report cards and emerging manager program results. With the adoption of the new performance and risk tools, LACERA looks forward to continuing to enhance its investment performance, analytics, and risk measurement reporting.

Noted and Reviewed

Jonathan Grabel Chief Investment Officer

Attachments EdB:JP



Investments Division

TOTAL FUND

PERFORMANCE REPORT

For the quarter ended June 30, 2021





Table of Contents

- TOTAL FUND
- GROWTH
- CREDIT
- REAL ASSETS & INFLATION HEDGES
- 05 RISK REDUCTION & MITIGATION
- PRIVATE MARKETS
- EMERGING MANAGER PROGRAM
- RISK REPORTS
- MANAGER SCORECARDS

APPENDIX

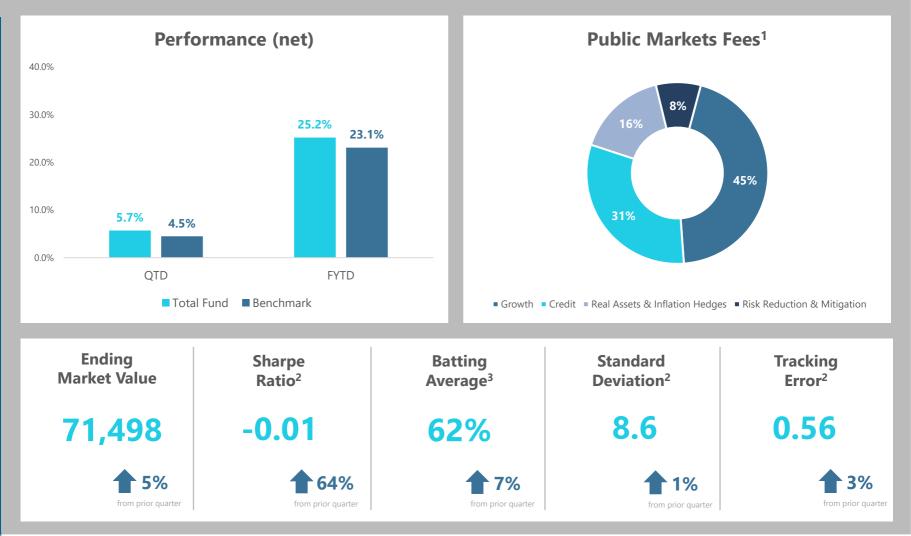


total fund

Quarterly Snapshot

for the quarter ended June 30, 2021





1. Reflects estimated investment management fees only. Additional details found in the appendix.

2. 3 Year Annualized.

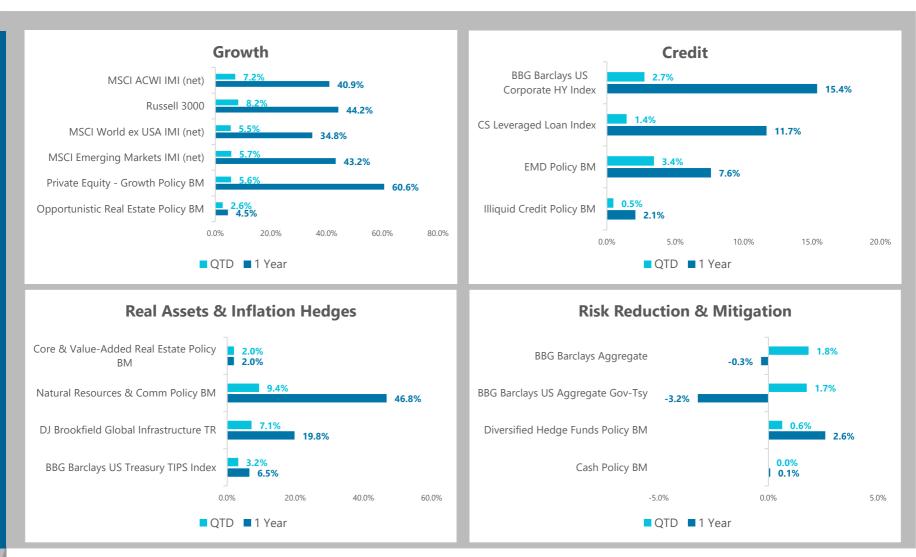
3. Percentage of managers that outperformed the benchmark for the quarter.

Market Environment

for the quarter ended June 30, 2021

Los Angeles County Employees Retirement Association

I MCFRA



Summary

for the quarter ended June 30, 2021

Los Angeles County Employees Retirement Association

FRA

Performance (net) 30.0% 20.0% 10.0% 0.0% QTD YTD 1 Year 3 Year 5 Year 10 Year ITD ■ Total Fund ■ Benchmark 1 1 1 1 1 1 ITD Т 8.9%

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	
Total Fund	5.7%	10.2%	25.2%	10.7%	10.8%	8.6%	
Benchmark	4.5%	8.1%	23.1%	10.9%	10.3%	8.5%	
Excess	1.2%	2.1%	2.1%	-0.2%	0.4%	0.1%	
	EV20	FY19	FY18	FY17			
	FY20				FY16		
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	8.7%	42.8%	42.8%	
Growth Policy BM	6.7%	43.6%	43.6%	
Excess	2.0%	-0.8%	-0.8%	
Credit	2.9%	17.9%	17.9%	
Credit Policy BM	1.9%	9.4%	9.4%	
Excess	1.0%	8.5%	8.5%	
Real Assets & Inflation Hedges	4.4%	15.2%	15.2%	
Real Assets & Inflation Hedges Policy BM	4.9%	15.6%	15.6%	
Excess	-0.5%	-0.4%	-0.4%	
Risk Reduction & Mitigation	1.6%	2.5%	2.5%	
Risk Reduction & Mitigation Policy BM	1.6%	0.2%	0.2%	
Excess	0.0%	2.3%	2.3%	

Peer Ranking (gross)

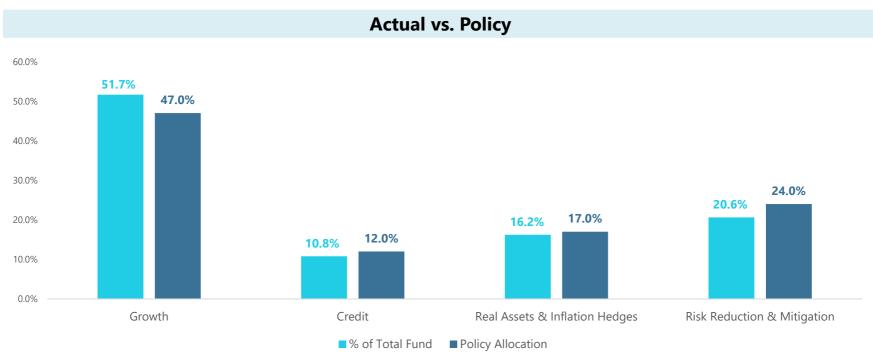
	QTI)	1 Ye	ar	3 Ye	ar	5 Ye	ar	10 Ye	ear
Total Fund	5.81	63	25.62	79	11.00	62	11.06	45	8.86	54
60/40 Portfolio [*]	5.02	78	23.07	86	11.06	56	10.11	80	7.53	84
S&P 500 Index	8.55	4	40.79	6	18.67	4	17.65	4	14.84	4
5th Percentile	7.23		43.66		15.23		15.18		10.61	
25th Percentile	6.85		28.98		12.34		11.99		9.51	
50th Percentile	6.05		26.75		11.26		11.03		9.08	
75th Percentile	5.25		25.94		10.31		10.82		8.17	
95th Percentile	3.88		5.87		7.68		5.76		6.18	

* 60% MSCI ACWI IMI / 40% BBG Barc Agg

Asset Allocation

for the quarter ended June 30, 2021





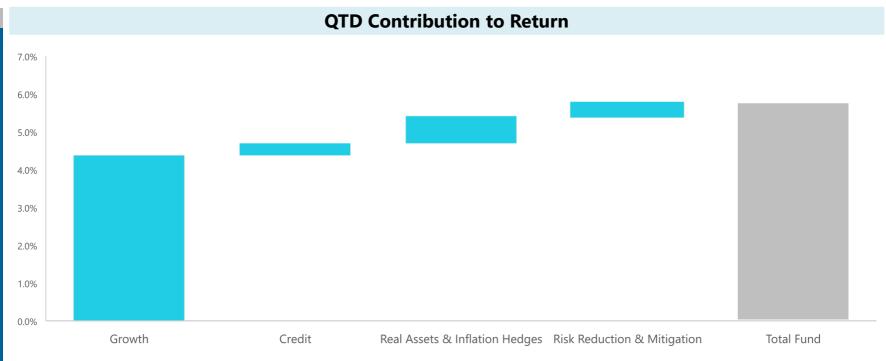
	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Over / Under (%)	Over / Under (mm)
Total Fund	71,498	100.0%	100.0%		
Growth	36,932	51.7%	47.0%	4.7%	3,328
Credit	7,706	10.8%	12.0%	-1.2%	-874
Real Assets & Inflation Hedges	11,602	16.2%	17.0%	-0.8%	-553
Risk Reduction & Mitigation	14,743	20.6%	24.0%	-3.4%	-2,416
Overlay Composite	516	0.7%			

Contribution to Return



Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021



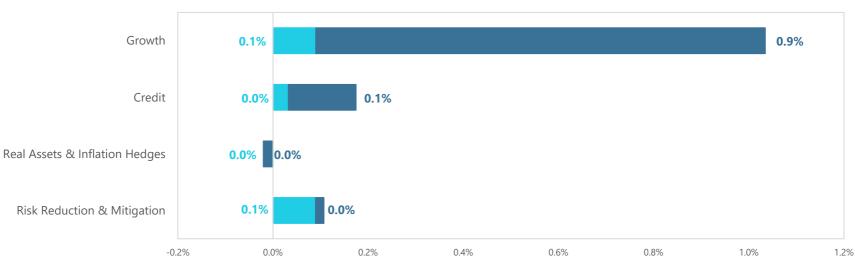
Functional Category		Contributors		Detractors	
Growth	4.4%	LACERA- PE GROWTH	1.8%	LACERA PE - REAL ASSETS	0.0%
Credit	0.3%	SSGA MSCI ACWI IMI	1.6%	LACERA RE - Credit	0.0%
Real Assets & Inflation Hedges	0.7%	JPMAM STRATEGIC BETA U.S.	0.5%	SYMPHONY FINANCIAL - ACTIVIST	0.0%
Risk Reduction & Mitigation	0.3%	BTC US DEBT INDEX FUND	0.2%	POLAR	0.0%
Total Fund	5.7%	DWS INFRASTRUCTURE	0.2%	MAGNETAR CREDIT FUND	0.0%

Return Attribution

for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association



Allocation Effect Selection Effect

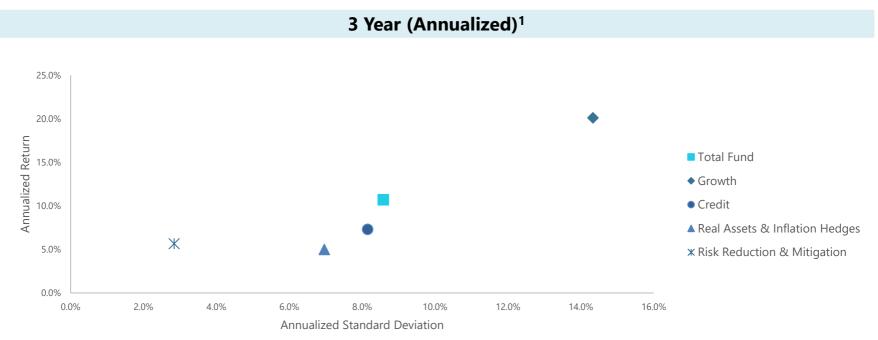
	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add ¹
Total Fund	71,498	100.0%	100.0%	5.7%	4.5%	0.2%	1.1%	1.2%
Growth	36,932	51.7%	47.0%	8.7%	6.7%	0.1%	0.9%	1.1%
Credit	7,706	10.8%	12.0%	2.9%	1.9%	0.0%	0.1%	0.1%
Real Assets & Inflation Hedges	11,602	16.2%	17.0%	4.4%	4.9%	0.0%	0.0%	-0.1%
Risk Reduction & Mitigation	14,743	20.6%	24.0%	1.6%	1.6%	0.1%	0.0%	0.1%
Overlay Composite	516	0.7%						

Risk vs. Return

for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association



	Annualized	Standard	Sharpe	Information		Tracking
	Return	Deviation	Ratio	Ratio	Beta	Error
Total Fund	10.7%	8.6%	(0.03)	(0.03)	0.99	0.56
Growth	20.1%	14.3%	0.00	0.01	0.94	1.18
Credit	7.3%	8.2%	0.14	0.09	1.01	0.94
Real Assets & Inflation Hedges	5.0%	7.0%	(0.24)	(0.29)	0.93	0.24
Risk Reduction & Mitigation	5.7%	2.8%	0.31	0.32	0.94	0.47

1. Functional composites risk statistics are Since Inception (04/01/2019 inception date).

Performance Detail



Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021

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 Total Fund Policy BM	100.0%	71,498	67,895	5.7% 4.5%	10.2% 8.1%	25.2% 23.1%	10.7% 10.9%	10.8% 10.3%	8.6% 8.5%	8.9%	
GROWTH Growth Policy BM	51.7%	36,932	34,619	8.7% 6.7%	16.7% 14.5%	42.8% 43.6%				20.1% 19.9%	
GLOBAL EQUITY Global Equity Policy BM	37.0%	26,447	25,094	7.0% 7.2%	13.7% 12.7%	40.8% 40.9%				18.9% 18.8%	
PRIVATE EQUITY - GROWTH Private Equity - Growth Policy BM	13.8%	9,866	8,908	13.9% 5.6%	26.3% 22.8%	50.6% 60.6%				21.8% 14.6%	
OPPORTUNISTIC REAL ESTATE Opportunistic Real Estate Policy BM	0.9%	618	616	5.1% 2.6%	8.0% 4.5%	11.4% 4.5%	9.2% 7.1%	10.6% 8.4%	8.9% 11.9%	4.0% 10.9%	
CREDIT Credit Policy BM	10.8%	7,706	7,342	2.9% 1.9%	6.3% 1.7%	17.9% 9.4%				7.3% 6.5%	
HIGH YIELD BBG BARC US Corp HY Idx	3.1%	2,250	2,183	3.1% 2.7%	5.2% 3.6%	17.9% 15.4%				7.1% 7.8%	
BANK LOANS CS Leveraged Loan Index	3.7%	2,639	2,589	1.9% 1.4%	4.2% 3.5%	12.6% 11.7%				8.1% 4.7%	
EM DEBT EMD Policy BM	1.2%	892	852	4.6% 3.4%	-0.5% -0.9%	11.6% 7.6%	5.2% 6.3%			3.0% 4.3%	
ILLIQUID CREDIT Illiquid Credit Policy BM	2.7%	1,924	1,718	3.2% 0.5%	15.2% -0.9%	31.2% 2.1%				12.8% 8.2%	
REAL ASSETS & INFLATION HEDGES Real Assets & Inflation Hedges Policy BM	16.2%	11,602	11,123	4.4% 4.9%	8.1% 8.5%	15.2% 15.6%				5.0% 6.9%	
CORE & VALUE-ADDED REAL ESTATE Core & Value-Added Real Estate Policy BM	6.1%	4,392	4,535	0.5% 2.0%	1.9% 3.3%	0.3% 2.0%	2.8% 4.5%	4.5% 5.8%	7.1% 9.2%	6.8% 6.6%	
NATURAL RESOURCES & COMMODITIES Natural Resources & Comm Policy BM	4.2%	2,998	2,824	9.6% 9.4%	19.9% 19.8%	48.5% 46.8%	4.0% 5.1%	3.5% 3.1%	-3.4% -4.1%	-2.2% -3.2%	
INFRASTRUCTURE DJ BROOKFIELD GLOBAL INFRASTRUCTURE TR	3.1%	2,183	1,950	6.9% 7.1%	12.2% 13.1%	22.3% 19.8%				11.2% 8.3%	
TIPS BBG BARC US Tsy TIPS ldx	2.8%	2,029	1,814	3.5% 3.2%	1.7% 1.7%	6.4% 6.5%				8.0% 8.0%	
RISK REDUCTION & MITIGATION Risk Reduction & Mitigation Policy BM	20.6%	14,743	14,269	1.6% 1.6%	-0.3% -1.1%	2.5% 0.2%				5.7% 4.7%	
INVESTMENT GRADE BONDS BBG BC Aggregate Bond Index	15.8%	11,301	10,641	1.9% 1.8%	-1.5% -1.6%	0.5% -0.3%	5.7% 5.3%	3.7% 3.0%	4.0% 3.4%	6.0% 5.5%	
DIVERSIFIED HEDGE FUNDS Diversified Hedge Funds Policy BM	3.5%	2,526	2,297	0.8% 0.6%	7.5% 1.3%	16.6% 2.6%				8.2% 3.6%	
CASH Cash Policy BM	1.3%	916	1,332	0.1% 0.0%	0.3% 0.0%	0.7% 0.1%	1.7% 1.3%	1.5% 1.2%	1.0% 0.6%	1.8% 1.4%	



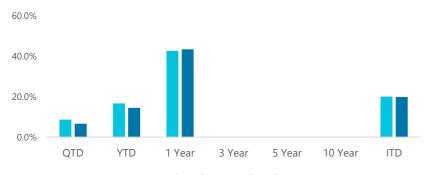
growth

Summary

for the quarter ended June 30, 2021

Los Angeles County Employees Retirement Association

Performance (net)



Growth Benchmark

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Growth	8.7%	16.7%	42.8%				20.1%
Benchmark	6.7%	14.5%	43.6%				19.9%
Excess	2.0%	2.2%	-0.8%				0.2%

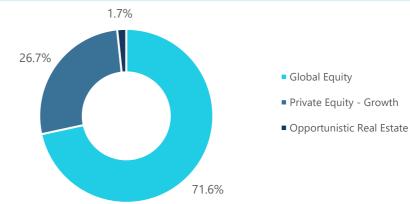
Cumulative Return



Functional Category

Exposure

	QTD	FYTD	1 Year	3 Year
Global Equity	7.0%	40.8%	40.8%	
Global Equity Policy BM	7.2%	40.9%	40.9%	
Excess	-0.2%	-0.1%	-0.1%	
Private Equity Growth	13.9%	50.6%	50.6%	
Private Equity - Growth Policy BM	5.6%	60.6%	60.6%	
Excess	8.2%	-10.0%	-10.0%	
Opportunistic Real Estate	5.1%	11.4%	11.4%	9.2%
Opportunistic Real Estate Policy BM	2.6%	4.5%	4.5%	7.1%
Excess	2.5%	6.9%	6.9%	2.1%

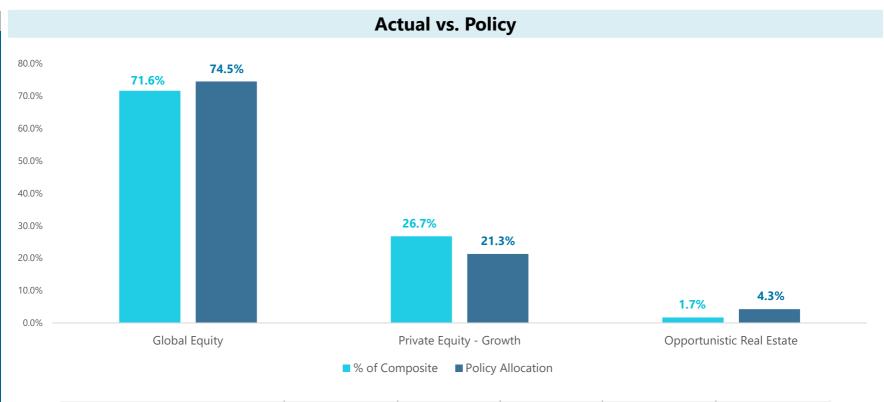


Asset Allocation

for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association



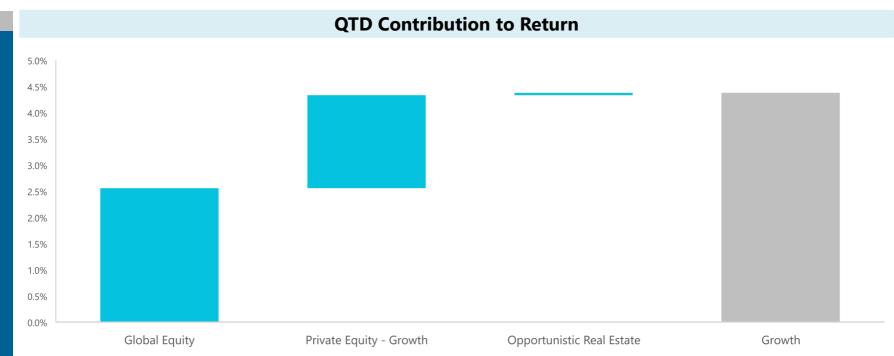
	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Growth	36,932	100.0%			
Global Equity	26,447	71.6%	74.5%	-2.9%	-1,056
Private Equity - Growth	9,866	26.7%	21.3%	5.4%	2,007
Opportunistic Real Estate	618	1.7%	4.3%	-2.6%	-951

Contribution to Return



Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021

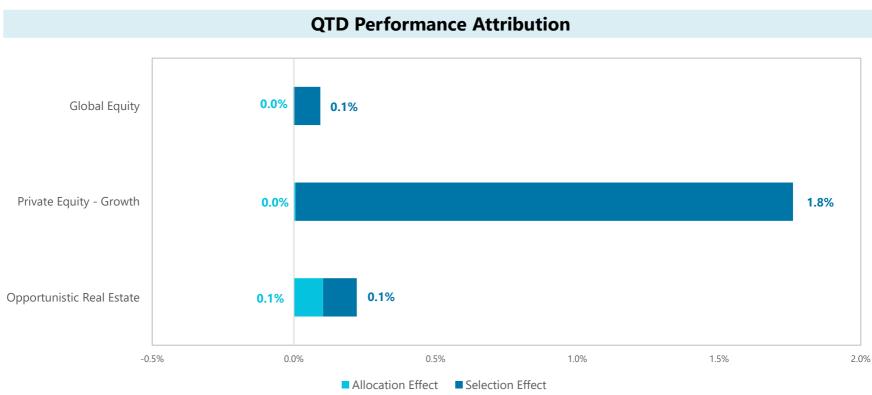


Functional Category		Contributors		Detractors	
Global Equity	2.6%	LACERA- PE GROWTH	1.8%	CEVIAN CAPITAL II - ACTIVIST	0.0%
Private Equity - Growth	1.8%	SSGA MSCI ACWI IMI	1.6%	CORNERCAP US SC - EMP	0.0%
Opportunistic Real Estate	0.0%	JPMAM STRATEGIC BETA U.S.	0.5%	PUTNAM INT'L SM CAP	0.0%
Growth	4.4%	BTC EURO TILTS	0.1%	JANA JSI FUND V - ACTIVIST	0.0%
		ACADIAN DEVELOPED MARKETS	0.1%	SYMPHONY FINANCIAL - ACTIVIST	0.0%

Return Attribution

L///CERA Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021



	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add ¹
Growth	36,931.81	100.0%	100.0%	8.7%	6.7%	0.1%	2.0%	2.0%
Global Equity	26,447.26	71.6%	74.5%	7.0%	7.2%	0.0%	0.1%	-0.2%
Private Equity - Growth	9,866.34	26.7%	21.3%	13.9%	5.6%	0.0%	1.8%	2.0%
Opportunistic Real Estate	618.21	1.7%	4.3%	5.1%	2.6%	0.1%	0.1%	0.1%

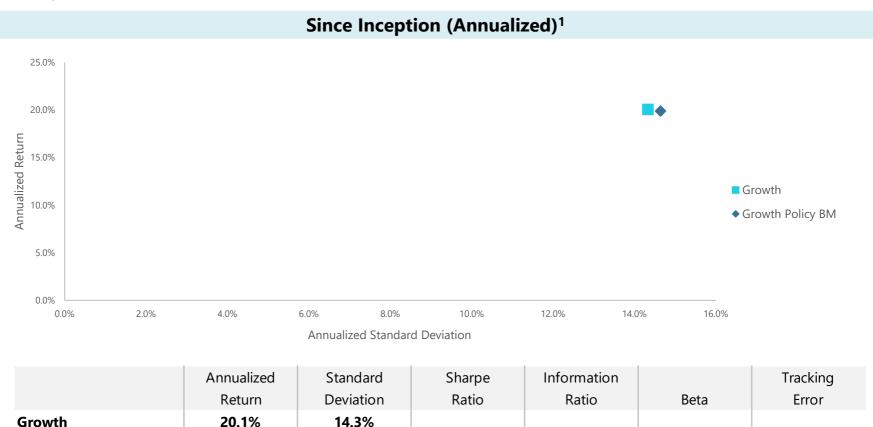
Risk vs. Return

for the quarter ended June 30, 2021

Growth Policy BM



Los Angeles County Employees Retirement Association



0.00

0.01

0.94

19.9%

14.6%

1.18

Performance Detail



Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021

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 Growth Policy BM	100.0%	36,932	34,619	8.7% 6.7%	16.7% 14.5%	42.8% 43.6%				20.1% 19.9%
GLOBAL EQUITY Global Equity Policy BM	71.6%	26,447	25,094	7.0% 7.2%	13.7% 12.7%	40.8% 40.9%				18.9% 18.8%
PASSIVE BTC PASSIVE CURRENCY HEDGING SSGA MSCI ACWI IMI	0.2% 43.7%	65 16,141	111 15,330	-0.2% 7.3%	1.5% 13.2%	-2.3% 41.5%	0.2%	0.5%	1.2%	0.6% 20.2%
FACTOR BASED JPMAM STRATEGIC BETA NON-US JPMAM STRATEGIC BETA US	1.7% 13.1%	644 4,850	658 4,478	5.6% 8.3%	9.4% 15.0%	 43.2%				30.0% 43.2%
ACTIVE ACADIAN DEVELOPED MARKETS	1.8%	647	605	6.9%	14.3%	43.7%	10.7%	14.0%	8.8%	5.8%
BTC EURO TILTS CAPITAL GROUP DEVELOPED MARKETS CEVIAN CAPITAL II - ACTIVIST	1.9% 1.3% 1.1%	717 478 389	658 447 383	8.9% 7.0% 1.5%	15.0% 8.2% 17.2%	37.5% 35.1% 42.9%	8.9% 15.1% 8.9%	10.5% 16.6%	6.7% 9.0%	4.2% 9.7%
CORNERCAP FRONTIER US SMID GROWTH	0.2% 0.8% 2.0%	82 303	78 291 688	4.9% 4.1%	27.1% 14.7% 6.0%	60.9% 58.2% 40.1%	 13.9%	 16.0%	12.5%	12.1% 11.5% 6.3%
GENESIS EMERGING MARKETS GLOBAL ALPHA IE SC -EMP JANA JSI FUND V - ACTIVIST	0.4% 0.3%	726 164 110	152 110	5.4% 7.8% -0.1%	13.3% 12.7%	45.4% 41.2%	12.6% 15.6%	12.9% 	5.6% 	15.7% 20.8%
LAZARD EMERGING MARKETS QMA US SMALL CAP CORE SYMPHONY FINANCIAL- ACTIVIST	1.4% 0.5% 0.6%	512 200 222	494 191 229	3.6% 4.3% -3.2%	7.9% 22.7% -0.9%	46.8% 57.4% 15.4%	14.9% 6.9% 11.4%	14.8% 		6.5% 6.9% 16.0%
SYSTEMATIC US SMALL CAP VLAUE	0.5% 26.7%	198 9,866	191 8,908	3.4% 13.9%	24.9% 26.3%	62.9%	10.2% 			10.2%
Private Equity - Growth Policy BM				5.6%	22.8%	60.6%				14.6%
OPPORTUNISTIC REAL ESTATE Opportunistic Real Estate Policy BM	1.7%	618	616	5.1% 2.6%	8.0% 4.5%	11.4% 4.5%	9.2% 7.1%	10.6% 8.4%	8.9% 11.9%	4.0% 10.9%

Growth – Global Equity **Acadian Developed Markets**

for the quarter ended June 30, 2021

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 Avg (mm)	51,453.4	78,224.9
No. Of Issues	494.0	-
Dividend Yield	2.5	2.5
Return on Equity	19.9	13.0
Price to Sales	3.4	5.5
Price to Book	5.8	4.8
PE Ratio	18.0	30.5

Top Holdings (% of assets)

ROCHE HOLDING AG GENUSSCHEIN	3.2%
ASML HOLDING NV	2.6%
FUJITSU LTD	2.0%
DEUTSCHE POST AG REG	1.9%
NINTENDO CO LTD	1.8%
Top 5 Holdings	11.5%

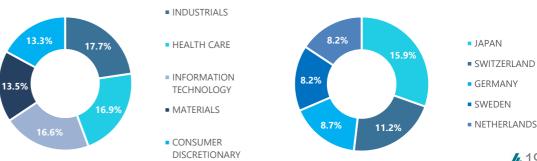
Performance (net)¹

	Ending Market Value (mm)				QTD		1 Year	3 Years	5 Years
ACADIAN DEVELOPED MARKETS	647.5			6.9%		43.7%	10.7%	14.0%	
MSCI EAFE + Canada Net Index					5.6%		33.6%	8.6%	10.4%
Growth Policy BM					6.7%		43.6%		
Universe Data: International Equity Funds Core	QTD		1 Year		3 Years		5 Years		
ACADIAN DEVELOPED MARKETS	7.1%	27	44.2%	50	11.1%	75	14.5%	65	
Median	6.0%		44.0%		13.5%		15.3%		

Growth of \$10,000



Top Exposures (% of assets)²



Universe data is gross-of-fees. 1.

Charts display top exposures only and may not add up to 100%. 2.

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Growth – Global Equity BTC Europe Alpha Tilts

for the quarter ended June 30, 2021

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	6.4%
Benchmark Standard Deviation	5.7%
Sharpe Ratio	-0.1
Information Ratio	-0.2
Beta	1.0
Tracking Error	0.5

Performance (net)¹

	Ending Market Value (mm)				QTD		1	fear	3 Years	5 Years
BTC EURO TILTS				717.0	8.	9%	37	.5%	8.9%	10.5%
MSCI EUROPE					7.	4%	35	.1%	8.7%	10.3%
Growth Policy BM						6.7%		.6%		
Universe data: International Equity Developed Mar	kets	QTD		1 Year		3 Ye	ars		5 Years	
BTC EURO TILTS		9.0%	8	38.1%	36	9.3	%	54	10.9%	56
Median		5.4%		35.2%		9.7	%		11.2%	

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency. 1. Universe data is gross-of-fees.



Growth – Global Equity Capital Group Developed Markets

for the quarter ended June 30, 2021

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 Avg (mm)	122,932.8	78,224.9
No. Of Issues	168.0	-
Dividend Yield	1.7	2.5
Return on Equity	14.6	13.0
Price to Sales	9.1	5.5
Price to Book	7.5	4.8
PE Ratio	34.3	30.5

Top Holdings (% of assets)

ASML HOLDING NV	4.9%
EVOLUTION AB	3.9%
OCADO GROUP PLC	3.9%
LVMH MOET HENNESSY LOUIS VUI	2.7%
ENEL SPA	2.3%
Top 5 Holdings	17.6%

1. Universe data is gross-of-fees.

2. Charts display top exposures only and may not add up to 100%.

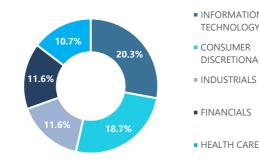
Performance (net)¹

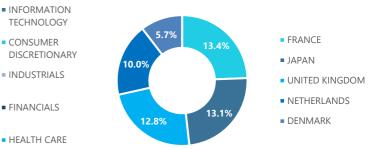
	Ending Market Value (mm)				QTD	· ·	1 Year	3 Years	5 Years
CAPITAL GROUP DEVELOPED MARKETS			4	78.1	7.0%		35.1%	15.1%	16.6%
EAFE Custom BM					5.6%		33.6%	8.6%	10.4%
Growth Policy BM					6.7%	4	43.6%		
Universe data: International Equity Funds Core	QTD		1 Year		3 Years		5 Year	s	
CAPITAL GROUP DEVELOPED MARKETS	7.1%	27	35.5%	82	15.5%	41	17.0%	39	
Median	6.0%		44.0%		13.5%		15.3%	5	

Growth of \$10,000



Top Exposures (% of assets)²







Los Angeles County Employees Retirement Association

Growth – Global Equity Cevian Capital II

for the quarter ended June 30, 2021

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	6.0%
Benchmark Standard Deviation	5.7%
Sharpe Ratio	0.4
Information Ratio	0.2
Beta	1.0
Tracking Error	2.7

Performance (net)¹

	Ending Market Value (mm)				QTD		1 Ye	ear	3 Years	5 Years
CEVIAN CAPITAL II - ACTIVIST				389.0	1.5	%	42.9	9%	8.9%	
MSCI EUROPE					7.4	%	35.1	1%	8.7%	
Growth Policy BM					6.7	%	43.6	5%		
Universe data: International Equity Developed Mark	ets	QTD		1 Year		3 Ye	ears		5 Years	
CEVIAN CAPITAL II - ACTIVIST		1.8%	93	44.4%	16	10.	2%	46		
Median		5.4%		35.2%		9.9	9%			

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Note: Commingled fund account with no position-level transparency. 1. Universe data is gross-of-fees.

Calendar Year Returns

Growth – Global Equity CornerCap US Small Cap

for the quarter ended June 30, 2021

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 Avg (mm)	2,489.8	3,386.4
No. Of Issues	311.0	-
Dividend Yield	1.6	1.0
Return on Equity	9.7	7.0
Price to Sales	2.2	26.7
Price to Book	2.9	5.2
PE Ratio	25.7	-

Top Holdings (% of assets)

JABIL INC	0.5%
TERADATA CORP	0.5%
INOVALON HOLDINGS INC A	0.5%
MAXLINEAR INC	0.5%
FINANCIAL INSTITUTIONS INC	0.5%
Top 5 Holdings	2.5%

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 Years	5 Years
CORNERCAP US SC - EMP			82.	0	4.9%	60.9%		
RUSSELL 2000					4.3%	62.0%		
Growth Policy BM					6.7%	43.6%		
Universe data: U.S. Equities Small Cap	QTD		1 Year		3 Years	5 Year	s	
CORNERCAP US SC - EMP	5.1%	32	61.8%	63				
Median	4.3%		64.1%					

Growth of \$10,000



Top Exposures (% of assets)²



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Growth – Global Equity Frontier US SMID Growth

for the quarter ended June 30, 2021

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 Avg (mm)	7,935.9	7,127.7
No. Of Issues	145.0	-
Dividend Yield	0.5	1.1
Return on Equity	7.1	10.4
Price to Sales	4.8	16.9
Price to Book	5.2	5.8
PE Ratio	-	73.0

Top Holdings (% of assets)

CONTROLADORA VUELA CIA ADR	2.1%
MACOM TECHNOLOGY SOLUTIONS H	1.9%
CAESARS ENTERTAINMENT INC	1.9%
DANA INC	1.8%
BUILDERS FIRSTSOURCE INC	1.8%
Top 5 Holdings	9.5%

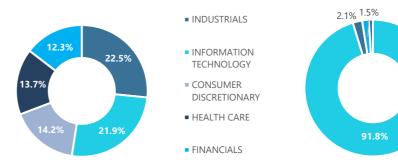
Performance (net)¹

	Ending Market Value (mm)				QTD		1 Year	3 Years	5 Years
FRONTIER US SMID GROWTH			3	302.8	4.1%		58.2%	13.9%	16.0%
RUSSELL 2500 (DAILY)					5.4%		57.8%	15.2%	16.3%
Growth Policy BM					6.7%		43.6%		
Universe data: U.S. Equity Funds - Small Cap	QTD		1 Year		3 Years		5 Years		
FRONTIER US SMID GROWTH	4.4%	46	59.4%	68	14.8%	26	16.9%	25	
Median	4.3%		64.1%		11.7%		14.8%		

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 – Global Equity **Genesis Emerging Markets**

for the guarter ended June 30, 2021

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	5.8%
Benchmark Standard Deviation	5.6%
Sharpe Ratio	0.0
Information Ratio	0.2
Beta	1.0
Tracking Error	1.0

Performance (net)¹

1
5 Years
12.9%
12.9%
48
5

Los Angeles County Employees Retirement Association

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency. 1. Universe data is gross-of-fees.

Growth – Global Equity **Global Alpha**

for the quarter ended June 30, 2021

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 Avg (mm)	2,956.8	3,274.0
No. Of Issues	65.0	-
Dividend Yield	1.9	2.5
Return on Equity	7.1	9.3
Price to Sales	15.4	10.7
Price to Book	3.6	4.6
PE Ratio	-	38.5

Top Holdings (% of assets)

L OCCITANE INTERNATIONAL SA	3.8%
BIFFA PLC	3.5%
KERRY LOGISTICS NETWORK LTD	3.4%
SAVILLS PLC	3.0%
INTERNET INITIATIVE JAPAN	3.0%
Top 5 Holdings	16.6%

Universe data is gross-of-fees. 1.

Charts display top exposures only and may not add up to 100%. 2.

Performance (net)¹

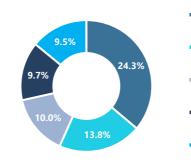
	Ending Market Value (mm)				QTD	1 Year	3 Years	5 Years
GLOBAL ALPHA IE SC - EMP			16	53.7	7.8%	45.4%		
MSCI EAFE SMALL CAP NET					4.3%	41.0%		
Growth Policy BM					6.7%	43.6%		
Universe data: International Equity Funds Core	QTD		1 Year		3 Years	5 Years		
GLOBAL ALPHA IE SC - EMP	8.0%	18	46.4%	48				
Median	6.0%		44.0%					

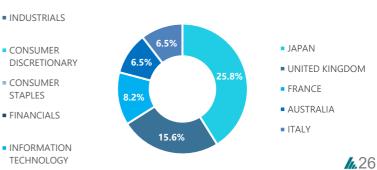
Growth of \$10,000



STAPLES

Top Exposures (% of assets)²







Growth – Global Equity JANA JSI Fund V

for the quarter ended June 30, 2021

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	8.8%
Benchmark Standard Deviation	5.3%
Sharpe Ratio	0.1
Information Ratio	0.1
Beta	1.0
Tracking Error	4.5

Performance (net)¹

	Ending Ma	QTD	1 Year		3 Years	5 Year			
JANA JSI FUND V - ACTIVIST			11	0.4	-0.1%	41	.2%	15.6%	
S&P 500 INDEX					8.5%	40	.8%	18.7%	
Growth Policy BM					6.7%	43	.6%		
		,			1				
Universe data: U.S. Equities Total Large Cap	QTD		1 Year		3 Years		5 Ye	ears	
JANA JSI FUND V - ACTIVIST	1.2%	97	48.3%	32	20.1%	31	-	-	
Median	8.5%		43.7%		18.7%		-	-	

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Los Angeles County Employees Retirement Association

Calendar Year Returns



■ Portfolio ■ Benchmark ■ Excess



Note: Commingled fund account with no position-level transparency. 1. Universe data is gross-of-fees.

Growth – Global Equity JPMorgan Strategic Beta Non-US



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 Avg (mm)	92,058.6	84,300.7
No. Of Issues	1,587.0	-
Dividend Yield	2.4	2.4
Return on Equity	15.1	13.4
Price to Sales	5.4	6.8
Price to Book	4.6	5.0
PE Ratio	21.2	24.6

Top Holdings (% of assets)

ISHARES MSCI INDIA ETF	2.9%
TAIWAN SEMICONDUCTOR MANUFAC	1.7%
TENCENT HOLDINGS LTD	1.3%
ALIBABA GROUP HOLDING SP ADR	1.3%
SAMSUNG ELECTRONICS CO LTD	1.1%
Top 5 Holdings	8.2%

Performance (net)¹

	Ending Market Value (mm)			m)	QT	D	1 Year	3 Years	5 Years
JPMAM STRATEGIC BETA NON-U.S.			64	4.2	5.69	%			
MSCI ACWI ex USA IMI Net					5.69	%			
Growth Policy BM			6.79	%					
Universe data: International Equity	QTD		1 Year	3 Y	ears	5 Y	ears		
JPMAM STRATEGIC BETA NON-U.S.	5.6%	54		-		-	-		
Median	5.7%			-		-	-		

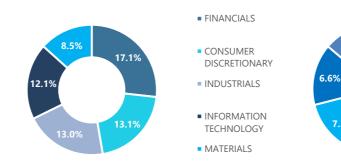
Growth of \$10,000

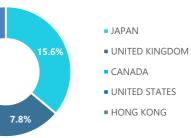


6.0%

7.3%

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%.

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Los Angeles County Employees Retirement Association

Growth – Global Equity JPMorgan Strategic Beta US

for the quarter ended June 30, 2021

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 Avg (mm)	450,883.4	535,068.8
No. Of Issues	1,062.0	-
Dividend Yield	1.0	1.1
Return on Equity	28.0	30.1
Price to Sales	7.8	7.2
Price to Book	3.4	7.2
PE Ratio	31.3	33.9

Top Holdings (% of assets)

APPLE INC	5.3%
MICROSOFT CORP	4.5%
AMAZON.COM INC	3.3%
FACEBOOK INC CLASS A	1.9%
ALPHABET INC CL C	1.7%
Top 5 Holdings	16.7%

1. Universe data is gross-of-fees.

2. Charts display top exposures only and may not add up to 100%.

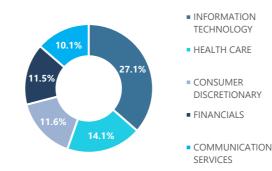
Performance (net)¹

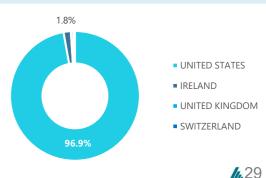
	Ending Market Value (mm)				QTD	1 Year	3 Years	5 Years
JPMAM STRATEGIC BETA U.S.	4,850.5				8.3%	43.2%		
MSCI USA IMI Gross					8.5%	44.4%		
Growth Policy BM					6.7%	43.6%		
Universe data: U.S. Equities Total Large Cap	QTD		1 Year		3 Years	5 Years		
JPMAM STRATEGIC BETA U.S.	8.3%	52	42.2%	55				
Median	8.5%		43.7%		18.7%	17.7%		

Growth of \$10,000



Top Exposures (% of assets)²







Growth – Global Equity Lazard Emerging Markets

for the quarter ended June 30, 2021

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 Avg (mm)	62,183.7	140,778.1
No. Of Issues	53.0	-
Dividend Yield	3.2	2.2
Return on Equity	18.1	16.0
Price to Sales	16.6	7.8
Price to Book	2.8	5.7
PE Ratio	7.5	15.6

Top Holdings (% of assets)

FIDELITY CHINA SPECIAL SITUATI	8.1%
SAMSUNG ELECTRONICS PREF	8.0%
JPMORGAN EMERGING MARKETS INVE	6.7%
TEMPLETON EMERGING MARKETS INV	5.7%
PROSUS NV	5.1%
Top 5 Holdings	33.5%

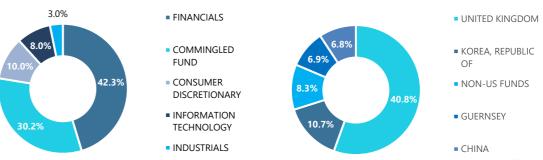
Performance (net)¹

	Ending Market Value (mm)			m) Q ⁻	TD	1 Year	3	Years	5 Years
LAZARD EMERGING MARKETS			51	2.1 3.6	5%	46.8%	1	14.9%	14.8%
MSCI EMERGING MARKETS				5.0)%	40.9%	1	11.3%	13.0%
Growth Policy BM		6.7	7%	43.6%					
Universe data: International Equity Funds Emerging Ma	arkets	QTD		1 Year		3 Years		5 Years	5
LAZARD EMERGING MARKETS		3.8%	76	47.8%	41	15.6%	27	15.6%	32
Median		5.4%		45.9%		12.4%		13.6%	

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 – Global Equity QMA US Small Cap Core

for the quarter ended June 30, 2021

Strategy

Seeks to capture incremental alpha through rules-based factor models that are supported by fundamental insights. This strategy may be suited for investors looking to increase U.S. small cap exposure and increase portfolio diversification through an active quantitative investment approach.

Inception Date: July 2018

Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Avg (mm)	3,196.8	3,386.4
No. Of Issues	335.0	-
Dividend Yield	1.0	1.0
Return on Equity	15.4	7.0
Price to Sales	5.7	26.7
Price to Book	4.4	5.2
PE Ratio	25.8	-

Top Holdings (% of assets)

EMCOR GROUP INC	1.0%
J2 GLOBAL INC	0.9%
MEDPACE HOLDINGS INC	0.9%
SELECT MEDICAL HOLDINGS CORP	0.9%
VANDA PHARMACEUTICALS INC	0.8%
Top 5 Holdings	4.5%

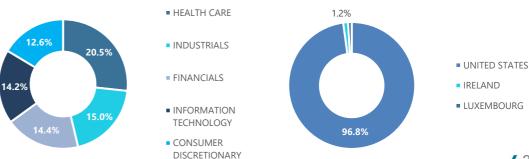
Performance (net)¹

	Ending Market Value (mm)			QTD)	1 Year	3 Years	5 Years	
QMA US SMALL CAP CORE		199.6			6 4.3%	5	57.4%	6.9%	
RUSSELL 2000					4.3%	5	62.0%	13.5%	
Growth Policy BM						b	43.6%		
Universe data: U.S. Equities Small Cap	QTD		1 Year		3 Years		5 Years		
QMA US SMALL CAP CORE	4.4%	46	58.2%	68	7.5%	92			
Median	4.3%		64.1%		11.7%				

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.



Growth – Global Equity SSGA MSCI ACWI IMI

for the quarter ended June 30, 2021

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 Avg (mm)	299,408.1	295,595.5
No. Of Issues	6,730.0	-
Dividend Yield	1.6	1.6
Return on Equity	21.4	21.1
Price to Sales	7.8	8.2
Price to Book	4.1	4.4
PE Ratio	30.0	30.6

Top Holdings (% of assets)

APPLE INC	3.0%
MICROSOFT CORP	2.6%
AMAZON.COM INC	1.9%
FACEBOOK INC CLASS A	1.1%
ALPHABET INC CL A	1.0%
Top 5 Holdings	9.6%

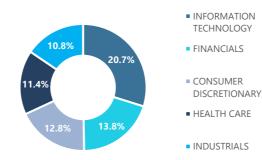
Performance (net)¹

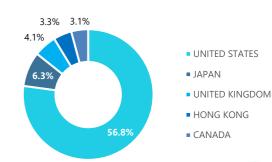
	Ending Market Value (mm)				QTD	1 Year	3 Years	5 Years
SSGA MSCI ACWI IMI	16,140.8				7.3%	41.5%		
MSCI ACWI IMI Net					7.2%	40.9%		
Growth Policy BM					6.7%	43.6%		
	1							
Universe data: Global Equity Funds	QTD		1 Year		3 Years	5 Years		
SSGA MSCI ACWI IMI	7.3%	18	41.5%	38				
Median	5.6%		39.9%					

Growth of \$10,000



Top Exposures (% of assets)²





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Los Angeles County Employees Retirement Association

1. Universe data is gross-of-fees.

Growth – Global Equity Symphony Financial

for the guarter ended June 30, 2021

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	7.4%
Benchmark Standard Deviation	4.3%
Sharpe Ratio	0.1
Information Ratio	0.1
Beta	0.9
Tracking Error	6.3

Performance (net)¹

	Ending Market Value (mm)				D	1 Year	3 Yea	ars 5 Years
SYMPHONY FINANCIAL - ACTIVIST	221.9				2%	15.4%	11.4	%
MSCI JAPAN SMALL CAP NET				-0.9	9%	21.2%	3.4%	%
Growth Policy BM				6.7	'%	43.6%		
Universe data: International Equity Developed Marke	ets Active	QTD		1 Year		3 Years		5 Years
SYMPHONY FINANCIAL - ACTIVIST		-3.0%	100	16.2%	90	13.9%	18	
Median		5.3%		35.1%		9.5%		

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency. 1. Universe data is gross-of-fees.



Growth – Global Equity Systematic US Small Cap Value

for the quarter ended June 30, 2021

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 Avg (mm)	4,036.2	3,386.4
No. Of Issues	154.0	-
Dividend Yield	1.1	1.0
Return on Equity	11.3	7.0
Price to Sales	2.7	26.7
Price to Book	2.9	5.2
PE Ratio	25.1	-

Top Holdings (% of assets)

FIRST CITIZENS BCSHS CL A	2.8%
AMERICAN EAGLE OUTFITTERS	1.6%
MAGNACHIP SEMICONDUCTOR CORP	1.4%
SILICON MOTION TECHNOL ADR	1.4%
COHU INC	1.3%
Top 5 Holdings	8.5%

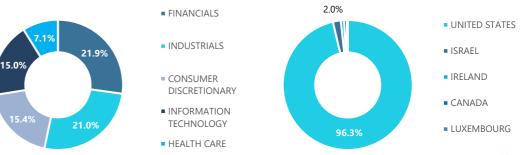
Performance (net)¹

	Ending Market Value (mm)) QTI)	1 Year	3 Years	5 Years
SYSTEMATIC US SMALL CAP VALUE	197.6			.6 3.4%	3.4%		10.2%		
RUSSELL 2000					4.3%	6	62.0%	13.5%	
Growth Policy BM					6.7%	6	43.6%		
Universe data: U.S. Equities Small Cap	QTD		1 Year		3 Years		5 Years		
SYSTEMATIC US SMALL CAP VALUE	3.5%	68	63.8%	52	10.8%	60			
Median	4.3%		64.1%		11.7%				

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%.

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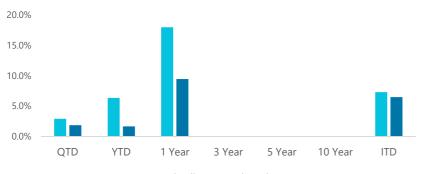
credit

Summary

for the quarter ended June 30, 2021

Los Angeles County Employees Retirement Association

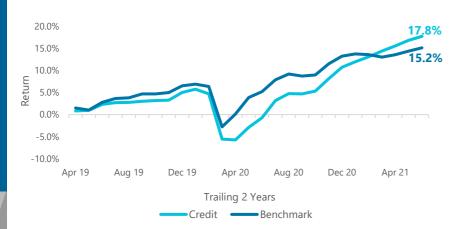
Performance (net)



Credit Benchmark

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Credit	2.9%	6.3%	17.9%				7.3%
Benchmark	1.9%	1.7%	9.4%				6.5%
Excess	1.0%	4.7%	8.5%				0.8%

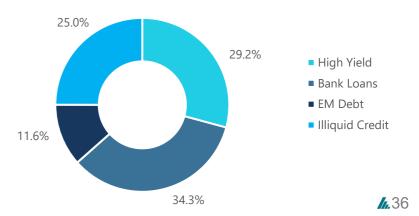
Cumulative Return



Functional Category

	QTD	FYTD	1 Year	3 Year
High Yield	3.1%	17.9%	17.9%	
BBG BARC US CORP HY IDX	2.7%	15.4%	15.4%	
Excess	0.3%	2.5%	2.5%	
Bank Loans	1.9%	12.6%	12.6%	
CS Leveraged Loan Index	1.4%	11.7%	11.7%	
Excess	0.5%	0.9%	0.9%	
EM Debt	4.6%	11.6%	11.6%	5.2%
EMD Policy BM	3.4%	7.6%	7.6%	6.3%
Excess	1.2%	4.0%	4.0%	-1.1%
Illiquid Credit	3.2%	31.2%	31.2%	
Illiquid Credit Policy BM	0.5%	2.1%	2.1%	
Excess	2.7%	29.1%	29.1%	

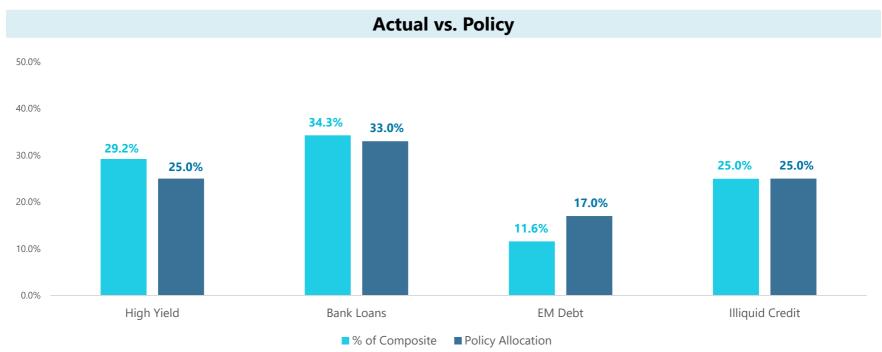
Exposure



Asset Allocation

for the quarter ended June 30, 2021

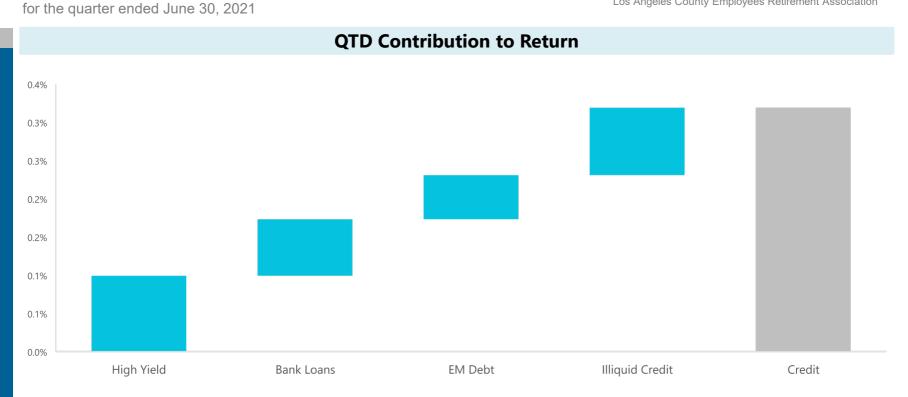




	Ending Market Value	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Credit	7,706	100.0%			
High Yield	2,250	29.2%	25.0%	4.2%	323
Bank Loans	2,639	34.3%	33.0%	1.3%	97
EM Debt	892	11.6%	17.0%	-5.4%	-418
Illiquid Credit	1,924	25.0%	25.0%	0.0%	-2

Contribution to Return





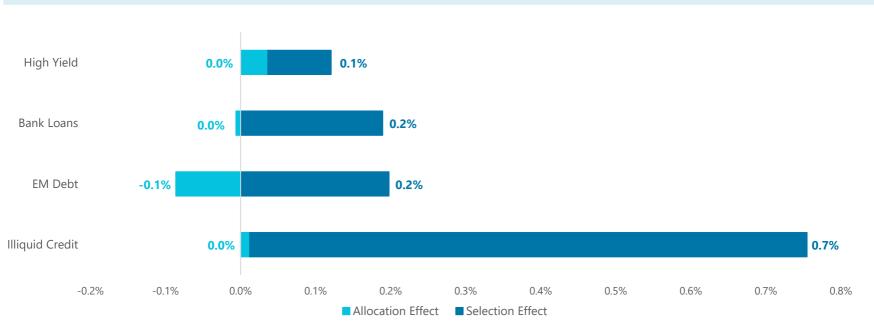
Functional Category	Contributors	Detractors	
High Yield	0.10% LACERA PE - CREDIT	0.05% BEACH POINT	0.01%
Bank Loans	0.07% BRIGADE CAP MGMT	0.04% PIMCO TAC OPPS FUNDS	0.01%
EM Debt	0.06% BlackRock HY ETF	0.04% BAIN CAPITAL CREDIT	0.01%
Illiquid Credit	0.09% NAPIER PARK	0.04% LACERA RE - Credit	0.00%
Credit	0.32% ASHMORE INVESTMENT MANAGEMENT	0.03% MAGNETAR CREDIT FUND	-0.02%

Return Attribution

for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association



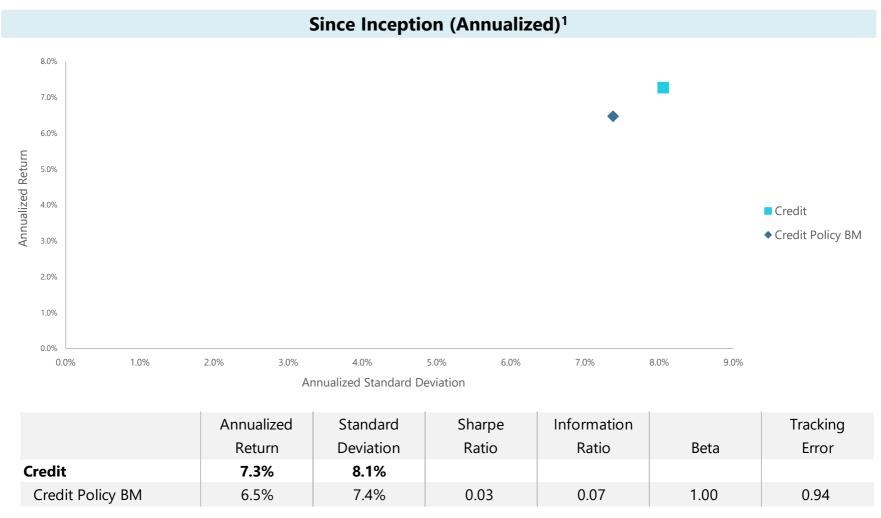
QTD Performance Attribution

	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add ¹
Credit	7,706	100.0%	100.0%	2.9%	1.9%	0.0%	1.2%	1.0%
High Yield	2,250	29.2%	25.0%	3.1%	2.7%	0.0%	0.1%	0.1%
Bank Loans	2,639	34.3%	33.0%	1.9%	1.4%	0.0%	0.2%	0.2%
EM Debt	892	11.6%	17.0%	4.6%	3.4%	-0.1%	0.2%	0.0%
Illiquid Credit	1,924	25.0%	25.0%	3.2%	0.5%	0.0%	0.7%	0.7%

Risk vs. Return

for the quarter ended June 30, 2021





Performance Detail

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Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021

		Ar	nualized	Net Re	eturns					
	% 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%	7,706	7,342	2.9%	6.3%	17.9%				7.3%
Credit Policy BM				1.9%	1.7%	9.4%				6.5%
HIGH YIELD	29.2%	2,250	2,183	3.1%	5.2%	17.9%				7.1%
BBG BARC US Corp HY ldx				2.7%	3.6%	15.4%				7.8%
BEACHPOINT	4.1%	314	306	2.5%	3.5%	14.6%	7.4%	7.5%		6.3%
BLACKROCK HY ETF	16.1%	1,240	1,211	2.4%	3.1%	14.5%				6.4%
BRIGADE CAP MGMT	9.0%	695	665	4.5%	9.8%	26.2%	6.7%	7.8%	6.7%	7.5%
BANK LOANS	34.3%	2,639	2,589	1.9%	4.2%	12.6%				8.1%
CS Leveraged Loan Index				1.4%	3.5%	11.7%				4.7%
BAIN CAPITAL CREDIT	5.3%	411	403	2.1%	4.7%	14.5%	5.2%	6.0%		4.1%
CREDIT SUISSE BANK LOANS	14.8%	1,138	1,123	1.4%	2.9%	9.5%				13.1%
CRESCENT CAPITAL	6.6%	511	499	2.4%	5.3%	16.2%	6.6%	7.0%		4.3%
TENNENBAUM CAPITAL	7.5%	579	564	2.6%	5.7%	14.3%	7.2%	8.2%		7.3%
EM DEBT	11.6%	892	852	4.6%	-0.5%	11.6%	5.2%			3.0%
EM Debt Policy BM				3.4%	-0.9%	7.6%	6.3%			4.3%
ABERDEEN ASSET MANAGEMENT	5.9%	457	438	4.2%	-0.5%	10.0%	6.2%			3.9%
ASHMORE INVESTMENT MANAGEMENT	5.6%	435	414	5.0%	-0.6%	13.4%	4.2%			2.6%
ILLIQUID CREDIT	25.0%	1,924	1,718	3.2%	15.2%	31.2%				12.8%
Illiquid Credit Policy BM				0.5%	-0.9%	2.1%				8.2%
BEACH POINT FUND II	0.2%	16	17							
BEACH POINT FUND III	2.7%	207	212	5.9%	12.5%	35.4%	11.3%			10.9%
GROSVENOR OPCRD 2 HFOF	0.6%	46	55	1.9%	10.2%	21.0%	1.2%	4.9%		5.0%
MAGNETAR CREDIT FUND	5.0%	385	311	-4.3%	33.0%					41.7%
NAPIER PARK	8.5%	654	529	4.2%	11.9%	31.5%				37.6%
PIMCO TAC OPPS FUNDS	3.5%	271	267	1.5%	10.0%	23.1%				8.1%
PRIVATE EQUITY - CREDIT	2.5%	193	179	17.9%	32.9%	57.3%				10.2%
REAL ESTATE - CREDIT	2.0%	152	148	1.6%	3.9%	8.7%	9.1%	8.7%		8.7%

Credit – High Yield Beach Point

for the quarter ended June 30, 2021

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	238.0	-
Effective Duration	3.2	3.9
Convexity	1.5	-0.4
Coupon Rate	5.4	5.9
Yield to Maturity	5.2	4.6
Current Yield	4.9	5.5
Rating – Moody's	B-2	B-1
Rating – S & P	В	B+

Top Holdings (% of assets)

AMERICAN GREETINGS CORP	2.0%
DEALER TIRE LLC/DT ISSR	1.5%
COMPASS GROUP DIVERSIFIE	1.5%
RADIOLOGY PARTNERS INC	1.2%
CCO HLDGS LLC/CAP CORP	1.1%
Top 5 Holdings	7.2%

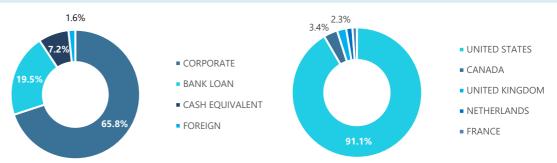
Performance (net)¹

	Ending Ma	arket	Value (mn	ו)	QTD	1 Y	ear	3 Ye	ears	5 Years
BEACH POINT			314	1.0	2.5%	14.0	5%	7.4	%	7.5%
Beachpoint Custom BM					2.7%	15.4	4%	6.6	%	6.7%
Credit Policy BM					1.9%	9.4	%		-	
Universe data: U.S. Fixed Income Funds	QTD		1 Year		3 Years		5 Y	ears		
BEACH POINT	2.6%	32	15.1%	19	8.0%	22	8.	1%	10	
Median	1.9%		1.6%		5.7%		3.	7%		

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.

Credit – High Yield **Brigade Capital**

for the quarter ended June 30, 2021

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	324.0	-
Effective Duration	2.5	3.9
Convexity	-0.5	-0.4
Coupon Rate	6.7	5.9
Yield to Maturity	7.4	4.6
Current Yield	6.6	5.5
Rating – Moody's	B-2	B-1
Rating – S & P	В	B+

Top Holdings (% of assets)

CORNERSTONE CHEMICAL CO	1.5%
LSB INDUSTRIES	1.4%
SYNIVERSE HLDGS INC	1.3%
FREEDOM MORTGAGE CORP	1.3%
RAIN CII CARBON LLC/CII	1.2%
Top 5 Holdings	6.7%

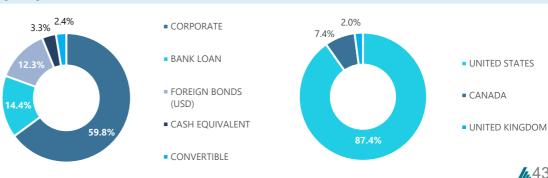
Performance (net)¹

	Ending N	Marke	et Value (m	וm)	QTD	1	l Year	3 Years	5 Years
BRIGADE CAP MGMT			6	95.5	4.5%	2	26.2%	6.7%	7.8%
Brigade Custom Index					2.7%	1	15.4%	7.1%	6.7%
Credit Policy BM					1.9%		9.4%		
Universe data: U.S. Fixed Income Funds	QTD		1 Year		3 Years		5 Years	;	
BRIGADE CAP MGMT	4.4%	20	26.7%	12	7.4%	26	8.5%	9	
Median	1.9%		1.6%		5.7%		3.7%		

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.

Credit – Bank Loans Bain Capital

for the quarter ended June 30, 2021

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	526.0	-
Effective Duration	0.5	3.9
Convexity	-0.1	-0.4
Coupon Rate	3.1	5.9
Yield to Maturity	3.9	4.6
Current Yield	3.1	5.5
Rating – Moody's	B-2	B-1
Rating – S & P	В	B+

Top Holdings (% of assets)

FFI HLDGS 1 CORP	0.7%
CSC HOLDINGS, LLC	0.7%
NAVICURE INC	0.7%
CHAMBER BIDCO LIMITED	0.7%
CST BUYER COMPANY	0.6%
Top 5 Holdings	3.3%

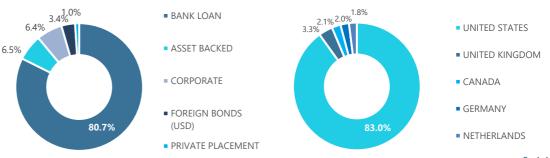
Performance (net)¹

	Ending Market Value (mm)				QTD		1 Year	3 Years	5 Years
BAIN CAPITAL CREDIT		4	11.5	2.1%		14.5%	5.2%	6.0%	
Bank Loans Custom Index					1.4%		11.7%	5.3%	5.9%
Credit Policy BM	1.9% 9.4%								
Universe data: U.S. Fixed Income Funds	QTD		1 Year		3 Years		5 Years		
BAIN CAPITAL CREDIT	2.3%	37	15.2%	18	5.9%	48	6.8%	18	
Median	1.9%		1.6%		5.7%		3.7%		

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.

Credit – Bank Loans Credit Suisse

for the quarter ended June 30, 2021

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	440.0	-
Effective Duration	0.2	3.9
Convexity	-0.1	-0.4
Coupon Rate	3.2	5.9
Yield to Maturity	4.0	4.6
Current Yield	3.2	5.5
Rating – Moody's	B-2	B-1
Rating – S & P	В	B+

Top Holdings (% of assets)

FINASTRA USA, INC.	0.9%
AIRXCEL INC	0.8%
HORNBLOWER SUB LLC	0.7%
EPICOR SOFTWARE CORPORATION	0.7%
UNILABS SUBHOLDING AB	0.7%
Top 5 Holdings	3.6%

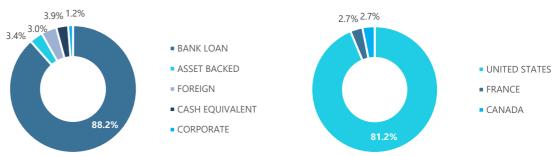
Performance (net)¹

	Ending Market Value (mm)				QTD	1 Year	3 Years	5 Years
Credit Suisse Bank Loans			1,13	7.9	1.4%	9.5%		
CS Leveraged Loan Index					1.4%	11.7%		
Credit Policy BM				ļ	1.9%	9.4%		
Universe data: U.S. Fixed Income Funds	QTD		1 Year		3 Years	5 Years		
Credit Suisse Bank Loans	1.4%	61	9.7%	25				
Median	1.9%		1.6%		5.7%	3.7%		

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.

Credit – Bank Loans Crescent Capital

for the quarter ended June 30, 2021

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	145.0	-
Effective Duration	0.6	3.9
Convexity	0.0	-0.4
Coupon Rate	4.5	5.9
Yield to Maturity	5.3	4.6
Current Yield	4.5	5.5
Rating – Moody's	B-2	B-1
Rating – S & P	B-	В+

Top Holdings (% of assets)

KAMC HOLDINGS INC	1.8%
PERATON CORP	1.7%
COREL CORPORATION	1.7%
DUTCH LLC	1.7%
API TECHNOLOGIES CORP	1.6%
Top 5 Holdings	8.5%

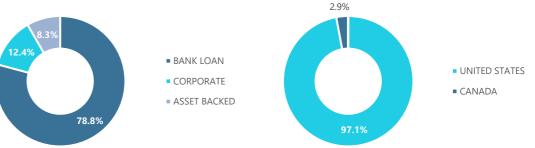
Performance (net)¹

	Ending Market Value (mm)				QTD		1 Year	3 Years	5 Years
CRESCENT CAPITAL			5	511.1	2.4%		16.2%	6.6%	7.0%
Bank Loans Custom Index					1.4%		11.7%	5.3%	5.9%
Credit Policy BM					1.9%		9.4%		
Universe data: U.S. Fixed Income Funds	QTD		1 Year		3 Years		5 Years		
CRESCENT CAPITAL	2.5%	33	16.8%	17	7.2%	27	7.6%	12	
Median	1.9%		1.6%		5.7%		3.7%		

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.

Credit – Bank Loans Tennenbaum Capital

for the quarter ended June 30, 2021

Strategy

A broadly-diversified strategy that invests in secured bonds and loans, in addition to special situation credit opportunities. This fund-of-one vehicle originates middle-market senior debt either directly or via lightly syndicated "club deals," as well as investing in secondary market opportunities.

Inception Date: November 2014

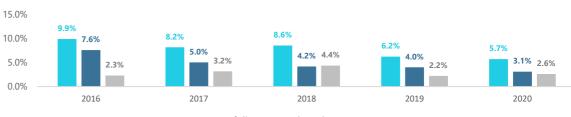
Risk Statistics (since inception)

Standard Deviation	3.3%
Benchmark Standard Deviation	2.8%
Sharpe Ratio	0.4
Information Ratio	0.4
Beta	0.4
Tracking Error	1.6

Performance (net)¹

	Ending	QTD		1 Year	3 Years	5 Years			
TENNENBAUM CAPITAL				579.	0 2.6%	5	14.3%	7.2%	8.2%
CSFB Leveraged Loan Index 1 Month Lagged					1.1%	5	12.7%	4.3%	5.0%
Credit Policy BM					1.9%	5	9.4%		
Universe data: U.S. Fixed Income Funds	QTD		1 Year		3 Years		5 Years		
TENNENBAUM CAPITAL	2.8%	29	15.1%	18	8.0%	22	9.0%	8	
Median	1.9%		1.6%		5.7%		3.7%		

Calendar Year Returns



Portfolio Benchmark Excess

Growth of \$10,000



Note: Commingled fund account with no position-level transparency. 1. Universe data is gross-of-fees.

Credit – Emerging Market Debt Aberdeen Asset Management

for the quarter ended June 30, 2021

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	11.5%
Benchmark Standard Deviation	3.1%
Sharpe Ratio	0.2
Information Ratio	0.3
Beta	1.2
Tracking Error	0.9

Performance (net)¹

	Ending Ma		QTD	1 Ye	ar 3 N	/ears	5 Years		
ABERDEEN ASSET MANAGEMENT		4.2%	10.0	% 6	.2%				
EMD Custom					3.4%	7.6	% 6	.3%	
Credit Policy BM					1.9%	9.4	%		
Universe data: U.S. Fixed Income Funds	QTD		1 Year		3 Years		5 Years		
ABERDEEN ASSET MANAGEMENT	4.3%	20	10.4%	24	6.6%	32			
Median	1.9%		1.6%		5.7%		3.7%		

Los Angeles County Employees Retirement Association

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency. 1. Universe data is gross-of-fees.

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Credit – Emerging Market Debt Ashmore

for the guarter ended June 30, 2021

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

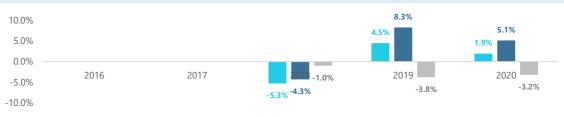
Risk Statistics (since inception)

Standard Deviation	11.3%
Benchmark Standard Deviation	3.1%
Sharpe Ratio	0.2
Information Ratio	0.2
Beta	1.5
Tracking Error	1.9

Performance (net)¹

	Ending Market Value (mm)				QTD		1 Year	3 Years	5 Years
ASHMORE INVESTMENT MANAGEMENT			4	434.9	5.0%		13.4%	4.2%	
EMD Custom					3.4%		7.6%	6.3%	
Credit Policy BM		1.9%		9.4%					
Universe data: U.S. Fixed Income Funds	QTD		1 Year		3 Years		5 Year	s	
ASHMORE INVESTMENT MANAGEMENT	5.1%	18	14.0%	19	4.9%	67			
Median	1.9%		1.6%		5.7%		3.7%		

Calendar Year Returns





Growth of \$10,000 16,000 14.000 11.284 12,000 10,000 10,587 8.000 Mar 19 Jun 21 Jun 19 Sep 19 Dec 19 Mar 20 Jun 20 Sep 20 Dec 20 Mar 21 Benchmark Portfolio

Note: Commingled fund account with no position-level transparency. 1. Universe data is gross-of-fees.

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Los Angeles County Employees Retirement Association

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real assets & inflation hedges

Summary

for the quarter ended June 30, 2021

Los Angeles County Employees Retirement Association

Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Real Assets & Inflation Hedges	4.4%	8.1%	15.2%				5.0%
Benchmark	4.9%	8.5%	15.6%				6.9%
Excess	-0.5%	-0.4%	-0.4%				-1.9%

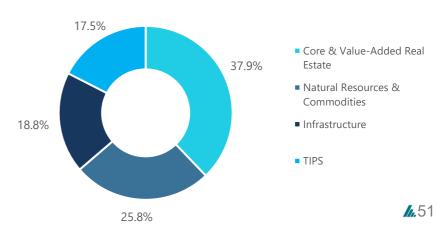
Cumulative Return



Functional Category

	QTD	FYTD	1 Year	3 Year
Core & Value-Added Real Estate	0.5%	0.3%	0.3%	2.8%
Core & Value-Added Real Estate Policy BM	2.0%	2.0%	2.0%	4.5%
Excess	-1.5%	-1.7%	-1.7%	-1.7%
Natural Resources & Commodities	9.6%	48.5%	48.5%	4.0%
Natural Resources & Comm Policy BM	9.4%	46.8%	46.8%	5.1%
Excess	0.2%	1.7%	1.7%	-1.1%
Infrastructure	6.9%	22.3%	22.3%	
DJ Brookfield Global Infrastructure TR	7.1%	19.8%	19.8%	
Excess	-0.2%	2.6%	2.6%	
TIPS	3.5%	6.4%	6.4%	
BBG BARC US Tsy TIPS Idx	3.2%	6.5%	6.5%	
Excess	0.2%	-0.1%	-0.1%	

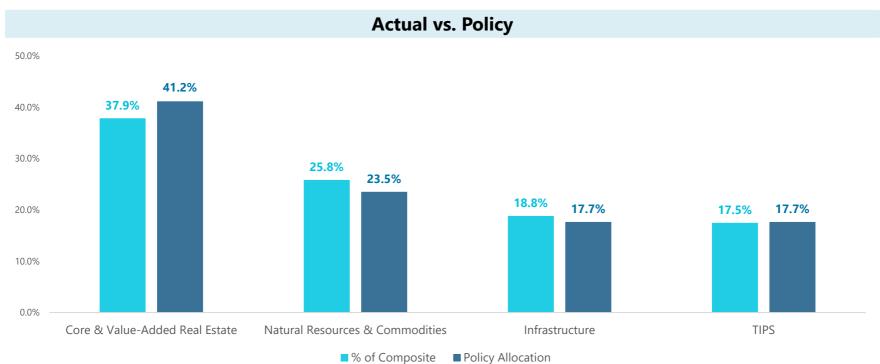
Exposure



Asset Allocation

for the quarter ended June 30, 2021





	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Real Assets & Inflation Hedges	11,602	100.0%			
Core & Value-Added Real Estate	4,392	37.9%	41.2%	-3.3%	-384
Natural Resources & Commodities	2,998	25.8%	23.5%	2.3%	268
Infrastructure	2,183	18.8%	17.7%	1.2%	135
TIPS	2,029	17.5%	17.7%	-0.2%	-19

Contribution to Return

for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association

 OTD Contribution to Return

 0.%

 0.%

 0.%

 0.%

 0.%

 0.%

 0.%

Core & Value-Added Real Estate Natural Resources & Commodities

Infrastructure

TIPS

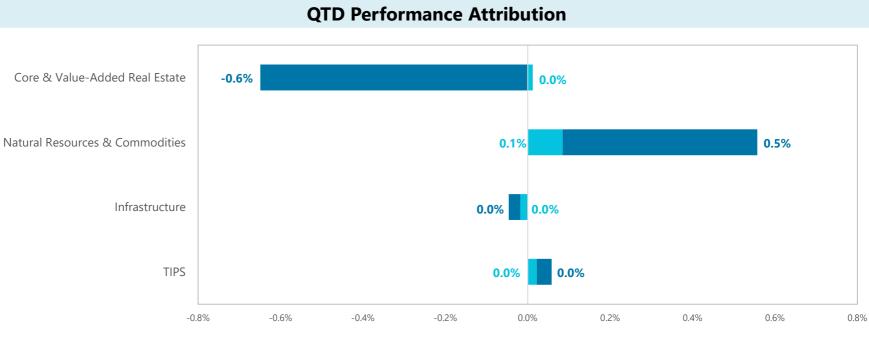
Real Assets & Inflation Hedges

Functional Category		Contributors		Detractors	
Core & Value-Added Real Estate	0.0%	DWS INFRASTRUCTURE	0.2%	DIF INFRASTRUCTURE VI	0.0%
Natural Resources & Commodities	0.4%	DWS Natural Resources	0.1%	GRAIN SPECTRUM HOLDINGS III	0.0%
Infrastructure	0.2%	BLACKROCK TIPS	0.1%	PAN-EUROPEAN INFRASTRUCTURE FUND III	0.0%
TIPS	0.1%	PIMCO COMMODITY PLUS	0.1%	LACERA PE - REAL ASSETS	0.0%
Real Assets & Inflation Hedges	0.7%	GRESHAM (COMM. ASSETS)	0.1%	LACERA RE - REAL ASSETS	0.0%

Return Attribution

for the quarter ended June 30, 2021





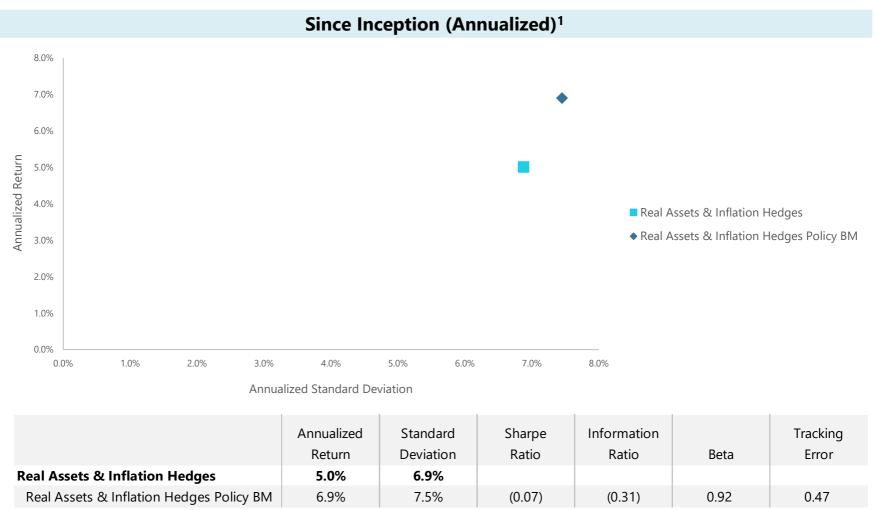
Allocation Effect Selection Effect

	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add ¹
Real Assets & Inflation Hedges	11,602	100.0%	100.0%	4.4%	4.9%	0.1%	-0.2%	-0.5%
Core & Value-Added Real Estate	4,392	37.9%	41.2%	0.5%	2.0%	0.0%	-0.6%	-0.6%
Natural Resources & Commodities	2,998	25.8%	23.5%	9.6%	9.4%	0.1%	0.5%	0.1%
Infrastructure	2,183	18.8%	17.7%	7.0%	7.1%	0.0%	0.0%	-0.1%
TIPS	2,029	17.5%	17.7%	3.5%	3.2%	0.0%	0.0%	0.1%

Risk vs. Return

for the quarter ended June 30, 2021





Performance Detail



Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021

	% of	Ending Market Value	Prior Quarter Ending MV							
	Composite	(mm)	(mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
REAL ASSETS & INFLATION HEDGES	100.0%	11,602	11,123	4.4%	8.1%	15.2%				5.0%
Real Assets & Inflation Hedges Policy BM				4.9%	8.5%	15.6%				6.9%
CORE & VALUE ADDED REAL ESTATE	37.9%	4,392	4,535	0.5%	1.9%	0.3%	2.8%	4.5%	7.1%	6.8%
Core & Value-Added Real Estate Policy BM				2.0%	3.3%	2.0%	4.5%	5.8%	9.2%	6.7%
NATURAL RESOURCES & COMMODITIES	25.8%	2,998	2,824	9.6%	19.9%	48.5%	4.0%	3.5%	-3.4%	-2.2%
Natural Resources & Comm Policy BM				9.4%	19.8%	46.8%	5.1%	3.1%	-4.1%	-3.2%
CREDIT SUISSE COMMODITY	4.3%	503	443	13.5%	21.4%	46.2%	4.6%	2.9%	-3.9%	-4.3%
DWS NATURAL RESOURCES	12.4%	1,443	1,445	6.6%	19.3%	53.5%				15.1%
NEUBERGER BERMAN/GRESHAM	4.2%	484	428	13.2%	21.7%	47.2%	3.2%	3.6%	-3.3%	-2.1%
PIMCO COMMODITY	4.3%	498	437	13.8%	22.2%	49.3%	4.5%	4.1%	-3.0%	-2.1%
PRIVATE EQUITY - REAL ASSETS	0.6%	70	71	-1.6%	-2.3%	-3.4%				-20.8%
INFRASTRUCTURE	18.8%	2,183	1,950	6.9%	12.2%	22.3%				11.2%
DJ BROOKFIELD GLOBAL INFRASTRUCTURE TR				7.1%	13.1%	19.8%				8.3%
DIF INFRASTRUCTURE	0.1%	8	8	6.3%						-16.3%
DWS INFRASTRUCTURE	18.2%	2,109	1,880	7.2%	13.0%	23.2%				11.6%
GRAIN COMMUNICATIONS OPPORTUNITY III	0.0%	6	0							
GRAIN SPECTRUM HOLDINGS III	0.4%	46	46	-0.2%	-1.4%					-1.4%
PAN-EUROPEAN INFRASTRUCTURE FUND III	0.1%	14	17	4.5%	-8.1%					-4.3%
TIPS										
BLACKROCK TIPS	17.5%	2,029	1,814	3.5%	1.7%	6.4%				8.0%
Bloomberg U.S. Treasury: U.S. TIPS				3.3%	1.7%	6.5%				8.0%

Real Assets & Inflation Hedges Natural Resources & Commodities Credit Suisse

for the quarter ended June 30, 2021

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	5.4%
Benchmark Standard Deviation	4.6%
Sharpe Ratio	0.0
Information Ratio	0.0
Beta	1.0
Tracking Error	0.3

Top Holdings (% of assets)

GOLD 100 OZ FUTR AUG21	11.5%
US TREASURY FRN	10.1%
FEDERAL FARM CREDIT BANK	8.1%
BRENT CRUDE FUTR SEP21	8.0%
US TREASURY FRN	7.4%
Top 5 Holdings	45.1%

Performance (net)¹

	Ending Market Value (mm)				QTD	QTD		3 Years	5 Years
CREDIT SUISSE COMMODITY				503.	1 13.59	6	46.2%	4.6%	2.9%
Bloomberg Commodity Index Total Return					13.39	6	45.6%	3.9%	2.4%
Real Assets & Inflation Hedges Policy BM					4.9%		15.6%		
Universe data: Commodities Funds	QTD		1 Year		3 Years		5 Years		
CREDIT SUISSE COMMODITY	13.6%	23	46.6%	43	4.9%	80	3.2%	79	
Median	3.1%		32.7%		8.7%		10.3%		

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.



Real Assets & Inflation Hedges Natural Resources & Commodities DWS

for the quarter ended June 30, 2021

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	8.0%
Benchmark Standard Deviation	7.6%
Sharpe Ratio	0.1
Information Ratio	0.1
Beta	0.9
Tracking Error	4.1

Top Holdings (% of assets)

CORTEVA INC	9.8%
NUTRIEN LTD	8.6%
ARCHER DANIELS MIDLAND CO	6.7%
RIO TINTO LTD	6.0%
ROYAL DUTCH SHELL PLC A SHS	5.0%
Top 5 Holdings	36.0%

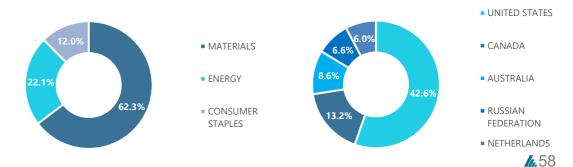
Performance (net)¹

	Ending Market Value (mm)				QTD	1 Year	3 Years	5 Years
DWS Natural Resources	1,443.4				6.6%	53.5%		
S&P Glb LargeMidCap Commod & Resources					5.4%	47.0%		
Real Assets & Inflation Hedges Policy BM					4.9%	15.6%		
Universe data: Commodities Funds	QTD		1 Year		3 Years	5 Years		
DWS Natural Resources	6.6%	38	53.8%	21				
Median	3.1%		32.7%					

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.

Real Assets & Inflation Hedges Natural Resources & Commodities Neuberger Berman / Gresham for the quarter ended June 30, 2021

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	17.6%
Benchmark Standard Deviation	15.3%
Sharpe Ratio	0.1
Information Ratio	-0.1
Beta	1.1
Tracking Error	1.0

Top Holdings (% of assets)

GOLD 100 OZ FUTR AUG21	11.1%
WTI CRUDE FUTURE SEP21	8.2%
SOYBEAN FUTURE NOV21	7.6%
NATURAL GAS FUTR SEP21	6.5%
BRENT CRUDE FUTR SEP21	6.0%
Top 5 Holdings	39.5%

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)) QTI	QTD		3 Years	5 Years
Neuberger Berman/Gresham	484.4				.4 13.2	%	47.2%	3.3%	3.6%
Bloomberg Comm Index TR					13.3	%	45.6%	3.9%	2.4%
Real Assets & Inflation Hedges Policy BM					4.9%	6	15.6%		
Universe data: Commodities Funds	QTD		1 Year		3 Years		5 Years		
Neuberger Berman/Gresham	13.4%	23	47.8%	41	3.6%	88	4.0%	78	
Median	3.1%		32.7%		8.6%		10.3%		

Growth of \$10,000



Top Exposures (% of assets)²





Real Assets & Inflation Hedges Natural Resources & Commodities PIMCO

for the quarter ended June 30, 2021

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	7.1%
Benchmark Standard Deviation	4.6%
Sharpe Ratio	0.0
Information Ratio	0.0
Beta	1.1
Tracking Error	1.0

Top Holdings (% of assets)

US 10YR NOTE (CBT)SEP21	5.0%
BRENT CRUDE FUTR JUN23	3.2%
WTI CRUDE FUTURE JUN22	3.2%
WTI CRUDE FUTURE JUN23	3.0%
WTI CRUDE FUTURE DEC22	2.1%
Top 5 Holdings	16.4%

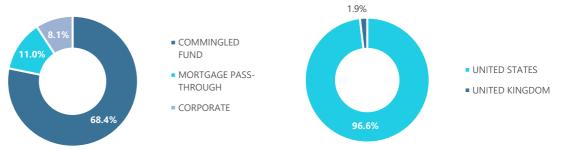
Performance (net)¹

	Ending Market Value (mm)				i) QTI	C	1 Year	3 Years	5 Years
PIMCO COMMODITY PLUS				497	.5 13.8	%	49.3%	4.5%	4.1%
Bloomberg Commodity Index Total Return					13.3	%	45.6%	3.9%	2.4%
Real Assets & Inflation Hedges Policy BM					4.99	%	15.6%		
Universe data: Commodities Funds	QTD		1 Year		3 Years		5 Years		
PIMCO COMMODITY PLUS	13.9%	20	49.8%	24	4.9%	80	4.5%	78	
Median	3.1%		32.7%		8.7%		10.3%		

Growth of \$10,000



Top Exposures (% of assets)²



1. Universe data is gross-of-fees.



Real Assets & Inflation Hedges Infrastructure DWS

for the quarter ended June 30, 2021

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 Avg (mm)	41,266.9	42,666.9
No. Of Issues	43.0	-
Dividend Yield	2.2	3.0
Return on Equity	8.2	10.5
Price to Sales	7.1	6.7
Price to Book	11.9	7.3
PE Ratio	66.0	40.6

Top Holdings (% of assets)

AMERICAN TOWER CORP	6.9%
CROWN CASTLE INTL CORP	6.9%
CHENIERE ENERGY INC	5.5%
SEMPRA ENERGY	4.8%
WILLIAMS COS INC	4.3%
Top 5 Holdings	28.4%

Performance (net)¹

	Ending Market Value (mm)	QTD	1 Year	3 Years	5 Years	
DWS INFRASTRUCTURE	2,109.3	7.2%	23.2%			
DJ BROOKFIELD GLOBAL INFRASTRUCTURE		7.1%	19.8%			
Real Assets & Inflation Hedges Policy BM		4.9%	15.6%			

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%.

L//CFRA

Real Assets & Inflation Hedges TIPS BlackRock

for the quarter ended June 30, 2021

Strategy

Seeks to provide income and a hedge against inflation with passive TIPS exposure.

Inception Date: May 2019

Performance (net)¹

	Ending Market Value (mm)	QTD	1 Year	3 Years	5 Years
BLACKROCK TIPS	2,029.4	3.5%	6.4%		
BBG BARC US Tsy TIPS Idx		3.2%	6.5%		
Real Assets & Inflation Hedges Policy BM		4.9%	15.6%		

Risk Statistics (since inception)

Standard Deviation	1.9%
Benchmark Standard Deviation	1.2%
Sharpe Ratio	-0.1
Information Ratio	-0.2
Beta	1.1
Tracking Error	0.2

Top Holdings (% of assets)

TSY INFL IX N/B	7.1%
TSY INFL IX N/B	5.9%
TSY INFL IX N/B	4.2%
TSY INFL IX N/B	3.9%
TSY INFL IX N/B	3.8%
Top 5 Holdings	25.0%

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%.

FRA



nsk reduction &

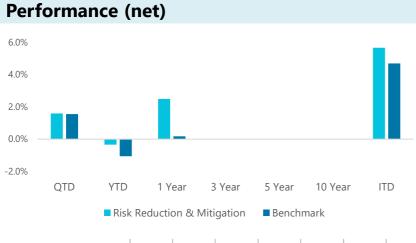
mitigation

Summary

for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association



QT	D YTD	1 Year	3 Year	5 Year	10 Year	ITD
Risk Reduction & Mitigation 1.6	% -0.3%	2.5%				5.7%
Benchmark 1.6	% -1.1%	0.2%				4.7%
Excess 0.0 ⁴	% 0.7%	2.3%				1.0%

Cumulative Return

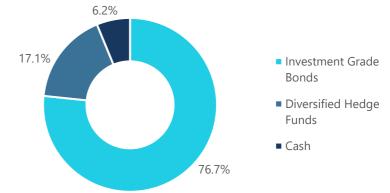


Functional Category¹

	QTD	FYTD	1 Year	3 Year
Investment Grade Bonds	1.9%	0.5%	0.5%	5.7%
BBG BC Aggregate Bond Index	1.8%	-0.3%	-0.3%	5.3%
Excess	0.1%	0.9%	0.9%	0.3%
Diversified Hedge Funds	0.8%	16.6%	16.6%	
Diversified Hedge Funds Policy BM	0.6%	2.6%	2.6%	
Excess	0.2%	14.0%	14.0%	
Cash	0.1%	0.7%	0.7%	1.7%
Cash Policy BM	0.0%	0.1%	0.1%	1.3%
Excess	0.1%	0.6%	0.6%	0.4%

1. Hedge fund returns are net of all fees and expenses.

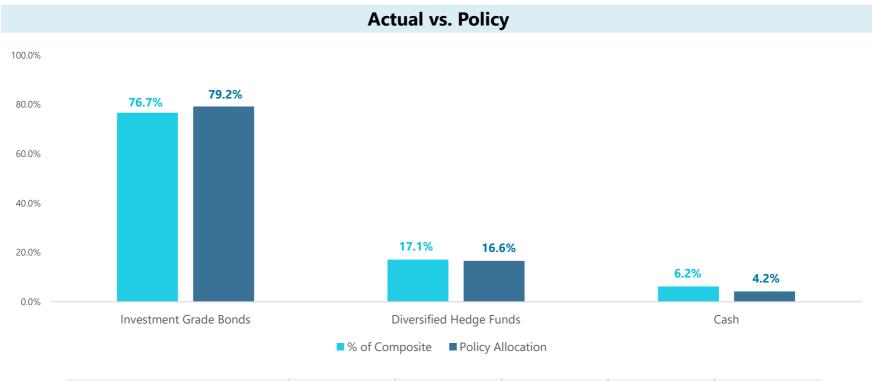
Exposure



Asset Allocation

for the quarter ended June 30, 2021





	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Risk Reduction & Mitigation	14,743	100.0%			
Investment Grade Bonds	11,301	76.7%	79.2%	-2.5%	-375
Diversified Hedge Funds	2,526	17.1%	16.6%	0.5%	79
Cash	916	6.2%	4.2%	2.0%	296

Contribution to Return



Los Angeles County Employees Retirement Association

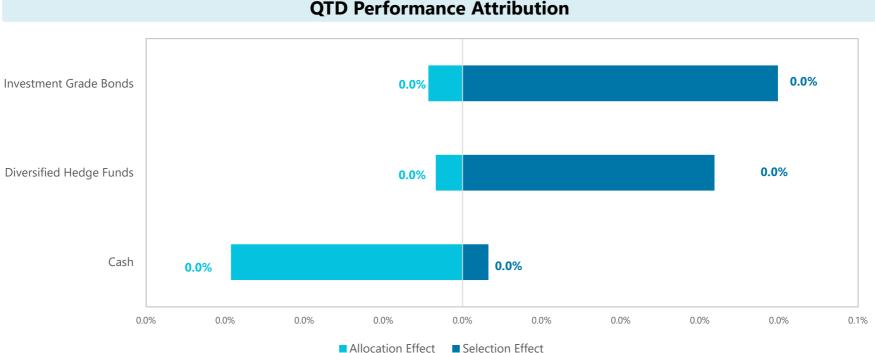
for the quarter ended June 30, 2021

QTD Contribution to Return						
0.4%						
0.4%						_
0.3%						
0.3%						
0.2%						
0.2%						
0.1%						
0.1%						
0.0%						
	Investment Grade Bonds	C	Viversified Hedge Funds	Cash	Risk Reduction & M	itigation
Func	tional Category		Contributors		Detractors	
Inves	tment Grade Bonds	0.31%	BTC US DEBT INDEX FUND	0.21%	CASH	0.00%
Diver	sified Hedge Funds	0.03%	WELLS CAPITAL	0.06%	BREVAN HOWARD MASTER FUND	0.00%
Cash		0.00%	PUGH CAPITAL MGMT	0.04%	HBK MULTI-STRATEGY	0.00%
Risk F	Reduction & Mitigation	0.34%	DK INSTITUTIONAL PARTNERS	0.01%	РІМСО	0.00%
			HUDSON BAY FUND	0.01%	POLAR	-0.01%

Return Attribution

Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021



QTD Performance Attribution

	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add ¹
Risk Reduction & Mitigation	14,743	100.0%	100.0%	1.6%	1.6%	0.0%	0.1%	0.0%
Investment Grade Bonds	11,301	76.7%	79.2%	1.9%	1.8%	0.0%	0.0%	0.0%
Diversified Hedge Funds	2,526	17.1%	16.6%	0.8%	0.6%	0.0%	0.0%	0.0%
Cash	916	6.2%	4.2%	0.1%	0.0%	0.0%	0.0%	0.0%

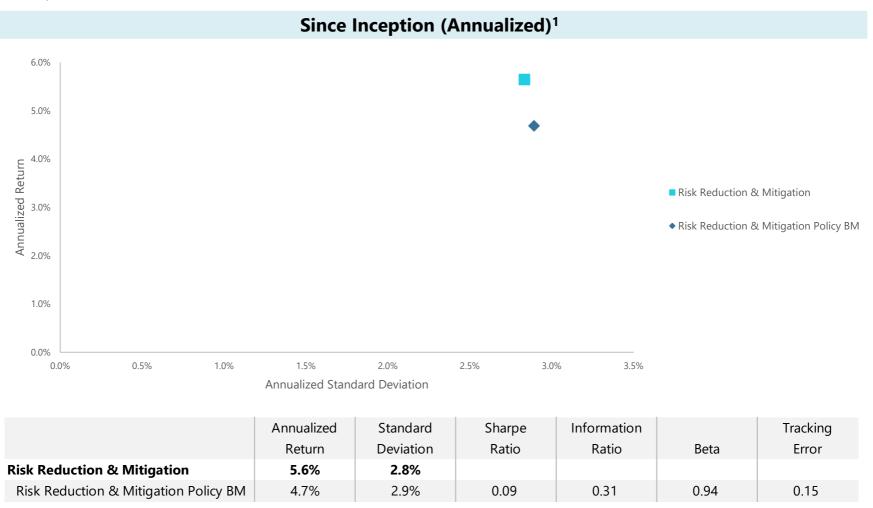
CERA

Risk vs. Return

for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association



Performance Detail



Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021

Annualized Net Returns¹

	% of	Ending Market Value	Prior Quarter Ending MV							
	Composite	(mm)	(mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
RISK REDUCTION & MITIGATION	100.0%	14,743	14,269	1.6%	-0.3%	2.5%				5.7%
Risk Reduction & Mitigation Policy BM				1.6%	-1.1%	0.2%				4.7%
INVESTMENT GRADE BONDS	76.7%	11,301	10,641	1.9%	-1.5%	0.5%	5.7%	3.7%	4.0%	6.0%
BBG BARC Agg				1.8%	-1.6%	-0.3%	5.3%	3.0%	3.4%	5.5%
BTC US DEBT INDEX FUND	52.8%	7,790	7,138	1.8%	-1.6%	-0.3%	5.4%	3.1%	3.5%	4.7%
DODGE & COX	0.0%	0	18							
MHLP	0.1%	16	17	1.3%	2.5%	5.2%	5.2%	6.9%	5.3%	5.4%
PIMCO	0.0%	6	40							
PUGH CAPITAL MGMT	8.0%	1,183	1,158	2.1%	-1.5%	0.1%	5.7%	3.2%	3.6%	4.4%
WELLS CAPITAL	15.6%	2,302	2,258	2.0%	-1.5%	0.8%	6.0%	3.5%	4.1%	4.9%
WESTERN ASSET MGMT	0.0%	4	12							
DIVERSIFIED HEDGE FUNDS	17.1%	2,526	2,297	0.8%	7.5%	16.6%				8.2%
Diversified Hedge Funds Policy BM				0.6%	1.3%	2.6%				3.6%
AM ASIA STRATEGIES FUND	0.7%	100								
BREVAN HOWARD MASTER FUND	1.7%	251	250	0.3%						0.3%
CAPULA GRV	2.6%	376	401	0.7%	1.7%	3.3%				5.9%
CAXTON GLOBAL INVESTMENTS	1.4%	206	200	3.2%						3.2%
DK INSTITUTIONAL PARTNER	1.6%	242	234	3.4%	8.6%	20.3%	7.8%			7.4%
GROSVENOR HFOF	0.6%	86	95							
GSAM HFOF	0.0%	1	2							
HBK MULTI-STRATEGY	2.3%	340	289	0.4%	5.6%	13.9%	5.7%			5.6%
HUDSON BAY	3.1%	464	358	1.4%	13.6%	20.8%				20.8%
POLAR	3.1%	461	469	-1.8%	8.3%	26.3%				23.9%
CASH	6.2%	916	1,332	0.1%	0.3%	0.7%	1.7%	1.5%	1.0%	1.8%
Cash Policy BM				0.0%	0.0%	0.1%	1.3%	1.2%	0.6%	1.4%

Risk Reduction & Mitigation Investment Grade Bonds Pugh Capital

for the quarter ended June 30, 2021

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	235.0	
Effective Duration	6.3	6.8
Convexity	0.5	0.9
Coupon Rate	2.7	2.7
Yield to Maturity	1.7	1.6
Current Yield	2.5	2.4
Rating – Moody's	AA-3	AA-2
Rating – S & P	A+	AA-

Top Holdings (% of assets)

US TREASURY N/B	3.6%
US TREASURY N/B	3.4%
US TREASURY N/B	2.7%
US TREASURY N/B	2.1%
US TREASURY N/B	2.0%
Top 5 Holdings	13.8%

Performance (net)¹

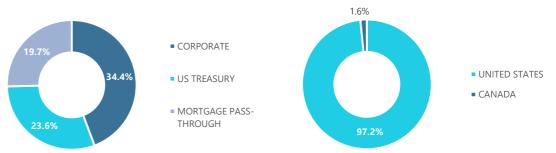
	Ending	Mar	ket Value	(mm)	QTD	QTD		3 Years	5 Years
PUGH CAPITAL MGMT			1	,182.	6 2.1%	6	0.1%	5.7%	3.2%
BBG BARC Agg					1.8%	6	-0.3%	5.3%	3.0%
Risk Reduction & Mitigation Policy BM					1.6%	6	0.2%		
Universe data: U.S. Fixed Income Pools	QTD		1 Year		3 Years		5 Years		
PUGH CAPITAL MGMT	2.1%	42	0.2%	62	5.8%	53	3.4%	70	
Median	2.0%		0.7%		6.1%		4.1%		

Los Angeles County Employees Retirement Association

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 Wells Capital

for the quarter ended June 30, 2021

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	775.0	
Effective Duration	6.2	6.8
Convexity	0.5	0.9
Coupon Rate	2.0	2.7
Yield to Maturity	1.7	1.6
Current Yield	1.9	2.4
Rating – Moody's	AA-2	AA-2
Rating – S & P	AA-	AA-

Top Holdings (% of assets)

FNMA TBA 15 YR 2	3.6%
US TREASURY N/B	3.5%
US TREASURY N/B	2.0%
FNMA TBA 30 YR 2.5	1.8%
US TREASURY N/B	1.8%
Top 5 Holdings	12.7%

Performance (net)¹

	Ending Market Value (mm)					QTD		3 Years	5 Years
WELLS CAPITAL			2	,302	.0 2.0	%	0.8%	6.0%	3.5%
BBG BARC Agg					1.8	%	-0.3%	5.3%	3.0%
Risk Reduction & Mitigation Policy BM					1.6	%	0.2%		
Universe data: U.S. Fixed Income Pools	QTD		1 Year		3 Years		5 Years		
WELLS CAPITAL	2.0%	52	0.8%	46	6.1%	50	3.7%	64	
Median	2.0%		0.7%		6.1%		4.1%		

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%.



Risk Reduction & Mitigation Diversified Hedge Funds Brevan Howard

for the quarter ended June 30, 2021

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	0.1%
Benchmark Standard Deviation	0.1%
Sharpe Ratio	-1.8
Information Ratio	-1.8
Beta	-

Performance (net all)¹

	Ending M	Value (mr	n)	QTD	1 Year	3 Years	5 Years	
BREVAN HOWARD MASTER FUND			2	250.7	0.3%			
CUSTOM HEDGE FUND BM					0.6%			
Risk Reduction & Mitigation Policy BM					1.6%			
Universe data: Hedge Funds	QTD		1 Year	3 Yea	rs 5 Ye	ars		
BREVAN HOWARD MASTER FUND	0.3%	69				-		
Median	2.8%					-		

Los Angeles County Employees Retirement Association

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 Capula GRV

for the quarter ended June 30, 2021

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	0.4%
Benchmark Standard Deviation	0.1%
Sharpe Ratio	0.4
Information Ratio	0.4
Beta	0.6

Performance (net all)¹

	Ending Ma	rket '	Value (mm)	QTD	1 Year	3 Years	5 Years
CAPULA GRV			37	6.0	0.7%	3.3%		
CUSTOM HEDGE FUND BM					0.6%	2.6%		
Risk Reduction & Mitigation Policy BM					1.6%	0.2%		
Universe data: Hedge Funds	QTD		1 Year		3 Years	5 Years		
CAPULA GRV	0.8%	66	3.3%	77				
Median	2.8%		14.7%					

Calendar Year Returns



■ Portfolio ■ Benchmark ■ Excess

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 June 30, 2021

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	1.3%
Benchmark Standard Deviation	0.1%
Sharpe Ratio	0.3
Information Ratio	0.3
Beta	-

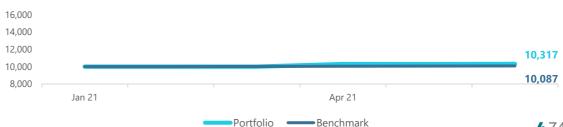
Performance (net all)¹

	Ending Market Value (mm)						1 Year	3 Years	5 Years
CAXTON GLOBAL INVESTMENTS			206	6.3	3.2%	5			
CUSTOM HEDGE FUND BM					0.6%	5			
Risk Reduction & Mitigation Policy BM					1.6%	5			
Universe data: Hedge Funds	QTD		1 Year	3 Y	'ears	5 Y	'ears		
CAXTON GLOBAL INVESTMENTS	3.2%	44							
Median	2.8%								

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency. 1. Universe data is gross-of-fees. LI///CERA Los Angeles County Employees Retirement Association

Risk Reduction & Mitigation Diversified Hedge Funds DK Institutional Partners for the guarter ended June 30, 2021



Los Angeles County Employees Retirement Association

6.6%

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	2.6%
Benchmark Standard Deviation	0.1%
Sharpe Ratio	0.4
Information Ratio	0.4
Beta	-1.5

Performance (net all)¹

	Ending Market Value (mm)				QTD	1	Year	3 Years	5 Years
DK INSTITUTIONAL PARTNERS			24	42.1	3.4%	20	.3%	7.8%	
CUSTOM HEDGE FUND BM					0.6%	2.	6%	4.5%	
Risk Reduction & Mitigation Policy BM					1.6%	0.	2%		
Universe data: Hedge Funds	QTD		1 Year		3 Years		5 Ye	ars	
DK INSTITUTIONAL PARTNERS	3.4%	42	20.3%	36	7.8%	41		-	

2.8%

14.7%

Calendar Year Returns

Median



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 guarter ended June 30, 2021



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

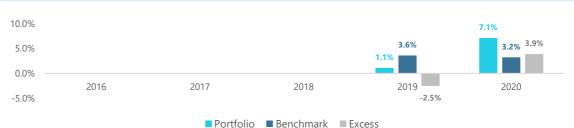
Risk Statistics (since inception)

Standard Deviation	2.4%
Benchmark Standard Deviation	0.1%
Sharpe Ratio	0.1
Information Ratio	0.1
Beta	-

Performance (net all)¹

	Ending	Mark	ket Value	(mm)) Q1	ГD	1 Year	3 Years	5 Years
HBK MULTI-STRATEGY				34	0.2 0.4	1%	13.9%	5.6%	
CUSTOM HEDGE FUND BM					0.6	5%	2.6%	4.5%	
Risk Reduction & Mitigation Policy BM					1.6	5%	0.2%		
Universe data: Hedge Funds	QTD		1 Year		3 Years		5 Years		
HBK MULTI-STRATEGY	0.4%	68	13.9%	53	5.7%	58			
Median	2.8%		14.7%		6.6%				

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 June 30, 2021

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

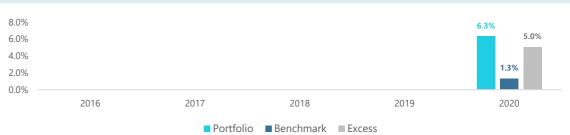
Risk Statistics (since inception)

Standard Deviation	1.7%
Benchmark Standard Deviation	0.1%
Sharpe Ratio	0.8
Information Ratio	0.8
Beta	-

Performance (net all)¹

	Ending Market Value (mm)					QTD	1 Ye	ear	3 Years	5 Years
HUDSON BAY FUND				46	3.8	1.4%	20.8	3%		
CUSTOM HEDGE FUND BM						0.6%	2.6	%		
Risk Reduction & Mitigation Policy BM						1.6%	0.2	%		
Universe data: Hedge Funds	QTD		1 Year		3 Yea	ars 5	'ears			
HUDSON BAY FUND	1.4%	64	20.8%	34						
Median	2.8%		14.7%							

Calendar Year Returns



Growth of \$10,000



Note: Commingled fund account with no position-level transparency. 1. Universe data is gross-of-fees.



Los Angeles County Employees Retirement Association

Risk Reduction & Mitigation Diversified Hedge Funds Polar

for the quarter ended June 30, 2021

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 2020

Risk Statistics (since inception)

Standard Deviation	1.8%
Benchmark Standard Deviation	0.1%
Sharpe Ratio	0.5
Information Ratio	0.5
Beta	-

Performance (net all)¹

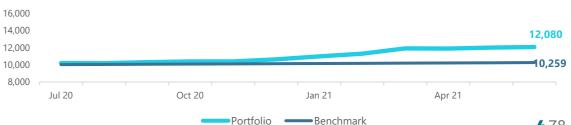
	Ending Mar	/alue (mm)		QTD	1 Year	3 Years	5 Years	
POLAR		460	0.7	-1.8%	26.3%			
CUSTOM HEDGE FUND BM					0.6%	2.6%		
Risk Reduction & Mitigation Policy BM					1.6%	0.2%		
	,			,	,			
Universe data: Hedge Funds	QTD		1 Year		3 Years	5 Years		
POLAR	-1.8%	90	26.3%	22				
Median	2.8%		14.7%					

Calendar Year Returns



■ Portfolio ■ Benchmark ■ Excess

Growth of \$10,000



Note: Commingled fund account with no position-level transparency. 1. Universe data is gross-of-fees. LI///CERA Los Angeles County Employees Retirement Association



private markets

Summary

Private Equity for the quarter ended June 30, 2021 L///CERA

Los Angeles County Employees Retirement Association

Performance (net)



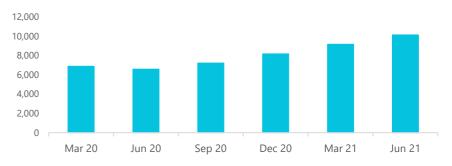
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Private Equity	13.8%	26.1%	50.1%	20.2%	18.8%	15.7%	15.3%
Benchmark	5.5%	22.4%	59.3%	21.7%	18.2%	15.3%	
Excess	8.3%	3.7%	-9.2%	-1.5%	0.5%	0.4%	

Cumulative Return

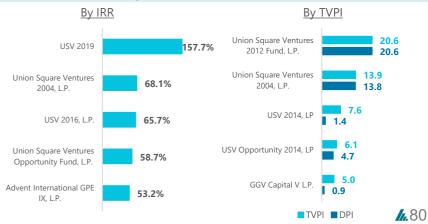


Asset Growth (mm)

Private Equity			
	QTD	1 Year	3 Year
Beginning Market Value	9,158	6,580	5,758
Net Cash Flow	(265)	148	128
Gain/Loss	1,236	3,402	4,243
Ending Market Value	10,129	10,129	10,129



Top Performing Investments (since inception)

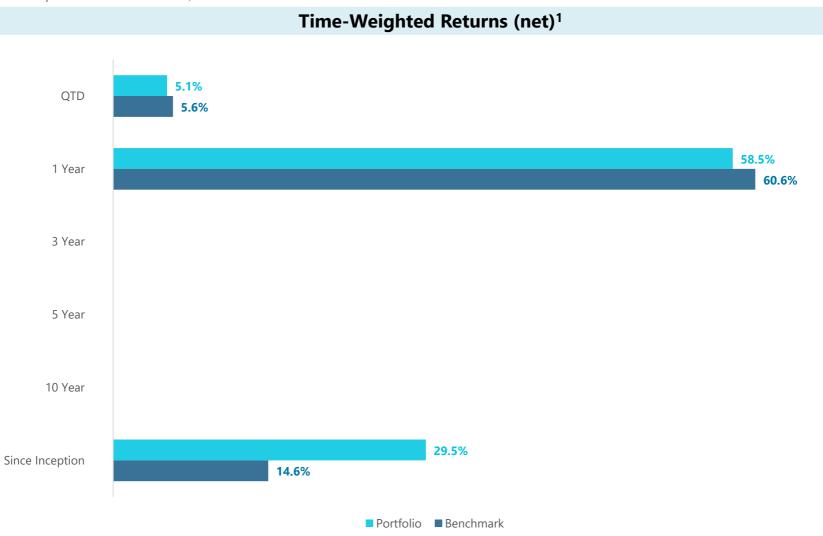


Historical Returns

Private Equity – Growth for the guarter ended June 30, 2021



Los Angeles County Employees Retirement Association

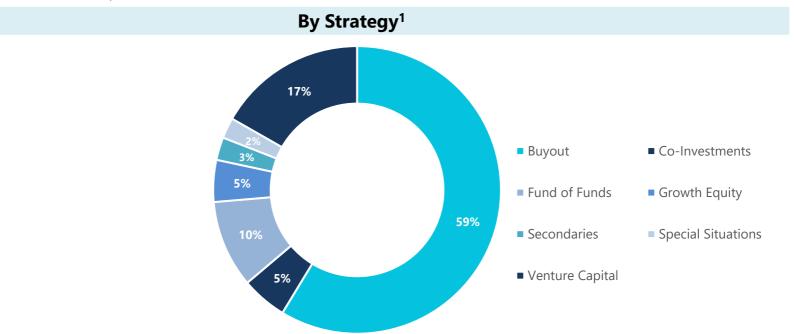


Performance by Strategy

Private Equity – Growth for the guarter ended June 30, 2021



Los Angeles County Employees Retirement Association



	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	190	12,712.0	10,715.4	12,250.6	6,042.7	18,293.3	7,577.8	1.14x	1.71x	14.1%	1.50
Co-Investments	9	965.3	900.2	845.3	528.9	1,374.2	474.0	0.94x	1.53x	17.9%	1.36
Fund of Funds	10	1,412.6	1,181.8	1,078.9	1,012.3	2,091.3	909.5	0.91x	1.77x	12.7%	1.21
Growth Equity	18	939.0	885.5	1,277.7	485.2	1,762.9	877.4	1.44x	1.99x	86.9%	1.67
Secondaries	13	395.3	347.2	234.4	263.9	498.3	151.1	0.68x	1.44x	17.7%	1.27
Special Situations	22	1,157.4	901.7	991.9	239.1	1,231.0	329.2	1.10x	1.37x	8.8%	1.03
Venture Capital	104	2,170.4	1,738.9	2,321.5	1,725.1	4,046.6	2,307.7	1.34x	2.33x	21.9%	1.98
Total Growth Portfolio	366	19,752.0	16,670.7	19,000.1	10,297.3	29,297.4	12,626.7	1.14x	1.76x	16.5%	1.58

1. Based on best available market values.

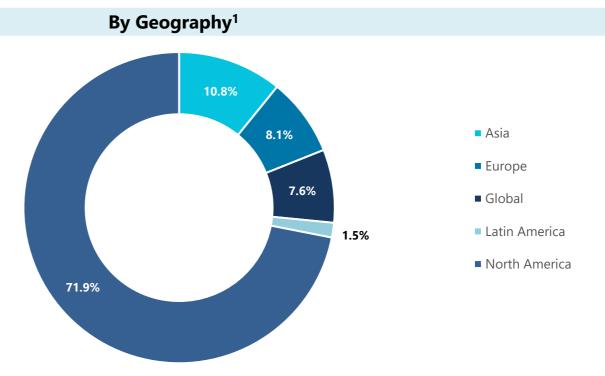
2. Investment counts for Co-Investments and Fund of Funds do not include underlying funds.

Performance by Geography

Private Equity – Growth for the guarter ended June 30, 2021



Los Angeles County Employees Retirement Association



			Cumulative	Cumulative			Total			Since
	Number of	Commitments	Contributions	Distributions	Market Value	Total Value	Gain / Loss	Distributed to	Total Value to	Inception
	Investments ²	(mm)	(mm)	(mm)	(mm)	(mm)	(mm)	Paid-In	Paid-In	Net IRR
Asia	19	793.0	600.1	242.1	1,115.8	1,357.9	757.8	0.40x	2.26x	25.0%
Europe	36	2,457.8	1,806.7	2,025.1	836.1	2,861.2	1,054.5	1.12x	1.58x	15.7%
Global	19	1,479.3	926.0	720.8	783.0	1,503.9	577.9	0.78x	1.62x	17.2%
Latin America	2	200.0	142.6	3.4	157.1	160.5	17.9	0.02x	1.13x	5.5%
North America	378	15,234.8	13,195.3	16,008.7	7,405.2	23,413.9	10,218.6	1.21x	1.77x	16.4%
Total Growth Portfolio	454	20,164.8	16,670.7	19,000.1	10,297.3	29,297.4	12,626.7	1.14x	1.76x	16.4%

1. Based on best available market values.

2. Investment counts include underlying investments that may have different geographic classifications.

Performance by Vintage Year

Private Equity – Growth



Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021

Number of Investments2 Number of Investments2 1986 4 1987 1 1988 1 1989 0 1990 1 1991 0 1992 10 1993 9 1994 5 1995 7 1996 12 1997 11 1998 21 1999 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14											
1986 4 1987 1 1988 1 1989 0 1990 1 1991 0 1992 10 1993 9 1994 5 1995 7 1996 12 1997 11 1998 21 1997 11 1998 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	Commitments (mm)			Market Value	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR		Based on best available market values.
1987 1 1988 1 1988 1 1989 0 1990 1 1991 0 1992 10 1993 9 1994 5 1995 7 1996 12 1997 11 1998 21 1999 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	105.0	5.0 105.0	307.8	0.0	307.8	202.8	2.93x	2.93x	14.3%		valaco.
1988 1 1989 0 1990 1 1991 0 1992 10 1993 9 1994 5 1995 7 1996 12 1997 11 1998 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2009 2 2010 13 2011 9 2013 12 2014 20 2015 17 2016 14	50.0		116.4	0.0	116.4	66.4	2.33x	2.33x	23.4%	2	Investment
1989 0 1990 1 1991 0 1992 10 1993 9 1994 5 1995 7 1996 12 1997 11 1998 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	150.0		350.5	0.0	350.5	183.9	2.10x	2.10x	13.1%		counts include
1991 0 1992 10 1993 9 1994 5 1995 7 1996 12 1997 11 1998 21 1997 11 1998 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14											underlying
1992 10 1993 9 1994 5 1995 7 1996 12 1997 11 1998 21 1997 11 1998 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 255 2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	7.5	.5 7.5	16.7	0.0	16.7	9.2	2.22x	2.22x	13.0%		investments that
1993 9 1994 5 1995 7 1996 12 1997 11 1998 21 1999 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14											may have
1994 5 1995 7 1996 12 1997 11 1998 21 1999 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2009 2 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	116.0	6.0 111.0	242.5	0.0	242.5	131.6	2.19x	2.19x	29.0%		different vintage
1995 7 1996 12 1997 11 1998 21 1999 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	93.0	3.0 91.1	298.5	0.0	298.5	207.3	3.28x	3.28x	39.4%		years.
1996 12 1997 11 1998 21 1999 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	61.9	.9 66.4	260.2	0.0	260.2	193.8	3.92x	3.92x	51.7%		
1997 11 1998 21 1999 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	100.5	0.5 102.3	362.6	0.0	362.6	260.2	3.54x	3.54x	43.1%		
1998 21 1999 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	232.9	2.9 230.9	537.2	0.0	537.2	306.4	2.33x	2.33x	31.3%		
1999 21 2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	382.5	2.5 395.8	634.1	0.0	634.1	238.3	1.60x	1.60x	9.6%		
2000 25 2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2009 2 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	619.4		906.2	2.0	908.2	278.0	1.44x	1.44x	7.2%		
2001 15 2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17	365.1		436.4	0.3	436.7	67.0	1.18x	1.18x	3.4%		
2002 8 2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17	395.8		624.7	0.2	624.9	212.2	1.51x	1.51x	9.2%		
2003 10 2004 5 2005 19 2006 25 2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17	397.9		784.2	3.6	787.8	370.9	1.88x	1.89x	21.9%		
2004 5 2005 19 2006 25 2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17	220.4		537.4	0.0	537.4	307.1	2.33x	2.33x	19.0%		
2005 19 2006 25 2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17	477.4		1,096.8	1.7	1,098.5	578.5	2.11x	2.11x	24.4%		
2006 25 2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	191.5		347.1	3.8	350.9	139.6	1.64x	1.66x	11.3%		
2007 13 2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	726.8		1,330.1	3.5	1,333.6	589.0	1.79x	1.79x	11.1%		
2008 7 2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	1,302.1		2,206.7	30.9	2,237.5	893.6	1.64x	1.66x	9.5%		
2009 2 2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	712.0		1,169.3	96.2	1,265.5	599.2	1.75x	1.90x	12.4%		
2010 13 2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	487.1		823.2	45.7	868.9	353.1	1.60x	1.68x	13.0%		
2011 9 2012 13 2013 12 2014 20 2015 17 2016 14	0.0		0.0	0.0	0.0	-4.1	0.00x	0.00x	0.0%		
2012 13 2013 12 2014 20 2015 17 2016 14	549.5		625.6	279.4	905.0	338.7	1.10x	1.60x	11.1%		
2013 12 2014 20 2015 17 2016 14	437.0		991.0	217.7	1,208.7	732.2	2.08x	2.54x	24.9%		
2014 20 2015 17 2016 14	551.9		830.5	311.8	1,142.3	547.5	1.40x	1.92x	18.6%		
201517201614	860.1 1,153.4		843.9 967.3	1,008.3	1,852.2 2,108.5	894.6 884.6	0.88x 0.79x	1.93x 1.72x	19.9% 16.7%		
2016 14	974.5		661.2	1,141.3 1,203.2	2,108.5	847.3	0.79x 0.65x	1.72x 1.83x	21.9%		
	1,185.7		380.1	1,700.2	2,080.4	849.5	0.85x	1.65x	21.9%		
2017 27	1,165.7		240.7	1,598.1	2,080.4	849.5 794.9	0.23x	1.69x 1.76x	31.8%		
2018 22	1,527.2		15.4	1,026.9	1,030.0	247.1	0.23x 0.02x	1.76x 1.31x	24.7%		
2018 22	1,252.6		54.6	1,015.7	1,070.3	283.5	0.02x	1.31x 1.36x	33.5%		
2019 33	1,082.0		1.3	346.6	347.9	24.1	0.00x	1.07x	17.1%		
2021 27	2,039.3		0.0	260.3	260.3	-1.2	0.00x	1.00x	-1.6%		
Total Growth Portfolio	20,164.8		19,000.1	10,297.3	29,297.4	12,626.7	1.14x	1.76x	16.4%		1.8

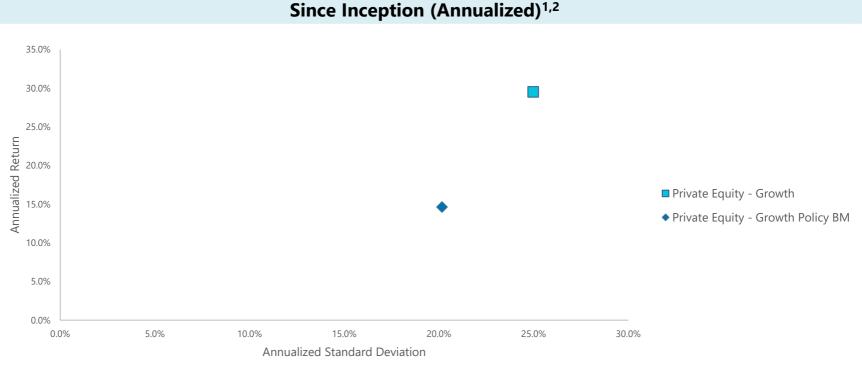
By Vintage Year¹

Risk vs. Return

Private Equity – Growth for the guarter ended June 30, 2021



Los Angeles County Employees Retirement Association



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Private Equity - Growth	29.5%	25.0%				
Private Equity - Growth Policy BM	14.6%	20.2%	0.15	0.13	0.17	8.64

1. Based on best available market values.

2. Composite risk statistics are relative to the policy benchmark.

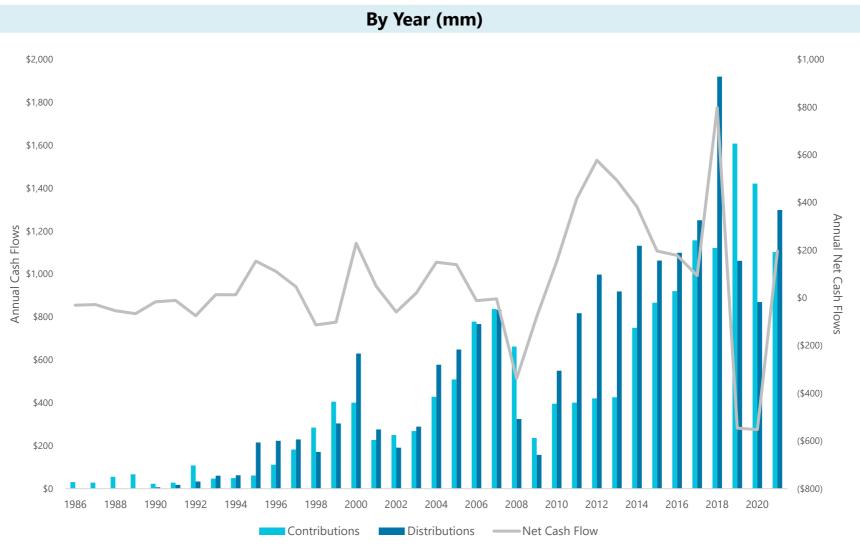
Annual Cash Flow Activity

Private Equity

for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association



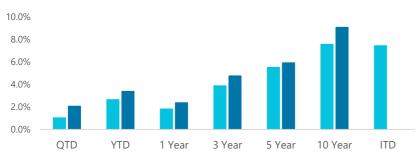
Summary

Real Estate for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association

Performance (net)



Real Estate Benchmark

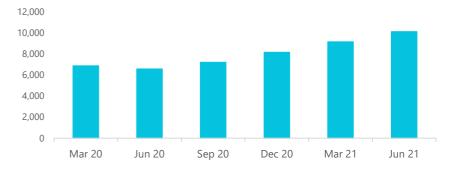
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Real Estate	1.0%	2.6%	1.8%	3.9%	5.5%	7.5%	7.4%
Benchmark	2.1%	3.4%	2.4%	4.7%	5.9%	9.1%	
Excess	-1.0%	-0.7%	-0.6%	-0.9%	-0.4%	-1.5%	

Cumulative Return



Asset Growth (mm)

Real Estate			
	QTD	1 Year	3 Year
Beginning Market Value	5,299	5,565	6,117
Net Cash Flow	(191)	(495)	(1,791)
Gain/Loss	55	92	836
Ending Market Value	5,162	5,162	5,162



Top Performing Investments (since inception)¹



1. Property names removed due to confidentiality reasons.

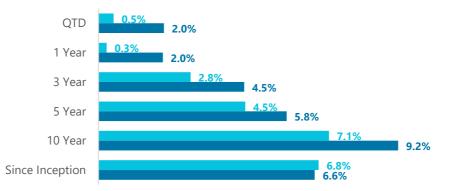
Historical Returns

Real Estate for the quarter ended June 30, 2021



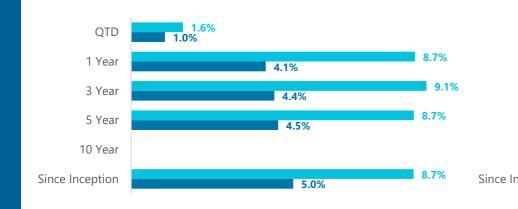
Los Angeles County Employees Retirement Association



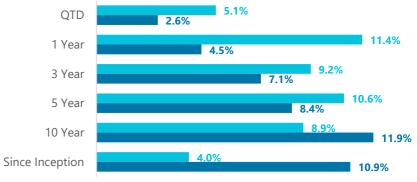


Core & Value-Added

■ Core & Value-Added Real Estate ■ Core & Value-Added Real Estate Policy BM



Debt



Opportunistic Real Estate Policy BM

Opportunistic

Performance by Strategy

Real Estate for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association

0.84x

1.33x



9,105.4

5,368.3

1. Based on best available market values and includes only active investments.

139

1,850.2

10,873.1

2. Data under review with new Real Estate consultant.

Total Real Estate

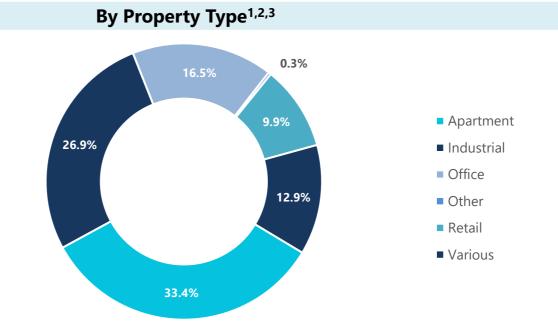
7.8%

Performance by Property Type

Real Estate for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR
Apartment	51	384.0	4,051.5	3,410.7	1,795.3	0.84x	1.28x	7.8%
Industrial	25	243.6	1,689.9	1,304.0	1,446.2	0.77x	1.63x	12.4%
Office	27	0.0	2,545.5	2,414.9	887.2	0.95x	1.30x	6.8%
Other	2	100.0	169.4	177.0	16.7	1.05x	1.14x	3.2%
Retail	17	0.0	1,564.4	1,564.9	531.6	1.00x	1.34x	7.1%
Various	17	1,122.6	849.5	233.7	691.3	0.28x	1.09x	2.1%
Total Real Estate	139	1,850.2	10,873.1	9,105.4	5,368.3	0.84x	1.33x	7.8%

1. Based on best available market values and includes only active investments.

2. Other includes Milford Hotel and Starwood Capital Hospitality Fund II.

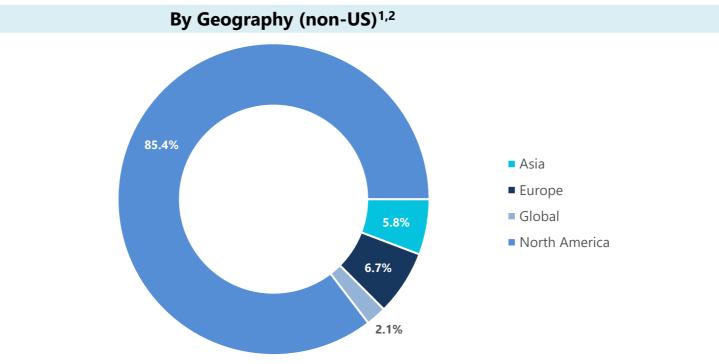
3. Data under review with new Real Estate consultant.

Performance by Geography

Real Estate for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association



			Cumulative	Cumulative	Market			Since
	Number of	Commitments	Contributions	Distributions	Value	Distributed to	Total Value to	Inception
	Investments	(mm)	(mm)	(mm)	(mm)	Paid-In	Paid-In	Net IRR
Asia	4	300.0	265.1	48.0	309.6	0.18x	1.35x	8.0%
Europe	10	516.2	465.8	264.1	361.1	0.57x	1.34x	8.3%
Global	3	275.0	185.5	141.4	114.0	0.76x	1.38x	10.0%
North America	122	759.0	9,953.8	8,651.8	4,583.6	0.87x	1.33x	7.7%
Total Real Estate	139	1,850.2	10,873.1	9,105.4	5,368.3	0.84x	1.33x	7.8%

1. Based on best available market values and includes only active investments.

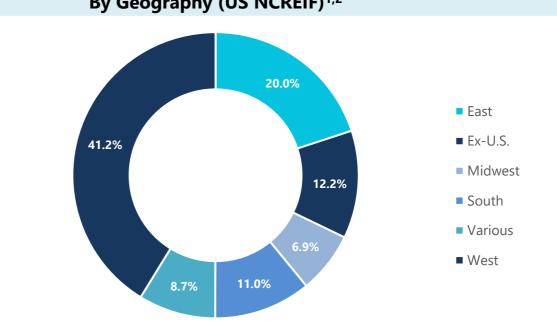
2. Data under review with new Real Estate consultant.

Performance by Geography

Real Estate for the quarter ended June 30, 2021

FRA

Los Angeles County Employees Retirement Association



			Cumulative	Cumulative	Market			
	Number of	Commitments	Contributions	Distributions	Value	Distributed to	Total Value to	Since Inception
	Investments	(mm)	(mm)	(mm)	(mm)	Paid-In	Paid-In	Net IRR
East	36	0.0	3,564.8	3,359.8	1,071.9	0.94x	1.24x	6.7%
Ex-U.S.	13	756.9	713.7	312.1	653.9	0.44x	1.35x	8.2%
Midwest	13	0.0	667.6	456.4	371.8	0.68x	1.24x	5.5%
South	19	0.0	1,642.1	1,579.9	589.0	0.96x	1.32x	8.8%
Various	7	709.3	577.6	234.0	468.3	0.41x	1.22x	4.3%
West	51	384.0	3,704.4	3,163.1	2,213.5	0.85x	1.45x	8.9%
Total Real Estate	139	1,850.2	10,873.1	9,105.4	5,368.3	0.84x	1.33x	7.8%

By Geography (US NCREIF)^{1,2}

1. Based on best available market values and includes only active investments.

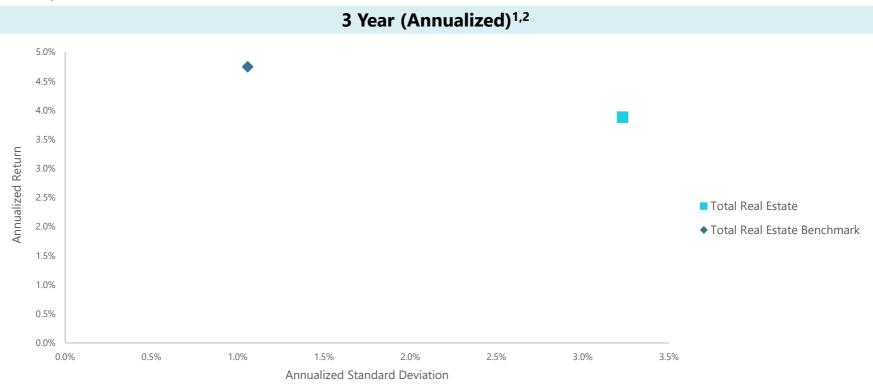
2. Data under review with new Real Estate consultant.

Risk vs. Return

Real Estate for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Total Real Estate	3.9%	3.2%				
Total Real Estate Benchmark	4.7%	1.1%	(0.07)	(0.08)	1.15	0.86%

1. Based on book values.

2. Composite risk statistics are relative to the policy benchmark.

Summary

Diversified Hedge Funds for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association

Performance (net all)¹



QTD ITD YTD 1 Year 3 Year 5 Year 10 Year **Diversified Hedge Funds** 0.8% 7.5% 16.6% 8.2% ---------Benchmark 0.6% 2.6% 3.6% 1.3% ------0.2% 6.2% 14.0% 4.6% Excess

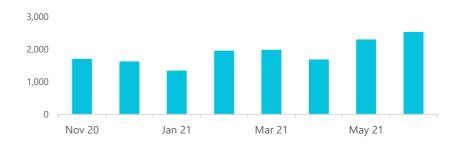
1. Returns are net of all fees and expenses.

Cumulative Return

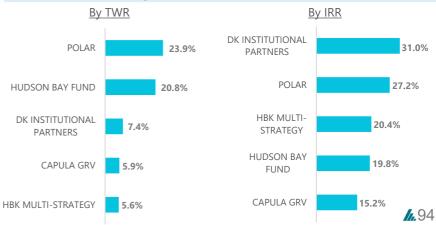


Asset Growth (mm)

Diversified Hedge Funds			
	QTD	1 Year	3 Year
Beginning Market Value	2,297	1,950	
Net Cash Flow	210	287	
Gain/Loss	20	29	
Ending Market Value	2,526	2,526	



Top Performing Investments (since inception)

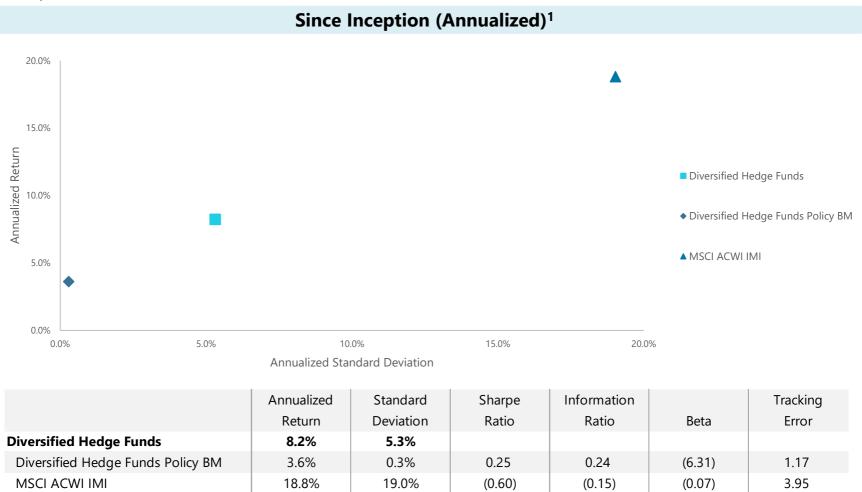


Risk vs. Return

Diversified Hedge Funds for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association



1. Composite risk statistics are relative to the policy benchmark.

Performance Detail

Diversified Hedge Funds for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association

Annualized Net All Returns ¹											
	QTD	YTD	1 Year	3 Year	5 Year	ITD					
Diversified Hedge Funds	0.8%	7.5%	16.6%			8.2%					
Diversified Hedge Funds Policy BM	0.6%	1.3%	2.6%			3.6%					
		QTD	QTD								
		Opening	Subscriptions /	QTD	QTD	% of					
	Inception	Balance	Redemptions	Gain / Loss	Ending Balance	Direct HF					
	Date	(mm)	(mm)	(mm)	(mm)	Program	QTD	YTD	1 Year	3 Year	ITD
Davidson Kempner	4/1/2018	234.1	0.0	8.0	242.1	10.3%	3.4%	8.6%	20.3%	7.8%	7.4%
HBK Multi-Strategy Fund LP	5/1/2018	288.8	50.0	1.4	340.2	14.5%	0.4%	5.6%	13.9%	5.7%	5.6%
Polar Multi-Strategy	5/1/2020	469.2	0.0	-8.6	460.7	19.7%	-1.8%	8.3%	26.3%		23.9%
Multi-Strategy Total		992.1	50.0	0.9	1,042.9	44.6%					
Capula Global Relative Value Fund LP	12/1/2018	400.7	-27.5	2.8	376.0	16.1%	0.7%	1.7%	3.3%		5.9%
Hudson Bay Fund LP	6/1/2020	357.5	100.0	6.3	463.8	19.8%	1.4%	13.6%	20.8%		20.8%
Relative Value Total		758.2	72.5	9.1	839.8	35.9%					
Brevan Howard Master Fund	4/1/2021	250.0	0.0	0.7	250.7	10.7%	0.3%				0.3%
Caxton Global Investments	3/1/2021	200.0	0.0	6.3	206.3	8.8%	3.2%				3.2%
Directional Total		450.0	0.0	7.1	457.1	19.5%					
Total Direct Portfolio		2,200.2	122.5	17.0	2,339.8	100.0%					

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emerging manager

program

Emerging Manager Program

for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association

Annualized Net Returns ¹									
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year				
GROWTH									
GLOBAL EQUITY									
CORNERCAP	82.0	4.9%	60.9%						
GLOBAL ALPHA	163.7	7.8%	45.4%						
Global Equity Policy BM		7.2%	40.9%						
PRIVATE EQUITY									
J.P. MORGAN EMERGING MANAGERS PROGRAM	90.1	16.7%	58.2%	21.6%	21.5%				
J.P. MORGAN EMERGING MANAGERS PROGRAM II	89.2	19.1%	67.4%	14.3%	36.2%				
J.P. MORGAN EMERGING MANAGERS PROGRAM III	115.5	10.8%	56.0%	26.3%	0.0%				
J.P. MORGAN EMERGING MANAGERS PROGRAM IV	99.0	9.9%	27.2%						
Total Private Equity Benchmark		5.5%	59.3%	21.7%	18.2%				
OPPORTUNISTIC REAL ESTATE									
CITYVIEW BAY AREA FUND II	77.2	2.4%	5.8%	1.9%	6.0%				
CITYVIEW SOUTHERN CALIFORNIA FUND II	1.6	-4.2%	-6.1%	-0.4%	11.9%				
CITYVIEW WESTERN FUND I, L.P.	135.3	9.9%	16.5%	14.6%	-				
CVBAF II UNION CITY CO-INVEST	26.2	0.6%	15.1%	-3.3%	6.9%				
Opportunistic Real Estate Policy BM		2.6%	4.5%	7.1%	8.4%				
REAL ASSETS & INFLATION HEDGES									
CORE & VALUE-ADDED REAL ESTATE									
CITYVIEW CORE I.M.A.	174.1	-1.6%	1.4%	2.3%	2.0%				
Core & Value-Added Real Estate Policy BM		2.0%	2.0%	4.5%	5.8%				

1. Private Equity and Real Estate net returns are based on best available market values.



Los Angeles County Employees Retirement Association

risk reports

Summary

for the quarter ended June 30, 2021

Los Angeles County Employees Retirement Association

L//,CERA

Risk Summary

	Value
Total Risk	13.16
Benchmark Risk	12.02
Active Risk	1.84
Portfolio Beta	1.09
Effective Duration	1.88

Contribution to Risk



■%CR to TR ●Weight%

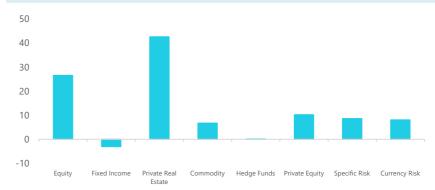
1

				Risk	
	Mkt Value (mm)	Weight%	Total Risk	Contribution	%CR to TR
Total Fund	71,149	100.0%	13.16	13.16	100.00
Growth	36,480	51.3%	20.28	10.27	78.07
Credit	7,662	10.8%	5.40	0.50	3.76
Real Assets & Inflation Hedges	11,886	16.7%	16.81	2.58	19.61
Risk Reduction & Mitigation	14,636	20.6%	3.11	0.06	0.47
Overlay	486	0.7%	-	-0.25	(1.92)

Risk Decomposition

	Po	Active				
				Risk		
Risk Source	Risk Contribution	%Risk	Correlation	Contribution	%Risk	Correlation
Total Risk	13.16	100.00	1.00	1.84	100.00	1.00
Local Market Risk	12.44	94.54	1.00	1.69	91.90	0.99
Common Factor Risk	12.41	94.32	1.00	1.53	83.26	0.94
Equity	10.01	76.08	0.97	0.49	26.58	0.59
Fixed Income	0.39	3.00	0.38	-0.06	-3.04	-0.37
Private Real Estate	1.30	9.85	0.76	0.78	42.65	0.68
Commodity	0.32	2.45	0.50	0.12	6.75	0.34
Hedge Funds	0.00	0.00	0.00	0.00	0.10	0.03
Private Equity	0.39	2.93	0.17	0.19	10.21	0.32
Specific Risk	0.03	0.22	0.05	0.16	8.64	0.29
Currency Risk	0.72	5.46	0.59	0.15	8.10	0.47

Active Risk from Risk Factors



Risk Contribution Breakdown

for the quarter ended June 30, 2021



Los Angeles County Employees Retirement Association

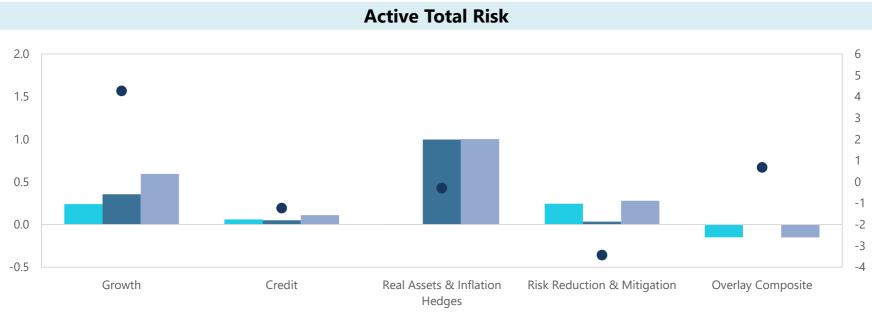
By Risk Type Growth Credit Real Assets & Inflation Hedges **Risk Reduction & Mitigation Overlay Composite** -2.00 0.00 2.00 4.00 6.00 8.00 10.00 12.00 Fixed Income Hedge Fund Commodity Private Real Estate Private Equity Currency Asset Specific Equity

	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
Total Fund	71,149	100.0%	13.16	100.00	13.16	10.01	0.39	0.00	0.32	1.30	0.39	0.72	0.03
Growth	36,480	51.3%	20.28	78.07	10.27	9.33	0.02	0.00	0.00	0.19	0.38	0.34	0.02
Credit	7,662	10.8%	5.40	3.76	0.50	0.04	0.33	0.00	0.00	0.07	0.00	0.05	0.00
Real Assets & Inflation Hedges	11,886	16.7%	16.81	19.61	2.58	0.99	0.05	0.00	0.16	1.04	0.00	0.34	0.01
Risk Reduction & Mitigation	14,636	20.6%	3.11	0.47	0.06	0.02	0.02	0.00	0.00	0.00	0.00	0.01	0.00
Overlay Composite	486	0.7%	-	(1.92)	-0.25	-0.37	-0.03	0.00	0.17	0.00	0.00	-0.02	0.00

Allocation Selection

L///CERA Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021



Allocation Risk Contribution

n Active Risk Contribution

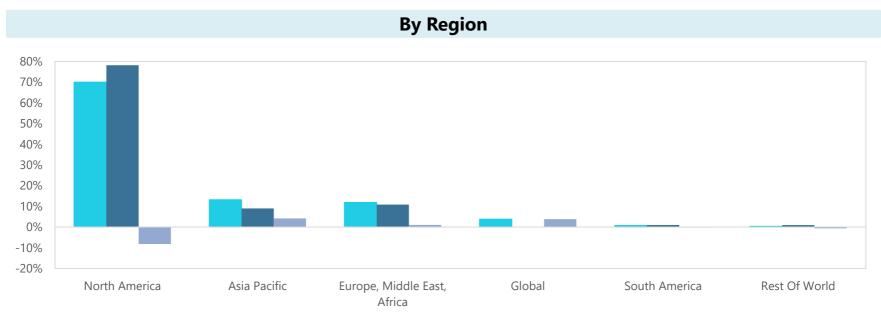
Active Weight%

		Allocation Selection					Active	
Functional Category	Active Weight%	Volatility	Correlation	Risk Contribution	Volatility	Correlation	Risk Contribution	Risk Contribution
Active Total Risk				0.40			1.44	1.84
Growth	4.27	8.26	0.68	0.24	1.30	0.53	0.35	0.59
Credit	-1.23	8.94	-0.55	0.06	1.89	0.25	0.05	0.11
Real Assets & Inflation Hedges	-0.29	6.49	-0.30	0.01	7.38	0.81	1.00	1.00
Risk Reduction & Mitigation	-3.43	12.19	-0.58	0.24	0.78	0.21	0.03	0.28
Overlay Composite	0.68	-	-0.27	-0.15	0.00	0.00	0.00	-0.15

Portfolio Allocation

for the quarter ended June 30, 2021





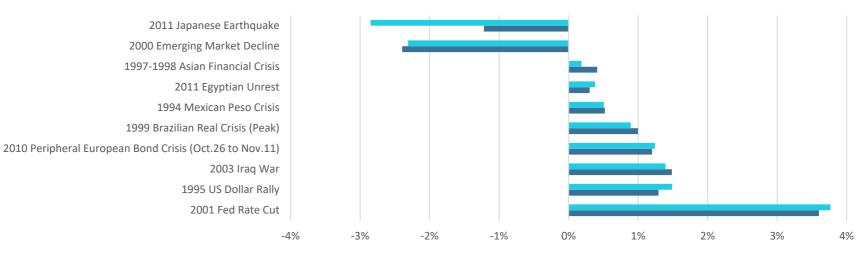
Portfolio Weight Benchmark Weight Active Weight

Weight% MC to Total Region Active Total Risk Active Risk CR % of Active TR Portfolio Benchmark Tracking Error **Total Fund** 100.00% 100.00% 0.00% 13.16 1.84 100.00 0.02 70.01% 78.19% -8.18% 57.75 North America 11.77 1.06 0.00 Asia Pacific 13.18% 9.00% 4.18% 19.47 0.63 34.42 0.06 Europe, Middle East, Africa 11.87% 10.84% 1.03% 21.48 0.18 9.62 0.06 Global 3.82% 0.00% 3.82% 8.16 -0.11 -5.73 -0.03 South America 0.75% 1.00% -0.24% 29.12 0.05 2.64 0.06 Rest Of World 0.36% 0.97% -0.61% 5.27 1.29 -0.03 0.02



Stress Tests

for the quarter ended June 30, 2021



Top 10 Best Stress Scenarios

■ Portfolio P&L ■ Benchmark P&L

Scenario	Portfolio P&L	Benchmark P&L	Market Change (\$mm)
2001 Fed Rate Cut	3.77%	3.60%	2,680.1
1995 US Dollar Rally	1.49%	1.29%	1,060.0
2003 Iraq War	1.39%	1.48%	991.5
2010 Peripheral European Bond Crisi	1.24%	1.20%	883.6
1999 Brazilian Real Crisis (Peak)	0.89%	1.00%	635.5
1994 Mexican Peso Crisis	0.51%	0.52%	360.7
2011 Egyptian Unrest	0.38%	0.30%	270.6
1997-1998 Asian Financial Crisis	0.19%	0.41%	132.2
2000 Emerging Market Decline	-2.31%	-2.40%	-1,644.7
2011 Japanese Earthquake	-2.85%	-1.22%	-2,027.5

Stress Tests

for the quarter ended June 30, 2021

2004 Emerging Market Troubles 1998 Russian Financial Crisis

2007-2008 Equity Slow Grind 1987 Market Crash (Aug. to Nov.)

2000-2003 Tech Crash & Recession

2008 - 2009 Global Financial Crisis 2007-2009 Subprime and Credit Crisis

2011 US Debt Ceiling Act

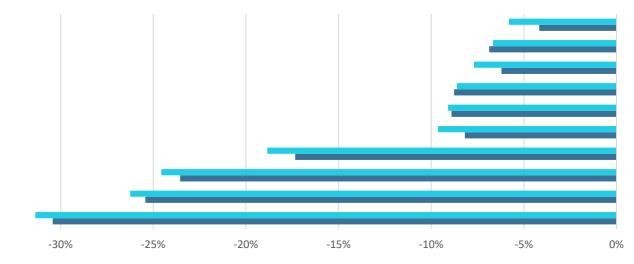
2008 Lehman Bust

-35%

2001 Sept 11



Los Angeles County Employees Retirement Association



Top 10 Worst Stress Scenarios

■ Portfolio P&L ■ Benchmark P&L

Scenario	Portfolio P&L	Benchmark P&L	Market Change (\$mm)
2007-2009 Subprime and Credit Crisis	-31.36%	-30.42%	-22,313.7
2008 - 2009 Global Financial Crisis	-26.24%	-25.42%	-18,668.1
2008 Lehman Bust	-24.56%	-23.55%	-17,472.4
2000-2003 Tech Crash & Recession	-18.85%	-17.34%	-13,408.7
2011 US Debt Ceiling Act	-9.64%	-8.18%	-6,855.8
1987 Market Crash (Aug. to Nov.)	-9.09%	-8.90%	-6,467.9
2007-2008 Equity Slow Grind	-8.62%	-8.77%	-6,130.3
2001 Sept 11	-7.69%	-6.21%	-5,471.4
1998 Russian Financial Crisis	-6.67%	-6.87%	-4,744.2
2004 Emerging Market Troubles	-5.80%	-4.17%	-4,128.2



manager scorecards

	L///CERA			F	Performance		Organization & Operations	ESG	Partnershi	p		Fees & Terms
	Los Angeles County Employees Retireme PUBLIC MARKETS MANAGER S				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)
	2nd Quarter 2021				score	_/	scont	SCORE	SCO8			sco ^{RE}
	Manager	Market Value (in \$ millions)	% of Total Fund		Risk-Adjusted Return	ER						
	GLOBAL EQUITY											
-	ACADIAN DEVELOPED MARKETS	647.5	0.9%		5		S	4	В			3
	BTC EURO TILTS	717.0	1.0%		4	$\overline{}$	S+	4	A			3
	CAPITAL GROUP DEVELOPED MARKETS	478.1	0.7%		5	ŏ	S	2	В			3
	CEVIAN CAPITAL II - ACTIVIST	389.0	0.5%		3	$\overline{}$	S+	4	В			1
	CORNERCAP US SC - EMP	82.0	0.1%	*	3	ŏ	S	1	A			3
	FRONTIER US SMID GROWTH	302.8	0.4%		3	ŏ	s	2	В			1
5	GENESIS EMERGING MARKETS	725.7	1.0%		3	ŏ	S+	4	A			3
	GLOBAL ALPHA IE SC - EMP	163.7	0.2%	*	3	ŏ	s	4	A			3
2	JANA JSI FUND V - ACTIVIST	110.4	0.2%		3	ă	5 5-	2	A			1
•	JPMAM STRATEGIC BETA NON-U.S.	644.2	0.9%	*	3		s	2	В			3
	JPMAM STRATEGIC BETA U.S.	4,850.2	6.8%	*	3	\leq	s	2	В			3
	LAZARD EMERGING MARKETS	512.1	0.7%		3		s	4	B			3
	QMA US SMALL CAP CORE	199.6	0.3%		1		s-	3	A			3
	SSGA MSCI ACWI IMI	16,140.8	22.6%	*	3		S+	4	A			5
	SYMPHONY FINANCIAL - ACTIVIST	221.9	0.3%		4		s	2	A			3
	SYSTEMATIC US SMALL CAP VALUE	197.6	0.3%		1		5 5-	2	A			3
	STSTEWATIC OS SWALL CAL VALUE	157.0	0.570		- ,		5	-			-	<u> </u>
	HIGH YIELD											
	BEACH POINT	314.0	0.4%		5	\bigcirc	S+	2	A			1
	BLACKROCK HY ETF	1,240.3	1.7%	*	3	\bigcirc	S+	_	С			5
	BRIGADE CAP MGMT	695.5	1.0%		4	\bigcirc	S	1	В			3
	BANK LOANS											
5	BAIN CAPITAL CREDIT	411.5	0.6%		2		S	2	В			1
	CREDIT SUISSE BANK LOANS	1,137.9	1.6%	*	3	Õ	s	+	c			5
5	CRESCENT CAPITAL	511.1	0.7%		3	ŏ	s	2	В			1
	TENNENBAUM CAPITAL	579.0	0.8%		5	õ	S+	2	c			1
						-						
	EMERGING MARKET DEBT ABERDEEN ASSET MANAGEMENT	457.0	0.6%		2		S	4	В			5
	ABERDEEN ASSET MANAGEMENT ASHMORE INVESTMENT MANAGEMENT	434.9	0.6%		2		s	4	В			3
	ASHMORE INVESTMENT MANAGEMENT	434.9	0.6%		1		3	4	В			5
	NATURAL RESOURCES & COMMODITIES											
	CREDIT SUISSE COMMODITY	503.1	0.7%		4	0	S	+	В			3
ដី	DWS NATURAL RESOURCES	1,443.4	2.0%	*	3	Õ	s	+	A			5
£	NEUBERGER BERMAN/GRESHAM	484.4	0.7%		3	ŏ	s	+	В			1
Ţ	PIMCO COMMODITY PLUS	497.5	0.7%		4	ŏ	s-	+	В			1
ō						-						
AT .		2 4 9 2 5	2.00/	*	2							-
INFLATION HEDGES	DWS INFRASTRUCTURE	2,109.3	3.0%	, î	3		S	+	А			5
-	TIPS											
	BLACKROCK TIPS	2,028.5	2.8%	*	3	\bigcirc	S+	+	C		_	5

	Los Angeles County Employees R PUBLIC MARKETS MANAG 2nd Quarter 2021	etirement Association			Performance 1 to 5 (with 5 the best)		Organization & Operations S+, S, or S- (with S+ the best)	ESG 1 to 5 (with 5 the best)	Partnership A, B, or C (with A the best)	Fees & Terms 1 to 5 (with 5 the best)
	2nd Quarter 2021	Market Value	% of		sco ^{RE} Risk-Adjusted		SCORE	SCORE	SCORE	scont
	Manager	(in \$ millions) 1			Return	ER				
ಷ	INVESTMENT GRADE BONDS									
NO NO	BTC US DEBT INDEX FUND	7,790.5	10.9%		3	\bigcirc	S+	_	В	5
5 Ĕ	PUGH CAPITAL MGMT	1,182.6	1.7%		1	\bigcirc	S	1	В	3
RISK REDUCTION MITIGATION	WELLS CAPITAL	2,302.0	3.2%		5	\bigcirc	S	4	В	5
ξ	CASH									
R	SSGA CASH	617.9	0.9%	*	3	\bigcirc	S+	—	А	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 2.8.3 (who 5 the kery) 1.9.5 (who 5 the kery) 2.9.5 (who 5 the kery)	<i>CERA</i>		Performance	Organization & Operations	ESG	Partnership	Fees & Terms
2nd Quarter 2021 Loss Loss <thloss< th=""> Loss Loss</thloss<>							1 to 5
Annager Market Value So of (in S million) So of (in S million) So of (in S million) So of (in S million) Market Value Jose GloBAL/LARGE BUYOUT Advent international Group 66.3 0.1% * 5+ 3 C Advent international Group 66.3 0.1% * 5+ 4 C CVC Capital Partness 335.0 0.5% 5 5+ 4 C CVC Capital Partness 332.5 0.3% 1 5+ 3 B Helman & Friefman 323.5 0.5% 2 5+ 3 B Milk 327.7 0.5% 3 5 4 A Thoma Bravo LC 0.2 0.0% 4 5 3 B Mile Adaptive Partners 746.1 1.0% 4 5 3 A Bickfin Capital Partners 0.1 0.0% 5 5 3 A Globa Adaptive Partners 11.2 0.2% 2 5		R SCORECARD					(with 5 the best)
Manager Market Value X of (n \$ million) Total Fund GOAL/ARGE BUYOUT			SCORE	SCORE	5CORE	SCORE	SCORE
Advent international Group 6.3 0.1% 1 S- 3 0 C Blackstone Management 284.0 0.4% 1 S- 4 A CVC Capital Pattners 335.0 0.5% 5 S+ 4 A Green Equity Investors 239.5 0.3% 1 S+ 3 B MBK 227.7 0.5% 3 S 4 A Sher Lake Partners 430.0 0.7% S S+ 3 B MBK 227.7 0.5% 4 S+ 3 B Thoma Bravo LLC 0.2 0.0% 4 S+ 3 B Vita Equity Partners 38.6 0.1% 4 S+ 3 B Cerkle Group 0.16 0.6% 5 S+ 4 A Cerkle Group 0.16 0.6% 5 S+ 2 C Cerkle Group 11.24 0.2% 2 <							
Advent International Group 66.3 0.1% 1 S- 3 4 C Blackstone Management 284.0 0.4% 1 S- 4 A CVC Capital Pattners 335.0 0.5% 5 S+ 3 B Green Equity Investors 239.5 0.3% 1 S+ 3 B MBK 227.7 0.5% 3 S 4 A Siber Lake Pattners 480.0 0.7% S S+ 3 B MBK 227.7 0.5% 3 S+ 3 B A Siber Lake Pattners 480.0 0.7% S+ 3 B A A MD-MARKT BUYOUT 0.2 0.0% * S 3 A B Carlyle Group 0.16 0.5% S S 3 A Blackinn Capital Pattners 10.3 0.1% S S 3 A Gle Pattners	LARGE BUYOUT						
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MBK 327.7 0.5% 3 S 4 A Silver Lake Partners 483.0 0.7% 5 5 5+ 3 B Viste Equity Partners 746.1 1.0% 4 5 3 B MID-MARKET BUYOUT							4
Silver Lake Partners433.00.7%55+38Thoma Bravo LLC0.20.0%455+38Vista Equity Partners746.11.0%453AMID-MARKET BUYOUT	and a reamon						2
Thoma Bravo LLC 0.2 0.0% * S+ S- 3 B Vista Equity Partners 746.1 1.0% 4 S- 3 A MID-MARKET BUYOUT S 3 A Accel-KRR Egital Partners 38.6 0.1% + S 3 B Carly le Group 40.16 0.6% 3 S+ 4 A Clearlake Capital 417.7 0.6% S S+ 4 A Glide Partners 112.4 0.2% Z S- 1 C Harvest Partners 112.4 0.2% Z S 1 C Marin Equity 3.4.2 0.3% 4 S 1 C Marin Equity 3.4.2 0.3% 4 S 2 C C Marin Equity 3.4.2 0.3% 4 S 3 A A Sins Capital Group 14.4 0.	ake Partners		-				5
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SMALL BUYOUTImage: state of the			*				3
AE Industrial Partners 59.2 0.1% * S+ 3 A Atlantic Street Capital 26.7 0.0% * S 3 A Clarion 10.5 0.0% * S 2 B Excellere Partners 92.0 0.1% 5 S- 3 A Incline Equity Partners 28.7 0.0% 3 S 2 C Insignia Capital Partners 147.2 0.2% 5 S 1 B Juggernaut Capital Partners 236.5 0.3% 3 S 3 A Lightyear Capital 236.4 0.3% 4 S 2 A	nuren Capitai	11.5 0.0%		3+	3	D	3
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Lightyear Capital 236.4 0.3% 4 S 2 A			-			_	4
			-				
			-				3
Monteflore Investment 2.4 0.0% * S 4 B							4
							4
One Rock Capital Partners 85.3 0.1% 2 S 3 A Palladium Equity Partners 87.7 0.1% 2 S- 4 C							2

L//.CERA	tirement Acception		Performance	Organization & Operations	ESG	Partnership	Fees & Terms
Los Angeles County Employees Re PRIVATE MARKETS MAN			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)
2nd Quarter 2021			5CORE	SCORE	SCORE	SCORE	5CORE
Manager	Market Value (in \$ millions)	% of Total Fund					
GROWTH							
Australis Partners	127.1	0.2%	1	S	4	А	5
JMI Equity	3.3	0.2%	2	S	3	B	2
RedBird Capital Partners	5.5 158.4	0.0%	*	S	4	A	4
Summit Partners	72.0	0.2%	5	S+	3	A	4
TA Associates	63.6	0.1%	*	S+	4	A	4
Technology Crossover Ventures	28.9	0.0%	4	S	2	В	3
VENTURE CAPITAL							
BlueRun Ventures	66.4	0.1%	5	S	2	А	2
Canaan Partners	89.9	0.1%	3	S+	3	А	4
GGV Capital	571.1	0.8%	3	S	3	Α	3
Institutional Venture Partners	302.9	0.4%	1	s	1	В	5
Joy Capital	60.8	0.1%	*	S	2	Α	4
Lilly Asia Ventures	157.6	0.2%	5	S	4	В	2
Sinovation Ventures	60.1	0.1%	1	S	2	В	2
Storm Ventures LLC	118.4	0.2%	2	S	3	А	4
Union Square	352.6	0.5%	5	S	3	С	5
SPECIAL SITUATIONS							
Alchemy Partners	18.9	0.0%	*	S	3	В	4
Black Diamond	95.1	0.1%	1	S	3	С	4
Centerbridge	97.1	0.1%	5	s	4	А	2
FUND OF FUNDS							
Gateway	613.2	0.9%	1	S	3	В	4
MS GTB Capital Partners	282.2	0.4%	1	S	4	А	2
J.P. Morgan	419.0	0.6%	5	S+	+	В	4

L//,CERA			P	erformance		rganization & Operations		ESG		Partnership		Fees & Terms
Los Angeles County Employees Retire PRIVATE MARKETS MANAG				1 to 5 (with 5 the best)		S+, S, or S- (with S+ the best)	(14	1 to 5 ith 5 the best)		A, B, or C (with A the best)		1 to 5 (with 5 the best)
2nd Quarter 2021				score.	/	score.		SCORE.	/	SCORE	/	SCORE
Manager	Market Value (in \$ millions)	% of Total Fund										
COMMINGLED FUNDS												
AERMONT Real Estate Fund IV	2.5	0.0%		*		S		4		В		3
AEW Value Investors Asia III	44.7	0.1%		3		S		4		Α		4
AG Asia Realty Fund IV	36.6	0.1%		*		S		3		Α		3
AG Europe Realty Fund II	45.9	0.1%		*		S		3		В		3
Bain Capital Real Estate Fund I	32.7	0.0%		*		S		2		Α		3
CapMan Nordic Real Estate Fund II	38.9	0.1%		4		S		3		Α		3
CapMan Nordic Real Estate Fund III	14.2	0.0%		*		S		3		Α		3
Capri Urban Investors	34.6	0.0%		2		S-		1		В		3
CityView Bay Area Fund II	86.5	0.1%		1		S		2		Α		3
CityView Southern California Fund II	23.9	0.0%		2		S		2		Α		3
CityView Western Fund I, L.P.	125.8	0.2%		3		S		2		Α		3
Core Property Index Fund	100.5	0.1%		*		S		2		В		5
Europa Fund IV	25.5	0.0%		1		S		3		Α		2
Heitman Asia-Pacific Property Investors	24.1	0.0%		*		S		4		В		4
Invesco Real Estate Asia Fund	143.9	0.2%		4		S		4		В		5
Prologis European Logistics Fund (PELF)	165.5	0.2%		5		S		4		Α		1
RREEF Core Plus Industrial Fund L.P.	176.7	0.2%		5		S		4		Α		5
Starwood Capital Hospitality Fund	17.6	0.0%		1		S		2		Α		3
TPG Real Estate Partners III	7.9	0.0%		*		S		3		В		3
SEPARATE ACCOUNTS												
Cityview Core I.M.A.	175.3	0.2%		1		S		2		В		1
Clarion I.M.A.	247.1	0.3%		5		S		4		Α		4
Clarion Takeover Core IMA	409.3	0.6%		*		S		4		Α		4
Clarion Takeover Value IMA	59.3	0.1%		*		S		4		Α		2
Clarion Takeover Value IMA Vintage 2012	31.3	0.0%		*		S		4		Α		4
Heitman I.M.A.	510.1	0.7%		5		S		4		Α		4
RREEF Core/High Return I.M.A. III	825.0	1.2%		1		S		4		Α		5
RREEF Takeover I.M.A.	802.6	1.1%		*		S		4		Α		4
Stockbridge I.M.A.	576.3	0.8%		5		S		3		Α		4
TA Associates I.M.A.	120.2	0.2%		2		S		3		В		4

	L///CERA Los Angeles County Employees		1	Р	erformance	0	anization & perations		ESG	ſ	Partnership	Fees & Terms
	PRIVATE MARKETS MA				1 to 5 (with 5 the best)		S+, S, or S- th 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)
	2nd Quarter 2021				5CORE		scort.		508t		score.	5CORE
	Manager	Market Value (in \$ millions)	% of Total Fund									
	HEDGE FUNDS											
	Brevan Howard	250.7	0.4%		4		S+		2		В	2
	Capula GRV	376.0	0.5%		5		S		1		В	4
	Caxton	206.3	0.3%		5		S		3		В	3
	DK Institutional Partners	242.1	0.3%		4		S-		1		В	3
	HBK Multistrategy	340.2	0.5%		3		S		1		Α	4
ΔΨ	Hudson Bay	463.8	0.6%		5		S		1		В	3
FUNDS &	Polar	460.7	0.6%		5		S		2		Α	5
HEDGE FU	ILLIQUID CREDIT											
	Barings	65.1	0.1%		5		S		3		Α	5
ă ¥	Beach Point	207.1	0.3%		4		S+		1		Α	3
HEDGE	Glendon	98.4	0.1%		1		S		1		В	2
	Magnetar	384.7	0.5%		*		S		2		Α	4
	Napier Park	654.3	0.9%		*		S		2		Α	4
	Oaktree	92.5	0.1%		3		S		2		В	2
	PIMCO Tac Opps	270.8	0.4%		*		S-		3		В	4
	Quadrant	83.2	0.1%		2		S+		1		Α	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



Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021

Growth

	Average	Fees ¹	Annualized
	Market Value (\$ mm)		Effective Rate (bps)
Active			
Acadian Asset Management	\$643.3	\$594,989	37.0
BTC Europe Alpha Tilts	\$713.7	\$622,803	34.9
Capital Guardian	\$458.8	\$408,604	35.6
Cevian Capital	\$388.5	\$1,047,237	107.8
CornerCap	\$82.0	\$108,141	52.7
Frontier Capital Management	\$302.5	\$567,248	75.0
Genesis Investment Management	\$722.3	\$1,212,959	67.2
Global Alpha	\$161.8	\$290,467	71.8
JANA Partners ²	\$120.0	\$300,000	100.0
Lazard Asset Management	\$510.3	\$802,924	62.9
QMA	\$197.7	\$266,954	54.0
Symphony Financial	\$206.5	\$387,226	75.0
Systematic	\$197.9	\$272,162	55.0
Subtotal:	\$4,705.5	\$6,881,712	58.5
actor-Based			
JPMAM Strategic Beta Non-US	\$652.8	\$54,978	3.4
JPMAM Strategic Beta US	\$4,768.5	\$401,615	3.4
Subtotal:	\$5,421.2	\$456,593	3.4
Passive			
SSGA MSCI ACWI IMI	\$15,893.2	\$286,832	0.7
Subtotal:	\$15,893.2	\$286,832	0.7
Currency Hedge			
50% Developed Mkt. Currency Hedge	\$7,499.2	\$283,531	1.5
Subtotal:	\$7,499.2	\$283,531	1.5

1. Reflects estimated investment management fees only.

2. Based on committed capital of \$120 million.



Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021

Credit

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
High Yield			
Beach Point Capital	\$311.3	\$350,167	45.0
Brigade Capital Management	\$686.5	\$694,477	40.5
Subtotal: ²	\$997.8	\$1,044,644	41.9
Bank Loans			
Bain Capital	\$411.5	\$566,304	55.0
Credit Suisse Bank Loan	\$1,132.8	\$559,780	19.8
Crescent Capital Group	\$507.9	\$589,122	46.4
Tennenbaum Capital Partners	\$574.8	\$1,220,352	84.9
Subtotal:	\$2,627.0	\$2,935,558	44.7
Emerging Market Debt			
Aberdeen Standard Investments	\$453.3	\$412,334	36.4
Ashmore Investment Management	\$434.9	\$525,354	48.3
Subtotal:	\$888.2	\$937,688	42.2
Illiquid Credit			
Beach Point Capital - Fund II	\$16.8	\$131,875	314.9
Beach Point Capital - Fund III	\$214.0	\$470,136	87.9
Subtotal: ³	\$1,222.2	\$602,011	19.7

1. Reflects estimated investment management fees only.

2. BlackRock High Yield ETF fees are deducted directly from the fund by the manager.

3. Magnetar and Napier Park market values are included in the subtotal, but the fees are deducted directly from the fund by the manager.



Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021

Real Assets & Inflation Hedges

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Natural Resources & Commodities			
Credit Suisse	\$491.5	\$317,397	25.8
DWS Natural Resources	\$1,538.8	\$714,303	18.6
Neuberger Berman/Gresham	\$446.4	\$403,357	36.1
PIMCO	\$486.1	\$454,433	37.4
Subtotal:	\$2,962.8	\$1,889,490	25.5
nfrastructure			
DWS Infrastructure	\$1,981.0	\$919,596	18.6
Subtotal:	\$1,981.0	\$919,596	18.6
Treasury Inflation-Protected Securities			
BlackRock TIPS	\$1,961.9	\$48,912	1.0
Subtotal:	\$1,961.9	\$48,912	1.0



Los Angeles County Employees Retirement Association

for the quarter ended June 30, 2021

Risk Reduction & Mitigation

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Investment Grade Bonds			
Pugh Capital Management	\$1,175.0	\$348,744	11.9
Wells Capital Management	\$2,287.6	\$463,452	8.1
Subtotal: ²	\$11,343.6	\$1,041,698	3.7
Cash			
SSGA Cash	\$751.4	\$75,143	4.0
Parametric Cash Overlay ³	\$4,674.6	\$294,979	2.5
Subtotal:	\$5,426.0	\$370,122	2.7

1. Reflects estimated investment management fees only.

2. Includes BTC US Debt Index.

3. Cash overlay program is not part of Risk Reduction & Mitigation, but included for fee reporting purposes only.



Los Angeles County Employees Retirement Association

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.

Вета

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 & VALUE-ADDED REAL ESTATE POLICY BM

NFI ODCE + 50 bps (3-month lag)

CREDIT POLICY BM

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

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)



Los Angeles County Employees Retirement Association

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

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.



Los Angeles County Employees Retirement Association

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 74% Global Equity Custom BM / 21% Private Equity - Growth Custom BM / 4% Opportunistic Real Estate Custom BM

Н

HIGH YIELD BOND

A bond with a low investment quality and credit worthiness, usually with a rating of BB or less.

ILLIQUID CREDIT POLICY BM

Bloomberg Barclays U.S. Aggregate Index + 250 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.



Los Angeles County Employees Retirement Association

K

KAPLAN & SCHOAR PUBLIC MARKET EQUIVALENT (KS-PME)

A KS-PME value greater than one indicates that an investor benefited from investing in the respective private equity fund rather than the index (MSCI ACWI IMI).

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)

Ν

NATURAL RESOURCES & COMMODITIES POLICY BM

50% Bloomberg Commodity Index / 50% S&P Global Large MidCap Commodity and Resources Index



Los Angeles County Employees Retirement Association

0

OPPORTUNISTIC REAL ESTATE POLICY BM NFI ODCE + 300 bps (3-month lag)

P

PRIVATE EQUITY – CREDIT POLICY 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 POLICY BM

S&P Global Large MidCap Commodity and Resources Index (3-month lag)

R

REAL ASSETS & INFLATION HEDGES POLICY BM

Based on sub-asset market values 41% Core & Value-Added Real Estate Custom BM / 24% Natural Resources & Commodities Custom BM / 18% DJ Brookfield Global Infrastructure / 18% Bloomberg Barclays U.S. TSY TIPS

RISK REDUCTION & MITIGATION POLICY BM

Based on sub-asset market values 79% Bloomberg Barclays Aggregate / 17% Diversified Hedge Funds Custom BM / 4% FTSE 3-month Treasury Bill



Los Angeles County Employees Retirement Association

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.

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 – Present Composite weighted blend of Opportunistic Real Estate Custom BM, NPI Income Lagged, and Core & Value-Added Real Estate Custom 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.



Los Angeles County Employees Retirement Association

Т

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.

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.



June 30, 2021

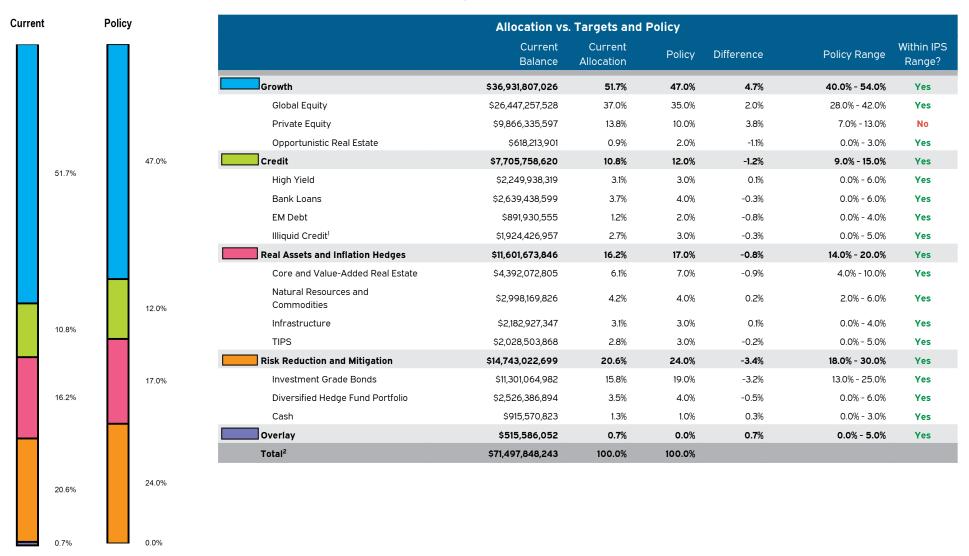
Fund Evaluation Report

MEKETA.COM

MEKETA

Los Angeles County Employees Retirement Association

Los Angeles County Employees Retirement Association | June 30, 2021

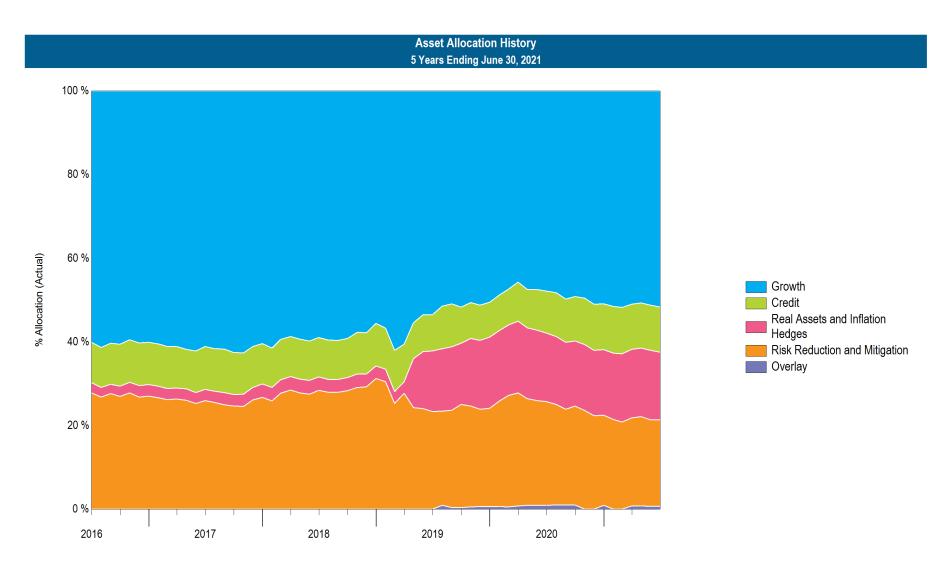


¹ Illiquid Credit contains credit hedge funds, real estate debt, private debt strategies and private equity-related debt.

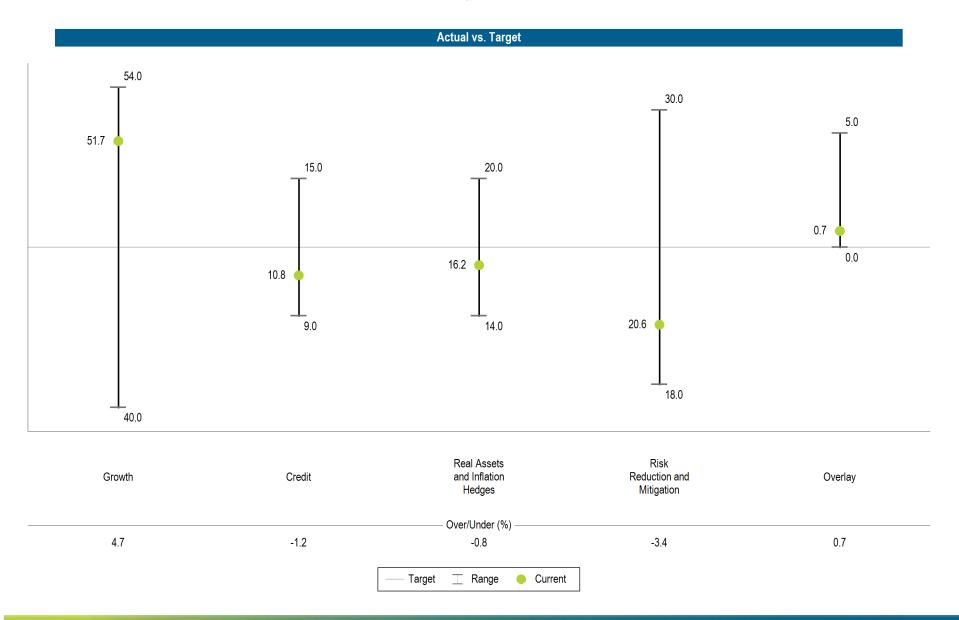
² Totals may not add up due to rounding.

* The Functional Framework became effective April 1, 2019.



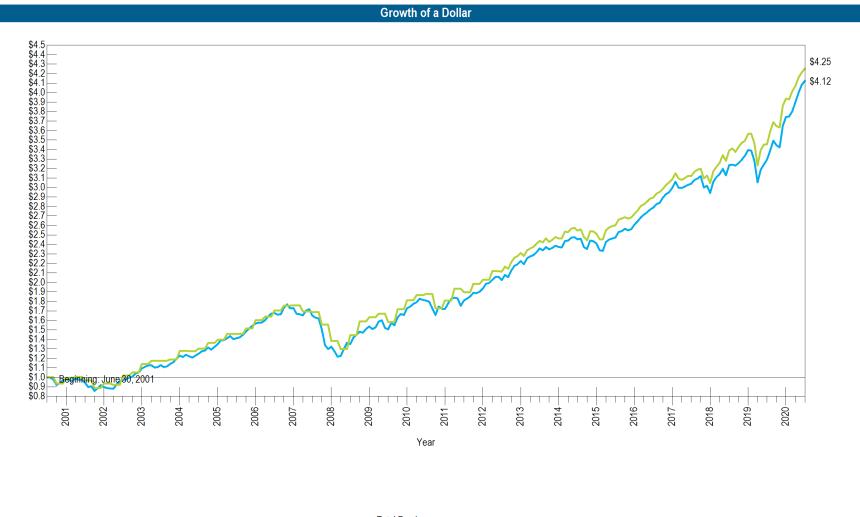








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Total FundTotal Fund Policy Benchmark



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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)	71,497,848,248	100.0	1.0	5.7	25.2	25.2	10.7	10.8	8.6		
Total Fund Policy Benchmark			<u>1.0</u>	<u>4.5</u>	<u>23.1</u>	<u>23.1</u>	<u>10.9</u>	<u>10.3</u>	<u>8.5</u>		
Excess Return			0.0	1.2	2.1	2.1	-0.2	0.5	0.1		
Growth (Net)	36,931,807,026	51.7	1.6	8.7	42.8	42.8					
Growth Custom Blended Benchmark			<u>1.5</u>	<u>6.7</u>	<u>43.6</u>	<u>43.6</u>					
Excess Return			0.1	2.0	-0.8	-0.8					
Credit (Net)	7,705,758,620	10.8	0.8	2.9	18.0	18.0					
Credit Custom Blended Benchmark			<u>0.7</u>	<u>1.9</u>	<u>9.4</u>	<u>9.4</u>					
Excess Return			0.1	1.0	8.6	8.6					
Real Assets and Inflation Hedges (Net)	11,601,673,846	16.2	-0.2	4.4	15.2	15.2					
Real Assets & Inflation Hedges Custom BM			<u>0.4</u>	<u>4.9</u>	<u>15.6</u>	<u>15.6</u>					
Excess Return			-0.6	-0.5	-0.4	-0.4					
Risk Reduction and Mitigation (Net)	14,743,022,703	20.6	0.6	1.6	2.5	2.5					
Risk Reduction and Mitigation Custom Blended Benchmark			<u>0.6</u>	<u>1.6</u>	<u>0.2</u>	<u>0.2</u>					
Excess Return			0.0	0.0	2.3	2.3					
Overlay (Net)	515,586,052	0.7									

¹ Fiscal Year begins July 1.

* See Glossary for all custom index definitions.



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	Trailing Perfor	mance							
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund (Net)	71,497,848,248	100.0	1.0	5.7	25.2	25.2	10.7	10.8	8.6
Total Fund (Gross)			1.0	5.8	25.6	25.6	11.0	11.1	8.9
Total Fund Policy Benchmark			<u>1.0</u>	<u>4.5</u>	<u>23.1</u>	<u>23.1</u>	<u>10.9</u>	<u>10.3</u>	<u>8.5</u>
Excess Return (vs. Net)			0.0	1.2	2.1	2.1	-0.2	0.5	0.1
Growth (Net)'	36,931,807,026	51.7	1.6	8.7	42.8	42.8			
Growth (Gross)			1.6	8.8	43.4	43.4			
Growth Custom Blended Benchmark			<u>1.5</u>	<u>6.7</u>	<u>43.6</u>	<u>43.6</u>			
Excess Return (vs. Net)			0.1	2.0	-0.8	-0.8			
Global Equity (Net)	26,447,257,528	37.0	1.4	7.0	40.8	40.8			
Global Equity (Gross)			1.4	7.0	41.0	41.0			
Global Equity Custom BM			<u>1.2</u>	<u>7.2</u>	<u>40.9</u>	<u>40.9</u>			
Excess Return (vs. Net)			0.2	-0.2	-0.1	-0.1			
SSGA MSCI ACWI IMI (Net)	16,140,796,224	22.6	1.3	7.3	41.5	41.5			
SSGA MSCI ACWI IMI (Gross)			1.3	7.3	41.5	41.5			
MSCI ACWI IMI Net (DAILY)			<u>1.2</u>	<u>7.2</u>	<u>40.9</u>	<u>40.9</u>			
Excess Return (vs. Net)			0.1	0.1	0.6	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 (%)
JPMAM Strategic BETA U.S. (Net)	4,850,155,479	6.8	2.3	8.3	43.2	43.2			
JPMAM Strategic BETA U.S. (Gross)			2.4	8.3	43.2	43.2			
MSCI USA IMI Gross			<u>2.6</u>	<u>8.5</u>	<u>44.4</u>	<u>44.4</u>			
Excess Return (vs. Net)			-0.3	-0.2	-1.2	-1.2			
Genesis (Net)	725,699,787	1.0	-0.7	5.5	40.1	40.1	12.6	12.9	5.6
Genesis (Gross)			-0.7	5.6	41.2	41.2	13.5	13.8	6.4
MSCI EM IMI Custom Index			<u>0.4</u>	<u>5.7</u>	<u>43.2</u>	<u>43.2</u>	<u>11.4</u>	<u>12.9</u>	<u>4.3</u>
Excess Return (vs. Net)			-1.1	-0.2	-3.1	-3.1	1.2	0.0	1.3
BTC Euro Tilts (Net)	717,044,755	1.0	-1.3	8.9	37.5	37.5	8.9	10.5	6.7
BTC Euro Tilts (Gross)			-1.3	9.0	38.1	38.1	9.3	10.9	7.2
MSCI EUROPE			<u>-1.4</u>	<u>7.4</u>	<u>35.1</u>	<u>35.1</u>	<u>8.7</u>	<u>10.3</u>	<u>5.6</u>
Excess Return (vs. Net)			0.1	1.5	2.4	2.4	0.2	0.2	1.1
Acadian Developed Markets (Net)	647,468,753	0.9	-0.8	7.0	43.7	43.7	10.7	14.0	8.8
Acadian Developed Markets (Gross)			-0.7	7.1	44.2	44.2	11.1	14.5	9.2
EAFE Custom Benchmark			<u>-1.0</u>	<u>5.7</u>	<u>33.6</u>	<u>33.6</u>	<u>8.6</u>	<u>10.4</u>	<u>5.7</u>
Excess Return (vs. Net)			0.2	1.3	10.1	10.1	2.1	3.6	3.1
JPMAM Strategic BETA NON-U.S. (Net)	644,160,250	0.9	-0.7	5.6					
JPMAM Strategic BETA NON-U.S. (Gross)			-0.6	5.6					
MSCI ACWI ex USA IMI			<u>-0.6</u>	<u>5.6</u>					
Excess Return (vs. Net)			-0.1	0.0					



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Lazard Emerging Markets (Net)	512,118,043	0.7	-0.4	3.6	46.8	46.8	14.9	14.8	
Lazard Emerging Markets (Gross)			-0.4	3.8	47.8	47.8	15.6	15.6	
MSCI Emerging Markets			<u>0.2</u>	<u>5.1</u>	<u>40.9</u>	<u>40.9</u>	<u>11.3</u>	<u>13.0</u>	
Excess Return (vs. Net)			-0.6	-1.5	5.9	5.9	3.6	1.8	
Capital Guardian (Net)	478,112,101	0.7	-1.4	7.0	35.1	35.1	15.1	16.6	9.0
Capital Guardian (Gross)			-1.3	7.1	35.5	35.5	15.5	17.0	9.4
EAFE Custom Benchmark			<u>-1.0</u>	<u>5.7</u>	<u>33.6</u>	<u>33.6</u>	<u>8.6</u>	<u>10.4</u>	<u>5.7</u>
Excess Return (vs. Net)			-0.4	1.3	1.5	1.5	6.5	6.2	3.3
Cevian Capital (Net)	389,048,748	0.5	0.2	1.5	42.9	42.9	8.9		
Cevian Capital (Gross)			0.3	1.8	44.4	44.4	10.2		
MSCI EUROPE			<u>-1.4</u>	<u>7.4</u>	<u>35.1</u>	<u>35.1</u>	<u>8.7</u>		
Excess Return (vs. Net)			1.6	-5.9	7.8	7.8	0.2		
Frontier Capital Management (Net)	302,759,496	0.4	-0.2	4.1	58.2	58.2	13.9	16.0	12.5
Frontier Capital Management (Gross)			-0.1	4.4	59.4	59.4	14.8	16.9	13.4
Russell 2500			<u>1.2</u>	<u>5.4</u>	<u>57.8</u>	<u>57.8</u>	<u>15.2</u>	<u>16.4</u>	<u>12.9</u>
Excess Return (vs. Net)			-1.4	-1.3	0.4	0.4	-1.3	-0.4	-0.4
Symphony Financial Partners (Net)	221,911,167	0.3	-2.1	-3.2	15.4	15.4	11.4		
Symphony Financial Partners (Gross)			-2.1	-3.0	16.2	16.2	13.9		
MSCI Japan Small Cap			<u>1.0</u>	<u>-0.9</u>	<u>21.2</u>	<u>21.2</u>	<u>3.4</u>		
Excess Return (vs. Net)			-3.1	-2.3	-5.8	-5.8	8.0		



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Quantitative Management Associates (Net)	199,625,730	0.3	0.5	4.3	57.4	57.4	6.9		
Quantitative Management Associates (Gross)			0.6	4.4	58.2	58.2	7.5		
Russell 2000			<u>1.9</u>	<u>4.3</u>	<u>62.0</u>	<u>62.0</u>	<u>13.5</u>		
Excess Return (vs. Net)			-1.4	0.0	-4.6	-4.6	-6.6		
Systematic Financial Management (Net)	197,596,701	0.3	-1.1	3.4	62.9	62.9	10.2		
Systematic Financial Management (Gross)			-1.0	3.5	63.8	63.8	10.8		
Russell 2000			<u>1.9</u>	<u>4.3</u>	<u>62.0</u>	<u>62.0</u>	<u>13.5</u>		
Excess Return (vs. Net)			-3.0	-0.9	0.9	0.9	-3.3		
Global Alpha IE EMP (Net)	163,665,844	0.2	-0.1	7.8	45.4	45.4			
Global Alpha IE EMP (Gross)			0.0	8.0	46.4	46.4			
MSCI EAFE Small Cap			<u>-1.7</u>	<u>4.3</u>	<u>41.0</u>	<u>41.0</u>			
Excess Return (vs. Net)			1.6	3.5	4.4	4.4			
Jana Partners (Net)	110,438,223	0.2	-3.1	-0.1	41.2	41.2	15.6		
Jana Partners (Gross)			-2.9	1.2	48.3	48.3	20.1		
S&P 500			<u>2.3</u>	<u>8.6</u>	<u>40.8</u>	<u>40.8</u>	<u>18.7</u>		
Excess Return (vs. Net)			-5.4	-8.7	0.4	0.4	-3.1		
CornerCap (Net)	82,008,254	0.1	-1.6	4.9	60.9	60.9			
CornerCap (Gross)			-1.5	5.1	61.8	61.8			
Russell 2000			<u>1.9</u>	<u>4.3</u>	<u>62.0</u>	<u>62.0</u>			
Excess Return (vs. Net)			-3.5	0.6	-1.1	-1.1			



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
BTC Passive Currency Hedge (Net)	64,636,980	0.1	1.2	-0.2	-2.3	-2.3	0.2	0.5	1.2
BTC Passive Currency Hedge (Gross)			1.2	-0.2	-2.3	-2.3	0.3	0.5	1.2
50% FX Hedge Index			<u>1.2</u>	<u>-0.2</u>	<u>-2.2</u>	<u>-2.2</u>	<u>0.3</u>	<u>0.5</u>	<u>1.2</u>
Excess Return (vs. Net)			0.0	0.0	-0.1	-0.1	-0.1	0.0	0.0
Private Equity - Growth (Net)	9,866,335,597	13.8	2.3	13.9	50.6	50.6			
Private Equity - Growth (Gross)			2.4	14.3	52.6	52.6			
Private Equity - Growth Custom BM			<u>2.8</u>	<u>5.7</u>	<u>60.6</u>	<u>60.6</u>			
Excess Return (vs. Net)			-0.5	8.2	-10.0	-10.0			
Opportunistic Real Estate (Net)	618,213,901	0.9	-0.2	5.1	11.4	11.4	9.2	10.6	8.9
Opportunistic Real Estate (Gross)			-0.1	5.6	13.2	13.2	11.1	12.6	11.5
Opportunistic Real Estate Custom BM			<u>0.9</u>	<u>2.6</u>	<u>4.5</u>	<u>4.5</u>	<u>7.1</u>	<u>8.4</u>	<u>11.9</u>
Excess Return (vs. Net)			-1.1	2.5	6.9	6.9	2.1	2.2	-3.0



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	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Credit (Net) ¹	7,705,758,620	10.8	0.8	2.9	18.0	18.0			
Credit (Gross)			0.8	3.0	18.6	18.6			
Credit Custom Blended Benchmark			<u>0.7</u>	<u>1.9</u>	<u>9.4</u>	<u>9.4</u>			
Excess Return (vs. Net)			0.1	1.0	8.6	8.6			
High Yield (Net)	2,249,938,319	3.1	1.4	3.1	17.9	17.9			
High Yield (Gross)			1.5	3.1	18.1	18.1			
BBgBarc US High Yield TR			<u>1.3</u>	<u>2.7</u>	<u>15.4</u>	<u>15.4</u>			
Excess Return (vs. Net)			0.1	0.4	2.5	2.5			
BlackRock HY ETF (Net)	1,240,280,310	1.7	1.5	2.5	14.5	14.5			
BlackRock HY ETF (Gross)			1.5	2.5	14.5	14.5			
BBgBarc US High Yield TR			<u>1.3</u>	<u>2.7</u>	<u>15.4</u>	<u>15.4</u>			
Excess Return (vs. Net)			0.2	-0.2	-0.9	-0.9			
Brigade Capital Management (Net)	695,492,009	1.0	1.5	4.5	26.2	26.2	6.7	7.8	6.7
Brigade Capital Management (Gross)			1.5	4.4	26.7	26.7	7.4	8.5	7.5
Brigade Custom Index			<u>1.3</u>	<u>2.7</u>	<u>15.4</u>	<u>15.4</u>	<u>7.1</u>	<u>6.7</u>	<u>5.9</u>
Excess Return (vs. Net)			0.2	1.8	10.8	10.8	-0.4	1.1	0.8
Beach Point (Net)	313,991,184	0.4	1.2	2.5	14.6	14.6	7.4	7.5	
Beach Point (Gross)			1.2	2.6	15.1	15.1	8.0	8.1	
Beach Point Custom BM			<u>1.3</u>	<u>2.7</u>	<u>15.4</u>	<u>15.4</u>	<u>6.6</u>	<u>6.7</u>	
Excess Return (vs. Net)			-0.1	-0.2	-0.8	-0.8	0.8	0.8	

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 (%)
Bank Loans (Net)	2,639,438,599	3.7	0.6	1.9	12.6	12.6			
Bank Loans (Gross)			0.6	2.0	13.1	13.1			
CS Leveraged Loan Index			<u>0.4</u>	<u>1.4</u>	<u>11.7</u>	<u>11.7</u>			
Excess Return (vs. Net)			0.2	0.5	0.9	0.9			
Credit Suisse Bank Loans (Net)	1,137,877,248	1.6	0.4	1.4	9.5	9.5			
Credit Suisse Bank Loans (Gross)			0.4	1.4	9.7	9.7			
CS Leveraged Loan Index			<u>0.4</u>	<u>1.4</u>	<u>11.7</u>	<u>11.7</u>			
Excess Return (vs. Net)			0.0	0.0	-2.2	-2.2			
Tennenbaum Capital (Net)	578,950,365	0.8	0.9	2.6	14.3	14.3	7.2	8.2	
Tennenbaum Capital (Gross)			0.9	2.8	15.1	15.1	8.0	9.0	
CSFB Leveraged Loan Index 1 Month Lagged			<u>0.5</u>	<u>1.1</u>	<u>12.7</u>	<u>12.7</u>	<u>4.3</u>	<u>5.0</u>	
Excess Return (vs. Net)			0.4	1.5	1.6	1.6	2.9	3.2	
Crescent Capital Group (Net)	511,120,788	0.7	0.6	2.4	16.2	16.2	6.6	7.0	
Crescent Capital Group (Gross)			0.7	2.5	16.8	16.8	7.2	7.6	
Bank Loans Custom Index			<u>0.4</u>	<u>1.4</u>	<u>11.7</u>	<u>11.7</u>	<u>5.3</u>	<u>5.9</u>	
Excess Return (vs. Net)			0.2	1.0	4.5	4.5	1.3	1.1	
Bain Capital (Net)	411,490,199	0.6	0.5	2.2	14.5	14.5	5.2	6.0	
Bain Capital (Gross)			0.6	2.3	15.2	15.2	5.9	6.8	
Bank Loans Custom Index			<u>0.4</u>	<u>1.4</u>	<u>11.7</u>	<u>11.7</u>	<u>5.3</u>	<u>5.9</u>	
Excess Return (vs. Net)			0.1	0.8	2.8	2.8	-0.1	0.1	



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
EM Debt (Net)	891,930,555	1.2	0.3	4.6	11.6	11.6	5.2		
EM Debt (Gross)			0.4	4.7	12.2	12.2	5.8		
EMD Custom			<u>0.3</u>	<u>3.4</u>	<u>7.6</u>	<u>7.6</u>	<u>6.3</u>		
Excess Return (vs. Net)			0.0	1.2	4.0	4.0	-1.1		
Aberdeen Asset Management (Net)	456,999,875	0.6	0.4	4.3	10.0	10.0	6.2		
Aberdeen Asset Management (Gross)			0.5	4.3	10.4	10.4	6.6		
EMD Custom			<u>0.3</u>	<u>3.4</u>	<u>7.6</u>	<u>7.6</u>	<u>6.3</u>		
Excess Return (vs. Net)			0.1	0.9	2.4	2.4	-0.1		
Ashmore Investment Management (Net)	434,930,680	0.6	0.3	5.0	13.4	13.4	4.2		
Ashmore Investment Management (Gross)			0.4	5.1	14.0	14.0	4.9		
EMD Custom			<u>0.3</u>	<u>3.4</u>	<u>7.6</u>	<u>7.6</u>	<u>6.3</u>		
Excess Return (vs. Net)			0.0	1.6	5.8	5.8	-2.1		
Illiquid Credit (Net)	1,924,426,957	2.7	0.5	3.2	31.2	31.2			
Illiquid Credit (Gross)			0.5	3.6	33.1	33.1			
Illiquid Credit Custom BM			<u>0.5</u>	<u>0.5</u>	<u>2.1</u>	<u>2.1</u>			
Excess Return (vs. Net)			0.0	2.7	29.1	29.1			
Napier Park (Net)	654,250,247	0.9	1.1	4.2	31.5	31.5			
Napier Park (Gross)			1.1	4.2	31.5	31.5			
Illiquid Credit Custom BM			<u>0.5</u>	<u>0.5</u>	<u>2.1</u>	<u>2.1</u>			
Excess Return (vs. Net)			0.6	3.7	29.4	29.4			



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Magnetar Credit Fund (Net)	384,686,800	0.5	-1.1	-4.3					
Magnetar Credit Fund (Gross)			-1.1	-4.3					
Illiquid Credit Custom BM			<u>0.5</u>	<u>0.5</u>					
Excess Return (vs. Net)			-1.6	-4.8					
Pimco TAC OPPS Funds (Net)	270,770,871	0.4	0.5	1.5	23.1	23.1			
Pimco TAC OPPS Funds (Gross)			0.5	1.5	23.1	23.1			
PIMCO Tac Opps Custom BM			<u>0.5</u>	<u>0.5</u>	<u>0.9</u>	<u>0.9</u>			
Excess Return (vs. Net)			0.0	1.0	22.2	22.2			
Beach Point - Fund III (Net)	207,055,955	0.3	1.1	5.9	35.4	35.4	11.3		
Beach Point - Fund III (Gross)			1.1	8.7	46.8	46.8	15.6		
Opportunistic Custom Index 1 Month Lag			<u>0.4</u>	<u>1.3</u>	<u>13.9</u>	<u>13.9</u>	<u>5.7</u>		
Excess Return (vs. Net)			0.7	4.6	21.5	21.5	5.6		
Private Equity - Credit (Net)	193,151,682	0.3	0.0	17.9	57.3	57.3			
Private Equity - Credit (Gross)			0.0	17.9	57.3	57.3			
PE-Credit Custom Benchmark			<u>-1.0</u>	<u>-2.8</u>	<u>3.2</u>	<u>3.2</u>			
Excess Return (vs. Net)			1.0	20.7	54.1	54.1			
Real Estate - Credit (Net)	152,173,594	0.2	1.3	1.6	8.7	8.7	9.1	8.7	
Real Estate - Credit (Gross)			1.6	1.9	9.6	9.6	10.0	9.7	
NPI Income Lagged			<u>0.4</u>	<u>1.0</u>	<u>4.1</u>	<u>4.1</u>	<u>4.4</u>	<u>4.5</u>	
Excess Return (vs. Net)			0.9	0.6	4.6	4.6	4.7	4.2	



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	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Grosvenor OPCRD 2 HFOF (Net)	46,193,273	0.1	0.7	1.9	21.0	21.0	1.2	4.9	
Grosvenor OPCRD 2 HFOF (Gross)			0.7	1.9	21.0	21.0	1.2	4.9	
Grosvenor Custom Benchmark			<u>0.5</u>	<u>0.5</u>	<u>2.1</u>	<u>2.1</u>	<u>8.0</u>	<u>7.1</u>	
Excess Return (vs. Net)			0.2	1.4	18.9	18.9	-6.8	-2.2	
Beach Point - Fund II (Net)	16,144,535	0.0	1.6	3.1	7.3	7.3	8.2	7.6	
Beach Point - Fund II (Gross)			1.6	5.2	32.3	32.3	12.9	11.8	
Opportunistic Custom Index 1 Month Lag			<u>0.4</u>	<u>1.3</u>	<u>13.9</u>	<u>13.9</u>	<u>5.7</u>	<u>6.2</u>	
Excess Return (vs. Net)			1.2	1.8	-6.6	-6.6	2.5	1.4	
Real Assets and Inflation Hedges (Net) ¹	11,601,673,846	16.2	-0.2	4.4	15.2	15.2			
Real Assets and Inflation Hedges (Gross)			-0.2	4.5	15.5	15.5			
Real Assets & Inflation Hedges Custom BM			<u>0.4</u>	<u>4.9</u>	<u>15.6</u>	<u>15.6</u>			
Excess Return (vs. Net)			-0.6	-0.5	-0.4	-0.4			
Core and Value-Added Real Estate (Net)	4,392,072,805	6.1	-0.3	0.5	0.3	0.3	2.8	4.5	7.1
Core and Value-Added Real Estate (Gross)			-0.3	0.6	0.8	0.8	3.4	5.1	7.7
Core & Value-Added Real Estate Custom BM			<u>0.7</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>4.5</u>	<u>5.8</u>	<u>9.2</u>
Excess Return (vs. Net)			-1.0	-1.5	-1.7	-1.7	-1.7	-1.3	-2.1
Natural Resources and Commodities (Net)	2,998,169,826	4.2	-0.6	9.6	48.5	48.5	4.1	3.5	-3.4
Natural Resources and Commodities (Gross)			-0.5	9.7	48.9	48.9	4.4	3.9	-3.0
Natural Resources & Commodities Custom BM			<u>-0.4</u>	<u>9.4</u>	<u>46.8</u>	<u>46.8</u>	<u>5.1</u>	<u>3.1</u>	<u>-4.1</u>
Excess Return (vs. Net)			-0.2	0.2	1.7	1.7	-1.0	0.4	0.7

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)	1,443,419,765	2.0	-3.1	6.6	53.5	53.5			
DWS Natural Resources (Gross)			-3.1	6.6	53.8	53.8			
S&P Global Large/MidCap Commodities & Resources			<u>-2.7</u>	<u>5.5</u>	<u>47.0</u>	<u>47.0</u>			
Excess Return (vs. Net)			-0.4	1.1	6.5	6.5			
Credit Suisse Commodity (Net)	503,105,326	0.7	2.1	13.5	46.2	46.2	4.6	2.9	-3.9
Credit Suisse Commodity (Gross)			2.1	13.6	46.6	46.6	4.9	3.2	-3.7
Bloomberg Commodity Index TR USD			<u>1.9</u>	<u>13.3</u>	<u>45.6</u>	<u>45.6</u>	<u>3.9</u>	<u>2.4</u>	<u>-4.4</u>
Excess Return (vs. Net)			0.2	0.2	0.6	0.6	0.7	0.5	0.5
PIMCO Commodities (Net)	497,545,553	0.7	2.1	13.8	49.3	49.3	4.5	4.1	-3.0
PIMCO Commodities (Gross)			2.1	13.9	49.8	49.8	4.9	4.5	-2.6
Bloomberg Commodity Index TR USD			<u>1.9</u>	<u>13.3</u>	<u>45.6</u>	<u>45.6</u>	<u>3.9</u>	<u>2.4</u>	<u>-4.4</u>
Excess Return (vs. Net)			0.2	0.5	3.7	3.7	0.6	1.7	1.4
Neuberger Berman/ Gresham (Net)	484,412,979	0.7	2.2	13.2	47.2	47.2	3.3	3.6	-3.3
Neuberger Berman/ Gresham (Gross)			2.2	13.4	47.8	47.8	3.6	4.0	-2.9
Bloomberg Commodity Index TR USD			<u>1.9</u>	<u>13.3</u>	<u>45.6</u>	<u>45.6</u>	<u>3.9</u>	<u>2.4</u>	<u>-4.4</u>
Excess Return (vs. Net)			0.3	-0.1	1.6	1.6	-0.6	1.2	1.1
PE - Real Assets & Inflation Hedges (Net)	69,686,202	0.1	0.0	-1.6	-3.4	-3.4			
PE - Real Assets & Inflation Hedges (Gross)			0.0	-1.6	-3.4	-3.4			
PE - Real Assets Custom BM			<u>1.1</u>	<u>12.3</u>	<u>77.2</u>	<u>77.2</u>			
Excess Return (vs. Net)			-1.1	-13.9	-80.6	-80.6			



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Infrastructure (Net)	2,182,927,347	3.1	-0.1	7.0	22.3	22.3			
Infrastructure (Gross)			-0.1	7.0	22.5	22.5			
DJ Brookfield Global Infrastructure TR			<u>0.6</u>	<u>7.2</u>	<u>19.8</u>	<u>19.8</u>			
Excess Return (vs. Net)			-0.7	-0.2	2.5	2.5			
DWS Infrastructure (Net)	2,109,338,964	3.0	-0.1	7.2	23.2	23.2			
DWS Infrastructure (Gross)			-0.1	7.3	23.4	23.4			
DJ Brookfield Global Infrastructure TR			<u>0.6</u>	<u>7.2</u>	<u>19.8</u>	<u>19.8</u>			
Excess Return (vs. Net)			-0.7	0.0	3.4	3.4			
Grain Spectrum Holdings III (Net)	45,960,651	0.1	0.0	-0.2					
Grain Spectrum Holdings III (Gross)			0.0	-0.2					
Private Infrastructure Policy BM			<u>7.5</u>	<u>5.5</u>					
Excess Return (vs. Net)			-7.5	-5.7					
Pan European Infrastructure Fund III (Net)	13,839,868	0.0	-1.6	4.5					
Pan European Infrastructure Fund III (Gross)			-1.6	4.5					
Private Infrastructure Policy BM			<u>7.5</u>	<u>5.5</u>					
Excess Return (vs. Net)			-9.1	-1.0					
DIF Infrastructure VI (Net)	7,996,982	0.0	-2.7	6.3					
DIF Infrastructure VI (Gross)			-2.7	4.8					
Private Infrastructure Policy BM			<u>7.5</u>	<u>5.5</u>					
Excess Return (vs. Net)			-10.2	0.8					
Grain Communications Opportunity III (Net)	5,790,881	0.0							
Grain Communications Opportunity III (Gross)									



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	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
TIPS (Net)	2,028,503,868	2.8	0.7	3.5	6.4	6.4			
TIPS (Gross)			0.7	3.5	6.4	6.4			
BBgBarc US TIPS TR			<u>0.6</u>	<u>3.3</u>	<u>6.5</u>	<u>6.5</u>			
Excess Return (vs. Net)			0.1	0.2	-0.1	-0.1			
Blackrock TIPS (Net)	2,028,503,868	2.8	0.7	3.5	6.4	6.4			
Blackrock TIPS (Gross)			0.7	3.5	6.4	6.4			
BBgBarc US TIPS TR			<u>0.6</u>	<u>3.3</u>	<u>6.5</u>	<u>6.5</u>			
Excess Return (vs. Net)			0.1	0.2	-0.1	-0.1			
Risk Reduction and Mitigation (Net) ¹	14,743,022,703	20.6	0.6	1.6	2.5	2.5			
Risk Reduction and Mitigation (Gross)			0.6	1.6	2.5	2.5			
Risk Reduction and Mitigation Custom Blended Benchmark			<u>0.6</u>	<u>1.6</u>	<u>0.2</u>	<u>0.2</u>			
Excess Return (vs. Net)			0.0	0.0	2.3	2.3			
Investment Grade Bonds (Net)	11,301,064,982	15.8	0.7	1.9	0.5	0.5	5.7	3.8	4.0
Investment Grade Bonds (Gross)			0.7	1.9	0.6	0.6	5.7	3.8	4.1
BBgBarc US Aggregate TR			<u>0.7</u>	<u>1.8</u>	<u>-0.3</u>	<u>-0.3</u>	<u>5.3</u>	<u>3.0</u>	<u>3.4</u>
Excess Return (vs. Net)			0.0	0.1	0.8	0.8	0.4	0.8	0.6
BTC US Debt Index (Net)	7,790,457,248	10.9	0.7	1.8	-0.3	-0.3	5.4	3.1	3.5
BTC US Debt Index (Gross)			0.7	1.8	-0.3	-0.3	5.4	3.1	3.5
BBgBarc US Aggregate TR			<u>0.7</u>	<u>1.8</u>	<u>-0.3</u>	<u>-0.3</u>	<u>5.3</u>	<u>3.0</u>	<u>3.4</u>
Excess Return (vs. Net)			0.0	0.0	0.0	0.0	0.1	0.1	0.1

¹ Includes accounts that are lagged by 1-month.



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Wells Capital Management (Net)	2,301,974,434	3.2	0.8	2.0	0.8	0.8	6.0	3.6	4.1
Wells Capital Management (Gross)			0.8	2.0	0.8	0.8	6.1	3.7	4.2
BBgBarc US Aggregate TR			<u>0.7</u>	<u>1.8</u>	<u>-0.3</u>	<u>-0.3</u>	<u>5.3</u>	<u>3.0</u>	<u>3.4</u>
Excess Return (vs. Net)			0.1	0.2	1.1	1.1	0.7	0.6	0.7
Pugh Capital Management (Net)	1,182,598,485	1.7	0.8	2.1	0.1	0.1	5.7	3.2	3.6
Pugh Capital Management (Gross)			0.8	2.1	0.2	0.2	5.8	3.4	3.8
BBgBarc US Aggregate TR			<u>0.7</u>	<u>1.8</u>	<u>-0.3</u>	<u>-0.3</u>	<u>5.3</u>	<u>3.0</u>	<u>3.4</u>
Excess Return (vs. Net)			0.1	0.3	0.4	0.4	0.4	0.2	0.2
Member Home Loan Program (MHLP) (Net)	15,720,590	0.0	0.4	1.3	5.2	5.2	5.2	6.9	5.3
Member Home Loan Program (MHLP) (Gross)			0.5	1.3	5.4	5.4	5.5	7.2	5.6
PIMCO (Net)	6,174,428	0.0							
PIMCO (Gross)									
Western Asset Management (Net)	3,882,109	0.0							
Western Asset Management (Gross)									
Dodge & Cox (Net) Dodge & Cox (Gross)	257,688	0.0							



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Diversified Hedge Fund Portfolio (Net)	2,526,386,898	3.5	0.3	0.8	16.6	16.6			
Diversified Hedge Fund Portfolio (Gross)			0.3	0.8	16.6	16.6			
Diversified Hedge Funds Custom BM			<u>0.2</u>	<u>0.6</u>	<u>2.6</u>	<u>2.6</u>			
Excess Return (vs. Net)			0.1	0.2	14.0	14.0			
Grosvenor OPCRD HFOF Mirror Account (Net)	85,769,715	0.1	0.4	2.5	33.1	33.1	7.8	7.1	
Grosvenor OPCRD HFOF Mirror Account (Gross)			0.4	2.5	33.1	33.1	7.8	7.1	
Hedge Fund Custom BM			<u>0.2</u>	<u>0.6</u>	<u>2.6</u>	<u>2.6</u>	<u>4.5</u>	<u>5.1</u>	
Excess Return (vs. Net)			0.2	1.9	30.5	30.5	3.3	2.0	
GSAM HFOF (Net)	854,140	0.0	0.5	50.4	83.3	83.3	24.1	15.7	
GSAM HFOF (Gross)			0.5	50.4	83.3	83.3	24.3	16.0	
Hedge Fund Custom BM			<u>0.2</u>	<u>0.6</u>	<u>2.6</u>	<u>2.6</u>	<u>4.5</u>	<u>5.1</u>	
Excess Return (vs. Net)			0.3	49.8	80.7	80.7	19.6	10.6	
Capula GRV (Net)	376,000,578	0.5	0.3	0.8	3.3	3.3			
Capula GRV (Gross)			0.3	0.8	3.3	3.3			
Hedge Fund Custom BM			<u>0.2</u>	<u>0.6</u>	<u>2.6</u>	<u>2.6</u>			
Excess Return (vs. Net)			0.1	0.2	0.7	0.7			
DK Institutional Partners (Net)	242,080,533	0.3	1.0	3.4	20.3	20.3	7.8		
DK Institutional Partners (Gross)			1.0	3.4	20.3	20.3	7.8		
Hedge Fund Custom BM			<u>0.2</u>	<u>0.6</u>	<u>2.6</u>	<u>2.6</u>	<u>4.5</u>		
Excess Return (vs. Net)			0.8	2.8	17.7	17.7	3.3		



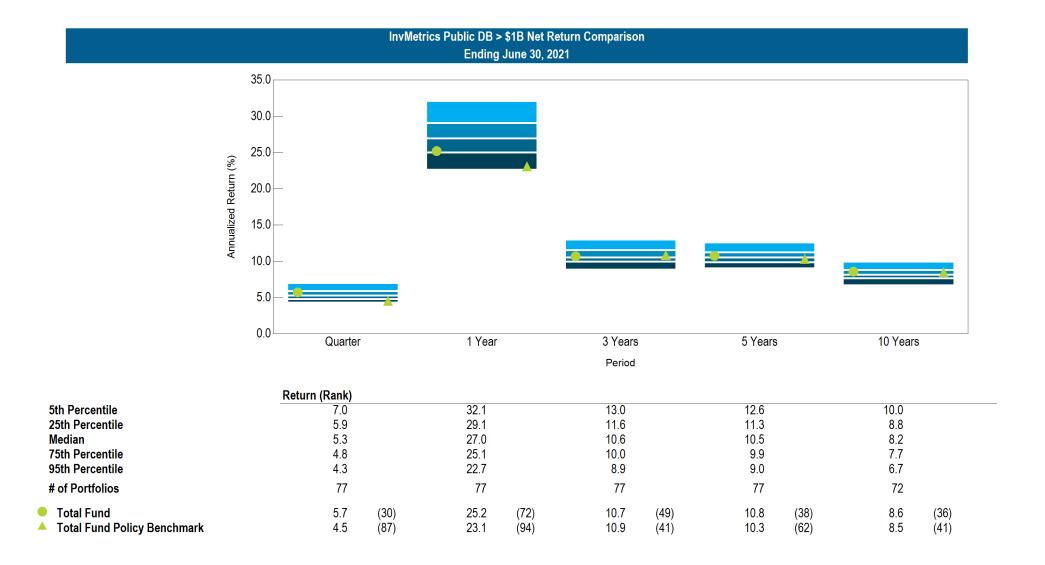
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
HBK Multistrategy (Net)	340,171,623	0.5	0.2	0.4	13.9	13.9	5.7		
HBK Multistrategy (Gross)			0.2	0.4	13.9	13.9	5.7		
Hedge Fund Custom BM			<u>0.2</u>	<u>0.6</u>	<u>2.6</u>	<u>2.6</u>	<u>4.5</u>		
Excess Return (vs. Net)			0.0	-0.2	11.3	11.3	1.2		
Hudson Bay Fund (Net)	463,779,224	0.6	0.6	1.4	20.8	20.8			
Hudson Bay Fund (Gross)			0.6	1.4	20.8	20.8			
Hedge Fund Custom BM			<u>0.2</u>	<u>0.6</u>	<u>2.6</u>	<u>2.6</u>			
Excess Return (vs. Net)			0.4	0.8	18.2	18.2			
Polar (Net)	460,662,473	0.6	-0.3	-1.8	26.3	26.3			
Polar (Gross)			-0.3	-1.8	26.3	26.3			
Hedge Fund Custom BM			<u>0.2</u>	<u>0.6</u>	<u>2.6</u>	<u>2.6</u>			
Excess Return (vs. Net)			-0.5	-2.4	23.7	23.7			
Caxton Global Investments (Net)	206,335,347	0.3	0.3	3.2					
Caxton Global Investments (Gross)			0.3	3.2					
Hedge Fund Custom BM			<u>0.2</u>	<u>0.6</u>					
Excess Return (vs. Net)			0.1	2.6					
Brevan Howard Master Fund (Net)	250,733,262	0.4	0.2	0.3					
Brevan Howard Master Fund (Gross)			0.2	0.3					
Hedge Fund Custom BM			<u>0.2</u>	<u>0.6</u>					
Excess Return (vs. Net)			0.0	-0.3					



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
AM Asia Strategies Fund (Net)	100,000,000	0.1							
AM Asia Strategies Fund (Gross)									
Cash (Net)	915,570,823	1.3	0.1	0.1	0.7	0.7	1.7	1.5	1.0
Cash (Gross)			0.1	0.2	0.7	0.7	1.8	1.6	1.0
Cash Custom BM			<u>0.0</u>	<u>0.0</u>	<u>0.1</u>	<u>0.1</u>	<u>1.3</u>	<u>1.2</u>	<u>0.7</u>
Excess Return (vs. Net)			0.1	0.1	0.6	0.6	0.4	0.3	0.3
SSGA Cash (Net)			0.0	0.0					
SSGA Cash (Gross)			0.0	0.1					
Cash Custom BM			<u>0.0</u>	<u>0.0</u>					
Excess Return (vs. Net)			0.0	0.0					
Overlay (Net)	515,586,052	0.7							
Overlay (Gross)									
Parametric Overlay (Net)	515,586,052	0.7							
Parametric Overlay (Gross)									_



Total Fund | June 30, 2021





		Benchmark History As of June 30, 2021
Total Fund		
10/1/2019	Present	35% Global Equity Custom BM / 10% PE-Credit Custom Benchmark / 2% Opportunistic Real Estate Custom BM / 3% Bloomberg Barclays U.S. High Yield / 4% Credit Suisse Leveraged Loans / 2% EMD Custom / 3% Illiquid Credit Custom BM / 7% Core & Value-Added Real Estate Custom BM / 4% Natural Resources & Commodities Custom BM / 3% DJ Brookfield Global Infrastructure TR / 3% Bloomberg Barclays 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% Opportunistic Real Estate Custom BM / 4% Bloomberg Barclays U.S. High Yield / 3% Credit Suisse Leveraged Loans / 1% EMD Custom / 2% Illiquid Credit Custom BM / 8% Core & Value-Added Real Estate Custom BM / 3% Natural Resources & Commodities Custom BM / 2% DJ Brookfield Global Infrastructure TR / 2% Bloomberg Barclays 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



Custom Benchmarks Glossary

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.



Los Angeles County Employees Retirement Association | June 30, 2021

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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

August 30, 2021

TO: Trustees - Board of Investments

FROM: Jude Pérez W Principal Investment Officer

Esmeralda del Bosque

FOR: September 8, 2021 Board of Investments Meeting

SUBJECT: OPEB QUARTERLY PERFORMANCE BOOK

Attached is the newly revised OPEB Master Trust quarterly performance book as of June 30, 2021. The report is generated using data from our new investment performance provider, Solovis. The book introduces a quarterly snapshot that provides key quarterly performance measures at a glance, as well as attribution and contribution to return analysis. It also includes a refreshed set of risk reports from the MSCI BarraOne risk platform. LACERA will utilize its new performance and risk tools to continue to enhance investment performance, analytics, and risk measurement reporting.

Noted and Reviewed

Yonathan Grabel Chief Investment Officer

Attachments EdB:JP



Investments Division

OPEB MASTER TRUST

PERFORMANCE REPORT

For the quarter ended June 30, 2021





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- 01 OPEB TRUST
- **02** RISK REPORTS
- **03** APPENDIX

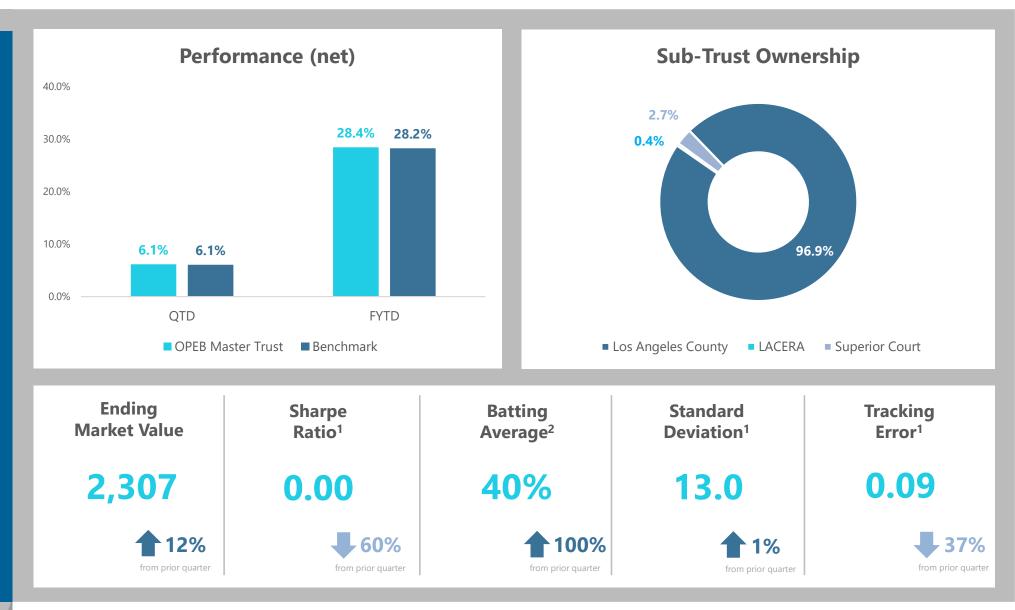


opeb trust

Quarterly Snapshot

for the quarter ended June 30, 2021





1. 3 Year Annualized.

2. Percentage of managers that outperformed the benchmark for the quarter.

Summary

Performance (net)

QTD

OPEB Master Trust

Los Angeles County

Superior Court

Benchmark

Excess

Sub-Trusts

LACERA

30.0%

20.0%

10.0%

0.0%

for the quarter ended June 30, 2021

YTD

QTD

6.1%

6.1%

0.1%

6.1%

6.1%

6.1%

1 Year

OPEB Master Trust

YTD

9.8%

9.7%

0.1%

9.8%

9.8%

9.7%

3 Year

1 Year

28.4%

28.2%

0.2%

28.4%

28.4%

28.1%

LI//CERA Los Angeles County Employees Retirement Association

Functional Category

	QTD	FYTD	1 Year	3 Year	5 Year
OPEB Growth	7.2%	41.2%	41.2%	14.5%	14.9%
OPEB MT Growth Policy BM	7.2%	40.9%	40.9%	14.2%	14.5%
Excess	0.0%	0.3%	0.3%	0.3%	0.3%
OPEB Credit	2.2%	10.7%	10.7%	4.8%	
OPEB MT Credit Policy BM	2.3%	11.8%	11.8%	5.3%	
Excess	-0.1%	-1.1%	-1.1%	-0.5%	
OPEB Real Assets & Inflation Hedges	9.5%	30.4%	30.4%	7.4%	
OPEB MT RA & IH Policy BM	9.5%	30.4%	30.4%	7.3%	
Excess	0.0%	0.0%	0.0%	0.1%	
OPEB Risk Reduction & Mitigation	1.5%	-0.2%	-0.2%	4.7%	3.3%
OPEB MT RR & M Policy BM	1.5%	-0.2%	-0.2%	4.6%	3.1%
Excess	0.0%	0.0%	0.0%	0.1%	0.2%

Cumulative Return



5 Year

Benchmark

3 Year

10.6%

10.3%

0.3%

10.6%

10.6%

10.4%

10 Year

5 Year

12.6%

11.0%

1.6%

11.6%

11.6%

10.5%

ITD

ITD

8.1%

7.1%

1.1%

7.5%

7.5%

10.5%

10 Year

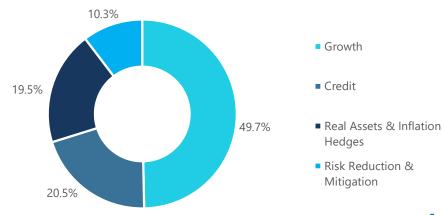
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Exposure

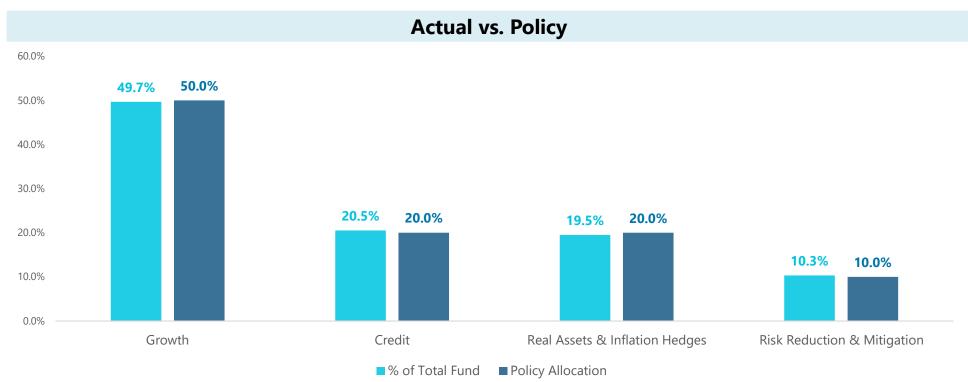


I. 5

Asset Allocation

for the quarter ended June 30, 2021





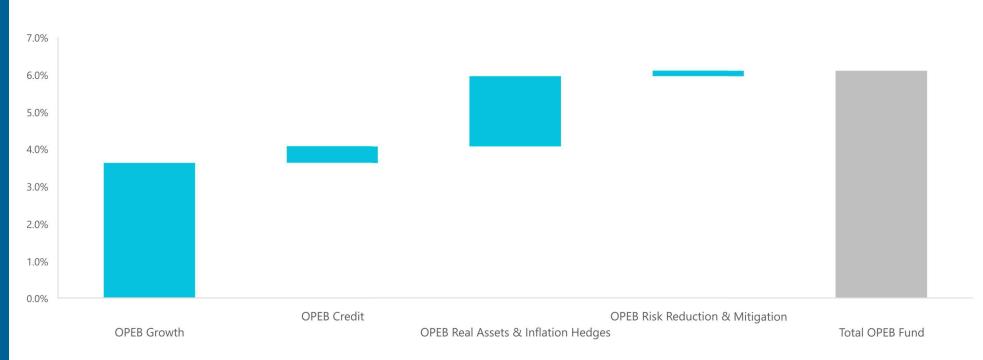
	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Over / Under (%)	Over / Under (mm)
Total OPEB Fund	2,306	100.0%	100.0%		
Growth	1,145	49.7%	50.0%	-0.3%	-7.8
Credit	473	20.5%	20.0%	0.5%	11.7
Real Assets & Inflation Hedges	449	19.5%	20.0%	-0.5%	-11.8
Risk Reduction & Mitigation	238	10.3%	10.0%	0.3%	7.5
Operational Cash	0	0.0%			

Contribution to Return

for the quarter ended June 30, 2021





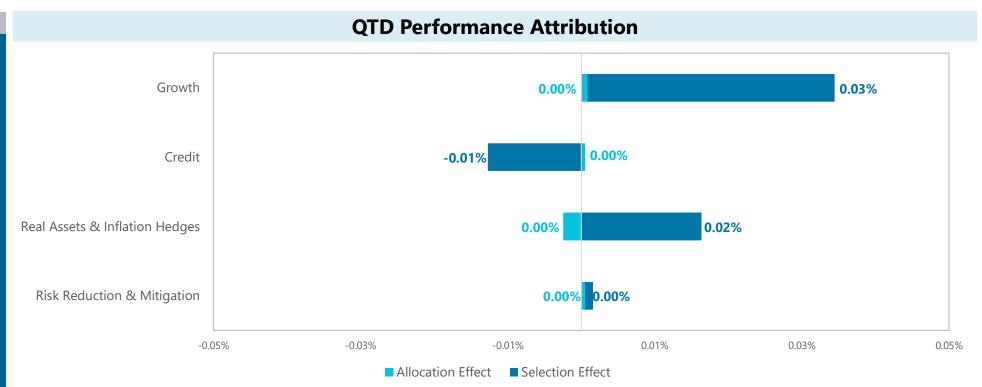


Functional Category		Contributors		Detractors	
OPEB Growth	3.6%	OPEB GLOBAL EQUITIES	3.6%	OPEB BTC High Yield Bonds	0.2%
OPEB Credit	0.4%	OPEB BTC REITS	1.2%	OPEB BTC Inv. Grade Bonds	0.1%
OPEB Real Assets & Inflation Hedges	1.9%	OPEB BTC Commodities	0.5%	OPEB BlackRock Bank Loans	0.1%
OPEB Risk Reduction & Mitigation	0.1%	OPEB BTC TIPS	0.2%	OPEB BTC EM Debt LC	0.1%
Total OPEB Fund	6.1%				

Return Attribution

for the quarter ended June 30, 2021

L//.CERA Los Angeles County Employees Retirement Association



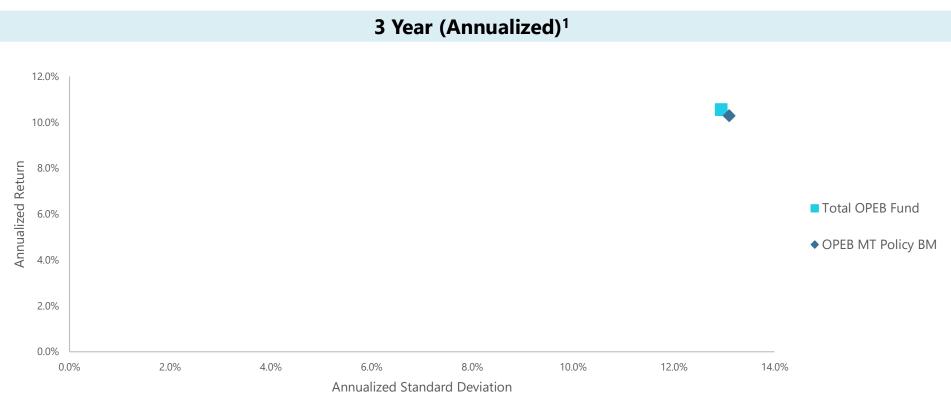
	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add ¹
Total OPEB Fund	2,306	100.0%	100.0%	6.1%	6.1%	0.00%	0.04%	0.03%
Growth	1,145	49.7%	50.0%	7.2%	7.2%	0.00%	0.03%	0.03%
Credit	473	20.5%	20.0%	2.2%	2.3%	0.00%	-0.01%	-0.01%
Real Assets & Inflation Hedges	449	19.5%	20.0%	9.5%	9.5%	0.00%	0.02%	0.01%
Risk Reduction & Mitigation	238	10.3%	10.0%	1.5%	1.5%	0.00%	0.00%	0.00%
Operational Cash	0	0.0%						

I. 8

Risk vs. Return

for the quarter ended June 30, 2021

L//.CERA Los Angeles County Employees Retirement Association



	Annualized	Standard	Sharpe	Information		Tracking
	Return	Deviation	Ratio	Ratio	Beta	Error
Total OPEB Fund	10.6%	12.9%				
OPEB MT Policy BM	10.3%	13.1%	0.01	0.24	0.99	0.09

Performance Detail

for the guarter ended June 30, 2021



Ending Prior Quarter % of Market Value Ending MV Total Fund (mm) QTD YTD 1 Year 3 Year 5 Year ITD (mm) 10 Year **OPEB Master Trust** 100.0% 2,307 6.1% 9.8% 28.4% 10.6% 12.6% 8.1% 2,052 --**OPEB MT Policy BM** 6.1% 9.7% 28.2% 10.3% 11.0% 7.1% ---Sub-Trusts Los Angeles County 96.9% 2,236 1,989 6.1% 9.8% 28.4% 10.6% 11.6% --7.5% LACERA 0.4% 9 8 6.1% 9.8% 28.4% 10.6% 11.6% 7.5% --62 2.7% 55 6.1% 9.7% 28.1% 10.4% 10.5% 10.5% Superior Court --**OPEB GROWTH** 49.7% 1,145 1,025 7.2% 12.8% 41.2% 14.5% 14.9% 14.9% --7.2% 40.9% **OPEB MT Growth Policy BM** 12.7% 14.2% 14.5% 14.5% --**OPEB GLOBAL EQUITIES** 49.7% 1,145 1,025 7.2% 12.8% 41.2% 14.5% 14.9% 10.3% --7.2% 12.7% 40.9% 14.2% 10.0% MSCI ACWI IMI Net 14.5% --**OPEB CREDIT** 20.5% 473 412 2.2% 1.7% 10.7% 4.8% 4.8% -----OPEB MT Credit Policy BM 2.3% 2.0% 11.8% 5.3% 5.3% **OPEB BTC High Yield Bonds** 6.2% 142 124 2.8% 3.5% 15.2% 6.9% 6.9% -----BBG BARC US Corp HY 2.7% 3.6% 15.4% 7.4% 7.4% ------1.4% 2.7% 10.0% 4.0% **OPEB BlackRock Bank Loans** 10.3% 238 207 4.0% -----S&P/LSTA Leverage Loan 15% 3.3% 11.7% 44% 4.4% -----OPEB BTC EM Debt LC 4.0% 93 81 3.4% -3.6% 6.0% 3.5% 3.5% ----JPM GBI-EM Global Diversified 3.5% -3.4% 6.6% 4.1% 4.1% ----**OPEB Real Assets & Inflation Hedges** 19.5% 449 408 9.5% 16.0% 30.4% 7.4% 7.4% ----OPEB MT RA & IH Policy BM 9.5% 16.0% 30.4% 7.3% --7.3% --OPEB BTC REITS 9.5% 219 204 11.8% 22.9% 39.9% 8.0% 8.0% ----DJ US SELECT REAL ESTATE SECURITIES 11.8% 22.9% 40.0% 8.1% 8.1% ----**OPEB BTC Commodities** 3.9% 90 81 13.3% 21.1% 45.5% 3.9% 3.9% ----Bloomberg Commodity Index Total Return 13.3% 21.1% 45.6% 3.9% 3.9% -----OPEB BTC TIPS 140 3 3% 1.7% 6.6% 66% 61% 124 6.6% ----3.2% 1.7% 6.5% 6.5% 6.5% **BBG BARC US Tsy TIPS** ----**OPEB Risk Reduction & Mitigation** 10.3% 238 206 1.5% -1.3% -0.2% 4.7% 3.3% --3.3% OPEB MT RR & M Policy BM 1.5% -0.2% -1.3% 4.6% 3.1% --3.1% **OPEB BTC Inv. Grade Bonds** 8.3% 191 164 1.8% -1.6% -0.3% 5.4% 5.4% ----BBG BARC Agg 1.8% -1.6% -0.3% 5.3% 5.3% ----**OPEB SSGA Cash** 2.0% 47 42 0.0% 0.0% 0.0% 1.9% 1.1% 1.6% --FTSE 6 M Treasury Bill Index 0.0% 0.0% 0.1% 1.4% 1.2% 0.8% ---

Annualized Net Returns



nsk reports

Summary

for the quarter ended June 30, 2021

Risk Summary

	Value
Total Risk	13.53
Benchmark Risk	13.70
Active Risk	0.73
Portfolio Beta	0.99
Effectie Duration	1.68

LJ/ACERA Los Angeles County Employees Retirement Association

Contribution to Risk 80 50% 60 30% 40 20 10% 0 -20 -10% Real Assets & Inflation Risk Reduction & Growth Credit Hedges Mitigation

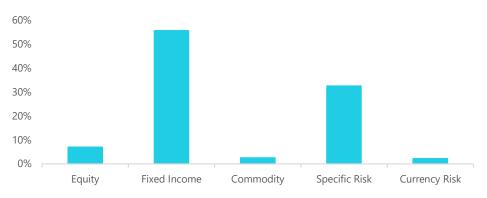
■ % CR to TR ●Weight %

	Market Value (mm)	Weight %	Total Risk	Risk Contribution	% CR to TR
Total Fund	2,305.4	100.0%	13.53	13.53	100.00
Growth	1,145.3	49.7%	19.68	9.67	71.49
Credit	472.3	20.5%	5.03	0.84	6.24
Real Assets & Inflation Hedges	449.5	19.5%	16.56	3.01	22.21
Risk Reduction & Mitigation	238.1	10.3%	2.87	0.01	0.06

Risk Decomposition

		Portfolio			Active			
	Risk			Risk				
Risk Source	Contribution	% Risk	Correlation	Contribution	% Risk	Correlation		
Total Risk	13.53	100.00%	1.00	0.73	100.00%	1.00		
Local Market Risk	12.86	95.04%	1.00	0.71	97.83%	0.92		
Common Factor Risk	12.81	94.70%	1.00	0.48	65.26%	0.73		
Equity	11.63	85.96%	0.99	0.05	7.01%	0.27		
Fixed Income	0.74	5.49%	0.66	0.41	55.71%	0.65		
Commodity	0.44	3.24%	0.61	0.02	2.54%	0.18		
Specific Risk	0.05	0.34%	0.06	0.24	32.57%	0.57		
Currency Risk	0.67	4.96%	0.56	0.02	2.17%	0.05		

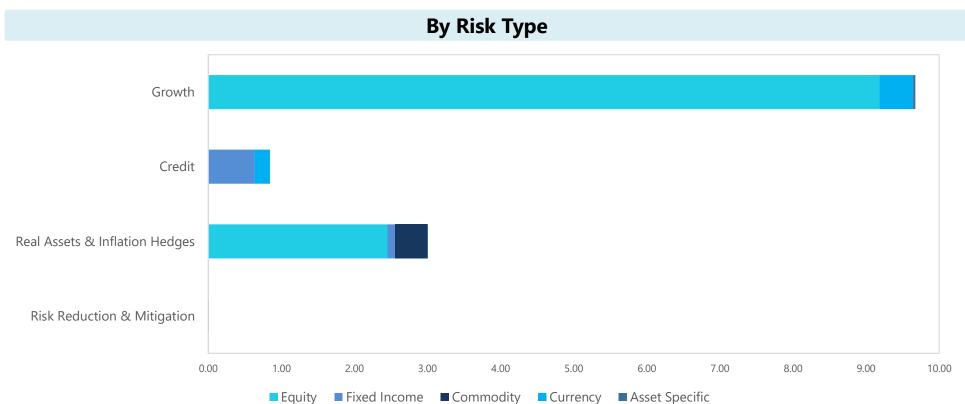
Active Risk from Risk Factors



Risk Contribution Breakdown





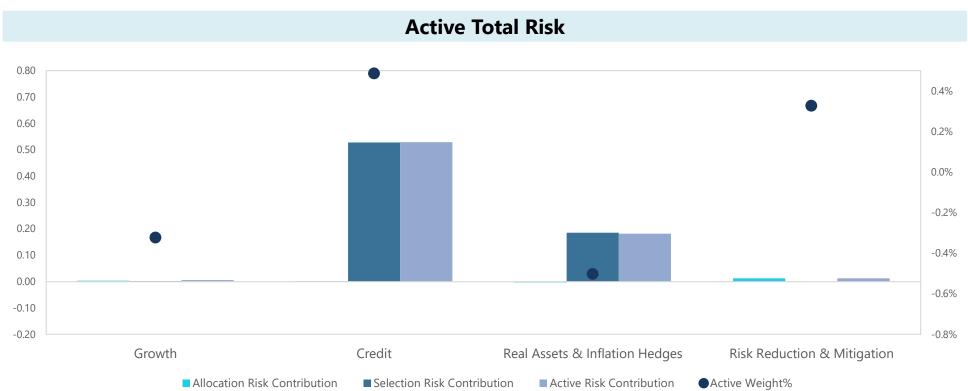


	Market Value (mm)	Weight %	Total Risk	% CR to Total Risk	Port Risk Contribution	Equity	Fixed Income	Commodity	Currency	Asset Specific
Total Fund	2,305	100.0%	13.53	100.00	13.53	11.63	0.74	0.44	0.67	0.05
Growth	1,145	49.7%	19.68	71.49	9.67	9.18	0.00	0.00	0.46	0.03
Credit	472	20.5%	5.03	6.24	0.84	0.00	0.63	0.00	0.21	0.00
Real Assets & Inflation Hedges	450	19.5%	16.56	22.21	3.01	2.45	0.11	0.44	0.00	0.01
Risk Reduction & Mitigation	238	10.3%	2.87	0.06	0.01	0.00	0.01	0.00	0.00	0.00

Allocation Selection

for the quarter ended June 30, 2021



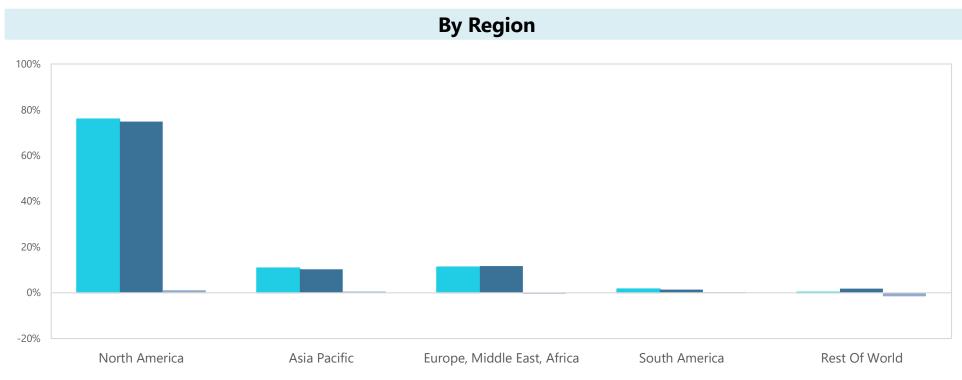


		Allocation			Selection			Active
	Active	Volatility				Completion	Risk	Risk
	Weight %	Volatility	Correlation	Contribution	Volatility	Correlation	Contribution	Contribution
Active Total Risk				0.01			0.71	0.73
Growth	-0.32%	6.44	-0.18	0.00	0.04	0.11	0.00	0.01
Credit	0.49%	9.33	0.03	0.00	3.06	0.84	0.53	0.53
Real Assets & Inflation Hedges	-0.50%	5.62	0.12	0.00	2.18	0.44	0.19	0.18
Risk Reduction & Mitigation	0.33%	13.93	0.28	0.01	0.05	0.03	0.00	0.01

Portfolio Allocation

for the quarter ended June 30, 2021





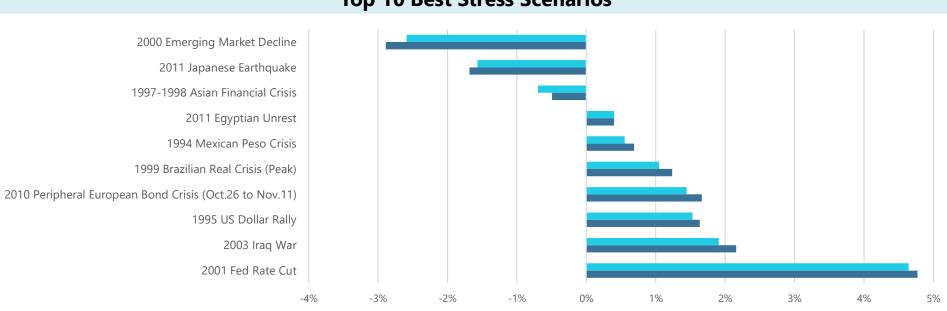
■ Portfolio Weight ■ Benchmark Weight ■ Active Weight

		Weight %					
	Portfolio	Benchmark	Active	Total Risk	Active Risk CR	% of Active TR	MC to Total Tracking Error
Total Fund	100.00%	100.00%	0.00%	13.53	0.73	100.00%	0.01
North America	75.97%	74.83%	1.15%	12.71	0.59	80.82%	0.01
Asia Pacific	10.81%	10.27%	0.54%	15.49	0.04	5.27%	0.03
Europe, Middle East, Africa	11.26%	11.69%	-0.43%	20.45	0.05	7.15%	0.01
South America	1.67%	1.41%	0.26%	20.34	0.04	5.94%	0.02
Rest Of World	0.29%	1.80%	-1.51%	7.48	0.01	0.83%	0.00

Stress Tests

for the quarter ended June 30, 2021





Portfolio P&L Benchmark P&L

Scenario	Portfolio P&L	Benchmark P&L	Market Change (\$)
2001 Fed Rate Cut	4.64%	4.77%	106,999,488
2003 Iraq War	1.91%	2.16%	43,948,015
1995 US Dollar Rally	1.53%	1.63%	35,296,574
2010 Peripheral European Bond Crisis (Oct.26 to Nov.11)	1.44%	1.66%	33,299,261
1999 Brazilian Real Crisis (Peak)	1.05%	1.24%	24,167,417
1994 Mexican Peso Crisis	0.55%	0.69%	12,727,842
2011 Egyptian Unrest	0.40%	0.40%	9,223,852
1997-1998 Asian Financial Crisis	-0.70%	-0.49%	(16,079,268)
2011 Japanese Earthquake	-1.57%	-1.68%	(36, 159, 109)
2000 Emerging Market Decline	-2.59%	-2.89%	(59,663,643)

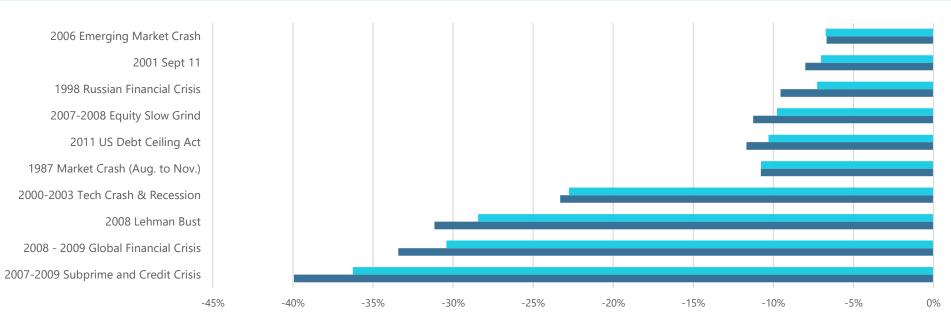
Top 10 Best Stress Scenarios

Stress Tests

for the quarter ended June 30, 2021



Top 10 Worst Stress Scenarios



■ Portfolio P&L ■ Benchmark P&L

Scenario	Portfolio P&L	Benchmark P&L	Market Change (\$)
2007-2009 Subprime and Credit Crisis	-36.27%	-39.94%	(836,093,505)
2008 - 2009 Global Financial Crisis	-30.42%	-33.43%	(701,222,227)
2008 Lehman Bust	-28.44%	-31.17%	(655,680,756)
2000-2003 Tech Crash & Recession	-22.76%	-23.31%	(524,649,032)
1987 Market Crash (Aug. to Nov.)	-10.77%	-10.79%	(248,250,338)
2011 US Debt Ceiling Act	-10.30%	-11.68%	(237,566,048)
2007-2008 Equity Slow Grind	-9.77%	-11.26%	(225,348,573)
1998 Russian Financial Crisis	-7.26%	-9.55%	(167,400,182)
2001 Sept 11	-7.03%	-8.00%	(161,957,836)
2006 Emerging Market Crash	-6.73%	-6.68%	(155,257,572)



appendix

Glossary

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.

Βετα

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.

Glossary

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.

Н

HIGH YIELD BOND

A bond with a low investment quality and credit worthiness, usually with a rating of BB or less.

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.

Glossary

Μ

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.

0

OPEB MT CREDIT POLICY BM

50% S&P/LSTA Leverage Loan Index / 30% BBG BARC US Corp HY Index / 20% JPM GBI-EM Global 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 – Present 80% BBG BARC Agg / 20% FTSE 6 M Treasury Bill Index

Glossary

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. Г

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.



LACERA: OPEB Master Trust

June 30, 2021

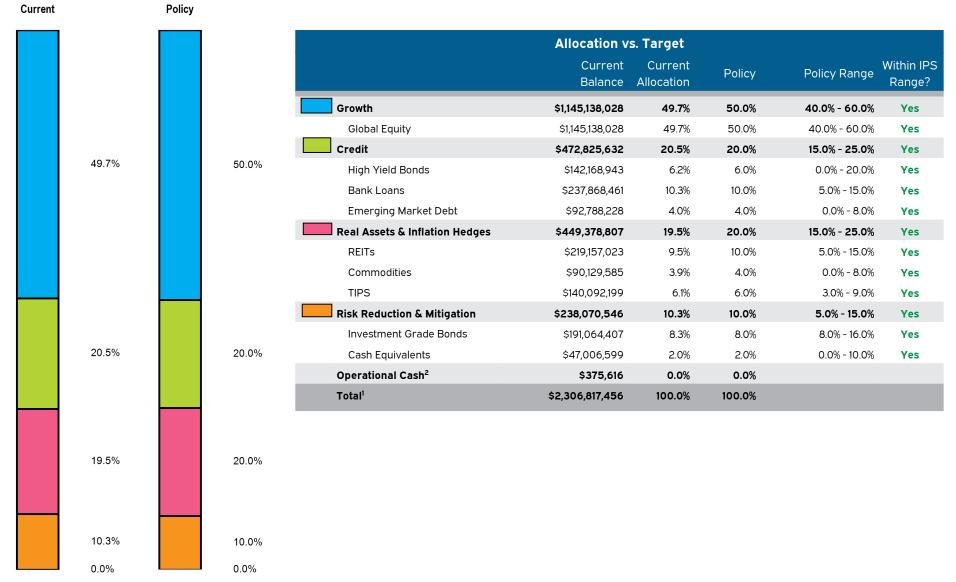
Fund Evaluation Report

MEKETA.COM

MEKETA

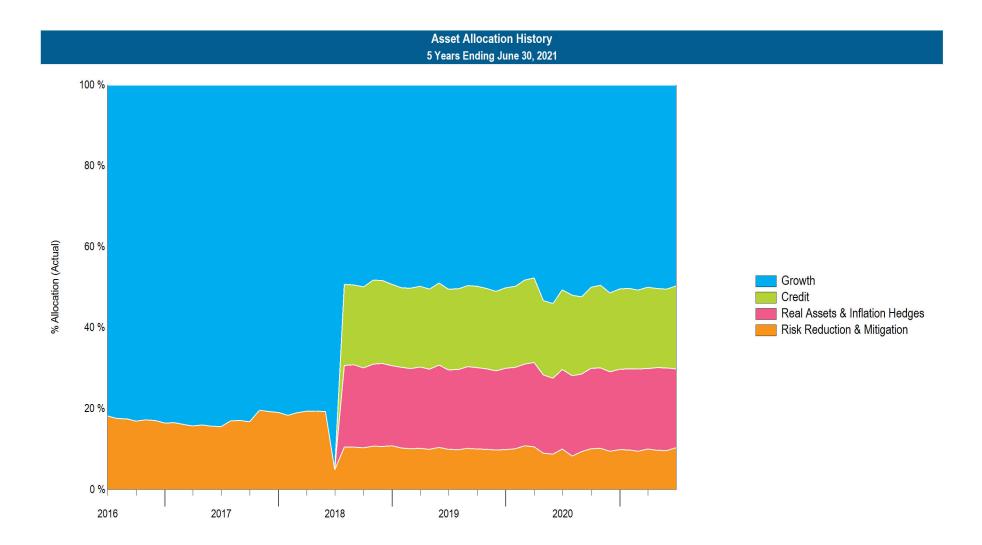
Los Angeles County OPEB Master Trust

Total Fund | As of June 30, 2021



¹Total market value includes cash held at the participant level. ² includes unsettled trade activity.











Total Fund | As of June 30, 2021

Trailing Net Performance							
	Market Value¹ (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Total Fund (Net)	2,306,817,456	100.0	6.2	28.4	28.4	10.6	12.7
Total Fund (Gross)			6.2	28.4	28.4	10.6	12.7
Custom OPEB Master Trust BM			<u>6.1</u>	<u>28.2</u>	<u>28.2</u>	<u>10.3</u>	<u>11.0</u>
Excess Return (vs. Net)			0.1	0.2	0.2	0.3	1.7
Growth (Net)	1,145,138,028	49.6	7.2	41.2	41.2	14.5	14.9
Growth (Gross)			7.2	41.2	41.2	14.6	14.9
OPEB Global Equity (Net)	1,145,138,028	49.6	7.2	41.2	41.2	14.5	14.9
OPEB Global Equity (Gross)			7.2	41.2	41.2	14.6	14.9
MSCI ACWI IMI Net (DAILY)			<u>7.2</u>	<u>40.9</u>	<u>40.9</u>	<u>14.2</u>	<u>14.6</u>
Excess Return (vs. Net)			0.0	0.3	0.3	0.3	0.3
Credit (Net)	472,825,632	20.5	2.2	10.7	10.7	4.8	
Credit (Gross)			2.2	10.8	10.8	4.8	
OPEB BTC High Yield Bonds (Net)	142,168,943	6.2	2.8	15.2	15.2	6.9	
OPEB BTC High Yield Bonds (Gross)			2.8	15.3	15.3	7.1	
BBgBarc US High Yield TR			<u>2.7</u>	<u>15.4</u>	<u>15.4</u>	<u>7.4</u>	
Excess Return (vs. Net)			0.1	-0.2	-0.2	-0.5	
OPEB BTC Bank Loans (Net)	237,868,461	10.3	1.4	10.0	10.0	4.0	
OPEB BTC Bank Loans (Gross)			1.4	10.0	10.0	4.0	
S&P/LSTA Leveraged Loan TR			<u>1.5</u>	<u>11.7</u>	<u>11.7</u>	<u>4.4</u>	
Excess Return (vs. Net)			-0.1	-1.7	-1.7	-0.4	

Fiscal Year begins July 1.

¹Total market value includes cash held at the participant level.

The OPEB Master Trust started in February 2013

MEKETA INVESTMENT GROUP

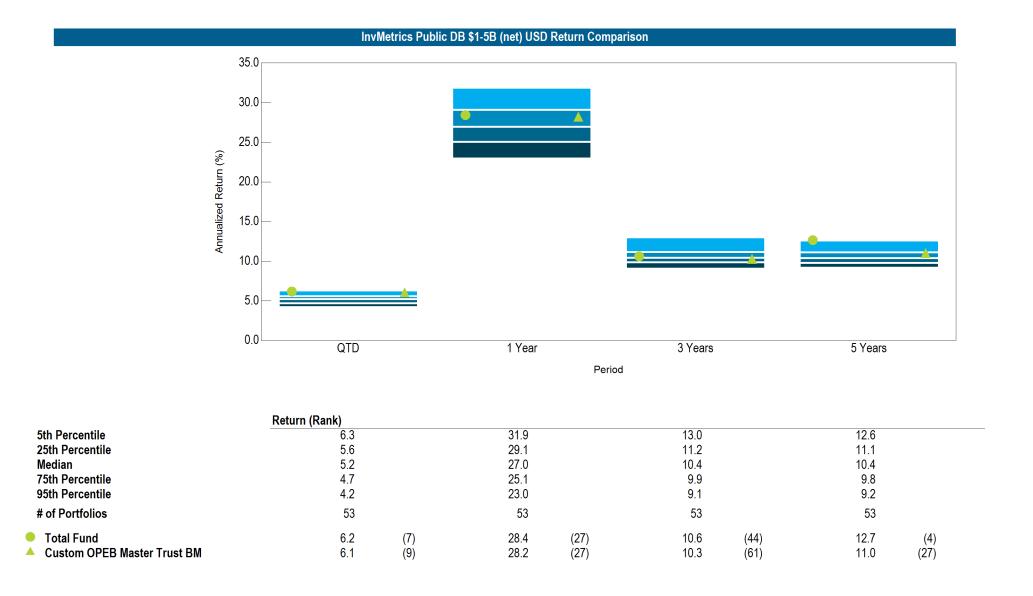
MEKETA

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
OPEB BTC EM Debt LC (Net)	92,788,228	4.0	3.4	6.0	6.0	3.5	
OPEB BTC EM Debt LC (Gross)			3.4	6.1	6.1	3.6	
JPM GBI-EM Global Diversified Index			<u>3.5</u>	<u>6.6</u>	<u>6.6</u>	<u>4.1</u>	
Excess Return (vs. Net)			-0.1	-0.6	-0.6	-0.6	
Real Assets & Inflation Hedges (Net)	449,378,807	19.5	9.5	30.4	30.4	7.4	
Real Assets & Inflation Hedges (Gross)			9.5	30.5	30.5	7.5	
OPEB BTC REITs (Net)	219,157,023	9.5	11.8	39.9	39.9	8.0	
OPEB BTC REITS (Gross)			11.8	40.0	40.0	8.2	
DJ US Select REIT TR USD			<u>11.8</u>	<u>40.0</u>	<u>40.0</u>	<u>8.1</u>	
Excess Return (vs. Net)			0.0	-0.1	-0.1	-0.1	
OPEB BTC Commodities (Net)	90,129,585	3.9	13.3	45.5	45.5	3.9	
OPEB BTC Commodities (Gross)			13.3	45.7	45.7	4.0	
Bloomberg Commodity Index TR USD			<u>13.3</u>	<u>45.6</u>	<u>45.6</u>	<u>3.9</u>	
Excess Return (vs. Net)			0.0	-0.1	-0.1	0.0	
OPEB BTC TIPS (Net)	140,092,199	6.1	3.3	6.6	6.6	6.6	
OPEB BTC TIPS (Gross)			3.3	6.6	6.6	6.7	
BBgBarc US TIPS TR			<u>3.3</u>	<u>6.5</u>	<u>6.5</u>	<u>6.5</u>	
Excess Return (vs. Net)			0.0	0.1	0.1	0.1	
Risk Reduction & Mitigation (Net)	238,070,546	10.3	1.5	-0.2	-0.2	4.7	3.3
Risk Reduction & Mitigation (Gross)			1.5	-0.2	-0.2	4.7	3.4
OPEB BTC Investment Grade Bonds (Net)	191,064,407	8.3	1.8	-0.3	-0.3	5.4	
OPEB BTC Investment Grade Bonds (Gross)			1.8	-0.3	-0.3	5.4	
BBgBarc US Aggregate TR			<u>1.8</u>	<u>-0.3</u>	<u>-0.3</u>	<u>5.3</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 (%)
OPEB Cash (Net)	47,006,599	2.0	0.0	0.0	0.0	1.9	1.6
OPEB Cash (Gross)			0.0	0.1	0.1	1.9	1.7
FTSE 6 Month T-Bill			<u>0.0</u>	<u>0.2</u>	<u>0.2</u>	<u>1.4</u>	<u>1.2</u>
Excess Return (vs. Net)			0.0	-0.2	-0.2	0.5	0.4
Operational Cash (Net)	375,616	0.0					
Operational Cash (Gross)							







Total Fund | As of June 30, 2021

		Benchmark History				
	As of June 30, 2021					
Total Fund						
2/28/2013	Present	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% MSCI ACWI IMI Net/ 6% BBgBarc High Yield/ 10% S&P/ LSTA Leveraged Loan/ 4% JPM GBI-Em/ 2% FTSE6-Month Treasury Bill/8% BBgBarc US Agg/ 6% BBgBarc US Tsy TIPS/ 10% DJ US Select Real Estate/ 4% Bloomberg Commodity Total Return



Total Fund | As of June 30, 2021

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

August 30, 2021

TO:	Trustees – Board of Investments
FROM:	James Rice Principal Investment Officer
	Vache Mahseredjian
FOR:	September 8, 2021 Board of Investments Meeting

SUBJECT: ALBOURNE CONSULTANT SELF-ASSESSMENT

LACERA's Consultants are asked to provide a self-assessment annually describing their work done with LACERA. Attached is Albourne Partners self-assessment covering their role as consultant for LACERA's Hedge Fund, Private Credit, and Real Assets (excluding Real Estate) asset classes over the past year.

Attachment

Noted and Reviewed:

m

Jonathan Grabel Chief Investment Officer

JR:VM:mm

cc: Santos H. Kreimann Jonathan Grabel Investments Staff

Albourne America LLC 655 Montgomery Street San Francisco CA 94111

To: LACERA Board of Investments From: James Walsh, Stephen Kennedy, Tom Cawkwell, Mark White Albourne America LLC

Date: August 27, 2021

Background

Per the contract signed on June 18, 2019 between Albourne America LLC ("Albourne" and/or "Consultant") and the Los Angeles County Employees Retirement Association ("LACERA"), Albourne is to conduct an annual self-evaluation and provide information for the Board of Investments ("Board") to review and evaluate the Consultant. To facilitate the Board's review, Albourne is providing a self-assessment and respective status. The evaluation period covers the 12-months to August 2021.

Self-Assessment

Independent Investment Advice: Consultant attended all meetings where its presence was required and requested, provided advice to the Board both upon request and proactively, and collaborated extensively with the staff as needed through the year.

Completed and ongoing.

Assisting LACERA's Board of Investments with Strategic Investment Decisions: Albourne contributed to the Structural Reviews on Hedge Funds and Illiquid Credit and a Mid-Cycle Review on Real Assets through the year.

Completed and ongoing.

Providing Independent Review: Albourne provided independent Investment and Operational Due Diligence on staff investment recommendations throughout the year, providing explicit ratings both at a top-down level and on a more detailed basis. Staff had access to the Albourne Analysts responsible for the Due Diligence and utilized this resource, speaking to analysts on multiple occasions.

Completed and ongoing.

Return Expectations for the SAA: Albourne has worked with Staff and Meketa to provide return, risk and correlation assumptions for the Risk Mitigating portfolio, which are incorporated in the Strategic Asset Allocation analysis.

Completed

Portfolio Contruction: Albourne has worked extensively with the team to continue the build out of the Risk Mitigating and Illiquid Credit portfolios. There has been considerable focus on the Real Asset portfolio over the past year, working with team on portfolio construction, manager selection and negotiation of terms in specific cases.

Completed and ongoing

Fee Analysis and Negotiation: Albourne has provided extensive fee analysis on each investment recommendation in the respective asset categories.

Completed and ongoing.

Educational Sessions: Consultant has had the pleasure of providing briefing sessions on Asian Private Credit and Mining to the Board.

Completed and ongoing.

Back Office Support: Albourne's Back Office Team performs daily recording and monitoring of capital activity (in Hedge Funds, Illiquid Credit and Real Assets) including capital calls, distributions and valuations. This creates detailed, up-to-date records with a built-in audit trail, together with portfolio and performance reporting across these asset classes which is available to staff through Albourne's Extranet. Albourne personnel also perform reconciliation versus manager and custodian records to help determine whether the data that is being presented is accurate.

Completed and ongoing.

Risk Management: The Consultant provides factor-based risk modeling on the Direct Hedge Fund and legacy Fund of Funds, as well as Open Protocol reporting on the Direct Hedge Funds portfolio, visible through the Albourne Extranet.

Completed and ongoing.

Ongoing and Ad Hoc Support to Team: Albourne attends and contributes to the Quarterly Performance and Portfolio Review Meetings, joins weekly and bi-weekly team meetings, and provides ad hoc support as required.

Completed and ongoing.

Conclusion

It has been another busy year across Hedge Funds, Illiquid Credit and Real Assets. While the portfolios are at different points in their evolution, they all continue to evolve. Staff has been able to draw on their consultant team in San Francisco and on the resources from Albourne's 11 offices globally, located in North America, Europe and Asia. Over the past year over 90 calls have been logged, more than 900 documents downloaded and over 10,000 hits recorded on our Extranet. We have been able to support the team on investment recommendations in Hedge Funds, Illiquid Credit and Real Assets.

Albourne believes that the past year has been a highly productive period. We feel that we have fulfilled our role as consultants to the Board of Investments, as well as provided a valuable resource to staff. The Albourne team has enjoyed working with both the Board and staff, and very much look forward to the work of the coming year.

Yours Sincerely,

James Walsh Albourne America LLC





FOR INFORMATION ONLY

August 21, 2021

TO:	Trustees – Board of Investments
FROM:	Christopher J. Wagner
EOD.	Soutombor & 2021 Doord of Investments Meeting

FOR: September 8, 2021 Board of Investments Meeting

SUBJECT: PRIVATE EQUITY CONSULTANT SEARCH SLIDE CORRECTION

BACKGROUND

At the August 11, 2021, Board meeting, the private equity consultant search evaluation team presented a recommendation to select a firm to provide private equity consulting services to LACERA. The recommendation's supporting documentation included a slide (Attachment A) that contained an error. The purpose of this memorandum is to correct the error.

CORRECTION

The original slide (Attachment A) incorrectly indicated that Albourne America, LLC, a private equity consultant search finalist, did not have a workplace anti-harassment policy when in fact they do. Please see Attachment B for the corrected slide.

Attachments

Noted and Reviewed:

MM

Jonathan Grabel Chief Investment Officer

CW:mm

Finalists – Firm Diversity, Equity, and Inclusion

Like LACERA, both firms highly value and support diversity, equity and inclusion ("DEI") based on each firm's initiatives to improve diversity within the industry, the number of organizations that they actively support which are also dedicated to promoting greater diversity, and the indepth DEI analysis that is incorporated into their fund diligence

Diversity and Inclusion Items	StepStone	Albourne
Percent of staff that is diverse	51%	Not Disclosed ¹
Diversity and inclusion policy	Yes	Yes ¹
Workplace anti-harassment policy	Yes	No
Demographics of investment team and firm leadership, as reported:		
a. Percentage of women in executive and investments team:	20%	Not Disclosed ¹
b. Percentage of people of color in executive and investments team:	30%	Not Disclosed ¹
c. Percentage of people identifying as LGBTQ+ in executive and investments team:	Not Surveyed	Not Disclosed ¹
Known EEO regulatory or litigation track record, as reported and researched for past 12 years, if any:	No	Not Disclosed ²
Notable initiatives, objectives, and strategies addressing Diversity and Inclusion (including any efforts to improve firm's track record):	 Formed a D&I committee Signatory of ILPA Diversity in Action Launched formal Sponsorship program Hosts Women in Finance Workshops Sponsor several key organizations including: Girls Who Invest, Toigo, SEO, Women's Associate of Venture & Equity (WAVE), etc. 	 Recognizing the importance of diversity and inclusion, AIMA and Albourne worked together to produce a freely available D&D questionnaire for managers Actively engaged in organizations that promote DEI in investment management

¹ As Albourne is constrained by many different employment laws around the world, some of which place close restrictions on personal information, they are prevented from disclosing the requested statistics.

² Albourne's company policy prohibits it from revealing confidential information concerning employee grievances, except to conduct investigations, to take any remedial actions or as required by law.

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FOR INFORMATION ONLY

August 27, 2021

TO: Trustees – Board of Investments

FROM: Scott Zdrazil St Senior Investment Officer

Dale Johnson DOD Investment Officer

FOR: September 8, 2021 Board of Investments Meeting

SUBJECT: INTERNATIONAL CORPORATE GOVERNANCE NETWORK (ICGN) ANNUAL GENERAL MEETING BALLOT

Please find attached LACERA's member ballot for the annual meeting of the International Corporate Governance Network (ICGN) scheduled for September 2, 2021. The ballot included approval of the minutes of the 2020 annual general meeting, approval to receive annual report, approval to receive annual financial reports, ratification of auditors, approval of revisions to ICGN's Articles of Association, election of ICGN Nomination Committee members, election of ICGN board members, and approval of revisions to ICGN's Global Governance Principles.

In adherence to LACERA's *Corporate Governance and Stewardship Principles* policy, staff reviewed the voting items to apply votes consistent with LACERA's governance principles and consulted with the Chair of the Corporate Governance Committee to execute LACERA's ballot in advance of the voting deadline.

Attachment

Noted and Reviewed:

many

Jonathan Grabel Chief Investment Officer (http://www.icgn.org/)

ICGN 2021 Annual General Meeting

To be held on Thursday, 2nd September 2021, 1400 - 1700 BST. The format is hybrid with UK based ICGN Board Members present in-person and all other Members participating via Zoom, you can register <u>here</u> (<u>https://us02web.zoom.us/webinar/register/WN xao1XNkwQ3qDYEh7lg e-g</u>)



Voting form

This form is for the use of eligible members who wish either to vote in advance of the AGM or to appoint a proxy to vote on their behalf at the AGM.

Eligible members who wish to vote in person at the AGM will be able to so through the AGM voting platform, links to which will be sent to all eligible members. If you are an eligible member and have not received the link by 31st August 2021 please contact: support@uk-engage.org (http://www.icgn.org/mailto:support@uk-engage.org? subject=Conservatives%20NCC%20Election%202021&body=Please%20detai I%20as%20much%20information%20as%20possible%20below%20so%20we %20can%20process%20your%20enquiry%20promptly.%20The%20name%20 of%20the%20election%20and%20constituency%20in%20which%20you%20a re%20entitled%20to%20vote;%20%20Your%20Unique%20Security%20Code %20(USC);%20%20Details%20of%20any%20error%20message%20you%20h ave%20received;%20%20The%20date%20and%20time%20you%20tried%20t <u>o%20vote;%20%20The%20browser%20that%20you%20are%20using%20(e.g</u> .%20Microsoft%20Edge,%20Internet%20Explorer,%20Chrome,%20Firefox,% 20Safari);%20What%20type%20of%20connection%20you%20are%20using% 20(e.g.%20broadband,%20public%20Wi-Fi,%203G/4G);%20%20Description%20of%20the%20problem)

Please note that only Individual Members or authorised representatives of Corporate Members (also known as Lead Members) are eligible to vote. Any votes submitted by members who are not eligible to vote will not be counted.

If you are uncertain whether you are eligible to vote please contact <u>membership@icgn.org</u>

(http://www.icgn.org/mailto:membership@icgn.org)

Name of member: *

Dale Johnson

Member email address (This email should correspond with your member login):

djohnson@lacera.com

Note (1): Please see the <u>AGM voting instructions</u> <u>(http://www.icgn.org/sites/default/files/AGM%20Voting%20Instructions.pdf)</u> for further explanation on voting.

Note (2): For a valid direct vote to be recorded you must mark FOR, AGAINST, or VOTE WITHHELD. If no option is selected on any resolution your vote will not be recorded for that item.

Note (3): If you vote 'withheld' for a resolution, you are indicating that you wish to abstain. Under the law of England & Wales which governs ICGN's constitution, 'withheld' votes are not counted in calculating the result

Please Choose: *



Option B Vote by Proxy

By appointing a proxy you give them discretion on how to vote on all resolutions unless you indicate your voting intentions by marking FOR, AGAINST or VOTE WITHHELD on each resolution for which you wish to instruct them on how to vote.

You can choose to appoint the chair of the meeting to vote on your behalf. Alternatively, you can choose to appoint any other ICGN member who is entitled to attend the AGM.

If you have chosen to vote by proxy please give the details of your chosen proxy below:

I hereby appoint as my proxy to vote in respect of my voting entitlement on my behalf at the Annual General Meeting:

The Chair of the meeting: (Please insert "Chair" here)

OR The following person: (Please insert name here)

Proxy Email address (If not the Chair): (AGM login details will be sent here)

Resolutions

<u>Item 1:</u> ORDINARY RESOLUTION To receive the Minutes of the 2020 Annual General Meeting. (<u>Review Item 1 here</u> (<u>http://www.icgn.org/sites/default/files/00.01%202020%20AGM%20</u> <u>Minutes.pdf</u>)





) Against

Vote Withheld

<u>Item 2:</u> ORDINARY RESOLUTION to receive the ICGN Annual Review. (<u>Review Item 2 here</u> (<u>http://www.icgn.org/sites/default/files/00.02%20ICGN%20Annual%</u> 20Review%202020%20-%202021.pdf))





O Vote Withheld

<u>Item 3:</u> ORDINARY RESOLUTION to receive the ICGN Financial Statements for the year ended 31st December 2020. (<u>Review Item 3</u> <u>here</u>

(http://www.icgn.org/sites/default/files/00.03%202020%20Financial %20Statements_1.pdf)



) Against

O Vote Withheld

Item 4: ORDINARY RESOLUTION to approve the appointment of the auditor for the 2021 financial statements:

Messrs. Hayesmacintyre LLP, the retiring Auditors be and, are hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and that the Audit & Finance Committee shall determine their level of remuneration. (<u>Review Item 4 here</u>

(http://www.icgn.org/sites/default/files/00.04%20Auditor%20reappointment.pdf)
)

For

) Against

) Vote Withheld

<u>Item 5.0</u>: SPECIAL RESOLUTION to approve the recommendations from ICGN Articles Review Group established by ICGN Board to review ICGN Articles of association. (<u>Review Item 5 here</u> (<u>http://www.icgn.org/sites/default/files/00.05%20Articles%20Paper.p</u> <u>df</u>)

)

<u>Item 5.1</u>: SPECIAL RESOLUTION to approve amendments to the Articles regarding the extension of ICGN's defined purpose to include investor stewardship as well as corporate governance.



) Against



<u>Item 5.2</u>: SPECIAL RESOLUTION to approve amendments to the Articles regarding the ability to extend the length of tenure of the Chair and Vice-Chair as members of the Board of Governors subject to certain conditions.



) Against

Againsi

() Vote Withheld

Item 5.3: SPECIAL RESOLUTION to approve amendments to the Articles regarding the ability to hold physical, hybrid or remote General Meetings and members' rights of participation in such meetings.



Against

Vote Withheld

Item 5.4: SPECIAL RESOLUTION to approve amendments to the Articles regarding the ability of the Board of Governors to approve decisions outside Board meetings in certain circumstances.



Against

Vote Withheld

Item 5.5: SPECIAL RESOLUTION to approve amendments to the Articles required to implement the changes to ICGN's membership structure approved by members at the 2020 AGM.



Against



Item 5.6: SPECIAL RESOLUTION to approve a number of technical amendments to the Articles including amendments to reflect changes to UK law relating to the requisitioning of General Meetings and to make use of gender-neutral terminology throughout the Articles.



Against



Vote Withheld

Item 6.0: ORDINARY RESOLUTION to approve the recommendation of the ICGN Board to appoint the following individuals to the ICGN Nomination Committee 2020-21: (Review Item 6 here (http://www.icgn.org/sites/default/files/00.06%20Nomination%20Co mmittee%20Election 2.pdf))





Vote Withheld

Item 6.2: Deborah Gilshan - new





Vote Withheld

Item 6.3: Carola Van Lamoen



🔘 Against

Vote Withheld

Item 6.4: Anne Molyneux



Against



Item 6.5: Geof Stapledon





O Vote Withheld

<u>Item 7.0:</u> ORDINARY RESOLUTION to approve the recommendation of the ICGN Nomination Committee to appoint the following individuals to the ICGN Board 2020-21: (<u>Review Item 7 here</u> (<u>http://www.icgn.org/sites/default/files/00.07%20Board%20Governo</u> <u>r%20Election_1.pdf</u>)

Item 7.1: Debby Blakey - new



O Against

Vote Withheld

Item 7.2: Ian Burger



O Against

O Vote Withheld

Item 7.3: Christine Chow



O Against

○ Vote Withheld

Item 7.4: Michael Herskovich





O Vote Withheld

Item 7.5: Seiji Kawazoe - new





○ Vote Withheld

Item 7.6: Henry Jones



Against

O Vote Withheld

Item 7.7: Dan Konigsburg



Against

O Vote Withheld

Item 7.8: Claudia Kruse



O Against

O Vote Withheld

Item 7.9: Robert Lewenson





O Vote Withheld

Item 7.10: Luz Rodriguez - new



O Against

Vote Witheld

Item 7.11: Paul Schneider



Against

O Vote Withheld

Item 7.12: Susanne Stormer



<u>Item 8:</u> ORDINARY RESOLUTION to approve revisions to the ICGN Global Governance Principles: (<u>Review Item 8 here</u> (<u>http://www.icgn.org/sites/default/files/00.08%20Revised%20ICGN%</u> 20Global%20Governance%20Principles.pdf))



For

) Against

Vote Withheld

Please note: Before clicking on Submit, if you are voting online please check you have given an answer for every item.

Submit

Especially for members



Country Correspondents (http://www.icgn.org/information/country-correspondents)



Networking (http://www.icgn.org/members/networking)



Yearbook (http://www.icgn.org/information/yearbook)

Special Moments (http://www.icgn.org/special-moments)

(http://www.icgn.org//www.twitter.com/icgncorpgov)

in

<u>(http://www.icgn.org//www.linkedin.com/company/international-</u> <u>corporate-governance-network)</u>

L///CERA

FOR INFORMATION ONLY

August 30, 2021

- TO: Trustees, Board of Investments
- FROM: Christine Roseland Senior Staff Counsel

FOR: September 8, 2021 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 September 8, 2021.

Attachment

c: Santos H. Kreimann Luis A. Lugo Jonathan Grabel JJ Popowich Vache Mahseredjian Christopher Wagner Ted Wright Jim Rice Jude Perez Steven Rice John Harrington Soo Park Margo McCabe Lisa Garcia

	LACERA Legal Division Board of Investments Projects Monthly Status Report - Pending as of September 1, 2021							
	Project/ Investment		Amount	Board Approval Date	Completion Status	% Complete	Notes	
HEDGE FUNDS	Innocap	Engagement Agreement	N/A	March 10, 2021	In Progress	90%	Legal negotiations in process.	
	Webster Capital V, L.P.	Subscription	\$125,000,000.00	July 14, 2021	Completed	100%	Completed.	
PRIVATE EQUITY	Stepstone Group, LLC	Agreement for Consulting Services	\$2,025,000.00	August 11, 2021	In Progress	10%	Legal negotiations in process.	
	Summit Partners Growth Equity XI, L.P.	Subscription	\$150,000,000.00	August 11, 2021	In Progress	50%	Legal negotiations in process.	
SSETS	AXIUM Infrastructure North America	Subscription	\$415,000,000.00	June 9, 2021	In Progress		Legal negotiations in process.	
REAL ASSETS	Smart Infrastructure Capital Partners Fund, L.P.	Subscription	\$500,000,000.00	July 14, 2021	In Progress	10%	Legal negotiations in process.	

FOR INFORMATION ONLY

August 22, 2021

- TO: Each Trustee Board of Retirement Board of Investments
- FROM: Barry W. Lew Burn Legislative Affairs Officer
- FOR: September 1, 2021 Board of Retirement Meeting September 8, 2021 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.

Reviewed and Approved:

twen & Piz

Steven P. Rice, Chief Counsel

Attachments LACERA Legislative Report Index LACERA Legislative Report

cc: Santos H. Kreimann Luis Lugo JJ Popowich Steven P. Rice Jon Grabel Tony Roda, Williams & Jensen Joe Ackler, Ackler & Associates

LACERA Legislative Report 2021-22 Legislative Session Status as of August 22, 2021

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		PUBLIC RETIREMENT
CA AB 551	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Rodriguez [D] Teachers' Retirement System: Individual Plans 02/10/2021 Pending
	retirement plan a Code. Eliminates	ate Teachers' Retirement System to administer an individual s described in Section 408 of Title 26 of the United States the requirement that the administration of these plans be for cepting a rollover from an annuity contract or custodial y the system.
	06/03/2021	In ASSEMBLY. To Inactive File.
CA AB 627	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Waldron [R] Recognition of Tribal Court Orders: Retirement Plans 02/12/2021 Enacted
	court proceeding that establishes a property rights to participant in a re	cedure pursuant to which one or both of the parties to a tribal may file an application for recognition of a tribal court order right to child support, spousal support payments, or marital a spouse, former spouse, child, or other dependent of a etirement plan or other plan of deferred compensation, and a portion of the benefits payable with respect to the plan alternate payee.
	07/09/2021	Chaptered by Secretary of State. Chapter No. 2021-058
CA AB 826	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	Irwin [D] County Employees Retirement Law: Compensation Earnable 02/16/2021 07/14/2021 Pending
	compensation ear	e County Employees Retirement Law, a definition of rnable that would include any form of remuneration, whether in-kind benefits, if specified requirements are met.
	07/14/2021	In SENATE. Read second time and amended. To third
	IBLC_Recommendation Staff_Recommendation	reading. • Watch 08/12/2021 • Watch
CA AB 1133	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Chen [R] State Employee Hybrid Pension System 02/18/2021 Pending
	States the intent	of the Legislature to enact legislation that would create a benefit, consisting of a defined benefit pension and a defined

contribution program, within the Public Employees' Retirement System, that state employees would have the option of electing.

02/18/2021 INTRODUCED.

CA AB 1293 AUTHOR: Cooley [D] TITLE: Federal Law Limits: Adjustments INTRODUCED: 02/19/2021 LAST AMEND: 07/06/2021 DISPOSITION: Pending SUMMARY:

> Prohibits the amount payable to a member or a judge under the Legislators' Retirement System, the Judges' Retirement System, and the Judges' Retirement System II, including specified adjustments, from exceeding the federal limits on annual defined benefit plan payments and would incorporate specified provisions of federal law by reference. Requires the retirement allowance of specified judges to be increased to reflect adjustments to payment limits prescribed by federal law under certain circumstances.

08/17/2021 In SENATE. Read second time. To Consent Calendar.

CA SB 278	AUTHOR:	Leyva [D]
	TITLE:	PERS: Disallowed Compensation: Benefit Adjustments
	INTRODUCED:	01/29/2021
	LAST AMEND:	03/23/2021
	DISPOSITION:	Pending
	SUMMARY:	5

Establishes new procedures under Public Employees' Retirement Law for cases in which Public Employees' Retirement System determines that the benefits of a member or annuitant are, or would be, based on disallowed compensation that conflicts with State Public Employees' Pension Reform Act of 2013 and other specified laws and thus impermissible under Public Employees' Retirement Law. **STATUS:**

07/07/2021 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File.

CA SB 294	AUTHOR:	Leyva [D]
	TITLE:	Public Retirement: Leave of Absence: Service Credit
	INTRODUCED:	02/02/2021
	LAST AMEND:	06/14/2021
	DISPOSITION:	Pending
	SUMMARY:	5

Removes the 12-year limitation for service credit earned on a compensated leave of absence for purposes of service with an employee organization. States that this leave is in addition to any leave to which public employees may be entitled by other laws or by a memorandum of understanding or collective bargaining agreement.

08/16/2021In ASSEMBLY. Read third time. Passed ASSEMBLY.
****To SENATE for concurrence. (57-14)AUTHOR:Labor, Public Employment & Retirement Cmt

Public Employees' Retirement

CA SB 634

TITLE:

INTRODUCED:	02/19/2021
LAST AMEND:	06/14/2021
DISPOSITION:	To Governor
SUMMARY:	

Applies the above-described requirements regarding signed applications and documents to the Cash Balance Benefit Program and the requirement that State Teachers' Retirement System pay certain Medicare Part A premiums; prohibits a member from purchasing service credit for any school year if the purchase would result in more than one year of service for that school year; deletes an obsolete cross-reference and would extend the requirement to return the total gross distribution amount.

08/17/2021 Enrolled.

Comments:

This is an omnibus bill that covers technical amendments for CalPERS, CalSTRS, and CERL retirement systems.

SPONSOR: US HR 2954 Neal [D] TITLE: Strong Retirement INTRODUCED: 05/04/2021 DISPOSITION: Pending SUMMARY: Secures a Strong Retirement Act of 2021. STATUS: 05/04/2021 INTRODUCED. 05/04/2021 To HOUSE Committee on WAYS AND MEANS. To HOUSE Committee on FINANCIAL SERVICES. 05/04/2021 To HOUSE Committee on EDUCATION AND LABOR. 05/04/2021 Comments:

Would gradually raise the age for mandatory distributions to age 75 by 2032.

US S 1302	SPONSOR:	Brown S [D]
	TITLE:	Pension Offset
	INTRODUCED:	04/22/2021
	DISPOSITION:	Pending
	SUMMARY:	5

Amends Title II of the Social Security Act to repeal the government pension offset and windfall elimination provisions. **STATUS:**

04/22/2021INTRODUCED.04/22/2021In SENATE. Read second time.04/22/2021To SENATE Committee on FINANCE.IBLC_Recommendation:Support 08/12/2021Staff_Recommendation:Support

PUBLIC INVESTMENT		
CA AB 539	AUTHOR:	Cooley [D]
	TITLE:	State Teachers' Retirement: Investment Managers
	INTRODUCED:	02/10/2021
	DISPOSITION:	Pending
	SUMMARY:	J

Authorizes the Teachers' Retirement Board to contract with investment advisers upon the same finding by the Board and approval by the State Personnel Board. Authorizes the Board to establish a competitive bidding process and to specify the contract terms and conditions the Board solely deems necessary and prudent to contract with qualified investment managers and investment advisers.

08/16/2021 In SENATE. Read second time. To third reading.

CA AB 890 AUTHOR: Cervantes [D] TITLE: Public Employee Retirement Systems: Investment INTRODUCED: 02/17/2021 LAST AMEND: 05/24/2021 DISPOSITION: Pending SUMMARY:

Requires the Board of Administration of the Public Employees' Retirement System and the Teachers' Retirement Board to provide reports to the Legislature on the status of achieving objectives and initiatives, to be defined by the boards, regarding participation of emerging managers or diverse managers responsible for asset management within each retirement system's portfolio of investments. **STATUS:**

08/16/2021 In SENATE. Read second time. To third reading.

CA AB 1019 AUTHOR: Holden [D] TITLE: Public Employee Retirement Systems: Investments INTRODUCED: 02/18/2021 DISPOSITION: Pending SUMMARY:

> prohibit state trust moneys from being used to make additional or new investments or to renew existing investments in investment vehicles issued or owned by the government of Turkey, unless the government adopts a policy to acknowledge the Armenian Genocide and embark on a path of affording justice to its victims. **STATUS:**

03/04/2021 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

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.

RETIREMENT PERSONNEL			
CA AB 761	CA AB 761 AUTHOR: Chen [R]		
	TITLE:	County Employees' Retirement: Personnel: Orange County	

INTRODUCED:	02/16/2021
LAST AMEND:	03/18/2021
DISPOSITION:	Enacted
SUMMARY:	

Authorizes the board of retirement for Orange County to appoint an administrator, assistant administrators, a chief investment officer, subordinate investment officers, senior management employees, legal counsel, and other specified employees. Provides that the personnel appointed pursuant to these provisions would not be county employees subject to county civil service and merit system rules, and instead would be employees of the retirement system. **STATUS:**

06/28/2021Signed by GOVERNOR.06/28/2021Chaptered by Secretary of State.Chapter No. 2021-026

PUBLIC EMPLOYMENT			
CA AB 17			
	TITLE:	Peace Officers: Disqualification from Employment	
	INTRODUCED:	12/07/2020	
	LAST AMEND:	01/12/2021	
	DISPOSITION: SUMMARY:	Pending	
	Disqualifies a person from being a peace officer if the person has been discharged from the military for committing an offense that would have been a felony if committed in the state or if the person has been certified as a peace officer and has had that certification revoked by the Commission on Peace Officer Standards and Training. STATUS:		
	01/12/2021	From ASSEMBLY Committee on PUBLIC SAFETY with author's amendments.	
	01/12/2021	In ASSEMBLY. Read second time and amended. Re-referred to Committee on PUBLIC SAFETY.	
CA AB 444	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Public Employment and Retirement Cmt State and Local Employees: Pay Warrants: Designees 02/08/2021 Enacted	
	Relates to State and local employees. Prescribes a process by which an appointing power would issue a check directly to a designated person instead of delivering employee warrants to that person. Provides that upon sufficient proof of the designee's identity, the appointing power must endorse and deposit the warrant issued to a deceased employee back into the Treasury to the credit of the fund or appropriation upon which it was drawn, then issue a revolving fund check to the designated person.		
	07/09/2021 Comments:	Chaptered by Secretary of State. Chapter No. 2021-055	
	The SACRS Legislative Committee is considering a similar proposal that would clarify that a deceased member's last pension check may be issued to a corporation, trust, or estate.		
CA AB 1354	AUTHOR: TITLE:	Grayson [D] Public Employees' Retirement	

INTRODUCED:	02/19/2021 Pending
DISPOSITION:	
SUMMARY:	5

Makes nonsubstantive changes to provisions prohibiting a retired person from being employed by a public employer in the same public retirement system from which the retiree receives pension benefits without reinstatement from retirement into that system, subject to certain exceptions.

02/19/2021 INTRODUCED. Comments:

This is a spot bill.

CA AB 1460 AUTHOR: Bigelow [R] TITLE: State Employment: COVID-19 Telework: Costs INTRODUCED: 02/19/2021 DISPOSITION: Pending SUMMARY:

Authorizes the Department of Human Resources (CalHR) to provide a one-time payment of an unspecified amount to employees who have been required to telework as a result of the COVID-19 pandemic in order to offset costs associated with working remotely.

03/11/2021 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

CA SB 411	AUTHOR:	Cortese [D]
	TITLE:	Public Employees' Retirement System
	INTRODUCED:	02/12/2021
	LAST AMEND:	04/13/2021
	DISPOSITION:	Enacted
	SUMMARY:	

Eliminates the requirement that a person employed without reinstatement in a manner other than authorized by PERL be reinstated, instead providing that reinstatement is permissive. Makes conforming changes and makes specific reference to the duties of employees and employers regarding reinstatement after retirement in violation of PEPRA. **STATUS:**

07/23/2021	Signed by GOVERNOR.	
07/23/2021	Chaptered by Secretary of State.	Chapter No. 2021-136

DISABILITY RETIREMENT

CA AB 845	AUTHOR:	Rodriguez [D]
	TITLE:	Disability Retirement: COVID-19: Presumption
	INTRODUCED:	02/17/2021
	LAST AMEND:	03/30/2021
	DISPOSITION:	Enacted
	SUMMARY:	

Creates a presumption, applicable to the retirement systems that PEPRA regulates and to specified members in those systems, that would be applied to disability retirements on the basis, in whole or in part, of a Coronavirus disease 2019-related illness. Requires that it be presumed the disability arose out of, or in the course of, the member's employment. **STATUS:**

07/23/2021	Signed by GOVERNOR.	
07/23/2021	Chaptered by Secretary of State.	Chapter No. 2021-122

		ORKERS COMPENSATION
CA AB 334	AUTHOR:	Mullin [D]
	TITLE:	Workers Compensation: Skin Cancer
	INTRODUCED:	01/27/2021
	DISPOSITION: SUMMARY:	Pending
		ing law which any sides that also as any developing in active
	lifeguards, for p and in the cours the scope of this	ing law which provides that skin cancer developing in active ourposes of workers' compensation, is presumed to arise out se of employment, unless the presumption is rebutted. Expar s provision to certain peace officers of the Department of Fis I the Department of Parks and Recreation.
	08/16/2021	In SENATE. Read second time. To third reading.
CA AB 415	AUTHOR:	Rivas R [D]
	TITLE:	Employment: Workers' Compensation
	INTRODUCED:	02/03/2021
	LAST AMEND:	02/12/2021
	DISPOSITION:	Pending
	SUMMARY:	ers' compensation. Defines injury for certain public employee
	firefighting oper period of exposi Establishes a pr	ed to active fires or health hazards directly resulting from rations to include cancer that develops or manifests during a ure to a known carcinogen while in public employment. resumption that the cancer arose out of, and in the course of hless the presumption is controverted by evidence.
	02/12/2021	To ASSEMBLY Committee on INSURANCE.
	02/12/2021	From ASSEMBLY Committee on INSURANCE with author' amendments.
	02/12/2021	In ASSEMBLY. Read second time and amended.
		III ASSEMDLI. Redu second time and amended.
	02,12,2021	Re-referred to Committee on INSURANCE.
CA AB 772	AUTHOR:	Re-referred to Committee on INSURANCE.
CA AB 772		
CA AB 772	AUTHOR:	Re-referred to Committee on INSURANCE. Ramos [D]
CA AB 772	AUTHOR: TITLE:	Re-referred to Committee on INSURANCE. Ramos [D] Workers' Compensation: Medical Treatment
CA AB 772	AUTHOR: TITLE: INTRODUCED:	Re-referred to Committee on INSURANCE. Ramos [D] Workers' Compensation: Medical Treatment 02/16/2021
CA AB 772	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY: Clarifies that an domestic terrori law following an request for med	Re-referred to Committee on INSURANCE. Ramos [D] Workers' Compensation: Medical Treatment 02/16/2021 03/25/2021
CA AB 772	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY: Clarifies that an domestic terrori law following an request for med the employer ha	Re-referred to Committee on INSURANCE. Ramos [D] Workers' Compensation: Medical Treatment 02/16/2021 03/25/2021 Pending employer is not limited in its ability to insure against an act ism or to provide benefits in excess of those required by exis act of terrorism. Clarifies that when an employer approves a lical treatment from a treatment provider, without modification

CA AB 872	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Wood [D] Leave of Absence: Firefighters 02/17/2021 Pending
	rank-and-file and s	f absence for firefighters. Makes that benefit available to all supervisory firefighters employed by the Department of Protection whose principal duties include active fire vention services.
	07/05/2021	In SENATE Committee on APPROPRIATIONS: To Suspense File.
CA AB 991	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	Ward [D] Workers' Compensation: Presumed Injuries 02/18/2021 03/11/2021 Pending
	tuberculosis, blood aureus skin infectio	ions for hernia, pneumonia, heart trouble, cancer, borne infectious disease, methicillin-resistant Staphylococcus on, and meningitis-related illnesses and injuries to a lifeguard ar-round, full-time basis by the City of San Diego.
	03/11/2021 03/11/2021	To ASSEMBLY Committee on INSURANCE. From ASSEMBLY Committee on INSURANCE with author's amendments.
	03/11/2021	In ASSEMBLY. Read second time and amended. Re-referred to Committee on INSURANCE.
CA SB 213	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	Cortese [D] Workers' Compensation: Hospital Employees 01/12/2021 03/04/2021 Pending
	acute care hospital injuries, post-traur rebuttable presum employee who pro	a hospital employee who provides direct patient care in an I, to include infectious diseases, cancer, musculoskeletal matic stress disorder, and respiratory diseases. Creates a ption that these injuries that develop or manifest in a hospital vides direct patient care in an acute care hospital arose out of of the employment. Includes COVID-19 in the definitions of piratory diseases.
	06/03/2021	In SENATE. Read third time. Failed to pass SENATE. (20-10)
	06/03/2021 06/03/2021 06/03/2021	In SENATE. Motion to reconsider. In SENATE. Reconsideration granted. In SENATE. To Inactive File.
CA SB 284	AUTHOR: TITLE:	Stern [D] Workers' Compensation: Firefighters and Peace Officers

INTRODUCED:	02/01/2021
LAST AMEND:	06/28/2021
DISPOSITION:	Pending
SUMMARY:	J

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.

08/19/2021	In ASSEMBLY Committee on APPROPRIATIONS: To
	Suspense File.

CA SB 335	AUTHOR:	Cortese [D]
	TITLE:	Workers' Compensation: Liability
	INTRODUCED:	02/08/2021
	LAST AMEND:	03/10/2021
	DISPOSITION:	Pending
	SUMMARY:	5

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.

CA SB 788	AUTHOR:	Bradford [D]
	TITLE:	Workers' Compensation: Risk Factors
	INTRODUCED:	02/19/2021
	LAST AMEND:	06/17/2021
	DISPOSITION:	Pending
	SUMMARY:	2

Prohibits consideration of race, religious creed, color, national origin, gender, marital status, sex, sexual identity, or sexual orientation to determine the approximate percentage of the permanent disability caused by other factors. Expresses the Legislature's intent to eliminate bias and discrimination in the workers' compensation system.

07/01/2021 In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE for concurrence. (77-0)

BROWN ACT		
CA AB 339	AUTHOR:	Lee [D]
	TITLE:	Local Government: Open and Public Meetings
	INTRODUCED:	01/28/2021
	LAST AMEND:	07/05/2021
	DISPOSITION:	Pending
	SUMMARY:	5
		and in the senduct respectives subject to Delph M. Drewe Ast

Requires local agencies to conduct meetings subject to Ralph M. Brown Act

consistent with applicable state and federal civil rights laws. Includes findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities and counties, including charter cities and counties.

08/17/2021 In SENATE. Read second time. To third reading.

CA AB 361 AUTHOR: Rivas R [D] TITLE: Open Meetings: Local Agencies: Teleconferences INTRODUCED: 02/01/2021 LAST AMEND: 07/06/2021 DISPOSITION: Pending SUMMARY:

Authorizes a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph m. Brown Act when a legislative body of a local agency holds a meeting during a declared state of emergency, when state or local health officials have imposed or recommended measures to promote social distancing during a proclaimed state of emergency, provided certain requirements are met. Prohibits the closing of the public comment period. **STATUS:**

07/15/2021 In SENATE. Read second time. To third reading.

CA AB 703	AUTHOR:	Rubio [D]
	TITLE:	Open Meetings: Local Agencies: Teleconferences
	INTRODUCED:	02/12/2021
	LAST AMEND:	04/29/2021
	DISPOSITION:	Pending
	SUMMARY:	· •········

Removes the requirements of the Ralph M. Brown Act particular to teleconferencing and allows for teleconferencing subject to existing provisions regarding the posting of notice of an agenda and the ability of the public to observe the meeting and provide public comment. **STATUS:**

04/29/2021	From ASSEMBLY Committee on LOCAL GOVERNMENT with
	author's amendments.
04/29/2021	In ASSEMBLY. Read second time and amended.

Re-referred to Committee on LOCAL GOVERNMENT.

Comments:

According to SACRS lobbyists, this will be a two-year bill and not taken up in 2021.

CA SB 274	AUTHOR:	Wieckowski [D]
	TITLE:	Local Government Meetings: Agenda and Documents
	INTRODUCED:	01/29/2021
	LAST AMEND:	04/05/2021
	DISPOSITION:	Pending
	SUMMARY:	

Requires a local agency with an internet website, or its designee, to email a copy of, or website link to, the agenda or a copy of all the documents constituting the agenda packet if the person requests that the items be delivered by email. Requires the legislative body or its designee to send by mail a copy of the agenda or a website link to the agenda and to email a copy of all

other documents constituting the agenda packet, if specified criteria or circumstances are met. **STATUS**:

07/08/2021 In ASSEMBLY. Read second time. To third reading.

		PUBLIC RECORDS ACT
CA AB 343	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	Fong [R] California Public Records Act Ombudsperson 01/28/2021 05/24/2021 Pending
	Records Act Om Ombudsperson receive and inve original request	hin the California State Auditor's Office, the California Public budsperson. Requires the California State Auditor to appoint t subject to certain requirements. Requires the Ombudsperson estigate requests for review, determine whether the denials of s complied with the California Public Records Act, and issue s of its determination.
	06/09/2021	To SENATE Committees on JUDICIARY and GOVERNMENT ORGANIZATION.
CA AB 386	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	Cooper [D] Public Employees Retirement: Investments: Confidential 02/02/2021 06/29/2021 Pending
	records regardir Public Employee quarterly and an owners, unless	lisclosure under the California Public Records Act specified ng an internally managed private loan made directly by the es' Retirement Fund. Provides that these records would include nnual financial statements of the borrower or its constituent the information has already been publicly released by the keep on. Prescribes specified exceptions to this exemption from
	07/13/2021 07/13/2021	In SENATE Committee on JUDICIARY: Failed passage. In SENATE Committee on JUDICIARY: Reconsideration granted.
CA AB 473	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	Chau [D] California Public Records Act 02/08/2021 08/16/2021 Pending
	Recodifies and r provisions to go intended to be e	reorganizes the provisions of the act. The bill would include overn the effect of recodification and states that the bill is entirely nonsubstantive in effect. The bill would contain related ogs and declarations. The bill would become operative on a
	08/17/2021	In SENATE. Read second time. To third reading.

CA AB 474	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	Chau [D] California Public Records Act: Conforming Revisions 02/08/2021 08/16/2021 Pending
		nforming and technical changes related to another bill, AB ifies and reorganizes the California Public Records Act.
	08/17/2021	In SENATE. Read second time. To third reading.
		SOCIAL SECURITY
CA AJR 9	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Cooper [D] Social Security 03/01/2021 Adopted
	legislation that w	ngress of the United States to enact, and the President to sign, ould repeal the Government Pension Offset and the Windfall sion from the Social Security Act.
	07/15/2021 07/15/2021 BOR_Position: IBLC_Recommendatio Staff_Recommendatio	Chaptered by Secretary of State. Resolution Chapter No. 2021-078 Support 05/05/2021 Support 04/15/2021 Support
US HR 82	SPONSOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Davis R [R] Government Pension Offset Repeal 01/04/2021 Pending
	Amends the Socia windfall eliminations STATUS :	al Security Act; repeals the Government pension offset and on provisions.
	01/04/2021 01/04/2021 BOR_Position: IBLC_Recommendatio Staff_Recommendatio	INTRODUCED. To HOUSE Committee on WAYS AND MEANS. Support 05/05/2021 Support 04/15/2021 Support
US HR 2337	SPONSOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Neal [D] Noncovered Employment 04/01/2021 Pending
	formula for indivi	f the Social Security Act to provide an equitable Social Security duals with noncovered employment and to provide relief for ntly affected by the Windfall Elimination Provision.
	04/01/2021 04/01/2021	INTRODUCED. To HOUSE Committee on WAYS AND MEANS.

IBLC_Recommendation: Support 08/12/2021 Staff_Recommendation: Support

		HEALTHCARE						
CA AB 1092	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY: Precludes a perso	Mayes [R] Public Employees' Retirement: Health Benefits 02/18/2021 04/26/2021 Pending on who has retired under PERS and who obtains work with a						
	subsequent employer from receiving any health benefits offered under PEMHC if the person's subsequent employer offers health care coverage that provides reasonably comparable benefits. Prohibits, among other things, employees, annuitants, and family members who become eligible to enroll on or after a specified date in Part A and Part B of Medicare from being enrolled in a basic health benefit plan.							
	04/26/2021 04/26/2021	From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT With author's amendments. In ASSEMBLY. Read second time and amended. Re-referred to Committee on PUBLIC EMPLOYMENT AND RETIREMENT.						
CA AB 1400	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Kalra [D] Guaranteed Health Care for All 02/19/2021 Pending						
	comprehensive u cost control syste CalCare cover a incorporate the h	ranteed Health Care for All Program, or CalCare, to provide iniversal single-payer health care coverage and a health care em for the benefit of all residents of the state. Provides that wide range of medical benefits and other services and would health care benefits and standards of other existing federal and Creates the CalCare Board to govern CalCare, made up of 9						
	02/19/2021	INTRODUCED.						
US HR 4148	SPONSOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Malinowski [D] First Responders Medicare Option 06/24/2021 Pending						
	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.							
	06/24/2021 06/24/2021 06/24/2021	INTRODUCED. To HOUSE Committee on WAYS AND MEANS. To HOUSE Committee on ENERGY AND COMMERCE.						
US S 2236	SPONSOR:	Brown S [D]						

TITLE:	Medicare Buy In Option for First Responders
INTRODUCED:	06/24/2021
DISPOSITION:	Pending
SUMMARY:	5

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.

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FOR INFORMATION ONLY

August 18, 2021

- TO: Each Trustee Board of Retirement Board of Investments
- FROM: Ted Granger
- FOR: September 1, 2021 Board of Retirement Meeting September 8, 2021 Board of Investments Meeting

SUBJECT: MONTHLY TRAVEL & EDUCATION REPORT - JULY 2021

Attached, for your review, is the Trustee Travel & Education Report. This report includes all events (i.e., attended and canceled) from July 2021. Staff travel and education is not included in this report and will be reported to the Chief Executive Officer separately.

REVIEWED AND APPROVED:

ator h. Thema

Santos H. Kreimann Chief Executive Officer

TG/EW/krh

Attachments

- c: L. Lugo
 - J. Popowich
 - J. Grabel
 - S. Rice
 - R. Van Nortrick



HFI GH99 TRAVEL AND EDUCATION REPORT **FOR FISCAL YEAR 2021 - 2022**

JULY 2021

Atte	ndee	Purpose of Travel - Location	Event Dates	Travel Status
Pat	rick	Jones		
V	-	Edu -SACRS Public Pension Investment Management Program - VIRTUAL	07/13/2021 - 07/22/2021	Attended
Jos	eph	Kelly		
V	-	Edu -SACRS Public Pension Investment Management Program - VIRTUAL	07/13/2021 - 07/22/2021	Attended
Kei	th K	nox		
V	-	Edu - Harvard Business School Audit Committees In A New Era of Governance - VIRTUAL	07/21/2021 - 07/23/2021	Attended
Her	mar	n Santos		
V	-	Edu - PPI Roundtable - July 2021 - VIRTUAL	07/13/2021 - 07/15/2021	Attended
Cate	<u>jory L</u>	egend:		

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 INFORMATION ONLY

August 18, 2021

- TO: Trustees Board of Retirement Board of Investments
- FROM: Ted Granger Interim Chief Financial Officer
- FOR: September 1, 2021 Board of Retirement Meeting September 8, 2021 Board of Investments Meeting

SUBJECT: 4TH QUARTER EDUCATION & TRAVEL EXPENDITURE REPORTS

Attached, for your review, are the Board and Staff Education & Travel Reports and the Board Cancellation & Credit Expenditures Report which include expenses paid, submitted for reimbursement, or credited for travel events between July 1, 2020 and June 30, 2021. In addition, the Board Cancellation & Credit Expenditures Report for Fiscal Year 2019-2020 is attached for your reference.

REVIEWED AND APPROVED:

ator h. Thein

Santos H. Kreimann Chief Executive Officer

TG/EW/krh

Attachments

- c: L. Lugo
 - J. Popowich
 - J. Grabel
 - S. Rice
 - R. Van Nortrick



EDUCATION AND TRAVEL EXPENDITURE REPORT

FOR FISCAL YEAR 2021

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												
В -	Edu- 2020 SACRS Fall Virtual Conference - VIRTUAL - 11/10/2020 - 11/13/2020	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Ala	n Bernstein:	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Eliza	abeth Ginsberg												
В -	Edu - CALAPRS Principles for Trustees VIRTUAL - 08/18/2020 - 08/26/2020	- Attended	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - CALAPRS Advanced Principles for Trustees - VIRTUAL - 06/07/2021 - 06/11/2021	Attended	\$650.00	\$650.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Elizabet	th Ginsberg:	\$1,150.00	\$1,150.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



EDUCATION AND TRAVEL EXPENDITURE REPORT

FOR FISCAL YEAR 2021

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Vivia	an Gray												
В -	Edu - SACRS Public Pension Investment Management Program 2020 - VIRTUAL - 07/28/2020 - 08/13/2020	Attended	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - Koried Black Directors' Virtual Workshop - VIRTUAL - 10/15/2020 - 10/15/2020	Attended	\$395.00	\$395.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu- 2020 SACRS Fall Virtual Conference - VIRTUAL - 11/10/2020 - 11/13/2020	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - CALAPRS General Assembly - VIRTUAL - 03/08/2021 - 03/09/2021	Attended	\$250.00	\$250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - SACRS Spring Conference - VIRTUAL - 05/11/2021 - 05/14/2021	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 Women in the Boardroom: Pathways to a Board Seat - VIRTUAL - 05/18/2021 - 05/18/2021	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 V	/ivian Gray:	\$1,460.00	\$1,460.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



EDUCATION AND TRAVEL EXPENDITURE REPORT

FOR FISCAL YEAR 2021

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Davi	d Green												
В -	Edu - PPI 2020 Summer Roundtable - Los Angeles CA - 07/14/2020 - 07/16/2020	Attended	\$175.00	\$175.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - Pacific Council - "Beyond the Horizon" Summit - VIRTUAL - 07/20/2020 - 07/24/2020	Attended	\$150.00	\$150.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - The Pacific Council on International Policy's PolicyWest 2020 - VIRTUAL - 12/03/2020 - 12/04/2020	Attended	\$50.00	\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - SACRS Spring Conference - VIRTUAL - 05/11/2021 - 05/14/2021	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Da	avid Green:	\$495.00	\$495.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Eliza	beth Greenwood												
В -	Edu- PPI 2020 Asia Pacific Roundtable - VIRTUAL - 10/20/2020 - 10/22/2020	Attended	\$175.00	\$175.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - Yale School of Management Executive Education -Women's Leadership Program - VIRTUAL - 11/18/2020 - 11/18/2020	Attended	\$2,800.00	\$2,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Elizabeth G	ireenwood:	\$2,975.00	\$2,975.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Jame	es Harris												
В -	Edu - SACRS Public Pension Investment Management Program 2020 - VIRTUAL - 07/28/2020 - 08/13/2020	Attended	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Ja	mes Harris:	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



EDUCATION AND TRAVEL EXPENDITURE REPORT

FOR FISCAL YEAR 2021

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Patri	ck Jones												
В -	Edu - SACRS Spring Conference - VIRTUAL - 05/11/2021 - 05/14/2021	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - NCPERS 2021 Trustee Educational Seminar - VIRTUAL - 06/08/2021 - 06/09/2021	Attended	\$300.00	\$300.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Pat	rick Jones:	\$420.00	\$420.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Shav	vn Kehoe												
В -	Edu- PPI 2020 Asia Pacific Roundtable - VIRTUAL - 10/20/2020 - 10/22/2020	Attended	\$175.00	\$175.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - NCPERS Fall Conference - VIRTUAL - 02/02/2021 - 02/03/2021	Attended	\$300.00	\$300.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Sha	awn Kehoe:	\$475.00	\$475.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Jose	ph Kelly												
В -	Edu - NACD Financial Services Industry Outlook: Future Trends in Middle Market Credit - VIRTUAL - 01/07/2021 - 01/07/2021	Attended	\$30.00	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - NACD Hospitality and Travel Industry Outlook: Insights, Impacts, and Opportunities - VIRTUAL - 01/27/2021 - 01/27/2021	Attended	\$30.00	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - PPI Virtual Roundtable - VIRTUAL - 02/16/2021 - 02/18/2021	Attended	\$175.00	\$175.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - NACD - Conversation with Walter Isaacson - VIRTUAL - 03/08/2021 - 03/08/2021	Attended	\$50.00	\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - SACRS Spring Conference - VIRTUAL - 05/11/2021 - 05/14/2021	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Jos	eph Kelly:	\$405.00	\$405.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



EDUCATION AND TRAVEL EXPENDITURE REPORT

FOR FISCAL YEAR 2021

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Keith	n Knox												
В -	Edu - PPI 2020 Summer Roundtable - Los Angeles CA - 07/14/2020 - 07/16/2020	Attended	\$175.00	\$175.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - SACRS Public Pension Investment Management Program 2020 - VIRTUAL - 07/28/2020 - 08/13/2020	Attended	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - CII & NYU Corporate Governance Bootcamp - VIRTUAL - 09/23/2020 - 09/25/2020	Attended	\$945.00	\$945.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - CALAPRS Virtual Trustees Round Table - VIRTUAL - 10/23/2020 - 10/23/2020	Attended	\$50.00	\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - PPI Virtual Roundtable - VIRTUAL - 02/16/2021 - 02/18/2021	Attended	\$175.00	\$175.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - NCPERS Accredited Fiduciary Program (Module 1 & 2) - VIRTUAL - 03/02/2021 - 03/05/2021	Attended	\$400.00	\$400.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - NCPERS Accredited Fiduciary Program (Module 3 & 4) - VIRTUAL - 03/09/2021 - 03/12/2021	Attended	\$400.00	\$400.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - NACD Cyber Risk Oversight Program - VIRTUAL - 05/06/2021 - 06/30/2021	Attended	\$4,495.00	\$4,495.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - CALAPRS Virtual Trustees Round Table - VIRTUAL - 05/10/2021 - 05/10/2021	Attended	\$50.00	\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - SACRS Spring Conference - VIRTUAL - 05/11/2021 - 05/14/2021	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for I	Keith Knox:	\$7,310.00	\$7,310.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



EDUCATION AND TRAVEL EXPENDITURE REPORT

FOR FISCAL YEAR 2021

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Way	ne Moore												
В -	Edu- NASP 31st Annual Virtual Pension Financial Services Conference - VIRTUAL - 12/07/2020 - 12/10/2020	& Attended	\$100.00	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for W	/ayne Moore:	\$100.00	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Ron	ald Okum												
В -	Edu- 2020 SACRS Fall Virtual Conference - VIRTUAL - 11/10/2020 - 11/13/2020	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - SACRS Spring Conference - VIRTUAL - 05/11/2021 - 05/14/2021	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for R	onald Okum:	\$240.00	\$240.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Les	Robbins												
в -	Edu - SACRS Spring Conference - VIRTUAL - 05/11/2021 - 05/14/2021	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for	Les Robbins:	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



EDUCATION AND TRAVEL EXPENDITURE REPORT

FOR FISCAL YEAR 2021

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Gina	Sanchez												
В -	Edu - CALAPRS Virtual Trustees Round Table - VIRTUAL - 10/23/2020 - 10/23/2020	Attended	\$50.00	\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu- 2020 SACRS Fall Virtual Conference - VIRTUAL - 11/10/2020 - 11/13/2020	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - Harvard Business School Executive Education - Audit Committees - VIRTUAL - 11/12/2020 - 11/14/2020	Attended	\$5,000.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - NCPERS Fall Conference - VIRTUAL - 02/02/2021 - 02/03/2021	Attended	\$300.00	\$300.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - Virtual Oxford Scenarios Programme - VIRTUAL - 04/20/2021 - 05/20/2021	Attended	\$7,477.07	\$7,477.07	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - SACRS Spring Conference - VIRTUAL - 05/11/2021 - 05/14/2021	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 Women in the Boardroom: Pathways to a Board Seat - VIRTUAL - 05/18/2021 - 05/18/2021	Attended	\$50.00	\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - NACD ESG Continuous Learning Cohort - VIRTUAL - 06/16/2021 - 06/16/2021	Attended	\$2,595.00	\$2,595.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Gin	a Sanchez:	\$15,712.07	\$15,712.07	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



EDUCATION AND TRAVEL EXPENDITURE REPORT

FOR FISCAL YEAR 2021

FOR TRAVEL DURING JULY 2020 - JUNE 2021

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Herm	an Santos												
В -	Edu- LAVCA's Annual Investor Meeting - VIRTUAL - 09/14/2020 - 09/17/2020	Attended	\$595.00	\$595.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu- 2020 SACRS Fall Virtual Conference - VIRTUAL - 11/10/2020 - 11/13/2020	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - PPI Virtual Roundtable - VIRTUAL - 02/16/2021 - 02/18/2021	Attended	\$175.00	\$175.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - SACRS Spring Conference - VIRTUAL - 05/11/2021 - 05/14/2021	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Herm	an Santos:	\$1,010.00	\$1,010.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cnt: 0	Gr	and Totals:	\$32,492.07	\$32,492.07	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Category Legend:

A - Pre-Approved/Board Approved

B - Includes 1) Educational Conferences and Administrative Meetings in CA where total cost is no more than \$2,000 per Trustee Travel Policy; Section III.A and 2) Virtual Events. Virtual Events are not subject to cost or count limits.
 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.

X - Canceled events for which expenses have been incurred.

Z - Trip was Canceled - Balance of \$0.00





4TH QUARTER STAFF

EDUCATION AND TRAVEL EXPENDITURE REPORT

FOR FISCAL YEAR 2021

Attendee	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Executive	Offices												
Bob Schlotfelt	1 Admin - Conduct Site Visit to Mainline/DMI Data Center - Phoenix AZ - 05/27/2021 - 05/27/2021	Attended	\$264.98	\$0.00	\$0.00	\$186.80	\$0.00	\$22.18	\$0.00	\$20.00	\$0.00	\$36.00	\$0.00
	Totals for Bob	Schlotfelt:	\$264.98	\$0.00	\$0.00	\$186.80	\$0.00	\$22.18	\$0.00	\$20.00	\$0.00	\$36.00	\$0.00
Cnt: 1	Totals for Executi	ve Offices:	\$264.98	\$0.00	\$0.00	\$186.80	\$0.00	\$22.18	\$0.00	\$20.00	\$0.00	\$36.00	\$0.00
Systems													
Steven Alexander	1 Admin - Conduct Site Visit to Mainline/DMI Data Center - Phoenix AZ - 05/27/2021 - 05/27/2021		\$577.44	\$0.00	\$150.57	\$0.00	\$0.00	\$409.92	\$0.00	\$0.00	\$16.95	\$0.00	\$0.00
	Totals for Steven	Alexander:	\$577.44	\$0.00	\$150.57	\$0.00	\$0.00	\$409.92	\$0.00	\$0.00	\$16.95	\$0.00	\$0.00
Matthew Behrens	1 Admin - Conduct Site Visit to Mainline/DMI Data Center - Phoenix AZ - 05/27/2021 - 05/27/2021		\$223.93	\$0.00	\$0.00	\$181.97	\$41.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Matthew	w Behrens:	\$223.93	\$0.00	\$0.00	\$181.97	\$41.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Irwin Devries	1 Admin - Conduct Site Visit of Mesa, AZ Facility - Mesa AZ - 12/03/2020 - 12/05/2020	Attended	\$834.48	\$0.00	\$274.73	\$0.00	\$0.00	\$419.75	\$0.00	\$0.00	\$0.00	\$140.00	\$0.00
	Totals for Irw	in Devries:	\$834.48	\$0.00	\$274.73	\$0.00	\$0.00	\$419.75	\$0.00	\$0.00	\$0.00	\$140.00	\$0.00
Eddie Paz	1 Admin - Conduct Site Visit to Mainline/DMI Data Center - Phoenix AZ - 05/27/2021 - 05/27/2021	Attended	\$251.04	\$0.00	\$0.00	\$181.97	\$0.00	\$9.07	\$0.00	\$24.00	\$0.00	\$36.00	\$0.00



4TH QUARTER STAFF

EDUCATION AND TRAVEL EXPENDITURE REPORT

FOR FISCAL YEAR 2021

Attendee	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Systems													
	Totals for	Eddie Paz:	\$251.04	\$0.00	\$0.00	\$181.97	\$0.00	\$9.07	\$0.00	\$24.00	\$0.00	\$36.00	\$0.00
Celso Templo	1 Admin - Conduct Site Visit of Mesa, AZ Facility - Mesa AZ - 10/09/2020 - 10/09/2020	Attended	\$440.45	\$0.00	\$0.00	\$0.00	\$0.00	\$440.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Totals for Cels	o Templo:	\$440.45	\$0.00	\$0.00	\$0.00	\$0.00	\$440.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cnt: 5	Totals for	r Systems:	\$2,327.34	\$0.00	\$425.30	\$363.94	\$41.96	\$1,279.19	\$0.00	\$24.00	\$16.95	\$176.00	\$0.00
Cnt: 6	Gra	and Totals:	\$2,592.32	\$0.00	\$425.30	\$550.74	\$41.96	\$1,301.37	\$0.00	\$44.00	\$16.95	\$212.00	\$0.00





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
At	tendee Total	s: \$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Vivian Gray												
Edu - CII & NYU Corporate Governance Bootcamp - VIRTUALI -9/23/2020 9/25/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
At	tendee Total	s: \$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
At	tendee Total	s: \$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	Х	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00	11/30/2021	\$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
A	tendee Total	s: \$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00	l.	\$0.00		\$0.00
	Grand Totals	s: \$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00	l	\$0.00		\$0.00

Category Legend:

X - Canceled events for which expenses have been incurred.

Z - Trip was Canceled - Balance of \$0.00





FOR FISCAL YEAR 2020

		FOF	R TRAVEL	THROUGH	I THE 4TH	QUARTER	OF FY19-2	0				
Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Register	Lodging	Airfare	Other Misc Travel Exp.		Register Credit (1802)	Register 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	Х	\$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	Х	\$275.00	\$0.00	\$0.00	\$275.00	\$0.00	Yes	\$0.00		\$0.00		\$0.00
Atten	dee 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
Atten	dee 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
Atter	dee 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	Х	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	Yes	\$4,265.50	10/31/2021	\$0.00		\$4,265.50
Edu - 2019 Pacific Pension Institute Executive Seminar and Asia Roundtable - Shanghai, China; Hong Kong, China - 11/03/2019 - 11/08/2019 - Canceled	Ζ.	\$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
	dee Totals	: \$500.00	\$500.00	\$0.00	\$0.00	\$0.00		\$4,265.50		\$0.00		\$4,265.50





FOR FISCAL YEAR 2020

		FOF	RTRAVEL	THROUGH	I THE 4TH	QUARTER	OF FY19-2	0				
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 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
Atten	dee Totals	: \$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Keith Knox												
Edu - Cll'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
Atten	dee 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	Х	\$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
Atten	dee Totals	\$1,776.08	\$0.00	\$0.00	\$1,776.08	\$0.00		\$0.00		\$0.00		\$0.00





FOR FISCAL YEAR 2020

		FOF		THROUGH		QUARTER	OF FY19-2	D				
Purpose of Travel - Location - Date - Travel Status	Category			Lodging	Airfare	Other Misc Travel Exp.	Chair	Register	Register 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
Atte	ndee 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	Х	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$522.30	11/3/2021	\$0.00
Atte	ndee Totals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$522.30		\$0.00
Les Robbins												
Edu - CRCEA Fall 2019 Conference - Rohnert Park CA - 10/28/2019 - 10/30/2019 - Host Canceled	Х	\$291.95	\$0.00	\$0.00	\$291.95	\$0.00	Yes	\$0.00		\$0.00		\$0.00
Atte	ndee 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
Atte	ndee 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	Х Э	\$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	Х	\$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	х	\$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
Atte	ndee 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)	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	Х	\$299.00	\$299.00	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00		\$0.00
Atter	dee Totals	\$299.00	\$299.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Gi	rand Totals	\$6,725.06	\$1,420.48	\$1,579.75	\$3,724.83	\$0.00		\$4,265.50		\$522.30		\$4,265.50

Category Legend:

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.

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