

# IN PERSON & VIRTUAL BOARD MEETING



TO VIEW VIA WEB



TO PROVIDE PUBLIC COMMENT

Members of the public may address the Board orally and in writing. To provide Public Comment, you should visit the above link and complete the request form by selecting whether you will provide oral or written comment from the options located under Options next to the Board meeting.

**Attention:** If you have any questions, you may email [PublicComment@lacera.com](mailto:PublicComment@lacera.com). If you would like to make a public comment during the board meeting, review the [Public Comment instructions](#).

NOTICE OF A REGULAR MEETING OF THE BOARD OF INVESTMENTS  
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

8:30 A.M., WEDNESDAY, SEPTEMBER 13, 2023

*This meeting will be conducted by the Board of Investments both in person and by teleconference under California Government Code Section 54953(f).*

*Any person may view the meeting in person at LACERA's offices or online at <https://LACERA.com/leadership/board-meetings>*

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

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953(f)
  - A. Just Cause
  - B. Action on Emergency Circumstance Requests
  - C. Statement of Persons Present at AB 2449 Teleconference Locations
- IV. WELCOME AND OPENING REMARKS
- V. PUBLIC COMMENT  
(Members of the public may address the Board orally and in writing. To provide Public Comment, you should visit <https://LACERA.com/leadership/board-meetings> and complete the request form by selecting whether you will provide oral or written comment from the options located under Options next to the Board meeting.

If you select oral comment, we will contact you via email with information and instructions as to how to access the meeting as a speaker. You will have up to 3 minutes to address the Board. Oral comment request will be accepted up to the close of the Public Comment item on the agenda.

V. PUBLIC COMMENT (Continued)

If you select written comment, please input your written public comment or documentation on the above link as soon as possible and up to the close of the meeting. Written comment will be made part of the official record of the meeting. If you would like to remain anonymous at the meeting without stating your name, please leave the name field blank in the request form. If you have any questions, you may email [PublicComment@lacera.com](mailto:PublicComment@lacera.com).)

VI. RISK MANAGEMENT IN PRIVATE MARKETS

This session is divided into two sections starting with an introduction to LACERA's multi-dimensional risk management in private markets and presentations by Albourne and StepStone that discuss their respective risk management framework in private markets. The session will then lead into a panel discussion focused on various risk factors across private asset classes.

James Rice, LACERA  
Terra Elijah, LACERA  
Kristen Jones, Albourne  
Jennifer Yeung, Albourne  
Mark White, Albourne  
Margaret McKnight, Stepstone  
Jose Fernandez, Stepstone  
Natalie Walker, Stepstone

VII. EVOLUTION OF LACERA'S PORTFOLIO

A review and discussion of how LACERA's portfolio has evolved over the last 20 years across multiple dimensions of portfolio management, highlighting several significant historical initiatives and outlining future aspirations to further advance the portfolio objectives.

Mike Romero, LACERA  
Magdalia Armstrong, LACERA  
Quoc Nguyen, LACERA  
Shelly Tilaye, LACERA  
Inga Tadevosyan, LACERA

VIII. APPROVAL OF MINUTES

- A. Approval of the Minutes of the Regular Meeting of August 9, 2023

IX. EXECUTIVE UPDATE

- A. Chief Investment Officer's Report  
B. Member Spotlight  
C. Chief Executive Officer's Report

X. CONSENT ITEMS

A. **Credit Structure Review**

Recommendation as submitted by Joseph Kelly, Chair, Credit and Risk Mitigation Committee: That the Board approve the initiatives and recommendations within the Credit Structure Review as well as amendments proposed and advanced by the Credit and Risk Mitigation Committee. The amendments pertain to delegating manager selection authority for this asset category to the CIO, subject to reporting requirements. (Memo dated August 21, 2023)

B. **Risk Reduction and Mitigation Structure Review**

Recommendation as submitted by Joseph Kelly, Chair, Credit and Risk Mitigation Committee: Approve the initiatives and recommendations within the Risk Reduction and Mitigation Structure Review advanced by the Credit and Risk Mitigation Committee. (Memo dated September 1, 2023)

C. **Revision of Trustee Education Policy—Preapproved External Educational Conferences**

Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board approve the deletion of the following conferences from the list of Approved External Educational Conferences in the Trustee Education Policy: 1. Government Finance Officers Association (GFOA); 2. Milken Institute; and 3. Harvard Law School Labor and Worklife Program. (Memo dated August 21, 2023)



X. CONSENT ITEMS (Continued)

D. **LACERA's Revised Mission, Vision, and Values**

Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board approve and adopt LACERA's revised Mission, Vision, and Values. (Memo dated August 24, 2023)

E. **2023 Midwest + West Coast Summit in Chicago, Illinois on October 5, 2023**

Recommendation that the Board approve attendance of Trustees at the 2023 Midwest + West Coast Summit in Chicago, Illinois on October 5, 2023, and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated August 31, 2023) (Placed on the agenda at the request of Trustee, Sanchez)

F. **Revised Joint Organizational Governance Committee Charter**

Revised Joint Organizational Governance Committee Charter Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board review and approve and adopt the revised Joint Organizational Governance Committee Charter. (Memo dated August 29, 2023) (Confidential Attachment dated May 31, 2023)

G. **Staff Assistant Classification and Compensation Study**

Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board approve the following proposed classification and compensation changes for implementation: 1) Title change, description revision and salary change for the Disability Retirement Support Specialist I, LACERA classification; and 2) Delete the Disability Retirement Support Specialist II, LACERA classification. (Memo dated August 29, 2023)

H. **Southeast Investors Annual Meeting in Miami, Florida on December 6, 2023**

Recommendation that the Board approve attendance of Trustees at the Southeast Investors Annual Meeting in Miami, Florida on December 6, 2023, and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee

X. CONSENT ITEMS (Continued)

Travel Policies. (Memo dated September 7, 2023) (Placed on the agenda at the request of Trustee, Santos)

XI. EXCLUDED FROM CONSENT ITEMS

XII. REPORTS

- A. **LACERA Total Fund Quarterly Performance Book**  
**Meketa Total Fund Quarterly Performance Book**  
Jude Pérez Principal Investment Officer  
Dale Johnson, Investment Officer  
John Kim, Investment Officer  
Soniah Ginoyan, Investment Analyst  
Kathryn Ton, Investment Analyst  
(Memo dated September 1, 2023)
- B. **LACERA OPEB Trust Quarterly Performance Book**  
**Meketa OPEB Trust Quarterly Performance Book**  
Jude Pérez, Principal Investment Officer  
(For Information Only) (Memo dated September 1, 2023)
- C. **Monthly Status Report on Legislation**  
Barry W. Lew, Legislative Affairs Officer  
(For Information Only) (Memo dated August 25, 2023)
- D. **Legal Projects**  
Earl Buehner, Senior Staff Counsel  
(For Information Only) (Memo dated August 31, 2023)
- E. **2024 STAR COLA Program**  
Ted Granger, Interim Chief Financial Officer  
(For Information Only) (Memo dated August 24, 2023)
- F. **Monthly Trustee Travel & Education Reports – July 2023**  
**Quarterly Trustee Travel & Education Reports – 4th Quarter Fiscal Year 2023**  
**Quarterly Staff Travel Report – 4th Quarter Fiscal Year 2023**  
(Public memo dated August 24, 2023) (Confidential memo dated August 24, 2023 - Includes Pending Travel)

XII. REPORTS (Continued)

- G. **August 2023 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 August 23, 2023)

XIII. ITEMS FOR STAFF REVIEW

(This item summarizes requests and suggestions by individual trustees during the meeting for consideration by staff. These requests and suggestions do not constitute approval or formal action by the Board, which can only be made separately by motion on an agenda item at a future meeting).

XIV. ITEMS FOR FUTURE AGENDAS

(This item provides an opportunity for trustees to identify items to be included on a future agenda as permitted under the Board's Regulations).

XV. GOOD OF THE ORDER

(For information purposes only)

XVI. EXECUTIVE SESSION

- A. Conference with Staff and Legal Counsel to Consider the Purchase or Sale of Particular, Specific Pension Fund Investments  
(Pursuant to California Government Code Section 54956.81)

**1. Innovation Endeavors V, L.P.**

Christopher Wagner, Principal Investment Officer  
Didier Acevedo, Investment Officer  
(Memo dated August 21, 2023)

- 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) and Initiation of Litigation (Pursuant to Paragraph (4) of Subdivision (d) of Section 54956.9)

Number of Cases: 1

XVI. EXECUTIVE SESSION (Continued)

- C. Conference with Legal Counsel – Existing Litigation  
Significant Exposure to Litigation  
(Pursuant to Paragraph (1) of Subdivision (d) of California Government  
Code Section 54956.9)

Number of Cases: 1

In re Revlon, Inc. Bankruptcy  
Aimco CLO 10 Ltd, et al. v. Revlon, Inc., et al. Adversary  
Proceeding (LACERA named as a Plaintiff)  
U.S. District Court, Southern District of New York,  
Case No. 22-01167-DSJ

XVII. 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.***

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

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

# Risk Management in Private Markets

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2023 Board of Investments Offsite  
September 13, 2023

# RISK MANAGEMENT IN PRIVATE MARKETS

Wednesday, September 13, 2023 – 8:45am-10:15am\*

## Session Outline

1. Introduction: *Terra Elijah, LACERA*
2. Presentations
  - Albourne Risk Overview: *Kristen Jones and Jennifer Yeung*
  - Stepstone Risk Overview: *Margaret McKnight*
3. Panel Discussion: *Kristen Jones and Mark White, Albourne; Margaret McKnight, Jose Fernandez and Natalie Walker, Stepstone; moderated by Jim Rice, LACERA*
4. Key Takeaways: *Jim Rice, LACERA*

## Objectives

- Overview of LACERA's risk management framework
- Risk factors for private assets
- Stewardship and due diligence
- Asset category considerations

\*Subject to change

LACERA

Today's Discussion



# Speaker Biographies

- **ALBOURNE**

- *Kristen Jones – Partner & Head of North American Private Credit*

- Ms. Jones joined Albourne in 2009 and is based in Minneapolis. Ms. Jones held roles as a private markets IDD analyst, Pod Leader for US distressed markets and a private equity associate analyst. Prior to joining Albourne, Ms. Jones worked at Waycrosse, Inc. Cargill and MacMillan Family Office as part of an Investment Analyst Internship. Ms. Jones graduated with a BSB in Finance from the University of Minnesota, Twin Cities Curtis L. Carlson School of Management in Minneapolis, MN.

- *Jennifer Yeung – Portfolio Senior Analyst*

- Ms. Yeung joined Albourne in 2022 as a portfolio senior analyst and is based in Connecticut. Prior to joining Albourne, Ms. Yeung worked at the State of Michigan Retirement System as a Senior Investment Manager in private markets, 40/86 Advisors as a Senior Credit Research Analyst, and Driehaus Capital Management as an Equity Research Analyst. Ms. Yeung graduated with a Master of Accounting, Bachelor of Arts, Honours Chartered Accountancy Studies from the University of Waterloo, ON and earned an MBA from the University of Southern California's Marshall School of Business. She is a CPA in Ontario, Canada.

- *Mark White – Partner & Head of Real Assets*

- Mr. White joined Albourne in 2008 and is based in Nova Scotia, Canada. Prior to joining Albourne, Mr. White worked at Keel Capital Management Inc. as a Partner and Vice-President in Investment Research, Nova Scotia Association of Health Organisations Pension Plan as Vice-President in Investment Research, and at the Fred C. Manning School of Business, Acadia University as an Adjunct Professor. Mr. White graduated with a BA in Business Administration from Acadia University and earned an MBA in Accounting & Finance from Saint Mary's University in Halifax, NS.





# Speaker Biographies

- **STEPSTONE**

- *Margaret McKnight – Partner & Head of Portfolio Solutions, SRE*

- Ms. McKnight is a member of the real estate team and focuses on portfolio management activities. She is a committee member of the StepStone Charitable Giving Program and the Global Allocation Committee. Prior to joining StepStone, Ms. McKnight spent more than a decade at Carlyle’s Metropolitan Real Estate, where she served as the co-Chief Investment Officer and was the fund head for Metropolitan’s Global Funds series. She was a Consultant with Cambridge Associates and held various roles with JP Morgan. Ms. McKnight sits on the Investment Committee for Sutter Health, the fifth largest US non-profit community-based healthcare provider and the Real Assets Investment Subcommittee for Swarthmore College. She recently served as a Senior Advisor to Juniper Square, focused on Capital Markets applications of their investment management software. Ms. McKnight graduated with high honors from Swarthmore College and earned an MBA from New York University.

- *Jose Fernandez – Partner & Co-COO*

- Mr. Fernandez is the Co-COO of StepStone Group and a member of the private equity team where he focuses on US-based small market managers and Latin American investments. He is involved in the Firm’s ESG and diversity initiatives, as well as various investment activities, and is a member of the board of directors. Prior to co-founding StepStone, Mr. Fernandez was a managing director of Pacific Corporate Group, a private equity investment firm for institutional investors. Mr. Fernandez previously worked with Latham and Watkins LLP’s private equity/investment fund group, a practice focused on joint ventures and the structuring, negotiation and operation of pooled investment vehicles such as private equity funds. Mr. Fernandez received his BA from the University of Michigan, Ann Arbor and JD from Stanford Law School.



# Speaker Biographies

- **STEPSTONE (continued)**

- *Natalie Walker – Partner*

- Ms. Walker is a member of the private equity team, focusing on US-based small-market managers and secondary investments. Prior to StepStone, Ms. Walker was a research analyst at Oppenheimer & Co., a leading national investment bank and full-service investment firm offering investment banking, financial advisory services, capital markets services, asset management, wealth management, and related products and services worldwide. Ms. Walker was a member of Oppenheimer's private equity team, where she conducted due diligence and research on private equity funds, secondary investments and co-investments. Before that she worked for a private equity-backed start-up and women-owned business enterprise, Sundance Energy. Ms. Walker received her BA from Georgetown University McDonough School of Business.



# Introduction: Risk Management at LACERA



## Risk Management at LACERA is an integral component of operational and investment due diligence

- Guided by Investment Policy Statement
- Evolution in Strategic Asset Allocation and transition to functional asset class structure
  - ✓ Risk-based asset allocation approach
  - ✓ Increase in private assets relative to public assets
- Unique risks to each asset class
- Complexity with valuation (transparency, periodic pricing, lack of comparable assets)
- Private market valuations may understate quantitative risk measures
- Requires deeper evaluation and understanding of non-quantitative risk factors
- Identifying compensated versus uncompensated risks
- Increasing knowledge and tools strengthen ability to identify, evaluate, and manage prospective risks
- Ongoing in-depth analysis of investment managers policies, practices, and outcomes ensure our partners are identifying and mitigating potential risks
- Consultants provide additional focus in diligence to complement staff

LACERA has become more sophisticated in our approach to risk management but cognizant it is an evolution and remain dedicated to continue strengthening our focus to produce, protect, and provide promised benefits

# Introduction: Risk Management at LACERA



LACERA's **governing documents** guide risk management philosophy, objectives, and approach

**Strategic Initiatives and Work Plan** (e.g. TIDE) drive focus on risk management in operations and investment processes and practices

**Stewardship** seeks to manage investments in a manner that promotes and safeguards the economic interests of the trust

## Investment Beliefs on Risk Management

- **Risk** - Risk is a broad term used to capture the concept of uncertainty. No single metric adequately conveys risk. LACERA will evaluate risk holistically, incorporating quantitative measures and qualitative assessments in managing its portfolio. Monitoring and managing risk is a key focus for LACERA. Risk that is not expected to be rewarded over the long-term, or mitigated through diversification, will be minimized
  - **Investment Risks:** macroeconomic, volatility, leverage, illiquidity, geography, currency, political, credit, environmental, social, and governance (ESG)
  - **Operational Risks:** valuation, counterparty, benchmarking, business continuity, talent management, cybersecurity, reputational, fraud, regulatory, and conflicts of interest
- **Stewardship** – LACERA recognizes that environmental, social, and corporate governance factors may present financial risks and opportunities for the Fund. LACERA seeks to identify, evaluate, and manage financially relevant ESG factors in its investment process—including portfolio construction, investment due diligence, and stewardship strategies—to safeguard and enhance Fund performance

LACERA assesses the level of financially material ESG integration at investment managers through initial due diligence and ongoing monitoring evaluating the firm's identification, management, and mitigation of potential risks via their policies, practices, metrics, transparency, and financial outcomes

# Functional Category Risks



## Growth

- Tend to exhibit strong performance during periods of positive economic growth
- May experience weakened performance in times of heightened inflation
- Highly sensitive to economic conditions and subject to potential losses in value

## Credit

- Potential risk of borrowers not meeting payment obligations on time
- Bonds with credit risk offer a yield premium to compensate investors for additional risk
- Bonds with greater credit risk are typically less liquid than higher quality bonds

## Real Assets & Inflation Hedges

- May fail to provide a hedge against long-term changes in inflation is primary risk factor
- Treasury Inflation Protected Securities (TIPS) are exposed to liquidity risk
- Diversification may offset asset-specific risk

## Risk Reduction & Mitigation

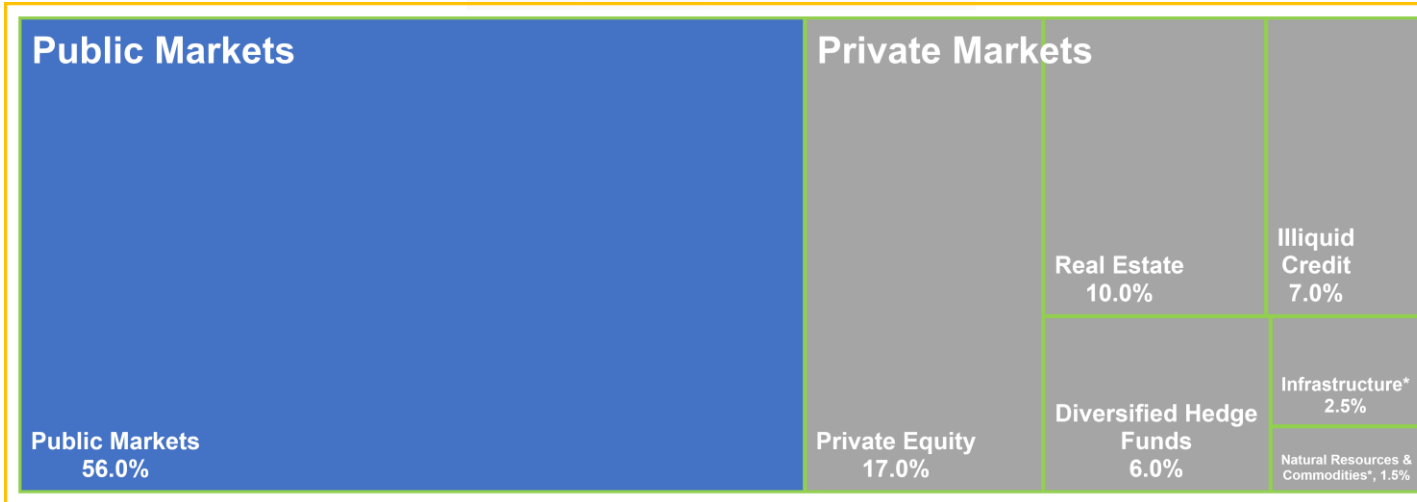
- Potential failure to deliver expected level of protection during market downturns
- Bonds are sensitive to fluctuations in interest rates and have some risk of default
- Cash is the least volatile asset class, and the most liquid

# LACERA's Target Allocations to Private Markets



■ Public Markets ■ Private Markets

2023



2003



- In 2003 private/less liquid markets made up **17%** (or \$4 billion) of the portfolio strategic allocation
- Today, private/less liquid markets account for approximately **44%** (or \$31 billion) of the total Fund
- Compared to public markets, blind pool drawdown vehicles have different risk characteristics to **monitor and mitigate**
- With increased allocation to private/less liquid markets, getting **compensated** for desired risk exposures while avoiding uncompensated risks is key

\* Estimated 50% allocation to Infrastructure and Natural Resources & Commodities whose strategic allocations consist of both public and private investments



# Albourne Risk Overview

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# Private Asset Risk Management Framework

## Risks\*



Market

Beta  
Correlation  
Inflation  
Interest Rates  
Concentration



Asset

Sector  
Geography  
Leverage



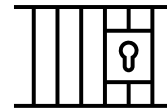
Liquidity

Investment Structure  
Terms  
Underlying Assets



Operational

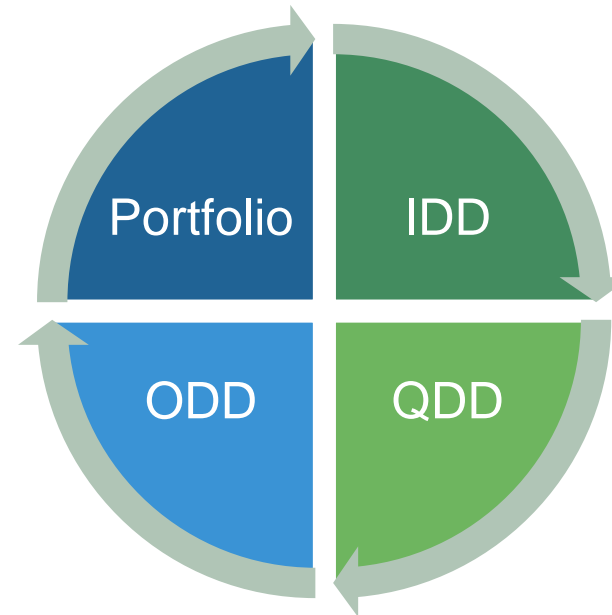
Key Person  
Valuations  
Governance  
ESG



Regulatory

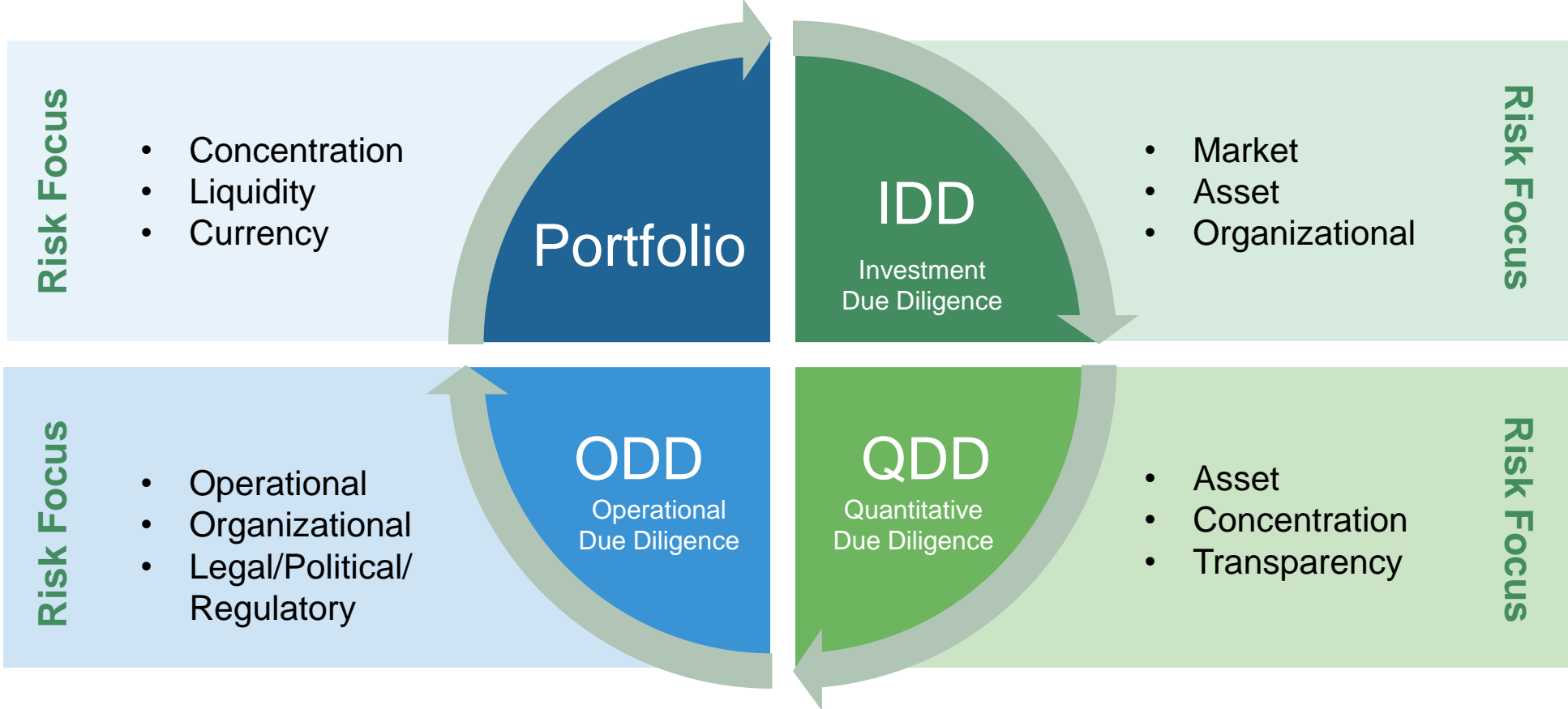
Reporting  
Restrictions  
Insider Trading

## Mitigants



Compensated vs Uncompensated • Expected vs Unexpected • Volatility vs Impairment

# Assessing & Mitigating Risks



# Albourne's Risk Management Approach

Team	<ul style="list-style-type: none"><li>• IDD Team: 87 analysts</li><li>• ODD Team: 135 analysts</li><li>• Risk Team: 79 analysts</li></ul>
Data	<ul style="list-style-type: none"><li>• Multiple sources, including MoatSpace, direct from funds</li><li>• Discipline of centralized data, task &amp; communication systems</li></ul>
Models	<ul style="list-style-type: none"><li>• Fund models &amp; Portfolio models developed and refined by Albourne</li><li>• Choice of factor &amp; exposure-based models</li></ul>
Analysis	<ul style="list-style-type: none"><li>• Measure: absolute, relative &amp; comparative behaviour</li><li>• Monitor: alert systems, Open Protocol</li><li>• Manage: collaborate on client's own risk management approach</li></ul>
Reports	<ul style="list-style-type: none"><li>• Intuitive, intelligent, highly customizable</li><li>• Extensive &amp; concise reporting available for different user groups</li></ul>
Tools	<ul style="list-style-type: none"><li>• Flexible, interactive, online or performed by Albourne</li><li>• Represent years of sophisticated client feedback &amp; ongoing IT support</li></ul>

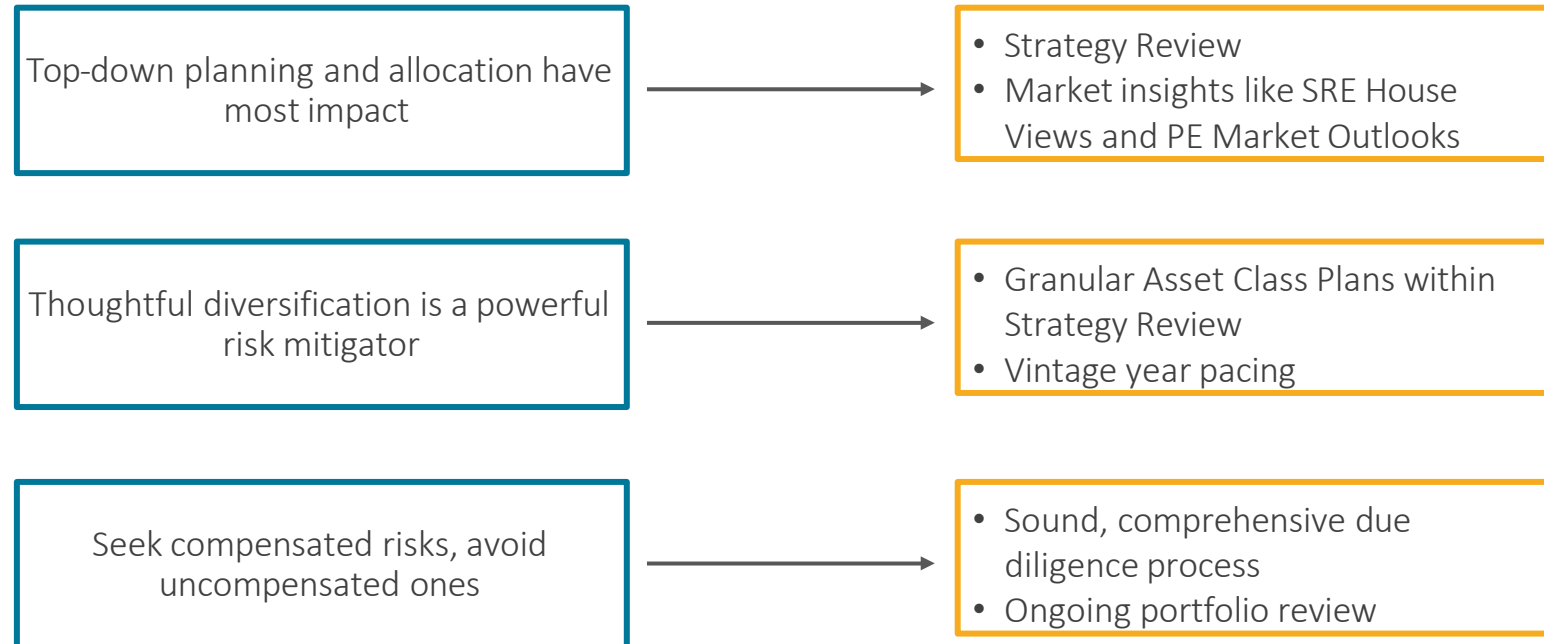


# StepStone Risk Overview

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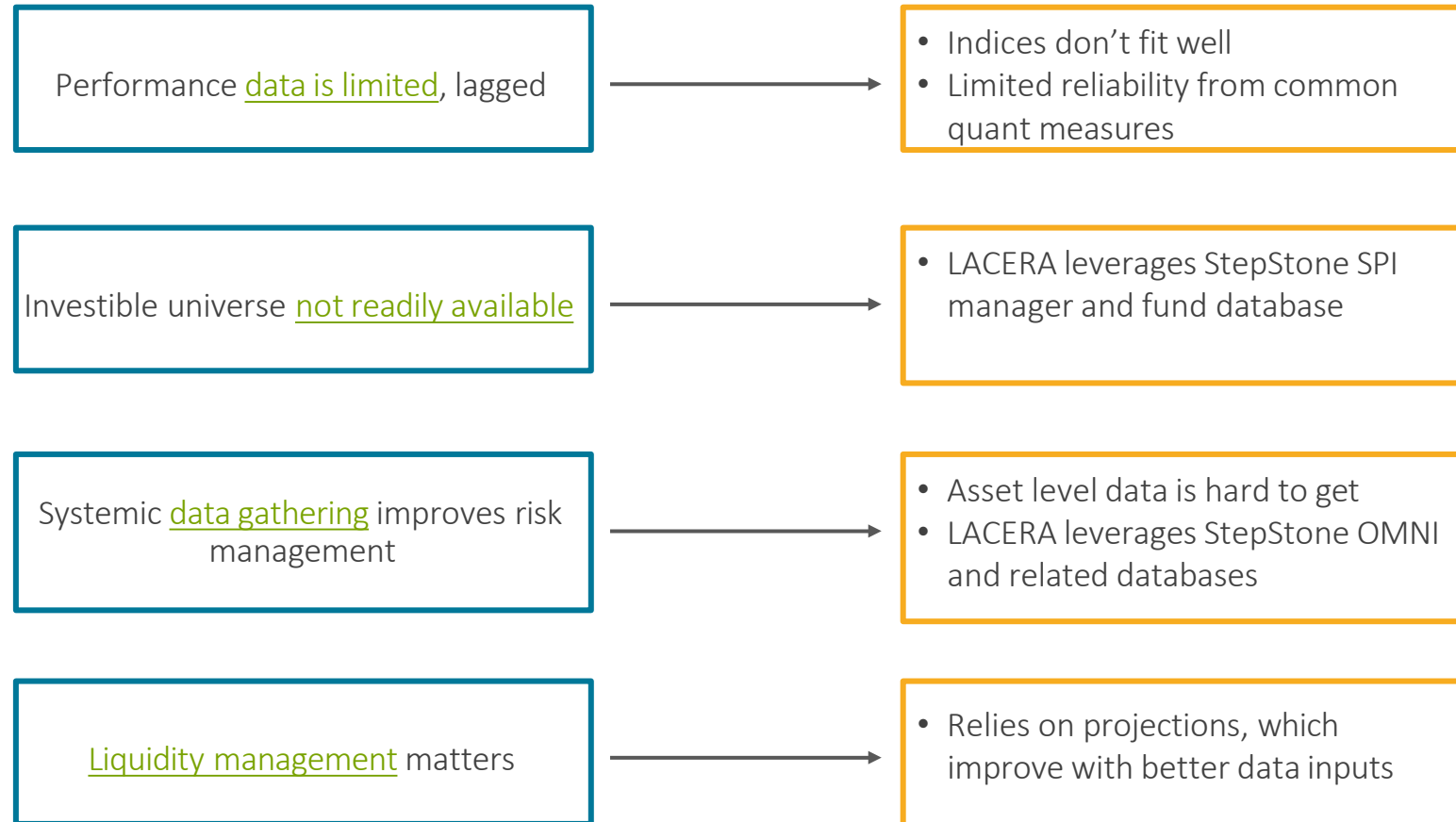
# Apply Best Practices from Public Markets

Illiquidity shifts emphasis to entry decisions

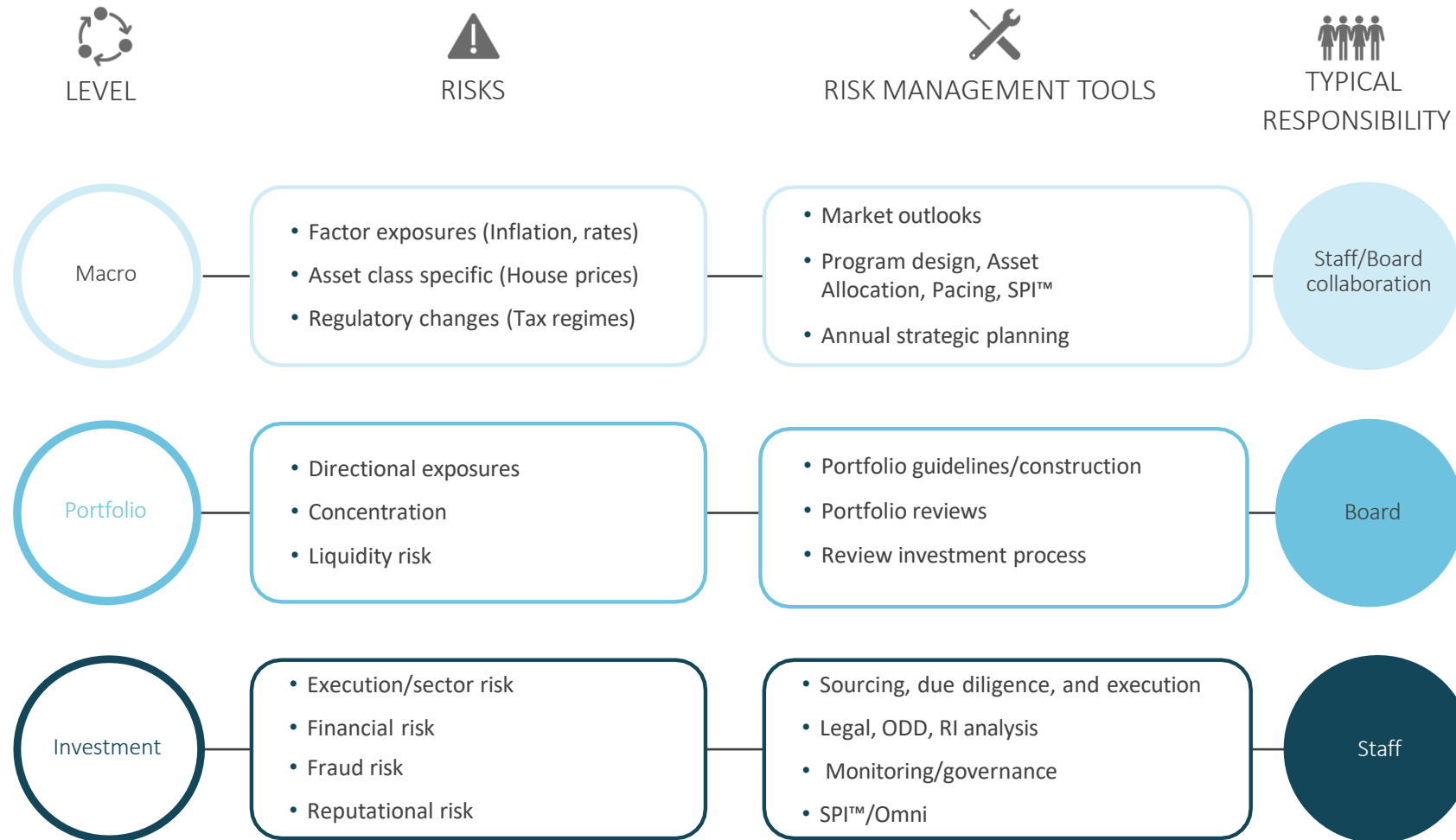


# Adjust for Lack of Data in Private Markets

Technology critical source of visibility in opaque conditions

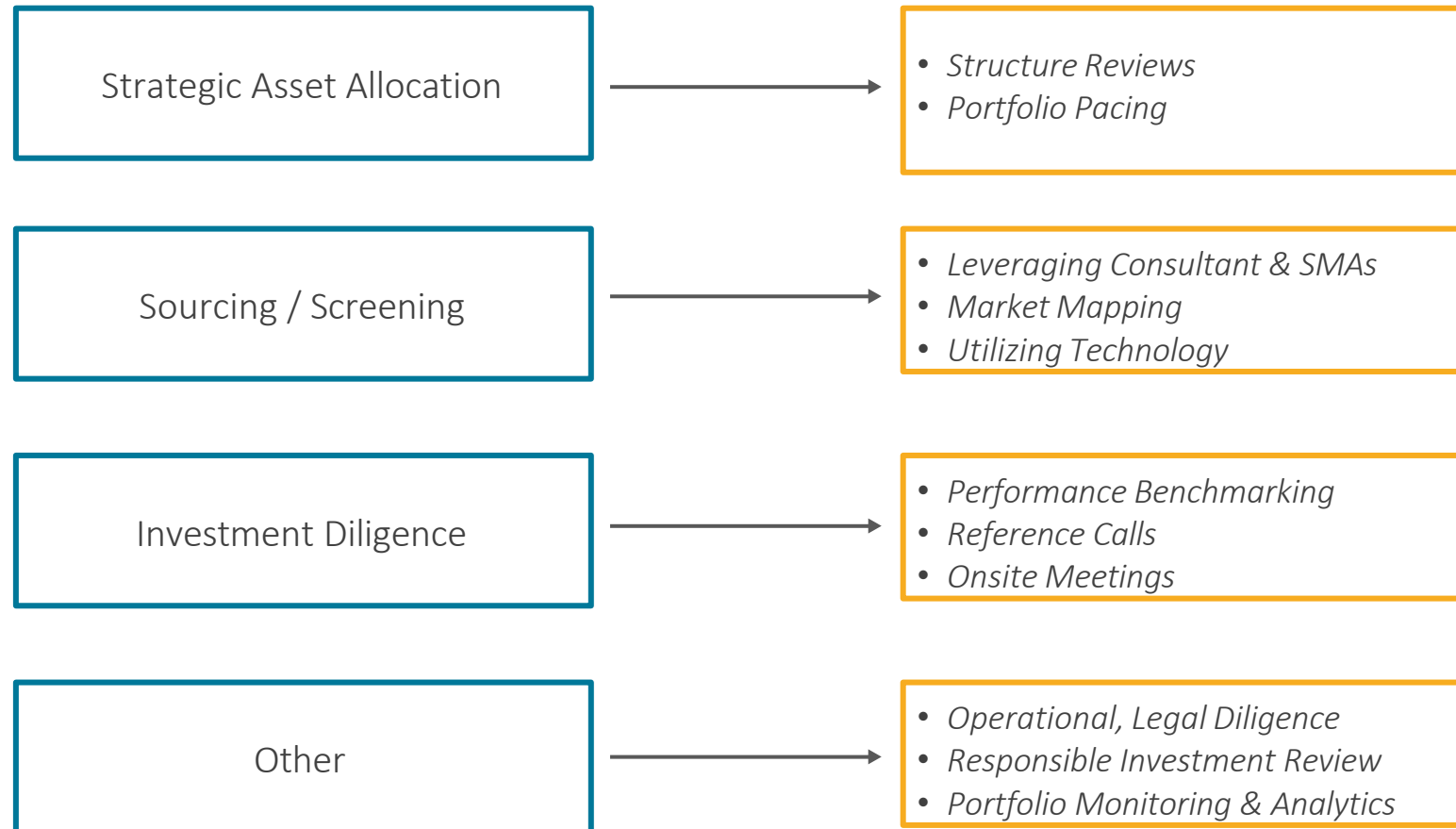


# Risk Management Considerations





Higher level risks are analyzed and mitigated at all stages of the investment process



# Investment Due Diligence

Manager evaluation can be broadly deconstructed into: Organization, Strategy, Performance and Structure

Outlined below are the typical items assessed in each of these categories

## ORGANIZATION

- Experience of team / Partner group
- Leadership succession
- Partner deal attribution
- Size of overall team / Partner group
- Office coverage
- Governance / Investment decision process
- Operating expertise / support
- Partner time commitments
- Key person risk
- GP references
- Personal litigation
- Diversity

## PERFORMANCE

- Overall gross performance (TVM/IRR)
- Realized gross performance (TVM/IRR)
- Unrealized operating performance
- Unrealized valuation approach
- Net performance (TVM/IRR/DPI)
- Net benchmarking (quartiling)
- Loss ratio
- Gross/net spread
- Portfolio volatility
- Length of track record
- Relevance of track record to current strategy

## INVESTORS / OTHER

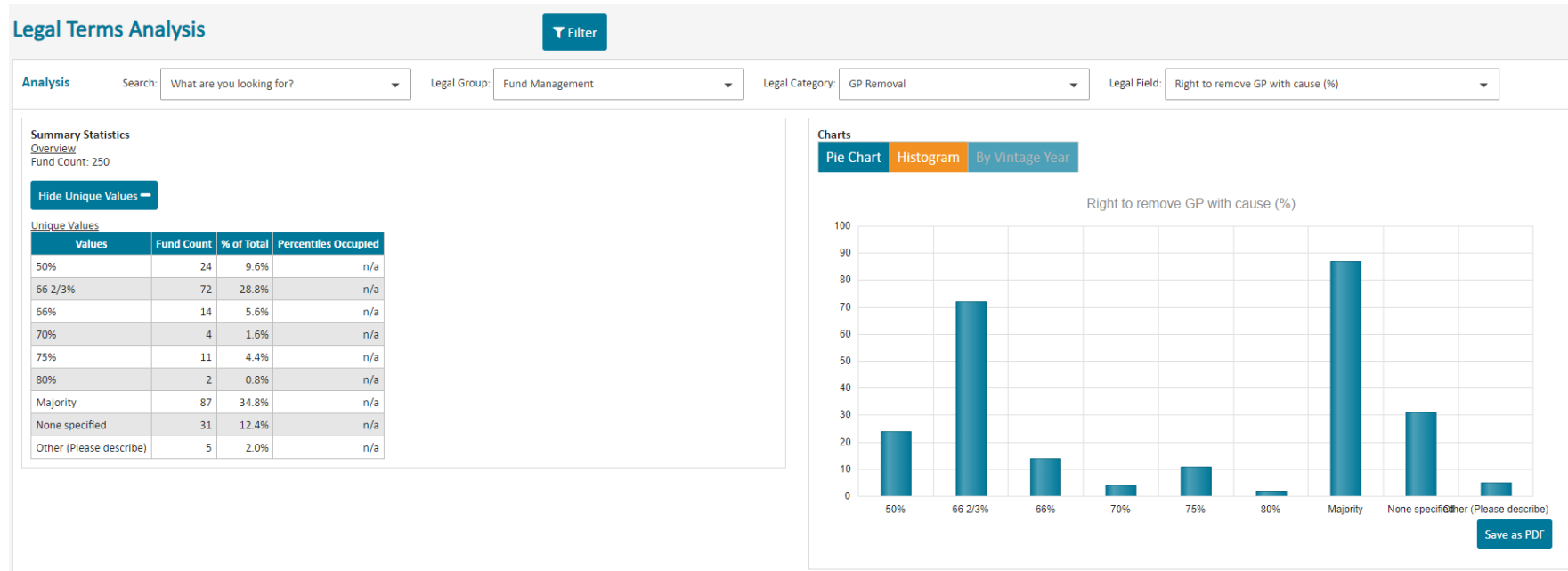
- Prior Limited Partner (“LP”) re-up percentage
- Diversification of investor base
- Diversification of investor types
- Review alignment of economic interests between the GP and the fund
- Operational DD review
- Legal DD review
- RI review

## STRATEGY

- Strategy differentiation
- Strategy execution consistency / relevance
- Sector exposure / attractiveness
- Geographic exposure / attractiveness
- Sourcing capabilities
- Entry pricing
- Leverage approach
- Value creation approach / drivers
- Exit capabilities
- RI approach

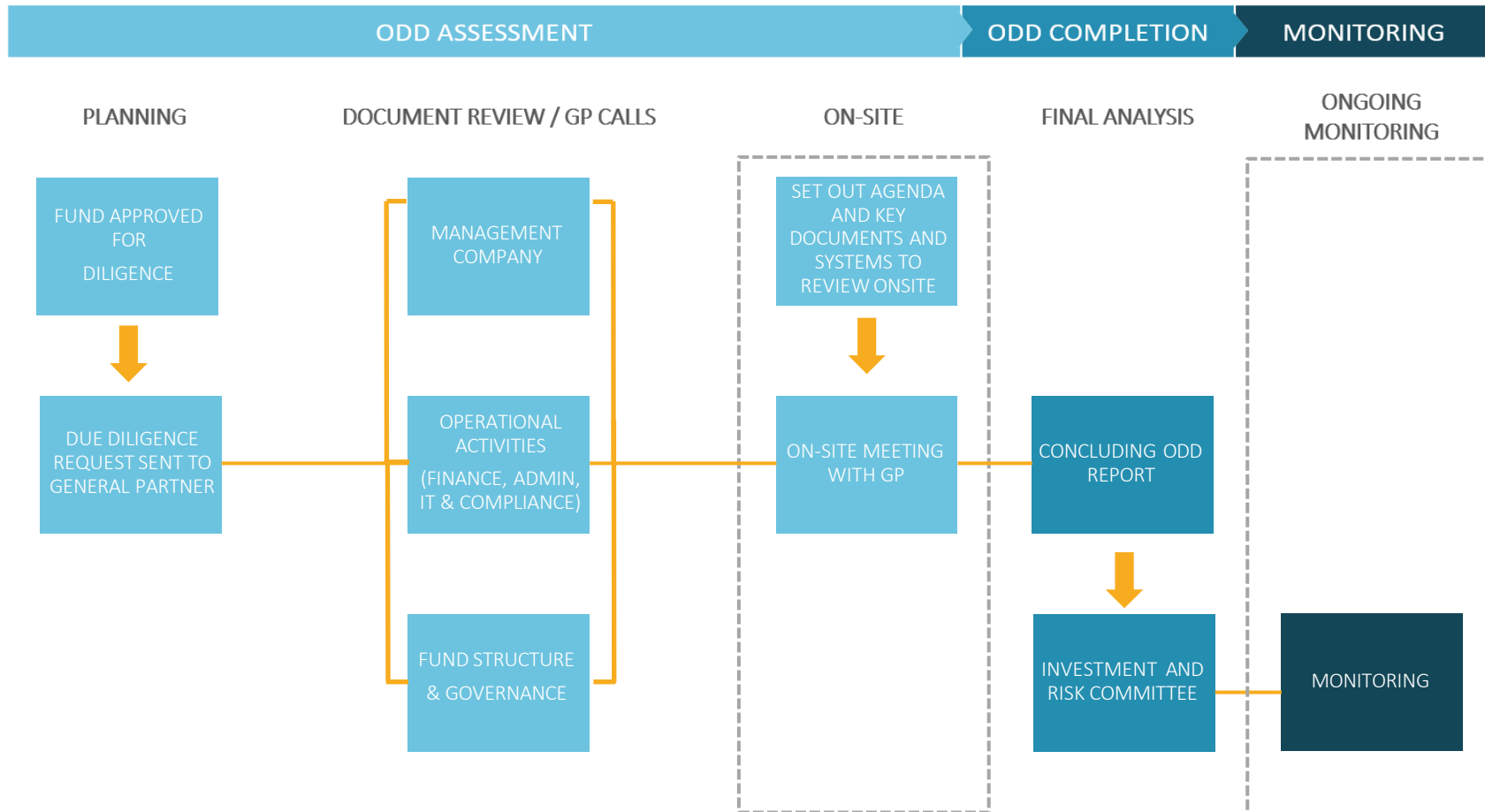
## STRUCTURE

- Carry terms
- Carry distribution
- Management fee terms
- Mgmt company ownership / distribution
- Agency risk / conflict of interest
- Co-investment / secondary potential
- Fund size / fundraising risk
- IC composition / structure
- GP capital commitment
- Key person clause



KEY LEGAL TERMS		
Admission of New Investors	GP Clawback and Escrow	Co-Investment Rights
Partnership Expenses	Management Fee	Transfers of LP Interests
Capital Contributions	Investment Restrictions	Key Person Event
GP Commitment	Parallel Funds / Managed Accounts	Removal / Termination
Investment Period	Conflict Issues	Indemnification / Standard of Care
Distributions / Carried Interest	Advisory Committee	LP Clawback
Notices / Reporting	Term	Side Letters
Defaults	Tax Issues	Legal Opinions

# Operational Due Diligence ("ODD")



 Risk-based assessment determines if ODD team will conduct these processes. ODD does not conduct for all diligences.

RI/ESG is embedded through the entire investment process from screening to post investment monitoring



## Screening

- Notify RI Committee/Workgroup of sensitive sector exposure (e.g., fossil fuels, weapons) or heightened ESG risks
- Apply client negative screening if requested
- Highlight any historical ESG incidents



## Due Diligence / Engagement with Manager

- Assessment of manager's RI policy and implementation process through operational and investment DDQs and on-sites
- Consideration of GP's alignment with the UNPRI and/or TCFD
- Review GP track record of ESG and climate assessments leveraging SASB and GRESB where appropriate



## Monitoring & Reporting

- Identification of ESG objectives / KPIs for monitoring over hold period
- Track GP reporting of any critical ESG issues / events
- Ensure ESG issues are discussed at investor AGM/LPAC
- Review manager reporting, (including annual sustainability, PRI, TCFD, DEI, GRESB), as applicable



## Asset Level Due Diligence (Co-Investments/Secondaries)

- Assessment of asset level RI considerations leveraging SASB Materiality Map
- Portfolio level review – RI assessment focusing on key asset and risk drivers
- Engagement with GPs on their approach to asset level ESG risk / opportunity assessment



# **Panel Discussion: Risk Management in Private Markets**

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# Key Takeaways



## Multi-Dimensional Risk Management

- **LACERA policies, strategic initiatives, and internal committees** focused on strengthening our risk management framework
- Continued **evolution** of LACERA's investment portfolio and Investments Division, with an increase in size, experience, skillsets, and diversity of human capital
- Increased number of sophisticated **systems**, and advanced **technology tools** to help identify and analyze risks
- Informed **engagement** with managers and regular monitoring and oversight
- Comprehensive upfront and continuing monitoring and **operational due diligence** of every investment







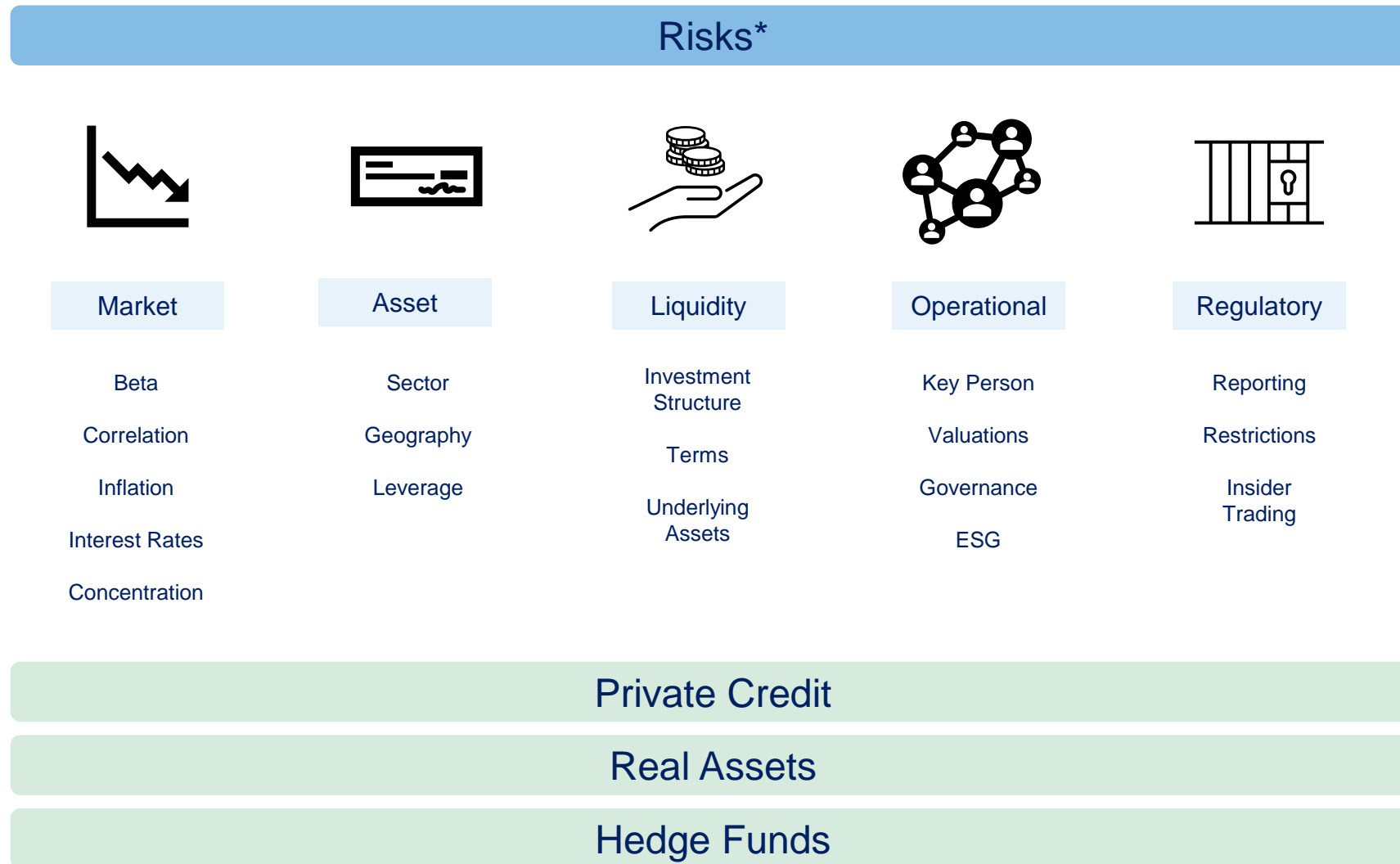
# Appendix

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# ALBOURNE



# Private Asset Risk Management Framework



# Risk Management – Private Credit

## Private Credit Risks\*



### Market

Inflation

Interest Rate

Concentration



### Commingled Fund

Leverage

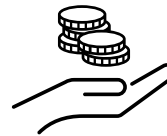
Collateralization

Covenants

Capital Stack  
Participants

Equity Exposure

Restructuring



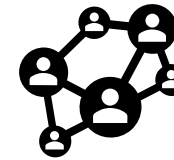
### Liquidity

Investment  
Structure

Terms

Underlying  
Assets

Valuations



### Operational

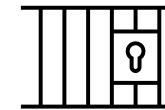
Cycle  
Experience

Asset  
Management

Key Person

Alignment

Valuations



### Regulatory

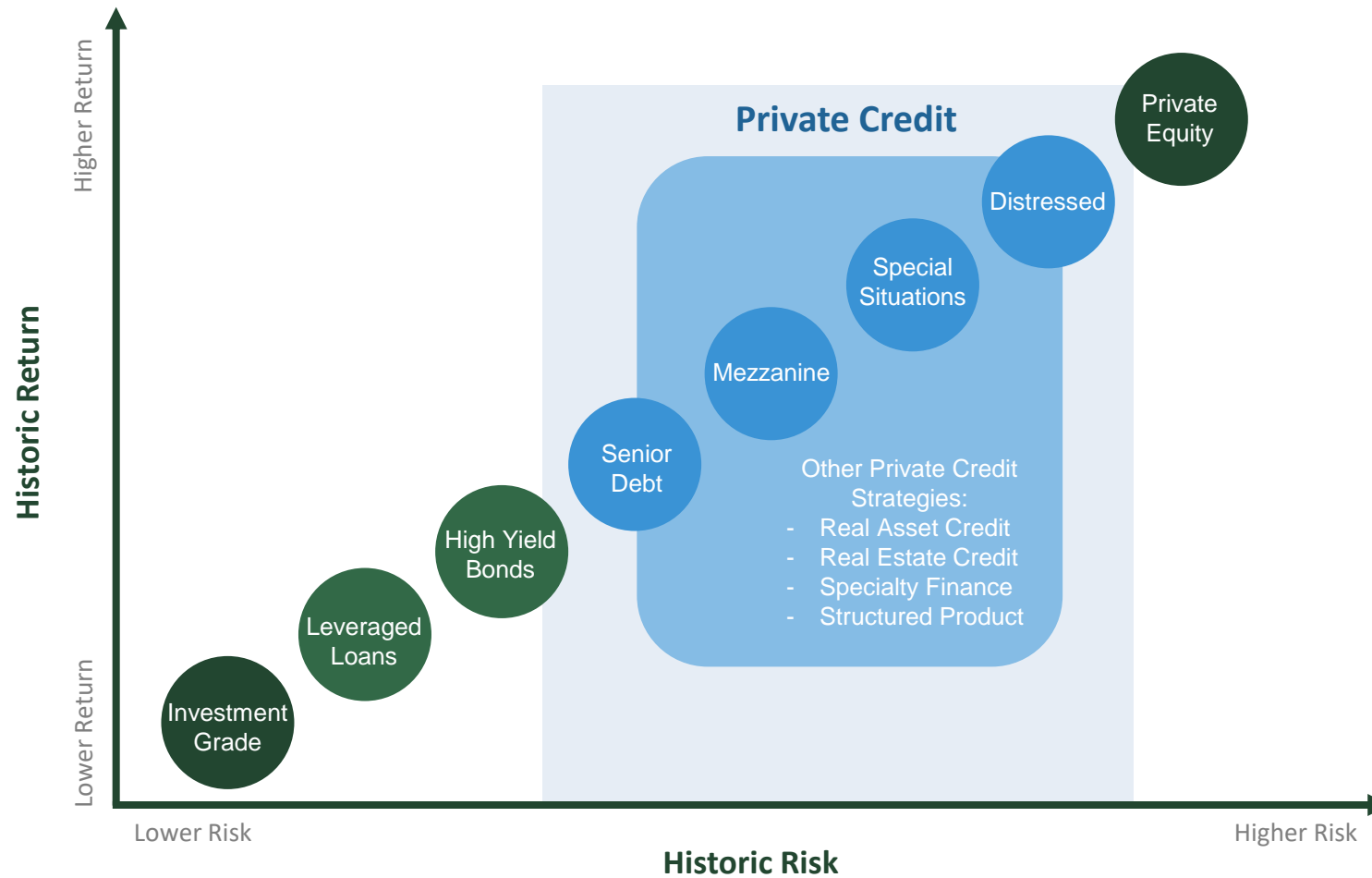
Reporting

Restrictions

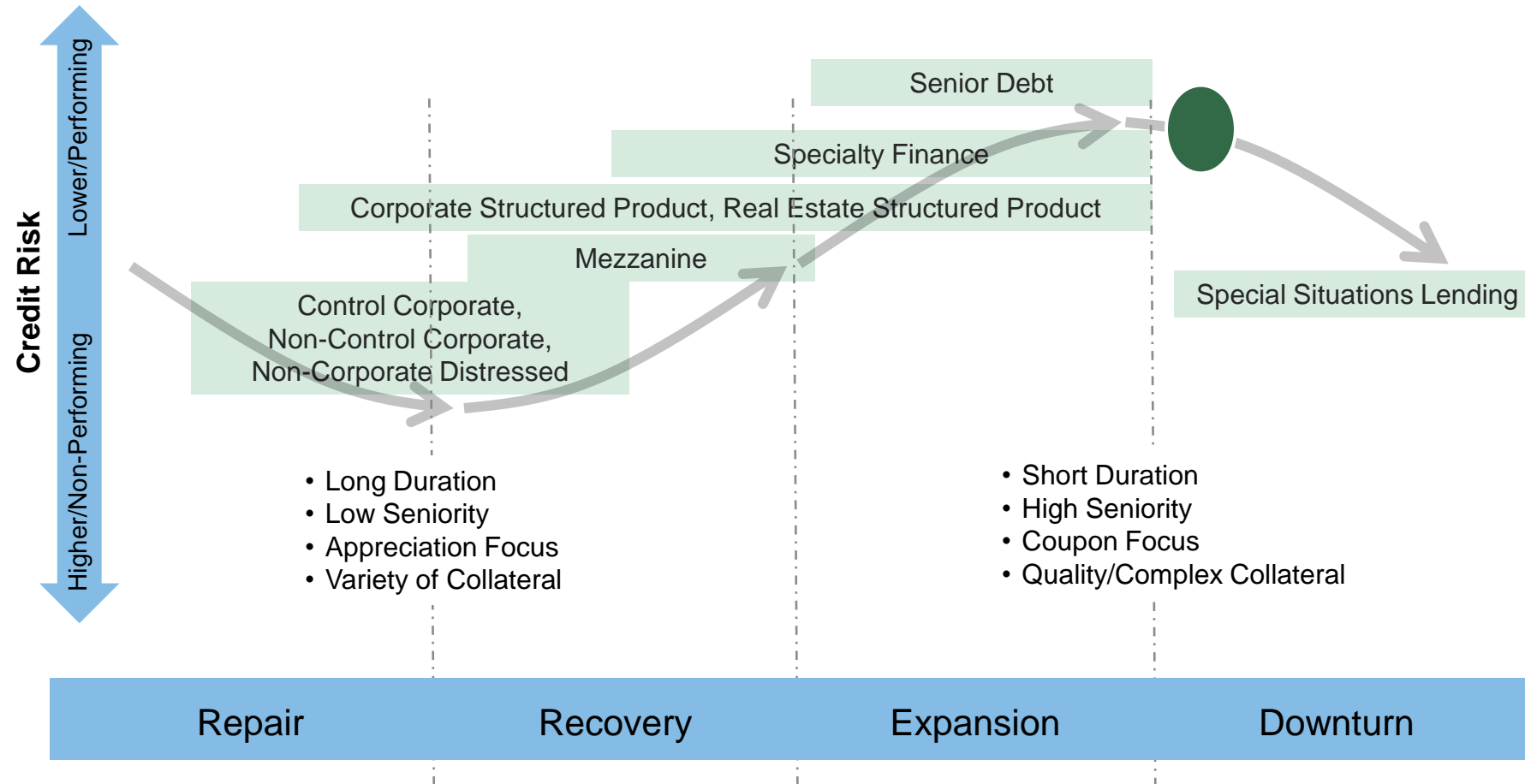
Retail

Seniority • Security • Covenants • Collateral • Leverage • Liquidity • Capital Stack • Workouts

# Risk Management – Private Credit



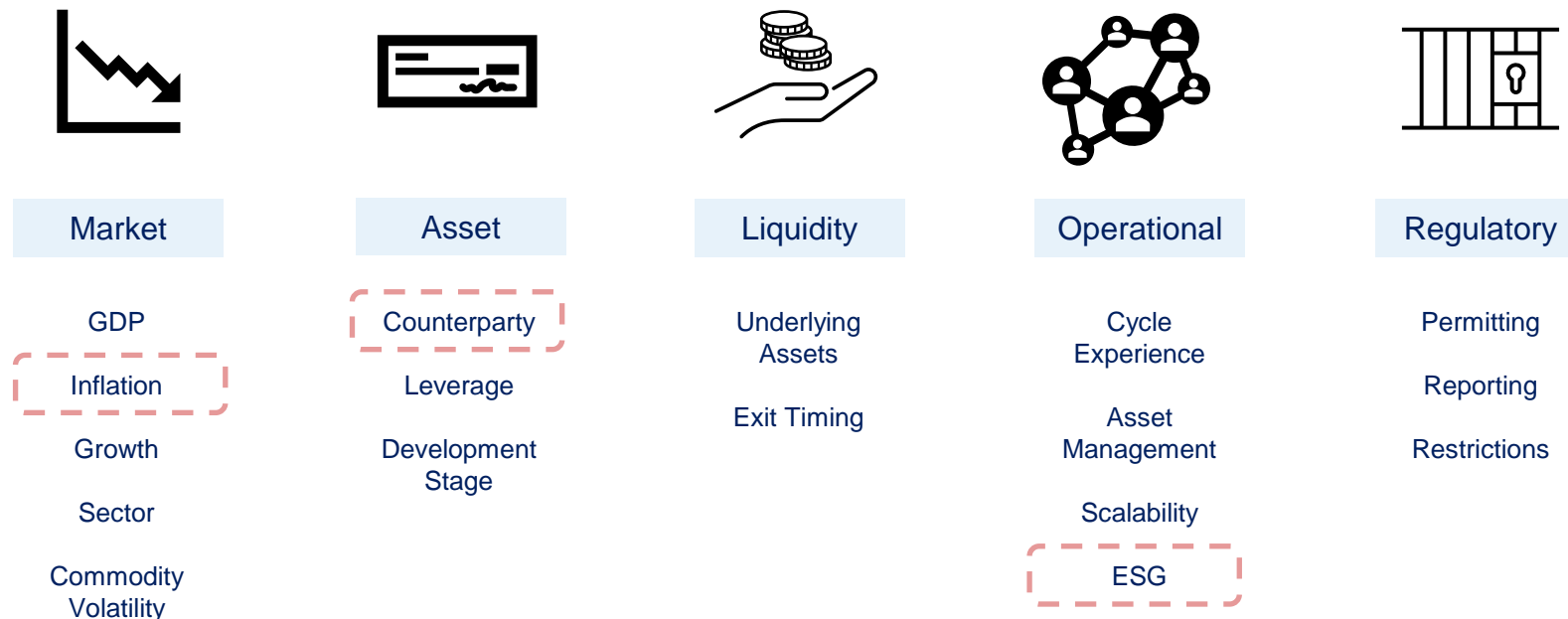
# Risk Management – Private Credit



● = Estimate of where we are currently in the cycle  
For illustrative purposes only

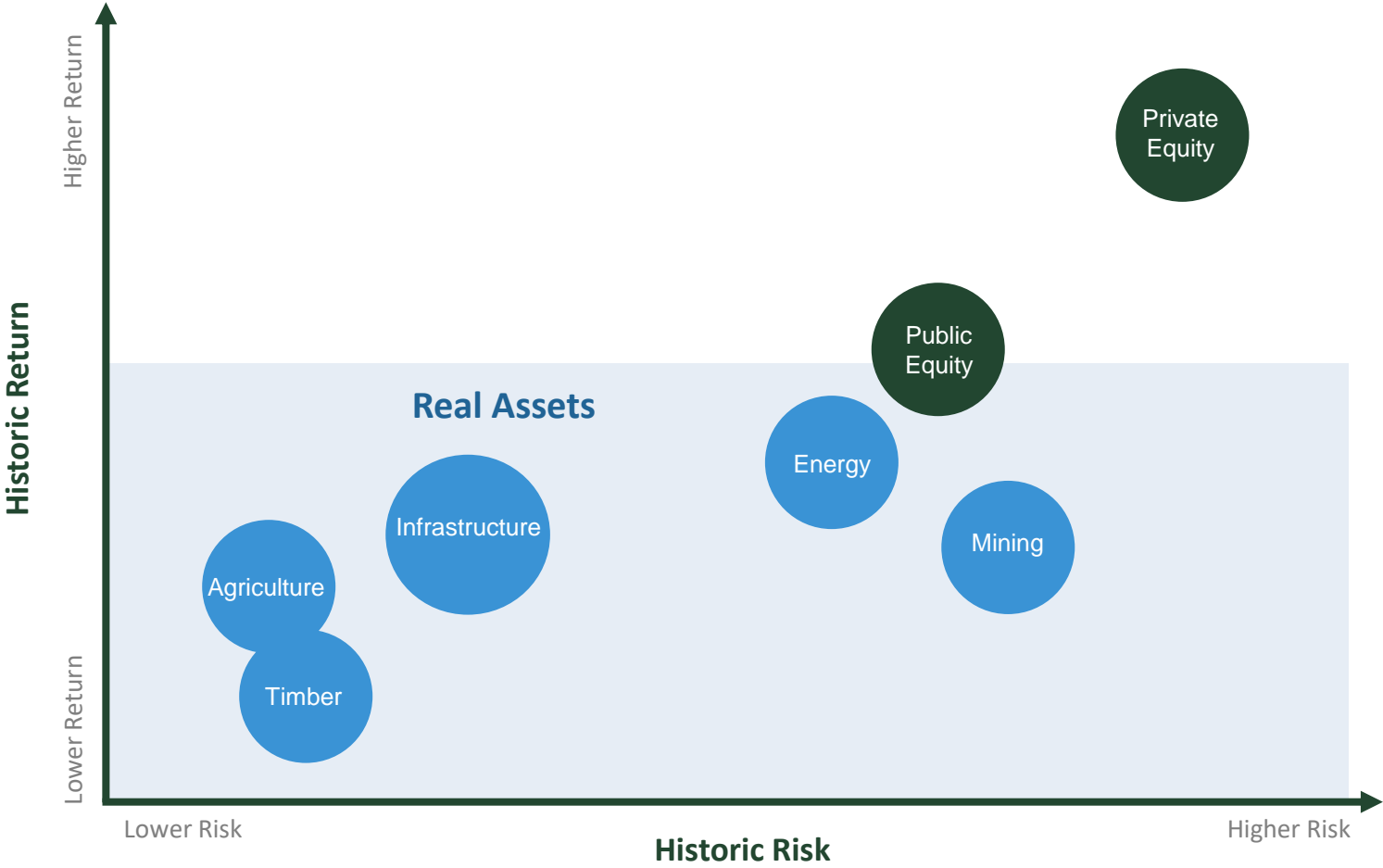
# Risk Management – Private Real Assets

## Real Assets Risks\*



Inflation • Commodity Volatility • Counterparty • Asset Quality • ESG • Execution

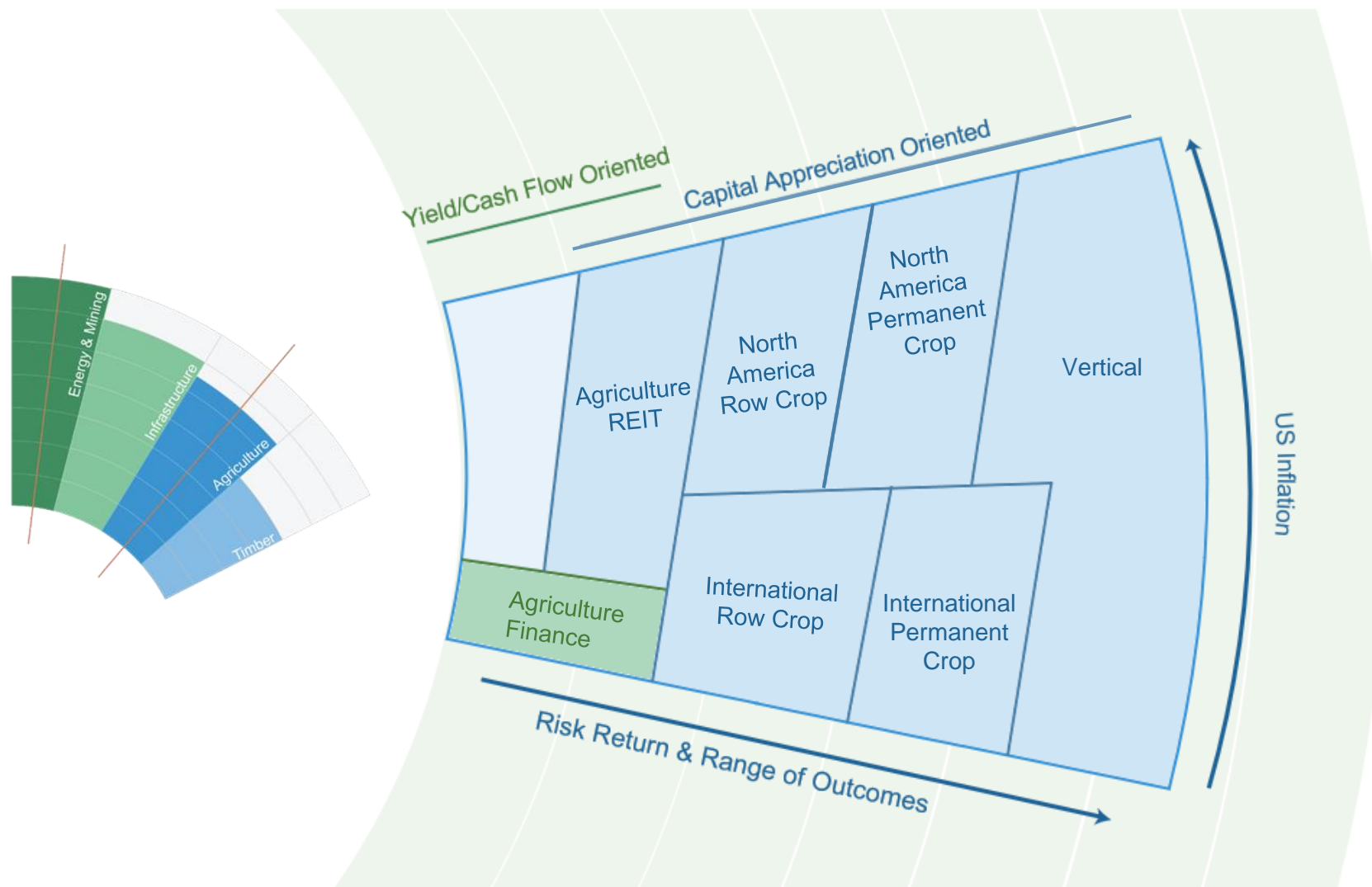
# Risk Management – Private Real Assets



\* Strategy placement is stylized, reflects LACERA's targeted opportunity set and does not imply a strict tradeoff between the depicted strategies. For illustrative purposes only.

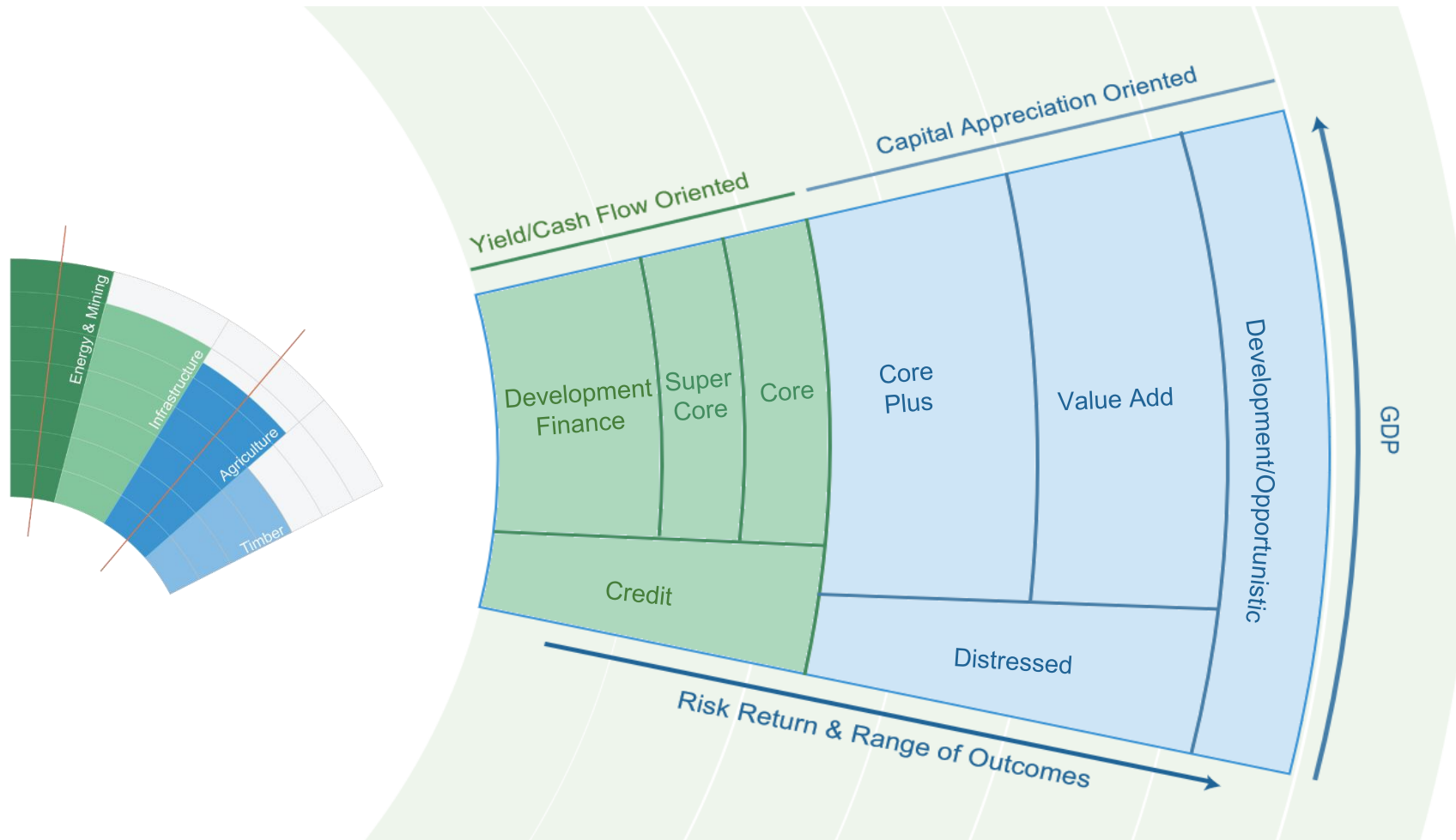


# Risk Management – Private Real Assets



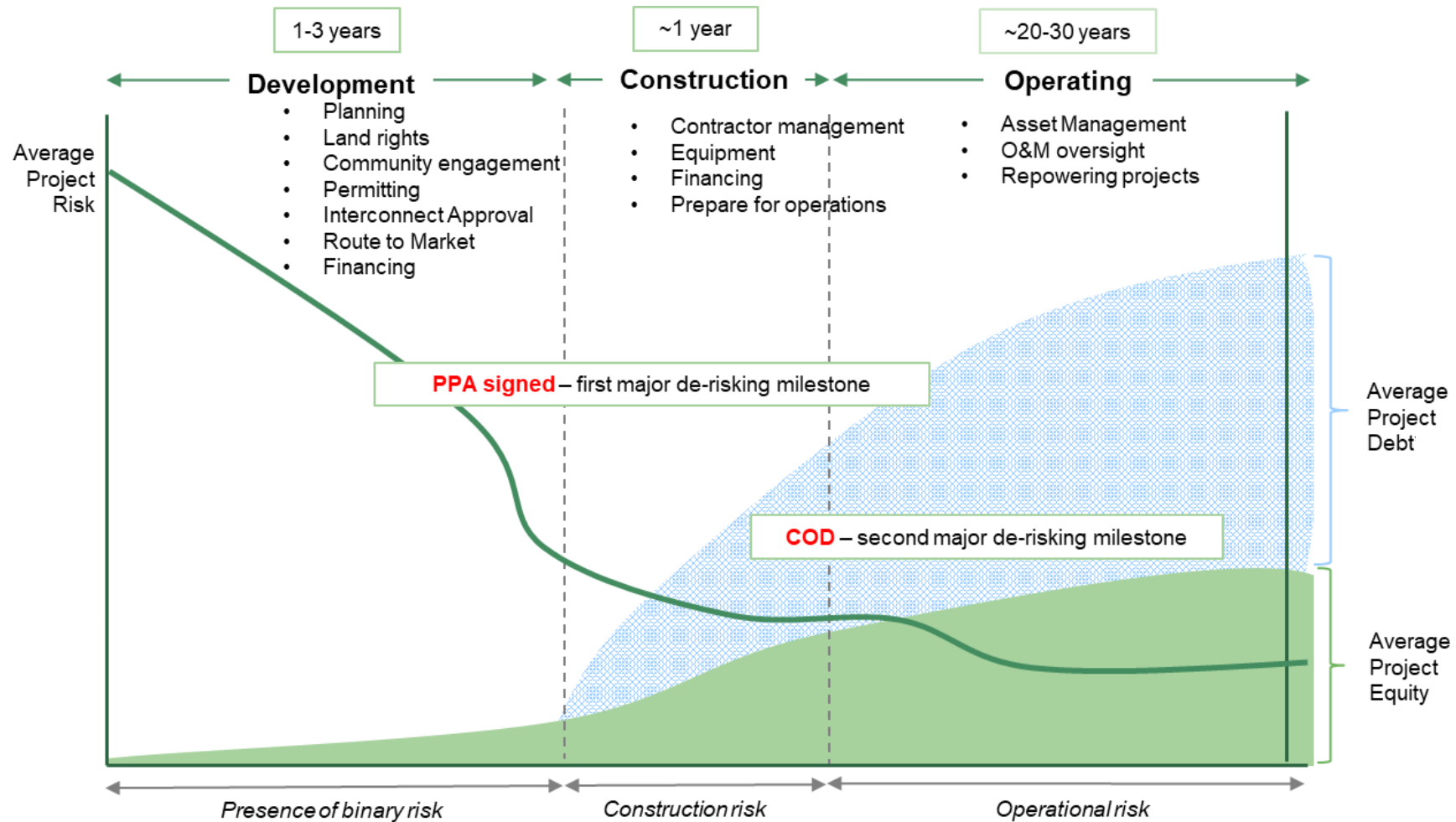
Two-dimensional mapping illustrates a fund's risk/return profile (x-axis) and a fund's market sensitivity (y-axis). Strategies and funds further to the right and closer to the top will have a higher risk/return profile and higher market sensitivity as it relates to the market driver (e.g., underlying commodity, GDP, US inflation, etc.). For illustrative purposes only.

# Risk Management – Private Real Assets



Two-dimensional mapping illustrates a fund's risk/return profile (x-axis) and a fund's market sensitivity (y-axis). Strategies and funds further to the right and closer to the top will have a higher risk/return profile and higher market sensitivity as it relates to the market driver (e.g., underlying commodity, GDP, US inflation, etc.). For illustrative purposes only.

# Risk Management – Private Real Assets



*For illustrative purposes only.*

# Risk Management – Hedge Funds

## Hedge Fund Risks\*



### Market

Equity beta

Inflation

Interest Rate

Concentration



### Asset

Leverage

Correlations

Exposures

Market betas



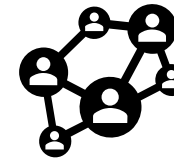
### Liquidity

Investment Structure

Terms

Underlying Assets

Valuations



### Operational

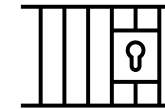
Business infrastructure & team

Key Person & Succession

Fees

Alignment

Valuations



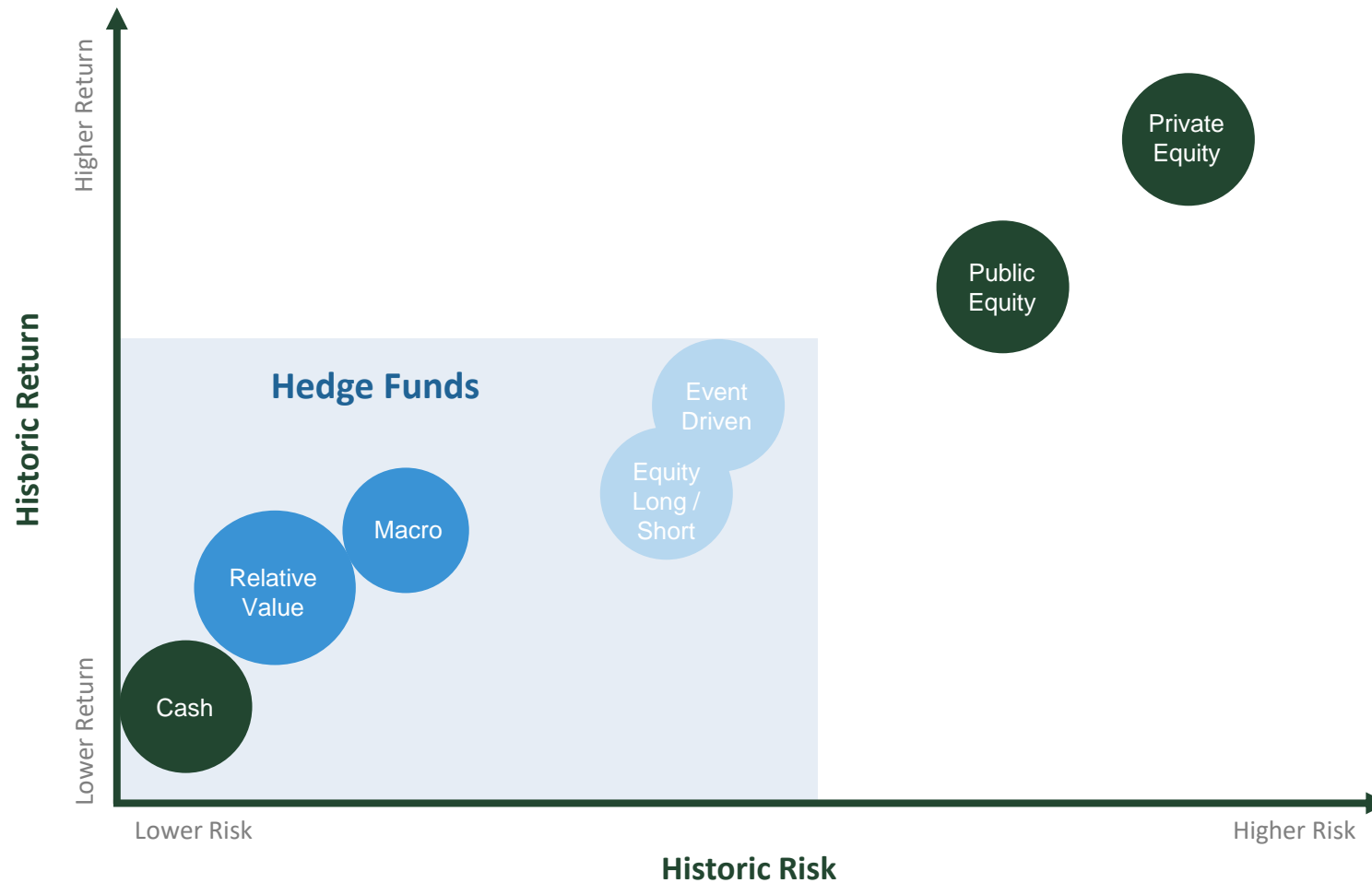
### Regulatory

Reporting

Restrictions

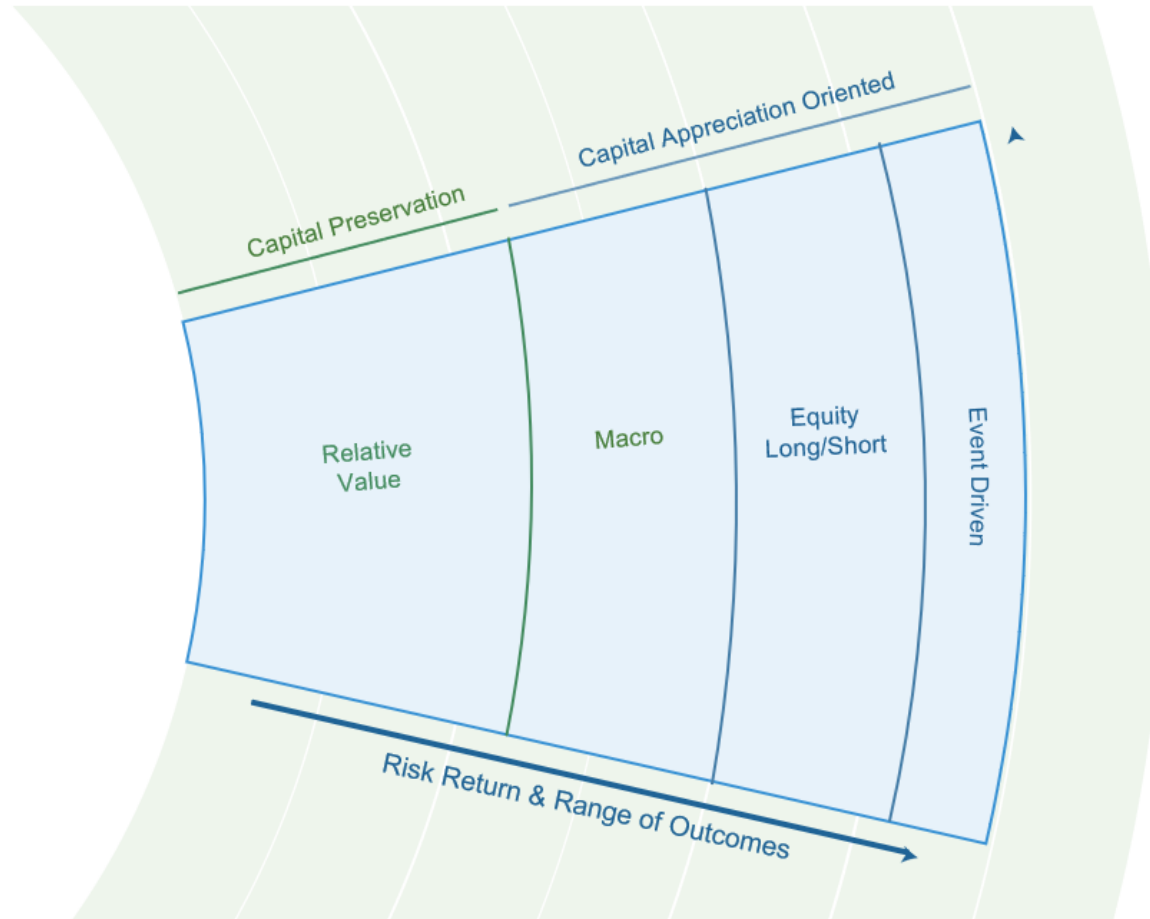
Leverage • Liquidity • Market Risk • Concentration • Operational Risks

# Risk Management – Hedge Funds



Leverage • Liquidity • Market Risk • Concentration • Operational Risks

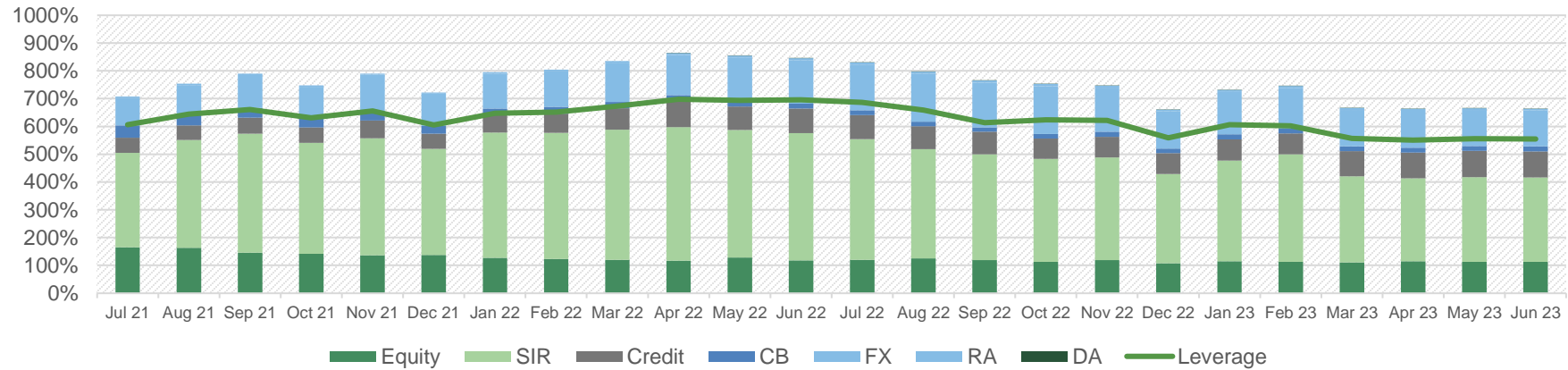
# Risk Management – Hedge Funds



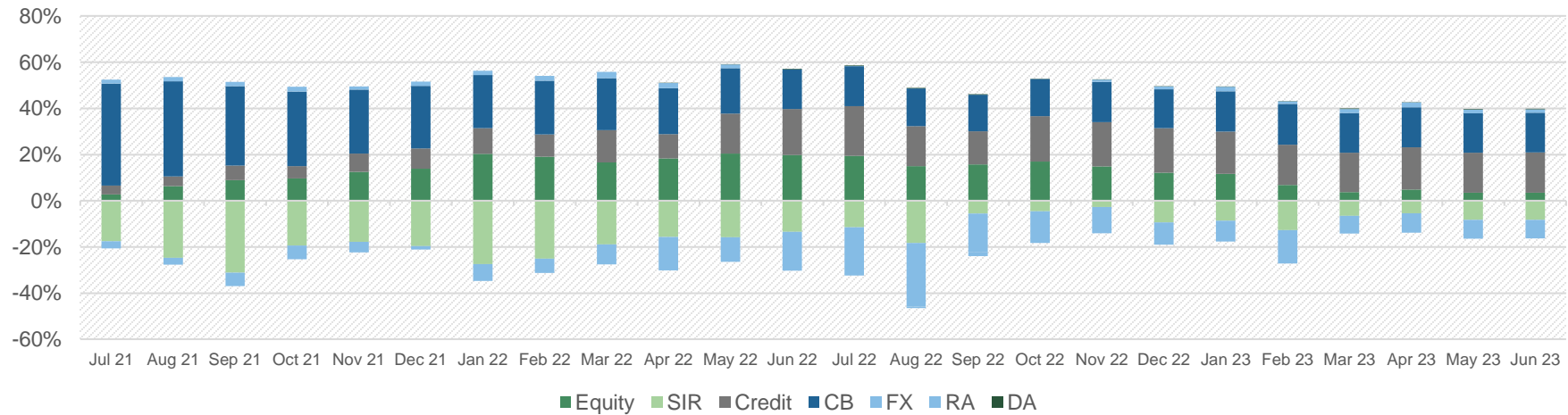
Two-dimensional mapping illustrates a fund's risk/return profile (x-axis) and a fund's market sensitivity (y-axis). Strategies and funds further to the right and closer to the top will have a higher risk/return profile and higher market sensitivity as it relates to the market driver (e.g. underlying commodity, GDP, US inflation, etc.). For illustrative purposes only.

# Risk Management – Hedge Funds

## Gross Exposures



## Net Exposures



# Risk Management – Updates & Developments

## Desk Based Monitoring (DBM)

Manager level **daily monitoring**  
Regulatory filings, fines & court cases  
Global, local & specialized media sources

## Sustainability & Employment Practices

**Sustainability examples**  
Energy Efficiency, Offsetting Carbon Emissions,  
Waste Reduction & Recycling  
**Employment Practices examples**  
Resources, Anti-harassment Diversity

## Portfolio or QDD examples

See Fintech Tools







## Private Credit Coverage Ratios Survey









2022/2023 survey of direct lenders  
Interest Coverage Ratios declined



# Risk Management – Fintech Tools

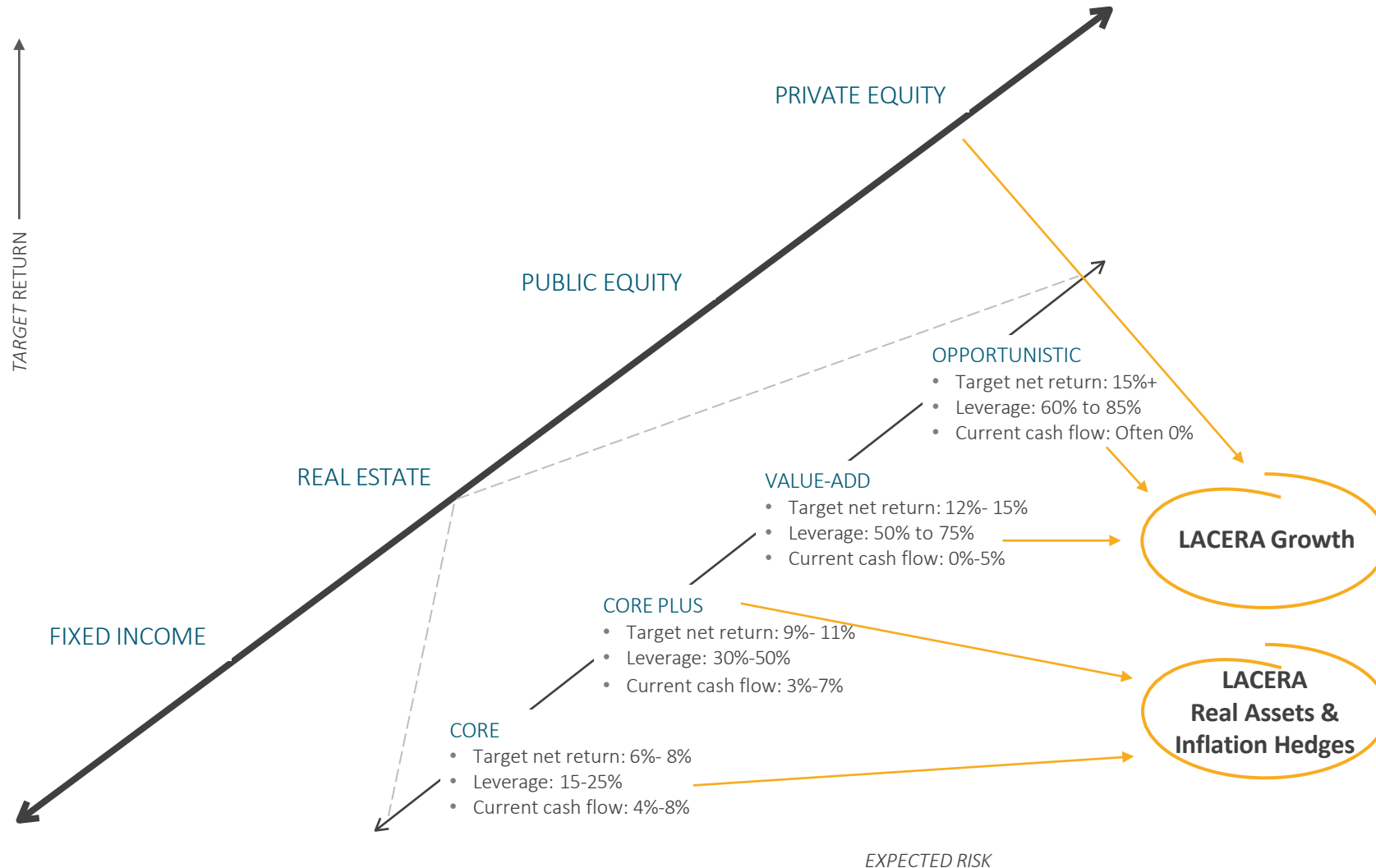
“We’ve got a tool for that!”

	<b>Cash Flow Model</b>	Intelligent Cash Flow forecasting
	<b>Portfolio Controller</b>	Transaction tracking platform
	<b>PM QDD &amp; Reporting</b>	Value bridge analysis of individual portfolio companies
	<b>Portfolio Manager</b>	Advanced portfolio model
	<b>Fund Comparison Tool</b>	Peer comparison of fund performance
	<b>Fee Controller</b>	Fee & expense benchmarking*

<b>Portfolio News</b> Daily news feed 	<b>Liquidity Calendar</b> Fund liquidity terms analysis 	<b>Advanced Search</b> Fund due diligence search 	<b>Combined Harvester</b> Excel Plug-in for Albourne data 
<b>Open Protocol Explorer</b> Exposure evolution 	<b>13F Explorer</b> Quarterly long positions analysis 	<b>Factor Analysis</b> Multi-factor modelling 	<b>Calendars</b> Collection of upcoming events 



# Real Estate Has Multiple Roles in the Portfolio



Target returns are hypothetical and are neither guarantees nor predictions or projections of future performance. Future performance indications and financial market scenarios are no guarantee of current or future performance. There can be no assurance that such net target IRRs will be achieved or that the investment will be able to implement its investment strategy, achieve its investment objectives or avoid substantial losses. Further information regarding net target IRR calculation is available upon request.

## General Market

- Volatility due to economic conditions, supply and demand, interest rates, and local trends
- Downturns can lead to decreased property values and lower occupancy and rental income
- Properties with meaningful operating expenses, such as office and hotels, are impacted by high inflation

## Financial

- Interest rate changes have a meaningful impact on real estate returns
- Capital markets disruptions decrease financing availability, impacting acquisitions, refinancing and capital improvement plans

## Property Type

- Each property type has different and specific demand drivers subject to various risks

## Location

- Placement within a market has an enormous impact on the value of an asset
- Urban centers, with their land and zoning constraints, have higher rents and higher asset values

## Legislative

- Changes in regulations and taxation can meaningfully impact the business plans and value of a property
- Rent control for residential properties has been in recent headlines

## Illiquid Asset

- Limited Partnership (“LP”) interests are not readily marketable or redeemable

## “Blind Pool” Investing

- Underlying fund investments are not identified at the time of commitment

## Timing of Returns is Uncertain

- Exit events / distributions are difficult to project

## Valuation

- Not marked-to-market
- No universal industry standards / subjective interim valuations
- Valuations are typically reported with a quarterly lag

## Sector Selection

- Sectors and strategies carry different risk / reward implications

## Default Remedies

- Legally binding contracts that, in the case of a default, can result in forfeiture of interest

# Quarterly Returns (Fund Level)

## Private Markets Quarterly Returns



SPI Fund Asset Class	Q1 2023				Q2 2023			
	All Regions	North America	Europe	Asia Australia	All Regions	North America	Europe	Asia Australia
<b>Private Debt</b>	<b>2.2%</b>	<b>2.0%</b>	<b>1.5%</b>	<b>2.1%</b>	<b>2.2%</b>	<b>1.9%</b>	<b>2.1%</b>	<b>N/A</b>
Corporate	3.4%	3.3%	2.4%	1.8%	N/A	N/A	N/A	N/A
Infrastructure & Real Assets	5.2%	6.3%	N/A	2.7%	N/A	N/A	N/A	N/A
Other	1.3%	0.7%	1.6%	N/A	N/A	N/A	N/A	N/A
Real Estate Credit	0.8%	0.6%	1.4%	1.9%	N/A	N/A	N/A	N/A
Special Situations	1.8%	1.8%	0.9%	1.1%	N/A	N/A	N/A	N/A
<b>Private Equity</b>	<b>2.4%</b>	<b>2.4%</b>	<b>1.8%</b>	<b>1.6%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>(29.7%)</b>	<b>0.2%</b>
Buyout	3.1%	3.0%	2.1%	3.1%	2.3%	2.2%	N/A	2.7%
Growth Equity	1.8%	2.7%	0.9%	(0.4%)	(5.0%)	5.1%	N/A	(16.7%)
Other	0.1%	(1.5%)	0.5%	1.3%	(10.0%)	N/A	(29.7%)	2.2%
Venture Capital	(0.6%)	(0.6%)	(0.9%)	(0.9%)	(0.4%)	(0.4%)	N/A	(1.6%)
<b>Real Assets</b>	<b>2.1%</b>	<b>1.4%</b>	<b>1.9%</b>	<b>3.3%</b>	<b>3.9%</b>	<b>(0.0%)</b>	<b>4.6%</b>	<b>N/A</b>
Energy	(0.1%)	(0.1%)	N/A	N/A	N/A	N/A	N/A	N/A
Infrastructure	2.4%	1.7%	1.9%	3.5%	5.0%	2.2%	4.6%	N/A
Natural Resources	1.1%	1.7%	N/A	(1.3%)	N/A	N/A	N/A	N/A
<b>Real Estate</b>	<b>(0.6%)</b>	<b>(1.4%)</b>	<b>(0.4%)</b>	<b>1.7%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Core / Core+	(0.4%)	(1.3%)	(0.7%)	2.1%	N/A	N/A	N/A	N/A
Multimanager	(1.1%)	(0.6%)	(4.6%)	N/A	N/A	N/A	N/A	N/A
Opportunistic	(0.1%)	(1.2%)	0.1%	2.0%	N/A	N/A	N/A	N/A
Value-Add	(1.4%)	(1.7%)	(1.4%)	(1.7%)	N/A	N/A	N/A	N/A
<b>Total</b>	<b>2.1%</b>	<b>1.9%</b>	<b>1.6%</b>	<b>1.8%</b>	<b>2.3%</b>	<b>1.9%</b>	<b>4.3%</b>	<b>0.2%</b>



Q2 2023  
Reported %  
**2.3%**

Quarterly returns were calculated using Modified Dietz TWRR. Europe returns are in EUR; Global, North America and Asia Australia returns are in USD. Aggregations of fewer than five funds are not considered meaningful and not displayed. Returns for Q2 2023 based on reported valuations. As of July 30, 2023, 2.3% of total NAV has been reported by GPs.

# Asset Level Benchmarking

Return Analysis (as of March 31, 2023)



## PARAMETERS

### Report Date

3/31/2023

### Entry Year

Multiple selections

### SPI Fund Asset Class

- Select all
- Private Debt
- Private Equity
- Real Assets
- Real Estate

### GICS Sector

- Select all
- Communication ...
- Consumer Discre...
- Consumer Staples
- Energy
- Financials

### Asset Region

North America

## Report By

Asset Class	Asset Region	Concentration	Entry Year	<b>GICS Sector</b>	Hold Period	Property Type	SASB Sector
-------------	--------------	---------------	------------	--------------------	-------------	---------------	-------------

Category	No. of Investments	TVM 5th Percentile	TVM 25th Percentile	TVM 50th Percentile	TVM 75th Percentile	TVM 95th Percentile
Communication Services	1,305	0.00x	0.05x	1.00x	2.22x	5.97x
Consumer Discretionary	1,815	0.00x	0.23x	1.34x	2.80x	7.17x
Consumer Staples	513	0.00x	0.64x	1.72x	3.14x	8.02x
Energy	469	0.00x	0.13x	1.09x	2.06x	4.76x
Financials	1,282	0.00x	1.00x	1.63x	2.77x	7.72x
Fund of Funds	2					
Health Care	3,247	0.00x	0.24x	1.29x	2.85x	7.51x
Industrials	2,067	0.00x	0.56x	1.75x	3.12x	7.14x
Information Technology	7,979	0.00x	0.17x	1.19x	2.92x	9.09x
Materials	415	0.00x	0.93x	1.92x	3.21x	6.34x
Real Estate	140	0.00x	0.34x	1.19x	2.13x	8.01x
Utilities	74	0.00x	0.84x	1.64x	2.75x	5.58x
<b>Total</b>	<b>19,308</b>	<b>0.00x</b>	<b>0.25x</b>	<b>1.33x</b>	<b>2.85x</b>	<b>7.91x</b>



# Evolution of LACERA's Portfolio

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2023 Board of Investments Offsite

September 13, 2023



# EVOLUTION OF LACERA'S PORTFOLIO

Wednesday, September 13th – 10:30am – 12pm\*

## Session Outline

1. Presentation by Staff
  - Backdrop of Evolution
  - Asset Allocation
  - Initiatives and Highlights
  - Envisioning the Future

## Objectives

- Why the portfolio has evolved over time
- Highlight significant initiatives undertaken
- Learning Framework
- Potential portfolio enhancements that can further advance LACERA to Best-in-Class Investor

\*Subject to change



# Table of Contents



<b>TITLE</b>	<b>SLIDE</b>
Back in the Day – Pension Annual Report	<b>4</b>
Evolution Aligned with LACERA’s Mission and Expressed Through Policies	<b>5</b>
LACERA’s Evolution	<b>6</b>
Expected Returns Have Decreased Over Time	<b>7</b>
LACERA is a Mature Plan	<b>8</b>
LACERA’s Asset Allocation over 20 years	<b>9</b>
Transitioned in 2018 From Classical to Functional Asset Allocation	<b>10</b>
Example of Classical to Functional Transition	<b>11</b>
Categories Defined: Our Evolution as an Investor	<b>12</b>
20 Year Evolution	<b>13</b>
Evolutionary Highlights	<b>14</b>


<b>TITLE</b>	<b>SLIDE</b>
Learning Framework	<b>18</b>
10-Year Performance: Achieving Higher Returns With Less Risk	<b>19</b>
Envisioning the Future: Allocator to Best-in Class Investor	<b>20</b>
Concluding Remarks	<b>21</b>
Appendix	<b>22</b>

# Back in the Day – Pension Annual Report



## Archived LACERA Financial Report as of December 31, 1936

LACERA began with approximately \$5 million in assets

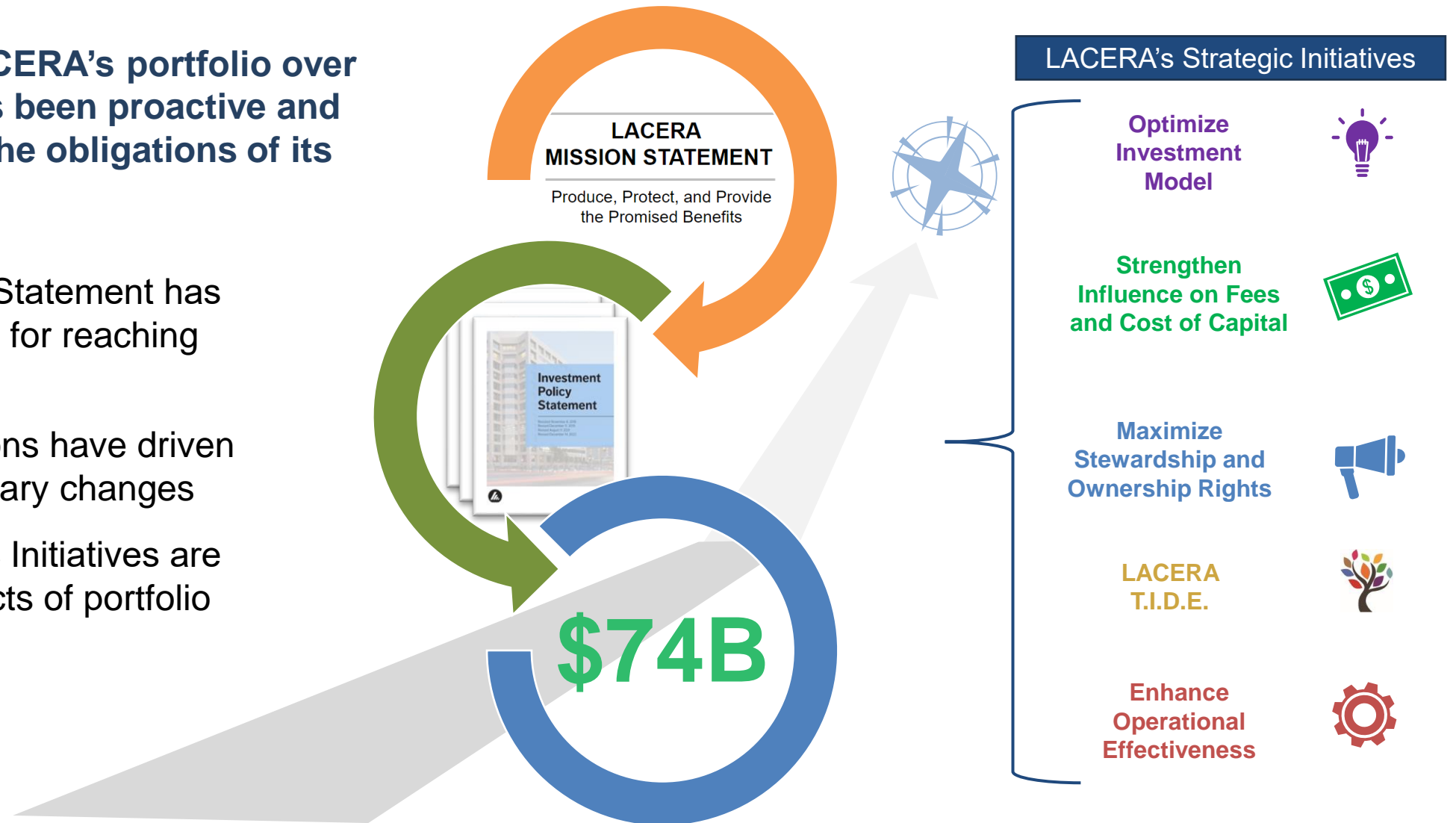
ANNUAL REPORT	
LOS ANGELES COUNTY EMPLOYEES' RETIREMENT ASSOCIATION	
As of December 31, 1936	
STATEMENT OF ASSETS AND LIABILITIES	
<b>A S S E T S</b>	
Cash on Hand.....	\$ 73,471.62
Securities—Par Value.....	4,461,650.00*
Premium—Less Discount.....	291,711.27*
Accrued Interest.....	71,446.12
L. A. County in account with Contribution Reserve.....	6,916.00
L. A. County in account with Prior Service.....	14,191.33
	<u>\$4,919,386.34</u>
<b>L I A B I L I T I E S</b>	
Members Reserve—Less than 10 years.....	\$1,531,693.81
Members Reserve—Over 10 years.....	1,403,409.43
County Contribution Reserve.....	1,403,409.43
Members Special Contributions.....	26,584.85
Unclaimed Money of Former Members.....	1,725.38
County Advance Reserve.....	6,501.03
Annuity Reserve.....	63,633.91
Surplus.....	482,428.50
	<u>\$4,919,386.34</u>
<b>F I N A N C I A L S T A T I S T I C S</b>	
Salary Deductions.....	\$ 393,996.00
Interest Credited to Members.....	105,191.28
Received from County.....	81,412.00
Interest Earned on Securities.....	213,858.89
Refunds to Members Leaving Service.....	174,385.56
Paid in Pensions.....	82,438.59
<b>G E N E R A L S T A T I S T I C S</b>	
Number of Members December 31, 1936.....	8580
Number of Members over 70 Eligible for Compulsory Retirement.....	32
Number of Members ages 60 to 70 with ten years or more service Eligible for Voluntary Retirement.....	270
Number of Annuitants Receiving Pensions.....	171
Number of Members Retired During 1936.....	35
*Note: Securities Book Value.....	\$4,753,861.27
Appraised Value.....	5,397,668.35
(See following schedule)	
 Treasurer.	
COUNTY OF LOS ANGELES.	

# Evolution Aligned with LACERA's Mission and Expressed Through Policies



The evolution of LACERA's portfolio over the last 20 years has been proactive and intentional to meet the obligations of its beneficiaries

- LACERA's Mission Statement has been the foundation for reaching \$74B
- Board policy decisions have driven necessary evolutionary changes
- LACERA's Strategic Initiatives are woven into all aspects of portfolio implementation



OPEB is \$3 billion as of 6/30/23. This presentation will focus on the Fund.

# LACERA's Evolution



Since 1980, achieving LACERA's actuarial required rate of return has become more challenging with each passing decade. The headwinds primarily have been:

- a decreasing expected return environment
- increasing plan liabilities of a maturing pension



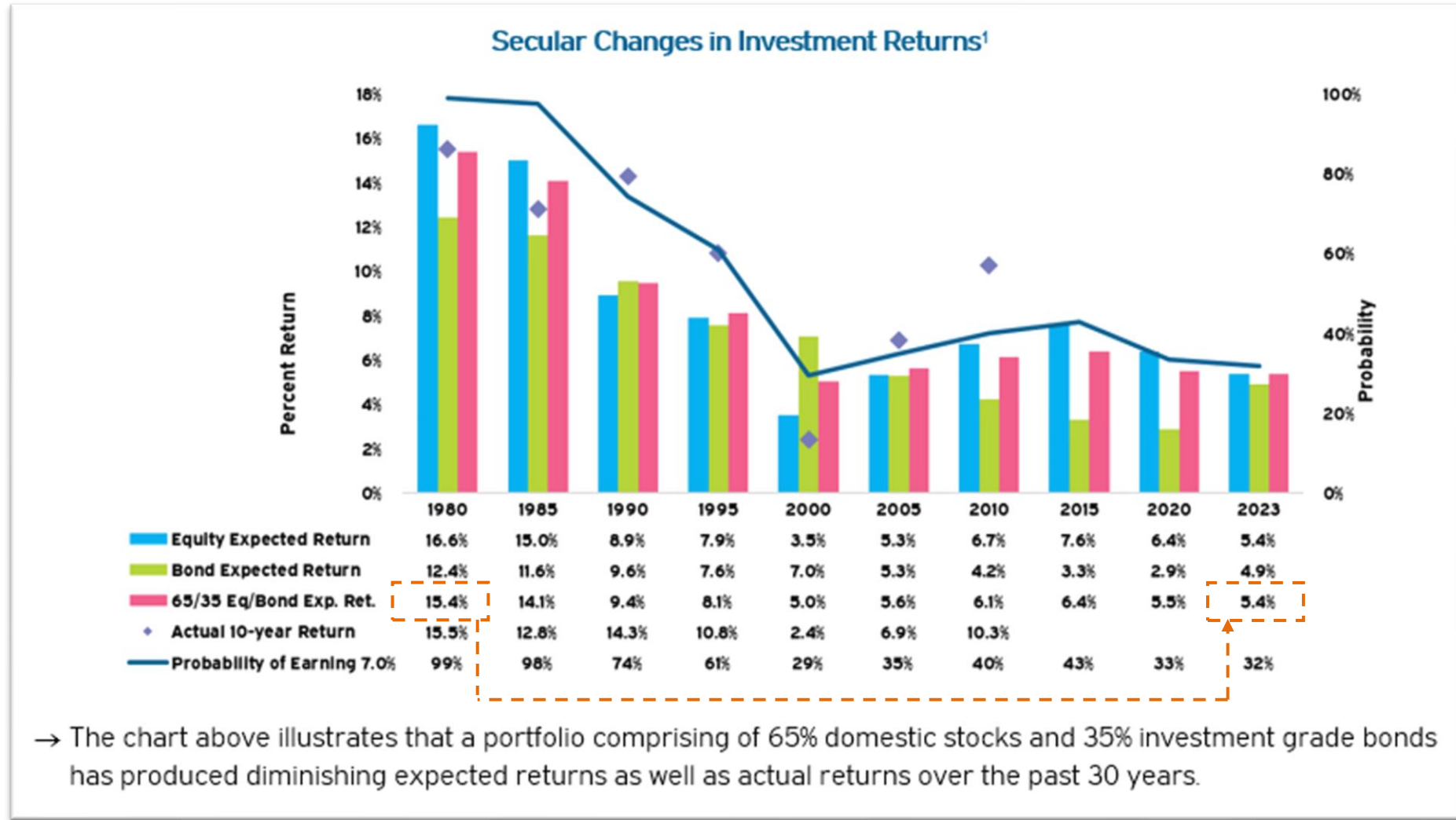
LACERA evolutionary milestones include:

- Adopting **Strategic Initiatives** and Work Plan
- Transitioning to a **functional strategic asset allocation** framework
- Allocating **more to private**, less liquid **investments**
- Deliberate **portfolio structuring** to optimize investment outcomes
- Enhancing in-house **staff resources** and expanding **operational capabilities**

# Expected Returns Have Decreased Over Time



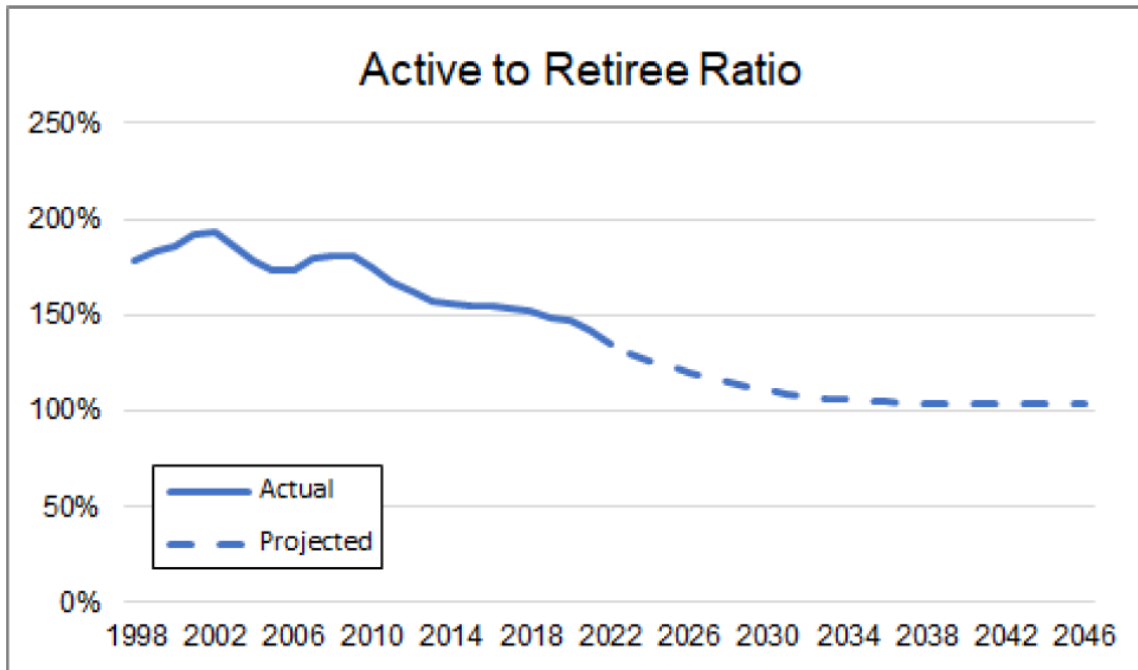
- The expected returns across risk assets, including a 65/35 stock and bond portfolio, have dramatically decreased since 1980
- Investors have added alternative assets to their portfolios to increase the probability of meeting future return expectations



Source: Meketa

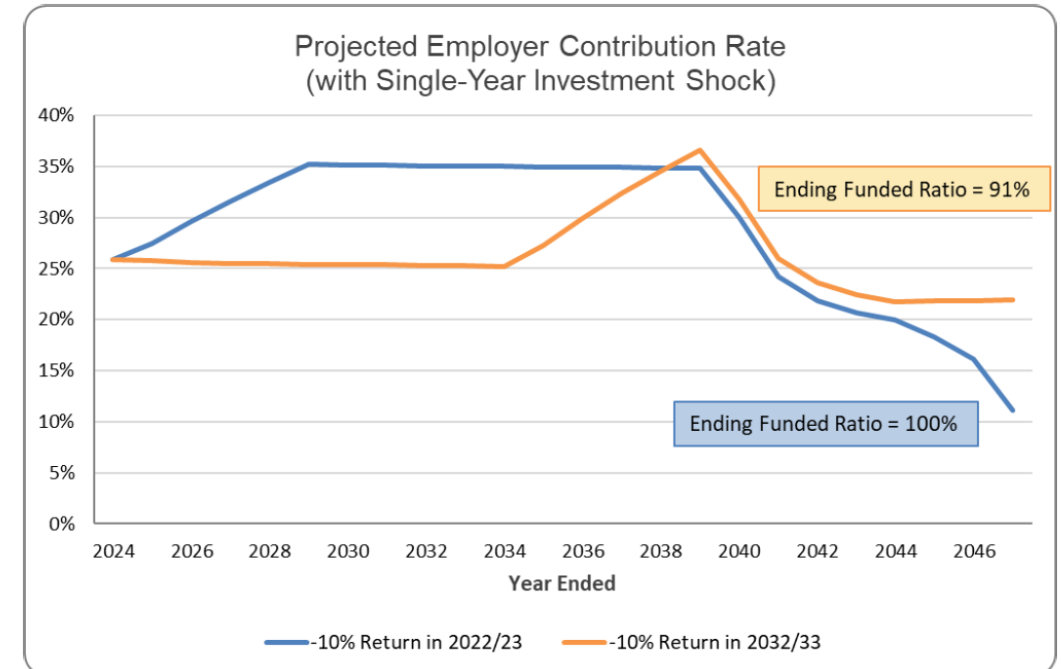
<sup>1</sup> Expected return assumptions for 1) Bonds equals the yield of the ten-year Treasury plus 100 basis points, and 2) Equities equals the dividend yield plus the earnings yield of the S&P 500 index (using the inflation-adjusted trailing 10-year earnings). Note that these short-hand models do not reflect Meketa's capital markets expectations. Probability calculation is for the subsequent ten years.

# LACERA is a Mature Plan



Source: Milliman, specific to the LACERA Pension Plan

- LACERA's active to retiree member ratio has declined over time, increasing the maturity level of the plan
- For maturing plans where cash contributions increasingly exceed benefit payments, negative returns can result in higher contributions for the plan sponsor



Source: Milliman, specific to the LACERA Pension Plan

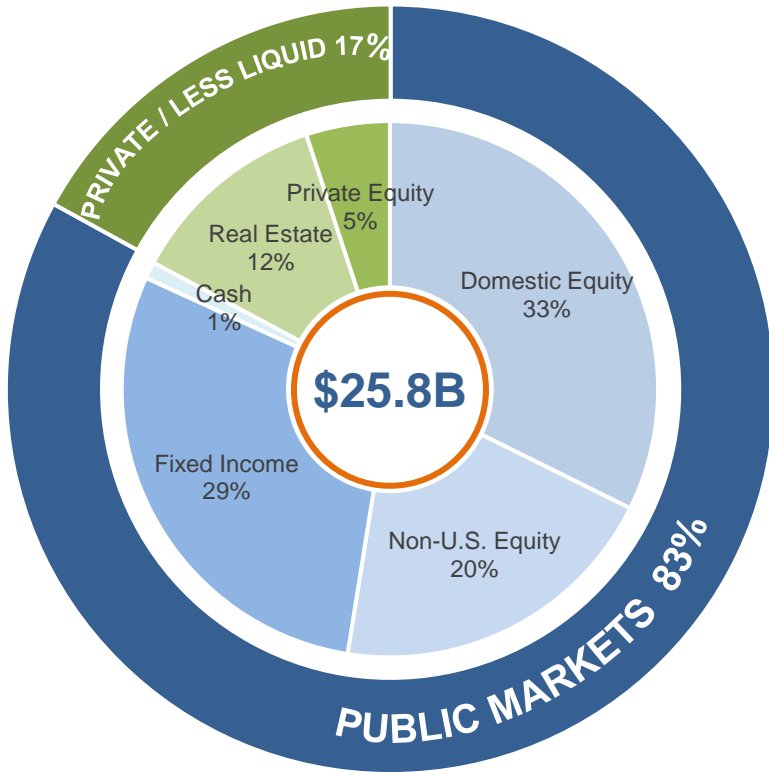
- The analysis above shows if LACERA's portfolio lost 10% ten years later versus losing 10% today, LACERA could be underfunded by 9% at the end of the 25-year period vs. being fully funded
- In both cases, a 10% drawdown would result in the employer's projected contribution rate increasing from 25% to at least 35%



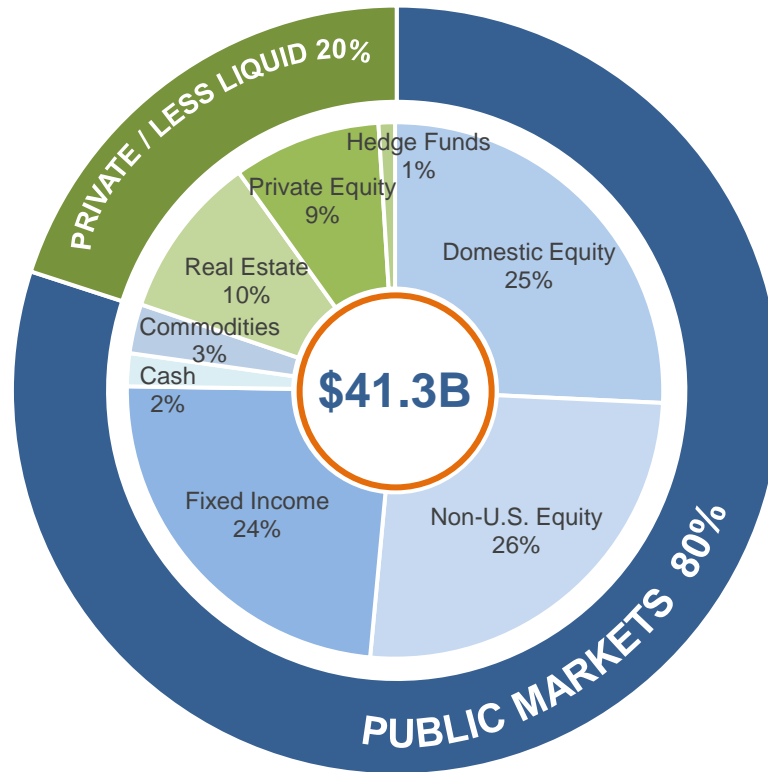
# LACERA's Asset Allocation over 20 years



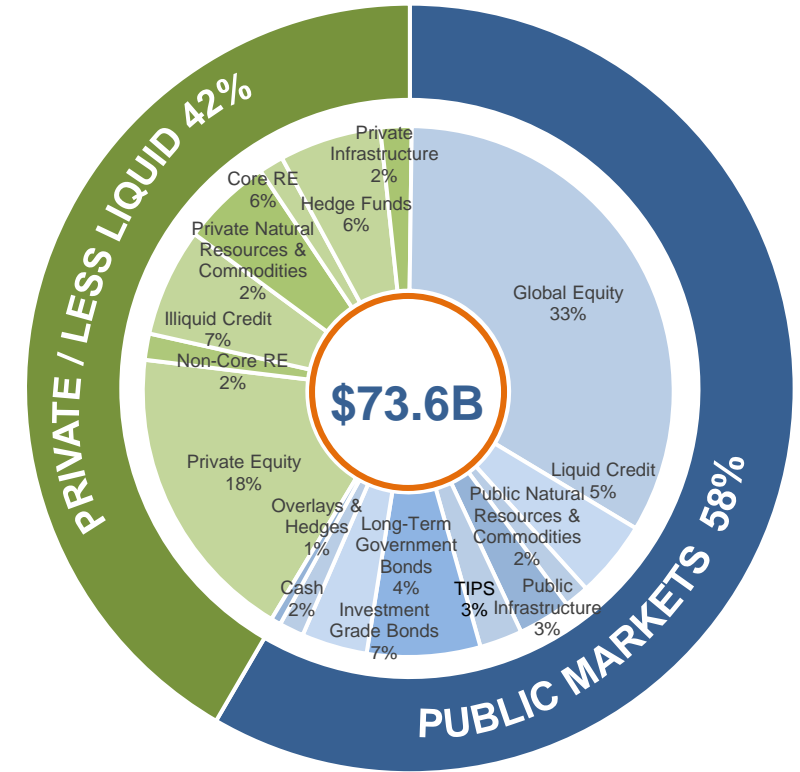
2003



2013



2023



LACERA has transitioned the portfolio over the past two decades to include more private, less liquid assets while increasing diversification in response to the lower expected return environment and the need to manage total Fund risk

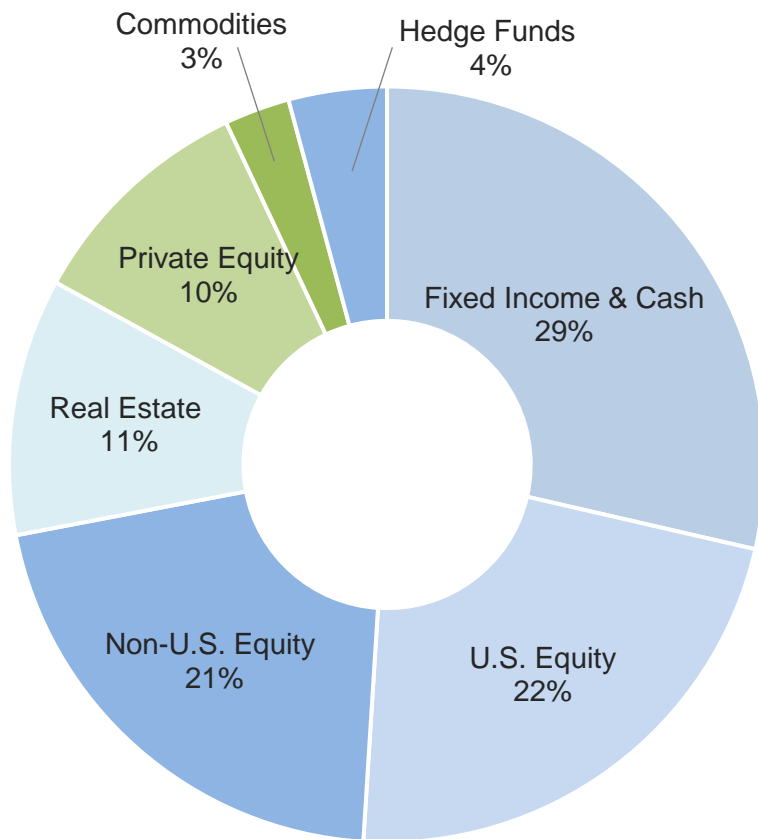
Asset Allocations are as of fiscal year end June 30th



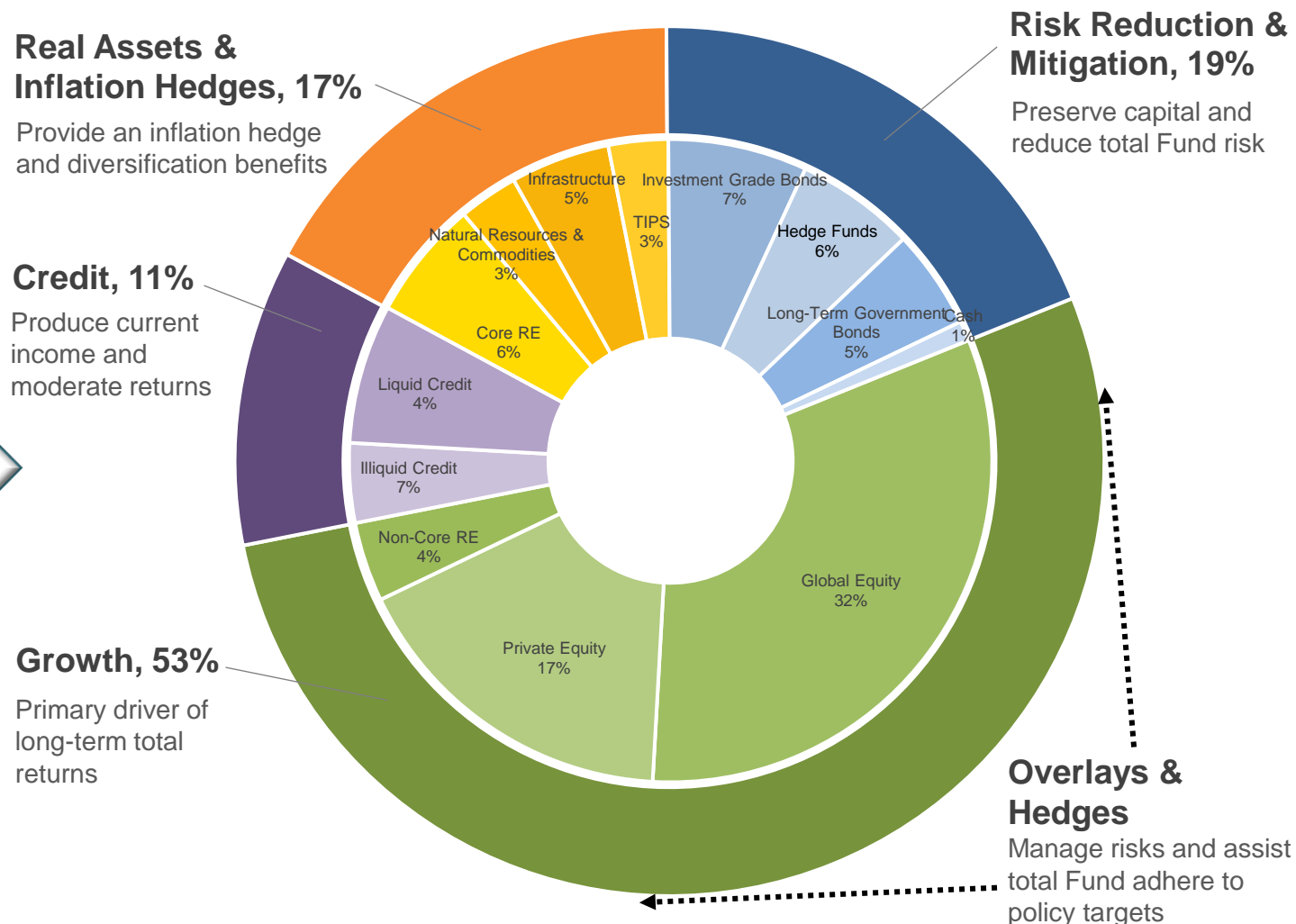
# Transitioned in 2018 From Classical to Functional Asset Allocation



## Classical Framework

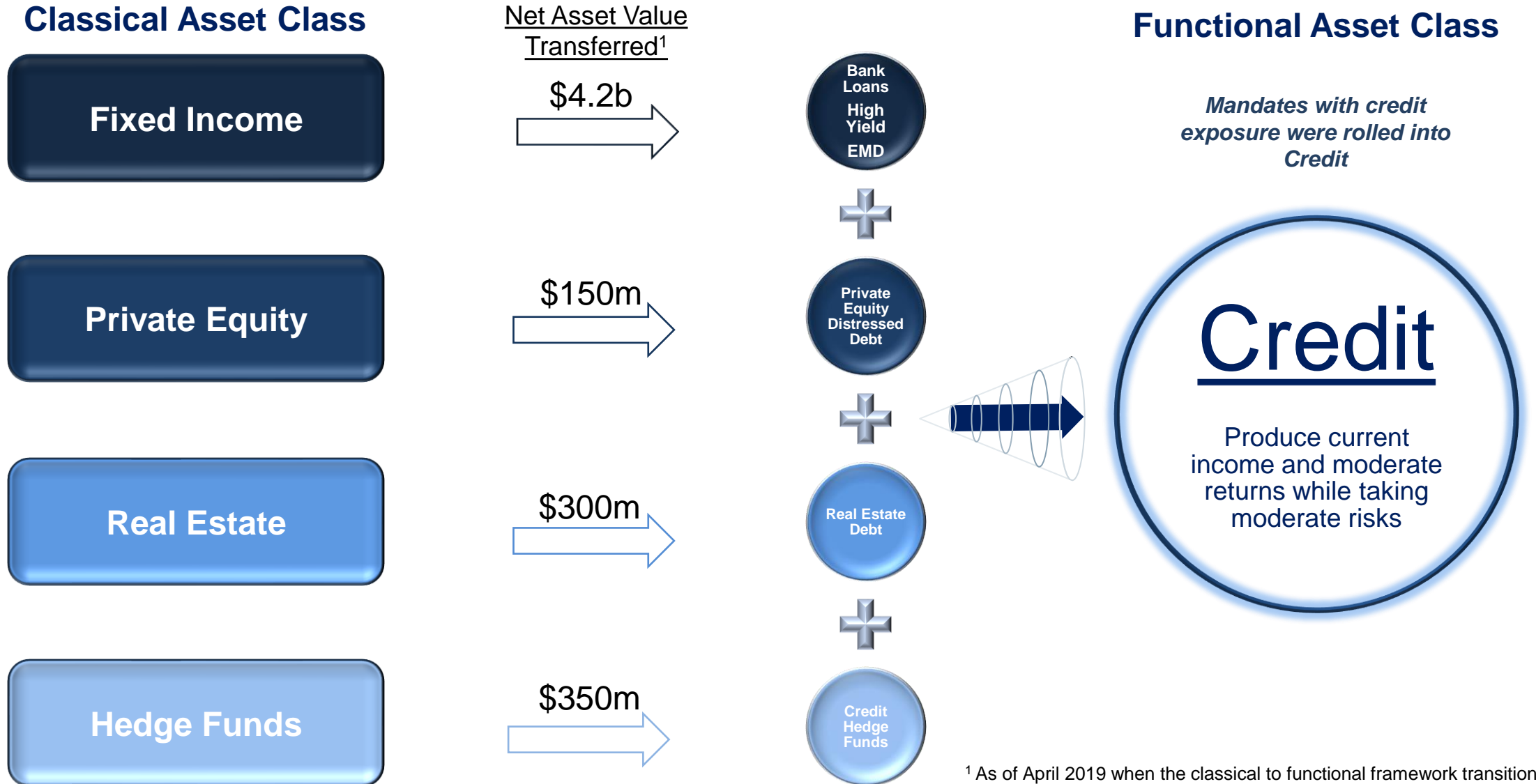


## Functional Framework



Classical Framework: Target Asset Allocation as of June 30, 2018  
 Functional Framework: Target Asset Allocation as of June 30, 2023

# Example of Classical to Functional Transition



<sup>1</sup> As of April 2019 when the classical to functional framework transition occurred.

# Categories Defined: Our Evolution as an Investor



## Board of Investments - Oversight of All Categories

**Asset Allocation**

**Asset Allocation:** spotlights noteworthy changes to the total Fund's asset allocation

**Portfolio Structure**

**Portfolio Structure:** features structural changes related to multiple dimensions (example: fees, risk tools, hedge/overlay, investment structure)

**Governance & Culture/Staffing**

**Governance & Culture/Staffing:** highlights changes to governance, culture, and staffing (example: internal committees, and enhancement of in-house capabilities)

**Operations**

**Operations:** depicts back office operational changes (example: custodial searches, accounting/performance calculation)

## LACERA Strategic Initiatives

**Optimize Investment Model**



**Strengthen Influence on Fees and Cost of Capital**



**Maximize Stewardship and Ownership Rights**



**LACERA T.I.D.E.**



**Enhance Operational Effectiveness**



# 20 Year Evolution



2000s	2010s	2020s
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## Asset Allocation

Public Equity ≈ 55% of Total Fund	Increased Exposure to Private Equity	BOI Oversight of OPEB (~\$400 AUM)	Shift to Functional Categories	Consultant for Hedge Funds, Illiquid Credit, and Real Assets	Added Private Markets for OPEB Trust (3B AUM)		
Private Equity ≈ 5% of Total Fund	Added Bank Loans	Added Hedge Funds	Added RE Credit	Investment Beliefs Adopted	IPS Refresh	Investment Beliefs Refresh	Energy Transition/ Climate Stress Testing (SAA)
Added Commodities	Total Fund Benchmark	Added REITs	Added Emerging Market Debt	Allocations to Infrastructure, Natural Resources, TIPS	Added Illiquid Credit and Real Assets	Public Equity Global Perspective	

## Portfolio Structure

Currency Hedge Established	International Real Estate Program Implementation	Transition Hedge Fund of Funds to Direct Hedge Funds	Expanded Emerging Manager Programs	Global Equity Overlay	Consolidate Securities Lending	Hard Hurdle Fee Structure
Emerging Manager Program Private Equity	Private Equity Secondary and Co-investments Programs	Public Market Commingled Funds to SMAs	Cash Overlay	Lower Cost Factor-Strategies	Expanded Co-investment Capabilities	Revenue Sharing
Discretionary Private Equity Program	Real Estate Debt	Right-sized Portfolio Structure and Manager Count	Structure Review Standardization	Review of Internal Management	Dedicated Managed Accounts	First Secondary Purchase in Real Assets

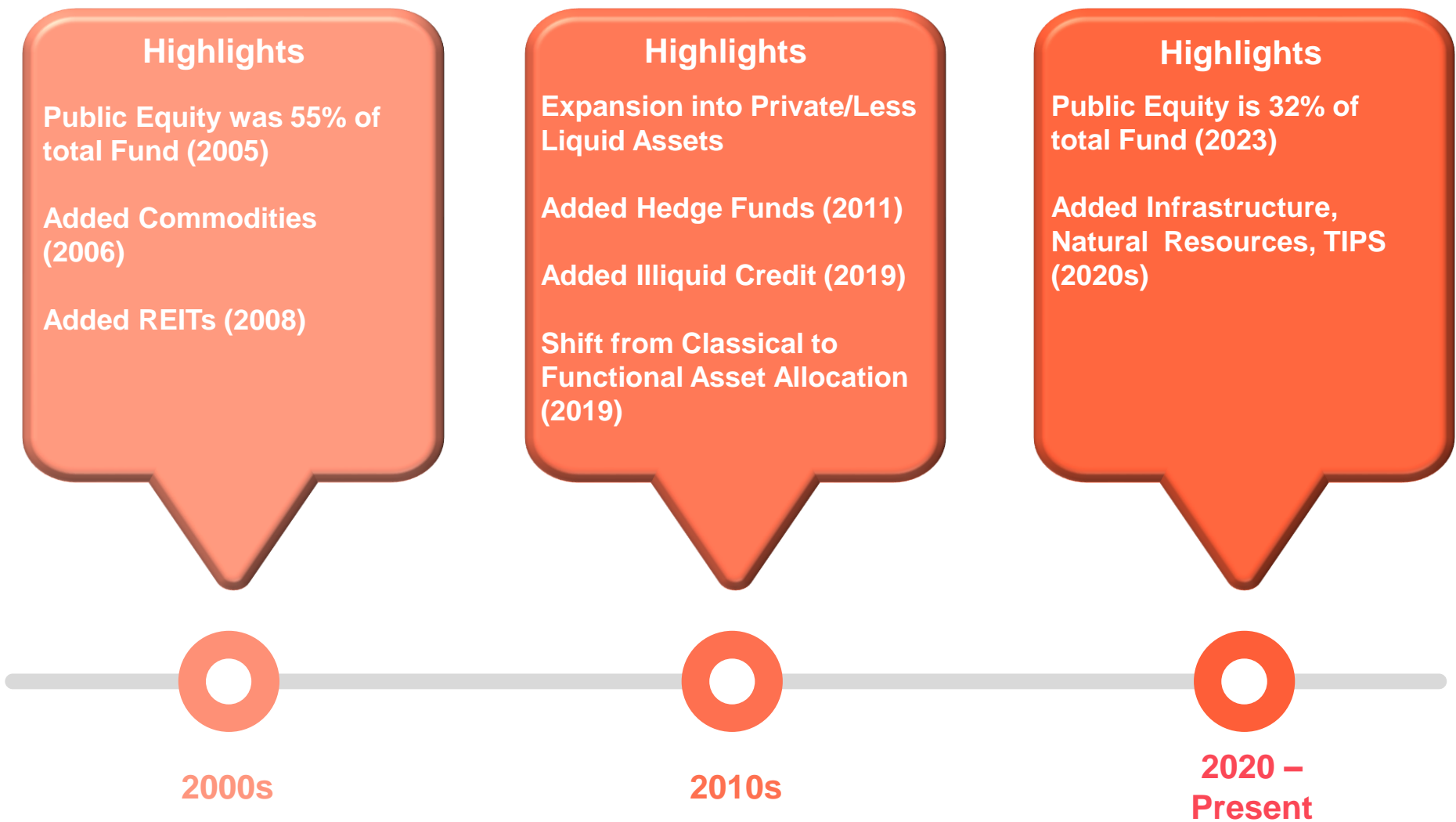
## Governance & Culture/ Staffing

Investment Staff Personnel ≈20	Two to One BOI Monthly Meetings	Delegation of CIO Authority (PE Re-Ups and Co-Investments)	Corporate Governance and Portfolio Analytics Teams Established	Budgeted Investment Staff Personnel (46)	New Deputy CIO	
Established Public & Private Markets Team	Intern Program Began	First Interns Hired as Full Time Employees	Functional Asset Category Teams	Cross Functional Teams for Educational Opportunities	2023 Intern Class Doubled	
Internal Corporate Governance Committee	Adoption of BOI Committees	Internal Investment Committees	Investment Procedure Manual	T.I.D.E Initiative	Allocator to Best-in-Class Investor	Specialty Consultants

## Operations

Investment Risk Management Committee and Policy	Guideline Compliance	Cash Flow Monitoring	ESG and DEI Due Diligence	Private Equity Fund Administration	Manager Scorecard	Remote Working Capabilities	Real Estate Fund Administration
Public Market Contract Compliance	Independent Book of Record – Total Fund	Custodian Bank Transition	Monthly To Daily Performance Close	ODD Working Group	Total Fund Risk System and Data Analytics	Internal Committee Standardization	
Performance Reconciliation	Net-of-Fee Returns	Public Market Analytics Tools	Fee Validation and Reporting	Quarterly Performance Discussions	Business Continuity	Enhanced Total Fund Reporting & Technology	

# Evolutionary Highlights: Asset Allocation

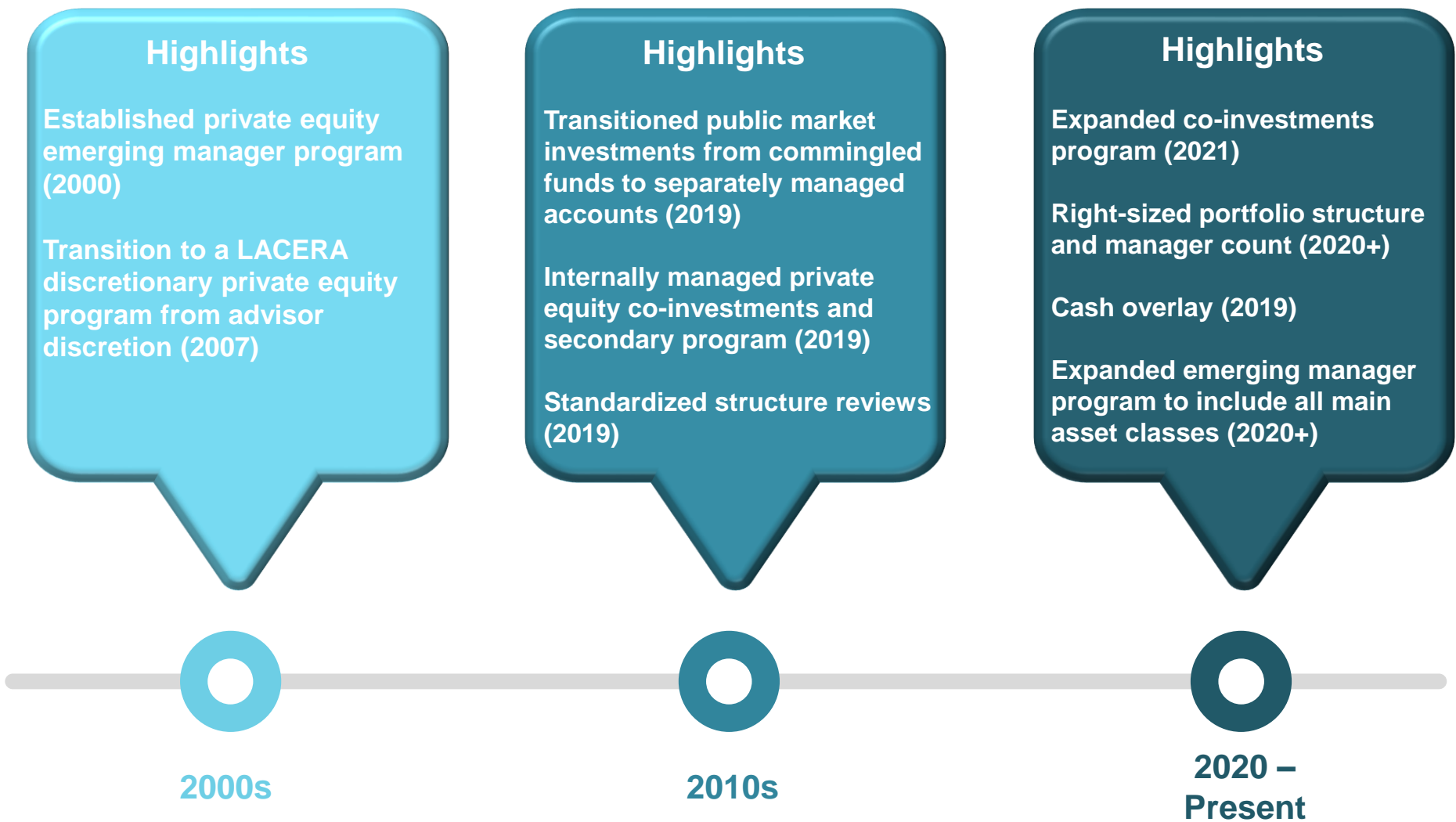


## Key Takeaways

LACERA's asset allocation has evolved over the past two decades to:

- Include more private, less liquid assets
- Shift allocation to a functional view for the purpose of understanding our risk exposures
- Increase diversification in response to the lower expected return environment and the need to manage total Fund risk

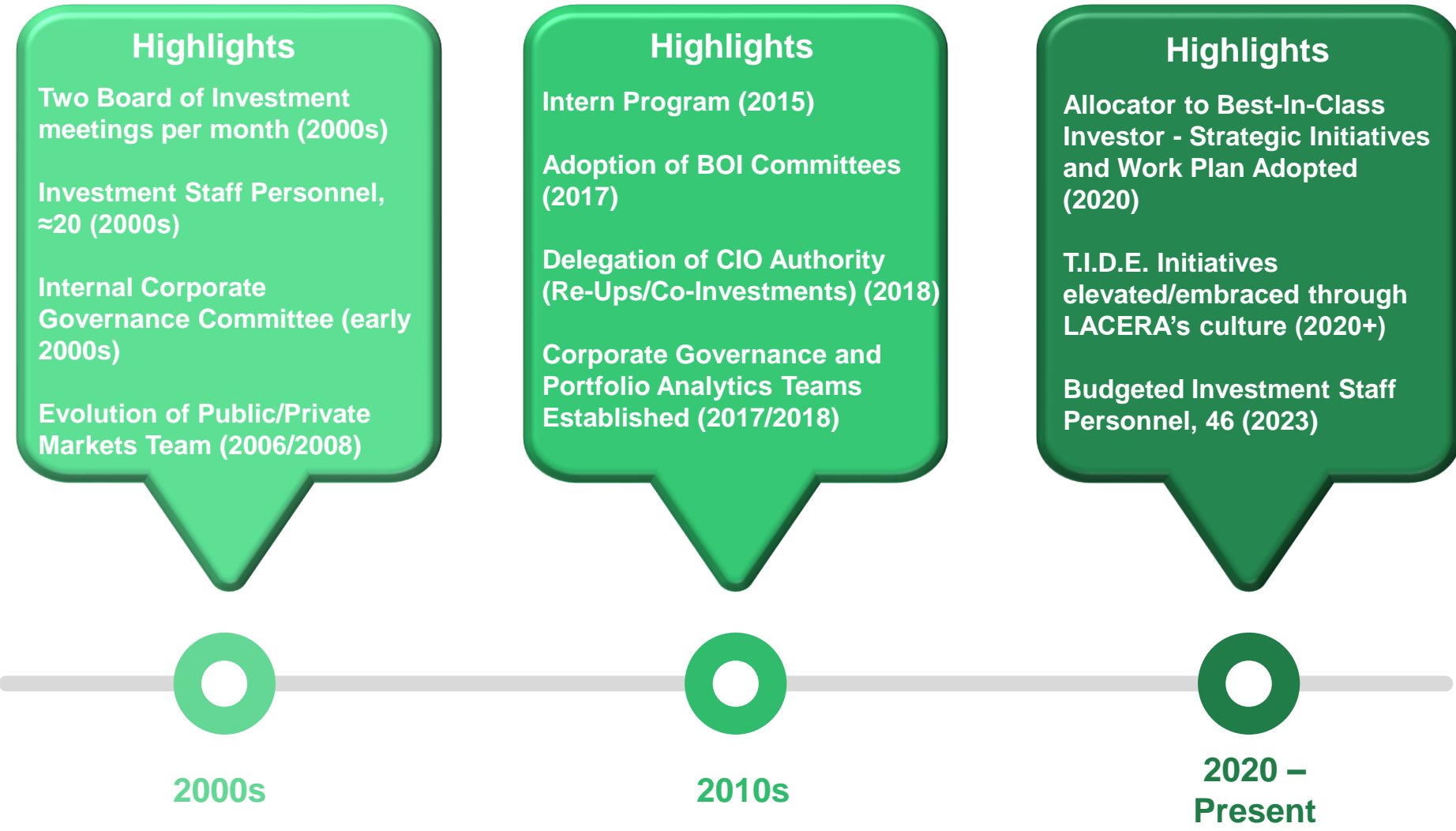
# Evolutionary Highlights: Portfolio Structure



## Key Takeaways

- LACERA's portfolio structuring efforts are tied to optimizing outcomes across all parts of the portfolio to help bridge the gap between long-term expected returns and LACERA's 7% actuarial return hurdle

# Evolutionary Highlights: Governance & Culture/Staffing

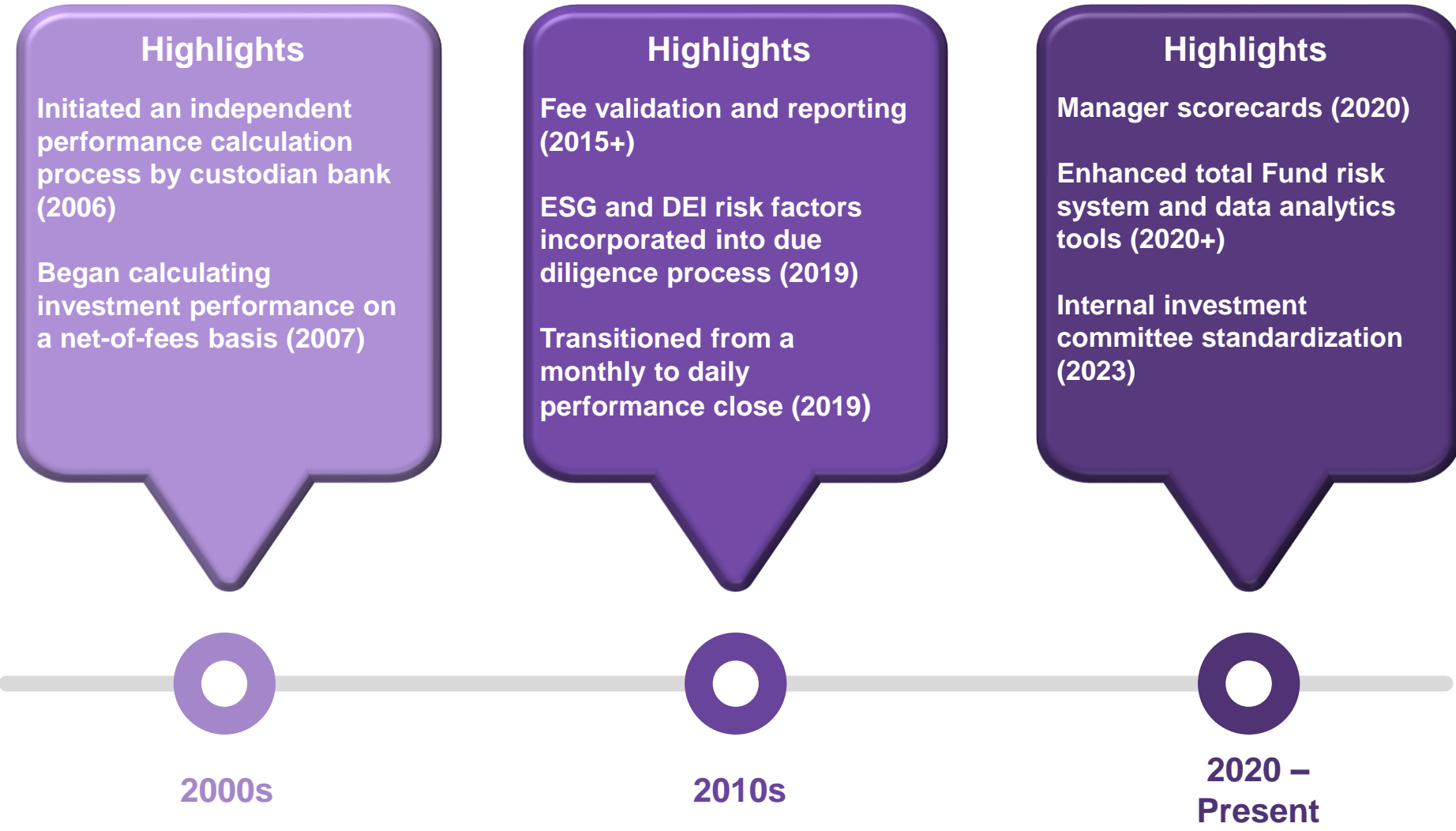


## Key Takeaways

- LACERA has enhanced its in-house capabilities over the last 20 years to stay ahead of the Fund's needs given the growth and refinements implemented
- These refinements have demanded greater expertise
- Elevation of LACERA's Initiatives and Principles permeate through its culture that align with its mission



# Evolutionary Highlights: Operations



## Key Takeaways

- Operational enhancements have advanced internal and external resources and technological capabilities to better manage the complexities of an evolving portfolio



# Learning Framework



## Asset Allocation

Asset allocation explains approximately 90% of risk and returns

Adopted Strategic Initiatives

Transitioned to Functional Asset Allocation

Optimized Portfolio Diversification

Public and Private Markets Allocation

## Portfolio Structure

Be intentional on how investments are structured

Enhanced Portfolio Construction

Transitioning Away From Unrewarded Complexity

Systematic Rebalancing

Standardized Structure Reviews

## Governance & Culture/Staffing

Optimal resources combined with the right processes leads to better outcomes

Implemented Principles-Based Approach

Engagement Aligned with Corporate Governance Principles

Established Internal Investment Committees

Cross-Functional Teams

## Operations

Better transparency equates to better portfolio insights

Performance Reporting, Valuation, and Fee Validation

Onboarded Total Fund Risk and Analytics System

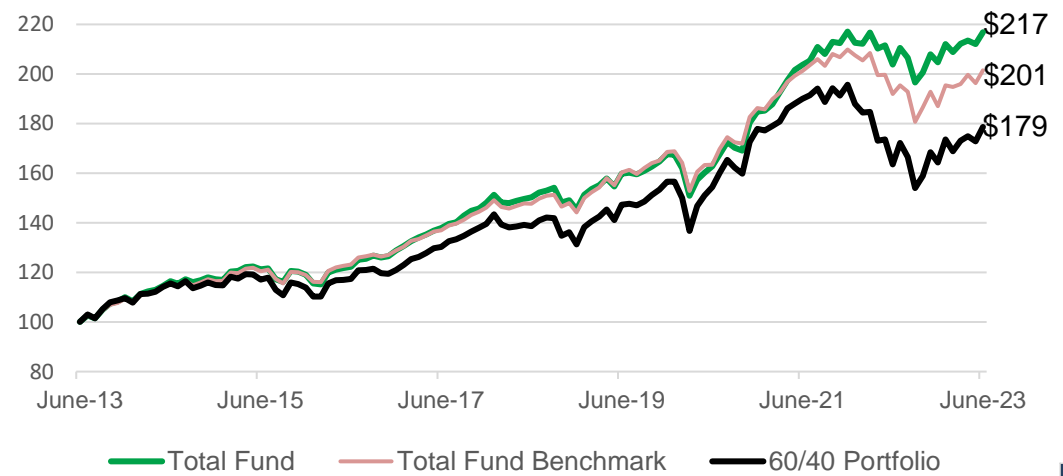
Elevating ODD and Standardizing Underwriting Process

Manager Scorecards

# 10-Year Performance: Achieving Higher Returns With Less Risk



Growth of \$100, July 2013 to June 2023

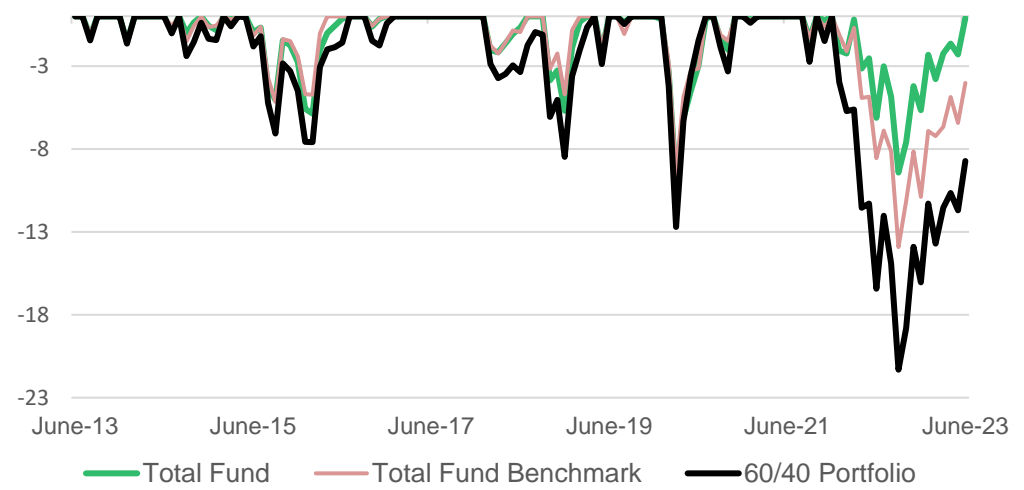


## Evolutionary changes have proven beneficial to total Fund

Compared to holding a passive 60/40 portfolio over the last 10 years, LACERA's total Fund overseen by the Board of Investments and managed by a dedicated team:

- Achieved growth of \$100 that is ~50% higher
- Exhibited less risk as measured by standard deviation
- Achieved double the Sharpe ratio (risk vs. return efficiency)
- Ranked in the top decile versus a peer universe

Historical Drawdowns, July 2013 to June 2023



RETURN METRICS <sup>1</sup> (JULY 2013 – JUNE 2023)	10-YEAR ANNUALIZED RETURN (%)	10-YEAR RETURN PEER UNIVERSE PERCENTILE RANKING <sup>2</sup> (1ST BEING HIGHEST)	STANDARD DEVIATION	SHARPE RATIO	2022 RETURN (%)
<b>LACERA Total Fund</b>	<b>8.1</b>	<b>5th</b>	<b>6.9</b>	<b>1.0</b>	<b>(5.7)</b>
60/40 Portfolio (MSCI ACWI IMI / US AGG)	6.0	95th	9.5	0.5	(16.0)
LACERA Total Fund Policy Benchmark	7.3	71st	7.0	0.9	(10.9)
Actuarial Target	7.0	n/a	n/a	n/a	7.0

<sup>1</sup> Return metrics were calculated via Zephyr. Monthly returns used to calculate return metrics come from State Street.  
<sup>2</sup> Per Meketa - peer rankings of public defined benefit plans with assets greater than \$5 billion (net return).

# Envisioning the Future: Allocator to Best-in Class Investor



## < Strategic Initiatives >



## < Aspirations >

- **Continuous improvement of investment and operational due diligence**
- **Derive and maximize value from complexity**
- **Avoid uncompensated complexity**
- **Dedicated ODD Resource**
- **Evolve internal staff investment committees**
- **Further cultivate an investor mindset**
- **Continuously right-size capital invested to asset managers and mandates**
- **Expanding climate risk analysis to total Fund including private markets**
- **Amplify progress and leadership in governance and ESG initiatives**
- **Integrate Global Real Estate Sustainability Benchmark in real assets**
- **Promote creativity and solutions when tailoring terms**
- **Be “term-makers as opposed to “term-takers”**
- **Further measure and reduce costs across portfolio**
- **Constructive influence for manager adoption of leading DEI practices**
- **Evolve holistically towards inclusion and diversity and equity**
- **Maximize functional empowerment and engagement of internal team**

Strategic Initiatives and Aspirations come from the Board-approved 2023 Work Plan



## Evolution of LACERA's Portfolio

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The evolution of LACERA's Portfolio has been proactive and intentional in anticipation of greater financial needs to meet the obligations of its beneficiaries.

The body of work accomplished thus far and continued efforts are progressively taking LACERA from an Allocator to a Best-in-Class Investor to meet those needs.





# Appendix

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**CCP** Contract Compliance Procedures

**CII** Council of Institutional Investors

**Corp/Gov** Corporate Governance

**DEI** Diversity, Equity, Inclusion

**DMA** Directly Managed Account

**EMD** Emerging Market Debt

**ESG** Environmental Social Governance

**IC** Investment Committee

**ILPA** Institutional Limited Partners Association

**IPS** Investment Policy Statement

**ODD** Operational Due Diligence

**PRI** Principles for Responsible Investment

**SMA** Separately Managed Account

**THC** Title Holding Corporation

**T.I.D.E.** Towards Inclusion Diversity and Equity

**Sharpe Ratio** Measures risk-adjusted performance of an investment compared to a risk-free asset

**Standard Deviation** A statistical measurement of how far a variable, such as an investment's return, moves above or below its average (mean) return; the higher the standard deviation, the higher the considered risk

**60/40 Portfolio** Definition specific to this presentation - a passively managed portfolio made up of 60% global stocks (MSCI ACWI IMI Index) and 40% U.S. Bonds (Bloomberg Barclays U.S. Aggregate Bond Index)

# Pop Quiz – Fun Facts



1) The Pension Fund was established as a retirement system under a new state law known as the County Employees Retirement Law of ---- (which Year?)

**A** 1957

1937 **C**

**B** 1955

1947 **D**



2) How many Total Members does LACERA have as of July 2023?

**A** 120,729

95,592 **C**

**B** 112,915

190,519 **D**





3) What was the Actuarial Return target 20 years ago?

**A** 10%

7% **C**

**B** 8%

5% **D**



4) When was The Board of Investments established?

**A** 1971

1973 **C**

**B** 1981

1967 **D**

MINUTES OF THE REGULAR MEETING OF THE BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

9:00 A.M., WEDNESDAY, AUGUST 9, 2023

*This meeting was conducted by the Board of Investments both in person and by teleconference under California Government Code Section 54953(f).*

TRUSTEES PRESENT

Gina Sanchez, Chair

Herman Santos, Vice Chair

Jason Green

Onyx Jones

Patrick Jones

Keith Knox

David Ryu

TRUSTEES ABSENT

Joseph Kelly, Secretary

David Green

STAFF ADVISORS AND PARTICIPANTS

Jonathan Grabel, Chief Investment Officer

Santos Kreimann, Chief Executive Officer

Jude Pérez, Deputy Chief Investment Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

Steven P. Rice, Chief Counsel

Luis Lugo, Deputy Chief Executive Officer

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

Ted Granger, Interim Chief Financial Officer

James Rice, Principal Investment Officer

John Kim, Investment Officer

Cheryl Lu, Investment Officer

Krista Powell, Investment Officer

Cindy Rivera, Investment Officer

Ron Senkandwa, Investment Officer

Amit Aggarwal, Investment Officer

Mel Tsao, Senior Investment Analyst

Noah Damsky, Senior Investment Analyst

Soniah Ginoyan, Senior Investment Analyst

Meketa Investment Group (General Investment Consultants)

Timothy Filla, Managing Principal

Aysun Kilic, Managing Principal

StepStone Group LP (Real Assets Consultants)

Tom Hester, Partner

I. CALL TO ORDER

The meeting was called to order by Chair Sanchez at 9:18 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Trustee Knox led the Trustees and staff in reciting the Pledge of Allegiance.

III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953(f)

A. Just Cause

B. Action on Emergency Circumstance Requests

C. Statement of Persons Present at AB 2449 Teleconference Locations

No requests were received for (A) Just Cause or (B) Emergency Circumstances.

IV. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of July 12, 2023

A motion was made by Trustee Santos, seconded by Trustee Ryu, to approve the Regular Meeting Minutes of July 12, 2023. The motion passed by the following roll call vote:

Yes: Knox, Santos, P. Jones, Sanchez, Ryu, J. Green, O. Jones

Absent: D. Green, Kelly

V. PUBLIC COMMENT

Brady Collins, Hannah Cornfield, Sun-Young Oh, Charlie Sang and Jim Kim of California Restaurant & Retail Workers Union (CRRWU) addressed the Board regarding their concerns with Coway.

## VI. EXECUTIVE UPDATE

### A. Chief Investment Officer's Report

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

### B. Member Spotlight

Mr. Popowich recognized LACERA member, Steve Powell.

### C. Chief Executive Officer's Report

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

## VII. CONSENT ITEMS

### A. **2023 Investment Diversity Advisory Council (IDAC) Global Summit in Chicago, Illinois on September 19 – 20, 2023**

Recommendation that the Board approve attendance of Trustees at the 2023 Investment Diversity Advisory Council (IDAC) Global Summit in Chicago, Illinois on September 19 – 20, 2023, and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated July 19, 2023) (Placed on the agenda by Trustee P. Jones)

### B. **2023 SuperInvestor International in Zürich, Switzerland on November 14 – 17, 2023**

Recommendation that the Board approve attendance of Trustees at the 2023 SuperInvestor International being held in Zürich, Switzerland on November 14 – 17, 2023, and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated July 18, 2023) (Placed on the agenda by Trustee Santos)

A motion was made by Trustee Knox, seconded by Trustee Ryu, to approve Consent Items A-B. The motion passed by the following roll call vote:

**Yes:** Knox, Santos, P. Jones, Sanchez, Ryu, J. Green, O. Jones

**Absent:** D. Green, Kelly

VIII. EXCLUDED FROM CONSENT ITEMS

There were no items excluded from Consent items.

IX. NON-CONSENT ITEMS

A. **Private Market Analytics Platform - Request for Proposal**

Recommendation as submitted by Dale Johnson, Investment Officer, John Kim, Investment Officer, Soniah Ginoyan, Senior Investment Analyst, and Kathryn Ton, Senior Investment Analyst: That the Board approve the proposed search criteria for a private market analytics platform Request for Proposal. (Memo dated July 27, 2023)

Messrs. Johnson, Kim and Ms. Ginoyan provided a presentation and answered questions from the Board.

A motion was made by Trustee Santos, seconded by Trustee Knox, to approve the proposed search criteria for a private market analytics platform Request for Proposal. In addition, the motion authorized the Chief Investment Officer to hire the finalist at a cost within the approved budget, followed by a subsequent report to the Board. The motion passed by the following roll call vote:

**Yes:** Knox, Santos, P. Jones, Sanchez, Ryu, J. Green, O. Jones

**Absent:** D. Green, Kelly

X. REPORTS

A. **Internal Investment Committees and Due Diligence**

Cheryl Lu, Investment Officer  
Krista Powell, Investment Officer  
Cindy Rivera, Investment Officer  
Ron Senkandwa, Investment Officer  
Noah Damsky, Senior Investment Analyst  
(Presentation) (Memo dated July 24, 2023)

Mses. Lu and Rivera provided a presentation and answered questions from the Board. This item was received and filed.

X. REPORTS (Continued)

B. **Strategic Asset Allocation Process Review**

Timothy Filla, Managing Principal

Aysun Kilic, Managing Principal

(Presentation) (Memo dated July 28, 2023)

Mr. Filla and Ms. Kilic of Meketa Group provided a presentation and answered questions from the Board. This item was received and filed.

C. **BOI Offsite Governance Review Introduction**

Timothy Filla, Managing Principal

Aysun Kilic, Managing Principal

(Presentation) (Memo dated July 28, 2023)

Mr. Filla and Ms. Kilic of Meketa Group provided a presentation and answered questions from the Board. This item was received and filed.

D. **Monthly Status Report on Legislation**

Barry W. Lew, Legislative Affairs Office

(For Information Only) (Memo dated July 21, 2023)

This item was received and filed.

E. **Semi-Annual Interest Crediting for Reserves as of June 30, 2023 (UNAUDITED)**

Ted Granger, Interim Chief Financial Officer

(For Information Only) (Memo dated July 27, 2023)

This item was received and filed.

F. **Board of Retirement: LACERA Five Year Strategic Plan (2023 – 2028)**

Santos H. Kreimann, Chief Executive Officer

(For Information Only) (Memo dated June 21, 2023)

This item was received and filed.



X. REPORTS (Continued)

G. **Legal Office Investment Staffing, including Internal and External Legal Resources and Secondment of Outside Counsel**

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated July 28, 2023)

This item was received and filed.

H. **Legal Projects**

Earl Buehner, Senior Staff Counsel

(For Information Only) (Memo dated August 1, 2023)

This item was received and filed.

I. **Trustee Monthly Travel and Education Report – FYE 22-23**

Ted Granger, Interim Chief Financial Officer

(For Information Only) (Memo dated July 20, 2023)

This item was received and filed.

J. **June 2023 Fiduciary Counsel Contract and Billing Report**

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated July 24, 2023)

(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product)

This item was received and filed.

XI. ITEMS FOR STAFF REVIEW

There was nothing to report.

XII. ITEMS FOR FUTURE AGENDAS

There was nothing to report.

XIII. GOOD OF THE ORDER

(For Information Purposes Only)

There was nothing to report.

#### XIV. EXECUTIVE SESSION

- A. Conference with Staff and Legal Counsel to Consider the Purchase or Sale of Particular, Specific Pension Fund Investments (Pursuant to California Government Code Section 54956.81)

1. **One Item**

James Rice, Principal Investment Officer  
Cindy Rivera, Investment Officer  
Krista Powell, Investment Officer  
(For Information Only) (Memo dated July 25, 2023)

Messrs. Grabel and Rice and Meses. Rivera and Powell provided a presentation and answered questions from the Board.

There is nothing to report.

2. **Bain Capital Real Estate Fund III, L.P.**

James Rice, Principal Investment Officer  
Amit Aggarwal, Investment Officer  
Mel Tsao, Senior Investment Analyst  
(For Information Only) (Memo dated July 26, 2023)

Messrs. Grabel, Rice, Aggarwal and Tsao and Mr. Hester of StepStone Group provided a presentation and answered questions from the Board.

The Board received an information only report that, in July 2023, LACERA, by its Chief Investment Officer, approved a commitment of up to \$150 million in total to Bain Capital Real Estate Fund III, L.P., which is a non-core private real estate fund with a U.S. global large cap strategy to identify long-term demand growth areas within opportunistic sub-sectors. This investment complies with the Chief Investment Officer's delegated authority granted by the Board for follow-on real estate funds. LACERA is also invested in Bain Capital Real Estate Funds I and II at \$100 million each.

#### XV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:52 p.m.

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JOSEPH KELLY, SECRETARY

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GINA SANCHEZ, CHAIR





# Chief Investment Officer Monthly Report

**Jonathan Grabel – Chief Investment Officer**

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Board of Investments Meeting  
September 13, 2023

# Table of Contents



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



# 01 Market Environment

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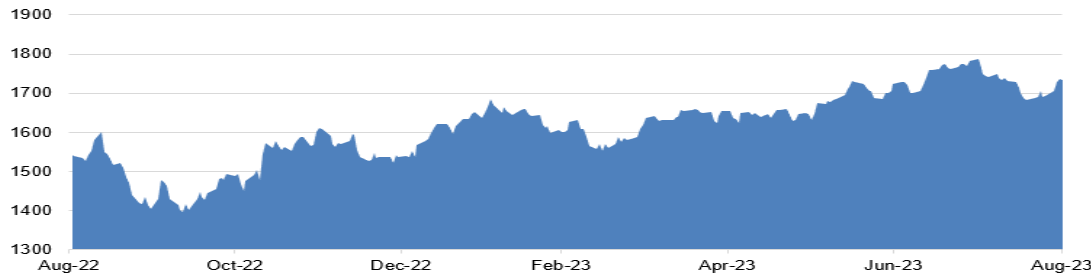
# Global Market Performance as of August 31, 2023



## MSCI ACWI IMI Index (Global Equity Market)\*

Trailing Returns (%)				Annualized Returns (%)			
1-Month	3-Month	FYTD	YTD	1Y	3Y	5Y	10Y
-2.9	6.7	0.8	14.2	13.3	7.3	7.0	8.4

### MSCI ACWI IMI Index 1-Year Performance

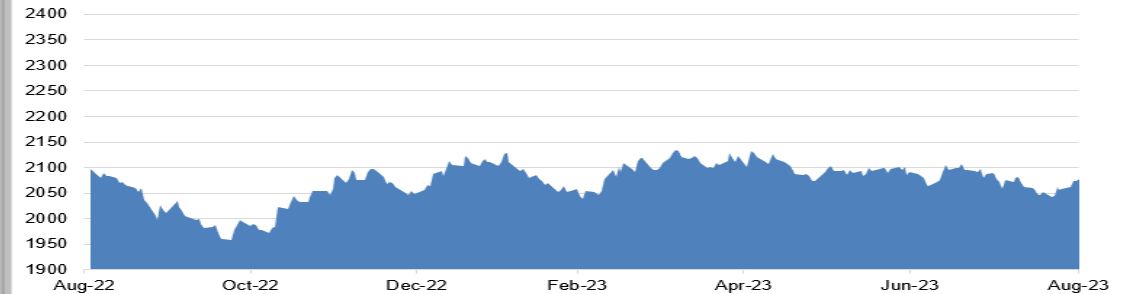


\*Global Equity Policy Benchmark - MSCI ACWI IMI Index

## Bloomberg U.S. Aggregate Bond Index\*\*

Trailing Returns (%)				Annualized Returns (%)			
1-Month	3-Month	FYTD	YTD	1Y	3Y	5Y	10Y
-0.6	-1.1	-0.7	1.4	-1.2	-4.4	0.5	1.5

### Bloomberg U.S. Aggregate Bond Index 1-Year Performance



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

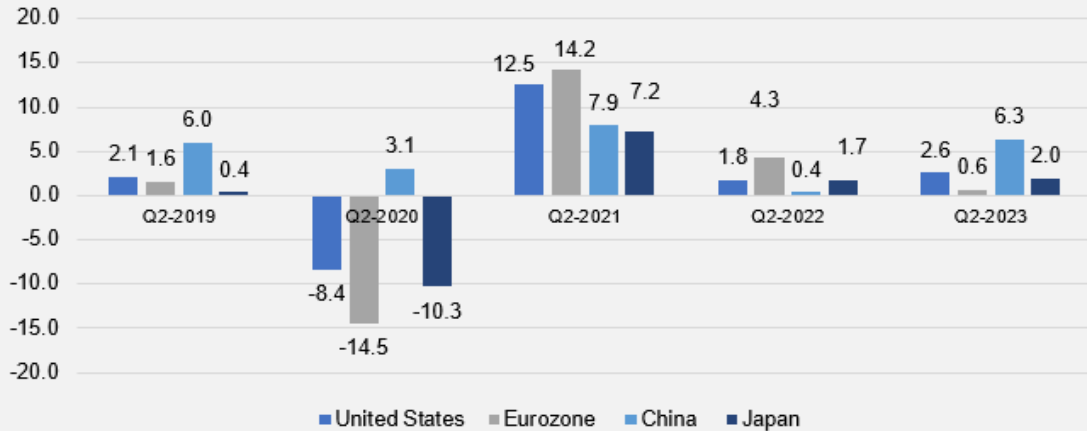
Market	Sub-Category	Index Name	1-Month	3-Month	FYTD	YTD	1 Y	3 Y	5 Y	10 Y
Equity	Global All Cap	MSCI ACWI IMI Total Return	-2.9	6.7	0.8	14.2	13.3	7.3	7.0	8.4
	U.S. All Cap	Russell 3000 Total Return	-1.9	8.5	1.6	18.0	14.8	9.8	10.2	12.2
	U.S. Large Cap	S&P 500 Total Return	-1.6	8.3	1.6	18.7	15.9	10.5	11.1	12.8
	U.S. Small Cap	Russell 2000 Total Return	-5.0	9.0	0.8	9.0	4.7	8.1	3.1	8.0
	Non-U.S. All Cap	MSCI ACWI-ex U.S. IMI Total Return	-4.3	4.1	-0.3	8.8	11.6	4.1	3.3	4.5
	Emerging Markets	MSCI Emerging Markets Total Return	-6.2	3.5	-0.3	4.6	1.3	-1.4	1.0	3.0
Private Equity	Private Equity Buyout	Thomson Reuters PE Buyout Index	-2.8	12.2	2.4	-3.3	0.6	-1.5	3.7	10.6
Fixed Income	U.S. Investment Grade Bonds	Bloomberg U.S. Aggregate Index	-0.6	-1.1	-0.7	1.4	-1.2	-4.4	0.5	1.5
	U.S. Corporate High Yield Bonds	Bloomberg U.S. Corporate High Yield Total Return	0.3	3.4	1.7	7.1	7.2	1.8	3.3	4.5
	Developed Markets Leveraged Loans	Credit Suisse Leveraged Loan Total Return	1.2	4.8	2.5	9.0	9.1	5.8	4.3	4.3
	U.S. Treasury Inflation Protected Securities	Bloomberg U.S. Treasury TIPS Total Return Index	-0.9	-1.1	-0.8	1.1	-3.7	-1.5	2.3	2.1
	U.S. 3 Month Treasury Bill	FTSE 3 Month Treasury Bill	0.5	1.4	0.9	3.3	4.4	1.6	1.7	1.1
Commodity	Commodity Prices Index	Bloomberg Commodity Index Total Return	-0.8	9.7	5.4	-2.8	-8.7	15.2	6.7	-0.9
	Natural Resources	S&P Global LargeMidCap Commodity & Resources Index	-4.1	8.8	2.5	-2.5	2.6	17.7	9.1	5.6
Infrastructure	Global Infrastructure	Dow Jones Brookfield Global Infrastructure Composite Index	-4.4	0.0	-3.1	-0.5	-4.5	5.9	3.5	5.0
Real Estate	U.S. REITs	MSCI U.S. REIT Index	-3.0	4.8	-0.3	5.2	-2.8	7.1	3.7	7.1

Source: Bloomberg

# Key Macro Indicators\*



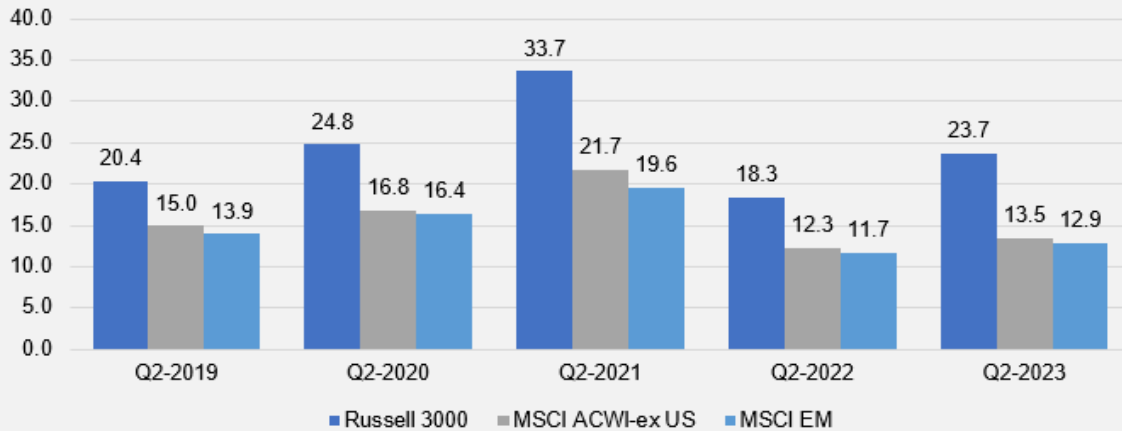
### Real GDP Growth YoY (%) - Last Five Years<sup>1</sup>



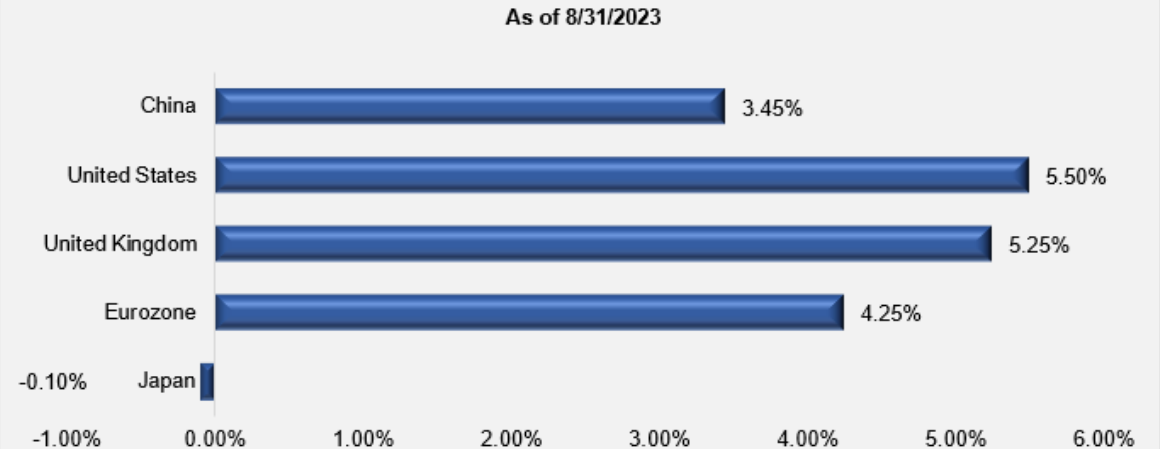
### Historical 10-Year Treasury Yield<sup>2</sup>



### Price-to-Earnings - Last Five Years<sup>3</sup>



### Central Bank Rates<sup>4</sup>

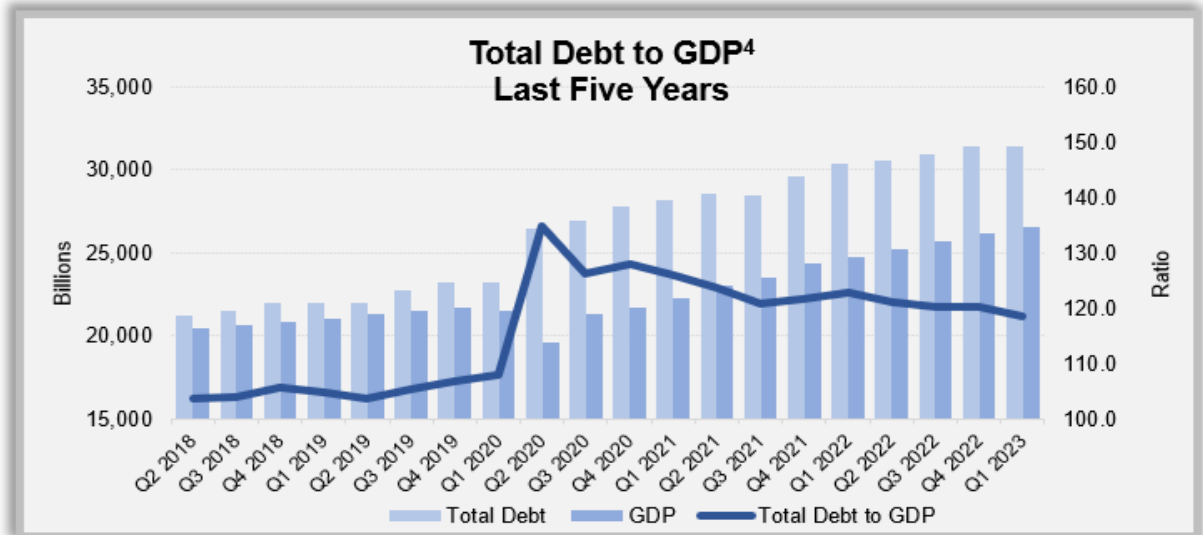
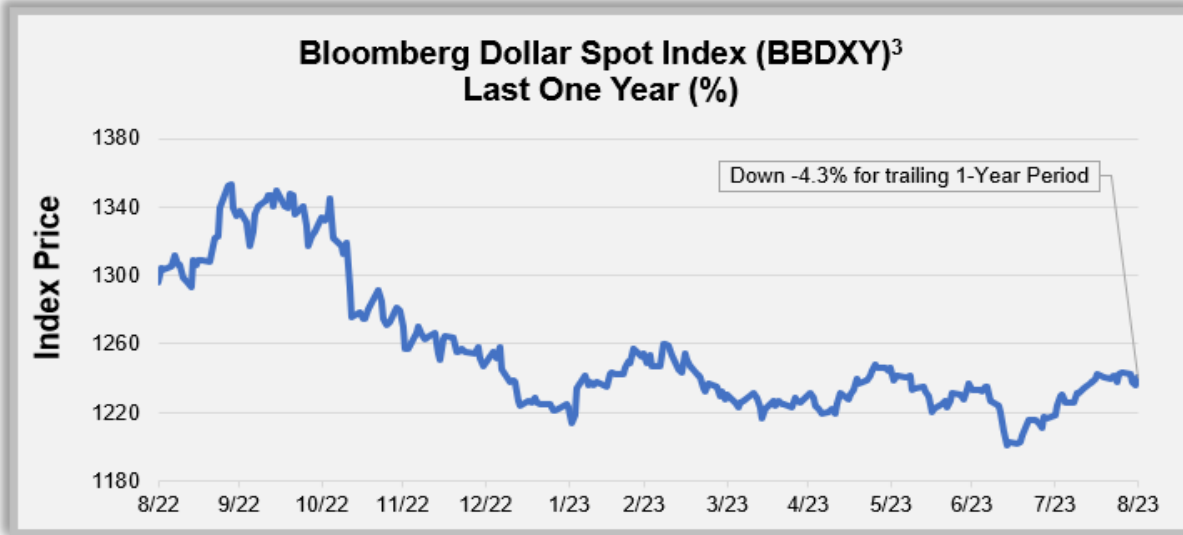
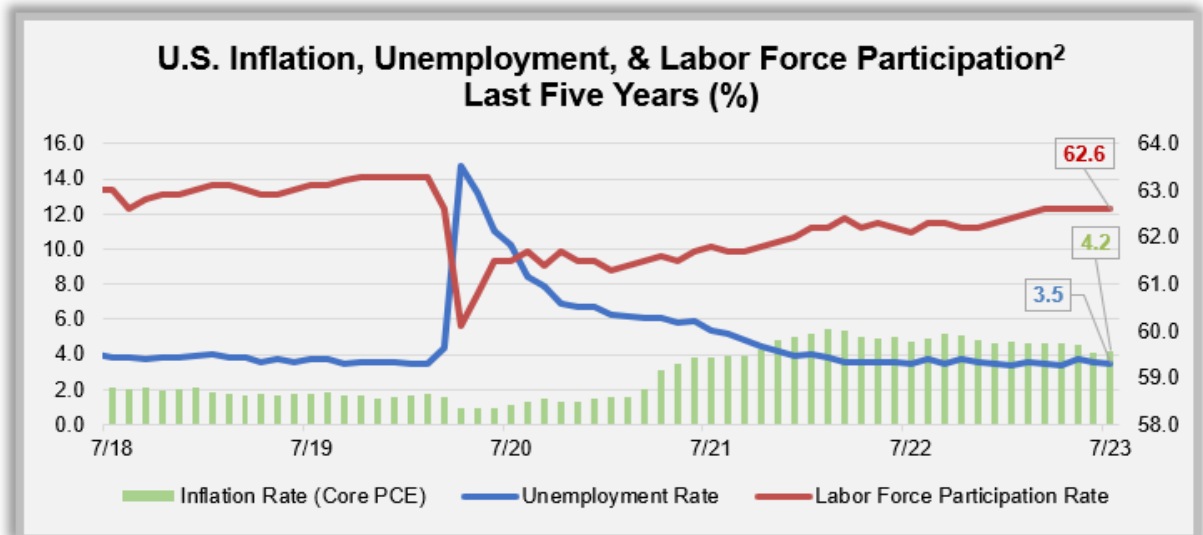
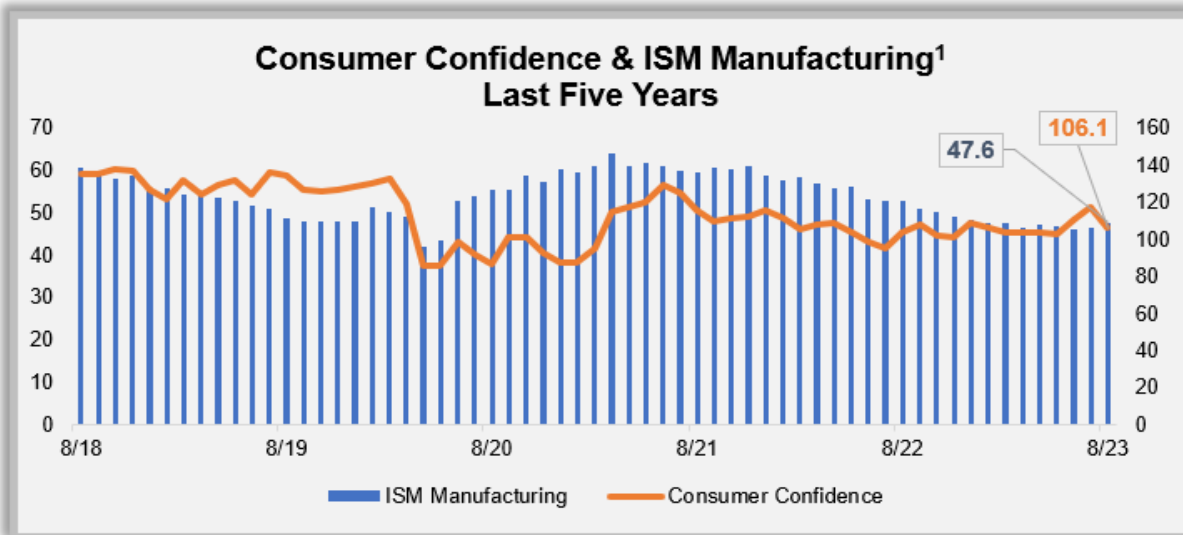


\*The information on the "Key Macro Indicators" charts is the best available data as of 8/31/23 and may not reflect the current market and economic environment

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



# Key Macro Indicators\*



\*The information on the "Key Macro Indicators" charts is the best available data as of 8/31/23 and may not reflect the current market and economic environment

Sources: 1. Bloomberg 3. Bloomberg  
2. Bloomberg 4. Office of Management and Budget; St. Louis Federal Reserve



# 02 Portfolio Performance & Risk Updates

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# Market Themes and Notable Items to Watch



## Recent Themes

- Federal Reserve Chair Jerome Powell discussed interest rate levels and the economy while giving a speech at Jackson Hole on August 25th
  - “Although inflation has moved down from its peak — a welcome development — it remains too high”
  - “We are prepared to raise rates further if appropriate, and intend to hold policy at a restrictive level until we are confident that inflation is moving sustainably down toward our objective”
- The U.S. Bureau of Labor Statistics reported an unemployment rate of 3.8% for August, the highest level since February 2022
- The U.S. 10-year Treasury yield ended August at 4.09%, after being 3.88% at the end of 2022, 1.52% at the end of 2021 and 0.93% at the end of 2020
- Global equities (MSCI All Country World Investable Market Index) declined 2.9% in August

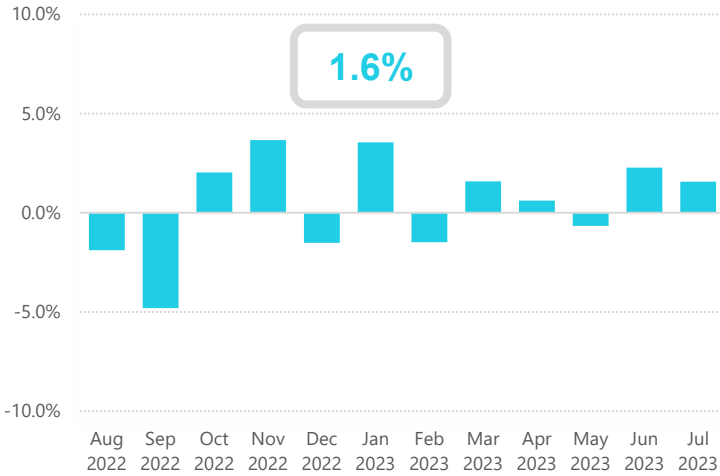
## What to Watch

- Interest rates and central bank actions
- Economic data and trends
  - Inflation, supply chains, and labor developments
- Macro conditions and geopolitical risks
- Stewardship and ESG-related developments
  - Securities and Exchange Commission (SEC) approved revisions to rules guiding private funds, including:
    - Transparency including quarterly fund performance and fee reporting
    - Prohibiting General Partners (GPs) from charging funds for compliance expenses without disclosure to Limited Partners (LPs), and requiring GPs to obtain LP consent in certain cases
    - New parameters on side letters
    - LACERA’s SEC comment letter to the initial proposal is available on [lacera.com](https://www.lacera.com), as previously reported
    - LACERA is assessing prospective impacts

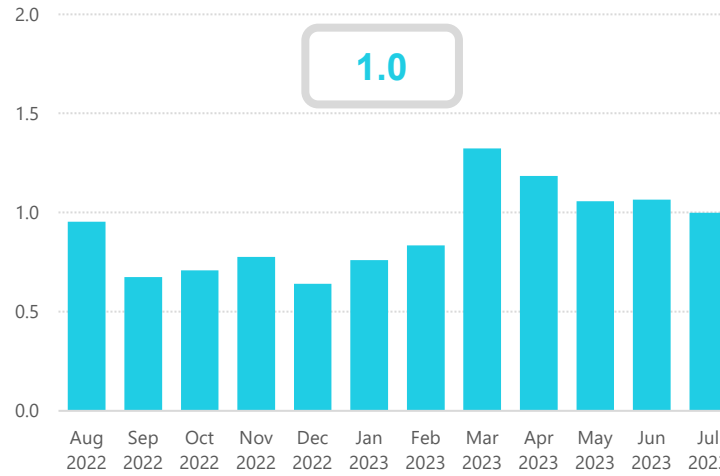
# Total Fund Summary as of July 2023



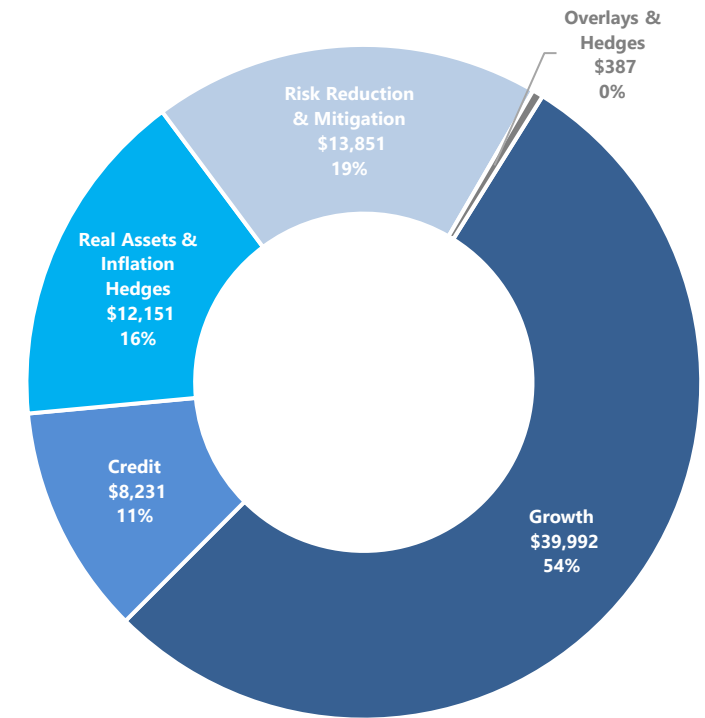
Monthly Return (net)



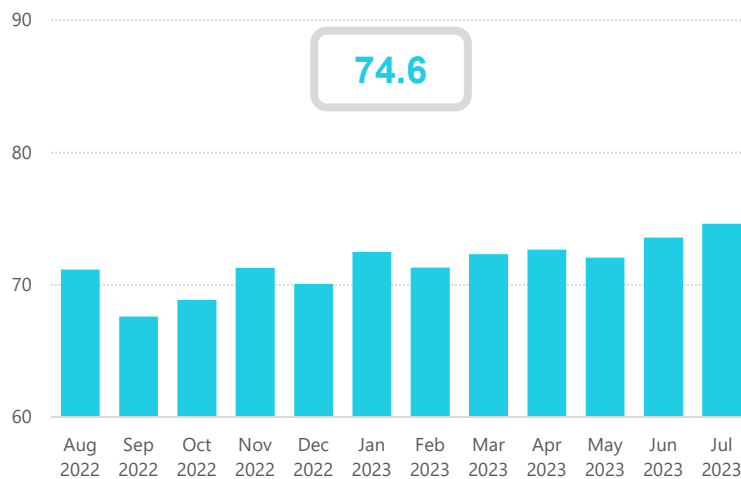
Sharpe Ratio (3-year annualized)



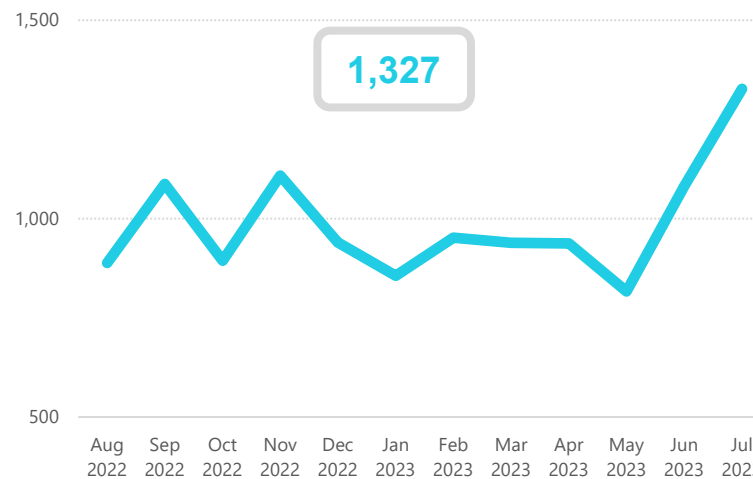
Asset Allocation (\$ millions)



Total Market Value (\$ billions)



Cash (\$ millions)

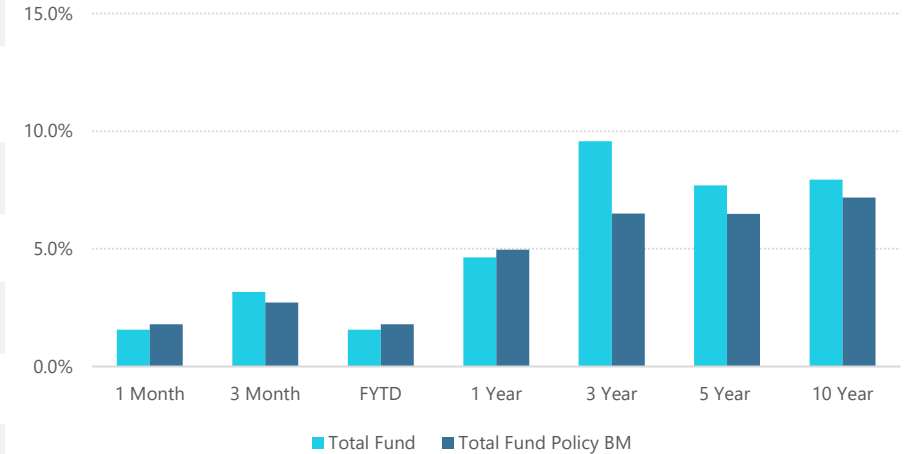


# Historical Net Performance as of July 2023



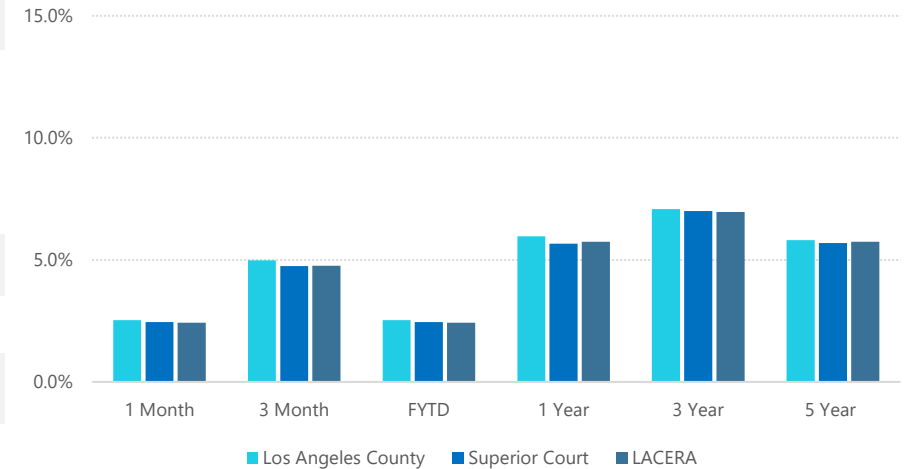
## LACERA Pension Fund

	Market Value (\$ millions)	% of Total Fund	Interim Target	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
<b>Total Fund</b>	<b>74,612</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.6%</b>	<b>3.2%</b>	<b>1.6%</b>	<b>4.6%</b>	<b>9.6%</b>	<b>7.7%</b>	<b>7.9%</b>
Total Fund Policy BM				1.8%	2.7%	1.8%	5.0%	6.5%	6.5%	7.2%
7% Annual Hurdle Rate				0.6%	1.7%	0.6%	7.0%	7.0%	7.0%	7.0%
<b>Growth</b>	<b>39,992</b>	<b>53.6%</b>	<b>53.0%</b>	<b>2.5%</b>	<b>5.9%</b>	<b>2.5%</b>	<b>8.2%</b>	<b>15.1%</b>		
Growth Policy BM				2.7%	5.4%	2.7%	8.8%	11.3%		
<b>Credit</b>	<b>8,231</b>	<b>11.0%</b>	<b>11.0%</b>	<b>1.4%</b>	<b>3.3%</b>	<b>1.4%</b>	<b>8.2%</b>	<b>6.0%</b>		
Credit Policy BM				1.9%	2.8%	1.9%	9.7%	2.2%		
<b>Real Assets &amp; Inflation Hedges</b>	<b>12,151</b>	<b>16.3%</b>	<b>17.0%</b>	<b>0.9%</b>	<b>-0.9%</b>	<b>0.9%</b>	<b>-1.9%</b>	<b>9.2%</b>		
Real Assets & Inflation Hedges Policy BM				1.4%	-1.1%	1.4%	-2.9%	8.7%		
<b>Risk Reduction &amp; Mitigation</b>	<b>13,851</b>	<b>18.6%</b>	<b>19.0%</b>	<b>-0.3%</b>	<b>-1.6%</b>	<b>-0.3%</b>	<b>-2.1%</b>	<b>-2.4%</b>		
Risk Reduction & Mitigation Policy BM				-0.4%	-1.2%	-0.4%	-2.0%	-3.1%		
<b>Overlays &amp; Hedges</b>	<b>387</b>	<b>0.5%</b>		<b>-0.5%</b>	<b>29.6%</b>	<b>-0.5%</b>	<b>22.0%</b>			



## OPEB Master Trust

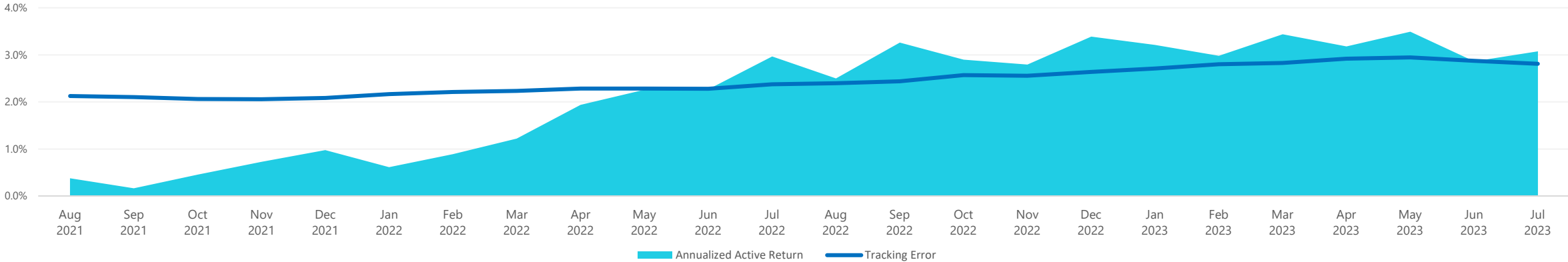
	Market Value (\$ millions)	% of Master Trust	Interim Target	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year
<b>OPEB Master Trust</b>	<b>3,170</b>			<b>2.5%</b>	<b>5.0%</b>	<b>2.5%</b>	<b>6.0%</b>	<b>7.1%</b>	<b>5.8%</b>
Los Angeles County	3,085	97.3%	—	2.5%	5.0%	2.5%	6.0%	7.1%	5.8%
Superior Court	69	2.2%	—	2.5%	4.8%	2.5%	5.7%	7.0%	5.7%
LACERA	16	0.5%	—	2.4%	4.8%	2.4%	5.7%	7.0%	5.7%
<b>LACERA Master OPEB Trust Fund</b>	<b>3,169</b>		<b>100.0%</b>	<b>2.5%</b>	<b>4.9%</b>	<b>2.5%</b>	<b>5.7%</b>	<b>7.0%</b>	<b>5.8%</b>
OPEB Master Trust Policy Benchmark				2.2%	3.9%	2.2%	5.8%	6.6%	5.4%
<b>OPEB Growth</b>	<b>1,443</b>	<b>45.5%</b>	<b>47.5%</b>	<b>3.8%</b>	<b>8.6%</b>	<b>3.8%</b>	<b>12.6%</b>	<b>10.7%</b>	<b>8.1%</b>
OPEB Growth Policy Benchmark				3.6%	8.0%	3.6%	12.0%	10.0%	7.6%
<b>OPEB Credit</b>	<b>566</b>	<b>17.9%</b>	<b>19.0%</b>	<b>1.6%</b>	<b>3.0%</b>	<b>1.6%</b>	<b>8.9%</b>	<b>2.9%</b>	<b>3.0%</b>
OPEB Credit Policy Benchmark				1.6%	3.0%	1.6%	8.0%	2.7%	2.9%
<b>OPEB Real Assets &amp; Inflation Hedges</b>	<b>632</b>	<b>19.9%</b>	<b>20.0%</b>	<b>2.7%</b>	<b>3.0%</b>	<b>2.7%</b>	<b>-6.1%</b>	<b>8.2%</b>	<b>4.6%</b>
OPEB RA & IH Policy Benchmark				1.9%	-0.1%	1.9%	-3.9%	7.9%	4.3%
<b>OPEB Risk Reduction &amp; Mitigation</b>	<b>528</b>	<b>16.6%</b>	<b>13.5%</b>	<b>-0.4%</b>	<b>-1.7%</b>	<b>-0.4%</b>	<b>-2.0%</b>	<b>-3.3%</b>	<b>1.0%</b>
OPEB RR & M Policy Benchmark				-0.6%	-2.0%	-0.6%	-3.9%	-3.9%	0.6%



# Active and Excess Return as of July 2023



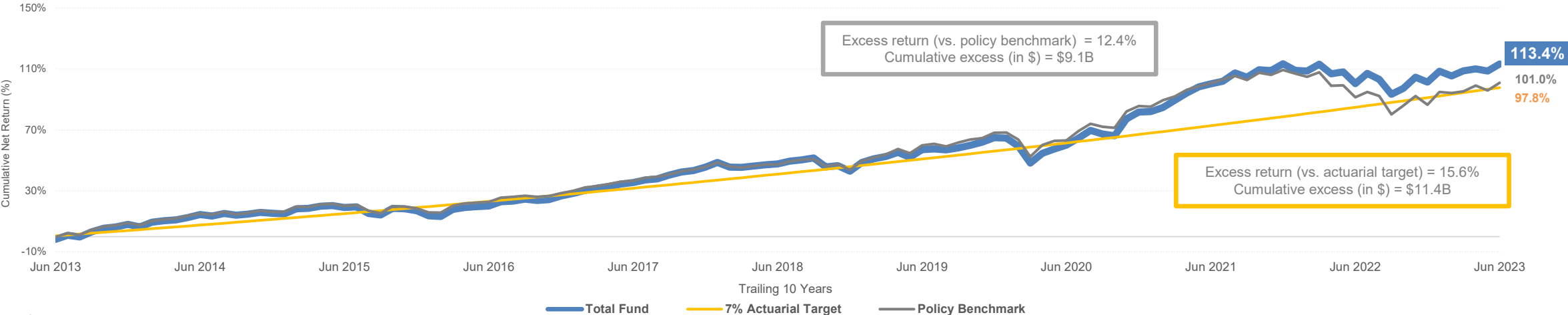
## Active Return vs. Tracking Error<sup>1,2,3</sup>



Period Ending	Annualized Return	Annualized Benchmark Return	Annualized Active Return	Tracking Error
July 2023	9.6%	6.5%	3.1%	2.8%

<sup>1</sup> Rolling 36 months.  
<sup>2</sup> Active return equals the difference in return between a portfolio and its benchmark.  
<sup>3</sup> Tracking error (or active risk) measures the volatility of active returns.

## Excess Return<sup>1</sup>



<sup>1</sup> Not an actuarial analysis.

# Total Fund Forecast Risk as of July 2023\*



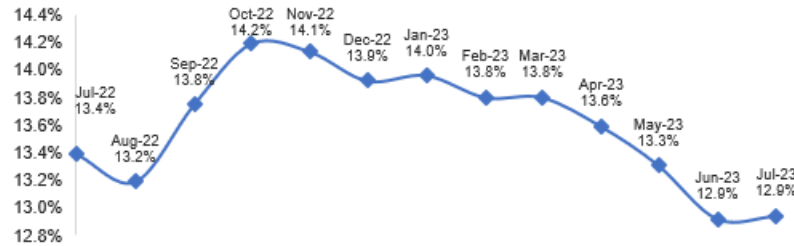
**TOTAL FUND RISK**

**12.9%**

**BENCHMARK RISK**

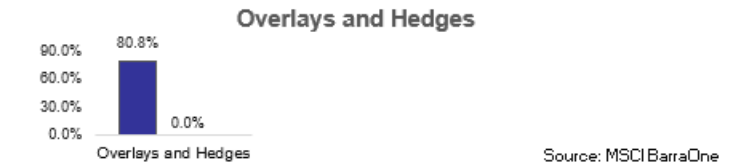
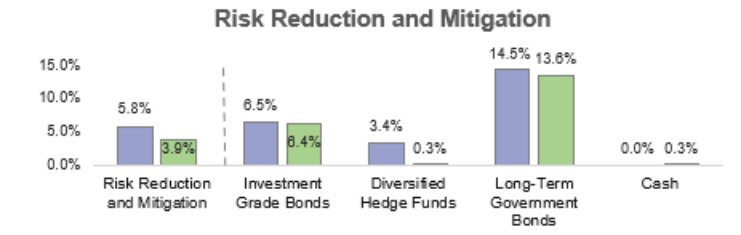
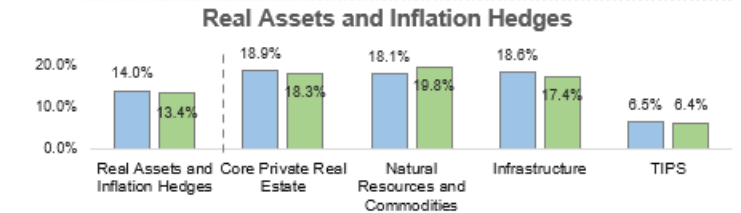
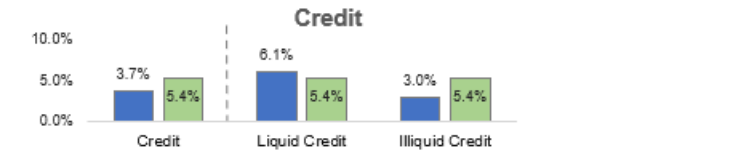
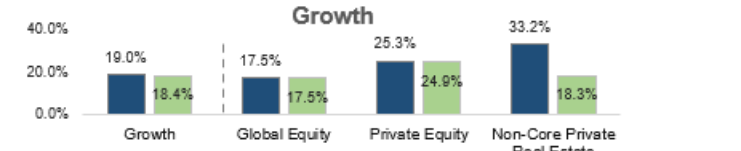
**12.3%**

## Forecasted Total Fund Risk Trend



## Subcategory Risk<sup>1</sup>

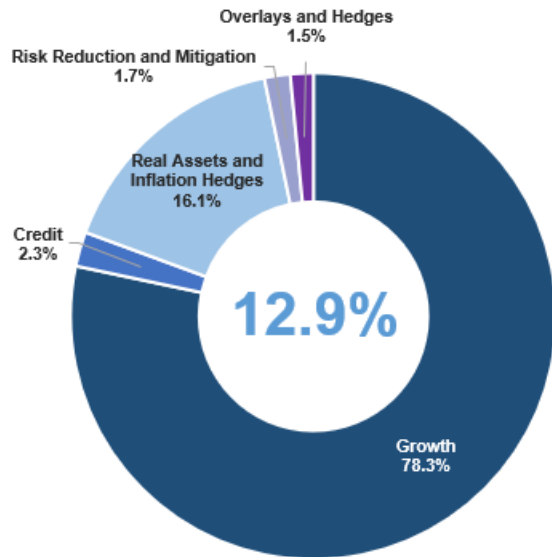
<sup>1</sup> Subcategory risk is on the left bar and benchmark risk is on the right bar.



Source: MSCI BarraOne

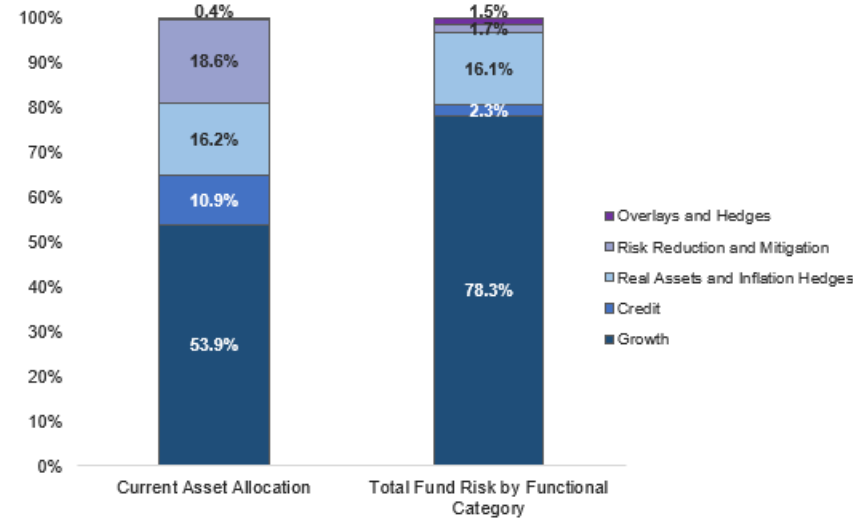
\* Real estate and private equity data is based on best available cash flow adjusted market values.

## Functional Category Contributions to Total Fund Risk

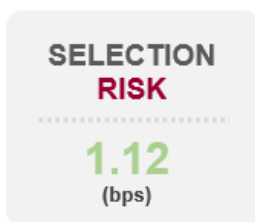
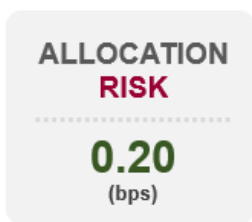
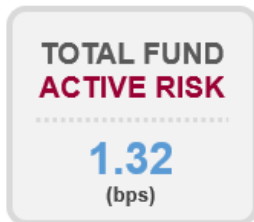


## Total Fund Asset Allocation

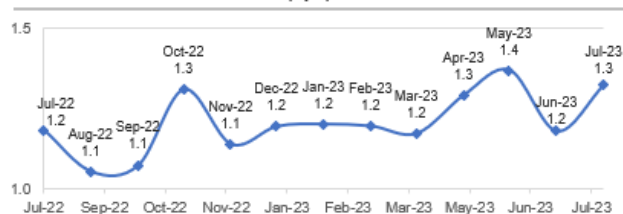
Capital-based versus Risk-based



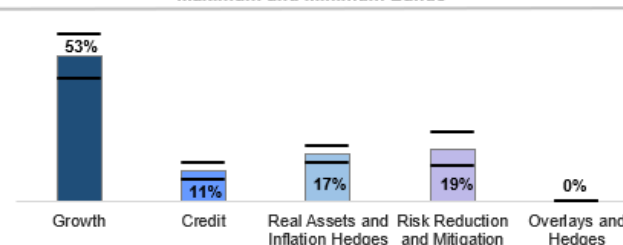
# Total Fund Forecast Active Risk as of July 2023\*



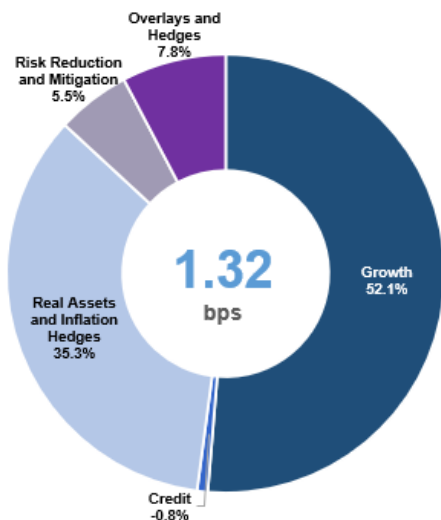
**Forecasted Active Risk Trend**  
(bps)



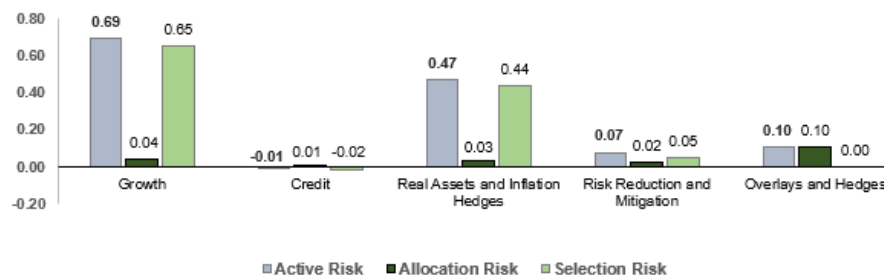
**Policy Target Weight for each Functional Category**  
Maximum and Minimum Bands



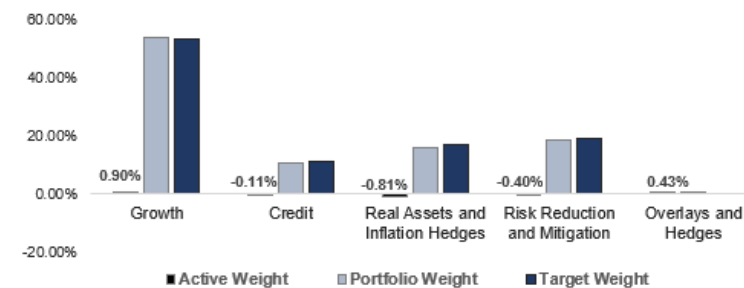
**Functional Category Contributions to Active Risk**



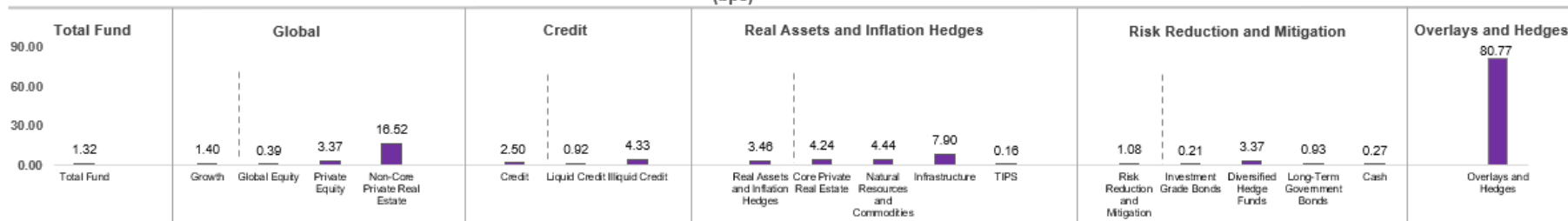
**Active Risk Attribution**  
(bps)



**Active Weights for each Functional Category**



**Subcategory Active Risk**  
(bps)



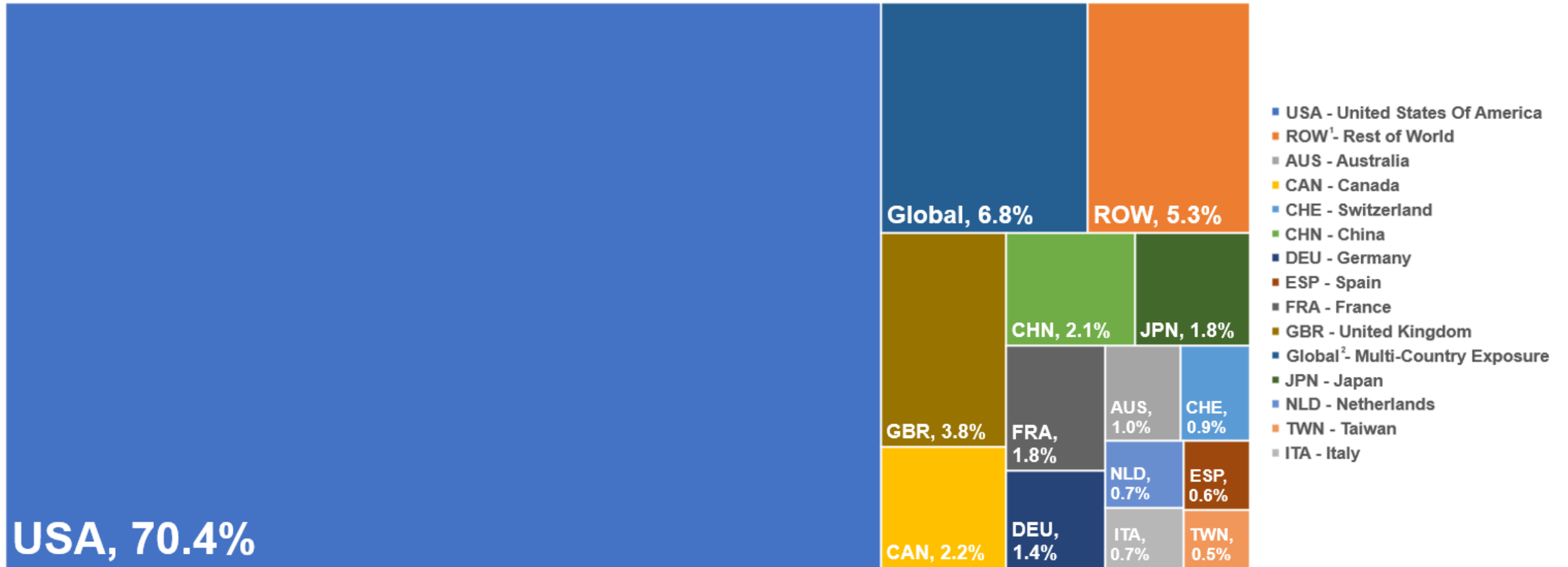
Source: MSCI BarraOne

\* Real estate and private equity data is based on best available cash flow adjusted market values.



# Geographic Exposures by AUM

Total Fund as of July 2023\* Ex-Overlays and Hedges



AUM = Assets under management.

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

\* 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 is based on best available cash flow adjusted market values.

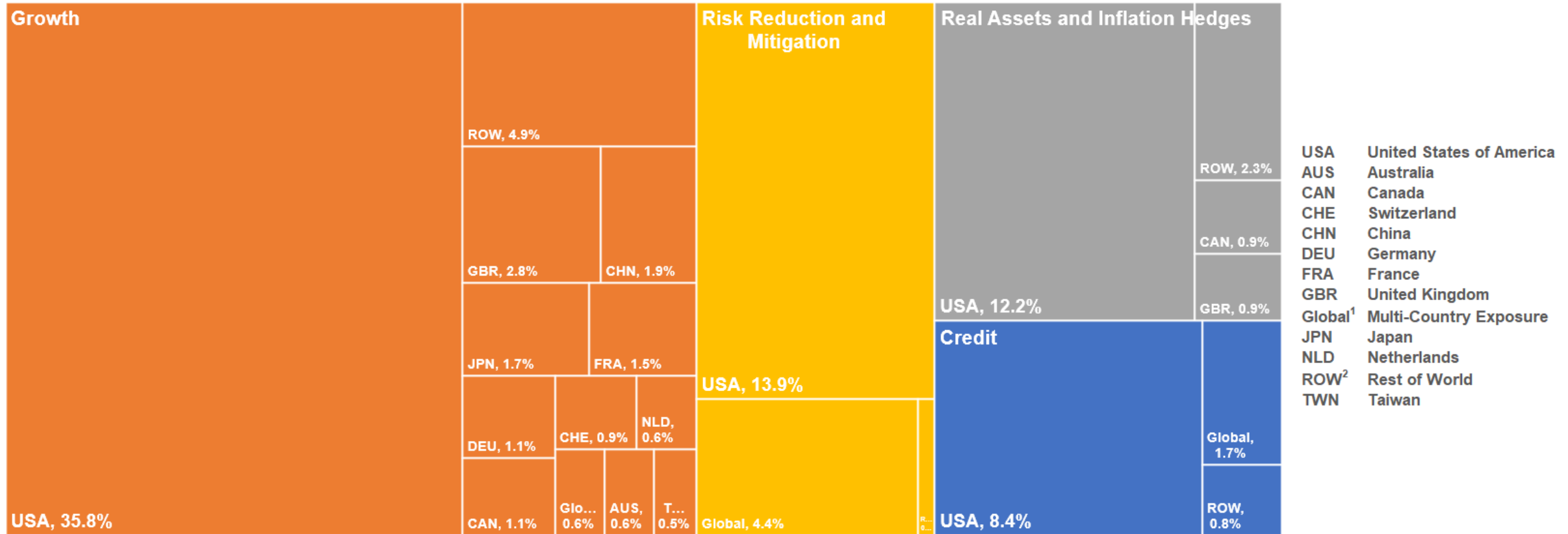
<sup>1</sup> "ROW - Rest of World" is sum of countries with weights below 0.5%.

<sup>2</sup> Global represents investments made in regions where specific country allocations are not available.

SOURCE: MSCI BarraOne

# Geographic Exposures by AUM

## Functional Categories as of July 2023\* Ex-Overlays and Hedges



AUM = Assets under management.

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

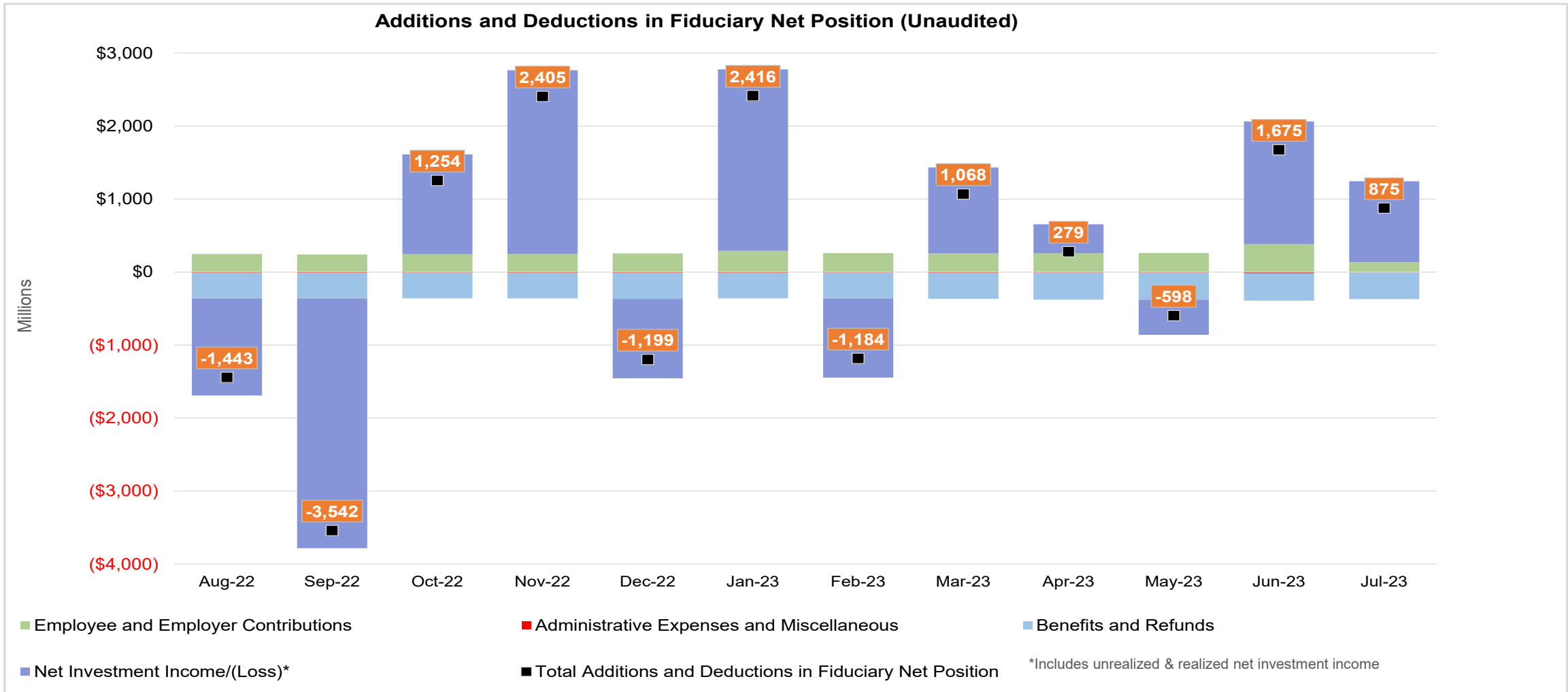
\* Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real Estate and Private Equity data is based on best available cash flow adjusted market values.

<sup>1</sup> Global represents investments made in regions where specific country allocations are not available.

<sup>2</sup> "ROW - Rest of World" is sum of countries with weights below 0.5%.

SOURCE: MSCI BarraOne

# Change In Fiduciary Net Position



Fiscal Year	Negative Months	Positive Months	Total Net Position Change \$
FY-22	7	5	(\$2.5 billion)
FY-23	5	7	\$3.3 billion
FY-24	0	1	\$0.9 billion



# 03 Portfolio Structural Updates

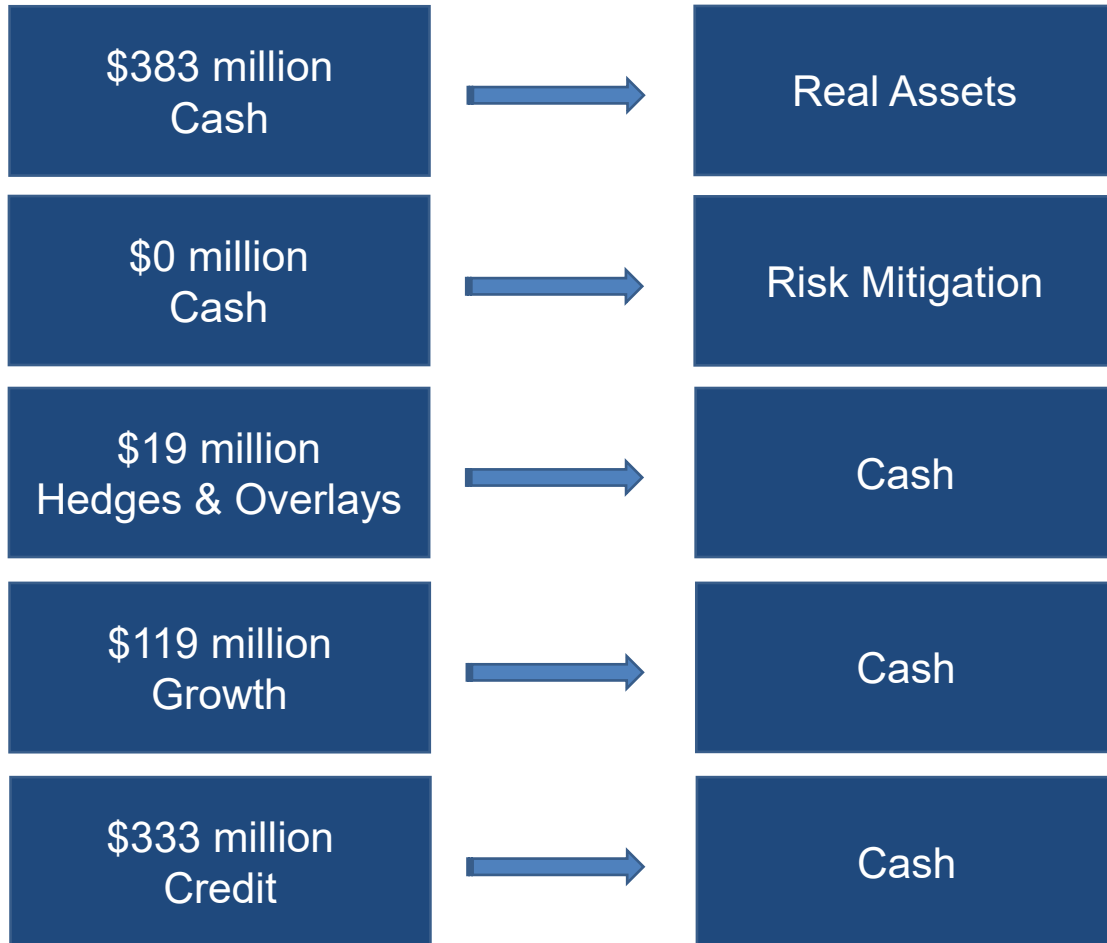
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# Portfolio Structural Updates



## Portfolio Movements

### Rebalancing Activity



## Hedges & Overlays

### Monthly Activity

Program	July Return	July Gain/(Loss)	Inception <sup>1</sup> Gain/(Loss)
Currency Hedge <sup>2</sup>	-0.6%	\$18.9 Million	\$1.4 Billion
Cash/Rebalance Overlay <sup>3</sup>	2.4%	\$42.4 Million	\$389.5 Million

<sup>1</sup> Currency and overlay program inception dates are 8/2010 & 7/2019, respectively.

<sup>2</sup> 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.

<sup>3</sup> LACERA's overlay program's 1-month return includes interest earned on the cash that supports the futures contracts.

## Current Search Activity

### Status of Active Searches – Subject to Change

Name	RFP Issued	Due Diligence	BOI Review
Real Assets Emerging Manager Program Search	✓	✓	Anticipated Q3 2023
Commercial Real Estate Brokers Search	✓	✓	Anticipated Q3 2023
Private Market Analytics Platform Search	✓	✓	Anticipated Q4 2023



# 04 Key Initiatives & Operational Updates

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# Notable Initiatives and Operational Updates



## Key Initiative Updates

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- The 2024 Strategic Asset Allocation study is underway
- The Investment Division is adhering to the 2023 Work Plan and Strategic Initiatives approved at the January 2023 BOI

## Operational Updates

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- Annual contract compliance and LACERA T.I.D.E. initiatives are in progress

## Manager/Consultant Updates

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DIF Capital Partners – Real Assets – European private equity manager CVC is acquiring a 60% stake in DIF Capital Partners, mainly through the sale of two of the three DIF co-founders. LACERA is invested in two of DIF's private infrastructure funds and five of CVC's private equity funds.

## Team Searches and Vacancies

---

- Principal Investment Officer
  - 1 completed
- 2 – Senior Investment Officer
  - 1 working with an outside recruiter
- 2 – Financial Analyst-III
  - 1 working with an outside recruiter
- Financial Analyst-II
  - 1 search in progress
  - 4 completed



# 05 **Commentary**

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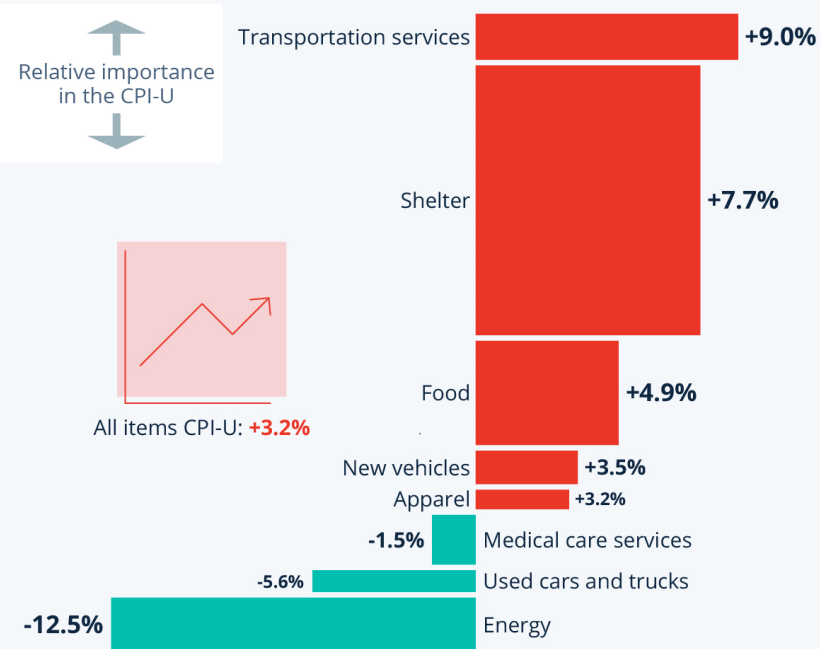
# Staff Chart of the Month

## Year-over-Year Change in CPI for All Urban Consumers (CPI-U)



### What's Driving (or Cooling) Inflation?

Year-over-year change in the Consumer Price Index (CPI-U) in July 2023, selected major expenditure categories\*



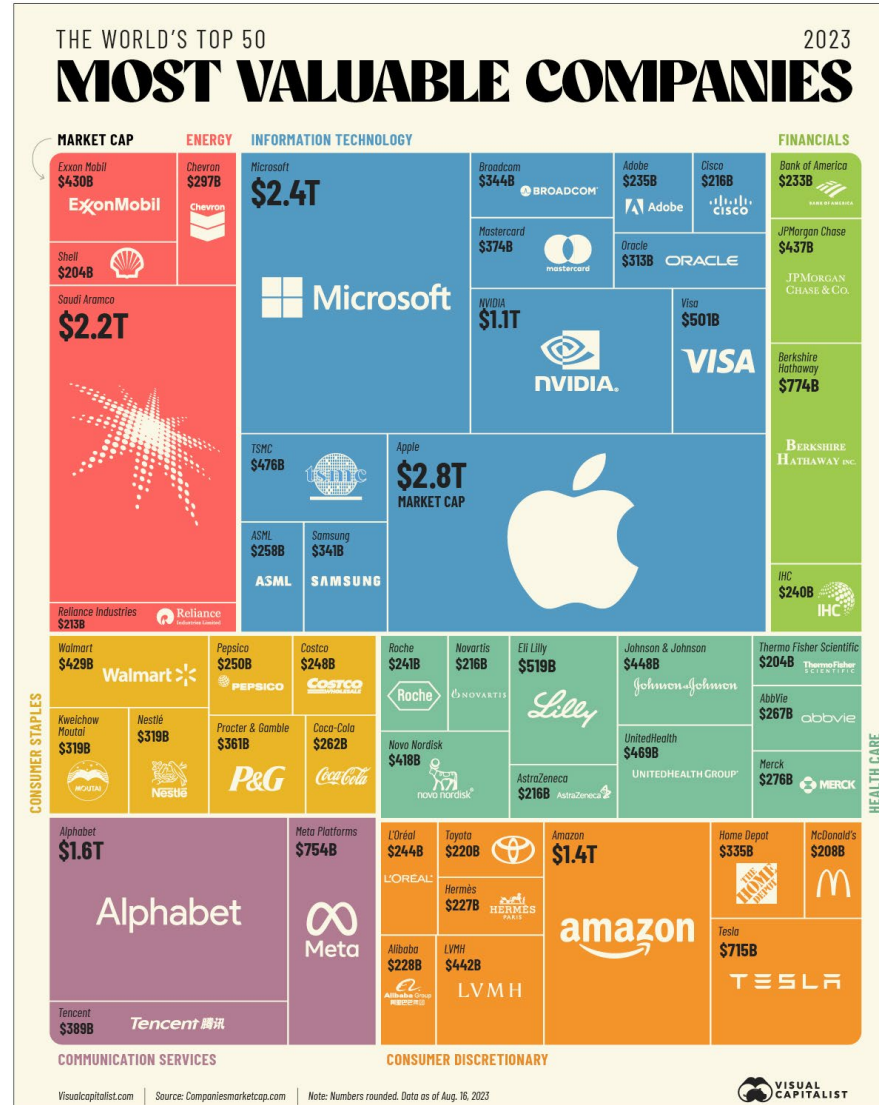
\* The shown categories accounted for 76.9 percent of the CPI-U in June 2023, with other commodities and services accounting for the remaining 11.8 and 11.3 percent, respectively.

Source: U.S. Bureau of Labor Statistics



# Staff Chart of the Month

## The World's Top 50 Most Valuable Companies





# 06 Appendix

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# Quiet Period for Search Respondents



## Real Assets Emerging Manager Program Discretionary Separate Account Manager Search

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- ✓ BlackRock Investments, LLC
- ✓ ACRES Capital
- ✓ Aether Investment Partners
- ✓ Cloverlay
- ✓ ORG Portfolio Management
- ✓ Barings
- ✓ Belay Investment Group
- ✓ Encore Enterprises, Inc.
- ✓ Stable
- ✓ Cambridge Associates
- ✓ GCM Grosvenor
- ✓ The Townsend Group
- ✓ Cypress Creek Partners
- ✓ Hamilton Lane Advisors
- ✓ Neuberger Berman Group
- ✓ Wafra Inc.
- ✓ Artemis Real Estate Partners
- ✓ Hawkeye Partners, LP
- ✓ Astarte Capital Partners
- ✓ Bentall Green Oak
- ✓ Clear Sky Advisers
- ✓ Clear Investment Group
- ✓ Poverni Sheikh Group
- ✓ Trilogy
- ✓ Stepstone
- ✓ Oak Street
- ✓ White Deer

## Commercial Real Estate Brokers Search

---

- ✓ CBRE
- ✓ Cushman & Wakefield
- ✓ Eastdil
- ✓ JLL
- ✓ Newmark

## Private Market Analytics Platform Search

---

- ✓ BlackRock
- ✓ Burgiss
- ✓ CEPRES
- ✓ Clearwater
- ✓ Dynamo
- ✓ Hamilton Lane
- ✓ Nasdaq



# Recognizing Our Members' Service and Accomplishments

LACERA has nearly 100,000 active members working in dozens of L.A. County departments, many of whom dedicate their working lives to serving the community. Meet one of our long-serving members as she prepares to enjoy her well-earned retirement.



## Pre-Retirement Member

# Magdalena Lopez

**Registered Nurse, Pediatrics Emergency at Harbor-UCLA Medical**

**Estimated Retirement : 2027**

**Years of Service: 23**

**Notable Contributions:** Ms. Lopez manages pediatric emergencies and monitoring of critically ill patients, aiding the underserved and bridging communication gaps with her bilingual abilities.

**Passions and Retirement Plans:** Lopez advocates for continuous learning and certification updates regarding her profession. She and her husband have a heart for animals, especially their rescued poodle mix, Sally.

In retirement, Lopez says she will carry with her the everyday heroism inspired by her father and the fulfillment of serving her community. She says she dreams of a vacation full of beach relaxation and delectable food (and when back home, her mother's homemade chili rellenos).

**MEMBER SPOTLIGHT**





August 28, 2023

TO: Each Trustee,  
Board of Retirement  
Board of Investments

FROM: Santos H. Kreimann *SHK*  
Chief Executive Officer

SUBJECT: **CHIEF EXECUTIVE OFFICER'S REPORT – SEPTEMBER 2023**

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

### **LACERA's 2023-2028 Strategic Plan**

At its July 2023 Board of Retirement meeting, the Board unanimously approved the LACERA 2023-2028 Strategic Plan. The Strategic Plan unites and focuses our efforts on the strategic priorities that define LACERA's commitment to our members and supports the sound management of the retirement system. It represents the collective wisdom and insight of our Board of Retirement, executive and management teams, staff members and, most of all, LACERA members. Management and staff are excited to enter the implementation process of the strategic plan.

The strategic plan priorities include [Superior Member Experience](#), [Innovation Through Technology](#), [Investing in People](#), [Compliance and Enterprise Risk Management](#), and [Fiscal Durability](#). To provide additional transparency into the progress in achieving our goals, we have dedicated a page on lacera.com for each strategic priority and a goal tracker for each ([Strategic Plan Section](#)). Updates will be provided regularly as we complete significant steps toward meeting our objectives.

We anticipate LACERA's refreshed mission and core values to be approved by the Board of Retirement and Board of Investment during their September 2023 board meetings, as recommended by the Joint Organizational Governance Committee (JOGC).

### **Certificate of Achievement for Excellence in Financial Reporting**

LACERA has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). This is the 25th consecutive year this accolade has been bestowed upon LACERA in recognition of its exceptional annual comprehensive financial report for the fiscal year ended June 30, 2022. This recognition underscores the tremendous dedication and diligence exhibited by LACERA's Financial and Accounting Services, Investments, and Communications Divisions.

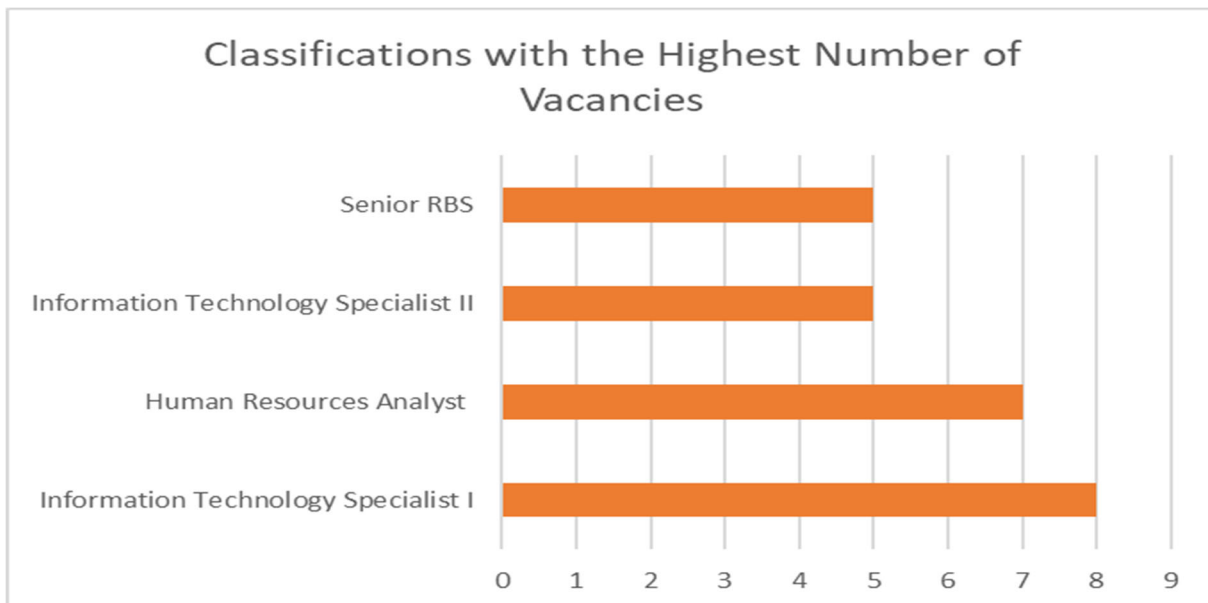
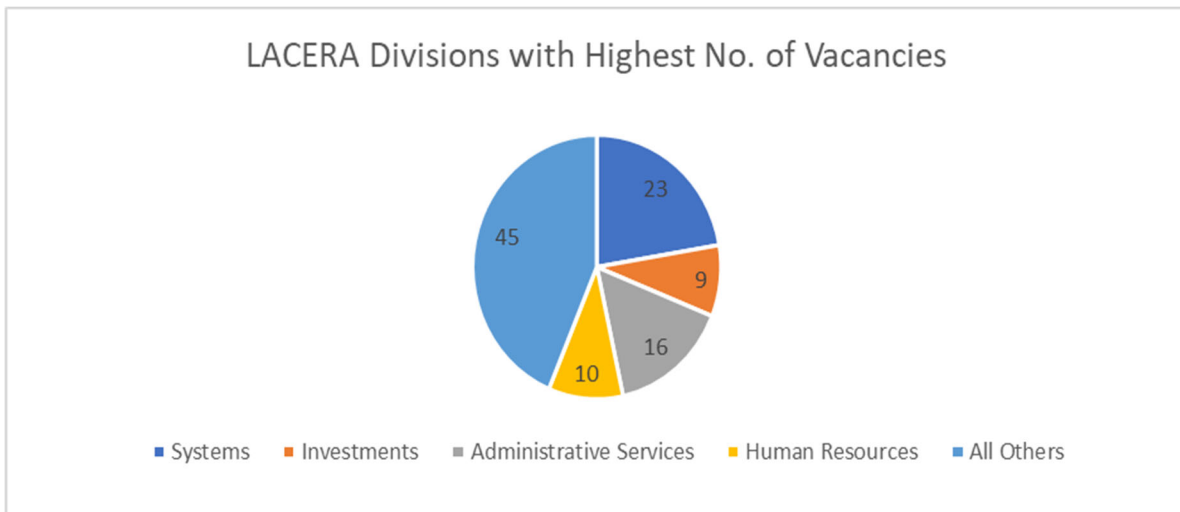
### **General and Retired Trustee Elections 2023**

The 2023 General and Retired trustee elections will conclude on Thursday, August 31, 2023. We will report the results of the election once the votes are tallied and confirmed by the Executive Office for the County. For more details and the latest updates on the election, please refer to Appendix 1 of the CEO report.

### **Recruitment Updates**

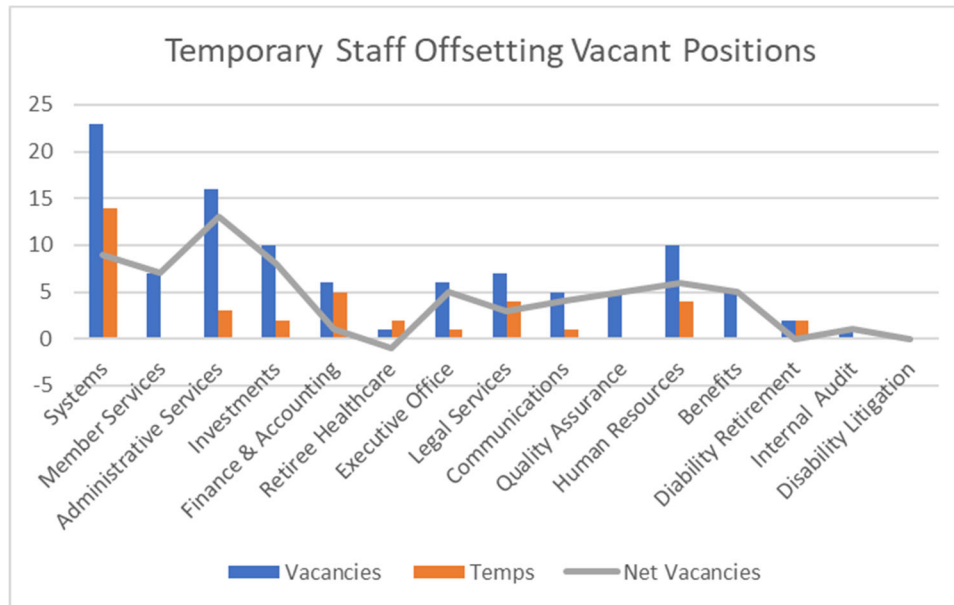
LACERA has 534 budgeted positions, of which 107 are vacant (20% vacancy rate). Additionally, there are 7 over-hired positions (positions that temporary staff members are assigned to but are not permanently budgeted) in the Retirement Benefits Specialist I classification.

The Divisions with the highest number of vacancies, and the classifications with the highest number of vacancies, are shown below.





The chart below highlights temporary hires across divisions to address critical vacancy needs in the short term.



### *External Recruitments*

The Information Technology Manager II (Infrastructure) posted on August 14, 2023 and will close on September 4, 2023. The Information Technology Manager II (Project Management) posted on August 22, 2023 and will remain open until a suitable pool of candidates are identified.

LACERA has contracted with EFL Associates (EFL) to assist with the Senior Investment Officer (Real Estate) and Finance Analyst III (Corporate Governance and Real Estate) recruitments. A candidate was not selected from the current pool of applicants for the Credit and Risk Mitigation Section. As such, the Finance Analyst II examination was re-bulletined at the request of the Investment Division.

The recruitment brochures for the following positions in the Legal Office continue to be open, with interviews being held as qualified candidates are identified:

- Senior Staff Counsel (Investments)
- Staff Counsel (Investments)
- Senior Staff Counsel (Benefits)
- Staff Counsel (Benefits)

### *Internal Recruitments*

The bulletin for the Senior Writer has been posted and applications continue to be accepted. The bulletin for the Division Manager positions in Administrative Services, Benefits, and Members Services closed and the applications are currently under review.

The Intern bulletin was posted on August 23, 2023. The updated bulletin reflects the current pay rates and provides information about LACERA's Divisions. Resumes from

eligible candidates will be accepted for 14 intern positions included in the Fiscal Year 2023-24 Adopted Budget.

*Development*

The recruitments/assessments for the following classifications are currently in development in partnership with the various hiring divisions:

- Administrative Services Analyst II and III
- Chief Financial Officer
- Senior Disability Retirement Specialist

*New Lists Promulgated, Hiring and Promotions*

One (1) candidate from the Finance Analyst II List started on August 1, 2023. An offer was made to a Principal Investment Officer candidate. Two (2) Accountants started on August 1, 2023.

An offer has been made and accepted for the Information Security Officer position. The candidate is expected to start on Tuesday, September 5, 2023.

The Information Technology Manager II position in the Business Application Unit closed. The List has been promulgated and first-round selection interviews were conducted on August 14, 2023. Final selection interviews are scheduled for August 29, 2023. We anticipate making an offer to the selected candidate within the next couple of weeks.

Three (3) Retirement Benefits Specialist I (Temporary) were promoted to Retirement Benefits Specialist II in Retiree Health Care on August 1, 2023.

**Retiree Healthcare**

*Cigna Mailer to Members Who Have Not Been to the Dentist*

During staff's meeting with Cigna Health last month, staff learned that there are slightly over 35,000 LACERA members and eligible dependents enrolled in the LACERA-administered Cigna Dental/Vision plan, who have not seen a dentist in the last year. Skipping regular preventive dental care can have an impact on individuals who may have specific chronic medical conditions (see attached flyer).

The 35,000 participants found are inclusive of both retirees and eligible dependents.

<b>Dental Plan Type</b>	<b>Members</b>	<b>Dependents</b>	<b>Total</b>
Indemnity	20,373	14,636	35,009

To aid the identified individuals with the prevention of gum disease and other health issues because of not seeking regular dental care, Cigna conducted a targeted mailing the week of August 7, 2023.

*Blue Shield of California drops CVS for Amazon and Mark Cuban's Drug Company*

On August 17<sup>th</sup>, the Wall Street Journal, as well as several other newspapers, reported that in 2024, Blue Shield of California will be ending its relationship with CVS Health and partnering with Amazon Pharmacy and Mark Cuban's Cost-Plus Drug Company.

While many of the news headlines focused on CVS essentially being fired from its role, according to Blue Shield's Chief Operating Officer, Sandra Clarke, Blue Shield is not abandoning CVS - they will continue to manage prescriptions for members who need "specialty" drugs.

As another representative from Healthcare Transformation Alliance indicated, an argument can be made that this is a great deal for CVS because:

- CVS will no longer be adjudicating and providing customer service to 100% of the members, now providing services to only 2% of those members. This 2% retained by CVS makes up roughly 25% of the business.
- In essence, CVS will have a lot fewer people to service, but a large share of the money as specialty drugs typically cost a lot more and require special handling.

Blue Shield of California's decision has no impact on our LACERA-administered Anthem Blue Cross I, II, or III plans prescription drug benefit provided by CVS Health. Anthem Blue Cross of California and Blue Shield of California are two entirely separate health plans.

**Appendix 1**

**DATE:** August 29, 2023

**TO:** Each Trustee,  
Board of Retirement  
Board of Investments

**FROM:** JJ Popowich  
Assistant Executive Officer, Member Operations Group

**SUBJECT: General and Retired Member Elections 2023 Update**

The LACERA Trustee active general and retired member election season for the Second, Eighth, and Alternate Retired Members (Trustees) for the Board of Retirement and the Second and Eighth Member (Trustees) of the Board of Investments, has entered the next phase of the election process. As previously reported, on Friday, June 23, the Registrar Recorder – County Clerk released the names of candidates that have been certified for the election.

The official candidate list is as follows:

**General Members Election:**

- Board of Retirement: Second Member:
  - Armine Antonyan
  - Nancy M. Durazo
- Board of Investments: Second Member:
  - Nicole Mi
  - Murphy Moore III
  - David S. Quan

**Retired Members Election:**








- Board of Retirement: Eighth Member:
  - Leslie W. Robbins\*
- Board of Retirement: Alternate Retired Member:
  - James P. “JP” Harris
  - Nihal Kuruppu
- Board of Investments: Eighth Member:
  - Mark A. Almonte
  - Debbie Martin

*\*Trustee Robbins is unopposed and will be returning to the Board of Retirement for the new term beginning January 1, 2024.*

The LACERA Elections team and the Executive Office of the Board of Supervisors wrapped up our collaborative efforts to raise awareness of the election for the 2023 election season. During the month of August, we sent out email reminders in collaboration with the Executive Office mid-month as scheduled. In addition, LACERA sent out a separate email to all eligible voters whom we have email contacts for on August 28, 2023. This unscheduled reminder was an effort to boost member turnout. The BOS EO's vendor was also scheduled to send out a separate email targeting voters who had not voted on August 29<sup>th</sup>.

We will be monitoring the results of the election and will share them with the Trustees as soon as they are available in a wrap up summary.






In the meantime, we have updated the calendar of events below to reflect the status of the election.

Date	Event	Completed
05/12/2023	Election Notification and Call for Nominations to eligible retired members (as of April 15, 2023).	
05/19/2023	Election Notification and Call for Nominations emailed to eligible General (active members as of April 15, 2023), and departmental postings as required by the Board of Supervisors resolution.	
05/22/2023 – 06/20/2023	Nomination period. Please note the nomination packages must be filed with the Registrar-Recorder/County Clerk no later than 5:00 p.m. on June 20, 2023.	
06/26/2023	The Registrar-Recorder/County Clerk will confirm the eligible candidates and notify each candidate.	
06/27/2023	Election Announcement: Announcement of qualified candidates and whether an election is necessary. This is also the date the ballot order will be confirmed.	
First Week of July	LACERA sends mailer regarding election status.	
July 17, 2023	Election notices emailed by vendor.	

Re: General and Retired Member Elections 2023 Update

August 29, 2023

Page 3

08/02/2023	Voter information and ballot mailed to all retirees, as well as to all active members who requested a paper ballot.	
08/03/2023	LACERA election reminder notice.	
08/04/2023	Voting Begins. Election credentials mailed to all General members (active as of April 15, 2023).	
08/16/2023	LACERA election reminder notice.	
08/31/2023	Voting Ends.	
09/12/2023	The Executive Office of the Board of Supervisors will have the unofficial results available.	
10/17/2023	BOS Declares Election Result Official.	

# WANT TO BE HEALTHIER? THE DENTIST CAN SEE YOU NOW.



**Getting regular dental care may help you be an overall healthier person.**

## **Chew on this:**

According to recent findings from the Centers for Disease Control and Prevention (CDC), half of Americans aged 30 or older have periodontitis, the more advanced form of periodontal (gum) disease.\* Did you know that people who skip regular preventive dental care see their future dental costs go up by 43%?\*\*\* Or that gum disease can have a direct impact on women who are pregnant and people with certain chronic medical conditions?

**Here's the good news:** Gum disease is preventable and treatable. The best place to start is by visiting your dentist.

## **Schedule an appointment today**

Most of your in-network preventive dental care services are covered at low or no cost to you. LACERA covers up to 4 dental cleanings per year at 100%. Find a dentist near you on **myCigna.com**.

### **If you have a qualifying medical condition you can take advantage of the Cigna Dental Oral Health Integration Program®**

- › 100% reimbursement for additional preventive dental treatments related to your condition
- › Learn how your health condition impacts your oral health

#### **To register:**

- › Go to **myCigna.com**, select Coverage>Dental and fill out the registration form online
- › Or call the number on the back of your Cigna ID card and ask for a mailed registration form

### **Conditions Eligible for Program**

- › Diabetes
- › Heart disease
- › Maternity
- › Stroke
- › Radiation for head or neck cancers
- › Organ transplants
- › Chronic kidney disease
- › Rheumatoid arthritis
- › Sjogren's syndrome
- › Lupus
- › Parkinson's disease
- › Amyotrophic lateral sclerosis (ALS)
- › Huntington's disease
- › Opioid misuse and addiction

\*<https://www.perio.org/newsroom/periodontal-disease-fact-sheet> Periodontal Disease Fact Sheet | Perio.org

\*\*Preventive Dental Treatment Associated with Lower Medical Utilization and Costs", national Cigna study completed August 2018.



This document is provided by Cigna solely for informational purposes to promote consumer health. It does not constitute medical advice and is not intended to be a substitute for proper dental care provided by a dentist. Cigna assumes no responsibility for any circumstances arising out of the use, misuse, interpretation or application of any information supplied in this document. Always consult with your dentist for appropriate examinations, treatment, testing and care recommendations.

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# CEO DASHBOARD



September 6, 2023



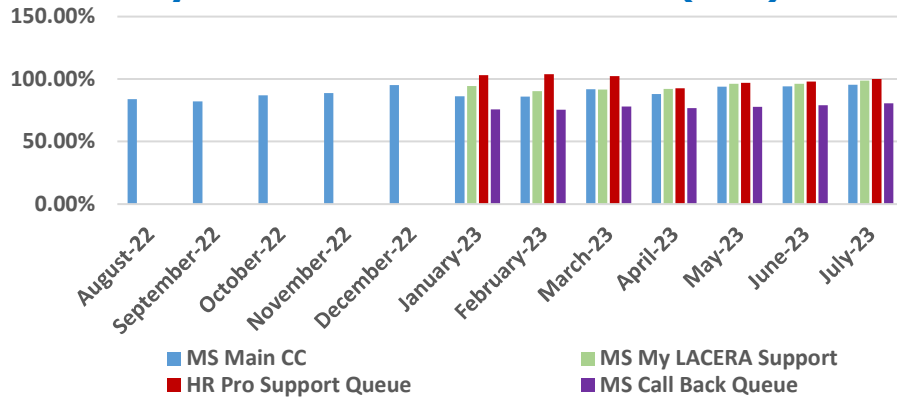


# Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: July 2023

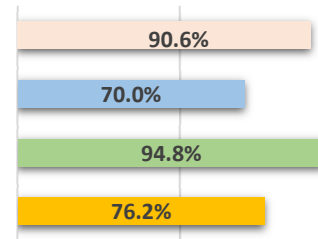
<b>Events / Webinar Attendance</b> Current Mo.: <b>711</b> Year-to-Date: 711	<b>Events / Webinar</b> Current Mo.: <b>15</b> Year-to-Date: 15	<b>Webinar Satisfaction</b> <b>0%</b> Resp. Rate: 0% Change: 0%	<b>Member Service Center Satisfaction</b> <b>94.89%</b> Resp. Rate: 26.1% Change: -2.58%	<b>MS Main Queue Total Calls</b> Current Mo. <b>7,768</b> 3 Month Avg. 8,163				
					Resp. Rate	Change	Resp. Rate	Change
					0%	0%	26.1%	-2.58%

## Member Service Call Center Queue Key Performance Indicators (KPI)

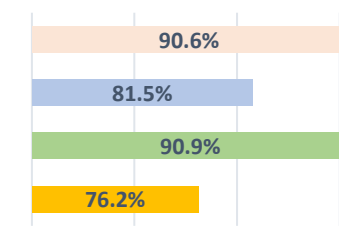


## Key Performance Indicator (Components by Queue)

### MSCC Main Queue



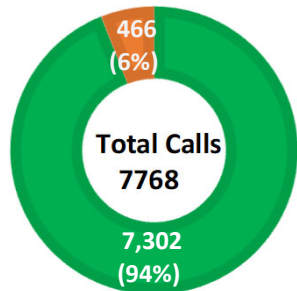
### My LACERA Support Queue



Member Services

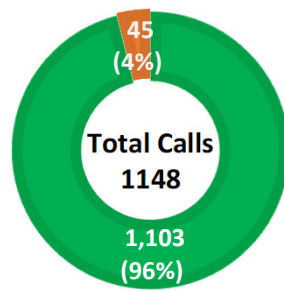
### MSCC MAIN QUEUE

■ Calls Answered ■ Calls Abandoned



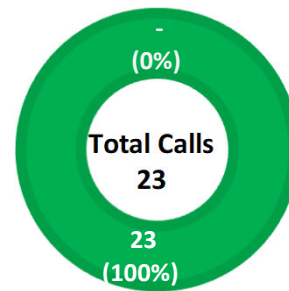
### MY LACERA SUPPORT

■ Calls Answered ■ Calls Abandoned



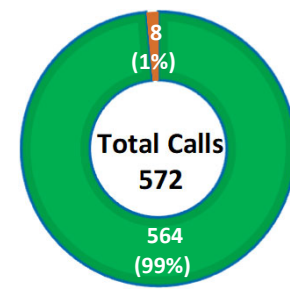
### HR PRO SUPPORT

■ Calls Answered ■ Calls Abandoned



### MS CALL BACK QUEUE

■ Calls Answered ■ Calls Abandoned



Queue KPI:	95.36%	Queue KPI:	98.54%	Queue KPI:	99.89%	Queue KPI:	80.38%
Avg. Speed of Answer	Average Duration	Avg. Speed of Answer	Average Duration	Avg. Speed of Answer	Average Duration	Avg. Speed of Answer	Average Duration
0:02:27	0:16:02	0:00:38	0:11:14	0:00:35	0:16:12	0:03:49	0:14:03



# Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: July 2023

## TOP REASONS MEMBERS CONTACT MEMBER SERVICES

### Member Services Call Center

### Member Service Center (Outreach)

1. Retirement Counseling

1. Retirement Counseling

2. My LACERA

2. Retiree Healthcare

3. Death

3. Power of Attorney

## Contact Center Email/Secure Message Performance



Emails:

337



Secure Message

733

Est. Response Time (hours)

4:00:00

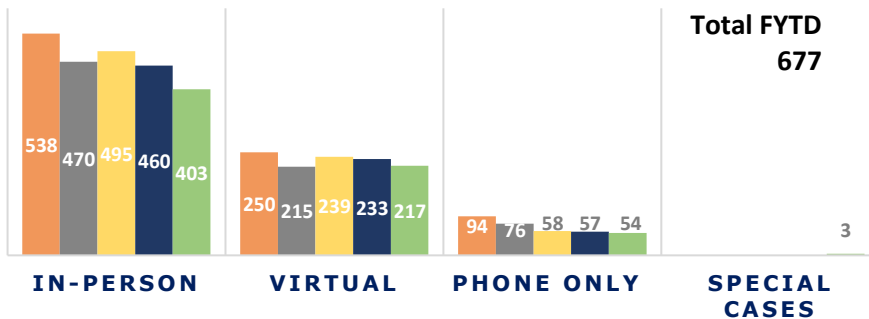
Est. Response Time (hours)

4:00:00

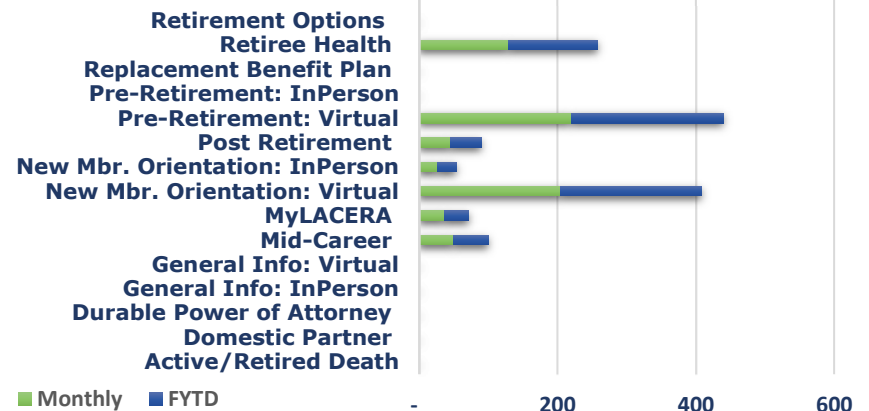
## Member Service Center (Outreach)

### Member Service Center Appointments

March April May June July



### Members Served in Webinars/Workshops



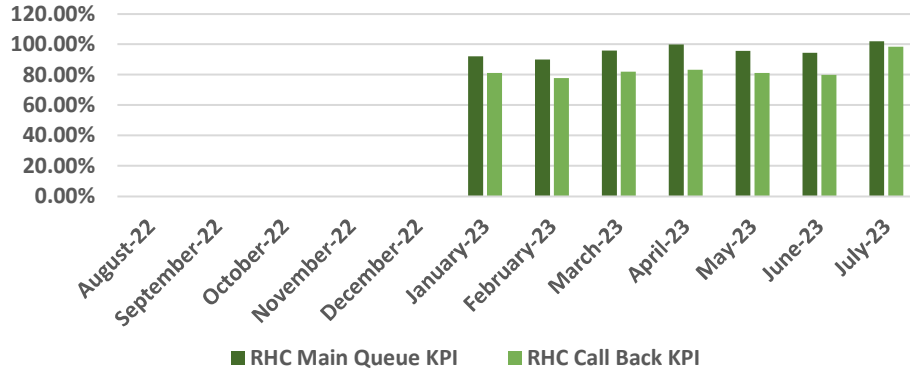
Member Services



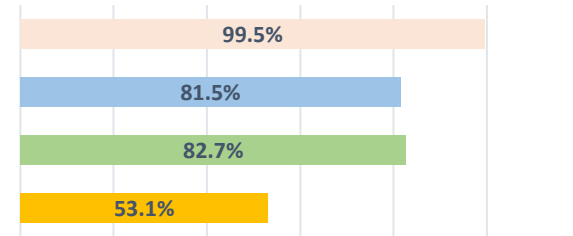
# Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: July 2023

## RHC Call Center Queue Key Performance Indicator (KPI)



## Key Performance Indicator (Components by Queue) Main RHC Call Center Queue

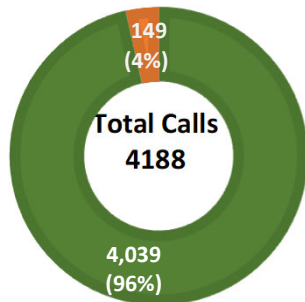


Agent Utilization (Goal:65%)	Grade of Service (Goal: 80% in 60 sec)
After Call Survey (Goal: 90%)	Call Monitoring (Goal: 95%)

Retiree Healthcare

### RHC MAIN QUEUE

Calls Answered Calls Abandoned

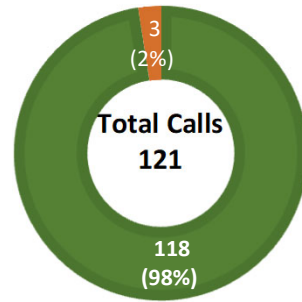


Queue KPI: 101.87%

Avg. Speed of Answer	Average Duration
0:01:03	0:12:33

### RHC CALL BACK QUEUE

Calls Answered Calls Abandoned



Queue KPI: 98.24%

Avg. Speed of Answer	Average Duration
0:03:21	0:08:06

### TOP RHC CALL TOPICS

1. Medical/Dental Enrollments
2. Medicare Part B
3. General Inquiries

### RHC Email/Secure Message Performance



Emails:

312

Est. Response Time (hours)

72:00:00



Secure Message

329

Est. Response Time (hours)

24:00:00



# Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: July 2023

**Applications**  
1,023

■	1,013	Pending on:	6/30/2023
■	59	Received	
■	59	Year-to-Date	
■	0	Re-Opened	
■	0	Year-to-Date	
■	38	To Board - Initial	
■	38	Year-to-Date	
■	11	Closed	
■	11	Year-to-Date	

**In Process**  
**As Of**  
**7/31/2023**

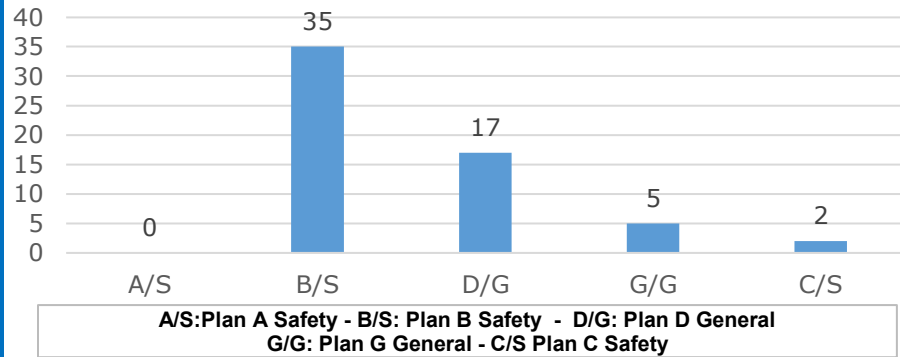
**Appeals**  
68

■	66	Pending on:	6/30/2023
■	2	Received	
■	2	Year-to-Date	
■	0	Admin Closed/Rule 32	
■	0	Year-to-Date	
■	0	Referee Recommended	
■	0	Year-to-Date	
■	0	Revised/Reconsidered for Granting	
■	0	Year-to-Date	

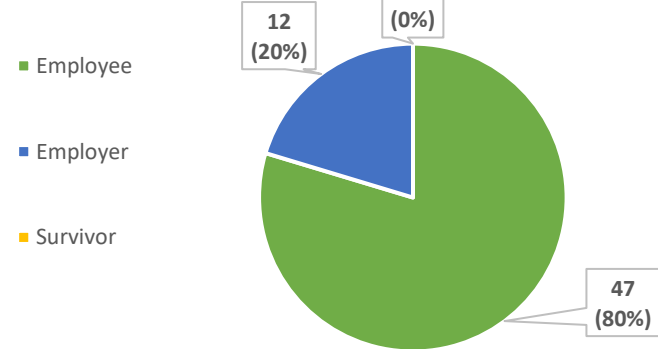
**In Process**  
**As Of**  
**7/31/2023**

■ Pending: Applications In Process   ■ Received: New Applications   ■ Re-Opened: Apps Re-Opened   ■ To Board: Presented to BOR   ■ Closed: Incomplete/Withdrawn

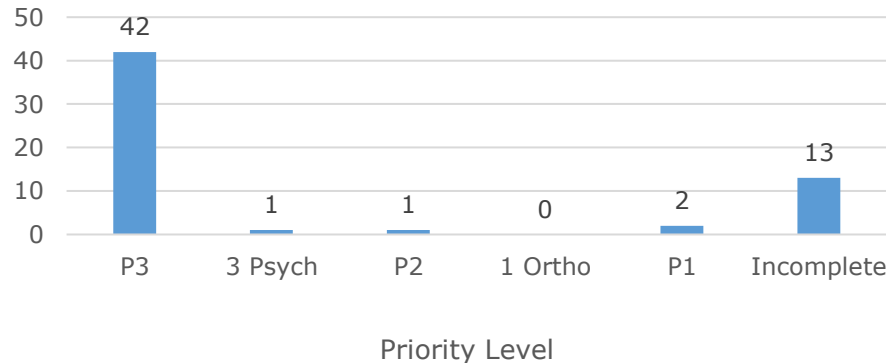
### Applications Filed By Plan



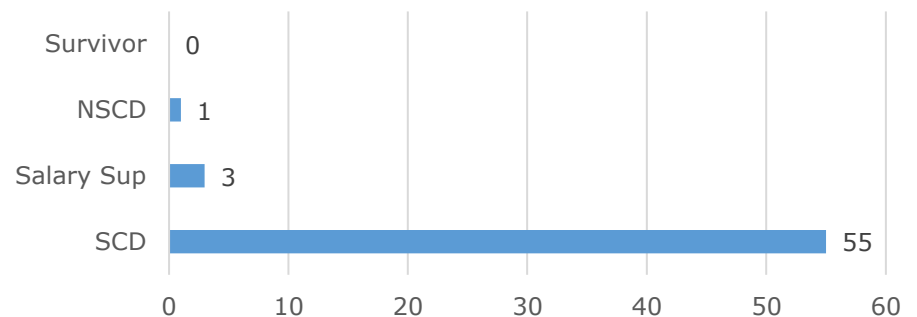
### Applications Filed By Source



### Applications Filed By Priority Level



### Applications Filed By Type



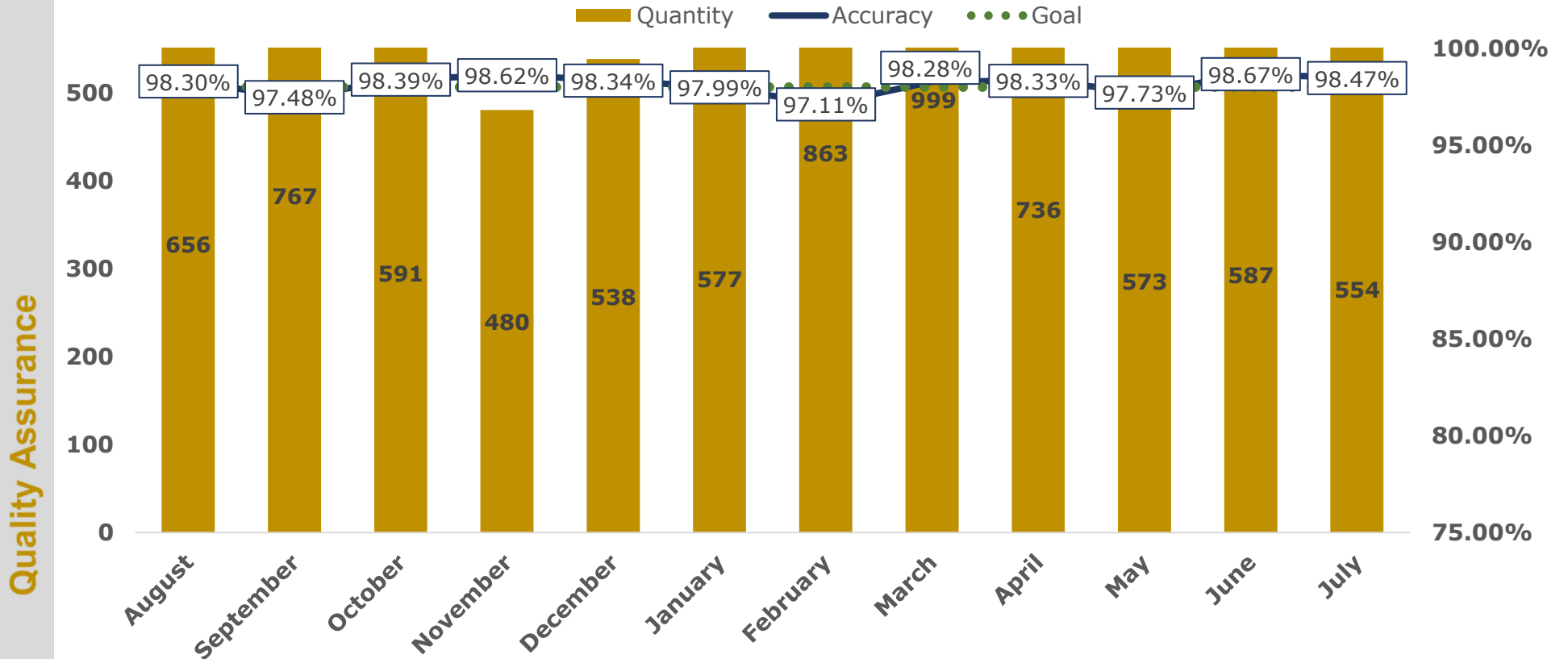
Disability



# Striving for Excellence in Quality

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: July 2023


## Audits of Retirement Elections, Payment Contracts, & Data Entry Completed by QA (Goal: 98%)



Quality Assurance

**July 2023**

**98.47%**



**Retirement Elections**

**208** Samples

**98.32%** Accuracy

**Payment Contracts**

**226** Samples

**98.62%** Accuracy

**Data Entry**

**120** Samples

**98.47%** Accuracy

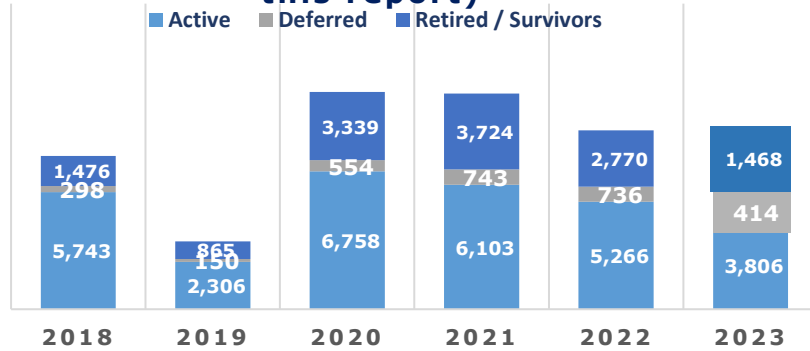


# Service On-Line for All

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: July 2023

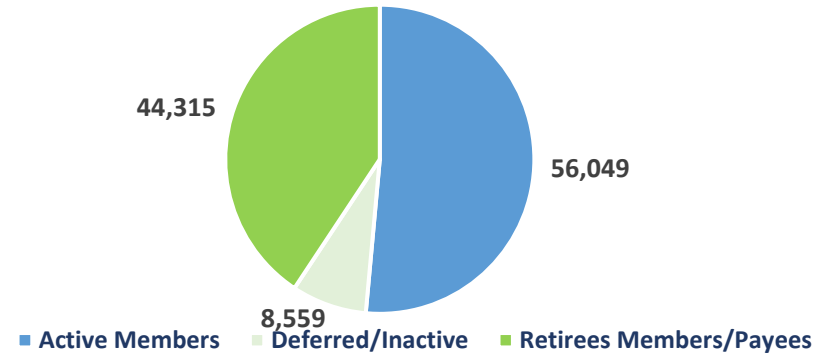
Serving Members Through LACERA.com and MyLACERA

## My LACERA Annual Registration (as of the 15th of the month prior to this report)

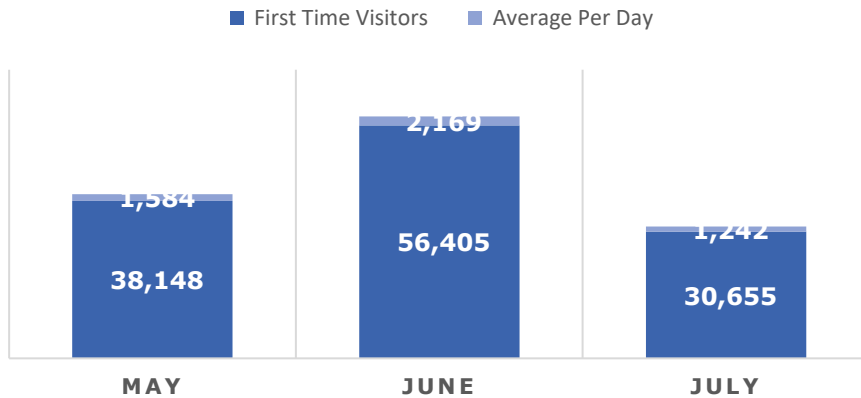


Registered Members / % Total **108,923** **57%**

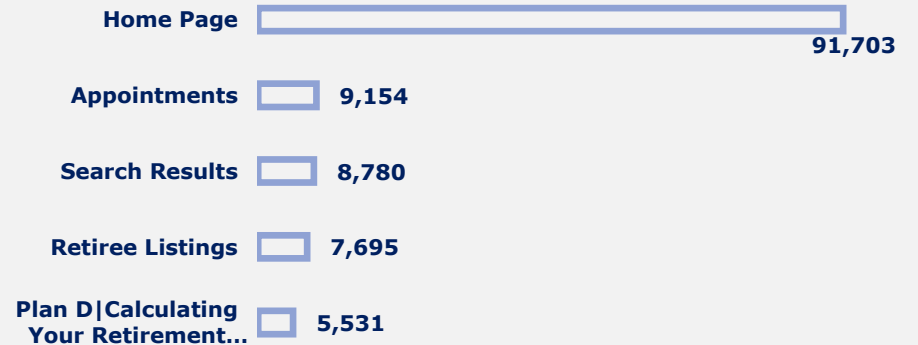
## Total Registrations By Member Type



## LACERA.com User Traffic



## Top Five LACERA.com Page Views



### Busiest Day of the Month:

Tuesday, 7/25/2023

### Home Page Tile Views

Tile	Views	% of Change
Sign Up for My LACERA	4,560	10%
Board Meetings	3,373	-41%
Careers	2,683	4%
Pre-Retirement Workshops	2,457	-5%
Investments	1,842	7%
Forms & Publications	244	11%

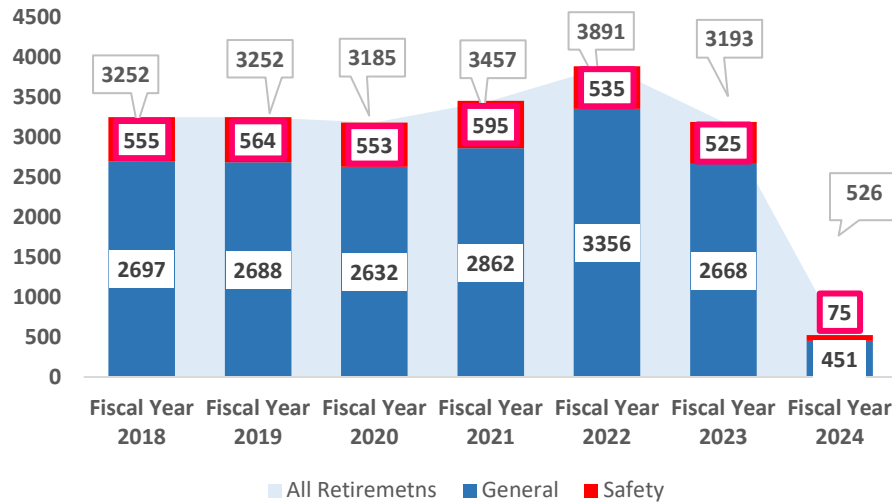


# Member Snapshot

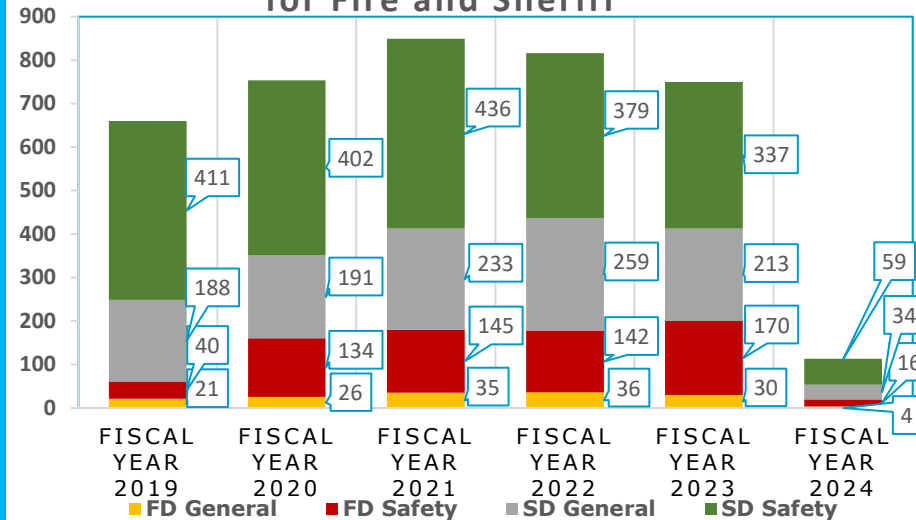
Membership Count as of: August 15, 2023

	PLAN	ACTIVE		INACTIVE		RETIRED				Totals by Plan/Type
		Vested	Non-Vested	Vested	Non-Vested	Service	SCD - Disability	NSCD - Disability	Survivors	
General	PLAN A	49	-	11	32	11,867	947	163	4,051	17,120
	PLAN B	12	-	5	3	565	40	7	74	706
	PLAN C	13	-	5	8	361	38	8	65	498
	PLAN D	33,743	121	4,492	3,304	18,868	1,997	448	2,002	64,975
	PLAN E	12,927	9	2,885	86	15,414	-	-	1,633	32,954
	PLAN G	18,780	18,624	1,644	6,672	256	25	7	22	46,030
	<b>TOTAL GENERAL</b>	<b>65,524</b>	<b>18,754</b>	<b>9,042</b>	<b>10,105</b>	<b>47,331</b>	<b>3,047</b>	<b>633</b>	<b>7,847</b>	<b>162,283</b>
Safety	PLAN A	-	-	2	2	1,824	2,417	26	1,635	5,906
	PLAN B	7,427	75	587	228	3,351	4,569	55	414	16,706
	PLAN C	2,553	2,536	124	521	12	17	-	2	5,765
	<b>TOTAL SAFETY</b>	<b>9,980</b>	<b>2,611</b>	<b>713</b>	<b>751</b>	<b>5,187</b>	<b>7,003</b>	<b>81</b>	<b>2,051</b>	<b>28,377</b>
	<b>TOTAL ALL TYPES</b>	<b>75,504</b>	<b>21,365</b>	<b>9,755</b>	<b>10,856</b>	<b>52,518</b>	<b>10,050</b>	<b>714</b>	<b>9,898</b>	<b>190,660</b>

Total Retirements Compared by Type



General vs. Safety Retirements for Fire and Sheriff





# Member Snapshot

## Average Monthly Benefit Allowance Distribution 08/24/2023

	General	Safety	Total	%
\$0 to \$3,999	29,995	1,337	31,332	49.6%
\$4,000 to \$7,999	14,742	3,441	18,183	28.8%
\$8,000 to \$11,999	4,364	4,296	8,660	13.7%
\$12,000 to \$15,999	1,245	2,432	3,677	5.8%
\$16,000 to \$19,999	428	547	975	1.5%
\$20,000 to \$23,999	129	154	283	0.4%
\$24,000 to \$27,999	34	51	85	0.1%
> \$28,000	30	8	38	0.1%
<b>Totals</b>	<b>50,967</b>	<b>12,266</b>	<b>63,233</b>	<b>100%</b>

## Average Monthly Benefit Amount:

\$ **4,870.00**

### Healthcare Program

(Mo. Ending: 07/31/2023)

	Employer	Member
Medical	\$53.6	\$3.8
Dental	\$4.2	\$0.4
Part B	\$7.7	\$0.0
<b>Total</b>	<b>\$65.5</b>	<b>\$4.2</b>

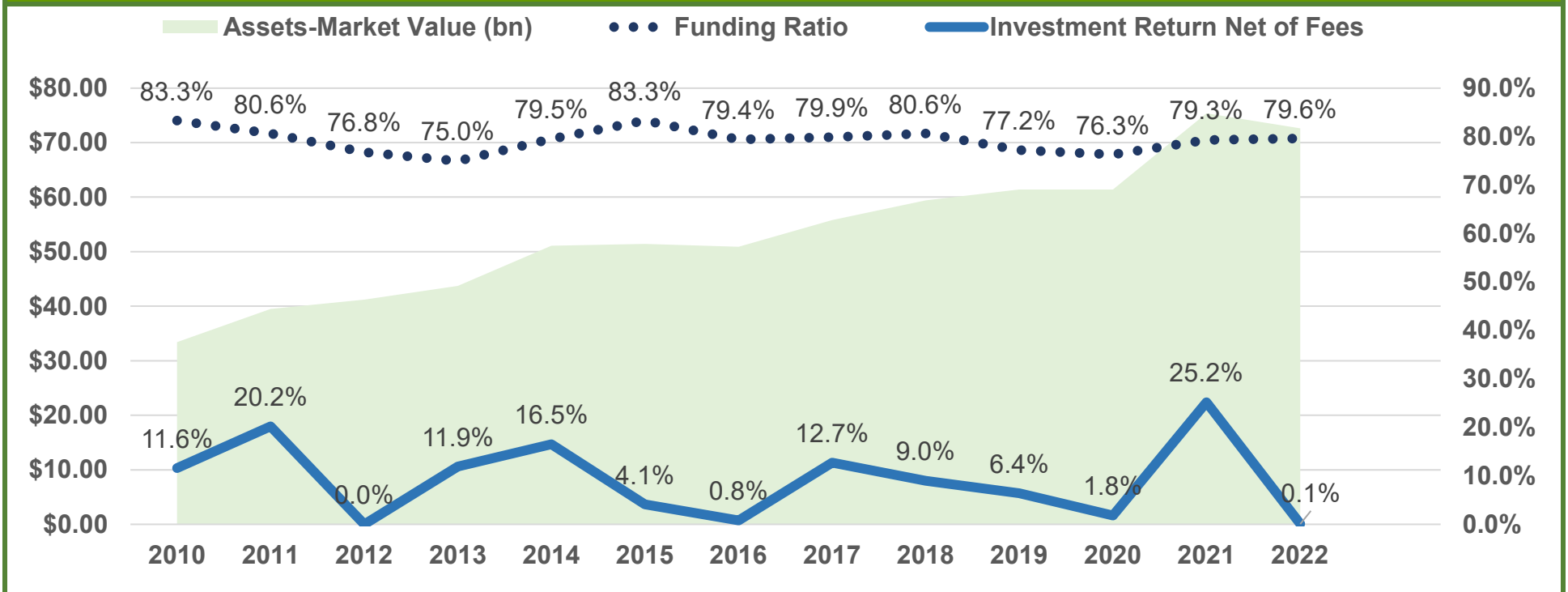
### Health Care Enrollments

(Mo. Ending: 07/31/2023)

Medical	55,361
Dental	57,271
Part B	38,048
LTC	491
<b>Total</b>	<b>151,171</b>

## KEY FINANCIAL METRICS

Fiscal Year End Financial Update (as of 06/30/2022)







# Key Financial Metrics

## LACERA

The Los Angeles County Employees Retirement Association  
Pension Dollar



**10¢**  
Employee  
Contributions

**69¢**  
LACERA  
Investment Earnings

**21¢**  
Employer (County)  
Contributions

### FUNDING METRICS

(as of 6/30/22)

Employer NC	11.12%
UAAL	14.72%
Assumed Rate	7.00%
Star Reserve	\$614m
Total Assets	\$70.3b

### Contributions

(as of 6/30/22)

	Employer	Member
Annual Add	\$2.2b	\$758.6m
% of Payroll	25.84%	8.21%

### Investment Returns

(as of 6/30/22)

(Net of Fees)

<b>5 YR:</b>	8.1%	<b>10 YR:</b>	8.6%
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### Retired Members Payroll

(As of 07/31/2023)

Monthly Payroll	\$370.56m
Payroll YTD	\$0.4b
New Retired Payees Added	310
Seamless %	96.13%
New Seamless Payees Added	310
Seamless YTD	96.13%
By Check %	2.00%
By Direct Deposit %	98.00%

### RETIREE PAYROLL BY YEAR





**QUIET PERIOD LIST  
FOR TRUSTEES AND  
STAFF**

Last Update 08/28/2023

**ADMINISTRATIVE/OPERATIONS**

<b>Solicitation Name</b>	<b>Issuing Division</b>	<b>Public Release Date</b>	<b>Solicitation Stage*</b>	<b>Bid Respondents*</b>
<b>RFP: Policy Management Solution</b>	Executive Office	2/3/2023	Contract Development	• Compass 365
<b>RFI: Death Audit and Data Cleansing Services</b>	Benefits	4/14/2023	Bid Review	• PBI
<b>RFP: External SOC Auditor</b>	Internal Audit	3/08/2023	Contract Development	• Eide Bailly LLP • Plante Moran • Moss Adams • Clifton Larsen Allen LLP • RSM US LLP • Eisner Amper LLP • Davis Farr LLP • Lazarus Alliance Inc
<b>RFP: Prepaid Debit Card Services</b>	Benefits	6/15/2022 ISD's Website 08/2022	Contract Execution	• Conduent

\*Subject to change



## INVESTMENTS

Solicitation Name	Public Release Date	Solicitation Stage*	Bid Respondents *
<b>RFP: Commercial Real Estate Brokers</b>	5/10/2023	Soliciting Process	<ul style="list-style-type: none"><li>• Avison</li><li>• CBRE Group</li><li>• Cushman and Wakefield</li><li>• Eastdil</li><li>• Higgenbotham</li><li>• JLL</li><li>• Newmark</li></ul>
<b>RFP: Real Assets Emerging Manager Program Discretionary Separate Account Manager</b>	1/30/2023	Vendor Selection	<ul style="list-style-type: none"><li>• ACRES Capital</li><li>• Aether Investment Partners</li><li>• ORG Portfolio Management</li><li>• Barings</li><li>• Belay Investment Group</li><li>• Encore Enterprises, Inc.</li><li>• Stable</li><li>• Cambridge Associates</li><li>• GCM Grosvenor</li><li>• The Townsend Group</li><li>• Cypress Creek Partners</li><li>• Hamilton Lane Advisors</li><li>• Neuberger Berman Group</li><li>• Wafra Inc.</li><li>• Artemis Real Estate Partners</li><li>• Hawkeye Partners, LP</li><li>• BlackRock</li><li>• Astarte Capital Partners</li><li>• Bentall Green Oak</li><li>• Clear Sky Advisers</li><li>• Clear Investment Group</li><li>• Poverni Sheikh Group</li><li>• Trilogy</li><li>• Stepstone</li><li>• Oak Street</li><li>• White Deer</li></ul>

\*Subject to change

Date	Conference
<b>September, 2023</b>	
11-13	Council of Institutional Investors (CII) Fall Conference Long Beach, CA
19-20	2023 Investment Diversity Advisory Council (IDAC) Global Summit Chicago, IL
<b>October, 2023</b>	
1-4	CRCEA (California Retired County Employees Association) Fall Conference Stockton, CA
1-4	IFEBP (International Foundation of Employment Benefit Plans) Annual Employee Benefits Conference Boston, MA
1-6	Prosper Africa U.S. Institutional Investors Delegation Trip and GEBF Thought Leadership Conference Johannesburg and Cape Town, South Africa
8-11	National Association of Corporate Directors (NACD) Summit 2023 Fort Washington, MD
16-20	Investment Strategies & Portfolio Management Wharton School, University of Pennsylvania
18-20	PREA (Pension Real Estate Association) Annual Institutional Investor Conference Boston, MA
21-22	NCPERS (National Conference on Public Employee Retirement Systems) 2023 Program for Advanced Trustee Studies (PATS) Las Vegas, NV <i>(held prior to the FALL Conference)</i>
22-25	NCPERS (National Conference on Public Employee Retirement Systems) FALL (Financial, Actuarial, Legislative & Legal) Conference Las Vegas, NV
22-24	Pacific Pension Institute (PPI) Executive Seminar-Japan at a Crossroads Tokyo, Japan
25-27	Pacific Pension Institute (PPI) Asia Pacific Roundtable Tokyo, Japan
27	CALAPRS (California Association of Public Retirement Systems) Round Table – Trustees Virtual

Date	Conference
<b>November, 2023</b>	
6-7	2023 SuperReturn North America New York, NY
7-9	Institutional Limited Partners Association (ILPA) General Partner Summit New York, NY
7-10	SACRS Fall Conference Rancho Mirage, CA
14-17	2023 SuperInvestor International Zurich, Switzerland
<b>December, 2023</b>	
1	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual

September 1, 2023

TO: Trustees – Board of Investments

FROM: Credit and Risk Mitigation Committee

Vache Mahseredjian, CFA, CAIA, FRM, ASA   
Principal Investment Officer

FOR: September 13, 2023 Board of Investments Meeting

SUBJECT: **CREDIT STRUCTURE REVIEW**

### **RECOMMENDATION**

Approve the initiatives and recommendations within the Credit Structure Review (**Attachment**) as well as amendments proposed and advanced by the Credit and Risk Mitigation Committee. The amendments pertain to delegating manager selection authority for this asset category to the CIO, subject to reporting requirements.

### **BACKGROUND**

A structure review for the Credit functional asset category was presented at the August 9, 2023 meeting of the Credit and Risk Mitigation Committee (“Committee”). That review included several recommendations that are summarized on page 32 of the **Attachment**. In addition to those recommendations, the Committee proposed a recommendation to delegate manager selection authority for this asset category to the CIO, subject to certain conditions. Please refer to **item #2** in the **Deliberations and Opinions Expressed by the Committee** section below. The combined recommendations were advanced from the Committee to the Board of Investments (“BOI”) on a vote of 2 to 1.

The recommendations in staff’s presentation to the Committee consist of the following: affirming Credit’s role and objectives as listed on page 4 of the **Attachment**, and the moderate implementation approach and attributes shown on page 5 and 6. In addition, staff proposed modest modifications to guidelines for Liquid Credit (page 18) and Illiquid Credit (page 27) as described below:

- **Liquid Credit:** Removed geography and currency targets and retained existing maximum levels.
- **Illiquid Credit:** Introduced new guidelines addressing co-investments and contingent capital as described on page 26 of the **Attachment**.

## **DELIBERATIONS AND OPINIONS EXPRESSED BY THE COMMITTEE**

Here is a summary of the discussion that followed staff's presentation:

1. A Trustee raised a question about whether the disappointing performance of emerging market debt ("EMD") in 2022 was widespread or concentrated in a specific region. A consultant responded that EMD performance was a global phenomenon driven by economic and capital markets factors and not limited to a specific region or to LACERA's portfolio implementation. Another Trustee commented that although there may be a retrenchment in globalization, nearshoring is a growing trend; therefore, the relative value of corporate versus sovereign bonds within EMD is worth monitoring.
2. A Trustee suggested granting the CIO discretionary authority for this asset category for reasons including expediting manager selection. Such authority would require that staff perform its customary diligence and underwriting process, including approval by the appropriate internal committee and an independent review culminating in support from the asset category consultant. Furthermore, reports to the BOI summarizing the underwriting process and analysis carried out by staff and the consultant must remain unchanged. Another Trustee expressed support for this idea, noting that it would advance LACERA's goal to transition from allocator to best-in-class investor. A Committee member made an amended motion to include this suggestion, and the motion passed by a vote of 2 to 1, thereby advancing the amended recommendation to the BOI.
3. A Committee member requested that lengthy explanations or complex information be placed in the main body of future presentations rather in footnotes.

## **OPTIONS AVAILABLE TO THE BOARD**

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

## **RISKS OF ACTION AND INACTION**

If the Board approves the recommendation, staff will implement the changed guidelines. Furthermore, the CIO would have manager selection authority subject to the constraints that manager due diligence standards and Board reporting requirements remain unchanged. This would expedite the manager selection and investment process. It should be noted that since the BOI is currently reviewing board governance more generally, any action taken in connection with this structure review might be superseded by the Board's broader governance decisions. Should the Board reject the recommendation, the current structure and guidelines would remain in place. In addition, the CIO would not be delegated authority to approve the selection of Credit managers, thereby leaving the existing method of manager selection unchanged.

## CONCLUSION

The Committee advanced the recommendations listed in the structure review and added an amendment for delegated manager selection authority. The combined recommendation is therefore presented to the Board for approval.

Attachment

Noted and Reviewed:



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Jonathan Grabel  
Chief Investment Officer








July 28, 2023

TO: Trustees - Credit and Risk Mitigation Committee

FROM: Vache Mahseredjian, CFA, CAIA, FRM, ASA  Chad Timko, CFA, CAIA   
Principal Investment Officer  Senior Investment Officer

Krista Powell  Quoc Nguyen, CFA   
Investment Officer Investment Officer

Jason Choi, CFA   
Senior Investment Analyst

FOR: August 9, 2023 Credit and Risk Mitigation Committee Meeting

SUBJECT: **CREDIT STRUCTURE REVIEW**

### RECOMMENDATION

Advance the recommendations within the Credit Structure Review (**Attachment A**) to the Board of Investments for approval.

### SUMMARY

This Structure Review considers the role, implementation framework, performance, and initiatives of the Credit functional asset category. Additionally, it reviews structure, performance, and portfolio guidelines for portfolio components: liquid credit and illiquid credit. The presentation consists of an introductory overview followed by sections dedicated to each of the two portfolio components. A concluding section provides a summary of recommendations (see page 35).

LACERA's consultants Meketa Investment Group and Albourne Partners reviewed the segments of the Structure Review that apply to their respective mandates and are in support. Albourne reviewed the illiquid credit section and Meketa reviewed the rest. Memos from the consultants are included as **Attachments B** and **C**.

Attachments

Noted and Reviewed:

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Jonathan Grabel  
Chief Investment Officer

## Credit

## Structure Review

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Credit and Risk Mitigation Committee Meeting

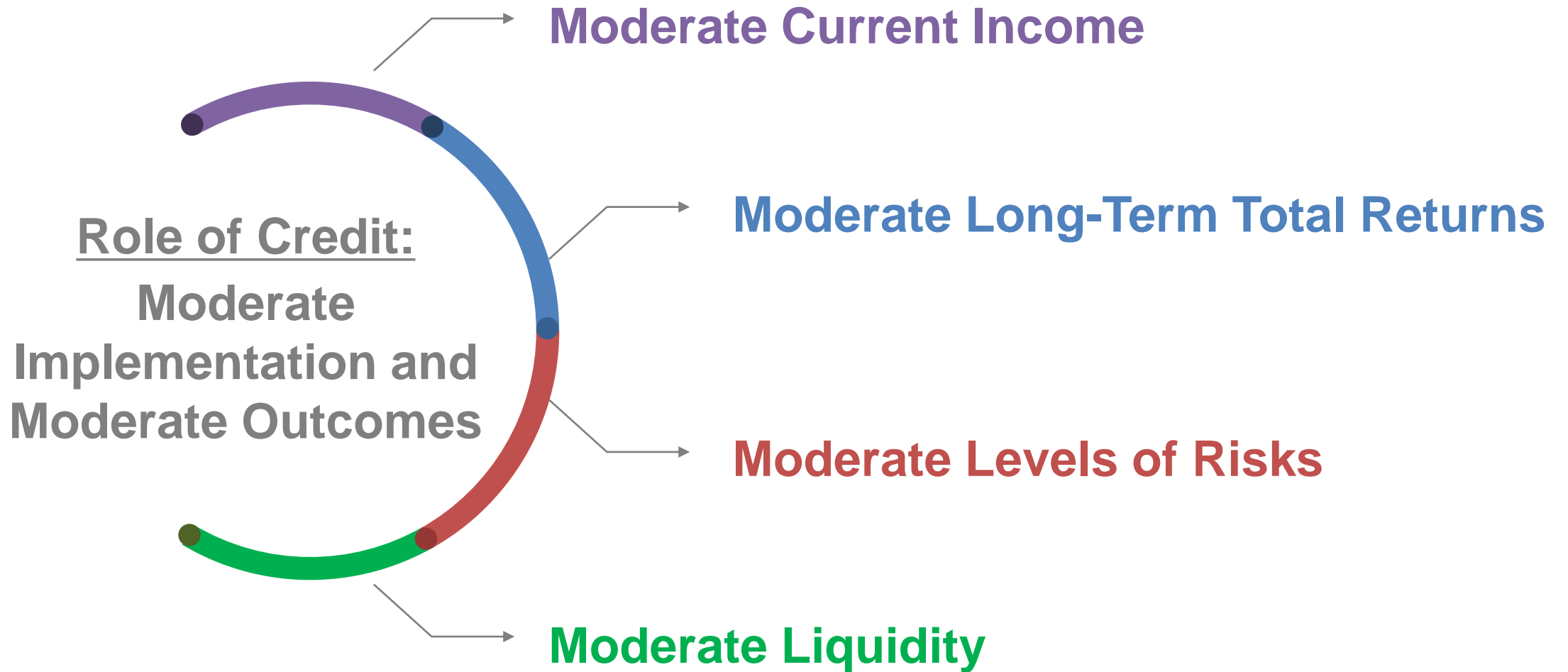
August 9, 2023

# Table of Contents



<b>TITLE</b>	<b>SLIDE</b>
Credit: Role, Objectives, Context, etc.	<b>3</b>
Credit: Performance	<b>10</b>
Liquid Credit: Structure	<b>12</b>
Liquid Credit: Performance and Risk	<b>13</b>
Liquid Credit: Portfolio Guidelines	<b>18</b>
Illiquid Credit: Structure and Context	<b>21</b>
Illiquid Credit: Performance	<b>23</b>
Illiquid Credit: Co-Investment and Contingent Capital	<b>26</b>
Illiquid Credit: Portfolio Guidelines	<b>27</b>
Credit: Initiatives	<b>31</b>
Credit: Summary Recommendations	<b>32</b>

<b>TITLE</b>	<b>SLIDE</b>
Appendix	
Attachment 1 – Glossary of Terms	<b>34</b>



The role summary articulated above is consistent with LACERA's Investment Policy Statement, which states "LACERA expects assets categorized as Credit to produce current income and moderate long-term total returns"

# Credit: Role and Objectives

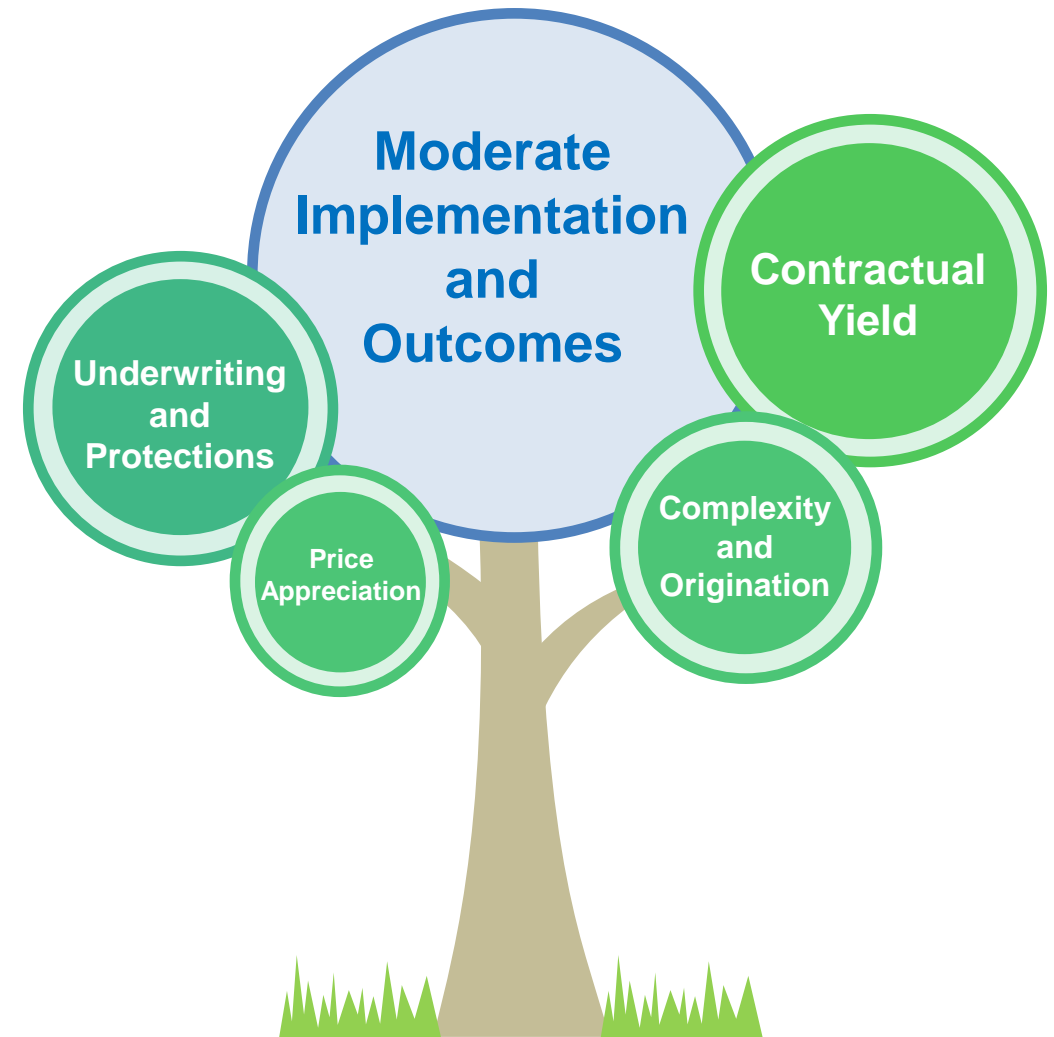


## Role

- Moderate Implementation
- Moderate Outcomes

## Objectives

- Collect contractual yield
- Emphasize fundamental underwriting and creditor protections
- Profit from complexity and upside optionality
- Be compensated for selective private sourcing or direct origination
- Have limited price appreciation expectations



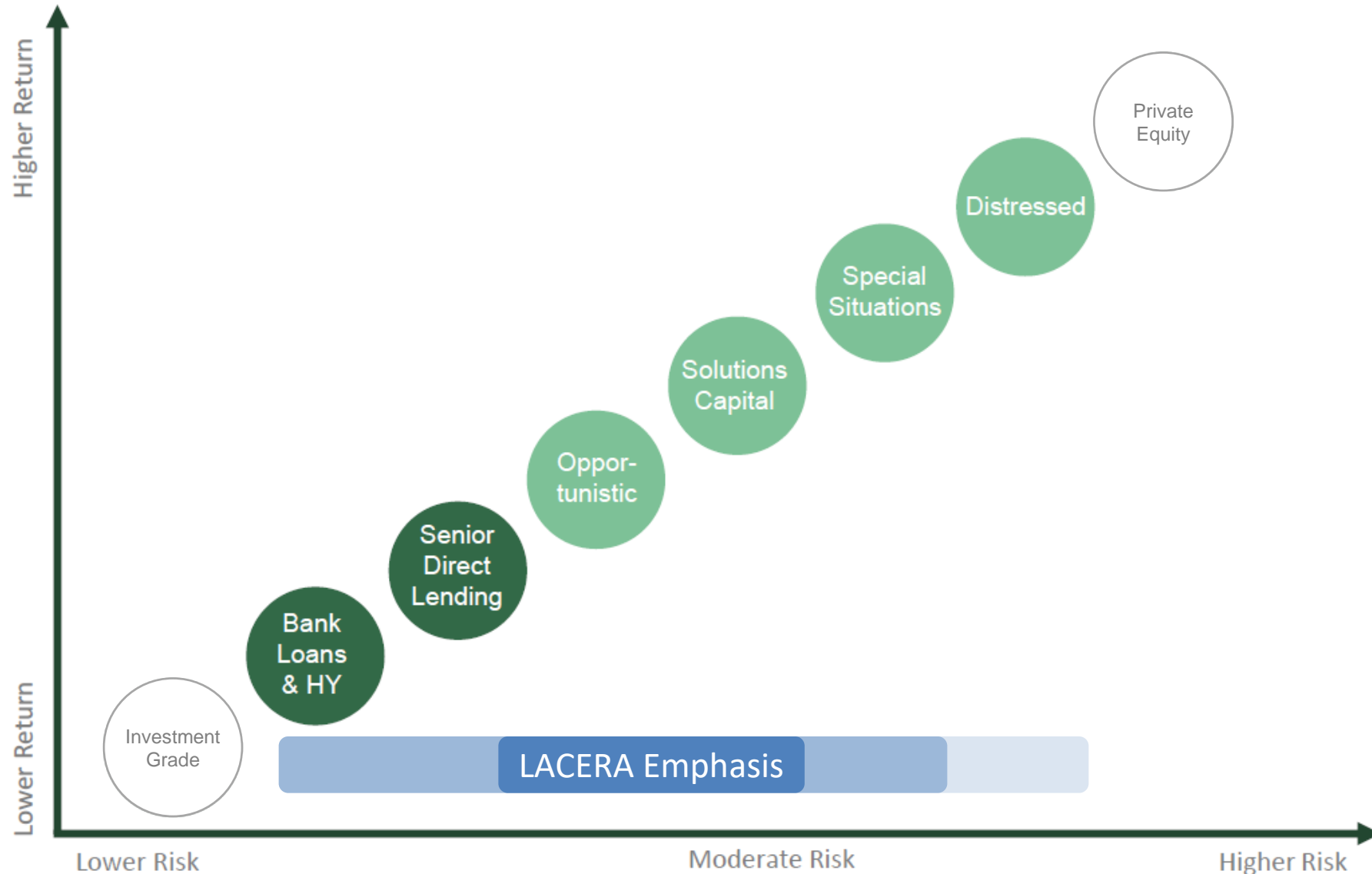
LACERA's Credit Role and Objectives

# Credit: Moderate and Broad Implementation



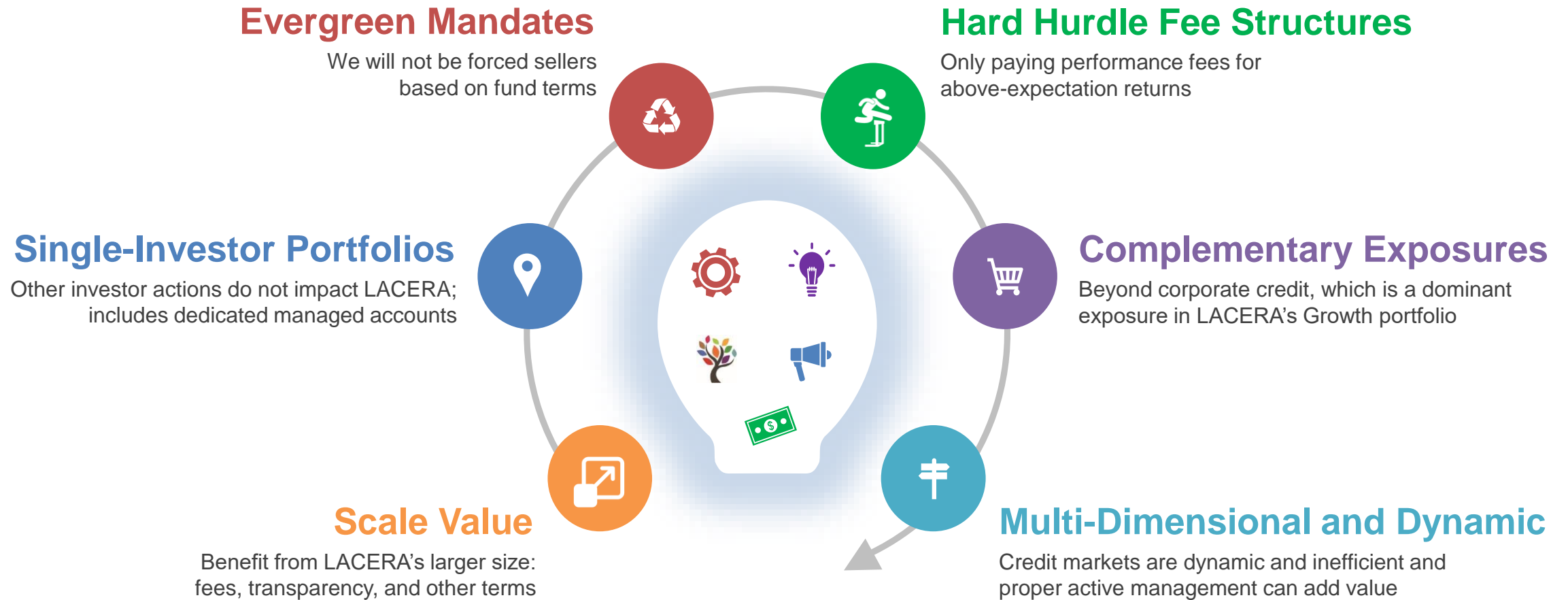
LACERA's credit portfolio implementation would:

- Exhibit moderate risk and return
- Emphasize yield-generating strategies
- Have considerable breadth across types of credit assets and strategies
- Opportunistically invest across risk spectrums
  - Security seniority
  - Geography
  - Borrower profile



HY is an abbreviation for high yield bonds. Return and risk levels are imprecise and shown for illustration purposes. Categories of credit shown are examples and may not be comprehensive or adhere to other listings of credit categories

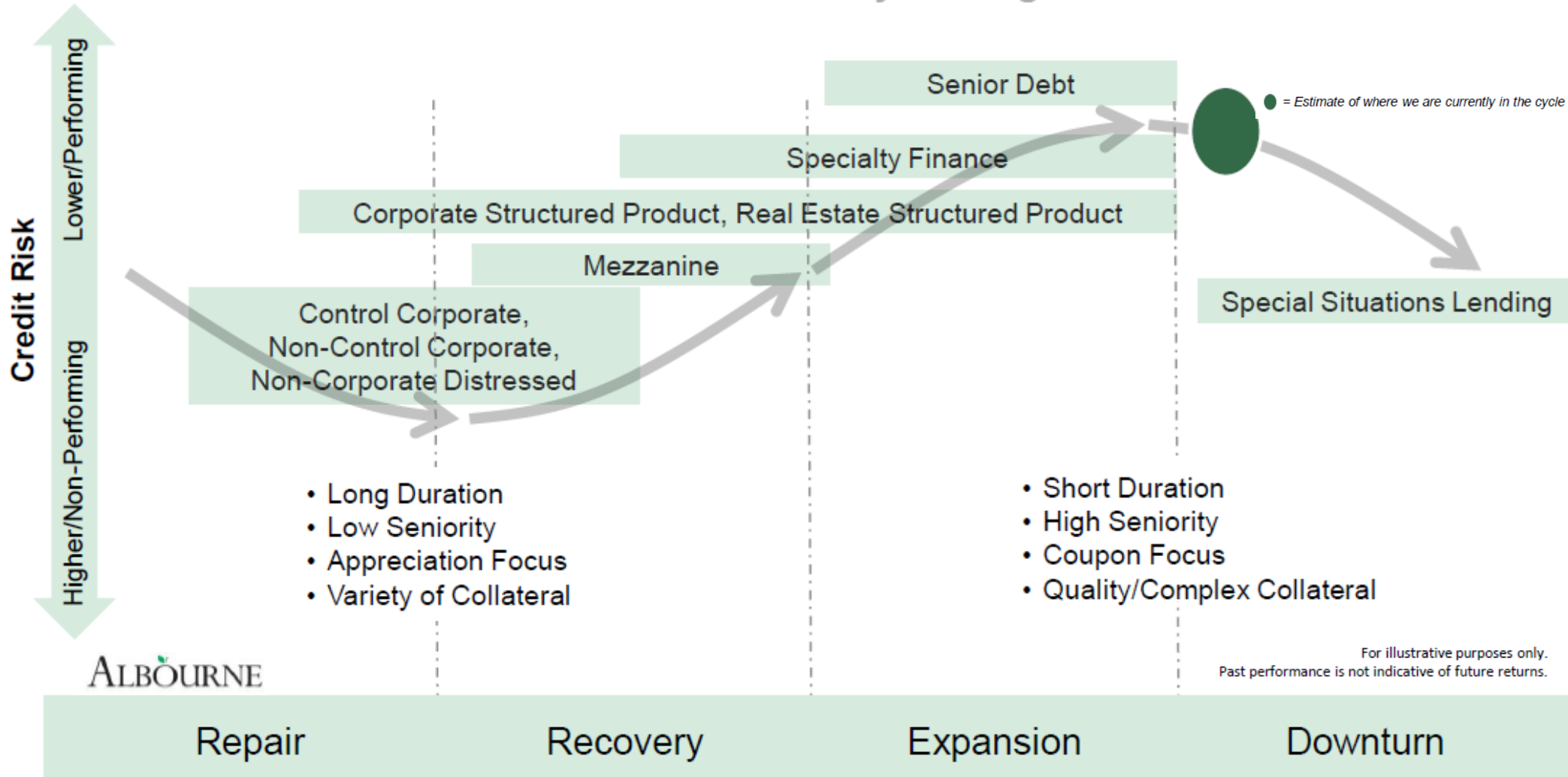
# Credit: Desired Implementation Attributes



# Credit: Multi Dimensional and Dynamic



## Generalized Credit Cycle Stages



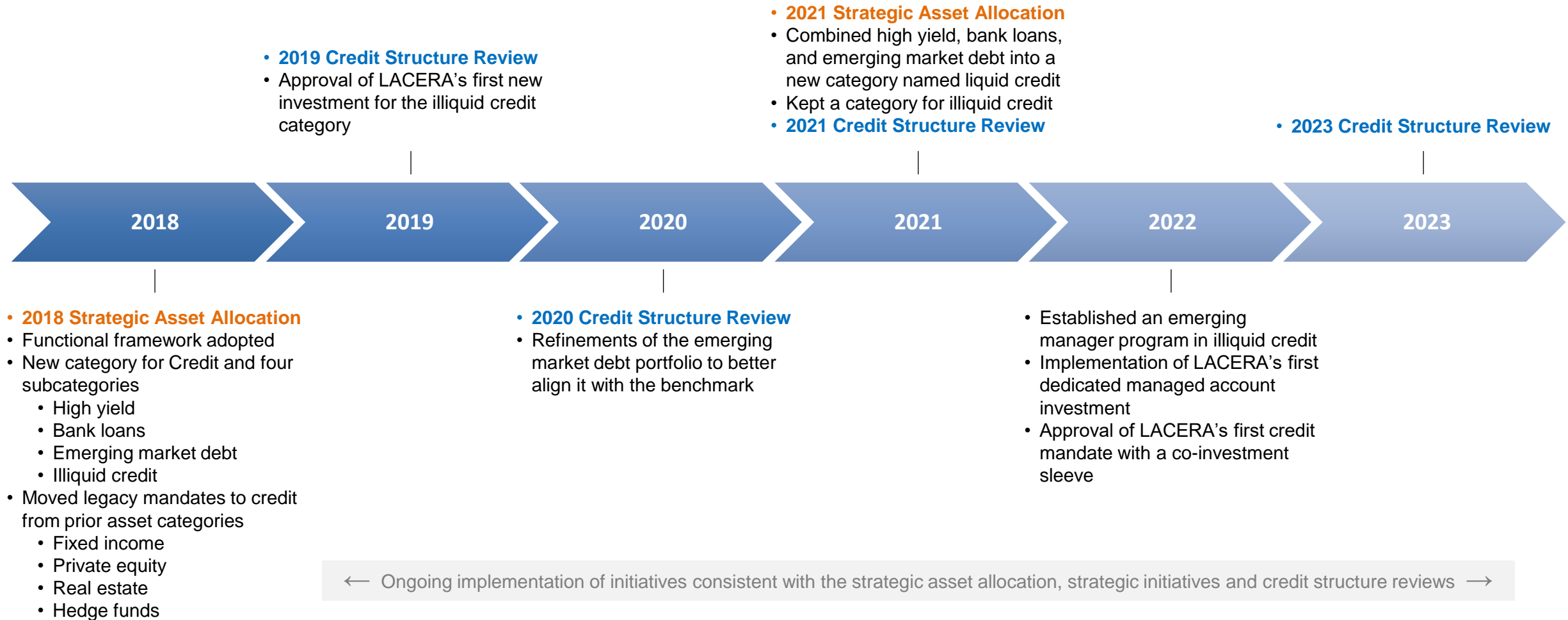
- Credit markets are dynamic
- Relative best value for new investments changes over time
- Different expertise may shine at different times
- Credit investors can benefit from flexible and adaptive implementations
- Being an enduring investor in credit does not have to be via static buy and hold



# Credit: Summary Timeline



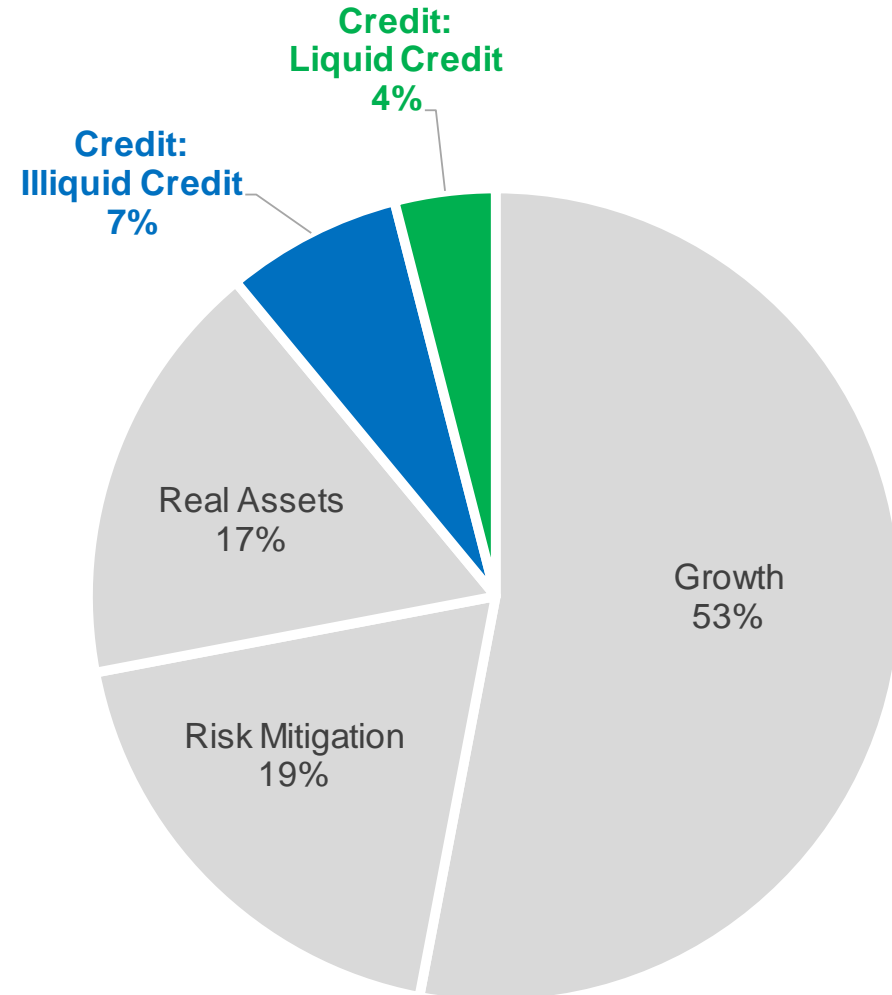
- Below is a summary timeline of the credit functional category at LACERA



# Credit: Allocation Targets



- LACERA's Credit portfolio has an 11% total Fund target allocation with two sub-categories
- Target allocations for the sub-categories are shown in the pie chart, totaling 11%
  - Illiquid Credit has a 7% target allocation with a 4-10% range
  - Liquid Credit has a 4% target allocation with a 1-7% range

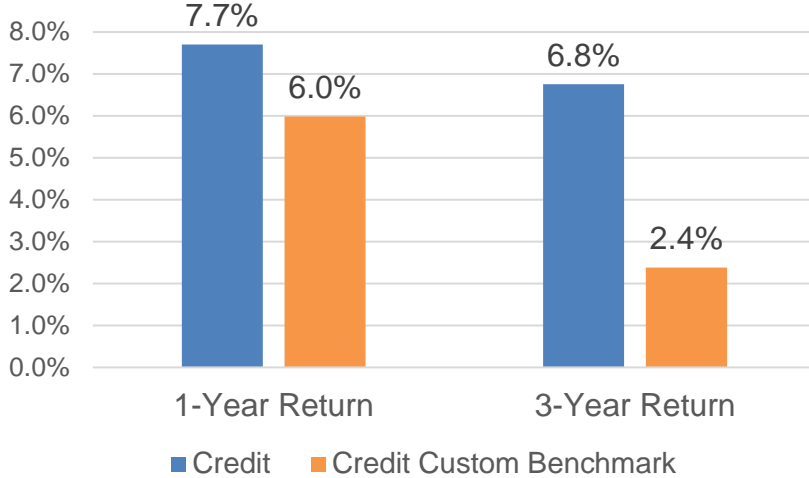


The allocation ranges and targets shown above were established at a strategic asset allocation study that concluded in 2021. LACERA's next strategic asset allocation study is scheduled to conclude in 2024

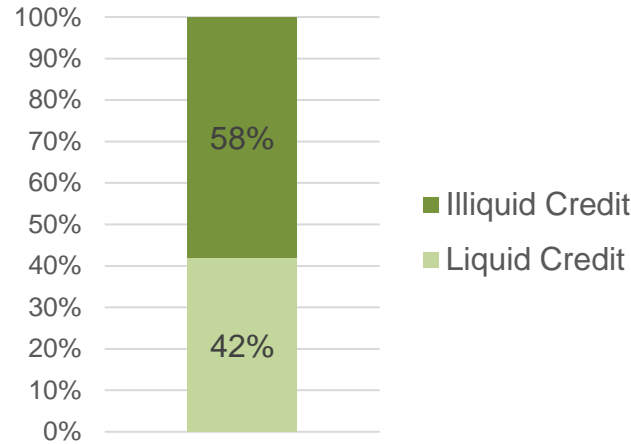
# Credit: Performance



Credit Composite

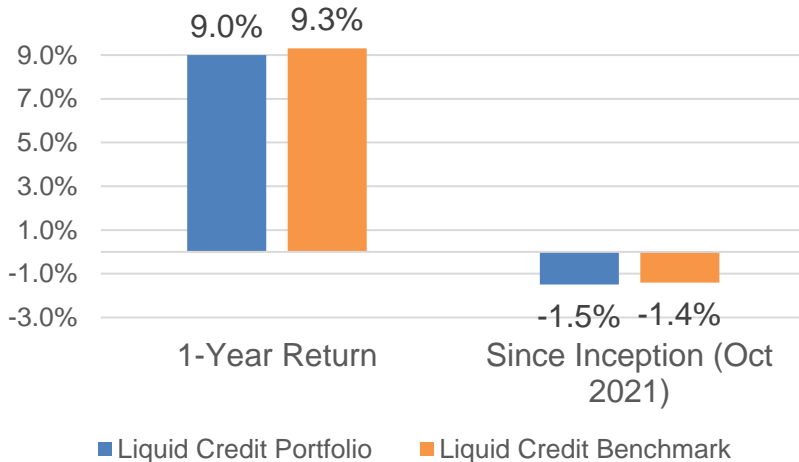


Credit Composite Breakdown

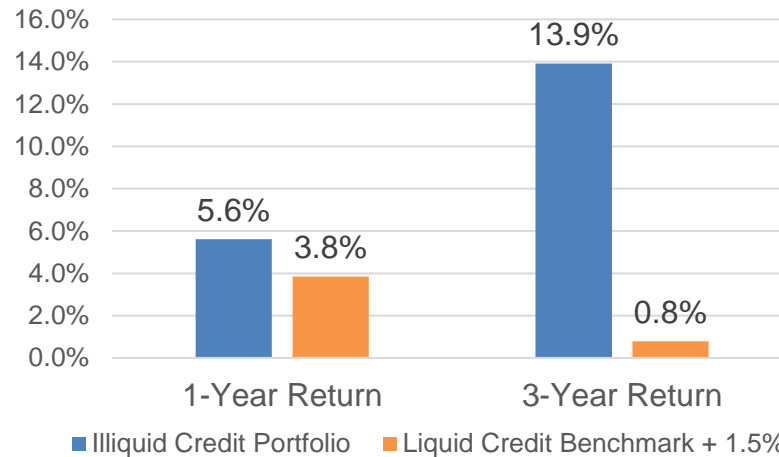


- 1 and 3-year overall credit composite returns have outperformed the benchmark
- Composite outperformance was driven by illiquid credit results
- The illiquid credit portfolio has grown in recent years and is now larger than the liquid credit sub-category

Liquid Credit



Illiquid Credit



- The liquid credit portfolio has slightly underperformed its benchmark over the 1-year and since inception periods
- The illiquid credit portfolio outperformed its 1 and 3-year benchmark returns by 180 bps and 1310 bps annualized, respectively

Data is from State Street as of June 30, 2023 and is net of fees. Illiquid Credit returns and its benchmark returns are reported on a 1-month lag. Returns beyond 1-year are annualized



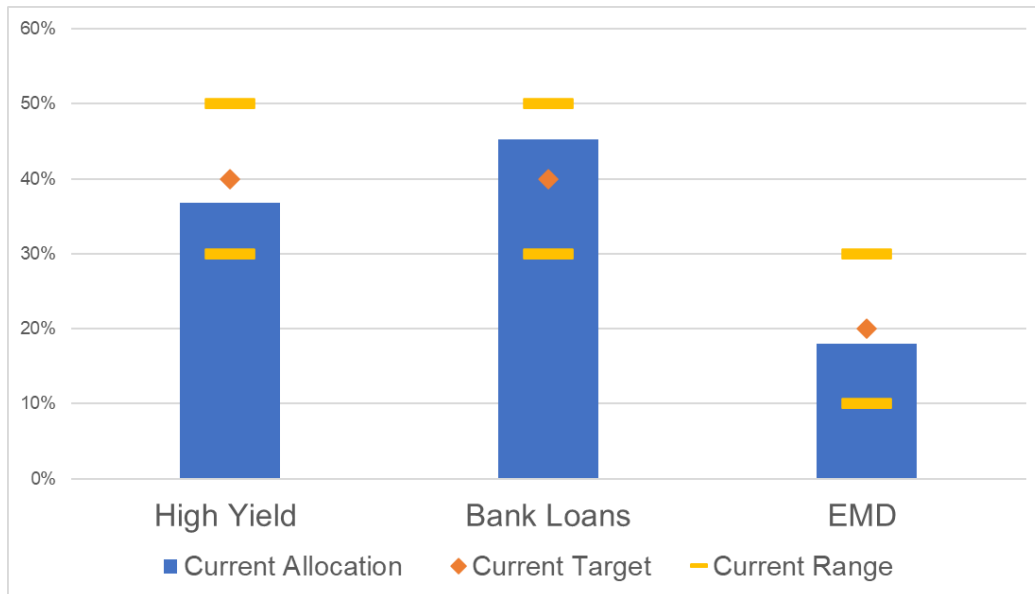
# Liquid Credit

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# Liquid Credit: Portfolio Structure



	High Yield (HY)	Bank Loans (BL)	Emerging Market Debt (EMD)
<b>Benchmark</b>	Bloomberg Barclays US Corporate HY Index	CS Leveraged Loan Index	50% J.P. Morgan EMBI GD 25% J.P. Morgan CEMBI BD 25% J.P. Morgan GBI-EM GD
<b>Exposures</b>	Corporate bonds rated below investment grade	Floating rate instruments	Sovereign and corporate bonds issued by developing countries
<b>Implementation</b>	3 Active Mandates	3 Active Mandates	2 Active Mandates

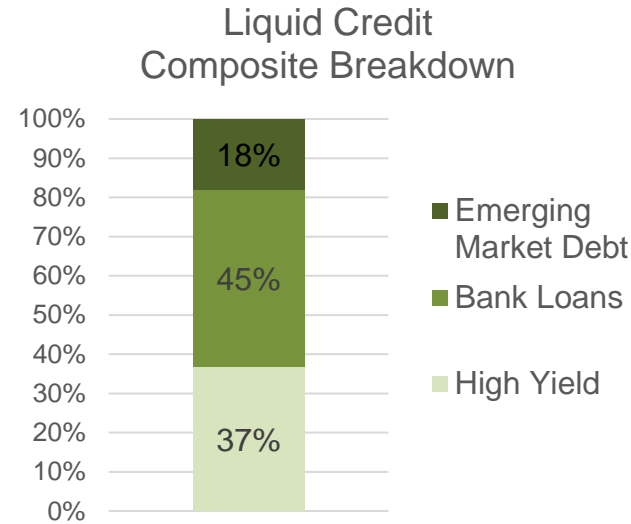
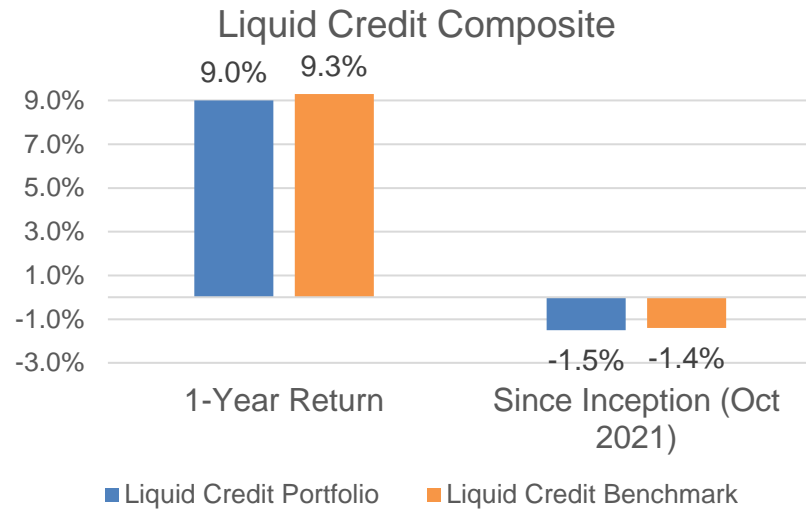


## The Board-approved Liquid Credit benchmark is 40% / 40% / 20% (HY / BL / EMD)

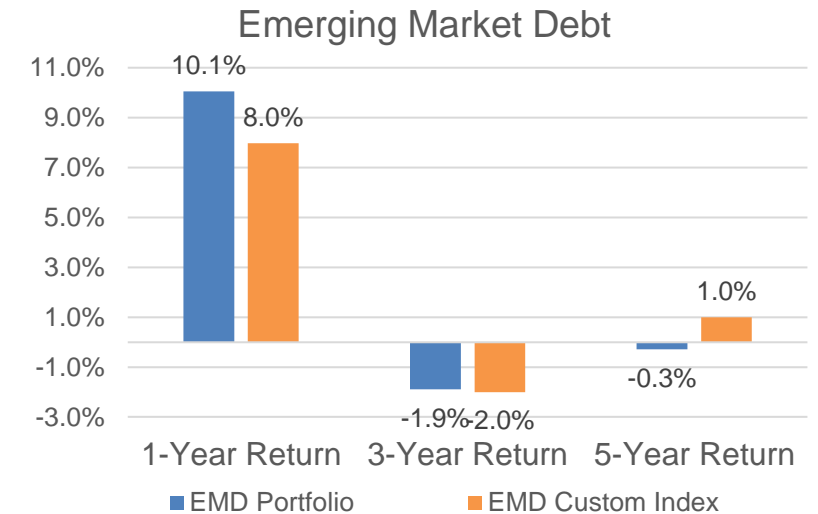
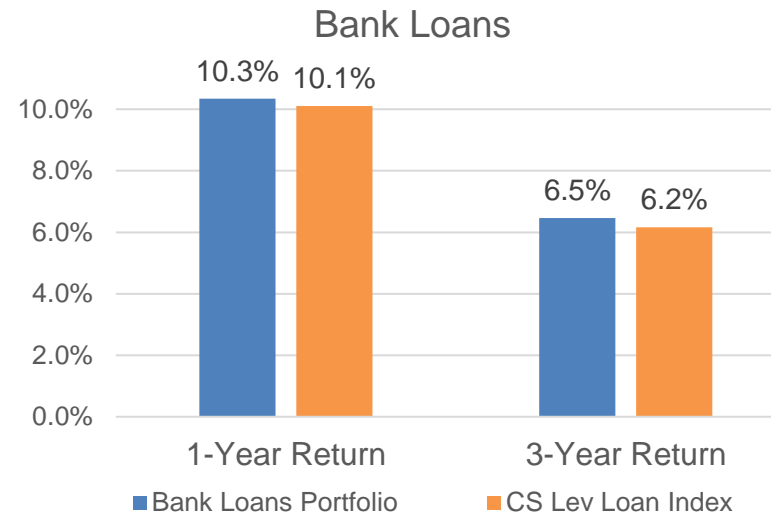
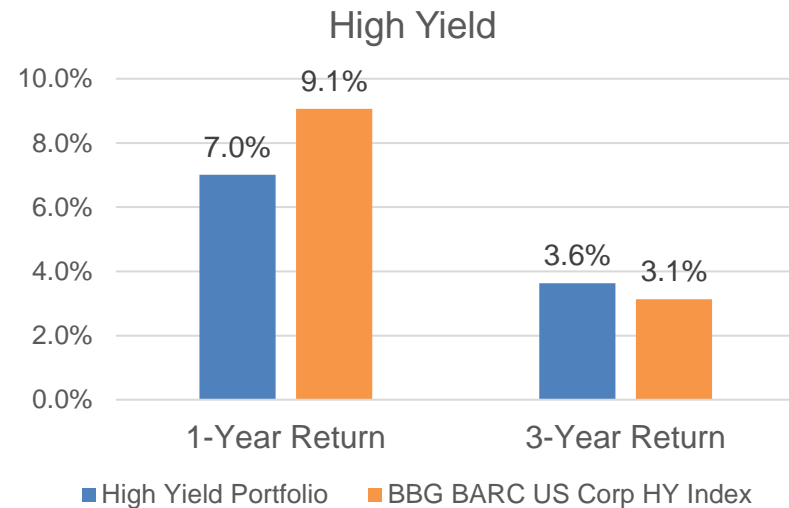
- 20% EMD is split into:
  - 50% J.P. Morgan EMBI GD – U.S. Dollar Sovereign Debt
  - 25% J.P. Morgan CEMBI BD – U.S. Dollar Corporate Debt
  - 25% J.P. Morgan GBI-EM GD – Local Currency Debt
- The current portfolio complies with the liquid credit program guidelines

Index descriptions are in the Glossary

# Liquid Credit: Performance



- The high yield portfolio has underperformed its benchmark over the trailing 1-year period and outperformed over the trailing 3-year period
- The bank loan portfolio has outperformed its benchmark over the trailing 1 and 3-year periods and returns have been positive
- EMD has positive performance in the recent trailing 1-year period but has delivered negative returns over longer term periods, underperforming the benchmark on an annualized basis over the trailing 5-year period

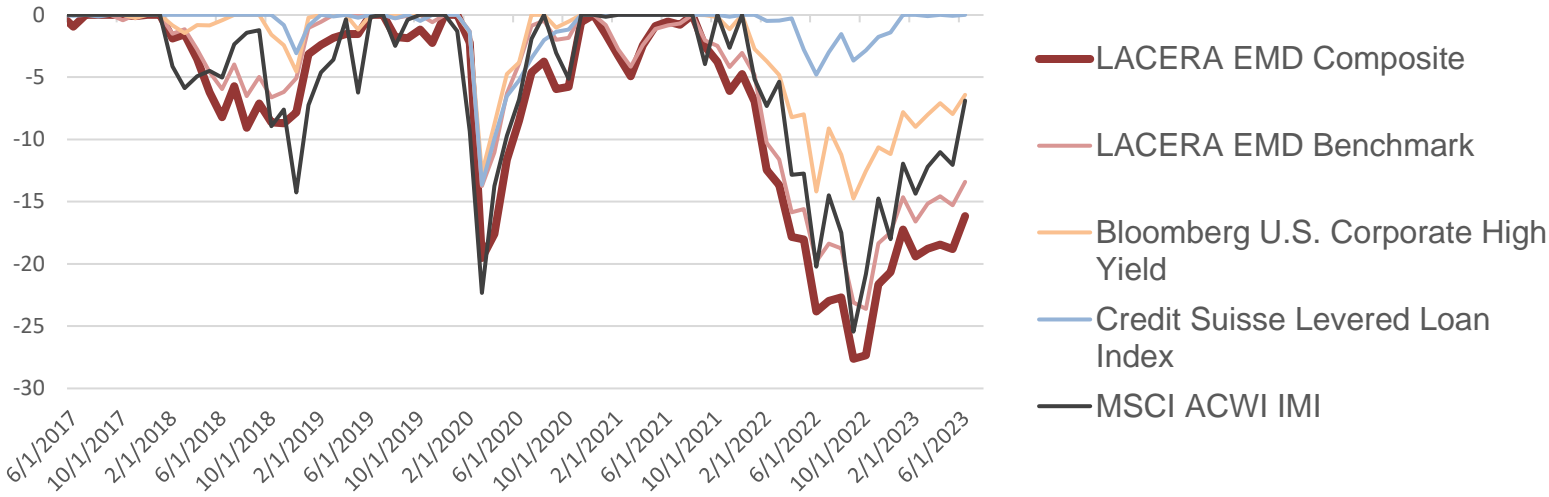


Data is from State Street as of June 30, 2023 and is net of fees. Returns beyond 1-year are annualized. EMD is an abbreviation for Emerging Market Debt. Due to prior Board approved Credit structural changes, the only composite that has a 5-year return history within Credit is EMD.

# Liquid Credit – EMD: Performance & Risk



Historical Drawdowns June 2017 - June 2023



## Key Takeaways

- LACERA has not been compensated for the incremental risks incurred from and associated with EMD investments
- The risk and return profiles of the EMD portfolio and EMD benchmark are not consistent with the moderate risk and return objectives of Credit
- A majority of EMD's 2022 negative returns were due to the rise in US interest rates for hard currency EMD and foreign currency risk for local currency EMD
- The EMD portfolio experienced deeper since inception drawdowns than equities (MSCI ACWI IMI Index)
- The EMD portfolio has delivered negative annualized returns since inception and has underperformed its benchmark
- The EMD portfolio and EMD benchmark produced negative since inception risk adjusted returns as measured by the Sharpe ratio

RETURN METRICS SINCE EMD PORTFOLIO INCEPTION (JUNE 2017 – JUNE 2023)	ANNUALIZED RETURN	STANDARD DEVIATION	SHARPE RATIO	MAXIMUM DRAWDOWN LOSS VALUE	MAXIMUM DRAWDOWN LENGTH	CORRELATION TO MSCI ACWI IMI INDEX	NUMBER OF DOWN MONTHS (72 TOTAL)	INTEREST RATE DURATION (AS OF 6/30/23)
LACERA EMD Composite	(0.7)	12.0	(0.19)	(27.6)	13	0.75	33	5.8
LACERA EMD Benchmark	0.6	9.4	(0.10)	(23.6)	14	0.75	28	5.7
Bloomberg U.S. Corporate High Yield	3.2	8.5	0.20	(14.7)	9	0.86	25	3.5
Credit Suisse Leveraged Loan Index	4.1	6.6	0.39	(13.7)	2	0.68	20	0.1
MSCI ACWI IMI Index	8.2	16.8	0.40	(25.7)	9	1.00	24	N/A

LACERA EMD Composite and Benchmark returns data is from State Street and is net of fees. All other index returns data is from Zephyr and/or the index itself. Return metrics calculations are from Zephyr. Interest rate duration data comes from LACERA's managers. EMD is an abbreviation for Emerging Market Debt.

# Liquid Credit - EMD: 10-Year Expected Returns



## 2023 Capital Markets Expectations

### 10-year Geometric Expected Returns Credit

	2023 E(R) (%)	2022 E(R) (%)	Δ From 2022 (%)	Notes
High Yield Bonds	8.0	3.3	4.7	Higher yields
Higher Quality High Yield	7.1	3.0	4.1	Higher yields
Bank Loans	7.6	2.7	4.9	Higher yields
Collateralized Loan Obligations(CLOs)	8.0	3.2	4.8	Higher yields
Convertible Bonds	6.1	2.2	3.9	Higher yields
Emerging Market Bonds (major)	6.7	3.6	3.1	Higher yields
Emerging Market Bonds (local)	6.4	5.0	1.4	Higher yields
Private Debt	9.4	6.7	2.7	Higher yields
Direct Lending	8.5	6.5	2.0	Higher yields
Asset Based Lending	9.4	6.8	2.6	Higher yields
Special Situations Lending	10.8	NA		New

- **Key Takeaways based on Meketa's 2023 Credit Capital Market Expectations**
  - The 10-year expected returns for EMD have previously been higher than high yield bonds and bank loans, indicating that investors may be compensated for incremental risks
  - EMD no longer looks attractive relative to other areas of Credit from a 10-year expected return perspective, especially considering EMD's higher level of expected risk

LACERA's BOI is undergoing a strategic asset allocation study planned to conclude in 2024. The BOI has yet to adopt capital market expectations for this study and accordingly, this slide is indicative

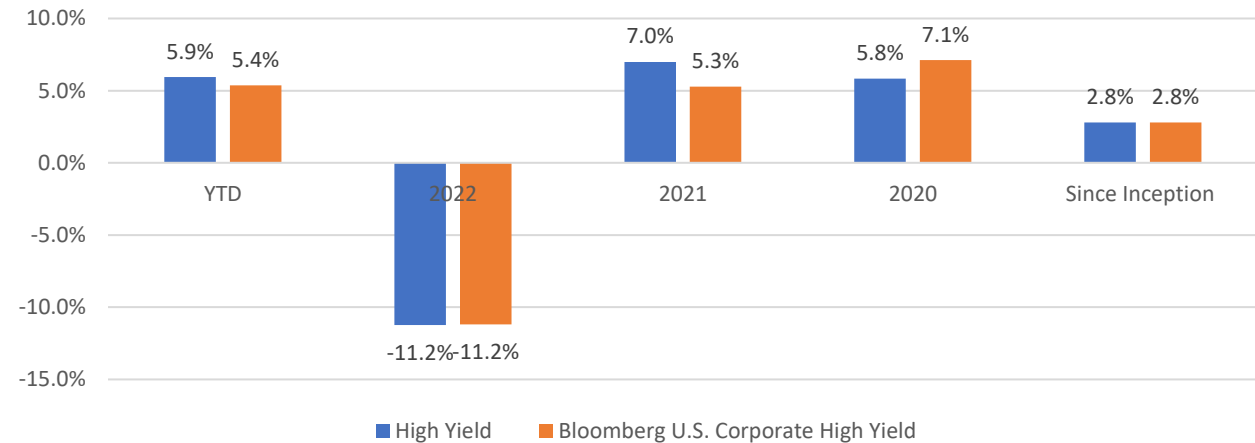


# Liquid Credit – HY: Performance & Risk



Risk Summary	
Total Risk	7.4
Active Risk	1.0
Portfolio Beta	1.0
Effective Duration	3.5
Yield to Worst (%)	9.0

High Yield Portfolio Performance  
April 2019 - June 2023



Return Metrics Since Portfolio Inception (April 2019 - June 2023)	Annualized Return (%)	Sharpe Ratio	Standard Deviation (%)	Maximum Drawdown (%)
High Yield Composite	2.8	0.1	9.8	14.2
Bloomberg U.S. Corporate High Yield	2.8	0.1	9.7	14.7

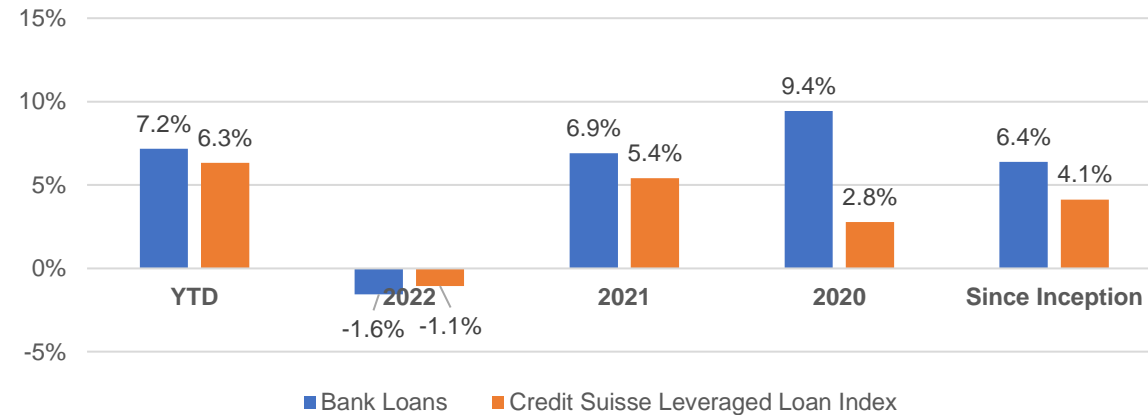
- The high yield portfolio is actively managed with limited flexibility to deviate from the benchmark.
- In shorter term periods, the portfolio has demonstrated some out/(under)performance, however in longer term periods, performance and risk is in line with the benchmark.

LACERA High Yield Composite and Benchmark returns data is from State Street and is net of fees. All other index returns data is from Zephyr and/or the index itself  
Return metrics calculations are from Zephyr. Risk Summary metrics are from MSCI Barra One as of May 31, 2023. HY is an abbreviation for high yield

# Liquid Credit – BL: Performance & Risk



**Bank Loan Portfolio Performance**  
April 2019 - June 2023



Risk Summary	
Total Risk	4.8
Active Risk	0.7
Portfolio Beta	0.9
Effective Duration	0.4
Yield to Worst (%)	7.7

Return Metrics Since Portfolio Inception (April 2019 - June 2023)	Annualized Return (%)	Sharpe Ratio	Standard Deviation (%)	Maximum Drawdown (%)
Bank Loans	6.4	1.1	4.4	5.0
Credit Suisse Leveraged Loan Index	4.1	0.4	7.7	13.7

- 2020 performance is impacted by lagged data and the funding of a new mandate
- Beyond 2020, the bank loan portfolio appropriately tracks the benchmark

LACERA Bank Loans Composite and Benchmark returns data is from State Street and is net of fees. All other index returns data is from Zephyr and/or the index itself. Return metrics calculations are from Zephyr. Risk Summary metrics are from MSCI Barra One as of May 31, 2023. BL is an abbreviation for bank loans

# Liquid Credit: Portfolio Guidelines



- Guidelines are noted below with notes relative to existing guidelines

	<u>Proposed</u>	<u>Relative to Existing Guidelines</u>
<b>Return Objective</b>	Meet or exceed the return of the aggregate Board approved benchmark	Replaced "each" with "the aggregate"
<b>Benchmark</b>	40% Bloomberg US Corporate High Yield Index 40% Credit Suisse Leveraged Loan Index 20% of a custom blend of emerging market debt indices (50% J.P. Morgan EMBI GD, 25% J.P. Morgan CEMBI BD, 25% J.P. Morgan GBI-EM GD)	Added specificity to the language while benchmarks themselves remain unchanged
<b>Risk Target</b>	Target tracking error of 2% over 5 years	No change
<b>Sectors</b>	Benchmark weight +/- 10%	No change
<b>Geography</b>	Maximum of 40% non-U.S. exposure	Removed "Target non-U.S. 35%"
<b>Currency</b>	Maximum of 7.5% non-U.S. dollar exposure	Removed "Target non-U.S. dollar 5%"
<b>Credit Quality</b>	Benchmark weight +/- 10%	No change
<b>Leverage</b>	None	No change
<b>Allocation Targets and Ranges</b>	High yield: 40% target +/- 10% Bank loans: 40% target +/- 10% Emerging market debt: 20% +/- 10%	No change No change No change

- The adjustments regarding geography and currency are intended to not impose specific target exposures via these guidelines and instead rely on benchmark exposures and allocation ranges while maintaining geography and currency maximum exposure levels for control and compliance

Index descriptions are in the Glossary



- Advancement and approval of this structure review would result in the following regarding the liquid credit portfolio:
  - Adopt portfolio guidelines as described



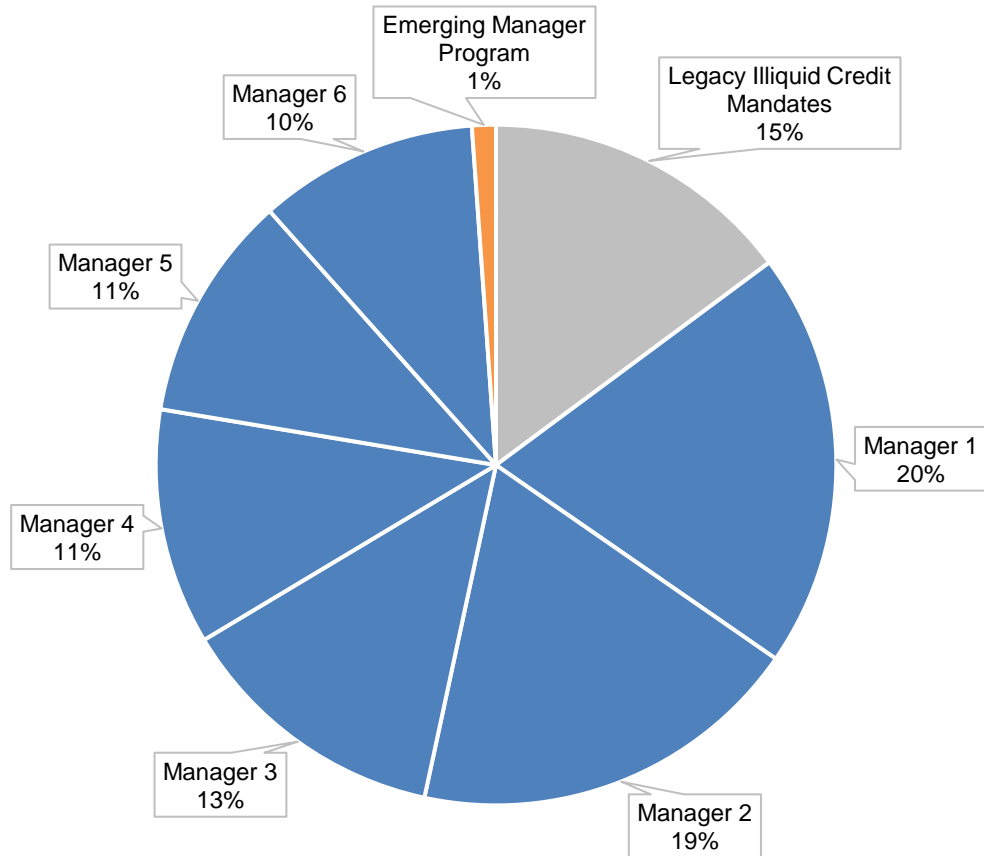
# Illiquid Credit

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# Illiquid Credit: Portfolio Structure



## Portfolio as of 6/30/23



- The current portfolio complies with the Illiquid Credit program guidelines

### Initiatives Underway

- Continue utilizing the board approved Dedicated Management Account (“DMA”) platform. Recent new mandates were structured in a DMA designed to increase transparency, benefit expense management, prevent forced selling, and enhance oversight
- Continue tailoring economics to benefit LACERA’s membership. Recent new mandates have been implemented with LACERA’s hard hurdle fee structure to better align interests and not pay performance fees for average outcomes
- Continue building out emerging manager program towards the board approved target of ~15% of the Illiquid Credit portfolio
- Continue monitoring the portfolio, managers, and underlying exposures

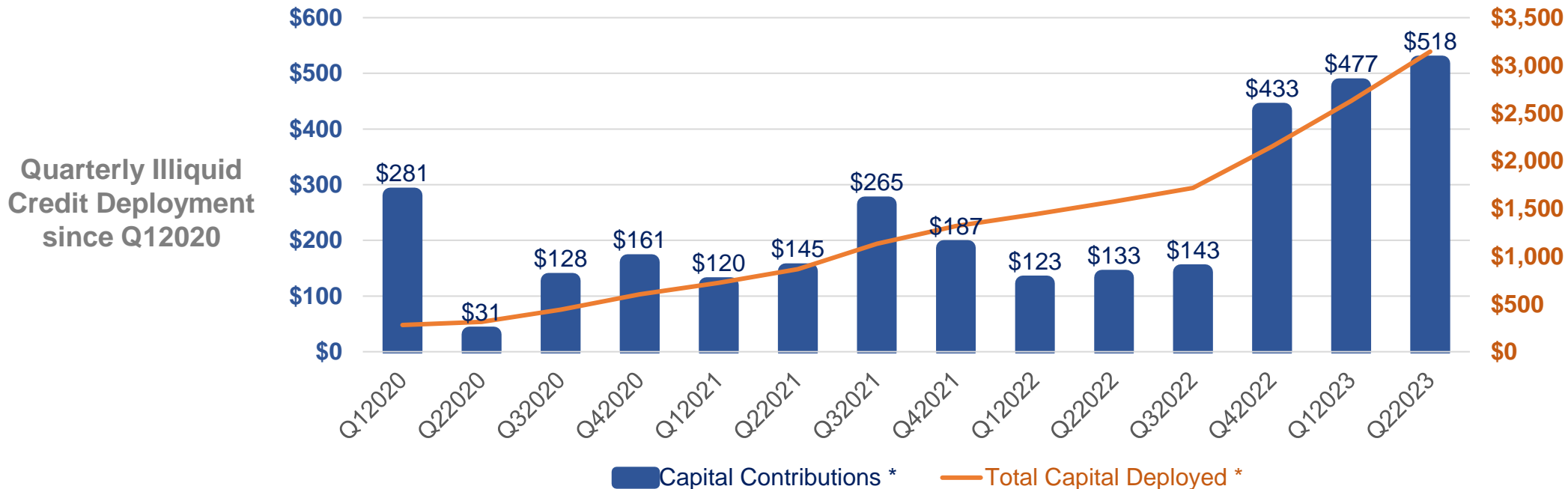
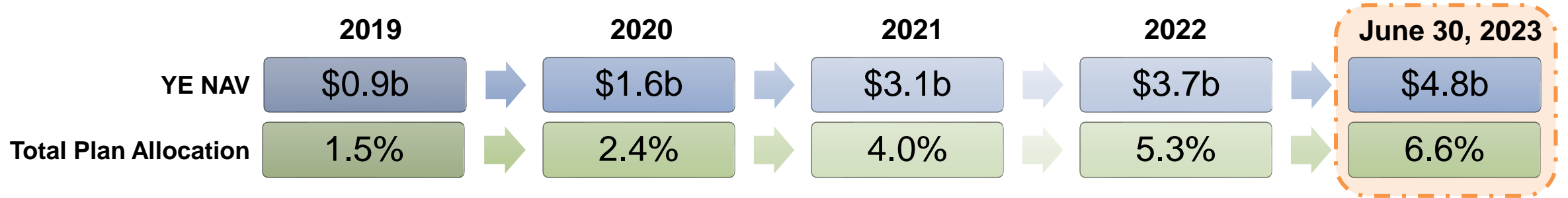
### Initiatives That Would Require Future Approvals

- New investments into or terminations from the main portfolio
- Graduations from the emerging manager program to the main portfolio

# Illiquid Credit: Capital Deployment



The Illiquid Credit Portfolio has grown meaningfully since 2019, steadily deploying capital in a prudent manner.



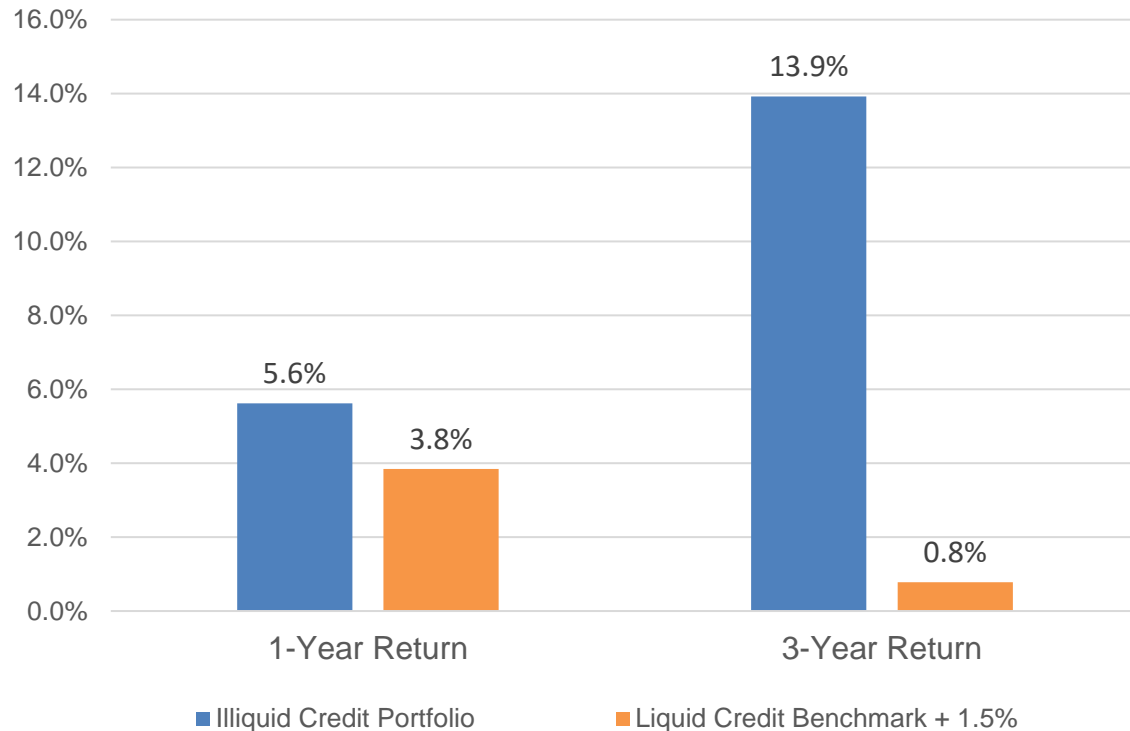
\* \$ in millions  
Data is from State Street as of June 30, 2023

# Illiquid Credit: Performance



## Trailing 1-year and 3-year returns as of 6/30/2023

Illiquid Credit



- Outperformance over the 1 and 3-year periods
- The flexible illiquid credit mandates in the portfolio have maneuvered well over recent years and in 2022, which was a challenging year for the broad public credit and growth markets
- LACERA's Board-approved dedicated managed account evergreen structures and tailored economic terms have benefited performance
- Considering LACERA's illiquid credit mandates and terms:
  - \$50 - \$70 million of estimated annual return optimization from fee efficiency compared to conventional fund structures and fee terms\*

Data is from State Street as of June 30, 2023 and is net of fees. Illiquid Credit returns and its benchmark returns are reported on a 1-month lag. Returns beyond 1-year are annualized

\* The annual fee efficiency estimate represents 1.2% to 1.6% of incremental net return. The annual fee efficiency estimate considers fund expenses, management fees, and performance fees applicable to the five most recently established mandates in LACERA's illiquid credit portfolio compared to commingled fund alternatives in a year with a 9% gross return. The low end of the savings range compares LACERA to commingled direct lending funds with a 1.1% management fee and a 13.1% performance fee, as compiled from a survey of 49 firms conducted by Cliffwater in 2022. This universe of direct lending funds may have lower complexity than LACERA's subject mandates. The high end of the savings range compares LACERA to commingled funds with a 1.5% management fee and a 15% performance fee. Additional savings from co-investments are not considered. Indirect or non-economic benefits of the dedicated managed account structure such as increased transparency and influence on reimbursable expenses are not quantified in the fee efficiency estimate



# Illiquid Credit Co-investment: Performance



## Summary of Illiquid Credit Co-investment Program as of May 31, 2023

Number of Co-investments	3
Net Asset Value	\$39 million
BOI Approved Maximum Amount	\$175 million
Co-investment Portfolio Inception	2022 (approved by BOI in 2021 as a sleeve of an illiquid credit investment)
Inception to Date Return <sup>1</sup>	17.7%
Fees on Co-investments	None

### Key takeaways:

- The illiquid credit co-investment framework has worked well, specifically with regard to performance, execution timing, guideline adherence, reducing overall fees, and LACERA's strategic objectives
- Staff will seek additional co-investment opportunities in a similar framework for future consideration

<sup>1</sup> Returns data is net of fees and from Citco Fund Services with an inception date of September 1, 2022, the independent administrator of the subject illiquid credit investment account

# Illiquid Credit: Emerging Manager Program Update

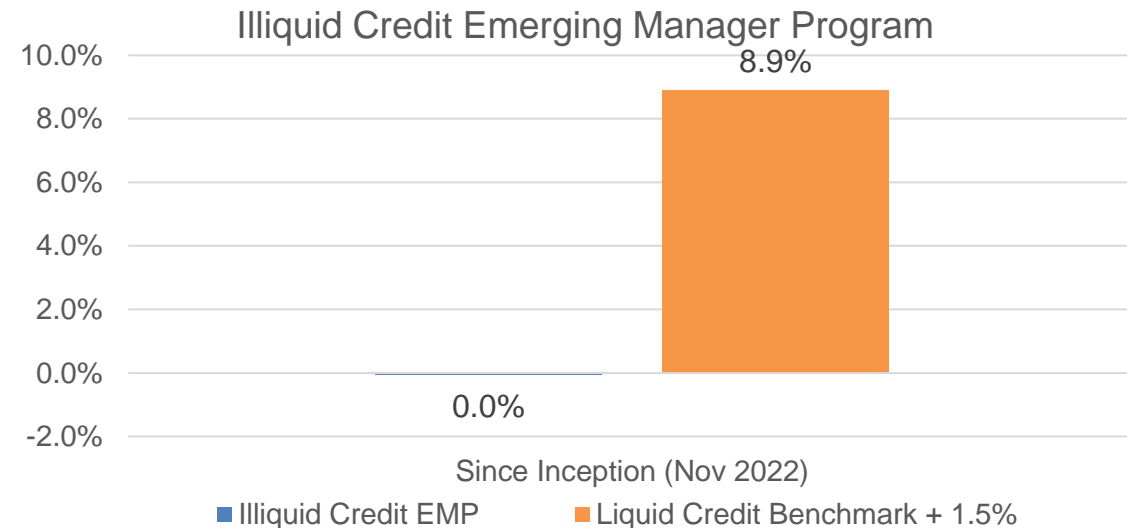


## Snapshot of Program as of June 30, 2023

Separate Account Manager	Stable Asset Management
Portfolio Net Asset Value	\$55 million
Portfolio Inception	2022
Emerging Managers	1
Revenue Sharing Accounts	1

## Key Takeaways

- The Program launched in November 2022 and has made one investment in a music royalties fund, committing \$100m to the strategy
  - Given the early stage and closed-end fund structure of the first investment, strategy performance is impacted by the J-curve and a reporting lag
- The Program is expected to have ~10 emerging manager line items and a net asset value of around \$750m when fully ramped
- Revenue sharing is likely a component in several of the mandates, where LACERA would share in the success of the emerging managers

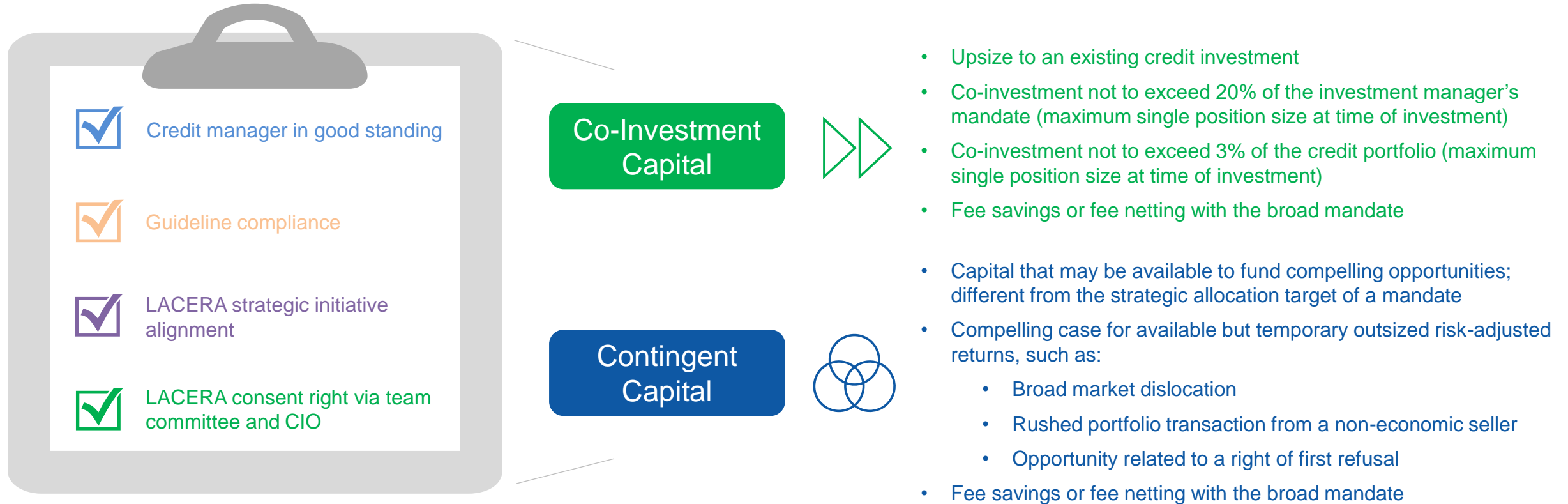


Data is from State Street as of June 30, 2023 and is net of fees. Illiquid Credit EMP returns and its benchmark returns are reported on a 1-month lag

# Illiquid Credit: Co-Investment & Contingent Capital



With the backdrop of LACERA's strategic initiatives, credit markets being dynamic, credit investing benefitting from adaptive flexibility, and market dislocations being short-lived, co-investment and contingent capital strategies can add value. Below is a framework to add both co-investment and contingent capital options for a good-standing credit manager.



- When considering whether to exercise its consent right, LACERA would evaluate available funding, portfolio fit, exposure concentrations, the manager's portfolio construction and credit underwriting capabilities, the manager's LACERA scorecard evaluations, and LACERA's strategic initiatives
- LACERA has one credit mandate with a co-investment sleeve and one credit mandate with a contingent capital component, each of which the BOI approved as part of an individual investment recommendation. The contingent capital component of the existing credit mandate is a specified commitment without a LACERA consent right
- If approved, the above framework could be applied to prospective or existing mandates in good standing to further advance several of LACERA's strategic initiatives
- LACERA's dedicated managed account platform can track performance of co-investments separately and may be the preferred structure for mandates with this feature

# Illiquid Credit: Portfolio Guidelines



- Guidelines are noted below with notes relative to existing guidelines

	<u>Proposed</u>	<u>Relative to Existing Guidelines</u>
<b>Return Objective</b>	Greater than liquid credit markets; more than compensating for incremental risk	No change
<b>Benchmark</b>	LACERA's Custom Liquid Credit Benchmark plus 1.5% per year	No change
<b>U.S. Exposure</b>	Minimum of 50% invested in the U.S. market	No change
<b>Geographic Exposure</b>	Maximum of 15% invested in non-developed markets	No change
<b>Currency Exposure</b>	Minimum of 90% invested in assets that are denominated in or hedged to the U.S. dollar	No change
<b>Manager Count</b>	~ 10 direct portfolio and ~ 10 emerging manager portfolio	No change
<b>Emerging Manager Program</b>	Evergreen separate account emerging manager program 15% target allocation with a 10-20% range (of the Illiquid Credit portfolio)	No change
<b>Co-investments</b>	Permitted for managers in good standing; not to exceed 20% of a manager's mandate or 3% of the credit portfolio with LACERA maintaining a portfolio fit veto	New guideline
<b>Contingent Capital</b>	Permitted for managers in good standing with LACERA maintaining a portfolio fit veto	New guideline

- The new guidelines added above are designed to frame scalable approaches for co-investments and contingent capital deployment within illiquid credit, as described on the preceding page

# Illiquid Credit: Portfolio Guidelines



- Guidelines for the **illiquid credit emerging manager program (EMP)** are below
- These guidelines are in addition to the program-level guidelines from the previous page

	<u>Proposed</u>	<u>Relative to Existing Guidelines</u>
<b>Program Framework</b>	Evergreen separate account emerging manager program	No change
<b>Allocation Target and Range</b>	15% target allocation with a 10-20% range (of the illiquid credit portfolio)	No change
<b>Emerging Manager Definition</b>	An emerging illiquid credit manager meets the three following criteria at initial investment: <ul style="list-style-type: none"> <li>- Organization/team has less than \$1 billion of assets under management;</li> <li>- Organization/team has managed external capital in an institutional vehicle for less than 5 years; and</li> <li>- Organization/team is at least 66% owned by managing principals and employees</li> </ul>	Added "at initial investment" Added "/team" Added "/team" Added "/team"
<b>Graduation Description</b>	Graduation entails re-categorizing an investment from LACERA's emerging manager program to LACERA's primary portfolio that may adjust the size of the investment	New guideline
<b>Graduation Target Timeframe</b>	3 - 12 years after an initial investment or within 2 years of a subject closed-end fund coming to the end of its life noting that this guideline is a target and a goal	New guideline
<b>Graduation Authority</b>	Graduation would require approval like any new non-EMP investment as articulated in the IPS	New guideline
<b>Redemption Description</b>	Redemption entails redeeming from an open ended investment in lieu of holding it or a graduation event; closed end fund vehicles may have a natural wind-down process that is not initiated by a fund investor	New guideline
<b>Redemption Guideline</b>	Absent graduation intentions for an open ended investment, a redemption event should commence no later than 12 years after an initial investment noting that nuanced circumstances may delay the redemption	New guideline

- Several new guidelines added above are designed to define and frame approaches to both graduation and redemption
- Merit, objectives, strategic initiatives, context, portfolio fit, and case specifics would be evaluated for graduation or redemption decisions
- Not included in the proposed guidelines is past language that an existing manager would no longer be emerging if: 1) organization assets under management exceed \$2 billion for the trailing 24 months and the fund has a 60-month performance track record, 2) LACERA's initial investment occurred greater than 7 years ago, or 3) the organization is not at least 66% owned by managing principals or employees



- Advancement and approval of this structure review would result in the following regarding the illiquid credit portfolio:
  - Adopt portfolio guidelines as described
  - Approve a co-investment and contingent capital framework



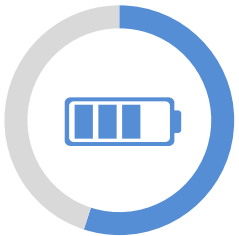
# Credit

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## Completed

- Establishment of an emerging manager program in the illiquid credit portfolio with a 15% target allocation
- Implementation of LACERA's first dedicated managed account investment
- Material portfolio adjustments in response to LACERA's 2021 strategic asset allocation study



## In Process

- Wind down of select legacy credit mandates as consistent with prior approvals and structure reviews
- Capital deployment into the illiquid credit emerging manager program
- Rebalancing activity and new investments to support asset allocation targets within credit
- Investment due diligence on credit strategies that are best suited with LACERA strategic initiatives and goals



## Upcoming

- Continue to implement the portfolio in accordance with approved guidelines and objectives
- Illiquid Credit Emerging Manager Program development and potential graduations
- As part of a strategic asset allocation study, consider the credit portfolio's framework, discrete components, liquidity, and benchmarking
- Initiate RFP search for asset category consultant(s) pending BOI approval of MQs and searches – hedge fund and credit portfolios



# Credit: Summary Recommendations



- Summarized below are the recommendations in this structure review:

## Credit

- Affirm role, moderate implementation approach, and desired implementation attributes

## Liquid Credit

- Adopt proposed portfolio guidelines

## Illiquid Credit

- Adopt proposed portfolio guidelines
- Approve a co-investment and contingent capital framework



# Appendix

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# Attachment 1 – Glossary of Terms



Term	Definition
<b>Active Risk</b>	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 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.
<b>Beta</b>	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 1.0 indicates that, on average, the asset is expected to move in tandem with the market or benchmark.
<b>Bloomberg Barclays US Corporate HY Index</b>	A commonly used benchmark index for high yield, fixed-rate corporate bonds.
<b>Bps or bps</b>	An acronym for basis points where one bps equals one hundredth of one percent or 0.01%.
<b>Correlation</b>	Correlation measures how closely related the variances of two return series are.
<b>Credit Suisse Leveraged Loan Index</b>	A commonly used benchmark index for high yield, floating-rate corporate bonds.
<b>Dedicated Managed Account Platform</b>	A DMA platform allows an investor such as LACERA to invest in a single-investor structure where assets within the account are held in custody for the sole benefit of the investor. Benefits include the potential for: increased options for control of assets, reduction of investment and non-investment related costs, and increased transparency. A DMA platform manager, such as Innocap for LACERA, acts as a fiduciary, has oversight responsibilities, and administers day-to-day functions of the account.
<b>Duration (or Effective Duration)</b>	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, puttable bonds, and mortgage-backed securities).

# Attachment 1 – Glossary of Terms (continued)



<b>Term</b>	<b>Definition</b>
<b>Floating rate instruments</b>	A financial debt instrument that has a variable coupon rate.
<b>Hard Currency Debt</b>	Sovereign currency debt issued in U.S. dollars.
<b>Hard Hurdle Performance Fee Structure</b>	A fee structure where performance fees are paid to the manager only on a percentage of the profits that exceed a negotiated hurdle rate.
<b>J.P. Morgan CEMBI BD</b>	J.P. Morgan Corporate Emerging Market Bond Index Broad Diversified is an index of emerging market corporate bonds issued in U.S. dollars.
<b>J.P. Morgan EMBI GD</b>	J.P. Morgan EMBI Emerging Market Bond Index is an index of emerging market sovereign bonds issued in U.S. dollars.
<b>J.P. Morgan GBI-EM GD</b>	J.P. Morgan Government Bond Index-Emerging Markets Global Diversified is an index of emerging market government bonds issued in local currency.
<b>J-Curve</b>	Used to describe the shape of a fund's anticipated performance, as plotted on a graph, from inception through to exit. This shape represents low expected returns at the start, followed by a gradual expected increase and recovery to a point that is higher than at the start.
<b>Local Currency Debt</b>	Fixed income debt that is issued by countries with developing economies as well as by corporations within those nations.
<b>Maximum Drawdown</b>	The compounded but not annualized maximum loss over a time period.
<b>MSCI ACWI IMI Index</b>	A global equity market index that captures large, mid and small cap representation across developed and emerging market countries.
<b>Sharpe Ratio</b>	Measures risk-adjusted performance of an investment compared to a risk-free asset.

# Attachment 1 – Glossary of Terms (continued)



Term	Definition
<b>Standard Deviation</b>	Volatility of monthly returns that measures the average deviation from the mean.
<b>Total Risk</b>	The total (gross) risk to an asset, which is the standard deviation of the asset's total return distribution, expressed in percent. 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.
<b>Tracking Error</b>	Tracking error is the difference in actual performance between a portfolio and its corresponding benchmark.
<b>Yield to Worst</b>	The lowest expected potential yield that a bondholder could receive on a callable bond or portfolio.

## MEMORANDUM

**TO:** Each Member, Credit and Risk Mitigation Committee  
**FROM:** Tim Filla, Aysun Kilic, and Imran Zahid  
**CC:** Jon Grabel, CIO - LACERA  
**DATE:** August 9, 2023  
**RE:** Credit Structure Review

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The purpose of this memo is for Meketa Investment Group to formalize its support for staff's recommendation to adopt the updated portfolio guidelines contained in LACERA's 2023 Credit Structure Review.

We reviewed staff's observations related to near term and longer term performance from High Yield, Bank Loans, and Emerging Markets Debt segments and agree that LACERA has not been compensated for the inherent risks associated with investing in the Emerging Markets Debt asset class. This view is also consistent with Meketa's 2023 10-Year Capital Market Return Expectations where the asset class appears less attractive from a risk/return standpoint when compared to other areas of public credit markets including Bank Loans and High Yield. Meketa plans to further address LACERA's Emerging Markets Debt allocation during the Strategic Asset Allocation Review.

Meketa agrees with the proposed guidelines contained in the presentation related to the various categories within Liquid Credit including return objective, benchmark, geography, and currency. We are supportive of the added specificity to the language contained in the updated guidelines. Meketa concurs with the recommendation related to managing LACERA's liquid credit portfolio more closely to benchmark exposures and LACERA's allocation ranges while maintaining geography and currency maximum exposure levels for control and compliance reasons. We believe a benchmark centric approach is a prudent way to manage risk in the Liquid Credit category.

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.

TF/AK/IZ/sf

## LACERA Illiquid Credit Structure Review Concurrence Memo

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July 28, 2023

**To:** Each Member  
Credit and Risk Mitigation Committee  
Board of Investments

**From:** James Walsh, G. Stephen Kennedy  
Albourne America LLC

**For:** August 9, 2023 Credit and Risk Mitigation Committee Meeting

**Recommendation:** Albourne America LLC (“Albourne”) recommends that the 2023 Structure Review of LACERA’s Illiquid Credit Portfolio be advanced to the Board of Investments for approval.

**Background:** Staff has prepared the 2023 Illiquid Credit Structure Review for the Credit and Risk Mitigation Committee and the Board of Investments for its consideration and ultimately its 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 September 2021 and approved in October 2021, which emphasize current income, moderate returns, to profit from complexity, illiquidity and upside optionality. The Structure Review notes that, with the approval the portfolio will continue to be built out to a 7% Strategic Target. The Next Phase of this build out is anticipated to be implemented over 1-3 years adding bench Core Managers and to continue the implementation of the Emerging Manager Program.

**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



G. Stephen Kennedy  
Senior Analyst



## **LACERA Illiquid Credit Structure Review Concurrence Memo**

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## **LACERA Illiquid Credit Structure Review Concurrence Memo**

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September 1, 2023

TO: Trustees – Board of Investments

FROM: Credit and Risk Mitigation Committee

Vache Mahseredjian, CFA, CAIA, FRM, ASA   
Principal Investment Officer

FOR: September 13, 2023 Board of Investments Meeting

SUBJECT: **RISK REDUCTION AND MITIGATION STRUCTURE REVIEW**

### **RECOMMENDATION**

Approve the initiatives and recommendations within the Risk Reduction and Mitigation Structure Review (**Attachment**) advanced by the Credit and Risk Mitigation Committee.

### **BACKGROUND**

A structure review for the Risk Reduction and Mitigation functional asset category was presented at the August 9, 2023 meeting of the Credit and Risk Mitigation Committee (“Committee”). That review included several recommendations (summarized on page 33 of the **Attachment**), which the Committee advanced to the Board of Investments (“BOI”). The recommendations include:

#### **Cash**

- Affirm the existing role, objectives, implementation approach, guidelines, and structure

#### **Investment Grade Bonds**

- Affirm the current target mix of strategies: 70% Passive / 30% Active
- Adopt the guidelines shown on page 13 of the **Attachment**

**Note:** The guidelines provide additional specificity but there are no material changes

#### **Long-Term Treasury Securities**

- Affirm the current passive (indexed) implementation approach
- Adopt guidelines shown on page 19 of the **Attachment**

**Note:** The Long-Term Treasury allocation was introduced in the 2021 Strategic Asset Allocation. Therefore, following the 2021 structure review, a search was conducted via RFP and the BOI selected BlackRock. The guidelines shown on page 19 of the **Attachment** are “new” in the sense that they did not exist in the 2021 structure review, but they are consistent with the guidelines currently in place for the account that BlackRock was selected to manage.

### **Hedge Funds**

- Continue the current implementation framework
- Adopt the portfolio guidelines shown on page 28 (overall program) and page 29 (emerging manager program)

**Note:** changes to the guidelines for the overall hedge fund program include a reduction to the lower bound of the target risk range from 3% to 2%, and clarification that risk and market sensitivity calculations will be based on trailing 3-year returns.

Changes to the emerging manager program (“EMP”) guidelines include clarification on the definition of an emerging manager, as well as timing of graduation or redemption.

### **DELIBERATIONS AND OPINIONS EXPRESSED BY THE COMMITTEE**

There were no questions from Committee members nor follow-up items for staff review.

### **OPTIONS AVAILABLE TO THE BOARD**

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

### **RISKS OF ACTION AND INACTION**

If the Board approves the recommendation, there will be no material structural changes

Should the Board reject the recommendation, the structure of the Risk Reduction and Mitigation functional category would remain unchanged. Since several of the guidelines for the EMP are new, if the recommendation is rejected, there would be less clarity regarding the definition of an emerging manager and potential greater ambiguity about graduation or redemption parameters.

### **CONCLUSION**

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

Attachment

Noted and Reviewed:




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Jonathan Grabel  
Chief Investment Officer




July 28, 2023

TO: Trustees - Credit and Risk Mitigation Committee

FROM: Vache Mahseredjian, CFA, CAIA, FRM, ASA  
Principal Investment Officer  Chad Timko, CFA, CAIA <sup>CT</sup>  
Senior Investment Officer

Krista Powell   
Investment Officer Quoc Nguyen, CFA   
Investment Officer

Jason Choi, CFA   
Senior Investment Analyst

FOR: August 9, 2023 Credit and Risk Mitigation Committee Meeting

SUBJECT: **RISK REDUCTION AND MITIGATION STRUCTURE REVIEW**

### RECOMMENDATION

Advance the recommendations within the Risk Reduction and Mitigation Structure Review (**Attachment A**) to the Board of Investments for approval.

### SUMMARY

This Structure Review considers the role, implementation framework, performance, and initiatives of the Risk Reduction and Mitigation functional asset category. Additionally, it reviews structure, performance, and portfolio guidelines for portfolio components: cash, investment grade bonds, long-term government bonds, and hedge funds. 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 recommendations (see page 34).

LACERA's consultants Meketa Investment Group and Albourne Partners reviewed the segments of the Structure Review that apply to their respective mandates and are in support. Albourne reviewed the hedge funds section and Meketa reviewed the rest. Memos from the consultants are included as **Attachments B** and **C**.

Attachments

Noted and Reviewed:

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Jonathan Grabel  
Chief Investment Officer

## Risk Reduction and Mitigation

## Structure Review

---

Credit and Risk Mitigation Committee Meeting

August 9, 2023

# Table of Contents



<b>TITLE</b>	<b>SLIDE</b>
Risk Mitigation: Role and Allocation Targets	<b>3</b>
Risk Mitigation: Performance	<b>5</b>
Cash	<b>6</b>
Investment Grade Bonds	<b>8</b>
Long-Term Government Bonds	<b>15</b>
Hedge Funds	<b>21</b>
Risk Mitigation: Initiatives	<b>32</b>
Risk Mitigation: Summary Recommendations	<b>33</b>

<b>TITLE</b>	<b>SLIDE</b>
Appendix	
Attachment 1 – Glossary of Terms	<b>35</b>



## Risk Mitigation

- Source of liquidity
- Capital preservation
- Moderate income and total return
- Low correlation to growth risks

### Cash

- Primary source of total Fund liquidity
- Capital preservation
- Cash and cash equivalent exposures

### Investment Grade Bonds

- Secondary source of total Fund liquidity
- Capital preservation
- Moderate duration interest rate risk exposure

### Long-Term Government Bonds

- Source of liquidity for the total Fund
- Negative historic correlation to growth assets
- Long duration interest rate risk exposure

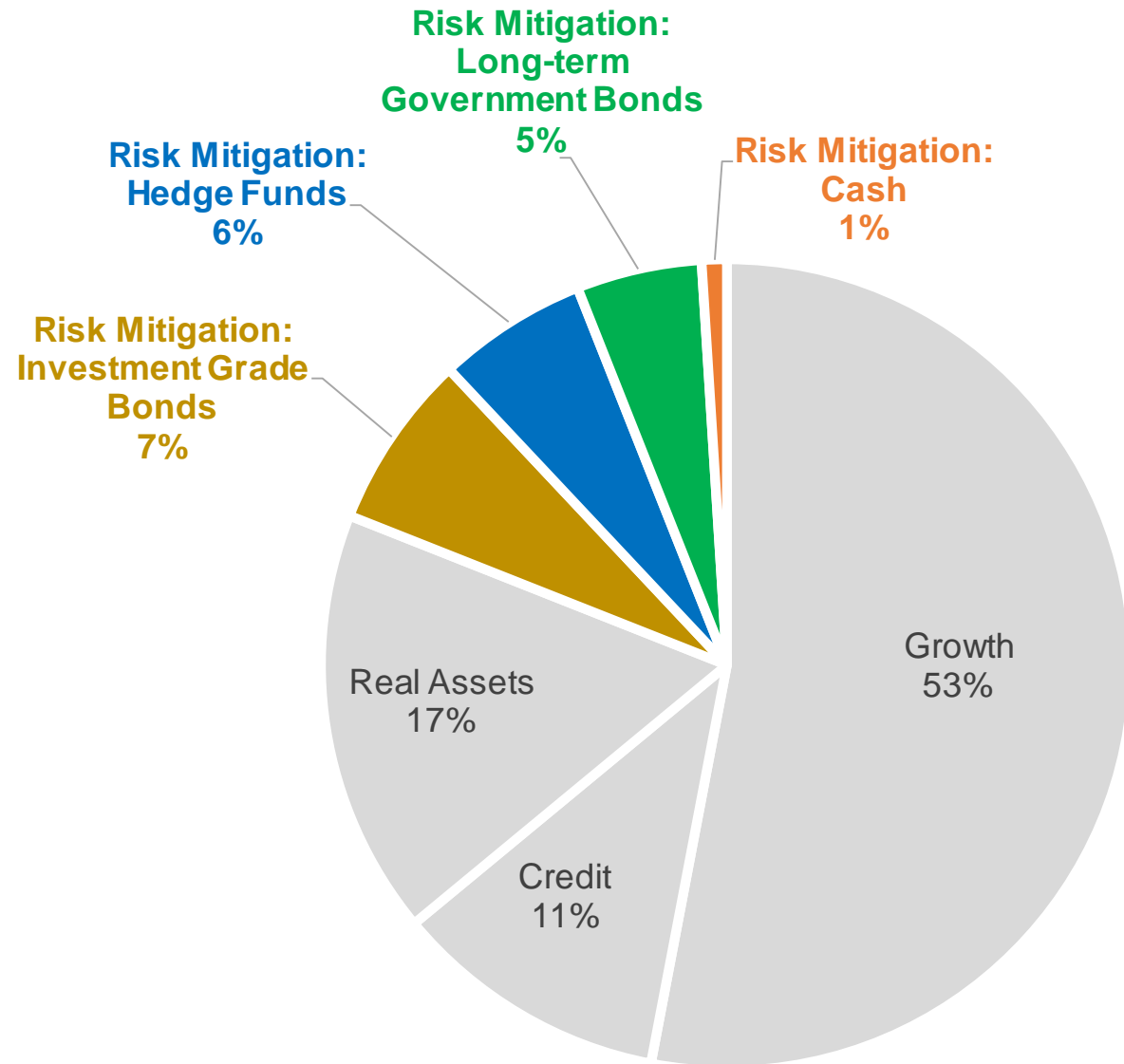
### Hedge Funds

- Reduce total Fund risk
- Enhance total Fund diversification
- Downside protection
- Low sensitivity to major markets

# Risk Mitigation: Allocation Targets



- LACERA's Risk Mitigation portfolio has a 19% total Fund target allocation with four sub-categories
- Target allocations for the sub-categories are shown in the pie chart, totaling 19%
- Each sub-category has nuanced objectives and characteristics that are further described in this structure review

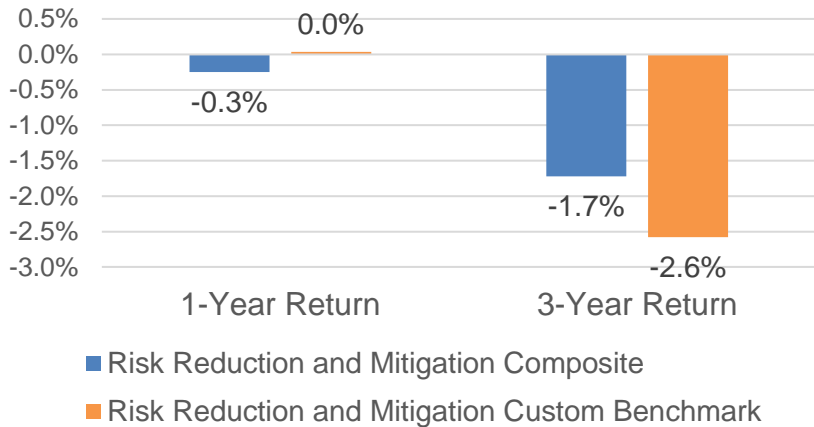




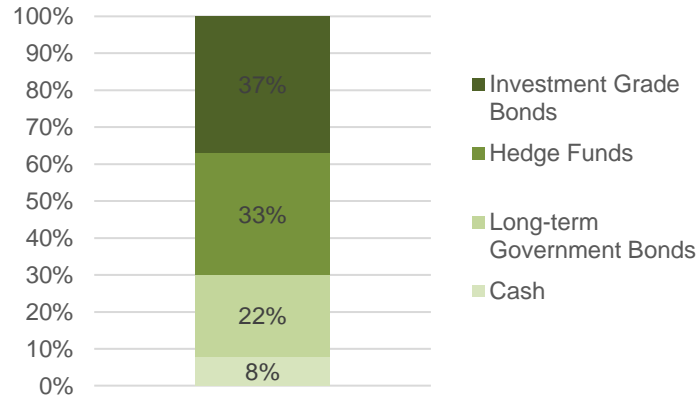
# Risk Mitigation: Performance



### Risk Reduction and Mitigation Composite

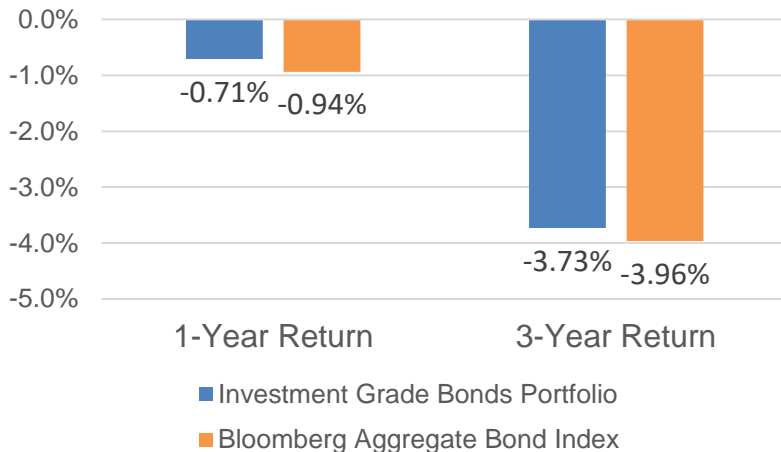


### Risk Reduction and Mitigation Composite Breakdown

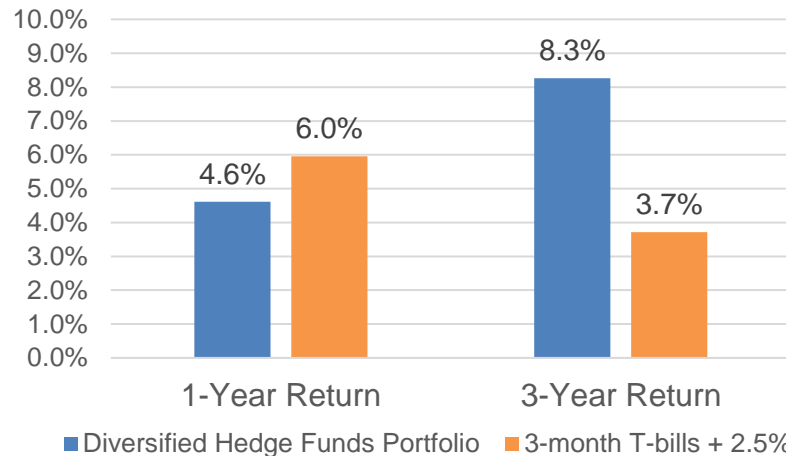


- The composite underperformed the benchmark by 30 bps over the 1-year period and outperformed by 90 bps annualized over the 3-year period
- The composite's 3-year returns were negatively impacted by investment grade and Long-Term Government Bonds
- Diversified hedge funds have delivered strong risk-adjusted returns over the 3-year period

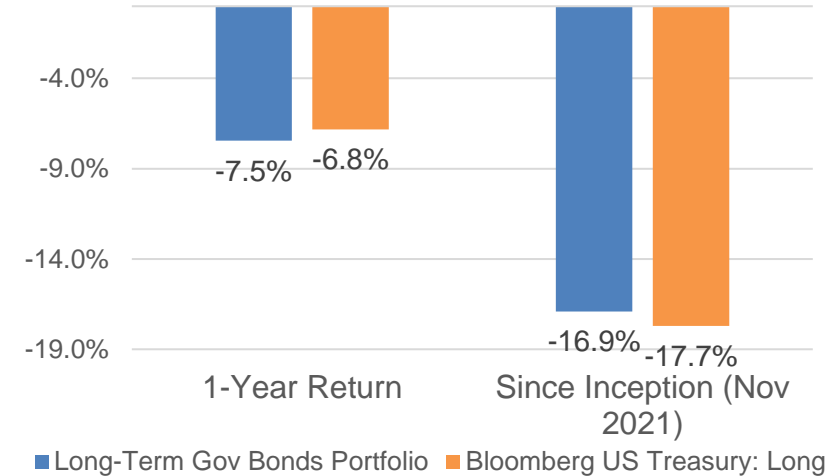
### Investment Grade Bonds



### Diversified Hedge Funds



### Long-Term Government Bonds



Data is from State Street as of June 30, 2023. Diversified Hedge Fund Returns are reported on a 1-month lag



# Cash

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# Cash: Role, Structure, Objectives, Initiatives



## Role

- Primary source of total Fund liquidity
- Facilitate cash activity to fund retirement benefits payments, new investments, and expenses as well as settle redemptions

## Structure

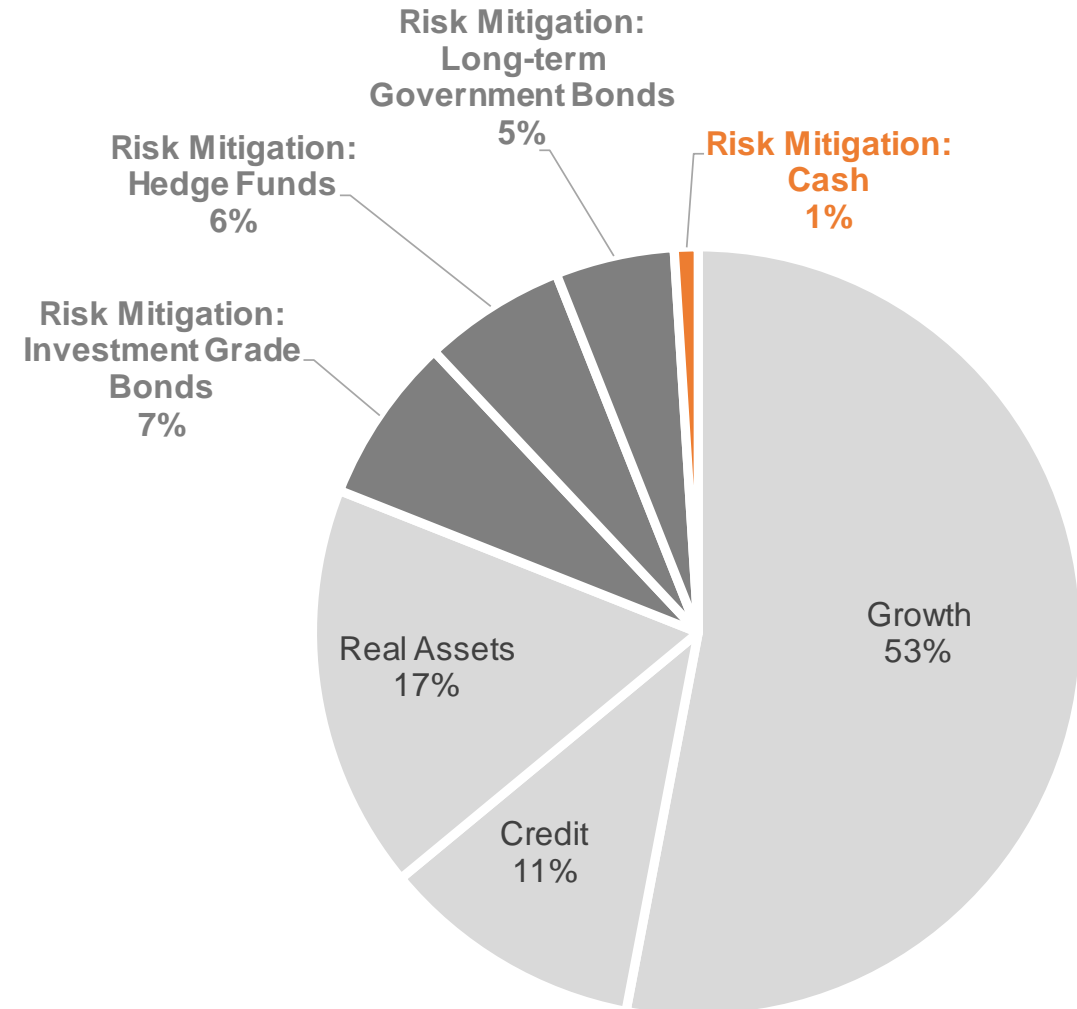
- Highly liquid to support various total Fund cash needs
- Investment universe of U.S. Treasury and U.S. Government agency issues, repurchase agreements (collateralized with treasury, agency or agency mortgage-backed securities)
- Implemented in a separate account vehicle managed by State Street

## Objectives

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

## Continuing Initiatives

- Cash management tools and broad Investments division support to monitor daily cash create projections
- Digitize, automate, and document custodian cash activity where possible
- Segregation of duties and approval protocols





# Investment Grade Bonds

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# Investment Grade Bonds: Role and Objectives

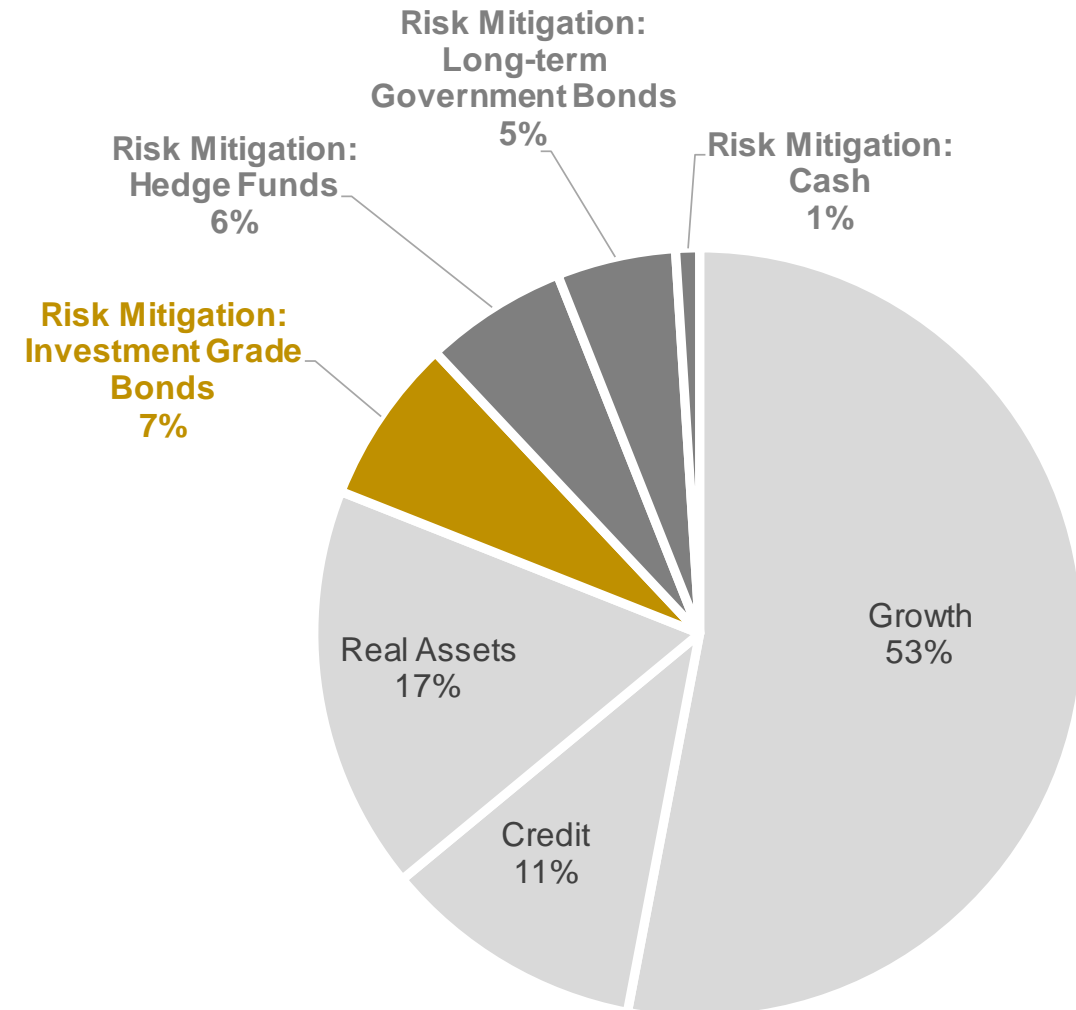


## Role

- Secondary source of near-term liquidity for the total Fund (after cash)
- Generate income
- Gain interest rate risk exposure

## Objectives

- Provide diversification by complementing economic growth risk
- Preserve capital when there is a “flight to safety” or investors otherwise seek high quality assets
- Reduce total Fund portfolio risk by having a low correlation to growth assets and low to moderate volatility



# Investment Grade Bonds: Portfolio Structure



## 2021 Structure Review:

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

- Legacy core plus (risk-seeking) managers were terminated
- A 70% / 30% target structure was adopted

## 2023 Recommended Structure:

- Maintain target and allocation ranges

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

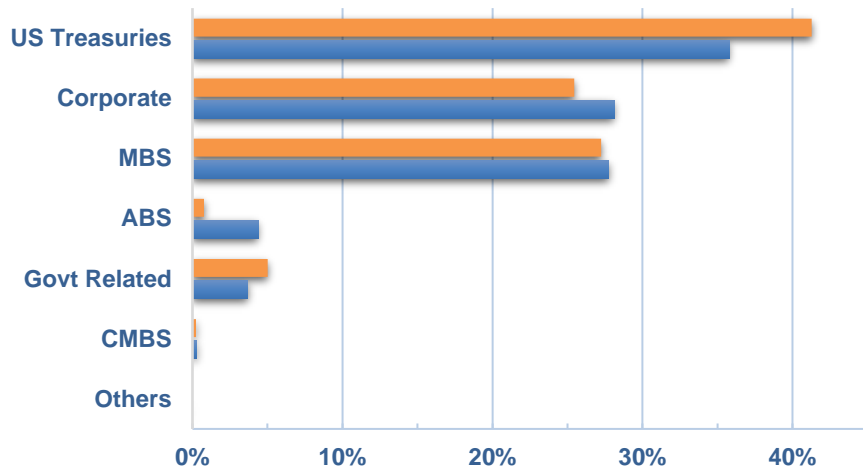
- Passive strategies closely mirror the positioning, risk, and return of a benchmark index
- Active strategies deviate from benchmark index positioning in pursuit of improved risk-adjusted returns

# Investment Grade Bonds: Portfolio Composition

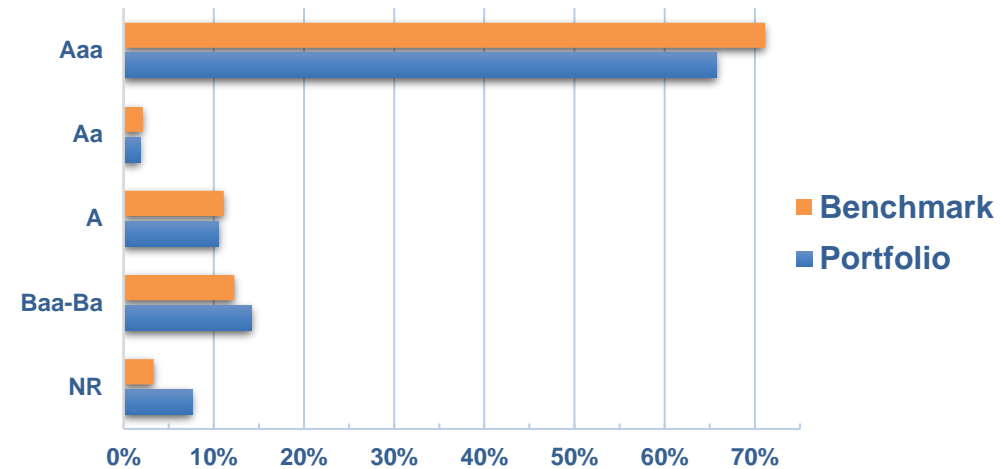


- Below is the positioning as of May 2023:

Sector Weights vs Index



Moody's Ratings vs Index



Statistic	Portfolio	Benchmark
Total Risk	6.7	6.6
Active Risk	0.2	0.0
Beta	1.0	1.0
Effective Duration	6.4	6.3
Yield (YTW; %)	4.5	4.8

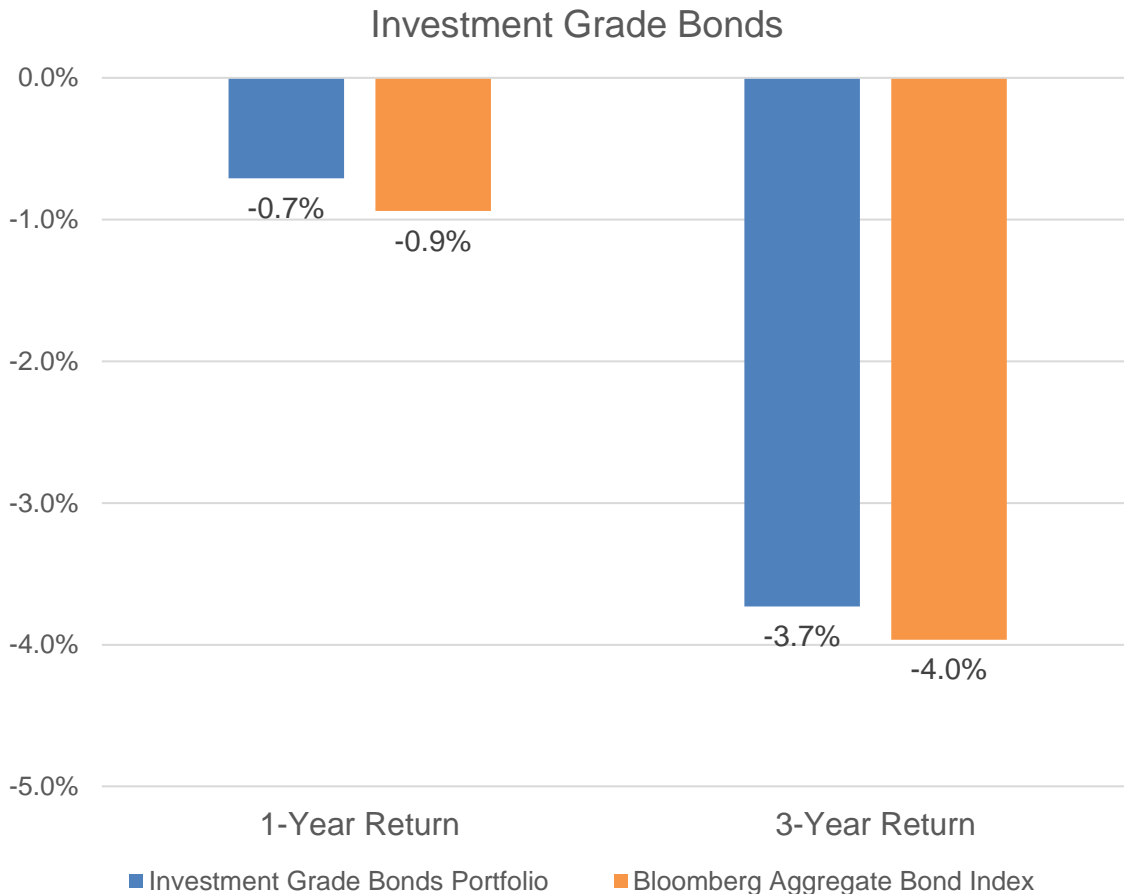
- The portfolio closely tracks the benchmark with predominantly Aaa securities
- Active risk of the portfolio to be further considered within a strategic asset allocation study, risk budgeting exercise, and/or a future structure review

Portfolio exposure data is from State Street as of June 30, 2023. Risk metric data is from MSCI Barra One as of May 31, 2023. The benchmark is the Bloomberg Barclays U.S. Aggregate Bond Index

# Investment Grade Bonds: Performance



Trailing 1-year and 3-year returns as of 6/30/2023



- LACERA's investment grade bonds portfolio has outperformed its benchmark over the 1-year and 3-year periods
- Investment grade bonds experienced negative returns over the 1 and 3-year periods
  - The rise in interest rates was the primary driver of negative returns

Data is from State Street as of June 30, 2023



# Investment Grade Bonds: Portfolio Guidelines



- The below proposed / recommended portfolio guidelines are an evolution from existing guidelines
  - Risk considerations are incorporated into the investment objective
  - Additional specificity is added to the eligible investments

	<u>Current</u>	<u>Proposed / Recommended</u>
<b>Investment Objective</b>	Meet or exceed return of the benchmark net of fees	Closely achieve the total return and risk exposures of the investment grade bond market and benchmark
<b>Benchmark</b>	Bloomberg Barclays U.S. Aggregate Bond Index	Bloomberg Barclays U.S. Aggregate Bond Index
<b>Sectors</b>	Only sectors in the benchmark	[remove category; captured in Eligible Investments]
<b>Geography</b>	Only countries represented in the benchmark	[remove category; captured in Eligible Investments]
<b>Currency</b>	U.S.Dollar denominated	[remove category; captured in Eligible Investments]
<b>Quality</b>	Only bonds rated investment grade	[remove category; captured in Eligible Investments]
<b>Aggregate Duration</b>	n/a	Bechmark duration +/- 0.3 years
<b>Eligible Investments</b>	n/a	Investments consistent with the benchmark, which contains investment grade, U.S. dollar denominated, fixed rate taxable bonds. Index Sectors include U.S. Treasuries, government-related and corporate securities, agency Mortgage-backed securities, asset-backed securities, and commercial mortgage-backed securities. Also eligible are exchange-traded funds benchmarked to the index, U.S. Treasury bond futures, and money market instruments
<b>Prohibited Investments</b>	n/a	Bonds from sectors not included in the index and purchasing securities on margin
<b>Leverage</b>	n/a	Not permitted



- Advancement and approval of this structure review would result in the following regarding the investment grade bond portfolio:
  - Affirm the implementation structure with 70% and 30% target allocations to passive and active strategies, respectively
  - Adopt revised portfolio guidelines as described



# Long-Term Government Bonds

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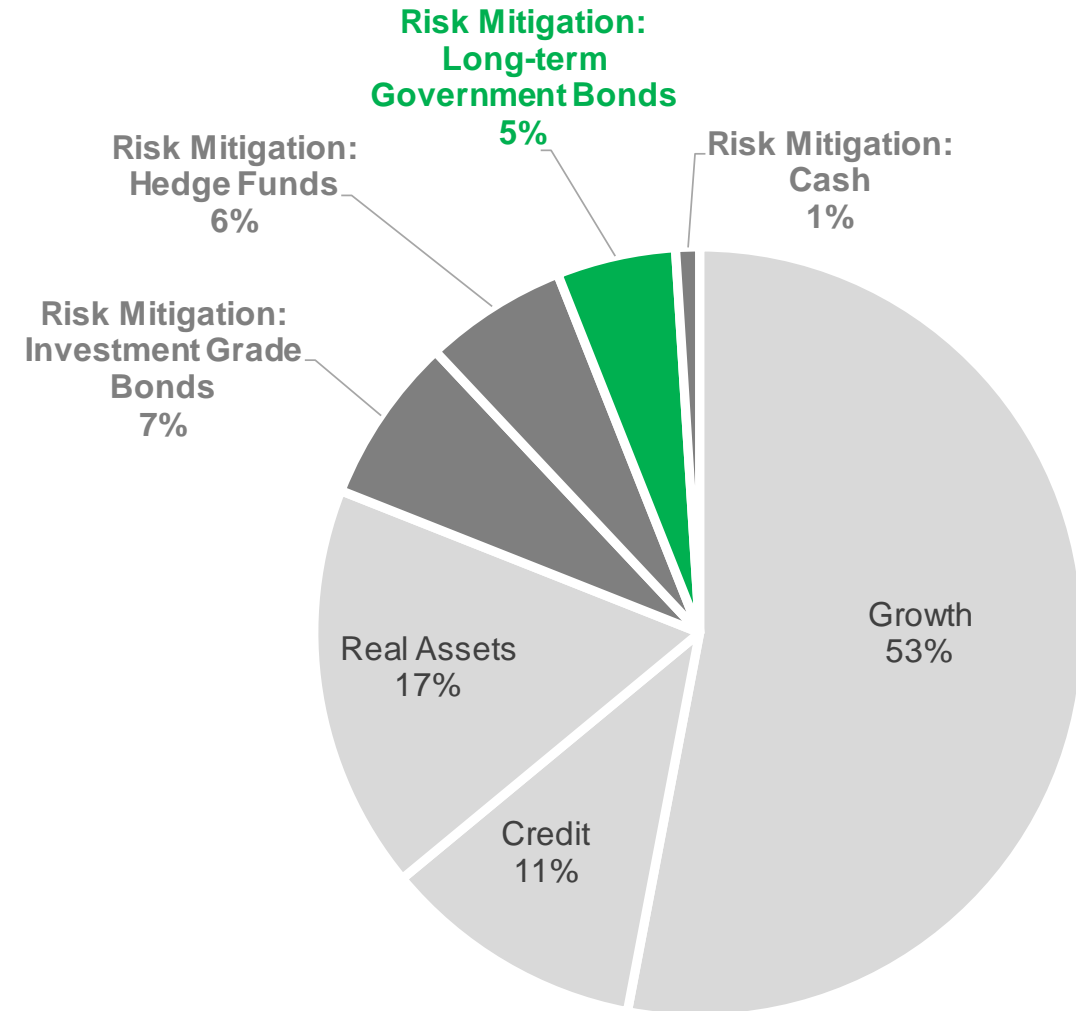
# Long-Term Government Bonds: Role and Objectives

## Role

- Be a source of liquidity for the total Fund
- Generate income
- Gain long duration interest rate risk exposure

## Objectives

- Diversify and reduce overall risk to total Fund given its negative historic correlation to growth assets
- Preserve capital when there is a “flight to safety” or investors otherwise seek high quality assets
- Provide capital efficient way to access interest rate risk exposure



# Long-Term Government Bonds: Portfolio Structure

- Long-Term Government Bonds are bonds issued by the U.S. government that have maturities longer than 10 years
- The Long-Term U.S. Treasury bond market is large (\$ trillions) with a widely used benchmark that can be cost-effectively tracked by “passive” management
- LACERA implements this allocation via an indexed separate account mandate after a 2022 RFP process
- The portfolio has the following characteristics as of June 30, 2023:

	LACERA Long-Term U.S. Treasury Bond Index Portfolio	Bloomberg U.S. Treasury 10+ Year Index
Market value (\$B)	2.96	2,108.69
# Issues	77	76
<b>Characteristics</b>		
Coupon (%)	2.76	2.67
Yield to maturity (YTM) (%)	3.98	3.97
Weighted avg life (yrs)	22.87	22.97
Effective duration (yrs)	15.99	15.98
Convexity	3.33	3.33
<b>Quality breakdown (mkt val %)</b>		
AAA or above	99.79	100.00
NR	0.21	0.00

	LACERA Long-Term U.S. Treasury Bond Index Portfolio	Bloomberg U.S. Treasury 10+ Year Index
<b>Sector breakdown (mkt val %)</b>		
Treasury	99.79	100.00
Cash	0.21	0.00
<b>Weighted avg life breakdown (mkt val %)</b>		
0-1	0.21	0.00
1-2	0.00	0.00
2-3	0.00	0.00
3-5	0.00	0.00
5-7	0.00	0.00
7-10	0.00	0.00
10-20	37.25	37.88
20-30	62.54	62.12
30+	0.00	0.00

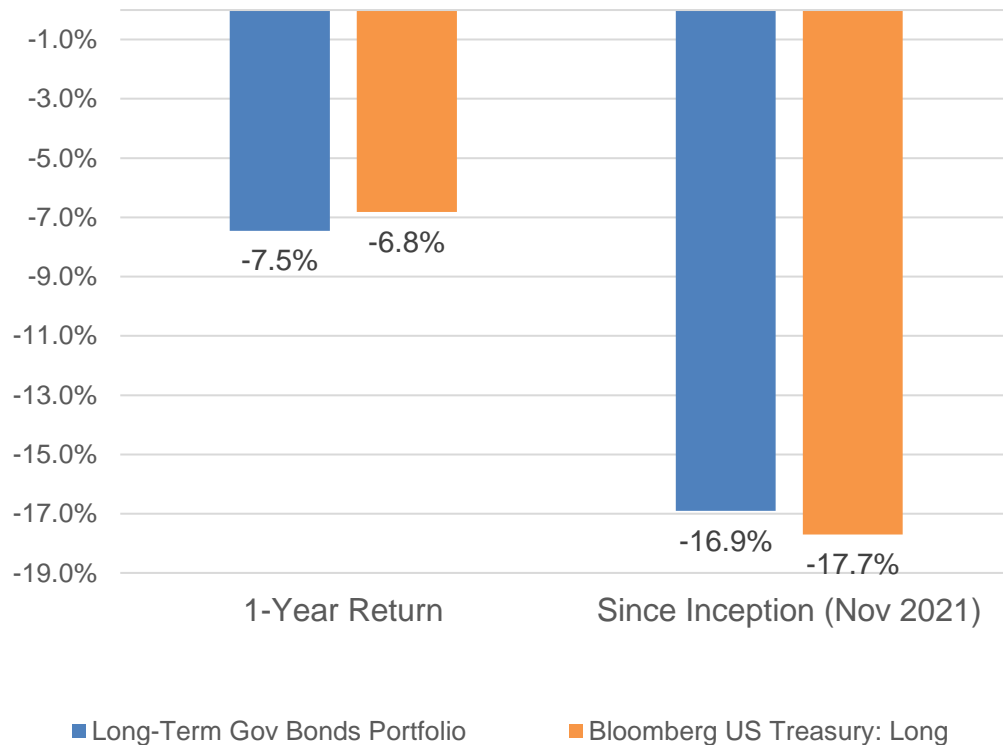
Data is from BlackRock as of June 30, 2023

# Long-Term Government Bonds: Performance



## Trailing 1-year and since inception returns as of 6/30/2023

### Long-Term Government Bonds



- The Long-Term Government Bonds portfolio underperformed the benchmark over the 1-year period by 63 bps and outperformed the benchmark by 80 bps annualized since portfolio inception
- The negative return since inception has been due to the sharp rise in U.S. interest rates
- Long-term government bond investments still provide risk mitigation characteristics as it allows for capital efficiency for the total Fund and has historically performed positively when equity markets perform negatively, notwithstanding calendar year 2022

# Long-Term Government Bonds: Portfolio Guidelines

- The below proposed portfolio guidelines would all be newly established
- The current portfolio implementation adheres to the below guidelines

	<b><u>Proposed</u></b>
<b>Investment Objective</b>	Closely achieve the total return and risk exposures of the long duration treasury market and benchmark
<b>Benchmark</b>	Bloomberg Long U.S. Treasury Bond Index
<b>Aggregate Duration</b>	Bechmark duration +/- 0.3 years
<b>Eligible Investments</b>	Investments consistent with the benchmark such as: U.S. Treasury securities, U.S. Treasury futures, U.S. Treasury bond exchange traded funds, money market securities and instruments, cash, and cash equivalents
<b>Prohibited Investments</b>	Purchasing securities on margin and uncovered short sales
<b>Leverage</b>	Not permitted



- Advancement and approval of this structure review would result in the following regarding the Long-Term Government Bonds portfolio:
  - Continue with “passive” implementation that closely adheres to the benchmark
  - Adopt portfolio guidelines as described





# Hedge Funds

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# Hedge Funds: Role and Objectives



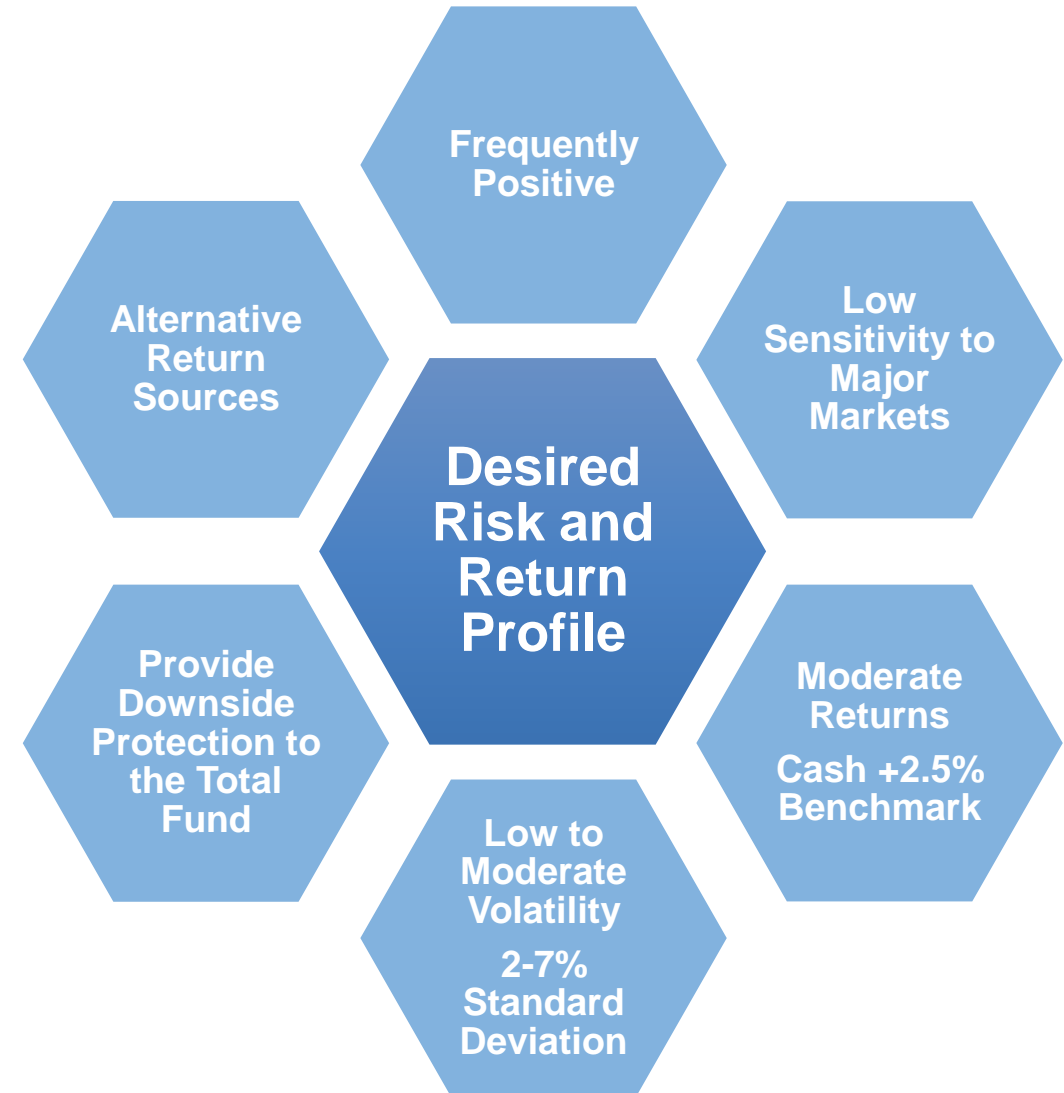
## Role:

- Reduce total Fund risk
- Enhance total Fund diversification

## Objective:

- Downside protection
- Low sensitivity to major markets
- Frequently positive
- Moderate returns
- Cash + 2.5% per year benchmark

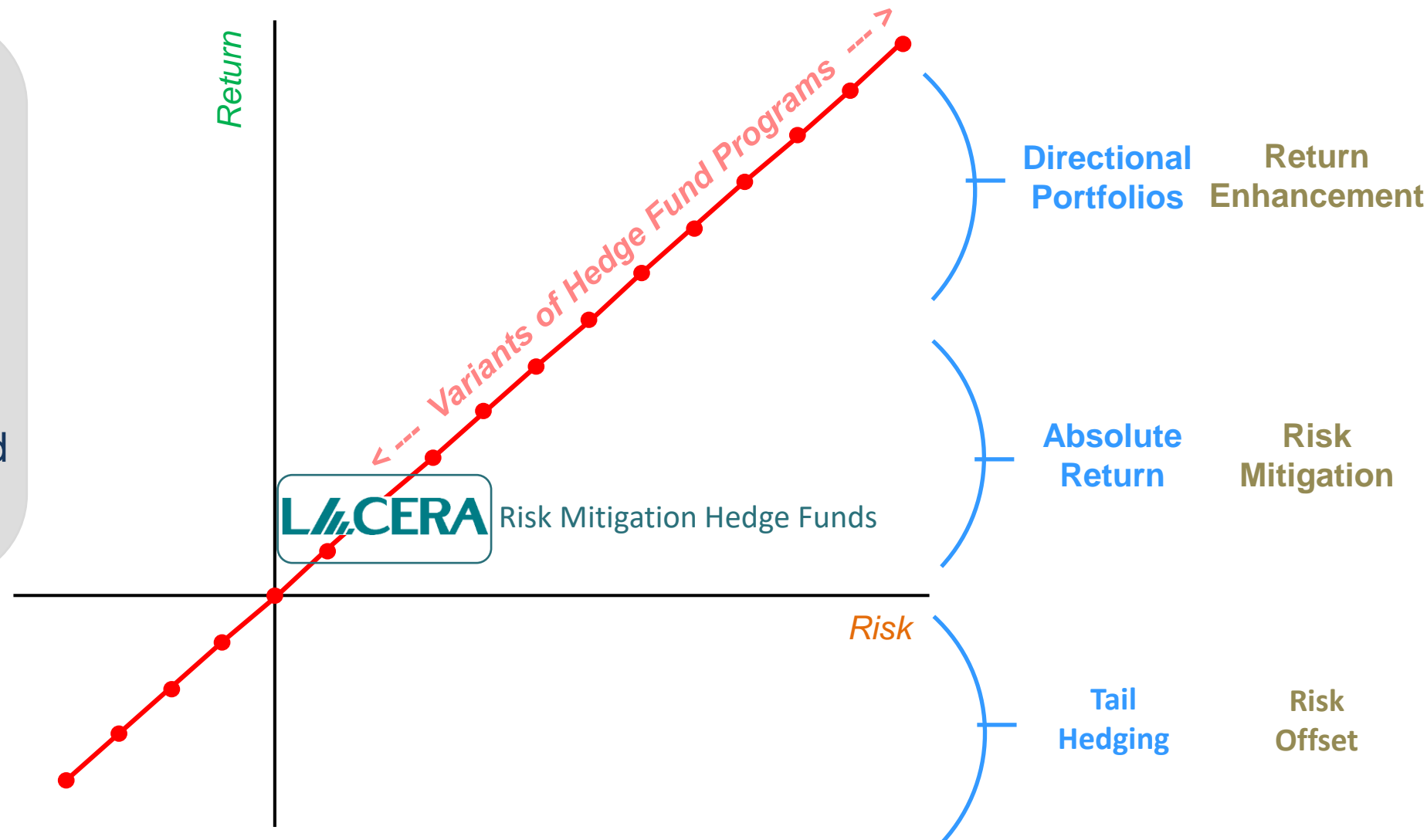
- *Not risk offset*
- *Not tail hedging*
- *Not negative return expectations*



# Hedge Funds: Portfolio Structure



- LACERA's hedge fund portfolio:
  - Risk mitigation objectives
  - “Absolute return” approach
  - Less risky and less directional compared to many hedge fund portfolios

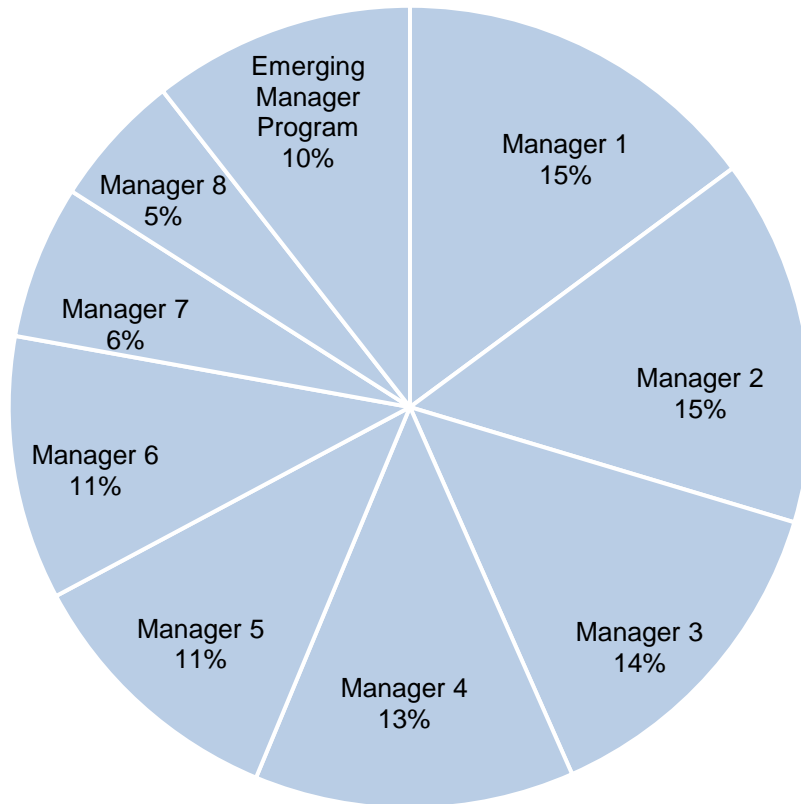


*Risk as graphed is a measure of return volatility, market directionality, and overall correlation to LACERA's total Fund  
Absolute Return and Risk Offset are further described in the glossary at the end of this presentation*

# Hedge Funds: Portfolio Structure



## Portfolio as of 6/30/23



Portfolio in compliance with the existing hedge fund program guidelines

### Initiatives Underway

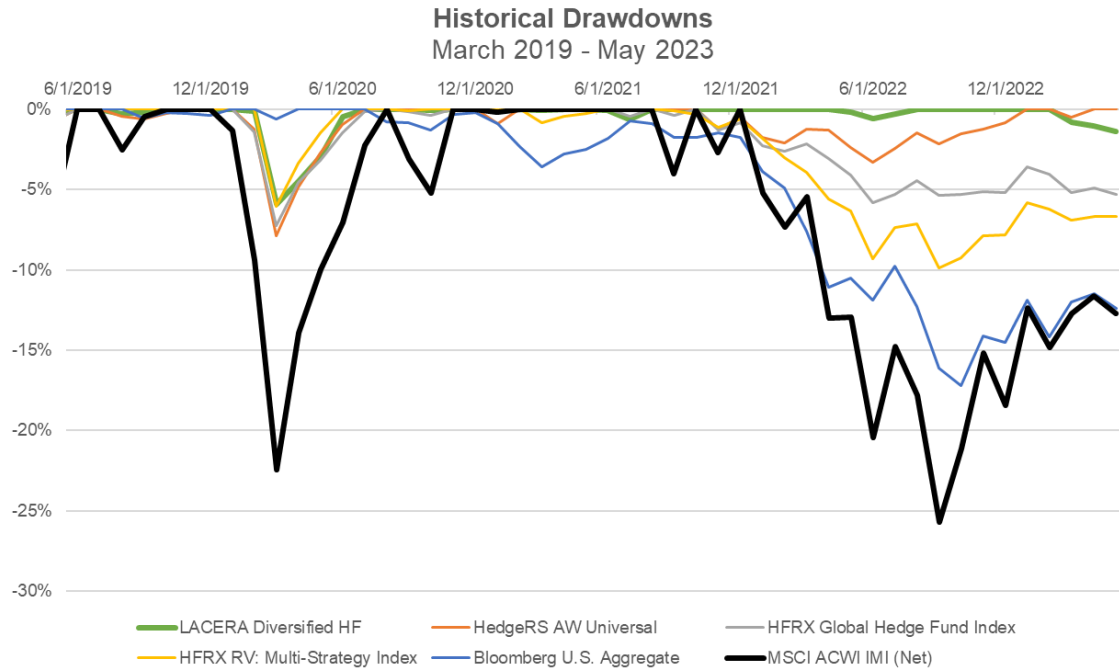
- Continue ramping the size of the emerging manager program towards the board approved target of ~15% of hedge fund portfolio
- Continue building a pipeline of potential hedge fund managers to the extent portfolio adjustments are necessary
- Continue monitoring the portfolio, managers, and underlying exposures

### Initiatives That Would Require Future Approvals

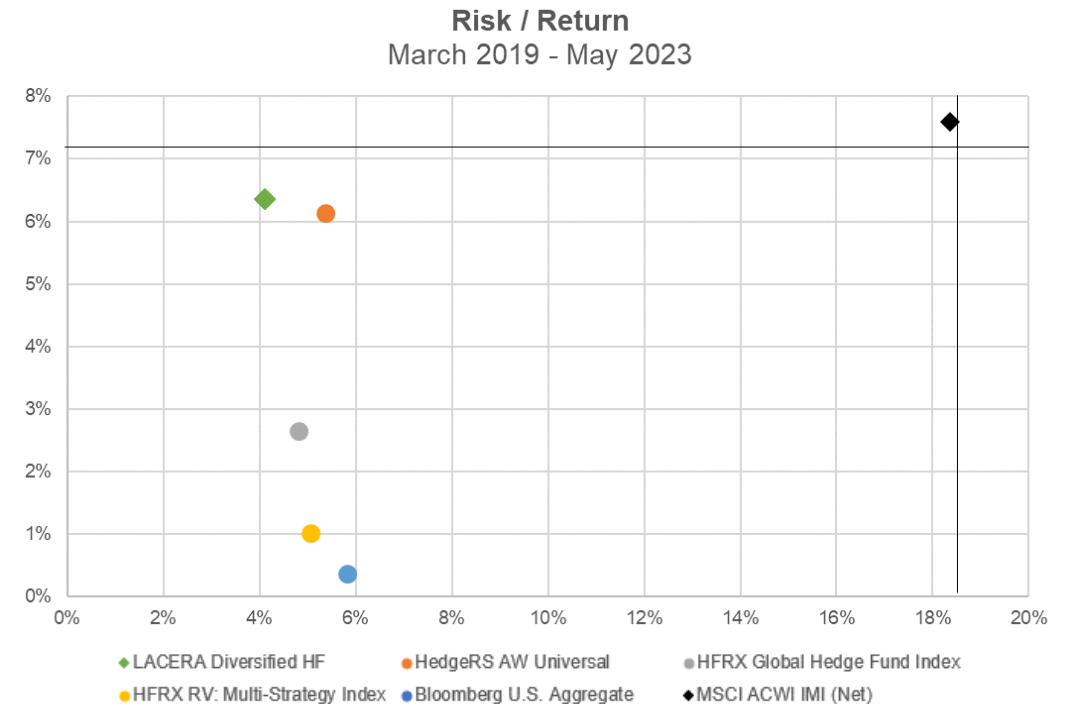
- New investments into or terminations from the main portfolio
- Graduations from the emerging manager program to the main portfolio

Hedge funds data is from State Street as of June 30, 2023 reported on a 1-month lag

# Hedge Funds: Risk Composition



- The Diversified Hedge Funds portfolio has experienced low downside volatility as shown in the historical drawdowns and high sortino ratio.
- On a three-year trailing basis, the portfolio has low sensitivity to the equity markets with a beta of 0.04.
- On a risk adjusted basis, the portfolio is performing more efficiently relative to comparable indices.



Diversified Hedge Funds vs MSCI ACWI (Net)	Jensen's Alpha	Beta	Sharpe Ratio	Sortino Ratio	Up Capture	Down Capture	Up / Down Capture Spread	% of Positive Months
12-Month	1.3%	0.00	0.2	0.4	3.2%	-14.2%	17.5%	67%
36-Month	6.7%	0.04	2.3	6.5	13.4%	-21.0%	34.4%	72%

Data as of May 31, 2023

Source of returns for LACERA Diversified Hedge Funds is State Street (unlagged by 1-month)

Source of returns for the remaining line items and risk statistics are from Zephyr

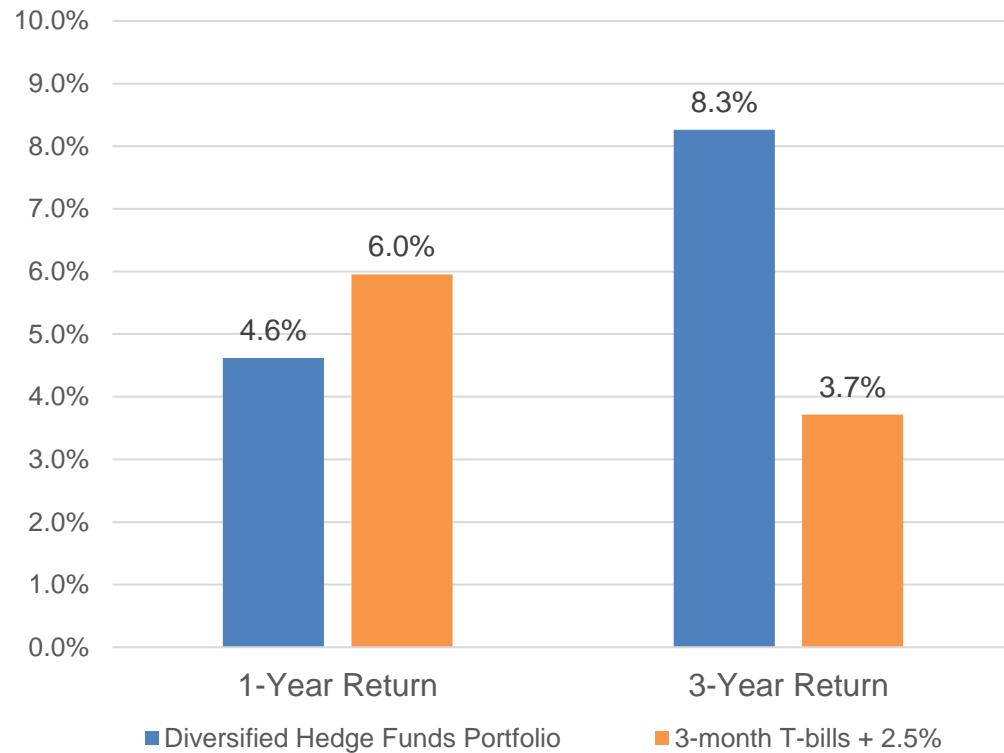
Select terms are further described in the Glossary

# Hedge Funds: Performance

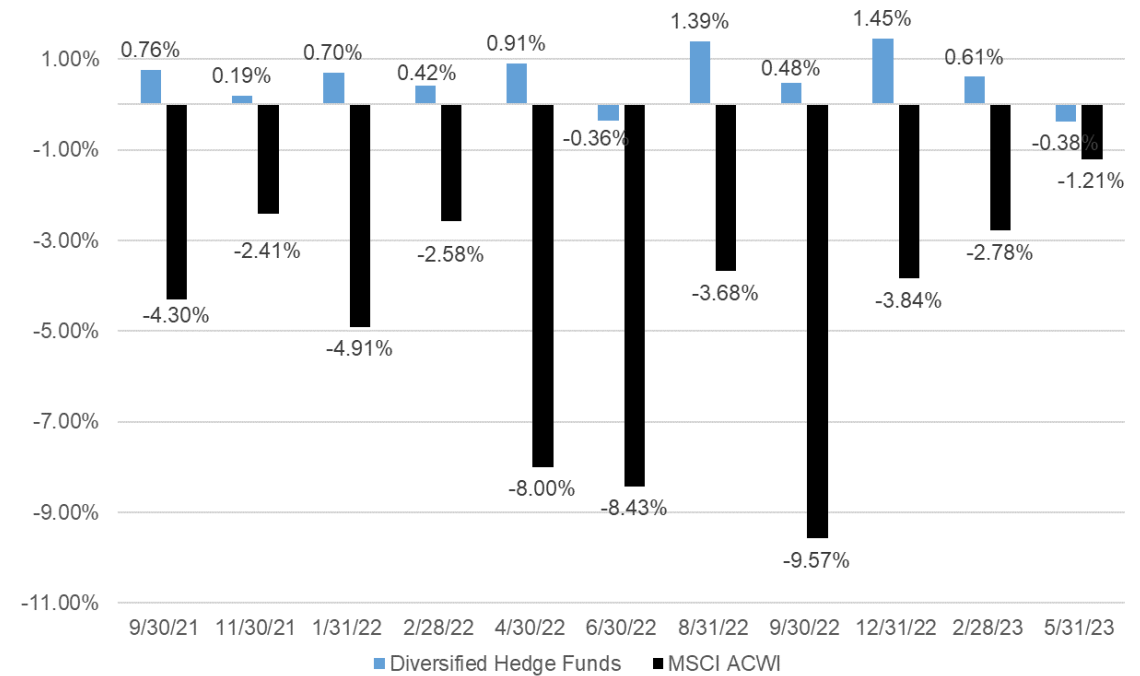


## Trailing 1-year and 3-year returns as of 6/30/2023

Diversified Hedge Funds



LACERA Hedge Fund Performance in Negative Equity Months



- The hedge fund portfolio underperformed its benchmark over a 1-year period but has outperformed by 460 bps annualized over a 3-year period
- The portfolio delivered a 7.3% return in 2022, when global equity markets (MSCI ACWI IMI) and the US bond market (Bloomberg US Aggregate) fell 18% and 14%, respectively, meeting its risk mitigation objectives
- The portfolio has mostly performed positively during negative equity months with a couple of exceptions, notably June 2022 and May 2023 when the portfolio was slightly negative relative to larger equity drawdowns

Trailing 1-year and 3-year returns data as of June 30, 2023 are from State Street lagged by 1-month  
 Source of returns for LACERA Diversified Hedge Funds is State Street (unlagged by 1-month)  
 Source of returns for MSCI ACWI is Zephyr

# Hedge Funds: Emerging Manager Program Update



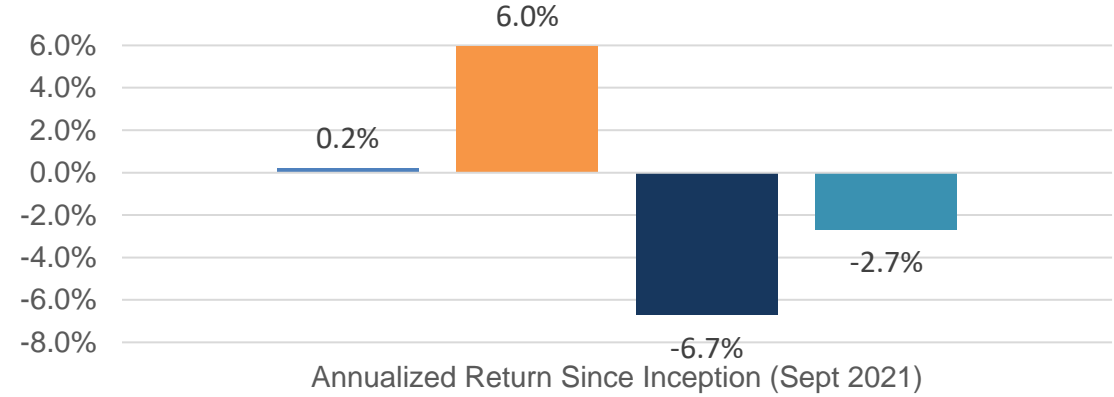
## Snapshot of Program as of June 30, 2023

Separate Account Manager	Stable Asset Management
Portfolio Net Asset Value <sup>1</sup>	\$480 million
Portfolio Inception	2021
Emerging Managers	7
Revenue Sharing Accounts	6
Beta to Global Equities <sup>2</sup>	-0.05

## Key Takeaways

- The Program is nearly 75% invested relative to its target allocation and inline with program guidelines
- Since inception, the Program has preserved capital while investment grade bonds and global equities have delivered negative returns, mitigating total Fund risk
- As designed, LACERA would share in the success of the emerging managers as revenue sharing is a component of most mandates
- One or several managers stand out as graduation prospects given good since inception performance and return metrics

Hedge Fund Emerging Manager Program<sup>1</sup>



■ Hedge Fund EMP      ■ 3-Month T-bills + 2.5%  
■ Bloomberg Aggregate Bond Index      ■ MSCI ACWI IMI Index

<sup>1</sup> Hedge Fund EMP data and benchmark data from State Street and reported on a 1-month lag. Bloomberg Aggregate Bond and MSCI ACWI IMI Index data is from Zephyr  
<sup>2</sup> The portfolio beta is measured since Program inception and to the MSCI ACWI IMI global equity index and is calculated by Zephyr

# Hedge Funds: Program Guidelines



- Guidelines are noted below with notes relative to existing guidelines

	<u>Proposed</u>	<u>Relative to Existing Guidelines</u>
<b>Return Objective &amp; Benchmark</b>	Cash + 2.5%; with risk mitigation objectives as guided by the IPS and structure review	No change
<b>Risk Target</b>	2-7% standard deviation of program monthly returns on a 3-year trailing basis	Adjusted [3-7%] to [2-7%]; added [3-year trailing]
<b>Market Sensitivity</b>	MSCI ACWI equity beta less than 0.2 for monthly returns on a 3-year trailing basis	Added [3-year trailing]
<b>Geographic Exposure</b>	Maximum of 30% invested in non-developed markets	No change
<b>Liquidity</b>	100% of capital within 5 years; at least 50% within 3 years	No change
<b>Side Pockets</b>	Allowed with the reasonable expectation that no side pocket would last beyond 5 years	No change
<b>Leverage</b>	10x when aggregating individual funds	No change
<b>Manager Count</b>	Approximately 10 for each the direct portfolio and the emerging manager portfolio	No change
<b>Transparency</b>	Position-level or risk-exposure data is required from managers	No change
<b>Partnership Size Limits</b>	Less than 35% of a commingled fund structure; does not apply to managers defined as emerging	No change

- Modifying the lower bound of the risk target range would support risk mitigation and downside protection objectives of the program
- Adding a specific time frame to measure the risk target and market sensitivity metric benefits compliance
- Additional guidelines for the emerging manager program are considered on the following page



# Hedge Funds: Program Guidelines



- Guidelines for the **hedge fund emerging manager program (EMP)** are below
- These guidelines are in addition to the program-level guidelines from the previous page

	<u>Proposed</u>	<u>Relative to Existing Guidelines</u>
<b>Program Framework</b>	Evergreen separate account emerging manager program	No change
<b>Allocation Target and Range</b>	15% target allocation with a 10-20% range (of the hedge funds portfolio)	No change
<b>Emerging Manager Definition</b>	An emerging hedge fund manager meets the three following criteria at initial investment: <ul style="list-style-type: none"> <li>- Organization/team has less than \$500 million of assets under management;</li> <li>- Organization/team has managed external capital in an institutional vehicle for less than 3 years; and</li> <li>- Organization/team is at least 66% owned by managing principals and employees</li> </ul>	Added "at initial investment" Added "/team" Added "/team"; "in an...vehicle" Added "/team"
<b>Graduation Description</b>	Graduation entails re-categorizing an investment from LACERA's emerging manager program to LACERA's primary portfolio that may adjust the size of the investment	New guideline
<b>Graduation Target Timeframe</b>	3 - 7 years after an initial investment noting that this guideline is a target and a goal	New guideline
<b>Graduation Authority</b>	Graduation would require approval like any new non-EMP investment as articulated in the IPS	New guideline
<b>Redemption Description</b>	Redemption entails redeeming from an investment in lieu of holding it or a graduation event	New guideline
<b>Redemption Guideline</b>	Absent graduation intentions for a particular investment, a redemption event should commence no later than 7 years after an initial investment noting that nuanced circumstances may delay the redemption	New guideline

- Several new guidelines added above are designed to define and frame approaches to both graduation and redemption
- Merit, objectives, strategic initiatives, context, portfolio fit, and case specifics would be evaluated for graduation or redemption decisions
- Not included in the proposed guidelines is past language that defined an existing manager would no longer be emerging if: 1) organization assets under management exceed \$1 billion for the trailing 24 months and the fund has a 36-month performance track record, 2) LACERA's initial investment occurred greater than 5 years ago, or 3) the organization is not at least 66% owned by managing principals or employees



- Advancement and approval of this structure review would result in the following regarding the hedge fund portfolio:
  - Continue with the current portfolio framework
  - Adopt portfolio guidelines as described



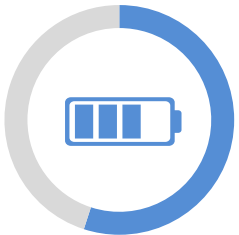
# Risk Mitigation

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## Completed

- Terminated Core Plus manager investment management agreements Q3 2021
- Implemented a passive / active strategy mix in Investment Grade Bonds within allowable allocation ranges
- Completed manager search for Long Treasurys and invested Q2 2022
- Achieved 6% SAA Target in the direct hedge fund program



## In Process

- Fund of fund allocation within hedge fund portfolio ~ 97% redeemed
- Hedge fund emerging manager program ~10% of total hedge fund allocation (approved target 15%)
- Continued buildout of direct hedge fund program pipeline of prospective managers



## Upcoming

- Continue to implement the portfolio in accordance with approved guidelines and objectives
- Hedge fund emerging manager program - continue development and potential graduations
- Continue to enhance cash protocols and operational tools
- Initiate RFP search for asset category consultant(s) pending BOI approval of MQs and searches – hedge fund and credit portfolios

# Risk Mitigation: Summary Recommendations



- Summarized below are the recommendations in this structure review:

## Cash

- Affirm role and objectives
- No adjustment

## Investment Grade Bonds

- Affirm role and objectives
- Adopt proposed portfolio guidelines

## Long-Term Government Bonds

- Affirm role and objectives
- Adopt proposed portfolio guidelines

## Hedge Funds

- Affirm role and objectives
- Adopt proposed portfolio guidelines



# Appendix

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# Attachment 2 – Glossary of Terms



<b>Term</b>	<b>Definition</b>
<b>Absolute Return</b>	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 operate independently of market direction.
<b>Active Risk</b>	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 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.
<b>Beta</b>	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 1.0 indicates that, on average, the asset is expected to move in tandem with the market or benchmark.
<b>Bps or bps</b>	An acronym for basis points where one bps equals one hundredth of one percent or 0.01%.
<b>Correlation</b>	Correlation measures how closely related the variances of two return series are.
<b>Down Capture</b>	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.
<b>Duration (or Effective Duration)</b>	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).
<b>Jensen's Alpha</b>	Jensen's alpha measures the risk-adjusted return a portfolio adds above and beyond a referenced benchmark after adjusting for the risk-free rate and beta of the portfolio.
<b>Maximum Drawdown</b>	The compounded but not annualized maximum loss over a time period.

# Attachment 2 – Glossary of Terms (continued)



<b>Term</b>	<b>Definition</b>
<b>Risk Offset</b>	Strategies designed to perform well during a significant market downturn. These strategies are similar to buying insurance where there is a cost of premium associated with receiving a payoff when an adverse market event occurs.
<b>Selection Risk</b>	Risk that is specific to an asset and is uncorrelated (or negligibly correlated) with the risks of other assets. Asset selection risk is the portion of an asset's risk that is unexplained by the risk model. Also called specific, unique, idiosyncratic, or independent risk.
<b>Sharpe Ratio</b>	Measures risk-adjusted performance of an investment compared to a risk-free asset.
<b>Sortino Ratio</b>	Measures risk-adjusted performance by calculating returns per unit of downside risk (standard deviation negative returns).
<b>Standard Deviation</b>	Volatility of monthly returns that measures the average deviation from the mean.
<b>Total Risk</b>	The total (gross) risk to an asset, which is the standard deviation of the asset's total return distribution, expressed in percent. 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.
<b>Up Capture</b>	Measure of an investment's performance during up markets, calculated as returns divided by the returns of the benchmark index during the up market. A high up capture ratio means an investment outperformed the index during up markets.
<b>Up / Down Capture Spread</b>	A measurement of the difference between up capture and down capture.



## MEMORANDUM

**TO:** Each Member, Credit and Risk Mitigation Committee  
**FROM:** Tim Filla, Aysun Kilic and Imran Zahid  
**CC:** Jon Grabel, CIO - LACERA  
**DATE:** August 9, 2023  
**RE:** Risk Mitigation Structure Review

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The purpose of this memo is for Meketa Investment Group to formalize its support for the recommendations related to Investment Grade Bonds and Long-Term Government Bonds contained in the Risk Mitigation Structure Review.

For Investment Grade Bonds, the 2023 recommended structure remains essentially the same as the 2021 structure review, employing passive management for 70% of the allocation and active management for 30%. This mix of active and passive has allowed LACERA's Investment Grade Bond allocation to closely track and modestly outperform the benchmark (Bloomberg Barclays US Aggregate). Staff's recommendations include minor changes to the portfolio guidelines, which Meketa categorized as either clarifications or additional controls. Within clarifications there is a small wording change to the Investment Objective and a shift to the affirmative by listing Eligible Investments rather than limitations by category/characteristic. For additional controls, staff is recommending a duration positioning limit, adding specificity regarding prohibited investments, and prohibiting use of leverage. Meketa concurs with all of the recommended changes related to Investment Grade Bonds.

For Long-Term Government Bonds, staff recommends adding a set of portfolio guidelines using the same framework as Investment Grade Bonds. Meketa concurs with this recommendation as it provides consistency between asset classes and enhances LACERA's controls over the portfolio.

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.

TF/AK/IZ/sf

**LACERA Hedge Fund Structure Review Concurrence Memo**

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*July 28, 2023*

**To:** Each Member  
Credit and Risk Mitigation Committee  
Board of Investments

**From:** James Walsh, G. Stephen Kennedy  
Albourne America LLC

**For:** August 9, 2023 Credit and Risk Mitigation Committee Meeting

**Recommendation:** Albourne America LLC (“Albourne”) recommends that the 2023 Structure Review of LACERA’s Hedge Fund Portfolio be advanced to the Board of Investments for approval.

**Background:** Staff has prepared the 2023 Hedge Fund Structure Review for the Credit and Risk Mitigation Committee and the Board of Investments for its consideration and ultimately its 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 August 2021 and approved in September 2021, which emphasize diversification to overall plan, provide downside protection and to provide non-directional market risk exposures. The Structure Review notes that, with the approval the portfolio will continue to be built out to a 6% Strategic Target. The Next Phase of this build out is anticipated to be implemented over 1-3 years adding bench Managers and to continue the implementation of the Emerging Manager Program.

**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



G. Stephen Kennedy  
Senior Analyst



## LACERA Hedge Fund Structure Review Concurrence Memo

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## LACERA Hedge Fund Structure Review Concurrence Memo

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August 21, 2023

TO: Each Trustee  
Board of Retirement  
Board of Investments

FROM: Joint Organizational Governance Committee  
Herman B. Santos (BOI), Chair  
David Green (BOI), Vice Chair  
Gina Sanchez (BOI)  
Onyx Jones (BOI)  
Shawn Kehoe (BOR)  
Alan Bernstein (BOR)  
Elizabeth Greenwood (BOR)  
Ronald Okum (BOR)

FOR: September 6, 2023 Board of Retirement Meeting  
September 13, 2023 Board of Investments Meeting

SUBJECT: **Revision of Trustee Education Policy—Preapproved External Educational Conferences**

## **RECOMMENDATION**

That the Board of Retirement and Board of Investments approve the deletion of the following conferences from the list of Approved External Educational Conferences, in Appendix B of the Trustee Education Policy:

1. Government Finance Officers Association (GFOA);
2. Milken Institute; and
3. Harvard Law School Labor and Worklife Program.

## **BACKGROUND**

The purpose of the Trustee Education Policy is to assist LACERA's Trustees in obtaining the necessary knowledge to enhance their understanding of issues that LACERA faces and thereby enable them to discharge their fiduciary duties for the benefit of LACERA's members and beneficiaries.

The Trustee Education Policy identifies a number of educational conferences as being preapproved, which enables the Trustees to pursue that external education without additional approval, subject to the Trustee Education Policy. These preapproved educational conferences are enumerated within the Trustee Education Policy to support required education, Trustee Competencies, and educational assessment and planning.

## **DISCUSSION**

Based on a review of the pre-approved conference list, and discussion amongst the Joint Organizational Governance Committee (JOGC) Trustees at the August 17, 2023, JOGC meeting, the following conferences are recommended for deletion as preapproved conferences in the Trustee Education Policy.

### *Government Finance Officers Association (GFOA)*

The GFOA conferences have generally been attended by staff in the Financial and Accounting Services Division (FASD) and are valuable to FASD staff. However, a review of travel records indicates that Trustees have not attended this conference in over eight years. Although the GFOA conferences directly relate to the subject-matter interests of FASD staff and should continue to be approved as an educational opportunity for staff, it is recommended that this conference be deleted as a preapproved conference for Trustees.

### *Milken Institute*

The Milken Institute hosts its annual Global Conference, which in the past has been attended by Trustees and staff. The membership rate has increased periodically in recent years. The current membership rate for the conference provides for 10 passes for \$80,000, which is \$8,000 per pass. Recently, we were informed that the Milken Institute will raise its membership rate in 2024 to the following:

- 5 passes at a discounted rate of \$15,000 per pass (\$75,000 total)
- 3 passes at the market rate of \$25,000 per pass (\$75,000 total)

The new membership rate is thus 8 passes for \$150,000, which is almost double in cost for 2 fewer passes. This rate can be locked in for 3 years starting in 2024.

The current budget allocates \$80,000 for the conference. Consequently, possible options can include purchasing 5 passes at the discounted rate of \$15,000 per pass to remain within budget or reallocating this budget item for other conferences. However, the sentiment among management and some of the trustees is that the reduced number of passes and increase in price may no longer provide the same value for trustee education as other conferences and thus should be removed from the preapproved list of educational conferences. Staff discussed LACERA's concerns with Milken; to date, no reduction in price has been offered.

### *Harvard Law School Labor and Worklife Program*

At the Joint Organizational Governance Committee (JOGC) meeting on August 17, 2023, the JOGC concurred with the staff recommendation to delete the GFOA and Milken Institute conferences from the list of preapproved conferences. The JOGC also

recommends that the Harvard Law School Labor and Worklife Program<sup>1</sup> be deleted as well.

The feedback from Trustees regarding this conference was that its curriculum no longer meets the needs of Trustees, and the Trustees are better served by the Harvard Kennedy School Trustee Leadership Forum for Retirement Security and Initiative for Responsible Investment, which currently remains on the preapproved list.

**IT IS THEREFORE RECOMMENDED THAT THE BOARDS** approve the deletion of the following conferences from the list of Approved External Educational Conferences in Appendix B of the Trustee Education Policy:

1. Government Finance Officers Association (GFOA);
2. Milken Institute; and
3. Harvard Law School Labor and Worklife Program.

### **Attachment**

Trustee Education I Policy (redlined)

cc: Jon Grabel  
Luis Lugo  
JJ Popowich  
Laura Guglielmo  
Steven P. Rice  
Ted Granger

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<sup>1</sup> As of 2023, the Harvard Law School Labor & Worklife Program is now known as the Harvard Law School Center for Labor and a Just Economy. *About CLJE*. Retrieved August 21, 2023, from <https://clje.law.harvard.edu/about-us/>



# TRUSTEE EDUCATION POLICY

LACERA Board of Retirement & Board of Investments

Adopted ~~May 12, 2022~~



## TRUSTEE EDUCATION POLICY

### I. PURPOSE

The purpose of this policy is to align the elements of LACERA's Trustee education program with the Mission, Vision, Values, and work culture of the organization. More specifically, the program is intended to assist all Trustees to obtain knowledge and receive relevant information that will enhance their understanding of the issues facing LACERA and equip the Trustees to discharge and further their fiduciary duties for the sole benefit of active members, retirees, and their beneficiaries under a framework compliant with applicable law and policy, including the 24-hour biennial education requirement of Government Code Section 31522.8 and the beliefs set forth in LACERA's Investment Policy Statement. The program will be administered in a manner that can be overseen by the Board of Retirement and Board of Investments and understood by LACERA's members and other stakeholders as reasonable and cost-effective in fulfilling LACERA's Mission to Produce, Protect, and Provide the Promised Benefits. This policy applies to LACERA Trustees only.

"Educational Conferences" are those conferences, seminars, and meetings that have an educational purpose. "Administrative Meetings" are meetings attended by Trustees in their LACERA capacity and furthers LACERA's interests, including legislative advocacy, speaking engagements, including a domestic and international Educational Conference at which a Trustee gives a speech, positions in the administration of pension related organizations, and similar events.

### II. PRINCIPLES

The following principles shall govern what, why, when, where, and how Trustee education is obtained and the interpretation of this policy.

**A. *Performance of Fiduciary Duty.*** Education is necessary and should be encouraged and undertaken in order that Trustees may obtain knowledge relevant to the proper performance of their fiduciary duty under the California Constitution, the County Employees Retirement Law of 1937 (CERL), and other applicable laws by a reasonable method and at reasonable cost for the value received, and further LACERA's interests. Specifically:

1. Duty of Loyalty. Education must assist the Trustees to perform their fiduciary duty of loyalty to "discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty." Cal. Const., art. XVI, § 17(b); see Cal. Gov't Code § 31595(a).
2. Duty of Prudence. Education must assist the Trustees to perform their fiduciary duty of prudence to "discharge their duties with respect to the system 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 with a like character and like aims.” Const., art. XVI, § 17(c); see Cal. Gov’t Code § 31595(b).

- B. Further a Common Foundation of Knowledge.** A foundation of common knowledge, or Trustee Competencies, relevant to LACERA and its Mission is necessary among all Trustees to fulfill their fiduciary duty.
- C. Opportunities for Enrichment.** The fiduciary value of education includes alternatives and choices for individual Trustees to pursue enrichment in areas of interest and specialization related to LACERA and its Mission, and to stay abreast of current developments.
- D. Sharing of Information.** Because education a group effort as well as an individual endeavor, Trustees are encouraged to share information and perspectives concerning the education they separately pursue with fellow Trustees. For this reason, education should also include the flexibility and opportunities for Trustees to network with and obtain relevant knowledge from others in the public pension and investment communities.
- E. Leverage LACERA Resources.** A concerted effort should be made to present educational presentations in the boardroom to take advantage of the expertise of LACERA staff, LACERA consultants, and other outside experts to create a shared educational environment for all Trustees to interact, question, and receive common benefit.
- F. Annual Review of Education and Needs.** The fiduciary value of Trustee education is enhanced by each Trustee, on an individual basis, reviewing their past education each year and planning in advance when possible, for how to meet their educational goals in the coming year. An annual review process recognizes that Trustees and their individual educational needs evolve over time, and no single method of educating Trustees is optimal. Instead, the ability of Trustees to develop flexible education plans for themselves and to employ a variety of methods is necessary and appropriate and will assist staff to source and provide appropriate choices and opportunities that meet Trustee needs.
- G. Transparency and Monitoring.** Trustee education and its fiduciary value and cost should be transparent to LACERA’s members and other stakeholders. The Boards should be provided with information on a periodic and consistent basis to enable effective oversight of the Trustee education program.

### III. NEW TRUSTEE ORIENTATION AND SUPPORT

- A. Attendance.** Each new Trustee and alternate, including the Treasurer and Tax Collector’s Chief Deputy, shall attend orientation.
- B. Timing for Orientation.** Orientation should occur before a new Trustee attends their first Board meeting.
- C. Development and Content.** Orientation will be developed and overseen by the Chief Executive Officer. Orientation will, at a minimum, include an overview

of LACERA's independence, Mission, organizational structure, and key functions, Board and Trustee responsibilities and fiduciary duty, pension benefits and member services, retiree healthcare and the OPEB Trust, investments, legal issues, conflicts of interest and ethics, strategic planning, budget, and accounting, actuarial matters and contribution-setting, internal audit, Trustee education, and Trustee technology, resources, and support.

**D. Orientation Materials.** At or before orientation, the following materials shall be made available to new Trustees in electronic format or such other format as a Trustee request:

1. A confidential roster of names, addresses, and contact information for the Board Trustees.
2. A confidential roster of names, addresses, and contact information for the Executive Management team.
3. Board agendas, minutes, policies and procedures, the strategic plan, applicable law, and other available resources, and how to access them.
4. Other relevant material requested by the new Trustee or deemed appropriate by the Chief Executive Officer, including a binder of materials covering the orientation topics listed in Section III(C).

**E. Mentoring.** The Chief Executive Officer will establish a formal mentorship program to assist interested Trustees. Any new Trustee may request a mentor to assist them in becoming familiar with their responsibilities on the Board. If a request is made, the Board Chair(s) will designate one experienced Trustee to be a mentor to the new Trustee for a period of one year.

**F. Returning Trustees.** Trustees who have previously served non-consecutive terms on the Boards shall attend orientation to refamiliarize themselves with the content described in Section III.C and changes to the system during their absence. The content of returning Trustee orientation will be developed by the Chief Executive Officer in collaboration with each returning Trustee.

#### IV. ONGOING TRUSTEE EDUCATION

**A. Required Education.** CERL requires that all Trustees receive a minimum of 24 hours of Trustee education within the first two years of assuming office and for every subsequent two-year period the Trustee continues to serve on the Board. This requirement sets a minimum standard. Trustees may obtain additional education consistent with the provisions of this policy.

**B. Appropriate Subject Matter.** All education must be relevant to the duties and responsibilities of Trustees. In accordance with CERL, the Boards identify knowledge in the matters and areas set forth in the Trustee Competencies stated in Appendix A as appropriate for required education. All Trustees must seek education in and should strive to have knowledge in these areas to assist in the performance of their fiduciary duty and delivering on LACERA's Mission. In addition to these areas, Trustees may obtain education in other areas relevant to their fiduciary responsibilities. Members of Board committees are

encouraged to focus a portion of their education on the subject matter of their committee.

**C. *Methods of Education.*** Since no one method of education is optimal, a Trustee's annual education should include various methods. In considering the various methods, Trustees should weigh the costs and benefits of each method. Trustee education may be obtained through the following:

1. In-House Education. The Chief Executive Officer will obtain annual Board approval for a program of in-house education for Trustees during regularly scheduled Board meetings, offsites, and other settings as may be permissible under the Brown Act. Such education will be provided by staff, LACERA consultants, and outside experts, except that the Chief Investment Officer will be responsible to plan and oversee investment-related education. LACERA consultants will be required in their contracts to provide Trustee education.

In addition to such other in-house education as may be provided, the Trustees shall receive regular training from fiduciary counsel in (1) fiduciary duty, (2) ethics and conflicts of interest, (3) governance, and (4) the Brown Act and Public Records Act. The Chief Executive Officer will develop a fiduciary counsel training schedule.

2. In-Person External Educational Conferences. Trustees may pursue in-person external education as provided in this policy, including conferences, seminars, and meetings. The Chief Executive Officer will obtain annual Board approval, maintain, and update on a current basis, a list of external educational options, organized by subject matter, appropriate for Trustees. The conferences listed in Appendix B are pre-approved. Trustees may attend external education that meets the criteria of this policy without additional approval, subject to the Boards' Trustee Travel Policy, provided that all international education must be approved by the applicable Board. For purposes of this policy Mexico and Canada are not considered international locations.

Every Trustee is authorized to attend up to 4 in-person external education opportunities per fiscal year (of which no more than 1 may be international), and up to 6 if the Trustee is serving simultaneously on both Boards at any time during the fiscal year (of which no more than 1 may be international), except that a Board may approve education in excess of these limits upon good cause. External education must have at least 5 hours of educational content per day. "International" education is all education that takes place outside the United States, except Mexico and Canada. Two conferences separated by no more than one day, with no additional travel, count as one conference.

Conferences located in California are not subject to the hour and number limits stated in the preceding paragraph.

The Chief Executive Officer will maintain Domestic and International Education Priority Lists for each Board for use when attendance at an event is limited. Trustees will be offered the opportunity to attend based on their place on the appropriate priority list. Trustees on each Board initially will be placed on applicable lists in order of the start date of their earliest term of continuous service on the Board (for appointed Trustees, a gap of 18 months or less will not break continuity of service). Trustees with the same priority date will be given priority in alphabetical order. A Trustee who attends an event based on their priority will be placed at the bottom of the list. New Trustees with no prior Board service or a gap of more than 18 months will be placed at the top of the list to facilitate their education.

Prior to attending an international benefits conference, a Trustee is required to attend an American Health Insurance Plans (AHIP) National Policy Forum or World Health Care Congress. Prior to attending an international investment conference, a Trustee is required to attend the State Association of County Retirement Systems (SACRS) Public Pension Investment Management Program or the University of Pennsylvania Wharton School of Business Portfolio Concepts and Management course. These courses are within the limits described above in this Section IV.C.2.

3. Virtual Education and Self-Study. Trustees are encouraged to attend webinars and other forms of virtual education, self-study, and other forms of education that do not require travel relating to LACERA and the performance of a Trustee's duties, including the conferences described in Section IV.C.2 above and Appendix B when offered virtually. If attendance is limited at a such education, the same priority list as described in Section IV.C.2 will be used. Attendance at such education is exempt from the limits stated in Section IV.C.2 as to the number of in-person educational opportunities that may be attended. Virtual education and self-study are not limited by cost.
4. Periodicals. Trustees are encouraged to read periodicals related to the performance of their fiduciary duties as a valuable method of keeping current on relevant news and pension and investment trends, including but not limited to those selected from a list of pension and investment-related periodicals maintained by the Chief Executive Officer. All subscriptions must be arranged through the Executive Office, and LACERA will bear the expense. The Chief Executive Officer will annually review and update the periodical list with input from Trustees.
5. Evaluation. Trustees may complete and submit to the Chief Executive Officer for distribution to all Trustees, an evaluation or syllabus of all in-person external conferences and virtual education attended. A suggested sample evaluation form is attached as Appendix C. Trustees are also encouraged to share knowledge from education at Board meetings during a Report on Trustee Education agenda item or when relevant during specific agenda items.



**D. Assessment and Planning.** Trustees are encouraged to assess their educational status and needs against the Trustee Competencies in Appendix A at the beginning of each calendar year and to use such information as the basis for establishing the Trustee's own self-development goals and education plan for the year. A suggested sample education plan format is attached as Appendix D.

**E. Reporting and Monitoring.** All Trustee education will be reported to the Chief Executive Officer. The Chief Executive Officer shall provide the Boards quarterly reports concerning the amount and type of Trustee education and post them on lacera.com. In addition, in compliance with CERL, the Chief Executive Officer will annually provide the Boards and post on lacera.com a report of each Trustee's compliance with the education requirement described in Section IV.A of this policy.

## **V. ADMINISTRATIVE MEETINGS**

The relevant Board will be informed of a Trustee's need to attend Administrative Meetings and provide advance approval on such terms as deemed appropriate.

## **VI. BROWN ACT COMPLIANCE**

Attendance at external education and Administrative Meetings by more than four members of a Board is not a violation of this provision, provided that the members may not discuss any item of LACERA business.

## **VII. GIFTS AND CONFLICTS**

The Boards desire to avoid even the appearance of impropriety in connection with education, and related expenses. The Boards acknowledge that acceptance of gifts of education and related expenses, such as registration, transportation, meals, and lodging by a public agency, though permitted under certain circumstances by applicable law, can create the appearance that LACERA encourages "pay to play" and may, unwittingly, create opportunities for undue influence on Trustees. This policy therefore does not permit LACERA as an entity to accept gifts of education, and related expenses. This policy does not prohibit certain payments for education and/or related expenses as part of the negotiated consideration under agreements with vendors, consultants, and managers, although all such payments should be reviewed in advance with the Legal Division to ensure compliance with applicable law, regulations, and reporting.

Items provided during education may constitute reportable gifts.

Trustees should be familiar with the provisions of LACERA's Code of Ethical Conduct as it may apply to education and interaction with and items received from the sponsors or other attendees.

## **VIII. TRAVEL POLICY AND PROCEDURES**

This policy is subject to and will be read and interpreted in conjunction with the Trustee Travel Policy.

## IX. OTHER CHARTERS AND POLICIES

To reconcile this policy with the Board Charters and other Board policies:

- A. *Prevention of Sexual Harassment.*** Training will be obtained by Trustees as provided in the Boards' Policy on Sexual Harassment Prevention Training for Board Members.
- B. *Board Charters.*** This policy constitutes the development policy and addresses Trustee education programs, as referenced in Section 6.1.4 of the Board of Retirement Charter, and Reserve Power 5 of the Board of Investments Powers Reserved and Delegated Authorities and Powers Reserved Defined.
- C. *Prior Board Educational Requirements Policies.*** This policy supersedes and replaces the LACERA Board of Retirement Board Member Educational Requirements Policy and LACERA Board of Investments Board Member Educational Requirements Policy, which are of no further force or effect.

## X. POLICY PROVISIONS AND APPLICABLE LAW

- A. *Waiver of Policy Provisions.*** For good cause presented in writing, and in the exercise of its sound discretion, the Board of Retirement or the Board of Investments may waive compliance with specific requirements of this policy when in the best interest of LACERA.
- B. *Applicable Law.*** This policy is to be implemented in compliance with the relevant provisions of the California Government Code and other applicable law, and in harmony with existing philosophy, objectives, policies, and guidelines previously approved by the Board of Retirement and the Board of Investments.

## XI. REVIEW

This policy shall be reviewed by the Joint Organizational Governance Committee, the Board of Retirement, and the Board of Investments every three years or as needed and may be amended by both Boards at any time.

**Policy History:** Restated and Approved by the Board of Retirement and Board of Investments on December 16, 2020, and updated and approved by the Board of Retirement and Board of Investments on May 5, 2022 and May 12, 2022, respectively. Prior versions are superseded and of no effect as of the stated approval date.

## **APPENDIX A TRUSTEE COMPETENCIES**

- ***Governance***
  - Understanding Board function, processes, committee structure, exercise of discretion, delegation of responsibilities and oversight role.
  - Understanding the organizational structure and roles of staff and consultants, including the actuary, auditors, healthcare consultant, investment consultants, and fiduciary counsel,
  - Understanding the laws and rules governing the system.
  - Understanding the Boards' governing documents.
  - Understanding the system's independence under applicable laws.
  - Understanding best practices for public pension board governance.
  - Understanding information technology and data security.
  - Understanding the meaning and role of diversity, equity, and inclusion.
  - Understanding Robert's Rules of Order.
  
- ***Fiduciary Duties and Responsibilities***
  - Understanding the duty of loyalty.
  - Understanding the duty of prudence.
  - Understanding the paramount fiduciary duty to members and beneficiaries.
  - Understanding the fiduciary duty to minimize employer contributions.
  - Understanding the fiduciary duty to defray the reasonable costs of administering the system.
  - Understanding how to delegate authority while retaining appropriate oversight.
  
- ***Benefits Administration***
  - Service Retirement
    - Understanding the different plans available to employees and retirees.
    - Understanding how the system communicates with members.
    - Understanding the difference between the responsibility for plan design (plan sponsor) and plan administration (LACERA).
    - Understanding the administrative appeal process.
  - Disability Retirement
    - Understanding the qualifications for a disability retirement and the benefits that are provided.
    - Understanding the process that is followed in disability applications, from intake through determination of eligibility.
    - Understand the medical and legal issues that are discussed during consideration of disability matters.
    - Understanding the disability hearing and appeal process.
    - Understanding fair hearings and decision-making standards.
  - Retiree Healthcare
    - Understanding the healthcare program structure.



- Understanding the history, agreements, and relationship with the County and other participating employers in connection with the funding and administration of the program.
- ***Ethics, Conflicts of Interest, and Disclosures***
  - Understanding the Form 700 process, and Conflict of Interest Code.
  - Understanding applicable conflict of interest laws and the duty to avoid participating in a decision that affects a Trustee's economic interests.
  - Understanding the LACERA Code of Ethical Conduct.
  - Understanding the RFP quiet period and Trustee disclosure obligations.
- ***Open Meeting and Public Records***
  - Understanding the importance of transparency to stakeholders.
  - Understanding the notice requirement for meetings, including teleconference meetings under the Brown Act.
  - Understanding the limitations on discussing matters that have not been noticed on the agenda.
  - Understanding the circumstances under which communications outside of noticed meetings can be deemed to be a prohibited meeting under the law.
  - Understanding what may and may not be discussed during a closed session.
  - Understanding what constitutes a “public record” under the law and circumstances under which records must be disclosed or withheld.
- ***Financial Controls and Audits***
  - Understanding the role of LACERA staff, Internal Audit, the outside financial auditor, and the Audit Committee.
  - Understanding the Comprehensive Annual Financial Report (CAFR).
  - Understanding the concepts of “risk assessment” and developing internal controls to address those risks.
  - Understanding the responsibility for maintaining the security of confidential information kept by the system, including privacy rights.
  - Understanding vendor selection policy and practices.
- ***Pension Funding and Actuarial Process***
  - Understanding of how assets and liabilities of the system are calculated on an actuarial basis, and the role of actuarial consultants.
  - Understanding the difference and relationship between the actuarial value of assets and the market value of assets and the asset smoothing process.
  - Understanding how changes in actuarial assumptions have an impact on system assets and liabilities.
  - Understanding the nature of the plan sponsors' funding obligations and the responsibility of the Board of Investments to determine the annual required contribution and employee contributions and provide oversight of the actuarial process.
  - Understanding OPEB pay-as-you-go and trust funding mechanisms for retiree healthcare, and the Board of Retirement's oversight role.

- **Investments**

- Understanding the comprehensive nature of the investment process.
- Understanding portfolio construction.
- Understanding different asset categories and portfolio complexity.
- Understanding responsible stewardship of LACERA's investments in a manner that promotes and safeguards the economic interests of LACERA and its members, including robust investor rights, strong corporate governance practices and policies at the firms in which LACERA invests, and sound public policies governing financial markets help generate long-term economic performance.



## **APPENDIX B APPROVED EXTERNAL EDUCATIONAL CONFERENCES**

The following list of approved external Educational Conferences is provided under Section IV.C.2 of the Trustee Education Policy as a resource to Trustees in selecting pre-approved education that will support required education, Trustee Competencies, and educational assessment and planning. Education is organized by primary subject matter, although some events may provide education in multiple areas. All conferences on this list are intended only to refer to domestic U.S. events.

### ***Governance***

National Association of Corporate Directors (NACD) conferences, seminars, and meetings

### ***Pension Benefits and System Administration***

California Association of Public Employee Retirement Systems (CALAPRS) conference, seminars, and meetings, including Principles of Pension Management Course

~~Government Finance Officers Association (GFOA) conferences, seminars, and meetings~~

~~Harvard Law School Labor and Worklife Program conferences, seminars, and programs~~

Koried conferences, seminars, and programs

National Conference on Public Employees Retirement Systems (NCPERS) conferences, seminars, and meetings

National Institute on Retirement Security (NIRS) conferences, seminars, and meetings

Public Retirement Journal conferences, seminars, and meetings

State Association of County Retirement Systems (SACRS) conferences, seminars, and meetings

### ***Retiree Healthcare***

America's Health Insurance Plans (AHIP) conferences, seminars, and meetings, including Annual Institute, Annual Medicare Conference, and Annual National Policy Forum

California Retired County Employees Association (CRCEA) semi-annual conferences

Federal and state legislative hearings on pension and retirement health care issues

International Foundation of Employee Benefit Plans (IFEBC) conferences, seminars, and meetings, including Annual Employee Benefits Conference, Annual Benefits Conference for Public Employees, Annual Health Care Cost Management Conference, Annual Investments Institute, and Annual Washington Legislative Update Conference

## ***Investments***

Association of Asian American Investment Managers conferences, seminars, and meetings

Association for Private Capital Investment in Latin America (LAVCA) conferences, seminars, and meetings

ColCapital educational conferences, seminars, and meetings

Council of Institutional Investors (CII) conferences, seminars, and meetings

Harvard Kennedy School, Trustee Leadership Forum for Retirement Security and Initiative for Responsible Investment

Harvard Law School Forum on Corporate Governance

Information Management Network (IMN) Beneficial Owners' International Securities Lending Summit Annual Conference

International Corporate Governance Network (ICGN) conferences, seminars, meetings

Institutional Limited Partners Association (ILPA) conferences, seminars, and meetings

~~Milken Institute conferences, seminars, and meetings~~

National Association of Investment Companies conferences, seminars, and meetings

National Association of Securities Professionals (NASP) conferences, seminars, and meetings, including Annual Pension and Financial Services Conference

New America Alliance conferences, seminars, and meetings

Pacific Pension & Investment Institute (PPI) conferences, seminars, and meetings

Pension Bridge conferences, seminars, and meetings

Pension Real Estate Association (PREA) annual spring and fall conferences and institute

United Nations Principals of Responsible Investing (UNPRI) conferences, seminars, and meetings

University of Pennsylvania Wharton School's Pension Fund and Investment Management and the Portfolio Concepts and Management courses

Women in Institutional Investments Network conferences, seminars, and meetings

**APPENDIX C  
SUGGESTED SAMPLE CONFERENCE EVALUATION FORM**

Under Section IV.C.5 of the Trustee Education Policy, Trustees are encouraged to complete an evaluation form or provide a syllabus for all in-person external conferences and virtual education attended.

**TRUSTEE NAME:**

**CONFERENCE NAME:**

**CONFERENCE DATE:**

**RANKING 1-10:**

1 (lowest)    2    3    4    5    6    7    8    9    10 (highest)

**DO YOU RECOMMEND THE COURSE TO OTHER TRUSTEES?    Yes    No**

**WHY?**

**DESCRIPTION OF SUBJECT MATTER (attach syllabus if available):**

**HIGHLIGHTS:**

**WEAKNESSES:**

**Return to:**

Board Offices

[BoardOffices@lacera.com](mailto:BoardOffices@lacera.com)

**APPENDIX D  
SUGGESTED TRUSTEE EDUCATION PLAN**

Under Section IV.D of the policy, Trustees are encouraged to assess their personal educational status and needs as against the Trustee Competencies in Appendix A at the beginning of each calendar year and to use such information as the basis for establishing the Trustee's own self-development goals and education for the year.

**TRUSTEE NAME:**

**PLAN FOR YEAR:** 20\_\_\_\_

**HAVE I COMPLETED MY 24 HOURS OF CERL-REQUIRED EDUCATION EVERY TWO YEARS?**    Yes    No

**FIVE AREAS WHERE I WOULD LIKE TO GET ADDITIONAL EDUCATION THIS YEAR TO HELP IN THE PERFORMANCE OF FIDUCIARY DUTY:**

- 1.
- 2.
- 3.
- 4.
- 5.

**SUGGESTIONS FOR INTERNAL EDUCATION I WOULD LIKE TO SEE THIS YEAR** (you may email them to the CEO, [skreimann@lacara.com](mailto:skreimann@lacara.com)):

**IDEAS FOR EXTERNAL EDUCATION I WOULD LIKE TO PURSUE THIS YEAR:**

**ARE THERE ANY ADDITIONAL EDUCATIONAL RESOURCES I NEED FROM THE EXECUTIVE OFFICE THIS YEAR** (you may email them to the CEO, [skreimann@lacara.com](mailto:skreimann@lacara.com)):



August 24, 2023

TO: Each Trustee,  
Board of Retirement  
Board of Investments

FROM: Joint Organizational Governance Committee  
Herman B. Santos (BOI), Chair  
David Green (BOI) Vice Chair  
Gina Sanchez (BOI)  
Onyx Jones (BOI)  
Shawn Kehoe (BOR)  
Alan Bernstein (BOR)  
Elizabeth Greenwood (BOR)  
Ronald Okum (BOR)

FOR: September 6, 2023 Board of Retirement Meeting  
September 13, 2023 Board of Investments Meeting

SUBJECT: LACERA's Revised *Mission, Vision, and Values*

**RECOMMENDATION:**

That the Board of Retirement and Board of Investments approve and adopt LACERA's revised *Mission, Vision, and Values*.

**EXECUTIVE SUMMARY**

As part of our 2022-2023 Strategic Planning process, LACERA also reviewed and revised its *Mission, Vision, and Values*. While LACERA's mission of producing, protecting, and providing the promised benefits for our members is unwavering, collaborating to build a better future relies on a singular commitment to our vision and shared values. They serve as the cornerstone for communicating our purpose, illuminating our future, and establishing a baseline for accountability at all levels of LACERA. The values include, as an integral part, the Organizational Guiding Principles that further inform and develop the underlying expectations to which we hold ourselves accountable.

Please review the attached LACERA *Mission, Vision, and Values* document to gain a better understanding on how our mission, vision, and values define what we do every day and is central to our commitment to serving our members in the coming years.

**CONCLUSION**

LACERA staff would like to thank all stakeholders involved in the development of our

Re: LACERA's Revised *Mission, Vision, and Values*

August 24, 2023

Page 2

revised *Mission, Vision, and Values*. With our mission, vision, and values directly fueling our sense of purpose and resolve, we are poised to empower our members while continuing to deliver exceptional service, now and in the years to come.

**IT IS THEREFORE RECOMMENDED THAT THE COMMITTEE:**

Approve and adopt LACERA's revised *Mission, Vision, and Values*.

cc: Santos H. Kreimann

Luis A. Lugo

Jon Grabel

Steven P. Rice

JJ Popowich

Laura Guglielmo

Attachment

*Attachment A: LACERA Mission, Vision, and Values*

*Attachment B: Presentation - LACERA Mission, Vision, and Values*



# L/CERA



A Brighter Future  
Built on Our Shared Purpose

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**Mission, Vision, and Values**

# Trustees

A special thank-you to the Trustees of both Boards for their service and guidance in shaping LACERA's vision, values, and guiding principles.

## Board of Retirement



**Shawn R. Kehoe**  
**Chair**

*Elected by Safety Members*



**Alan J. Bernstein**  
**Vice Chair**

*Appointed by Board of Supervisors*



**Vivian H. Gray**  
**Secretary**

*Elected by General Members*



**Elizabeth B. Ginsberg**

Chief Deputy County Treasurer And Tax Collector  
*Acting Ex-Officio Trustee\**



**Jason E. Green**

*Elected by Safety Members*



**Elizabeth Greenwood**

*Appointed by Board of Supervisors*



**James P. Harris**

*Elected by Retired Members*



**Keith Knox**

County Treasurer and Tax Collector  
*Ex-Officio Trustee*



**Ronald Okum**

*Appointed by Board of Supervisors*



**Les Robbins**

*Elected by Retired Members*



**Antonio Sanchez**

*Appointed by Board of Supervisors*



**Herman B. Santos**

*Elected by General Members*

## Board of Investments



**Gina V. Sanchez**  
**Chair**

*Appointed by Board of Supervisors*



**Herman B. Santos**  
**Vice Chair**

*Elected by General Members*



**Joseph Kelly**  
**Secretary**

*Elected by Retired Members*



**Elizabeth B. Ginsberg**

Chief Deputy County Treasurer And Tax Collector  
*Acting Ex-Officio Trustee\**



**David Green**

*Elected by General Members*



**Jason E. Green**

*Elected by Safety Members*



**Onyx Jones**

*Appointed by Board of Supervisors*



**Patrick L. Jones**

*Appointed by Board of Supervisors*



**Keith Knox**

County Treasurer and Tax Collector  
*Ex-Officio Trustee*



**David E. Ryu**

*Appointed by Board of Supervisors*

*\* When ex-officio trustee is absent*

# A Message From the CEO



I'm pleased to present LACERA's updated mission, vision, and values statements, which were revisited and revised as part of our 2022–2023 strategic planning process.

While LACERA's mission of producing, protecting, and providing the promised benefits for our members is unwavering, collaborating to build a better future relies on a singular commitment to our vision and shared organizational values—elements that evolve over time as we adapt to new circumstances, advancements in technology, shifting cultural dynamics, and changing member expectations.

Through introspection, open dialogue, and a willingness to embrace diverse viewpoints, LACERA's Board of Retirement and Board of Investments have reshaped our vision and values and laid out guiding principles to foster innovation, boost organizational resilience, and meet the challenges of the future.

With our mission, vision, and values directly fueling our sense of purpose and resolve, we are poised to empower our members while continuing to deliver exceptional service, now and in the years to come.

Santos H. Kreimann  
Chief Executive Officer





## Our Mission

To produce, protect, and provide the promised benefits to our members

## Our Vision

Empowering our members to enjoy a healthy and secure retirement

Our mission defines what we do everyday and is central to our commitment to serving our members. “Members” include active and retired members and, for the purposes of this document, their beneficiaries and survivors.

Our vision statement is inspirational and aspirational for improving how we will serve our members in the coming years. While we continue delivering secure, sustainable, and sound services, we will be highly focused on additional ways to educate our members so they can make informed planning decisions, use improved technology to access our services, and fulfill their retirement dreams.

# Our Values

Our core values serve as our cultural guide and foundation in meeting our mission. As a member-focused government agency, we abide by our core values to ensure the public's trust, operate efficiently and cost effectively, and provide our members their promised benefits.



## Accountability

We take responsibility for our actions and operate with the highest standards of professionalism and respect in fulfilling our mission and duty as prudent stewards of the pension funds.



## Innovation

We cultivate a creative, forward-thinking approach in seeking out new ideas and novel solutions to continually improve our operations and the member experience.



## Collaboration

We are One LACERA. We promote unity by successfully working together across all levels of the organization to deliver on our strategic priorities and objectives.



## Integrity

We earn trust by our dedication to honesty, fairness, and ethical conduct in the service of our members and each other.



## Inclusivity

We welcome all individuals, honoring and respecting their unique stories and perspectives, and celebrating the value that diversity adds to the organization in meeting our mission and strategic priorities.



## Transparency

We clearly communicate our knowledge, ideas, and expertise in an open, fair, and honest environment, resulting in better organizational outcomes and decision-making.

# Our Organizational Guiding Principles



## ACCOUNTABILITY

We take responsibility for our actions and operate with the highest standards of professionalism and respect in fulfilling our mission and duty as prudent stewards of the funds.



## COLLABORATION

We are One LACERA. We promote unity by successfully working together across all levels of the organization to deliver on our strategic priorities and objectives.



## INCLUSIVITY

We welcome all individuals, honoring and respecting their unique stories and perspectives, and celebrating the value that diversity adds to the organization in meeting our mission and strategic priorities.

## LACERA's Guiding Organizational Principles Linked to Our Values

We follow through on our promises to provide high-quality, efficient, and accurate service to our members.

We recognize that we are human and make errors. When we make an error we recognize it, correct it, and look to find ways to prevent future errors.

We work together to support each other when an error is made, working as a team to make it right.

We provide timely, honest, and impartial performance evaluations. When evaluating staff, we consider the totality of their actions and provide appropriate constructive feedback and accurate ratings. Our employees are entitled to a clear explanation of performance expectations and professional development and promotional opportunities.

We address performance, inappropriate conduct, or actions not in line with our values in a timely manner.

We take the initiative to develop our skills to get the job done.

We seek out the opinions of others when approaching a challenge.

We recognize that almost no task can be accomplished alone, and seek out those with knowledge and skills to help us be successful in our work.

We share information freely and openly across team and divisional lines.

We encourage and expect cross-functional teams and teamwork.

We work together to reach common goals—the essence of LACERA'S success.

We do not judge others based on how they talk, look, or dress. We measure people on their actions.

We seek out others' opinions to ensure we have a well-rounded perspective.

We are considerate and tolerant of different views, creating a safe environment to share our thoughts.

We take the time to actively listen to each other.

Our communication materials reflect our community; imagery is representative of those we serve.

We choose nonbiased language.

We seek to appropriately challenge behaviors that are exclusive, seeking to educate to encourage better behaviors.

We seek to create balanced teams.

We seek to understand each other and take each other's needs into account when making decisions or planning events.

We base our actions on the belief that our members and coworkers deserve to be treated with courtesy, patience, and empathy.

# Our Organizational Guiding Principles



## INNOVATION

We cultivate a creative, forward-thinking approach in seeking out new ideas and novel solutions to continually improve our operations and the member experience.



## INTEGRITY

We earn trust by our dedication to honesty, fairness, and ethical conduct in the service of our members and each other.



## TRANSPARENCY

We clearly communicate our knowledge, ideas, and expertise in an open, fair, and honest environment, resulting in better organizational outcomes and decision-making.

## LACERA's Guiding Organizational Principles Linked to Our Values

We listen to everyone's ideas and look for those that benefit our members, our organization, and our plan sponsors.

We provide everyone a safe space to share ideas without judgment.

We are judicious but willing to take measured risks to test out new ideas.

We are not afraid to fail, understanding that failure is a step toward better solutions.

We make an effort to seek out new knowledge, remaining aware of what is happening in our industry and similar industries.

We seek to develop solutions with others, taking advantage of diverse knowledge and perspectives.

Integrity guides all of our work relationships.

We inspire confidence by our high standards for member services and sound investment practices.

We are reliable, ethical, and honest. We choose to do the right thing even when no one is looking.

When presented with two or more valid choices on how to address a challenge or issue, we choose the one that is most beneficial to the member or staff member.

When we see or hear something wrong or inappropriate, we speak up.

We make decisions based on facts and the law.

When we make an error, we recognize the error, and work to correct it.

We build trust by ensuring we credit the work of others, publicly recognizing their ideas and contributions.

When we are struggling, going to miss a deadline, or need help, we discuss the challenges with our teams, peers, or leaders, allowing time and opportunity to receive help to meet deadlines and commitments.

We foster a common understanding of purpose-quality service to our members- through frank and straightforward expression of ideas.

We create a healthy work environment by sharing information, listening to each others' ideas, and giving constructive feedback.

We create a nurturing work environment that promotes fairness and trust by listening to and supporting each other.

We recognize that good decisions are made based on knowledge and data, and seek to share and provide both freely.

We do not hesitate to speak up when we have information that may be useful to a peer or business partner.

We create open knowledge repositories that are appropriately accessible.

We recognize that we are a public institution and freely share knowledge (appropriately) with our peer organizations.

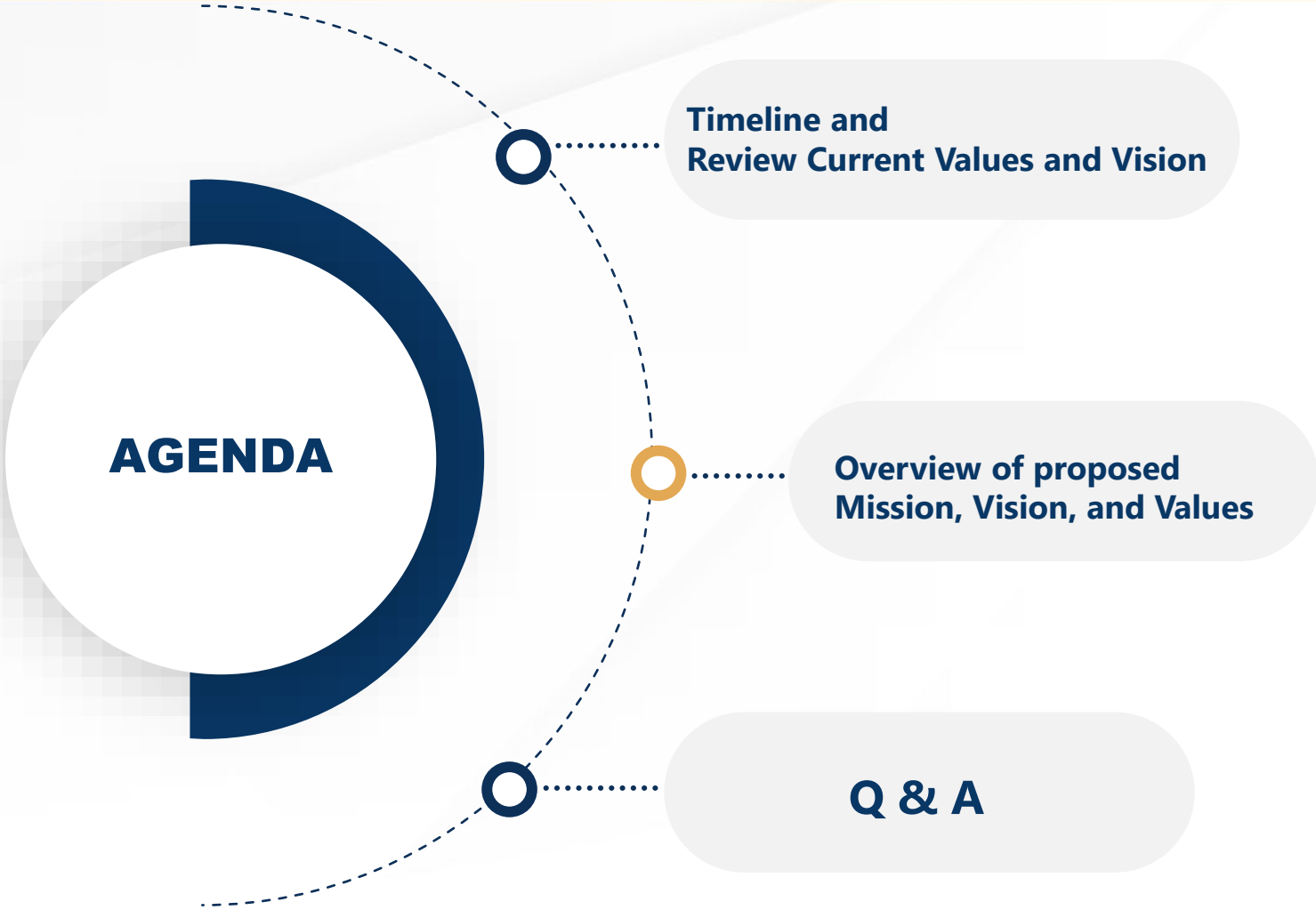




## LACERA Mission, Vision, and Values

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## Title slide



# LACERA's Current Values and Vision



## LACERA VALUES

### *Professionalism*

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

### *Respect*

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

### *Open Communications*

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

### *Fairness*

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

### *Integrity*

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

### *Teamwork*

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



Achieving our MISSION through  
shared VALUES and a collective VISION.

## LACERA VISION

### *Excellence*—our members deserve the best.

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

### *Commitment*—we are the best.

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

### *Trust*—Our members place trust in LACERA.

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

### *Service*—Our members deserve the best.

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

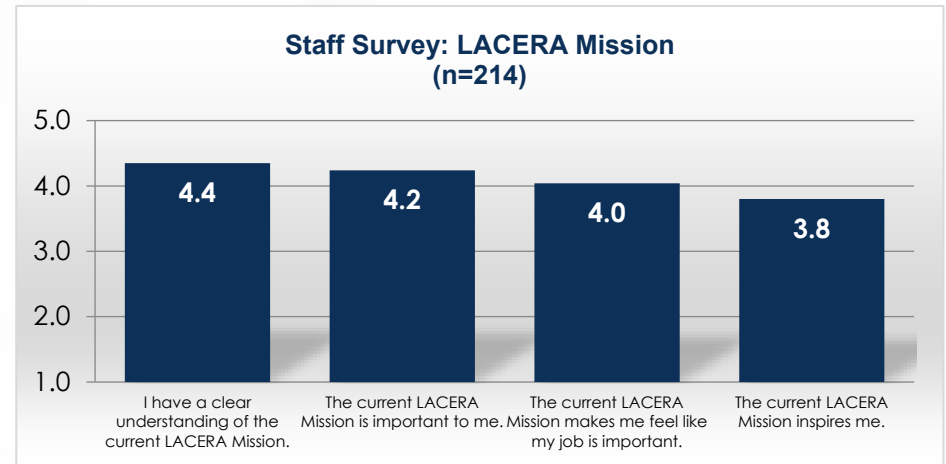
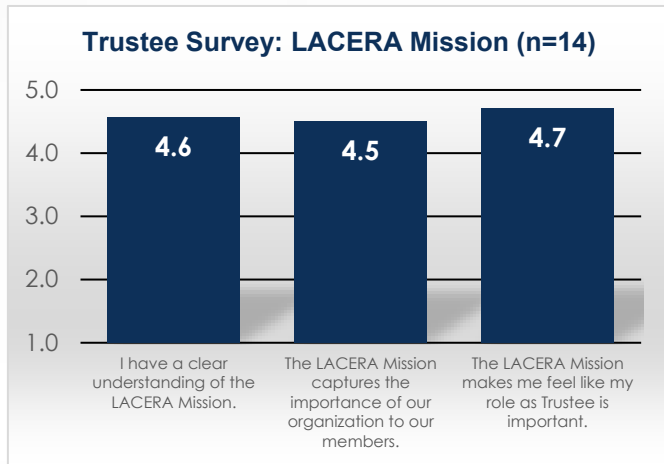


Because members deserve the best.



To produce, protect, and provide the promised benefits to our members.

As evidenced through our stakeholder engagement, our mission continues to stand the test of time. Our mission defines what we do everyday and is central to our commitment to serving our members, both active and retired.



# Building Visionary Framework



## Our Vision

Empowering our members to enjoy a healthy and secure retirement.



OUR vision statement is inspirational and aspirational for improving how we will serve our members into the future.



# Our Core Values



Our **Core Values** serve as our cultural guide and foundation in meeting our **Mission**. As a member-focused government agency, we abide by our core values to ensure the public's trust, operate efficiently and cost effectively, and provide our members their promised benefits



## Accountability

We take responsibility for our actions and operate with the highest standards of professionalism and respect in fulfilling our mission and duty as prudent stewards of the pension fund.



## Innovation

We cultivate a creative, forward-thinking approach in seeking out new ideas and novel solutions to continually improve our operations and the member experience.



## Collaboration

We are One LACERA. We promote unity by successfully working together across all levels of the organization to deliver on our strategic priorities and objectives.



## Integrity

We earn trust by our dedication to honesty, fairness, and ethical conduct in the service of our members and each other.



## Inclusivity

We welcome **all** individuals, honoring and respecting their unique stories and perspectives, and celebrating the value that diversity adds to the organization in meeting our mission and strategic priorities.



## Transparency

We clearly communicate our knowledge, ideas, and expertise in an open, fair, and honest environment, resulting in better organizational outcomes and decision-making.



# LACERA Organizational Guiding Principles



## ACCOUNTABILITY

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We recognize that we are a public institution and freely share knowledge (appropriately) with our peer organizations.



# Questions / Comments

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August 31, 2023

TO: Each Trustee,  
Board of Investments

FOR: Board of Investments Meeting of September 13, 2023

SUBJECT: 2023 Midwest + West Coast Summit in Chicago, Illinois on October 5, 2023

The 2023 Midwest + West Coast Summit will be held in Chicago, Illinois on October 5, 2023

The main conference highlights include the following:

- Asset Allocation Models
- Impact Investing / Investing in Diverse Managers / Diverse Portfolio Companies
- China Geopolitics

Following are approximate conference and travel costs:

**Registration:** \$125.00

**Hotel:** \$350.00 daily rate (plus taxes and fees)

**Additional Travel Days:** 1 Days

**Airfare:** \$600.00 - \$2,000.00

**Ground Transportation:** \$60.00 per day

**Per Diem & Incidentals:** \$79.00 per day  
(The registration fee includes most meals)

**Approximate Cost Per Traveler:** \$1,500.00- \$3,500.00

If the registration fee is insufficient to pay the cost of the meals provided by the conference sponsor, LACERA must reimburse the sponsor for the actual cost of the meals, less any registration fee paid. Otherwise, the attendee will be deemed to have received a gift equal to the value of the meals, less any registration fee paid, under California's Political Reform Act.

**IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:**

Approve attendance of Trustees at the 2023 Midwest + West Coast Summit in Chicago, Illinois on October 5, 2023, and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies.

Attachment

LE



**2023 MIDWEST +  
WEST COAST SUMMIT**

**October 5 | Chicago, IL**

**ACCELERATE INVESTORS**

# ACCELERATE INVESTORS



[accelerateinvestorsny.com](https://accelerateinvestorsny.com)

## OUR MISSION

Accelerating outperformers who disrupt the status quo.

## OUR APPROACH

- Create educational programming for investment professionals
- Develop a robust network of the best investment professionals
- Support access to capital for differentiated investment firms
- Be a strategic partner to asset owners

## ASSET ALLOCATOR PARTNERS

- Illinois Municipal Retirement Fund
- New York State Common Retirement Fund
- Service Employees International Union
- Teacher Retirement System of Texas

## CIO COUNCIL

- JEFF MINDLIN | Arizona State University Foundation
- BROOKE JONES | Bryn Mawr College
- STEFAN STREIN | Cleveland Clinic
- ANGELA MILLER-MAY | Illinois Municipal Retirement Fund
- SCOTT PITTMAN | Mount Sinai Health System
- CHRISTINE KELLEHER | National Gallery of Art
- KARL SCHEER | University of Cincinnati
- CHARMELE MAYNARD | University of Miami

## UPCOMING SUMMITS

- October 5, 2023: **Midwest + West Coast Summit** | Chicago, IL  
([see '22 Midwest Summit here](#))
- January 18, 2024: Southwest Summit | Austin, TX  
([see '23 Southwest Summit here](#))
- May 29 – 30, 2024: Women + Annual Summit | New York, NY  
([see '23 Women + Annual Summit here](#))





# 2023 MIDWEST + WEST COAST SUMMIT

Connect with leading asset owners and investment managers! Investors will discuss various asset classes around topical investment themes.

Email [betty@accelerateinvestorsny.com](mailto:betty@accelerateinvestorsny.com) with any questions or to become a sponsor.

## WORKING AGENDA

### Thursday, October 5

12:45 – 1 PM

**General Registration**

1 – 6 PM

**Topical Investment Themes Discussions**

6 – 7 PM

**Networking Reception**

Networking over drinks and bites

7 PM

**VIP Dinner**

Allocators & Accelerate Investors

Corporate Members Invited

October 5 | Chicago, IL

## TOPICS UNDER DISCUSSION

- Asset Allocation Models
- China Geopolitics
- CIO Conversations
- How to Build Relationships with Allocators
- Impact Investing / Investing in Diverse Managers / Diverse Portfolio Companies
- Infrastructure
- NextGen LPs
- Private Credit
- Private Equity



# 2023 MIDWEST + WEST COAST SUMMIT

October 5 | Chicago, IL

## CONFIRMED SPEAKERS INCLUDE:



Amy Bulger  
Director, Private Markets  
Wespath Benefits  
and Investments



Angel Herrera  
Director of  
Alternative Investments  
Illinois State  
Treasurer Office



Harisha Koneru Haigh  
Managing Director  
Northwestern University



Will DuPree  
Senior Consultant  
NEPC



Katharine Wyatt  
Chief Investment Officer  
Loyola University  
Chicago



Jeremy Heer  
Managing Director  
University of  
Illinois Foundation



Angela Miller-May  
Chief Investment Officer  
Illinois Municipal  
Retirement Fund



Didier Acevedo  
Investment Officer  
LACERA



Geeta Kapadia  
Chief Investment Officer  
Fordham University



Renaye Manley  
Deputy Director  
SEIU



# 2023 MIDWEST + WEST COAST SUMMIT

October 5 | Chicago, IL

## HIGHLIGHTS FROM 2022:



See more + join the conversation on [LinkedIn](#)



# 2023 MIDWEST + WEST COAST SUMMIT

October 5 | Chicago, IL

## HIGHLIGHTS FROM 2022:



See more + join the conversation on [LinkedIn](#)

August 29, 2023

TO: Each Trustee,  
Board of Retirement  
Board of Investments

FROM: Joint Organizational Governance Committee  
Herman B. Santos (BOI), Chair  
David Green (BOI), Vice Chair  
Gina Sanchez (BOI)  
Onyx Jones (BOI)  
Shawn Kehoe (BOR)  
Alan Bernstein (BOR)  
Elizabeth Greenwood (BOR)  
Ronald Okum (BOR)

FOR: September 6, 2023 Board of Retirement Meeting  
September 13, 2023 Board of Investments Meeting

SUBJECT: Revised Joint Organizational Governance Committee Charter

## **Recommendation**

That the Board of Retirement and Board of Investments separately review and approve and adopt the revised Joint Organizational Governance Committee Charter.

## **Discussion**

When the Joint Organizational Governance Committee (JOGC) Charter was revised last year, a substantial task assigned to the JOGC was the development and recommendation of a system-wide strategic plan.

Since that time, the initial draft of the Board of Retirement's (BOR) Strategic Plan was distributed, comments were received, and the plan was approved by BOR during their July 6, 2023 meeting. The general response can best be summarized as an expressed mutual desire by each Board to separately develop their own strategic plans which focus on their discrete spheres of control.

The primary tasks which the Boards are required by law to accomplish collectively are joint adoption of the budget, approval of classifications and salaries, CEO selection and oversight, and certain other tasks as set forth in CERL and other law. This memo addresses the budget function. As the Boards are aware, a strategic plan without connection to hard budget dollars is aspirational rather than operational.

The JOGC Charter as revised last year, which assigned development of a strategic plan



to the JOGC, no longer makes sense in the follow up from the BOR strategic plan. The JOGC still has a substantial role in developing a system-wide budget which will be necessary to meet the specific needs of each Board. The JOGC also has a role in recommending LACERA's mission, vision, and values for joint approval by both Boards. The mission, vision, and values are core principles that will be jointly approved by the Board to drive the budgeting process as well as day-to-day operations.

As a result, fiduciary counsel Robert Klausner revised the JOGC Charter to reflect that changed approach. As can be seen from the clean and redlined drafts accompanying this memo, the development of strategic plans has now been delegated back to each Board. Once the separate plans are developed and adopted, the JOGC can perform its role in facilitating budgetary support to each plan's implementation needs and in recommending the mission, vision, and values to the Board for review and approval.

Given that each Board will have the responsibility to outline and prioritize its initiatives for the coming year, the JOGC's role in giving economic life to those plans through budgeting support for needed resources remains a vital function of the committee. As the revised Charter shows, senior staff will have a much clearer picture of the goals of each Board and the priorities believed by the Boards to warrant the appropriate budgetary support. This will make the development of a system-wide budget, as required by CERL, consistent with the distinct needs of both the Board of Retirement and the Board of Investments.

Having Board-specific strategic plans will also facilitate mid-year analysis of the budget as related to the execution of the stated aims of each plan. Having a clear distinction between each Board's initiatives will also have the salutary effect of eliminating "mission drift" which can cause confusion for the senior staff tasked with executing the Boards' respective strategies.

The JOGC will also retain one additional critical responsibility. LACERA is a single system with two separate and distinct Boards. Nonetheless, good fiduciary practice is to have a common mission, vision, and set of values. Just like the budget, these overarching aspirational guidelines for LACERA are best developed with the joint participation of members from each Board. How that process will develop will be through actual practice, as opposed to trying to articulate the process in the abstract. For that reason, the Charter does not at this time contain a strict protocol which could end up placing process ahead of substance.

The Boards' attention is respectfully directed to the attached current and proposed language of the committee Charter as shown by both additions and deletions. Fiduciary counsel's May 31, 2023, memorandum is also attached summarizing his earlier

Re: Revisions to JOGC Charter  
August 29, 2023  
Page 3 of 3

discussion with the respective Board Chairs and Vice-Chairs.

**Conclusion**

At its August 17, 2023, meeting, the JOGC voted to recommend that both Boards approve and adopt the revised Charter.

Attachments

c: Santos H. Kreimann  
Jonathan Grabel  
Luis A. Lugo  
JJ Popowich  
Laura Guglielmo  
Robert L. Klausner



# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

## Joint Organizational Governance Committee Charter

Revised and Restated  
Adopted by Board of Retirement on September xx,  
2023~~January 5, 2022~~  
Adopted by the Board of Investments on September xx,  
2023~~January 12, 2022~~

**LACERA**  
**Joint Organizational Governance Committee Charter**

Contents

1	Overview of the LACERA Board of Retirement and the Board of Investments.....	2
2	Purpose of this Document .....	3
3	Purpose of the JOGC .....	3
4	Scope .....	3
5	Powers Reserved for the BOR and BOI .....	3
6	Authority .....	4
7	Responsibilities .....	4
7.1	<a href="#">Application of BOR and BOI Strategic Plans as they relate to Budgeting</a> 4	
	<a href="#">Strategic Planning and Budgeting</a>	
7.2	Joint Policies .....	6
7.3	Litigation and Claims.....	6
7.4	Chief Executive Officer and Chief Legal Officer.....	7
7.5	Miscellaneous Matters .....	7
8	Membership, Quorum, and Rules .....	7
9	Leadership .....	8
10	Meeting Frequency and Dates .....	8
10.1	Frequency.....	8
10.2	Dates .....	8
11	Charter Review.....	8

**LACERA**  
**Joint Organizational Governance Committee Charter**

## 1 Overview of the LACERA Board of Retirement and the Board of Investments<sup>1</sup>

The Los Angeles County Employees Retirement Association (LACERA) is a public pension system formed in 1937 in accordance with the County Employees Retirement Law of 1937 (the '37 Act or CERL) and administered pursuant to the '37 Act, the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the California Constitution. LACERA also administers the Retiree Healthcare Benefits Program for the County and outside districts, through contractual agreements with the County, and the Other Postemployment Benefits Program (OPEB) trusts formed by the County, LACERA, and the Los Angeles Superior Court to provide support for the retiree health program in the future.

LACERA is an independent governmental entity. LACERA is the largest county retirement system in America. LACERA is funded by the County, participating employers, employees, and investment earnings.

LACERA is governed by two Boards. Both Boards include a mix of trustees that are appointed and elected members and an ex-officio member, the sitting County Treasurer and Tax Collector. The Board of Retirement (BOR) is responsible for the overall management of the retirement system and the LACERA-administered Retiree Healthcare Benefits Program. The Board of Investments (BOI) is responsible for determining LACERA's investment objectives, strategies, and policies, as well as exercising authority and control over the investment management of the Fund. The BOI also invests and manages the OPEB trust assets for participating employers. In addition, the BOI is responsible for obtaining pension actuarial valuations that measure the funded status and serve as the basis for setting employer and employee contribution rates required to fund the system. The BOR is responsible for obtaining actuarial valuations for the OPEB Program as part of its responsibility for administration of the OPEB Program. [Each Board is responsible for development of its own separate strategic plan.](#)

The BOR and BOI have joint authority under CERL over certain shared responsibilities, including: classification and compensation of personnel; adoption of LACERA's administrative budget; the appointment and evaluation of the Chief Executive Officer (CEO), [consistent with each Board's respective strategic plan](#); and other matters as specified in CERL. [The Boards also jointly set LACERA's mission, vision, and values.](#)

Under the California Constitution, the Boards have plenary authority over administration of the pension fund.

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<sup>1</sup> For a detailed analysis of the statutory duties of each board and their joint duties, please review the memorandum from Chief Legal Officer Steven Rice dated March 27, 2018, and the concurrence from then fiduciary counsel Harvey Leiderman dated June 15, 2018.

**LACERA**  
**Joint Organizational Governance Committee Charter**

## 2 Purpose of this Document

The purpose of this document is to describe:

- the purpose, scope, responsibilities, meetings, and structure of the Joint Organizational Governance Committee (JOGC);
- the committee's membership and leadership; and
- meeting frequency and dates.

## 3 Purpose of the JOGC

The purpose of the JOGC is to:

- serve and facilitate the work of both Boards when the two boards duties intersect; make recommendations, not decisions.

## 4 Scope

- The scope of the JOGC's responsibilities, as explained and defined in Section 7, includes: recommendation to the Boards for approval of a System-wide mission statement and statement of vision and values and application of each Board's respective Strategic Plan in the annual and mid-year budget processesing;
- Budgeting to the extent of recommending an annual budget and mid-year budget adjustments to the Boards for their approval;
- Joint Board Policy Development for system-wide policies such as ethics, conflict of interest, media, and education and travel;
- Senior Staff Related Employment Litigation and other litigation affecting the interests of both Boards ;
- Assist in recommending Search Consultant for Chief Executive Officer and Chief Legal Officer;
- Such other assistance as may be jointly requested by the Boards; and Classification and salaries of staff.

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## 5 Powers Reserved for the BOR and BOI

The BOR reserves for itself all powers related to (i) retirement and healthcare benefits including policy, legislation, litigation, operations, and administration, ~~and~~ (ii) actuarial valuations of the OPEB Program, and (iii) a BOR strategic plan.

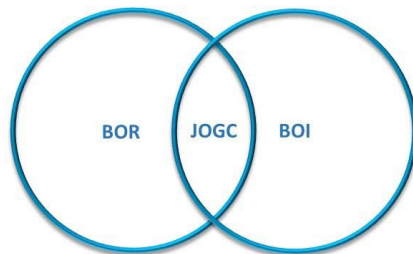
## LACERA

### Joint Organizational Governance Committee Charter

The BOI reserves for itself all powers related to (i) investments, including policy, legislation, litigation, operations, and administration, (ii) actuarial valuations of the pension fund, ~~and~~ (iii) oversight of the OPEB Trusts, and (iv) a BOI strategic plan.

## 6 Authority

The JOGC will only make recommendations to each Board on matters that intersect and affect both the BOR and BOI as described in Section 7, Responsibilities of this Charter. The following Venn diagram visually highlights the JOGC role to facilitate the work of both Boards when the Boards' duties intersect.



## 7 Responsibilities

### 7.1 Application of BOR and BOI Strategic Plans as they relate to ~~ning and~~ Budgeting

Each Board is expected to adopt a strategic plan and those plans will pProvide guidance on the development of a three-year strategic plan and the associated annual budgeting process for the Administrative, Retiree Healthcare, OPEB Program, and Non-Administrative budgets and make recommendations to the Boards, including the following:

- Joint Mission Statement and Statement of Vision and Values : While each Board will adopt its own strategic plan, it is vital that LACERA have a well-developed mission statement and statement of vision and values applicable to the System as a whole. These statements should be reflected in and guide each Board's individual strategic plans and objectives. Strategic Plan: Provide oversight and guidance on the development of a three-year strategic plan that will guide the annual budgeting process, including resources needed to achieve organizational objectives.

In providing developing each annual and mid-year input and guidance on the development of the strategic plan, and associated budget plans, the JOGC will take into account, but will not reconsider, actions taken by the Boards within the areas of their separate jurisdiction as reflected in their individual strategic plans, including the Board of Retirement for

## LACERA

### Joint Organizational Governance Committee Charter

~~pension, healthcare, and administrative matters and the Board of Investments for investment-related strategic planning.~~ The JOGC's role reflects an understanding that the entire budget process for LACERA, under Government Code Section 31580.2, is subject to the approval of both Boards, ~~and that~~ ~~therefore,~~ ~~oversight and~~ guidance for the development of the budget is a joint Board responsibility, based in part upon actions taken by the Boards separately, including the details of their respective strategic plans, vendor selections, and other matters.

Additionally, the JOGC's role reflects an understanding that each Board's three-year strategic plan ~~is a rolling plan and~~ will also take into account past strategic plan initiatives that have already been set in motion and for which resources have already been allocated and expended as they provide input on new expectations and initiatives.

- Staffing Needs.
  - Staff Classifications: Review and make recommendations on staff requests to create all new Staff Member classifications.
  - Staff Compensation: Review and make recommendations on Staff Member requests related to:
    - Negotiation and approval of collective bargaining agreements;
    - Approval of initial compensation levels and ranges applicable to new positions to be added to the County Code;
    - Approval of compensation level and range changes for existing positions that require changes to the County Code; and
    - Budgeting for compensation to be provided for existing positions within existing County Code ranges.
- Budget Development: Provide guidance during the annual budget development and mid-year budget review and adjustment cycle for the Administrative, Retiree Healthcare, OPEB Program, and Non-Administrative budgets. The staff will develop preliminary budget plans that take into account and support the approved strategic plans and general operating needs. The JOGC will review and provide a recommendation regarding the proposed budgets which will in turn be presented to the Boards during budget hearings. Both Boards will then independently ~~take action~~ act on the JOGC's recommended proposed budget.

Staff will present to each Board separately a ~~three-year~~ strategic plan developed for their unique needs and mission for the system as a whole incorporating and assist the JOGC with applying the strategic plan of each Board in the ~~and~~ annual budget plan development and mid-year budget review and adjustment process. This will include ~~ing~~ a proposed JOGC meeting schedule



## LACERA

### Joint Organizational Governance Committee Charter

with respect to planning and budget issues, for the JOGC's approval. This process will govern how the organization will ~~implement the respective~~ ~~conduct the~~ strategic plans ~~in the and annual~~ budgeting process ~~on an annual basis~~. Once approved the process will remain in effect until reviewed and modified by the JOGC and staff, with a mandatory review every six years. In this process, the JOGC will not change the strategic plans developed by each Board but rather simply address budget issues to support the Boards' separate plans.

The JOGC will complete ~~its strategic planning and~~ the joint budgeting responsibilities on an ~~agreed timetable~~ which will enable timely ~~outlined in adoption of the budget as required by CERL~~ ~~the approved annual strategic planning and budgeting process~~. All budget plans will include presentation of the budget to the Boards for final approval no later than June of each year and a mid-year budget adjustment, as needed, in December.

On-going Oversight Review: Once each Board has adopted a a three-year strategic plan and an annual budget is approved, the JOGC will provide on-going oversight review of the budget-to-actual results, make recommendations to the Boards with respect to the budget-to-actual results and the mid-year budget review and adjustment process, and the progress made towards fulfilling the Strategic Plan initiatives of each Board and assurance review consistency with the stated mission, vision, and values ~~the combined Strategic Plan~~ for the system as a whole, during the fiscal year according to a schedule approved by the Committee in consultation with the staff.

By this section, the JOGC does not assume and will not exercise any responsibility as Appointing Authority not granted to the Boards under the Los Angeles County Code, including Section 5 (Personnel) and Section 6 (Salaries), or otherwise in conflict with the County Code and LACERA Policy.

#### 7.2 Joint Policies

When not otherwise reserved to either the BOR or the BOI, assist in the development of and make recommendations with respect to all joint policies, such as ethics, conflict of interest, media, and education and travel.

#### 7.3 Litigation and Claims

Make recommendations about employment related and other Litigation and Claims affecting the interests of both Boards as described in Section 4. In matters specifically related to employment litigation concerning senior staff that serve both Boards, the CEO and Chief Legal Officer shall participate in the Committee's deliberations.

They may also include any other Litigation and Claims, including one that each Board is generally expected to separately manage, that the Board Chairs, the CEO, or Chief Counsel reasonably believe justify the involvement of this Committee because of mutual interest and concern to both Boards.

## LACERA

### Joint Organizational Governance Committee Charter

Litigation and Claims are defined as court actions, pre-litigation demands or claims, potential court actions, demands, or claims, and other forms of dispute resolution, such as arbitration and mediation.

Each Board is generally expected to separately manage:

- (1) As to the Board of Retirement, Litigation and Claims relating to the regular course of business regarding retirement, disability, and healthcare benefits, all LACERA personnel (other than the Chief Executive Officer, and all those reporting directly to them or as to whom the Boards or any of their committees have an Appointing Authority role as stated in this section), and the general operations and administration of the retirement system and the OPEB Program (including actuarial services for the OPEB Program),
- (2) As to the Board of Investments, Litigation and Claims relating to the regular course of business regarding investments, pension actuarial services, and the OPEB Trusts, and
- (3) Litigation and Claims concerning contracts approved only by that Board.

By this section, the JOGC does not assume any responsibility as Appointing Authority not granted to the Boards under the Los Angeles County Code, including Section 5 (Personnel) and Section 6 (Salaries) or otherwise in conflict with the County Code.

#### 7.4 Chief Executive Officer and Chief Legal Officer

Should a vacancy occur:

- Make a recommendation for a search consultant; and
- Provide such additional assistance in the selection process as the Boards may determine at the time.

#### 7.5 Miscellaneous Matters

Miscellaneous matters that may need to be brought before the JOGC will be determined on a case-by-case basis by the respective Board Chairs and the Chair of the JOGC in consultation with the CEO. Additionally, miscellaneous matters may be brought before the JOGC by any JOGC member.

## 8 Membership, Quorum, and Rules

There will be eight (8) members with no designated alternates. The JOGC will be comprised of the BOR and BOI Chairs and Vice-Chairs plus one member appointed by each Chair and one member elected by each Board. In making their appointment, each Chair will endeavor to include an overall mix of trustees who are appointed by the Board of Supervisors, elected by active employees (general and safety), elected by retired members, and who serve in an ex officio capacity. The Chairs will also consider continuity of service when appointing members, so that

## LACERA

### Joint Organizational Governance Committee Charter

development of expertise and familiarity with the subject matters jurisdictional to the JOGC are encouraged, and to benefit the JOGC's goals.

If there is one JOGC member who represents both Boards (one overlap), then an additional appointment will be made by the BOR Chair in even years and by the BOI Chair in odd years. If there is more than one overlap, the BOR and BOI Chairs will make an equal number of additional appointments; if there are an odd number of overlaps, the final appointment, after the Board Chairs make their separate appointments, will be made following the rule as stated in the preceding sentence that applies in the case of one overlap.

A quorum exists when a majority of the members are present, without regard to the Board ~~from~~ ~~which~~ ~~from~~ ~~which~~ individual members were appointed.

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The JOGC is subject to the Ralph M. Brown Act (Brown Act), and its meetings will be noticed, agendized, and conducted in accordance with the Brown Act. The JOGC may meet in closed session as provided in the Brown Act.

Robert's Rules of Order will also apply in the JOGC's meetings. A motion may be made or seconded by any member. A motion passes if a majority of the members present, without regard to the Board from which they were appointed, vote in favor of the motion.

## 9 Leadership

The Chair and Vice Chair of the JOGC will be elected by members of the JOGC at the first meeting of each year.

## 10 Meeting Frequency and Dates

### 10.1 Frequency

The Committee shall meet in ~~February, the first quarter~~ for the purpose of electing Committee officers and to review policies applicable to the System as a whole. The Committee shall meet in April for budget review for the System. Further meetings shall be scheduled as needed with the concurrence of the Board Chairs or the committee Chair. All meetings shall be noticed in accordance with the Ralph M. Brown Act.

### 10.2 Dates

~~To the extent possible, meetings will alternate between scheduled BOR and BOI meetings, and as needed.~~

## 11 Charter Review

The BOR and BOI shall review and update this Charter, based on recommendations from the JOGC, at least once every three years.

**LACERA**  
**Joint Organizational Governance Committee Charter**

HISTORY:

Revised and Restated by the Board of Retirement on ~~September xx, 2023~~January 5, 2022 and by the Board of Investments on ~~September xx, 2023~~January 12, 2022.



**LOS ANGELES COUNTY  
EMPLOYEES RETIREMENT  
ASSOCIATION**

**Joint Organizational Governance Committee Charter**

Revised and Restated  
Adopted by Board of Retirement on September xx,  
2023  
Adopted by the Board of Investments on September xx,  
20232

**LACERA**  
**Joint Organizational Governance Committee Charter**

**Contents**

<b>1</b>	<b>Overview of the LACERA Board of Retirement and the Board of Investments.....</b>	<b>2</b>
<b>2</b>	<b>Purpose of this Document .....</b>	<b>3</b>
<b>3</b>	<b>Purpose of the JOGC .....</b>	<b>3</b>
<b>4</b>	<b>Scope .....</b>	<b>3</b>
<b>5</b>	<b>Powers Reserved for the BOR and BOI .....</b>	<b>3</b>
<b>6</b>	<b>Authority .....</b>	<b>4</b>
<b>7</b>	<b>Responsibilities .....</b>	<b>4</b>
	<b>7.1 Application of BOR and BOI Strategic Plans as they relate to Budgeting .....</b>	<b>4</b>
	<b>7.2 Joint Policies .....</b>	<b>6</b>
	<b>7.3 Litigation and Claims.....</b>	<b>6</b>
	<b>7.4 Chief Executive Officer and Chief Legal Officer.....</b>	<b>7</b>
	<b>7.5 Miscellaneous Matters .....</b>	<b>7</b>
<b>8</b>	<b>Membership, Quorum, and Rules .....</b>	<b>7</b>
<b>9</b>	<b>Leadership .....</b>	<b>8</b>
<b>10</b>	<b>Meeting Frequency and Dates .....</b>	<b>8</b>
	<b>10.1 Frequency.....</b>	<b>Error! Bookmark not defined.</b>
	<b>10.2 Dates .....</b>	<b>Error! Bookmark not defined.</b>
<b>11</b>	<b>Charter Review .....</b>	<b>8</b>

**LACERA**  
**Joint Organizational Governance Committee Charter**

## 1 Overview of the LACERA Board of Retirement and the Board of Investments<sup>1</sup>

The Los Angeles County Employees Retirement Association (LACERA) is a public pension system formed in 1937 in accordance with the County Employees Retirement Law of 1937 (the '37 Act or CERL) and administered pursuant to the '37 Act, the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the California Constitution. LACERA also administers the Retiree Healthcare Benefits Program for the County and outside districts, through contractual agreements with the County, and the Other Postemployment Benefits Program (OPEB) trusts formed by the County, LACERA, and the Los Angeles Superior Court to provide support for the retiree health program in the future.

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The BOR and BOI have joint authority under CERL over certain shared responsibilities, including: classification and compensation of personnel; adoption of LACERA's administrative budget; the appointment and evaluation of the Chief Executive Officer (CEO), consistent with each Board's respective strategic plan; and other matters as specified in CERL. The Boards also jointly set LACERA's mission, vision, and values.

Under the California Constitution, the Boards have plenary authority over administration of the pension fund.

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<sup>1</sup> For a detailed analysis of the statutory duties of each board and their joint duties, please review the memorandum from Chief Legal Officer Steven Rice dated March 27, 2018, and the concurrence from then fiduciary counsel Harvey Leiderman dated June 15, 2018.

**LACERA**  
**Joint Organizational Governance Committee Charter**

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The purpose of this document is to describe:

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- the committee's membership and leadership; and
- meeting frequency and dates.

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The purpose of the JOGC is to:

- serve and facilitate the work of both Boards when the two boards duties intersect; make recommendations, not decisions.

## 4 Scope

- The scope of the JOGC's responsibilities, as explained and defined in Section 7, includes: recommendation to the Boards for approval of a System-wide mission statement and statement of vision and values and application of each Board's respective Strategic Plan in the annual and mid-year budget processes;
- Budgeting to the extent of recommending an annual budget and mid-year budget adjustments to the Boards for their approval;
- Joint Board Policy Development for system-wide policies such as ethics, conflict of interest, media, and education and travel;
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- Assist in recommending Search Consultant for Chief Executive Officer and Chief Legal Officer;
- Such other assistance as may be jointly requested by the Boards; and Classification and salaries of staff.

## 5 Powers Reserved for the BOR and BOI

The BOR reserves for itself all powers related to (i) retirement and healthcare benefits including policy, legislation, litigation, operations, and administration, (ii) actuarial valuations of the OPEB Program, and (iii) a BOR strategic plan.



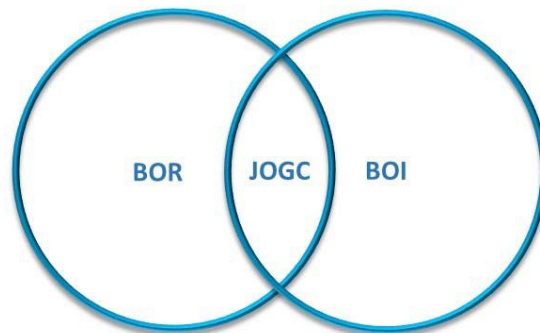
## LACERA

### Joint Organizational Governance Committee Charter

The BOI reserves for itself all powers related to (i) investments, including policy, legislation, litigation, operations, and administration, (ii) actuarial valuations of the pension fund, (iii) oversight of the OPEB Trusts, and (iv) a BOI strategic plan.

## 6 Authority

The JOGC will only make recommendations to each Board on matters that intersect and affect both the BOR and BOI as described in Section 7, Responsibilities of this Charter. The following Venn diagram visually highlights the JOGC role to facilitate the work of both Boards when the Boards' duties intersect.



## 7 Responsibilities

### 7.1 Application of BOR and BOI Strategic Plans as they relate to Budgeting.

Each Board is expected to adopt a strategic plan and those plans will provide guidance on the annual budgeting process for the Administrative, Retiree Healthcare, OPEB Program, and Non-Administrative budgets and make recommendations to the Boards, including the following:

- Joint Mission Statement and Statement of Vision and Values : While each Board will adopt its own strategic plan, it is vital that LACERA have a well-developed mission statement and statement of vision and values applicable to the System as a whole. These statements should be reflected in and guide each Board's individual strategic plans and objectives. .

In developing each annual and mid-year budget plans, the JOGC will take into account, but will not reconsider, actions taken by the Boards within the areas of their separate jurisdiction as reflected in their individual strategic plans.. The JOGC's role reflects an understanding that the entire budget process for LACERA, under Government Code Section 31580.2, is subject to the approval of both Boards. Therefore, guidance for the development of the budget is a joint Board responsibility, based in part upon actions taken by the Boards separately, including the details of their respective strategic plans, vendor selections, and other matters.

Additionally, the JOGC's role reflects an understanding that each Board's strategic plan

## LACERA

### Joint Organizational Governance Committee Charter

will take into account past strategic plan initiatives that have already been set in motion and for which resources have already been allocated and expended as they provide input on new expectations and initiatives.

- Staffing Needs.
  - Staff Classifications: Review and make recommendations on staff requests to create all new Staff Member classifications.
  - Staff Compensation: Review and make recommendations on Staff Member requests related to:
    - Negotiation and approval of collective bargaining agreements;
    - Approval of initial compensation levels and ranges applicable to new positions to be added to the County Code;
    - Approval of compensation level and range changes for existing positions that require changes to the County Code; and
    - Budgeting for compensation to be provided for existing positions within existing County Code ranges.
- Budget Development: Provide guidance during the annual budget development and mid-year budget review and adjustment cycle for the Administrative, Retiree Healthcare, OPEB Program, and Non-Administrative budgets. The staff will develop preliminary budget plans that take into account and support the approved strategic plans and general operating needs. The JOGC will review and provide a recommendation regarding the proposed budgets which will in turn be presented to the Boards during budget hearings. Both Boards will then independently act on the JOGC's recommended proposed budget.

Staff will present to each Board separately a strategic plan developed for their unique needs and mission and assist the JOGC with applying the strategic plan of each Board in the annual budget plan development and mid-year budget review and adjustment process. This will include a proposed JOGC meeting schedule with respect to planning and budget issues, for the JOGC's approval. This process will govern how the organization will implement the respective strategic plans in the annual budgeting process. Once approved the process will remain in effect until reviewed and modified by the JOGC and staff, with a mandatory review every six years. In this process, the JOGC will not change the strategic plans developed by each Board but rather simply address budget issues to support the Boards' separate plans.

The JOGC will complete the joint budgeting responsibilities on an agreed timetable which will enable timely adoption of the budget as required by CERL. All budget plans will include presentation of the budget to the Boards for final approval no later than June of each year and a mid-year budget adjustment, as needed, in December.

**LACERA**  
**Joint Organizational Governance Committee Charter**

On-going Review: Once each Board has adopted a strategic plan and an annual budget is approved, the JOGC will provide on-going review of the budget-to-actual results, make recommendations to the Boards with respect to the budget-to-actual results and the mid-year budget review and adjustment process, and review consistency with the stated mission, vision, and values for the system as a whole, during the fiscal year according to a schedule approved by the Committee in consultation with the staff.

By this section, the JOGC does not assume and will not exercise any responsibility as Appointing Authority not granted to the Boards under the Los Angeles County Code, including Section 5 (Personnel) and Section 6 (Salaries), or otherwise in conflict with the County Code and LACERA Policy.

## 7.2 Joint Policies

When not otherwise reserved to either the BOR or the BOI, assist in the development of and make recommendations with respect to all joint policies, such as ethics, conflict of interest, media, and education and travel.

## 7.3 Litigation and Claims

Make recommendations about employment related and other Litigation and Claims affecting the interests of both Boards as described in Section 4. In matters specifically related to employment litigation concerning senior staff that serve both Boards, the CEO and Chief Legal Officer shall participate in the Committee's deliberations.

They may also include any other Litigation and Claims, including ones that each Board is generally expected to separately manage, that the Board Chairs, the CEO, or Chief Counsel reasonably believe justify the involvement of this Committee because of mutual interest and concern to both Boards.

Litigation and Claims are defined as court actions, pre-litigation demands or claims, potential court actions, demands, or claims, and other forms of dispute resolution, such as arbitration and mediation.

Each Board is generally expected to separately manage:

- (1) As to the Board of Retirement, Litigation and Claims relating to the regular course of business regarding retirement, disability, and healthcare benefits, all LACERA personnel (other than the Chief Executive Officer, and all those reporting directly to them or as to whom the Boards or any of their committees have an Appointing Authority role as stated in this section), and the general operations and administration of the retirement system and the OPEB Program (including actuarial services for the OPEB Program),
- (2) As to the Board of Investments, Litigation and Claims relating to the regular course of

## LACERA

### Joint Organizational Governance Committee Charter

business regarding investments, pension actuarial services, and the OPEB Trusts, and

(3) Litigation and Claims concerning contracts approved only by that Board.

By this section, the JOGC does not assume any responsibility as Appointing Authority not granted to the Boards under the Los Angeles County Code, including Section 5 (Personnel) and Section 6 (Salaries) or otherwise in conflict with the County Code.

#### 7.4 Chief Executive Officer and Chief Legal Officer

Should a vacancy occur:

- Make a recommendation for a search consultant; and
- Provide such additional assistance in the selection process as the Boards may determine at the time.

#### 7.5 Miscellaneous Matters

Miscellaneous matters that may need to be brought before the JOGC will be determined on a case-by-case basis by the respective Board Chairs and the Chair of the JOGC in consultation with the CEO. Additionally, miscellaneous matters may be brought before the JOGC by any JOGC member.

## 8 Membership, Quorum, and Rules

There will be eight (8) members with no designated alternates. The JOGC will be comprised of the BOR and BOI Chairs and Vice-Chairs plus one member appointed by each Chair and one member elected by each Board. In making their appointment, each Chair will endeavor to include an overall mix of trustees who are appointed by the Board of Supervisors, elected by active employees (general and safety), elected by retired members, and who serve in an ex officio capacity. The Chairs will also consider continuity of service when appointing members, so that development of expertise and familiarity with the subject matters jurisdictional to the JOGC are encouraged, and to benefit the JOGC's goals.

If there is one JOGC member who represents both Boards (one overlap), then an additional appointment will be made by the BOR Chair in even years and by the BOI Chair in odd years. If there is more than one overlap, the BOR and BOI Chairs will make an equal number of additional appointments; if there are an odd number of overlaps, the final appointment, after the Board Chairs make their separate appointments, will be made following the rule as stated in the preceding sentence that applies in the case of one overlap.

A quorum exists when a majority of the members are present, without regard to the Board from which individual members were appointed.

The JOGC is subject to the Ralph M. Brown Act (Brown Act), and its meetings will be noticed,

## LACERA

### Joint Organizational Governance Committee Charter

agendized, and conducted in accordance with the Brown Act. The JOGC may meet in closed session as provided in the Brown Act.

Robert's Rules of Order will also apply in the JOGC's meetings. A motion may be made or seconded by any member. A motion passes if a majority of the members present, without regard to the Board from which they were appointed, vote in favor of the motion.

## 9 Leadership

The Chair and Vice Chair of the JOGC will be elected by members of the JOGC at the first meeting of each year.

## 10 Meeting Frequency and Dates

The Committee shall meet in the first quarter for the purpose of electing Committee officers and to review policies applicable to the System as a whole. The Committee shall meet in April for budget review for the System. Further meetings shall be scheduled as needed with the concurrence of the Board Chairs or the committee Chair. All meetings shall be noticed in accordance with the Ralph M. Brown Act.

## 11 Charter Review

The BOR and BOI shall review and update this Charter, based on recommendations from the JOGC, at least once every three years.

### HISTORY:

Revised and Restated by the Board of Retirement on September xx, 2023 and by the Board of Investments on September xx, 2023.



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**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**



August 29, 2023

**TO:** Each Trustee,  
Board of Retirement  
Board of Investments

**FROM:** Joint Organizational Governance Committee  
Herman B. Santos (BOI), Chair  
David Green (BOI) Vice Chair  
Gina Sanchez (BOI)  
Onyx Jones (BOI)  
Shawn Kehoe (BOR)  
Alan Bernstein (BOR)  
Elizabeth Greenwood (BOR)  
Ronald Okum (BOR)

**FOR:** September 6, 2023 Board of Retirement  
September 13, 2023 Board of Investments

**SUBJECT:** Staff Assistant Classification and Compensation Study

## **RECOMMENDATION**

It is recommended that the proposed classification and compensation changes be approved for implementation:

- Title change, description revision and salary change for the Disability Retirement Support Specialist I, LACERA classification; and
- Delete the Disability Retirement Support Specialist II, LACERA classification.

## **BACKGROUND**

On April 27, 2023, LACERA Human Resources (HR) presented to the Joint Organizational Governance Committee (JOGC) recommendations to implement classification and compensation changes resulting from a June 2019 Study completed by Koff & Associates (Koff) on LACERA's Document Processing and Staff Assistant positions. The Committee Members directed the Executive Office to refresh the market data and reassess the compensation study recommendations. The updated information was presented at the August 17, 2023 JOGC meeting.

The study was precipitated by:

- the Side Letter Agreement with SEIU Local 721 (SEIU), dated February 14, 2019, to conduct a classification and compensation study of LACERA represented Document Processing Assistant, LACERA and Staff Assistant II, LACERA positions;

August 29, 2023

Re: Staff Assistant Classification and Compensation Study

Page 2 of 7

- the goal to ensure that class descriptions reflect current assignments, programs, responsibilities, and technology; and
- the desire to update LACERA's classification plan that will support LACERA's business and operational needs for the foreseeable future.

As part of the study, Koff reviewed the class specifications and compared the salary levels of LACERA's positions to a diverse peer group consistent with past studies, which included California-based public pension funds, Los Angeles County (LA County), and the private sector.

The Study included eighteen (18) positions in four (4) existing classifications. The current recommendations address ten (10) positions in two (2) classifications. The two classifications are represented by SEIU.

1. Staff Assistant II, LACERA
2. Staff Assistant I, LACERA

This memo is to recommend implementation of classification and compensation changes to the Disability Retirement Support Specialist I, LACERA and Disability Retirement Support Specialist II, LACERA classifications, as a result of study findings related to the Staff Assistant II, LACERA classification.

## **CLASSIFICATION AND COMPENSATION CHANGES**

### Classification Recommendations

Civil Service Rule 5.01 requires that a class specification be developed and maintained for each class in the classification service to meet the needs of the service for the allocation of new positions and the reallocation of existing positions. A fundamental principle in classification is that the class specification should describe and define the nature and scope of responsibilities, work activities, qualifications, and other level defining characteristics of the class so that it is properly classified within the classification structure.

Classes, and jobs within them, evolve for many reasons and under many influences. A classification may undergo gradual growth that results in additional or changed duties and responsibilities and thereby require a corresponding class specification be amended or a position be reclassified to a new or existing classification. To keep current, a class specification should be reviewed when significant duties and level of responsibilities change.

Koff based its comparative analysis on essential job functions, level of responsibility, and reporting relationships. Koff recommendations for reclassification to new titles are generally aligned within the current series of the studied positions. Koff created new classifications and made revisions to current classification titles and specifications to more accurately reflect current duties and responsibilities performed, based on detailed interviews and Position Description Questionnaires (PDQ) completed by study participants and their supervisors. In December 2019,



August 29, 2023

Re: Staff Assistant Classification and Compensation Study

Page 3 of 7

the newly created classifications were reviewed by LACERA supervisors and managers to ensure relevance.

Based on the study findings, revisions were recommended to the Staff Assistant I, LACERA, Staff Assistant II, LACERA and Disability Retirement Support Specialist I, LACERA classification specification. The classification description revisions to update the Staff Assistant I, LACERA and Staff Assistant II, LACERA do not require Committee or Board approval. These updates can be approved internally by the Chief Executive Officer. The changes were presented in the April JOGC recommendations and in this memo as an outcome of the study. The proposed class specification revisions are shown in **Attachment A**.

Koff's recommendations for reclassification to new titles are generally accepted; however, there are two (2) instances in which it would be benefit LACERA to deviate:

- The study found two (2) Staff Assistant II, LACERA positions in the Disability Retirement Services Division performing specialized clerical work at the lower-level of Senior Typist Clerk, LACERA. LACERA intends to budget at the level of Disability Retirement Support Specialist I, LACERA, to allow for growth as Disability Retirement Services Division foresees the need for work performed at this more specialized level. Current incumbents will be assigned work commensurate with their Staff Assistant II, LACERA payroll titles.
- One (1) budgeted Staff Assistant II, LACERA position allocated to Disability Retirement Services Division, was found to be performing at the level of Disability Retirement Support Specialist I, LACERA, was vacated by the previous study participant and has since been filled at the level of Staff Assistant II, LACERA. The incumbent currently performs duties at the level Staff Assistant II, LACERA. Therefore, there is no recommended change to this budgeted position.

Recommended reclassification changes for implementation per position are shown in **Attachment B**.

In addition, it was found that the existing classification of Disability Retirement Support Specialist II, LACERA, a Unit Head position, is obsolete. The classification has not been used since April 2015, there are no incumbents, and it was not included with the study. Due to changes in organizational structure, the studied positions found to be performing at the level of Disability Retirement Specialist I, LACERA positions currently report to individual teams supervised by Senior Disability Retirement Specialists. There is no longer a centralized Disability Retirement Support Unit and there are no Disability Retirement Support Specialist II, LACERA positions budgeted. Therefore, it is recommended to delete the Disability Retirement Support Specialist II, LACERA classification and revise the title for Disability Retirement Support Specialist I, LACERA to Disability Retirement Support Specialist, LACERA.

August 29, 2023

Re: Staff Assistant Classification and Compensation Study

Page 4 of 7

LACERA Existing Classification Title Map to Proposed New Classification Titles,  
Bargaining Unit, and FLSA Exempt Status

<u>Current Classification Title</u>	<u>New Classification Title</u>	<u>BU</u>	<u>FLSA Exempt?</u>
Disability Retirement Support Specialist I, LACERA	Disability Retirement Support Specialist, LACERA	850	No
Staff Assistant II, LACERA	No Change	850	No
Staff Assistant I, LACERA	No Change	850	No
Disability Retirement Support Specialist II, LACERA	DELETE	-	-

Compensation Recommendations

LACERA recommends aligning the compensation for the studied positions to market rates while taking into consideration internal equity and sufficient salary differentials between positions. In the 2019 and 2023 Koff market data it was found that existing compensation levels are generally higher than the market and LA County comparable classifications identified by Koff.

Revisions were made to the Disability Retirement Support Specialist I, LACERA class specification that reduce the complexity and scope of the position which should be considered. It is recommended to reduce the compensation for Disability Retirement Support Specialist, LACERA to align with the current Staff Assistant II, LACERA compensation. Current incumbents found to be performing at the level can be administratively reassigned to the Disability Retirement Support Specialist, LACERA title and there will be no change in compensation that may negatively impact positions identified for reclassification.

Based on the information reviewed, the following is recommended:

- Salary decrease for Disability Retirement Support Specialist, LACERA to align with the current compensation for Staff Assistant II, LACERA.
- No change in the salary for Staff Assistant I, LACERA and Staff Assistant II, LACERA because reducing the compensation will negatively impact current incumbents and existing LACERA salary relationships.

2023 Koff Market Findings for 75<sup>th</sup> Percentile

<u>Classification Title</u>	<u># of Matches</u>	<u>Current Max Salary</u>	<u>75<sup>th</sup> Percentile Salary</u>	<u>Top Monthly Salary % Above or (Below) 75<sup>th</sup> Percentile</u>
Disability Retirement Support Specialist (SA II)	8	\$7,402	\$7,191	2.9%
Staff Assistant I	13	\$6,122	\$5,943	2.9%
Staff Assistant II	10	\$7,402	\$6,907	6.7%

August 29, 2023

Re: Staff Assistant Classification and Compensation Study

Page 5 of 7

### Summary of Proposed Compensation Changes

Current Classification Title	Current Salary Schedule	Current Sal Max	Proposed Classification Title	Proposed Salary Schedule	Proposed Sal Max	% Change
Disability Retirement Support Specialist I, LACERA	96C NMO	\$7,662.18	Disability Retirement Support Specialist, LACERA	<b>94L NMO</b>	<b>\$7,401.91</b>	<b>-3.52%</b>
<b>Disability Retirement Support Specialist II, LACERA</b>	107K NMO		<b>DELETE</b>	-		-

\*Note: LACERA Compensation effective 1/1/2023. Proposed compensation will be adjusted based on future MOU Agreements.

### Implementation and Budget Impact

Based on the study findings and organizational changes since completion of the study, the following is the budget impact of the below recommended changes:

- No Salary change for six (6) budgeted Staff Assistant II, LACERA positions being reclassified to the Disability Retirement Support Specialist I, LACERA
- No budget impact related to the following:
  - No change to one (1) budgeted Staff Assistant I, LACERA position allocated to Communications Division
  - No change to one (1) budgeted Staff Assistant II, LACERA position allocated to the Disability Retirement Services Division
  - No change to one (1) budgeted Staff Assistant II, LACERA position allocated to the Quality Assurance Division (this position was added after the study was completed, during FY19-20)
  - No change to one (1) budgeted Staff Assistant I, LACERA position allocated to Systems Division
  - No change to one (1) budgeted Staff Assistant II, LACERA position allocated to the Quality Assurance Division.
  - Deletion of the Disability Retirement Support Specialist II, LACERA classification as there are no budgeted positions.

Implementation of the study findings as recommended will result in no change to the budget.

August 29, 2023

Re: Staff Assistant Classification and Compensation Study

Page 6 of 7

No. of Pos	Budgeted Position Title	SALARY (1/1/23)			Proposed Position Title	PROPOSED SALARY			TOTAL ANNUAL TOTAL BUDGET IMPACT
		Sch	Max Salary	Annual		Sch	Max Salary	Annual	w/Benefits @ 55%
6	Staff Assistant II	94L NMO	\$7,401.91	\$88,822.92	Disability Retirement Support Specialist I	94L NMO	\$7,401.91	\$88,822.92	0
<b>TOTAL</b>									<b>\$0</b>

The organizational charts for the Disability Retirement Services Divisions showing proposed reclassifications are shown in **Attachment C**.

### PROCEDURE FOR ESTABLISHING CLASSIFICATIONS AND PAY RANGES

The authority to implement proposed title changes and proposed salary adjustments for the above classifications rest jointly with the Board of Retirement and Board of Investments. Such authority is provided in the California Government Code Sections 31522.1, 31522.2, and 31522.4, and will require the Board of Supervisors to amend the Salary Ordinance.

Upon approval from the Board of Retirement and Board of Investments, Human Resources (HR) will prepare a memorandum to the Los Angeles County's Chief Executive Office (LACCEO) which will include the class specification and salary schedule. The LACCEO Class and Compensation staff will review the submitted documents to assure all necessary information is provided in order to revise the classification title and salary schedule in the County's Payroll System. HR staff, with the LACERA Legal Office's oversight, will prepare and submit an ordinance amending Sections 6.28.050 and 6.127.010 of LACERA's Salary Code to the Los Angeles County Counsel's Office and the Board of Supervisors for adoption. These actions will modify the Disability Retirement Support Specialist, LACERA classification title, class descriptions, and compensation, and delete the Disability Retirement Support Specialist II, LACERA classification.

LACERA provides SEIU notice and consultation regarding new classifications of which the primary duties are derived from represented classifications. The LACERA classifications currently addressed are represented; therefore, SEIU was notified of our intended changes on November 29, 2022. On December 22, 2023, SEIU provided verbal concurrence on classification changes for Staff Assistant I, LACERA and Staff Assistant II, LACERA; classification and compensation changes proposed for Disability Retirement Support Specialist I, LACERA; and deletion of the Disability Retirement Support Specialist II, LACERA. On April 14, 2023, SEIU provided a written concurrence for the classification and compensation changes for Disability Retirement Support Specialist I, LACERA. Therefore, it is recommended that LACERA move forward with implementing the classification and compensation changes for Disability Retirement Support Specialist I, LACERA and the deletion of the Disability Retirement Support Specialist II, LACERA since no objection was raised.

August 29, 2023

Re: Staff Assistant Classification and Compensation Study

Page 7 of 7

## **RECOMMENDATION**

That the Boards approve the proposed classification and compensation changes to the Boards for adoption:

- Title change, description revision and salary change for the Disability Retirement Support Specialist, LACERA classification; and
- Delete the Disability Retirement Support Specialist II, LACERA classification.

CN:cc

cc: Santos H. Kreimann

Steven P. Rice

Luis Lugo

Laura Guglielmo

JJ Popowich

Carly Ntoya

Attachments

**CLASSIFICATION TITLE:** Disability Retirement Support Specialist-I, LACERA

**ITEM NO:** 0790

**DEFINITION:**

Provides administrative support to managers, supervisors, disability retirement specialists, investigators and legal staff in reviewing, researching, locating and obtaining, and maintaining pertinent records from County of Los Angeles employees, County of Los Angeles departments, other entities and the courts, applicable to the processing of disability retirement claims and appeals under general supervision infor the Los Angeles County Employees Retirement Association (LACERA).

**POSITION INFORMATION:**

Positions allocable to this class under the general supervision of a Disability Retirement Specialist Supervisor, are assigned in—to LACERA's Disability Retirement Services ~~Investigation~~ Division. This is a fully qualified journey-level classification, which is responsible for independently performing specialized duties in support of division operations. Positions at this level receive only occasional instruction or assistance as new or unusual situations arise and are fully aware of the operating procedures and policies of the work unit. Incumbents must exercise initiative and independent judgment within defined LACERA policies and procedures.

Incumbents review application documents, research, locate and obtain employment, medical, workers' compensation and other records required by disability ~~investigators~~ retirement specialists, staff and attorneys for the timely processing of disability claims and administrative appeal cases. Work requires knowledge of medical terminology and methods for obtaining discoverable records applicable to the processing of disability retirement claims. Incumbents must be proficient in prioritizing a high volume of requests to complete work within time standards. ~~Incumbents must exercise initiative and independent judgment within defined LACERA policies and procedures.~~

**EXAMPLES OF ESSENTIAL JOB FUNCTIONS:**

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Intakes, reviews, and processes disability retirement applications; ensures applications are complete and members meet minimum eligibility requirements for disability benefits; guides members throughout the process via telephone, e-mail, in-person, and through written correspondence; advises members regarding documents received and/or missing; obtains authorization from members to access confidential records; provides

guidance to departments applying for disability retirement benefits on behalf of their employees.

Researches and locates employment, medical, workers' compensation, legal, and other pertinent records applicable to a member's disability retirement application or appeal, as directed; arranges for copy service vendor to obtain requested records from outside entities; contacts and obtains records from other County departments and medical providers as needed; ensures all records ordered have been received; verifies records are accurate, complete, and apply to the individual whose claim is being processed; follows up to expedite the acquisition of records; notifies supervisors of delays, other issues, and potential need for subpoenas to obtain records.

Reviews, sorts, indexes, organizes, and maintains files of records received; copies, mails, and distributes letters and records to applicants, applicant attorneys, disability litigation staff, and others as required.

Receives and processes member appeals for disability retirement benefits which have been denied by the Board of Retirement; guides members through the disability appeals process via telephone, e-mail, in-person, and through written correspondence; responds to questions and concerns raised by applicants and others throughout the disability retirement application and appeals processes; ensures deadlines are met throughout the process.

Prepares administrative record related to applicant's disability; schedules medical examinations with applicants and medical providers as required.

Assigns a referee to oversee appeals processes; provides records to referees including exhibits, transcripts, affidavits, reports, and medical records; scans all records and provides to the Board and other parties as required.

Prepares correspondence including transcript memos, Board decision letters, declarations, appeal agendas, appeal transmittals, affidavits, medical request and supplemental request letters, and medical appointment letters; prepares documents and packets for Retirement Board; ensures reports and other information submitted is accurate, complete, and timely; edits and generates final reports to be submitted to the Board; copies and distributes reports and packets as needed.

Maintains electronic records and statistics of applications received, appeals received, records ordered, records received, status of assignments, applications processed, appeals processed, medical appointments scheduled, demographics of applicants, and other relevant information as directed.

Processes invoices from panel physicians and third-party copy vendor; checks medical fee schedules to ensure medical bills are charged correctly; adjusts invoices as necessary; seeks approval for invoices; submits invoices for payment. Performs Internet and other research to locate sources of records required for processing disability retirement claims and administrative appeal cases; verifies that records apply to the individual whose claim is being processed; locates employment, medical, workers' compensation and court records applicable to the case; arranges for copy service vendors to obtain requested records from outside entities; obtains records from other County departments.

~~Utilizes specialized software to track task requests and document status and completion of assignments; follows up with entities to expedite the acquisition of records; notifies supervisors of delays, other problems and potential need for subpoenas to obtain records.~~

~~Obtains sub-rosa and other discoverable information through private entities and carriers.~~

Performs special projects; prepares specialized ad hoc reports.

May handle a small disability retirement case load; interview applicants and witnesses; write evaluation reports; refer applicants to panel physicians; and make recommendations to the Board of Retirement.

May be required to perform other related duties as assigned.

#### **REQUIREMENTS:**

~~One (1) year of experience at the level of Staff Assistant II, LACERA maintaining medical and other records and data required for disability retirement processing~~

~~-OR-~~

Three (3) years of experience at the level of Senior Typist Clerk, LACERA or higher that provides experience in maintaining records related to and/or processing workers' compensation, insurance, retirement or related claims ~~or a class at a higher level that provides the requisite experience.~~

**LICENSE:** A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

**PHYSICAL CLASS II -- Light** physical effort which may include occasional light lifting to a 10 pound limit, and occasional bending, walking, stooping or squatting. Incumbents sit for extended periods of time. Work is performed in an office environment in a controlled climate



**CLASSIFICATION TITLE:** Disability Retirement Support Specialist, LACERA

**ITEM NO:** 0790

**DEFINITION:**

Provides administrative support to managers, supervisors, disability retirement specialists, and legal staff in reviewing, researching, locating, obtaining, and maintaining pertinent records from County of Los Angeles employees, County of Los Angeles departments, other entities and the courts, applicable to the processing of disability retirement claims and appeals for the Los Angeles County Employees Retirement Association (LACERA).

**POSITION INFORMATION:**

Positions allocable to this class, under the general supervision of a Disability Retirement Specialist Supervisor, are assigned to LACERA's Disability Retirement Services Division. This is a fully qualified journey-level classification, which is responsible for independently performing specialized duties in support of division operations. Positions at this level receive only occasional instruction or assistance as new or unusual situations arise and are fully aware of the operating procedures and policies of the work unit. Incumbents must exercise initiative and independent judgment within defined LACERA policies and procedures.

Incumbents review application documents, research, locate and obtain employment, medical, workers' compensation and other records required by disability retirement specialists, staff and attorneys for the timely processing of disability claims and administrative appeal cases. Work requires knowledge of medical terminology and methods for obtaining discoverable records applicable to the processing of disability retirement claims. Incumbents must be proficient in prioritizing a high volume of requests to complete work within time standards.

**EXAMPLES OF ESSENTIAL JOB FUNCTIONS:**

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Intakes, reviews, and processes disability retirement applications; ensures applications are complete and members meet minimum eligibility requirements for disability benefits; guides members throughout the process via telephone, e-mail, in-person, and through written correspondence; advises members regarding documents received and/or missing; obtains authorization from members to access confidential records; provides guidance to departments applying for disability retirement benefits on behalf of their employees.

Researches and locates employment, medical, workers' compensation, legal, and other pertinent records applicable to a member's disability retirement application or appeal, as directed; arranges for copy service vendor to obtain requested records from outside entities; contacts and obtains records from other County departments and medical

providers as needed; ensures all records ordered have been received; verifies records are accurate, complete, and apply to the individual whose claim is being processed; follows up to expedite the acquisition of records; notifies supervisors of delays, other issues, and potential need for subpoenas to obtain records.

Reviews, sorts, indexes, organizes, and maintains files of records received; copies, mails, and distributes letters and records to applicants, applicant attorneys, disability litigation staff, and others as required.

Receives and processes member appeals for disability retirement benefits which have been denied by the Board of Retirement; guides members through the disability appeals process via telephone, e-mail, in-person, and through written correspondence; responds to questions and concerns raised by applicants and others throughout the disability retirement application and appeals processes; ensures deadlines are met throughout the process.

Prepares administrative record related to applicant's disability; schedules medical examinations with applicants and medical providers as required.

Assigns a referee to oversee appeals processes; provides records to referees including exhibits, transcripts, affidavits, reports, and medical records; scans all records and provides to the Board and other parties as required.

Prepares correspondence including transcript memos, Board decision letters, declarations, appeal agendas, appeal transmittals, affidavits, medical request and supplemental request letters, and medical appointment letters; prepares documents and packets for Retirement Board; ensures reports and other information submitted is accurate, complete, and timely; edits and generates final reports to be submitted to the Board; copies and distributes reports and packets as needed.

Maintains electronic records and statistics of applications received, appeals received, records ordered, records received, status of assignments, applications processed, appeals processed, medical appointments scheduled, demographics of applicants, and other relevant information as directed.

Processes invoices from panel physicians and third-party copy vendor; checks medical fee schedules to ensure medical bills are charged correctly; adjusts invoices as necessary; seeks approval for invoices; submits invoices for payment.

Performs special projects; prepares specialized ad hoc reports.

May handle a small disability retirement case load; interview applicants and witnesses; write evaluation reports; refer applicants to panel physicians; and make recommendations to the Board of Retirement.

May be required to perform other related duties as assigned.

#### **REQUIREMENTS:**

Three (3) years of experience at the level of Senior Typist Clerk, LACERA or higher

maintaining records related to and/or processing workers' compensation, insurance, retirement or related claims.

**LICENSE:** A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

**PHYSICAL CLASS II - Light** physical effort which may include occasional light lifting to a 10 pound limit, and occasional bending, walking, stooping or squatting. Incumbents sit for extended periods of time. Work is performed in an office environment in a controlled climate

LAST UPDATE: ~~7/10/2020~~5/24/2021

**CLASSIFICATION TITLE:** Staff Assistant I, LACERA

**ITEM NO:** 0426

**DEFINITION:**

Provides administrative support to assigned division with ~~Has~~ responsibility for ~~the housekeeping and record-keeping functions,~~ ~~and conducts~~ provides administrative studies of internal operations and procedures as an assistant to the manager of a line operation in the Los Angeles County Employees Retirement Association (LACERA).

**POSITION INFORMATION:**

Positions allocable to this class work under supervision and are assigned in multiple LACERA divisions. Incumbents work for managers of line organizations and perform assignments, which are heavily oriented toward coordination and liaison activities related to administrative, technical and fiscal support~~clerical supervision, procurement, procedures,~~ report preparation and records maintenance, and intradepartmental services. This is a fully qualify journey-level class responsible for independently performing administrative duties in support of department and division operations. Positions at this level receive only occasional instruction or assistance as new or unusual situations arise and are fully aware of operating procedures and policies of the work unit.

Incumbents provide administrative support to management and staff related to departmental programs, projects, and services, including analyzing and making recommendations for the solution of problems of organization, procedure, program, budget or personnel. ~~the consequences~~ Consequences of action are generally restricted to the operating unit/division served. ~~Incumbents function independently within general guidelines.~~ Incumbents must have a working knowledge of personal computer operations, records maintenance, and general office operations.

The Staff Assistant, LACERA series is distinguished from the Administrative Assistant, LACERA series in that the latter provides a broad array of routine and non-routine office support to management, supervisors, and staff to ensure the division is organized, provides good customer service, and runs smoothly.

The Staff Assistant, LACERA series is distinguished from the Clerk, LACERA and Typist-Clerk, LACERA series in that the latter perform primarily clerical duties requiring highly specialized knowledge of a particular function, with or without skilled typing.

**EXAMPLES OF ESSENTIAL JOB FUNCTIONS:**

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Provides administrative, programmatic, and technical support for assigned division in the daily management of operations.

Maintains accurate and detailed databases, files, and records; verifies accuracy of information; researches discrepancies; records information; ensures compliance with established records retention schedules.

Performs a variety of administrative office support duties such as maintaining, sorting, and distributing mail; processes reimbursements and vendor invoices; schedules and coordinates meetings, conferences, and trainings; coordinates travel arrangements; orders and maintains office and other related supplies.

Performs various accounting and financial support work such as determining and calculating required fees; processes, reconciles, and verifies receipts and credit card statements; processes purchase orders, payment requests, and invoices.

Analyzes and makes recommendations to the unit manager for the resolution of problems of work procedures, procurement, programs, and space allocation; may participate in the implementation of changes resulting from recommendations.

Coordinates and resolves problems between the unit served and housekeeping, payroll, personnel, and reproduction services.

Performs special projects; prepares specialized ad hoc reports.

~~Analyzes and makes recommendations to the unit manager for the resolution of problems of work procedure and space allocation; and may participate in the implementation of changes resulting from recommendations. Prepares reports and projections of workload and staffing for the manager of the unit.~~

~~Coordinates and resolves problems between the unit served and housekeeping, payroll, personnel, and reproduction services. Has responsibility for evaluating, ordering maintaining, loaning, and inventorying supplies and equipment, and for resolving procurement problems with procurement services.~~

~~May supervise clerical personnel with responsibility for assigning and reviewing work, orientation, training, development and evaluation of work performance.~~

May be required to perform other duties as assigned.

#### **REQUIREMENTS:**

OPTION 1: One (1) year's year of experience in either (1) a staff capacity analyzing and making recommendations for the solution of problems of organization, procedure, program, budget or personnel, or.

OPTION 2: One (1) year of experience in (2) a highly responsible administrative/secretarial capacity performing routine and occasionally complex assignments in support of an office, or.

OPTION 3: One (1) year of experience in or (3) a responsible supervisory clerical capacity.

**LICENSE:** A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

**PHYSICAL CLASS II - Light** physical effort which may include occasional light lifting to a 10 pound limit, and occasional bending, walking, stooping or squatting. Incumbents sit for extended periods of time. Work is performed in an office environment in a controlled climate

DRAFT

**CLASSIFICATION TITLE:** Staff Assistant I, LACERA

**ITEM NO:** 0426

**DEFINITION:**

Provides administrative support to assigned division with responsibility for recordkeeping functions; provides administrative studies of internal operations and procedures as an assistant to the manager of a line operation in the Los Angeles County Employees Retirement Association (LACERA).

**POSITION INFORMATION:**

Positions allocable to this class work under supervision and are assigned in multiple LACERA divisions. Incumbents work for managers of line organizations and perform assignments, which are heavily oriented toward coordination and liaison activities related to administrative, technical and fiscal support; report preparation and records maintenance; and intradepartmental services. This is a fully qualified journey-level class responsible for independently performing administrative duties in support of department and division operations. Positions at this level receive only occasional instruction or assistance as new or unusual situations arise and are fully aware of operating procedures and policies of the work unit.

Incumbents provide administrative support to management and staff related to departmental programs, projects, and services, including analyzing and making recommendations for the solution of problems of organization, procedure, program, budget or personnel. Consequences of action are generally restricted to the division served. Incumbents must have a working knowledge of personal computer operations, records maintenance, and general office operations.

The Staff Assistant, LACERA series is distinguished from the Administrative Assistant, LACERA series in that the latter provides a broad array of routine and non-routine office support to management, supervisors, and staff to ensure the division is organized, provides good customer service, and runs smoothly.

The Staff Assistant, LACERA series is distinguished from the Clerk, LACERA and Typist-Clerk, LACERA series in that the latter perform primarily clerical duties requiring highly specialized knowledge of a particular function, with or without skilled typing.

**EXAMPLES OF ESSENTIAL JOB FUNCTIONS:**

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Provides administrative, programmatic, and technical support for assigned division in the daily management of operations.

Maintains accurate and detailed databases, files, and records; verifies accuracy of information; researches discrepancies; records information; ensures compliance with established records retention schedules.

Performs a variety of administrative office support duties such as maintaining, sorting, and distributing mail; processes reimbursements and vendor invoices; schedules and coordinates meetings, conferences, and trainings; coordinates travel arrangements; orders and maintains office and other related supplies.

Performs various accounting and financial support work such as determining and calculating required fees; processes, reconciles, and verifies receipts and credit card statements; processes purchase orders, payment requests, and invoices.

Analyzes and makes recommendations to the unit manager for the resolution of problems of work procedures, procurement, programs, and space allocation; may participate in the implementation of changes resulting from recommendations.

Coordinates and resolves problems between the unit served and housekeeping, payroll, personnel, and reproduction services.

Performs special projects; prepares specialized ad hoc reports.

May be required to perform other duties as assigned.

**REQUIREMENTS:**

OPTION 1: One (1) year of experience in a staff capacity analyzing and making recommendations for the solution of problems of organization, procedure, program, budget or personnel.

OPTION 2: One (1) year of experience in a highly responsible administrative capacity performing routine and occasionally complex assignments in support of an office.

OPTION 3: One (1) year of experience in a responsible supervisory clerical capacity.

**LICENSE:** A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

**PHYSICAL CLASS II - Light** physical effort which may include occasional light lifting to a 10 pound limit, and occasional bending, walking, stooping or squatting. Incumbents sit for extended periods of time. Work is performed in an office environment in a controlled climate



LAST UPDATE: 5/24/2021

**CLASSIFICATION TITLE:** Staff Assistant II, LACERA

**ITEM NO:** 0426

**DEFINITION:**

Provides administrative support to Assists the manager of a major assigned division for the Los Angeles County Employees Retirement Association (LACERA) by with responsibility for analyzing and making recommendations for the solution of a variety of complex problems of organization, budget, procedures, systems, program, general management and human resources as an assistant to the manager of a major line operation in the Los Angeles County Employees Retirement Association (LACERA).

**POSITION INFORMATION:**

Positions allocable to this class function as an assistant to managers of major line divisions analyzing and making recommendations for the solution of a variety of administrative problems having relatively significant consequences in terms of cost and effectiveness or member service in the division. Incumbents work independently within established guidelines and procedures with latitude on the means required to complete a task. Incumbents must have a working knowledge of general office procedures, personal computer operations, and general records maintenance. Positions at this level receive only occasional instruction or assistance as new or unusual situations arise and participate in the development and improvement of operating procedures and policies of the work unit.

Incumbents provide administrative support to management and staff related to departmental programs, projects, and services, including analyzing and making recommendations for the solution of complex problems of organization, procedure, program, budget or personnel. Consequences of action are generally restricted to the division served. Incumbents must have a working knowledge of personal computer operations, records maintenance, and general office operations.

The Staff Assistant, LACERA series is distinguished from the Administrative Assistant, LACERA series in that the latter provides a broad array of routine and non-routine office support to management, supervisors, and staff to ensure the division is organized, provides good customer service, and runs smoothly.

The Staff Assistant, LACERA series is distinguished from the Clerk, LACERA and Typist-Clerk, LACERA series in that the latter perform primarily clerical duties requiring highly specialized knowledge of a particular function, with or without skilled typing.

**EXAMPLES OF ESSENTIAL JOB FUNCTIONS:**

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Prepares justification for division ~~or bureau salaries and employee benefit~~budget, including personnel, fixed assets, services and supplies ~~budgets~~.

Analyzes and makes recommendations on organizational problems or work procedures in the division and may participate in the implementation of changes resulting from the studies.

Participates in the divisional human resources program by assisting the manager in the recruitment, selection, and placement of qualified employees; and providing interpretation, advice and guidance to line managers on all aspects of personnel administration.

~~Collects and analyzes data, and makes recommendations on the purchase, replacement, renting operation and repair of motor vehicles.~~

Collects and researches data for ~~selected items of equipment~~ or external consultants, and writes requests for proposals, scopes of work, and/or equipment specifications.

Provides administrative, programmatic, and technical support for assigned division in the daily management of operations.

Maintains accurate and detailed databases, files, metrics, and records; verifies accuracy of information; researches discrepancies; records information; ensures compliance with established records retention schedules.

Performs special projects and studies; prepares specialized ad hoc reports.

Performs a variety of administrative office support duties such as maintaining, sorting, and distributing mail; processes reimbursements and vendor invoices; schedules and coordinates meetings, conferences, and trainings; coordinates travel arrangements; orders and maintains office and other related supplies.

Coordinates and resolves problems between the division served and housekeeping, payroll, personnel, and reproduction services.

Performs various accounting and financial support work such as determining and calculating required fees; processes, reconciles, and verifies receipts and credit card statements; processes purchase orders, payment requests, and invoices.

May ~~supervise direct~~ a small clerical staff in the preparation and maintenance of administrative reports and records.

May be required to perform other duties as assigned.

**REQUIREMENTS:**

OPTION 1: Two (2) years' experience in a general administrative staff or specialized staff capacity analyzing and making recommendations for the solution of problems of organization, systems and procedure, program, facility planning, budget or personnel.

~~-OR-~~

-

OPTION 2: ~~One~~ Two (2) years' experience as an Administrative Services Analyst I, LACERA or Assistant I, LACERA ~~or~~ Staff Assistant I, LACERA.

**LICENSE:** A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

**PHYSICAL CLASS II - Light** physical effort which may include occasional light lifting to a 10 pound limit, and occasional bending, walking, stooping or squatting. Incumbents sit for extended periods of time. Work is performed in an office environment in a controlled climate

**CLASSIFICATION TITLE:** Staff Assistant II, LACERA

**ITEM NO:** 0426

**DEFINITION:**

Provides administrative support to assigned division with responsibility for analyzing and making recommendations for the solution of a variety of complex problems of organization, budget, procedures, systems, program, general management and human resources as an assistant to the manager of a major line operation in the Los Angeles County Employees Retirement Association (LACERA).

**POSITION INFORMATION:**

Positions allocable to this class function as an assistant to managers of major line divisions analyzing and making recommendations for the solution of a variety of administrative problems having relatively significant consequences in terms of cost and effectiveness or member service in the division. Incumbents work independently within established guidelines and procedures with latitude on the means required to complete a task. Incumbents must have a working knowledge of general office procedures, personal computer operations, and general records maintenance. Positions at this level receive only occasional instruction or assistance as new or unusual situations arise and participate in the development and improvement of operating procedures and policies of the work unit.

Incumbents provide administrative support to management and staff related to departmental programs, projects, and services, including analyzing and making recommendations for the solution of complex problems of organization, procedure, program, budget or personnel. Consequences of action are generally restricted to the division served. Incumbents must have a working knowledge of personal computer operations, records maintenance, and general office operations.

The Staff Assistant, LACERA series is distinguished from the Administrative Assistant, LACERA series in that the latter provides a broad array of routine and non-routine office support to management, supervisors, and staff to ensure the division is organized, provides good customer service, and runs smoothly.

The Staff Assistant, LACERA series is distinguished from the Clerk, LACERA and Typist-Clerk, LACERA series in that the latter perform primarily clerical duties requiring highly specialized knowledge of a particular function, with or without skilled typing.

**EXAMPLES OF ESSENTIAL JOB FUNCTIONS:**

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

Prepares justification for division budget, including personnel, fixed assets, services and supplies.

Analyzes and makes recommendations on organizational problems or work procedures in the division and may participate in the implementation of changes resulting from the studies.

Participates in the divisional human resources program by assisting the manager in the recruitment, selection, and placement of qualified employees; and providing interpretation, advice and guidance to line managers on all aspects of personnel administration.

Collects and researches data for equipment or external consultants, and writes requests for proposals, scopes of work, and/or equipment specifications.

Provides administrative, programmatic, and technical support for assigned division in the daily management of operations.

Maintains accurate and detailed databases, files, metrics, and records; verifies accuracy of information; researches discrepancies; records information; ensures compliance with established records retention schedules.

Performs special projects and studies; prepares specialized ad hoc reports.

Performs a variety of administrative office support duties such as maintaining, sorting, and distributing mail; processes reimbursements and vendor invoices; schedules and coordinates meetings, conferences, and trainings; coordinates travel arrangements; orders and maintains office and other related supplies.

Coordinates and resolves problems between the division served and housekeeping, payroll, personnel, and reproduction services.

Performs various accounting and financial support work such as determining and calculating required fees; processes, reconciles, and verifies receipts and credit card statements; processes purchase orders, payment requests, and invoices. May direct a small clerical staff in the preparation and maintenance of administrative reports and records.

May be required to perform other duties as assigned.

**REQUIREMENTS:**

OPTION 1: Two (2) years' experience in a general administrative staff or specialized staff capacity analyzing and making recommendations for the solution of problems of organization, systems and procedure, program, facility planning, budget or personnel.

OPTION 2: Two (2) years' experience as an Administrative Services Analyst I, LACERA or Staff Assistant I, LACERA.

**LICENSE:** A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

**PHYSICAL CLASS II - Light** physical effort which may include occasional light lifting to a 10 pound limit, and occasional bending, walking, stooping or squatting. Incumbents sit for extended periods of time. Work is performed in an office environment in a controlled climate

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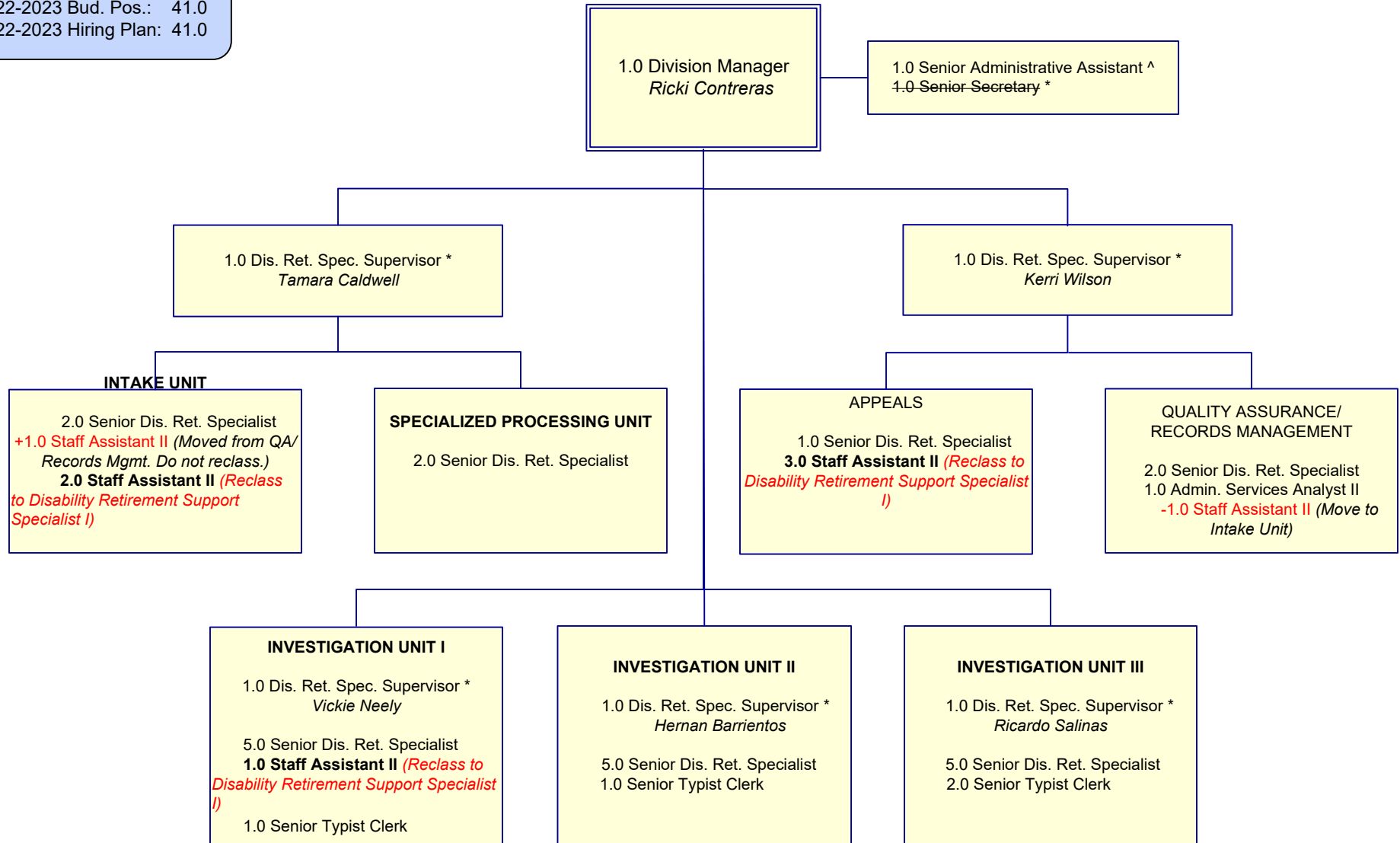
Division/Department	Current Classification Title	Recommended Classification Title	Action	Comments
Systems	Staff Assistant I	Staff Assistant I	No Change	Appropriate title
Communications	Staff Assistant I	Staff Assistant I	No Change	Appropriate title
Quality Assurance	Staff Assistant II	Staff Assistant II	No Change	Position added in FY 19-20. Not part of the study.
Disability Retirement	Staff Assistant II	Disability Retirement Support Specialist I (Budget at the level of Staff Assistant II)	No Change	Study participant is no longer with LACERA. Current incumbent performs Staff Assistant II work.
Disability Retirement	Staff Assistant II	Disability Retirement Support Specialist I	Reclassification	Incumbents are performing most of the duties of LACERA's current "Disability Retirement Support Specialist I" level classification.
Disability Retirement	Staff Assistant II	Disability Retirement Support Specialist I	Reclassification	Incumbents are performing most of the duties of LACERA's current "Disability Retirement Support Specialist I" level classification.
Disability Retirement	Staff Assistant II	Disability Retirement Support Specialist I	Reclassification	Incumbents are performing most of the duties of LACERA's current "Disability Retirement Support Specialist I" level classification.
Disability Retirement	Staff Assistant II	Senior Typist Clerk (Budget at the level of Disability Retirement Support Specialist I)	Reclassification	Incumbent does not handle many of the duties as her colleagues allocated to the Disability Retirement Support Specialist I class; primarily not ordering medical, Workers' Comp, employment, and other records for disability retirement determinations.
Disability Retirement	Staff Assistant II	Senior Typist Clerk (Budget at the level of Disability Retirement Support Specialist I)	Reclassification	Incumbent does not handle many of the duties as her colleagues allocated to the Disability Retirement Support Specialist I class; types numerous letters and address labels; mails and e-mails documents and packets; answers calls and e-mails; maintains file folders and tracks files. Study participant is no longer with LACERA. Position is vacant.
Disability Retirement	Staff Assistant II	Disability Retirement Support Specialist I	Reclassification	Incumbent is temporarily performing Senior Typist-Clerk work due to accomodation.

# DISABILITY RETIREMENT

## FISCAL YEAR 2022-2023

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

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



\* Classification and/or compensation study requested.

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





September 7, 2023

TO: Each Trustee,  
Board of Investments

FOR: Board of Investments Meeting of September 13, 2023

SUBJECT: Southeast Investors Annual Meeting in Miami, Florida on December 6, 2023

The Southeast Investors Annual Meeting will be held in Miami, Florida on December 6, 2023

The main conference highlights include the following:

- Real Estate Opportunities
- Venture Capital Opportunities
- Private Credit Opportunities
- 

Following are approximate conference and travel costs:

**Registration:** \$1,400.00

**Hotel:** \$499.00 daily rate (plus taxes and fees)

**Additional Travel Days:** 2 Days

**Airfare:** \$800.00 - \$3,500.00

**Ground Transportation:** \$60.00 per day

**Per Diem & Incidentals:** \$69.00 per day  
(The registration fee includes most meals)

**Approximate Cost Per Traveler:** \$3,500.00- \$6,200.00

If the registration fee is insufficient to pay the cost of the meals provided by the conference sponsor, LACERA must reimburse the sponsor for the actual cost of the meals, less any registration fee paid. Otherwise, the attendee will be deemed to have received a gift equal to the value of the meals, less any registration fee paid, under California's Political Reform Act.

**IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:**

Approve attendance of Trustees at the Southeast Investors Annual Meeting in Miami, Florida on December 6, 2023 and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies.

Attachment

LE

**LINKBRIDGE INVESTORS**

**SOUTHEAST  
INVESTORS  
ANNUAL  
MEETING**



**DECEMBER 6th, 2023  
MIAMI, FL**

# WELCOME

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## TO THE SOUTHEAST INVESTORS ANNUAL MEETING

The Southeast Investors Annual Meeting is a closed-door program that gathers the world's leading managers along with institutional and private wealth investors from Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia. This meeting offers a unique platform to learn from and alongside industry thought leaders. Panel sessions and Private meetings throughout the day will allow for deepening relationships, developing partnerships and fostering business. This one-day conference will host leading investors, managers and other professionals to discuss investment opportunities and new trends in the market.

- **Institutional & Private Wealth Investors**
- **Hours of Open Networking**

We are looking forward to hosting you at the Southeast Investors Annual Meeting.

Best regards,

Pablo Patrick  
Founder & CEO  
**LinkBridge Investors**

# A Few Past Keynote Speakers Include:

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**Daniel A. D'Aniello**  
*Co-Founder and Chairman Emeritus*  
The Carlyle Group



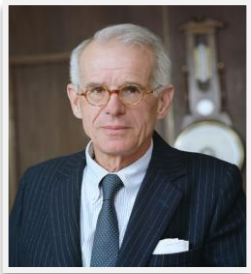
**Valerie Rockefeller**  
*Chair Of The Board Of Directors*  
Rockefeller Brothers Found



**Anthony Scaramucci**  
*Founder and Managing Partner*  
SkyBridge Capital



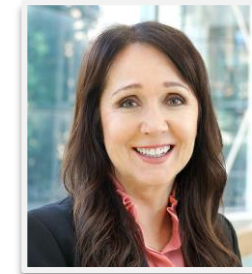
**Tim Draper**  
*Founder and Managing Partner*  
Draper Associates



**Joseph Kruger II**  
*Chairman and Chief Executive Officer*  
Kruger Inc.



**Gary R. Petersen**  
*Managing Partner & Founder*  
EnCap Investments L.P.



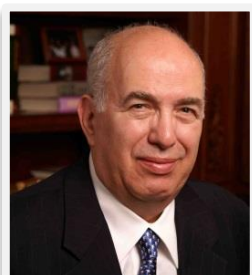
**Marcie Frost**  
*Chief Executive Officer*  
CalPERS



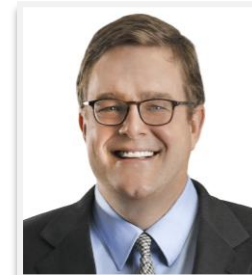
**Robert Maynard**  
*Chief Investment Officer*  
PERSI



**Mitzi Perdue**  
*Two Long-Time Family Businesses*  
Sheraton & Perdue



**A. Michael Lipper**  
*Founder and President*  
Lipper Advisory Services, Inc.



**George Walker**  
*Chairman and CEO*  
Neuberger Berman



**David B. Wescoe**  
*Executive Director*  
Texas Municipal  
Retirement System

## A FEW TESTIMONIALS...

(more available on the website)

"Attending Linkbridge as a family office allocator has helped me widen my network of top-performing fund managers. I've also had the opportunity to participate in valuable discussions with fellow LPs." Investment Team, Cooper Family Office

"The LinkBridge Conference in NYC was excellent. I was particularly impressed by the quality of speakers and their knowledge of their chosen subjects on their panels. The size of the conference and the venue made it a wonderful forum to meet people and have meaningful discussions. It was an excellent use of money and time." Partner, LMCapital

"Pablo and his team hosts world class events that are distinct due to Pablo network and his fluid approach to creating value and merging networks. The panels are diverse and thought provoking." Chairman, DPG Investments

"Congratulations to Pablo and his team for organizing a top-notch event. Best conference I have attended in a long time. Great networking with other families and institutional investors. Overall a great experience!" Chief Investment Officer, GC Ventures

"This was my first Global Investors Annual Meeting, and I came away impressed. LinkBridge assembled a strong set of speakers and panelists and helped secure high-potential meetings that added value to the event. I look forward to attending the next event." Managing Partner, NovaQuest Capital Management

"At the epicenter of the investment world, Pablo Patrick and Linkbridge Investors annually bring together, at the various venues, the most qualified experts at an international level: family offices, investors, asset managers and renowned entrepreneurs. A mandatory event to generate networking and, most importantly, new business at the highest possible level." Chairman, ICON Group

"The Linkbridge Global Investors Annual Meeting was time well spent for me and our family office. The speakers and content were excellent, I met several managers that offer unique investment approaches that fit our portfolio and the Linkbridge team did an excellent job of hosting and facilitating the day. Well done, and I'll be back again." Chief Executive Officer, GK Family Office

"The Annual General Meeting in New York, organised by LinkBridge Investors, was excellent as it brought together some of the most experienced speakers and panellists in the industry. This meant that delegates, speakers, and panellists alike were able to share highly relevant insights around the economic factors affecting investments decisions. It was also good to place some of the trends we have experienced in the last 18 months into perspective. I found it very useful and would highly recommend it." Managing Partner, MV Credit

"As a global healthcare investment platform, LYFE believes that LinkBridge Global Investors Annual Meeting provides an outstanding platform for leading capital allocators and top performing investors across sectors globally to exchange exiting ideas during the dynamic environment." Founding Partner, LYFE Capital

"After attending our first conference with LinkBridge we were very impressed with the diverse mix of quality professionals in attendance. We were able to network and chat with some of the finest investors, managers, and financial professionals in their respective fields. The team at LinkBridge did a great job welcoming our group and making sure we were not only enjoying ourselves but having a productive conference. We will for sure be returning for more of their meetings and events." Partner, Capital Solutions

"I really enjoyed the conference. The panels were excellent and focused on all the right topics, and there was also time to network and chat with other players and investors. There was a great atmosphere and everyone was willing to openly share their views. Definitely worth it!" Director of Strategy, Azora

"I found the Global Investors Meeting a place where I shared and learn different investment themes and visions with other Family Offices and interesting investment professionals... great job Pablo." Founder, CapMx Family Office

"The Global Investors Annual Meeting in NYC was a great event, packed with insightful knowledge and great speakers, offering a unique balance between macroeconomic and industry information as well as specific investment ideas. Additionally, the networking was excellent." Chief Investment Officer, Sunpointe Investments

"Linkbridge consistently attracts senior industry leading professionals to its conferences. I have never been disappointed. The conferences are well run, thoughtful, and a great place to connect and gain insights into investment topics that institutional clients are focused on." Vice President, CAPTRUST

"LinkBridge was a fabulous, value-add event. There were many other family offices and asset allocators to socialize with. I enjoyed hearing their viewpoints on a number of wide ranging and relevant investment topics." Angel Investor

"Pablo Patrick and LinkBridge Investors' team are awesome. They organized the event very well and made special preparations to create meeting opportunities amongst interested parties which was pretty unique. I met so many people during the conference and am looking forward to be a part of many more such events in the future. All the best!" Senior Portfolio Manager, Maryland State Retirement and Pension System

# A Few Past Participants Include:

Northern Trust  
 NYC Board of Education Retirement System  
 Aksia  
 PepsiCo  
 Eastern Illinois University Foundation  
 Cambridge Associates  
 California Public Employees' Retirement System  
 National Conf. on Public Employee Ret. Sys  
 GK Investment Management  
 McGeever Family Office  
 Dehal Investment Partners of Raymond James Ltd.  
 Eastern Illinois University Foundation  
 Kidd & Company Family Office  
 Perigon Wealth Management  
 ASIMCO  
 Pactolus Private Wealth Management  
 Deutsche Bank - International Private Bank (IPB)

Skandia  
 Maryland State Retirement and Pension System  
 City of Stamford  
 US Small Business Administration  
 Baltimore Life Insurance Company  
 New Mexico State Investment Council  
 Cornell University Investment Office  
 TIAA-CREF  
 Albourne America LLC  
 Aspen Tree Advisors  
 Ulland Investment Advisors, LLC  
 Pritzker Group  
 U.S. Bank  
 Main Street Research  
 JMC Philanthropic  
 Triple C Advisory

Fulcrum Equities  
 Single Family Office  
 Independence Financial Partners  
 The Fried Family Office  
 Laughren Group  
 Apex Financial Advisors Inc.  
 SkyView Investment Advisors LLC.  
 Magnus Financial Group LLC  
 McGovern Capital LLC  
 KKCG Family Office  
 Independence Financial Partners  
 Hauberk Capital  
 Truist Investment Services  
 Makena Capital  
 True North Advisors  
 Greenwich Investment Management  
 Financial Partners Capitam Management

New York Private Bank & Trust  
 Citigroup Pension Fund  
 GRC Investment Group-Dubai(SFO)  
 BIMA Capital, LLC  
 CORNERSTONE GROUP FAMILY OFFICE  
 Main Street Research  
 JPB Foundation  
 Clinton Group & CalPERS  
 TAG Associates  
 DeKalb County Government  
 RVK  
 FalconFone  
 DPG Investments, LLC  
 Loyalty Alliance  
 JP Morgan  
 Family Office der Familie Strascheg.  
 ThreeEQ

Beryl Consulting Group  
 Alta Companies Ltd.  
 GRC Investment Group  
 MSF Capital Advisors  
 Quilvest  
 Advanced Alpha Advisers, LLC.  
 Green Capital Group LLC  
 Goldman Sachs  
 Chequers Financial Management  
 Credit Suisse  
 Hauberk Capital  
 Bayshore Capital  
 Atrato Consulting Group



**Antonio Rodriguez**

Director of Investment Strategy  
 NYC Board of Education  
 Retirement System



**Lincoln S. Ellis**

Senior Investment Strategist  
 Northern Trust



**Ratna Kota**

Senior Portfolio Manager  
 Maryland State Retirement and  
 Pension System



**Eric Newman**

Treasury Manager  
 City of Stamford



**Narges Zamani**

Chief Investment Officer  
 Pactolus LLC



**Gary Klopfenstein**

Chairman  
 GK Investment Management



**Scott Schaefer**

Senior Investment Officer  
 US Small Business Administration



**Victoria Vysotina**

Chief Investment Officer  
 Single Family Office





**Larry Chiarello**

Managing Director, Partner  
Investments  
SkyView Investment Advisors



**Nitin Shakhder**

Founder & CEO  
Green Capital  
Single Family Office



**Michael Tanney**

Managing Director  
Magnus Financial Group LLC



**Jose Martinez**

Chief Investment Officer  
RIMAC Seguros



**Marcia Nelson**

Founding Partner  
Triple C Advisory



**Mark Glickman**

Vice President  
Baltimore Life Insurance Company



**Brian Schuman**

Principal, Strategic Investments  
PepsiCo



**Stuart Caplan**

Chief Investment Officer, Partner  
Apex Financial Advisors



**Benjamin Armellini**

Partner - Portfolio Manager  
Main Street Research



**Billy Obregon**

Managing Director  
Deutsche Bank



**Stephen Colavito**

Chief Investment Officer  
Perigon Wealth Management



**Wendy Craft**

Chief of Staff  
Fulcrum Equities



**Jim Schnorf**

Investment Committee  
Eastern Illinois University  
Foundation



**Kevin McGovern**

Chairman & CEO  
McGovern Capital LLC



**Michael Dehal**

Senior Vice President & Portfolio  
Manager  
Dehal Investment Partners of  
Raymond James Ltd.



**Spencer Hunter**

Manager  
RVK



**Thomas Haug**

Chief Executive Officer  
Aspen Tree Advisory



**Nicole Tanenbaum**

Partner and the Chief Investment  
Strategist  
Chequers Financial Management



**Wael Fawzy**

Managing Director  
Hauberk Capital



**James Ulland**

President  
Ulland Investment Advisors, LLC



**Marcin Krolkowski**

Co-Head of Investment Strategy  
Independence Financial Partners



**Paul Kang**

Chief Investment Officer  
Alta Companies





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# AGENDA

- 8:00 A.M. Registration & Welcome Coffee**
- 8:25 A.M. Host's Welcome**  
**Pablo Patrick**, Founder & CEO, **LinkBridge Investors**
- 8:30 A.M. Panel Session: Institutional Investors Roundtable Discussion**  
Where are the opportunities now, and what should we expect going forward? Institutional Investors will share their perspectives and experiences on where they see the most attractive and innovative opportunities.  
Moderator:  
Panelists:  
Treasurer and Investment Officer, **Concordia University (USA)**  
Executive VP & CIO, **Rimac Seguros (USA)**  
Senior Investment Analyst, Risk & Asset Allocation, **Fire & Police Pension Association of Colorado (USA)**  
President & Sr. Advisor, **Episcopal Church Endowment and Foundation (USA)**  
Head of Real Assets, **New Jersey Division of Investment (USA)**
- 9:00 A.M. Panel Session: Real Estate Opportunities**  
The leading Real Estate firms will discuss investment opportunities across their platform. What kind of strategies create value in the current real estate environment? What should the return expectations be for the sector?  
Moderator:  
Panelists:  
Managing Director, **Rithm Capital (USA)**  
President, Head of Distribution, **Ashford Securities LLC (USA)**
- 9:30 A.M. Presentation**  
Vice President, Private Partnership Group, **Group RMC (USA)**
- 9:45 A.M. Morning Networking Break**
- 10:00 A.M. Keynote Presentation**
- 10:20 A.M. Panel Session: Private Equity Opportunities**  
The leading Private Equity firms will discuss investment opportunities across their platform. What are the key emerging trends that are shaping the private equity market in 2023?  
Moderator:  
Panelists:  
Head of Communication, **Thoma Bravo (USA)**  
Senior Managing Director, **Sprott Asset Management LP (USA)**  
Chief Administrative Officer, **NovaQuest Capital Management (USA)**  
Managing Director, **VSS (USA)**  
Senior Manager Marketing, **Mutares (USA)**
- 10:50 A.M. Panel Session: Venture Capital Opportunities**  
Venture Capital Managers are indicating an increasing number of opportunities for investors and in result VC firms are facing a combination of a bigger pipeline, new deal structures and valuations. The leading Venture Capital firms will discuss investment opportunities across their platform.  
Moderator:  
Senior Investment Officer, **Cooper Family Office (USA)**  
Panelists:  
Co-Founder and Managing Partner, **KEEN Growth Capital (USA)**  
Chief of Staff of the CBO, **RTW Investments, LP (USA)**  
Investor Relations, **Velt Partners (USA)**
- 11:20 A.M. Presentation**  
Director, **Lido Advisors, LLC (USA)**
- 11:35 A.M. Panel Session: Private Credit Opportunities**  
The leading Private Credit firms will discuss investment opportunities across their platform. What are the key emerging trends that are shaping the private credit market in 2023?  
Moderator:  
Panelists:  
Chief Investment Officer, Managing Partner, **MV Credit (USA)**  
Senior Vice President, **Natixis Investment Managers (USA)**
- 12:05 P.M. Presentation**  
Managing Partner, **Keystone National Group (USA)**
- 12:20 P.M. Networking Luncheon**

## AGENDA

- 1:20 P.M. Panel Session: Private Wealth Allocations I**  
As more institutional investors move towards concentrated capital with larger managers, where do private clients stand? Which asset classes are of the most interest to private clients?  
Moderator:  
Panelists:  
Founder and Managing Partner, **Amida Wealth Advisors** (USA)  
Portfolio Manager, Wealth Advisor, Investment Advisor, **Richardson Wealth** (Canada)
- 1:50 P.M. Panel Session: Family Office Allocations I**  
Family offices will discuss how they identify opportunities in the current market. Which asset class is delivering competitive returns? What is the current Economic Outlook for family offices?  
Moderator:  
Panelists:  
CEO, Sowers **Family Office** (USA)  
CIO, **L Investments** (USA)  
Co-Chief Investment Officer, **Camden Capital** (USA)  
Managing Partner, **Aceana Group** (USA)
- 2:20 P.M. Panel Session: Investment Consultants & Advisors Roundtable**  
Investment Consultants and Advisors will discuss the performance of different markets and strategies across the globe. What type of investment structure are investors looking for and where is the greatest potential for growth?  
Moderator:  
SVP, Private Placements, **Natixis Investment Managers** (USA)  
Panelists:  
Global Head of Private Credit, **Mercer** (USA)  
Chief Investment Officer and Co-Founder, **Aragon Capital** (USA)  
Co-Chief Investment Officer Director of Fixed Income, **Nottingham Advisors, Inc** (USA)
- 2:50 P.M. Afternoon Networking Break**
- 3:05 P.M. Keynote Presentation**
- 3:25 P.M. Panel Session: Private Wealth Allocations II**  
As more institutional investors move towards concentrated capital with larger managers, where do private clients stand? Which asset classes are of the most interest to private clients?  
Moderator:  
Panelists:  
Chief Investment Strategist, **Keel Point** (USA)  
Director & Financial Advisor, **Deutsche Bank** (USA)
- 3:55 P.M. Panel Session: Family Office Allocations II**  
Family offices will discuss how they identify opportunities in the current market. Which asset class is delivering competitive returns? What is the current Economic Outlook for family offices?  
Moderator:  
Panelists:  
Chief Investment Officer, **Sagar Family Office** (USA)  
Senior Investment Officer, **Cooper Family Office** (USA)  
Chief Executive Officer, **GK Investment Management** (USA)  
President, St. **Louis Trust & Family Office** (USA)  
Chairman and CEO, **DPG Investments** (USA)
- 4:25 P.M. Closing Remarks**  
**Pablo Patrick**, Founder & CEO, **LinkBridge Investors**
- 4:30 P.M. Cocktail Reception**
- 5:30 P.M. End of Conference**

# THANK YOU

**LinkBridge Investors**  
**1180 Avenue of the Americas, 8<sup>th</sup> Floor**  
**New York, NY 10036**  
**United States**





September 1, 2023

TO: Trustees – Board of Investments  
FROM: Jude Pérez, Principal Investment Officer  
FOR: September 13, 2023 Board of Investments Meeting  
SUBJECT: **LACERA TOTAL FUND QUARTERLY PERFORMANCE BOOK**

Attached is LACERA's total Fund quarterly performance book as of June 30, 2023. The report includes both performance and risk sections utilizing data from our platform providers, Solovis and MSCI BarraOne, respectively.

In addition to the standard report, a summary presentation (**ATTACHMENT 1**) is included and will be reviewed with Trustees.

Noted and Reviewed:

Jonathan Grabel  
Chief Investment Officer

Attachments



Los Angeles County Employees Retirement Association

# Investments Division

**TOTAL FUND**

**PERFORMANCE  
REPORT**

For the quarter ended  
June 30, 2023

review

A nighttime photograph of a cityscape. The central focus is a large, illuminated dome building, likely a state capitol, with its lights glowing against the dark sky. The sky is a mix of deep purple and blue. In the foreground, there are silhouettes of trees and a street with some lights. The overall mood is serene and urban.

# Table of Contents

**01** TOTAL FUND

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**02** GROWTH

---

**03** CREDIT

---

**04** REAL ASSETS & INFLATION HEDGES

---

**05** RISK REDUCTION & MITIGATION

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**06** PRIVATE MARKETS

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**07** EMERGING MANAGER PROGRAM

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**08** MANAGER SCORECARDS

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**09** APPENDIX

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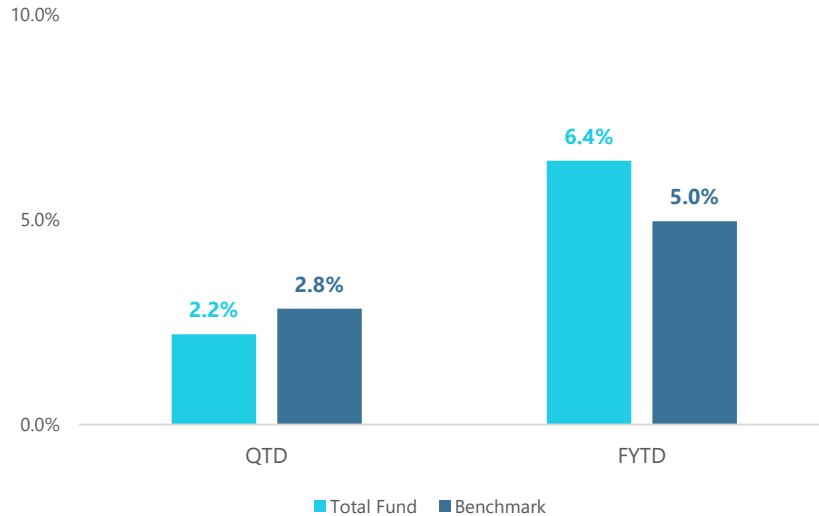
total fund



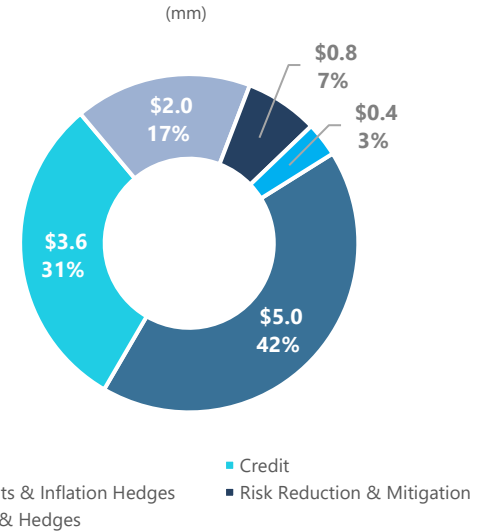
# Quarterly Snapshot

for the quarter ended June 30, 2023

## Performance (net)



## Public Markets Fees<sup>1</sup>



### Ending Market Value

**73,569**

↑ **2%**  
from prior quarter

### Sharpe Ratio<sup>2</sup>

**1.1**

↓ **-18%**  
from prior quarter

### Batting Average<sup>3</sup>

**45%**

↓ **-1%**  
from prior quarter

### Standard Deviation<sup>2</sup>

**8.3**

↓ **-2%**  
from prior quarter

### Tracking Error<sup>2</sup>

**2.9**

↑ **2%**  
from prior quarter

<sup>1</sup> Reflects estimated investment management fees. Additional details found in the appendix.

<sup>2</sup> 3 Year Annualized.

<sup>3</sup> Percentage of managers that outperformed the benchmark for the quarter.

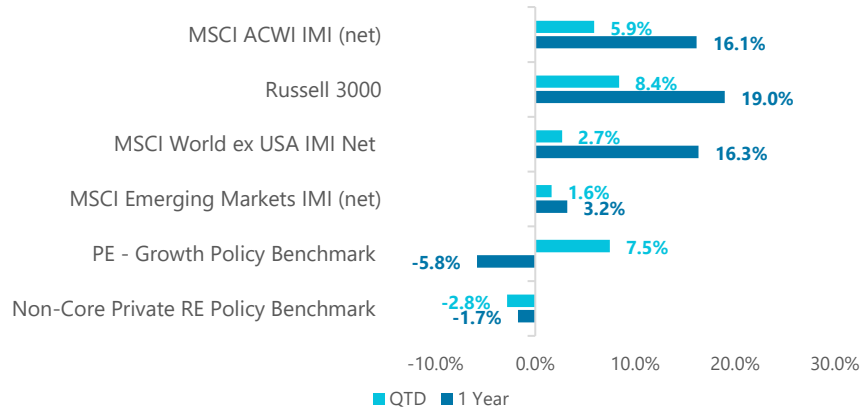
# Market Environment

for the quarter ended June 30, 2023

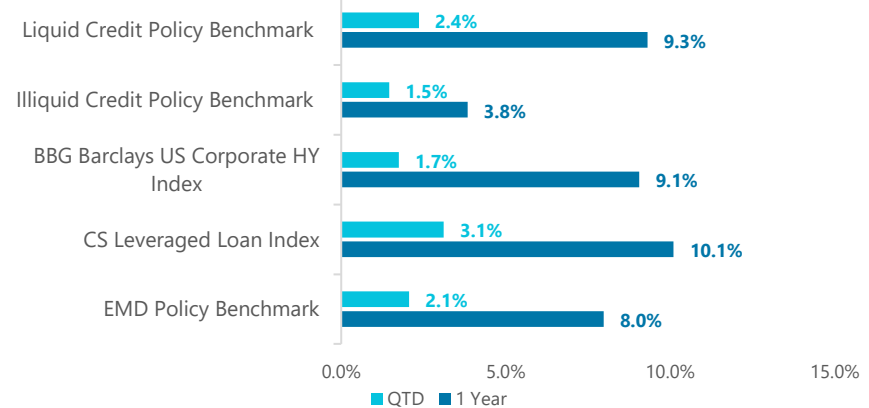


Los Angeles County Employees Retirement Association

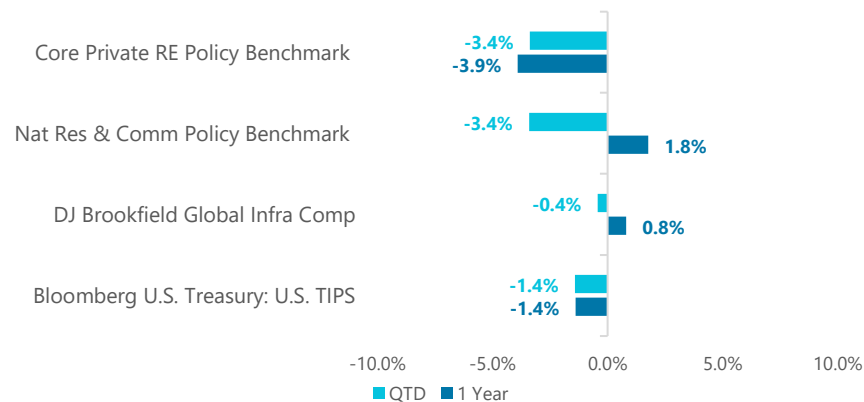
## Growth



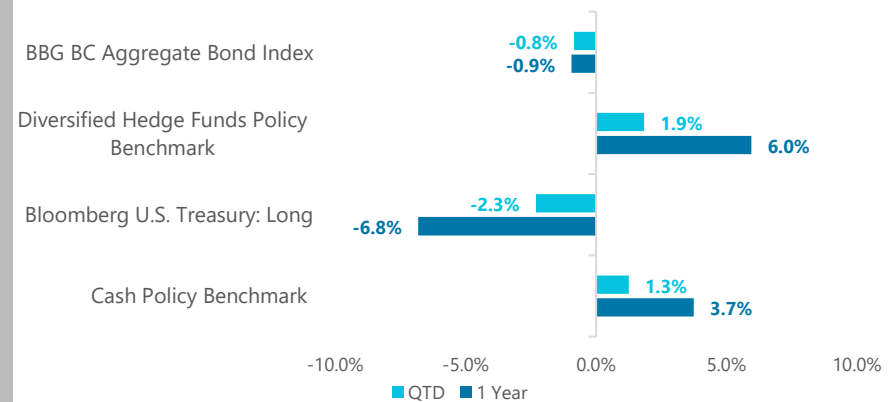
## Credit



## Real Assets & Inflation Hedges



## Risk Reduction & Mitigation



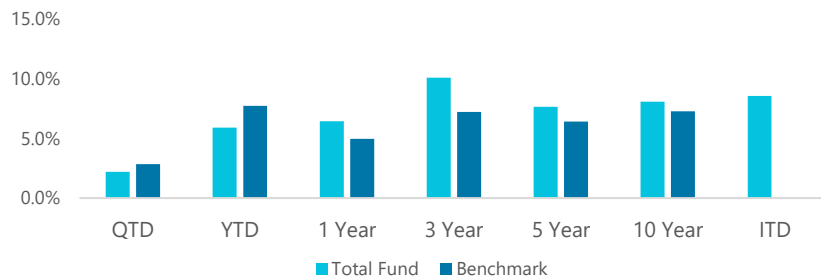
# Summary

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

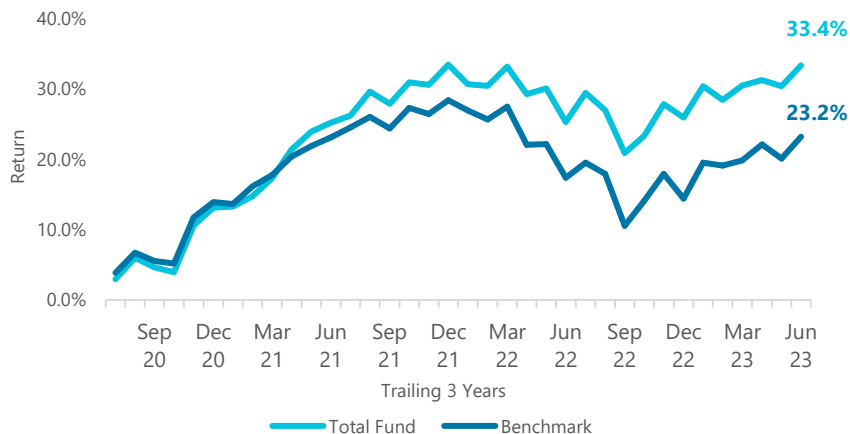
## Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>Total Fund</b>	<b>2.2%</b>	<b>5.9%</b>	<b>6.4%</b>	<b>10.1%</b>	<b>7.6%</b>	<b>8.1%</b>	<b>8.6%</b>
Benchmark	2.8%	7.7%	5.0%	7.2%	6.4%	7.3%	--
Excess	-0.6%	-1.8%	1.5%	2.9%	1.2%	0.8%	--

	FY23	FY22	FY21	FY20	FY19
<b>Total Fund</b>	<b>6.4%</b>	<b>0.1%</b>	<b>25.2%</b>	<b>1.8%</b>	<b>6.4%</b>
Benchmark	5.0%	-4.6%	23.1%	2.0%	8.6%

## Cumulative Return



## Functional Category<sup>1</sup>

	QTD	FYTD	1 Year	3 Year
<b>Growth</b>	<b>4.2%</b>	<b>10.2%</b>	<b>10.2%</b>	<b>15.5%</b>
Growth Policy Benchmark	5.8%	8.0%	8.0%	12.5%
Excess	-1.6%	2.1%	2.1%	3.0%
<b>Credit</b>	<b>2.4%</b>	<b>7.7%</b>	<b>7.7%</b>	<b>6.8%</b>
Credit Policy Benchmark	1.8%	6.0%	6.0%	2.4%
Excess	0.6%	1.7%	1.7%	4.4%
<b>Real Assets &amp; Inflation Hedges</b>	<b>-1.2%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>9.6%</b>
RA & IH Policy Benchmark	-2.1%	-0.6%	-0.6%	8.9%
Excess	0.9%	0.7%	0.7%	0.7%
<b>Risk Reduction &amp; Mitigation</b>	<b>-1.2%</b>	<b>-0.2%</b>	<b>-0.2%</b>	<b>-1.7%</b>
RR & M Policy Benchmark	-0.3%	0.0%	0.0%	-2.6%
Excess	-0.9%	-0.3%	-0.3%	0.9%
<b>Overlays &amp; Hedges</b>	<b>31.1%</b>	<b>51.6%</b>	<b>51.6%</b>	<b>--</b>

<sup>1</sup> Cash Overlay composite returns reflect non-notionalized returns.

## Peer Ranking (gross)<sup>2</sup>

	QTD		1 Year		3 Year		5 Year		10 Year	
<b>Total Fund</b>	<b>2.3%</b>	<b>81</b>	<b>6.7%</b>	<b>59</b>	<b>10.4%</b>	<b>28</b>	<b>8.0%</b>	<b>37</b>	<b>8.4%</b>	<b>28</b>
60/40 Portfolio	3.2%	32	9.2%	15	5.0%	93	5.2%	88	6.0%	88
S&P 500 Index	8.7%	4	19.6%	5	14.6%	6	12.3%	5	12.9%	5
5th Percentile	4.5%		11.1%		12.7%		10.0%		9.8%	
25th Percentile	3.3%		8.7%		10.6%		8.2%		8.6%	
50th Percentile	2.8%		7.2%		9.8%		7.7%		7.8%	
75th Percentile	2.4%		5.4%		8.5%		6.6%		7.4%	
95th Percentile	0.6%		1.7%		0.7%		2.9%		3.7%	

<sup>2</sup> Universe data provided by State Street and is gross-of-fees.

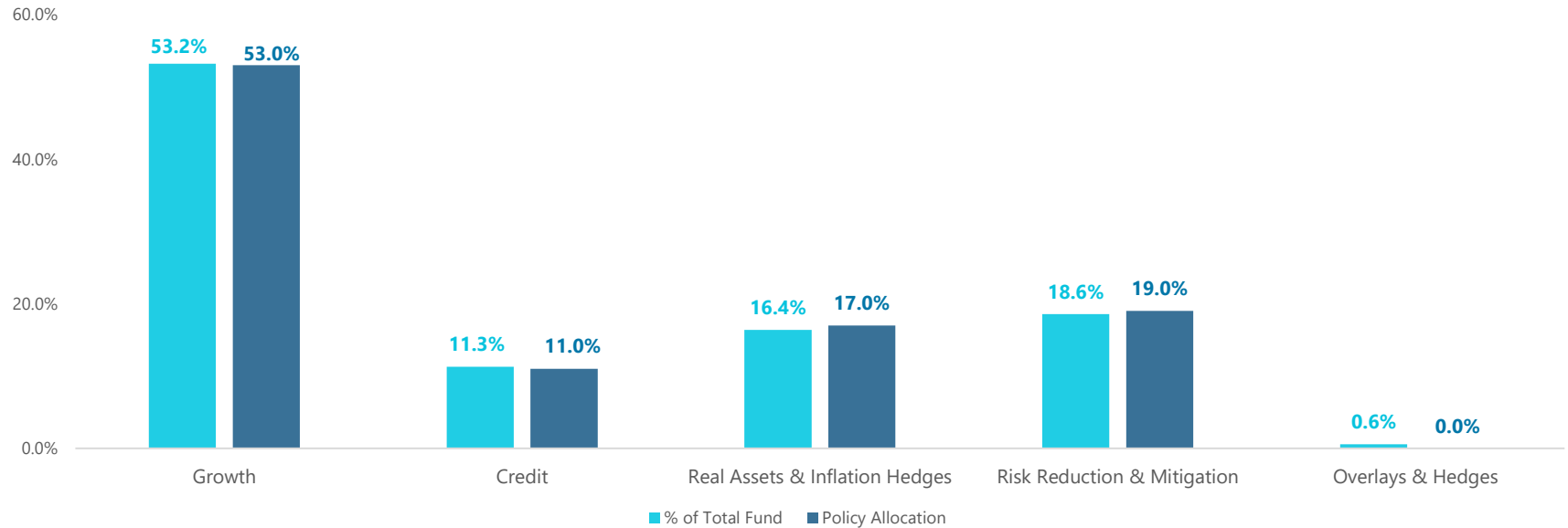
# Asset Allocation

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Actual vs. Policy



	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Over/Under (%)	Over/Under (mm)
<b>Total Fund</b>	<b>73,569</b>	<b>100.0%</b>	<b>100.0%</b>		
Growth	39,155	53.2%	53.0%	0.2%	164
Credit	8,297	11.3%	11.0%	0.3%	204
Real Assets & Inflation Hedges	12,050	16.4%	17.0%	-0.6%	-456
Risk Reduction & Mitigation	13,659	18.6%	19.0%	-0.4%	-319
Overlays & Hedges	407	0.6%	0.0%	0.6%	407

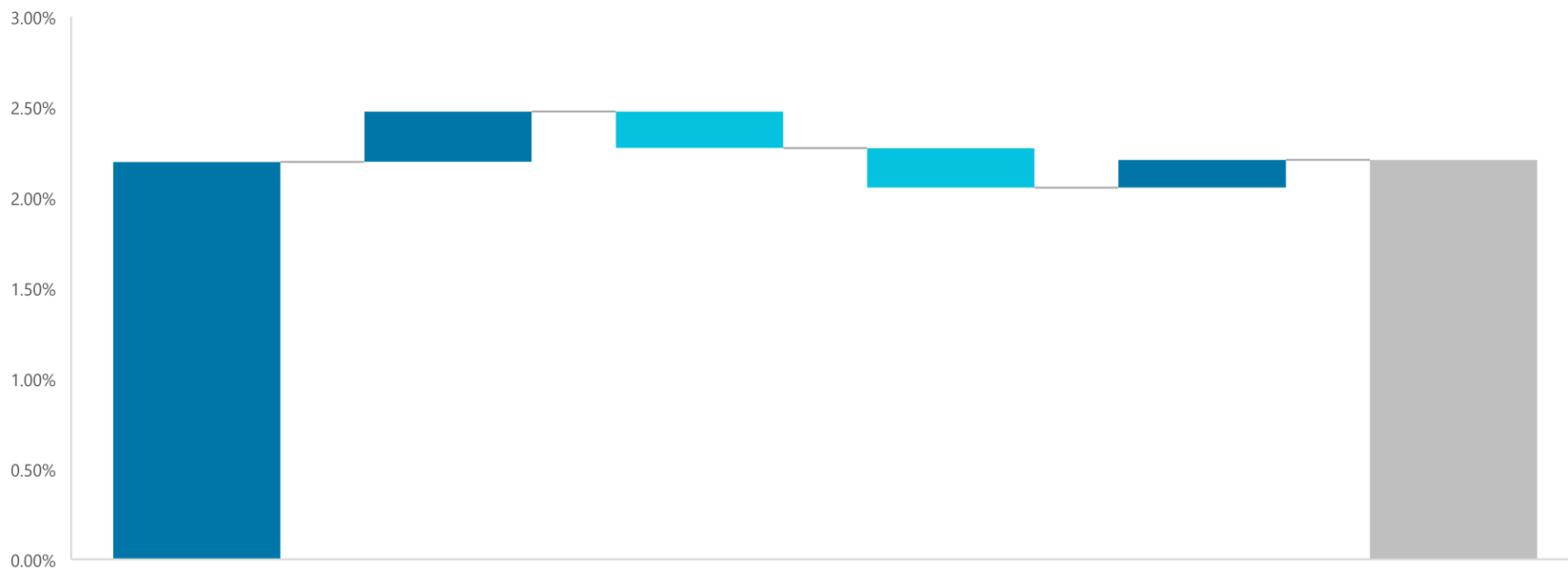
# Contribution to Return

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## QTD Contribution to Return



Functional Category	Contributors	Detractors
Growth	2.20% SSGA MSCI ACWI IMI	1.23% Real Estate - Real Assets
Credit	0.28% JPMAM Strategic Beta US	-0.10% BlackRock Long Treasury Bonds
Real Assets & Inflation Hedges	-0.20% Private Equity - Growth	-0.06% Brevan Howard Master Fund
Risk Reduction & Mitigation	-0.22% Frontier US SMID Growth	-0.04% BlackRock TIPS
Overlays & Hedges	0.15% BTC Euro Tilts	-0.04% DWS Natural Resources
<b>Total Fund</b>	<b>2.21%</b>	

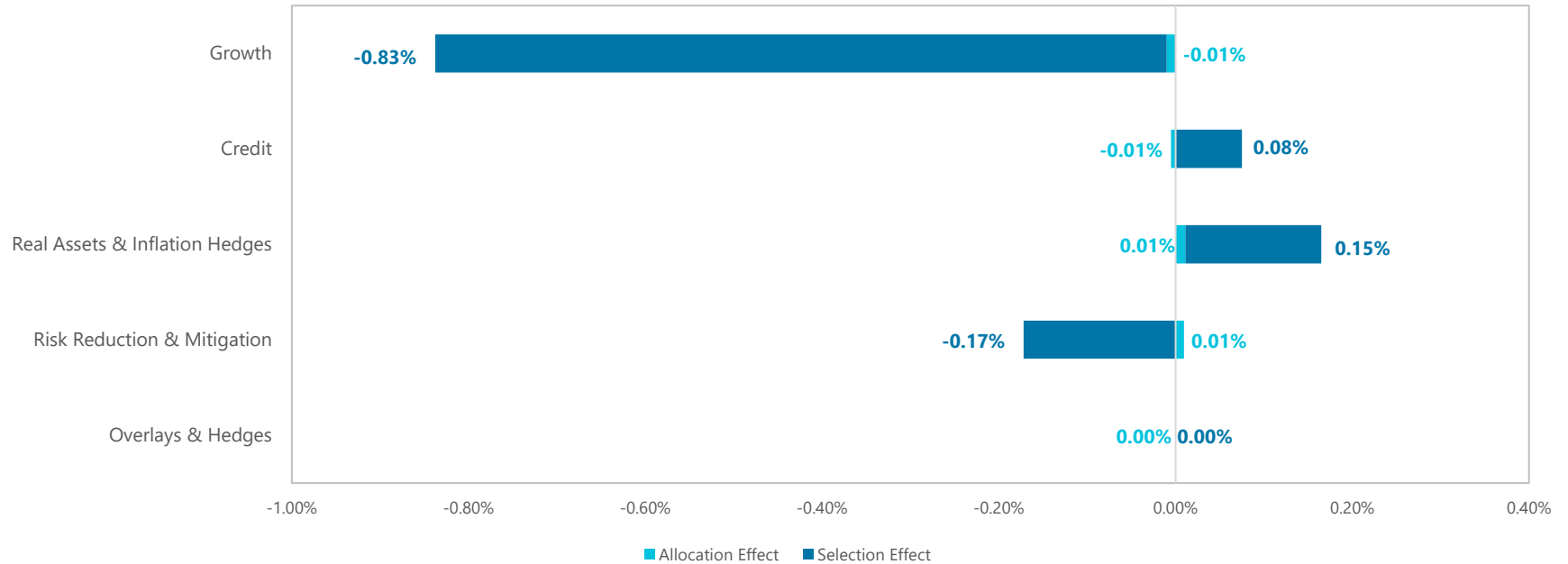
# Return Attribution

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## QTD Performance Attribution<sup>1</sup>



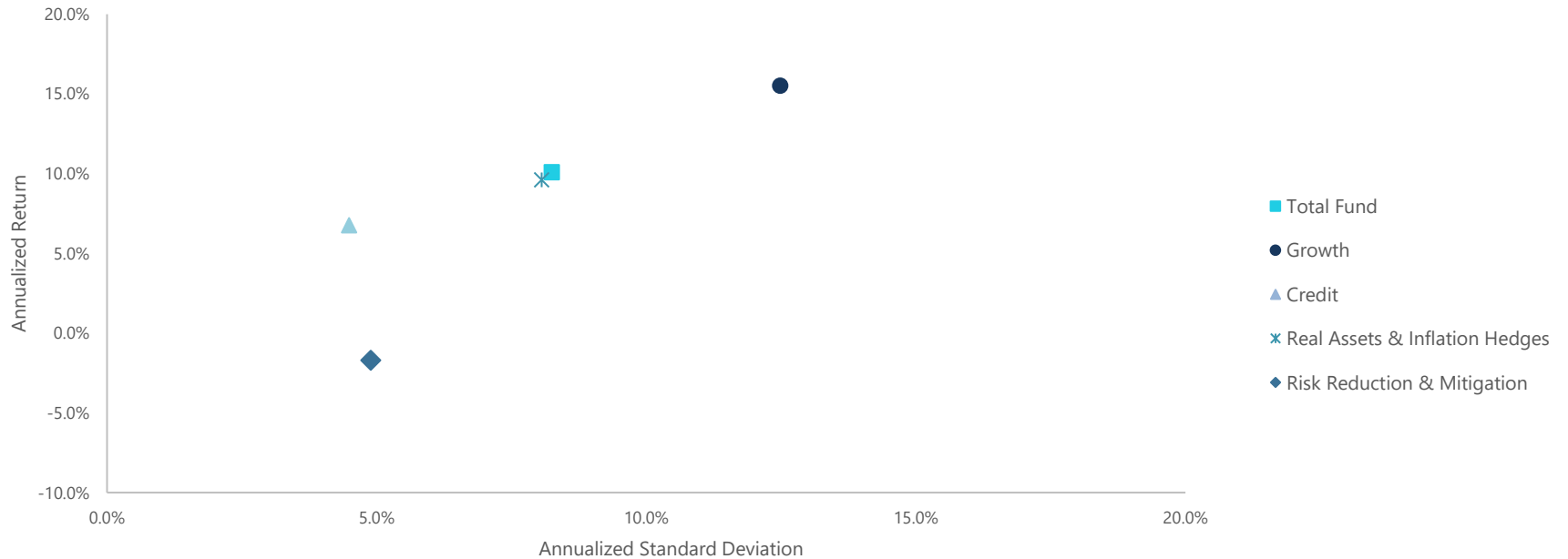
	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
<b>Total Fund</b>	<b>73,569</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.2%</b>	<b>2.8%</b>	<b>-0.01%</b>	<b>-0.61%</b>	<b>-0.62%</b>
Growth	39,155	53.2%	53.0%	4.2%	5.8%	-0.01%	-0.83%	-0.84%
Credit	8,297	11.3%	11.0%	2.4%	1.8%	-0.01%	0.08%	0.07%
Real Assets & Inflation Hedges	12,050	16.4%	17.0%	-1.2%	-2.1%	0.01%	0.15%	0.16%
Risk Reduction & Mitigation	13,659	18.6%	19.0%	-1.2%	-0.3%	0.01%	-0.17%	-0.16%
Overlays & Hedges	407	0.6%	0.0%	31.1%	--	--	--	--

<sup>1</sup> Total Value Add column includes Interaction Effect.

# Risk vs. Return

for the quarter ended June 30, 2023

## 3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
<b>Total Fund</b>	<b>10.1%</b>	<b>8.2%</b>	<b>1.05</b>	<b>0.91</b>	<b>0.89</b>	<b>2.9%</b>
Growth	15.5%	12.5%	1.13	0.49	0.84	5.2%
Credit	6.8%	4.5%	1.24	1.44	0.78	3.1%
Real Assets & Inflation Hedges	9.6%	8.1%	1.04	0.31	0.91	2.6%
Risk Reduction & Mitigation	-1.7%	4.9%	(0.58)	1.08	0.93	0.8%
Overlays & Hedges	--	--				

# Performance Detail

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Annualized Net Returns<sup>1</sup>

	% of Total Fund	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD	Inception Date
<b>Total Fund</b>	<b>100.0%</b>	<b>73,569</b>	<b>72,332</b>	<b>2.2%</b>	<b>5.9%</b>	<b>6.4%</b>	<b>10.1%</b>	<b>7.6%</b>	<b>8.1%</b>	<b>8.6%</b>	<b>Dec-1988</b>
<b>Total Fund Policy Benchmark</b>				2.8%	7.7%	5.0%	7.2%	6.4%	7.3%	--	
<b>Growth</b>	<b>53.2%</b>	<b>39,155</b>	<b>37,704</b>	<b>4.2%</b>	<b>9.3%</b>	<b>10.2%</b>	<b>15.5%</b>	--	--	<b>12.2%</b>	<b>Apr-2019</b>
<b>Growth Policy Benchmark</b>				5.8%	13.5%	8.0%	12.5%	--	--	9.9%	
Global Equity	33.4%	24,583	23,521	5.8%	13.3%	16.6%	11.7%	--	--	9.3%	Apr-2019
Global Equity Policy Benchmark				5.9%	13.2%	16.1%	11.0%	--	--	8.8%	
Private Equity - Growth	18.3%	13,428	13,034	1.7%	3.3%	0.1%	25.2%	--	--	18.3%	Jan-2019
PE - Growth Policy Benchmark				7.5%	18.6%	-5.8%	17.9%	--	--	8.4%	
Non-Core Private Real Estate	1.6%	1,145	1,149	-0.5%	-2.6%	4.0%	12.7%	10.8%	10.7%	4.6%	Jan-1996
Non-Core Private RE Policy Benchmark				-2.8%	-7.3%	-1.7%	10.2%	9.5%	11.6%	11.1%	
<b>Credit</b>	<b>11.3%</b>	<b>8,297</b>	<b>8,411</b>	<b>2.4%</b>	<b>6.0%</b>	<b>7.7%</b>	<b>6.8%</b>	--	--	<b>4.6%</b>	<b>Apr-2019</b>
<b>Credit Policy Benchmark</b>				1.8%	5.0%	6.0%	2.4%	--	--	2.9%	
Liquid Credit	4.7%	3,458	4,076	2.9%	6.1%	9.0%	--	--	--	-1.5%	Oct-2021
Liquid Credit Policy Benchmark				2.4%	5.7%	9.3%	--	--	--	-1.4%	
Illiquid Credit	6.6%	4,839	4,335	2.0%	5.7%	5.6%	13.9%	--	--	9.6%	Apr-2019
Illiquid Credit Policy Benchmark				1.5%	4.5%	3.8%	0.8%	--	--	4.3%	
<b>Real Assets &amp; Inflation Hedges</b>	<b>16.4%</b>	<b>12,050</b>	<b>12,202</b>	<b>-1.2%</b>	<b>-1.6%</b>	<b>0.1%</b>	<b>9.6%</b>	--	--	<b>5.9%</b>	<b>Apr-2019</b>
<b>RA &amp; IH Policy Benchmark</b>				-2.1%	-2.7%	-0.6%	8.9%	--	--	6.3%	
Core Private Real Estate	5.5%	4,071	4,124	-3.6%	-8.0%	-1.7%	8.0%	6.4%	7.9%	7.0%	Oct-1985
Core Private RE Policy Benchmark				-3.4%	-8.4%	-3.9%	7.7%	6.9%	8.9%	6.9%	
Natural Resources & Commodities	2.9%	2,110	2,197	0.2%	0.3%	1.1%	21.2%	6.2%	0.4%	-0.8%	Jul-2007
Nat Res & Comm Policy Benchmark				-3.4%	-4.9%	1.8%	18.8%	5.8%	-0.5%	-2.0%	
Infrastructure	5.4%	3,974	3,958	0.7%	2.6%	1.6%	9.0%	--	--	7.0%	Jun-2019
DJ Brookfield Global Infra Comp				-0.4%	2.7%	0.8%	7.4%	--	--	3.7%	
TIPS	2.6%	1,896	1,924	-1.4%	1.9%	-1.8%	-0.2%	--	--	2.4%	May-2019
Bloomberg U.S. Treasury: U.S. TIPS				-1.4%	1.9%	-1.4%	-0.1%	--	--	2.4%	
<b>Risk Reduction &amp; Mitigation</b>	<b>18.6%</b>	<b>13,659</b>	<b>13,598</b>	<b>-1.2%</b>	<b>2.5%</b>	<b>-0.2%</b>	<b>-1.7%</b>	--	--	<b>1.1%</b>	<b>Apr-2019</b>
<b>RR &amp; M Policy Benchmark</b>				-0.3%	3.1%	0.0%	-2.6%	--	--	0.5%	
Investment Grade Bonds	6.9%	5,044	5,083	-0.7%	2.4%	-0.7%	-3.7%	0.9%	1.9%	5.1%	Nov-1994
BBG BC Aggregate Bond Index				-0.8%	2.1%	-0.9%	-4.0%	0.8%	1.5%	4.6%	
Diversified Hedge Funds	6.2%	4,570	4,543	-1.4%	1.8%	4.6%	8.3%	--	--	6.4%	Apr-2019
Diversified Hedge Funds Policy Benchmark				1.9%	3.6%	6.0%	3.7%	--	--	3.9%	
Long-Term Government Bonds	4.0%	2,962	3,032	-2.3%	3.7%	-7.5%	--	--	--	-16.9%	Nov-2021
Bloomberg U.S. Treasury: Long				-2.3%	3.7%	-6.8%	--	--	--	-17.7%	
Cash	1.5%	1,083	939	1.7%	3.1%	5.5%	2.5%	2.4%	1.6%	1.9%	Jun-2001
Cash Policy Benchmark				1.3%	2.4%	3.7%	1.3%	1.6%	1.0%	1.5%	
<b>Overlays &amp; Hedges</b>	<b>0.6%</b>	<b>407</b>	<b>417</b>	<b>31.1%</b>	<b>49.5%</b>	<b>51.6%</b>	--	--	--	<b>135.9%</b>	<b>Oct-2021</b>
<b>Cash Overlay</b>	<b>0.5%</b>	<b>364</b>	<b>412</b>	<b>15.4%</b>	<b>26.0%</b>	<b>41.8%</b>	<b>29.0%</b>	--	--	<b>5.1%</b>	<b>Aug-2019</b>
Total Overlay Custom BM				3.4%	8.9%	9.4%	5.9%	--	--	5.5%	
Currency Hedge	0.1%	43	5	0.8%	0.7%	0.7%	--	--	--	3.4%	Oct-2021
50% FX Hedge Custom Benchmark				0.8%	0.7%	0.7%	--	--	--	3.4%	

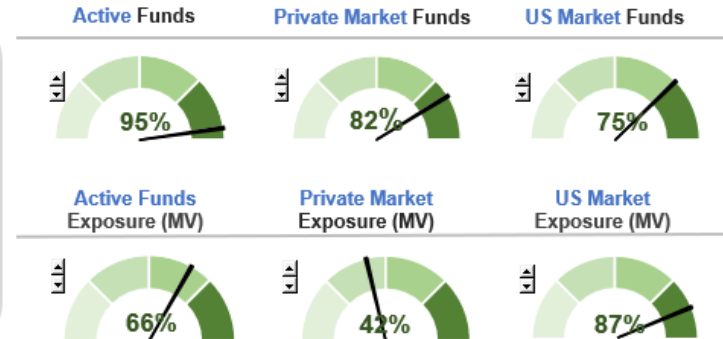
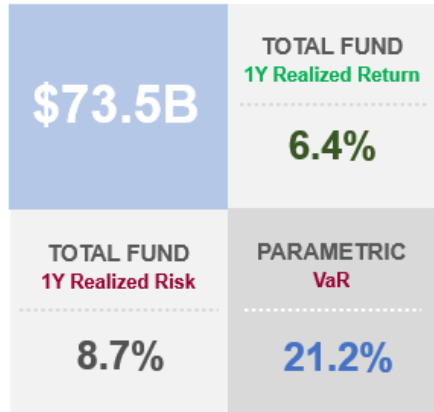
<sup>1</sup> Cash Overlay composite returns reflect non-notionalized returns.



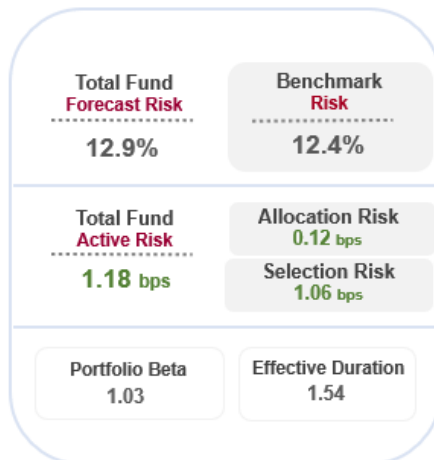
# Risk Summary

for the quarter ended June 30, 2023

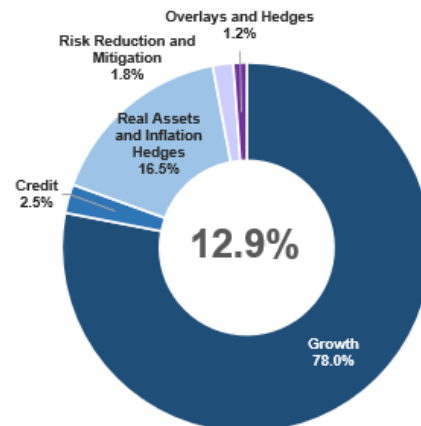
## Realized (Ex-Post) Risks



## Projected (Ex-Ante) Risks

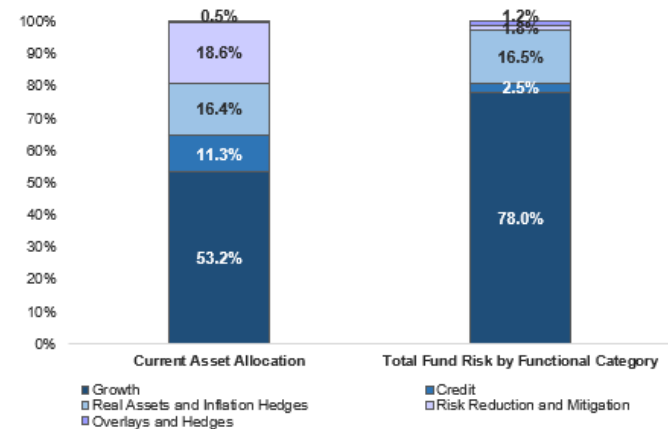


## Functional Category Contributions to Total Fund Risk



## Total Fund Asset Allocation

Capital-based versus Risk-based



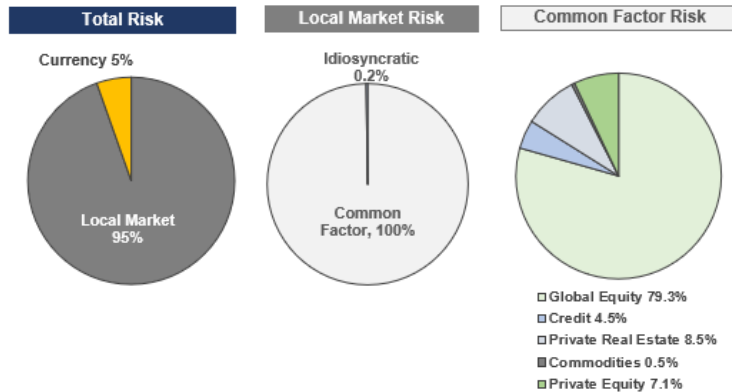
# Risk Summary

for the quarter ended June 30, 2023

## Decomposition of MSCI Risk Factors

Total Risk							
Currency	Local Market						
	Idiosyncratic	Common Factor					
	Global Equity	Private Equity	Credit	Hedge Funds	Private Real Estate	Private Infrastructure	Commodities
	<ul style="list-style-type: none"> <li>Industry</li> <li>Style</li> <li>Country</li> <li>Market</li> <li>Implied Volatility</li> </ul>	<ul style="list-style-type: none"> <li>Buyout</li> <li>Distressed</li> <li>Venture Capital</li> <li>Growth Equity</li> </ul>	<ul style="list-style-type: none"> <li>Term Structure</li> <li>Implied Volatility</li> <li>Inflation</li> <li>Basis</li> <li>Spread</li> </ul>	<ul style="list-style-type: none"> <li>Strategies                             <ul style="list-style-type: none"> <li>Global Macro</li> <li>Multi-Strategy</li> <li>Fixed Income</li> <li>Relative Value</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Commercial</li> <li>Residential</li> <li>Geography</li> <li>Forestry and Agriculture</li> <li>US Metro</li> <li>Income Return &amp; Quality</li> </ul>	<ul style="list-style-type: none"> <li>Transportation</li> <li>Utilities</li> <li>Non-utilities</li> <li>Industrial</li> <li>Energy</li> </ul>	<ul style="list-style-type: none"> <li>Metals</li> <li>Energy</li> <li>Livestock</li> <li>Agriculture</li> </ul>

## Total Fund Risk Decomposition



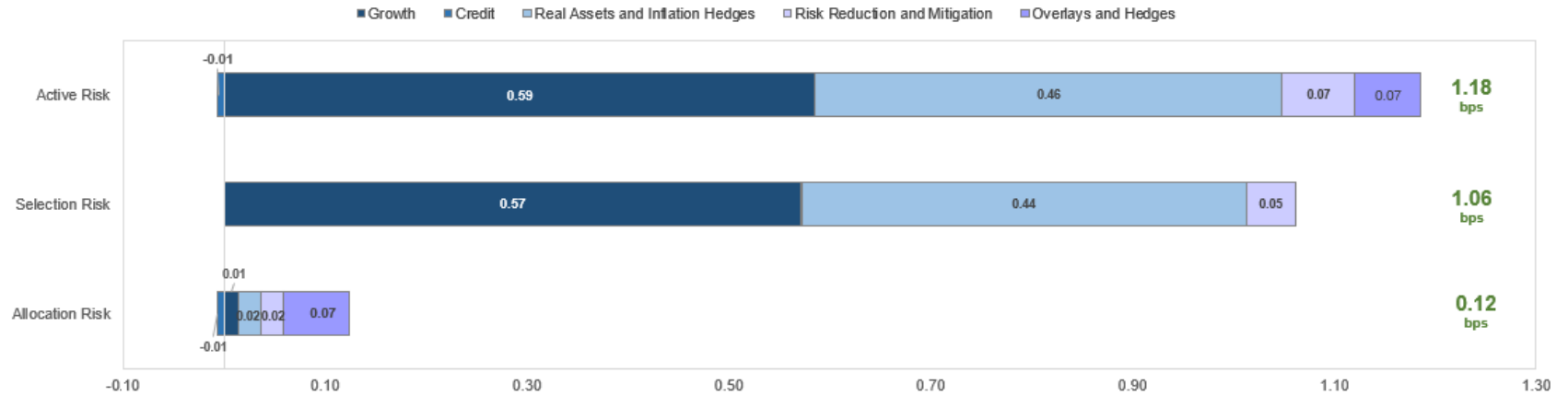
## Total Fund Contribution by Risk Factor



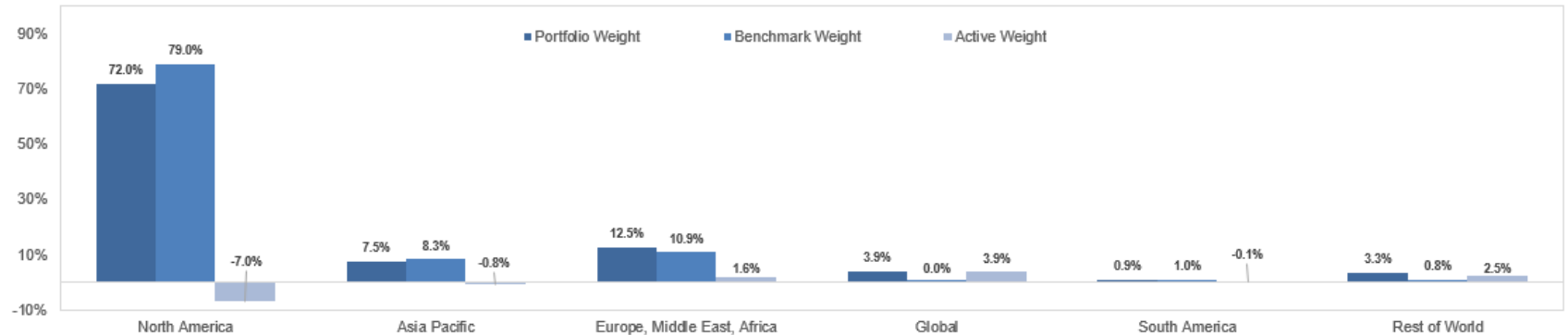
# Risk Summary

for the quarter ended June 30, 2023

## Functional Category Contributions to Active Risk



## Portfolio Allocation by Region<sup>1,2</sup>



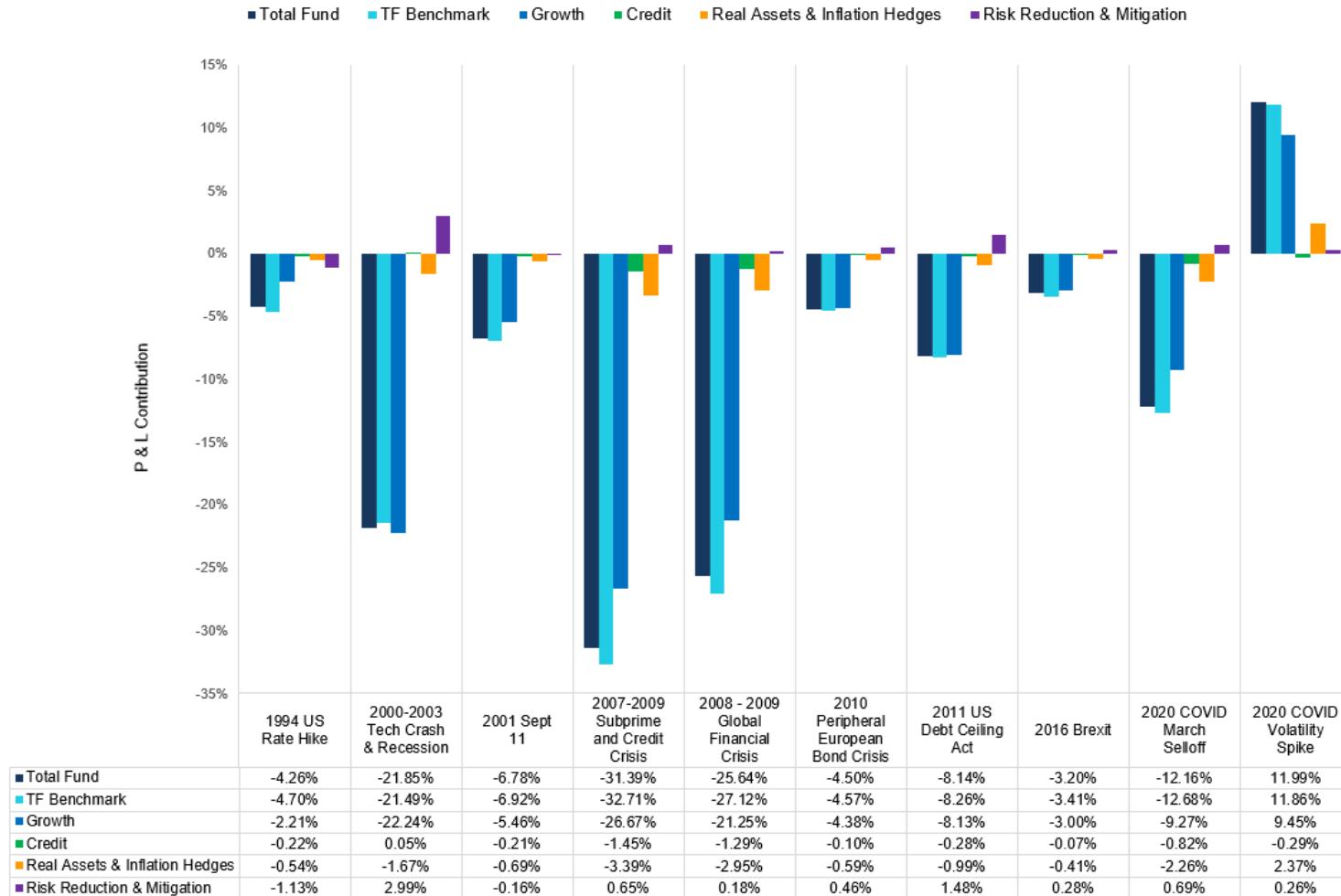
<sup>1</sup> Global represents investments made in regions where specific country allocations are not available.<sup>2</sup>

<sup>2</sup> Rest of World is sum of countries with weights below 0.5%.

# Stress Tests

for the quarter ended June 30, 2023

## Scenarios by Asset Category



# Stress Tests

for the quarter ended June 30, 2023

Historical Scenario	Description	Stock Market	Interest Rates	Bond Market	Commodity Market
<b>1994 US Rate Hike</b>	In combating inflation, the US Federal Reserve raised rates from 3.25% in February to 5.5% in November 1994.				
<b>2000-2003 Tech Crash &amp; Recession</b>	Period of crisis and slowdown for technological firms due to a rapid jump in stock prices when tech bubble began to burst.				
<b>2001 September 11th</b>	The US stock market was closed for a week upon a series of coordinated suicide attacks upon the US on September 11, 2001.				
<b>2008-2009 Global Financial Crisis</b>	Major financial crisis starting with the failure of several US-based financial firms. Extended into 2009, when stock markets reached their lowest.				
<b>2010 European Bond Crisis</b>	During crisis, the liquidity access for peripheral countries was affected by budget deficits, high borrowing costs, and failing banking systems.				
<b>2011 US Debt Ceiling Act</b>	Political deadlock on appropriate level of US government spending and its impacts. Debt and equity markets experienced significant volatility.				
<b>2016 Brexit</b>	The referendum by British voters to exit the European Union roiled global markets causing the pound to fall to its lowest level in decades.				
<b>2020 COVID March Selloff</b>	Peak and Valley of the MSCI ACWI index when Covid became a Global Pandemic.				
<b>2020 COVID Volatility Spike</b>	Period it took for the Cboe Volatility Index (VIX) to revert to pre-pandemic levels.				

### Market Trend Signals

Slightly Up
 Up
 Neutral
 Down
 Slightly Down

growth

# Summary

for the quarter ended June 30, 2023

## Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>Growth</b>	<b>4.2%</b>	<b>9.3%</b>	<b>10.2%</b>	<b>15.5%</b>	--	--	<b>12.2%</b>
Benchmark	5.8%	13.5%	8.0%	12.5%	--	--	9.9%
Excess	-1.6%	-4.2%	2.1%	3.0%	--	--	2.3%

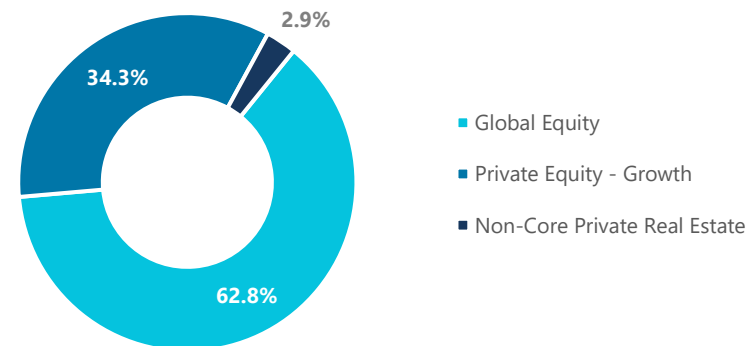
## Cumulative Return



## Functional Category

	QTD	FYTD	1 Year	3 Year
<b>Global Equity</b>	<b>5.8%</b>	<b>16.6%</b>	<b>16.6%</b>	<b>11.7%</b>
Global Equity Policy Benchmark	5.9%	16.1%	16.1%	11.0%
Excess	-0.1%	0.5%	0.5%	0.7%
<b>Private Equity - Growth</b>	<b>1.7%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>25.2%</b>
PE - Growth Policy Benchmark	7.5%	-5.8%	-5.8%	17.9%
Excess	-5.7%	5.9%	5.9%	7.3%
<b>Non-Core Private Real Estate</b>	<b>-0.5%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>12.7%</b>
Non-Core Private RE Policy Benchmark	-2.8%	-1.7%	-1.7%	10.2%
Excess	2.4%	5.7%	5.7%	2.5%

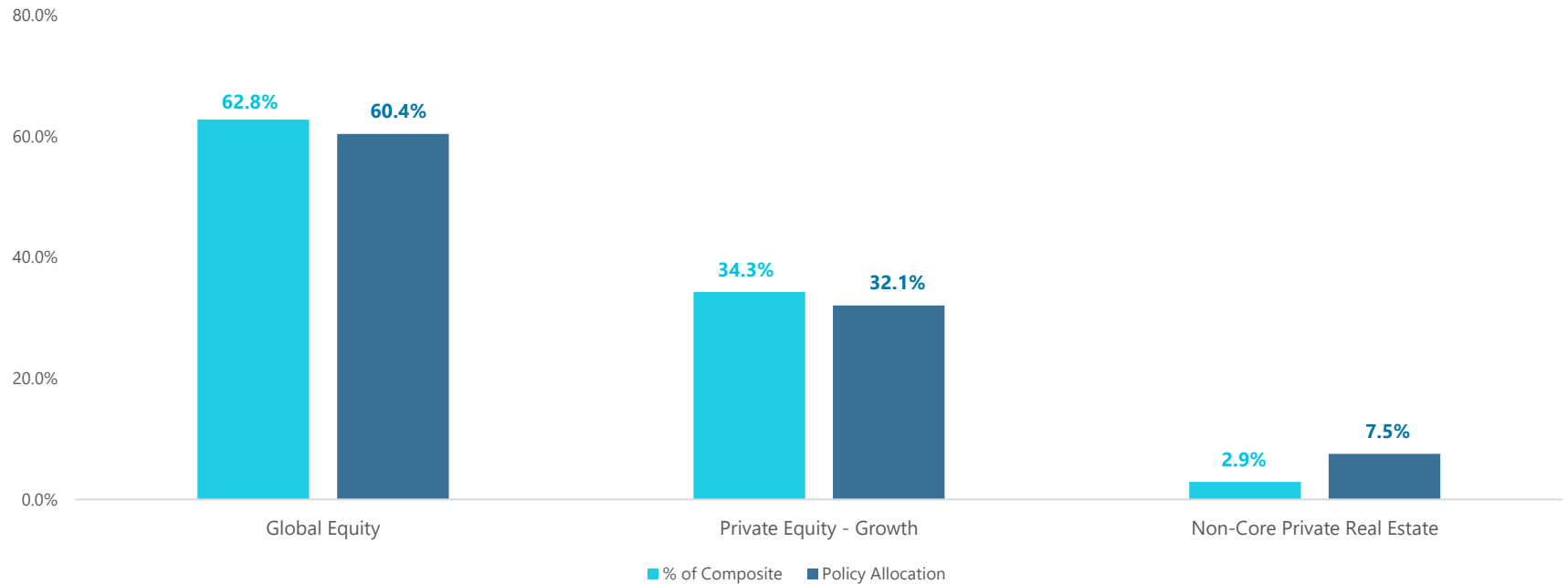
## Exposure



# Asset Allocation

for the quarter ended June 30, 2023

## Actual vs. Policy



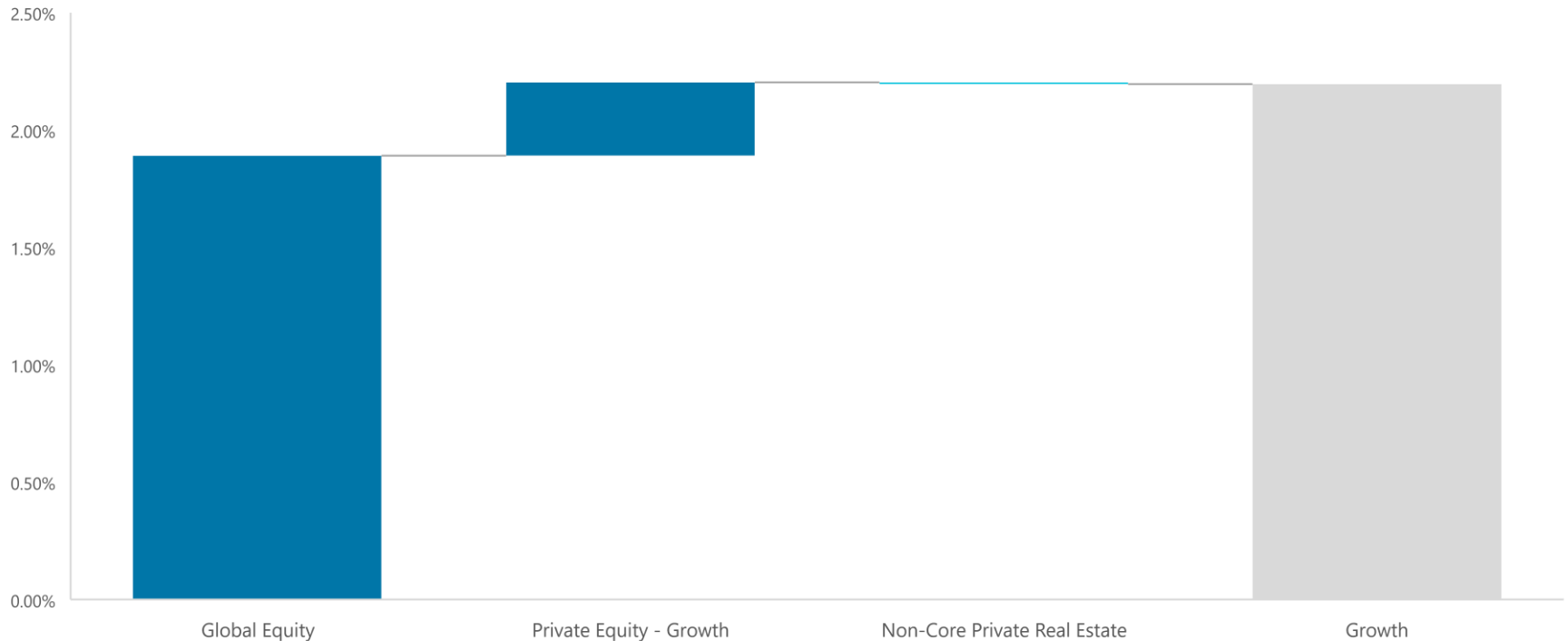
	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
<b>Growth</b>	<b>39,155</b>	<b>100.0%</b>	<b>100.0%</b>		
Global Equity	24,583	62.8%	60.4%	2.3%	914
Private Equity - Growth	13,428	34.3%	32.1%	2.2%	852
Non-Core Private Real Estate	1,145	2.9%	7.5%	-4.6%	-1,809



# Contribution to Return

for the quarter ended June 30, 2023

## QTD Contribution to Return



Functional Category	Contributors	Detractors
Global Equity	1.89% SSGA MSCI ACWI IMI	Global Alpha -0.01%
Private Equity - Growth	0.31% JPMAM Strategic Beta US	Real Estate - Growth -0.01%
Non-Core Private Real Estate	-0.01% Private Equity - Growth	
Growth	2.20% Frontier US SMID Growth	
	BTC Euro Tilts	

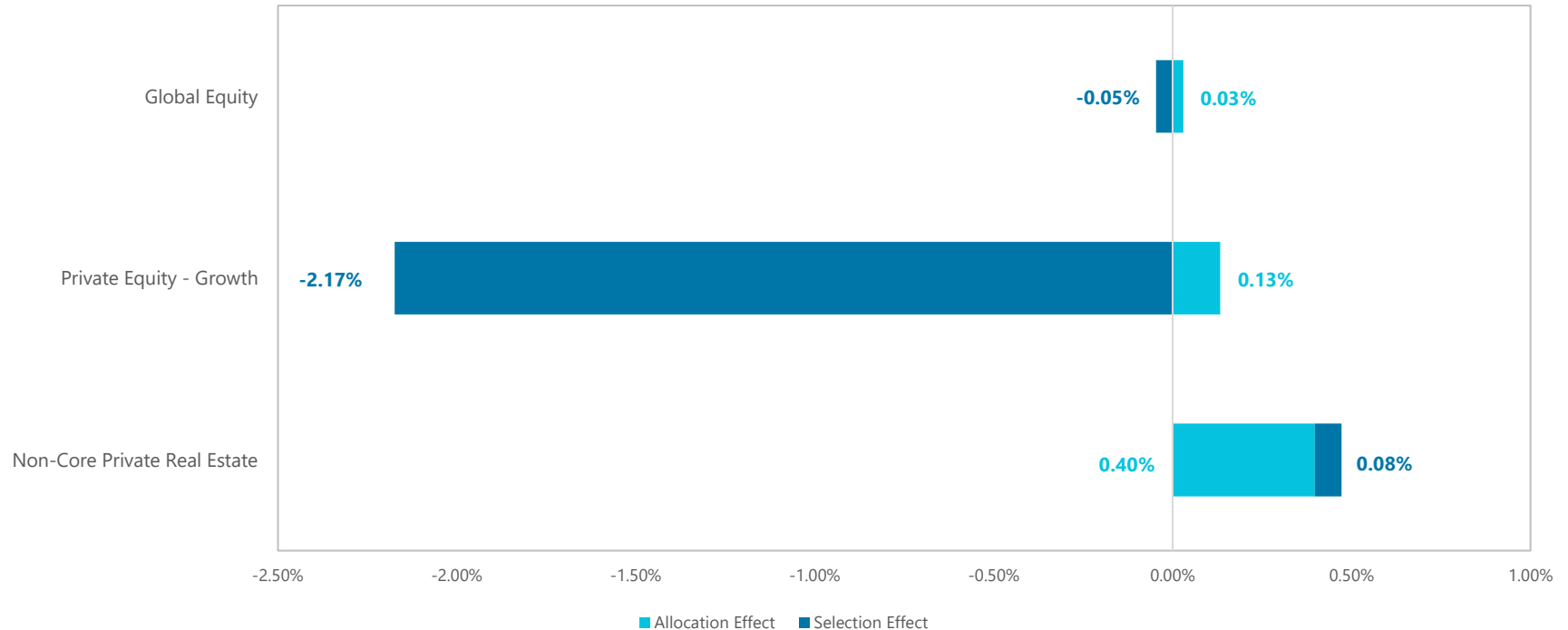
# Return Attribution

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## QTD Performance Attribution<sup>1</sup>



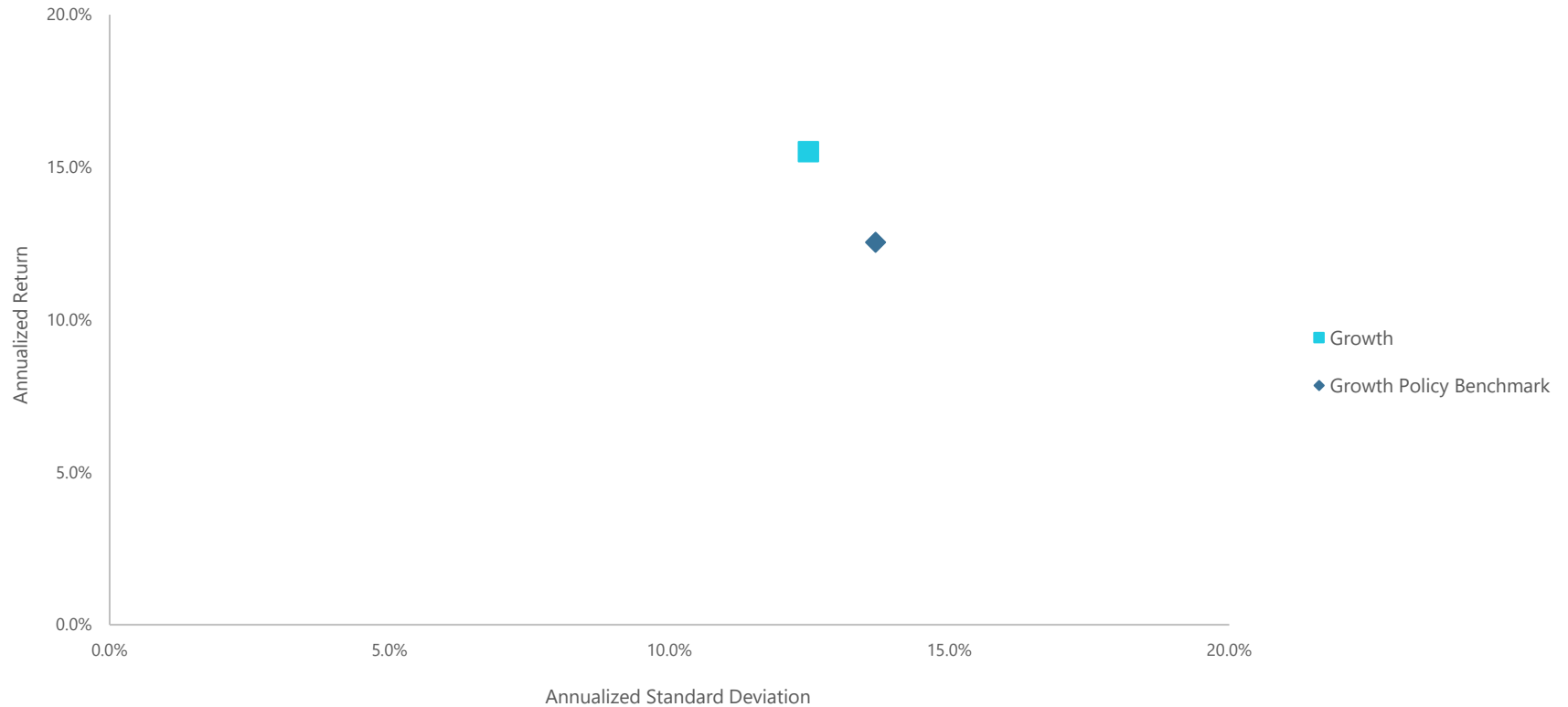
	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
<b>Growth</b>	<b>39,155</b>	<b>100.0%</b>	<b>100.0%</b>	<b>4.2%</b>	<b>5.8%</b>	<b>0.56%</b>	<b>-2.15%</b>	<b>-1.59%</b>
Global Equity	24,583	62.8%	60.4%	5.8%	5.9%	0.03%	-0.05%	-0.02%
Private Equity - Growth	13,428	34.3%	32.1%	1.7%	7.5%	0.13%	-2.17%	-2.04%
Non-Core Private Real Estate	1,145	2.9%	7.5%	-0.5%	-2.8%	0.40%	0.08%	0.47%

<sup>1</sup> Total Value Add column includes Interaction Effect.

# Risk vs. Return

for the quarter ended June 30, 2023

## 3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
<b>Growth</b>	<b>15.5%</b>	<b>12.5%</b>				
Growth Policy Benchmark	12.5%	13.7%	1.13	0.49	0.84	5.2%

# Performance Detail

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Annualized Net Returns

	% of Composite	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD	Inception Date
<b>Growth</b>	<b>100.0%</b>	<b>39,155</b>	<b>37,704</b>	<b>4.2%</b>	<b>9.3%</b>	<b>10.2%</b>	<b>15.5%</b>	--	--	<b>12.2%</b>	<b>Apr-2019</b>
Growth Policy Benchmark				5.8%	13.5%	8.0%	12.5%	--	--	9.9%	
<b>Global Equity</b>	<b>62.8%</b>	<b>24,583</b>	<b>23,521</b>	<b>5.8%</b>	<b>13.3%</b>	<b>16.6%</b>	<b>11.7%</b>	--	--	<b>9.3%</b>	<b>Apr-2019</b>
Global Equity Policy Benchmark				5.9%	13.2%	16.1%	11.0%	--	--	8.8%	
<b>Passive</b>											
SSGA MSCI ACWI IMI	40.5%	15,868	15,280	5.8%	13.3%	16.3%	11.6%	--	--	7.6%	Jan-2020
<b>Factor Based</b>											
JPMAM Strategic Beta Non-US	1.5%	600	584	2.7%	9.0%	12.7%	--	--	--	6.8%	Aug-2020
JPMAM Strategic Beta US	11.9%	4,656	4,292	8.5%	16.5%	19.4%	14.9%	--	--	14.9%	Jul-2020
<b>Active</b>											
Acadian Developed Markets	1.5%	586	582	0.7%	4.5%	10.2%	9.1%	4.1%	7.4%	4.5%	Apr-2006
BTC Euro Tilts	1.6%	608	581	4.6%	15.1%	25.7%	13.8%	6.7%	7.4%	4.1%	Jan-2007
Cevian Capital II - Activist	1.2%	452	439	2.9%	13.5%	26.0%	18.4%	8.5%	--	9.1%	Oct-2016
CGT International Equity	1.1%	414	408	1.4%	13.6%	20.6%	5.3%	5.7%	6.9%	5.6%	Nov-1994
Comercap US Small Cap - EMP	0.2%	82	80	2.6%	1.8%	7.2%	17.2%	--	--	6.9%	Oct-2018
Frontier US SMID Growth	0.8%	303	276	10.0%	18.4%	25.5%	16.6%	8.2%	10.4%	10.3%	Jun-2002
Global Alpha	0.4%	176	181	-2.9%	6.3%	8.6%	7.6%	--	--	5.2%	Nov-2018
Lazard Emerging Markets	1.0%	381	384	-0.7%	3.6%	1.9%	3.0%	2.4%	4.1%	2.3%	Feb-2013
Parametric GE Market Cap	0.4%	173	136	11.6%	31.3%	10.7%	--	--	--	18.0%	Oct-2021
Parametric GE Region	0.1%	56	69	-14.4%	-28.0%	-18.6%	--	--	--	-30.2%	Dec-2021
Systematic US Small Cap Value	0.5%	199	190	4.5%	6.7%	14.6%	17.9%	6.1%	--	6.1%	Jul-2018
<b>Private Equity - Growth</b>	<b>34.3%</b>	<b>13,428</b>	<b>13,034</b>	<b>1.7%</b>	<b>3.3%</b>	<b>0.1%</b>	<b>25.2%</b>	--	--	<b>18.3%</b>	<b>Jan-2019</b>
PE - Growth Policy Benchmark				7.5%	18.6%	-5.8%	17.9%	--	--	8.4%	
<b>Non-Core Private Real Estate</b>	<b>2.9%</b>	<b>1,145</b>	<b>1,149</b>	<b>-0.5%</b>	<b>-2.6%</b>	<b>4.0%</b>	<b>12.7%</b>	<b>10.8%</b>	<b>10.7%</b>	<b>4.6%</b>	<b>Jan-1996</b>
Non-Core Private RE Policy Benchmark				-2.8%	-7.3%	-1.7%	10.2%	9.5%	11.6%	11.1%	

# Growth Risk Summary

for the quarter ended June 30, 2023

## Realized (Ex-Post) Risks

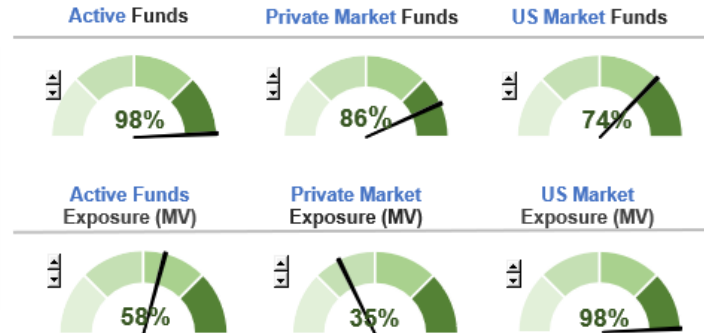
<b>\$39.1B</b>	GROWTH 1Y Realized Return
	<b>10.2%</b>
PORTFOLIO Beta	PARAMETRIC VaR
<b>1.02</b>	<b>31.4%</b>

**Growth**

**Value at Risk VARIABLES**

95% Confidence Interval  
1Y Time Horizon

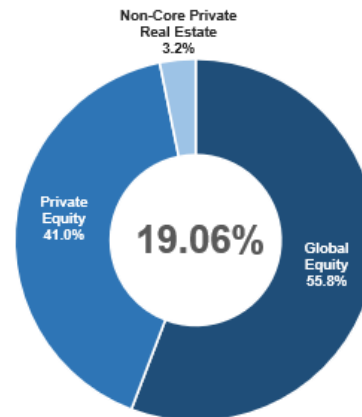
With **95% confidence** ( $2\sigma$ ),  
LACERA would not lose more than  
**\$12.2B** in 1Y.



## Projected (Ex-Ante) Risks

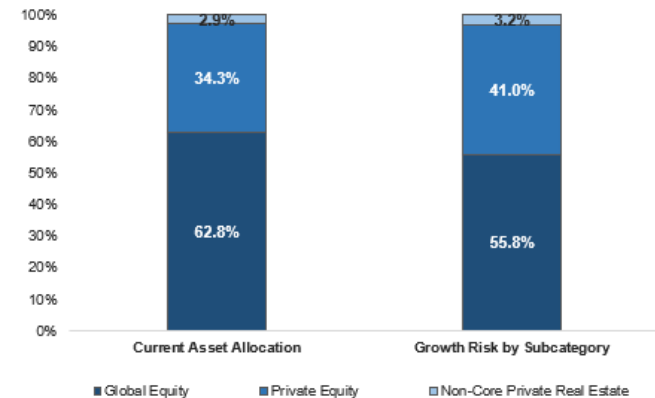
Growth <b>Forecast Risk</b>	Benchmark <b>Risk</b>
<b>19.06%</b>	<b>18.58%</b>
Growth <b>Active Risk</b>	Global Equity 0.39 bps
<b>1.31 bps</b>	Private Equity 3.31 bps
	Non-Core Private RE 16.65 bps

## Subcategory Contributions to Growth Risk



## Growth Asset Allocation

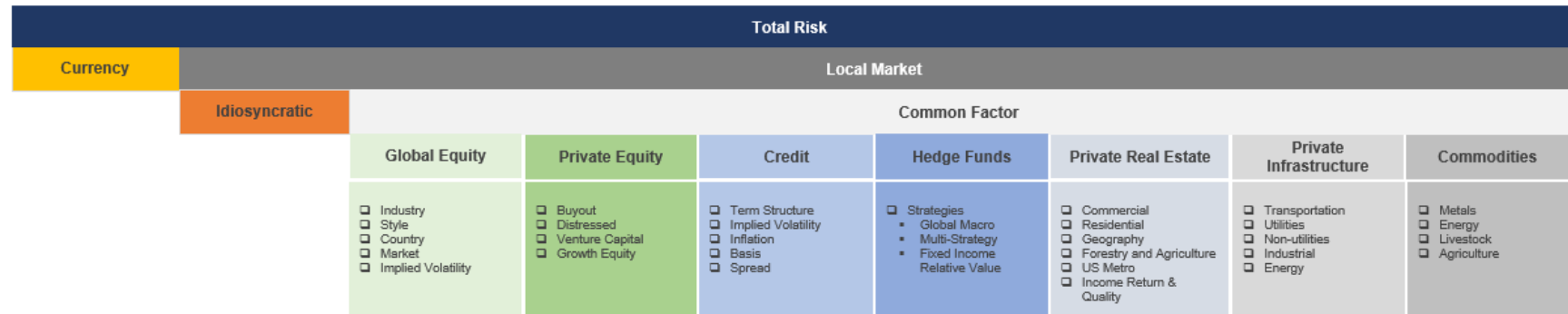
Capital-based versus Risk-based



# Growth Risk Summary

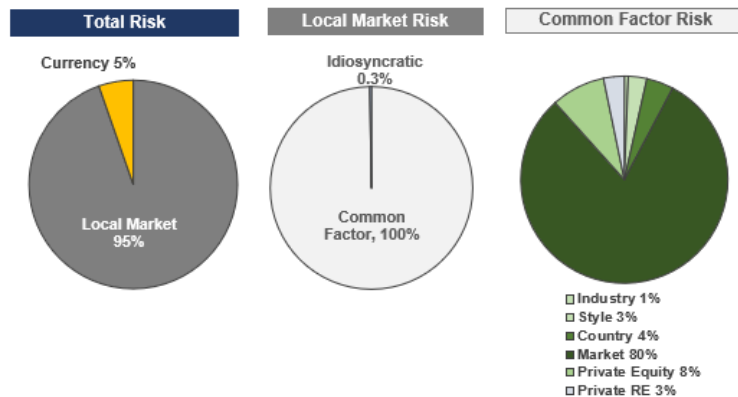
for the quarter ended June 30, 2023

## Decomposition of MSCI Risk Factors



## Growth Risk Decomposition

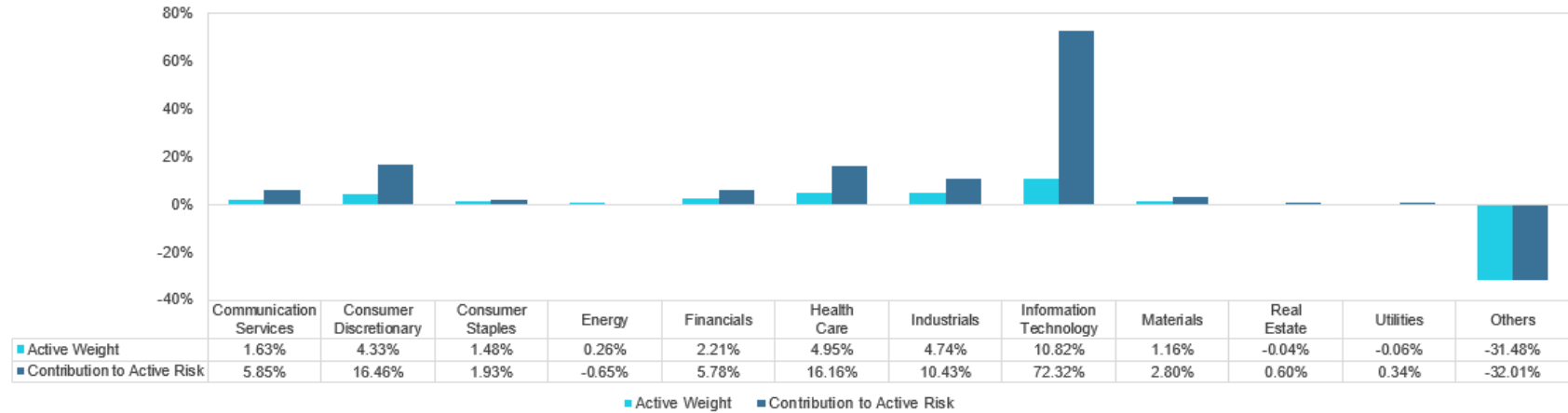
## Subcategory Contributions to Active Risk



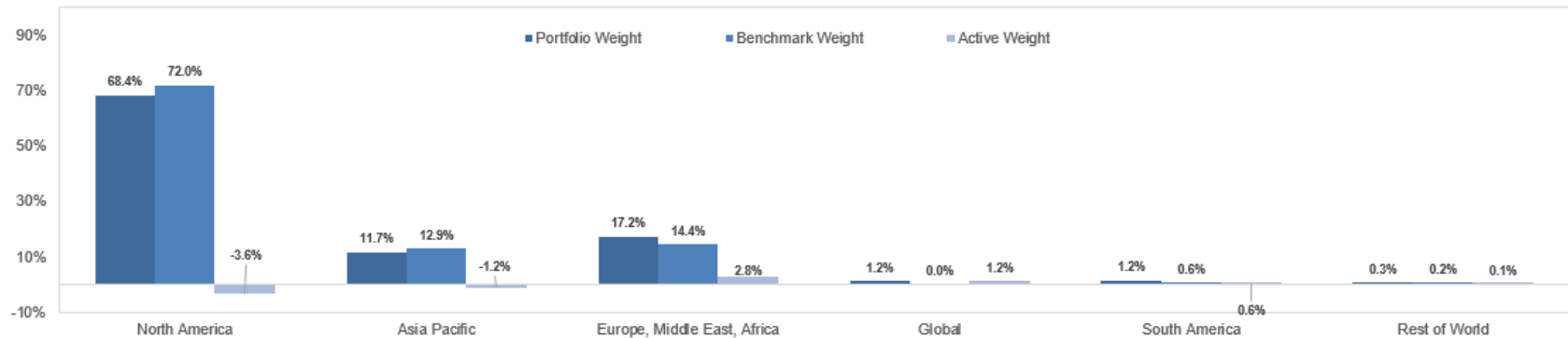
# Growth Risk Summary

for the quarter ended June 30, 2023

## Portfolio Allocation by GICS Sector



## Portfolio Allocation by Region<sup>1,2</sup>



<sup>1</sup> Global represents investments made in regions where specific country allocations are not available.<sup>2</sup>

<sup>2</sup> Rest of World is sum of countries with weights below 0.5%.

# Growth – Global Equity

## Acadian Developed Markets

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

### Strategy

Seeks to capture mispriced opportunities through systematic stock, sector, and country valuation models that are customized to each market. The strategy may be suited to investors looking to gain exposure in non-U.S. developed markets and diversify portfolio through active quantitative investment approach.

Inception Date: April 2006

### Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	55,276.0	83,185.0
No. Of Issues	700.0	0.0
Dividend Yield	3.5	3.1
Return on Equity	21.5	17.9
Price to Sales	0.9	3.7
Price to Book	1.7	4.6
PE Ratio	10.8	15.6

### Top Holdings (% of assets)

NOVO NORDISK A/S B	3.3%
CIE FINANCIERE RICHEMO A REG	2.4%
INDUSTRIA DE DISENO TEXTIL	2.3%
WOLTERS KLUWER	2.2%
HERMES INTERNATIONAL	1.9%

**Top 5 Holdings** **12.0%**

### Performance (net)<sup>1</sup>

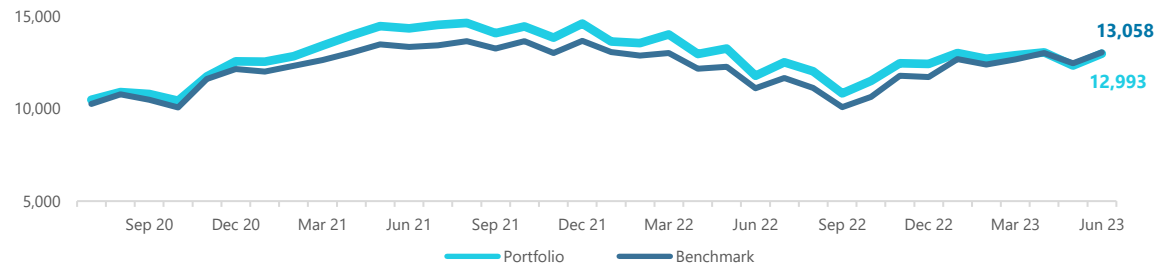
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Acadian Developed Markets</b>	<b>585.5</b>	<b>0.7%</b>	<b>10.2%</b>	<b>9.1%</b>	<b>4.1%</b>
MSCI EAFE + Canada Net Index		3.0%	17.4%	9.3%	4.6%
Growth Policy Benchmark		5.8%	8.0%	12.5%	--

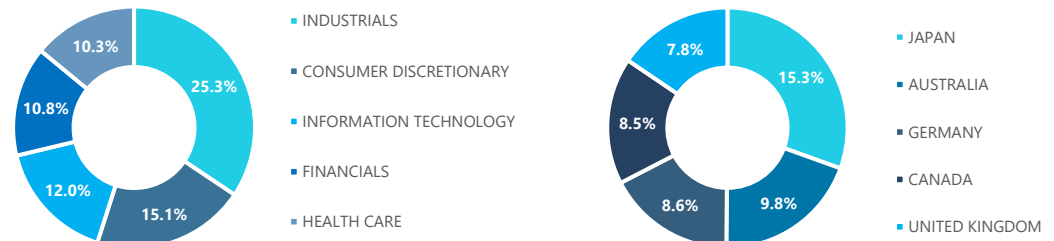
Universe data: Intl/Global Equity Funds - Core	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Acadian Developed Markets</b>	<b>0.8%</b>	<b>91</b>	<b>10.6%</b>	<b>73</b>	<b>9.5%</b>	<b>53</b>	<b>4.5%</b>	<b>56</b>
Median	3.7%		15.0%		10.8%		4.8%	

No. of Observations 50

### Growth of \$10,000



### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.



# Growth Risk Analysis – Global Equity

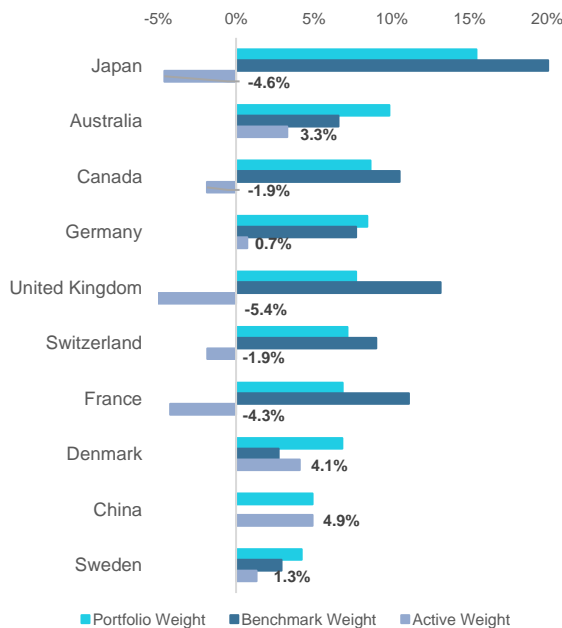
## Acadian Developed Markets

for the quarter ended June 30, 2023

### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
18.0%	17.0%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
3.65 bps	1.04

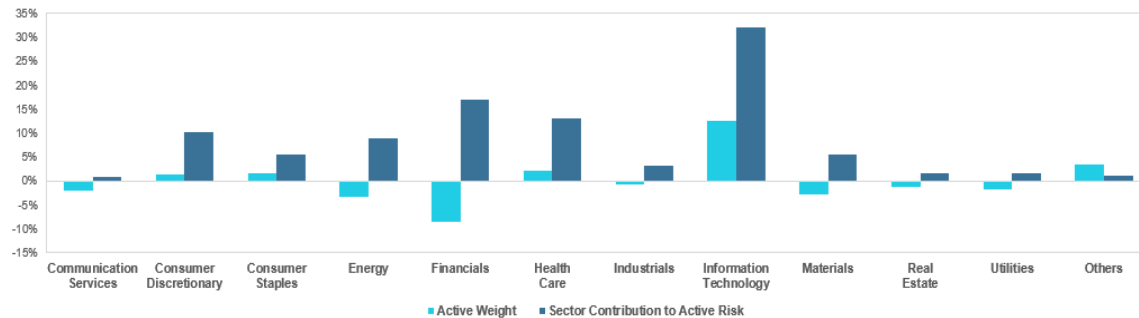
### Top 10 Countries by Weight



### Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
MEG ENERGY CORP	0.78%	0.00%	0.78%	0.15
SOUTH32 LIMITED	1.29%	0.07%	1.22%	0.14
BLUESCOPE STEEL LTD	1.15%	0.04%	1.11%	0.12
NESTLE SA	0.00%	1.90%	-1.90%	0.11
BP PLC	1.68%	0.00%	1.68%	0.09
SPOTIFY TECHNOLOGY SA	1.10%	0.00%	1.10%	0.09
COMPAGNIE FINANCIERE RICHEMONT SA	2.39%	0.51%	1.89%	0.09
DEUTSCHE LUFTHANSA REG	1.43%	0.00%	1.43%	0.08
QANTAS AIRWAYS LTD	1.04%	0.02%	1.02%	0.08
ATLISSIAN CORP	0.70%	0.00%	0.70%	0.08

### Portfolio Allocation by GICS Sector



# Growth – Global Equity BTC Europe Alpha Tilts

for the quarter ended June 30, 2023

## 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

## Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	115.0	106.0
No. Of Issues	170.0	--
Dividend Yield	3.7	3.4
Return on Equity	20.6	21.0
Price to Sales	1.1	1.3
Price to Book	1.7	1.9
PE Ratio	13.4	14.4

## Top Holdings (% of assets)

NESTLE SA REG	4.6%
ASTRAZENECA PLC	3.5%
NOVO NORDISK A/S B	3.4%
NOVARTIS AG REG	3.4%
ASML HOLDING NV	2.9%
<b>Top 5 Holdings</b>	<b>17.9%</b>

## Performance (net)<sup>1</sup>

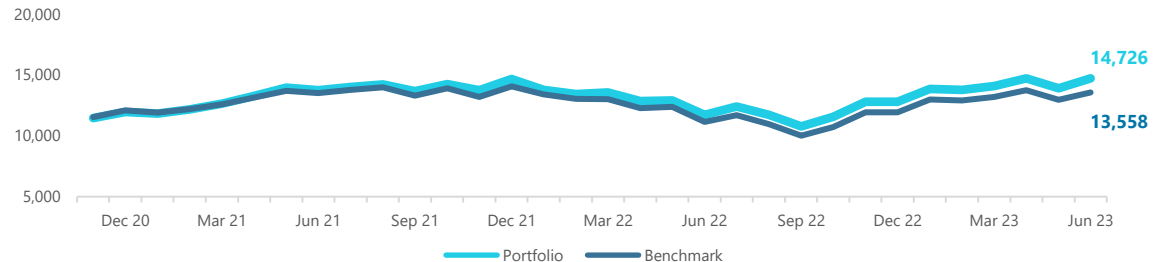
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>BTC Euro Tilts</b>	<b>607.5</b>	<b>4.6%</b>	<b>25.7%</b>	<b>13.8%</b>	<b>6.7%</b>
MSCI EUROPE		2.7%	21.8%	10.7%	5.2%
Growth Policy Benchmark		5.8%	8.0%	12.5%	--

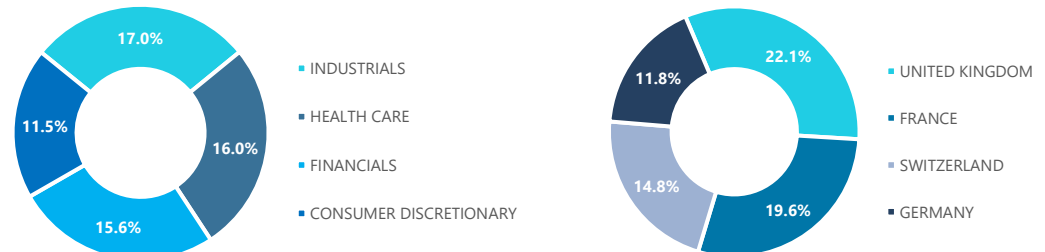
Universe data: Intl Equity Developed Mkt Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>BTC Euro Tilts</b>	<b>4.3%</b>	<b>22</b>	<b>25.8%</b>	<b>7</b>	<b>14.1%</b>	<b>12</b>	<b>7.0%</b>	<b>16</b>
Median	3.2%		17.4%		8.9%		4.7%	

No. of Observations 177

## Growth of \$10,000



## Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Growth Risk Analysis – Global Equity

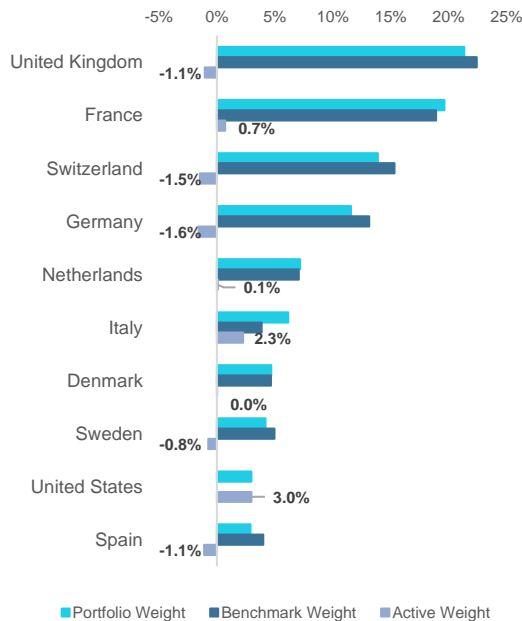
## BTC Europe Alpha Tilts

for the quarter ended June 30, 2023

### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
18.6%	19.0%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
1.53 bps	0.97

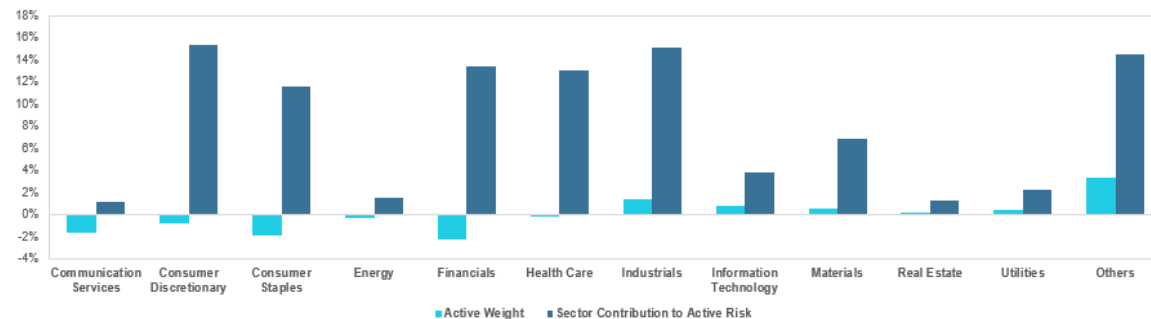
### Top 10 Countries by Weight



### Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
GL OTHER	2.89%	0.00%	2.89%	0.19
CARREFOUR SA	1.58%	0.11%	1.47%	0.08
NOVARTIS AG	3.41%	2.02%	1.39%	0.06
ASML HOLDING NV	0.00%	2.86%	-2.86%	0.05
PROSUS NV	0.00%	0.58%	-0.58%	0.05
ASTRAZENECA PLC	3.50%	2.18%	1.32%	0.05
WOLTERS KLUWER NV	1.49%	0.32%	1.17%	0.04
SOLVAY SA	1.26%	0.08%	1.18%	0.04
DAIMLER AG	2.11%	0.00%	2.11%	0.04
AXA SA	2.01%	0.53%	1.48%	0.03

### Portfolio Allocation by GICS Sector



# Growth – Global Equity Capital Group Developed Markets

for the quarter ended June 30, 2023

## Strategy

Seeks to generate long-term capital appreciation through fundamental research and proprietary models for earnings estimates and valuations. The strategy may be suited to investors looking to gain exposures in non-U.S. developed markets with emphasis on bottom-up, fundamental investment analysis.

Inception Date: October 1987

## Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	128,735.1	83,185.9
No. Of Issues	162.0	0.0
Dividend Yield	2.0	3.1
Return on Equity	20.3	17.9
Price to Sales	5.5	3.7
Price to Book	6.7	4.6
PE Ratio	23.6	15.6

## Top Holdings (% of assets)

ASML HOLDING NV	4.2%
NOVO NORDISK A/S B	3.4%
SAFRAN SA	2.9%
ASTRAZENECA PLC	2.4%
LVMH MOET HENNESSY LOUIS VUI	2.3%
<b>Top 5 Holdings</b>	<b>15.2%</b>

## Performance (net)<sup>1</sup>

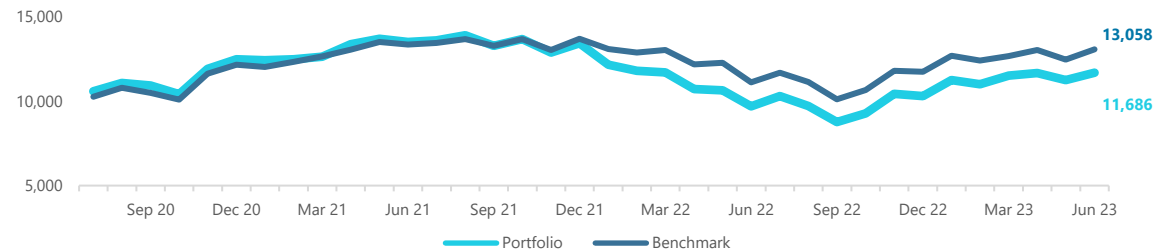
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Capital Group Developed Markets</b>	<b>413.6</b>	<b>1.4%</b>	<b>20.6%</b>	<b>5.3%</b>	<b>5.7%</b>
EAFE Custom Benchmark		3.0%	17.4%	9.3%	4.6%
Growth Policy Benchmark		5.8%	8.0%	12.5%	--

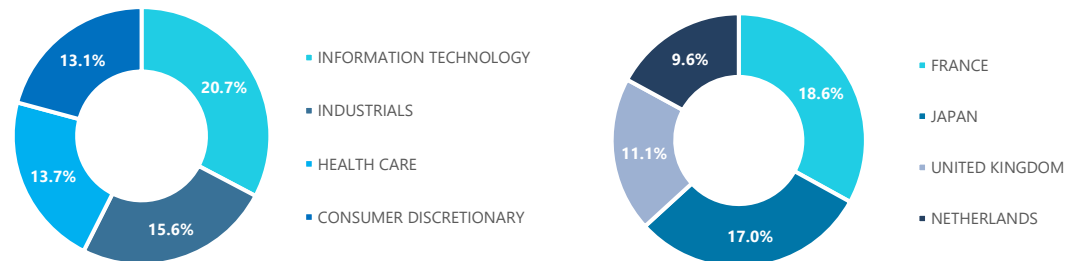
Universe data: Int/Global Equity Funds - Core	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Capital Group Developed Markets</b>	<b>1.5%</b>	<b>78</b>	<b>21.0%</b>	<b>18</b>	<b>5.7%</b>	<b>70</b>	<b>6.1%</b>	<b>45</b>
Median	3.7%		15.0%		10.8%		4.8%	

No. of Observations 50

## Growth of \$10,000



## Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

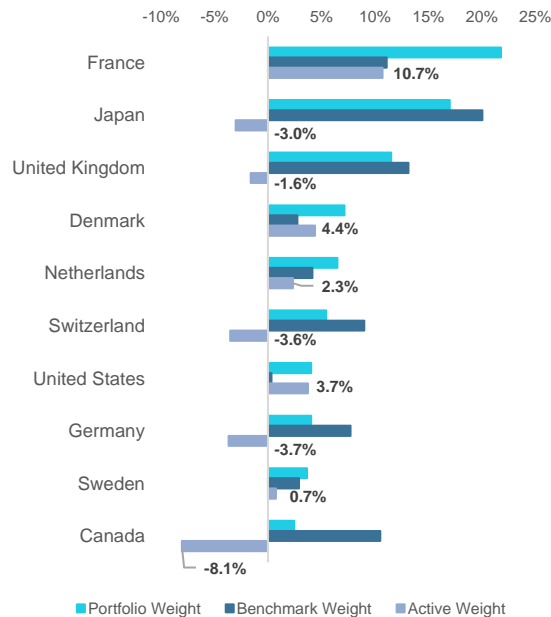
# Growth Risk Analysis – Global Equity Capital Group Developed Markets

for the quarter ended June 30, 2023

## Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
17.3%	17.0%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
3.70 bps	0.99

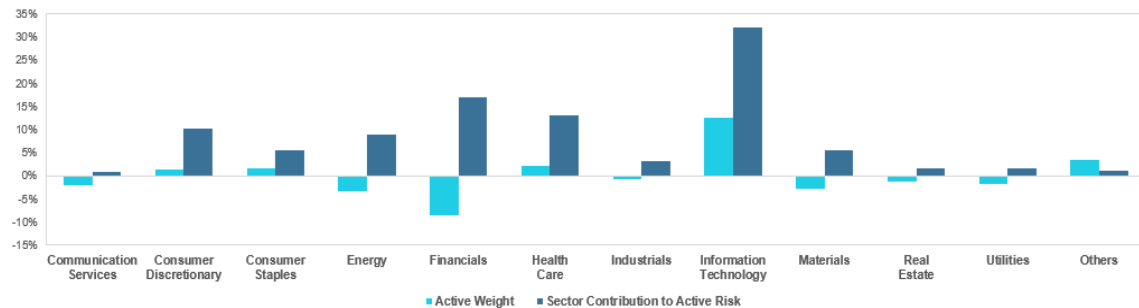
## Top 10 Countries by Weight



## Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
ASML HOLDING NV	4.22%	0.00%	4.22%	0.58
EVOLUTION AB	2.27%	0.13%	2.13%	0.22
TOKYO ELECTRON LTD	1.49%	0.37%	1.12%	0.15
OCADO GROUP PLC	1.24%	0.02%	1.22%	0.13
KEYENCE CORP	1.92%	0.53%	1.40%	0.13
SHELL PLC	0.00%	1.17%	-1.17%	0.12
HAMAMATSU PHOTONICS KK	1.84%	0.04%	1.80%	0.13
NOVO NORDISK A/S	3.31%	1.53%	1.77%	0.12
GENMAB A/S	1.67%	0.14%	1.53%	0.12
CAPGEMINI SE	1.67%	0.18%	1.49%	0.11

## Portfolio Allocation by GICS Sector



# Growth – Global Equity Cevian Capital II

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Strategy

Seeks to generate long-term returns by researching and investing in European companies that have profitable businesses and significant improvement potential. The strategy may be suited to investors looking to increase portfolio diversification through differentiated investment approach and take advantage of return opportunities in Europe.

Inception Date: October 2016

## Risk Statistics (since inception)

Standard Deviation	16.6%
Benchmark Standard Deviation	17.5%
Sharpe Ratio	0.53
Information Ratio	0.23
Beta	0.78
Tracking Error	10.2%

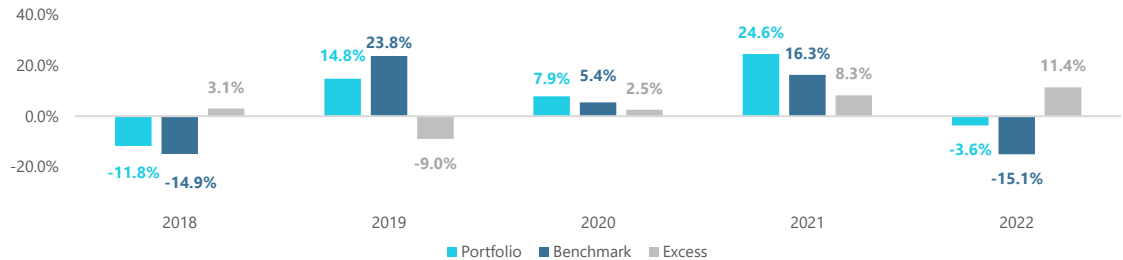
## Performance (net)<sup>1</sup>

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Cevian Capital II - Activist</b>	<b>452.1</b>	<b>2.9%</b>	<b>26.0%</b>	<b>18.4%</b>	<b>8.5%</b>
MSCI EUROPE		2.7%	21.8%	10.7%	5.2%
Growth Policy Benchmark		5.8%	8.0%	12.5%	--

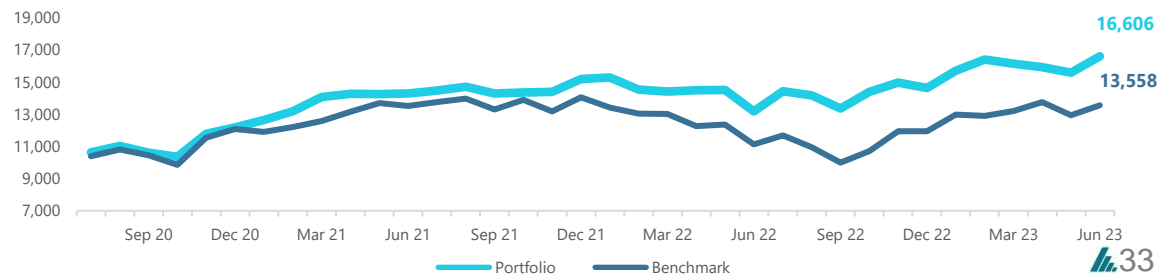
  

Universe data: Intl Equity Developed Mkt Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Cevian Capital II - Activist</b>	<b>3.2%</b>	<b>49</b>	<b>27.4%</b>	<b>7</b>	<b>19.7%</b>	<b>2</b>	<b>9.7%</b>	<b>6</b>
Median	3.2%		17.4%		8.9%		4.7%	
No. of Observations	177							

## Calendar Year Returns



## Growth of \$10,000



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

# Growth Risk Analysis – Global Equity

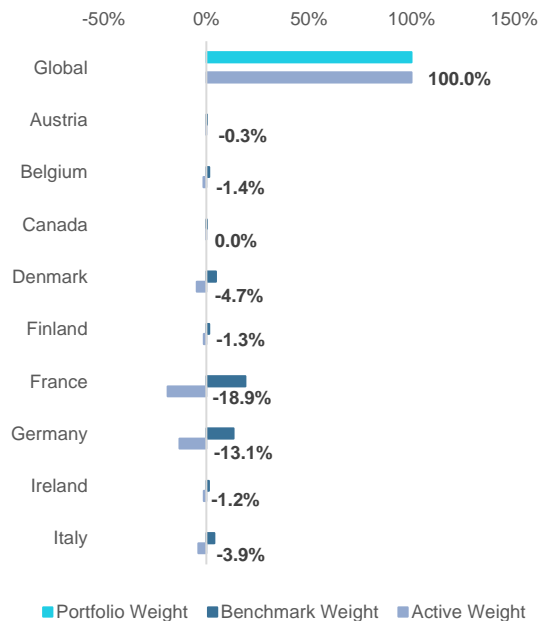
## Cevian Capital II

for the quarter ended June 30, 2023

### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
19.8%	19.0%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
9.38 bps	0.92

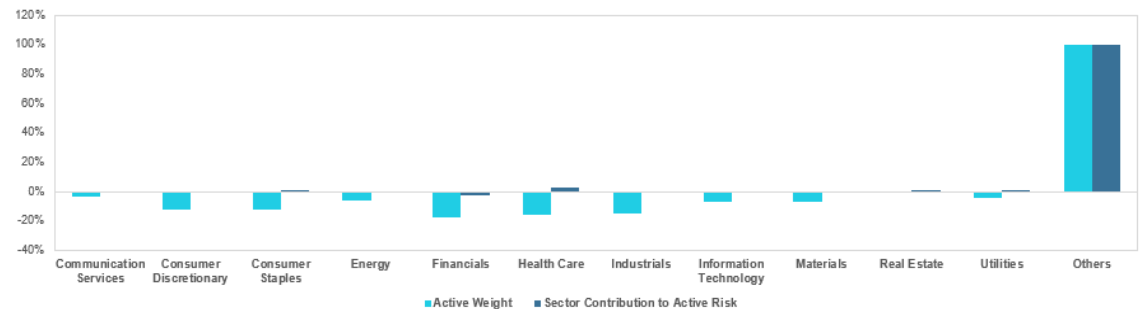
### Top 10 Countries by Weight



### Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
CEVIAN CAPITAL II	100.00%	0.00%	100.00%	9.38
NOVO NORDISK A/S	0.00%	2.61%	-2.61%	0.07
NESTLE SA	0.00%	3.24%	-3.24%	0.03
ASTRAZENECA PLC	0.00%	2.18%	-2.18%	0.07
ROCHE HOLDING AG	0.00%	2.11%	-2.11%	0.05
ASML HOLDING NV	0.00%	2.86%	-2.86%	0.01
NOVARTIS AG	0.00%	2.02%	-2.02%	0.03
UNILEVER PLC	0.00%	1.29%	-1.29%	0.02
LVMH MOET HENNESSY LOUIS VUITTON SE	0.00%	2.55%	-2.55%	-0.02
SHELL PLC	0.00%	2.00%	-2.00%	0.00

### Portfolio Allocation by GICS Sector



# Growth – Global Equity CornerCap US Small Cap

for the quarter ended June 30, 2023

## Strategy

Seeks to exploit small cap market inefficiencies by using proprietary fundamental factors. The strategy may be suited to investors looking to increase U.S. small cap exposure and diversify portfolio through an active quantitative investment approach.

Inception Date: October 2018

## Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	2,655.8	2,870.7
No. Of Issues	352.0	0.0
Dividend Yield	1.6	1.4
Return on Equity	11.7	10.3
Price to Sales	3.0	12.8
Price to Book	1.3	15.4
PE Ratio	18.4	36.7

## Top Holdings (% of assets)

ALLISON TRANSMISSION HOLDING	0.6%
PRIMORIS SERVICES CORP	0.6%
AMERICAN WOODMARK CORP	0.6%
LIVERAMP HOLDINGS INC	0.6%
GIBRALTAR INDUSTRIES INC	0.5%
<b>Top 5 Holdings</b>	<b>2.9%</b>

## Performance (net)<sup>1</sup>

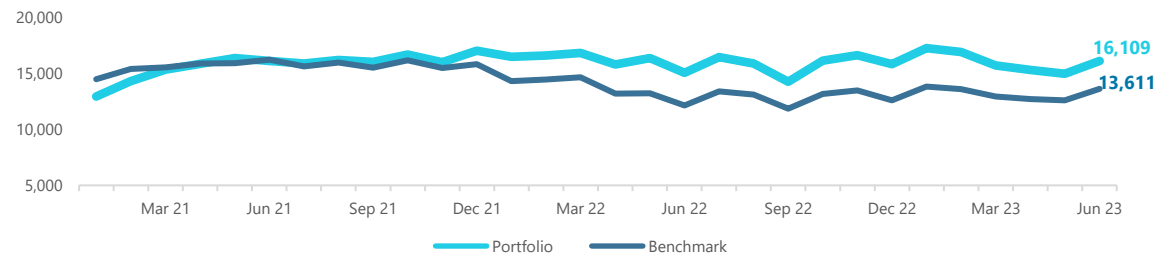
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Cornercap US Small Cap - EMP</b>	<b>82.1</b>	<b>2.6%</b>	<b>7.2%</b>	<b>17.2%</b>	--
RUSSELL 2000		5.2%	12.3%	10.8%	--
Growth Policy Benchmark		5.8%	8.0%	12.5%	--

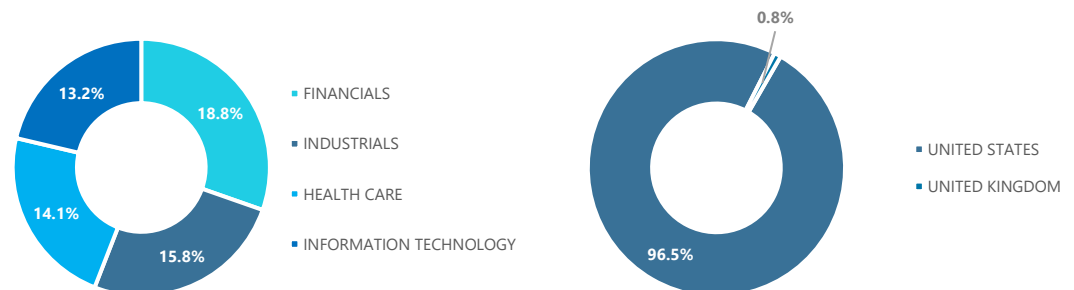
Universe data: US Equity Funds - Small Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Cornercap US Small Cap - EMP</b>	<b>2.7%</b>	<b>71</b>	<b>7.7%</b>	<b>66</b>	<b>17.9%</b>	<b>27</b>	--	--
Median	4.8%		15.8%		15.5%		--	

No. of Observations: 56

## Growth of \$10,000



## Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.



# Growth Risk Analysis – Global Equity

## CornerCap US Small Cap

for the quarter ended June 30, 2023

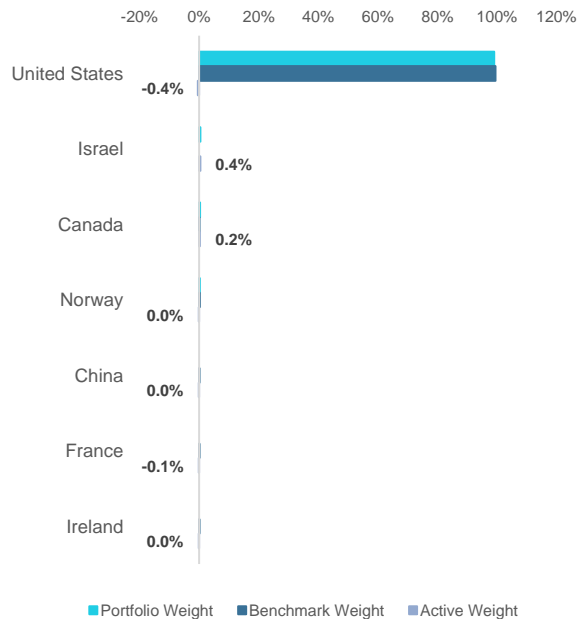


Los Angeles County Employees Retirement Association

### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
23.8%	25.0%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
3.75 bps	0.94

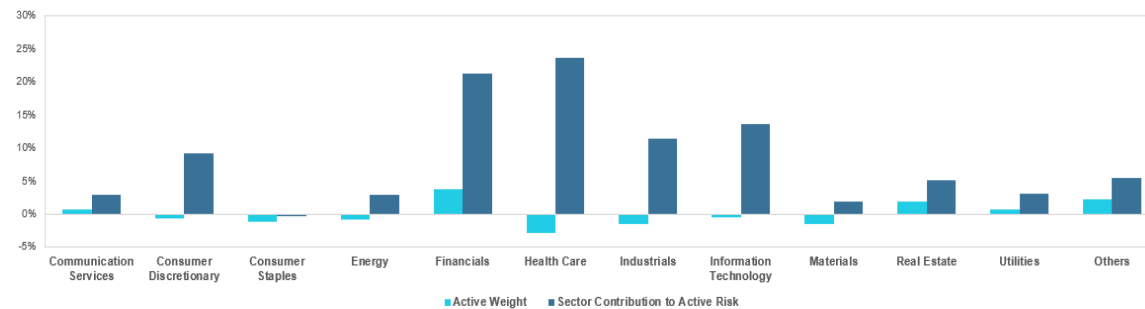
### Top Countries by Weight



### Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
SUPER MICRO COMPUTER INC	0.00%	0.48%	-0.48%	0.08
AXCELIS TECHNOLOGIES INC	0.00%	0.25%	-0.25%	0.04
IVERIC BIO	0.00%	0.23%	-0.23%	0.04
RAMBUS INC	0.00%	0.29%	-0.29%	0.03
CHART INDUSTRIES INC	0.00%	0.28%	-0.28%	0.03
ONTO INNOVATION INC	0.00%	0.24%	-0.24%	0.02
LANTHEUS HOLDINGS INC	0.00%	0.24%	-0.24%	0.02
IMMUNOGEN INC	0.00%	0.19%	-0.19%	0.03
VAXCYTE INC	0.00%	0.19%	-0.19%	0.02
SPS COMMERCE INC	0.00%	0.29%	-0.29%	0.01

### Portfolio Allocation by GICS Sector



# Growth – Global Equity

## Frontier US SMID Growth

for the quarter ended June 30, 2023

### 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: June 2002

### Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	8,348.3	6,313.6
No. Of Issues	137.0	0.0
Dividend Yield	0.5	1.5
Return on Equity	19.6	14.0
Price to Sales	2.9	3.0
Price to Book	3.4	3.4
PE Ratio	19.6	17.0

### Top Holdings (% of assets)

ATI INC	2.0%
BUILDERS FIRSTSOURCE INC	2.0%
JABIL INC	2.0%
ARRAY TECHNOLOGIES INC	1.8%
BEACON ROOFING SUPPLY INC	1.7%
<b>Top 5 Holdings</b>	<b>9.6%</b>

### Performance (net)<sup>1</sup>

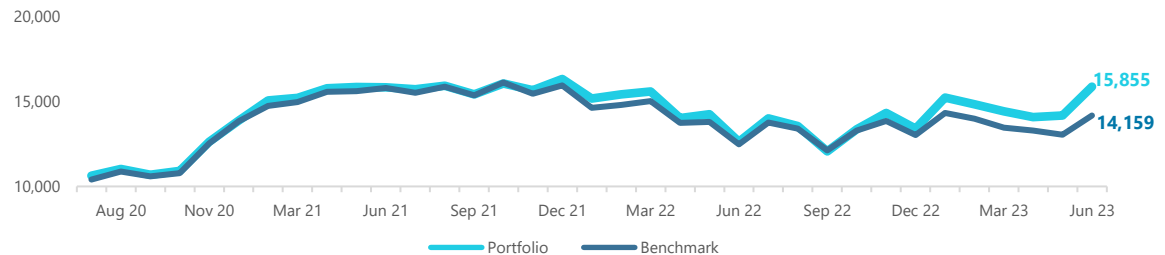
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Frontier US SMID Growth</b>	<b>303.4</b>	<b>10.0%</b>	<b>25.5%</b>	<b>16.6%</b>	<b>8.2%</b>
RUSSELL 2500		5.2%	13.6%	12.3%	6.5%
Growth Policy Benchmark		5.8%	8.0%	12.5%	--

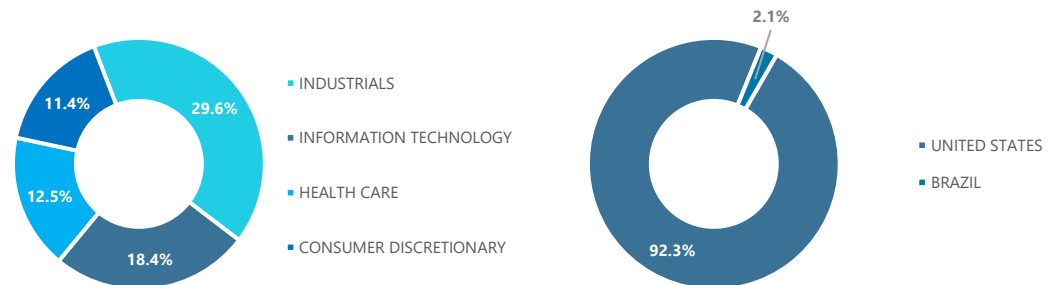
Universe data: US Equity Funds - Small Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Frontier US SMID Growth</b>	<b>10.2%</b>	<b>2</b>	<b>26.4%</b>	<b>2</b>	<b>17.5%</b>	<b>30</b>	<b>9.0%</b>	<b>13</b>
Median	4.8%		15.8%		15.5%		7.3%	

No. of Observations: 56

### Growth of \$10,000



### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

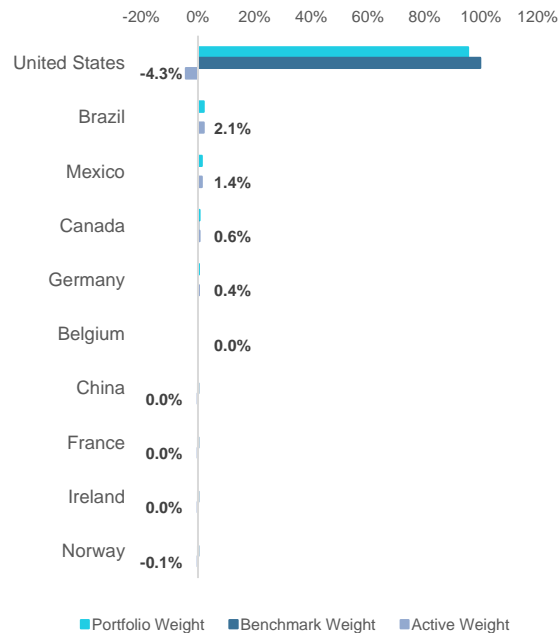
# Growth Risk Analysis – Global Equity Frontier US SMID Growth

for the quarter ended June 30, 2023

## Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
26.2%	23.8%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
4.78 bps	1.08

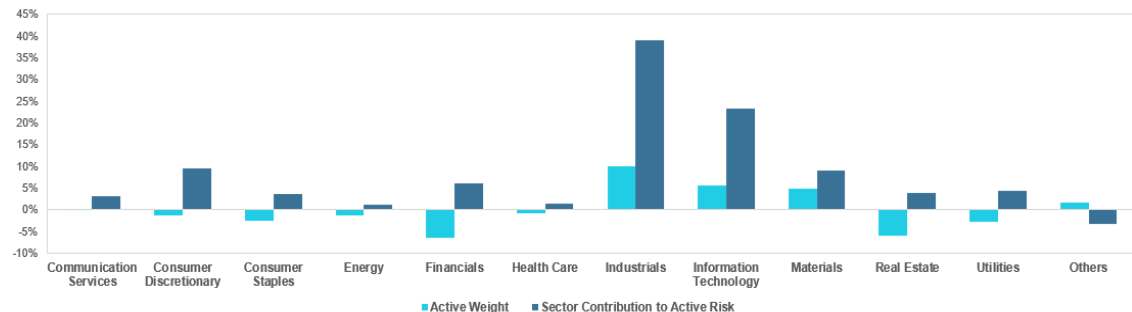
## Top 10 Countries by Weight



## Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
AZUL SA	2.07%	0.00%	2.07%	0.60
ARRAY TECHNOLOGIES INC	1.78%	0.06%	1.72%	0.37
WOLFSPEED INC	1.50%	0.12%	1.38%	0.27
SITIME CORPORATION	0.90%	0.04%	0.86%	0.18
CONTROLADORA VUELA	1.40%	0.00%	1.40%	0.17
MRC GLOBAL INC	1.61%	0.01%	1.60%	0.16
ALBEMARLE CORP	1.49%	0.00%	1.49%	0.14
CAESARS ENTERTAINMENT INC	1.49%	0.00%	1.49%	0.14
JABIL INC	1.99%	0.25%	1.74%	0.09
ATI INC	2.04%	0.10%	1.94%	0.09

## Portfolio Allocation by GICS Sector



# Growth – Global Equity

## Global Alpha

for the quarter ended June 30, 2023

### Strategy

Seeks to identify mispriced companies with high rates of growth, strong balance sheets, and high insider ownership using a bottom-up, research-based approach coupled with investment themes. The strategy may be suited to investors looking to increase exposure to international small cap stocks.

Inception Date: November 2018

### Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	2,755.4	2,673.1
No. Of Issues	61.0	0.0
Dividend Yield	2.9	3.8
Return on Equity	13.8	12.1
Price to Sales	4.9	6.0
Price to Book	2.3	3.2
PE Ratio	12.5	14.5

### Top Holdings (% of assets)

MELIA HOTELS INTERNATIONAL	4.0%
ROTHSCHILD + CO	3.5%
SOPRA STERIA GROUP	3.5%
ASICS CORP	3.0%
SEGA SAMMY HOLDINGS INC	3.0%
<b>Top 5 Holdings</b>	<b>17.1%</b>

### Performance (net)<sup>1</sup>

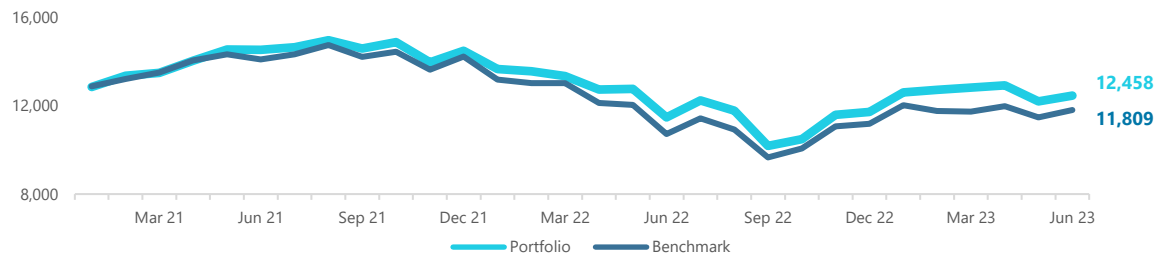
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Global Alpha</b>	<b>176.0</b>	<b>-2.9%</b>	<b>8.6%</b>	<b>7.6%</b>	--
MSCI EAFE SMALL CAP NET		0.6%	10.2%	5.7%	--
Growth Policy Benchmark		5.8%	8.0%	12.5%	--

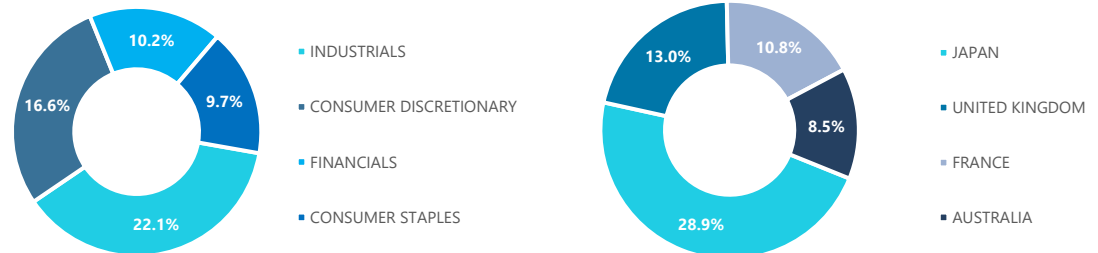
Universe data: International Equity Funds Core	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Global Alpha</b>	<b>-2.7%</b>	<b>100</b>	<b>9.4%</b>	<b>75</b>	<b>8.4%</b>	<b>60</b>	--	--
Median	3.7%		15.0%		10.8%		--	

No. of Observations: 50

### Growth of \$10,000



### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Growth Risk Analysis – Global Equity

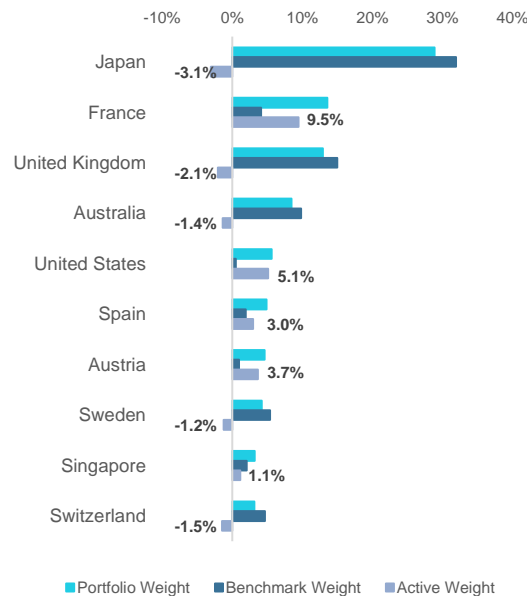
## Global Alpha

for the quarter ended June 30, 2023

### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
18.6%	18.9%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
3.83 bps	0.96

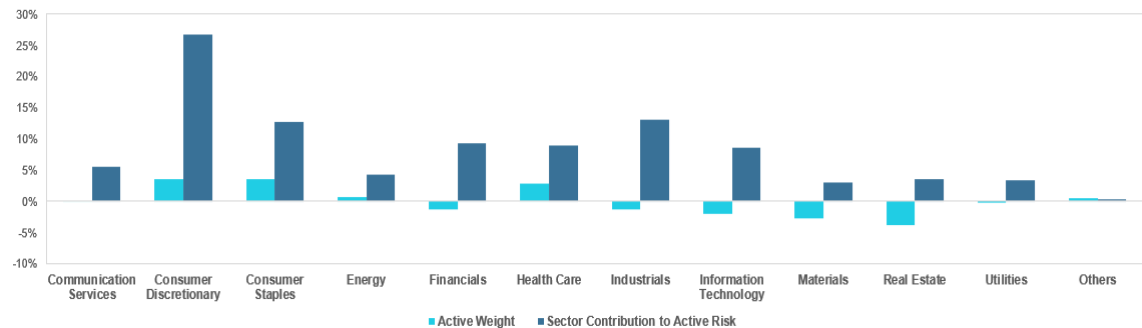
### Top 10 Countries by Weight



### Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
L'OCCITANE INTERNATIONAL SA	2.78%	0.00%	2.78%	0.31
MELIA HOTELS INTERNATIONAL SA	4.04%	0.03%	4.01%	0.29
SAMSONITE INTERNATIONAL SA	2.44%	0.00%	2.44%	0.21
SEGA SAMMY HOLDINGS INC	3.02%	0.13%	2.89%	0.19
ASICS CORP	3.01%	0.20%	2.81%	0.18
ROTHSCHILD & CO	3.54%	0.00%	3.54%	0.19
ORMAT TECHNOLOGIES INC	2.69%	0.00%	2.69%	0.14
INTERNET INITIATIVE JAPAN INC	2.27%	0.08%	2.19%	0.12
RAFFLES MEDICAL GROUP LTD	3.20%	0.03%	3.16%	0.15
SOPRA STERIA GROUP SA	3.48%	0.12%	3.36%	0.15

### Portfolio Allocation by GICS Sector



# Growth – Global Equity

## JPMorgan Strategic Beta Non-US

for the quarter ended June 30, 2023

### Strategy

Seeks to capture incremental alpha through investing in equity factors that are rule-based, transparent, and academically proven. This strategy may be suited to investors looking to gain equity factor exposures in non-U.S. markets at lower volatility and cost than active strategies.

Inception Date: August 2020

### Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	77,569.1	76,676.1
No. Of Issues	1,805.0	0.0
Dividend Yield	3.5	3.2
Return on Equity	18.7	17.1
Price to Sales	3.7	4.2
Price to Book	4.2	4.2
PE Ratio	12.7	15.1

### Top Holdings (% of assets)

ISHARES MSCI INDIA ETF	4.0%
TAIWAN SEMICONDUCTOR MANUFAC	1.6%
NESTLE SA REG	1.2%
ASML HOLDING NV	1.1%
NOVO NORDISK A/S B	1.0%
<b>Top 5 Holdings</b>	<b>8.9%</b>

### Performance (net)<sup>1</sup>

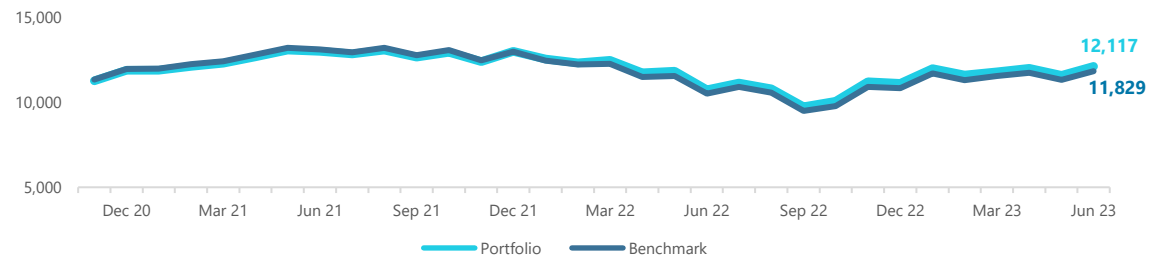
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>JPMAM Strategic Beta Non-US</b>	<b>600.3</b>	<b>2.7%</b>	<b>12.7%</b>	--	--
MSCI ACWI ex USA IMI Net		2.4%	12.5%	--	--
Growth Policy Benchmark		5.8%	8.0%	12.5%	--

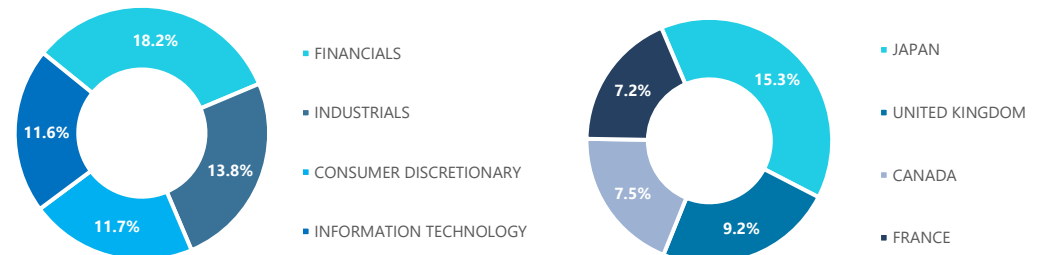
Universe data: Intl Equity Developed Mkt Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>JPMAM Strategic Beta Non-US</b>	<b>2.7%</b>	<b>61</b>	<b>12.8%</b>	<b>74</b>	--	--	--	--
Median	3.2%		17.4%		--		--	

No. of Observations: 177

### Growth of \$10,000



### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Growth Risk Analysis – Global Equity

## JPMorgan Strategic Beta Non-US

for the quarter ended June 30, 2023

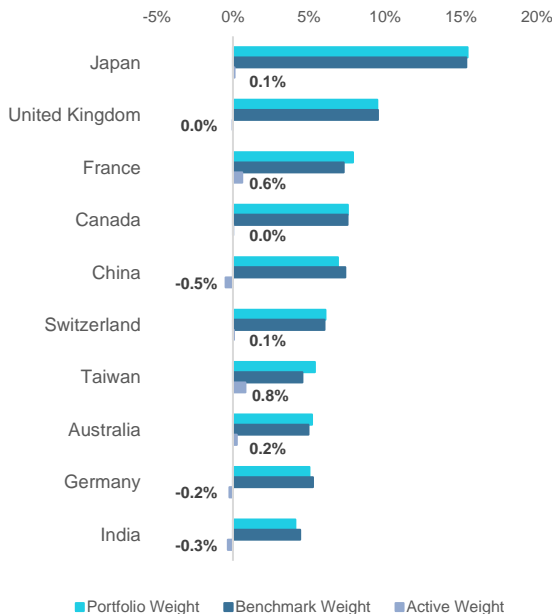


Los Angeles County Employees Retirement Association

### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
16.5%	16.7%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
0.68 bps	0.99

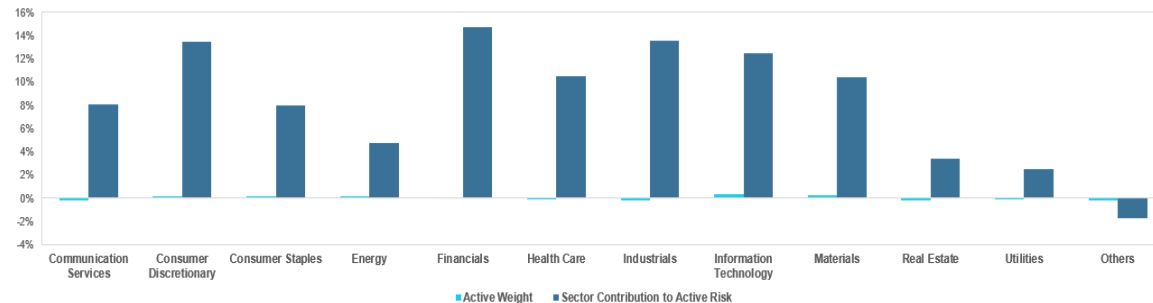
### Top 10 Countries by Weight



### Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
TRIP.COM GROUP LTD	0.00%	0.07%	-0.07%	0.01
XPENG INC	0.00%	0.02%	-0.02%	0.01
MITSUBISHI UFJ FINANCIAL GROUP INC	0.00%	0.30%	-0.30%	0.00
LI AUTO INC	0.03%	0.07%	-0.04%	0.01
UNILEVER PLC	0.02%	0.47%	-0.45%	-0.01
KUAISHOU TECHNOLOGY	0.03%	0.06%	-0.03%	0.01
ARGENX SE	0.00%	0.08%	-0.08%	0.00
SHOPIFY INC	0.24%	0.28%	-0.03%	0.01
ADVANTEST CORP	0.00%	0.09%	-0.09%	0.00
SEA LIMITED	0.05%	0.08%	-0.03%	0.00

### Portfolio Allocation by GICS Sector



# Growth – Global Equity

## JPMorgan Strategic Beta US

for the quarter ended June 30, 2023

### Strategy

Seeks to capture incremental alpha through investing in equity factors that are rule-based, transparent, and academically proven. This strategy may be suited to investors looking to gain equity factor exposures in the U.S. at lower volatility and cost than active strategies.

Inception Date: July 2020

### Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	590,080.4	680,646.7
No. Of Issues	935.0	0.0
Dividend Yield	1.2	1.2
Return on Equity	29.7	29.8
Price to Sales	6.2	6.4
Price to Book	3.9	3.7
PE Ratio	22.5	25.0

### Top Holdings (% of assets)

APPLE INC	7.1%
MICROSOFT CORP	5.5%
AMAZON.COM INC	2.7%
NVIDIA CORP	2.4%
TESLA INC	1.7%
<b>Top 5 Holdings</b>	<b>19.4%</b>

### Performance (net)<sup>1</sup>

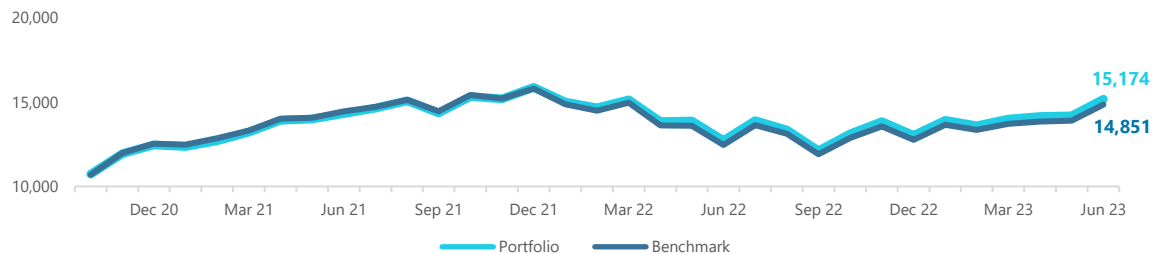
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>JPMAM Strategic Beta US</b>	<b>4,656.1</b>	<b>8.5%</b>	<b>19.4%</b>	<b>14.9%</b>	--
MSCI USA IMI Gross		8.4%	19.2%	14.1%	--
Growth Policy Benchmark		5.8%	8.0%	12.5%	--

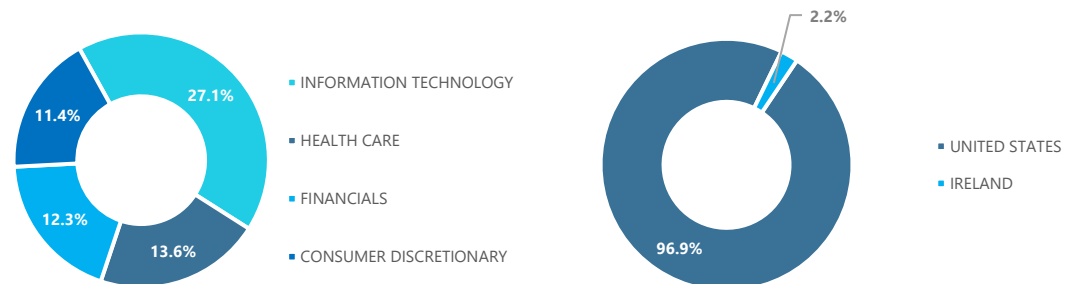
Universe data: U.S. Equities Total Large Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>JPMAM Strategic Beta US</b>	<b>8.5%</b>	<b>55</b>	<b>19.4%</b>	<b>52</b>	<b>15.0%</b>	<b>37</b>	--	--
Median	8.6%		19.5%		14.5%		--	

No. of Observations: 80

### Growth of \$10,000



### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.



# Growth Risk Analysis – Global Equity

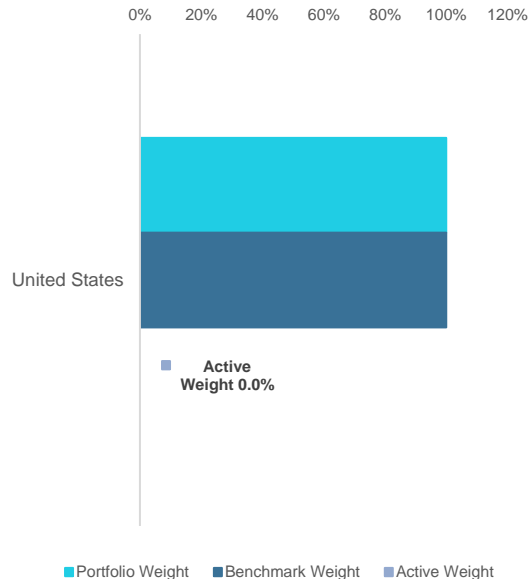
## JPMorgan Strategic Beta US

for the quarter ended June 30, 2023

### Portfolio Risk Summary

<b>PORTFOLIO</b> <b>Forecast Risk</b> <hr/> <b>19.3%</b>	<b>BENCHMARK</b> <b>Risk</b> <hr/> <b>19.4%</b>
<b>PORTFOLIO</b> <b>Active Risk</b> <hr/> <b>0.56 bps</b>	<b>PORTFOLIO</b> <b>Beta</b> <hr/> <b>0.99</b>

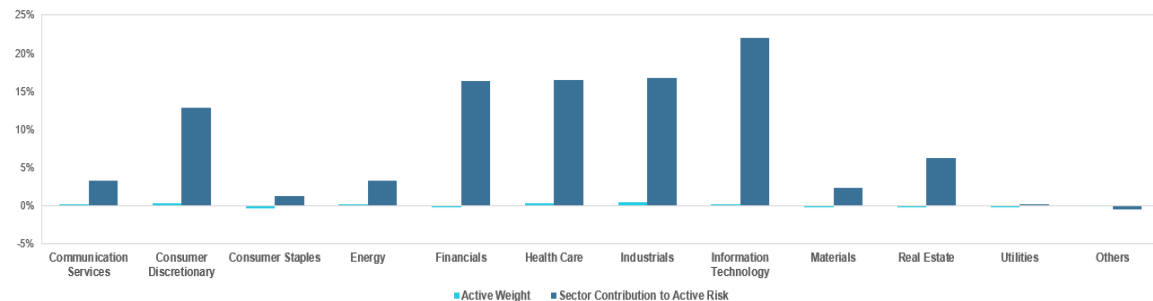
### Top Country by Weight



### Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
JPMORGAN CHASE & CO	0.00%	0.98%	-0.98%	0.06
MONGODB INC	0.02%	0.07%	-0.05%	0.01
TESLA INC	1.66%	1.72%	-0.06%	0.01
WARNER BROS DISCOVERY INC	0.03%	0.07%	-0.04%	0.01
CLOUDFLARE INC	0.00%	0.04%	-0.04%	0.01
CARNIVAL CORP	0.00%	0.04%	-0.04%	0.01
RIVIAN AUTOMOTIVE INC	0.00%	0.02%	-0.02%	0.01
SNOWFLAKE INC	0.07%	0.11%	-0.04%	0.01
PALANTIR TECHNOLOGIES INC	0.02%	0.06%	-0.04%	0.00
DATADOG INC	0.02%	0.06%	-0.04%	0.00

### Portfolio Allocation by GICS Sector



# Growth – Global Equity Lazard Emerging Markets

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Strategy

Seeks to provide long-term capital appreciation by investing in funds trading at a discount to their estimated net asset value, sum of the parts valuation, and/or underlying investments/businesses. The strategy may be suited to investors looking to capture growth opportunities in emerging markets and increase portfolio diversification.

Inception Date: February 2013

## Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	39,613.8	102,141.8
No. Of Issues	47.0	0.0
Dividend Yield	2.4	3.1
Return on Equity	11.6	12.7
Price to Sales	1.7	1.2
Price to Book	1.6	1.6
PE Ratio	13.7	12.6

## Top Holdings (% of assets)

PROSUS NV	9.0%
JPMORGAN EMERGING MARKETS INVE	6.5%
TEMPLETON EMERGING MARKETS INV	6.3%
CITIC SECURITIES CO LTD H	5.6%
FIDELITY CHINA SPECIAL SITUATI	5.2%

### Top 5 Holdings

32.6%

## Performance (net)<sup>1</sup>

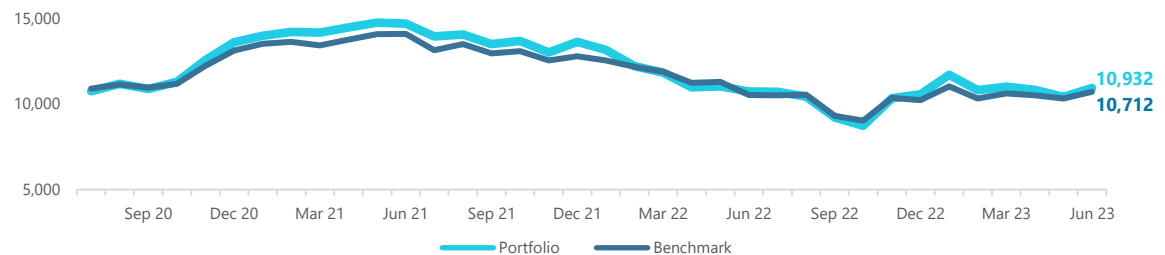
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Lazard Emerging Markets</b>	<b>381.4</b>	<b>-0.7%</b>	<b>1.9%</b>	<b>3.0%</b>	<b>2.4%</b>
MSCI EMERGING MARKETS		0.9%	1.7%	2.3%	0.9%
Growth Policy Benchmark		5.8%	8.0%	12.5%	--

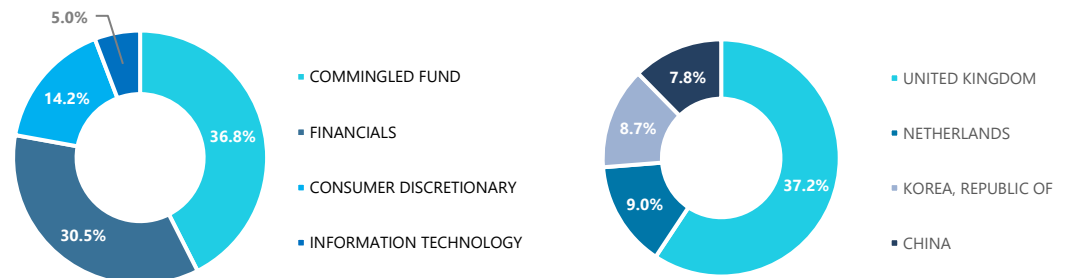
Universe data: Intl Equity Emerging Mkt Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Lazard Emerging Markets</b>	<b>-0.5%</b>	<b>93</b>	<b>2.5%</b>	<b>77</b>	<b>3.7%</b>	<b>56</b>	<b>3.1%</b>	<b>56</b>
Median	2.6%		7.9%		6.4%		3.4%	

No. of Observations: 84

## Growth of \$10,000



## Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Growth Risk Analysis – Global Equity

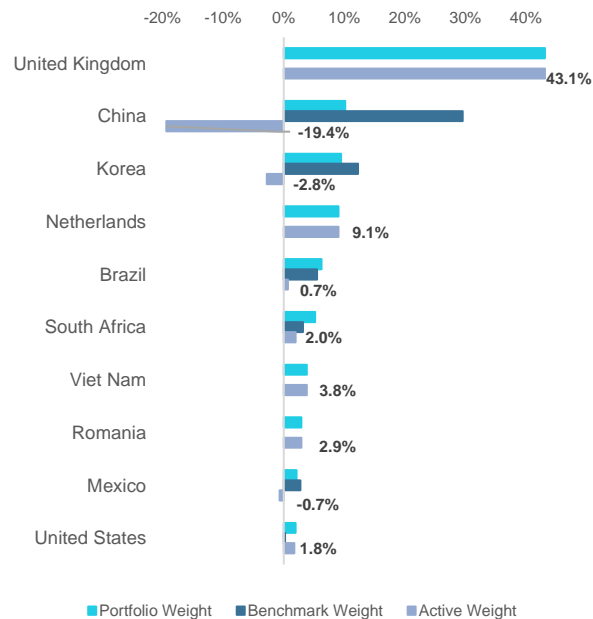
## Lazard Emerging Markets

for the quarter ended June 30, 2023

### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
19.5%	17.5%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
10.30 bps	0.95

### Top 10 Countries by Weight

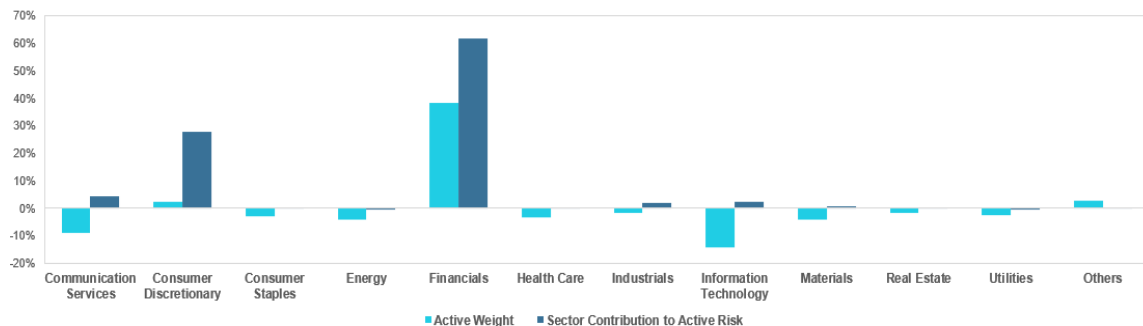


### Top 10 Assets<sup>1</sup> by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
PROSUS NV	9.07%	0.00%	9.07%	1.77
JPM EMERGING MARKETS INVT TRUST PLC	6.48%	0.00%	6.48%	1.04
FIDELITY CHINA SPECIAL SITUATIONS PLC	5.08%	0.00%	5.08%	0.96
TEMPLETON EMERGING MKTS INVT TRUST PLC	6.18%	0.00%	6.18%	0.90
NASPERS	5.13%	0.53%	4.60%	0.63
SCHRODER ASIAPACIFIC FUND PLC	2.77%	0.00%	2.77%	0.38
ASIA DRAGON TRUST PLC	2.49%	0.00%	2.49%	0.37
FIDELITY EMERGING MARKETS LTD	2.31%	0.00%	2.31%	0.34
UTILICO EMERGING MARKETS TRUST PLC	2.59%	0.00%	2.59%	0.32
INVESCO ASIA TRUST PLC	2.09%	0.00%	2.09%	0.31

Note: Weights represent country of domicile of closed-end fund and not country of underlying fund holdings.

### Portfolio Allocation by GICS Sector



# Growth – Global Equity SSGA MSCI ACWI IMI

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Strategy

Seeks to provide global equity market exposure and passive index returns. This strategy may be suited to investors looking to gain passive, global equity exposures with low tracking error.

Inception Date: January 2020

## Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	391,323.4	390,150.5
No. Of Issues	6,491.0	0.0
Dividend Yield	1.9	2.0
Return on Equity	23.6	23.5
Price to Sales	5.8	5.7
Price to Book	8.9	8.7
PE Ratio	20.2	20.3

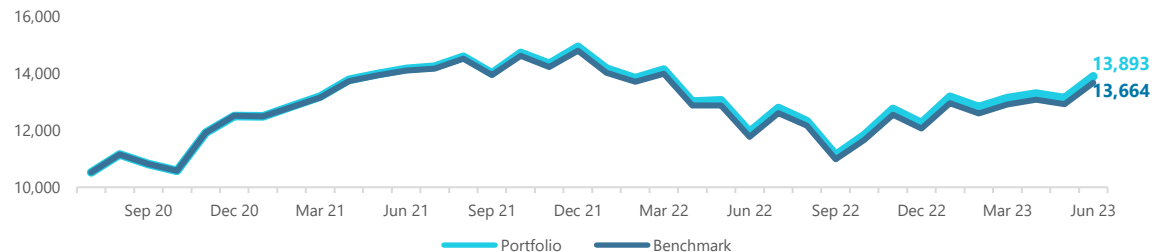
## Top Holdings (% of assets)

APPLE INC	4.3%
MICROSOFT CORP	3.3%
AMAZON.COM INC	1.7%
TESLA INC	1.0%
ALPHABET INC CL A	1.0%
<b>Top 5 Holdings</b>	<b>11.3%</b>

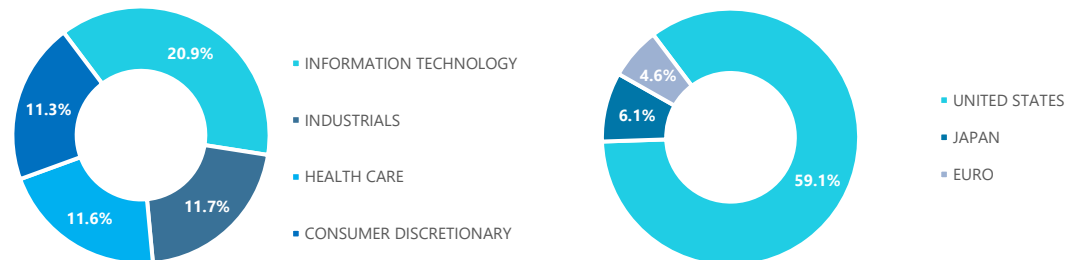
## Performance (net)<sup>1</sup>

	Ending Market Value (mm)			QTD	1 Year	3 Year	5 Year	
<b>SSGA MSCI ACWI IMI</b>	<b>15,868.3</b>			<b>5.8%</b>	<b>16.3%</b>	<b>11.6%</b>	--	
MSCI ACWI IMI Net				5.9%	16.1%	11.0%	--	
Growth Policy Benchmark				5.8%	8.0%	12.5%	--	
Universe data: Global Equity Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>SSGA MSCI ACWI IMI</b>	<b>5.8%</b>	<b>26</b>	<b>16.3%</b>	<b>51</b>	<b>11.6%</b>	<b>42</b>	--	--
Median	3.6%		16.4%		10.4%		--	
No. of Observations	105							

## Growth of \$10,000



## Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Growth Risk Analysis – Global Equity

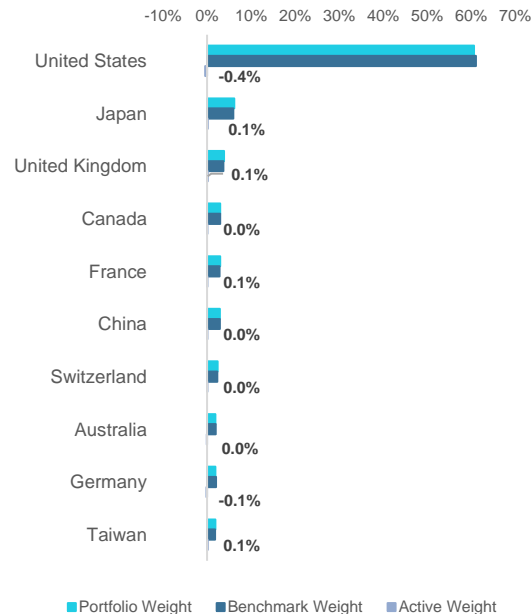
## SSGA MSCI ACWI IMI

for the quarter ended June 30, 2023

### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
17.7%	17.7%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
0.17 bps	1.00

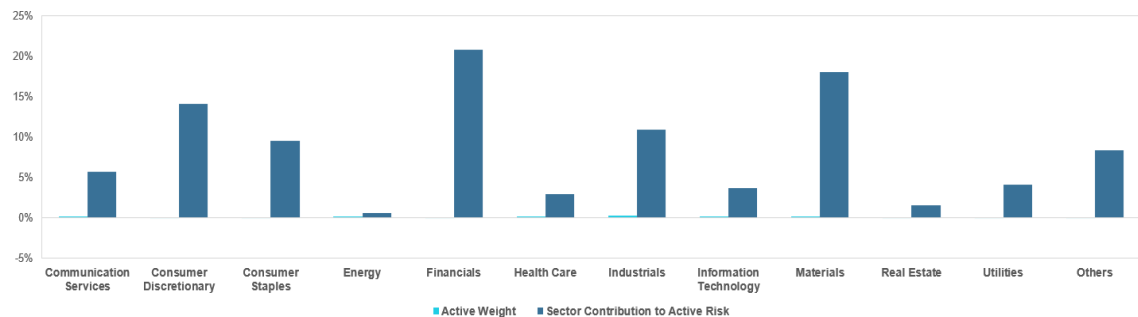
### Top 10 Countries by Weight



### Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
RELIANCE INDUSTRIES LTD	0.00%	0.13%	-0.13%	0.01
VALE SA	0.06%	0.00%	0.06%	0.00
HOUSING DEVELOPMENT FINANCE CORP	0.00%	0.08%	-0.08%	0.01
DAIMLER AG	0.09%	0.00%	0.09%	0.00
FERGUSON PLC	0.05%	0.00%	0.05%	0.00
ATLAS COPCO AB	0.08%	0.03%	0.05%	0.00
BAJAJ FINANCE LTD	0.00%	0.03%	-0.03%	0.00
AXIS BANK LTD	0.00%	0.04%	-0.04%	0.00
ICICI BANK LTD	0.00%	0.08%	-0.08%	0.01
MITSUBISHI UFJ FINANCIAL GROUP C/S	0.12%	0.00%	0.12%	0.00

### Portfolio Allocation by GICS Sector



# Growth – Global Equity Systematic US Small Cap Value

for the quarter ended June 30, 2023

## Strategy

Seeks to identify high quality small cap companies capable of generating high rates of return with attractive valuations. The strategy may be suited for investors looking to increase U.S. small cap exposure with defensive characteristics.

Inception Date: July 2018

## Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	4,489.4	2,870.7
No. Of Issues	151.0	0.0
Dividend Yield	1.9	1.4
Return on Equity	11.4	5.1
Price to Sales	1.9	12.8
Price to Book	2.7	15.4
PE Ratio	12.3	12.6

## Top Holdings (% of assets)

FIRST CITIZENS BCSHS CL A	3.1%
MAGNOLIA OIL + GAS CORP A	1.9%
EMCOR GROUP INC	1.9%
KBR INC	1.7%
CROSS COUNTRY HEALTHCARE INC	1.7%
<b>Top 5 Holdings</b>	<b>10.3%</b>

## Performance (net)<sup>1</sup>

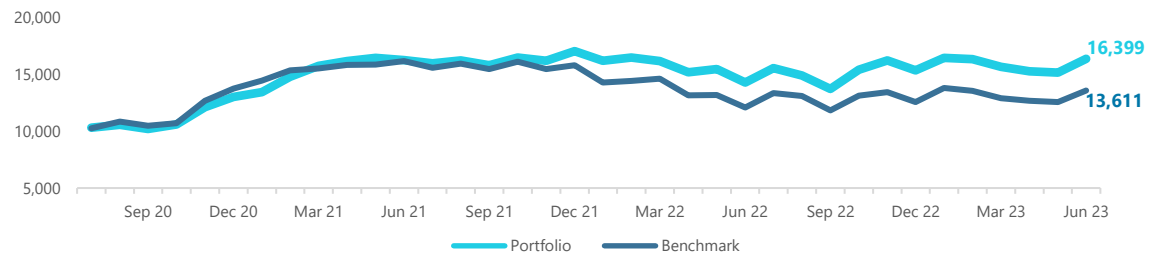
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Systematic US Small Cap Value</b>	<b>198.9</b>	<b>4.5%</b>	<b>14.6%</b>	<b>17.9%</b>	<b>6.1%</b>
RUSSELL 2000		5.2%	12.3%	10.8%	4.2%
Growth Policy Benchmark		5.8%	8.0%	12.5%	--

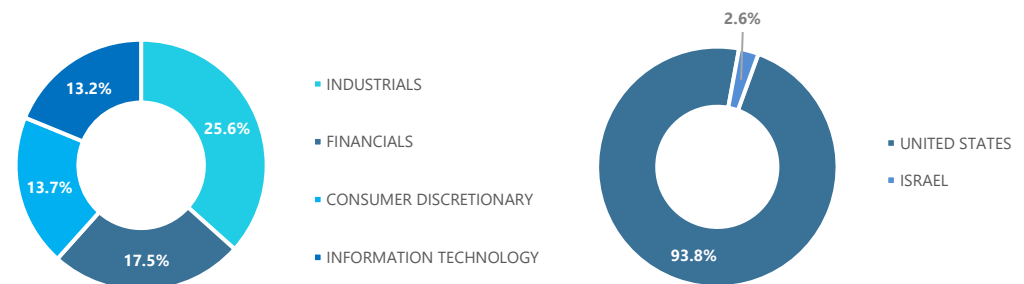
Universe data: US Equity Funds - Small Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Systematic US Small Cap Value</b>	<b>4.6%</b>	<b>55</b>	<b>15.2%</b>	<b>54</b>	<b>18.6%</b>	<b>22</b>	<b>6.7%</b>	<b>58</b>
Median	4.8%		15.8%		15.5%		7.3%	

No. of Observations: 56

## Growth of \$10,000



## Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

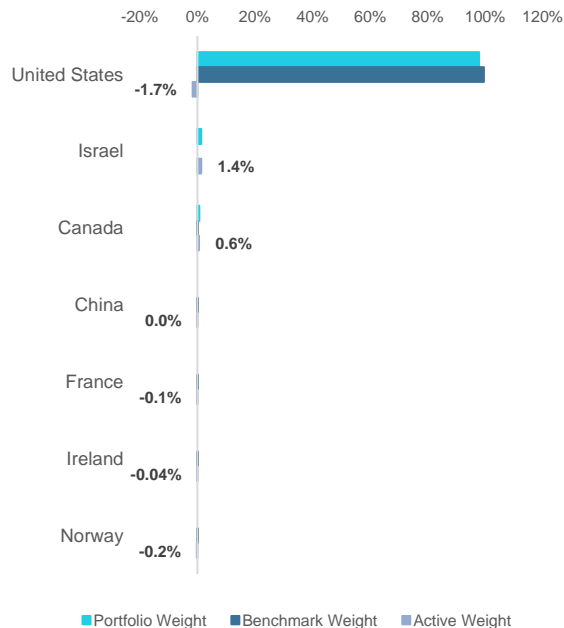
# Growth Risk Analysis – Global Equity Systematic US Small Cap Value

for the quarter ended June 30, 2023

## Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
21.9%	25.0%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
5.41 bps	0.86

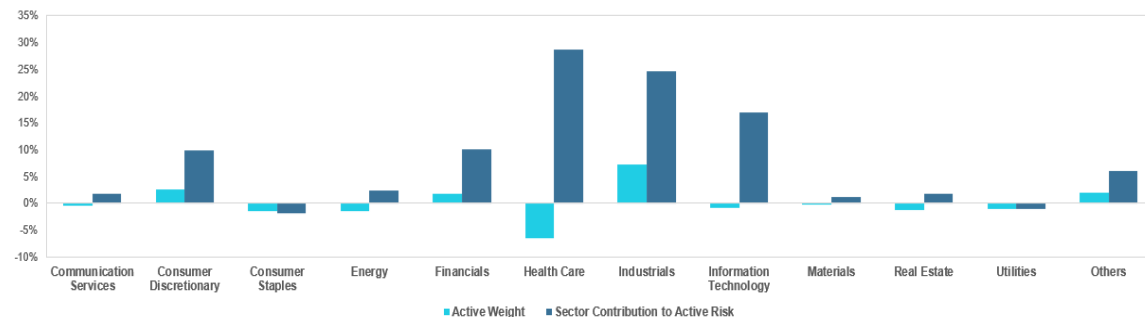
## Top Countries by Weight



## Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
SUPER MICRO COMPUTER INC	0.00%	0.48%	-0.48%	0.03
CHART INDUSTRIES INC	0.00%	0.28%	-0.28%	0.02
IVERIC BIO	0.00%	0.23%	-0.23%	0.02
IMMUNOGEN INC	0.00%	0.19%	-0.19%	0.02
TENABLE HOLDINGS INC	0.00%	0.21%	-0.21%	0.02
GUARDANT HEALTH INC	0.00%	0.17%	-0.17%	0.02
MICROSTRATEGY INC	0.00%	0.16%	-0.16%	0.02
AXCELIS TECHNOLOGIES INC	0.00%	0.25%	-0.25%	0.01
INTELLIA THERAPEUTICS	0.00%	0.15%	-0.15%	0.02
SHOALS TECHNOLOGIES GROUP INC	0.00%	0.18%	-0.18%	0.02

## Portfolio Allocation by GICS Sector



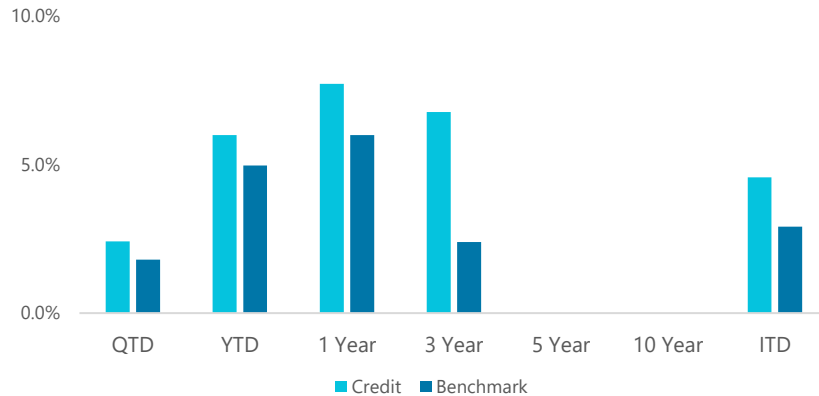
credit



# Summary

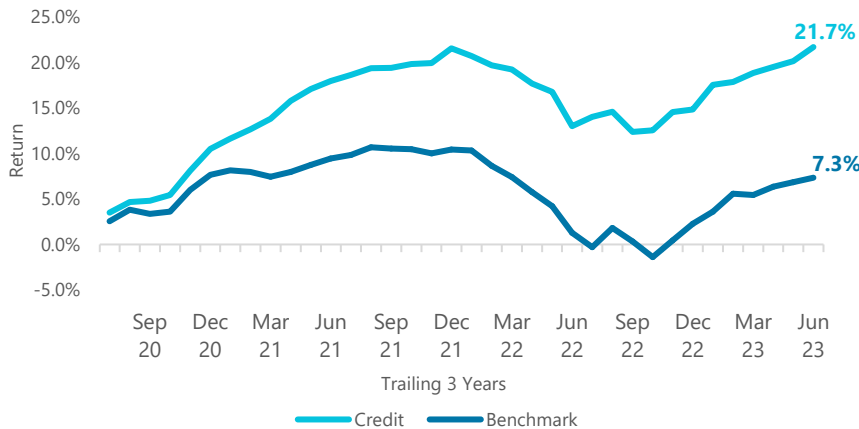
for the quarter ended June 30, 2023

## Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>Credit</b>	<b>2.4%</b>	<b>6.0%</b>	<b>7.7%</b>	<b>6.8%</b>	--	--	<b>4.6%</b>
Benchmark	1.8%	5.0%	6.0%	2.4%	--	--	2.9%
Excess	0.6%	1.0%	1.7%	4.4%	--	--	1.7%

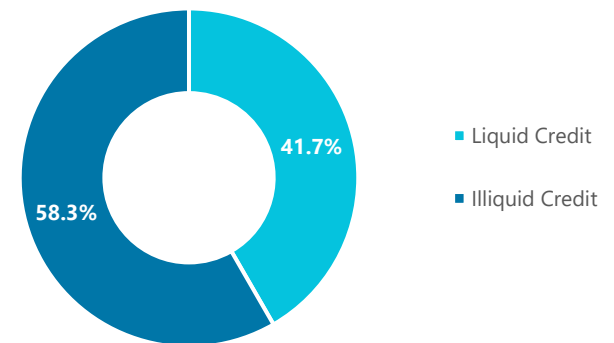
## Cumulative Return



## Functional Category

	QTD	FYTD	1 Year	3 Year
<b>Liquid Credit</b>	<b>2.9%</b>	<b>9.0%</b>	<b>9.0%</b>	--
Liquid Credit Policy Benchmark	2.4%	9.3%	9.3%	--
Excess	0.5%	-0.3%	-0.3%	--
<b>Illiquid Credit</b>	<b>2.0%</b>	<b>5.6%</b>	<b>5.6%</b>	<b>13.9%</b>
Illiquid Credit Policy Benchmark	1.5%	3.8%	3.8%	0.8%
Excess	0.6%	1.8%	1.8%	13.1%

## Exposure



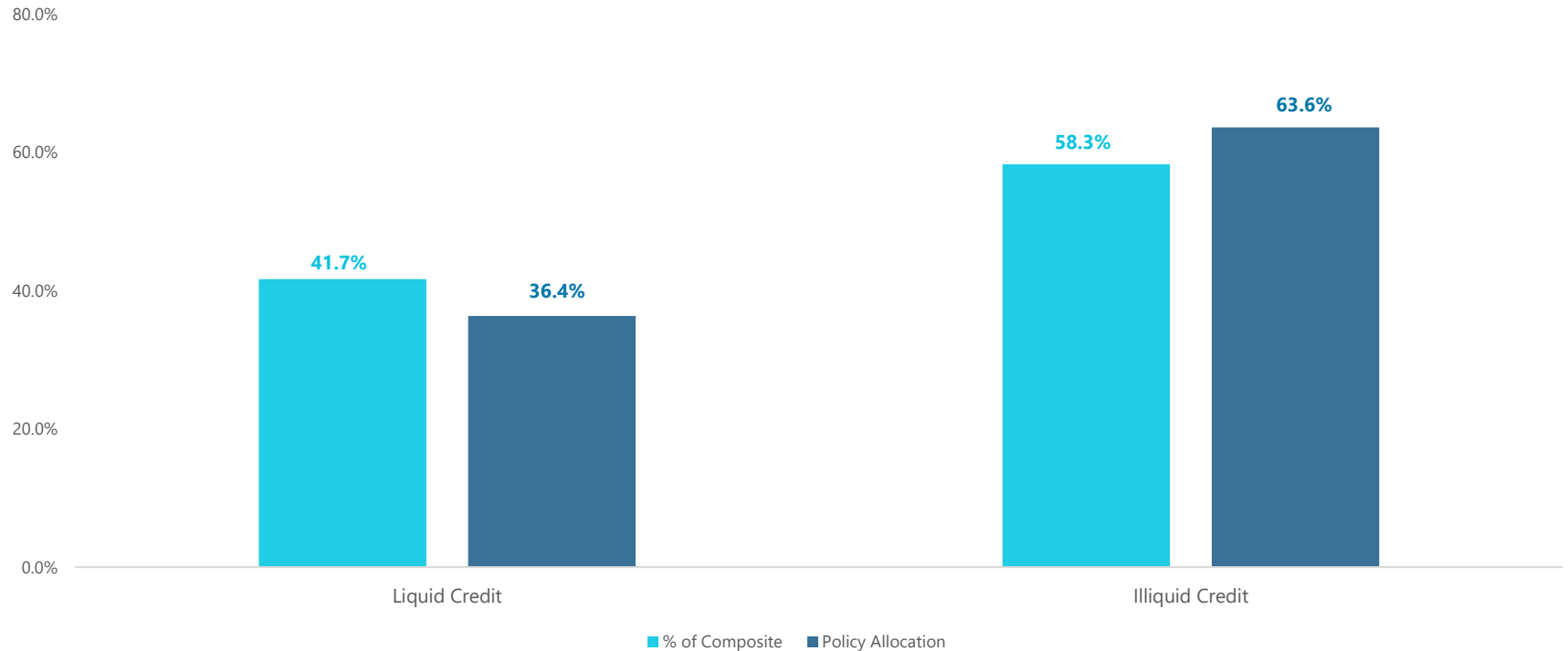
# Asset Allocation

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Actual vs. Policy

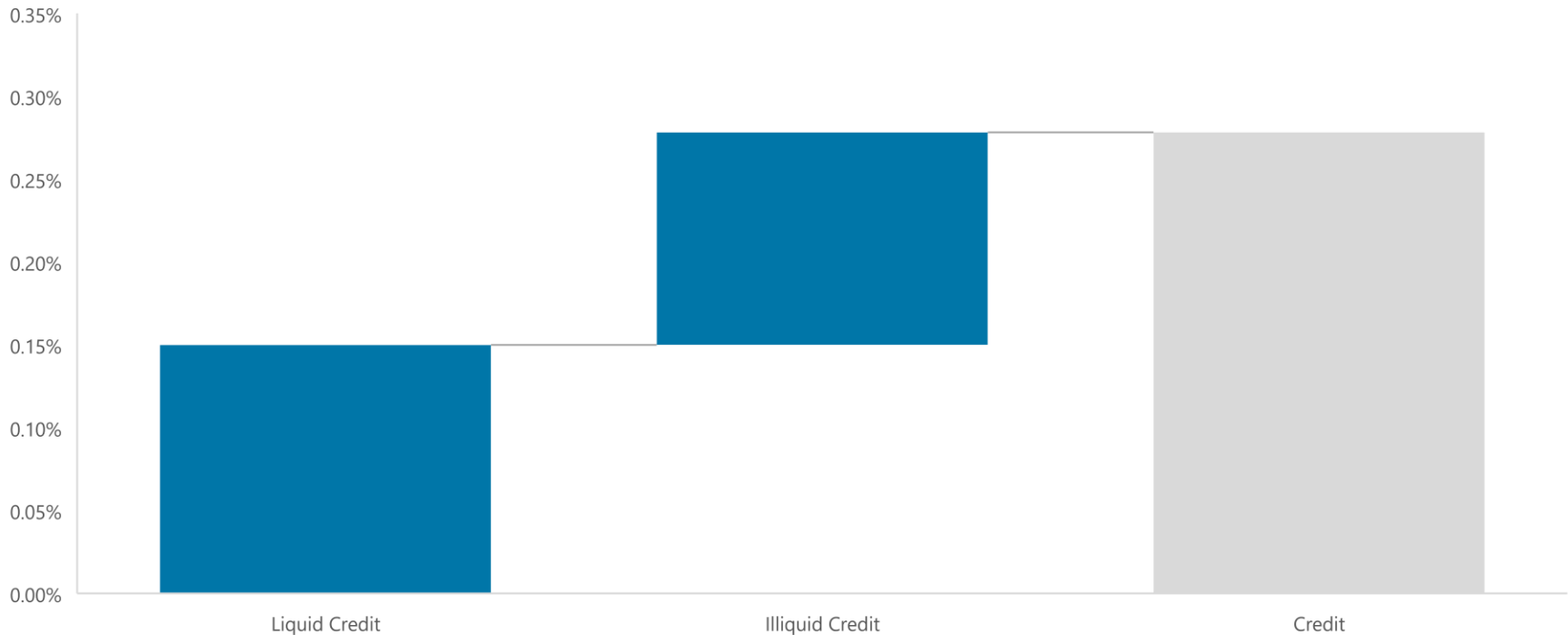


	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
<b>Credit</b>	<b>8,297</b>	<b>100.0%</b>	<b>100.0%</b>		
Liquid Credit	3,458	41.7%	36.4%	5.3%	441
Illiquid Credit	4,839	58.3%	63.6%	-5.3%	-441

# Contribution to Return

for the quarter ended June 30, 2023

## QTD Contribution to Return



Functional Category	Contributors	Detractors
Liquid Credit	Credit Suisse Bank Loans	Beach Point - Fund III
Illiquid Credit	Magnetar	
Credit	BlackRock/Tennenbaum	
	abrdn	
	Crescent Capital	

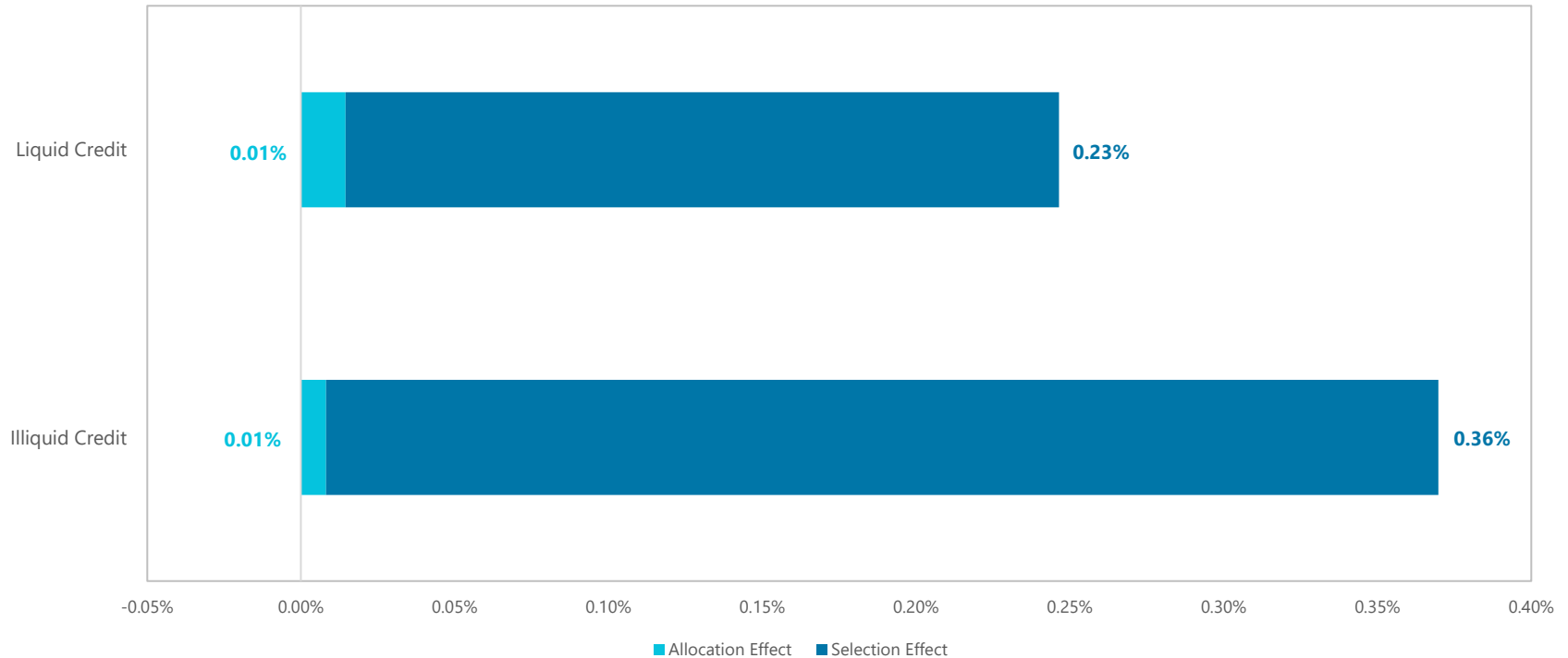
# Return Attribution

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## QTD Performance Attribution<sup>1</sup>



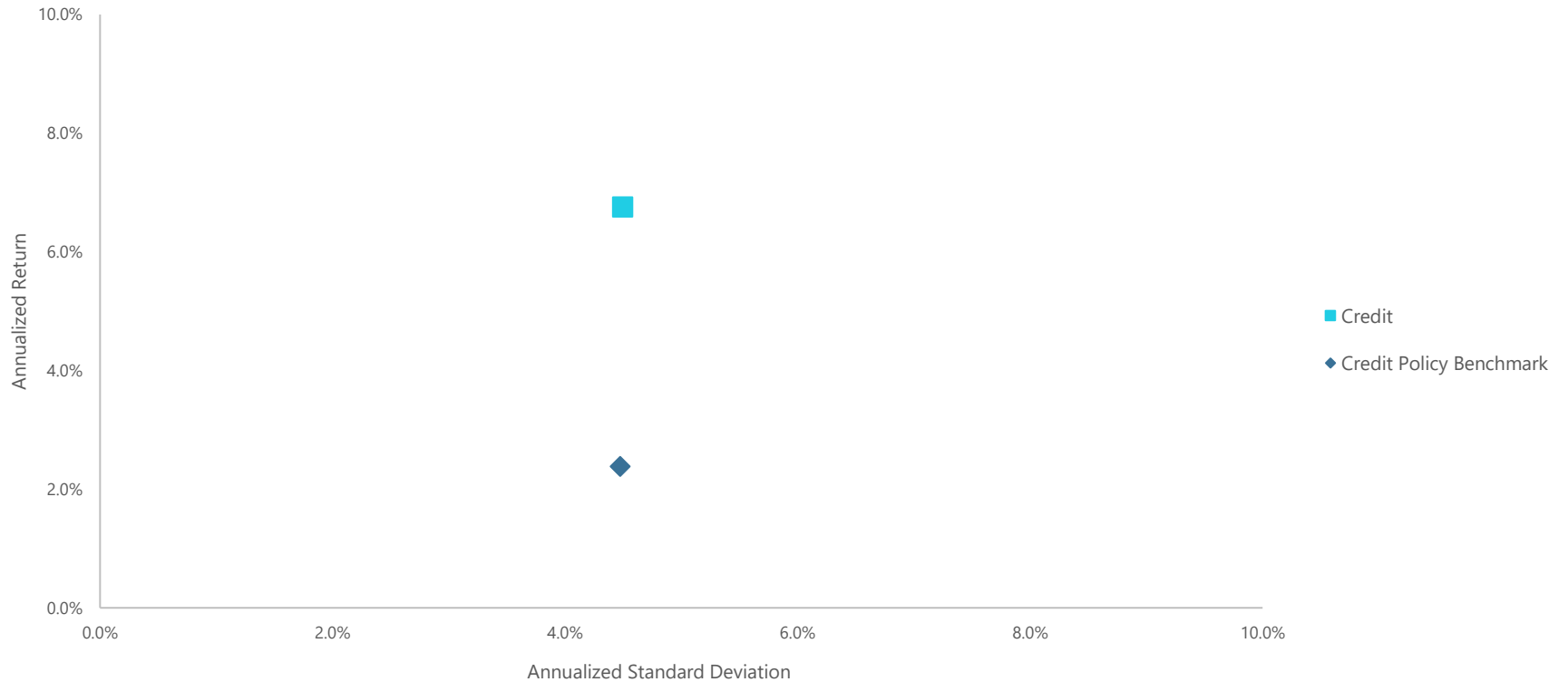
	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
<b>Credit</b>	<b>8,297</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.4%</b>	<b>1.8%</b>	<b>0.02%</b>	<b>0.59%</b>	<b>0.62%</b>
Liquid Credit	3,458	41.7%	36.4%	2.9%	2.4%	0.01%	0.23%	0.25%
Illiquid Credit	4,839	58.3%	63.6%	2.0%	1.5%	0.01%	0.36%	0.37%

<sup>1</sup> Total Value Add column includes Interaction Effect.

# Risk vs. Return

for the quarter ended June 30, 2023

## 3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
<b>Credit</b>	<b>6.8%</b>	<b>4.5%</b>				
Credit Policy Benchmark	2.4%	4.5%	1.24	1.44	0.78	3.1%

# Performance Detail

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

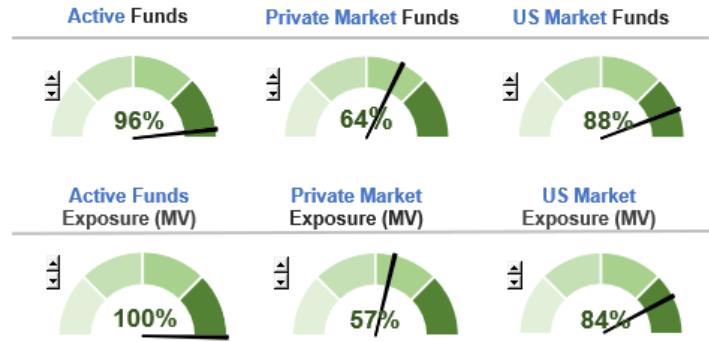
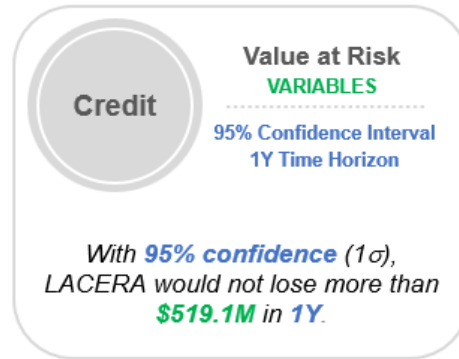
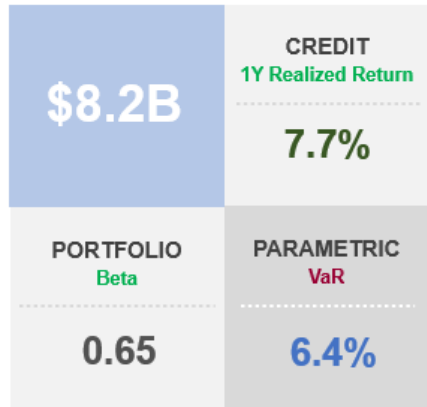
## Annualized Net Returns

	% of Composite	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD	Inception Date
<b>Credit</b>	<b>100.0%</b>	<b>8,297</b>	<b>8,411</b>	<b>2.4%</b>	<b>6.0%</b>	<b>7.7%</b>	<b>6.8%</b>	--	--	<b>4.6%</b>	<b>Apr-2019</b>
Credit Policy Benchmark				1.8%	5.0%	6.0%	2.4%	--	--	2.9%	
<b>Liquid Credit</b>	<b>41.7%</b>	<b>3,458</b>	<b>4,076</b>	<b>2.9%</b>	<b>6.1%</b>	<b>9.0%</b>	--	--	--	<b>-1.5%</b>	<b>Oct-2021</b>
Liquid Credit Policy Benchmark				2.4%	5.7%	9.3%	--	--	--	-1.4%	
abrdn	4.4%	367	380	4.8%	6.7%	11.9%	-1.4%	0.9%	--	0.3%	Jul-2017
Ashmore Investment Management	3.1%	256	351	1.5%	4.5%	8.0%	-2.4%	-1.5%	--	-1.5%	Jun-2017
Bain Capital	5.4%	446	432	3.3%	7.1%	9.5%	7.4%	4.7%	--	4.1%	Jun-2014
Beach Point	3.6%	299	291	3.0%	6.7%	9.8%	3.0%	3.4%	--	4.4%	Mar-2014
Brigade Cap Mgmt	6.3%	519	641	2.0%	4.9%	3.6%	5.9%	2.7%	4.0%	5.8%	Jul-2010
Credit Suisse Bank Loans	8.0%	660	1,006	3.1%	7.0%	12.0%	5.9%	--	--	7.5%	Apr-2020
Crescent Capital	5.5%	460	508	3.3%	6.9%	7.3%	6.1%	4.5%	--	3.6%	May-2014
Pinebridge Investments	5.4%	450	466	1.8%	5.6%	9.9%	--	--	--	-3.2%	Sep-2021
<b>Illiquid Credit</b>	<b>58.3%</b>	<b>4,839</b>	<b>4,335</b>	<b>2.0%</b>	<b>5.7%</b>	<b>5.6%</b>	<b>13.9%</b>	--	--	<b>9.6%</b>	<b>Apr-2019</b>
Illiquid Credit Policy Benchmark				1.5%	4.5%	3.8%	0.8%	--	--	4.3%	
Beach Point - Fund II	0.1%	12	15	--	--	--	--	--	--	--	Jun-2014
Beach Point - Fund III	1.4%	113	161	-6.6%	-2.6%	-9.7%	13.7%	8.4%	--	8.7%	Jun-2017
BlackRock/Tennenbaum	7.6%	631	659	2.5%	4.3%	7.3%	9.3%	7.1%	--	7.2%	Nov-2014
Grosvenor OPCRD 2 HFOF	0.2%	21	21	--	--	--	--	--	--	--	Mar-2016
Lake Cascade	6.1%	506	300	1.0%	--	--	--	--	--	1.0%	Jan-2023
Lake Cottage	6.3%	522	317	3.2%	5.1%	--	--	--	--	5.1%	Nov-2022
Lake Vineyard	6.5%	543	421	2.4%	5.6%	3.8%	--	--	--	4.4%	Apr-2022
Magnetar	11.5%	958	933	2.6%	5.9%	5.9%	--	--	--	17.1%	Aug-2020
Napier Park	10.9%	907	885	0.8%	8.3%	7.7%	11.9%	--	--	15.3%	Apr-2020
PIMCO Tac Opps	3.4%	284	273	4.2%	4.2%	0.8%	8.9%	--	--	5.6%	Nov-2018
Private Equity - Credit	2.8%	229	228	4.4%	12.3%	14.9%	32.3%	--	--	15.0%	Jan-2019
Real Estate - Credit	0.7%	59	74	5.1%	7.0%	11.3%	11.0%	10.3%	9.0%	9.3%	Oct-2011
Stable Asset Management – IC	0.7%	55	49	-0.4%	-0.1%	--	--	--	--	-0.1%	Nov-2022

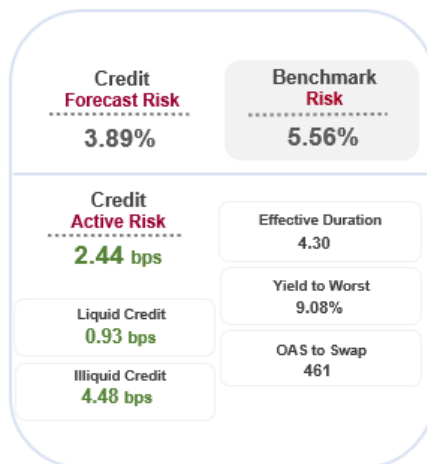
# Credit Risk Summary

for the quarter ended June 30, 2023

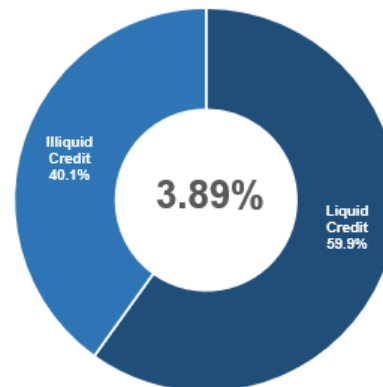
## Realized (Ex-Post) Risks



## Projected (Ex-Ante) Risks

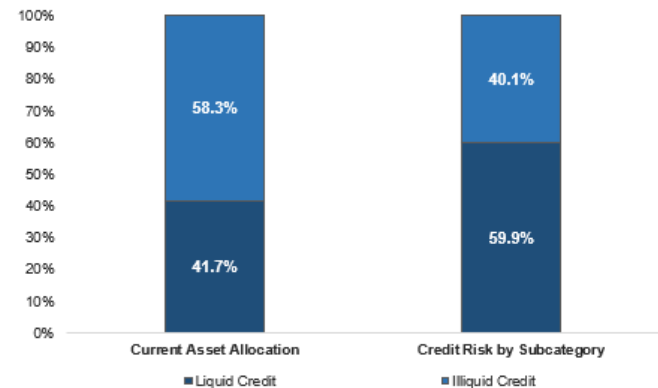


## Subcategory Contributions to Credit Risk



## Credit Asset Allocation

Capital-based versus Risk-based



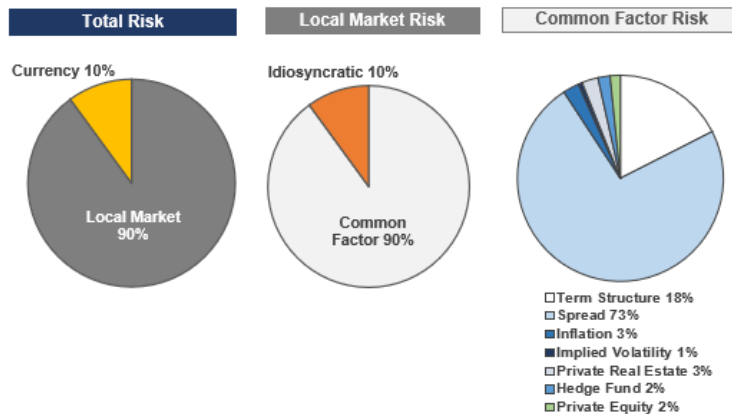
# Credit Risk Summary

for the quarter ended June 30, 2023

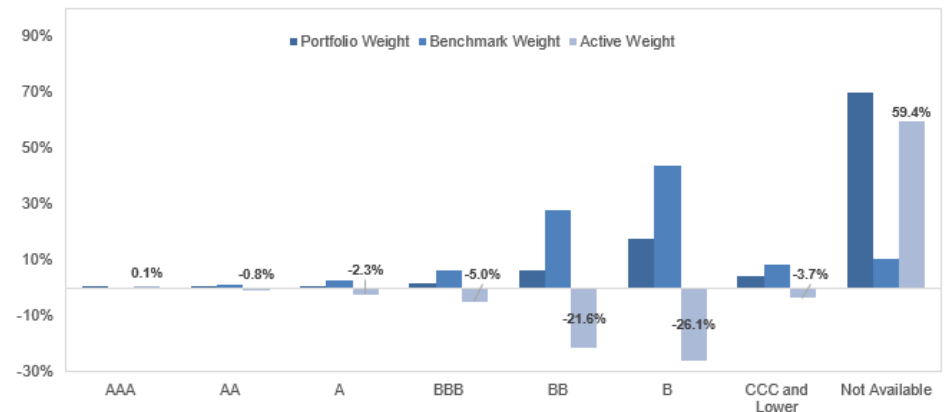
## Decomposition of MSCI Risk Factors

Total Risk							
Currency	Local Market						
	Idiosyncratic	Common Factor					
	Global Equity	Private Equity	Credit	Hedge Funds	Private Real Estate	Private Infrastructure	Commodities
	<ul style="list-style-type: none"> <li>Industry</li> <li>Style</li> <li>Country</li> <li>Market</li> <li>Implied Volatility</li> </ul>	<ul style="list-style-type: none"> <li>Buyout</li> <li>Distressed</li> <li>Venture Capital</li> <li>Growth Equity</li> </ul>	<ul style="list-style-type: none"> <li>Term Structure</li> <li>Implied Volatility</li> <li>Inflation</li> <li>Basis</li> <li>Spread</li> </ul>	<ul style="list-style-type: none"> <li>Strategies                             <ul style="list-style-type: none"> <li>Global Macro</li> <li>Multi-Strategy</li> <li>Fixed Income</li> <li>Relative Value</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Commercial</li> <li>Residential</li> <li>Geography</li> <li>Forestry and Agriculture</li> <li>US Metro</li> <li>Income Return &amp; Quality</li> </ul>	<ul style="list-style-type: none"> <li>Transportation</li> <li>Utilities</li> <li>Non-utilities</li> <li>Industrial</li> <li>Energy</li> </ul>	<ul style="list-style-type: none"> <li>Metals</li> <li>Energy</li> <li>Livestock</li> <li>Agriculture</li> </ul>

## Credit Risk Decomposition



## Portfolio Allocation by Moody's Rating

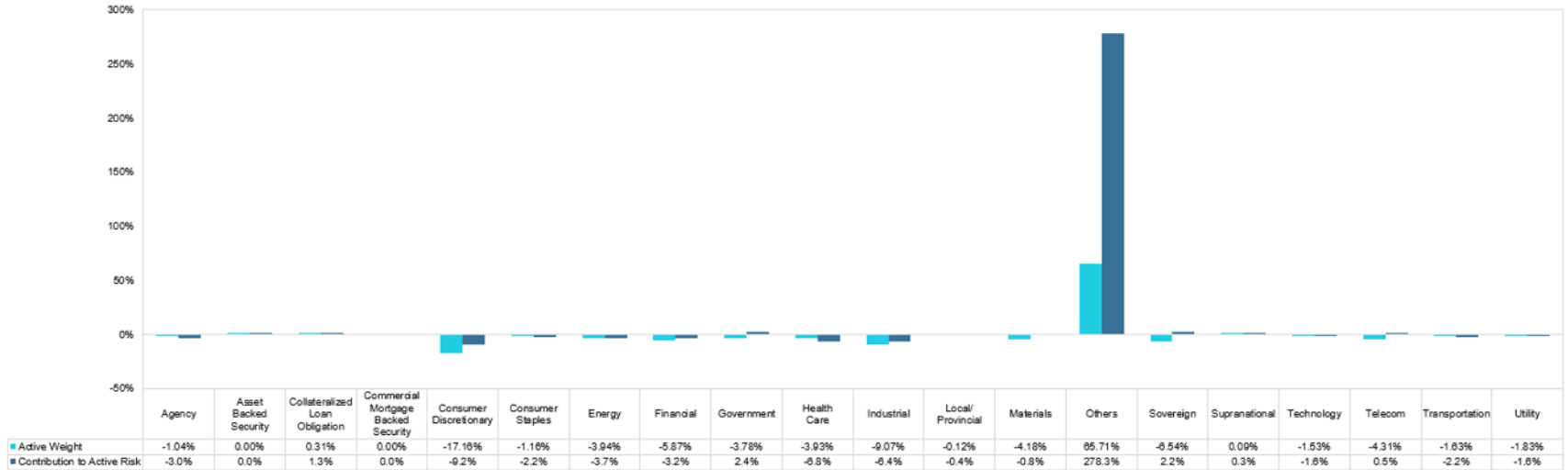




# Credit Risk Summary

for the quarter ended June 30, 2023

## Portfolio Allocation by Bond Sector



# Liquid Credit Risk Summary

for the quarter ended June 30, 2023

## Realized (Ex-Post) Risks

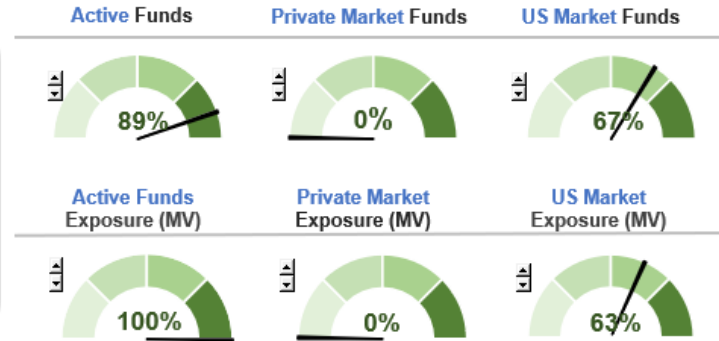
<b>\$3.4B</b>	LIQUID CREDIT 1Y Realized Return
	<b>9.0%</b>
PORTFOLIO Beta	PARAMETRIC VaR
<b>1.12</b>	<b>10.3%</b>

**Liquid Credit**

Value at Risk  
VARIABLES

95% Confidence Interval  
1Y Time Horizon

With **95% confidence** ( $2\sigma$ ),  
LACERA would not lose more than  
**\$337.5M** in 1Y.



## Projected (Ex-Ante) Risks

Liquid Credit  
Forecast Risk

**6.24%**

Benchmark  
Risk

**5.56%**

Liquid Credit  
Active Risk

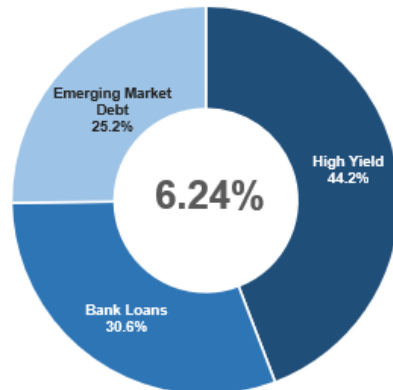
**0.93 bps**

Effective Duration  
2.51

Yield to Worst  
9.08%

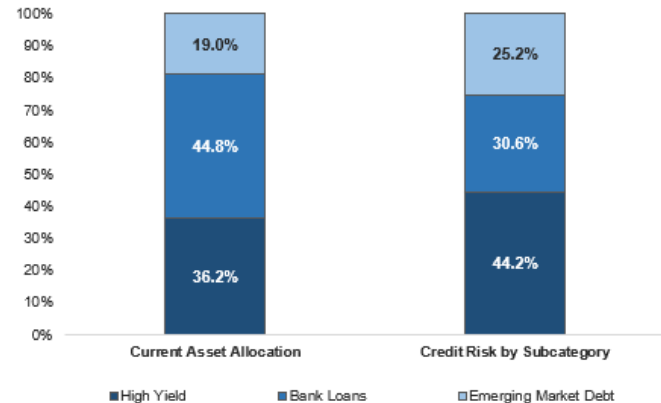
OAS to Swap  
461

## Subcategory Contributions to Liquid Credit Risk



## Credit Asset Allocation

Capital-based versus Risk-based



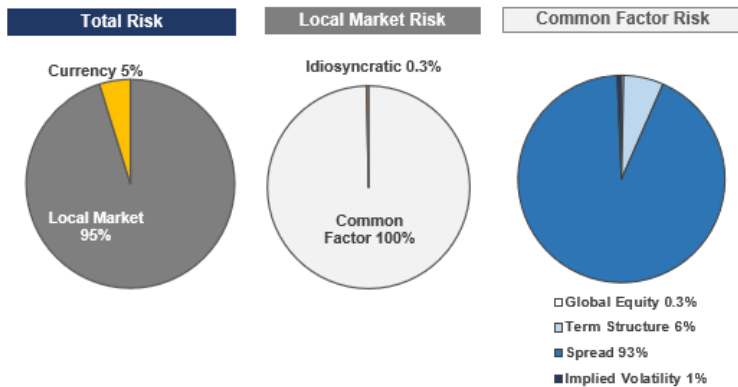
# Liquid Credit Risk Summary

for the quarter ended June 30, 2023

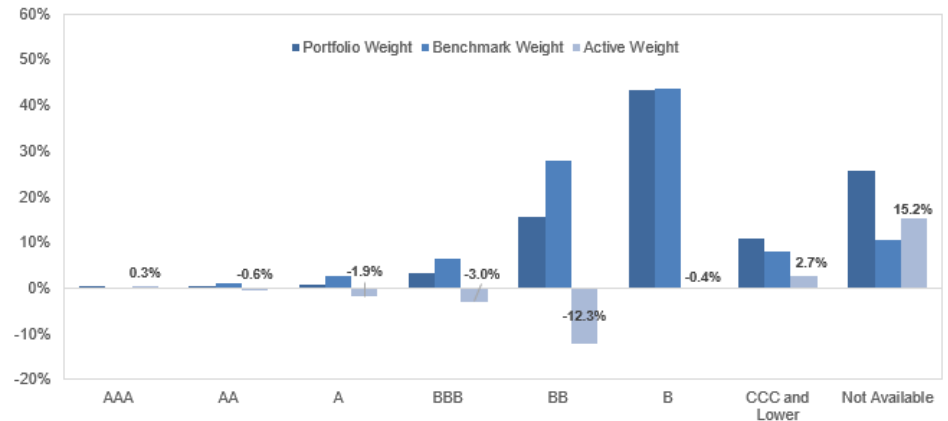
## Decomposition of MSCI Risk Factors



## Liquid Credit Risk Decomposition



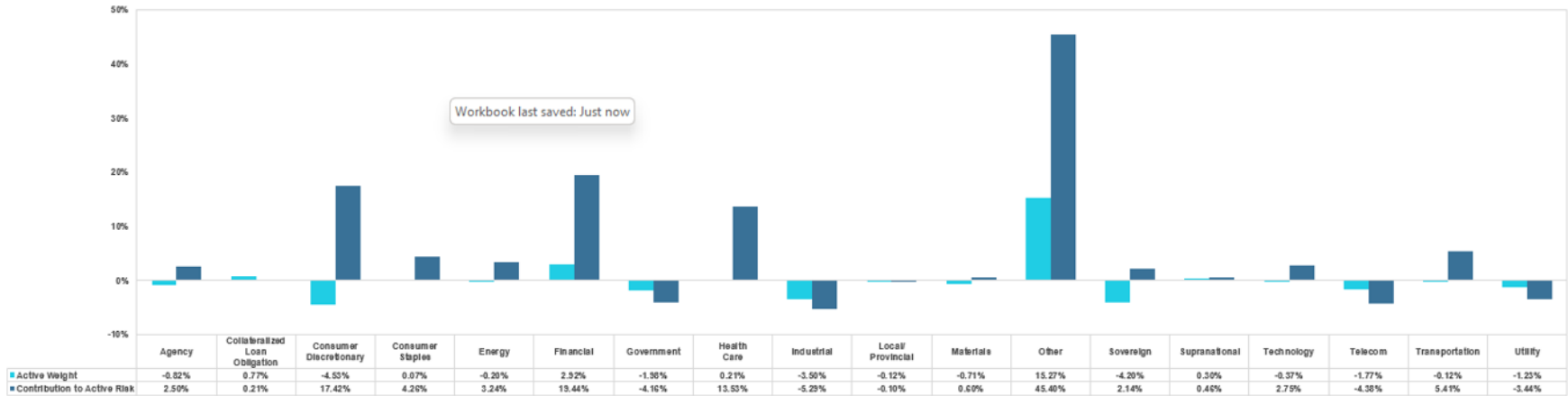
## Portfolio Allocation by Moody's Rating



# Liquid Credit Risk Summary

for the quarter ended June 30, 2023

## Portfolio Allocation by Bond Sector



# Credit – Liquid Credit abrdn

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Strategy

An emerging market debt strategy that invests in sovereigns, quasi-sovereigns, and corporate bonds denominated in US Dollar or local currencies.

Inception Date: July 2017

## Risk Statistics (since inception)

Standard Deviation	11.1%
Benchmark Standard Deviation	9.4%
Sharpe Ratio	-0.06
Information Ratio	-0.16
Beta	1.16
Tracking Error	2.7%

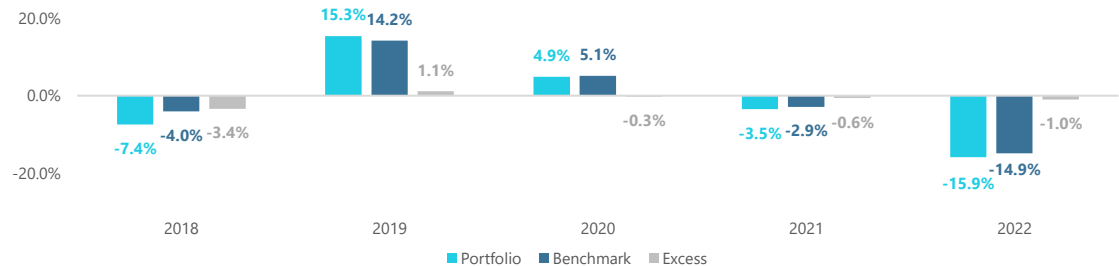
## Performance (net)<sup>1</sup>

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Aberdeen</b>	<b>366.6</b>	<b>4.8%</b>	<b>11.9%</b>	<b>-1.4%</b>	<b>0.9%</b>
EMD Custom Benchmark		2.1%	8.0%	-2.0%	1.0%
Credit Policy Benchmark		1.8%	6.0%	2.4%	--

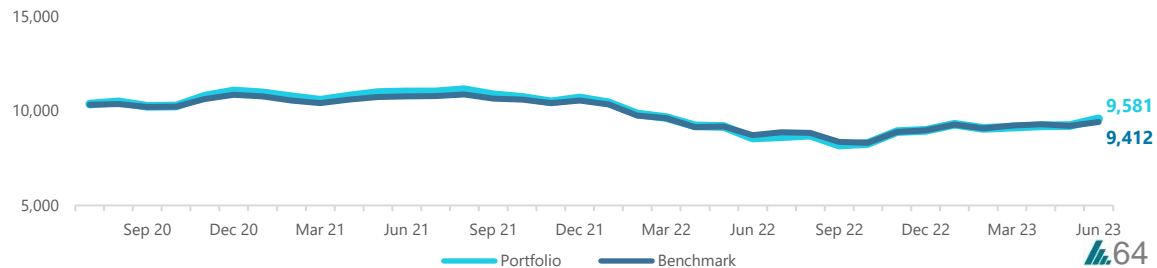
  

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Aberdeen</b>	<b>4.8%</b>	<b>8</b>	<b>12.2%</b>	<b>9</b>	<b>-1.1%</b>	<b>53</b>	<b>1.2%</b>	<b>66</b>
Median	-0.1%		1.2%		-0.8%		1.6%	
No. of Observations	726							

## Calendar Year Returns



## Growth of \$10,000

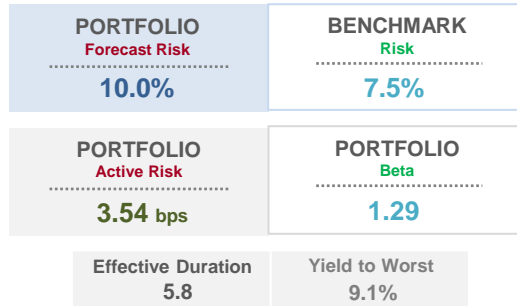


Note: Commingled fund account with no position-level transparency.  
<sup>1</sup> Universe data is gross-of-fees.

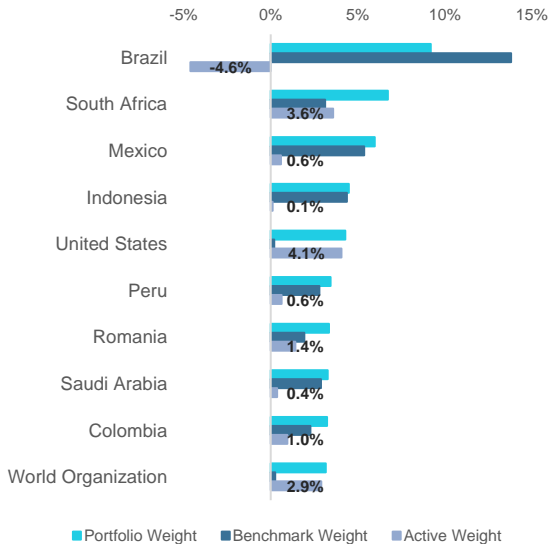
# Credit Risk Analysis – Liquid Credit abrdn

for the quarter ended June 30, 2023

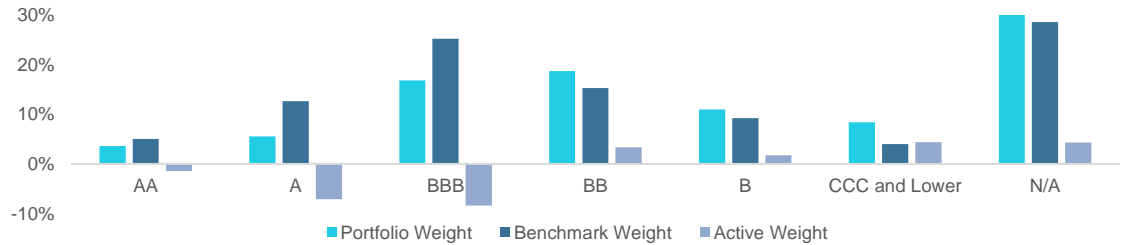
## Portfolio Risk Summary



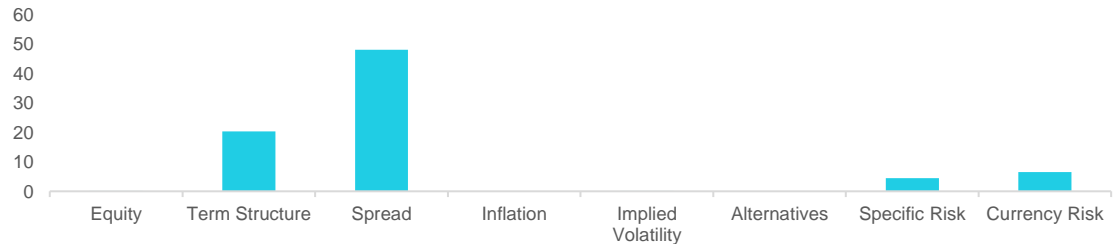
## Top 10 Countries by Weight



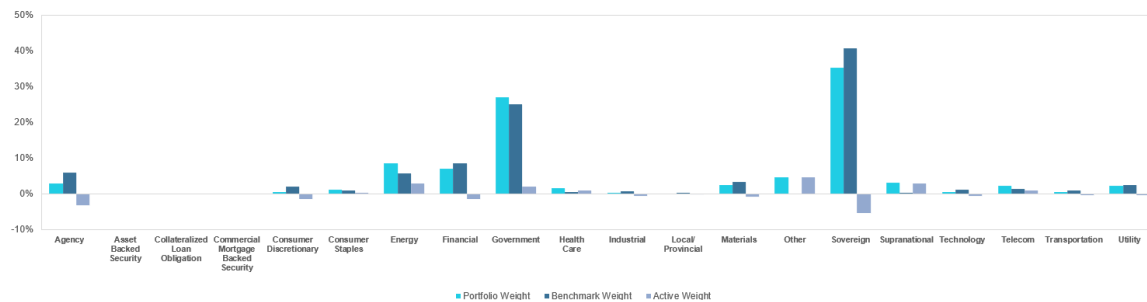
## Allocation by Moody's Rating



## Active Risk from Common Factors



## Portfolio Allocation by Bond Sector



# Credit – Liquid Credit Ashmore

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Strategy

A value-driven emerging market debt strategy that applies a macro, top-down approach to build a well-diversified portfolio that adds value through asset rotation, security selection, and currency positioning utilizing a committee driven, systematic risk mitigating process.

Inception Date: June 2017

## Risk Statistics (since inception)

Standard Deviation	13.1%
Benchmark Standard Deviation	9.4%
Sharpe Ratio	-0.16
Information Ratio	-0.46
Beta	1.37
Tracking Error	4.4%

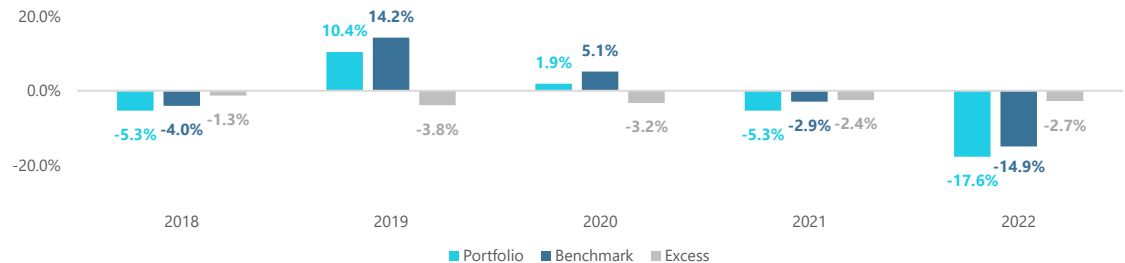
## Performance (net)<sup>1</sup>

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Ashmore Investment Management</b>	<b>255.9</b>	<b>1.5%</b>	<b>8.0%</b>	<b>-2.4%</b>	<b>-1.5%</b>
EMD Custom Benchmark		2.1%	8.0%	-2.0%	1.0%
Credit Policy Benchmark		1.8%	6.0%	2.4%	--

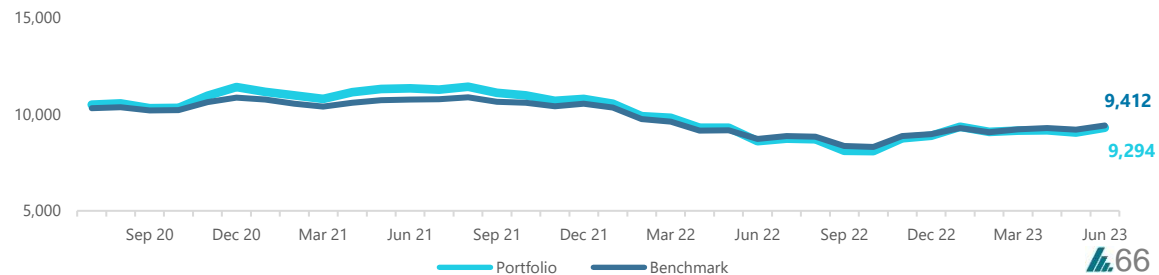
  

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Ashmore Investment Management</b>	<b>1.6%</b>	<b>21</b>	<b>8.6%</b>	<b>18</b>	<b>-1.9%</b>	<b>59</b>	<b>-0.9%</b>	<b>95</b>
Median	-0.1%		1.2%		-0.8%		1.6%	
No. of Observations	726							

## Calendar Year Returns



## Growth of \$10,000



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

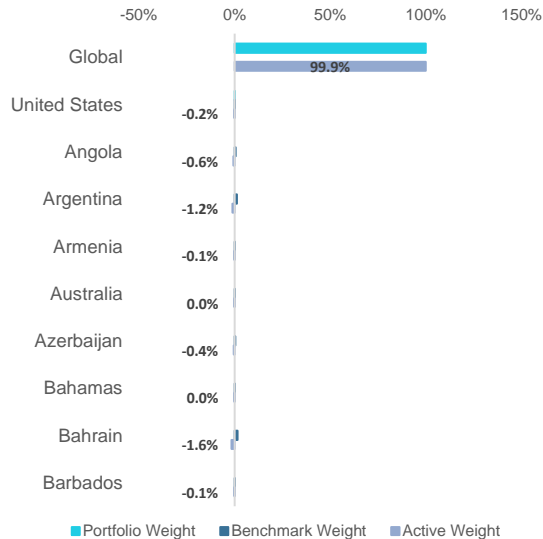
# Credit Risk Analysis – Liquid Credit Ashmore

for the quarter ended June 30, 2023

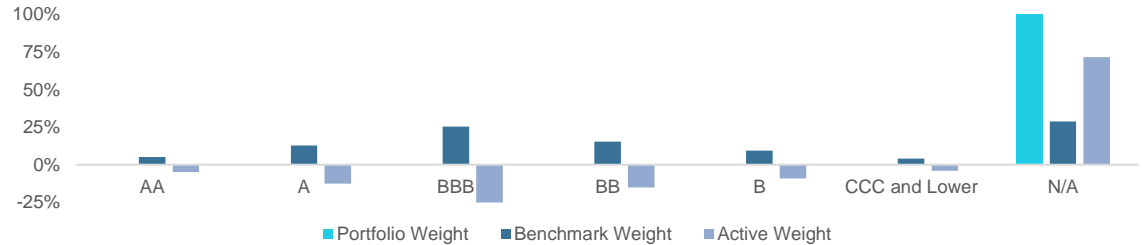
## Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
9.7%	7.5%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
4.96 bps	1.11
Effective Duration 5.9	Yield to Worst 0.0%

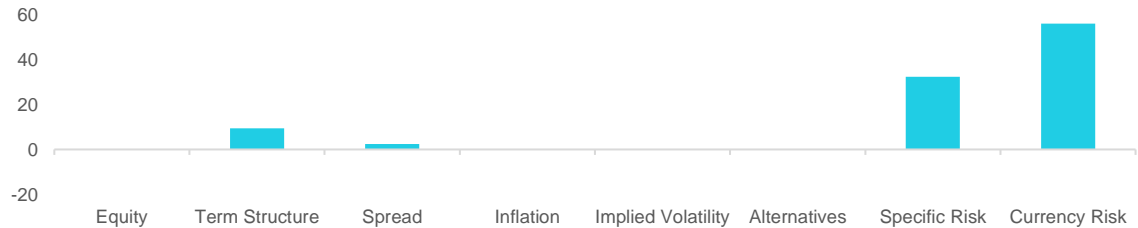
## Top 10 Countries by Weight



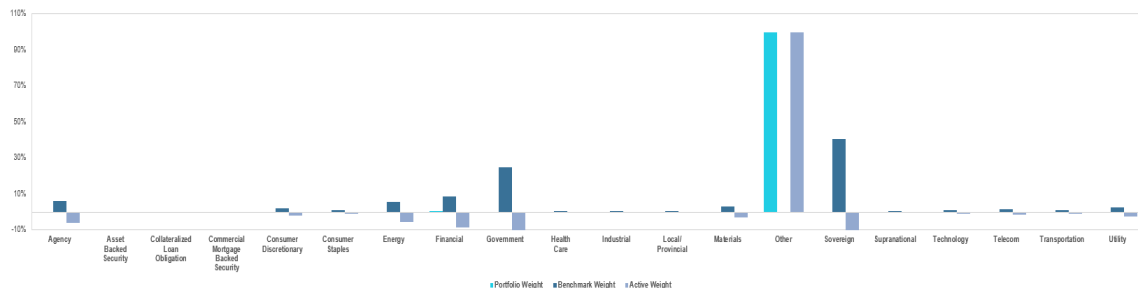
## Allocation by Moody's Rating



## Active Risk from Common Factors



## Portfolio Allocation by Bond Sector





# Credit – Liquid Credit Bain Capital

for the quarter ended June 30, 2023

## 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	541.0	0.0
Effective Duration	0.2	3.6
Convexity	0.1	0.0
Coupon Rate	8.6	5.9
Yield to Maturity	7.9	8.4
Current Yield	8.8	6.6
Rating – Moody's	B-2	B-1
Rating – S & P	B	B+

## Top Holdings (% of assets)

INVESCO SENIOR LOAN ETF	1.0%
CPS GROUP HOLDINGS INC	0.8%
NAVICURE INC	0.7%
AQGEN ISLAND HOLDINGS, INC.	0.6%
CHAMBER BIDCO LIMITED	0.6%
<b>Top 5 Holdings</b>	<b>3.7%</b>

## Performance (net)<sup>1</sup>

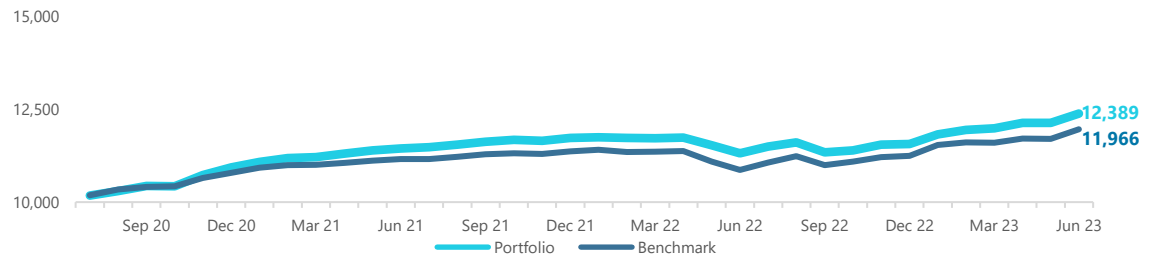
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Bain Capital</b>	<b>446.3</b>	<b>3.3%</b>	<b>9.5%</b>	<b>7.4%</b>	<b>4.7%</b>
Bank Loans Custom Benchmark		3.1%	10.1%	6.2%	4.6%
Credit Policy Benchmark		1.8%	6.0%	2.4%	--

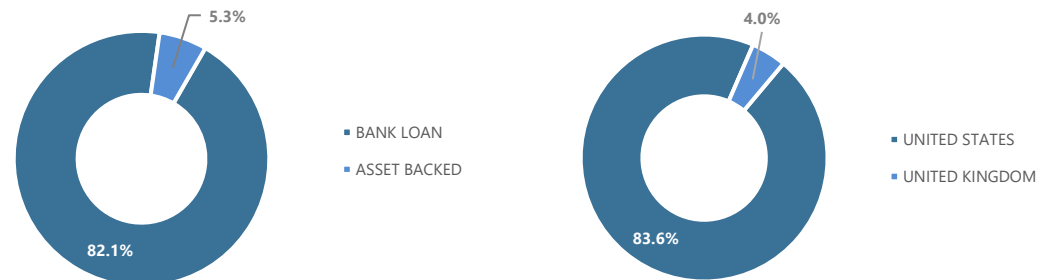
Universe data: U.S. Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Bain Capital</b>	<b>3.5%</b>	<b>11</b>	<b>10.1%</b>	<b>14</b>	<b>8.0%</b>	<b>17</b>	<b>5.4%</b>	<b>14</b>
Median	-0.1%		1.2%		-0.6%		1.6%	

No. of Observations: 726

## Growth of \$10,000



## Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

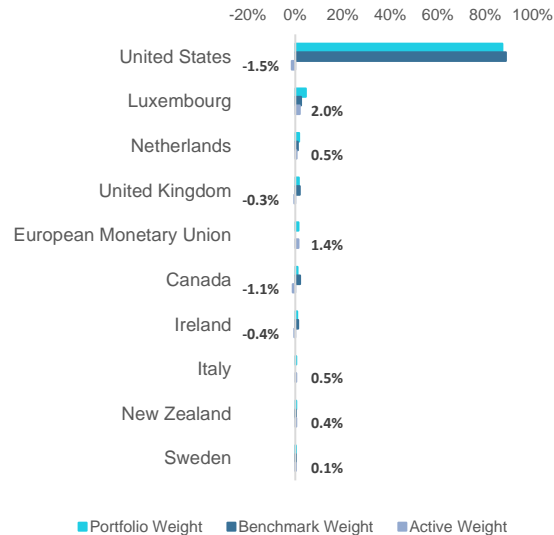
# Credit Risk Analysis – Liquid Credit Bain Capital

for the quarter ended June 30, 2023

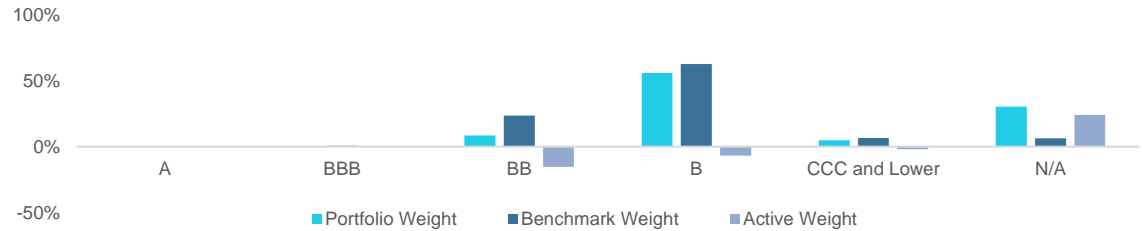
## Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
4.0%	5.2%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
1.36 bps	0.76
Effective Duration 0.4	Yield to Worst 8.0%

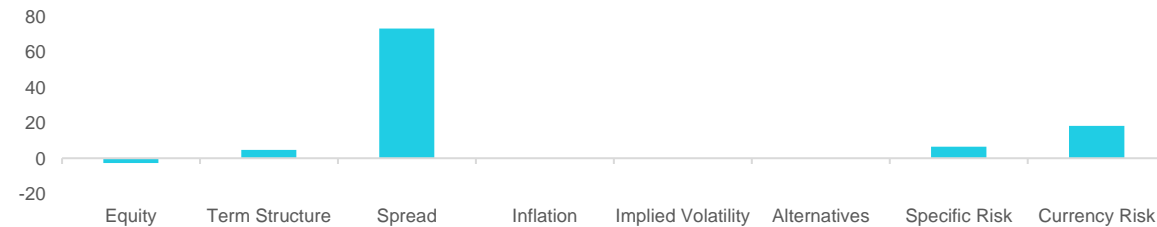
## Top 10 Countries by Weight



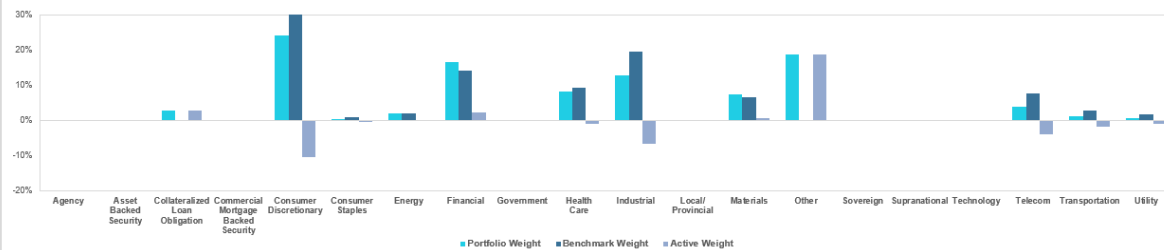
## Allocation by Moody's Rating



## Active Risk from Common Factors



## Portfolio Allocation by Bond Sector



# Credit – Liquid Credit Beach Point

for the quarter ended June 30, 2023

## 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: June 2014

## Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	279.0	0.0
Effective Duration	3.5	3.6
Convexity	0.4	0.0
Coupon Rate	6.0	5.9
Yield to Maturity	8.7	8.4
Current Yield	6.8	6.6
Rating – Moody's	B-1	B-1
Rating – S & P	B	B+

## Top Holdings (% of assets)

MPH ACQUISITION HOLDINGS	1.6%
DEALER TIRE LLC/DT ISSR	1.5%
COMPASS GROUP DIVERSIFIE	1.3%
SANDSTONE PEAK LTD.	1.1%
FORTRESS TRANS + INFRAST	1.1%

### Top 5 Holdings

**6.6%**

## Performance (net)<sup>1</sup>

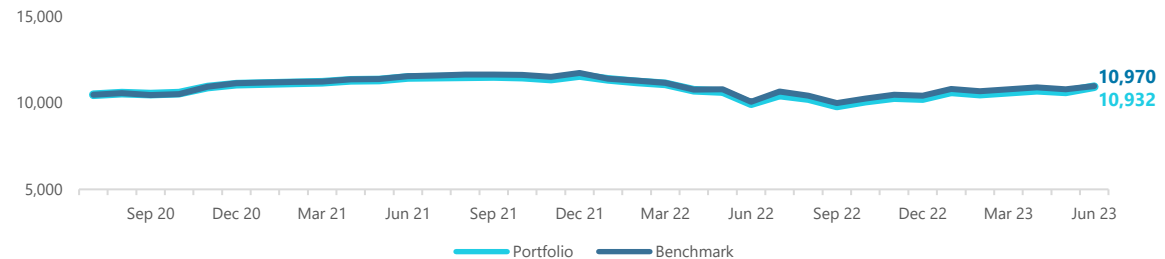
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Beach Point</b>	<b>299.5</b>	<b>3.0%</b>	<b>9.8%</b>	<b>3.0%</b>	<b>3.4%</b>
Beachpoint Custom Benchmark		1.7%	9.1%	3.1%	2.8%
Credit Policy Benchmark		1.8%	6.0%	2.4%	--

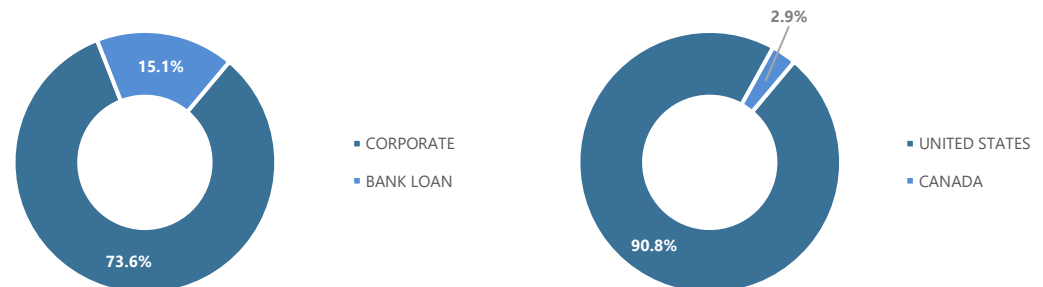
Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Beach Point</b>	<b>3.1%</b>	<b>13</b>	<b>10.3%</b>	<b>13</b>	<b>3.5%</b>	<b>27</b>	<b>3.9%</b>	<b>18</b>
Median	-0.1%		1.2%		-0.8%		1.6%	

No. of Observations: 726

## Growth of \$10,000



## Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

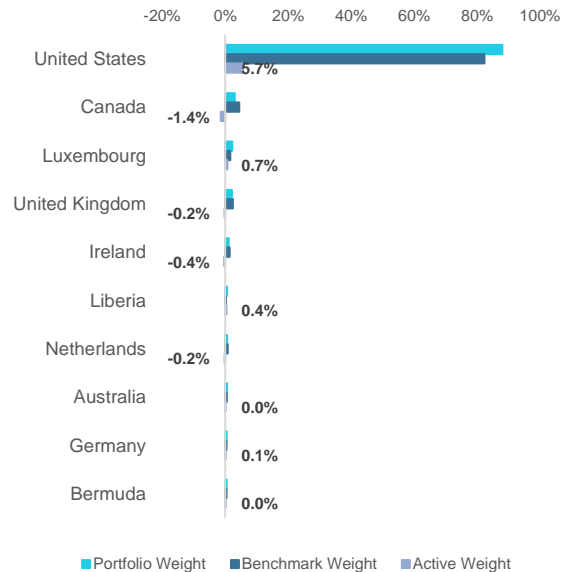
# Credit Risk Analysis – Liquid Credit Beach Point

for the quarter ended June 30, 2023

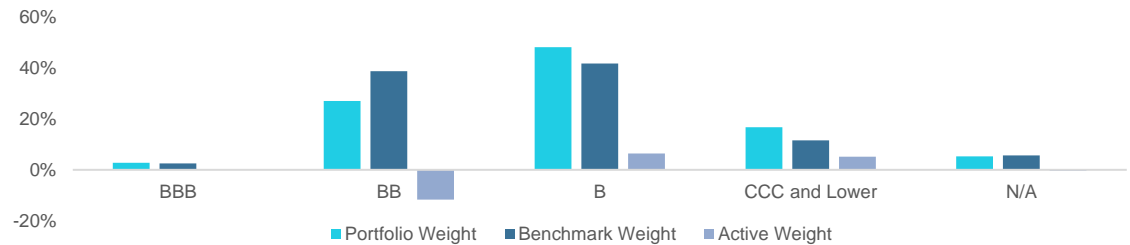
## Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
7.6%	6.6%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
1.35 bps	1.14
Effective Duration 3.6	Yield to Worst 8.4%

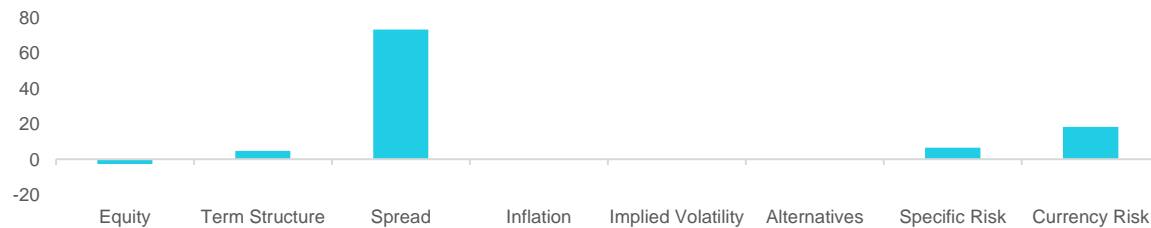
## Top 10 Countries by Weight



## Allocation by Moody's Rating



## Active Risk from Common Factors



## Portfolio Allocation by Bond Sector



# Credit – Liquid Credit Brigade Capital

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## 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	260.0	0.0
Effective Duration	2.8	3.6
Convexity	0.1	0.0
Coupon Rate	7.3	5.9
Yield to Maturity	12.3	8.4
Current Yield	9.0	6.6
Rating – Moody's	B-2	B-1
Rating – S & P	B	B+

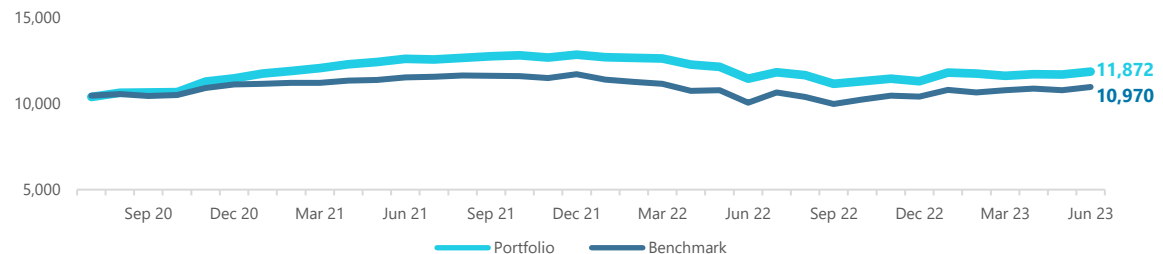
## Top Holdings (% of assets)

EPIC Y GRADE SERVICES, LP	2.7%
CORNERSTONE CHEMICAL CO	2.6%
LIFESCAN GLOBAL CORPORATION	1.7%
STRATHCONA RESOURCES	1.3%
FINANCE OF AMERICA FUNDI	1.2%
<b>Top 5 Holdings</b>	<b>9.4%</b>

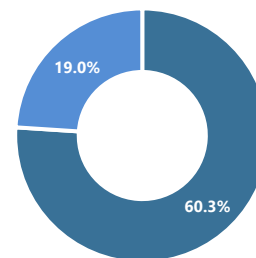
## Performance (net)<sup>1</sup>

	Ending Market Value (mm)			QTD		1 Year		3 Year		5 Year	
<b>Brigade Cap Mgmt</b>	<b>519.2</b>			<b>2.0%</b>		<b>3.6%</b>		<b>5.9%</b>		<b>2.7%</b>	
Brigade Custom Benchmark				1.7%		9.1%		3.1%		3.2%	
Credit Policy Benchmark				1.8%		6.0%		2.4%		--	
Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank			
<b>Brigade Cap Mgmt</b>	<b>2.2%</b>	<b>18</b>	<b>4.0%</b>	<b>27</b>	<b>6.3%</b>	<b>20</b>	<b>3.3%</b>	<b>22</b>			
Median	-0.1%		1.2%		-0.8%		1.6%				
No. of Observations	726										

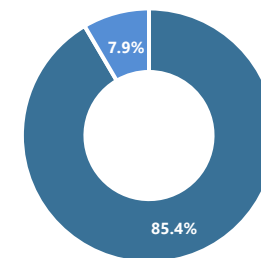
## Growth of \$10,000



## Top Exposures (% of assets)<sup>2</sup>



■ CORPORATE  
■ BANK LOAN



■ UNITED STATES  
■ CANADA

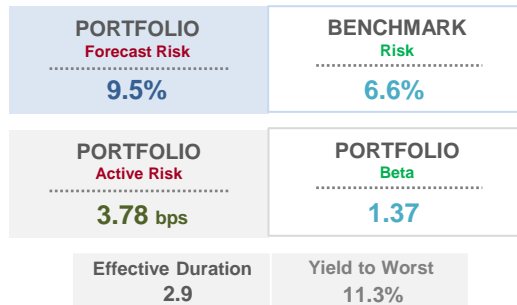
<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

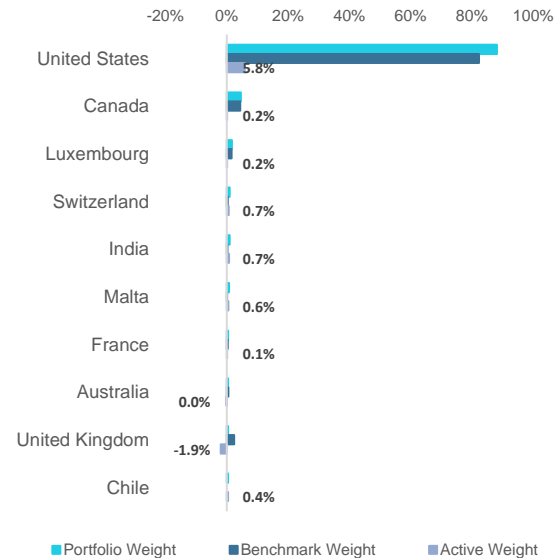
# Credit Risk Analysis – Liquid Credit Brigade Capital

for the quarter ended June 30, 2023

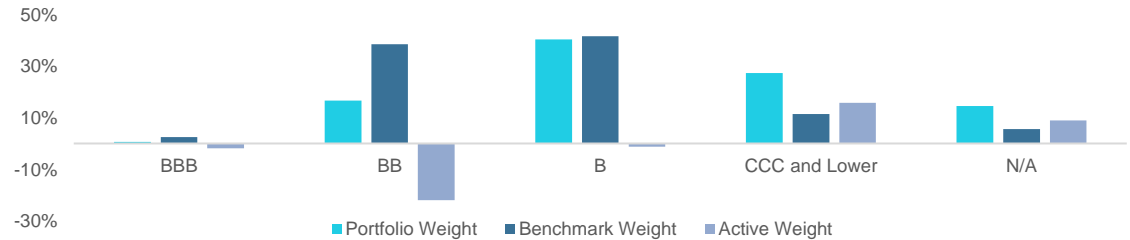
## Portfolio Risk Summary



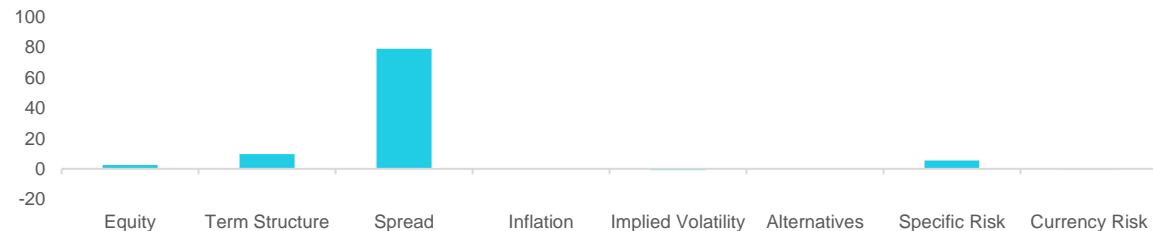
## Top 10 Countries by Weight



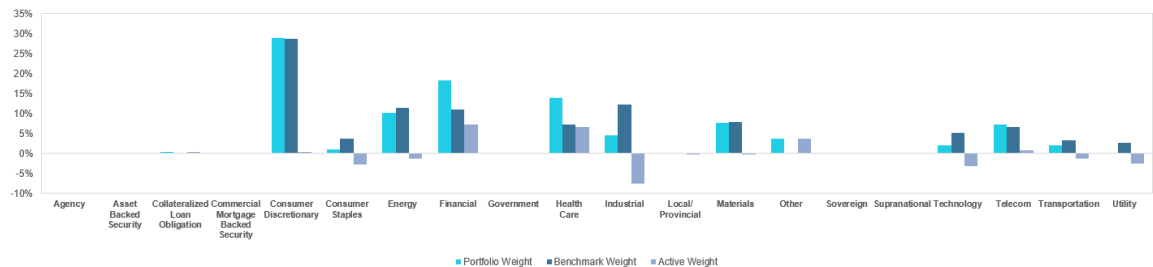
## Allocation by Moody's Rating



## Active Risk from Common Factors



## Portfolio Allocation by Bond Sector



# Credit – Liquid Credit

## Credit Suisse

for the quarter ended June 30, 2023

### 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	406.0	0.0
Effective Duration	0.1	3.6
Convexity	0.0	0.0
Coupon Rate	9.3	5.9
Yield to Maturity	9.8	8.4
Current Yield	9.7	6.6
Rating – Moody's	B-2	B-1
Rating – S & P	B	B+

### Top Holdings (% of assets)

FINASTRA USA, INC.	1.4%
HYLAND SOFTWARE INC	1.4%
WILLIAM MORRIS ENDEAVOR ENTMT	1.1%
CERIDIAN HCM HLDG INC	1.1%
ULTIMATE SOFTWARE GROUP INC.	1.0%
<b>Top 5 Holdings</b>	<b>6.0%</b>

### Performance (net)<sup>1</sup>

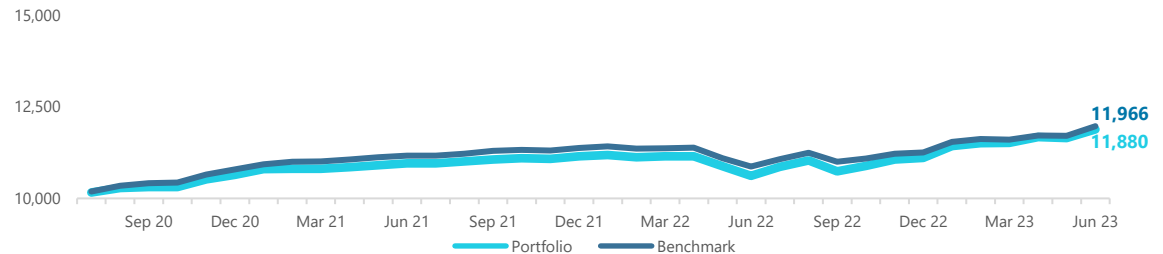
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Credit Suisse Bank Loans</b>	<b>660.5</b>	<b>3.1%</b>	<b>12.0%</b>	<b>5.9%</b>	--
CS Leveraged Loan Index		3.1%	10.1%	6.2%	--
Credit Policy Benchmark		1.8%	6.0%	2.4%	--

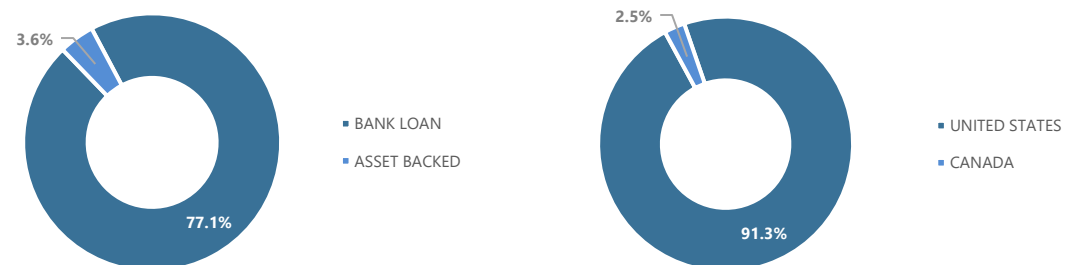
Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Credit Suisse Bank Loans</b>	<b>3.3%</b>	<b>12</b>	<b>12.2%</b>	<b>9</b>	<b>6.1%</b>	<b>21</b>	--	--
Median	-0.1%		1.2%		-0.8%		--	

No. of Observations: 726

### Growth of \$10,000



### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Credit Risk Analysis – Liquid Credit

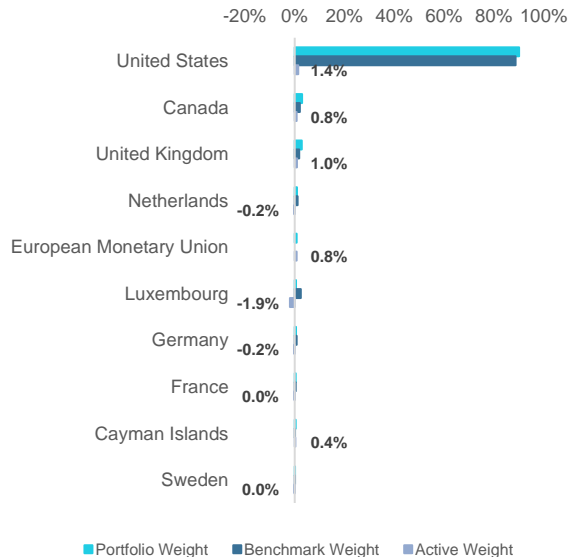
## Credit Suisse

for the quarter ended June 30, 2023

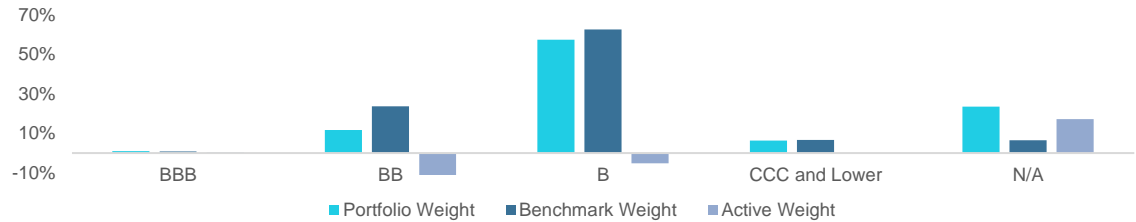
### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
4.0%	5.2%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
1.32 bps	0.76
Effective Duration 0.4	Yield to Worst 6.0%

### Top 10 Countries by Weight



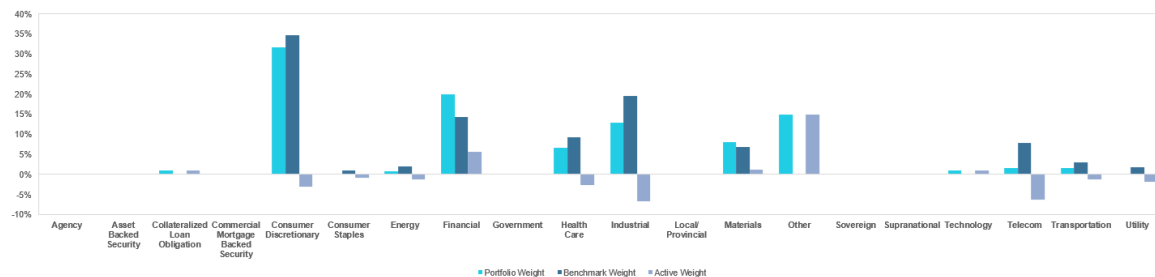
### Allocation by Moody's Rating



### Active Risk from Common Factors



### Portfolio Allocation by Bond Sector





# Credit – Liquid Credit Crescent Capital

for the quarter ended June 30, 2023

## 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	138.0	0.0
Effective Duration	0.2	3.6
Convexity	0.0	0.0
Coupon Rate	10.1	5.9
Yield to Maturity	11.5	8.4
Current Yield	11.0	6.6
Rating – Moody's	B-2	B-1
Rating – S & P	B-	B+

## Top Holdings (% of assets)

MAGNATE WORLDWIDE LLC	2.0%
ARCLINE FM HOLDINGS, LLC	1.9%
CTC HOLDINGS LP	1.9%
LIFEMILES LTD	1.9%
LASERAWAY INTERM HOLD II LLC	1.9%

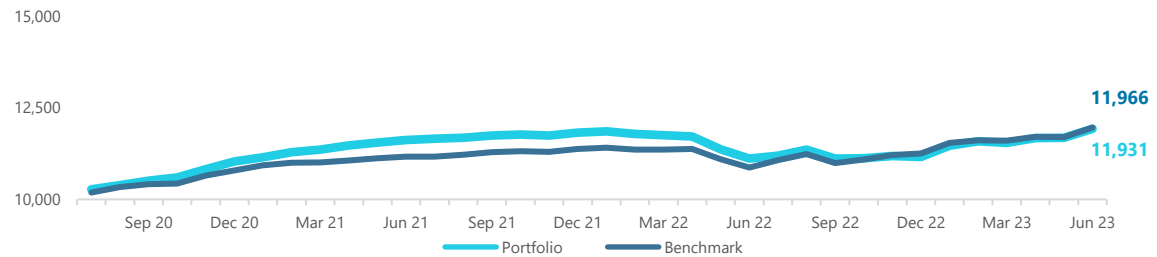
### Top 5 Holdings

9.6%

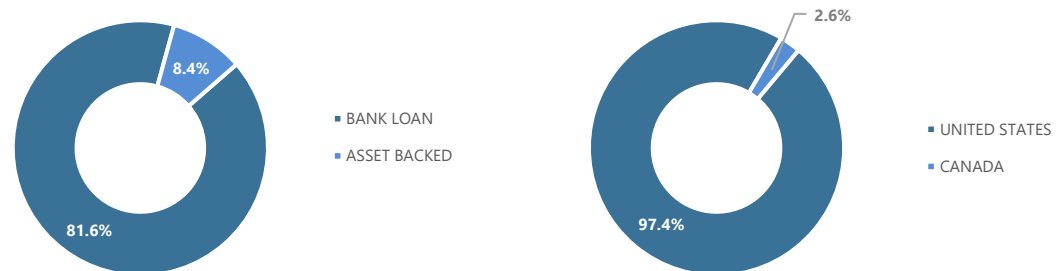
## Performance (net)<sup>1</sup>

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year				
<b>Crescent Capital</b>	<b>460.4</b>	<b>3.3%</b>	<b>7.3%</b>	<b>6.1%</b>	<b>4.5%</b>				
Bank Loans Custom Benchmark		3.1%	10.1%	6.2%	4.6%				
Credit Policy Benchmark		1.8%	6.0%	2.4%	--				
Universe data: U.S. Fixed Income Funds		QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Crescent Capital</b>		<b>3.5%</b>	<b>11</b>	<b>7.8%</b>	<b>19</b>	<b>6.6%</b>	<b>20</b>	<b>5.0%</b>	<b>14</b>
Median		-0.1%		1.2%		-0.8%		1.6%	
No. of Observations		726							

## Growth of \$10,000



## Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Credit Risk Analysis – Liquid Credit Crescent Capital

for the quarter ended June 30, 2023

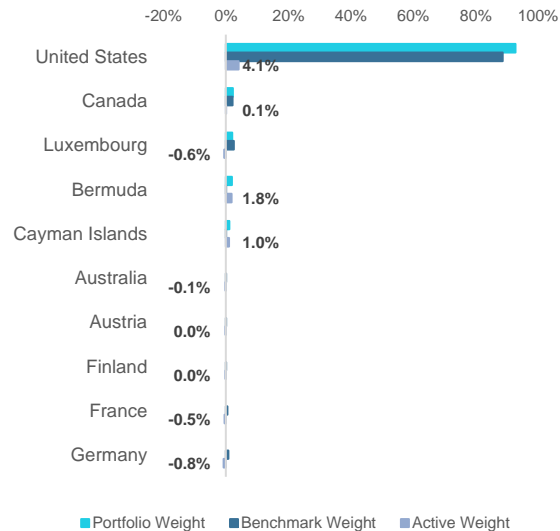


Los Angeles County Employees Retirement Association

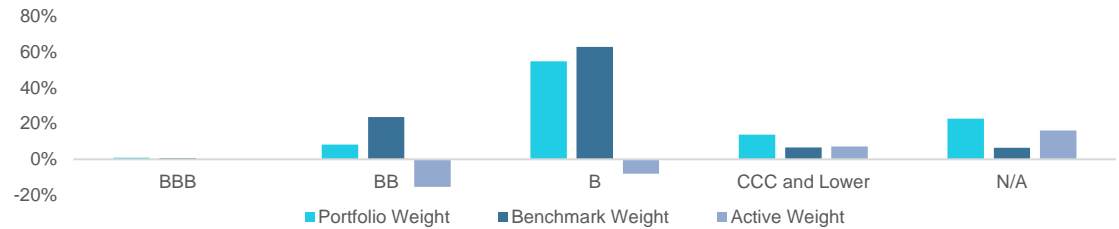
## Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
6.9%	5.2%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
1.32 bps	0.76
Effective Duration 0.4	Yield to Worst 8.2%

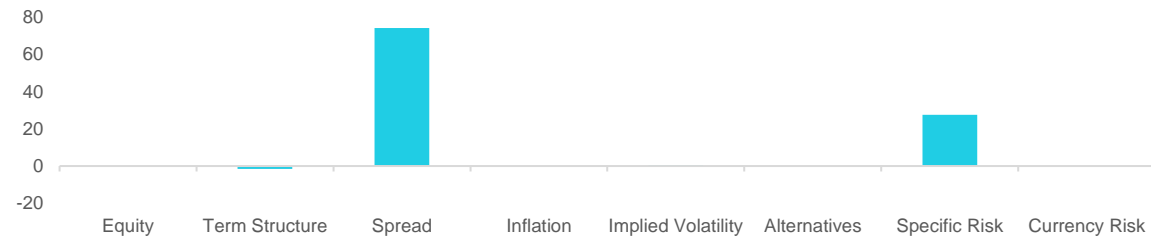
## Top 10 Countries by Weight



## Allocation by Moody's Rating



## Active Risk from Common Factors



## Portfolio Allocation by Bond Sector



# Credit – Liquid Credit Pinebridge

for the quarter ended June 30, 2023

## Strategy

Active manager of a broadly diversified portfolio primarily of U.S. dollar denominated high yield securities.

Inception Date: August 2021

## Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	299.0	0.0
Effective Duration	6.3	6.2
Convexity	0.6	0.7
Coupon Rate	3.6	2.9
Yield to Maturity	4.7	4.6
Current Yield	3.8	3.2
Rating – Moody's	AA-2	AA-2
Rating – S & P	AA-	AA-

## Top Holdings (% of assets)

CARNIVAL CORP	1.2%
AMERICAN AIRLINES INC	1.2%
OCCIDENTAL PETROLEUM COR	1.0%
ALTICE FINANCING SA	0.9%
CCO HLDGS LLC/CAP CORP	0.9%

## Top 5 Holdings

5.2%

## Performance (net)<sup>1</sup>

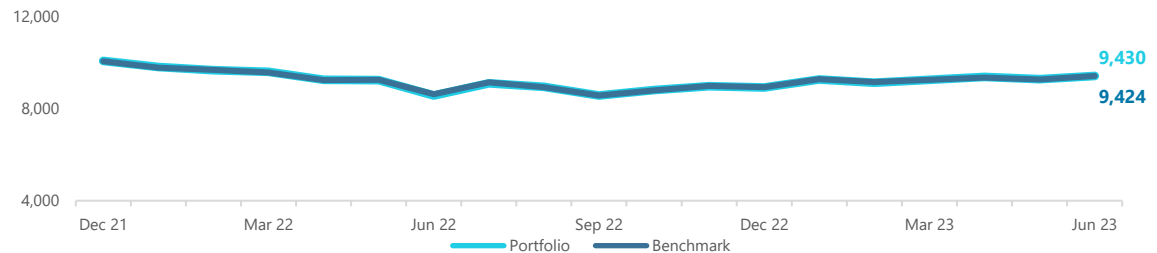
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Pinebridge Investments</b>	<b>449.6</b>	<b>1.8%</b>	<b>9.9%</b>	--	--
BBG BARC US Corp HY Idx		1.7%	9.1%	--	--
Credit Policy Benchmark		1.8%	6.0%	2.4%	--

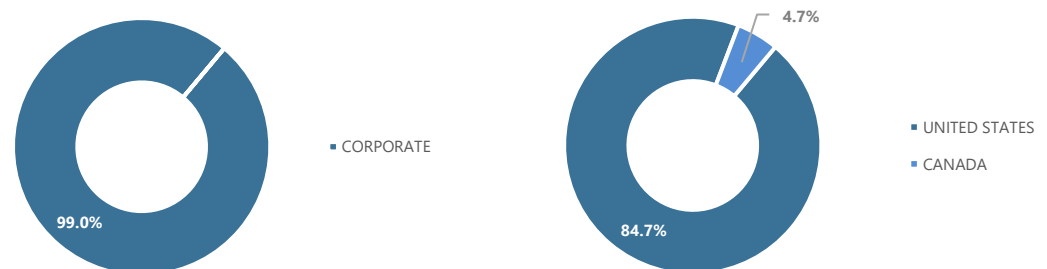
Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Pinebridge Investments</b>	<b>1.8%</b>	<b>20</b>	<b>10.2%</b>	<b>13</b>	--	--	--	--
Median	-0.1%		1.2%		--		--	

No. of Observations: 726

## Growth of \$10,000



## Top Exposures (% of assets)



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

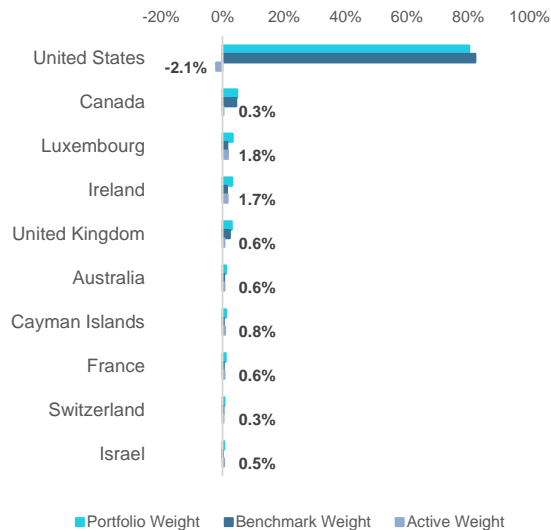
# Credit Risk Analysis – Liquid Credit Pinebridge

for the quarter ended June 30, 2023

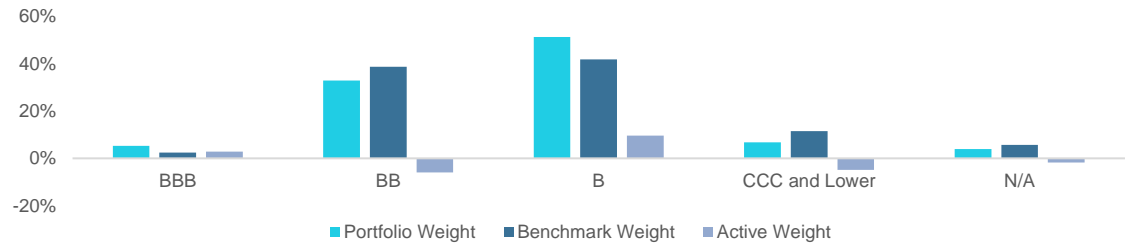
## Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
6.7%	6.6%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
0.55 bps	1.00
Effective Duration 3.7	Yield to Worst 8.3%

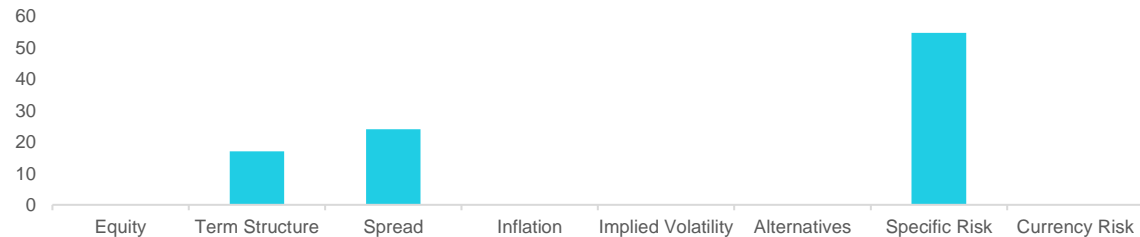
## Top 10 Countries by Weight



## Allocation by Moody's Rating



## Active Risk from Common Factors



## Portfolio Allocation by Bond Sector

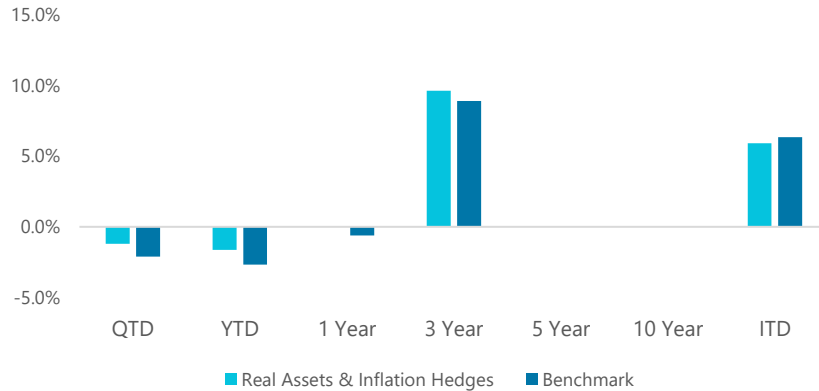


# real assets & inflation hedges

# Summary

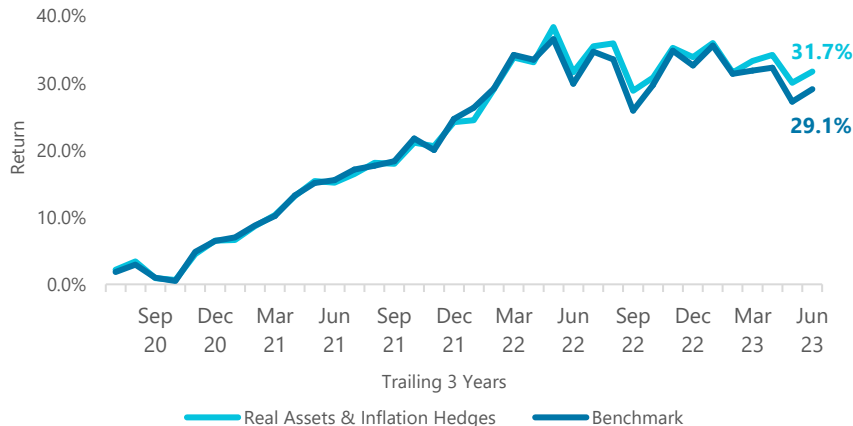
for the quarter ended June 30, 2023

## Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>Real Assets &amp; Inflation Hedges</b>	<b>-1.2%</b>	<b>-1.6%</b>	<b>0.1%</b>	<b>9.6%</b>	--	--	<b>5.9%</b>
Benchmark	-2.1%	-2.7%	-0.6%	8.9%	--	--	6.3%
Excess	0.9%	1.0%	0.7%	0.7%	--	--	-0.4%

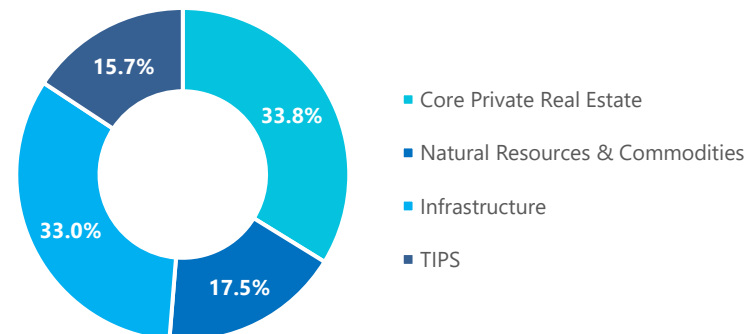
## Cumulative Return



## Functional Category

	QTD	FYTD	1 Year	3 Year
<b>Core Private Real Estate</b>	<b>-3.6%</b>	<b>-1.7%</b>	<b>-1.7%</b>	<b>8.0%</b>
Core Private RE Policy Benchmark	-3.4%	-3.9%	-3.9%	7.7%
Excess	-0.2%	2.2%	2.2%	0.3%
<b>Natural Resources &amp; Commodities</b>	<b>0.2%</b>	<b>1.1%</b>	<b>1.1%</b>	<b>21.2%</b>
Nat Res & Comm Policy Benchmark	-3.4%	1.8%	1.8%	18.8%
Excess	3.6%	-0.6%	-0.6%	2.4%
<b>Infrastructure</b>	<b>0.7%</b>	<b>1.6%</b>	<b>1.6%</b>	<b>9.0%</b>
DJ Brookfield Global Infra Comp	-0.4%	0.8%	0.8%	7.4%
Excess	1.1%	0.8%	0.8%	1.5%
<b>TIPS</b>	<b>-1.4%</b>	<b>-1.8%</b>	<b>-1.8%</b>	<b>-0.2%</b>
Bloomberg U.S. Treasury: U.S. TIPS	-1.4%	-1.4%	-1.4%	-0.1%
Excess	0.0%	-0.4%	-0.4%	-0.1%

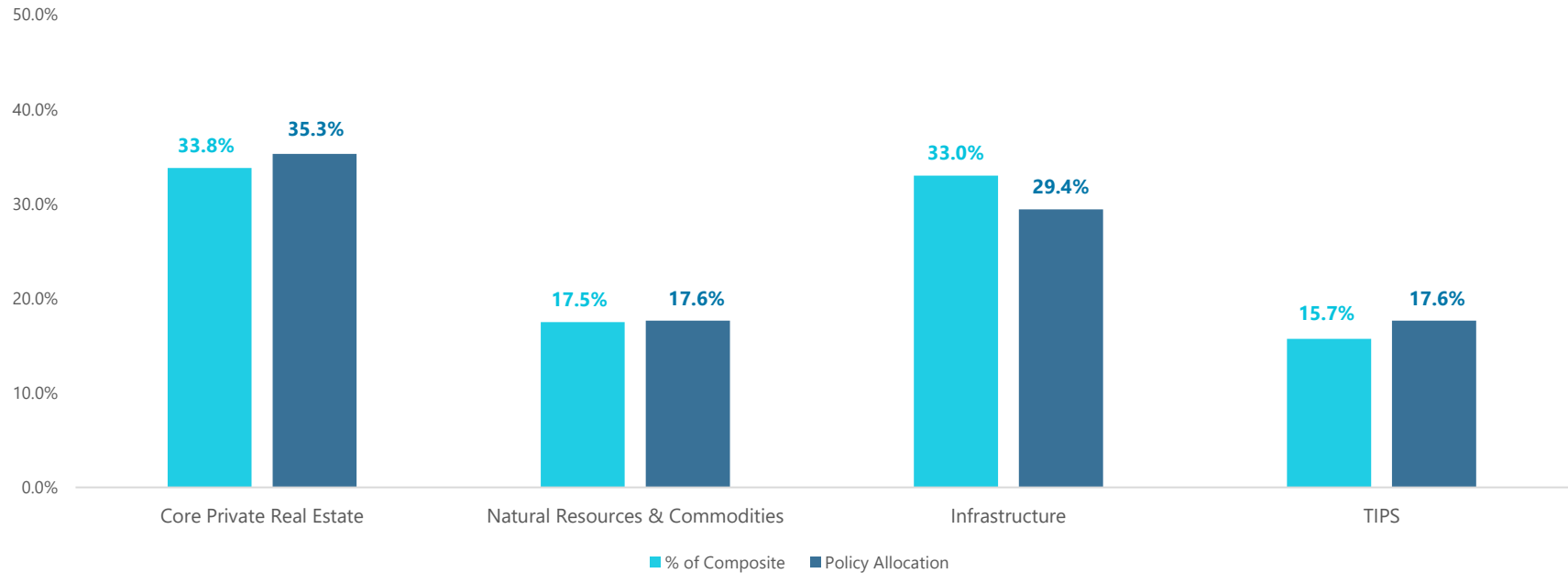
## Exposure



# Asset Allocation

for the quarter ended June 30, 2023

## Actual vs. Policy

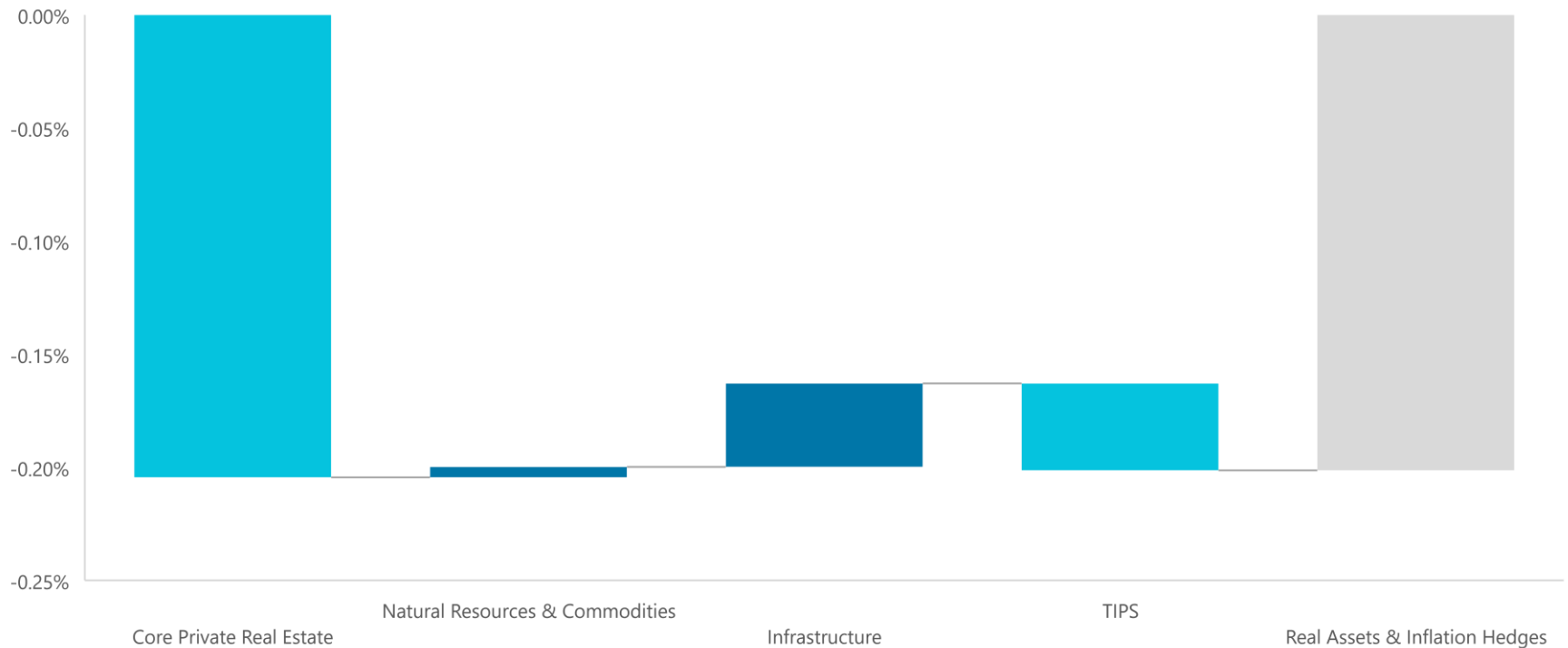


	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
<b>Real Assets &amp; Inflation Hedges</b>	<b>12,050</b>	<b>100.0%</b>	<b>100.0%</b>		
Core Private Real Estate	4,071	33.8%	35.3%	-1.5%	-182
Natural Resources & Commodities	2,110	17.5%	17.6%	-0.1%	-17
Infrastructure	3,974	33.0%	29.4%	3.6%	430
TIPS	1,896	15.7%	17.6%	-1.9%	-231

# Contribution to Return

for the quarter ended June 30, 2023

## QTD Contribution to Return



Functional Category		Contributors		Detractors	
Core Private Real Estate	-0.20%	Orion Mine Finance Fund III	0.03%	Real Estate - Real Assets	-0.20%
Natural Resources & Commodities	0.00%	TIAA-CREF Global Agriculture I	0.02%	BlackRock TIPS	-0.04%
Infrastructure	0.04%	HiTecVision New Energy	0.01%	DWS Natural Resources	-0.04%
TIPS	-0.04%	KKR DCIF	0.01%	Credit Suisse Commodity	-0.01%
Real Assets & Inflation Hedges	-0.20%	Axium Infrastructure	0.01%	Grain Spectrum Holdings III	-0.01%



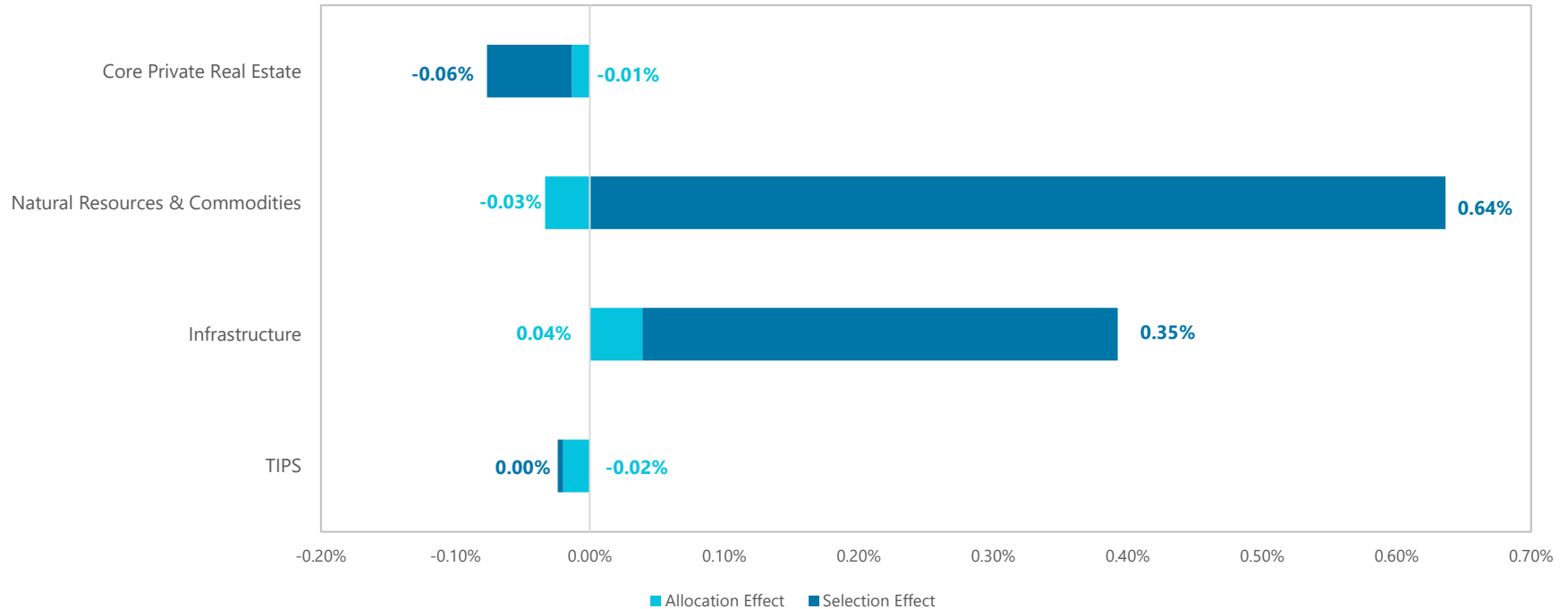
# Return Attribution

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## QTD Performance Attribution<sup>1</sup>



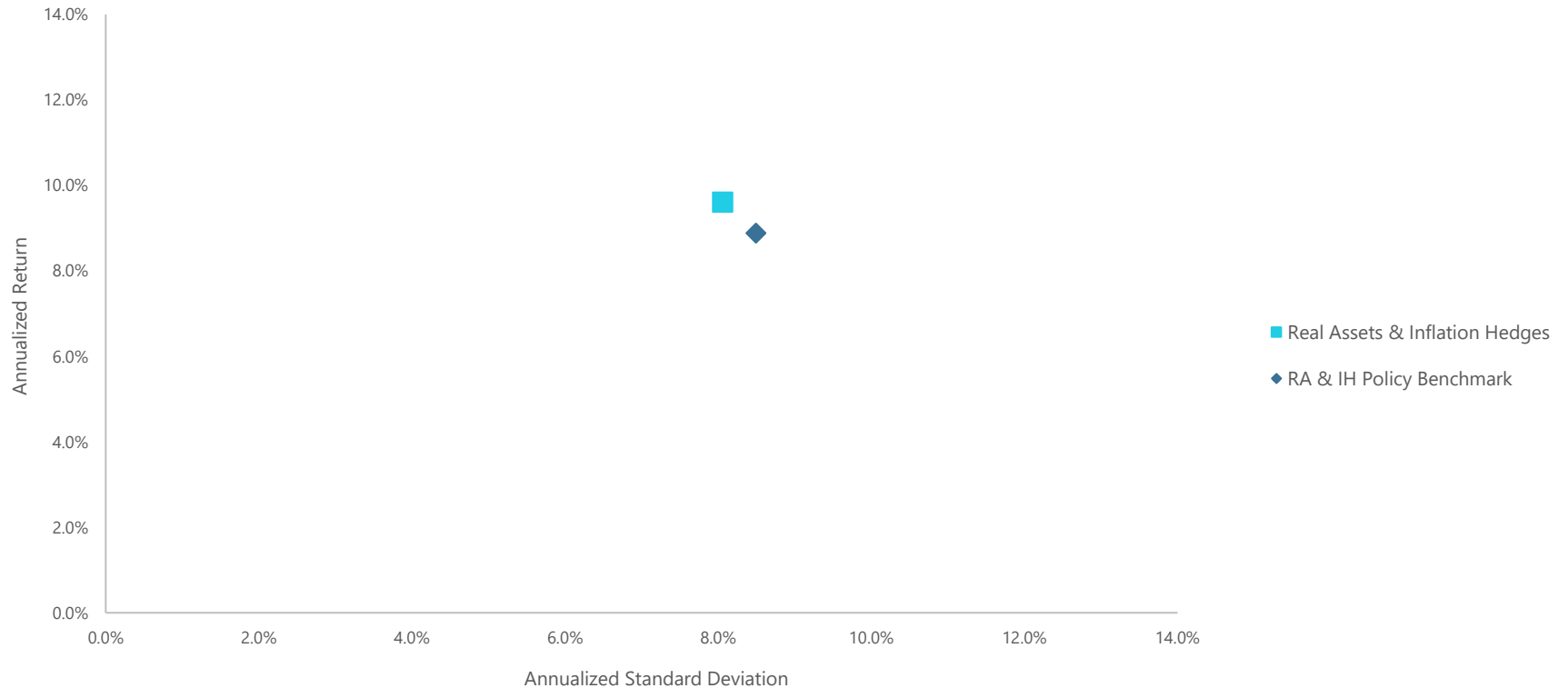
	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
<b>Real Assets &amp; Inflation Hedges</b>	<b>12,050</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-1.2%</b>	<b>-2.1%</b>	<b>-0.03%</b>	<b>0.92%</b>	<b>0.90%</b>
Core Private Real Estate	4,071	33.8%	35.3%	-3.6%	-3.4%	-0.01%	-0.06%	-0.08%
Natural Resources & Commodities	2,110	17.5%	17.6%	0.2%	-3.4%	-0.03%	0.64%	0.60%
Infrastructure	3,974	33.0%	29.4%	0.7%	-0.4%	0.04%	0.35%	0.39%
TIPS	1,896	15.7%	17.6%	-1.4%	-1.4%	-0.02%	0.00%	-0.02%

<sup>1</sup> Total Value Add column includes Interaction Effect.

# Risk vs. Return

for the quarter ended June 30, 2023

## 3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
<b>Real Assets &amp; Inflation Hedges</b>	<b>9.6%</b>	<b>8.1%</b>				
RA & IH Policy Benchmark	8.9%	8.5%	1.04	0.31	0.91	2.6%

# Performance Detail

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Annualized Net Returns<sup>1</sup>

	% of Composite	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD	Inception Date
<b>Real Assets &amp; Inflation Hedges</b>	<b>100.0%</b>	<b>12,050</b>	<b>12,202</b>	<b>-1.2%</b>	<b>-1.6%</b>	<b>0.1%</b>	<b>9.6%</b>	--	--	<b>5.9%</b>	<b>Apr-2019</b>
RA & IH Policy Benchmark				-2.1%	-2.7%	-0.6%	8.9%	--	--	6.3%	
<b>Core Private Real Estate</b>	<b>33.8%</b>	<b>4,071</b>	<b>4,124</b>	<b>-3.6%</b>	<b>-8.0%</b>	<b>-1.7%</b>	<b>8.0%</b>	<b>6.4%</b>	<b>7.9%</b>	<b>7.0%</b>	<b>Oct-1985</b>
Core Private RE Policy Benchmark				-3.4%	-8.4%	-3.9%	7.7%	6.9%	8.9%	6.9%	
<b>Natural Resources &amp; Commodities</b>	<b>17.5%</b>	<b>2,110</b>	<b>2,197</b>	<b>0.2%</b>	<b>0.3%</b>	<b>1.1%</b>	<b>21.2%</b>	<b>6.2%</b>	<b>0.4%</b>	<b>-0.8%</b>	<b>Jul-2007</b>
Nat Res & Comm Policy Benchmark				-3.4%	-4.9%	1.8%	18.8%	5.8%	-0.5%	-2.0%	
Appian Fund III	0.0%	4	0	--	--	--	--	--	--	0.5%	Jun-2023
Cibus Enterprise II	0.0%	5	4	-0.1%	3.2%	-8.7%	--	--	--	-8.2%	Jun-2022
Cibus Fund II	0.2%	29	18	-2.5%	-4.2%	-15.8%	--	--	--	-14.9%	Jun-2022
Co-Investments - Natural Resources	0.2%	24	15	0.0%	-0.1%	--	--	--	--	0.0%	Oct-2022
Credit Suisse Commodity	2.4%	286	295	-2.9%	-8.4%	-10.2%	18.2%	5.3%	-0.5%	-2.6%	Mar-2011
DWS Natural Resources	4.0%	478	632	-3.9%	-6.1%	2.7%	19.0%	--	--	9.9%	Jun-2019
HiTecVision New Energy	0.8%	95	86	7.1%	21.7%	--	--	--	--	32.0%	Sep-2022
Neuberger Berman/Gresham	2.8%	338	344	-1.8%	-7.7%	-11.0%	18.3%	4.4%	-0.4%	-1.1%	Jul-2007
Orion Mine Finance Fund III	1.1%	133	126	14.7%	14.7%	13.3%	--	--	--	13.1%	Sep-2021
Orion Mining Royalty Fund I	0.2%	23	24	-2.7%	-2.7%	-14.8%	--	--	--	-2.4%	Sep-2021
Private Equity - Real Assets	0.7%	82	83	-0.4%	1.6%	1.4%	7.0%	--	--	-7.4%	Jan-2019
Sprott	0.4%	45	19	-1.7%	--	--	--	--	--	-1.7%	Mar-2023
TIAA-CREF Global Agriculture I	2.4%	295	279	6.4%	16.0%	11.7%	--	--	--	19.4%	Dec-2021
TIAA-CREF Global Agriculture II	2.3%	272	272	1.1%	9.7%	7.2%	--	--	--	13.2%	Dec-2021
<b>Infrastructure</b>	<b>33.0%</b>	<b>3,974</b>	<b>3,958</b>	<b>0.7%</b>	<b>2.6%</b>	<b>1.6%</b>	<b>9.0%</b>	--	--	<b>7.0%</b>	<b>Jun-2019</b>
DJ Brookfield Global Infra Comp				-0.4%	2.7%	0.8%	7.4%	--	--	3.7%	
Antin Mid Cap	0.4%	50	40	0.4%	5.5%	10.9%	--	--	--	-3.6%	Dec-2021
Axiom Infrastructure	2.2%	263	259	2.0%	3.9%	7.4%	--	--	--	4.0%	Dec-2021
Axiom Infrastructure Canada	1.2%	150	146	3.5%	4.6%	6.0%	--	--	--	-100.0%	Nov-2021
Co-Investments - Infrastructure	0.3%	35	26	1.0%	--	--	--	--	--	1.0%	Mar-2023
DIF CIF III	0.4%	44	34	4.0%	-3.5%	1.5%	--	--	--	0.6%	Jun-2022
DIF Infrastructure VI	1.0%	119	100	2.3%	-0.2%	11.4%	--	--	--	17.6%	Mar-2021
DWS Infrastructure	21.0%	2,525	2,593	0.2%	1.4%	-0.3%	8.2%	--	--	6.5%	Jun-2019
Grain Communications Opportunity III	0.4%	44	38	2.2%	4.4%	1.9%	--	--	--	-100.0%	Feb-2021
Grain Spectrum Holdings III	0.6%	66	70	-5.6%	38.5%	38.1%	--	--	--	12.1%	Nov-2020
KKR DCIF	4.2%	509	506	1.1%	2.6%	4.5%	--	--	--	3.6%	Apr-2022
Pan-European Infrastructure Fund III	0.6%	76	68	2.5%	6.6%	11.9%	--	--	--	5.0%	Nov-2020
Partners Grp Direct Infra 2020	0.8%	92	76	4.4%	10.3%	13.3%	--	--	--	10.8%	Jan-2022
<b>TIPS</b>											
Blackrock TIPS	<b>15.7%</b>	<b>1,896</b>	<b>1,924</b>	<b>-1.4%</b>	<b>1.9%</b>	<b>-1.8%</b>	<b>-0.2%</b>	--	--	<b>2.4%</b>	<b>May-2019</b>
Bloomberg U.S. Treasury: U.S. TIPS				-1.4%	1.9%	-1.4%	-0.1%	--	--	2.4%	

<sup>1</sup> Private natural resources and infrastructure funds reflect early-stage life cycle performance.

# Real Assets & Inflation Hedges Risk Summary

for the quarter ended June 30, 2023

## Realized (Ex-Post) Risks

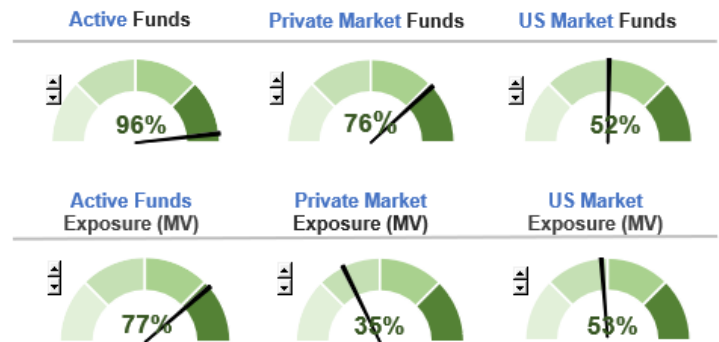
<b>\$12.0B</b>	<b>REAL ASSETS</b> 1Y Realized Return
	<b>0.1%</b>
<b>PORTFOLIO</b> Beta	<b>PARAMETRIC</b> VaR
<b>1.01</b>	<b>23.2%</b>

**Real Assets & Inflation Hedges**

**Value at Risk VARIABLES**

95% Confidence Interval  
1Y Time Horizon

With **95% confidence** ( $2\sigma$ ),  
LACERA would not lose more than  
**\$2.8B** in **1Y**.



## Projected (Ex-Ante) Risks

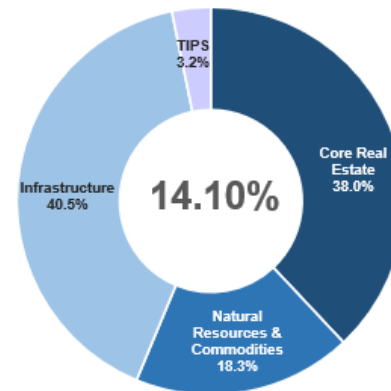
**Real Assets Forecast Risk**  
**14.10%**

**Benchmark Risk**  
**13.60%**

**Real Assets Active Risk**  
**3.47 bps**

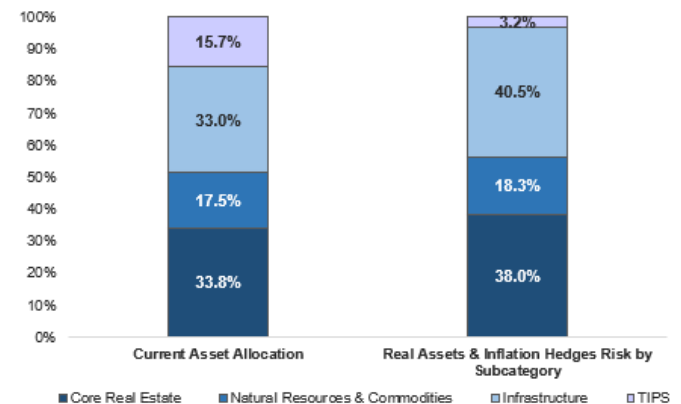
- Core Private Real Estate: 4.30 bps
- Natural Resources & Commodities: 4.86 bps
- Infrastructure: 7.82 bps
- TIPS: 0.10 bps

## Subcategory Contributions to Real Assets and Inflation Hedges Risk



## Real Assets and Inflation Hedges Asset Allocation

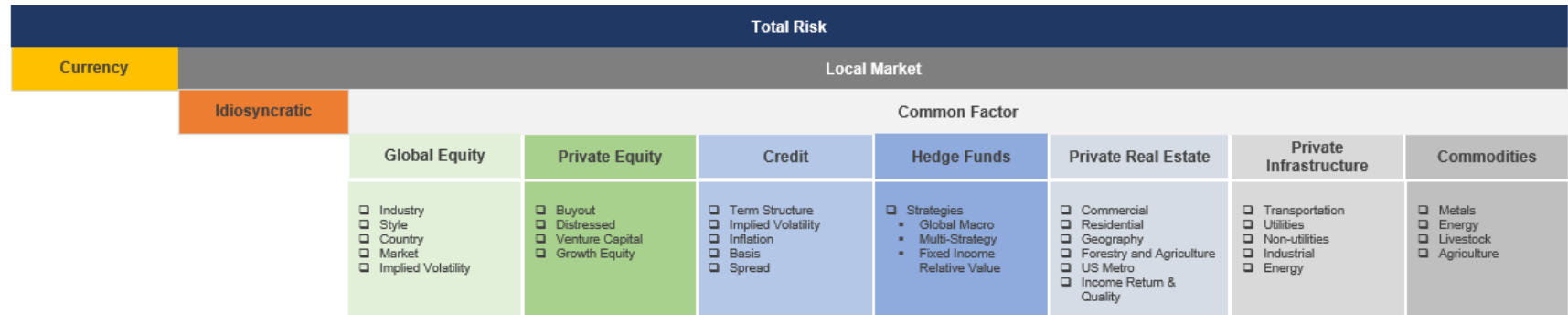
Capital-based versus Risk-based



# Real Assets & Inflation Hedges Risk Summary

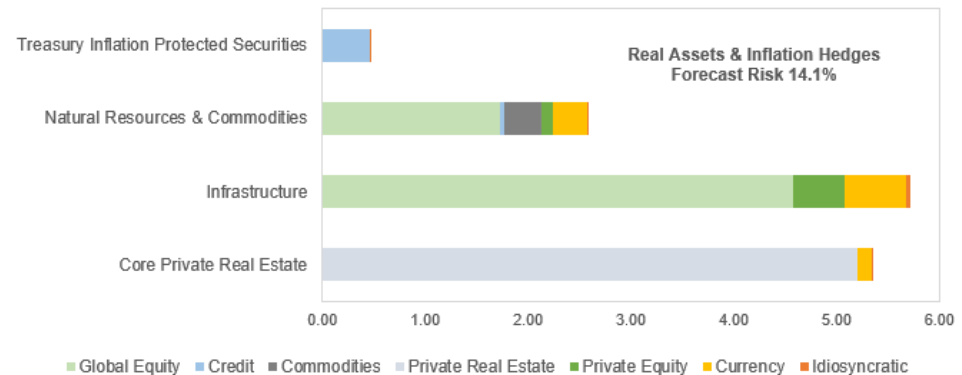
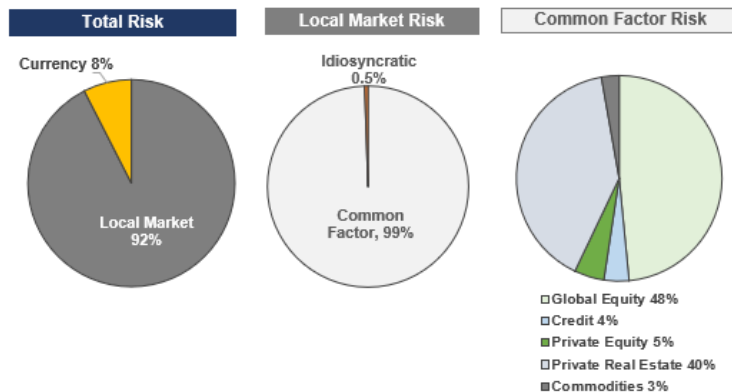
for the quarter ended June 30, 2023

## Decomposition of MSCI Risk Factors



## Real Assets & Inflation Hedges Risk Decomposition

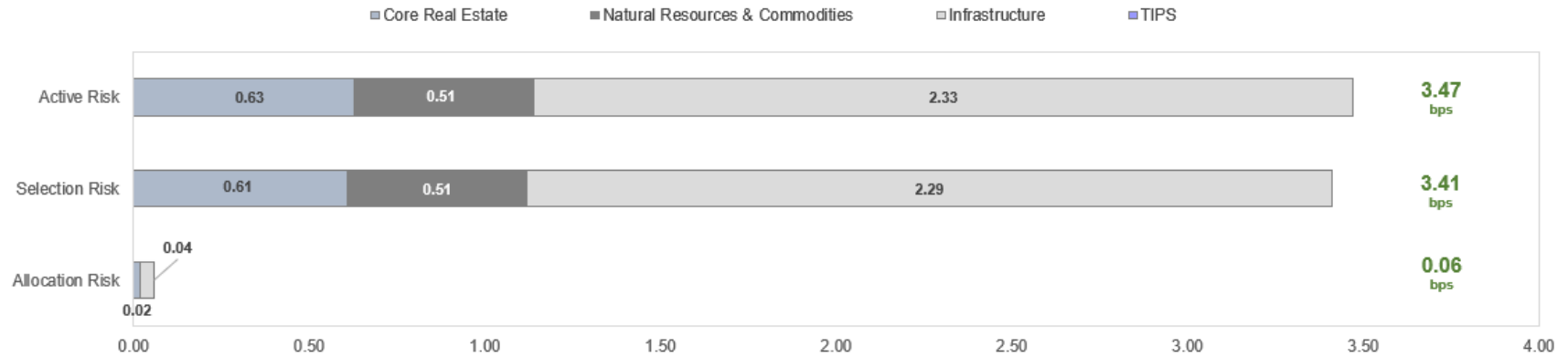
## Subcategory Contributions by Risk Factor



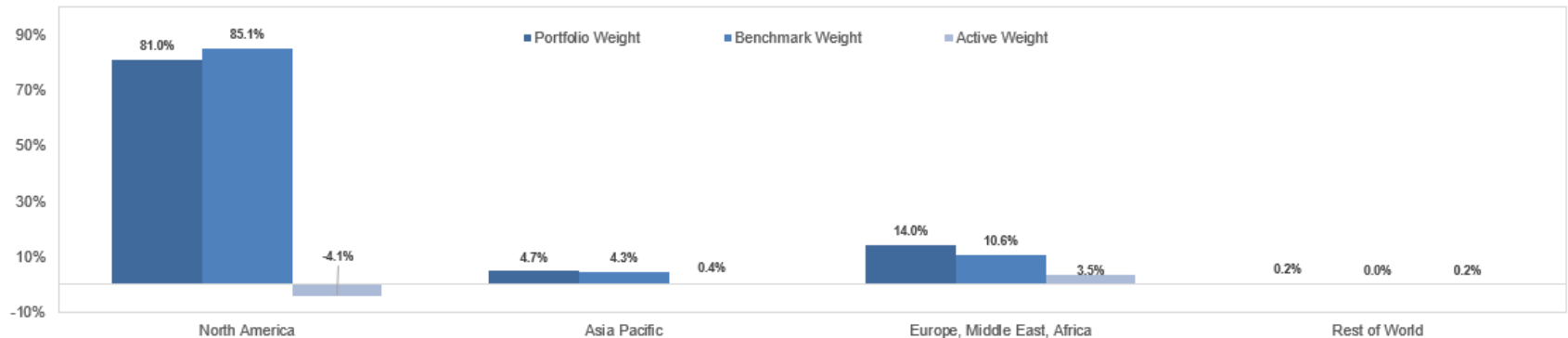
# Real Assets & Inflation Hedges Risk Summary

for the quarter ended June 30, 2023

## Subcategory Contributions to Active Risk



## Portfolio Allocation by Region<sup>1,2</sup>



<sup>2</sup> Rest of World is sum of countries with weights below 0.5%.

# Real Assets & Inflation Hedges

## Natural Resources & Commodities

### Credit Suisse

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

#### Strategy

Seeks to provide a hedge against inflation and exposure to commodities markets such as energy, agriculture and timber, and metals and mining.

Inception Date: June 2011

#### Risk Statistics (since inception)

Standard Deviation	15.6%
Benchmark Standard Deviation	15.9%
Sharpe Ratio	0.27
Information Ratio	0.52
Beta	0.98
Tracking Error	1.0%

#### Top Holdings (% of assets)

US TREASURY FRN	17.6%
GOLD 100 OZ FUTR DEC23	16.7%
US TREASURY FRN	14.4%
US TREASURY FRN	11.3%
WTI CRUDE FUTURE SEP23	7.9%
<b>Top 5 Holdings</b>	<b>67.9%</b>

#### Performance (net)<sup>1</sup>

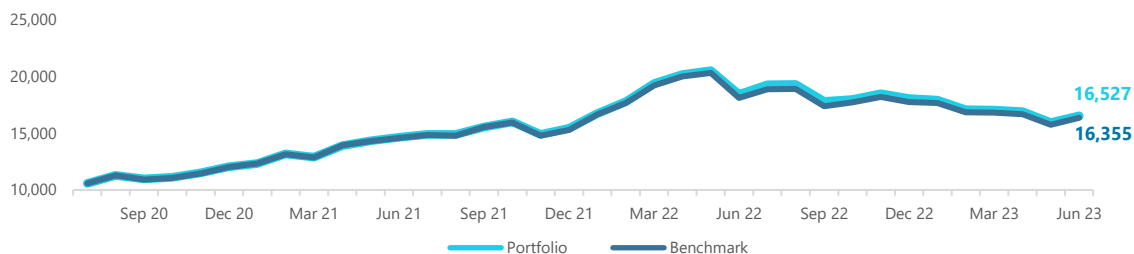
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Credit Suisse Commodity</b>	<b>286.2</b>	<b>-2.9%</b>	<b>-10.2%</b>	<b>18.2%</b>	<b>5.3%</b>
Bloomberg Commodity Index Total Return		-2.6%	-9.6%	17.8%	4.7%
RA & IH Policy Benchmark		-2.1%	-0.6%	8.9%	--

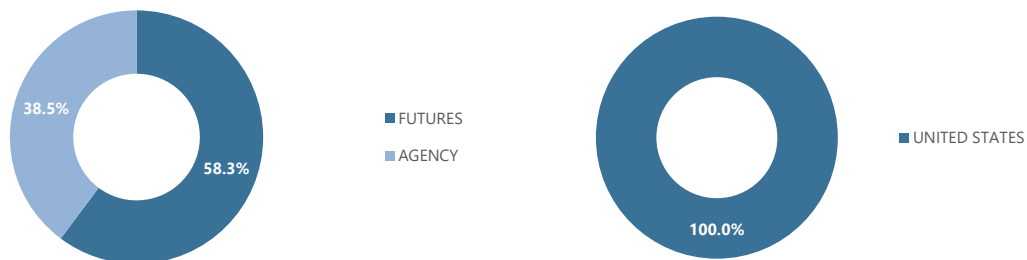
Universe data: Commodity Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Credit Suisse Commodity</b>	<b>-2.9%</b>	<b>87</b>	<b>-10.0%</b>	<b>84</b>	<b>18.5%</b>	<b>37</b>	<b>5.6%</b>	<b>69</b>
Median	0.0%		3.6%		16.4%		10.5%	

No. of Observations: 18

#### Growth of \$10,000



#### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Real Assets & Inflation Hedges Risk Analysis

## Natural Resources & Commodities

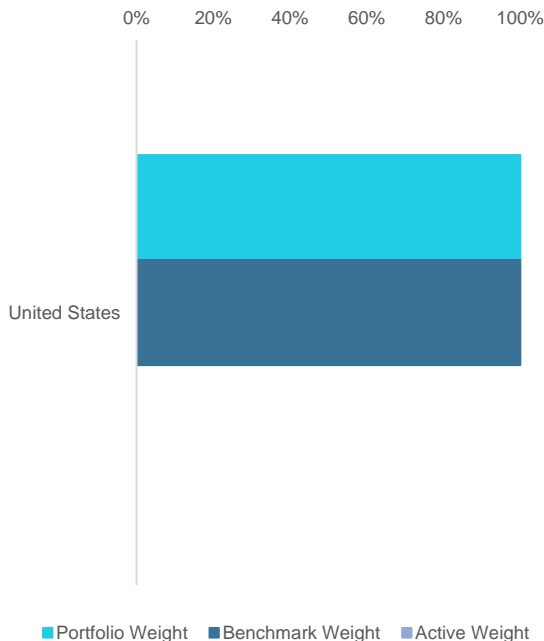
Credit Suisse

for the quarter ended June 30, 2023

### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk <hr/> <b>13.8%</b>	<b>BENCHMARK</b> Risk <hr/> <b>18.6%</b>
<b>PORTFOLIO</b> Active Risk <hr/> <b>6.57 bps</b>	<b>PORTFOLIO</b> Beta <hr/> <b>0.71</b>

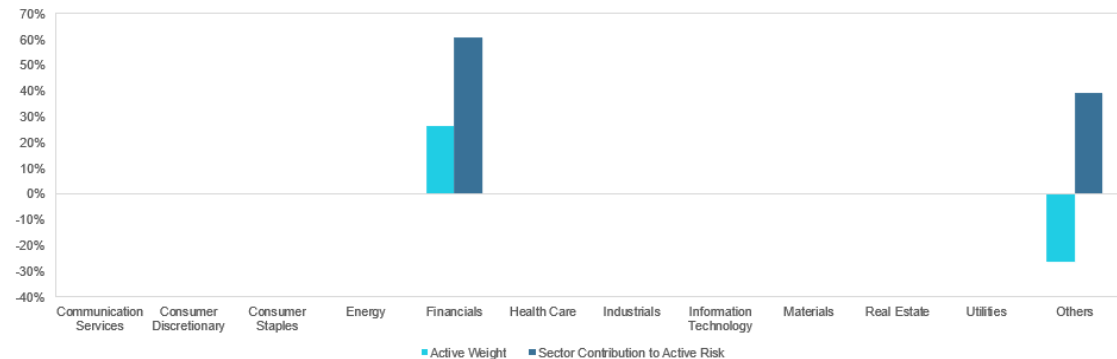
### Top Country by Weight



### Top 10 Assets by Contribution to Portfolio Active Risk

Asset	Portfolio Weight	Benchmark Weight	Active Weight	Contribution to Portfolio Active Risk (bps)
NYMEX CRUDE OIL AUG23	0.00%	0.00%	0.00%	4.69
PROXY ISSUER 0.365% JAN24	17.50%	0.00%	17.50%	2.63
PROXY ISSUER 1.666% APR24	14.34%	0.00%	14.34%	2.16
PROXY ISSUER 4.993% JUL24	11.20%	0.00%	11.20%	1.68
ICE BRENT CRUDE SEP23	0.00%	0.00%	0.00%	1.60
NYMEX NATURAL GAS AUG23	0.00%	0.00%	0.00%	1.31
FEDERAL FARM CREDIT BANKS FUNDING CORP 0.075% SEP23	7.11%	0.00%	7.11%	1.07
PROXY ISSUER 9.428% JAN25	7.01%	0.00%	7.01%	1.05
ICE GAS OIL AUG23	0.00%	0.00%	0.00%	0.98
PROXY ISSUER 8.028% OCT24	5.95%	0.00%	5.95%	0.89

### Portfolio Allocation by GICS Sector





# Real Assets & Inflation Hedges

## Natural Resources & Commodities

### DWS

for the quarter ended June 30, 2023

#### 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	24.4%
Benchmark Standard Deviation	24.4%
Sharpe Ratio	0.45
Information Ratio	-0.21
Beta	0.98
Tracking Error	4.3%

#### Top Holdings (% of assets)

CHEVRON CORP	7.9%
AGNICO EAGLE MINES LTD	6.3%
ARCHER DANIELS MIDLAND CO	5.4%
NUTRIEN LTD	5.3%
CORTEVA INC	4.9%
<b>Top 5 Holdings</b>	<b>29.9%</b>

#### Performance (net)<sup>1</sup>

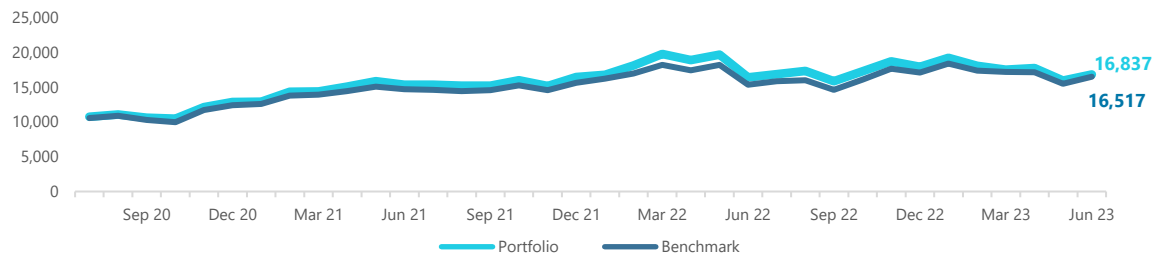
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>DWS Natural Resources</b>	<b>478.4</b>	<b>-3.9%</b>	<b>2.7%</b>	<b>19.0%</b>	<b>--</b>
DWS NR Custom Benchmark		-3.9%	7.6%	18.2%	--
RA & IH Policy Benchmark		-1.8%	-0.4%	9.0%	--

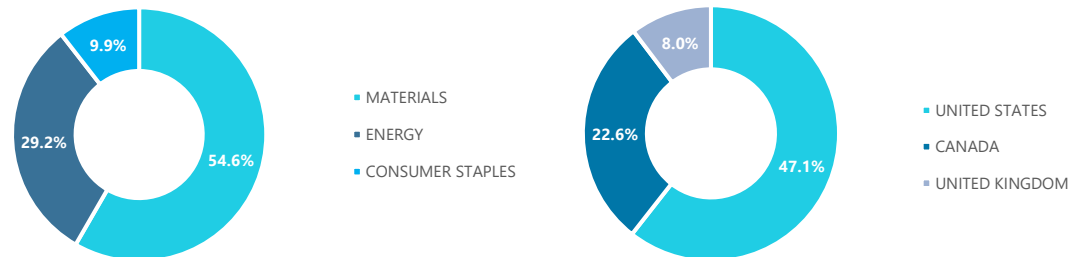
Universe data: Commodity Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>DWS Natural Resources</b>	<b>-3.8%</b>	<b>100</b>	<b>2.9%</b>	<b>52</b>	<b>19.2%</b>	<b>35</b>	<b>--</b>	<b>--</b>
Median	0.0%		3.6%		16.4%		10.5%	

No. of Observations: 18

#### Growth of \$10,000



#### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Real Assets & Inflation Hedges Risk Analysis

## Natural Resources & Commodities

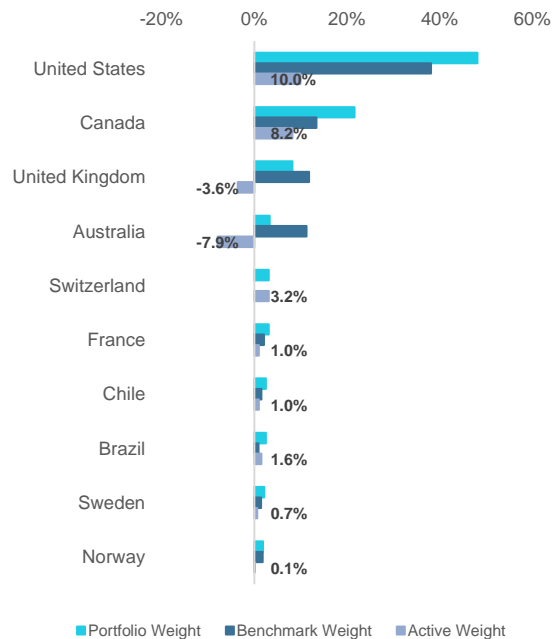
### DWS

for the quarter ended June 30, 2023

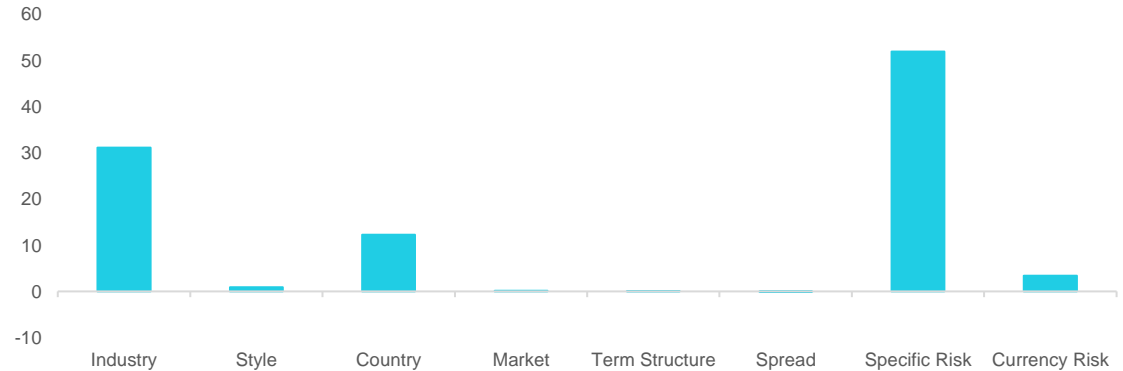
#### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
22.8%	23.4%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
4.18 bps	0.96

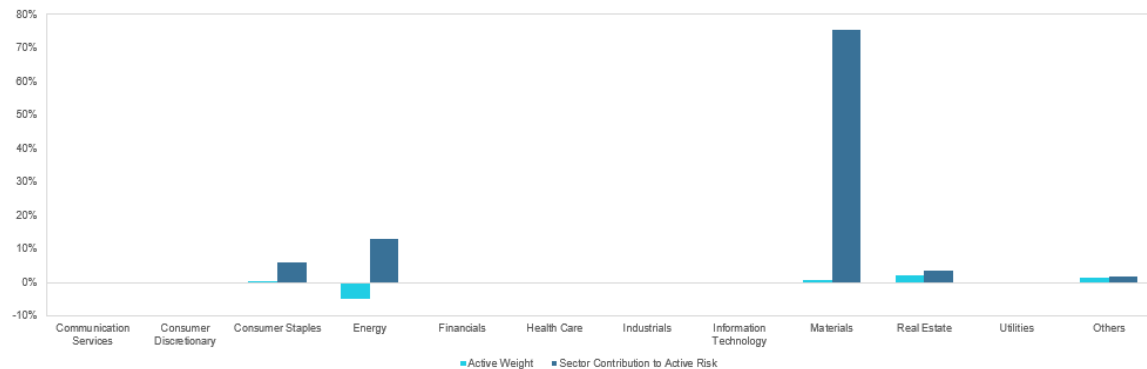
#### Top 10 Countries by Weight



#### Portfolio Active Risk from Common Factors



#### Portfolio Allocation by GICS Sector



# Real Assets & Inflation Hedges

## Natural Resources & Commodities

### Neuberger Berman / Gresham

for the quarter ended June 30, 2023

### Strategy

Seeks to provide a hedge against inflation and exposure to commodities markets such as energy, agriculture and timber, and metals and mining. The collateral portfolio provides income with conservative fixed income exposure.

Inception Date: July 2007

### Risk Statistics (since inception)

Standard Deviation	18.3%
Benchmark Standard Deviation	16.9%
Sharpe Ratio	0.13
Information Ratio	0.48
Beta	1.04
Tracking Error	4.8%

### Top Holdings (% of assets)

GOLD 100 OZ FUTR AUG23	13.9%
WTI CRUDE FUTURE SEP23	7.6%
BRENT CRUDE FUTR SEP23	5.9%
SOYBEAN FUTURE NOV23	5.4%
TREASURY BILL	4.4%
<b>Top 5 Holdings</b>	<b>37.2%</b>

### Performance (net)<sup>1</sup>

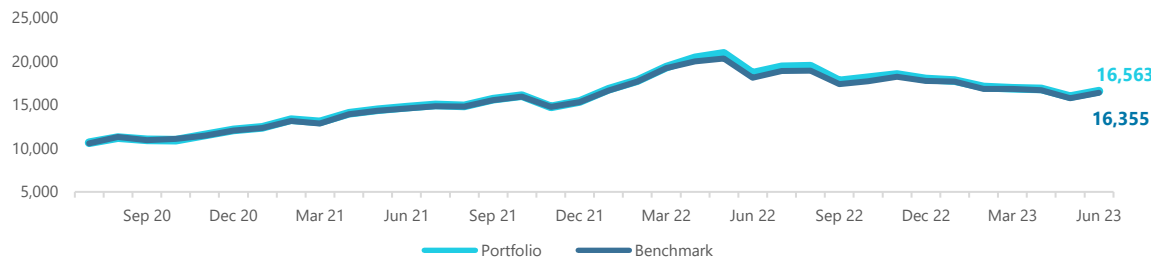
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Neuberger Berman/Gresham</b>	<b>337.9</b>	<b>-1.8%</b>	<b>-11.0%</b>	<b>18.3%</b>	<b>4.4%</b>
Bloomberg Commodity Index Total Return		-2.6%	-9.6%	17.8%	4.7%
RA & IH Policy Benchmark		-2.1%	-0.6%	8.9%	--

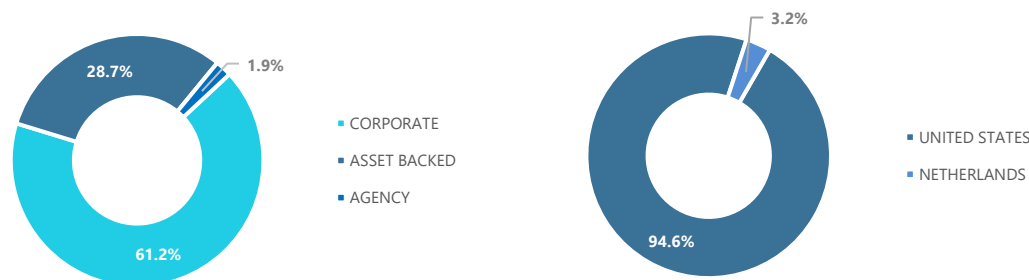
Universe data: Commodity Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Neuberger Berman/Gresham</b>	<b>-1.8%</b>	<b>78</b>	<b>-10.7%</b>	<b>85</b>	<b>18.7%</b>	<b>37</b>	<b>4.7%</b>	<b>80</b>
Median	0.0%		3.6%		16.4%		10.5%	

No. of Observations: 18

### Growth of \$10,000



### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Real Assets & Inflation Hedges Risk Analysis

Natural Resources & Commodities

Neuberger Berman / Gresham

for the quarter ended June 30, 2023

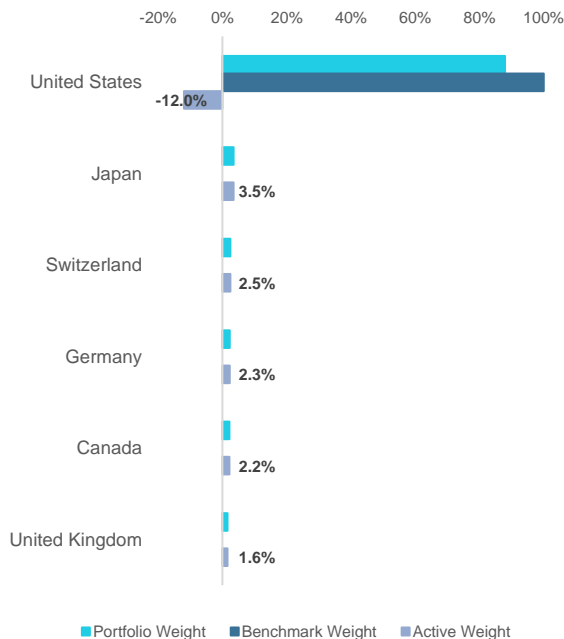


Los Angeles County Employees Retirement Association

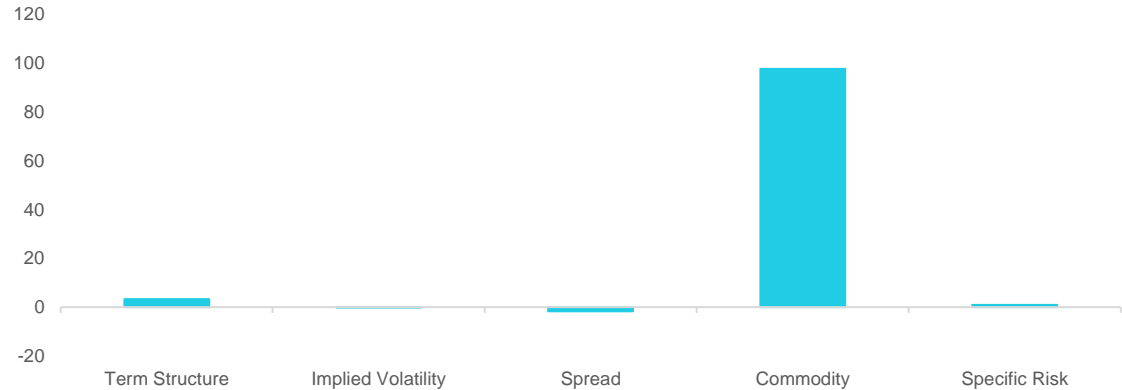
## Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
13.5%	16.7%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
3.66 bps	0.80

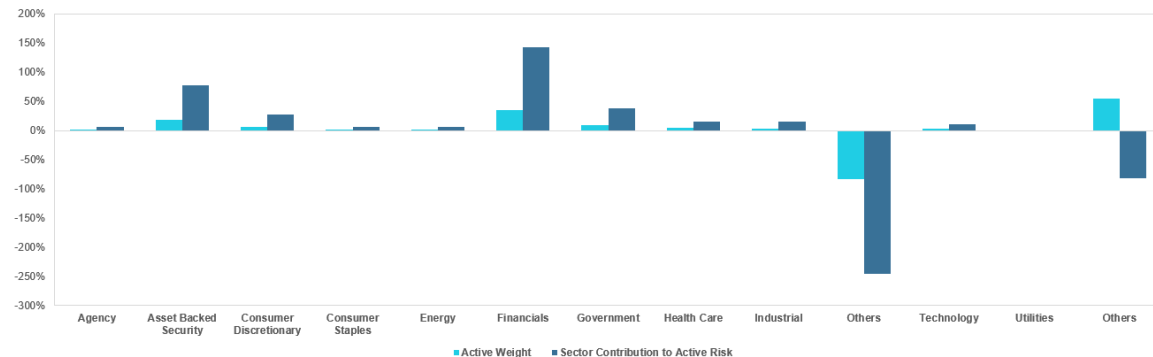
## Top Countries by Weight



## Portfolio Active Risk from Common Factors



## Portfolio Allocation by GICS Sector



# Real Assets & Inflation Hedges

## Infrastructure

### DWS

for the quarter ended June 30, 2023

#### Strategy

Seeks to provide capital appreciation and income with global infrastructure securities. The strategy takes a diversified approach within infrastructure to gain exposure to infrastructure related to telecommunication, transportation, utilities, waste and energy.

Inception Date: June 2019

#### Portfolio Characteristics

	Portfolio	Benchmark
Market Cap Wtd Average (mm)	39,983.3	37,327.8
No. Of Issues	50.0	0.0
Dividend Yield	3.1	3.5
Return on Equity	12.4	11.2
Price to Sales	3.6	4.0
Price to Book	3.5	3.8
PE Ratio	20.1	19.3

#### Top Holdings (% of assets)

ENBRIDGE INC	6.6%
AMERICAN TOWER CORP	5.3%
NATIONAL GRID PLC	5.0%
VINCI SA	4.1%
SEMPRA	4.0%

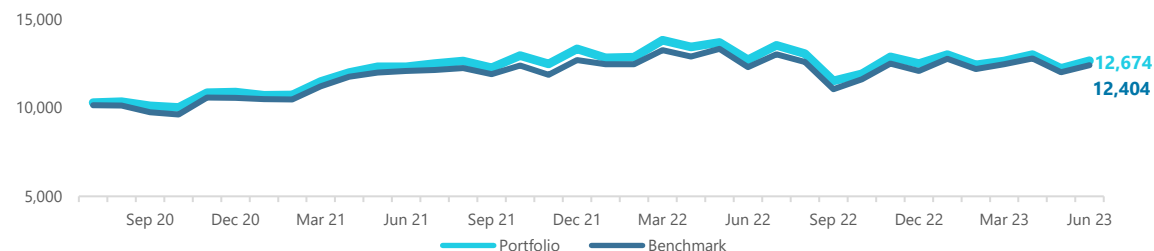
#### Top 5 Holdings

25.1%

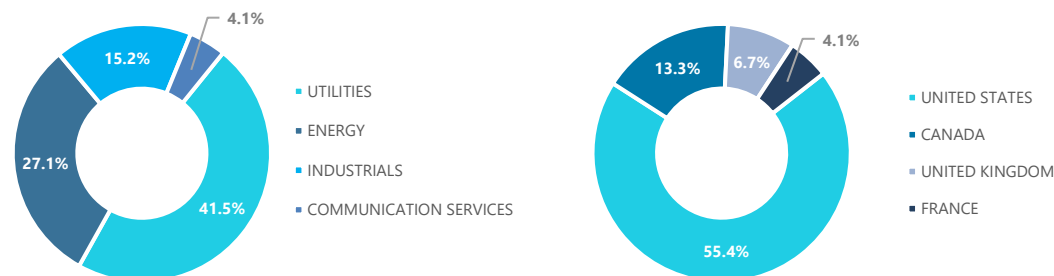
#### Performance (net)<sup>1</sup>

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>DWS Infrastructure</b>	<b>2,525.2</b>	<b>0.2%</b>	<b>-0.3%</b>	<b>8.2%</b>	--
DJ Brookfield Global Infra Comp		-0.4%	0.8%	7.4%	--
RA & IH Policy Benchmark		-2.1%	-0.6%	8.9%	--

#### Growth of \$10,000



#### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Peer rankings not shown; comparable public market infrastructure universe not available.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Real Assets & Inflation Hedges Risk Analysis

## Infrastructure

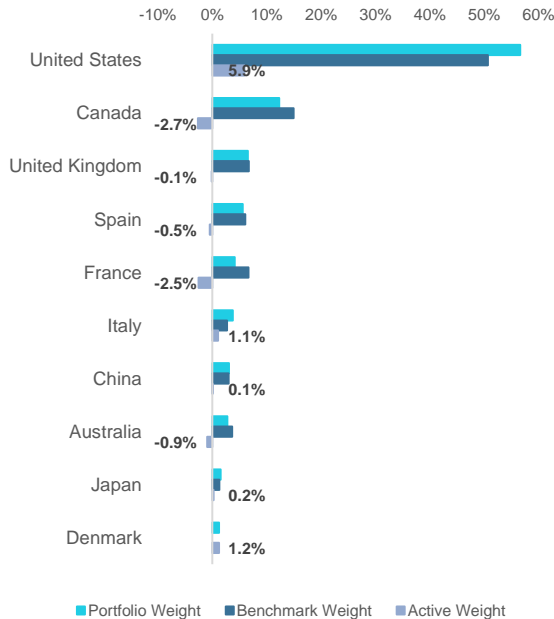
### DWS

for the quarter ended June 30, 2023

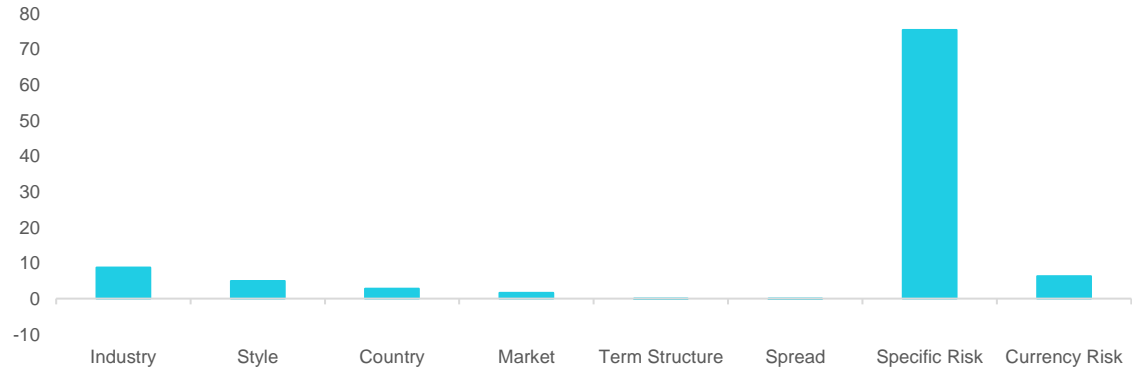
#### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
17.2%	17.6%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
1.74 bps	0.97

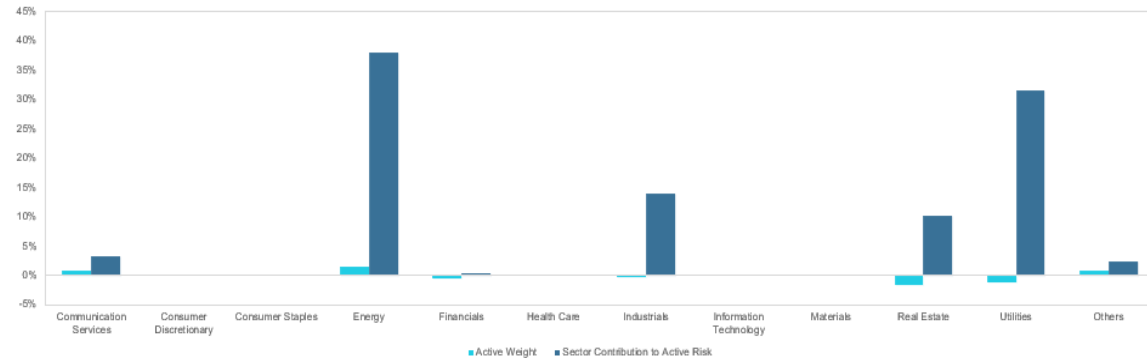
#### Top 10 Countries by Weight



#### Portfolio Active Risk from Common Factors



#### Portfolio Allocation by GICS Sector



# Real Assets & Inflation Hedges

## TIPS

BlackRock

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

### Strategy

Seeks to provide income and a hedge against inflation with passive TIPS exposure.

Inception Date: May 2019

### Risk Statistics (since inception)

Standard Deviation	6.4%
Benchmark Standard Deviation	6.4%
Sharpe Ratio	0.18
Information Ratio	-0.08
Beta	0.99
Tracking Error	0.8%

### Top Holdings (% of assets)

TSY INFL IX N/B	4.3%
TSY INFL IX N/B	3.9%
TSY INFL IX N/B	3.8%
TSY INFL IX N/B	3.6%
TSY INFL IX N/B	3.4%

**Top 5 Holdings** **19.0%**

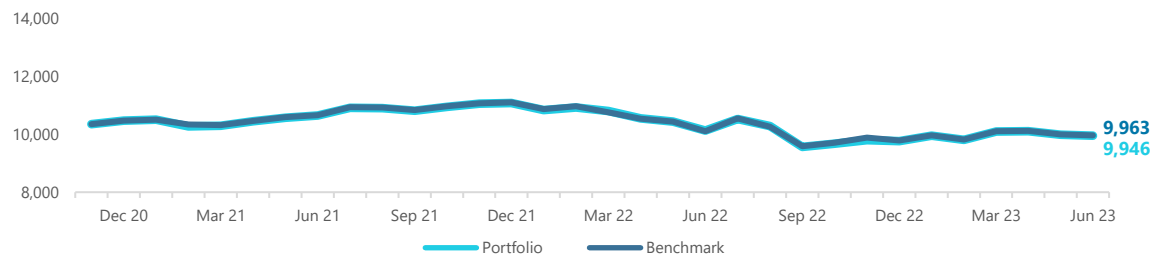
### Performance (net)<sup>1</sup>

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>BlackRock TIPS</b>	<b>1,895.9</b>	<b>-1.4%</b>	<b>-1.8%</b>	<b>-0.2%</b>	--
Bloomberg U.S. Treasury: U.S. TIPS		-1.4%	-1.4%	-0.1%	--
Real Assets & Inflation Hedges Policy BM		-2.1%	-0.6%	8.9%	--

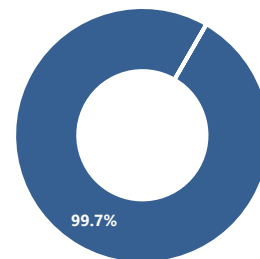
  

Universe data: Inflation Linked Bond Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>BlackRock TIPS</b>	<b>-1.4%</b>	--	<b>-1.8%</b>	--	<b>-0.2%</b>	--	--	--
Median	--	--	--	--	--	--	--	--

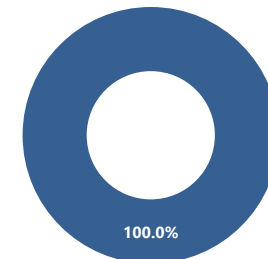
### Growth of \$10,000



### Top Exposures (% of assets)<sup>2</sup>



■ US TREASURY



■ UNITED STATES

<sup>1</sup> Universe data for TIPS is not available.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Real Assets & Inflation Hedges Risk Analysis

TIPS

BlackRock

for the quarter ended June 30, 2023

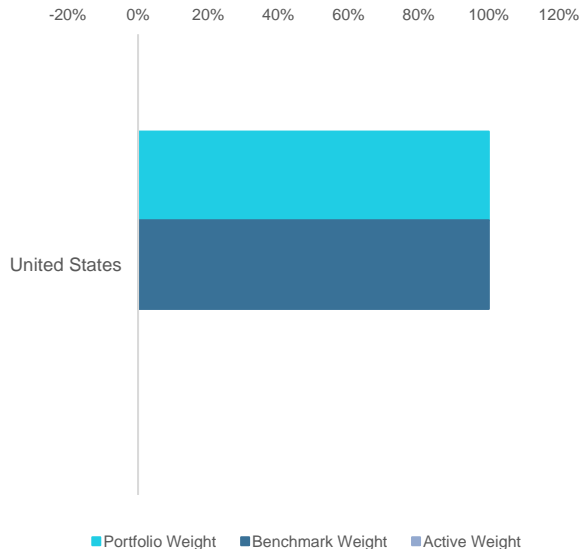


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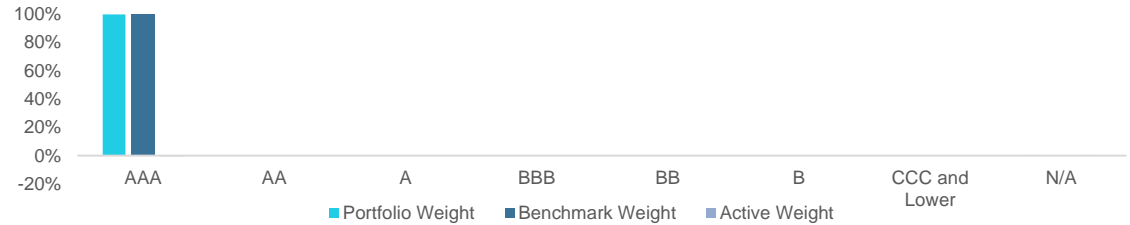
## Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
6.4%	6.5%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
0.10 bps	0.99
Effective Duration 16.0	Yield to Worst 4.0%

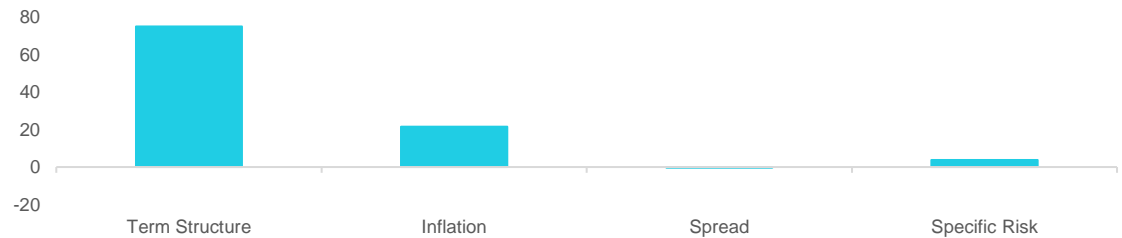
## Top Country by Weight



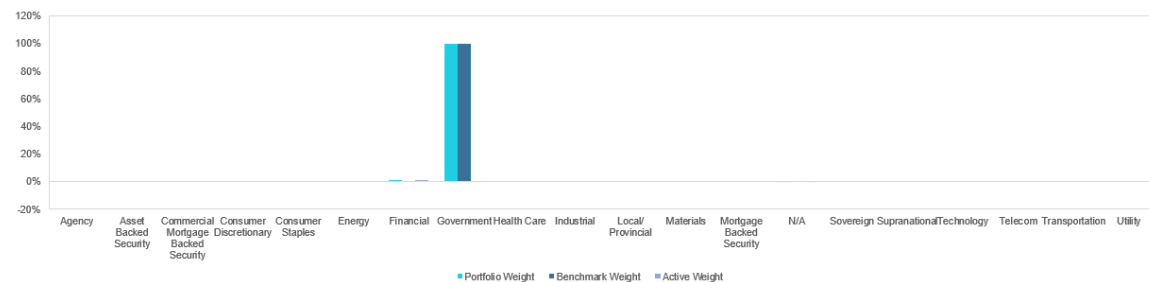
## Allocation by Moody's Rating



## Active Risk from Common Factors



## Portfolio Allocation by Bond Sector



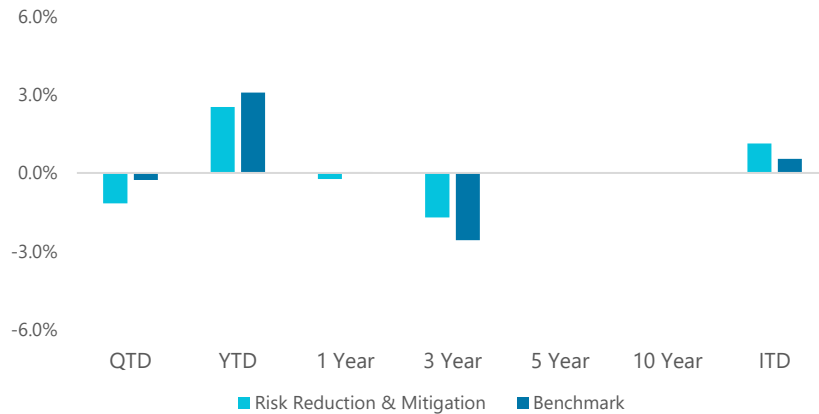


# risk reduction & mitigation

# Summary

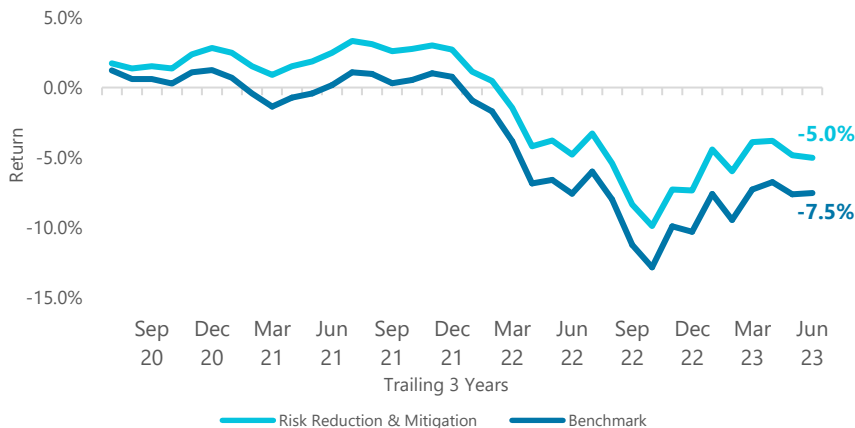
for the quarter ended June 30, 2023

## Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>Risk Reduction &amp; Mitigation</b>	<b>-1.2%</b>	<b>2.5%</b>	<b>-0.2%</b>	<b>-1.7%</b>	--	--	<b>1.1%</b>
Benchmark	-0.3%	3.1%	0.0%	-2.6%	--	--	0.5%
Excess	-0.9%	-0.5%	-0.3%	0.9%	--	--	0.6%

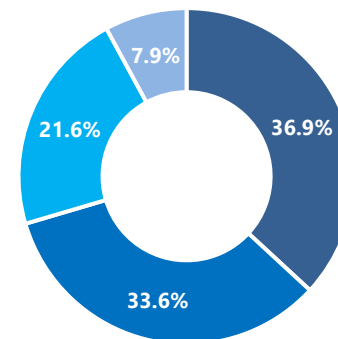
## Cumulative Return



## Functional Category

	QTD	FYTD	1 Year	3 Year
<b>Investment Grade Bonds</b>	<b>-0.7%</b>	<b>-0.7%</b>	<b>-0.7%</b>	<b>-3.7%</b>
BBG BC Aggregate Bond Index	-0.8%	-0.9%	-0.9%	-4.0%
Excess	0.1%	0.2%	0.2%	0.2%
<b>Diversified Hedge Funds</b>	<b>-1.4%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>8.3%</b>
Diversified Hedge Funds Policy Benchmark	1.9%	6.0%	6.0%	3.7%
Excess	-3.2%	-1.3%	-1.3%	4.5%
<b>Long-Term Government Bonds</b>	<b>-2.3%</b>	<b>-7.5%</b>	<b>-7.5%</b>	--
Bloomberg U.S. Treasury: Long	-2.3%	-6.8%	-6.8%	--
Excess	0.0%	-0.6%	-0.6%	--
<b>Cash</b>	<b>1.7%</b>	<b>5.5%</b>	<b>5.5%</b>	<b>2.5%</b>
Cash Policy Benchmark	1.3%	3.7%	3.7%	1.3%
Excess	0.4%	1.7%	1.7%	1.2%

## Exposure

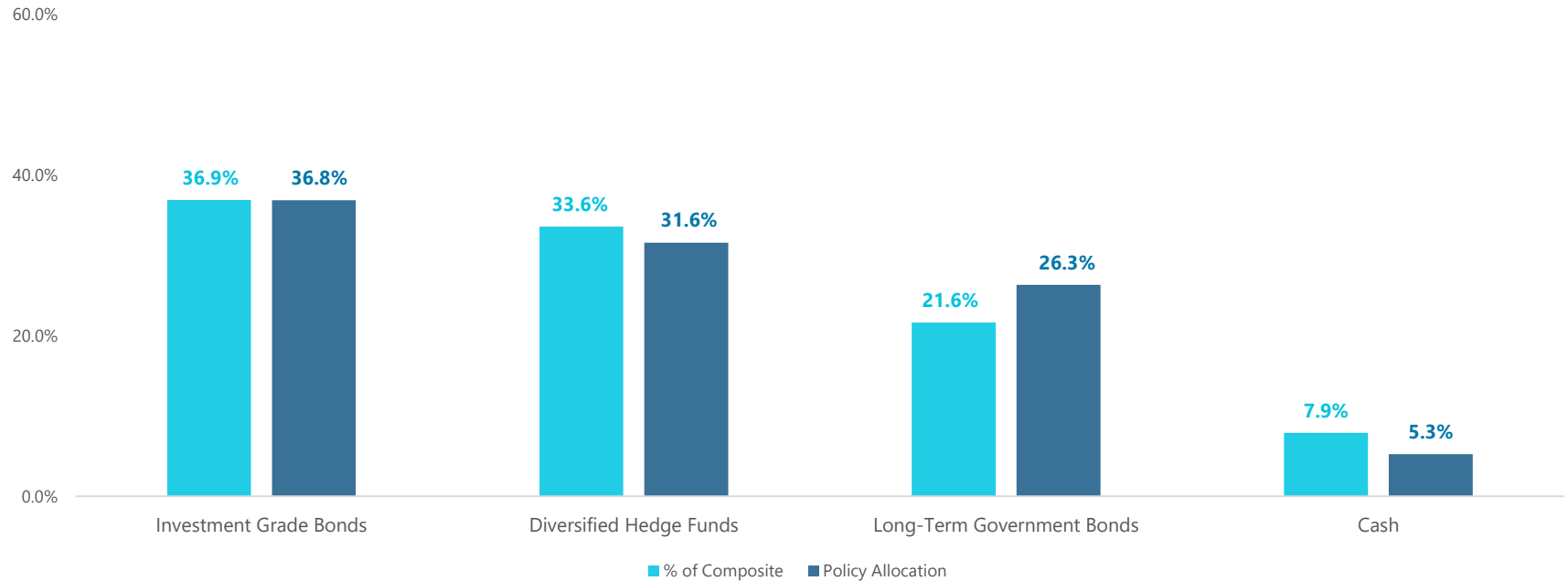


- Investment Grade Bonds
- Diversified Hedge Funds
- Long-Term Government Bonds
- Cash

# Asset Allocation

for the quarter ended June 30, 2023

## Actual vs. Policy



	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
<b>Risk Reduction &amp; Mitigation</b>	<b>13,682</b>	<b>100.0%</b>	<b>100.0%</b>		
Investment Grade Bonds	5,044	36.9%	36.8%	-0.7%	-99
Diversified Hedge Funds	4,594	33.6%	31.6%	1.3%	179
Long-Term Government Bonds	2,962	21.6%	26.3%	-5.1%	-700
Cash	1,083	7.9%	5.3%	2.5%	341

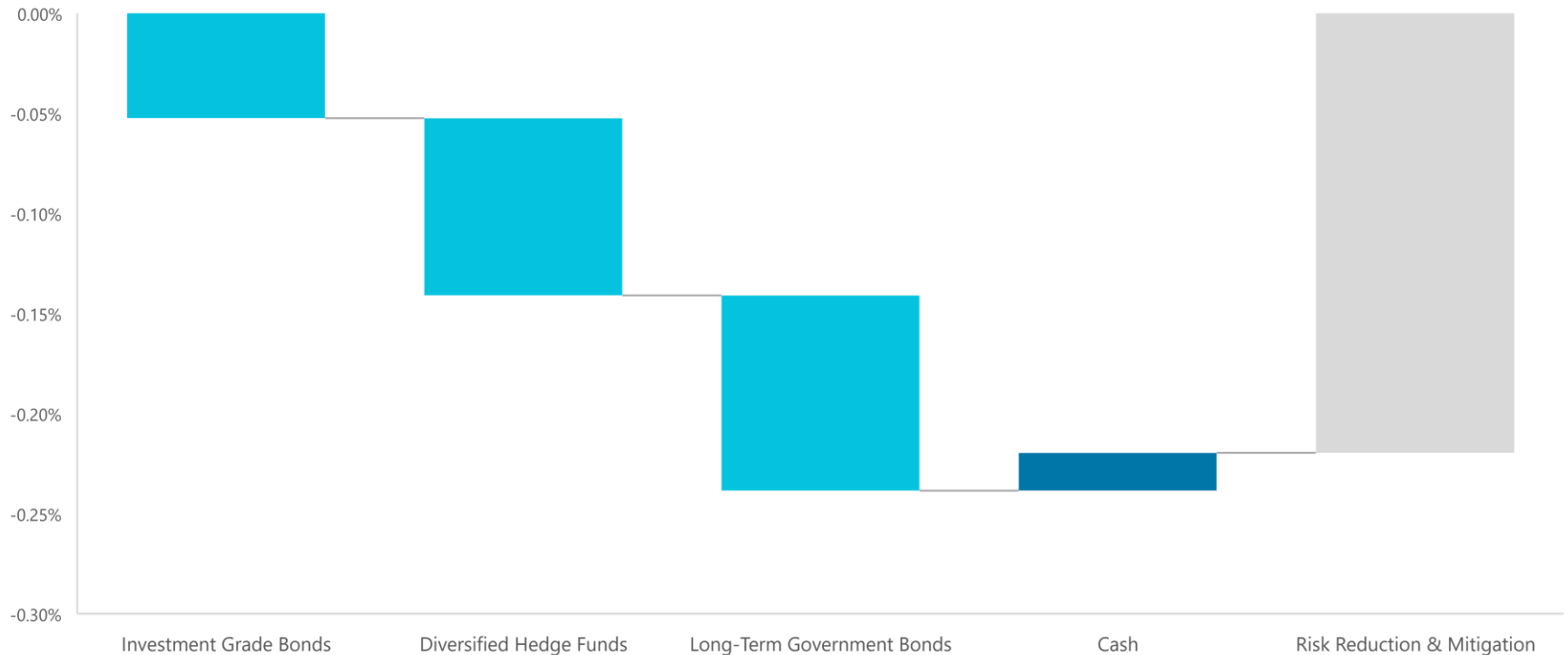
# Contribution to Return

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## QTD Contribution to Return



Functional Category	Contributors	Detractors
Investment Grade Bonds	-0.05%	Cash 0.02%
Diversified Hedge Funds	-0.09%	BlackRock Long Treasury Bonds -0.10%
Long-Term Government Bonds	-0.10%	Capula GRV 0.02%
Cash	0.02%	Brevan Howard Master Fund -0.06%
Risk Reduction & Mitigation	-0.22%	BTC US Debt Index Fund -0.03%
		Caxton Global Investments -0.03%
		AM Asia Strategies -0.02%

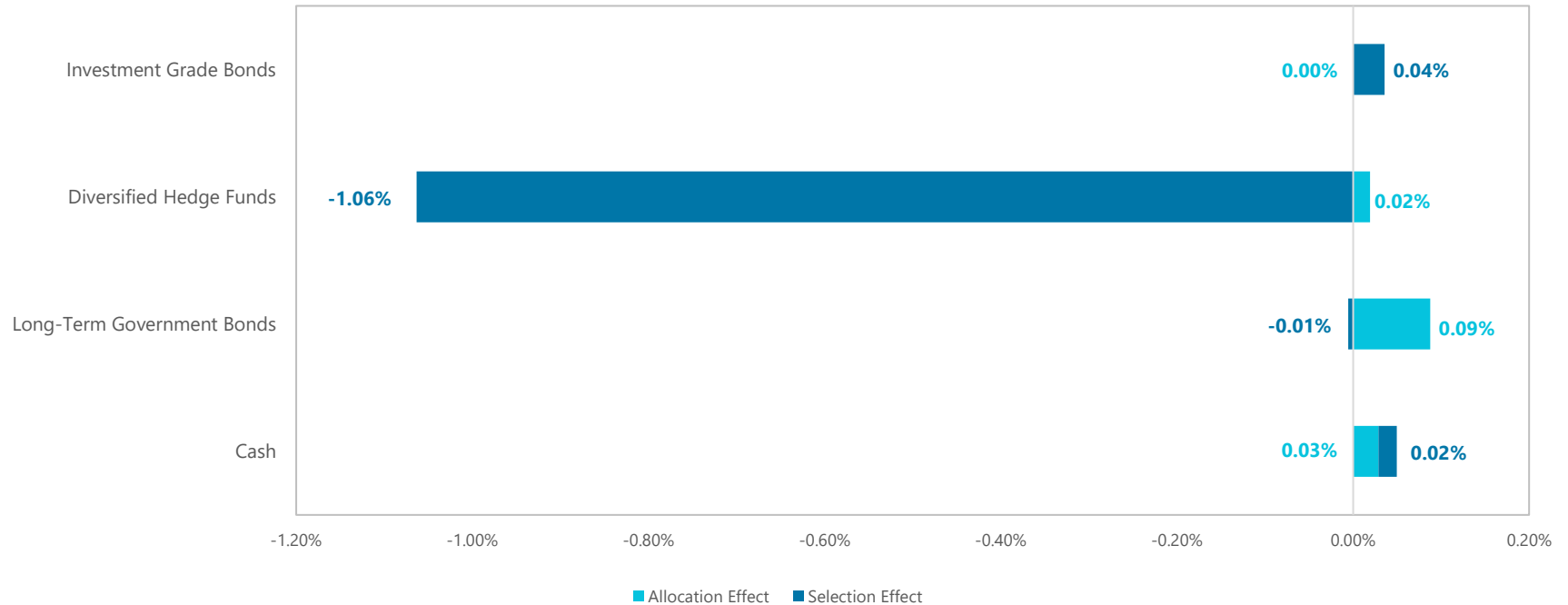
# Return Attribution

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## QTD Performance Attribution<sup>1</sup>



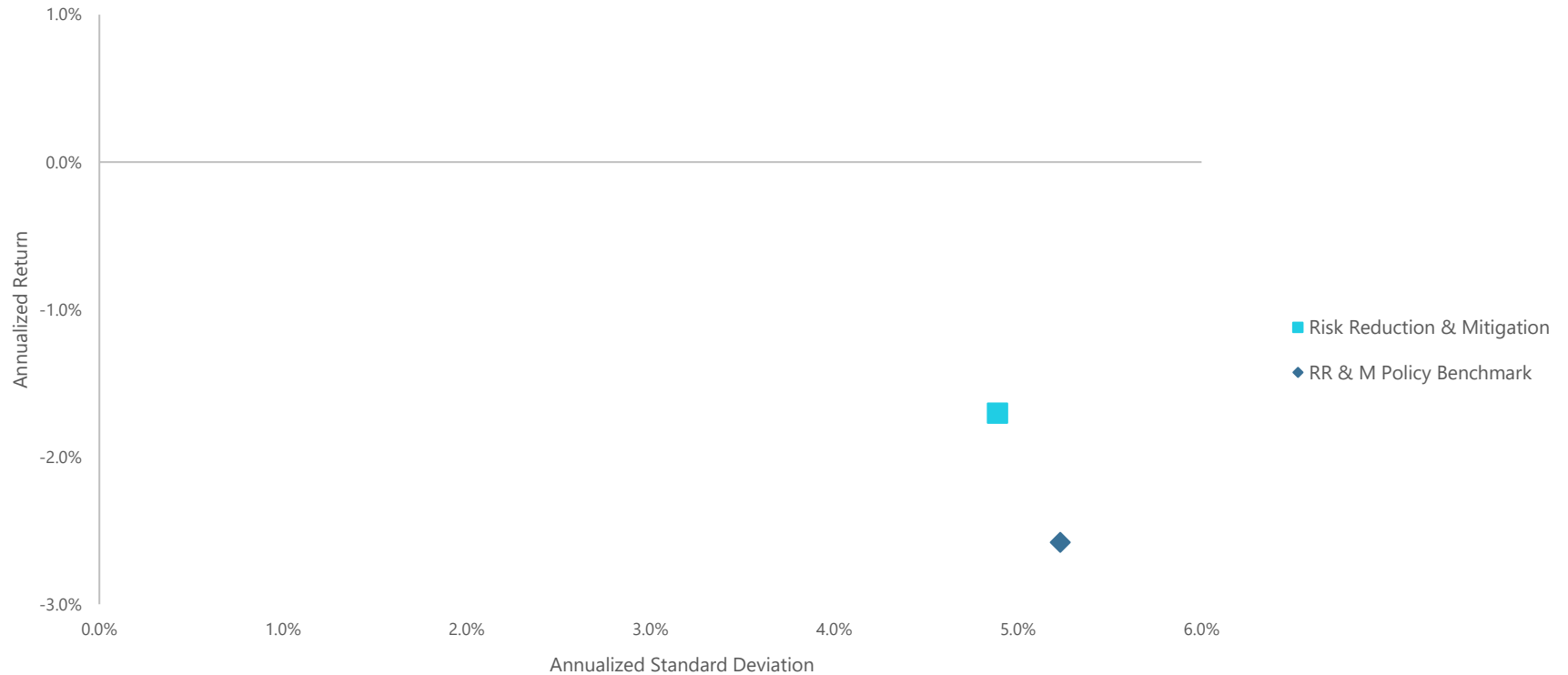
	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
<b>Risk Reduction &amp; Mitigation</b>	<b>13,682</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-1.2%</b>	<b>-0.3%</b>	<b>0.14%</b>	<b>-1.01%</b>	<b>-0.88%</b>
Investment Grade Bonds	5,044	36.9%	36.8%	-0.7%	-0.8%	0.00%	0.04%	0.04%
Diversified Hedge Funds	4,594	33.6%	31.6%	-1.4%	1.9%	0.02%	-1.06%	-1.04%
Long-Term Government Bonds	2,962	21.6%	26.3%	-2.3%	-2.3%	0.09%	-0.01%	0.08%
Cash	1,083	7.9%	5.3%	1.7%	1.3%	0.03%	0.02%	0.05%

<sup>1</sup> Total Value Add column includes Interaction Effect.

# Risk vs. Return

for the quarter ended June 30, 2023

## 3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
<b>Risk Reduction &amp; Mitigation</b>	<b>-1.7%</b>	<b>4.9%</b>				
RR & M Policy Benchmark	-2.6%	5.2%	(0.58)	1.08	0.93	0.8%

# Performance Detail

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

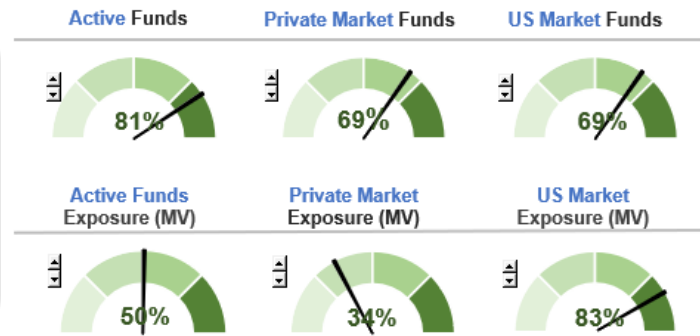
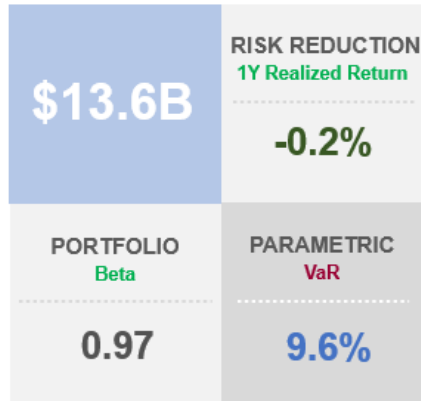
## Annualized Net Returns

	% of Composite	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD	Inception Date
<b>Risk Reduction &amp; Mitigation</b>	<b>100.0%</b>	<b>13,659</b>	<b>13,598</b>	<b>-1.2%</b>	<b>2.5%</b>	<b>-0.2%</b>	<b>-1.7%</b>	--	--	<b>1.1%</b>	<b>Apr-2019</b>
RR & M Policy Benchmark				-0.3%	3.1%	0.0%	-2.6%	--	--	0.5%	
<b>Investment Grade Bonds</b>	<b>36.9%</b>	<b>5,044</b>	<b>5,083</b>	<b>-0.7%</b>	<b>2.4%</b>	<b>-0.7%</b>	<b>-3.7%</b>	<b>0.9%</b>	<b>1.9%</b>	<b>5.1%</b>	<b>Nov-1994</b>
BBG BC Aggregate Bond Index				-0.8%	2.1%	-0.9%	-4.0%	0.8%	1.5%	4.6%	
Allspring/Wells	9.4%	1,283	1,291	-0.6%	2.5%	-0.4%	-3.5%	1.2%	2.0%	3.8%	Mar-2004
BTC US Debt Index Fund	21.2%	2,897	2,921	-0.8%	2.3%	-0.9%	-3.9%	0.8%	1.6%	3.8%	Nov-1999
MHLP	0.1%	10	10	1.3%	2.5%	5.0%	5.1%	5.2%	5.6%	5.4%	Apr-2005
Pugh Capital Mgmt	6.3%	855	860	-0.7%	2.3%	-0.7%	-3.9%	0.9%	1.6%	3.2%	Jul-2005
<b>Diversified Hedge Funds</b>	<b>33.5%</b>	<b>4,570</b>	<b>4,543</b>	<b>-1.4%</b>	<b>1.8%</b>	<b>4.6%</b>	<b>8.3%</b>	--	--	<b>6.4%</b>	<b>Apr-2019</b>
Diversified Hedge Funds Policy Benchmark				1.9%	3.6%	6.0%	3.7%	--	--	3.9%	
AM Asia Strategies	1.8%	245	263	-6.7%	13.1%	11.6%	--	--	--	4.2%	Jun-2021
Brevan Howard Master Fund	4.6%	625	669	-6.6%	-3.9%	-0.1%	--	--	--	5.4%	Apr-2021
Capula GRV	4.9%	676	663	1.9%	5.2%	11.2%	6.7%	--	--	7.0%	Dec-2018
Caxton Global Investments	2.1%	282	302	-6.7%	-5.0%	-2.6%	--	--	--	5.5%	Feb-2021
DK Institutional Partners	3.6%	497	500	-0.7%	2.2%	2.2%	6.7%	4.8%	--	4.6%	May-2018
Grosvenor HFOF	0.2%	24	27	--	--	--	--	--	--	--	Nov-2011
HBK Multi-strategy	4.3%	586	585	0.1%	1.4%	6.7%	7.6%	5.2%	--	5.2%	Jun-2018
Hudson Bay	4.9%	672	669	0.5%	3.3%	6.3%	10.0%	--	--	10.0%	Jul-2020
Polar	3.5%	484	481	0.7%	3.6%	5.4%	9.9%	--	--	9.9%	May-2020
Stable Asset Management	3.5%	480	385	0.5%	0.7%	0.2%	--	--	--	0.2%	Aug-2021
<b>Long-Term Government Bonds</b>	<b>21.7%</b>	<b>2,962</b>	<b>3,032</b>	<b>-2.3%</b>	<b>3.7%</b>	<b>-7.5%</b>	--	--	--	<b>-16.9%</b>	<b>Nov-2021</b>
Bloomberg U.S. Treasury: Long				-2.3%	3.7%	-6.8%	--	--	--	-17.7%	Nov-2021
BlackRock Long Treasury Bonds	21.7%	2,962	3,032	-2.3%	3.7%	-7.5%	--	--	--	-16.9%	Nov-2021
<b>Cash</b>	<b>7.9%</b>	<b>1,083</b>	<b>939</b>	<b>1.7%</b>	<b>3.1%</b>	<b>5.5%</b>	<b>2.5%</b>	<b>2.4%</b>	<b>1.6%</b>	<b>1.9%</b>	<b>Jun-2001</b>
Cash Policy Benchmark				1.3%	2.4%	3.7%	1.3%	1.6%	1.0%	1.5%	

# Risk Reduction & Mitigation Risk Summary

for the quarter ended June 30, 2023

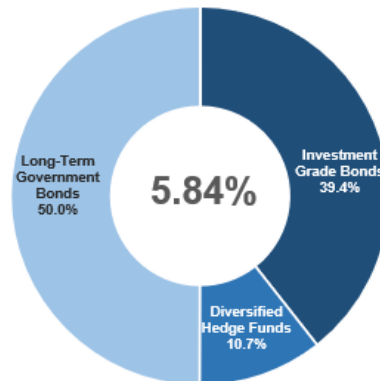
## Realized (Ex-Post) Risks



## Projected (Ex-Ante) Risks

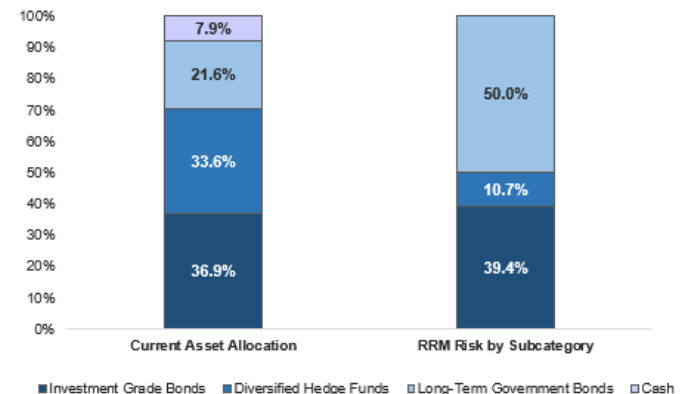


## Subcategory Contributions to Risk Reduction & Mitigation (RRM) Risk



## Risk Reduction & Mitigation Asset Allocation

Capital-based versus Risk-based





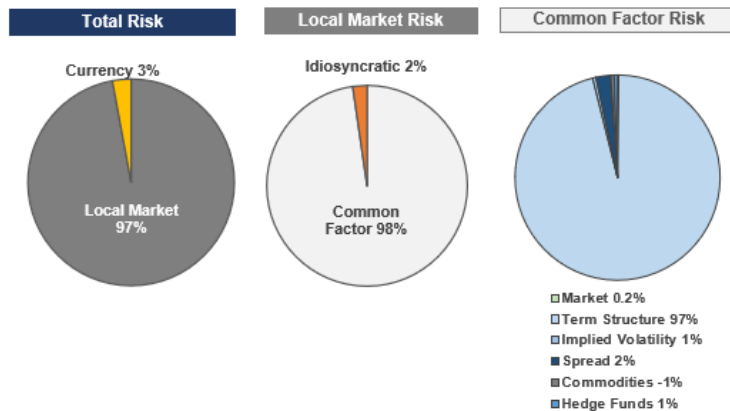
# Risk Reduction & Mitigation Risk Summary

for the quarter ended June 30, 2023

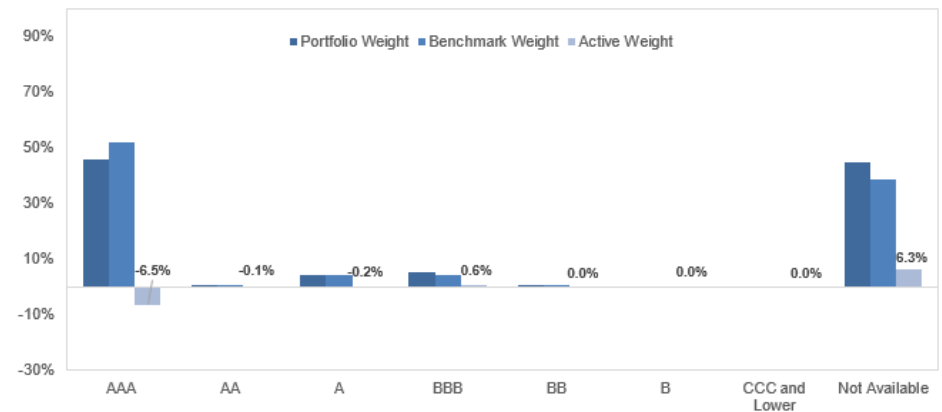
## Decomposition of MSCI Risk Factors



## Risk Reduction & Mitigation Risk Decomposition



## Portfolio Allocation by Moody's Rating



# Risk Reduction & Mitigation

## Risk Summary

for the quarter ended June 30, 2023

### Portfolio Allocation by Bond Sector



# Risk Reduction & Mitigation

## Investment Grade Bonds

### Allspring/Wells

for the quarter ended June 30, 2023

### 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: June 2004

### Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	882.0	0.0
Effective Duration	6.4	6.2
Convexity	0.7	0.7
Coupon Rate	3.6	2.9
Yield to Maturity	4.8	4.6
Current Yield	3.8	3.2
Rating – Moody's	AA-2	AA-2
Rating – S & P	AA	AA-

### Top Holdings (% of assets)

US TREASURY N/B	3.2%
FNMA TBA 30 YR 6	2.4%
US TREASURY N/B	1.7%
US TREASURY N/B	1.6%
US TREASURY N/B	1.6%
<b>Top 5 Holdings</b>	<b>10.6%</b>

### Performance (net)<sup>1</sup>

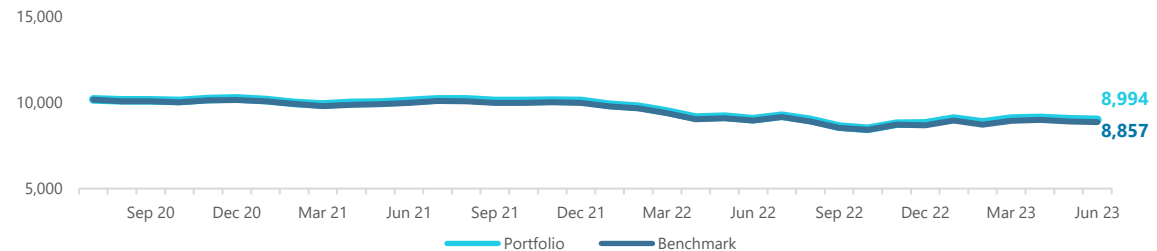
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Allspring/Wells</b>	<b>1,283.0</b>	<b>-0.6%</b>	<b>-0.4%</b>	<b>-3.5%</b>	<b>1.2%</b>
BBG BARC Agg		-0.8%	-0.9%	-4.0%	0.8%
RR & M Policy Benchmark		-0.3%	0.0%	-2.6%	--

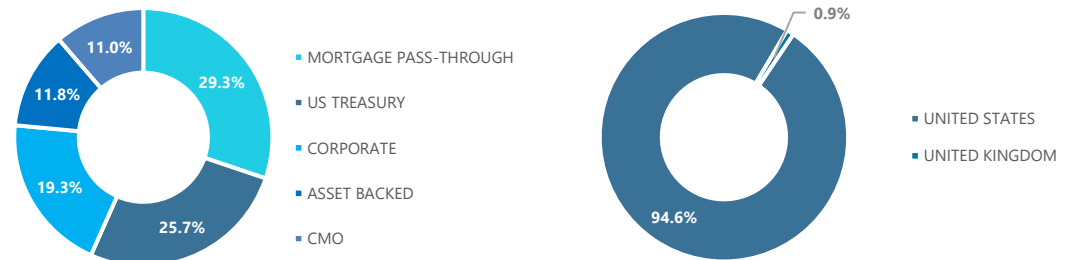
Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Allspring/Wells</b>	<b>-0.6%</b>	<b>72</b>	<b>-0.3%</b>	<b>72</b>	<b>-3.4%</b>	<b>75</b>	<b>1.3%</b>	<b>63</b>
Median	-0.1%		1.2%		-0.8%		1.6%	

No. of Observations: 726

### Growth of \$10,000



### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Risk Reduction & Mitigation Risk Analysis

## Investment Grade Bonds

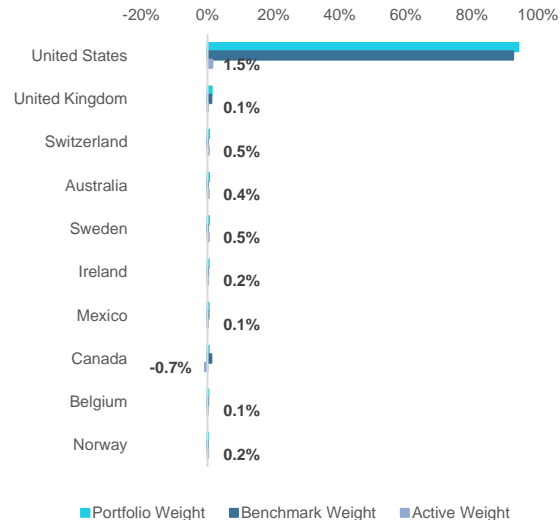
### Allspring/Wells

for the quarter ended June 30, 2023

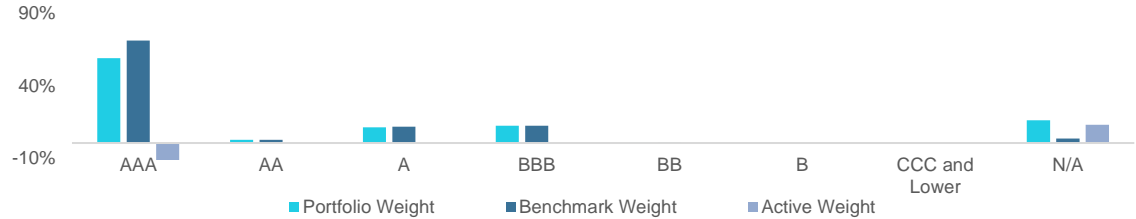
#### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
6.8%	6.4%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
0.66 bps	1.07
Effective Duration 7.1	Yield to Worst 4.6%

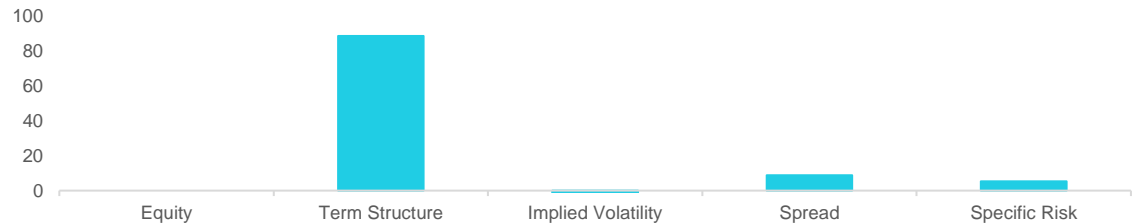
#### Top 10 Countries by Weight



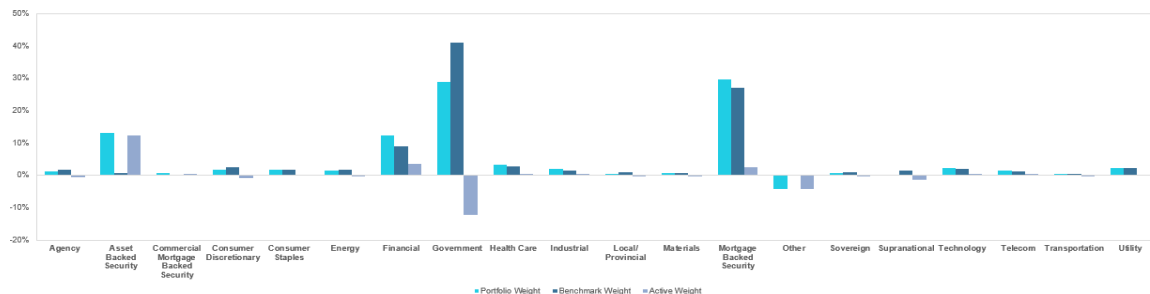
#### Allocation by Moody's Rating



#### Active Risk from Common Factors



#### Portfolio Allocation by Bond Sector



# Risk Reduction & Mitigation

## Investment Grade Bonds

### Pugh Capital

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

#### Strategy

A core fixed income strategy that invests in investment-grade securities, with an emphasis on higher credit quality and mortgage-backed securities. The strategy seeks to add value relative to the Index by minimizing downside risk across the portfolio while adding incremental return through issue selection.

Inception Date: July 2005

#### Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	299.0	0.0
Effective Duration	6.3	6.2
Convexity	0.6	0.7
Coupon Rate	3.6	2.9
Yield to Maturity	4.7	4.6
Current Yield	3.8	3.2
Rating – Moody's	AA-2	AA-2
Rating – S & P	AA-	AA-

#### Top Holdings (% of assets)

US TREASURY N/B	3.0%
US TREASURY N/B	2.3%
US TREASURY N/B	1.6%
FORD CREDIT AUTO OWNER TRUST/F	1.6%
GNMA II POOL MA8151	1.6%
<b>Top 5 Holdings</b>	<b>10.1%</b>

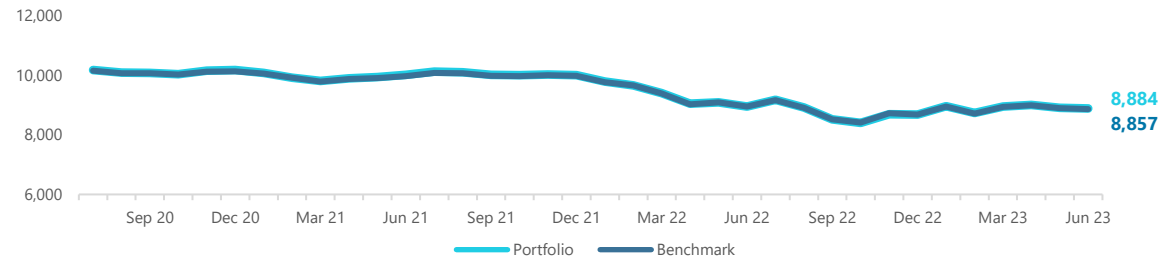
#### Performance (net)<sup>1</sup>

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>Pugh Capital Mgmt</b>	<b>854.6</b>	<b>-0.7%</b>	<b>-0.7%</b>	<b>-3.9%</b>	<b>0.9%</b>
BBG BARC Agg		-0.8%	-0.9%	-4.0%	0.8%
RR & M Policy Benchmark		-0.3%	0.0%	-2.6%	--

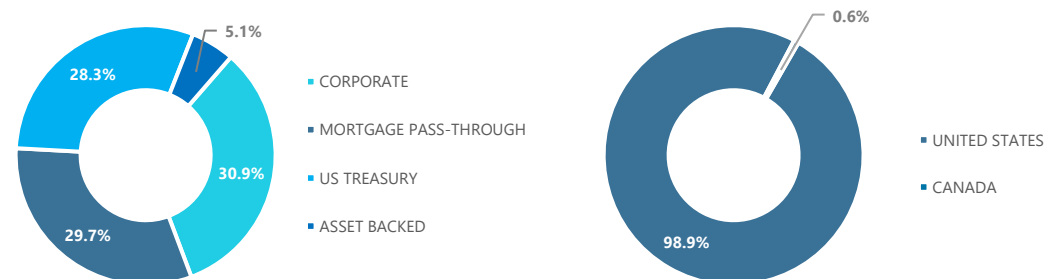
  

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>Pugh Capital Mgmt</b>	<b>-0.6%</b>	<b>72</b>	<b>-0.6%</b>	<b>75</b>	<b>-3.7%</b>	<b>81</b>	<b>1.1%</b>	<b>76</b>
Median	-0.1%		1.2%		-0.8%		1.6%	
No. of Observations	726							

#### Growth of \$10,000



#### Top Exposures (% of assets)<sup>2</sup>



<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Risk Reduction & Mitigation Risk Analysis

## Investment Grade Bonds

### Pugh Capital

for the quarter ended June 30, 2023

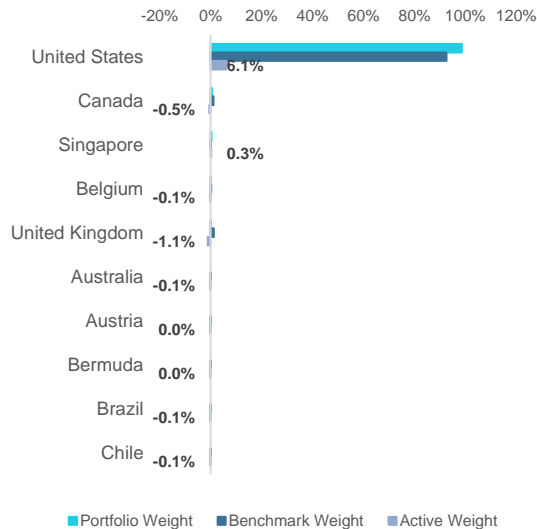


Los Angeles County Employees Retirement Association

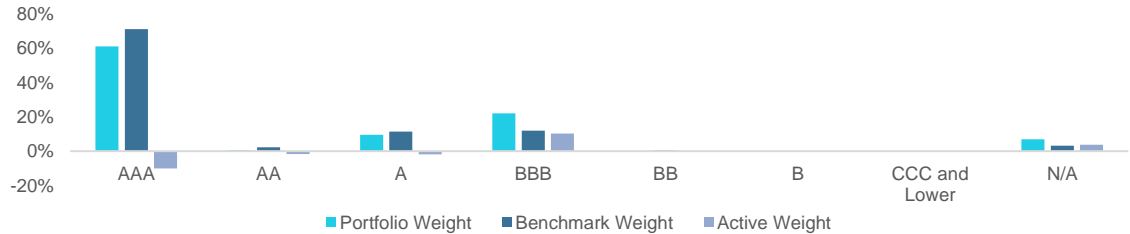
### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
6.8%	6.4%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
0.52 bps	1.07
Effective Duration 6.6	Yield to Worst 4.6%

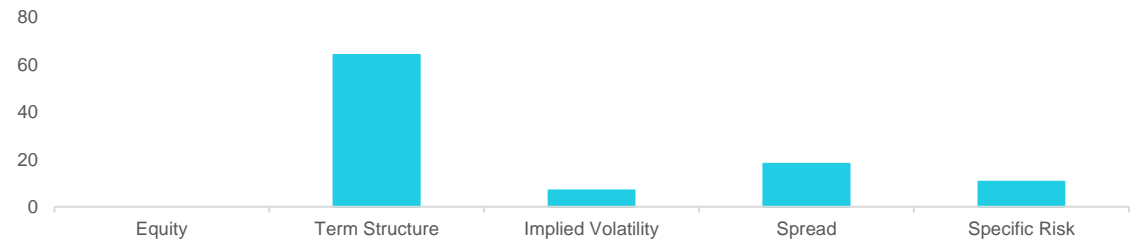
### Top 10 Countries by Weight



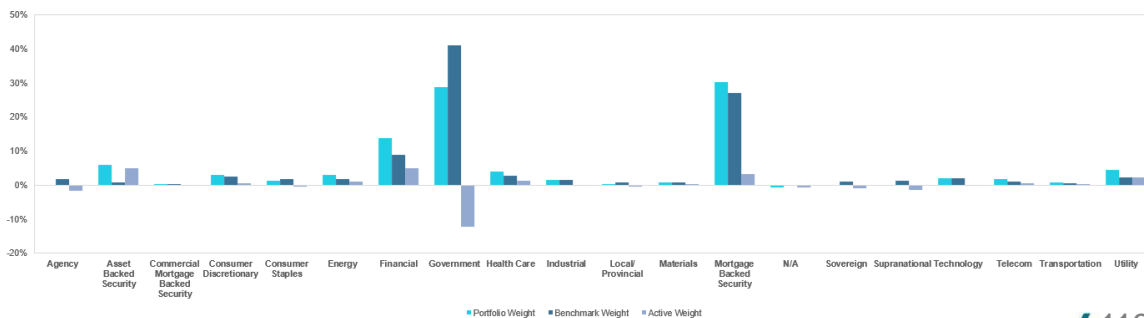
### Allocation by Moody's Rating



### Active Risk from Common Factors



### Portfolio Allocation by Bond Sector



# Risk Reduction & Mitigation

## Long-term Government Bonds

### BlackRock

for the quarter ended June 30, 2023

#### Strategy

Seeks investment results that correspond generally to the price and yield performance of long duration U.S. government bonds.

Inception Date: Nov 2021

#### Portfolio Characteristics

Standard Deviation	15.3%
Benchmark Standard Deviation	15.3%
Sharpe Ratio	-1.25
Information Ratio	-0.20
Beta	1.00
Tracking Error	1.2%

#### Top Holdings (% of assets)

US TREASURY N/B	2.8%
US TREASURY N/B	2.7%
US TREASURY N/B	2.6%
US TREASURY N/B	2.6%
US TREASURY N/B	2.5%
<b>Top 5 Holdings</b>	<b>13.1%</b>

#### Performance (net)<sup>1</sup>

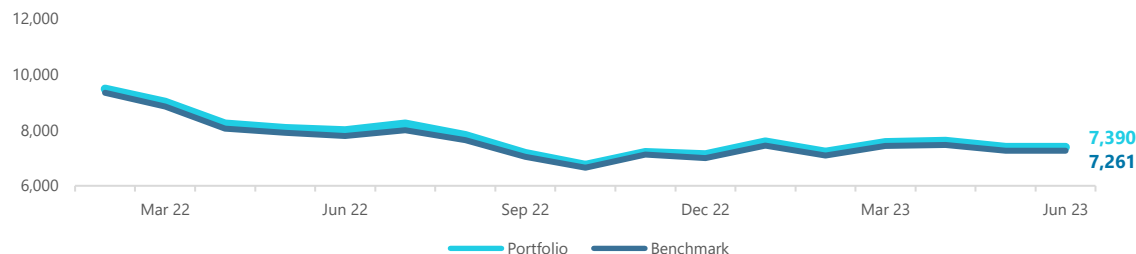
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
<b>BlackRock Long Treasury Bonds</b>	<b>2,961.8</b>	<b>-2.3%</b>	<b>-7.5%</b>	--	--
Bloomberg U.S. Treasury: Long		-2.3%	-6.8%	--	--
RR & M Policy Benchmark		-0.3%	0.0%	-2.6%	--

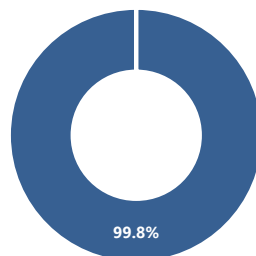
Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
<b>BlackRock Long Treasury Bonds</b>	<b>-2.3%</b>	<b>94</b>	<b>-7.4%</b>	<b>93</b>	--	--	--	--
Median	-0.1%		1.2%		--	--	--	--

No. of Observations: 726

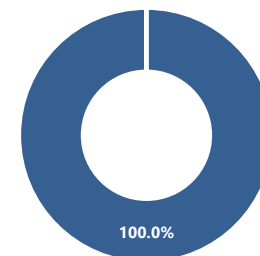
#### Growth of \$10,000



#### Top Exposures (% of assets)<sup>2</sup>



■ US TREASURY



■ UNITED STATES

<sup>1</sup> Universe data is gross-of-fees.

<sup>2</sup> Charts display top exposures and may not add up to 100%.

# Risk Reduction & Mitigation Risk Analysis

## Long-term Government Bonds

### BlackRock

for the quarter ended June 30, 2023

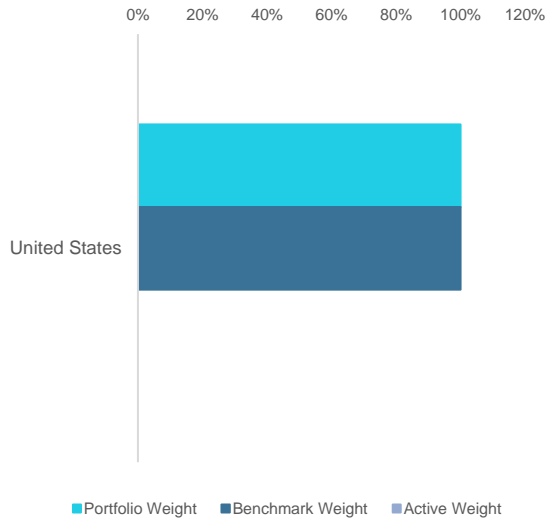


Los Angeles County Employees Retirement Association

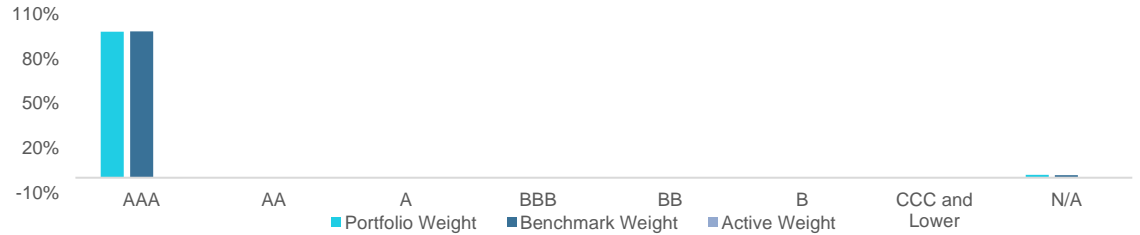
### Portfolio Risk Summary

<b>PORTFOLIO</b> Forecast Risk	<b>BENCHMARK</b> Risk
13.8%	13.8%
<b>PORTFOLIO</b> Active Risk	<b>PORTFOLIO</b> Beta
0.03 bps	1.00
Effective Duration 16.0	Yield to Worst 4.0%

### Top Country by Weight



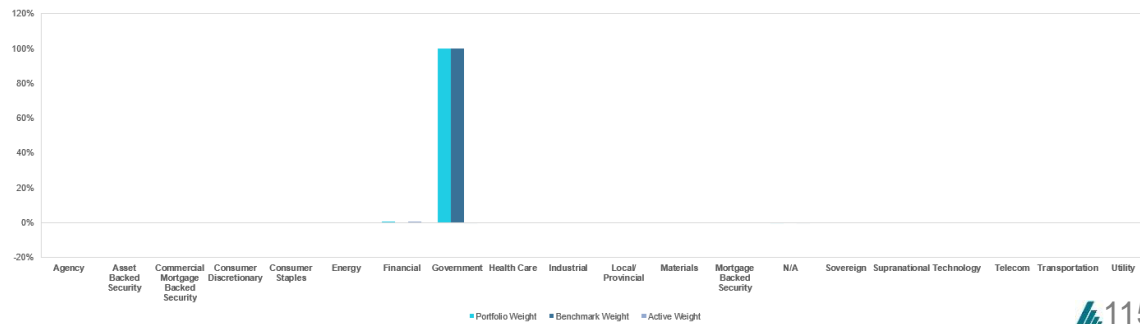
### Allocation by Moody's Rating



### Active Risk from Common Factors



### Portfolio Allocation by Bond Sector





# private markets

# Summary

## Private Equity

for the quarter ended June 30, 2023



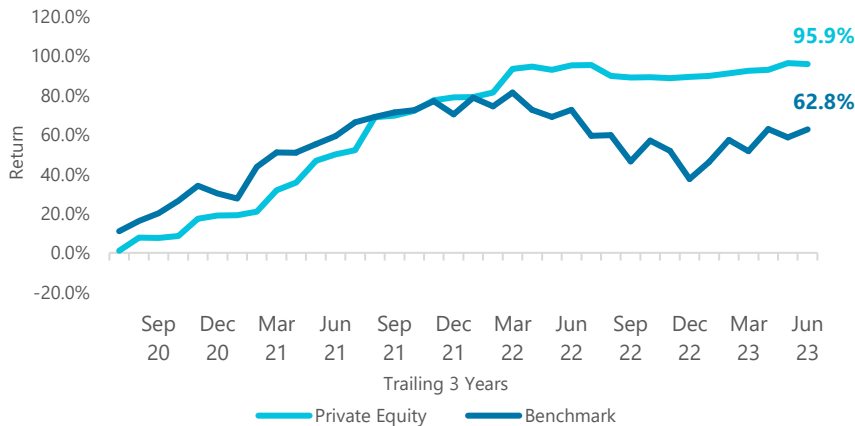
Los Angeles County Employees Retirement Association

### Performance (net)



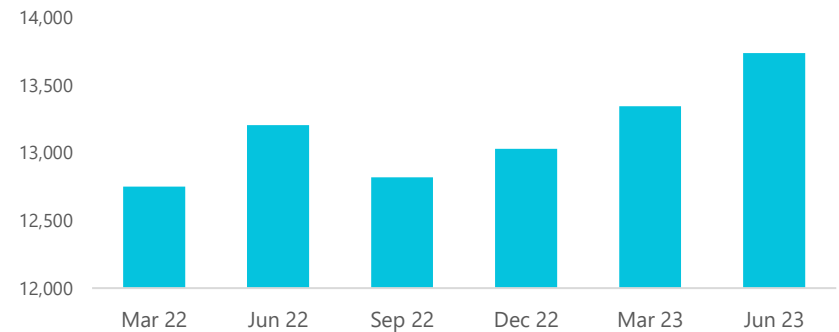
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>Private Equity</b>	<b>1.8%</b>	<b>3.5%</b>	<b>0.3%</b>	<b>25.1%</b>	<b>17.8%</b>	<b>16.5%</b>	<b>15.2%</b>
Benchmark	7.3%	18.4%	-5.7%	17.6%	13.0%	13.1%	--
Excess	-5.6%	-14.9%	6.0%	7.5%	4.8%	3.4%	--

### Cumulative Return

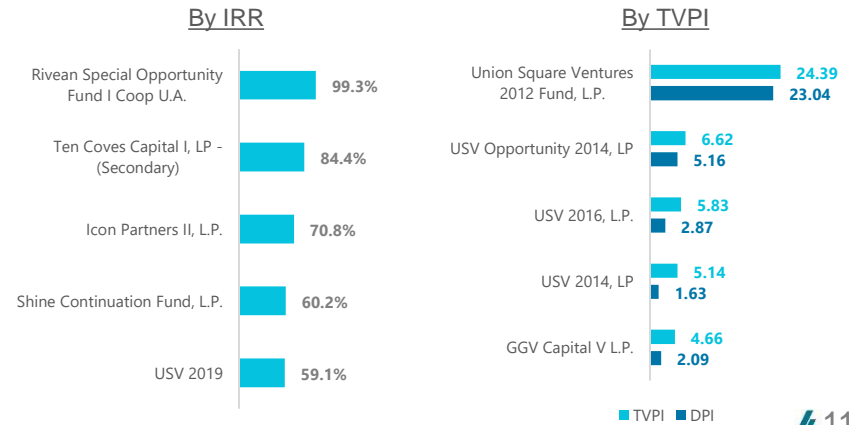


### Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	13,345	13,207	6,580
Net Cash Flow	158	480	702
Gain/Loss	235	52	6,457
<b>Ending Market Value</b>	<b>13,739</b>	<b>13,739</b>	<b>13,739</b>



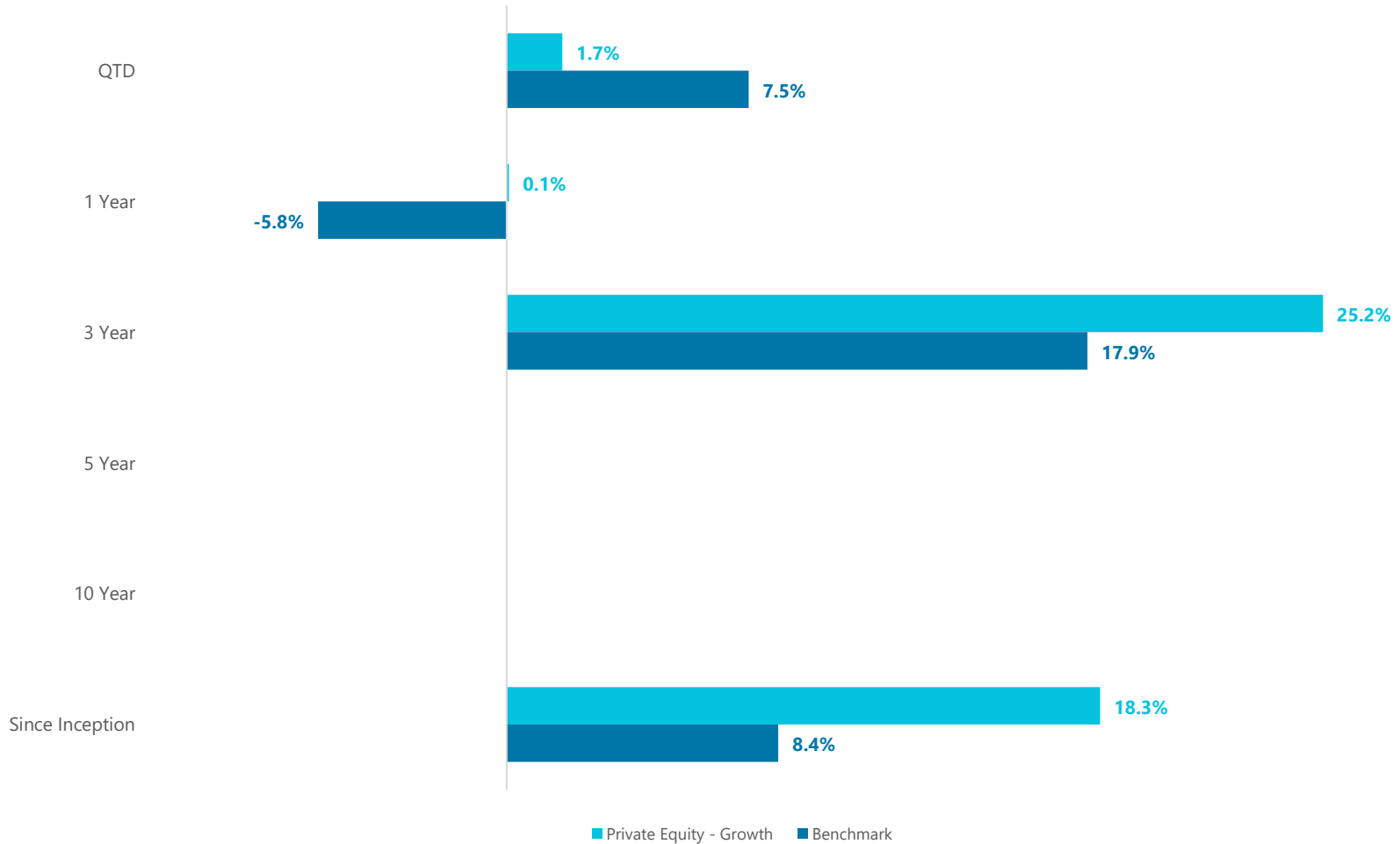
### Top Performing Investments (since inception)



# Historical Returns

Private Equity – Growth  
for the quarter ended June 30, 2023

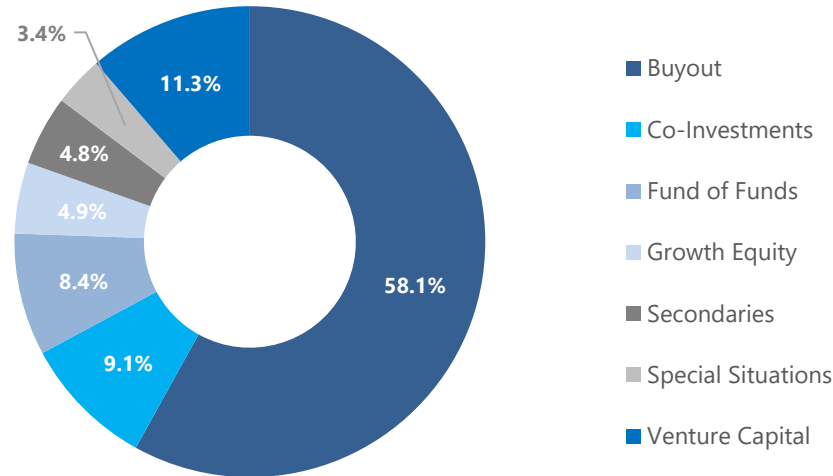
## Time-Weighted Returns (net)



# Performance by Strategy

Private Equity – Growth  
for the quarter ended June 30, 2023

## By Strategy<sup>1,2</sup>



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Buyout	208	15,093.3	13,403.6	14,692.7	7,871.7	22,564.4	9,160.8	1.10x	1.68x	14.0%	1.55
Co-Investments	10	1,558.2	1,373.3	1,031.4	1,236.0	2,267.4	894.1	0.71x	1.57x	18.1%	1.40
Fund of Funds	15	1,851.4	1,365.6	1,595.5	1,137.5	2,733.0	1,367.4	1.17x	2.00x	13.7%	1.44
Growth Equity	23	1,347.2	1,186.6	1,526.4	662.8	2,189.2	1,002.6	1.29x	1.84x	86.9%	1.67
Secondaries	20	887.3	713.0	369.8	650.2	1,019.9	307.0	0.52x	1.43x	17.8%	1.33
Special Situations	22	1,175.0	1,067.5	1,087.0	466.7	1,553.7	486.2	1.02x	1.46x	9.6%	1.16
Venture Capital	107	2,303.4	1,972.6	2,635.8	1,535.3	4,171.1	2,198.5	1.34x	2.11x	21.7%	1.96
<b>Total Private Equity - Growth</b>	<b>405</b>	<b>24,215.9</b>	<b>21,082.1</b>	<b>22,938.6</b>	<b>13,560.1</b>	<b>36,498.7</b>	<b>15,416.6</b>	<b>1.08x</b>	<b>1.73x</b>	<b>16.3%</b>	<b>1.67</b>

<sup>1</sup> Based on best available cash flow adjusted market values.

<sup>2</sup> Investment counts for Co-Investments and Fund of Funds do not include underlying funds.

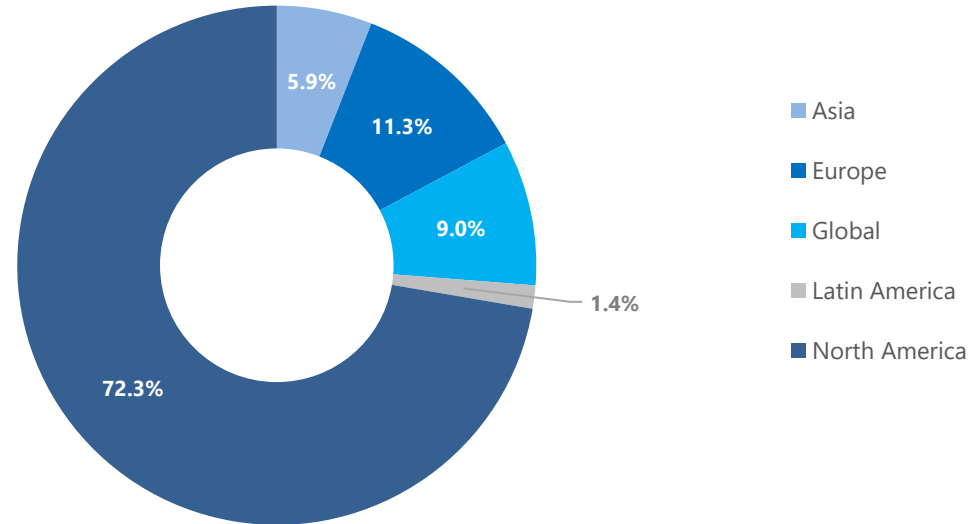
# Performance by Geography

Private Equity – Growth  
for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## By Geography<sup>1,2</sup>



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Asia	14	826.0	742.9	475.9	805.2	1,281.2	538.3	0.64x	1.72x	14.7%	1.27
Europe	37	2,771.9	2,475.0	2,410.1	1,528.5	3,938.7	1,463.6	0.97x	1.59x	15.9%	1.35
Global	28	2,312.6	1,407.1	820.3	1,223.9	2,044.2	637.1	0.58x	1.45x	15.5%	1.27
Latin America	2	200.0	193.0	56.9	196.6	253.5	60.5	0.29x	1.31x	9.2%	1.02
North America	324	18,105.4	16,264.1	19,175.4	9,805.8	28,981.2	12,717.1	1.17x	1.77x	16.4%	1.70
<b>Total Private Equity - Growth</b>	<b>405</b>	<b>24,215.9</b>	<b>21,082.1</b>	<b>22,938.6</b>	<b>13,560.1</b>	<b>36,498.7</b>	<b>15,416.6</b>	<b>1.08x</b>	<b>1.73x</b>	<b>16.3%</b>	<b>1.67</b>

<sup>1</sup> Based on best available cash flow adjusted market values.

<sup>2</sup> Investment counts for Co-Investments and Fund of Funds do not include underlying funds.

# Performance by Vintage Year

Private Equity – Growth  
for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## By Vintage Year<sup>1,2,3</sup>

	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME	Quartile Ranking
1986	3	80.0	80.0	267.5	0.0	267.5	187.5	3.34x	3.34x	15.7%	--	1st
1987	1	25.0	25.0	40.3	0.0	40.3	15.3	1.61x	1.61x	7.3%	--	3rd
1988	2	200.0	216.6	466.9	0.0	466.9	250.3	2.16x	2.16x	15.5%	89.91	2nd
1989	0	--	--	--	--	--	--	--	--	--	--	N/A
1990	1	7.5	7.5	16.7	0.0	16.7	9.2	2.22x	2.22x	13.0%	9.13	3rd
1991	0	--	--	--	--	--	--	--	--	--	--	N/A
1992	10	116.0	111.0	242.5	0.0	242.5	131.6	2.19x	2.19x	29.1%	3.78	2nd
1993	8	68.0	64.8	239.5	0.0	239.5	174.7	3.70x	3.70x	39.7%	3.22	1st
1994	5	56.9	58.8	237.6	0.0	237.6	178.8	4.04x	4.04x	54.1%	2.82	1st
1995	7	100.5	102.3	362.6	0.0	362.6	260.2	3.54x	3.54x	43.2%	2.58	1st
1996	12	222.9	225.2	608.8	0.0	608.8	383.6	2.70x	2.70x	37.5%	2.15	1st
1997	11	397.5	410.4	606.4	0.0	606.4	196.0	1.48x	1.48x	7.7%	1.20	3rd
1998	22	644.4	655.2	945.3	0.5	945.8	290.6	1.44x	1.44x	7.3%	1.19	2nd
1999	21	363.2	369.7	436.6	0.0	436.6	66.9	1.18x	1.18x	3.4%	0.96	2nd
2000	25	375.4	387.3	575.0	0.2	575.2	187.9	1.48x	1.49x	8.7%	1.07	2nd
2001	15	411.8	442.6	835.5	2.5	838.1	395.5	1.89x	1.89x	21.7%	1.38	1st
2002	8	220.4	230.3	537.4	0.0	537.4	307.1	2.33x	2.33x	19.0%	1.64	2nd
2003	8	309.9	339.2	701.6	0.4	701.9	362.7	2.07x	2.07x	21.3%	1.60	1st
2004	7	345.6	392.2	746.7	0.7	747.4	355.3	1.90x	1.91x	19.5%	1.58	1st
2005	15	506.2	506.2	1,040.3	4.3	1,044.6	538.3	2.05x	2.06x	13.4%	1.64	1st
2006	28	1,519.8	1,607.7	2,563.0	9.0	2,572.0	964.3	1.59x	1.60x	8.8%	1.25	2nd
2007	11	517.1	462.0	784.9	31.3	816.2	354.2	1.70x	1.77x	11.5%	1.20	2nd
2008	10	642.2	701.3	1,238.3	23.4	1,261.7	560.5	1.77x	1.80x	13.2%	1.21	2nd
2009	0	--	--	--	--	--	--	--	--	--	--	N/A
2010	2	450.0	473.2	724.4	242.5	966.9	493.7	1.53x	2.04x	15.5%	1.41	2nd
2011	7	391.0	422.8	819.6	148.9	968.5	545.8	1.94x	2.29x	18.4%	1.47	2nd
2012	7	435.0	582.0	1,071.5	96.0	1,167.6	585.6	1.84x	2.01x	21.6%	1.66	1st
2013	10	896.8	986.7	1,280.0	520.1	1,800.0	813.3	1.30x	1.82x	15.2%	1.31	2nd
2014	11	1,249.9	1,395.6	1,533.6	1,196.3	2,729.8	1,334.3	1.10x	1.96x	17.1%	1.41	2nd
2015	10	1,087.0	1,267.5	1,389.8	1,317.2	2,707.0	1,439.5	1.10x	2.14x	21.4%	1.58	2nd
2016	12	1,131.7	1,297.3	1,140.7	1,244.4	2,385.1	1,087.8	0.88x	1.84x	17.9%	1.34	3rd
2017	8	594.0	582.6	376.4	713.3	1,089.6	507.0	0.65x	1.87x	20.0%	1.41	3rd
2018	9	1,263.2	1,179.5	405.2	1,496.0	1,901.2	721.7	0.34x	1.61x	20.5%	1.37	3rd
2019	30	2,122.2	1,887.4	404.7	2,364.5	2,769.2	881.8	0.21x	1.47x	18.0%	1.25	3rd
2020	10	1,173.4	910.5	158.2	1,102.8	1,261.0	350.5	0.17x	1.38x	21.1%	1.33	2nd
2021	30	3,070.6	1,822.2	113.0	2,013.1	2,126.1	303.9	0.06x	1.17x	13.0%	1.14	2nd
2022	16	1,757.0	833.8	28.3	914.4	942.8	109.0	0.03x	1.13x	11.7%	1.01	1st
2023	13	1,463.7	45.9	--	118.3	--	--	0.00x	1.00x	-0.6%	0.93	1st

**Total Private Equity - Growth**

**405**

**24,215.9**

**21,082.1**

**22,938.6**

**13,560.1**

**36,498.7**

**15,416.6**

**1.08x**

**1.73x**

**16.3%**

**1.67**

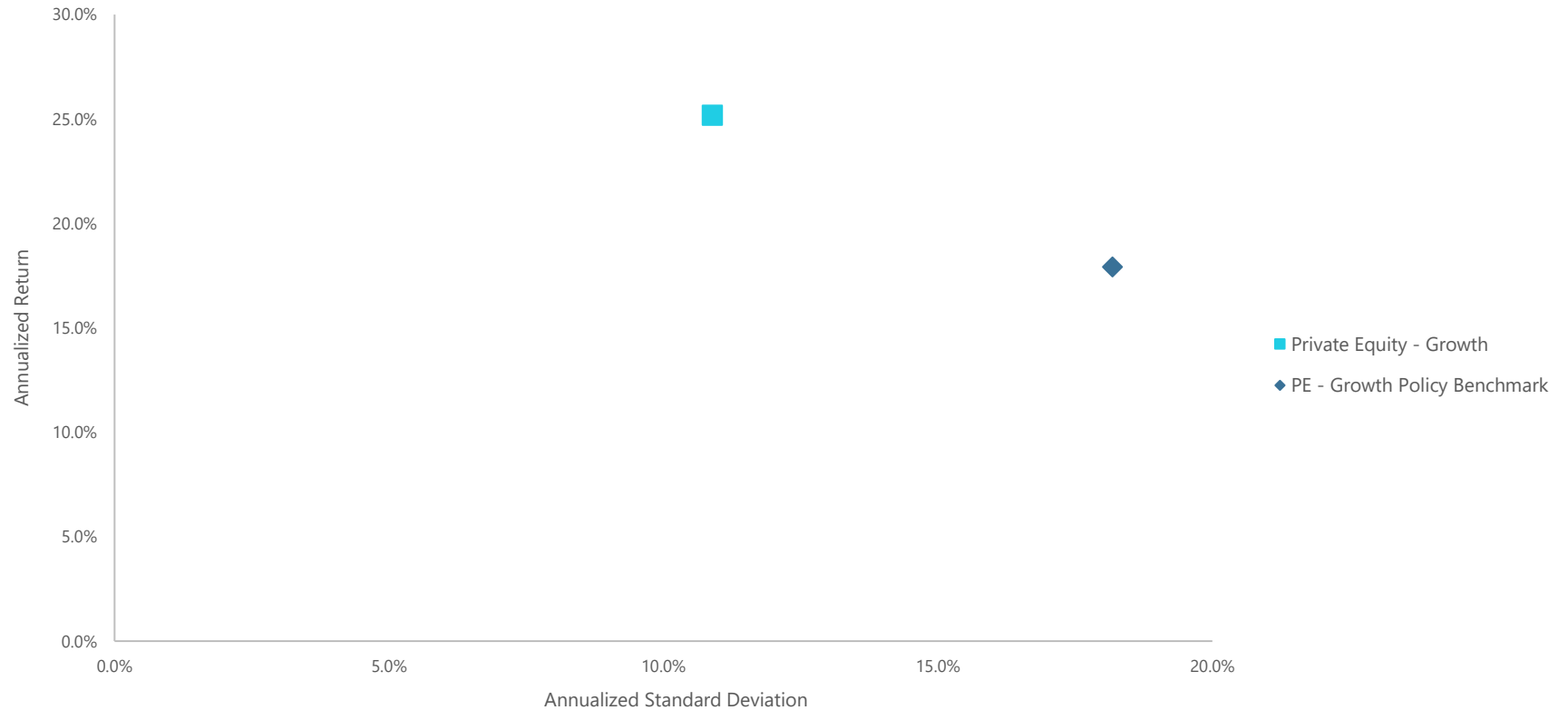
1. Based on best available cash flow adjusted market values.
2. Investment counts for Co-Investments and Fund of Funds do not include underlying funds.
3. Benchmark data used is latest available by Burgiss Private IQ. Quartile rankings are reported as not applicable (N/A) if commitment date is within 3 years of reporting date or if no commitments were made for the respective vintage year.

# Risk vs. Return

## Private Equity – Growth

for the quarter ended June 30, 2023

### 3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
<b>Private Equity - Growth</b>	<b>25.2%</b>	<b>10.9%</b>				
PE - Growth Policy Benchmark	17.9%	18.2%	2.02	0.27	0.16	18.7%

# Annual Cash Flow Activity

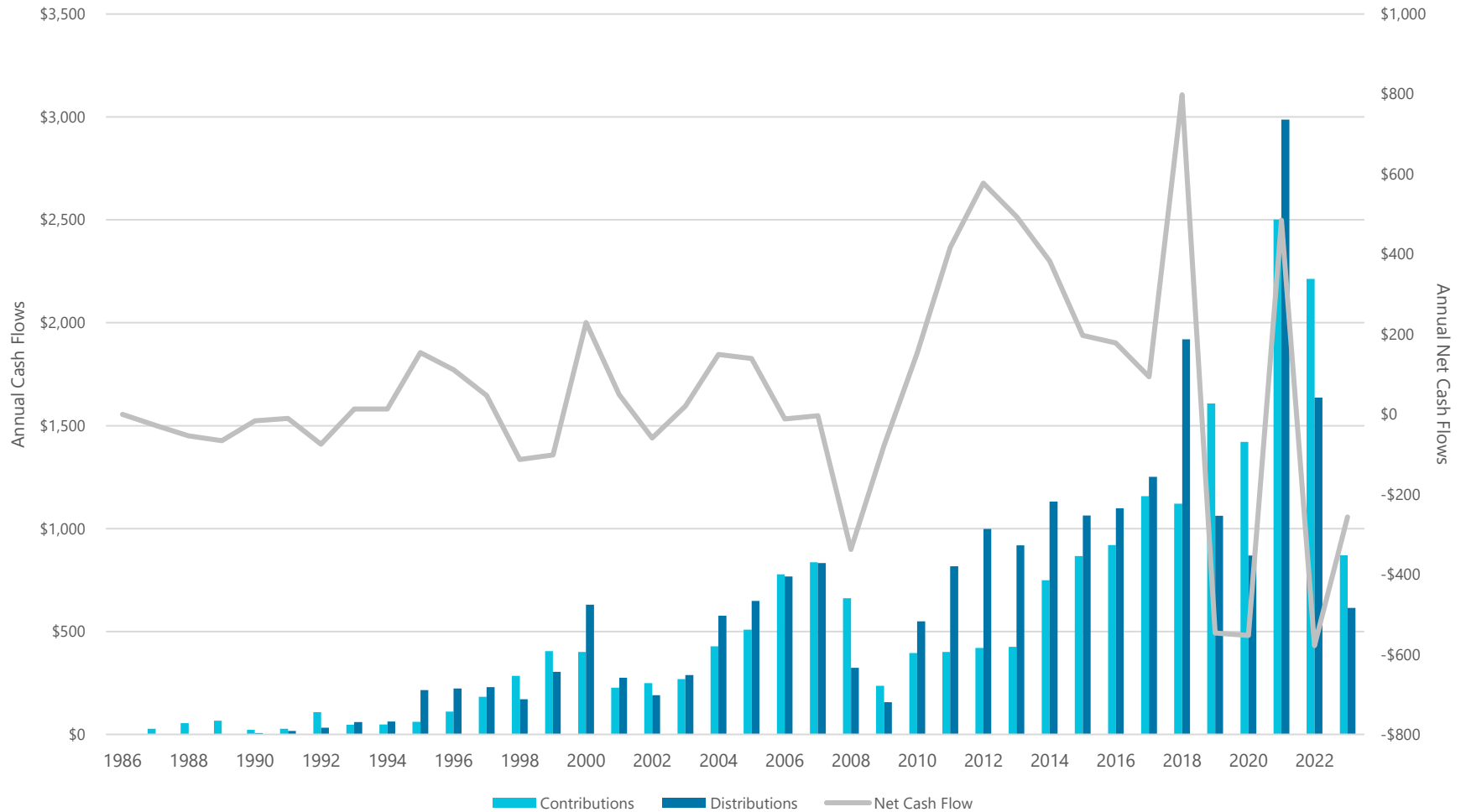
## Private Equity

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

### By Year (mm)





# Summary

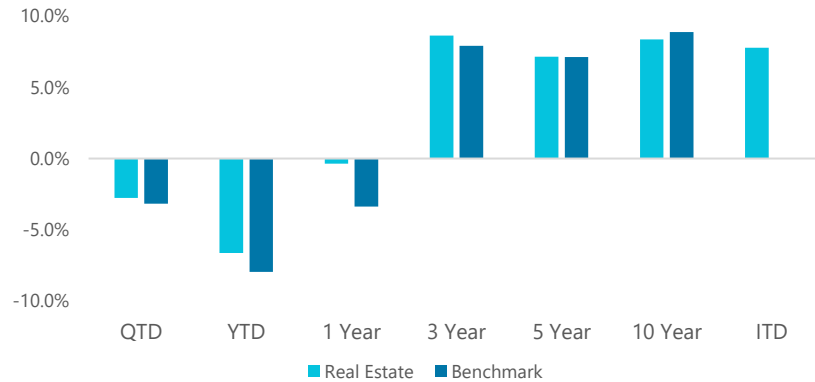
## Real Estate

for the quarter ended June 30, 2023



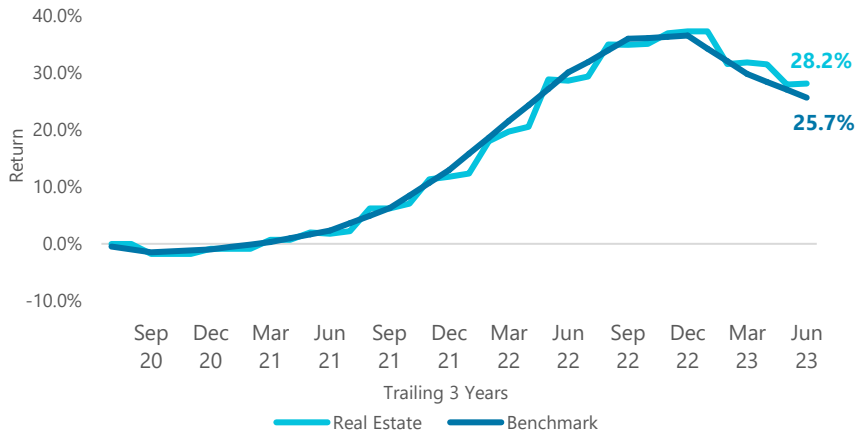
Los Angeles County Employees Retirement Association

### Performance (net)



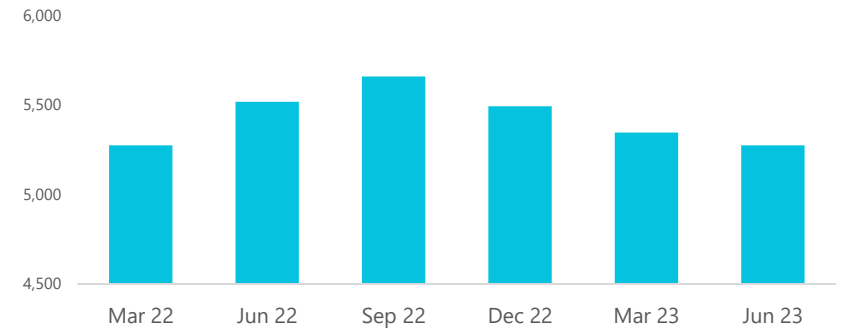
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>Real Estate</b>	<b>-2.8%</b>	<b>-6.6%</b>	<b>-0.4%</b>	<b>8.6%</b>	<b>7.1%</b>	<b>8.4%</b>	<b>7.8%</b>
Benchmark	-3.2%	-8.0%	-3.4%	7.9%	7.1%	8.9%	--
Excess	0.4%	1.3%	3.0%	0.7%	0.0%	-0.5%	--

### Cumulative Return

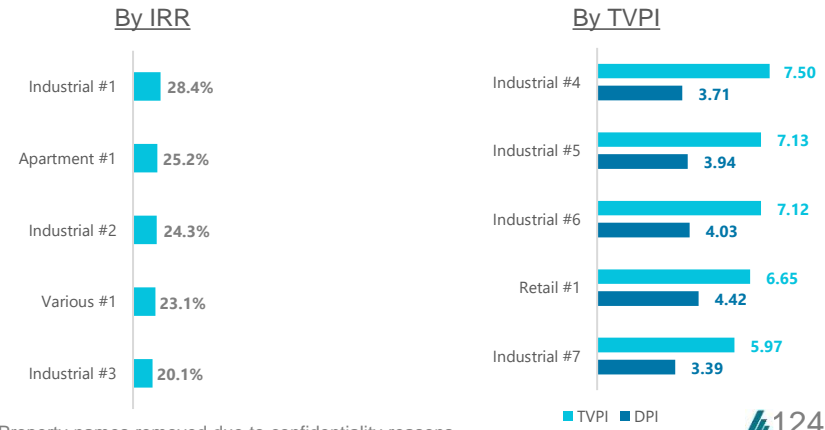


### Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	5,346	5,519	5,565
Net Cash Flow	78	-241	-1,620
Gain/Loss	-149	-2	1,330
<b>Ending Market Value</b>	<b>5,275</b>	<b>5,275</b>	<b>5,275</b>



### Top Performing Investments (since inception)<sup>1</sup>



<sup>1</sup> Property names removed due to confidentiality reasons.

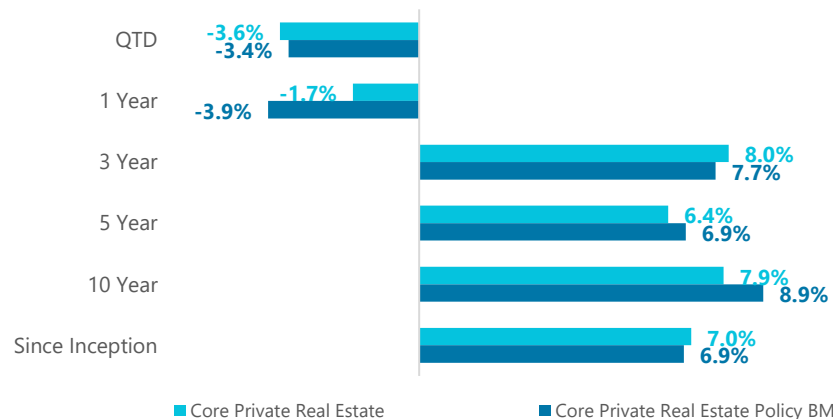
# Historical Returns

## Real Estate

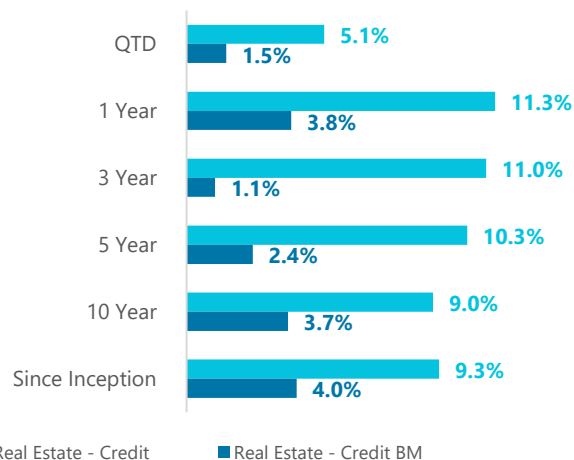
for the quarter ended June 30, 2023

### Time-Weighted Returns (net)

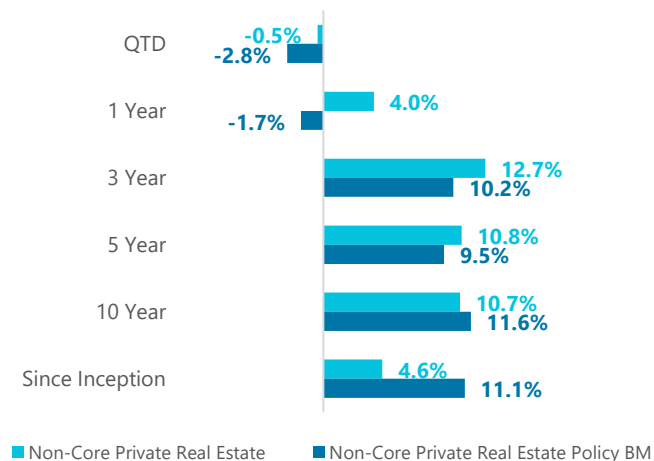
#### Core



#### Debt



#### Non-Core

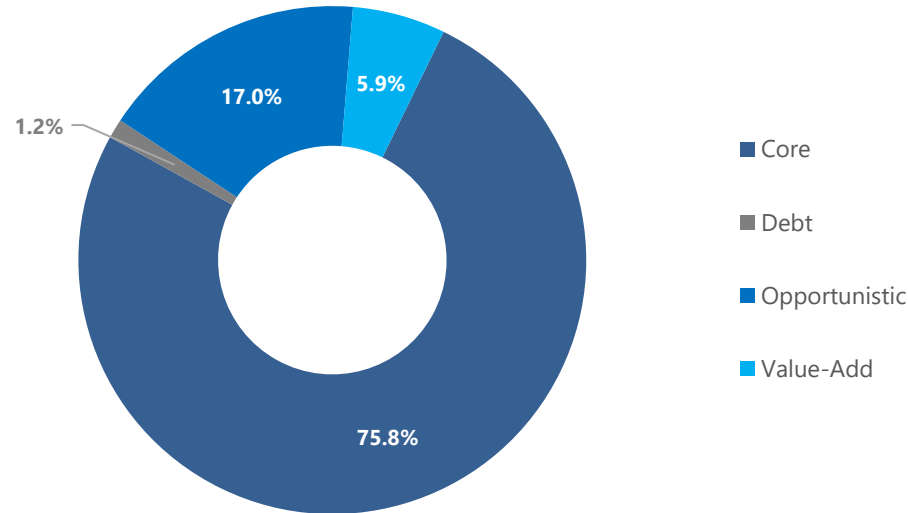


# Performance by Strategy

## Real Estate

for the quarter ended June 30, 2023

### By Strategy<sup>1,2</sup>



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Core	81	1,034.1	7,529.9	6,897.5	3,869.3	10,766.8	3,236.9	0.92x	1.43x	8.1%	1.12
Debt	7	0.0	158.5	139.8	63.0	202.8	44.3	0.88x	1.28x	8.9%	1.19
Opportunistic	18	1,700.1	1,297.5	799.5	869.0	1,668.5	371.0	0.62x	1.29x	6.2%	0.98
Value-Add	12	472.5	626.1	235.1	302.3	537.4	(88.7)	0.38x	0.86x	-3.5%	0.60
<b>Total Real Estate</b>	<b>118</b>	<b>3,206.8</b>	<b>9,612.0</b>	<b>8,071.8</b>	<b>5,103.6</b>	<b>13,175.5</b>	<b>3,563.5</b>	<b>0.84x</b>	<b>1.37x</b>	<b>7.5%</b>	<b>1.07</b>

<sup>1</sup> Based on best available cash flow adjusted market values and includes only active investments and sold assets with balance sheet residuals.

<sup>2</sup> Commitment amounts reflect only commingled fund investments.

# Performance by Property Type

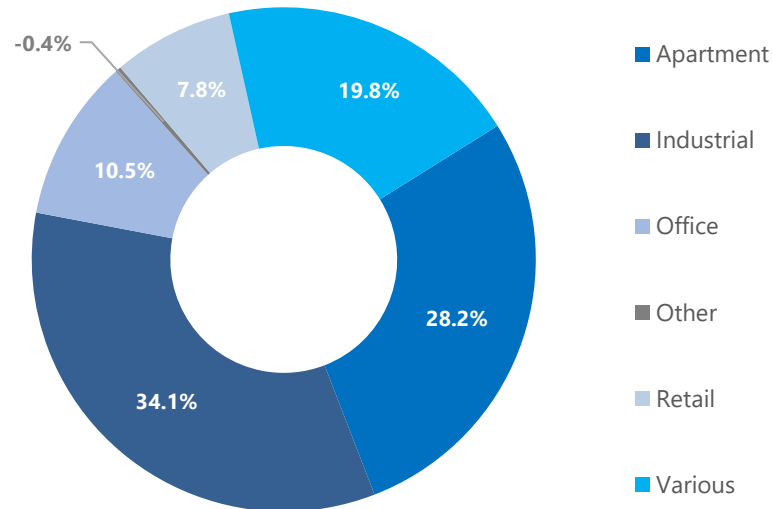
## Real Estate

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

### By Property Type<sup>1,2,3</sup>



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Apartment	36	384.1	3,090.5	2,605.4	1,441.0	4,046.3	955.8	0.84x	1.31x	7.2%	1.08
Industrial	21	234.1	1,696.4	1,574.2	1,740.4	3,314.7	1,618.3	0.93x	1.95x	12.9%	1.65
Office	19	0.0	2,016.7	1,936.0	535.5	2,471.6	454.8	0.96x	1.23x	5.2%	1.03
Other	4	100.0	170.7	199.0	(19.3)	179.6	8.9	1.17x	1.05x	1.3%	0.70
Retail	15	0.0	1,280.5	1,279.0	397.7	1,676.6	396.1	1.00x	1.31x	6.2%	0.82
Various	23	2,488.6	1,357.2	478.3	1,008.4	1,486.7	129.5	0.35x	1.10x	2.3%	0.82
<b>Total Real Estate</b>	<b>118</b>	<b>3,206.8</b>	<b>9,612.0</b>	<b>8,071.8</b>	<b>5,103.6</b>	<b>13,175.5</b>	<b>3,563.5</b>	<b>0.84x</b>	<b>1.37x</b>	<b>7.5%</b>	<b>1.07</b>

<sup>1</sup> Based on best available cash flow adjusted market values and includes only active investments and sold assets with balance sheet residuals.

<sup>2</sup> Commitment amounts reflect only commingled fund investments.

<sup>3</sup> Various refers to commingled fund investments with more than one property type; Other refers to hotel and fund level market values for the debt program.

# Performance by Geography

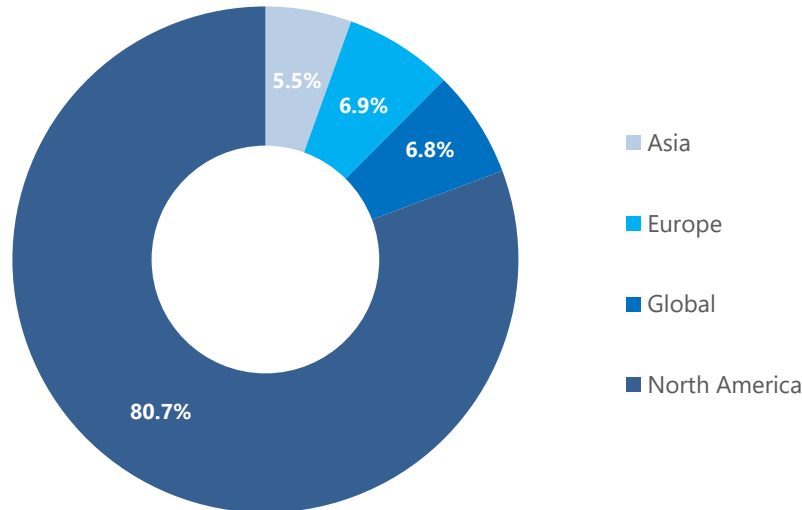
## Real Estate

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

### By Geography (non-US)<sup>1,2</sup>



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Asia	4	300.0	310.2	124.1	281.0	405.1	94.9	0.40x	1.31x	5.8%	1.05
Europe	10	478.9	623.5	380.0	354.5	734.5	111.0	0.61x	1.18x	3.8%	0.84
Global	7	1,068.8	452.0	226.2	349.5	575.8	123.8	0.50x	1.27x	11.2%	1.07
North America	97	1,359.1	8,226.3	7,341.5	4,118.6	11,460.1	3,233.8	0.89x	1.39x	7.6%	1.08
<b>Total Real Estate</b>	<b>118</b>	<b>3,206.8</b>	<b>9,612.0</b>	<b>8,071.8</b>	<b>5,103.6</b>	<b>13,175.5</b>	<b>3,563.5</b>	<b>0.84x</b>	<b>1.37x</b>	<b>7.5%</b>	<b>1.07</b>

<sup>1</sup> Based on best available cash flow adjusted market values and includes only active investments and sold assets with balance sheet residuals.

<sup>2</sup> Commitment amounts reflect only commingled fund investments.

# Performance by Geography

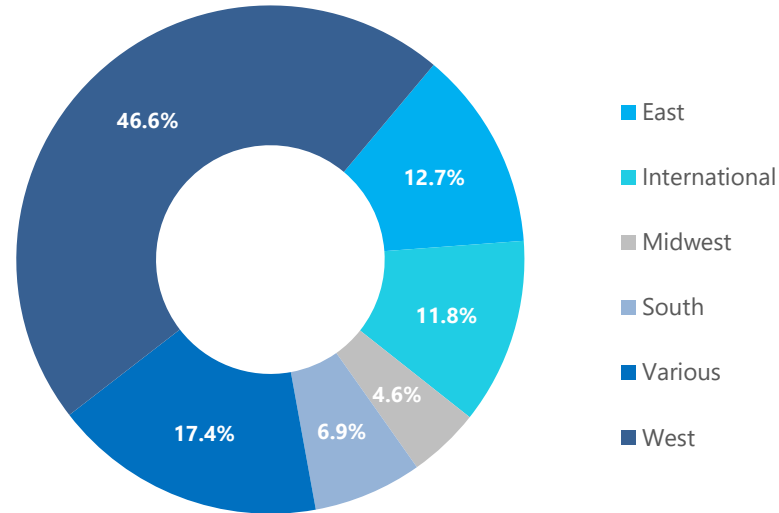
## Real Estate

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

### By Geography (US NCREIF)<sup>1,2</sup>



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
East	26	0.0	2,475.8	2,302.6	648.8	2,951.4	475.6	0.93x	1.19x	5.1%	0.86
International	13	724.4	893.3	504.1	603.3	1,107.4	214.1	0.56x	1.24x	4.7%	0.92
Midwest	10	0.0	592.8	496.7	233.1	729.7	136.9	0.84x	1.23x	4.6%	0.81
South	11	0.0	1,198.6	1,261.6	353.4	1,615.0	416.3	1.05x	1.35x	7.9%	0.98
Various	15	2,098.3	972.0	365.5	887.8	1,253.3	281.3	0.38x	1.29x	6.4%	0.98
West	43	384.1	3,479.4	3,141.4	2,377.2	5,518.6	2,039.2	0.90x	1.59x	9.1%	1.37
<b>Total Real Estate</b>	<b>118</b>	<b>3,206.8</b>	<b>9,612.0</b>	<b>8,071.8</b>	<b>5,103.6</b>	<b>13,175.5</b>	<b>3,563.5</b>	<b>0.84x</b>	<b>1.37x</b>	<b>7.5%</b>	<b>1.07</b>

<sup>1</sup> Based on best available cash flow adjusted market values and includes only active investments and sold assets with balance sheet residuals.

<sup>2</sup> Commitment amounts reflect only commingled fund investments.

# Performance by Vintage Year

## Real Estate

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

### By Vintage Year<sup>1,2,3</sup>

	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME	Quartile Ranking
1990	1	0.0	249.9	305.4	114.9	420.3	170.3	1.22x	1.68x	6.3%	4.56	N/A
1991	3	0.0	33.1	126.1	103.8	229.9	196.8	3.81x	6.95x	12.4%	13.98	N/A
1992	0	0.0	--	--	--	--	--	--	--	--	--	N/A
1993	0	0.0	--	--	--	--	--	--	--	--	--	N/A
1994	1	0.0	15.5	68.4	34.8	103.2	87.7	4.42x	6.67x	12.8%	1.43	N/A
1995	1	0.0	67.2	113.6	95.1	208.7	141.5	1.69x	3.11x	11.5%	1.21	N/A
1996	1	0.0	24.1	38.9	25.6	64.5	40.4	1.61x	2.68x	7.2%	0.77	N/A
1997	1	0.0	18.4	68.4	71.4	139.8	121.3	3.71x	7.58x	15.8%	2.09	N/A
1998	1	0.0	48.9	102.1	10.9	113.0	64.1	2.09x	2.31x	6.2%	0.70	N/A
1999	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2000	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2001	1	0.0	143.6	79.3	87.2	166.5	22.9	0.53x	1.16x	3.9%	0.70	N/A
2002	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2003	1	0.0	142.9	132.3	57.0	189.3	46.4	0.93x	1.32x	3.8%	0.68	N/A
2004	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2005	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2006	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2007	3	38.0	454.6	401.9	0.5	402.4	(52.2)	0.88x	0.89x	-5.5%	0.54	4th
2008	1	150.0	150.0	96.0	0.0	96.0	(53.9)	0.64x	0.64x	-5.7%	0.34	4th
2009	1	18.9	22.5	28.8	0.2	29.0	6.4	1.28x	1.29x	8.2%	0.84	3rd
2010	1	100.0	97.1	152.0	6.3	158.3	61.1	1.57x	1.63x	9.6%	0.92	3rd
2011	4	17.5	222.2	117.5	8.4	125.9	(96.4)	0.53x	0.57x	-16.4%	0.23	4th
2012	3	134.1	441.3	188.4	155.1	343.4	(97.9)	0.43x	0.78x	-5.9%	0.60	4th
2013	7	100.0	474.8	582.9	46.1	629.0	154.2	1.23x	1.32x	6.8%	0.92	3rd
2014	15	263.7	993.8	822.7	618.3	1,441.0	447.3	0.83x	1.45x	7.8%	1.11	3rd
2015	9	0.0	954.9	761.5	691.2	1,452.7	497.8	0.80x	1.52x	11.5%	1.37	2nd
2016	7	150.0	487.3	227.0	524.7	751.7	264.4	0.47x	1.54x	11.4%	1.33	2nd
2017	12	179.6	1,342.5	933.1	811.1	1,744.1	401.7	0.70x	1.30x	8.9%	1.15	3rd
2018	10	150.0	378.5	216.7	250.0	466.8	88.3	0.57x	1.23x	7.5%	1.10	4th
2019	25	413.3	2,417.6	2,421.2	1,027.1	3,448.3	1,030.7	1.00x	1.43x	8.7%	1.01	3rd
2020	2	0.0	71.8	81.2	0.0	81.2	9.4	1.13x	1.13x	5.2%	1.13	3rd
2021	2	181.8	85.2	2.9	88.9	91.8	6.6	0.03x	1.08x	6.4%	1.14	3rd
2022	3	710.0	174.3	3.8	175.0	178.8	4.6	0.02x	1.03x	4.8%	1.04	1st
2023	2	600.0	--	--	--	--	--	--	--	--	--	N/A
<b>Total Real Estate</b>	<b>118</b>	<b>3,206.8</b>	<b>9,612.0</b>	<b>8,071.8</b>	<b>5,103.6</b>	<b>13,175.5</b>	<b>3,563.5</b>	<b>0.84x</b>	<b>1.37x</b>	<b>7.5%</b>	<b>1.07</b>	

1. Based on best available cash flow adjusted market values.
2. Commitment amounts reflect only commingled fund investments.
3. Benchmark data used is latest available by Burgiss Private IQ. Quartile rankings exclude IMAs and Core Funds.

# Leverage Exposure

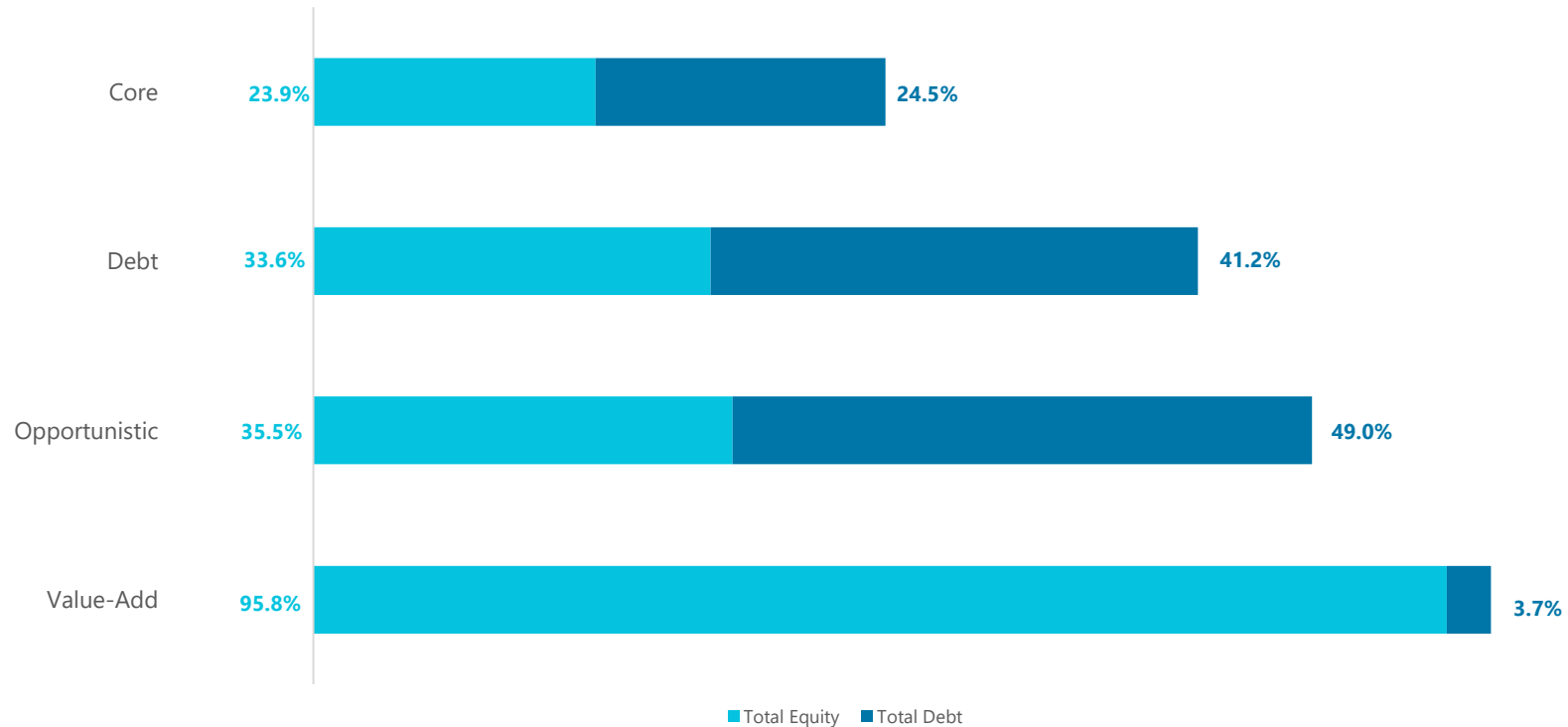
## Real Estate

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

### Leverage Exposure<sup>1,2</sup>



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME	Total Debt-Fund Level (mm)	Total Equity-Fund Level (mm)	Total Debt-Fund Level (%)	Total Equity-Fund Level (%)
Core	81	1,034.1	7,529.9	6,897.5	3,869.3	10,766.8	3,236.9	0.92x	1.43x	8.1%	1.12	8,946.2	8,707.3	24.5%	23.9%
Debt	7	0.0	158.5	139.8	63.0	202.8	44.3	0.88x	1.28x	8.9%	1.19	109.3	89.0	41.2%	33.6%
Opportunistic	18	1,700.1	1,297.5	799.5	869.0	1,668.5	371.0	0.62x	1.29x	6.2%	0.98	15,642.2	11,319.0	49.0%	35.5%
Value-Add	12	472.5	626.1	235.1	302.3	537.4	(88.7)	0.38x	0.86x	-3.5%	0.60	5,502.1	141,823.3	3.7%	95.8%
<b>Total Real Estate</b>	<b>118</b>	<b>3,206.8</b>	<b>9,612.0</b>	<b>8,071.8</b>	<b>5,103.6</b>	<b>13,175.5</b>	<b>3,563.5</b>	<b>0.84x</b>	<b>1.37x</b>	<b>7.5%</b>	<b>1.07</b>	<b>30,199.8</b>	<b>161,938.7</b>	<b>13.9%</b>	<b>74.7%</b>

<sup>1</sup> Based on best available cash flow adjusted market values and includes only active investments and sold assets with balance sheet residuals.

<sup>2</sup> Commitment amounts reflect only commingled fund investments.

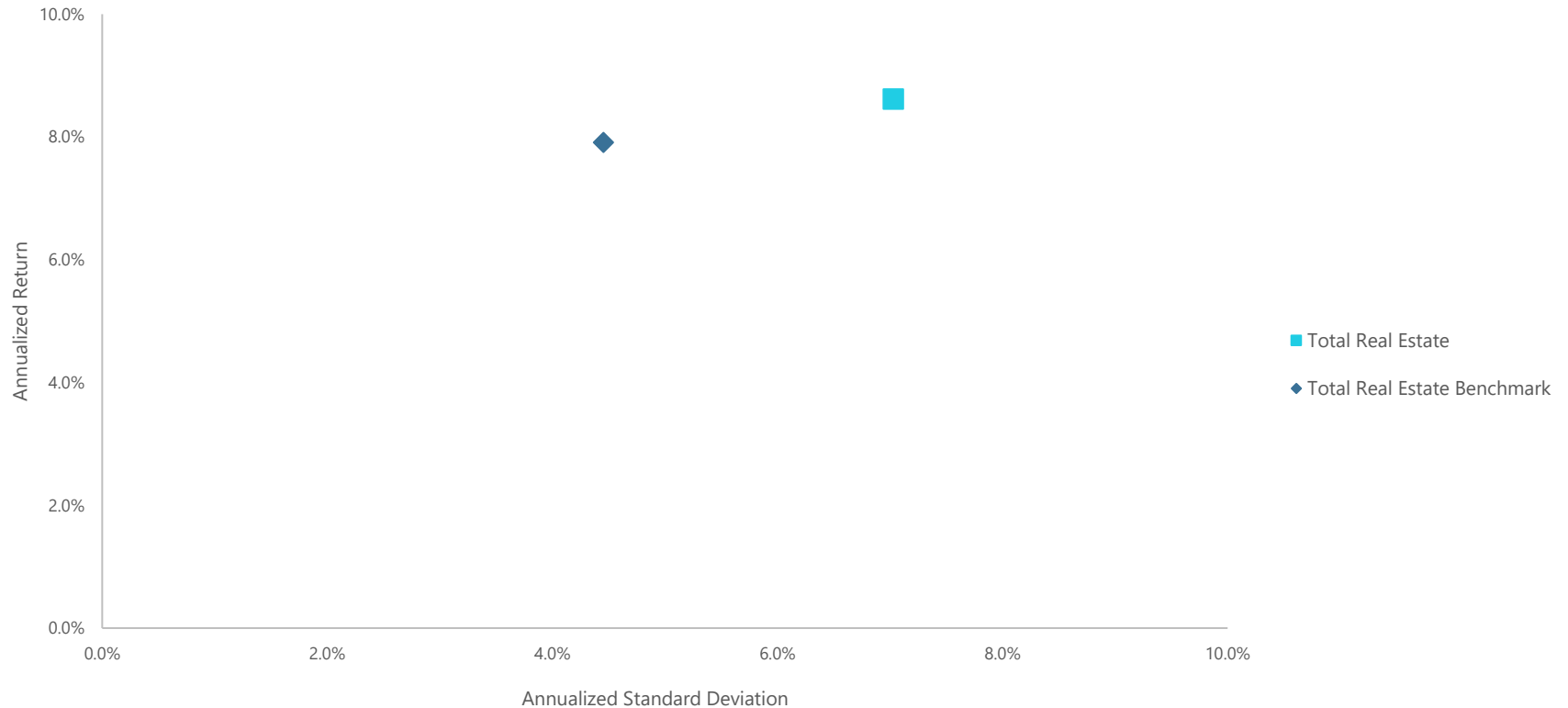


# Risk vs. Return

## Real Estate

for the quarter ended June 30, 2023

### 3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
<b>Total Real Estate</b>	<b>8.6%</b>	<b>7.0%</b>				
Total Real Estate Benchmark	7.9%	4.5%	1.03	0.12	0.92	19.8%

# Annual Cash Flow Activity

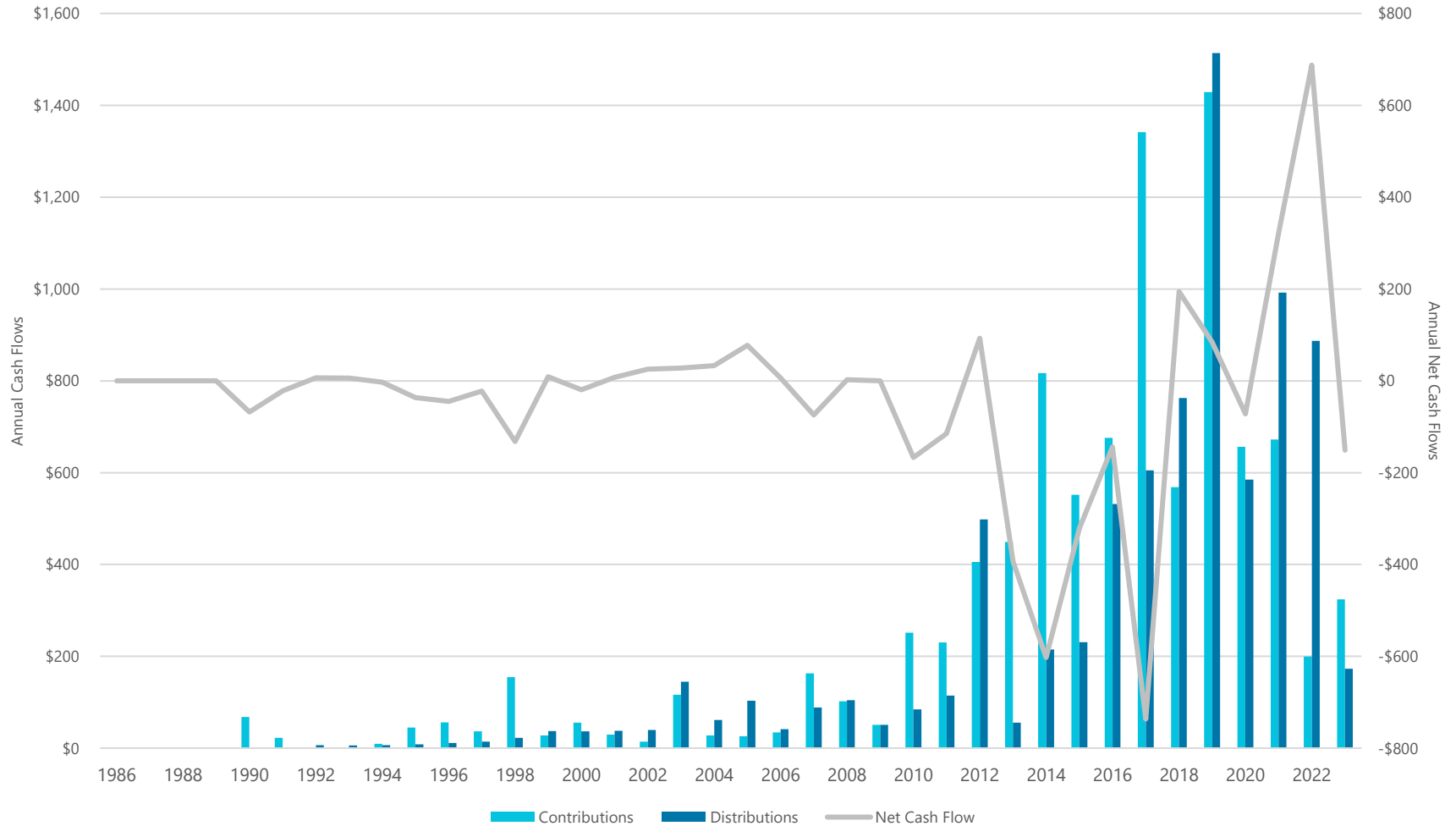
## Real Estate

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

### By Year (mm)



# Summary

Private Real Assets ex. Real Estate  
for the quarter ended June 30, 2023



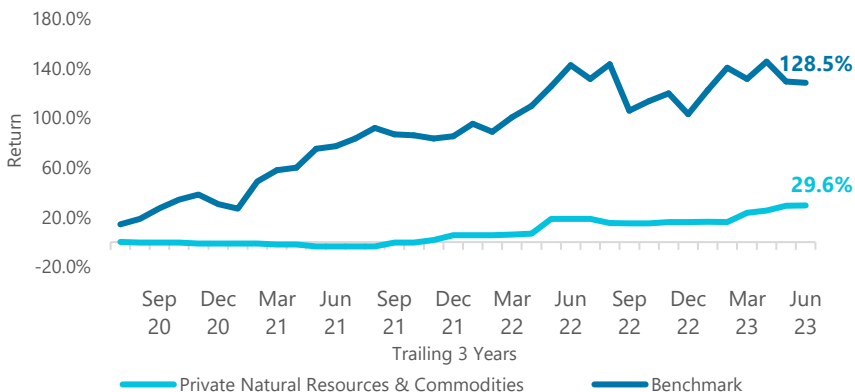
Los Angeles County Employees Retirement Association

## Performance (net)<sup>1</sup>



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>Private Natural Resources &amp; Commodities</b>	<b>4.8%</b>	<b>11.5%</b>	<b>9.2%</b>	<b>9.0%</b>	--	--	<b>-4.5%</b>
Benchmark	-1.3%	12.5%	-5.8%	31.7%	--	--	14.9%
Excess	6.1%	-0.9%	15.0%	-22.7%	--	--	-19.4%

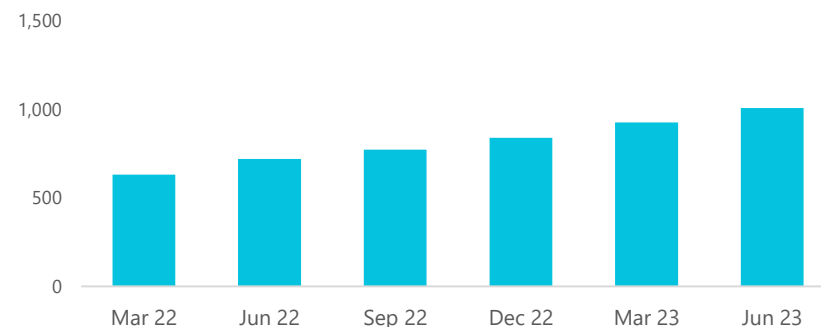
## Cumulative Return<sup>1</sup>



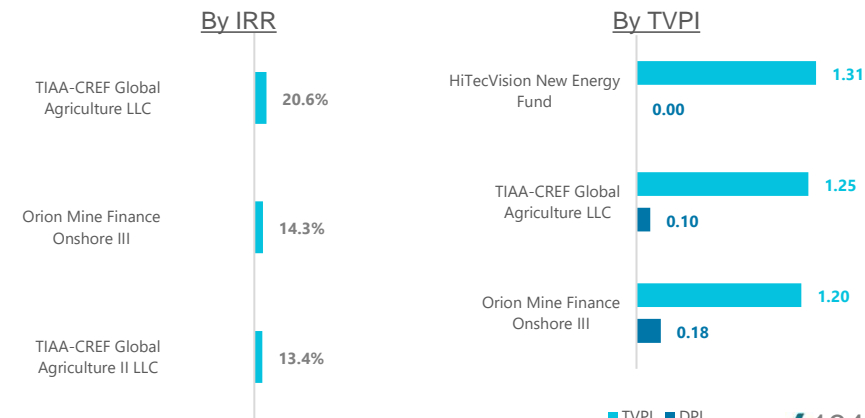
<sup>1</sup> Private natural resources & commodities funds reflect early-stage life cycle performance.

## Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	925	719	72
Net Cash Flow	38	203	761
Gain/Loss	44	85.4	173.6
<b>Ending Market Value</b>	<b>1,007</b>	<b>1,007</b>	<b>1,007</b>



## Top Performing Investments (since inception)<sup>1</sup>



■ TVPI ■ DPI

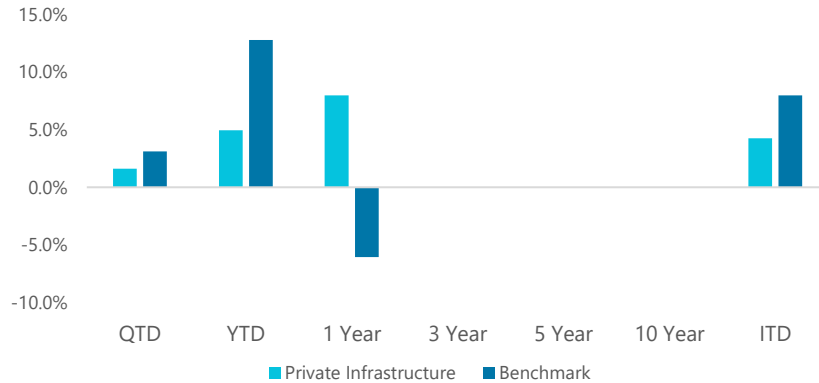
# Summary

Private Real Assets ex. Real Estate  
for the quarter ended June 30, 2023



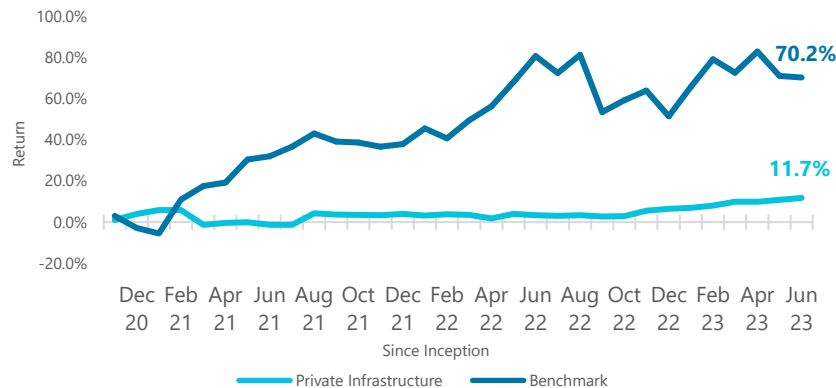
Los Angeles County Employees Retirement Association

## Performance (net)<sup>1</sup>



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>Private Infrastructure</b>	<b>1.6%</b>	<b>5.0%</b>	<b>8.0%</b>	--	--	--	<b>4.2%</b>
Benchmark	3.1%	12.8%	-6.1%	--	--	--	8.0%
Excess	-1.5%	-7.8%	14.0%	--	--	--	-3.7%

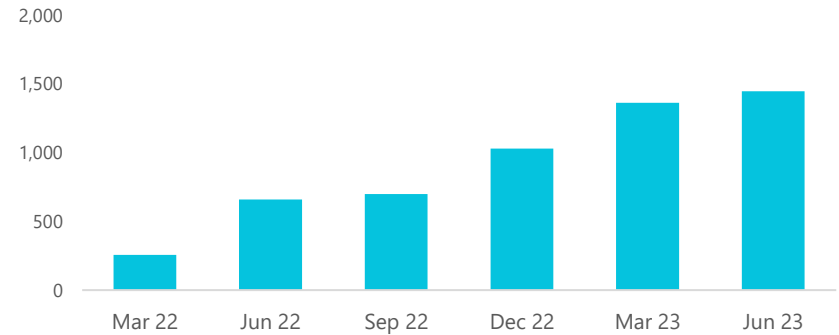
## Cumulative Return<sup>1</sup>



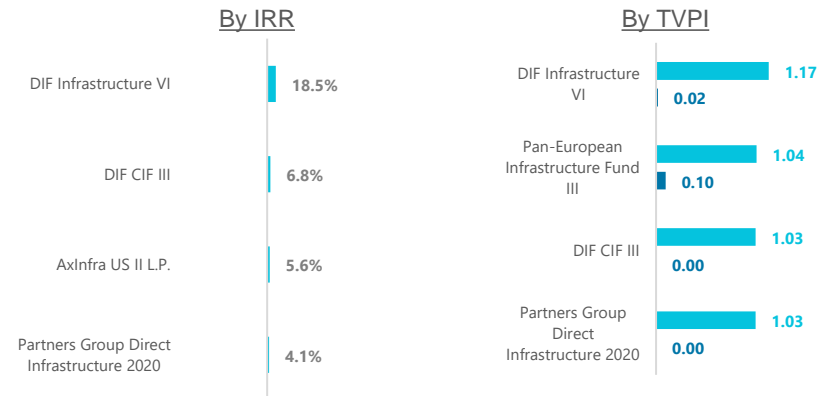
<sup>1</sup> Private infrastructure funds reflect early-stage life cycle performance.

## Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	1,365	659	--
Net Cash Flow	62	696	--
Gain/Loss	22	94	--
<b>Ending Market Value</b>	<b>1,449</b>	<b>1,449</b>	--



## Top Performing Investments (since inception)<sup>1</sup>

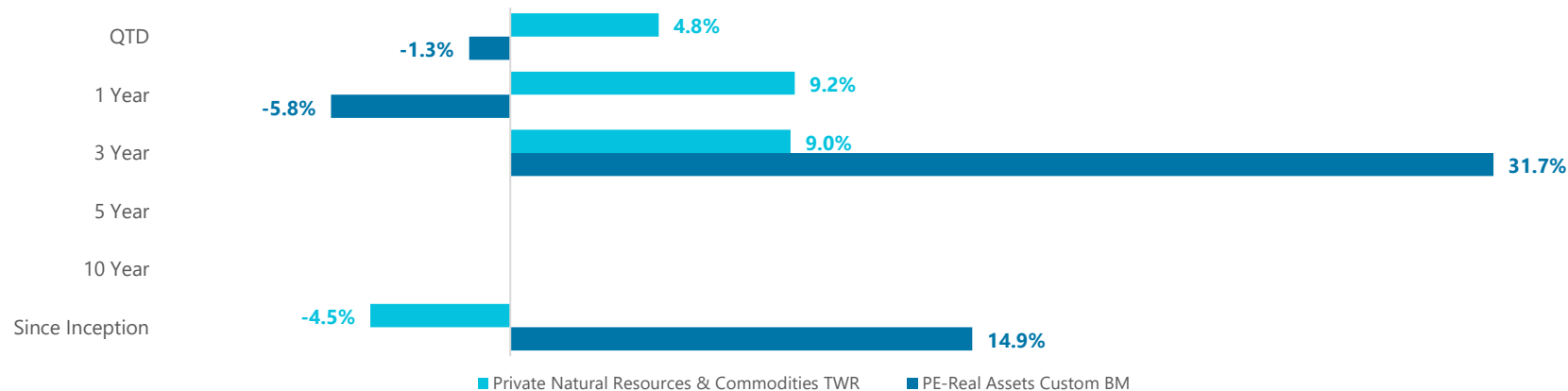


# Historical Returns

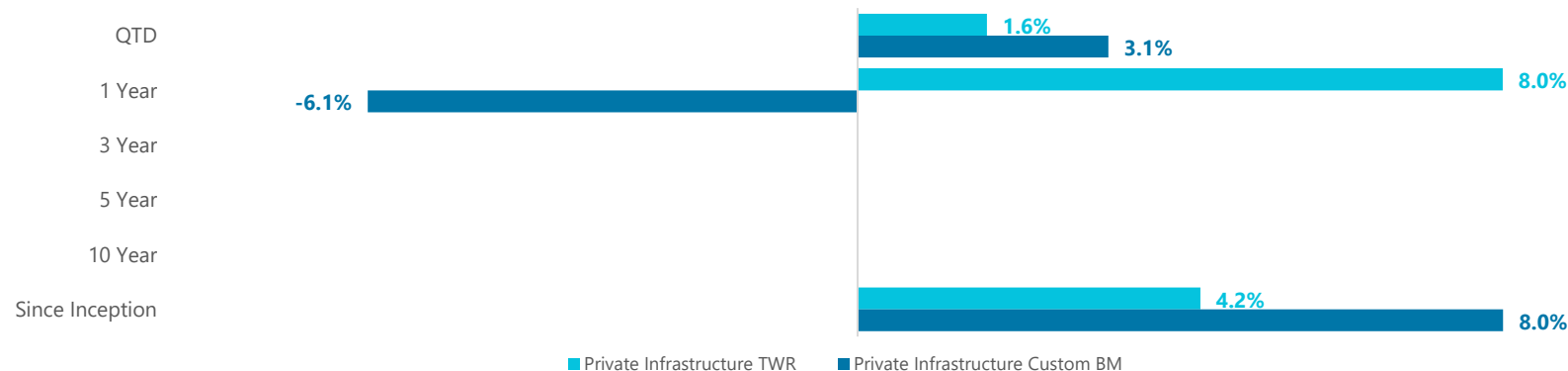
Private Real Assets ex. Real Estate  
for the quarter ended June 30, 2023

## Time-Weighted Returns (net)<sup>1</sup>

### Private Natural Resources & Commodities



### Private Infrastructure



<sup>1</sup> Private natural resources and infrastructure funds reflect early-stage life cycle performance.

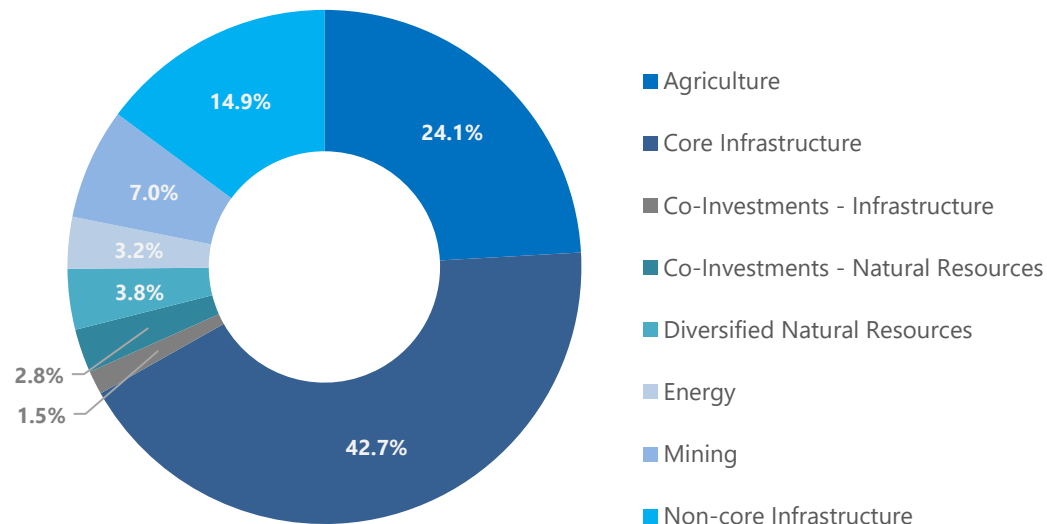
# Performance by Strategy

Private Real Assets ex. Real Estate  
for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## By Strategy<sup>1</sup>



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Agriculture	4	750.0	573.8	84.4	600.9	685.3	111.4	0.15x	1.19x	15.6%	1.15
Core Infrastructure	5	1,064.8	1,010.1	26.0	1,064.8	1,090.8	80.8	0.03x	1.08x	9.2%	1.10
Co-Investments - Infrastructure	3	100.2	35.1	0.0	37.2	37.2	2.2	0.00x	1.06x	7.4%	1.11
Co-Investments - Natural Resources	4	240.1	69.3	0.0	68.8	68.8	(0.6)	0.00x	0.99x	-2.3%	0.97
Diversified Natural Resources	1	136.4	72.8	0.0	95.1	95.1	22.3	0.00x	1.31x	45.3%	1.26
Energy	3	325.0	205.6	119.3	80.9	200.2	(5.4)	0.58x	0.97x	-0.8%	0.76
Mining	3	325.0	160.0	23.4	174.4	197.9	37.9	0.15x	1.24x	17.7%	1.18
Non-core Infrastructure	7	809.4	346.8	9.1	370.7	379.8	33.0	0.03x	1.10x	7.6%	1.03
<b>Total Private Real Assets ex. Real Estate</b>	<b>30</b>	<b>3,750.8</b>	<b>2,473.5</b>	<b>262.2</b>	<b>2,492.8</b>	<b>2,755.0</b>	<b>281.5</b>	<b>0.11x</b>	<b>1.11x</b>	<b>8.7%</b>	<b>1.06</b>

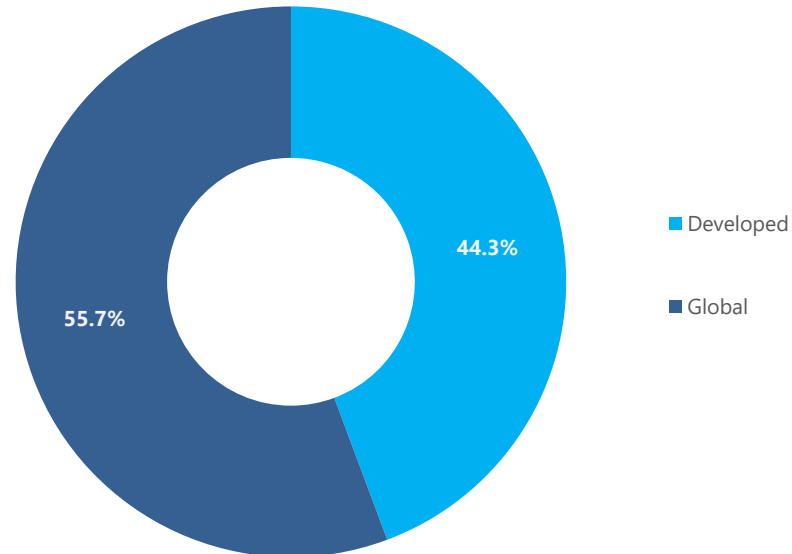
<sup>1</sup> Based on best available cash flow adjusted market values.

# Performance by Geography

## Private Real Assets ex. Real Estate

for the quarter ended June 30, 2023

### By Geography<sup>1</sup>



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Developed	14	1,495.8	1,180.7	200.3	1,104.6	1,304.9	124.1	0.17x	1.11x	6.6%	1.02
Global	16	2,255.0	1,292.7	61.9	1,388.2	1,450.1	157.4	0.05x	1.12x	12.5%	1.11
<b>Total Private Real Assets ex. Real Estate</b>	<b>30</b>	<b>3,750.8</b>	<b>2,473.5</b>	<b>262.2</b>	<b>2,492.8</b>	<b>2,755.0</b>	<b>281.5</b>	<b>0.11x</b>	<b>1.11x</b>	<b>8.7%</b>	<b>1.06</b>

<sup>1</sup> Based on best available cash flow adjusted market values.

# Performance by Vintage Year

## Private Real Assets ex. Real Estate

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

### By Vintage Year<sup>1,2</sup>

#### Private Natural Resources & Commodities

	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME	Quartile Ranking
2004	1	50.0	50.0	91.4	0.0	91.4	41.4	1.83x	1.83x	31.1%	1.40	1st
2011	1	350.0	256.9	25.9	294.9	320.8	64.0	0.10x	1.25x	20.6%	1.20	1st
2014	2	450.0	435.7	86.4	353.3	439.7	4.0	0.20x	1.01x	0.3%	0.82	4th
2021	2	250.0	155.9	23.4	171.9	195.3	39.5	0.15x	1.25x	18.4%	1.20	2nd
2022	4	251.4	124.8	0.0	143.7	143.7	19.0	0.00x	1.15x	22.2%	1.15	1st
2023	5	425.0	58.4	0.0	56.3	56.3	(2.1)	0.00x	0.96x	-7.6%	0.95	N/A
<b>Total Private Natural Resources &amp; Commodities</b>	<b>15</b>	<b>1,776.4</b>	<b>1,081.6</b>	<b>227.1</b>	<b>1,020.1</b>	<b>1,247.2</b>	<b>165.6</b>	<b>0.21x</b>	<b>1.15x</b>	<b>8.7%</b>	<b>1.04</b>	

1. Based on best available cash flow adjusted market values.

2. Benchmark data used is latest available by Burgiss Private IQ.

#### Private Infrastructure

	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME	Quartile Ranking
2020	3	332.8	230.3	8.7	265.3	274.0	43.6	0.04x	1.19x	12.0%	1.07	3rd
2021	6	577.7	500.5	15.5	513.4	528.9	28.4	0.03x	1.06x	6.5%	1.07	3rd
2022	4	963.7	626.0	11.0	656.7	667.7	41.7	0.02x	1.07x	8.0%	1.08	2nd
2023	2	100.2	35.1	0.0	37.2	37.2	2.2	0.00x	1.06x	7.4%	1.11	1st
<b>Total Private Infrastructure</b>	<b>15</b>	<b>1,974.3</b>	<b>1,391.9</b>	<b>35.1</b>	<b>1,472.7</b>	<b>1,507.8</b>	<b>115.9</b>	<b>0.03x</b>	<b>1.08x</b>	<b>8.8%</b>	<b>1.08</b>	

1. Based on best available cash flow adjusted market values.

2. Benchmark data used is latest available by Burgiss Private IQ.

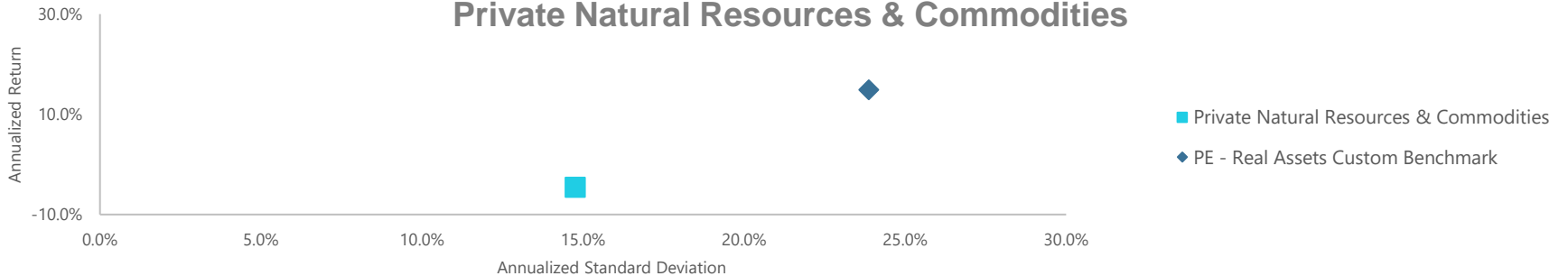


# Risk vs. Return

Private Real Assets ex. Real Estate  
for the quarter ended June 30, 2023

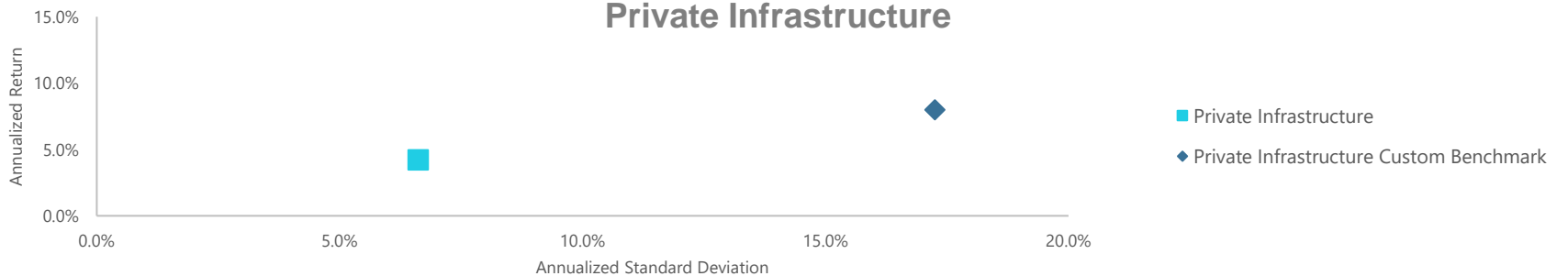
## Since Inception (Annualized)

### Private Natural Resources & Commodities



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
<b>Private Natural Resources &amp; Commodities</b>	<b>-4.5%</b>	<b>14.7%</b>				
PE - Real Assets Custom Benchmark	14.9%	23.9%	(0.33)	(0.76)	0.13	25.4%

### Private Infrastructure



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
<b>Private Infrastructure</b>	<b>4.2%</b>	<b>6.6%</b>				
Private Infrastructure Custom Benchmark	8.0%	17.3%	0.40	(0.19)	(0.04)	19.3%

# Annual Cash Flow Activity

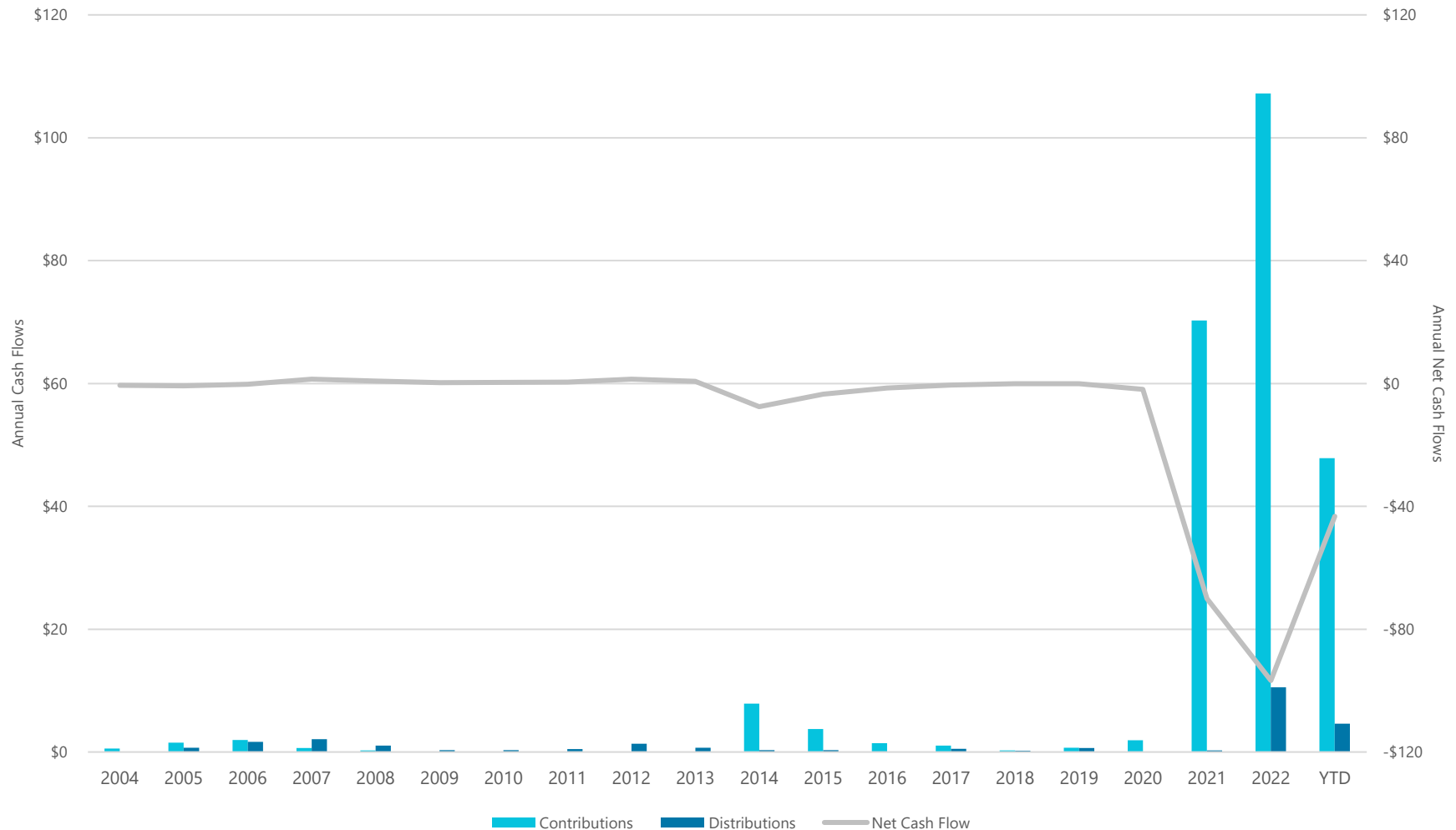
## Private Real Assets ex. Real Estate

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

### By Year (mm)



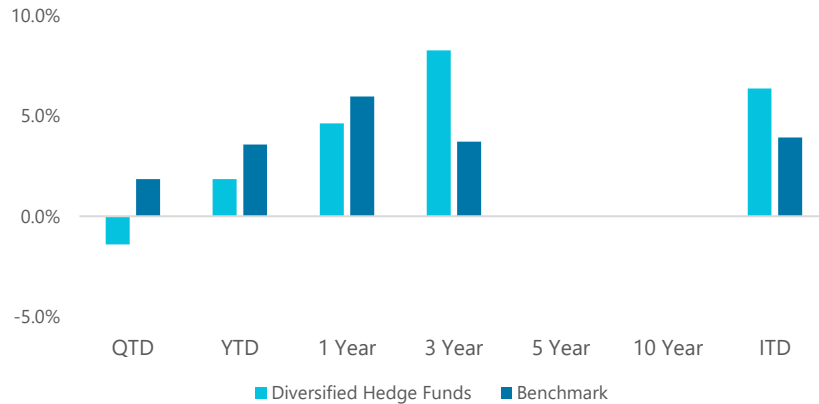
# Summary

Diversified Hedge Funds  
for the quarter ended June 30, 2023



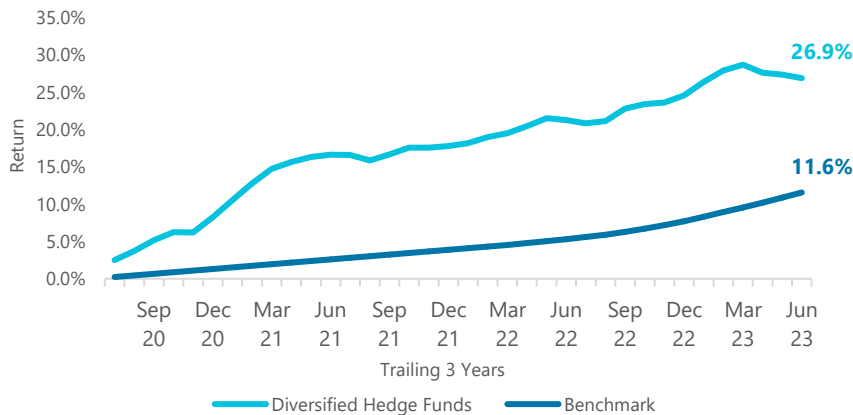
Los Angeles County Employees Retirement Association

## Performance (net)



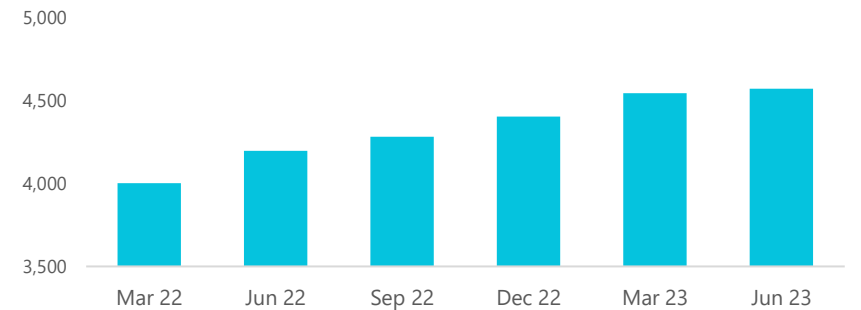
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>Diversified Hedge Funds</b>	<b>-1.4%</b>	<b>1.8%</b>	<b>4.6%</b>	<b>8.3%</b>	--	--	<b>6.4%</b>
Benchmark	1.9%	3.6%	6.0%	3.7%	--	--	3.9%
Excess	-3.2%	-1.7%	-1.3%	4.5%	--	--	2.4%

## Cumulative Return

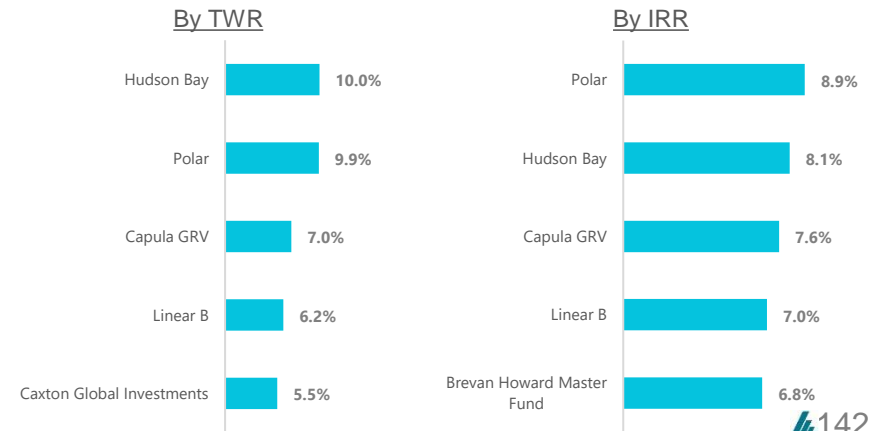


## Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	4,543	4,196	1,950
Net Cash Flow	91	178	1,979
Gain/Loss	-64	196	641
<b>Ending Market Value</b>	<b>4,570</b>	<b>4,570</b>	<b>4,570</b>



## Top Performing Investments (since inception)

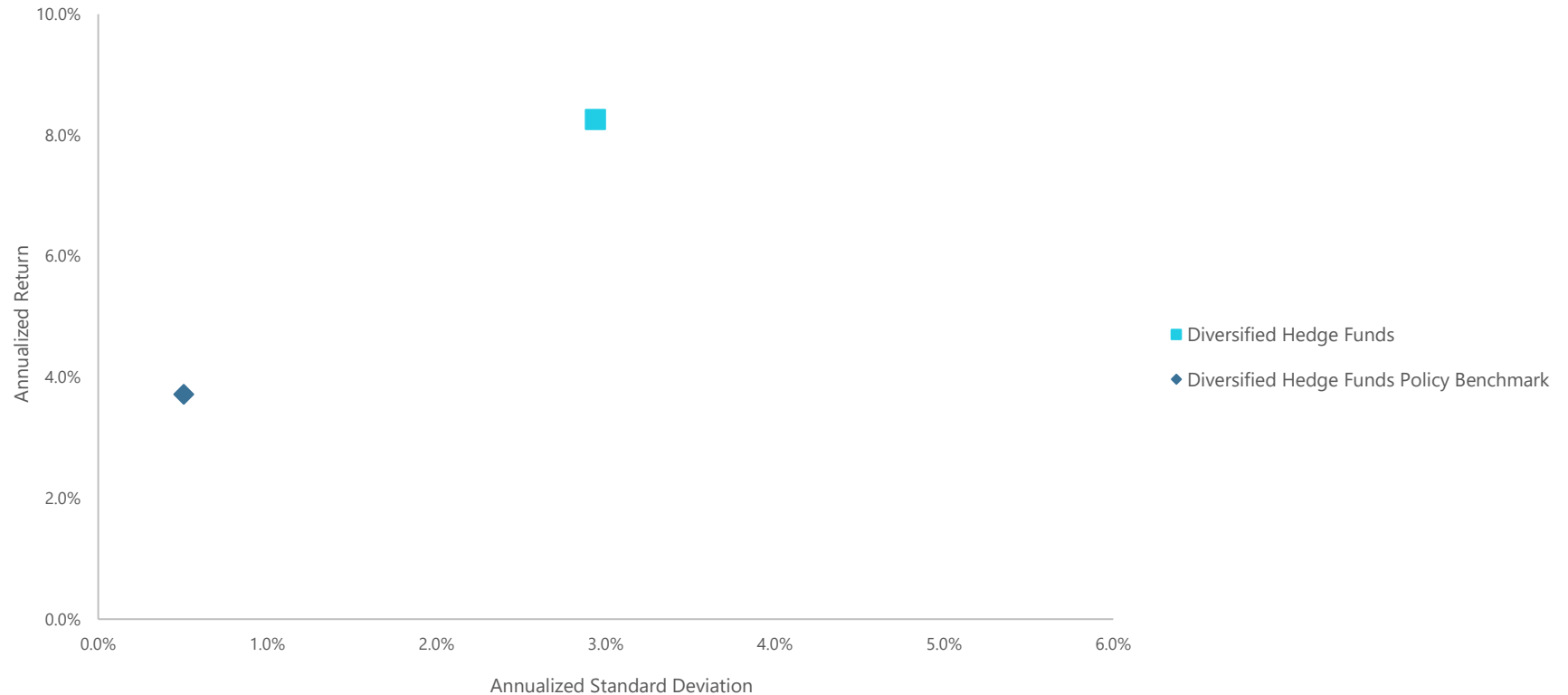


# Risk vs. Return

## Diversified Hedge Funds

for the quarter ended June 30, 2023

### 3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
<b>Diversified Hedge Funds</b>	<b>8.3%</b>	<b>2.9%</b>				
Diversified Hedge Funds Policy Benchmark	3.7%	0.5%	2.29	1.40	(2.02)	3.1%

# Performance Detail

Diversified Hedge Funds  
for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Annualized Net Returns

	% of Composite	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD	Inception Date
<b>Diversified Hedge Funds</b>	<b>100.0%</b>	<b>4,570</b>	<b>4,543</b>	<b>-1.4%</b>	<b>1.8%</b>	<b>4.6%</b>	<b>8.3%</b>	--	--	<b>6.4%</b>	<b>Apr-2019</b>
Diversified Hedge Funds Policy Benchmark				1.9%	3.6%	6.0%	3.7%	--	--	3.9%	
<b>LACERA HF Direct</b>	<b>89.0%</b>	<b>4,066</b>	<b>4,132</b>	<b>-1.6%</b>	<b>2.0%</b>	<b>5.1%</b>	<b>8.3%</b>	<b>5.6%</b>	--	<b>5.0%</b>	<b>May-2018</b>
Custom Hedge Fund Benchmark				1.9%	3.6%	6.0%	3.7%	4.4%	--	4.5%	
AM Asia Strategies	5.4%	245	263	-6.7%	13.1%	11.6%	--	--	--	4.2%	Jun-2021
Brevan Howard Master Fund	13.7%	625	669	-6.6%	-3.9%	-0.1%	--	--	--	5.4%	Apr-2021
Capula GRV	14.8%	676	663	1.9%	5.2%	11.2%	6.7%	--	--	7.0%	Dec-2018
Caxton Global Investments	6.2%	282	302	-6.7%	-5.0%	-2.6%	--	--	--	5.5%	Feb-2021
DK Institutional Partners	10.9%	497	500	-0.7%	2.2%	2.2%	6.7%	4.8%	--	4.6%	May-2018
HBK Multi-strategy	12.8%	586	585	0.1%	1.4%	6.7%	7.6%	5.2%	--	5.2%	Jun-2018
Hudson Bay	14.7%	672	669	0.5%	3.3%	6.3%	10.0%	--	--	10.0%	Jul-2020
Polar	10.6%	484	481	0.7%	3.6%	5.4%	9.9%	--	--	9.9%	May-2020
<b>HF Emerging Managers Program</b>	<b>10.5%</b>	<b>480</b>	<b>385</b>	<b>0.5%</b>	<b>0.7%</b>	<b>0.2%</b>	--	--	--	<b>0.2%</b>	<b>Aug-2021</b>
Custom Hedge Fund Benchmark				1.9%	3.6%	6.0%	--	--	--	4.4%	
Stable Asset Management	10.5%	480	385	0.5%	0.7%	0.2%	--	--	--	0.2%	Aug-2021
Stable Fund Investments	10.5%	480	385	0.5%	0.7%	0.2%	--	--	--	0.2%	Aug-2021
Amundsen	1.3%	61	62	-1.9%	-4.0%	-1.6%	--	--	--	-3.8%	Sep-2021
ClearAlpha	2.0%	93	0	--	--	--	--	--	--	0.0%	May-2023
Clear Sky	1.9%	88	87	0.3%	-4.8%	-5.0%	--	--	--	-1.8%	Apr-2022
Linear B	1.6%	72	71	2.1%	3.1%	5.9%	--	--	--	6.2%	Aug-2021
Quarry	1.8%	82	81	1.3%	0.2%	--	--	--	--	-0.5%	Sep-2022
Sparta	1.1%	52	53	-2.4%	9.7%	2.5%	--	--	--	2.3%	Sep-2021
Trutino	0.7%	32	30	6.7%	10.0%	13.8%	--	--	--	4.0%	Aug-2021

# emerging manager program

# Emerging Manager Program

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Annualized Net Returns

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year	ITD TWR	ITD MWR	Inception Date
<b>Growth</b>								
<b>Global Equity</b>								
Cornercap	82.1	2.6%	7.2%	17.2%	--	6.9%	6.9%	Oct-2018
Global Equity Policy Benchmark		5.9%	16.1%	11.0%	--	8.8%	8.8%	
<b>Private Equity</b>								
J.P. Morgan Emerging Managers Program	72.4	0.0%	15.6%	35.2%	23.9%	26.1%	22.7%	Jan-2010
J.P. Morgan Emerging Managers Program II	74.2	0.1%	-10.4%	23.2%	9.9%	26.7%	36.2%	Apr-2014
J.P. Morgan Emerging Managers Program III	105.7	0.2%	0.6%	31.7%	28.5%	28.6%	32.3%	Jan-2017
J.P. Morgan Emerging Managers Program IV	243.7	0.6%	9.3%	23.0%	--	19.1%	17.5%	Nov-2018
Total Private Equity Custom Benchmark		7.3%	-5.7%	17.6%	13.0%	13.7%	13.7%	
<b>Non-Core Private Real Estate</b>								
Cityview Bay Area Fund II	78.4	0.0%	-4.9%	3.3%	2.3%	--	10.3%	Oct-2012
Cityview Western Fund I, LP	215.0	0.2%	0.5%	16.6%	18.1%	-47.5%	13.3%	Jun-2016
CVBAF II Union City Co-Invest	21.5	0.2%	-9.5%	5.5%	-2.7%	3.7%	4.2%	Nov-2015
Non-Core Private RE Policy Benchmark		-2.8%	-1.7%	10.2%	9.5%	11.1%	11.1%	
<b>Credit</b>								
<b>Illiquid Credit</b>								
Stable Asset Management - IC	54.8	-0.4%	--	--	--	-0.1%	-0.7%	Nov-2022
Illiquid Credit Policy Benchmark		1.5%	--	--	--	11.7%	11.7%	
<b>Real Assets &amp; Inflation Hedges</b>								
<b>Core Private Real Estate</b>								
Cityview Core I.M.A	187.9	0.1%	-8.5%	2.4%	2.5%	3.7%	3.8%	Jun-2014
Core Private RE Policy Benchmark		-3.4%	-3.9%	7.7%	6.9%	6.9%	6.9%	
<b>Risk Reduction &amp; Mitigation</b>								
<b>Hedge Funds</b>								
Stable Asset Management	480.3	0.5%	0.2%	--	--	0.2%	0.9%	Aug-2021
Custom Hedge Fund Benchmark		1.9%	6.0%	--	--	4.4%	4.4%	

# manager scorecards



## PUBLIC MARKETS MANAGER SCORECARD

2nd Quarter 2023

		Performance	Organization & Operations	ESG	Partnership	Fees & Terms		
		1 to 5 (with 5 the best)	S+, S, or S- (with S+ the best)	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)		
		SCORE	SCORE	SCORE	SCORE	SCORE		
Manager	Market Value (in \$ millions)	% of Total Fund						
GROWTH	<b>GLOBAL EQUITY</b>							
	Acadian Developed Markets	585.5	0.8%	4	S-	3	B	3
	BTC Euro Tilts	607.5	0.8%	5	S+	4	A	3
	Capital Group Developed Markets	413.6	0.6%	3	S	2	B	3
	Cevian Capital II - Activist	452.1	0.6%	3	S	4	B	1
	Cornercap US SC - EMP	82.1	0.1%	5	S-	1	A	3
	Frontier US SMID Growth	303.4	0.4%	3	S	2	A	1
	Global Alpha	176.0	0.2%	4	S+	3	A	3
	JPMAM Strategic Beta Non-U.S.	600.3	0.8%	* 3	S	2	B	3
	JPMAM Strategic Beta U.S.	4,656.1	6.3%	* 3	S	2	B	3
	Lazard Emerging Markets	381.4	0.5%	1	S-	3	B	1
	Parametric GE Cash Overlay	228.3	0.3%	—	S	—	B	5
	SSGA MSCI ACWI IMI	15,868.3	21.6%	4	S	—	B	5
Systematic US Small Cap Value	198.9	0.3%	2	S	2	A	3	
CREDIT	<b>HIGH YIELD</b>							
	Beach Point	299.5	0.4%	5	S	3	B	3
	Brigade Cap Mgmt	519.2	0.7%	3	S	2	B	3
	Pinebridge Investments	449.6	0.6%	* 3	S	4	B	3
	<b>BANK LOANS</b>							
	Bain Capital Credit	446.3	0.6%	4	S	2	B	1
	Credit Suisse Bank Loans	660.5	0.9%	2	S-	3	B	5
	Crescent Capital	460.4	0.6%	3	S	2	B	3
	<b>EMERGING MARKET DEBT</b>							
	Aberdeen Asset Management	366.6	0.5%	1	S	3	B	3
Ashmore Investment Management	255.9	0.3%	1	S	3	B	3	
REAL ASSETS & INFLATION HEDGES	<b>NATURAL RESOURCES &amp; COMMODITIES</b>							
	Credit Suisse Commodity	286.2	0.4%	4	S-	1	A	3
	DWS Natural Resources	478.4	0.7%	2	S-	2	A	5
	Neuberger Berman/Gresham	337.9	0.5%	3	S	1	A	1
	<b>INFRASTRUCTURE</b>							
	DWS Infrastructure	2,525.2	3.4%	4	S-	2	A	5
<b>TIPS</b>								
Blackrock TIPS	1,895.9	2.6%	2	S+	—	A	5	

## PUBLIC MARKETS MANAGER SCORECARD

2nd Quarter 2023

		Performance	Organization & Operations	ESG	Partnership	Fees & Terms		
		1 to 5 (with 5 the best)	S+, S, or S- (with S+ the best)	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)		
		SCORE	SCORE	SCORE	SCORE	SCORE		
Manager	Market Value (in \$ millions)	% of Total Fund						
RISK REDUCTION & MITIGATION	<b>INVESTMENT GRADE BONDS</b>							
	Allspring/Wells	1,283.0	1.7%	5	S	3	B	5
	BTC US Debt Index Fund	2,896.8	3.9%	4	S+	—	B	5
	Pugh Capital Mgmt	854.6	1.2%	3	S	1	A	3
	<b>LONG-TERM GOVERNMENT BONDS</b>							
	BlackRock	2,961.8	4.0%	* 3	S+	—	B	5
	<b>CASH</b>							
SSGA Cash	781.1	1.1%	* 3	S+	—	A	5	
OVERLAYS & HEDGES	<b>OVERLAYS</b>							
	Parametric Cash Overlay	364.3	0.5%	—	S	—	B	5
	<b>HEDGES</b>							
BTC Passive Currency Hedge	43.0	0.1%	—	S+	—	B	5	

	Exceeds 3-Year Net Excess Return
	Meets 3-Year Net Excess Return
	Below 3-Year Net Excess Return

	Downgrade from the prior quarter
	Upgrade from the prior quarter

### Footnotes

Pillar methodologies in refinement and may evolve over time

### Category Descriptions

#### Performance

Quarterly score based on Sharpe and Information Ratios, which provide insight into a manager's risk-adjusted performance and performance relative to its benchmark, respectively

\*' denotes a manager with an inception date of less than 3 years, resulting in a neutral score of 3

Circle icons reflect trailing 3-year net excess returns against the manager's benchmark above or below a specified range

#### Organization & Operations

Includes factors such as organization, professional staff, diversity & inclusion, investment philosophy & process, risk management, legal & compliance framework

'S' stands for Satisfactory

#### ESG

Evaluates the extent to which material ESG factors are identified, assessed, and incorporated into risk/return analysis and portfolio construction

'—' denotes passive index funds and cash where ESG scores are not relevant and/or reflect strategies that do not incorporate active decisions, including ESG considerations, in portfolio construction

'+' denotes mandates where ESG scores are currently under review

#### Partnership

Blended score based on:

- Value added services – e.g., providing education, distributing research, and performing analytics on portfolio
- Client service – e.g., responsiveness, timeliness, competency, and approach
- Size of LACERA's investment relative to the firm's assets under management

#### Fees & Terms

Compared to a benchmark of median fees by asset category and/or investment structure



Los Angeles County Employees Retirement Association

## PRIVATE MARKETS MANAGER SCORECARD

2nd Quarter 2023

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms
			1 to 5 (with 5 the best)	S+, S, or S- (with S+ the best)	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)
			SCORE	SCORE	SCORE	SCORE	SCORE
Manager	Market Value (in \$ millions)	% of Total Fund					
<b>GLOBAL/LARGE BUYOUT</b>							
Advent International Group	133.6	0.2%	4	S+	3	C	4
Blackstone Management	211.5	0.3%	2	S	4	B	5
CVC Capital Partners	574.9	0.8%	5	S	4	A	4
Green Equity Investors	375.2	0.5%	5	S+	3	A	4
Hellman & Friedman	461.6	0.6%	1	S+	3	B	4
MBK	297.7	0.4%	1	S	4	A	2
Silver Lake Partners	553.1	0.8%	3	S+	3	A	5
Thoma Bravo LLC	219.1	0.3%	*	S+	3	B	3
Vista Equity Partners	859.4	1.2%	3	S-	3	A	2
<b>MID-MARKET BUYOUT</b>							
Accel-KKR Capital Partners	223.3	0.3%	3	S+	4	A	3
Alpine Investors	0.0	0.0%	*	S+	4	B	2
BlackFin Capital Partners	52.6	0.1%	1	S	3	B	3
Carlyle Group	229.5	0.3%	3	S+	4	B	4
Clearlake Capital	538.9	0.7%	5	S	4	A	4
GHO Capital	113.9	0.2%	*	S	3	A	3
Gilde Partners	37.2	0.1%	5	S	2	A	5
Harvest Partners	61.3	0.1%	5	S	1	C	3
Marlin Equity	26.6	0.0%	1	S-	2	C	3
Novacap	16.6	0.0%	*	S	3	B	3
Onex Partners	309.8	0.4%	2	S	4	A	5
PAI	174.1	0.2%	4	S-	2	B	4
Revelstoke	169.9	0.2%	3	S	4	A	2
Riverside Capital	111.1	0.2%	1	S	3	B	3
Siris Capital Group	162.6	0.2%	2	S	3	B	4
Sterling Partners	128.1	0.2%	4	S	3	A	4
STG Partners	58.4	0.1%	*	S	3	A	3
Triton	156.3	0.2%	5	S-	3	C	5
TSG	2.9	0.0%	*	S+	3	C	2
Veritas Capital	78.8	0.1%	*	S+	3	B	3
Vinci Partners	82.5	0.1%	2	S	4	B	5
Webster Equity Partners	83.3	0.1%	*	S	3	B	3
Wynnchurch Capital	59.2	0.1%	*	S+	3	C	3
<b>SMALL BUYOUT</b>							
AE Industrial Partners	107.5	0.1%	5	S+	3	A	3
Atlantic Street Capital	47.7	0.1%	5	S	3	A	3
Clarion	28.8	0.0%	3	S+	2	B	4
Excellere Partners	134.1	0.2%	2	S-	3	A	3
Incline Equity Partners	41.1	0.1%	5	S	2	C	4
Insignia Capital Partners	150.2	0.2%	5	S	1	B	5
Juggernaut Capital Partners	313.4	0.4%	4	S	3	A	4
Lightyear Capital	235.1	0.3%	3	S	2	A	5
Livingbridge	56.8	0.1%	1	S+	4	A	3
Montefiore Investment	21.2	0.0%	*	S+	4	B	4
One Rock Capital Partners	233.6	0.3%	1	S	3	A	4
Palladium Equity Partners	94.4	0.1%	2	S-	4	C	2

PRIVATE EQUITY



Los Angeles County Employees Retirement Association

## PRIVATE MARKETS MANAGER SCORECARD

2nd Quarter 2023

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms
			1 to 5 (with 5 the best)	S+, S, or S- (with S+ the best)	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)
			SCORE	SCORE	SCORE	SCORE	SCORE
Manager	Market Value (in \$ millions)	% of Total Fund					
<b>GROWTH EQUITY</b>							
Australis Partners	114.0	0.2%	1	S-	4	B	5
Great Hill Partners	-1.8	0.0%	*	S	4	A	4
JMI Equity	4.7	0.0%	2	S	3	C	2
RedBird Capital Partners	185.4	0.3%	2	S	4	A	3
Summit Partners	85.1	0.1%	4	S	4	A	4
TA Associates	162.9	0.2%	5	S	4	B	4
Technology Crossover Ventures	2.1	0.0%	5	S	2	B	3
<b>VENTURE CAPITAL</b>							
BlueRun Ventures	116.6	0.2%	2	S	2	B	2
Canaan Partners	164.9	0.2%	4	S	3	A	4
GGV Capital	459.8	0.6%	3	S	3	A	3
Institutional Venture Partners	157.0	0.2%	5	S	1	C	4
Joy Capital	87.1	0.1%	1	S-	2	B	4
Lilly Asia Ventures	156.1	0.2%	4	S	4	B	2
Primary Ventures	0.0	0.0%	*	S	2	C	4
Sinovation Ventures	93.3	0.1%	1	S-	2	C	2
Storm Ventures LLC	227.0	0.3%	2	S	3	A	4
Union Square	100.4	0.1%	5	S-	1	B	5
<b>SPECIAL SITUATIONS</b>							
Alchemy Partners	47.5	0.1%	1	S	3	B	4
Black Diamond	176.1	0.2%	5	S	3	B	4
Centerbridge	180.6	0.2%	3	S	4	A	2
<b>FUND OF FUNDS</b>							
Gateway	652.4	0.9%	5	S	3	C	4
MS GTB Capital Partners	320.8	0.4%	1	S	4	A	2
J.P. Morgan	493.7	0.7%	3	S+	+	B	4

PRIVATE EQUITY  
(continued)



Los Angeles County Employees Retirement Association

## PRIVATE MARKETS MANAGER SCORECARD

2nd Quarter 2023

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms
			1 to 5 (with 5 the best)	S+, S, or S- (with S+ the best)	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)
			SCORE	SCORE	SCORE	SCORE	SCORE
Manager	Market Value (in \$ millions)	% of Total Fund					
<b>COMMINGLED FUNDS</b>							
AERMONT Real Estate Fund IV	32.2	0.0%	1	S	4	B	3
AEW Value Investors Asia III	30.2	0.0%	1	S	4	B	4
AG Asia Realty Fund IV	75.3	0.1%	4	S	2	B	3
AG Europe Realty Fund II	48.1	0.1%	3	S	2	B	3
Bain Capital Real Estate Fund I	79.3	0.1%	5	S	3	A	3
Bain Capital Real Estate Fund II	47.9	0.1%	*	S	3	A	3
Blackstone Real Estate Partners Fund X	-0.8	0.0%	*	S	3	B	3
Brookfield Strategic Real Estate Partners Fund IV	114.8	0.2%	*	S	3	B	3
CapMan Nordic Real Estate Fund II	41.0	0.1%	1	S	3	A	3
CapMan Nordic Real Estate Fund III	31.0	0.0%	*	S	3	A	3
CBRE US Core Partners	100.0	0.1%	*	S+	3	A	5
CityView Bay Area Fund II	76.3	0.1%	1	S	3	B	3
CityView Western Fund I, L.P.	214.6	0.3%	5	S	3	B	3
Core Property Index Fund	118.7	0.2%	3	S	2	A	5
Europa Fund IV	11.9	0.0%	1	S-	3	C	2
Heitman Asia-Pacific Property Investors	32.6	0.0%	2	S	3	B	4
Invesco Real Estate Asia Fund	150.8	0.2%	2	S	4	B	5
Prologis European Logistics Fund (PELF)	190.9	0.3%	3	S	4	A	1
RREEF Core Plus Industrial Fund (CPIF)	288.0	0.4%	5	S-	3	B	5
Starwood Capital Hospitality Fund	6.3	0.0%	4	S	2	C	3
TPG Real Estate Partners III	40.4	0.1%	4	S	2	B	3
TPG Real Estate Partners IV	4.6	0.0%	*	S	2	B	3
<b>SEPARATE ACCOUNTS</b>							
Cityview Core I.M.A.	187.7	0.3%	1	S	3	B	2
Clarion I.M.A.	495.2	0.7%	5	S	3	A	4
Clarion Takeover Core IMA	322.0	0.4%	*	S	3	A	4
Clarion Takeover Value IMA	8.6	0.0%	*	S	3	A	3
Heitman I.M.A.	304.9	0.4%	4	S	3	B	4
RREEF Core/High Return I.M.A. III	1,251.3	1.7%	1	S-	3	C	5
RREEF Takeover I.M.A.	0.1	0.0%	2	S-	3	C	4
Stockbridge I.M.A.	622.3	0.8%	4	S	2	B	4
Stockbridge High I.M.A. Vintage 2014	59.1	0.1%	*	S	2	B	5
Stockbridge Value I.M.A. Vintage 2014	24.6	0.0%	*	S	2	B	3

REAL ESTATE

## PRIVATE MARKETS MANAGER SCORECARD

2nd Quarter 2023

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms	
			1 to 5 (with 5 the best)	S+, S, or S- (with S+ the best)	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)	
			SCORE	SCORE	SCORE	SCORE	SCORE	
Manager	Market Value (in \$ millions)	% of Total Fund						
<b>PRIVATE REAL ASSETS</b> (ex. Real Estate)	<b>NATURAL RESOURCES &amp; COMMODITIES</b>							
	Appian III	4.1	0.0%	*	S	3	B	3
	Ara III	0.0	0.0%	*	S	4	B	3
	Cibus Enterprise II	4.6	0.0%	*	S	3	B	3
	Cibus Fund II	29.0	0.0%	*	S	3	B	3
	EMG	81.5	0.1%	2	S	3	B	1
	HiTecVision	95.1	0.1%	*	S	3	A	3
	Orion Mine Finance Onshore III	132.8	0.2%	*	S	4	B	4
	Orion Mineral Royalty Fund I	23.5	0.0%	*	S	4	B	4
	Sprott	44.8	0.1%	*	S	3	B	5
	TIAA-CREF Global Agriculture	294.9	0.4%	5	S+	4	A	5
	TIAA-CREF Global Agriculture II	272.4	0.4%	5	S+	4	A	5
	<b>INFRASTRUCTURE</b>							
	Antin Mid Cap	50.0	0.1%	*	S	3	B	2
	Axiom Infrastructure Canada II	150.1	0.2%	*	S	4	A	3
	Axiom Infrastructure US II	263.3	0.4%	*	S	4	A	3
	DIF CIF III	43.5	0.1%	*	S	3	A	4
	DIF Infrastructure VI	118.8	0.2%	5	S	3	A	2
	Grain Communications Opportunity Fund III	44.5	0.1%	*	S-	3	C	2
	Grain Spectrum Holdings III	66.3	0.1%	3	S-	3	C	2
	Guardian Smart Infrastructure	0.0	0.0%	*	S	3	C	4
	KKR Diversified Core Infrastructure Fund	509.1	0.7%	*	S	3	A	4
Macquarie Global Infrastructure Fund	0.0	0.0%	*	S	3	A	4	
Pan-European Infrastructure Fund III	76.4	0.1%	2	S-	3	B	3	
Partners Group Direct Infrastructure 2020	91.8	0.1%	*	S	3	A	3	



Los Angeles County Employees Retirement Association

## PRIVATE MARKETS MANAGER SCORECARD

2nd Quarter 2023

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms
			1 to 5 (with 5 the best)	S+, S, or S- (with S+ the best)	1 to 5 (with 5 the best)	A, B, or C (with A the best)	1 to 5 (with 5 the best)
			SCORE	SCORE	SCORE	SCORE	SCORE
Manager	Market Value (in \$ millions)	% of Total Fund					
<b>HEDGE FUNDS</b>							
AM Asia	245.4	0.3%	4	S	2	A	5
Brevan Howard	624.9	0.8%	4	S+	2	A	2
Capula GRV	675.6	0.9%	5	S	1	B	3
Caxton	281.8	0.4%	4	S	3	B	3
DK Institutional Partners	496.8	0.7%	4	S	1	B	3
HBK Multistrategy	585.9	0.8%	4	S	1	B	3
Hudson Bay	671.7	0.9%	5	S	1	B	3
Polar	484.0	0.7%	5	S	2	B	4
Stable	480.3	0.7%	*	S	2	A	5
<b>ILLIQUID CREDIT</b>							
Barings	34.9	0.0%	3	S-	3	C	4
Beach Point	423.9	0.6%	4	S	1	B	3
BlackRock/Tennenbaum	630.7	0.9%	2	S-	2	C	4
Glendon	0.0	0.0%	5	S	1	B	2
Magnetar	957.7	1.3%	*	S	2	A	3
Napier Park	906.8	1.2%	3	S	2	A	3
Oaktree	0.0	0.0%	5	S	2	B	2
PIMCO Tac Opps	284.3	0.4%	1	S-	1	C	3
Quadrant	24.6	0.0%	1	S	1	B	4
Silver Rock	542.8	0.7%	*	S	2	A	4
Stable - IC	54.8	0.1%	*	S	2	A	4
Varde	522.1	0.7%	*	S	2	B	4
Waterfall	505.8	0.7%	*	S	2	B	4

HEDGE FUNDS & ILLIQUID CREDIT

**For Organization, ESG, and Partnership**

- Downgrade from the prior quarter
- Upgrade from the prior quarter

**Footnotes**

Pillar methodologies in refinement and may evolve over time

**Category Descriptions**

**Performance**

Quarterly score based on risk-adjusted performance metrics over time  
 \*' denotes a manager with an inception date of less than 3 years

**Organization & Operations**

Includes factors such as organization, professional staff, investment philosophy & process, risk management, legal & compliance framework, diversity & inclusion  
 'S' stands for Satisfactory

**ESG**

Evaluates the extent to which material ESG factors are identified, assessed, and incorporated into risk/return analysis and portfolio construction  
 '+' denotes mandates where ESG scores are currently under review

**Partnership**

Assesses the quality of investment manager relationships both quantitatively and qualitatively

**Fees & Terms**

Compares various fees and terms within each asset category, strategy and/or investment structure

# appendix



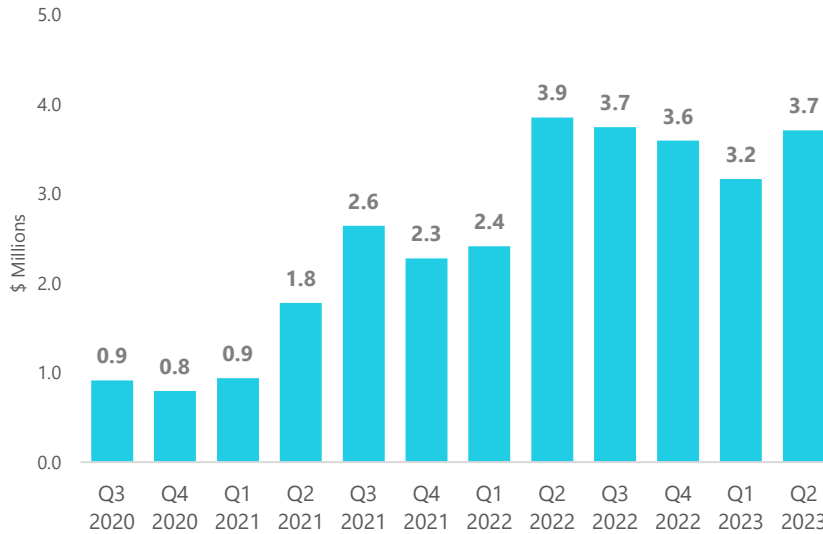
# Summary

## Securities Lending Income for the quarter ended June 30, 2023

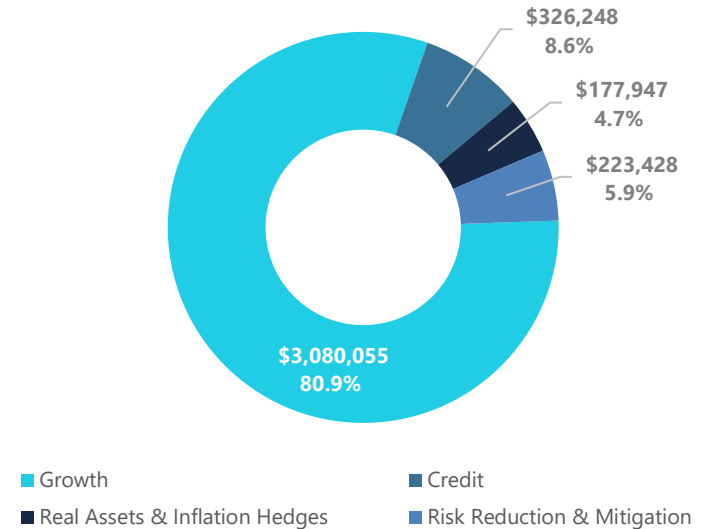


Los Angeles County Employees Retirement Association

### Earnings by Quarter



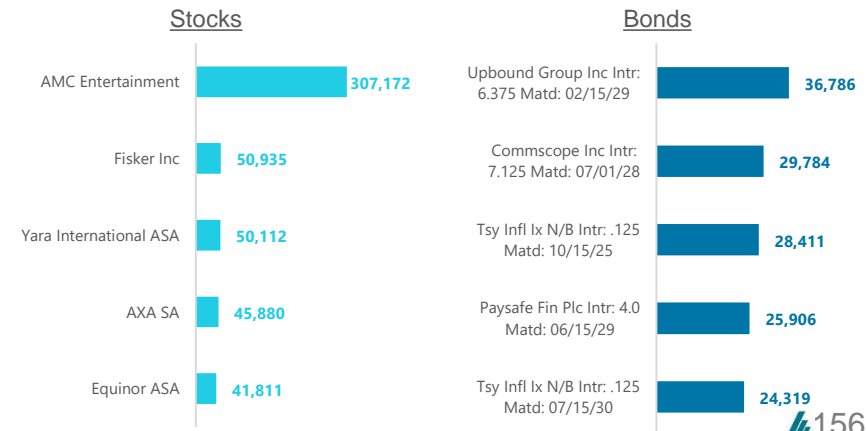
### Earnings by Functional Category



### Top Earning Funds

Fund	% of Total Fund Earnings	Total Earnings	Cash Earnings	Non-Cash Earnings
SSGA MSCI ACWI IMI	56.7%	2,159,957	1,451,212	708,745
JPMAM Strategic Beta US	13.2%	503,387	393,945	109,443
Frontier US SMID Growth	4.8%	182,398	144,735	37,663
Pinebridge Investments	4.5%	169,825	146,155	23,670
BlackRock TIPS	4.1%	156,310	53,922	102,389

### Top Earning Securities



# Public Markets Manager Fees

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Growth

	Average Market Value (\$ mm)	Fees <sup>1</sup>	Annualized Effective Rate (bps)
<b>Active</b>			
Acadian Asset Management	\$577.0	\$542,409	37.6
BTC Europe Alpha Tilts <sup>2</sup>	\$597.0	\$274,670	18.4
Capital Guardian	\$394.5	\$342,123	34.7
Cevian Capital	\$436.7	\$1,194,409	109.4
CornerCap	\$78.8	\$104,097	52.9
Frontier Capital Management	\$281.3	\$527,439	75.0
Global Alpha	\$177.0	\$315,150	71.2
Lazard Asset Management	\$373.9	\$598,305	64.0
Parametric GE Market Cap	\$922.3	\$63,331	2.7
Parametric GE Region	\$597.5	\$41,029	2.7
Systematic	\$189.6	\$260,650	55.0
<b>Subtotal:</b>	<b>\$4,625.7</b>	<b>\$4,263,611</b>	<b>36.9</b>
<b>Factor-Based</b>			
JPMAM Strategic Beta Non-US	\$589.6	\$50,071	3.4
JPMAM Strategic Beta US	\$4,449.1	\$377,829	3.4
<b>Subtotal:</b>	<b>\$5,038.7</b>	<b>\$427,900</b>	<b>3.4</b>
<b>Passive</b>			
SSGA MSCI ACWI IMI	\$15,539.9	\$284,083	0.7
<b>Subtotal:</b>	<b>\$15,539.9</b>	<b>\$284,083</b>	<b>0.7</b>

<sup>1</sup> Reflects estimated investment management fees.

<sup>2</sup> Mandate was converted to a separately managed account during the quarter; as such, fees do not reflect standard 35 bps flat fee.

# Public Markets Manager Fees

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Credit

	Average Market Value (\$ mm)	Fees <sup>1</sup>	Annualized Effective Rate (bps)
<b>Liquid Credit</b>			
Aberdeen Standard Investments	\$367.4	\$353,031	38.4
Ashmore Investment Management	\$255.9	\$324,443	50.7
Bain Capital	\$446.3	\$596,793	53.5
Beach Point Capital	\$294.9	\$331,722	45.0
Brigade Capital Management	\$603.8	\$622,055	41.2
Credit Suisse Bank Loan	\$735.3	\$380,878	20.7
Crescent Capital Group	\$495.8	\$596,256	48.1
Pinebridge	\$463.3	\$382,188	33.0
<b>Subtotal:</b>	<b>\$3,662.5</b>	<b>\$3,587,365</b>	<b>39.2</b>

<sup>1</sup> Reflects estimated investment management fees.

# Public Markets Manager Fees

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Real Assets & Inflation Hedges

	Average Market Value (\$ mm)	Fees <sup>1</sup>	Annualized Effective Rate (bps)
<b>Natural Resources &amp; Commodities</b>			
Credit Suisse	\$284.7	\$193,339	27.2
DWS Natural Resources	\$552.9	\$257,740	18.6
Neuberger Berman/Gresham	\$332.4	\$309,384	37.2
<b>Subtotal:</b>	<b>\$1,170.0</b>	<b>\$760,463</b>	<b>26.0</b>
<b>Infrastructure</b>			
DWS Infrastructure	\$2,546.0	\$1,186,773	18.6
<b>Subtotal:</b>	<b>\$2,546.0</b>	<b>\$1,186,773</b>	<b>18.6</b>
<b>Treasury Inflation-Protected Securities</b>			
BlackRock TIPS	\$1,908.3	\$47,577	1.0
<b>Subtotal:</b>	<b>\$1,908.3</b>	<b>\$47,577</b>	<b>1.0</b>

<sup>1</sup> Reflects estimated investment management fees.

# Public Markets Manager Fees

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Risk Reduction & Mitigation

	Average Market Value (\$ mm)	Fees <sup>1</sup>	Annualized Effective Rate (bps)
<b>Investment Grade Bonds</b>			
Allspring/Wells	\$1,289.3	\$338,660	10.5
Pugh Capital Management	\$859.1	\$285,579	13.3
<b>Subtotal:<sup>2</sup></b>	<b>\$5,062.3</b>	<b>\$685,989</b>	<b>5.4</b>
<b>Long-Term Government Bonds</b>			
BlackRock	\$2,990.8	\$73,376	1.0
<b>Subtotal:</b>	<b>\$2,990.8</b>	<b>\$73,376</b>	<b>1.0</b>
<b>Cash</b>			
SSGA Cash	\$637.6	\$63,763	4.0
<b>Subtotal:</b>	<b>\$637.6</b>	<b>\$63,763</b>	<b>4.0</b>

<sup>1</sup> Reflects estimated investment management fees.

<sup>2</sup> Includes BTC US Debt Index account.

# Public Markets Manager Fees

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Overlays & Hedges

	Average Market Value (\$ mm)	Fees <sup>1</sup>	Annualized Effective Rate (bps)
<b>Overlays</b>			
Parametric Cash Overlay	\$1,761.8	\$120,974	2.7
<b>Subtotal:</b>	<b>\$1,761.8</b>	<b>\$120,974</b>	<b>2.7</b>
<b>Hedges</b>			
BlackRock Developed Markets Currency Hedge	\$7,101.5	\$265,578	1.5
<b>Subtotal:</b>	<b>\$7,101.5</b>	<b>\$265,578</b>	<b>1.5</b>

<sup>1</sup> Reflects estimated investment management fees.

# Benchmark Definitions

## Current Composition

	Weight	Component
<b>Total Fund</b>		
Total Fund Policy Benchmark		
	53%	Growth Policy Benchmark
	11%	Credit Policy Benchmark
	17%	RA & IH Policy Benchmark
	19%	RR & M Policy Benchmark
<b>Growth</b>		
Growth Policy Benchmark		
	60%	Global Equity Policy Benchmark
	32%	Private Equity – Growth Policy BM
	8%	Non-Core Private RE Policy Benchmark
Global Equity Policy Benchmark		
	100%	MSCI ACWI IMI Net
Private Equity – Growth Policy BM		
	100%	MSCI ACWI IMI Net + 200 bps (3-month lagged)
Non-Core Private RE Policy Benchmark		
	100%	NFI ODCE + 225 bps (3-month lagged)

# Benchmark Definitions

## Current Composition

	Weight	Component
<b>Credit</b>		
Credit Policy Benchmark		
	36%	Liquid Credit Policy Benchmark
	64%	Illiquid Credit Policy Benchmark
Liquid Credit Policy Benchmark		
	40%	Bloomberg U.S. Corporate High Yield
	40%	CS Leveraged Loan Index
	10%	JPMorgan EMBI Global Diversified Index
	5%	JPM GBI-EM Global Diversified Index
	5%	JPM CEMBI Broad Diversified
Illiquid Credit Policy Benchmark		
	100%	Liquid Credit Policy BM + 150 bps (1-month lagged)
Bank Loans Custom Benchmark	100%	CS Leveraged Loan Index
Beachpoint Custom Benchmark	100%	Bloomberg U.S. Corporate High Yield
Brigade Custom Index	100%	Bloomberg U.S. Corporate High Yield
EMD Custom Benchmark		
	50%	JPMorgan EMBI Global Diversified Index
	25%	JPM CEMBI Broad Diversified
	25%	JPM GBI-EM Global Diversified Index



# Benchmark Definitions

## Current Composition

	Weight	Component
<b>Real Assets &amp; Inflation Hedges</b>		
RA & IH Policy Benchmark		
	35%	Core Private RE Policy Benchmark
	18%	Nat Res & Comm Policy Benchmark
	29%	DJ Brookfield Global Infra Comp
	18%	Bloomberg U.S. Treasury: U.S. TIPS
Core Private RE Policy Benchmark		
	100%	NFI ODCE (3-month lagged)
Nat Res & Comm Policy Benchmark		
	33%	Bloomberg Commodity Index Total Return
	66%	S&P Global Natural Resources Index
<hr/>		
Private Equity – Real Assets Custom BM	100%	S&P Glb LargeMidCap Commod & Resources (3-month lagged)
Private Infrastructure Custom BM	100%	DJ Brookfield Global Infra Comp (3-month lagged)
<b>Risk Reduction &amp; Mitigation</b>		
RR & M Policy Benchmark		
	37%	Bloomberg U.S. Aggregate
	32%	Diversified Hedge Funds Policy Benchmark
	26%	Bloomberg U.S. Treasury: Long
	5%	FTSE 3-Month US Treasury Bill
Diversified Hedge Funds Policy Benchmark		
	100%	FTSE 3-Month US Treasury Bill + 250 bps (1-month lagged)
Cash Policy Benchmark		
	100%	FTSE 3-Month US Treasury Bill
<hr/>		
Custom Hedge Fund BM	100%	Diversified Hedge Funds Policy Benchmark

## A

### ANNUAL RETURN

The total return of a security over a specified period, expressed as an annual rate of interest.

### ACTIVE RISK

The expected standard deviation of the differential return between the portfolio and the benchmark. Active total risk arises from active management, and it is the result of active weights (deviations from the benchmark at the asset level) and therefore active exposures; for passively managed portfolios, it is referred to as “total tracking error.”

### ACTIVE RISK CONTRIBUTION

Percent contribution to active total risk (or tracking error). The percent of active total risk that an individual asset or risk source contributes. For example, a % CR to Active Total Risk of 10% indicates that 10% of the portfolio’s active total risk is arising from the active position in that particular asset.

## B

### BASIS POINTS (BPS)

One one-hundredth of one percent. One hundred basis points equal one percent.

### BETA

A measure of the volatility of a stock relative to the overall market. A beta of less than one indicates lower risk than the market; a beta of more than one indicates higher risk than the market.

## D

### DURATION

A measure of the price sensitivity of a bond portfolio to changes in interest rates.

### DISTRIBUTED TO PAID-IN (DPI)

A measure of distributions received relative to contributed capital.

## F

### **FUTURES CONTRACT**

Agreement to buy or sell a specific amount of a commodity or financial instrument at a particular price and a stipulated future date.

## H

### **HIGH YIELD BOND**

A bond with a low investment quality and credit worthiness, usually with a rating of BB or less.

## I

### **INFORMATION RATIO**

The excess return (alpha) per unit of active risk (tracking error).

### **INTERNAL RATE OF RETURN (IRR)**

A total rate of return that gives full weight to the size and timing of cash flows over the period measured and fully reflects unrealized gains and losses in addition to realized gains and losses, interest and dividend income.

## K

### **KAPLAN & SCHOAR PUBLIC MARKET EQUIVALENT (KS-PME)**

A ratio that benchmarks the performance of a fund against an appropriate public market index while accounting for the timing of a fund's cash flows.

## 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.

## S

### **SHARPE RATIO**

Measures the performance of an investment compared to a risk-free asset, after adjusting for its risk. It is the difference between the returns of the investment and the risk-free return, divided by the standard deviation of the investment.

### **STANDARD DEVIATION**

Statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. The greater the degree of dispersion, the greater the risk.

## T

### TIME-WEIGHTED RATE OF RETURN (TWR)

A measure of the compound rate of growth in a portfolio. Often used to compare the returns of investment managers because it eliminates the distorting effects on growth rates created by inflows and outflows of money.

### TOTAL RISK

The total (gross) risk to an asset (or portfolio), which is the standard deviation of the asset's total return distribution, expressed in percent. Total risk is forecasted using MSCI Barra's multiple factor models. The total risk for an asset depends on the asset's exposures to the risk factors, the factor variance/covariance matrix, and the forecast selection risk of the asset.

### TOTAL RISK CONTRIBUTION

The percent of total risk that an individual asset or risk source contributes. For example, a % CR to Total Risk of 10% indicates that 10% of the portfolio's total risk is arising from the portfolio's position in that particular asset.

### TOTAL VALUE TO PAID-IN (TVPI)

A measure of total value created relative to capital invested.

### TRACKING ERROR

The volatility of a manager's excess return. It is measured by subtracting the benchmark return from the manager's return and calculating the standard deviation.

## Y

### YIELD TO MATURITY

The return a bond earns on the price at which it was purchased if it were held to maturity. It assumes that coupon payments can be reinvested at the yield to maturity.

## Total Fund Risk & Performance

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Board of Investments Meeting  
September 13, 2023

# Table of Contents



<b>TITLE</b>	<b>SLIDE</b>
<b>Total Fund Risk</b>	
Realized and Projected Risks	3
Forecast Risk Decomposition	4
Active Risk Decomposition	5
<b>Total Fund Performance</b>	
Asset Allocation	6
Market Environment	7
Performance Summary	8
Contribution to Return	9
Return Attribution	10

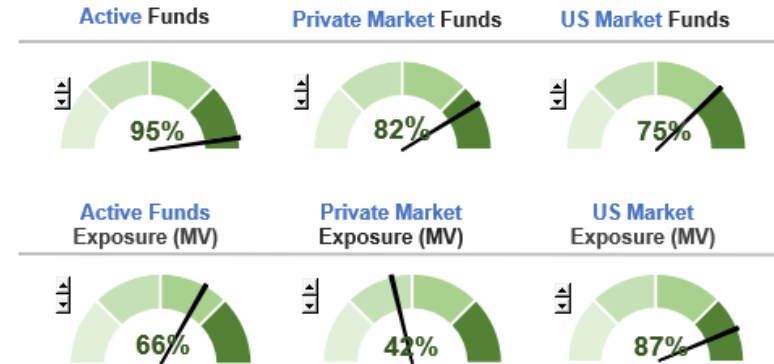
<b>TITLE</b>	<b>SLIDE</b>
<b>Public Markets ESG &amp; Climate Profile</b>	
Public Markets ESG & Climate Profile	11

# Realized and Projected Risks



## Realized (Ex-Post) Risks

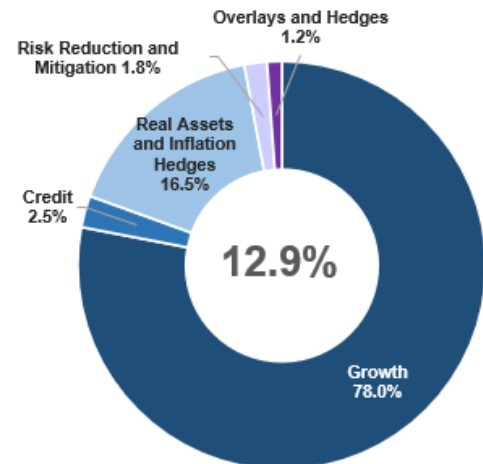
\$73.5B	TOTAL FUND 1Y Realized Return	6.4%
	TOTAL FUND 1Y Realized Risk	8.7%
	PARAMETRIC VaR	21.2%



## Projected (Ex-Ante) Risks

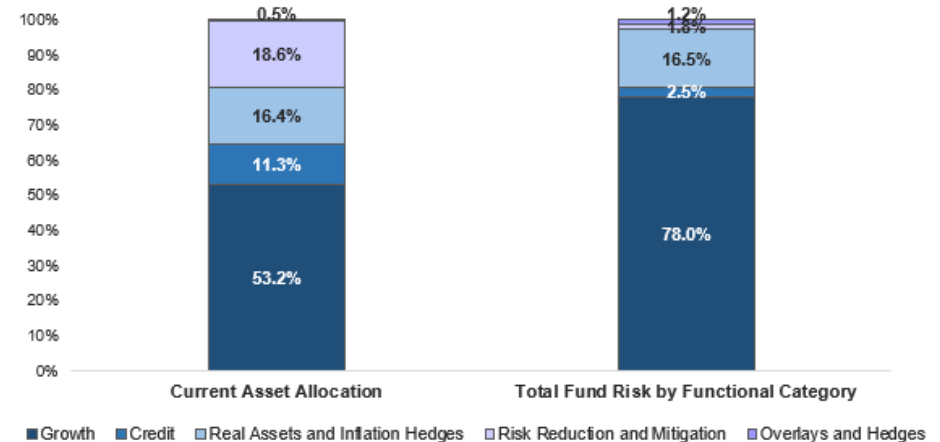
Total Fund <b>Forecast Risk</b>	Benchmark <b>Risk</b>
12.9%	12.4%
Total Fund <b>Active Risk</b>	Allocation Risk 0.12 bps
1.18 bps	Selection Risk 1.06 bps
Portfolio Beta 1.03	Effective Duration 1.54

## Functional Category Contributions to Total Fund Risk



## Total Fund Asset Allocation

Capital-based versus Risk-based





# Forecast Risk Decomposition

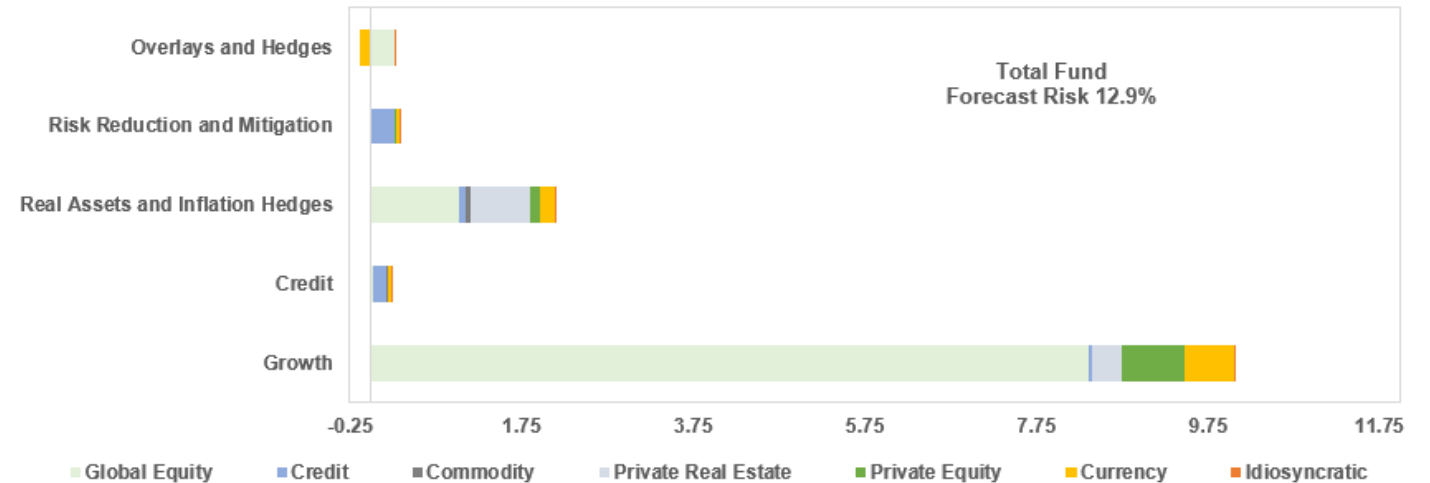
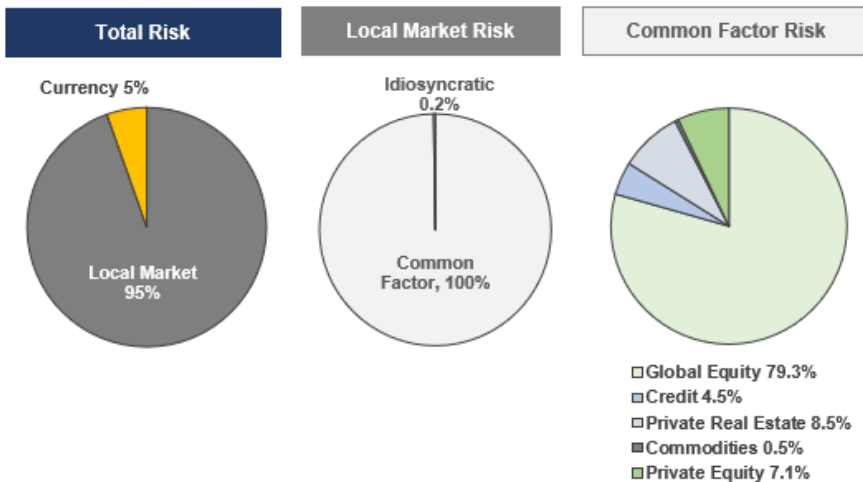


## Decomposition of MSCI Risk Factors



## Total Fund Risk Decomposition

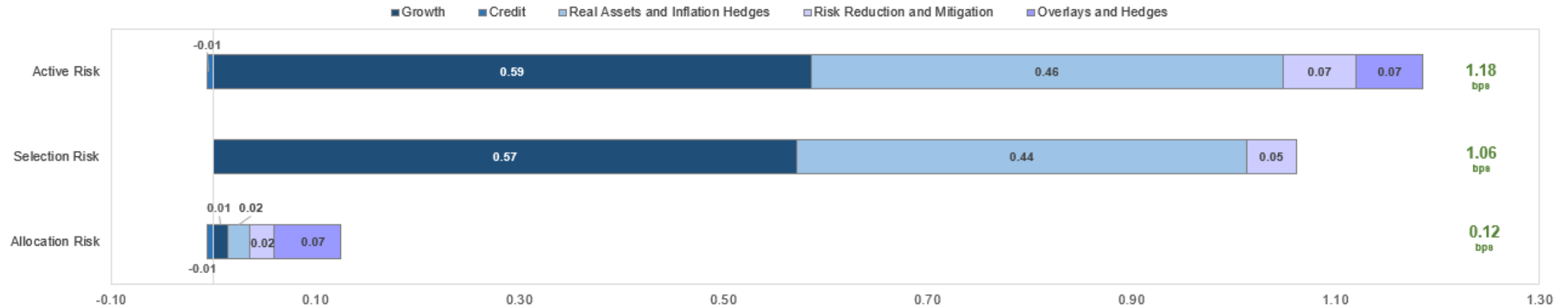
## Total Fund Contribution by Risk Factor



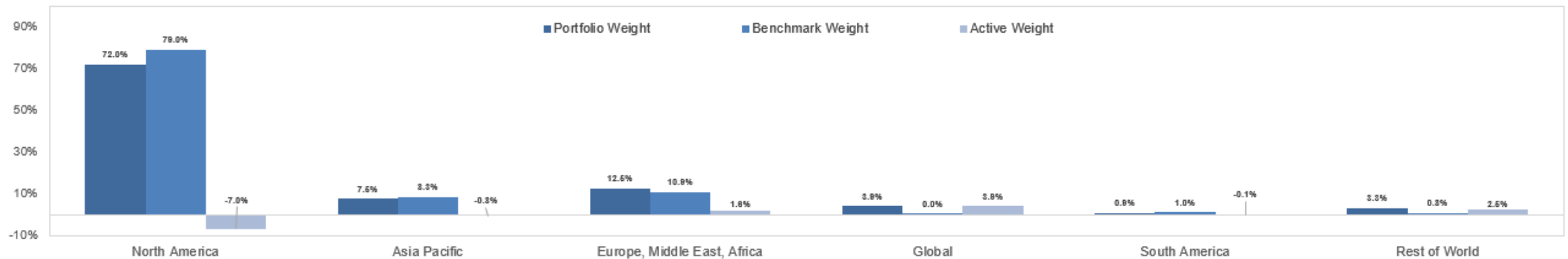
# Active Risk Decomposition



Functional Category Contributions to Active Risk



Portfolio Allocation by Region<sup>1,2</sup>

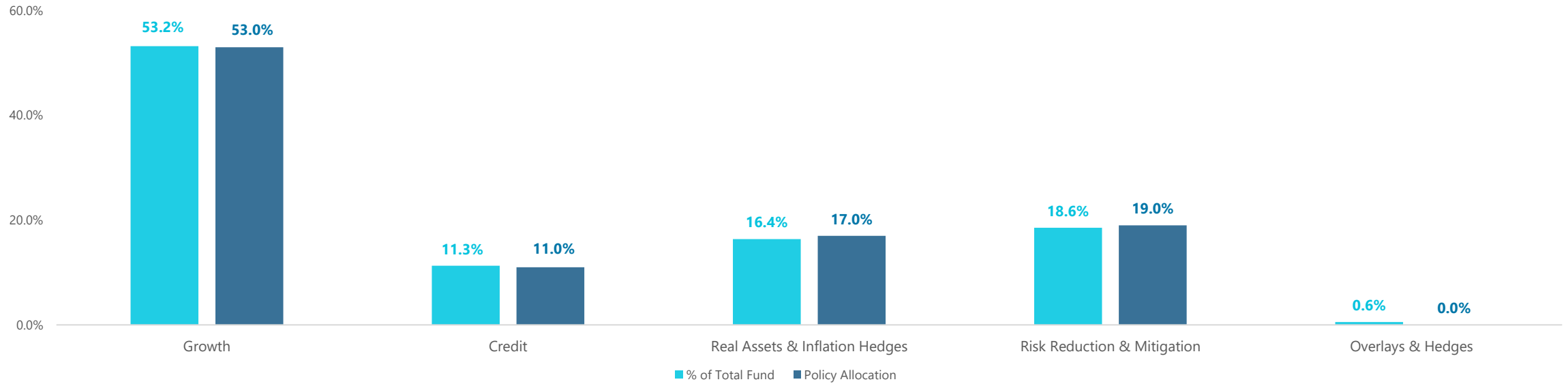


<sup>1</sup> Global represents investments made in regions where specific country allocations are not available. <sup>2</sup> Rest of World is sum of countries with weights below 0.5%.

# Asset Allocation



## Actual vs. Policy



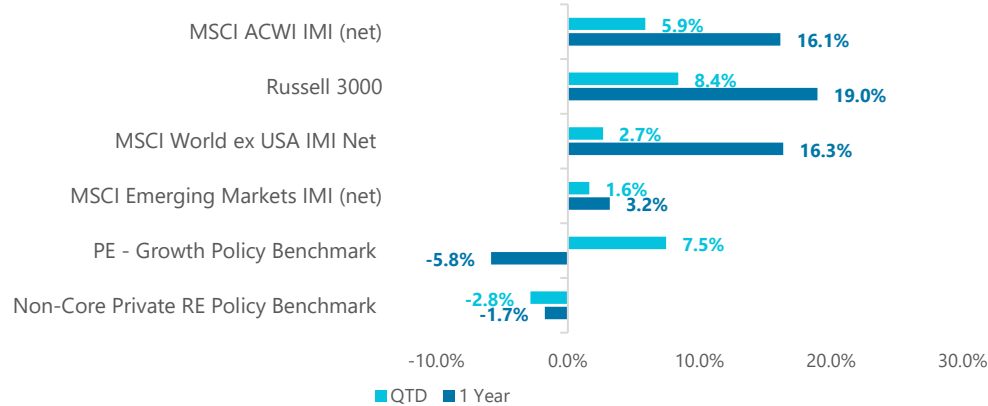
	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Over/Under (%)	Over/Under (mm)
<b>Total Fund</b>	<b>73,569</b>	<b>100.0%</b>	<b>100.0%</b>		
Growth	39,155	53.2%	53.0%	0.2%	164
Credit	8,297	11.3%	11.0%	0.3%	204
Real Assets & Inflation Hedges	12,050	16.4%	17.0%	-0.6%	-456
Risk Reduction & Mitigation	13,659	18.6%	19.0%	-0.4%	-319
Overlays & Hedges	407	0.6%	0.0%	0.6%	407

# Market Environment

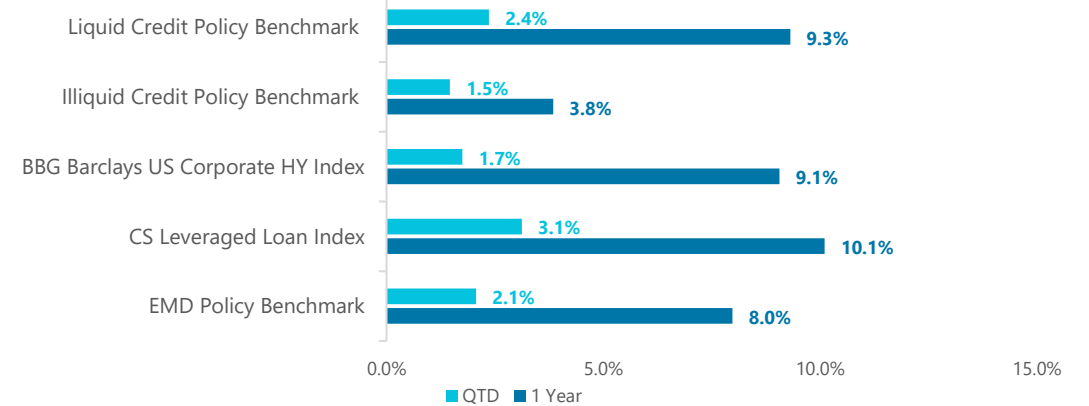


## By Functional Category

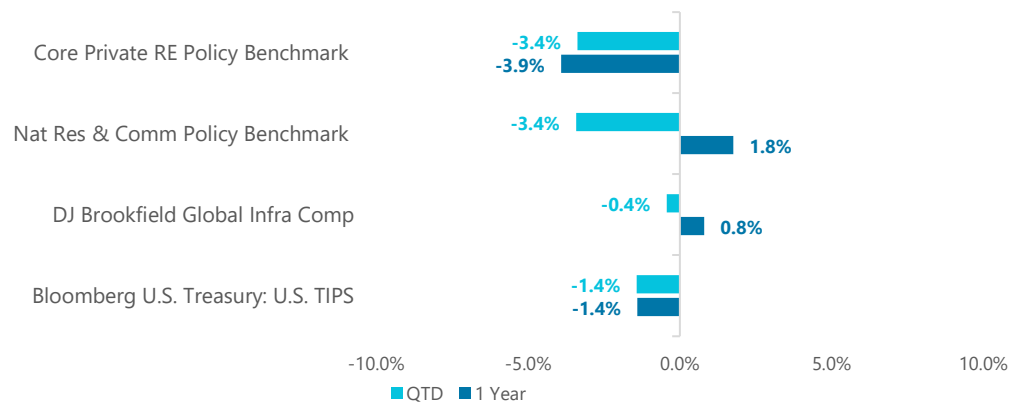
### Growth



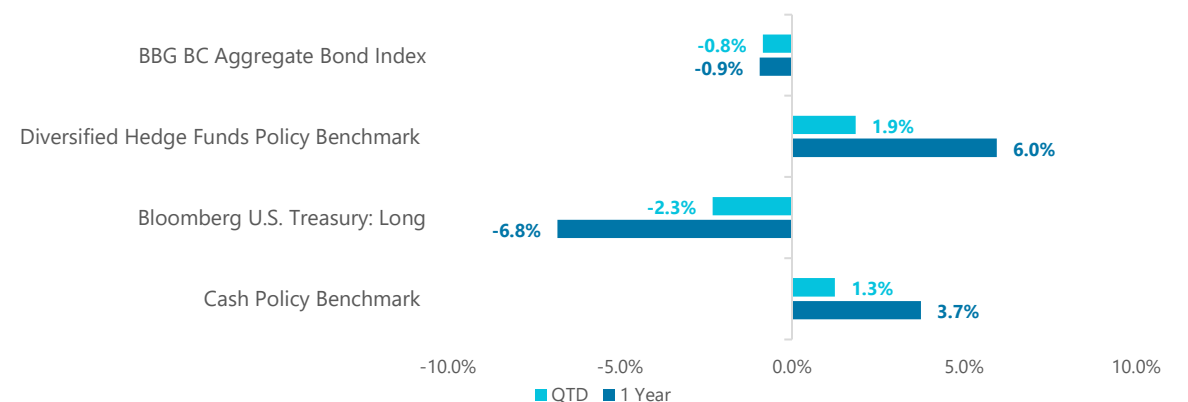
### Credit



### Real Assets & Inflation Hedges



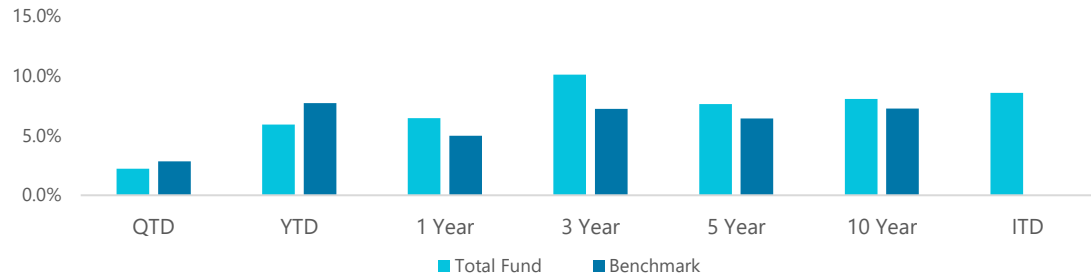
### Risk Reduction & Mitigation



# Performance Summary

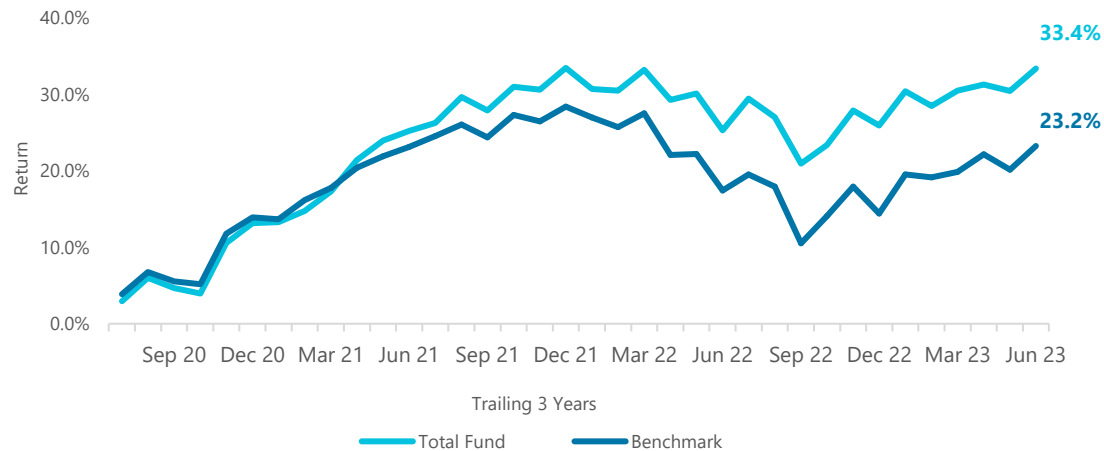


## Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>Total Fund</b>	<b>2.2%</b>	<b>5.9%</b>	<b>6.4%</b>	<b>10.1%</b>	<b>7.6%</b>	<b>8.1%</b>	<b>8.6%</b>
Benchmark	2.8%	7.7%	5.0%	7.2%	6.4%	7.3%	--
Excess	-0.6%	-1.8%	1.5%	2.9%	1.2%	0.8%	--

## Cumulative Return (net)



## Functional Category

	QTD	FYTD	1 Year	3 Year
<b>Growth</b>	<b>4.2%</b>	<b>10.2%</b>	<b>10.2%</b>	<b>15.5%</b>
Growth Policy Benchmark	5.8%	8.0%	8.0%	12.5%
Excess	-1.6%	2.1%	2.1%	3.0%
<b>Credit</b>	<b>2.4%</b>	<b>7.7%</b>	<b>7.7%</b>	<b>6.8%</b>
Credit Policy Benchmark	1.8%	6.0%	6.0%	2.4%
Excess	0.6%	1.7%	1.7%	4.4%
<b>Real Assets &amp; Inflation Hedges</b>	<b>-1.2%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>9.6%</b>
RA & IH Policy Benchmark	-2.1%	-0.6%	-0.6%	8.9%
Excess	0.9%	0.7%	0.7%	0.7%
<b>Risk Reduction &amp; Mitigation</b>	<b>-1.2%</b>	<b>-0.2%</b>	<b>-0.2%</b>	<b>-1.7%</b>
RR & M Policy Benchmark	-0.3%	0.0%	0.0%	-2.6%
Excess	-0.9%	-0.3%	-0.3%	0.9%
<b>Overlays &amp; Hedges</b>	<b>31.1%</b>	<b>51.6%</b>	<b>51.6%</b>	<b>--</b>

## Peer Ranking (gross)<sup>1</sup>

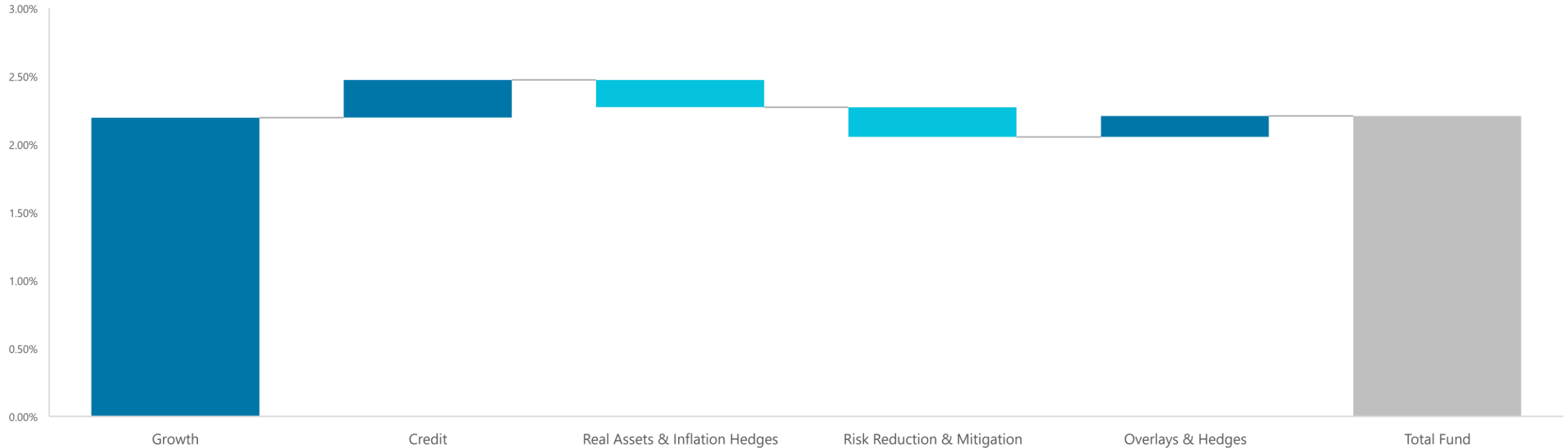
	QTD		1 Year		3 Year		5 Year		10 Year	
<b>Total Fund</b>	<b>2.3%</b>	<b>81</b>	<b>6.7%</b>	<b>59</b>	<b>10.4%</b>	<b>28</b>	<b>8.0%</b>	<b>37</b>	<b>8.4%</b>	<b>28</b>
60/40 Portfolio	3.2%	32	9.2%	15	5.0%	93	5.2%	88	6.0%	88
S&P 500 Index	8.7%	4	19.6%	5	14.6%	6	12.3%	5	12.9%	5
5th Percentile	4.5%		11.1%		12.7%		10.0%		9.8%	
25th Percentile	3.3%		8.7%		10.6%		8.2%		8.6%	
50th Percentile	2.8%		7.2%		9.8%		7.7%		7.8%	
75th Percentile	2.4%		5.4%		8.5%		6.6%		7.4%	
95th Percentile	0.6%		1.7%		0.7%		2.9%		3.7%	

<sup>1</sup> Universe data provided by State Street and is gross-of-fees.

# Contribution to Return



## Quarter-to-date (QTD)

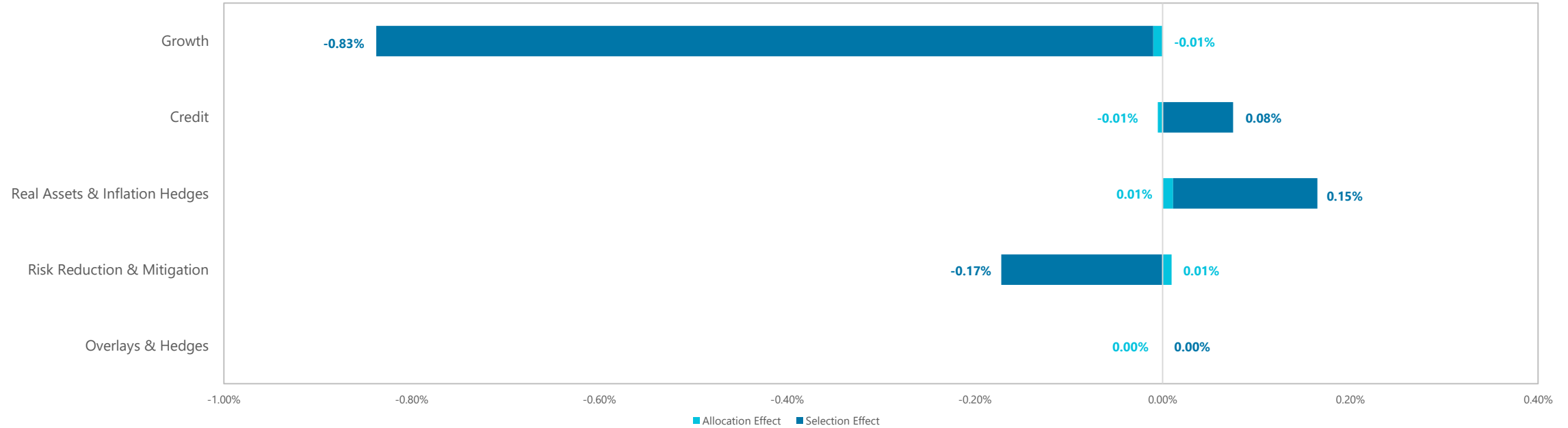


Functional Category	Contributors	Detractors
Growth	2.20% SSGA MSCI ACWI IMI	1.23% Real Estate - Real Assets -0.20%
Credit	0.28% JPMAM Strategic Beta US	0.50% BlackRock Long Treasury Bonds -0.10%
Real Assets & Inflation Hedges	-0.20% Private Equity - Growth	0.31% Brevan Howard Master Fund -0.06%
Risk Reduction & Mitigation	-0.22% Frontier US SMID Growth	0.04% BlackRock TIPS -0.04%
Overlays & Hedges	0.15% BTC Euro Tilts	0.04% DWS Natural Resources -0.04%
Total Fund	2.21%	

# Return Attribution



## Quarter-to-date (QTD)



	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
<b>Total Fund</b>	<b>73,569</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.2%</b>	<b>2.8%</b>	<b>-0.01%</b>	<b>-0.61%</b>	<b>-0.62%</b>
Growth	39,155	53.2%	53.0%	4.2%	5.8%	-0.01%	-0.83%	-0.84%
Credit	8,297	11.3%	11.0%	2.4%	1.8%	-0.01%	0.08%	0.07%
Real Assets & Inflation Hedges	12,050	16.4%	17.0%	-1.2%	-2.1%	0.01%	0.15%	0.16%
Risk Reduction & Mitigation	13,659	18.6%	19.0%	-1.2%	-0.3%	0.01%	-0.17%	-0.16%
Overlays & Hedges	407	0.6%	0.0%	31.1%	--	--	--	--



## ESG factors may present financial risks and opportunities to generating economic returns.

- LACERA sources third-party vendor data to monitor fund exposures and inform ongoing assessments of external asset managers.
  - Evaluate ESG and climate profile at various levels of the Total Fund
  - Compare ESG and climate profile of similar mandates by strategy and benchmark
  - Complement qualitative assessments of external managers' ESG integration processes
- Less data available for private market mandates but may be modelled or directly reported by some private market managers.\*

Table: Snapshots of Asset Classes and Mandates Where Data Is More Readily Available

Functional Asset Category/Sub-Functional Asset Category	Overall ESG Score <sup>1</sup>	Carbon Footprint <sup>2</sup>	Climate Value at Risk (%) <sup>3</sup>
Growth/Global Public Equity	6.7	140.3	-11.3
MSCI All-Country World Investible Market Index - Net	6.7	144.9	-11.3
Functional Asset Category/Sub-Functional Asset Category	Overall ESG Score	Carbon Footprint	Climate Value at Risk (%)
Credit/High Yield Manager	5.0	237.5	-19.8
Credit/High Yield Manager	5.0	492.9	-27.5
Bloomberg Barclays U.S. Corporate High Yield Index	5.2	285.8	-20.3
Functional Asset Category/Sub-Functional Asset Category	Overall ESG Score	Carbon Footprint	Climate Value at Risk (%)
Real Assets & Inflation Hedges/Infrastructure Manager	7.3	520.2	-17.3
Dow Jones Brookfield Global Infrastructure Index	7.4	410.6	-16.0

Source: MSCI ESG Analytics

<sup>1</sup> Overall ESG Score reflects aggregated portfolio company ESG score between 1 (lagging) and 10 (leading).

<sup>2</sup> Carbon footprint measures Scope 1 and 2 emissions intensity in metric tons/USD million sales.

<sup>3</sup> Climate Value at Risk - Potential economic value impact of climate-related physical risks and regulatory constraints, combined with upside of technology opportunities in modelling to limit global temperature rise to within 2C consistent with the Paris Agreement goals.

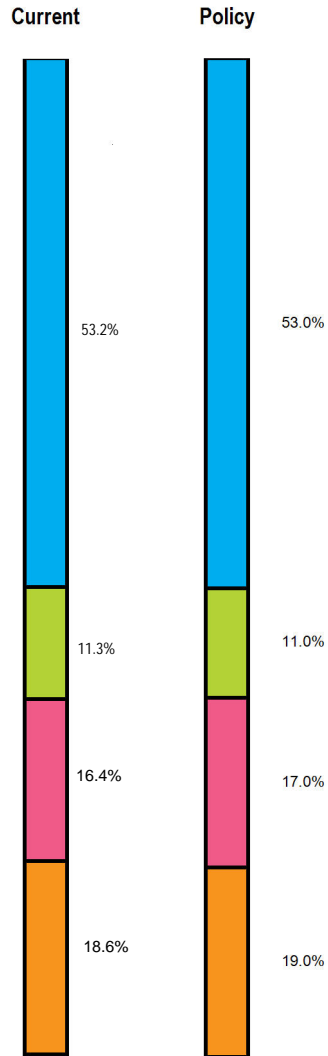
\* Board of Investments recently approved RFP for Private Markets Analytics Platform intended to address some data availability gaps.



# Los Angeles County Employees Retirement Association

June 30, 2023

## Fund Evaluation Report



Allocation vs. Targets and Policy							
	Current Balance	Current Allocation	Policy	Difference	Policy Range	Within IPS Range?	
<b>Growth</b>	<b>\$39,155,425,403</b>	<b>53.2%</b>	<b>53.0%</b>	<b>0.2%</b>	<b>45.0% - 61.0%</b>	<b>Yes</b>	
Global Equity	\$24,582,851,658	33.4%	32.0%	1.4%	25.0% - 39.0%	Yes	
Private Equity	\$13,427,683,711	18.3%	17.0%	1.3%	12.0% - 20.0%	Yes	
Non-Core Private Real Estate	\$1,144,890,035	1.6%	4.0%	-2.4%	2.0% - 6.0%	No	
<b>Credit</b>	<b>\$8,297,113,415</b>	<b>11.3%</b>	<b>11.0%</b>	<b>0.3%</b>	<b>8.0% - 14.0%</b>	<b>Yes</b>	
Liquid Credit <sup>1</sup>	\$3,457,934,835	4.7%	4.0%	0.7%	1.0% - 7.0%	Yes	
Illiquid Credit <sup>2</sup>	\$4,839,178,032	6.6%	7.0%	-0.4%	4.0% - 10.0%	Yes	
<b>Real Assets and Inflation Hedges</b>	<b>\$12,050,481,701</b>	<b>16.4%</b>	<b>17.0%</b>	<b>-0.6%</b>	<b>14.0% - 20.0%</b>	<b>Yes</b>	
Core Real Estate	\$4,070,884,827	5.5%	6.0%	-0.5%	3.0% - 9.0%	Yes	
Natural Resources & Commodities	\$2,109,658,836	2.9%	3.0%	-0.1%	1.0% - 5.0%	Yes	
Infrastructure	\$3,974,017,211	5.4%	5.0%	0.4%	2.0% - 6.0%	Yes	
TIPS	\$1,895,920,827	2.6%	3.0%	-0.4%	0.0% - 6.0%	Yes	
<b>Risk Reduction and Mitigation</b>	<b>\$13,658,819,062</b>	<b>18.6%</b>	<b>19.0%</b>	<b>-0.4%</b>	<b>13.0% - 25.0%</b>	<b>Yes</b>	
Investment Grade Bonds	\$5,044,284,061	6.9%	7.0%	-0.1%	1.0% - 13.0%	Yes	
Diversified Hedge Funds	\$4,570,232,188	6.2%	6.0%	0.2%	2.0% - 8.0%	Yes	
Long-Term Government Bonds	\$2,961,807,947	4.0%	5.0%	-1.0%	0.0% - 10.0%	Yes	
Cash	\$1,082,508,878	1.5%	1.0%	0.5%	0.0% - 3.0%	Yes	
<b>Overlays and Hedges</b>	<b>\$407,381,958</b>	<b>0.6%</b>	<b>0.0%</b>	<b>0.6%</b>	<b>0.0% - 1.0%</b>	<b>Yes</b>	
Cash Overlay	\$364,338,661	0.5%					
Currency Hedge	\$43,043,296	0.1%					
<b>Total<sup>3</sup></b>	<b>\$73,569,221,539</b>	<b>100.0%</b>	<b>100.0%</b>				

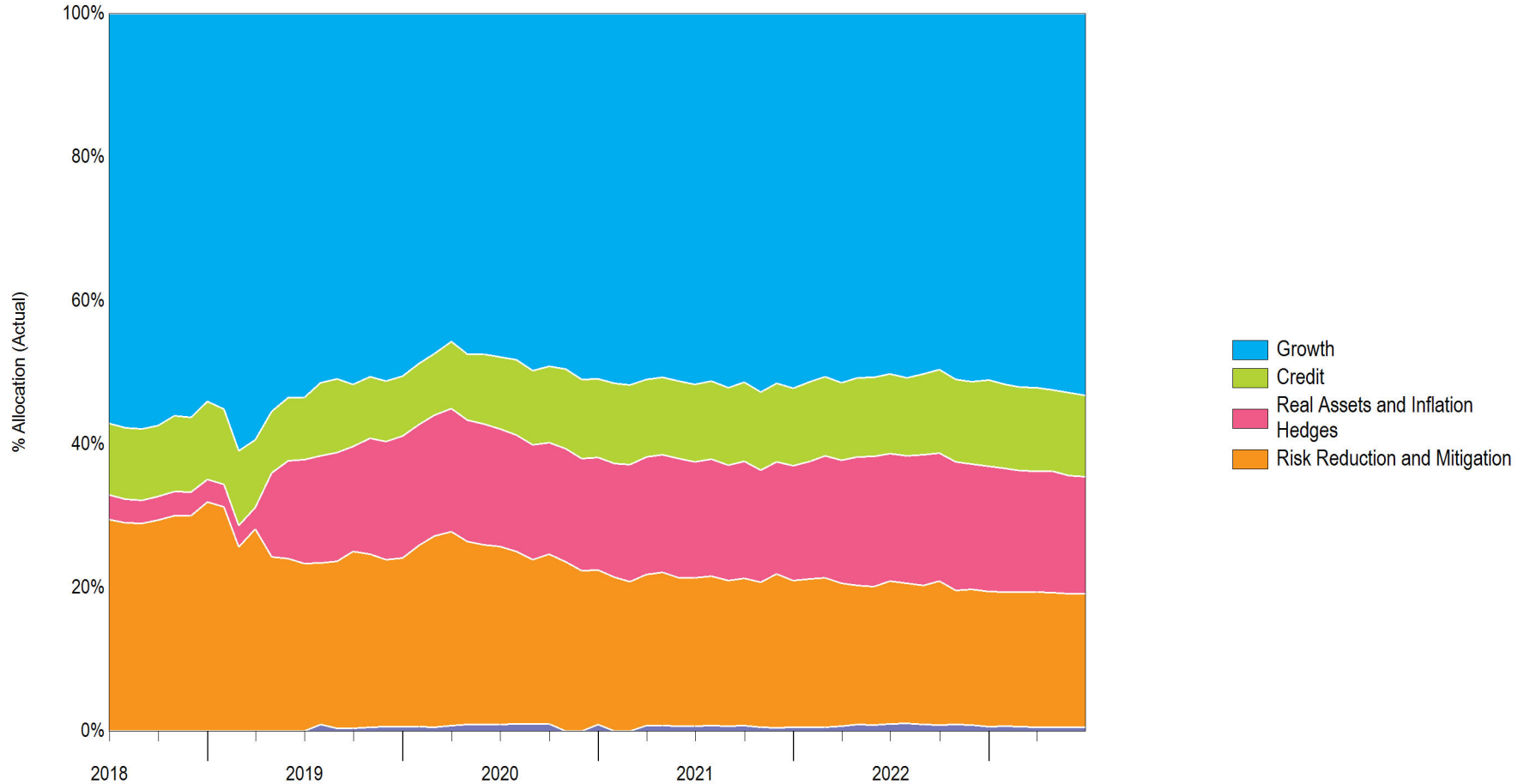
<sup>1</sup> Liquid Credit contains high yield, bank loans, and EM debt.

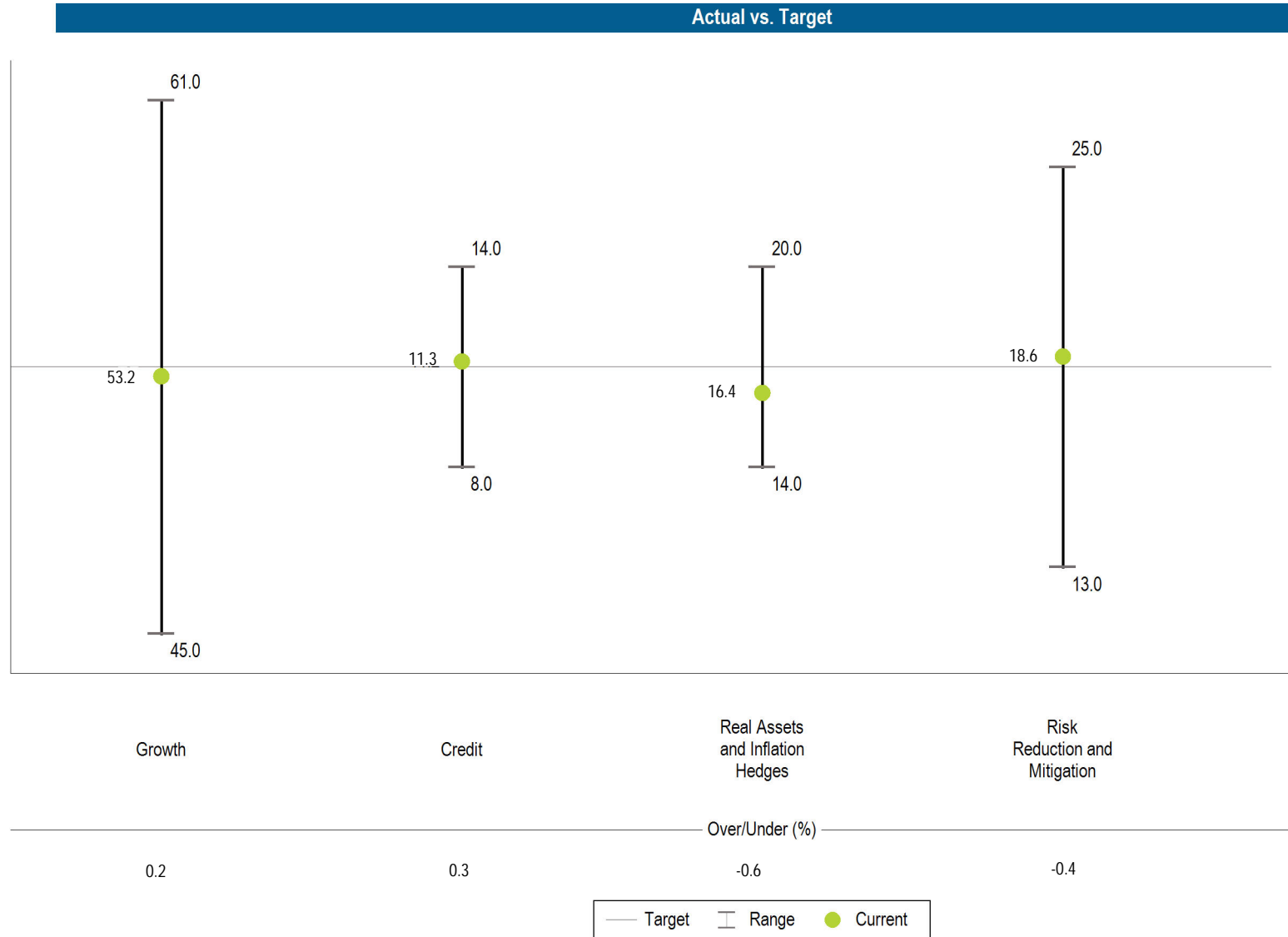
<sup>2</sup> Illiquid Credit contains credit hedge funds, real estate debt, private debt strategies and private equity-related debt.

<sup>3</sup> Totals may not add up due to rounding.

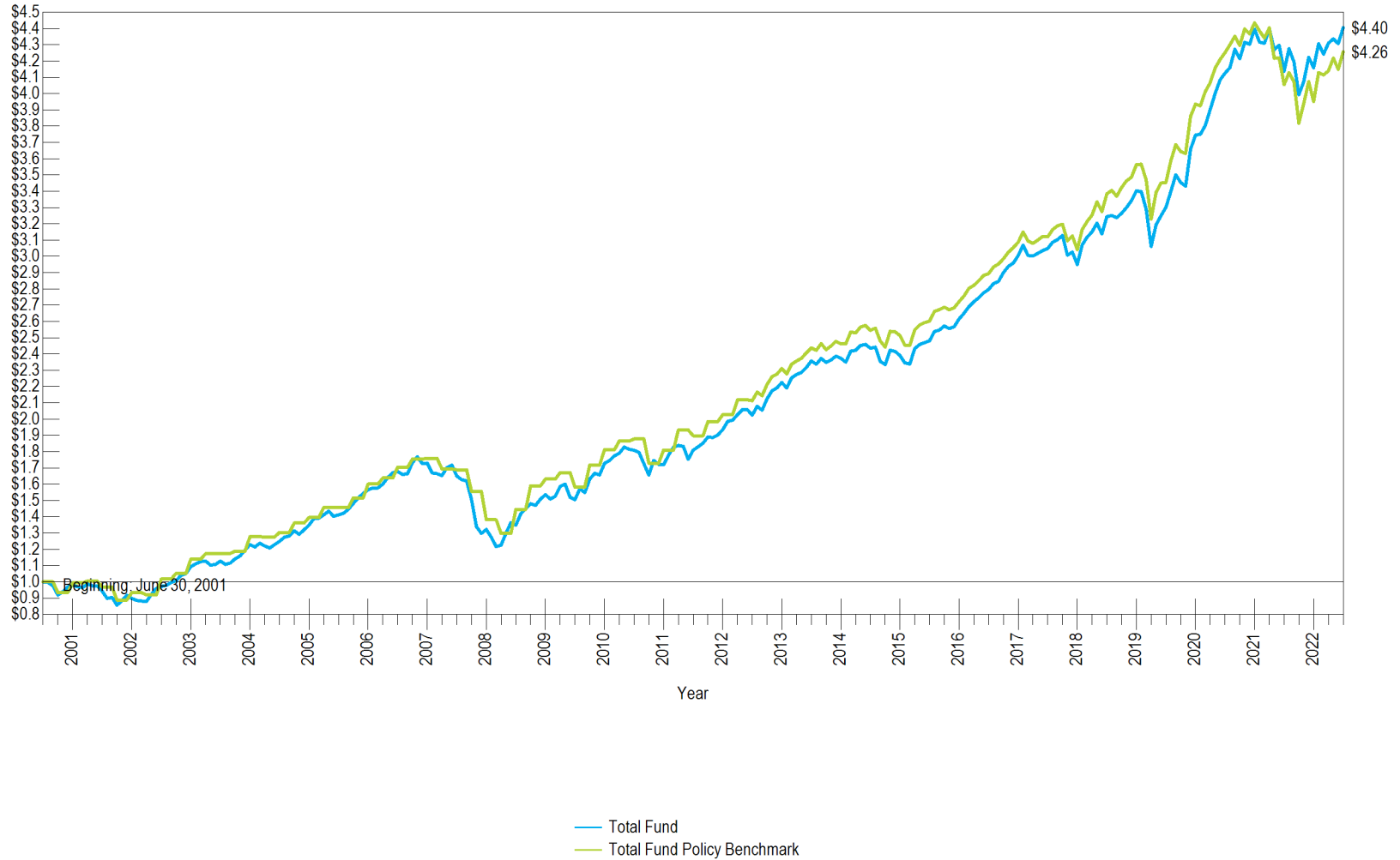
\* The Functional Framework became effective April 1, 2019.

Asset Allocation History  
5 Years Ending June 30, 2023





#### Growth of a Dollar



Asset Class Performance Summary (Net)									
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD <sup>1</sup> (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Total Fund (Net)</b>	<b>73,569,221,539</b>	<b>100.0</b>	<b>2.3</b>	<b>2.2</b>	<b>6.4</b>	<b>6.4</b>	<b>10.1</b>	<b>7.6</b>	<b>8.1</b>
<i>Total Fund Policy Benchmark</i>			<u>2.6</u>	<u>2.8</u>	<u>5.0</u>	<u>5.0</u>	<u>7.2</u>	<u>6.4</u>	<u>7.3</u>
Excess Return			-0.3	-0.6	1.4	1.4	2.9	1.2	0.8
<b>Growth (Net)</b>	<b>39,155,425,403</b>	<b>53.2</b>	<b>3.6</b>	<b>4.2</b>	<b>10.2</b>	<b>10.2</b>	<b>15.5</b>	--	--
<i>Growth Custom Blended Benchmark</i>			<u>4.3</u>	<u>5.8</u>	<u>8.0</u>	<u>8.0</u>	<u>12.5</u>	--	--
Excess Return			-0.7	-1.6	2.2	2.2	3.0		
<b>Credit (Net)</b>	<b>8,297,113,415</b>	<b>11.3</b>	<b>1.3</b>	<b>2.4</b>	<b>7.7</b>	<b>7.7</b>	<b>6.8</b>	--	--
<i>Credit Custom Blended Benchmark</i>			<u>0.4</u>	<u>1.8</u>	<u>6.0</u>	<u>6.0</u>	<u>2.4</u>	--	--
Excess Return			0.9	0.6	1.7	1.7	4.4		
<b>Real Assets and Inflation Hedges (Net)</b>	<b>12,050,481,701</b>	<b>16.4</b>	<b>1.3</b>	<b>-1.2</b>	<b>0.1</b>	<b>0.1</b>	<b>9.6</b>	--	--
<i>Real Assets &amp; Inflation Hedges Custom BM</i>			<u>1.5</u>	<u>-2.1</u>	<u>-0.6</u>	<u>-0.6</u>	<u>8.9</u>	--	--
Excess Return			-0.2	0.9	0.7	0.7	0.7		
<b>Risk Reduction and Mitigation (Net)</b>	<b>13,658,819,062</b>	<b>18.6</b>	<b>-0.2</b>	<b>-1.2</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-1.7</b>	--	--
<i>Risk Reduction and Mitigation Custom Blended Benchmark</i>			<u>0.1</u>	<u>-0.3</u>	<u>0.0</u>	<u>0.0</u>	<u>-2.6</u>	--	--
Excess Return			-0.3	-0.9	-0.2	-0.2	0.9		
<b>Overlay and Hedges (Net)</b>	<b>407,381,958</b>	<b>0.6</b>	<b>8.4</b>	<b>31.1</b>	<b>51.6</b>	<b>51.6</b>	--	--	--

<sup>1</sup> Fiscal Year begins July 1.

\* See Glossary for all custom index definitions.

Trailing Performance									
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Total Fund (Net)</b>	<b>73,569,221,539</b>	<b>100.0</b>	<b>2.3</b>	<b>2.2</b>	<b>6.4</b>	<b>6.4</b>	<b>10.1</b>	<b>7.6</b>	<b>8.1</b>
<b>Total Fund (Gross)</b>			<b>2.3</b>	<b>2.3</b>	<b>6.7</b>	<b>6.7</b>	<b>10.4</b>	<b>8.0</b>	<b>8.4</b>
<i>Total Fund Policy Benchmark</i>			<u>2.6</u>	<u>2.8</u>	<u>5.0</u>	<u>5.0</u>	<u>7.2</u>	<u>6.4</u>	<u>7.3</u>
Excess Return (vs. Net)			-0.3	-0.6	1.4	1.4	2.9	1.2	0.8
<b>Growth (Net)<sup>1</sup></b>	<b>39,155,425,403</b>	<b>53.2</b>	<b>3.6</b>	<b>4.2</b>	<b>10.2</b>	<b>10.2</b>	<b>15.5</b>	--	--
<b>Growth (Gross)</b>			<b>3.7</b>	<b>4.3</b>	<b>10.6</b>	<b>10.6</b>	<b>16.1</b>	--	--
<i>Growth Custom Blended Benchmark</i>			<u>4.3</u>	<u>5.8</u>	<u>8.0</u>	<u>8.0</u>	<u>12.5</u>	--	--
Excess Return (vs. Net)			-0.7	-1.6	2.2	2.2	3.0		
<b>Global Equity (Net)</b>	<b>24,582,851,658</b>	<b>33.4</b>	<b>6.0</b>	<b>5.8</b>	<b>16.6</b>	<b>16.6</b>	<b>11.7</b>	<b>8.1</b>	<b>9.4</b>
<b>Global Equity (Gross)</b>			<b>6.0</b>	<b>5.8</b>	<b>16.7</b>	<b>16.7</b>	<b>11.8</b>	<b>8.3</b>	<b>9.6</b>
<i>Global Equity Custom BM</i>			<u>5.8</u>	<u>5.9</u>	<u>16.1</u>	<u>16.1</u>	<u>11.0</u>	--	--
Excess Return (vs. Net)			0.2	-0.1	0.5	0.5	0.7		
Acadian Developed Markets (Net)	585,517,987	0.8	5.2	0.7	10.2	10.2	9.1	4.1	7.4
Acadian Developed Markets (Gross)			5.2	0.8	10.6	10.6	9.5	4.5	7.8
<i>EAFE Custom Benchmark</i>			<u>4.8</u>	<u>3.0</u>	<u>17.4</u>	<u>17.4</u>	<u>9.3</u>	<u>4.6</u>	<u>5.4</u>
Excess Return (vs. Net)			0.4	-2.3	-7.2	-7.2	-0.2	-0.5	2.0
BTC Euro Tilts (Net)	607,505,531	0.8	5.9	4.6	25.7	25.7	13.8	6.7	7.4
BTC Euro Tilts (Gross)			5.9	4.7	26.2	26.2	14.2	7.1	7.9
<i>MSCI EUROPE</i>			<u>4.8</u>	<u>2.7</u>	<u>21.8</u>	<u>21.8</u>	<u>10.7</u>	<u>5.2</u>	<u>5.7</u>
Excess Return (vs. Net)			1.1	1.9	3.9	3.9	3.1	1.5	1.7

<sup>1</sup> Includes accounts that are lagged by 3-months and latest available adjusted for cash flows.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Capital Guardian (Net)	413,626,368	0.6	3.9	1.4	20.6	20.6	5.3	5.7	6.9
Capital Guardian (Gross)			4.0	1.5	21.0	21.0	5.7	6.1	7.3
<i>EAFE Custom Benchmark</i>			<u>4.8</u>	<u>3.0</u>	<u>17.4</u>	<u>17.4</u>	<u>9.3</u>	<u>4.6</u>	<u>5.4</u>
Excess Return (vs. Net)			-0.9	-1.6	3.2	3.2	-4.0	1.1	1.5
Cevian Capital (Net)	452,147,538	0.6	6.6	2.9	26.0	26.0	18.4	8.5	--
Cevian Capital (Gross)			6.7	3.3	27.5	27.5	19.7	9.8	--
<i>MSCI EUROPE</i>			<u>4.8</u>	<u>2.7</u>	<u>21.8</u>	<u>21.8</u>	<u>10.7</u>	<u>5.2</u>	--
Excess Return (vs. Net)			1.8	0.2	4.2	4.2	7.7	3.3	
CornerCap (Net)	82,089,376	0.1	7.6	2.6	7.2	7.2	17.2	--	--
CornerCap (Gross)			7.7	2.7	7.7	7.7	17.9	--	--
<i>Russell 2000</i>			<u>8.1</u>	<u>5.2</u>	<u>12.3</u>	<u>12.3</u>	<u>10.8</u>	--	--
Excess Return (vs. Net)			-0.5	-2.6	-5.1	-5.1	6.4		
Frontier Capital Management (Net)	303,387,436	0.4	11.9	10.0	25.5	25.5	16.6	8.2	10.4
Frontier Capital Management (Gross)			11.9	10.2	26.4	26.4	17.4	9.0	11.2
<i>Russell 2500</i>			<u>8.5</u>	<u>5.2</u>	<u>13.6</u>	<u>13.6</u>	<u>12.3</u>	<u>6.5</u>	<u>9.4</u>
Excess Return (vs. Net)			3.4	4.8	11.9	11.9	4.3	1.7	1.0



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Global Alpha IE EMP (Net)	176,017,175	0.2	2.1	-2.9	8.6	8.6	7.6	--	--
Global Alpha IE EMP (Gross)			2.1	-2.7	9.4	9.4	8.4	--	--
<i>MSCI EAFE Small Cap</i>			<u>2.9</u>	<u>0.6</u>	<u>10.2</u>	<u>10.2</u>	<u>5.7</u>	--	--
Excess Return (vs. Net)			-0.8	-3.5	-1.6	-1.6	1.9		
JPMAM Strategic BETA NON-U.S. (Net)	600,261,373	0.8	4.6	2.7	12.7	12.7	--	--	--
JPMAM Strategic BETA NON-U.S. (Gross)			4.6	2.7	12.7	12.7	--	--	--
<i>MSCI ACWI ex USA IMI</i>			<u>4.3</u>	<u>2.4</u>	<u>12.5</u>	<u>12.5</u>	--	--	--
Excess Return (vs. Net)			0.3	0.3	0.2	0.2			
JPMAM Strategic BETA U.S. (Net)	4,656,096,877	6.3	7.0	8.5	19.4	19.4	14.9	--	--
JPMAM Strategic BETA U.S. (Gross)			7.0	8.5	19.4	19.4	15.0	--	--
<i>MSCI USA IMI Gross</i>			<u>6.9</u>	<u>8.4</u>	<u>19.2</u>	<u>19.2</u>	<u>14.1</u>	--	--
Excess Return (vs. Net)			0.1	0.1	0.2	0.2	0.8		
Lazard Emerging Markets (Net)	381,369,599	0.5	5.1	-0.7	1.9	1.9	3.0	2.4	4.1
Lazard Emerging Markets (Gross)			5.1	-0.5	2.5	2.5	3.7	3.1	4.8
<i>MSCI Emerging Markets</i>			<u>3.8</u>	<u>0.9</u>	<u>1.7</u>	<u>1.7</u>	<u>2.3</u>	<u>0.9</u>	<u>3.0</u>
Excess Return (vs. Net)			1.3	-1.6	0.2	0.2	0.7	1.5	1.1

### Los Angeles County Employees Retirement Association | June 30, 2023

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Parametric GE Market Cap (Net)	172,548,326	0.2	-4.5	11.6	10.7	10.7	--	--	--
Parametric GE Market Cap (Gross)			-4.5	11.7	11.0	11.0	--	--	--
Parametric GE Region (Net)	55,719,799	0.1	-2.1	-14.4	-18.6	-18.6	--	--	--
Parametric GE Region (Gross)			-2.1	-14.4	-18.4	-18.4	--	--	--
SSGA MSCI ACWI IMI (Net)	15,868,269,530	21.6	5.8	5.8	16.3	16.3	11.6	--	--
SSGA MSCI ACWI IMI (Gross)			5.8	5.8	16.3	16.3	11.6	--	--
<i>MSCI ACWI IMI Net (DAILY)</i>			<u>5.8</u>	<u>5.9</u>	<u>16.1</u>	<u>16.1</u>	<u>11.0</u>	--	--
Excess Return (vs. Net)			0.0	-0.1	0.2	0.2	0.6		
Systematic Financial Management (Net)	198,877,413	0.3	8.0	4.5	14.6	14.6	17.9	6.1	--
Systematic Financial Management (Gross)			8.0	4.6	15.2	15.2	18.6	6.7	--
<i>Russell 2000</i>			<u>8.1</u>	<u>5.2</u>	<u>12.3</u>	<u>12.3</u>	<u>10.8</u>	<u>4.2</u>	--
Excess Return (vs. Net)			-0.1	-0.7	2.3	2.3	7.1	1.9	

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Private Equity - Growth (Net)</b>	<b>13,427,683,711</b>	<b>18.3</b>	<b>-0.2</b>	<b>1.7</b>	<b>0.1</b>	<b>0.1</b>	<b>25.2</b>	<b>--</b>	<b>--</b>
<b>Private Equity - Growth (Gross)</b>			<b>-0.1</b>	<b>2.0</b>	<b>1.0</b>	<b>1.0</b>	<b>26.7</b>	<b>--</b>	<b>--</b>
<i>Private Equity - Growth Custom BM</i>			<u>2.6</u>	<u>7.5</u>	<u>-5.8</u>	<u>-5.8</u>	<u>17.9</u>	<b>--</b>	<b>--</b>
Excess Return (vs. Net)			-2.8	-5.8	5.9	5.9	7.3		
<b>Non-Core Private Real Estate (Net)</b>	<b>1,144,890,035</b>	<b>1.6</b>	<b>0.3</b>	<b>-0.5</b>	<b>4.0</b>	<b>4.0</b>	<b>12.7</b>	<b>10.8</b>	<b>10.7</b>
<b>Non-Core Private Real Estate (Gross)</b>			<b>0.3</b>	<b>-0.2</b>	<b>4.6</b>	<b>4.6</b>	<b>13.7</b>	<b>12.2</b>	<b>12.7</b>
<i>Non-Core Private RE Policy BM</i>			<u>-1.0</u>	<u>-2.8</u>	<u>-1.7</u>	<u>-1.7</u>	<u>10.2</u>	<u>9.5</u>	<u>11.6</u>
Excess Return (vs. Net)			1.3	2.3	5.7	5.7	2.5	1.3	-0.9
<b>Credit (Net)<sup>1</sup></b>	<b>8,297,113,415</b>	<b>11.3</b>	<b>1.3</b>	<b>2.4</b>	<b>7.7</b>	<b>7.7</b>	<b>6.8</b>	<b>--</b>	<b>--</b>
<b>Credit (Gross)</b>			<b>1.3</b>	<b>2.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.1</b>	<b>--</b>	<b>--</b>
<i>Credit Custom Blended Benchmark</i>			<u>0.4</u>	<u>1.8</u>	<u>6.0</u>	<u>6.0</u>	<u>2.4</u>	<b>--</b>	<b>--</b>
Excess Return (vs. Net)			0.9	0.6	1.7	1.7	4.4		
<b>Liquid Credit (Net)</b>	<b>3,457,934,835</b>	<b>4.7</b>	<b>2.1</b>	<b>2.9</b>	<b>9.0</b>	<b>9.0</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Liquid Credit (Gross)</b>			<b>2.2</b>	<b>3.0</b>	<b>9.4</b>	<b>9.4</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Liquid Credit Custom BM</i>			<u>2.0</u>	<u>2.4</u>	<u>9.3</u>	<u>9.3</u>	<b>--</b>	<b>--</b>	<b>--</b>
Excess Return (vs. Net)			0.1	0.5	-0.3	-0.3			

<sup>1</sup> 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 (%)
<b>High Yield (Net)</b>	<b>1,268,270,833</b>	<b>1.7</b>	<b>1.8</b>	<b>2.2</b>	<b>7.0</b>	<b>7.0</b>	<b>3.6</b>	--	--
<b>High Yield (Gross)</b>			<b>1.8</b>	<b>2.3</b>	<b>7.3</b>	<b>7.3</b>	<b>3.9</b>	--	--
<i>BBgBarc US High Yield TR</i>			<u>1.7</u>	<u>1.7</u>	<u>9.1</u>	<u>9.1</u>	<u>3.1</u>	--	--
Excess Return (vs. Net)			0.1	0.5	-2.1	-2.1	0.5		
Beach Point (Net)	299,463,507	0.4	2.8	3.0	9.8	9.8	3.0	3.4	--
Beach Point (Gross)			2.8	3.1	10.3	10.3	3.5	3.9	--
<i>Beach Point Custom BM</i>			<u>1.7</u>	<u>1.7</u>	<u>9.1</u>	<u>9.1</u>	<u>3.1</u>	<u>2.8</u>	--
Excess Return (vs. Net)			1.1	1.3	0.7	0.7	-0.1	0.6	
Brigade Capital Management (Net)	519,169,311	0.7	1.4	2.0	3.6	3.6	5.9	2.7	4.0
Brigade Capital Management (Gross)			1.5	2.2	4.0	4.0	6.3	3.3	4.7
<i>Brigade Custom Index</i>			<u>1.7</u>	<u>1.7</u>	<u>9.1</u>	<u>9.1</u>	<u>3.1</u>	<u>3.2</u>	<u>3.9</u>
Excess Return (vs. Net)			-0.3	0.3	-5.5	-5.5	2.8	-0.5	0.1
Pinebridge Investments (Net)	449,592,049	0.6	1.5	1.8	9.9	9.9	--	--	--
Pinebridge Investments (Gross)			1.5	1.8	10.1	10.1	--	--	--
<i>BBgBarc US High Yield TR</i>			<u>1.7</u>	<u>1.7</u>	<u>9.1</u>	<u>9.1</u>	--	--	--
Excess Return (vs. Net)			-0.2	0.1	0.8	0.8			

### Los Angeles County Employees Retirement Association | June 30, 2023

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Bank Loans (Net)</b>	<b>1,567,189,677</b>	<b>2.1</b>	<b>2.0</b>	<b>3.3</b>	<b>10.3</b>	<b>10.3</b>	<b>6.5</b>	--	--
<b>Bank Loans (Gross)</b>			<b>2.1</b>	<b>3.4</b>	<b>10.7</b>	<b>10.7</b>	<b>6.9</b>	--	--
<i>CS Leveraged Loan Index</i>			<u>2.2</u>	<u>3.1</u>	<u>10.1</u>	<u>10.1</u>	<u>6.2</u>	--	--
Excess Return (vs. Net)			-0.2	0.2	0.2	0.2	0.3		
Bain Capital (Net)	446,334,482	0.6	2.0	3.3	9.5	9.5	7.4	4.7	--
Bain Capital (Gross)			2.1	3.5	10.1	10.1	8.0	5.4	--
<i>Bank Loans Custom Index</i>			<u>2.2</u>	<u>3.1</u>	<u>10.1</u>	<u>10.1</u>	<u>6.2</u>	<u>4.6</u>	--
Excess Return (vs. Net)			-0.2	0.2	-0.6	-0.6	1.2	0.1	
Credit Suisse Bank Loans (Net)	660,488,483	0.9	2.0	3.1	12.0	12.0	5.9	--	--
Credit Suisse Bank Loans (Gross)			2.0	3.3	12.2	12.2	6.1	--	--
<i>CS Leveraged Loan Index</i>			<u>2.2</u>	<u>3.1</u>	<u>10.1</u>	<u>10.1</u>	<u>6.2</u>	--	--
Excess Return (vs. Net)			-0.2	0.0	1.9	1.9	-0.3		
Crescent Capital Group (Net)	460,366,711	0.6	2.1	3.3	7.3	7.3	6.1	4.5	--
Crescent Capital Group (Gross)			2.1	3.4	7.8	7.8	6.5	5.0	--
<i>Bank Loans Custom Index</i>			<u>2.2</u>	<u>3.1</u>	<u>10.1</u>	<u>10.1</u>	<u>6.2</u>	<u>4.6</u>	--
Excess Return (vs. Net)			-0.1	0.2	-2.8	-2.8	-0.1	-0.1	

### Los Angeles County Employees Retirement Association | June 30, 2023

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>EM Debt (Net)</b>	<b>622,474,326</b>	<b>0.8</b>	<b>3.3</b>	<b>3.2</b>	<b>10.1</b>	<b>10.1</b>	<b>-1.9</b>	<b>-0.3</b>	<b>--</b>
<b>EM Debt (Gross)</b>			<b>3.3</b>	<b>3.3</b>	<b>10.5</b>	<b>10.5</b>	<b>-1.5</b>	<b>0.2</b>	<b>--</b>
<i>EMD Custom</i>			<u>2.2</u>	<u>2.1</u>	<u>8.0</u>	<u>8.0</u>	<u>-2.0</u>	<u>1.0</u>	<b>--</b>
Excess Return (vs. Net)			1.1	1.1	2.1	2.1	0.1	-1.3	
Aberdeen Asset Management (Net)	366,621,565	0.5	3.8	4.8	11.9	11.9	-1.4	0.9	<b>--</b>
Aberdeen Asset Management (Gross)			3.8	4.8	12.2	12.2	-1.1	1.2	<b>--</b>
<i>EMD Custom</i>			<u>2.2</u>	<u>2.1</u>	<u>8.0</u>	<u>8.0</u>	<u>-2.0</u>	<u>1.0</u>	<b>--</b>
Excess Return (vs. Net)			1.6	2.7	3.9	3.9	0.6	-0.1	
Ashmore Investment Management (Net)	255,852,760	0.3	2.6	1.5	8.0	8.0	-2.4	-1.5	<b>--</b>
Ashmore Investment Management (Gross)			2.6	1.6	8.5	8.5	-1.9	-0.9	<b>--</b>
<i>EMD Custom</i>			<u>2.2</u>	<u>2.1</u>	<u>8.0</u>	<u>8.0</u>	<u>-2.0</u>	<u>1.0</u>	<b>--</b>
Excess Return (vs. Net)			0.4	-0.6	0.0	0.0	-0.4	-2.5	

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Illiquid Credit (Net)</b>	<b>4,839,178,032</b>	<b>6.6</b>	<b>0.6</b>	<b>2.0</b>	<b>5.6</b>	<b>5.6</b>	<b>13.9</b>	--	--
<b>Illiquid Credit (Gross)</b>			<b>0.6</b>	<b>2.0</b>	<b>4.8</b>	<b>4.8</b>	<b>14.4</b>	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.4</u>	<u>1.5</u>	<u>3.8</u>	<u>3.8</u>	<u>0.8</u>	--	--
Excess Return (vs. Net)			1.0	0.5	1.8	1.8	13.1		
Beach Point - Fund III (Net)	112,639,734	0.2	-1.8	-6.6	-9.7	-9.7	13.7	8.4	--
Beach Point - Fund III (Gross)			-1.8	-6.6	-23.0	-23.0	13.4	9.0	--
<i>Opportunistic Custom Index 1 Month Lag</i>			<u>-0.5</u>	<u>1.0</u>	<u>2.8</u>	<u>2.8</u>	<u>4.4</u>	<u>3.4</u>	--
Excess Return (vs. Net)			-1.3	-7.6	-12.5	-12.5	9.3	5.0	
Lake Cascade (Net)	505,752,587	0.7	1.0	1.0	--	--	--	--	--
Lake Cascade (Gross)			1.0	1.0	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.4</u>	<u>1.5</u>	--	--	--	--	--
Excess Return (vs. Net)			1.4	-0.5					
Lake Cottage (Net)	522,064,202	0.7	0.4	3.2	--	--	--	--	--
Lake Cottage (Gross)			0.4	3.2	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.4</u>	<u>1.5</u>	--	--	--	--	--
Excess Return (vs. Net)			0.8	1.7					
Lake Vineyard (Net)	542,799,243	0.7	1.2	2.4	3.8	3.8	--	--	--
Lake Vineyard (Gross)			1.2	2.4	3.8	3.8	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.4</u>	<u>1.5</u>	<u>3.8</u>	<u>3.8</u>	--	--	--
Excess Return (vs. Net)			1.6	0.9	0.0	0.0			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Magnetar Credit Fund (Net)	957,709,331	1.3	0.2	2.6	5.9	5.9	--	--	--
Magnetar Credit Fund (Gross)			0.2	2.6	5.9	5.9	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.4</u>	<u>1.5</u>	<u>3.8</u>	<u>3.8</u>	--	--	--
Excess Return (vs. Net)			0.6	1.1	2.1	2.1			
Napier Park (Net)	906,814,272	1.2	0.5	0.8	7.7	7.7	11.9	--	--
Napier Park (Gross)			0.5	0.8	7.7	7.7	11.9	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.4</u>	<u>1.5</u>	<u>3.8</u>	<u>3.8</u>	<u>0.8</u>	--	--
Excess Return (vs. Net)			0.9	-0.7	3.9	3.9	11.1		
PIMCO Tac Opps (Net)	284,267,700	0.4	2.0	4.2	0.8	0.8	8.9	--	--
PIMCO Tac Opps (Gross)			2.0	4.2	0.8	0.8	8.9	--	--
<i>PIMCO Tac Opps Custom BM</i>			<u>-0.4</u>	<u>1.5</u>	<u>3.8</u>	<u>3.8</u>	<u>0.4</u>	--	--
Excess Return (vs. Net)			2.4	2.7	-3.0	-3.0	8.5		
Private Equity - Credit (Net)	229,488,634	0.3	0.0	4.4	14.9	14.9	32.3	--	--
Private Equity - Credit (Gross)			0.0	4.4	14.9	14.9	32.3	--	--
<i>PE-Credit Custom Benchmark</i>			<u>2.7</u>	<u>3.6</u>	<u>-2.4</u>	<u>-2.4</u>	<u>-0.3</u>	--	--
Excess Return (vs. Net)			-2.7	0.8	17.3	17.3	32.6		
Real Estate - Credit (Net)	59,497,382	0.1	-0.8	5.1	11.3	11.3	11.0	10.3	9.0
Real Estate - Credit (Gross)			-0.8	5.1	11.7	11.7	11.7	11.1	10.0
<i>RE Credit BM</i>			<u>-0.4</u>	<u>1.5</u>	<u>3.8</u>	<u>3.8</u>	<u>1.1</u>	<u>2.4</u>	<u>3.7</u>
Excess Return (vs. Net)			-0.4	3.6	7.5	7.5	9.9	7.9	5.3



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Tennenbaum Capital (Net)	630,731,422	0.9	1.0	2.5	7.3	7.3	9.3	7.1	--
Tennenbaum Capital (Gross)			1.0	2.5	7.7	7.7	10.0	7.8	--
<i>CSFB Leveraged Loan Index 1 Month Lagged</i>			<u>-0.1</u>	<u>0.8</u>	<u>5.5</u>	<u>5.5</u>	<u>5.9</u>	<u>3.6</u>	--
Excess Return (vs. Net)			1.1	1.7	1.8	1.8	3.4	3.5	
<b>IC EM Program (Net)</b>	<b>54,845,711</b>	<b>0.1</b>	<b>0.0</b>	<b>-0.4</b>	--	--	--	--	--
<b>IC EM Program (Gross)</b>			<b>0.0</b>	<b>-0.4</b>	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.4</u>	<u>1.5</u>	--	--	--	--	--
Excess Return (vs. Net)			0.4	-1.9					
<b>Stable Asset Management - IC (Net)</b>	<b>54,845,711</b>	<b>0.1</b>	<b>0.0</b>	<b>-0.4</b>	--	--	--	--	--
<b>Stable Asset Management - IC (Gross)</b>			<b>0.0</b>	<b>-0.4</b>	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.4</u>	<u>1.5</u>	--	--	--	--	--
Excess Return (vs. Net)			0.4	-1.9					
<b>Stable Fund Investments - IC (Net)</b>	<b>54,845,711</b>	<b>0.1</b>	<b>0.0</b>	<b>-0.4</b>	--	--	--	--	--
<b>Stable Fund Investments - IC (Gross)</b>			<b>0.0</b>	<b>-0.4</b>	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.4</u>	<u>1.5</u>	--	--	--	--	--
Excess Return (vs. Net)			0.4	-1.9					
HarbourView (Net)	54,845,711	0.1	0.0	-0.4	--	--	--	--	--
HarbourView (Gross)			0.0	-0.4	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.4</u>	<u>1.5</u>	--	--	--	--	--
Excess Return (vs. Net)			0.4	-1.9					

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Real Assets and Inflation Hedges (Net)<sup>1</sup></b>	<b>12,050,481,701</b>	<b>16.4</b>	<b>1.3</b>	<b>-1.2</b>	<b>0.1</b>	<b>0.1</b>	<b>9.6</b>	<b>--</b>	<b>--</b>
<b>Real Assets and Inflation Hedges (Gross)</b>			<b>1.3</b>	<b>-1.1</b>	<b>0.4</b>	<b>0.4</b>	<b>10.0</b>	<b>--</b>	<b>--</b>
<i>Real Assets &amp; Inflation Hedges Custom BM</i>			<u>1.5</u>	<u>-2.1</u>	<u>-0.6</u>	<u>-0.6</u>	<u>8.9</u>	<b>--</b>	<b>--</b>
Excess Return (vs. Net)			-0.2	0.9	0.7	0.7	0.7		
<b>Core Private Real Estate (Net)</b>	<b>4,070,884,827</b>	<b>5.5</b>	<b>0.1</b>	<b>-3.6</b>	<b>-1.7</b>	<b>-1.7</b>	<b>8.0</b>	<b>6.4</b>	<b>7.9</b>
<b>Core Private Real Estate (Gross)</b>			<b>0.1</b>	<b>-3.5</b>	<b>-1.1</b>	<b>-1.1</b>	<b>8.6</b>	<b>7.1</b>	<b>8.5</b>
<i>Core Private Real Estate Custom BM</i>			<u>-1.1</u>	<u>-3.4</u>	<u>-3.9</u>	<u>-3.9</u>	<u>7.7</u>	<u>6.9</u>	<u>8.9</u>
Excess Return (vs. Net)			1.2	-0.2	2.2	2.2	0.3	-0.5	-1.0
<b>Natural Resources and Commodities (Net)</b>	<b>2,109,658,836</b>	<b>2.9</b>	<b>2.6</b>	<b>0.2</b>	<b>1.1</b>	<b>1.1</b>	<b>21.2</b>	<b>6.2</b>	<b>0.4</b>
<b>Natural Resources and Commodities (Gross)</b>			<b>2.7</b>	<b>0.2</b>	<b>1.3</b>	<b>1.3</b>	<b>21.6</b>	<b>6.5</b>	<b>0.8</b>
<i>Natural Resources &amp; Commodities Custom BM</i>			<u>5.7</u>	<u>-3.4</u>	<u>1.8</u>	<u>1.8</u>	<u>18.8</u>	<u>5.8</u>	<u>-0.5</u>
Excess Return (vs. Net)			-3.1	3.6	-0.7	-0.7	2.4	0.4	0.9
<b>Public Natural Resources and Commodities (Net)</b>	<b>1,102,889,279</b>	<b>1.5</b>	<b>4.7</b>	<b>-3.1</b>	<b>-5.0</b>	<b>-5.0</b>	<b>18.8</b>	<b>--</b>	<b>--</b>
<b>Public Natural Resources and Commodities (Gross)</b>			<b>4.8</b>	<b>-3.0</b>	<b>-4.8</b>	<b>-4.8</b>	<b>19.1</b>	<b>--</b>	<b>--</b>
<i>Natural Resources &amp; Commodities Custom BM</i>			<u>5.7</u>	<u>-3.4</u>	<u>1.8</u>	<u>1.8</u>	<u>18.8</u>	<b>--</b>	<b>--</b>
Excess Return (vs. Net)			-1.0	0.3	-6.8	-6.8	0.0		
Credit Suisse Commodity (Net)	286,228,625	0.4	3.8	-2.9	-10.2	-10.2	18.2	5.3	-0.5
Credit Suisse Commodity (Gross)			3.9	-2.9	-10.0	-10.0	18.5	5.6	-0.2
<i>Bloomberg Commodity Index TR USD</i>			<u>4.0</u>	<u>-2.6</u>	<u>-9.6</u>	<u>-9.6</u>	<u>17.8</u>	<u>4.7</u>	<u>-1.0</u>
Excess Return (vs. Net)			-0.2	-0.3	-0.6	-0.6	0.4	0.6	0.5

<sup>1</sup> Includes accounts that are lagged by 3-months and latest available adjusted for cash flows.

### Los Angeles County Employees Retirement Association | June 30, 2023

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
DWS Natural Resources (Net)	478,442,990	0.7	5.7	-3.9	2.7	2.7	19.0	--	--
DWS Natural Resources (Gross)			5.7	-3.9	2.8	2.8	19.2	--	--
<i>S&amp;P Global Large/MidCap Commodities &amp; Resources</i>			<u>6.2</u>	<u>-3.6</u>	<u>7.0</u>	<u>7.0</u>	<u>20.1</u>	--	--
Excess Return (vs. Net)			-0.5	-0.3	-4.3	-4.3	-1.1		
Neuberger Berman/ Gresham (Net)	337,873,692	0.5	4.0	-1.8	-11.0	-11.0	18.3	4.4	-0.4
Neuberger Berman/ Gresham (Gross)			4.0	-1.8	-10.7	-10.7	18.7	4.7	0.0
<i>Bloomberg Commodity Index TR USD</i>			<u>4.0</u>	<u>-2.6</u>	<u>-9.6</u>	<u>-9.6</u>	<u>17.8</u>	<u>4.7</u>	<u>-1.0</u>
Excess Return (vs. Net)			0.0	0.8	-1.4	-1.4	0.5	-0.3	0.6
<b>Private Natural Resources and Commodities (Net)</b>	<b>1,006,769,557</b>	<b>1.4</b>	<b>0.2</b>	<b>4.8</b>	<b>9.2</b>	<b>9.2</b>	<b>9.0</b>	<b>--</b>	<b>--</b>
<b>Private Natural Resources and Commodities (Gross)</b>			<b>0.2</b>	<b>4.8</b>	<b>9.3</b>	<b>9.3</b>	<b>11.0</b>	<b>--</b>	<b>--</b>
<i>PE - Real Assets Custom BM</i>			<u>-0.4</u>	<u>-1.3</u>	<u>-5.8</u>	<u>-5.8</u>	<u>31.7</u>	--	--
Excess Return (vs. Net)			0.6	6.1	15.0	15.0	-22.7		
Cibus Enterprise II (Net)	4,639,364	0.0	0.0	-0.1	--	--	--	--	--
Cibus Enterprise II (Gross)			0.0	-0.1	--	--	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-0.4</u>	<u>-1.3</u>	--	--	--	--	--
Excess Return (vs. Net)			0.4	1.2					
Co-Investments - Natural Resources (Net)	24,034,918	0.0	0.0	0.0	--	--	--	--	--
Co-Investments - Natural Resources (Gross)			0.0	0.0	--	--	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-0.4</u>	<u>-1.3</u>	--	--	--	--	--
Excess Return (vs. Net)			0.4	1.3					

Private natural resources and infrastructure funds reflect early-stage life cycle performance.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Cibus Fund II (Net)	28,961,869	0.0	0.0	-2.5	-15.8	-15.8	--	--	--
Cibus Fund II (Gross)			0.0	-2.5	-15.8	-15.8	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-0.4</u>	<u>-1.3</u>	<u>-5.8</u>	<u>-5.8</u>	--	--	--
Excess Return (vs. Net)			0.4	-1.2	-10.0	-10.0			
HiTecVision New Energy (Net)	95,100,167	0.1	2.3	7.1	--	--	--	--	--
HiTecVision New Energy (Gross)			2.3	7.1	--	--	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-0.4</u>	<u>-1.3</u>	--	--	--	--	--
Excess Return (vs. Net)			2.7	8.4					
Orion Mine Finance Fund III (Net)	132,808,503	0.2	0.0	14.7	13.3	13.3	--	--	--
Orion Mine Finance Fund III (Gross)			0.0	14.7	13.3	13.3	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-0.4</u>	<u>-1.3</u>	<u>-5.8</u>	<u>-5.8</u>	--	--	--
Excess Return (vs. Net)			0.4	16.0	19.1	19.1			
Orion Mining Royalty Fund I (Net)	23,493,388	0.0	0.0	-2.7	-14.8	-14.8	--	--	--
Orion Mining Royalty Fund I (Gross)			0.0	-2.7	-14.8	-14.8	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-0.4</u>	<u>-1.3</u>	<u>-5.8</u>	<u>-5.8</u>	--	--	--
Excess Return (vs. Net)			0.4	-1.4	-9.0	-9.0			
PE - Real Assets & Inflation Hedges (Net)	81,539,314	0.1	0.0	-0.4	1.4	1.4	7.0	--	--
PE - Real Assets & Inflation Hedges (Gross)			0.0	0.0	3.0	3.0	9.0	--	--
<i>PE - Real Assets Custom BM</i>			<u>-0.4</u>	<u>-1.3</u>	<u>-5.8</u>	<u>-5.8</u>	<u>31.7</u>	--	--
Excess Return (vs. Net)			0.4	0.9	7.2	7.2	-24.7		

Private natural resources and infrastructure funds reflect early-stage life cycle performance.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
TIAA-CREF Global Agriculture (Net)	294,891,914	0.4	0.0	6.4	11.7	11.7	--	--	--
TIAA-CREF Global Agriculture (Gross)			0.0	6.4	11.7	11.7	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-0.4</u>	<u>-1.3</u>	<u>-5.8</u>	<u>-5.8</u>	--	--	--
Excess Return (vs. Net)			0.4	7.7	17.5	17.5			
TIAA-CREF Global Agriculture II (Net)	272,372,449	0.4	0.0	1.1	7.2	7.2	--	--	--
TIAA-CREF Global Agriculture II (Gross)			0.0	1.1	7.2	7.2	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-0.4</u>	<u>-1.3</u>	<u>-5.8</u>	<u>-5.8</u>	--	--	--
Excess Return (vs. Net)			0.4	2.4	13.0	13.0			
Sprott (Net)	44,829,925	0.1	0.1	-1.7	--	--	--	--	--
Sprott (Gross)			0.1	-1.7	--	--	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-0.4</u>	<u>-1.3</u>	--	--	--	--	--
Excess Return (vs. Net)			0.5	-0.4					
Appian Fund III (Net)	4,097,745	0.0	--	--	--	--	--	--	--
Appian Fund III (Gross)			--	--	--	--	--	--	--
<b>Infrastructure (Net)</b>	<b>3,974,017,211</b>	<b>5.4</b>	<b>2.6</b>	<b>0.7</b>	<b>1.6</b>	<b>1.6</b>	<b>9.0</b>	--	--
<b>Infrastructure (Gross)</b>			<b>2.6</b>	<b>0.7</b>	<b>1.8</b>	<b>1.8</b>	<b>9.1</b>	--	--
<i>DJ Brookfield Global Infrastructure Comp TR</i>			<u>3.3</u>	<u>-0.1</u>	<u>1.1</u>	<u>1.1</u>	<u>7.2</u>	--	--
Excess Return (vs. Net)			-0.7	0.8	0.5	0.5	1.8		

Private natural resources and infrastructure funds reflect early-stage life cycle performance.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Public Infrastructure (Net)</b>	<b>2,525,174,667</b>	<b>3.4</b>	<b>3.6</b>	<b>0.2</b>	<b>-0.3</b>	<b>-0.3</b>	<b>8.2</b>	--	--
<b>Public Infrastructure (Gross)</b>			<b>3.6</b>	<b>0.2</b>	<b>-0.1</b>	<b>-0.1</b>	<b>8.4</b>	--	--
<i>DJ Brookfield Global Infrastructure Comp TR</i>			<u>3.3</u>	<u>-0.1</u>	<u>1.1</u>	<u>1.1</u>	<u>7.2</u>	--	--
Excess Return (vs. Net)			0.3	0.3	-1.4	-1.4	1.0		
DWS Infrastructure (Net)	2,525,174,667	3.4	3.6	0.2	-0.3	-0.3	8.2	--	--
DWS Infrastructure (Gross)			3.6	0.2	-0.1	-0.1	8.4	--	--
<i>DJ Brookfield Global Infrastructure Comp TR</i>			<u>3.3</u>	<u>-0.1</u>	<u>1.1</u>	<u>1.1</u>	<u>7.2</u>	--	--
Excess Return (vs. Net)			0.3	0.3	-1.4	-1.4	1.0		
<b>Private Infrastructure (Net)</b>	<b>1,448,842,543</b>	<b>2.0</b>	<b>0.7</b>	<b>1.6</b>	<b>8.0</b>	<b>8.0</b>	--	--	--
<b>Private Infrastructure (Gross)</b>			<b>0.8</b>	<b>1.7</b>	<b>8.2</b>	<b>8.2</b>	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>2.1</u>	<u>3.1</u>	<u>-6.1</u>	<u>-6.1</u>	--	--	--
Excess Return (vs. Net)			-1.4	-1.5	14.1	14.1			
Antin Mid Cap (Net)	49,951,946	0.1	2.3	0.4	10.9	10.9	--	--	--
Antin Mid Cap (Gross)			2.3	0.4	10.9	10.9	--	--	--
<i>DJ Brookfield Global Infrastructure Comp TR</i>			<u>3.3</u>	<u>-0.1</u>	<u>1.1</u>	<u>1.1</u>	--	--	--
Excess Return (vs. Net)			-1.0	0.5	9.8	9.8			
Axium Infrastructure (Net)	263,310,091	0.4	0.0	2.0	7.4	7.4	--	--	--
Axium Infrastructure (Gross)			0.2	2.2	8.3	8.3	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>2.1</u>	<u>3.1</u>	<u>-6.1</u>	<u>-6.1</u>	--	--	--
Excess Return (vs. Net)			-2.1	-1.1	13.5	13.5			

Private natural resources and infrastructure funds reflect early-stage life cycle performance.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Axium Infrastructure Canada (Net)	150,149,254	0.2	2.7	3.5	6.0	6.0	--	--	--
Axium Infrastructure Canada (Gross)			2.9	3.7	6.7	6.7	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>2.1</u>	<u>3.1</u>	<u>-6.1</u>	<u>-6.1</u>	--	--	--
Excess Return (vs. Net)			0.6	0.4	12.1	12.1			
DIF CIF III (Net)	43,542,723	0.1	2.2	4.0	1.5	1.5	--	--	--
DIF CIF III (Gross)			2.2	4.0	1.5	1.5	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>2.1</u>	<u>3.1</u>	<u>-6.1</u>	<u>-6.1</u>	--	--	--
Excess Return (vs. Net)			0.1	0.9	7.6	7.6			
DIF Infrastructure VI (Net)	118,822,632	0.2	2.3	2.3	11.4	11.4	--	--	--
DIF Infrastructure VI (Gross)			2.3	2.2	10.9	10.9	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>2.1</u>	<u>3.1</u>	<u>-6.1</u>	<u>-6.1</u>	--	--	--
Excess Return (vs. Net)			0.2	-0.8	17.5	17.5			
Grain Communications Opportunity III (Net)	44,453,550	0.1	0.0	2.2	1.9	1.9	--	--	--
Grain Communications Opportunity III (Gross)			0.0	2.2	1.9	1.9	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>2.1</u>	<u>3.1</u>	<u>-6.1</u>	<u>-6.1</u>	--	--	--
Excess Return (vs. Net)			-2.1	-0.9	8.0	8.0			
Grain Spectrum Holdings III (Net)	66,278,178	0.1	0.0	-5.6	38.1	38.1	--	--	--
Grain Spectrum Holdings III (Gross)			0.0	-5.6	38.1	38.1	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>2.1</u>	<u>3.1</u>	<u>-6.1</u>	<u>-6.1</u>	--	--	--
Excess Return (vs. Net)			-2.1	-8.7	44.2	44.2			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
KKR DCIF (Net)	509,101,500	0.7	0.0	1.1	4.5	4.5	--	--	--
KKR DCIF (Gross)			0.0	1.1	4.5	4.5	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>2.1</u>	<u>3.1</u>	<u>-6.1</u>	<u>-6.1</u>	--	--	--
Excess Return (vs. Net)			-2.1	-2.0	10.6	10.6			
Pan European Infrastructure Fund III (Net)	76,429,013	0.1	2.3	2.5	11.9	11.9	--	--	--
Pan European Infrastructure Fund III (Gross)			2.3	2.5	12.3	12.3	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>2.1</u>	<u>3.1</u>	<u>-6.1</u>	<u>-6.1</u>	--	--	--
Excess Return (vs. Net)			0.2	-0.6	18.0	18.0			
Partners Grp Direct Infra 2020 (Net)	91,777,889	0.1	0.0	4.4	13.3	13.3	--	--	--
Partners Grp Direct Infra 2020 (Gross)			-0.1	4.4	13.0	13.0	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>2.1</u>	<u>3.1</u>	<u>-6.1</u>	<u>-6.1</u>	--	--	--
Excess Return (vs. Net)			-2.1	1.3	19.4	19.4			
Private Infrastructure Co-Investments (Net)	35,025,767	0.0	-0.1	1.0	--	--	--	--	--
Private Infrastructure Co-Investments (Gross)			-0.1	1.0	--	--	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>2.1</u>	<u>3.1</u>	--	--	--	--	--
Excess Return (vs. Net)			-2.2	-2.1					
<b>TIPS (Net)</b>	<b>1,895,920,827</b>	<b>2.6</b>	<b>-0.3</b>	<b>-1.4</b>	<b>-1.8</b>	<b>-1.8</b>	<b>-0.2</b>	--	--
<b>TIPS (Gross)</b>			<b>-0.3</b>	<b>-1.4</b>	<b>-1.8</b>	<b>-1.8</b>	<b>-0.2</b>	--	--
<i>BBgBarc US TIPS TR</i>			<u>-0.3</u>	<u>-1.4</u>	<u>-1.4</u>	<u>-1.4</u>	<u>-0.1</u>	--	--
Excess Return (vs. Net)			0.0	0.0	-0.4	-0.4	-0.1		



	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Blackrock TIPS (Net)	1,895,920,827	2.6	-0.3	-1.4	-1.8	-1.8	-0.2	--	--
Blackrock TIPS (Gross)			-0.3	-1.4	-1.8	-1.8	-0.2	--	--
<i>BBgBarc US TIPS TR</i>			<u>-0.3</u>	<u>-1.4</u>	<u>-1.4</u>	<u>-1.4</u>	<u>-0.1</u>	--	--
Excess Return (vs. Net)			0.0	0.0	-0.4	-0.4	-0.1		
<b>Risk Reduction and Mitigation (Net)</b>	<b>13,658,819,062</b>	<b>18.6</b>	<b>-0.2</b>	<b>-1.2</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-1.7</b>	<b>--</b>	<b>--</b>
<b>Risk Reduction and Mitigation (Gross)</b>			<b>-0.2</b>	<b>-1.1</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-1.7</b>	<b>--</b>	<b>--</b>
<i>Risk Reduction and Mitigation Custom Blended Benchmark</i>			<u>0.1</u>	<u>-0.3</u>	<u>0.0</u>	<u>0.0</u>	<u>-2.6</u>	--	--
Excess Return (vs. Net)			-0.3	-0.9	-0.2	-0.2	0.9		
<b>Investment Grade Bonds (Net)</b>	<b>5,044,284,061</b>	<b>6.9</b>	<b>-0.3</b>	<b>-0.7</b>	<b>-0.7</b>	<b>-0.7</b>	<b>-3.7</b>	<b>0.9</b>	<b>1.9</b>
<b>Investment Grade Bonds (Gross)</b>			<b>-0.3</b>	<b>-0.7</b>	<b>-0.7</b>	<b>-0.7</b>	<b>-3.7</b>	<b>1.0</b>	<b>2.0</b>
<i>BBgBarc US Aggregate TR</i>			<u>-0.4</u>	<u>-0.8</u>	<u>-0.9</u>	<u>-0.9</u>	<u>-4.0</u>	<u>0.8</u>	<u>1.5</u>
Excess Return (vs. Net)			0.1	0.1	0.2	0.2	0.3	0.1	0.4
Allspring/Wells (Net)	1,283,020,909	1.7	-0.2	-0.6	-0.4	-0.4	-3.5	1.2	2.0
Allspring/Wells (Gross)			-0.2	-0.6	-0.3	-0.3	-3.4	1.3	2.1
<i>BBgBarc US Aggregate TR</i>			<u>-0.4</u>	<u>-0.8</u>	<u>-0.9</u>	<u>-0.9</u>	<u>-4.0</u>	<u>0.8</u>	<u>1.5</u>
Excess Return (vs. Net)			0.2	0.2	0.5	0.5	0.5	0.4	0.5

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
BTC US Debt Index (Net)	2,896,804,627	3.9	-0.3	-0.8	-0.9	-0.9	-3.9	0.8	1.6
BTC US Debt Index (Gross)			-0.3	-0.8	-0.9	-0.9	-3.9	0.8	1.6
<i>BBgBarc US Aggregate TR</i>			<u>-0.4</u>	<u>-0.8</u>	<u>-0.9</u>	<u>-0.9</u>	<u>-4.0</u>	<u>0.8</u>	<u>1.5</u>
Excess Return (vs. Net)			0.1	0.0	0.0	0.0	0.1	0.0	0.1
Member Home Loan Program (MHLP) (Net)	9,861,766	0.0	0.4	1.3	5.0	5.0	5.1	5.2	5.6
Member Home Loan Program (MHLP) (Gross)			0.4	1.4	5.3	5.3	5.4	5.5	5.8
Pugh Capital Management (Net)	854,596,748	1.2	-0.3	-0.7	-0.7	-0.7	-3.9	0.9	1.6
Pugh Capital Management (Gross)			-0.2	-0.6	-0.6	-0.6	-3.7	1.1	1.8
<i>BBgBarc US Aggregate TR</i>			<u>-0.4</u>	<u>-0.8</u>	<u>-0.9</u>	<u>-0.9</u>	<u>-4.0</u>	<u>0.8</u>	<u>1.5</u>
Excess Return (vs. Net)			0.1	0.1	0.2	0.2	0.1	0.1	0.1
<b>Long-Term Government Bonds (Net)</b>	<b>2,961,807,947</b>	<b>4.0</b>	<b>0.0</b>	<b>-2.3</b>	<b>-7.5</b>	<b>-7.5</b>	--	--	--
<b>Long-Term Government Bonds (Gross)</b>			<b>0.0</b>	<b>-2.3</b>	<b>-7.4</b>	<b>-7.4</b>	--	--	--
<i>Bloomberg U.S. Treasury: Long</i>			<u>0.0</u>	<u>-2.3</u>	<u>-6.8</u>	<u>-6.8</u>	--	--	--
Excess Return (vs. Net)			0.0	0.0	-0.7	-0.7			
Blackrock Long Treasury Bonds (Net)	2,961,807,947	4.0	0.0	-2.3	-7.5	-7.5	--	--	--
Blackrock Long Treasury Bonds (Gross)			0.0	-2.3	-7.4	-7.4	--	--	--
<i>Bloomberg U.S. Treasury: Long</i>			<u>0.0</u>	<u>-2.3</u>	<u>-6.8</u>	<u>-6.8</u>	--	--	--
Excess Return (vs. Net)			0.0	0.0	-0.7	-0.7			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Diversified Hedge Fund Portfolio (Net)</b>	<b>4,570,232,188</b>	<b>6.2</b>	<b>-0.4</b>	<b>-1.4</b>	<b>4.6</b>	<b>4.6</b>	<b>8.3</b>	<b>--</b>	<b>--</b>
<b>Diversified Hedge Fund Portfolio (Gross)</b>			<b>-0.4</b>	<b>-1.4</b>	<b>4.6</b>	<b>4.6</b>	<b>8.3</b>	<b>--</b>	<b>--</b>
<i>Diversified Hedge Funds Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	<u>3.7</u>	<b>--</b>	<b>--</b>
Excess Return (vs. Net)			-1.0	-3.3	-1.4	-1.4	4.6		
<b>LACERA HF Direct (Net)</b>	<b>4,066,253,041</b>	<b>5.5</b>	<b>-0.5</b>	<b>-1.6</b>	<b>5.1</b>	<b>5.1</b>	<b>8.3</b>	<b>5.6</b>	<b>--</b>
<b>LACERA HF Direct (Gross)</b>			<b>-0.5</b>	<b>-1.6</b>	<b>5.1</b>	<b>5.1</b>	<b>8.2</b>	<b>5.6</b>	<b>--</b>
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	<u>3.7</u>	<u>4.4</u>	<b>--</b>
Excess Return (vs. Net)			-1.1	-3.5	-0.9	-0.9	4.6	1.2	
AM Asia Strategies Fund (Net)	245,440,125	0.3	-2.9	-6.7	11.6	11.6	--	--	--
AM Asia Strategies Fund (Gross)			-2.9	-6.7	11.6	11.6	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	--	--	--
Excess Return (vs. Net)			-3.5	-8.6	5.6	5.6			
Brevan Howard Master Fund (Net)	624,863,800	0.8	-1.6	-6.6	-0.1	-0.1	--	--	--
Brevan Howard Master Fund (Gross)			-1.6	-6.6	-0.1	-0.1	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	--	--	--
Excess Return (vs. Net)			-2.2	-8.5	-6.1	-6.1			
Capula GRV (Net)	675,643,541	0.9	1.1	1.9	11.2	11.2	6.7	--	--
Capula GRV (Gross)			1.1	1.9	11.2	11.2	6.7	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	<u>3.7</u>	<b>--</b>	<b>--</b>
Excess Return (vs. Net)			0.5	0.0	5.2	5.2	3.0		

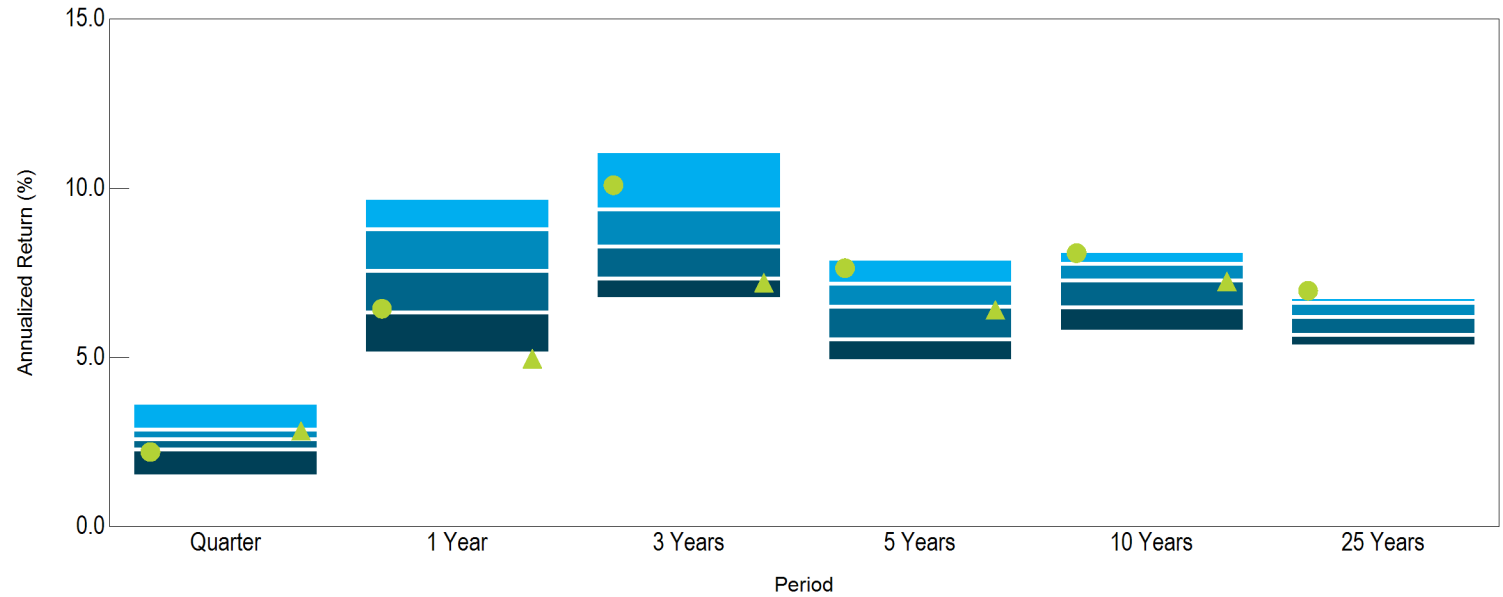
## Los Angeles County Employees Retirement Association | June 30, 2023

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Caxton Global Investments (Net)	281,839,750	0.4	-2.5	-6.7	-2.6	-2.6	--	--	--
Caxton Global Investments (Gross)			-2.5	-6.7	-2.6	-2.6	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	--	--	--
Excess Return (vs. Net)			-3.1	-8.6	-8.6	-8.6			
DK Institutional Partners (Net)	496,836,900	0.7	-0.5	-0.7	2.2	2.2	6.7	4.8	--
DK Institutional Partners (Gross)			-0.5	-0.7	2.2	2.2	6.7	4.8	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	<u>3.7</u>	<u>4.4</u>	--
Excess Return (vs. Net)			-1.1	-2.6	-3.8	-3.8	3.0	0.4	
HBK Multistrategy (Net)	585,943,000	0.8	-0.6	0.1	6.7	6.7	7.6	5.2	--
HBK Multistrategy (Gross)			-0.6	0.1	6.7	6.7	7.6	5.2	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	<u>3.7</u>	<u>4.4</u>	--
Excess Return (vs. Net)			-1.2	-1.8	0.7	0.7	3.9	0.8	
Hudson Bay Fund (Net)	671,729,300	0.9	0.3	0.5	6.3	6.3	10.0	--	--
Hudson Bay Fund (Gross)			0.3	0.5	6.3	6.3	10.0	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	<u>3.7</u>	--	--
Excess Return (vs. Net)			-0.3	-1.4	0.3	0.3	6.3		
Polar (Net)	483,956,625	0.7	0.6	0.7	5.4	5.4	9.9	--	--
Polar (Gross)			0.6	0.7	5.4	5.4	9.9	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	<u>3.7</u>	--	--
Excess Return (vs. Net)			0.0	-1.2	-0.6	-0.6	6.2		

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Hedge Fund Emerging Managers Program (Net)</b>	<b>480,253,465</b>	<b>0.7</b>	<b>0.3</b>	<b>0.5</b>	<b>0.2</b>	<b>0.2</b>	--	--	--
<b>Hedge Fund Emerging Managers Program (Gross)</b>			<b>0.4</b>	<b>0.6</b>	<b>0.5</b>	<b>0.5</b>	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	--	--	--
Excess Return (vs. Net)			-0.3	-1.4	-5.8	-5.8			
<b>Stable Asset Management (Net)</b>	<b>480,253,465</b>	<b>0.7</b>	<b>0.3</b>	<b>0.5</b>	<b>0.2</b>	<b>0.2</b>	--	--	--
<b>Stable Asset Management (Gross)</b>			<b>0.4</b>	<b>0.6</b>	<b>0.5</b>	<b>0.5</b>	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	--	--	--
Excess Return (vs. Net)			-0.3	-1.4	-5.8	-5.8			
<b>Stable Fund Investments (Net)</b>	<b>480,253,464</b>	<b>0.7</b>	<b>0.4</b>	<b>0.5</b>	<b>0.2</b>	<b>0.2</b>	--	--	--
<b>Stable Fund Investments (Gross)</b>			<b>0.4</b>	<b>0.5</b>	<b>0.2</b>	<b>0.2</b>	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.9</u>	<u>6.0</u>	<u>6.0</u>	--	--	--
Excess Return (vs. Net)			-0.2	-1.4	-5.8	-5.8			
<b>Cash (Net)</b>	<b>1,082,508,878</b>	<b>1.5</b>	<b>0.5</b>	<b>1.7</b>	<b>5.5</b>	<b>5.5</b>	<b>2.5</b>	<b>2.4</b>	<b>1.6</b>
<b>Cash (Gross)</b>			<b>0.5</b>	<b>1.8</b>	<b>5.6</b>	<b>5.6</b>	<b>2.6</b>	<b>2.5</b>	<b>1.6</b>
<i>Cash Custom BM</i>			<u>0.4</u>	<u>1.3</u>	<u>3.7</u>	<u>3.7</u>	<u>1.3</u>	<u>1.6</u>	<u>1.0</u>
Excess Return (vs. Net)			0.1	0.4	1.8	1.8	1.2	0.8	0.6
SSGA Cash (Net)			0.0	0.0	1.1	1.1	--	--	--
SSGA Cash (Gross)			0.0	0.0	1.2	1.2	--	--	--
<i>Cash Custom BM</i>			<u>0.4</u>	<u>1.3</u>	<u>3.7</u>	<u>3.7</u>	--	--	--
Excess Return (vs. Net)			-0.4	-1.3	-2.6	-2.6			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Overlay and Hedges (Net)</b>	<b>407,381,958</b>	<b>0.6</b>	<b>8.4</b>	<b>31.1</b>	<b>51.6</b>	<b>51.6</b>	--	--	--
<b>Overlay and Hedges (Gross)</b>			<b>8.5</b>	<b>31.2</b>	<b>52.1</b>	<b>52.1</b>	--	--	--
<b>Cash Overlay (Net)</b>	<b>364,338,661</b>	<b>0.5</b>	<b>20.4</b>	<b>15.4</b>	<b>41.8</b>	<b>41.8</b>	--	--	--
<b>Cash Overlay (Gross)</b>			<b>20.4</b>	<b>15.4</b>	<b>42.0</b>	<b>42.0</b>	--	--	--
Cash Overlay (Net)	364,338,661	0.5	20.4	15.4	41.8	41.8	--	--	--
Cash Overlay (Gross)			20.4	15.4	42.0	42.0	--	--	--
<i>Total Overlay Policy BM</i>			<u>3.6</u>	<u>3.4</u>	<u>9.4</u>	<u>9.4</u>	--	--	--
Excess Return (vs. Net)			16.8	12.0	32.4	32.4			
<b>Currency Hedge (Net)</b>	<b>43,043,296</b>	<b>0.1</b>	<b>-0.4</b>	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>	--	--	--
<b>Currency Hedge (Gross)</b>			<b>-0.4</b>	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>	--	--	--
Currency Hedge (Net)	43,043,296	0.1	-0.4	0.8	0.7	0.7	--	--	--
Currency Hedge (Gross)			-0.4	0.8	0.7	0.7	--	--	--

#### InvMetrics Public DB > \$1B Net Return Comparison Ending June 30, 2023



	Quarter		1 Year		3 Years		5 Years		10 Years		25 Years	
<b>Return (Rank)</b>	3.7	(80)	9.7	(75)	11.1	(14)	7.9	(13)	8.1	(7)	6.8	(3)
5th Percentile	3.7		9.7		11.1		7.9		8.1		6.8	
25th Percentile	2.9		8.8		9.4		7.2		7.8		6.6	
Median	2.6		7.6		8.3		6.5		7.3		6.2	
75th Percentile	2.3		6.3		7.3		5.6		6.5		5.7	
95th Percentile	1.5		5.1		6.7		4.9		5.8		5.3	
# of Portfolios	68		67		66		66		62		38	
<b>Total Fund</b>	2.2	(80)	6.4	(75)	10.1	(14)	7.6	(13)	8.1	(7)	7.0	(3)
<b>Total Fund Policy Benchmark</b>	2.8	(28)	5.0	(97)	7.2	(81)	6.4	(55)	7.3	(52)	--	(--)

### Benchmark History

As of June 30, 2023

Total Fund		
10/1/2021	Present	51% Growth Custom Blended Benchmark / 11% Credit Custom Blended Benchmark / 17% Real Assets & Inflation Hedges Custom BM / 21% Risk Reduction and Mitigation Custom Blended Benchmark
10/1/2019	9/30/2021	35% Global Equity Custom BM / 10% PE-Credit Custom Benchmark / 2% Non-Core Private RE Policy BM / 3% Bloomberg U.S. High Yield / 4% Credit Suisse Leveraged Loans / 2% EMD Custom / 3% Illiquid Credit Custom BM / 7% Core Private Real Estate Custom BM / 4% Natural Resources & Commodities Custom BM / 3% DJ Brookfield Global Infrastructure Comp TR / 3% Bloomberg U.S. TIPS Index / 19% Bloomberg US Aggregate TR / 4% Diversified Hedge Funds Custom BM / 1% Citigroup 3-Month U.S. Treasury Bill Index
1/1/2019	9/30/2019	41% Global Equity Custom BM / 10% PE-Credit Custom Benchmark / 1% Non-Core Private RE Policy BM / 4% Bloomberg U.S. High Yield / 3% Credit Suisse Leveraged Loans / 1% EMD Custom / 2% Illiquid Credit Custom BM / 8% Core Private Real Estate Custom BM / 3% Natural Resources & Commodities Custom BM / 2% DJ Brookfield Global Infrastructure Comp TR / 2% Bloomberg U.S. TIPS Index / 19% Bloomberg US Aggregate TR / 3% Diversified Hedge Funds Custom BM / 1% Citigroup 3-Month U.S. Treasury Bill Index
10/1/2018	12/31/2018	22.7% Russell 3000 / 18.7% Custom MSCI ACWI IMI Net 50% Hedge / 27.8% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 5.0% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
7/1/2018	9/30/2018	23.1% Russell 3000 / 20.3% Custom MSCI ACWI IMI Net 50% Hedge / 26.6% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 4.2% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
1/1/2018	6/30/2018	22.4% Russell 3000 / 21.0% Custom MSCI ACWI IMI Net 50% Hedge / 26.6% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 4.2% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
10/1/2017	12/31/2017	23.5% Russell 3000 / 21.9% Custom MSCI ACWI IMI Net 50% Hedge / 25.4% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.4% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
7/1/2017	9/30/2017	23.7% Russell 3000 / 21.7% Custom MSCI ACWI IMI Net 50% Hedge / 25.4% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.4% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
4/1/2017	6/30/2017	24.1% Russell 3000 / 21.3% Custom MSCI ACWI IMI Net 50% Hedge / 25.4% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.4% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
1/1/2017	3/31/2017	24.4% Russell 3000 / 21.0% Custom MSCI ACWI IMI Net 50% Hedge / 25.4% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.4% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
10/1/2016	12/31/2016	23.8% Russell 3000 / 21.6% Custom MSCI ACWI IMI Net 50% Hedge / 25.4% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.4% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
7/1/2016	9/30/2016	24.5% Russell 3000 / 21.4% Custom MSCI ACWI IMI Net 50% Hedge / 25.1% Bloomberg US Universal TR / 10% Private Equity Target / 11% Real Estate Target / 3.2% Hedge Fund Custom Index / 2.8% Bloomberg Commodity Index TR USD / 2% FTSE T-Bill 6 Months TR
10/1/2015	6/30/2016	3% Bloomberg Commodity Index TR USD / 25.5% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 22.5% Bloomberg US Universal TR / 11% Private Equity Target / 23% Custom MSCI ACWI IMI Net 50% Hedge / 3% 3-month U.S. T-Bill Index + 5% (1M-lag)



4/1/2015	9/30/2015	3% Bloomberg Commodity Index TR USD / 25% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 22.5% Bloomberg US Universal TR / 11% Private Equity Target / 23.5% Custom MSCI ACWI IMI Net 50% Hedge / 3% 3-month U.S. T-Bill Index + 5% (1M-lag)
1/1/2015	3/31/2015	3% Bloomberg Commodity Index TR USD / 25.5% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 22.5% Bloomberg US Universal TR / 11% Private Equity Target / 23% Custom MSCI ACWI IMI Net 50% Hedge / 3% 3-month U.S. T-Bill Index + 5% (1M-lag)
10/1/2014	12/31/2014	3% Bloomberg Commodity Index TR USD / 25% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 23% Bloomberg US Universal TR / 11% Private Equity Target / 24% Custom MSCI ACWI IMI Net 50% Hedge / 2% 3-month U.S. T-Bill Index + 5% (1M-lag)
1/1/2014	9/30/2014	3% Bloomberg Commodity Index TR USD / 24% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 23% Bloomberg US Universal TR / 11% Private Equity Target / 25% Custom MSCI ACWI IMI Net 50% Hedge / 2% 3-month U.S. T-Bill Index + 5% (1M-lag)
10/1/2013	12/31/2013	3% Bloomberg Commodity Index TR USD / 24% Russell 3000 / 10% Real Estate Target / 2% FTSE T-Bill 6 Months TR / 24% Bloomberg US Universal TR / 10% Private Equity Target / 26% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
4/1/2013	9/30/2013	3% Bloomberg Commodity Index TR USD / 24% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 24% Bloomberg US Universal TR / 10% Private Equity Target / 26% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
1/1/2013	3/31/2013	3% Bloomberg Commodity Index TR USD / 23% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 24% Bloomberg US Universal TR / 10% Private Equity Target / 27% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
10/1/2012	12/31/2012	3% Bloomberg Commodity Index TR USD / 24% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 24% Bloomberg US Universal TR / 10% Private Equity Target / 26% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
1/1/2012	9/30/2012	3% Bloomberg Commodity Index TR USD / 24% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 27% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
10/1/2011	12/31/2011	3% Bloomberg Commodity Index TR USD / 23% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 28% Custom MSCI ACWI IMI Net 50% Hedge / 1% 3-month U.S. T-Bill Index + 5% (1M-lag)
4/1/2011	9/30/2011	3% Bloomberg Commodity Index TR USD / 23% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 29% Custom MSCI ACWI IMI Net 50% Hedge
1/1/2011	3/31/2011	3% Bloomberg Commodity Index TR USD / 22% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 30% Custom MSCI ACWI IMI Net 50% Hedge
10/1/2010	12/31/2010	3% Bloomberg Commodity Index TR USD / 23% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 29% Custom MSCI ACWI IMI Net 50% Hedge
7/1/2010	9/30/2010	3% Bloomberg Commodity Index TR USD / 26% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 26% Custom MSCI ACWI IMI Net 50% Hedge
4/1/2010	6/30/2010	3% Bloomberg Commodity Index TR USD / 26% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 26% MSCI ACWI ex USA IMI
1/1/2010	3/31/2010	3% Bloomberg Commodity Index TR USD / 29% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 26% Bloomberg US Universal TR / 7% Private Equity Target / 23% MSCI ACWI ex USA IMI
4/1/2009	12/31/2009	2% Bloomberg Commodity Index TR USD / 30% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 28% Bloomberg US Universal TR / 7% Private Equity Target / 21% MSCI ACWI ex USA IMI
10/1/2008	3/31/2009	2% Bloomberg Commodity Index TR USD / 30% Russell 3000 / 10% NCREIF Property Index - 25 bps / 2% FTSE T-Bill 6 Months TR / 1.96% Bloomberg US High Yield BA/B TR / 26.04% Bloomberg US Aggregate TR / 7% Private Equity Target / 21% MSCI ACWI ex USA IMI
3/1/2001	9/30/2008	100% LACERA TF Blended Benchmark

**Bank Loans Custom Index:** Credit Suisse Leveraged Loan Index.

**Beach Point Custom BM:** BBg Barc US Corporate High Yield Index

**Brigade Custom Index:** BBg Barc US Corporate High Yield Index.

**Cash Custom BM:** FTSE 3-month Treasury Bill.

**Core & Value-Added Real Estate Custom BM:** NFI ODCE + 50 bps (3-month lag).

**Custom Liquid Credit BM:** 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.

**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:** Custom Liquid Credit BM + 150 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 (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 Large MidCap Commodity and Resources (3-month lag).

**Real Assets and Inflation Hedges Custom Blended BM:** ~41.2% Core & Value-Added Real Estate Custom BM/ 23.5% Natural Resources & Commodities Custom BM / 17.6% DJ Brookfield Global Infrastructure / 17.6% BBg Barc US TSY TIPS.

**Risk Reduction and Mitigation Custom Blended BM:** ~79.2% BBg Barc Agg / 16.7% Diversified Hedge Funds Custom BM / 4.2% FTSE 3-month Treasury Bill.

**Securitized Custom Index:** Barclays Securitized Bond Index + 400 bps.

**Opportunistic Custom Index 1-Month Lag:** 50% Barclays U.S. High Yield Index / 50% Credit Suisse Leveraged Loan Index (1-month lag).

**50% FX Hedge Index:** 50% MSCI World ex US IMI FX Hedged index 50% Zero Return.

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT AND THAT IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. ANY OPINIONS OR RECOMMENDATIONS PRESENTED HEREIN REPRESENT OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND ARE SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK. THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.

INFORMATION USED TO PREPARE THIS REPORT WAS OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY OF ALL SOURCE INFORMATION CONTAINED HEREIN.

CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD - LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM," "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE" OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

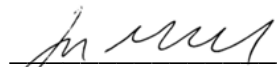
**FOR INFORMATION ONLY**

September 1, 2023

TO: Trustees – Board of Investments  
FROM: Jude Pérez, Deputy Chief Investment Officer  
FOR: September 13, 2023 Board of Investments Meeting  
SUBJECT: **OPEB TRUST QUARTERLY PERFORMANCE BOOK**

Attached is the OPEB Trust quarterly performance book as of June 30, 2023. The report includes both performance and risk sections utilizing data from our platform providers, Solovis and MSCI BarraOne, respectively.

Noted and Reviewed:



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Jonathan Grabel  
Chief Investment Officer

Attachments



Los Angeles County Employees Retirement Association

# Investments Division

## OPEB TRUST

## PERFORMANCE REPORT

For the quarter ended  
June 30, 2023

An aerial photograph of Los Angeles at sunset. The city skyline is visible in the background, with the sun setting behind the mountains, creating a warm orange and pink glow. The foreground shows residential buildings, palm trees, and a river or canal.

review

# Table of Contents

**01** OPEB TRUST

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**02** RISK REPORTS

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**03** APPENDIX

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# opeb trust

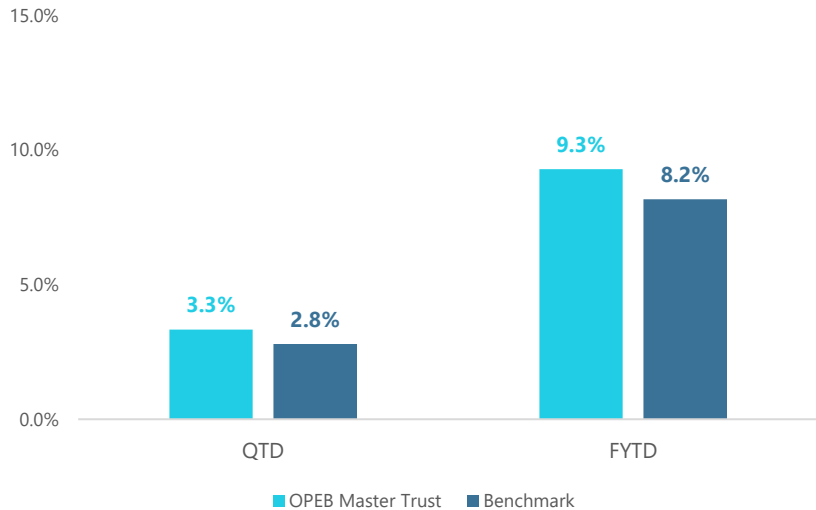
# Quarterly Snapshot

for the quarter ended June 30, 2023

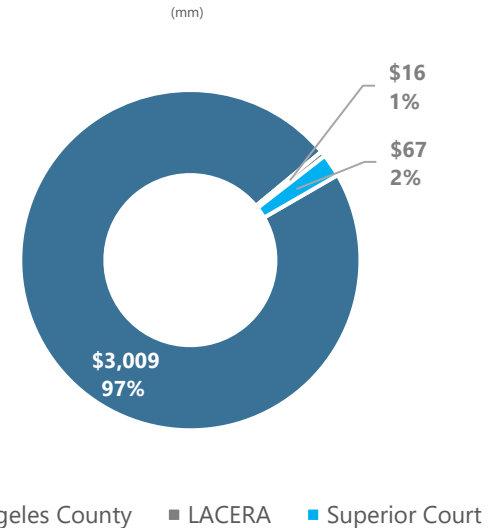


Los Angeles County Employees Retirement Association

## Performance (net)



## Sub-Trust Ownership



### Ending Market Value

**3,092**

↑ **7%**  
from prior quarter

### Sharpe Ratio<sup>1</sup>

**0.6**

↓ **-32%**  
from prior quarter

### Batting Average<sup>2</sup>

**40%**

↓ **-12%**  
from prior quarter

### Standard Deviation<sup>1</sup>

**12.5**

↓ **-4%**  
from prior quarter

### Tracking Error<sup>1</sup>

**1.4**

↑ **5%**  
from prior quarter

<sup>1</sup> 3-year annualized.

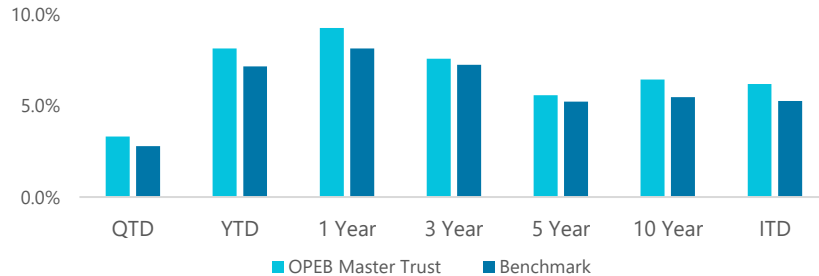
<sup>2</sup> Percentage of managers that outperformed the benchmark for the quarter.



# Summary

for the quarter ended June 30, 2023

## Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
<b>OPEB Master Trust</b>	<b>3.3%</b>	<b>8.1%</b>	<b>9.3%</b>	<b>7.6%</b>	<b>5.6%</b>	<b>6.5%</b>	<b>6.2%</b>
Benchmark	2.8%	7.2%	8.2%	7.3%	5.2%	5.5%	5.3%
Excess	0.5%	1.0%	1.1%	0.3%	0.4%	1.0%	0.9%
<b>Sub-Trusts</b>							
Los Angeles County	3.3%	8.1%	9.3%	7.6%	5.6%	6.0%	5.7%
LACERA	3.2%	8.0%	9.2%	7.5%	5.5%	6.0%	5.7%
Superior Court	3.2%	8.2%	9.0%	7.6%	5.5%	--	6.9%

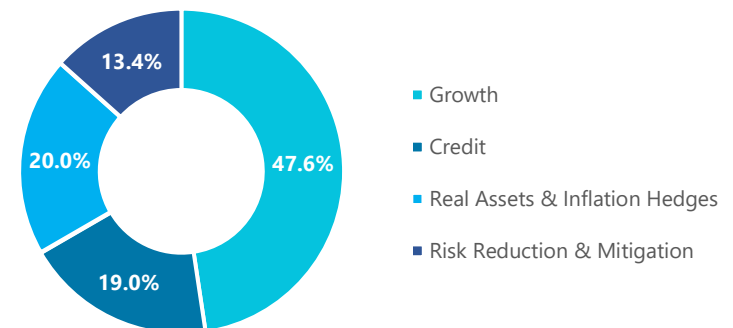
## Cumulative Return



## Functional Category

	QTD	FYTD	1 Year	3 Year	5 Year
<b>OPEB Growth</b>	<b>6.0%</b>	<b>16.3%</b>	<b>16.3%</b>	<b>11.2%</b>	<b>7.9%</b>
OPEB Growth Policy Benchmark	6.0%	15.0%	15.0%	10.6%	7.4%
Excess	0.0%	1.3%	1.3%	0.6%	0.5%
<b>OPEB Credit</b>	<b>2.4%</b>	<b>10.7%</b>	<b>10.7%</b>	<b>3.4%</b>	<b>2.8%</b>
OPEB Credit Policy Benchmark	2.3%	8.8%	8.8%	3.2%	2.8%
Excess	0.1%	1.8%	1.8%	0.2%	0.0%
<b>OPEB Real Assets &amp; Inflation Hedges</b>	<b>0.5%</b>	<b>-2.5%</b>	<b>-2.5%</b>	<b>8.5%</b>	<b>3.9%</b>
OPEB RA & IH Policy Benchmark	-1.8%	-2.3%	-2.3%	8.5%	3.9%
Excess	2.3%	-0.2%	-0.2%	0.0%	0.1%
<b>OPEB Risk Reduction &amp; Mitigation</b>	<b>-0.8%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>-2.8%</b>	<b>1.1%</b>
OPEB RR & M Policy Benchmark	-0.8%	-1.3%	-1.3%	-3.3%	0.7%
Excess	0.0%	1.5%	1.5%	0.5%	0.4%

## Exposure



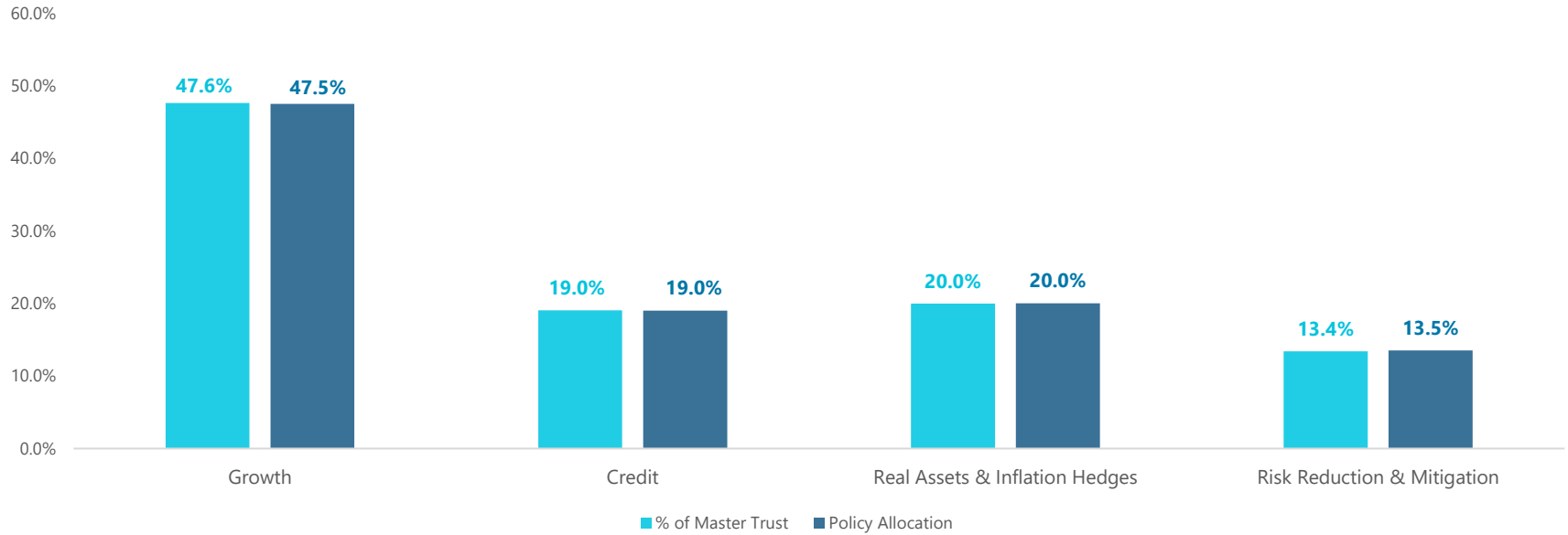
# Asset Allocation

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Actual vs. Policy<sup>1</sup>



	Ending Market Value (mm)	% of Master Trust	Policy Allocation	Over / Under (%)	Over / Under (mm)
<b>LACERA Master OPEB Trust Fund</b>	<b>3,084</b>	<b>100.0%</b>	<b>100.0%</b>		
Growth	1,469	47.6%	47.5%	0.1%	4
Credit	587	19.0%	19.0%	0.0%	1
Real Assets & Inflation Hedges	616	20.0%	20.0%	0.0%	-1
Risk Reduction & Mitigation	413	13.4%	13.5%	-0.1%	-4

<sup>1</sup> Total market value excludes cash balances held in ownership funds.

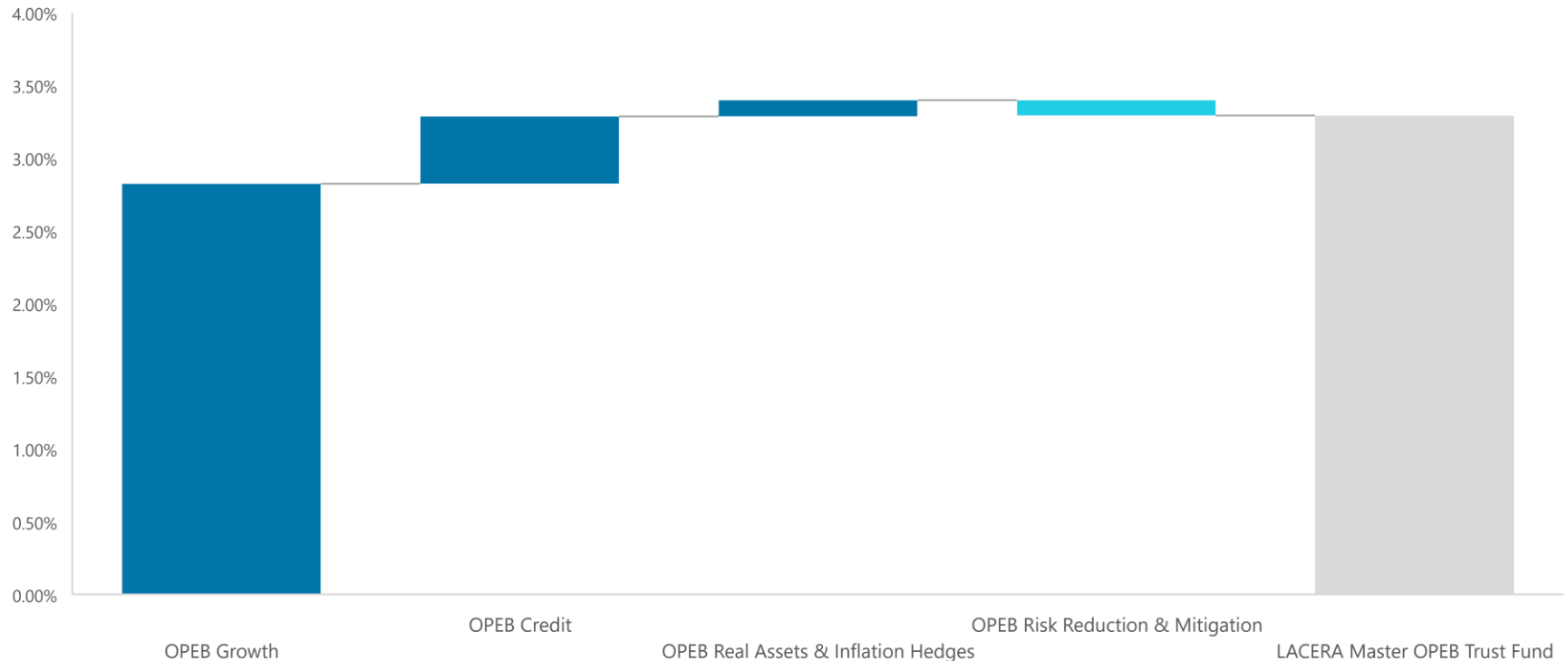
# Contribution to Return

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## QTD Contribution to Return



Functional Category	Contributors	Detractors
OPEB Growth	2.82% OPEB Global Equities	0.10% OPEB BTC Commodities
OPEB Credit	0.46% OPEB BTC REITs	0.08% OPEB BTC TIPS
OPEB Real Assets & Inflation Hedges	0.11% OPEB BlackRock Bank Loans	0.07% OPEB BTC IG Bonds
OPEB Risk Reduction & Mitigation	-0.11% OPEB BTC High Yield Bonds	0.06% OPEB LTG Bonds
LACERA Master OPEB Trust Fund	3.29% OPEB BTC EM Debt	

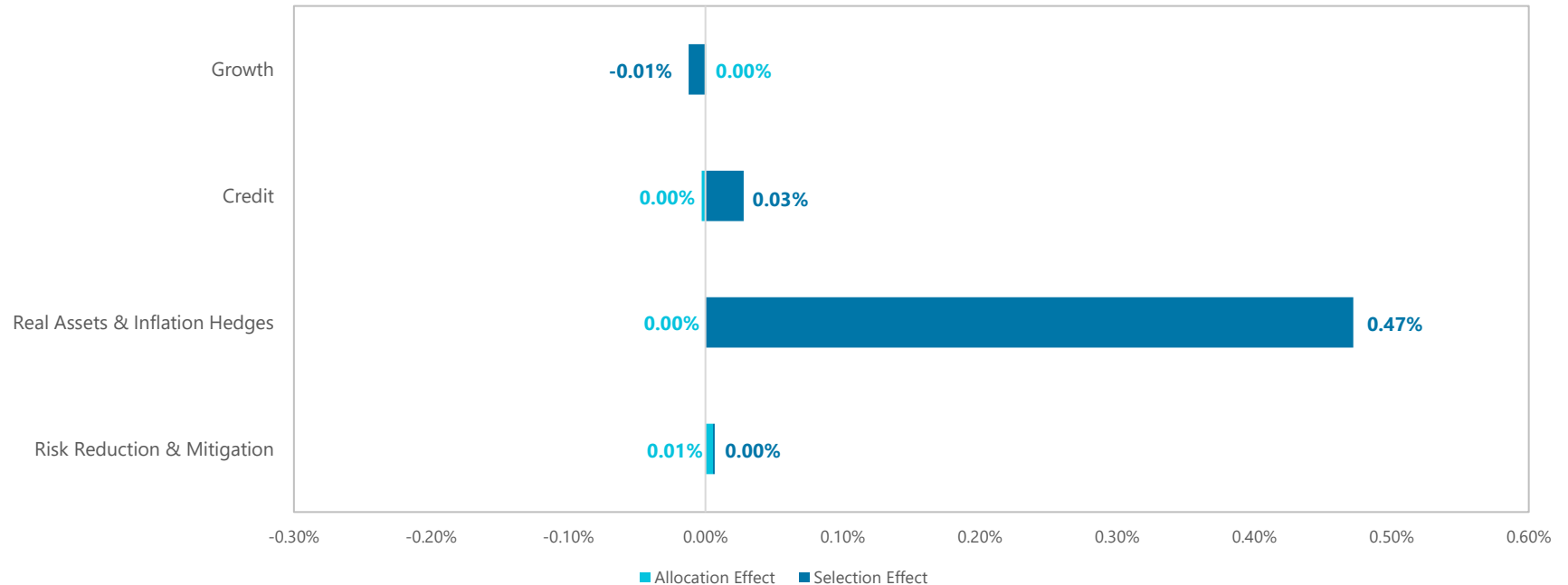
# Return Attribution

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## QTD Performance Attribution<sup>1,2</sup>



	Ending Market Value (mm)	% of Master Trust	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
<b>LACERA Master OPEB Trust Fund</b>	<b>3,084</b>	<b>100.0%</b>	<b>100.0%</b>	<b>3.3%</b>	<b>2.8%</b>	<b>0.00%</b>	<b>0.49%</b>	<b>0.49%</b>
Growth	1,469	47.6%	47.5%	6.0%	6.0%	0.00%	-0.01%	-0.01%
Credit	587	19.0%	19.0%	2.4%	2.3%	0.00%	0.03%	0.03%
Real Assets & Inflation Hedges	616	20.0%	20.0%	0.5%	-1.8%	0.00%	0.47%	0.47%
Risk Reduction & Mitigation	413	13.4%	13.5%	-0.8%	-0.8%	0.01%	0.00%	0.01%

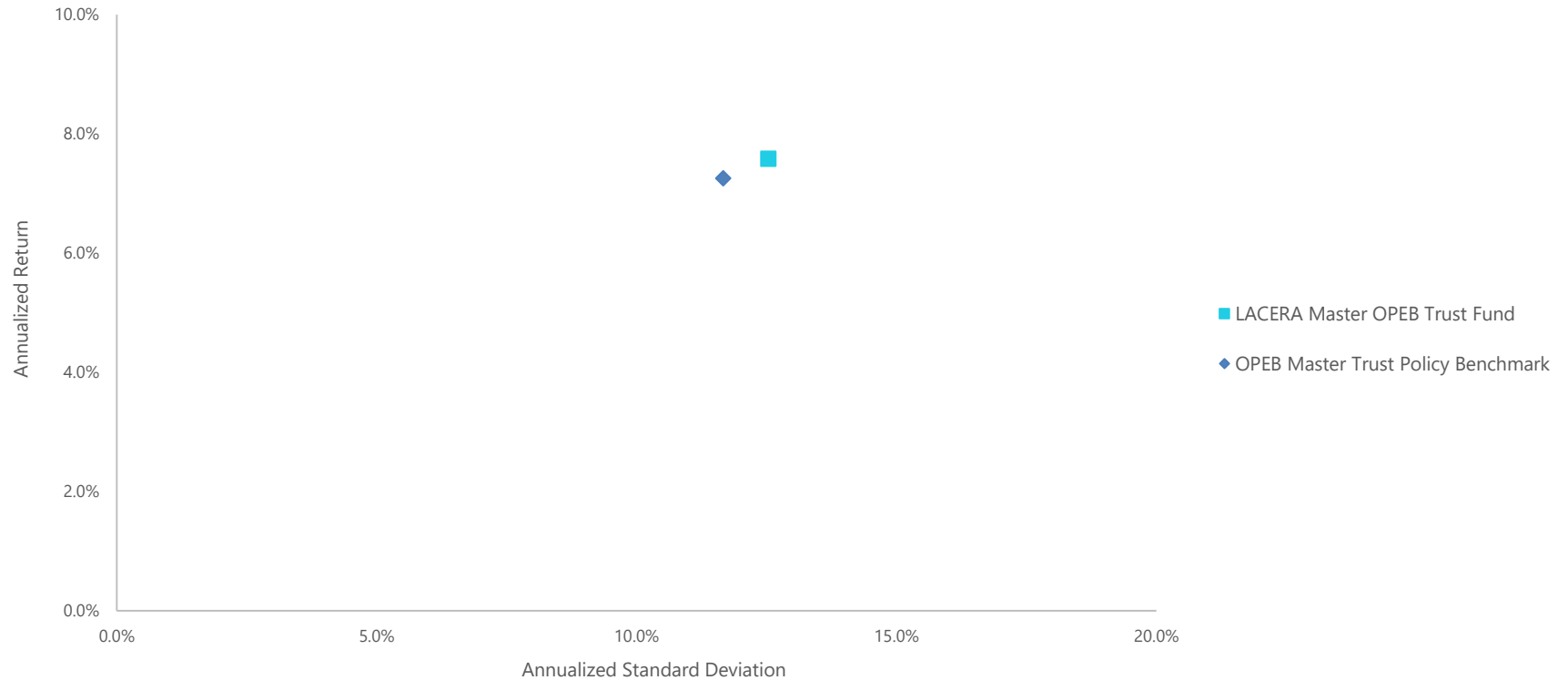
<sup>1</sup> Total market value excludes cash balances held in ownership funds.

<sup>2</sup> Total Value Add column includes Interaction Effect.

# Risk vs. Return

for the quarter ended June 30, 2023

## 3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
<b>LACERA Master OPEB Trust Fund</b>	<b>7.6%</b>	<b>12.5%</b>				
OPEB Master Trust Policy Benchmark	7.3%	11.7%	0.55	0.22	1.07	1.5%

# Performance Detail

for the quarter ended June 30, 2023



Los Angeles County Employees Retirement Association

## Annualized Net Returns

	% of Total Fund	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD	Inception Date
<b>OPEB Master Trust</b>	<b>100.0%</b>	<b>3,092</b>	<b>2,879</b>	<b>3.3%</b>	<b>8.1%</b>	<b>9.3%</b>	<b>7.6%</b>	<b>5.6%</b>	<b>6.5%</b>	<b>6.2%</b>	<b>Feb-2013</b>
OPEB Master Trust Policy Benchmark				2.8%	7.2%	8.2%	7.3%	5.2%	5.5%	5.3%	
Sub-Trusts											
Los Angeles County	97.3%	3,009	2,806	3.3%	8.1%	9.3%	7.6%	5.6%	6.0%	5.7%	Feb-2013
LACERA	0.5%	16	13	3.2%	8.0%	9.2%	7.5%	5.5%	6.0%	5.7%	Feb-2013
Superior Court	2.2%	67	60	3.2%	8.2%	9.0%	7.6%	5.5%	--	6.9%	Jul-2016
<b>LACERA Master OPEB Trust Fund</b>	<b>100.0%</b>	<b>3,084</b>	<b>2,877</b>	<b>3.3%</b>	<b>8.2%</b>	<b>9.1%</b>	<b>7.6%</b>	<b>5.6%</b>	<b>6.0%</b>	<b>5.8%</b>	<b>Feb-2013</b>
OPEB Master Trust Policy Benchmark				2.8%	7.2%	8.2%	7.3%	5.2%	5.5%	5.3%	
<b>OPEB Growth</b>	<b>47.6%</b>	<b>1,469</b>	<b>1,372</b>	<b>6.0%</b>	<b>13.3%</b>	<b>16.3%</b>	<b>11.2%</b>	<b>7.9%</b>	<b>--</b>	<b>10.0%</b>	<b>Jul-2016</b>
OPEB Growth Policy Benchmark				6.0%	13.6%	15.0%	10.6%	7.4%	--	9.6%	
OPEB Global Equities	47.6%	1,469	1,372	6.0%	13.3%	16.3%	11.2%	7.9%	--	7.7%	Mar-2014
MSCI ACWI IMI Net				5.9%	13.2%	16.1%	11.0%	7.6%	--	7.4%	
<b>OPEB Credit</b>	<b>19.0%</b>	<b>587</b>	<b>544</b>	<b>2.4%</b>	<b>6.2%</b>	<b>10.7%</b>	<b>3.4%</b>	<b>2.8%</b>	<b>--</b>	<b>2.8%</b>	<b>Jul-2018</b>
OPEB Credit Policy Benchmark				2.3%	5.6%	8.8%	3.2%	2.8%	--	2.8%	
OPEB Liquid Credit	19.0%	587	544	2.4%	6.2%	10.6%	--	--	--	-0.1%	Oct-2021
OPEB Liquid Credit Policy Benchmark				2.4%	5.8%	9.5%	--	--	--	-0.8%	
OPEB BlackRock Bank Loans	9.5%	294	271	3.0%	6.2%	11.7%	5.9%	3.9%	--	3.9%	Jul-2018
S&P/LSTA Leverage Loan				3.1%	6.5%	10.7%	6.3%	4.1%	--	4.1%	
OPEB BTC EM Debt LC	3.8%	117	110	2.3%	7.5%	10.8%	-1.8%	-0.2%	--	-0.2%	Jul-2018
JPM GBI-EM Global Diversified				2.5%	7.8%	11.4%	-1.4%	0.3%	--	0.3%	
OPEB BTC High Yield Bonds	5.7%	176	162	1.6%	5.3%	8.5%	2.9%	2.9%	--	2.9%	Jul-2018
BBG BC US Corporate HY Index				1.7%	5.4%	9.1%	3.1%	3.4%	--	3.4%	
<b>OPEB Real Assets &amp; Inflation Hedges</b>	<b>20.0%</b>	<b>616</b>	<b>578</b>	<b>0.5%</b>	<b>2.1%</b>	<b>-2.5%</b>	<b>8.5%</b>	<b>3.9%</b>	<b>--</b>	<b>3.9%</b>	<b>Jul-2018</b>
OPEB RA & IH Policy Benchmark				-1.8%	-2.7%	-2.3%	8.5%	3.9%	--	3.9%	
OPEB BTC Commodities	3.9%	121	114	-2.6%	-7.9%	-9.9%	17.8%	4.7%	--	4.7%	Jul-2018
Bloomberg Commodity Index Total Return				-2.6%	-7.8%	-9.6%	17.8%	4.7%	--	4.7%	
OPEB BTC REITS	10.1%	312	292	3.0%	6.1%	-0.4%	9.2%	3.2%	--	3.2%	Jul-2018
DJ US Select Real Estate Securities				3.0%	5.8%	-0.8%	9.1%	3.3%	--	3.3%	
OPEB BTC TIPS	5.9%	183	172	-1.4%	2.1%	-1.3%	-0.1%	2.6%	--	2.6%	Jul-2018
Bloomberg U.S. Treasury: U.S. TIPS				-1.4%	1.9%	-1.4%	-0.1%	2.5%	--	2.5%	
<b>OPEB Risk Reduction &amp; Mitigation</b>	<b>13.4%</b>	<b>413</b>	<b>383</b>	<b>-0.8%</b>	<b>2.6%</b>	<b>0.3%</b>	<b>-2.8%</b>	<b>1.1%</b>	<b>--</b>	<b>1.2%</b>	<b>Jul-2016</b>
OPEB RR & M Policy Benchmark				-0.8%	2.5%	-1.3%	-3.3%	0.7%	--	0.8%	
OPEB BTC Investment Grade Bonds	8.9%	275	255	-0.8%	2.3%	-0.9%	-3.9%	0.8%	--	0.8%	Jul-2018
BBG BARC Aggregate Bond Index				-0.8%	2.1%	-0.9%	-4.0%	0.8%	--	0.8%	
OPEB Cash	2.0%	62	55	1.3%	2.7%	4.4%	1.5%	2.0%	1.4%	1.4%	Feb-2013
OPEB Cash Policy Benchmark				1.3%	2.4%	3.7%	1.4%	1.6%	1.0%	1.0%	
OPEB LTG Bonds	2.5%	76	72	-2.4%	3.6%	--	--	--	--	3.8%	Dec-2022
Bloomberg U.S. Treasury: Long				-2.3%	3.7%	--	--	--	--	3.4%	

# risk reports

# Risk Summary

for the quarter ended June 30, 2023

## Realized (Ex-Post) Risks

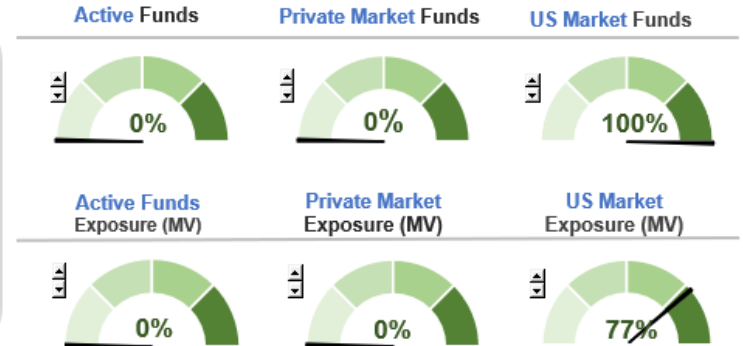
<b>\$3.08B</b>	OPEB TRUST 1Y Realized Return
	<b>9.3%</b>
OPEB TRUST 1Y Realized Risk	PARAMETRIC VaR
<b>14.8%</b>	<b>18.7%</b>

**OPEB Master Trust**

**Value at Risk VARIABLES**

95% Confidence Interval  
1Y Time Horizon

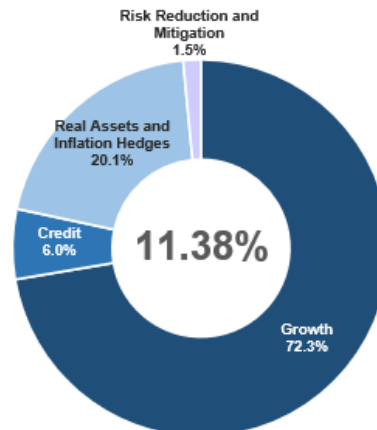
*With 95% confidence (2σ), LACERA would not lose more than \$578.9M in 1Y.*



## Projected (Ex-Ante) Risks

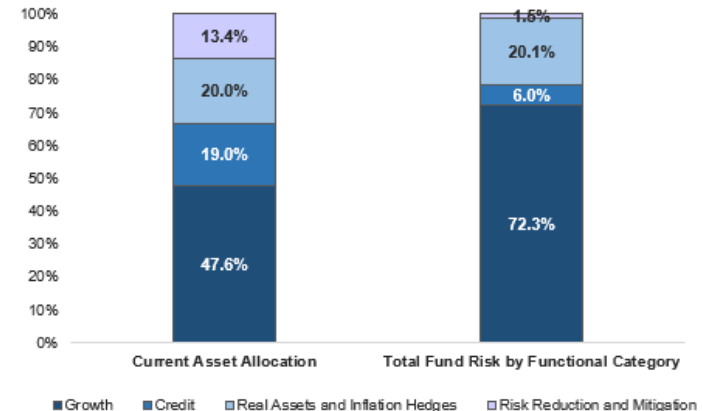
OPEB Trust Forecast Risk	Benchmark Risk
<b>11.38%</b>	<b>11.36%</b>
OPEB Trust Active Risk	Allocation Risk
<b>1.23 bps</b>	0.00 bps
	Selection Risk
	1.23 bps
Portfolio Beta	
1.00	

## Functional Category Contributions to OPEB Trust Risk



## OPEB Master Trust Asset Allocation

Capital-based versus Risk-based

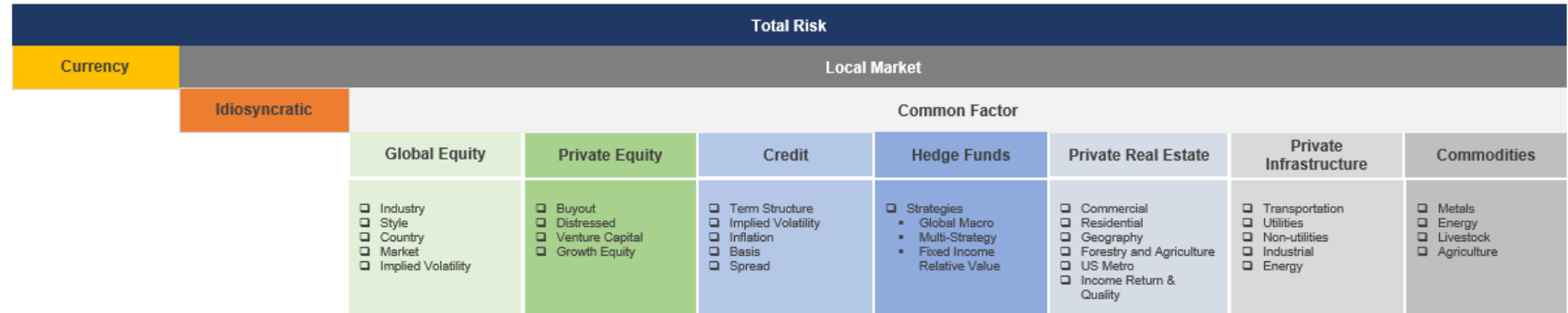




# Risk Summary

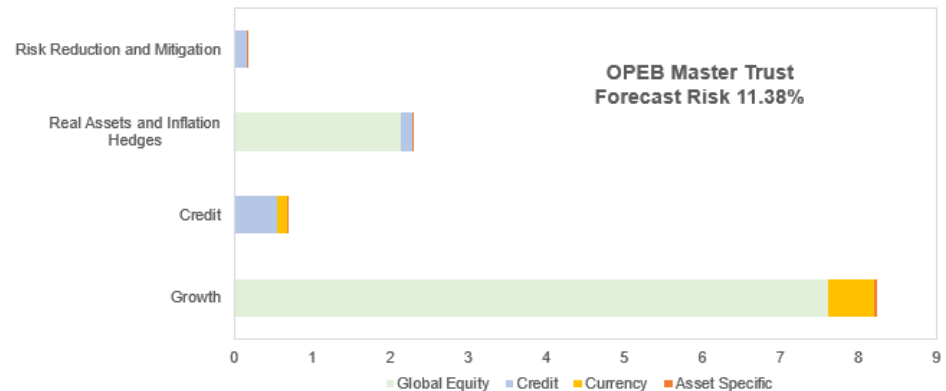
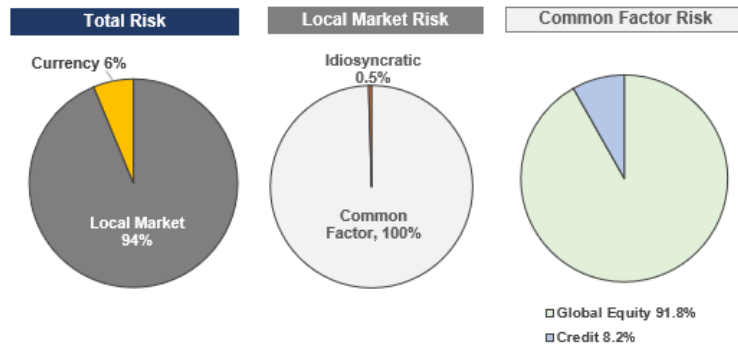
for the quarter ended June 30, 2023

## Decomposition of MSCI Risk Factors



## OPEB Master Trust Risk Decomposition

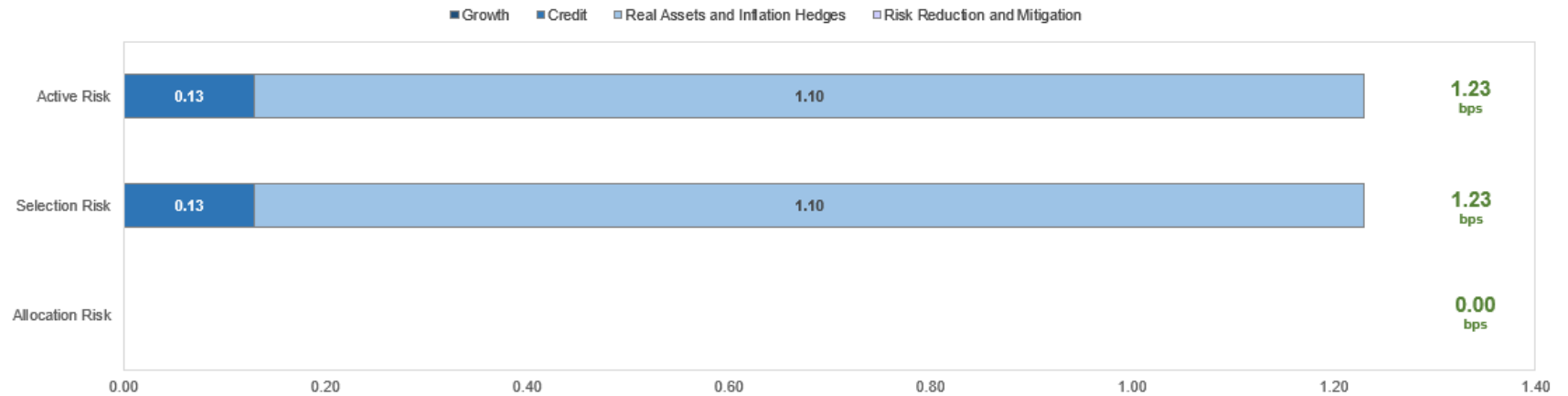
## OPEB Master Trust Contribution by Risk Factor



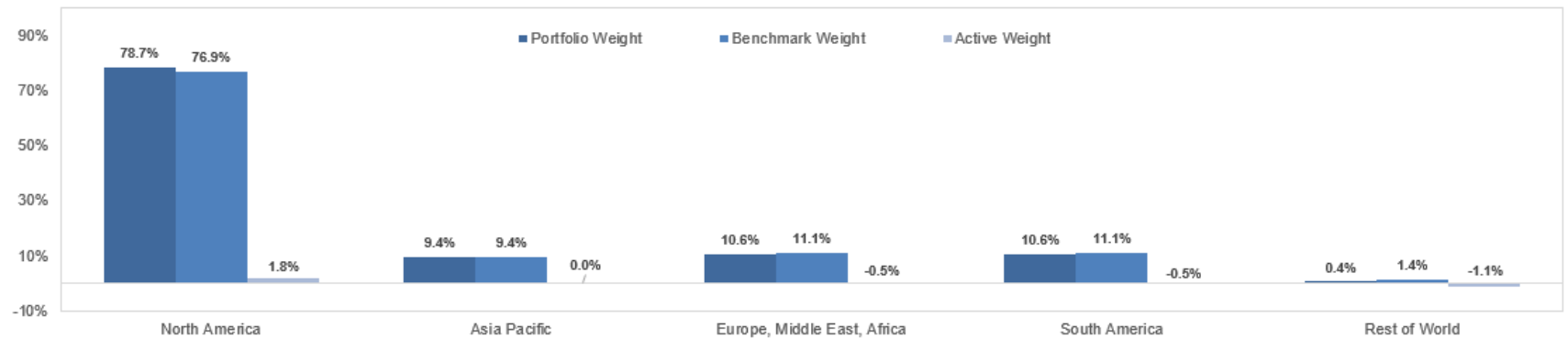
# Risk Summary

for the quarter ended June 30, 2023

## Functional Category Contributions to Active Risk



## Portfolio Allocation by Region<sup>1</sup>

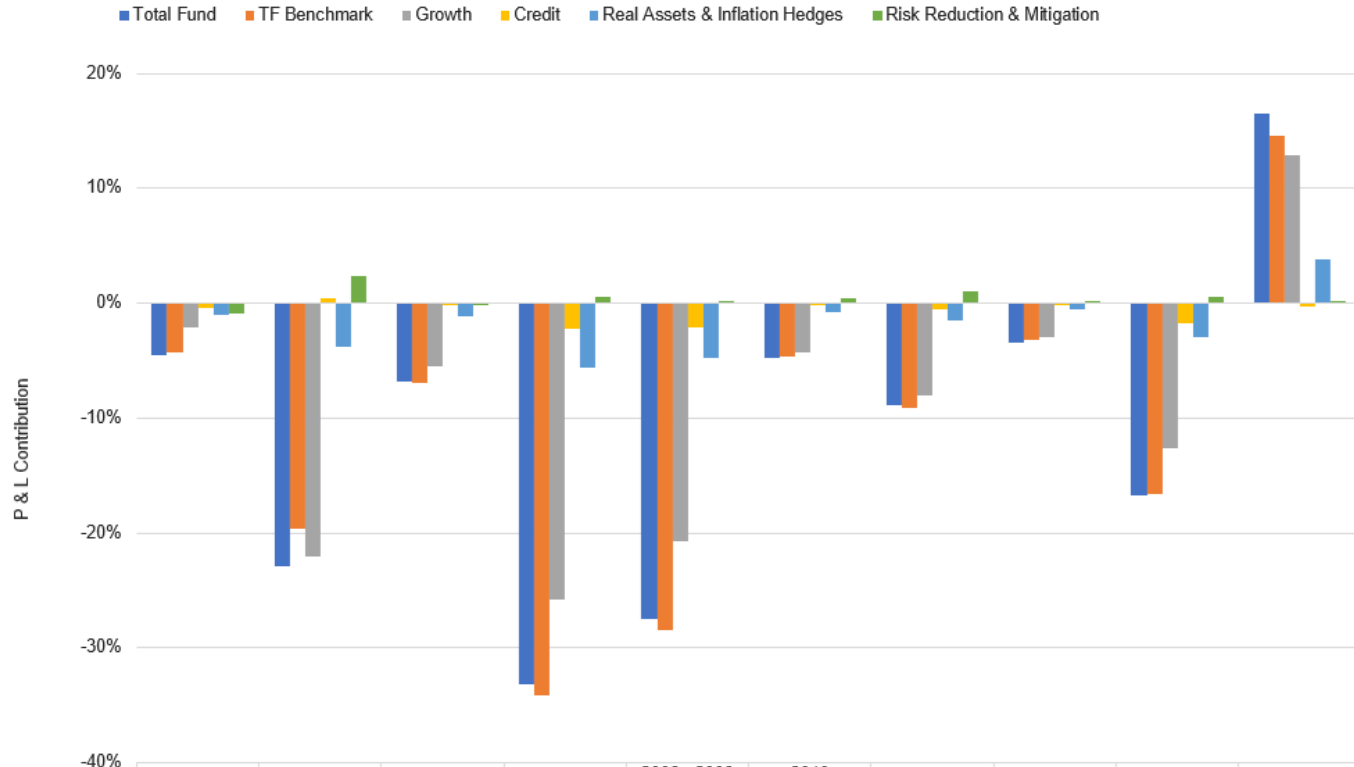


<sup>1</sup> Rest of World is sum of countries with weights below 0.5%.

# Stress Tests

for the quarter ended June 30, 2023

## Scenarios by Asset Category



	1994 US Rate Hike	2000-2003 Tech Crash & Recession	2001 Sept 11	2007-2009 Subprime and Credit Crisis	2008 - 2009 Global Financial Crisis	2010 Peripheral European Bond Crisis	2011 US Debt Ceiling Act	2016 Brexit	2020 COVID March Selloff	2020 COVID Volatility Spike
Total Fund	-4.48%	-22.94%	-6.82%	-33.12%	-27.47%	-4.83%	-8.91%	-3.41%	-16.72%	16.48%
TF Benchmark	-4.34%	-19.69%	-6.89%	-34.10%	-28.49%	-4.65%	-9.09%	-3.23%	-16.67%	14.56%
Growth	-2.08%	-22.08%	-5.44%	-25.79%	-20.77%	-4.31%	-7.98%	-2.98%	-12.59%	12.87%
Credit	-0.45%	0.48%	-0.18%	-2.28%	-2.11%	-0.19%	-0.56%	-0.14%	-1.72%	-0.34%
Real Assets & Inflation Hedges	-0.99%	-3.76%	-1.10%	-5.59%	-4.79%	-0.73%	-1.45%	-0.53%	-2.95%	3.79%
Risk Reduction & Mitigation	-0.95%	2.39%	-0.10%	0.52%	0.19%	0.39%	1.08%	0.24%	0.54%	0.16%

# Stress Tests

for the quarter ended June 30, 2023

## Scenario Descriptions

Historical Scenario	Description	Stock Market	Interest Rates	Bond Market	Commodity Market
<b>1994 US Rate Hike</b>	In combating inflation, the US Federal Reserve raised rates from 3.25% in February to 5.5% in November 1994.				
<b>2000-2003 Tech Crash &amp; Recession</b>	Period of crisis and slowdown for technological firms due to a rapid jump in stock prices when tech bubble began to burst.				
<b>2001 September 11th</b>	The US stock market was closed for a week upon a series of coordinated suicide attacks upon the US on September 11, 2001.				
<b>2008-2009 Global Financial Crisis</b>	Major financial crisis starting with the failure of several US-based financial firms. Extended into 2009, when stock markets reached their lowest.				
<b>2010 European Bond Crisis</b>	During crisis, the liquidity access for peripheral countries was affected by budget deficits, high borrowing costs, and failing banking systems.				
<b>2011 US Debt Ceiling Act</b>	Political deadlock on appropriate level of US government spending and its impacts. Debt and equity markets experienced significant volatility.				
<b>2016 Brexit</b>	The referendum by British voters to exit the European Union roiled global markets causing the pound to fall to its lowest level in decades.				
<b>2020 COVID March Selloff</b>	Peak and Valley of the MSCI ACWI index when Covid became a Global Pandemic.				
<b>2020 COVID Volatility Spike</b>	Period it took for the Cboe Volatility Index (VIX) to revert to pre-pandemic levels.				

### Market Trend Signals

Up
 Slightly Up
 Neutral
 Down
 Slightly Down

# appendix

# Benchmark Definitions

## Current Composition

	Weight	Component
<b>Master Trust</b>		
OPEB Master Trust Policy Benchmark		
	48%	OPEB Growth Policy Benchmark
	19%	OPEB Credit Policy Benchmark
	20%	OPEB RA & IH Policy Benchmark
	14%	OPEB RR & M Policy Benchmark
<b>Growth</b>		
OPEB Growth Policy Benchmark		
	95%	MSCI ACWI IMI Net
	5%	OPEB Private Equity Custom Benchmark
<b>Credit</b>		
OPEB Credit Policy Benchmark		
	87%	OPEB Liquid Credit Policy Benchmark
	13%	OPEB Illiquid Credit Policy Benchmark
OPEB Liquid Credit Policy Benchmark		
	38%	Bloomberg U.S. Corporate High Yield
	46%	CS Leveraged Loan Index
	8%	JPMorgan EMBI Global Diversified Index
	4%	JPM GBI-EM Global Diversified Index
	4%	JPM CEMBI Broad Diversified
<b>Real Assets &amp; Inflation Hedges</b>		
OPEB RA & IH Policy Benchmark		
	45%	OPEB Real Estate Custom Benchmark
	5%	S&P Global Natural Resources Index
	15%	Bloomberg Commodity Index Total Return
	5%	DJ Brookfield Global Infra Comp
	30%	Bloomberg U.S. Treasury: U.S. TIPS
<b>Risk Reduction &amp; Mitigation</b>		
OPEB RR & M Policy Benchmark		
	67%	Bloomberg U.S. Aggregate
	19%	Bloomberg U.S. Treasury: Long
	15%	OPEB Cash Policy Benchmark
OPEB Cash Policy Benchmark		
	100%	FTSE 3-Month US Treasury Bill

## A

### ANNUAL RETURN

The total return of a security over a specified period, expressed as an annual rate of interest.

### ACTIVE RISK

The expected standard deviation of the differential return between the portfolio and the benchmark. Active total risk arises from active management, and it is the result of active weights (deviations from the benchmark at the asset level) and therefore active exposures; for passively managed portfolios, it is referred to as “total tracking error.”

### ACTIVE RISK CONTRIBUTION

Percent contribution to active total risk (or tracking error). The percent of active total risk that an individual asset or risk source contributes. For example, a % CR to Active Total Risk of 10% indicates that 10% of the portfolio’s active total risk is arising from the active position in that particular asset.

## B

### BASIS POINTS (BPS)

One one-hundredth of one percent. One hundred basis points equal one percent.

### BETA

A measure of the volatility of a stock relative to the overall market. A beta of less than one indicates lower risk than the market; a beta of more than one indicates higher risk than the market.

## D

### DURATION

A measure of the price sensitivity of a bond portfolio to changes in interest rates.

## F

### **FUTURES CONTRACT**

Agreement to buy or sell a specific amount of a commodity or financial instrument at a particular price and a stipulated future date.

## H

### **HIGH YIELD BOND**

A bond with a low investment quality and credit worthiness, usually with a rating of BB or less.

## I

### **INFORMATION RATIO**

The excess return (alpha) per unit of active risk (tracking error).

### **INTERNAL RATE OF RETURN (IRR)**

A total rate of return that gives full weight to the size and timing of cash flows over the period measured and fully reflects unrealized gains and losses in addition to realized gains and losses, interest and dividend income.



## M

### MC TO TOTAL TRACKING ERROR

This value represents the change in the active risk of an asset's portfolio or group that would result from a one percent increase in the asset's effective position plus an equal short position in the benchmark.

## S

### SHARPE RATIO

Average return earned in excess of the risk-free rate per unit of total risk.

### STANDARD DEVIATION

Statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. The greater the degree of dispersion, the greater the risk.

## T

### TIME-WEIGHTED RETURN (TWR)

A measure of the compound rate of growth in a portfolio. Often used to compare the returns of investment managers because it eliminates the distorting effects on growth rates created by inflows and outflows of money.

### TOTAL RISK

The total (gross) risk to an asset (or portfolio), which is the standard deviation of the asset's total return distribution, expressed in percent. Total risk is forecasted using MSCI Barra's multiple factor models. The total risk for an asset depends on the asset's exposures to the risk factors, the factor variance/covariance matrix, and the forecast selection risk of the asset.

### TOTAL RISK CONTRIBUTION

The percent of total risk that an individual asset or risk source contributes. For example, a % CR to Total Risk of 10% indicates that 10% of the portfolio's total risk is arising from the portfolio's position in that particular asset.

## Y

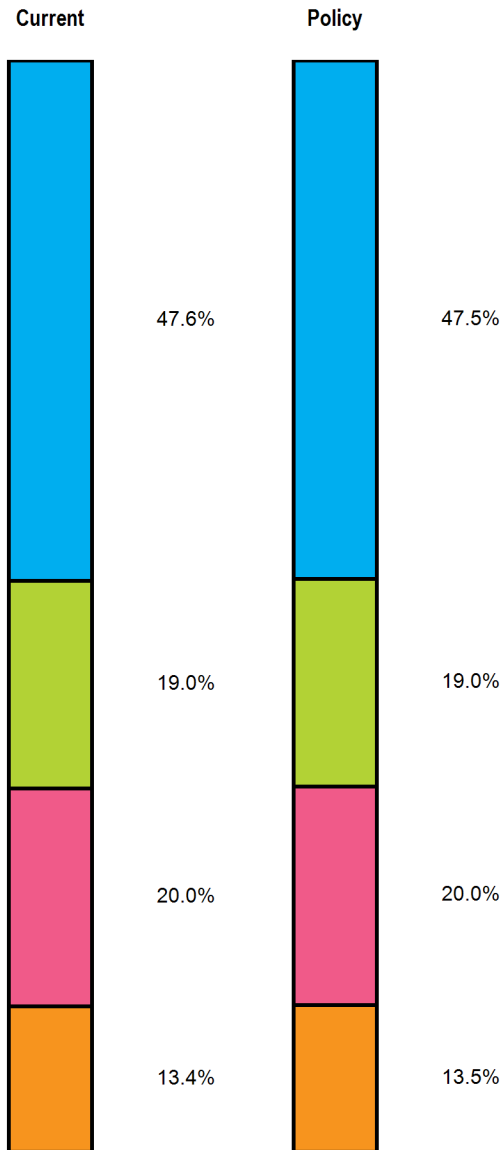
### **YIELD TO MATURITY**

The return a bond earns on the price at which it was purchased if it were held to maturity. It assumes that coupon payments can be reinvested at the yield to maturity.

# LACERA: OPEB Master Trust

June 30, 2023

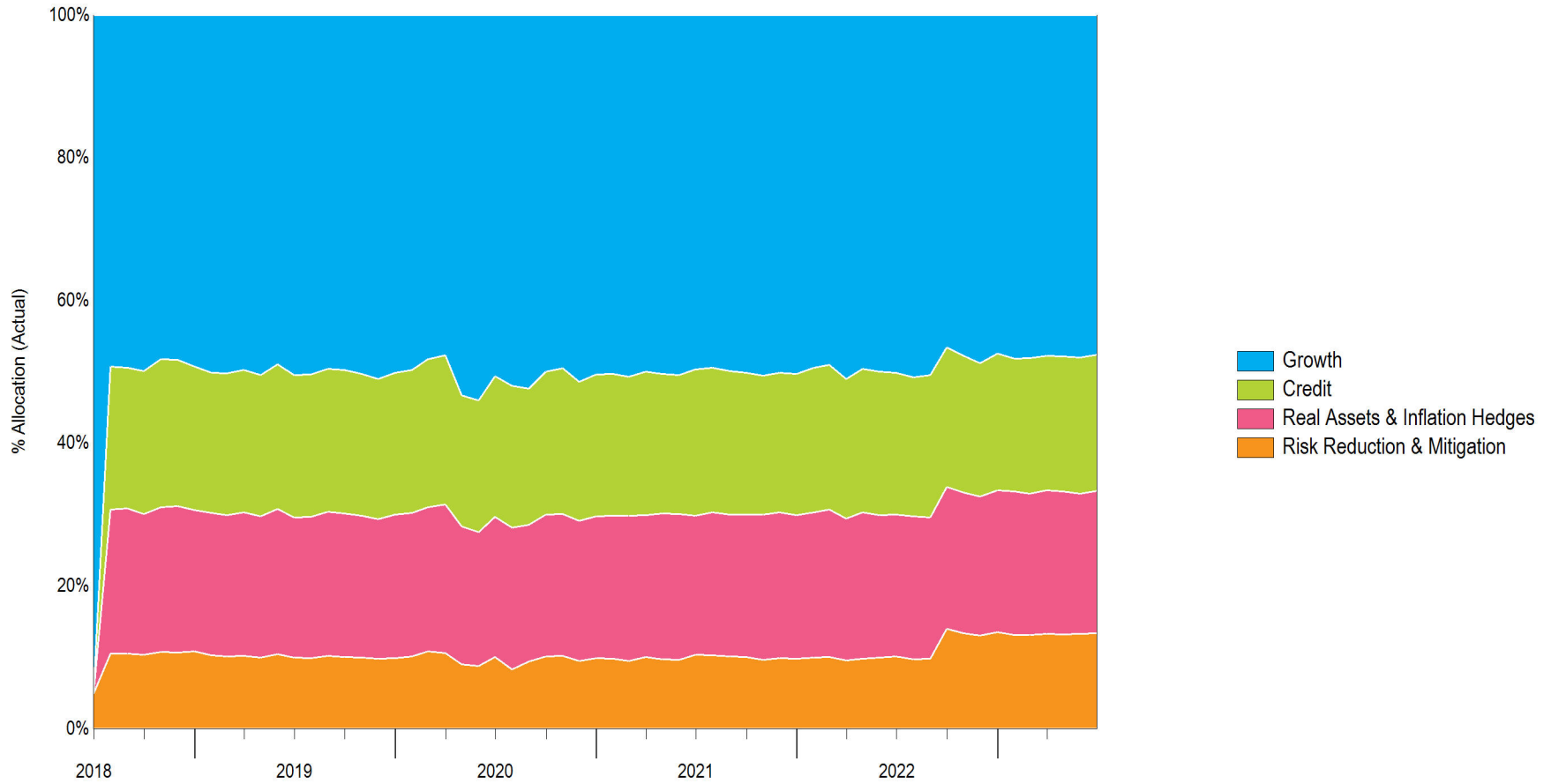
Fund Evaluation Report



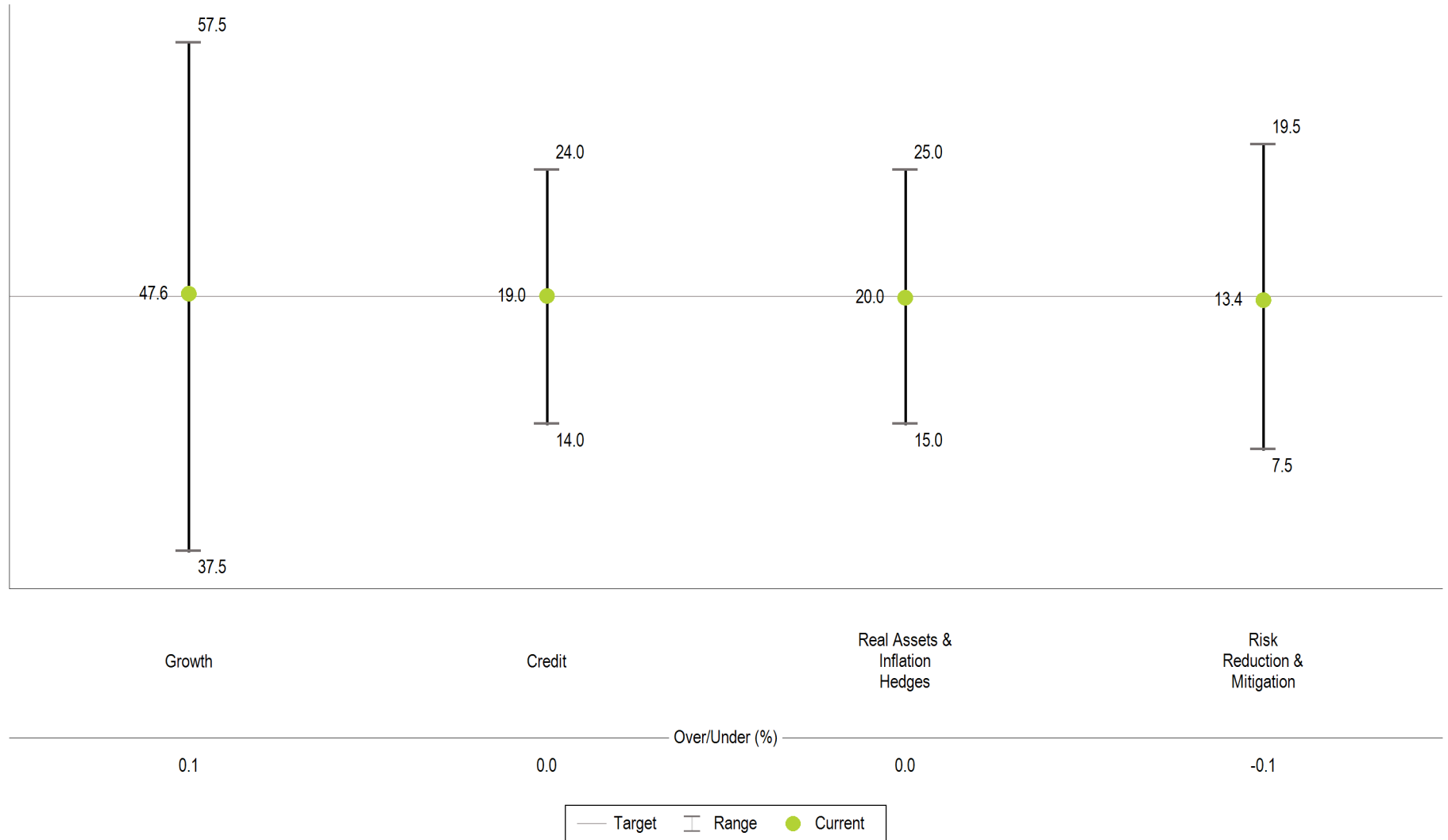
Allocation vs. Target					
	Current Balance	Current Allocation	Policy	Policy Range	Within IPS Range?
<b>Growth</b>	<b>\$1,468,745,246</b>	<b>47.6%</b>	<b>47.5%</b>	<b>37.5% - 57.5%</b>	<b>Yes</b>
Global Equity	\$1,468,745,246	47.6%	45.0%	35.0% - 55.0%	Yes
Private Equity	\$0	0.0%	2.5%	0.0% - 7.5%	Yes
<b>Credit</b>	<b>\$587,079,174</b>	<b>19.0%</b>	<b>19.0%</b>	<b>14.0% - 24.0%</b>	<b>Yes</b>
Liquid Credit	\$587,079,174	19.0%	16.5%	11.5% - 21.5%	Yes
Illiquid Credit	\$0	0.0%	2.5%	0.0% - 7.5%	Yes
<b>Real Assets &amp; Inflation Hedges</b>	<b>\$615,781,320</b>	<b>20.0%</b>	<b>20.0%</b>	<b>15.0% - 25.0%</b>	<b>Yes</b>
Real Estate	\$311,953,432	10.1%	9.0%	5.0% - 13.0%	Yes
Natural Resources	\$0	0.0%	1.0%	0.0% - 3.0%	Yes
Commodities	\$121,269,679	3.9%	3.0%	1.0% - 5.0%	Yes
Infrastructure	\$0	0.0%	1.0%	0.0% - 3.0%	Yes
TIPS	\$182,558,209	5.9%	6.0%	2.0% - 10.0%	Yes
<b>Risk Reduction &amp; Mitigation</b>	<b>\$412,444,970</b>	<b>13.4%</b>	<b>13.5%</b>	<b>7.5% - 19.5%</b>	<b>Yes</b>
Investment Grade Bonds	\$274,928,469	8.9%	9.0%	5.0% - 13.0%	Yes
Long-Term Government Bonds	\$76,137,689	2.5%	2.5%	0.0% - 7.5%	Yes
Cash	\$61,378,812	2.0%	2.0%	0.0% - 4.0%	Yes
<b>Total<sup>1</sup></b>	<b>\$3,084,050,709</b>	<b>100.0%</b>	<b>100.0%</b>		

<sup>1</sup> includes unsettled trade activity.

Asset Allocation History  
5 Years Ending June 30, 2023



#### Actual vs. Target



Trailing Net Performance

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
<b>OPEB Master Trust (Net)</b>	<b>3,092,017,014</b>	<b>100.0</b>	<b>3.4</b>	<b>9.3</b>	<b>9.3</b>	<b>7.6</b>	<b>5.6</b>
<b>OPEB Master Trust (Gross)</b>			<b>3.4</b>	<b>9.3</b>	<b>9.3</b>	<b>7.6</b>	<b>5.6</b>
<i>Custom OPEB Master Trust BM</i>			<u>3.0</u>	<u>8.2</u>	<u>8.2</u>	<u>7.3</u>	<u>5.3</u>
Excess Return (vs. Net)			0.4	1.1	1.1	0.3	0.3
<b>LACERA Master OPEB Trust Fund (Net)</b>	<b>3,084,286,284</b>	<b>99.7</b>	<b>3.3</b>	<b>9.1</b>	<b>9.1</b>	<b>7.6</b>	<b>5.6</b>
<b>LACERA Master OPEB Trust Fund (Gross)</b>			<b>3.3</b>	<b>9.1</b>	<b>9.1</b>	<b>7.6</b>	<b>5.6</b>
<i>Custom OPEB Master Trust BM</i>			<u>3.0</u>	<u>8.2</u>	<u>8.2</u>	<u>7.3</u>	<u>5.3</u>
Excess Return (vs. Net)			0.3	0.9	0.9	0.3	0.3
<b>Growth (Net)</b>	<b>1,468,745,246</b>	<b>47.5</b>	<b>6.0</b>	<b>16.3</b>	<b>16.3</b>	<b>11.2</b>	<b>7.9</b>
<b>Growth (Gross)</b>			<b>6.0</b>	<b>16.3</b>	<b>16.3</b>	<b>11.2</b>	<b>7.9</b>
OPEB Global Equity (Net)	1,468,745,246	47.5	6.0	16.3	16.3	11.2	7.9
OPEB Global Equity (Gross)			6.0	16.3	16.3	11.2	7.9
<i>MSCI ACWI IMI Net (DAILY)</i>			<u>5.9</u>	<u>16.1</u>	<u>16.1</u>	<u>11.0</u>	<u>7.6</u>
Excess Return (vs. Net)			0.1	0.2	0.2	0.2	0.3

Fiscal Year begins July 1.

The OPEB Master Trust started in February 2013

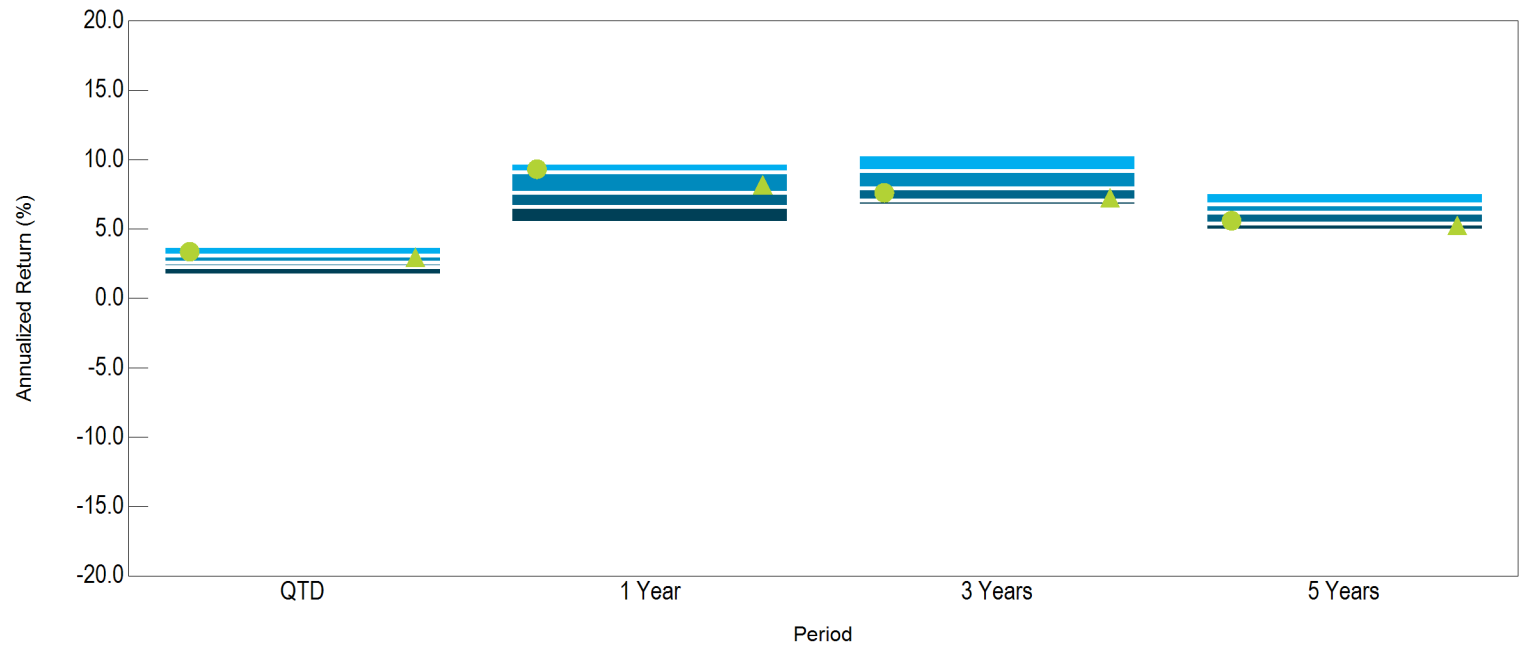
	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
<b>Credit (Net)</b>	<b>587,079,174</b>	<b>19.0</b>	<b>2.4</b>	<b>10.7</b>	<b>10.7</b>	<b>3.4</b>	<b>2.8</b>
<b>Credit (Gross)</b>			<b>2.4</b>	<b>10.7</b>	<b>10.7</b>	<b>3.5</b>	<b>2.9</b>
<b>Liquid Credit (Net)</b>	<b>587,079,174</b>	<b>19.0</b>	<b>2.4</b>	<b>10.6</b>	<b>10.6</b>	--	--
<b>Liquid Credit (Gross)</b>			<b>2.4</b>	<b>10.7</b>	<b>10.7</b>	--	--
<i>OPEB Liquid Credit BM</i>			<u>2.4</u>	<u>9.5</u>	<u>9.5</u>	--	--
Excess Return (vs. Net)			0.0	1.1	1.1		
OPEB BTC Bank Loans (Net)	293,690,345	9.5	3.0	11.7	11.7	5.9	3.9
OPEB BTC Bank Loans (Gross)			3.0	11.7	11.7	5.7	3.9
<i>S&amp;P/LSTA Leveraged Loan TR</i>			<u>3.1</u>	<u>10.9</u>	<u>10.9</u>	<u>6.4</u>	<u>4.2</u>
Excess Return (vs. Net)			-0.1	0.8	0.8	-0.5	-0.3
OPEB BTC EM Debt LC (Net)	117,230,095	3.8	2.3	10.8	10.8	-1.8	-0.2
OPEB BTC EM Debt LC (Gross)			2.3	10.9	10.9	-1.7	-0.1
<i>JPM GBI-EM Global Diversified Index</i>			<u>2.5</u>	<u>11.4</u>	<u>11.4</u>	<u>-1.4</u>	<u>0.3</u>
Excess Return (vs. Net)			-0.2	-0.6	-0.6	-0.4	-0.5
OPEB BTC High Yield Bonds (Net)	176,158,734	5.7	1.6	8.5	8.5	2.9	2.9
OPEB BTC High Yield Bonds (Gross)			1.6	8.6	8.6	3.0	3.1
<i>BBgBarc US High Yield TR</i>			<u>1.7</u>	<u>9.1</u>	<u>9.1</u>	<u>3.1</u>	<u>3.3</u>
Excess Return (vs. Net)			-0.1	-0.6	-0.6	-0.2	-0.4



	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
<b>Real Assets &amp; Inflation Hedges (Net)</b>	<b>615,781,320</b>	<b>19.9</b>	<b>0.5</b>	<b>-2.5</b>	<b>-2.5</b>	<b>8.5</b>	<b>3.9</b>
<b>Real Assets &amp; Inflation Hedges (Gross)</b>			<b>0.6</b>	<b>-2.5</b>	<b>-2.5</b>	<b>8.5</b>	<b>4.0</b>
OPEB BTC Commodities (Net)	121,269,679	3.9	-2.6	-9.9	-9.9	17.8	4.7
OPEB BTC Commodities (Gross)			-2.6	-9.8	-9.8	17.8	4.8
<i>Bloomberg Commodity Index TR USD</i>			<u>-2.6</u>	<u>-9.6</u>	<u>-9.6</u>	<u>17.8</u>	<u>4.7</u>
Excess Return (vs. Net)			0.0	-0.3	-0.3	0.0	0.0
OPEB BTC REITs (Net)	311,953,432	10.1	3.0	-0.4	-0.4	9.2	3.2
OPEB BTC REITs (Gross)			3.0	-0.4	-0.4	9.3	3.3
<i>DJ US Select REIT TR USD</i>			<u>3.0</u>	<u>-0.8</u>	<u>-0.8</u>	<u>9.2</u>	<u>3.3</u>
Excess Return (vs. Net)			0.0	0.4	0.4	0.0	-0.1
OPEB BTC TIPS (Net)	182,558,209	5.9	-1.4	-1.3	-1.3	-0.1	2.6
OPEB BTC TIPS (Gross)			-1.4	-1.3	-1.3	-0.1	2.6
<i>BBgBarc US TIPS TR</i>			<u>-1.4</u>	<u>-1.4</u>	<u>-1.4</u>	<u>-0.1</u>	<u>2.5</u>
Excess Return (vs. Net)			0.0	0.1	0.1	0.0	0.1

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
<b>Risk Reduction &amp; Mitigation (Net)</b>	<b>412,680,545</b>	<b>13.3</b>	<b>-0.8</b>	<b>0.3</b>	<b>0.3</b>	<b>-2.8</b>	<b>1.1</b>
<b>Risk Reduction &amp; Mitigation (Gross)</b>			<b>-0.8</b>	<b>0.3</b>	<b>0.3</b>	<b>-2.8</b>	<b>1.1</b>
OPEB BTC Investment Grade Bonds (Net)	274,928,469	8.9	-0.8	-0.9	-0.9	-3.9	0.8
OPEB BTC Investment Grade Bonds (Gross)			-0.8	-0.9	-0.9	-3.9	0.8
<i>BBgBarc US Aggregate TR</i>			<u>-0.8</u>	<u>-0.9</u>	<u>-0.9</u>	<u>-4.0</u>	<u>0.8</u>
Excess Return (vs. Net)			0.0	0.0	0.0	0.1	0.0
OPEB LTG Bonds (Net)	76,137,689	2.5	-2.4	--	--	--	--
OPEB LTG Bonds (Gross)			-2.4	--	--	--	--
<i>Bloomberg US Treasury Long TR</i>			<u>-2.3</u>	--	--	--	--
Excess Return (vs. Net)			-0.1				
OPEB Cash (Net)	61,378,812	2.0	1.3	3.8	3.8	1.3	1.8
OPEB Cash (Gross)			1.3	3.9	3.9	1.4	2.0
<i>Custom Cash BM</i>			<u>1.3</u>	<u>3.7</u>	<u>3.7</u>	<u>1.4</u>	<u>1.6</u>
Excess Return (vs. Net)			0.0	0.1	0.1	-0.1	0.2

#### InvMetrics Public DB \$1-5B (net) USD Return Comparison



#### Return (Rank)

	QTD	1 Year	3 Years	5 Years
5th Percentile	3.8	9.8	10.3	7.7
25th Percentile	3.1	9.1	9.2	6.8
Median	2.6	7.6	8.0	6.2
75th Percentile	2.3	6.6	7.1	5.4
95th Percentile	1.7	5.4	6.7	4.9
# of Portfolios	44	43	43	43
● OPEB Master Trust	3.4 (11)	9.3 (18)	7.6 (58)	5.6 (66)
▲ Custom OPEB Master Trust BM	3.0 (27)	8.2 (44)	7.3 (68)	5.3 (83)

Benchmark History  
As of June 30, 2023

LACERA Master OPEB Trust Fund

2/1/2013      Present      Custom OPEB Master Trust BM

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 25, 2023

TO: Each Trustee  
Board of Retirement  
Board of Investments

FROM: Barry W. Lew   
Legislative Affairs Officer

FOR: September 6, 2023 Board of Retirement Meeting  
September 13, 2023 Board of Investments Meeting

SUBJECT: **Monthly Status Report on Legislation**

Attached is the monthly report on the status of legislation that staff is monitoring. Bills on which LACERA has adopted a position are highlighted in yellow.

**Reviewed and Approved:**



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**Steven P. Rice, Chief Counsel**

**Attachments**

LACERA Legislative Report Index  
LACERA Legislative Report

cc: Santos H. Kreimann  
Luis Lugo  
JJ Popowich  
Laura Guglielmo  
Steven P. Rice  
Jon Gabel  
Scott Zdrazil  
Tony Roda, Williams & Jensen  
Naomi Padron, MKP Government Relations

<b>PUBLIC RETIREMENT</b>	<b>AUTHOR</b>	<b>TITLE</b>	<b>PAGE</b>
AB 738	Lackey (R).....	State Actuarial Advisory Panel: Reports.....	1
AB 739	Lackey (R).....	Public Retirement Systems: Defined Benefit Plans.....	1
AB 1246	Nguyen (D).....	Public Employees' Retirement System Optional Settlement.....	1
SB 300	Seyarto (R).....	Public Employees Retirement: Fiscal Impact: Information.....	1
SB 432	Cortese (D).....	Teachers' Retirement.....	2
SB 548	Niello (R).....	Public Employees Retirement: County and Trial Court.....	2
SB 660	Alvarado-Gil (D).....	Public Employees' Retirement Systems.....	2
 <b>PUBLIC INVESTMENT</b>			 2
SB 252	Gonzalez (D).....	Public Retirement Systems: Fossil Fuels: Divestment.....	3
 <b>PUBLIC EMPLOYMENT</b>			 
SB 765	Portantino (D).....	Teachers: Retired Teachers: Compensation Limitation.....	3
SB 885	Labor, Public Employment & Retirement Cmt...	Public Employees' Retirement.....	3
 <b>DISABILITY RETIREMENT</b>			 
AB 1020	Grayson (D).....	County Employees Retirement Law 1937: Disability.....	4
SB 327	Laird (D).....	State Teachers' Retirement: Disability Allowances.....	4
 <b>WORKERS COMPENSATION</b>			 
AB 489	Calderon (D).....	Workers' Compensation: Disability Payments.....	4
AB 597	Rodriguez (D).....	Workers' Compensation: First Responders: Stress.....	5
AB 621	Irwin (D).....	Workers' Compensation: Special Death Benefit.....	5
AB 699	Weber A (D).....	Workers' Compensation: Presumed Injuries.....	5
AB 1107	Mathis (R).....	Workers' Compensation: Presumptive Injuries.....	6
AB 1145	Maienschein (D).....	Workers' Compensation.....	6
AB 1156	Bonta M (D).....	Workers' Compensation: Hospital Employees.....	6
SB 391	Blakespear (D).....	Workers' Compensation: Skin Cancer.....	6
SB 623	Laird (D).....	Workers Compensation: Post-Traumatic Stress Disorder.....	7
 <b>BROWN ACT</b>			 
AB 557	Hart (D).....	Open Meetings: Local Agencies: Teleconferences.....	7
AB 817	Pacheco (D).....	Open Meetings: Teleconferencing: Subsidiary Body.....	7
AB 1379	Papan (D).....	Open Meetings: Local Agencies: Teleconferences.....	7
SB 411	Portantino (D).....	Open Meetings: Teleconferences: Neighborhood Councils.....	8
SB 537	Becker (D).....	Open Meetings: Multijurisdictional.....	8
 <b>PUBLIC RECORDS ACT</b>			 
AB 1637	Irwin (D).....	Local Government: Internet Websites and Email Addresses.....	8
 <b>SOCIAL SECURITY</b>			 
SJR 1	Cortese (D).....	Social Security Act: Repeal of Benefit Reductions.....	9
HR 82	Graves (R).....	Pension Offset and Windfall Elimination Repeal.....	9
S 597	Brown S (D).....	Government Pension Offset Repeal.....	9

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**PUBLIC RETIREMENT**

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CA AB 738	<b>AUTHOR:</b> <b>TITLE:</b> <b>INTRODUCED:</b> <b>DISPOSITION:</b> <b>SUMMARY:</b>	Lackey [R] State Actuarial Advisory Panel: Reports 02/13/2023 Pending Relates to existing law under which the State Actuarial Advisory Panel is required to report to the Legislature on or before February 1 of each year. Changes the deadline for that report to January 31 of each year. <b>STATUS:</b> 02/23/2023	To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
CA AB 739	<b>AUTHOR:</b> <b>TITLE:</b> <b>INTRODUCED:</b> <b>DISPOSITION:</b> <b>SUMMARY:</b>	Lackey [R] Public Retirement Systems: Defined Benefit Plans 02/13/2023 Pending Revises the conditions for suspending contributions to a public retirement system defined benefit plan to increase the threshold percentage amount of plan funding to more than 130%. <b>STATUS:</b> 02/23/2023	To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
CA AB 1246	<b>AUTHOR:</b> <b>TITLE:</b> <b>INTRODUCED:</b> <b>LAST AMEND:</b> <b>DISPOSITION:</b> <b>SUMMARY:</b>	Nguyen [D] Public Employees' Retirement System Optional Settlement 02/16/2023 06/15/2023 Pending Provides that existing law permits a member of the Public Employees' Retirement System to elect from among several other optional settlements for the purpose of structuring their retirement allowance. Permits a member who elected to receive a specified optional settlement at retirement, if the member's former spouse was named as beneficiary and a legal judgment awards only a portion of the interest in the retirement system to the member, to elect to add their new spouse as the beneficiary. <b>STATUS:</b> 07/03/2023	In SENATE Committee on APPROPRIATIONS: To Suspense File.
CA SB 300	<b>AUTHOR:</b> <b>TITLE:</b> <b>INTRODUCED:</b> <b>LAST AMEND:</b> <b>DISPOSITION:</b> <b>SUMMARY:</b>	Seyarto [R] Public Employees Retirement: Fiscal Impact: Information 02/02/2023 05/03/2023 Pending Requires the Legislative Analyst to prepare a pension fiscal impact analysis on any measure introduced on or after specified date that is referred to the Senate Labor, Public Employment and Retirement Committee, or any successor	



committee, as specified, and that requires a public retirement system to take prescribed action, including the divestiture of an existing investment.

**STATUS:**

05/18/2023 In SENATE Committee on APPROPRIATIONS: Held in committee.

CA SB 432

**AUTHOR:** Cortese [D]  
**TITLE:** Teachers' Retirement  
**INTRODUCED:** 02/13/2023  
**LAST AMEND:** 08/24/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Provides that existing law requires the State Teachers' Retirement System to recover an amount overpaid under the Teachers' Retirement Law or the State Teachers' Retirement System Cash Balance Benefit Program, to correct the benefit, annuity, or refund, and the corrected allowance or annuity benefit payable. Applies this provision to the recovery of an overpayment from a member, participant, former member, former participant, or beneficiary. Appropriates funds.

**STATUS:**

08/24/2023 In ASSEMBLY. Read third time and amended. To third reading.

CA SB 548

**AUTHOR:** Niello [R]  
**TITLE:** Public Employees Retirement: County and Trial Court  
**INTRODUCED:** 02/15/2023  
**LAST AMEND:** 06/29/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Authorizes a county and the trial court located within the county to elect to separate their joint Public Employees' Retirement System contract into individual contracts, if the county and the trial court make that election jointly and voluntarily. Makes the separation of a joint contract irrevocable and makes a county and trial court ineligible to reestablish a joint contract.

**STATUS:**

08/16/2023 In ASSEMBLY Committee on APPROPRIATIONS: To Suspend File.

CA SB 660

**AUTHOR:** Alvarado-Gil [D]  
**TITLE:** Public Employees' Retirement Systems  
**INTRODUCED:** 02/16/2023  
**LAST AMEND:** 03/21/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Establishes the California Public Retirement System Agency Cost and Liability Panel, located in the Controller's office. Assigns responsibilities to the panel related to retirement benefit costs, including determining how costs and unfunded liability are apportioned to a public agency when a member changes employers within the same public retirement system or when a member concurrently retires with a specified number or more retirement systems that have entered into reciprocity agreements.

**STATUS:**

05/18/2023 In SENATE Committee on APPROPRIATIONS: Held in

committee.

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**PUBLIC INVESTMENT**

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CA SB 252      **AUTHOR:**                      Gonzalez [D]  
**TITLE:**                                      Public Retirement Systems: Fossil Fuels: Divestment  
**INTRODUCED:**                      01/30/2023  
**LAST AMEND:**                      05/18/2023  
**DISPOSITION:**                      Pending  
**SUMMARY:**  
Prohibits the boards of the Public Employees' Retirement System and the State Teachers' Retirement System from making new investments or renewing existing investments of public employee retirement funds in a fossil fuel company. Requires the boards to liquidate investments in a fossil fuel company on or before specified date. Suspends, temporarily, the liquidation provision upon a good faith determination by the board that certain conditions materially impact normal market mechanisms for pricing assets.  
**STATUS:**  
06/08/2023                      To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.  
**Comment:**  
The bill will not move forward during the 2023 legislative year and will carry over into the 2024 legislative year.

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**PUBLIC EMPLOYMENT**

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CA SB 765      **AUTHOR:**                      Portantino [D]  
**TITLE:**                                      Teachers: Retired Teachers: Compensation Limitation  
**INTRODUCED:**                      02/17/2023  
**LAST AMEND:**                      08/17/2023  
**DISPOSITION:**                      Pending  
**SUMMARY:**  
Relates to the Teachers' Retirement Law, which establishes the State Teachers' Retirement System and creates the Defined Benefit Program of the State Teachers' Retirement Plan. Provides that existing law limits the postretirement compensation of a retired member of the program to a specified amount. Modifies that calculation so the limitation of postretirement compensation is an amount calculated by STRS in a specified manner.  
**STATUS:**  
08/23/2023                      From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Do pass to Committee on APPROPRIATIONS. (6-0)

CA SB 885      **AUTHOR:**                      Labor, Public Employment & Retirement Cmt  
**TITLE:**                                      Public Employees' Retirement  
**INTRODUCED:**                      03/14/2023  
**LAST AMEND:**                      06/06/2023  
**DISPOSITION:**                      To Governor  
**SUMMARY:**  
Provides that the Judges' Retirement Law prescribes retirement benefits for judges. Provides that existing law requires, if a benefit is payable on account of the judge's death, and the beneficiary is the judge's spouse, that distributions commence on or before the later of December 31 of the calendar year immediately following the calendar year in which the judge dies or December 31 of the calendar year in which the judge would have attained 72 years of age.

Changes the age for required distributions.

**STATUS:**

08/22/2023

\*\*\*\*\*To GOVERNOR.

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**DISABILITY RETIREMENT**

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CA AB 1020

**AUTHOR:** Grayson [D]  
**TITLE:** County Employees Retirement Law 1937: Disability  
**INTRODUCED:** 02/15/2023  
**LAST AMEND:** 07/11/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Relates to the County Employees Retirement Law of 1937. Provides that existing law creates a presumption, for purposes of qualification for disability retirement benefits for specified members, that certain injuries arose out of and in the course of employment. Expands the scope of this presumption to include additional injuries, including, among others, post-traumatic stress disorder, tuberculosis, and skin cancer. Repeals the provisions related to post-traumatic stress disorder on specified date.

**STATUS:**

07/12/2023 In SENATE. Read second time. To third reading.

**Comment:**

Provided technical amendments to author and sponsor through SACRS Legislative Committee.

**BOR\_Position:** Neutral 06/07/2023

**IBLC\_Recommendation:** Neutral 05/03/2023

**Staff\_Recommendation:** Neutral

CA SB 327

**AUTHOR:** Laird [D]  
**TITLE:** State Teachers' Retirement: Disability Allowances  
**INTRODUCED:** 02/07/2023  
**LAST AMEND:** 05/02/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Relates to law that authorizes a member of the State Teachers' Retirement System who is eligible and applies for a disability allowance or retirement to apply to receive a service retirement pending the determination of their application for disability, subject to meeting certain conditions. Prohibits the service retirement date of a member who submits an application for retirement from being earlier than a specified number of calendar days prior to when the application for service retirement is received.

**STATUS:**

08/16/2023 In ASSEMBLY Committee on APPROPRIATIONS: To Suspend File.

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**WORKERS COMPENSATION**

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CA AB 489

**AUTHOR:** Calderon [D]  
**TITLE:** Workers' Compensation: Disability Payments  
**INTRODUCED:** 02/07/2023  
**DISPOSITION:** Enacted  
**SUMMARY:**

Establishes a workers' compensation system, administered by the Administrative Director of the Division of Workers' Compensation, to compensate an employee for injuries sustained in the course of the employee's

employment; governs temporary and permanent disability indemnity payments; allows an employer to commence a program under which disability indemnity payments are deposited in a prepaid card account for employees.

**STATUS:**

07/13/2023 Signed by GOVERNOR.  
07/13/2023 Chaptered by Secretary of State. Chapter No. 2023-063

CA AB 597

**AUTHOR:** Rodriguez [D]  
**TITLE:** Workers' Compensation: First Responders: Stress  
**INTRODUCED:** 02/09/2023  
**LAST AMEND:** 02/23/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Provides that for certain State and local firefighting personnel and peace officers, the term injury includes post-traumatic stress that develops or manifests during a period in which the injured person is in the service. Requires the compensation awarded pursuant to this provision to include full hospital, surgical, medical treatment, disability indemnity, and death benefits. Makes this applicable to emergency medical technicians and paramedics for injuries on and after certain date.

**STATUS:**

02/23/2023 From ASSEMBLY Committee on INSURANCE with author's amendments.  
02/23/2023 In ASSEMBLY. Read second time and amended. Re-referred to Committee on INSURANCE.

CA AB 621

**AUTHOR:** Irwin [D]  
**TITLE:** Workers' Compensation: Special Death Benefit  
**INTRODUCED:** 02/09/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Relates to existing law which provides that no benefits, except reasonable expenses of burial not exceeding \$1,000, shall be awarded under the workers' compensation laws on account of the death of an employee who is an active member of the Public Employees' Retirement System, unless the death benefits available under the Public Employees Retirement Law are less than the workers' compensation death benefits. Expands an exemption from the limitation to include state safety members and peace officers.

**STATUS:**

07/10/2023 In SENATE Committee on APPROPRIATIONS: To Suspense File.

CA AB 699

**AUTHOR:** Weber A [D]  
**TITLE:** Workers' Compensation: Presumed Injuries  
**INTRODUCED:** 02/13/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Expands presumptions for hernia, pneumonia, heart trouble, cancer, tuberculosis, bloodborne infectious disease, methicillin-resistant Staphylococcus aureus skin infection, and meningitis-related illnesses and injuries to a lifeguard employed on a year-round, full-time basis in the Boating Safety Unit by the City of San Diego Fire-Rescue Department.

**STATUS:**

	06/27/2023	In SENATE. Read second time. To third reading.
CA AB 1107	<b>AUTHOR:</b>	Mathis [R]
	<b>TITLE:</b>	Workers' Compensation: Presumptive Injuries
	<b>INTRODUCED:</b>	02/15/2023
	<b>DISPOSITION:</b>	Pending
	<b>SUMMARY:</b>	Makes a workers' compensation system provision applicable to additional members and employees of the Department of Corrections and Rehabilitation, including members of the Office of Correctional Safety or the Office of Internal Affairs.
	<b>STATUS:</b>	
	03/02/2023	To ASSEMBLY Committee on INSURANCE.
CA AB 1145	<b>AUTHOR:</b>	Maienschein [D]
	<b>TITLE:</b>	Workers' Compensation
	<b>INTRODUCED:</b>	02/16/2023
	<b>DISPOSITION:</b>	Pending
	<b>SUMMARY:</b>	Provides, only until January 1, 2030, that in the case of certain state nurses, psychiatric technicians, and various medical and social services specialists, the term injury also includes post-traumatic stress that develops or manifests itself during a period in which the injured person is in the service of the department or unit. Applies to injuries occurring on or after January 1, 2024.
	<b>STATUS:</b>	
	07/10/2023	In SENATE Committee on APPROPRIATIONS: To Suspense File.
CA AB 1156	<b>AUTHOR:</b>	Bonta M [D]
	<b>TITLE:</b>	Workers' Compensation: Hospital Employees
	<b>INTRODUCED:</b>	02/16/2023
	<b>DISPOSITION:</b>	Pending
	<b>SUMMARY:</b>	Defines injury, for a hospital employee who provides direct patient care in an acute care hospital, to include infectious diseases, cancer, musculoskeletal injuries, post-traumatic stress disorder, and respiratory diseases. Includes the 2019 novel coronavirus disease (COVID-19) from SARS-CoV-2 and its variants, among other conditions, in the definitions of infectious and respiratory diseases.
	<b>STATUS:</b>	
	03/02/2023	To ASSEMBLY Committee on INSURANCE.
CA SB 391	<b>AUTHOR:</b>	Blakespear [D]
	<b>TITLE:</b>	Workers' Compensation: Skin Cancer
	<b>INTRODUCED:</b>	02/09/2023
	<b>DISPOSITION:</b>	Pending
	<b>SUMMARY:</b>	Expands the scope of Workers' compensation and skin cancer regulations to certain peace officers of the Department of Fish and Wildlife and the Department of Parks and Recreation.
	<b>STATUS:</b>	
	08/16/2023	In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File.

CA SB 623      **AUTHOR:**                Laird [D]  
**TITLE:**                        Workers Compensation: Post-Traumatic Stress Disorder  
**INTRODUCED:**                02/15/2023  
**LAST AMEND:**                03/20/2023  
**DISPOSITION:**                Pending  
**SUMMARY:**  
Relates to workers compensation for post-traumatic stress disorder. Expands such provisions to, among others, firefighting members of the State Department of State Hospitals, the State Department of Developmental Services, the Military Department, and the Department of Veterans Affairs.  
**STATUS:**  
08/16/2023                      In ASSEMBLY Committee on APPROPRIATIONS: To Suspend File.

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**BROWN ACT**

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CA AB 557      **AUTHOR:**                Hart [D]  
**TITLE:**                        Open Meetings: Local Agencies: Teleconferences  
**INTRODUCED:**                02/08/2023  
**LAST AMEND:**                06/19/2023  
**DISPOSITION:**                Pending  
**SUMMARY:**  
Authorizes the legislative body of a local agency to use teleconferencing without complying with specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect. Provides that those circumstances are that, among other things, State or local officials have imposed or recommended measures to promote social distancing.  
**STATUS:**  
06/29/2023                      In SENATE.    Read second time.    To third reading.

CA AB 817      **AUTHOR:**                Pacheco [D]  
**TITLE:**                        Open Meetings: Teleconferencing: Subsidiary Body  
**INTRODUCED:**                02/13/2023  
**LAST AMEND:**                03/16/2023  
**DISPOSITION:**                Pending  
**SUMMARY:**  
Relates to the Ralph Brown Act. Authorizes a subsidiary body to use alternative teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency.  
**STATUS:**  
03/16/2023                      To ASSEMBLY Committee on LOCAL GOVERNMENT.  
03/16/2023                      From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.  
03/16/2023                      In ASSEMBLY.    Read second time and amended.  
   Re-referred to Committee on LOCAL GOVERNMENT.

CA AB 1379      **AUTHOR:**                Papan [D]  
**TITLE:**                        Open Meetings: Local Agencies: Teleconferences  
**INTRODUCED:**                02/17/2023  
**LAST AMEND:**                03/23/2023  
**DISPOSITION:**                Pending  
**SUMMARY:**  
Relates to teleconferencing. Requires a legislative body electing to use teleconferencing to post agendas at a singular designated physical meeting

location, as defined, rather than at all teleconference locations.

**STATUS:**

03/23/2023 To ASSEMBLY Committee on LOCAL GOVERNMENT.  
03/23/2023 From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.  
03/23/2023 In ASSEMBLY. Read second time and amended.  
Re-referred to Committee on LOCAL GOVERNMENT.

CA SB 411

**AUTHOR:** Portantino [D]  
**TITLE:** Open Meetings: Teleconferences: Neighborhood Councils  
**INTRODUCED:** 02/09/2023  
**LAST AMEND:** 08/14/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Authorizes an eligible legislative body to use alternate teleconferencing provisions related to notice, agenda, and public participation if the city council has adopted an authorizing resolution and 2/3 of the legislative body votes to use the alternate teleconferencing provisions. Requires that, at least once per year, at least a quorum of the members of the legislative body participate in person from a singular physical location that is open to the public and within the boundaries of the legislative body.

**STATUS:**

08/24/2023 In ASSEMBLY. Read third time, urgency clause adopted. Passed ASSEMBLY. \*\*\*\*\*To SENATE for concurrence. (59-12)

CA SB 537

**AUTHOR:** Becker [D]  
**TITLE:** Open Meetings: Multijurisdictional  
**INTRODUCED:** 02/14/2023  
**LAST AMEND:** 08/14/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Relates to the Ralph M. Brown Act. Authorizes the legislative body of a multijurisdictional, cross-county agency to use alternate teleconferencing provisions if the eligible legislative body has adopted an authorizing resolution. Requires a member who receives compensation for their service on the legislative body to participate from a physical location that is open to the public.

**STATUS:**

08/15/2023 In ASSEMBLY. Read second time. To third reading.

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**PUBLIC RECORDS ACT**

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CA AB 1637

**AUTHOR:** Irwin [D]  
**TITLE:** Local Government: Internet Websites and Email Addresses  
**INTRODUCED:** 02/12/2023  
**LAST AMEND:** 06/29/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Provides that the California Public Records Act requires a local agency to make public records available for inspection and allows a local agency to comply by posting the record on its internet website and directing a member of the public to the internet website. Requires, no later than specified date, a local agency that maintains an internet website for use by the public to ensure that the internet website utilizes a .gov top-level domain or a .ca.gov second-level

domain.

**STATUS:**

07/10/2023

In SENATE Committee on APPROPRIATIONS: To Suspend File.

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**SOCIAL SECURITY**

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CA SJR 1

**AUTHOR:** Cortese [D]  
**TITLE:** Social Security Act: Repeal of Benefit Reductions  
**INTRODUCED:** 12/05/2022  
**LAST AMEND:** 04/12/2023  
**DISPOSITION:** Adopted  
**SUMMARY:**

Requests the Congress of the United States to enact, and the President to sign, legislation that would repeal the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act.

**STATUS:**

06/02/2023 Chaptered by Secretary of State.  
06/02/2023 Resolution Chapter No. 2023-084

US HR 82

**SPONSOR:** Graves [R]  
**TITLE:** Pension Offset and Windfall Elimination Repeal  
**INTRODUCED:** 01/09/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Amends title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

**STATUS:**

01/09/2023 INTRODUCED.  
01/09/2023 To HOUSE Committee on WAYS AND MEANS.

US S 597

**SPONSOR:** Brown S [D]  
**TITLE:** Government Pension Offset Repeal  
**INTRODUCED:** 03/01/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Amends title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

**STATUS:**

03/01/2023 INTRODUCED.  
03/01/2023 In SENATE. Read second time.  
03/01/2023 To SENATE Committee on FINANCE.



**FOR INFORMATION ONLY**

August 31, 2023

TO: Trustees,  
Board of Investments

FROM: Earl Buehner *EB*  
Senior Staff Counsel

FOR: September 12-13, 2023 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 August 31, 2023.

Attachment

c: Santos H. Kreimann  
Luis A. Lugo  
Jonathan Grabel  
Esmeralda Del Bosque  
Vache Mahseredjian  
Jude Perez  
Jim Rice  
Christopher Wagner  
Scott Zdrazil  
Steven Rice  
John Harrington  
Lisa Garcia



**LACERA Legal Division**  
**Board of Investments Projects**  
**Monthly Status Report - Pending as of August 31, 2023**



	Project/ Investment	Description	Amount	Board Approval Date	Completion Status	% Complete	Notes
EQUITIES	Leading Edge Investment Advisors (LEIA)	Investment Management Agreement for Global Equity Emerging Manager Program	\$500,000,000	October 12, 2022	In Progress	80%	Legal negotiations in process.
	New Alpha Asset Management (New Alpha)	Investment Management Agreement for Global Equity Emerging Manager Program	\$500,000,000	October 12, 2022	In Progress	80%	Legal negotiations in process.
OPEB	BlackRock Institutional Trust Company, N.A.	Investment Management Agreement Amendment for Public Markets Passive Investment Management Services	\$2,000,000,000	June 14, 2023	In Progress	30%	Legal negotiations in process.
PORTFOLIO ANALYTICS	State Street Bank and Trust Co.	Global Custody and Commercial Banking Services Agreement for LACERA's Pension Plan and OPEB Master Trust	\$72,000,000,000	August 10, 2022	In Progress	75%	Legal negotiations in process.
REAL ASSETS	TIAA-CREF Global Agriculture II LLC	Secondary Purchase	\$46,400,000	May 10, 2023	In Progress	75%	Legal negotiations in process.
REAL ESTATE	Bain Capital Real Estate Fund III-A, L.P.	Subscription	\$150,000,000	August 9, 2023	Completed	100%	Completed.



August 24, 2023

TO: Each Trustee,  
Board of Retirement

FROM: Ted Granger *TG*  
Interim Chief Financial Officer

FOR: September 6, 2023 Board of Retirement Meeting

SUBJECT: **2024 STAR COLA PROGRAM COST**

## RECOMMENDATION

- (1) That the Board of Retirement make public at its meeting on September 6, 2023, the cost of the ad-hoc and permanent STAR COLA Program in 2024 at an 80% benefit level. The projected cost for the ad-hoc STAR COLA award is \$277,000, while the cost for awarding a permanent STAR COLA is \$2,913,000 as determined by LACERA's consulting actuary, Milliman; and
- (2) Direct staff to place this item on the Board of Retirement's October agenda to decide at that time whether or not to award a STAR COLA for Program Year 2024, and if awarded, determine whether the STAR COLA benefits will be ad-hoc or permanent.

## EXECUTIVE SUMMARY

### *Overview*

LACERA members in General Plans B, C, and D and Safety Plan B who retired on or before March 31, 1991 (and survivors of members who retired during that period) are eligible effective January 1, 2024 for a retirement benefit increase under the Supplemental Targeted Adjustment for Retirees (STAR) cost-of-living adjustment (COLA) Program (STAR COLA Program or STAR Program). For this eligible group of 356 retirees and survivors<sup>1</sup>, their COLA Accumulation accounts (also referred to as the COLA Bank accounts) exceed the 20% threshold required if the Board of Retirement is to authorize STAR COLA Program benefits. This means the value of their original pension benefit decreased below 80% of its original purchasing power over time due to actual inflation exceeding the statutory COLA.

The Board of Retirement may adopt STAR Program benefits on an ad-hoc or permanent basis to become effective January 1, 2024. Members participating in PEPRA Plans General G and Safety C, and Legacy Plan A are not currently eligible for STAR COLA

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<sup>1</sup> Estimated number of members impacted based on the June 30, 2022 Valuation and valuation assumptions. Actual number of members receiving the STAR COLA award will be determined at the time the award is made on January 1, 2024.

Program benefits; those members in non-contributory Plan E are not eligible for STAR COLA Program benefits.

These additional retiree benefits are paid by LACERA from the STAR Reserve account held by LACERA. The STAR Reserve is not included in valuation assets by the actuary and maintains sufficient balances to fund the 2024 STAR Program benefits. These potential cost increases represent less than 0.01% of the Future Annual Costs as defined in California Government Code Section 7507.

The Board of Retirement most recently awarded a STAR COLA for Program Year 2023 and made that award on a permanent basis. Before STAR COLA Program Year 2023, the Board of Retirement last awarded the STAR COLA for Program Year 2009. Between Program Year 2009 and 2022, COLA Accumulation accounts increased in some years but had not exceeded the 20% threshold amount, so STAR COLA benefits were not available for retirees during that period.

In February 2023, the Board of Retirement approved the annual statutory 2023 COLA (April 1<sup>st</sup> COLA). Subsequently, staff reviewed the COLA Accumulation account balances and determined that for Program Year 2024, there is STAR Program award eligibility for qualifying retirees.

#### *Milliman's Report*

The Government Code requires that LACERA's consulting actuary, Milliman, provide an analysis which includes the cost of funding the STAR COLA Program award. Milliman's report, which is included as Attachment I, provides a detailed analysis of the STAR COLA and should be referred to in conjunction with this memo. This memo, prepared by LACERA staff, is meant to provide an overview of the STAR COLA Program history and a recommendation for Board of Retirement action.

#### **LEGAL ANALYSIS**

As discussed in detail later in this memo, Government Code Section 31874.3 allows LACERA to provide ad-hoc or permanent STAR Program benefits that, according to the terms of the Program, protect the purchasing power of retirement benefits. The Board of Retirement is not required to approve STAR benefits, even when the required loss of purchasing power has occurred; the decision is at the discretion of the Board.

Pursuant to Government Code Section 7507, a local agency such as LACERA's Board of Retirement, when considering changes in retirement benefits, such as providing ad-hoc or permanent STAR Program benefits, and before such changes are authorized, must engage an enrolled actuary to provide a statement of actuarial impact upon future annual costs and any additional accrued liability. Section 7507 also requires that a decision to provide either ad-hoc or permanent STAR Program benefits in 2024 can be made only if the future annual cost of the benefit, as determined by an enrolled actuary, is disclosed at a public meeting at least two weeks prior to the adoption of the benefit increase. Further,

Government Code Section 31874.3(c) provides that, before the Board of Retirement approves permanent STAR benefits, the cost of the benefits must be determined by a qualified actuary and the Board shall, with the actuary's advice, provide for full funding of the benefits. The required actuarial cost analysis is presented in this memo.

## **DISCUSSION**

### *COLA*

Sections 31870 and 31870.1 of the Government Code provide for a maximum annual COLA to be applied to retirement allowances, optional death allowances, or annual death allowances payable to or on account of any member. COLA maximum increases are 3.0% for Plan A retirees and survivors; 2.0% for Legacy Plans B, C, and D and PEPRAs Plans C and G; and up to 2.0% for certain Plan E retirees and survivors<sup>2</sup>. These Government Code sections also provide for an accumulation of the annual percentage difference between the consumer price index (CPI) for the Los Angeles-Long Beach-Anaheim area and the maximum cost-of-living increase allowed for each retirement Plan. The accumulated percentage carryover is known as the COLA Accumulation or COLA Bank.

### *COLA Accumulation*

The CPI percentage change from January through December for the prior calendar year is compared to the maximum allowable cost-of-living percentage increase payable to retired LACERA members under Sections 31870 and 31870.1. In years where the change in CPI is greater than the maximum COLA increase, the difference between these two percentages is accumulated annually for each retiree based upon retirement date. In years where the change in CPI is less than the maximum COLA increase, the actual COLA awarded may be increased above the CPI amount, up to the maximum COLA increase, with a corresponding reduction in the COLA Bank account. The accumulation of differences from each year reflects how much purchasing power has been lost from a retiree's original retirement benefit. By law, the Board of Retirement may provide STAR COLA Program increases once the COLA Bank accounts have exceeded a 20% balance. Attachment III illustrates how additions and deductions are made to the COLA Accumulation balances.

### *STAR COLA Program*

The Board of Retirement initiated the STAR COLA Program in 1990 to restore members' purchasing power that had been eroded by inflation in excess of the protection provided by the statutory COLA. Retirees and survivors in Legacy Plans A, B, C, D and PEPRAs Plans C and G are eligible for STAR COLA Program benefits should their COLA Accumulation accounts exceed a 20% balance. Non-contributory members in Plan E are not eligible for STAR COLA Program benefits.

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<sup>2</sup> Effective June 4, 2002, Plan E members and their survivors were eligible for COLA. The portion of the COLA percentage received by each Plan E member is a ratio of the member's service credit earned on and after June 4, 2002 to total service credit.

### *STAR COLA Program Awards*

Beginning in 1990 and through 2000, the STAR Program existed as an ad-hoc benefit designed to provide contributory plan members protection against rising inflation beyond the protection provided by the statutory COLA, and successfully restored LACERA retiree purchasing power to the then maximum allowable 75% level.

On September 4, 2000, the California Governor signed into law a provision, Section 31874.3 of the Government Code, allowing the Board of Retirement to raise the purchasing power protection to a maximum of 80% and allowed the ability to make permanent the STAR COLA Program benefits using excess earnings<sup>3</sup>. This change provided the Board of Retirement with the flexibility to continue the STAR Program as an ad-hoc benefit or the opportunity to make permanent the STAR COLA benefits using excess earnings. Now and in future years, the Board of Retirement will be required to adopt ad-hoc benefits on an annual basis if the Board wishes to continue the benefits while the permanent approach will require no further Board action.

### *Purchasing Power Example Calculation*

The retirement benefit has decreased below 80% of its original purchasing power when the COLA Accumulation accounts exceed the 20% threshold. For example, a 22.9% COLA Accumulation balance means that the member has 77.1% of the purchasing power compared to when the member retired (e.g.,  $100.0\% - 22.9\% = 77.1\%$ ). When the member's purchasing power falls below 80.0%, the Board can award a STAR COLA to restore the purchasing power to an 80.0% level (e.g.,  $77.1\% + 2.9\% = 80.0\%$ ).

### *STAR COLA History*

On October 9, 2008, the Board of Retirement made permanent the 2009 STAR COLA benefits at an 80% level as authorized in CERL and had already made STAR Program benefits permanent for prior years.

Minimal increases in the CPI percentage for STAR Program Years 2010 through 2022 caused COLA Accumulation accounts to remain below the 20% threshold for providing STAR Program benefits. As such, no STAR COLA benefits were provided from 2010 through 2022. During these years, the Board of Retirement approved annual statutory COLAs below or at the retirement plan maximums, providing some protection against diminished purchasing power.

Recently, CPI increases for STAR Program Years 2019 through 2021 exceeded the maximum allowable statutory COLA for some plans, causing increases in the COLA Accumulation accounts, however, the ending COLA Accumulation account balances remained at less than 20% until Program Years 2023 and 2024.

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<sup>3</sup> Excess Earnings are actual cash earnings from the investment portfolio earned during the previous year that remain unspent after paying for costs to administer the system, costs to invest the portfolio, paying interest to the member and employer accounts, and satisfying the 1% contingency reserve requirement in Government Code Sections 31592 and 31592.2.

The chart below summarizes the STAR COLA history. Please note that not all retirees in all plans received a STAR COLA award each year; STAR COLA is only awarded to retirees where the COLA Accumulation account exceeds a 20% balance. Since its inception, the Board of Retirement has granted and funded STAR Program awards as they became available.

<b>STAR COLA Awards</b>				
<b>Program Year</b>	<b>Eligibility for STAR</b>	<b>BOR Award</b>	<b>Permanent</b>	<b>Maximum Level</b>
1990-2000	Yes	Yes	Yes*	75%
2001-2004	Yes	Yes	Yes	80%
2005	No	N/A	N/A	80%
2006-2009	Yes	Yes	Yes	80%
2010-2022	No	N/A	N/A	80%
2023	Yes	Yes	Yes	80%
2024	Yes	TBD	TBD	80%

\* Beginning in 2001, STAR COLA awards became permanent prospectively.

#### *Program Year 2024*

The 2022 CPI increase exceeded the maximum allowable COLA, causing some retiree COLA Accumulation account balances to exceed 20% after the April 2023 statutory COLA award. This results in a potential STAR COLA for STAR Program Year 2024. Attachment II identifies the Accumulation balances for retiree groups who have experienced diminished purchasing power making them eligible for the STAR COLA award. Only members in General Plans B, C and D and Safety Plan B who retired from 1977 to March 31, 1991 are eligible for STAR Program benefits. Currently, no other retired members or survivors are eligible as their COLA Accumulation account balances do not exceed 20%.

Since the Board previously granted STAR Program benefits on a permanent basis, all retirees and their eligible survivors currently receiving STAR Program benefits continue receiving those benefits without further action.

#### *STAR COLA Method: Ad-Hoc or Permanent*

Government Code provisions allow the Board of Retirement to award additional benefits to address the inflation experienced by retirees using one of the following approaches:

##### Ad-Hoc STAR COLA

Provide an ad-hoc 2024 STAR Program benefit for those contributory plan members whose purchasing power has fallen below 80% due to inflation, thus providing a temporary benefit for the 2024 calendar year. Ad-hoc benefits are awarded on a calendar year basis. Staff will prepare memo and the Board of Retirement must approve these benefits annually if these benefits are to be paid in future years. Ad-hoc

STAR Program benefits are not included in the calculation of future statutory COLA awards.

### Permanent STAR COLA

Make permanent the 2024 STAR Program for those contributory plan members whose purchasing power has fallen below 80% due to inflation. While this protects those retirees and survivors who have already lost 20% of their purchasing power, it also ensures that the STAR benefit is part of the member's retirement allowance and is payable for life. The permanent STAR Program benefit becomes part of the base allowance upon which future annual statutory COLA increases are calculated. Permanent benefits do not require Board of Retirement approval in subsequent years.

### *2024 STAR COLA Program Cost Analysis*

LACERA's consulting actuary, Milliman, provided their letter dated August 22, 2023, which is included as Attachment I. Milliman's letter provides cost and technical information for LACERA's STAR COLA and should be read in conjunction with this memo. Attachments to Milliman's letter include costs for the 2024 Program Year and projections in anticipation of *future* STAR COLA awards that have not yet occurred. The table below provides the cost for Program Year 2024 as calculated by Milliman using both the ad-hoc and the permanent benefit approaches.

#### **STAR COLA Program Cost**

	<b>2024 Annual Cost</b>	<b>Lifetime Cost</b>
<b>Ad-hoc Benefit:</b> STAR Program at 80%	\$277,000	
<b>Permanent Benefit:</b> STAR Program at 80%		\$2,913,000

Should the Board of Retirement decide to approve the permanent STAR COLA Program award, it will provide the greatest possible cost-of-living benefit to members. The permanent STAR Program is more valuable to the affected members than the ad-hoc STAR Program since the permanent approach provides an everlasting benefit (as long as member or survivor is alive) and is also included in the base allowance used to calculate the statutory annual COLA benefit in future years.

### *Meaning of 'Permanent STAR Program'*

California Government Code Section 31874.3(c) allows the Board of Retirement to make permanent the STAR COLA benefit for the eligible retirees and survivors. In other words, making permanent the STAR Program makes a member's cost-of-living accumulation that exceeds 20% a lasting part of the member's benefit. The value of the permanent STAR COLA to be provided, as calculated by the actuary, cannot exceed the value of excess earnings accumulated in the STAR Reserve because the benefits must be prefunded under the statute. The current value of the STAR Reserve is sufficient to pay for either the ad-hoc or permanent 2024 STAR COLA Program.



All current 356 retirees and survivors eligible to participate in the 2024 STAR Program will have their 2024 STAR Program benefit added to their base allowance and their COLA Accumulation balance will be reduced to 20%. Except for 2005 and 2010 through 2022, when no members were eligible for a STAR benefit, the Board of Retirement made permanent the 2001 through 2009 STAR Programs. STAR Program benefits for 2001 through 2004, 2006 through 2009, and 2023 were permanently added to the participant's base allowance and the respective COLA Accumulations were set to 20%.

Future increases in the CPI that exceed COLA plan maximums and cause the member's COLA Accumulation to exceed 20%, will require Board action to make permanent such future increases and be contingent upon the availability of the STAR Program Reserve to fund the benefit increase. At this time, the Board of Retirement may only make permanent the current level of benefits payable to eligible 2024 STAR Program participants. Staff will present potential *future* STAR Program awards to the Board of Retirement which will require Board action in *future* years.

#### *Funding the 2024 Program*

The STAR Program's funding is derived from excess earnings as determined by LACERA's Board of Investments. During the period 1994 through 1998, the Retirement System Funding Agreement required the Board of Investments to allocate all excess earnings using a 75%-25% allocation formula between the Employer Reserve and the STAR Reserve, respectively. Under this agreement the STAR Program received significant funding and has a balance of approximately \$611.5 million for the fiscal period ended June 30, 2023. The STAR Program Reserve balance is sufficient to fund the \$2.9 million needed to make permanent the 2024 STAR Program at the 80% benefit level for all future periods. Should the Board award a permanent STAR COLA, the amount will be transferred to the Employer Reserve to pay STAR COLA Program benefits leaving a balance of approximately \$608.6 million in the STAR Reserve.

If the Board approves an ad-hoc STAR Program award at a cost of \$0.277 million, the STAR Reserve balance is sufficient to fund this benefit for 2024.

Beginning in 1990 when the Funding Policy first established the STAR Reserve, excess earnings were used to increase the STAR Reserve balance, while over time STAR COLA awards caused decreases in the STAR Reserve. The Funding Policy prescribes the semi-annual interest credit process where realized earnings are measured for the six-month period, and interest credits are applied to the Employee and Employer Reserves. Per the Funding Policy, the STAR Reserve is not eligible to receive an interest credit allocation.

Pension fund reserves is an accounting concept that shows how the fund's net position can be divided among various categories including employees, employers, and other classifications designated for specific use. LACERA assets, including balances in the STAR Reserve and the Employer and Employee Reserves, are part of LACERA's investment portfolio which produces investment income. The STAR Reserve balance was \$154 million in 1990, increased to \$1.023 billion in 1999 due to excess earning

contributions, and from that time, has been reduced by STAR COLA benefits to a balance of \$611.5 million as of June 30, 2023. LACERA's pension fund net position in 1990 was \$9.4 billion and is \$74.6 billion as of June 30, 2023. During that period of over 30 years, LACERA's investment portfolio contained STAR COLA assets contributing to LACERA's investment earnings and growing the fund's net position. Increases in LACERA's assets reduce employer contribution rates.

#### *Public Notice Requirement*

Government Code Sections 7507 and 31874.3 require the Board of Retirement to secure the services of an enrolled actuary to provide a statement of the actuarial impact upon the future annual plan costs. Section 7507 also requires that the actuarial cost information be presented at a public meeting at least two weeks prior to authorizing a benefit increase. The letter from LACERA's consulting actuary, Milliman, has been prepared and included as Attachment I to satisfy this requirement. On page 1, Milliman's letter states that these potential cost increases represent less than 0.01% of the Future Annual Costs as defined in California Government Code Section 7507.

#### **Conclusion**

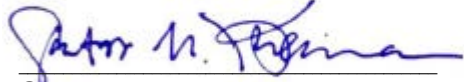
The recent CPI increases have caused some COLA Accumulation accounts to exceed the 20% threshold. These members have experienced a decline in purchasing power of their monthly retirement allowance which permits the Board of Retirement to authorize a STAR COLA award beginning January 1, 2024 for eligible retirees. The Board of Retirement has the option of granting the STAR benefit on a year-to-year basis using the ad-hoc methodology or by choosing the permanent option which makes the additional benefit a perpetual part of the members' retirement benefit.

It is therefore recommended, that the Board of Retirement make public at its meeting on September 6, 2023 the cost of the ad-hoc and permanent STAR COLA Program in 2024 at an 80% benefit level. The projected cost for the ad-hoc STAR COLA Program is \$277,000, while the cost for the 2024 permanent STAR COLA Program is \$2,913,000 as determined by Milliman, LACERA's consulting actuary. In addition, the Board of Retirement should direct staff to place this item on the Board of Retirement's October agenda to decide at that time whether or not to award a STAR COLA for Program Year 2024, and if awarded, determine that the STAR COLA benefits will be ad-hoc or permanent.

#### Attachments

- I. Milliman's STAR COLA 2024 letter dated August 22, 2023
- II. STAR COLA Accumulation Chart as of January 1, 2024
- III. COLA Accumulation Account Calculation Illustration

**REVIEWED AND APPROVED:**



Santos H. Kreimann  
Chief Executive Officer

08/24/2023

Date

SK:TG  
2024 STAR COLA.BOR Memo\_8.24.23\_final.doc

c: Board of Investments, LACERA  
Luis A. Lugo                      Laura Guglielmo                      JJ Popowich  
Jonathan Gabel                      Steven P. Rice



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milliman.com

August 22, 2023

Board of Retirement  
Los Angeles County Employees Retirement Association  
300 North Lake Avenue, Suite 820  
Pasadena, CA 91101-4199

**Re: STAR COLA for 2024**

Dear Trustees of the Board:

As requested, we have valued the Supplemental Target Adjustment for Retirees (STAR) COLA program as of January 1, 2024. As of April 2023, Accumulation Accounts are greater than 20% (the threshold for providing STAR benefits) for retirees in General Plans B, C, and D and Safety Plan B who retired on or before March 31, 1991. These retirees are therefore eligible for a STAR COLA in 2024, upon Board of Retirement (Board) approval.

The values shown in the following table assume that the Board approves the STAR COLA for 2024 only, on an ad-hoc or a permanent basis, and do not reflect any additional STAR benefits that may be granted in the future. The STAR COLA will be an amount sufficient to restore retirement benefits to 80% of their original purchasing power for those retirees whose benefits currently have less than 80% of their original purchasing power. (80% of the original purchasing power is determined as an Accumulation Account value equaling 20%.) These potential cost increases represent less than 0.01% of the Future Annual Costs as defined in California Government Code Section 7507.

STAR COLA (effective January 1, 2024)	2024 Payment / Transfer from STAR Reserve
Ad Hoc Increase Payment	\$ 277,000
Permanent Increase Transfer	\$ 2,913,000

The ad hoc STAR COLA, as defined in Subsection 31874.3(b), is a temporary benefit provided for one year only and is not part of the member's retirement allowance. Future statutory COLA increases would not apply to this benefit because it is not part of the member's retirement allowance. To continue the ad hoc STAR COLA payments for any future year the Board must approve it on an annual basis.

Making the STAR COLA permanent under Subsection 31874.3(c) means that it becomes a permanent component of the member's retirement allowance and cannot be revoked in the future. Once a STAR COLA has been made permanent, it continues for the life of the member (and the beneficiary, if applicable). As any permanent STAR COLA increases become part of the member's retirement allowance, these payments are eligible for future statutory COLA increases.

This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

Under Subsection 31874.3(c), the Board can only make a STAR COLA increase permanent up to the amount determined at the time the action is approved. Therefore, the projected future STAR COLA increases effective January 1, 2024 and later, as shown in the exhibit at the end of this letter, are for informational purposes only and cannot be made permanent at this time.

In the attachment to this letter, we have provided 10-year projections of estimated STAR COLA increases and transfers under the ad hoc and permanent increase options. These attachments also show the estimated number of retirees and survivors projected to be eligible for a STAR COLA benefit in each future year.

### **STAR COLA and the Accumulation Account**

Under the STAR COLA, each retiree and beneficiary in Legacy Plans A, B, C, and-D and PEPRA Plans C and G whose benefit has lost more than 20% of its value is eligible to receive, upon Board approval, an increased benefit payment effective January 1 of the following year. Retirees and beneficiaries in Legacy Plan E are not eligible for the STAR COLA.

The loss of value is measured by the Accumulation Account which is calculated each year by LACERA staff by adjusting the prior year's Accumulation Account by the difference between the actual COLA granted and the prior year's inflation as measured by the Los Angeles-Long Beach-Anaheim, CA Consumer Price Index – All Urban Consumers.

For December 2021 to December 2022, the increase in CPI was 4.9%. Since the increase in CPI is greater than the maximum statutory COLA of 3.0% for Plan A and 2.0% for all other plans, all retirees had an increase in their Accumulation Account in 2023. The following table shows the groups of STAR COLA eligible retirees that have an Accumulation Account balance greater than 20% after application of the 2022 CPI increase and payment of the 2023 statutory COLA, as well as the STAR COLA they are eligible for if it is approved by the Board. There are no retirees of Legacy Plans A or PEPRA Plans C and G that are eligible for a STAR COLA at this time.

<b>Retirement Dates (Legacy Plans B, C, and D)</b>	<b>Accumulation Account</b>	<b>2024 STAR COLA</b>
On or before March 31, 1991	22.9%	2.9%

As an example of how the STAR COLA works, consider a General Plan D member who retired in March of 1991. As of April 2022 this member had an Accumulation Account of 20.5%. This member received a STAR COLA of 0.5% in January of 2023 which reduced their Accumulation Account to 20.0% (because the 2023 STAR COLA was adopted as a permanent addition by the Board of Retirement). In addition, they received the statutory 2.0% COLA in April of 2023. Since the statutory COLA given was less than the CPI of 4.9%, the difference of 2.9% is added to their Accumulation Account, resulting in a new value of 22.9% as of April 2023. Since this member's benefit has lost more than 20% of its original value (i.e., the Accumulation Account is greater than 20.0%), they are eligible for a STAR COLA benefit in 2024. Accordingly, if a STAR COLA is adopted effective January 1, 2024, this member will receive a STAR COLA increase equal to 2.9% of their current retirement allowance.

This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

The member's Accumulation Account will remain at 22.9% unless a permanent STAR COLA is approved, in which case it is adjusted back to 20.0% to reflect the permanent increase in the member's retirement allowance.

### **Funding**

If the permanent STAR COLA is approved under Subsection 31874.3(c), it is required to be prefunded to provide for the increase in future benefit payments. The present value of the 2024 permanent STAR COLA increase is \$2,913,000. Therefore, under the permanent increase scenario, this amount would be transferred from the STAR Reserve to the Employer Reserve. After adoption of the 2023 STAR COLA as a permanent increase, to members' retirement allowances, the STAR Reserve is approximately \$611.5 million; therefore, the current STAR Reserve has a sufficient balance to facilitate this transfer.

The ad-hoc 2024 STAR COLA increase is estimated to cost \$277,000. If this option is approved, we anticipate this amount will be paid from the STAR Reserve.

Since the STAR Reserve is not included in the Valuation Assets, the adoption of the 2024 STAR COLA will not cause a change in either the employer contribution rate or the funded ratio, provided that the specified amount is transferred from the STAR Reserve to the Employer Reserve, consistent with whether the Board of Retirement adopts the ad-hoc or permanent STAR COLA approach.

### **Projections**

We have also attached projections for future STAR COLA increases assuming continued application of the program. These projections are for informational purposes only. For these projections, we have assumed the continued approval of the STAR COLA program by the Board each year at the 80% level, under the following two scenarios:

- 2.75% annual increases in the CPI (the valuation assumption) for 2023 and all future years, and
- 4.9% annual increase in the CPI in 2023, followed by annual CPI increases of 2.75%. This scenario reflects that actual inflation has materially exceeded the assumption in the first half of 2023. The 4.9% is equal to the prior year's inflation and provides an estimate of the potential impact of higher-than-assumed inflation on future STAR COLA benefits, although the actual 2023 inflation is likely to be different.

The attachments show both the expected annual benefits under the ad hoc approach and the estimated transfer amounts to fund the STAR COLA each year under the permanent approach. The projected benefit payments paid to members each year under the permanent approach is not shown but would be slightly higher than the ad hoc increases, due to the future statutory COLA increases being applied to the STAR COLA payment under the permanent approach. The transfer amounts are expected to be made from the STAR Reserve to the Employer Reserve as of the December 31 prior to the calendar year of the STAR COLA increase. These attachments also show the estimated number of retirees and survivors projected to be eligible

for a STAR COLA benefit in each future year. The projected number of eligible retirees and survivors is the same under the ad hoc or permanent approach.

### **Data, assumptions, and methods**

The COLA Accumulation Accounts are as of April 1, 2023 and any 2024 STAR COLA increases are assumed to be effective as of January 1, 2024. We have assumed that no interest will be credited to the STAR Reserve consistent with LACERA's interest crediting procedures.

### **Certification**

Except as noted elsewhere in this report, all data, methods and assumptions are the same as described and used in the June 30, 2022 actuarial valuation report. In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by LACERA's staff. This information includes, but is not limited to, statutory provisions, employee data, and financial information. In our examination of these data, we have found them to be reasonably consistent and comparable with data used for other purposes. Since the valuation results are dependent on the integrity of the data supplied, the results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised.

Actuarial computations presented in this report are for purposes of estimating expected benefit payments and funding amounts under the LACERA STAR COLA program. These calculations have been made on a basis consistent with our understanding of that program. Determinations for purposes other than described may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes. These results were developed using models intended for actuarial valuations that use standard actuarial techniques.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

The calculations included in this report are subject to the same risk factors as discussed in the June 30, 2022 actuarial valuation and in the Risk Assessment report based on the June 30, 2022 actuarial valuation. Please refer to those reports for a detailed descriptions of the primary risks to LACERA.

Milliman's work is prepared solely for the internal business use of LACERA. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third-party recipient of its work product. Milliman's

consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions:

- (a) LACERA may provide a copy of Milliman's work, in its entirety, to LACERA's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit LACERA.
- (b) LACERA may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third-party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are retirement actuaries. Milliman's advice is not intended to be a substitute for qualified legal, investment, or accounting counsel.

The signing actuaries are independent of the plan sponsors. We are not aware of any relationship that would impair the objectivity of our work.

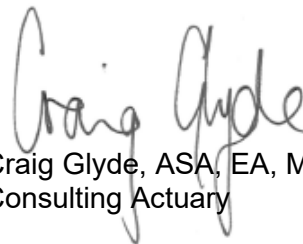
On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States, published by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

If you have any further questions regarding this report, please let us know.

Sincerely,



Nick Collier, ASA, EA, MAAA  
Consulting Actuary



Craig Glyde, ASA, EA, MAAA  
Consulting Actuary

NC/CG/va

Attachments

cc: Ted Granger  
Claro Lanting  
Ervin Wu



**LACERA**  
**10-year projection of STAR COLA Benefits**  
**STAR COLA approved each year**  
**to restore benefit to 80% of original value**  
 (Actual 2023 CPI increase is 2.75%)

Calendar Year	CPI	Count of Eligible Retirees & Survivors	Ad-hoc Increase	Permanent Increase Transfers
2023	2.75%			
2024	2.75%	356	\$ 277,000	\$ 2,913,000
2025	2.75%	340	346,000	756,000
2026	2.75%	409	421,000	823,000
2027	2.75%	2,093	754,000	3,549,000
2028	2.75%	2,005	1,287,000	5,630,000
2029	2.75%	1,916	1,806,000	5,505,000
2030	2.75%	2,453	2,479,000	6,979,000
2031	2.75%	2,339	3,157,000	7,045,000
2032	2.75%	3,057	3,960,000	8,194,000
2033	2.75%	2,903	4,857,000	9,059,000

1. Estimate based on June 30, 2022 valuation
2. Actual results will vary

**LACERA**  
**10-year projection of STAR COLA Benefits**  
**STAR COLA approved each year**  
**to restore benefit to 80% of original value**  
(Actual 2023 CPI increase is 4.90%)

Calendar Year	CPI	Count of Eligible Retirees & Survivors	Ad-hoc Increase	Permanent Increase Transfers
2023	4.90%			
2024	2.75%	356	\$ 277,000	\$ 2,913,000
2025	2.75%	2,273	1,262,000	10,386,000
2026	2.75%	2,184	1,809,000	5,891,000
2027	2.75%	2,801	2,496,000	7,263,000
2028	2.75%	2,686	3,223,000	7,648,000
2029	2.75%	3,514	4,051,000	8,600,000
2030	2.75%	3,361	5,031,000	10,006,000
2031	2.75%	3,209	5,971,000	9,716,000
2032	2.75%	3,602	6,907,000	9,756,000
2033	2.75%	3,423	7,945,000	10,728,000

1. Estimate based on June 30, 2022 valuation
2. Actual results will vary

**STAR COLA Accumulation Chart**  
**Percentages as of January 1, 2024**

Retirement Date			General Plans B, C, D and Safety Plan B		
			COLA % Accumulation April 1, 2023	STAR Benefit Adjustment 2024	COLA % Accumulation January 1, 2024
Before 4/1/77			-	-	-
4/1/1977	-	3/31/1978	22.9	(2.9)	20.0
4/1/1978	-	3/31/1979	22.9	(2.9)	20.0
4/1/1979	-	3/31/1980	22.9	(2.9)	20.0
4/1/1980	-	3/31/1981	22.9	(2.9)	20.0
4/1/1981	-	3/31/1982	22.9	(2.9)	20.0
4/1/1982	-	3/31/1983	22.9	(2.9)	20.0
4/1/1983	-	3/31/1984	22.9	(2.9)	20.0
4/1/1984	-	3/31/1985	22.9	(2.9)	20.0
4/1/1985	-	3/31/1986	22.9	(2.9)	20.0
4/1/1986	-	3/31/1987	22.9	(2.9)	20.0
4/1/1987	-	3/31/1988	22.9	(2.9)	20.0
4/1/1988	-	3/31/1989	22.9	(2.9)	20.0
4/1/1989	-	3/31/1990	22.9	(2.9)	20.0
4/1/1990	-	3/31/1991	22.9	(2.9)	20.0
4/1/1991	-	3/31/1992	18.8	*	18.8
4/1/1992	-	3/31/1993	18.2	*	18.2
4/1/1993	-	3/31/1994	18.2	*	18.2
4/1/1994	-	3/31/1995	18.2	*	18.2
4/1/1995	-	3/31/1996	18.2	*	18.2
4/1/1996	-	3/31/1997	18.2	*	18.2
4/1/1997	-	3/31/1998	18.2	*	18.2
4/1/1998	-	3/31/1999	18.2	*	18.2
4/1/1999	-	3/31/2000	18.2	*	18.2
4/1/2000	-	3/31/2001	17.9	*	17.9
4/1/2001	-	3/31/2002	16.2	*	16.2
4/1/2002	-	3/31/2003	16.1	*	16.1
4/1/2003	-	3/31/2004	14.4	*	14.4
4/1/2004	-	3/31/2005	14.4	*	14.4
4/1/2005	-	3/31/2006	12.0	*	12.0
4/1/2006	-	3/31/2007	10.8	*	10.8
4/1/2007	-	3/31/2008	10.8	*	10.8
4/1/2008	-	3/31/2009	10.8	*	10.8
4/1/2009	-	3/31/2010	10.8	*	10.8
4/1/2010	-	3/31/2011	10.8	*	10.8
4/1/2011	-	3/31/2012	10.8	*	10.8
4/1/2012	-	3/31/2013	10.8	*	10.8
4/1/2013	-	3/31/2014	10.8	*	10.8
4/1/2014	-	3/31/2015	10.8	*	10.8
4/1/2015	-	3/31/2016	10.8	*	10.8
4/1/2016	-	3/31/2017	10.8	*	10.8
4/1/2017	-	3/31/2018	10.8	*	10.8
4/1/2018	-	3/31/2019	9.2	*	9.2
4/1/2019	-	3/31/2020	8.0	*	8.0
4/1/2020	-	3/31/2021	7.5	*	7.5
4/1/2021	-	3/31/2022	7.5	*	7.5
4/1/2022	-	3/31/2023	2.9	*	2.9

\* Not eligible for STAR COLA increase in 2024.

Note: Plan E members are not eligible for the STAR COLA Program benefits.

### **STAR COLA Program Calculation Illustration**

The illustration below is intended to show an example of how the annual CPI increase impacts the COLA Bank account resulting in the ability to award a STAR COLA.

*Section 1* is the scenario where the CPI change is 4.9% while the Plan D maximum allowable COLA is 2.0%. The COLA award is applied with rounding (to the nearest 0.5%) at 5.0% for the April 1<sup>st</sup> COLA, while the Plan D COLA statutory maximum limits the final COLA amount to 2.0%.

In *Section 2* below, the original CPI is used to determine the amount that is applied to the COLA Bank account. For this example, the COLA Bank receives a 2.9% increase by deducting the maximum 2.0% COLA award from the original CPI of 4.9%.

The COLA Bank account is reviewed and updated in *Section 3*. The beginning balance of the COLA Bank is 23.1% and is first reduced by 3.1% for the 2023 STAR COLA awarded permanently last year. After deducting the annual maximum 2.0% COLA award from the original CPI of 4.9%, the remaining 2.9% amount of the CPI increases the COLA Bank, resulting in a 22.9% COLA Bank balance. When the COLA Bank account exceeds 20%, a STAR COLA award can be considered by the Board of Retirement.

Below in *Section 4* of the illustration, the COLA Bank balance of 22.9% is reviewed and the excess above the 20% balance is determined to be 2.9%. In this example, the 2.9% calculated is the possible STAR COLA award. Once the Board of Retirement approves the STAR COLA award, the COLA Bank account balance is reduced by 2.9% to 20% (if the STAR COLA is awarded on a permanent basis). In future years, any additional amounts added to the Accumulation account which cause it to exceed the 20% level, make this COLA Bank account eligible for another STAR COLA award.

*Section 5* below shows the impact on the COLA Bank balance if the STAR COLA award is granted by the Board of Retirement on an ad-hoc basis. In this example, COLA Bank account will remain at 22.9%. For the next STAR Program year, this COLA Bank account will be eligible for a STAR COLA award and any additional amounts, due to increases in the CPI, will be added to the COLA Bank balance.

**COLA Accumulation (Bank) Account Illustration  
STAR COLA Award Application**

<i>SECTION 1</i>	<b>2022 CPI</b>	<b>2023 COLA Award Rounding</b>	<b>2023 COLA Award Plan Maximum</b>
<b>Plan D</b>	4.9%	5.0%	2.0%
<i>SECTION 2</i>	<b>2022 CPI</b>	<b>2023 COLA Award Plan Maximum</b>	<b>COLA Bank Increase</b>
	4.9%	-2.0%	+2.9%
<i>SECTION 3</i>	<b>COLA Bank Begin Balance</b>	<b>2023 STAR COLA Award (Permanent)</b>	<b>COLA Bank Increase</b>
	23.1%	-3.1%	+2.9%
<i>SECTION 4</i>	<b>COLA Bank Balance</b>	<b>2024 STAR COLA Award (Permanent)</b>	<b>COLA Bank End Balance*</b>
	22.9%	-2.9%	20.0%
<i>SECTION 5</i>	<b>COLA Bank Balance</b>	<b>2024 STAR COLA Award (Ad-Hoc)</b>	<b>COLA Bank End Balance**</b>
	22.9%	0.0%	22.9%

\*This reduction in the COLA Bank balance will occur if the STAR COLA is awarded on a permanent basis.

\*\* No reduction in the COLA Bank balance will occur if the STAR COLA is awarded on an ad-hoc basis.



# **2024 STAR COLA Program**

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**September 6, 2023**

**Board of Retirement Meeting**

# Discussion Topics



## Key Concepts

- **STAR COLA Award Method:**
  - Ad-Hoc
  - Permanent
- **STAR COLA Example**
  - **General Plan D Member Award**
- **STAR Program Funding**
  - History
  - 2024 Funding

### STAR COLA

Retirement Payments

Cost of Living

COLA Accumulation

▶ STAR COLA

The Supplemental Targeted Adjustment for Retirees (STAR) is a cost-of-living adjustment (COLA) program designed to ease the effects of inflation for retirees and eligible survivors whose allowance has lost more than 20 percent of its purchasing power since retirement. The STAR COLA program is available for contributory plan retirees and their beneficiaries only; Plan E retirees are not eligible.



# 01 STAR COLA Method

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Ad-Hoc or Permanent



# STAR COLA Method



Government Code<sup>1</sup> provisions allow the Board of Retirement to award additional benefits to address the inflation experienced by retirees using one of the following approaches:

## Ad-Hoc STAR COLA

- **Temporary benefit for the current calendar year**
- **Not included in the calculation of future statutory April 1<sup>st</sup> COLA awards**
- **COLA Accumulation account balance not reduced, remains at current level and future amounts are added**
- **Subject to Board of Retirement approval each year in future years**
- **Benefits paid from STAR COLA Reserve**

## Permanent STAR COLA

- **Permanent benefit for the calendar year and future years**
- **STAR Benefit increases base allowance and is included in the calculation of future statutory April 1<sup>st</sup> COLA awards**
- **COLA Accumulation account balance is reduced to 20% level**
- **Board of Retirement does not need to approve these benefits in future years**
- **Benefits funded by one-time transfer from STAR Reserve and paid from Employer Reserves**

<sup>1</sup> Per Government Code Sections 31874.3 and 7507.



# 02 STAR COLA Example

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Plan D Member Award

# STAR COLA Example



STEP

1

General Plan D Member  
Retired in March 1990

STEP

2

April 1, 2022 Accumulation Account  
Balance of 23.1%

STEP

3

January 1, 2023 STAR Benefit Adjustment (Permanent)  
Accumulation Balance reduced from 23.1% to 20.0%

# STAR COLA Example



STEP

4

April 1, 2023, Statutory COLA for Plan D Members  
CPI was 4.9% and Statutory COLA was 2.0%

STEP

5

Accumulation Account increased by 2.9%  
Difference between CPI of 4.9% and Statutory COLA of 2.0%

STEP

6

Accumulation Account balance  
 $23.1\% \text{ (APR 2022)} - 3.1\% \text{ (2023 STAR COLA)} + 2.9\% \text{ (April 2023)} = 22.9\%$

# STAR COLA Example



STEP

7

Accumulation Account Balance: 22.9% > 20.0%  
Eligible for STAR COLA benefit in 2024

STEP

8

STAR COLA Award (upon BOR Approval)  
Increase benefit 2.9%, effective January 1, 2024  
Ad-Hoc Award – Paid for 2024 Only, Permanent Award – Paid for Lifetime

STEP

9

Accumulation Account Balance  
Ad-Hoc Award – Remain at 22.9%, Permanent Award – Reduce to 20.0%



# 03 STAR Program Funding

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History and 2024 Funding

# STAR Program Funding



## History

### Excess Earnings

- **1994 County issued Pension Obligation Bonds**
- **LACERA's funded ratio exceeded 100% in subsequent years**
- **1994 Retirement System Funding Policy required the Board of Investments to allocate all excess earnings:**
  - **75% to Employer Reserves (County Contribution Credit Reserve)**
  - **25% to STAR Reserve**

### STAR Reserve

- **Highest balance in 1999 due to excess earnings contributions: \$1.023 billion**
- **STAR benefits paid from STAR COLA Reserve for the 1990-2009 and 2023 Program Years**
- **Current balance as of June 30, 2023: \$611.5 million**

### 2024 STAR COLA Awards

- **Ad-Hoc STAR Program cost: \$0.277 million**
- **Permanent STAR Program cost: \$2.913 million**

# STAR Program Funding



## 2024 Funding

### STAR Reserve

- **STAR COLA Program cost paid from STAR Reserve**
  - Permanent award: amount transferred from STAR Reserve to the Employer Reserves
  - Ad-Hoc award: benefits paid from STAR Reserve
- **STAR Reserve:**
  - Balance not included in Valuation Assets
  - STAR COLA benefits not yet approved are not included in liabilities<sup>1</sup>
- **STAR COLA Award:**
  - Reduces STAR Reserve Balance
  - No change to unfunded liability

<sup>1</sup> The valuation liabilities do not account for STAR COLAs that may be granted in the future. STAR COLA benefits previously approved by the BOR are included in liabilities, offset by STAR Reserve asset transfers.

STAR Reserve Balance (Dollars in Millions)	
2022 Ending Balance	\$ 614.0
2023 STAR Award (Permanent)	(2.5)
2023 Ending Balance	\$ 611.5
2024 STAR Award (Permanent) <sup>2</sup>	\$ 2.913
2024 STAR Award (Ad-hoc) <sup>2</sup>	\$ 0.277

<sup>2</sup> Per Government Code Section 7507, costs must be calculated by an actuary and disclosed to the public prior to a decision to adopt the benefit increase.



# Thank You!



## 2024 STAR COLA

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Questions?

**FOR INFORMATION ONLY**

August 24, 2023

TO: Each Trustee  
Board of Retirement  
Board of Investments

FROM: Ted Granger *TG*  
Interim Chief Financial Officer

FOR: September 6, 2023 Board of Retirement Meeting  
September 13, 2023 Board of Investments Meeting

**SUBJECT : MONTHLY TRUSTEE TRAVEL & EDUCATION REPORT – JULY 2023**

Attached for your review is the Trustee Travel & Education Report. This report includes all events (i.e., attended and canceled) from the beginning of the fiscal year through July 2023.

Trustees attend monthly Board and Committee meetings at LACERA's office which are considered administrative meetings per the Trustee Travel Policy. In order to streamline report volume and information, these regular meetings are excluded from the monthly travel reports but are included in the quarterly travel expenditure reports.

Staff travel and education reports are provided to the Chief Executive Officer monthly and to the Boards quarterly.

**REVIEWED AND APPROVED:**

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Santos H. Kreimann  
Chief Executive Officer

TG/EW/SC/se

**Attachments**

c: L. Lugo  
J. Popowich  
L. Guglielmo  
J. Grabel  
S. Rice  
R. Van Nortrick



**TRUSTEE TRAVEL AND EDUCATION REPORT**  
**FOR FISCAL YEAR 2023 - 2024**  
**JULY 2023**

<b>Attendee</b>	<b>Purpose of Travel - Location</b>	<b>Event Dates</b>	<b>Travel Status</b>
<b>Patrick Jones</b>			
B	- Edu - PPI 2023 Summer Roundtable - San Francisco CA	07/19/2023 - 07/21/2023	Attended
<b>Gina Sanchez</b>			
B	- Edu - PPI 2023 Summer Roundtable - San Francisco CA	07/19/2023 - 07/21/2023	Attended

Category Legend:

A - Pre-Approved/Board Approved

B - Educational Conferences and Administrative Meetings in CA where total cost is no more than \$2,000 per Trustee Travel Policy; Section III.A

C - Second of two conferences and/or meetings counted as one conference per Trustee Education Policy Section IV.C.2 and Trustee Travel Policy Section IV.

V – Virtual Event

X - Canceled events for which expenses have been incurred.

Z - Trip was Canceled - Balance of \$0.00



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**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**

**FOR INFORMATION ONLY**

August 24, 2023

TO: Trustees  
Board of Retirement  
Board of Investments

FROM: Ted Granger   
Interim Chief Financial Officer

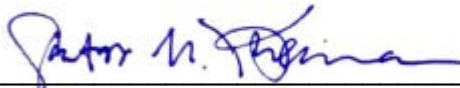
FOR: September 6, 2023 Board of Retirement Meeting  
September 13, 2023 Board of Investments Meeting

SUBJECT: **4TH QUARTER TRUSTEE TRAVEL & EDUCATION EXPENDITURE REPORTS**

Attached for your review:

- (1) Trustee Travel & Education Expenditure Report which includes expenses paid and submitted for reimbursement of events between July 1, 2022 to June 30, 2023 excluding Regular Board and Committee Meetings.
- (2) Regular Board and Committee Meetings Expenditure Report for accumulated lodging and mileage reimbursed for events between July 1, 2022 and June 30, 2023.
- (3) The Trustee Cancellation & Credit Expenditures Report which includes credits and expenses associated with trip cancellations for Fiscal Years 2020-2021, 2021-2022, and 2022-2023.

REVIEWED AND APPROVED:



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Santos H. Kreimann  
Chief Executive Officer

TG/EW/SC/se

**Attachments**

c: L. Lugo  
J. Popowich  
L. Guglielmo  
J. Grabel  
S. Rice  
R. Van Nortrick



**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>Alan Bernstein</b>													
A	1 Edu - CII Fall 2022 Conference - Boston MA - 09/21/2022 - 09/23/2022	Attended	\$4,221.72	\$0.00	\$1,149.39	\$2,697.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$128.00	\$78.00
	2 Edu - NCPERS 2022 Public Safety Conference - Nashville TN - 10/23/2022 - 10/26/2022	Attended	\$4,890.71	\$750.00	\$1,312.34	\$1,515.20	\$0.00	\$0.00	\$0.00	\$180.68	\$0.00	\$236.00	\$63.00
	3 Edu - NCPERS 2023 Annual Conference - New Orleans LA - 05/20/2023 - 05/24/2023	Attended	\$5,023.45	\$1,385.00	\$1,215.84	\$1,862.70	\$0.00	\$15.98	\$0.00	\$0.00	\$0.00	\$136.00	\$71.00
B	- Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022	Attended	\$1,385.41	\$120.00	\$979.04	\$0.00	\$0.00	\$65.63	\$0.00	\$62.74	\$0.00	\$138.00	\$20.00
V	- Edu - NACD: The Theranos Implosion - VIRTUAL - 09/28/2022 - 09/28/2022	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 The Future of the American Board - Virtual CA - 02/08/2023 - 02/08/2023	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 Directorship in a Volatile, Uncertain, Complex, and Ambiguous World - VIRTUAL - 04/05/2023 - 04/05/2023	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 A Perfect Storm for Directors & Officers: More Risk, Less Protection - VIRTUAL - 04/19/2023 - 04/19/2023	Attended	\$30.00	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
X	- Edu - NCPERS 2023 Legislative Conference - Washington, DC MD - 01/22/2023 - 01/24/2023	Canceled	\$686.66	\$686.66	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Totals for Alan Bernstein:</b>			\$16,327.95	\$3,061.66	\$4,656.61	\$6,075.10	\$1,339.55	\$81.61	\$0.00	\$243.42	\$0.00	\$638.00	\$232.00



**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>Elizabeth Ginsberg</b>													
B -	Edu - CALAPRS Advanced Principles of Pension Governance for Trustees - Los Angeles CA - 03/29/2023 - 03/31/2023	Attended	\$3,250.00	\$3,250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Totals for Elizabeth Ginsberg:</b>			\$3,250.00	\$3,250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Vivian Gray</b>													
A	1 Edu - CII Fall 2022 Conference - Boston MA - 09/21/2022 - 09/23/2022	Attended	\$2,986.23	\$0.00	\$1,149.36	\$1,597.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	2 Edu - NCPERS 2023 Annual Conference - New Orleans LA - 05/20/2023 - 05/24/2023	Attended	\$3,726.97	\$900.00	\$1,519.79	\$916.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$258.00	\$25.00
	3 Edu - TLF Annual Convening - Boston MA - 06/12/2023 - 06/14/2023	Attended	\$4,033.49	\$200.00	\$1,476.63	\$2,047.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$146.00	\$20.00
B -	Edu - NCPERS 2022 Public Pension Funding Forum - Los Angeles CA - 08/21/2022 - 08/23/2022	Attended	\$820.00	\$820.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Admin - SACRS Board of Directors Meeting - Los Angeles CA - 08/22/2022 - 08/22/2022	Attended	\$656.08	\$0.00	\$656.08	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Admin - SACRS Program Committee & Board of Directors Meeting - Santa Barbara CA - 09/26/2022 - 09/27/2022	Attended	\$1,410.17	\$179.00	\$1,057.17	\$0.00	\$0.00	\$0.00	\$0.00	\$108.00	\$0.00	\$51.00	\$15.00
	- Admin - SACRS Board of Directors Meeting - San Diego CA - 12/01/2022 - 12/01/2022	Attended	\$931.44	\$0.00	\$629.44	\$0.00	\$0.00	\$154.00	\$0.00	\$0.00	\$0.00	\$138.00	\$10.00
	- Admin - SACRS Board of Directors Meeting - Sacramento CA - 01/09/2023 - 01/10/2023	Attended	\$851.96	\$0.00	\$0.00	\$693.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$64.00	\$10.00
	- Admin - SACRS Program Committee Meeting - Sacramento CA - 03/20/2023 - 03/20/2023	Attended	\$1,256.43	\$0.00	\$462.46	\$605.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$47.00	\$15.00



**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>Vivian Gray</b>													
B -	Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/22/2023 - 03/23/2023	Attended	\$618.91	\$260.00	\$275.17	\$0.00	\$0.00	\$11.14	\$0.00	\$72.60	\$0.00	\$0.00	\$0.00
-	Edu - 2023 Milken Institute Global Conference - Los Angeles CA - 04/30/2023 - 05/03/2023	Attended	\$3,340.74	\$0.00	\$2,405.80	\$0.00	\$0.00	\$9.56	\$0.00	\$638.88	\$0.00	\$240.00	\$25.00
-	Edu - SACRS 2023 Spring Conference - San Diego CA - 05/09/2023 - 05/12/2023	Attended	\$1,575.15	\$150.00	\$1,007.37	\$0.00	\$67.11	\$164.67	\$0.00	\$40.00	\$67.11	\$121.00	\$25.00
-	Admin - SACRS Board of Directors & Program Committee Meeting - Sacramento CA - 06/19/2023 - 06/20/2023	Attended	\$1,251.24	\$0.00	\$406.60	\$666.96	\$27.93	\$0.00	\$0.00	\$0.00	\$27.93	\$31.00	\$5.00
V -	Edu - 50/50 Women on Boards - VIRTUAL - 11/02/2022 - 11/02/2022	Attended	\$51.80	\$51.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
X -	Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022	Canceled	\$135.00	\$135.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - NCPERS 2023 Legislative Conference - Washington, DC MD - 01/22/2023 - 01/24/2023	Canceled	\$216.11	\$0.00	\$216.11	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Totals for Vivian Gray:</b>			\$23,861.72	\$2,695.80	\$11,261.98	\$6,528.68	\$835.37	\$339.37	\$0.00	\$859.48	\$95.04	\$1,096.00	\$150.00





**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>David Green</b>													
A	1 Edu - PPI 2022 Summer Roundtable - Canada, Vancouver - 07/13/2022 - 07/15/2022	Attended	\$3,548.56	\$950.00	\$1,094.09	\$727.21	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$291.00	\$132.00
	2 Edu - NCPERS 2023 Legislative Conference - Washington, DC MD - 01/22/2023 - 01/24/2023	Attended	\$3,236.91	\$515.00	\$695.40	\$1,629.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$184.00	\$15.00
	3 Edu - RFK Compass Winter Investors Conference - Miami FL - 02/26/2023 - 02/28/2023	Attended	\$4,801.35	\$800.00	\$1,399.92	\$2,231.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$128.00	\$15.00
	4 Edu - 2023 Annual AVCA Conference - Cairo, Egypt - 05/01/2023 - 05/05/2023	Attended	\$11,011.23	\$622.48	\$1,348.90	\$8,240.88	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$434.00	\$114.00
B	- Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022	Attended	\$1,218.02	\$120.00	\$979.02	\$0.00	\$0.00	\$57.00	\$0.00	\$0.00	\$0.00	\$52.00	\$10.00
	- Edu - 2023 PPI Winter Roundtable - San Diego CA - 03/01/2023 - 03/03/2023	Attended	\$2,253.21	\$1,200.00	\$808.98	\$0.00	\$0.00	\$174.23	\$0.00	\$70.00	\$0.00	\$0.00	\$0.00
<b>Totals for David Green:</b>			\$26,069.28	\$4,207.48	\$6,326.31	\$12,829.09	\$1,030.17	\$231.23	\$0.00	\$70.00	\$0.00	\$1,089.00	\$286.00
<b>Jason Green</b>													
A	1 Edu - 2023 Wharton Investment Strategies and Portfolio Management - Philadelphia PA - 04/17/2023 - 04/21/2023	Attended	\$15,535.31	\$12,500.00	\$280.00	\$2,267.40	\$0.00	\$0.00	\$0.00	\$111.50	\$0.00	\$128.00	\$15.00
	2 Edu - NCPERS 2023 Annual Conference - New Orleans LA - 05/20/2023 - 05/24/2023	Attended	\$5,764.04	\$1,100.00	\$1,604.92	\$2,760.99	\$0.00	\$52.53	\$0.00	\$0.00	\$0.00	\$156.00	\$15.00
C	- Edu - NCPERS 2023 Legislative Conference - Washington, DC MD - 01/22/2023 - 01/24/2023	Attended	\$5,016.53	\$686.66	\$1,759.69	\$1,948.90	\$48.04	\$52.79	\$0.00	\$94.50	\$48.04	\$132.00	\$20.00
<b>Totals for Jason Green:</b>			\$26,315.88	\$14,286.66	\$3,644.61	\$6,977.29	\$581.96	\$105.32	\$0.00	\$206.00	\$48.04	\$416.00	\$50.00



**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>Patrick Jones</b>													
A	1 Edu - Leading in Artificial Intelligence: Exploring Technology and Policy - Harvard Kennedy School - Cambridge MA - 07/17/2022 - 07/22/2022	Attended	\$10,997.68	\$9,400.00	\$398.42	\$765.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$256.00	\$30.00
	2 Edu - 2022 Infrastructure Investor America Forum - New York NY - 12/06/2022 - 12/07/2022	Attended	\$4,183.20	\$0.00	\$1,026.00	\$3,007.20	\$150.00	\$0.00	\$0.00	\$0.00	\$150.00	\$0.00	\$0.00
	3 Edu - 2023 Infrastructure Investor Global Summit - Berlin Germany - 03/20/2023 - 03/23/2023	Attended	\$19,460.24	\$5,869.08	\$1,211.53	\$11,663.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$255.00	\$115.00
B	- Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022	Attended	\$988.01	\$120.00	\$868.01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Edu - 2023 Pension Bridge ESG Summit - Los Angeles CA - 02/28/2023 - 03/01/2023	Attended	\$190.51	\$190.51	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Edu - 2023 Milken Institute Global Conference - Los Angeles CA - 04/30/2023 - 05/03/2023	Attended	\$1,921.23	\$0.00	\$1,803.39	\$0.00	\$0.00	\$29.61	\$0.00	\$0.00	\$0.00	\$34.00	\$5.00
	- Edu - SACRS 2023 Spring Conference - San Diego CA - 05/09/2023 - 05/12/2023	Attended	\$1,301.98	\$120.00	\$693.15	\$0.00	\$112.71	\$199.12	\$0.00	\$60.00	\$112.71	\$102.00	\$15.00
	- Edu - Catalyst: California's Diverse Investment Manager Forum - San Francisco CA - 06/26/2023 - 06/28/2023	Attended	\$1,545.36	\$199.00	\$1,053.56	\$292.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Totals for Patrick Jones:</b>			\$40,588.21	\$15,898.59	\$7,054.06	\$15,728.70	\$543.42	\$228.73	\$0.00	\$60.00	\$262.71	\$647.00	\$165.00



**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>Onyx Jones</b>													
A	1 Edu - SACRS Public Pension Investment Management Program - San Francisco CA - 07/17/2022 - 07/20/2022	Attended	\$4,556.29	\$2,500.00	\$1,536.96	\$392.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$86.00	\$0.00
	2 Edu - 2022 CALAPRS Principles of Pension Governance for Trustees - Tiburon CA - 08/29/2022 - 09/01/2022	Attended	\$746.36	\$0.00	\$0.00	\$392.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	3 Edu - 2022 SuperReturn Summit Africa - Cape Town, South Africa - 12/05/2022 - 12/07/2022	Attended	\$13,996.79	\$131.63	\$1,367.95	\$12,307.17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$120.00	\$0.00
	4 Edu - 2023 Wharton Investment Strategies and Portfolio Management - Philadelphia PA - 04/17/2023 - 04/21/2023	Attended	\$15,475.94	\$12,500.00	\$99.70	\$1,723.40	\$0.00	\$0.00	\$0.00	\$252.00	\$0.00	\$110.00	\$10.00
B	- Edu - Women in Institutional Investments Network - Los Angeles CA - 10/12/2022 - 10/12/2022	Attended	\$85.00	\$85.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/22/2023 - 03/23/2023	Attended	\$306.53	\$260.00	\$0.00	\$0.00	\$0.00	\$11.53	\$0.00	\$35.00	\$0.00	\$0.00	\$0.00
<b>Totals for Onyx Jones:</b>			\$35,166.91	\$15,476.63	\$3,004.61	\$14,816.49	\$1,244.65	\$11.53	\$0.00	\$287.00	\$0.00	\$316.00	\$10.00
<b>Shawn Kehoe</b>													
B	- Admin/Edu - Board of Retirement Offsite - Pasadena CA - 02/22/2023 - 02/23/2023	Attended	\$83.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$68.00	\$15.00
<b>Totals for Shawn Kehoe:</b>			\$83.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$68.00	\$15.00
<b>Joseph Kelly</b>													
A	1 Edu - PPI Executive Seminar and the Asia Pacific Roundtable - Singapore - 10/16/2022 - 10/21/2022	Attended	\$6,574.63	\$950.00	\$1,921.73	\$3,529.48	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$155.00	\$0.00



**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>Joseph Kelly</b>													
A	2 Edu - CII-NYU Corporate Governance Bootcamp - New York NY - 11/16/2022 - 11/18/2022	Attended	\$7,483.52	\$5,035.00	\$1,443.24	\$565.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$236.00	\$0.00
B	- Edu - 2022 Pension Bridge Alternatives - Los Angeles CA - 11/30/2022 - 12/01/2022	Attended	\$190.51	\$190.51	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Admin/Edu - Board of Retirement Offsite - Pasadena CA - 02/22/2023 - 02/23/2023	Attended	\$15.98	\$0.00	\$0.00	\$0.00	\$0.00	\$15.98	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
V	- Edu - NACD Conflict, Climate, Cyber: What's Next? - VIRTUAL - 08/23/2022 - 08/23/2022	Attended	\$140.00	\$140.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Edu - NACD Risk Mitigation Through Board Quality and Compliance Committees: Lessons from Theranos - VIRTUAL - 09/28/2022 - 09/28/2022	Attended	\$30.00	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Edu - Institute of Internal Auditors 2022 Cybersecurity Virtual Conference - VIRTUAL - 10/27/2022 - 10/27/2022	Attended	\$539.00	\$539.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Edu - NACD Wake Up! Are You Prepared for Post-Pandemic Industry Disruption? - VIRTUAL - 01/25/2023 - 01/25/2023	Attended	\$30.00	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Totals for Joseph Kelly:</b>			\$15,003.64	\$6,914.51	\$3,364.97	\$4,094.68	\$222.50	\$15.98	\$0.00	\$0.00	\$0.00	\$391.00	\$0.00
<b>Keith Knox</b>													
B	- Edu - 2023 Milken Institute Global Conference - Los Angeles CA - 04/30/2023 - 05/03/2023	Attended	\$1,860.37	\$0.00	\$1,803.39	\$0.00	\$56.98	\$0.00	\$0.00	\$0.00	\$56.98	\$0.00	\$0.00
<b>Totals for Keith Knox:</b>			\$1,860.37	\$0.00	\$1,803.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$56.98	\$0.00	\$0.00



**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>William Pryor</b>													
A	1 Edu - NCPERS 2022 Public Safety Conference - Nashville TN - 10/23/2022 - 10/26/2022	Attended	\$1,189.96	\$0.00	\$0.00	\$1,189.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	- Edu - NCPERS 2022 Public Pension Funding Forum - Los Angeles CA - 08/21/2022 - 08/23/2022	Attended	\$288.84	\$0.00	\$288.84	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Totals for William Pryor:</b>			\$1,478.80	\$0.00	\$288.84	\$1,189.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Les Robbins</b>													
B	- Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022	Attended	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Totals for Les Robbins:</b>			\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>David Ryu</b>													
A	1 Edu - 2023 Wharton Investment Strategies and Portfolio Management - Philadelphia PA - 04/17/2023 - 04/21/2023	Attended	\$13,746.22	\$12,500.00	\$0.00	\$869.70	\$0.00	\$18.47	\$0.00	\$0.00	\$0.00	\$186.00	\$30.00
	2 Edu - 2023 SuperReturn International - Berlin, Germany - 06/05/2023 - 06/09/2023	Attended	\$3,859.07	\$148.12	\$2,804.59	\$0.00	\$0.00	\$35.76	\$0.00	\$0.00	\$0.00	\$584.00	\$168.00
B	- Admin - LACERA Orientation Meeting - Pasadena CA - 02/16/2023 - 02/16/2023	Attended	\$25.02	\$0.00	\$0.00	\$0.00	\$0.00	\$25.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Admin - LACERA Orientation Meeting - Pasadena CA - 02/24/2023 - 02/24/2023	Attended	\$25.02	\$0.00	\$0.00	\$0.00	\$0.00	\$25.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Edu - 2023 PPI Winter Roundtable - San Diego CA - 03/01/2023 - 03/03/2023	Attended	\$2,344.35	\$1,200.00	\$724.49	\$0.00	\$0.00	\$158.51	\$0.00	\$135.00	\$0.00	\$88.00	\$15.00



**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>David Ryu</b>													
B -	Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/22/2023 - 03/23/2023	Attended	\$78.93	\$50.00	\$0.00	\$0.00	\$0.00	\$3.93	\$0.00	\$25.00	\$0.00	\$0.00	\$0.00
-	Edu - 2023 AIF West Coast Investors' Forum - Los Angeles CA - 04/26/2023 - 04/27/2023	Attended	\$90.00	\$90.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - 2023 Milken Institute Global Conference - Los Angeles CA - 04/30/2023 - 05/03/2023	Attended	\$214.36	\$0.00	\$0.00	\$0.00	\$0.00	\$62.36	\$0.00	\$32.00	\$0.00	\$105.00	\$15.00
<b>Totals for David Ryu:</b>			\$20,382.97	\$13,988.12	\$3,529.08	\$869.70	\$284.00	\$329.07	\$0.00	\$192.00	\$0.00	\$963.00	\$228.00
<b>Gina Sanchez</b>													
A	1 Edu - PPI Executive Seminar and the Asia Pacific Roundtable - Singapore - 10/16/2022 - 10/21/2022	Attended	\$18,075.99	\$950.00	\$1,641.82	\$15,232.17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$174.00	\$78.00
	2 Edu - CII 2023 Spring Conference - Washington, DC MD - 03/06/2023 - 03/08/2023	Attended	\$3,329.18	\$0.00	\$1,364.53	\$1,475.20	\$0.00	\$11.14	\$0.00	\$0.00	\$0.00	\$148.00	\$15.00
	3 Edu - Montreal Alternative Investment Forum - Montreal, Canada - 06/21/2023 - 06/21/2023	Attended	\$3,199.13	\$0.00	\$0.00	\$2,880.21	\$0.00	\$9.76	\$0.00	\$0.00	\$0.00	\$186.00	\$69.00
B -	Edu - NCPERS 2022 Public Pension Funding Forum - Los Angeles CA - 08/21/2022 - 08/23/2022	Attended	\$820.00	\$820.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - 2022 Fall Editorial Advisory Board Meeting – Institutional Real Estate Americas - Pasadena CA - 09/06/2022 - 09/08/2022	Attended	\$350.00	\$350.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>Gina Sanchez</b>													
B	- Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022	Attended	\$165.38	\$120.00	\$0.00	\$0.00	\$0.00	\$45.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - 2022 Toigo Foundation Gala - Los Angeles CA - 11/17/2022 - 11/17/2022	Attended	\$150.00	\$150.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
-	Edu - 2023 PPI Winter Roundtable - San Diego CA - 03/01/2023 - 03/03/2023	Attended	\$1,926.22	\$1,200.00	\$516.16	\$0.00	\$0.00	\$165.06	\$0.00	\$45.00	\$0.00	\$0.00	\$0.00
-	Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/22/2023 - 03/23/2023	Attended	\$320.00	\$175.00	\$0.00	\$0.00	\$85.00	\$0.00	\$0.00	\$60.00	\$85.00	\$0.00	\$0.00
-	Edu - The 8th Annual ALTSLA - Los Angeles CA - 03/27/2023 - 03/29/2023	Attended	\$469.20	\$412.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$57.20	\$0.00	\$0.00	\$0.00
-	Edu - 2023 AIF West Coast Investors' Forum - Los Angeles CA - 04/26/2023 - 04/27/2023	Attended	\$253.00	\$235.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$18.00	\$0.00	\$0.00	\$0.00
-	Edu - 2023 Milken Institute Global Conference - Los Angeles CA - 04/30/2023 - 05/03/2023	Attended	\$277.48	\$0.00	\$0.00	\$0.00	\$0.00	\$10.74	\$0.00	\$128.00	\$0.00	\$0.00	\$0.00
-	Edu - SACRS 2023 Spring Conference - San Diego CA - 05/09/2023 - 05/12/2023	Attended	\$567.05	\$120.00	\$244.89	\$0.00	\$0.00	\$178.16	\$0.00	\$24.00	\$0.00	\$0.00	\$0.00
-	Edu - 10th Annual Hispanic Heritage Foundation Investors Forum - San Francisco CA - 05/11/2023 - 05/12/2023	Attended	\$888.03	\$250.00	\$261.93	\$272.80	\$0.00	\$0.00	\$0.00	\$30.40	\$0.00	\$54.00	\$5.00
-	Edu - California LP Summit - Santa Barbara CA - 06/15/2023 - 06/15/2023	Attended	\$210.93	\$0.00	\$0.00	\$0.00	\$0.00	\$134.93	\$0.00	\$20.00	\$0.00	\$51.00	\$5.00
V	- Edu - NACD Summit 2022 - VIRTUAL - 10/08/2022 - 10/11/2022	Attended	\$2,555.00	\$2,555.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Totals for Gina Sanchez:</b>			<b>\$33,556.59</b>	<b>\$7,337.00</b>	<b>\$4,029.33</b>	<b>\$19,860.38</b>	<b>\$383.37</b>	<b>\$565.91</b>	<b>\$0.00</b>	<b>\$510.60</b>	<b>\$85.00</b>	<b>\$613.00</b>	<b>\$172.00</b>



**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>Herman Santos</b>													
A	1 Edu - PPI 2022 Summer Roundtable - Canada, Vancouver - 07/13/2022 - 07/15/2022	Attended	\$3,333.80	\$950.00	\$1,053.99	\$393.35	\$0.00	\$120.88	\$0.00	\$107.93	\$0.00	\$440.00	\$175.25
	2 Edu - CII Fall 2022 Conference - Boston MA - 09/21/2022 - 09/23/2022	Attended	\$4,199.76	\$0.00	\$1,614.03	\$2,026.80	\$0.00	\$121.13	\$0.00	\$114.25	\$0.00	\$238.00	\$25.00
	3 Edu - 2022 AAAIM Elevate National Conference - New York NY - 09/28/2022 - 09/30/2022	Attended	\$3,429.25	\$500.00	\$2,278.62	\$0.00	\$0.00	\$0.00	\$0.00	\$114.25	\$0.00	\$350.00	\$25.00
	4 Edu - RFK Compass Winter Investors Conference - Miami FL - 02/26/2023 - 02/28/2023	Attended	\$5,386.04	\$800.00	\$2,115.84	\$1,993.20	\$0.00	\$64.98	\$0.00	\$94.50	\$0.00	\$128.00	\$50.00
	5 Edu - 2023 Infrastructure Investor Global Summit - Berlin Germany - 03/20/2023 - 03/23/2023	Attended	\$12,574.41	\$5,869.08	\$1,812.91	\$4,014.08	\$0.00	\$127.46	\$0.00	\$88.08	\$0.00	\$253.00	\$197.54
	6 Edu - VC Latam Summit 2023 by ColCapital - Miami FL - 04/18/2023 - 04/20/2023	Attended	\$6,152.42	\$722.25	\$2,493.52	\$2,031.80	\$0.00	\$118.69	\$0.00	\$83.72	\$0.00	\$320.00	\$25.00
B	- Edu - 2022 Toigo Foundation Gala - Los Angeles CA - 11/17/2022 - 11/17/2022	Attended	\$150.00	\$150.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Admin/Edu - Board of Retirement Offsite - Pasadena CA - 02/22/2023 - 02/23/2023	Attended	\$103.86	\$0.00	\$0.00	\$0.00	\$0.00	\$103.86	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	- Edu - 2023 Milken Institute Global Conference - Los Angeles CA - 04/30/2023 - 05/03/2023	Attended	\$3,030.94	\$0.00	\$2,294.04	\$0.00	\$0.00	\$126.68	\$0.00	\$319.44	\$0.00	\$206.00	\$0.00
	- Edu - SACRS 2023 Spring Conference - San Diego CA - 05/09/2023 - 05/12/2023	Attended	\$985.86	\$120.00	\$835.86	\$0.00	\$0.00	\$0.00	\$0.00	\$30.00	\$0.00	\$0.00	\$0.00





**4TH QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.	
<b>Herman Santos</b>														
C -	Edu - NCPERS 2023 Legislative Conference - Washington, DC MD - 01/22/2023 - 01/24/2023	Attended	\$3,832.64	\$686.68	\$1,096.54	\$1,326.20	\$48.04	\$58.56	\$0.00	\$113.40	\$48.04	\$280.00	\$25.00	
X -	Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022	Canceled	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
<b>Totals for Herman Santos:</b>			\$43,298.98	\$9,918.01	\$15,595.35	\$11,785.43	\$1,306.55	\$842.24	\$0.00	\$1,065.57	\$48.04	\$2,215.00	\$522.79	
<b>Cnt: 33</b>			<b>Grand Totals:</b>	\$287,364.30	\$97,154.46	\$64,559.14	\$100,755.50	\$7,771.54	\$2,750.99	\$0.00	\$3,494.07	\$595.81	\$8,452.00	\$1,830.79

Category Legend:

- A - Pre-Approved/Board Approved
- B - Educational Conferences and Administrative Meetings in CA where total cost is no more than \$3,000 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



**4TH QUARTER TRUSTEE**  
**REGULAR BOARD AND COMMITTEE MEETINGS**  
**EXPENDITURE REPORT FOR FISCAL YEAR 2023**  
**FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>Alan Bernstein</b>													
	FYTD Lodging/Mileage (M):				\$0.00			\$125.76					
<b>Vivian Gray</b>													
	FYTD Lodging/Mileage (M):				\$0.00			\$105.84					
<b>David Green</b>													
	FYTD Lodging/Mileage (M):				\$0.00			\$92.35					
<b>Onyx Jones</b>													
	FYTD Lodging/Mileage (M):				\$0.00			\$278.03					
<b>Patrick Jones</b>													
	FYTD Lodging/Mileage (M):				\$0.00			\$337.47					
<b>Shawn Kehoe</b>													
	FYTD Lodging/Mileage (M):				\$673.90			\$0.00					
<b>Joseph Kelly</b>													
	FYTD Lodging/Mileage (M):				\$0.00			\$64.20					
<b>Les Robbins</b>													
	FYTD Lodging/Mileage (M):				\$0.00			\$142.27					
<b>David Ryu</b>													
	FYTD Lodging/Mileage (M):				\$0.00			\$75.06					



**4TH QUARTER TRUSTEE**  
**REGULAR BOARD AND COMMITTEE MEETINGS**  
**EXPENDITURE REPORT FOR FISCAL YEAR 2023**  
**FOR EVENTS DURING JULY 2022 - JUNE 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
<b>Gina Sanchez</b>													
	FYTD Lodging/Mileage (M):				\$0.00			\$192.57					
<b>Herman Santos</b>													
	FYTD Lodging/Mileage (M):				\$1,432.89			\$1,233.52					
<b>Total of FYTD Lodging/Mileage</b>					\$2,106.79			\$2,647.07					

Category Legend:

M - Regular Board and Committee Meetings

**TRUSTEE CANCELLATION AND CREDIT EXPENDITURES  
REPORT FOR FISCAL YEAR 2021  
FOR TRAVEL DURING JULY 2020 - JUNE 2021**

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Registration (Reg.)	Lodging	Airfare	Other Misc. Travel Exp.	Chair Pardon	Reg. Credit	Reg. Credit Expiration Date	Airfare Credit	Airfare Credit Expiration Date	Refund Pending
<b>Alan Bernstein</b>												
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
<b>Attendee Totals:</b>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
<b>Vivian Gray</b>												
Edu - CII & NYU Corporate Governance Bootcamp - VIRTUAL -9/23/2020 - 9/25/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
<b>Attendee Totals:</b>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
<b>Shawn Kehoe</b>												
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
<b>Attendee Totals:</b>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
<b>Les Robbins</b>												
Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled	X	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00	12/31/2023	\$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
<b>Attendee Totals:</b>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00		\$0.00		\$0.00
<b>Grand Totals:</b>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00		\$0.00		\$0.00

Category Legend:

X - Canceled events for which expenses have been incurred.  
Z - Trip was Canceled - Balance of \$0.00



**TRUSTEE CANCELLATION AND CREDIT EXPENDITURES REPORT  
FOR FISCAL YEAR 2022  
FOR EVENTS DURING JULY 2021 - JUNE 2022**

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Registration (Reg.)	Lodging	Airfare	Other Misc. Travel Exp.	Chair Pardon	Reg. Credit	Reg. Credit Expiration Date	Airfare Credit	Airfare Credit Expiration Date	Refund Pending
<b>Alan Bernstein</b>												
Edu - SuperReturn International Berlin - Berlin, Germany - 11/09/2021 - 11/12/2021 - Canceled	X	\$375.02	\$375.02	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00		\$0.00
<b>Attendee Totals:</b>		\$375.02	\$375.02	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
<b>David Green</b>												
Edu - 2021 CII Fall Conference - Chicago IL - 09/22/2021 - 09/24/2021 - Host Canceled	X	\$387.13	\$0.00	\$0.00	\$387.13	\$0.00	Yes	\$0.00		\$0.00		\$0.00
<b>Attendee Totals:</b>		\$387.13	\$0.00	\$0.00	\$387.13	\$0.00		\$0.00		\$0.00		\$0.00
<b>Patrick Jones</b>												
Edu - Duke University Executive Education Program - Corporate Social Responsibility - Durham NC - 09/23/2021 - 09/25/2021 - Host Canceled	X	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$616.80	12/31/2023	\$0.00
<b>Attendee Totals:</b>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$616.80		\$0.00
<b>Shawn Kehoe</b>												
Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021 - Canceled	X	\$23.96	\$0.00	\$23.96	\$0.00	\$0.00	Yes	\$0.00		\$0.00		\$0.00
Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021 - Canceled	X	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00		\$0.00
<b>Attendee Totals:</b>		\$143.96	\$120.00	\$23.96	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
<b>Joseph Kelly</b>												
Edu - Global Investors Annual Meeting - New York NY - 12/13/2021 - 12/14/2021 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
<b>Attendee Totals:</b>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
<b>Keith Knox</b>												
Edu - 2022 Milken Institute Global Conference - Los Angeles CA - 05/01/2022 - 05/04/2022 - Canceled	X	\$1,646.94	\$0.00	\$1,646.94	\$0.00	\$0.00	Yes	\$0.00		\$0.00		\$0.00
<b>Attendee Totals:</b>		\$1,646.94	\$0.00	\$1,646.94	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
<b>Les Robbins</b>												
Edu - AHIP Health Conference - Las Vegas NV - 06/21/2022 - 06/23/2022 - Canceled	X	\$519.28	\$0.00	\$519.28	\$0.00	\$0.00		\$400.00	6/30/2023	\$97.96	12/31/2040	\$0.00
<b>Attendee Totals:</b>		\$519.28	\$0.00	\$519.28	\$0.00	\$0.00		\$400.00		\$97.96		\$0.00

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
<b>Gina Sanchez</b>												
Edu - 2021 CII Fall Conference - Chicago IL - 09/22/2021 - 09/24/2021 - Host Canceled	X	\$282.80	\$0.00	\$0.00	\$282.80	\$0.00		\$0.00		\$0.00		\$0.00
<b>Attendee Totals:</b>		\$282.80	\$0.00	\$0.00	\$282.80	\$0.00		\$0.00		\$0.00		\$0.00
<b>Herman Santos</b>												
Edu - Global Investors Annual Meeting - New York NY - 12/13/2021 - 12/14/2021 - Canceled	X	\$4.99	\$4.99	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/23/2022 - 03/24/2022 - Cancelled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
<b>Attendee Totals:</b>		\$4.99	\$4.99	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
<b>Grand Totals:</b>		\$3,360.12	\$500.01	\$2,190.18	\$669.93	\$0.00		\$400.00		\$714.76		\$0.00

Category Legend:

X - Canceled events for which expenses have been incurred.  
Z - Trip was Canceled - Balance of \$0.00

**TRUSTEE CANCELLATION AND CREDIT EXPENDITURES REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - JUNE 2023**

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
<b>Alan Bernstein</b>												
Edu - NCPERS 2023 Legislative Conference - Washington, DC MD - 01/22/2023 - 01/24/2023 - Canceled	X	\$686.66	\$686.66	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00		
<b>Attendee Totals:</b>		\$686.66	\$686.66	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		
<b>Vivian Gray</b>												
Edu - TLF Annual Convening 2022 - Cambridge MA - 07/18/2022 - 07/20/2022 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		
Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022 - Canceled	X	\$135.00	\$135.00	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00		
Edu - NCPERS 2023 Legislative Conference - Washington, DC MD - 01/22/2023 - 01/24/2023 - Canceled	X	\$216.11	\$0.00	\$216.11	\$0.00	\$0.00	Yes	\$0.00		\$0.00		
<b>Attendee Totals:</b>		\$351.11	\$135.00	\$216.11	\$0.00	\$0.00		\$0.00		\$0.00		
<b>Patrick Jones</b>												
Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/22/2023 - 03/23/2023 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		
<b>Attendee Totals:</b>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		
<b>Herman Santos</b>												
Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022 - Canceled	X	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00		
<b>Attendee Totals:</b>		\$120.00	\$120.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		
<b>Grand Totals:</b>		\$1,157.77	\$941.66	\$216.11	\$0.00	\$0.00		\$0.00		\$0.00		

Category Legend:

X - Canceled events for which expenses have been incurred.

Z - Trip was Canceled - Balance of \$0.00

**FOR INFORMATION ONLY**

August 24, 2023

TO: Trustees  
Board of Retirement  
Board of Investments

FROM: Ted Granger *TG*  
Interim Chief Financial Officer

FOR: September 6, 2023 Board of Retirement Meeting  
September 13, 2023 Board of Investments Meeting

SUBJECT: **4TH QUARTER STAFF TRAVEL REPORT**

Attached for your information for trips between July 1, 2022 to June 30, 2023 (1) Staff Travel Report and (2) Q2 (Calendar Year) FPPC Form 801 Travel and Other Payments Paid by Third Parties.

REVIEWED AND APPROVED:

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Santos H. Kreimann  
Chief Executive Officer

TG/EW/SC/se

Attachments

c: L. Lugo  
J. Popowich  
L. Guglielmo  
J. Gabel  
S. Rice  
R. Van Nortrick



**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

<b>Attendee</b>		<b>Purpose of Travel - Location</b>	<b>Event Dates</b>	<b>Travel Status</b>
<b>Administrative Services</b>				
Debra Gonzalez	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Martin Sandoval	1	Edu - CALAPRS 2022 Management/Leadership Academy Session #3 - Pasadena CA	07/25/2022 - 07/27/2022	Attended
	2	Edu - Institute for Supply Management ISM - Grapevine TX	05/07/2023 - 05/10/2023	Attended
Elizabeth Smith	1	Edu - CALAPRS 2022 Management/Leadership Academy Session #3 - Pasadena CA	07/25/2022 - 07/27/2022	Attended
<b>Benefits</b>				
Sylvia Botros	1	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
Angel Calvo	1	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
Alisa Gavaller	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Louis Gittens	1	Edu - Los Angeles Digital Government Summit 2022 - Los Angeles CA	10/24/2022 - 10/24/2022	Attended
	2	Admin - CEM 2022 Conference - Phoenix AZ	11/07/2022 - 11/10/2022	Attended
Dmitriy Khaytovich	1	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
Theodore King	1	Edu - SACRS 2023 Spring Conference - San Diego CA	05/09/2023 - 05/12/2023	Attended
Alejandro Ochoa	1	Edu - 2022 CALAPRS Intermediate Course in Retirement Plan Administration - Oakland CA	11/02/2022 - 11/04/2022	Attended
	2	Edu - 2022 CALAPRS Advanced Course in Retirement Plan Administration - Oakland CA	12/07/2022 - 12/09/2022	Attended
Shonita Peterson	1	Edu - SACRS 2023 Spring Conference - San Diego CA	05/09/2023 - 05/12/2023	Attended
Latonya Robinson	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
<b>Communications</b>				
Cynthia Martinez	1	Edu - California Association of Public Information Officials CAPOI - Monterey CA	05/01/2023 - 05/04/2023	Attended
	2	Admin - SACRS Annual Spring Conference 2023 - San Diego CA	05/10/2023 - 05/11/2023	Attended
Sarah Scott	1	Edu - California Association of Public Information Officials CAPOI - Monterey CA	05/01/2023 - 05/04/2023	Attended
Veronica Yi Martinez	1	Admin - SACRS Annual Spring Conference 2023 - San Diego CA	05/10/2023 - 05/11/2023	Attended
<b>Disability Litigation Services</b>				
Jason Waller	1	Edu - NAPPA Summer Conference 2023 - San Antonio TX	06/27/2023 - 06/30/2023	Attended

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

<b>Attendee</b>		<b>Purpose of Travel - Location</b>	<b>Event Dates</b>	<b>Travel Status</b>
<b>Disability Retirement Services</b>				
Tamara Caldwell	1	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
	2	Edu - SACRS 2023 Spring Conference - San Diego CA	05/09/2023 - 05/12/2023	Attended
	3	Edu - NCPERS 2023 Annual Conference - New Orleans LA	05/20/2023 - 05/24/2023	Attended
Ruby Minjares	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Sarah Robles	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Ricardo Salinas	1	Edu - CALAPRS 2022 Management/Leadership Academy Session #3 - Pasadena CA	07/25/2022 - 07/27/2022	Attended
Sandra Sanchez	1	Edu - SACRS 2023 Spring Conference - San Diego CA	05/09/2023 - 05/12/2023	Attended
Melena Sarkisian	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Maria Silva	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
<b>Executive Offices</b>				
Linda Ghazarian	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
Santos Kreimann	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
	2	Edu - CALAPRS Administrators' Institute 2022 - Long Beach CA	09/28/2022 - 09/30/2022	Attended
	3	Admin - CVS Due Diligence Site Visit - Chicago IL	09/28/2022 - 09/30/2022	Attended
	4	Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV	10/23/2022 - 10/26/2022	Attended
	5	Edu - NCPERS 2023 Legislative Conference - Washington, DC MD	01/22/2023 - 01/24/2023	Canceled
	6	Admin - Federal Engagement Visit with Congress - Washington, DC MD	01/24/2023 - 01/25/2023	Canceled
	7	Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
	8	Admin - CVS Health Forum - Aurora CO	03/29/2023 - 03/31/2023	Canceled
	9	Edu - 2023 Wharton Investment Strategies and Portfolio Management - Philadelphia PA	04/17/2023 - 04/21/2023	Attended
	10	Admin - LACMC Special Event - La Canada CA	05/17/2023 - 05/17/2023	Attended
	11	Edu - 2023 Chief Officers Summit - Denver CO	06/19/2023 - 06/21/2023	Attended
Luis Lugo	1	Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV	10/23/2022 - 10/26/2022	Canceled
	2	Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
	3	Edu - SACRS 2023 Spring Conference - San Diego CA	05/09/2023 - 05/12/2023	Attended
Bonnie Nolley	1	Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
John Popowich	1	Edu - Los Angeles Digital Government Summit 2022 - Los Angeles CA	10/24/2022 - 10/24/2022	Attended

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

<b>Attendee</b>		<b>Purpose of Travel - Location</b>	<b>Event Dates</b>	<b>Travel Status</b>
<b>Executive Offices</b>				
John Popowich	2	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
	3	Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
	4	Edu - SACRS 2023 Spring Conference - San Diego CA	05/09/2023 - 05/12/2023	Attended
<b>Financial &amp; Accounting Services</b>				
Ana Chang	1	Edu - 2022 P2F2 Conference - Philadelphia PA	10/23/2022 - 10/26/2022	Attended
Margaret Chwa	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
	2	Edu - 2022 P2F2 Conference - Philadelphia PA	10/23/2022 - 10/26/2022	Attended
Weiyi Guan	1	Edu - 2022 P2F2 Conference - Philadelphia PA	10/23/2022 - 10/26/2022	Canceled
Giselle Jaimes	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Ervin Wu	1	Edu - 2022 P2F2 Conference - Philadelphia PA	10/23/2022 - 10/26/2022	Attended
<b>Human Resources</b>				
Connie Chan	1	Edu - World at Work Conference - San Diego CA	06/11/2023 - 06/14/2023	Attended
Michael Cordial	1	Edu - CALPELRA's 47th Annual Training Conference - Monterey CA	11/15/2022 - 11/18/2022	Attended
Julia Ray	1	Edu - Disability Management Compliance Framework Certification Training at LA County Pubic Works - Alhambra CA	08/09/2022 - 08/10/2022	Canceled
	2	Edu - Disability Management Compliance Framework Certification Training at LA County Pubic Works - Alhambra CA	10/11/2022 - 10/12/2022	Attended
Ana Ronquillo	1	Edu - Association of Talent Development Conference - San Diego CA	05/21/2023 - 05/24/2023	Attended
Melissa Slaton	1	Edu - Disability Management Compliance Framework Certification Training at LA County Pubic Works - Alhambra CA	08/09/2022 - 08/10/2022	Canceled
	2	Edu - Disability Management Compliance Framework Certification Training at LA County Pubic Works - Alhambra CA	10/11/2022 - 10/12/2022	Attended
Roberta Van Nortrick	1	Edu - Association of Talent Development Conference - San Diego CA	05/21/2023 - 05/24/2023	Attended

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
<b>Internal Audit</b>				
Nathan Amick	1	Edu - APPFA 2023 Conference - Madison WI	06/05/2023 - 06/09/2023	Attended
Richard Bendall	1	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
	2	Edu - APPFA 2023 Conference - Madison WI	06/05/2023 - 06/09/2023	Attended
Leisha Collins	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
	2	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
Perla Gonzalez	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Christina Logan	1	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
Kristina Sun	1	Edu - APPFA 2023 Conference - Madison WI	06/05/2023 - 06/09/2023	Attended
Gabriel Tafoya	1	Edu - APPFA 2023 Conference - Madison WI	06/05/2023 - 06/09/2023	Attended
<b>Investments</b>				
Didier Acevedo	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin - Innovation Endeavors Portfolio Company Visit (Machina Labs) - Chatsworth CA	09/21/2022 - 09/21/2022	Attended
	3	Admin - Great Hill Partners AGM and LPAC + Summit Partners and OpenView visits - Boston MA	09/28/2022 - 09/29/2022	Attended
	4	Admin - Center bridge LPAC meeting; meeting with Long Ridge Capital - New York City NY	11/02/2022 - 11/03/2022	Attended
	5	Admin - Primary Ventures LPAC and AGM and BDCM LPAC and AGM - New York City NY	11/09/2022 - 11/10/2022	Attended
	6	Edu - 2022 Toigo Foundation Gala - Los Angeles CA	11/17/2022 - 11/17/2022	Attended
	7	Admin - Conduct onsite due diligence on TA Fund XV - Menlo Park CA	02/09/2023 - 02/09/2023	Attended
	8	Edu - 3rd Annual Private Markets Secondaries Meeting - Santa Monica CA	02/28/2023 - 02/28/2023	Attended
	9	Edu - Annual Upfront Summit and Network with LPs and GPs - Los Angeles CA	03/01/2023 - 03/02/2023	Attended
	10	Admin - 2023 AIF West Coast Investors' Forum - Santa Monica CA	04/26/2023 - 04/27/2023	Attended
	11	Edu - 2023 Milken Institute Global Conference - Los Angeles CA	04/30/2023 - 05/03/2023	Attended
	12	Admin - SACRS Annual Spring Conference 2023 - San Diego CA	05/10/2023 - 05/11/2023	Attended
	13	Admin - Clearlake's 2023 Limited Partners Annual Meeting - Beverly Hills CA	05/16/2023 - 05/17/2023	Attended
	14	Admin - Attend TA Associates and Summit Partners Annual Meeting - Boston MA	05/22/2023 - 05/24/2023	Attended
	15	Admin - CFALA / LACERA June 2023 DEI Roundtable - Los Angeles CA	06/29/2023 - 06/29/2023	Attended
Amit Aggarwal	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
<b>Investments</b>				
Amit Aggarwal	2	Admin - Meet with Blackstone and Brookfield real estate team, conduct site inspections of Milford Hotel and Knickerboker Retail in New York. Attend Pension Real Estate Association (PREA) investor conference in Washington, DC - New York and Washington, DC NY	10/17/2022 - 10/21/2022	Attended
	3	Admin - Attend Aermont Capital Real Estate Fund IV, LPAC and meet with Blackstone Real Estate Partners X, Brookfield Strategic Real Estate Partners IV, CapMan Nordic Fund II, CapMan Nordic Fund III, Angelo Gordon Europe Fund II, Prologis European Logistics Fund, NREP (potential manager) and Harrison Street (potential manager) - London, UK	11/12/2022 - 11/18/2022	Attended
	4	Admin - Due diligence meetings with CBRE US Core Partners - New York NY	12/15/2022 - 12/16/2022	Attended
	5	Admin - Stockbridge Smart Markets Fund - Atlanta GA	02/02/2023 - 02/03/2023	Attended
	6	Admin - Attend Longpoint Realty Partners Annual General Meeting and conduct property tours - Malibu CA	02/09/2023 - 02/10/2023	Attended
	7	Admin - Guest Speaker REEC Conference-Meet the Capital Providers - Los Angeles CA	04/20/2023 - 04/20/2023	Attended
	8	Admin - Attend Blackstone RE Advisory Board Mtg & Client Conference - Fort Lauderdale FL	05/22/2023 - 05/24/2023	Attended
	9	Admin - Attend CapMan Nordic Real Estate Fund II and CapMan Nordic Real Estate Fund III LPAC meetings and site tours of properties in both funds - Stockholm, Sweden and Copenhagen Denmark	06/11/2023 - 06/15/2023	Attended
Magdalia Armstrong	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin - BlackRock's Women's Investment Series Luncheon - Santa Monica CA	10/24/2022 - 10/24/2022	Attended
	3	Admin - Manager due diligence meeting with Capital Group - Los Angeles CA	03/10/2023 - 03/10/2023	Attended
	4	Edu - Private Markets Training at Hamilton Lane - Conshohocken PA	05/14/2023 - 05/18/2023	Attended
	5	Admin - Manager due diligence meetings with Acadian and Frontier - Boston MA	05/18/2023 - 05/19/2023	Attended
Calvin Chang	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin - Veritas Annual General Meeting and LPAC - New York City NY	10/18/2022 - 10/20/2022	Attended
	3	Admin - Conduct onsite due diligence on Alpine Investors - San Francisco CA	02/23/2023 - 02/23/2023	Attended
Noah Damsky	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin - Attend CIF III LPAC, DIF CEO Summit, London (Brookfield, Stable, Q-energy, Infrared, ICG, AMG, Ancala, Arcus, Santander) - London, UK	09/17/2022 - 09/24/2022	Attended
	3	Admin - Attend Real Assets ILPA training, meet with GPs (DigitalBridge, Macquarie, GIP, Ridgewood) - New York City NY	10/02/2022 - 10/05/2022	Attended

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

<b>Attendee</b>		<b>Purpose of Travel - Location</b>	<b>Event Dates</b>	<b>Travel Status</b>
<b>Investments</b>				
Noah Damsky	4	Admin - Markets Group 2nd Annual Southern California Institutional Forum - Los Angeles CA	06/07/2023 - 06/07/2023	Attended
	5	Admin - Attend KKR's AGM and LPAC - Rancho Palos Verdes CA	06/26/2023 - 06/27/2023	Attended
Esmeralda Del Bosque	1	Admin - First Energy deposition preparation sessions with Robbins Geller Rudman & Dowd LLP - Pasadena CA	07/14/2022 - 07/15/2022	Attended
	2	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	3	Edu - 2023 AIF West Coast Investors' Forum - Los Angeles CA	04/26/2023 - 04/27/2023	Attended
	4	Edu - Private Markets Training at Hamilton Lane - Conshohocken PA	05/14/2023 - 05/18/2023	Attended
	5	Admin – Board Advisor and Guest speaker at NY Accelerate Investors' Women Investment Leaders and Annual Summit - New York City NY	05/17/2023 - 05/18/2023	Attended
	6	Admin - Markets Group 2nd Annual Southern California Institutional Forum - Los Angeles CA	06/07/2023 - 06/07/2023	Attended
Terra Elijah	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin - 17th annual MSCI Institutional Investor Conference - Sacramento CA	10/17/2022 - 10/19/2022	Attended
	3	Edu - Private Markets Training at Hamilton Lane - Conshohocken PA	05/14/2023 - 05/18/2023	Attended
	4	Edu - 2023 PREA Institute - Los Angeles CA	06/27/2023 - 06/28/2023	Attended
Jon Grabel	1	Admin - Guest Speaker-The Investment Diversity Exchange (TIDE) Spark 2022 - Dana Point CA	07/06/2022 - 07/07/2022	Attended
	2	Edu - Miami RFK Compass Conference - Miami FL	10/02/2022 - 10/04/2022	Host Canceled
	3	Admin - Nossaman's 2022 Fiduciary Forum - Los Angeles CA	10/17/2022 - 10/18/2022	Attended
	4	Edu - Reuters ESG Conference - Guest Speaker - New York City NY	10/31/2022 - 11/04/2022	Attended
	5	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
	6	Edu - 2022 Toigo Foundation Gala - Los Angeles CA	11/17/2022 - 11/17/2022	Attended
	7	Edu - KKR's 2022 Chief Investment Officers' Symposium - Washington, DC MD	12/05/2022 - 12/06/2022	Attended
	8	Edu - Bloomberg Women's Buyside Network - San Marino CA	02/16/2023 - 02/16/2023	Attended
	9	Edu - RFK Compass Winter Investors Conference - Miami FL	02/26/2023 - 02/28/2023	Attended
	10	Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/22/2023 - 03/23/2023	Attended
	11	Admin - The 8th Annual ALTSLA - Los Angeles CA	03/29/2023 - 03/29/2023	Attended
	12	Admin - Allocator Confidential: Growth vs Value - Los Angeles CA	04/13/2023 - 04/13/2023	Attended
	13	Admin - Institutional Investor Institute Public Funds Roundtable - Los Angeles CA	04/25/2023 - 04/26/2023	Attended

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
<b>Investments</b>				
Jon Grabel	14	Admin - 2023 AIF West Coast Investors' Forum - Santa Monica CA	04/26/2023 - 04/27/2023	Attended
	15	Admin - The Forum by the CIO 2023 - New York NY	05/16/2023 - 05/17/2023	Attended
	16	Admin - Markets Group 2nd Annual Southern California Institutional Forum - Los Angeles CA	06/07/2023 - 06/07/2023	Attended
	17	Admin - 2023 Transpose Platform Ecosystem Day - San Francisco CA	06/20/2023 - 06/20/2023	Attended
	18	Admin - CFALA / LACERA June 2023 DEI Roundtable - Los Angeles CA	06/29/2023 - 06/29/2023	Attended
Eduardo Ibanez	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
Pushpam Jain	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin - Current and potential manager meetings - Chicago IL	10/05/2022 - 10/06/2022	Attended
	3	Admin - Board meeting for TIAA CREF Farmland I and TIAA CREF Farmland II, Site Visits to farms + meeting with potential JV partner APG + meeting with other LPs (AP2, CDPQ, TIAA, others) - Santiago, Chile	10/22/2022 - 10/28/2022	Attended
Jeff Jia	1	Admin - Manager due diligence meeting with Capital Group - Los Angeles CA	03/10/2023 - 03/10/2023	Attended
Dale Johnson	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Edu - CII Fall 2022 Conference - Boston MA	09/21/2022 - 09/23/2022	Attended
	3	Admin - Council of Institutional of Investors Board Meeting Spring Conference - Washington, DC MD	03/05/2023 - 03/10/2023	Attended
Daniel Joye	1	Admin - Southern California Institutional Forum-Markets Group - Marina Del Rey CA	07/21/2022 - 07/21/2022	Attended
	2	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	3	Admin - Institutional Investing in Infrastructure Advisory Board Mtg - Newport Beach CA	11/03/2022 - 11/03/2022	Attended
	4	Admin - Infrastructure Guest Speaker-Pension Bridge Alts - Beverly Hills CA	11/30/2022 - 11/30/2022	Attended
	5	Admin - Antin MidCap Fund LPAC and meet with current managers: DIF, Antin, Partners Groups, and prospective managers: Asterion, Meridiam, InfraRed, Ardian, Cube, Ancala, InfraVia, Macquarie - London (UK), Paris (France), & Zug (Switzerland)	12/03/2022 - 12/11/2022	Attended
	6	Edu - CAIA Allocator Advisory Council - Los Angeles CA	03/27/2023 - 03/27/2023	Attended
	7	Admin - The 8th Annual ALTSLA - Los Angeles CA	03/29/2023 - 03/29/2023	Attended
	8	Admin - 2023 Pension Bridge Annual Conference - San Francisco CA	04/17/2023 - 04/19/2023	Attended
	9	Admin - Institutional Investor Roundtable - Los Angeles CA	04/25/2023 - 04/26/2023	Attended
	10	Admin - Attend DWS PEIF Investor Conference - Roma, Italy	06/08/2023 - 06/09/2023	Attended
	11	Admin - Attend Macquarie Limited Partner Advisory Committee (LPAC) Meeting - London, England	06/20/2023 - 06/22/2023	Attended



**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
<b>Investments</b>				
John Kim	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
Derek Kong	1	Admin - CVC Annual General Meeting, LPAC and Fund IX Onsite and meet with prospective managers (Bregal and IK Partners) and secondary placement agents (Lazard, Rede, Evercore) - London, UK	09/06/2022 - 09/09/2022	Attended
	2	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	3	Admin - Attend Montefiore Investment V LPAC and Fund VI Onsite, attend Blackfin Financial Services IV Onsite - Paris, France	11/06/2022 - 11/11/2022	Attended
	4	Admin - STG Onsite - Menlo Park CA	12/01/2022 - 12/01/2022	Attended
	5	Edu - 3rd Annual Private Markets Secondaries Meeting - Santa Monica CA	02/28/2023 - 02/28/2023	Attended
Cheryl Lu	1	Admin - Attend GGV 2022 Annual Meeting and LPAC Roundtable - San Francisco CA	09/12/2022 - 09/13/2022	Attended
	2	Admin - Attend BRV Aster 2022 Annual General Meeting and Limited Partner Advisory Committee, meet with existing (GGV) and potential (Jungle Ventures, LYFE Capita) managers, and attend SuperReturn Asia - Singapore	09/20/2022 - 09/27/2022	Attended
	3	Admin - Attend Revelstoke Capital Partners 2022 Annual General Meeting and Limited Partner Advisory Committee meeting - Boulder CO	10/12/2022 - 10/13/2022	Attended
	4	Admin - MBK Capital Partners 2022 Annual General Meeting and Investor Advisory Committee meetings - Seoul Korea	11/14/2022 - 11/16/2022	Attended
	5	Admin - LPAC lunch and annual general meeting for Lilly Asia Ventures - Menlo Park CA	11/29/2022 - 11/30/2022	Attended
	6	Admin - CFALA / LACERA June 2023 DEI Roundtable - Los Angeles CA	06/29/2023 - 06/29/2023	Attended
Vache Mahseredjian	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin - Diversity, Equity, and Inclusion in Investment Management co-sponsored by BlackRock, Oaktree, and Ares - Los Angeles CA	02/08/2023 - 02/08/2023	Attended
	3	Edu - Bloomberg Women's Buyside Network - San Marino CA	02/16/2023 - 02/16/2023	Attended
	4	Admin - Institutional Investor Institute Public Funds Roundtable - Los Angeles CA	04/25/2023 - 04/26/2023	Attended
Quoc Nguyen	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Edu - Investment, Legal Due Diligence Workshop, and Training - San Francisco CA	03/14/2023 - 03/14/2023	Attended
Jude Perez	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
Krista Powell	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin - Attend Innocap's Thought Leadership Summit and conduct due diligence with Caxton, Brevan Howard, Varde, Waterfall, and Davidson Kempner - New York City NY	05/29/2023 - 05/31/2023	Attended
Jim Rice	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended



**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
<b>Investments</b>				
Jim Rice	2	Admin - Knickerbocker Retail and Clarion Plus meeting - New York City NY	01/17/2023 - 01/18/2023	Attended
Cindy Rivera	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin - Brookfield 2022 Private Fund Investor Conference - Beverly Hills CA	11/15/2022 - 11/15/2022	Attended
	3	Edu - 2022 Toigo Foundation Gala - Los Angeles CA	11/17/2022 - 11/17/2022	Attended
	4	Admin - Stockbridge Smart Markets Fund - Atlanta GA	02/02/2023 - 02/03/2023	Attended
	5	Admin - Attend DWS' 2023 Americas Real Estate Client Conference as an investor in DWS' Core Plus Industrial Fund (CPIF) - Dana Point CA	04/20/2023 - 04/20/2023	Attended
Michael Romero	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Edu - 2022 Toigo Foundation Gala - Los Angeles CA	11/17/2022 - 11/17/2022	Attended
	3	Admin - Knickerbocker Retail and Clarion Plus meeting - New York City NY	01/17/2023 - 01/18/2023	Attended
	4	Admin - Clarion Annual Investor Conference - New York NY	05/02/2023 - 05/04/2023	Attended
Ron Senkandwa	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin - Manager due diligence meeting with Capital Group - Los Angeles CA	03/10/2023 - 03/10/2023	Attended
	3	Edu - Private Markets Training at Hamilton Lane - Conshohocken PA	05/14/2023 - 05/18/2023	Attended
	4	Admin - Manager due diligence meetings with Acadian and Frontier - Boston MA	05/18/2023 - 05/19/2023	Attended
David Simpson	1	Admin - One Rock Annual General Meeting (AGM) and Limited Partner Advisory Committee (LPAC) meeting, Siris AGM and LPAC, Riverside AGM, WM Partners AGM - New York, NY and Fort Lauderdale, FL	11/14/2022 - 11/18/2022	Attended
	2	Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/22/2023 - 03/23/2023	Attended
	3	Edu - Hamilton Lane Private Markets Overview - Los Angeles CA	05/15/2023 - 05/15/2023	Attended
Shelly Tilaye	1	Admin - Vista Partners LPAC meeting and Hellman & Friedman Due Diligence meetings - New York City NY	11/07/2022 - 11/14/2022	Attended
	2	Edu - Bloomberg Women's Buyside Network - San Marino CA	02/16/2023 - 02/16/2023	Attended
Chad Timko	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
Mel Tsao	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin - Due diligence meetings with CBRE US Core Partners - New York NY	12/15/2022 - 12/16/2022	Attended
	3	Admin - Attend Bain Capital RE Advisory Board & Investor Meetings - Boston MA	05/22/2023 - 05/24/2023	Attended
Christopher Wagner	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
Scott Zdrzil	1	Admin - Guest Speaker-The Investment Diversity Exchange (TIDE) Spark 2022 - Dana Point CA	07/06/2022 - 07/07/2022	Attended

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

<b>Attendee</b>		<b>Purpose of Travel - Location</b>	<b>Event Dates</b>	<b>Travel Status</b>
<b>Investments</b>				
Scott Zdrazil	2	Admin - Council of Institutional Investors Board Meeting - Washington, DC MD	08/01/2022 - 08/03/2022	Attended
	3	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	4	Edu - CII Fall 2022 Conference - Boston MA	09/21/2022 - 09/23/2022	Attended
	5	Admin - Stanford Institutional Investor Forum - Stanford CA	12/01/2022 - 12/02/2022	Attended
	6	Admin - Council of Institutional Investors Board Meeting - Pasadena CA	01/30/2023 - 01/31/2023	Attended
	7	Admin - BlackRock DEI Panel - Los Angeles CA	02/08/2023 - 02/08/2023	Attended
	8	Admin - Pension Bridge ESG Summit - Los Angeles CA	02/28/2023 - 03/01/2023	Attended
	9	Admin - Council of Institutional of Investors Board Meeting Spring Conference - Washington, DC MD	03/05/2023 - 03/10/2023	Attended
	10	Admin - Institutional Investor Roundtable - Los Angeles CA	04/25/2023 - 04/26/2023	Attended
	11	Admin - Participate in Stanford Institutional Investor Forum roundtable on Corporate Governance, Proxy Season, and Securities Law Developments - Palo Alto CA	06/05/2023 - 06/06/2023	Attended
	12	Admin - Speak at Society for Corp. Governance Annual Conference - Salt Lake City UT	06/20/2023 - 06/22/2023	Attended
	13	Admin - Participate in IFRS International Sustainability Standards Board Investor Advisory Group Meetings - New York NY	06/25/2023 - 06/27/2023	Attended
<b>Legal Services</b>				
Jasmine Bath	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
	2	Admin - Nossaman's 2022 Fiduciary Forum - Los Angeles CA	10/17/2022 - 10/18/2022	Attended
	3	Edu - LACBA Diversity & Inclusion Conference - Los Angeles CA	04/21/2023 - 04/21/2023	Attended
	4	Edu - CALAPRS Management Leadership Academy 2023 - Pasadena CA	04/24/2023 - 04/25/2023	Attended
	5	Edu - CALAPRS Management Leadership Academy 2023 - Pasadena CA	06/12/2023 - 06/14/2023	Attended
Frank Boyd	1	Edu - NAPPA Summer Conference 2023 - San Antonio TX	06/27/2023 - 06/30/2023	Attended
John Harrington	1	Edu - NAPPA Summer Conference 2023 - San Antonio TX	06/27/2023 - 06/30/2023	Attended
Michael Herrera	1	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
	2	Edu - NAPPA Summer Conference 2023 - San Antonio TX	06/27/2023 - 06/30/2023	Attended
Barry Lew	1	Edu - NCPERS 2023 Legislative Conference - Washington, DC MD	01/22/2023 - 01/24/2023	Attended
	2	Admin - Federal Engagement Visit with Congress - Washington, DC MD	01/24/2023 - 01/25/2023	Attended
	3	Edu - SCCE Compliance Academy - Scottsdale AZ	02/27/2023 - 03/02/2023	Attended
	4	Admin - SACRS Legislative Committee Meeting - Sacramento CA	03/17/2023 - 03/17/2023	Attended

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

<b>Attendee</b>		<b>Purpose of Travel - Location</b>	<b>Event Dates</b>	<b>Travel Status</b>
<b>Legal Services</b>				
Barry Lew	5	Edu - SACRS 2023 Spring Conference - San Diego CA	05/09/2023 - 05/12/2023	Attended
Steven Rice	1	Admin - Nossaman's 2022 Fiduciary Forum - Los Angeles CA	10/17/2022 - 10/18/2022	Attended
Jessica Rivas	1	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
Christine Roseland	1	Edu - 2022 Association of Corporate Counsel (ACC) Annual Meeting - Las Vegas NV	10/23/2022 - 10/26/2022	Attended
	2	Admin - Markets Group 2nd Annual Southern California Institutional Forum - Los Angeles CA	06/07/2023 - 06/07/2023	Attended
	3	Edu - NAPPA Summer Conference 2023 - San Antonio TX	06/27/2023 - 06/30/2023	Attended
Elaine Salon	1	Edu - CALAPRS Management Leadership Academy 2023 - Pasadena CA	04/24/2023 - 04/25/2023	Attended
	2	Edu - CALAPRS Management Leadership Academy 2023 - Pasadena CA	06/12/2023 - 06/14/2023	Attended
Irene Saucedo	1	Edu - Los Angeles County Secretarial Council LACSC 53rd Annual Seminar - Rosemead CA	04/27/2023 - 04/27/2023	Attended
Elizabeth Tirado	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
	2	Edu - Los Angeles County Secretarial Council LACSC 53rd Annual Seminar - Rosemead CA	04/27/2023 - 04/27/2023	Attended
<b>Member Services</b>				
Gerald Bucacao	1	Edu - SACRS 2023 Spring Conference - San Diego CA	05/09/2023 - 05/12/2023	Attended
Stephanie Kawai	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Armendina Lejano	1	Admin - 2023 LACMC Spring Conference - Santa Barbara CA	03/22/2023 - 03/24/2023	Attended
Laura Magallanes	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Alejandro Ochoa	1	Edu - CALAPRS 2022 Management/Leadership Academy Session #3 - Pasadena CA	07/25/2022 - 07/27/2022	Attended
Aurelia Okafor-Smith	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Maritza Perez	1	Admin - CEM 2022 Conference - Phoenix AZ	11/07/2022 - 11/10/2022	Attended
	2	Admin - 2023 LACMC Spring Conference - Santa Barbara CA	03/22/2023 - 03/24/2023	Attended
Kelly Puga	1	Edu - SACRS 2023 Spring Conference - San Diego CA	05/09/2023 - 05/12/2023	Attended
Fabio Ramirez	1	Edu - CALAPRS Management Leadership Academy 2023 - Pasadena CA	04/24/2023 - 04/25/2023	Attended
	2	Edu - CALAPRS Management Leadership Academy 2023 - Pasadena CA	06/12/2023 - 06/14/2023	Attended
Victor Tafolla	1	Admin - CEM 2022 Conference - Phoenix AZ	11/07/2022 - 11/10/2022	Attended
<b>QA &amp; Metrics</b>				
Bernardo Buenaflor	1	Admin - CEM 2022 Conference - Phoenix AZ	11/07/2022 - 11/10/2022	Attended
	2	Edu - ISACA Annual Spring Conference - Los Angeles CA	04/03/2023 - 04/07/2023	Attended

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
<b>Retiree Healthcare</b>				
Tionna Fredericks	1	Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV	10/23/2022 - 10/26/2022	Attended
	2	Edu - IFEBP Healthcare Management Conference - Miami FL	04/24/2023 - 04/25/2023	Attended
Nicole Howard	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Leilani Ignacio	1	Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV	10/23/2022 - 10/26/2022	Attended
Kathy Migita	1	Admin - Anthem Blue Cross Due Diligence Site Visit - Rancho Cordova CA	09/14/2022 - 09/14/2022	Attended
	2	Admin - CVS Due Diligence Site Visit - Chicago IL	09/28/2022 - 09/30/2022	Attended
	3	Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV	10/23/2022 - 10/26/2022	Attended
	4	Admin - Kaiser Permanente - Diligence Meeting - Washington DC	10/27/2022 - 10/30/2022	Attended
	5	Admin - CIGNA - Due Diligence - Bloomfield CT	11/02/2022 - 11/03/2022	Attended
	6	Edu - NCPERS 2023 Legislative Conference - Washington, DC MD	01/22/2023 - 01/24/2023	Attended
	7	Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
	8	Edu - AHIP 2023 Medicare, Medicaid, Duals & Commercial Health Policy & Markets Forum - Washington, DC MD	03/14/2023 - 03/16/2023	Attended
	9	Admin - CVS Health Forum - Aurora CO	03/29/2023 - 03/31/2023	Attended
	10	Edu - AHIP 2023 - Portland OR	06/13/2023 - 06/15/2023	Attended
	11	Edu - Healthcare Innovation Congress - Washington DC MD	06/20/2023 - 06/22/2023	Attended
Cassandra Smith	1	Admin - Anthem Blue Cross Due Diligence Site Visit - Rancho Cordova CA	09/14/2022 - 09/14/2022	Attended
	2	Admin - CVS Due Diligence Site Visit - Chicago IL	09/28/2022 - 09/30/2022	Attended
	3	Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV	10/23/2022 - 10/26/2022	Attended
	4	Admin - Kaiser Permanente - Diligence Meeting - Washington DC	10/27/2022 - 10/30/2022	Attended
	5	Admin - CIGNA - Due Diligence - Bloomfield CT	11/02/2022 - 11/03/2022	Attended
	6	Edu - NCPERS 2023 Legislative Conference - Washington, DC MD	01/22/2023 - 01/24/2023	Attended
	7	Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
	8	Edu - AHIP 2023 Medicare, Medicaid, Duals & Commercial Health Policy & Markets Forum - Washington, DC MD	03/14/2023 - 03/16/2023	Attended
	9	Admin - CVS Health Forum - Aurora CO	03/29/2023 - 03/31/2023	Attended
	10	Edu - IFEBP Healthcare Management Conference - Miami FL	04/24/2023 - 04/25/2023	Attended
	11	Edu - NCPERS 2023 Annual Conference - New Orleans LA	05/20/2023 - 05/24/2023	Attended
	12	Edu - AHIP 2023 - Portland OR	06/13/2023 - 06/15/2023	Attended

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
JUNE 2023**

<b>Attendee</b>		<b>Purpose of Travel - Location</b>	<b>Event Dates</b>	<b>Travel Status</b>
<b>Retiree Healthcare</b>				
Cassandra Smith	13	Edu - Healthcare Innovation Congress - Washington DC MD	06/20/2023 - 06/22/2023	Attended
<b>Systems</b>				
Joe Aguilar	1	Edu - Allegion - Sielox Product Certification Training - Pleasanton CA	09/12/2022 - 09/16/2022	Attended
Christian Chabtini	1	Edu - Adobe Summit 2023 - Las Vegas NV	03/21/2023 - 03/23/2023	Attended
David Choe	1	Edu - Adobe Summit 2023 - Las Vegas NV	03/21/2023 - 03/23/2023	Attended
Kathy Delino	1	Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
Kyle Kawakami	1	Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
Penelope Rodriguez	1	Edu - Adobe Summit 2023 - Las Vegas NV	03/21/2023 - 03/23/2023	Attended
Celso Templo	1	Admin - CEM 2022 Conference - Phoenix AZ	11/07/2022 - 11/10/2022	Attended
Alex Yin	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	2	Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended

**Q2 FPPC FORM 801 STAFF TRAVEL EXPENSES**

2. Donor Name and Address		3. Payment Information																	
Name		3.1(a) Travel Payment												3.2 Payment Description	3.3 Officials who used payment in Section 3.1				
Item Number	Individual	Other	Entity's Business Activity	Address	Location	Dates	Transportation Provider	Type	Name of Lodging Facility	Lodging Expenses	Meal Expenses	Transportation Expenses	Other Expenses	Total Expenses		Last Name	First Name	Position/Title	Department/Division
1	N/A	Bain Capital Real Estate Fund I-A and II-A	Real Estate Fund Manager	200 Clarendon Street, Boston, MA 02116	Boston, MA	May 22-24, 2023	Delta Airlines	Air	Hyatt Regency	\$698.02	\$100.00	\$784.85	\$0.00	\$1,582.91	Payment is for travel to attend Bain Capital Real Estate's Annual General Meeting and Limited Partner Advisory Committee (LPAC) meeting. Per LACERA's contract with Bain Capital Real Estate, all travel expenses related to LPAC meetings will be covered by the partnership.	Tsao	Mel	Senior Finance Analyst	Investments
2	N/A	Blackstone Real Estate Partners X L.P.	Private Equity and Real Estate Firm	345 Park Avenue New York, NY 10154	Boca Raton, FL	May 22-24, 2023	Jet Blue	Air	The Boca Raton	\$762.80	\$325.00	\$457.80	\$0.00	\$1,545.60	Payment is for traveling to attend Blackstone Real Estate Partners Fund X Limited Partnership Advisory Committee (LPAC) meeting. Per LACERA's contract with Blackstone, all travel expenses related to LPAC meeting will be covered by the fund.	Aggarwal	Amit	Finance Analyst III	Investments
3	N/A	CapMan Nordic Real Estate II FCP-RAIF	Private Equity and Real Estate Firm	Ludviginkatu 6, Helsinki, Finland	Stockholm, Sweeden & Copenhagen, Denmark	June 11-15, 2023	Lot Polish Airlines	Air	At Six (Stockholm) & Marriott (Copenhagen )	\$1,081.11	\$461.07	\$6,379.85	\$0.00	\$7,922.03	Payment is for traveling to attend CapMan Nordic Fund II and CapMan Nordic Fund III Limited Partnership Committee (LPAC) meetings. Per LACERA's contract with CapMan, all travel expenses related to LPAC meeting will be covered by the fund.	Aggarwal	Amit	Finance Analyst III	Investments
4	N/A	KKR Diversified Core Infrastructure Fund L.P.	Infrastructure Investor	555 California Street, Suite 5000, San Francisco, CA 94104	Rancho Palos Verdes, CA	June 26-27, 2023	N/A	N/A	Terranea Oceanfront Resort	\$200.75	\$226.25	\$0.00	\$0.00	\$427.00	Limited Partnership Advisory Committee (LPAC) meetings/conference for infrastructure fund investment. Per LACERA's contract with KKR, all travel expenses related to LPAC meetings will be covered by the partnership.	Damsky	Noah	Senior Investment Analyst	Investments



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**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**



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