

LIVE VIRTUAL COMMITTEE 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 are requesting to speak, please include your contact information, agenda item, and meeting date in your request.

Attention: Public comment requests must be submitted via email to PublicComment@lacera.com no later than 5:00 p.m. the day before the scheduled meeting.

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

AGENDA

A REGULAR MEETING OF THE EQUITY: PUBLIC/PRIVATE COMMITTEE
OF THE BOARD OF INVESTMENTS AND BOARD OF INVESTMENTS*
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION
300 N. LAKE AVENUE, SUITE 810, PASADENA, CALIFORNIA 91101

8:00 A.M., WEDNESDAY, JULY 13, 2022

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

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

The Committee 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 Equity: Public/Private Committee Meeting of April 13, 2022.

III. PUBLIC COMMENT

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

Verbal Public Comment - You may also request to address the Committee at PublicComment@lacera.com before and during the meeting at any time up to the end of the Public Comment item. We will contact you with information and instructions as to how to access the meeting as a speaker. If you would like to remain anonymous at the meeting without stating your name, please let us know.)

July 13, 2022

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IV. CONSENT ITEM

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Equity: Public/Private Committee consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of the Committee to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that the Committee shall hold teleconference meetings for the next 30 days, subject to continuation of the State of Emergency, and if so, direct staff to comply with the agenda and public comment requirements of the statute.
(Memo dated June 27, 2022)

V. REPORT

- A. Private Equity Portfolio Performance Update
Christopher Wagner, Principal Investment Officer
Natalie Walker, Partner – StepStone Group LP (Equity Consultants)
Dan Krikorian, Vice President – StepStone Group LP (Equity Consultants)
(Memo dated June 30, 2022)

VI. ITEMS FOR STAFF REVIEW

- VII. GOOD OF THE ORDER
(For information purposes only)

VIII. ADJOURNMENT

July 13, 2022

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**The Board of Investments has adopted a policy permitting any member of the Board to attend a standing committee meeting open to the public. In the event five or more members of the Board of Investments (including members appointed to the Committee) are in attendance, the meeting shall constitute a joint meeting of the Committee and the Board of Investments. Members of the Board of Investments who are not members of the Committee may attend and participate in a meeting of a Committee but may not vote, make a motion, or second on any matter discussed at the meeting. The only action the Committee may take at the meeting is approval of a recommendation to take further action at a subsequent meeting of the Board.*

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 SPECIAL MEETING OF THE EQUITY: PUBLIC/PRIVATE
COMMITTEE AND BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

8:30 A.M., WEDNESDAY, APRIL 13, 2022

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

PRESENT: Elizabeth Greenwood, Vice Chair

Keith Knox

Patrick Jones

David Green, Alternate

ABSENT: Herman Santos, Chair

MEMBERS AT LARGE:

Gina Sanchez

Joseph Kelly

Onyx Jones

STAFF, ADVISORS, PARTICIPANTS:

Jonathan Grabel, Chief Investment Officer

Christopher Wagner, Principal Investment Officer

Esmeralda del Bosque, Acting Principal Investment Officer

STAFF, ADVISORS, PARTICIPANTS (Continued):

Ron Senkandwa, Investment Officer

Jeff Jia, Senior Investment Analyst

Magdalia Armstrong, Senior Investment Analyst

Meketa Investment Group (General Investment Consultants)

Timothy Filla, Principal

Leandro Festino, Managing Principal

StepStone Group LP (Private Equity Consultants)

Natalie Walker, Partner

I. CALL TO ORDER

The meeting was called to order virtually by Vice Chair Greenwood at 8:54

a.m.

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Meeting of March 9, 2022.

Mr. Green made a motion, Mr. Knox seconded, to approve the minutes of the regular meeting of March 9, 2022. The motion passed unanimously (roll call) with Messrs. Knox, Jones, and Green and Ms. Greenwood voting yes.

III. PUBLIC COMMENT

There were no requests from the public to speak.

After Item III at 8:57 a.m., the Chair directed, without objection, that the meeting is in

recess until immediately after the Board of Investments Meeting that will begin at 9:00

a.m.

IV. CONSENT ITEM

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Equity: Public/Private Committee consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of the Committee to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that the Committee shall hold teleconference meetings for the next 30 days, subject to continuation of the State of Emergency, and if so, direct staff to comply with the agenda and public comment requirements of the statute. (Memo dated March 29, 2022)

The meeting was resumed at 10:55 a.m. after the Board of Investments Meeting. No action is required on Item IV.A because authorization for this teleconference meeting was within the scope of Board of Investments Agenda Item VII.A approved at the Board of Investments Meeting earlier today.

V. NON-CONSENT ITEM

- A. Recommendation as submitted by Esmeralda del Bosque, Acting Principal Investment Officer; Ron Senkandwa, Investment Officer; Jeff Jia, Senior Investment Analyst; and Magdalia Armstrong, Senior Investment Analyst: That the Committee advance the Global Equity emerging manager program assessment and Request for Proposal minimum qualifications to the Board of Investments for Board approval. (Memo dated March 24, 2022)

Messrs. Senkandwa and Jia and Mses. del Bosque and Armstrong provided a presentation and answered questions from the Committee.

Mr. Knox made a motion, Mr. Jones seconded, to advance the Global Equity emerging manager program assessment and Request for Proposal minimum qualifications to the Board of Investments for Board approval.

V. NON-CONSENT ITEM (Continued)

The motion passed unanimously (roll call) with Messrs. Knox, Jones, and Ms. Greenwood voting yes. Mr. Green was absent for the vote.

VI. ITEMS FOR STAFF REVIEW

There were no items to report.

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

There was nothing to report.

VIII. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 11:33 a.m.

June 27, 2022

TO: Each Trustee,
Equity: Public/Private Committee

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

FOR: July 13, 2022 Equity: Public/Private Committee Meeting

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

RECOMMENDATION

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

LEGAL AUTHORITY

Under Article XVI, Section 17 of the California Constitution, the Board of Investments has plenary authority and exclusive fiduciary responsibility for the fund's investments, actuarial matters, and related issues. This authority includes the ability to manage Board and Committee meetings and evaluate and act on legal options for the conduct of such meetings, such as whether to invoke teleconferencing of meetings under the terms and conditions provided in AB 361 and Government Code Section 54953(e) of the Brown Act to protect the health and safety of Trustees, staff, and the public. It is necessary for the Committee to take separate action at this meeting because the limit of a determination under Section 54953(e)(3) is 30 days, the Board of Investments' June 8, 2022 action invoking the statute will be more than 30 days ago at the time of the July 13, 2022 Committee meeting, and that meeting will take place before the Board of Investments meeting at which the Board will again consider the issue. The Committee is a separate legislative body under the Brown Act and may properly take this action.

DISCUSSION

A. Summary of Law.

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

December 31, 2023, new teleconferencing rules that may be invoked by local legislative bodies, such as the Equity: Public/Private Committee, upon making certain findings and following certain agenda and public comment requirements.

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

- (A) The Committee has considered the circumstances of the state of emergency; and
- (B) Any of the following circumstances exist:
 - (i) The state of emergency continues to directly impact the ability of the Trustees to meet safely in person; or
 - (ii) State or local officials continue to impose or recommend measures to promote social distancing.

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

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

The Governor's State of Emergency for the COVID-19 pandemic as declared in the Proclamation of a State of Emergency dated March 4, 2020 remains active. The Proclamation was issued under the authority of Section 8625 of the California Emergency Services Act. It is unclear when the State of Emergency will end, although over the past year the Governor actively terminated many emergency provisions. See, e.g., Order No. N-21-21, issued November 10, 2021, Order No. N-04-22, issued February 25, 2022. Very recently, the Governor terminated additional COVID provisions. See Order No. N-11-22, issued June 17, 2022. In the press release for the June 17 Order, the Governor's Office stated that, after June 30, 2022, "only 5 percent of the COVID-19 related executive order provisions issued throughout the pandemic will remain in place."

The Los Angeles County Department of Public Health maintains guidance to "Keep your distance. Use two arms lengths as your guide (about 6 feet) for social distancing with people outside your household when you are not sure that they are vaccinated."

Re: Approval of Teleconference Meetings

June 27, 2022

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

As further indication of the County’s interpretation of the impact of the State of Emergency on public meetings, at its June 14, 2022 meeting, the Board of Supervisors voted to find that the State of Emergency remains active and “local officials continue to recommend measures to promote social distancing” and that the Board of Supervisors shall continue to hold teleconference meetings under the terms of Assembly Bill 361 and Government Code Section 54953(e)(3). However, on June 24, 2022, the Executive Office of the Board of Supervisors issued a press release announcing that “meetings will remain virtual until the transmission level drops to ‘low’ and remains at that level for 7 days.” The Board of Supervisors will resume meetings in the Board hearing room when this standard is met, although Public Comment will continue to be available telephonically.

The City of Pasadena (City), where LACERA’s offices are located and Equity: Public/Private Committee meetings are held, has substantially revised its guidance to give more flexibility. The City still offers guidance that businesses recognize that COVID-19 continues to pose a risk to communities, and it is important for employers to continue to take steps to reduce the risk of COVID-19 transmission among their workers and visitors.
<https://www.cityofpasadena.net/economicdevelopment/covid-19-business-resources/>.

Earlier guidance promoting physical distancing by business in certain circumstances also remains posted on the City’s COVID web page as a reference. As of the date of this memo, the City Council continues to hold its meetings by videoconference/teleconference, although some council members have started to attend in person in the council chambers. At its June 20, 2022 meeting, the City Council voted to extend the video and teleconference meeting process through July 20, 2022. It is unclear how long the City Council will continue to hold teleconference meetings.

The Centers for Disease Control and Prevention (CDC) has updated its guidance, but the CDC still advises the public to “Stay 6 feet away from others” and that, “Indoors in public: “If you are not up to date on COVID-19 vaccines, stay at least 6 feet away from other

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Re: Approval of Teleconference Meetings

June 27, 2022

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people, especially if you are at higher risk of getting very sick with COVID-19.”
<https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html#stay6ft%20>.

Under these circumstances, the Equity: Public/Private Committee may reasonably conclude and find that teleconferencing under Section 54953(e) is appropriate for Committee meetings during the next 30 days, so long as the State of Emergency remains in effect, because (1) the State of Emergency continues to impact the ability of the Trustees to meet safely in person, or (2) the County and other authorities continue to recommend measures to promote a safe workplace, including physical distancing, as required by the statute. Either finding is sufficient under Section 54953(e) to support continued teleconference meeting.

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

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

CONCLUSION

Based on the above information, staff recommends that, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Equity: Public/Private Committee separately consider whether to find that the Governor’s COVID-19 State of Emergency continues to directly impact the ability of the Committee to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that the Committee shall hold teleconference meetings for the next 30 days, so long as the State of Emergency remains in effect, and if so, direct staff to comply with the agenda and public comment requirements of the statute.

cc: Santos H. Kreimann
Jonathan Grabel
Luis Lugo

Jude Perez
Christopher Wagner

Esmerelda del Bosque
Carly Ntoya

June 30, 2022

TO: Equity: Public/Private Committee

FROM: Christopher J. Wagner 
Principal Investment Officer

FOR: July 13, 2022 Board of Investments Meeting

SUBJECT: **PRIVATE EQUITY PORTFOLIO PERFORMANCE UPDATE**

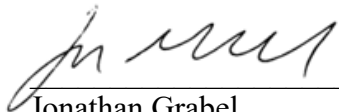
On July 13, 2022, Natalie Walker and Dan Krikorian from LACERA's Private Equity Advisor, StepStone Group LP, are scheduled to deliver the annual LACERA private equity portfolio performance update. Key topics to be covered include performance metrics and market update.

The attached report reflects data aggregated from LACERA's book of record and custodian bank, State Street Bank. Key highlights as of December 31, 2021, include the following:

- Net Asset Value of \$12.5 billion represents ~16% of the total Fund's market value and is within the private equity target allocation range (12% - 20%)
- Consistent above median annual performance has resulted in a net IRR of 16.7% since inception in 1986 and net total value multiple of 1.8x
- Ten-year portfolio return is 18.9% and above its benchmark (Morgan Stanley Capital International All-Country World Index Investable Market Index plus 200 basis points) by 510 basis points
- Ten managers account for ~43% of the portfolio's total exposure (net asset value plus unfunded commitment)
- The portfolio generated ~\$491 million of net positive cash flow during 2021

Attachment

NOTED AND REVIEWED:



Jonathan Grabel
Chief Investment Officer

ANNUAL REVIEW

For the period ended December 31, 2021

Report Prepared For:

LACERA Private Equity



IMPORTANT INFORMATION

This document is meant only to provide a broad overview for discussion purposes. All information provided here is subject to change. This document is for informational purposes only and does not constitute an offer to sell, a solicitation to buy, or a recommendation for any security, or as an offer to provide advisory or other services by StepStone Group LP, StepStone Group Real Assets LP, StepStone Group Real Estate LP, StepStone Conversus LLC, Swiss Capital Alternative Investments AG and StepStone Group Europe Alternative Investments Limited or their subsidiaries or affiliates (collectively, “StepStone”) in any jurisdiction in which such offer, solicitation, purchase or sale would be unlawful under the securities laws of such jurisdiction. The information contained in this document should not be construed as financial or investment advice on any subject matter. StepStone expressly disclaims all liability in respect to actions taken based on any or all of the information in this document. This document is confidential and solely for the use of StepStone and the existing and potential clients of StepStone to whom it has been delivered, where permitted. By accepting delivery of this presentation, each recipient undertakes not to reproduce or distribute this presentation in whole or in part, nor to disclose any of its contents (except to its professional advisors), without the prior written consent of StepStone. While some information used in the presentation has been obtained from various published and unpublished sources considered to be reliable, StepStone does not guarantee its accuracy or completeness and accepts no liability for any direct or consequential losses arising from its use. Thus, all such information is subject to independent verification by prospective investors.

On September 20, 2021, StepStone Group Inc. acquired Greenspring Associates, Inc. (“Greenspring”). Upon the completion of this acquisition, the management agreement of each Greenspring vehicle was assigned to StepStone Group LP. The presentation is being made based on the understanding that each recipient has sufficient knowledge and experience to evaluate the merits and risks of investing in private market products. All expressions of opinion are intended solely as general market commentary and do not constitute investment advice or a guarantee of returns. All expressions of opinion are as of the date of this document, are subject to change without notice and may differ from views held by other businesses of StepStone. All valuations are based on current values calculated in accordance with StepStone’s Valuation Policies and may include both realized and unrealized investments. Due to the inherent uncertainty of valuation, the stated value may differ significantly from the value that would have been used had a ready market existed for all of the portfolio investments, and the difference could be material. The long-term value of these investments may be lesser or greater than the valuations provided. StepStone Group LP, its affiliates and employees are not in the business of providing tax, legal or accounting advice. Any tax-related statements contained in these materials are provided for illustration purposes only and cannot be relied upon for the purpose of avoiding tax penalties. Any taxpayer should seek advice based on the taxpayer’s particular circumstances from an independent tax advisor.

Prospective investors should inform themselves and take appropriate advice as to any applicable legal requirements and any applicable taxation and exchange control regulations in the countries of their citizenship, residence or domicile which might be relevant to the subscription, purchase, holding, exchange, redemption or disposal of any investments. Each prospective investor is urged to discuss any prospective investment with its legal, tax and regulatory advisors in order to make an independent determination of the suitability and consequences of such an investment.

An investment involves a number of risks and there are conflicts of interest.

Each of StepStone Group LP, StepStone Group Real Assets LP, StepStone Group Real Estate LP and StepStone Conversus LLC is an investment adviser registered with the Securities and Exchange Commission (“SEC”). StepStone Group Europe LLP is authorized and regulated by the Financial Conduct Authority, firm reference number 551580. StepStone Group Europe Alternative Investments Limited (“SGEAIL”) is an SEC Registered Investment Advisor and an Alternative Investment Fund Manager authorized by the Central Bank of Ireland and Swiss Capital Alternative Investments AG (“SCAI”) is an SEC Exempt Reporting Adviser and is licensed in Switzerland as an Asset Manager for Collective Investment Schemes by the Swiss Financial Markets Authority FINMA. Such registrations do not imply a certain level of skill or training and no inference to the contrary should be made.

In relation to Switzerland only, this document may qualify as “advertising” in terms of Art. 68 of the Swiss Financial Services Act (FinSA). To the extent that financial instruments mentioned herein are offered to investors by SCAI, the prospectus/offering document and key information document (if applicable) of such financial instrument(s) can be obtained free of charge from SCAI or from the GP or investment manager of the relevant collective investment scheme(s). Further information about SCAI is available in the SCAI Information Booklet which is available from SCAI free of charge.

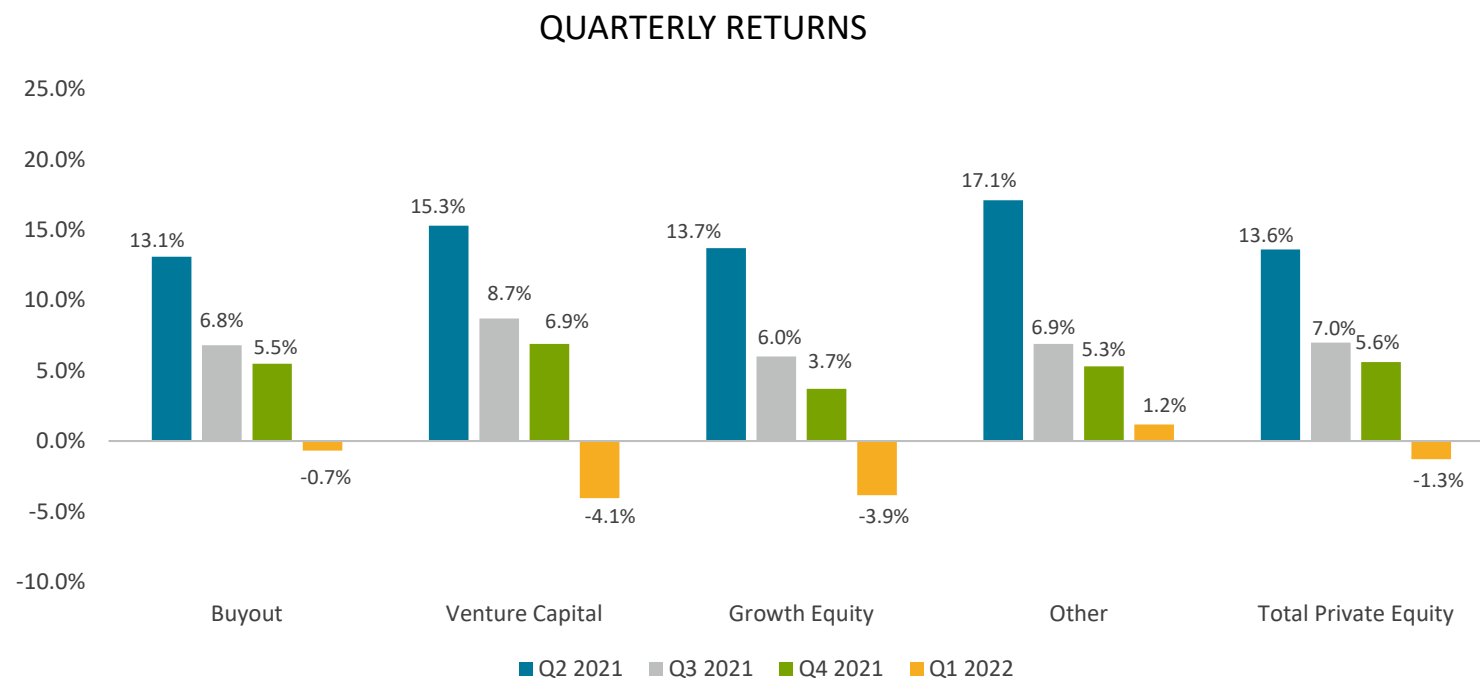
All data is as of December 31, 2021, unless otherwise noted.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. ACTUAL PERFORMANCE MAY VARY.

PRIVATE EQUITY MARKET OVERVIEW

PRIVATE EQUITY PERFORMANCE

Private equity returns for Q1 2022 trended downward compared to recent periods, generating a 1.3% overall decline. After posting the best quarterly returns of all strategies in Q4 2021, Venture Capital reversed course in Q1 2022 with a 4.1% decline. Buyout was relatively flat in Q1 2022.

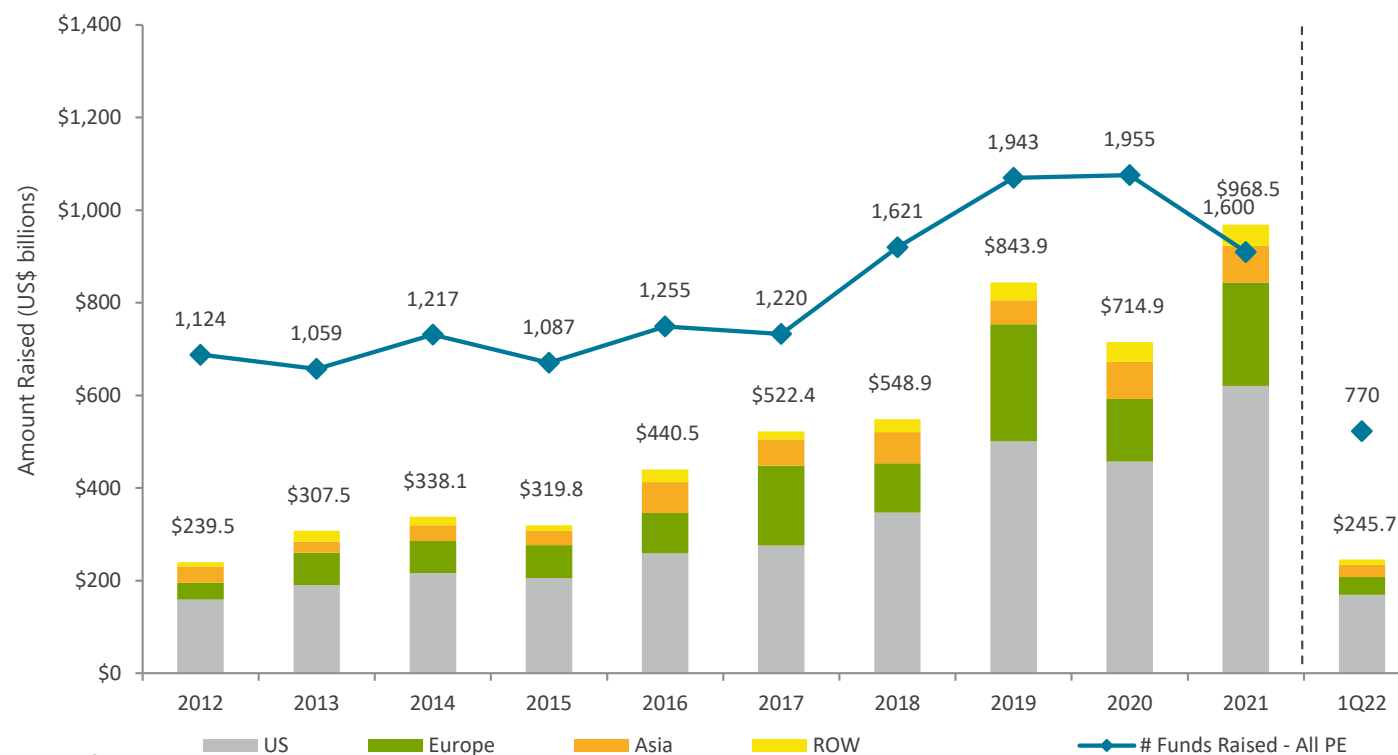


Source: StepStone Portfolio Analytics & Reporting ("SPAR") Omni Universe Benchmark Composite. SPAR data are continuously updated; values are subject to change. Based on Q1 NAVs reported as of June 29, 2022.

FUNDRAISING

Global private equity fundraising totaled US\$245.7 billion in the first quarter, representing a decrease of 13.0% quarter-over-quarter but an increase of 18.8% compared to the first quarter of 2021. Funds raised by US managers raised 68.9% of the total, above the 10-year average of 62.1%. In contrast, European managers raised 15.8% of the total, below the 10-year average of 22.6%. Asia and ROW fundraising was 10.7% and 4.5% of the total, respectively, which is in line with the 10-year average. Despite a decline in quarter over quarter fundraising, Q1 2022 saw a higher number of unique funds raised at 770, compared to Q4 2021 at 708 and the first quarter of 2021 at 651.

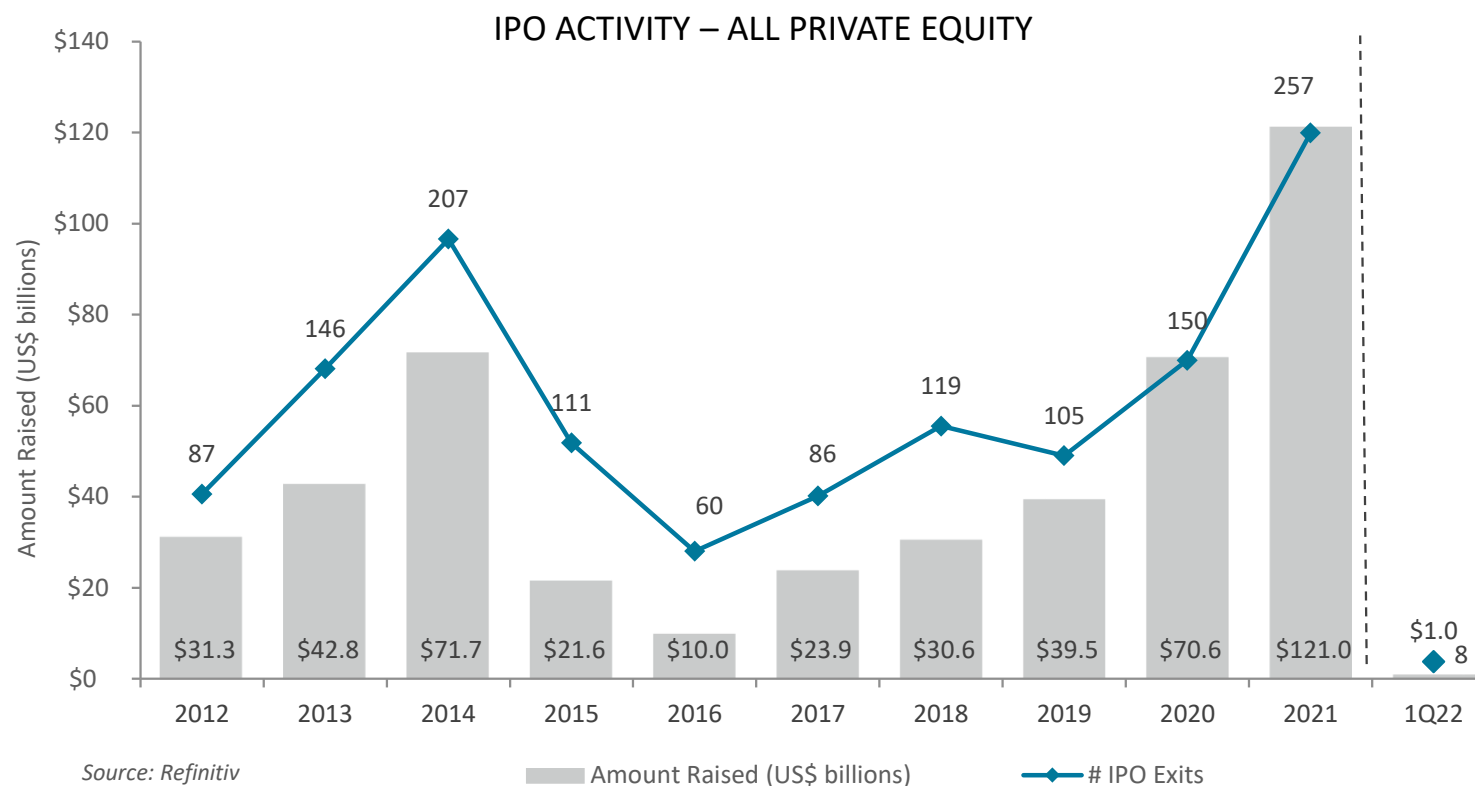
FUNDRAISING BY YEAR - GEOGRAPHY



Source: Refinitiv

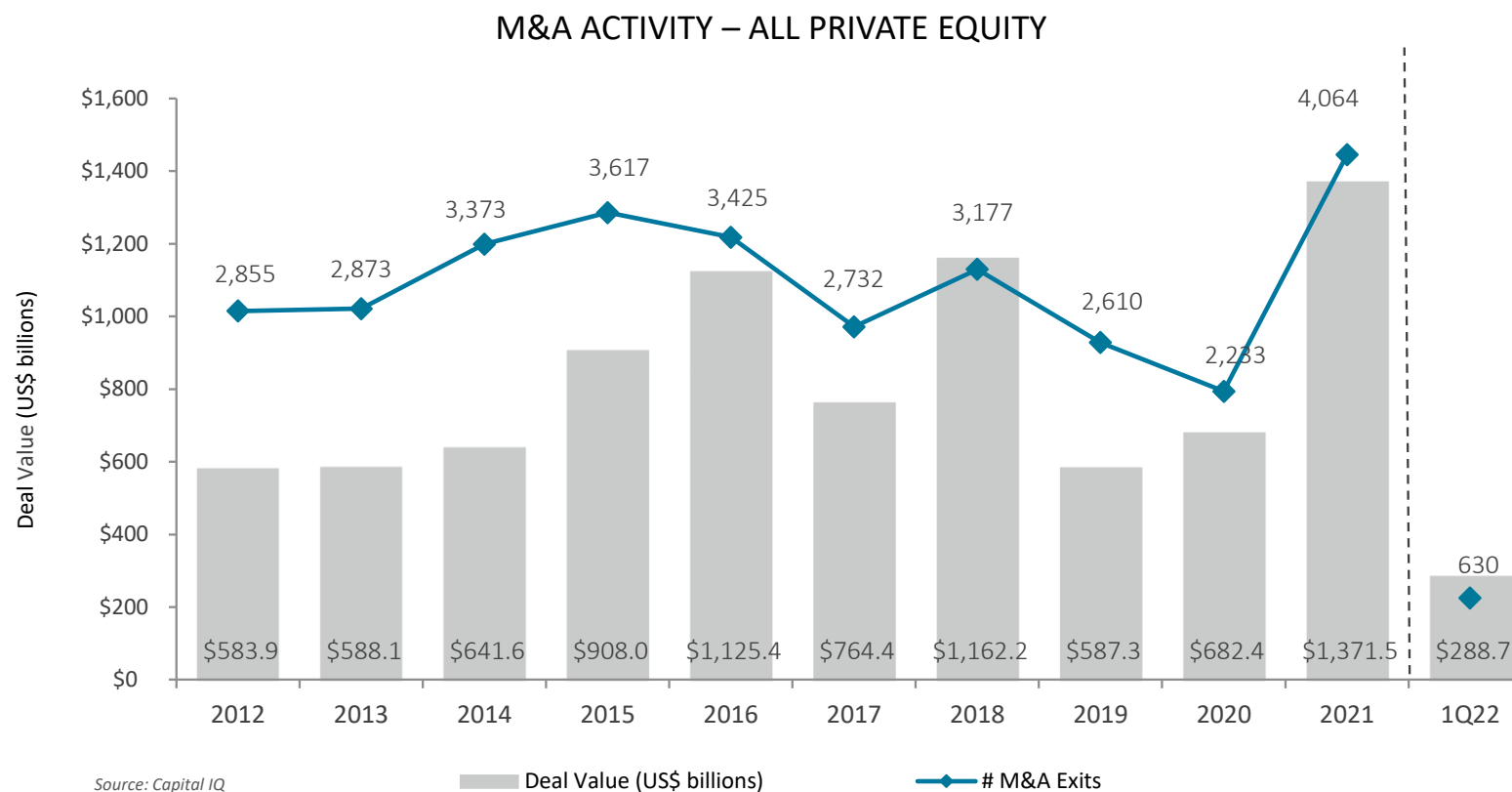
EXIT ENVIRONMENT

In the first quarter, the number of private equity-backed IPOs decreased by 96.0% compared to the prior quarter, with a total of only eight IPOs raising US\$1.0 billion. This compares to 46 IPOs that raised US\$26.8 billion in the fourth quarter of 2021. With 2021 being the strongest year for IPOs in the last decade, the IPO window remained open briefly in the first quarter of 2022 but has since largely closed.



EXIT ENVIRONMENT (CONTINUED)

The number of private equity-backed Mergers and Acquisitions M&A (“M&A”) declined quarter-over-quarter from 933 to 630. Compared to the year prior period, the total number of deals was similar, but Q1 2022 generated higher total value of US\$288.7 million compared to US\$151.4 million in the first quarter of 2021. The graph below shows the deal value and the number of M&A deals.



LACERA PERFORMANCE REVIEW

PERFORMANCE SUMMARY

StepStone Group LP (“StepStone”) was engaged by LACERA to provide Private Equity services for prospective investment opportunities. All data used in this report was provided by LACERA/State Street.

The following table illustrates the Portfolio's since inception investment performance as of December 31, 2021, as well as the year-over-year change.

The Portfolio is generating a since inception net IRR of 16.7% at December 31, 2021, up 40 basis points year-over-year.

As of December 31, 2021. In USD millions.

	INCEPTION TO DECEMBER 31, 2021	INCEPTION TO DECEMBER 31, 2020	ANNUAL Δ
Number of Managers ¹	76	75	1
Number of Investments ²	374	357	17
Number of Active Investments ²	177	165	12
Committed Capital	\$21,039.5	\$18,278.3	\$2,761.3
Unfunded Commitment	4,462.7	3,804.0	658.7
Total Exposure	16,975.6	12,879.5	4,096.2
Total Contributed	18,036.6	15,532.5	2,504.1
Total Distributed	20,654.0	17,659.2	2,994.8
Total Market Value	12,512.9	9,075.5	3,437.4
Since Inception G/L	15,130.3	11,202.2	3,928.2
Total Value	\$33,166.9	\$26,734.7	\$6,432.2
Net DPI	1.1x	1.1x	
Net TVM	1.8x	1.7x	
Net IRR	16.7%	16.3%	40 bps

Past performance is not necessarily indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses.

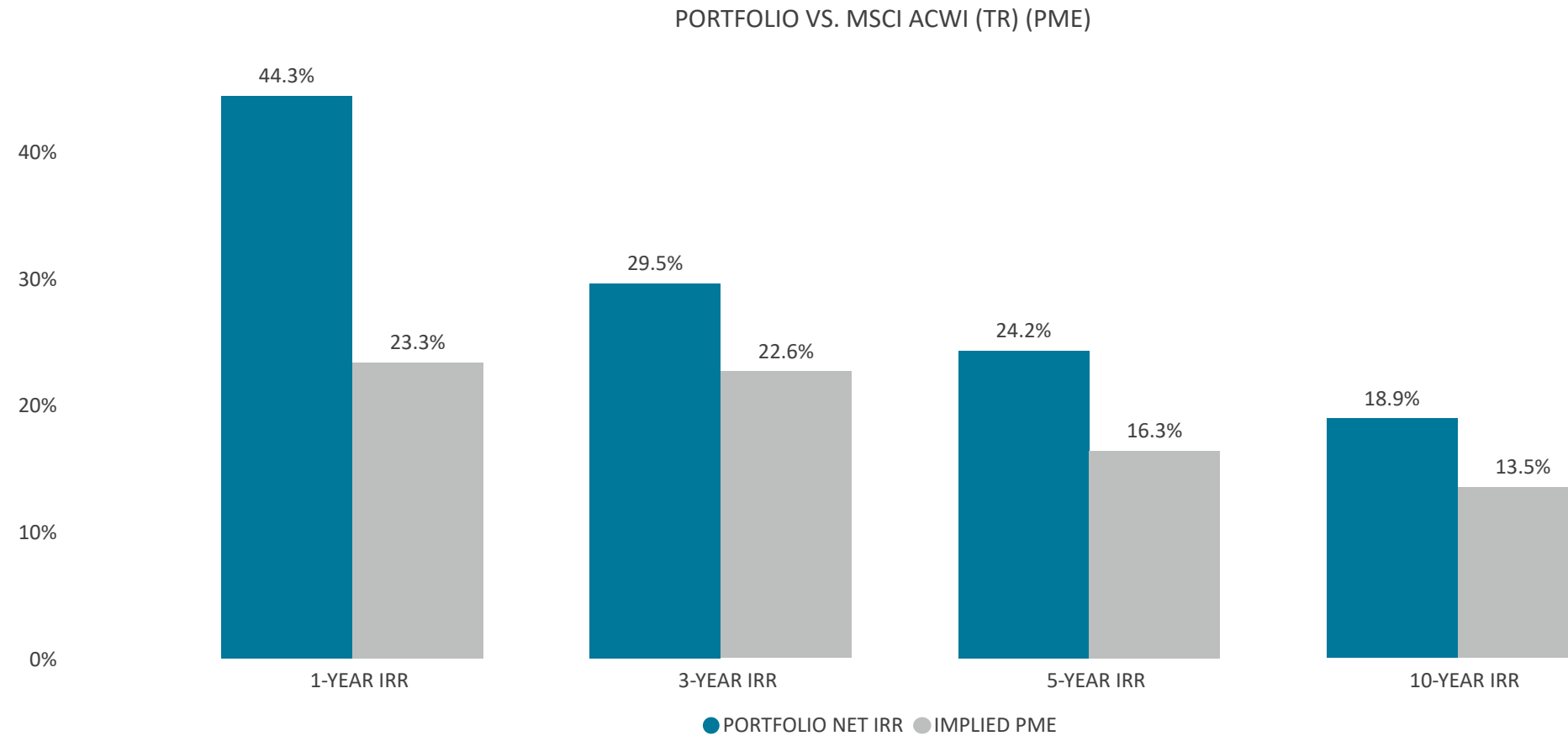
Reinvested/recycled amounts increase contributed capital. Note: USD amounts may differ from State Street due to cash flow classifications and exchange rates.

¹ Count of unique managers and excludes underlying manager relationships from the JP Morgan Emerging Manager, Pathway Capital portfolios, and LACERA co-investments.

² Excludes underlying manager relationships from the JP Morgan Emerging Manager, Pathway Capital portfolios, and LACERA co-investments.

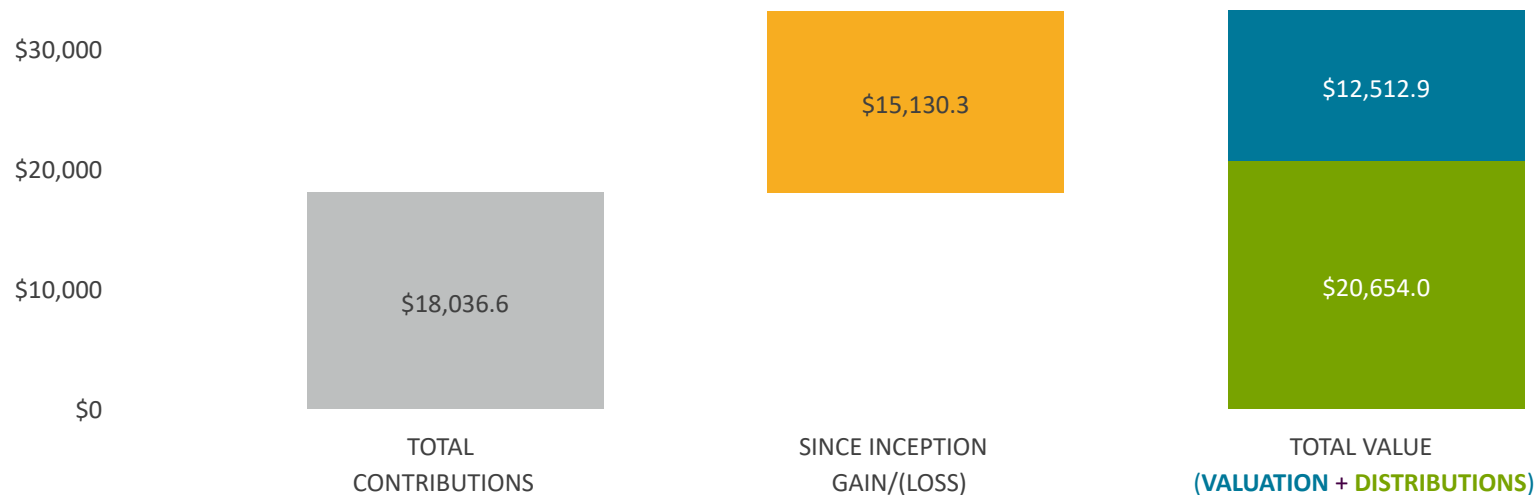
PERFORMANCE SUMMARY CONTINUED

The following table illustrates the Portfolio's point-to-point investment performance as of December 31, 2021, as well as the public market equivalent (PME) based on the MSCI ACWI (TR) index.



SINCE INCEPTION VALUATION MOVEMENT

Through December 31, 2021, LACERA - Private Equity's portfolio has generated a gain of \$15,359.7 million.

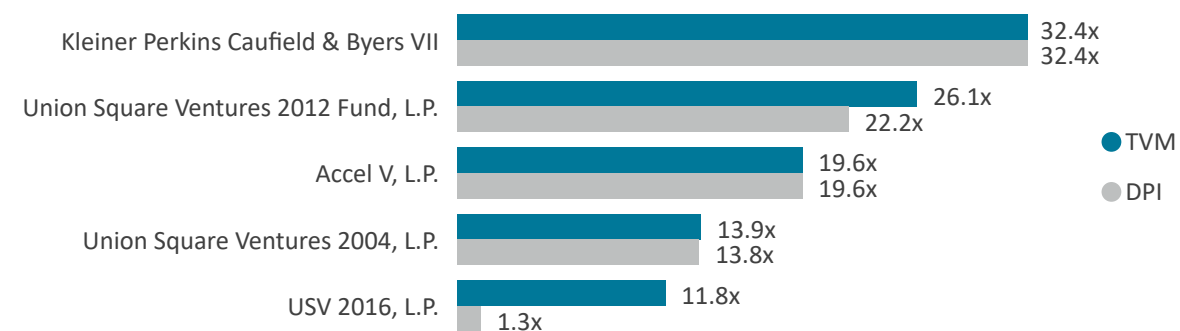


SINCE INCEPTION TOP PERFORMING INVESTMENTS

TOP 5 PERFORMING INVESTMENTS BY NET IRR

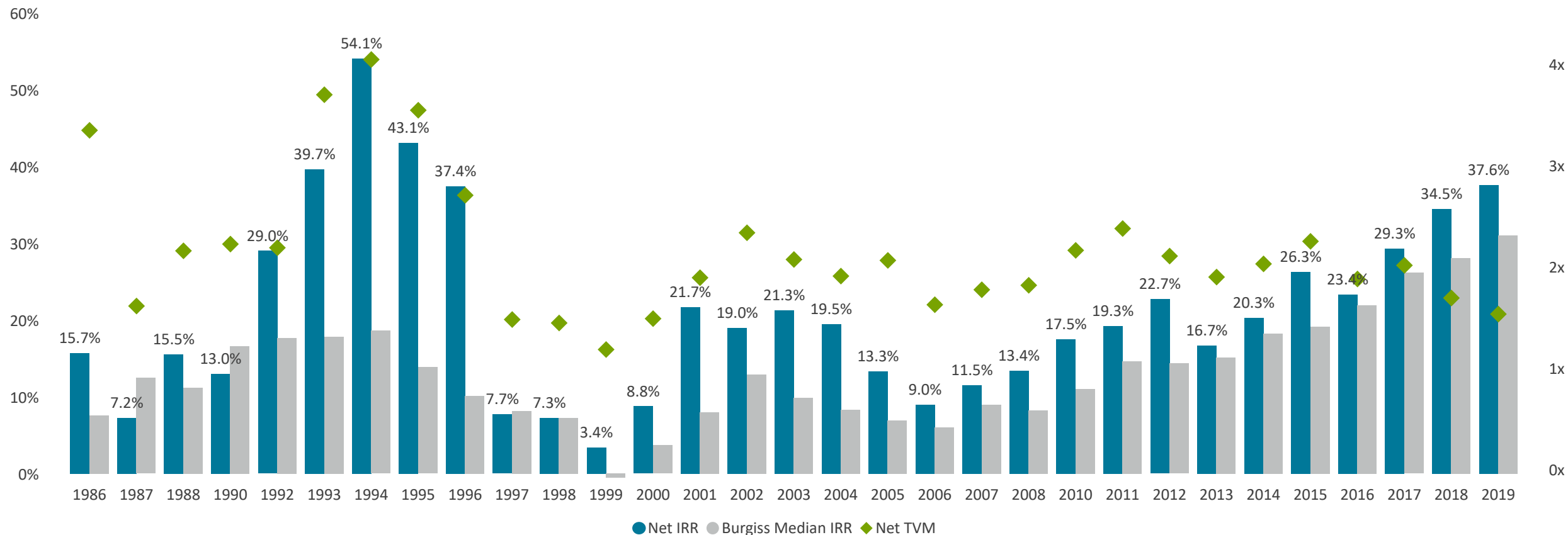


TOP 5 PERFORMING INVESTMENTS BY NET TVM



PERFORMANCE BY VINTAGE YEAR

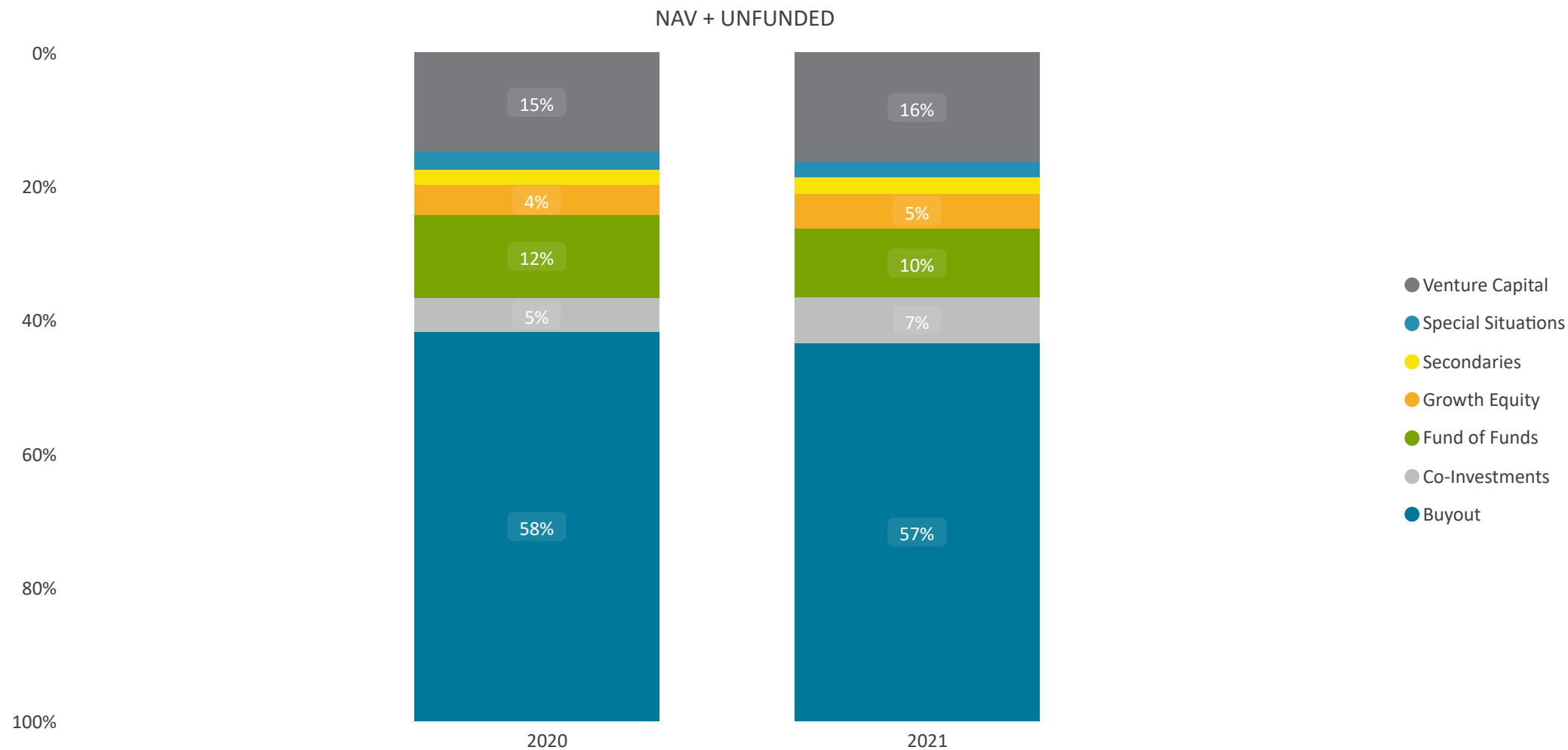
The chart below represents performance across all LACERA - Private Equity vintage years for both Net TVM and Net IRR as of December 31, 2021.



Benchmark ranks are based on Burgiss Benchmark returns as of December 31, 2021. The referenced indices/benchmarks are shown for general market comparisons and are not meant to represent any particular fund. An investor cannot directly invest in an index. Moreover, indices do not reflect commissions or fees that may be charged to an investment product based on the index, which may materially affect the performance data presented. Burgiss Median IRR is a global sample of Private equity Funds raised from 1986-2019.

STRATEGY DIVERSIFICATION

The following chart illustrates the portfolio's diversification by strategy at the underlying investment level as of December 31, 2021.



PERFORMANCE BY VINTAGE YEAR

The following table illustrates the Portfolio's since inception investment performance by vintage year as of December 31, 2021. Note that performance of funds that are less than two years old is not considered meaningful.

As of December 31, 2021. In USD millions.

VINTAGE YEAR	COMMIT	CONT	DIST	NAV	TOTAL VALUE	TOTAL G/L	UNFUNDED	NET DPI	NET TVM	NET IRR	IMPLIED PME	BENCHMARK RANK
1986	\$80.0	\$80.0	\$267.5	\$0.0	\$267.5	\$187.5	\$0.0	3.3x	3.3x	15.7%	N/A	First
1987	\$25.0	\$25.0	\$40.3	\$0.0	\$40.3	\$15.3	\$0.0	1.6x	1.6x	7.2%	N/A	Third
1988	\$200.0	\$216.6	\$466.9	\$0.0	\$466.9	\$250.3	\$0.0	2.2x	2.2x	15.5%	9.0%	Second
1990	\$7.5	\$7.5	\$16.7	\$0.0	\$16.7	\$9.2	\$0.0	2.2x	2.2x	13.0%	12.8%	Third
1992	\$116.0	\$111.0	\$242.5	\$0.0	\$242.5	\$131.6	\$0.0	2.2x	2.2x	29.0%	15.9%	Second
1993	\$68.0	\$64.8	\$239.5	\$0.0	\$239.5	\$174.7	\$0.0	3.7x	3.7x	39.7%	16.9%	First
1994	\$56.9	\$58.8	\$237.6	\$0.0	\$237.6	\$178.8	\$0.0	4.0x	4.0x	54.1%	20.0%	First
1995	\$100.5	\$102.3	\$362.6	\$0.0	\$362.6	\$260.2	\$0.0	3.5x	3.5x	43.1%	16.8%	First
1996	\$222.9	\$225.2	\$608.8	\$0.0	\$608.8	\$383.6	\$0.0	2.7x	2.7x	37.4%	13.3%	First
1997	\$397.5	\$410.4	\$606.4	\$0.0	\$606.4	\$196.0	\$0.0	1.5x	1.5x	7.7%	3.8%	Third
1998	\$644.4	\$655.2	\$944.0	\$2.0	\$945.9	\$290.7	\$2.0	1.4x	1.4x	7.3%	3.4%	Second
1999	\$360.9	\$369.6	\$436.6	\$0.1	\$436.8	\$67.1	\$1.4	1.2x	1.2x	3.4%	4.1%	Second
2000	\$377.7	\$388.5	\$577.3	\$0.2	\$577.5	\$189.0	\$7.6	1.5x	1.5x	8.8%	7.4%	Second
2001	\$419.2	\$444.9	\$837.2	\$3.8	\$841.0	\$396.1	\$14.1	1.9x	1.9x	21.7%	11.5%	First
2002	\$220.4	\$230.3	\$537.4	\$0.0	\$537.4	\$307.1	\$17.0	2.3x	2.3x	19.0%	8.3%	Second
2003	\$315.6	\$339.1	\$700.7	\$1.3	\$701.9	\$362.8	\$6.1	2.1x	2.1x	21.3%	9.3%	First
2004	\$373.3	\$392.0	\$744.0	\$3.1	\$747.1	\$355.2	\$1.5	1.9x	1.9x	19.5%	7.9%	First
2005	\$527.2	\$504.5	\$1,036.1	\$3.7	\$1,039.7	\$535.3	\$9.0	2.1x	2.1x	13.3%	3.9%	First
2006	\$1,572.1	\$1,604.8	\$2,551.5	\$54.3	\$2,605.8	\$1,001.0	\$16.0	1.6x	1.6x	9.0%	5.0%	Second
2007	\$523.4	\$460.9	\$777.1	\$39.3	\$816.4	\$355.5	\$21.7	1.7x	1.8x	11.5%	7.6%	Second

Past performance is not necessarily indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses.

Benchmark ranks are based on Burgiss Benchmark returns as of December 31, 2021. The referenced indices/benchmarks are shown for general market comparisons and are not meant to represent any particular fund. An investor cannot directly invest in an index. Moreover, indices do not reflect commissions or fees that may be charged to an investment product based on the index, which may materially affect the performance data presented.

PERFORMANCE BY VINTAGE YEAR (CONTINUED)

As of December 31, 2021. In USD millions.

VINTAGE YEAR	COMMIT	CONT	DIST	NAV	TOTAL VALUE	TOTAL G/L	UNFUNDED	NET DPI	NET TVM	NET IRR	IMPLIED PME	BENCHMARK RANK
2008	\$681.9	\$701.5	\$1,230.2	\$43.4	\$1,273.6	\$572.1	\$13.0	1.8x	1.8x	13.4%	9.6%	Second
2010	\$450.0	\$475.1	\$629.2	\$396.9	\$1,026.2	\$551.1	\$46.1	1.3x	2.2x	17.5%	11.2%	Second
2011	\$391.0	\$409.9	\$779.4	\$194.3	\$973.7	\$563.8	\$38.3	1.9x	2.4x	19.3%	11.3%	Second
2012	\$435.0	\$571.3	\$1,015.1	\$186.8	\$1,201.8	\$630.6	\$70.3	1.8x	2.1x	22.7%	10.7%	Second
2013	\$906.0	\$899.3	\$938.7	\$766.9	\$1,705.7	\$806.4	\$46.5	1.0x	1.9x	16.7%	11.5%	Second
2014	\$1,255.0	\$1,354.9	\$1,282.6	\$1,463.3	\$2,745.9	\$1,391.0	\$125.3	0.9x	2.0x	20.3%	12.4%	Second
2015	\$1,087.0	\$1,181.1	\$1,042.8	\$1,613.4	\$2,656.2	\$1,475.1	\$148.5	0.9x	2.2x	26.3%	15.3%	Second
2016	\$1,137.4	\$1,244.6	\$719.4	\$1,617.6	\$2,336.9	\$1,092.4	\$115.6	0.6x	1.9x	23.4%	16.4%	Second
2017	\$592.2	\$540.6	\$294.1	\$793.6	\$1,087.7	\$547.1	\$97.0	0.5x	2.0x	29.3%	17.6%	Second
2018	\$1,295.9	\$991.9	\$245.2	\$1,431.1	\$1,676.3	\$684.4	\$311.8	0.2x	1.7x	34.5%	20.8%	Second
2019	\$2,475.7	\$1,772.6	\$204.0	\$2,510.4	\$2,714.4	\$941.8	\$802.8	0.1x	1.5x	37.6%	23.5%	Second
2020	\$1,025.8	\$524.5	\$27.7	\$656.1	\$683.8	\$159.4	\$515.6	0.1x	1.3x	NM	NM	NM
2021	\$2,698.2	\$678.1	\$15.1	\$731.4	\$746.6	\$68.5	\$2,035.4	0.0x	1.1x	NM	NM	NM
Net Total	\$21,039.5	\$18,036.6	\$20,654.0	\$12,512.9	\$33,166.9	\$9,483.5	\$4,462.7	1.1x	1.8x	16.7%	N/A	

Past performance is not necessarily indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses.

Benchmark ranks are based on Burgiss Benchmark returns as of December 31, 2021. The referenced indices/benchmarks are shown for general market comparisons and are not meant to represent any particular fund. An investor cannot directly invest in an index. Moreover, indices do not reflect commissions or fees that may be charged to an investment product based on the index, which may materially affect the performance data presented.

PERFORMANCE BY STRATEGY

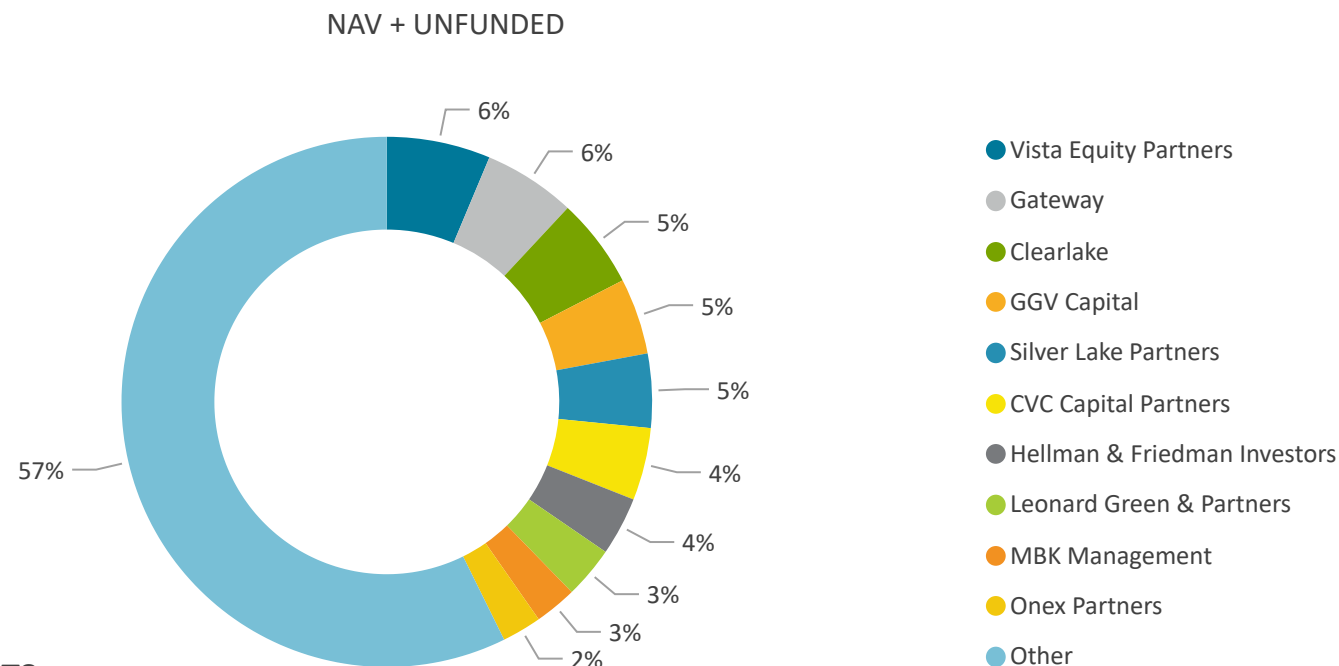
The following table illustrates the Portfolio's since inception investment performance by strategy as of December 31, 2021.

As of December 31, 2021. In USD millions.

SECTOR	COMMIT	CONT	DIST	NAV	TOTAL VALUE	UNFUNDED	NET DPI	NET TVM	NET IRR	IMPLIED PME
Buyout	\$13,548.6	\$11,557.5	\$13,172.0	\$7,147.6	\$20,319.6	\$3,259.9	1.1x	1.8x	14.3%	N/A
Venture Capital	\$2,185.4	\$1,856.8	\$2,467.8	\$2,044.1	\$4,511.9	\$301.8	1.3x	2.4x	21.9%	N/A
Fund of Funds	\$1,415.4	\$1,228.9	\$1,365.5	\$1,344.4	\$2,710.0	\$219.1	1.1x	2.2x	15.1%	8.9%
Special Situations	\$1,180.4	\$947.5	\$1,007.4	\$319.4	\$1,326.7	\$228.4	1.1x	1.4x	9.2%	7.0%
Growth Equity	\$1,084.3	\$995.4	\$1,425.4	\$539.4	\$1,964.8	\$216.5	1.4x	2.0x	86.8%	28.0%
Co-Investments	\$1,055.0	\$993.1	\$846.6	\$777.4	\$1,624.0	\$108.5	0.9x	1.6x	18.6%	9.0%
Secondaries	\$570.3	\$457.5	\$369.4	\$340.6	\$710.0	\$128.6	0.8x	1.6x	19.1%	9.3%
Net Total	\$21,039.5	\$18,036.6	\$20,654.0	\$12,512.9	\$33,166.9	\$4,462.7	1.1x	1.8x	16.7%	N/A

Past performance is not necessarily indicative of future results and there can be no assurance that the investment will achieve comparable results or avoid substantial losses.

MANAGER DIVERSIFICATION

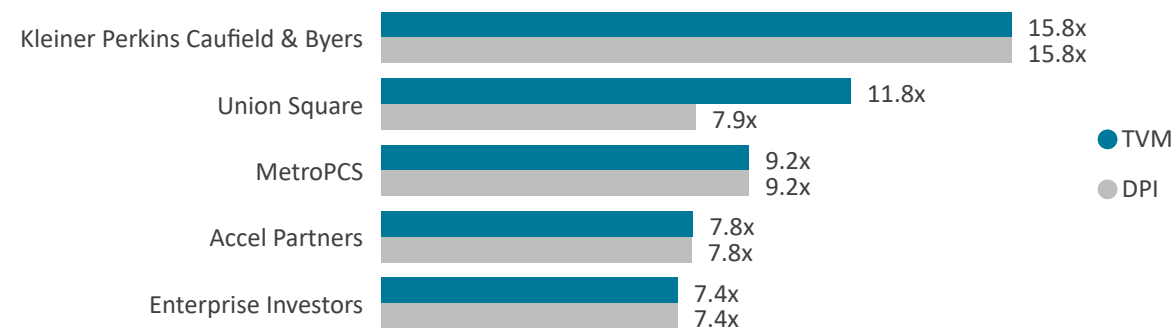


SINCE INCEPTION TOP PERFORMING INVESTMENTS

TOP 5 PERFORMING MANAGERS BY NET IRR

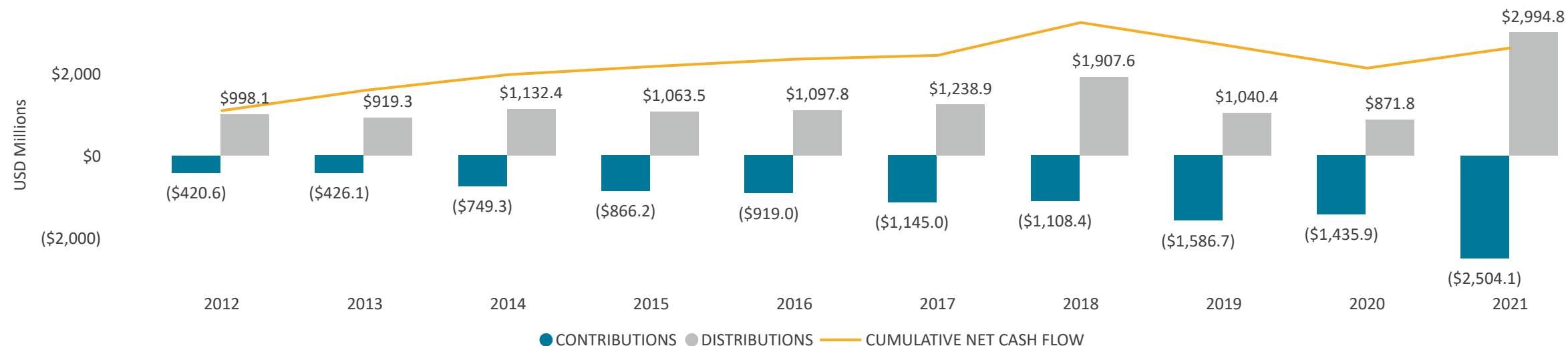


TOP 5 PERFORMING MANAGERS BY NET TVM



YEAR-TO-DATE CASH FLOW ACTIVITY

During the twelve months ended December 31, 2021, the portfolio contributed \$2,504.1 million and received \$2,994.8 million of distributions, for a net cash inflow of \$490.7 million.



YEAR-TO-DATE TOP CONTRIBUTIONS AND DISTRIBUTIONS

As of December 31, 2021. In USD millions.

INVESTMENT	CONTRIBUTIONS	% OF TOTAL
Green Equity Investors VIII, L.P.	\$96.3	3.6%
Silver Lake Partners VI, L.P.	\$90.9	3.4%
Clearlake Capital Partners VI	\$88.1	3.3%
Thoma Bravo Fund XIV, L.P.	\$85.4	3.2%
Hellman & Friedman Capital Partners IX, L.P.	\$70.7	2.7%
Top 5 Contributions	\$431.3	16.3%

INVESTMENT	DISTRIBUTIONS	% OF TOTAL
Union Square Ventures 2012 Fund, L.P.	\$217.4	7.2%
Gateway Private Equity Fund-B, LP	\$197.3	6.5%
Institutional Venture Partners XV, L.P.	\$133.3	4.4%
Clearlake Capital Partners V, L.P.	\$128.7	4.2%
Carlyle Partners VI, L.P.	\$110.9	3.7%
Top 5 Distributions	\$787.7	26.0%

DEFINITIONS

Commitment - An amount set by an investor and a fund manager, as the aggregate amount an investor will invest in the private equity fund, over the life of the investment period. Committed Capital is presented net of any commitment releases or expirations and reflects foreign currency exchange rate fluctuations.

Contribution - Capital provided by the limited partners to pay a fund's underlying investments, fees, and carried interest.

Distribution - Cash or stock returned to the limited partners after the general partner has exited from an investment. Stock distributions are sometimes referred to as "in-kind" distributions. The partnership agreement governs the timing of distributions to the limited partner, as well as how any profits are divided among the limited partners and the general partner.

Distributions to Paid-in Capital ("DPI") - The amount a partnership has distributed to its investors relative to the total contributions to the fund. DPI is calculated as Distributions divided by Contributions. Also referred to as the Realization Ratio.

Fund - The investment vehicle, often a limited partnership, to which the limited partners commit capital.

Internal Rate of Return ("Net IRR") - A performance metric that measures total value created by the portfolio's daily cash flows and market value as of quarter-end. The discount rate that equates the net present value (NPV) of an investment's cash flows with its cash outflows. IRR is net of fund manager's fees, expenses, and carried interest.

Net Multiple (or Total Value Multiple, "TVM") - A performance metric that measures total value created by the portfolio relative to the total contribution to the fund, without consideration for time. Calculated as the Total Value of an investment, which is comprised of the current Fair Market Value plus Distributions, divided by Contributions. This metric addresses one particular shortfall of the IRR calculation, in that a high IRR over a short holding period is not necessarily attractive to a long-term institutional investor.

Public Market Equivalent ("PME") - Benchmarking metric which designs a set of analyses used in the Private Markets to evaluate the performance of Private Markets investments against a public benchmark or index. To perform the public market analysis, StepStone will run a Direct Alpha analysis which will assume the cash flows to/from each investment were used to invest into and out of the given index. Direct Alpha is an annualized excess return, describing the relative performance of the private market investment to the stated index as of the measurement date. The calculation is a dollar-weighted return, based on the series of fund cash flows and the residual value, discounted to a single point in time using the respective index returns. For presentation purposes, StepStone provides the implied PME based on the Direct Alpha methodology which subtracts/adds the out/underperformance from the net IRR which provides the implied return of the public benchmark.

Strategy - A fund's indicated investment focus, e.g. Buyout, Venture Capital, or Special Situations.

Sub-strategy - A fund's indicated investment specialization within its strategy focus. Within the Buyout strategy, StepStone recognizes four sub-strategies: Small, Middle, Large, and Global according to fund size or investment strategy. Within Venture Capital, there are three sub-strategies: Early stage (vast majority of transactions are seed and series A/B round investments), Late stage (vast majority of transactions are series C or later), and Balanced (representing a blend of Early and Late stage transactions). Lastly, Special Situations represents strategies other than Buyout and Venture Capital, most commonly: Distressed Debt, Secondaries, Mezzanine, etc.

Unfunded - The total remaining commitment to a fund. Unfunded represents the aggregate remaining commitments to partnership investments.

Vintage Year - The year of fund formation and first takedown of capital.