

IN PERSON & VIRTUAL BOARD MEETING

*The Board meeting will be held after the Committee meeting scheduled prior.



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. If you would like to make a public comment during the board meeting, review the [Public Comment instructions](#).

AGENDA

A 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, JUNE 14, 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. APPROVAL OF MINUTES
 - A. Approval of the Minutes of the Regular Meeting of May 10, 2023
- 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.
- V. PUBLIC COMMENT (Continued)

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.

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.)

VI. EXECUTIVE UPDATE

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

VII. CONSENT ITEMS

A. **The PPI Executive Seminar and the Asia Pacific Roundtable in Tokyo, Japan on October 22 - 27, 2023**

Recommendation that the Board approve attendance of Trustees at the PPI Executive Seminar and the Asia Pacific Roundtable in Tokyo, Japan on October 22 - 27, 2023, and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies. (Memo dated June 5, 2023) (Placed on the agenda by Trustee Herman Santos)

VIII. NON-CONSENT ITEMS

A. **LACERA Budget Policy (Annual Review)**

Recommendation as submitted by Herman B, Santos, Chair, Joint Organizational Governance Committee: That the Board review and approve the revised LACERA Budget Policy, attached as a companion to the adoption of the Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets. (Memo dated May 12, 2023) (Supplemental Memo dated May 31, 2023)

VIII. NON-CONSENT ITEMS (Continued)

B. Approval of Fiscal Year 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets

Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board adopt the LACERA Fiscal Year (FY) 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets. (Memo dated May 12, 2023)

C. Approval of Revised AB 2449 Teleconference Policy

Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board approve the proposed revised AB 2449 Teleconference Policy. (Memo dated May 26, 2023)

IX. REPORTS

A. 2023 Actuarial Risk Assessment Report

Santos H. Kreimann, Chief Executive Officer
Ted Granger, Interim Chief Financial Officer
(Presentation) (Memo dated May 31, 2023)

B. LACERA Quarterly Performance Book

Meketa Quarterly Performance Book
Jude Pérez, Principal Investment Officer
(For Information Only) (Memo dated June 1, 2023)

C. LACERA OPEB Quarterly Performance Book

Meketa OPEB Quarterly Performance Book
Jude Pérez, Principal Investment Officer
(For Information Only) (Memo dated June 1, 2023)

D. Global Equity Account Conversion

Esmeralda del Bosque, Acting Principal Investment Officer
Ron Senkandwa, Investment Officer
Magdalia Armstrong, Senior Investment Analyst
(For Information Only) (Memo dated June 6, 2023)

IX. REPORTS (Continued)

E. Legal Report Regarding Strategic Plan and Approval Process

Robert Klausner, Fiduciary Counsel

Klausner, Kaufman, Jensen & Levinson

(For Information Only) (Memo dated May 31, 2023)

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

F. Monthly Status Report on Legislation

Barry W. Lew, Legislative Affairs Officer

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

G. Legal Projects

Christine Roseland, Senior Staff Counsel

(For Information Only) (Memo dated June 2, 2023)

H. Monthly Trustee Travel & Education Reports – April 2023

3rd Quarter Trustee Travel & Education Expenditure Reports

3rd Quarter Staff Travel Report (Including FPPC Form 801)

Ted Granger, Interim Chief Financial Officer

(For Information Only) (Memos dated May 24, 2023)

Monthly Trustee Travel & Education Report

Comprehensive Monthly Trustee Travel & Education Report

(Confidential Memo – Includes Pending Travel)

I. May 2023 Fiduciary Counsel Contract and Billing Report

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated May 23, 2023)

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

X. 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.)

XI. 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.)

XII. GOOD OF THE ORDER

(For Information Purposes Only)

XIII. 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. **CVC Capital Partners IX**
Christopher J. Wagner, Principal Investment Officer
Derek Kong, Investment Officer
(Presentation) (Memo dated May 25, 2023)
 - 2. **OPEB Master Trust Public Markets Passive Investment Management Search Update**
Jude Pérez, Principal Investment Officer
Esmeralda del Bosque, Acting Principal Investment Officer
John Kim, Investment Officer
Terra Elijah, Senior Investment Analyst
(For Information Only) (Memo dated June 1, 2023)
- B. Conference With Legal Counsel—Existing Litigation (Pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9)
 - 1. **IPERS, et al. v. Bank of America Corporation, et al., etc. (S.D.N.Y) Case No. 17-cv-6221**
Michael D. Herrera, Senior Staff Counsel
(Memo dated June 5, 2023)

XIV. ADJOURNMENT

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

Documents subject to public disclosure that relate to an agenda item for an open session of the Board of Retirement that are distributed to members of the Board of Retirement 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 Retirement Trustees 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 and will also be posted on lacera.com at the same time, [Board Meetings | LACERA](#).

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

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

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

9:00 A.M., WEDNESDAY, MAY 10, 2023

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

*Teleconference Location for Trustees and the Public under
California Government Code Section 54953(b)
Paradise Point Resort & Spa - 1404 Vacation Rd., San Diego, CA 92109*

TRUSTEES PRESENT

Gina Sanchez, Chair

Herman Santos, Vice Chair (Teleconference under 54953(b))

Keith Knox, Ex-Officio Trustee

David Green

Jason Green (Joined the meeting at 9:30 a.m.)

Patrick Jones (Teleconference under 54953(b))

Joseph Kelly

David Ryu

TRUSTEES ABSENT

Onyx Jones

STAFF ADVISORS AND PARTICIPANTS

Jonathan Grabel, Chief Investment Officer

Santos Kreimann, Chief Executive Officer

Steven P. Rice, Chief Counsel

STAFF ADVISORS AND PARTICIPANTS (Continued)

Laura Guglielmo, Assistant Executive Officer

Ted Granger, Interim Chief Financial Officer

Michael Herrera, Senior Staff Counsel

Christine Roseland, Senior Staff Counsel

Scott Zdrazil, Principal Investment Officer

James Rice, Principal Investment Officer

Didier Acevedo, Investment Officer

Cindy Rivera, Investment Officer

Amit Aggarwal, Investment Officer

Mike Romero, Senior Investment Analyst

Pushpam Jain, Investment Officer

Meketa Investment Group (General Investment Consultants)

Timothy Filla, Managing Principal

Aysun Kilic, Managing Principal

StepStone Group LP (Real Assets Consultants)

Margaret McKnight, Partner

James Maina, Vice President

Albourne

James Walsh, Partner

Kristen Jones, Senior Credit Analyst

Steven Kennedy, Partner

Mark White, Partner

I. CALL TO ORDER

The meeting was called to order by Chair Sanchez at 9:00 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Trustee Green 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

There was nothing to report. No trustees participated under Section 54953(f).

IV. APPROVAL OF MINUTES

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

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

Yes: Knox, D. Green, Santos, P. Jones, Kelly, Sanchez, Ryu

No: None

Absent: J. Green, O. Jones

V. PUBLIC COMMENT

The Board received a written comment from John Ocampo, a union organizer with the United Electrical, Radio, and Machine Workers of America, regarding the Refresco bottling factory in Wharton, NJ which is owned by private equity firm, KKR.

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

Ms. Guglielmo recognized LACERA member, Margarita Lien.

C. Chief Executive Officer's Report (Mr. J. Green joined the meeting at 9:30 a.m.)

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

VII. CONSENT ITEMS

A. **Corporate Governance and Stewardship Principles Review**

Recommendation as submitted by Keith Knox, Chair, Corporate Governance Committee: That the Board approve the revised Corporate Governance and Stewardship Principles.
(Memo dated April 24, 2023)

Having been pulled from Consent by Trustee Kelly, a motion was made by Trustee D. Green, seconded by Trustee Knox, to approve staff's recommendation. The motion passed by the following roll call vote:

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

Absent: O. Jones

B. **Montreal Alternative Investment Forum (AIMA) in Montreal, Canada on June 21, 2023**

Recommendation that the Board approve attendance of Trustees at the Montreal Alternative Investment Forum in Montreal, Canada on June 21, 2023, approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies and 2) and approve an exception to the Trustee Education Policy's minimum educational requirement. (Memo dated April 26, 2023) (Placed on the agenda by Trustee Gina Sanchez)

VII. CONSENT ITEMS (Continued)

A motion was made on Consent by Trustee Kelly, seconded by Trustee Knox, to approve staff's recommendation. The motion passed by the following roll call vote:

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

Absent: O. Jones

VIII. NON-CONSENT ITEMS

A. **Commercial Real Estate Brokerage Services Request for Proposal – Minimum Qualifications**

Recommendation as submitted by James Rice, Principal Investment Officer, Amit Aggarwal, Investment Officer and Mike Romero, Senior Investment Analyst: That the Board approve the Request for Proposal for Commercial Real Estate Brokerage Services - Minimum Qualifications. (Memo dated April 26, 2023)

A motion was made by Trustee Santos seconded by Trustee Kelly, to approve staff's recommendation with the following revisions: (1) The final scores, evaluation review, and recommendation will be reported to the Board, (2) The Board delegates selection authority for this RFP to the CIO. The motion passed by the following roll call vote:

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

Absent: O. Jones

IX. REPORTS

A. **Board of Investments 2023 Offsite Tentative Agenda**
Jonathan Grabel, Chief Investment Officer
(Memo dated April 18, 2023)

Mr. Grabel provided a presentation and answered questions from the Board. This item was received and filed.

B. **Monthly Status Report on Legislation**
Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated April 21, 2023)

IX. REPORTS (Continued)

This item was pulled for questions and discussion, and then received and filed.

C. **Real Estate Recoveries Report**

Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated April 28, 2023)

This item was received and filed.

D. **Legal Projects**

Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated May 2, 2023)

This item was received and filed.

E. **Monthly Trustee Travel & Education Reports – March 2023**

Ted Granger, Interim Chief Financial Officer
(For Information Only) (Memos dated April 19, 2023)
Monthly Trustee Travel & Education Report
Comprehensive Monthly Trustee Travel & Education Report
(Confidential Memo – Includes Pending Travel)

This item was received and filed.

F. **Selection of Securities Litigation Monitoring and Approved Counsel**

Michael D. Herrera, Senior Staff Counsel
(For Information Only) (Memo dated May 3, 2023)

This was pulled for questions and discussion, and then received and filed.

G. **April 2023 Fiduciary Counsel Contact and Billing Report**

Steven P. Rice, Chief Counsel
(For Information Only) (Memo dated April 24, 2023)
(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product)

This item was received and filed.

X. ITEMS FOR STAFF REVIEW

Trustee Santos requested that staff include a reference in the Chief Executive Officer's Report Dashboard regarding the investment rate of return showing a graph comparing active members to retired members and the actuarial impact that the delay in baby boomers retiring will have on the pension plan's unfunded liability.

Trustee Kelly requested that staff monitor section 3.2 of the Corporate Governance and Stewardship Principles review in terms of investment annual meetings (virtual vs. in-person).

XI. ITEMS FOR FUTURE AGENDAS

There was nothing to report.

XII. GOOD OF THE ORDER (For Information Purposes Only)

There was nothing to report.

XIII. 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. **Ara Fund III, L.P.**

James Rice, Principal Investment Officer

Pushpam Jain, Investment Officer

(Memo dated April 26, 2023)

Messrs. J. Rice and Jain and Messrs. White and Kennedy of Albourne provided a presentation and answered questions from the Board.

Trustee Kelly made a motion, seconded by Trustee D. Green, to approve a commitment of up to \$125 million in Ara Fund III, L.P., which is a real assets fund focused on lower to mid-market growth equity and buyout investments in the U.S. and Europe relating to decarbonization of industrial processes. The motion passed by the following roll call vote:

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

XIII. EXECUTIVE SESSION (Continued)

Absent: O. Jones

2. Appian Natural Resources Fund III LP

James Rice, Principal Investment Office

Pushpam Jain, Investment Officer

(Memo dated April 26, 2023)

Messrs. J. Rice and Jain and Messrs. White and Kennedy of Albourne provided a presentation and answered questions from the Board.

Trustee Santos made a motion, seconded by Trustee Ryu, to approve a commitment of up to \$150 million, structured as a \$75 million investment in Appian Natural Resources Fund III LP and \$75 million in Appian LACERA Co-Invest Fund III LP. These real assets investments focus on energy transition metals and precious metals located primarily in the Americas and Australia. The motion passed by the following roll call vote:

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

Absent: O. Jones

3. TIAA-CREF Global Agriculture II LLC

James Rice, Principal Investment Officer

Pushpam Jain, Investment Officer

(Memo dated April 26, 2023)

Messrs. J. Rice and Jain and Messrs. White and Kennedy of Albourne provided a presentation and answered questions from the Board.

Trustee Santos made a motion, seconded by Trustee J. Green, to approve a secondary purchase with a NAV amount of \$46.4 million in TIAA-CREF Global Agriculture II LLC, which is a real assets fund focusing on row crop and permanent crop properties in the U.S., Australia, Brazil, Chile, and New Zealand. The motion passed by the following roll call vote:

XIII. EXECUTIVE SESSION (Continued)

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

Absent: O. Jones

4. One Item

James Rice, Principal Investment Officer
Cindy Rivera, Investment Officer
(Memo dated May 2, 2023)

Mr. J. Rice and Ms. Rivera provided a presentation and answered questions from the Board.

There is nothing to report at this time. The Board took action, which will be reported out a future date in accordance with the Brown Act.

5. Private Equity Investment Update

Didier Acevedo, Investment Officer
Cheryl Lu, Investment Officer
(For Information Only) (Memo dated April 21, 2023)

The Board received an information only report that, on August 9, 2022, LACERA approved a \$75 million co-investment commitment alongside RedBird Capital Partners, a Board of Investments-approved manager. The commitment is compliant with LACERA's private equity co-investment program parameters.

B. Potential Threats to Public Services or Facilities
(Pursuant to Subdivision (a) of California Government Code Section 54957 (a))

1. LACERA Trustee: Information Security Services

Carmelo Marquez, Interim Chief Information Security Officer
(For Information Only) (Memo dated April 25, 2023)

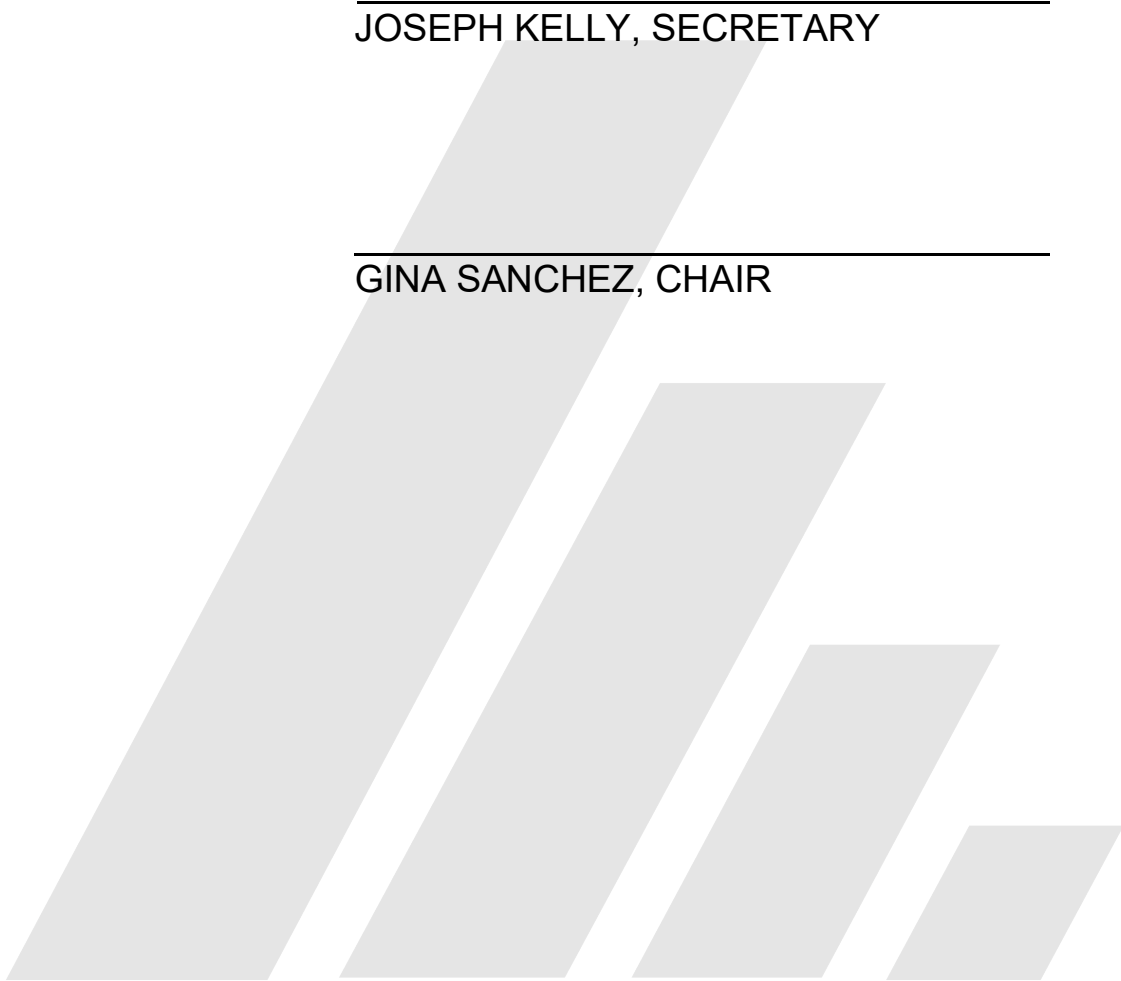
The Board received an information only report on the subject stated. There is nothing further to report.

XIV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:20 p.m.

JOSEPH KELLY, SECRETARY

GINA SANCHEZ, CHAIR





Chief Investment Officer Monthly Report

Jonathan Grabel – Chief Investment Officer

Board of Investments Meeting
June 14, 2023

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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

Global Market Performance as of May 31, 2023



MSCI ACWI IMI Index (Global Equity Market)*

Trailing Returns (%)				Annualized Returns (%)			
1-Month	3-Month	FYTD	YTD	1Y	3Y	5Y	10Y
-1.2	2.5	9.7	7.0	0.3	10.0	6.3	7.7

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
-1.1	2.0	-0.6	2.5	-2.1	-3.6	0.8	1.4

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	-1.2	2.5	9.7	7.0	0.3	10.0	6.3	7.7
	U.S. All Cap	Russell 3000 Total Return	0.4	4.2	11.4	8.7	2.0	12.2	10.1	11.4
	U.S. Large Cap	S&P 500 Total Return	0.4	5.7	12.2	9.6	2.9	12.9	11.0	12.0
	U.S. Small Cap	Russell 2000 Total Return	-0.9	-7.4	3.9	0.0	-4.7	9.2	2.7	7.4
	Non-U.S. All Cap	MSCI ACWI-ex U.S. IMI Total Return	-3.5	0.2	7.8	4.6	-1.9	7.3	2.1	3.9
	Emerging Markets	MSCI Emerging Markets Total Return	-1.7	0.2	-2.0	1.1	-8.5	3.5	-0.7	1.9
Private Equity	Private Equity Buyout	Thomson Reuters PE Buyout Index	-10.2	-8.8	-5.0	-13.9	-16.1	4.0	3.5	9.5
Fixed Income	U.S. Investment Grade Bonds	Bloomberg U.S. Aggregate Index	-1.1	2.0	-0.6	2.5	-2.1	-3.6	0.8	1.4
	U.S. Corporate High Yield Bonds	Bloomberg U.S. Corporate High Yield Total Return	-0.9	1.1	7.3	3.6	0.0	2.9	3.1	4.0
	Developed Markets Leveraged Loans	Credit Suisse Leveraged Loan Total Return	-0.1	0.8	7.7	4.0	5.5	5.9	3.6	3.8
	U.S. Treasury Inflation Protected Securities	Bloomberg U.S. Treasury TIPS Total Return Index	-1.2	1.8	-1.1	2.2	-4.2	0.4	2.6	1.7
	U.S. 3 Month Treasury Bill	FTSE 3 Month Treasury Bill	0.4	1.2	3.3	2.0	3.4	1.2	1.5	0.9
Commodity	Commodity Prices Index	Bloomberg Commodity Index Total Return	-5.6	-6.5	-13.1	-11.4	-22.5	17.2	3.2	-1.9
	Natural Resources	S&P Global LargeMidCap Commodity & Resources Index	-10.0	-9.6	0.7	-10.4	-14.8	18.7	6.7	4.3
Infrastructure	Global Infrastructure	Dow Jones Brookfield Global Infrastructure Composite Index	-6.0	-1.5	-2.3	-0.5	-9.9	5.7	4.2	4.9
Real Estate	U.S. REITs	MSCI U.S. REIT Index	-3.1	-4.7	-4.9	0.4	-11.9	8.2	4.5	5.7

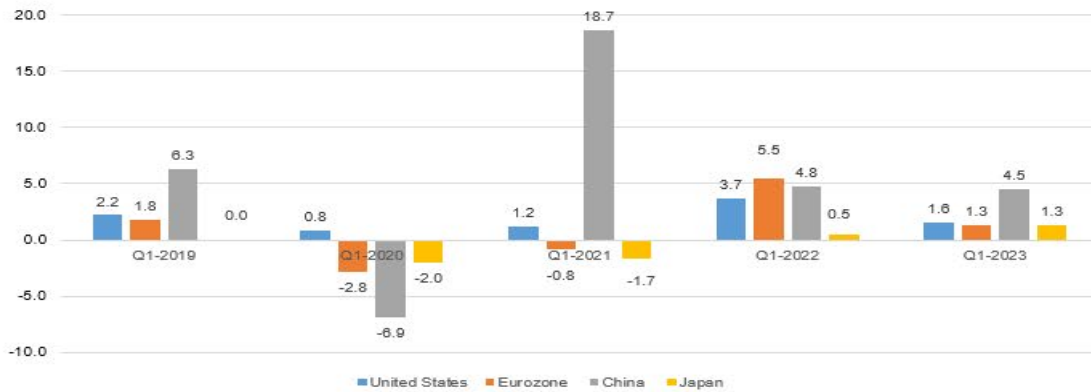
Source: Bloomberg

Key Macro Indicators*



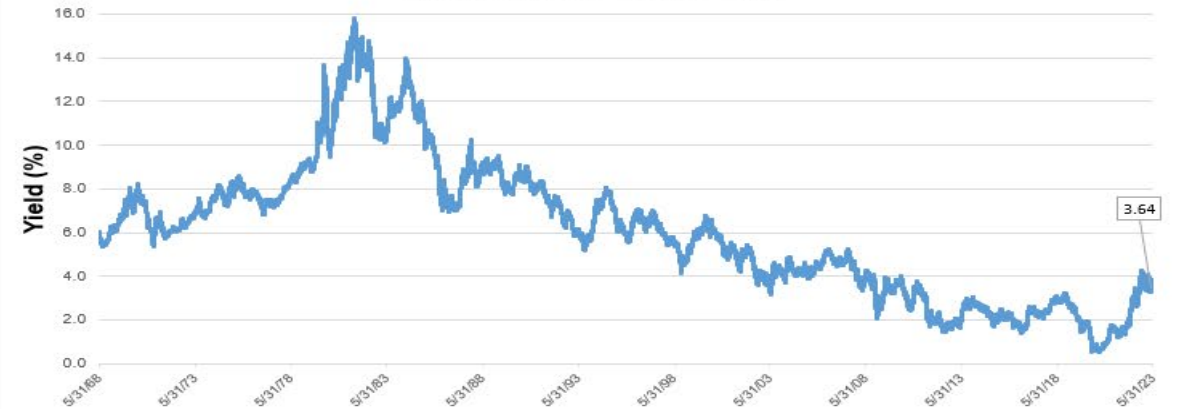
GDP Growth of Major Economies¹

Real GDP Growth YoY (%) - Last Five Years



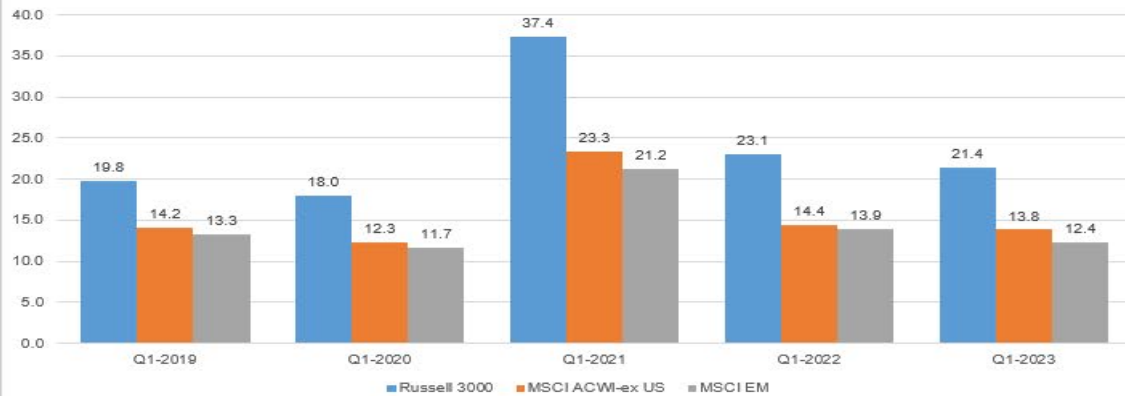
10-Year Treasury Yield²

Historical 10-Year Treasury Yield



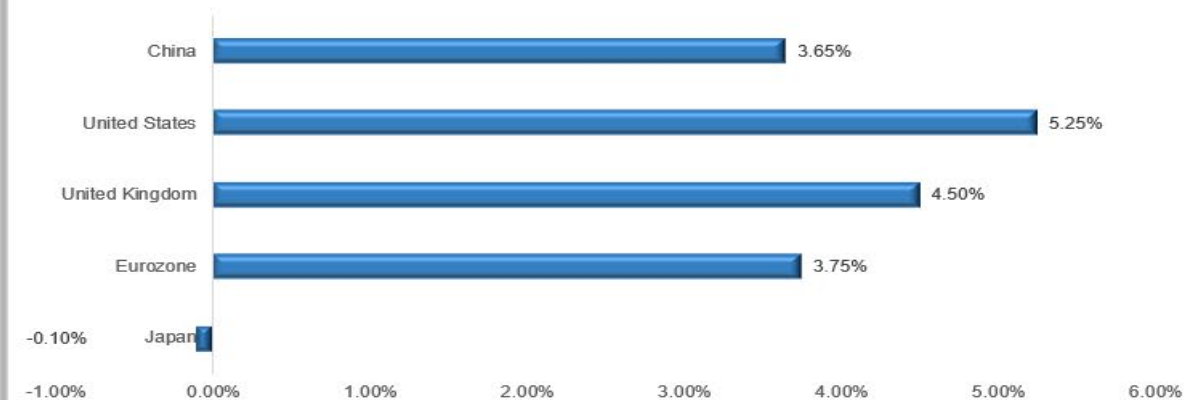
World Equity Valuation³

Price-to-Earnings - Last Five Years



Central Bank Rates⁴ (as of 5/31/2023)

Central Bank Rates



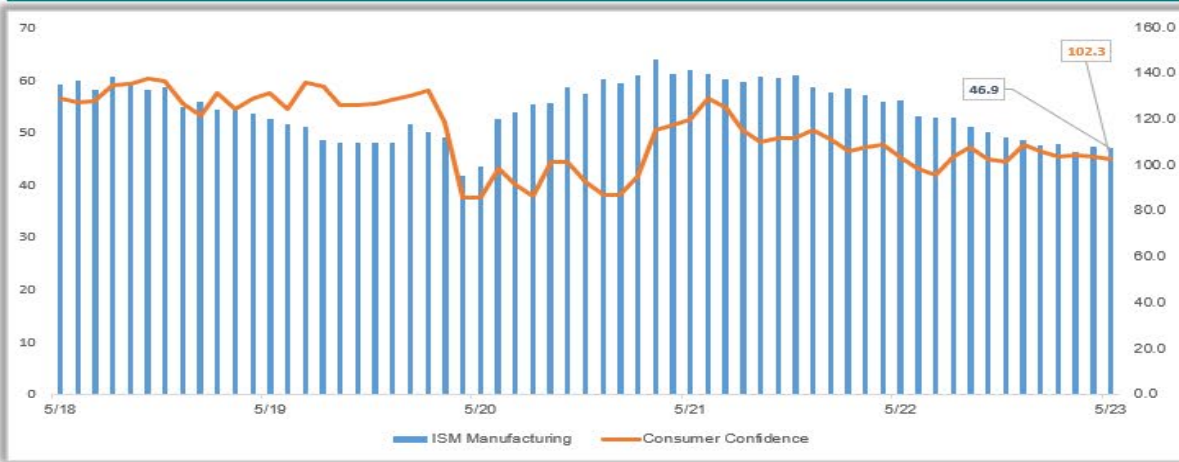
*The information on the "Key Macro Indicators" charts is the best available data as of 5/31/23 and may not reflect the current market and economic environment

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

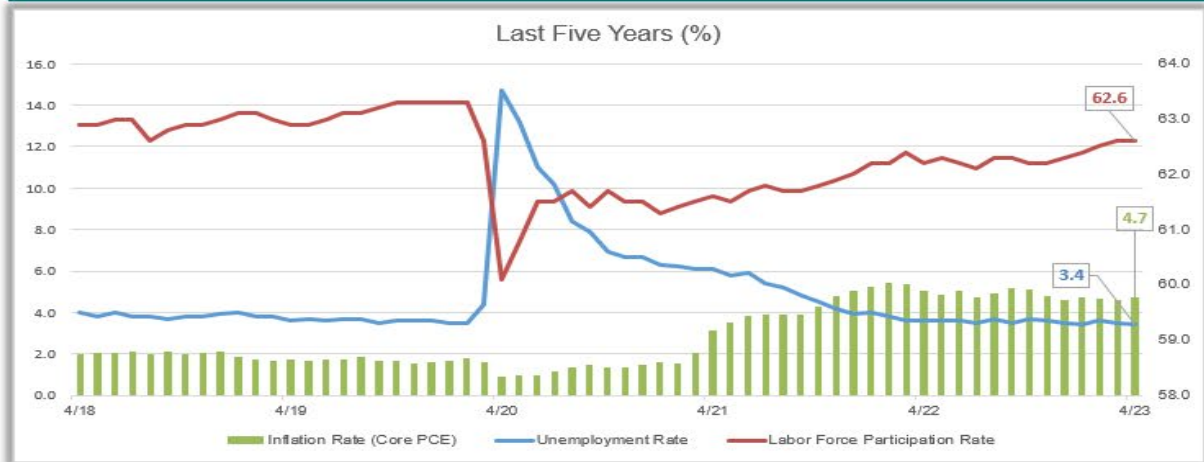
Key Macro Indicators*



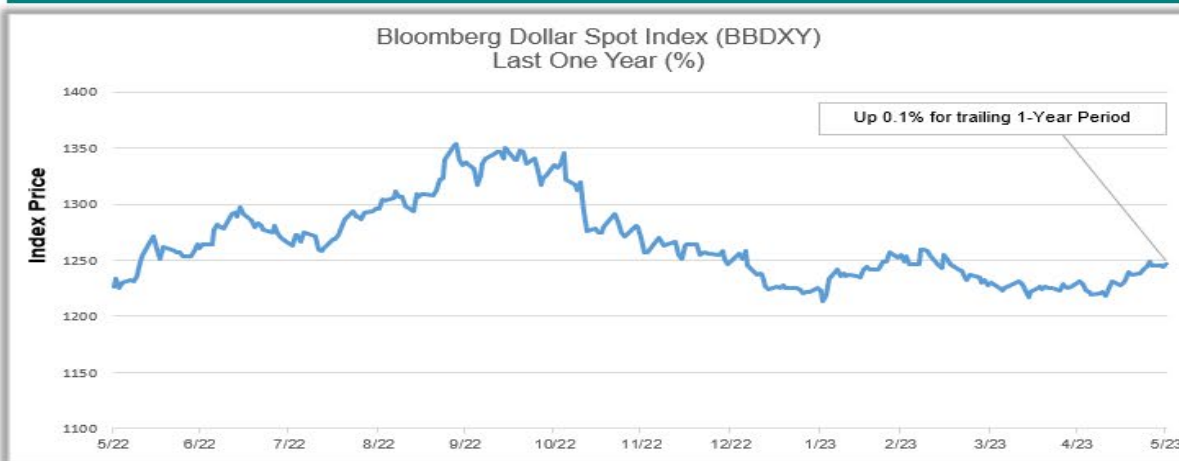
Consumer Confidence & ISM Manufacturing¹



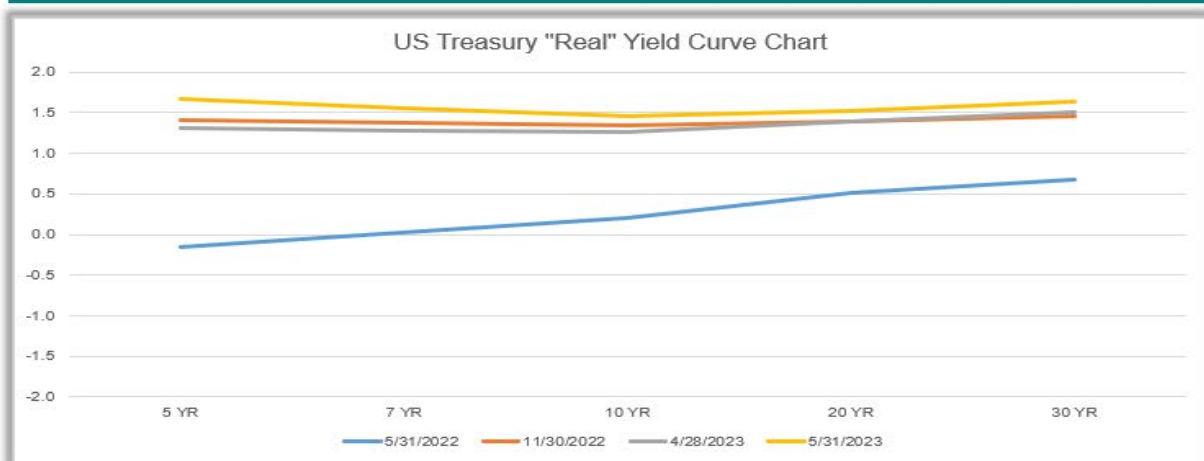
U.S. Inflation, Unemployment, & Labor Force Participation²



Performance of US Dollar vs. Leading Global Currencies³



U.S. Treasury "Real" Yield Curve⁴



*The information on the "Key Macro Indicators" charts is the best available data as of 5/31/23 and may not reflect the current market and economic environment

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

Market Themes and Notable Items to Watch



Recent Themes

- In early May, the Federal Reserve approved its 10th interest rate increase in just a little over a year
- The federal funds target range established by the Federal Reserve is now 5% - 5.25%
- In its statement, the Federal Reserve omitted a previously-included sentence that “the Committee anticipates that some additional policy firming may be appropriate” thereby hinting that the current tightening cycle may be reaching an end
- The U.S. 10-year Treasury yield ended May at 3.64%, 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 1.2% in May

What to Watch

- Interest rates and central bank actions
- Economic data and trends
 - Inflation, supply chains, and labor developments
- Macro conditions and geopolitical risks
- Environmental, social, and governance
 - Securities and Exchange Commission (SEC) increases transparency and more frequent reporting of share buyback programs and insider trading risks, requiring public companies to disclose daily share buyback volume, rationale, and whether insiders concurrently traded shares
 - SEC increases disclosure of private markets, revising “Form PF” rule to require private equity and hedge funds to report events that may pose systemic financial risks “as soon as practicable,” versus previous quarterly or annual basis

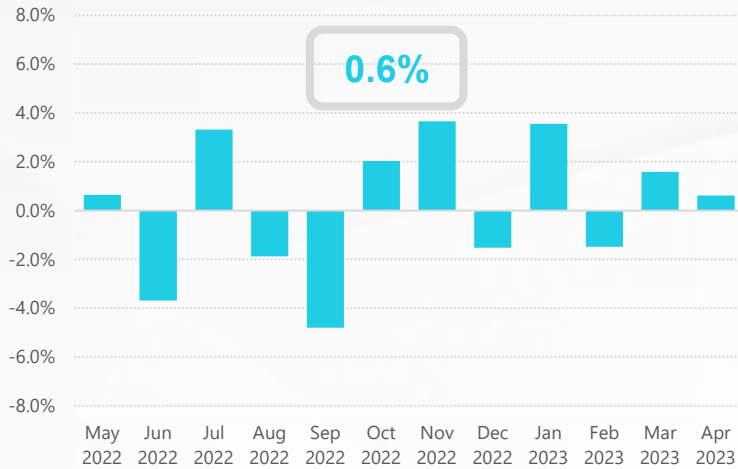


02 Portfolio Performance & Risk Updates

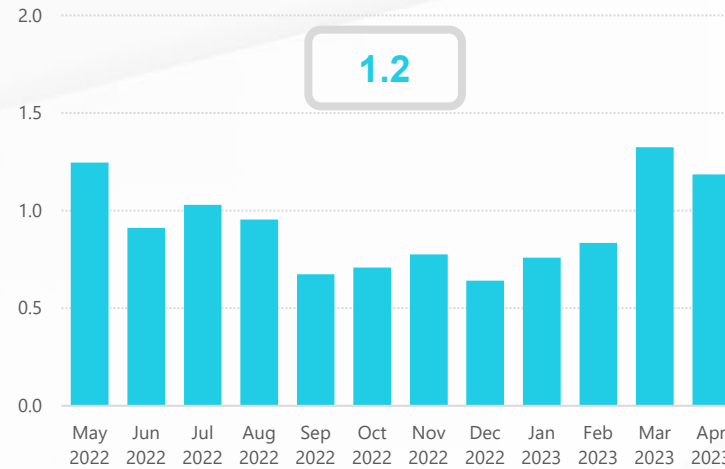
Total Fund Summary as of April 2023



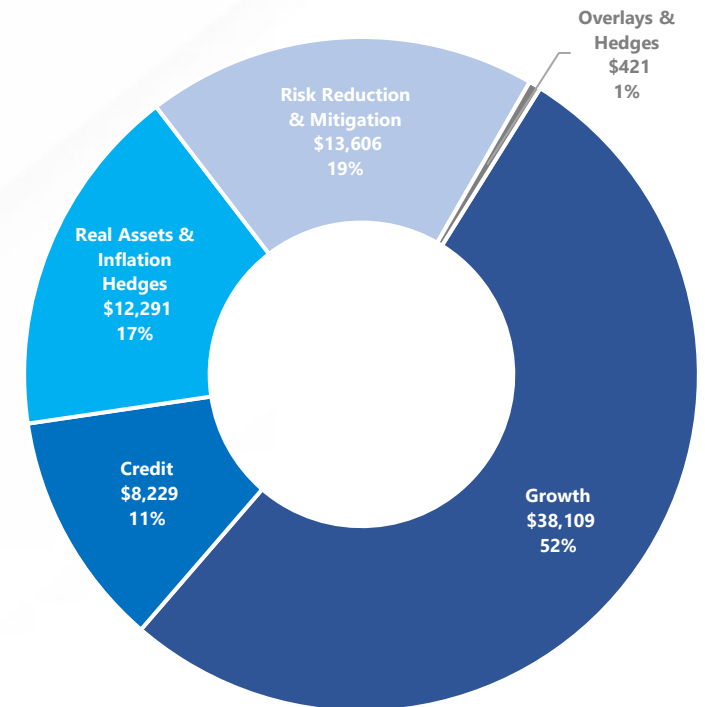
Monthly Return (net)



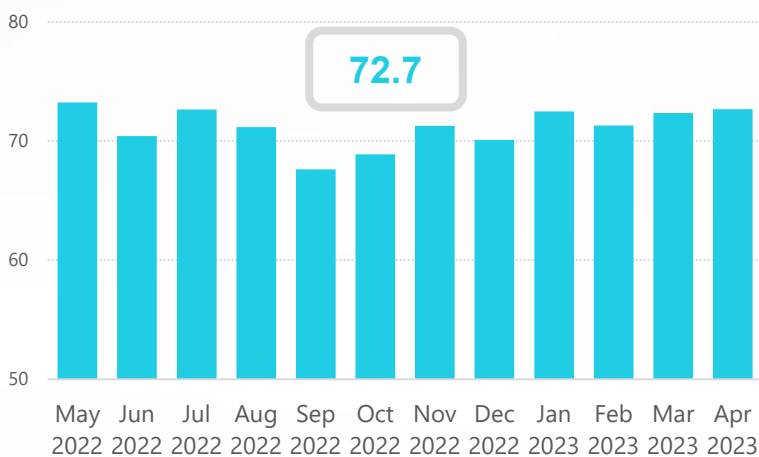
Sharpe Ratio (3-year annualized)



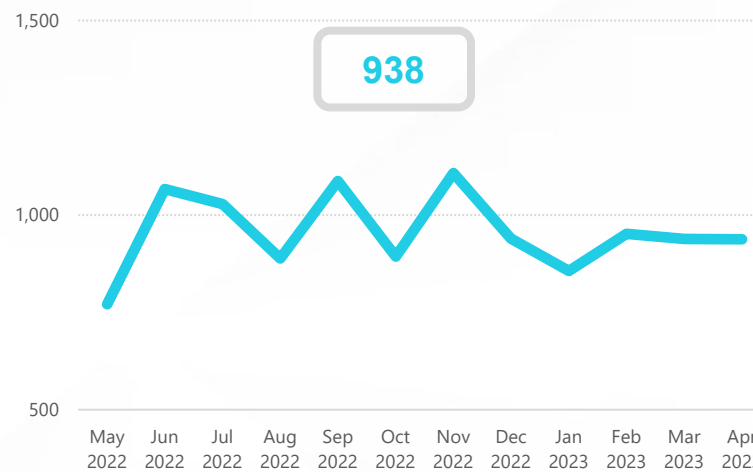
Asset Allocation (\$ millions)



Total Market Value (\$ billions)



Cash (\$ millions)

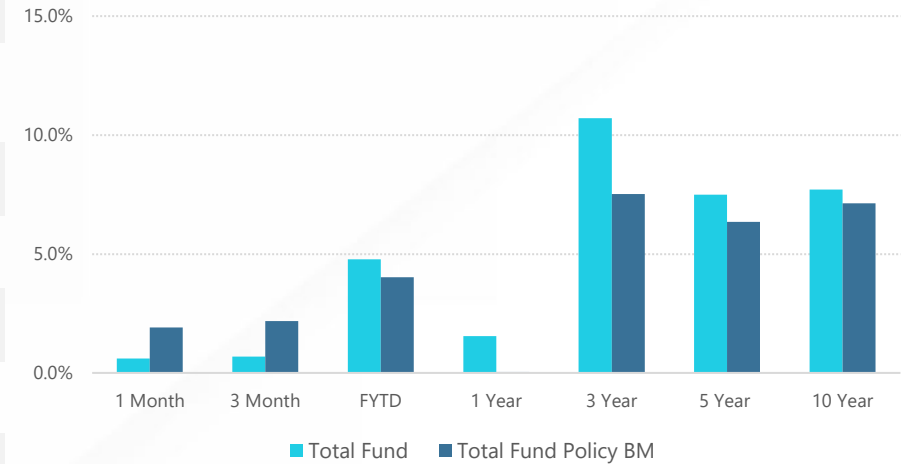


Historical Net Performance as of April 2023



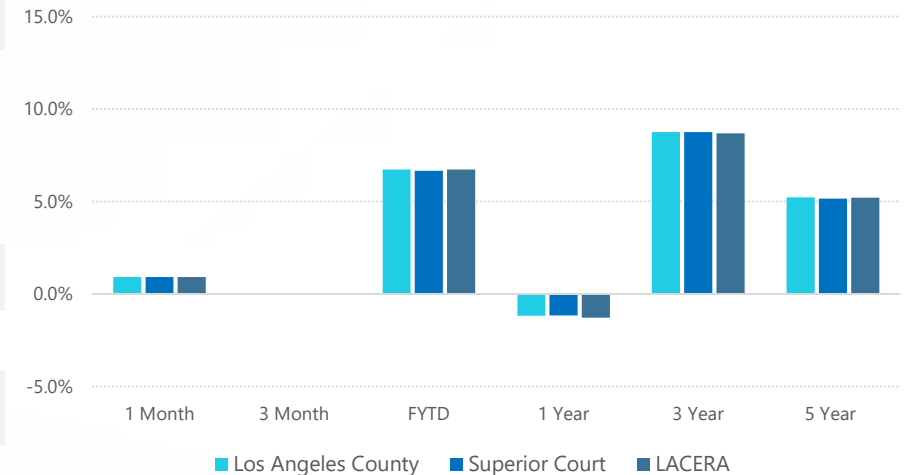
LACERA Pension Fund

	Market Value (\$ millions)	% of Total Fund	Interim Target	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
Total Fund	72,656	100.0%	100.0%	0.6%	0.7%	4.8%	1.6%	10.7%	7.5%	7.7%
Total Fund Policy BM				1.9%	2.2%	4.0%	0.0%	7.5%	6.4%	7.1%
7% Annual Hurdle Rate				0.6%	1.7%	5.8%	7.0%	7.0%	7.0%	7.0%
Growth	38,109	52.5%	53.0%	0.8%	1.1%	6.6%	1.4%	15.9%		
Growth Policy BM				3.1%	4.0%	5.3%	-0.4%	12.0%		
Credit	8,229	11.3%	11.0%	0.6%	1.7%	5.8%	1.5%	8.0%		
Credit Policy BM				0.9%	2.7%	5.0%	0.6%	3.8%		
Real Assets & Inflation Hedges	12,291	16.9%	17.0%	0.7%	-1.3%	1.9%	0.8%	10.8%		
Real Assets & Inflation Hedges Policy BM				0.3%	-2.5%	1.8%	-0.9%	10.7%		
Risk Reduction & Mitigation	13,606	18.7%	19.0%	0.1%	0.7%	1.0%	0.4%	-0.7%		
Risk Reduction & Mitigation Policy BM				0.6%	0.9%	0.9%	0.1%	-2.0%		
Overlays & Hedges	421	0.6%		0.6%	5.0%	16.4%	41.5%			



OPEB Master Trust

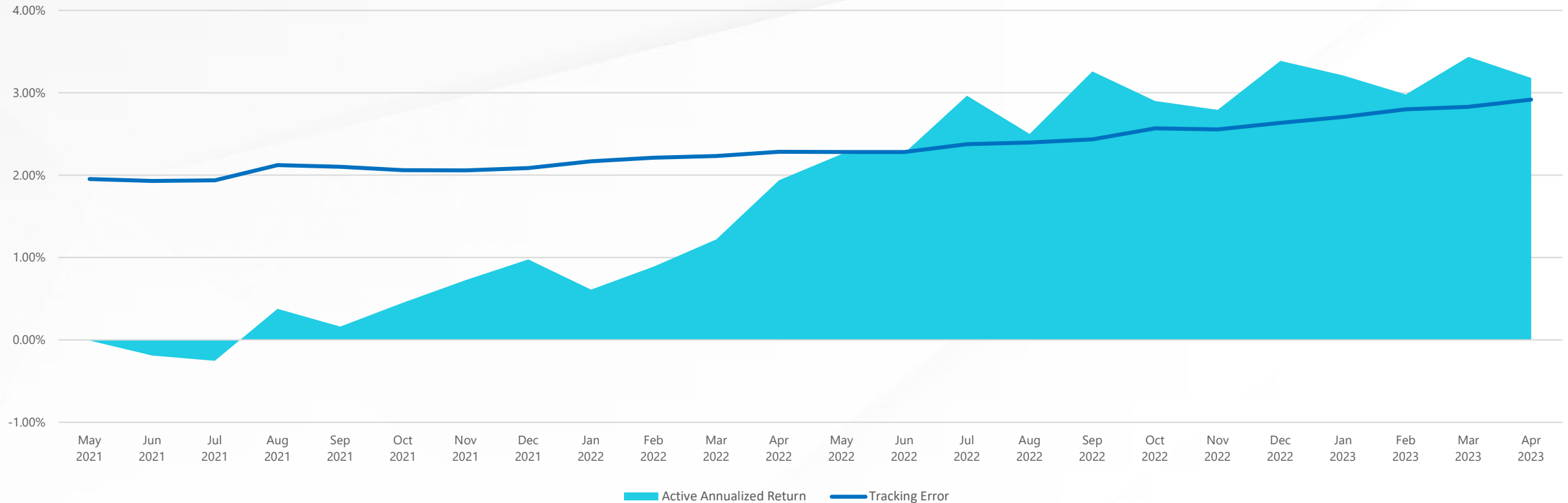
	Market Value (\$ millions)	% of Master Trust	Interim Target	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year
OPEB Master Trust	2,905			0.9%	-0.1%	6.7%	-1.2%	8.7%	5.2%
Los Angeles County	2,832	97.5%	—	0.9%	-0.1%	6.7%	-1.2%	8.7%	5.2%
Superior Court	61	2.1%	—	0.9%	0.0%	6.7%	-1.2%	8.7%	5.1%
LACERA	13	0.4%	—	0.9%	0.0%	6.7%	-1.3%	8.7%	5.2%
LACERA Master OPEB Trust Fund	2,904		100.0%	0.9%	0.0%	6.6%	-1.2%	8.7%	5.3%
OPEB Master Trust Policy Benchmark				1.0%	0.4%	6.3%	-1.6%	8.6%	4.9%
OPEB Growth	1,390	47.9%	47.5%	1.3%	1.0%	11.2%	1.8%	12.4%	6.9%
OPEB Growth Policy Benchmark				1.6%	1.5%	10.3%	0.8%	11.9%	6.5%
OPEB Credit	549	18.9%	19.0%	1.0%	1.4%	9.1%	3.7%	4.5%	--
OPEB Credit Policy Benchmark				0.9%	1.3%	7.4%	1.7%	4.5%	--
OPEB Real Assets & Inflation Hedges	580	20.0%	20.0%	0.2%	-4.0%	-2.8%	-12.7%	9.2%	--
OPEB RA & IH Policy Benchmark				0.1%	-3.2%	-0.5%	-10.6%	10.0%	--
OPEB Risk Reduction & Mitigation	385	13.2%	13.5%	0.6%	0.6%	1.7%	1.0%	-2.0%	1.5%
OPEB RR & M Policy Benchmark				0.6%	0.6%	0.1%	-0.6%	-2.6%	1.0%



Performance Based Risk as of April 2023



Active Return vs. Tracking Error^{1,2,3}



Period Ending	Annualized Return	Annualized Benchmark Return	Annualized Active Return	Tracking Error
Apr 2023	10.7%	7.5%	3.2%	2.9%

¹ Rolling 36 months.

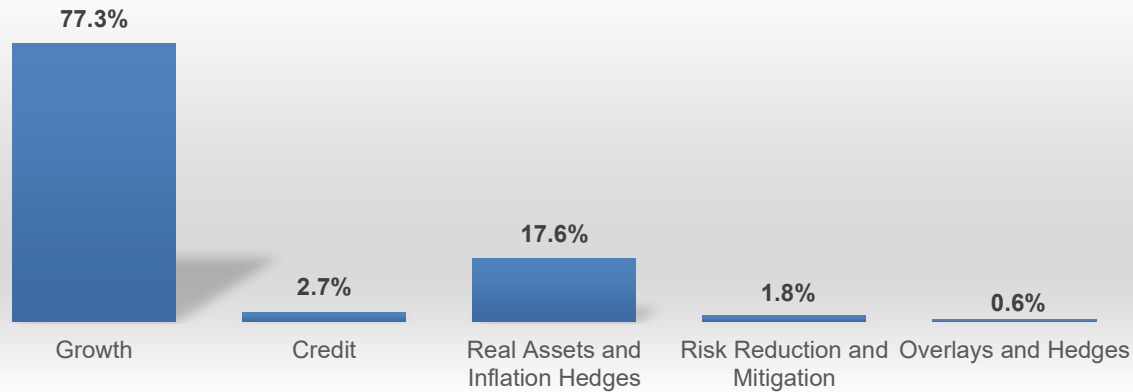
² Active return equals the difference in return between a portfolio and its benchmark.

³ Tracking error (or active risk) measures the volatility of active returns.

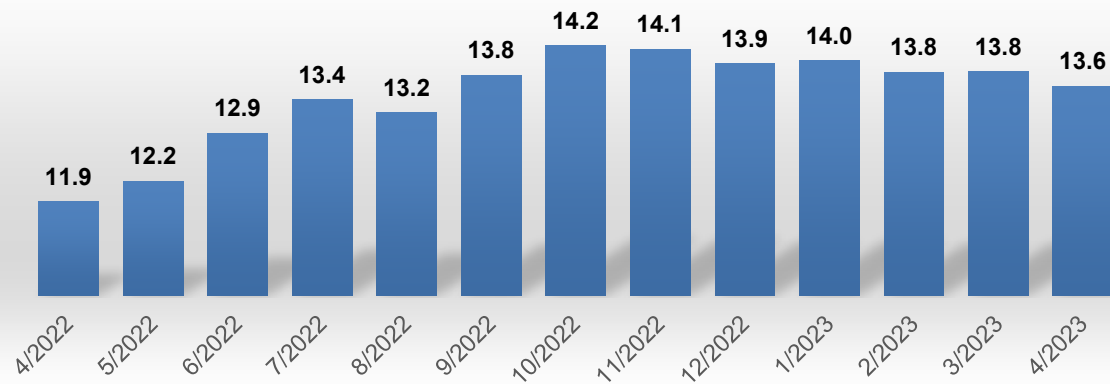
Total Fund Forecast Risk* as of April 2023



%Contribution to Total Risk



Total Risk



	%Weight	% Cont. to Total Risk	Standalone Total Risk	Standalone Benchmark Risk
Total Fund			13.6	12.9
Growth	52.7%	77.3%	20.1	19.2
Global Equity	33.4%	42.7%	18.3	18.3
Private Equity	17.7%	31.4%	27.1	26.2
Non-Core Private Real Estate	1.6%	3.2%	39.3	19.1
Credit	10.9%	2.7%	4.4	5.7
Liquid Credit	5.3%	1.9%	6.4	5.7
Illiquid Credit	5.7%	0.8%	3.6	5.7
Real Assets & Inflation Hedges	17.2%	17.6%	15.0	14.0
Core Private Real Estate	5.8%	6.3%	21.2	19.1
Natural Resources & Commodities	3.1%	3.4%	18.5	20.2
Infrastructure	5.5%	7.2%	19.2	18.0
TIPS	2.7%	0.6%	6.9	6.9
Risk Reduction and Mitigation	18.6%	1.8%	6.3	6.2
Investment Grade Bonds	7.0%	0.8%	6.7	6.6
Diversified Hedge Funds	6.0%	0.5%	3.7	0.3
Long-Term Government Bonds	4.3%	0.5%	14.6	14.6
Cash	1.3%	0.0%	-	-
Overlays and Hedges	0.5%	0.6%	-	-

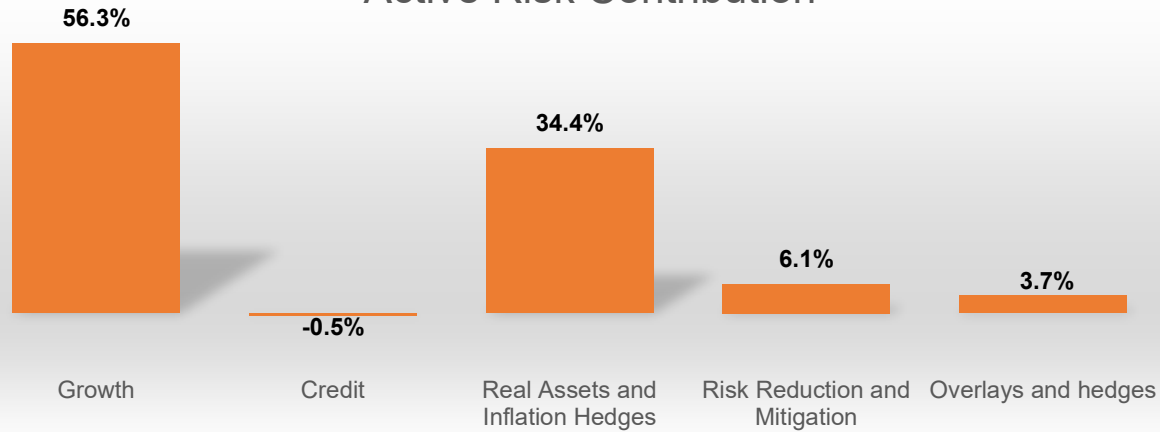
*Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 12/31/2022

SOURCE: MSCI BarraOne

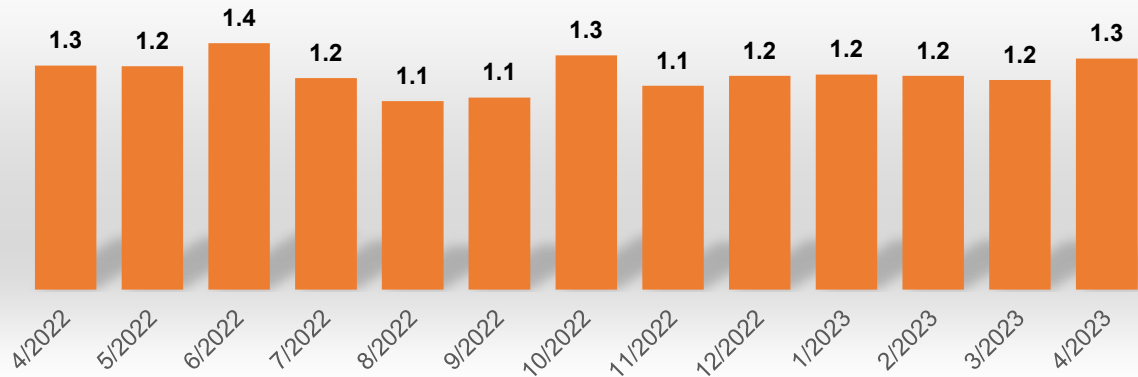
Total Fund Forecast Active Risk* as of April 2023



Active Risk Contribution



Active Risk



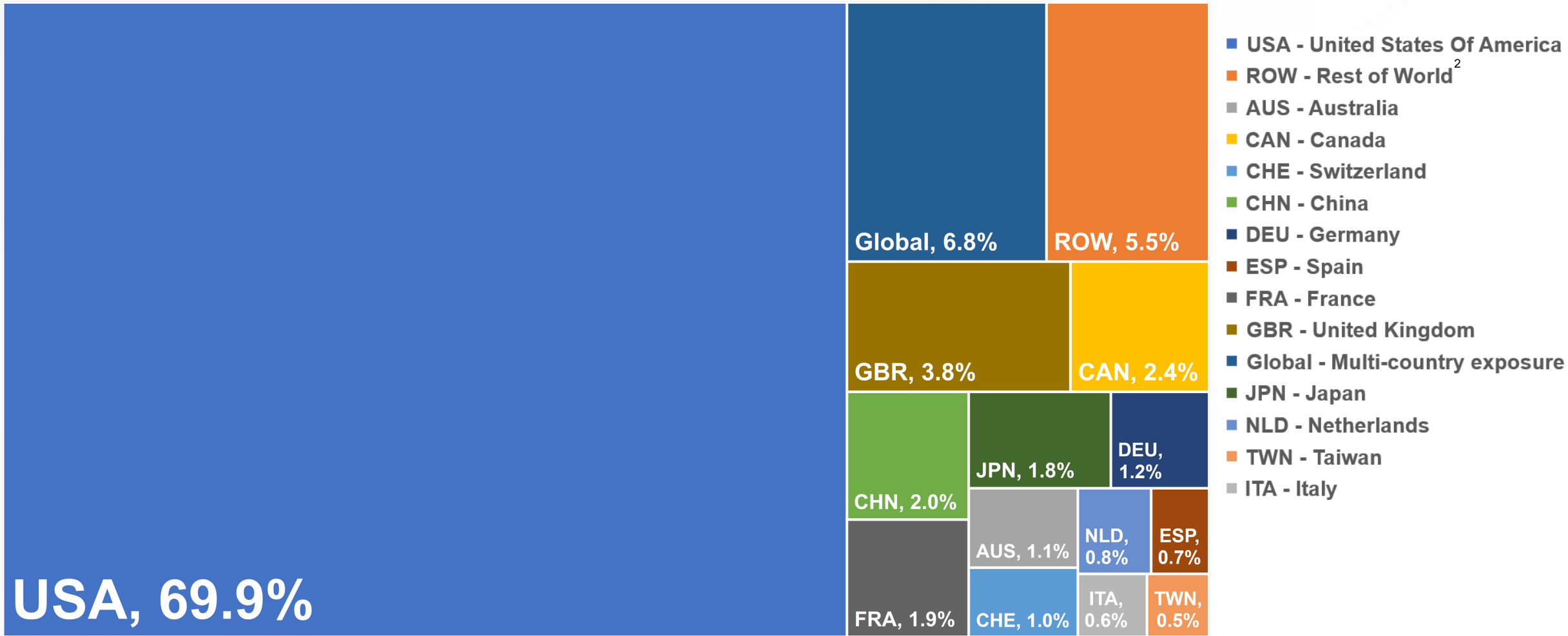
	%Weight	Active Weight%	Active Risk	Active Risk Allocation	Active Risk Selection
Total Fund			1.29	0.06	1.23
Growth	52.7%	-0.28%	0.73	-0.01	0.74
Global Equity	33.4%				
Private Equity	17.7%				
Non-Core Private Real Estate	1.6%				
Credit	10.9%	-0.05%	-0.01	0.00	-0.01
Liquid Credit	5.3%				
Illiquid Credit	5.7%				
Real Assets & Inflation Hedges	17.2%	0.18%	0.44	-0.01	0.45
Core Private Real Estate	5.8%				
Natural Resources & Commodities	3.1%				
Infrastructure	5.5%				
TIPS	2.7%				
Risk Reduction and Mitigation	18.6%	-0.37%	0.08	0.03	0.05
Investment Grade Bonds	7.0%				
Diversified Hedge Funds	6.0%				
Long-Term Government Bonds	4.3%				
Cash	1.3%				
Overlays and Hedges	0.5%	0.53%	0.05	0.05	-

*Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 12/31/2022

SOURCE: MSCI BarraOne

Geographic Exposures by AUM* - Total Fund

as of April 2023 ex-overlays & hedges



*AUM = assets under management

¹ Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 12/31/2022

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

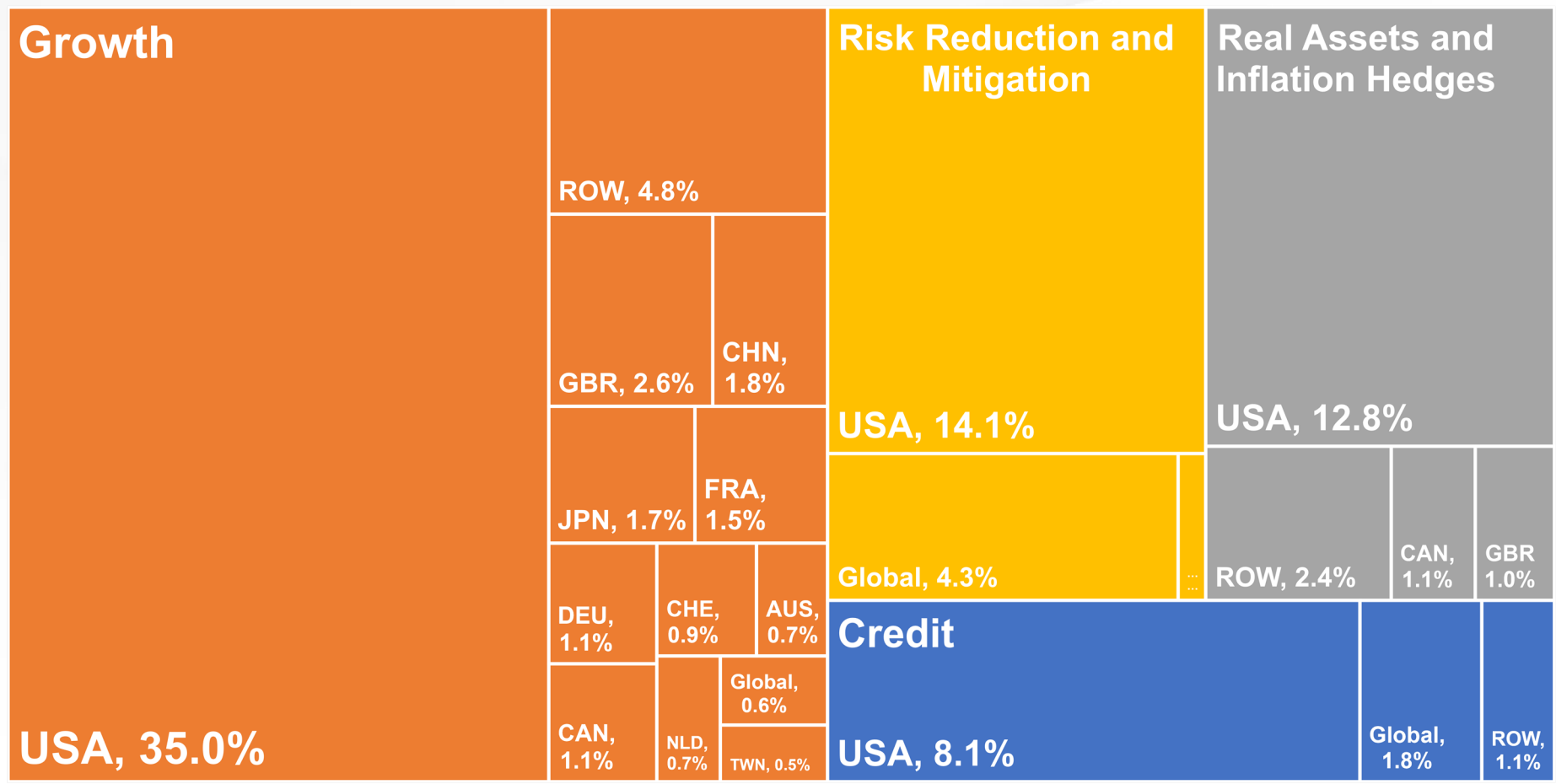
³ Geographic exposure is based on the domicile country of a given security/asset

SOURCE: MSCI BarraOne

Geographic Exposures by AUM* - Asset Categories as of April 2023 ex-overlays & hedges



■ Credit
 ■ Growth
 ■ Real Assets and Inflation Hedges
 ■ Risk Reduction and Mitigation



- USA - United States Of America
- AUS - Australia
- CAN - Canada
- CHE - Switzerland
- CHN - China
- DEU - Germany
- FRA - France
- GBR - United Kingdom
- Global - Multi-country exposure
- JPN - Japan
- NLD - Netherlands
- ROW - Rest of World ²
- TWN - Taiwan

*AUM = assets under management

¹ *Implementation of the MSCI Risk Platform is ongoing; reconciliation and refinement of the data is progressing and subject to change. Real estate and private equity data used is as of 12/31/2022

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

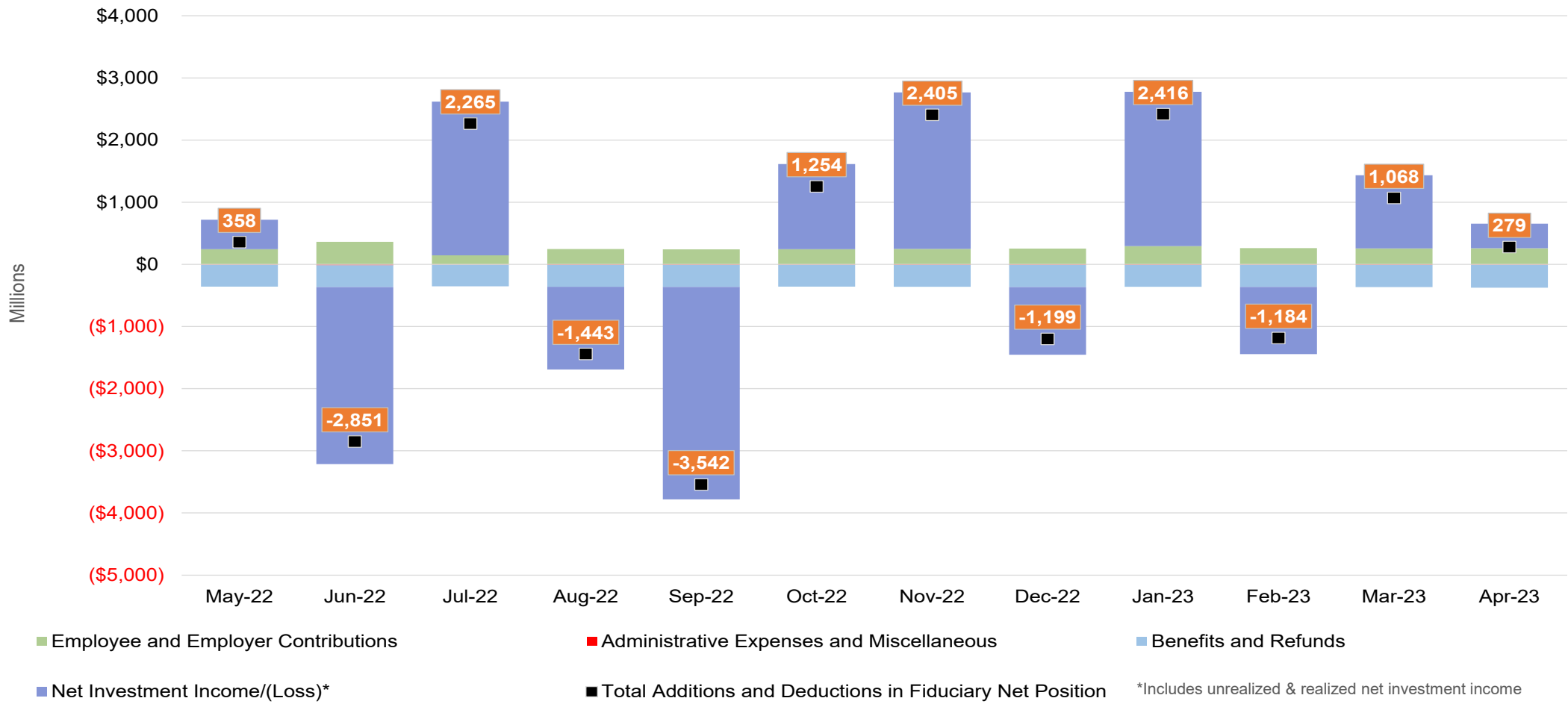
³ Geographic exposure is based on the domicile country of a given security/asset

SOURCE: MSCI BarraOne

Change In Fiduciary Net Position



Additions and Deductions in Fiduciary Net Position (Unaudited)



Fiscal Year	Negative Months	Positive Months	Total Net Position Change \$
FY-21	2	10	\$13.8 billion
FY-22	7	5	(\$2.5 billion)
FY-23	4	6	\$2.3 billion



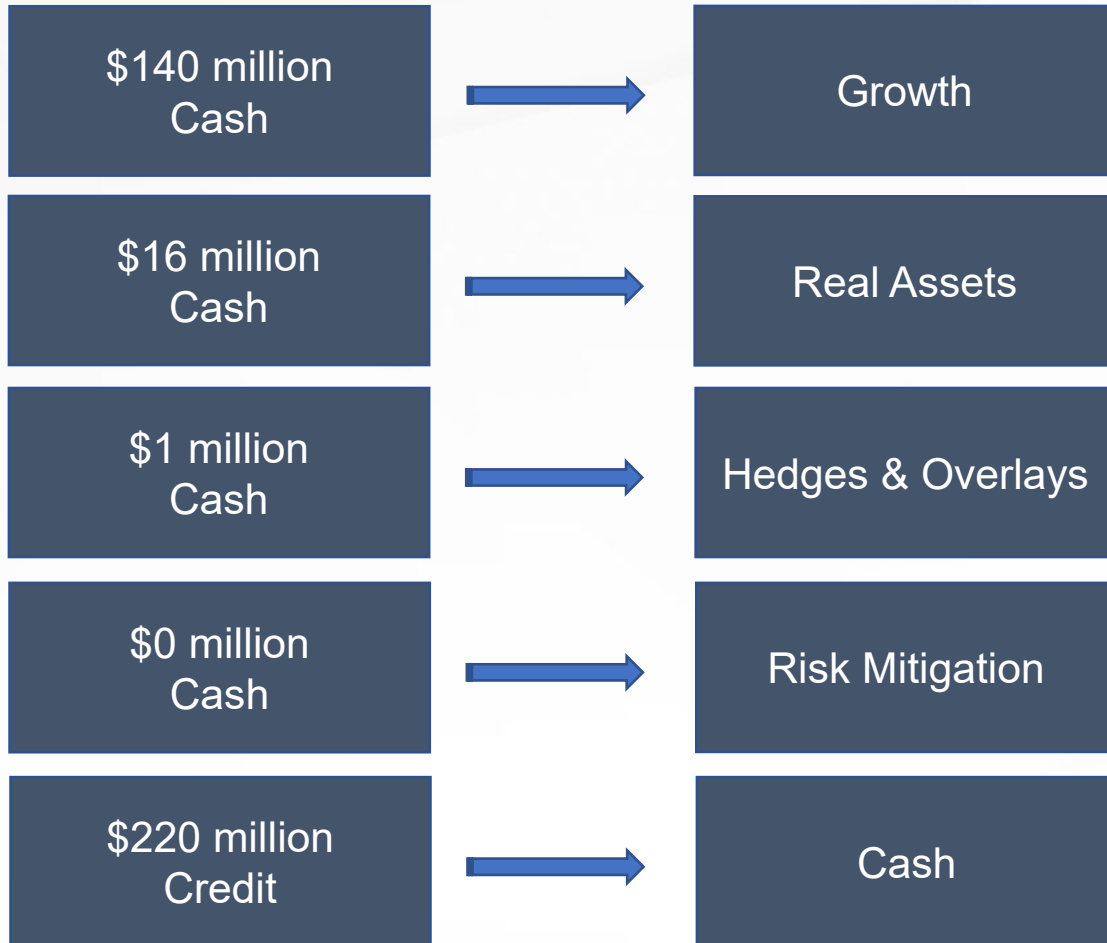
03 Portfolio Structural Updates

Portfolio Structural Updates



Portfolio Movements

Rebalancing Activity



Hedges & Overlays

Monthly Activity

Program	April Return	April Gain/(Loss)	Inception ¹ Gain/(Loss)
Currency Hedge ²	-0.1%	(\$1.0 Million)	\$1.3 Billion
Cash/Rebalance Overlay ³	0.7%	\$8.9 Million	\$303.3 Million

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

² 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.

³ 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
OPEB Public Markets Passive Investment Management Search	✓	✓	June 14, 2023
Commercial Real Estate Brokers Search	✓		Anticipated Q3 2023



04 Key Initiatives & Operational Updates

Notable Initiatives and Operational Updates



Key Initiative Updates

- Jonathan Grabel was named to the Council of Institutional Investors U.S. Asset Owner Advisory Council
- The 2024 Strategic asset allocation study will begin in Q3 of this year
- The Investment Division is adhering to the 2023 Work Plan and Strategic Initiatives approved at the January 2023 BOI

Operational Updates

- Operational due diligence review in progress

Manager/Consultant Updates

Angelo Gordon – Real Estate – Will be acquired by TPG, a global alternative asset management firm. The transaction is expected to be completed by the fourth quarter of 2023. LACERA has 2 active relationships with Angelo Gordon - AG Europe Fund II and AG Asia Fund IV.

Lazard – Global Equity – Announced that Ken Jobs, CEO of Lazard Ltd. will retire effective October 1st, 2023. Peter Orszag, currently CEO of Financial Advisory will become the new CEO. Evan Russo continues to serve as CEO of Asset Management.

Team Searches and Vacancies

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

Manager/Consultant Updates Continued



Manager/Consultant Updates

Parametric – Total Fund – In May, the CEO, Brian Langstraat decided to transition into a Senior Advisor role effective January 1st, 2024. Mr. Langstraat's CEO responsibilities will be transitioned through the remainder of 2023 to Tom Lee and Ranjit Kapila, who will lead Parametric as Co-Presidents.

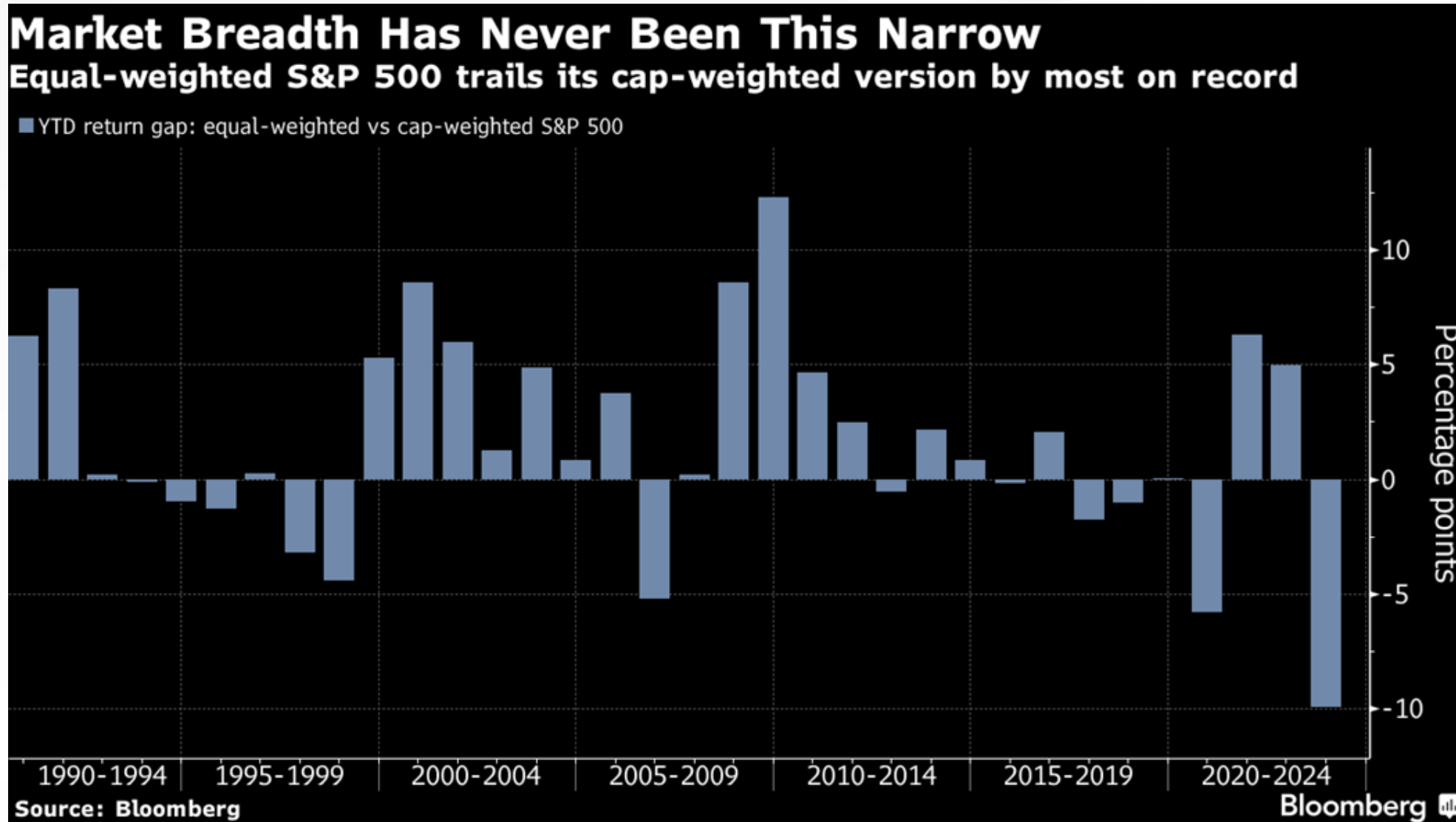
StepStone – Private Equity and Real Estate - has decided to close its Brazil office and wind down operations within that office over the next few months. Local team members may choose to relocate to other StepStone offices. The Firm still has a presence in Latin America as reflected in its offices in Mexico City and Santiago.



05 **Commentary**

Staff Chart of the Month

Narrow Equity Market Leadership at Historic Levels





06 Appendix

Quiet Period for Search Respondents



Real Assets Emerging Manager Program Discretionary Separate Account Manager Search

- ✓ 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
- ✓ BlackRock
- ✓ Astarte Capital Partners
- ✓ Bentall Green Oak
- ✓ Clear Sky Advisers
- ✓ Clear Investment Group
- ✓ Poverni Sheikh Group
- ✓ Trilogy
- ✓ Stepstone
- ✓ Oak Street
- ✓ White Deer

OPEB Public Markets Passive Investment Management Search

- ✓ BlackRock Investments, LLC
- ✓ Northern Trust Investments, Inc
- ✓ RhumbLine Advisers
- ✓ State Street Global Advisors



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.



Retired Member

Borina Nou Garcia

Children Services Administrator I, Department of Children and Family Services

Retired: March 2023

Years of Service: 31

MEMBER SPOTLIGHT

County Career: Ms. Nou Garcia recently retired after 31 years of service with the Department of Children and Family Services. In that time, her dedication and passion for serving the children and families of L.A. County never wavered.

Volunteer Work: L.A. County Cambodian Employee Association, Asian American Employee Association

Ms. Nou Garcia has volunteered and organized aid to families for many years, including the annual “Adopt a Family” program through the Department of Public Social Services, where she and her team provided direct donations to help make the holidays a little brighter for families in need.

Retirement plans: Ms. Nou Garcia has a curious spirit and is looking forward to exploring Asia and its diverse cultures. She’s an enthusiastic cook, especially seafood, and plans to blend travel with her culinary passion. In addition, she says she intends to stay active in advocacy work and politics.





May 29, 2023

TO: Each Trustee,
Board of Retirement
Board of Investments

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


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

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

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, is now in full swing.

The month of May kicks off the election season with the first wave of notices – the “Call for Nominations” - being sent out to Active General members throughout the County and the outside districts, as well as all Retired members. The “Call for Nominations” email lets members know important details about the election and how to find out more information on how eligible retired and active general members can become a candidate if they are interested. Active Safety members are not eligible to run or vote in this round of elections.

EXECUTIVE OFFICE

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

LACERA Elections

Attention LACERA General Members,

Election time is approaching. The terms of office for the Second Member of the Board of Investments, and the Second Member of the Board of Retirement will expire on December 31, 2023. To fill these positions, elections will be held this summer.

Eligible LACERA General Members interested in becoming a candidate in these elections may obtain a nomination packet from the Registrar-Recorder/County Clerk. Nomination packets may be obtained from the Registrar-Recorder/County Clerk, by contacting the Elections Planning section, at (562) 462-2317, or via email at Electionplanning@rrcc.lacounty.gov, on or after Monday, May 22, 2023. To qualify as a candidate, General Members must obtain fifty nominating signatures from active General Members of LACERA in service on April 15, 2023. Detailed instructions regarding candidate nomination petitions will be included in the nomination packet. To find the list of departmental election coordinators, please visit: bos.lacounty.gov/services/conflict-of-interest-lobbyist/lacera-elections.

Eligible voters will be able to cast their votes online, by telephone, or by paper ballots (if requested appropriately). To request a paper ballot, you must send an email to your departmental/agency Election Coordinator with your name, work email address, employee number, and mailing address, to be confirmed by your Election Coordinator. Request must be made by 5:00 p.m. on July 6, 2023.

Eligible voters who do not have an email address on file or are identified as having an invalid email address will receive login credentials and voter information by U.S. mail prior to the voting period.

LACERA
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Active General members received the “Call for Nominations” email sent to their County and Superior Court email addresses. The Executive Office of the Board of Supervisors also reached out and coordinated with the outside districts to ensure members there are informed about the election.

LACERA mailed physical postcards to all eligible Retired members in early May and followed up with an email to all Retired members who have provided an email address.


Calling All Candidates

LACERA election time is approaching!

Elections will be held this summer to fill the seats of the Eighth Member of the Board of Investments and the Eighth Member and Alternate Retired Member of the Board of Retirement. (The current terms of office for these seats expire on December 31, 2023.)

Interested in Running?



To be eligible, you need to be a Retired Member of LACERA on or before April 15, 2023. You can obtain a nomination packet from the Registrar-Recorder/County Clerk by contacting the Election Planning Section at 562-462-2317, or via email at ElectionPlanning@rrcc.lacounty.gov beginning on May 22, 2023, and no later than 5:00 p.m. on June 20, 2023. For further information on the candidate filing process, contact the Registrar-Recorder/County Clerk's Election Planning Section at 562-462-2317.



Retired Members of LACERA who were Retired Members on or before April 15, 2023, will be eligible to vote in this election. **Retired Member voters will be able to cast their votes online, by telephone, or by paper ballot.** If there are candidates for this election, the election will be held August 4, 2023, to August 31, 2023. Paper ballots are scheduled to be mailed to all voters on August 2, 2023. The online and telephonic voting system will be available 24 hours a day, seven days a week beginning on **August 4, 2023, through August 31, 2023.** Also, on August 4, 2023, eligible Retired Members who have a valid email address on file with LACERA will be emailed login credentials and voting instructions to their email address.



Eligible voters who do not have an email address or are identified as having an invalid email address will receive login credentials and voter information with their paper ballots.

Please call 800-786-6464 for general information regarding this election.

PRST STD
U.S. Postage
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Industry, CA
Permit #4278

We will keep publishing our schedule (see below) for the elections. We have also added a completed checkbox for those items on the schedule that are completed.

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.	

Date	Event	Completed
First Week of July	LACERA sends mailer regarding election status.	
July 17, 2023	Election notices emailed by vendor.	
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.	

Additionally, the Executive Office of the Board of Supervisors held their annual election coordinator training for all of the coordinators throughout the County, ensuring they understood their role in the election process. The training updated them on their roles and responsibilities and sought to ensure that they are getting the word out about the elections, notices are posted as required, and members have a resource to go to if they experience any difficulties.

Document Processing Center Staff Classification Study Update

On April 27, 2023, the Joint Organizational Governance Committee (JOGC) considered staff recommendations resulting from a classification and compensation study affecting staff who work in the Document Processing Center (DPC). The Committee directed Management to meet with the DPC staff to hear their concerns and report back to the Boards in June.

On May 3, 2023, I, along with Deputy Chief Executive Officer Luis Lugo and Assistant Executive Officer Laura Guglielmo, met with the DPC staff. The Unit Supervisor, Elsy Gutierrez, and Acting Administrative Services Division Manager, Roberta Van Nortrick, also participated in the meeting. In this meeting Management listened to staff express their frustration and disappointment with the length of time the study took as well as with the findings. While staff noted the thoroughness of the consultant’s process, which

included on-site interviews with staff and the supervisor, they felt the market comparison missed the mark, noting their jobs are more technical and analytical than clerical. They also noted the very high number of different document types that DPC staff are expected to be familiar with and the critical role they play in our members' retirement journeys.

During this meeting Management committed to having the consultant refresh the market data, which goes beyond the aging of the salaries conducted by Human Resources. That refresh is in process, and we will report back to the JOGC at its next meeting with the results.

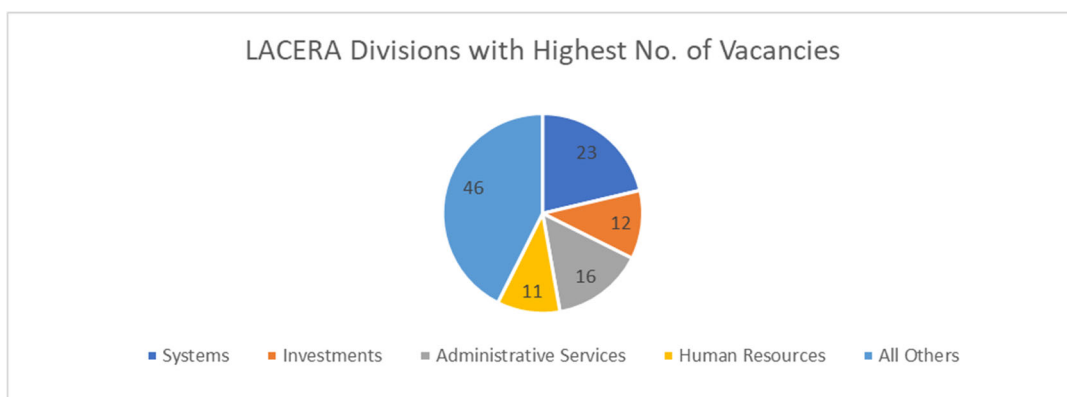
In addition, Management shared our own experiences with similar document processing units that currently operate at the Los Angeles County Assessor's Office (Ownership Unit) and Minnesota Public Employees Retirement Association (PERA), and discussed how the work was both similar and different from DPC staff responsibilities. We arranged for the Unit Supervisor to contact her counterpart at Minnesota PERA, and they were able to connect and discuss the similarities and differences of their work units and staff responsibilities. Additionally, we are setting up a site visit of the Assessor's Ownership Unit to see firsthand the complexity of the work and documents processed, which we hope to complete by June 30.

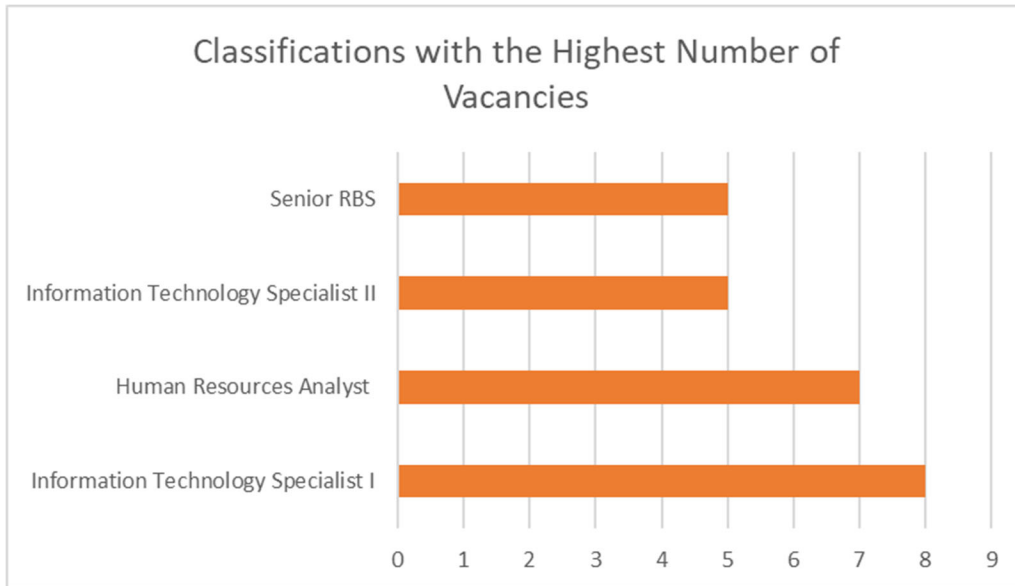
We recognize the challenges that pay and pay equity play in our ability to recruit and retain the best talent, and remain committed to ensuring that staff have confidence that the recommendations brought forward are based on accurate data sets. We look forward to bringing this matter back to the JOGC at its next regular meeting.

Recruitment Updates

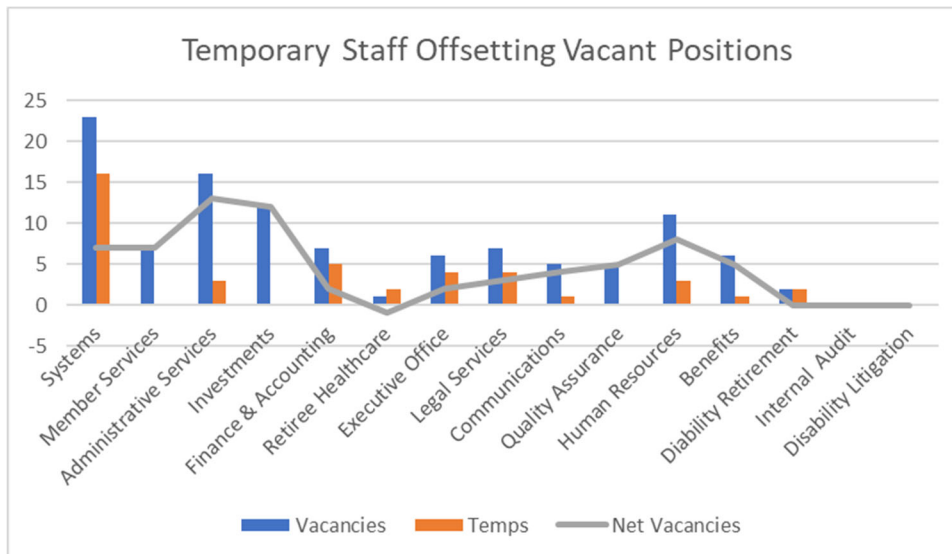
LACERA has 530 budgeted positions, of which 108 are vacant (20% vacancy rate). Additionally, there are 11 over-hired positions (positions that temporary staff members are assigned to but are not permanently budgeted) in the Retirement Benefits Specialist I classification. Over hiring in the Retirement Benefits Specialist I classification allowed LACERA to hire and train enough staff members to meet anticipated staffing needs taking normal staff attrition into consideration.

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

LACERA has contracted with EFL Associates (EFL) to secure a pool of qualified and diverse candidates for the Deputy Chief Investment Officer position. Selection interviews of the finalists were conducted the week of May 15, 2023. The final round of interviews will be completed by Friday, June 2, 2023.

The final interviews were conducted for the Chief, Information Technology (CIT), and Information Security Officer (ISO) positions. A conditional offer was made and accepted for CIT with an effective date to be determined. Unfortunately, the candidate for the ISO

declined and accepted an offer with a private company. After working with Alliance, the outside consultant, the recruitment has been re-posted. We will onboard three additional information security contractors as backfills as we look to fill the permanent Information Security Officer position. We currently have two Information Security Contractors on the team.

The recruitment brochures were posted for the following positions in the Legal Office:

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

Development

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

- Information Technology Manager II
- Division Manager
- Senior Writer
- Administrative Services Analyst II and III

New Lists Promulgated, Hiring and Promotions

Candidates have been placed on the Finance Analyst II Eligible Register. Three (3) employment offers have been made. Two candidates have accepted the offers and will begin in early June. One offer is pending, and we anticipate extending offers to two additional candidates within the next two weeks.

The Retirement Benefits Specialist I-Trainee Class began on May 1, 2023. Six (6) Trainees are assigned to Retiree Health Care and 25 Trainees were split between Benefits and Member Services Divisions.

The background check for a Senior Human Resources Assistant candidate was completed and the candidate will begin June 5, 2023.

The Human Resources Analyst Eligible List was promulgated. Selection interviews are pending.

Internship Program

Two (2) Interns were selected and began in the Legal Office. Four (4) Interns have been selected for the Investments Office. Two (2) of the Interns were selected from Seizing Every Opportunity (SEO-PREA) and the two (2) others from Girls Who Invest.

Resumes for intern positions related to pension administration work activities are being compiled with the goal of providing additional internships to two to four additional college

students. We will provide more details about the program as part of the CEO report next month.

Retiree Healthcare

CVS Caremark Oklahoma Update

Last month, staff reported that 118 of our members participating in the Anthem Blue Cross I, II or III plans, and residing in Oklahoma, had been sent notification from CVS Caremark that per HB 2632, they would no longer have mail order services and would only be able to fill up to a 30-day supply of their medication at a participating in-network retail pharmacy. Last month when staff reported this, Oklahoma was the only state that had halted members' ability to fill 90-day prescriptions and via mail order.

On May 18th, LACERA's CVS Account Manager provided notice of critical plan updates affecting the ability of members in Minnesota and Oklahoma to refill prescriptions as discussed below.

State of Minnesota

CVS reached an agreement with the State of Minnesota related to their compliance with the requirement to allow non-CVS pharmacies within the state of Minnesota to participate in CVS's Maintenance Choice program. If other pharmacies decide to join the program, those pharmacies will be required to accept CVS's standard terms and conditions, which are inclusive of accepting the mail reimbursement rates. If a pharmacy joins the network, members in Minnesota will have an expanded list of pharmacies to choose from to fill their 90-day prescriptions.

State of Oklahoma

As previously communicated, in 2019 the Oklahoma legislature passed HB 2632, also known as the Patient's Right to Pharmacy Choice Act (the "Act"). As a result, CVS Caremark was required to discontinue the Maintenance Choice program in Oklahoma. However, on May 5, 2023, CVS Caremark met with the Oklahoma Insurance Department ("OID") proposing a resolution that ensures compliance with Oklahoma state law for clients that have elected Maintenance Choice, while also providing members access to 84+ day supplies of medications in Oklahoma as well as access to mail order. In response to CVS's proposal, on May 10, the Oklahoma Insurance Commissioner, Glen Mulready, issued a statement confirming OID's approval of CVS Caremark's proposed resolution.

Solution for Clients with Members Filling Their Medication in Oklahoma

- An Oklahoma Custom Retail 90 extended day supply (EDS) network will be available. This network includes all Oklahoma pharmacies (not just CVS) that currently participate in CVS's Retail 90 network and permits members to fill an 84+ day supply of their medication.

What Does That Mean for Our LACERA Members Residing in Oklahoma

- Once this is implemented, 84+ day supply claims may process at pharmacies other than CVS in Oklahoma.
- The new OK Custom Retail 90 EDS network will be subject to pricing terms equal to or better than pricing for a 30-day retail network supply.
- While this solution does not offer the same pricing as Maintenance Choice, it is a financial improvement over the standard retail 30-day pricing.
- Mail order will be available for our members residing in Oklahoma.
- If we were to opt out of this new option, the 30-day retail benefit will remain in place and our members would not be able to obtain the 84+day supply at retail or fill prescriptions via mail.

Benefit to Members

- This solution provides options and greater access for members to fill prescriptions in either 30-day or 84+ day supplies from any in-network retail or mail pharmacy of their choice.
- The member cost share for an 84+ day supply at retail will be the same as the mail cost share. There will be no impact to the 30-day member cost share.
- All impacted members will be notified of this change unless we were to opt out. Members will be able to find an in-network pharmacy that's convenient for them by visiting www.Caremark.com/PharmacyLocator.

Note: This only applies to Oklahoma pharmacies. Maintenance Choice will remain as it is for all other states (except OK and MN).

What Next?

CVS will begin implementing these updates as early as July and will share an estimated pricing and completion date for these changes with staff. CVS will be sending notification of these changes to all impacted members.

Staff were informed that CVS was pleased to resolve these matters with the Minnesota Department of Commerce and the Oklahoma Insurance Department.

Attachments



CEO DASHBOARD



June 7, 2023



Striving for Excellence

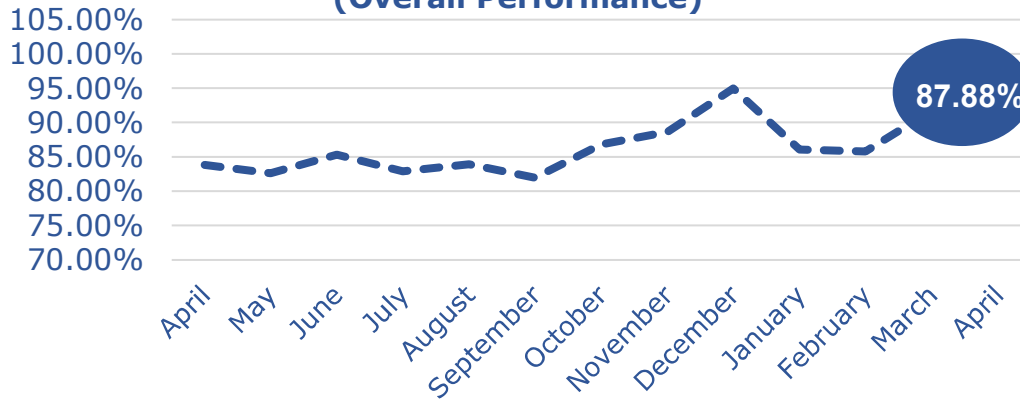
Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2023

	WORKSHOP ATTENDANCE 694 Year-to-Date: 6,649		OUTREACH EVENTS 14 Year-to-Date: 154		WORKSHOP SATISFACTION 0 Resp. Rate: 0.0% Change: 0		MSC OVERALL SATISFACTION 96.71% Resp. Rate: 20.0% Change: 1.52%		MEMBER SERVICES CALL CENTER 9,772 3 Month Average: 11,158
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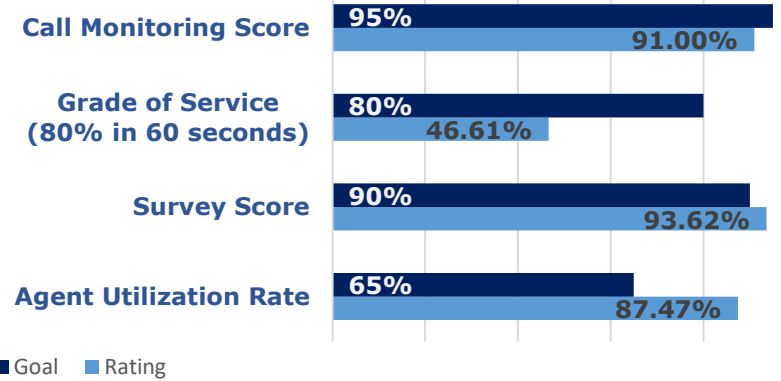
Member Services

Key Performance Indicator (Overall Performance)

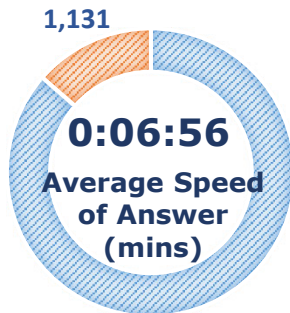
Goal: 100%



Key Performance Indicator (Components)



##



Top Calls

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



Emails

362
Avg. Response Time (ART)

4:00 hours

Secure Message
789



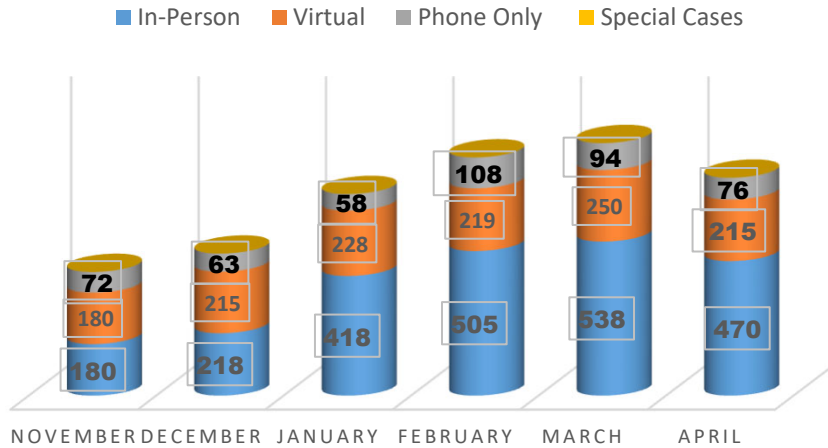


Striving for Excellence

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

Member Services

Member Service Center Appointments

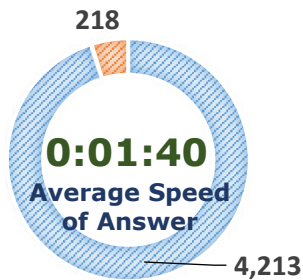


COMING SOON

Retiree Healthcare



Total RHC Calls: 4,659



■ Calls Answered ■ Calls Abandoned

Top Calls

1. Medical/Dental Enrollments

2. Medical Inquiries

3. General Inquiries

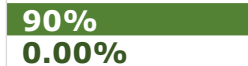
Call Monitoring Score



Grade of Service (80% in 60 seconds)



Survey Score



Agent Utilization Rate



■ Goal ■ Rating



Emails 291

Avg. Response Time (ART) 3 Days



Secure Messages 399



Striving for Excellence

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

Applications
957

In Process
As Of
4/30/2023

973 Pending on: 3/31/2023

61 Received

679 Year-to-Date

0 Re-Opened

0 Year-to-Date

74 To Board - Initial

546 Year-to-Date

3 Closed

71 Year-to-Date

Appeals
73

In Process
As Of
4/30/2023

70 Pending on: 3/31/2023

3 Received

12 Year-to-Date

0 Admin Closed/Rule 32

8 Year-to-Date

0 Referee Recommended

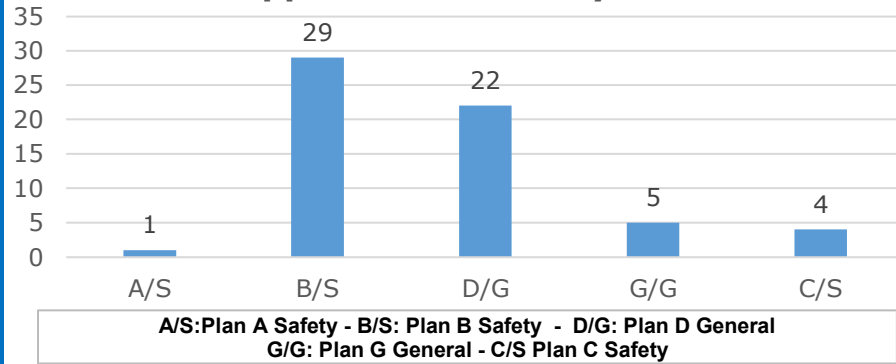
6 Year-to-Date

0 Revised/Reconsidered for Granting

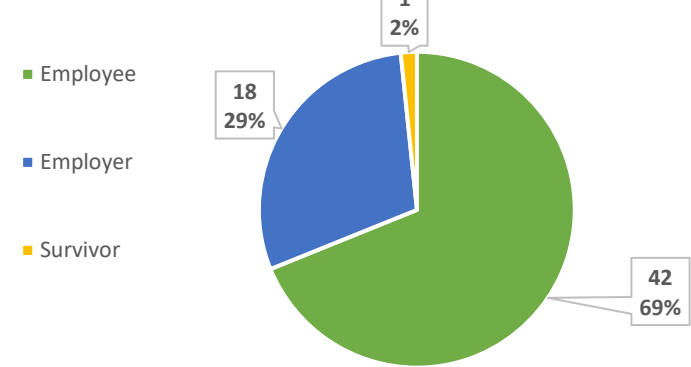
2 Year-to-Date

Disability

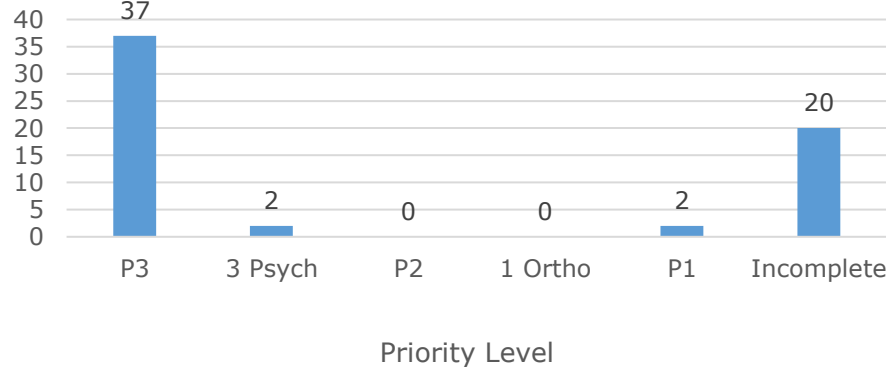
Applications Filed By Plan



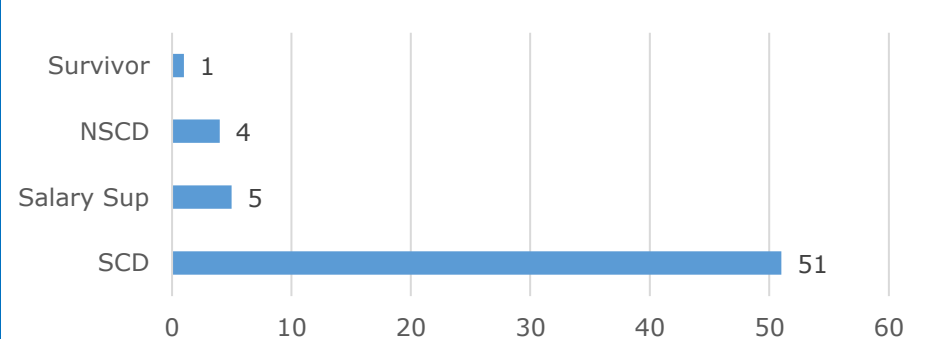
Applications Filed By Source



Applications Filed By Priority Level



Applications Filed By Type

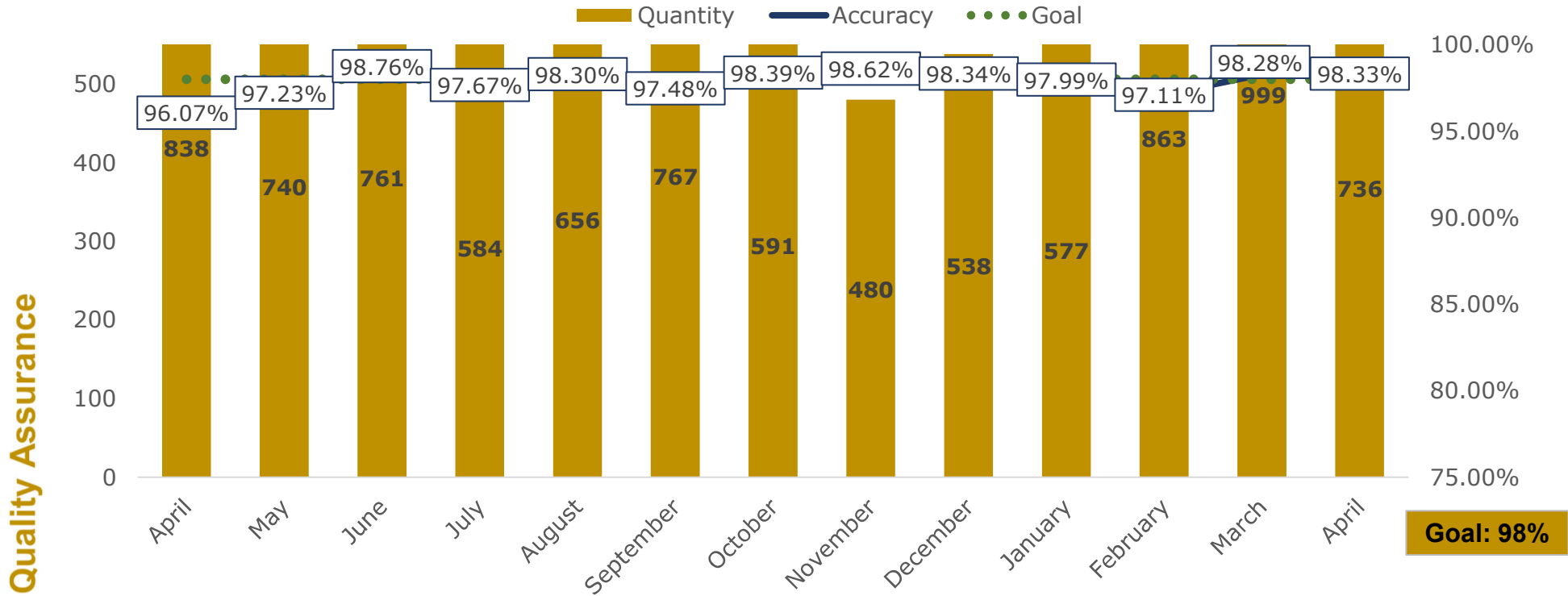




Striving for Excellence in Quality

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

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



April 2023

98.33%



Retirement Elections

319

Samples

98.37%

Accuracy

Payment Contracts

297

Samples

97.87%

Accuracy

Data Entry

120

Samples

98.75%

Accuracy

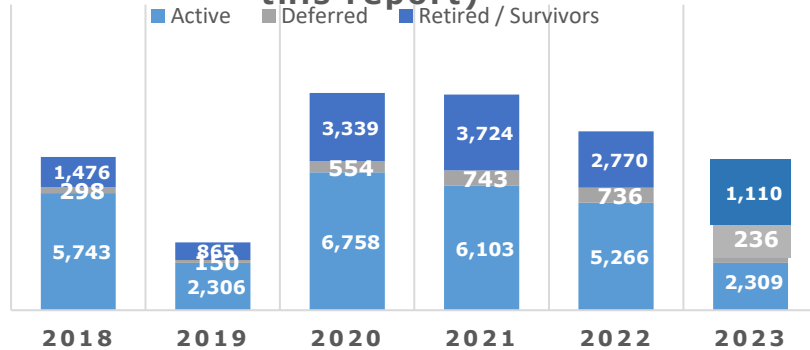


Service On-Line for All

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

Serving Members Through LACERA.com and MyLACERA

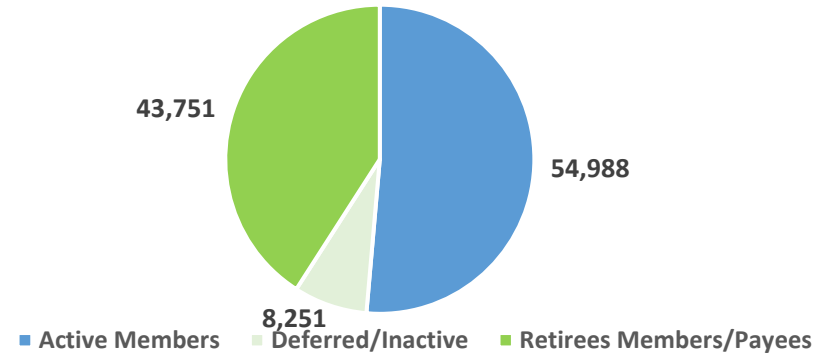
MyLACERA Annual Registration
(as of the 15th of the month prior to this report)



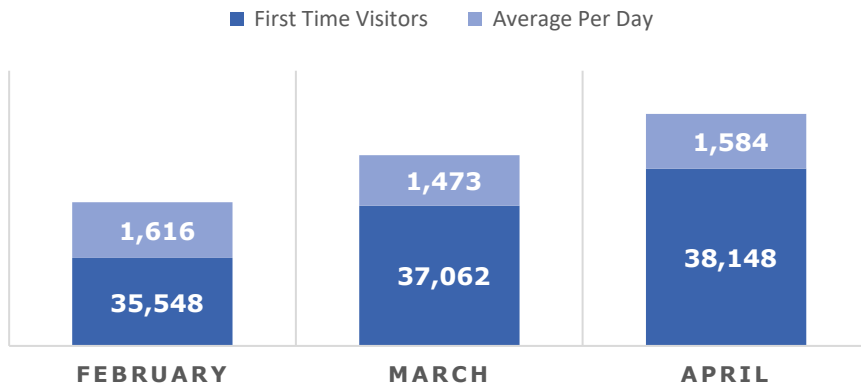
Total Registered Members

106,990 57%

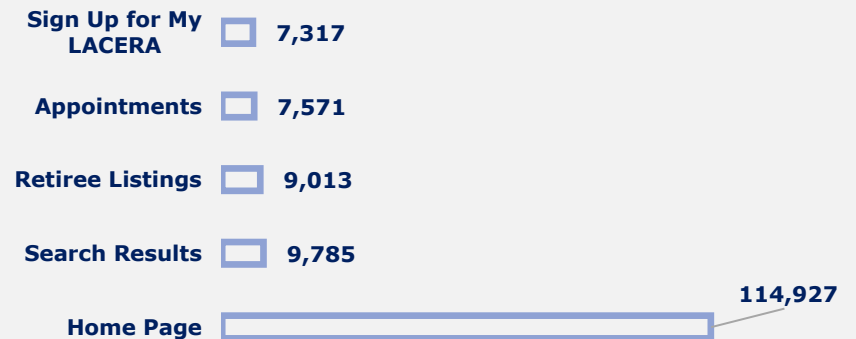
Total Registrations By Member Type



LACERA.com User Traffic



Top Five LACERA.com Page Views



Home Page "I Would Like To" View	Views	% of Change	Home Page Tile Views	Views	% of Change
My LACERA	7,317	10%	See my retirement options	5,316	10%
Pre-Retirement Workshops	3,002	-5%	View Pre-Retirement Workshops	3,002	-5%
Careers	2,421	0%	Start my retirement planning	3,167	1%
Investments	2,380	11%	Add or update my beneficiary	1,861	15%
Board Meetings page	4,722	1%	View job opportunities	2,953	-5%
Busiest Day of the Month:	Friday, 4/21/2023		Forms and Publications	257	23%



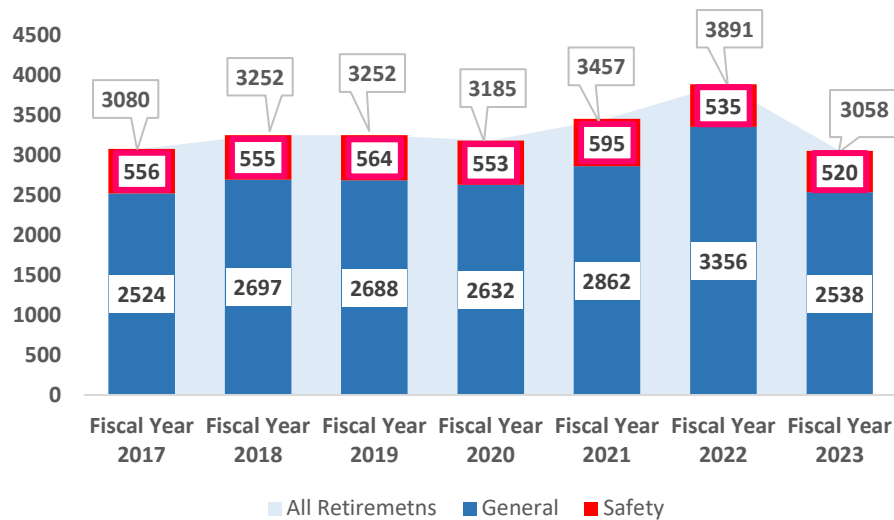
Member Snapshot

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

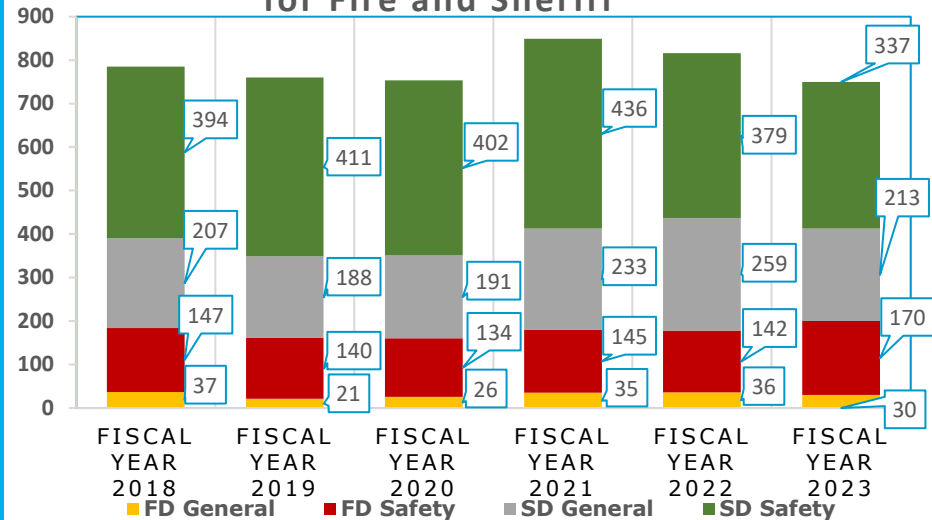
Membership Count as of: 05/15/23

	PLAN	ACTIVE		INACTIVE		RETIRED				Totals by Plan/Type
		Vested	Non-Vested	Vested	Non-Vested	Service	SCD - Disability	NSCD - Disability	Survivors	
General	PLAN A	49	-	13	32	12,024	966	165	4,082	17,331
	PLAN B	12	-	5	3	571	42	7	72	712
	PLAN C	14	-	5	8	363	40	8	64	502
	PLAN D	34,059	131	4,474	3,319	18,664	1,972	449	1,954	65,022
	PLAN E	13,110	18	2,927	97	15,312	-	-	1,608	33,072
	PLAN G	17,958	18,254	1,537	6,427	238	25	6	21	44,466
	TOTAL GENERAL	65,202	18,403	8,961	9,886	47,172	3,045	635	7,801	161,105
Safety	PLAN A	-	-	2	2	1,841	2,440	26	1,634	5,945
	PLAN B	7,503	77	562	228	3,412	4,433	55	407	16,677
	PLAN C	2,435	2,536	119	503	12	16	-	2	5,623
	TOTAL SAFETY	9,938	2,613	683	733	5,265	6,889	81	2,043	28,245
	TOTAL ALL TYPES	75,140	21,016	9,644	10,619	52,437	9,934	716	9,844	189,350

Total Retirements Compared by Type



General vs. Safety Retirements for Fire and Sheriff





Member Snapshot

Average Monthly Benefit Allowance Distribution 05/30/2023

	General	Safety	Total	%
\$0 to \$3,999	29,879	1,333	31,212	49.6%
\$4,000 to \$7,999	14,673	3,434	18,107	28.8%
\$8,000 to \$11,999	4,344	4,282	8,626	13.7%
\$12,000 to \$15,999	1,241	2,417	3,658	5.8%
\$16,000 to \$19,999	428	537	965	1.5%
\$20,000 to \$23,999	127	152	279	0.4%
\$24,000 to \$27,999	33	51	84	0.1%
> \$28,000	30	8	38	0.1%
Totals	50,755	12,214	62,969	100%

Average Monthly Benefit Amount:

\$ 4,873.00

Healthcare Program

(Mo. Ending: 04/30/2023)

	Employer	Member
Medical	\$497.3	\$36.4
Dental	\$39.3	\$3.7
Part B	\$77.2	\$0.0
Total	\$613.8	\$40.1

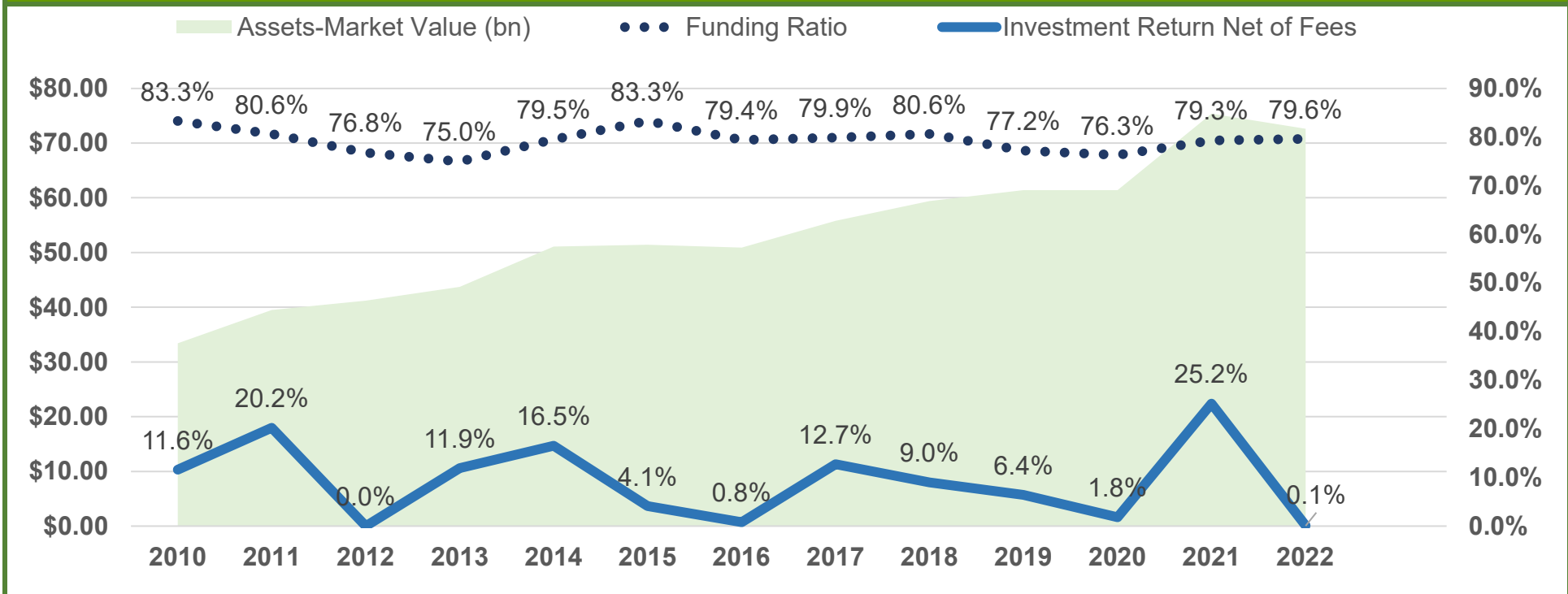
Health Care Enrollments

(Mo. Ending: 04/30/2023)

Medical	54,530
Dental	56,371
Part B	37,659
LTC	501
Total	149,061

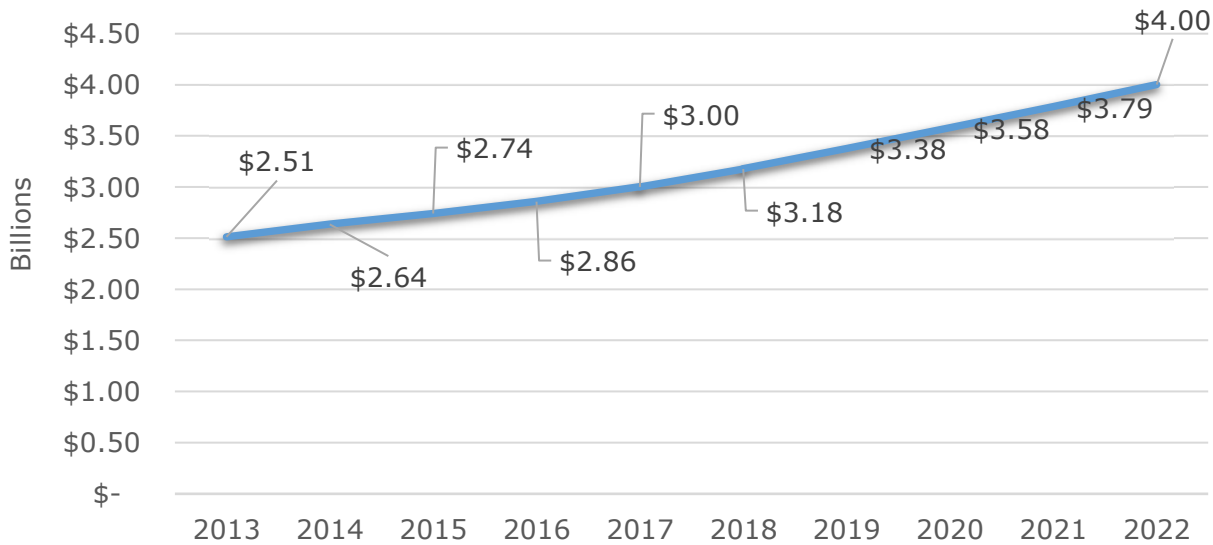
KEY FINANCIAL METRICS

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



Key Financial Metrics

Retiree Payroll by Year



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)

5 YR:	8.1%	10 YR:	8.6%
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Retired Members Payroll

(As of 04/30/2023)

Monthly Payroll	\$370.29m
Payroll YTD	\$3.6b
New Retired Payees Added	1,021
Seamless %	99.41%
New Seamless Payees Added	3,879
Seamless YTD	97.19%
By Check %	2.00%
By Direct Deposit %	98.00%



QUIET PERIOD LIST
Last Update 05/26/2023

ADMINISTRATIVE/OPERATIONS

Solicitation Name	Issuing Division	Public Release Date	Solicitation Stage*	Bid Respondents*
RFP: Policy Management Solution	Executive Office	2/3/2023	Vendor Selection	<ul style="list-style-type: none"> • Compass 365
RFP: Search for Classification & Compensation Study Services (HR)	Human Resources	5/24/2021	Bid Review	<ul style="list-style-type: none"> • Grant Thornton • Koff and Associates • Magnova Consultant • Reward Strategy Group
RFI: Death Audit and Data Cleansing Services	Benefits	4/14/2023	Soliciting Process	<ul style="list-style-type: none"> •
RFP: External SOC Auditor	Internal Audit	3/08/2023	Vendor Selection	<ul style="list-style-type: none"> • Eide Bailly LLP • Plante Moran • Moss Adams • Clifton Larsen Allen LLP • RSM US LLP • Eisner Amper LLP • Davis Farr LLP • Lazarus Alliance Inc
RFP: Prepaid Debit Card Services	Benefits	6/15/2022 ISD's Website 08/2022	Contract Development	<ul style="list-style-type: none"> • Conduent
RFP: Federal Legislative Advocacy Services	Legal Division	11/09/2022	Vendor Selection	<ul style="list-style-type: none"> • Williams & Jensen / Doucet Consulting Solutions
RFP: State Legislative Advocacy Services	Legal Division	11/09/2022	Contract Development	<ul style="list-style-type: none"> • McHugh Koepke & Associates

*Subject to change



QUIET PERIOD LIST

Last Update 05/26/2023

INVESTMENTS

Solicitation Name	Public Release Date	Solicitation Stage*	Bid Respondents *
RFP: Commercial Real Estate Brokers	5/10/2023	Soliciting Process	<ul style="list-style-type: none"> • Avison • CBRE Group • Cushman and Wakefield • Eastdil • Higgenbotham • JLL • Newmark
RFP: Real Assets Emerging Manager Program Discretionary Separate Account Manager	1/30/2023	Vendor Selection	<ul style="list-style-type: none"> • ACRES Capital • Aether Investment Partners • 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 • BlackRock • Astarte Capital Partners • Bentall Green Oak • Clear Sky Advisers • Clear Investment Group • Poverni Sheikh Group • Trilogy • Stepstone • Oak Street • White Deer
RFP: OPEB Master Trust, Public Markets Passive Investment Management Services Search	2/24/2023	Soliciting Process	<ul style="list-style-type: none"> • BlackRock Investments, llc • NortherTrust Investments, Inc • RhumbLine Advisers • State Street Global • Advisors

*Subject to change

Date	Conference
June, 2023	
5-9	2023 SuperReturn International Berlin, Germany
13-15	AHIP (America's Health Insurance Plans) 2023 Portland, OR
19-21	ICGN (International Corporate Governance Network) 2023 Annual Conference Toronto, Ontario, Canada
21	Montreal Alternative Investment Forum (AIMA) Montreal, Canada
22	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual
27-28	2023 PREA (Pension Real Estate Association) Institute University of Southern California Los Angeles, CA
July, 2023	
19-21	Pacific Pension Institute (PPI) Summer Roundtable San Francisco, CA
24-26	National Association of Securities Professionals (NASP) Annual Financial Services Conference Philadelphia, PA
August, 2023	
20-22	NCPERS (National Conference on Public Employee Retirement Systems) Public Pension Funding Forum Chicago, IL
21-22	National Association of Corporate Directors (NACD) Master Class (<i>Digital Innovation & Cyber</i>) Laguna Beach, CA
24-25	National Association of Corporate Directors (NACD) Master Class (<i>ESG</i>) Laguna Beach, CA
28-31	CALAPRS (California Association of Public Retirement Systems) Principles of Pension Governance for Trustees Malibu, CA (<i>Pepperdine University</i>)
September, 2023	
11-13	Council of Institutional Investors (CII) Fall Conference Long Beach, CA

Date	Conference
October, 2023	
1-4	CRCEA (California Retired County Employees Association) Fall Conference Stockton, CA
1-4	IFEBC (International Foundation of Employment Benefit Plans) Annual Employee Benefits Conference Boston, MA
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
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
November, 2023	
7-9	Institutional Limited Partners Association (ILPA) General Partner Summit New York, NY
7-10	SACRS Fall Conference Rancho Mirage, CA
December, 2023	
1	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual



June 5, 2023

TO: Each Trustee,
Board of Investments

FOR: Board of Investments Meeting of June 14, 2023

SUBJECT: The PPI Executive Seminar and the Asia Pacific Roundtable in Tokyo, Japan on October 22-27, 2023

PPI is excited to return to Japan, where it will convene with two programs in October. The Executive Seminar and the Asia Pacific Roundtable will be held at the Hotel Chinzanso in Tokyo, Japan from October 22-24, 2023 and October 25-27, 2023, respectively.

The main conference highlights include the following:

- Private Market Opportunities in Japan
- Regional And National Security in The Indo-Pacific
- Synergetic Opportunities Beyond Borders

Following are approximate conference and travel costs:

Registration: Executive Seminar - October 22-24, 2023 ~ \$3,950.00
Asia Pacific Roundtable - October 25-27, 2023 ~ \$1,200.00

Hotel: \$230.00 daily rate (plus taxes and fees)

Airfare: \$7,400.00 - \$8,600.00 **Ground Transportation:** \$70.00 per day

Daily Per Diem & Incidentals: \$121.00 per day
(The registration fee includes most meals)

Approximate Cost Per Traveler: \$16,600.00 - \$17,600.00

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 PPI Executive Seminar and the Asia Pacific Roundtable in Tokyo, Japan on October 22 - 27, 2023, and approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Education and Trustee Travel Policies.

New Opportunities in the Reiwa Era

Sunday, October 22 at 5:00 PM JST - Tuesday, October 24 at 8:30 PM JST

Hotel Chinzanso, Tokyo, Japan & Business Site Visits

Japan's Reiwa Era, which began in May 2019 following the ascension of Emperor Naruhito, has been remarkably eventful. The country endured a global pandemic, hosted a delayed but successful Summer Olympics, witnessed the tragic assassination of former Prime Minister Shinzo Abe, and experienced historic levels of exchange rate volatility in the Yen.

While Reiwa has posed new challenges on top of existing ones, the Japanese people and institutions have shown their resilience and ingenuity, creating new opportunities for growth and investment. This program will explore such opportunities while delving into the latest developments in Japan's economic affairs, fiscal debates, climate initiatives, foreign relations, and defense strategies. Session discussions and site visits will offer insights into the impact on the private sector and risk assets in Japan.

Sunday - October 22

6:00 PM - 6:30 PM JST > OPENING RECEPTION

6:30 PM - 6:35 PM JST > WELCOME REMARKS

6:35 PM - 8:00 PM JST > DINNER

Monday - October 23

7:00 AM - 9:00 AM JST > BREAKFAST AVAILABLE

9:00 AM - 9:05 AM JST > WELCOME REMARKS

EXECUTIVE SEMINAR - OCTOBER 22-24, 2023

All times Japan Standard Time (JST), UTC/GMT +9

9:05 AM - 10:00 PM JST > CORPORATE GOVERNANCE IN JAPAN AND REFORMS AT
THE TOKYO STOCK EXCHANGE

10:00 AM - 10:30 AM JST > BREAK

10:30 AM - 11:30 AM JST > FACTORS THAT SHAPED JAPAN'S MONETARY POLICY
REGIME

11:30 AM - 12:00 PM JST > BREAK

12:00 PM - 1:30 PM JST > LUNCH AND CONVERSATION: TOKYO'S RE-EMERGENCE AS A
REGIONAL FINANCIAL CENTER

1:30 PM - 2:00 PM JST > BREAK

2:00 PM - 5:00 PM JST > BUSINESS SITE VISIT: MANUFACTURING FACILITY

5:00 PM - 6:00 PM JST > BREAK

6:00 PM - 6:30 PM JST > RECEPTION

6:30 PM - 8:30 PM JST > DINNER

Tuesday - October 24

7:00 AM - 9:00 AM JST > BREAKFAST AVAILABLE

EXECUTIVE SEMINAR - OCTOBER 22-24, 2023

All times Japan Standard Time (JST), UTC/GMT +9

9:00 AM - 10:00 AM JST > ASIA'S EVOLVING SECURITY ENVIRONMENT

10:00 AM - 10:30 AM JST > BREAK

10:30 AM - 11:30 AM JST > A BUDDING VENTURE CAPITAL ECOSYSTEM IN JAPAN

11:30 AM - 12:00 PM JST > BREAK

12:00 PM - 1:30 PM JST > LUNCH AND CONVERSATION: UNDERSTANDING JAPAN'S
DIGITAL TRANSFORMATION

1:30 PM - 2:00 PM JST > BREAK

2:00 PM - 5:00 PM JST > BUSINESS SITE VISIT: START-UP VILLAGE

5:00 PM - 6:00 PM JST > BREAK

6:00 PM - 6:30 PM JST > RECEPTION

6:30 PM - 8:30 PM JST > DINNER AND KEYNOTE REMARKS: DECARBONIZING THE
JAPANESE MANUFACTURING SECTOR

Prioritizing Security and Sustainability

Wednesday, October 25 at 2:00 PM JST - Friday, October 27 at 12:00 PM JST

Hotel Chinzanso, Tokyo, Japan

Headlined by the pandemic and war in Ukraine, recent shocks have dislocated the world from the convenience of global supply chains, cheap energy and commodities, and readily available labor. Urgent security concerns—defense, energy, food, and the economy—now overshadow grand visions for economic collaboration, interdependence, and integration. Demographic challenges across major economies have compounded societal, regional, and retirement ills.

How have these global concerns manifested in Japan and the region, especially Emerging Asia? Will sustainability be prioritized as a means to navigate these uncertainties, and to what extent? The risks aside, what opportunities might investors find in areas such as renewable energy, private markets, and technology? How will trans-Pacific security arrangements continue to shape regional geopolitics and risk assessments? The implications for institutional investors are many, as are the potential upsides.

Wednesday - October 25

2:00 PM - 2:30 PM JST > CHECK IN AND COMMUNITY TIME

2:30 PM - 2:45 PM JST > WELCOME REMARKS & CO-CHAIRS' INTRODUCTIONS

2:45 PM - 3:45 PM JST > REGIONAL AND NATIONAL SECURITY IN THE INDO-PACIFIC

3:45 PM - 4:15 PM JST > COMMUNITY TIME

4:15 PM - 5:15 PM JST > BUILDING TOWARDS ENERGY SECURITY AND SUSTAINABILITY

5:15 PM - 5:45 PM JST > COMMUNITY TIME

5:45 PM - 6:45 PM JST > KEYNOTE REMARKS: EXPLORING NEW DIMENSIONS OF THE
US-JAPAN ALLIANCE

6:45 PM - 8:45 PM JST > RECEPTION AND DINNER

Thursday - October 26

7:30 AM - 8:30 AM JST > ASSET OWNERS AND ALLOCATORS BREAKFAST

7:30 AM - 8:30 AM JST > BREAKFAST AVAILABLE

8:30 AM - 8:35 AM JST > BOARD CHAIR'S REMARKS

8:30 AM - 9:30 AM JST > KEYNOTE REMARKS: CHANGING ATTITUDES TOWARD ALPHA
AND ALTERNATIVE ASSET CLASSES

9:30 AM - 10:00 AM JST > COMMUNITY TIME

10:00 AM - 11:00 AM JST > SYNERGETIC OPPORTUNITIES BEYOND BORDERS

11:00 AM - 11:30 AM JST > COMMUNITY TIME

11:30 AM - 12:30 PM JST > GOVERNANCE AND ENGAGEMENT IN VENTURE AND
GROWTH CAPITAL

12:30 PM - 2:00 PM JST > LUNCH

ASIA PACIFIC ROUNDTABLE - OCTOBER 25-27, 2023

All times are Japan Standard Time (JST), UTC/GMT +9

2:00 PM - 3:00 PM JST > JAPAN'S INVESTMENT FOOTPRINTS IN INDIA AND SOUTHEAST ASIA

3:00 PM - 3:30 PM JST > COMMUNITY TIME

3:30 PM - 4:30 PM JST > OWNING REAL ESTATE IN JAPAN AS A FOREIGN INSTITUTIONAL INVESTOR

4:30 PM - 6:00 PM JST > BREAK

6:00 PM - 6:30 PM JST > RECEPTION

6:30 PM - 8:30 PM JST > DINNER AND KEYNOTE CONVERSATION: FINDING UPSIDES IN THE DEMOGRAPHIC REALITY

Friday - October 27

7:30 AM - 8:30 AM JST > BREAKFAST AVAILABLE

8:30 AM - 9:30 AM JST > PRIVATE MARKET OPPORTUNITIES IN JAPAN

9:30 AM - 10:00 AM JST > COMMUNITY TIME

10:00 AM - 11:00 AM JST > CEO/CIO PERSPECTIVES

11:00 AM - 11:15 AM JST > CLOSING REMARKS & ADJOURNMENT

11:15 AM JST > LUNCH AVAILABLE



May 31, 2023

TO: Each Trustee,
Board of Retirement
Board of Investments

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

FOR: June 7, 2023 Board of Retirement Meeting
June 14, 2023 Board of Investments Meeting

SUBJECT: Supplemental Memo Re: LACERA Budget Policy (Annual Review)

RECOMMENDATION

That the Board of Retirement (BOR) and Board of Investments (BOI) review and approve the revised LACERA Budget Policy resulting from the BOR and BOI leadership meeting on May 17, 2023, more thoroughly described in the privileged memo prepared by Fiduciary Counsel, Robert Klausner separately provided with these agenda materials.

BACKGROUND

Following the Joint Organizational Governance Committee (JOGC) on April 27, 2023 (Attachment A), the BOR and BOI leadership met to discuss the approval of the Strategic Plan and 2023-24 Fiscal Year Budget. Based on the recommendations from that meeting, LACERA staff modified the LACERA Budget Policy to provide consistency with the outcome of the leadership meeting. Prior to making any revisions, LACERA staff notified the JOGC Chair of the proposed changes for full consideration by the BOR and BOI. The modified redline version of the LACERA Budget Policy is attached for your Boards consideration and approval.

CONCLUSION

LACERA's Budget Policy serves to guide the organization's fiscal and budgetary activities in a sound and reasonable manner.

Attachment



LACERA BUDGET POLICY

Responsible Manager: Laura Guglielmo, Assistant Executive Officer

Original Effective Date: 05/20/2009

Last Updated: 06/01/2023

Mandatory Review: Annually

Approval Level: Board of Retirement and Board of Investments

1. PURPOSE

This document sets forth the fiscal policy to ensure LACERA's budgeting practices are in accordance with prudent fiscal management for the allocation and utilization of resources to meet the organization's Mission and Vision and to support the goals of LACERA's Board of Retirement Strategic Plan ~~as approved by the Board of Retirement~~ and Board of Investments Strategic Plan. The policy also serves to increase the transparency of the budgeting process, which ensures stakeholders and members have insight into how LACERA manages their funds and meet fiduciary obligations.

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

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

2. LEGAL AUTHORITY

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

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

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

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

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

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

3. SCOPE

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

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

4. DEFINITIONS

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

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

Budget: The annual financial plan that outlines the resources and revenue needed to achieve LACERA’s work plan to meet its Mission and Vision and ~~the Boards’ jointly approved~~ LACERA’s Board of Retirement Strategic Plan and Board of Investments Strategic Plan.

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

Information Technology Coordination Council (ITCC): Oversight body responsible for significant technology and system recommendations for incorporation into the Proposed Budget. Established to ensure the efficient and effective use of technology, collaboration across the organization, and to ensure that strategic plan goals are achieved.

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

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

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

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

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

5. POLICY STATEMENT

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

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

5.1 Administrative Budget

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

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

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

5.2 Retiree Healthcare (RHC) Benefits Program Budget

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

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

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

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

5.3 Other Post-Employment Benefits (OPEB) Trust Budget

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

The Trust Agreements stipulate that "*... the Trustee (LACERA) shall be entitled to payment or reimbursement of all of its reasonable and appropriate expenses incurred in administering or investing the Trust...*" As such, LACERA seeks payment directly from the County and the Court to fund the OPEB Trust. To avoid the OPEB Trust assets being co-mingled with retirement fund assets, LACERA maintains separate accounting of the costs associated with administering the OPEB Trust. The costs of the OPEB Trusts are not part of LACERA's Administrative Budget.

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

6. PROCESS

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

6.1 Budget Preparation and Development

It is the responsibility of LACERA management to develop and prepare an annual budget in accordance with responsible fiscal management for the allocation and utilization of resources to meet the organization's Mission, Vision, and Values and ~~each Board's Strategic Plan~~the Strategic Plan approved by both the Board of Retirement and Board of Investments.

6.2 Criteria

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

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

6.3 Alignment with Each Board's Strategic Plan

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

6.4 Annual Budget Development and Approval Calendar

<i>Date</i>	<i>Activity</i>
By November 30	<ul style="list-style-type: none"> • Executive Office and Management will review <u>each Board's</u> Strategic Plan initiatives for alignment with the upcoming Fiscal Year budget development cycle. • Administrative Services Division will provide each Division Manager a budget package with instructions for completing their proposed

	budget for the upcoming fiscal year, a budget preparation timetable with specific deadlines, and a schedule of meeting dates with the Budget Unit and a schedule of meeting dates with the Executive Office.
December	The Budget Unit with a representative from Human Resources, meets with Division Managers to provide guidance in the development of their budget requests.
By January 15	Division Managers will submit their proposed budget to the Budget Unit.
By February 15	The Executive Office will meet with each Division Manager to discuss the Division’s needs and provide direction to the Division Managers and Budget Unit.
February	Audit Committee review of Internal Audit Proposed Budget
By Mid-April	The Budget Unit will prepare and distribute the preliminary Administrative, RHC, and OPEB Trust Budgets to all Trustees and Division Managers.
April and May	Present preliminary budget to JOGC for review and input as well as any adjustments to the Strategic Plan
By June 30	Board of Retirement and Board of Investment approve final budget and, if needed, the Strategic Plan as modified

6.5 Budget Adoption

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

6.6 Budget Appropriation

The Final Adopted Budget reflects the funds appropriated, or set aside, for specific purposes. For LACERA, funds are appropriated for two primary

purposes, Salaries and Employee Benefits, and Services and Supplies. Government Code Section 31580.2 states the annual budget for administrative expenses of a retirement system established under CERL may not exceed twenty-one hundredths (.21) of one percent of the Actuarial Accrued Liability (AAL) of the retirement system. Each year, LACERA's statutory appropriation limit is identified in the Adopted Budget.

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

6.7 Budget Monitoring and Reporting

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

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

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

6.8 Mid-Year Budget Review

By December 1, LACERA Executive Management will assess and evaluate the adequacy of the personnel and other resources included in the Final Adopted Budget and make recommendations to the JOGC for adjustments, if necessary. JOGC recommendations shall be considered for approval by the Boards. Executive Management may also, as part of the mid-year budget review, address the progress and status of achieving the Boards' respective

Strategic Plan, ~~and issues of future adjustments to the Strategic Plan as may be needed.~~

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

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

6.10 Transferring Appropriations

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

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

6.11 Pre-funding OPEB with Budgetary Savings

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

6.12 Increasing Total Appropriations

Should unanticipated expenditures be required during the fiscal year beyond the total Adopted Budget amount, the Unappropriated Statutory Appropriation Balance is available. This balance represents the difference between the total

statutory appropriation limit established under CERL and the Final Adopted Budget. To utilize these unappropriated funds, both Boards must approve a budget amendment, increasing the total annual appropriation.

7. Audit Committee Oversight of Internal Audit

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

8. HISTORY (Update will follow approval)

8.1 Approvals

8.1.1 Updated and approved by the Board of Retirement and Board of Investments on June 1, 2022 and June 9, 2022, respectively. Prior versions are superseded and of no effect as of the stated approval date.

8.2 Current Status

Annual review scheduled for June 2024.

8.3 Versions

8.3.1 This policy was last updated on June 14, 2022

8.3.2 This policy was last approved by the Board of Retirement on June 1, 2022 and Board of Investments on June 9, 2022



May 12, 2023

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Joint Organizational Governance Committee
Herman B. Santos, Chair
David Green, Vice Chair
Alan J. Bernstein
Elizabeth Greenwood
Onyx Jones
Shawn R. Kehoe
Ronald Okum
Gina V. Sanchez

FOR: June 7, 2023 Board of Retirement Meeting
June 14, 2023 Board of Investments Meeting

SUBJECT: LACERA Budget Policy (Annual Review)

RECOMMENDATION

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

BACKGROUND

Consistent with its Charter, the Joint Organizational Governance Committee (JOGC) has responsibility for issues that impact both the Boards of Retirement and Investments (the Boards), including strategic planning and budgeting under Section 7.1 of the Charter and joint Board policy development under Section 7.2 of the Charter. On April 27, 2023, the JOGC considered an update to LACERA's Budget Policy as a companion document to the Preliminary Fiscal Year 2023-24 Budget and recommends approval.

Attached are staff's suggested revisions and a clean copy of the final policy (Attachment A).

CONCLUSION


LACERA's Budget Policy serves to guide the organization's fiscal and budgetary activities in a sound and reasonable manner.

Attachments



April 19, 2023

TO: Each Trustee
Joint Organizational Governance Committee

FROM: Laura Guglielmo 
Assistant Executive Officer

FOR: April 27, 2023, Joint Organizational Governance Committee

SUBJECT: **LACERA Budget Policy (Annual Review)**

RECOMMENDATION

It is recommended that the Joint Organizational Governance Committee (JOGC) review and recommend to the Board of Retirement and Board of Investments for approval the LACERA Budget Policy dated June 1, 2023, and direct staff to include recommended updates to this Policy annually, as a companion to its preliminary budget presentation.

BACKGROUND

Consistent with its Charter, the JOGC has responsibility for issues that impact both the Boards of Retirement and Investments (the Boards), including strategic planning and budgeting, and joint Board policy development. As the JOGC considers the Preliminary Fiscal Year 2023-2024 (FY 24) Budget, it is timely and appropriate to also consider an update to LACERA's Budget Policy as a companion document. Staff recommends this Policy be reviewed annually at the same time as the JOGC's consideration of the Preliminary Budget to ensure the policy is regularly updated.

CONCLUSION

Staff recommends approval of the budget policy that will help guide LACERA's fiscal and budgetary activities in a sound and reasonable manner.

Attachments



LACERA BUDGET POLICY

Responsible Manager: Laura Guglielmo, Assistant Executive Officer

Original Effective Date: 05/20/2009

Last Updated: 06/0~~19~~/202~~23~~

Mandatory Review: Annually

Approval Level: Board of Retirement and Board of Investments

1. PURPOSE

This document sets forth the fiscal policy to ensure LACERA's budgeting practices are in accordance with prudent fiscal management for the allocation and utilization of resources to meet the organization's ~~M~~ission and ~~v~~ision and to support the goals of LACERA's Strategic Plan as approved by the Board of Retirement and Board of Investments. The policy also serves to increase the transparency of ~~our~~the budgeting process, which ensures stakeholders and members have insight into how ~~we~~LACERA manages their funds and meet fiduciary obligations.

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

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

2. LEGAL AUTHORITY

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

Government Code Section 31596.1 provides that the expenses of investing its moneys, securing custodial bank services, securing actuarial services for the annual valuation and triennial experience study, and securing attorney services to assist with investment matters shall not be considered a cost of administering the system. As

such, these costs are not included in the Administrative Budget and are identified as “non-administrative expenses.”

Section 31596.1 also provides that the cost of internal legal representation secured by the Board of Retirement and Board of Investments under Government Code Section 31529.1 for services previously performed by County Counsel are not administrative costs and under Government Code Section 31607 for services to assist the Board of Investments in carrying out its investment powers and duties. Section 31529.1 provides that ~~such~~ legal representation within its scope is limited to one-hundredth of 1 percent of system assets in any budget year; ~~except that~~ investment legal expenses under Government Code Section 31607 are not limited.

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

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

3. SCOPE

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

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

4. DEFINITIONS

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

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

Budget: The annual financial plan that outlines the resources and revenue needed to achieve LACERA’s work plan to meet its Mission and Vision and the Boards’ jointly approved Strategic Plan.

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

Information Technology Coordination Council (ITCC): Oversight body responsible for significant technology and system recommendations for incorporation into the Proposed Budget. Established to ensure the efficient and effective use of technology, collaboration across the organization, and to ensure that strategic plan goals are achieved.

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

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

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

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

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

5. POLICY STATEMENT

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

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

5.1 Administrative Budget

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

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

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

5.2 Retiree Healthcare (RHC) Benefits Program Budget

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

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

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

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

5.3 Other Post-Employment Benefits (OPEB) Trust Budget

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

The Trust Agreements stipulate that “... *the Trustee (LACERA) shall be entitled to payment or reimbursement of all of its reasonable and appropriate expenses incurred in administering or investing the Trust...*” As such, LACERA seeks payment directly from the County and the Court to fund the OPEB Trust. To avoid the OPEB Trust assets being co-mingled with retirement fund assets, LACERA maintains separate accounting of the costs associated with administering the OPEB Trust. [The costs of the OPEB Trusts are not part of LACERA's Administrative Budget.](#)

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

6. PROCESS

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

6.1 Budget Preparation and Development

It is the responsibility of LACERA management to develop and prepare an annual budget in accordance with responsible fiscal management for the allocation and utilization of resources to meet the organization's [Mission, Vision, and Values and the Strategic Plan approved by both the Board of Retirement and Board of Investments.](#)

6.2 Criteria

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

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

6.3 Alignment with Strategic Plan

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

6.4 Annual Budget Development and Approval Calendar

<i>Date</i>	<i>Activity</i>
By November 30	<ul style="list-style-type: none"> • Executive Office and Management will review Strategic Plan initiatives for alignment with the upcoming Fiscal Year budget development cycle. • Administrative Services Division will provide each Division Manager a budget package with instructions for completing their proposed

	budget for the upcoming fiscal year, a budget preparation timetable with specific deadlines, and a schedule of meeting dates with the Budget Unit and a schedule of meeting dates with the Executive Office.
December	The Budget Unit with a representative from Human Resources, meets with Division Managers to provide guidance in the development of their budget requests.
By January 15	Division Managers will submit their proposed budget to the Budget Unit.
By February 15	The Executive Office will meet with each Division Manager to discuss the Division’s needs and provide direction to the Division Managers and Budget Unit.
February	Audit Committee review of Internal Audit Proposed Budget
By Mid-April	The Budget Unit will prepare and distribute the preliminary Administrative, RHC, and OPEB Trust Budgets to all Trustees and Division Managers.
April and May	<ul style="list-style-type: none"> • Present preliminary budget to JOGC for review and input as well as any adjustments to the Strategic Plan • Conduct budget hearings with all Trustees for final direction to staff
By June 30	Board of Retirement and Board of Investment approve final budget and, if needed, the Strategic Plan as modified

6.5 Budget Adoption

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

6.6 Budget Appropriation

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

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

6.7 Budget Monitoring and Reporting

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

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

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

6.8 Mid-Year Budget Review

By December 1, LACERA Executive Management will assess and evaluate the adequacy of the personnel and other resources included in the Final Adopted Budget and make recommendations to the JOGC for adjustments, if

necessary. JOGC recommendations shall be considered for approval by the Boards. Executive Management may also, as part of the mid-year budget review, address the progress and status of achieving the Strategic Plan and issues of future adjustments to the Strategic Plan as may be needed.

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

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

6.10 Transferring Appropriations

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

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

6.11 Pre-funding OPEB with Budgetary Savings

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

6.12 Increasing Total Appropriations

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

7. **Audit Committee Oversight of Internal Audit**

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

8. **HISTORY**

8.1 **Approvals**

- 8.1.1 Updated and approved by the Board of Retirement and Board of Investments on June 1, 2022 and June 9, 2022, respectively. Prior versions are superseded and of no effect as of the stated approval date.

8.2 **Current Status**

Annual review scheduled for June 202~~4~~3.

8.3 **Versions**

- 8.3.1 This policy was last updated on ~~May 20, 2009~~ June 14, 2022
- 8.3.2 This policy was last approved by the Board of Retirement on June 1, 2022 and Board of Investments on June 9, 2022



LACERA BUDGET POLICY

Responsible Manager: Laura Guglielmo, Assistant Executive Officer

Original Effective Date: 05/20/2009

Last Updated: 06/01/2023

Mandatory Review: Annually

Approval Level: Board of Retirement and Board of Investments

1. PURPOSE

This document sets forth the fiscal policy to ensure LACERA's budgeting practices are in accordance with prudent fiscal management for the allocation and utilization of resources to meet the organization's Mission and Vision and to support the goals of LACERA's Strategic Plan as approved by the Board of Retirement and Board of Investments. The policy also serves to increase the transparency of the budgeting process, which ensures stakeholders and members have insight into how LACERA manages their funds and meet fiduciary obligations.

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

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

2. LEGAL AUTHORITY

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

[Government Code Section 31596.1](#) provides that the expenses of investing its moneys, securing custodial bank services, securing actuarial services for the annual valuation and triennial experience study, and securing attorney services to assist with investment matters shall not be considered a cost of administering the system. As

such, these costs are not included in the Administrative Budget and are identified as “non-administrative expenses.”

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

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

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

3. SCOPE

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

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

4. DEFINITIONS

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

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

Budget: The annual financial plan that outlines the resources and revenue needed to achieve LACERA’s work plan to meet its Mission and Vision and the Boards’ jointly approved Strategic Plan.

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

Information Technology Coordination Council (ITCC): Oversight body responsible for significant technology and system recommendations for incorporation into the Proposed Budget. Established to ensure the efficient and effective use of technology, collaboration across the organization, and to ensure that strategic plan goals are achieved.

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

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

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

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

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

5. POLICY STATEMENT

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

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

5.1 Administrative Budget

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

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

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

5.2 Retiree Healthcare (RHC) Benefits Program Budget

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

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

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

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

5.3 Other Post-Employment Benefits (OPEB) Trust Budget

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

The Trust Agreements stipulate that "*... the Trustee (LACERA) shall be entitled to payment or reimbursement of all of its reasonable and appropriate expenses incurred in administering or investing the Trust...*" As such, LACERA seeks payment directly from the County and the Court to fund the OPEB Trust. To avoid the OPEB Trust assets being co-mingled with retirement fund assets, LACERA maintains separate accounting of the costs associated with administering the OPEB Trust. The costs of the OPEB Trusts are not part of LACERA's Administrative Budget.

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

6. PROCESS

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

6.1 Budget Preparation and Development

It is the responsibility of LACERA management to develop and prepare an annual budget in accordance with responsible fiscal management for the allocation and utilization of resources to meet the organization's Mission, Vision, and Values and the Strategic Plan approved by both the Board of Retirement and Board of Investments.

6.2 Criteria

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

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

6.3 Alignment with Strategic Plan

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

6.4 Annual Budget Development and Approval Calendar

<i>Date</i>	<i>Activity</i>
By November 30	<ul style="list-style-type: none"> • Executive Office and Management will review Strategic Plan initiatives for alignment with the upcoming Fiscal Year budget development cycle. • Administrative Services Division will provide each Division Manager a budget package with instructions for completing their proposed

	budget for the upcoming fiscal year, a budget preparation timetable with specific deadlines, and a schedule of meeting dates with the Budget Unit and a schedule of meeting dates with the Executive Office.
December	The Budget Unit with a representative from Human Resources, meets with Division Managers to provide guidance in the development of their budget requests.
By January 15	Division Managers will submit their proposed budget to the Budget Unit.
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By Mid-April	The Budget Unit will prepare and distribute the preliminary Administrative, RHC, and OPEB Trust Budgets to all Trustees and Division Managers.
April and May	<ul style="list-style-type: none"> • Present preliminary budget to JOGC for review and input as well as any adjustments to the Strategic Plan • Conduct budget hearings with all Trustees for final direction to staff
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6.5 Budget Adoption

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

6.6 Budget Appropriation

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

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

6.8 Mid-Year Budget Review

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necessary. JOGC recommendations shall be considered for approval by the Boards. Executive Management may also, as part of the mid-year budget review, address the progress and status of achieving the Strategic Plan and issues of future adjustments to the Strategic Plan as may be needed.

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

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

6.10 Transferring Appropriations

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

6.11 Pre-funding OPEB with Budgetary Savings

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

6.12 Increasing Total Appropriations

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

7. Audit Committee Oversight of Internal Audit

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

8. HISTORY (WILL BE UPDATED UPON APPROVAL)

8.1 Approvals

8.1.1 Updated and approved by the Board of Retirement and Board of Investments on June 1, 2022 and June 9, 2022, respectively. Prior versions are superseded and of no effect as of the stated approval date.

8.2 Current Status

Annual review scheduled for June 2024.

8.3 Versions

8.3.1 This policy was last updated on June 14, 2022

8.3.2 This policy was last approved by the Board of Retirement on June 1, 2022 and Board of Investments on June 9, 2022



May 12, 2023

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Joint Organizational Governance Committee
Herman B. Santos, Chair
David Green, Vice Chair
Alan J. Bernstein
Elizabeth Greenwood
Onyx Jones
Shawn R. Kehoe
Ronald Okum
Gina V. Sanchez

FOR: June 7, 2023 Board of Retirement Meeting
June 14, 2023 Board of Investments Meeting

SUBJECT: Approval of Fiscal Year 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets

RECOMMENDATION

That the Board of Retirement (BOR) and the Board of Investments (BOI) adopt the LACERA Fiscal Year (FY) 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.

LEGAL AUTHORITY

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

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

INTRODUCTION

In accordance with its Charter and LACERA's Budget Policy, on April 27, 2023, the Joint Organizational Governance Committee (JOGC) considered the FY 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets and now brings them forward to the Boards for adoption.

SUMMARY

The FY 2023-24 Preliminary Administrative Budget totaling approximately \$135.7 million, and the Preliminary Retiree Healthcare Benefits Program totaling approximately \$12.7 million, represent the fiscal plan for implementing LACERA's administrative and operational objectives toward achieving our mission to produce, protect and provide the promised benefits to our members. In FY 2022-23, LACERA embarked upon an enterprise-wide strategic planning process, engaging staff at all levels, as well as members and Trustees. Although the Board of Retirement's Strategic Plan has yet to be formally adopted, this Proposed Administrative Budget aligns with the following five proposed strategic priorities:

- Superior Member Experience
- Innovation Through Technology
- Investing in People
- Enterprise Risk Management and Compliance
- Fiscal Durability

Also included for your consideration is the FY 2023-24 Preliminary Other Post-Employment Benefits (OPEB) Trust Budget totaling approximately \$733,000, reflecting the estimated cost of administering the Trust on behalf of the employer members of the Trust.

LACERA ADMINISTRATIVE BUDGET

The LACERA Administrative Budget is composed of two components, Salaries and Employee Benefits (S&EB), and Services and Supplies (S&S). The total Preliminary LACERA Administrative Budget for FY 2023-24 is approximately \$135.7 million an increase of approximately \$8.0 million or 6.2 percent above the FY 2022-23 approved budget of \$127.8 million.

The S&EB portion of the FY 2023-24 Preliminary Administrative Budget is approximately \$103.2 million, \$7.8 million or 8.1 percent above FY 2022-23 approved levels. This increase is primarily attributed to cost of living adjustments (COLA) approved by the

Boards of Retirement and Investments (the Boards); increased costs for variable benefits as determined by Los Angeles County; merit and salary step increases; full year funding for partially funded vacant positions filled or anticipated to be filled before June 30th; and six-months funding for three proposed new positions in Disability Retirement Services.

Additionally, one new Senior Investment Officer position to support operational due diligence and compliance in the Investments Office is recommended. Operational due diligence (ODD) is a critical function as it mitigates risks stemming from operational issues that impact returns. Additionally, ODD is a key aspect of investment and manager evaluation, selection and monitoring. The position will oversee the development of robust policies and practices, guide fund-wide ODD practices and collaborate with asset class heads to further develop the Investment Office's compliance function. The recruitment of this position will be prioritized. LACERA will absorb the cost of this position through FY 2023-24. The full year cost of this position at the lowest level is \$375,130, including salaries and benefits.

The S&S portion of the FY 2023-24 Preliminary Administrative Budget is approximately \$32.6 million, \$225,000 or 0.7 percent above the FY 2022-23 approved levels. Some expenses have increased, while others have decreased. Significant increases include:

- **Insurance** – Increases for premiums totaling \$361,100, or 32.2 percent, primarily for cyber liability, reflecting industry trends and LACERA-specific risks.
- **Equipment Maintenance** – Increase of \$325,000 or 79.6 percent due to a one-time upgrade of conference rooms to allow teleconferencing and upgrading the security badge readers on LACERA occupied floors.
- **Office Supplies & Equipment** – Increase of \$208,200 or 24.6 percent primarily due to information technology supplies and equipment and a new due diligence software to assist the Investments Division.
- **Transportation & Travel** – Increase of \$151,000 or 23 percent reflecting an end to pandemic-era travel restrictions and necessary staff training and development, and travel for investment related due diligence.

Significant decreases include:

- **Legal Fees & Services** – Decrease of \$998,000 or 32.5 percent due to the conclusion of prior year litigation.
- **Auto Expenses** – Decrease of \$102,700 or 76.9 percent due to a shift from purchasing vehicles for Executives to authorizing a monthly transportation allowance. Funding remains for maintenance and fuel for existing vehicles.

RETIREE HEALTH CARE BENEFITS PROGRAM (RHCBP) BUDGET

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

The total RHCBP Preliminary Budget for FY 2023-24 is approximately \$12.7 million, an increase of \$1.4 million or 12.1 percent.

The S&EB portion of this budget is approximately \$5.8 million, an increase of approximately \$580,000 or 11.2 percent from FY 2022-23. The increased cost is primarily attributed to negotiated COLA and benefits increases, as well as full year funding for several long-term vacancies. Six new Retirement Benefits Specialists dedicated to the RHCBP started on May 1, 2023.

The S&S portion of the RHCBP Preliminary Budget is approximately \$6.9 million, an increase of \$793,000 or 12.9 percent from FY 2022-23. The increased cost is attributable to an increase of approximately \$327,000 in Professional and Specialized Services, necessary to conduct the required triennial OPEB audit; and an increase of approximately \$466,000 in Operational Costs, or the RHCBP's pro-rata share of LACERA's administrative and operational costs.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST BUDGET

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

The trust agreements stipulate that LACERA shall be entitled to reimbursement for all its reasonable and appropriate expenses incurred in administering or investing the trust. This proposed OPEB Trust Budget reflects these needs for FY 2023-24

The total proposed OPEB Trust Budget for FY 2023-24 is \$732,699, an increase of approximately \$61,000 or 9.1 percent. The S&EB portion reflects an increase of approximately \$40,000 or 8.4 percent while the S&S portion reflects an increase of approximately \$20,000 or 10.8 percent. Staff costs are based on estimates of direct staff time spent supporting OPEB as well as a proportionate amount of support received from Systems, Human Resources and Administrative Services divisions.

More detailed information for all three proposed Budgets can be found in the attached document.

DISCUSSIONS

All Trustees may participate in the JOGC and are encouraged to ask in-depth questions of staff in the exercise of their due diligence in the budget process.

General topics of discussion at the April 27 JOGC meeting included LACERA's internship program, how salaries and salary savings are budgeted, and the implementation of technology in LACERA conference rooms (TEAMS Room Project).

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

- A summary of the types of training Investments Office staff plan to participate in during the upcoming fiscal year.
- A summary of budget requests, by division, in a table format as part of the Budget Highlights.
- Add a footnote to page 19, History of Budget Expenditures, to make it clear that the upcoming fiscal year reflects the Proposed Budget rather than the Approved Budget.

For more detailed information about the discussion, please view the [JOGC meeting of April 27, 2023](#).

CONCLUSION:

Based on the above information and attached documents, the JOGC recommends the Board of Retirement (BOR) and Board of Investments (BOI) adopt the proposed FY 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.

SK:LL:LG

Attachments

LACERA

FISCAL YEAR 2023-2024

BUDGET SUMMARY OF CHANGES
DIVISION SUMMARY

		CURRENT YEAR 2 0 2 2 - 2 0 2 3	COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET
	PROPOSED BUDGET 2023-2024	BUDGET	\$ CHANGE	% CHANGE	HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES
Administrative Services	\$16,108,407	\$14,989,876	\$1,118,531	7.5%	<ul style="list-style-type: none"> • Anticipate filling approximately 15 vacant positions • Reduce Agency Temp and Overtime Request - Due to filling vacant positions • Reduce Auto Expense – Discontinue LACERA vehicle • Increase Transportation and Travel - Anticipate increase in attendance at conferences/training • Increase Insurance - Based on broker's recommendation and added expense for Umbrella Policy • Reduce Building Costs – Anticipate decrease in renovation projects • Increase Professional & Specialized Services – Due to inflationary adjustments to Business Continuity Services and Archive/Offsite Storage • Increase Educational Expenses - Anticipate increased attendance at conferences/training
Benefits	\$12,449,402	\$12,019,386	\$430,016	3.6%	<ul style="list-style-type: none"> • Anticipate filling three vacant positions • Reduce Agency Temp Request - Due to filling vacant positions. • Increase Overtime Request - Due to more permanent staff and COLA increases • Increase Educational Expenses - Due to increased attendance at conferences/training
Board of Retirement	\$303,500	\$291,500	\$12,000	4.1%	<ul style="list-style-type: none"> • Increase in Miscellaneous Expense - Anticipate more onsite Board meetings due to Joint Boards meetings, JOGC, & Audit Committee
Board of Investments	\$551,000	\$498,000	\$53,000	10.6%	<ul style="list-style-type: none"> • Increase in Educational Expense - Anticipate increase for memberships (e.g., CII, AGCN, and ICGN)

LACERA

FISCAL YEAR 2023-2024

BUDGET SUMMARY OF CHANGES
DIVISION SUMMARY

		CURRENT YEAR 2 0 2 2 - 2 0 2 3	COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET
	PROPOSED BUDGET 2023-2024	BUDGET	\$ CHANGE	% CHANGE	HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES
Communications	\$4,117,688	\$3,422,975	\$694,713	20.3%	<ul style="list-style-type: none"> • Anticipate filling five vacant positions • Increase Agency Temp Request - To backfill vacant positions • Increase Transportation and Travel - Anticipate increase in conferences/training (e.g., HOW and CAPIO conferences) • Increase Stationery & Forms - Anticipate increase in cost to print Annual Benefits and Postscript newsletter • Increase Professional & Specialized Services - Anticipate increase in costs for printing, postage, & mailing • Reduce Computer Services & Support - Shift MAC consulting and support to Systems Division • New account for Case Management, Wire Service, and Miscellaneous Video Production
Disability Litigation	\$2,561,141	\$2,407,817	\$153,324	6.4%	<ul style="list-style-type: none"> • Reduce Agency Temp and Overtime Request - Due to completion of some projects • Reduce Legal Fees & Services - Based on anticipated case load
Disability Retirement	\$11,797,093	\$10,939,793	\$857,300	7.8%	<ul style="list-style-type: none"> • Add three Senior Disability Retirement Specialists • Reduce Overtime Request - Due to filling vacant positions and addition of new positions • Reduce Disability Fees & Services for Hearing Officer Fees and Medical Advisor
Executive Office	\$5,276,415	\$5,394,151	(\$117,736)	-2.2%	<ul style="list-style-type: none"> • Anticipate filling approximately five vacant positions • Reduce Agency Temp Request - Due to anticipated filling of vacant positions • Increase Transportation and Travel - Anticipate more permanent staff and increase in offsite conferences/training • Reduce Professional & Specialized Services - Anticipate reduction in Strategic Planning and Software Subscription Services, and increase in Public & Media Relations • Increase Educational Expenses - Due to increase in permanent staff and more conferences/training

LACERA

FISCAL YEAR 2023-2024

BUDGET SUMMARY OF CHANGES
DIVISION SUMMARY

		CURRENT YEAR 2 0 2 2 - 2 0 2 3	COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET
	PROPOSED BUDGET 2023-2024	BUDGET	\$ CHANGE	% CHANGE	HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES
Financial & Accounting Services	\$5,688,740	\$4,926,478	\$762,262	15.5%	<ul style="list-style-type: none"> • Delete one Accounting Officer II and one Accounting Technician I to offset the addition of two Accountant positions • Anticipate filling six vacant positions • Reduce Agency Temp and Overtime Request - Due to filling vacant positions • Increase Transportation and Travel - Anticipate increase in conferences/training • Increase Educational - Due to increase in conferences/training
Human Resources	\$6,743,591	\$5,839,537	\$904,054	15.5%	<ul style="list-style-type: none"> • Anticipate filling nine vacant positions • Reduce Agency Temp - Due to filling vacant positions • Increase Overtime Request - Due to anticipated staffing levels and COLA increase • Increase Parking Fees - Based on anticipated parking rates/ and increased number of staff • Increase Professional & Specialized Services - Due to increased Flex Choice cost and Human Resources Consulting for classification and compensation study
Internal Audit	\$3,613,148	\$3,468,495	\$144,653	4.2%	<ul style="list-style-type: none"> • Reduce Office Supplies & Equipment - Based on recent experience
Investment Office	\$18,223,967	\$17,342,188	\$881,779	5.1%	<ul style="list-style-type: none"> • Add one Senior Investment Officer • Anticipate filling 10 vacant positions • Add Transportation Allowance for Deputy CIO • Reduce Auto Expense - Discontinue provision of LACERA vehicle • Reduced Education Expense due to transfer of CII, AGCN & ICGN memberships to BOI • Increase Transportation and Travel - Anticipated increase in conferences/training

LACERA

FISCAL YEAR 2023-2024

BUDGET SUMMARY OF CHANGES
DIVISION SUMMARY

		CURRENT YEAR 2022 - 2023	COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET
	PROPOSED BUDGET 2023-2024	BUDGET	\$ CHANGE	% CHANGE	HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES
Legal Services	\$9,997,732	\$10,457,195	(\$459,463)	-4.4%	<ul style="list-style-type: none"> • Anticipate filling eight vacant positions • Reduce Agency Temp - Due to filling vacant positions • Increase Overtime Request - Due to staffing levels and COLA increase • Increase Transportation and Travel - Anticipate more staff participating in conferences/training • Increase Professional & Specialized Services - New RFP for Legislative Consulting/Advocacy • Reduce Legal Fees & Services - Based on current litigation
Member Services	\$11,063,296	\$10,479,414	\$583,882	5.6%	<ul style="list-style-type: none"> • Anticipate filling 15 vacant positions • Reduce Agency Temp Request p staff Due to filling vacant positions • Increase Overtime Request - Due to additional staff levels and COLA increase • Increase Transportation and Travel - Anticipate more staff participating in conferences/training • Reduce Office Supplies & Equipment - Based on recent experience
Quality Assurance	\$3,383,332	\$2,918,368	\$464,964	15.9%	<ul style="list-style-type: none"> • Anticipate filling five vacant positions • Reduce Overtime Request - Due to filling vacant positions and completion of some special projects • Increase Professional & Specialized Services - Anticipate Cost-Effective Management (CEM) Survey cost increase for 2024 • Reduce Educational Expenses - Based on anticipated number of staff working toward their CEBS certification

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY OF CHANGES
DIVISION SUMMARY

		CURRENT YEAR 2 0 2 2 - 2 0 2 3	COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET
	PROPOSED BUDGET 2023-2024	BUDGET	\$ CHANGE	% CHANGE	HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES
Systems	\$23,869,522	\$22,371,686	\$1,497,836	6.7%	<ul style="list-style-type: none"> • Delete one Information Systems Manager I to offset the addition of one Information Technology Manager I • Anticipate filling 18 vacant positions • Add one 120-Day Return to Work Retiree for special project • Reduce Agency Temp Request - Due to filling vacant positions • Increase Overtime Request - Due to a anticipated staffing and special IT projects • Increase Transportation and Travel - Due to more staff participating in conferences/training • Increase Office Supplies & Equipment - Anticipate increase in Divisional IT Supplies/Equipment for PBI, Investment Diligence Vault, MAC software & equipment, etc. • Increase Equipment Maintenance - Anticipate increase in Key Card Security Systems due to upgrade of all keycard readers, and audiovisual enhancements for upgrading conference rooms to Teams Rooms • Increase Professional & Specialized Services - Based on current projects (see summary) • Increase Educational Expenses - Due to increase in the number of staff participating in conferences/training
GRAND TOTAL	\$135,747,974	\$127,766,860	\$7,981,114	6.2%	

*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM

FISCAL YEAR 2023-2024

BUDGET SUMMARY OF CHANGES

		CURRENT YEAR 2 0 2 2 - 2 0 2 3	COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET
	PROPOSED BUDGET 2023-2024	BUDGET	\$ CHANGE	% CHANGE	HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES
Retiree Healthcare Benefits Program	\$12,685,439	\$11,313,623	\$1,371,816	12.1%	<ul style="list-style-type: none"> • Anticipate filling approximately seven vacant positions (fully staffed) • Reduce Agency Temp Request - Anticipate to be fully staffed, therefore no agency temp needed • Increase Overtime Request - Anticipate increase in Overtime requests due to more permanent staff • 10.3% Increase in Operational Costs - Anticipate 3.6% increase in Rent due to LACERA building operational costs increase per lease agreement. Also, anticipate 10.6% increase in Departmental Overhead due to LACERA budget request increase and increase in participating divisions' budget request, staffs' activity, and hours • Departmental Overhead Variances (10.6% increase or \$458,133.83): <ul style="list-style-type: none"> - LACERA Overall S&EB and S&S budget increased by 6.2%. Majority of the increases are mainly due to S&EB increase of 8.1% (S&S = 0.7%). - LACERA proposed to add a total of four new positions (three Senior Disability Retirement Specialists and one Senior Investment Officer) - LACERA Permanent Salaries increased by 12.2% due to COLA, merit and step increases for all staff and filling current vacancies - LACERA Variable Benefits (10.4%) , Other Benefits (7.3%) and OPEB Contribution (12.0%) increased (Based on FY 2023-2024 Estimate Budget provided by County) - LACERA Overtime increased due to more staff (anticipated to fill more vacancies) - Changes in participating divisions/staff time and activities. (Executive from 150 to 368, FASD from 4,888 to 5,564, Internal Audit from 250-150, and Legal Services from 375 to 255) • 26.6% Increase for Professional & Specialized Services - Anticipate 146.6% increase in Audits due to increase in Audits and 35.5% in OPEB Valuation for Plante Moran/CavMac Triennial Audit and Milliman's OPEB Triennial audit work(s)

*All amounts rounded to the nearest dollar.

OTHER POST-EMPLOYEE BENEFITS (OPEB) TRUST

FISCAL YEAR 2023-2024

BUDGET SUMMARY OF CHANGES

		CURRENT YEAR 2 0 2 2 - 2 0 2 3	COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET
	PROPOSED BUDGET 2023-2024	BUDGET	\$ CHANGE	% CHANGE	HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES
Other Post-Employee Benefits (OPEB) Trust	\$732,669	\$671,847	\$60,822	9.1%	<ul style="list-style-type: none"> • LACERA Overall S&EB and S&S budget increased by 6.2%. Majority of the increases are mainly due to S&EB increase of 8.1% (S&S = 0.7%) • LACERA proposed to add a total of four new positions (three Senior Disability Retirement Specialists and one Senior Investment Officer) • LACERA Permanent Salaries increased by 12.2% due to COLA, merit, and step increases for all staff and filling current vacancies • LACERA Variable Benefits (10.4%) , Other Benefits (7.3%), and OPEB Contribution (12.0%) increased (Other Benefits and OPEB Contribution budget is based on FY 2023-2024 Estimate Budget provided by County) • LACERA Overtime increased due to more staff (anticipated to fill more vacancies) • Changes in participating divisions/staff time and activities. (FASD from 1,558 to 1,323, Internal Audit from 290-370, Investment Office from 1,105 to 705, Legal Services from 150 to 250, and Systems Division from 395 to 1,164)

*All amounts rounded to the nearest dollar.



Fiscal Year 2023-24 Proposed Budget Presentation

Administrative, Retiree Healthcare Benefits & OPEB Trust Budgets



Fiscal Year 2023-24 Proposed Budget



AGENDA

- Legal Authority & Budget Policies that Guide and Direct Us
- Budget Development Process
- Strategic Priorities
- 2022-23 Accomplishments
- Administrative Budget
- Retiree Healthcare Benefits Program Budget
- OPEB Trust Budget
- Questions & Discussion
- Appendix: 2023-24 Planned Initiatives



Legal Authority and Duty

CERL Section 31580.2

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

CA Constitution Article XVI, Section 17(a)

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

CA Constitution Article XVI, Section 17(b)

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



Budget Policies

Statutory
Appropriation

County Employees Retirement Law

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

Surplus
Unappropriated
Balance

Unappropriated Funds

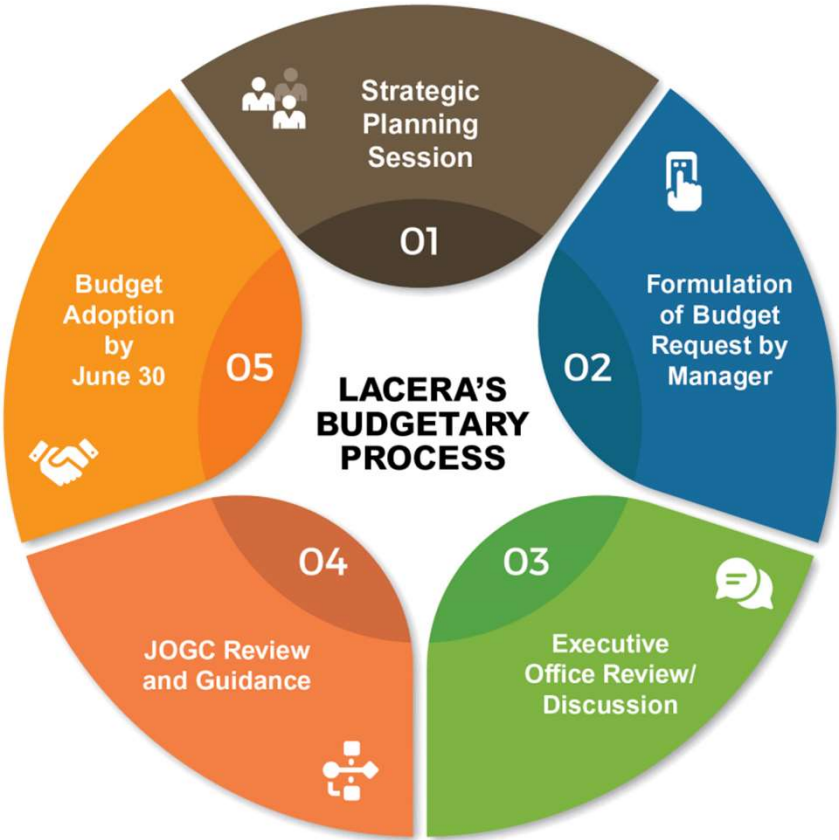
- Represents the balance of available appropriation after Administrative Costs
- 2023-24 = Approximately \$45.5 Million

Retiree
Healthcare
Costs

RHC Administrative Overhead Costs

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

Budget Development Process

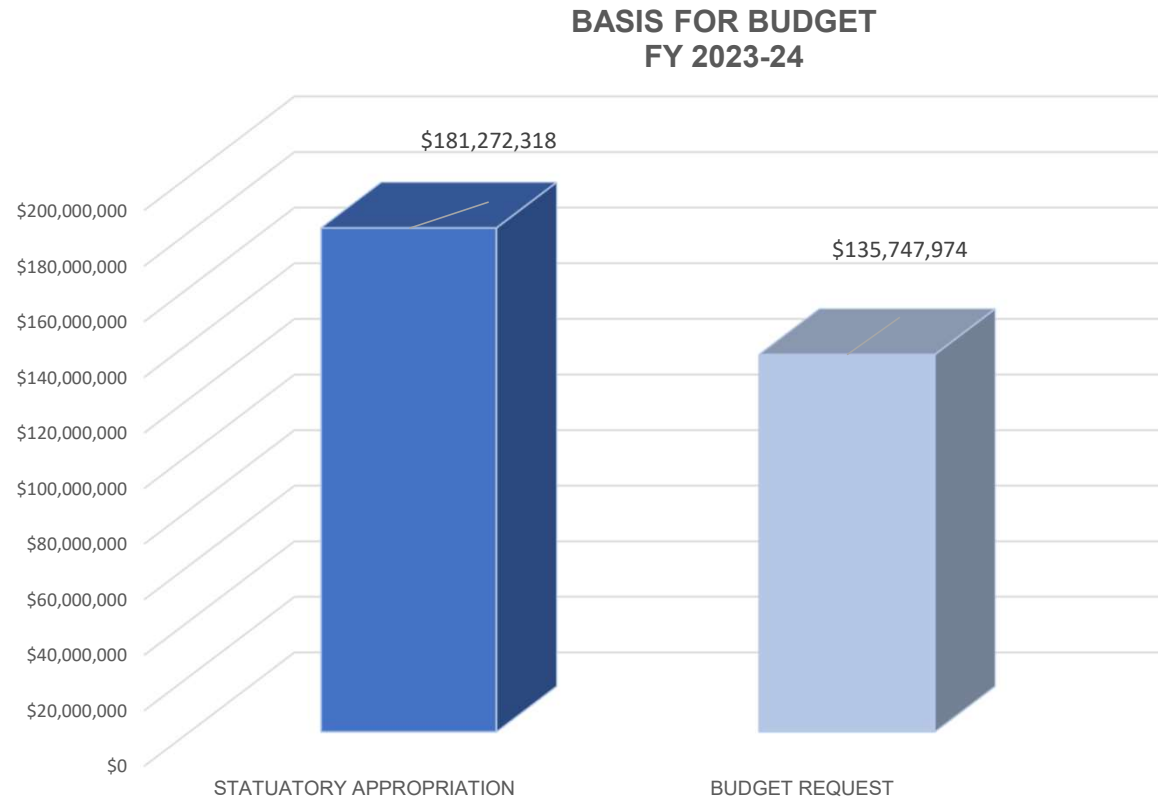


Strategic Priorities





Proposed FY 2023-24 Budget





Fiscal Year 2023-24

Administrative Budget Request Summary

ADMINISTRATIVE BUDGET	FY 2022–23 ADOPTED BUDGET	FY 2023–24 PROPOSED BUDGET	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	\$95,407,560	\$103,163,874	\$7,756,314	8.1%
SERVICES & SUPPLIES	\$32,359,300	\$32,584,100	\$224,800	0.7%
ADMINISTRATIVE BUDGET TOTAL	\$127,766,860	\$135,747,974	\$7,981,114	6.2%



Prior Year Accomplishments

Members • Technology • People • Risk & Compliance • Fiscal Durability



FY 2022-23

Accomplishments



- **Strategic Plan Development**
- **Call Center Technology Improvements**
 - Wait time/call back
 - Holiday scheduling automation
 - Emergency access console
 - After call service survey
- **Online Disability Application**
- **MyLACERA Support Queue**
- **MyLACERA Multifactor Authentication**





FY 2022-23 Accomplishments

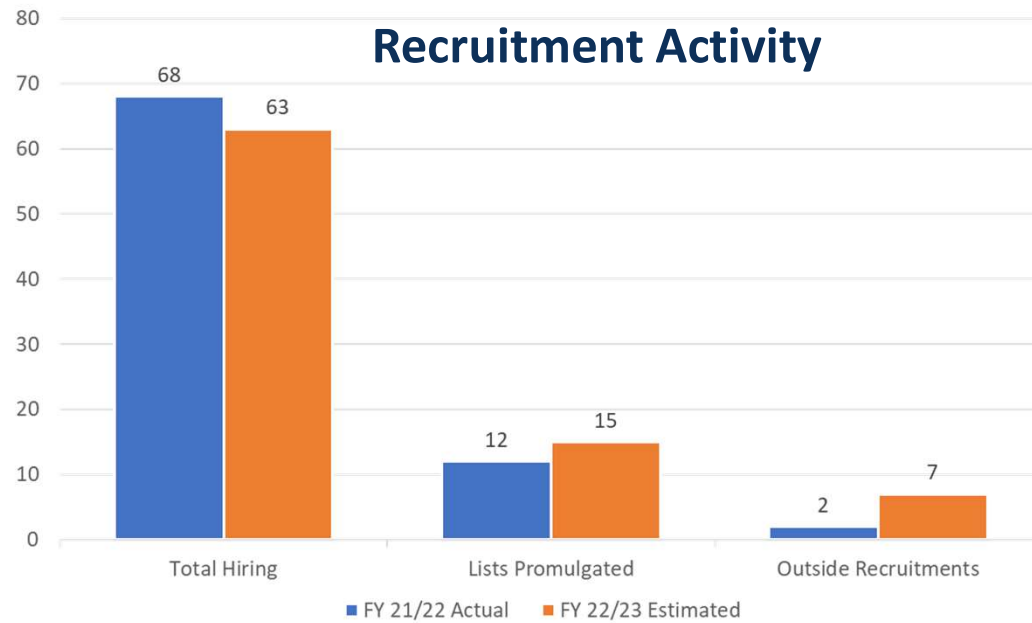


- **One Meeting Implementation**
- **Enterprise WiFi**
- **Form 700 Automation**
- **Custodian Bank Selection**
- **Financial Auditor Selection**
- **Investment Returns Above Policy Benchmarks**

FY 2022-23 Accomplishments



- Hiring Manager Playbook
- Transparent Hiring Plan



FY 21/22 47% of New Hires were internal promotions

FY 22/23 22% of New Hires through Q3 were internal promotions

* Q4 anticipated activity: 40 new hires to onboard, 3 new lists promulgated & 6 outside recruitments launched.



ADMINISTRATIVE BUDGET



Fiscal Year 2023-24

Administrative Budget Request Summary

ADMINISTRATIVE BUDGET	FY 2022–23 ADOPTED BUDGET	FY 2023–24 PROPOSED BUDGET	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	\$95,407,560	\$103,163,874	\$7,756,314	8.1%
SERVICES & SUPPLIES	\$32,359,300	\$32,584,100	\$224,800	0.7%
ADMINISTRATIVE BUDGET TOTAL	\$127,766,860	\$135,747,974	\$7,981,114	6.2%



2022-23 Budget to Projected Actuals by Category

ADMINISTRATIVE BUDGET	FY 2022-23 ADOPTED BUDGET	2022-23 PROJECTED ACTUAL	PROJECTED SURPLUS/ (DEFICIT)	FY 2023 - 24 BUDGET REQUEST	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	\$95,407,560	\$86,609,000	\$8,798,560	\$103,163,874	\$7,756,314	8.1%
SERVICES & SUPPLIES	\$32,359,300	\$31,966,500	\$392,800	\$32,584,100	\$224,800	0.7%
OPERATING BUDGET TOTAL	\$127,766,860	\$118,575,500	\$9,191,360	\$135,747,974	\$7,981,114	6.2%



2022-23 Budget to Projected Actuals by Division

DIVISION	FY 2022-2023 ADOPTED BUDGET	FY 2022-2023 PROJECTED ACTUAL	PROJECTED SURPLUS/ (DEFICIT)	FY 2023-2024 BUDGET REQUEST	VARIANCE	% CHANGE
Administrative Services	\$14,989,876	\$14,008,500	\$981,376	\$16,108,407	\$1,118,531	7.5%
Benefits	12,019,386	11,924,300	95,086	12,449,402	430,016	3.6%
Board of Retirement	291,500	220,600	70,900	303,500	12,000	4.1%
Board of Investments	498,000	439,400	58,600	551,000	53,000	10.6%
Communications	3,422,975	3,001,100	421,875	4,117,688	694,713	20.3%
Disability Litigation	2,407,817	2,401,900	5,917	2,561,141	153,324	6.4%
Disability Retirement	10,939,793	10,503,100	436,693	11,797,093	857,300	7.8%
Executive Office	5,394,151	5,094,000	300,151	5,276,415	(117,736)	-2.2%
Financial & Accounting Services	4,926,478	4,417,300	509,178	5,688,740	762,262	15.5%
Human Resources	5,839,537	4,638,800	1,200,737	6,743,591	904,054	15.5%
Internal Audit	3,468,495	3,401,300	67,195	3,613,148	144,653	4.2%
Investment Office	17,342,188	14,935,400	2,406,788	18,223,967	881,779	5.1%
Legal Services	10,457,195	10,141,200	315,995	9,997,732	(459,463)	-4.4%
Member Services	10,479,414	9,554,900	924,514	11,063,296	583,882	5.6%
Quality Assurance	2,918,368	2,822,300	96,068	3,383,332	464,964	15.9%
Systems	22,371,686	21,071,400	1,300,286	23,869,522	1,497,836	6.7%
TOTAL	\$127,766,860	\$118,575,500	\$9,191,360	\$135,747,974	\$7,981,114	6.2%



FY 2023-24 Budget Assumptions



Salaries & Employee Benefits

- Filled positions are based on current actual salaries
- Vacant positions are based on Step 1 salary & funded based on the Hiring Plan for the classification (0, 6, 9 or 12 months)
- 3% COLA for all staff – Effective January 1, 2023
- 3% COLA for all staff – Effective January 1, 2024
- Benefit costs determined by LA County – Estimated 55% of Salaries



Services & Supplies

- Historical expenditures adjusted for inflation
- One-time expenditures removed or adjusted



Salaries & Employee Benefits

4 New Positions

Full Year Costs for Partially Funded Positions

Negotiated COLA Increases

Salary Step & Merit Increases

Reduced Reliance on County Temporary Staff

Increased Costs for County Benefits



Summary of Increased Staffing & Costs

FY 2023-24 PROJECTED COST OF NEW POSITIONS						
DIVISION	#	POSTION TITLE	# MONTHS	FY 2023-2024 SALARY	VARIABLE BENEFITS	BUDGET IMPACT
Disability Retirement	3.0	Senior Disability Retirement Specialist	9	\$194,967	\$107,232	\$302,199
Investments	1.0	Senior Investment Officer	6	\$121,010	\$66,555	\$187,565
Total	4.0			\$315,977	\$173,787	\$489,764

FULL YEAR COST OF NEW POSITIONS					
DIVISION	#	POSTION TITLE	FULL YEAR SALARY	VARIABLE BENEFITS	TOTAL FULL YEAR COST
Disability Retirement	3.0	Senior Disability Retirement Specialist	\$259,956	\$142,976	\$402,932
Investments	1.0	Senior Investment Officer	\$242,019	\$133,111	\$375,130
Total	4.0		\$501,975	\$276,086	\$778,062





Services & Supplies

Summary of Significant Changes

Insurance premium increases - \$361,100

Equipment Maintenance (TEAMS conference rooms & badge readers - \$325,000

Office Supplies & Equipment (IT supplies & due diligence software) - \$208,200

Transportation & Travel (staff post-COVID training & development) - \$151,000

Outside Legal Fees & Services - Decrease by \$998,000

Auto Expenses – Decrease by \$102,7000



RHCBP & OPEB TRUST BUDGETS

Fiscal Year 2023-24 Retiree Healthcare Benefits Program Budget Overview

	FY 2023-24 PROPOSED BUDGET	FY 2022-23 ADOPTED BUDGET	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	\$ 5,752,106	\$ 5,172,923	\$ 579,183	11.2%
SERVICES & SUPPLIES	\$ 6,933,333	\$ 6,150,699	\$ 792,634	12.9%
OPERATING BUDGET	\$ 12,685,439	\$ 11,313,623	\$ 1,371,816	12.1%



2022-23 RHCBP Budget to Projected Actual

	FY 2023-24 Proposed Budget	FY 2022-23 Adopted Budget	FY 2022-23 Projected Actual	FY 2022-23 Projected to Actual (UNDER)/OVER
Salaries & Employee Benefits	\$ 5,752,106	\$ 5,172,923	\$ 5,039,100	\$ (133,823)
Services & Supplies	\$ 6,933,333	\$ 6,140,699	\$ 5,682,600	\$ (458,099)
Total RHC Operating Budget	\$ 12,685,439	\$ 11,313,623	\$ 10,721,700	\$ (591,923)



RHCBP 2023-24 BUDGET

Summary of Significant Changes

Full Staffing Due to May 2023 Retirement Benefits Specialist Training Class

Negotiated Cost of Living Adjustments (COLAs) of 3%

Salary Step and Merit Increases

County Benefits Cost Increases

LACERA Administrative Overhead Increases Due to S&EB Inflation

Triennial Audit and Valuation Expense (S&S)



Fiscal Year 2023-24 Other Post Employment Benefits Summary

OPEB	FY 2023-24 PROPOSED BUDGET	FY 2022-23 ADOPTED BUDGET	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	\$ 521,881	\$ 481,543	\$ 40,338	8.4%
SERVICES & SUPPLIES	\$ 210,788	\$ 190,304	\$ 20,484	10.8%
OPEB OPERATING BUDGET	\$ 732,669	\$ 671,847	\$ 60,822	9.1%



2022-23 OPEB Trust Budget to Projected Actual

	FY 2023-24 Proposed	FY 2022-23 Adopted Budget	FY 2022-23 Projected Actual	FY 2022-23 Projected to Actual (UNDER)/OVER
Salaries & Employee Benefits	\$ 521,881	\$ 481,543	\$ 452,661	\$ (28,893)
Services & Supplies	\$ 210,788	\$ 190,304	\$ 178,886	\$ (11,418)
Total OPEB Budget	\$ 732,669	\$ 671,847	\$ 631,536	\$ (40,311)

THANK YOU!



QUESTIONS?



Appendix

FY 2023-24 Planned Initiatives

Members • Technology • People • Risk & Compliance • Fiscal Durability





Strategic Plan Implementation

2023-24 Focus

- Develop specific workplans and reporting metrics
- Recruit top talent across the enterprise
- Operationalize the LEAD Initiative
- Cultivate a culture consistent with our LACERA values
- Innovate solutions through technology
- Prepare for the future of LACERA

Goal – Mature the organization toward the achievement of our mission and vision



Case Management Phase 2

2023-24 Focus (Tentative)

- Legal Review
- Administrative Appeals & Escalations
- Insurance Enrollment
- Felony Forfeiture Appeals Processes

Goal Track & manage cases coming from the Workspace Pension Administration System, more efficiently resulting in an improved member experience.

Cost - \$760,000

Los Angeles County Employees Retirement Association

*Innovation Through
Technology*

&

*Superior Member
Experience*



AWS Call Center Enhancements

2023/24 Focus

- Implement Voice Recognition & Artificial Intelligence (AI) Technology
- Offer members choice - AI confirmation process or traditional personal confirmation during call
- Enhanced Reporting on Secure Confirmation Statistical Data

Goals — Reduce call wait time, provide a more secure validation process and improve the member experience.

Cost - \$300,00

*Innovation Through
Technology*

&

*Superior Member
Experience*



Knowledgebase Solution

2023/24 Focus - Build or buy a repository & automated workflow solution to implement our knowledge management policy.

Goal – Ensure a single, trusted data source for accurate business rules, procedures & operating instructions for staff.

Cost - \$300,000

***Innovation Through
Technology***

&

***Superior Member
Experience***



Telecommunications Upgrade & Member Service Contact Center Solution

2023/24 Focus - Implement a world-class Member Service Contact Center solution that integrates with LACERA's existing Microsoft suite of products, case management solution (Sol) and pension administration system (Workspace).

Goal – Modernize LACERA's telecommunications infrastructure.

Cost - \$250,000

*Innovation Through
Technology*

&

*Superior Member
Experience*



IT Modernization

2023/24 Focus - Convert the remaining LACERA conference rooms to Microsoft Teams-enabled meeting rooms.

Goal – Facilitate collaboration and connectivity for LACERA’s hybrid workforce.

Cost - \$225,000

*Innovation Through
Technology*



Operational Due Diligence Solution

2023/24 Focus - Source and implement a new due diligence solution to automate the analysis of manager and fund data.

Goal – Automate the due diligence process within the Investments Division to improve compliance and reduce risk.

Cost - \$30,000

*Innovation Through
Technology*

&

Risk & Compliance



Facilities Management Solution

2023/24 Focus - Replace manual processes with an enterprise-wide automated solution for maintenance, cleaning, safety and space change requests.

Goal – Provide automation, process improvement, transparency and metrics for LACERA’s facilities management processes.

Cost - \$150,000

***Innovation through
Technology***

&

Fiscal Durability



Uninterruptible Power Supply (UPS) Upgrade

2023/24 Focus - Redesign and replace end-of-life UPS units that provide critical backup power to LACERA's data centers and board room during outages to provide a redundant power system.

Goal – Optimize LACERA's business continuity capabilities due to and during local power outages.

Cost - \$150,000

*Innovation through
Technology*

&

Fiscal Durability



Benefits PBI Upgrade

2023/24 Focus - Replace legacy member/beneficiary research system currently at end-of-life

Goal – Reduce risk of benefits overpayments to deceased members and more efficiently locate beneficiaries who are owed death benefits.

Cost - \$100,000

***Innovation Through
Technology
&
Risk & Compliance
&
Fiscal Durability***



Legal Matters Management System

2023/24 Focus - Source and implement an enterprise legal matters management software solution to replace inefficient manual processes.

Goal – Provide automation, process improvement, transparency and metrics for LACERA’s Legal Services Division.

Cost - \$100,000

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Risk & Compliance
&
Fiscal Durability***



ADMINISTRATIVE,
RETIREE HEALTHCARE BENEFITS AND
OPEB TRUST BUDGETS
FISCAL YEAR 2023-2024



FY 2023-2024

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EXECUTIVE SUMMARY

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

The Proposed Administrative Budget for FY 2023-24 represents the fiscal plan for implementing LACERA’s administrative and operational objectives toward achieving our mission to produce, protect and provide the promised benefits to our members. In FY 2022-23, LACERA embarked upon an enterprise-wide strategic planning process—engaging members, Trustees, and staff at all levels. Although this Proposed Administrative Budget was developed before the Board of Retirement could formally adopt our Strategic Plan, as we considered what we hoped to accomplish in the coming year, the same themes emerged. As a result, this Proposed Administrative Budget aligns with the following five proposed strategic priorities:

- Superior Member Experience
- Innovation Through Technology
- Investing in People
- Enterprise Risk Management and Compliance
- Fiscal Durability

Superior Member Experience

Ensuring members have a consistent superior experience at all stages of their journey has been a longstanding focus of LACERA staff. As our member demographics change, technology advances, and member expectations shift, LACERA must be poised and ready to meet the members where they are and provide the education and guidance they need in a manner that is accessible and consistent at every stage of their journey. Members who are knowledgeable about their benefits will make better choices for themselves and their families.

In FY 2022-23, LACERA implemented several enhancements to provide better service to our members including: Launching Phase 1 of our case management (Sol) project, which includes Disability Retirement, Disability Litigation, and First Payment case management implementation; developing an online disability retirement application; and improving our member call experience by directing calls for account verification to a dedicated queue,

notifying members of call wait times, and implementing a callback feature. The FY 2023-24 Proposed Administrative Budget supports expanding these solutions.

Although technology is an integral part of ensuring a superior member experience, members value and expect personal interaction with our Retirement Benefits Specialists. In recent years, and especially since the onset of the COVID-19 pandemic, LACERA has struggled to simultaneously maintain our budgeted staffing levels in our Member Services, Benefits, and Retiree Healthcare divisions; meet demand from our members; and minimize call wait times. Staff in these member-facing divisions must undergo extensive training to provide the expertise our members expect. While these new staff are trained, LACERA has continued to experience high attrition at rates similar to that of Los Angeles County employees as a whole. The result has been a consistent gap in the number of trained Retirement Benefits Specialists available to answer questions from members and provide them education and guidance at the various stages of their journeys.

Although new staff are not requested for these divisions in the FY 2023-24 Proposed Administrative Budget, the Board of Retirement and Board of Investments have authorized the CEO to implement a strategy that anticipates attrition of Retirement Benefits Specialists and fully utilizing budgeted resources to ensure consistent staffing and service levels throughout the entire year.

Four new positions are requested. Three new positions are proposed for the Disability Retirement Services Division to address changes in Los Angeles County policy related to workforce accommodations. LACERA anticipates a significant increase in the number of members seeking disability retirements directly or at the behest of their employer. Applications for disability retirements require extensive medical evidence and investigation, during which time applicants generally have no income. To ensure that applications are not unduly delayed, three additional Senior Disability Retirement Specialist positions are requested in FY 2023-24 and the proposed hiring plan will be adjusted to prioritize filling these positions during the fiscal year.

One new Senior Investment Officer position is proposed to assist with operational due diligence (ODD) and compliance. This position will be responsible for overseeing the development of robust policies and practices across all asset classes.

Innovation Through Technology

LACERA continues to be committed to leveraging technology to be a more nimble, responsive, and efficient organization. This improvement mindset ensures that we continuously seek opportunities to better serve our members and that staff have the tools to most effectively perform their work.

In FY 2022-23, LACERA made great strides in using technology to automate, simplify, and improve many of our day-to-day processes, saving staff time and reducing costs to

the pension fund. We also utilized technology to improve our organizational resilience, business continuity, and disaster recovery, and to enhance security.

Improvements through technology continue to be a major focus in FY 2023-24 as we look forward to: Launching Phase 2 of our case management project, which will include legal review, administrative appeals and escalations, insurance enrollment, and felony forfeiture appeals processes; enhancing our Call Center operations by implementing AWS Call Center; building a knowledge management solution; and completing and implementing several other projects currently underway. This strategic priority provides critical and essential support to achieving all four of LACERA's other strategic priorities. A complete summary of technology projects proposed for FY 2023-24 can be found on Page 6.

Investing in People

LACERA recognizes that the key to its success lies in its people. Our overarching goal is to make LACERA the employer of choice by offering a workplace culture that values and encourages staff development, actively implements equity and inclusion in our policies and practices, pays fair wages, values employees' ideas, and provides staff the tools and resources necessary for individual and collective success.

In the aftermath of the COVID-19 pandemic, LACERA has continuously suffered from high vacancy rates, exacerbated by an extremely competitive job market. In FY 2021-22, LACERA hired or promoted 68 positions across 13 divisions, but the overall vacancy rate stayed stubbornly stagnant at 20 percent. In FY 2022-23, LACERA concentrated on simplifying and improving the hiring process by identifying opportunities to add capacity, utilizing outside recruitment firms to assist with recruitment workload, become more nimble without sacrificing the tenets of civil service and meritocracy, and improve organizational transparency. We are on track to hire or promote 63 positions, including 40 in the fourth quarter. In addition, an enterprise-wide hiring plan was developed and shared with staff, and Human Resources developed a hiring playbook and process map for managers to demystify the hiring process.

In FY 2023-24, as the new Human Resources staff members acclimate, we hope to accelerate our hiring plan and onboard new staff more quickly to reduce the overall vacancy rate. Key to this goal is to reduce attrition across the organization. In FY 2023-24, we plan to focus on culture by developing and implementing our diversity, equity and inclusion framework (known as the LEAD initiative); investing in staff professional development opportunities; assessing and improving career ladders and succession planning; continuing formal and informal mentorship programs; and expanding our internship program to more divisions across the organization. We will develop a specific workplan with goals and key performance indicators and transparently report on our progress.

Enterprise Risk Management and Compliance

Over the past three years, LACERA has made great strides in improving enterprise risk management, information security, and operational resilience by transitioning most of our information technology systems from onsite to cloud-based solutions. The organization benefited greatly, improving our business continuity and disaster recovery readiness, transitioning to a fully remote (and now hybrid) work environment offering greater flexibility to our staff and members, and establishing a dedicated information security office independent of the Systems Division. Further, through the guidance and support of the Internal Audit Division and Audit Committee, we have participated in internal and external assessments to identify enterprise risk and compliance findings.

In FY 2022-23, we established and operationalized a Policy Committee tasked with systematically reviewing all LACERA policies and protocols as well as reviewing and adopting all new administrative policies. We also automated the process for filing the required annual Statement of Economic Interests for covered individuals, which helps us track compliance. Finally, we have improved LACERA's physical site security by moving the reception area from the 6th floor to the ground floor; requiring visitors (other than members) to check in, wear a visitors badge, and be escorted by staff while conducting business at LACERA headquarters; installing a video doorbell outside our Disability Litigation Office, as they are located on the 10th floor, which is shared by non-LACERA business entities; and restricting elevator access to LACERA-occupied floors, except for the 10th floor (to be completed in Spring 2023).

The FY 2023-24 Proposed Budget continues to support the enterprise risk management and compliance strategic priority. Previously, the Board of Retirement and Board of Investments approved a Compliance Officer position to be housed in the Legal Division and tasked with identifying and supporting enterprise-wide compliance matters. In researching how similarly structured organizations utilize similar positions, including best practices and comparable salary, it is proposed that the Compliance Officer position, which has not yet been approved by the Board of Supervisors, be amended to "Ethics and Compliance Officer." Further, Executive Management also plans to fill the authorized Special Assistant position within the Executive Office to help manage and report on progress toward policy implementation, compliance, and other strategic priorities.

The FY 2023-24 Proposed Budget also includes resources for the Systems Division and the Information Security Office within the Executive Office to proactively secure LACERA and member data and monitor information security threats. Recruitment is currently underway, and we anticipate permanently filling our Information Security Officer and Chief Information Technology Officer positions in spring 2023.

Fiscal Durability

Key to LACERA's mission to produce, protect and provide the promised benefits is ensuring the fiscal durability of fund assets, as benefits are promised for members' lifetimes. This requires taking on as little investment risk as possible to consistently meet

or exceed our benchmarks over the long-term to generate the necessary returns, as well as practicing fiscal prudence and due diligence when expending fund assets. To achieve this, the Investment Division has a specific strategy to shift from allocator to best-in-class investor. This includes, but is not limited to, negotiating favorable fees. Although, under CERL, investment fees are not included in the administrative budget, the expenditures are noted in the Non-Administrative Expense section of the FY 2023-24 Proposed Budget documents.

The FY 2023-24 Proposed Budget further supports this strategic priority by including the resources necessary to effectively and efficiently administer the programs to fulfill LACERA's mission and to ensure the pension fund and the organization are appropriately supported to sustain that mission indefinitely. As detailed below, LACERA anticipates that several technology projects currently underway will be fully implemented and operationalized in FY 2023-24. Together, these solutions will eradicate inefficient and error-prone manual processes and integrate into our financial system, Great Plains, providing greater transparency in the prudent expenditure of fund assets for pension administration.

Budget Software: The Questica budget software solution will automate and streamline the budget development and approval process, as well as provide managers real-time access to monitor and control their budget and expenditures for the first time ever. The Questica budget solution will be implemented by fall of 2023, in time for use in the development of the FY 2024-25 Proposed Budget.

Automated Accounts Payable and Procurement: The Certify software will automate the requisition and procurement of goods and services approval process to ensure more efficient invoice payment and allow ACH payments to vendors instead of traditional paper checks. This solution will be fully implemented in the summer of 2023.

Enterprise Contract Lifecycle Management: The Cobblestone software solution will assist contract administrators, risk manager and legal division by ensuring LACERA maintains a complete repository of contracts and vendor agreements and supporting documentation such as proof of insurance. The solution will facilitate compliance with LACERA's contract and procurement policies, ensure consistency using standard templates and contract language, and has tools to assist LACERA attorneys in reviewing non-standard terms and conditions that may be proposed by and required of some business partners. This software solution will be fully implemented in the summer of 2023.

Conclusion

The FY 2023-24 Proposed Budget reflects the resources necessary to effectively and efficiently administer the retirement programs to fulfill LACERA's mission indefinitely.

Summary of Technology Modernization Projects for FY 2023-24

Project Title	Description	Benefit/Goal	FY 23/24 Budget	Phase	Estimated Completion Date
Member case management system - Phase 2	All LACERA’s member-facing divisions are asking for case management for their complex processes to improve operational efficiency. Phase 2 will include optical character recognition (OCR) technology and focus on the legal review, administrative appeals and escalations, insurance enrollment, and felony forfeiture appeals processes. The future phases may involve additional RFPs for professional services, or LACERA may choose to implement the additional phases using internal resources. The licensing costs for the case management solution will be an annual cost going forward.	The goal is to track and manage cases coming from the Workspace Pension Administration System. The benefits will be more efficient processing, greater automation, and improved member satisfaction.	\$760,000	Phase 2 of 5	06/30/24
Amazon Web Services (AWS) Call Center enhancements Phases 7, 8, and 9	To further improve and enhance our call center operations, LACERA seeks to implement voice recognition and artificial intelligence (AI) technology to mimic the organization’s secure validation process. The new features will enable the organization to simulate a member’s existing basic and secure confirmation process, leverage AI to allow members to choose between the confirmation process or be placed into predefined servicing queues with designated agents, and provide enhanced reporting on secure confirmation statistical data.	The automated member validation process will reduce call wait time, provide a more secure validation process, and improve the member experience.	\$300,000	Phase 7, 8, and 9 of 9	09/30/23
Knowledgebase solution	LACERA seeks to purchase or build a repository and automated workflow solution for LACERA knowledge management. The solution will be a single, trusted source of information that is accurate, consistent, and up to date and enables the right information to be found, at the right time, by the people who need it. We currently maintain this critical enterprise content in multiple formats and on disparate systems. The same amount was requested during the FY 2022-23 budget for both policy and knowledge management; however, we have separated these two efforts. The policy solution will be completed in the current fiscal year, and the knowledge management project, which is a significantly larger effort, will begin in FY 2023-24.	The goals are to establish a centralized repository and workflow for business rules, procedures, and operating instructions. The benefits will be consistent and transparent development, review, publication, and adoption of business rules. This new system will also allow us to retire older disparate systems: the Benefits WIKI, KBase, Member Services Operating Instructions, and Benefits Index.	\$300,000	Phase 1 of 1	06/30/24

Summary of Technology Modernization Projects for FY 2023-24

Project Title	Description	Benefit/Goal	FY 23/24 Budget	Phase	Estimated Completion Date
Telecommunications upgrade and hosted Contact Center	LACERA seeks to modernize our existing telecommunications infrastructure. This funding is requested to support LACERA's telecommunications strategy both for our Pasadena office and to acquire a world-class Member Service Contact Center solution that integrates with our existing Microsoft suite of products, case management application, and pension administration system. The same amount for this project was requested during the FY 2022-23 budget; however, this project was deferred to focus on implementing improvements to the current AWS Call Center solution (member callback feature).	The goal is to modernize LACERA's existing telecommunications infrastructure. The benefits include more efficient use of LACERA resources and greater member satisfaction.	\$250,000	Phase 1 of 1	06/30/24
Teams room conversion	As part of LACERA's IT modernization effort, Systems is converting all LACERA conference rooms to Microsoft Teams-enabled meeting rooms. Once completed, each conference room will provide a rich and collaborative Teams meeting experience that is simple to use and supports LACERA's flexible hybrid work environment by enabling remote participants to see and hear everyone in the room. There are 15 conference rooms that need to be converted: Six of these conference rooms will be converted in FY 2022-23. The budget for FY 2023-24 is to convert the remaining nine rooms.	The goal is to facilitate collaboration for LACERA's hybrid workforce.	\$225,000	Phases 2 and 3 of 3	06/30/24
Facilities management solution	The Administrative Services Division seeks to implement an enterprise facilities management software solution to replace our current tediously manual processes. The new system will ensure that the organization can properly manage the health and safety of our work environment while enhancing our ability to improve maintenance, cleaning, and space change requests.	The goal is to provide automation, process improvement, transparency, and metrics for LACERA's facilities management process.	\$150,000	Phase 1 of 1	06/30/24
Uninterruptible power supply (UPS) upgrade	LACERA seeks to replace the end-of-life UPS units that provide critical backup power to LACERA's data centers and boardroom during outages. This funding is requested to redesign and replace the existing units to create a redundant power system. The project was previously requested during the FY 2022-23 midyear adjustments; however, it was deferred due to supply chain constraints.	The goal is to optimize LACERA's business continuity capabilities when a power outage affects LACERA's Pasadena building.	\$150,000	Phase 2 of 2	06/30/24

Summary of Technology Modernization Projects for FY 2023-24

Project Title	Description	Benefit/Goal	FY 23/24 Budget	Phase	Estimated Completion Date
Legal matters management system	The Legal Division seeks to implement an enterprise legal matters management software solution to replace our current tediously manual processes. The new system will ensure that the division can properly facilitate remote work and streamline workflows, time tracking, and document management processes.	The goal is to provide automation, process improvement, transparency, and metrics for LACERA's Legal Division.	\$100,000	Phase 1 of 1	06/30/24
Keycard reader upgrades	LACERA seeks to replace the current keycard readers that provide physical access to all LACERA suites with a modern solution that allows better customization and safety enhancements.	The goal is to improve the physical security of LACERA's offices.	\$100,000	Phase 1 of 1	06/30/24
Professional consulting services for Great Plains integrations	As LACERA continues to implement various enterprise software solutions such as hardware asset management, contract management, budgeting, and accounts payable, funding is needed for professional services to ensure these applications seamlessly integrate.	The goal is seamless integration between LACERA's general ledger system, Microsoft Dynamics Great Plains, and other systems that are currently being implemented: hardware asset management (ServiceNow HAM), enterprise contract lifecycle management (Cobblestone ECLM), budget solution (Questica), and automated accounts payable (Certify).	\$100,000	Phase 1 of 1	06/30/24
Benefits PBI upgrade	The Benefits Division seeks to replace their current end-of-life member/beneficiary research system. The new system will ensure that the organization can quickly and accurately identify deceased members and locate or identify the beneficiary to fulfill our fiduciary responsibilities and pay out the owed benefits.	The goal is to reduce the risk of benefit overpayments to deceased members and more efficiently locate beneficiaries who are owed death benefits.	\$100,000	Phase 1 of 1	06/30/24
Investments due diligence solution	The Investments Division seeks to implement a due diligence solution, such as DiligenceVault. The new system will automate the analysis of manager and fund data as part of the due diligence processes.	The goal is to automate the due diligence process in the Investments Division.	\$30,000	Phase 1 of 1	06/30/24



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.

“Members” include active and retired members and, for the purposes of this plan, their beneficiaries and survivors.

Our mission defines what we do everyday and is central to our commitment to serving our members.

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.

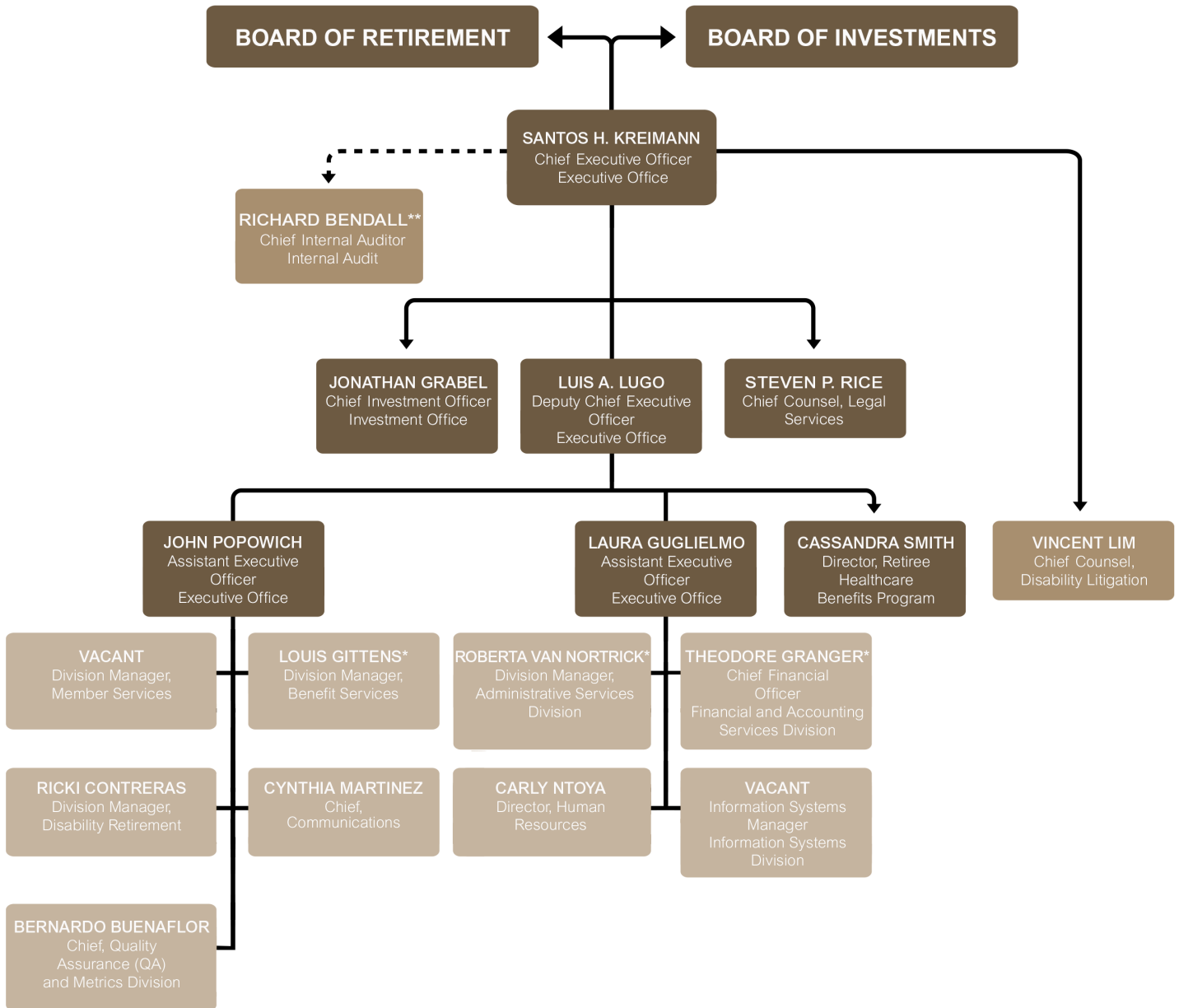


Transparency

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



FY 2023-2024 Organizational Chart



* Interim assignment

** Reports functionally to the Audit Committee and administratively to the CEO



FY 2023-2024 Board of Retirement

Mission Statement

We produce, protect, and provide the promised benefits.

The Board

Composed of nine trustees and two alternates:

- Two trustees elected by active general members
- One regular and one alternate trustee elected by retired members
- One regular and one alternate trustee elected by safety members
- Four trustees appointed by the Los Angeles County Board of Supervisors
- One ex-officio trustee (the County Treasurer and Tax Collector)

One acting ex-officio trustee (the Chief Deputy County Treasurer and Tax Collector)

Responsibilities

Overall management of LACERA is vested in the Board of Retirement. The Board is responsible for the administration of the retirement system and the Retiree Healthcare Benefits Program (OPEB Program). Its duties also include the review and processing of disability retirement applications.



Shawn R. Kehoe Chair

Alternate Member
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 Treasurer and Tax Collector
Acting Ex-Officio Member



Jason E. Green

Elected by Safety Members



Elizabeth Greenwood

Appointed by Board of Supervisors



James P. Harris

Elected by Retired Members
Alternate Member



Keith Knox

County Treasurer and Tax Collector
Ex-Officio Member



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



FY 2023-2024 Board of Investments

Mission Statement

We produce, protect, and provide the promised benefits.

The Board

Composed of nine trustees:

- Four trustees appointed by the Los Angeles County Board of Supervisors
- Four elected trustees
 - Two elected by active general members
 - One elected by retired members
 - One elected by safety members
- One ex-officio trustee (the County Treasurer and Tax Collector)

One acting ex-officio trustee (the Chief Deputy County Treasurer and Tax Collector)

Responsibilities

The Board of Investments is responsible for establishing LACERA's investment policy and objectives, as well as exercising authority and control over the investment of the retirement fund.



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 Treasurer and Tax Collector
Acting Ex-Officio Member



David Green

Elected by General Members



Jason E. Green

Elected by Safety Members



Patrick L. Jones

Appointed by Board of Supervisors



Onyx Jones

Appointed by Board of Supervisors



Keith Knox

County Treasurer and Tax Collector
Ex-Officio Member



David E. Ryu

Appointed by Board of Supervisors

BUDGET POLICIES

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

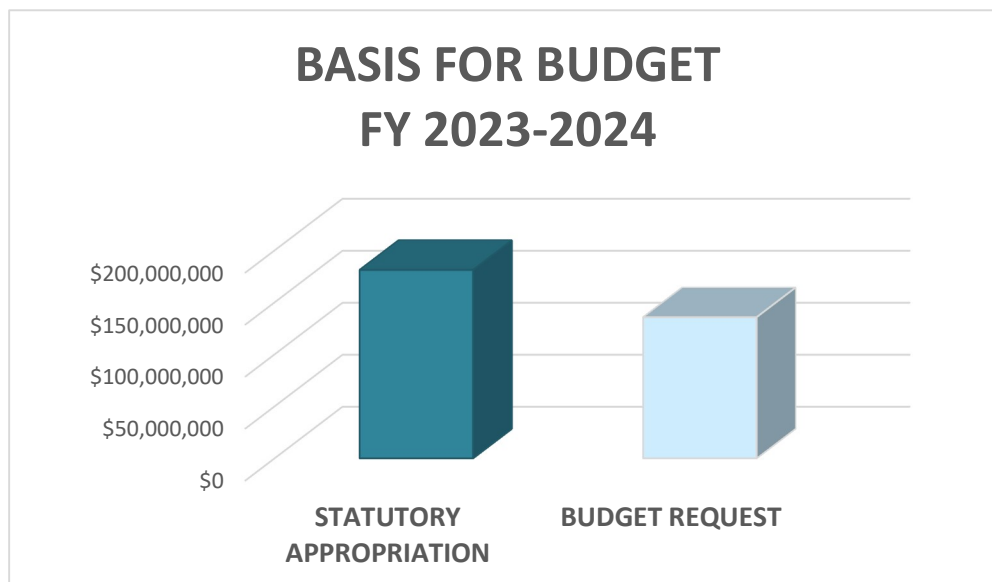
The budget is made up of three funds: the Administrative Fund, the Retiree Healthcare Fund, and the Other Post-Employment Benefits (OPEB) Trust Fund.

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

Legal Requirement

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

Per the 1937 Act, LACERA's statutory appropriation for FY 2023–24 is \$181,272,318. The proposed budget for FY 2023-24 totals \$135,747,974, \$45,524,344 below the statutory appropriation limit.



JOGC Oversight

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

Budgetary Control and Financial Forecasting

LACERA has a responsibility to maintain a fiscally sustainable budget that aligns our Strategic Plan objectives and goals with the itemized resources and organization required to fulfill our mission, vision, and values. This financial plan is developed by staff and management and is approved by the Boards. After the budget is developed and approved, staff and management have a responsibility to monitor and forecast expenditures to ensure resources are being used as intended to meet LACERA's needs.

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

Chief Executive Officer (CEO) Authority

In FY 2022-23, the Boards adopted a new Budget Policy that, among other things, granted the CEO the authority to transfer up to \$1 million between major fund categories (e.g., between Salaries and Employee Benefits and Services and Supplies) or between accounts within a major fund category (e.g., between postage and insurance within Services and Supplies) to address operational needs in a timely manner. Such changes shall be communicated to the Boards as part of the regular budget control reporting. The CEO may not increase total appropriations or add position authority without the approval of the Boards.

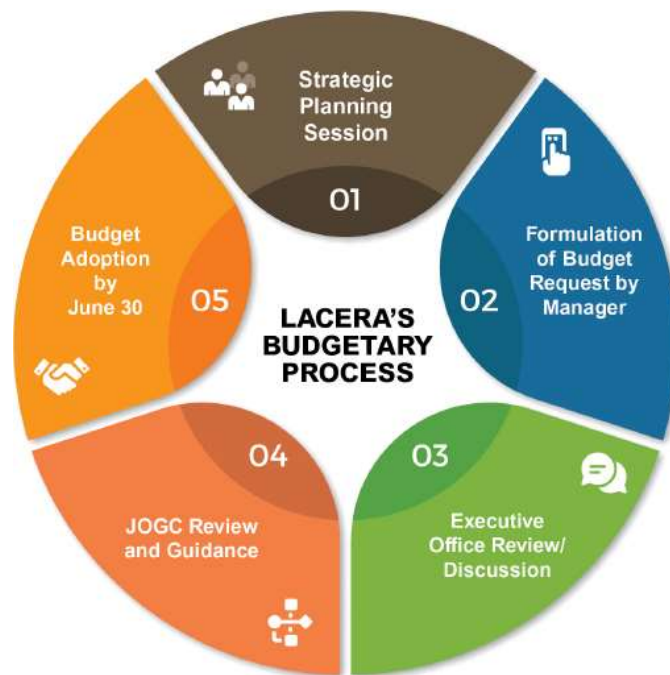
Retiree Healthcare Benefits Program

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

Non-Administrative Expenses

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

BUDGET PROCESS



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

The budget is a fiscal plan that supports the organization's planned activities and goals for the upcoming year. The first stage of the budget is to review the strategic plan priorities and work plans for the coming fiscal year. From October to November, the management team begins to formulate their budget requests to support those activities. Throughout the month of December, the budget team meets with the managers to gather information about their needs. This discussion helps the budget team and their partners begin preparing spending plans to support the divisional and management requests.

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

The fourth stage includes presenting the preliminary budget to the JOGC for review, discussion, and guidance. The JOGC meeting is open to the public and all Trustees are invited to participate in the discussion. Staff incorporates changes requested by the JOGC and prepares the final proposed budget on behalf of the JOGC for consideration by the Board of Retirement and Board of Investments.

Lastly, the JOGC's proposed budget is submitted for approval at the meetings of each Board in June. Each year the budget must be adopted by June 30 to take effect on July 1.



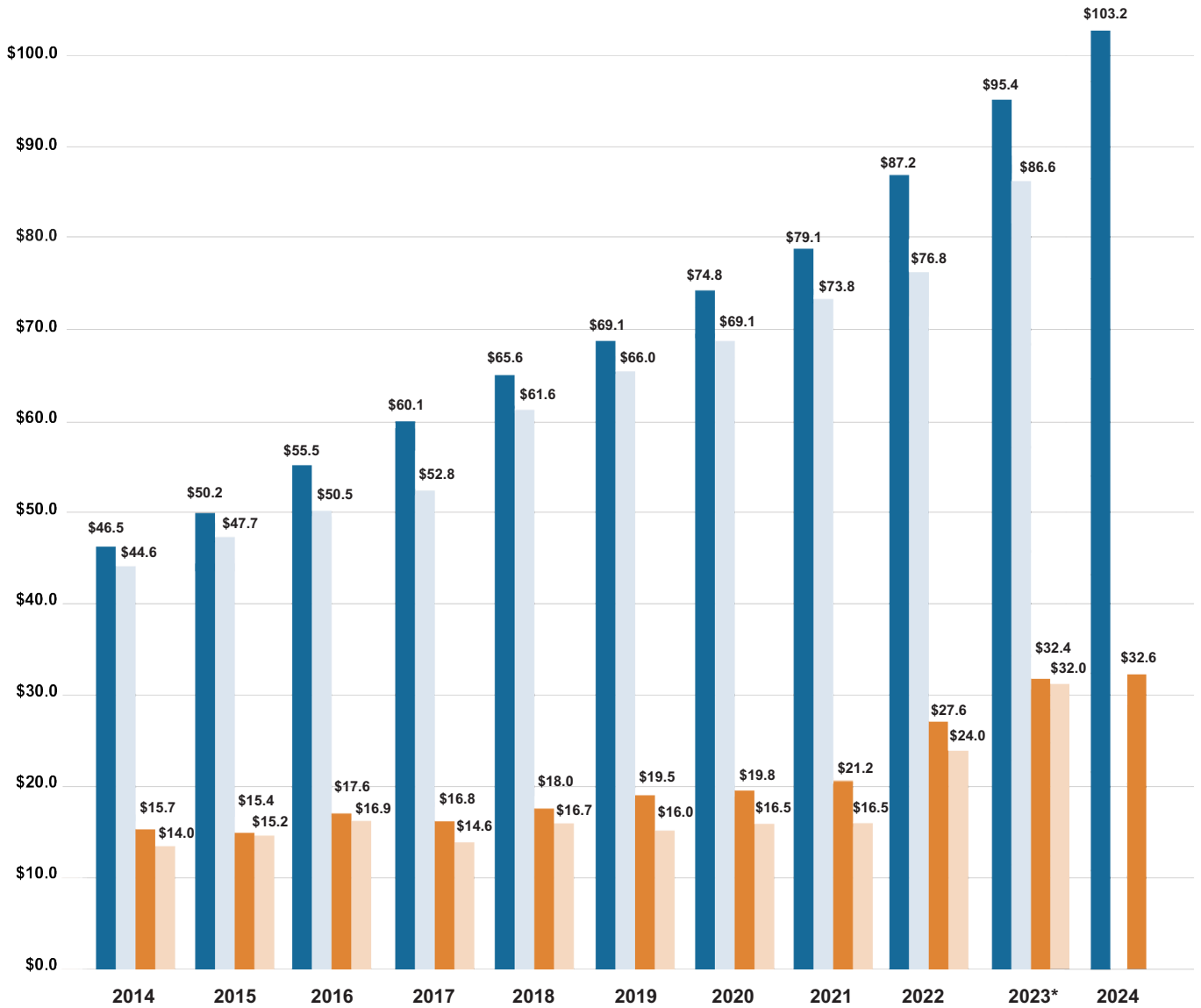
FY 2023-2024

HISTORY: BUDGET EXPENDITURES

Salaries and Employee Benefits & Services and Supplies

2014-2024

(\$ in Millions)



*The Actual Expenditures for the budget year ending 2023 are projected based on YTD figures through 01/31/2023.

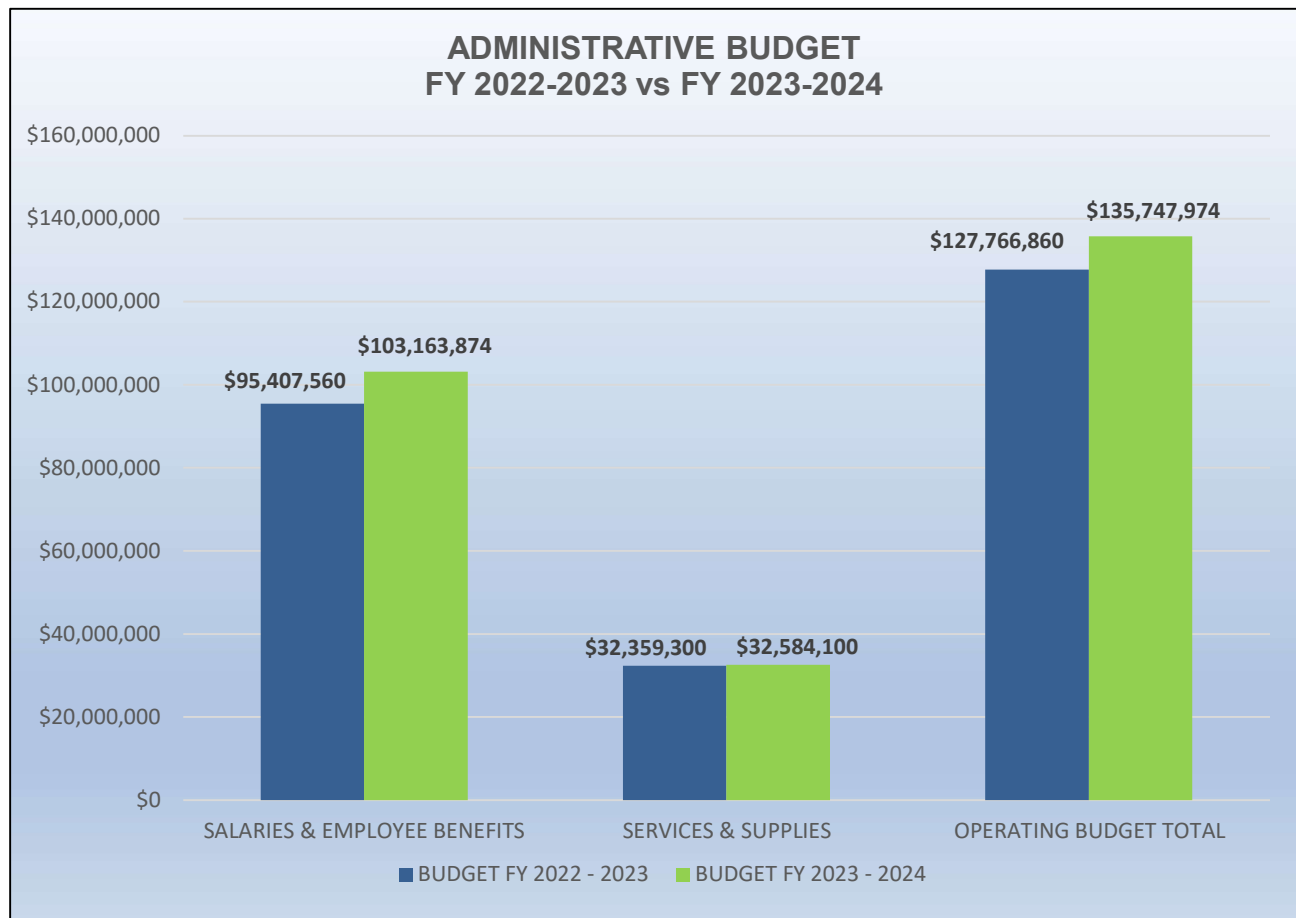
- Salaries and Employee Benefits Approved Budget
- Salaries and Employee Benefits Actual Expenditures
- Services and Supplies Approved Budget
- Services and Supplies Actual Expenditures

BUDGET REQUEST SUMMARY

Overview

The Administrative Budget consists of two components: Salaries and Employee Benefits (S&EB) and Services and Supplies (S&S). The proposed Administrative Budget request for FY 2023-2024 is \$135,747,974. This represents a 6.2 percent increase from the prior year budget.

ADMINISTRATIVE BUDGET	BUDGET FY 2022-2023	BUDGET FY 2023-2024	VARIANCE	% CHANGE
Salaries & Employee Benefits	\$95,407,560	\$103,163,874	\$7,756,314	8.1%
Services & Supplies	\$32,359,300	\$32,584,100	\$224,800	0.7%
OPERATING BUDGET TOTAL	\$127,766,860	\$135,747,974	\$7,981,114	6.2%



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

DIVISION	BUDGET REQUEST FY 2022-2023	BUDGET REQUEST FY 2023- 2024	VARIANCE	% CHANGE
Administrative Services	\$14,989,876	\$16,108,407	\$1,118,531	7.5%
Benefits	12,019,386	12,449,402	430,016	3.6%
Board of Retirement	291,500	303,500	12,000	4.1%
Board of Investments	498,000	551,000	53,000	10.6%
Communications	3,422,975	4,117,688	694,713	20.3%
Disability Litigation	2,407,817	2,561,141	153,324	6.4%
Disability Retirement	10,939,793	11,797,093	857,300	7.8%
Executive Office	5,394,151	5,276,415	(117,736)	-2.2%
Financial & Accounting Services	4,926,478	5,688,740	762,262	15.5%
Human Resources	5,839,537	6,743,591	904,054	15.5%
Internal Audit	3,468,495	3,613,148	144,653	4.2%
Investment Office	17,342,188	18,223,967	881,779	5.1%
Legal Services	10,457,195	9,997,732	(459,463)	-4.4%
Member Services	10,479,414	11,063,296	583,882	5.6%
Quality Assurance	2,918,368	3,383,332	464,964	15.9%
Systems	22,371,686	23,869,522	1,497,836	6.7%
TOTAL	\$127,766,860	\$135,747,974	\$7,981,114	6.2%

For additional details see the divisional tabs.

Salaries and Employee Benefits

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

S&EB CATEGORY	BUDGET REQUEST FY 2022-2023	BUDGET REQUEST FY 2023-2024	VARIANCE	% CHANGE
<u>SALARIES & OTHER PAYS</u>				
Permanent / County Temporary	\$49,928,206	\$55,994,827	\$6,066,621	12.2%
Agency Temporary	7,685,300	5,611,100	(2,074,200)	-27.0%
LACERA Intern Program	288,000	288,000	0	0.0%
Stipends	65,000	65,000	0	0.0%
Overtime	1,088,800	1,150,900	62,100	5.7%
Bilingual Bonus	22,800	22,800	0	0.0%
Transportation Allowance	7,200	21,600	14,400	200%
Rideshare Allowance	70,300	70,300	0	0.0%
Sickleave Buyback	68,800	68,800	0	0.0%
TOTAL SALARIES & OTHER PAYS	\$59,224,406	\$63,293,327	\$4,068,921	6.9%
<u>VARIABLE BENEFITS</u>				
Retirement	12,027,511	13,294,643	1,267,132	10.5%
FICA Contribution	892,955	1,060,984	168,029	18.8%
County Subsidy - Insurance	3,309,795	3,651,761	341,966	10.3%
Options Plan	4,736,909	4,515,725	(221,184)	-4.7%
Life Insurance	22,679	22,003	(676)	-3.0%
Health Insurance Temps	325,317	626,305	300,988	92.5%
Flexible Benefit Plan	10,868	18,805	7,937	73.0%
Thrift Plan/Horizons	2,021,290	2,251,401	230,111	11.4%
Savings Plan	1,519,048	1,527,203	8,155	0.5%
Pension Savings Plan	36,645	59,193	22,548	61.5%
Megaflex	6,159,991	7,264,514	1,104,523	17.9%
TOTAL VARIABLE BENEFITS	\$31,063,007	\$34,292,537	\$3,229,530	10.4%
OPEB CONTRIBUTION	\$1,775,147	\$1,989,009	\$213,862	12.0%
OTHER BENEFITS	\$3,345,000	\$3,589,000	\$244,000	7.3%
TOTAL EMPLOYEE BENEFITS	\$36,183,154	\$39,870,547	\$3,687,393	10.2%
TOTAL SALARIES & EMPLOYEE BENEFITS	\$95,407,560	\$103,163,874	\$7,756,314	8.1%

Assumptions

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

- Salaries are budgeted based on projected yearly costs by position.
- Vacant positions are budgeted at the first step and salary savings are calculated by reducing the salary cost by the number of months it takes to hire against the position. The number of months funded are based on LACERA's hiring plan and are clearly identified in each division's tab. Vacant positions as of January 2023 that are expected to be filled by June 30, 2023 are budgeted for the full year.
- Salary increases negotiated through a Memorandum of Understanding (MOU) are included in the budget request. Salaries increased across the board by 3 percent effective January 1, 2023 and will increase by an additional 3 percent on January 1, 2024.
- Variable benefits costs are adjusted consistent with Los Angeles County negotiated benefit rates.
- Employee salary step and merit increases are included for those employees not at the top end of their salary range.

Explanation of S&EB Costs

The proposed budget for S&EB totals \$103,163,874, an increase of approximately \$7.8 million or 8.1 percent. This increase includes partial year funding for three additional staff, negotiated cost-of-living adjustments (COLAs), nondiscretionary step and merit increases, overtime, and increases to variable benefits based on filling vacant positions and benefit increases negotiated by Los Angeles County. Additional factors impacting S&EB costs are detailed below.

Staffing Changes

A net increase of four permanent positions are requested for FY 2023-24, bringing LACERA's budgeted authority (excluding the Retiree Healthcare Program) from 493 to 497. As outlined below, three new staff positions are requested in the Disability Retirement Services Division and one new staff position is requested in the Investment Office, which we expect to be able to fill in January 2024. Six months' funding is proposed for these four positions. In addition, two positions in the Financial and Accounting Services Division (FASD) and one position in the Systems Division are proposed to be reclassified. Both the full-year cost and benefits associated with these changes are outlined in the chart below, along with the budget impact for FY 2023-24. Note that the two positions in FASD are currently vacant but we expect to be able to fill the newly created accountant positions using a current eligibility list.

Summary of Position Changes

DIVISION	#	POSITION TITLE	FULL YEAR SALARY	BUDGETED SALARY *	VARIABLE BENEFITS	BUDGET IMPACT
Disability Retirement	3.0	Senior Disability Retirement Specialist	\$259,956	\$194,967	\$107,232	\$302,199
Financial & Accounting Services	(1.0)	Accounting Officer II	(\$93,550)	\$0	\$0	\$0
	2.0	Accountant	\$134,121	\$134,121	\$73,766	\$207,887
	(1.0)	Accounting Technician	(\$53,184)	\$0	\$0	\$0
Investment Office	1.0	Senior Investment Officer	\$242,019	\$121,010	\$66,555	\$187,565
Systems Division	1.0	Information Technology Manager I	\$126,233	\$0	\$0	\$0
	(1.0)	Information Systems Manager I	(\$126,375)	\$0	\$0	\$0
Total	4.0		\$489,220	\$450,997	\$247,554	\$697,651

**Based on the hiring plan*

Salary Step and Merit Increases

Staff that are not at the top of their designated salary range are entitled to a salary step increase. These increases are budgeted at 5.5 percent. The total cost is estimated to be approximately \$302,000.

Management Appraisal and Performance Plan (MAPP) Tier I and Tier II employees may be entitled to salary increases based on their performance ratings. The increase ranges from 0 to 5 percent depending on the staff performance rating. The increase is estimated to be approximately \$472,000 or 13.7 percent from FY 2022-23.

Agency Temporary Salaries

Funding for Agency Temporary Salaries is reduced by approximately \$2.1 million, or 27 percent, from FY 2022-23, reflecting LACERA's planned hiring. Tremendous effort is underway to permanently fill LACERA's critical vacancies with highly qualified professionals, allowing for substantive reductions in this line item.

Intern Program

Internships are part of LACERA's diversity, equity, and inclusion strategy. Our intent is to provide underrepresented students with opportunities to learn about LACERA and how we fulfill our mission to produce, protect and provide the promised benefits to our members by offering short-term employment and mentorship. Our ultimate goal is for these individuals to grow and eventually become permanent LACERA staff members after completion of their education.

For FY 2023-24, LACERA hopes to welcome 14 Interns to support administrative, member-facing and investments projects in Administrative Services (2), the Executive Office (1), Human Resources (1), Investments (4), Legal (2), Quality Assurance (1), and Systems (3). The FY 2023-2024 Administrative Budget includes \$288,000 to fund 12 Interns; two additional Interns for the Investments Division will be funded through outside organizations that promote diversity, equity and inclusion.

Employee Benefits

Total employee benefits are projected to total \$39,870,547, an increase of \$3,687,393, or 10.2 percent, from the prior year. The increase in fringe benefits cost is consistent with the benefits negotiated by the County.

For FY 2023-24, the most significant cost increases are primarily attributable to retirement cost increases of approximately \$1.3 million, or 10.5 percent, and to Megaflex benefit increase of approximately \$1.1 million, or 17.9 percent. The most significant increases by percentage include a 92.5 percent increase, or approximately \$301,000, for health insurance for County Temporary staff, a 73.0 percent increase, or approximately \$8,000, for Flexible Benefit Plan costs, and a 61.5 percent increase, or approximately \$23,000, for Pension Savings Plan costs.

Total Budgeted Positions

Based on the proposal of a net increase of 4 permanent positions, LACERA’s total budgeted positions count will be 497.

DIVISION	BUDGETED POSITIONS FY 2022-2023	CHANGE	BUDGETED POSITIONS FY 2023-2024
Administrative Services	42	0	42
Benefits	79	0	79
Communications	14	0	14
Disability Litigation	7	0	7
Disability Retirement	41	3	44
Executive Office	14	0	14
Financial & Accounting	30	0	30
Human Resources	21	0	21
Internal Audit Services	11	0	11
Investment Office	45	1	46
Legal Services	29	0	29
Member Services	79	0	79
Quality Assurance	19	0	19
Systems	62	0	62
TOTAL	493	4	497

Ordinance Positions

Ordinance positions reflect the employment authority by classification ratified by the Los Angeles County Board of Supervisors for LACERA. Not all positions outlined in LACERA's Ordinance are funded in the budget. Each year, the Board of Retirement and the Board of Investments adopts a budget, which includes funding for a specified number of positions. Most of these positions are funded for a full year; positions that are anticipated to be vacant at the beginning of the fiscal year are generally funded for less than 12 months. Historically, LACERA has maintained a higher number of Ordinance positions than budgeted to allow flexibility in filling positions within specific classifications. Each time a position is filled, it must be applied against an authorized position identified in the Ordinance, and funding must be available within the budget. Additionally, when the Boards authorize new positions as part of the budget, they cannot be immediately filled if there is not sufficient authority within the Ordinance, and it typically takes the Board of Supervisors several months to add new positions to LACERA's Ordinance.

In March 2023, the Board of Retirement and the Board of Investments authorized additional Ordinance positions in the Retirement Benefits Specialist series as well as Senior Disability Retirement Specialist. The Board of Retirement anticipated the request for the three new positions requested in this budget. This authority was needed in advance of the adoption of the budget to ensure there was no administrative delay in filling these needed positions. Filling the new positions will be dependent on the approval of the Board of Retirement and the Board of Investments.

In addition to the Ordinance positions approved by the Boards in March 2023, the Legal Division requests the addition of three Senior Staff Counsel positions in the Ordinance. These positions are not requested in the budget and no funding is required. This flexibility is needed for succession planning purposes, as the retirement of tenured attorneys is anticipated. Ideally, LACERA will have the flexibility to fill these positions without adversely impacting positions. LACERA staff will return to the Board of Retirement and the Board of Investments during the mid-year budget adjustments for any additional funding that may be needed.

Vacancy Information

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

Once the executive and management teams have agreed on a plan, the staffing requests are approved in the budget proposal presented to the Boards. The vacant position chart below shows that there are 116 vacant positions as of March 31, 2023. Given the number of vacancies, new positions were generally not supported by executive management. The one exception was three new Sr. Disability Retirement Specialists positions and one new Senior Investment Officer, which were approved due to current and anticipated workload demands. Further, LACERA's Hiring Plan calls for recruitment for these classifications in early FY 2023-24. With no other activity, these four new positions would increase the total

number of vacancies to 120. However, the chart does not reflect a class of 25 Retirement Benefits Specialists who started on May 1, 2023, with another six (6) Retirement Benefits Specialists for the RHC training program. We also have several recruitments within Legal, Investments, and Systems that we hope to conclude the end of this fiscal year (June 30, 2023). We anticipate 40 new hires in the fourth quarter of FY 2022-23 and will continue to work aggressively to recruit and retain the best possible talent.

Vacant Positions Summary

DIVISION	PROPOSED BUDGETED POSITIONS FY 2022-2023	VACANCY (AS OF 03/31/23)	%	PROPOSED BUDGETED POSITIONS FY 2023-2024*	VACANCY	%
Administrative Services	42	16	38%	42	16	38%
Benefits	79	6	8%	79	6	8%
Communications	14	5	36%	14	5	36%
Disability Litigation	7	0	0%	7	0	0%
Disability Retirement Services	41	2	5%	44	5	11%
Executive	14	6	43%	14	6	43%
Financial Accounting Services	30	6	20%	30	6	20%
Human Resources	21	9	43%	21	9	43%
Internal Audit	11	0	0%	11	0	0%
Investments	45	11	24%	46	12	26%
Legal Services Ø	29	10	34%	29	10	34%
Member Services	79	17	22%	79	17	22%
Quality Assurance	19	5	26%	19	5	26%
Systems	62	23	37%	62	23	37%
LACERA Total	493	116	24%	497	120	24%

*Includes new requested positions.

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

Hiring Plan

LACERA remains challenged with a high vacancy rate. To help address this, in FY 2022-2023, the Human Resources Division assessed its processes and workflows and developed a Hiring Manager Playbook to streamline operations where possible and demystify the hiring process. The employment market remains hot, making it difficult for LACERA to compete with more nimble private sector employers. Despite this, LACERA established an aggressive hiring plan in FY 2022-23. While most recruitments and assessments are being handled in house, we are also leveraging outside resources for key hard-to-recruit positions. We are on pace to hire or promote 50 to 60 individuals in FY 2022-23, including filling positions within Human Resources. Once our capacity constraints are addressed, we will be able to accelerate hiring.

Services and Supplies (S&S)

The FY 2023-24 Services and Supplies (S&S) budget is \$32,584,100, an increase of approximately \$225,000, or 0.7 percent. S&S costs are reflective of the daily operational needs of the organization and are primarily based on historical expenditures adjusted for inflation. Reductions or additions for one-time expenditures are also applied. Significant or noteworthy increases or decreases are explained below:

- Auto Expenses decreased by \$102,700 to \$30,800 to reflect a shift from purchasing vehicles for executives to authorizing a monthly transportation allowance. Funding remains for maintenance and fuel for existing vehicles.
- Transportation & Travel expenses increased by \$151,000, or 23 percent, reflecting an end to pandemic-era travel restrictions, necessary staff training and development, and travel for investment related due diligence.
- Stationery and Forms costs increased by \$174,400, or 21.6 percent, due to significant inflationary costs in paper supplies and supply chain constraints.
- Office Supplies & Equipment costs are expected to increase by \$208,200, or 24.6 percent, primarily due to information technology supplies and equipment and new due diligence software to assist the Investments Division.
- Insurance premium costs are expected to increase by \$361,100, or 32.2 percent, based on industry trends and risk threats. The most significant increase is anticipated to be Cyber Security Insurance.
- Equipment Maintenance costs are expected to increase by \$325,000, or 79.6 percent, primarily due to upgrading LACERA conference rooms to enable video conferencing (via Teams) and upgrading the key card readers on all LACERA suites.
- Building Costs are expected to decrease by \$161,300, or 2.0 percent, based on renovation plans.
- Legal Fees & Services are expected to decrease by \$998,000, or 32.5 percent, due to the conclusion of prior year litigation.
- Educational Expenses are expected to increase by \$128,300, or 10.2 percent, to reflect in-person staff participation in educational conferences and programs.

Services & Supplies Summary

S&S CATEGORY	BUDGET REQUEST FY 2022-2023	BUDGET REQUEST FY 2023-2024	VARIANCE	% CHANGE
Auto Expenses	\$133,500	\$30,800	(\$102,700)	-76.9%
Communications	535,000	570,000	35,000	6.5%
Transportation & Travel	656,200	807,200	151,000	23.0%
Postage	1,069,400	1,093,700	24,300	2.3%
Stationery & Forms	808,300	982,700	174,400	21.6%
Office Supplies & Equipment	845,700	1,053,900	208,200	24.6%
Insurance	1,120,600	1,481,700	361,100	32.2%
Equipment Maintenance	408,300	733,300	325,000	79.6%
Equipment Rents & Leases	287,000	250,000	(37,000)	-12.9%
Building Costs	7,961,300	7,800,000	(161,300)	-2.0%
Parking Fees	437,000	482,000	45,000	10.3%
Professional & Specialized Services	4,531,500	4,665,600	134,100	3.0%
Bank Services	200,500	200,000	(500)	-0.2%
Legal Fees & Services	3,071,000	2,073,000	(998,000)	-32.5%
Disability Fees & Services	3,145,300	3,090,300	(55,000)	-1.7%
Computer Services & Support	5,118,600	5,129,600	11,000	0.2%
Educational Expenses	1,253,000	1,381,300	128,300	10.2%
Miscellaneous	777,100	759,000	(18,100)	-2.3%
TOTAL	\$32,359,300	\$32,584,100	\$224,800	0.7%

LACERA

FISCAL YEAR 2023-2024

SALARIES AND EMPLOYEE BENEFITS
CATEGORY SUMMARY

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022 - 2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Gross Salaries	\$55,994,827	\$49,928,206	\$25,168,153	\$48,756,400	(\$1,171,806)	-2.3%	\$6,066,621	12.2%
Salary Differential	-	-	-	-	-	-	-	-
Permanent Salaries	\$55,994,827	\$49,928,206	\$25,168,153	\$48,756,400	(\$1,171,806)	-2.3%	\$6,066,621	12.2%
Outside Agency Temporary Staffing	5,611,100	7,685,300	2,798,276	5,510,300	(2,175,000)	-28.3%	(2,074,200)	-27.0%
LACERA Intern Program	288,000	288,000	1,613	48,000	(240,000)	-83.3%	0	0.0%
Variable Benefits								
Retirement	13,294,643	12,027,511	5,121,951	10,367,800	(1,659,711)	-13.8%	1,267,132	10.5%
FICA Contribution	1,060,984	892,955	416,622	862,200	(30,755)	-3.4%	168,029	18.8%
County Subsidy - Insurance	3,651,761	3,309,795	1,036,948	2,359,500	(950,295)	-28.7%	341,966	10.3%
Options Plan	4,515,725	4,736,909	1,845,255	3,763,800	(973,109)	-20.5%	(221,184)	-4.7%
Life Insurance	22,003	22,679	9,277	19,400	(3,279)	-14.5%	(676)	-3.0%
Health Insurance Temps	626,305	325,317	137,052	339,800	14,483	4.5%	300,988	92.5%
Flexible Benefit Plan	18,805	10,868	9,044	18,500	7,632	70.2%	7,937	73.0%
Thrift Plan/Horizons	2,251,401	2,021,290	733,207	1,537,900	(483,390)	-23.9%	230,111	11.4%
Savings Plan	1,527,203	1,519,048	527,728	1,103,400	(415,648)	-27.4%	8,155	0.5%
Pension Savings Plan	59,193	36,645	12,618	25,600	(11,045)	-30.1%	22,548	61.5%
Megaflex	7,264,514	6,159,991	2,699,019	5,610,200	(549,791)	-8.9%	1,104,523	17.9%
Total	34,292,537	31,063,007	12,548,721	26,008,100	(5,054,907)	-16.3%	3,229,530	10.4%
Other Benefits	3,589,000	3,345,000	1,542,281	3,278,700	(66,300)	-2.0%	244,000	7.3%
OPEB Contribution	1,989,009	1,775,147	885,284	1,635,000	(140,147)	-7.9%	213,862	12.0%
Stipends	65,000	65,000	25,653	51,400	(13,600)	-20.9%	0	0.0%
Overtime	1,150,900	1,088,800	724,924	1,228,500	139,700	12.8%	62,100	5.7%
Bilingual Bonus	22,800	22,800	6,700	12,700	(10,100)	-44.3%	0	0.0%
Sickleave Buyback	68,800	68,800	34,022	67,200	(1,600)	-2.3%	0	0.0%
Rideshare Allowance	70,300	70,300	2,165	5,500	(64,800)	-92.2%	0	0.0%
Transportation Allowance	21,600	7,200	3,900	7,200	0	0.0%	14,400	200.0%
S&EB TOTAL	\$103,163,874	\$95,407,560	\$43,741,692	\$86,609,000	(\$8,798,560)	-9.2%	\$7,756,314	8.1%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS
DIVISION SUMMARY

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022 - 2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Administrative Services	\$5,512,307	\$4,442,976	\$2,016,290	\$3,997,700	(\$445,276)	-10.0%	\$1,069,331	24.1%
Benefits	12,363,302	11,960,086	6,186,588	11,875,400	(84,686)	-0.7%	403,216	3.4%
Communications	2,600,188	2,168,975	941,134	1,896,500	(272,475)	-12.6%	431,213	19.9%
Disability Litigation	2,510,041	2,353,917	1,235,121	2,354,700	783	0.0%	156,124	6.6%
Disability Retirement	8,428,093	7,514,693	3,841,453	7,453,500	(61,193)	-0.8%	913,400	12.2%
Executive Office	4,604,615	4,467,051	2,228,171	4,222,100	(244,951)	-5.5%	137,564	3.1%
Financial & Accounting Services	5,435,440	4,677,178	2,034,836	4,181,300	(495,878)	-10.6%	758,262	16.2%
Human Resources	4,403,991	3,623,337	1,311,915	2,856,000	(767,337)	-21.2%	780,654	21.5%
Internal Audit	2,888,948	2,743,995	1,322,916	2,686,700	(57,295)	-2.1%	144,953	5.3%
Investment Office	17,875,467	17,020,288	7,298,726	14,633,200	(2,387,088)	-14.0%	855,179	5.0%
Legal Services	7,524,432	7,029,695	2,867,503	5,771,400	(1,258,295)	-17.9%	494,737	7.0%
Member Services	11,034,096	10,452,614	4,747,709	9,533,400	(919,214)	-8.8%	581,482	5.6%
Quality Assurance	3,301,232	2,830,468	1,416,168	2,754,200	(76,268)	-2.7%	470,764	16.6%
Systems Division	14,681,722	14,122,286	6,293,162	12,392,900	(1,729,386)	-12.2%	559,436	4.0%
S&EB TOTAL	\$103,163,874	\$95,407,560	\$43,741,692	\$86,609,000	(\$8,798,560)	-9.2%	\$7,756,314	8.1%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
AGENCY TEMPORARY STAFFING
DIVISION SUMMARY

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022 - 2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Administrative Services	\$457,800	\$473,400	\$188,609	\$377,300	(\$96,100)	-20.3%	(\$15,600)	-3.3%
Benefits	62,200	154,900	52,869	97,700	(57,200)	-36.9%	(92,700)	-59.8%
Communications	331,000	56,200	14,451	56,200	0	0.0%	274,800	489.0%
Disability Litigation	0	9,800	0	0	(9,800)	-100.0%	(9,800)	-100.0%
Disability Retirement	138,100	129,000	29,070	77,400	(51,600)	-40.0%	9,100	7.1%
Executive Office	645,200	1,129,700	657,542	1,129,700	0	0.0%	(484,500)	-42.9%
Financial & Accounting Services	776,700	778,100	210,070	420,200	(357,900)	-46.0%	(1,400)	-0.2%
Human Resources	139,000	144,300	61,788	123,600	(20,700)	-14.3%	(5,300)	-3.7%
Internal Audit	0	0	0	0	0	0.0%	0	0.0%
Investment Office	0	0	0	0	0	0.0%	0	0.0%
Legal Services	179,400	196,600	43,577	147,500	(49,100)	-25.0%	(17,200)	-8.7%
Member Services	0	37,000	0	0	(37,000)	-100.0%	(37,000)	-100.0%
Quality Assurance	0	0	0	0	0	0.0%	0	0.0%
Systems Division	2,881,700	4,576,300	1,540,301	3,080,700	(1,495,600)	-32.7%	(1,694,600)	-37.0%
TOTAL	\$5,611,100	\$7,685,300	\$2,798,276	\$5,510,300	(\$2,175,000)	-28.3%	(\$2,074,200)	-27.0%

*All amounts rounded to the nearest dollar.

LACERA
BUDGET REQUEST INFORMATION
AGENCY TEMPORARY STAFFING
HISTORY OF EXPENDITURES

DIVISION	FYE 2021		FYE 2022		FYE 2023		FYE 2024
	Budget	Actual	Budget	Actual	Budget	Projection	Budget
Administrative Services	\$305,200	\$236,187	\$587,000	\$456,645	\$473,400	\$377,300	\$457,800
Benefits	47,700	61,449	71,900	69,194	154,900	97,700	62,200
Communications	135,700	73,304	79,600	1,213	56,200	56,200	331,000
Disability Litigation	8,700	0	0	0	9,800	0	0
Disability Retirement	72,100	100,660	143,000	43,941	129,000	77,400	138,100
Executive Office	0	0	0	0	1,129,700	1,129,700	645,200
Financial Services	505,400	354,985	729,400	473,724	778,100	420,200	776,700
Human Resources	47,700	68,633	47,700	36,327	144,300	123,600	139,000
Internal Audit	0	0	0	0	0	0	0
Investment Office	0	0	0	0	0	0	0
Legal Services	53,500	57,562	150,000	103,549	196,600	147,500	179,400
Member Services	0	0	0	0	37,000	0	0
Quality Assurance	0	0	0	0	0	0	0
Systems	2,650,000	2,843,400	2,193,100	3,899,919	4,576,300	3,080,700	2,881,700
GRAND TOTAL	\$3,826,000	\$3,796,181	\$4,001,700	\$5,084,512	\$7,685,300	\$5,510,300	\$5,611,100

*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
OVERTIME REQUEST
DIVISION SUMMARY

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022 - 2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Administrative Services	\$35,700	\$49,400	\$1,540	\$37,100	(\$12,300)	-24.9%	(\$13,700)	-27.7%
Benefits	426,400	398,100	330,040	457,000	58,900	14.8%	28,300	7.1%
Communications	4,500	4,800	1,103	4,800	0	0.0%	(300)	-6.3%
Disability Litigation	2,800	6,600	508	2,000	(4,600)	-69.7%	(3,800)	-57.6%
Disability Retirement	103,600	165,300	47,736	88,200	(77,100)	-46.6%	(61,700)	-37.3%
Executive Office	27,600	25,600	11,902	23,900	(1,700)	-6.6%	2,000	7.8%
Financial & Accounting Services	64,700	65,300	39,211	65,300	0	0.0%	(600)	-0.9%
Human Resources	4,700	3,800	6,858	12,700	8,900	234.2%	900	23.7%
Internal Audit	5,300	5,000	629	1,200	(3,800)	-76.0%	300	6.0%
Investment Office	800	1,000	0	0	(1,000)	-100.0%	(200)	-20.0%
Legal Services	19,900	18,400	9,384	17,400	(1,000)	-5.4%	1,500	8.2%
Member Services	214,200	174,000	140,732	259,900	85,900	49.4%	40,200	23.1%
Quality Assurance	11,500	21,500	449	10,000	(11,500)	-53.5%	(10,000)	-46.5%
Systems Division	229,200	150,000	134,831	249,000	99,000	66.0%	79,200	52.8%
TOTAL	\$1,150,900	\$1,088,800	\$724,924	\$1,228,500	\$139,700	12.8%	\$62,100	5.7%

*All amounts rounded to the nearest dollar.

LACERA

BUDGET REQUEST INFORMATION

**OVERTIME
HISTORY OF EXPENDITURES**

DIVISION	FYE 2021		FYE 2022		FYE 2023		FYE 2024
	Budget	Actual	Budget	Actual	Budget	Projection	Budget
Administrative Services	\$43,700	\$19,806	\$50,000	\$5,833	\$49,400	\$37,100	\$35,700
Benefits	371,600	373,564	398,000	451,675	398,100	457,000	426,400
Communications	3,300	4,615	4,100	3,403	4,800	4,800	4,500
Disability Litigation	0	0	0	0	6,600	2,000	2,800
Disability Retirement	9,500	16,742	16,100	43,275	165,300	88,200	103,600
Executive Office	25,000	1,078	25,600	472	25,600	23,900	27,600
Financial Services	68,400	32,345	67,900	40,904	65,300	65,300	64,700
Human Resources	1,500	704	2,900	1,310	3,800	12,700	4,700
Internal Audit	4,800	785	4,900	986	5,000	1,200	5,300
Investment Office	1,000	0	1,000	0	1,000	0	800
Legal Services	12,500	6,290	30,000	20,897	18,400	17,400	19,900
Member Services	130,500	156,701	133,800	221,062	174,000	259,900	214,200
Quality Assurance	0	2,425	21,300	264	21,500	10,000	11,500
Systems	130,100	140,300	133,300	171,708	150,000	249,000	229,200
GRAND TOTAL	\$801,900	\$755,356	\$888,900	\$961,790	\$1,088,800	\$1,228,500	\$1,150,900

*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
BILINGUAL BONUS
SUMMARY

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2 0 2 2 - 2 0 2 3			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Benefits Division	\$3,600	\$3,600	\$1,950	\$3,900	\$300	8.3%	\$0	0.0%
Legal Services	2,400	2,400	0	0	(2,400)	-100.0%	0	0.0%
Member Services Division	16,800	16,800	4,750	8,800	(8,000)	-47.6%	0	0.0%
TOTAL	\$22,800	\$22,800	\$6,700	\$12,700	(\$10,100)	-44.3%	\$0	0.0%

*All amounts rounded to the nearest dollar.

LACERA

BUDGET REQUEST INFORMATION

**VACANT POSITIONS
SUMMARY**

DIVISION	PROPOSED BUDGETED POSITIONS FY 2022-2023	VACANCY (AS OF 03/31/23)	%	PROPOSED BUDGETED POSITIONS FY 2023-2024*	VACANCY	%
Administrative Services	42	16	38%	42	16	38%
Benefits	79	6	8%	79	6	8%
Communications	14	5	36%	14	5	36%
Disability Litigation	7	0	0%	7	0	0%
Disability Retirement Services	41	2	5%	44	5	11%
Executive	14	6	43%	14	6	43%
Financial Accounting Services	30	6	20%	30	6	20%
Human Resources	21	9	43%	21	9	43%
Internal Audit	11	0	0%	11	0	0%
Investments	45	11	24%	46	12	26%
Legal Services Ø	29	10	34%	29	10	34%
Member Services	79	17	22%	79	17	22%
Quality Assurance	19	5	26%	19	5	26%
Systems	62	23	37%	62	23	37%
LACERA Total	493	116	24%	497	120	24%

* Includes new requested positions.

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

LACERA
FISCAL YEAR 2023-2024
SERVICES AND SUPPLIES
CATEGORY SUMMARY

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022 - 2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Auto Expense	\$30,800	\$133,500	(\$8,326)	\$72,300	(\$61,200)	-45.8%	(\$102,700)	-76.9%
Communications	570,000	535,000	340,026	528,500	(6,500)	-1.2%	35,000	6.5%
Transportation and Travel	807,200	656,200	178,188	516,800	(139,400)	-21.2%	151,000	23.0%
Postage	1,093,700	1,069,400	485,171	1,114,500	45,100	4.2%	24,300	2.3%
Stationery and Forms	982,700	808,300	372,128	674,000	(134,300)	-16.6%	174,400	21.6%
Office Supplies and Equipment	1,053,900	845,700	608,832	1,038,200	192,500	22.8%	208,200	24.6%
Insurance	1,481,700	1,120,600	979,848	1,194,100	73,500	6.6%	361,100	32.2%
Equipment Maintenance	733,300	408,300	112,036	450,300	42,000	10.3%	325,000	79.6%
Equipment Rents and Leases	250,000	287,000	119,851	230,000	(57,000)	-19.9%	(37,000)	-12.9%
Building Costs	7,800,000	7,961,300	3,777,510	7,608,200	(353,100)	-4.4%	(161,300)	-2.0%
Parking Fees	482,000	437,000	242,960	485,000	48,000	11.0%	45,000	10.3%
Professional and Spec. Svcs.	4,665,600	4,531,500	1,619,956	4,201,000	(330,500)	-7.3%	134,100	3.0%
Bank Services	200,000	200,500	(70,057)	200,000	(500)	-0.2%	(500)	-0.2%
Legal Fees and Services	2,073,000	3,071,000	3,143,856	4,026,300	955,300	31.1%	(998,000)	-32.5%
Disability Fees and Services	3,090,300	3,145,300	1,763,571	2,780,600	(364,700)	-11.6%	(55,000)	-1.7%
Computer Services and Support	5,129,600	5,118,600	3,636,026	5,187,600	69,000	1.3%	11,000	0.2%
Educational Expense	1,381,300	1,253,000	378,384	979,800	(273,200)	-21.8%	128,300	10.2%
Miscellaneous	759,000	777,100	177,932	679,300	(97,800)	-12.6%	(18,100)	-2.3%
S&S TOTAL	\$32,584,100	\$32,359,300	\$17,857,891	\$31,966,500	(\$392,800)	-1.2%	\$224,800	0.7%

*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SERVICES AND SUPPLIES
DIVISION SUMMARY

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022 - 2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Administrative Services	\$10,596,100	\$10,546,900	\$5,441,402	\$10,010,800	(\$536,100)	-5.1%	\$49,200	0.5%
Benefits	86,100	59,300	14,342	48,900	(10,400)	-17.5%	26,800	45.2%
Board of Retirement	303,500	291,500	65,113	220,600	(70,900)	-24.3%	12,000	4.1%
Board of Investment	551,000	498,000	253,644	439,400	(58,600)	-11.8%	53,000	10.6%
Communications	1,517,500	1,254,000	587,814	1,104,600	(149,400)	-11.9%	263,500	21.0%
Disability Litigation	51,100	53,900	15,959	47,200	(6,700)	-12.4%	(2,800)	-5.2%
Disability Retirement	3,369,000	3,425,100	1,838,166	3,049,600	(375,500)	-11.0%	(56,100)	-1.6%
Executive Office	671,800	927,100	401,406	871,900	(55,200)	-6.0%	(255,300)	-27.5%
Financial & Accounting Services	253,300	249,300	(58,438)	236,000	(13,300)	-5.3%	4,000	1.6%
Human Resources	2,339,600	2,216,200	600,600	1,782,800	(433,400)	-19.6%	123,400	5.6%
Internal Audit	724,200	724,500	151,216	714,600	(9,900)	-1.4%	(300)	0.0%
Investment Office	348,500	321,900	118,501	302,200	(19,700)	-6.1%	26,600	8.3%
Legal Services	2,473,300	3,427,500	3,330,007	4,369,800	942,300	27.5%	(954,200)	-27.8%
Member Services	29,200	26,800	4,411	21,500	(5,300)	-19.8%	2,400	9.0%
Quality Assurance	82,100	87,900	4,812	68,100	(19,800)	-22.5%	(5,800)	-6.6%
Systems	9,187,800	8,249,400	5,088,935	8,678,500	429,100	5.2%	938,400	11.4%
S&S TOTAL	\$32,584,100	\$32,359,300	\$17,857,891	\$31,966,500	(\$392,800)	-1.2%	\$224,800	0.7%

*All amounts rounded to the nearest dollar.



BOARD OF RETIREMENT

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

Produce, Protect, and Provide the Promised Benefits

INTRODUCTION

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

SERVICES AND SUPPLIES

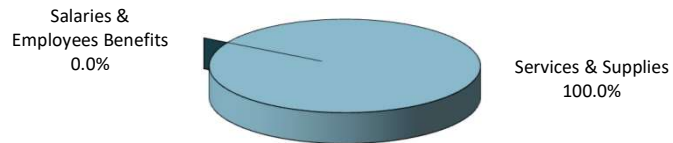
The Board's Services and Supplies budget request is based on actual expenditure trends.

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

BOARD OF RETIREMENT

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
	BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
		(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Salaries & Employees Benefits	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Services & Supplies	303,500	291,500	220,600	(70,900)	-24.3%	12,000	4.1%
OPERATING BUDGET	\$303,500	\$291,500	\$220,600	(\$70,900)	-24.3%	\$12,000	4.1%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

BOARD OF RETIREMENT

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$93,500	\$93,500	\$23,589	\$68,600	(\$24,900)	-26.6%	\$0	0.0%
EDUCATIONAL EXPENSES	86,000	86,000	39,319	62,000	(24,000)	-27.9%	0	0.0%
MISCELLANEOUS	124,000	112,000	2,205	90,000	(22,000)	-19.6%	12,000	10.7%
TOTAL	\$303,500	\$291,500	\$65,113	\$220,600	(\$70,900)	-24.3%	\$12,000	4.1%

*All amounts rounded to the nearest dollar.

BOARD OF RETIREMENT

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SERVICES & SUPPLIES					
Transportation & Travel	85,000	35,797	93,500	68,600	93,500
Educational Expenses	82,000	54,769	86,000	62,000	86,000
Miscellaneous	47,000	8,600	112,000	90,000	124,000
TOTAL OPERATING BUDGET	\$214,000	\$99,166	\$291,500	\$220,600	\$303,500

*All amounts rounded to the nearest dollar.



BOARD OF INVESTMENTS

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

Produce, Protect, and Provide the Promised Benefits

INTRODUCTION

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

SERVICES AND SUPPLIES

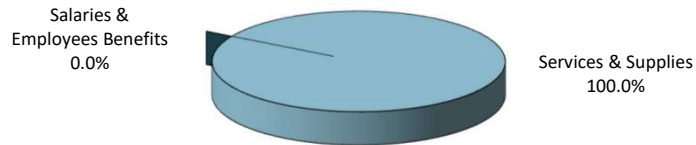
The Board's Services and Supplies budget request is based on actual expenditure trends.

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

BOARD OF INVESTMENTS

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Services & Supplies	551,000	498,000	253,644	439,400	(58,600)	-11.8%	53,000	10.6%
OPERATING BUDGET	\$551,000	\$498,000	\$253,644	\$439,400	(\$58,600)	-11.8%	\$53,000	10.6%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

BOARD OF INVESTMENTS

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$246,000	\$242,000	\$85,624	\$192,400	(\$49,600)	-20.5%	\$4,000	1.7%
EDUCATIONAL EXPENSES	200,000	150,000	95,222	144,000	(6,000)	-4.0%	50,000	33.3%
MISCELLANEOUS	105,000	106,000	72,798	103,000	(3,000)	-2.8%	(1,000)	-0.9%
TOTAL	\$551,000	\$498,000	\$253,644	\$439,400	(\$58,600)	-11.8%	\$53,000	10.6%

*All amounts rounded to the nearest dollar.

BOARD OF INVESTMENT

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SERVICES & SUPPLIES					
Transportation & Travel	220,000	59,906	242,000	192,400	246,000
Educational Expenses	150,000	104,866	150,000	144,000	200,000
Miscellaneous	66,000	4,000	106,000	103,000	105,000
TOTAL OPERATING BUDGET	\$436,000	\$168,772	\$498,000	\$439,400	\$551,000

*All amounts rounded to the nearest dollar.

ADMINISTRATIVE SERVICES

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

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

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

INTRODUCTION

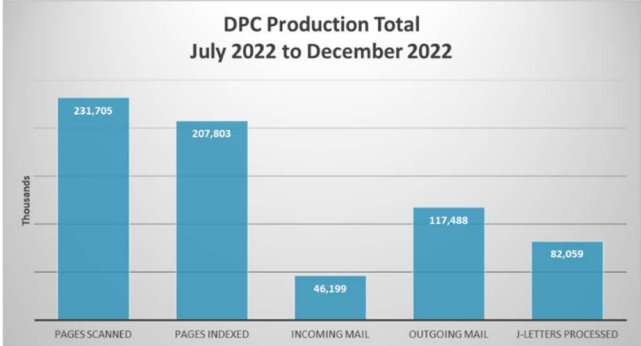
The Administrative Services Division (ASD) provides the operational infrastructure that supports the divisions in administering LACERA programs and services. In short, we ensure that each person has the right resources to do their job. Specific functions include:

- Budget Development and Monitoring
- Business Continuity Management
- Business Insurance Management
- Contract Management and Compliance
- Document Processing / Mailroom
- Facilities Management / Renovations
- Health and Safety Services
- Purchasing and Procurement Services
- Records and Information Management

- Rideshare Administration
- Risk Management

FY 2022-2023 ACHIEVEMENTS

During the 2022-2023 fiscal year, the Administrative Services Divisions achievements included:

Project Description	Status /Expected Completion												
<p>Business Continuity Plan (BCP) LACERA conducted BCP tabletop exercises from July to October 2022 with each Division to test their ability to recover critical business functions while using their BCP. The average score for the tabletop exercise was 89 out of 100. Although the LACERA scores were good, this exercise helped to pinpoint areas for improvement.</p>	Completed												
<p>Business Insurance Renewal The Risk Management Unit provided the Trustees with an overview of the challenges in the current insurance marketplace as presented by Alliant Insurance Services, LACERA’s insurance broker. The Trustees approved staff’s recommendation to align all business insurance into one cycle and all business lines were executed.</p>	Completed												
<p>Hardware Asset Management System (HAM) This system is used to conduct cycle counts of inventory assets related to technology according to the newly established Property and Equipment Management Policy and to manage the consumables inventory.</p>	Completed												
<p>Member Correspondence (J-Letters) The chart below reflects the DPC production totals from July 1, 2022, to December 31, 2022. During fiscal year 2022 – 2023, Systems implemented the automations of several new J-letter types, including but not limited to: Retired Death Continuance Claim Form, Retired Death Lump Sum Claim Form, Report on Employee with Job-Related Felony Conviction, Health Insurance Waiver Letter.</p>  <table border="1"> <caption>DPC Production Total July 2022 to December 2022</caption> <thead> <tr> <th>Category</th> <th>Production (Thousands)</th> </tr> </thead> <tbody> <tr> <td>PAGES SCANNED</td> <td>231,705</td> </tr> <tr> <td>PAGES INDEXED</td> <td>207,803</td> </tr> <tr> <td>INCOMING MAIL</td> <td>46,199</td> </tr> <tr> <td>OUTGOING MAIL</td> <td>117,488</td> </tr> <tr> <td>J-LETTERS PROCESSED</td> <td>82,059</td> </tr> </tbody> </table>	Category	Production (Thousands)	PAGES SCANNED	231,705	PAGES INDEXED	207,803	INCOMING MAIL	46,199	OUTGOING MAIL	117,488	J-LETTERS PROCESSED	82,059	Completed
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J-LETTERS PROCESSED	82,059												

<p>Offsite Inventory An inventory of all LACERA’s technical resources used by staff to perform their duties while teleworking was conducted and recorded in the HAM system.</p>	<p>Completed</p>
<p>Property and Equipment Management Policy To reduce enterprise risk and improve efficiency, this Policy for tracking, identifying, and accounting for all LACERA owned property and equipment was updated to include only items having a cost of \$500 or more, a high propensity to be lost or stolen, holding LACERA specific data, or as determined by management.</p>	<p>Completed</p>

FY 2023-2024 DIVISION GOALS

The Administrative Services Division’s (ASD) goals for fiscal year 2023-2024 are centered around two main areas to better serve our internal customers: Staff and Technology.

Fill Vacancies

Reduce the 38 percent vacancy rate as quickly as is practicable. This will provide adequate staffing levels to perform the duties required of each unit and best support LACERA. We will collaborate with Human Resources to conduct a job analysis for all Administrative Services Analyst positions prior to the release of the hiring exams to update the knowledge, skills, and abilities for each position in the series. This will assist us to move more quickly in filling the vacancies and ensure that when selecting the candidates, we will appoint those with the best fit to foster their personal success and their contribution to the division and LACERA overall.

Staff Development

Provide opportunities for staff to further develop their professional expertise as members of leading industry organizations. In addition to these memberships, we encourage staff to complete the requirements for certification issued by these organizations. Staff will be offered opportunities to participate in training to further develop their skills, knowledge, and abilities, including the use of technology. Additionally, we anticipate training needs of new staff as we address our permanent staffing needs.

Implement Technology

Apply time and resources toward the effective implementation of new and upgraded technology that will allow us to serve our customers with efficiency and accuracy and assist us in mitigating any risk of errors to the organization.

We began the implementation processes for these technologies in fiscal year 2022-2023 but the completion dates are expected in fiscal year 2023-2024.

These include:

Project Description	Expected Completion
<p>Automated Budget System</p> <p>Administrative Services has never had an automated system for budget development or control, relying upon Excel spreadsheets and manual processes. We conducted an extensive needs assessment and released a Request for Proposal (RFP). Questica was selected as the budget software provider. The implementation plan was introduced at the end of calendar year 2022 and regular meetings between Questica and LACERA subject matter experts have moved the software implementation along. We anticipate full implementation by the Fall of 2023 and plan to use the new system for the development of the FY 2024-2025 budget.</p>	<p>Summer 2023</p>
<p>Enterprise Contract Lifecycle Management System (ECLM)</p> <p>This system will replace our current contract management database with an enterprise-wide solution that includes automated workflows and reporting capabilities and that will integrate with new and existing technology solutions. The vendor selected for the ECLM system is Cobblestone. We have met with the vendor to outline the deployment plan, launched the implementation, and expect that the system will be fully functional by the Summer of 2023.</p>	<p>Summer 2023</p>
<p>Procurement/Accounts Payable/Travel System</p> <p>Administrative Services, Financial and Accounting (FASD) and Systems Divisions have been collaborating to automate, simplify, and improve our procurement, and accounts payable approval and workflow processes. This software will process electronic payment methods, including automating the procurement and purchasing processes and the payment request review process in the Administrative Services Division. We anticipate this system will roll out in phases, starting with Procurement and Accounts Payable followed by the Expense phase.</p>	<p>Summer 2023</p>
<p>Renovation of 7th floor Systems/FASD</p> <p>The Systems and Financial and Accounting Division space has not been renovated in 20 years. To make the renovation timelier, the entire 7th floor is being renovated at the same time. This is a huge undertaking and we have had some setbacks related to the floorplan, but progress has been steady as we move toward completion of this project.</p>	<p>Summer 2023</p>

STAFFING

The Administrative Services Division has a total of 42 budgeted positions. There are currently 16 vacant positions in the division, totaling a 38 percent vacancy rate. This number includes the five new positions that were approved last fiscal year. This vacancy rate has hindered ASD's ability to fully implement its organizational realignment approved in Fiscal Year 2022-2023. We plan to align those positions where we have staff to fill them.

We are partnering with the Human Resources Division to develop the recruitment strategy and assessment tools in alignment with LACERA's Hiring Plan to address this challenge. In the meantime, some of our vacant positions are currently filled with temporary or interim staff which allows the critical work to be completed. Even our recent attempts to find temporary staff have been adversely impacted by the current labor market.

Agency Temporary Request

Due to the staffing challenges noted above, ASD's proposed budget for Agency Temporary staff is \$457,800, a decrease of 3.3 percent below FY 2022-2023. While our goal remains to hire permanent staff into these positions, the continued use of temporary staff is a practical solution we can employ today.

Intern Request

The Administrative Services Division requests two interns for entry-level positions: one for the Budget Unit and one for the Contract Management Unit. They will be assigned to assist with the implementation of new technology projects in these areas. This will provide students with valuable work experience and exposure to LACERA as a potential future employer.

Overtime

We expect overtime to be necessary for fiscal year 2023-2024 during periods of heightened activity related to budget preparation, renovations, and special projects and for the DPC staff during the March Rush. The amount of overtime will be reduced by 28 percent as a direct result of cross-training staff in the Mailroom and the Document Processing Center. Although we are requesting slightly less overtime budget, select Administrative Services Division staff will work overtime to implement new technologies and provide their expertise as the identified subject matter experts for several technology projects currently underway in the Administrative Services Division and other divisions within LACERA. These include the Budget software; the Enterprise Contract Lifecycle Management; and the Accounts Payable system projects. Overtime will be essential for staff to support these new projects while fulfilling their current duties.

SERVICES AND SUPPLIES

Most of the FY 2023-2024 Services and Supplies line items are similar to the prior year's budget. There are small changes attributable to vendor or overall supplier cost increases or decreases, and there are some significant changes proposed for Rent and Operating costs, Renovation Projects, and Business Insurance fees, including cyber liability insurance as follows:

- Reduction of \$100,000 from previous year's budget for the purchase of automobiles for LACERA Executives. LACERA has developed a policy to use a monthly transportation allowance of \$600/month for Executive level staff in lieu of a vehicle when part of their compensation package. This is less costly and less administratively burdensome. Incumbents who currently have a vehicle assigned shall continue.
- Expected increase of \$25,000 or 50 percent for offsite file archive costs and Business Continuity Professional Services.
- An overall reduction of \$161,300 or 2 percent for Building costs, which includes rent and operating costs for the headquarters building outlined in the lease agreement. This includes Common Area Maintenance charges, special repair orders, renovations, and rental space to be used as "swing space" to accommodate staff during renovations. No new permanent office space is proposed. Included in this line item is \$1,000,000 for potential renovations to better support the needs of the Human Resources, Legal, and Administrative Services divisions.
- An overall increase of \$361,100 for business insurance fees is expected reflecting various rate increases from between 5 and 32 percent. The largest increase of 30 percent is expected in cyber liability due to general market risks.
- An overall increase of \$12,000 or 89 percent for staff development and professional memberships.

Staff Development Plan:

Our goal is to create and support a learning environment where staff can develop the skills they need to succeed today and the knowledge and abilities that may prepare them for other opportunities in the future. By strengthening staff's core proficiencies, their ability to support LACERA effectively and efficiently in delivering the mission and the strategic goals is also reinforced.

Our plan includes opportunities for staff to join professional organizations related to their area of responsibility. We believe that memberships will contribute to the staff's level of expertise in their profession and provide opportunities to access member-only resources including educational materials, and attendance and networking at training and conferences. These organizations provide information about best practices, opportunities to network with others in their field, and professional certifications. These memberships include the Association of Records Managers and Administrators (ARMA), Disaster Recovery Institute International (DRII), Institute for Supply Management (ISM), Government Finance Officers Association (GFOA), National Contract Management Association (NCMA), and the Board of Certified Safety Professionals (BCSP).

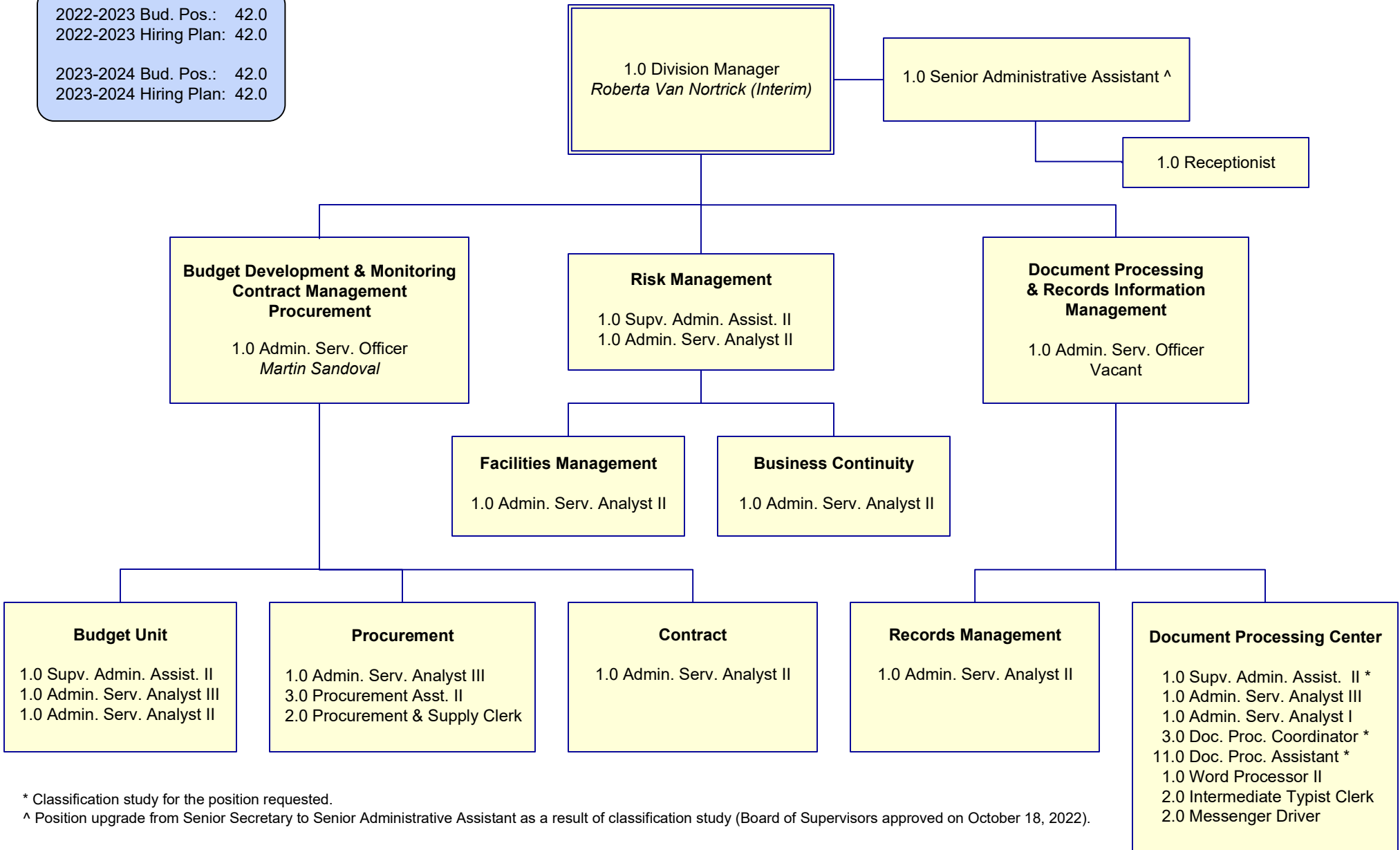
In addition to professional certifications, we have identified several training opportunities for Administrative Services staff including teambuilding, career coaching, various software trainings, warehouse and inventory management, procurement boot camp, budgeting, quality assurance fundamentals, and developing and honing supervisory and leadership skills.

We propose a budget of \$43,100 to cover memberships, training, conference registrations, and travel to these events, allowing staff to participate in professional organizations and attend training related to their job responsibilities. Training registration for represented staff will be applied from the training funds allocated in the Human Resources budget as found in the Memorandum of Understanding.

ADMINISTRATIVE SERVICES DIVISION

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 42.0
 2022-2023 Hiring Plan: 42.0
 2023-2024 Bud. Pos.: 42.0
 2023-2024 Hiring Plan: 42.0



* Classification study for the position requested.

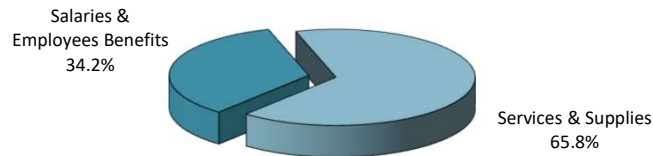
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

ADMINISTRATIVE SERVICES DIVISION

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$5,512,307	\$4,442,976	\$2,016,290	\$3,997,700	(\$445,276)	-10.0%	\$1,069,331	24.1%
Services & Supplies	10,596,100	10,546,900	5,441,402	10,010,800	(536,100)	-5.1%	49,200	0.5%
OPERATING BUDGET	\$16,108,407	\$14,989,876	\$7,457,692	\$14,008,500	(\$981,376)	-6.5%	\$1,118,531	7.5%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

ADMINISTRATIVE SERVICES DIVISION

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$2,813,145	\$2,223,984	\$1,102,718	\$2,097,300	(\$126,684)	-5.7%	\$589,161	26.5%
Total Agency Temp Salaries	457,800	473,400	188,609	377,300	(96,100)	-20.3%	(15,600)	-3.3%
Employee Benefits (Variable)	1,911,226	1,426,725	595,982	1,227,600	(199,125)	-14.0%	484,501	34.0%
Employee Benefits (Other)	180,309	166,766	76,834	163,500	(3,266)	-2.0%	13,543	8.1%
OPEB Contribution	99,927	88,501	44,381	82,000	(6,501)	-7.3%	11,426	12.9%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	35,700	49,400	1,540	37,100	(12,300)	-24.9%	(13,700)	-27.7%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	7,300	7,300	4,142	7,800	500	6.8%	0	0.0%
Rideshare Allowance	6,900	6,900	2,085	5,100	(1,800)	-26.1%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$5,512,307	\$4,442,976	\$2,016,290	\$3,997,700	(\$445,276)	-10.0%	\$1,069,331	24.1%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$5,512,307	\$4,442,976	\$2,016,290	\$3,997,700	(\$445,276)	-10.0%	\$1,069,331	24.1%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

ADMINISTRATIVE SERVICES DIVISION

2023-2024 BUDGET

FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00410A	1	LS9	10,451	125,414
00423A	2	108L	20,780	249,363
00421A	1	100C	8,089	97,070
00420A	2	96C	13,235	158,825
00439A	1	93A	8,045	96,538
00464A	3	90G	18,257	219,089
00472A	2	86B	11,655	139,861
00448A	1	85A	5,657	67,884
00467A	2	83L	9,140	109,677
00471A	9	83B	46,005	552,055
00461A	2	77C	8,789	105,466

POSITIONS 26 1,921,243

VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00773A	1	LS12	11,308	135,701	135,701		
00410A	1	LS9	9,103	109,234			54,617
00423A	1	108L	8,029	96,353		72,265	
00421A	2	100C	6,337	76,049	152,099		
00420A	4	96C	5,685	68,224	272,897		
00419A	1	84D	4,410	52,924			26,462
00472A	1	86B	4,324	51,886			25,943
00471A	2	83B	3,987	47,843			47,843
00466A	1	78J	3,547	42,565			
00445A	2	77J	3,453	41,438			41,438
					560,697	72,265	196,303

POSITIONS 16 829,265

TOTAL POSITIONS 42

GROSS SALARIES 2,750,508

ANTICIPATED MOU SALARY INCREASE ** 41,258

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE 12,644

BONUS 8,735

120-DAY RETIREE(S) 0

TOTAL SALARIES 2,813,145

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA

FISCAL YEAR 2023-2024

SERVICES & SUPPLIES ACCOUNT SUMMARY

ADMINISTRATIVE SERVICES DIVISION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
AUTO EXPENSE	\$11,500	\$111,500	(\$14,722)	\$55,500	(\$56,000)	-50.2%	(\$100,000)	-89.7%
TRANSPORTATION & TRAVEL	17,600	8,000	86	4,700	(3,300)	-41.3%	9,600	120.0%
POSTAGE	301,500	331,400	301,423	301,500	(29,900)	-9.0%	(29,900)	-9.0%
STATIONERY & FORMS	1,000	3,800	0	500	(3,300)	-86.8%	(2,800)	-73.7%
OFFICE SUPPLIES & EQUIPMENT	298,000	327,000	81,196	286,500	(40,500)	-12.4%	(29,000)	-8.9%
INSURANCE	1,481,700	1,120,600	979,848	1,194,100	73,500	6.6%	361,100	32.2%
EQUIPMENT MAINTENANCE	3,300	3,300	1,993	4,300	1,000	30.3%	0	0.0%
EQUIPMENT RENTS & LEASES	250,000	287,000	119,851	230,000	(57,000)	-19.9%	(37,000)	-12.9%
BUILDING COSTS	7,800,000	7,961,300	3,777,510	7,608,200	(353,100)	-4.4%	(161,300)	-2.0%
PROFESSIONAL & SPEC. SRVCS.	394,000	366,000	184,664	303,000	(63,000)	-17.2%	28,000	7.7%
EDUCATIONAL EXPENSES	25,500	13,500	4,291	10,500	(3,000)	-22.2%	12,000	88.9%
MISCELLANEOUS	12,000	13,500	5,261	12,000	(1,500)	-11.1%	(1,500)	-11.1%
TOTAL	\$10,596,100	\$10,546,900	\$5,441,402	\$10,010,800	(\$536,100)	-5.1%	\$49,200	0.5%

*All amounts rounded to the nearest dollar.

ADMINISTRATIVE SERVICES

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed Budget
	Budget	Actual	Budget	Projection	
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$2,106,280	\$1,852,612	\$2,223,984	\$2,097,300	\$2,813,145
Total Agency Temp Salaries	587,000	456,645	473,400	377,300	457,800
Employee Benefits (Variable)	1,131,631	1,068,682	1,426,725	1,227,600	1,911,226
Employee Benefits (Other)	148,050	149,270	166,766	163,500	180,309
OPEB Contribution	72,676	69,701	88,501	82,000	99,927
OPEB Contribution (Budget Surplus)	0	72,676	0	0	0
Stipends	0	0	0	0	0
Overtime	50,000	5,833	49,400	37,100	35,700
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	7,300	3,729	7,300	7,800	7,300
Rideshare Allowance	6,900	3,132	6,900	5,100	6,900
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Auto Expenses	111,500	70,136	111,500	55,500	11,500
Transportation & Travel	8,000	97	8,000	4,700	17,600
Postage	301,400	301,320	331,400	301,500	301,500
Stationery & Forms	3,800	0	3,800	500	1,000
Office Supplies & Equipment	288,500	225,733	327,000	286,500	298,000
Insurance	1,114,200	1,106,157	1,120,600	1,194,100	1,481,700
Equipment Maintenance	3,300	1,125	3,300	4,300	3,300
Equipment Rents & Leases	277,000	197,025	287,000	230,000	250,000
Building Costs	7,472,400	5,604,859	7,961,300	7,608,200	7,800,000
Professional & Specialized Services	221,000	194,148	366,000	303,000	394,000
Educational Expenses	7,700	5,951	13,500	10,500	25,500
Miscellaneous	13,500	10,275	13,500	12,000	12,000
TOTAL OPERATING BUDGET	\$13,932,137	\$11,399,107	\$14,989,876	\$14,008,500	\$16,108,407

*All amounts rounded to the nearest dollar.



BENEFITS DIVISION

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

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

INTRODUCTION

The Benefits Division pursues the highest quality standards and most efficient processing methods for member requests through continuous process improvements within the division and in collaboration with its partner divisions throughout LACERA.

BENEFITS OVERVIEW AND ACCOMPLISHMENTS

The Division consists of four primary sections: Core Benefit Services, Special Benefits Services, Account Integrity Services, and the Process Management Group.

Core Benefits Services

This group primarily handles high volume, reduced complexity transactions that cover an array of services, from service credit purchases to placing members on the retirement agenda. This group is made up of four teams that are assigned a primary task and assist other teams whenever necessary.

Special Benefits Services

This group comprises three specialized, complex areas: Advanced Payroll Unit (APU), Death Legal Unit (DLU), and Exceptions. Advanced Payroll handles the most complex retirement requests, mostly involving disability retirement. DLU handles processes such

as death notifications and legal split calculations. Exceptions handles cases outside of the scope of normal processes, such as Replacement Benefit Plan benefits and errors identified by the system.

Account Integrity Services

This unit is made up of the Benefit Protection Unit (BPU) and Account Maintenance Unit (AMU). BPU performs functions such as member location and fraud investigation. One risk we want to mitigate is continuing to pay members after they pass away. During the upcoming fiscal year, we will be looking to replace the current technology used for death notification services with more robust and timely technology.

AMU performs manual data entry tasks across 28 separate processes. For example, the team enters information provided on documents such as beneficiary designation forms into Workspace. The team also responds to requests for pension verification. In the future, we will begin reviewing these processes to explore opportunities for automation using optical character recognition (OCR) and robotic process automation (RPA).

Process Management Group (PMG)

This group interprets the various laws governing LACERA, such as CERL, PEPRA, or Internal Revenue Codes, to ensure compliance and to determine whether there are opportunities to improve efficiency. The members of this group then become project managers overseeing initiatives to bring their recommendations to fruition and provide training to staff throughout the Member Operations Group (MOG), including Member Services and Quality Assurance.

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

- Claim form automation for the survivor process.
- Updated felony forfeiture process and corresponding notification.
- Prepaid debit cards to replace physical paper checks (in progress).
- Updated W-4P system programming and member communication.
- Project-managed the implementation of multi-factor authentication.

Snapshot of Workload Drivers

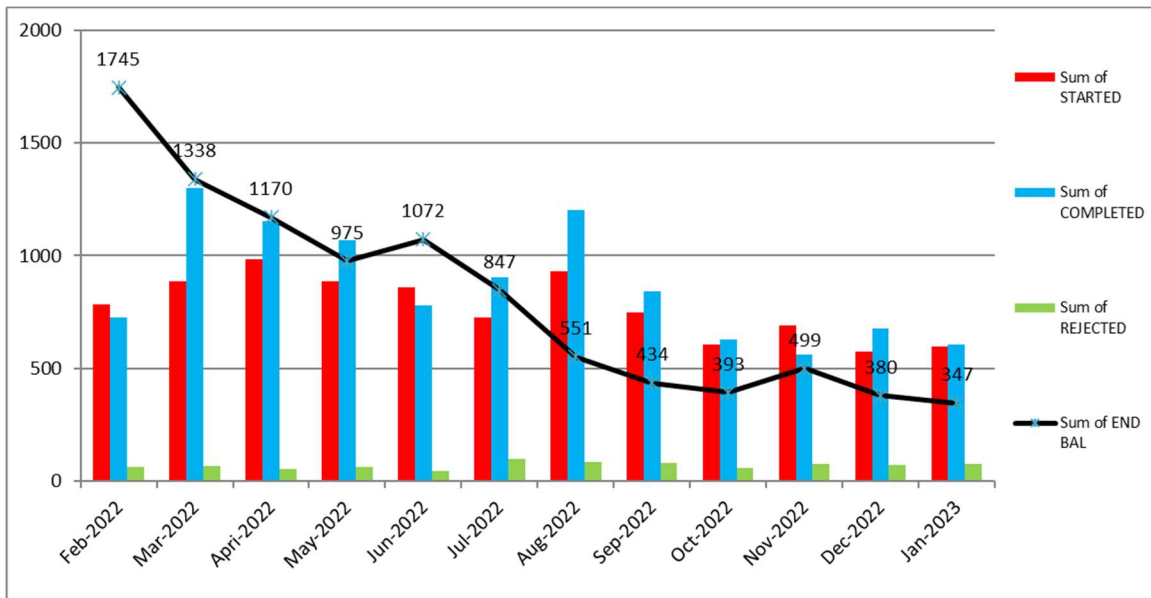
We have expended significant resources over the last several years to capture and refine important metrics, allowing us to gain a greater insight into the workload drivers. We will continue to focus on these efforts.

We feel as part of the budget process it is appropriate to provide some insights regarding the significant drivers of workload. This allows us to provide some insight into how we intend to manage our resources and meet expectations.

Death Legal Unit (DLU):

This unit has experienced a sharp increase in the volume of deaths over the last few years and legal splits have become more complex and time-consuming to process.

Death Notification (Manual) Rolling 12 months ending 1/31/2023



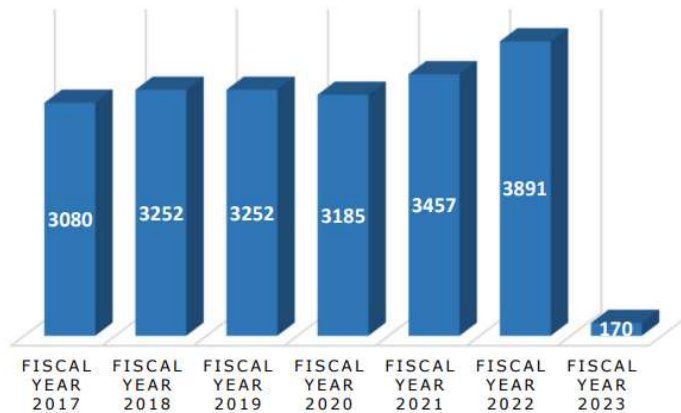
We recently filled a vacant position as well as the additional position previously added to the budget to help address the increased workload. We also re-engineered our death claim form benefit process so one-time payees automatically receive claim forms without staff intervention, significantly improving the survivor experience and our service level.

These changes have also significantly improved our ability to respond to the increasing demand and our efforts to reduce the backlog.

Core Benefits Section:

Although there were 3,891 retirements in FY 2021-22, the following charts compare this number to the number of service requests (work objects) submitted between July 1, 2021, and June 30, 2022: 8,007. This number was arrived at by adding the number of new work objects received each month, illustrated by the light blue bar on the left for each month in the second graph. A work object represents a member's request, which is assigned to a queue depending on the nature of the request. As illustrated, the number of work objects placed in the retirement election queue far surpassed the number of retirements during the 2021-22 fiscal year.

RETIREMENTS BY YEAR



Retirement Elections Work Queue—Fiscal Year 2021-2022



The reason the number of work objects in the queue does not match the number of retirements is because of the number of retirement rescissions, duplicates, and change of retirement date requests. Benefits plans to explore the reason why there are so many of these requests, as it will help improve our efficiency.

A decrease in retirements generally takes place after an MOU grants moderate to significant salary increases. Past experience has demonstrated that members will generally work longer to maximize the positive impact of the salary increase on their FAC, which increases the retirement allowance they receive upon retirement. As a result, we do not anticipate another significant increase in retirements for FY 2023-24. However, we

should continue to consider changes in workloads due to the increasing complexity of member transactions and improvements to compliance adherence. LACERA's workload might not necessarily decrease as much, due to the need to process rescissions and retirement date postponements, which is not evident by counting retirements alone.

The Core Benefits Training class is scheduled to begin April 2023 and will fill eight Retirement Benefits Specialist II positions based on projected attrition. The trainees are expected to complete their training by the end of January 2024, at which time they will become a productive part of the division. We anticipate an additional four months before they become fully acclimated to the work and become fully productive.

Member Experience Improvement Goals for FY 2023-24 and the Next Three Years

Benefits, and PMG specifically, will be partnering with the other Member Operations Group divisions and Systems to support and enact the strategic plan once approved. It is anticipated that the division will focus on fulfilling the four objectives under the Member Experience Priority. In anticipation of this plan, we are working on or pre-planning for the following objectives:

- **PEPRA Final Average Compensation (FAC) Automation:** PMG and Systems are working with the County Auditor-Controller to receive data in a format that will allow our system to generate a correct FAC figure for members. This will allow Systems to program Workspace to generate estimates and retirement benefit calculations for LACERA PEPRA members automatically, replacing the tedious manual process that currently exists. This is expected to be completed in the first month of the new fiscal year. In the meantime, the team is working with another arm of the Auditor-Controller in applying RPA to the manual process to see if we can speed up the process pending implementation of the permanent solution.
- **Unreported Death Identifications:** Unreported deaths pose a significant risk of overpaid benefits that may be difficult to recover. As part of our risk mitigation strategy, the BPU currently partners with an outside vendor to help it identify unreported member deaths. Once identified, BPU researches the possible death and initiates appropriate actions if a member has truly passed away. This process can take significant time and manual effort. The team will be requesting approval for an RFP to select a vendor that can handle this process for LACERA and provide us only with verified deaths for follow-up.
- **Automated Reciprocal Verification Process:** When a member joins LACERA and indicates they have service with a reciprocal agency, a manual process begins to request and verify data from the agency and establish reciprocity. Our goal is to automate this process so that it can mostly be conducted without any staff member interactions.
- **Automated Other Public Agency Purchase Requests:** When a member wants to purchase other public agency service, it triggers a manual process of contacting the other agencies and requesting verification of service. We intend to work with

Systems to leverage My LACERA to create a largely autonomous, member-initiated process that would request information from the other agency and trigger the issuance of a contract to purchase the time.

- **Review Exceptions Team's Processes for Automation:** Our Exceptions team deals with many systems-generated reports and service requests from other parts of the Member Operations Group. We intend to review these processes and eliminate the system-generated reports, replacing them with either automated resolution processes or the creation of service requests that can be tracked and analyzed for future improvements.
- **AMU Process Automation:** We will examine the option of leveraging OCR to automate the processing of member-submitted account maintenance forms.
- **Knowledge Management System:** PMG intends to partner with Systems and other Member Operations Group divisions on the selection and implementation of a knowledge management system. The system would manage all MOG knowledge databases, and leverage Artificial Intelligence (AI) and chatbots to assist staff with accessing knowledge and applying it to work at hand and even member interactions.

This fiscal year, Benefits will continue to refine its metrics and data analytics program to manage transactional processes, improve performance through automation and improve adherence to compliance requirements. We will ensure that our initiatives support the strategic planning process, particularly as it pertains to the Member Experience.

STAFFING

The Benefits Division is not requesting any new positions this fiscal year. We will continue to explore opportunities for automation and increase process efficiency throughout the division.

Agency Temp

Historically, Benefits staff fully prepared correspondence to members so they were ready for mailing and no further handling was required by the Data Processing Center (DPC) in Administrative Services. This process was inefficient, as it took staff away from processing member requests to perform administrative duties that should have been centralized within our DPC. Once staff began working remotely, Benefits worked with Systems to create a centralized printing location within Benefits and hired an agency temp to perform this function, freeing up staff to focus on their primary duties. This was meant to be a temporary solution while PMG worked with DPC to absorb these duties. DPC has a plan in place to take on these duties once they have obtained and trained enough staff for the additional processing. Until DPC is sufficiently staffed to manage the increase in workload, Benefits would like to continue having an agency temp perform this function.

Special Projects

Two staff members from the Core Benefits Section have been designated to complete special projects. The Alameda project identified salary items that were deemed as compensation earnable in the Alameda court decision. The project requires the return of overpaid contributions to active, retired, and deferred/inactive members; survivors; and beneficiaries of deceased members. It also impacted 118 purchase contracts using salaries that included pay items that are no longer deemed compensation earnable. With those pay items removed from the final average compensation (FAC), retired members whose FACs were based on salaries that included these pay items received overpaid benefits and are receiving notification. At the conclusion of this project, we will have: 1) returned all overpaid contributions through the suspension of contributions or offset against retirement overpayments, 2) collected or set up deductions to collect retirement overpayments, and 3) placed overpaid contracts into the member's account with interest.

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

Overtime

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

The Member Services Division has been working overtime on Saturdays to process March retirements. Reviews of Member Services staff production shows their commitment to the highest quality service to our members. This has been a tremendous undertaking and shows our commitment to teamwork across divisions to ensure our members receive timely, high-quality service. However, Member Services may not be able to continue assisting Benefits during overtime.

We anticipate four upcoming retirements: one retirement at the end of FY 2022-23 and three retirements during FY 2023-24. As a result, we have included additional overtime allocations so that we will be able to serve our members timely until the 2024 training class is fully acclimated as planned.

Training and Development

Historically, Benefits supervisors and managers have not received additional training in leadership and management.

We are requesting funds to bring in a consultant to work with the Division Manager and section heads to sharpen individual skills, such as written and verbal communication, and boost leadership skills, such as building trust and increasing collaboration among division leaders.

Additionally, the Executive Office has challenged the interim Benefits Division Manager to develop staff throughout the division. As a result, section heads and supervisors are identifying core competencies and developing a preliminary roadmap for positions under their purview. These roadmaps will be reviewed and serve as tools to create individual self-development plans for subordinate staff. Formal training will include local and cost-effective instruction.

SERVICES AND SUPPLIES

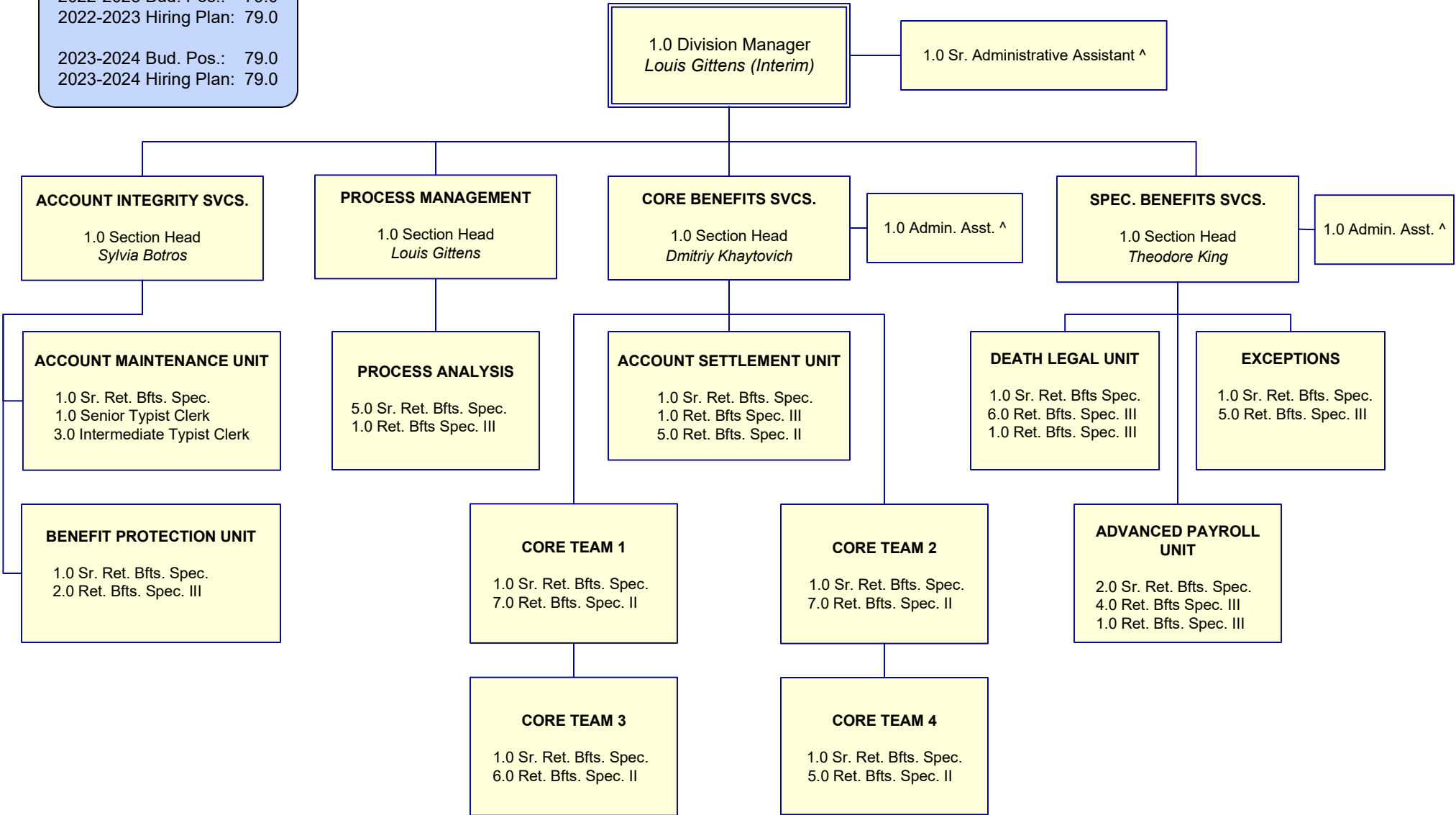
We propose increasing funding in the following areas:

- **Professional and Specialized Services:** There is technology available that provides comprehensive death audits, making it easier for LACERA to confirm that a member or survivor has died rather than through manual verification. We would like to set aside funds for this platform even though we are still in the preliminary stages of studying our current cost of performing these transactions, learning more about the company's validation process, and determining whether an RFP is required to ensure we are getting the best product on the market.
- **Educational Expenses:** In addition to the training previously discussed, we would like managers to attend SACRS, which is being conducted in person again, and CALAPRS, which is still virtual. There are other in-person events that should be attended by either the Division Manager or a section head. These events offer opportunities to learn the latest updates in the pension industry and to network and showcase LACERA's initiatives, contributing to LACERA's reputation in the industry.

BENEFITS DIVISION

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 79.0
 2022-2023 Hiring Plan: 79.0
 2023-2024 Bud. Pos.: 79.0
 2023-2024 Hiring Plan: 79.0



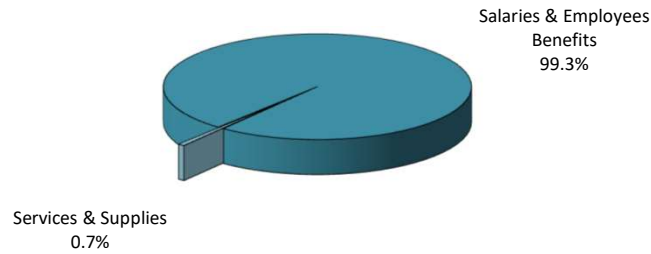
^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

BENEFITS DIVISION

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$12,363,302	\$11,960,086	\$6,186,588	\$11,875,400	(\$84,686)	-0.7%	\$403,216	3.4%
Services & Supplies	86,100	59,300	14,342	48,900	(10,400)	-17.5%	26,800	45.2%
OPERATING BUDGET	\$12,449,402	\$12,019,386	\$6,200,930	\$11,924,300	(\$95,086)	-0.8%	\$430,016	3.6%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

BENEFITS DIVISION

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$6,799,486	\$6,706,995	\$3,669,947	\$6,964,100	\$257,105	3.8%	\$92,491	1.4%
Total Agency Temp Salaries	62,200	154,900	52,869	97,700	(57,200)	-36.9%	(92,700)	-59.8%
Employee Benefits (Variable)	4,365,975	4,019,322	1,787,346	3,664,700	(354,622)	-8.8%	346,653	8.6%
Employee Benefits (Other)	435,814	423,908	196,377	415,500	(8,408)	-2.0%	11,906	2.8%
OPEB Contribution	241,527	224,962	140,552	259,500	34,538	15.4%	16,565	7.4%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	426,400	398,100	330,040	457,000	58,900	14.8%	28,300	7.1%
Bilingual Bonus	3,600	3,600	1,950	3,900	300	8.3%	0	0.0%
Sick Leave Buyback	12,000	12,000	7,506	13,000	1,000	8.3%	0	0.0%
Rideshare Allowance	16,300	16,300	0	0	(16,300)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$12,363,302	\$11,960,086	\$6,186,588	\$11,875,400	(\$84,686)	-0.7%	\$403,216	3.4%
Salary Differential	-	-	-	-	-		-	
TOTAL S&EB	\$12,363,302	\$11,960,086	\$6,186,588	\$11,875,400	(\$84,686)	-0.7%	\$403,216	3.4%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

BENEFITS DIVISION

2023-2024 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00772A	SECTION HEAD, LACERA	4	LS9	41,500	498,004			
01312A	SENIOR RETIREMENT BENEFITS SPECIALIST	12	104A	106,777	1,281,330			
01311A	RETIREMENT BENEFITS SPECIALIST III	22	98G	170,767	2,049,201			
01310A	RETIREMENT BENEFITS SPECIALIST II	29	92A	178,050	2,136,600			
00438A	ADMINISTRATIVE ASSISTANT	2	86J	12,185	146,215			
00446A	SENIOR TYPIST-CLERK	1	81H	4,521	54,249			
00445A	INTERMEDIATE TYPIST-CLERK	3	77J	13,326	159,913			
POSITIONS		73			6,325,511			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00773A	DIVISION MANAGER	1	LS12	11,308	135,701	135,701		
01312A	SENIOR RETIREMENT BENEFITS SPECIALIST	3	104A	7,028	84,336			
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	93A	5,216	62,592			31,296
01310A	RETIREMENT BENEFITS SPECIALIST II	1	92A	5,076	60,912	60,912		
						196,613	0	31,296
POSITIONS		6			227,909			
TOTAL POSITIONS		79						
GROSS SALARIES					6,553,419			
ANTICIPATED MOU SALARY INCREASE**					98,301			
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE					85,693			
BONUS					62,072			
120-DAY RETIREE(S)					0			
TOTAL SALARIES					6,799,486			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

BENEFITS DIVISION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$7,300	\$6,500	\$3,093	\$6,200	(\$300)	-4.6%	\$800	12.3%
OFFICE SUPPLIES & EQUIPMENT	3,400	3,400	654	2,000	(1,400)	-41.2%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	41,000	41,000	10,050	34,000	(7,000)	-17.1%	0	0.0%
EDUCATIONAL EXPENSES	33,600	7,600	545	6,100	(1,500)	-19.7%	26,000	342.1%
MISCELLANEOUS	800	800	0	600	(200)	-25.0%	0	0.0%
TOTAL	\$86,100	\$59,300	\$14,342	\$48,900	(\$10,400)	-17.5%	\$26,800	45.2%

*All amounts rounded to the nearest dollar.

BENEFITS DIVISION

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$6,154,980	\$5,910,027	\$6,706,995	\$6,964,100	\$6,799,486
Total Agency Temp Salaries	71,900	69,194	154,900	97,700	62,200
Employee Benefits (Variable)	3,818,094	3,150,744	4,019,322	3,664,700	4,365,975
Employee Benefits (Other)	374,387	379,705	423,908	415,500	435,814
OPEB Contribution	183,782	220,373	224,962	259,500	241,527
OPEB Contribution (Budget Surplus)	0	183,782	0	0	0
Stipends	0	0	0	0	0
Overtime	398,000	451,675	398,100	457,000	426,400
Bilingual Bonus	2,400	3,250	3,600	3,900	3,600
Sick Leave Buyback	12,000	14,534	12,000	13,000	12,000
Rideshare Allowance	16,300	0	16,300	0	16,300
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	6,500	2,564	6,500	6,200	7,300
Office Supplies & Equipment	3,400	77	3,400	2,000	3,400
Professional & Spec. Svcs.	46,000	28,877	41,000	34,000	41,000
Educational Expenses	14,600	3,435	7,600	6,100	33,600
Miscellaneous	1,500	0	800	600	800
TOTAL OPERATING BUDGET	\$11,103,843	\$10,418,238	\$12,019,386	\$11,924,300	\$12,449,402

*All amounts rounded to the nearest dollar.

COMMUNICATIONS

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

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

INTRODUCTION

Communications' services include creative visioning, project management, public relations and strategic marketing, graphic design, photography, writing and editing, and video production. We create print materials, videos, and web design and content across our websites LACERA.com and LACERA Connect (intranet).

STATUS OF MAJOR PROJECTS, 2022-2023

Throughout 2022, Communications Division maintained its regular schedule of requisite annual projects, continued to move prioritized projects forward to help achieve the Boards' existing strategic goals, and provided support for the strategic planning process.

Following are some of Communications Division's **requisite projects** throughout the year:

- Quarterly *PostScript* and *Spotlight* newsletters
- Themed Annual Comprehensive Financial Report (ACFR) and Popular Annual Financial Report (PAFR)
- *Retirement Law Book*

- Cost-of-living updates and communications (inserts, emails, web updates, web announcements, and newsletter articles)
- Executive Office communications and copywriting support
- LACERA.com and LACERA Connect maintenance, information updates, and content creation
- Calendars (retiree paydays, boards, and staff)
- Retiree Healthcare annual mailings
- Budget binder production
- Collateral for annual events (Board offsite meetings, Employee Wellness Fair, etc.)
- Photos for trustees and staff members, ID badges

Communications' and Strategic Plans

In 2022, Communications Division submitted the revised LACERA Communications Plan draft to Executive for review and approval. The Communications Plan provides an overview of Communications Division's role within the organization, and our philosophy, project landscape, and short- and long-term divisional goals. It also outlines how we plan to use all our resources in conjunction with what we've learned from the 2022 Member Survey to support the major initiatives of defining and implementing the proposed Superior Member Experience Program, focusing on specific member journeys and an omnichannel service approach.

Once the Strategic Plan and the Communications Plan have been defined and approved, the Communication Plan will be further revised to specifically outline the division goals and projects that we will be managing and supporting.

Additional Major Projects

In the meantime, Communications is continuing to move forward with current initiatives. Following are additional major projects that we are managing or supporting that will carry into 2023 or that are currently prioritized for 2023. Status and specifics are provided where applicable.

- **Strategic planning process:** We continue to support the executive team and professional consultant through direct email communication, writing and/or editing articles and memos to members and internal staff, and coordination and creation of graphics and collateral.
- **Case management:** In 2023, we anticipate providing communications support for the implementation of various case management components and new processes—including direct email communication to members and internal staff, lacera.com updates, and training videos. We will also need to update existing collateral with any process changes.

- **Campaigns:** We will continue to promote email messaging, paperless options, My LACERA, direct deposit, and beneficiary updates this year. The My LACERA campaign continues for this fiscal year. We will be expanding the campaign to include a mailing to active members who are not currently signed up for My LACERA. This mailing will be put into production mid-2023. We will continue to incorporate messaging in all other resources, such as the newsletters and email correspondence, to lead members to My LACERA.
- **Annual Retirement Benefits Statement redesign:** Working with Systems Division, Communications has expanded the statement to include new, customized information fields from the member database. *In pre-production; pending availability of internal resources and the selection of a new print vendor.*
- **Retirement Summary and Application Form (formerly the Retirement Benefits Estimate) redesign:** The form has been customized and expanded to include member-specific information including scenarios under the different retirement options. *In progress; the draft form has been beta-tested. It was determined that the form needs to be revisited to simplify the content for our members.*
- **Pre-Retirement Guide redesign:** The guide has been updated in coordination with multiple internal stakeholders and subject matter experts. *In progress; ready to print pending finalization of the Retirement Summary and Application Form.*
- **Plan Book updates:** The member plan books should serve as the definitive source for all plan information and require updates. Once completed, the plan centers on LACERA.com will be further developed and updated to reflect the changes to the plan books. *Pending internal resources.*

2023-24 Goals and Objectives

We anticipate adding new goals based on the final strategic plan and reassessing or reprioritizing current projects to align with the organization's direction.

- **Complete Retirement Options, Retirement University, and Medicare 101 videos currently in progress and increase overall video production.** We hired outside vendors in 2022 to boost video production services, which will continue into 2023 as we have increasing requests for this format for internal and member-facing communications.
 - Retirement University Options 1, 2, and 3 videos: *In production; anticipated completion in early 2023.*
 - Retirement University videos: *In pre-production and anticipated to start production in 2023.*
 - Medicare 101 video: *Currently in pre-production and anticipated to start production in 2023.*

- Support the **Business Continuity Plan (BCP) crisis communications component**. Communications will collaborate with the BCP Team and our Government Advocacy & Public Affairs consultant to develop multiple crisis communication templates.
- **Create and distribute a branding and style guide and begin LACERA-wide rebranding**. A mini style sheet with an updated logo and style guidelines was presented and distributed to the Management Action Committee (MAC) team on November 3. In 2023, we will begin rebranding existing collateral and create and distribute a comprehensive organizational style guide. Our aim is to establish and maintain a cohesive look and copy formatting for all print and digital materials and member communications.
- **Increase use of technological tools and online platforms.**
 - *Project request automation*: We recently completed an intake form, available on LACERA Connect, to help confirm, track, and process incoming requests. We are searching for a full-featured online platform to provide more services and convenience for internal clients and further boost efficiency.
 - *Online proofing*: In 2022, we incorporated new online proofing software, Ziflow. In 2023, we will assign more projects to Ziflow to streamline the proofing and production process.
 - *Augmented Intelligence (AI)*: We are currently researching the use of various software programs to assist us in our communications efforts. We are working with experienced vendors and peers to vet our options and assess how they would best serve our member's needs.
- **Support LACERA's social media goals and strategy**. We have already completed an initial social media strategy and action plan, created internally, which is on hold pending prioritization in the strategic plan. Depending on Board and executive direction, we may generate an RFP for a professional firm to establish the social media plan in 2023. The social media rollout also depends on the hiring of a Public Information Officer. See more under Staffing below.
- **Process plan to convert to digital communications**. This is a long-term goal that will be based on our members' needs and preferences. Given the data compiled from the most recent member survey, it is apparent that we currently have a large population that relies on print to receive news and information. The data collected in this survey shows that the majority—62 percent on average—of our members prefer receiving a mailed newsletter, but for those age 65 and over, that average jumps to 77 percent. On the flip side, only 26 percent of members on average expressed a preference for e-newsletters. This wide range of preferences confirms the need for an omnichannel service approach. We need to continue using all means of communication to reach our members, both print and digital. We will continue to expand our digital communications to transition as our demographics and members' needs transition.

STAFFING

A new Media Artist was hired and started working in November 2022, which has boosted our current capabilities and will help us meet the increasing demand for both print and video projects.

Communications hopes to fill the following vacant budgeted positions in 2023:

- Senior Writer
- Senior Media Artist
- Writer II
- Staff Assistant

We may also seek to fill the vacant Public Information Officer, however this may be delayed until FY 2024-2025

Communications is requesting overtime for various staff positions to be available when urgent requests arise that require the staff member to work beyond the normal hours to complete a task. Overtime may also be needed throughout the year when multiple major and unanticipated projects have the same deadline and the staff member needs the additional hours to complete the project(s).

Training and Development Goals for 2023

Communications Division has seen a significant increase in demand for our services over the last several years—from an overall increase in support requests to pandemic communications to more support of our expanded executive team. This, as well as travel restrictions due to the pandemic, means that Communications Division staff members have not had the opportunity to participate in professional development and training as needed to improve their job-specific skills and network with professional peers. Educational enrichment is instrumental for staff members in improving and modernizing their skillsets as well as maintaining enthusiasm for their craft.

For 2023, the budget reflects Communications' goals to:

- Provide training for staff members in team building, collaboration, and job-specific areas
- Join and participate in the California Association of Public Information Officials (CAPIO), including CAPIO training webinars and the annual conference (two staff members)
- Participate in the HOW marketing and technology conference (two staff members)

SERVICES AND SUPPLIES

Overall, the FY 2023-24 budget request is 21 percent higher than the FY 2022-23 approved budget. Each of the Communications Division's line items was carefully reviewed with significant increases explained below:

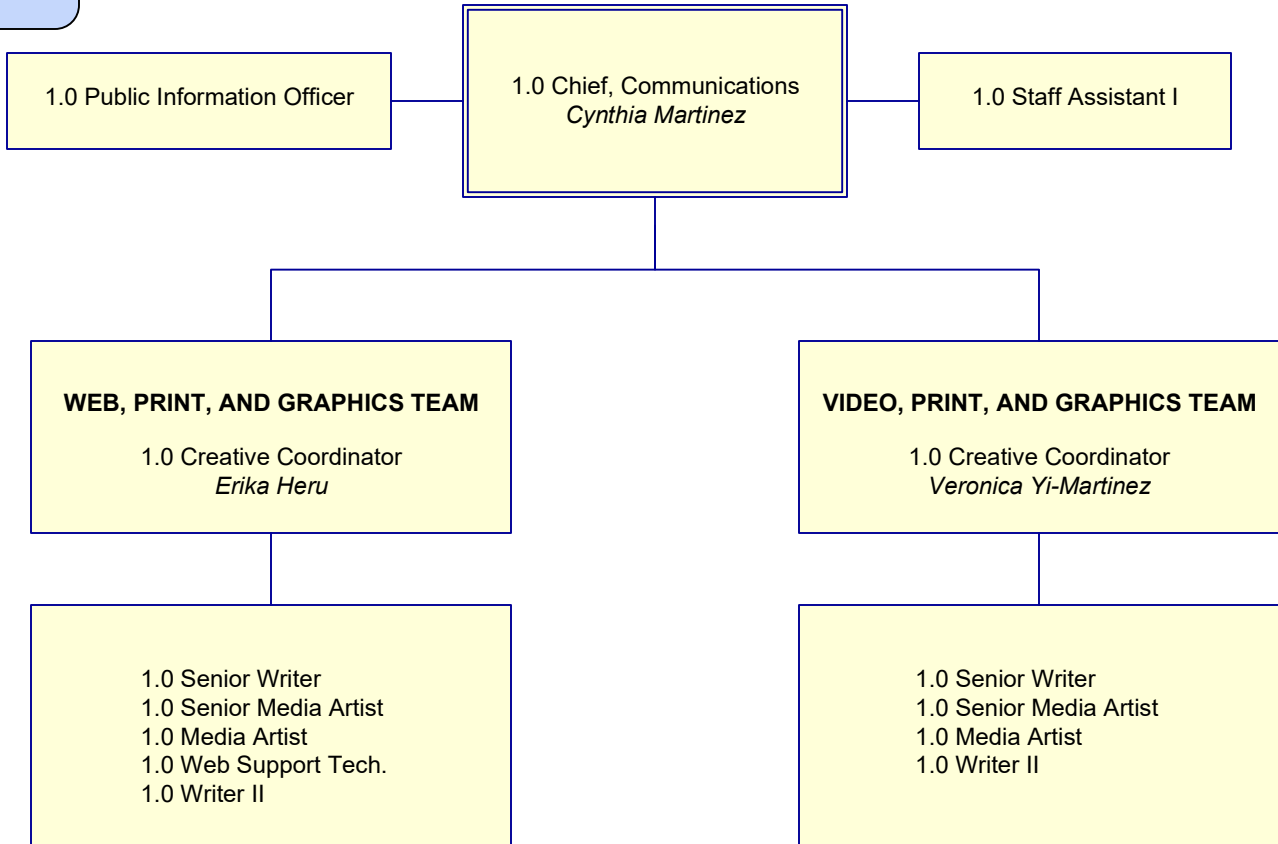
- The transportation and travel budget has increased from \$4,500 in FY 2022-23 to \$17,600 in FY 2023-24 to accommodate attendance at the CAPIO and HOW conferences.
- Due to an 8 percent postage rate hike, we are requesting a slight increase in 2023 postage costs. Even with this increase, the overall division request is lower than previous budgets due to the removal of a miscellaneous mailing deduction.
- Increases in LACERA communications components to be mailed, as well as higher paper and labor costs, account for an increase of \$177,200 from \$804,500 to \$981,700 in the Stationery and Forms section, including more details on line items below:
 - The annual benefits statement (ABS) has increased by \$40,000 because we have added enhanced features. An RFP is being opened in 2023 to secure a new vendor who can accommodate the new format.
 - *PostScript* and *Spotlight* costs have increased from \$80,000 to \$140,000 for *PostScript* and from \$90,000 to \$120,000 for *Spotlight* to accommodate the new RHC supplement and subsequent page count increases as well as overall production costs.
 - There is a new case management support line item of \$25,000 to accommodate anticipated communications needs, such as reprinting or video production costs, associated with new processes.
- Under Professional Services, campaign costs were increased from \$10,000 to \$70,000 (all-inclusive) for print, postage, and mailing, for various campaigns and a member journey campaign anticipated to be part of the strategic plan.
- There are also new line items under professional services for Miscellaneous Video Production (\$30,000) and a wire service for press releases (\$3,000).

COMMUNICATIONS

FISCAL YEAR 2023-2024

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

2023-2024 Bud. Pos.: 14.0
2023-2024 Hiring Plan: 14.0

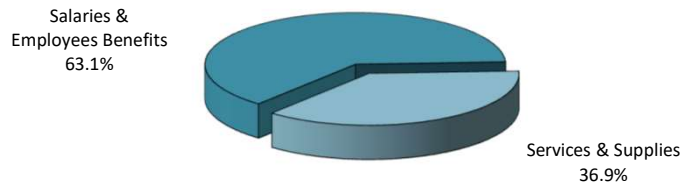


LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

COMMUNICATIONS

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$2,600,188	\$2,168,975	\$941,134	\$1,896,500	(\$272,475)	-12.6%	\$431,213	19.9%
Services & Supplies	1,517,500	1,254,000	587,814	1,104,600	(149,400)	-11.9%	263,500	21.0%
OPERATING BUDGET	\$4,117,688	\$3,422,975	\$1,528,948	\$3,001,100	(\$421,875)	-12.3%	\$694,713	20.3%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2023-2024

SALARIES & EMPLOYEE BENEFITS SUMMARY

COMMUNICATIONS

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$1,263,940	\$1,242,896	\$570,630	\$1,099,100	(\$143,796)	-11.6%	\$21,044	1.7%
Total Agency Temp Salaries	331,000	56,200	14,451	56,200	0	0.0%	274,800	489.0%
LACERA Intern Program	0	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	870,339	740,334	294,419	614,400	(125,934)	-17.0%	130,005	17.6%
Employee Benefits (Other)	81,012	78,556	36,246	77,000	(1,556)	-2.0%	2,456	3.1%
OPEB Contribution	44,897	41,689	23,077	42,700	1,011	2.4%	3,208	7.7%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	4,500	4,800	1,103	4,800	0	0.0%	(300)	-6.3%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	3,500	3,500	1,207	2,300	(1,200)	-34.3%	0	0.0%
Rideshare Allowance	1,000	1,000	0	0	(1,000)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$2,600,188	\$2,168,975	\$941,134	\$1,896,500	(\$272,475)	-12.6%	\$431,213	19.9%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$2,600,188	\$2,168,975	\$941,134	\$1,896,500	(\$272,475)	-12.6%	\$431,213	19.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

COMMUNICATIONS

2023-2024 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00794A	CHIEF, COMMUNICATIONS	1	LS10	14,164	169,970			
00779A	CREATIVE COORDINATOR	2	109L	19,657	235,883			
00784A	SENIOR WRITER	1	107K	9,950	119,403			
00807A	SENIOR MEDIA ARTIST	1	105H	9,016	108,191			
00789A	MEDIA ARTIST	2	102C	15,465	185,579			
00787A	WEB SUPPORT TECHNICIAN	1	098E	6,369	76,427			
00786A	WRITER II	1	098E	7,098	85,178			
POSITIONS		9			980,631			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00784A	SENIOR WRITER	1	107K	7,796	93,550	93,550		
00465A	PUBLIC INFORMATION OFFICER	1	104C	7,568	90,820			45,410
00807A	SENIOR MEDIA ARTIST	1	105H	7,348	88,172			44,086
00786A	WRITER II	1	098E	6,033	72,392			36,196
00426A	STAFF ASSISTANT I	1	087E	4,543	54,515			27,257
						93,550	0	152,949
POSITIONS		5			246,499			
TOTAL POSITIONS		14						
GROSS SALARIES					1,227,130			
ANTICIPATED MOU SALARY INCREASE**					18,407			
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE					18,403			
BONUS					0			
120-DAY RETIREE(S)					0			
TOTAL SALARIES					1,263,940			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA
FISCAL YEAR 2023-2024
SERVICES AND SUPPLIES

COMMUNICATIONS

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$17,600	\$4,500	\$0	\$4,400	(\$100)	-2.2%	\$13,100	291.1%
POSTAGE	342,200	348,000	183,748	363,000	15,000	4.3%	(5,800)	-1.7%
STATIONERY & FORMS	981,700	804,500	372,128	673,500	(131,000)	-16.3%	177,200	22.0%
OFFICE SUPPLIES & EQUIPMENT	6,000	6,000	5,801	6,000	0	0.0%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	140,000	47,000	20,566	42,000	(5,000)	-10.6%	93,000	197.9%
COMPUTER SERVICES & SUPPORT	0	14,000	4,931	11,600	(2,400)	-17.1%	(14,000)	-100.0%
EDUCATIONAL EXPENSES	29,400	29,400	640	3,600	(25,800)	-87.8%	0	0.0%
MISCELLANEOUS	600	600	0	500	(100)	-16.7%	0	0.0%
TOTAL	\$1,517,500	\$1,254,000	\$587,814	\$1,104,600	(\$149,400)	-11.9%	\$263,500	21.0%

*All amounts rounded to the nearest dollar.

COMMUNICATIONS

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$1,290,318	\$966,240	\$1,242,896	\$1,099,100	\$1,263,940
Total Agency Temp Salaries	79,600	1,213	56,200	56,200	331,000
Employee Benefits (Variable)	760,301	524,778	740,334	614,400	870,339
Employee Benefits (Other)	77,116	78,020	78,556	77,000	81,012
OPEB Contribution	37,855	36,763	41,689	42,700	44,897
OPEB Contribution (Budget Surplus)	0	37,855	0	0	0
Stipends	0	0	0	0	0
Overtime	4,100	3,403	4,800	4,800	4,500
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	3,500	866	3,500	2,300	3,500
Rideshare Allowance	1,000	0	1,000	0	1,000
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	7,500	0	4,500	4,400	17,600
Postage	300,000	250,183	348,000	363,000	342,200
Stationery & Forms	641,500	567,123	804,500	673,500	981,700
Office Supplies & Equipment	5,000	5,393	6,000	6,000	6,000
Professional & Specialized Services	62,000	30,240	47,000	42,000	140,000
Computer Services & Support	14,500	3,000	14,000	11,600	0
Educational Expenses	10,400	940	29,400	3,600	29,400
Miscellaneous	600	0	600	500	600
TOTAL OPERATING BUDGET	\$3,295,291	\$2,506,016	\$3,422,975	\$3,001,100	\$4,117,688

*All amounts rounded to the nearest dollar.



DISABILITY LITIGATION

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

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

INTRODUCTION

The Disability Litigation Office (DLO) is a legal unit at LACERA that is separate from and independent of the Legal Office. The Disability Litigation Chief Counsel reports directly to the Chief Executive Officer. Established in 1996, the DLO has a staff of four attorneys (3-Senior Staff Counsel; 1-Chief Counsel) and three secretaries (Senior Legal Secretaries). Our main operation consists of litigating appeals that members may file after the Board of Retirement denies any disability retirement or service-connected survivor benefit application. As of February 2022, the DLO began handling Felony Forfeiture appeals, in accordance with the Administrative Appeals Procedures, adopted by the Board of Retirement. With each of the above-noted appeals, DLO provides LACERA and its fund with legal representation at the administrative level before a hearing referee and the Board of Retirement.

DIVISION UPDATE

The DLO continued its high level of performance in 2022, taking advantage of LACERA's advancing remote technology, while also showing a strong in-office presence for hearings and various committee meetings in which the DLO team was actively involved. The DLO is on a hybrid remote-to-office work schedule on a weekly basis.

Our remote operations continue to be seamless, employing MS Teams, OneDrive, and SharePoint, all to be further enhanced with the upcoming roll-out of OneMeeting. We continue to hold hearings remotely or hybrid on Teams as needed and also have enjoyed a robust return to live hearings at LACERA, as the pandemic landscape shifted and transmission rates decreased.

While historically we have been primarily paper-based, our Senior Legal Secretaries have been working tirelessly converting the DLO's existing caseload to digital. To date, 2/3rds of our case files have been digitally scanned (well ahead of our June 2023 conversion project deadline). Additionally, all new appeal files continue to be transmitted electronically from Disability Retirement Services (DRS). This digital conversion has increased the division's productivity immeasurably, as electronic appeal files are accessible remotely through MS OneDrive or SharePoint. This provides attorneys 24/7 access to their case files to conduct discovery, prepare for hearings, and draft legal briefs. Staff also benefits from ready access for scheduling, correspondence, and assisting DLO attorneys conducting discovery and compiling evidence.

Additionally, MS Teams keeps the DLO well-connected and fully informed. The DLO is diligent in conducting monthly staff meetings, where we discuss solutions to streamline business operations, update processes, engage in teambuilding, and education. DLO team members are continuously developing their skills. Team members are taking advantage of Udemy Courses and finessing their presentation skills by sharing lessons learned from those courses with the entire DLO team. In addition to Udemy, one of our attorneys attended a three-month course in Management Essentials through Harvard Online Business School; the invaluable takeaways from which will be presented to the DLO team in 2023. Two of our Senior Legal Secretaries completed training in Power BI, for both career development and increased divisional metrics tracking and presentation. One of our Senior Legal Secretaries completed Scrum training in preparation of the Case Management Solution project. Further, with guidance from Systems, two Senior Legal Secretaries learned how to use MS Visio to create DLO process swimlanes for the Case Management Solution project.

The DLO team was actively involved in the selection of the vendor for the Case Management Solution project. Select DLO staff (1-Senior Staff Counsel and 1-Senior Legal Secretary) are now fully engaged in project development and implementation, mapping the requirements of the DLO's business operations. Once that critical step is complete, the remainder of the DLO staff will be included in the various showcases to observe testing, programming progress, and provide feedback. The purpose of this group effort is to ensure the Case Management Solution best captures and supports the DLO's business operations and workflow from appeal intake to closure and archiving.

The Case Management Solution will place our casefiles at our digital fingertips, replacing manual processes and increasing productivity. Everything from emails to briefs to medical records will be centrally stored and accessed under each Applicant's digital file. With this digital organization, more time may be spent on drafting legal arguments, litigation

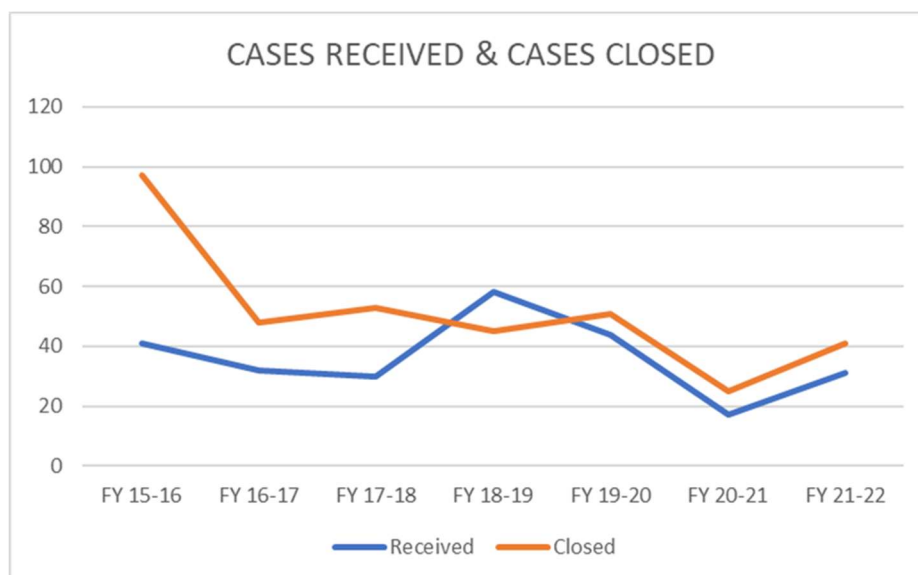
strategy, and legal research than thumbing through volumes of paper to locate a particular piece of supporting evidence or email printed from Outlook.

Increased efficiency will also support the DLO team in its universal effort to participate in LACERA-wide committees. Six of the DLO's members participated in Strategic Planning action planning teams (including Culture, Metrics, and Technology) with three DLO attorneys also working on follow-up teams to hone the various strategic plan objectives. Additionally, two DLO attorneys (Chief and Senior Staff Counsel) are actively participating in LACERA's Policy Committee (including editing LACERA-wide policies). All four attorneys (Chief and Senior Staff Counsels) are engaged in their respective Management Action Committee (MAC) and Supervisors Action Committee (SAC) teams, and regularly share updates from those monthly meetings with staff to foster transparency, teamwork, and productivity. In addition to committees, as day-to-day issues arise, the DLO conscientiously works with its business partners (such as Benefits, Member Services, and Disability Retirement Services) to streamline operations whenever indicated. The DLO is committed to the overall development of LACERA as a whole, well beyond the walls of the DLO suite.

INVENTORY OF CASES

The DLO has 78 active cases as of December 31, 2022. The average age of these active cases is 2 years, 3 months, and 10 days. Under Rule 32 of the Board's *Procedures for Disability Retirement Hearings*, Applicants must bring their cases to hearing within three years from the date the Applicant is notified of the assignment of the referee. Cases do not move forward until the Applicant files a prehearing statement. Respondent's deadline to file its prehearing statement is not triggered until Applicant (the moving party) first files its evidence.

The number of cases the DLO received versus those that have closed from FY 2015-2016 to FY 2021-2022 are demonstrated by the following graph:



Based on statistics from the last three fiscal years, the DLO anticipates it will receive approximately 25-30 regular disability retirement appeals in FY 2023-2024.

The average lifespan for all cases that were closed from 2011 to 2022 was 2 years, 7 months, and 29 days.

STAFFING

There are currently seven budgeted full-time positions in the DLO. No additional staff positions, nor temps, are requested at this time. We are requesting overtime to cover the Senior Legal Secretary who is heavily involved in the Case Management Solution project.

SERVICES AND SUPPLIES

The DLO budget request for services, supplies, travel, and transportation are relatively unchanged from last fiscal year. While we anticipate a slight increase in air travel fees, gas prices continue to decrease.

We are only anticipating one new conflict case in the upcoming fiscal year and have reduced our request for outside counsel funds accordingly.

FUTURE

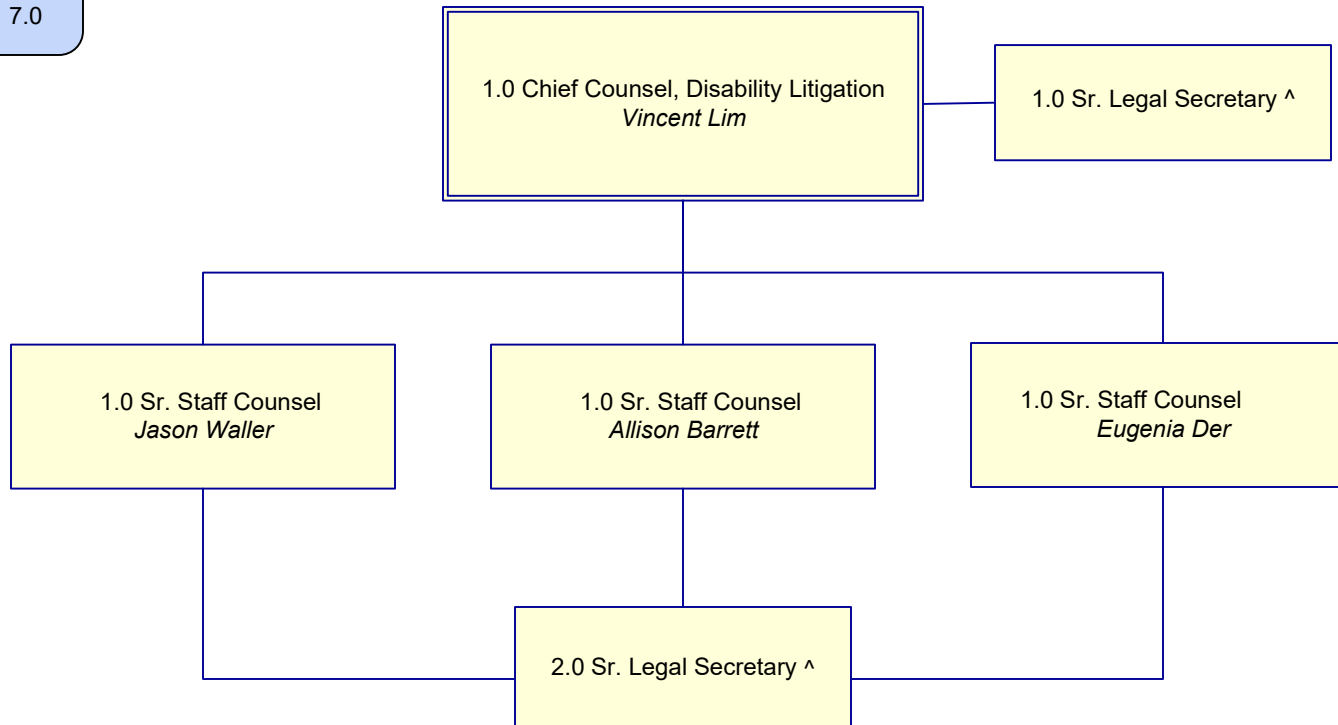
The DLO looks forward to working with its internal business partners in the ongoing move toward a fully electronic operation, to make our business operations and processes more efficient and to enhance employee productivity. We will continue to serve as active participants and subject-matter experts in the development and implementation of the Case Management Solution project; and to wholeheartedly engage in LACERA-wide committees for the advancement of our organization as a whole. We are fully committed to developing our staff with ongoing training in support of their long-term career goals. As always, the DLO will continue its mission of impartial justice -- to provide Applicants with full and fair hearings to ensure each determination on appeal is substantially supported by the facts and the law.

DISABILITY LITIGATION

FISCAL YEAR 2023-2024

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

2023-2024 Bud. Pos.: 7.0
2023-2024 Hiring Plan: 7.0



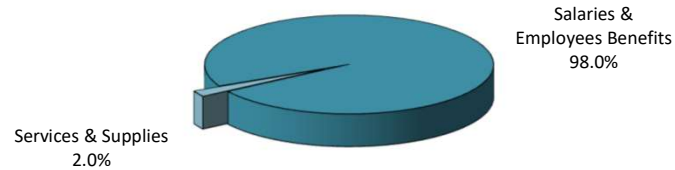
^ Position upgrade from Senior Management Secretary to Senior Legal Secretary as a result of classification study (Board of Supervisors approved on October 18, 2022).

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

DISABILITY LITIGATION

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$2,510,041	\$2,353,917	\$1,235,121	\$2,354,700	\$783	0.03%	\$156,124	6.6%
Services & Supplies	51,100	53,900	15,959	47,200	(6,700)	-12.4%	(2,800)	-5.2%
OPERATING BUDGET	\$2,561,141	\$2,407,817	\$1,251,080	\$2,401,900	(\$5,917)	-0.2%	\$153,324	6.4%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

DISABILITY LITIGATION

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$1,461,729	\$1,371,867	\$768,933	\$1,407,800	\$35,933	2.6%	\$89,862	6.6%
Total Agency Temp Salaries	0	9,800	0	0	(9,800)	-100.0%	(9,800)	-100.0%
Employee Benefits (Variable)	899,000	832,028	399,448	811,200	(20,828)	-2.5%	66,972	8.0%
Employee Benefits (Other)	93,690	86,707	39,896	85,000	(1,707)	-2.0%	6,983	8.1%
OPEB Contribution	51,923	46,014	26,336	48,700	2,686	5.8%	5,909	12.8%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	2,800	6,600	508	2,000	(4,600)	-69.7%	(3,800)	-57.6%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	900	900	0	0	(900)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$2,510,041	\$2,353,917	\$1,235,121	\$2,354,700	\$783	0.03%	\$156,124	6.6%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$2,510,041	\$2,353,917	\$1,235,121	\$2,354,700	\$783	0.03%	\$156,124	6.6%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

DISABILITY LITIGATION

2023-2024 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
09215A	CHIEF COUNSEL, DISABILITY LITIGATION	1	LS18	26,415	316,985			
09213A	SENIOR STAFF COUNSEL	3	LS16	64,957	779,482			
00441A	SENIOR LEGAL SECRETARY	3	101H	25,938	311,253			
	POSITIONS	7			1,407,720			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
	POSITIONS	0			0			
	TOTAL POSITIONS	7						
	GROSS SALARIES				1,407,720			
	ANTICIPATED MOU SALARY INCREASE**				21,116			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				32,894			
	BONUS				0			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				1,461,729			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

DISABILITY LITIGATION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
AUTO EXPENSE	\$2,400	\$2,900	\$315	\$2,400	(\$500)	-17.2%	(\$500)	-17.2%
TRANSPORTATION & TRAVEL	7,100	6,500	0	5,200	(1,300)	-20.0%	600	9.2%
OFFICE SUPPLIES & EQUIPMENT	1,800	2,000	127	1,800	(200)	-10.0%	(200)	-10.0%
LEGAL FEES & SERVICES	3,000	5,500	0	4,500	(1,000)	-18.2%	(2,500)	-45.5%
EDUCATIONAL EXPENSES	36,500	36,500	15,517	33,000	(3,500)	-9.6%	0	0.0%
MISCELLANEOUS	300	500	0	300	(200)	-40.0%	(200)	-40.0%
TOTAL	\$51,100	\$53,900	\$15,959	\$47,200	(\$6,700)	-12.4%	(\$2,800)	-5.2%

*All amounts rounded to the nearest dollar.

DISABILITY LITIGATION

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$1,294,960	\$1,274,122	\$1,371,867	\$1,407,800	\$1,461,729
Total Agency Temp Salaries	0	0	9,800	0	0
Employee Benefits (Variable)	729,886	685,748	832,028	811,200	899,000
Employee Benefits (Other)	77,393	77,856	86,707	85,000	93,690
OPEB Contribution	37,991	44,717	46,014	48,700	51,923
OPEB Contribution (Budget Surplus)	0	37,991	0	0	0
Stipends	0	0	0	0	0
Overtime	0	0	6,600	2,000	2,800
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	900	0	900	0	900
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Auto Expenses	3,000	1,498	2,900	2,400	2,400
Transportation & Travel	6,800	4,378	6,500	5,200	7,100
Office Supplies & Equipment	1,500	1,652	2,000	1,800	1,800
Legal Fees & Services	7,500	46	5,500	4,500	3,000
Educational Expenses	33,000	33,523	36,500	33,000	36,500
Miscellaneous	700	0	500	300	300
TOTAL OPERATING BUDGET	\$2,193,630	\$2,161,531	\$2,407,817	\$2,401,900	\$2,561,141

*All amounts rounded to the nearest dollar.

DISABILITY RETIREMENT SERVICES

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

To administer the LACERA disability retirement program in an equitable, timely, accurate, and courteous manner consistent with applicable laws, policies, and procedures.

INTRODUCTION

The Disability Retirement Services Division (DRS) is responsible for investigating and evaluating disability retirement applications submitted by active, retired, and deferred members of LACERA, as well as survivor- and employer-filed applications. Staff presents recommendations to the Board of Retirement, which is the governing board responsible for adjudicating each application. Staff also administers the disability appeals process in conjunction with Disability Litigation and serves as the official Custodian of Record for all disability retirement files. This role requires Disability Retirement Services to act as the Clerk of the Board in administrative hearings.

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

Our division is purpose-driven and people-focused. We recognize that we serve a vulnerable population. Members who file for disability are uniquely situated, as they must navigate a complex system that requires them to know and understand their rights and responsibilities to make informed decisions about benefit options. These benefits are not exclusively related to disability retirement or LACERA. Our staff and membership must often understand complicated benefit structures related to workers' compensation, short- or long-term disability, Social Security, and the interplay between each benefit. They must also understand and have an awareness of the Americans with Disabilities Act (ADA) and

California's Fair Employment and Housing Act (FEHA) laws as they request accommodations from their employer and actively participate in the interactive process.

To provide our membership with a superior member experience, DRS recognizes that a high level of engagement is often required. Disability Retirement is ultimately a high-touch process with nuanced decision-making points.

Our objective is to educate our people, members, plan sponsor, vendors, and business partners. Education will be done through formal training, coaching, and counseling through hands-on and lived experiences, and through frequent and ongoing feedback. DRS will do this to empower all vested parties and execute our mission.

Finalization of the case management system (CMS) implementation will be vital to our future success as we strive to achieve our objective by leveraging our new tool while also expanding capacity and adding staff to support the investigation process.

DIVISION UPDATE

Case Management

With the implementation of our CMS, called Sol, by the end of FY 2022-23, DRS will be well positioned to begin tackling the increasing workload and future challenges discussed below.

As a software tool, Sol is being designed to better manage the lifecycle of a case. It automates manual processes, streamlines workflows, and provides greater access to data. The access to data will facilitate collaboration, as it will make information easily accessible to our team members. As a result, it will assist our team in making decisions on how to optimize workflows and increase the overall efficiency of the division and organization, which will directly impact service delivery to our members.

Additional benefits of Sol are listed below:

- Reduce/contain processing time
- Improve accuracy of data
- Improve supervisory oversight
- Improve claim development

The benefits of Sol will ultimately save LACERA time and money through improved efficiency and accuracy. Prior to Sol, most DRS business processes were manually performed. Not only is that time consuming, but there is also an increased chance of error. With Sol, processing time will be reduced through automation, such as automatic generation of letters and Board agendas and partial automation of assembling board packets. Currently, DRS staff may need to search through multiple databases for information about a claim, which is time consuming. With Sol, the information will be consolidated in one location. In addition, data automatically captured by Sol will assist

with metrics and reporting, whereas currently, data for reports needs to be manually gathered and inputted. As a result, staff will be able to generate more specific reports more quickly than ever before.

Sol will also provide increased accuracy. Each business process is automatically tracked in the system. That will allow the investigator or supervisor to access both the detailed and high-level views of the work being performed. Furthermore, DRS's business processes will be programmed in Sol. As a result, the system will assist staff by making sure every business step is performed, reducing the chances for error. Sol's automatic notification features will also alert staff about case issues as they arise, which will reduce delays in processing claims. These benefits and more from Sol will allow greater visibility in DRS's process, which will allow us to make well informed decisions and improve organizational performance.

Although Sol will improve efficiency and accuracy, it cannot reduce headcount due to the high-touch and sensitive nature of the work performed in DRS, which requires a personal touch.

Currently, DRS has three supervisors who are dedicated to project development and implementation of Sol. Once Sol is near completion, approximately a third of the division will be involved in user testing. Finally, during deployment of Sol, the entire division will receive ongoing training as the team transitions to the new CMS.

My LACERA

The future state of LACERA and our focus on the member experience, related journeys, and omnichannel approach includes a robust self-service option on My LACERA. With the soft launch of the online disability retirement application on September 8, 2022, DRS is excited to leverage the use of technology to engage our membership in the most meaningful and effective way. This self-service option may be a matter of preference or convenience for the member, who can complete their application from the comfort of their home and at their own pace. It has also allowed the DRS intake team to have real-time tracking and monitoring, so we are able to proactively reach out to any member and offer guidance and support. This type of visibility is not available to our team with a paper application.

STAFF DEVELOPMENT AND SUCCESSION PLANNING

DRS recognizes the importance of staff development and succession planning. Our focus this fiscal year will be on building the infrastructure to support the implementation of a career path for administrative support staff, which includes finalizing the new classification titled Disability Retirement Support Specialist I.

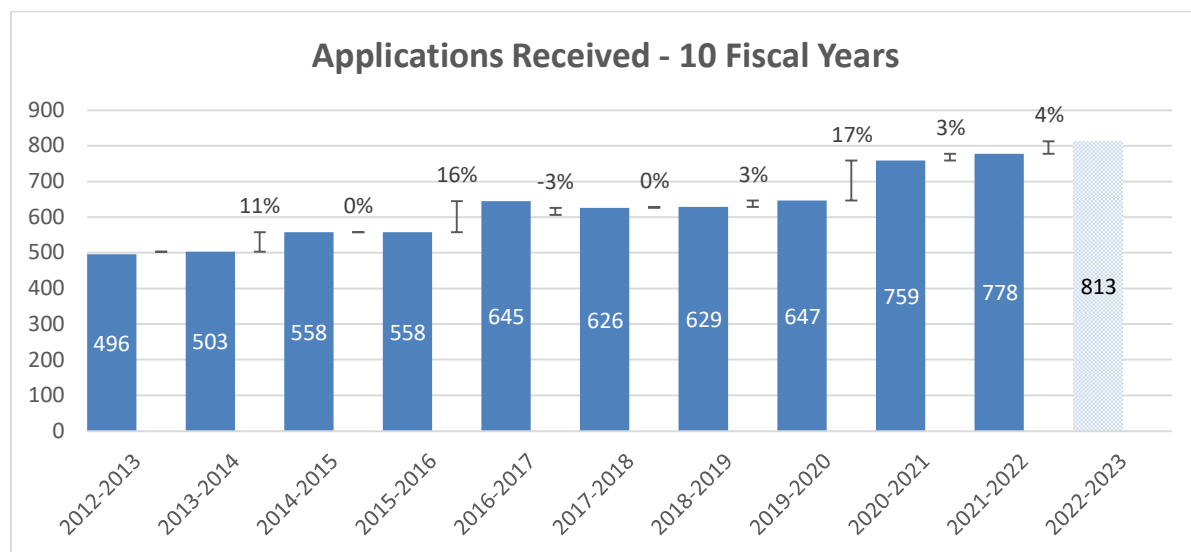
DRS continues to develop staff through our administrative support staff training opportunity, which allows staff to learn how to investigate applications for disability retirement and provides additional staff to help process cases.

We strive to cross train our team and leverage tools like Udemy to design and deliver customized training to support and encourage employee development and preserve institutional knowledge. This is vital as a third of our leadership team will become retirement ready in the next decade.

In the next fiscal year, DRS will look at reorganizing the team to create a Member Care and Administrative Section and consolidate our core business functions of case processing and agenda management under one Section Head. This will require an additional level of leadership and oversight to ensure the integrity of processes and the quality of case management continue as we expand capacity and focus on the member experience.

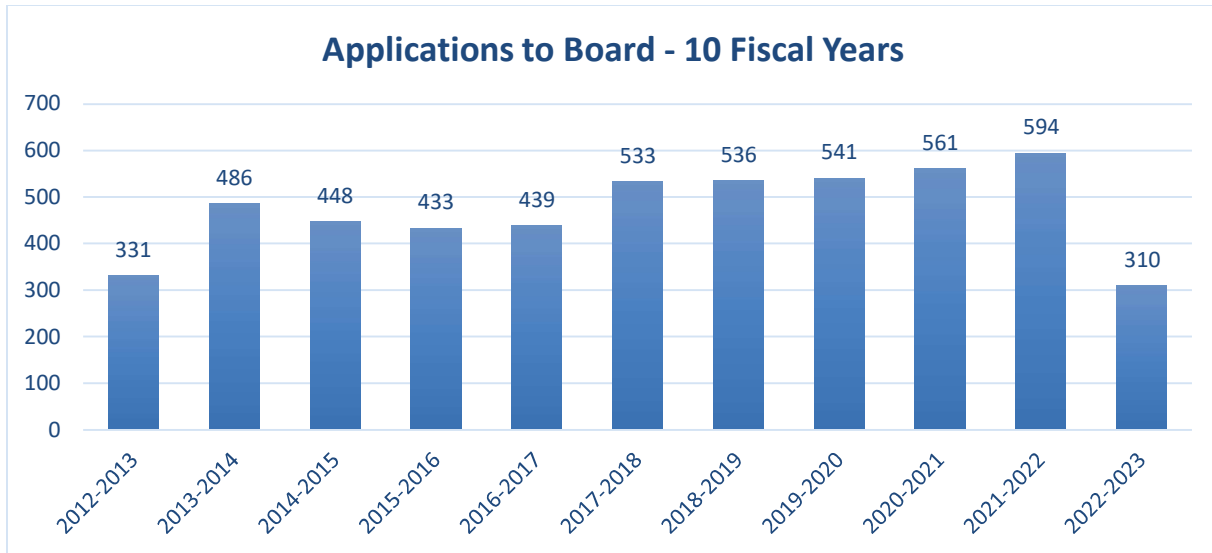
DISABILITY RETIREMENT CASE INVENTORY AND TRENDS

There continues to be an upward trend in the number of disability retirement applications received annually. To date, we received approximately 57 percent more cases than we did in FY 2012-13 with an annual average increase of approximately 4.6 percent. Consequently, our current pending caseload is a record 881 cases.



2022-2023 – Projection based on 4.6% average growth rate

Our average annual case production over the last five years is 553. In FY 2021-22, our case production increased by 6 percent from the previous fiscal year, with staff adjudicating 594 total cases.



When fully staffed, DRS case processing capacity is 672 cases. Although we are operating at near capacity given our vacancy rate and staff leave of absences, we are unable to keep pace with the continual increase in incoming applications.

STAFFING

Given this increasing and complex workload, DRS is requesting additional staff this year to expand case processing capacity. DRS currently has 41 budgeted full-time positions. We are requesting three additional team members at the Senior Disability Retirement Specialist level to expand capacity and contain processing time. This would result in 44 budgeted full-time positions.

A focus on continuous improvement, changes to our organizational structure, and modification to policy and procedures allowed DRS to increase productivity over the last decade; however, we remain unable to keep pace with the steady increase of disability retirement application filings.

Factually and anecdotally, this steady increase has several contributing factors:

Contributing Factors	Commentary
Aging Population	By 2030, every Baby Boomer will be age 65 or older, which means that one out of every five U.S. citizens will be of retirement age. Meola, A. (2022, April 21). US Aging Population Problems & Healthcare Issues. Insider Intelligence. https://www.insiderintelligence.com/insights/aging-population-healthcare/
PEPRA	As of January 1, 2023, all LACERA members are now in contributory plans and eligible to apply for disability retirement. Population filing has quadrupled since 2017.

Cultural Climate/Shifts	<ul style="list-style-type: none"> • Civil Unrest: Safety member filings have increased by 31 percent since 2019. • Increasing mental health crises and related disability: Psychiatric claims are more challenging to process. • COVID-19
Plan Sponsor	The newly implemented disability compliance framework has resulted in increased employer-filed applications, counseling, coordination, and education of department personnel.

More challenges lie ahead with anticipated workload increases and necessary collaboration with the plan sponsor as they continue to implement their newly designed disability compliance framework. DRS anticipates a substantial increase in disability applications as the departments aggressively review their employees who are on long-term leave and in accommodated positions. DRS management and the Legal team have met with L.A. County DHR and their vendor on several occasions to discuss the impact of the changes being made to the County’s former Return to Work Program. The newly minted disability compliance framework will require LACERA to educate department personnel via regular and ongoing outreach as they file for disability retirement, request salary supplements, and discuss accommodation issues at both the department and Countywide level. The level of member interaction and education will also increase. Contact will need to be established early and maintained often to ensure the member is well informed before making decisions that will impact their employment relationship with the County, including salary and healthcare as well as other benefit entitlements mentioned above. This will require an additional focus on member care from the onset of the application process.

With the implementation of Sol by the end of FY 2022-23, DRS will be well positioned to begin tackling the increasing workload and future challenges. As we continue to embrace a growth mindset of continuous improvement, we also want to look beyond the next couple of years and well into the future, with a goal of processing 60 cases per month with 75 percent being processed within 12 months.

In addition to the Sol implementation and streamlining efforts, the proposed staffing plan will facilitate our goal accomplishment. In summation, staff is requesting a total of three new positions in FY 2023-24 to expand capacity.

Overtime

Last fiscal year the Executive Office and Human Resources approved a proposed pilot training opportunity for administrative support staff, which will continue in FY 2023-24 due to its success. As mentioned above, this program is also vital to staff development and succession planning. Overtime is needed for staff to successfully participate in the pilot program.

Additionally, DRS supervisors will be required to work overtime to ensure a successful implementation of our CMS.

The table below illustrates the overtime budget needed for:

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

Position	No. Staff	Total Hours Year	Total
Staff Assistant II (Pilot)	2	600	\$ 35,300
Senior Typist Clerk (Pilot)	1	300	\$ 12,300
SME Supervisor (Case Management)	5	500	\$ 43,100
Sr. Administrative Assistant (Deadlines, Statistics and Special Projects)	1	120	\$ 6,700
Senior DRS (Case Processing)	1	80	\$ 6,200
TOTAL		1,600	\$ 103,600

Agency Temps

DRS currently has vacancies and is requesting two agency-temporary positions to support the administrative support staff participating in the pilot training opportunity and due to the increase in applications received at intake.

SERVICES AND SUPPLIES

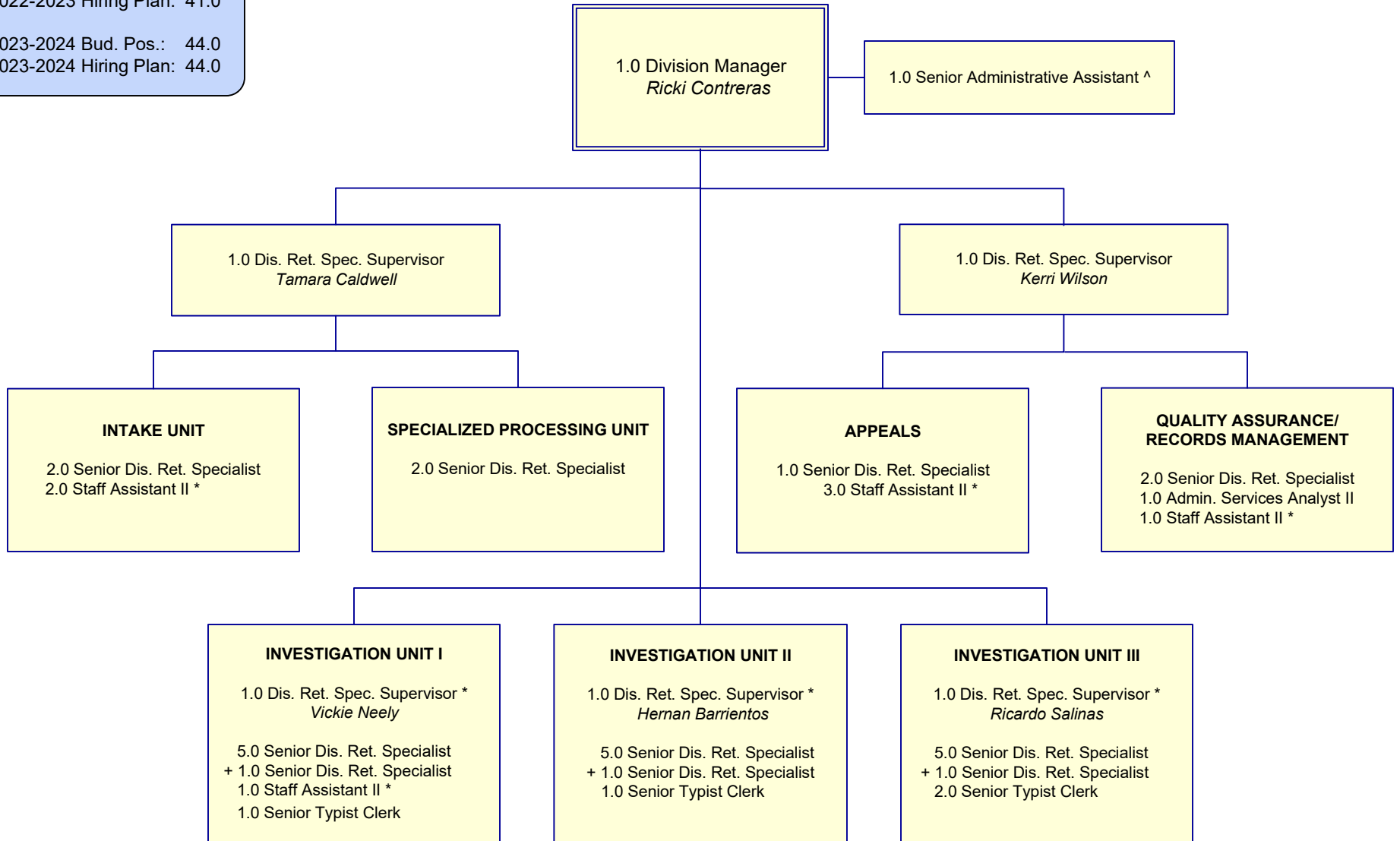
The DRS budget request for services, supplies, travel, and transportation are relatively unchanged from last fiscal year.

DISABILITY RETIREMENT

FISCAL YEAR 2023-2024

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

2023-2024 Bud. Pos.: 44.0
 2023-2024 Hiring Plan: 44.0



+ Added position

* Classification and/or compensation study requested.

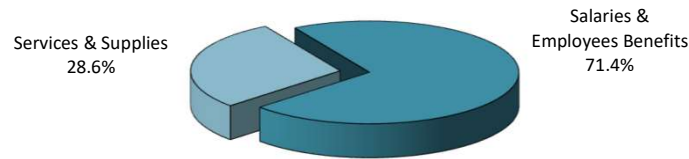
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

DISABILITY RETIREMENT

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$8,428,093	\$7,514,693	\$3,841,453	\$7,453,500	(\$61,193)	-0.81%	\$913,400	12.2%
Services & Supplies	3,369,000	3,425,100	1,838,166	3,049,600	(375,500)	-11.0%	(56,100)	-1.6%
OPERATING BUDGET	\$11,797,093	\$10,939,793	\$5,679,619	\$10,503,100	(\$436,693)	-4.0%	\$857,300	7.8%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

DISABILITY RETIREMENT

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$4,579,337	\$4,134,839	\$2,282,758	\$4,283,200	\$148,361	3.6%	\$444,498	10.8%
Total Agency Temp Salaries	138,100	129,000	29,070	77,400	(51,600)	-40.0%	9,100	7.1%
Employee Benefits (Variable)	3,140,378	2,675,028	1,263,799	2,568,600	(106,428)	-4.0%	465,350	17.4%
Employee Benefits (Other)	293,514	261,338	120,449	256,200	(5,138)	-2.0%	32,176	12.3%
OPEB Contribution	162,664	138,688	95,857	177,000	38,312	27.6%	23,976	17.3%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	103,600	165,300	47,736	88,200	(77,100)	-46.6%	(61,700)	-37.3%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	6,000	6,000	1,784	2,900	(3,100)	-51.7%	0	0.0%
Rideshare Allowance	4,500	4,500	0	0	(4,500)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$8,428,093	\$7,514,693	\$3,841,453	\$7,453,500	(\$61,193)	-0.8%	\$913,400	12.2%
Salary Differential	-	-	-	-	-		-	
TOTAL S&EB	\$8,428,093	\$7,514,693	\$3,841,453	\$7,453,500	(\$61,193)	-0.81%	\$913,400	12.2%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

DISABILITY RETIREMENT

2023-2024 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00773A	DIVISION MANAGER	1	LS12	17,116	205,394			
01643A	DISABILITY RETIRE. SPECIALIST SUPV.	5	109A	52,785	633,420			
01632A	SENIOR DISABILITY RETIRE. SPECIALIST	21	105A	195,404	2,344,853			
00420A	ADMINISTRATIVE SERVICES ANALYST II	1	96C	8,045	96,538			
00427A	STAFF ASSISTANT II	6	94L	42,863	514,360			
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	93A	6,840	82,080			
00446A	SENIOR TYPIST CLERK	4	81H	21,254	255,049			
POSITIONS		39			4,131,695			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
01632A	SENIOR DISABILITY RETIRE. SPECIALIST	4	105A	7,221	86,652		259,956	
00427A	STAFF ASSISTANT II	1	94L	5,493	65,912			32,956
						0	259,956	32,956
POSITIONS		5			292,912			
TOTAL POSITIONS		44						
GROSS SALARIES					4,424,607			
ANTICIPATED MOU SALARY INCREASE**					66,369			
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE					17,378			
BONUS					70,984			
120-DAY RETIREE(S)					0			
TOTAL SALARIES					4,579,337			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

DISABILITY RETIREMENT

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$7,700	\$8,000	\$791	\$5,500	(\$2,500)	-31.3%	(\$300)	-3.8%
OFFICE SUPPLIES & EQUIPMENT	5,000	5,800	561	5,000	(800)	-13.8%	(800)	-13.8%
PROFESSIONAL & SPEC. SRVCS.	235,000	230,000	69,196	230,000	0	0.0%	5,000	2.2%
LEGAL FEES & SERVICES	20,000	25,000	3,846	20,000	(5,000)	-20.0%	(5,000)	-20.0%
DISABILITY FEES & SERVICES	3,090,300	3,145,300	1,763,571	2,780,600	(364,700)	-11.6%	(55,000)	-1.7%
EDUCATIONAL EXPENSES	10,700	10,700	202	8,200	(2,500)	-23.4%	0	0.0%
MISCELLANEOUS	300	300	0	300	0	0.0%	0	0.0%
TOTAL	\$3,369,000	\$3,425,100	\$1,838,166	\$3,049,600	(\$375,500)	-11.0%	(\$56,100)	-1.6%

*All amounts rounded to the nearest dollar.

DISABILITY RETIREMENT

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$3,971,485	\$3,692,430	\$4,134,839	\$4,283,200	\$4,579,337
Total Agency Temp Salaries	143,000	43,941	129,000	77,400	138,100
Employee Benefits (Variable)	2,467,442	2,167,881	2,675,028	2,568,600	3,140,378
Employee Benefits (Other)	237,356	240,036	261,338	256,200	293,514
OPEB Contribution	116,515	147,811	138,688	177,000	162,664
OPEB Contribution (Budget Surplus)	0	116,515	0	0	0
Stipends	0	0	0	0	0
Overtime	16,100	43,275	165,300	88,200	103,600
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	6,000	3,429	6,000	2,900	6,000
Rideshare Allowance	4,500	0	4,500	0	4,500
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	8,000	1,970	8,000	5,500	7,700
Office Supplies & Equipment	6,000	311	5,800	5,000	5,000
Professional & Specialized Services	224,500	271,335	230,000	230,000	235,000
Legal Fees & Services	20,000	19,219	25,000	20,000	20,000
Disability Fees & Services	2,665,500	2,252,937	3,145,300	2,780,600	3,090,300
Educational Expenses	10,700	4,364	10,700	8,200	10,700
Miscellaneous	300	0	300	300	300
TOTAL OPERATING BUDGET	\$9,897,398	\$9,005,456	\$10,939,793	\$10,503,100	\$11,797,093

*All amounts rounded to the nearest dollar.



EXECUTIVE OFFICE

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

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

INTRODUCTION

The Executive Office, with broad oversight from the Boards of Retirement and Investments, sets the organizational vision and provides direction to staff to effectively implement LACERA's mission—to produce, protect, and provide the promised benefits. The Executive Office seeks to simplify and improve how LACERA's mission is achieved through its people, systems, policies, and processes.

FY 2022-2023 ACCOMPLISHMENTS

The Executive Office's focus in FY 2022-23 was on simplifying and improving LACERA's most basic operational and administrative processes to serve our members more effectively and efficiently. Much of the work we spearheaded is highlighted in various divisions, but some additional highlights are reflected below:

Return to Office/Hybrid Work Environment

After more than two years since the COVID-19 pandemic upended the way we perform our work and provide services to our members, LACERA transitioned to a hybrid work environment, made possible by the development and implementation of a Telework Policy. While we are still working on the optimal balance of remote and office days, we now have the ability to grant greater flexibility for staff and encourage in-person

collaboration and connection with professional colleagues, while maintaining productivity and service levels.

OneMeeting

We have successfully transitioned our Board management software solution from BoardVantage to OneMeeting (formerly PrimeGov), allowing for significant efficiencies, including agenda and meeting material development, accurate recording of motions and votes, and development of meeting minutes.

Hiring Plan and Transparency

After extensive collaboration with division managers, we have developed a comprehensive hiring plan strategy that aggressively leverages limited available resources to attack our high vacancy rate and better serve our internal customers. This plan has been shared with staff and the Boards, and the status of exams is now available for staff and managers on LACERA Connect and updated monthly. Additionally, the Human Resources Division completed its draft of a comprehensive hiring guide for LACERA managers. The final draft is expected to be completed and fully implemented in the current fiscal year and will ensure that all division managers understand LACERA's hiring process and the county, state and federal requirements.

Strategic Plan

With the assistance of an outside consultant, the Executive Office solicited extensive feedback from staff, the Board, our plan sponsors, and all members via forums and surveys as part of our strategic planning process. The proposed strategic priorities will be discussed during our Board of Retirement Offsite Committee meeting scheduled in February, and we expect Board adoption in April, allowing us to focus on implementation in FY 2023-24.

Case Management

After an extensive needs assessment and solicitation process, LACERA selected a vendor to implement the first three phases of our Case Management System and we are on target to complete this first phase this fiscal year. This solution's impact on our manual processes will be transformational.

Policy Development

To ensure LACERA policies are developed and implemented in a timely and consistent manner and reviewed regularly, the Executive Office developed a Policy Committee that established a Policy on Policies and a review process. This committee also ensures that new or revised policies are shared with staff and published on LACERA Connect.

PROPOSED FY 2023/2024 ACTIVITIES

In FY 2023-24, the Executive Office will be focusing on implementing the strategic plan and continuing to emphasize the importance of elevating the maturity of LACERA's administrative operations. Management will be supporting staff in each of our strategic priorities and will continue to focus on improving and simplifying how we do our work to achieve our mission to produce, protect and provide the promised benefits to our members.

STAFFING

No new permanent positions are requested for the Executive Office in FY 2023-24; however, the office does plan to engage an intern for the first time. While the specific work plan for an intern is yet to be determined, the intent is to provide an opportunity for a student to gain exposure to retirement plan administration, general management, and the vast array of employment options the County of Los Angeles offers. Providing this exposure helps our Diversity, Equity and Inclusion (DEI) efforts and offers insight into how to prepare LACERA to adapt to the needs and desires of future Generation Z employees.

Currently, the Special Assistant position created in FY 2021-22 is vacant, and recruitment is expected by December 31, 2023. Therefore, only six months funding is included for this position.

The Information Security Office was created in FY 2021-22 to separate information security functions from Systems Division and was filled with temporary IT security professionals. Recruitment is currently underway for the Information Security Officer position, which supervises the group, and it is expected to be filled by a permanent staff member in the current fiscal year. Based on the current hiring plan, it is anticipated that recruitments will be completed for three of the four remaining staff positions by December 2023. Funding for permanent and temporary staffing have been adjusted to reflect this hiring plan.

SERVICES AND SUPPLIES

The Executive Office has outlined its needs for services and supplies in FY 2023-24, which total \$671,800—a decrease of \$255,300 from the FY 2022-23 Adopted Budget of \$927,100. Additional details are outlined below.

Transportation and Travel: The Executive Office plans to increase funding for transportation and travel by \$27,800 in FY 2023-24, from \$22,000 to \$49,800. For the past several years, travel has been limited due to the COVID-19 pandemic. However, as we fully transition to the endemic phase, travel associated with training and due diligence is expected to fully resume. Executive Office management staff will be participating in

several educational conferences, including IFEBP, SACRS, CALAPRS, as well as the Milken Institute and Wharton School. Additionally, the Information Security team will be participating in educational conferences, BlackHat, and RSA. This training and education is critical to ensure LACERA executives and Information Security staff keep abreast of industry trends and advancements. Some members of the Executive Office, including the Information Security Office, may also be required to travel for due diligence purposes.

Professional and Specialized Services: The Executive Office utilizes a variety of professional and specialized services. For FY 2023-24, funding totaling \$517,000 is requested, a decrease of \$317,800 from FY 2022-23. Funding adjustments are outlined by category below:

Strategic Planning: One-time funding for strategic planning is expected to decrease from \$321,000 in FY 2022-23 to \$25,000 in FY 2023-24. The major work associated with this initiative will be complete, but a small contingency amount of \$25,000 is proposed to continue to address ad hoc work related to strategic planning that may be required throughout the fiscal year.

Public and Media Relations: Funding totaling \$250,000 is requested. The FY 2022-23 budget includes \$125,000 for public and media relations and expects to expend approximately \$100,000. The Executive Office plans to maintain funding totaling \$100,000 for general public and media relations activities and seeks to provide an additional \$150,000 for services that specialize in investments and/or financial services to be expended on an as-needed basis.

Software and Subscriptions: The Information Security Office requires funding totaling \$62,000, an increase of \$25,000 over FY 2022-23 for threat intelligence services. Additionally, the Information Security Office collaborated with Systems Division and recommended mail gateway security enhancements to be included in the Systems Division budget.

Security Assessment: Funding for annual penetration testing is estimated to remain flat at approximately \$100,000.

Improvement Projects: Funding for ad hoc improvement projects that may be necessary to implement audit findings and/or strategic planning initiatives remains flat at \$80,000.

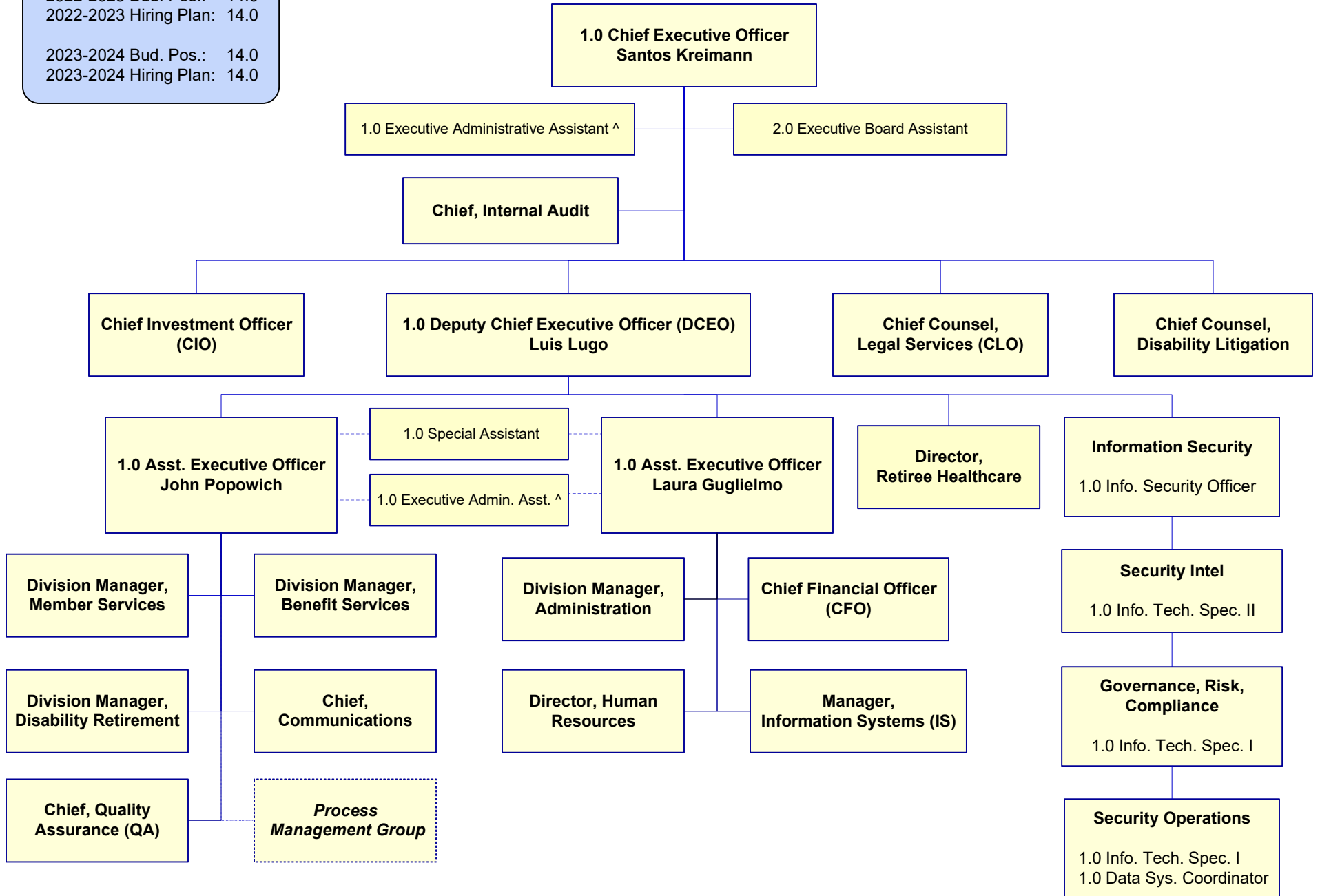
Educational Expenses: Funding totaling \$78,500 for professional memberships, registrations fees, and educational materials is requested for FY 2023-24. This represents an increase of \$34,500. Participation at professional conferences has been greatly

curtailed as a result of the COVID-19 pandemic, and it is crucial that executives and information security professionals maintain and enhance their industry-specific training and affiliations.

EXECUTIVE OFFICE

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 14.0
 2022-2023 Hiring Plan: 14.0
 2023-2024 Bud. Pos.: 14.0
 2023-2024 Hiring Plan: 14.0



^ Position upgrade from Executive Secretary to Executive Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

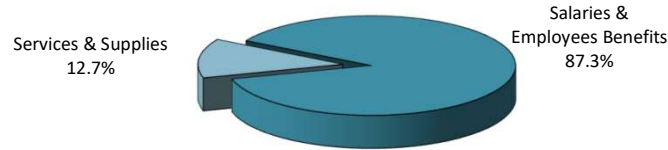
Process Management Group (pending)

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

EXECUTIVE OFFICE

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$4,604,615	\$4,467,051	\$2,228,171	\$4,222,100	(\$244,951)	-5.5%	\$137,564	3.1%
Services & Supplies	671,800	927,100	401,406	871,900	(55,200)	-6.0%	(255,300)	-27.5%
OPERATING BUDGET	\$5,276,415	\$5,394,151	\$2,629,577	\$5,094,000	(\$300,151)	-5.6%	(\$117,736)	-2.2%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

EXECUTIVE OFFICE

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$2,218,354	\$1,939,134	\$934,336	\$1,784,800	(\$154,334)	-8.0%	\$279,220	14.4%
Total Agency Temp Salaries	645,200	1,129,700	657,542	1,129,700	0	0.0%	(484,500)	-42.9%
Employee Benefits (Variable)	1,418,876	1,106,359	507,348	1,046,400	(59,959)	-5.4%	312,517	28.2%
Employee Benefits (Other)	142,186	130,567	60,078	128,000	(2,567)	-2.0%	11,619	8.9%
OPEB Contribution	78,799	69,290	31,312	57,900	(11,390)	-16.4%	9,509	13.7%
Stipends	65,000	65,000	25,653	51,400	(13,600)	-20.9%	0	0.0%
Overtime	27,600	25,600	11,902	23,900	(1,700)	-6.6%	2,000	7.8%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	1,400	1,400	0	0	(1,400)	-100.0%	0	0.0%
Transportation Allowance	7,200	0	0	0	0	0.0%	7,200	0.0%
ADJUSTED GROSS S&EB	\$4,604,615	\$4,467,051	\$2,228,171	\$4,222,100	(\$244,951)	-5.5%	\$137,564	3.1%
Salary Differential	-	-	-	-	-		-	
TOTAL S&EB	\$4,604,615	\$4,467,051	\$2,228,171	\$4,222,100	(\$244,951)	-5.5%	\$137,564	3.1%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

EXECUTIVE OFFICE

2023-2024 BUDGET

<u>FILLED POSITIONS</u>		<u># POS.</u>	<u>SCHEDULE</u>	<u>ACTUAL MO. RATE</u>	<u>ANNUAL AMOUNT</u>			
00776L	CHIEF EXECUTIVE OFFICER	1		40,374	484,486			
00770A	DEPUTY CHIEF EXECUTIVE OFFICER (UC)	1	LR18	23,029	276,354			
00792A	ASSISTANT EXECUTIVE OFFICER (UC)	2	LS16	42,441	509,295			
00745A	EXECUTIVE BOARD ASSISTANT	2	107E	20,198	242,376			
00442A	EXECUTIVE ADMINISTRATIVE ASSISTANT	2	104B	18,482	221,784			
	POSITIONS	8			1,734,294			
<u>VACANT POSITIONS</u>		<u># POS.</u>	<u>SCHEDULE</u>	<u>1ST STEP MO. RATE</u>	<u>ANNUAL AMOUNT</u>	<u>FILLED AT 12 MONTHS</u>	<u>FILLED AT 9 MONTHS</u>	<u>FILLED AT 6 MONTHS</u>
00775A	SPECIAL ASSISTANT	1	LS12	11,308	135,701			67,850
00806A	INFORMATION SECURITY OFFICER	1	LS12	11,308	135,701	135,701		
00802A	INFORMATION TECHNOLOGY SPECIALIST II	1	126B	12,795	153,539			76,769
00801A	INFORMATION TECHNOLOGY SPECIALIST I	2	120L	11,118	133,415			133,415
00469A	DATA SYSTEMS COORDINATOR	1	113J	9,151	109,808			
	POSITIONS	6			413,735	135,701	0	278,035
	TOTAL POSITIONS	14						
	GROSS SALARIES				2,148,030			
	ANTICIPATED MOU SALARY INCREASE**				32,220			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				38,104			
	BONUS				0			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				2,218,354			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.

[Represented positions shown in blue.](#)

Vacancies are shown at the 1st Step.

*All amounts rounded to the nearest dollar.

** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

EXECUTIVE OFFICE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
AUTO EXPENSE	\$13,000	\$12,300	\$5,449	\$11,500	(\$800)	-6.5%	\$700	5.7%
TRANSPORTATION & TRAVEL	49,800	22,000	4,844	17,600	(4,400)	-20.0%	27,800	126.4%
OFFICE SUPPLIES & EQUIPMENT	3,000	3,500	527	3,000	(500)	-14.3%	(500)	-14.3%
PROFESSIONAL & SPEC. SRVCS.	517,000	834,800	368,274	779,800	(55,000)	-6.6%	(317,800)	-38.1%
EDUCATIONAL EXPENSES	78,500	44,000	19,802	50,000	6,000	13.6%	34,500	78.4%
MISCELLANEOUS	10,500	10,500	2,510	10,000	(500)	-4.8%	0	0.0%
TOTAL	\$671,800	\$927,100	\$401,406	\$871,900	(\$55,200)	-6.0%	(\$255,300)	-27.5%

*All amounts rounded to the nearest dollar.

EXECUTIVE OFFICE

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$1,908,555	\$1,556,341	\$1,939,134	\$1,784,800	\$2,218,354
Total Agency Temp Salaries	0	0	1,129,700	1,129,700	645,200
Employee Benefits (Variable)	1,051,621	861,150	1,106,359	1,046,400	1,418,876
Employee Benefits (Other)	123,933	124,674	130,567	128,000	142,186
OPEB Contribution	60,837	57,552	69,290	57,900	78,799
OPEB Contribution (Budget Surplus)	0	60,837	0	0	0
Stipends	65,000	50,631	65,000	51,400	65,000
Overtime	25,600	472	25,600	23,900	27,600
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	1,400	0	1,400	0	1,400
Transportation Allowance	7,200	0	0	0	7,200
SERVICES & SUPPLIES					
Auto Expenses	12,300	8,309	12,300	11,500	13,000
Transportation & Travel	17,000	13,859	22,000	17,600	49,800
Office Supplies & Equipment	4,500	868	3,500	3,000	3,000
Professional & Specialized Services	205,000	87,900	834,800	779,800	517,000
Educational Expenses	64,000	28,320	44,000	50,000	78,500
Miscellaneous	16,000	8,059	10,500	10,000	10,500
TOTAL OPERATING BUDGET	\$3,562,946	\$2,858,971	\$5,394,151	\$5,094,000	\$5,276,415

*All amounts rounded to the nearest dollar.

FINANCIAL & ACCOUNTING SERVICES (FASD)

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

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

INTRODUCTION

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

SUMMARY

FASD's budget request seeks to ensure financial transactions are completed timely and accurately, financial reporting quality is maintained, and LACERA's operations and organizational initiatives are supported, while risks are mitigated and change is managed. To accomplish this, FASD requests authorization to:

1. Delete one Accounting Officer II position overseeing the Reporting and Compliance Section.
2. Fund one Accountant position in the Reporting and Compliance Unit (RCU) to substitute for the deleted Accounting Officer II position. This Accountant position will ensure the current workflow is maintained; strengthen the ability to manage major projects, including actuarial and financial statement reporting; and assume additional monthly and quarterly reporting requirements.

3. Delete one Accounting Technician I in the Disbursements Unit to upgrade the position to Accountant.
4. Fund one Accountant position within the Disbursements Unit to substitute for the deleted Accounting Technician I position. The duties and responsibilities of the Accounting Technician position have become more complex over time and are now consistent with those assigned to the higher-level Accountant position.

DIVISIONAL GOALS AND OBJECTIVES

Goal: To complete financial transactions and deliver financial and actuarial reports in accordance with statutory deadlines.

Objectives:

Financial Reports

- Process corporate and investment accounting transactions accurately, timely, and in accordance with Generally Accepted Accounting Principles (GAAP)
- Prepare annual financial statements in compliance with Governmental Accounting Standards Board (GASB) reporting requirements
- Transmit final reports to external agencies, including the County of Los Angeles and federal and state agencies

Actuarial Reports

- Coordinate actuarial projects for the Pension Plan and Other Post-Employment Benefits (OPEB) Program with external consulting actuaries
- Obtain LACERA Board approval by preparing memos, meeting materials, and presenting information
- Communicate final Pension Plan reports to the County of Los Angeles Board of Supervisors for approval and adoption of annual employer and employee contribution rates

Staffing

- Align organizational structure and positions in accordance with recommendations contained in the Classification Study
- Maintain permanent and temporary staff levels on par with budgeted position counts that will support organizational initiatives and reduce the risk of errors

STATUS OF MAJOR PROJECTS AS OF FISCAL YEAR 2022-2023

The following is a status of major projects completed or where completion is anticipated during the prior FY 2022-23.

Annual Projects	Completed/ Anticipated
<ul style="list-style-type: none"> ▪ 2022 Annual Audit and Financial Statements ▪ 2022 Financial Reports <ul style="list-style-type: none"> ○ Annual Comprehensive Financial Report (ACFR) ○ Popular Annual Financial Report (PAFR) ▪ 2022 Pension Investigation of Experience Study Report ▪ 2022 Pension Valuation Report ▪ 2022 GASB 68 Pension, Employer Financial Statement Reporting ▪ 2022 OPEB Trust, Employer Statement of Fiduciary Net Position ▪ 2022 GASB 75 OPEB, Employer Financial Statement Reporting ▪ 2023 Pension Risk Assessment Report ▪ 2022 OPEB Valuation Report ▪ 2022 Regulatory Reports, federal and state 	<p>October 2022 December 2022</p> <p>December 2022 March 2023 March 2023 March 2023 June 2023 June 2023 August 2023 Quarterly and Calendar Year-End</p>
One-Time Projects	Completed/ Anticipated
<ul style="list-style-type: none"> ▪ Custodian Bank Search ▪ Accounts Payable Policy ▪ Onboard New Financial Statement Auditor ▪ OPEB Trust, Investment Structure Changes ▪ Onboard New Actuarial Consultant ▪ Automated Accounts Payable Software Implementation 	<p>December 2022 March 2023 April 2023 June 2023 Summer 2023 Summer 2023</p>

CLASSIFICATION STUDY

A classification and compensation study (Classification Study), which reviewed all the accountant positions except management and administrative, was completed by an external consultant and approved by LACERA's Boards in December 2022. The Classification Study recommends upgrading class specifications, adding job classifications, and changing compensation for some positions. LACERA's Human Resources Division will forward it to the County of Los Angeles for review.

Per the Classification Study's recommendation, we are asking to delete the Accounting Officer II (AO II) position in the Reporting and Compliance Section. The Reporting and Compliance Unit (RCU) will be created and moved under the General Accounting Section, and staff will report to the Accounting Officer I (AO I) position.

The General Accounting Section's AO I position will oversee three units in total: Reconciliation, Disbursements, and RCU, which is consistent with the Classification Study's organizational structure recommendations. In addition, the Classification Study

recommended upgrading the Accounting Technician I position in the Disbursements Unit, and we are requesting this change as of the FY 2023-24 budget cycle.

STAFF

During the FY 2022-23, LACERA's Human Resources Division assisted FASD in hiring six Accountants. Although we completed a successful recruitment process in a very competitive job market we found it difficult to recruit qualified applicants to fill two vacant Investment Accounting positions. We anticipate filling these positions after the Classification Study has been approved by the County, which will update the job requirements and salary structure. We also experienced some additional attrition.

Currently, FASD has seven regular permanent vacancies:

- One Chief Financial Officer (anticipated recruitment near the end of FY 2022-23)
- One Administrative Assistant
- One Senior Administrative Assistant
- Two Accountants: Investment Accounting Section
- One Accounting Officer II – Proposed to be deleted and replaced with one Accountant
- One Accounting Technician I – Proposed to be deleted and replaced with one Accountant

Temporary Staffing

FASD currently employs a total of five temporary staff, including four Accountants and one Administrative Assistant.

Our budget request for the upcoming fiscal year 2023-2024 includes maintaining these existing five temporary positions and adding three more temporary staff for a total of eight. These additional positions will support our accounting operations as follows:

- Four at the Accountant level, in the General Accounting Section
- Two at the Accountant level in the Investment Accounting Section, and
- Two administrative staff, including an Administrative Assistant and a Senior Administrative Assistant.

The use of temporary staff is required to meet current workload requirements until permanent staff may be hired.

STAFF TRAINING AND DEVELOPMENT

Training and Travel

FASD requests (and LACERA's governing Boards consistently approve) a budget for staff training every year. Currently, there are seven FASD staff members who hold a Certified Public Accountant (CPA) license and one staff member who is in the final stages of

obtaining her license. CPAs must attend qualifying training courses to meet the California State Board of Accountancy continuing professional education (CPE) reporting requirements of 40 hours every year.

Non-credentialed staff are encouraged to obtain at least 10 hours of training every year to keep up with changes in the accounting profession. Staff may attend relevant courses that cover topics such as: government accounting, upcoming Governmental Accounting Standards Board (GASB) pronouncements, pension fund financial reporting requirements, or other financial accounting courses, including fraud. In addition, FASD has acquired several new staff and recently promoted some staff to supervisory positions and expects these positions to obtain the required and recommended supervisory training.

LACERA offers staff a variety of training resources, including attending webinars and workshops online. Also, staff can attend local, in-person conferences that are one-day or multiday events, while some educational and networking conferences require travel outside of the Los Angeles area. FASD staff regularly attend training events offered by the following organizations:

<i>Organization / Description</i>
LCW: Liebert Cassidy Whitmore Los Angeles County's vendor, which provides supervisory and staff training
P2F2: Public Pension Financial Forum National organization for financial accountants who work for state and local pension funds
GFOA: Government Finance Officers Association Professional association of state and local government finance officers providing annual award programs for financial statements
AICPA: American Institute of Certified Public Accountants National organization of CPAs where staff can obtain training and network with other professionals
CalCPA: California Society of Certified Public Accountants State association of CPAs where staff can obtain training and network with other professionals
WORKIVA: Wdesk Software Software tool used to prepare LACERA's annual financial statements
IOFM: The Institute of Finance and Management National association of professionals in accounts payable, procure-to-pay, and accounts receivable
CALAPRS: California Association of Public Retirement Systems State organization that sponsors educational forums for sharing information and exchanging ideas among California public pension systems

Our budget includes a request of \$7,000 for training and registration. This represents a decrease of \$3,000 over the prior year because a portion of the registration expenses are historically paid by the negotiated Memorandum of Understanding (MOU) funds. We are including in our budget request funding for a CPA review course, which provides the materials and training to sit for the CPA exam, as we have one new FASD staff member who expressed interest in pursuing this credential.

In addition, FASD is requesting \$29,300 for travel-related expenses (air fare, hotel, ground transportation, and per diem) so staff can attend offsite conferences and networking events throughout the country. This travel request represents an increase of \$7,500 over the prior year due to the expectation that travel would get back to the normal pre-pandemic level.

OVERTIME

Our budget includes a request of \$64,700 for overtime. This represents a decrease of \$600 compared to the prior year primarily due to improved staffing levels and operations efficiency.

As in the past, overtime is requested to manage the additional workload related to the annual fiscal year-end financial statement preparation and audit, which is the basis for preparing the Annual Comprehensive Financial Report (ACFR) and Popular Annual Financial Report (PAFR). In addition, Board meeting deadlines to prepare and present actuarial reports cause staff to incur overtime. When combined with the development of anticipated new responsibilities and unforeseen special projects, maintaining a budget for overtime has proven to be prudent.

OTHER SIGNIFICANT CHANGES TO SERVICES AND SUPPLIES

The Services and Supplies total budget request of \$253,300 represents a \$4,000, or 1.6 percent, increase when compared with the prior fiscal year. This is primarily due to a proposed increase in the travel-related expense category for FY 2023-24.

LOOKING FORWARD FOR FY 2023-24

The following is a status of major projects completed or expected to be completed by FASD staff during the upcoming FY 2023-24.

<i>Annual Projects</i>	<i>Anticipated</i>
<ul style="list-style-type: none"> ▪ 2023 Annual Audit and Financial Statements ▪ 2023 Financial Reports <ul style="list-style-type: none"> ○ Annual Comprehensive Financial Report (ACFR) ○ Popular Annual Financial Report (PAFR) ▪ 2023 Pension Valuation Report ▪ 2023 OPEB Pension Investigation of Experience Study Report 	<p>October 2023 December 2023</p> <p>December 2023 March 2024</p>

<ul style="list-style-type: none"> ▪ 2023 GASB 68 Pension, Employer Financial Statement Reporting ▪ 2023 OPEB Trust, Employer Statement of Fiduciary Net Position ▪ 2023 GASB 75 OPEB, Employer Financial Statement Reporting ▪ 2024 Pension Risk Assessment Report ▪ 2023 OPEB Valuation Report ▪ 2023 Regulatory Reports, federal and state 	<p>March 2024</p> <p>March 2024</p> <p>June 2024</p> <p>June 2024</p> <p>Summer 2024</p> <p>Quarterly and Calendar Year-End</p>
<i>One-Time Projects</i>	<i>Anticipated</i>
<ul style="list-style-type: none"> ▪ Member Debit Card Program ▪ State Street Bank, Cash Manager to eCash Flow Module ▪ Enterprise Resource Planning (ERP), Preliminary 	<p>December 2023</p> <p>December 2023</p> <p>TBD</p>

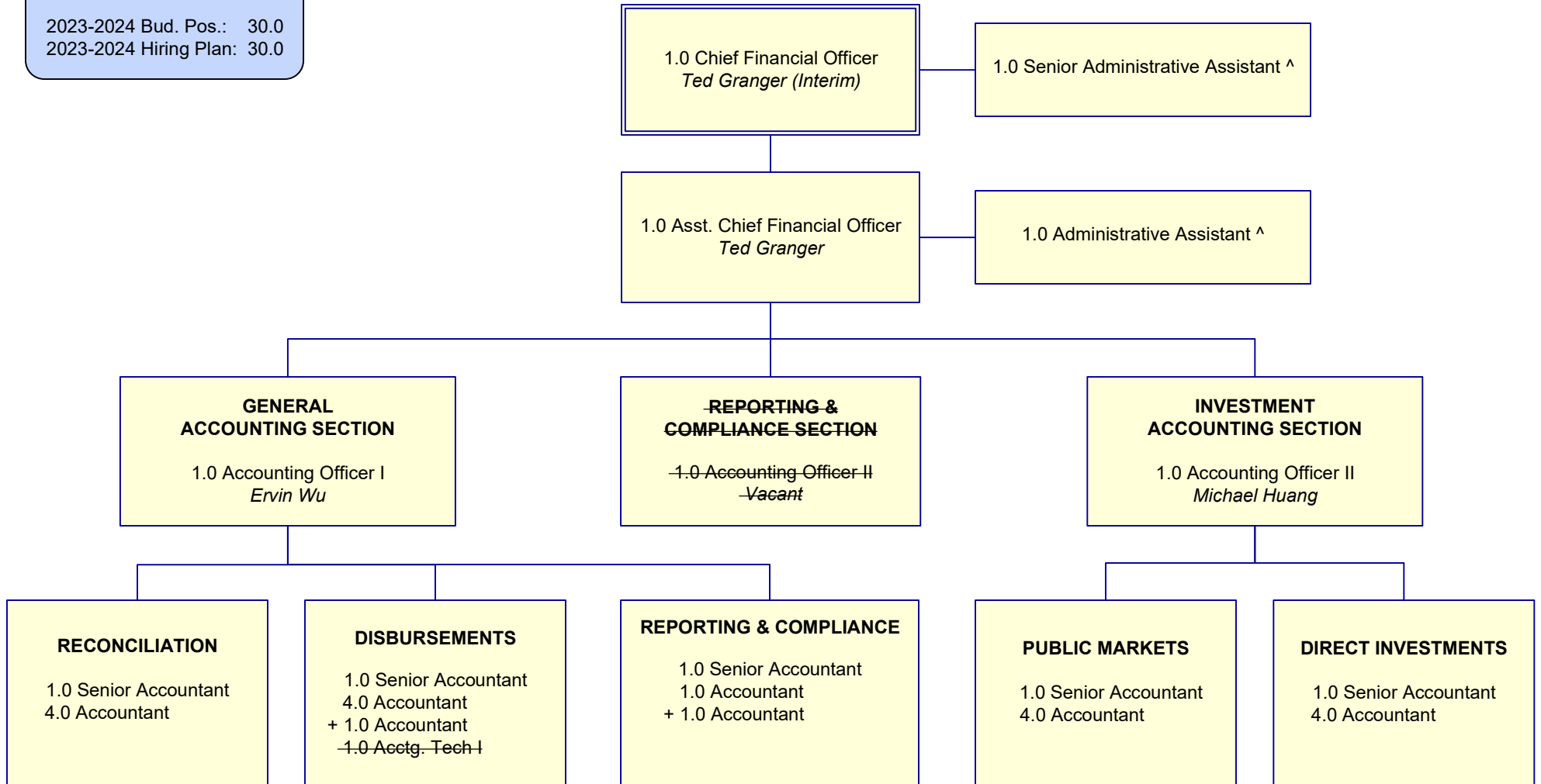
CONCLUSION

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

FINANCIAL AND ACCOUNTING SERVICES DIVISION

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 30.0
 2022-2023 Hiring Plan: 30.0
 2023-2024 Bud. Pos.: 30.0
 2023-2024 Hiring Plan: 30.0



+ Added position
 - Deleted position

* Classification study for all Accounting positions finalized and approved by LACERA Board of Retirement on 12/7/22 and Board of Investments on 12/14/22 (Pending Board of Supervisors' approval).

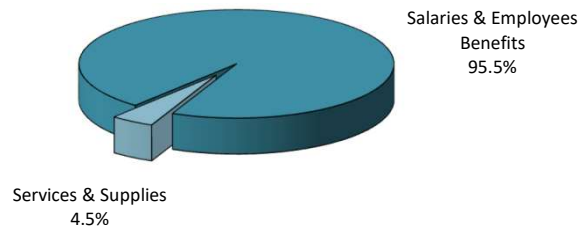
^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$5,435,440	\$4,677,178	\$2,034,836	\$4,181,300	(\$495,878)	-10.6%	\$758,262	16.2%
Services & Supplies	253,300	249,300	(58,438)	236,000	(13,300)	-5.3%	4,000	1.6%
OPERATING BUDGET	\$5,688,740	\$4,926,478	\$1,976,397	\$4,417,300	(\$509,178)	-10.3%	\$762,262	15.5%

2023 -2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$2,752,536	\$2,220,717	\$1,115,073	\$2,259,000	\$38,283	1.7%	\$531,819	23.9%
Total Agency Temp Salaries	776,700	778,100	210,070	420,200	(357,900)	-46.0%	(1,400)	-0.2%
Employee Benefits (Variable)	1,547,806	1,366,535	552,645	1,199,700	(166,835)	-12.2%	181,271	13.3%
Employee Benefits (Other)	176,424	148,317	68,670	145,400	(2,917)	-2.0%	28,107	19.0%
OPEB Contribution	97,774	78,710	46,032	85,000	6,290	8.0%	19,064	24.2%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	64,700	65,300	39,211	65,300	0	0.0%	(600)	-0.9%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	12,000	12,000	3,054	6,300	(5,700)	-47.5%	0	0.0%
Rideshare Allowance	7,500	7,500	80	400	(7,100)	-94.7%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$5,435,440	\$4,677,178	\$2,034,836	\$4,181,300	(\$495,878)	-10.6%	\$758,262	16.2%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$5,435,440	\$4,677,178	\$2,034,836	\$4,181,300	(\$495,878)	-10.6%	\$758,262	16.2%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

FINANCIAL & ACCOUNTING SERVICES

2023-2024 BUDGET

FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00799A ASSISTANT CHIEF FINANCIAL OFFICER	1	LS10	14,811	177,734
00418A ACCOUNTING OFFICER II	1	107K	10,506	126,067
00417A ACCOUNTING OFFICER I	1	104C	9,264	111,168
00146A SENIOR ACCOUNTANT	5	99J	40,628	487,532
00415A ACCOUNTANT	15	95G	100,151	1,201,812
00413A ACCOUNTING TECHNICIAN I	1	87A	5,973	71,676
POSITIONS	24			2,175,988

VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00800A CHIEF FINANCIAL OFFICER	1	LS12	11,308	135,701	135,701		
00418A ACCOUNTING OFFICER II	1	107K	7,796	93,550			
00418A ACCOUNTING OFFICER II	(1)	107K	7,796	93,550			
00415A ACCOUNTANT	4	95G	5,588	67,060	268,241		
00439A SENIOR ADMINISTRATIVE ASSISTANT	1	93A	5,216	62,592			31,296
00413A ACCOUNTING TECHNICIAN I	(1)	87A	4,432	53,184			
00438A ADMINISTRATIVE ASSISTANT	1	86J	4,400	52,795			26,397
					403,942	0	57,693

POSITIONS 6 **461,635**

TOTAL POSITIONS 30

GROSS SALARIES **2,637,624**

ANTICIPATED MOU SALARY INCREASE** **39,564**

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE **23,979**

BONUS **51,369**

120-DAY RETIREE(S) **0**

TOTAL SALARIES **2,752,536**

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA

FISCAL YEAR 2023-2024

SERVICES & SUPPLIES ACCOUNT SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$29,300	\$21,800	\$6,666	\$17,000	(\$4,800)	-22.0%	\$7,500	34.4%
OFFICE SUPPLIES & EQUIPMENT	6,000	5,000	206	4,000	(1,000)	-20.0%	1,000	20.0%
BANK SERVICES	200,000	200,500	(70,057)	200,000	(500)	-0.2%	(500)	-0.2%
EDUCATIONAL EXPENSES	16,000	19,000	4,746	13,000	(6,000)	-31.6%	(3,000)	-15.8%
MISCELLANEOUS	2,000	3,000	0	2,000	(1,000)	-33.3%	(1,000)	-33.3%
TOTAL	\$253,300	\$249,300	(\$58,438)	\$236,000	(\$13,300)	-5.3%	\$4,000	1.6%

*All amounts rounded to the nearest dollar.

FINANCIAL AND ACCOUNTING SERVICES

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$1,942,091	\$1,742,257	\$2,220,717	\$2,259,000	\$2,752,536
Total Agency Temp Salaries	729,400	473,724	778,100	420,200	776,700
Employee Benefits (Variable)	1,168,551	899,952	1,366,535	1,199,700	1,547,806
Employee Benefits (Other)	116,069	118,767	148,317	145,400	176,424
OPEB Contribution	56,977	65,618	78,710	85,000	97,774
OPEB Contribution (Budget Surplus)	0	56,977	0	0	0
Stipends	0	0	0	0	0
Overtime	67,900	40,904	65,300	65,300	64,700
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	12,000	4,964	12,000	6,300	12,000
Rideshare Allowance	7,500	0	7,500	400	7,500
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	14,000	338	21,800	17,000	29,300
Office Supplies & Equipment	3,500	3,783	5,000	4,000	6,000
Bank Services	200,500	203,372	200,500	200,000	200,000
Educational Expenses	19,000	8,372	19,000	13,000	16,000
Miscellaneous	3,000	1,365	3,000	2,000	2,000
TOTAL OPERATING BUDGET	\$4,340,488	\$3,620,393	\$4,926,478	\$4,417,300	\$5,688,740

*All amounts rounded to the nearest dollar.

HUMAN RESOURCES

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

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

INTRODUCTION

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

SUCCESSSES

The HR Division continues to improve its processes and procedures to increase efficiency and provide service to staff members. Examples of successes from July through December 2022 include:

- Partnered with the Systems Division to digitize staff member files.
- Completed and implemented LACERA's Bonus Policy, as recommended in an audit finding.
- Promulgated six eligible lists/registers; hired 21 staff members; and secured 11 temporary staff to fill critical vacancies.
- Contracted with executive recruiters to fill vacancies in four high-impact positions.

- Processed 191 leaves; and coordinated 150 training courses for staff.
- Implemented pending classification studies conducted for the Secretary classification family and Accounting classification family.
- Created a manager-focused hiring playbook to increase organizational efficiency and transparency related to the steps in the hiring process.
- Contracted with vendors that provide assessment materials to expedite our hiring process.
- Conducted contact tracing and processed special leave requests related to COVID-19.
- Publish and update LACERA's hiring priorities on LACERA Connect to increase transparency throughout the organization.

CHALLENGES

- HR continues to work toward reducing the vacancy rate.
- Changing workforce dynamic make it more difficult to recruit non-permanent staff members. This year HR has experienced waning interest from candidates to fill agency temporary and intern positions.
- Implementation of recommendations resulting from completed classification studies: One classification study remains to be escalated through the approval process.

FUTURE PLANS

The following is an outline of priorities and initiatives that will be our focus for FY 2023-24:

- Partner with the division managers to execute LACERA's hiring priorities, thus reducing the vacancy rate.
- Continue to refine the job analysis and classification procedures.
- Continue to partner with the Systems Division to automate processes and reduce paper-driven processes with the implementation of Service Now. This will enable reporting on time to hire.
- Enhance the HR Data Manager to generate reports on typical HR metrics such as turnover, retention, and promotion rates. Currently, these are calculated manually.
- Implement policies and create guides for time usage and time reporting where policies are missing.
- Update various disability compliance management forms and procedures for ease of use.

- Support the execution of LACERA's strategic plan and related initiatives such as LEAD, engagement surveys, and culture-building initiatives.

STAFFING

The HR Division is not requesting the addition of new permanent staff. Instead during FY 2023-24, HR will focus on getting newly hired staff acclimated to HR at LACERA, performing to capacity, and refining changes that were implemented during the previous budget year.

HR is requesting one intern to continue and complete the project that the FY 2022-23 intern began; one Senior Human Resources Assistant agency temporary staff member and one Human Resources Analyst agency temporary staff member in place of permanent staff who are on long-term leave; and one Intermediate Typist Clerk agency temporary staff member to complete outstanding work on the HR file digitization project. There are requests to hire 14 interns during FY 2023-24 to be assigned to administrative, member-facing and investment projects.

TRAINING AND TRAVEL

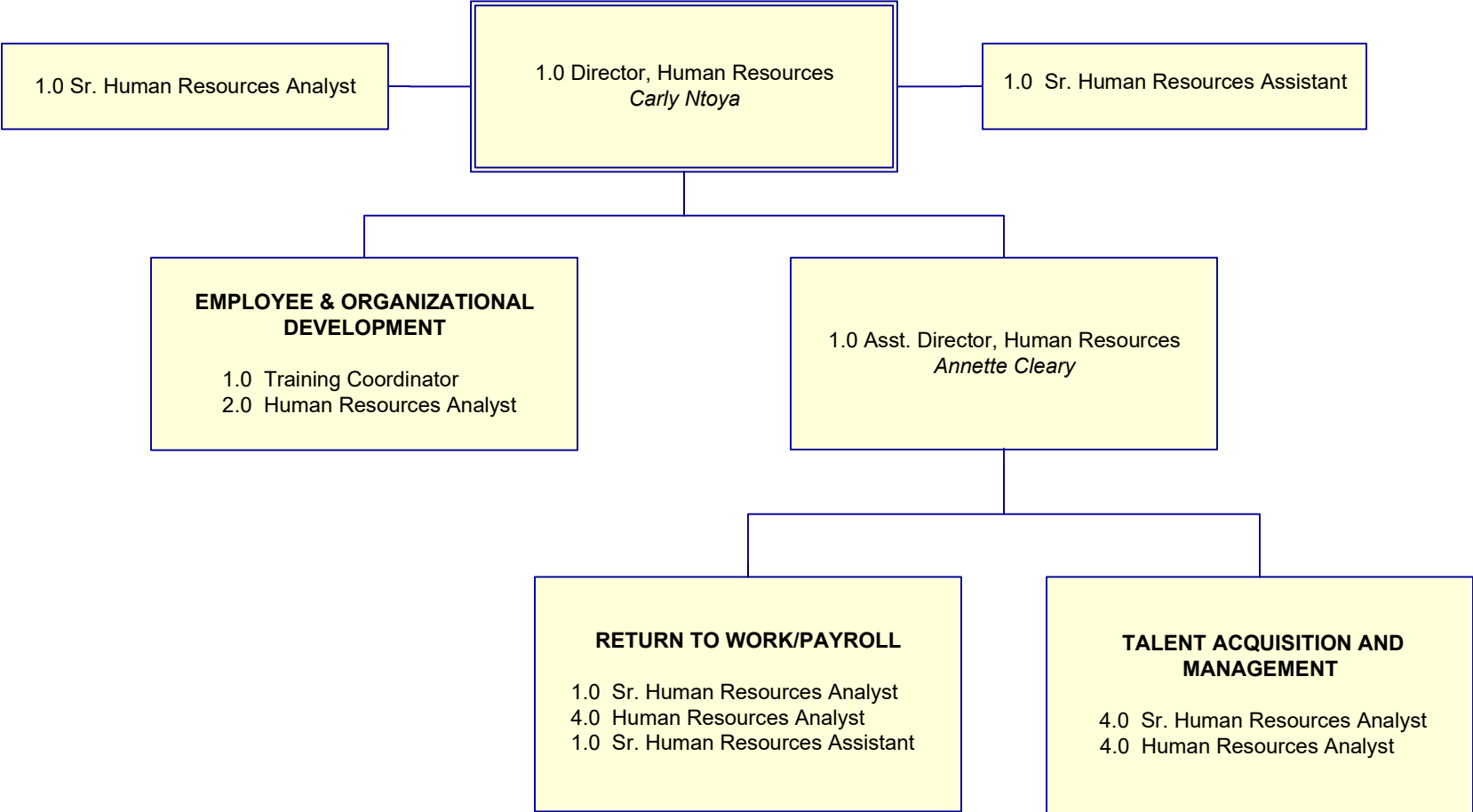
HR staff members expect to resume travel for in-person professional development after two years of virtual training. Current staff members expect to complete professional development to maintain certifications. Recently hired staff members may need to refresh skills to maximize performance and impact at LACERA. Professional development will focus on strengthening skills in job analysis methodology, compensation strategies, workforce development, and culture-improving activities.

HUMAN RESOURCES

FISCAL YEAR 2023-2024

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

2023-2024 Bud. Pos.: 21.0
2023-2024 Hiring Plan: 21.0

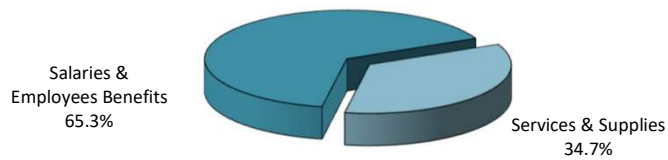


LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

HUMAN RESOURCES

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$4,403,991	\$3,623,337	\$1,311,915	\$2,856,000	(\$767,337)	-21.2%	\$780,654	21.5%
Services & Supplies	2,339,600	2,216,200	600,600	1,782,800	(433,400)	-19.6%	123,400	5.6%
OPERATING BUDGET	\$6,743,591	\$5,839,537	\$1,912,515	\$4,638,800	(\$1,200,737)	-20.6%	\$904,054	15.5%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

HUMAN RESOURCES

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$2,200,574	\$1,797,569	\$710,712	\$1,509,700	(\$287,869)	-16.0%	\$403,005	22.4%
Total Agency Temp Salaries	139,000	144,300	61,788	123,600	(20,700)	-14.3%	(5,300)	-3.7%
LACERA Intern Program	288,000	288,000	1,613	48,000	(240,000)	-83.3%	0	0.0%
Employee Benefits (Variable)	1,550,803	1,199,476	440,245	978,400	(221,076)	-18.4%	351,327	29.3%
Employee Benefits (Other)	141,046	123,142	56,661	120,700	(2,442)	-2.0%	17,904	14.5%
OPEB Contribution	78,167	65,350	34,038	62,900	(2,450)	-3.7%	12,817	19.6%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	4,700	3,800	6,858	12,700	8,900	234.2%	900	23.7%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	1,700	1,700	0	0	(1,700)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$4,403,991	\$3,623,337	\$1,311,915	\$2,856,000	(\$767,337)	-21.2%	\$780,654	21.5%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$4,403,991	\$3,623,337	\$1,311,915	\$2,856,000	(\$767,337)	-21.2%	\$780,654	21.5%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

HUMAN RESOURCES

2023-2024 BUDGET

FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00425A DIRECTOR, HUMAN RESOURCES	1	LS12	15,653	187,842			
00437A ASSISTANT DIRECTOR, HUMAN RESOURCES	1	LS10	13,749	164,983			
00436A SENIOR HUMAN RESOURCES ANALYST	4	105E	38,262	459,146			
01886A TRAINING COORDINATOR	1	105D	9,542	114,503			
00434A HUMAN RESOURCES ANALYST	4	101E	33,876	406,508			
00435A SENIOR HUMAN RESOURCES ASSISTANT	1	094G	7,133	85,599			
POSITIONS	12			1,418,581			
VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00436A SENIOR HUMAN RESOURCES ANALYST	2	105E	7,293	87,520	175,041		
00434A HUMAN RESOURCES ANALYST	6	101E	6,544	78,525	471,149		
00435A SENIOR HUMAN RESOURCES ASSISTANT	1	094G	5,439	65,270	65,270		
					711,459	0	0
POSITIONS	9			711,459			
TOTAL POSITIONS	21						
GROSS SALARIES				2,130,040			
ANTICIPATED MOU SALARY INCREASE**				31,951			
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				10,585			
BONUS				27,998			
120-DAY RETIREE(S)				0			
TOTAL SALARIES				2,200,574			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

HUMAN RESOURCES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$10,800	\$9,400	\$1,144	\$3,300	(\$6,100)	-64.9%	\$1,400	14.9%
OFFICE SUPPLIES & EQUIPMENT	3,000	7,000	10,367	12,000	5,000	71.4%	(4,000)	-57.1%
PARKING FEES	482,000	437,000	242,960	485,000	48,000	11.0%	45,000	10.3%
PROFESSIONAL & SPEC. SRVCS.	788,300	675,800	176,251	462,300	(213,500)	-31.6%	112,500	16.6%
COMPUTER SERVICES & SUPPORT	50,000	55,000	27,019	35,000	(20,000)	-36.4%	(5,000)	-9.1%
EDUCATIONAL EXPENSES	509,000	509,000	48,970	329,500	(179,500)	-35.3%	0	0.0%
MISCELLANEOUS	496,500	523,000	93,890	455,700	(67,300)	-12.9%	(26,500)	-5.1%
TOTAL	\$2,339,600	\$2,216,200	\$600,600	\$1,782,800	(\$433,400)	-19.6%	\$123,400	5.6%

*All amounts rounded to the nearest dollar.

HUMAN RESOURCES

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$1,513,977	\$1,286,858	\$1,797,569	\$1,509,700	\$2,200,574
Total Agency Temp Salaries	47,700	36,327	144,300	123,600	139,000
LACERA Intern Program	312,000	8,488	288,000	48,000	288,000
Employee Benefits (Variable)	913,126	802,837	1,199,476	978,400	1,550,803
Employee Benefits (Other)	90,483	91,024	123,142	120,700	141,046
OPEB Contribution	44,417	55,035	65,350	62,900	78,167
OPEB Contribution (Budget Surplus)	0	44,417	0	0	0
Stipends	0	0	0	0	0
Overtime	2,900	1,310	3,800	12,700	4,700
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	1,700	0	1,700	0	1,700
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	9,000	0	9,400	3,300	10,800
Office Supplies & Equipment	8,000	2,257	7,000	12,000	3,000
Parking Fees	377,000	449,990	437,000	485,000	482,000
Professional & Specialized Services	575,800	248,323	675,800	462,300	788,300
Computer Services & Support	55,000	25,370	55,000	35,000	50,000
Educational Expenses	512,000	121,183	509,000	329,500	509,000
Miscellaneous	232,500	62,246	523,000	455,700	496,500
TOTAL OPERATING BUDGET	\$4,695,603	\$3,235,667	\$5,839,537	\$4,638,800	\$6,743,591

*All amounts rounded to the nearest dollar.

INTERNAL AUDIT

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

To support LACERA's mission through independent, objective assurance and consulting services designed to add value and improve LACERA's operations.

INTRODUCTION

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

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

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

NOTABLE ACHIEVEMENTS AND CONTRIBUTIONS

All staff within Internal Audit are certified public accountants, certified internal auditors, or certified information systems auditors. Some have more than one certification and other relevant certifications, such as certified fraud examiner and certified information security designations. Included in the performance of our annual audit plan, Internal Audit developed, oversaw, or contributed significantly, in a consulting capacity, to the following notable achievements and ongoing efforts within LACERA.

- Initiated an RFP for a new financial services firm
- Oversaw ongoing actuarial audit activities
- Oversaw real estate advisor compliance and operational audits
- Continued to operate effectively as a hybrid audit team
- Completed an external quality assessment (EQA) review and received the highest rating
- Partnered with various internal stakeholders to address recommendations like improving physical safety by requiring key card access, ensuring new hires receive Information Security Awareness training during their orientation, and closed a number of sensitive IT recommendations
- Continue to participate in organizational initiatives such as strategic planning, policy committee, IT Coordination Council, and other advisory projects
- Participate on development projects such as case management, accounts payable automation and others, from an independent audit perspective

To improve efficiency and effectiveness of the Internal Audit function, we are continuing to focus on three primary goals: 1) develop and execute a risk-based annual audit plan, 2) continue to improve Internal Audit's presence and value with stakeholders, and 3) continue to enhance Internal Audit's competence and efficiencies.

STAFFING

We have 11 budgeted positions in Internal Audit, all of which are currently filled. One of those positions, a Senior Internal Auditor, has been on loan to the Systems Division.

One of our Internal Audit goals is to ensure that each staff member participates and receives 40 hours of continuing education. We are continuing to evaluate, improve, and ensure that we provide comprehensive training for personnel at all levels to develop themselves as auditors, obtain credentials, and provide for succession planning to the management (Principal) and Division Management level (Chief Audit Executive). For FY 2023-24, we plan to use a hybrid approach; staff will attend both virtual and in-person training and conferences, including sessions from the Institute for Internal Auditors (IIA), Association of Public Pension Fund Auditors (APPFA), Certified Fraud Examiners, and other specialty training.

The Institute of Internal Auditors (IIA) Quality Services presented their external quality assessment (EQA) of Internal Audit to the Audit Committee at the March 2022 meeting. Staff development and training includes focus on some of the recommendations by the EQA auditors. These include:

- Enhancing the audit and workpaper documentation processes
- Integrating IT audit considerations into all audit projects
- Improving the timeliness of audits and supervisory review

We are continuing to supplement staff knowledge and experience by leveraging our audit pool and external professional services providers, especially in areas such as investments and information technology.

SERVICES AND SUPPLIES

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

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

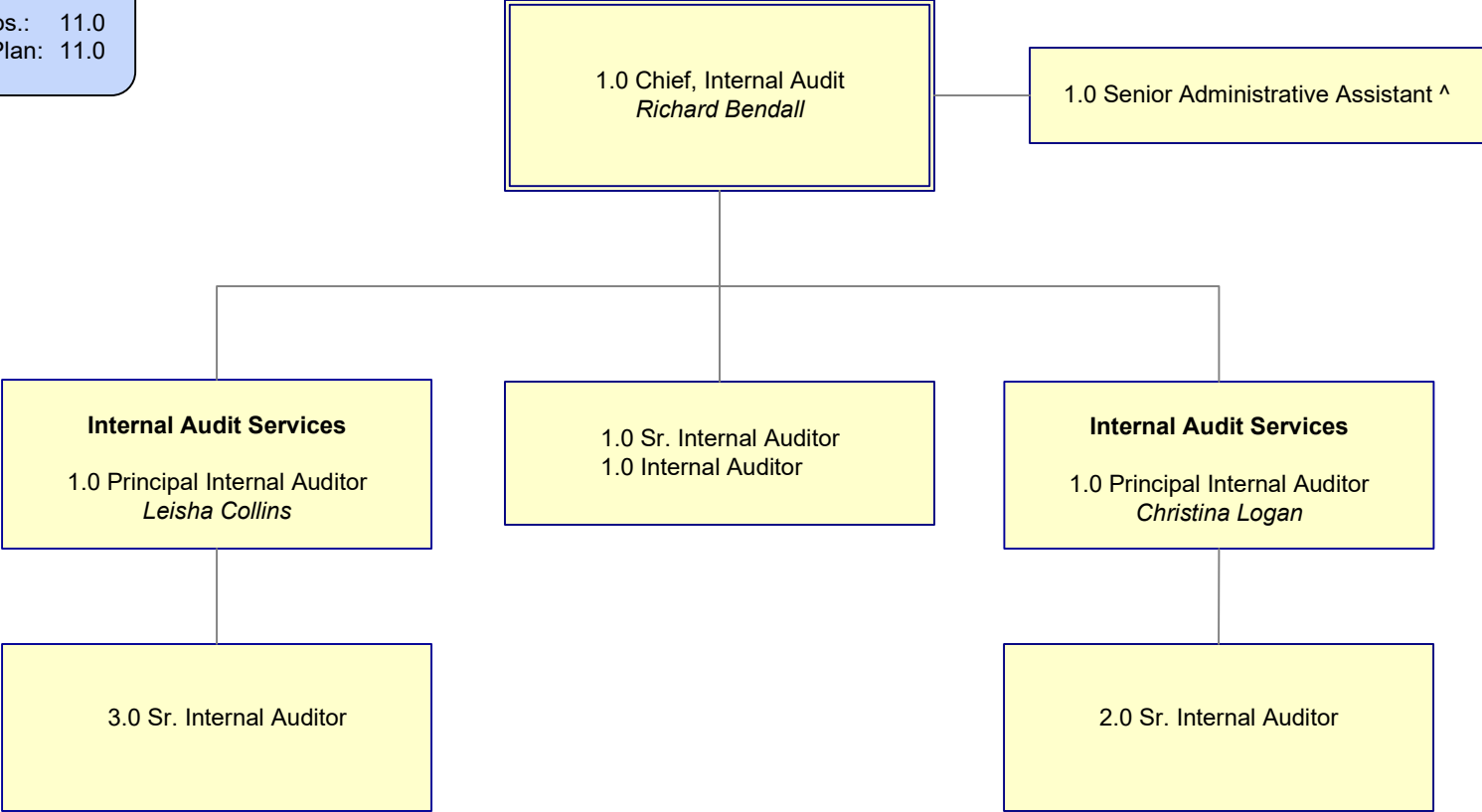
Our total S&S budget has remained relatively unchanged, decreasing by \$300, from \$724,500 for FY 2022-2023 to \$724,200 for FY 2023-2024.

INTERNAL AUDIT

FISCAL YEAR 2023-2024

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

2023-2024 Bud. Pos.: 11.0
2023-2024 Hiring Plan: 11.0



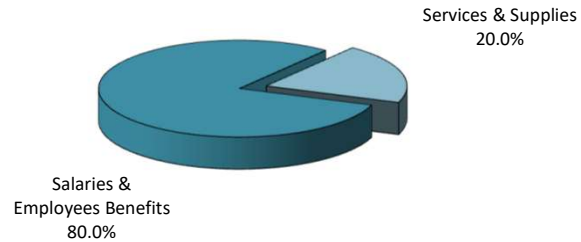
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

INTERNAL AUDIT

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$2,888,948	\$2,743,995	\$1,322,916	\$2,686,700	(\$57,295)	-2.1%	\$144,953	5.3%
Services & Supplies	724,200	724,500	151,216	714,600	(\$9,900)	-1.4%	(300)	0.0%
OPERATING BUDGET	\$3,613,148	\$3,468,495	\$1,474,132	\$3,401,300	(\$67,195)	-1.9%	\$144,653	4.2%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

INTERNAL AUDIT

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$1,652,147	\$1,590,417	\$797,659	\$1,590,000	(\$417)	0.0%	\$61,730	3.9%
Total Agency Temp Salaries	0	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	1,065,420	1,003,252	446,575	939,100	(64,152)	-6.4%	62,168	6.2%
Employee Benefits (Other)	105,895	93,962	43,235	92,100	(1,862)	-2.0%	11,933	12.7%
OPEB Contribution	58,686	49,864	34,818	64,300	14,436	29.0%	8,822	17.7%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	5,300	5,000	629	1,200	(3,800)	-76.0%	300	6.0%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	1,500	1,500	0	0	(1,500)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$2,888,948	\$2,743,995	\$1,322,916	\$2,686,700	(\$57,295)	-2.1%	\$144,953	5.3%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$2,888,948	\$2,743,995	\$1,322,916	\$2,686,700	(\$57,295)	-2.1%	\$144,953	5.3%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

INTERNAL AUDIT

2023-2024 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00774A	CHIEF, INTERNAL AUDIT	1	LS12	17,116	205,394			
00762A	PRINCIPAL INTERNAL AUDITOR	2	117H	25,982	311,788			
00763A	SENIOR INTERNAL AUDITOR	6	111E	66,944	803,326			
00764A	INTERNAL AUDITOR	1	105B	11,256	135,075			
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	093A	6,657	79,884			
	POSITIONS	11			1,535,467			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
	POSITIONS	0			0			
	TOTAL POSITIONS	11						
	GROSS SALARIES				1,535,467			
	ANTICIPATED MOU SALARY INCREASE**				23,032			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				6,162			
	BONUS				87,486			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				1,652,147			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

INTERNAL AUDIT

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$17,000	\$17,000	\$167	\$11,800	(\$5,200)	-30.6%	\$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	1,200	1,500	315	800	(700)	-46.7%	(300)	-20.0%
PROFESSIONAL & SPEC. SRVCS.	675,000	675,000	144,416	672,000	(3,000)	-0.4%	0	0.0%
EDUCATIONAL EXPENSES	30,500	30,500	6,320	29,500	(1,000)	-3.3%	0	0.0%
MISCELLANEOUS	500	500	0	500	0	0.0%	0	0.0%
TOTAL	\$724,200	\$724,500	\$151,216	\$714,600	(\$9,900)	-1.4%	(\$300)	-0.04%

*All amounts rounded to the nearest dollar.

INTERNAL AUDIT

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$1,454,721	\$1,360,723	\$1,590,417	\$1,590,000	\$1,652,147
Total Agency Temp Salaries	0	0	0	0	0
Employee Benefits (Variable)	843,072	729,950	1,003,252	939,100	1,065,420
Employee Benefits (Other)	86,941	87,461	93,962	92,100	105,895
OPEB Contribution	42,678	51,136	49,864	64,300	58,686
OPEB Contribution (Budget Surplus)	0	42,678	0	0	0
Stipends	0	0	0	0	0
Overtime	4,900	986	5,000	1,200	5,300
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	1,500	0	1,500	0	1,500
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	17,000	0	17,000	11,800	17,000
Office Supplies & Equipment	1,500	418	1,500	800	1,200
Professional & Spec. Svcs.	671,000	295,615	675,000	672,000	675,000
Educational Expenses	30,500	27,428	30,500	29,500	30,500
Miscellaneous	500	0	500	500	500
TOTAL OPERATING BUDGET	\$3,154,313	\$2,596,395	\$3,468,495	\$3,401,300	\$3,613,148

*All amounts rounded to the nearest dollar.

INVESTMENT OFFICE

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

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

INTRODUCTION

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

BACKGROUND

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

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

In the recent period, the Investment Office continued to implement the strategic asset allocation approved in 2021, added emerging manager programs across various asset classes in the portfolio, enhanced risk and performance reporting, optimized the structure of the OPEB Master Trust, and improved due diligence and data gathered for our LACERA T.I.D.E. (Toward Inclusion, Diversity, and Equity) initiative.

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

Over the coming years, the Investment Office will continue to enhance its operational capabilities, optimize LACERA's investment model, strengthen its influence on fees, and improve outcomes for the LACERA portfolio through its ESG and DEI efforts. For additional information, please see the 2023 Investments Division Work Plan, which is located in the strategic plans. This work plan continues the strategic journey of morphing from an Allocator to Best-in-Class Investor.

STAFFING

For Fiscal Year 2023-2024 the Investment Office is requesting one additional Senior Investment Officer to assist with operational due diligence (ODD) and compliance. The Investment Office's organizational chart has been updated to further align the team with LACERA's functional asset allocation framework and elevate ODD and compliance.

In recent years, LACERA has continually advanced the enhancement and standardization of compliance and ODD efforts and incorporating the evaluation of ODD risk factors across the monitoring of the total portfolio. This effort is consistent with our theme of transitioning from allocator to investor.

To fulfill board-approved policies and priorities, such as enhancing operational effectiveness, compliance and ODD are now key aspects of investment and manager evaluation, selection, and monitoring. ODD is an important function as it mitigates risks stemming from operational issues which increases the likeliness of improved outcomes. Also, as part of the Investment's Office mission of executing the strategic asset allocation, LACERA's increasing allocation to private investments requires in-depth ODD analysis and oversight.

The Senior Investment Officer – Operational Due Diligence and Compliance position will oversee the development of robust policies and practices; guide fund-wide ODD practices and integration in conjunction with asset class heads and further develop the Investment Office's compliance function.

Interns

A goal of LACERA T.I.D.E. is to grow the Investment Division's long-standing internship program to support diversity, equity, and inclusion and recruitment objectives. During the

2023-2024 fiscal year, the Investments Office will offer four internship opportunities, doubling the number of internships typically offered annually. Interns work on resume-enhancing and beneficial projects such as performance attribution, market research, and investment analysis. For the Fiscal Year 2023-2024 only two of the four intern slots will impact the LACERA budget, as two outside organizations that promote diversity and inclusion will be sponsoring two of the interns to work in the Investment Office.

SERVICES AND SUPPLIES

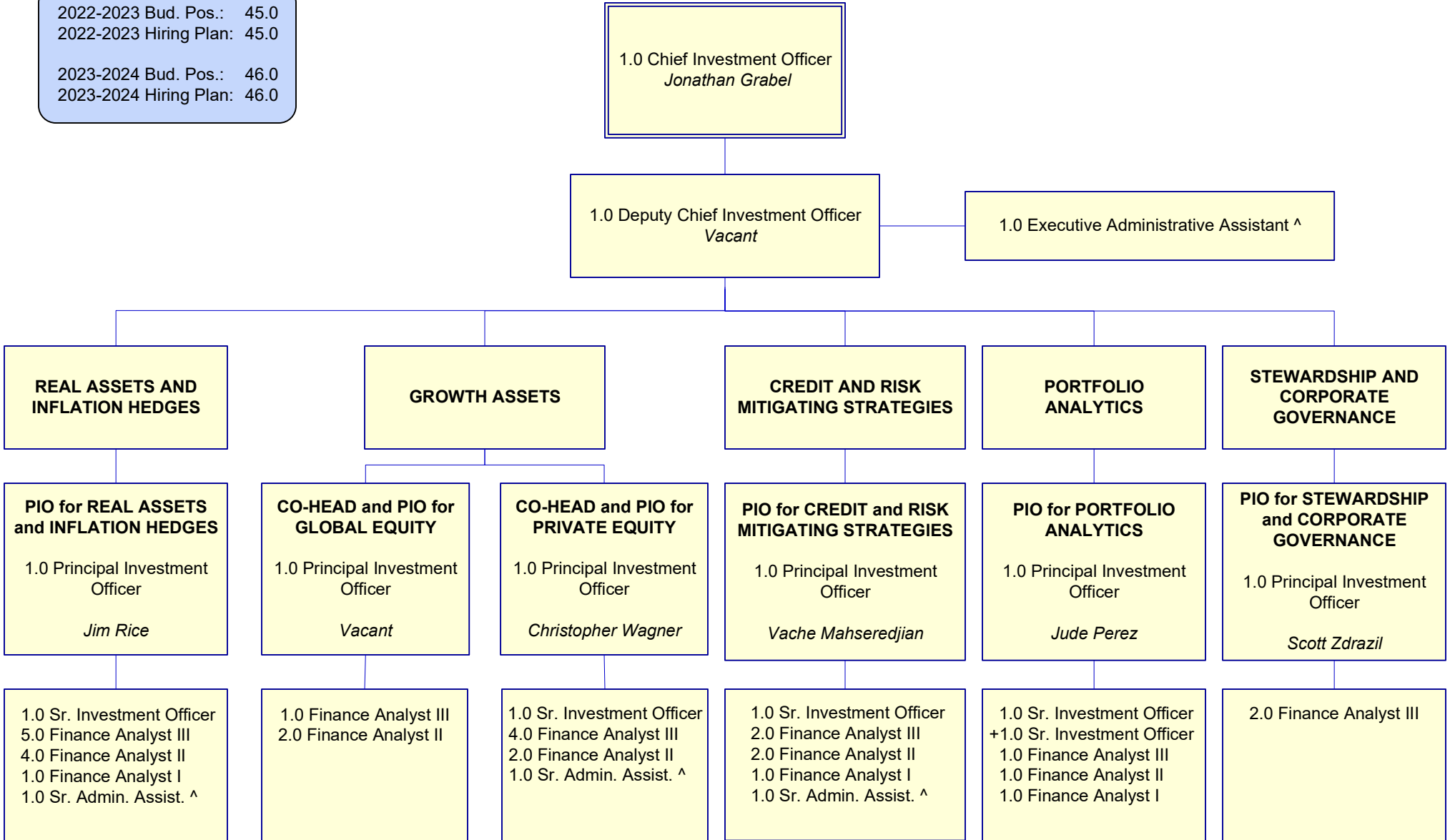
There is an 8 percent increase in the proposed FY 2023-2024 Supplies and Services budget compared to the approved FY 2022-2023 budget. The increase is attributed to travel for investment due diligence purposes as travel continues to normalize to pre-pandemic levels. The proposed travel increase is 25 percent higher compared to the FY 2022-2023 budget. Also, for the proposed FY 2023-2024 budget there are decreases in the auto expenses and membership categories. While these two items represent a decrease in the Investments Services and Supplies budget, they have been recategorized and are now reflected in the Boards of Investments budget and within the transportation allowance section in the Investment's Salaries budget. The travel increase and recategorization of the two items mentioned above represent the total change for the Services and Supplies category for FY 2023-2024.

INVESTMENT OFFICE

FISCAL YEAR 2023-2024

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

2023-2024 Bud. Pos.: 46.0
 2023-2024 Hiring Plan: 46.0



+ Added position

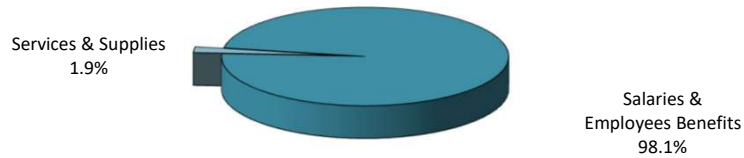
^ Position upgrade from Senior Management Secretary to Executive Administrative Assistant and Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

INVESTMENT OFFICE

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$17,875,467	\$17,020,288	\$7,298,726	\$14,633,200	(\$2,387,088)	-14.02%	\$855,179	5.0%
Services & Supplies	348,500	321,900	118,501	302,200	(19,700)	-6.1%	26,600	8.3%
OPERATING BUDGET	\$18,223,967	\$17,342,188	\$7,417,227	\$14,935,400	(\$2,406,788)	-13.9%	\$881,779	5.1%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

INVESTMENT OFFICE

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$10,865,804	\$9,730,713	\$4,839,640	\$9,447,800	(\$282,913)	-2.9%	\$1,135,091	11.7%
Total Agency Temp Salaries	0	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	5,907,050	6,277,477	2,067,820	4,377,800	(1,899,677)	-30.3%	(370,427)	-5.9%
Employee Benefits (Other)	696,446	652,582	300,272	639,600	(12,982)	-2.0%	43,864	6.7%
OPEB Contribution	385,968	346,317	87,094	160,800	(185,517)	-53.6%	39,651	11.4%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	800	1,000	0	0	(1,000)	-100.0%	(200)	-20.0%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	5,000	5,000	0	0	(5,000)	-100.0%	0	0.0%
Transportation Allowance	14,400	7,200	3,900	7,200	0	0.0%	7,200	100.0%
ADJUSTED GROSS S&EB	\$17,875,467	\$17,020,288	\$7,298,726	\$14,633,200	(\$2,387,088)	-14.0%	\$855,179	5.0%
Salary Differential	-	-	-	-	-	-	-	-
TOTAL S&EB	\$17,875,467	\$17,020,288	\$7,298,726	\$14,633,200	(\$2,387,088)	-14.02%	\$855,179	5.0%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

INVESTMENT OFFICE

2023-2024 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00493A	CHIEF INVESTMENT OFFICER (UC)	1	LR28	66,450	797,394			
00495A	PRINCIPAL INVESTMENT OFFICER	2	LR23	77,172	926,066			
00496A	PRINCIPAL INVESTMENT OFFICER (UC)	3	LR23	111,900	1,342,799			
00492A	SENIOR INVESTMENT OFFICER	2	LR20	55,435	665,219			
00769A	FINANCE ANALYST III	13	LR16	274,758	3,297,096			
00768A	FINANCE ANALYST II	8	LR12	114,585	1,375,018			
00767A	FINANCE ANALYST I	2	107L	20,498	245,976			
00439A	SENIOR ADMINISTRATIVE ASSISTANT	3	093A	20,520	246,240			
	POSITIONS	34			8,895,808			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00494A	DEPUTY CHIEF INVESTMENT OFFICER (UC)	1	LR24	26,934	323,209	323,209		
00496A	PRINCIPAL INVESTMENT OFFICER (UC)	1	LR23	25,055	300,660			150,330
00492A	SENIOR INVESTMENT OFFICER	3	LR20	20,168	242,019			242,019
00769A	FINANCE ANALYST III	2	LR16	15,102	181,224			181,224
00768A	FINANCE ANALYST II	3	LR12	11,308	135,701	407,102		
00767A	FINANCE ANALYST I	1	107L	7,815	93,779			
00442A	EXECUTIVE ADMINISTRATIVE ASSISTANT	1	104B	7,046	84,547			42,273
	POSITIONS	12			1,346,159	730,312	0	615,847
	TOTAL POSITIONS	46						
	GROSS SALARIES				10,241,967			
	ANTICIPATED MOU SALARY INCREASE**				153,630			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				252,108			
	BONUS				218,099			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				10,865,804			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

INVESTMENT OFFICE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
AUTO EXPENSE	\$0	\$2,400	\$0	\$0	\$0	-100.0%	(\$2,400)	-100.0%
TRANSPORTATION & TRAVEL	219,000	175,000	41,087	144,400	(30,600)	-17.5%	44,000	25.1%
OFFICE SUPPLIES & EQUIPMENT	3,500	3,500	159	3,000	(500)	-14.3%	0	0.0%
EDUCATIONAL EXPENSES	125,000	140,000	76,580	154,000	14,000	10.0%	(15,000)	-10.7%
MISCELLANEOUS	1,000	1,000	676	800	(200)	-20.0%	0	0.0%
TOTAL	\$348,500	\$321,900	\$118,501	\$302,200	(\$19,700)	-6.1%	\$26,600	8.3%

*All amounts rounded to the nearest dollar.

INVESTMENT OFFICE

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$10,263,564	\$8,506,782	\$9,730,713	\$9,447,800	\$10,865,804
Total Agency Temp Salaries	0	0	0	0	0
Employee Benefits (Variable)	4,998,241	4,042,210	6,277,477	4,377,800	5,907,050
Employee Benefits (Other)	613,402	617,071	652,582	639,600	696,446
OPEB Contribution	301,112	222,087	346,317	160,800	385,968
OPEB Contribution (Budget Surplus)	0	301,112	0	0	0
Stipends	0	0	0	0	0
Overtime	1,000	0	1,000	0	800
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	5,000	0	5,000	0	5,000
Transportation Allowance	7,200	7,200	7,200	7,200	14,400
SERVICES & SUPPLIES					
Auto Expense	0	0	2,400	0	0
Transportation & Travel	141,000	17,097	175,000	144,400	219,000
Office Supplies & Equipment	4,500	30	3,500	3,000	3,500
Educational Expenses	116,000	115,534	140,000	154,000	125,000
Miscellaneous	7,000	677	1,000	800	1,000
TOTAL OPERATING BUDGET	\$16,458,019	\$13,829,800	\$17,342,188	\$14,935,400	\$18,223,967

*All amounts rounded to the nearest dollar.



LEGAL SERVICES

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

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

INTRODUCTION

The Legal Services Office provides comprehensive legal services to LACERA and its Boards and staff. These services are provided through the Chief Counsel, four sections within the office (Benefits, Disability, Investments and Commercial Contracts, and Litigation and Employment), and the Legislative Affairs Officer. The office also provides legal support in organizational governance, conflicts and ethics, and compliance.

ACHIEVEMENTS

During the 2022-23 fiscal year, the Legal Office's achievements include the following:

Benefits: Handle a steadily increasing volume of benefits issues; advise staff and attorneys for members and former spouses regarding dissolution matters; develop benefits training for the Board of Retirement, and training module for staff regarding implementation of dissolution orders; make recommendations to the Board of Retirement and provide pensionable compensation analyses on many new and revised pay items for County and Superior Court employees; advise staff on benefits policy implementation and improvement; and advise Board of Retirement and staff regarding administrative appeals.

Disability: Prepare monthly Board of Retirement memos on disability applications and counsel the Board; successfully litigate writs of mandate in the Superior Court

and the *Marquez* case in the Court of Appeal; provide ongoing Board of Retirement education on disability law issues; assist in policy development, including collaboration with Disability Retirement Services on new DRS procedures for processing Class-4 arduous disability retirement applications to help alleviate backlog; and continue collaboration with DHR and County to help County facilitate new procedures for employer-filed disability retirement applications.

Litigation and Employment: Effectively conduct member and other litigation in the Superior Court and administrative appeals before the Board of Retirement; evaluate potential securities litigation matters and oversee outside counsel in pending actions and individual cases, including FirstEnergy, the Interest Rate Swaps Antitrust Litigation, Securities Lending Antitrust Litigation, the Milford Hotel foreclosure litigation, various title holding company matters, and other cases; assist in numerous HR and employment policies and issues; assist in development of operational diversity, equity, and inclusion proposals for strategic plan; revise Privacy Policy and training; develop e-filing solution for Form 700 Statements of Economic Interest and ongoing FPPC compliance; assist with retiree healthcare issues.

Investment and Commercial Transactions: Handle directly or oversee outside counsel on hundreds of new and existing investment transactions worth billions of dollars per year across all LACERA asset classes; provide monthly report to the Board of Investments on investment legal projects; provide annual report for Board of Investments on investment legal work; manage filings and other oversight for all real estate title holding entities; collaborate with Investments Division staff on investment transactions and issues; obtain education to stay current on legislative and regulatory developments regarding investments issues; assist in custody bank RFP and contract negotiations; handle all commercial contract drafting and/or review for LACERA's commercial contracts; and respond to all Public Records Act requests and provide monthly report to Operations Oversight Committee; conducted Diversity, Equity and Inclusion Survey of LACERA outside counsel.

Legislative Affairs: Prepare monthly legislative presentations for the Insurance, Benefits and Legislative Committee; represent LACERA at regular monthly meetings of SACRS Legislative Committee and collaborate with SACRS systems on legislative issues; monitor ongoing state and federal legislative matters; arranged for key state or federal legislative visits for Chief Executive Officer and Deputy Chief Executive Officer; met virtually with congressional staffers to discuss repeal of the direct payment requirement for the public safety officer healthcare tax benefit, which was ultimately enacted in the SECURE Act 2.0; supported passage of state bills AB 1824 and AB 1971, which included a key provision allowing members to change their settlement option upon approval of disability retirement; oversee Boards' state and federal legislative advocates, including current RFP process; and supported Beacon economic analysis of LACERA.

Governance: Assist with compliance and risk management components of proposed strategic plan; ensure ongoing Brown Act compliance, including compliance and updates on COVID teleconference and new AB 2449

teleconferencing rules; assist with implementation of Education and Travel Policies; development and revision of Felony Forfeiture Administrative Appeal Procedures, Post-Employment Retirement Policy, and other policies and procedures; participate as member on internal LACERA technology and policy development committees; address ongoing ethics and compliance questions; oversee fiduciary counsel; assist in negotiations regarding \$1 million lifetime maximum benefit for certain retiree health insurance; and collaborate with and support the Executive Office in the management of LACERA.

GOALS

In addition to continuation of our work across all sections of the Legal Office, specific goals for FY 2023-24 focused on improving our services to the organization into the future include:

Benefits: To recruit adequate expert legal resources into the future.

Status: Recruitment (open and public) is underway for one existing Benefits Staff Counsel position utilizing an outside legal recruiter. Recruitment (promotional) has recently been completed for one existing Benefits Legal Analyst position.

Investments: To recruit additional lawyers and maintain the expertise of existing staff to ensure that we keep up with the sophistication of investment operations and build our in-house personnel.

Status: Recruitments (open and public) are underway to fill existing positions for one new Senior Investment Staff Counsel and three Investment Staff Counsel, utilizing an outside legal recruiter to identify quality candidates. In addition, the office is seeking one to two investment lawyers on a secondment basis from outside legal law firms to provide support, pending completion of the recruitments. The Investments Section of the Legal Office will also continue to work on development of a transaction management tool to provide increased technology to support the large volume of investment, commercial contracts, and Public Records Act matters.

Ordinance Positions: To support the growth of the office, development of legal staff, and improved service, the Legal Office seeks an increase in the number of ordinance positions for Senior Staff Counsel from 10 to 14.

Compliance and Governance: To bolster the operational lines of compliance within the organization by refining our monitoring and development of policy development, training, and enforcement and by providing a compliance team to work with subject matter experts in LACERA's other divisions.

Status: The Legal Office will support development and achievement of LACERA's compliance and risk management goal through approval and hiring of a Compliance Manager within the office. The request position has

changed for FY 2023-24 from Director of Compliance to Compliance and Ethics Officer to provide mid-level support for development of the compliance program, with the addition of the Director position in the future as the program becomes more sophisticated.

Classification Study for New Senior Legal Analyst Position: Increased professionalism, expertise, and supervisory capability within LACERA's paralegal staff will be achieved through consideration of a new Senior Legal Analyst classification. The Legal Office requests a classification study for this position.

Status: Requested for FY 2023-24.

Succession Planning: To ensure leadership and continuity of support in key legal areas.

Status: The office provided opportunities to lawyers to lead projects with other LACERA staff, make presentations to the Boards, participate in the growth of the office and obtain education and training. Approval of the Principal Staff Counsel position, which remains subject to approval by the Board of Supervisors, will assist greatly in management of the office, service to our internal clients, and succession planning.

STAFFING ISSUES FOR FY 2023-24

A. Positions

The office's FY 2023-24 budget addresses four categories of positions that are needed to ensure that the office continues to provide excellent legal services to the Boards, staff in all divisions, and members, and to meet organizational changes in other parts of LACERA, such as the Executive Office, Benefits and Member Services, Investments, and the new organizational chart proposed by the Chief Executive Office. The current structure is over 15 years old. LACERA has greatly evolved during that time, as has the legal landscape and the sophistication of the services that the office's clients in the organization require. The requested positions will help establish the foundation on which the office can build to meet the challenges of the future.

1. **Principal Counsel:** Two positions were approved by the Boards in 2017. They have not yet been approved by the Board of Supervisors. With the increase in the amount and complexity of legal issues in the organization since 2017, the need for these positions is greater now than it was then. Although no funding can yet be requested for the positions, they remain a part of the Legal Office organizational chart and future plans as a placeholder.
2. **Senior Staff Counsel:** As a result of the growth in the Legal Office's work as described above, it is necessary to increase number of ordinance positions for this classification. The current number of authorized positions is 10, which will be exhausted by the new position. To accommodate future needs, the number should be increased to 14. The hiring of new lawyers is important not just to perform necessary legal work for the present, but to build the foundation for future

leadership and succession planning in the Legal Division for senior positions, including Chief Counsel, Principal Staff Counsel, and Senior Staff Counsel. We have also learned that excellent lawyers hired by the Legal Division sometimes transfer to other LACERA divisions, where they pursue their ambitions and become part of the future in other areas of the fund.

3. **Compliance and Ethics Officer:** The Director of Compliance position has been previously discussed with the Boards. This year, we propose changing the requested position to Compliance and Ethics Officer to provide staff to begin development and implementation of the compliance program, with the expectation that the Director position may be added in the future. The Compliance and Ethics Officer will further the organization's operational compliance by providing dedicated expertise and full-time commitment to the compliance function, which is currently spread throughout the Legal Office and even other parts of the organization. Adding a dedicated position will also strengthen LACERA's management and Internal Audit compliance efforts. A Compliance and Ethics Officer will enable LACERA to implement a compliance structure in line with the Institute of Internal Auditors' "three lines" model of compliance, with the first line being the delivery of services and support for services, the second line being management of risk, and the third line being the independent role of Internal Audit. A Compliance and Ethics Officer provides needed leadership and expertise to provide a strong second line, which currently does not have dedicated staff at LACERA, although a variety of staff give some attention to the issue. The job description for the Compliance and Ethics Officer is currently in development and will be presented to the Boards for approval, along with the recommended salary, during FY 2023-24.

B. Classification Study for Senior Legal Analyst

The Legal Division requests a new classification for Senior Legal Analyst, in addition to the existing Legal Analyst classification, to recognize the Legal Division's increasing reliance on experienced legal analysts to perform high-level legal work that is extremely important and sophisticated but does not require the services of an attorney. The division currently relies upon Legal Analysts for work in the Benefits, Disability, and Investment sections of the office. Senior Legal Analysts will perform advanced work in areas of benefit and legal order analysis, investment contract and investment regulatory requirements, and Form 700 and other ethics compliance functions. Senior Legal Analysts will free attorneys from performing these functions and leverage the legal staff of the office in an efficient and economical way.

C. Temporary Services and Overtime

The agency-temporary budget for FY 2023-24 will provide for temporary staff to cover Legal Office needs, such as potential attorney and clerical assistance for special projects and coverage for administrative staff absences or medical leave. The office also needs occasional overtime throughout the year to support secretarial and Legal Analyst staff in the Investment Section of the Legal Office in keeping up with the very high volume and time-sensitive demands of the organization's investment work; in the

Benefits Section of the Office to cover March Madness and other member service needs; and to complete compliance projects and other special assignments. However, the office will continue to be efficient in the use of temporary staff and overtime and authorizes requests in these areas only when there is demonstrated need to complete work necessary to fulfill LACERA's mission.

D. Intern

The Legal Division intends to hire two interns in FY 2023-24 to help recruit talent for the future and to provide opportunity to a law school student who may be interested in a career in government and public pension law. One intern will be a law student, and the other will be for legal analyst work. The division intends to expose the interns to the work of all sections of the office in order to provide broad experience of LACERA's legal needs and promote understanding of all major dimensions of LACERA's business. The division will also support additional work in specialized areas if the intern expresses a focused interest. The Legal Division focuses on diversity as an important factor in all our recruiting, which will be a consideration, as well in selecting an excellent intern. The planning for recruitment of the interns is underway.

E. Training

Attorneys are required by California law to obtain 25 hours of mandatory continuing legal education every three years. The Legal Office's attorneys are diligent in obtaining this training and seeking additional training as needed. Training is provided through SACRS, the National Association of Public Pension Attorneys, and other sources.

Other LACERA staff obtain training on important processes and skills through the Human Resources Office.

SERVICES AND SUPPLIES

Even as the office's staffing grows in capability and the demand for legal services within the organization continues to expand, we will strive in FY 2023-24 to be more efficient. Therefore, we have increased the Services and Supplies budget associated with staff to reflect the proposed greater headcount. Overall, the Services and Supplies budget has been reduced based on a projected reduction in Outside Legal Counsel fees.

The budget for Services and Supplies is primarily based on historical expenditures, adjusted for experience, and increased headcount. LACERA will continue to be efficient across the board in FY 2023-24, primarily through a focus on efficiency; continued reduction in the physical, hard copy library in favor of electronic resources; allocation of education opportunities and organizational memberships to minimize—if not eliminate—travel, avoid duplication, and increase the sharing of knowledge and information; and better management of outside legal resources.

Outside Legal Resources is a difficult category to budget and control, because it is dependent on unpredictable contingencies and claims as well as Board issues that may arise. The office proposes an amount for FY 2023-24 to recognize recent trends in outside counsel usage, including projections based on the status of major pending matters, while

at the same time committing to manage outside counsel assignments to control cost.

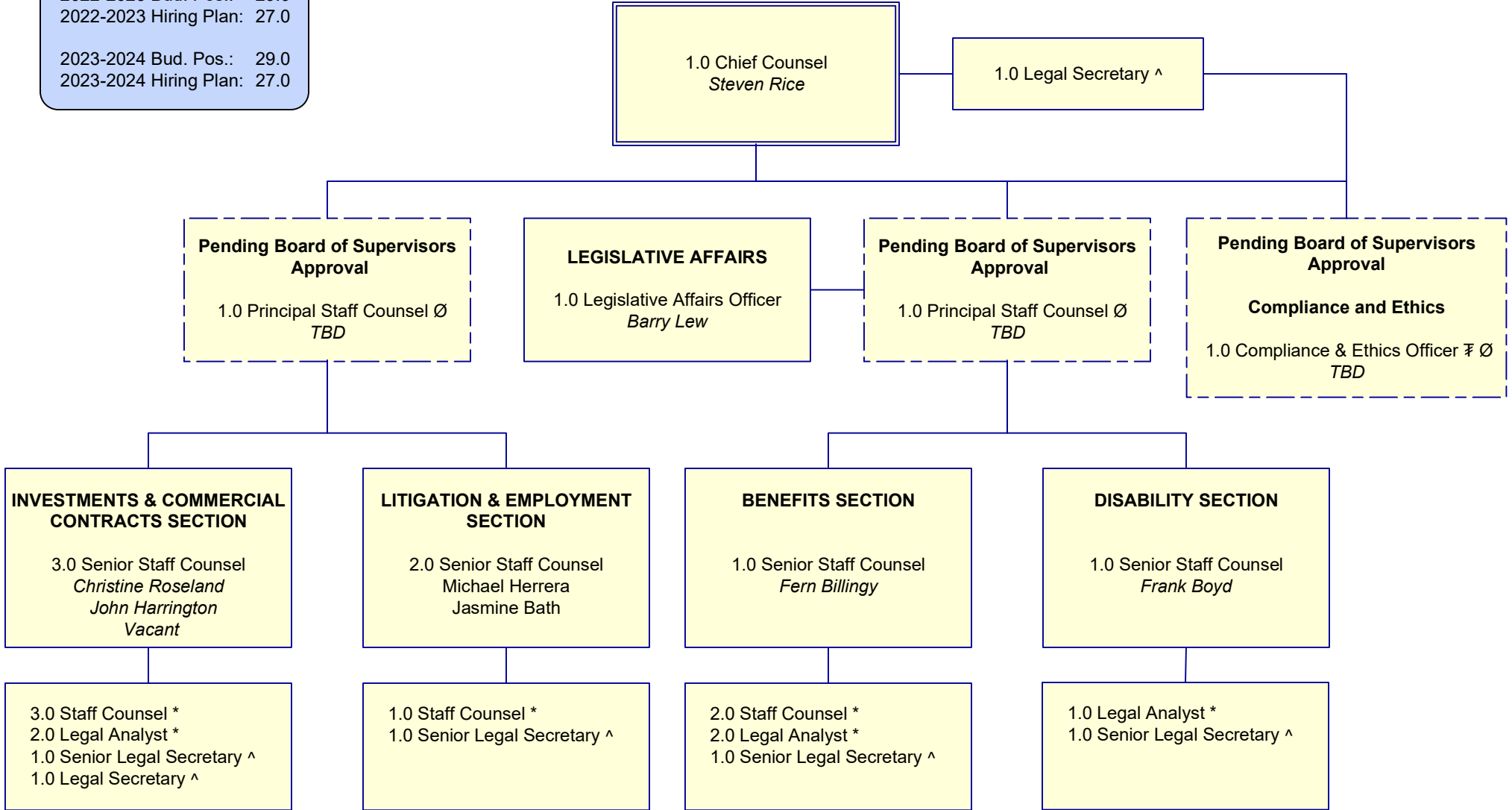
In order to supplement the division's recruitment efforts for full-time investment attorneys, the division is currently exploring secondments with some of our major outside investment law firms to be used in support of the division's work for the Investments Division. Under this arrangement, one or more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

LEGAL SERVICES

FISCAL YEAR 2023-2024

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

2023-2024 Bud. Pos.: 29.0
 2023-2024 Hiring Plan: 27.0



* Classification study for the position requested

^ Position upgrade from Senior Management Secretary to Senior Legal Secretary and Management Secretary to Legal Secretary as a result of classification study (Board of Supervisors approved on October 18, 2022).

Ø Not yet approved by Board of Supervisors (1.0 Principal Staff Counsel in Investments & Litigation Team, 1.0 Principal Staff Counsel in Benefits & Disability Team, and 1.0 Compliance and Ethics Officer in Legal Services)

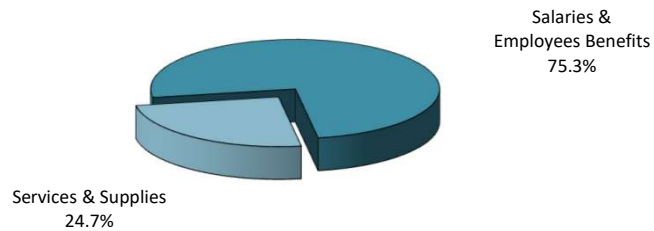
ƒ Title change from Director of Compliance to Compliance and Ethics Officer

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

LEGAL SERVICES

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$7,524,432	\$7,029,695	\$2,867,503	\$5,771,400	(\$1,258,295)	-17.9%	\$494,737	7.0%
Services & Supplies	2,473,300	3,427,500	3,330,007	4,369,800	942,300	27.5%	(954,200)	-27.8%
OPERATING BUDGET	\$9,997,732	\$10,457,195	\$6,197,510	\$10,141,200	(\$315,995)	-3.0%	(\$459,463)	-4.4%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

LEGAL SERVICES

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		BUDGET	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE
			(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$4,320,931	\$3,853,589	\$1,742,020	\$3,375,300	(478,289)	-12.4%	\$467,342	12.1%
Total Agency Temp Salaries	179,400	196,600	43,577	147,500	(49,100)	-25.0%	(17,200)	-8.7%
Employee Benefits (Variable)	2,568,864	2,555,301	892,326	1,864,300	(691,001)	-27.0%	13,563	0.5%
Employee Benefits (Other)	276,951	261,912	120,513	256,700	(5,212)	-2.0%	15,039	5.7%
OPEB Contribution	153,485	138,993	59,683	110,200	(28,793)	-20.7%	14,492	10.4%
Stipends	0	0		0	0	0.0%	0	0.0%
Overtime	19,900	18,400	9,384	17,400	(1,000)	-5.4%	1,500	8.2%
Bilingual Bonus	2,400	2,400	0	0	(2,400)	-100.0%	0	0.0%
Sick Leave Buyback	0	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	2,500	2,500	0	0	(2,500)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$7,524,432	\$7,029,695	\$2,867,503	\$5,771,400	(\$1,258,295)	-17.9%	\$494,737	7.0%
Salary Differential	-	-	-	-			-	
TOTAL S&EB	\$7,524,432	\$7,029,695	\$2,867,503	\$5,771,400	(\$1,258,295)	-17.9%	\$494,737	7.0%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

LEGAL SERVICES

2023-2024 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
09216A	CHIEF COUNSEL	1	LS19	28,397	340,758			
09213A	SENIOR STAFF COUNSEL	6	LS16	121,389	1,456,662			
09212A	STAFF COUNSEL	3	LS12	51,452	617,429			
00795A	LEGISLATIVE AFFAIRS OFFICERS	1	115H	12,639	151,664			
09235A	LEGAL ANALYST	4	102F	34,452	413,424			
00441A	SENIOR LEGAL SECRETARY	2	101H	15,903	190,837			
00440A	LEGAL SECRETARY	2	97C	13,830	165,959			
POSITIONS		19			3,336,733			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
99999A	PRINCIPAL STAFF COUNSEL Ø	2	LS17	16,235	194,816			
99999A	COMPLIANCE & ETHICS OFFICER Ø	1	LS16	15,102	181,224			90,612
09213A	SENIOR STAFF COUNSEL	1	LS16	15,102	181,224	181,224		
09212A	STAFF COUNSEL	3	LS12	11,308	135,701	407,102		
09235A	LEGAL ANALYST	1	102F	6,740	80,882	80,882		
00441A	SENIOR LEGAL SECRETARY	2	101H	6,592	79,107			79,107
						669,208	0	169,719
POSITIONS		10			838,927			
TOTAL POSITIONS		29						
GROSS SALARIES					4,175,661			
ANTICIPATED MOU SALARY INCREASE**					62,635			
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE					74,295			
BONUS					8,342			
120-DAY RETIREE(S)					0			
TOTAL SALARIES					4,320,931			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

LEGAL SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
AUTO EXPENSE	\$3,900	\$4,400	\$633	\$2,900	(\$1,500)	-34.1%	(\$500)	-11.4%
TRANSPORTATION & TRAVEL	21,800	17,800	3,263	12,300	(5,500)	-30.9%	4,000	22.5%
OFFICE SUPPLIES & EQUIPMENT	5,000	6,000	1,045	3,000	(3,000)	-50.0%	(1,000)	-16.7%
PROFESSIONAL & SPEC. SRVCS.	280,300	252,300	127,569	252,300	0	0.0%	28,000	11.1%
LEGAL FEES & SERVICES	2,050,000	3,040,500	3,140,010	4,001,800	961,300	31.6%	(990,500)	-32.6%
EDUCATIONAL EXPENSES	110,000	104,500	57,130	95,500	(9,000)	-8.6%	5,500	5.3%
MISCELLANEOUS	2,300	2,000	359	2,000	0	0.0%	300	15.0%
TOTAL	\$2,473,300	\$3,427,500	\$3,330,007	\$4,369,800	\$942,300	27.5%	(\$954,200)	-27.8%

*All amounts rounded to the nearest dollar.

** The projection for Legal Fees & Services will be offset by \$1M credit.

LEGAL SERVICES

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$3,630,372	\$2,598,365	\$3,853,589	\$3,375,300	\$4,320,931
Total Agency Temp Salaries	150,000	103,549	196,600	147,500	179,400
Employee Benefits (Variable)	2,117,944	1,484,491	2,555,301	1,864,300	2,568,864
Employee Benefits (Other)	214,441	215,724	261,912	256,700	276,951
OPEB Contribution	105,267	95,913	138,993	110,200	153,485
OPEB Contribution (Budget Surplus)	0	105,267	0	0	0
Stipends	0	0	0	0	0
Overtime	30,000	20,897	18,400	17,400	19,900
Bilingual Bonus	2,400	1,000	2,400	0	2,400
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	2,500	0	0	0	0
Transportation Allowance	0	0	2,500	0	2,500
SERVICES & SUPPLIES					
Auto Expenses	4,400	1,726	4,400	2,900	3,900
Transportation & Travel	26,400	8,221	17,800	12,300	21,800
Office Supplies & Equipment	6,000	1,616	6,000	3,000	5,000
Professional & Specialized Services	252,300	255,691	252,300	252,300	280,300
Legal Fees & Services	1,100,000	2,888,853	3,040,500	4,001,800	2,050,000
Educational Expenses	103,000	79,821	104,500	95,500	110,000
Miscellaneous	3,000	622	2,000	2,000	2,300
TOTAL OPERATING BUDGET	\$7,748,024	\$7,861,756	\$10,457,195	\$10,141,200	\$9,997,732

*All amounts rounded to the nearest dollar.

MEMBER SERVICES

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

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

INTRODUCTION

Member Services is dedicated to continually improving the member experience across all channels. We provide full-service support—from assisting members with technical support for My LACERA and general account maintenance to providing in-depth retirement counseling and assisting survivors when a member passes away. Our focus is on member education and support.

Member Services is composed of three operational sections:

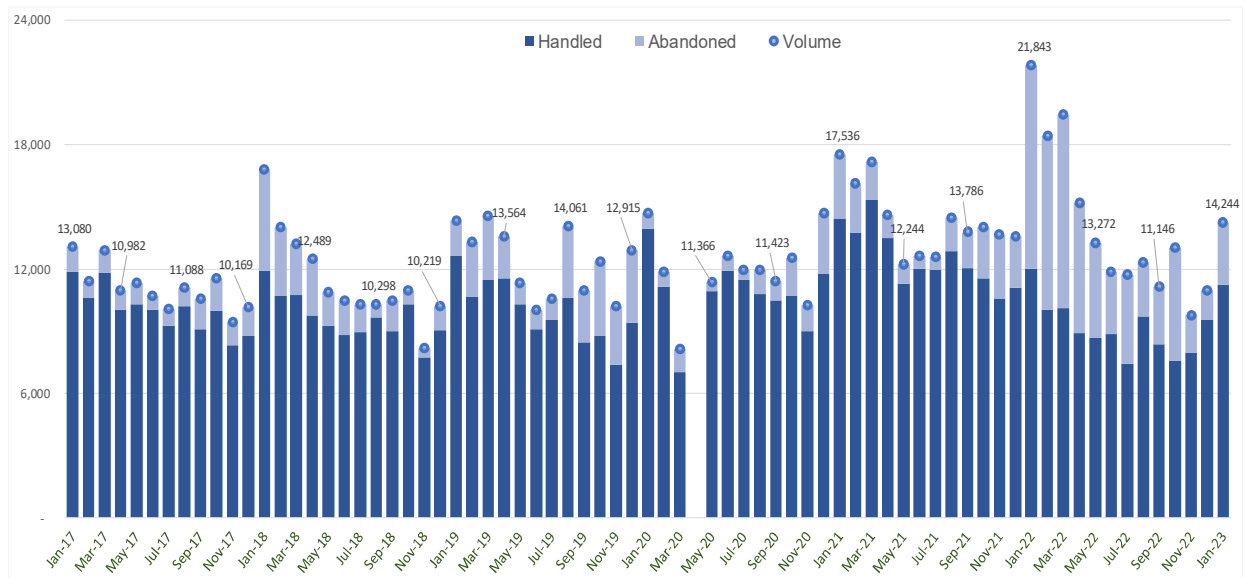
- **The Contact Center:** This section is composed of our Call Center, which provides full-service support for members and survivors; HR Pros from the County and outside districts; My LACERA technical support; and the Correspondence Unit.
- **Outreach:** The Outreach section consists of the Member Services Center (MSC), which provides in-person and virtual one-on-one counseling sessions for members. The Outreach section also provides webinars to educate members on a wide variety of topics and conducts in-person workshops and benefit tables at various County and union events.

- Member Quality Control Group (MSQC):** The MSQC section maintains the Member Services knowledge base referred to as the MS Operating Instructions, monitors phone calls to confirm exacting performance expectations are maintained, and oversees the collection and analysis of member feedback for Member Services interactions. The MSQC also oversees the escalation process and includes a Member Care Unit, which addresses more complex member concerns.

ACCOMPLISHMENTS

FY 2022-23 was a year of innovation and rapid change as we worked to address historic call volumes, recover from the high vacancy rate resulting from the COVID-19 pandemic, expand our appointment availability in the Member Service Center during a reduced staffing environment, and begin the planning and development of our Member Experience program focus.

The last two years have seen the highest call volumes since we started tracking them in 2006. These call volumes were driven by a high interest in retirement planning, delays in processing death benefits, and delays in processing Part B reimbursements and were compounded by high vacancies in our Call Center.



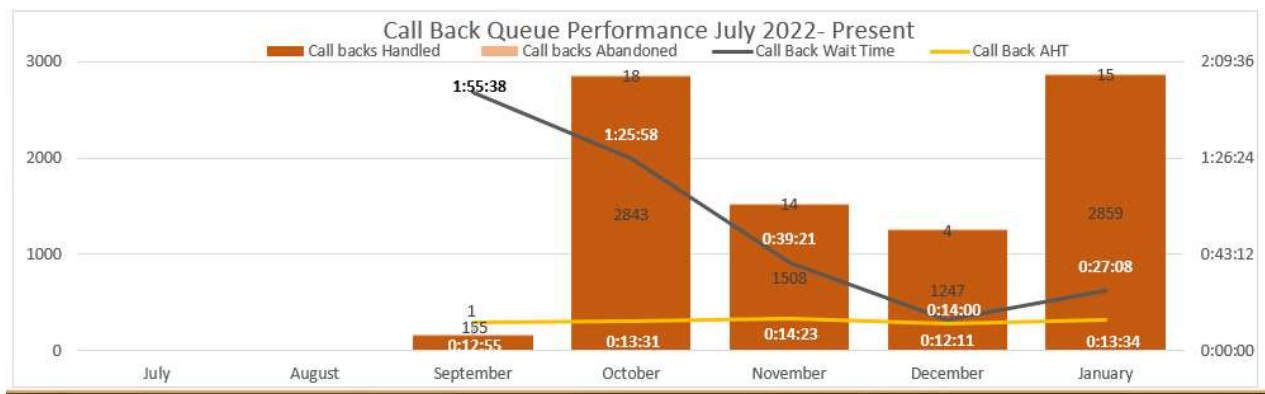
Facing increases of this nature with the challenges of a high vacancy rate required the division to take multiple innovative steps to improve the member experience.

The division worked alongside our Benefits Division to support the Quality Assurance Division as they trained two large CORE Benefit Training (CBT) program classes of Retirement Benefit Specialist Is to fill Call Center vacancies. This effort was a first for

LACERA as we conducted two classes nearly simultaneously. The three divisions worked together closely to coordinate the training, including pausing training to help Member Services launch a new service channel to support My LACERA.

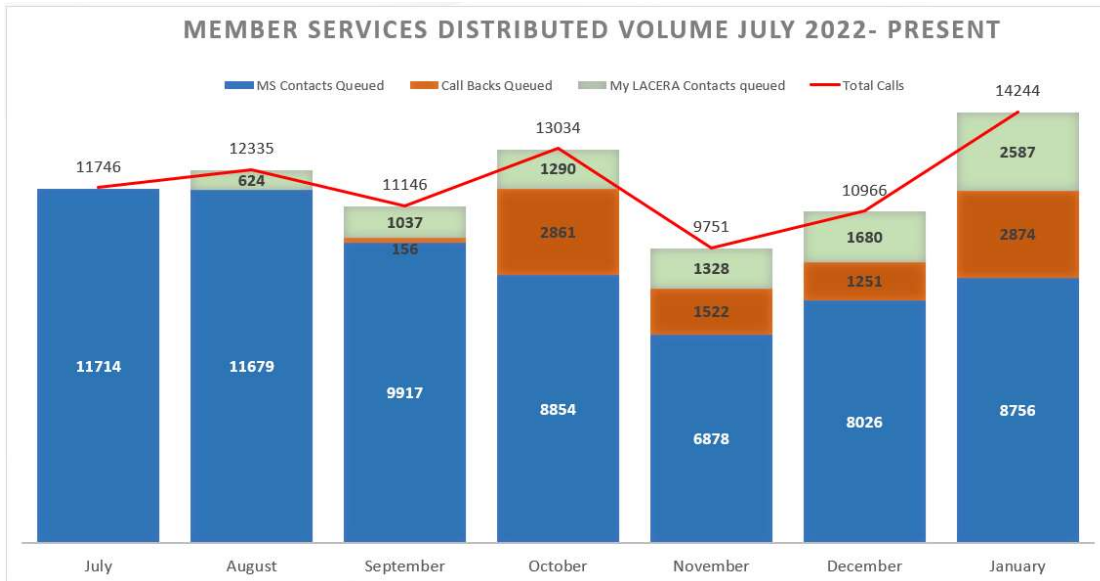
Member Services turned to innovative technical solutions to address continued high call volumes while we waited for the new trainees to graduate. During the first half of FY 2022-23, the division launched two new services: the callback feature and the new My LACERA support queue.

Member Services team members partnered with Systems and our Call Center SaaS provider, Amazon Web Services (AWS), to develop and roll out the new callback feature, which allows members to opt for a same day callback instead of waiting on hold. On average, about 117 members a day opt to take advantage of the callback feature, with an average wait time of 1 hour, 9 minutes. The team is working to define a Grade of Service (GOS) to include in the KPI for this queue.



In the fall of 2022, Member Services launched the new My LACERA Support queue in our Call Center, allowing members to bypass the main queue to get direct assistance with accessing and using My LACERA. The support queue averages about 90 calls per day, with an average wait time of 1 minute, 20 seconds. The GOS KPI for this queue is 89.94 percent of all calls answered in 60 seconds or less.

Together, these innovative technologies—along with a slightly lower call volume and careful workforce management during the first half of the fiscal year—helped reduce our average call wait time by 15 percent from 21 minutes, 37 seconds to 18 minutes, 23 seconds.



Member Services also rolled out a new appointment and queue management system for our Member Service Center in the second quarter of FY 2022-23. The new system provides improved performance for members scheduling in-person or virtual appointments. The new system replaced a slow and unresponsive appointment system, vastly improving the member experience. The new technology includes automatic email notifications for members as a reminder of their upcoming appointment.

Behind the scenes, the new queue management technology will allow us to begin collecting improved metrics for the Member Service Center operations, so we can better track how we provide service, forecast future staffing needs, and identify areas for improvement in our processes.

With better insight and careful workforce management and planning, Member Services also prepared for and increased the availability of appointments in the Member Service Center for the 2023 March Madness season. The team increased available appointments from 12 to 25–30 per day for in-person and 17 to 19 for virtual appointments. The team also worked to once again provide Saturday virtual counseling sessions to meet member demand. These efforts were carried out despite our staffing challenges. .

Focusing on developing our Member Experience program, Member Services introduced new surveys for members to provide feedback about their Call Center and Member Service Center interactions. Members can now opt to answer a post-call survey before speaking to a specialist. The short, five-question survey collects member feedback on their interaction during that call. (Members completing a one-on-one counseling session in the Member Service Center receive a text message satisfaction survey.) This is the beginning of our member experience feedback loop.

Additional advances include the launch and support of multi-factor authentication for My LACERA and new procedures supporting our death benefit claim form automation process.

The Member Operations Group (MOG) is always looking for ways to develop staff and improve the level of service we provide to members. The Member Services and Benefits divisions work together closely to coordinate activities on a number of levels. This year the two divisions joined forces to create a new and innovative way of sharing resources to further the development of staff and keep all staff connected to the members. The new classes that graduated in late 2022 were moved forward as hybrid Retirement Benefit Specialists. The two divisions will be developing a rotation schedule that will see these specialists working in both the Call Center and processing member requests in the Core Benefits Unit. The rotation keeps staff training current, fosters a greater understanding of the member request lifecycle, and keeps all staff focused on improving the member experience, all without degrading the service that either division offers.

Looking Forward to FY 2023-24

Our focus in 2023-2024 is to continue to innovate and improve our ability to deliver service to members when and how they want it. Superior Member Experience is Priority No. 1 in the proposed strategic plan— this priority and the associated objectives will help guide us as we work to improve the efficiency of our highly personalized service while expanding self-service options. As Member Services focuses on planning and delivering on the objectives outlined in strategic Priority No. 1, we look forward to working with the Member Experience Council to focus and prioritize efforts to improve specific member journeys.

Our initial focus will be reimagining the retirement planning journey. A multidivisional effort is underway to standardize the Member Services retirement counseling procedures to ensure members receive the same information and level of support regardless of their channel of choice, as well as ensuring that we have an integrated approach to helping members with their retirement plans. This new approach will also incorporate the lacera.com Retirement Planning section as an ongoing resource hub as they move through the retirement process. By developing a reference hub that matches the information shared during their personalized counseling sessions, members will have an online resource that will help answer their questions and increase their knowledge and understanding of the retirement planning process and benefits. We expect this resource will improve their experience and may even reduce call volumes from follow-up questions. We expect this new standardized process to be in place during the first quarter of FY 2023-24.

Future phases expected to kick in toward the end of FY 2023-24 will include integrating Retiree Healthcare in the standardized retirement planning counseling session. By cross-training Member Services staff, we can ensure that every retirement counseling interaction will include explanations of the basics of the healthcare plans. Staff will be

trained to identify trigger points to connect members with the RHC Member Care Unit for more advanced discussions regarding plan selection and Medicare questions.

All of these efforts will serve as a springboard for future plans to develop a self-service or guided online retirement process similar to what you may experience in popular tax preparation programs.

Additional focus is expected on the new member journey as we partner with Benefits and Systems to change the New Member Sworn Statement process. The current process requires new members to complete a paper form provided by our HR Pro partners throughout the County. Our goal is to modernize this process and combine it with My LACERA registration. This will allow us to begin forming a stronger digital relationship with our members at the start of their careers, which serves as the gateway for proactive communications during other member journeys and additional self-service offerings.

Member Services is partnering with our Call Center SaaS provider, AWS, to implement an innovative AI-assisted Secure Validation and Voice Authorization process for our Call Centers. Currently members must be validated by a specialist before we can begin discussing private retirement-related topics or process member requests. This process can range from one to three minutes or more. The new process will securely validate the member prior to reaching a specialist and deliver the member's account to the specialist so we can begin assisting the member right away. Not only will this personalize the interaction and improve the one-on-one member experience, it will also reduce average handling time for specialists, allowing us to handle more calls in a standard day. Of course, in keeping with our focus on the member experience, those who do not wish to go through this process can opt out and be validated by a specialist in person. If a member opts into voice authentication, their voice alone will serve as the verification method—again, making their overall experience smoother and faster.

Member Services will also continue working with other MOG divisions as we implement the case management system (CMS). We will be evaluating the potential for the CMS to be used to manage our escalation and hardship process and help us increase our ability to communicate status with members. Our expectation for the CMS is a new transparency that will allow early intervention to resolve challenges and pivot us away from a task-process method, which isolates processes, to a more complete view of the member. Greater visibility will allow us to see and eliminate errors, which will increase member satisfaction.

Member Services will also be partnering with Systems to issue an RFP for an Enterprise Communication System that will provide enhanced member interaction capabilities in our Call Center and also allow us to evaluate potential AI-assisted chat support on our website. More details will be released as we refine the RFP.

Ensuring a consistent level of service and a positive member experience requires stable staffing in our member-facing divisions. Member Services and MOG are working with

Human Resources and the Executive Office to create a pipeline of trained staff to continually fill vacancies that occur. Member Services is a gateway division that serves as a launching platform for staff to grow with LACERA over time. New staff are trained by Quality Assurance in our Core Benefits Training program and then work in the Member Services Call Center and often promote from the Call Center to other parts of the organization. This constant (but positive) staff movement leaves a perpetual, cyclical high vacancy rate in the Call Center. High vacancy rates degrade our ability to provide service not only in the Call Center, but also in the Member Service Center, which often relies on specialists moving from the Call Center to fill their vacancies. By approaching the Board of Retirement with a request to over-hire, we can ensure that we have a steady pipeline of trained staff to vacancies quickly.

We are looking forward to a new cadre of trainees beginning in April of 2023, who will graduate near the end of the year. Member Services has been working with the other MOG divisions to develop a revamped Core Benefits Training program that incorporates both technical knowledge and the soft skills required to provide members complex benefit and retirement counseling. The new program will focus on developing a well-rounded and trained staff that can fulfill our vision of hybrid Retirement Benefit Specialists who can work in both a Member Services member interaction role as well as a Benefits processing role. The new program has added customer service training, including mock call practices as well as the historical production level practice for Benefits processing.

We expect the new class to provide us with a sufficient pipeline of trained staff that will also allow us to fill vacancies in our Member Service Center. Member Services is focused and determined to increase the availability of in-person and virtual appointments. This is a critical goal that we hope to meet toward the end of the FY 2023-24.

The new Division Manager of Member Services, like other MOG division managers, will be responsible for working with the MS Section Heads and Supervisors to identify core competencies and develop a preliminary roadmap for staff member education and development for positions under their purview. These roadmaps will be reviewed and serve as tools for creating individual self-development plans for subordinate staff. Formal training will include local and cost-effective instruction.

STAFFING

Member Services service levels continue to improve as a result of a reduction in staffing vacancies. In FY 2022-23, Member Services placed 14 graduates of two Core Benefits Training (CBT) classes in the Member Services Call Center. Our Call Center has 30 positions, and because of the pandemic, LACERA was not able to offer training classes in more than two years. Our staffing is dynamic, as many specialists will promote, transfer to other divisions, and retire, so having new specialists from the CBT is how we add staff. Before the graduation of classes in 2023, the last CBT class began in 2019, so the additional specialists we added this past fiscal year has significantly improved

our ability to deliver timely service to our callers. Member Services is not asking for additional positions in FY 2023-24.

OVERTIME

With the development of the case management project, we will need Member Services subject matter experts to contribute their insights and knowledge. Member Services is asking for the overtime budget to be increased by 15 percent in staffing hours from FY 2022-23, totaling \$214,200, for this project. In addition to case management, Member Services is asking for overtime funds to provide additional retirement counseling meetings and to support Benefits during March Madness.

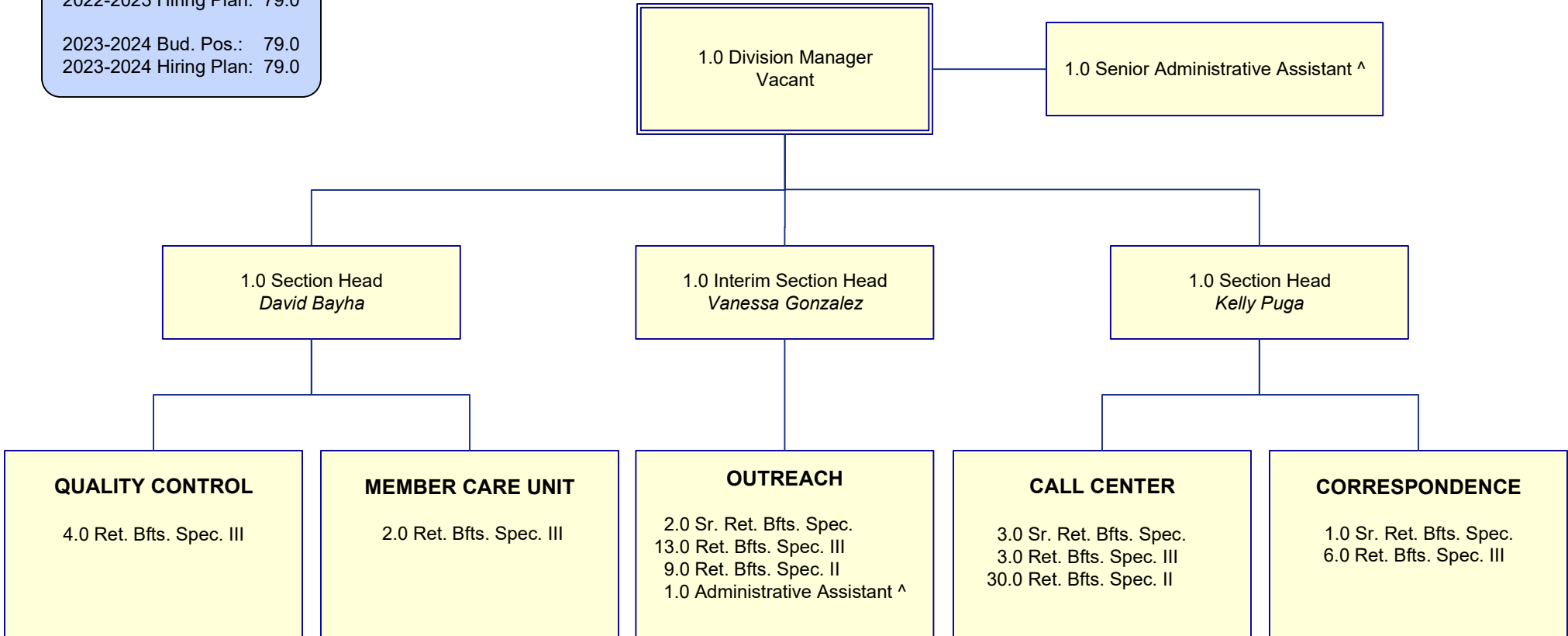
SERVICES AND SUPPLIES

The Services and Supplies budget requests are in line with previous years and based on actual and historical expenditure trends. We reduced our travel during the pandemic and anticipate restarting conference participation in FY 2023-24. SACRS, CALAPRS, CEBS and ICMI are some of the conferences we attended in the past.

MEMBER SERVICES DIVISION

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 79.0
 2022-2023 Hiring Plan: 79.0
 2023-2024 Bud. Pos.: 79.0
 2023-2024 Hiring Plan: 79.0



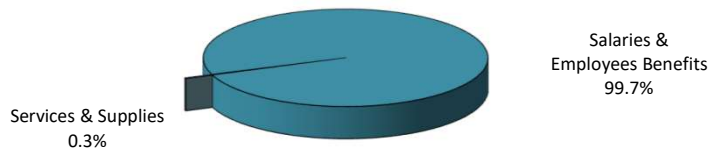
^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

MEMBER SERVICES

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$11,034,096	\$10,452,614	\$4,747,709	\$9,533,400	(\$919,214)	-8.8%	\$581,482	5.6%
Services & Supplies	29,200	26,800	4,411	21,500	(5,300)	-19.8%	2,400	9.0%
OPERATING BUDGET	\$11,063,296	\$10,479,414	\$4,752,120	\$9,554,900	(\$924,514)	-8.8%	\$583,882	5.6%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

MEMBER SERVICES

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$6,231,376	\$5,973,287	\$2,892,560	\$5,679,400	(\$293,887)	-4.9%	\$258,089	4.3%
Total Agency Temp Salaries	0	37,000	0	0	(37,000)	-100.0%	(37,000)	-100.0%
Employee Benefits (Variable)	3,925,972	3,639,900	1,411,761	2,983,400	(656,500)	-18.0%	286,072	7.9%
Employee Benefits (Other)	399,401	383,245	177,242	375,600	(7,645)	-2.0%	16,156	4.2%
OPEB Contribution	221,347	203,383	112,971	208,600	5,217	2.6%	17,964	8.8%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	214,200	174,000	140,732	259,900	85,900	49.4%	40,200	23.1%
Bilingual Bonus	16,800	16,800	4,750	8,800	(8,000)	-47.6%	0	0.0%
Sick Leave Buyback	15,000	15,000	7,694	17,700	2,700	18.0%	0	0.0%
Rideshare Allowance	10,000	10,000	0	0	(10,000)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$11,034,096	\$10,452,614	\$4,747,709	\$9,533,400	(\$919,214)	-8.8%	\$581,482	5.6%
Salary Differential **	-	-	-	-	-		-	
TOTAL S&EB	\$11,034,096	\$10,452,614	\$4,747,709	\$9,533,400	(\$919,214)	-8.8%	\$581,482	5.6%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

MEMBER SERVICES

2023-2024 BUDGET

FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00772A SECTION HEAD, LACERA	3	LS9	32,112	385,340			
01312A SENIOR RETIREMENT BENEFITS SPECIALIST	4	104A	35,943	431,316			
01311A RETIREMENT BENEFITS SPECIALIST III	26	98G	195,174	2,342,084			
00439A SENIOR ADMINISTRATIVE ASSISTANT	1	93A	6,840	82,080			
01310A RETIREMENT BENEFITS SPECIALIST II	28	92A	153,216	1,838,592			
POSITIONS	62			5,079,412			
VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00773A DIVISION MANAGER	1	LS12	11,308	135,701	135,701		
01312A SENIOR RETIREMENT BENEFITS SPECIALIST	2	104A	7,028	84,336			
01311A RETIREMENT BENEFITS SPECIALIST III	2	98G	6,062	72,749			72,749
01310A RETIREMENT BENEFITS SPECIALIST II	11	92A	5,076	60,912	670,032		
00438A ADMINISTRATIVE ASSISTANT	1	86J	4,400	52,795			26,397
					805,733	0	99,147
POSITIONS	17			904,879			
TOTAL POSITIONS	79						
GROSS SALARIES				5,984,291			
ANTICIPATED MOU SALARY INCREASE**				89,764			
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				141,676			
BONUS				15,644			
120-DAY RETIREE(S)				0			
TOTAL SALARIES				6,231,376			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA

FISCAL YEAR 2023-2024

SERVICES & SUPPLIES ACCOUNT SUMMARY

MEMBER SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$11,500	\$8,000	\$2,921	\$9,000	\$1,000	12.5%	\$3,500	43.8%
OFFICE SUPPLIES & EQUIPMENT	4,000	5,000	1,477	2,500	(2,500)	-50.0%	(1,000)	-20.0%
EDUCATIONAL EXPENSES	11,200	11,300	0	8,900	(2,400)	-21.2%	(100)	-0.9%
MISCELLANEOUS	2,500	2,500	13	1,100	(1,400)	-56.0%	0	0.0%
TOTAL	\$29,200	\$26,800	\$4,411	\$21,500	(\$5,300)	-19.8%	\$2,400	9.0%

*All amounts rounded to the nearest dollar.

MEMBER SERVICES

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$5,973,011	\$5,259,951	\$5,973,287	\$5,679,400	\$6,231,376
Total Agency Temp Salaries	0	0	37,000	0	0
Employee Benefits (Variable)	3,275,270	2,793,049	3,639,900	2,983,400	3,925,972
Employee Benefits (Other)	367,397	373,194	383,245	375,600	399,401
OPEB Contribution	180,351	202,477	203,383	208,600	221,347
OPEB Contribution (Budget Surplus)	0	180,351	0	0	0
Stipends	0	0	0	0	0
Overtime	133,800	221,062	174,000	259,900	214,200
Bilingual Bonus	16,800	11,400	16,800	8,800	16,800
Sick Leave Buyback	15,000	12,569	0	0	0
Rideshare Allowance	10,000	0	15,000	17,700	15,000
Transportation Allowance	0	0	10,000	0	10,000
SERVICES & SUPPLIES					
Transportation & Travel	21,700	0	8,000	9,000	11,500
Office Supplies & Equipment	12,500	1,972	5,000	2,500	4,000
Educational Expenses	16,500	150	11,300	8,900	11,200
Miscellaneous	4,800	0	2,500	1,100	2,500
TOTAL OPERATING BUDGET	\$10,027,130	\$9,056,175	\$10,479,414	\$9,554,900	\$11,063,296

*All amounts rounded to the nearest dollar.

QUALITY ASSURANCE & METRICS

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

To provide the promised benefits to our members in a timely and accurate manner by training and monitoring staff's quality and improving our business processes.

INTRODUCTION

The Quality Assurance & Metrics Division (QA) performs three main functions in service to LACERA's Member Operations Group (MOG), which are those divisions that provide retirement benefit services to LACERA's members. In order to deliver these services, QA is divided into three main units:

- **Quality Auditing:** Providing independent transactional audits of work processed by MOG staff for our members.

QA independently reviews and reports on the benefit-related business transactions performed by the MOG. The accuracy and completeness of business transactions are measured by audit parameters established by QA and the Executive Office after consultation between QA and audited divisions. QA compiles an annual report to the Operations Oversight Committee of the Board of Retirement regarding the overall accuracy and quality of the preceding fiscal year's member transactions.

QA reviews audit parameters with the auditee divisions annually so QA can audit cases based primarily on risk. These parameters include:

- **Audit Criteria:** These are the standards against which the quality of transactions is measured, based on LACERA's policies and procedures, as well as governing laws and regulations.
- **Audit Risk Levels:** This is a ranking of the magnitude of a particular transaction's risks to LACERA or its member. Various risk-related

characteristics are associated with each risk level. Risk levels help QA auditors triage cases for risk-based sampling and workload management. Risks are developed in conjunction with QA, the audited division, the Member Operations Group AEO, and Internal Audit.

- *Audit Sampling Plan*: Auditors apply a pre-determined sampling methodology when selecting cases to be audited for each audited group of transactions.
- *Audit Workflow*: To conduct its audits, QA uses a series of standardized steps designed to test the transaction's quality at appropriate points in the process.
- **Technical Training**: Providing in-depth technical benefits training for MOG staff, from new hires to veterans. The key initiatives of this training program are:
 - Core Benefits Training for newly hired Retirement Benefits Specialists and others who may benefit from entry-level retirement benefit specialist training.
 - Ad hoc training on various topics at the request of the MOG divisions.
 - Advanced CERL Education (ACE) to help increase the analytical and advanced processing skills of specialists to prepare them to perform the most complex work at the level of RBS III or higher.
 - QA Staff Development Training

For the first time since its inception the 2022 CORE Benefits Training program consisted of two simultaneous classes with 10 and 13 participants, who were trained and evaluated by nine QA instructors on 23 Benefits processes. The trainees processed over 1,500 cases with an overall accuracy of 96.68 percent during the production periods (All training production work was checked 100 percent before being finalized.)

The CORE Benefits Training program took place over 10 months, alternating classroom instruction and practice with periods of actual processing of member requests. Training materials were reviewed and updated before each session to reflect changes in the retirement law, LACERA's business policies, and LACERA's Systems processing.

As part of the proposed "Superior Member Experience" Priority, we are revamping the Core Benefit Training Program to include the use of mock calls, role-playing, and other customer service training so that every module covering the back-office processing of work will conclude with training to help relate that process to our members through member calls and face-to-face counseling. This will ensure we are providing Specialists who are able to serve in a hybrid capacity in both Benefits and Member Services.

FY 2023-2024 will see the first iteration of the revised course structure. To help alleviate staffing shortages in all MOG divisions and leverage the available QA staff, for the next upcoming Core Benefits Training, QA plans to train one large class of approximately 26 trainees. We plan to provide approximately 7 to 10 months of immersive classroom training on both Core Benefits and Member Services processes. This will be followed by about five months of combined Member Services and Benefits production work. QA will audit 100 percent of the Benefits production work. We believe that the immersive training approach will help accelerate the transition of the trainees from the training environment to the true production environment. Until sufficient QA vacancies are filled and ramped up to full productivity, QA will make use of overtime to keep pace with its growing workload.

QA has been developing e-learning modules to broaden our blended learning approach, using Udemy, and other desktop software tools. Future training will employ a combination of interactive learning complemented with face-to-face learning, as well as easily accessed refresher information. We continually evaluate our training programs to ensure we are providing the most comprehensive training in the shortest time frame possible to effectively train Specialists and improve their ability to service members.

Between 2021 and 2022, QA did not conduct Advanced CERL Education (ACE) training due to COVID exigencies as well as staff shortages, but refresher training for veteran staff was conducted. For FY 2021-2022, refresher training for veteran staff was provided covering account analysis, redeposits, and general-to-safety transfers.

- **Special Projects:** Special projects as assigned by the Executive Office and consistent with QA's independent quality assurance function.

QA engages in special projects assigned by the Executive Office that are appropriate for QA's skills and resources and do not compromise QA's standards of independence, objectivity, and professional ethics. For example, QA Senior Quality Auditors analyze, test, and validate new procedures, calculations, legislation, and system benefit calculation programming, such as beta testing the benefit calculation engine, validating mass contribution rate changes, validating member account adjustments for the felony conviction process, and analyzing new County pay codes. Pay code analysis can take from 90 minutes to several weeks for each batch of new pay codes, depending upon availability of information and the extent of coordination needed between LACERA's Quality Assurance Division, Legal Division, and Executive Office, as well as Los Angeles County's Auditor Controller and Executive Office. The Quality Analysts also performed annual census testing of 30 randomly selected member records. The PEPRAs embedded pay codes testing, Alameda project, and PEPRAs final compensation testing are in process.

Quality Assurance also collaborates with other divisions to facilitate data cleanup projects as directed by LACERA's strategic goals.

Expanding the Scope of Quality Auditing

QA has surveyed its partners in the MOG and identified at least 20 processes that are currently not audited by QA that carry sufficient risk to warrant QA's testing. Given that QA's currently available 10 auditors are able to audit 17 processes, the expansion of QA's audit scope would require a multi-year effort. We propose implementing 5 to 10 new process audits per fiscal year, assuming all vacant budgeted positions are filled. This rate of expansion is subject to the availability of new QA auditors in the coming years, and the staffing needs for this scope expansion effort will need to be assessed as these efforts progress.

The following is a partial list of processes that QA plans to audit in the future as resources become available:

- Death legal transactions like legal splits, retired deaths, power of attorneys, and levies
- Exceptions team transactions like withdrawals, tax, error reports, plan changes, IOB postings (excess contributions), recalculations of previous service and temporary time
- Payroll Unit transactions like disability reciprocity and payroll adjustments
- Account Integrity Section transactions like death notifications, Benefit Protection Unit transactions and verifications, new enrollments, and various data entry transactions not yet audited.
- Process Management Group transactions like business rule updates, special projects, systems implementations, and felony forfeitures
- Account Settlement Unit transactions like complex collection cases, required minimum distribution administration, and internal collection administration processes.
- Correspondence Unit transactions and administrative processes
- Member Services Quality Control Unit transactions and administrative processes

In addition to traditional transactional testing, QA will be working with the MOG divisions to undertake call monitoring to help support the quality of LACERA's service to its members as delivered through the Call Center and possibly other future channels of communication. By moving this function from within Member Services to QA, LACERA hopes to promote greater independence and objectivity in the call monitoring program, as documented in Internal Audit recommendations. To facilitate this transition, the MSQC team and QA reviewed the current Member Services process and determined that it is currently being managed by approximately two full-time equivalents (FTEs). Accordingly,

two new Quality Auditor II positions are projected to be needed and will be requested in a future budget year to ensure that QA has sufficient staff to accommodate the Call Center monitoring functions. This is over and above QA's existing five vacant positions, which are needed to further expand QA's audit scope as discussed above.

Supporting Strategic Initiatives in FY 2023-2024 and Beyond

Quality Assurance is partnering with the development team for the case management system. Quality Assurance is contributing subject matter experts to work on the development of the new first payment process and will be conducting user acceptance testing throughout the various stages of the implementation.

In support of LACERA's strategic focus on continuously improving our members' customer service experience, has been working with its partners throughout LACERA, especially Benefits, Member Services, and Communications, to undertake the development and implementation of an organization-wide system of customer surveys covering both internal and external customers. These efforts will be folded into the proposed Member Experience Council.

Below is a list of other initiatives planned for FY 2023-2024 are reflected below:

Project	Division Served	Project Objective	Timeframe
Case Management: Phase 1 Retirement Process	Benefits	Implement automated workflow in case management system with interface to standalone QA processes	2023-2024
Case Management: Phase 2 Retirement Process	Benefits	Integrate QA auditing processes into case management system	2023-2024
Implement Hybrid New Specialist Training to replace Core Benefits Training	Benefits and Member Services	Restructure new specialist class starting in 2023, and refine training using advanced tools in 2024-2025	2023-2025
Transition to risk-based sampling	Benefits	Adopt risk-based sampling upon implementation of risk-based risk data collection and case management metrics	2023-2025

Future Special Projects

QA will collaborate with the MOG Divisions on new special projects, such as additional Alameda project testing, PEPRA embedded earnings testing, FAC testing, organization-wide member surveys, other internal/external party surveys, and the case management system implementation.

Implementing 2021 Internal Audit Recommendations

A 2021 Internal Audit recommendation suggested that LACERA can increase the independence of the quality assurance operations by removing QA organizationally from the Member Operations Group. The Executive Office will be forming a work group with SME from Human Resources, Benefits, Internal Audit, and Quality Assurance to develop plans to fulfill the IA recommendations. This is a significant effort that includes separating Quality Assurance from the Member Operations Group vertical management structure and moving it to the Business Services Group. This will include developing plans to break off the Process Management Group (PMG) in Benefit into a new division and moving the QA Technical Training unit to PMG.

In preparation for this QA's Senior Quality Auditor responsible for the training function will be developing the project plan in conjunction with PMG to manage the transition and to organize the program and the new training unit within PMG.

STAFFING REQUEST

QA has five existing staff vacancies—three Senior Quality Auditors and two Quality Auditor IIs. To better match resources to QA's key functions, QA will seek to fill two Senior Quality Auditor positions to ensure sufficient supervision of the QA audit staff, and then use the remaining vacancies to further increase audit staffing. Once these vacancies are filled, QA plans to utilize new metrics reports developed for QA to determine future staffing needs. Given our current vacancies, we will not be requesting any additional staffing this fiscal year.

In light of increased member transactions and the existing QA staff shortages, the QA budget request includes \$11,500 for overtime, which is for nonexempt staff who support the various QA functions, especially during the peak retirement season.

QA utilizes a number of administrative, production, and timekeeping reports that are generated for management in QA and the MOG, and for the Executive Office. Currently, these reports involve inefficient and unreliable excel worksheets. In this budget request, we are hoping to recruit one intern or professional student worker with Excel, Power BI, and SharePoint knowledge and experience to help improve the existing reports and data sets. This individual will also help organize QA's electronic and physical files.

Investing in our People:

One of the goals assigned to the Member Operations Group for the current fiscal year is to review each job classification within our operational control and develop a list of skill competencies and training that would be beneficial to those within those classifications. The results of this project will help us support our "Investing in People" strategic priority

by having an assessment that we can use to develop future training programs. This will also help us create individual development plans for staff.

SERVICES AND SUPPLIES

Our request for Services and Supplies has decreased based on divisional restructuring for lean operating efficiency, the increased use of paperless remote working tools, and changes from physical travel to online training for staff.

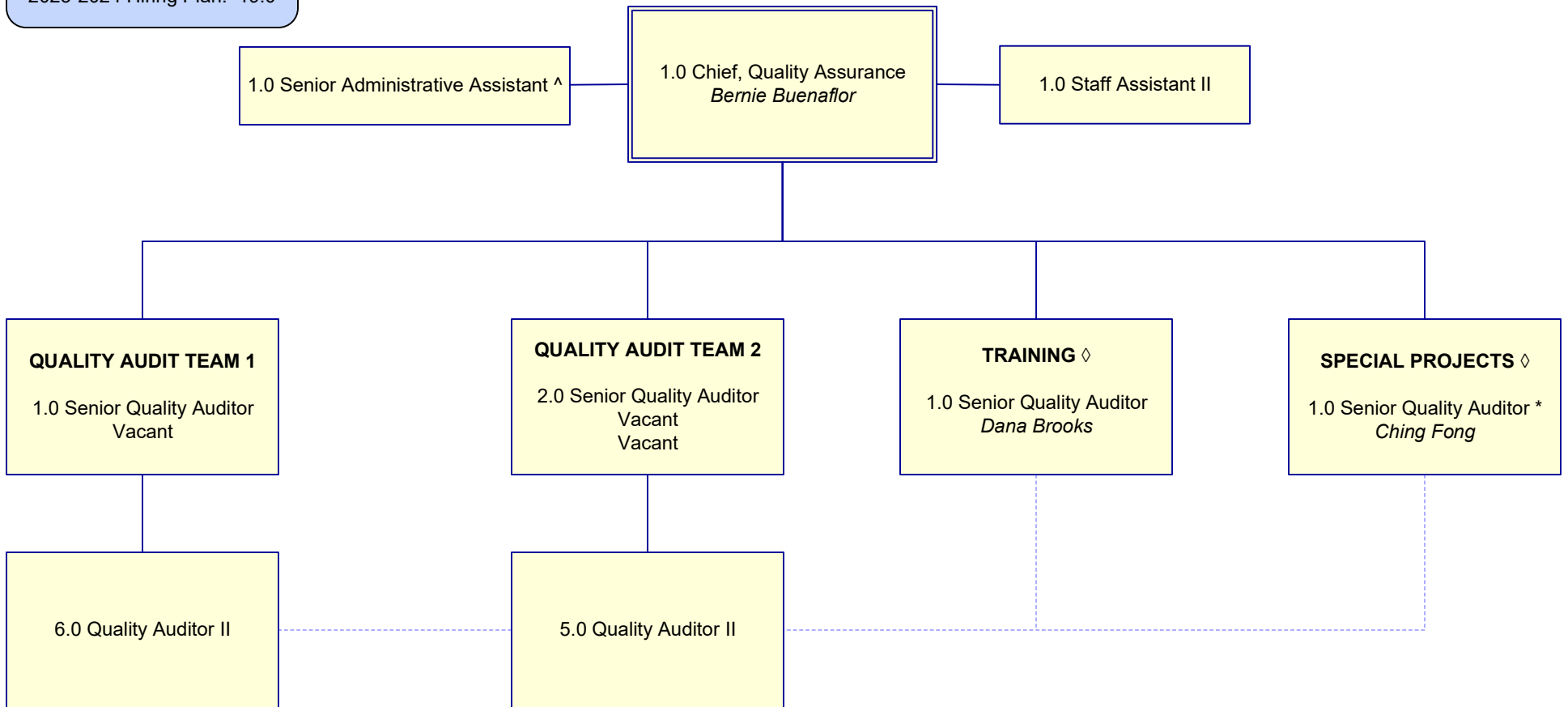
Educational expenses have been reduced overall to account for savings from LACERA's production-focused priorities over the last few years and from lower-than-budgeted staff levels. As QA updates its job training requirements and as staffing levels increase, more classes will be introduced within a structured QA staff development program that can better prepare both current and future QA auditors to serve LACERA's quality control needs. These include foundational courses, such as the following training for QA's auditors:

- Institute of Internal Auditors Audit Standards
- Audit Report Preparation and Audit Communication
- Audit Sampling
- Controls Self-Assessment
- Root Cause Analysis

QUALITY ASSURANCE DIVISION

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 19.0
 2022-2023 Hiring Plan: 19.0
 2023-2024 Bud. Pos.: 19.0
 2023-2024 Hiring Plan: 19.0



* Classification study for the position requested.

^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

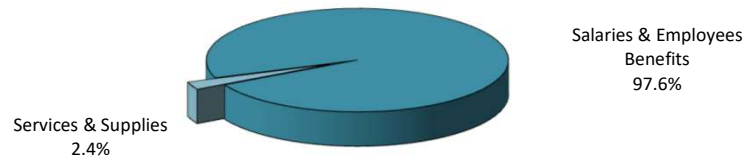
◇ In addition to the quality audit, QA Auditors conduct training and work on special projects, which are coordinated by the QA Sr. Auditor for Training and the QA Sr. Auditor for Special Projects, respectively.

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

QUALITY ASSURANCE

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$3,301,232	\$2,830,468	\$1,416,168	\$2,754,200	(\$76,268)	-2.7%	\$470,764	16.6%
Services & Supplies	82,100	87,900	4,812	68,100	(19,800)	-22.5%	(5,800)	-6.6%
OPERATING BUDGET	\$3,383,332	\$2,918,368	\$1,420,981	\$2,822,300	(\$96,068)	-3.3%	\$464,964	15.9%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

QUALITY ASSURANCE

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$1,885,279	\$1,607,869	\$847,544	\$1,590,200	(\$17,669)	-1.1%	\$277,410	17.3%
Total Agency Temp Salaries	0	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	1,213,448	1,009,017	473,878	963,700	(45,317)	-4.5%	204,431	20.3%
Employee Benefits (Other)	120,837	123,397	56,778	121,000	(2,397)	-1.9%	(2,560)	-2.1%
OPEB Contribution	66,968	65,485	37,519	69,300	3,815	5.8%	1,483	2.3%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	11,500	21,500	449	10,000	(11,500)	-53.5%	(10,000)	-46.5%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	1,000	1,000	0	0	(1,000)	-100.0%	0	0.0%
Rideshare Allowance	2,200	2,200	0	0	(2,200)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$3,301,232	\$2,830,468	\$1,416,168	\$2,754,200	(\$76,268)	-2.7%	\$470,764	16.6%
Salary Differential	-	-	-	-	-		-	
TOTAL S&EB	\$3,301,232	\$2,830,468	\$1,416,168	\$2,754,200	(\$76,268)	-2.7%	\$470,764	16.6%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

QUALITY ASSURANCE

2023-2024 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00780A	CHIEF, QUALITY ASSURANCE	1	LS12	17,116	205,394			
00798A	SENIOR QUALITY AUDITOR	2	108G	20,306	243,666			
00797A	QUALITY AUDITOR II	9	103E	81,547	978,569			
00427A	STAFF ASSISTANT II	1	94L	6,122	73,465			
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	93A	6,840	82,080			
POSITIONS		14			1,583,174			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00798A	SENIOR QUALITY AUDITOR	3	108G	7,420	89,040			133,560
00797A	QUALITY AUDITOR II	2	103E	6,448	77,371			77,371
POSITIONS		5			210,931	0	0	210,931
TOTAL POSITIONS		19						
GROSS SALARIES					1,794,105			
ANTICIPATED MOU SALARY INCREASE**					26,912			
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE					10,202			
BONUS					54,060			
120-DAY RETIREE(S)					0			
TOTAL SALARIES					1,885,279			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

QUALITY ASSURANCE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		OVER/(UNDER)	
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE	\$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	\$9,600	\$12,000	\$1,990	\$6,300	(\$5,700)	-47.5%	(\$2,400)	-20.0%
OFFICE SUPPLIES & EQUIPMENT	1,000	1,000	268	600	(400)	-40.0%	0	0.0%
PROFESSIONAL & SPECIALIZED SERVICES	55,000	50,000	0	50,000	0	0.0%	5,000	10.0%
EDUCATIONAL EXPENSES	16,300	24,500	2,555	11,000	(13,500)	-55.1%	(8,200)	-33.5%
MISCELLANEOUS	200	400	0	200	(200)	-50.0%	(200)	-50.0%
TOTAL	\$82,100	\$87,900	\$4,812	\$68,100	(\$19,800)	-22.5%	(\$5,800)	-6.6%

*All amounts rounded to the nearest dollar.

QUALITY ASSURANCE

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$1,821,199	\$1,432,437	\$1,607,869	\$1,590,200	\$1,885,279
Total Agency Temp Salaries	0	0	0	0	0
Employee Benefits (Variable)	1,090,338	827,081	1,009,017	963,700	1,213,448
Employee Benefits (Other)	117,634	118,337	123,397	121,000	120,837
OPEB Contribution	57,745	58,878	65,485	69,300	66,968
OPEB Contribution (Budget Surplus)	0	57,745	0	0	0
Stipends	0	0	0	0	0
Overtime	21,300	264	21,500	10,000	11,500
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	1,000	0	0	0	0
Rideshare Allowance	2,200	0	1,000	0	1,000
Transportation Allowance	0	0	2,200	0	2,200
SERVICES & SUPPLIES					
Transportation & Travel	12,000	0	12,000	6,300	9,600
Office Supplies & Equipment	2,000	235	1,000	600	1,000
Professional & Specialized Services	50,000	50,000	50,000	50,000	55,000
Educational Expenses	19,500	6,119	24,500	11,000	16,300
Miscellaneous	400	0	400	200	200
TOTAL OPERATING BUDGET	\$3,195,316	\$2,551,097	\$2,918,368	\$2,822,300	\$3,383,332

*All amounts rounded to the nearest dollar.



SYSTEMS DIVISION

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

The Systems Division (Systems) oversees all aspects of information technology for LACERA. Systems provides technology support services and creates innovative application solutions to assist the organization in meeting our commitment to protect, produce, and provide the promised benefits to our members.

INTRODUCTION

In support of LACERA's mission to strengthen, modernize, and build a world-class technological infrastructure, Systems has implemented new remote computing capabilities, cloud-hosted services, better systems redundancies, and stronger cybersecurity features. This budget request for FY 2023-24 showcases the division's ongoing dedication to delivering exceptional support to our internal clients and offering more self-service options for LACERA members. This budget will also provide the division with the necessary resources to work with the Information Security Office to address cybersecurity threats and enhance our cybersecurity program.

FY 2022-23 ACCOMPLISHMENTS

The Systems Division has continued to modernize LACERA's technology infrastructure and implement automated business solutions for greater efficiency. Our three information technology sections—Business Solutions, Project Management Office, and Infrastructure—are engaged, working effectively, and making an impact on the organization. Here are the projects we have completed so far this year:

Appointment Scheduling Solution: Systems worked closely with Member Services to implement QFlow, an appointment scheduling and queuing solution that supports both onsite and virtual appointments.

Automated Death Benefits Processing: LACERA expanded the automation of death claim forms to include retired members with no surviving spouse. The automation replaced a manual process with a streamlined workflow that automatically mails member-specific forms and requests to beneficiaries as well as followup correspondence until all necessary forms are completed and signed and all supporting documentation is submitted.

Boardroom Audio/Visual Improvements: Systems upgraded the audio and visual equipment in LACERA's boardroom to further enhance our ability to support onsite and hybrid board meetings. The equipment upgrades include replacing the older voting kiosks with current workstations and touchscreen panels and improved microphones with visual queues to distinguish muted and unmuted mics. Programmatic changes also allow Trustees attending onsite to maintain an individual tile during the Zoom meeting broadcast, which facilitates a more professional experience.

Call Center Improvements: Systems worked closely with Member Services to enhance our Amazon Web Services (AWS) Call Center solution to include a callback request feature for members on hold, the ability to announce call wait times, automation of Call Center holiday processing, an emergency access console, an after-call survey for Call Center interactions, and a My LACERA support queue.

Hardware Asset Management Solution: LACERA has implemented a cloud-based solution for hardware asset management (HAM). This low-code solution automates the tracking of assets throughout their lifecycle—from procurement to disposal—and has mobile capabilities for asset inventory auditing, remote asset receiving, and asset disposal scanning. The use of this solution replaces a tedious manual process.

My LACERA Multi-Factor Authentication: LACERA implemented multi-factor authentication (MFA) for resetting passwords and accessing My LACERA from unrecognized devices. My LACERA previously relied on user-selected challenge questions to authenticate users who forgot their passwords or attempted to access My LACERA from an unrecognized device.

Online Disability Application: LACERA developed an online disability retirement application on My LACERA to facilitate member self-service, improve the member experience, and streamline the intake of disability retirement applications.

IRS Tax Form Change Implementation: LACERA implemented new tax tables as well as a revised version of the Federal Withholding Certificate for Pension & Annuity Recipients, published by the IRS. Workspace, My LACERA, and lacera.com were updated to support the new tables and forms.

ServiceNow Implementation: Systems selected ServiceNow, a cloud-based IT service management tool, to improve how the division manages IT incidents, problems, requests, and knowledge. Phase 1 of the ServiceNow implementation was completed and provides automation and tracking for all requests coming into the Systems Helpdesk. Future phases of the project will introduce sophisticated automation for routine IT requests as well as Human Resources case management that automates HR workflow and integrates HR onboarding and offboarding with the Systems Division IT service management tool.

We also have the following projects in progress:

Automated Budget Solution: LACERA has historically relied upon Excel spreadsheets and manual processes for developing and managing the association's budget. LACERA released a Request for Proposals (RFP) for an automated budget solution in 2022. After an extensive RFP and selection process, the Board of Retirement approved the selection of Questica on October 6, 2022. The implementation of Questica is in progress, and we anticipate full implementation in Summer 2023. Our goal is to use the new system for the development of the FY 2024-25 budget.

Case Management Phase 1: In May 2022, the BOR approved LACERA's recommended vendor, Eccentex, to partner with LACERA to develop our case management system. Eccentex was selected after an extensive review of 13 vendor proposals received from our RFP. The first phase of the case management project includes Disability Retirement Services, the Disability Litigation Office, and Benefits' first payment process. We expect Phase 1 to be completed by June 2023.

Data Lake: LACERA is creating a data lake to provide a single source of accurate and accessible enterprise data and a process for using this data. LACERA currently leverages multiple systems to create reports for data analysis. These reporting systems follow a traditional reporting process: A user requests information from Systems and a report is prepared and scheduled for them. While traditional reporting will continue to be supported, the data lake project will facilitate the creation of dashboards to replace most traditional reports and provide data to power users so that they can create their own dashboards. We are currently completing the first phase of this project, which includes building the infrastructure and framework of LACERA's data lake. The second phase of the project involves the conversion of legacy reports and creating new reports and dashboards for LACERA's business divisions. Phase 2 will begin in April 2023 and is expected to be completed in Fall 2023. Phases 3 and 4 of the project involve standardizing, documenting, and optimizing the data lake and the process and are expected to be completed by June 2024.

Enterprise Contract Lifecycle Management (ECLM): LACERA has procured an ECLM solution from Cobblestone. This solution will automate the development, approval, and management of contracts and RFPs at LACERA. We expect the implementation to be completed in summer 2023.

Form 700 Automation: LACERA has procured an automated solution for Form 700 submission and tracking from Granicus. This solution will automate a tediously manual task for trustees and LACERA staff. We expect the implementation of the Granicus solution to be completed by April 2023.

Human Resources (HR) Digitization: LACERA is currently converting paper Human Resources' personnel, payroll, medical, and classification files to electronic files to allow quick retrieval of documents by a hybrid workforce, shared access to information, and an audit trail of document access. The HR digitization project team decided to leverage a product that is already implemented at LACERA for this effort: Microsoft SharePoint. The paper files are currently being scanned and indexed into SharePoint. We expect this project to be completed in summer 2023.

Human Resources (HR) Case Management: In December 2022, the Information Technology Coordination Council approved a case management project for Human Resources. Funding for the project was approved during the FY 2022-23 midyear budget adjustments. The HR Project team selected ServiceNow's HR module for their case management solution, and they are currently selecting a ServiceNow business partner to implement and customize the ServiceNow Human Resources module. We expect the implementation to be completed in summer 2023.

LACERA Incident Response Team (LIRT) Incident Management Solution: In December 2022, the Information Technology Coordination Council approved a LIRT incident management solution project to automate the tracking of LACERA incidents. The LIRT project team decided to leverage a product that is already implemented at LACERA: ServiceNow Information Technology Service Management (ITSM). LACERA is currently selecting a business partner to customize the incident workflow of ServiceNow ITSM to support LACERA's process. We expect this project to be completed in June 2023.

Policy Management Solution: In September 2022, the Information Technology Coordination Council approved a policy management project to automate the creation, review, approval, and maintenance of LACERA policies as well as track the versions and acknowledgement of policies. Funding for this project was included in the FY 2022-23 budget. The policy management project team issued a Request for Quote (RFQ) and is currently reviewing quotes submitted by interested vendors and consultants.

Pre-Paid Bank Card Integration: LACERA is in the final vendor evaluation phase for pre-paid bank card solutions for monthly benefit payments. The goals of this project are to provide a lower cost alternative to issuing checks for those participants without a banking relationship, to create a more reliable payment process in the event of a disaster that impacts the ability to mail monthly paper checks, and to reduce or eliminate paper checks that are mailed to one-time payees. The integration of this service is expected to be completed by fall 2023.

Procurement and Accounts Payable Solution: LACERA has procured a procurement and accounts payable solution that integrates and automates purchasing and accounts payment for greater efficiencies. Administrative Services, Financial and Accounting Services (FASD) and Systems divisions have been collaborating to implement this solution to improve our current processes. We expect to implement the solution in phases starting in summer 2023.

PERMANENT STAFFING

The Systems Division is continuing to evaluate and make the appropriate staffing adjustments necessary to ensure we have the proper resources to meet our commitments, support LACERA's mission, and to create the most efficient, productive, and secure enterprise.

Systems is requesting the removal of one position that is no longer needed and the addition of one position that appropriately supports LACERA's operations. There is no net change in the number of positions; we are requesting 62 budgeted positions for FY 2023-24, with the following changes:

- We are requesting that one position, Information Systems Manager I, be removed and replaced with one position, Information Technology Manager I, who will join the Project Manager Office to manage the development of new technology projects at LACERA.

Positions Requested for FY 2023-2024:	1
Positions Removed FY 2023-2024:	(1)
Net Change:	0

TEMPORARY STAFFING

The Systems Division uses temporary staffing for two reasons: to fill a temporary gap in skillsets for a limited amount of time and to acquire essential technical resources on a temporary basis while waiting for competitive exams to be opened. Most of our current temporary staffing fall into the second category. They are performing work that will be performed by permanent staff members once the permanent positions are filled. These temporary staff members have the technical skills needed to support our IT operations, and we hope they will apply for the positions when they open.

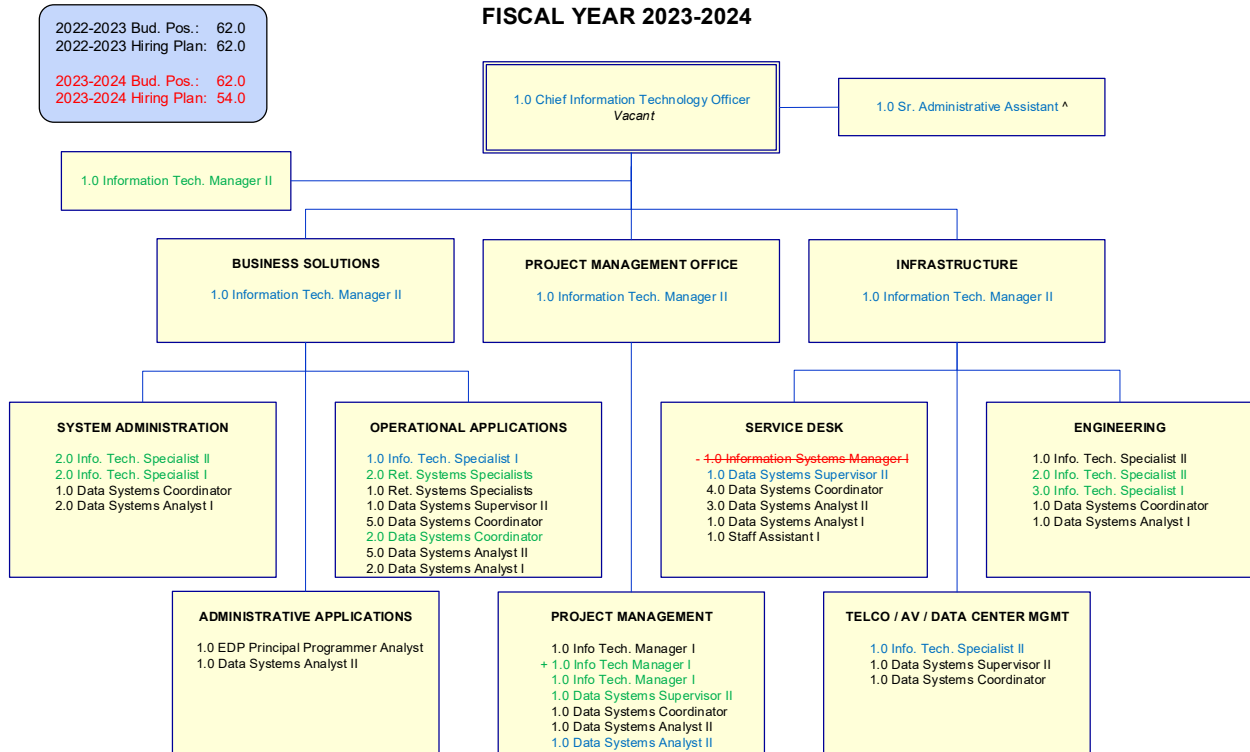
While we have had vacancies in Systems for a long time, Human Resources has developed a hiring plan that includes our vacancies. We currently have 26 vacancies in Systems. During the remainder of FY 2022-23 and FY 2023-24, the Human Resources hiring plan includes filling 21 of these positions. The 21 positions anticipated to be filled include:

- Chief Information Technology (1)
- Retirement Systems Specialist (2)
- Information Technology Manager II (3)
- Information Technology Specialist I (8)
- Information Technology Specialist II (7)

We expect these positions to be filled by temporary staff members who are transitioning to permanent employment, permanent staff members who are getting promoted, and external recruits who are joining LACERA as new employees. As this hiring plan is executed, we plan to reduce our use of temporary employees. The following chart illustrates the vacancies in Systems: the positions in blue text are vacant; the positions in green text are vacant and are currently filled by a temporary employee:

SYSTEMS DIVISION

FISCAL YEAR 2023-2024



+ Added position
 - Deleted position
 ^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).
 Blue Text are vacant
 Green Text are vacant and the duties are being performed by temporary staffing

INTERNS

The Systems Division is requesting three interns: one for each of our major information systems sections. Our goals for hiring interns are to provide meaningful work to students who are studying Information Technology, obtain energetic resources with a new perspective for short-term projects, and find qualified candidates to permanently join our division.

OVERTIME

The overtime budget is primarily allocated for

- After-hour system maintenance and upgrades
- Emergency system support
- Support for Saturday Member Services and Benefits operations
- Support for extended office hours during peak months

- Continued development and post-implementation support for the following new systems: Phase 1 of Sol, our case management solution; Questica, our automated budget solution; Cobblestone, our contract management solution; and Certify, our automated accounts payable solution
- Development and implementation support for Phase 2 of Sol

Staff Development

The Systems Division intends to place a priority on developing technical mastery and building professional relationships. Staff will be offered training to further develop their skills, knowledge, and abilities as well as conferences to exchange information with their peers at other associations. With the implementation of new technology, we will also train staff to administer and support the new solutions as needed. While we have leaned heavily on online, virtual training during the pandemic and understand the efficiencies of this training model, we plan to take advantage of in-person opportunities going forward to make sure LACERA is in touch with our peers and is not advancing our technology in isolation.

SERVICES AND SUPPLIES

LACERA's budget aggregates all information technology expenditures, including those that are division-specific, within Systems' budget. This provides centralized technology services to all divisions, sets LACERA's technology standards, and coordinates and governs organization-wide technology-related initiatives to improve planning and technology investments decisions.

The Systems Division's services and supplies budget is intended to support the needs of the entire organization, and contains the following major components:

- Planning: Ensure LACERA's IT processes support the organization's overall strategic plan; consolidate fragmented infrastructure and network appliances; develop and update standard operating procedures; expand enterprise solutions; and redesign the delivery of services
- Maintenance: Product support, licensing fees, ongoing and established operational costs, etc.
- New Projects: Requirements gathering, workflow understanding and optimization, allocation for new systems, applications, products, or services

The list of projects highlights Systems' fiscal year 2023-24 budget requests:

Project	Total Cost (Account)	Description
Member Case Management (Phase 2)	\$760,000	Case management continues to be a top priority for LACERA in the upcoming fiscal year. During FY 2022-23, LACERA selected a vendor for our enterprise case management solution and is currently implementing Phase 1 of the project. Phase 1 includes the disability retirement, disability appeals, and member first payment processes. The estimate in this current fiscal year is for Phase 2 of five project phases. Phase 2 will include optical character recognition (OCR) technology and focus on the legal review, administrative appeals and escalations, insurance enrollment, and felony forfeiture appeals processes. The future phases may involve additional RFPs for professional services, or LACERA may choose to implement the additional phases using internal resources. The licensing costs for the case management solution will be an annual cost going forward.
AWS Call Center phases 7, 8, and 9	\$300,000	To further improve and enhance our call center operations, LACERA seeks to implement voice recognition and artificial intelligence (AI) technology to mimic the organization's secure validation process. The new features will enable the organization to simulate a member's existing basic and secure confirmation process, leverage AI to allow members to choose between the confirmation process or be placed into predefined servicing queues with designated agents, and provide enhance reporting on secure confirmation statical data.
Knowledge management solution	\$300,000	LACERA seeks to purchase or build a repository and automated workflow solution for LACERA knowledge management. The solution will be a single trusted source of information that is accurate, consistent, and

		<p>up to date and enables the right information to be found, at the right time, by the people who need it. We currently maintain this critical enterprise content in multiple formats and on disparate systems. The same amount was requested during the FY 2022-23 budget for both policy and knowledge management; however, we have separated these two efforts. The policy solution will be completed in the current fiscal year, and the knowledge management project, which is a significantly larger effort, will begin in FY 2023-24.</p>
<p>Telecommunications upgrade and hosted Contact Center</p>	<p>\$250,000</p>	<p>LACERA seeks to modernize our existing telecommunications infrastructure. This funding is requested to support LACERA’s telecommunications strategy both for our Pasadena office and to acquire a world-class Member Service Contact Center solution that integrates with our existing Microsoft suite of products, case management application, and pension administration system. The same amount for this project was requested during the F Y 2022-23 budget; however, this project was deferred to focus on implementing improvements to the current AWS Call Center solution (member callback feature)</p>
<p>Teams room conversion</p>	<p>\$225,000</p>	<p>As part of LACERA’s IT modernization effort, Systems is converting all LACERA conference rooms to Microsoft Teams-enabled meeting rooms. Once completed, each conference room will provide a rich and collaborative Teams meeting experience that is simple to use and supports LACERA’s flexible hybrid work environment by enabling remote participants to see and hear everyone in the room. There are 15 conference rooms that need to be converted: Six of these conference rooms will be converted in FY 2022-23. The budget for FY 2023-24 is to convert the remaining nine rooms.</p>

Facilities management solution	\$150,000	The Administrative Services Division seeks to implement an enterprise facilities management software solution to replace our current tediously manual processes. The new system will ensure that the organization can properly manage the health and safety of our work environment while enhancing our ability to improve maintenance, cleaning, and space change requests.
Uninterruptible power supply (UPS) upgrade	\$150,000	LACERA seeks to replace the end-of-life UPS units that provide critical backup power to LACERA's data centers and boardroom during outages. This funding is requested to redesign and replace the existing units to create a redundant power system. The project was previously requested during the FY 2022-23 midyear adjustments; however, it was deferred due to supply chain constraints.
Legal matters management system	\$150,000	The Legal Division seeks to implement an enterprise legal matters management software solution to replace our current tediously manual processes. The new system will ensure that the division can properly facilitate remote work and streamline workflows, time tracking, and document management processes.
Keycard reader upgrades	\$100,000	LACERA seeks to replace the current keycard readers that provide physical access to all LACERA suites with a modern solution that allows better customization and safety enhancements.
Professional consulting services for Great Plains integrations	\$100,000	As LACERA continues to implement various enterprise software solutions such as hardware asset management, contract management, budgeting, and accounts payable, funding is needed for professional services to ensure these applications integrate seamlessly with our current general ledger system, Great Plains.
Benefits PBI upgrade	\$100,000	The Benefits Division seeks to replace their current end-of-life member/beneficiary research system. The new system will

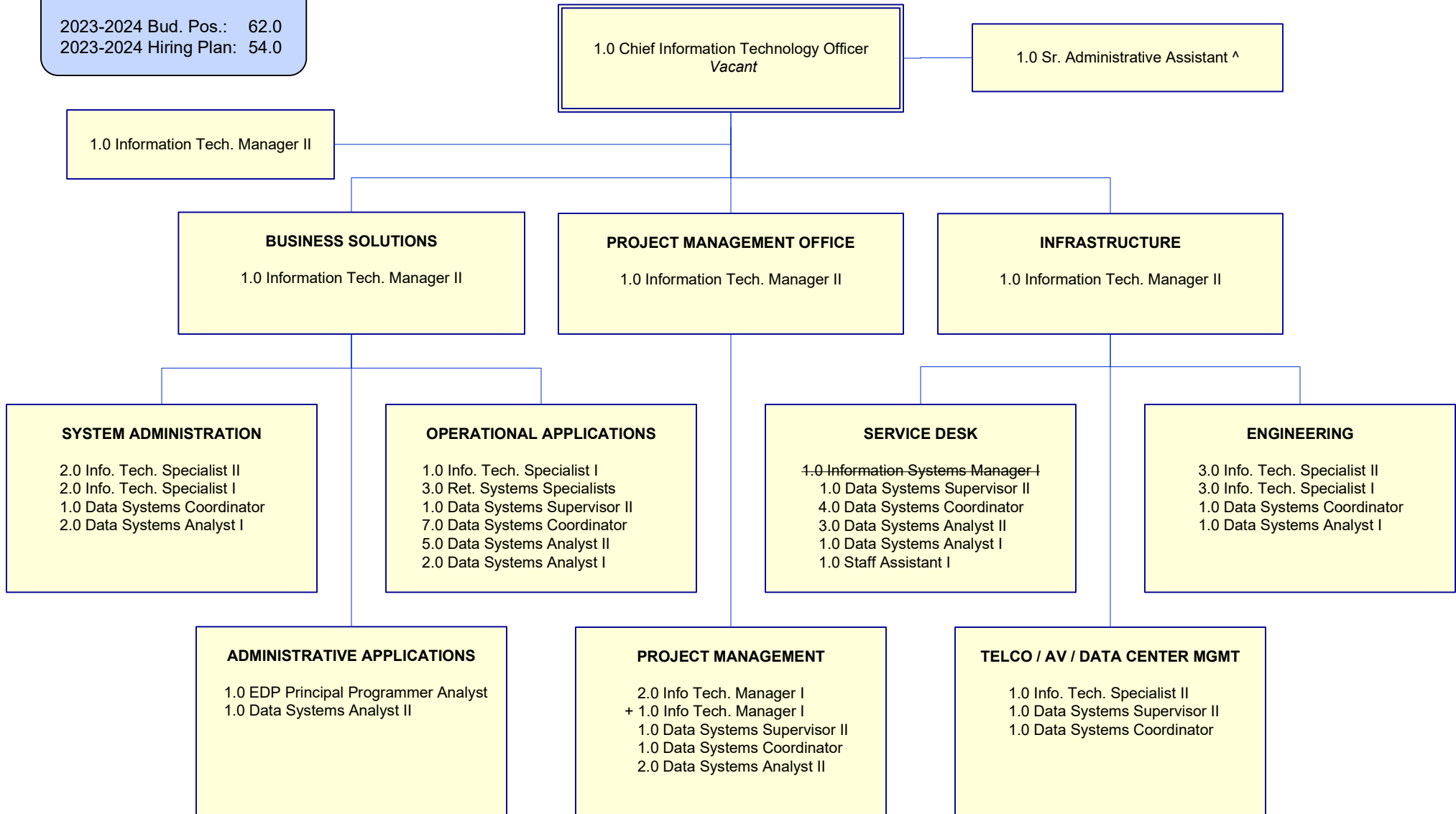
		ensure that the organization can quickly and accurately identify deceased members and locate or identify the beneficiary to fulfill our fiduciary responsibilities and pay out the owed benefits.
Investments due diligence solution	\$30,000	The Investments Division seeks to implement a due diligence solution, such as DiligenceVault. The new system will automate the analysis of manager and fund data as part of the due diligence processes.

SYSTEMS DIVISION

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 62.0
2022-2023 Hiring Plan: 62.0

2023-2024 Bud. Pos.: 62.0
2023-2024 Hiring Plan: 54.0



+ Added position

– Deleted position

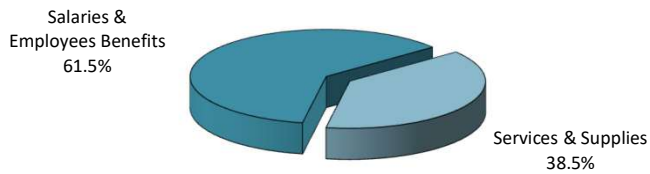
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

LACERA
FISCAL YEAR 2023-2024
BUDGET SUMMARY

SYSTEMS DIVISION

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$14,681,722	\$14,122,286	\$6,293,162	\$12,392,900	(\$1,729,386)	-12.2%	\$559,436	4.0%
Services & Supplies	9,187,800	8,249,400	5,088,935	8,678,500	429,100	5.2%	938,400	11.4%
OPERATING BUDGET	\$23,869,522	\$22,371,686	\$11,382,097	\$21,071,400	(\$1,300,286)	-5.8%	\$1,497,836	6.7%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

SYSTEMS DIVISION

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$6,950,188	\$5,534,330	\$2,893,621	\$5,668,700	\$134,370	2.4%	\$1,415,858	25.6%
Total Agency Temp Salaries	2,881,700	4,576,300	1,540,301	3,080,700	(1,495,600)	-32.7%	(1,694,600)	-37.0%
Employee Benefits (Variable)	3,907,381	3,212,254	1,415,130	2,768,800	(443,454)	-13.8%	695,127	21.6%
Employee Benefits (Other)	445,474	410,601	189,029	402,400	(8,201)	-2.0%	34,873	8.5%
OPEB Contribution	246,880	217,901	111,615	206,100	(11,801)	-5.4%	28,979	13.3%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	229,200	150,000	134,831	249,000	99,000	66.0%	79,200	52.8%
Bilingual Bonus	0	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	12,000	12,000	8,635	17,200	5,200	43.3%	0	0.0%
Rideshare Allowance	8,900	8,900	0	0	(8,900)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$14,681,722	\$14,122,286	\$6,293,162	\$12,392,900	(\$1,729,386)	-12.2%	\$559,436	4.0%
Salary Differential	-	-	-	-	-		-	
TOTAL S&EB	\$14,681,722	\$14,122,286	\$6,293,162	\$12,392,900	(\$1,729,386)	-12.2%	\$559,436	4.0%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

SYSTEMS DIVISION

2023-2024 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00804A	INFORMATION TECH. MANAGER II	1	LS12	26,100	313,200			
00803A	INFORMATION TECH. MANAGER I	1	LS11	14,004	168,052			
00802A	INFORMATION TECHNOLOGY SPECIALIST II	1	126B	14,054	168,646			
00460A	DATA SYSTEMS SUPERVISOR II	2	119E	26,761	321,135			
02644A	RETIREMENT SYSTEMS SPECIALIST	1	118K	13,779	165,343			
00453A	EDP PRINCIPAL PROG. ANALYST	1	118H	13,711	164,533			
00469A	DATA SYSTEMS COORDINATOR	13	113J	141,263	1,695,161			
00458A	DATA SYSTEMS ANALYST II	10	108B	99,702	1,196,420			
00457A	DATA SYSTEMS ANALYST I	6	105F	48,658	583,900			
00426A	STAFF ASSISTANT I	1	87L	5,958	71,501			
	POSITIONS	37			4,847,892			
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00805A	CHIEF INFORMATION TECHNOLOGY (UC)	1	LR14	13,068	156,819	156,819		
00804A	INFORMATION TECH. MANAGER II	3	LS12	11,308	135,701		203,551	
00803A	INFORMATION TECH. MANAGER I	2	LS11	10,519	126,233			
00802A	INFORMATION TECHNOLOGY SPECIALIST II	5	126B	12,795	153,539		575,771	
00801A	INFORMATION TECHNOLOGY SPECIALIST I	6	120L	11,118	133,415		600,367	
00460A	DATA SYSTEMS SUPERVISOR II	2	119E	10,662	127,949			
00782A	INFORMATION SYSTEMS MANAGER I	1	118L	10,531	126,375			
00782A	INFORMATION SYSTEMS MANAGER I	(1)	118L	10,531	126,375			
02644A	RETIREMENT SYSTEMS SPECIALIST	2	118K	10,506	126,067			126,067
00469A	DATA SYSTEMS COORDINATOR	2	113J	9,151	109,808			109,808
00458A	DATA SYSTEMS ANALYST II	1	108B	7,854	94,243			
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	93A	5,216	62,592			
	POSITIONS	25			1,772,383	156,819	1,379,689	235,874
	TOTAL POSITIONS	62						
	GROSS SALARIES				6,620,274			
	ANTICIPATED MOU SALARY INCREASE**				99,304			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				50,470			
	BONUS				25,685			
	120-DAY RETIREE(S)	2			154,454			
	TOTAL SALARIES				6,950,188			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA
FISCAL YEAR 2023-2024
SERVICES & SUPPLIES ACCOUNT SUMMARY

SYSTEMS DIVISION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
COMMUNICATIONS	\$570,000	\$535,000	\$340,026	\$528,500	(\$6,500)	-1.2%	\$35,000	6.5%
TRANSPORTATION & TRAVEL	41,600	4,200	2,925	8,100	3,900	92.9%	37,400	890.5%
POSTAGE	450,000	390,000	0	450,000	60,000	15.4%	60,000	15.4%
OFFICE SUPPLIES & EQUIPMENT	713,000	469,000	506,130	708,000	239,000	51.0%	244,000	52.0%
EQUIPMENT MAINTENANCE	730,000	405,000	110,042	446,000	41,000	10.1%	325,000	80.2%
PROFESSIONAL & SPECIALIZED SERVICES	1,540,000	1,359,600	518,971	1,375,600	16,000	1.2%	180,400	13.3%
COMPUTER SERVICES & SUPPORT	5,079,600	5,049,600	3,604,075	5,141,000	91,400	1.8%	30,000	0.6%
EDUCATIONAL EXPENSES	63,100	36,500	6,545	21,000	(15,500)	-42.5%	26,600	72.9%
MISCELLANEOUS	500	500	221	300	(200)	-40.0%	0	0.0%
TOTAL	\$9,187,800	\$8,249,400	\$5,088,935	\$8,678,500	\$429,100	5.2%	\$938,400	11.4%

*All amounts rounded to the nearest dollar.

** Corrections are anticipated that will result in the projected expenses being consistent with the approved budget.

SYSTEMS DIVISION

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$6,054,880	\$4,686,335	\$5,534,330	\$5,668,700	\$6,950,188
Total Agency Temp Salaries	2,193,100	3,899,919	4,576,300	3,080,700	2,881,700
Employee Benefits (Variable)	3,530,148	2,421,661	3,212,254	2,768,800	3,907,381
Employee Benefits (Other)	381,398	384,347	410,601	402,400	445,474
OPEB Contribution	187,224	169,448	217,901	206,100	246,880
OPEB Contribution (Budget Surplus)	0	187,224	0	0	0
Stipends	0	0	0	0	0
Overtime	133,300	171,708	150,000	249,000	229,200
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	12,000	11,693	0	0	0
Rideshare Allowance	8,900	0	12,000	17,200	12,000
Transportation Allowance	0	0	8,900	0	8,900
SERVICES & SUPPLIES					
Communications	630,000	584,479	535,000	528,500	570,000
Transportation & Travel	4,600	4,421	4,200	8,100	41,600
Postage	390,000	439,440	390,000	450,000	450,000
Office Supplies & Equipment	399,600	363,967	469,000	708,000	713,000
Equipment Maintenance	434,500	362,815	405,000	446,000	730,000
Professional & Specialized Services	1,536,600	1,506,719	1,359,600	1,375,600	1,540,000
Computer Services & Support	4,619,600	4,187,326	5,049,600	5,141,000	5,079,600
Educational Expenses	36,500	9,169	36,500	21,000	63,100
Miscellaneous	1,000	291	500	300	500
TOTAL OPERATING BUDGET	\$20,553,351	\$19,390,963	\$22,371,686	\$21,071,400	\$23,869,522

*All amounts rounded to the nearest dollar.

PROJECTED NON-ADMINISTRATIVE EXPENSES
For the Fiscal Year Ended June 30, 2024

	Current Year		Prior Year ACTUAL FOR FY 2021-2022
	EXPENSES AS OF 12/31/2022	PROJECTED FOR FY 2023-2024	
Pension Trust Fund:			
Investment Management Fees			
U.S. Equity	\$ 2,771,854	\$ 5,603,729	\$ 11,508,316
Non-U.S. Equity	11,805,022	23,206,076	33,386,467
Fixed Income	2,431,795	23,191,603	38,166,125
Cash and Short-Term	159,208	318,415	307,397
Mortgage Loan Services	12,562	25,123	29,291
Private Equity	3,693,955	14,464,646	12,551,478
Real Assets	1,622,885	3,397,637	2,632,597
Real Estate	11,068,980	26,315,691	23,567,148
Hedge Funds	216,243	1,038,852	633,015
Commodities	1,715,923	3,431,846	5,203,433
Total Investment Management Fees	35,498,427	100,993,617	127,985,266
Other Investment Expenses			
Consultants			
General Investment Portfolio	122,500	490,000	514,890
Private Equity	271,431	1,035,181	1,047,682
Real Estate	96,369	328,569	378,450
Other Consulting Fees	428,208	856,417	1,019,292
	918,508	2,710,166	2,960,313
Custodians			
Investment Custodian and Banking Fees	2,087,113	3,000,000	3,695,080
Mortgages	-	5,000	5,000
	2,087,113	3,005,000	3,700,080
Performance and Other Fees	58,391,882	182,305,072	173,036,159
Investment Management Data Services	1,072,020	1,964,910	1,596,581
Investment Legal Counsel	1,214,680	2,255,000	1,081,799
Total Other Investment Expenses	63,684,203	192,240,147	182,374,933
Total Management Fees and Other Investment Expenses	\$ 99,182,630	\$ 293,233,765	\$ 310,360,199
Actuarial Consulting Services	27,067	250,000	219,132
Total Pension Fund Non-Administrative Expenses	\$ 99,209,697	\$ 293,483,765	\$ 310,579,331
Retiree Health Care (RHC) Program Funds:			
Fixed Income Management Fees	\$ 51,981	\$ 103,962	\$ 90,402
Short-Term Management Fees	9,378	18,757	24,901
Custodian Fees	15,000	30,000	30,167
Total RHC Program Non-Administrative Expenses	\$ 76,359	\$ 152,718	\$ 145,470
Other Post Employment Benefits (OPEB) Trust Fund:			
Enhanced Cash Management Fees	\$ 11,691	\$ 23,381	\$ 19,537
Commodities Management Fees	71,159	142,318	160,882
Global Equity Management Fees	148,993	297,986	294,582
Fixed Income Management Fees	157,389	314,779	329,178
Real Estate Management Fees	73,531	147,061	148,004
Private Assets	-	928,000	-
General Investment Portfolio Consultant	42,499	84,998	61,676
Custodian Fees	108,309	216,618	218,862
Total OPEB Trust Non-Administrative Expenses	\$ 613,570	\$ 2,155,141	\$ 1,232,721

CEO's 100-Day Plan Status



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Los Angeles County Employees Retirement Association (LACERA)

Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 03/10/2023

				Timeline							
Focus	Action Steps			Accountability		FY2020-21			FY2021-22	FY2022-23	Percent Completed
				Lead	Support	Jul	Aug	Sep			
CHAPTER II - UPDATE ON ACTIONS TAKEN											
Strategic Planning & Action Plans											
SP	II.1	Report review with Trustees	CEO	Trustees							100%
SP	II.2	Refined "Next Action Steps"	CEO	Execs							100%
SP	II.3	Strategic planning effort	CEO	Trustees, Execs							100%
SP	II.4	Strategic Plan actions defined	CEO	Execs							90%
COVID-19 Transition Plan											
C19	II.5	After action reviews	CEO	Execs	M	M	M	M	M	M	Ongoing
C19	II.6	COVID-19 Transition Plan	CEO, AEO/Ops	IT, Admin, HR	Starting with Member Services						100%
C19	II.7	Plans to address the work backlog:	AEO/Ops	Mem Group							
C19	II.7a	-- Retiree Disability (moving to paperless)	AEO/Ops	Mgr/Disab	Slight delays in third-parties providing documentation						100%
C19	II.7b	-- Member Services (heavily "real time")	AEO/Ops	Mgr/Mem							100%
C19	II.7c	-- Benefit Services (rules, resources, tech)	AEO/Ops	Mgr/Benefits, IT	Heavy backlog pre-/post-COVID-19					Ongoing	
C19	II.7c1	. "Quick fix" Benefits backlog plan	Mgr/Benefits	Legal, IT						Ongoing	
C19	II.7c2	. Longer term Benefits backlog plan (self-service)	Mgr/Benefits	IT, PMG						Ongoing	
Business Continuity Planning (BCP)											
SP	II.8	Unified BCP	AEO/Ops	Admin., HR							100%
IT	II.9	BCP/DRP initiatives implementation for IT	IT Exec		See Chapter V						100%
Management of Staff Working Remotely											
Culture	II.10	Remote staff management	Execs	HR Dir						Ongoing Hybrid	100%
CHAPTER III - NEW ORGANIZATIONAL ALIGNMENT											
Org	III.1	Structural review with both Boards	CEO	Trustees							100%
Org	III.2	Staff announcement of new structure	CEO	Execs		MAC					100%
Org	III.3	Routine executive meetings	CEO	Execs						Ongoing	100%
Org	III.4	Member-facing functional alignment	AEO/Ops	Mem Ops							100%
Org	III.5	New COO position	CEO	HR Dir							100%
Org	III.6	CFO position redefined & filled	CEO	HR Dir							50%
Org	III.7	CI&TO position defined; recruitment begun	CEO	HR Dir							100%
Org	III.8	Compliance Officer position filled	Chief Counsel	HR Dir							25%
Org	III.9	PIO position filled	CEO	HR Dir							10%
Org	III.10	Organizational refinements if any	CEO	Execs						Ongoing	
Org	III.11	Job titles/org hierarchy consistency	HR Dir							Ongoing	
CHAPTER IV - PLANNING											
SP	IV.1	Best practices identified for Strategic Plan	Execs	Mgrs						See also VII.4	

Los Angeles County Employees Retirement Association (LACERA)

Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 03/10/2023

Focus				Timeline										Percent Completed	
				Accountability		FY2020-21						FY2021-22	FY2022-23		
				Lead	Support	Jul	Aug	Sep	Q2	Q3	Q4				
SP	IV.2	Shared vision & strategic planning	CEO	Trustees											100%
SP	IV.3	Unified BCP	Admin Services	IT											100%
SP	IV.4	IT plans (strategy, security BCP, DRP)	IT	ITMC											100%
SP	IV.5	HR Plans	HR Dir	Execs											100%
SP	IV.6	Improved budgeting process	CFO, Admin												75%
SP	IV.7	Communications Plan	Comm	Mem Ops, RHC, IT									Ongoing		75%
SP	IV.8	Linkage of plans to Strategic Plan	Execs										Ongoing		100%
CHAPTER V - IT MODERNIZATION															
IT Planning, Structure, & Staffing															
IT-Org	V.1	IT Management Council established	IT Exec	CEO, Execs											100%
IT-Org	V.2	Priority IT plans developed & implemented	IT Exec	IT Team											90%
IT-Org	V.3	Priority IT policies & IT developed	IT Exec	ITMC											100%
		-- PMO													100%
		-- IT Operations													100%
IT-Org	V.4	IT Strategic Plan developed & aligned	IT Exec	ITMC											75%
IT-Org	V.5	IT Program Management Office established	CEO	CTO, AEO/Admin											100%
IT-Org	V.6	IT/IS structure realigned	CEO, CTO	AEO/Admin											100%
IT-Org	V.7	IT staffing plan implemented	IT Exec	HR Dir											50%
IT Security															
IT-Security	V.8	Immediate IT vulnerabilities addressed	IT Exec	IT Sec Consultant											100%
IT-Security	V.9	Security expert consultant study completed	CEO	IT Exec											100%
IT-Security	V.10	Security study recommendations adopted	IT Exec	ITMC											100%
IT Investment															
IT-Invest	V.11	IT recommended investments	CTO, AEO/Admin	ITMC										Ongoing	
IT-Invest	V.12	IT Modernization/IT Strategic Plan adopted	IT Exec	Trustees											75%
IT-Invest	V.13	IT capabilities/systems upgrade investments	Trustees, IT Exec	ITMC										Ongoing	
IT-Imple	IT Implementation														
IT-Imple	V.14	IT "quick fixes" implemented	CTO, AEO/Admin												100%
IT-Imple	V.15	IT Strategic Plan/other IT plans implemented	CTO, AEO/Admin											Ongoing	
IT-Imple	V.16	Robust telecommuting capabilities	CTO, AEO/Admin	IT Exec											100%
IT-Imple	V.17	Migration to the cloud (vendor resources)	CTO, AEO/Admin	CIO											100%
IT-Imple	V.18	Migration to the cloud (servers & systems)	IT Exec												90%
IT-Imple	V.19	Virtual call center, including counseling	AEO/Ops, IT	Mem Group											100%
IT-Imple	V.20	Remote work capability for benefits analysts	IT												100%

Los Angeles County Employees Retirement Association (LACERA)
Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 03/10/2023

Focus	Action Steps		Accountability		Timeline							Percent Completed	
					FY2020-21			FY2021-22	FY2022-23				
					Lead	Support	Jul			Aug	Sep		Q2
CHAPTER VI - WORK CULTURE & CHANGE MANAGEMENT													
Culture	VI.1	Leadership & management dev program	CEO	HR Dir									10%
Culture	VI.2	Diversity/Inclusion Plan (culture/values)	CEO	Execs, HR Dir							Ongoing		30%
Culture	VI.3	Shortened technical training	QA	Mem Group				Prepare			Monitor		75%
Culture	VI.4	Levels of Protection defined & implemented	Chief Counsel	Compliance Officer									20%
CHAPTER VII - ENHANCED PROCESSES & OPERATIONS													
Improve	VII.1	New budget system and processes	Admin Services	CFO	Build on existing "Great Plains" platform								75%
Improve	VII.1	Division staffing & metrics in budget	CEO/COO	Mgrs/Mem Ops			Draft Budget				Ongoing		
Improve	VII.2	Continuous process improvement initiative	AEO/Mem Serv	PMG						Ongoing	Ongoing		
Improve	VII.3	Metrics & priority processes to improve	PMG	Mgrs/Mem Ops						Annual	Annual		60%
Improve	VII.4	Best practices & best-in-class standard	Execs	Mgrs/Mem Ops						See also IV.1			
Improve	VII.5	Process inventory/priorities approved	Execs	AEO/Ops, PMG						Annual	Annual		100%
Improve	VII.6	Process improvement with metrics	PMG	Mgrs/Mem Ops						Ongoing	Ongoing		75%
Improve	VII.7	Potential expansion of PMG's services	CEO	Execs									25%

The LACERA Strategic Plan will be inserted here upon approval by the Boards.

Towards Best-In-Class Investor

2023 Work Plan and Strategic Initiatives

Investments Division

Board of Investments
January 11, 2023

Jonathan Grabel – Chief Investment Officer



2023 Work Plan Recommendation and Overview

Recommendation

- Approve the 2023 Work Plan and Strategic Initiatives

Overview



The updated 2023 Work Plan and Strategic Initiatives for LACERA's Investments Division aims to:

1. Provide **visibility** into current and upcoming initiatives
2. Reflect and **synthesize** Board-approved projects and input, recent Board meetings, and Offsite discussions into a cohesive action plan
3. Promote **disciplined execution** and aligned resources for defined priorities while acknowledging that LACERA is resilient and adaptable to unforeseen circumstances

LACERA Investments Division

Work Plan and Strategic Initiatives Timeline

Components of the Investments Division's Work Plan and Strategic Initiatives have evolved over several years while maintaining the goal to improve portfolio outcomes



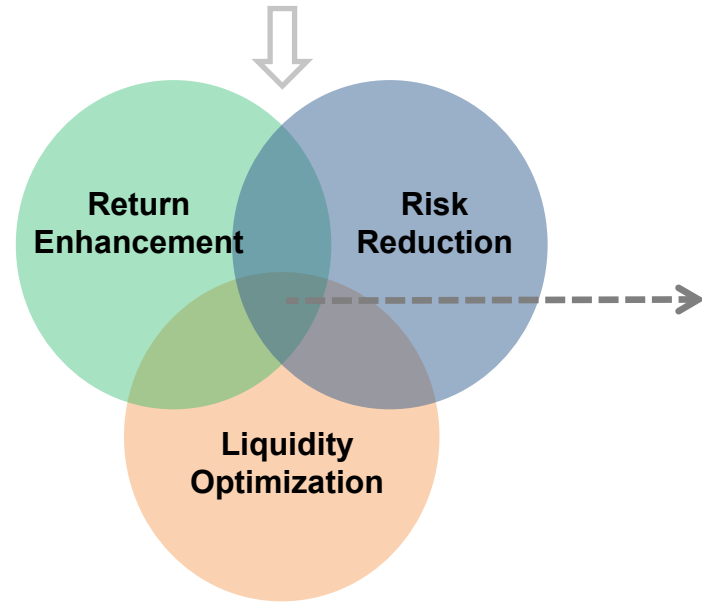
2023 Work Plan

Background and Strategic Initiatives



Execute Strategic Asset Allocation

while balancing...



**Produce,
Protect, and
Provide the
Promised
Benefits**



**Enhance
Operational
Effectiveness**



**Optimize
Investment
Model**



**Maximize
Stewardship and
Ownership Rights**



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

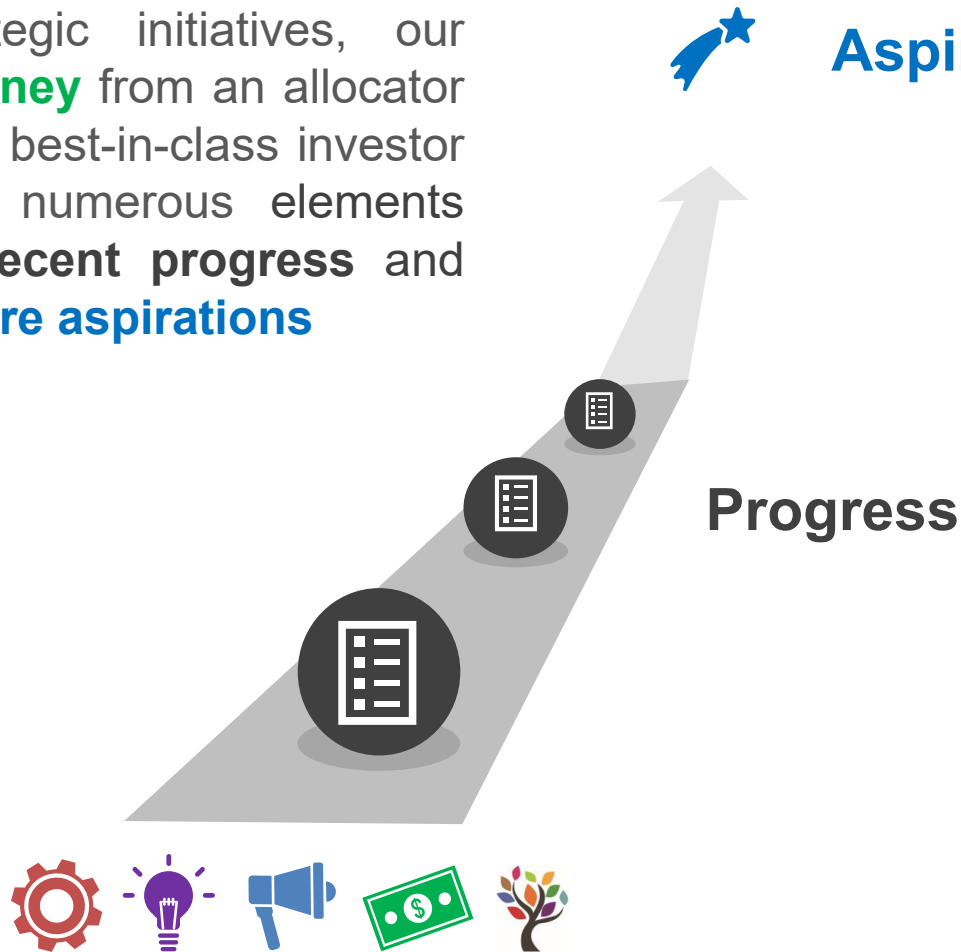


**LACERA
T.I.D.E.**

2023 Work Plan

Strategic Initiatives Towards Best-In-Class Investor

Across LACERA's five strategic initiatives, our **journey** from an allocator to a best-in-class investor has numerous elements of **recent progress** and **future aspirations**



Progress points and aspirations may overlap -- in areas where we have both accomplishments and incremental goals

Upcoming slides highlight each initiative and reflect feedback from the BOI →

2023 Work Plan

Strategic Initiatives


Enhance
Operational
Effectiveness


Optimize
Investment
Model


Maximize
Stewardship and
Ownership Rights


Strengthen
Influence on Fees
and Cost of Capital


LACERA
T.I.D.E.



**Enhance
Operational
Effectiveness**

Objective:

To maximize the efficiency of our resources (internal and external, human and technological) and mitigate varied investment and enterprise risks, which can improve future outcomes

Progress:

- Enhanced risk analytics and reporting
- Improved asset transparency and wire transfer processes
- Established single-investor vehicles and dedicated managed accounts

Aspirations:

- Continuous improvement of investment and operational due diligence
- Optimize presentation and quality of information provided to the Board
- Advance OPEB strategic asset allocation and unitization structure
- Derive and maximize value from technology
- Avoid uncompensated complexity

2023 Work Plan

Strategic Initiatives


Enhance
Operational
Effectiveness


Optimize
Investment
Model


Maximize
Stewardship and
Ownership Rights


Strengthen
Influence on Fees
and Cost of Capital


LACERA
T.I.D.E.



Optimize Investment Model

Objective:

To leverage our competitive advantages through deliberate investment models and structures that harness technology, cost effectiveness, and human capital to maximize risk-adjusted returns

Progress:

- Expanded co-investment programs to additional asset categories
- Created revenue sharing agreements with asset managers through emerging manager programs
- Completed analysis of internal asset management for public markets

Aspirations:

- Evolve internal staff investment committees
- Further cultivate an investor mindset
- Continuously right-size capital invested to asset managers and mandates

2023 Work Plan

Strategic Initiatives


Enhance
Operational
Effectiveness


Optimize
Investment
Model


Maximize
Stewardship and
Ownership Rights


Strengthen
Influence on Fees
and Cost of Capital


LACERA
T.I.D.E.



Maximize Stewardship and Ownership Rights

Objective:

To steward our investments – including legal rights associated with them – in a manner that promotes and safeguards our economic interests and durable financial value, including through proxy voting, engagement, and policy advocacy

Progress:

- Institutionalized consistent ESG and DEI due diligence and monitoring across all mandates
- Routinized global proxy voting consistent with LACERA Principles
- Expanded engagements on board diversity, climate, public policy

Aspirations:

- Expanding climate risk analysis to total Fund including private markets
- Implement recently restated Responsible Contractor Policy
- Integrate Global Real Estate Sustainability Benchmark in real assets
- Assume voting rights in OPEB separate account structure
- Amplify progress and leadership in governance and ESG initiatives

2023 Work Plan

Strategic Initiatives


Enhance
Operational
Effectiveness


Optimize
Investment
Model


Maximize
Stewardship and
Ownership Rights


Strengthen
Influence on Fees
and Cost of Capital


LACERA
T.I.D.E.



Strengthen Influence on Fees and Cost of Capital

Objective:

To strengthen our influence on fees and cost of capital with the goal of maximizing returns by minimizing cost across all investment strategies and structures in a manner that promotes durable investment returns

Progress:

- Increased allocation to private equity co-investment program, reducing costs
- Elevated non-economic terms such as capacity rights, revenue sharing, and beneficial rights
- Established dedicated managed accounts with better terms

Aspirations:

- Be “term-makers” as opposed to “term-takers”
- Promote creativity and solutions when tailoring terms
- Further measure and reduce costs across portfolio

2023 Work Plan

Strategic Initiatives


Enhance
Operational
Effectiveness


Optimize
Investment
Model


Maximize
Stewardship and
Ownership Rights


Strengthen
Influence on Fees
and Cost of Capital


LACERA
T.I.D.E.



LACERA
T.I.D.E.

Objective:

To improve outcomes through comprehensive, total Fund efforts that encourage constructive, inclusive, and equitable talent management at investment partners, industry, and internally

Progress:

- Instituted comprehensive annual updates to the BOI
- Increased insight of manager practices for portfolio evaluation
- Vast increase in manager reporting, DEI focus, and candor
- Expanded industry collaboration and external advocacy
- Expanded allocation opportunities for emerging managers

Aspirations:

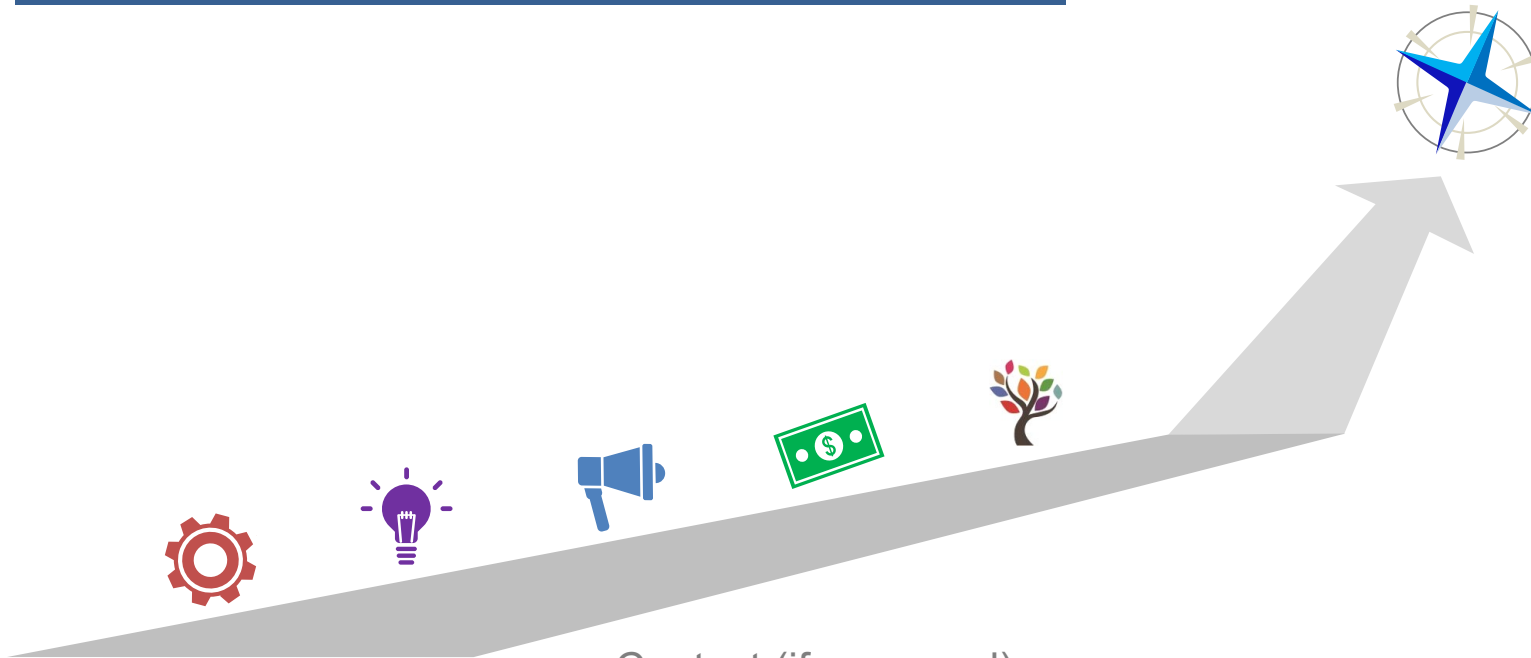
- Constructive influence for manager adoption of leading DEI practices
- Evolve holistically towards inclusion and diversity and equity
- Maximize functional empowerment and engagement of internal team

2023 Work Plan Recommendation

Recommendation:

Approve the 2023 Work Plan and Strategic Initiatives

Execute
Strategic Asset Allocation
Towards Best-In-Class Investor



Context (if approved):

- The Investments Division's 2023 Work Plan and Strategic Initiatives would be a component of LACERA's strategic plan
- The Investments Division may re-evaluate its work plan as circumstances warrant

Appendix



Prospective 2023 Calendar

	January	February	March	April	May	June	July	August	September	October	November	December
Board of Investments	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
							[Potential Offsite]					
Corporate Governance Committee				✓						✓		
Credit and Risk Mitigation Committee					✓				✓			
Equity: Public/Private Committee			✓				✓				✓	
Real Assets Committee						✓						✓

- Each committee meets at least two times per calendar year
- Additional meetings would be scheduled on an as-needed basis
- Will work with the Board regarding Offsite format and logistics



2023 Work Plan

1st Quarter Preliminary Monthly Calendar

FEBRUARY 8, 2023	
Board of Investments:	
Category	Subject
Total Fund	OPEB Public Markets Search Minimum Qualifications Recommendation
Growth	Private Equity Investment Recommendation
Committee: (open)	
Category	Subject

MARCH 8, 2023	
Board of Investments:	
Category	Subject
Total Fund	Trust and OPEB Performance Report and Review
Total Fund	General Consultant Trust and OPEB Performance Report
Growth	Private Equity Investment Recommendations
Real Assets	Investment Recommendation
Committee: Equity: Public/Private	
Category	Subject
Growth	Private Equity Performance Report and Review
Growth	Guest Speaker(s)

Please note that certain listed items are subject to Committee advancement and/or Board approval.



2023 Work Plan

2nd Quarter Preliminary Monthly Calendar

APRIL 12, 2023

Board of Investments:

Category	Subject
Total Fund	Annual Securities Lending Income Report
Growth	Private Equity Investment Recommendation
Real Assets	Investment Recommendation



Committee: Corporate Governance

Category	Subject
Corporate Gov.	Principles Policy Review
Corporate Gov.	Guest Speaker(s)



MAY 10, 2023

Board of Investments:

Category	Subject
Total Fund	OPEB Public Markets Search Recommendation
Growth	Private Equity Investment Recommendation



Committee: Credit and Risk Mitigation

Category	Subject
Credit	Performance Report and Review
Risk Mitigation	Performance Report and Review
Credit	Guest Speaker(s)



JUNE 14, 2023

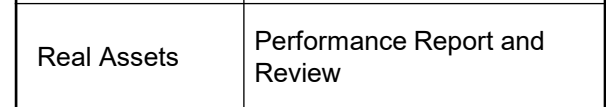
Board of Investments:

Category	Subject
Total Fund	Trust and OPEB Performance Report
Total Fund	General Consultant Trust and OPEB Performance Report
Growth	Private Equity Investment Recommendation
Real Assets	Investment Recommendation



Committee: Real Assets

Category	Subject
Real Assets	Implementation Update
Real Assets	Guest Speaker(s)
Real Assets	Performance Report and Review



Please note that certain listed items are subject to Committee advancement and/or Board approval.



2023 Work Plan

3rd Quarter Preliminary Monthly Calendar

JULY 12, 2023	
Board of Investments:	
Category	Subject
Total Fund	Board Offsite (potential)
Total Fund & OPEB	Strategic Asset Allocation Study - Process Overview
Real Assets	Real Estate Findings Update Memo
Growth	Private Equity Investment Recommendation
Credit	Investment Recommendation
Committee: Equity: Public/Private	
Category	Subject
Growth	Global Equity – Review of Active Portfolio

AUGUST 9, 2023	
Board of Investments:	
Category	Subject
Total Fund	Board Offsite (potential)
Real Assets	Real Assets and Real Estate Emerging Manager Program Search Manager Recommendation
Committee: (open)	
Category	Subject

SEPTEMBER 13, 2023	
Board of Investments:	
Category	Subject
Total Fund	Board Offsite (potential)
Total Fund	Trust and OPEB Performance Report and Review
Total Fund	General Consultant Trust and OPEB Performance Report
Growth	Private Equity Portfolio Performance Review
Real Assets	Private Fund Investment Recommendation
Committee: Credit and Risk Mitigation	
Category	Subject
Credit	Structure Review
Risk Mitigation	Structure Review

Please note that certain listed items are subject to Committee advancement and/or Board approval.



2023 Work Plan

4th Quarter Preliminary Monthly Calendar

OCTOBER 11, 2023

Board of Investments:

Category	Subject
Total Fund & OPEB	Strategic Asset Allocation Study
Total Fund	Fee Attribution Analysis
Growth	Private Equity Investment Recommendation
Real Assets	Investment Recommendation
Real Assets	Responsible Contractor Policy – Compliance Update

Committee: Corporate Governance

Category	Subject
Corporate Gov.	Proxy Voting Results and Trends
Corporate Gov.	Review of Engagement and Stewardship Initiatives

NOVEMBER 8, 2023

Board of Investments:

Category	Subject
Total Fund & OPEB	Strategic Asset Allocation Study
Credit	Asset Category Consultant Search Minimum Qualifications Recommendation
Risk Mitigation	Asset Category Consultant Search Minimum Qualifications Recommendation
Real Assets	Asset Category Consultant Search Minimum Qualifications Recommendation
Real Assets	Investment Recommendation

Committee: Equity: Public/Private

Category	Subject
Growth	Global Equity MSCI Risk Review
Growth	Private Equity Performance Report and Review

DECEMBER 13, 2023

Board of Investments:

Category	Subject
Total Fund & OPEB	Strategic Asset Allocation Study
Total Fund	Trust and OPEB Performance Report
Total Fund	General Consultant Trust and OPEB Performance Report
Total Fund	T.I.D.E. Initiative Update
Total Fund	7514.7 – Investment Fee Update
Other	Actuarial Valuation of Retirement Benefits

Committee: Real Assets

Category	Subject
Real Assets	Structure Review
Real Assets	Guest Speaker(s)

Please note that certain listed items are subject to Committee advancement and/or Board approval.





FY 2023-2024

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RETIREE HEALTHCARE

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

To effectively administer the Retiree Healthcare Benefits Program for LACERA members, survivors, and their eligible dependents and to provide a healthcare program of the highest quality at an affordable cost.

INTRODUCTION

The Retiree Healthcare Division (RHC) is responsible for administering the Retiree Healthcare Benefits Program (RHCBP) for retired members, survivors, and eligible dependents. This budget request for FY 2023-24 reflects our ongoing commitment to provide the highest level of customer service to our members and eligible dependents. RHC is also responsible for understanding and implementing the many complex changes in federal and state programs such as the Affordable Care Act (ACA), Medicare, and Social Security guidelines as applicable to the RHCBP, in addition to the general healthcare landscape. This budget will provide the division with the support needed to deliver timely quality service to our retired members/survivors and their eligible dependents.

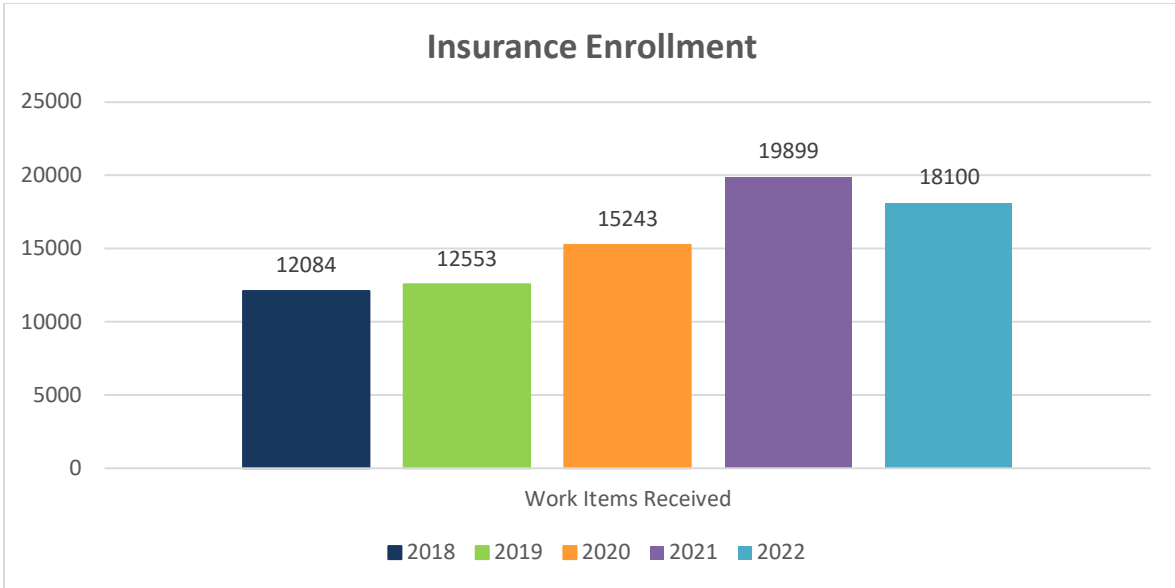
The RHC Division consists of the following units:

- **Operations Unit:**

Assists in planning, assigning, organizing, and managing the work of staff engaged in the research, resolution, and processing of retiree healthcare medical, dental/vision, and MAPD enrollment/change/cancellation forms and explanation of complex retiree healthcare benefits questions from members. Assists in the Medicare Part B premium verification and premium adjustments project. Handles member correspondence as it relates to healthcare eligibility, enrollment, and other

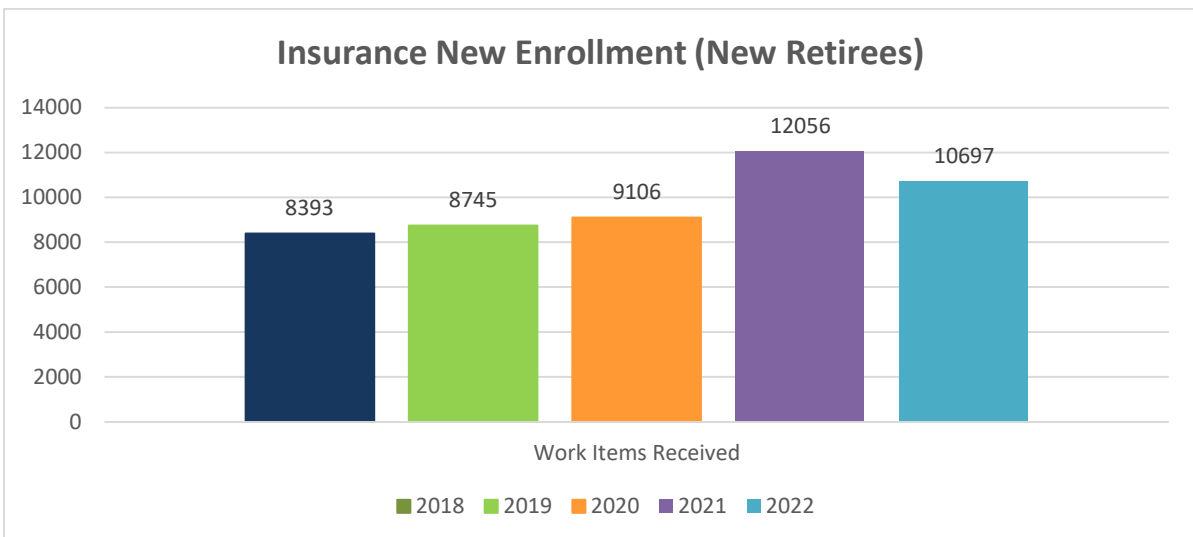
healthcare benefits-related issues.

Following are charts that show the number of forms received, and completed for years 2018 through 2022 by work object items, not per member:



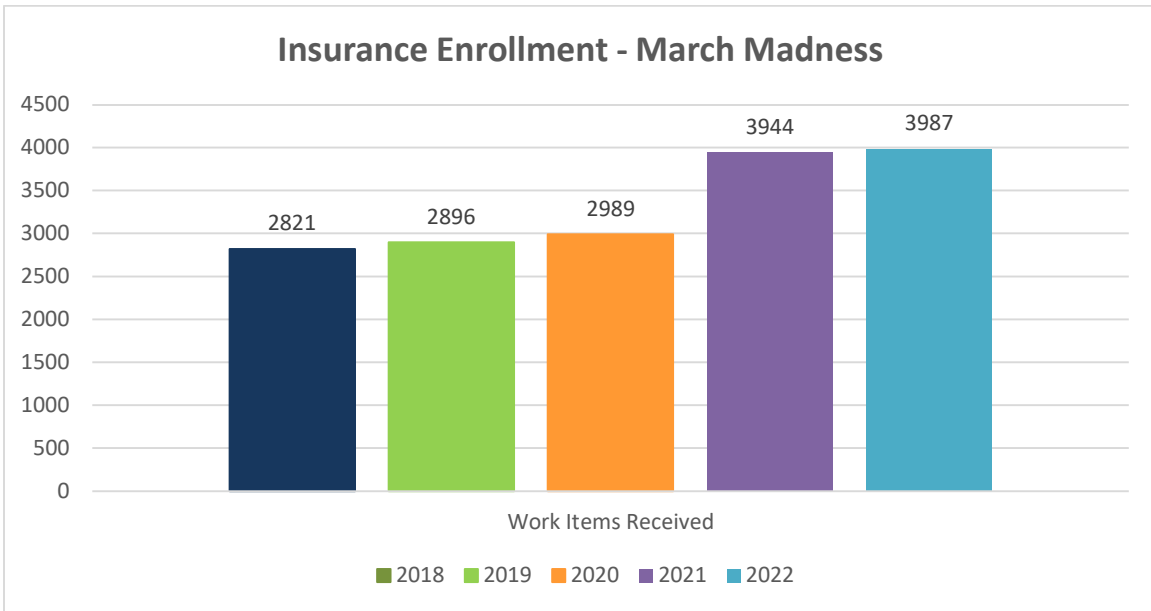
Work Items Received are based on work objects, not per member

	Growth Avg.	% Growth Avg.
2023-2024 Forecast (Insurance Enrollment)	2160	12%



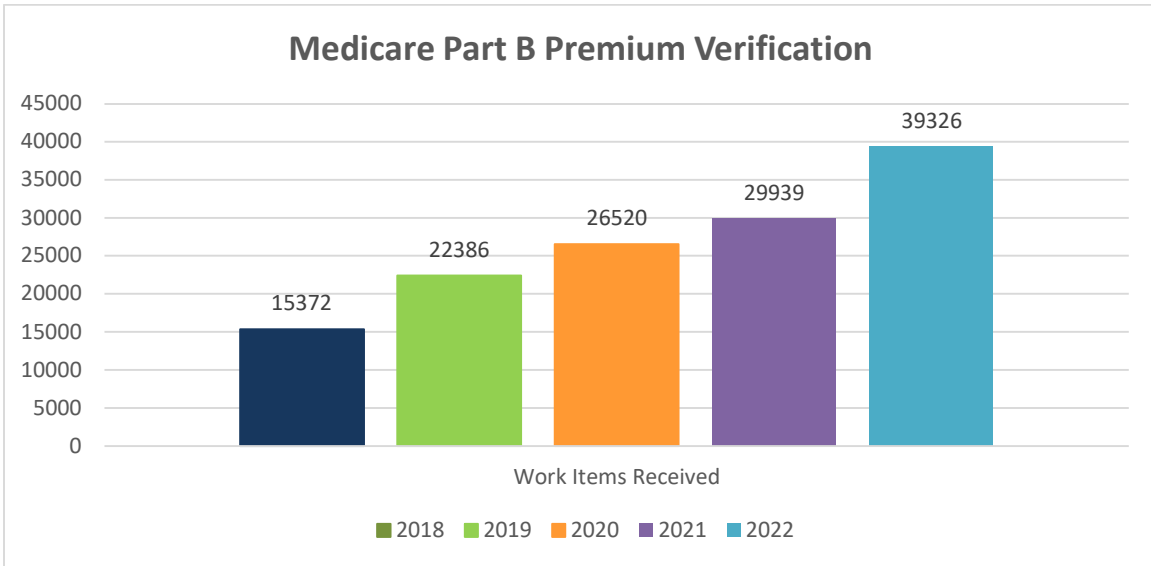
Work Items Received are based on work objects, not per member

	Growth Avg.	% Growth Avg.
2023-2024 Forecast (Insurance New Enrollments (New Retirees))	813	8%



Work Items Received are based on work objects, not per member

	Growth Avg.	% Growth Avg.
2023-2024 Forecast (Insurance Enrollment March Madness)	387	10%



Work Items Received are based on work objects, not per member

	Growth Avg.	% Growth Avg.
2023-2024 Forecast (Part B Verifications)	11,000	27%

*Note that the Part B verification process changed in 2023. Those who qualified had their 2023 Part B reimbursement amount auto-adjusted. This change will have an effect on the overall forecast.

- **Quality Control Unit/Financial Section:**

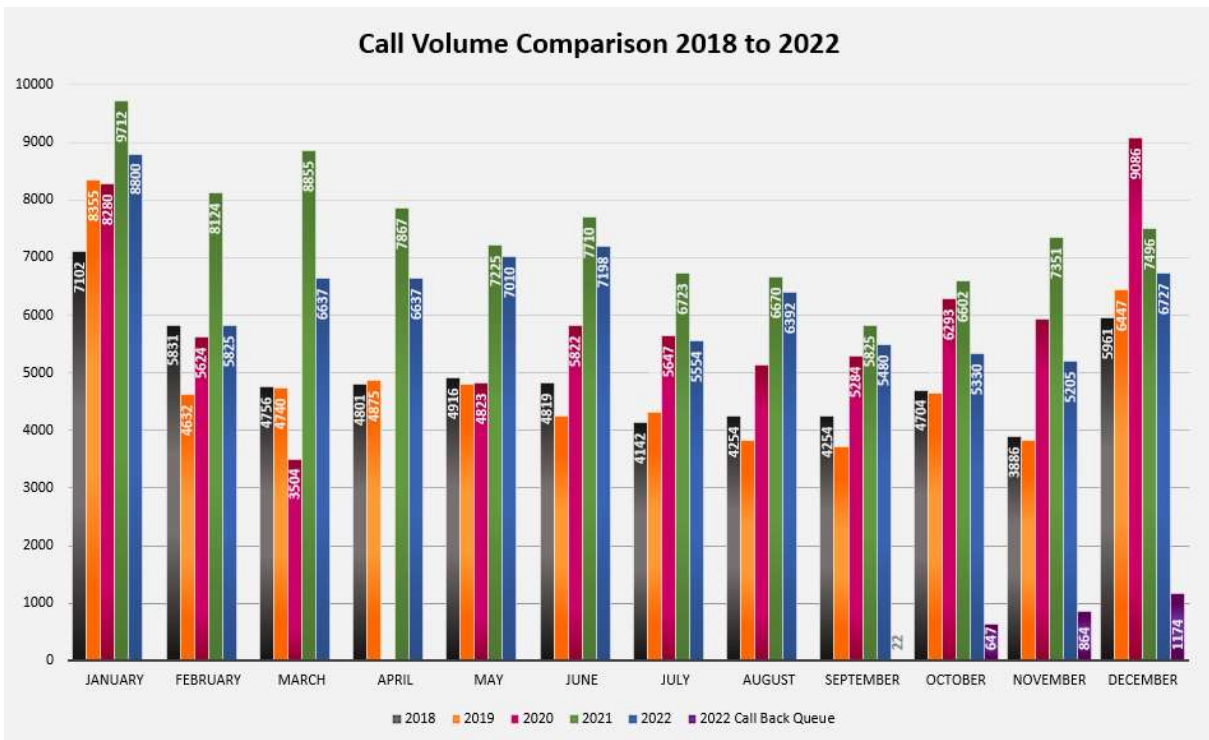
Assists in conducting extensive operational and procedural audits to ensure guidelines are followed by staff. Responsible for quality control. Provides review of retiree healthcare enrollment forms to ensure accuracy and completeness. Engages in the monthly carrier discrepancy reports and auditing of accounts to reflect the accuracy of eligibility, data input, and premium amounts. Conducts monthly call monitoring between members and staff to ensure accurate information is being provided to members during each encounter; conducts quality checks of enrollment forms processed by Operations staff. In addition, they create, process, mail and monitor Age 65 letters. Although this unit is responsible for coordinating with other RHC units, training new staff, and providing refresher classes to existing RHC staff, the applicable divisional unit is responsible for monitoring the training guides to ensure they are updated as needed.

Financial Section

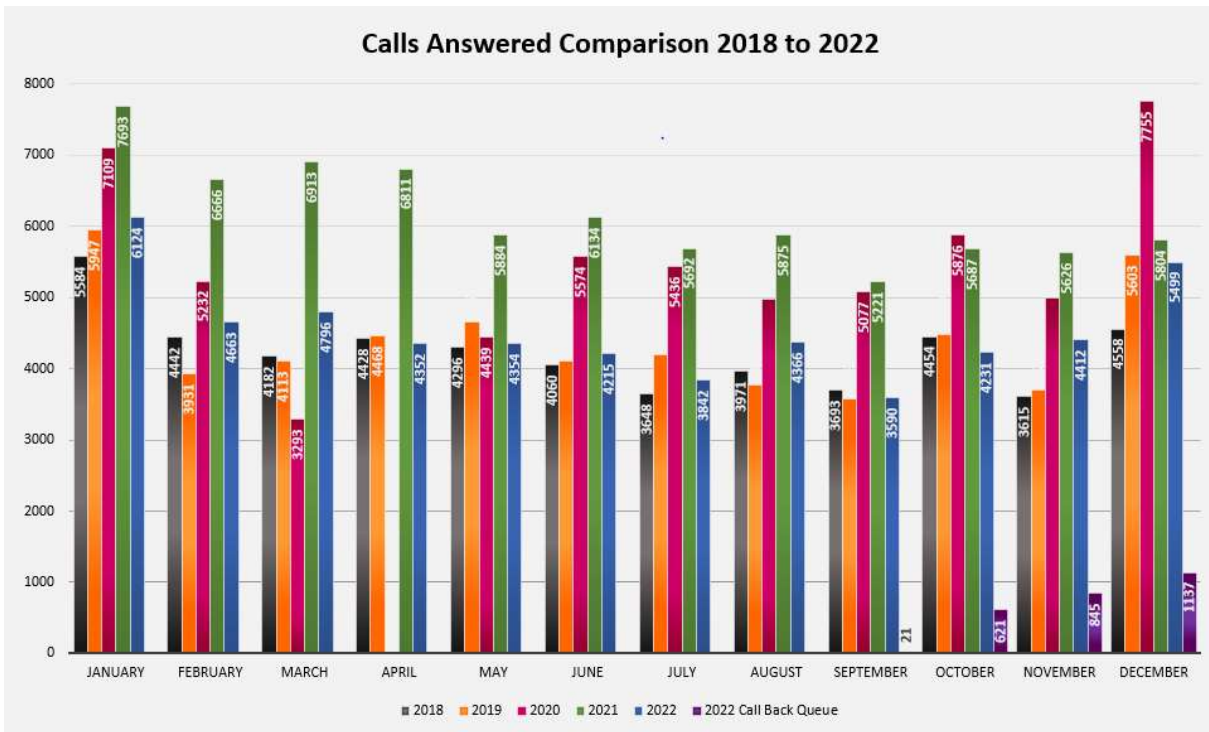
Assists in the processing of billing, non-deductible, and COBRA premium payments. This unit is also responsible in the monthly reconciliation reports to ensure that the monthly healthcare premium payments are made to the health plan carriers timely and accurately, and processing the monthly RHC statistical data report to the Executive Office.

Retiree Healthcare has an Accountant position currently residing within the division, because some knowledge of the healthcare program is needed in order to understand the billing and reconciliation of premiums at month-end. Once the division is fully staffed and staff is trained, we are considering transitioning this item to the Financial Accounting Services Division (FASD) in the future.

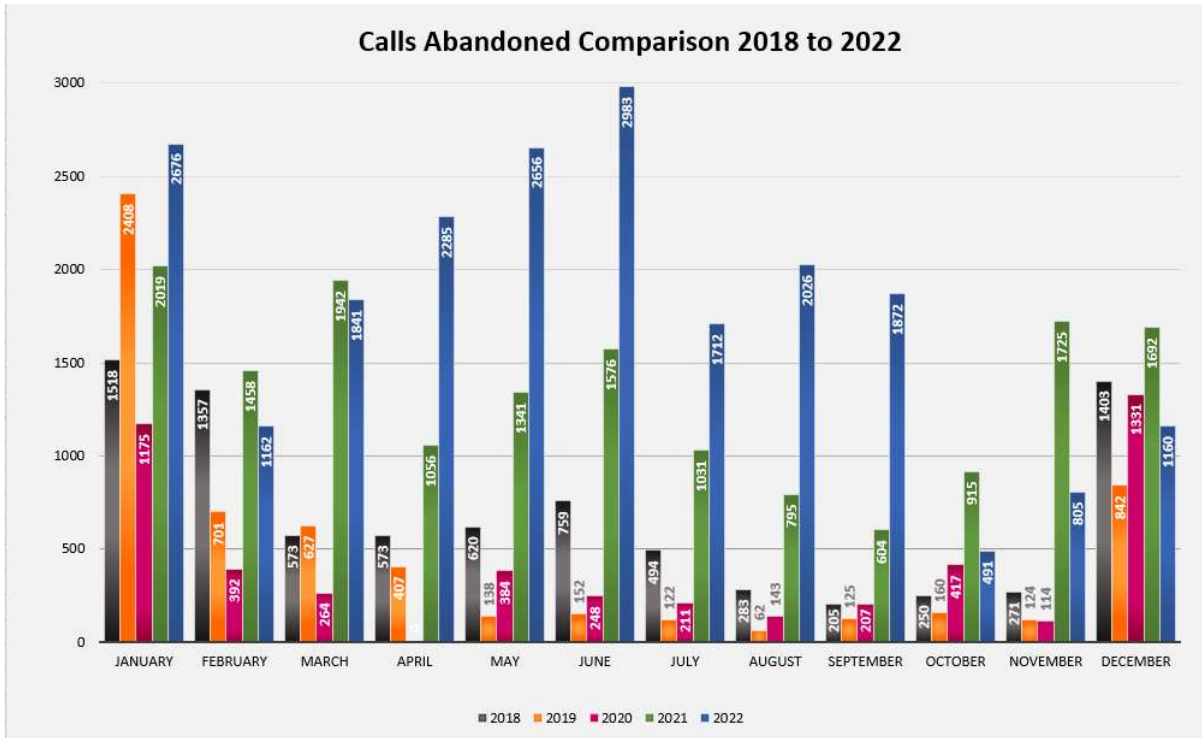
- **RHC Call Center:** Assists members and the organization at large with responding to retiree healthcare benefits-related questions, resolving complex questions regarding the Retiree Healthcare Benefits Program and healthcare enrollment, as well as providing information to management regarding its impact on division operations.



	Growth Avg.	% Growth Avg.
2023-2024 Forecast (Call Volume)	972	4%



	Growth Avg.	% Growth Avg.
2023-2024 Forecast (Calls Answered)	132	1%



	Growth Avg.	% Growth Avg.
2023-2024 Forecast (Calls Abandoned)	6085	54%

RHC Successes:

- Polished and updated the operational procedures for all units of the division
- Achieved an overall single-digit healthcare premium increase during the renewal process
- Improved the Operations enrollment processing triage description for efficiency
- Improved the Part B audit review process by creating a new work queue
- Participated in the implementation of the callback feature of Amazon Connect
- Aligned each divisional unit in accordance with the organizational chart
- Initiated the update of a new interactive enrollment checklist that is simpler and more user-friendly for the processors and Audit team
- Implemented the RHC Call Center training plan and manuals for new hires in the RHC Call Center
- Modified the member submission of the Part B premium verifications for 2023, improving the process
- Hired three Retirement Benefits Specialist (RBS) I County temporary staff for the Call Center. They are going through the RHC training. The addition has helped our Call Center respond to increases in call volume after the Part B mailing and during March Madness season.
- Added sample healthcare enrollments forms to the website to assist members in completing the enrollment forms correctly

- We are collaborating with Communications with the creation of a Medicare video to educate members about Medicare basics and how it works together with the LACERA-administered healthcare program.

RHC Challenges:

- Members are unable to submit electronic enrollment forms; paper enrollments are still being submitted to the health plan carriers.
- Call volume increases during Part B verification mailing and March Madness; non-Call Center staff are needed to assist with the incoming calls

Goals:

- As part of the organization's focused efforts to provide a great member experience, RHC is partnering with the Systems Division to automate the Medicare Part B premium verification process.
- Dependent Database Audit: We intend to issue a Request for Information (RFI) this fiscal year.
- Electronic submission of enrollment forms: Staff is partnering with the Systems Division for this project.

RHC is also working to:

- Implement a new seminar for members becoming Medicare eligible, in partnership with Member Services Division
- Create an annual Supplemental Retiree Healthcare Newsletter that focuses solely on healthcare and health-related topics
- Find ways to expedite healthcare enrollments and the Part B Medicare verification process by applying for a data exchange agreement with the Social Security Administration

STAFFING

We have a total of 37 budgeted positions. No new positions are requested.

Temporary Agency Staff

We are not asking to budget for temporary agency staff this fiscal year.

120-Day Return-to-Work Position

The 120-day retiree will continue to work on that basis as an advisor to the Retiree Healthcare Division, which she developed. With experience at developing programs on the County CEO side as well as having been LACERA's former Healthcare Director, she is instrumental in providing clarity and background on the intent behind ordinance language that supports LACERA's administration of the healthcare program for L.A. County. In addition, and most importantly, she diligently arranges introductions with the

CEOs and presidents of various health plans that LACERA conducts business with as they are made available. The healthcare industry is and continues to become more complex. Coupled with the unique program that LACERA administers, the 120-day retiree advisor is and has been a resource to executive management, LACERA's healthcare consultants, and the Board of Retirement. This handoff of knowledge and relationships is vital to understanding both the intent behind the County ordinance and methods that would be allowable while remaining compliant.

Overtime

Overtime is being requested to manage the workload related to the high volume of enrollment forms received from March Madness, processing of Medicare Part B premium verifications, and for any unanticipated special projects and special mailings that regularly occur. The total overtime amount being requested for this fiscal year is \$134,900.

SERVICES AND SUPPLIES

Professional and Specialized Services: Audits

We have budgeted \$806,500 to cover the cost of conducting the following program audits for this fiscal year:

Cav Mac OPEB Triennial Audit:	\$348,000
Milliman's OPEB Triennial Experience Study and Valuation:	\$458,500

Internal Audit is adding the OPEB Triennial Audit as it relates to the RHCBP for this fiscal year, and Cav Mac will be performing the audits. Internal Audit is also adding the OPEB Triennial Experience Study and Valuation to be performed by Milliman as it relates to the RHCBP. This is a concerted effort that is coordinated through the Financial Accounting Services Division (FASD) and Internal Audit but supported by the Retiree Healthcare administrative budget as it is OPEB-related.

FUNDING AND OPERATING EXPENSES

The RHCBP's operating expenses must be funded by the program, and its operations cannot be subsidized by the trust funds used to operate the retirement benefit trust. The administrative fee covers administrative expenses, including consulting services, vendor fees, and the cost of administering the RHCBP. As such, an RHCBP administrative fee is included as part of the retiree healthcare medical and dental/vision plan premiums, per member, per plan, per month.

In 2022, the Board of Retirement approved a \$2 increase to the administrative fee from \$8 to \$10 per member, per plan, per month. However, actual administrative expenditures for FY 2022-2023 remained just below \$8.00. Given the current balance and projected expenditures, there is no compelling reason to increase the fee above \$8 in FY 2023-2024 and staff recommends reducing the fee back to \$8.00 . Below is a chart of administrative fee amounts from 1999 to present:

Time Period	Administrative Fee Amount
July 1, 2023 – June 30, 2024	\$8.00
July 1, 2022 – June 30, 2023	\$10.00
July 1, 2016 – June 30, 2022	\$8.00
July 1, 2013 – June 30, 2016	\$5.00
July 1, 2005 – June 30, 2013	\$3.00
July 1, 2000 – June 30, 2005	\$3.20
July 1, 1999 – June 30, 2000	\$2.50

The chart below shows the RHC administrative revenue and expenses for the last 10 years

RHC ADMIN REVENUE AND EXPENSES FOR THE LAST 10 YEARS			
	Admin Revenue	Admin Expenses	Over/(Under)
FYE 2022	\$ 10,710,527	\$ 9,236,963	\$ 1,473,564
FYE 2021	\$ 10,245,895	\$ 8,099,102	\$ 2,146,793
FYE 2020	\$ 10,076,876	\$ 6,828,067	\$ 3,248,809
FYE 2019	\$ 9,823,062	\$ 6,118,267	\$ 3,704,794
FYE 2018	\$ 9,559,745	\$ 5,681,953	\$ 3,877,792
FYE 2017	\$ 9,631,327	\$ 5,326,190	\$ 4,305,137
FYE 2016	\$ 5,984,986	\$ 5,279,617	\$ 705,369
FYE 2015	\$ 5,578,149	\$ 5,424,333	\$ 153,816
FYE 2014	\$ 5,466,487	\$ 5,006,498	\$ 459,989
FYE 2013	\$ 3,351,652	\$ 4,597,261	\$ (1,245,609)

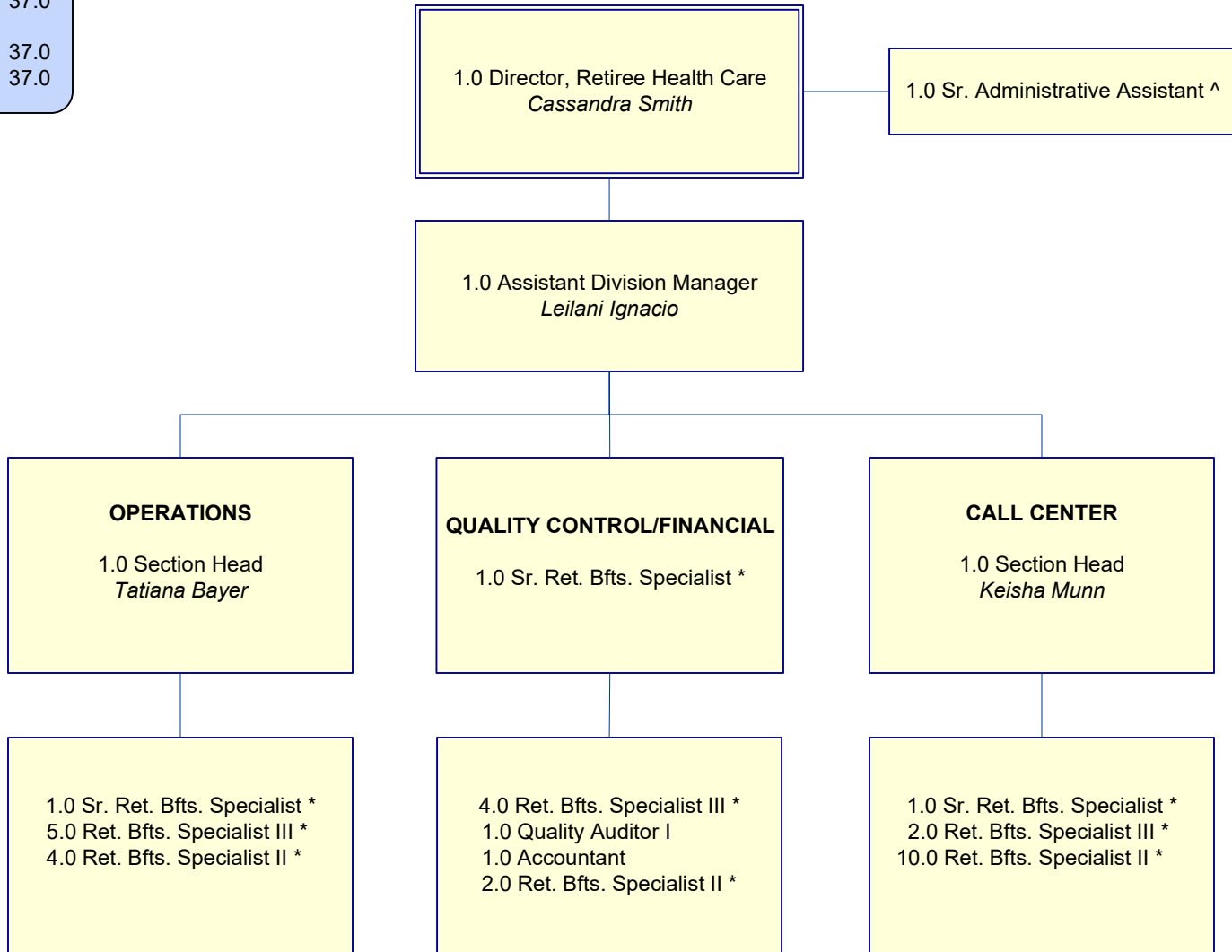
Note: Admin fee increased from \$8 to \$10.

Note: Admin fee increased from \$5 to \$8.

RETIREE HEALTH CARE BENEFITS PROGRAM

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 37.0
 2022-2023 Hiring Plan: 37.0
 2023-2024 Bud. Pos.: 37.0
 2023-2024 Hiring Plan: 37.0



* Classification study for the position requested.

^ Position upgrade from Senior Secretary to Senior Administrative Assistant (Board of Supervisors approved on October 18, 2022).

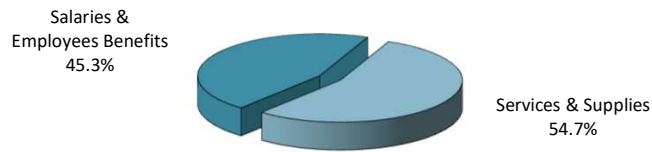
RETIREE HEALTHCARE BENEFITS PROGRAM

FISCAL YEAR 2023-2024

BUDGET SUMMARY

	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	PROPOSED BUDGET 2023-2024	YTD		OVER/(UNDER)		\$ CHANGE	% CHANGE	
		BUDGET	(01-31-23)	PROJECTION	BUDGET			% CHANGE
Salaries & Employees Benefits	\$5,752,106	\$5,172,923	\$2,639,419	\$5,039,100	(\$133,823)	-2.6%	\$579,183	11.2%
Services & Supplies	6,933,333	6,140,699	3,192,506	5,682,600	(458,099)	-7.5%	792,634	12.9%
OPERATING BUDGET	\$12,685,439	\$11,313,623	\$5,831,925	\$10,721,700	(\$591,923)	-5.2%	\$1,371,816	12.1%

2023 - 2024 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM
FISCAL YEAR 2023-2024
SALARIES AND EMPLOYEE BENEFITS SUMMARY

	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
Total LACERA Salaries	\$3,349,841	\$3,006,805	\$1,633,592	\$3,131,400	\$124,595	4.1%	\$343,036	11.4%
Total Agency Temp Salaries	0	149,800	99,650	149,800	0	0.0%	(149,800)	-100.0%
Employee Benefits (Variable)	2,129,974	1,775,266	766,815	1,550,700	(224,566)	-12.6%	354,708	20.0%
OPEB Contribution	118,991	100,853	38,716	71,500	(29,353)	-29.1%	18,138	18.0%
Stipends	0	0	0	0	0	0.0%	0	0.0%
Overtime	134,900	121,800	94,568	121,800	0	0.0%	13,100	10.8%
Bilingual Bonus	4,800	4,800	1,950	3,700	(1,100)	-22.9%	0	0.0%
Sick Leave Buyback	10,000	10,000	4,128	10,200	200	2.0%	0	0.0%
Rideshare Allowance	3,600	3,600	0	0	(3,600)	-100.0%	0	0.0%
Transportation Allowance	0	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	\$5,752,106	\$5,172,923	\$2,639,419	\$5,039,100	(\$133,823)	-2.6%	\$579,183	11.2%
Salary Differential	-	-	-	-	-		-	
TOTAL S&EB	\$5,752,106	\$5,172,923	\$2,639,419	\$5,039,100	(\$133,823)	-2.6%	\$579,183	11.2%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA
FISCAL YEAR 2023-2024
SALARIES

RETIREE HEALTHCARE BENEFITS PROGRAM

2023-2024 BUDGET

FILLED POSITIONS		# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT				
00793A	DIRECTOR, RETIREE HEALTHCARE	1	LS14	18,636	223,635				
00771A	ASSISTANT DIVISION MANAGER	1	LS10	14,811	177,734				
00772A	SECTION HEAD	2	LS9	19,129	229,544				
01312A	SENIOR RETIREMENT BENEFITS SPECIALIST	3	104A	25,776	309,312				
01311A	RETIREMENT BENEFITS SPECIALIST III	11	98G	82,885	994,619				
00415A	ACCOUNTANT	1	95G	7,531	90,375				
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	93A	6,840	82,080				
01310A	RETIREMENT BENEFITS SPECIALIST II	9	92A	50,409	604,912				
POSITIONS		29			2,712,212				
VACANT POSITIONS		# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS	
00796A	QUALITY AUDITOR I	1	98C	6,003	72,034			36,017	
01310A	RETIREMENT BENEFITS SPECIALIST II	7	92A	5,076	60,912	426,384			
						426,384	0	36,017	
POSITIONS		8			462,401				
TOTAL POSITIONS		37							
GROSS SALARIES					3,174,613				
ANTICIPATED MOU SALARY INCREASE**					47,619				
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE					48,575				
BONUS					0				
120-DAY RETIREE(S)		1				79,035			
TOTAL SALARIES					3,349,841				

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.
 Represented positions shown in blue.
 Vacancies are shown at the 1st Step.
 *All amounts rounded to the nearest dollar.
 ** Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

RETIREE HEALTHCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

**AGENCY TEMPORARY STAFFING
HISTORY OF EXPENDITURES**

DIVISION	FYE 2021		FYE 2022		FYE 2023		FYE 2024
	Budget	Actual	Budget	Actual	Budget	Projection	Budget
Retiree Healthcare	\$308,000	\$290,409	\$511,700	\$251,294	\$149,800	\$149,800	\$0
GRAND TOTAL	\$308,000	\$290,409	\$511,700	\$251,294	\$149,800	\$149,800	\$0

*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

**OVERTIME
HISTORY OF EXPENDITURES**

DIVISION	FYE 2021		FYE 2022		FYE 2023		FYE 2024
	Budget	Actual	Budget	Actual	Budget	Projection	Budget
Retiree Healthcare	\$115,600	\$118,314	\$118,500	\$121,935	\$121,800	\$121,800	\$134,900
GRAND TOTAL	\$115,600	\$118,314	\$118,500	\$121,935	\$121,800	\$121,800	\$134,900

*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

**VACANT POSITIONS
SUMMARY**

Division	Budgeted Positions FY 2022-2023	Vacancy (as of 03/31/23)	%	Budgeted Positions FY 2023-2024	Vacancy	%
Retiree Healthcare	37	8	22%	37	8	22%
TOTAL	37	8	22%	37	8	22%

RETIREE HEALTHCARE BENEFITS PROGRAM

FISCAL YEAR 2023-2024

SERVICES & SUPPLIES ACCOUNT SUMMARY

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022-2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET	
		YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE
		BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE		
TRANSPORTATION & TRAVEL	\$24,700	\$24,700	\$14,882	\$18,100	(\$6,600)	-26.7%	\$0	0.0%
POSTAGE	300,000	300,000	25,010	300,000	0	0.0%	0	0.0%
OFFICE SUPPLIES & EQUIPMENT	5,000	4,500	836	4,300	(200)	-4.4%	500	11.1%
OPERATIONAL COSTS	5,006,533	4,540,999	2,648,416	4,107,300	(433,699)	-9.6%	465,534	10.3%
PROFESSIONAL AND SPECIALIZED SERVICES	1,556,500	1,229,400	490,781	1,220,300	(9,100)	-0.7%	327,100	26.6%
BANK SERVICES	21,500	21,500	11,160	21,000	(500)	-2.3%	0	0.0%
EDUCATIONAL EXPENSES	18,800	19,300	1,421	11,300	(8,000)	-41.5%	(500)	-2.6%
MISCELLANEOUS	300	300	0	300	0	0.0%	0	0.0%
TOTAL	\$6,933,333	\$6,140,699	\$3,192,506	\$5,682,600	(\$458,099)	-7.5%	\$792,634	12.9%

*All amounts rounded to the nearest dollar.

RETIREE HEALTH CARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	\$2,814,534	\$2,471,718	\$3,006,805	\$3,131,400	\$3,349,841
Total Agency Temp Salaries	511,700	251,294	149,800	149,800	0
Employee Benefits (Variable)	1,728,430	1,240,912	1,775,266	1,550,700	2,129,974
Employee Benefits (Other)	0	0	0	0	0
OPEB Contribution	82,573	65,490	100,853	71,500	118,991
OPEB Contribution (Budget Surplus)	0	82,573	0	0	0
Stipends	0	0	0	0	0
Overtime	118,500	121,935	121,800	121,800	134,900
Bilingual Bonus	3,600	2,900	4,800	3,700	4,800
Sick Leave Buyback	10,000	9,274	10,000	10,200	10,000
Rideshare Allowance	3,600	0	3,600	0	3,600
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	28,500	6,169	24,700	18,100	24,700
Postage	300,000	266,316	300,000	300,000	300,000
Office Supplies & Equipment	6,000	335	4,500	4,300	5,000
Building Costs	4,532,792	3,568,648	4,540,999	4,107,300	5,006,533
Professional & Specialized Services	1,209,800	1,119,868	1,229,400	1,220,300	1,556,500
Bank Services	21,500	20,650	21,500	21,000	21,500
Educational Expenses	19,300	8,880	19,300	11,300	18,800
Miscellaneous	300	0	300	300	300
TOTAL OPERATING BUDGET	\$11,391,128	\$9,236,963	\$11,313,623	\$10,721,700	\$12,685,439

*All amounts rounded to the nearest dollar.



FY 2023-2024

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OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST

BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

Mission

Produce, Protect, and Provide the Promised Benefits

INTRODUCTION

The County of Los Angeles (“County”) established the OPEB Trust for the purpose of pre-funding the Retiree Healthcare Benefits Program (“OPEB Program”). The OPEB Trust serves as a funding tool for the participating employers to hold and invest assets used to pay OPEB Program benefits, such as medical, dental and vision. LACERA’s Board of Investments is responsible for exercising oversight of the investment management for both the Retirement Fund and the OPEB Trust.

Cost Allocation: The Need for Separate Accounting of the OPEB Trust

LACERA administers a Retiree Healthcare Program for members that is funded through the employer plan sponsors. Historically, these plan sponsors have paid the monthly premium costs for current eligible retirees on a pay-as-you-go basis. In FY 2012-13, the County of Los Angeles (County) and LACERA established a trust to begin to prefund the program and address its long-term liability. LACERA’s Board of Investments is the trustee and investment manager for the trust.

In FY 2016-17, the Superior Court joined the program. Beginning in FY 2017-18, the costs of administering the program were required to be reported separately on financial statements based on the size of the participating agencies.

The trust agreements between the County, Superior Court, and LACERA stipulate that “...the Trustee (LACERA) shall be entitled to payment or reimbursement of all its reasonable and appropriate expenses incurred in administering or investing the Trust...” In other words, LACERA will not expend its principal or operating allocation to administer

the trusts. Instead, the trust agreements allow LACERA to seek payment directly from the County and Superior Court, or to obtain payment from the OPEB Trust.

To avoid OPEB Trust assets being commingled with the retirement fund assets, it is important for LACERA to maintain a separate accounting of the costs associated with administering the OPEB Trust.

A Method for Tracking OPEB Trust Expenses

Only the LACERA divisions that participate in the administration of the OPEB Trust are included in the calculation of costs. These divisions are: Administrative Services, Communications, Executive Office, FASD, Human Resources, Internal Audit, Investments, Legal Services, Systems, and Retiree Healthcare.

Each division utilizes staff and resources to administer the OPEB Trust. In estimating the costs to administer the trust, LACERA considers the amount of time expended by employees as a share of the total cost of salaries and benefits. In estimating the additional costs used to administer the trust, LACERA also considers the share of the total costs of services and supplies.

Cost Methodology

There are four categories of expenses applicable to our cost methodology as follows:

Direct Costs of Salaries and Employee Benefits

Division managers provided a list of staff members and the number of hours those staff members worked on OPEB activities. Those “hours spent” are converted into a percentage of annual hours. The salaries and benefits totals of each staff member are then multiplied by the percentage of annual hours devoted to OPEB.

Indirect Services and Supplies

These costs were estimated by taking the overall cost of services and supplies for LACERA and dividing it by the total number of employees. This provides LACERA with a “per employee cost,” which is then multiplied by the overall percentage of hours worked on OPEB.

Indirect Salaries and Employee Benefits

Systems, Human Resources, and Administrative Services divisions provide staffing support to all LACERA divisions. The Salary and Employee Benefits costs for these divisions are added up, then divided by the number of LACERA employees to determine a per employee cost. This total is then multiplied by the overall percentage of hours worked on OPEB.

Direct Services and Supplies

Direct Services and Supplies costs are based on actual payment requests that are applicable to OPEB.

Allocation of Costs

The total overhead cost is divided among the County, LACERA, and Superior Court. The shared cost is allocated in a hybrid method that considers fund size, effort, and resources to approximate a fair and equitable allocation. These allocations are scheduled to be reviewed every two years. The current allocation is:

- County: 75 percent
- LACERA: 5 percent
- Superior Court: 20 percent

Reconciliation of Actual Costs

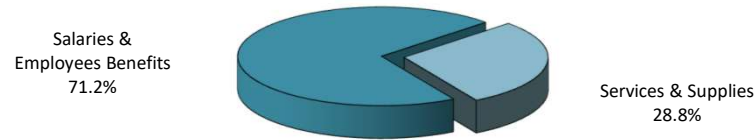
At the close of each fiscal year, the actual costs are reconciled with the budget costs. Variances are either credited or debited to each allocated entity to ensure that each OPEB Trust is appropriately capturing the true operating costs.

OPEB TRUST COST ALLOCATION

FISCAL YEAR 2023-2024

PROPOSED BUDGET 2023-2024	CURRENT YEAR 2022 - 2023			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2022-2023 BUDGET		
	YTD			OVER/(UNDER)		\$ CHANGE	% CHANGE	
	BUDGET	(01-31-23)	PROJECTION	BUDGET	% CHANGE			
Salaries & Employees Benefits	\$521,881	\$481,543	\$280,900	\$452,651	(\$28,893)	-6.0%	\$40,338	8.4%
Services & Supplies	\$210,788	190,304	111,011	178,886	(11,418)	-6.0%	20,484	10.8%
OPERATING BUDGET	\$732,669	\$671,847	391,911	631,536	(40,311)	-6.0%	\$60,822	9.1%

2023 - 2024 PROPOSED BUDGET



May 26, 2023

TO: Each Trustee,
Board of Retirement
Board of Investments

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

FOR: June 7, 2023 Board of Retirement Meeting
June 14, 2023 Board of Investments Meeting

SUBJECT: Approval of Revised AB 2449 Teleconference Policy

RECOMMENDATION

That the Board of Retirement and Board of Investments each separately adopt the proposed revised AB 2449 Teleconference Policy.

LEGAL AUTHORITY

Under Article XVI, Section 17 of the California Constitution, the Board of Retirement and Board of Investments have plenary authority and exclusive fiduciary responsibility for administration of the system. See also Cal. Gov't Code §§ 31520, 31520.1, 31520.2, and 31595 of the County Employees Retirement Act of 1937 (CERL). This authority includes the ability of the Boards to manage their own Board and Committee meetings under the Brown Act and establish policies for meetings, such as how to administer teleconferencing under AB 2449.

Under AB 2449, Section 54953(f)¹ of the Brown Act provides that, for the period January 1, 2023 to January 1, 2026, agencies subject to the Act, such as LACERA's Boards and Committees, may permit teleconference attendance of less than a quorum of members if those members provide a statement of "just cause" or "emergency circumstances" subject to the other conditions set forth in the legislation. A copy of AB 2449 is attached.

DISCUSSION

At their February 1 and 8, 2023 meetings, the Board of Retirement and Board of Investments adopted the AB 2449 Teleconference Policy. AB 2449 was not designed with LACERA's Board and Committee governance model in mind. During the three months of meetings that have taken place since the Policy was adopted, LACERA's experience, practice, and Trustee comments have raised questions about certain provisions of the original Policy. No court has yet interpreted AB 2449. However, staff counsel, in

¹ Section 54953(f) is renumbered as Section 54953(e) effective January 1, 2024.

consultation with fiduciary counsel, addressed the questions by making proposed Policy changes. Counsel believes that, even in the absence of definitive court action, the revised Policy is consistent with the law and maintains “substantial compliance” with the words and intent of AB 2449. See Cal. Gov’t Code § 54954.5 (a body’s action is not void if “The action taken was in substantial compliance with Section 54953”).

A redlined copy of the proposed Policy is attached. The changes are as follows:

- **Section 5.2 (page 4)**. Section 54953(f)(2) provides that Trustees attending by teleconference under this statute “shall participate through both audio and visual technology.” Trustees have questioned the application of this requirement. After reviewing the issue, counsel believe that, while it has not yet been tested in court, an interpretation of AB 2449 that Trustees must literally be on audio and video for every minute of the entire meeting is not consistent with the circumstances that the statute permits as grounds for teleconference – such as illness, medical emergency, caregiving responsibilities, and LACERA business. It is reasonable that these circumstances may require Trustees to briefly turn off their audio and video to avoid disruption to the meeting. The proposed revision to Section 5.2 of the Policy permits Trustees this flexibility on an incidental and minimal basis, provided that Trustees must be on both audio and video when speaking during discussion or voting, which is when the public’s need to hear and see Trustees is greatest.
- **Section 5.3 (page 4)**. Under LACERA’s governance practices, all Committee meetings are also noticed and agendized as meetings of their Board, or both Boards in the case of the Audit Committee and Joint Organizational Governance Committee (JOGC). However, only Committee members may make or second motions and vote. The non-Committee Trustees can only observe and participate in discussion, which is a right that such Trustees regularly exercise.

Section 54953(f)(1) provides that teleconferencing under AB 2449 is permitted only when a quorum of a legislative body’s members are physically present in the noticed location. Questions have arisen whether a physical quorum of non-Committee Trustees must be present for Committee meetings in order for any of them to attend by teleconference. Counsel believes that Section 54953(f) may be reasonably interpreted, again although there has not yet been judicial review, such that it does not require a physical quorum of non-Committee members because those Trustees may not move or take action. The revised Policy clarifies this legal interpretation. Under the revised Policy, a physical quorum of Committee Trustees is still required for any of the Committee members to teleconference for just cause or emergency circumstances.

- **Section 5.5 (page 5)**. Section 54953(f)(2) and (3) impose limits on the number of Board and Committee meetings Trustees may attend by teleconference for just cause or emergency circumstances. Questions have arisen as to the application of this provision. For example, does the statute mean that a Board of Retirement Trustee who is not a member of the Operations Oversight Committee and the Insurance Benefits and Legislative Committee but who wants to teleconference into all Board and Committee meetings on a given day would be charged with three meetings against their Board teleconference limit? Similar examples apply to the Board of Investments and its Committees, and to the Audit Committee and the JOGC. If non-Committee members are charged with a Board meeting for every Committee meeting they attend by teleconference, it will disadvantage them in comparison to Committee members who would only be charged against their Committee limit.

Counsel believes it is reasonable, although there is also no court case on the issue, to interpret AB 2449 such that it does not require non-Committee members to be charged with a Board meeting against their limit because such members may not vote or take action at Committee meetings. The revised Policy clarifies that a separate limit applies to each Committee for both Board and Committee Trustees. This places Board and Committee Trustees on a level field in having the same teleconference limit for each Committee.

The proposed revised Policy will be retroactive to February 2023 when the Policy was originally adopted so that all Trustees are treated equally from the beginning of its application.

CONCLUSION

For these reasons, it is recommended that the Board of Retirement and Board of Investments each separately adopt the proposed revised AB 2449 Teleconference Policy.

Attachments

c: Santos H. Kreimann
Jonathan Grabel
Luis A. Lugo
JJ Popowich
Laura Guglielmo
Barry Lew
Board Office



AB 2449 TELECONFERENCE POLICY

Authorizing Manager: Chief Counsel

Effective Date: February 8, 2023

Last Updated: ~~Not Applicable~~ June, 2023

Mandatory Review: Before January 1, 2026

Policy Type: Joint Board Policy

Approval Level: Board of Retirement and Board of Investments

1. PURPOSE

The purpose of this AB 2449 Teleconference Policy (Policy) is to establish a process (1) for Trustees to request Teleconference attendance at a publicly noticed Board and Committee meeting under the Act for Just Cause or Emergency Circumstances, and (2) to select Trustees who shall be permitted under the Act to attend a meeting by Teleconference, including when more than the maximum number of Trustees (which is one less than the number constituting a quorum allowed of the Board or any Committee) make a request for the same meeting.

2. SCOPE

This Policy applies only to Teleconference attendance at publicly noticed Board and Committee meetings for Trustees who request it based on a showing of Just Cause or Emergency Circumstances under AB 2449 (which enacted California Government Code Section 54953(f) for meetings until January 1, 2024, and Section 54953(e) for meetings from January 1, 2024 until January 1, 2026). This Policy expires and has no effect for meetings on and after January 1, 2026, unless extended.

The Policy does not apply to (1) teleconference meetings when the Board or Committee makes the findings required under California Government Code Section 54953(e) (applicable for meetings until January 1, 2024 during a proclaimed state of emergency), (2) teleconference meetings agendized under Section 54953(b) (which requires that all teleconference locations be identified on the agenda, open to the public, and ADA-compliant), or (3) to meetings that are not publicly noticed under the Brown Act. The Board of Retirement and Board of Investments' separate Teleconference Meeting Policies previously adopted shall continue to apply to requests for teleconference meetings under Government Code Section 54953(b).

To the extent that state law or federal law provides for additional restrictions or conflicts with this Policy, the law shall prevail over this Policy.

3. LEGAL AUTHORITY

This Policy is adopted pursuant to the plenary authority of the Board of Retirement and Board of Investments over the administration of the system (Cal. Const., art. XVI, sec 17), the County Employees Retirement Law of 1937 (CERL), including California

Government Code Sections 31520, 31520.1, 31520.2, and 31595, and other governing law. The authority of both Boards includes the ability to establish policies to implement the Brown Act (California Government Code Section 54950 *et seq.*), including AB 2449.

4. DEFINITIONS

4.1 Just Cause means any of the following:

- (A) Childcare or caregiving needs of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires a Trustee to participate remotely. "Child," "parent," "grandparent," "grandchild," and "sibling" have the same meaning as those terms do in Government Code Section 12945.2;
- (B) A contagious illness that prevents a Trustee from attending in person;
- (C) A need related to a physical or mental disability as defined in California Government Code Sections 12926 and 12926.1, to the extent not otherwise accommodated under this Policy; or
- (D) Travel while on official business of LACERA or another state or local agency.

4.2 Emergency Circumstances means a physical or family medical emergency that prevents a Trustee from attending a meeting in person.

4.3 Teleconference means both audio and on camera visual participation throughout a meeting.

5. LEGAL REQUIREMENTS AND PROCESS FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449

5.1 Teleconference Meeting Requests

Subject to the other requirements of this Policy, a Trustee shall be eligible to attend a meeting by Teleconference if one of the following circumstances apply:

- (A) A Trustee submits an email request to attend by Teleconference for Just Cause to the Executive Board Assistants, at boardoffices@lacera.com, as soon as possible prior to a Board or Committee meeting, but no later than the start of a meeting. The request must include a general description that need not exceed 20 words relating to their Just Cause. No action by the Board or Committee is required to approve a request based on Just Cause; or
- (B) A Trustee submits an email request to attend by Teleconference due to Emergency Circumstances to the Executive Board Assistants, at boardoffices@lacera.com, as soon as possible prior to a Board or Committee meeting, but no later than the start of a meeting. The request must include an email statement that need not exceed 20 words of the Emergency Circumstances. The Board or Committee must take action to approve the request. If a request is not submitted in time for it to be placed on the noticed

agenda, a Board or Committee may take action at the beginning of the meeting under Government Code Section 54954.2(b).

The required email statement of Just Cause or Emergency Circumstance shall not disclose any medical diagnosis or disability, or any medical or private information exempt under applicable law, including the Confidentiality of Medical Information Act (California Civil Code Section 56 *et seq.*). However, it shall provide sufficient non-confidential information to provide a general description of the basis for the Just Cause or Emergency Circumstances and allow the request to be evaluated for compliance with the definitions of Just Cause or Emergency Circumstances.

5.2 Process for Deciding and Allocating Teleconference Requests

In conjunction with the Board or Committee Chair, the Executive Board Assistants shall advise Trustees as soon as possible upon completion of the process described in this Section 5.2 as to whether their Teleconference request is allowed or denied or, in the case of a request based on Emergency Circumstances, recommended for approval or denial to a Board or Committee.

When less than a quorum of a Board or Committee request to attend a meeting via Teleconference, all requests shall be allowed if they are based on Just Cause and comply with this Policy, and all requests shall be recommended for approval by the Board or Committee if they are based on Emergency Circumstances and comply with this Policy.

When a quorum or more of a Board or Committee request to attend a meeting via Teleconference, attendance for Trustees whose requests comply with this Policy shall be allowed in the case of Just Cause or recommended in the case of Emergency Circumstances on a first come, first served basis based on the time the requests were first received by the Executive Board Assistants, including the statement describing Just Cause or Emergency Circumstances. Requests based on the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132) (ADA) shall be given priority, notwithstanding when submitted.

In all cases, the Executive Board Secretaries shall review Teleconference requests for compliance with this Policy. They shall then submit all requests to the Chair of the Board or Committee and include information regarding compliance of each request with this Policy and recommendations as to which requests are proposed to be granted or denied. The Chair of the Board or Committee shall oversee the allocation process, including the final decision as to which requests are granted or denied, or recommended to be granted or denied in the case of Emergency Circumstances which require Board or Committee

approval, and to ensure that requests based on the ADA are given proper accommodation and priority.

As a condition of Teleconference meeting attendance that is allowed, at the beginning of a Teleconference meeting and, for requests based on Emergency Circumstances, before a Teleconference request is approved or acted upon, the Trustee shall publicly disclose whether any other individuals 18 years of age or older are present in the room from which the Trustee remotely attends, and the general nature of the Trustee's relationship with any such individuals. This information must be updated by each Trustee attending by Teleconference as needed during the meeting if other such individuals join the Trustee's meeting room.

Board and Committee agendas will include, at the beginning of each agenda, an item where those participating for Just Cause will be identified, for action regarding those requesting to attend for Emergency Circumstances, and the required statement as to other persons present in the room with Teleconference participants may be made.

If a Teleconference request is granted, the Trustee must participate by audio and on camera visual technology throughout a meeting, [provided, however, that such Trustee may mute their audio and/or turn off their video when they are not speaking or voting, and on an incidental and minimal basis, so as to avoid undue disruption of the meeting.](#)

5.3 A Quorum Must be Physically Present for the Entire Meeting

A quorum of Trustees of a Board or Committee must be physically present together for the entire Teleconference meeting at the same single location in the County of Los Angeles stated in the meeting agenda and open to the public in order for Teleconference attendance under this Policy to be allowed. A physical quorum can be established through the in-person attendance of alternate members of a Board or Committee. No action can be taken by a Board or Committee if there is not a physical quorum or if the quorum is lost during the meeting, [provided, however, that if a Committee meeting is agendized, and non-Committee Board members attend that meeting, such non-Committee Board members will not be counted for purposes of determining whether a quorum of the Board is physically present for purposes of the Teleconferencing meeting, because such non-Committee Board members are not permitted to take action on any Committee agenda items during that meeting.](#)

5.4 Public Participation

At any meeting of a Board or Committee at which Teleconference attendance is permitted under [the this](#) Policy, the meeting must provide in-person attendance at the noticed location and one of the following means for the public to remotely hear

and visually observe the meeting, and remotely address the meeting:

- (A) A two-way audiovisual platform; or
- (B) A two-way telephonic service and a live webcasting of the meeting.

The meeting agenda shall state the in-person and remote methods for the public to observe and participate in the meeting and provide instructions. Public comments must be allowed in real time up until the end of the Public Comment section on the meeting agenda in the case of oral comment or until the end of the meeting in the case of written comment. If there is a technological disruption in the method for the public to remotely observe and participate, no further action may be taken by the Board or Committee until remote access is fully restored.

5.5 Limitation on Trustee Teleconference Attendance

No more than two requests based on Just Cause may be granted per calendar year, whether the meetings are regular or special.

As to requests based on either Just Cause or Emergency Circumstances, the following limitations apply and will be monitored by the Executive Board Assistants:

- (A) Subject to (B) and (C), no more than three consecutive meetings, whether regular or special, of a Board or Committee within a calendar year, of which no more than two may be regular or special meetings for Just Cause;
- (B) Subject to (C), no more than 20% of the regular meetings of a Board or Committee within a calendar year, of which no more than two may be regular or special meetings for Just Cause; and
- (C) If a body meets regularly less than 10 times per calendar year, no more than two meetings, regular and special, per calendar year.

[For meetings attended by Trustees as a member of a Board, a separate limit will apply under the above provisions for meetings noticed only for the Board \(including the joint Boards\) and for meetings noticed for each Committee that are also noticed as meetings of the Board where Board members may observe and participate in discussion but may not make or second motions, vote, or take other action or provide direction. For Committee members, a separate limit will apply for each Committee of which a Trustee is a member, and attendance by Committee members at Committee meetings will not affect such Trustees' Board meeting limit. Under this section, for each Committee, Committee members and non-Committee members will all have the same Teleconference meeting limit.](#)

6. REFERENCES

Ralph M. Brown Act ([California Government Code Section 54950 et seq.](#))

[AB 2449](#) California Government Code Section 54953(f) for meetings until January

1, 2024 and Section 54953(e) for meetings from January 1, 2024 until January 1, 2026).

[Americans With Disabilities Act of 1990 \(42 U.S.C. § 12132\).](#)

[Confidentiality of Medical Information Act](#) (California Civil Code Section 56 *et seq.*) and other applicable privacy and medical confidentiality laws.

[Board of Retirement Teleconference Meeting Policy.](#)

[Board of Investments Teleconference Meeting Policy.](#)

7. **VERSION HISTORY**

First approved by the Board of Retirement on February 1, 2023, and by the Board of Investments on February 8, 2023. [Revised by the Board of Retirement on June --, 2023, and by the Board of Investments on June --, 2023.](#)

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8. **EFFECTIVE DATE AND REVIEW POLICY REVIEW AND APPROVAL**

This Policy is effective ~~on~~ [retroactive to](#) the day [first](#) adopted by the Board of Retirement and Board of Investments. This Policy shall expire on January 1, 2026 and shall be reviewed by the Boards ~~prior to~~ [by](#) that date in order to address legislative changes.

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Date Published: 09/14/2022 09:00 PM

Assembly Bill No. 2449

CHAPTER 285

An act to amend, repeal, and add Sections 54953 and 54954.2 of the Government Code, relating to local government.

[Approved by Governor September 13, 2022. Filed with Secretary of State September 13, 2022.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2449, Blanca Rubio. Open meetings: local agencies: teleconferences.

Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act generally requires posting an agenda at least 72 hours before a regular meeting that contains a brief general description of each item of business to be transacted or discussed at the meeting, and prohibits any action or discussion from being undertaken on any item not appearing on the posted agenda. The act authorizes a legislative body to take action on items of business not appearing on the posted agenda under specified conditions. The act contains specified provisions regarding providing for the ability of the public to observe and provide comment. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined.

Existing law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with those specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health.

This bill would revise and recast those teleconferencing provisions and, until January 1, 2026, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements that each teleconference location be identified in the notice and agenda and that each teleconference location be accessible to the public if at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. Under this exception, the bill would authorize a member to participate remotely under specified circumstances, including participating remotely for just cause or due to emergency circumstances. The emergency circumstances basis for remote participation would be contingent on a request to, and action by, the legislative body, as prescribed. The bill, until January 1, 2026, would authorize a legislative body to consider and

take action on a request from a member to participate in a meeting remotely due to emergency circumstances if the request does not allow sufficient time to place the proposed action on the posted agenda for the meeting for which the request is made. The bill would define terms for purposes of these teleconferencing provisions.

This bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions. The bill would require the legislative body to implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with federal law.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 54953 of the Government Code, as amended by Section 3 of Chapter 165 of the Statutes of 2021, is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. If the legislative body of a local agency elects to use teleconferencing, the legislative body of a local agency shall comply with all of the following:

(A) All votes taken during a teleconferenced meeting shall be by rollcall.

(B) The teleconferenced meetings shall be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency.

(C) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(D) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e).

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public's right under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) The legislative body of a local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option.

(B) In the event of a disruption that prevents the legislative body from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(C) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time.

(D) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(E) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) This subdivision shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(f) (1) The legislative body of a local agency may use teleconferencing without complying with paragraph (3) of subdivision (b) if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda, which location shall be open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction and the legislative body complies with all of the following:

(A) The legislative body shall provide at least one of the following as a means by which the public may remotely hear and visually observe the meeting, and remotely address the legislative body:

(i) A two-way audiovisual platform.

(ii) A two-way telephonic service and a live webcasting of the meeting.

(B) In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment.

(C) The agenda shall identify and include an opportunity for all persons to attend and address the legislative body directly pursuant to Section 54954.3 via a call-in option, via an internet-based service option, and at the in-person location of the meeting.

(D) In the event of a disruption that prevents the legislative body from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(2) A member of the legislative body shall only participate in the meeting remotely pursuant to this subdivision, if all of the following requirements are met:

(A) One of the following circumstances applies:

(i) The member notifies the legislative body at the earliest opportunity possible, including at the start of a regular meeting, of their need to participate remotely for just cause, including a general description of the circumstances relating to their need to appear remotely at the given meeting. The provisions of this clause shall not be used by any member of the legislative body for more than two meetings per calendar year.

(ii) The member requests the legislative body to allow them to participate in the meeting remotely due to emergency circumstances and the legislative body takes action to approve the request. The legislative body shall request a general description of the circumstances relating to their need to appear remotely at the given meeting. A general description of an item generally need not exceed 20 words and shall not require the member to disclose any medical diagnosis or disability, or any personal medical information that is already exempt under existing law, such as the Confidentiality of Medical Information Act (Chapter 1 (commencing with Section 56) of Part 2.6 of Division 1 of the Civil Code). For the purposes of this clause, the following requirements apply:

(I) A member shall make a request to participate remotely at a meeting pursuant to this clause as soon as possible. The member shall make a separate request for each meeting in which they seek to participate remotely.

(II) The legislative body may take action on a request to participate remotely at the earliest opportunity. If the request does not allow sufficient time to place proposed action on such a request on the posted agenda for the meeting for which the request is made, the legislative body may take action at the beginning of the meeting in accordance with paragraph (4) of subdivision (b) of Section 54954.2.

(B) The member shall publicly disclose at the meeting before any action is taken, whether any other individuals 18 years of age or older are present in the room at the remote location with the member, and the general nature of the member's relationship with any such individuals.

(C) The member shall participate through both audio and visual technology.

(3) The provisions of this subdivision shall not serve as a means for any member of a legislative body to participate in meetings of the legislative body solely by teleconference from a remote location for a period of more than three consecutive months or 20 percent of the regular meetings for the local agency within a calendar year, or more than two meetings if the legislative body regularly meets fewer than 10 times per calendar year.

(g) The legislative body shall have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and resolving any doubt in favor of accessibility. In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the procedure for receiving and resolving requests for accommodation.

(h) The legislative body shall conduct meetings subject to this chapter consistent with applicable civil rights and nondiscrimination laws.

(i) (1) Nothing in this section shall prohibit a legislative body from providing the public with additional teleconference locations.

(2) Nothing in this section shall prohibit a legislative body from providing members of the public with additional physical locations in which the public may observe and address the legislative body by electronic means.

(j) For the purposes of this section, the following definitions shall apply:

(1) "Emergency circumstances" means a physical or family medical emergency that prevents a member from attending in person.

(2) "Just cause" means any of the following:

(A) A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely. "Child," "parent," "grandparent," "grandchild," and "sibling" have the same meaning as those terms do in Section 12945.2.

(B) A contagious illness that prevents a member from attending in person.

(C) A need related to a physical or mental disability as defined in Sections 12926 and 12926.1 not otherwise accommodated by subdivision (g).

(D) Travel while on official business of the legislative body or another state or local agency.

(3) "Remote location" means a location from which a member of a legislative body participates in a meeting pursuant to subdivision (f), other than any physical meeting location designated in the notice of the meeting. Remote locations need not be accessible to the public.

(4) "Remote participation" means participation in a meeting by teleconference at a location other than any physical meeting location designated in the notice of the meeting. Watching or listening to a meeting via webcasting or another similar electronic medium that does not permit members to interactively hear, discuss, or deliberate on matters, does not constitute remote participation.

(5) "State of emergency" means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

(6) "Teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both.

(7) "Two-way audiovisual platform" means an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic function.

(8) "Two-way telephonic service" means a telephone service that does not require internet access, is not provided as part of a two-way audiovisual platform, and allows participants to dial a telephone number to listen and verbally participate.

(9) "Webcasting" means a streaming video broadcast online or on television, using streaming media technology to distribute a single content source to many simultaneous listeners and viewers.

(k) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 2. Section 54953 of the Government Code, as added by Section 4 of Chapter 165 of the Statutes of 2021, is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. If the legislative body of a local agency elects to use teleconferencing, the legislative body of a local agency shall comply with all of the following:

(A) All votes taken during a teleconferenced meeting shall be by rollcall.

(B) The teleconferenced meetings shall be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency.

(C) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(D) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d).

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public's right under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) The legislative body of a local agency may use teleconferencing without complying with paragraph (3) of subdivision (b) if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda, which location shall be open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction and the legislative body complies with all of the following:

(A) The legislative body shall provide at least one of the following as a means by which the public may remotely hear and visually observe the meeting, and remotely address the legislative body:

(i) A two-way audiovisual platform.

(ii) A two-way telephonic service and a live webcasting of the meeting.

(B) In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by

which members of the public may access the meeting and offer public comment.

(C) The agenda shall identify and include an opportunity for all persons to attend and address the legislative body directly pursuant to Section 54954.3 via a call-in option, via an internet-based service option, and at the in-person location of the meeting.

(D) In the event of a disruption that prevents the legislative body from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(2) A member of the legislative body shall only participate in the meeting remotely pursuant to this subdivision, if all of the following requirements are met:

(A) One of the following circumstances applies:

(i) The member notifies the legislative body at the earliest opportunity possible, including at the start of a regular meeting, of their need to participate remotely for just cause, including a general description of the circumstances relating to their need to appear remotely at the given meeting. The provisions of this clause shall not be used by any member of the legislative body for more than two meetings per calendar year.

(ii) The member requests the legislative body to allow them to participate in the meeting remotely due to emergency circumstances and the legislative body takes action to approve the request. The legislative body shall request a general description of the circumstances relating to their need to appear remotely at the given meeting. A general description of an item generally need not exceed 20 words and shall not require the member to disclose any medical diagnosis or disability, or any personal medical information that is already exempt under existing law, such as the Confidentiality of Medical Information Act (Chapter 1 (commencing with Section 56) of Part 2.6 of Division 1 of the Civil Code). For the purposes of this clause, the following requirements apply:

(I) A member shall make a request to participate remotely at a meeting pursuant to this clause as soon as possible. The member shall make a separate request for each meeting in which they seek to participate remotely.

(II) The legislative body may take action on a request to participate remotely at the earliest opportunity. If the request does not allow sufficient time to place proposed action on such a request on the posted agenda for the meeting for which the request is made, the legislative body may take action at the beginning of the meeting in accordance with paragraph (4) of subdivision (b) of Section 54954.2.

(B) The member shall publicly disclose at the meeting before any action is taken whether any other individuals 18 years of age or older are present in the room at the remote location with the member, and the general nature of the member's relationship with any such individuals.

(C) The member shall participate through both audio and visual technology.

(3) The provisions of this subdivision shall not serve as a means for any member of a legislative body to participate in meetings of the legislative body solely by teleconference from a remote location for a period of more than three consecutive months or 20 percent of the regular meetings for the local agency within a calendar year, or more than two meetings if the legislative body regularly meets fewer than 10 times per calendar year.

(f) The legislative body shall have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and resolving any doubt in favor of accessibility. In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the procedure for receiving and resolving requests for accommodation.

(g) The legislative body shall conduct meetings subject to this chapter consistent with applicable civil rights and nondiscrimination laws.

(h) (1) Nothing in this section shall prohibit a legislative body from providing the public with additional teleconference locations.

(2) Nothing in this section shall prohibit a legislative body from providing members of the public with additional physical locations in which the public may observe and address the legislative body by electronic means.

(i) For the purposes of this section, the following definitions shall apply:

(1) "Emergency circumstances" means a physical or family medical emergency that prevents a member from attending in person.

(2) "Just cause" means any of the following:

(A) A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely. "Child," "parent," "grandparent," "grandchild," and "sibling" have the same meaning as those terms do in Section 12945.2.

(B) A contagious illness that prevents a member from attending in person.

(C) A need related to a physical or mental disability as defined in Sections 12926 and 12926.1 not otherwise accommodated by subdivision (f).

(D) Travel while on official business of the legislative body or another state or local agency.

(3) "Remote location" means a location from which a member of a legislative body participates in a meeting pursuant to subdivision (e), other than any physical meeting location designated in the notice of the meeting. Remote locations need not be accessible to the public.

(4) "Remote participation" means participation in a meeting by teleconference at a location other than any physical meeting location designated in the notice of the meeting. Watching or listening to a meeting via webcasting or another similar electronic medium that does not permit members to interactively hear, discuss, or deliberate on matters, does not constitute remote participation.

(5) "Teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both.

(6) "Two-way audiovisual platform" means an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic function.

(7) "Two-way telephonic service" means a telephone service that does not require internet access, is not provided as part of a two-way audiovisual platform, and allows participants to dial a telephone number to listen and verbally participate.

(8) "Webcasting" means a streaming video broadcast online or on television, using streaming media technology to distribute a single content source to many simultaneous listeners and viewers.

(j) This section shall become operative January 1, 2024, shall remain in effect only until January 1, 2026, and as of that date is repealed.

SEC. 3. Section 54953 is added to the Government Code, to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, "teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public's right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) This section shall become operative January 1, 2026.

SEC. 4. Section 54954.2 of the Government Code is amended to read:

54954.2. (a) (1) At least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of an item

generally need not exceed 20 words. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public and on the local agency's Internet Web site, if the local agency has one. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. The agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting.

(2) For a meeting occurring on and after January 1, 2019, of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site, the following provisions shall apply:

(A) An online posting of an agenda shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state that is accessible through a prominent, direct link to the current agenda. The direct link to the agenda shall not be in a contextual menu; however, a link in addition to the direct link to the agenda may be accessible through a contextual menu.

(B) An online posting of an agenda including, but not limited to, an agenda posted in an integrated agenda management platform, shall be posted in an open format that meets all of the following requirements:

(i) Retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications.

(ii) Platform independent and machine readable.

(iii) Available to the public free of charge and without any restriction that would impede the reuse or redistribution of the agenda.

(C) A legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site and an integrated agenda management platform shall not be required to comply with subparagraph (A) if all of the following are met:

(i) A direct link to the integrated agenda management platform shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state. The direct link to the integrated agenda management platform shall not be in a contextual menu. When a person clicks on the direct link to the integrated agenda management platform, the direct link shall take the person directly to an Internet Web site with the agendas of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state.

(ii) The integrated agenda management platform may contain the prior agendas of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state for all meetings occurring on or after January 1, 2019.

(iii) The current agenda of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state shall be the first agenda available at the top of the integrated agenda management platform.

(iv) All agendas posted in the integrated agenda management platform shall comply with the requirements in clauses (i), (ii), and (iii) of subparagraph (B).

(D) For the purposes of this paragraph, both of the following definitions shall apply:

(i) "Integrated agenda management platform" means an Internet Web site of a city, county, city and county, special district, school district, or political subdivision established by the state dedicated to providing the entirety of the agenda information for the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state to the public.

(ii) "Legislative body" has the same meaning as that term is used in subdivision (a) of Section 54952.

(E) The provisions of this paragraph shall not apply to a political subdivision of a local agency that was established by the legislative body of the city, county, city and county, special district, school district, or

political subdivision established by the state.

(3) No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a member of a legislative body, or the body itself, subject to rules or procedures of the legislative body, may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

(b) Notwithstanding subdivision (a), the legislative body may take action on items of business not appearing on the posted agenda under any of the conditions stated below. Prior to discussing any item pursuant to this subdivision, the legislative body shall publicly identify the item.

(1) Upon a determination by a majority vote of the legislative body that an emergency situation exists, as defined in Section 54956.5.

(2) Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

(3) The item was posted pursuant to subdivision (a) for a prior meeting of the legislative body occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(4) To consider action on a request from a member to participate in a meeting remotely due to emergency circumstances, pursuant to Section 54953, if the request does not allow sufficient time to place the proposed action on the posted agenda for the meeting for which the request is made. The legislative body may approve such a request by a majority vote of the legislative body.

(c) This section is necessary to implement and reasonably within the scope of paragraph (1) of subdivision (b) of Section 3 of Article I of the California Constitution.

(d) For purposes of subdivision (a), the requirement that the agenda be posted on the local agency's Internet Web site, if the local agency has one, shall only apply to a legislative body that meets either of the following standards:

(1) A legislative body as that term is defined by subdivision (a) of Section 54952.

(2) A legislative body as that term is defined by subdivision (b) of Section 54952, if the members of the legislative body are compensated for their appearance, and if one or more of the members of the legislative body are also members of a legislative body as that term is defined by subdivision (a) of Section 54952.

(e) This section shall remain in effect only until January 1, 2026, and as of that date is repealed.

SEC. 5. Section 54954.2 is added to the Government Code, to read:

54954.2. (a) (1) At least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of an item generally need not exceed 20 words. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public and on the local agency's Internet Web site, if the local agency has one. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. The agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting.

(2) For a meeting occurring on and after January 1, 2019, of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site, the following provisions shall apply:

(A) An online posting of an agenda shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state that is accessible through a prominent, direct link to the current agenda. The direct link to the agenda shall not be in a contextual menu; however, a link in addition to the direct link to the agenda may be accessible through a contextual menu.

(B) An online posting of an agenda including, but not limited to, an agenda posted in an integrated agenda management platform, shall be posted in an open format that meets all of the following requirements:

(i) Retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications.

(ii) Platform independent and machine readable.

(iii) Available to the public free of charge and without any restriction that would impede the reuse or redistribution of the agenda.

(C) A legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site and an integrated agenda management platform shall not be required to comply with subparagraph (A) if all of the following are met:

(i) A direct link to the integrated agenda management platform shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state. The direct link to the integrated agenda management platform shall not be in a contextual menu. When a person clicks on the direct link to the integrated agenda management platform, the direct link shall take the person directly to an Internet Web site with the agendas of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state.

(ii) The integrated agenda management platform may contain the prior agendas of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state for all meetings occurring on or after January 1, 2019.

(iii) The current agenda of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state shall be the first agenda available at the top of the integrated agenda management platform.

(iv) All agendas posted in the integrated agenda management platform shall comply with the requirements in clauses (i), (ii), and (iii) of subparagraph (B).

(D) For the purposes of this paragraph, both of the following definitions shall apply:

(i) "Integrated agenda management platform" means an Internet Web site of a city, county, city and county, special district, school district, or political subdivision established by the state dedicated to providing the entirety of the agenda information for the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state to the public.

(ii) "Legislative body" has the same meaning as that term is used in subdivision (a) of Section 54952.

(E) The provisions of this paragraph shall not apply to a political subdivision of a local agency that was established by the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state.

(3) No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a member of a legislative body, or the body itself, subject to rules or procedures of the legislative body, may provide a reference to staff or other resources for factual information, request staff to report back to the body

at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

(b) Notwithstanding subdivision (a), the legislative body may take action on items of business not appearing on the posted agenda under any of the conditions stated below. Prior to discussing any item pursuant to this subdivision, the legislative body shall publicly identify the item.

(1) Upon a determination by a majority vote of the legislative body that an emergency situation exists, as defined in Section 54956.5.

(2) Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

(3) The item was posted pursuant to subdivision (a) for a prior meeting of the legislative body occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(c) This section is necessary to implement and reasonably within the scope of paragraph (1) of subdivision (b) of Section 3 of Article I of the California Constitution.

(d) For purposes of subdivision (a), the requirement that the agenda be posted on the local agency's Internet Web site, if the local agency has one, shall only apply to a legislative body that meets either of the following standards:

(1) A legislative body as that term is defined by subdivision (a) of Section 54952.

(2) A legislative body as that term is defined by subdivision (b) of Section 54952, if the members of the legislative body are compensated for their appearance, and if one or more of the members of the legislative body are also members of a legislative body as that term is defined by subdivision (a) of Section 54952.

(e) This section shall become operative January 1, 2026.

SEC. 6. The Legislature finds and declares that Sections 1 and 2 of this act, which amend Section 54953 of the Government Code, impose a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

By removing the requirement for agendas to be placed at the location of each public official participating in a public meeting remotely, including from the member's private home or hospital room, this act protects the personal, private information of public officials and their families while preserving the public's right to access information concerning the conduct of the people's business.

SEC. 7. The Legislature finds and declares that Sections 1 and 2 of this act, which amend Section 54953 of the Government Code, further, within the meaning of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the purposes of that constitutional section as it relates to the right of public access to the meetings of local public bodies or the writings of local public officials and local agencies. Pursuant to paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the Legislature makes the following findings:

This act is necessary to ensure minimum standards for public participation and notice requirements allowing for greater public participation in teleconference meetings.



May 31, 2023

TO: Each Trustee,
Board of Investments

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

Ted Granger ^{TG}
Interim Chief Financial Officer

FOR: June 14, 2023 Board of Investments Meeting

SUBJECT: **2023 ACTUARIAL RISK ASSESSMENT REPORT**

Overview

LACERA requested that Milliman prepare a “Risk Assessment” report (in accordance with Actuarial Standard of Practice (ASOP) No. 51) and present it to the Board of Investments Trustees. The report, which has been prepared annually since 2020, includes additional information regarding the consulting actuary’s risk assessment analysis and provides a forum for the Board to discuss and evaluate these actuarial concepts outside of a routine actuarial report presentation.

The 2023 Actuarial Risk Assessment Report (2023 Risk Assessment) is included as Attachment A. Milliman has also prepared a presentation based on this report (see Milliman’s Presentation Slides, Attachment B). The report and analysis are based on Milliman’s June 30, 2022 Actuarial Valuation of Retirement Benefits (2022 Valuation) report, presented and adopted by the Board of Investments in March 2023. The 2022 Actuarial Valuation also includes a condensed risk discussion beginning on Page 43 (see Attachment C) that uses the framework of ASOP 51 to communicate important information about significant risks to the plan.

The 2023 Risk Assessment and presentation provides information on various risk factors that may impact future expected measurements of pension obligations, actuarially determined contributions, and the plan’s funded status. Milliman links these risks to the actuarial assumptions used in calculating these measures in their 2022 Actuarial Valuation report. Milliman also identifies controls in place to mitigate these risks and the limitations of these mitigating controls. Their analysis should provide the Board with an additional perspective that could be referenced in the future, when contemplating decisions on investment matters such as asset allocation and when setting actuarial assumptions.

Actuarial Standards

The Actuarial Standards Board (ASB) sets standards for appropriate actuarial practice in the United States through the development and promulgation of Actuarial Standards of Practice (ASOPs). These ASOPs describe the procedures an actuary should follow when performing actuarial services and identify what the actuary should disclose when communicating the results of those services.

In September 2017, the ASB adopted Actuarial Standard of Practice No. 51, *Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions* (ASOP 51). This ASOP provides guidance to actuaries when performing certain actuarial services with respect to measuring obligations under a defined benefit pension plan (plan) and calculating actuarially determined contributions for such plans, with regard to the assessment and disclosure of the risk that actual future measurements may differ significantly from expected future measurements.

ASOP 51 became effective for actuarial work products with a measurement date on or after November 1, 2018 and applies to actuaries when performing a funding valuation of a pension plan such as LACERA.

Actuarial Projects Roadmap

For the upcoming June 30, 2023, actuarial reporting cycle, Milliman will complete an actuarial valuation for the Retirement Benefits Plan and staff will transmit any member and employer contribution rate changes to the County Board of Supervisors and request for approval. Staff prepared a 2023 actuarial projects roadmap included as Attachment D, to provide a reminder of key dates and when future actuarial items will be presented to the Board.

LACERA's consulting actuaries, Nick Collier and Craig Glyde with Milliman, will be attending the June 14, 2023 Board of Investments meeting to discuss the 2023 Actuarial Risk Assessment report results and answer any questions from the Board. Management encourages active Board discussion of the risk information contained in the report.

Attachments

- A. Milliman's 2023 Actuarial Risk Assessment Report
- B. Milliman's June 14, 2023 Presentation Slides
- C. June 30, 2022 Actuarial Valuation of Retirement Benefits Report
- D. Actuarial Projects 2023 – Roadmap

SHK:tg
BOI Memo -2023 Risk Assessment (ASOP 51) - Final

c: Luis A. Lugo, LACERA Laura Guglielmo, LACERA JJ Popowich, LACERA
Jonathan Grabel, LACERA Steven P. Rice, LACERA Richard Bendall, LACERA
Fesia Davenport, CEO, Los Angeles County

Attachment A

Milliman's 2023 Actuarial Risk Assessment Report



Los Angeles County Employees Retirement Association

Risk Assessment

Based on June 30, 2022 Actuarial Valuation of Retirement Benefits

Prepared by:

Nick Collier, ASA, EA, MAAA
Consulting Actuary

Craig Glyde, ASA, EA, MAAA
Consulting Actuary

Milliman, Inc.
1301 Fifth Avenue, Suite 3800
Seattle, WA 98101-2605
Tel +1 206 624 7940
milliman.com



1301 Fifth Avenue
Suite 3800
Seattle, WA 98101-2605
USA

Tel +1 206 624 7940

milliman.com

May 25, 2023

Board of Investments
Los Angeles County Employees Retirement Association
300 North Lake Avenue, Suite 820
Pasadena, CA 91101-4199

Re: Los Angeles County Employees Retirement Association

Dear Trustees of the Board:

As requested, we have performed a risk assessment based on the actuarial valuation of retirement benefits for the Los Angeles County Employees Retirement Association (LACERA) as of June 30, 2022. The purpose of this report is to communicate key risk factors that could affect LACERA's future funding.

We have provided financial information showing the estimated hypothetical impact of various modifications to the valuation assumptions. We believe the valuation assumptions provide a reasonable estimate of anticipated experience affecting LACERA. However, as discussed in this report, the emerging costs will vary from those presented in the valuation to the extent that actual experience differs from that projected by the actuarial assumptions. Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as the following:

- Plan experience differing from the actuarial assumptions,
- Future changes in the actuarial assumptions,
- Increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as potential additional contribution requirements due to changes in the plan's funded status), and
- Changes in the plan provisions or accounting standards.

In preparing the valuation this report is based upon, we relied without audit on information (oral and written) supplied by LACERA's staff. This information includes, but is not limited to, statutory provisions, employee data, and financial information. We used LACERA's benefit provisions as stated in our June 30, 2022 Actuarial Valuation report. In our examination, after discussion with LACERA and making certain adjustments, we have found the data to be reasonably consistent and comparable with data used for other purposes. Since the risk assessment results are dependent on the integrity of the data supplied, the results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations might need to be revised.

The valuation that this risk assessment is based upon provides an estimate of the LACERA's financial condition as of a single date. The valuation can neither predict the System's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of System benefits, only the timing of System contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. We have shown the results based on a variety of alternative assumptions and scenarios in this report.

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.

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These alternatives are not intended to be inclusive of all the possible outcomes. The valuation results were developed using models intended for valuations that use standard actuarial techniques.

Milliman's work is prepared solely for the internal business use of LACERA. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third-party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exception(s):

- (a) The System may provide a copy of Milliman's work, in its entirety, to the System's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the System.
- (b) The System may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third-party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are retirement actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuaries are independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

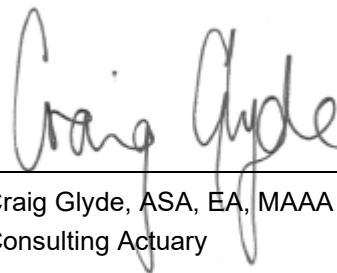
On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

We respectfully submit the following report, and we look forward to discussing it with you.

Sincerely,



Nick Collier, ASA, EA, MAAA
Consulting Actuary



Craig Glyde, ASA, EA, MAAA
Consulting Actuary

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1. Report Overview

Purpose of this Report

The June 30, 2022 actuarial valuation includes a Risk Discussion section – section 9 beginning on page 43 - that provides a general discussion of the main risks that could result in a deviation from the results shown in that report, and could cause a significant financial impact to LACERA, as measured by impacts on the Funded Ratio and employer contribution rates. This report provides a more detailed discussion of the potential risks and a quantitative analysis of the potential impact of selected risk factors.

This report is informational in nature, and as such there are no specific recommendations included. The Board of Investments has adopted several policies (including funding and investment policies) and procedures to guide the Trustees in fulfilling their fiduciary responsibilities to the members and stakeholders of LACERA. This report should be considered as an additional resource, along with information and guidance provided by advisors and staff, to help the Trustees meet their fiduciary responsibilities.

Identifying and Assessing Risk

The results of any actuarial valuation are based on one set of assumptions. Although we believe the current assumptions used in LACERA's June 30, 2022 actuarial valuation provide a reasonable estimate of future expectations as of that date, it is almost certain that future experience will differ, to some extent, from the assumptions. It is therefore important to consider the potential impacts of these likely differences when making decisions that may affect the future financial health of the plan, or of the plan's members.

Actuarial Standard of Practice No. 51 (ASOP 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions) addresses these issues by providing actuaries with guidance for assessing and disclosing the risk associated with measuring pension liabilities and the determination of pension plan contributions. Specifically, it directs the actuary to:

- Identify risks that may be significant to the plan, and in some cases to the plan's participants.
- Assess the risks identified as significant to the plan. The assessment does not need to include numerical calculations.
- Disclose plan maturity measures and historical information that are significant to understanding the plan's risks.

Addressing Risks

This report is designed to identify and assess risks. Once these risks are understood, the important issue for LACERA is how these risks are addressed and potentially reduced. To help meet its fiduciary responsibilities to members and stakeholders of LACERA, the Board of Investments already has policies and procedures in place to mitigate key aspects of these risks. The manner in which these policies and procedures help to mitigate these risks is summarized below.

Assets: LACERA regularly performs asset allocation studies which are integrated with LACERA's funding in order to set a target allocation that maximizes return at a level of risk that is acceptable to the System.

Liabilities: LACERA has regular investigations of experience performed to monitor and set the assumptions and methods used to calculate the liabilities.

Funding: LACERA strives to balance projected funding levels with reasonable and stable employer contribution rates. This was reviewed in detail with the 2019 investigation of experience. In particular, to strengthen long-term

funding LACERA reduced the amortization period to pay off new unfunded amounts to 20 years. To help stabilize year-to-year changes in the employer contribution rate, a five-year asset smoothing period is used.

As discussed above, LACERA has several procedures in place to mitigate risk; however, the effectiveness of these techniques is limited. There will always be a trade-off between projected funding levels and low employer contribution rates, particularly for a mature plan such as LACERA. The risks inherent in these limitations are discussed further in this report.

Note that when action is taken to reduce risk, there is almost always a cost, sometimes referred to as the “cost of certainty.” For example, reductions in investment risk tend to reduce expected returns, which increases expected costs. These additional costs will generally be in the form of increased employer contributions. LACERA should regularly evaluate the current level of risk and whether more resources should be devoted to reducing risk.

Report Outline

The remainder of the report is divided into four sections.

Section 2 (Identification of Risks) This section identifies and discusses the key risks to LACERA’s future funding. In our opinion the key risk factors are investment returns and payroll growth, with compensation increases and mortality, being additional risks. Looking at the sources of change in the Unfunded Actuarial Accrued Liability over the past 20 valuations, the single biggest source of annual change in most years is the return on investments being either greater than or less than the assumption.

This section includes a discussion of how investment return over the year ending June 30, 2023 will impact the UAAL (assuming no other actuarial gains or losses), and a review of the likelihood of eliminating the UAAL in the upcoming years under different investment return scenarios.

Section 3 (Maturity Measures) Like other public retirement systems, LACERA continues to mature. As pension plans mature, they become more sensitive to certain risks. In this section, the maturity of LACERA is examined in the context of the number of active members to retirees, the projected cash flows, and volatility ratios.

Section 4 (Historical Measures) One way to assess future risks is to look at historical measurements. In this section, we review how the employer contribution rate and Funded Ratio have changed over the last 20 to 30 years. We also look at past investment returns for LACERA as they have been a key factor in the other two measurements.

Section 5 (Assessment of Risks) This section analyzes the potential impact of key risk factors on future employer contribution rates and Funded Ratios, with the emphasis on investment returns. Note that member contribution rates are not included in this analysis, as they are not materially impacted by future experience, only assumption changes.

There are several methods to analyze and assess risk. ASOP 51 states that the actuary should use professional judgment in selecting the appropriate methods to use. Methods may include, but are not limited to, scenario tests, sensitivity tests, stress tests and stochastic modeling. ASOP 51 defines these tests as follows:

- Scenario Test A process for assessing the impact of one possible event, or several simultaneously or sequentially occurring possible events, on a plan's financial condition.
- Sensitivity Test A process for assessing the impact of a change in an actuarial assumption on an actuarial measurement.
- Stress Test A process for assessing the impact of adverse changes in one or relatively few factors affecting a plan's financial condition.
- Stochastic Modeling A process for generating numerous potential outcomes by allowing for random variations in one or more inputs over time for the purpose of assessing the distribution of those outcomes.

Throughout this report we have utilized each of these methods to assess risks facing LACERA. We believe the included testing presents a reasonable assessment of the financial impact of the measured risks to LACERA's Funded Ratio and employer contribution rates. Additional testing can be performed if the Trustees believe it would be helpful.

2. Identification of Risks

Factors Affecting Future Results

There are a number of factors that will affect future valuation results. To the extent actual experience for these factors varies from the assumptions, this will likely cause either increases or decreases in the plan's future funding level and the employer contribution rate.

While these factors can be reviewed and analyzed directly to measure the magnitude of the variance, the reasons for the actual experience that is observed is often not as clear, or at least not easily assigned to one particular cause. The macro environment continues to pose risks and challenges to LACERA, in addition to the global and national environments. These risks and challenges are not mutually exclusive and include, but are not limited to:

- governmental fiscal and monetary policy,
- investment markets,
- labor markets, and
- inflation.

The COVID-19 virus continues to evolve and have impacts on the health and longevity of the world's population, and continues to cause evolution in workplaces and people's behavior as it relates to employment and personal priorities.

All of these factors, and more, will have an impact on the macro environment in which LACERA operates, and could also have a direct impact on the operation of LACERA and its participating employers. Combinations of these factors may result in more investment market volatility, higher salaries and retiree cost-of-living adjustments, difficulties hiring and retaining qualified employees, and continually changing mortality and longevity expectations. These will all have an impact on the operation and financing of LACERA either directly or indirectly, although the precise implications are unknown.

Ultimately the risks faced by LACERA and other retirement systems remain similar to what they have always been, however, certain risks may be greater at this time than they have been in recent years due to the evolving macro conditions. And those risks may be temporary or may be more permanent. Regardless of the reasons, the factors that can have the most significant impact on LACERA's valuation results are:

- Investment risk

To the extent that actual investment returns differ from the assumed investment return, the plan's future assets, employer contribution rate, and funded status may differ significantly from those presented in the valuation. There are a myriad of factors that can influence investment markets, such as those described above. In addition to the risk of variances in the investment markets, leverage and illiquidity of investments may magnify investment gains or losses for LACERA. Further, risk may be increased if restrictions are put on available investments that impact future returns. These types of risks are outside the scope of our analysis, but we have quantified the potential overall impact of variance in past and future investment returns below and in Section 5, Assessment of Risks.

- Inflation risk

Inflation remains above historical levels although has receded somewhat from recent high levels. The impact of inflation risk will be observed in investment risk and compensation risk rather than more directly, as it is generally a component of other assumptions and experience of LACERA rather than a specific component by itself.

■ Compensation risk

Individual member retirement benefits are linked to the member's compensation. As such, assumptions need to be made as to a member's future compensation increases. Higher future compensation increases will generally result in larger retirement benefits, liabilities, employer contribution rates, and a lower funded status. Conversely, lower compensation increases than assumed will generally result in smaller retirement benefits, liabilities, employer contribution rates, and a higher funded status.

■ Payroll risk (includes labor market risk)

In the valuation, an assumption is made for the overall rate of payroll growth of LACERA members from year-to-year. To the extent that the overall rate of payroll growth is greater than assumed, the employer contribution rate may decrease since the Unfunded Actuarial Accrued Liability (UAAL) will be amortized over a larger payroll base. The opposite will occur if the overall rate of payroll growth is lower than assumed.

For example, if Los Angeles County were to reduce its payroll, an offsetting increase in the UAAL contribution percentage rate would be necessary to maintain the contribution level needed by LACERA. Note that the impact of payroll increases different than assumed will often have some offsetting impact of individual compensation increases different than assumed.

In the current macro environment, pressures on the labor market potentially create more payroll risk than has been observed in the recent past. As mentioned previously, labor markets in general are experiencing shortages of employees, and this shortage and inflation is forcing wages higher. Recently LACERA has experienced lower payroll growth than expected by the assumptions which has resulted in higher employer contribution rates. Note however that employer contribution dollars are likely to be less volatile than employer contribution rates because the higher contribution rates are paid on a lower payroll base. For LACERA there are likely other labor market risks that could have an impact on payroll risk, including the following.

- Any changes in participant behavior, such as through a faster rate of early retirement or terminations from employment that are either not replaced, or that take some time to replace, could cause a decrease in payroll, or an increase less than assumed. (Note that these scenarios also create demographic risks.)
- Any changes in employer budgets or priorities that restrict the employee base, the pace of hiring replacement employees or level of payroll increases could result in a lower payroll than assumed.

Although we do not have any evidence currently to suggest these scenarios are likely, the current environment is perhaps still more uncertain than in recent years, and as such risks related to payroll and labor markets may be higher than has been typical historically.

■ Longevity and other demographic risks

The liabilities reported in the valuation were calculated by assuming that members will follow specific patterns of demographic experience (e.g., mortality, retirement, termination, disability) as described in Appendix A of the valuation report. To the extent that actual demographic experience is different than is assumed to occur, future liabilities, employer contribution rates, and funded status may differ from that presented in the valuation.

Higher mortality than expected will generally have a positive financial impact on LACERA's funding, and lower mortality than expected will have a negative financial impact. To the extent that the higher mortality occurs among older retirees with lower than average benefits, the financial impact may not be as significant since the liability for those members is generally relatively low.

An example of mortality changes which could pose a financial risk to LACERA would be a cure for a broad range of cancers, which could reduce mortality over an extended period of time and therefore materially increase future benefit payments.

■ Contribution risk

Contribution risk is defined in ASOP 51 as the potential of actual future contributions deviating from expected future contributions. For example, for some retirement systems in the US, a significant source of their underfunding has been the plan sponsor not making the actuarially determined contribution. If the County does not make its full contribution in the future, it could present a significant risk to LACERA's funding. We have assumed for purposes of this analysis that LA County will continue to contribute at the actuarially determined rate in the future. It should be noted that the County has consistently made its actuarially determined contribution in the past, and there are legal requirements specified in the 1937 Act that govern future contributions.

Risks may exist if contributions are pushed off into the future such as when employer contribution rate increases are phased in instead of recognized immediately, and when the County reflects contribution rate decreases as soon as possible (July) and defers increases as late as possible (September), which has been the historical approach. We do not view any of the above as a significant risk to LACERA, but lower contributions in the short term mean higher contributions will ultimately be needed.

Effective June 30, 2022 the Board of Investments adopted a method change to exclude the STAR Reserve from valuation assets, and immediately recognized the increase in the employer contribution rate due to assumption changes. Both of these approaches reduced contribution risk by not deferring contributions into the future.

■ Retiree COLA risk

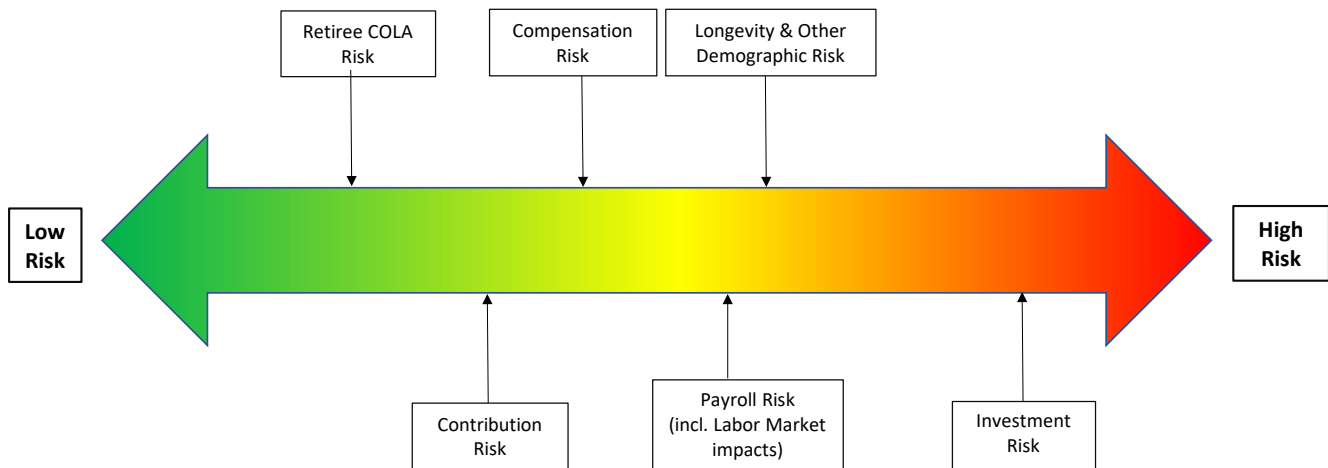
Retiree COLA risk is the potential of actual future cost-of-living adjustments for retirees and beneficiaries deviating from the assumed increases. LACERA's funding could be adversely impacted if greater-than-assumed inflation causes future COLAs to exceed the assumption. For LACERA, COLAs are capped at either 2% or 3% based on the respective plan, with the Plan E cap being based on pro-rated service after 2002. As the assumed COLAs for Plans B-E and G are set equal to the cap, there is no direct risk of the actual COLA exceeding the assumption. All Plan A retirees currently have a COLA Accumulation Bank. When combined with current elevated levels of inflation all Plan A retirees are assumed to receive a 3% annual COLA in the valuation. Therefore, there is no current risk of the actual COLA deviating from the assumption in the short-term. As Plan A retirees account for less than half of the total retiree liability and this proportion is projected to decline in the future, we believe the direct COLA risk from Plan A retirees is small.

Effective June 30, 2022 the Board of Investments adopted a change in method whereby the STAR COLA Reserve is no longer included in Valuation Assets. As a result of this change, the indirect COLA risk related to the STAR COLA Reserve is largely mitigated. If STAR COLAs are granted in future, we expect that an amount equal to the present value of STAR COLAs will be transferred from the STAR COLA Reserve to Valuation Assets. This will offset any increase in liabilities and the UAAL will be unchanged.

The assumptions are reviewed in detail during the triennial Investigation of Experience study and are also reviewed annually during the valuation process. Changes in assumptions are generally recommended as part of the triennial Investigation of Experience if actual experience has been materially different than assumed or forecasts have changed materially. Additionally, changes may be recommended and discussed at each valuation if they are deemed to be appropriate at that time.

Relative Magnitude of Each Risk

The prior discussion identified the key risks to LACERA's funding. Which risk poses the biggest threat? The analysis at the end of this section provides a historical analysis of how these risks have affected LACERA's funded status. Which of these factors will have the greatest impact on LACERA's future funding is unknown; however, based on the analysis shown in this report and our experience working with public sector retirement systems, we have provided the following ranking of the risks from the greatest risk to the least risk (shown in the table on the following page). This is also illustrated in the scale below. Note that we considered both the likelihood of a negative impact as well as the potential magnitude. For example, since retiree COLAs have an annual cap, the impact of high short-term inflation above the assumption of 2.75% is expected to be small in magnitude, and relative to other risks. Therefore, we view the associated COLA risk to be low.



Note: The above graphic is based on Milliman's opinion and is not numerically based.

Risk Factor	Commentary
Investment risk	Historically investment performance has had the greatest year-to-year impact on LACERA's Funded Ratio and the employer contribution rate. We believe it is likely that this will continue to be the case in the future.
Longevity and other demographic risks	Of the demographic risks, mortality probably has the greatest potential to impact LACERA's funding. The current valuation assumption includes a provision for mortality improvement, which allows for longevity improvements similar to historical trends; however, if there were a major medical breakthrough, such as a cure for a broad range of cancers, this could significantly increase life expectancies beyond current expectations and materially impact liabilities.
Payroll risk (including labor market risks)	<p>A decline in payroll, or a long-term increase less than the 3.25% assumption, could result in a significant increase in the employer contribution rate as a percentage of payroll. However, provided the calculated employer contribution rate is paid, a decline in payroll should not, by itself, negatively impact the Funded Ratio.</p> <p>Labor market risks, such as hiring not keeping pace with terminations and retirements, which in the current environment could be due to shortages of new employees and reductions in employer budgets that impact hiring, each increase payroll risk.</p>
Contribution risk	Our understanding is that there are certain legal requirements that make it unlikely the employers would not pay the actuarially calculated contribution rate; however, if LACERA were not to receive the full contribution amount, this could become a significant risk.
Compensation risk	Compensation increases larger than assumed will result in larger retirement benefits, and therefore liabilities than currently projected. Conversely, smaller increases than assumed will result in smaller liabilities. The impact on the employer contribution rate of larger or smaller than assumed compensation increases will generally be offset somewhat by changes in payroll (as discussed above) since these two risks generally occur in tandem. We note that generally large compensation increases occur when there is either high inflation or a strong economy. Either case is likely to be associated with better-than-assumed investment returns (although in the case of higher inflation, it may take a while for higher returns to materialize), which should mitigate the liability increase due to the compensation increase.
Retiree COLA risk	As previously noted, the potential for significant actuarial losses for COLAs greater than the assumption are limited due to the cap on COLAs, so the retiree COLA risk is relatively small.

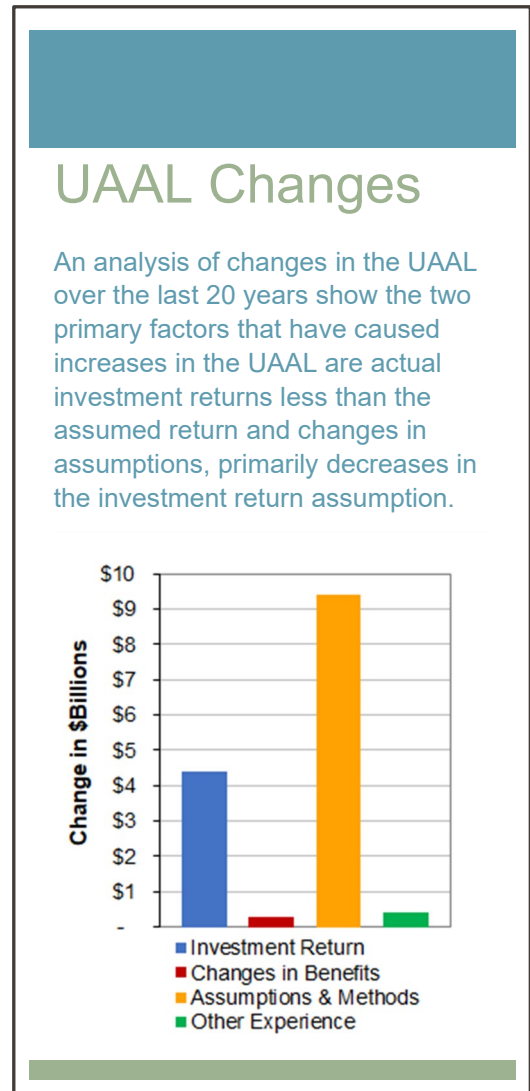
Unfunded Actuarial Accrued Liability – How we got here

The portion allocated to service already rendered or accrued is called the Actuarial Accrued Liability (AAL). The difference between the AAL and the Valuation Assets is called the UAAL. If a UAAL exists, it usually results from prior years' benefit or assumption changes and the net effect of accumulated gains and losses. If the employer had always contributed the current Normal Cost, and if there were no prior benefit or assumption changes, and if actual experience exactly matched the actuarial assumptions, then the present value of all future Normal Cost contributions would be sufficient to fund all benefits and there would be no UAAL.

The UAAL, at any date after establishment of a pension plan, is affected by any actuarial gains (decreases in UAAL) or losses (increases in UAAL) arising when the actual experience of the pension plan varies from the experience anticipated by the actuarial assumptions. To the extent actual experience, as it develops, differs from that expected according to the assumptions used, so also will the emerging costs differ from the estimated costs. Additionally, changes in assumptions or benefit provisions can also increase or decrease the UAAL.

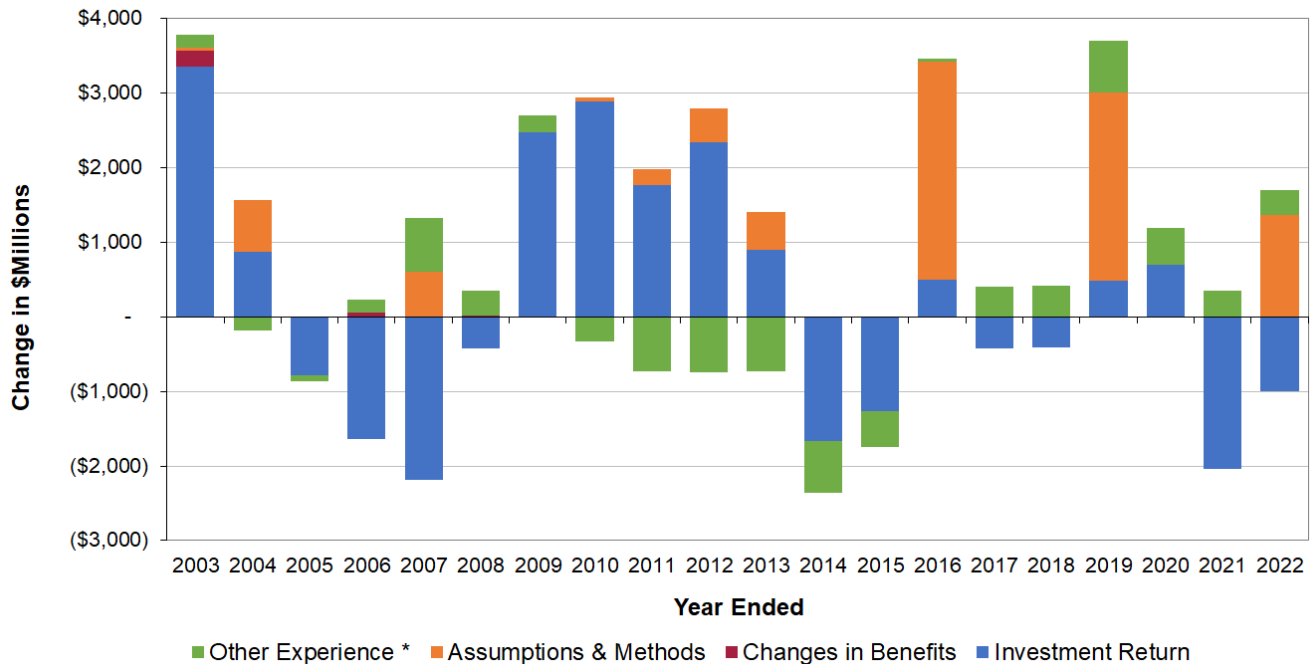
Over the last 20 years, the UAAL has increased and decreased from year to year due to a number of factors:

- **Investment Returns:** The average actual return on market assets for the 20-year period was 7.7% (net of investment expenses) compared to the assumed returns for the period of between 7.0% and 8.0%. This was the primary cause of year-to-year changes in the UAAL.
- **Actuarial Assumptions and Methods:** Changes in the actuarial assumptions were the primary cause of the total increase in the UAAL over the 20-year period, with the reduction in the investment return assumption from 8.0% to 7.0% having the greatest impact.
- **Other Experience:** This includes gains and losses from demographic experience different than assumed, such as termination, service retirement, disability retirement, and mortality experience. It also includes the difference between actual and assumed salary increases and COLAs.
- **Changes in Benefits:** Benefit enhancements increased the UAAL over the 20-year period. However, the relative impact is much smaller than the actuarial assumption changes and the investment returns.



The following exhibit shows the sources of change in the UAAL over the past 20 valuations. The single biggest source of annual change in most years is the return on investments being either greater than or less than the assumption (blue bars).

Analysis of Change in Unfunded Actuarial Accrued Liability
 (Dollars in Millions)



* Other Experience includes changes due to Salary, CPI, Mortality, and other factors.

Unfunded Actuarial Accrued Liability – Amortizing and reducing it

In the prior section we reviewed the main historical factors that have created the UAAL. Investment returns less than assumed and assumption changes, largely driven by declining expectations of future investment returns, were the main reasons for the growth of the UAAL.

Under LACERA’s Funding Policy, a new UAAL “layer” is established each year when the Funded Ratio is less than 100% or greater than or equal to 120%. Effective with the June 30, 2019 valuation, all new UAAL layers are amortized over 20-year periods. These UAAL layers are eliminated when LACERA attains a Funded Ratio of 100%. This may occur due to UAAL contributions being made to amortize the UAAL, and from future experience being favorable relative to the actuarial assumptions. Conversely, if experience is less favorable, a larger UAAL may develop.

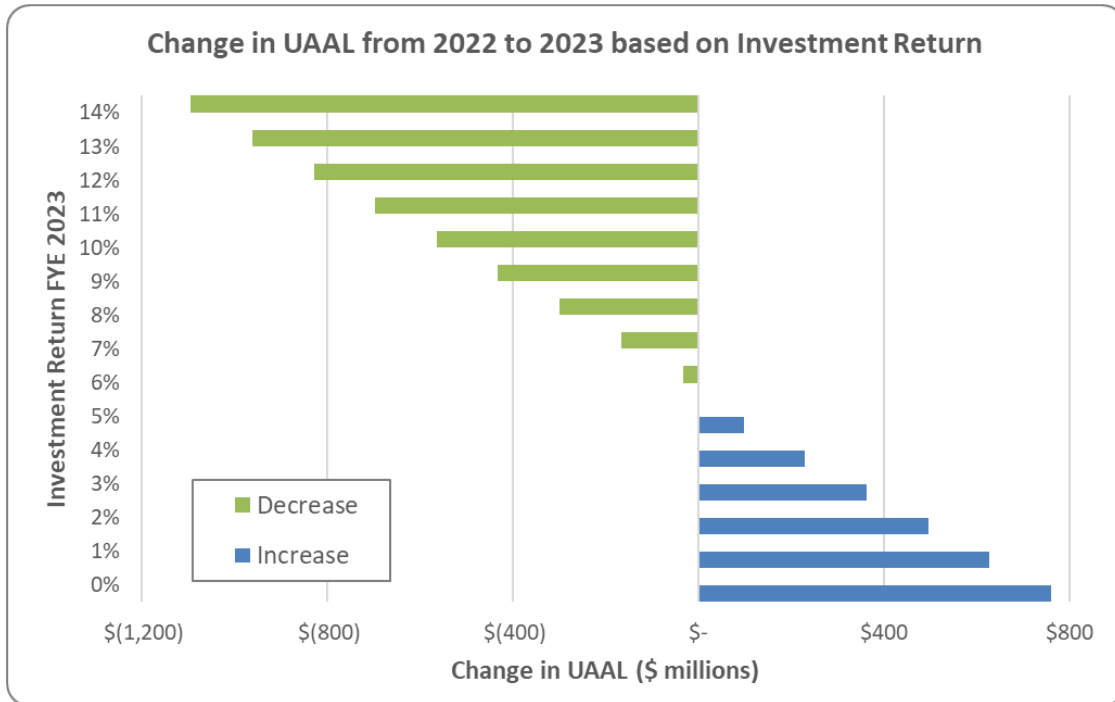
Absent additional gains and losses, the UAAL increases each year with interest at 7.0% and decreases by the amount of any UAAL contributions made by employers.

Since investment returns are the most significant risk to LACERA, we have reviewed several metrics to measure the impact investment return has on reducing (or increasing) UAAL, and on fully amortizing (eliminating) the UAAL.

1. Impact of investment return on year-to-year progress of paying down UAAL.

The UAAL as of June 30, 2022 is approximately \$17.6 billion. We estimate that an investment return of 5.75% net of investment expenses in the fiscal year 2022 to 2023 will be sufficient so that the UAAL as of June 30, 2023 will be relatively unchanged at \$17.6 billion, after reflecting UAAL contributions and interest accrued on the UAAL due to passage of time. Therefore, a return of more than 5.75% is expected to reduce the UAAL from the prior year.

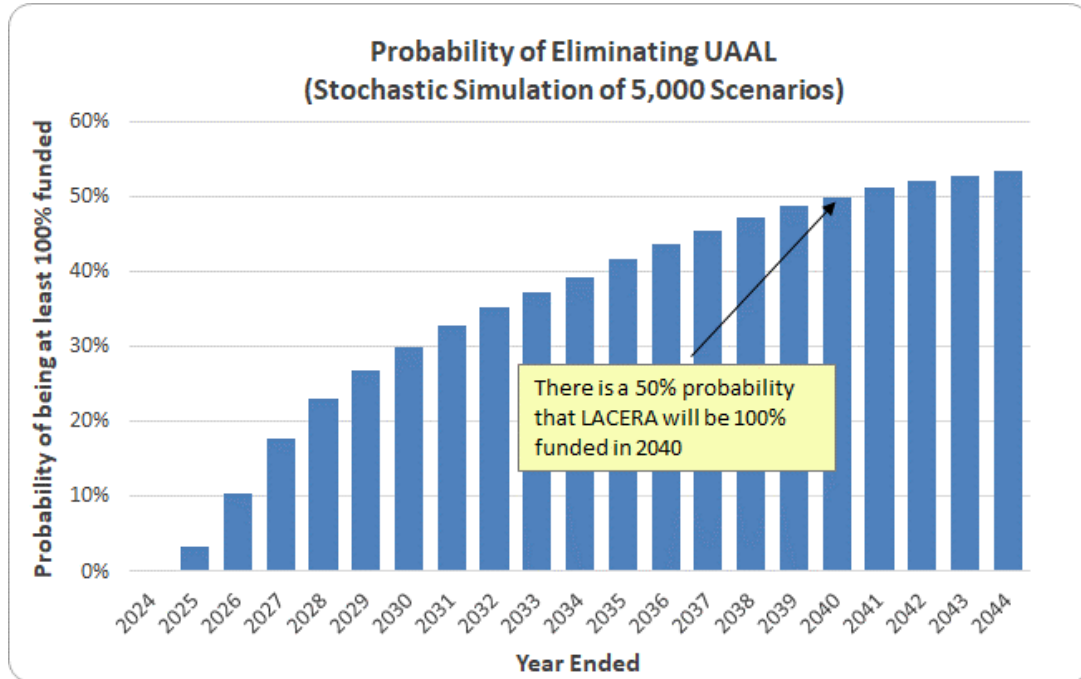
The following chart shows the approximate change in the UAAL from June 30, 2022 to June 30, 2023 under various investment return scenarios over that period.



2. When is the UAAL expected to be fully amortized?

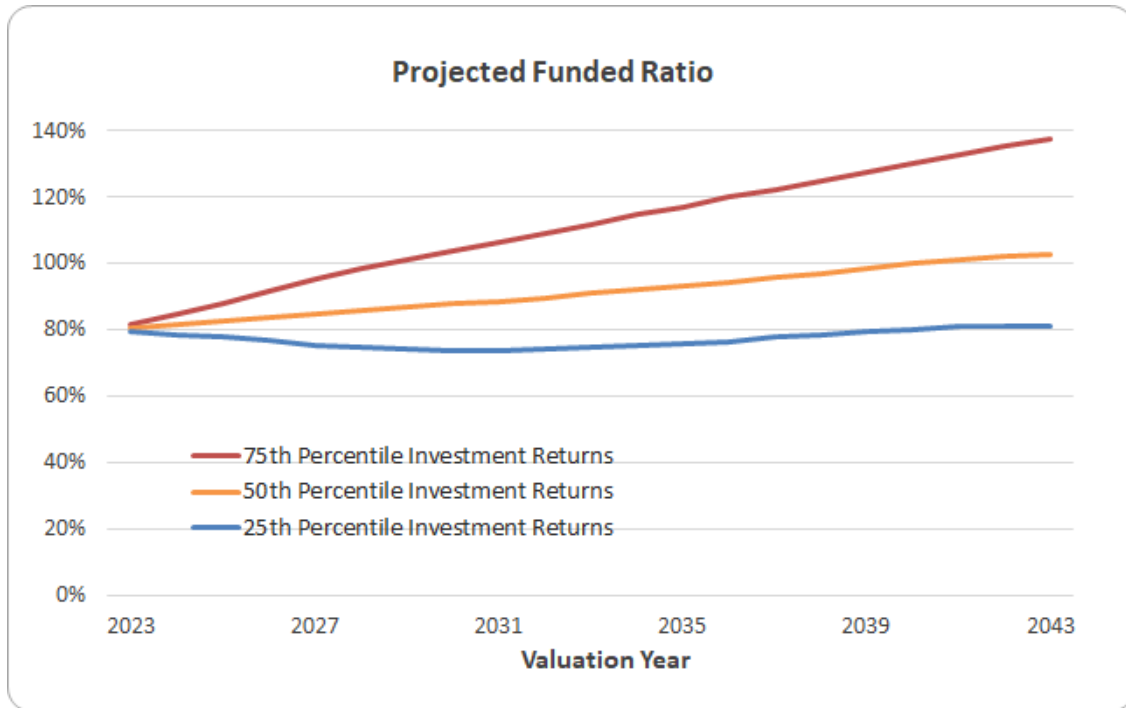
If LACERA earns 7.0% investment return net of investment expenses every year, then absent additional actuarial gains or losses, it is projected to eliminate the UAAL (and attain 100% funding) by June 30, 2040.

The following chart shows the probability of eliminating the UAAL (and attaining a 100% Funded Ratio) in a given year over the next 20 years.



As mentioned above, LACERA is projected to achieve a 100% Funded Ratio as of June 30, 2040 if the investment returns are 7.0% each year in the future and all other assumptions are met. If we account for the variance in future returns, we see that there is an approximate 50% chance that a 100% Funded Ratio will be achieved by June 30, 2040. This is not surprising as there is a 50% chance each year that the return will be above or below the assumed 7.0%.

The following chart shows a projection of Funded Ratio over the next 20 years at the 25th, 50th and 75th percentile of investment returns.



The above chart shows that in 25% of investment return simulations, the Funded Ratio will exceed 100% by June 30, 2029 and that in 50% of simulations it will exceed 100% by June 30, 2040. In 25% of simulations the Funded Ratio will be less than about 80% at June 30, 2040.

3. Plan Maturity Measures

Like other public retirement systems, LACERA continues to mature. As pension plans mature, they become more sensitive to certain risks. In this section, the maturity of LACERA is examined in the context of the number of active members to retirees, the projected cash flows, and volatility ratios.

The magnitude of the year-to-year increase or decrease in the employer contribution rate is affected by the maturity level, and specifically, the asset volatility ratio (the ratio of LACERA assets to payroll). LACERA has accumulated a significant amount of assets relative to its payroll and by several measures is considered a mature plan. Accumulating assets to pay for future benefit obligations is responsible funding, but it does mean that changes in the investment markets can have a significant impact on the employer contribution rate.

This section discusses the following plan maturity measures:

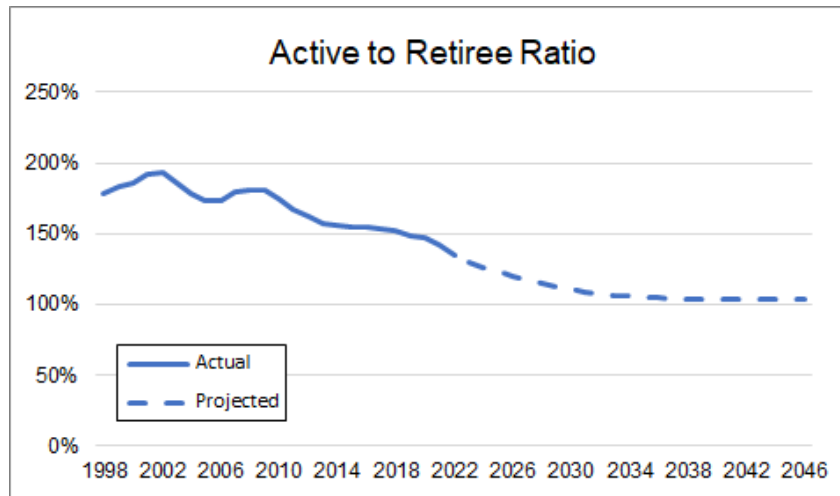
- **Active-to-Retiree Ratio:** As the percentage of actives declines relative to the number of retirees, this indicates a maturing of the plan.
- **Cash Flow:** As the cash flow (contributions less benefit payments) becomes increasingly negative, this generally indicates a maturing of the plan.
- **Asset Volatility Ratio:** A higher ratio indicates a maturing of the plan and greater sensitivity in the employer contribution rate to investment returns.
- **Liability Volatility Ratio:** A higher ratio indicates a maturing of the plan and greater sensitivity in the employer contribution rate to liability experience and changes in valuation assumptions.

Active Members to Retirees Ratio

As the number of retirees (and dollar value of retiree liabilities) grows, the dollar size of any gains or losses (particularly mortality and COLA gains and losses) associated with retirees also grows, and has a more significant impact on the overall Funded Ratio. Additionally, as the number of actives compared to retirees decreases, a larger percent of active payroll is needed to finance any gains or losses associated with retirees. The aging of the population and the retirement of baby boomers has been felt by retirement systems across the nation. This demographic shift has long been predicted by actuaries and taken into account in LACERA's funding calculations. Even though it was anticipated, this demographic shift is impacting LACERA and has increased the amount of risk faced, which is seen throughout this report.

There are various ways to assess the maturity level of a retirement system. One way is to look at the ratio of active members to retirees. In the early years of a retirement system, the ratio of active to retired members will be very high as the system will be mostly comprised of active members. As the system matures, the ratio starts declining. A mature system will often have a ratio near or below one. For LACERA and other retirement systems in the U.S., these ratios have been steadily declining.

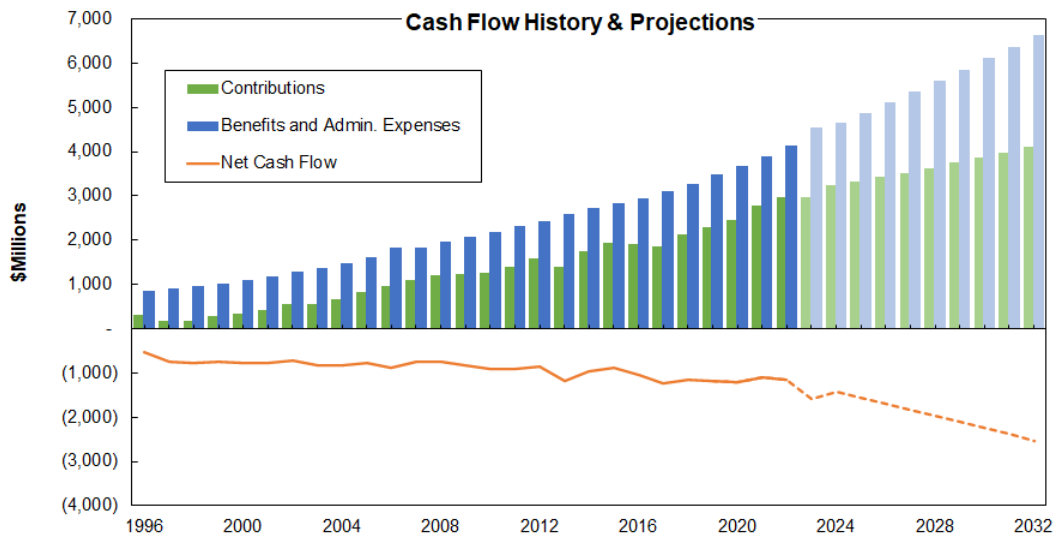
The chart below illustrates LACERA’s historical and projected active members to retirees ratio. Consistent with the assumption used in the valuation, we have assumed that the active population will remain at the same level in the future.



Cash Flow

The cash flows for a retirement system are another good indicator of the maturity level of the system. As a pension plan matures, it is normal for benefit payments to exceed contributions coming into the system. When pre-funding a pension plan, it is important to remember that the objective is to accumulate assets to pay benefits. Put another way, pre-funding is expected to ultimately create negative cash flows. Note that cash flows for purposes of this analysis do not take into account cash income generated from investments.

LACERA has been in a negative cash flow position for over 25 years. The gap between contributions (combined member and employer) and benefits paid plus expenses has increased over time, and this trend is projected to continue in the future. The graph below shows LACERA’s projected cash flows. Note that the cash flow is projected to become increasingly negative after 2038 when UAAL amortization layers begin to become fully amortized resulting in a reduction in the contributions, all else being equal.



Asset and Liability Volatility Ratios

The Asset-to-Payroll ratio, also referred to as the Asset Volatility Ratio (AVR), is a measure of the level of assets to payroll. As assets grow compared to payroll, so does the size of any asset gains or losses compared to payroll. This causes asset gains and losses to have a larger impact on employer contribution rates that are calculated as a percent of payroll.

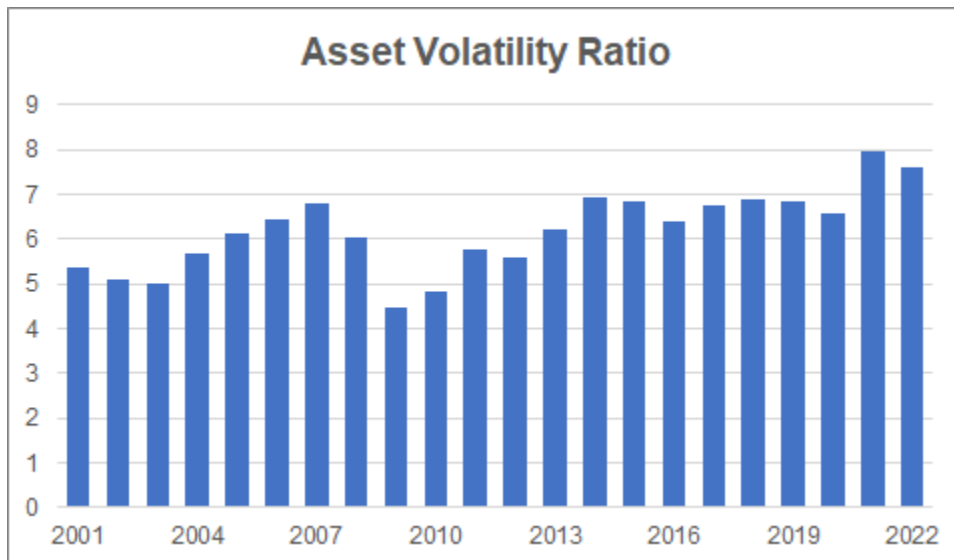
As shown in the graphs below, the AVR has increased over time as LACERA has matured. As of June 30, 2022, LACERA has an Asset Volatility Ratio of 7.6, which is typical of a mature system. Expressed another way, LACERA's June 30, 2022 market value of assets of \$70.3 billion is approximately 7.6 times larger than the payroll of all active members of LACERA (\$9.0 billion).

Due to the investment return of 0.1% in the fiscal year ended June 30, 2022 assets declined by about \$2.7 billion compared to a relatively flat payroll over the period, and therefore the AVR decreased from 8.0 to 7.6. This means that the employer contribution rate is less sensitive to changes in the level of assets than it was just one year ago.

The graph below shows that LACERA has gradually matured over the last 20+ years, as represented by the increasing AVR, although the ratio has declined in some years corresponding to those with poor investment returns in the prior year.

Asset Volatility Ratio

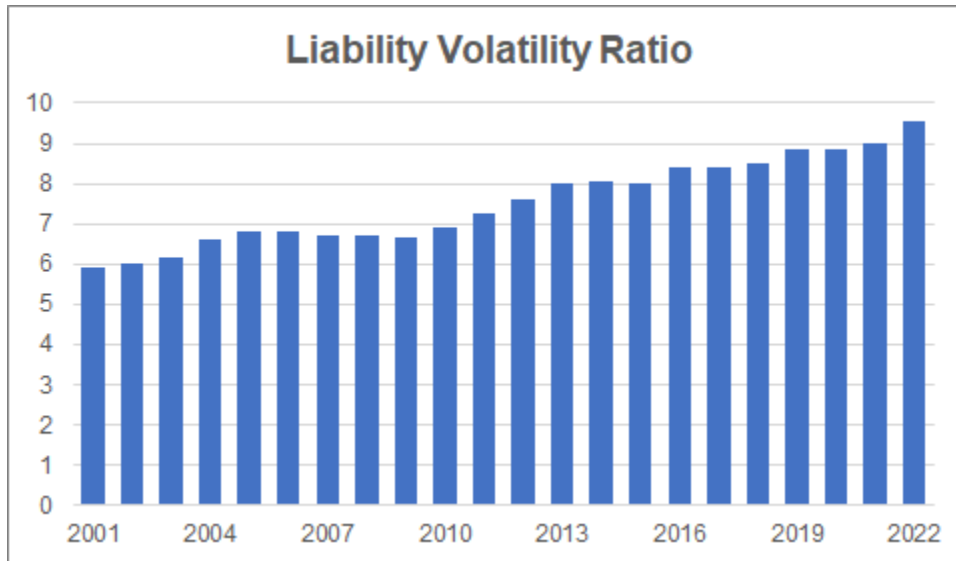
LACERA has an Asset Volatility Ratio of 7.6; that is, assets are about 7.6 times as big as the payroll. In practical terms, a - 3% return is expected to ultimately cause a 5.3% of pay increase in the employer contribution rate.



The 7.6 AVR means that for each 1% asset loss (or gain) in relation to the assumed investment return, the employer contribution rate will increase (or decrease) by 0.53% of payroll. Since LACERA uses actuarial smoothing, the increase would not be immediate, but would occur gradually over five years and could potentially be offset, or further increased, by future investment gains or losses or other factors.

The Liability-to-Payroll ratio, also referred to as the Liability Volatility Ratio (LVR) is another measure of a system’s maturity. This ratio provides an indication of employer contribution rate volatility due to liability experience (gains and losses) and liability re-measurements (assumption changes). For LACERA, the LVR as of June 30, 2022 is 9.5, an increase from 9.0 as of June 30, 2021. That is, the June 30, 2022 Actuarial Accrued Liability of \$86.3 billion is approximately 9.5 times larger than the payroll of all active members of LACERA (\$9.0 billion). Ultimately, the Asset and LVR should converge to the LVR as LACERA moves toward 100% funding in the future.

The graph below shows the historical LVR. The ratio has increased gradually, with much less year-to-year variance than observed in the AVR. The 9.5 AVR means that for each 1% liability loss (or gain), other than those due to assumption changes, the employer contribution rate will increase (or decrease) by 0.64% of payroll. Assumption changes can also affect employer Normal Cost and member contribution rates.



4. Historical Measures

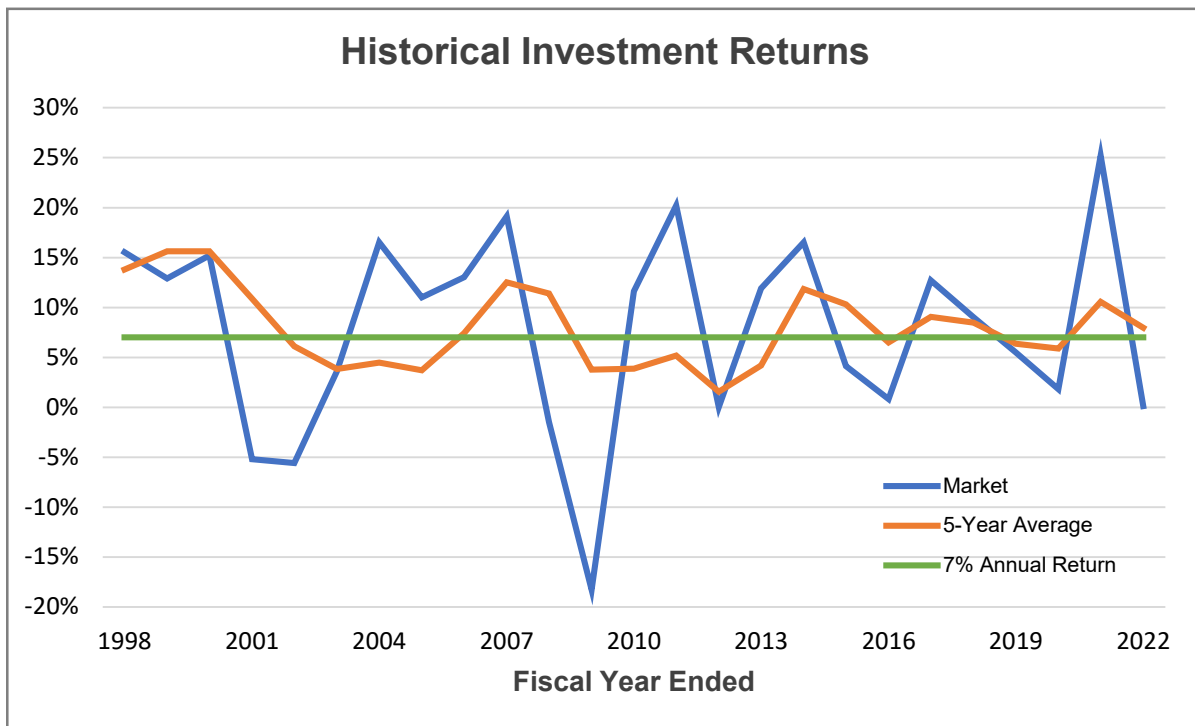
One way to assess future risks is to look at historical measurements. This section discusses the following historical measures:

- Investment Returns
- Funded Ratio
- Employer Contribution Rate

Historical Investment Returns

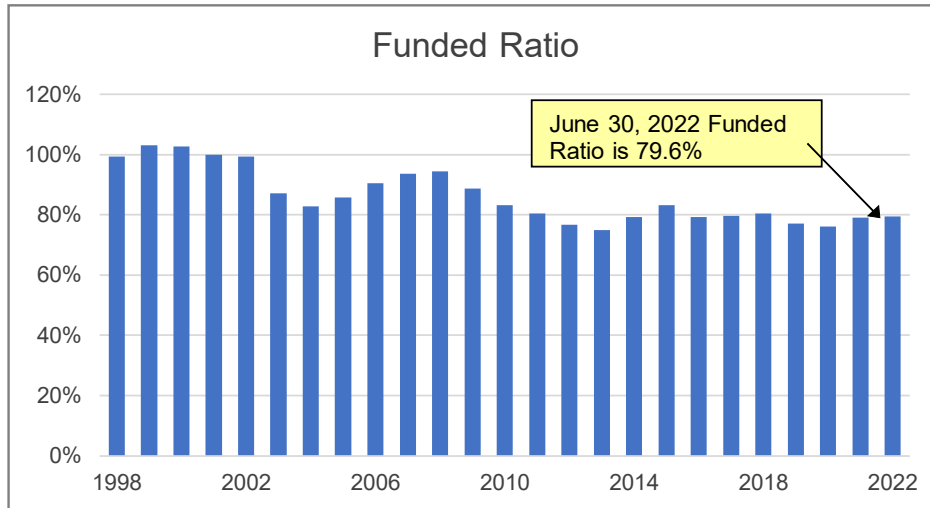
Investment returns over the last 25 years have varied significantly from year-to-year. This variance is the primary cause of year-to-year changes in funded status and employer contribution rates. The valuation uses an actuarial asset method that smooths investment gains or losses (in relationship to the assumed return) over a five-year period. The graph below presents a comparison of historical returns for LACERA on a market basis and a five-year average to approximate the return on actuarial assets. Although the five-year average is smoother, it has still been as high as 15% and as low as 2%, showing that not all market volatility can be smoothed over time.

Additionally, the graph highlights the year-to-year volatility of market and smoothed asset values relative to an annual 7% investment return. This volatility exists and leads to variance in year-to-year funded status and employer contribution rates even if the long term average annual investment return is close to 7%.



Historical Funded Ratios

The graph below shows how LACERA’s Funded Ratio has varied over the last 25 years. In particular, it reflects the significant impact that investment returns can have. The two periods where LACERA experienced significant declines in its Funded Ratio were following the dot-com bubble of the early 2000s and the financial crisis that started in 2008.

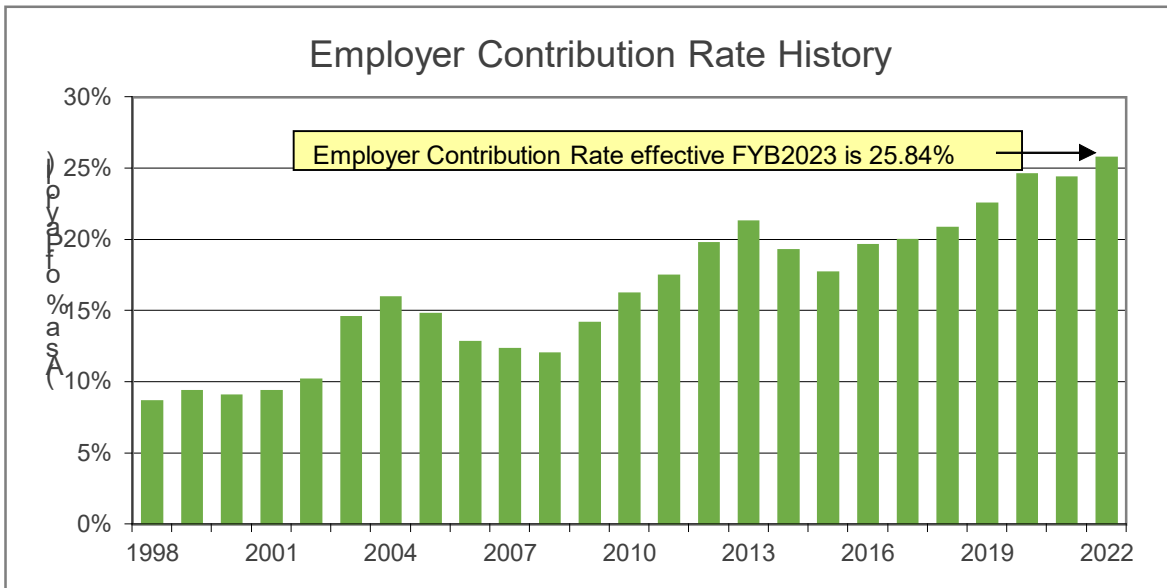


Funded Ratio

Over the past quarter century, LACERA has experienced two noticeable declines in Funded Ratio, both following periods of low investment returns: 1) after the Dot-com bubble; and 2) after the financial crisis.

Historical Employer Contribution Rates

The graph below shows how the employer contribution rate has varied over the last 25 years. Similar to the Funded Ratio history, the impact that investment returns have can be seen here. Significant increases in the employer contribution rate occurred following the dot-com bubble of the early 2000s and the financial crisis that started in 2008. The recent uptick in employer contribution rates has been primarily due to a reduction in expectations for future investment returns (as reflected in the investment return assumption), and larger salary increases than expected by the salary increase assumption.



5. Assessment of Risks

The prior sections identified risks and discussed risk measures. This section quantifies the potential impact of several risks that could materially impact the employer contribution rate and Funded Ratio. The risks assessed for this purpose include:

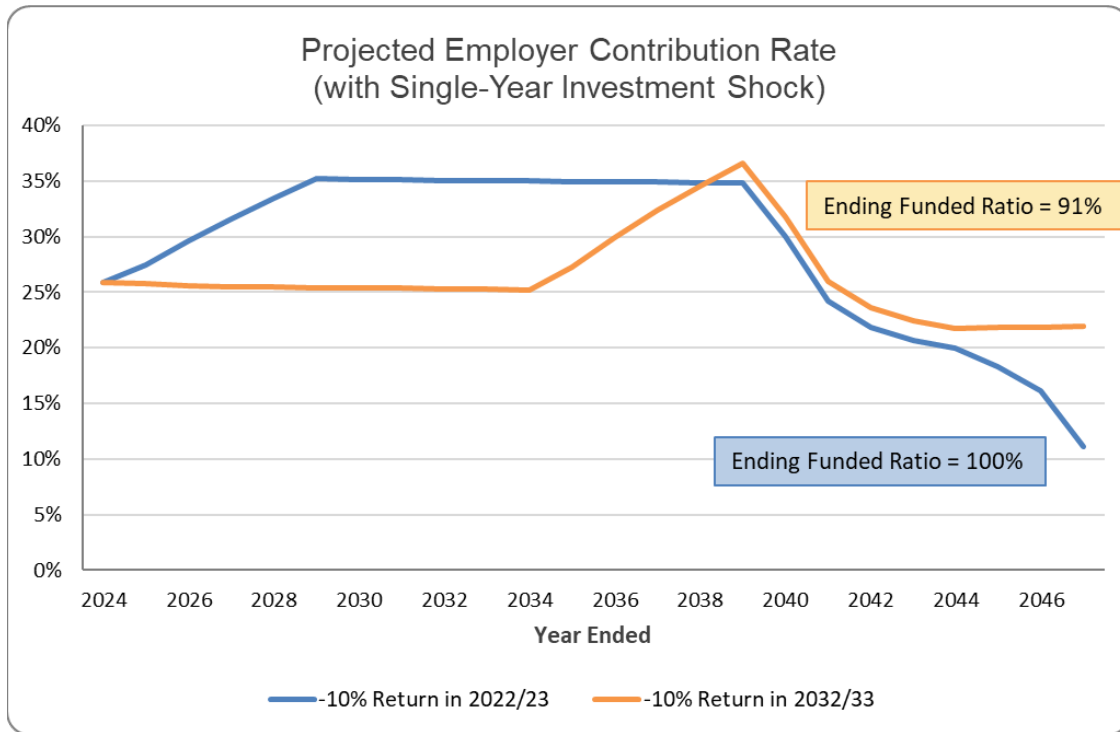
- Investment risk
- Retiree COLA risk
- Payroll growth and salary increase risk
- Longevity risk

In order to understand the extent of the risks faced, several stress tests were performed to determine the impact on employer contribution rates and funding levels. Although each risk was examined in isolation, the System has the potential to face these challenges in combination, which could have either an offsetting or compounding effect. Specifically, inflation is generally a component of investment return, payroll growth, salary increases, and retiree COLAs. High inflation might reasonably be expected to result in higher payroll growth, salary increases, and retiree cost of living adjustments (COLAs). Similarly, sustained high inflation will likely lead to higher interest rates which will result in decreasing values of traditional government-issued fixed income investments. However, new issues of those fixed income investments will include higher yields which could result in higher future investment returns from that asset class in the longer-term.

One-Time Investment Shock

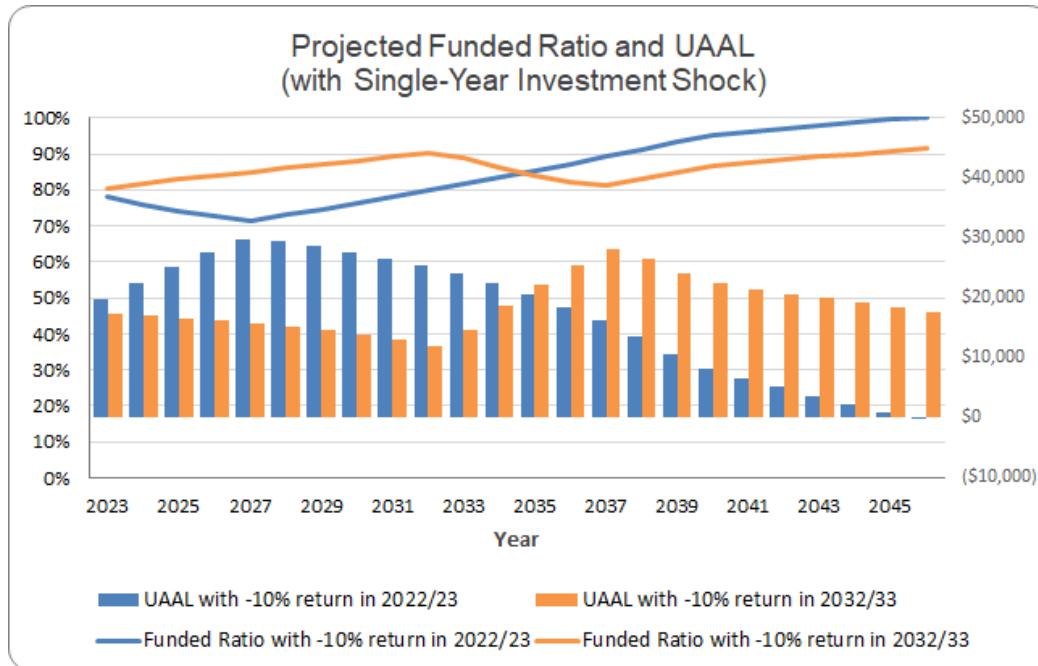
The valuation assumes LACERA earns a constant 7% per year in the future. The reality is the actual return will vary from year to year. As shown in the Historical Measures section, LACERA's return has ranged from approximately -20% to 25% over the last 25 years. As discussed in the Asset Volatility Ratio portion of Section 3, as a plan matures the employer contribution rate tends to become more sensitive to asset losses and gains. Asset losses and gains are generated by actual investment returns less than, or greater than, the investment return assumption.

The graph below shows the potential impact of a -10% return (a 17% loss relative to the 7% assumption) on the employer contribution rate if that return were to occur in the fiscal year 2022 to 2023 or the fiscal year 2032 to 2033. Based on LACERA's assumed 7.0% return and a standard deviation of 12.4% (from asset allocation option B of the Strategic Asset Allocation – LACERA Pension Trust memo for the May 19, 2021 Board of Investments meeting), there is an approximate 6% probability that in any given year the investment return will be -10% percent or worse.



As expected, a near-term shock causes an immediate increase in the employer contribution rate (blue line). However, due to the projected maturing of the plan in the future, the increase in the employer contribution rate is greater if the shock occurs 10 years from now (orange line). Under the near-term shock projection, the employer contribution rate is projected to decline towards the Normal Cost rate after the UAAL layers become fully amortized.

The graph below shows the projected Funded Ratio and UAAL under the single shock scenario. As expected, the near-term shock (blue line and blue bar) leads to an immediate increase in the UAAL and decrease in Funded Ratio. Over time, the Funded Ratio is projected to recover, and the UAAL to be reduced due to higher employer contributions shown above. As expected, if the shock occurs later (orange line and orange bar), then there will be a higher UAAL at the end of the period and a lower Funded Ratio, since there has not been time for those to recover through higher employer contributions.



The following table shows the total employer contributions projected over the 30-year period beginning July 1, 2023 under each investment shock scenario. As can be seen in the table, total contributions are projected to be higher under the later investment shock scenario.

(amounts in \$ billions)		
	2022/23 Shock	2032/33 Shock
Total Contributions (2023 - 2053)	\$ 108.7	\$ 117.6

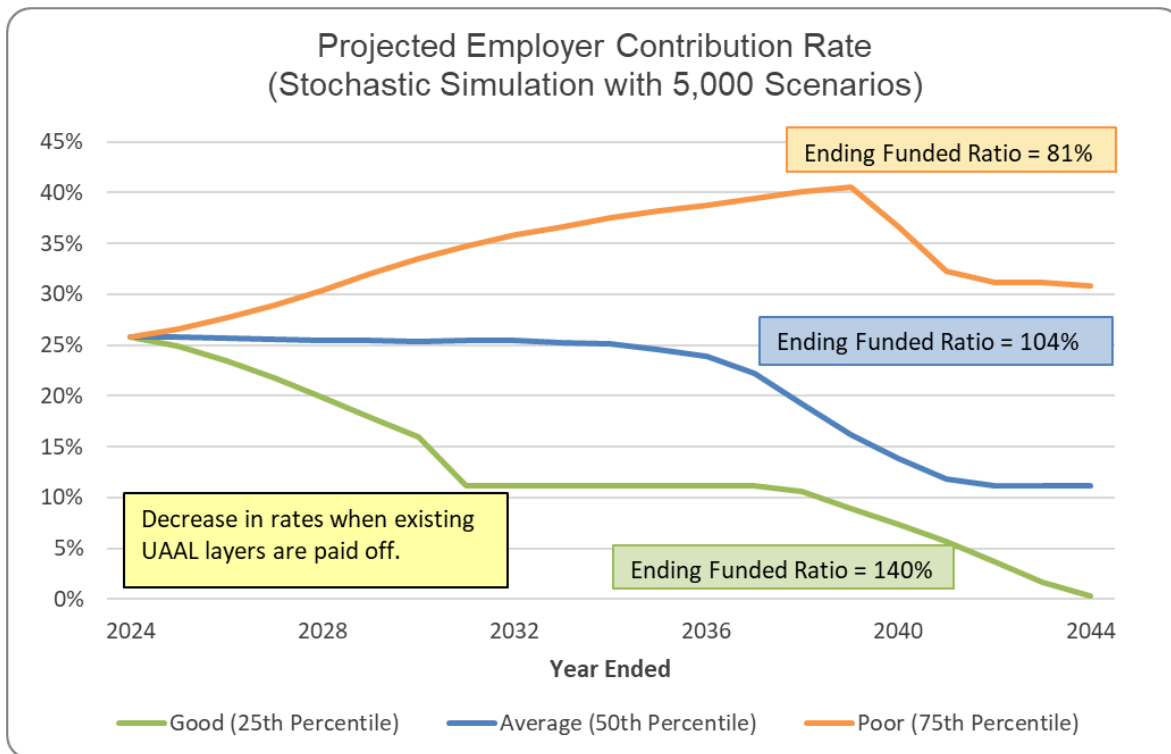
We note that based on the preliminary portfolio performance metrics, that the fiscal year-to-date investment return through March 2023 is 4.1%, which on an annualized basis is less than the 7% investment return valuation assumption.

Stochastic Analysis of Investment Returns

The analyses above focused on deterministic scenarios based on a specific set of returns. To better understand how the variance of future returns could impact LACERA's funding, a stochastic model was used to generate 5,000 sets of Monte Carlo simulations based on LACERA's assumed 7.0% return and our estimate of the standard deviation of LACERA's target asset allocation of 12.4%.

Each of these 5,000 simulations represent a hypothetical future set of returns that could occur based on the assumed return and standard deviation. For each simulation, the assets and liabilities for the System were projected for the next 20 years. With this information it is possible to assess the potential impact of long-term investment performance and variance in funding levels.

The graph below shows the 25th, 50th, and 75th percentile of the projected funded status for LACERA. For example, the 75th percentile indicates that 75% of the results under the model were better (in the case of the employer contribution rate, lower than the orange line) and 25% were worse. Combining a large number of scenarios in this type of analysis results in smooth lines, although the actual outcome will have more variability. Note that the compounded investment return over the 20-year period was about 8.8% for the 25th percentile (above average) and about 5.1% for the 75th percentile (below average).



The goal of these stochastic simulations is to provide a realistic estimate of the range of possible future outcomes. The stochastic analysis shows that the range between the 25th and 75th percentiles is quite large, illustrating the potential variance in future funding of the System. It should be remembered that half of the scenarios fall outside this range, with 25% of the scenarios being at or above the green line and 25% being at or below the blue line. Ideally, the range between the 25th and 75th percentiles for both measures would be narrower; however, there is a tradeoff between each of the two outcomes. To reduce the variance in the employer contribution rates would likely lead to an increase in the 50th percentile employer contribution rate and cause a wider range in the Funded Ratios. For example, when LACERA recently moved to a 20-year amortization period of future UAAL changes, this reduced the probability that the Funded Ratio would be low but increased the probability that the employer contribution rate would be higher.

The charts below show additional information regarding funding levels and employer contribution rates based on the stochastic analysis.

Funded Ratio after 20 Years	
Probability greater than 60%	95%
Probability greater than 80%	77%
Probability greater than 100%	53%

Employer Contribution Rate	
How often is the Employer Contribution Rate > 30%? ¹	30%
How often is the Employer Contribution Rate Increase > 3%? ²	11%

1. Percentage of years that the total employer contribution rate exceeds 30% of payroll during the 20-year projection period.

2. Probability of increase exceeding 3% of payroll in any given year of 20-year projection period.

Retiree Cost of Living Adjustments (COLAs)

LACERA provides annual cost of living adjustments (COLAs) to a significant majority of retirees. These COLAs are determined based on published local Consumer Price Index (CPI) statistics and cannot be greater than 3% (Plan A retiree allowances) or 2% (all other non-Plan E retiree allowances). Plan E retiree allowances receive a pro-rated COLA up to 2% based on the proportion of service after June 4, 2002. LACERA maintains a COLA accumulation bank for retirees so that in years when the calculated COLA exceeds the maximum COLA the excess is accumulated in the bank and may be used to “top-up” retiree COLAs in future years when calculated COLAs are less than the maximum allowed.

Based on the current accumulations of the COLA accumulation bank and current actual and projected CPI we expect maximum COLAs to be paid to most, if not all, current retirees for the next several years.

The funding valuation CPI assumption is 2.75%, and the COLA assumption is set equal to the CPI assumption with consideration of COLA accumulation banks, subject to the maximum COLA allowed by each Plan. Since recent CPI has resulted in all Plan A retirees having a COLA accumulation bank, the funding valuation liabilities include an expectation that all current Plan A retirees will receive a 3% annual COLA and all other non-Plan E retirees will receive a 2% annual COLA.

Even if CPI exceeds 3% annually, there is essentially no impact on the funding valuation since all current Plan A retirees have a COLA accumulation bank. Future retiree COLAs would need to be less than 2% to create an actuarial gain. Note that there is a small group of Plan A active members who will retire in the future that could be affected by CPI changes, but this would not be expected to have a material impact on the valuation results.

Supplemental Targeted Adjustment for Retirees (STAR) COLA

The STAR program is designed as a restoration-of-purchasing-power program for eligible retirees whose retirement allowance has lost more than 20% of its purchasing power since retirement. A STAR COLA was awarded effective January 1, 2023. This was the first time a STAR COLA had been awarded in more than a decade.

The LACERA Board of Retirement determines on an annual basis whether to provide either on an ad-hoc or permanent basis STAR COLA to impacted retirees. Based on the current accumulations of the COLA accumulation bank and current actual and projected CPI, all Plan B, C and D retirees who retired prior to March 31, 1991 have retirement allowances that have lost more than 20% of their purchasing power as of December 31, 2022, and it is possible that more recent Plan B, C and D retirees may also cross that threshold in 2023 if a high inflationary environment persists.

LACERA maintains a STAR COLA reserve (\$614 million as of June 30, 2022) that may be used to provide STAR COLAs. Effective June 30, 2022 the reserve value for STAR benefits is not included in the Valuation Assets. If STAR COLAs are awarded, we expect that an amount equal to the additional liability incurred will be transferred from the STAR reserve to Valuation Assets. Therefore, we estimate that the financial impact of providing ad-hoc or permanent STAR COLAs in the short-term should not have a material impact on employer contribution rates or LACERA's Funded Ratio.

Future Salary and Payroll Levels

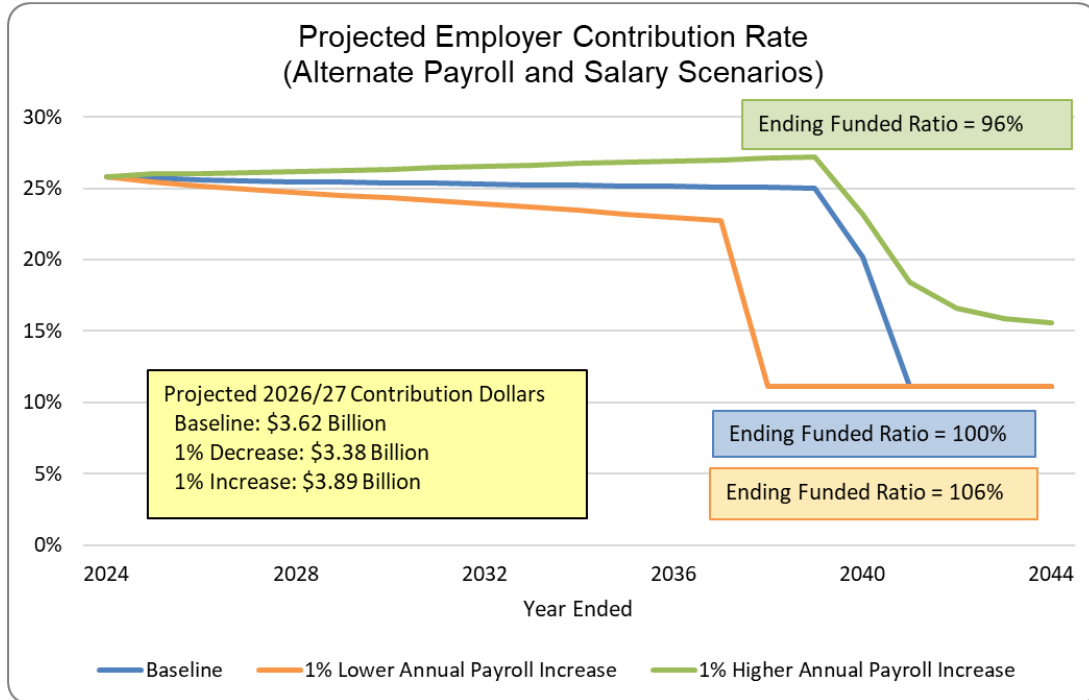
Changes in payroll and salary levels can be caused by the following factors:

- 1) a decline or an increase in the active employee population, and
- 2) compensation increases to current active employees that are greater or less than assumed.

As LACERA is funded as a percentage of payroll, a decline in payroll (or an increase less than the assumed annual increase of 3.25%) will result in the calculated percentage of payroll not being a sufficient dollar amount to pay off the UAAL on schedule, which will result in an increase being needed in the UAAL portion of the employer contribution rate to balance this out. That is, the same contribution dollars will still be needed to pay off the UAAL, but they will be a higher percentage of a smaller payroll. Conversely, an increase in payroll greater than the assumed annual increase of 3.25% will result in a smaller percentage of payroll being needed to pay off the UAAL. Such an increase might occur as a result of the current and projected inflationary environment. Note that a higher or lower payroll is not expected to impact the Normal Cost rate, so a lower payroll would be expected to result in reduced employer Normal Cost contributions, and vice versa for a higher payroll.

Compensation increases different than assumed to current active employees can affect the employer contribution rate and Funded Ratio. For current active employees, salary increases greater than expected will generally cause an actuarial loss which will increase the UAAL and lower the Funded Ratio. However, it will also increase the payroll by more than assumed which will result in the UAAL being amortized over a larger payroll and cause an offsetting decrease in the employer contribution rate. The opposite will occur for salary increases lower than expected.

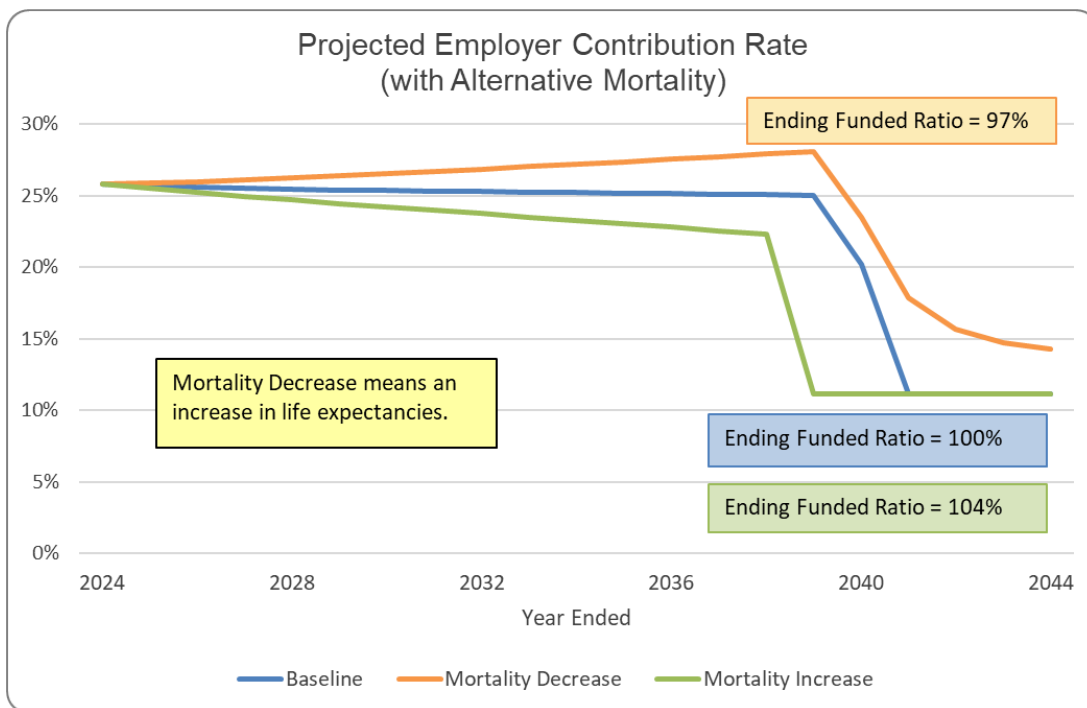
The graph below shows the impact on the employer contribution rate if the annual payroll growth rate and salary increase rates are one percent higher (green line) or one percent lower (orange line) than assumed each year. This scenario may occur in a high inflationary environment or in an economic recession. For comparison, the baseline (blue line) shows the projected employer contribution rate assuming all assumptions are met, including an annual 3.25% payroll growth rate.



Mortality Risk

Unlike investment returns, mortality rates tend to be fairly consistent from year to year; however, over time mortality rates can shift materially. Historically, mortality rates have gradually declined, which has resulted in increasing life expectancies. LACERA’s valuation anticipates a certain level of mortality improvement each year. To the extent future mortality is either better or worse than projected by the assumptions, the valuation results will be affected.

To quantify the potential impact of changes in mortality, the graph below shows a projection if in each future year 0.5% less (or more) of the total population died each year. For perspective, about 3% of LACERA’s retiree population dies each year, so reducing the aggregate mortality rate from 3.0% to 2.5% is equivalent to a 1/6th decrease in the number of deaths each year. Over the last four years, the mortality gain on retirees has averaged about 0.05%, so the 0.5% reduction (or increase) is about a 10-fold increase in recent variance. This type of variance seems unlikely unless there was a significant outside factor, such as a medical breakthrough.



Assumption Risk

The prior analysis has focused on the impact of future experience deviating from the assumptions. As noted in Section 2 (Identification of Risk), one of the biggest factors in the increase of LACERA’s UAAL over the last 20 years has been changes in actuarial assumptions, in particular changes in the investment return assumption. These changes are driven by expectations of future experience, and generally guided by the triennial Investigation of Experience study. The following table provides a simple analysis on how the short-term costs are affected by the investment return assumption. Note that the long-term cost of the Plan will be largely driven by actual investment returns and other experience; the assumptions used in the valuation impact the timing of the contributions over the long term.

	Investment Return Assumption		
	Current 7.00%	+0.5% 7.50%	-0.5% 6.50%
Employer Contribution Rate	25.84%	20.90%	31.01%
Change		-4.94%	5.17%
Funded Ratio	79.6%	84.5%	74.8%
Change		4.9%	-4.8%

Attachment B

Milliman's June 14, 2023 Presentation Slides

LACERA

Risk Assessment

Based on June 30, 2022 Actuarial Valuation of Retirement Benefits

Nick Collier, Craig Glyde

JUNE 14, 2023

Introduction

- Valuations are based on one set of assumptions
 - Almost certain that future experience will differ from the assumptions
 - Important to consider the potential impacts of these likely differences when making decisions that may affect the future financial health of the plan
- The risk assessment is designed to:
 - Give Trustees information on risks specific to future pension liability measurements and contribution levels that may be helpful in carrying out fiduciary responsibilities
 - Identify & assess risks that may be significant to the plan
 - Disclose plan maturity measures and historical information that are significant to understanding the plan's risk
- Identified and assessed risks similar to those identified and assessed in the 2022 assessment
- Guidance on risk assessment is provided in Actuarial Standard of Practice No. 51

Identification and Assessment of Risks

Identification: *“The actuary should identify risks that, in the actuary’s professional judgment, may reasonably be anticipated to significantly affect the plan’s future financial condition”*

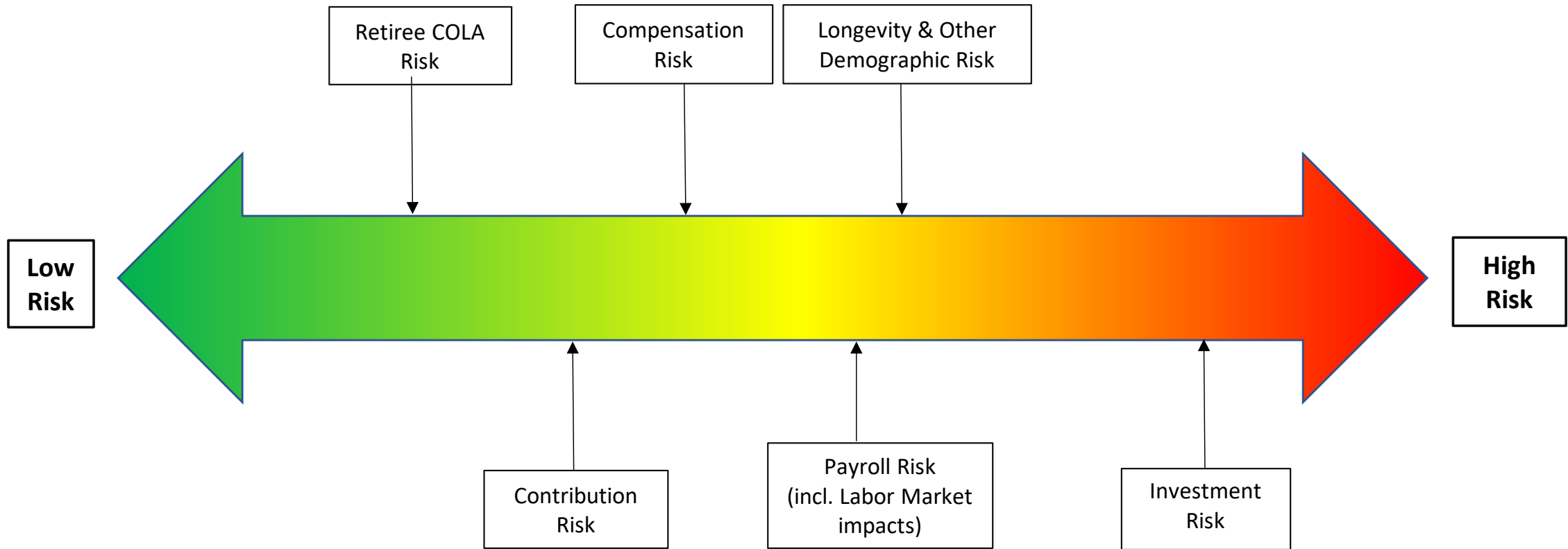
Assessment: *“The actuary should assess the risks identified...including the potential effects of the identified risks on the plan’s future financial condition.”*

- Primarily focused on the risk on the plan’s financial condition if future experience deviates from that assumed by the valuation assumptions
- Many reasons why future experience may deviate from assumptions
- Many risks may cause deviation from assumptions but are not directly / exclusively measurable. They can include, but are not limited to:
 - Governance & operational risk - could manifest in many identified risks
 - Hiring / retention risk – manifests in payroll growth risk
 - Inflation risk – manifests in salaries, payroll, investments, retiree COLA
- Experience study / assumption setting considers factors that may impact future experience

Identification of Risks – Ranking

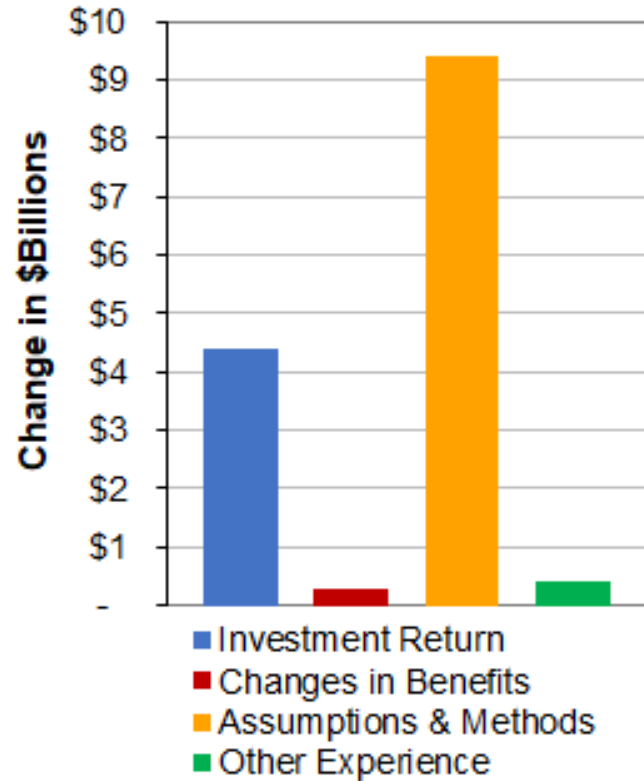
This chart reflects the relative risk of various valuation assumptions on the financial condition of LACERA. It reflects relative magnitude of each risk.

- We view future investment returns as the risk with the potential to have the greatest impact

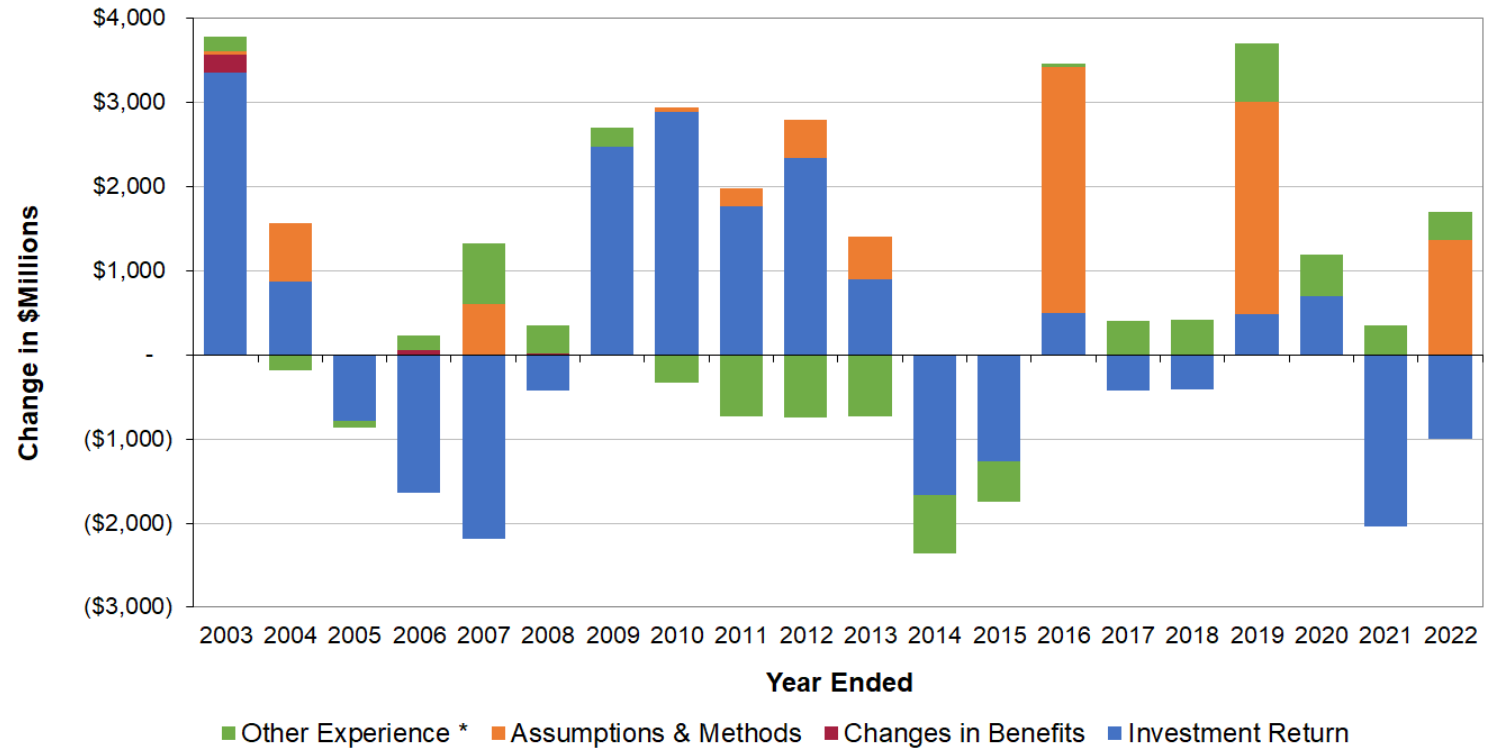


Identification of Risks – Historical Experience

Cumulative changes in UAAL since June 30, 2002

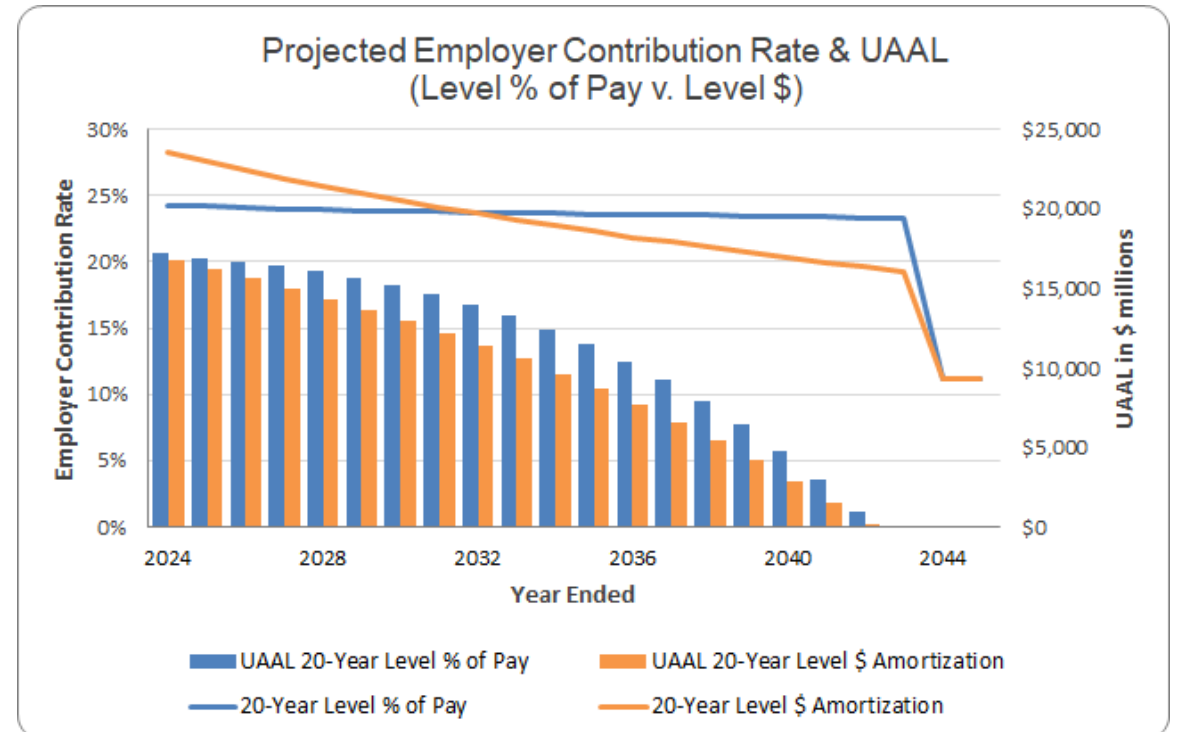


Year-to-year changes in the UAAL



Identification of Risks – Amortization Method

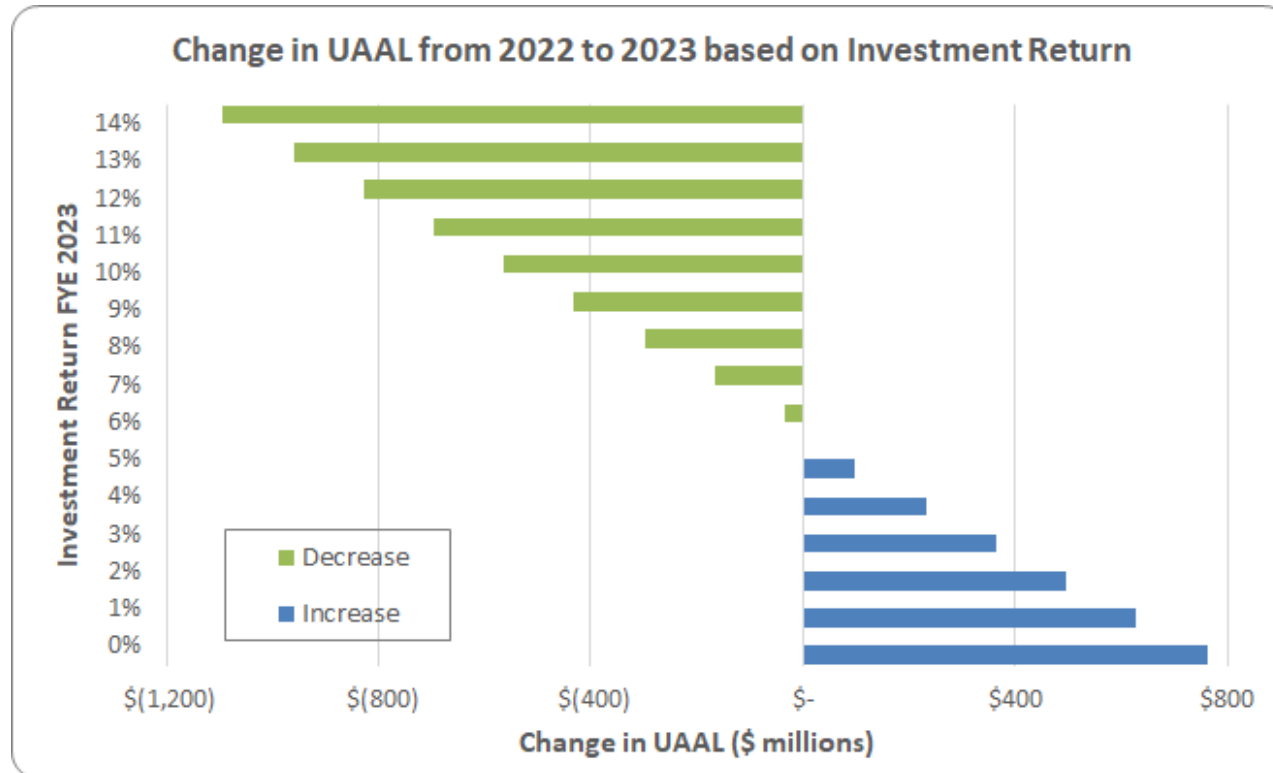
- Amortization policy is necessary to amortize UAAL
- UAAL exists primarily due to:
 - actual experience deviating from assumptions, and
 - assumption changes to better reflect anticipated future experience
- Goals of an amortization method include:
 - Making progress to a Funded Ratio of 100%
 - Providing sustainable levels of contributions for employers, with manageable year-to-year changes
 - These goals are competing, so there will generally be a tradeoff
- LACERA’s amortization method:
 - 20-year layered level % of pay



❖ Chart shows two different amortization approaches, both assuming a “fresh-start” 20-year amortization.

Identification of Risks

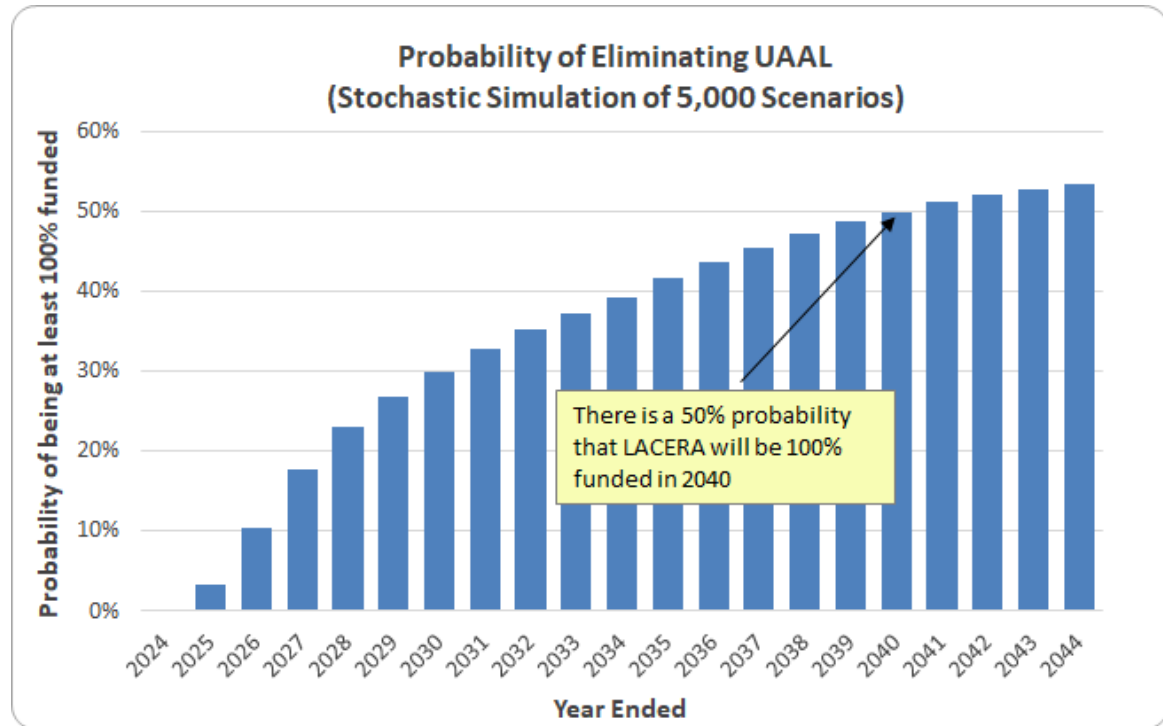
Impact of 1-Year Investment Return on UAAL from 2022 to 2023



- 2022 UAAL is \$17.6 billion
- An investment return of approx. 5.75% will result in a 2023 UAAL of \$17.6 billion
 - Lower than assumed 7.0% due to unrecognized investment gains
 - Assumes no other gains or losses
- A higher / lower investment return will result in a decrease / increase in UAAL

Identification of Risks

Projected Funded Status and Elimination of UAAL



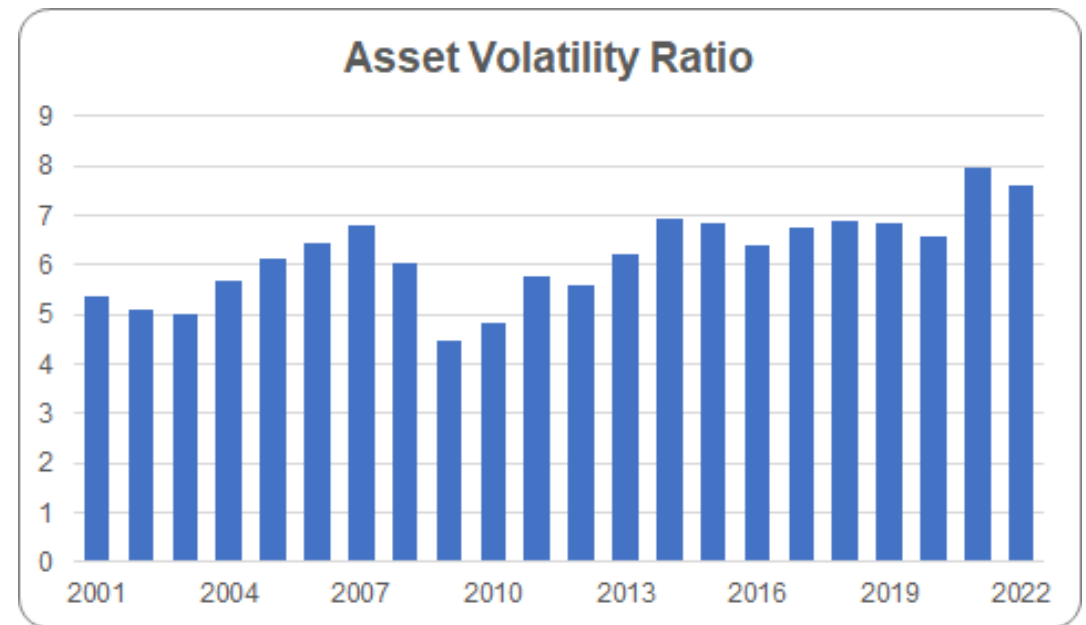
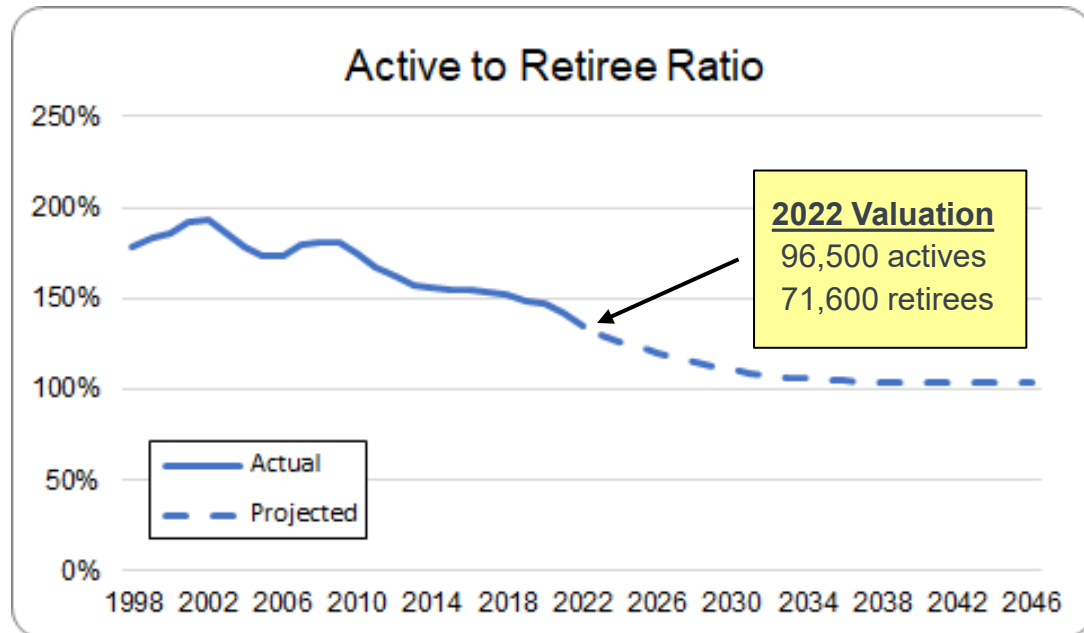
- In 2022:
 - Funded Ratio = 79.6%; UAAL = \$17.6 billion
- Approximately 50% probability the UAAL will be paid off in 20 years
 - Assumes 20-year average annual 7% return
 - Because of sequence of investment returns
- In 20 years:
 - 60% probability the Funded Ratio is at least 93%
 - 80% probability the Funded Ratio is at least 77%

* These projections assume no gains or losses other than from investment return.

Plan Maturity Measures

- Mature plans are generally more susceptible to risk

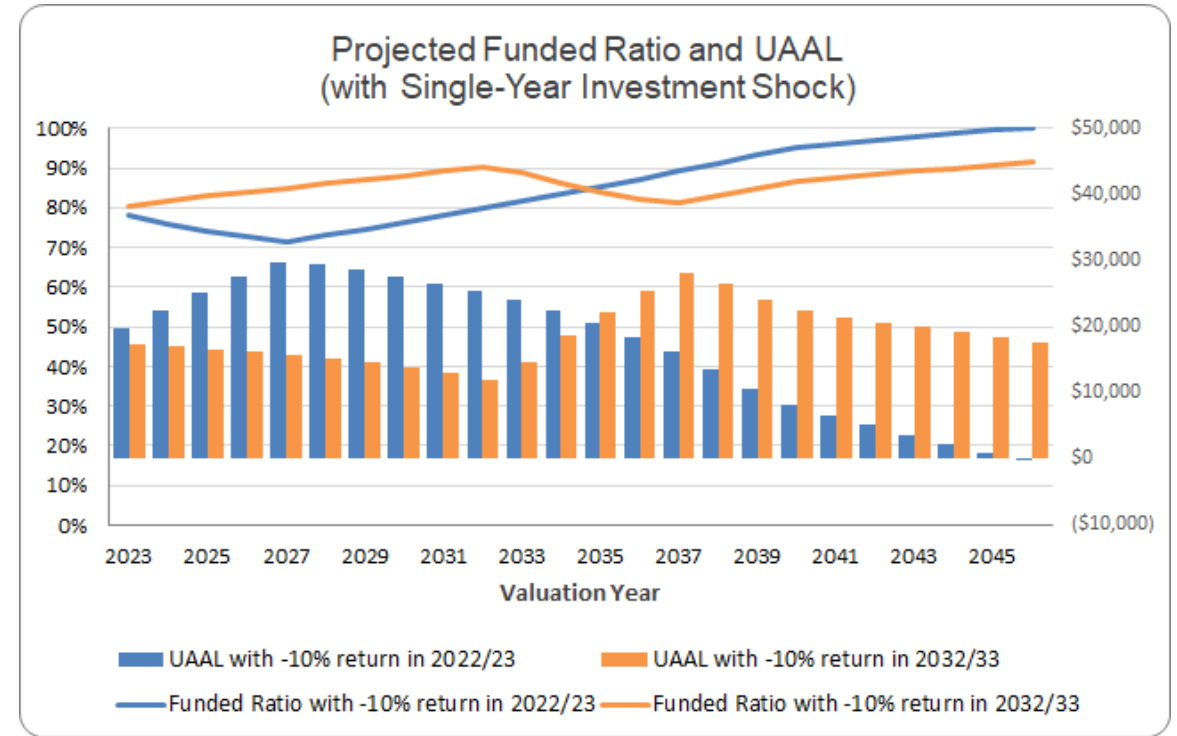
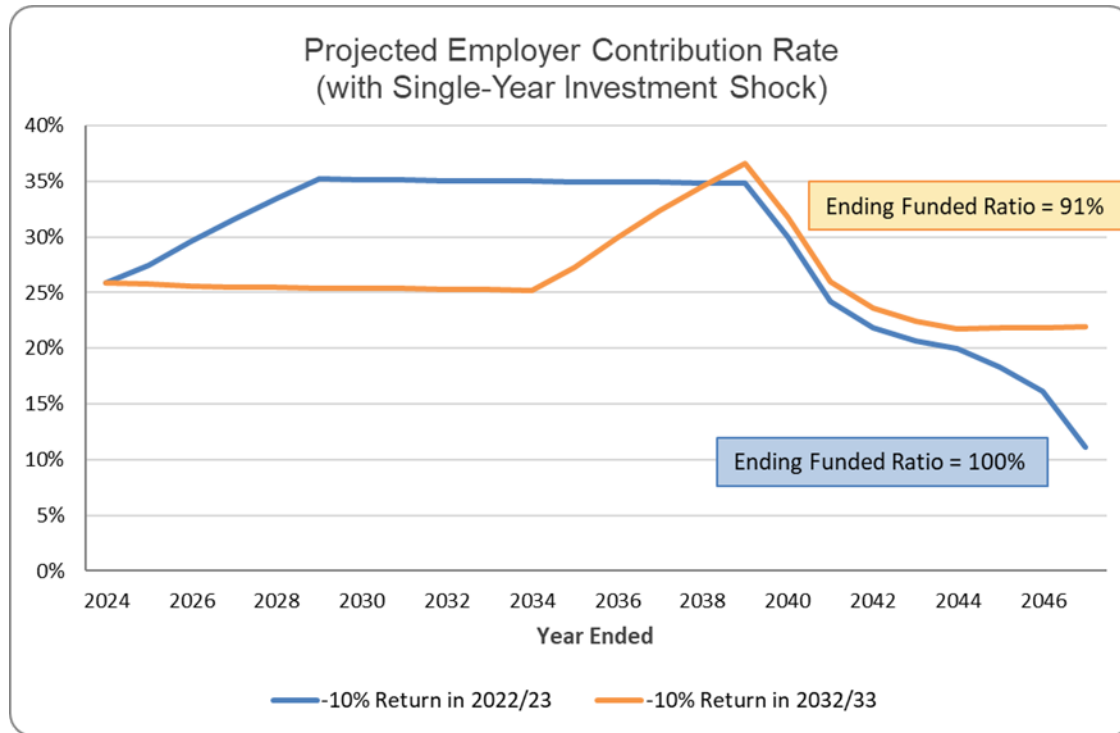
- Asset Volatility Ratio = Assets / Payroll
- A higher ratio means that employer contribution rate is more sensitive to:
 - changes in level of assets



If actual return is 1% less than the assumed return
→ employer contribution rate increases by 0.53% of pay

Assessment of Risk – Investment Risk

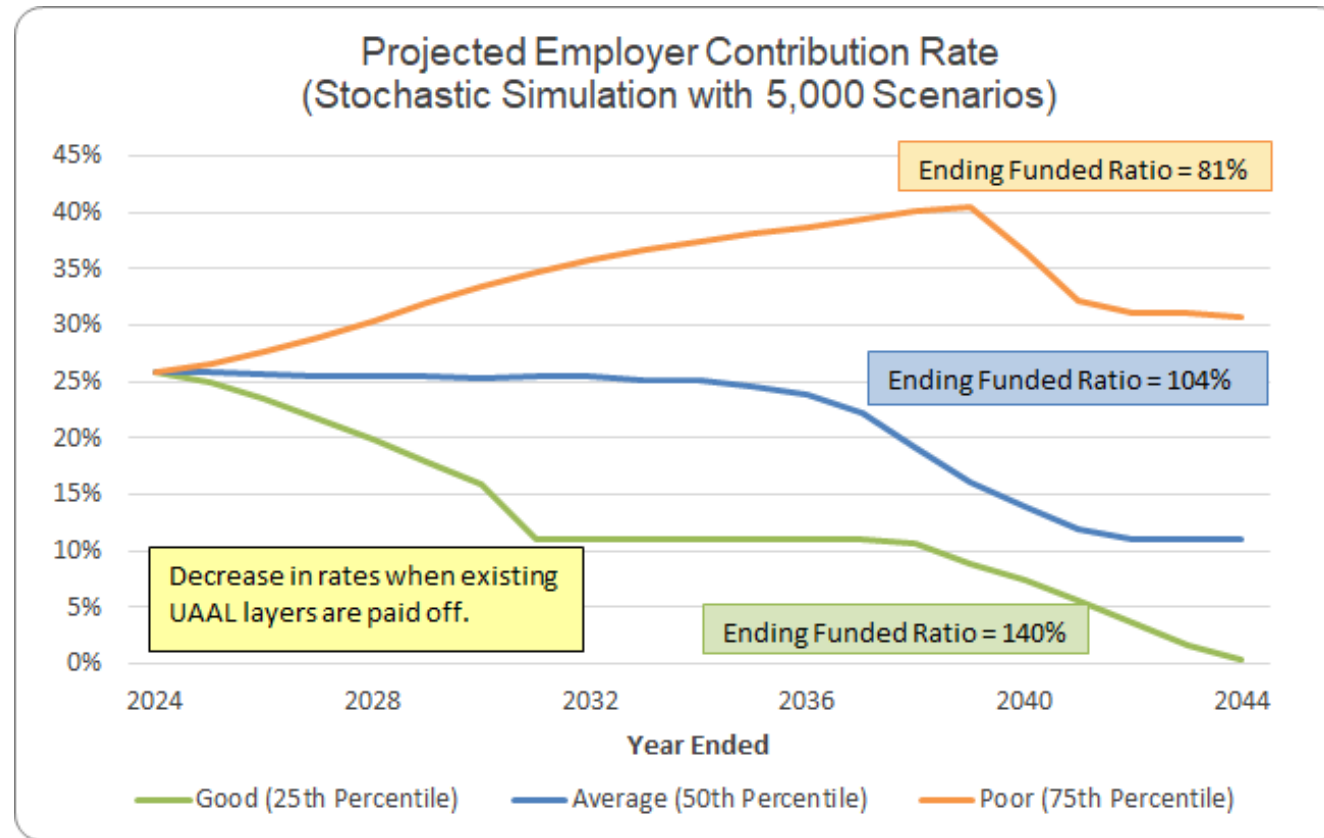
- One-year Shock (-10% Return)
 - Investment loss causes a greater increase in the employer contribution rate as LACERA matures
 - Contribution rate pattern driven by size of UAAL



* Future investment returns are uncertain. The above charts are an illustration of potential outcomes and are not a prediction of future outcomes.

Assessment of Risk – Investment Risk

- Probability of future outcomes based on standard deviation of asset allocation



Funded Ratio after 20 Years	
Probability greater than 60%	95%
Probability greater than 80%	77%
Probability greater than 100%	53%

Employer Contribution Rate	
How often is the Employer Contribution Rate > 30%? ¹	30%
How often is the Employer Contribution Rate Increase > 3%? ²	11%

- Percentage of years that the total employer contribution rate exceeds 30% of payroll during the 20-year projection period.
- Probability of increase exceeding 3% of payroll in any given year of 20-year projection period.

Assessment of Risk – Other Risks*

- Salary / Compensation
 - Increase in compensation will increase liabilities and create a loss (and higher UAAL rate), but higher payroll base will lower projected employer contribution rate, offsetting the increase due to the loss.
- Payroll Growth
 - Decrease in payroll could materially affect employer contribution as a percentage of pay
- Retiree COLA
 - Annual regular retiree COLA is linked to Consumer Price Index (CPI)
 - STAR Reserve no longer included in Valuation Assets -> reduces risk
- Mortality
 - Impact is likely to be small in a given year, but can add up over time
 - Biggest risk is a breakthrough in medical treatment, resulting in longer life expectancy
- Contributions
 - Main risk is failure of employers to make required contributions -> has not been an issue for LACERA
 - Additional minor risk is deferring contributions into the future

** Additional information on each of these risks is included in the Supplemental Information at the end of this presentation*

Addressing Risk

- The Board of Investments has policies and procedures to guide it in the fulfillment of its fiduciary responsibilities, and to address the management of risk.
- The key methods used to address risks are:
 - **Assets:** LACERA regularly performs asset allocation studies which are integrated with LACERA's funding in order to set a target allocation that maximizes return at a level of risk that is acceptable to the system.
 - **Liabilities:** LACERA has regular investigations of experience performed to monitor and set the assumptions and methods used to calculate the liabilities.
 - **Funding:** LACERA strives to balance projected funding levels with reasonable and stable employer contribution rates.
- Reducing risk generally creates a tradeoff:
 - Reducing investment risk generally:
 - Lowers the likelihood of a significant poor single-year return.
 - But also reduces the expected long-term investment return.
 - Reduction in expected future income will likely result in the need for additional contributions.
 - A lower investment return assumption reduces the likelihood and magnitude of investment losses, but it also increases the member and employer contribution rates.

Actuarial Standards of Practice Update

- Proposed changes to Actuarial Standards of Practice (ASOPs)
 - ASOPs potentially affected: #27 (Economic assumptions) & #35 (Demographic Assumptions)
 - Proposed change: Combining the two ASOPs and other “housekeeping” revisions
 - Impact: Change will not materially impact our work with LACERA
- Reminder: ASOP #4 will be first effective with June 30, 2023 valuation
 - One visible change will be inclusion of Low-Default Risk Obligation Measure
 - Alternate measure shown at “risk-free” (i.e., low) interest rate
 - → Additional liability number will be shown that is much higher
 - Doesn't affect funding valuation

Conclusion

- As a mature plan, LACERA is subject to a number of risks which could ultimately affect the Funded Ratio and employer contribution rate
 - Investment returns have historically had the greatest impact and this is likely to continue
- LACERA has several mechanisms in place to address risks, but they can only mitigate risks, not eliminate them
 - Reducing risks generally creates a tradeoff
- Continue to monitor risks and consider areas where additional risk mitigation may be appropriate

Questions



Caveats and Disclaimers

This presentation is based on the data, methods, assumptions and plan provisions described in our risk assessment report based on the June 30, 2022 Actuarial Valuation of Retirement Benefits. The statements of reliance and limitations on the use of this material is reflected in that report and still apply to this presentation.

These statements include reliance on data provided, on actuarial certification, and the purpose of the report.

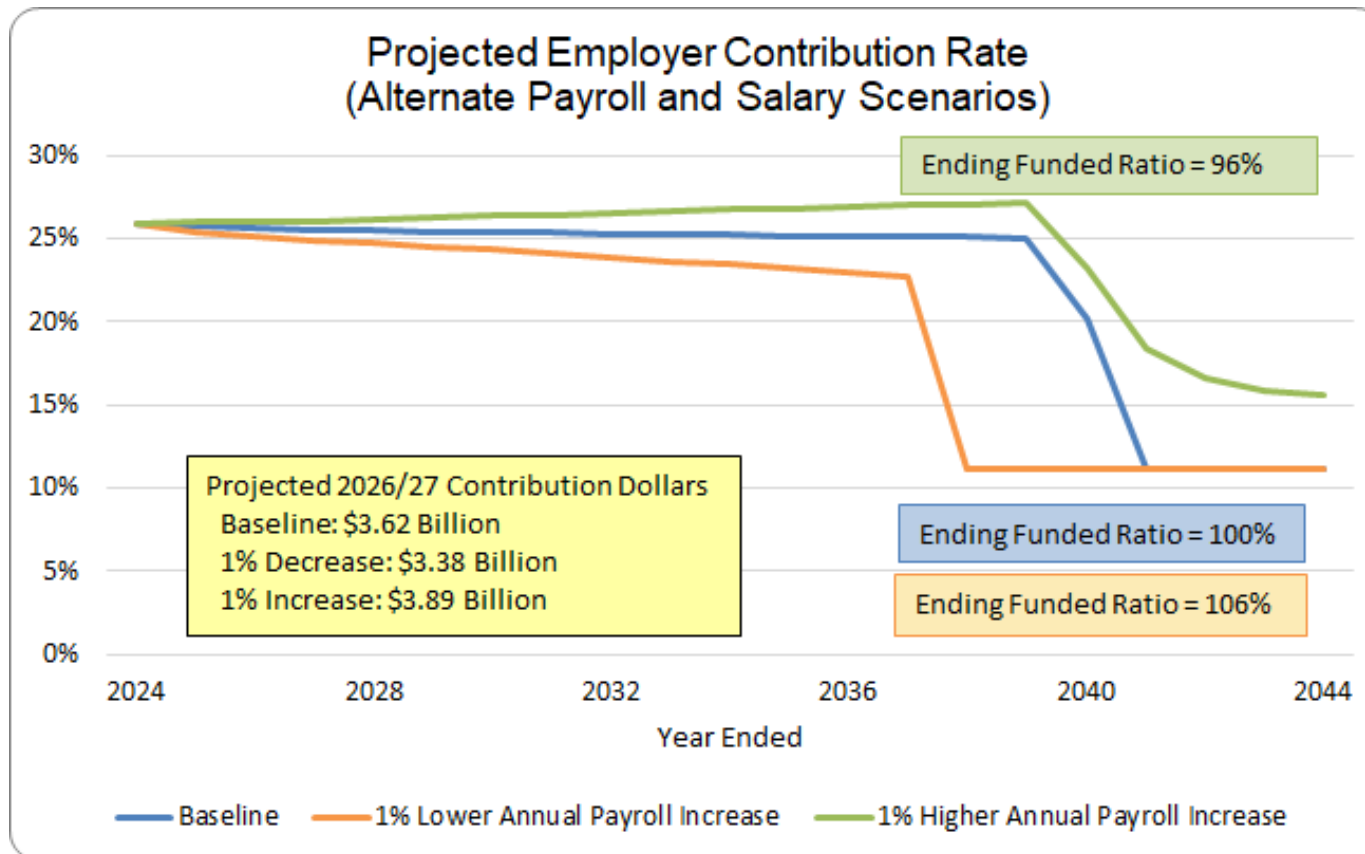
Milliman's work product was prepared exclusively for LACERA for a specific and limited purpose. It is a complex, technical analysis that assumes a high level of knowledge concerning LACERA's operations, and uses LACERA's data, which Milliman has not audited. It is not for the use or benefit of any third party for any purpose. Any third party recipient of Milliman's work product who desires professional guidance should not rely upon Milliman's work product, but should engage qualified professionals for advice appropriate to its own specific needs.

Supplemental Information

Assessment of Risk

- Scenario Test
 - A process for assessing the impact of one possible event, or several simultaneously or sequentially occurring possible events, on a plan's financial condition.
- Sensitivity Test
 - A process for assessing the impact of a change in an actuarial assumption on an actuarial measurement.
- Stress Test
 - A process for assessing the impact of adverse changes in one or relatively few factors affecting a plan's financial condition.
- Stochastic Modeling
 - A process for generating numerous potential outcomes by allowing for random variations in one or more inputs over time for the purpose of assessing the distribution of those outcomes.

Assessment of Risk – Compensation and Payroll Risk



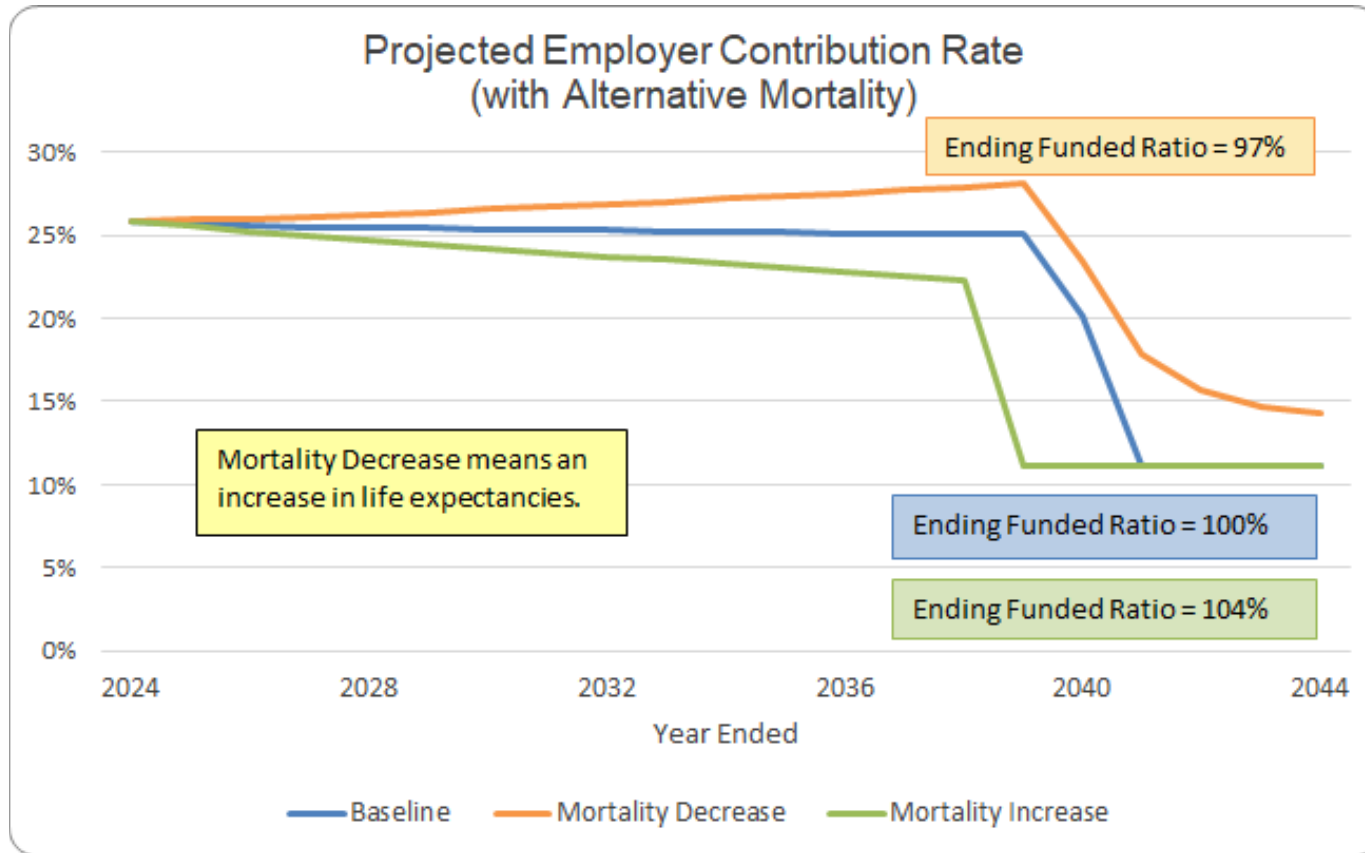
- Alternate scenario assumes 1% higher (or lower) annual payroll and compensation increases than assumed
- Decrease in payroll could materially affect employer contribution as a percentage of pay
- Decrease in compensation will lower liabilities and create a gain (and lower UAAL rate), but lower payroll base will result in higher projected employer contribution rate.

Assessment of Risk – COLA Risk

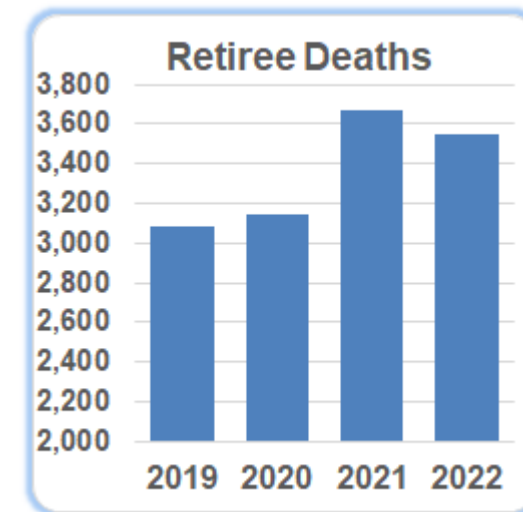
- Annual regular retiree COLA is linked to Consumer Price Index (CPI)
 - Regular retiree COLA capped at either 2% or 3% (depending on Plan)
 - CPI in excess of the maximum is accumulated in COLA Banks
 - COLA Banks can be used to top-up COLA to the maximum allowed in years when CPI is less than the cap
- Funding valuation assumes annual retiree COLA equal to CPI assumption (2.75%) plus impact of COLA bank, subject to the maximum for applicable plans.
- Financial impact of higher inflation on regular retiree COLAs is therefore limited

- STAR COLA may be provided when a retiree's allowance has lost more than 20% of its original purchasing power
 - Increases benefits and liabilities
 - Amount transferred from STAR Reserve to offset increases in benefits and liabilities
- The STAR Reserve (\$614 million) is not included in valuation assets and therefore:
 - STAR COLA risk is significantly reduced; primary risk exists once STAR Reserve is depleted

Assessment of Risk – Mortality Risk



- Impact of mortality unlikely to have same impact as investment experience, but can add up over time
- This example reflects an increase (or decrease) in the number of retiree deaths of approximately 17% per year.



Assessment of Risk – Contribution Risk

- Primary contribution risk = Employers not making required contribution
 - For some retirement systems, a significant source of their underfunding has been the plan sponsor not making the actuarially determined contribution
- We have not assessed risk of employers not making required contribution
 - County and other employers have consistently made the actuarially determined contribution in the past
 - There are legal requirements specified in the 1937 Act that govern future contributions
 - If the County does not make its full contribution in the future, it could present a significant risk to LACERA's funding
- Secondary contribution risk = Pushing contributions into the future
 - The County has a history of reflecting contribution rate decreases as soon as possible (July) and deferring increases as late as possible (September)

Attachment C

**June 30, 2022 Actuarial Valuation of Retirement
Benefits Report**



Los Angeles County Employees Retirement Association

Actuarial Valuation of Retirement Benefits

June 30, 2022

Prepared by:

Nick J. Collier, ASA, EA, MAAA
Consulting Actuary

Craig Glyde, ASA, EA, MAAA
Consulting Actuary

Milliman, Inc.
1301 Fifth Avenue, Suite 3800
Seattle, WA 98101-2605
Tel +1 206 624 7940
milliman.com



1301 Fifth Avenue
Suite 3800
Seattle, WA 98101-2605
USA

Tel +1 206 624 7940

milliman.com

February 16, 2023

Board of Investments
Los Angeles County Employees Retirement Association
300 North Lake Avenue, Suite 820
Pasadena, CA 91101-4199

Re: Los Angeles County Employees Retirement Association as of June 30, 2022

Dear Trustees of the Board:

As requested, we have performed an actuarial valuation of retirement benefits for the Los Angeles County Employees Retirement Association (LACERA) as of June 30, 2022 that is to be used in determining the contribution rates effective July 1, 2023. The major findings of the valuation are contained in this report. This report reflects the benefit provisions and contribution rates in effect as of June 30, 2022, and LACERA's Retirement Benefit Funding Policy (Funding Policy) that was adopted in December of 2009 and amended as of February 2013, and it reflects changes adopted at the Board of Investments December 2022 meeting.

In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by LACERA's staff. This information includes, but is not limited to, statutory provisions, employee data, and financial information. In our examination of these data, we have found them to be reasonably consistent and comparable with data used for other purposes. Since the valuation results are dependent on the integrity of the data supplied, the results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised.

All costs, liabilities, rates of interest, and other factors for LACERA have been determined on the basis of actuarial assumptions and methods that are individually reasonable (taking into account the experience of LACERA and reasonable expectations); and that, in combination, offer a reasonable estimate of anticipated experience affecting LACERA. Further, in our opinion, each actuarial assumption used is reasonably related to the experience of the Plan and to reasonable expectations, which, in combination, represent a reasonable estimate of anticipated experience for LACERA.

The valuation results were developed using models employing standard actuarial techniques. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice. Reliance on other experts is reflected in Milliman's capital market assumptions, and in Milliman's expected return model maintained by Milliman investment consultants.

This valuation report is only an estimate of LACERA's financial condition as of a single date. It can neither predict LACERA's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of benefits, only the timing of contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement, although for informational purposes we have shown valuation results at +/- 0.5% on the investment return assumption at the end of the Executive Summary.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. The Board of Investments has the final decision regarding the appropriateness of the assumptions and adopted them as indicated in Appendix A of this report.

Actuarial computations presented in this report are for purposes of determining the recommended funding amounts of LACERA. The calculations in the enclosed report have been made on a basis consistent with our understanding of LACERA's funding requirements as stated under their Funding Policy. Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes. Milliman will provide LACERA financial reporting results relevant to GASB Statements No. 67 and 68 in separate reports.

Milliman's work is prepared solely for the internal business use of LACERA. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions:

- (a) LACERA may provide a copy of Milliman's work, in its entirety, to LACERA's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit LACERA.
- (b) LACERA may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are retirement actuaries. Milliman's advice is not intended to be a substitute for qualified legal, investment, or accounting counsel.

The signing actuaries are independent of the plan sponsors. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the *Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States*, published by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

We would like to express our appreciation to members of LACERA staff who gave substantial assistance in supplying the data on which this report is based.



We respectfully submit the following report, and we look forward to discussing it with you.

Sincerely,

A handwritten signature in black ink that reads "Nick Collier". The signature is written in a cursive style and is positioned above a horizontal line.

Nick Collier, ASA, EA, MAAA
Consulting Actuary

A handwritten signature in black ink that reads "Craig Glyde". The signature is written in a cursive style and is positioned above a horizontal line.

Craig Glyde, ASA, EA, MAAA
Consulting Actuary

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1. Summary of Findings

2022 Valuation Results

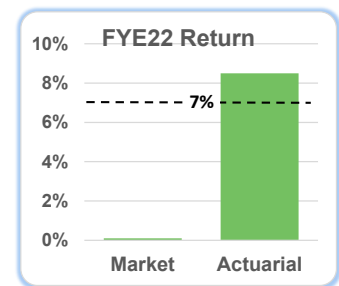
	Valuation Date	
	June 30, 2022	June 30, 2021
Employer Contribution Rate	25.84% ⁽¹⁾	24.46% ⁽²⁾
Funded Ratio	79.6%	79.3%

1. The June 30, 2022 valuation calculates the employer contribution rate effective July 1, 2023.
2. The June 30, 2021 valuation calculates the employer contribution rate effective July 1, 2022.

This report presents the results of the June 30, 2022 actuarial valuation. This valuation determines the member and employer contribution rates payable starting July 1, 2023. Several key points are summarized below:

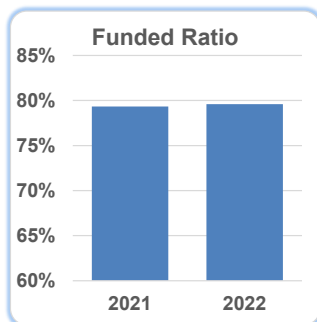
Investment Returns

For the fiscal year ending in 2022, the fund returned 0.1% on a market-value basis (net of investment expenses). In total, there was a \$6.7 billion loss on market assets relative to the assumed rate of return of 7.0%. The return on the actuarial value of assets was 8.5% (equivalent to a gain of \$1.0 billion relative to the assumed rate) as a result of recognizing deferred investment gains from prior years. Effective June 30, 2022 there are deferred investment gains of \$0.3 billion to be recognized evenly over the next three fiscal years.



Funded Ratio

The Funded Ratio increased from 79.3% to 79.6%. The recognition of deferred investment gains from prior years (primarily the strong return for fiscal year 2020-2021) and contributions to amortize the Unfunded Actuarial Accrued Liability (UAAL) increased the Funded Ratio. The less-than-assumed investment return for fiscal year 2021-2022, assumption and method changes adopted at the December 2022 Board of Investments (BOI) meeting, and CPI / retiree COLAs greater than assumed partially offset the positive factors. On a market-value basis, the Funded Ratio decreased from 88.3% to 79.9%.

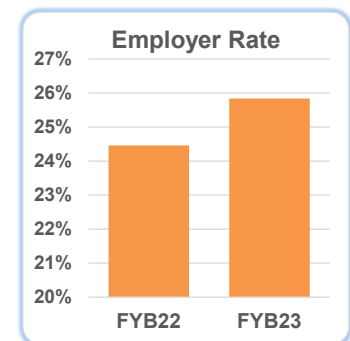


The [Analysis of Change – Funded Ratio](#) section that follows later in Section 1 provides an analysis of the sources of change in the Funded Ratio since last year.

Employer Contribution Rate

The total calculated employer contribution rate increased from the prior valuation by 1.38% of payroll, from 24.46% to 25.84%. The most significant factors causing this increase were the assumption and method changes, the less-than-assumed investment return for fiscal year 2021-2022, and payroll growth less than expected. These factors were partially offset by the rate-reducing impact of the recognition of deferred investment gains from prior years (primarily the strong return for fiscal 2020-2021).

The [Analysis of Change – Employer Contribution Rate](#) section provides an analysis of the sources of change in employer contribution rates since last year. In addition, the section “Projected Future Employer Contribution Rates” below shows a 10-year projection of employer contribution rates.



Member Contribution Rates

New member contribution rates are recommended for all Plans effective July 1, 2023 based on the new assumptions adopted with the 2022 Investigation of Experience. Member contribution rates for all plans, except General Plans E and G and Safety Plan C, vary based on a member's entry age to LACERA and the underlying actuarial assumptions. General Plan G and Safety Plan C member rates are required to be equal to 50% of the Gross Normal Cost rate of the respective plan which is dependent on the actuarial assumptions and the plan membership.

Comparing the member contribution rates calculated in this valuation with the rates members are currently paying, we have the following observations.

- Legacy plans (General A-D & Safety A-B): Member contribution rates generally increased on a relative basis in the range of 1% to 4% with younger entry ages tending to have the larger relative increases. These increases were primarily due to the new assumptions adopted.
- General Plan G: The member contribution rate increased by 0.16% of pay (a relative increase of less than 2%). This increase was primarily due to the new assumptions adopted and to changes in the demographics of the plan's active membership.
- Safety Plan C: The member contribution rate increased by 0.43% of pay (a relative increase of 3%). This increase was primarily due to the larger-than-assumed increase in the PEPRA compensation limit and lower salary increases than expected by the assumptions. Each of these factors results in an increase in the Normal Cost rate for members whose projected compensation is greater than the projected PEPRA compensation limit, based on the assumed future salary and limit increases. A significant portion of Safety Plan C active members are projected to have compensation greater than the PEPRA compensation limit (although very few are currently at the limit).

Member contribution rates are discussed in Section 5 of this report.

Economic and Demographic Assumptions

The assumptions developed as a result of the 2022 Investigation of Experience study, described in our report dated January 6, 2023 were adopted by the BOI for use in this valuation. These changes include updating the rates of assumed merit salary increases, updating the assumed rates of service retirement to reflect a member's length of service in addition to their age, and updating the mortality improvement scale to reflect the most recent improvement scale published by the Society of Actuaries Retirement Plans Experience Committee (RPEC). Of these changes, the update to the service retirement assumption had the greatest single impact on the results of this valuation.

The net effect of all the assumption changes was an increase in the Unfunded Actuarial Accrued Liability (UAAL) of approximately \$750 million effective June 30, 2022, a decrease in the Funded Ratio of 0.7%, and an increase in the employer contribution rate of 0.92% of payroll.

The new assumptions generally caused increases in the member contribution rates for all Plans.

Actuarial Methods

As a result of the 2022 Investigation of Experience study, the BOI adopted changes in actuarial methods for use in this valuation. These changes include designating the Supplemental Targeted Adjustment for Retirees (STAR) Reserve as a Non-Valuation Reserve. The impact of this change is an increase in UAAL of \$614 million effective June 30, 2022, a decrease in the Funded Ratio of 0.7%, and an increase in the employer contribution rate of 0.46% of payroll.

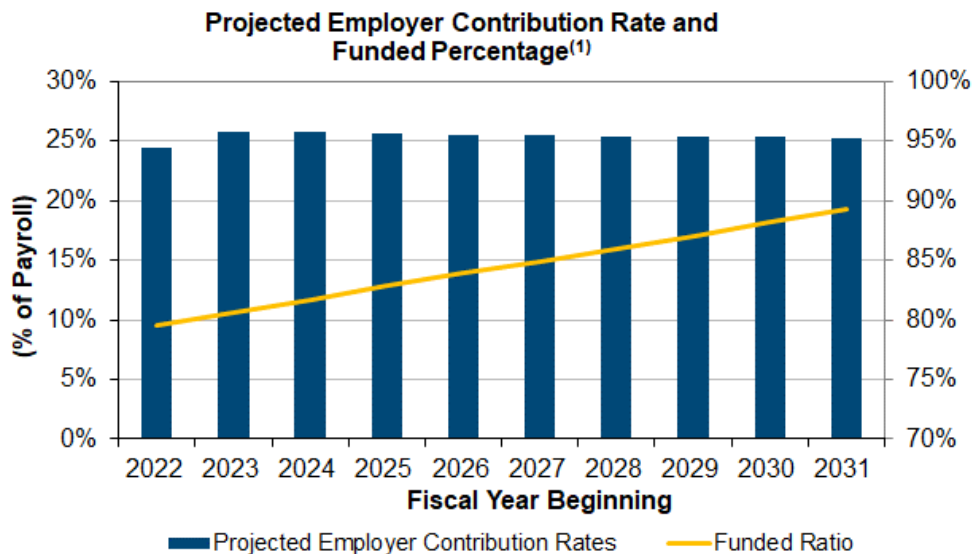
Other changes included a modification to the actuarial asset smoothing method which should result in slightly smoother employer contribution rates in the future. The modified method still smooths asset gains and losses over 5 years; however, before smoothing is applied, the current year gain (or loss) is offset against prior losses (or gains), if any. In addition to smoother employer contribution rates, the offsetting method is expected to reduce the likelihood and magnitude of spikes or dips in employer contribution rates in most cases. To implement this new method, investment gains and losses were recognized under the prior asset valuation method and the remaining deferred gains and losses were then combined and offset. As a result, effective June 30, 2022 Valuation Assets are the same under the new method as under the prior method, and there is no impact on the UAAL, Funded Ratio or employer contribution rate.

Projected Future Employer Contribution Rates

The employer contribution rate beginning July 1, 2023 is 25.84% of payroll, which is a weighted average for all LACERA plans. The actual percent of payroll to be contributed by the employers varies by plan as shown in Exhibit 11.

The calculated employer contribution rate is effective for the fiscal year beginning July 1, 2023. Employer contribution rates in future years will be largely dependent on actual experience relative to that projected by the actuarial assumptions, particularly the investment return assumption. Additionally, if the assumptions change, this could also have a material impact on future results. Even if all actuarial assumptions are met over the next few years and there are no changes in the underlying assumptions, we project additional changes in future employer contribution rates as deferred investment gains and losses are recognized. As will almost certainly be the case, actual experience will not exactly match the actuarial assumptions over those years, and a different pattern of future employer contribution rates will emerge.

To illustrate this potential variance, we have performed a 10-year projection of the employer contribution rate and Funded Ratio assuming that all actuarial assumptions are met (including 10 years of investment returns based on market value of 7.0% per year). This projection is shown in the chart below.



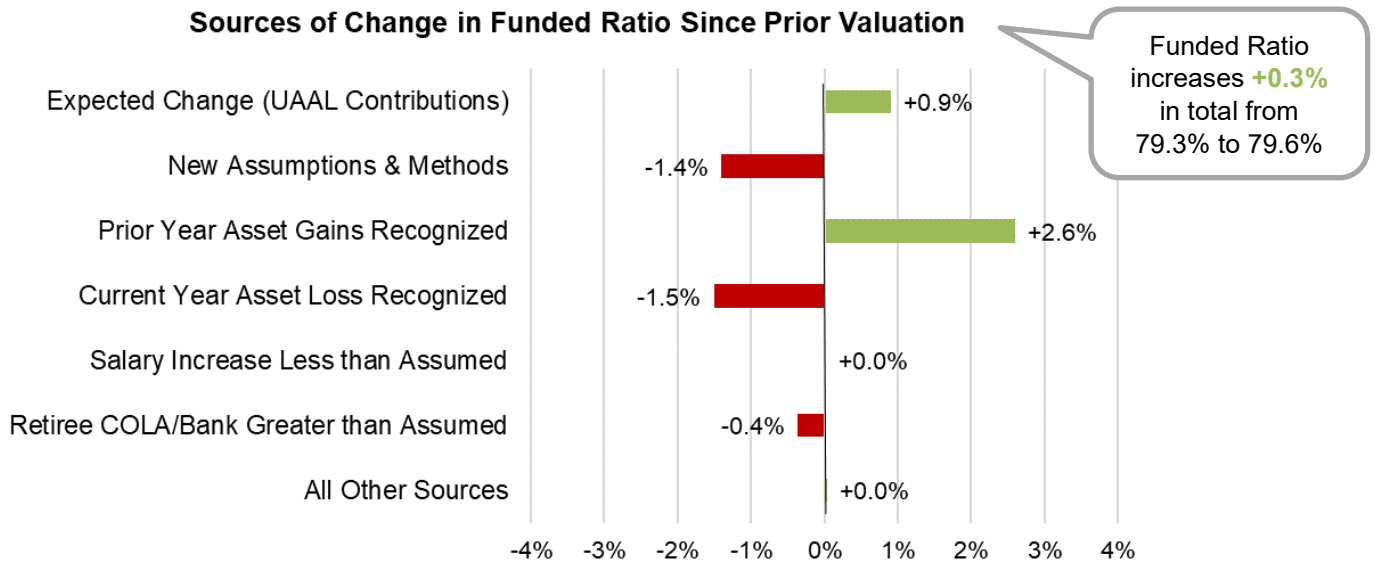
1. Projections assume that actuarial assumptions are met after June 30, 2022, and reflect the scheduled recognition of asset gains and losses currently being deferred.

As shown in the chart above, if all assumptions are met in future years, the employer contribution rate will decrease slightly from the 25.84% rate calculated in this valuation over the next few years and then stabilize at

about 25% of pay. Under the projection scenario, the Funded Ratio will be approximately 89% as of June 30, 2031 if all assumptions are met. However, future results will vary as actual experience will not exactly meet the assumptions.

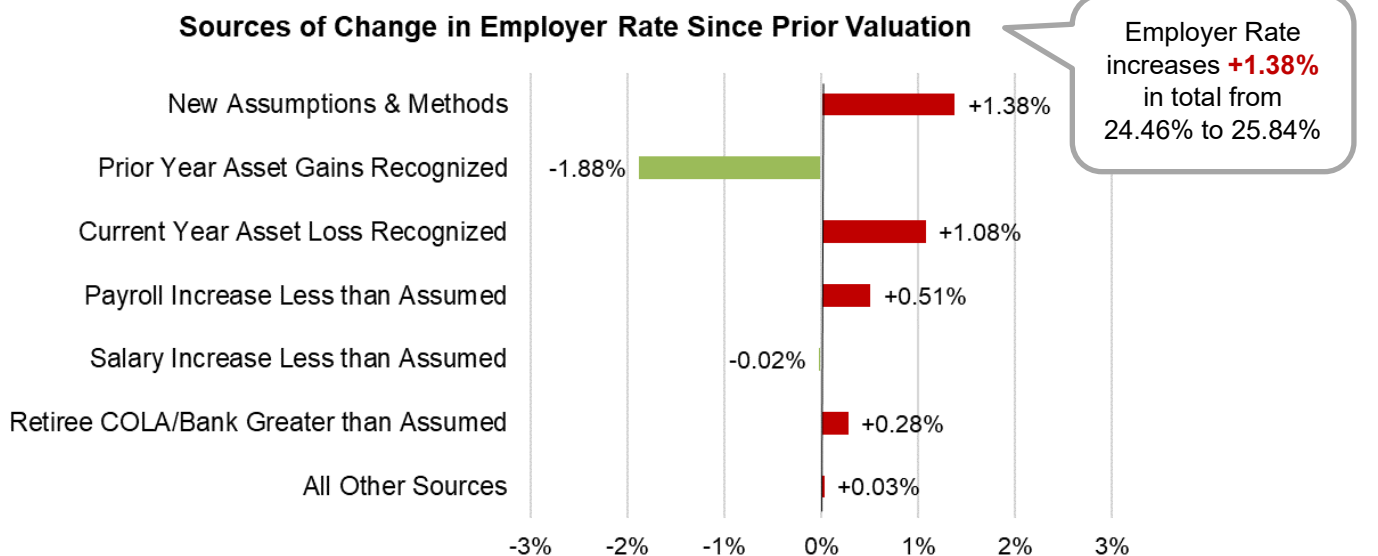
Analysis of Change – Funded Ratio

The following table shows an analysis of the primary causes of the change in the Funded Ratio since the last valuation. The recognition of a portion of the prior year’s investment gains was the most significant factor causing the Funded Ratio increase, although it was most offset by a number of other factors.



Analysis of Change – Employer Contribution Rate

The following table shows an analysis of the primary causes of the change in the employer contribution rate since the last valuation. The recognition of a portion of the current year’s investment loss and the new assumptions and methods were the most significant factors causing the increase in the employer contribution rate.

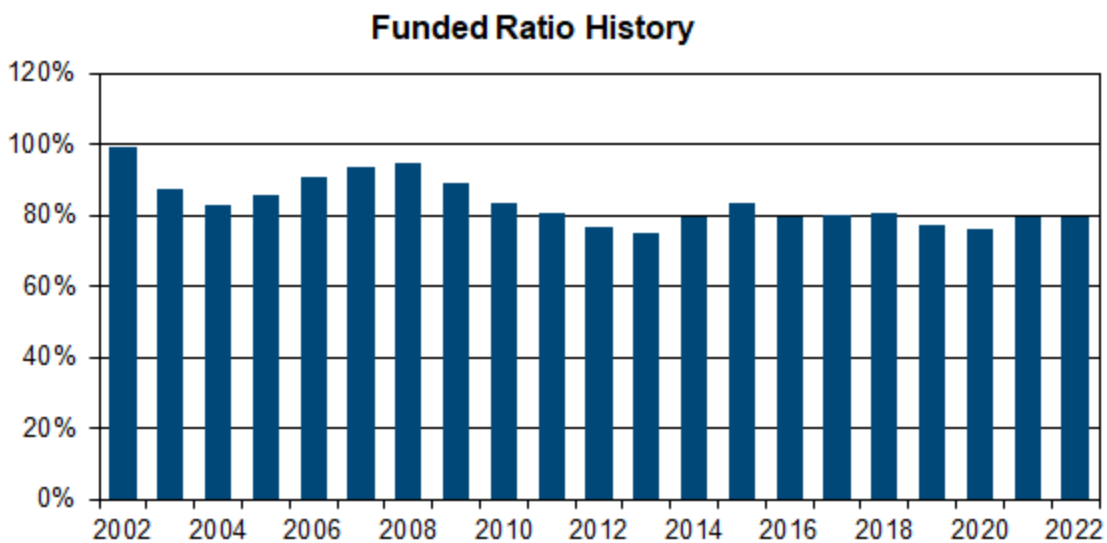


Funding Progress

One measure of the funding adequacy of the system is the Funded Ratio, which compares the Valuation Assets (the actuarial value of assets net of certain non-valuation reserves) to the Actuarial Accrued Liability (AAL). The Funded Ratio shown in this valuation is appropriate for assessing the future contributions needed. Other calculations may be necessary for other purposes, such as assessing the sufficiency of current system assets to satisfy the estimated cost of settling the system’s accrued benefit obligations.

As shown in the graph that follows, the Funded Ratio was 94.5% as of June 30, 2008, but decreased steadily over the five-year period following the economic downturn to a low of 75.0% as of June 30, 2013 as asset losses were gradually recognized. The Funded Ratio has increased slightly since that time, although this increase has been slow as the actuarial assumptions have been strengthened over the period, thereby increasing the AAL and offsetting some of the increase in the Funded Ratio from other sources.

A historical perspective of the Funded Ratio is shown in the following chart.



Assets

On June 30, 2022, the market value of the fund (including non-valuation reserves) was \$70.3 billion. The actuarial value of assets was \$70.0 billion, split between \$1.3 billion of Non-Valuation Assets and \$68.7 billion of Valuation Assets. The actuarial value of assets is approximately 100% of the market value of assets.

On a market-value basis, for the fiscal year ended June 30, 2022, LACERA earned 0.1% net of investment expenses, as reported by LACERA in the June 30, 2022 Annual Comprehensive Financial Report (ACFR). The market value of assets is used in calculating the actuarial value of assets. Under the actuarial asset method, investment gains and losses are generally recognized (or smoothed in) over a five-year period . Due to the recognition of current and deferred asset gains and losses (in total a net asset gain), the return on the actuarial valuation of assets for the most recent fiscal year is 8.5% net of investment and administrative expenses, which is higher than the assumed return for the prior year of 7.0%.

Valuation Assets are used in the calculation of the UAAL contribution rate and Funded Ratio. Valuation Assets are equal to the actuarial value of assets less certain non-valuation reserves. The Valuation Assets of \$68.7 billion are equal to 79.6% of the \$86.3 billion AAL.

The non-valuation reserves are set aside for obligations or contingencies and are excluded from the assets used in the funding valuation. They are not used to fund the retirement benefits unless explicitly stated. As of June 30, 2022, the non-valuation reserves include:

- the Contingency Reserve, which is equal to 1% of the market value of assets, or \$703 million, and
- the STAR Reserve of \$614 million.

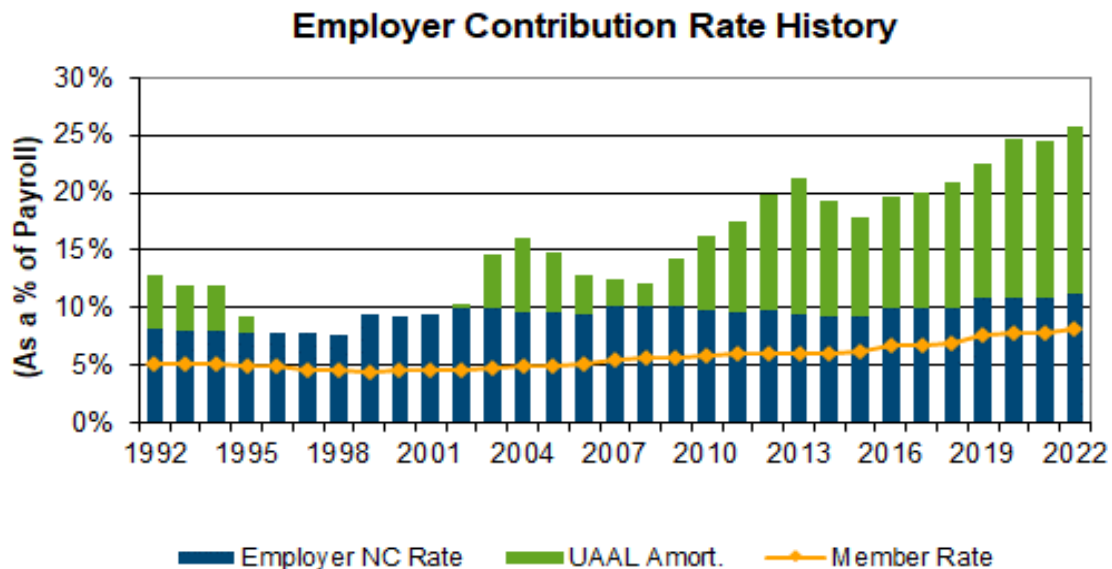
Note that this Contingency Reserve is different than the Contingency Reserve amount determined by LACERA for accounting purposes and included in the ACFR.

Future Impact of Recognition of Deferred Gains/Losses

The smoothing method is currently deferring \$261 million in investment gains. As the currently deferred gains are recognized over upcoming valuations, it is projected there will be small decreases in the calculated employer contribution rate. The potential future impact of the recognition of these deferred gains on the projected employer contribution rate is included in the graph on page 3.

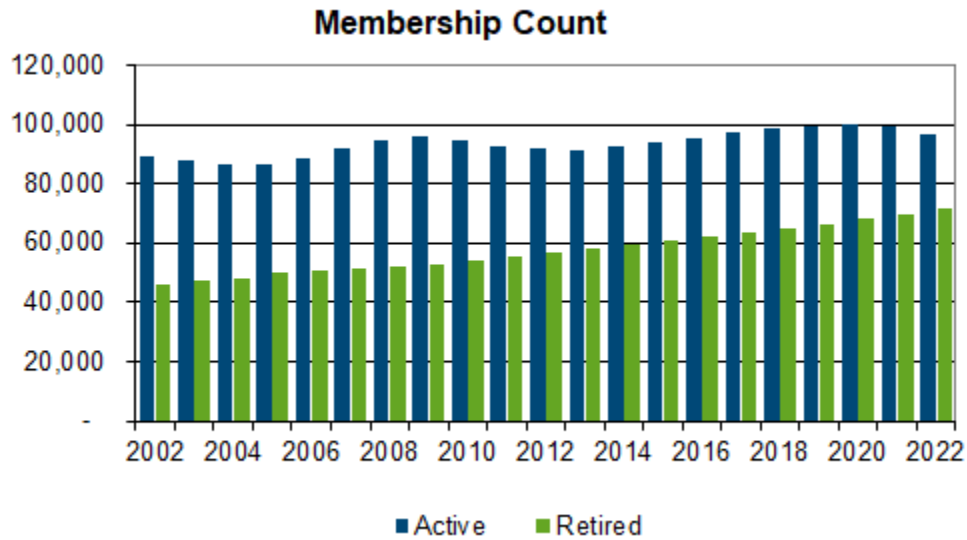
Employer Contribution Rate History

Based on the results of the valuation, the calculated employer contribution rate will increase for the fiscal year beginning in 2023 to a rate of 25.84% of pay, compared to 24.46% for the fiscal year beginning in 2022. A historical perspective of the employer contribution rates is shown in the following chart.

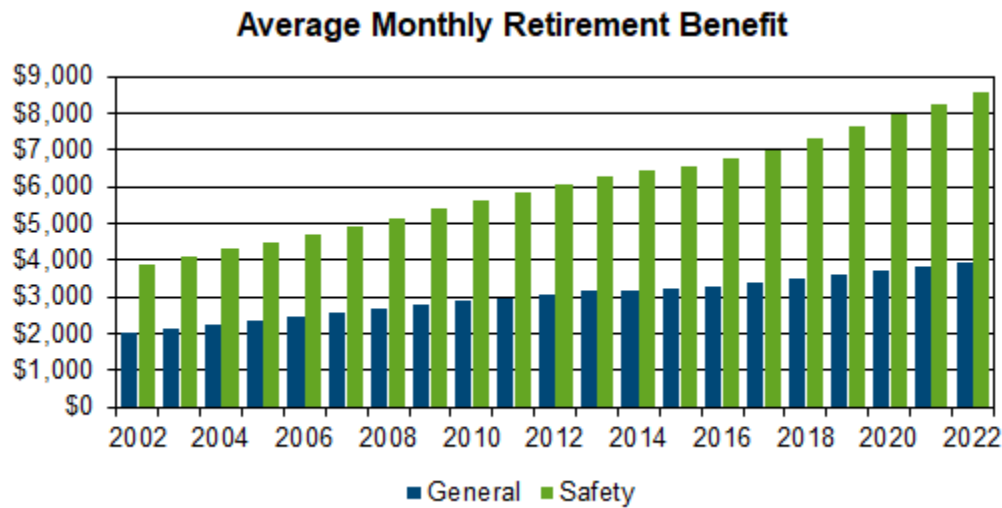


Member Information

Active payroll and active membership have both decreased since 2021. As of June 30, 2022, the annualized payroll is \$9.0 billion for 96,539 active members. This reflects a 0.3% decrease in total payroll and a 2.6% decrease in the number of active members. Average member pay increased by 2.3% over the period.



Retired member counts and average retirement benefit amounts continue to increase steadily. For 2022, there were 71,571 retired members and beneficiaries with an average benefit of \$4,832 per month. This represents a 3.0% increase in count and a 3.3% increase in the average monthly benefit.



The charts show that over the last 20 years the number of retired members has grown faster than the number of active members, and the average monthly benefit of retired members and beneficiaries has roughly doubled. This is typical of a maturing retirement system. The increasing number of retirees (relative to active members) and average monthly benefit is a key driver of the negative cashflows experienced over the last several years, and that are projected to continue growing. Cashflow history and projections are shown and described in more detail in Section 8.

Analysis of Change in Member Population

The following table summarizes the year-to-year change in member population.

	Active Members	Inactive Members	Service Retired Members	Disabled Retired Members	Beneficiaries in Pay	Total
As of June 30, 2021	99,101	17,188	49,766	10,313	9,418	185,786
New Members	4,096	224	7		844	5,171
Status Change:						
to Active	135	(134)	(1)			-
to Inactive	(2,666)	2,666				-
to Service Retirement	(3,276)	(416)	3,692			-
to Disabled Retirement	(242)	(11)	(241)	494		-
Refunds	(397)	(344)				(741)
Terminated non-vested	(27)					(27)
Benefits Expired			(2)		(14)	(16)
Deaths	(185)	(126)	(1,750)	(358)	(597)	(3,016)
As of June 30, 2022	96,539	19,047	51,471	10,449	9,651	187,157

Note: Inactive Members include non-vested former members who have not taken a refund of their contributions.

Sensitivity to Investment Return Assumption

The valuation results are projections based on the actuarial assumptions. Actual experience will differ from these assumptions, either increasing or decreasing the ultimate cost. Of the assumptions, the investment return generally has the biggest impact. The following table provides a simple analysis on how the short-term costs are affected by the investment return assumption. Note that the long-term cost of the Plan will be largely driven by actual investment returns and other experience; the assumptions used in the valuation impact the timing of the contributions over the long term.

	Investment Return Assumption		
	Current 7.00%	+0.5% 7.50%	-0.5% 6.50%
Employer Contribution Rate	25.84%	20.90%	31.01%
Change		-4.94%	5.17%
Funded Ratio	79.6%	84.5%	74.8%
Change		4.9%	-4.8%

Risk Discussion

Additional risks to the Plan are described in more detail in Section 9: Risk Disclosure. Some key points that can be seen in this report are:

- **Maturity:** As previously discussed, LACERA continues to mature as a system. One example of the impact of this maturity is that the employer contribution rate is becoming more sensitive to investment gains or losses and other experience. This sensitivity is measured by the asset and liability volatility ratios discussed in Section 9.
- **Risk Factors:** We believe investment returns are the greatest potential risk to future valuation results of LACERA. One way to measure the potential impact is using the Asset Volatility Ratio (AVR), which is a measure of the level of assets to payroll. LACERA's AVR of 7.6 implies that a 10% investment gain or loss relative to the assumed 7% investment return (that is, an investment return of -3% or +17%) will result in a 5.4% of pay increase (or decrease) in the employer contribution rate (after investment gains or losses are smoothed in).

Payroll growth lower than assumed by the assumptions is another potential risk as it will result in increases in the employer contribution rate. Although the employer contribution rate may increase, total employer contributions may not be as significantly impacted as the higher rates would be applied to a smaller payroll base.

- **Variation:** Although we believe the actuarial assumptions provide a reasonable estimate of future experience, one thing is certain: future results will vary from those projected by the actuarial assumptions, either better or worse. One way to assess the potential future variation is to look at the past. The Funding Progress and Employer Contribution Rate History subsections above provide a historical perspective of LACERA's Funded Ratios and the employer contribution rate. These both show noticeable variation, both up and down, over the last 20 years.

Summary Valuation Results

Exhibit 1 on the following page presents a summary of key valuation elements as of June 30, 2022 and June 30, 2021 and shows the relative change over the past year. More detail on each of these elements can be found in the following sections and exhibits of this report.

Exhibit 1
Summary of Significant Valuation Results

	June 30, 2022	June 30, 2021	Percentage Change
Total Membership			
A. Active Members	96,539	99,101	(2.6)%
B. Retired Members & Beneficiaries	71,571	69,497	3.0%
C. Vested Former Members ⁽¹⁾	19,047	17,188	10.8%
D. Total	<u>187,157</u>	<u>185,786</u>	0.7%
Pay Rate as of valuation date			
A. Annual Total (\$millions)	\$ 9,048	\$ 9,080	(0.3)%
B. Monthly Average per Active Member	7,811	7,635	2.3%
Average Monthly Benefit Paid to Current Retirees and Beneficiaries			
A. Service Retirement	4,707	4,577	2.8%
B. Disability Retirement	6,744	6,440	4.7%
C. Surviving Spouse and Dependents	3,429	3,289	4.3%
D. Total	4,832	4,679	3.3%
Actuarial Accrued Liability (\$millions)			
A. Active Members	36,683	35,124	4.4%
B. Retired Members	48,161	45,397	6.1%
C. Vested Former Members	1,476	1,377	7.2%
D. Total	<u>86,320</u>	<u>81,898</u>	5.4%
Assets			
A. Market Value of Fund (\$millions)	70,290	73,012	(3.7)%
B. Actuarial Value (\$millions)			
1. Valuation Reserves	68,712	64,909	5.9%
2. Non-valuation Reserves	1,317	730	80.4%
C. Annual Investment Return			
1. Market Basis (Net Return)	0.1%	25.2%	n/a
2. Valuation (Actuarial) Basis	8.5%	10.4%	n/a
Unfunded Actuarial Accrued Liability (\$ millions)	\$ 17,608	\$ 16,989	3.6%
Employer contribution rate for all plans combined as a percent of total payroll			
A. Gross Normal Cost	19.33%	18.75%	3.1%
B. Member Contributions ⁽²⁾	(8.21)%	(7.87)%	4.3%
C. Employer Normal Cost	<u>11.12%</u>	<u>10.88%</u>	2.2%
D. UAAL Amortization	14.72%	13.58%	8.4%
E. Employer Contribution Rate	<u>25.84%</u>	<u>24.46%</u>	5.6%
Funded Ratio	79.6%	79.3%	0.4%
Results Based on Market Value (Informational Purposes Only)			
Calculated Contribution Rate	25.63%	18.57%	38.1%
Funded Ratio (excluding non-valuation reserves)	79.9%	88.3%	(9.5)%

1. Includes non-vested former members with contributions on deposit.

2. Includes non-contributory members. The average rate for contributory plans increased from 9.16% to 9.45%.

2. Scope of the Report

This report presents the actuarial valuation of the Los Angeles County Employees Retirement Association as of June 30, 2022. This valuation was requested by the Board of Investments. Section 31453 of the County Employees Retirement Law of 1937 (the CERL) requires an actuarial valuation to be performed at least every three years for the purpose of setting contribution rates. The 2022 valuation meets this requirement. Under LACERA's Funding Policy, annual valuations determine the employer contribution rates each year. Member contribution rates for all plans except General Plan G and Safety Plan C are set in years in which relevant actuarial assumptions are altered. For members of General Plan G and Safety Plan C, member contribution rates are recalculated each year, based on one-half of the Plan's normal cost rate.

A summary of the findings resulting from this valuation is presented in the previous section.

Section 3 describes the assets and investment experience of the Plan.

- The assets and investment income are presented in Exhibits 2-4.
- Exhibit 5 develops the actuarial value of assets as of June 30, 2022.
- Exhibit 6 develops the Valuation Assets used for funding benefits.

Section 4 describes the benefit obligations of LACERA.

- Exhibit 7 is the Actuarial Balance Sheet.
- Exhibit 8a analyzes the change in UAAL, and Exhibit 8b shows a history of these changes.

Section 5 discusses the member contribution rates.

Section 6 discusses the employer contributions rates.

Section 7 discloses supplemental information for use in the Annual Comprehensive Financial Report (ACFR). Milliman provides LACERA financial reporting information relevant to GASB Statements No. 67 and 68 in separate reports.

Section 8 shows the estimated cash flow of the Plan, including a projection of both contributions and benefit payments.

Section 9 provides a discussion of the risks to the Plan. A more comprehensive analysis of risks was provided in Spring of 2022 as part of Milliman's Risk Assessment based on the June 30, 2021 actuarial valuation.

This report includes several appendices:

- Appendix A A summary of the actuarial procedures and assumptions used to estimate liabilities and contributions.
- Appendix B A summary of the current benefit structure, as determined by the provisions of governing law on June 30, 2022.
- Appendix C Schedules of valuation data classified by various categories of plan members.
- Appendix D Member contribution rates by plan.
- Appendix E Historical information.
- Appendix F A glossary of actuarial terms used in this report.

3. Assets

In many respects, an actuarial valuation can be thought of as an inventory process. The inventory is taken as of the actuarial valuation date, which for this valuation is June 30, 2022. On that date, the assets available for the payment of retirement benefits are appraised. These assets are compared with the actuarial liabilities (both accrued and future) for current members, which are generally in excess of the actuarial assets. The purpose of the valuation is to determine what future contributions by the members and employers are needed to pay all expected future benefits.

This section of the report looks at the assets used for funding purposes. In the next section, the actuarial liabilities will be discussed. Section 6 reviews the process for determining required contributions based on the relationship between the Valuation Assets and the actuarial liabilities.

A historical summary of the Plan's assets is presented below (dollar amounts in billions).

	Market Value of Total Assets	Actuarial Value		
		Non-Valuation Reserves	Valuation Assets	Total Fund Return (%) ⁽¹⁾
2013	\$ 41.8	0.4	39.9	11.9
2014	47.7	0.5	43.7	16.5
2015	48.8	0.5	47.3	4.1
2016	47.8	0.5	49.4	0.8
2017	52.7	0.5	52.2	12.7
2018	56.3	0.6	55.2	9.0
2019	58.3	0.6	57.6	6.4
2020	58.5	0.6	59.8	1.8
2021	73.0	0.7	64.9	25.2
2022	70.3	1.3	68.7	0.1

1. As reported in the Investment Section of LACERA's ACFR for the fiscal year ended June 30, 2022. All returns are shown net of investment expenses and calculated on a time-weighted basis.

On June 30, 2022, the total market value of the fund, less current liabilities, was \$70.3 billion. The actuarial value of the fund was determined to be \$70.0 billion, including the non-valuation reserves. The average total fund return for the last 10 years is 8.6% net of fees, as reported by LACERA.

Financial Exhibits

Exhibit 2 presents a Statement of Fiduciary Net Position and Exhibit 3 presents a Statement of Changes in Fiduciary Net Position. Exhibit 4 describes the allocation of LACERA's assets by the various reserve values determined for accounting purposes as disclosed in the audited financial statements.

Exhibits 2-4 are taken directly from data furnished to us by LACERA in its annual financial report. We have accepted these tables for use in this report without audit, but we have reviewed them both for the prior year and the current year for reasonableness and consistency with previous reports.

Actuarial Asset Method

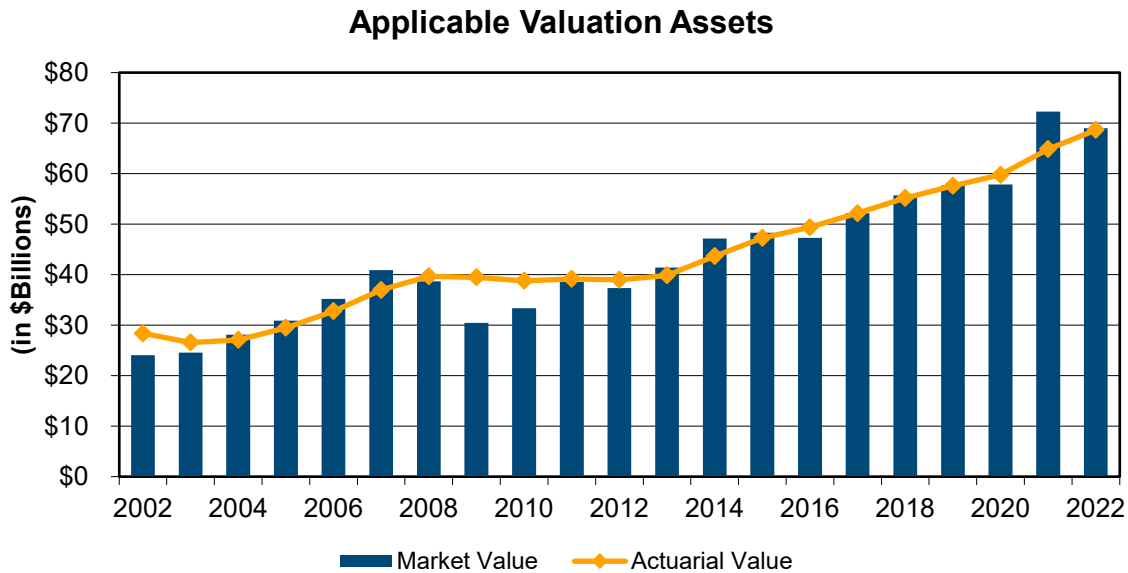
The actuarial asset method projects the expected market value of assets based on the prior year's market value of assets, the actual cash flow of contributions and benefit payments, and the assumed investment rate of return.

For the previous year, the assumed rate of return was 7.0%, net of all expenses. The difference between the actual market value and the expected market value is recognized evenly (also referred to as “smoothing”) over a five-year period.

Effective June 30, 2022 the actuarial asset method employs a method of offsetting investment gains and losses. In this valuation all deferred investment gains and losses are combined and offset into one single amount such that the actuarial asset value is unchanged from the prior method. In future years, to the extent there is an investment loss for the year and there are unrecognized investment gains from previous years, or to the extent that there is an investment gain for the year and there are unrecognized investment losses from previous years, the gain or loss for the year shall be used to offset unrecognized gains or losses from previous years in the order of oldest to most recent. Any remaining gain or loss for the year is recognized over a five-year period. With this modification to the actuarial asset method, in any given valuation only investment gains or losses will be present, which is expected to result in a less volatile actuarial value of assets.

Actuarial Value of Assets

The development of the June 30, 2022 actuarial value of assets is shown in Exhibit 5 and reflects the combination of all investment gains and losses as of that date into one single amount. Note the smoothing process is deferring past investment gains and losses, and is currently in a net actuarial gain position. The result is an actuarial value of assets that is less than the June 30, 2022 market value by \$0.3 billion. The following graph shows a historical comparison of the actuarial and market assets used for valuation purposes.



Funding Policy

Under LACERA’s Retirement Benefit Funding Policy a Funded Ratio equal to 100% is the Funding Goal. Note that although the allocation of assets used in the actuarial valuation is similar to the process LACERA uses for accounting purposes, there are some differences, including the earnings considered for interest crediting purposes.

For funding purposes and for setting employer contributions rates, recognized earnings for a plan year is the recognized investment income as determined by the actuarial asset method and includes both unrealized income

and net realized income, together with the prior balance in the Contingency Reserve. The allocation of recognized earnings is performed once a year as of the valuation date in the following order of priority:

- Priority 1: Allocate to the Member Reserve so the Actuarial Asset allocation to that Reserve equals the accounting value for that Reserve on the valuation date.
- Priority 2: Allocate to the Advanced Employer Contributions Reserve so the Actuarial Asset allocation to that Reserve equals the accounting value for that Reserve on the valuation date.
- Priority 3: Allocate to the Employer Reserve so the Actuarial Asset allocation to that reserve equals the accounting value for that Reserve on the valuation date.
- Priority 4: Allocate to the County Contribution Credit Reserve so the Actuarial Asset allocation to that reserve equals the accounting value for that Reserve on the valuation date. Note: This Reserve is not a Valuation Reserve.
- Priority 5: Allocate to the Employer Reserve so the total amounts allocated equal one-year's interest at the assumed interest rate used in the actuarial valuation as of the preceding valuation date to the extent there are positive recognized earnings to allocate.
- Priority 6: Allocate to the Contingency Reserve an amount equal to 1% of the Market Value of Assets as of the valuation date to the extent there are positive recognized earnings to allocate.
- Priority 7: Allocate to the Employer Reserve an amount, if necessary, when combined with other Valuation Reserves, to provide 100% funding of the AAL as of the valuation date to reach the Funding Goal. In the event there are negative recognized earnings, allocate the entire amount.
- Priority 8: The Board may consider additional actions as permitted under the County Employee Retirement Law (CERL) using funds in excess of the amount needed to meet the Funding Goal for funding discretionary benefits. "Excess Earnings" as defined in the County Employees Retirement Law (CERL) may be appropriated upon reaching the Funding Goal; however, the Board may consider adjustment to the employer's contributions only upon satisfying California Government Code Section 7522.52(b).

Valuation Assets

Valuation Assets are the actuarial value of the fund, less the value of any Non-Valuation Reserves. Non-Valuation Reserves include Contingency Reserves and other reserves that have been set aside for current liabilities and special benefits to be funded outside of the actuarially determined contribution rates. The Contingency Reserve is set at a minimum of 1.0% of the market value of the total assets.

Effective June 30, 2022 the STAR Reserve is considered a Non-Valuation Reserve. Consistent with the exclusion of the STAR Reserve from Valuation Assets, the liability for any STAR benefits that may be granted in the future is not included in the liability portion of valuation. The June 30, 2022 STAR Reserve accounting value of \$614 million was excluded from Valuation Assets and as such is not used to determine the employer contribution rates for the fiscal year beginning July 1, 2023.

The Non-Valuation Reserves shown in Exhibit 6 for funding purposes are not the same as those shown in the audited financial statements and in Exhibit 4.

Exhibit 2
Statement of Fiduciary Net Position
As of June 30, 2022 and June 30, 2021

	2022	2021
Assets		
Cash and Short-Term Investments	\$ 3,058,494,546	\$ 3,034,716,419
Cash Collateral on Loaned Securities	1,401,076,878	1,198,528,379
Receivables		
Contributions Receivable	119,635,183	114,101,681
Accounts Receivable - Sale of Investments	355,515,478	439,841,239
Accrued Interest and Dividends	226,860,897	169,925,118
Accounts Receivable - Other	10,226,949	109,138,958
Total Receivables	<u>712,238,507</u>	<u>833,006,996</u>
Investments at Fair Value		
Equity	24,464,719,621	29,705,842,700
Fixed Income	18,641,786,544	21,077,313,430
Private Equity	12,753,842,152	11,471,947,142
Real Estate	5,802,979,342	5,294,150,081
Hedge Funds	4,440,433,903	2,748,464,892
Real Assets	1,363,251,696	0
Total Investments	<u>67,467,013,256</u>	<u>70,297,718,245</u>
Total Assets	<u>72,638,823,188</u>	<u>75,363,970,038</u>
Liabilities		
Accounts Payable - Purchase of Investments	835,073,030	1,055,062,733
Retiree Payroll and Other Payables	1,779,455	1,550,257
Accrued Expenses	63,266,240	50,275,900
Tax Withholding Payable	42,715,354	40,144,308
Obligations under Securities Lending Program	1,401,076,878	1,198,528,379
Accounts Payable - Other	5,299,875	6,382,744
Total Liabilities	<u>2,349,210,833</u>	<u>2,351,944,321</u>
Fiduciary Net Position Restricted For Pension Benefits	<u>\$ 70,289,612,355</u>	<u>\$ 73,012,025,718</u>

Exhibit 3
Statement of Changes in Fiduciary Net Position
For the Fiscal Years Ended June 30, 2022 and 2021

	2022	2021
Additions		
Contributions		
Employer	\$ 2,199,888,716	\$ 2,012,877,282
Member ⁽¹⁾	<u>758,632,238</u>	<u>760,993,626</u>
Total Contributions	<u>2,958,520,953</u>	<u>2,773,870,909</u>
Investment Income		
From Investing Activities:		
Net Appreciation/(Depreciation) in Fair Value of Investments	(6,717,556,042)	9,981,327,917
Investment Income/(Loss)	<u>5,476,668,193</u>	<u>5,915,583,546</u>
Total Investing Activity Income	<u>(1,240,887,848)</u>	15,896,911,462
Less Expenses From Investing Activities	<u>(310,360,199)</u>	<u>(271,751,482)</u>
Net Investing Activity Income	<u>(1,551,248,047)</u>	15,625,159,981
From Securities Lending Activities:		
Securities Lending Income	12,294,541	5,071,951
Less Expenses From Securities Lending Activities:		
Borrower Rebates	125,823	869,192
Management Fees	<u>(1,317,057)</u>	<u>(1,186,215)</u>
Total Expenses from Securities Lending Activities	<u>(1,191,234)</u>	<u>(317,023)</u>
Net Securities Lending Income	11,103,307	4,754,928
Total Net Investment Income	<u>(1,540,144,740)</u>	<u>15,629,914,908</u>
Miscellaneous	4,117,638	2,927,574
Total Additions	<u>1,422,493,851</u>	<u>18,406,713,391</u>
Deductions		
Retiree Payroll	4,002,272,810	3,785,607,812
Administrative Expenses	86,110,835	76,369,711
Investment Expenses	14,010,176	14,216,047
Refunds	38,088,986	24,512,008
Lump Sum Death Benefits	4,205,274	4,142,050
Miscellaneous	<u>219,132</u>	<u>247,956</u>
Total Deductions	<u>4,144,907,213</u>	<u>3,905,095,584</u>
Net Increase/(Decrease)	(2,722,413,362)	14,501,617,807
Fiduciary Net Position Restricted For Pension Benefits		
Beginning of Year	73,012,025,718	58,510,407,911
End of Year	<u>\$ 70,289,612,355</u>	<u>\$ 73,012,025,718</u>

1. Member contributions include employer pick-up contributions.

Exhibit 4
Allocation of Assets by Accounting Reserve Amounts

(Dollars in Thousands)

	June 30, 2022	June 30, 2021
1. Member Reserves		
a. Active Members	\$ 25,804,263	\$ 24,646,373
b. Unclaimed Deposits	<u>-</u>	<u>-</u>
c. Total Member Reserves	25,804,263	24,646,373
2. Employer Reserves		
a. Actual Employer Contributions	32,011,255	29,026,898
b. Advanced Employer Contributions	<u>-</u>	<u>-</u>
c. Total Employer Contributions	32,011,255	29,026,898
3. County Contribution Credit Reserve	-	-
4. STAR Reserve	614,011	614,011
5. Contingency Reserve	<u>-</u>	<u>147,104</u>
6. Total Reserves at Book Value	58,429,529	54,434,386
7. Unrealized Investment Portfolio Appreciation	11,860,083	18,577,640
8. Total Reserves at Fair Value	<u>\$ 70,289,612</u>	<u>\$ 73,012,026</u>

Note: These amounts were determined by LACERA for accounting purposes and are reported in the ACFR for the fiscal year ended June 30, 2022.

**Exhibit 5
 Five-Year Smoothing of Gains and Losses on Market Value**

(Dollars in Thousands)

June 30, 2022 Valuation								
Plan Year Ending	Contributions	Benefit Payments	Expected Market Value	Actual Market Value	Investment Gain / (Loss)	Percent Excluded	Preliminary Investment Gain / (Loss) Excluded	Adjusted Investment Gain / (Loss) Excluded
6/30/2022	\$ 2,958,521	\$ 4,044,567	\$ 76,999,453	\$ 70,289,612	\$ (6,709,841) x	80%	= \$ (5,367,873) →	\$ 0
6/30/2021	2,773,871	3,814,262	61,529,948	73,012,026	11,482,078 x	60%	= 6,889,247 →	261,095
6/30/2020	2,459,433	3,606,340	61,189,106	58,510,408	(2,678,698) x	40%	= (1,071,479) →	0
6/30/2019	2,303,566	3,407,155	59,238,837	58,294,837	(944,000) x	20%	= (188,800) →	0
6/30/2018	2,116,085	3,203,375	55,441,551	56,299,982	858,431 x	0%	= 0 →	0
(a) Total Gain / (Loss) Excluded =								\$ 261,095
(b) Total Market Value of Assets =								\$ 70,289,612
(c) Total Actuarial Value of Assets [(b) - (a)] =								\$ 70,028,517

Total Actuarial Value of Assets = Total Market Value of Assets less the Total Excluded amount
 Excluded amounts will be recognized in future years.

Projected Recognition of Actuarial Asset Gains / (Losses) in Future Valuations

	2023 Val	2024 Val	2025 Val	2026 Val	Total
Amount to be Recognized	\$ 87,032	\$ 87,032	\$ 87,032	\$ -	\$ 261,095

Note: After recognizing investment gains and losses under the old asset valuation method (shown in the Preliminary Investment Gain / (Loss) Excluded column), the remaining deferred gains and losses were combined and offset. Since the remaining deferred losses totaling \$6,628,152 were less than the remaining deferred gains totaling, \$6,889,247, the losses excluded were offset against the deferred gain excluded, resulting in an excluded gain of \$261,095. As the deferred losses were fully offset against the deferred gain, the excluded losses equal \$0.

Exhibit 6
Allocation of Valuation and Non-Valuation Assets

(Dollars in Thousands)

	June 30, 2022	June 30, 2021
1. Total Market Value of Assets	\$ 72,638,823	\$ 75,363,970
2. Current Liabilities	<u>2,349,211</u>	<u>2,351,944</u>
3. Net Assets Held in Trust for Pension Benefits	70,289,612	73,012,026
4. Market Stabilization Reserve ⁽¹⁾	<u>261,095</u>	<u>7,372,529</u>
5. Actuarial Value of Assets	70,028,517	65,639,497
6. Non-Valuation Reserves ⁽²⁾		
a. Unclaimed Deposits	-	-
b. Contingency Reserve	702,896	730,120
c. Advanced Employer Contributions	-	-
d. County Contribution Credit Reserve	-	-
e. Reserve for STAR Program	<u>614,011</u>	<u>-</u>
f. Total Non-Valuation Reserves	1,316,907	730,120
7. Actuarial Value of Assets <u>minus</u> Non-Valuation Reserves	<u>\$ 68,711,610</u>	<u>\$ 64,909,377</u>
8. Valuation Assets ⁽²⁾		
a. Member Reserves	25,804,263	24,646,373
b. Employer Reserves for Funding Purposes	<u>42,907,347</u>	<u>40,263,004</u>
c. Total Valuation Assets	<u>\$ 68,711,610</u>	<u>\$ 64,909,377</u>

1. The Market Stabilization Reserve represents the difference between the Market Value of the fund less Current Liabilities, and the Actuarial Value of the fund as determined in Exhibit 5.

2. The values used for funding purposes for all reserves are based on the Board's Funding Policy and reflect the change in the treatment of the STAR Reserve adopted by the Board of Investments at the December 2022 meeting. Amounts used for funding purposes may differ from those reported in the audited financial statements as shown in Exhibit 4.

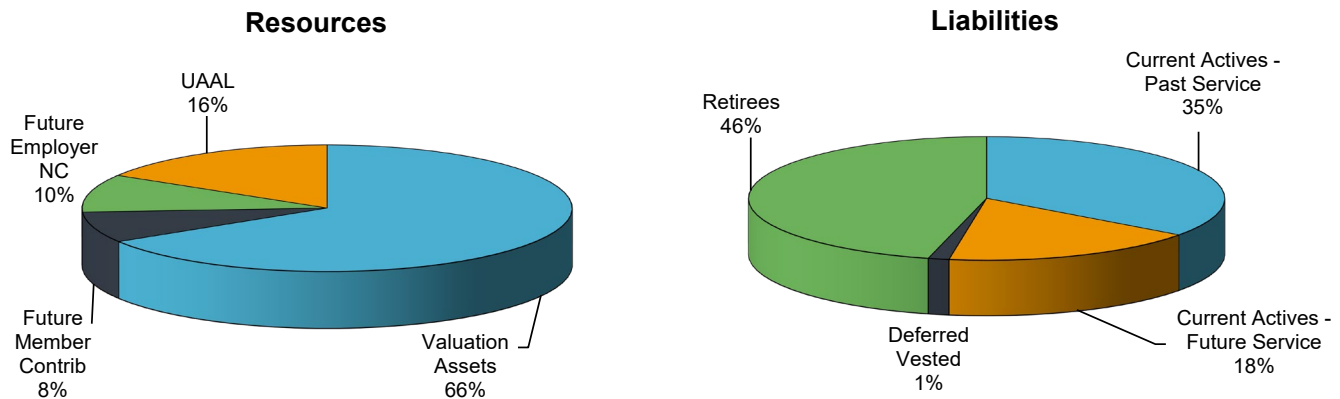
4. Actuarial Liabilities

In the previous section, an actuarial valuation was compared with an inventory process, and an analysis was given of the inventory of LACERA's assets as of the valuation date, June 30, 2022. In this section, the discussion will focus on the commitments of LACERA for retirement benefits, which are referred to as its actuarial liabilities.

Actuarial Balance Sheet – Liabilities

The first step in the valuation process is to compare the total resources of LACERA with the present value of all future benefits (liabilities) for all plans. Resources include Valuation Assets and expected future contributions by both the employers and members. Liabilities reflect benefits already earned in the past and those expected to be earned in the future by current members. This relationship is shown in the pie charts below.

The AAL is the total of these liabilities less expected future Normal Cost contributions. The 2022 actuarial valuation indicates that LACERA's Valuation Assets are less than its AAL.



The difference between the Valuation Assets and the liabilities is the amount that needs to be funded by future member and employer contributions. Both the current and future assets (contributions) are included on the actuarial balance sheet and compared to the liabilities. The difference between these two values is the UAAL.

Exhibit 7 contains an analysis of the present value of future benefits for inactive members (both retired and vested former members) and active members. The analysis is given by class of membership, by plan and by type of benefit. Note that for purposes of this exhibit the Valuation Assets are shown allocated by plan in proportion to each plan's reserves (employer and member).

Liabilities are the actuarial present value of all future benefits expected to be paid with respect to each member. For an active member, this value includes measures of both benefits already earned and future benefits to be earned. For all members, active and inactive, the value extends over the rest of their lives and for the lives of any surviving beneficiaries.

The actuarial assumptions used to determine the liabilities as of June 30, 2022 are based on the results of the 2022 Investigation of Experience Report. See Appendix A of this report for details.

All liabilities reflect the benefits effective through June 30, 2022. This includes permanent STAR COLAs that have been adopted through the valuation date, but does not include the value of any STAR benefits that have been adopted but are not effective until after the valuation date and STAR benefits that may be granted in the future.

Exhibit 7
Actuarial Balance Sheet – June 30, 2022

(Dollars in Millions)

	General						Safety			All Plans
	Plan A	Plan B	Plan C	Plan D	Plan E	Plan G	Plan A	Plan B	Plan C	
LIABILITIES										
Present Value of Benefits - Inactives										
- Retirees and Beneficiaries	\$ 10,327	\$ 466	\$ 291	\$ 12,592	\$ 5,314	\$ 42	\$ 6,722	\$ 12,390	\$ 17	\$ 48,161
- Vested Former	4	1	0	737	462	109	0	152	11	1,476
- Inactive Total	10,331	467	291	13,329	5,776	151	6,722	12,542	28	49,637
Present Value of Benefits - Actives										
- Service Retirement	69	18	21	23,041	6,125	7,542	2	9,108	1,881	47,807
- Transfer Service (prior LACERA plan)	0	0	0	250	401	13	0	15	0	679
- Disability Retirement	0	0	0	797	N/A	500	0	2,902	970	5,169
- Death	0	0	0	285	N/A	138	0	63	29	515
- Termination	0	0	0	141	67	406	0	34	88	736
- Active Total	69	18	21	24,514	6,593	8,599	2	12,122	2,968	54,906
Total Actuarial Liabilities	\$ 10,400	\$ 485	\$ 312	\$ 37,843	\$ 12,369	\$ 8,750	\$ 6,724	\$ 24,664	\$ 2,996	\$ 104,543
ASSETS										
Valuation Assets	(5,432)	312	262	34,823	15,900	4,519	(3,147)	20,468	1,007	68,712
PV Future Member Contributions	1	0	0	2,637	N/A	3,286	0	1,033	1,224	8,181
PV Future Employer Normal Cost Contributions	1	1	0	3,069	994	3,037	0	1,783	1,157	10,042
UAAL or (Surplus Funding)	15,830	172	50	(2,686)	(4,525)	(2,092)	9,871	1,380	(392)	17,608
Total Current and Future Assets	\$ 10,400	\$ 485	\$ 312	\$ 37,843	\$ 12,369	\$ 8,750	\$ 6,724	\$ 24,664	\$ 2,996	\$ 104,543

Actuarial Balance Sheet – Assets

For the purpose of the Actuarial Balance Sheet, LACERA’s assets are equal to the sum of:

- (a) Assets currently available to pay benefits and considered for funding purposes (the Valuation Assets);
- (b) The present value of future contributions expected to be made by current active members; and
- (c) The present value of future contributions expected to be made by the employer.

Actuarial Cost Method

The Actuarial Balance sheet determines the amount of future contributions that are needed, but the method used to determine when those future contributions will be made in future years is called the “actuarial cost method.” For this valuation, the entry age actuarial cost method has been used. Under this method, the contributions required to meet the difference between current assets and current actuarial liabilities are allocated each year between two elements:

- A normal cost amount; and
- An amount to amortize the UAAL (Unfunded Actuarial Accrued Liability). Note that the UAAL may be negative (representing current assets greater than current actuarial liabilities).

The two items described above – the Normal Cost and UAAL – are the keys to understanding the actuarial cost method.

Normal Cost

The Normal Cost is the theoretical contribution rate that will meet the ongoing costs of a group of average new employees. Suppose that a group of new employees was covered under a separate fund from which all benefits and to which all contributions and associated investment returns were paid. Under the entry age actuarial cost method, the Normal Cost contribution rate maintains the funding of benefits as a level percentage of pay. If experience follows the actuarial assumptions precisely, the fund would be completely liquidated when the last payment to the last survivor of the group is made.

By applying the Normal Cost contribution rate to the present value of salaries expected to be paid in the future, we determine the present value of future Normal Cost contributions. Future contributions are expected to be made by both the members and the employer. The member contribution rates are determined based upon requirements established in the CERL and the actuarial assumptions. Based on these member contribution rates, we determine the present value of future member contributions. We subtract that value from the total future Normal Cost contributions expected, based on the entry age cost method. The remaining difference is the employer portion of the future Normal Cost contributions.

Actuarial Accrued Liability

The difference between the present value of all future obligations and the present value of the future Normal Cost contributions is referred to as the Actuarial Accrued Liability (AAL). The AAL is calculated and then compared to the value of assets available to fund benefits. The difference is referred to as the UAAL. The results for all LACERA plans in aggregate are summarized below:

(Dollars in millions)	2022	2021	Percent Change
A. Actuarial present value of all future benefits for contributing members, former contributing members, and their survivors	\$ 104,543	\$ 100,064	4.5%
B. Actuarial present value of total future normal costs for current members	18,223	18,166	0.3%
C. Actuarial accrued liability [A-B]	86,320	81,898	5.4%
D. Valuation Assets	68,712	64,909	5.9%
E. UAAL or (Surplus Funding) [C-D]	17,608	16,989	3.6%
F. Funded Ratio [D/C]	79.6%	79.3%	0.4%

Unfunded Actuarial Accrued Liability

The portion allocated to service already rendered or accrued is called the AAL. The difference between the AAL and the Valuation Assets is called the Unfunded AAL (UAAL). If a UAAL amount exists, it usually results from prior years’ benefit or assumption changes and the net effect of accumulated gains and losses. If the employer had always contributed the current Normal Cost, and if there were no prior benefit or assumption changes, and if actual experience exactly matched the actuarial assumptions, then the present value of all future Normal Cost contributions would be sufficient to fund all benefits and there would be no UAAL.

Exhibit 7 shows how the UAAL was derived for each level of plan benefits. In the Actuarial Balance sheet, the total actuarial liability for all future benefits must be equal to the current and future assets.

The Actuarial Balance Sheet for each plan, as well as its UAAL, is based on an estimated allocation of the total LACERA Valuation Assets, as previously shown in Exhibit 7. The allocation is based on the relative value of each plan’s employer and member reserves as reported to us by LACERA. These allocations are shown for illustrative purposes only, as the UAAL contribution rates are paid by the employer based on the valuation results in aggregate.

Funding Adequacy

A key consideration in determining the adequacy of the funding of LACERA is how the UAAL is being funded. Under LACERA’s Funding Policy, a new UAAL “layer” is established each year when the Funded Ratio is less than 100% or greater than or equal to 120%. Effective with the June 30, 2019 valuation, all new UAAL layers are amortized over 20-year periods.

If future experience is significantly more favorable than expected based on the actuarial assumptions, then LACERA’s UAAL may be eliminated. Conversely, if experience is less favorable, a larger UAAL will develop.

Analysis of Change in Unfunded Actuarial Accrued Liability

The UAAL, at any date after establishment of a retirement plan, is affected by any actuarial gains (decreases in UAAL) or losses (increases in UAAL) arising when the actual experience of the retirement plan varies from the experience anticipated by the actuarial assumptions. To the extent actual experience, as it develops, differs from that expected according to the assumptions used, so will the emerging costs differ from the estimated costs.

The 2022 actuarial valuation reflects a decrease in the UAAL of approximately \$1.5 billion since the prior year. The effect of the gains and losses on the UAAL is shown in Exhibit 8a. A summary of these factors is:

- Investment Returns: Returns on market assets were 0.1% (net of investment expenses) compared to the assumed return of 7.0%. This, combined with recognitions of gains and losses from prior periods, resulted in an actuarial asset gain of \$1.0 billion.
- Active Member Experience (non salary): This includes gains and losses from termination, service retirement, disability retirement, and death different than assumed. This resulted in an actuarial loss of \$31 million.
- Salary Increases: Individual salaries for continuing active members increased at a rate less than the valuation assumption. This resulted in an actuarial gain of \$21 million.
- Actual CPI versus Assumption: The actual CPI increase was higher than assumed. This resulted in Plan A COLA increases higher than the assumption (note that other plans are assumed to receive the maximum COLA), which generated an actuarial loss of \$40 million. In addition, the excess CPI resulted in an increase in the COLA accumulation banks, which generated an actuarial loss of \$315 million.
- Mortality Experience: An actuarial loss due to mortality generally indicates that retired members are living longer than the current assumption predicts. Similarly, an actuarial gain on mortality indicates that retired members are not living as long as predicted. This year, there was an actuarial gain of \$36 million due to mortality experience for retirees and beneficiaries.
- Other Experience: Examples of this are gains and losses from retirement and mortality experience of inactive members, reciprocity, and transfers between plans. These factors combined resulted in an actuarial gain of \$2 million.

Change in Unfunded Actuarial Accrued Liability – History

Exhibit 8b shows the sources of change in the UAAL over the past five valuations. The single biggest source of annual change in most years, when there are no changes in the assumptions, is the return on investments being either greater than or less than the assumption.

**Exhibit 8a
 Analysis of Change in Unfunded Actuarial Accrued Liability**

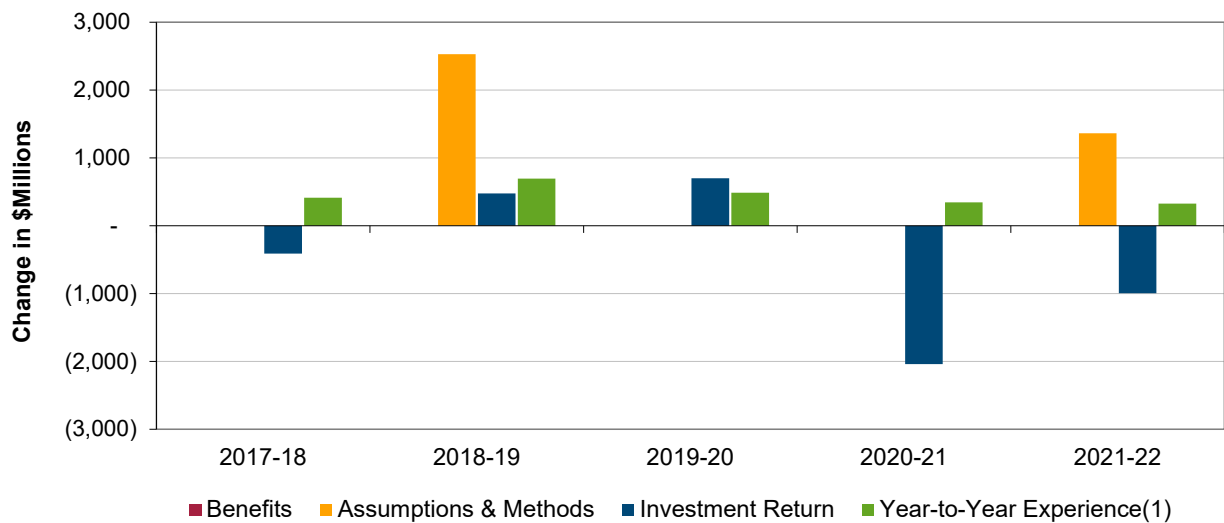
(Dollars in Millions)

	Amount	As a Percent of June 30, 2022 Actuarial Accrued Liability
Unfunded Actuarial Accrued Liability - June 30, 2021	\$ 16,989	19.68%
Interest Accrued	1,202	1.39%
Benefits Accrued (Normal Cost)	1,681	1.95%
<u>Contributions</u>		
Employer - Cash	\$ (2,200)	-2.55%
Employer - Contribution Credit	-	0.00%
Member	<u>(759)</u>	-0.88%
Total	<u>(2,959)</u>	-3.43%
Expected Unfunded Actuarial Accrued Liability - June 30, 2022	\$ 16,913	19.59%
Sources of Change:		
Increase in UAAL due to New Assumptions	750	0.87%
Increase in UAAL due to New Methods	614	0.71%
<u>Asset (Gains) and Losses</u>		
(Gain) / Loss due to Investment Income	(996)	-1.15%
<u>Liability (Gains) and Losses</u>		
Active Member Experience (non salary)	\$ 31	0.04%
Salary Increases Greater than Expected	(21)	-0.02%
CPI Greater than Expected	355	0.41%
Mortality Experience	(36)	-0.04%
All Other Experience	<u>(2)</u>	0.00%
Total	<u>327</u>	0.38%
Total Changes	\$ 695	0.80%
Unfunded Actuarial Accrued Liability - June 30, 2022	\$ 17,608	20.40%

Exhibit 8b
History of Changes in Unfunded Actuarial Accrued Liability

(Dollars in Millions)

	2017-18	2018-19	2019-20	2020-21	2021-22	2017-22
Prior Valuation UAAL	\$ 13,145	\$ 13,294	\$ 17,018	\$ 18,512	\$ 16,989	\$ 13,145
Increase in UAAL due to:						
Expected Increase / (Decrease)	146	25	306	171	(76)	572
■ Asset (Gains) and Losses	(411)	477	701	(2,039)	(996)	(2,268)
■ Changes in Benefits	-	-	-	-	-	-
■ Changes in Assumptions	-	2,528	-	-	750	3,278
■ Changes in Methods	-	-	-	-	614	614
■ Salary Increases	223	486	388	484	(21)	1,560
■ CPI Increases	45	44	43	(73)	355	414
■ Mortality Experience	(20)	(6)	1	(96)	(36)	(157)
■ All Other Experience	166	170	55	30	29	450
Total Increase / (Decrease)	149	3,724	1,494	(1,523)	619	4,463
Valuation UAAL	\$ 13,294	\$ 17,018	\$ 18,512	\$ 16,989	\$ 17,608	\$ 17,608
Funded Ratio	80.6%	77.2%	76.3%	79.3%	79.6%	79.6%



1. Year-to-Year Experience includes changes due to Salary, CPI, Mortality and Other Experience.

5. Member Contributions

Normal Contributions for non-PEPRA Plans

Member contributions are of two types: Normal contributions and cost-of-living contributions.

Normal contributions for each of the legacy plans (all plans except General Plan G and Safety Plan C) are defined in the following sections of the CERL:

Plan	CERL	
	Reference	Formula
General A	31621.3	1/240th of FAC at age 55
General B	31621.1	1/120th of FAC at age 55
General C	31621	1/120th of FAC at age 60
General D	31621	1/120th of FAC at age 60
General E	N/A	Plan E is non-contributory
Safety A	31639.5	1/200th of FAC at age 50
Safety B	31639.25	1/100th of FAC at age 50

Note: FAC = Final Average Compensation

Normal member contributions are determined using the Entry Age Normal Funding Method and the following actuarial assumptions:

1. Expected rate of return on assets.
2. Individual salary increase rate (wage growth + merit).
3. Mortality for members on service retirement.

Since new assumptions were adopted for the 2022 valuation, we are recommending changes to the member contribution rates for General Plans A to D and Safety Plans A and B. Member contributions are shown in Appendix D. A sample of these recommended member contribution rates is shown in Exhibit 9.

Member contribution rates for General Plan G and Safety Plan C are discussed below.

Cost-of-Living Contributions for Legacy Plans

The determination of the member cost-of-living (COLA) contributions is based on Section 31873 of the CERL. This section requires that the cost of the COLA benefit be shared equally between members and the employer. Unlike the member normal contributions, these rates are based on the actuarial cost of the benefits and reflect all assumptions used in the valuation of liabilities.

Since new assumptions were adopted for the 2022 valuation we are recommending changes in the member cost-of-living contribution rates. The recommended cost-of-living contribution rates, expressed as a percentage of the normal member contribution rates, are as follows:

Plan	Recommended COLA %	Current COLA %	Ratio (Recommended / Current)
General A	82.08%	84.46%	97.2%
General B	26.10%	25.90%	100.8%
General C	26.19%	26.81%	97.7%
General D	26.59%	25.94%	102.5%
General E	0.00%	0.00%	N/A
Safety A	87.15%	87.15%	100.0%
Safety B	33.43%	33.03%	101.2%

The relative magnitude of these amounts reflects the differences in the normal contribution rates for each plan and the different cost-of-living benefits offered by the different plans. The rate for Plan E is 0.00% since it is non-contributory.

A sample of the current member contribution rates (normal plus cost-of-living) can be found in Exhibit 9.

Full disclosure of the member rates showing both the normal and the total (normal plus cost-of-living) contribution rates can be found in Appendix D.

Member Contribution Rates for General Plan G and Safety Plan C (PEPRA Plans)

Members of the two plans developed in compliance with the California Public Employees’ Pension Reform Act of 2013 (PEPRA) contribute a flat rate (i.e., does not vary by entry age) based on whether they are in the General or Safety plan. This rate is set equal to one-half of the total Normal Cost rate for the respective plan. We are recommending changes to the member contribution rates for these plans, as shown below, to reflect the Plan’s Normal Cost rates for the 2022 valuation.

	General Plan G	Safety Plan C
All Ages: Recommended	9.24%	14.76%
All Ages: Current	9.08%	14.33%
Ratio (Recommended / Current)	101.8%	103.0%

Note that the member contribution rates for these plans are further split for purposes of this report into a “Normal” and “Cost of Living” component. The cost-of-living component for these members, as shown in Exhibit 9 on the following page, represents one-half of the cost of the COLA for these plans.

Average Member Rates

The average member contribution rate for only those active members in contributory plans at June 30, 2022 is 9.45% of covered payroll, compared to 8.21% of covered payroll for all active members including non-contributory members. The 8.21% offsets the gross normal cost to yield the employer normal cost rate. Note that covered payroll does not include pay for PEPRA plan members that is above the PEPRA compensation limit.

Exhibit 9
Sample Member Contribution Rates

Recommended Rates (Based on 2022 Valuation)						
	Entry Age	Normal	Cost of Living	Total as a % of Pay	Current Rate (Total)	Ratio (New / Current)
General Members						
Plan A	25	3.33%	2.73%	6.06%	5.98%	101.3%
	35	4.06%	3.33%	7.39%	7.36%	100.4%
	45	4.86%	3.99%	8.85%	8.91%	99.3%
	55	5.16%	4.24%	9.40%	9.46%	99.4%
Plan B	25	6.65%	1.74%	8.39%	8.15%	102.9%
	35	8.12%	2.12%	10.24%	10.05%	101.9%
	45	9.73%	2.54%	12.27%	12.16%	100.9%
	55	10.32%	2.69%	13.01%	12.90%	100.9%
Plan C	25	5.70%	1.49%	7.19%	7.00%	102.7%
	35	6.96%	1.82%	8.78%	8.62%	101.9%
	45	8.44%	2.21%	10.65%	10.56%	100.9%
	55	9.74%	2.55%	12.29%	12.28%	100.1%
Plan D	25	5.70%	1.52%	7.22%	6.95%	103.9%
	35	6.96%	1.85%	8.81%	8.56%	102.9%
	45	8.44%	2.24%	10.68%	10.49%	101.8%
	55	9.74%	2.59%	12.33%	12.19%	101.1%
Plan G	All Ages	7.48%	1.76%	9.24%	9.08%	101.8%
Safety Members						
Plan A	25	4.89%	4.26%	9.15%	8.87%	103.2%
	35	5.69%	4.96%	10.65%	10.54%	101.0%
	45	6.70%	5.84%	12.54%	12.54%	100.0%
	55	6.70%	5.84%	12.54%	12.54%	100.0%
Plan B	25	9.77%	3.27%	13.04%	12.61%	103.4%
	35	11.37%	3.80%	15.17%	14.99%	101.2%
	45	13.40%	4.48%	17.88%	17.83%	100.3%
	55	13.41%	4.48%	17.89%	17.83%	100.3%
Plan C	All Ages	11.49%	3.27%	14.76%	14.33%	103.0%

Note: A portion of some of the member contribution rates is paid for (“picked up”) by the employer and is not considered part of the member’s contribution account for refund purposes. Such contributions are referred to as the surcharge amount and are subject to change each year. The rates shown in the table above are prior to any surcharge payments.

6. Employer Contributions

Calculated Employer Contribution Rate

Contributions to LACERA are determined using the Entry Age Normal Cost Method. The portion of the actuarial present value of retirement benefits allocated to a valuation year by the actuarial cost method is called the Normal Cost. These amounts are usually expressed as a percentage of payroll and called the Normal Cost Contribution Rate. Exhibit 10 illustrates the Normal Cost Contribution Rates by type of benefit and for each plan based on this valuation. A comparison with last year is also shown.

Under the Funding Policy, the total contribution rate is set equal to the Normal Cost contribution rate plus a payment by the employer towards the UAAL. The calculation of the UAAL contribution rate is shown in Exhibit 12. A portion of the Normal Cost contribution is funded by member contributions. The remainder is paid for by the employer.

The total calculated employer contribution rates for each plan, along with a comparison to the prior year's calculated rates, can be found in Exhibit 11. These results are expressed as a percentage of payroll and annual contribution dollars. Note that LACERA's UAAL contribution rate is not determined separately for each plan but is funded evenly as a percentage of pay over salaries for all members.

For the fiscal year beginning in 2023, the total calculated employer contribution rate increases to 25.84% from the current fiscal year rate of 24.46%. This is equal to the aggregate employer Normal Cost contribution rate of 11.12% based on the 2022 valuation, plus the layered amortization payment of the UAAL, shown in Exhibit 12.

(All values as a % of Payroll)

Employer Normal Cost Contribution Rate	11.12%
Layered Amortization of UAAL	<u>14.72%</u>
Calculated Employer Contribution Rate	25.84%

Exhibit 10
Calculated Normal Cost Contribution Rates – June 30, 2022

	General							Safety				Grand Total
	Plan A	Plan B	Plan C	Plan D	Plan E	Plan G	Total	Plan A	Plan B	Plan C	Total	
A. Normal Cost Contribution Rate												
Service Retirement	20.05%	19.22%	13.70%	15.14%	10.39%	15.83%	14.61%	25.31%	19.63%	17.88%	19.14%	15.46%
Disability Retirement	0.96%	1.10%	0.70%	1.08%	0.00%	1.25%	0.96%	11.93%	9.32%	10.36%	9.61%	2.60%
Death	0.28%	0.29%	0.22%	0.32%	0.00%	0.30%	0.26%	0.42%	0.34%	0.29%	0.33%	0.27%
Termination	0.46%	0.40%	0.40%	1.10%	0.63%	1.10%	1.02%	0.85%	0.85%	0.99%	0.89%	1.00%
Total	21.75%	21.01%	15.02%	17.64%	11.02%	18.48%	16.85%	38.50%	30.14%	29.52%	29.97%	19.33%
B. Member Contributions	(5.49)%	(9.94)%	(7.29)%	(8.20)%	0.00%	(9.24)%	(7.23)%	(11.04)%	(11.54)%	(14.76)%	(12.45)%	(8.21)%
C. Net Employer Normal Cost as of June 30, 2022 (A) - (B)	16.26%	11.07%	7.73%	9.44%	11.02%	9.24%	9.62%	27.46%	18.60%	14.76%	17.52%	11.12%
D. Net Employer Normal Cost as of June 30, 2021	17.01%	10.55%	7.65%	9.17%	10.72%	9.08%	9.41%	26.35%	18.22%	14.33%	17.21%	10.88%
E. Increase (Decrease) as a Percentage of Payroll (C) - (D)	(0.75)%	0.52%	0.08%	0.27%	0.30%	0.16%	0.21%	1.11%	0.38%	0.43%	0.31%	0.24%
F. Estimated Payroll for fiscal year beginning July 1, 2023⁽¹⁾	\$ 7	\$ 2	\$ 2	\$ 3,808	\$ 1,243	\$ 2,505	\$ 7,568	\$ 0	\$ 1,272	\$ 502	\$ 1,774	\$ 9,342
G. Estimated Total Normal Cost Contribution in Dollars (A x F)⁽²⁾	\$ 2	\$ -	\$ -	\$ 672	\$ 137	\$ 463	\$ 1,275	\$ -	\$ 383	\$ 148	\$ 532	\$ 1,807

1. Estimated Payroll based upon annualized salary rate as of June 30, 2022 increased by 3.25% wage inflation. Dollar figures in millions.
 2. The timing of the Normal Cost shown in this exhibit is spread over the entire year and corresponds to payroll timing.

Exhibit 11
Total Employer Contributions

	General							Safety				All Plans
	Plan A	Plan B	Plan C	Plan D	Plan E	Plan G	Total	Plan A	Plan B	Plan C	Total	
A. Net Employer Normal Cost												
1. Basic Benefits	12.89%	8.99%	6.22%	7.77%	9.13%	7.48%	7.90%	21.48%	14.85%	11.49%	13.90%	9.02%
2. Cost-of-Living Benefits	3.37%	2.08%	1.51%	1.67%	1.89%	1.76%	1.72%	5.98%	3.75%	3.27%	3.62%	2.10%
3. Total June 30, 2022	16.26%	11.07%	7.73%	9.44%	11.02%	9.24%	9.62%	27.46%	18.60%	14.76%	17.52%	11.12%
B. UAAL Contribution Rate	14.72%	14.72%	14.72%	14.72%	14.72%	14.72%	14.72%	14.72%	14.72%	14.72%	14.72%	14.72%
C. Total June 30, 2022 Contribution Rate (A) + (B)	30.98%	25.79%	22.45%	24.16%	25.74%	23.96%	24.34%	42.18%	33.32%	29.48%	32.24%	25.84%
D. Total June 30, 2021 Contribution Rate	30.59%	24.13%	21.23%	22.75%	24.30%	22.66%	22.99%	39.93%	31.80%	27.91%	30.79%	24.46%
E. Estimated Payroll for fiscal year beginning July 1, 2023 ⁽¹⁾	\$ 7	\$ 2	\$ 2	\$ 3,808	\$ 1,243	\$ 2,505	\$ 7,568	\$ 0	\$ 1,272	\$ 502	\$ 1,774	\$ 9,342
F. Estimated Annual Contribution (C x E)	\$ 2	\$ 1	\$ -	\$ 920	\$ 320	\$ 600	\$ 1,842	\$ -	\$ 424	\$ 148	\$ 572	\$ 2,414
G. Last Year's Estimated Annual Contribution	\$ 3	\$ 1	\$ 1	\$ 887	\$ 326	\$ 531	\$ 1,746	\$ -	\$ 418	\$ 129	\$ 547	\$ 2,293
H. Increase / (Decrease) in Annual Contribution	\$ (1)	\$ -	\$ (1)	\$ 33	\$ (6)	\$ 69	\$ 96	\$ -	\$ 6	\$ 19	\$ 25	\$ 121

1. Estimated Payroll based upon annualized salary rate as of June 30, 2022 increased by 3.25% wage inflation. Dollar figures in millions.

Exhibit 12
Unfunded Actuarial Accrued Liability Detail

(Dollars in Millions)

Unfunded Actuarial Accrued Liability - Amortization Detail							
Date Established	Description	Balance as of June 30, 2022	Interest on Balance	Amort. Payment on June 30, 2023 ⁽¹⁾	Balance as of June 30, 2023 ⁽²⁾	Remaining Period as of June 30, 2023 ⁽⁵⁾	July 1, 2023 Amortization Payment
June 30, 2009	Initial UAAL	\$ 5,516.1	\$ 386.1	\$ 454.9	\$ 5,447.3	16 Years	\$ 447.5
June 30, 2010	(Gain) / Loss ⁽³⁾	3,029.0	212.0	239.7	3,001.3	17 Years	235.8
June 30, 2011	(Gain) / Loss ⁽³⁾	1,509.4	105.7	115.0	1,500.1	18 Years	113.1
June 30, 2012	(Gain) / Loss ⁽³⁾	2,479.7	173.6	182.3	2,471.0	19 Years	179.3
June 30, 2013	(Gain) / Loss ⁽³⁾	1,402.0	98.1	103.1	1,397.0	19 Years	101.4
June 30, 2014	(Gain) / Loss	(2,596.1)	(181.7)	(190.9)	(2,586.9)	19 Years	(187.8)
June 30, 2015	(Gain) / Loss	(2,028.2)	(142.0)	(149.1)	(2,021.1)	19 Years	(146.7)
June 30, 2016	(Gain) / Loss ⁽³⁾	3,897.0	272.8	286.5	3,883.3	19 Years	281.9
June 30, 2017	(Gain) / Loss	(21.1)	(1.5)	(1.6)	(21.1)	19 Years	(1.5)
June 30, 2018	(Gain) / Loss	61.0	4.3	4.5	60.8	19 Years	4.4
June 30, 2019	(Gain) / Loss ⁽³⁾	3,911.5	273.8	309.6	3,875.7	17 Years	304.5
June 30, 2020	(Gain) / Loss	1,456.6	102.0	111.0	1,447.7	18 Years	109.2
June 30, 2021	(Gain) / Loss	(1,749.8)	(122.5)	(128.6)	(1,743.7)	19 Years	(126.6)
June 30, 2022	(Gain) / Loss ⁽³⁾	741.0	51.9	(69.5) ⁽⁴⁾	862.3	20 Years	60.4
Total Amortization Payment July 1, 2023:							\$ 1,375.0
Projected Payroll July 1, 2023:							\$ 9,342.3
UAAL as of June 30, 2022:		\$ 17,608.0	UAAL Contribution Rate (as a % of Payroll) FYB July 1, 2023:				14.72%

Explanatory Notes:

- Amortization Payments are based on a fixed schedule that increases by the payroll assumption each year.
- The assets and liabilities used in the calculation of the UAAL are as of June 30, 2022, whereas, the contribution rates are not effective until July 1, 2023. Therefore, the UAAL is projected to June 30, 2023 based on the actual contribution rate for the period, with the projected UAAL as of June 30, 2023 equaling \$17,574 million.
- (Gain) / Loss layers include the impact of assumption and method changes in these years.
- The amortization of UAAL does not begin until July 1, 2023; therefore, the UAAL amount is adjusted by one year to reflect the actual July 1, 2022 contribution rate.
- Effective with the June 30, 2019 valuation, all new UAAL layers are amortized over a 20-year period, beginning with the date the contribution is first expected to be made.

7. Supplemental Information

Governmental Accounting Standards Board (GASB) Statement 67 sets out requirements for defined benefit pension plan reporting and disclosures. GASB Statement 68 sets out requirements for accounting by state and local government employers.

Milliman provides LACERA with results relevant to Statements 67 and 68 in separate stand-alone financial reporting valuation reports.

For informational purposes, we have provided the following exhibits in this report that LACERA may use in the audited financial statements:

- Exhibit 13: Schedule of Funding Progress
- Exhibit 14: Schedule of Employer Contributions
- Exhibit 15: Solvency Test
- Exhibit 16: Actuarial Analysis of Financial Experience
- Exhibit 17: Retirants and Beneficiaries added to / removed from Retiree Payroll

Exhibit 13, Schedule of Funding Progress, compares actuarial assets and liabilities of the Plan, based on the actuarial funding method used.

Exhibit 14, Schedule of Employer Contributions, compares the employer contributions required based on the actuarial valuation with the employer contributions actually made. Information shown in this exhibit comes from LACERA's audited financial statements.

Exhibit 15 compares the Actuarial Value of Valuation Assets to the types of Actuarial Accrued Liabilities, applying them first to Active Member contributions, then to retirees and beneficiaries, and then the remaining amount to the Active Members benefits. This is referred to as the Solvency Test.

Exhibit 16 shows the changes in actual versus expected UAAL from year to year.

Exhibit 17 reconciles the retired members and beneficiaries who have been added to and removed from the retiree payroll.

Exhibit 13
Schedule of Funding Progress

(Dollars in Thousands)

Actuarial Valuation Date	(a) Actuarial Value of Valuation Assets	(b) Actuarial Accrued Liabilities	(b-a) Unfunded Actuarial Accrued Liabilities (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll ⁽¹⁾	[(b-a)/c] UAAL as a Percentage of Covered Payroll
June 30, 2013 ⁽²⁾	\$ 39,932,416	\$ 53,247,776	\$ 13,315,360	75.0%	\$ 6,595,902	201.9%
June 30, 2014	43,654,462	54,942,453	11,287,991	79.5%	6,672,228	169.2%
June 30, 2015	47,328,270	56,819,215	9,490,945	83.3%	6,948,738	136.6%
June 30, 2016 ⁽²⁾	49,357,847	62,199,214	12,841,367	79.4%	7,279,777	176.4%
June 30, 2017	52,166,307	65,310,803	13,144,496	79.9%	7,637,032	172.1%
June 30, 2018	55,233,108	68,527,354	13,294,246	80.6%	7,957,981	167.1%
June 30, 2019 ⁽²⁾	57,617,288	74,635,840	17,018,552	77.2%	8,370,050	203.3%
June 30, 2020	59,762,991	78,275,175	18,512,184	76.3%	8,724,151	212.2%
June 30, 2021	64,909,377	81,898,044	16,988,667	79.3%	9,062,051	187.5%
June 30, 2022 ⁽²⁾	68,711,610	86,320,151	17,608,541	79.6%	9,100,791	193.5%

1. Covered Payroll includes compensation paid to all active employees on which contributions are calculated, as reported by LACERA. Covered Payroll differs from the Active Member Valuation Payroll shown in Table C-1, which is an annualized compensation of only those members who were active on the actuarial valuation date.

2. Assumption and method changes.

Exhibit 14
Schedule of Contributions from the Employer

(Dollars in Thousands)

Fiscal Year Ending	Actuarially Determined Employer Contribution	Actual Employer Contributions			Percentage of Actuarially Determined Contribution Contributed
		Cash Payment	Transfer from Reserve Accounts	Total	
June 30, 2013	\$ 1,172,014	\$ 723,195	\$ 448,819	\$ 1,172,014	100%
June 30, 2014	1,320,442	1,320,442	-	1,320,442	100%
June 30, 2015	1,494,975	1,494,975	-	1,494,975	100%
June 30, 2016	1,443,130	1,443,130	-	1,443,130	100%
June 30, 2017 ⁽¹⁾	1,392,813	1,370,922	21,891	1,392,813	100%
June 30, 2018	1,564,284	1,564,284	-	1,564,284	100%
June 30, 2019	1,708,122	1,708,122	-	1,708,122	100%
June 30, 2020	1,800,137	1,800,137	-	1,800,137	100%
June 30, 2021	2,012,877	2,012,877	-	2,012,877	100%
June 30, 2022	2,199,889	2,199,889	-	2,199,889	100%

1. The County Contribution Reserve was used to offset the contribution required from the Courts in the fiscal year ended June 30, 2017.

**Exhibit 15
Solvency Test**

(Dollars in Millions)

Actuarial Valuation Date	Actuarial Value of Valuation Assets	Actuarial Accrued Liabilities for			Portion of Actuarial Accrued Liabilities Covered by Assets		
		Active Member Contributions (A)	Retirees and Beneficiaries ⁽¹⁾ (B)	Active Members (Employer Financed Portion) (C)	(A)	(B)	(C)
June 30, 2013	\$ 39,932	\$ 7,837	\$ 30,980	\$ 14,430	100%	100%	8%
June 30, 2014	43,654	8,354	31,882	14,706	100%	100%	23%
June 30, 2015	47,328	8,805	32,734	15,280	100%	100%	38%
June 30, 2016	49,358	8,767	35,316	18,116	100%	100%	29%
June 30, 2017	52,166	9,482	37,077	18,752	100%	100%	30%
June 30, 2018	55,233	9,882	39,192	19,453	100%	100%	32%
June 30, 2019	57,617	10,210	42,235	22,190	100%	100%	23%
June 30, 2020	59,763	10,650	44,500	23,125	100%	100%	20%
June 30, 2021	64,909	11,115	46,774	24,009	100%	100%	29%
June 30, 2022	68,712	11,029	49,637	25,654	100%	100%	31%

1. Includes vested and non-vested former members.

Notes:

For the purpose of this exhibit, Valuation Assets are allocated, in order, to active member contribution accounts (A), the Actuarial Accrued Liability for retirees and beneficiaries (B) and the employer financed portion of active member liabilities (C). Active member contributions are always assumed to be 100% funded. Assets are then allocated to the Actuarial Accrued Liability for retirees and beneficiaries until that category is 100% funded, and then any remaining Valuation Assets are allocated to the employer financed portion of active member liabilities. The employer's UAAL contributions are based on a percentage of active member salaries and those contributions are projected to eliminate any unfunded liability in that category over the scheduled amortization period.

Exhibit 16
Actuarial Analysis of Financial Experience

(Dollars in Millions)

	Valuation as of June 30						
	2016	2017	2018	2019	2020	2021	2022
Unfunded Actuarial Accrued Liability	\$9,491	\$12,841	\$13,145	\$13,294	\$17,018	\$18,512	\$16,989
Expected Increase/(Decrease) from Prior Valuation	(102)	320	146	25	306	171	(76)
Salary Increases Greater/(Less) than Expected	162	277	223	486	388	484	(21)
CPI Greater/(Less) than Expected	(191)	(139)	45	44	43	(73)	355
Change in Assumptions / Methods	2,922	-	-	2,528	-	-	1,364
Asset Return Less/(Greater) than Expected	496	(421)	(411)	477	701	(2,039)	(996)
All Other Experience	63	267	146	164	56	(66)	(7)
Ending Unfunded Actuarial Accrued Liability	\$12,841	\$13,145	\$13,294	\$17,018	\$18,512	\$16,989	\$17,608

Exhibit 17
Retirants and Beneficiaries added to and removed from Retiree Payroll

(Dollars in Thousands)

Valuation Date	Added to Rolls		Removed from Rolls		Rolls at End of Year		% Increase in Retiree Allowance	Average Annual Allowance
	Member Count	Annual Allowance ⁽¹⁾	Member Count	Annual Allowance ⁽¹⁾	Member Count	Annual Allowance ⁽¹⁾		
June 30, 2013	3,373	\$ 205,659 ⁽²⁾	(2,057)	\$ (69,494)	58,086 ⁽³⁾	\$ 2,611,067	5.50%	\$ 45.0
June 30, 2014	3,128	172,743 ⁽²⁾	(1,985)	(71,730)	59,229 ⁽³⁾	2,712,080	3.87%	45.8
June 30, 2015	3,501	180,549 ⁽²⁾	(2,124)	(80,028)	60,606 ⁽³⁾	2,812,601	3.71%	46.4
June 30, 2016	3,479	220,632 ⁽²⁾	(2,171)	(80,881)	61,914 ⁽³⁾	2,952,352	4.97%	47.7
June 30, 2017	3,721	245,915 ⁽²⁾	(2,311)	(89,624)	63,324 ⁽³⁾	3,108,643	5.29%	49.1
June 30, 2018	3,826	276,118 ⁽²⁾	(2,270)	(89,033)	64,880 ⁽³⁾	3,295,728	6.02%	50.8
June 30, 2019	3,978	302,022 ⁽²⁾	(2,351)	(97,840)	66,507 ⁽³⁾	3,499,910	6.20%	52.6
June 30, 2020	3,930	311,206 ⁽²⁾	(2,425)	(104,914)	68,012 ⁽³⁾	3,706,202	5.89%	54.5
June 30, 2021	4,350	327,745 ⁽²⁾	(2,865)	(132,185)	69,497 ⁽³⁾	3,901,762	5.28%	56.1
June 30, 2022	4,796	378,343 ⁽²⁾	(2,722)	(130,089)	71,571 ⁽³⁾	4,150,016	6.36%	58.0

1. Annual allowance is the monthly benefit allowance annualized for those members counted as of June 30.

2. Includes COLAs that occurred during the fiscal year and therefore were not included in the previous years' Annual Allowance totals.

3. For the actuarial valuation year, Member Count includes retirees who due to timing at year end, are not yet included in the total Retired Members count disclosed in Note A - Plan Description of LACERA's ACFR for the fiscal year ended June 30, 2022.

8. Cash Flow History and Projections

Exhibits 18a and 18b contain tables and graphs that illustrate both the cash flow history for the past 10 years and a projection on the valuation basis for the next 10 years.

Contributions include both employer and member contributions. Exhibit 18a shows that net cash outflow has gradually increased over the last five years. In future years, the cash flow is expected to become increasingly negative. This is a typical pattern for a mature retirement plan where it is expected that contributions will be less than benefits and that the plan will begin drawing on the fund that has been built up over prior years.

Note that the actual cash contributions do not reflect the transfers made between reserve funds, but only cash coming into the Plan. We are assuming no further transfers, only full cash contributions. In addition, LACERA will receive dividends and interest payments from its investments. These types of payments are not considered for this analysis, which focuses solely on comparing contributions with benefit payments and administrative expenses.

The projected cash flows include contributions, statutory benefits, and administrative expenses only. They are based on the actuarial assumptions as stated in Appendix A of this valuation report. The total employer contribution rate is assumed to be 24.46% for the first year and 25.84% for the second year; total employer contributions for the remainder of the period reflect the expected recognition of asset gains and losses currently being deferred. The aggregate member rate is assumed to stay at the calculated rate for June 30, 2022 of 8.21% of payroll. Expenses are based on the expenses for the year ended June 30, 2022, increased annually with the actuarial inflation assumption of 2.75%.

Any increases or reductions in future contribution rates will increase or decrease the net cash flow. The projected cash flows do not include:

- Projected STAR benefits that have not yet been granted and STAR benefits that have been adopted but are not effective until after the valuation date.
- Projected benefits payable under certain insurance contracts for a group of retired members. These payments are netted against the total expected retiree benefits.

Exhibit 18a
Cash Flow History and Projections – Dollars

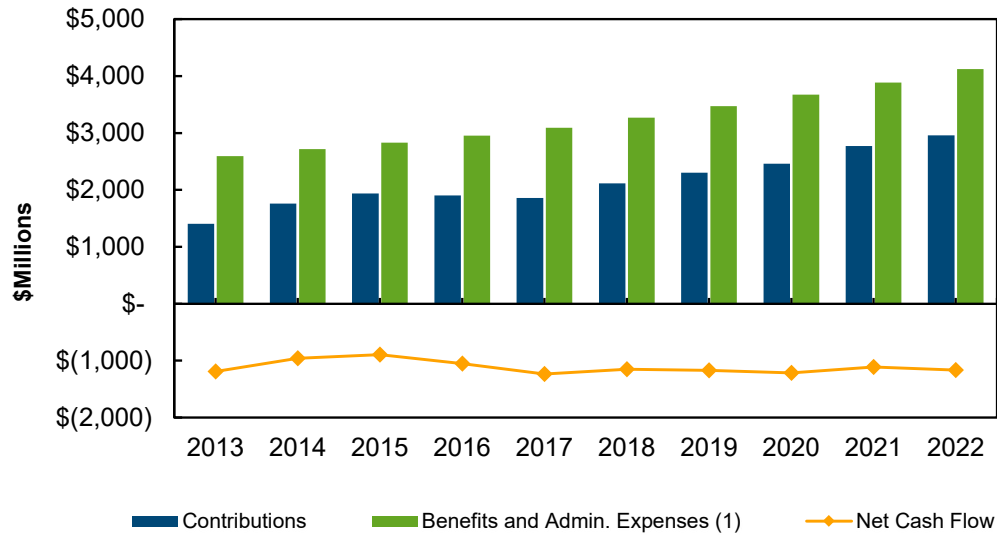
Cash Flow History				
Plan Year Ending	Total Contributions	Benefits & Administrative Expenses ⁽¹⁾	Net Cash Flow	Net Cash Flow as a Percent of Market Assets
2013	\$ 1,403	\$ 2,593	\$ (1,190)	-3.1%
2014	1,759	2,719	(960)	-2.3%
2015	1,936	2,829	(893)	-1.9%
2016	1,902	2,954	(1,052)	-2.2%
2017	1,858	3,094	(1,236)	-2.6%
2018	2,116	3,268	(1,152)	-2.2%
2019	2,304	3,475	(1,171)	-2.1%
2020	2,459	3,676	(1,217)	-2.1%
2021	2,774	3,886	(1,112)	-1.9%
2022	2,959	4,126	(1,167)	-1.6%

Cash Flow Projections⁽²⁾				
Plan Year Ending	Total Contributions	Benefits & Administrative Expenses ⁽¹⁾	Net Cash Flow	Net Cash Flow as a Percent of Market Assets
2023	\$ 2,972	\$ 4,555	\$ (1,583)	-2.3%
2024	3,232	4,652	(1,419)	-1.9%
2025	3,328	4,880	(1,553)	-2.0%
2026	3,424	5,114	(1,690)	-2.1%
2027	3,523	5,356	(1,832)	-2.1%
2028	3,634	5,602	(1,968)	-2.2%
2029	3,746	5,854	(2,108)	-2.2%
2030	3,863	6,110	(2,246)	-2.3%
2031	3,984	6,370	(2,386)	-2.3%
2032	4,109	6,633	(2,525)	-2.3%

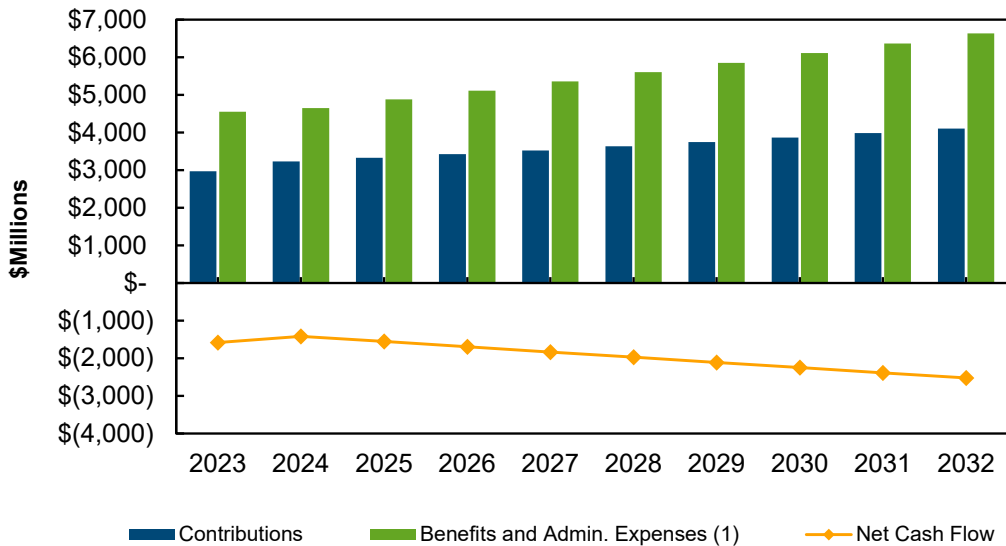
1. Investment expenses are assumed to be covered by investment return.
2. Future contributions reflect the expected impact of asset gains and losses currently being deferred.

Exhibit 18b
Cash Flow History and Projections – Graphs

Cash Flow History



Cash Flow Projections⁽²⁾



1. Investment expenses are assumed to be covered by investment return.
2. Future contributions reflect the expected impact of asset gains and losses currently being deferred.

9. Risk Discussion

Please refer to the Risk Assessment report dated May 23, 2022 for a detailed analysis of the main risks applicable to LACERA. That report includes detailed identification and assessment of risks.

Overview

The results of any actuarial valuation are based on one set of reasonable assumptions. Although we believe the current assumptions provide a reasonable estimate of future expectations, it is almost certain that future experience will differ from the assumptions to some extent. It is therefore important to consider the potential impacts of these likely differences when making decisions that may affect the future financial health of the Plan, or of the Plan's members.

Actuarial Standard of Practice 51 (ASOP 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions) addresses these issues by providing actuaries with guidance for assessing and disclosing the risk associated with measuring pension liabilities and the determination of pension plan contributions. Specifically, it directs the actuary to:

- Identify risks that may be significant to the Plan.
- Assess the risks identified as significant to the Plan. The assessment does not need to include numerical calculations.
- Disclose plan maturity measures and historical information that are significant to understanding the Plan's risks.

ASOP 51 states that if in the actuary's professional judgment, a more detailed assessment would be significantly beneficial in helping the individuals responsible for the Plan to understand the risks identified by the actuary, then the actuary should recommend that such an assessment be performed.

In addition, the California Actuarial Advisory Panel (CAAP) has adopted a set of model disclosure elements for actuarial valuation reports of public retirement systems in California. Most of these elements are included in other areas of this report. The remaining CAAP-recommended disclosures are as follows:

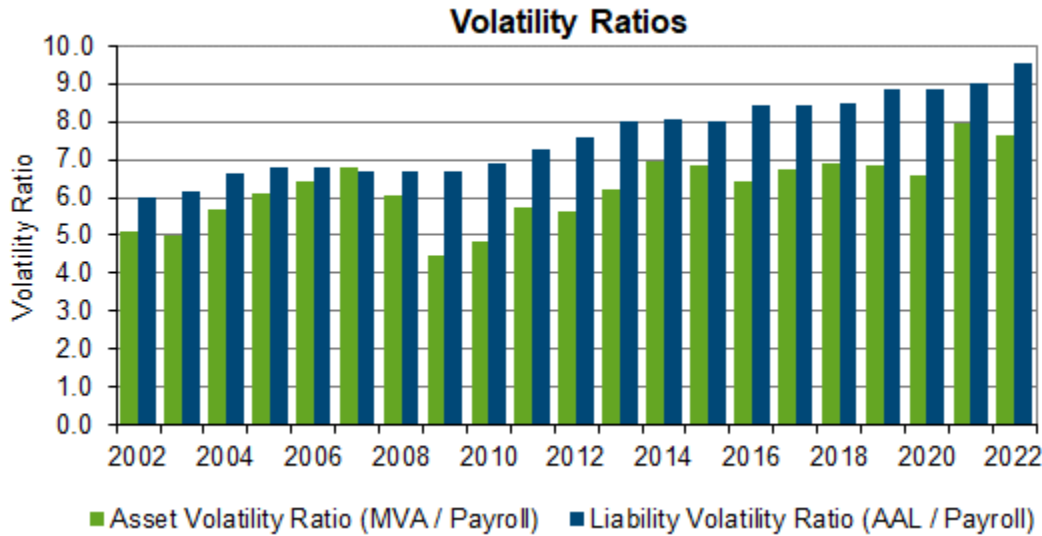
Disclosure Element	Description	Value
Gross Normal Cost \$ ¹	Normal Cost allocated to valuation year, paid at mid-year.	\$ 1,777.2
Statutory Contribution \$ ¹	Expected Employer Contribution paid at mid-year.	\$ 2,248.9
Asset Smoothing Ratio	Actuarial Value of Assets divided by Market Value of Assets	99.6%
Asset Volatility Ratio	Market Value of Assets divided by Payroll	7.6
Liability Volatility Ratio	Actuarial Accrued Liability divided by Payroll	9.5

1. Amounts shown in millions of dollars

This Section 9 uses the framework of ASOP 51 and the Asset and Liability Volatility Ratios shown above to communicate important information about: significant risks to the Plan, the Plan’s maturity, and relevant historical plan data.

Asset and Liability Volatility Ratios

Asset and Liability Volatility Ratios are a measure of the level of assets (or liabilities) to payroll. In general, a higher ratio means that the employer contribution rates (ECR) are more sensitive to changes in levels of assets or liabilities. Asset and Liability Volatility Ratios are shown below, and in Exhibit E-4.



As shown above, in the current valuation LACERA has an Asset Volatility Ratio of 7.6 and a Liability Volatility Ratio of 9.5. These ratios have increased over time as LACERA has matured. Specifically, due to the liabilities growing significantly faster than payroll in the fiscal year ended June 30, 2022, the Liability Volatility Ratio has increased from 9.0 to 9.5. This means that the ECR is more sensitive to changes in the level of liabilities and payroll now than it was just one year ago.

LACERA has accumulated a significant amount of assets relative to its payroll and by several measures is considered a mature plan. Accumulating assets to pay for future benefit obligations is responsible funding, but it does mean changes in the investment markets can have a significant impact on the ECR.

For LACERA, 7.6 Asset Volatility Ratio means that a 10% investment gain or loss relative to the assumed 7.0% investment return assumption (that is, an investment return of -3.0% or of 17.0%) translates to a 5.4% of pay increase (or decrease) in the ECR, all other things being equal. Since LACERA uses actuarial smoothing, the increase would not be immediate, but would occur gradually over five years and could potentially be offset, or further increased, by future investment gains or losses or other factors.

The Liability Volatility Ratio measures the sensitivity of the ECR to changes in the level of liabilities, all else being equal. With a liability volatility ratio of 9.5 an increase (or decrease) in the investment return assumption of 0.5% translates to a decrease (or increase) in the ECR of approximately 5.1% of pay for LACERA.

Factors Affecting Future Results

There are a number of factors that affect future valuation results. To the extent actual experience for these factors varies from the assumptions, this will likely cause either increases or decreases in the plan's future funding level and ECR. The factors that can have the most significant impact on LACERA's valuation results are:

- Investment returns
To the extent that actual investment returns differ from the assumed investment return, the Plan's future assets, ECR, and funded status may differ significantly from those presented in this valuation. Additional discussion of the impact of variance of investment returns is included below.
- Compensation increases
Individual member retirement benefits are linked to that member's compensation. As such, assumptions need to be made as to a member's future compensation increases. Higher future compensation increases will generally result in larger retirement benefits, liabilities, ECRs, and a lower funded status. Conversely, lower compensation increases than assumed will generally result in smaller retirement benefits, liabilities, ECRs, and a higher funded status.
- Payroll variation
In the valuation, an assumption is made for the overall rate of payroll growth of LACERA from year-to-year. To the extent that the overall rate of payroll growth is greater than assumed, the ECR may decrease since the UAAL will be amortized over a larger payroll base. The opposite will occur if the overall rate of payroll growth is lower than assumed.

This effect often will offset somewhat with individual compensation increases, discussed above.
- Longevity and other demographic risks
The liabilities reported in this valuation have been calculated by assuming that members will follow specific patterns of demographic experience (e.g., mortality, retirement, termination, disability) as described in Appendix A. To the extent that actual demographic experience is different than is assumed to occur, future liabilities, ECRs, and funded status may differ from that presented in this valuation.

All of these assumptions are reviewed in detail during the triennial Investigation of Experience study, and are also reviewed annually during the valuation process. Changes in assumptions are generally recommended as part of the triennial Investigation of Experience if actual experience has been materially different than assumed or forecasts have changed significantly. Additionally, changes may be recommended and discussed at each valuation if they are deemed to be appropriate at that time.

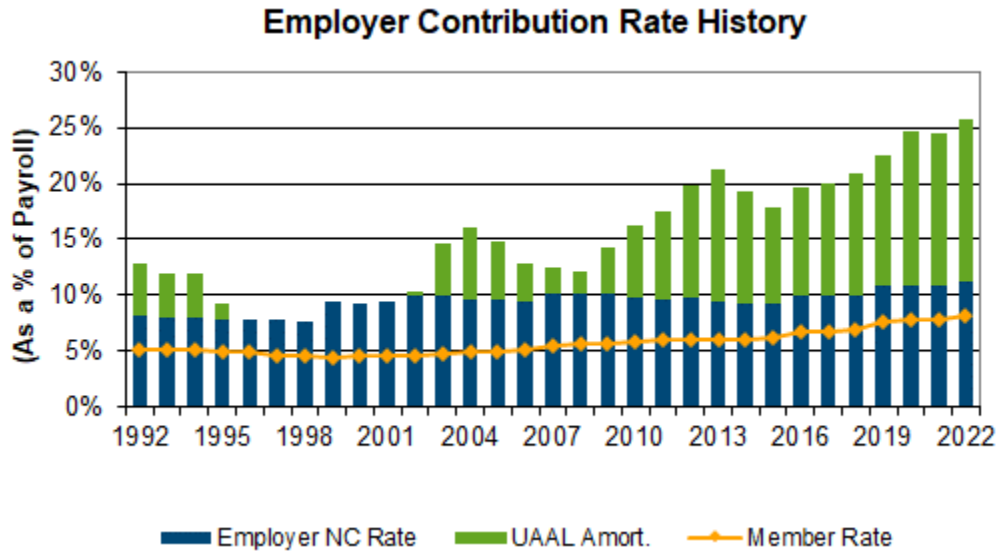
Discussion of Investment Return Risk

Of these factors, we believe the factor with the greatest potential risk to impact future valuation results for LACERA is future investment returns. For example, if actual returns fall short of the current assumption of 7.0% per year, this will cause an increase in the ECR and a decrease in the Funded Ratio, all other things being equal. Conversely, if actual returns exceed the current assumption of 7.0% per year, this will cause a decrease in the ECR and an increase in the Funded Ratio.

The magnitude of the increase or decrease in the ECR is affected by the maturity level, and specifically, the asset volatility ratio. LACERA has accumulated a significant amount of assets relative to its payroll and by several measures is considered a mature plan. Accumulating assets to pay for future benefit obligations is responsible funding, but it does mean that changes in the investment markets can have a significant impact on the ECR.

Historical Variation in Employer Contribution Rate

One way to assess future risks is to look at historical measurements. The following graph shows how the ECR has varied over the last 30 years under various investment return and assumption environments.



Appendix A Actuarial Procedures and Assumptions

The actuarial procedures and assumptions used in this valuation are described in this section. The assumptions were reviewed and changed for the June 30, 2022 actuarial valuation as a result of the 2022 triennial Investigation of Experience Study.

The actuarial assumptions used in the valuations are intended to estimate the future experience of the members of LACERA and of LACERA itself in areas that affect the projected benefit flow and anticipated investment earnings. Any variations in future experience from that expected from these assumptions will result in corresponding changes in the estimated costs of LACERA's benefits.

Table A-1 summarizes the assumptions.

Tables A-2 and A-3 show how members are expected to leave retired status due to death.

Table A-4 presents the probability of refund of contributions upon termination of employment while vested.

Table A-5 presents the expected annual percentage increase in salaries.

Tables A-6 to A-13 presents the probabilities that a member will leave the System for various reasons.

Actuarial Cost Method

The actuarial valuation is prepared using the entry age actuarial cost method (CERL 31453.5). Under the principles of this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated as a level percentage of the individual's projected compensation between entry age and assumed exit (until maximum retirement age).

The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the sum of (a) the actuarial value of the assets, and (b) the actuarial present value of future normal costs is called the Unfunded Actuarial Accrued Liability (UAAL).

For members who transferred between plans, entry age is based on original entry into the System.

For General Plan G and Safety Plan C, the normal cost rate is rounded up to the nearest 0.02%.

Amortization Method

The original UAAL as of June 30, 2009 is amortized as a level percentage of the projected salaries of present and future members of LACERA over a closed 30-year period. As of the June 30, 2019 valuation, all amortization layers with periods greater than 22 years as of July 1, 2020 were amortized over a 22-year period. Future changes in the UAAL due to actuarial gains and losses and assumption changes are amortized over new closed 20-year periods, beginning with the date the contribution is first expected to be made. This is referred to as "layered" amortization. For increases in the UAAL due to changes in benefit provisions, the increase is amortized over a 10-year period.

Records and Data

The data used in this valuation consists of financial information and the age, service, and income records for active and inactive members and their survivors. All of the data were supplied by LACERA and are accepted for valuation purposes without audit.

Replacement of Former Members

The ages and relative salaries at entry of future members are assumed to follow a new entrant distribution based on the pattern of current members. The normal cost rates for active members within an individual plan will remain fairly stable in future years unless there are changes in the governing law, the actuarial assumptions, or the pattern of the new entrants.

Growth in Membership

For benefit determination purposes, no growth in the membership of LACERA is assumed. For funding purposes, if amortization is required, the total payroll of covered members is assumed to grow due to the combined effects of future wage increases of current active members and the replacement of the current active members by new employees. No growth or decline in the total number of active members is assumed.

Payroll Growth

Total payroll is expected to grow at 3.25% per year.

Internal Revenue Code Section 415 Limit

The Internal Revenue Code (IRC) Section 415 maximum benefit limitation is not explicitly reflected in the valuation for funding purposes. Any limitation is reflected in a member's benefit calculation at retirement.

Internal Revenue Code Section 401(a)(17)

The Internal Revenue Code Section 401(a)(17) maximum compensation limitation is not reflected in the valuation for funding purposes. Any limitation is reflected in a member's benefit after retirement.

Government Code Section 7522.10

The maximum compensation limit under Government Code Section 7522.10 is reflected in the valuation for funding purposes. Any limitation is reflected in a member's benefit after retirement.

Employer Contributions

The employer contribution rate is set by the Board of Investments based on actuarial valuations.

Member Contributions

The member contribution rates of contributory legacy plans (all plans except General Plans E and G and Safety Plan C) vary by entry age and are described in the law. Code references are shown in Appendix B of the valuation report. The methods and assumptions used are detailed later in this section.

The individual member rates by entry age, plan, and class are illustrated in Appendix D of the valuation report.

Valuation of Assets

The assets are valued using a five-year smoothed method based on the difference between the expected market value and the actual market value of the assets as of the valuation date. The expected market value is the prior year's market value increased with the net increase in the cash flow of funds, all increased with interest during the past fiscal year at the expected investment return rate assumption. To the extent that there is a loss for the year and there are unrecognized gains from previous years, or to the extent that there is a gain for the year and there are unrecognized losses from previous years, the gain or loss for the year shall be used to offset unrecognized gains or losses from previous years in the order of oldest to most recent. Any remaining gain or loss for the year

is recognized over a five-year period. Valuation Assets exclude the statutory Contingency Reserve and the STAR Reserve. The five-year smoothing valuation basis for all assets was adopted effective June 30, 2009, and the offsetting methodology and STAR Reserve treatment were adopted effective June 30, 2022.

Price Inflation (Local and National)

The price inflation assumption is used in the determination of assumptions for individual salary increases, overall wage growth, postretirement benefit increases, and PEPRA compensation limit increases. Both the local and national price inflation assumptions are 2.75% per year.

Investment Earnings and Expenses

The future investment earnings of the assets of LACERA are assumed to accrue at an annual rate of 7.00% compounded annually, net of both investment and administrative expenses. This rate was adopted June 30, 2019.

Postretirement Benefit Increases

Postretirement increases are assumed for the valuation in accordance with the benefits provided as described in Appendix B. These adjustments vary by plan and are assumed payable each year in the future but are limited to not exceed the expected local inflation of 2.75% per year, with the exception that any COLA accumulation banks for Plan A members are reflected in the valuation. The local inflation rate used for the postretirement benefit assumptions was adopted June 30, 2016.

Interest on Member Contributions

The annual credited interest rate on member contributions is assumed to be 7.00% compounded semi-annually for an annualized rate of 7.12%. This rate was adopted effective June 30, 2019.

Future Salaries

The rates of annual salary increase assumed for the purpose of the valuation are illustrated in Table A-5. In addition to increases in salary due to promotions and longevity, this scale includes an assumed 3.25% per annum rate of increase in the general wage level of the membership. These rates were adopted June 30, 2022.

Increases are assumed to occur mid-year (i.e., January 1st) and only apply to base salary, excluding megaflex compensation. The mid-year timing reflects that salary increases occur throughout the year, or on average mid-year.

For plans with a one-year final average compensation period, actual average annual compensation is used. For Plan E, Plan G and Safety Plan C, the monthly rate as of June of the valuation year was annualized. Due to irregular compensation payments included as pensionable earnings, actual annual pay is preferred over annualizing a single monthly payment amount.

Social Security Wage Base

Plan E members have their benefits offset by an assumed Social Security Benefit. For valuation funding purposes, we need to project the Social Security Benefit. We assume the current Social Security provisions will continue and the annual Wage Base will increase at the rate of 3.25% per year. Note that statutory provisions describe exactly how to compute the offset for purposes of determining a member's offset amount at time of termination or retirement. This rate was adopted June 30, 2016.

Note also, that it is assumed all Plan E members born after 1950 have less than 10 years of Social Security-covered service and, therefore, do not have their benefit offset.

General Plan G and Safety Plan C members have their compensation limited to approximately 120% of the Social Security Wage Base. The limit for 2022 is \$161,969 (after applying the 120% factor) and is projected to increase at the assumed national CPI rate of 2.75%. This rate of future increase was adopted effective June 30, 2016.

Retirement

Members in General Plans A-D may retire at age 50 with 10 years of service, or any age with 30 years of service, or age 70 regardless of the number of years of service. General Plan G members are eligible to retire at age 52 with 5 years of service, or age 70 regardless of the number of years of service. Non-contributory Plan E members may retire at age 55 with 10 years of service. Members of Safety Plans A and B may retire at age 50 with 10 years of service, or any age with 20 years of service. Safety Plan C members are eligible to retire at age 50 with 5 years of County service. Retirement probabilities vary by age and are shown by plan in Tables A-6 through A-13.

All General members who attain or have attained age 75 in active service and all Safety members who attain or have attained age 65 in active service are assumed to retire immediately (except for Safety Plan C members who have not yet attained 5 years of service).

Vested former members are assumed to retire at the later of their current age and the assumed retirement age specified as follows:

Assumption for Deferred Commencement	
Plan	Age at Commencement
GA	62
GB	62
GC	62
GD	59
GE	62
GG	57
SA	55
SB	50
SC	50

The assumptions regarding termination of employment, early retirement, and unreduced service retirement are treated as a single set of decrements in regard to a particular member. For example, a General Plan D member hired at age 30 has a probability of withdrawing from LACERA due to death, disability or other termination of employment until age 50. After age 50, the member can withdraw due to death, disability, or retirement. Thus, in no year during the member's projected employment would the member be eligible for both a probability of other termination of employment and a probability of retirement.

The retirement probabilities were adopted June 30, 2022.

Disability

The probabilities of disability used in the valuation are also illustrated in Tables A-6 through A-13. These probabilities were adopted June 30, 2019.

Postretirement Mortality – Other Than Disabled Members

The same postretirement mortality probabilities are used in the valuation for members retired for service and beneficiaries. These probabilities are illustrated in Table A-2. Current beneficiary mortality is assumed to be the same as for healthy members of the same sex. Future beneficiaries are assumed to be of the opposite sex and have the same mortality as General members. The amount-weighted Pub-2010 mortality tables are used. These probabilities were adopted June 30, 2019.

Note that these assumptions include a projection for expected future mortality improvement. The new projection scale was adopted June 30, 2022.

Males: General members: PubG-2010 Healthy Retiree Mortality Table for Males, with MP-2021 Ultimate Projection Scale.

Safety members: PubS-2010 Healthy Retiree Mortality Table for Males multiplied by 85%, with MP-2021 Ultimate Projection Scale.

Females: General members: PubG-2010 Healthy Retiree Mortality Table for Females multiplied by 110%, with MP-2021 Ultimate Projection Scale.

Safety members: PubS-2010 Healthy Retiree Mortality Table for Females, with MP-2021 Ultimate Projection Scale.

Postretirement Mortality – Disabled Members

For members retired for disability, the mortality probabilities used in the valuation are illustrated in Table A-3. The amount-weighted Pub-2010 mortality tables are used. These probabilities were adopted June 30, 2019.

Note that these assumptions include a projection for expected future mortality improvement. The new projection scale was adopted June 30, 2022.

Males: General members: Average of PubG-2010 Healthy Retiree Mortality Table for Males and PubG-2010 Disabled Retiree Mortality Table for Males, both projected with MP-2021 Ultimate Projection Scale.

Safety members: PubS-2010 Healthy Retiree Mortality Table for Males, with MP-2021 Ultimate Projection Scale.

Females: General members: Average of PubG-2010 Healthy Retiree Mortality Table for Females and PubG-2010 Disabled Retiree Mortality Table for Females, both projected with MP-2021 Ultimate Projection Scale.

Safety members: PubS-2010 Healthy Retiree Mortality Table for Females, with MP-2021 Ultimate Projection Scale.

Mortality while in Active Status

For active members, the mortality probabilities used in the valuation are illustrated in Tables A-6 through A-13. The amount-weighted Pub-2010 mortality tables are used. These mortality tables were adopted June 30, 2019.

Class	Gender	Proposed Table
General	Male	PubG-2010 (120%) Employee Male ⁽¹⁾
General	Female	PubG-2010 (130%) Employee Female ⁽¹⁾
Safety	Male	PubS-2010 (100%) Employee Male ⁽¹⁾
Safety	Female	PubS-2010 (100%) Employee Female ⁽¹⁾

1. Projected using the MP-2021 Ultimate projection scale.

These assumptions include a projection for expected future mortality improvement, which was adopted June 30, 2022.

Note that Safety members have an additional service-connected mortality probability of 0.01% per year.

Other Employment Terminations

Tables A-6 to A-13 show, for all ages, the probabilities assumed in this valuation for future termination from active service other than for death, disability, or retirement. These probabilities do not apply to members eligible for service retirement. These probabilities were adopted June 30, 2022.

Terminating employees may withdraw their contributions immediately upon termination of employment and forfeit the right to further benefits, or they may leave their contributions with LACERA. Former contributing members whose contributions are on deposit may later elect to receive a refund, may return to work, or may remain inactive until becoming eligible to receive a retirement benefit under either LACERA or a reciprocal retirement system. All terminating members who are not eligible for vested benefits are assumed to withdraw their contributions immediately. It is assumed that all terminating members will not be rehired in the future.

Table A-4 gives the assumed probabilities that vested members will withdraw their contributions and elect a refund immediately upon termination and the probability that remaining members will elect a deferred vested benefit. All non-vested members are assumed to elect a refund and withdraw their contributions. These probabilities were adopted June 30, 2022.

Probability of Eligible Survivors

For members not currently in pay status, 77% of all males and 48% of all females are assumed to have eligible survivors (spouses or qualified domestic partners). Survivors are assumed to be three years younger than male members and two years older than female members. Survivors are assumed to be of the opposite gender as the member. There is no explicit assumption for children's benefits. We believe the survivor benefits based on this assumption are sufficient to cover children's benefits as they occur. These probabilities were adopted June 30, 2022.

Valuation of Vested Former Members

The deferred retirement benefit is calculated based on the member's final compensation and service at termination. The compensation amount is projected until the assumed retirement age for members who are assumed to be employed by a reciprocal agency. For members who are missing compensation data, Final Compensation is estimated as the average amount for all members who terminated during the same year and had a valid compensation amount. The greater of the present value of the calculated benefit and the employee's current contribution balance is valued for future deferred vested members.

Reciprocal Employment

17% of General and 36% of Safety current and future vested former members are assumed to work for a reciprocal employer. These probabilities were adopted June 30, 2022.

Current vested reciprocal members are assumed to receive annual salary increases of 4.25%. Future reciprocal vested members are assumed to receive the same salary increases they would have received if they had stayed in active employment with LACERA and retired at the assumed retirement age.

Other Technical Assumptions

Decrements are assumed to occur mid-year, except that if the retirement rate is 100% at a given age then the member is assumed to retire at the beginning of the year at that age.

Decrement rates shown are probabilities and are non-competing.

Termination rates are assumed to be 0% if the member is eligible for service retirement.

Valuation of Annuity Purchases

Over 30 years ago, LACERA purchased single life annuities from two insurance companies for some retired members (currently less than 1% of the retired population). The total liability for these members is calculated and then offset by the expected value of the benefit to be paid by the insurance companies.

For affected members, the insurance companies are responsible for:

1. Straight life annuity payments
2. Statutory COLAs

LACERA is responsible for:

1. Benefit payments payable to any beneficiary
2. STAR COLAs

Member Contribution Rate Assumptions

The following assumptions summarize the procedures used to compute member contribution rates based on entry age:

In general, the member rate is determined by the Present Value of the Future Benefit (PVFB) payable at retirement age, divided by the present value of all future salaries payable between age at entry and retirement age. For these purposes, per the CERL:

- A. The Annuity factor used for General members is based on a 35% / 65% blend of the male and female valuation mortality tables and projection scale, with a static projection to 2044. For Safety members, it is based on an 85% / 15% blend of the male and female annuity factors determined using the same mortality tables as used for service-retired members.
- B. The annuity factor used in determining the present value of future benefits (PVFB) at entry age is equal to the life only annuity factor at 7.00%.
- C. The Final Compensation is based on the salary paid in the year prior to attaining the retirement age.
- D. Example: For a General Plan C Member who enters at age 59 or earlier, the Final Compensation at retirement (age 60) will be the monthly average of the annual salaries during age 59.
- E. Member Rates are assumed to increase with entry age. There are a few exceptions at the higher entry ages where the calculated rate is less than the previous entry age. In these cases the member contribution rate is adjusted so that it is no less than the value for the previous entry age.

Table A-1
Summary of Valuation Assumptions as of June 30, 2022

- I. Economic assumptions
 - A. Payroll / General wage increases 3.25%
 - B. Investment earnings 7.00%
 - C. Growth in membership 0.00%
 - D. Postretirement benefit increases (varies by plan) Plan COLA not greater than local price inflation assumption⁽¹⁾
 - E. National price inflation assumption 2.75%
 - F. Local price inflation assumption 2.75%

- II. Demographic assumptions
 - A. Salary increases due to service Table A-5
 - B. Retirement Tables A-6 to A-13
 - C. Disability Tables A-6 to A-13
 - D. Mortality during active employment Tables A-6 to A-13
 - E. Mortality for active members after termination and service retired members⁽²⁾ Table A-2

Class	Gender	
General	Male	PubG-2010 (100%) Healthy Retiree Male
General	Female	PubG-2010 (110%) Healthy Retiree Female
Safety	Male	PubS-2010 (85%) Healthy Retiree Male
Safety	Female	PubS-2010 (100%) Healthy Retiree Female

- F. Mortality among disabled members⁽²⁾ Table A-3

Class	Gender	
General	Male	Avg of: PubG-2010 (100%) Healthy Retiree Male PubG-2010 (100%) Disabled Retiree Male
General	Female	Avg of: PubG-2010 (100%) Healthy Retiree Female PubG-2010 (100%) Disabled Retiree Female
Safety	Male	PubS-2010 (100%) Healthy Retiree Male
Safety	Female	PubS-2010 (100%) Healthy Retiree Female

- G. Mortality for beneficiaries⁽¹⁾ Table A-2
 Basis – Beneficiaries are assumed to have the same mortality as a General member of the opposite gender who has taken a service retirement.
- H. Other terminations of employment Tables A-6 to A-13
- I. Refund of contributions on vested termination Table A-4

1. To account for existing Plan A COLA accumulation balances, retirees and beneficiaries with a retirement date prior to April 1, 2022 are assumed to receive 3.00% annual COLAs.

2. All mortality probabilities are projected using the MP-2021 Ultimate projection scale.

Table A-2
Mortality for Members Retired for Service⁽¹⁾

Age	Safety Male	Safety Female	General Male	General Female
20	0.0520%	0.0210%	0.0740%	0.0380%
25	0.0470%	0.0260%	0.0560%	0.0260%
30	0.0520%	0.0350%	0.0720%	0.0440%
35	0.0590%	0.0470%	0.0940%	0.0680%
40	0.0750%	0.0640%	0.1320%	0.1060%
45	0.1037%	0.0870%	0.1960%	0.1650%
50	0.1632%	0.1490%	0.2980%	0.2442%
55	0.2601%	0.2580%	0.4310%	0.3146%
60	0.4318%	0.4460%	0.6150%	0.4224%
65	0.7489%	0.7700%	0.9130%	0.6743%
70	1.3328%	1.3290%	1.5260%	1.1693%
75	2.4021%	2.2950%	2.6710%	2.0713%
80	4.3376%	3.9620%	4.7740%	3.6960%
85	7.7648%	6.8420%	8.5910%	6.8255%
90	13.4810%	11.8150%	14.6720%	12.6357%

Mortality Improvement Scale

Age	All Groups
60 & Less	1.350%
61	1.350%
62	1.350%
63	1.340%
64	1.320%
65	1.310%
70	1.240%
75	1.170%
80	1.100%
85	0.870%
90	0.630%
95	0.400%
100	0.300%
105	0.200%
110	0.100%
115	0.000%

1. Mortality probabilities are those applicable for the fiscal year beginning in 2010. Annual projected improvements are assumed in the following years under the schedule shown. For example, the annual mortality probability for an 85-year old Safety male in fiscal year beginning in 2022 is 6.9918% calculated as follows:

$$\begin{aligned} \text{Age 85 probability in 2022} &= \text{Age 85 probability in 2010 with 12 years improvement} \\ &= 7.7648\% \times (100.0\% - 0.87\%)^{12} = 6.9918\% \end{aligned}$$

Table A-3
Mortality for Members Retired for Disability⁽¹⁾

Age	Safety Male	Safety Female	General Male	General Female
20	0.0610%	0.0210%	0.2430%	0.1340%
25	0.0550%	0.0260%	0.1670%	0.0940%
30	0.0610%	0.0350%	0.2130%	0.1485%
35	0.0700%	0.0470%	0.2760%	0.2315%
40	0.0880%	0.0640%	0.3885%	0.3625%
45	0.1220%	0.0870%	0.6015%	0.5675%
50	0.1920%	0.1490%	0.9515%	0.8525%
55	0.3060%	0.2580%	1.2725%	1.0140%
60	0.5080%	0.4460%	1.5590%	1.1700%
65	0.8810%	0.7700%	1.9785%	1.4345%
70	1.5680%	1.3290%	2.7135%	1.9625%
75	2.8260%	2.2950%	3.9315%	2.9430%
80	5.1030%	3.9620%	6.0610%	4.6835%
85	9.1350%	6.8420%	9.7030%	7.7680%
90	15.8600%	11.8150%	15.4625%	12.5760%

1. Mortality probabilities are those applicable for the fiscal year beginning in 2010. Annual projected improvements are assumed in the following years under the schedule shown on the preceding page.

Table A-4
Immediate Refund of Contributions upon Termination of Employment
(Excludes Plan E)

Years of Service	General	Safety
0	100%	100%
1	100%	100%
2	100%	100%
3	100%	100%
4	100%	100%
5	30%	30%
6	30%	30%
7	30%	30%
8	29%	28%
9	28%	26%
10	28%	24%
11	28%	22%
12	28%	20%
13	27%	18%
14	26%	16%
15	26%	14%
16	25%	12%
17	24%	10%
18	22%	9%
19	21%	8%
20	19%	7%
21	18%	6%
22	16%	5%
23	14%	4%
24	12%	3%
25	10%	2%
26	8%	2%
27	6%	2%
28	4%	2%
29	2%	2%
30 & Up	0%	0%

Table A-5
Annual Increase in Salary⁽¹⁾

Years of Service	General	Safety
<1	6.00%	9.00%
1	5.25%	8.50%
2	4.75%	7.50%
3	4.10%	5.75%
4	3.50%	4.25%
5	3.00%	3.00%
6	2.50%	2.50%
7	2.00%	2.10%
8	1.60%	1.70%
9	1.45%	1.45%
10	1.30%	1.30%
11	1.15%	1.20%
12	1.00%	1.10%
13	0.90%	1.00%
14	0.85%	0.90%
15	0.80%	0.90%
16	0.75%	0.90%
17	0.70%	0.90%
18	0.65%	0.90%
19	0.60%	2.25%
20	0.55%	0.90%
21	0.50%	0.90%
22	0.45%	0.90%
23	0.40%	0.90%
24	0.40%	3.00%
25	0.40%	0.90%
26	0.40%	0.90%
27	0.40%	0.90%
28	0.40%	0.90%
29	0.40%	3.00%
30 or More	0.40%	0.90%

1. The total expected increase in salary includes both merit (shown above) and the general wage increase assumption of 3.25% per annum increase. The total result is compounded rather than additive. For example, the total assumed increase for General members for service less than one year is 9.45%.

Appendix A Probabilities of Separation from Active Service Tables A-6 to A-13

A schedule of the probabilities of termination of employment due to the following causes can be found on the following pages:

Service Retirement:	Member retires after meeting age and service requirements for reasons other than disability.
Withdrawal:	Member terminates and elects a refund of member contributions, or a deferred vested retirement benefit.
Service Disability:	Member receives disability retirement; disability is service related.
Ordinary Disability:	Member receives disability retirement; disability is not service related.
Service Death:	Member dies before retirement; death is service related.
Ordinary Death:	Member dies before retirement; death is not service related.

Each of these represents the probability that a member will separate from service at each age due to the particular cause. For example, a probability of 0.0300 for a member's service retirement at age 50 means we assume that 30 out of 1,000 members who are age 50 will retire at that age.

Each table represents the detailed probabilities needed for each LACERA plan by gender:

Table A-6: General Plan A, B & C – Males	A-10: General Plan E – Males
A-7: General Plan A, B & C – Females	A-11: General Plan E – Females
A-8: General Plan D & G – Males	A-12: Safety Plan A, B & C – Males
A-9: General Plan D & G – Females	A-13: Safety Plan A, B & C – Females

Table A-6
Probability of Separation from Active Service for General Members
Plans A, B & C – Male

Age	Service Retirement	Other Terminations	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.00000	0.00500	0.00010	0.00010	N/A	0.00043
19	0.00000	0.00500	0.00010	0.00010	N/A	0.00046
20	0.00000	0.00500	0.00010	0.00010	N/A	0.00044
21	0.00000	0.00500	0.00010	0.00010	N/A	0.00043
22	0.00000	0.00500	0.00010	0.00010	N/A	0.00040
23	0.00000	0.00500	0.00010	0.00010	N/A	0.00037
24	0.00000	0.00500	0.00010	0.00010	N/A	0.00035
25	0.00000	0.00500	0.00010	0.00010	N/A	0.00034
26	0.00000	0.00500	0.00010	0.00010	N/A	0.00036
27	0.00000	0.00500	0.00010	0.00010	N/A	0.00037
28	0.00000	0.00500	0.00010	0.00010	N/A	0.00040
29	0.00000	0.00500	0.00010	0.00010	N/A	0.00041
30	0.00000	0.00500	0.00010	0.00020	N/A	0.00043
31	0.00000	0.00500	0.00010	0.00020	N/A	0.00046
32	0.00000	0.00500	0.00010	0.00020	N/A	0.00048
33	0.00000	0.00500	0.00016	0.00020	N/A	0.00050
34	0.00000	0.00500	0.00022	0.00020	N/A	0.00053
35	0.00000	0.00500	0.00028	0.00020	N/A	0.00056
36	0.00000	0.00500	0.00034	0.00020	N/A	0.00060
37	0.00000	0.00500	0.00040	0.00020	N/A	0.00064
38	0.00000	0.00500	0.00048	0.00020	N/A	0.00068
39	0.00000	0.00500	0.00056	0.00020	N/A	0.00073
40	0.03000	0.00500	0.00064	0.00020	N/A	0.00079
41	0.03000	0.00500	0.00072	0.00020	N/A	0.00085
42	0.03000	0.00500	0.00080	0.00020	N/A	0.00092
43	0.03000	0.00500	0.00084	0.00024	N/A	0.00100
44	0.03000	0.00500	0.00088	0.00028	N/A	0.00108
45	0.03000	0.00500	0.00092	0.00032	N/A	0.00118
46	0.03000	0.00500	0.00096	0.00036	N/A	0.00128
47	0.03000	0.00500	0.00100	0.00040	N/A	0.00139
48	0.03000	0.00500	0.00104	0.00044	N/A	0.00152
49	0.03000	0.00500	0.00108	0.00048	N/A	0.00166
50	0.03000	0.00500	0.00112	0.00052	N/A	0.00179
51	0.03000	0.00500	0.00116	0.00056	N/A	0.00194
52	0.03000	0.00500	0.00120	0.00060	N/A	0.00210
53	0.03000	0.00500	0.00156	0.00064	N/A	0.00227
54	0.06000	0.00500	0.00192	0.00068	N/A	0.00244
55	0.10000	0.00500	0.00228	0.00072	N/A	0.00263
56	0.12000	0.00500	0.00264	0.00076	N/A	0.00283
57	0.17000	0.00500	0.00300	0.00080	N/A	0.00306
58	0.26000	0.00500	0.00330	0.00084	N/A	0.00330
59	0.26000	0.00500	0.00360	0.00088	N/A	0.00355
60	0.30000	0.00500	0.00390	0.00092	N/A	0.00383
61	0.30000	0.00500	0.00420	0.00096	N/A	0.00413
62	0.30000	0.00500	0.00450	0.00100	N/A	0.00445
63	0.30000	0.00500	0.00450	0.00104	N/A	0.00481
64	0.30000	0.00500	0.00450	0.00108	N/A	0.00520
65	0.30000	0.00500	0.00450	0.00112	N/A	0.00562
66	0.22000	0.00500	0.00450	0.00116	N/A	0.00607
67	0.22000	0.00500	0.00450	0.00120	N/A	0.00658
68	0.22000	0.00500	0.00450	0.00124	N/A	0.00713
69	0.22000	0.00500	0.00450	0.00128	N/A	0.00775
70	0.22000	0.00500	0.00450	0.00132	N/A	0.00844
71	0.22000	0.00500	0.00450	0.00136	N/A	0.00920
72	0.22000	0.00500	0.00450	0.00140	N/A	0.01004
73	0.22000	0.00500	0.00450	0.00144	N/A	0.01098
74	0.22000	0.00500	0.00450	0.00148	N/A	0.01201
75	1.00000	0.00000	0.00000	0.00000	N/A	0.01315

Table A-7
Probability of Separation from Active Service for General Members
Plans A, B & C – Female

Age	Service Retirement	Other Terminations	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.00000	0.00500	0.00015	0.00010	N/A	0.00017
19	0.00000	0.00500	0.00015	0.00010	N/A	0.00017
20	0.00000	0.00500	0.00015	0.00010	N/A	0.00017
21	0.00000	0.00500	0.00015	0.00010	N/A	0.00016
22	0.00000	0.00500	0.00015	0.00010	N/A	0.00014
23	0.00000	0.00500	0.00015	0.00010	N/A	0.00013
24	0.00000	0.00500	0.00015	0.00010	N/A	0.00012
25	0.00000	0.00500	0.00015	0.00010	N/A	0.00012
26	0.00000	0.00500	0.00015	0.00010	N/A	0.00013
27	0.00000	0.00500	0.00015	0.00010	N/A	0.00014
28	0.00000	0.00500	0.00015	0.00010	N/A	0.00016
29	0.00000	0.00500	0.00015	0.00010	N/A	0.00017
30	0.00000	0.00500	0.00015	0.00010	N/A	0.00020
31	0.00000	0.00500	0.00015	0.00010	N/A	0.00021
32	0.00000	0.00500	0.00015	0.00010	N/A	0.00023
33	0.00000	0.00500	0.00020	0.00010	N/A	0.00025
34	0.00000	0.00500	0.00025	0.00010	N/A	0.00027
35	0.00000	0.00500	0.00030	0.00010	N/A	0.00030
36	0.00000	0.00500	0.00035	0.00010	N/A	0.00033
37	0.00000	0.00500	0.00040	0.00010	N/A	0.00036
38	0.00000	0.00500	0.00042	0.00014	N/A	0.00039
39	0.00000	0.00500	0.00044	0.00018	N/A	0.00043
40	0.03000	0.00500	0.00046	0.00022	N/A	0.00047
41	0.03000	0.00500	0.00048	0.00026	N/A	0.00052
42	0.03000	0.00500	0.00050	0.00030	N/A	0.00056
43	0.03000	0.00500	0.00060	0.00032	N/A	0.00061
44	0.03000	0.00500	0.00070	0.00034	N/A	0.00066
45	0.03000	0.00500	0.00080	0.00036	N/A	0.00073
46	0.03000	0.00500	0.00090	0.00038	N/A	0.00079
47	0.03000	0.00500	0.00100	0.00040	N/A	0.00086
48	0.03000	0.00500	0.00110	0.00042	N/A	0.00092
49	0.03000	0.00500	0.00120	0.00044	N/A	0.00100
50	0.03000	0.00500	0.00130	0.00046	N/A	0.00108
51	0.03000	0.00500	0.00140	0.00048	N/A	0.00117
52	0.03000	0.00500	0.00150	0.00050	N/A	0.00126
53	0.03000	0.00500	0.00156	0.00052	N/A	0.00137
54	0.06000	0.00500	0.00162	0.00054	N/A	0.00147
55	0.10000	0.00500	0.00168	0.00056	N/A	0.00160
56	0.12000	0.00500	0.00174	0.00058	N/A	0.00173
57	0.17000	0.00500	0.00180	0.00060	N/A	0.00187
58	0.26000	0.00500	0.00194	0.00064	N/A	0.00203
59	0.26000	0.00500	0.00208	0.00068	N/A	0.00221
60	0.30000	0.00500	0.00222	0.00072	N/A	0.00242
61	0.30000	0.00500	0.00236	0.00076	N/A	0.00264
62	0.30000	0.00500	0.00250	0.00080	N/A	0.00289
63	0.30000	0.00500	0.00250	0.00084	N/A	0.00317
64	0.30000	0.00500	0.00250	0.00088	N/A	0.00350
65	0.30000	0.00500	0.00250	0.00092	N/A	0.00385
66	0.22000	0.00500	0.00250	0.00096	N/A	0.00425
67	0.22000	0.00500	0.00250	0.00100	N/A	0.00471
68	0.22000	0.00500	0.00250	0.00104	N/A	0.00520
69	0.22000	0.00500	0.00250	0.00108	N/A	0.00575
70	0.22000	0.00500	0.00250	0.00112	N/A	0.00636
71	0.22000	0.00500	0.00250	0.00116	N/A	0.00703
72	0.22000	0.00500	0.00250	0.00120	N/A	0.00777
73	0.22000	0.00500	0.00250	0.00124	N/A	0.00859
74	0.22000	0.00500	0.00250	0.00128	N/A	0.00950
75	1.00000	0.00000	0.00000	0.00000	N/A	0.01050

Table A-8
Probability of Separation from Active Service for General Members
Plans D & G – Male

Age	Service Retirement ⁽¹⁾						Years of Service	Other Terminations	Retirement Rate Loading ⁽²⁾
	Plan D	Plan G	Service Disability	Ordinary Disability	Service Death	Ordinary Death			
18	0.00000	0.00000	0.00010	0.00010	N/A	0.00043	0	0.08000	80%
19	0.00000	0.00000	0.00010	0.00010	N/A	0.00046	1	0.06500	80%
20	0.00000	0.00000	0.00010	0.00010	N/A	0.00044	2	0.05000	80%
21	0.00000	0.00000	0.00010	0.00010	N/A	0.00043	3	0.04250	80%
22	0.00000	0.00000	0.00010	0.00010	N/A	0.00040	4	0.03500	80%
23	0.00000	0.00000	0.00010	0.00010	N/A	0.00037	5	0.03100	80%
24	0.00000	0.00000	0.00010	0.00010	N/A	0.00035	6	0.02900	80%
25	0.00000	0.00000	0.00010	0.00010	N/A	0.00034	7	0.02700	80%
26	0.00000	0.00000	0.00010	0.00010	N/A	0.00036	8	0.02500	80%
27	0.00000	0.00000	0.00010	0.00010	N/A	0.00037	9	0.02000	80%
28	0.00000	0.00000	0.00010	0.00010	N/A	0.00040	10	0.01700	80%
29	0.00000	0.00000	0.00010	0.00010	N/A	0.00041	11	0.01500	80%
30	0.00000	0.00000	0.00010	0.00020	N/A	0.00043	12	0.01350	80%
31	0.00000	0.00000	0.00010	0.00020	N/A	0.00046	13	0.01200	80%
32	0.00000	0.00000	0.00010	0.00020	N/A	0.00048	14	0.01100	80%
33	0.00000	0.00000	0.00016	0.00020	N/A	0.00050	15	0.01000	80%
34	0.00000	0.00000	0.00022	0.00020	N/A	0.00053	16	0.00950	80%
35	0.00000	0.00000	0.00028	0.00020	N/A	0.00056	17	0.00900	80%
36	0.00000	0.00000	0.00034	0.00020	N/A	0.00060	18	0.00850	80%
37	0.00000	0.00000	0.00040	0.00020	N/A	0.00064	19	0.00800	80%
38	0.00000	0.00000	0.00048	0.00020	N/A	0.00068	20	0.00750	90%
39	0.00000	0.00000	0.00056	0.00020	N/A	0.00073	21	0.00700	90%
40	0.01500	0.00000	0.00064	0.00020	N/A	0.00079	22	0.00650	90%
41	0.01500	0.00000	0.00072	0.00020	N/A	0.00085	23	0.00600	90%
42	0.01500	0.00000	0.00080	0.00020	N/A	0.00092	24	0.00550	90%
43	0.01500	0.00000	0.00084	0.00024	N/A	0.00100	25	0.00500	110%
44	0.01500	0.00000	0.00088	0.00028	N/A	0.00108	26	0.00450	110%
45	0.01500	0.00000	0.00092	0.00032	N/A	0.00118	27	0.00400	110%
46	0.01500	0.00000	0.00096	0.00036	N/A	0.00128	28	0.00400	110%
47	0.01500	0.00000	0.00100	0.00040	N/A	0.00139	29	0.00400	110%
48	0.01500	0.00000	0.00104	0.00044	N/A	0.00152	30 & Above	0.00000	160%
49	0.01500	0.00000	0.00108	0.00048	N/A	0.00166			
50	0.01500	0.01200	0.00112	0.00052	N/A	0.00179			
51	0.01200	0.00960	0.00116	0.00056	N/A	0.00194			
52	0.01200	0.00960	0.00120	0.00060	N/A	0.00210			
53	0.01500	0.01200	0.00156	0.00064	N/A	0.00227			
54	0.02000	0.01600	0.00192	0.00068	N/A	0.00244			
55	0.03000	0.02400	0.00228	0.00072	N/A	0.00263			
56	0.03000	0.02400	0.00264	0.00076	N/A	0.00283			
57	0.03000	0.02400	0.00300	0.00080	N/A	0.00306			
58	0.04000	0.03200	0.00330	0.00084	N/A	0.00330			
59	0.05000	0.04000	0.00360	0.00088	N/A	0.00355			
60	0.07000	0.05600	0.00390	0.00092	N/A	0.00383			
61	0.07000	0.05600	0.00420	0.00096	N/A	0.00413			
62	0.10000	0.10000	0.00450	0.00100	N/A	0.00445			
63	0.12000	0.12000	0.00450	0.00104	N/A	0.00481			
64	0.17000	0.17000	0.00450	0.00108	N/A	0.00520			
65	0.23000	0.18400	0.00450	0.00112	N/A	0.00562			
66	0.19000	0.15200	0.00450	0.00116	N/A	0.00607			
67	0.19000	0.30000	0.00450	0.00120	N/A	0.00658			
68	0.19000	0.19000	0.00450	0.00124	N/A	0.00713			
69	0.19000	0.19000	0.00450	0.00128	N/A	0.00775			
70	0.24000	0.24000	0.00450	0.00132	N/A	0.00844			
71	0.19000	0.19000	0.00450	0.00136	N/A	0.00920			
72	0.19000	0.19000	0.00450	0.00140	N/A	0.01004			
73	0.19000	0.19000	0.00450	0.00144	N/A	0.01098			
74	0.19000	0.19000	0.00450	0.00148	N/A	0.01201			
75	1.00000	1.00000	0.00000	0.00000	N/A	0.01315			

1. Service retirement rates vary by years of service. The applicable retirement rate loading that varies by years of service is shown on this page in a separate column.
2. The retirement rate loading is applied to the service retirement rate at each member's applicable age and years of service.

Table A-9
Probability of Separation from Active Service for General Members
Plans D & G – Female

Age	Service Retirement ⁽¹⁾		Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations	Retirement Rate Loading ⁽²⁾
	Plan D	Plan G							
18	0.00000	0.00000	0.00015	0.00010	N/A	0.00017	0	0.08000	80%
19	0.00000	0.00000	0.00015	0.00010	N/A	0.00017	1	0.06500	80%
20	0.00000	0.00000	0.00015	0.00010	N/A	0.00017	2	0.05000	80%
21	0.00000	0.00000	0.00015	0.00010	N/A	0.00016	3	0.04250	80%
22	0.00000	0.00000	0.00015	0.00010	N/A	0.00014	4	0.03500	80%
23	0.00000	0.00000	0.00015	0.00010	N/A	0.00013	5	0.03100	80%
24	0.00000	0.00000	0.00015	0.00010	N/A	0.00012	6	0.02900	80%
25	0.00000	0.00000	0.00015	0.00010	N/A	0.00012	7	0.02700	80%
26	0.00000	0.00000	0.00015	0.00010	N/A	0.00013	8	0.02500	80%
27	0.00000	0.00000	0.00015	0.00010	N/A	0.00014	9	0.02000	80%
28	0.00000	0.00000	0.00015	0.00010	N/A	0.00016	10	0.01700	80%
29	0.00000	0.00000	0.00015	0.00010	N/A	0.00017	11	0.01500	80%
30	0.00000	0.00000	0.00015	0.00010	N/A	0.00020	12	0.01350	80%
31	0.00000	0.00000	0.00015	0.00010	N/A	0.00021	13	0.01200	80%
32	0.00000	0.00000	0.00015	0.00010	N/A	0.00023	14	0.01100	80%
33	0.00000	0.00000	0.00020	0.00010	N/A	0.00025	15	0.01000	80%
34	0.00000	0.00000	0.00025	0.00010	N/A	0.00027	16	0.00950	80%
35	0.00000	0.00000	0.00030	0.00010	N/A	0.00030	17	0.00900	80%
36	0.00000	0.00000	0.00035	0.00010	N/A	0.00033	18	0.00850	80%
37	0.00000	0.00000	0.00040	0.00010	N/A	0.00036	19	0.00800	80%
38	0.00000	0.00000	0.00042	0.00014	N/A	0.00039	20	0.00750	90%
39	0.00000	0.00000	0.00044	0.00018	N/A	0.00043	21	0.00700	90%
40	0.01500	0.00000	0.00046	0.00022	N/A	0.00047	22	0.00650	90%
41	0.01500	0.00000	0.00048	0.00026	N/A	0.00052	23	0.00600	90%
42	0.01500	0.00000	0.00050	0.00030	N/A	0.00056	24	0.00550	90%
43	0.01500	0.00000	0.00060	0.00032	N/A	0.00061	25	0.00500	110%
44	0.01500	0.00000	0.00070	0.00034	N/A	0.00066	26	0.00450	110%
45	0.01500	0.00000	0.00080	0.00036	N/A	0.00073	27	0.00400	110%
46	0.01500	0.00000	0.00090	0.00038	N/A	0.00079	28	0.00400	110%
47	0.01500	0.00000	0.00100	0.00040	N/A	0.00086	29	0.00400	110%
48	0.01500	0.00000	0.00110	0.00042	N/A	0.00092	30 & Above	0.00000	160%
49	0.01500	0.00000	0.00120	0.00044	N/A	0.00100			
50	0.01500	0.01200	0.00130	0.00046	N/A	0.00108			
51	0.01200	0.00960	0.00140	0.00048	N/A	0.00117			
52	0.01200	0.00960	0.00150	0.00050	N/A	0.00126			
53	0.01500	0.01200	0.00156	0.00052	N/A	0.00137			
54	0.02000	0.01600	0.00162	0.00054	N/A	0.00147			
55	0.03000	0.02400	0.00168	0.00056	N/A	0.00160			
56	0.03000	0.02400	0.00174	0.00058	N/A	0.00173			
57	0.03000	0.02400	0.00180	0.00060	N/A	0.00187			
58	0.04000	0.03200	0.00194	0.00064	N/A	0.00203			
59	0.05000	0.04000	0.00208	0.00068	N/A	0.00221			
60	0.07000	0.05600	0.00222	0.00072	N/A	0.00242			
61	0.07000	0.05600	0.00236	0.00076	N/A	0.00264			
62	0.10000	0.10000	0.00250	0.00080	N/A	0.00289			
63	0.12000	0.12000	0.00250	0.00084	N/A	0.00317			
64	0.17000	0.17000	0.00250	0.00088	N/A	0.00350			
65	0.23000	0.18400	0.00250	0.00092	N/A	0.00385			
66	0.19000	0.15200	0.00250	0.00096	N/A	0.00425			
67	0.19000	0.30000	0.00250	0.00100	N/A	0.00471			
68	0.19000	0.19000	0.00250	0.00104	N/A	0.00520			
69	0.19000	0.19000	0.00250	0.00108	N/A	0.00575			
70	0.24000	0.24000	0.00250	0.00112	N/A	0.00636			
71	0.19000	0.19000	0.00250	0.00116	N/A	0.00703			
72	0.19000	0.19000	0.00250	0.00120	N/A	0.00777			
73	0.19000	0.19000	0.00250	0.00124	N/A	0.00859			
74	0.19000	0.19000	0.00250	0.00128	N/A	0.00950			
75	1.00000	1.00000	0.00000	0.00000	N/A	0.01050			

1. Service retirement rates vary by years of service. The applicable retirement rate loading that varies by years of service is shown on this page in a separate column.
2. The retirement rate loading is applied to the service retirement rate at each member's applicable age and years of service.

Table A-10
Probability of Separation from Active Service for General Members
Plan E – Male

Age	Service Retirement ⁽¹⁾	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations	Retirement Rate Loading ⁽²⁾
18	0.00000	N/A	N/A	N/A	0.00043	0	0.08000	70%
19	0.00000	N/A	N/A	N/A	0.00046	1	0.06500	70%
20	0.00000	N/A	N/A	N/A	0.00044	2	0.05000	70%
21	0.00000	N/A	N/A	N/A	0.00043	3	0.04250	70%
22	0.00000	N/A	N/A	N/A	0.00040	4	0.03500	70%
23	0.00000	N/A	N/A	N/A	0.00037	5	0.03100	70%
24	0.00000	N/A	N/A	N/A	0.00035	6	0.02700	70%
25	0.00000	N/A	N/A	N/A	0.00034	7	0.02300	70%
26	0.00000	N/A	N/A	N/A	0.00036	8	0.02300	70%
27	0.00000	N/A	N/A	N/A	0.00037	9	0.02300	70%
28	0.00000	N/A	N/A	N/A	0.00040	10	0.02300	70%
29	0.00000	N/A	N/A	N/A	0.00041	11	0.01900	70%
30	0.00000	N/A	N/A	N/A	0.00043	12	0.01800	70%
31	0.00000	N/A	N/A	N/A	0.00046	13	0.01680	70%
32	0.00000	N/A	N/A	N/A	0.00048	14	0.01560	70%
33	0.00000	N/A	N/A	N/A	0.00050	15	0.01440	70%
34	0.00000	N/A	N/A	N/A	0.00053	16	0.01320	70%
35	0.00000	N/A	N/A	N/A	0.00056	17	0.01200	70%
36	0.00000	N/A	N/A	N/A	0.00060	18	0.01160	70%
37	0.00000	N/A	N/A	N/A	0.00064	19	0.01120	70%
38	0.00000	N/A	N/A	N/A	0.00068	20	0.01080	70%
39	0.00000	N/A	N/A	N/A	0.00073	21	0.01040	70%
40	0.00000	N/A	N/A	N/A	0.00079	22	0.01000	70%
41	0.00000	N/A	N/A	N/A	0.00085	23	0.01000	70%
42	0.00000	N/A	N/A	N/A	0.00092	24	0.01000	70%
43	0.00000	N/A	N/A	N/A	0.00100	25	0.01000	100%
44	0.00000	N/A	N/A	N/A	0.00108	26	0.01000	100%
45	0.00000	N/A	N/A	N/A	0.00118	27	0.01000	100%
46	0.00000	N/A	N/A	N/A	0.00128	28	0.01000	100%
47	0.00000	N/A	N/A	N/A	0.00139	29	0.01000	100%
48	0.00000	N/A	N/A	N/A	0.00152	30 & Above	0.01000	130%
49	0.00000	N/A	N/A	N/A	0.00166			
50	0.00000	N/A	N/A	N/A	0.00179			
51	0.00000	N/A	N/A	N/A	0.00194			
52	0.00000	N/A	N/A	N/A	0.00210			
53	0.00000	N/A	N/A	N/A	0.00227			
54	0.00000	N/A	N/A	N/A	0.00244			
55	0.02000	N/A	N/A	N/A	0.00263			
56	0.02000	N/A	N/A	N/A	0.00283			
57	0.02500	N/A	N/A	N/A	0.00306			
58	0.02500	N/A	N/A	N/A	0.00330			
59	0.03000	N/A	N/A	N/A	0.00355			
60	0.04000	N/A	N/A	N/A	0.00383			
61	0.06000	N/A	N/A	N/A	0.00413			
62	0.09000	N/A	N/A	N/A	0.00445			
63	0.09000	N/A	N/A	N/A	0.00481			
64	0.19000	N/A	N/A	N/A	0.00520			
65	0.27000	N/A	N/A	N/A	0.00562			
66	0.20000	N/A	N/A	N/A	0.00607			
67	0.20000	N/A	N/A	N/A	0.00658			
68	0.20000	N/A	N/A	N/A	0.00713			
69	0.20000	N/A	N/A	N/A	0.00775			
70	0.20000	N/A	N/A	N/A	0.00844			
71	0.20000	N/A	N/A	N/A	0.00920			
72	0.20000	N/A	N/A	N/A	0.01004			
73	0.20000	N/A	N/A	N/A	0.01098			
74	0.20000	N/A	N/A	N/A	0.01201			
75	1.00000	N/A	N/A	N/A	0.01315			

1. Service retirement rates vary by years of service. The applicable retirement rate loading that varies by years of service is shown on this page in a separate column.
2. The retirement rate loading is applied to the service retirement rate at each member's applicable age and years of service.

Table A-11
Probability of Separation from Active Service for General Members
Plan E – Female

Age	Service Retirement ⁽¹⁾	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations	Retirement Rate Loading ⁽²⁾
18	0.00000	N/A	N/A	N/A	0.00017	0	0.08000	70%
19	0.00000	N/A	N/A	N/A	0.00017	1	0.06500	70%
20	0.00000	N/A	N/A	N/A	0.00017	2	0.05000	70%
21	0.00000	N/A	N/A	N/A	0.00016	3	0.04250	70%
22	0.00000	N/A	N/A	N/A	0.00014	4	0.03500	70%
23	0.00000	N/A	N/A	N/A	0.00013	5	0.03100	70%
24	0.00000	N/A	N/A	N/A	0.00012	6	0.02700	70%
25	0.00000	N/A	N/A	N/A	0.00012	7	0.02300	70%
26	0.00000	N/A	N/A	N/A	0.00013	8	0.02300	70%
27	0.00000	N/A	N/A	N/A	0.00014	9	0.02300	70%
28	0.00000	N/A	N/A	N/A	0.00016	10	0.02300	70%
29	0.00000	N/A	N/A	N/A	0.00017	11	0.01900	70%
30	0.00000	N/A	N/A	N/A	0.00020	12	0.01800	70%
31	0.00000	N/A	N/A	N/A	0.00021	13	0.01680	70%
32	0.00000	N/A	N/A	N/A	0.00023	14	0.01560	70%
33	0.00000	N/A	N/A	N/A	0.00025	15	0.01440	70%
34	0.00000	N/A	N/A	N/A	0.00027	16	0.01320	70%
35	0.00000	N/A	N/A	N/A	0.00030	17	0.01200	70%
36	0.00000	N/A	N/A	N/A	0.00033	18	0.01160	70%
37	0.00000	N/A	N/A	N/A	0.00036	19	0.01120	70%
38	0.00000	N/A	N/A	N/A	0.00039	20	0.01080	70%
39	0.00000	N/A	N/A	N/A	0.00043	21	0.01040	70%
40	0.00000	N/A	N/A	N/A	0.00047	22	0.01000	70%
41	0.00000	N/A	N/A	N/A	0.00052	23	0.01000	70%
42	0.00000	N/A	N/A	N/A	0.00056	24	0.01000	70%
43	0.00000	N/A	N/A	N/A	0.00061	25	0.01000	100%
44	0.00000	N/A	N/A	N/A	0.00066	26	0.01000	100%
45	0.00000	N/A	N/A	N/A	0.00073	27	0.01000	100%
46	0.00000	N/A	N/A	N/A	0.00079	28	0.01000	100%
47	0.00000	N/A	N/A	N/A	0.00086	29	0.01000	100%
48	0.00000	N/A	N/A	N/A	0.00092	30 & Above	0.01000	130%
49	0.00000	N/A	N/A	N/A	0.00100			
50	0.00000	N/A	N/A	N/A	0.00108			
51	0.00000	N/A	N/A	N/A	0.00117			
52	0.00000	N/A	N/A	N/A	0.00126			
53	0.00000	N/A	N/A	N/A	0.00137			
54	0.00000	N/A	N/A	N/A	0.00147			
55	0.02000	N/A	N/A	N/A	0.00160			
56	0.02000	N/A	N/A	N/A	0.00173			
57	0.02500	N/A	N/A	N/A	0.00187			
58	0.02500	N/A	N/A	N/A	0.00203			
59	0.03000	N/A	N/A	N/A	0.00221			
60	0.04000	N/A	N/A	N/A	0.00242			
61	0.06000	N/A	N/A	N/A	0.00264			
62	0.09000	N/A	N/A	N/A	0.00289			
63	0.09000	N/A	N/A	N/A	0.00317			
64	0.19000	N/A	N/A	N/A	0.00350			
65	0.27000	N/A	N/A	N/A	0.00385			
66	0.20000	N/A	N/A	N/A	0.00425			
67	0.20000	N/A	N/A	N/A	0.00471			
68	0.20000	N/A	N/A	N/A	0.00520			
69	0.20000	N/A	N/A	N/A	0.00575			
70	0.20000	N/A	N/A	N/A	0.00636			
71	0.20000	N/A	N/A	N/A	0.00703			
72	0.20000	N/A	N/A	N/A	0.00777			
73	0.20000	N/A	N/A	N/A	0.00859			
74	0.20000	N/A	N/A	N/A	0.00950			
75	1.00000	N/A	N/A	N/A	0.01050			

1. Service retirement rates vary by years of service. The applicable retirement rate loading that varies by years of service is shown on this page in a separate column.
2. The retirement rate loading is applied to the service retirement rate at each member's applicable age and years of service.

Table A-12
Probability of Separation from Active Service for Safety Members
Plans A, B & C – Male

Age	Service Retirement ⁽¹⁾		Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations	Retirement Rate Loading ⁽²⁾
	Plans A & B	Plan C							
18	0.00000	0.00000	0.00200	0.00000	0.00010	0.00037	0	0.05000	30%
19	0.00000	0.00000	0.00200	0.00000	0.00010	0.00040	1	0.03750	30%
20	0.00000	0.00000	0.00200	0.00000	0.00010	0.00041	2	0.02000	30%
21	0.00000	0.00000	0.00200	0.00000	0.00010	0.00041	3	0.01500	30%
22	0.00000	0.00000	0.00200	0.00000	0.00010	0.00040	4	0.01200	30%
23	0.00000	0.00000	0.00200	0.00000	0.00010	0.00039	5	0.01130	30%
24	0.00000	0.00000	0.00200	0.00000	0.00010	0.00038	6	0.01070	30%
25	0.00000	0.00000	0.00200	0.00000	0.00010	0.00037	7	0.01000	30%
26	0.00000	0.00000	0.00200	0.00000	0.00010	0.00038	8	0.00920	30%
27	0.00000	0.00000	0.00200	0.00000	0.00010	0.00039	9	0.00840	30%
28	0.00000	0.00000	0.00200	0.00000	0.00010	0.00040	10	0.00760	30%
29	0.00000	0.00000	0.00200	0.00000	0.00010	0.00041	11	0.00680	30%
30	0.00000	0.00000	0.00200	0.00000	0.00010	0.00041	12	0.00600	30%
31	0.00000	0.00000	0.00200	0.00000	0.00010	0.00042	13	0.00560	30%
32	0.00000	0.00000	0.00200	0.00000	0.00010	0.00043	14	0.00520	30%
33	0.00000	0.00000	0.00210	0.00000	0.00010	0.00044	15	0.00480	40%
34	0.00000	0.00000	0.00220	0.00000	0.00010	0.00045	16	0.00440	40%
35	0.00000	0.00000	0.00230	0.00000	0.00010	0.00047	17	0.00400	40%
36	0.00000	0.00000	0.00240	0.00000	0.00010	0.00049	18	0.00360	40%
37	0.00000	0.00000	0.00250	0.00000	0.00010	0.00050	19	0.00320	40%
38	0.00000	0.00000	0.00260	0.00000	0.00010	0.00053	20	0.00280	70%
39	0.00000	0.00000	0.00270	0.00000	0.00010	0.00056	21	0.00240	70%
40	0.00750	0.00000	0.00280	0.00000	0.00010	0.00059	22	0.00200	70%
41	0.00750	0.00000	0.00290	0.00000	0.00010	0.00062	23	0.00200	70%
42	0.00750	0.00000	0.00300	0.00000	0.00010	0.00067	24	0.00200	70%
43	0.00750	0.00000	0.00310	0.00000	0.00010	0.00071	25	0.00200	110%
44	0.00750	0.00000	0.00320	0.00000	0.00010	0.00076	26	0.00200	110%
45	0.00750	0.00000	0.00330	0.00000	0.00010	0.00082	27	0.00200	110%
46	0.00750	0.00000	0.00340	0.00000	0.00010	0.00088	28	0.00200	110%
47	0.00750	0.00000	0.00350	0.00000	0.00010	0.00095	29	0.00200	110%
48	0.00750	0.00000	0.00400	0.00000	0.00010	0.00102	30 & Above	0.00000	170%
49	0.00750	0.00000	0.00500	0.00000	0.00010	0.00111			
50	0.02000	0.02000	0.00750	0.00000	0.00010	0.00120			
51	0.02000	0.02000	0.00750	0.00000	0.00010	0.00129			
52	0.02000	0.02000	0.00750	0.00000	0.00010	0.00140			
53	0.03000	0.03000	0.02000	0.00000	0.00010	0.00151			
54	0.12000	0.08000	0.02000	0.00000	0.00010	0.00162			
55	0.22000	0.15000	0.07500	0.00000	0.00010	0.00175			
56	0.18000	0.15000	0.07500	0.00000	0.00010	0.00190			
57	0.14000	0.23000	0.10000	0.00000	0.00010	0.00205			
58	0.15000	0.15000	0.10000	0.00000	0.00010	0.00223			
59	0.22000	0.22000	0.10000	0.00000	0.00010	0.00243			
60	0.21000	0.21000	0.10000	0.00000	0.00010	0.00264			
61	0.20000	0.20000	0.05000	0.00000	0.00010	0.00288			
62	0.20000	0.20000	0.05000	0.00000	0.00010	0.00315			
63	0.20000	0.20000	0.05000	0.00000	0.00010	0.00344			
64	0.23000	0.23000	0.05000	0.00000	0.00010	0.00375			
65	1.00000	1.00000	0.00000	0.00000	0.00000	0.00410			

1. Service retirement rates vary by years of service. The applicable retirement rate loading that varies by years of service is shown on this page in a separate column.
2. The retirement rate loading is applied to the service retirement rate at each member's applicable age and years of service.

Table A-13
Probability of Separation from Active Service for Safety Members
Plans A, B & C – Female

Age	Service Retirement ⁽¹⁾						Years of Service	Other Terminations	Retirement Rate Loading ⁽²⁾
	Plans A & B	Plan C	Service Disability	Ordinary Disability	Service Death	Ordinary Death			
18	0.00000	0.00000	0.00300	0.00000	0.00010	0.00014	0	0.05000	30%
19	0.00000	0.00000	0.00300	0.00000	0.00010	0.00015	1	0.03750	30%
20	0.00000	0.00000	0.00300	0.00000	0.00010	0.00016	2	0.02000	30%
21	0.00000	0.00000	0.00300	0.00000	0.00010	0.00017	3	0.01500	30%
22	0.00000	0.00000	0.00300	0.00000	0.00010	0.00017	4	0.01200	30%
23	0.00000	0.00000	0.00300	0.00000	0.00010	0.00018	5	0.01130	30%
24	0.00000	0.00000	0.00300	0.00000	0.00010	0.00019	6	0.01070	30%
25	0.00000	0.00000	0.00300	0.00000	0.00010	0.00020	7	0.01000	30%
26	0.00000	0.00000	0.00300	0.00000	0.00010	0.00021	8	0.00920	30%
27	0.00000	0.00000	0.00300	0.00000	0.00010	0.00022	9	0.00840	30%
28	0.00000	0.00000	0.00340	0.00000	0.00010	0.00024	10	0.00760	30%
29	0.00000	0.00000	0.00380	0.00000	0.00010	0.00025	11	0.00680	30%
30	0.00000	0.00000	0.00420	0.00000	0.00010	0.00027	12	0.00600	30%
31	0.00000	0.00000	0.00460	0.00000	0.00010	0.00028	13	0.00560	30%
32	0.00000	0.00000	0.00500	0.00000	0.00010	0.00030	14	0.00520	30%
33	0.00000	0.00000	0.00560	0.00000	0.00010	0.00032	15	0.00480	40%
34	0.00000	0.00000	0.00620	0.00000	0.00010	0.00034	16	0.00440	40%
35	0.00000	0.00000	0.00680	0.00000	0.00010	0.00036	17	0.00400	40%
36	0.00000	0.00000	0.00740	0.00000	0.00010	0.00038	18	0.00360	40%
37	0.00000	0.00000	0.00800	0.00000	0.00010	0.00041	19	0.00320	40%
38	0.00000	0.00000	0.00840	0.00000	0.00010	0.00043	20	0.00280	70%
39	0.00000	0.00000	0.00880	0.00000	0.00010	0.00046	21	0.00240	70%
40	0.00750	0.00000	0.00920	0.00000	0.00010	0.00049	22	0.00200	70%
41	0.00750	0.00000	0.00960	0.00000	0.00010	0.00052	23	0.00200	70%
42	0.00750	0.00000	0.01000	0.00000	0.00010	0.00056	24	0.00200	70%
43	0.00750	0.00000	0.01040	0.00000	0.00010	0.00059	25	0.00200	110%
44	0.00750	0.00000	0.01080	0.00000	0.00010	0.00063	26	0.00200	110%
45	0.00750	0.00000	0.01120	0.00000	0.00010	0.00067	27	0.00200	110%
46	0.00750	0.00000	0.01160	0.00000	0.00010	0.00071	28	0.00200	110%
47	0.00750	0.00000	0.01200	0.00000	0.00010	0.00076	29	0.00200	110%
48	0.00750	0.00000	0.01300	0.00000	0.00010	0.00080	30 & Above	0.00000	170%
49	0.00750	0.00000	0.01500	0.00000	0.00010	0.00085			
50	0.02000	0.02000	0.01800	0.00000	0.00010	0.00091			
51	0.02000	0.02000	0.02000	0.00000	0.00010	0.00097			
52	0.02000	0.02000	0.02400	0.00000	0.00010	0.00103			
53	0.03000	0.03000	0.02800	0.00000	0.00010	0.00109			
54	0.12000	0.08000	0.03200	0.00000	0.00010	0.00116			
55	0.22000	0.15000	0.11000	0.00000	0.00010	0.00123			
56	0.18000	0.15000	0.06000	0.00000	0.00010	0.00131			
57	0.14000	0.23000	0.06000	0.00000	0.00010	0.00140			
58	0.15000	0.15000	0.06000	0.00000	0.00010	0.00148			
59	0.22000	0.22000	0.06000	0.00000	0.00010	0.00158			
60	0.21000	0.21000	0.06000	0.00000	0.00010	0.00168			
61	0.20000	0.20000	0.06000	0.00000	0.00010	0.00178			
62	0.20000	0.20000	0.06000	0.00000	0.00010	0.00190			
63	0.20000	0.20000	0.06000	0.00000	0.00010	0.00202			
64	0.23000	0.23000	0.06000	0.00000	0.00010	0.00215			
65	1.00000	1.00000	0.00000	0.00000	0.00000	0.00228			

1. Service retirement rates vary by years of service. The applicable retirement rate loading that varies by years of service is shown on this page in a separate column.
2. The retirement rate loading is applied to the service retirement rate at each member's applicable age and years of service.

Appendix B Summary of Plan Provisions

All actuarial calculations are based on our understanding of the statutes governing LACERA as contained in the County Employees Retirement Law (CERL) of 1937 and the California Public Employees' Pension Reform Act of 2013 (PEPRA). The benefit and contribution provisions of this law are summarized briefly below, along with corresponding references to the Government Code Section. This summary does not attempt to cover all the detailed provisions of the law.

MEMBERSHIP	Government Code Section
Permanent employees of Los Angeles County (County) and participating districts who work $\frac{3}{4}$ time or more are eligible for membership in LACERA.	(31551, 31552, Bylaws)
Employees eligible for safety membership (law enforcement, firefighting and specific lifeguards) become safety members on the first day of the month after date of hire. Employees who become members on or after January 1, 2013, will enter into Safety Plan C.	(31558)
All other employees become general members on the first day of the month after date of hire or the first day of the month after they make an election of either Plan D or Plan E, depending on the law in effect at that time. Employees who become members on or after January 1, 2013 will enter into General Plan G.	(31493, 31493.5, 31493.6, Bylaws)
Elective officers become members on the first day of the month after filing a declaration with the Board of Retirement (Board).	(31553, 31562)
General members in Plan E may transfer all their Plan E service credit to Plan D during an approved transfer period by making the required contributions. Transferred members relinquish, waive, and forfeit any and all vested or accrued benefits available under any other retirement plan and are entitled only to the benefits of Plan D.	(31494.1, 31494.3)

RETIREMENT PLANS

The County has established nine defined benefit plans. The following outlines the dates these plans were available, based on a member’s date of entry into LACERA:

Safety Member Plans:

- Plan A:** Inception to August 1977
- Plan B:** September 1977 through December 2012
- Plan C:** January 2013 to present (7522.02)

General Member Plans:

- Plan A:** Inception through August 1977
- Plan B:** September 1977 through September 1978
- Plan C:** October 1978 through May 1979
- Plan D:** June 1979 through December 2012
- Plan E:** February 1982 through December 2012 (31487, 31496)
- Plan G:** January 2013 to present (7522.02)

NOTE: After review of a new member’s account, a member with prior membership may be enrolled into one of the pre-PEPRA plans.

MEMBER CONTRIBUTIONS

Plans A, B, D and General Plan C members

Contributions are based on the entry age and class of each member and are required of all members in Plans A, B, C, and D. Current member rates are shown in Appendix D. Section 5 provides additional detail on how these rates are calculated. (31620)

Contributions cease when general members are credited with 30 years of service in a contributory plan, provided they were members of LACERA or a reciprocal plan on March 7, 1973, and continuously thereafter. All safety members are eligible for the 30-year cessation of contributions. (31625.2, 31836.1)

Interest is credited to contributions semiannually on June 30 and December 31 at an interest rate set by the Board of Investments on amounts that have been on deposit for at least six months. (31591, 31700)

In addition to the normal contributions, members pay one-half of the cost of their plan’s COLA. This is discussed further in Section 5 of this report. (31873)

General Plan G and Safety Plan C members

Members contribute 50% of the aggregate Normal Cost rate for their Plan. (7522.30)

EMPLOYER CONTRIBUTIONS

The employer (County or District) contributes to the retirement fund a percent of the total compensation provided for all members based on an actuarial valuation and recommendation of the actuary and the Board of Investments. (31453, 31454 31581)

SERVICE RETIREMENT ALLOWANCE

Eligibility

- Plans A-B: Safety members** (31662.4, 31662.6, 31663.25)
 Age 50 with 10 years of County service;
 Any age with 20 years of service; or
- Plans A-D: General members** (31672)
 Age 50 with 10 years of County service;
 Any age with 30 years of service; or
 Age 70 and actively employed, regardless of service.
- Plan C: Safety members** (7522.25(d))
 Age 50 with 5 years of service.
- Plan E: General members** (31491, 31491.3)
 Age 65 with 10 years of service.
 A reduced benefit is also payable at age 55 with 10 years of service.
- Plan G: General members** (7522.20(a))
 Age 52 with 5 years of service.

Final Compensation

- General Plans A-D and Safety Plans A-B** (31462.3)
 Average of the member’s highest monthly pensionable earnings during any 12-consecutive-month period.
- Plan E:** Average of the member’s highest monthly pensionable earnings during any three 12-consecutive month periods. (31488)
- General Plan G and Safety Plan C** (7522.32)
 Average of the member’s highest monthly pensionable earnings during any 36-consecutive month period.
- The amount of compensation that is taken into account in computing benefits payable to any person who first becomes a member on or after July 1, 1996, shall not exceed the dollar limitations in Section 401(a)(17) of Title 26 of the US Code. (31671)
- The amount of compensation taken into account for General Plan G and Safety Plan C members is limited to \$161,969 for 2022. The amount of compensation taken into account shall be adjusted based on changes in the Consumer Price Index for All Urban Consumers: U.S. City Average. Adjustments shall be effective annually on January 1. (7522.10)

SERVICE RETIREMENT ALLOWANCE (continued)

Monthly Allowance

Plans A-B: Safety members

1/50 x Final Compensation x Safety age factor x Years of service. (The Safety Plan A and Safety Plan B age factors are the same.) (31664)

Plans A-D: General members

1/60 x Final Compensation x a Plan specific age factor x years of service. (The General Plan C and General D age factors are the same.) (31676.1)
 (31676.11)
 (31676.14)
 (7522.25(d))

Plan C: Safety members

Final Compensation x Safety Plan percentage x Years of service.

Plan E: General members [(a)+(b)-(c)] x d where:

(a) 2% x Final Compensation x (Years of Service (up to 35 years), plus
 (b) 1 % x Final Compensation x Years of Service in excess of 35 (up to 10)
 (c) Estimated Primary Insurance Amount (PIA) x Years of Covered Service (up to 35) divided by 35.
 (d) Early Retirement Adjustment Factor
 The PIA is calculated based on certain assumptions specified by statute, and an assumed Social Security retirement age of 62.
 If retirement occurs prior to age 65, benefit amount is adjusted by an Early Retirement Adjustment Factor.

(31491,
 31491.3 (b)&(c))

Plan G: General members

Final Compensation x General Plan percentage x Years of Service. (7522.20(a))

Social Security Integration

Plans A-C: General Members

For County service covered by Social Security prior to January 1, 1983, the 1/60 factor is replaced by 1/90 for the first \$350 of compensation. (31808)

Plan D: The 1/90 factor is applied to the first \$1,050 of compensation.

SERVICE RETIREMENT ALLOWANCE (continued)

Sample Plan Age Factors

Plan	Age 50	Age 55	Age 60	Age 65 & Up	
General A	0.8850	1.1686	1.4638	1.5668	(31676.14)
General B	0.7454	1.0000	1.3093	1.5668	(31676.11)
General C&D	0.7091	0.8954	1.1500	1.4593	(31676.1)
General E	N/A	0.3748	0.6009	1.0000	(31491.3(a))
Safety A&B	1.0000	1.3099	1.3099	1.3099	(31664)

Sample Plan Age Percentages

Plan	Age 50	Age 55	Age 60	Age 65 & Up	
General G	N/A	1.30%	1.80%	2.30%*	(7522.20(a))
Safety C	2.00%	2.50%	2.70%	2.70%	(7522.25(d))

*Maximum percentage for General Plan G is 2.50% at age 67.

Maximum Allowance

Plans A-D, G:	Allowance may not exceed 100% of final compensation.	(31676.1, 31676.11, 31676.14)
Plan E:	The sum of the normal retirement allowance and the estimated PIA cannot exceed 70% of Final Compensation for a member with 35 or less years of service, and cannot exceed 80% of Final Compensation if service exceeds 35 years.	(31491)

Unmodified Retirement Allowance (Normal Form)

Plans A-D, G:	Life Annuity payable to retired member with 65% continuance to an eligible survivor (or eligible children).	(31760.12, 31785.4)
Plan E:	Life Annuity payable to retired member with 55% continuance to an eligible survivor (or eligible children).	(31492.1)

Eligible survivor includes certain domestic partners. (31780.2)

Optional Retirement Allowance

A member may elect to have the actuarial equivalent of the service or disability retirement allowance applied to a lesser retirement allowance during the retired member's life in order to provide an optional survivor allowance. (31760)

Unmodified Plus:	Members with eligible survivors may elect a higher percent than the standard unmodified continuance, up to 100%. The benefit is actuarially reduced from the unmodified amount. The elected percent of the member's reduced allowance is payable to the eligible survivor.	(31760.5)
Option 1:	Member's allowance is reduced to pay a cash refund of any unpaid annuity payments (up to the amount of the member's contributions at retirement) to the member's estate or to a beneficiary having an insurable interest in the life of the member.	(31761)
Option 2:	100% of member's reduced allowance is payable to a beneficiary having an insurable interest in the life of the member.	(31762)
Option 3:	50% of member's reduced allowance is payable to a beneficiary having an insurable interest in the life of the member.	(31763)
Option 4:	Other % of member's reduced allowance is payable to a beneficiary(ies) having an insurable interest in the life of the member.	(31764)
	A member may not revoke and name another beneficiary if the member elects Option 2, 3, or 4.	(31782)
Pension Advance Option:	The Pension Advance Option is available to members who are fully insured under Social Security for the purpose of coordinating a member's retirement allowance with benefits receivable from Social Security. It is not available to disability retirees or members who elect Option 2, 3, or 4. The allowance is increased prior to age 62 and then reduced after 62 by amounts which have equivalent actuarial values. The automatic 65% continuance for eligible spouses of members who elect the Pension Advance Option is based on the unmodified allowance the member would have received if the member had not elected the option.	(31810, 31811)
All Allowances		(31452.7, 31600)
	All allowances are made on a pro-rata basis (based on the number of days in that month) if not in effect for the entire month of retirement. For deaths that occur mid-month, the full month's payment is made.	

SERVICE-CONNECTED DISABILITY RETIREMENT ALLOWANCE

Eligibility

Plans A-D, G:	Any age or years of service; disability must result from occupational injury or disease, and member must be permanently incapacitated for the performance of duty.	(31720)
Plan E:	Not available under Plan E.	(31487)

Monthly Allowance

Greater of (1) 50% of final compensation, and (2) the service retirement allowance, if eligible to retire. (31727.4)

Normal Form Of Payment

Life Annuity with 100% continuance to a surviving spouse (or eligible children). (31786)

NONSERVICE-CONNECTED DISABILITY RETIREMENT ALLOWANCE

Eligibility

Plans A-D, G:	Any age with five years of service, and permanently incapacitated for the performance of duty.	(31720)
Plan E:	Not available under Plan E.	(31487)

Monthly Allowance

The monthly allowance is equal to a service retirement allowance if a General member is age 65 or a Safety member is age 55; otherwise the monthly allowance is the greater of that to which the member would be entitled as service retirement or the sum of (a) or (b) where: (31726, 31726.5)

General Members:	(a) 90% of 1/60 of Final Compensation x years of service, if member must rely on service in another retirement plan in order to be eligible to retire, or allowance exceeds 1/3 of final compensation.	(31727(a))
	(b) 90% of 1/60 of Final Compensation x years of service projected to age 65, not to exceed 1/3 of Final Compensation.	(31727(b))

Safety Members: 1/60 is replaced by 1/50 and age 65 is replaced by age 55 in (a) and (b) above. (31727.2)

Normal Form of Payment

Life Annuity with 65% continuance to a surviving spouse (or eligible children). (31760.1, 31760.12, 31785, 31785.4)

SERVICE-CONNECTED PRE-RETIREMENT DEATH BENEFITS

Eligibility

Plans A-D, G:	Active members who die in service as a result of injury or disease arising out of and in the course of employment.	(31787)
Plan E:	Not available under Plan E.	(31487)

Monthly Allowance (31787)

A monthly allowance payable to an eligible survivor (or eligible children) equal to the retirement allowance the deceased member would have received under a service-connected disability retirement.

Optional Combined Benefit (31781.3)

In lieu of the monthly allowance above, a surviving spouse may elect:

- (a) A lump sum equal to 1/12 of the compensation earned in the preceding 12 months x years of service (benefit not to exceed 50% of the 12 months' compensation), plus
- (b) A monthly payment equal to 50% of the member's Final Compensation, reduced by a monthly amount, which is the actuarial equivalent of (a) above based on the age of surviving spouse.

Death Benefit (Lump Sum) (31781)

The member's accumulated contributions with interest, plus 1/12 of the compensation earned in the preceding 12 months x years of service (benefit not to exceed 50% of the 12 months' compensation).

Additional Allowance for Children (31787.5)

In the case of a surviving spouse of a member who is killed in the performance of duty or who dies as the result of an accident or an injury caused by external violence or physical force, incurred in the performance of the member's duty: 25% of death allowance (whether or not the monthly allowance or combined benefit is chosen) for one child, 40% for two children, and 50% for three or more children.

Additional Amount for Spouse of Safety Member (31787.6)

A surviving spouse of a safety member, who is killed in the performance of duty or who dies as the result of an accident or injury caused by external violence or physical force, incurred in the performance of his or her duty, is also entitled to receive a lump-sum death benefit equal to 12 x monthly rate of compensation at the time of member's death in addition to all other benefits.

Note: For valuation purposes, an unmarried member is assumed to take the lump sum benefit. A married member is assumed to take the monthly allowance or the lump sum, whichever is more valuable.

NONSERVICE-CONNECTED PRE-RETIREMENT DEATH BENEFITS

Eligibility

Plans A-D, G: Active members who die while in service or while physically or mentally incapacitated for the performance of duty. (31780)

Plan E: Not available under Plan E. (31487)

Death Benefit (Lump Sum) (31781)

The member's accumulated contributions with interest, plus 1/12 of the compensation earned in preceding 12 months x the number of completed years of service (benefit not to exceed 50% of the 12 months' compensation).

Optional Death Benefit

In lieu of the lump-sum death benefit, the following several optional death benefits are available to provide flexibility to survivors.

First Optional Death Benefit (31781.1, 31781.12)

If a member who would have been entitled to a non-service-connected disability retirement allowance dies prior to retirement as a result of such disability, the surviving spouse (or eligible children) may elect to receive an optional death allowance equal to 65% of the monthly retirement allowance to which the member would have been entitled as of the date of death.

Second Optional Death Benefit (31781.2, 31765.2)

If a member dies prior to reaching the minimum retirement age but has 10 or more years of County service, a surviving spouse (or eligible children) may elect to leave the amount of the death benefit on deposit until the earliest date the member could have retired and at that time receive the allowance provided for in Section 31765 (an Option 3 benefit) or 31765.2 (a 65% continuance).

Third Optional Death Benefit

A surviving spouse of a member who dies after five years of County service may elect a combined benefit equal to:

(a) A lump sum equal to 1/12 of the compensation earnable in the preceding 12 months x the number of completed years of service (benefit not to exceed 50% of the 12 months' compensation), plus (31781.3)

(b) A monthly payment equal to 65% of the monthly retirement allowance to which the member would have been entitled if the member retired or could have retired for a non-service-connected disability as of the date of death, reduced by a monthly amount which is the actuarial equivalent of (a) above based on the age of surviving spouse. (31781.1, 31781.12)

NONSERVICE-CONNECTED PRE-RETIREMENT DEATH BENEFITS (continued)

Fourth Optional Death Benefit

If a member dies while eligible for a service retirement and the surviving spouse is designated as beneficiary, the spouse (or eligible children) may elect to receive 65% of the monthly retirement allowance to which the member would have been entitled as of the date of death. (31765.1, 31765.2)

Fifth Optional Death Benefit

If a member dies while eligible for a service retirement and the surviving spouse is designated as beneficiary and survives the member by not less than 30 days, the spouse (or eligible children) may elect to receive the same retirement allowance as the spouse would have received had the member retired on the date of death and selected Option 3. (31765)

Note: For valuation purposes, an unmarried member is assumed to take the lump sum benefit. A married member is assumed to take the first optional death benefit or the lump sum, whichever is more valuable.

POSTRETIREMENT DEATH/BURIAL BENEFIT

Plans A-E: A one-time lump-sum benefit of \$5,000 is payable to the estate or to the beneficiary designated by the member upon the death of any member while receiving a retirement allowance. This is in addition to any other death or survivor benefits. The amount is currently paid by the County based on agreement with LACERA. It is not included for valuation purposes. (31789.3)

DEFERRED RETIREMENT ALLOWANCE

Eligibility

Plans A, B, D and General Plan C:

Five years of county or reciprocal service. (31700)
 Member contributions must be left on deposit.

Safety Plan C: Age 50 with 5 years of service. (7522.25(d))

Plan E: Age 55 with 10 years of service. (31491)

Plan G: Age 52 with 5 years of service. (7522.20(a))

DEFERRED RETIREMENT ALLOWANCE (continued)

Monthly Allowance

Plans A-D, G:	Same as service retirement allowance; payable any time after the member would have been eligible for service retirement.	(31703, 31704, 31705)
	If a former member dies before the effective date of the deferred retirement allowance, the member's accumulated contributions are paid to the estate or to the named beneficiary.	(31702)
Plan E:	Same as service retirement allowance at normal retirement age 65 or in an actuarially equivalent reduced amount at early retirement, after age 55.	(31491)

TRANSFERS BETWEEN PLAN D AND PLAN E

Members in Plan D may transfer to Plan E on a prospective basis. Members in Plan E may transfer to Plan D on a prospective basis.	(31494.2, 31494.5)
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RECIPROCITY

All Plans:	Reciprocal benefits are may be granted to members who are entitled to retirement benefits from two or more retirement plans established under the CERL or from a County retirement plan and the California Public Employees' Retirement System (CalPERS). Reciprocity also applies to the members of the State Teachers' Retirement System Defined Benefit Plan.	(31830, 31840.4, 31840.8)
	Final Compensation may be based on service with CalPERS or another County retirement plan, if greater.	(31835)
	Vested former members are eligible for disability and death benefits from LACERA, if disabled while a member of CalPERS or another County retirement plan, but combined benefits are limited.	(31837, 31838, 31838.5, 31839)

TRANSFER FROM CALPERS

Whenever firefighting or law enforcement functions performed by a public agency or the state subject to the California Public Employees Retirement Law are transferred to the County, fire authority, or district, employees performing those functions become members of LACERA. LACERA and CalPERS may enter into an agreement whereby the members' service credit plus the members' and the cities' or states' retirement contributions are transferred from CalPERS to LACERA. (31657)

COST-OF-LIVING INCREASES

Cost-of-living increases (or decreases) are applied to all retirement allowances (service and disability), optional death allowances, and annual death allowances effective April 1, based on changes in the Consumer Price Index (CPI) from the previous January 1 to the current January 1, to the nearest ½ of 1%. (31870, 31870.1)

Plan A: Members (and their beneficiaries) are limited to a maximum 3% cost-of-living increase. (31870.1)

Plans B-D, G: Members (and their beneficiaries) are limited to a maximum 2% cost-of-living increase. (31870)

When the CPI exceeds 2% or 3%, the difference between the actual CPI and the maximum cost-of-living increase given in any year is credited to the COLA Accumulation. It may be used in future years to provide cost-of-living increases when the CPI falls below 2% or 3%, depending on the retirement plan.

Plan E: Members (and their beneficiaries) are limited to a maximum 2% cost-of-living increase. The 2% is pro-rated based on service earned after June 4, 2002. "Elective COLA" increases for service earned prior to June 4, 2002 may be purchased by the member. (31495.5)

STAR PROGRAM

Contributory plan members who have a COLA Accumulation of more than 20% resulting from CPI increases that exceeded the maximum cost-of-living increases that could be granted are eligible for a supplemental cost-of-living increase effective January 1 known as the Supplemental Targeted Adjustment for Retirees Cost-of-Living Adjustment (STAR COLA). These benefits are not evaluated in this report, or as part of the actuarially required funding amount, unless they have been vested by the Board of Retirement. (31874.3(b))

Appendix C Valuation Data and Schedules

On the following table, Exhibit C-1, we present a summary of LACERA membership at June 30, 2022 for active members. Similar information is shown in Exhibit C-2 Retired for retired members and C-2 Former for vested former members.

Note that salary amounts shown are the prior year annual pensionable earnings for those members of plans with a one-year final compensation period. For plans with a three-year final compensation period, the monthly rate of pay at June 2022 is shown.

Additional statistical data on both active and retired members is shown in the following tables. Additional detailed summaries are supplied to LACERA staff in a supplementary report.

Exhibit C-3: Age Distribution of Active Members

Exhibit C-4: Age, Service, Compensation Distribution of Active Members

Exhibit C-5: Age, Retirement Year, Benefit Amount and Plan Distribution of Retired Members

Exhibits C-4 and C-5 are shown for all plans combined as well as for each plan separately.

Data on LACERA membership as of June 30, 2022 was supplied to us by LACERA staff. Based on our review of this data and discussions with LACERA staff, all retiree and beneficiary records were included in our valuation.

All records for active and former members supplied by LACERA were included in the valuation.

**Exhibit C-1
 LACERA Membership – Active Members as of June 30, 2022**

	Sex	Vested	NonVested	Total Number	Annual Salary	Average Age	Average Monthly Salary	Average Service
General Members								
Plan A	M	22	-	22	\$ 3,272,148	76.1	\$ 12,395	44.0
	F	34	-	34	3,348,252	71.5	8,207	42.3
Plan B	M	4	-	4	397,872	70.8	8,289	32.7
	F	11	-	11	1,437,096	68.6	10,887	39.3
Plan C	M	3	-	3	219,984	70.0	6,111	43.5
	F	14	-	14	1,704,060	70.1	10,143	42.2
Plan D	M	11,527	52	11,579	1,231,354,560	52.2	8,862	20.4
	F	24,077	104	24,181	2,338,914,516	51.7	8,060	20.5
Plan E	M	4,310	60	4,370	425,544,924	55.9	8,115	23.7
	F	9,521	93	9,614	778,115,652	56.1	6,745	24.6
Plan G	M	5,177	6,127	11,304	911,853,228	40.2	6,722	4.7
	F	10,170	12,383	22,553	1,638,677,292	39.3	6,055	4.6
Total		64,870	18,819	83,689	\$ 7,334,839,584	47.6	\$ 7,304	14.7
Safety Members								
Plan A	M	1	-	1	\$ 178,488	65.0	\$ 14,874	27.3
	F	-	-	-	-	N/A	N/A	N/A
Plan B	M	6,785	92	6,877	975,441,792	47.2	11,820	20.3
	F	1,209	6	1,215	163,570,788	45.2	11,219	18.7
Plan C	M	1,636	2,412	4,048	415,169,508	32.8	8,547	4.4
	F	289	420	709	72,548,580	31.8	8,527	4.4
Total		9,920	2,930	12,850	\$ 1,626,909,156	41.6	\$ 10,551	14.3
Grand Total		74,790	21,749	96,539	\$ 8,961,748,740	46.8	\$ 7,736	14.7

Exhibit C-2
Retired LACERA Membership – Retired Members and Beneficiaries as of June 30, 2022

	Sex	Number	Annual Allowance	Average Age	Average Monthly Benefit
General Members					
Plan A	M	6,341	\$ 479,856,346	81.3	\$ 6,306
	F	11,716	646,267,502	80.9	4,597
Plan B	M	206	15,117,046	76.1	6,115
	F	505	28,440,714	75.9	4,693
Plan C	M	143	8,669,030	75.1	5,052
	F	342	17,015,911	75.5	4,146
Plan D	M	7,499	373,149,368	69.2	4,147
	F	14,276	634,236,318	69.1	3,702
Plan E	M	5,252	185,413,445	72.9	2,942
	F	11,125	324,202,688	72.7	2,428
Plan G	M	87	1,638,707	65.2	1,570
	F	114	1,527,062	64.3	1,116
Total		57,606	\$ 2,715,534,137	74.0	\$ 3,928
Safety Members					
Plan A	M	4,135	\$ 467,104,513	78.2	\$ 9,414
	F	2,017	160,797,548	79.4	6,643
Plan B	M	6,380	692,813,087	61.7	9,049
	F	1,412	112,664,601	59.2	6,649
Plan C	M	14	844,892	55.7	5,029
	F	7	256,841	42.4	3,058
Total		13,965	\$ 1,434,481,482	68.9	\$ 8,560
Grand Total		71,571	\$ 4,150,015,619	73.0	\$ 4,832

Exhibit C-2
Former LACERA Membership – Vested Former Members as of June 30, 2022⁽¹⁾
Subtotaled by Plan and Retirement Type

	Sex	Number	Average Age
General Members			
Plan A	M	14	75.7
	F	33	74.5
Plan B	M	2	74.5
	F	6	72.3
Plan C	M	5	69.0
	F	8	67.9
Plan D	M	2,565	50.4
	F	5,379	49.9
Plan E	M	933	57.3
	F	2,068	57.6
Plan G	M	2,014	38.6
	F	4,731	38.0
Total		17,758	46.9
Safety Members			
Plan A	M	4	70.0
	F	-	-
Plan B	M	675	45.5
	F	123	46.0
Plan C	M	424	32.2
	F	63	32.5
Total		1,289	40.6
Grand Total		19,047	46.5

1. Includes non-vested former members who still have member contributions with LACERA

Exhibit C-2a
LACERA Membership – Retired Members and Beneficiaries as of June 30, 2022
Subtotaled by Plan and Retirement Type

Plan	Retirement Type	Number	Annual Benefits in Thousands	Average Monthly Benefit
General Plans:				
Plan A				
	Healthy	12,712	\$ 903,205	\$ 5,921
	Disabled	1,213	54,671	3,756
	Beneficiaries	4,132	168,248	3,393
	Total	<u>18,057</u>	<u>\$ 1,126,124</u>	<u>\$ 5,197</u>
Plan B				
	Healthy	590	\$ 38,747	\$ 5,473
	Disabled	52	2,026	3,247
	Beneficiaries	69	2,785	3,363
	Total	<u>711</u>	<u>\$ 43,558</u>	<u>\$ 5,105</u>
Plan C				
	Healthy	371	\$ 22,016	\$ 4,945
	Disabled	49	1,765	3,002
	Beneficiaries	65	1,903	2,440
	Total	<u>485</u>	<u>\$ 25,684</u>	<u>\$ 4,413</u>
Plan D				
	Healthy	17,606	\$ 872,120	\$ 4,128
	Disabled	2,339	88,479	3,152
	Beneficiaries	1,830	46,787	2,131
	Total	<u>21,775</u>	<u>\$ 1,007,386</u>	<u>\$ 3,855</u>
Plan E				
	Healthy	14,860	\$ 485,306	\$ 2,722
	Disabled	N/A	N/A	N/A
	Beneficiaries	1,517	24,310	1,335
	Total	<u>16,377</u>	<u>\$ 509,616</u>	<u>\$ 2,593</u>
Plan G				
	Healthy	167	\$ 2,372	\$ 1,183
	Disabled	20	590	2,458
	Beneficiaries	14	204	1,214
	Total	<u>201</u>	<u>\$ 3,166</u>	<u>\$ 1,313</u>
Safety Plans:				
Plan A				
	Healthy	1,931	\$ 228,295	\$ 9,852
	Disabled	2,583	273,304	8,817
	Beneficiaries	1,638	126,303	6,426
	Total	<u>6,152</u>	<u>\$ 627,902</u>	<u>\$ 8,505</u>
Plan B				
	Healthy	3,223	\$ 354,562	\$ 9,167
	Disabled	4,185	424,411	8,451
	Beneficiaries	384	26,505	5,752
	Total	<u>7,792</u>	<u>\$ 805,478</u>	<u>\$ 8,614</u>
Plan C				
	Healthy	11	\$ 697	\$ 5,277
	Disabled	8	333	3,473
	Beneficiaries	2	72	2,990
	Total	<u>21</u>	<u>\$ 1,102</u>	<u>\$ 4,372</u>
Grand Totals		71,571	4,150,016	4,832

Exhibit C-2b
LACERA Membership – Retired Members and Beneficiaries as of June 30, 2022
Subtotaled by Retirement Type and Plan

<u>Type</u>	<u>Plan</u>	<u>Number</u>	<u>Annual Benefits in Thousands</u>	<u>Average Monthly Benefit</u>
Healthy Retirees				
	General A	12,712	\$ 903,205	\$ 5,921
	General B	590	38,747	5,473
	General C	371	22,016	4,945
	General D	17,606	872,120	4,128
	General E	14,860	485,306	2,722
	General G	167	2,372	1,183
	Safety A	1,931	228,295	9,852
	Safety B	3,223	354,562	9,167
	Safety C	11	697	5,277
	Total	51,471	\$ 2,907,320	\$ 4,707
Disabled Retirees				
	General A	1,213	\$ 54,671	\$ 3,756
	General B	52	2,026	3,247
	General C	49	1,765	3,002
	General D	2,339	88,479	3,152
	General E	N/A	N/A	N/A
	General G	20	590	2,458
	Safety A	2,583	273,304	8,817
	Safety B	4,185	424,411	8,451
	Safety C	8	333	3,473
	Total	10,449	\$ 845,579	\$ 6,744
Beneficiaries				
	General A	4,132	\$ 168,248	\$ 3,393
	General B	69	2,785	3,363
	General C	65	1,903	2,440
	General D	1,830	46,787	2,131
	General E	1,517	24,310	1,335
	General G	14	204	1,214
	Safety A	1,638	126,303	6,426
	Safety B	384	26,505	5,752
	Safety C	2	72	2,990
	Total	9,651	\$ 397,117	\$ 3,429
Grand Totals		71,571	\$ 4,150,016	\$ 4,832

**Exhibit C-3
 Age Distribution of Active Members as of June 30, 2022**

	Age Groups						Total
	0-29	30-39	40-49	50-59	60-69	70+	
General Plans:							
Plan A							
Male	-	-	-	-	4	18	22
Female	-	-	-	-	12	22	34
Plan B							
Male	-	-	-	-	1	3	4
Female	-	-	-	-	9	2	11
Plan C							
Male	-	-	-	-	1	2	3
Female	-	-	-	-	6	8	14
Plan D							
Male	1	907	3,658	4,517	2,228	268	11,579
Female	1	1,872	8,201	9,369	4,245	493	24,181
Plan E							
Male	-	201	902	1,626	1,372	269	4,370
Female	-	343	1,835	3,766	3,197	473	9,614
Plan G							
Male	1,218	5,068	2,932	1,446	593	47	11,304
Female	2,713	10,847	5,315	2,705	892	81	22,553
Safety Plans:							
Plan A							
Male	-	-	-	-	1	-	1
Female	-	-	-	-	-	-	-
Plan B							
Male	5	1,177	2,821	2,671	201	2	6,877
Female	1	284	577	338	15	-	1,215
Plan C							
Male	1,340	2,211	403	73	21	-	4,048
Female	273	375	55	5	1	-	709
Grand Totals:	<u>5,552</u>	<u>23,285</u>	<u>26,699</u>	<u>26,516</u>	<u>12,799</u>	<u>1,688</u>	<u>96,539</u>

**Exhibit C-4
 Age and Service Distribution of Active Members by Count
 and Average Compensation as of June 30, 2022
 All Plans**

Count													
Age	Years of Service												Total Count
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	288	86	114	48	18	2	-	-	-	-	-	-	556
25-29	1,153	905	1,051	731	541	613	2	-	-	-	-	-	4,996
30-34	1,091	949	1,288	1,250	1,344	4,321	415	8	1	-	-	-	10,667
35-39	732	614	830	899	977	4,834	2,599	1,084	49	-	-	-	12,618
40-44	430	380	537	543	685	3,094	2,890	3,418	1,202	67	1	-	13,247
45-49	290	260	358	404	436	1,958	2,050	3,045	3,781	808	61	1	13,452
50-54	209	179	256	269	301	1,449	1,461	2,269	3,785	2,247	1,652	114	14,191
55-59	150	129	159	177	227	1,048	999	1,634	2,544	1,718	2,523	1,017	12,325
60-64	62	41	105	110	120	722	805	1,240	1,840	908	1,513	1,497	8,963
65 & Over	22	14	32	52	58	399	565	881	1,393	593	629	886	5,524
Total Count	4,427	3,557	4,730	4,483	4,707	18,440	11,786	13,579	14,595	6,341	6,379	3,515	96,539

Compensation													
Age	Years of Service												Average Comp.
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	49,995	68,539	74,453	63,715	73,909	88,734	-	-	-	-	-	-	59,976
25-29	56,752	63,666	72,677	74,439	79,695	81,392	72,762	-	-	-	-	-	69,456
30-34	65,914	68,656	73,068	75,118	76,285	82,631	90,217	60,257	72,564	-	-	-	77,121
35-39	74,754	80,210	78,249	82,635	81,662	86,889	98,989	97,232	111,783	-	-	-	88,061
40-44	75,522	75,649	73,933	84,545	83,438	92,548	102,093	99,021	103,371	112,500	206,556	-	94,801
45-49	64,631	69,519	72,434	81,569	80,828	88,877	102,300	100,560	106,672	121,932	127,373	146,232	98,918
50-54	65,606	73,502	72,349	77,118	83,046	87,856	97,475	99,378	106,260	120,857	121,804	123,290	103,965
55-59	67,156	77,884	68,802	73,736	79,203	84,934	92,683	90,485	96,990	112,634	112,461	108,970	99,501
60-64	72,638	76,024	64,639	85,429	73,330	83,915	89,322	85,050	90,091	108,509	107,599	108,672	95,987
65 & Over	98,668	104,778	77,253	83,143	83,155	91,471	88,427	84,386	82,621	95,108	99,298	100,518	90,345
Avg. Annual Compensation	\$ 65,087	\$ 70,994	\$ 73,633	\$ 78,527	\$ 79,828	\$ 86,817	\$ 98,124	\$ 96,008	\$ 100,235	\$ 114,502	\$ 112,587	\$ 107,187	\$ 92,830

**Exhibit C-4a
 Age and Service Distribution of Active Members by Count
 and Average Compensation as of June 30, 2022
 General Plan A**

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	-	-
65 & Over	-	-	-	-	-	-	-	3	3	4	5	41	56
Total Count	-	-	-	-	-	-	-	3	3	4	5	41	56

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	-	-
65 & Over	-	-	-	-	-	-	-	59,816	86,936	123,294	96,053	126,993	118,221
Avg. Annual Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,816	\$ 86,936	\$ 123,294	\$ 96,053	\$ 126,993	\$ 118,221

**Exhibit C-4b
 Age and Service Distribution of Active Members by Count
 and Average Compensation as of June 30, 2022
 General Plan B**

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	-	-
65 & Over	-	-	-	-	-	-	-	-	2	2	1	10	15
Total Count	-	-	-	-	-	-	-	-	2	2	1	10	15

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	-	-
65 & Over	-	-	-	-	-	-	-	-	143,592	134,040	141,264	113,844	122,331
Avg. Annual Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143,592	\$ 134,040	\$ 141,264	\$ 113,844	\$ 122,331

**Exhibit C-4c
 Age and Service Distribution of Active Members by Count
 and Average Compensation as of June 30, 2022
 General Plan C**

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	6	6
65 & Over	-	-	-	-	-	-	-	-	-	-	-	11	11
Total Count	-	-	-	-	-	-	-	-	-	-	-	17	17

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	95,858	95,858
65 & Over	-	-	-	-	-	-	-	-	-	-	-	122,627	122,627
Avg. Annual Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 113,179	\$ 113,179

Exhibit C-4d
Age and Service Distribution of Active Members by Count
and Average Compensation as of June 30, 2022
General Plan D

Count													
Age	Years of Service												Total Count
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	1	1	-	-	-	-	-	2
30-34	1	-	-	7	3	87	180	6	1	-	-	-	285
35-39	1	5	5	13	12	306	1,560	553	39	-	-	-	2,494
40-44	1	3	4	13	15	286	1,980	2,243	684	51	-	-	5,280
45-49	-	1	9	10	9	200	1,435	2,057	2,325	490	42	1	6,579
50-54	1	1	4	10	10	159	1,038	1,568	2,357	1,214	759	86	7,207
55-59	1	3	4	1	4	102	737	1,148	1,663	1,085	1,343	588	6,679
60-64	-	-	2	3	2	58	565	842	1,188	586	773	622	4,641
65 & Over	-	-	2	2	1	36	372	575	775	345	273	212	2,593
Total Count	5	13	30	59	56	1,235	7,868	8,992	9,032	3,771	3,190	1,509	35,760

Compensation													
Age	Years of Service												Average Comp.
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	79,092	40,644	-	-	-	-	-	59,868
30-34	93,096	-	-	94,380	89,896	86,858	73,717	58,924	72,564	-	-	-	78,159
35-39	133,272	95,657	114,564	99,500	86,017	93,768	91,942	82,874	106,752	-	-	-	90,467
40-44	190,188	112,692	90,489	108,397	74,625	110,021	98,185	93,922	95,543	104,592	-	-	96,713
45-49	-	48,792	82,037	132,355	102,041	105,090	100,737	98,958	100,731	109,205	117,111	146,232	101,069
50-54	102,804	90,588	189,531	153,966	140,148	103,904	95,787	99,091	104,600	112,789	104,470	120,625	103,837
55-59	336,840	192,096	78,138	67,908	195,147	99,262	92,732	92,019	97,909	111,796	108,412	117,784	102,584
60-64	-	-	162,750	162,016	110,412	101,851	90,091	88,426	94,559	114,071	111,199	116,729	101,280
65 & Over	-	-	124,374	46,356	91,032	109,665	86,826	87,766	86,404	98,366	108,631	119,917	93,761
Avg. Annual Compensation	\$ 171,240	\$ 117,848	\$ 110,601	\$ 116,495	\$ 104,171	\$ 101,468	\$ 94,900	\$ 94,121	\$ 98,810	\$ 110,807	\$ 108,283	\$ 117,829	\$ 99,840

Exhibit C-4e
Age and Service Distribution of Active Members by Count
and Average Compensation as of June 30, 2022
General Plan E

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	1	6	48	2	-	-	-	-	57
35-39	-	-	-	-	-	35	305	146	1	-	-	-	487
40-44	-	-	-	-	-	26	374	484	201	5	-	-	1,090
45-49	-	-	-	-	-	30	325	554	669	64	5	-	1,647
50-54	-	-	-	-	-	14	268	465	821	431	373	13	2,385
55-59	-	-	-	-	-	22	222	387	670	445	877	384	3,007
60-64	-	-	-	-	-	22	209	375	604	293	700	833	3,036
65 & Over	-	-	-	-	-	9	178	297	606	237	343	605	2,275
Total Count	-	-	-	-	1	164	1,929	2,710	3,572	1,475	2,298	1,835	13,984

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	64,944	77,638	67,538	64,254	-	-	-	-	68,440
35-39	-	-	-	-	-	82,287	78,519	70,043	89,748	-	-	-	76,272
40-44	-	-	-	-	-	84,426	85,489	78,256	75,699	127,459	-	-	80,639
45-49	-	-	-	-	-	83,940	86,752	82,886	83,395	84,523	75,857	-	83,917
50-54	-	-	-	-	-	109,017	91,254	82,043	82,627	92,831	86,240	88,965	86,081
55-59	-	-	-	-	-	85,633	84,926	74,608	80,496	97,325	97,233	86,283	88,214
60-64	-	-	-	-	-	92,091	81,214	74,567	77,507	93,070	100,179	98,881	90,099
65 & Over	-	-	-	-	-	67,119	87,311	77,600	76,799	88,275	90,757	90,286	84,574
Avg. Annual Compensation	\$ -	\$ -	\$ -	\$ -	\$ 64,944	\$ 85,972	\$ 84,594	\$ 78,296	\$ 80,129	\$ 93,259	\$ 95,333	\$ 93,341	\$ 86,074

Exhibit C-4f
Age and Service Distribution of Active Members by Count
and Average Compensation as of June 30, 2022
General Plan G

Count													
Age	Years of Service												Total Count
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	222	44	51	32	10	-	-	-	-	-	-	-	359
25-29	996	692	705	484	333	362	-	-	-	-	-	-	3,572
30-34	983	795	1,071	1,066	1,107	3,344	31	-	-	-	-	-	8,397
35-39	689	536	736	811	864	3,822	60	-	-	-	-	-	7,518
40-44	406	351	495	499	623	2,504	30	2	-	-	-	-	4,910
45-49	284	249	326	385	412	1,646	30	4	1	-	-	-	3,337
50-54	202	168	245	255	281	1,240	29	2	1	1	-	-	2,424
55-59	146	110	149	176	219	907	16	4	-	-	-	-	1,727
60-64	60	37	101	106	118	628	18	4	2	-	-	-	1,074
65 & Over	21	14	30	50	57	352	12	3	-	-	-	-	539
Total Count	4,009	2,996	3,909	3,864	4,024	14,805	226	19	4	1	-	-	33,857

Compensation													
Age	Years of Service												Average Comp.
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	35&Over	
Under 25	46,401	49,774	48,300	49,151	58,634	-	-	-	-	-	-	-	47,670
25-29	54,971	55,675	59,818	60,236	64,898	63,038	-	-	-	-	-	-	58,521
30-34	64,756	64,741	67,671	70,622	70,018	74,505	73,015	-	-	-	-	-	70,478
35-39	74,316	78,780	75,350	80,529	78,641	81,279	92,662	-	-	-	-	-	79,589
40-44	74,987	73,585	71,895	82,653	81,863	88,117	156,346	102,546	-	-	-	-	83,431
45-49	64,303	68,141	70,244	79,694	79,280	85,589	137,668	74,775	44,352	-	-	-	79,960
50-54	64,199	69,147	69,521	73,477	79,370	84,708	111,242	368,850	191,304	44,136	-	-	79,164
55-59	64,435	63,620	66,573	73,769	75,943	82,435	133,834	176,127	-	-	-	-	77,333
60-64	71,795	62,559	63,019	83,048	72,702	80,642	126,612	103,107	121,776	-	-	-	78,163
65 & Over	99,292	104,778	74,112	84,614	83,017	89,916	139,372	100,240	-	-	-	-	89,725
Avg. Annual Compensation	\$ 64,202	\$ 66,624	\$ 68,200	\$ 74,534	\$ 75,438	\$ 81,475	\$ 114,878	\$ 139,976	\$ 119,802	\$ 44,136	\$ -	\$ -	\$ 75,332

**Exhibit C-4g
 Age and Service Distribution of Active Members by Count
 and Average Compensation as of June 30, 2022
 Safety Plan A**

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	-	-
65 & Over	-	-	-	-	-	-	-	-	-	1	-	-	1
Total Count	-	-	-	-	-	-	-	-	-	1	-	-	1

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-	-	-	-	-
65 & Over	-	-	-	-	-	-	-	-	-	178,488	-	-	178,488
Avg. Annual Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 178,488	\$ -	\$ -	\$ 178,488

**Exhibit C-4h
 Age and Service Distribution of Active Members by Count
 and Average Compensation as of June 30, 2022
 Safety Plan B**

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	5	1	-	-	-	-	-	6
30-34	-	1	3	-	2	93	149	-	-	-	-	-	248
35-39	-	3	8	5	5	147	651	385	9	-	-	-	1,213
40-44	-	12	7	3	5	86	494	687	316	11	1	-	1,622
45-49	-	3	4	3	2	27	257	427	785	254	14	-	1,776
50-54	-	9	1	-	4	12	125	232	605	601	520	15	2,124
55-59	-	13	1	-	1	5	24	94	211	188	303	45	885
60-64	-	3	-	-	-	1	13	19	46	29	40	36	187
65 & Over	-	-	-	-	-	1	3	2	7	4	7	7	31
Total Count	-	44	24	11	19	377	1,717	1,846	1,979	1,087	885	103	8,092

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	114,996	104,880	-	-	-	-	-	113,310
30-34	-	84,528	111,884	-	123,924	118,299	119,436	-	-	-	-	-	118,814
35-39	-	94,144	104,820	122,390	113,227	121,811	125,160	128,167	136,032	-	-	-	125,517
40-44	-	109,748	108,031	132,276	102,634	118,654	126,659	130,175	137,912	142,365	206,556	-	129,803
45-49	-	141,228	108,648	123,712	110,520	121,591	126,510	131,449	144,186	155,911	176,560	-	139,997
50-54	-	143,616	104,784	-	166,251	113,426	121,538	133,767	144,633	157,380	172,615	168,316	152,553
55-59	-	160,014	149,736	-	141,228	121,536	135,485	132,837	142,124	153,707	174,480	187,392	156,951
60-64	-	168,004	-	-	-	121,704	134,618	138,529	138,581	152,110	167,870	198,138	158,511
65 & Over	-	-	-	-	-	147,156	149,484	133,044	148,584	150,423	150,201	188,453	157,227
Avg. Annual Compensation	\$ -	\$ 136,008	\$ 109,148	\$ 125,447	\$ 123,917	\$ 119,915	\$ 125,280	\$ 130,727	\$ 142,949	\$ 156,083	\$ 172,962	\$ 188,442	\$ 140,758

Exhibit C-4i
Age and Service Distribution of Active Members by Count
and Average Compensation as of June 30, 2022
Safety Plan C

Count													
Age	Years of Service											Total Count	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	66	42	63	16	8	2	-	-	-	-	-	-	197
25-29	157	213	346	247	208	245	-	-	-	-	-	-	1,416
30-34	107	153	214	177	231	791	7	-	-	-	-	-	1,680
35-39	42	70	81	70	96	524	23	-	-	-	-	-	906
40-44	23	14	31	28	42	192	12	2	1	-	-	-	345
45-49	6	7	19	6	13	55	3	3	1	-	-	-	113
50-54	6	1	6	4	6	24	1	2	1	-	-	-	51
55-59	3	3	5	-	3	12	-	1	-	-	-	-	27
60-64	2	1	2	1	-	13	-	-	-	-	-	-	19
65 & Over	1	-	-	-	-	1	-	1	-	-	-	-	3
Total Count	413	504	767	549	607	1,859	46	9	3	-	-	-	4,757

Compensation													
Age	Years of Service											Average Comp.	
	0-1	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34		35&Over
Under 25	62,084	88,198	95,625	92,843	93,002	88,734	-	-	-	-	-	-	82,402
25-29	68,045	89,626	98,878	102,269	103,385	107,834	-	-	-	-	-	-	96,871
30-34	76,296	88,892	99,536	101,436	105,778	112,362	124,243	-	-	-	-	-	104,287
35-39	80,555	89,461	99,725	101,058	106,659	114,305	124,095	-	-	-	-	-	107,933
40-44	79,986	90,230	96,651	102,069	107,657	113,706	117,516	138,432	104,388	-	-	-	107,541
45-49	80,158	90,735	97,840	96,158	110,646	114,926	106,548	100,832	106,548	-	-	-	106,549
50-54	106,794	157,104	104,298	117,072	104,604	119,087	109,236	96,054	120,024	-	-	-	113,706
55-59	109,668	130,788	111,554	-	141,948	135,488	-	149,604	-	-	-	-	128,905
60-64	97,908	298,260	48,342	108,072	-	145,301	-	-	-	-	-	-	136,197
65 & Over	85,560	-	-	-	-	147,156	-	85,560	-	-	-	-	106,092
Avg. Annual Compensation	\$ 72,396	\$ 90,086	\$ 98,761	\$ 101,613	\$ 105,330	\$ 112,987	\$ 120,934	\$ 111,848	\$ 110,320	\$ -	\$ -	\$ -	\$ 102,526

Exhibit C-5
Distribution of Retired Members and Beneficiaries by Age and Retirement Year
as of June 30, 2022
All Plans

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	1	7	5	13	69	44	139	\$ 1,084
35-39	-	-	-	-	-	-	2	4	7	66	42	121	2,481
40-44	-	-	-	-	-	1	1	13	38	100	74	227	2,935
45-49	-	-	-	-	-	2	14	39	76	147	115	393	3,471
50-54	-	-	-	1	5	31	91	91	152	363	544	1,278	3,742
55-59	-	-	-	1	50	112	154	149	323	1,467	1,922	4,178	6,010
60-64	-	-	4	30	99	152	169	245	1,133	3,100	2,282	7,214	5,648
65-69	-	6	36	65	105	152	287	1,050	2,765	4,437	3,266	12,169	4,949
70-74	4	49	100	118	157	321	1,136	2,900	4,038	4,243	1,386	14,452	4,719
75-79	10	118	199	179	369	1,215	2,850	2,961	2,895	1,600	638	13,034	4,931
80-84	39	114	139	260	918	1,701	2,074	1,520	1,005	704	397	8,871	4,698
85-89	60	93	174	522	1,132	1,052	866	530	420	414	253	5,516	4,219
90-94	52	90	301	439	630	375	225	209	215	216	113	2,865	3,907
95-99	23	89	159	168	145	70	53	71	68	65	27	938	3,580
100 & Over	15	24	34	20	21	16	12	7	16	9	2	176	3,009
Total Count	203	583	1,146	1,803	3,631	5,201	7,941	9,794	13,164	17,000	11,105	71,571	
Avg Monthly Benefit	\$ 2,487	\$ 3,107	\$ 3,147	\$ 3,668	\$ 4,631	\$ 4,697	\$ 5,429	\$ 4,727	\$ 4,744	\$ 4,867	\$ 5,174		\$ 4,832

Exhibit C-5a
Distribution of Retired Members and Beneficiaries by Age and Retirement Year
as of June 30, 2022
General Plan A

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	1	-	2	3	1	7	\$ 791
35-39	-	-	-	-	-	-	-	2	1	3	2	8	1,240
40-44	-	-	-	-	-	-	1	4	2	1	3	11	1,952
45-49	-	-	-	-	-	-	2	4	4	-	-	10	2,636
50-54	-	-	-	1	-	3	2	3	4	3	6	22	2,526
55-59	-	-	-	-	1	1	2	5	3	7	7	26	3,644
60-64	-	-	1	1	2	4	7	14	9	16	6	60	3,167
65-69	-	3	8	10	8	17	54	125	342	187	42	796	5,478
70-74	2	23	32	31	36	140	412	996	897	206	109	2,884	5,928
75-79	5	59	71	59	200	607	1,292	1,174	422	238	151	4,278	5,892
80-84	22	62	66	157	621	899	1,200	393	225	223	156	4,024	5,409
85-89	35	57	112	406	793	703	355	169	173	188	136	3,127	4,586
90-94	29	68	245	328	509	207	96	109	127	131	66	1,915	3,981
95-99	22	71	138	151	113	47	31	50	46	44	23	736	3,511
100 & Over	13	23	33	19	13	14	11	6	12	7	2	153	3,031
Total Count	128	366	706	1,163	2,296	2,642	3,466	3,054	2,269	1,257	710	18,057	
Avg Monthly Benefit	\$ 1,908	\$ 2,490	\$ 2,531	\$ 3,157	\$ 4,438	\$ 4,684	\$ 6,340	\$ 6,436	\$ 6,245	\$ 4,778	\$ 4,029		\$ 5,197

Exhibit C-5b
Distribution of Retired Members and Beneficiaries by Age and Retirement Year
as of June 30, 2022
General Plan B

Age	Retirement Year											Total Count	Average Monthly Benefit	
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24			
Under 35	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	1	-	1	2,848	
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-	
55-59	-	-	-	-	-	-	-	-	-	-	1	1	3,253	
60-64	-	-	-	-	-	-	-	3	1	6	8	18	5,387	
65-69	-	-	-	-	1	1	4	17	47	67	5	142	5,732	
70-74	-	-	1	4	4	4	13	48	92	31	7	204	6,252	
75-79	-	-	1	3	4	15	37	42	30	9	4	145	4,755	
80-84	-	-	1	2	4	9	31	17	12	5	2	83	4,386	
85-89	-	-	1	2	6	19	14	13	6	2	1	64	3,901	
90-94	-	-	2	4	13	15	2	4	-	3	-	43	2,412	
95-99	-	-	-	2	2	1	3	1	-	-	-	9	2,635	
100 & Over	-	-	-	-	1	-	-	-	-	-	-	1	6,945	
Total Count	-	-	6	17	35	64	104	145	188	124	28	711		
Avg Monthly Benefit	\$ -	\$ -	\$ 1,495	\$ 1,524	\$ 2,109	\$ 2,556	\$ 3,797	\$ 4,909	\$ 6,596	\$ 6,962	\$ 5,265		\$ 5,105	

Exhibit C-5c
Distribution of Retired Members and Beneficiaries by Age and Retirement Year
as of June 30, 2022
General Plan C

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	-	-	-	1	-	1	\$ 5,205
35-39	-	-	-	-	-	-	-	-	-	1	-	1	5,205
40-44	-	-	-	-	-	-	-	-	1	-	-	1	1,689
45-49	-	-	-	-	-	-	-	-	1	-	-	1	1,380
50-54	-	-	-	-	-	-	-	-	1	-	-	1	1,689
55-59	-	-	-	-	-	-	-	-	-	1	1	2	1,248
60-64	-	-	-	-	-	-	1	1	3	13	5	23	4,487
65-69	-	1	1	4	-	3	3	5	22	38	16	93	5,882
70-74	-	-	2	2	2	2	17	20	51	32	5	133	5,669
75-79	-	-	2	2	6	9	9	29	23	8	1	89	4,112
80-84	-	-	-	6	8	8	17	12	7	3	1	62	2,681
85-89	-	-	-	3	5	7	14	5	3	1	1	39	2,894
90-94	-	-	-	2	8	9	2	3	1	3	-	28	1,868
95-99	-	-	-	1	4	1	1	1	1	1	-	10	2,042
100 & Over	-	-	-	-	1	-	-	-	-	-	-	1	716
Total Count	-	1	5	20	34	39	64	76	114	102	30	485	
Avg Monthly Benefit	\$ -	\$ 1,918	\$ 1,575	\$ 1,139	\$ 1,454	\$ 2,190	\$ 3,010	\$ 3,443	\$ 6,051	\$ 6,260	\$ 6,341		\$ 4,413

Exhibit C-5d
Distribution of Retired Members and Beneficiaries by Age and Retirement Year
as of June 30, 2022
General Plan D

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	3	2	9	35	17	66	\$ 774
35-39	-	-	-	-	-	-	1	-	1	24	18	44	1,685
40-44	-	-	-	-	-	-	-	5	14	38	33	90	2,121
45-49	-	-	-	-	-	2	3	7	33	53	35	133	2,427
50-54	-	-	-	-	1	4	20	23	58	199	320	625	2,356
55-59	-	-	-	-	8	13	39	52	182	660	694	1,648	3,081
60-64	-	-	-	4	15	37	49	125	487	1,250	1,457	3,424	4,207
65-69	-	-	3	5	22	48	119	411	870	2,243	1,643	5,364	4,558
70-74	-	1	2	15	27	66	231	517	1,375	1,938	638	4,810	4,040
75-79	-	-	2	10	32	137	278	666	1,051	628	183	2,987	3,687
80-84	-	-	3	13	42	127	306	469	358	201	77	1,596	3,100
85-89	-	-	2	11	30	108	212	152	88	63	33	699	2,604
90-94	-	-	2	4	22	60	60	44	23	20	9	244	2,518
95-99	-	-	-	3	10	11	2	6	4	4	1	41	1,876
100 & Over	-	-	-	1	2	-	-	-	-	1	-	4	880
Total Count	-	1	14	66	211	613	1,323	2,479	4,553	7,357	5,158	21,775	
Avg Monthly Benefit	\$ -	\$ 2,987	\$ 1,864	\$ 1,599	\$ 1,865	\$ 2,106	\$ 2,448	\$ 2,893	\$ 3,695	\$ 4,165	\$ 4,703		\$ 3,855

Exhibit C-5e
Distribution of Retired Members and Beneficiaries by Age and Retirement Year
as of June 30, 2022
General Plan E

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	1	-	2	-	16	11	30	\$ 729
35-39	-	-	-	-	-	-	1	2	3	10	6	22	923
40-44	-	-	-	-	-	1	-	2	6	11	6	26	1,084
45-49	-	-	-	-	-	-	-	-	8	21	13	42	1,552
50-54	-	-	-	-	-	-	2	4	11	25	24	66	961
55-59	-	-	-	-	-	-	1	7	19	141	241	409	1,114
60-64	-	-	-	-	-	-	2	2	152	497	509	1,162	1,947
65-69	-	-	-	-	-	-	4	161	573	1,519	1,417	3,674	3,177
70-74	-	-	-	-	-	6	136	631	1,377	1,898	538	4,586	2,946
75-79	-	-	-	-	-	83	378	826	1,287	618	222	3,414	2,567
80-84	-	-	-	-	25	188	363	595	339	178	102	1,790	2,124
85-89	-	-	-	8	64	143	244	144	100	96	40	839	1,663
90-94	-	-	-	13	45	79	45	24	23	24	10	263	1,389
95-99	-	-	1	4	15	6	4	4	8	2	1	45	846
100 & Over	-	-	-	-	2	2	1	1	2	1	-	9	456
Total Count	-	-	1	25	151	509	1,181	2,405	3,908	5,057	3,140	16,377	
Avg Monthly Benefit	\$ -	\$ -	\$ 81	\$ 266	\$ 547	\$ 808	\$ 1,261	\$ 1,704	\$ 2,633	\$ 3,058	\$ 3,383		\$ 2,593

Exhibit C-5f
Distribution of Retired Members and Beneficiaries by Age and Retirement Year
as of June 30, 2022
General Plan G

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	-	-	-	2	1	3	\$ 2,331
35-39	-	-	-	-	-	-	-	-	-	-	1	1	1,180
40-44	-	-	-	-	-	-	-	-	-	2	-	2	1,899
45-49	-	-	-	-	-	-	-	-	-	2	3	5	1,691
50-54	-	-	-	-	-	-	-	-	-	2	6	8	1,515
55-59	-	-	-	-	-	-	-	-	-	3	21	24	688
60-64	-	-	-	-	-	-	-	-	1	6	31	38	897
65-69	-	-	-	-	-	-	-	-	-	15	55	70	1,117
70-74	-	-	-	-	-	-	-	-	-	13	22	35	1,483
75-79	-	-	-	-	-	-	-	1	-	4	4	9	4,053
80-84	-	-	-	-	-	-	-	-	-	4	2	6	2,355
85-89	-	-	-	-	-	-	-	-	-	-	-	-	-
90-94	-	-	-	-	-	-	-	-	-	-	-	-	-
95-99	-	-	-	-	-	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Count	-	-	-	-	-	-	-	1	1	53	146	201	
Avg Monthly Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,047	\$ 987	\$ 1,680	\$ 1,176		\$ 1,313

Exhibit C-5g
Distribution of Retired Members and Beneficiaries by Age and Retirement Year
as of June 30, 2022
Safety Plan A

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	-	-	2	3	1	6	\$ -
35-39	-	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	1	2	-	3	6,486
50-54	-	-	-	-	1	-	2	-	1	-	-	4	6,412
55-59	-	-	-	-	-	1	1	-	2	3	2	9	5,401
60-64	-	-	-	-	3	1	4	-	18	10	4	40	8,071
65-69	-	2	11	16	9	17	19	97	150	34	36	391	10,098
70-74	2	25	58	46	60	80	273	476	94	81	56	1,251	9,391
75-79	5	59	119	101	117	343	811	175	60	81	72	1,943	8,875
80-84	17	52	69	82	217	469	151	31	61	88	55	1,292	8,156
85-89	25	36	59	92	232	70	27	47	49	64	42	743	7,188
90-94	23	22	51	87	32	5	19	24	40	34	28	365	6,636
95-99	1	18	20	7	1	4	12	9	9	14	2	97	6,342
100 & Over	2	1	1	-	2	-	-	-	2	-	-	8	6,304
Total Count	75	215	388	431	674	990	1,319	859	489	414	298	6,152	
Avg Monthly Benefit	\$ 3,475	\$ 4,164	\$ 4,411	\$ 5,944	\$ 7,699	\$ 8,822	\$ 10,382	\$ 10,792	\$ 9,560	\$ 7,535	\$ 7,432		\$ 8,505

Exhibit C-5h
Distribution of Retired Members and Beneficiaries by Age and Retirement Year
as of June 30, 2022
Safety Plan B

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	3	1	-	8	11	23	\$ 2,218
35-39	-	-	-	-	-	-	-	-	2	27	12	41	4,299
40-44	-	-	-	-	-	-	-	2	15	48	32	97	4,333
45-49	-	-	-	-	-	-	9	28	29	67	63	196	4,647
50-54	-	-	-	-	3	24	65	61	77	134	188	552	5,708
55-59	-	-	-	1	41	97	111	85	117	652	953	2,057	9,434
60-64	-	-	3	25	79	110	106	100	462	1,299	258	2,442	9,549
65-69	-	-	13	30	65	66	84	234	761	334	51	1,638	8,762
70-74	-	-	5	20	28	23	54	212	152	43	11	548	7,845
75-79	-	-	4	4	10	21	45	48	21	14	1	168	5,548
80-84	-	-	-	-	1	1	6	3	3	2	2	18	4,670
85-89	-	-	-	-	2	2	-	-	1	-	-	5	2,793
90-94	-	-	1	1	1	-	1	1	1	1	-	7	1,516
95-99	-	-	-	-	-	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Count	-	-	26	81	230	344	484	775	1,641	2,629	1,582	7,792	
Avg Monthly Benefit	\$ -	\$ -	\$ 2,500	\$ 2,720	\$ 3,642	\$ 3,984	\$ 4,392	\$ 6,617	\$ 8,863	\$ 9,842	\$ 10,718		\$ 8,614

Exhibit C-5i
Distribution of Retired Members and Beneficiaries by Age and Retirement Year
as of June 30, 2022
Safety Plan C

Age	Retirement Year											Total Count	Average Monthly Benefit
	Pre-1975	1975-79	1980-84	1985-89	1990-94	1995-99	2000-04	2005-09	2010-14	2015-19	2020-24		
Under 35	-	-	-	-	-	-	-	-	-	1	2	3	\$ 2,984
35-39	-	-	-	-	-	-	-	-	-	1	3	4	3,289
40-44	-	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	1	1	2	3,326
50-54	-	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-	-	2	2	3,069
60-64	-	-	-	-	-	-	-	-	-	3	4	7	1,503
65-69	-	-	-	-	-	-	-	-	-	-	1	1	2,168
70-74	-	-	-	-	-	-	-	-	-	1	-	1	24,861
75-79	-	-	-	-	-	-	-	-	1	-	-	1	19,364
80-84	-	-	-	-	-	-	-	-	-	-	-	-	-
85-89	-	-	-	-	-	-	-	-	-	-	-	-	-
90-94	-	-	-	-	-	-	-	-	-	-	-	-	-
95-99	-	-	-	-	-	-	-	-	-	-	-	-	-
100 & Over	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Count	-	-	-	-	-	-	-	-	1	7	13	21	
Avg Monthly Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,364	\$ 5,414	\$ 2,658		\$ 4,372

Appendix D Member Contribution Rates

This section illustrates the member normal contribution rates and the normal plus cost-of-living contribution rates by entry age.

Exhibit D-1
Normal Member Contribution Rates

Entry Age	General					Safety		
	Plan A	Plan B	Plan C	Plan D	Plan G	Plan A	Plan B	Plan C
16	2.78%	5.57%	4.77%	4.77%	7.48%	4.47%	8.94%	11.49%
17	2.84%	5.68%	4.86%	4.86%	7.48%	4.47%	8.94%	11.49%
18	2.90%	5.79%	4.96%	4.96%	7.48%	4.47%	8.94%	11.49%
19	2.95%	5.91%	5.06%	5.06%	7.48%	4.55%	9.09%	11.49%
20	3.01%	6.03%	5.16%	5.16%	7.48%	4.58%	9.16%	11.49%
21	3.07%	6.15%	5.27%	5.27%	7.48%	4.61%	9.22%	11.49%
22	3.13%	6.27%	5.37%	5.37%	7.48%	4.69%	9.38%	11.49%
23	3.20%	6.39%	5.48%	5.48%	7.48%	4.77%	9.54%	11.49%
24	3.26%	6.52%	5.59%	5.59%	7.48%	4.85%	9.70%	11.49%
25	3.33%	6.65%	5.70%	5.70%	7.48%	4.89%	9.77%	11.49%
26	3.39%	6.79%	5.82%	5.82%	7.48%	4.92%	9.84%	11.49%
27	3.46%	6.92%	5.93%	5.93%	7.48%	5.00%	10.01%	11.49%
28	3.53%	7.06%	6.05%	6.05%	7.48%	5.09%	10.18%	11.49%
29	3.60%	7.21%	6.17%	6.17%	7.48%	5.18%	10.36%	11.49%
30	3.68%	7.35%	6.30%	6.30%	7.48%	5.23%	10.47%	11.49%
31	3.75%	7.50%	6.42%	6.42%	7.48%	5.29%	10.58%	11.49%
32	3.83%	7.66%	6.55%	6.55%	7.48%	5.38%	10.77%	11.49%
33	3.91%	7.81%	6.69%	6.69%	7.48%	5.48%	10.96%	11.49%
34	3.98%	7.96%	6.82%	6.82%	7.48%	5.58%	11.16%	11.49%
35	4.06%	8.12%	6.96%	6.96%	7.48%	5.69%	11.37%	11.49%
36	4.14%	8.28%	7.10%	7.10%	7.48%	5.79%	11.59%	11.49%
37	4.22%	8.43%	7.25%	7.25%	7.48%	5.90%	11.80%	11.49%
38	4.30%	8.59%	7.39%	7.39%	7.48%	6.01%	12.02%	11.49%
39	4.38%	8.75%	7.54%	7.54%	7.48%	6.12%	12.24%	11.49%
40	4.46%	8.91%	7.69%	7.69%	7.48%	6.23%	12.47%	11.49%
41	4.54%	9.08%	7.83%	7.83%	7.48%	6.35%	12.69%	11.49%
42	4.62%	9.24%	7.98%	7.98%	7.48%	6.45%	12.90%	11.49%
43	4.70%	9.41%	8.13%	8.13%	7.48%	6.55%	13.10%	11.49%
44	4.78%	9.57%	8.28%	8.28%	7.48%	6.64%	13.28%	11.49%
45	4.86%	9.73%	8.44%	8.44%	7.48%	6.70%	13.40%	11.49%
46	4.94%	9.88%	8.59%	8.59%	7.48%	6.70%	13.41%	11.49%
47	5.01%	10.03%	8.75%	8.75%	7.48%	6.70%	13.41%	11.49%
48	5.07%	10.15%	8.91%	8.91%	7.48%	6.70%	13.41%	11.49%
49	5.12%	10.24%	9.06%	9.06%	7.48%	6.70%	13.41%	11.49%
50	5.15%	10.29%	9.21%	9.21%	7.48%	6.70%	13.41%	11.49%
51	5.16%	10.32%	9.36%	9.36%	7.48%	6.70%	13.41%	11.49%
52	5.16%	10.32%	9.49%	9.49%	7.48%	6.70%	13.41%	11.49%
53	5.16%	10.32%	9.61%	9.61%	7.48%	6.70%	13.41%	11.49%
54	5.16%	10.32%	9.69%	9.69%	7.48%	6.70%	13.41%	11.49%
55	5.16%	10.32%	9.74%	9.74%	7.48%	6.70%	13.41%	11.49%
56	5.16%	10.32%	9.76%	9.76%	7.48%	6.70%	13.41%	11.49%
57	5.16%	10.32%	9.76%	9.76%	7.48%	6.70%	13.41%	11.49%
58	5.16%	10.32%	9.76%	9.76%	7.48%	6.70%	13.41%	11.49%
59	5.16%	10.32%	9.76%	9.76%	7.48%	6.70%	13.41%	11.49%
60	5.16%	10.32%	9.76%	9.76%	7.48%	6.70%	13.41%	11.49%

Exhibit D-2
Normal Plus Cost-of-Living Member Contribution Rates

Entry Age	General					Safety		
	Plan A	Plan B	Plan C	Plan D	Plan G	Plan A	Plan B	Plan C
16	5.06%	7.02%	6.02%	6.04%	9.24%	8.37%	11.93%	14.76%
17	5.17%	7.16%	6.13%	6.15%	9.24%	8.37%	11.93%	14.76%
18	5.28%	7.30%	6.26%	6.28%	9.24%	8.37%	11.93%	14.76%
19	5.37%	7.45%	6.39%	6.41%	9.24%	8.52%	12.13%	14.76%
20	5.48%	7.60%	6.51%	6.53%	9.24%	8.57%	12.22%	14.76%
21	5.59%	7.76%	6.65%	6.67%	9.24%	8.63%	12.30%	14.76%
22	5.70%	7.91%	6.78%	6.80%	9.24%	8.78%	12.52%	14.76%
23	5.83%	8.06%	6.92%	6.94%	9.24%	8.93%	12.73%	14.76%
24	5.94%	8.22%	7.05%	7.08%	9.24%	9.08%	12.94%	14.76%
25	6.06%	8.39%	7.19%	7.22%	9.24%	9.15%	13.04%	14.76%
26	6.17%	8.56%	7.34%	7.37%	9.24%	9.21%	13.13%	14.76%
27	6.30%	8.73%	7.48%	7.51%	9.24%	9.36%	13.36%	14.76%
28	6.43%	8.90%	7.63%	7.66%	9.24%	9.53%	13.58%	14.76%
29	6.55%	9.09%	7.79%	7.81%	9.24%	9.69%	13.82%	14.76%
30	6.70%	9.27%	7.95%	7.98%	9.24%	9.79%	13.97%	14.76%
31	6.83%	9.46%	8.10%	8.13%	9.24%	9.90%	14.12%	14.76%
32	6.97%	9.66%	8.27%	8.29%	9.24%	10.07%	14.37%	14.76%
33	7.12%	9.85%	8.44%	8.47%	9.24%	10.26%	14.62%	14.76%
34	7.25%	10.04%	8.61%	8.63%	9.24%	10.44%	14.89%	14.76%
35	7.39%	10.24%	8.78%	8.81%	9.24%	10.65%	15.17%	14.76%
36	7.54%	10.44%	8.96%	8.99%	9.24%	10.84%	15.46%	14.76%
37	7.68%	10.63%	9.15%	9.18%	9.24%	11.04%	15.74%	14.76%
38	7.83%	10.83%	9.33%	9.36%	9.24%	11.25%	16.04%	14.76%
39	7.98%	11.03%	9.51%	9.54%	9.24%	11.45%	16.33%	14.76%
40	8.12%	11.24%	9.70%	9.73%	9.24%	11.66%	16.64%	14.76%
41	8.27%	11.45%	9.88%	9.91%	9.24%	11.88%	16.93%	14.76%
42	8.41%	11.65%	10.07%	10.10%	9.24%	12.07%	17.21%	14.76%
43	8.56%	11.87%	10.26%	10.29%	9.24%	12.26%	17.48%	14.76%
44	8.70%	12.07%	10.45%	10.48%	9.24%	12.43%	17.72%	14.76%
45	8.85%	12.27%	10.65%	10.68%	9.24%	12.54%	17.88%	14.76%
46	8.99%	12.46%	10.84%	10.87%	9.24%	12.54%	17.89%	14.76%
47	9.12%	12.65%	11.04%	11.08%	9.24%	12.54%	17.89%	14.76%
48	9.23%	12.80%	11.24%	11.28%	9.24%	12.54%	17.89%	14.76%
49	9.32%	12.91%	11.43%	11.47%	9.24%	12.54%	17.89%	14.76%
50	9.38%	12.98%	11.62%	11.66%	9.24%	12.54%	17.89%	14.76%
51	9.40%	13.01%	11.81%	11.85%	9.24%	12.54%	17.89%	14.76%
52	9.40%	13.01%	11.98%	12.01%	9.24%	12.54%	17.89%	14.76%
53	9.40%	13.01%	12.13%	12.17%	9.24%	12.54%	17.89%	14.76%
54	9.40%	13.01%	12.23%	12.27%	9.24%	12.54%	17.89%	14.76%
55	9.40%	13.01%	12.29%	12.33%	9.24%	12.54%	17.89%	14.76%
56	9.40%	13.01%	12.32%	12.36%	9.24%	12.54%	17.89%	14.76%
57	9.40%	13.01%	12.32%	12.36%	9.24%	12.54%	17.89%	14.76%
58	9.40%	13.01%	12.32%	12.36%	9.24%	12.54%	17.89%	14.76%
59	9.40%	13.01%	12.32%	12.36%	9.24%	12.54%	17.89%	14.76%
60	9.40%	13.01%	12.32%	12.36%	9.24%	12.54%	17.89%	14.76%

Appendix E Historical Information

This section presents historical statistical information on LACERA's membership and the calculated contribution rates.

Exhibit E-1
Active Membership Data

General Members						Safety Members					Total Members				
Valuation Date (June 30)	Annual Salary (in millions)	Average Age	Average Service	Average Monthly Salary		Annual Salary (in millions)	Average Age	Average Service	Average Monthly Salary		Annual Salary (in millions)	Average Age	Average Service	Average Monthly Salary	
1998	65,782	\$ 2,837	44.7	12.9	\$ 3,594	10,947	\$ 725	39.9	13.8	\$ 5,519	76,729	\$ 3,562	44.0	13.0	\$ 3,870
1999	68,652	\$ 3,105	44.6	12.7	\$ 3,769	11,024	\$ 753	40.0	13.7	\$ 5,696	79,676	\$ 3,858	43.9	12.8	\$ 4,035
2000	71,940	\$ 3,353	44.4	12.5	\$ 3,884	11,264	\$ 790	39.8	13.8	\$ 5,849	83,204	\$ 4,143	43.8	12.6	\$ 4,150
2001	75,048	\$ 3,608	44.5	12.3	\$ 4,006	12,021	\$ 860	39.6	13.0	\$ 5,967	87,069	\$ 4,468	43.9	12.4	\$ 4,277
2002	77,062	\$ 3,833	44.7	12.3	\$ 4,145	12,190	\$ 894	39.6	13.8	\$ 6,115	89,252	\$ 4,727	44.0	12.5	\$ 4,414
2003	75,995	\$ 3,954	45.2	12.7	\$ 4,336	11,765	\$ 899	40.1	13.7	\$ 6,370	87,760	\$ 4,853	44.5	12.9	\$ 4,609
2004	74,826	\$ 3,967	45.6	13.1	\$ 4,418	11,409	\$ 885	40.6	14.7	\$ 6,467	86,235	\$ 4,852	44.9	13.3	\$ 4,689
2005	75,167	\$ 4,046	45.8	13.2	\$ 4,486	11,217	\$ 905	41.0	14.9	\$ 6,722	86,384	\$ 4,951	45.2	13.4	\$ 4,777
2006	77,167	\$ 4,267	45.7	13.0	\$ 4,608	11,464	\$ 969	41.2	15.0	\$ 7,047	88,631	\$ 5,236	45.1	13.3	\$ 4,924
2007	79,829	\$ 4,673	45.7	12.8	\$ 4,878	12,267	\$ 1,104	40.8	14.4	\$ 7,499	92,096	\$ 5,777	45.1	13.0	\$ 5,227
2008	81,664	\$ 5,017	45.8	12.8	\$ 5,119	12,828	\$ 1,187	40.5	13.7	\$ 7,714	94,492	\$ 6,204	45.1	12.9	\$ 5,471
2009	82,878	\$ 5,348	46.1	13.1	\$ 5,377	12,910	\$ 1,240	40.8	14.0	\$ 8,002	95,788	\$ 6,588	45.4	13.2	\$ 5,731
2010	81,413	\$ 5,318	46.6	13.6	\$ 5,444	12,997	\$ 1,257	41.3	14.5	\$ 8,062	94,410	\$ 6,575	45.9	13.7	\$ 5,804
2011	80,145	\$ 5,295	47.0	14.0	\$ 5,506	12,641	\$ 1,240	41.9	15.1	\$ 8,172	92,786	\$ 6,535	46.3	14.2	\$ 5,869
2012	79,467	\$ 5,272	47.3	14.4	\$ 5,528	12,485	\$ 1,230	42.3	15.5	\$ 8,209	91,952	\$ 6,502	46.7	14.6	\$ 5,892
2013	79,006	\$ 5,253	47.6	14.8	\$ 5,541	12,539	\$ 1,235	42.3	15.7	\$ 8,207	91,545	\$ 6,488	46.9	14.9	\$ 5,906
2014	79,943	\$ 5,488	47.6	14.9	\$ 5,720	12,523	\$ 1,253	42.6	15.8	\$ 8,337	92,466	\$ 6,741	47.0	15.0	\$ 6,075
2015	81,228	\$ 5,706	47.6	14.8	\$ 5,854	12,446	\$ 1,300	42.8	16.0	\$ 8,702	93,674	\$ 7,006	46.9	15.0	\$ 6,233
2016	82,916	\$ 5,950	47.4	14.6	\$ 5,980	12,528	\$ 1,343	42.8	16.0	\$ 8,931	95,444	\$ 7,293	46.8	14.8	\$ 6,367
2017	84,513	\$ 6,290	47.3	14.5	\$ 6,202	12,698	\$ 1,388	42.5	15.6	\$ 9,110	97,211	\$ 7,678	46.7	14.6	\$ 6,582
2018	85,703	\$ 6,610	47.2	14.4	\$ 6,428	12,771	\$ 1,452	42.2	15.3	\$ 9,471	98,474	\$ 8,062	46.6	14.5	\$ 6,822
2019	86,392	\$ 6,816	47.3	14.4	\$ 6,574	12,794	\$ 1,540	42.0	15.1	\$ 10,032	99,186	\$ 8,356	46.6	14.5	\$ 7,020
2020	86,930	\$ 7,186	47.3	14.4	\$ 6,889	13,178	\$ 1,591	41.4	14.4	\$ 10,058	100,108	\$ 8,777	46.5	14.4	\$ 7,306
2021	85,963	\$ 7,438	47.5	14.6	\$ 7,210	13,138	\$ 1,651	41.4	14.2	\$ 10,471	99,101	\$ 9,088	46.7	14.5	\$ 7,642
2022	83,689	\$ 7,335	47.6	14.7	\$ 7,304	12,850	\$ 1,627	41.6	14.3	\$ 10,551	96,539	\$ 8,962	46.8	14.7	\$ 7,736

Exhibit E-2
Retired Membership Data

General Members					Safety Members				Total Members			
Valuation Date (June 30)	Number	Annual Allowance (in millions)	Average Age	Average Monthly Benefit	Number	Annual Allowance (in millions)	Average Age	Average Monthly Benefit	Number	Annual Allowance (in millions)	Average Age	Average Monthly Benefit
1998	35,462	\$ 692	71.1	\$ 1,626	7,425	\$ 267	62.5	\$ 3,001	42,887	\$ 959	69.6	\$ 1,864
1999	35,837	\$ 725	71.4	\$ 1,686	7,674	\$ 291	63.1	\$ 3,166	43,511	\$ 1,016	70.0	\$ 1,947
2000	36,596	\$ 780	71.4	\$ 1,778	8,032	\$ 324	63.1	\$ 3,358	44,628	\$ 1,104	69.9	\$ 2,062
2001	37,077	\$ 890	71.6	\$ 2,001	8,319	\$ 382	63.4	\$ 3,828	45,396	\$ 1,272	70.1	\$ 2,336
2002	37,618	\$ 914	71.8	\$ 2,025	8,624	\$ 403	63.7	\$ 3,892	46,242	\$ 1,317	70.3	\$ 2,374
2003	38,283	\$ 984	71.9	\$ 2,142	8,949	\$ 443	63.9	\$ 4,128	47,232	\$ 1,427	70.4	\$ 2,518
2004	39,097	\$ 1,056	72.0	\$ 2,250	9,235	\$ 478	64.2	\$ 4,318	48,332	\$ 1,534	70.5	\$ 2,645
2005	40,251	\$ 1,138	72.1	\$ 2,355	9,518	\$ 514	64.6	\$ 4,504	49,769	\$ 1,652	70.7	\$ 2,766
2006	41,309	\$ 1,224	72.2	\$ 2,469	9,683	\$ 549	65.0	\$ 4,728	50,992	\$ 1,773	70.8	\$ 2,898
2007	41,584	\$ 1,280	72.2	\$ 2,565	9,808	\$ 578	65.4	\$ 4,914	51,392	\$ 1,858	70.9	\$ 3,013
2008	42,298	\$ 1,356	72.4	\$ 2,671	10,052	\$ 623	65.8	\$ 5,167	52,350	\$ 1,979	71.1	\$ 3,150
2009	42,825	\$ 1,423	72.6	\$ 2,768	10,244	\$ 663	66.3	\$ 5,394	53,069	\$ 2,086	71.4	\$ 3,275
2010	43,752	\$ 1,514	72.7	\$ 2,883	10,444	\$ 706	66.7	\$ 5,638	54,196	\$ 2,220	71.6	\$ 3,414
2011	44,726	\$ 1,597	72.9	\$ 2,976	10,645	\$ 746	67.0	\$ 5,836	55,371	\$ 2,343	71.7	\$ 3,526
2012	45,899	\$ 1,686	73.0	\$ 3,061	10,871	\$ 789	67.3	\$ 6,049	56,770	\$ 2,475	71.9	\$ 3,633
2013	46,939	\$ 1,774	73.2	\$ 3,149	11,147	\$ 837	67.5	\$ 6,261	58,086	\$ 2,611	72.1	\$ 3,746
2014	47,867	\$ 1,836	73.4	\$ 3,196	11,362	\$ 876	67.8	\$ 6,427	59,229	\$ 2,712	72.3	\$ 3,816
2015	48,958	\$ 1,898	73.5	\$ 3,231	11,648	\$ 914	68.0	\$ 6,541	60,606	\$ 2,813	72.5	\$ 3,867
2016	50,034	\$ 1,988	73.6	\$ 3,311	11,880	\$ 965	68.3	\$ 6,766	61,914	\$ 2,952	72.6	\$ 3,974
2017	51,083	\$ 2,079	73.8	\$ 3,391	12,241	\$ 1,030	68.4	\$ 7,012	63,324	\$ 3,109	72.7	\$ 4,091
2018	52,292	\$ 2,192	73.9	\$ 3,493	12,588	\$ 1,104	68.5	\$ 7,308	64,880	\$ 3,296	72.8	\$ 4,233
2019	53,560	\$ 2,316	73.9	\$ 3,603	12,947	\$ 1,184	68.6	\$ 7,620	66,507	\$ 3,500	72.9	\$ 4,385
2020	54,693	\$ 2,436	74.0	\$ 3,712	13,319	\$ 1,270	68.8	\$ 7,946	68,012	\$ 3,706	73.0	\$ 4,541
2021	55,828	\$ 2,552	74.1	\$ 3,809	13,669	\$ 1,350	68.8	\$ 8,228	69,497	\$ 3,902	73.0	\$ 4,679
2022	57,606	\$ 2,716	74.0	\$ 3,928	13,965	\$ 1,434	68.9	\$ 8,560	71,571	\$ 4,150	73.0	\$ 4,832

**Exhibit E-3
 Contribution Rates**

General Plans						Safety Plans					Total All Plans				
Valuation Date (June 30)	Calculated Normal Cost	Member Contributions	Net Employer Normal Cost	UAAL Rate	Total Employer Contribution	Calculated Normal Cost	Member Contributions	Net Employer Normal Cost	UAAL Rate	Total Employer Contribution	Calculated Normal Cost	Member Contributions	Net Employer Normal Cost	UAAL Rate	Total Employer Contribution
1998	10.27%	3.06%	7.21%	0.00%	7.21%	25.00%	8.70%	16.30%	0.00%	16.30%	13.27%	4.21%	9.06%	0.00%	9.06%
1999	10.98%	3.20%	7.78%	0.00%	7.78%	25.41%	9.12%	16.29%	0.00%	16.29%	13.81%	4.36%	9.45%	0.00%	9.45%
2000	10.91%	3.33%	7.58%	0.00%	7.58%	25.22%	9.44%	15.78%	0.00%	15.78%	13.66%	4.51%	9.15%	0.00%	9.15%
2001	11.27%	3.45%	7.82%	0.00%	7.82%	25.47%	9.27%	16.20%	0.00%	16.20%	14.01%	4.57%	9.44%	0.00%	9.44%
2002	12.04%	3.53%	8.51%	0.21%	8.72%	25.92%	9.37%	16.55%	0.21%	16.76%	14.66%	4.63%	10.03%	0.21%	10.24%
2003	12.25%	3.72%	8.53%	4.66%	13.19%	25.89%	9.55%	16.34%	4.66%	21.00%	14.80%	4.81%	9.99%	4.66%	14.65%
2004	12.20%	3.82%	8.38%	6.41%	14.79%	24.61%	9.61%	15.00%	6.41%	21.41%	14.48%	4.88%	9.60%	6.41%	16.01%
2005	12.22%	3.91%	8.31%	5.33%	13.64%	24.69%	9.68%	15.01%	5.33%	20.34%	14.50%	4.97%	9.53%	5.33%	14.86%
2006	12.22%	4.07%	8.15%	3.49%	11.64%	24.70%	9.70%	15.00%	3.49%	18.49%	14.54%	5.12%	9.42%	3.49%	12.91%
2007	13.15%	4.38%	8.77%	2.24%	11.01%	26.04%	10.18%	15.86%	2.24%	18.10%	15.67%	5.51%	10.16%	2.24%	12.40%
2008	13.18%	4.47%	8.71%	1.99%	10.70%	26.01%	10.22%	15.79%	1.99%	17.78%	15.68%	5.59%	10.09%	1.99%	12.08%
2009	13.29%	4.57%	8.72%	4.12%	12.84%	26.08%	10.21%	15.87%	4.12%	19.99%	15.75%	5.65%	10.10%	4.12%	14.22%
2010	13.32%	4.68%	8.64%	6.47%	15.11%	25.00%	10.19%	14.81%	6.47%	21.28%	15.59%	5.75%	9.84%	6.47%	16.31%
2011	13.36%	4.91%	8.45%	7.89%	16.34%	25.09%	10.50%	14.59%	7.89%	22.48%	15.65%	6.00%	9.65%	7.89%	17.54%
2012	13.50%	5.01%	8.49%	10.09%	18.58%	25.42%	10.52%	14.90%	10.09%	24.99%	15.81%	6.08%	9.73%	10.09%	19.82%
2013	13.25%	5.01%	8.24%	11.90%	20.14%	24.67%	10.26%	14.41%	11.90%	26.31%	15.47%	6.03%	9.44%	11.90%	21.34%
2014	13.14%	5.09%	8.05%	10.04%	18.09%	24.71%	10.23%	14.48%	10.04%	24.52%	15.37%	6.08%	9.29%	10.04%	19.33%
2015	13.28%	5.22%	8.06%	8.49%	16.55%	24.71%	10.26%	14.45%	8.49%	22.94%	15.46%	6.18%	9.28%	8.49%	17.77%
2016	14.51%	5.72%	8.79%	9.73%	18.52%	25.54%	10.57%	14.97%	9.73%	24.70%	16.62%	6.65%	9.97%	9.73%	19.70%
2017	14.62%	5.87%	8.75%	10.10%	18.85%	25.69%	10.56%	15.13%	10.10%	25.23%	16.70%	6.76%	9.94%	10.10%	20.04%
2018	14.77%	6.04%	8.73%	10.99%	19.72%	25.70%	10.59%	15.11%	10.99%	26.10%	16.80%	6.88%	9.92%	10.99%	20.91%
2019	16.24%	6.74%	9.50%	11.73%	21.23%	28.58%	11.78%	16.80%	11.73%	28.53%	18.54%	7.68%	10.86%	11.73%	22.59%
2020	16.31%	6.86%	9.45%	13.75%	23.20%	28.95%	11.88%	17.07%	13.75%	30.82%	18.69%	7.80%	10.89%	13.75%	24.64%
2021	16.35%	6.94%	9.41%	13.58%	22.99%	29.09%	11.88%	17.21%	13.58%	30.79%	18.75%	7.87%	10.88%	13.58%	24.46%
2022	16.85%	7.23%	9.62%	14.72%	24.34%	29.97%	12.45%	17.52%	14.72%	32.24%	19.33%	8.21%	11.12%	14.72%	25.84%

**Exhibit E-4
Funded Status History**

Dollars in Millions

Valuation Year	Actuarial Accrued Liability (AAL)	Market Value Basis			Actuarial Value Basis			Annual Total Payroll	Asset Smoothing Ratio (AVA / MVA)	Asset Volatility Ratio (MVA / Payroll)	Liability Volatility Ratio (AAL / Payroll)
		Market Value of Assets (MVA) ¹	Unfunded AAL (UAAL)/Surplus MVA Basis	Funded Ratio MVA Basis	Actuarial Value of Assets (AVA) ¹	Unfunded AAL (UAAL)/Surplus AVA Basis	Funded Ratio AVA Basis				
1996 ²	17,300	18,600	1,300	107.5%	17,700	400	102.3%	3,356	95.2%	5.5	5.2
1997 ²	19,300	21,100	1,800	109.3%	19,600	300	101.6%	3,373	92.9%	6.3	5.7
1998	20,960	22,332	1,372	106.5%	20,851	(109)	99.5%	3,562	93.4%	6.3	5.9
1999	22,785	24,382	1,597	107.0%	23,536	751	103.3%	3,858	96.5%	6.3	5.9
2000	24,721	27,257	2,536	110.3%	25,427	706	102.9%	4,143	93.3%	6.6	6.0
2001	26,490	23,916	(2,574)	90.3%	26,490	-	100.0%	4,469	110.8%	5.4	5.9
2002	28,437	24,085	(4,352)	84.7%	28,262	(175)	99.4%	4,730	117.3%	5.1	6.0
2003	30,474	24,616	(5,858)	80.8%	26,564	(3,910)	87.2%	4,934	107.9%	5.0	6.2
2004	32,700	28,094	(4,606)	85.9%	27,089	(5,611)	82.8%	4,942	96.4%	5.7	6.6
2005	34,375	30,904	(3,471)	89.9%	29,497	(4,878)	85.8%	5,051	95.4%	6.1	6.8
2006	36,259	34,256	(2,003)	94.5%	32,820	(3,439)	90.5%	5,333	95.8%	6.4	6.8
2007	39,503	40,073	570	101.4%	37,042	(2,461)	93.8%	5,886	92.4%	6.8	6.7
2008	41,975	37,834	(4,141)	90.1%	39,662	(2,313)	94.5%	6,257	104.8%	6.0	6.7
2009	44,469	29,723	(14,746)	66.8%	39,542	(4,927)	88.9%	6,673	133.0%	4.5	6.7
2010	46,646	32,629	(14,017)	69.9%	38,839	(7,807)	83.3%	6,739	119.0%	4.8	6.9
2011	48,599	38,587	(10,012)	79.4%	39,194	(9,405)	80.6%	6,705	101.6%	5.8	7.2
2012	50,809	37,453	(13,356)	73.7%	39,039	(11,770)	76.8%	6,675	104.2%	5.6	7.6
2013	53,247	41,334	(11,913)	77.6%	39,932	(13,315)	75.0%	6,656	96.6%	6.2	8.0
2014	54,942	47,223	(7,719)	86.0%	43,654	(11,288)	79.5%	6,815	92.4%	6.9	8.1
2015	56,819	48,308	(8,511)	85.0%	47,328	(9,491)	83.3%	7,078	98.0%	6.8	8.0
2016	62,199	47,347	(14,852)	76.1%	49,358	(12,841)	79.4%	7,390	104.2%	6.4	8.4
2017	65,311	52,217	(13,094)	80.0%	52,166	(13,145)	79.9%	7,749	99.9%	6.7	8.4
2018	68,527	55,737	(12,790)	81.3%	55,233	(13,294)	80.6%	8,079	99.1%	6.9	8.5
2019	74,635	57,712	(16,923)	77.3%	57,617	(17,018)	77.2%	8,423	99.8%	6.9	8.9
2020	78,275	57,925	(20,350)	74.0%	59,763	(18,512)	76.3%	8,819	103.2%	6.6	8.9
2021	81,898	72,282	(9,616)	88.3%	64,909	(16,989)	79.3%	9,080	89.8%	8.0	9.0
2022	86,320	68,973	(17,347)	79.9%	68,712	(17,608)	79.6%	9,048	99.6%	7.6	9.5

1. Asset values exclude non-valuation reserves

2. Only rounded values are available.

Exhibit E-5
Reconciliation of Changes in Unfunded Actuarial Accrued Liability or Surplus

Dollars in Millions

Valuation Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Prior Year UAAL	9,405	11,770	13,315	11,288	9,491	12,841	13,145	13,294	17,018	18,512	16,989
Normal Cost	1,237	1,430	1,163	1,068	1,118	1,246	1,243	1,352	1,553	1,634	1,681
Contributions	(1,646)	(1,455)	(1,824)	(1,936)	(1,902)	(1,880)	(2,116)	(2,303)	(2,459)	(2,774)	(2,959)
Interest	724	895	999	814	682	954	968	976	1,212	1,311	1,202
Changes in Assumptions/Methodology	457	511	-	-	2,922	-	-	2,528	-	-	1,364
Changes in Benefit Provisions	-	-	-	-	-	-	-	-	-	-	-
Expected Current Year UAAL	10,177	13,151	13,653	11,234	12,311	13,161	13,240	15,847	17,324	18,683	18,277
Actual Current Year UAAL	11,770	13,315	11,288	9,491	12,841	13,145	13,294	17,018	18,512	16,989	17,608
Total (Gain)/Loss on UAAL	1,593	164	(2,365)	(1,743)	530	(16)	54	1,171	1,188	(1,694)	(669)
Asset (Gains)/Losses	2,337	893	(1,664)	(1,263)	496	(421)	(411)	477	701	(2,039)	(996)
Salary Increases	(629)	(563)	(291)	79	162	277	223	486	388	484	(21)
All Other Actuarial (Gains)/Losses	(115)	(166)	(410)	(559)	(128)	128	242	208	99	(139)	348

Exhibit E-6
Reconciliation of Changes in Calculated Employer Contribution Rate

Valuation Year	Prior Year Contribution Rate	Changes in Existing Amortization Bases	Assumption/ Method Changes	Salary/Payroll Variations	Plan Amendments	Asset (Gains)/Losses	Demographic/Other (Gains)/Losses	Current Year Contribution Rate
2004	14.65%	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹	16.01%
2005	16.01%	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹	14.86%
2006	14.86%	-0.29%	0.00%	0.02%	0.00%	-1.82%	0.14%	12.91%
2007	12.91%	-0.28%	1.34%	0.61%	0.00%	-2.14%	-0.04%	12.40%
2008	12.40%	-0.17%	0.00%	0.21%	0.00%	-0.24%	-0.12%	12.08%
2009	12.08%	-0.04%	-1.76%	0.21%	0.00%	3.91%	-0.18%	14.22%
2010	14.22%	0.00%	-0.27%	-0.10%	0.00%	2.29%	0.17%	16.31%
2011	16.31%	0.00%	0.25%	-0.14%	0.00%	1.39%	-0.27%	17.54%
2012	17.54%	0.00%	0.54%	-0.11%	0.00%	1.92%	-0.07%	19.82%
2013	19.82%	0.00%	0.82%	-0.01%	0.00%	0.74%	-0.03%	21.34%
2014	21.34%	0.00%	0.00%	-0.15%	0.00%	-1.43%	-0.43%	19.33%
2015	19.33%	0.00%	0.00%	0.04%	0.00%	-1.04%	-0.56%	17.77%
2016	17.77%	0.00%	2.87%	0.20%	0.00%	0.39%	-0.02%	21.21%
2017	21.21%	0.00%	0.00%	0.05%	0.00%	-0.32%	0.06%	21.00%
2018	21.00%	0.00%	0.00%	0.04%	0.00%	-0.30%	0.17%	20.91%
2019	20.91%	0.00%	1.10%	0.20%	0.00%	0.42%	-0.04%	22.59%
2020	22.59%	0.00%	1.09%	0.04%	0.00%	0.58%	0.34%	24.64%
2021	24.64%	0.00%	1.10%	0.39%	0.00%	-1.69%	0.02%	24.46%
2022	24.46%	0.00%	1.38%	0.49%	0.00%	-0.80%	0.31%	25.84%

1. Data not available.

**Exhibit E-7
Funding Policy History**

	Description of changes, if any	Effective Date	Impact on Contribution Rate	Impact on Funded Ratio	Rationale
2009	Changed from 3-year to 5-year asset smoothing. Included STAR reserve as a valuation asset. Adopted 30-year layered amortization period.	June 30, 2009	-1.68% ¹	4.40%	See June 30, 2009 valuation report.
2010	Included STAR reserve as a valuation asset.	June 30, 2010	-0.52% ¹	1.40%	See June 30, 2010 valuation report.
2011	Included STAR reserve as a valuation asset.	June 30, 2011	-0.52% ¹	1.20%	See June 30, 2011 valuation report.
2012	Included STAR reserve as a valuation asset for 2012 and future valuations (adopted February 2013).	June 30, 2012	-0.53% ¹	1.20%	See June 30, 2012 valuation report.
2019	Adopted 20-year layered amortization period for new layers. Existing layers are set to be no greater than 22 years, so they are fully amortized no later than 2042.	June 30, 2019	0.30%	0.00%	See June 30, 2019 valuation report.
2022	Excluded STAR reserve from valuation assets.	June 30, 2022	0.46%	-0.70%	See June 30, 2022 valuation report.

1. Note that savings due to inclusion of STAR reserve as valuation asset are not cumulative from year to year.

Exhibit E-8
History of Changes in Economic Assumptions

Valuation Year	Price Inflation	Wage Inflation	Real Wage Inflation ¹	Investment Return Assumption	Real Investment Return ²	Effective Date	Change in Contribution Rate	Change in Funded Ratio
2004	3.50%	3.75%	0.25%	7.75%	4.25%	July 1, 2004	1.65%	N/A ³
2007	3.50%	4.00%	0.50%	7.75%	4.25%	July 1, 2007	0.66%	-1.3%
2011	3.45%	3.95%	0.50%	7.70%	4.25%	July 1, 2011	0.25%	-0.3%
2012	3.35%	3.85%	0.50%	7.60%	4.25%	July 1, 2012	0.54%	-0.7%
2013	3.00%	3.50%	0.50%	7.50%	4.50%	July 1, 2013	0.37%	-0.1%
2016	2.75%	3.25%	0.50%	7.25%	4.50%	July 1, 2016	1.14%	-1.4%
2019	2.75%	3.25%	0.50%	7.00%	4.25%	July 1, 2019	2.20%	-2.3%

1. Excess of assumed wage inflation over price inflation.
2. Excess of assumed investment return over price inflation.
3. Information not available.

Exhibit E-9
History of Changes in Demographic and Other Non-Economic Assumptions

	Demographic Assumption Revisions	Effective Date	Change in Contribution Rate	Change in Funded Ratio	Rationale
2004	Mortality, merit salary scale, retirement, termination, probability of refund, probability of eligible survivor revised.	July 1, 2004	-0.63%	N/A ¹	Refer to the 2004 Investigation of Experience Report.
2007	Mortality, retirement, termination, probability of refund, merit salary scale for Safety members revised.	July 1, 2007	0.68%	N/A ¹	Refer to the 2007 Investigation of Experience Report.
2010	Mortality, retirement, termination, probability of refund, assumed benefit commencement age revised.	July 1, 2010	-0.27%	-0.1%	Refer to the 2010 Investigation of Experience Report.
2013	Mortality, retirement, termination, probability of refund, merit salary scale for Safety members, probability of eligible survivor, assumption for beneficiary age, reciprocity assumption revised.	July 1, 2013	0.45%	-0.6%	Refer to the 2013 Investigation of Experience Report.
2016	Mortality, retirement, termination, probability of eligible survivor, assumed benefit commencement age, reciprocity assumption revised.	July 1, 2016	1.73%	-2.5%	Refer to the 2016 Investigation of Experience Report.
2019	Mortality, retirement, termination, probability of refund, merit salary scale, assumed benefit commencement age.	July 1, 2019	0.80%	-0.4%	2019 Investigation of Experience.
2022	Mortality, retirement, termination, probability of refund, merit salary scale, probability of eligible survivor, assumption for beneficiary age, reciprocity assumption revised.	July 1, 2022	0.92%	-0.7%	2022 Investigation of Experience.

1. Information not available.

Appendix F Glossary

The following definitions include excerpts from a list adopted by the major actuarial organizations in the United States. In some cases, the definitions have been modified for specific applicability to LACERA and include terms used exclusively by LACERA. Defined terms are capitalized throughout this Appendix.

Accrued Benefit

The amount of an individual's benefit (whether or not vested) as of a specific date, determined in accordance with the terms of a pension plan and based on compensation and service to that date.

Actuarial Accrued Liability

That portion, as determined by a particular Actuarial Cost Method, of the Actuarial Present Value of pension plan benefits and expenses which is not provided for by future Normal Costs.

Actuarial Assumptions

Assumptions as to the occurrence of future events affecting pension costs, such as: mortality, withdrawal, disability, and retirement; changes in compensation; rates of investment earnings and asset appreciation or depreciation; procedures used to determine the Actuarial Value of Assets; and other relevant items.

Actuarial Gain (Loss)

A measure of the difference between actual experience and that expected based on a set of Actuarial Assumptions during the period between two Actuarial Valuation dates, as determined in accordance with a particular Actuarial Cost Method.

Actuarial Present Value

The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions.

Actuarial Valuation

The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a pension plan.

Actuarial Value of Assets

The value of cash, investments and other property belonging to a pension plan, as used by the actuary for the purpose of an Actuarial Valuation.

Actuarially Equivalent

Of equal Actuarial Present Value, determined as of a given date with each value based on the same set of Actuarial Assumptions.

Amortization Payment

That portion of the pension plan contribution which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.

Contingency Reserve

Reserves accumulated for future earning deficiencies, investment losses, and other contingencies. Additions include investment income and other revenues; deductions include investment expense, administrative expense, interest allocated to other reserves, funding the STAR Reserve, and distributions to the Contribution Credit Reserve. Amounts are allocated to the Contingency Reserve to the extent there are positive recognized earnings to allocate. The California Government Code (Sections 31592 and 31592.2) requires the Contingency Reserve to be set at a minimum of 1.0% of the market value of total assets.

County Contribution Credit Reserve

The accumulated balance of the County's proportionate share of excess earnings as stipulated in the Retirement System Funding Agreement between LACERA and the County. Additions include distributions from excess earning during the fiscal years ending 1994 through 1998 and related earnings. Deductions include payments, as the County authorizes, for future employer contributions due LACERA and for funding a portion of the Retiree Healthcare Program under the provisions of Internal Revenue Code 401(h).

Employer Reserve

The accumulation of employer contributions for future retirement benefit payments. Additions include contributions from employers and related earnings. Deductions include annuity payments to retired members and survivors, lump sum death benefit payments to member survivors, and supplemental disability payments.

Entry Age Actuarial Cost Method

A method under which the Actuarial Present Value of the Projected Benefits of each individual included in an Actuarial Valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit ages. The portion of this Actuarial Present Value allocated to a valuation year is called the Normal Cost. The portion of this Actuarial Present Value not provided for at a valuation date by the Actuarial Present Value of future Normal Costs is called the Actuarial Accrued Liability.

Funded Ratio

A measurement of the funded status of the Plan. The Funded Ratio is calculated by dividing the Valuation Assets by the Actuarial Accrued Liability. For example, a Funded Ratio of 90% indicates assets are 10% less than liabilities.

Funding Goal

The Funding Goal is the funded status the Board of Investments would like LACERA to achieve. The main goal is to provide benefit security for its members as well as to achieve and maintain stable employer contributions that are as low as possible. A Funded Ratio equal to 100% is the Funding Goal.

Layered Amortization Period

Payment of each year's change in the Unfunded Actuarial Accrued Liability (UAAL) is amortized over separate closed periods. For LACERA, the original UAAL as of June 30, 2009 is being amortized over a closed 30-year period. Subsequent changes in the UAAL were amortized over new closed 30-year periods. Effective with the June 30, 2019 valuation all existing layers with more than 22 years remaining as of June 30, 2020 were re-amortized over closed 22-year periods. All new UAAL layers thereafter are amortized over closed 20-year periods beginning with the date the contribution is first expected to be made. All amortization payments are based on a level percent of pay.

Member Reserve

The accumulation of member contributions. Additions include member contributions and related earnings. Deductions include annuity payments to retirees and refunds to members.

Non-Valuation Reserves

Reserves excluded from the calculation of contribution rates, including the Contingency Reserve, the County Contribution Credit Reserve, and any other reserves specifically excluded by the Board of Investments.

Normal Cost

That portion of the Actuarial Present Value of pension plan benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method.

Plan Year

A 12-month period beginning July 1 and ending June 30.

Projected Benefits

Those pension plan benefit amounts which are expected to be paid at various future times under a particular set of Actuarial Assumptions, taking into account such items as the effect of advancement in age and past and anticipated future compensation and service credits.

STAR Reserve

Reserves accumulated for the payment of cost-of-living benefits as defined in California Government Code Section 31874.3.

Supplemental Targeted Adjustment for Retirees (STAR) Benefits Supplemental cost-of-living payments to retired members to restore purchasing power at a specified percentage level, as described in California Government Code Section 31874.3.

Surplus Funding

The excess, if any, of the Actuarial Value of Assets over the Actuarial Accrued Liability. Standard actuarial terminology defines this as the "Funding Excess." LACERA uses the term "Surplus Funding."

Unfunded Actuarial Accrued Liability

The excess, if any, of the Actuarial Accrued Liability over the Actuarial Value of Assets.

Valuation Date

The date upon which the Normal Cost, Actuarial Accrued Liability, and Actuarial Value of Assets are determined. Generally, the Valuation Date will coincide with the ending of a Plan Year.

Valuation Reserves

All reserves excluding the Non-Valuation Reserves

Attachment D

Actuarial Projects 2023 – Roadmap

Actuarial Projects 2023

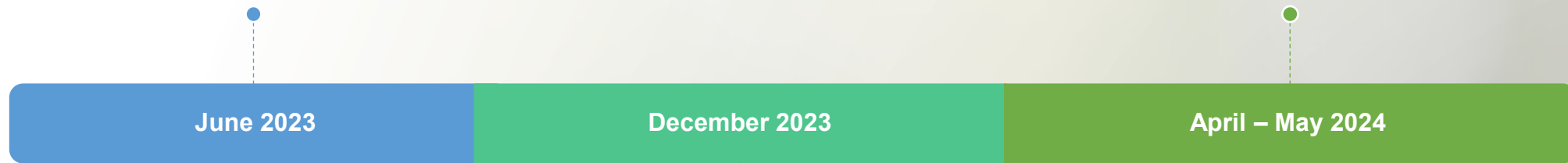
Retirement Benefits Plan

Risk Assessment Report Presentation

Milliman will present the 2023 Risk Assessment report for the June 30, 2022 Actuarial Valuation report.

Employee and Employer Contribution Rates Approval

California State Law requires LACERA to transmit the approved and recommended contribution rates to the Board of Supervisors prior to May 15.



June 2023

December 2023

April – May 2024

Actuarial Valuation Report Approval

Milliman will discuss the actuarial valuation results using the Board's approved actuarial methods and assumptions from the latest experience study report.

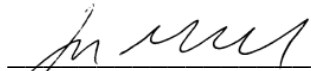
FOR INFORMATION ONLY

June 1, 2023

TO: Trustees – Board of Investments
FROM: Jude Pérez, Principal Investment Officer ^{JP}
FOR: June 14, 2023 Board of Investments Meeting
SUBJECT: **LACERA QUARTERLY PERFORMANCE BOOK**

Attached is LACERA's quarterly performance book as of March 31, 2023. The report includes both performance and risk sections utilizing data from our platform providers, Solovis and MSCI BarraOne, respectively.

Noted and Reviewed:



Jonathan Grabel
Chief Investment Officer

Attachments



Los Angeles County Employees Retirement Association

Investments Division

TOTAL FUND

PERFORMANCE REPORT

For the quarter ended
March 31, 2023

A nighttime photograph of the California State Capitol building in Sacramento, California. The building's dome is illuminated and stands out against a dark, purple, and orange sky. The surrounding city lights and a large tree in the foreground are also visible.

review

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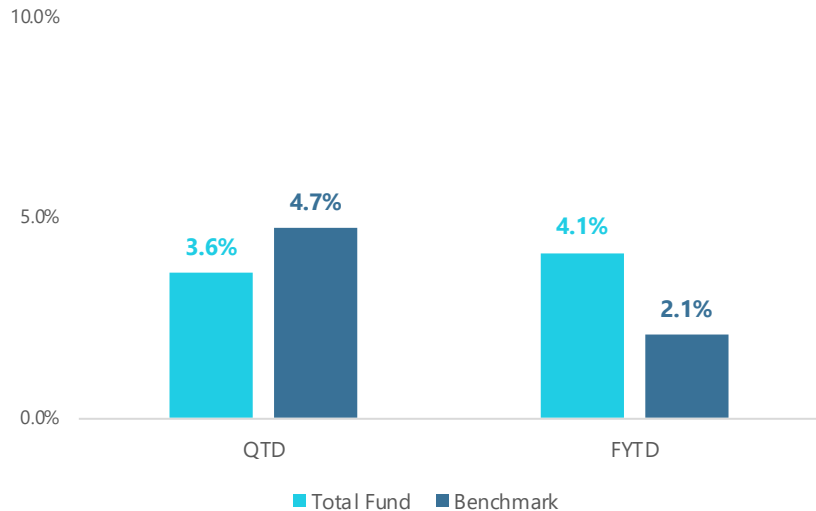
01	TOTAL FUND
02	GROWTH
03	CREDIT
04	REAL ASSETS & INFLATION HEDGES
05	RISK REDUCTION & MITIGATION
06	PRIVATE MARKETS
07	EMERGING MANAGER PROGRAM
08	RISK REPORTS
09	MANAGER SCORECARDS
10	APPENDIX

total fund

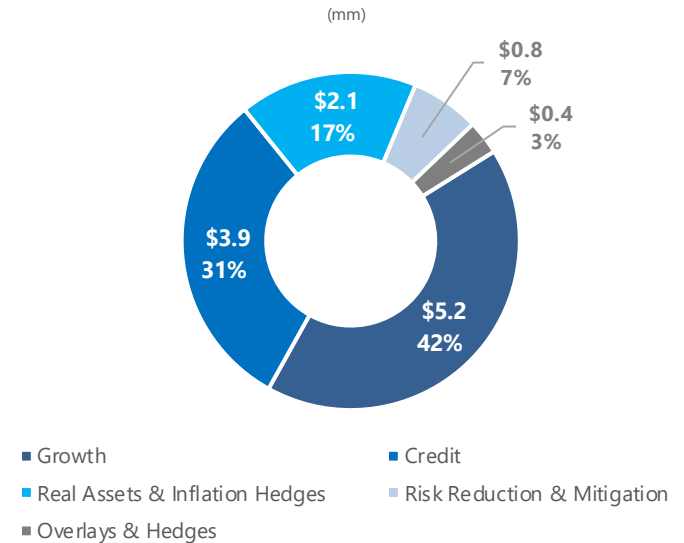
Quarterly Snapshot

for the quarter ended March 31, 2023

Performance (net)



Public Markets Fees¹



Ending Market Value

72,332

↑ **3%**
from prior quarter

Sharpe Ratio²

1.3

↑ **94%**
from prior quarter

Batting Average³

45%

↓ **-20%**
from prior quarter

Standard Deviation²

8.4

↓ **-12%**
from prior quarter

Tracking Error²

2.8

↑ **7%**
from prior quarter

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

² 3 Year Annualized.

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

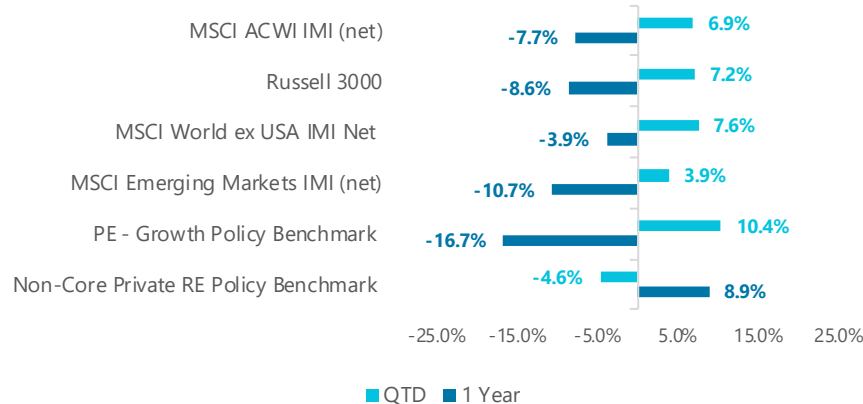
Market Environment

for the quarter ended March 31, 2023

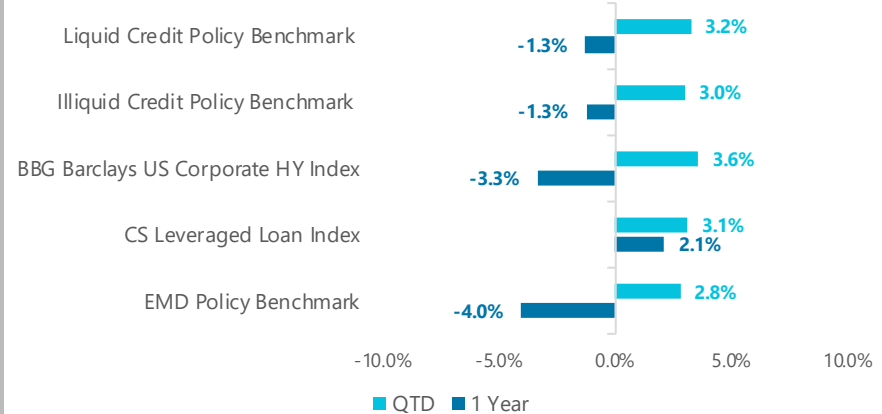


Los Angeles County Employees Retirement Association

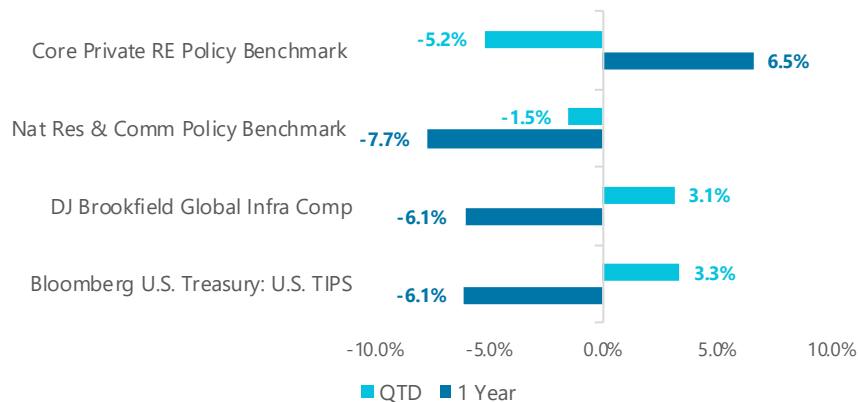
Growth



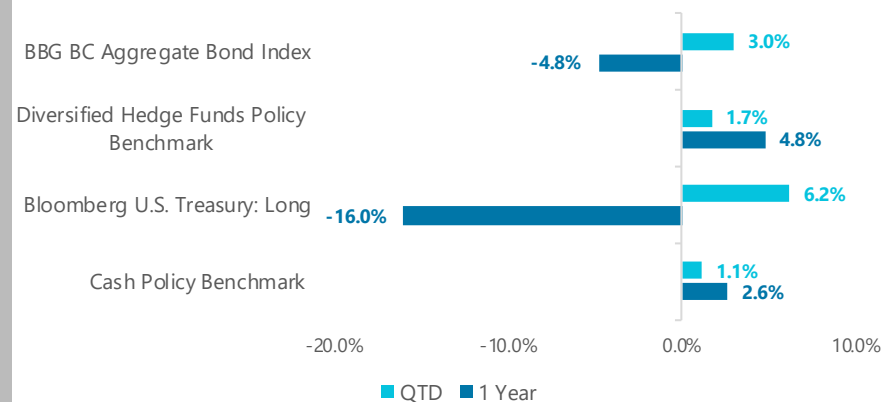
Credit



Real Assets & Inflation Hedges



Risk Reduction & Mitigation



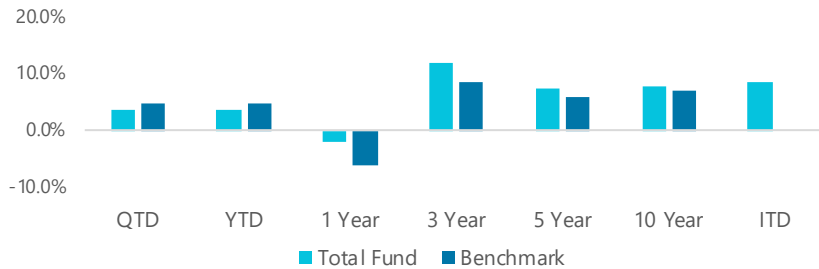
Summary

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

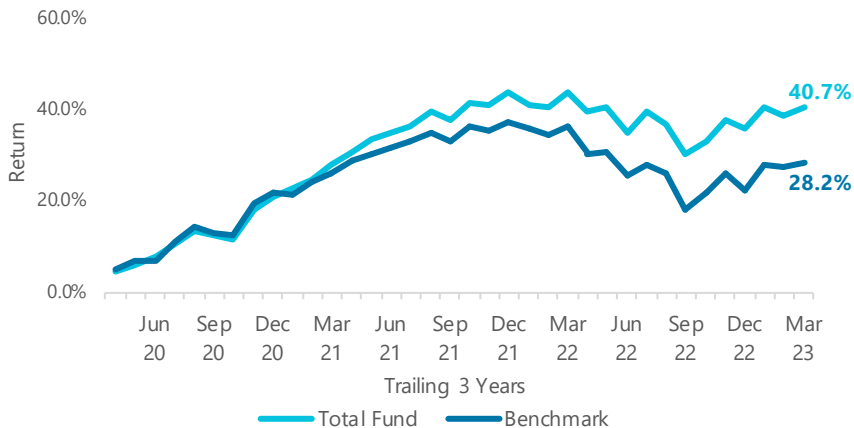
Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Total Fund	3.6%	3.6%	-2.0%	12.1%	7.5%	7.8%	8.6%
Benchmark	4.7%	4.7%	-6.0%	8.6%	6.1%	6.9%	--
Excess	-1.1%	-1.1%	4.0%	3.4%	1.4%	0.9%	--

	FY22	FY21	FY20	FY19	FY18
Total Fund	0.1%	25.2%	1.8%	6.4%	9.0%
Benchmark	-4.6%	23.1%	2.0%	8.6%	7.8%

Cumulative Return



Functional Category¹

	QTD	FYTD	1 Year	3 Year
Growth	4.9%	5.7%	-4.2%	18.4%
Growth Policy Benchmark	7.3%	2.1%	-9.7%	13.7%
Excess	-2.4%	3.6%	5.5%	4.7%
Credit	3.5%	5.2%	-0.3%	7.7%
Credit Policy Benchmark	3.1%	4.1%	-1.8%	4.5%
Excess	0.4%	1.1%	1.5%	3.2%
Real Assets & Inflation Hedges	-0.4%	1.3%	-0.4%	11.5%
RA & IH Policy Benchmark	-0.6%	1.5%	-1.8%	11.9%
Excess	0.1%	-0.2%	1.4%	-0.4%
Risk Reduction & Mitigation	3.7%	0.9%	-2.5%	-0.4%
RR & M Policy Benchmark	3.4%	0.3%	-3.6%	-1.7%
Excess	0.4%	0.6%	1.1%	1.3%
Overlays & Hedges	14.0%	15.7%	101.2%	--

¹ Cash Overlay composite returns reflect non-notionalized returns.

Peer Ranking (gross)

	QTD		1 Year		3 Year		5 Year		10 Year	
Total Fund	3.7%	54	-1.8%	30	12.4%	32	7.8%	33	8.1%	29
60/40 Portfolio	5.4%	4	-6.3%	96	8.2%	91	4.6%	89	5.5%	88
S&P 500 Index	7.5%	4	-7.7%	100	18.6%	6	11.2%	6	12.2%	6
5th Percentile	5.2%		-0.7%		13.6%		9.8%		9.6%	
25th Percentile	4.2%		-1.6%		12.6%		7.9%		8.6%	
50th Percentile	3.7%		-3.4%		11.5%		7.2%		7.7%	
75th Percentile	3.0%		-4.5%		11.0%		6.3%		7.1%	
95th Percentile	2.5%		-6.2%		0.9%		2.7%		3.2%	

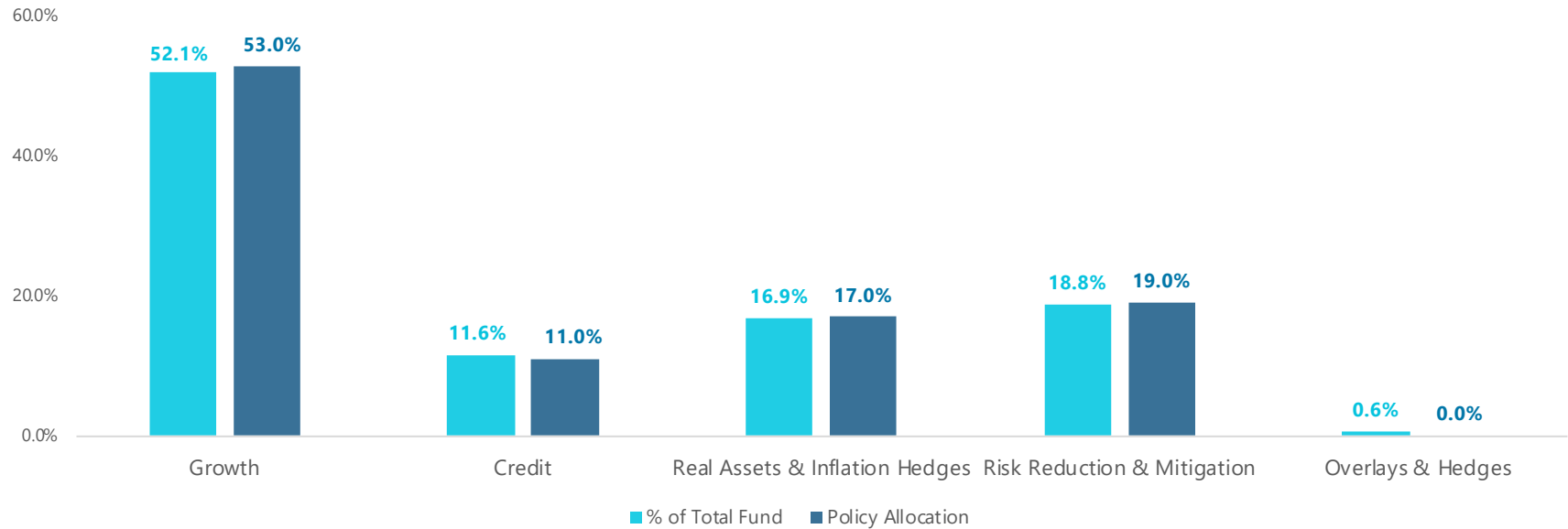
Asset Allocation

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Actual vs. Policy

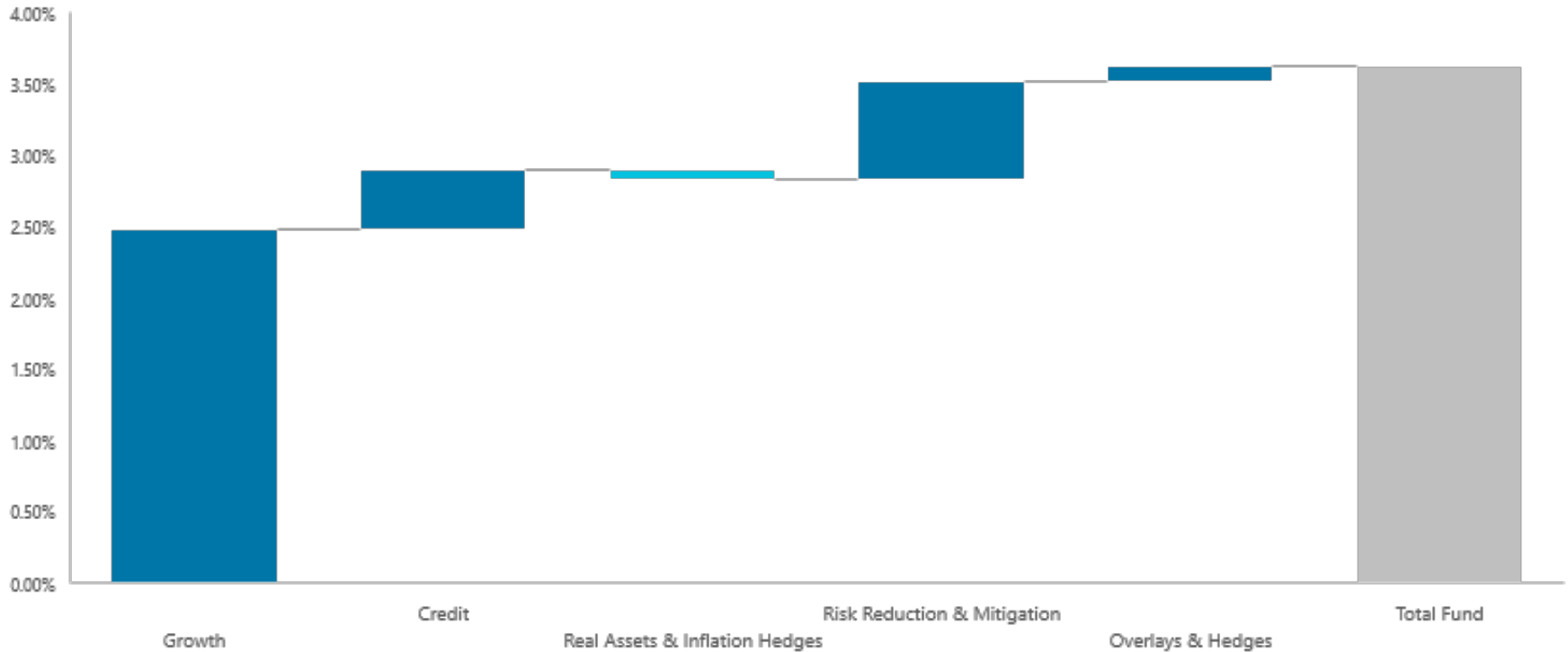


	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Over/Under (%)	Over/Under (mm)
Total Fund	72,332	100.0%	100.0%		
Growth	37,704	52.1%	53.0%	-0.9%	-632
Credit	8,411	11.6%	11.0%	0.6%	454
Real Assets & Inflation Hedges	12,202	16.9%	17.0%	-0.1%	-94
Risk Reduction & Mitigation	13,598	18.8%	19.0%	-0.2%	-145
Overlays & Hedges	417	0.6%	0.0%	0.6%	417

Contribution to Return

for the quarter ended March 31, 2023

QTD Contribution to Return



Functional Category	Contributors	Detractors
Growth	2.48% SSGA MSCI ACWI IMI	1.44% Real Estate - Real Assets
Credit	0.42% JPMAM Strategic Beta US	0.42% Gresham (Comm. Assets)
Real Assets & Inflation Hedges	-0.07% Private Equity - Growth	0.29% Real Estate - Growth
Risk Reduction & Mitigation	0.70% BlackRock Long Treasury Bonds	0.25% Credit Suisse Commodity
Overlays & Hedges	0.10% BTC US Debt Index Fund	0.13% DWS Natural Resources
Total Fund	3.62%	-0.28%

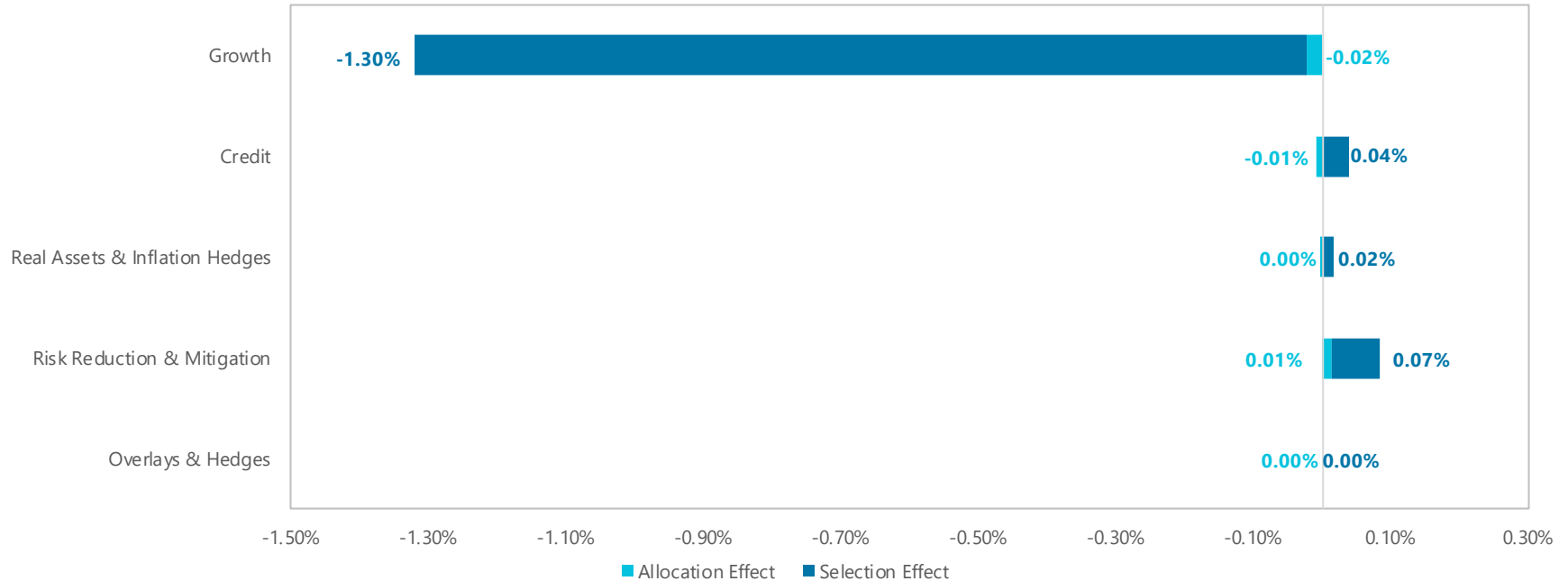
Return Attribution

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

QTD Performance Attribution¹



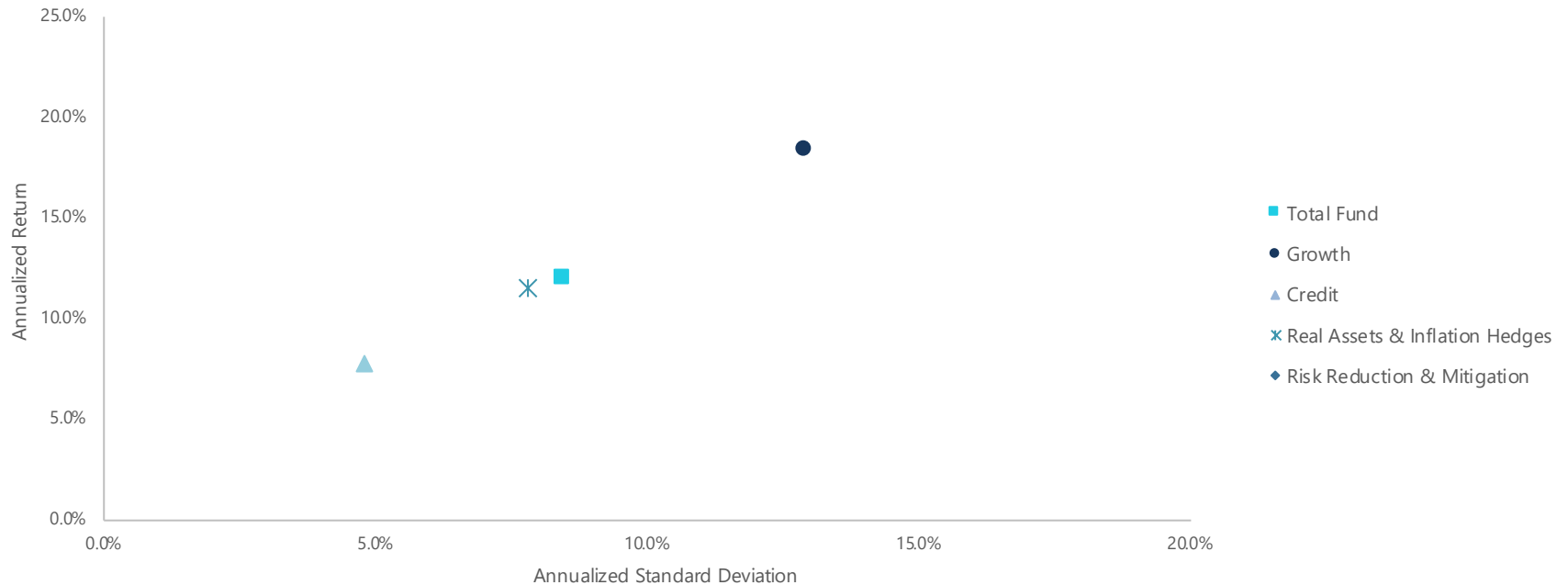
	Ending Market Value (mm)	% of Total Fund	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
Total Fund	72,332	100.0%	100.0%	3.6%	4.7%	-0.05%	-1.07%	-1.12%
Growth	37,704	52.1%	53.0%	4.9%	7.3%	-0.02%	-1.30%	-1.32%
Credit	8,411	11.6%	11.0%	3.5%	3.1%	-0.01%	0.04%	0.03%
Real Assets & Inflation Hedges	12,202	16.9%	17.0%	-0.4%	-0.6%	0.00%	0.02%	0.02%
Risk Reduction & Mitigation	13,598	18.8%	19.0%	3.7%	3.4%	0.01%	0.07%	0.09%
Overlays & Hedges	417	0.6%	0.0%	14.0%	--	--	--	--

¹ Total Value Add column includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2023

3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Total Fund	12.1%	8.4%	1.29	1.09	0.89	2.8%
Growth	18.4%	12.9%	1.32	0.77	0.85	5.2%
Credit	7.7%	4.8%	1.42	0.87	0.68	3.7%
Real Assets & Inflation Hedges	11.5%	7.8%	1.34	(0.10)	0.90	2.6%
Risk Reduction & Mitigation	-0.4%	5.0%	(0.22)	1.72	0.93	0.8%
Overlays & Hedges	127.2%	58.4%				

Performance Detail

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Annualized Net Returns¹

	% 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
Total Fund	100.0%	72,332	70,079	3.6%	3.6%	-2.0%	12.1%	7.5%	7.8%	8.6%	Dec-1988
Total Fund Policy Benchmark				4.7%	4.7%	-6.0%	8.6%	6.1%	6.9%	--	
Growth	52.1%	37,704	35,773	4.9%	4.9%	-4.2%	18.4%	--	--	11.8%	Apr-2019
Growth Policy Benchmark				7.3%	7.3%	-9.7%	13.7%	--	--	9.0%	
Global Equity	32.5%	23,521	21,969	7.1%	7.1%	-6.5%	16.4%	--	--	8.4%	Apr-2019
Global Equity Policy Benchmark				6.9%	6.9%	-7.7%	15.6%	--	--	7.8%	
Private Equity - Growth	18.0%	13,034	12,733	1.6%	1.6%	-0.8%	22.1%	--	--	19.0%	Jan-2019
PE - Growth Policy Benchmark				10.4%	10.4%	-16.7%	6.0%	--	--	7.1%	
Non-Core Private Real Estate	1.6%	1,149	1,071	-2.2%	-2.2%	9.4%	12.5%	11.8%	10.8%	4.7%	Jan-1996
Non-Core Private RE Policy Benchmark				-4.6%	-4.6%	8.9%	11.8%	10.7%	12.2%	11.3%	
Credit	11.6%	8,411	8,446	3.5%	3.5%	-0.3%	7.7%	--	--	4.2%	Apr-2019
Credit Policy Benchmark				3.1%	3.1%	-1.8%	4.5%	--	--	2.6%	
Liquid Credit	5.6%	4,076	4,709	3.1%	3.1%	-2.4%	--	--	--	-3.6%	Oct-2021
Liquid Credit Policy Benchmark				3.2%	3.2%	-1.3%	--	--	--	--	
Illiquid Credit	6.0%	4,335	3,736	3.6%	3.6%	2.5%	11.0%	--	--	9.7%	Apr-2019
Illiquid Credit Policy Benchmark				3.0%	3.0%	-1.3%	1.0%	--	--	4.2%	
Real Assets & Inflation Hedges	16.9%	12,202	12,222	-0.4%	-0.4%	-0.4%	11.5%	--	--	6.6%	Apr-2019
RA & IH Policy Benchmark				-0.6%	-0.6%	-1.8%	11.9%	--	--	7.3%	
Core Private Real Estate	5.7%	4,124	4,339	-4.5%	-4.5%	10.5%	9.1%	7.8%	8.5%	7.2%	Oct-1985
Core Private RE Policy Benchmark				-5.2%	-5.2%	6.5%	9.2%	8.1%	9.6%	7.0%	
Natural Resources & Commodities	3.0%	2,197	2,210	0.1%	0.1%	-5.2%	24.8%	6.3%	-0.5%	-0.8%	Jul-2007
Nat Res & Comm Policy Benchmark				-1.5%	-1.5%	-7.7%	25.3%	6.6%	-1.1%	-1.8%	
Infrastructure	5.5%	3,958	3,812	1.9%	1.9%	-5.7%	12.9%	--	--	7.3%	Jun-2019
DJ Brookfield Global Infra Comp				3.1%	3.1%	-6.1%	12.2%	--	--	4.1%	
TIPS	2.7%	1,924	1,861	3.4%	3.4%	-6.6%	1.7%	--	--	2.9%	May-2019
Bloomberg U.S. Treasury: U.S. TIPS				3.3%	3.3%	-6.1%	1.8%	--	--	3.0%	
Risk Reduction & Mitigation	18.8%	13,598	13,202	3.7%	3.7%	-2.5%	-0.4%	--	--	1.5%	Apr-2019
RR & M Policy Benchmark				3.4%	3.4%	-3.6%	-1.7%	--	--	0.6%	
Investment Grade Bonds	7.0%	5,083	5,003	3.1%	3.1%	-4.8%	-2.2%	1.0%	1.7%	5.2%	Nov-1994
BBG BC Aggregate Bond Index				3.0%	3.0%	-4.8%	-2.8%	0.9%	1.4%	4.7%	
Diversified Hedge Funds	6.3%	4,543	4,402	3.3%	3.3%	7.7%	7.7%	--	--	7.1%	Apr-2019
Diversified Hedge Funds Policy Benchmark				1.7%	1.7%	4.8%	3.4%	--	--	3.7%	
Long-Term Government Bonds	4.2%	3,032	2,857	6.1%	6.1%	-16.1%	--	--	--	-18.2%	Nov-2021
Bloomberg U.S. Treasury: Long				6.2%	6.2%	-16.0%	--	--	--	-19.2%	
Cash	1.3%	939	940	1.4%	1.4%	4.4%	2.0%	2.2%	1.4%	1.9%	Jun-2001
Cash Policy Benchmark				1.1%	1.1%	2.6%	1.0%	1.4%	0.9%	1.4%	
Overlays & Hedges	0.6%	417	436	14.0%	14.0%	101.2%	--	--	--	127.2%	Oct-2021
Cash Overlay	0.6%	412	591	9.2%	9.2%	44.0%	34.7%	--	--	1.4%	Aug-2019
Total Overlay Custom BM				5.3%	5.3%	-6.4%	8.7%	--	--	4.9%	
Currency Hedge	0.0%	5	-155	-0.1%	-0.1%	3.5%	--	--	--	3.4%	Oct-2021
50% FX Hedge Custom Benchmark				-0.1%	-0.1%	3.5%	--	--	--	3.5%	

¹ Cash Overlay composite returns reflect non-notionalized returns.

growth

Summary

for the quarter ended March 31, 2023

Performance (net)

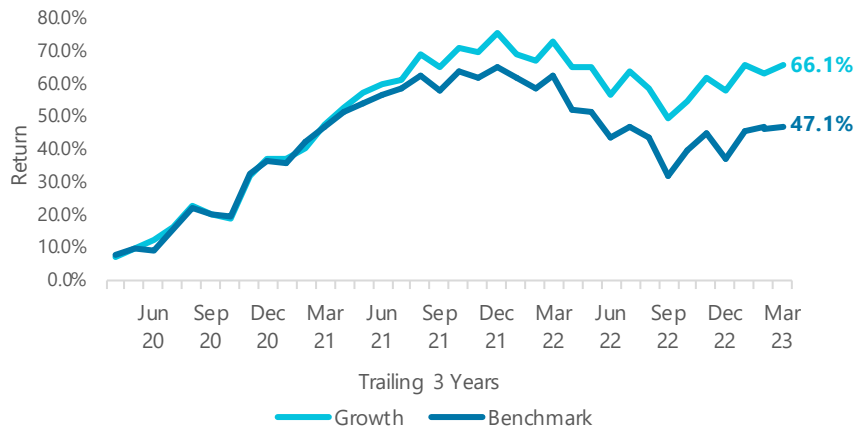


	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Growth	4.9%	4.9%	-4.2%	18.4%	--	--	11.8%
Benchmark	7.3%	7.3%	-9.7%	13.7%	--	--	9.0%
Excess	-2.4%	-2.4%	5.5%	4.7%	--	--	2.8%

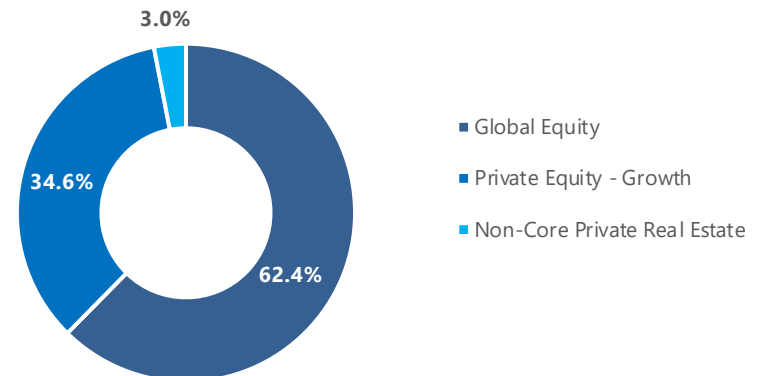
Functional Category

	QTD	FYTD	1 Year	3 Year
Global Equity	7.1%	10.2%	-6.5%	16.4%
Global Equity Policy Benchmark	6.9%	9.7%	-7.7%	15.6%
Excess	0.1%	0.5%	1.2%	0.8%
Private Equity - Growth	1.6%	-1.6%	-0.8%	22.1%
PE - Growth Policy Benchmark	10.4%	-12.4%	-16.7%	6.0%
Excess	-8.8%	10.7%	15.9%	16.1%
Non-Core Private Real Estate	-2.2%	4.4%	9.4%	12.5%
Non-Core Private RE Policy Benchmark	-4.6%	1.1%	8.9%	11.8%
Excess	2.5%	3.3%	0.4%	0.7%

Cumulative Return



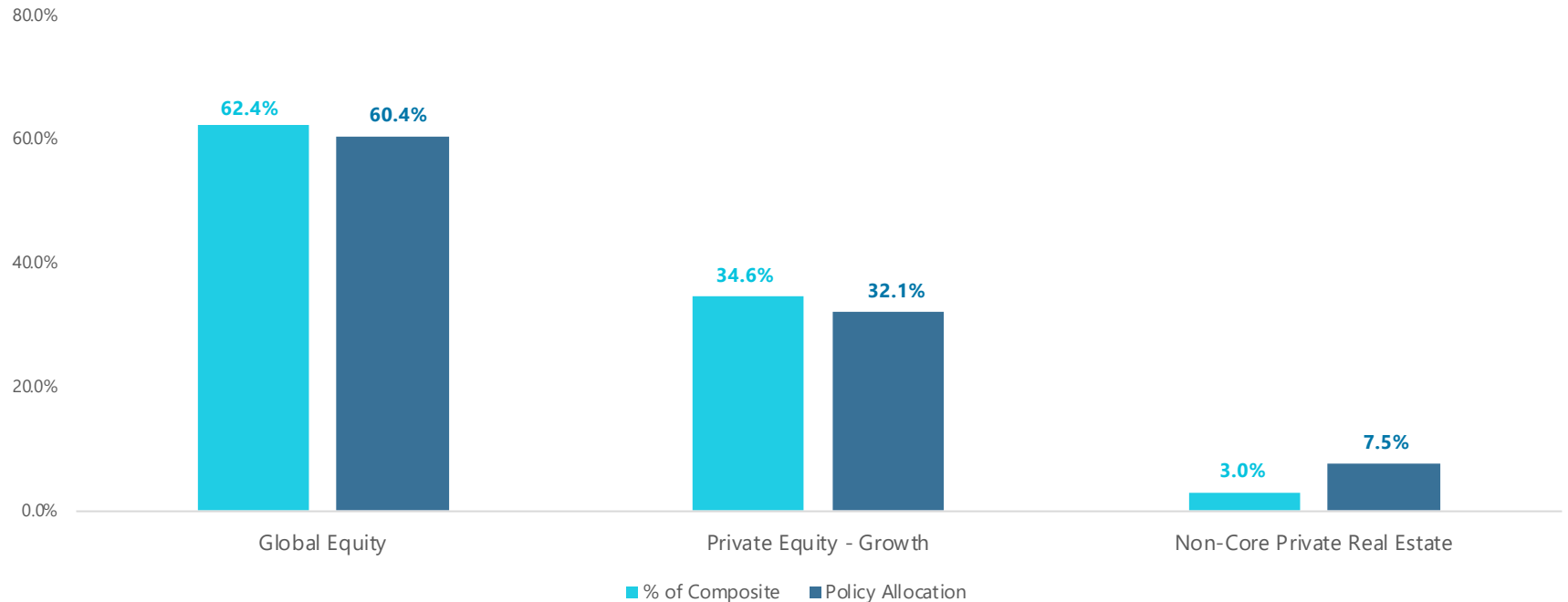
Exposure



Asset Allocation

for the quarter ended March 31, 2023

Actual vs. Policy

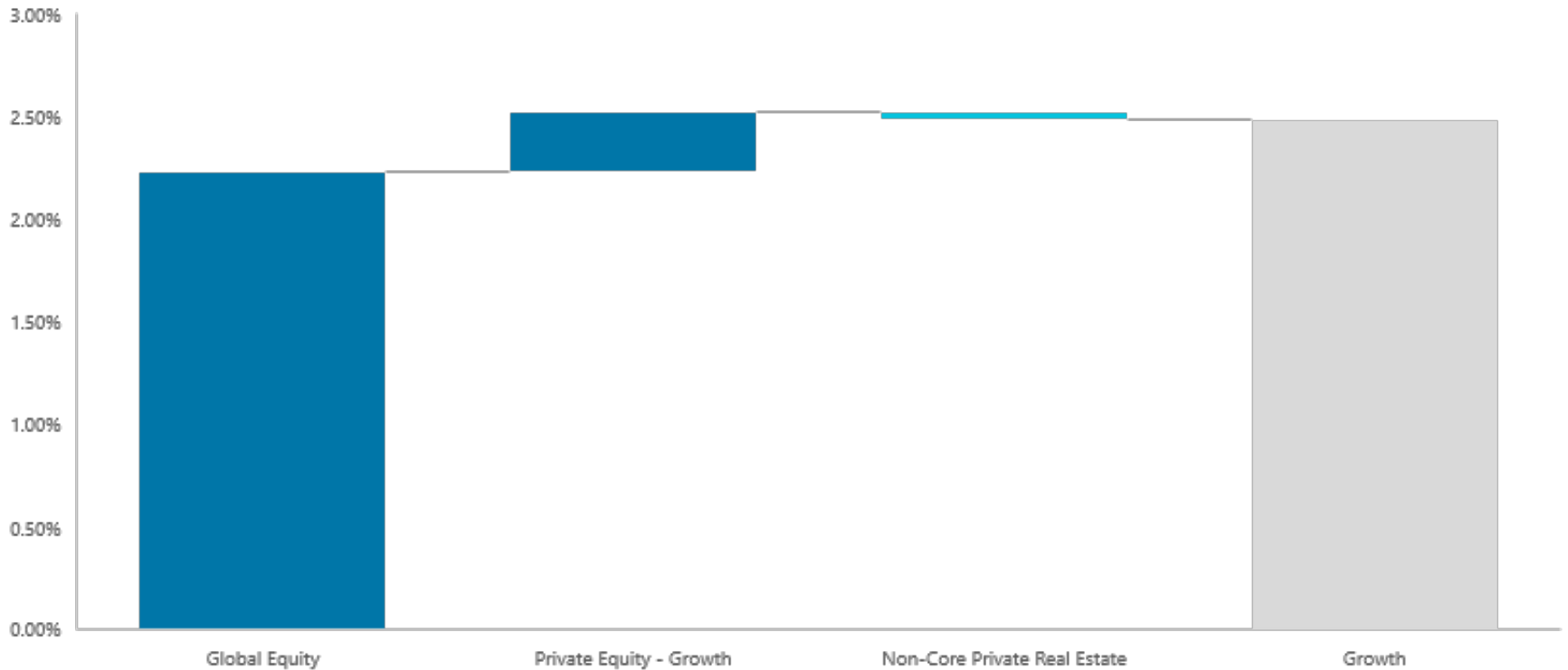


	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Growth	37,704	100.0%	100.0%		
Global Equity	23,521	62.4%	60.4%	2.0%	752
Private Equity - Growth	13,034	34.6%	32.1%	2.5%	937
Non-Core Private Real Estate	1,149	3.0%	7.5%	-4.5%	-1,694

Contribution to Return

for the quarter ended March 31, 2023

QTD Contribution to Return

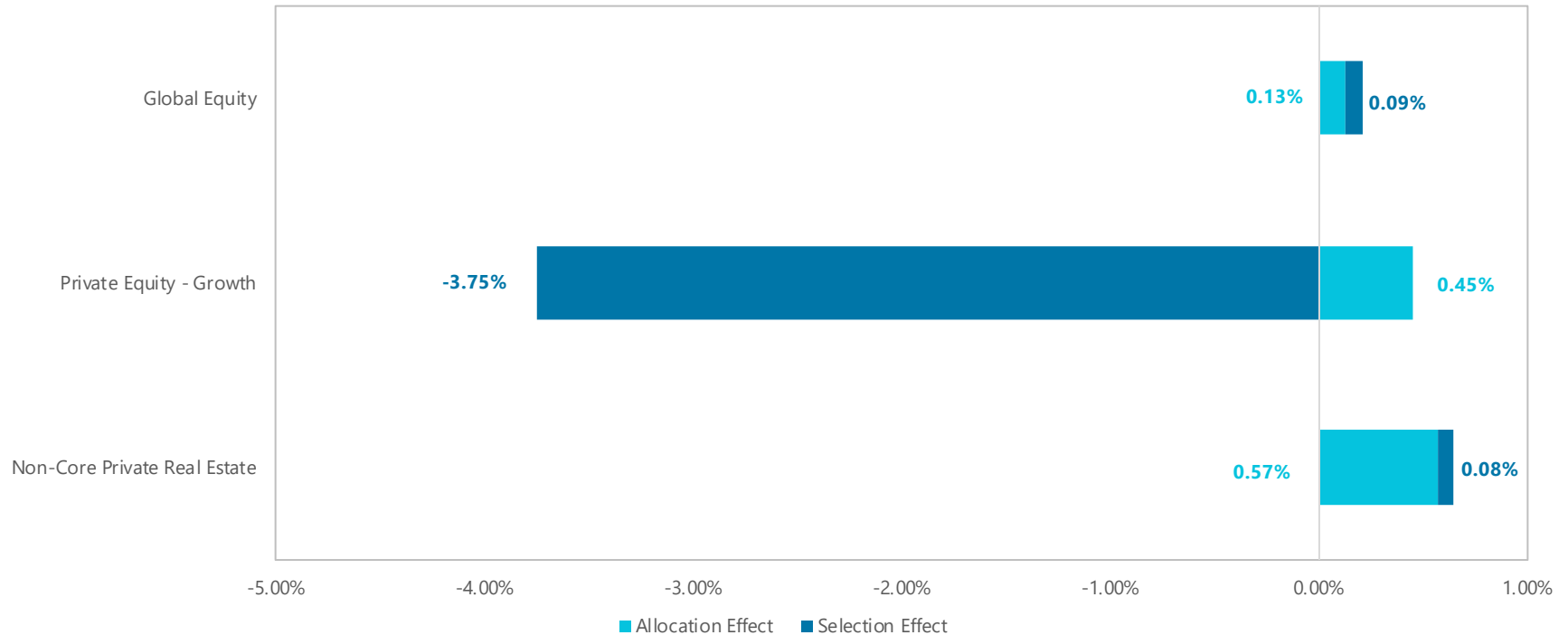


Functional Category	Contributors	Detractors
Global Equity	2.23% SSGA MSCI ACWI IMI	1.44% Real Estate - Growth
Private Equity - Growth	0.29% JPMAM Strategic Beta US	-0.04%
Non-Core Private Real Estate	-0.04% Private Equity - Growth	
Growth	2.48% BTC Euro Tilts	
	Capital Group Developed Markets	0.06%

Return Attribution

for the quarter ended March 31, 2023

QTD Performance Attribution¹



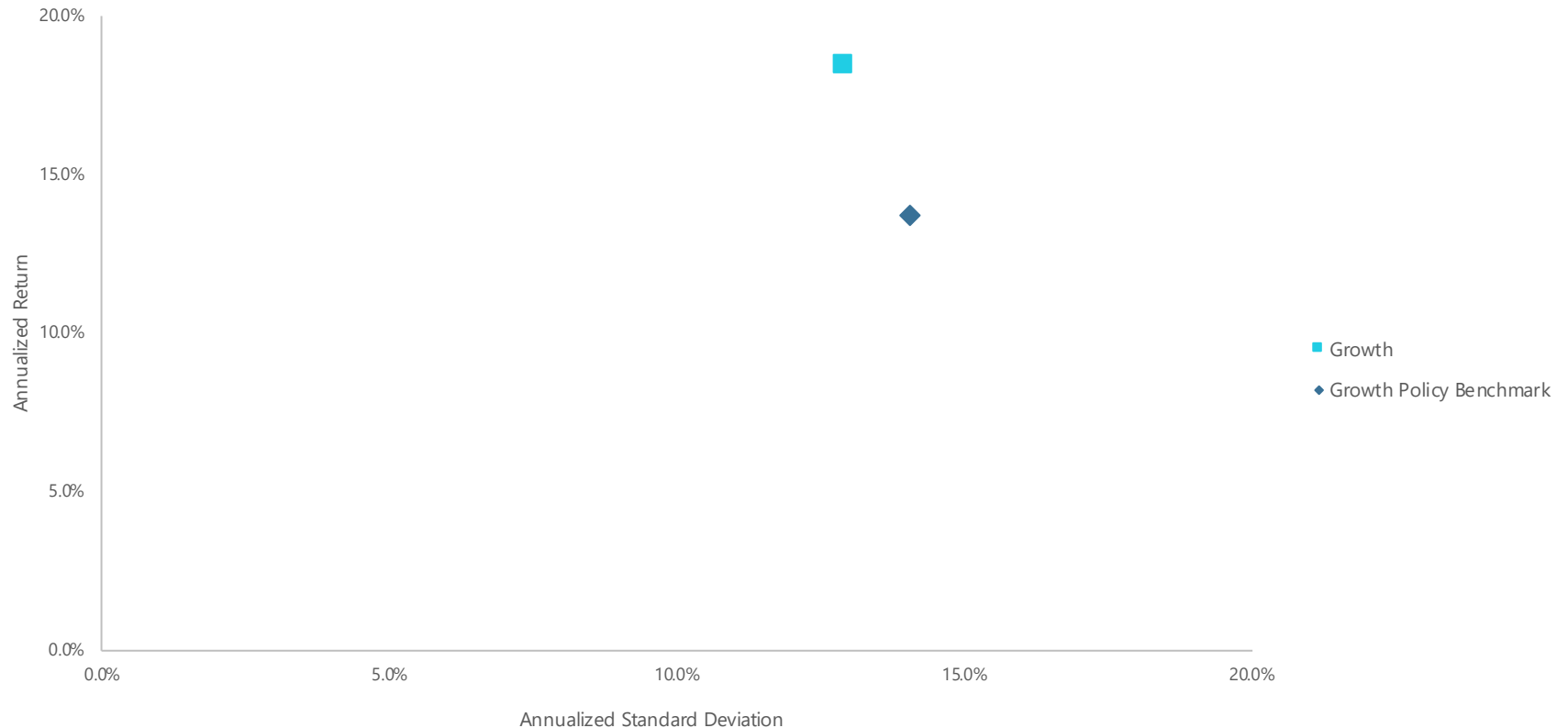
	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
Growth	37,704	100.0%	100.0%	4.9%	7.3%	1.14%	-3.58%	-2.44%
Global Equity	23,521	62.4%	60.4%	7.1%	6.9%	0.13%	0.09%	0.21%
Private Equity - Growth	13,034	34.6%	32.1%	1.6%	10.4%	0.45%	-3.75%	-3.30%
Non-Core Private Real Estate	1,149	3.0%	7.5%	-2.2%	-4.6%	0.57%	0.08%	0.65%

¹ Total Value Add column includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2023

3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Growth	18.4%	12.9%				
Growth Policy Benchmark	13.7%	14.0%	1.32	0.77	0.85	5.2%

Performance Detail

for the quarter ended March 31, 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
Growth	100.0%	37,704	35,773	4.9%	4.9%	-4.2%	18.4%	--	--	11.8%	Apr-2019
Growth Policy Benchmark				7.3%	7.3%	-9.7%	13.7%	--	--	9.0%	
Global Equity	62.4%	23,521	21,969	7.1%	7.1%	-6.5%	16.4%	--	--	8.4%	Apr-2019
Global Equity Policy Benchmark				6.9%	6.9%	-7.7%	15.6%	--	--	7.8%	
Passive											
SSGA MSCI ACWI IMI	40.5%	15,280	14,270	7.1%	7.1%	-7.1%	16.3%	--	--	6.3%	Jan-2020
Factor Based											
JPMAM Strategic Beta Non-US	1.6%	584	551	6.2%	6.2%	-5.4%	--	--	--	6.4%	Aug-2020
JPMAM Strategic Beta US	11.4%	4,292	3,998	7.4%	7.4%	-7.6%	--	--	--	13.0%	Jul-2020
Active											
Acadian Developed Markets	1.5%	582	560	3.8%	3.8%	-8.0%	14.3%	4.0%	7.3%	4.5%	Apr-2006
BTC Euro Tilts	1.5%	581	528	10.0%	10.0%	3.8%	17.8%	5.3%	7.1%	3.9%	Jan-2007
Cevian Capital II - Activist	1.2%	439	398	10.3%	10.3%	11.9%	24.6%	8.8%	--	9.0%	Oct-2016
CGT International Equity	1.1%	408	364	12.0%	12.0%	-1.6%	12.0%	5.7%	6.7%	5.6%	Nov-1994
Cornecap US Small Cap - EMP	0.2%	80	81	-0.7%	-0.7%	-6.6%	24.7%	--	--	6.7%	Oct-2018
Frontier US SMID Growth	0.7%	276	256	7.7%	7.7%	-7.4%	24.1%	7.1%	9.8%	10.0%	Jun-2002
Global Alpha	0.5%	181	166	9.5%	9.5%	-3.9%	14.4%	--	--	6.2%	Nov-2018
Lazard Emerging Markets	1.0%	384	368	4.3%	4.3%	-7.0%	10.4%	1.2%	2.8%	2.4%	Feb-2013
Parametric GE Market Cap	0.4%	136	100	17.6%	17.6%	-4.2%	--	--	--	12.6%	Oct-2021
Parametric GE Region	0.2%	69	89	-15.9%	-15.9%	-28.2%	--	--	--	-26.6%	Dec-2021
Systematic US Small Cap Value	0.5%	190	186	2.1%	2.1%	-3.2%	22.8%	--	--	5.5%	Jul-2018
Private Equity - Growth	34.6%	13,034	12,733	1.6%	1.6%	-0.8%	22.1%	--	--	19.0%	Jan-2019
PE - Growth Policy Benchmark				10.4%	10.4%	-16.7%	6.0%	--	--	7.1%	
Non-Core Private Real Estate	3.0%	1,149	1,071	-2.2%	-2.2%	9.4%	12.5%	11.8%	10.8%	4.7%	Jan-1996
Non-Core Private RE Policy Benchmark				-4.6%	-4.6%	8.9%	11.8%	10.7%	12.2%	11.3%	

Growth Risk Summary

for the quarter ended March 31, 2023

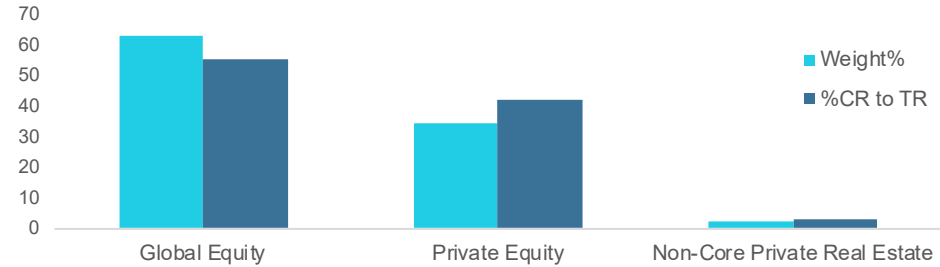
Risk Summary

	Value
Total Risk	20.50
Benchmark Risk	19.69
Active Risk	1.52
Portfolio Beta	1.04

Risk Decomposition

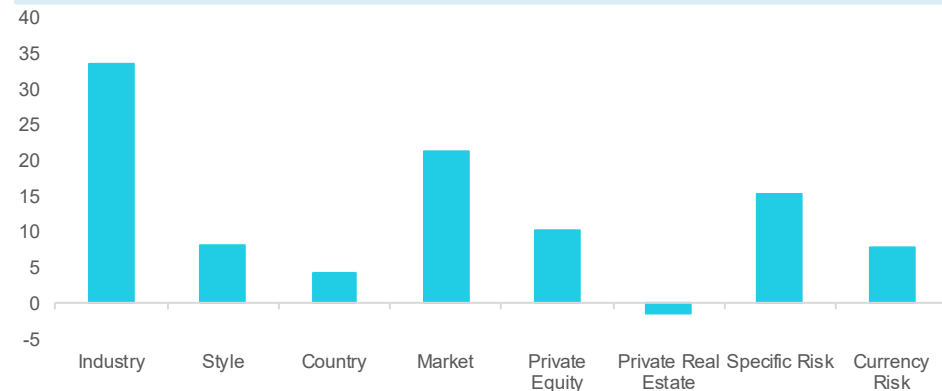
Risk Source	Portfolio		Active	
	Risk Contribution	%Risk	Risk Contribution	%Risk
Total Risk	20.50	100.00	1.52	100.00
Local Market Risk	19.41	94.69	1.40	91.97
Common Factor Risk	19.36	94.48	1.17	76.62
Specific Risk	0.04	0.21	0.23	15.35
Currency Risk	1.09	5.31	0.12	8.03

Contribution to Risk



	Mkt Value (mm)	Weight%	Total Risk	Risk Contribution	%CR to TR
Growth	37,225	100.00	20.50	20.50	100.00
Global Equity	23,441	62.97	18.70	11.26	54.94
Private Equity	12,843	34.50	26.95	8.57	41.83
Non-Core Private Real Estate	941	2.53	41.99	0.66	3.24

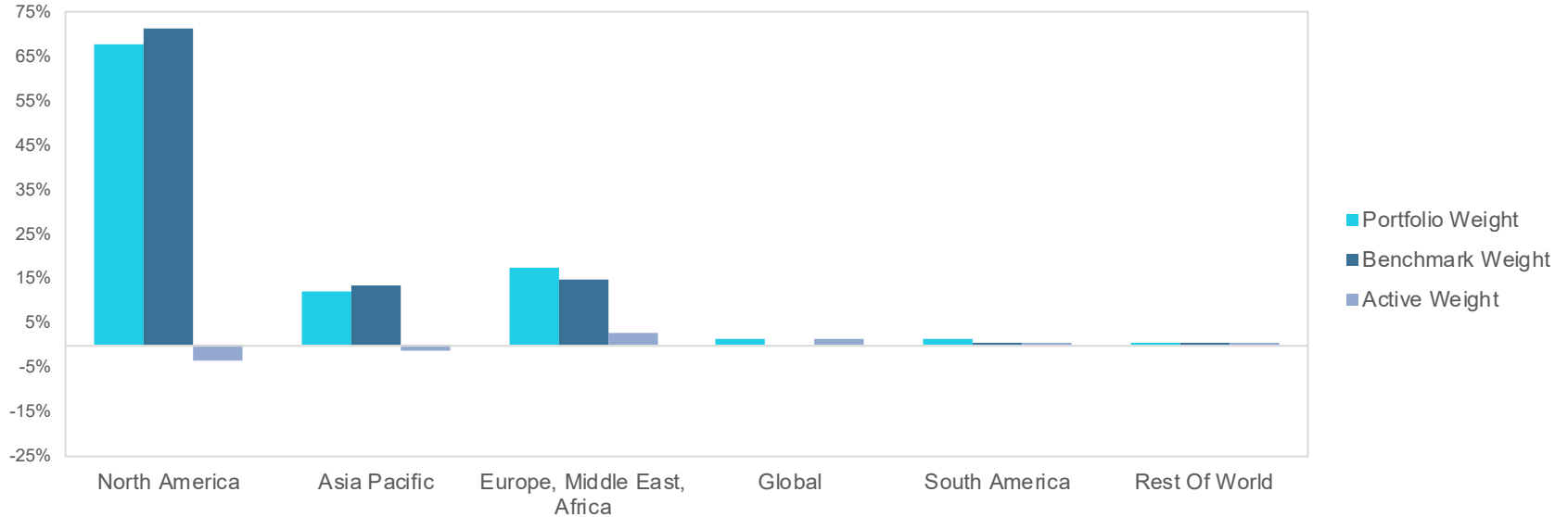
Active Risk from Common Factors



Growth Risk Summary

for the quarter ended March 31, 2023

Portfolio Allocation By Region

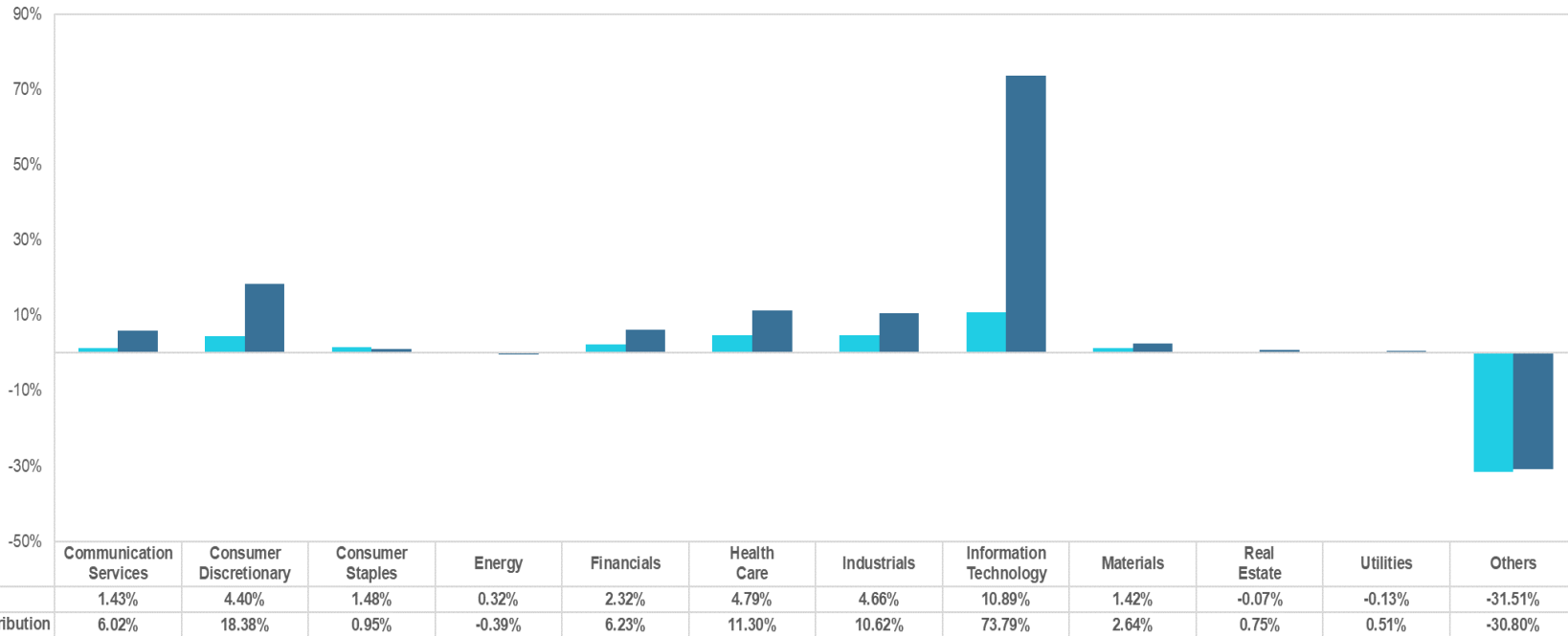


Region	Weight%			Total Risk	Active Risk CR	% of Active TR	MC to Total Tracking Error
	Portfolio	Benchmark	Active				
Growth	100.00%	100.00%	0.00%	20.50	1.52	100.00	0.02
North America	67.84%	71.17%	-3.33%	22.70	1.15	75.72	0.04
Asia Pacific	12.13%	13.34%	-1.22%	15.96	0.16	10.58	-0.04
Europe, Middle East, Africa	17.33%	14.73%	2.60%	21.49	0.20	12.97	0.02
Global	1.18%	0.00%	1.18%	20.92	-0.01	-0.70	-0.01
South America	1.18%	0.55%	0.63%	30.58	0.02	1.57	0.03
Rest Of World	0.34%	0.20%	0.14%	15.82	0.00	-0.13	-0.03

Growth Risk Summary

for the quarter ended December 31, 2023

Portfolio Allocation By GICS Sector



Growth – Global Equity Acadian Developed Markets

for the quarter ended March 31, 2023

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)	52,184.1	80,480.8
No. Of Issues	689.0	0.0
Dividend Yield	4.7	3.2
Return on Equity	24.2	17.1
Price to Sales	3.1	3.4
Price to Book	1.6	5.0
PE Ratio	11.2	16.0

Top Holdings (% of assets)

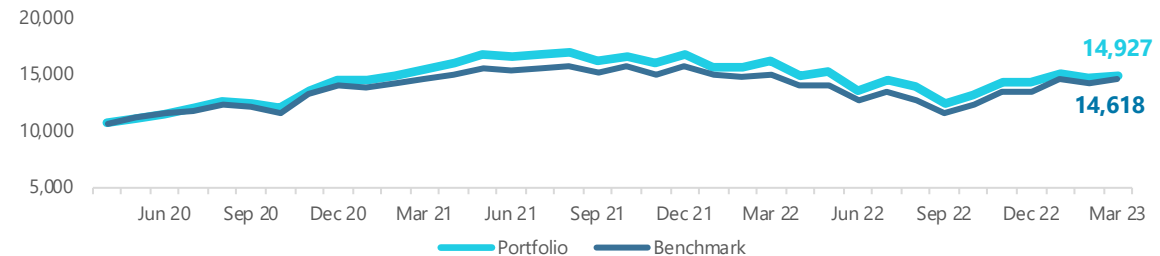
NOVO NORDISK A/S B	3.7%
BHP GROUP LTD	2.2%
WOLTERS KLUWER	2.2%
INDUSTRIA DE DISENO TEXTIL	1.9%
BP PLC SPONS ADR	1.8%
Top 5 Holdings	11.8%

Performance (net)¹

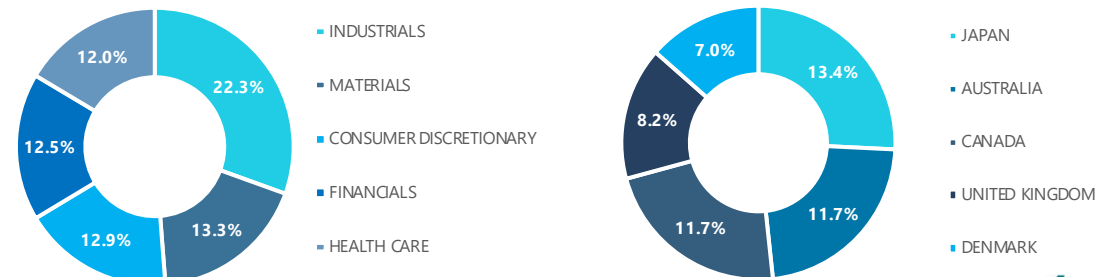
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Acadian Developed Markets	581.5	3.8%	-8.0%	14.3%	4.0%
MSCI EAFE + Canada Net Index		8.0%	-2.7%	13.5%	3.8%
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: Intl/Global Equity Funds - Core	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Acadian Developed Markets	3.9%	91	-7.7%	67	14.7%	53	4.4%	50
Median	7.1%		-4.9%		15.7%		4.2%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

Growth Risk Analysis – Global Equity

Acadian Developed Markets

for the quarter ended March 31, 2023

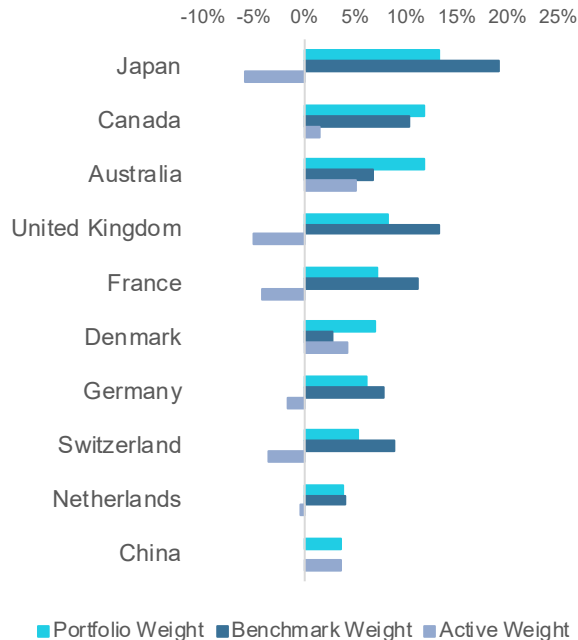


Los Angeles County Employees Retirement Association

Portfolio Risk Summary

	Value
Total Risk	19.16
Benchmark Risk	17.92
Active Risk	4.70
Portfolio Beta	1.04

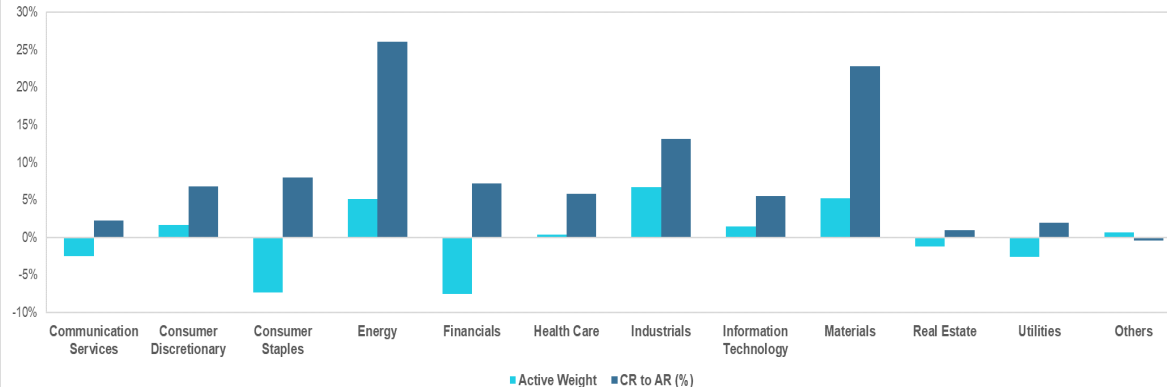
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
SOUTH32 LIMITED	1.62%	0.08%	1.54%	41.63	5.14	0.182
MEG ENERGY CORP	0.80%	0.00%	0.80%	58.49	4.97	0.318
BHP GROUP LTD	2.18%	0.94%	1.24%	34.89	3.39	0.154
MINERAL RESOURCES LTD	0.86%	0.05%	0.81%	51.63	3.39	0.222
EQUINOR ASA	1.22%	0.16%	1.06%	39.79	3.31	0.172
BP PLC	1.82%	0.00%	1.82%	33.49	3.19	0.108
BLUESCOPE STEEL LTD	1.14%	0.04%	1.10%	37.88	3.05	0.155
CRESCENT POINT ENERGY CORP	0.48%	0.00%	0.48%	61.41	3.00	0.319
PILBARA MINERALS LTD	0.64%	0.04%	0.60%	59.48	2.64	0.232
NESTLE SA	0.03%	1.96%	-1.93%	18.85	2.45	-0.034

Portfolio Risk by GICS Sector



Growth – Global Equity BTC Europe Alpha Tilts

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Strategy

Seeks to generate risk-controlled and consistent active returns by using a unique blend of bottom-up stock selection insights and broader top-down thematic insights. The strategy may be suited to investors looking to capture active return opportunities in European region.

Inception Date: January 2007

Risk Statistics (since inception)

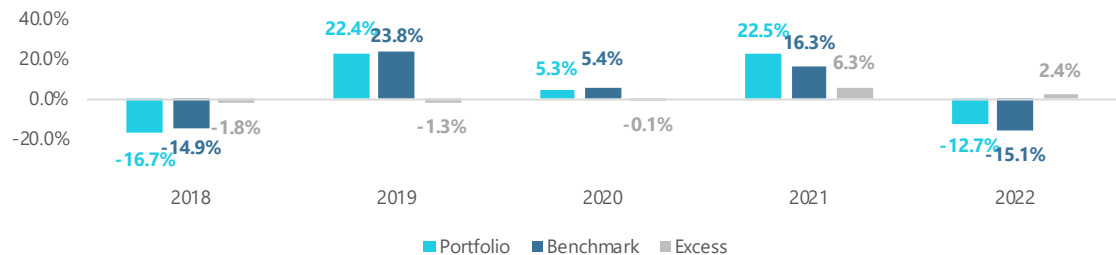
Standard Deviation	19.3%
Benchmark Standard Deviation	19.4%
Sharpe Ratio	0.24
Information Ratio	0.52
Beta	0.99
Tracking Error	1.9%

Performance (net)¹

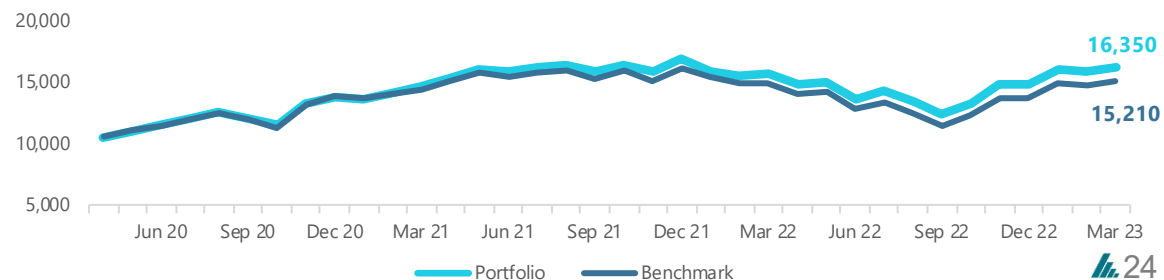
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
BTC Euro Tilts	581.0	10.0%	3.8%	17.8%	5.3%
MSCI EUROPE		10.6%	1.4%	15.0%	4.4%
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: Intl Equity Developed Mkt Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
BTC Euro Tilts	10.2%	24	4.2%	10	18.3%	15	5.7%	18
Median	8.2%		-1.4%		13.0%		3.7%	

Calendar Year Returns



Growth of \$10,000



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

Growth Risk Analysis – Global Equity

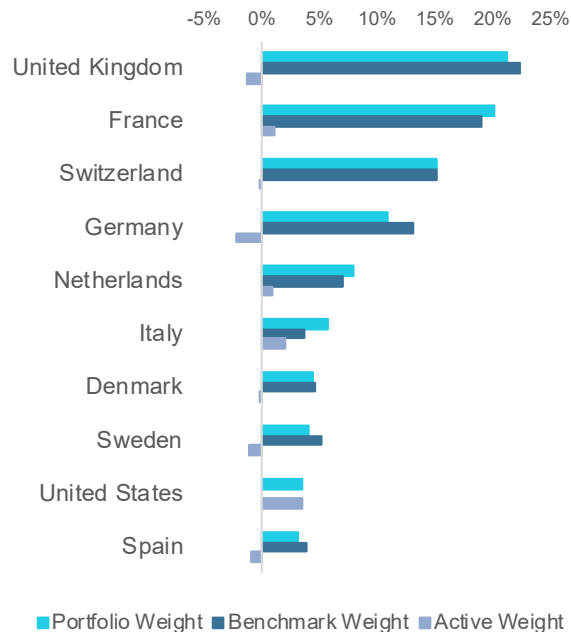
BTC Europe Alpha Tilts

for the quarter ended March 31, 2023

Portfolio Risk Summary

	Value
Total Risk	19.47
Benchmark Risk	20.05
Active Risk	1.37
Portfolio Beta	0.97

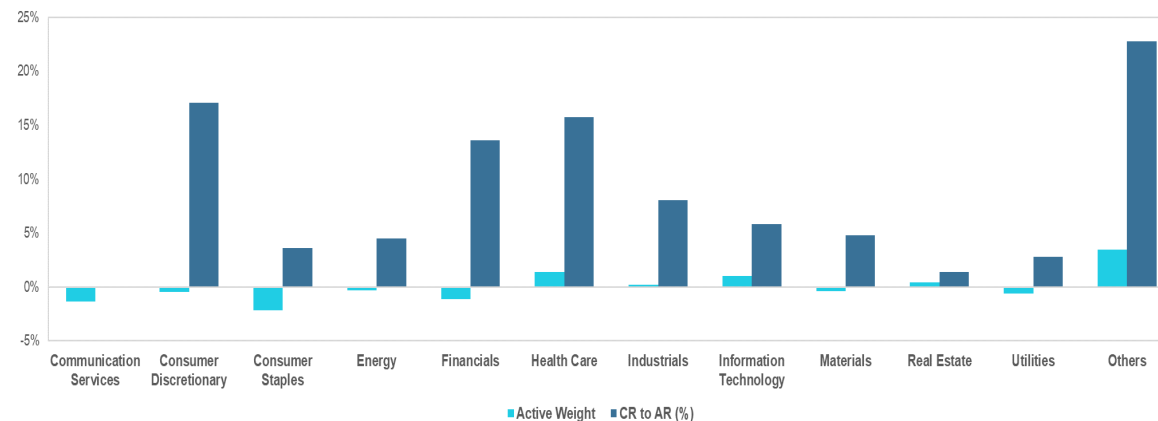
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
G L OTHER	2.93%	0.00%	2.93%	0.00	19.19	0.000
ASTRAZENECA PLC	3.52%	2.13%	1.39%	26.33	7.13	-0.020
NOVARTIS AG	3.42%	1.97%	1.45%	20.52	6.46	-0.029
NESTLE SA	4.58%	3.32%	1.26%	18.85	3.64	-0.050
PROSUS NV	0.00%	0.62%	-0.62%	44.03	3.61	-0.170
TOTALENERGIES SE	0.00%	1.46%	-1.46%	33.01	2.89	-0.117
HERMES INTERNATIONAL SCA	1.86%	0.64%	1.22%	29.95	2.59	-0.061
COMPAGNIE FINANCIERE RICHEMONT	0.00%	0.83%	-0.83%	32.82	2.07	-0.124
ADYEN NV	0.00%	0.34%	-0.34%	47.08	2.04	-0.172
EDENRED SE	0.83%	0.15%	0.69%	28.34	2.02	-0.052

Portfolio Risk by GICS Sector



Growth – Global Equity Capital Group Developed Markets

for the quarter ended March 31, 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)	126,344.2	80,480.8
No. Of Issues	161.0	0.0
Dividend Yield	1.9	3.2
Return on Equity	19.9	17.1
Price to Sales	5.8	3.4
Price to Book	6.8	5.0
PE Ratio	25.5	16.0

Top Holdings (% of assets)

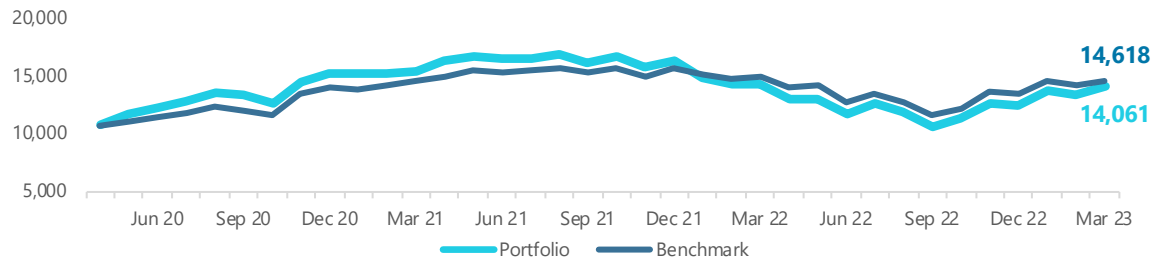
ASML HOLDING NV	4.8%
LVMH MOET HENNESSY LOUIS VUI	3.6%
NOVO NORDISK A/S B	3.5%
EVOLUTION AB	3.3%
SAFRAN SA	2.7%
Top 5 Holdings	17.9%

Performance (net)¹

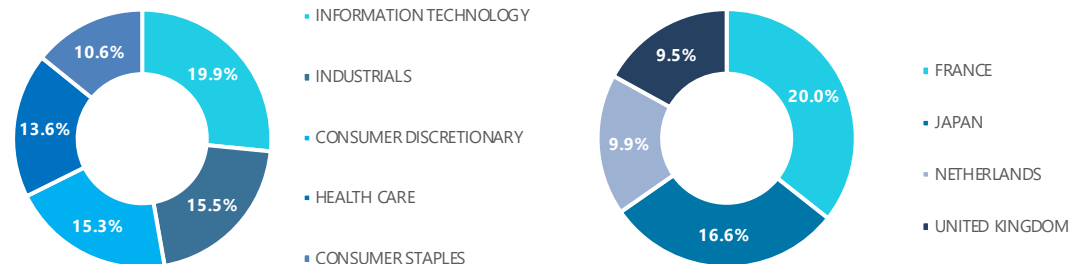
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Capital Group Developed Markets	407.7	12.0%	-1.6%	12.0%	5.7%
EAFE Custom Benchmark		8.0%	-2.7%	13.5%	3.8%
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: Intl/Global Equity Funds - Core	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Capital Group Developed Markets	12.1%	4	-1.3%	17	12.4%	65	6.1%	44
Median	7.1%		-4.9%		15.7%		4.2%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

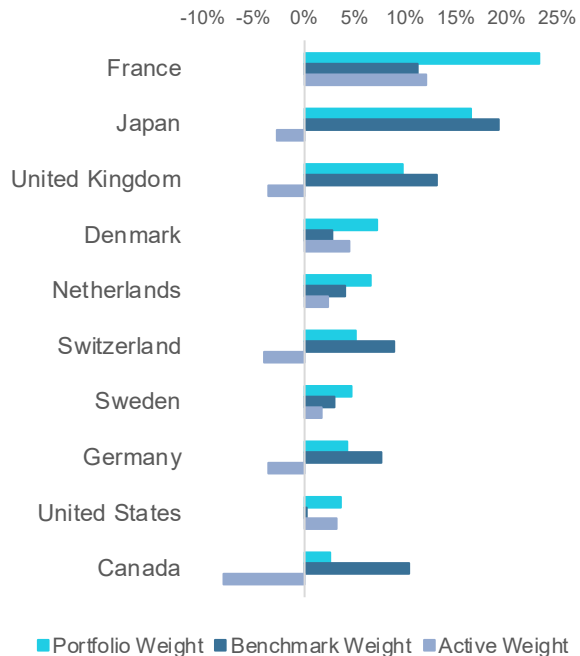
Growth Risk Analysis – Global Equity Capital Group Developed Markets

for the quarter ended March 31, 2023

Portfolio Risk Summary

	Value
Total Risk	18.70
Benchmark Risk	17.92
Active Risk	4.18
Portfolio Beta	1.02

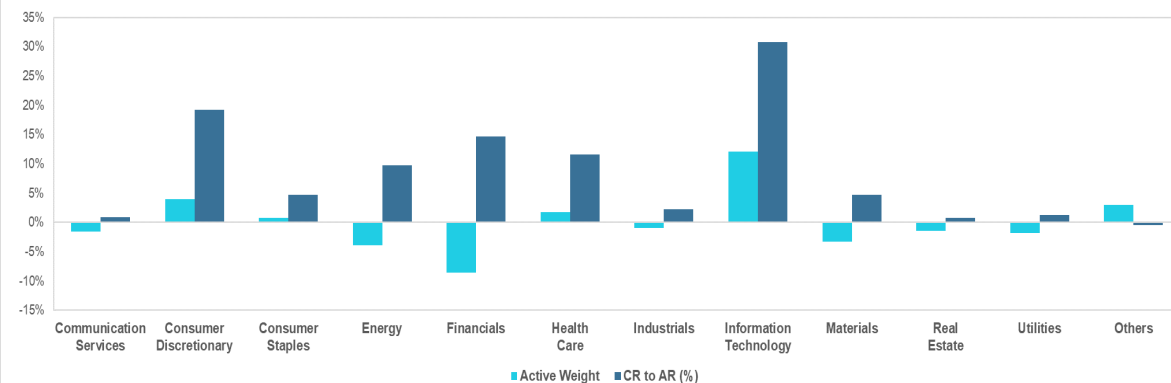
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
ASML HOLDING NV	4.77%	0.00%	4.77%	40.27	17.14	0.163
EVOLUTION AB (PUBL)	3.33%	0.14%	3.19%	46.10	12.05	0.171
KEYENCE CORP	2.13%	0.55%	1.58%	28.98	3.54	0.107
GENMAB A/S	1.78%	0.15%	1.64%	30.80	3.45	0.101
HAMAMATSU PHOTONICS KK	1.96%	0.04%	1.92%	25.92	3.27	0.084
NOVO NORDISK A/S	3.45%	1.53%	1.91%	28.03	3.16	0.082
SHELL PLC	0.00%	1.18%	-1.18%	31.80	3.11	-0.097
OCADO GROUP PLC	1.13%	0.02%	1.10%	62.10	3.05	0.129
TOKYO ELECTRON LTD	1.26%	0.32%	0.94%	37.63	2.98	0.145
LVMH MOET HENNESSY LOUIS VUITTON	3.64%	1.49%	2.15%	26.73	2.91	0.070

Portfolio Risk by GICS Sector



Growth – Global Equity

Cevian Capital II

for the quarter ended March 31, 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)

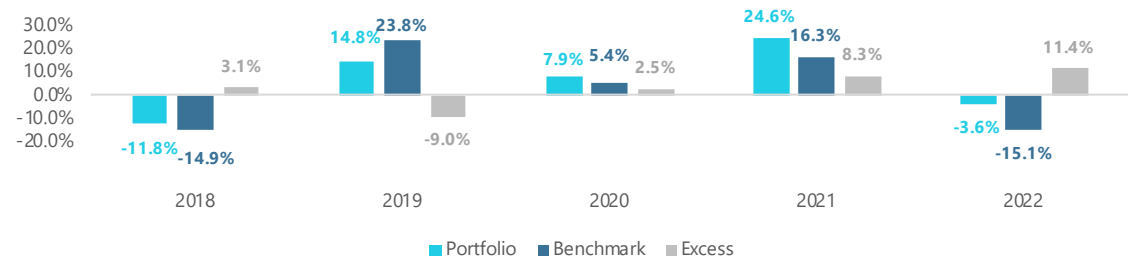
Standard Deviation	16.7%
Benchmark Standard Deviation	17.5%
Sharpe Ratio	0.53
Information Ratio	0.24
Beta	0.79
Tracking Error	10.0%

Performance (net)¹

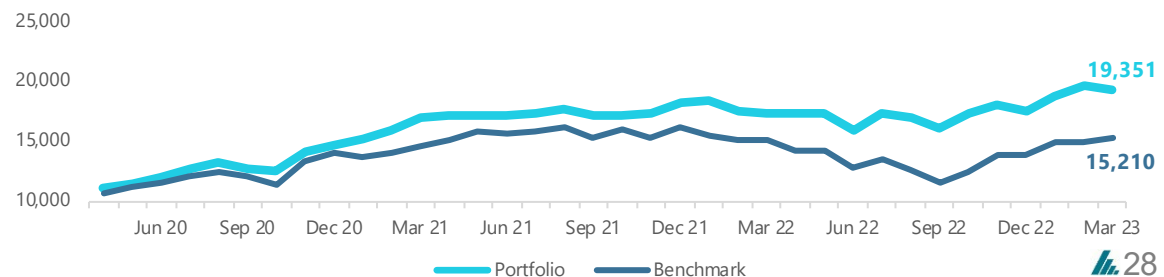
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Cevian Capital II - Activist	439.3	10.3%	11.9%	24.6%	8.8%
MSCI EUROPE		10.6%	1.4%	15.0%	4.4%
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: Europe Equity	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Cevian Capital II - Activist	10.6%	22	13.1%	1	26.0%	2	10.1%	6
Median	8.2%		-1.4%		13.0%		3.7%	

Calendar Year Returns



Growth of \$10,000



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

Growth Risk Analysis – Global Equity

Cevian Capital II

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Portfolio Risk Summary

	Value
Total Risk	20.96
Benchmark Risk	20.05
Active Risk	9.57
Portfolio Beta	0.93

Top Countries by Weight%

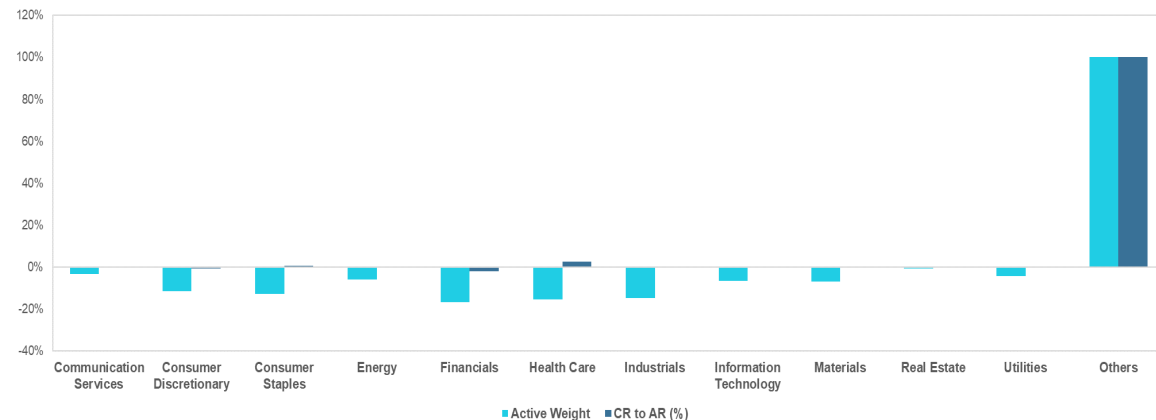


Note: Commingled fund account with no position-level transparency.

Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
CEVIAN CAPITAL II - ACTIVIST	100.00%	0.00%	100.00%	20.96	100.00	0.067
NOVO NORDISK A/S	0.00%	2.60%	-2.60%	28.03	0.86	-0.060
ASTRAZENECA PLC	0.00%	2.13%	-2.13%	26.33	0.69	-0.060
ROCHE HOLDING AG	0.00%	1.99%	-1.99%	24.13	0.31	-0.043
NOVARTIS AG	0.00%	1.97%	-1.97%	20.52	0.28	-0.042
NESTLE SA	0.00%	3.32%	-3.32%	18.85	0.25	-0.035
ASML HOLDING NV	0.00%	2.71%	-2.71%	40.27	0.24	-0.037
UNILEVER PLC	0.00%	1.30%	-1.30%	21.09	0.21	-0.044
GSK PLC	0.00%	0.71%	-0.71%	25.99	0.16	-0.050
DIAGEO PLC	0.00%	1.01%	-1.01%	22.77	0.13	-0.041

Portfolio Risk by GICS Sector



Growth – Global Equity CornerCap US Small Cap

for the quarter ended March 31, 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)	2,489.8	2,920.7
No. Of Issues	350.0	0.0
Dividend Yield	1.7	1.4
Return on Equity	13.7	11.4
Price to Sales	2.7	13.8
Price to Book	2.2	6.5
PE Ratio	14.1	31.3

Top Holdings (% of assets)

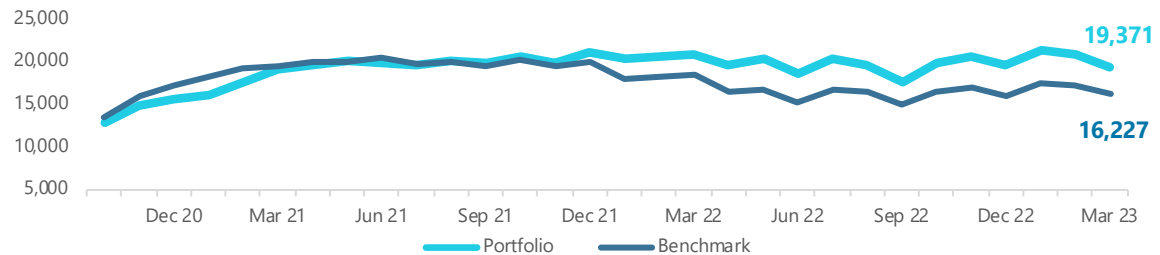
IRADIMED CORP	0.6%
BGC PARTNERS INC CL A	0.5%
ALLISON TRANSMISSION HOLDING	0.5%
BLACKBAUD INC	0.5%
AMPHASTAR PHARMACEUTICALS IN	0.5%
Top 5 Holdings	2.6%

Performance (net)¹

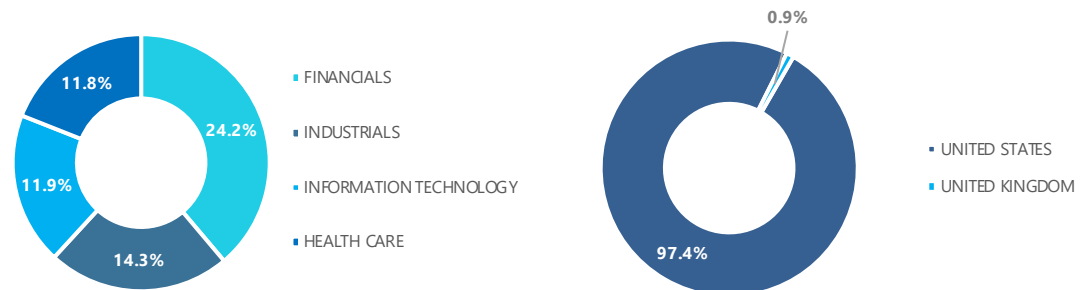
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Cornercap US Small Cap - EMP	80.0	-0.7%	-6.6%	24.7%	--
RUSSELL 2000		2.7%	-11.6%	17.5%	--
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: US Equity Funds - Small Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Cornercap US Small Cap - EMP	-0.6%	97	-6.1%	53	25.3%	22	--	--
Median	3.4%		-5.8%		22.1%		--	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

Growth Risk Analysis – Global Equity

CornerCap US Small Cap

for the quarter ended March 31, 2023

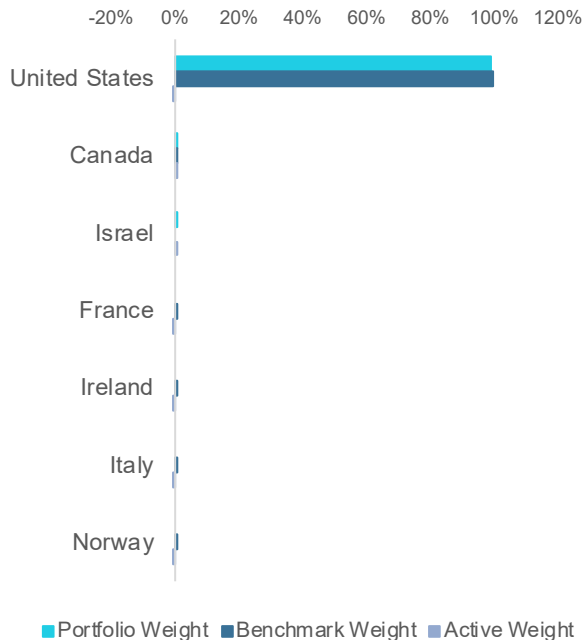


Los Angeles County Employees Retirement Association

Portfolio Risk Summary

	Value
Total Risk	24.09
Benchmark Risk	25.58
Active Risk	4.44
Portfolio Beta	0.93

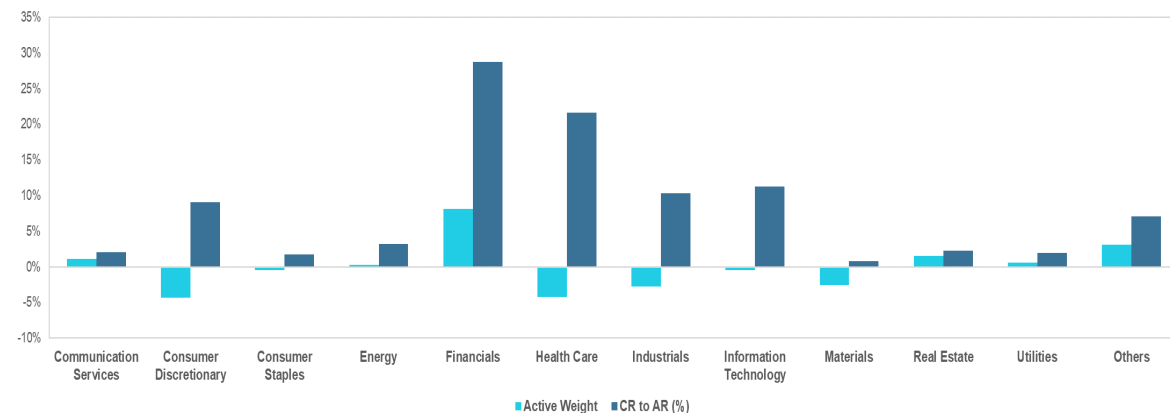
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
COLUMBIA BANKING SYSTEM INC	0.40%	0.00%	0.40%	39.91	1.29	0.039
MERCANTILE BANK CORP	0.40%	0.02%	0.38%	32.13	1.20	0.036
PINNACLE FINANCIAL PARTNERS INC	0.39%	0.00%	0.39%	40.32	1.13	0.023
OCEANFIRST FINANCIAL CORP	0.41%	0.05%	0.36%	34.02	1.10	0.028
BYLINE BANCORP INC	0.39%	0.02%	0.37%	32.60	1.08	0.024
BROOKLINE BANCORP INC	0.38%	0.04%	0.34%	33.57	1.07	0.034
PREFERRED BK LOS ANGELES	0.33%	0.03%	0.30%	33.51	1.05	0.050
SHOCKWAVE MEDICAL INC	0.00%	0.33%	-0.33%	51.52	1.01	-0.240
INDEPENDENT BANK GROUP INC	0.39%	0.07%	0.32%	35.81	0.98	0.030
PROMETHEUS BIOSCIENCES INC	0.00%	0.16%	-0.16%	63.66	0.94	-0.285

Portfolio Risk by GICS Sector



Growth – Global Equity Frontier US SMID Growth

for the quarter ended March 31, 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)	7,546.2	6,298.5
No. Of Issues	140.0	0.0
Dividend Yield	0.6	1.5
Return on Equity	10.4	15.2
Price to Sales	2.9	3.0
Price to Book	3.2	3.2
PE Ratio	15.6	16.4

Top Holdings (% of assets)

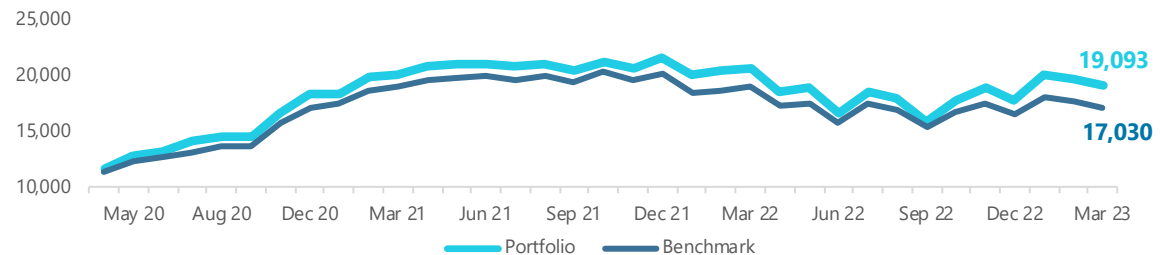
BUILDERS FIRSTSOURCE INC	2.0%
ATI INC	2.0%
ARRAY TECHNOLOGIES INC	1.9%
JABIL INC	1.8%
MRC GLOBAL INC	1.6%
Top 5 Holdings	9.3%

Performance (net)¹

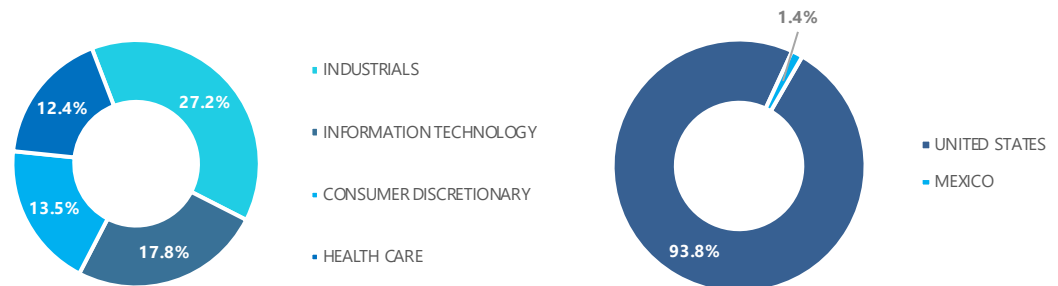
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Frontier US SMID Growth	275.9	7.7%	-7.4%	24.1%	7.1%
RUSSELL 2500		3.4%	-10.4%	19.4%	6.6%
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: US Equity Funds - Small Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Frontier US SMID Growth	7.9%	10	-6.8%	58	25.0%	27	7.9%	39
Median	3.4%		-5.8%		22.1%		7.7%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

Growth Risk Analysis – Global Equity

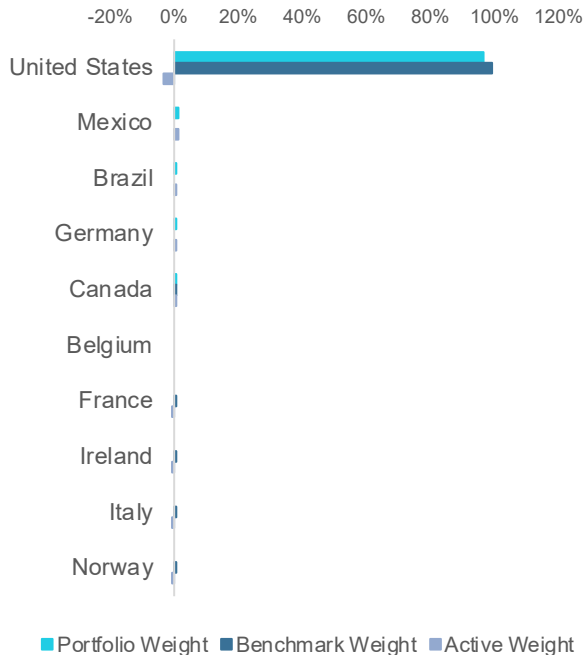
Frontier US SMID Growth

for the quarter ended March 31, 2023

Portfolio Risk Summary

	Value
Total Risk	27.08
Benchmark Risk	24.54
Active Risk	4.66
Portfolio Beta	1.09

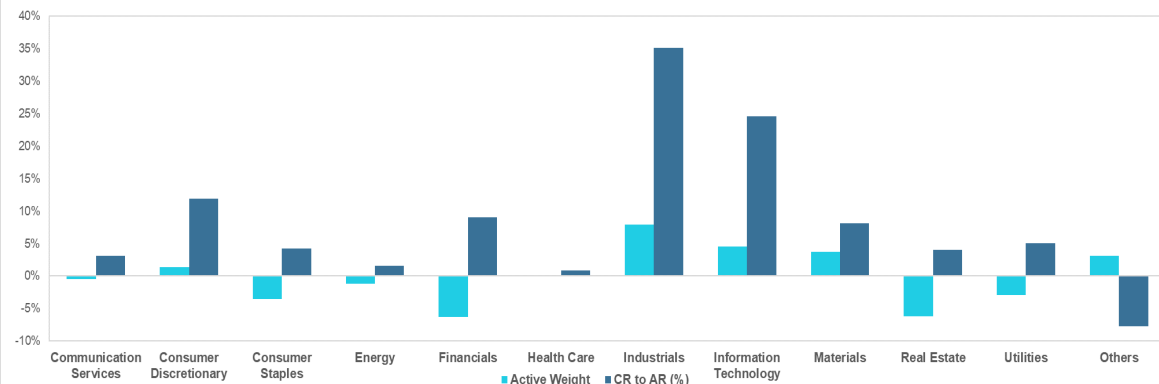
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
ARRAY TECHNOLOGIES INC	1.89%	0.06%	1.83%	71.29	10.40	0.381
WOLFSPEED INC	1.46%	0.15%	1.31%	58.33	5.60	0.317
SITIME CORPORATION	1.09%	0.04%	1.05%	60.83	4.69	0.325
CONTROLADORA VUELA	1.37%	0.00%	1.37%	57.94	4.58	0.273
MRC GLOBAL INC	1.62%	0.02%	1.60%	54.84	4.31	0.242
AZUL SA	1.00%	0.00%	1.00%	85.47	4.20	0.312
CAESARS ENTERTAINMENT INC	1.40%	0.00%	1.40%	52.13	3.73	0.241
DANA INC	1.22%	0.04%	1.19%	49.54	3.16	0.241
MONOLITHIC POWER SYSTEMS INC	0.95%	0.00%	0.95%	45.12	2.78	0.254
ALBEMARLE CORP	1.22%	0.00%	1.22%	45.73	2.72	0.221

Portfolio Risk by GICS Sector



Growth – Global Equity

Global Alpha

for the quarter ended March 31, 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)	2,791.3	2,655.1
No. Of Issues	58.0	0.0
Dividend Yield	3.0	3.9
Return on Equity	12.1	12.4
Price to Sales	2.0	4.9
Price to Book	2.4	3.1
PE Ratio	16.9	15.8

Top Holdings (% of assets)

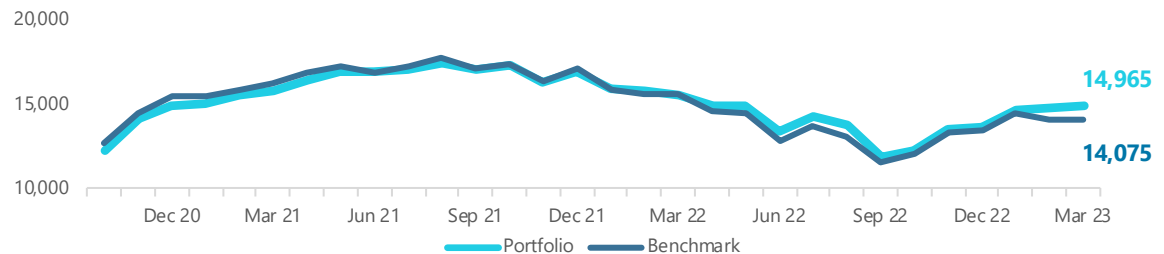
SOPRA STERIA GROUP	4.3%
RAFFLES MEDICAL GROUP LTD	3.5%
SEGA SAMMY HOLDINGS INC	3.4%
MELIA HOTELS INTERNATIONAL	3.4%
ASICS CORP	3.3%
Top 5 Holdings	17.9%

Performance (net)¹

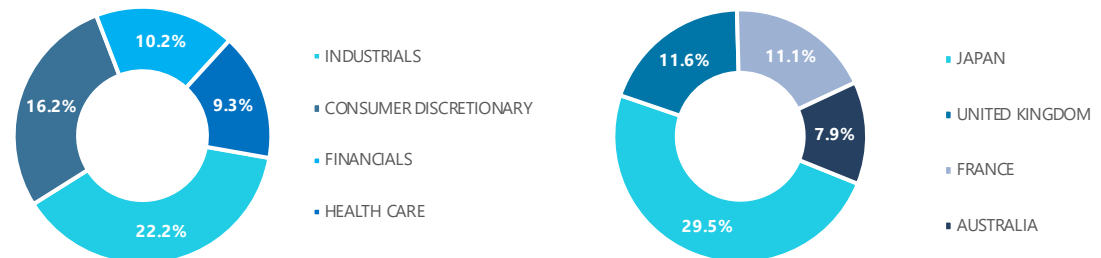
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Global Alpha	181.2	9.5%	-3.9%	14.4%	--
MSCI EAFE SMALL CAP NET		4.9%	-9.8%	12.1%	--
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: International Equity Funds Core	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Global Alpha	9.7%	13	-3.2%	32	15.2%	52	--	--
Median	7.1%		-4.9%		15.7%		--	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

Growth Risk Analysis – Global Equity

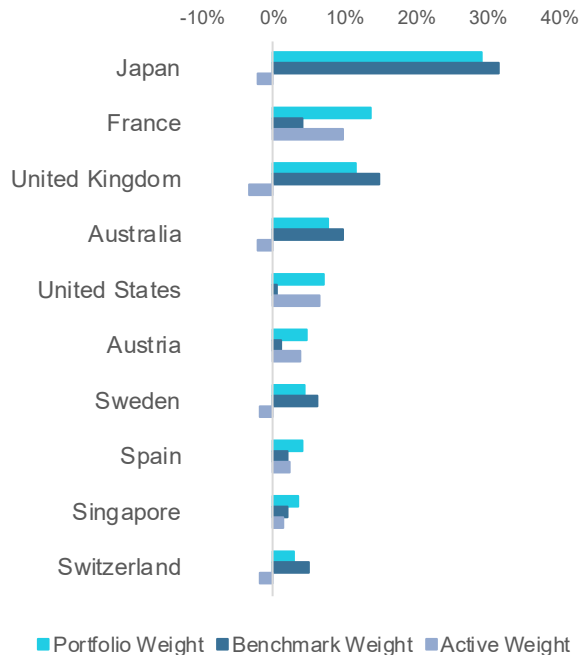
Global Alpha

for the quarter ended March 31, 2023

Portfolio Risk Summary

	Value
Total Risk	18.81
Benchmark Risk	19.78
Active Risk	4.28
Portfolio Beta	0.93

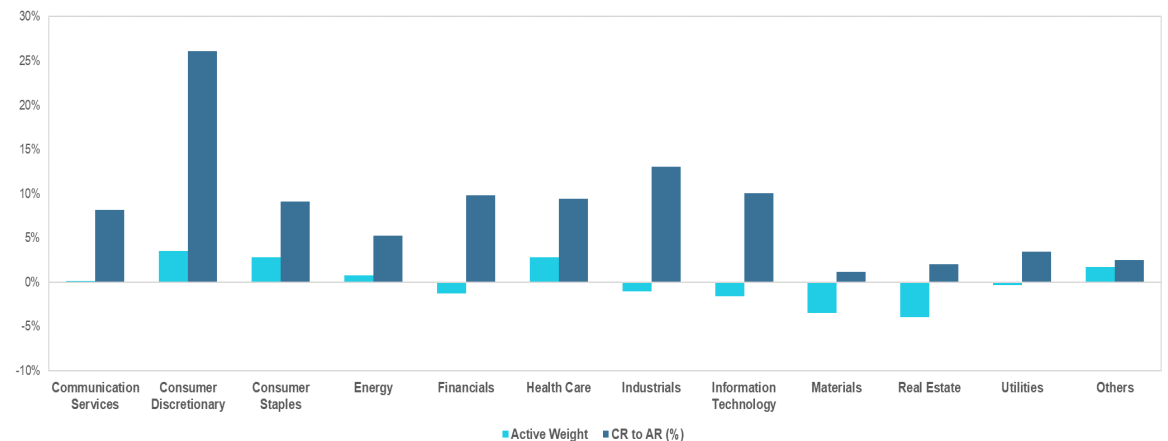
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
ASICS CORP	3.29%	0.18%	3.10%	40.66	8.81	0.056
SEGA SAMMY HOLDINGS INC	3.42%	0.12%	3.30%	31.97	8.45	0.045
SOPRA STERIA GROUP SA	4.35%	0.13%	4.22%	30.97	6.31	-0.001
RAFFLES MEDICAL GROUP LTD	3.47%	0.04%	3.43%	27.89	5.83	0.008
INTERNET INITIATIVE JAPAN INC	2.53%	0.09%	2.44%	33.07	5.54	0.032
L'OCCITANE INTERNATIONAL SA	2.57%	0.00%	2.57%	39.38	5.00	0.018
ROTHSCHILD & CO	3.43%	0.00%	3.43%	31.16	4.65	-0.007
ORMAT TECHNOLOGIES INC	2.75%	0.00%	2.75%	32.04	3.95	-0.004
SAMSONITE INTERNATIONAL SA	2.05%	0.00%	2.05%	45.21	3.51	0.008
OZ MINERALS LTD	2.21%	0.00%	2.21%	41.48	3.36	-0.000

Portfolio Risk by GICS Sector



Growth – Global Equity

JPMorgan Strategic Beta Non-US

for the quarter ended March 31, 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)	77,909.6	74,783.0
No. Of Issues	1,803.0	0.0
Dividend Yield	3.9	3.4
Return on Equity	18.2	16.6
Price to Sales	3.5	3.9
Price to Book	4.2	4.6
PE Ratio	12.9	14.9

Top Holdings (% of assets)

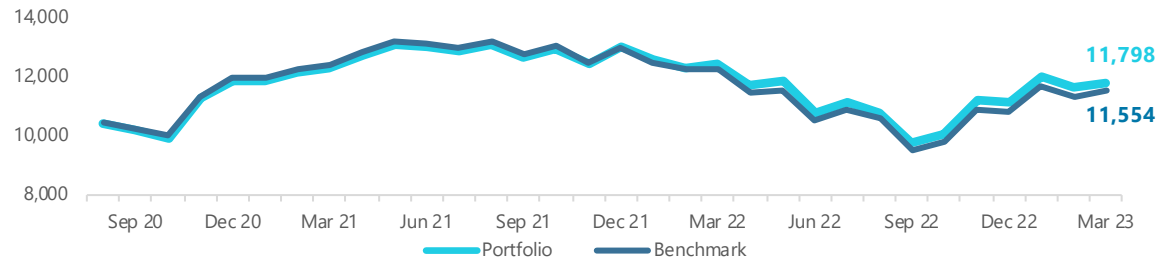
ISHARES MSCI INDIA ETF	3.6%
TAIWAN SEMICONDUCTOR MANUFAC	1.5%
NESTLE SA REG	1.2%
TENCENT HOLDINGS LTD	1.1%
ASML HOLDING NV	1.0%
Top 5 Holdings	8.4%

Performance (net)¹

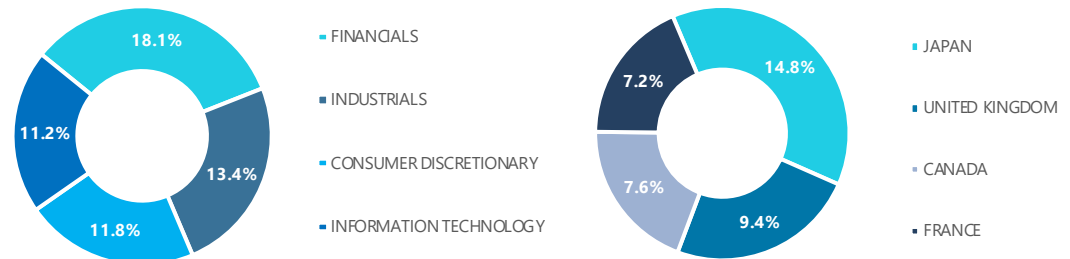
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
JPMAM Strategic Beta Non-US	584.4	6.2%	-5.4%	--	--
MSCI ACWI ex USA IMI Net		6.6%	-5.8%	--	--
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: International Equity	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
JPMAM Strategic Beta Non-US	6.2%	74	-5.4%	68	--	--	--	--
Median	7.4%		-4.0%		--	--	--	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

² 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 March 31, 2023

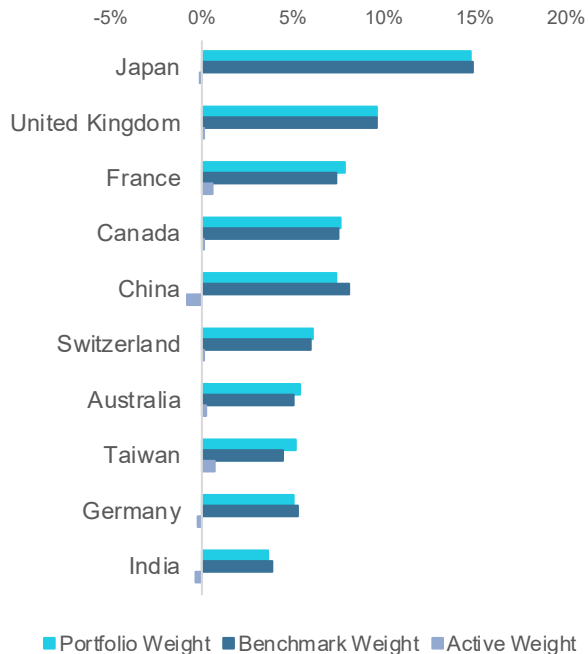


Los Angeles County Employees Retirement Association

Portfolio Risk Summary

	Value
Total Risk	17.51
Benchmark Risk	17.61
Active Risk	0.70
Portfolio Beta	0.99

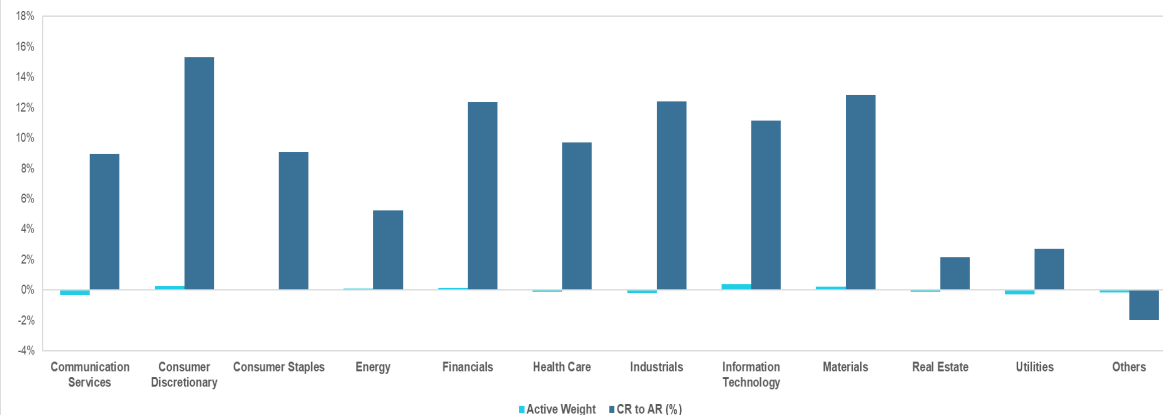
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
ALIBABA GROUP HOLDING LTD	0.00%	0.69%	-0.69%	52.24	19.29	-0.228
ASML HOLDING NV	0.00%	1.00%	-1.00%	40.27	4.50	-0.063
VALE SA	0.25%	0.00%	0.25%	47.01	2.95	0.054
NETEASE INC	0.00%	0.13%	-0.13%	42.56	2.29	-0.159
UNILEVER PLC	0.43%	0.00%	0.43%	21.09	1.42	-0.008
KUAISHOU TECHNOLOGY	0.02%	0.05%	-0.03%	61.67	1.16	-0.294
LI AUTO INC	0.02%	0.05%	-0.03%	61.07	1.09	-0.277
SEA LIMITED	0.08%	0.11%	-0.04%	57.93	1.05	-0.231
DAIMLER AG REGISTERED SHARES	0.25%	0.00%	0.25%	32.72	0.99	-0.003
BAYERISCHE MOTORENWERKE AG	0.16%	0.00%	0.16%	29.06	0.89	-0.008

Portfolio Risk by GICS Sector



Growth – Global Equity

JPMorgan Strategic Beta US

for the quarter ended March 31, 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)	469,564.7	542,555.8
No. Of Issues	951.0	0.0
Dividend Yield	1.3	1.3
Return on Equity	30.1	30.3
Price to Sales	5.2	5.3
Price to Book	11.9	12.4
PE Ratio	20.9	23.2

Top Holdings (% of assets)

APPLE INC	6.5%
MICROSOFT CORP	5.1%
AMAZON.COM INC	2.3%
NVIDIA CORP	1.7%
ALPHABET INC CL A	1.6%

Top 5 Holdings

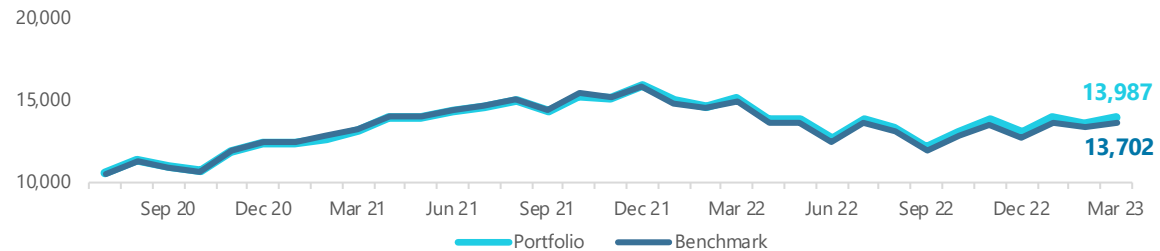
17.1%

Performance (net)¹

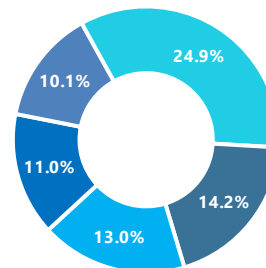
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
JPMAM Strategic Beta US	4,292.1	7.4%	-7.6%	--	--
MSCI USA IMI Gross		7.3%	-8.5%	--	--
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: U.S. Equities Total Large Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
JPMAM Strategic Beta US	7.4%	53	-7.5%	48	--	--	--	--
Median	7.4%		-7.6%		--	--	--	--

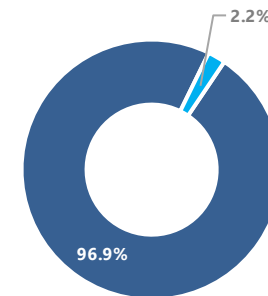
Growth of \$10,000



Top Exposures (% of assets)²



- INFORMATION TECHNOLOGY
- HEALTH CARE
- FINANCIALS
- CONSUMER DISCRETIONARY
- INDUSTRIALS



- UNITED STATES
- IRELAND

¹ Universe data is gross-of-fees.

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

Growth Risk Analysis – Global Equity

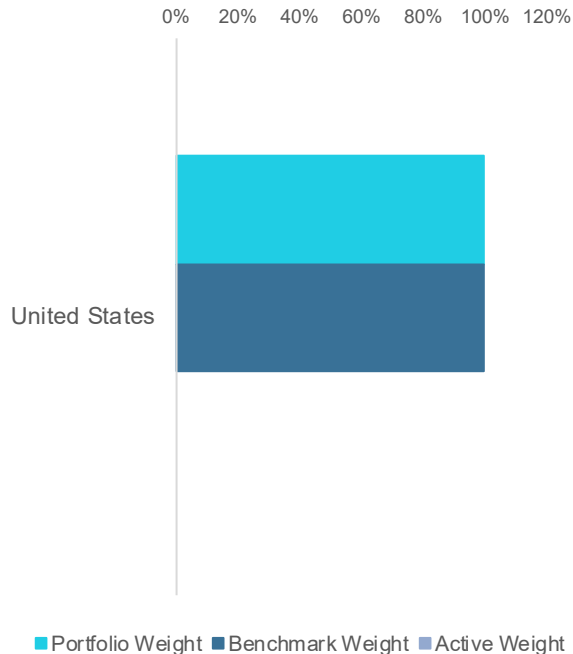
JPMorgan Strategic Beta US

for the quarter ended March 31, 2023

Portfolio Risk Summary

	Value
Total Risk	20.47
Benchmark Risk	20.66
Active Risk	0.56
Portfolio Beta	0.99

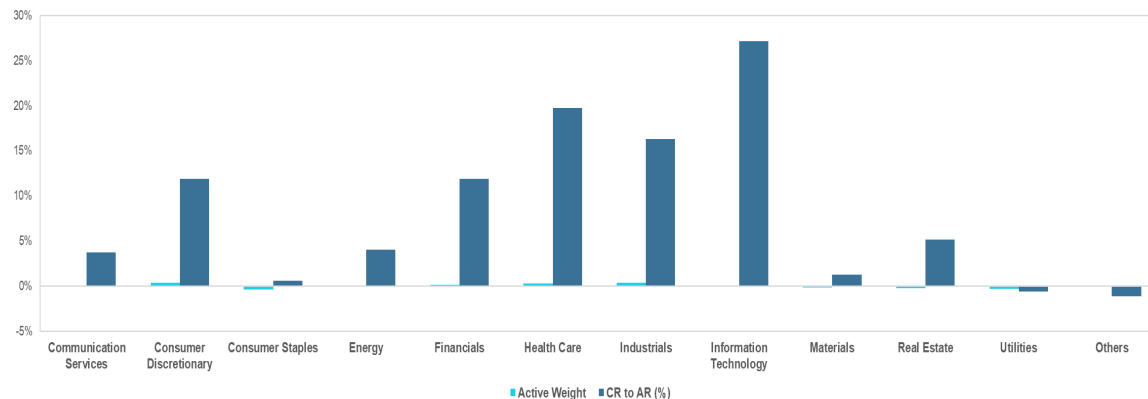
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
JPMORGAN CHASE & CO	0.00%	0.95%	-0.95%	27.91	8.52	-0.122
MONGODB INC	0.00%	0.04%	-0.04%	61.49	1.60	-0.298
CLOUDFLARE INC	0.00%	0.04%	-0.04%	63.63	1.58	-0.297
CROWDSTRIKE HOLDINGS INC	0.02%	0.07%	-0.05%	50.00	1.41	-0.229
WARNER BROS DISCOVERY INC	0.04%	0.09%	-0.04%	53.04	1.41	-0.258
SNOWFLAKE INC	0.05%	0.09%	-0.04%	55.11	1.38	-0.264
DATADOG INC	0.01%	0.04%	-0.04%	52.75	1.12	-0.245
OKTA INC	0.00%	0.03%	-0.03%	56.47	1.10	-0.263
DOORDASH INC	0.00%	0.04%	-0.04%	54.98	1.08	-0.235
HUBSPOT INC	0.01%	0.05%	-0.04%	47.26	1.06	-0.193

Portfolio Risk by GICS Sector



Growth – Global Equity Lazard Emerging Markets

for the quarter ended March 31, 2023

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)	38,327.8	101,532.8
No. Of Issues	49.0	0.0
Dividend Yield	3.6	3.7
Return on Equity	2.0	17.3
Price to Sales	24.4	4.3
Price to Book	0.9	3.5
PE Ratio	13.1	12.3

Top Holdings (% of assets)

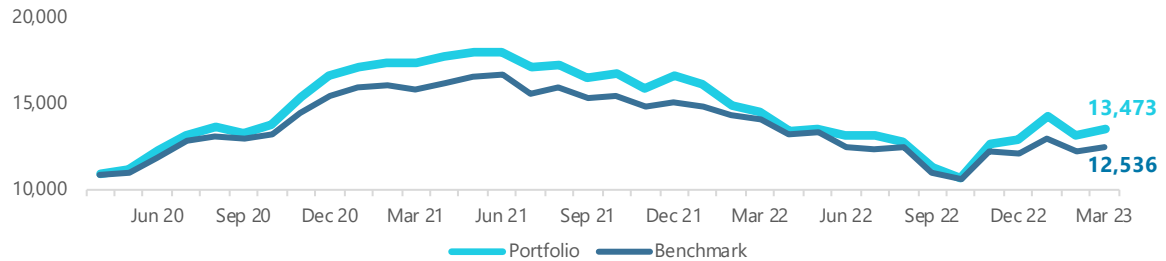
PROSUS NV	9.6%
CITIC SECURITIES CO LTD H	6.5%
JPMORGAN EMERGING MARKETS INVE	6.5%
FIDELITY CHINA SPECIAL SITUATI	5.9%
TEMPLETON EMERGING MARKETS INV	5.8%
Top 5 Holdings	34.3%

Performance (net)¹

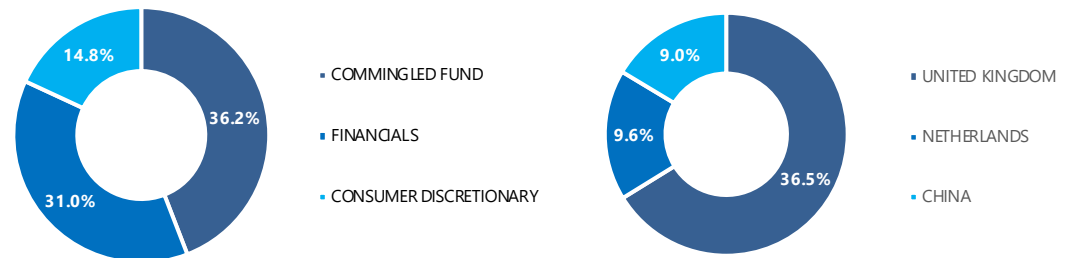
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Lazard Emerging Markets	383.9	4.3%	-7.0%	10.4%	1.2%
MSCI EMERGING MARKETS		4.0%	-10.7%	7.8%	-0.9%
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: Intl Equity Emerging Mkt Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Lazard Emerging Markets	4.5%	49	-6.4%	28	11.2%	49	1.9%	30
Median	4.4%		-9.0%		10.9%		0.8%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

Growth Risk Analysis – Global Equity

Lazard Emerging Markets

for the quarter ended March 31, 2023

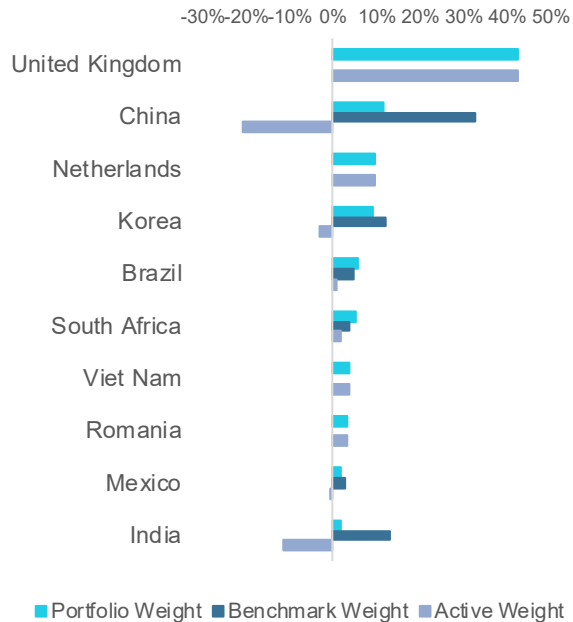


Los Angeles County Employees Retirement Association

Portfolio Risk Summary

	Value
Total Risk	20.56
Benchmark Risk	18.81
Active Risk	11.09
Portfolio Beta	0.92

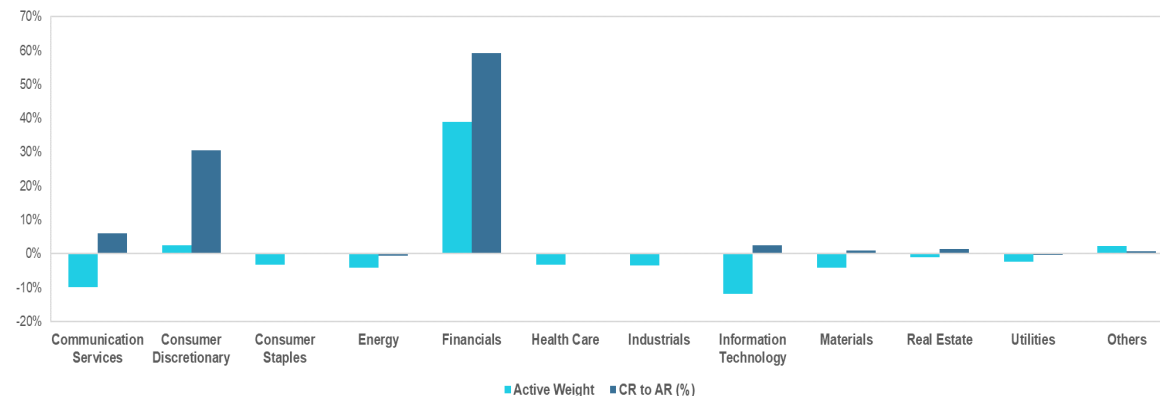
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
PROSUS NV	9.58%	0.00%	9.58%	44.03	17.82	0.182
FIDELITY CHINA SPECIAL SITUATIONS PLC	5.89%	0.00%	5.89%	41.26	10.75	0.178
JPMORGAN EMERGING MKTS INV TRUST	6.50%	0.00%	6.50%	30.56	9.75	0.142
TEMPLETON EMERGING MKTS INV TRUST	5.78%	0.00%	5.78%	29.85	8.25	0.134
NASPERS	5.23%	0.62%	4.62%	47.16	5.97	0.119
SCHRODER ASIAPACIFIC FUND PLC	2.80%	0.00%	2.80%	29.40	3.80	0.126
ASIA DRAGON TRUST PLC	2.53%	0.00%	2.53%	32.73	3.63	0.135
FIDELITY EMERGING MARKETS LTD	2.08%	0.00%	2.08%	30.55	2.91	0.131
TAIWAN SEMICONDUCTOR MANUFACT CO	0.37%	6.57%	-6.20%	30.71	2.62	-0.047
ABRDN CHINA INVESTMENT COMPANY	2.00%	0.00%	2.00%	35.49	2.46	0.136

Portfolio Risk by GICS Sector



Note: Weights represent country of domicile of closed-end fund and not country of underlying fund holdings.

Growth – Global Equity

SSGA MSCI ACWI IMI

for the quarter ended March 31, 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)	309,693.9	309,819.9
No. Of Issues	6,428.0	0.0
Dividend Yield	2.1	2.1
Return on Equity	23.5	23.4
Price to Sales	5.0	5.0
Price to Book	8.9	8.9
PE Ratio	19.0	19.2

Top Holdings (% of assets)

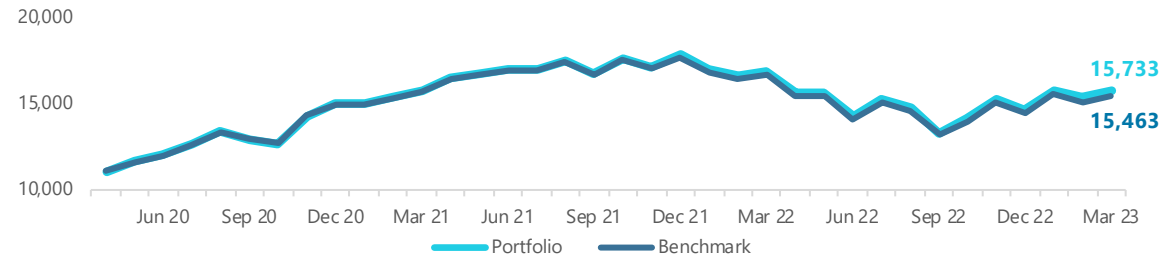
APPLE INC	3.8%
MICROSOFT CORP	3.0%
AMAZON.COM INC	1.4%
ALPHABET INC CL C	0.9%
ALPHABET INC CL A	0.9%
Top 5 Holdings	9.9%

Performance (net)¹

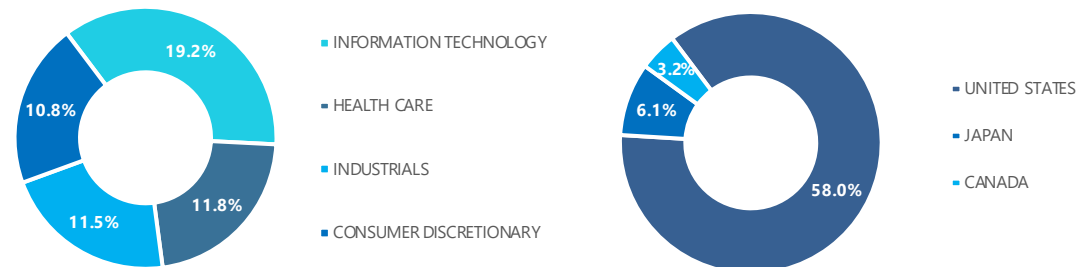
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
SSGA MSCI ACWI IMI	15,279.8	7.1%	-7.1%	16.3%	--
MSCI ACWI IMI Net		6.9%	-7.7%	15.6%	--
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: Global Equity Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
SSGA MSCI ACWI IMI	7.1%	41	-7.1%	71	16.3%	30	--	--
Median	6.1%		-3.3%		14.5%		--	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

Growth Risk Analysis – Global Equity

SSGA MSCI ACWI IMI

for the quarter ended March 31, 2023

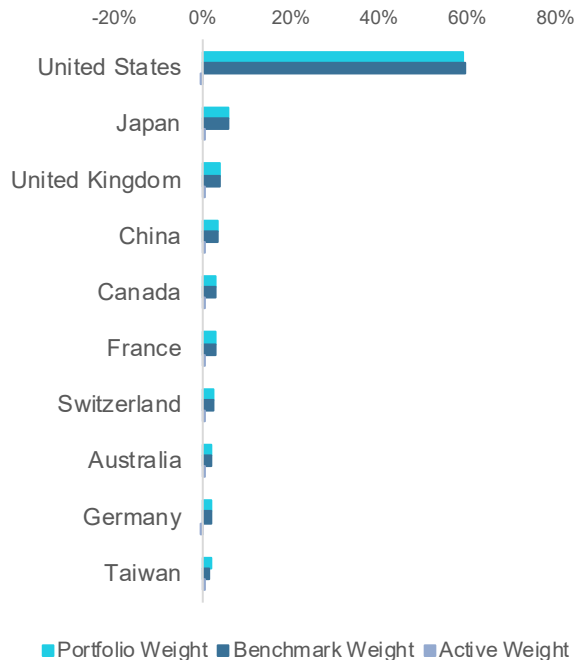


Los Angeles County Employees Retirement Association

Portfolio Risk Summary

	Value
Total Risk	18.81
Benchmark Risk	18.74
Active Risk	0.17
Portfolio Beta	1.00

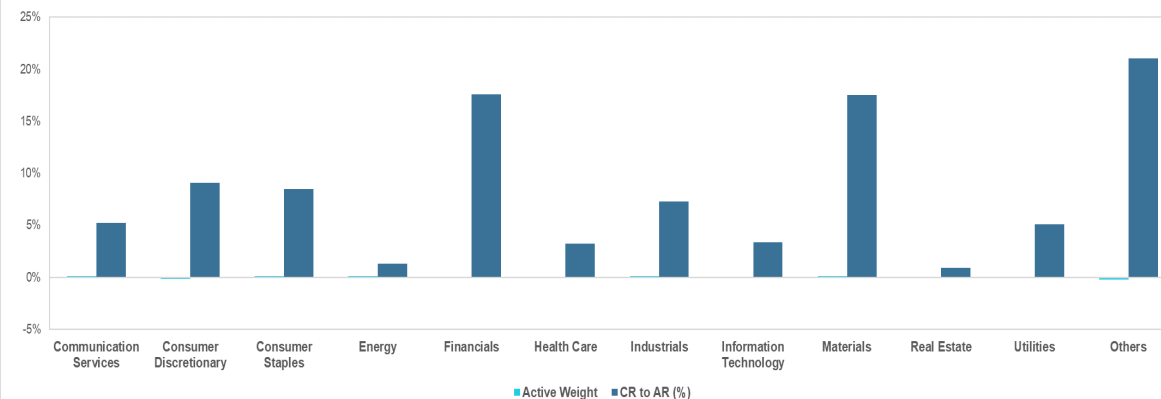
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
ASML HOLDING NV	0.39%	0.00%	0.39%	40.27	12.09	0.129
RELIANCE INDUSTRIES LTD	0.00%	0.13%	-0.13%	29.22	6.63	-0.016
HOUSING DEVELOPMENT FINANCE CORP	0.00%	0.08%	-0.08%	29.71	4.65	-0.025
ICICI BANK LTD	0.00%	0.08%	-0.08%	27.98	3.50	0.000
AL RAJHI BANK	0.00%	0.06%	-0.06%	27.45	3.12	-0.022
TATA CONSULTANCY SERVICES	0.00%	0.05%	-0.05%	23.83	2.72	-0.016
HINDUSTAN UNILEVER LTD	0.00%	0.04%	-0.04%	25.09	2.64	-0.047
AXIS BANK LTD	0.00%	0.04%	-0.03%	33.59	2.43	-0.047
SAUDI NATIONAL BANK SJSC	0.00%	0.04%	-0.04%	30.93	2.40	-0.032
VALE SA	0.08%	0.00%	0.08%	47.01	2.28	0.122

Portfolio Risk by GICS Sector



Growth – Global Equity Systematic US Small Cap Value

for the quarter ended March 31, 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)	4,145.6	2,920.7
No. Of Issues	148.0	0.0
Dividend Yield	3.6	1.4
Return on Equity	16.8	11.4
Price to Sales	1.8	13.8
Price to Book	2.4	6.5
PE Ratio	13.4	31.3

Top Holdings (% of assets)

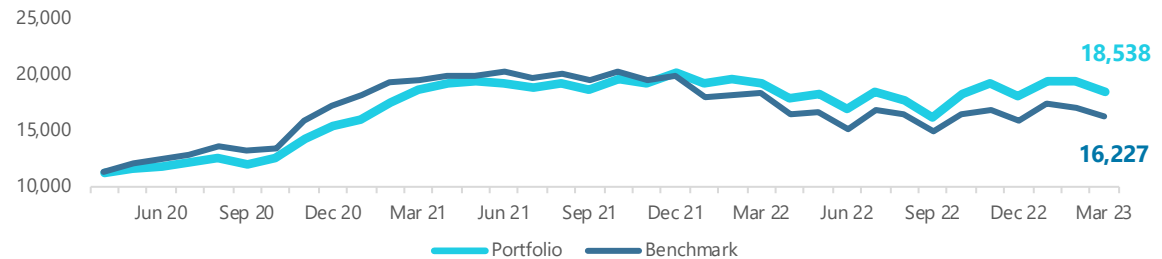
FIRST CITIZENS BCSHS CL A	3.1%
MAGNOLIA OIL + GAS CORP A	1.9%
EMCOR GROUP INC	1.8%
NORTHWESTERN CORP	1.6%
KBR INC	1.5%
Top 5 Holdings	9.9%

Performance (net)¹

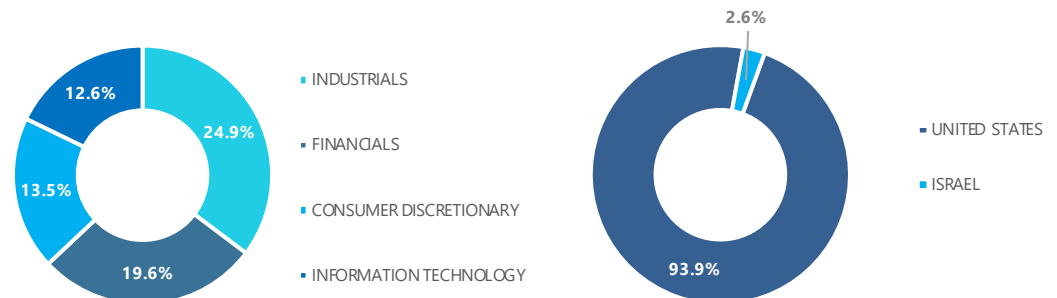
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Systematic US Small Cap Value	190.3	2.1%	-3.2%	22.8%	--
RUSSELL 2000		2.7%	-11.6%	17.5%	--
Growth Policy Benchmark		7.3%	-9.7%	13.7%	--

Universe data: US Equity Funds - Small Cap	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Systematic US Small Cap Value	2.3%	71	-2.7%	18	23.5%	37	--	--
Median	3.4%		-5.8%		22.1%		--	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

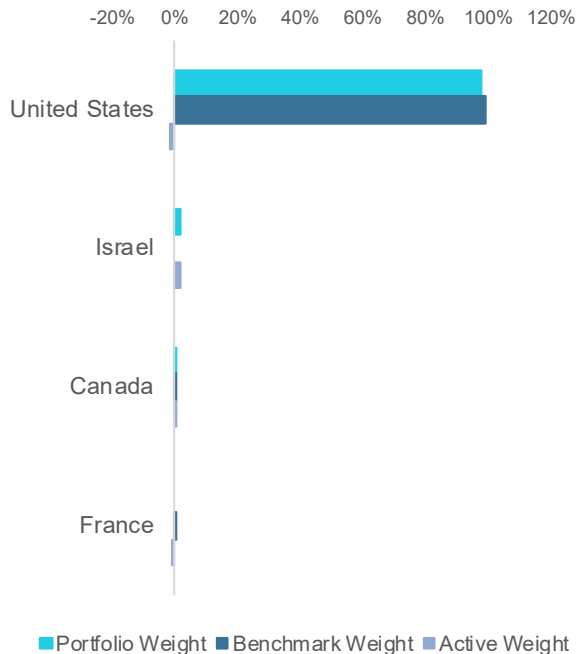
Growth Risk Analysis – Global Equity Systematic US Small Cap Value

for the quarter ended March 31, 2023

Portfolio Risk Summary

	Value
Total Risk	22.26
Benchmark Risk	25.58
Active Risk	5.55
Portfolio Beta	0.86

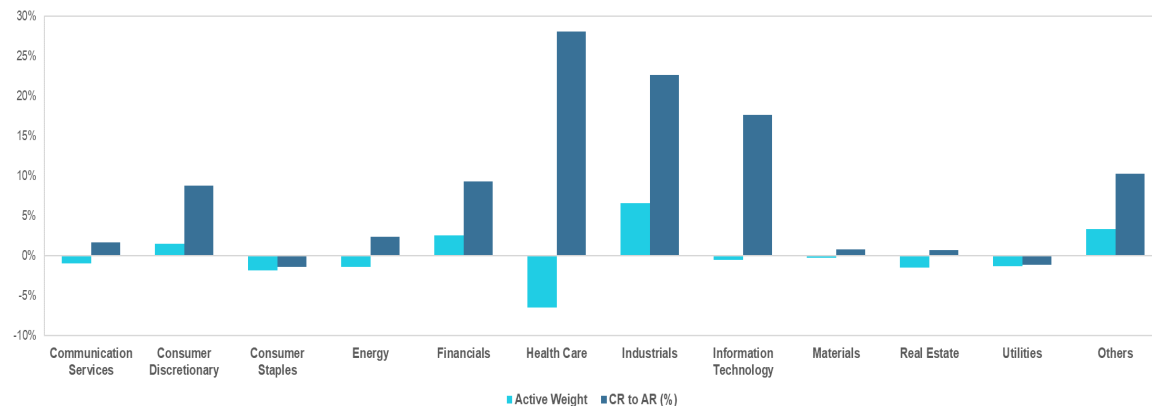
Top Countries by Weight%



Top 10 Assets by Contribution to Active Risk

Asset	Weight			Total Risk	%CR to Active TR	MC to Active TR
	Portfolio	Benchmark	Active			
NORTHWESTERN CORP	1.63%	0.15%	1.48%	23.37	3.36	-0.045
CURTISS-WRIGHT CORP	1.27%	0.00%	1.27%	25.52	2.29	-0.071
EMCOR GROUP INC	1.75%	0.33%	1.42%	26.41	2.24	-0.083
SILICON MOTION TECHNOLOGY CORP	1.03%	0.00%	1.03%	39.77	2.10	-0.058
KBR INC	1.53%	0.00%	1.53%	29.61	2.00	-0.098
PERRIGO CO PLC	1.19%	0.00%	1.19%	32.11	1.94	-0.080
EVEREST RE GROUP LTD	1.22%	0.00%	1.22%	28.83	1.93	-0.082
ICF INTERNATIONAL INC	1.35%	0.09%	1.26%	28.62	1.91	-0.086
CROSS COUNTRY HEALTHCARE INC	1.45%	0.03%	1.42%	54.32	1.77	-0.101
WORKIVA INC	0.00%	0.21%	-0.21%	44.72	1.69	-0.258

Portfolio Risk by GICS Sector

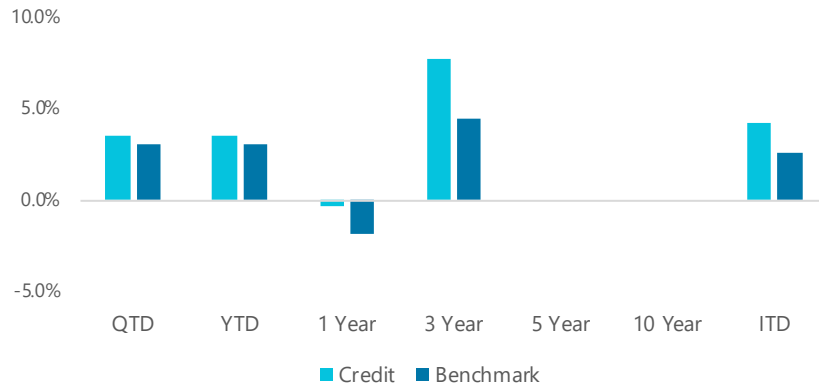


credit

Summary

for the quarter ended March 31, 2023

Performance (net)

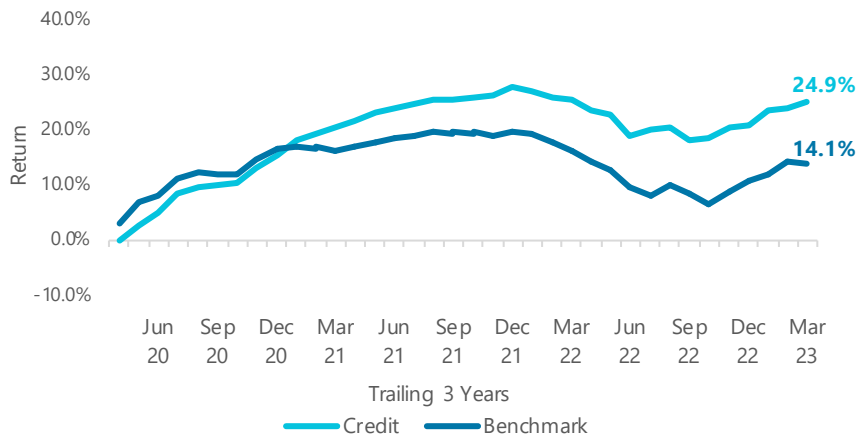


Functional Category

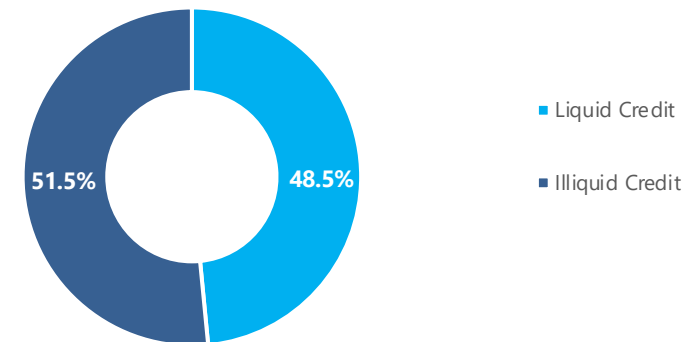
	QTD	FYTD	1 Year	3 Year
Liquid Credit	3.1%	6.0%	-2.4%	--
Liquid Credit Policy Benchmark	3.2%	6.8%	-1.3%	--
Excess	-0.1%	-0.8%	-1.1%	--
Illiquid Credit	3.6%	3.5%	2.5%	11.0%
Illiquid Credit Policy Benchmark	3.0%	2.3%	-1.3%	1.0%
Excess	0.6%	1.2%	3.8%	9.9%

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Credit	3.5%	3.5%	-0.3%	7.7%	--	--	4.2%
Benchmark	3.1%	3.1%	-1.8%	4.5%	--	--	2.6%
Excess	0.4%	0.4%	1.5%	3.2%	--	--	1.6%

Cumulative Return



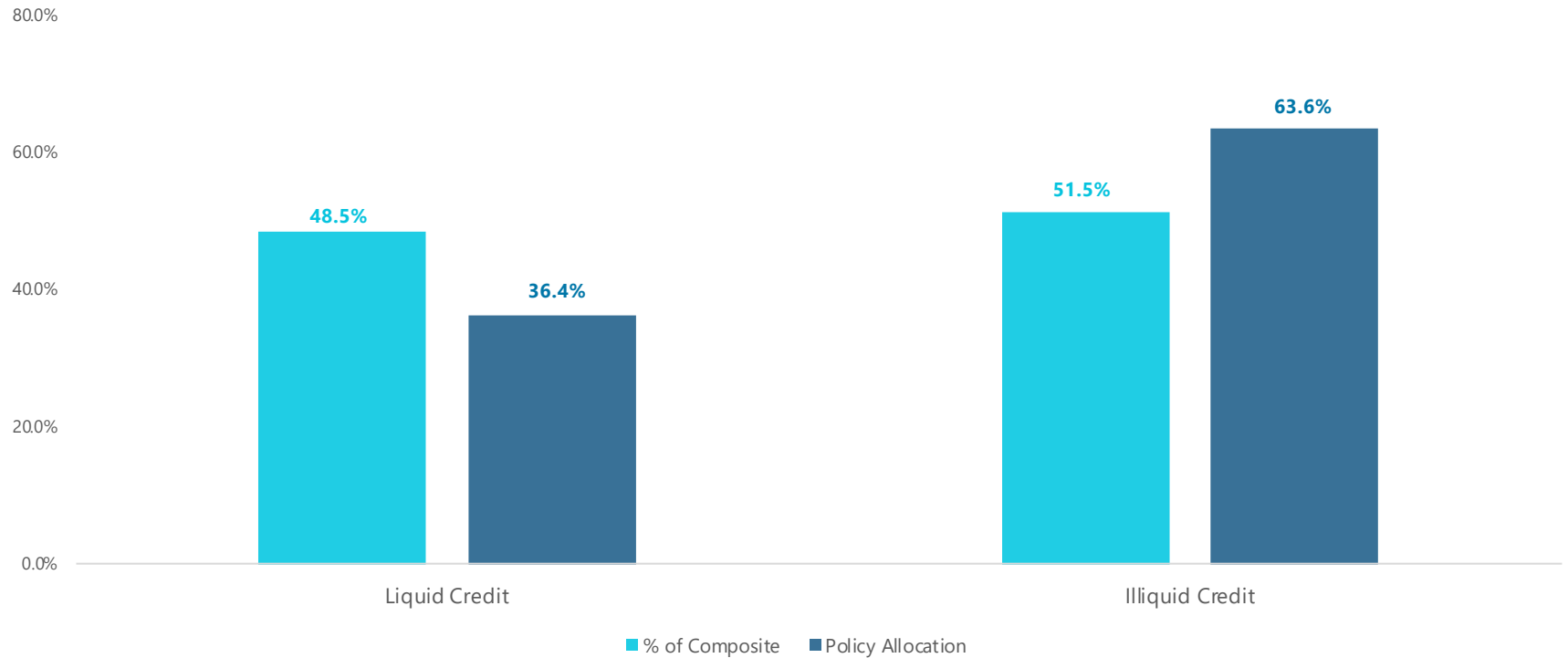
Exposure



Asset Allocation

for the quarter ended March 31, 2023

Actual vs. Policy

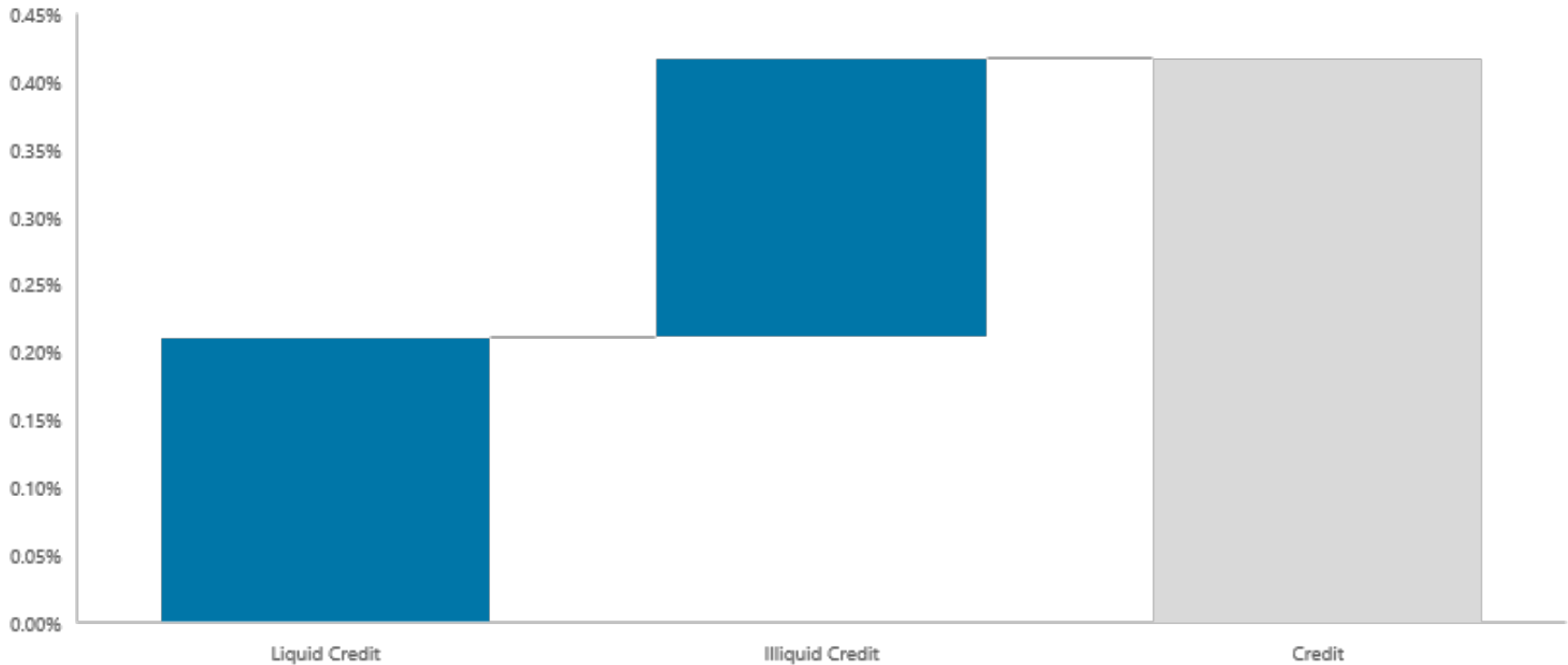


	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Credit	8,411	100.0%	100.0%		
Liquid Credit	4,076	48.5%	36.4%	12.1%	1,018
Illiquid Credit	4,335	51.5%	63.6%	-12.1%	-1,018

Contribution to Return

for the quarter ended March 31, 2023

QTD Contribution to Return



Functional Category	Contributors	Detractors
Liquid Credit	0.21% Napier Park	0.09%
Illiquid Credit	0.21% Credit Suisse Bank Loans	0.06%
Credit	0.42% Magnetar	0.04%
	Brigade Cap Mgmt	0.02%
	Pinebridge Investments	0.02%

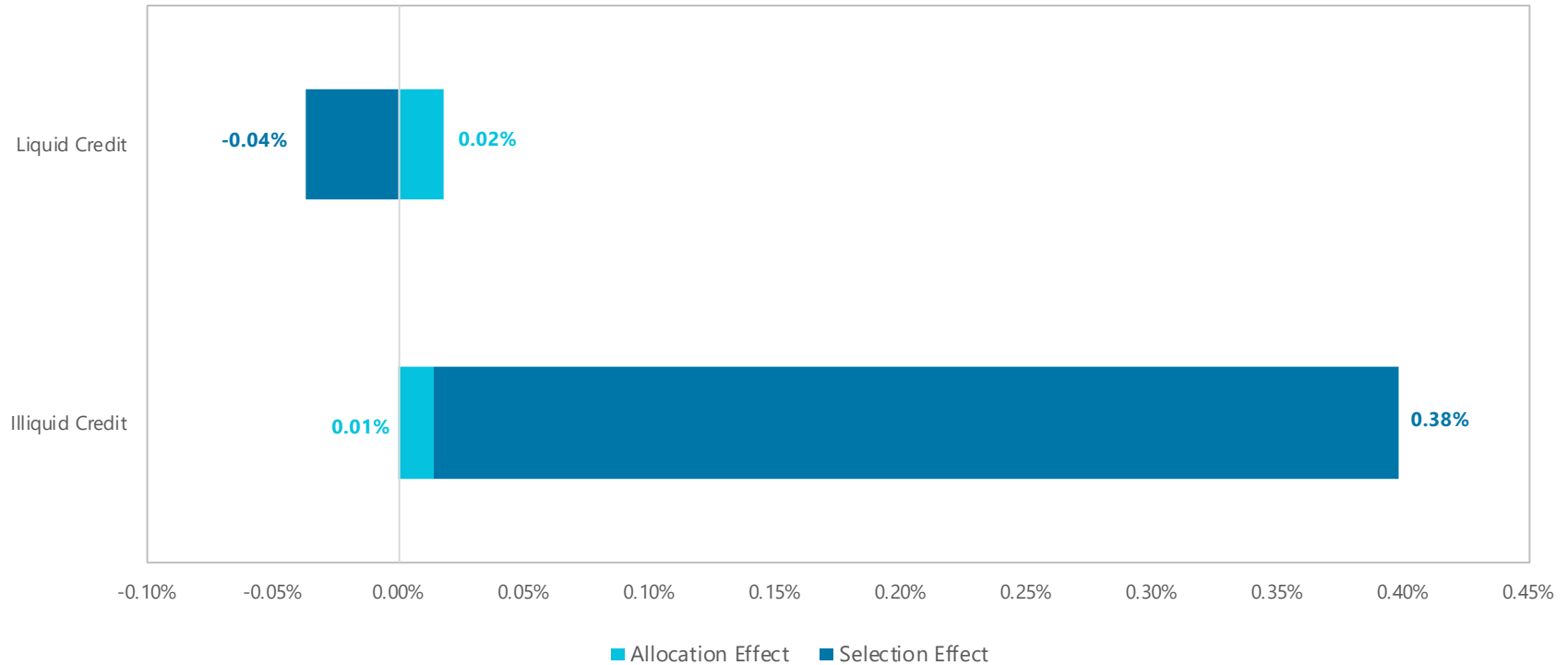
Return Attribution

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

QTD Performance Attribution¹



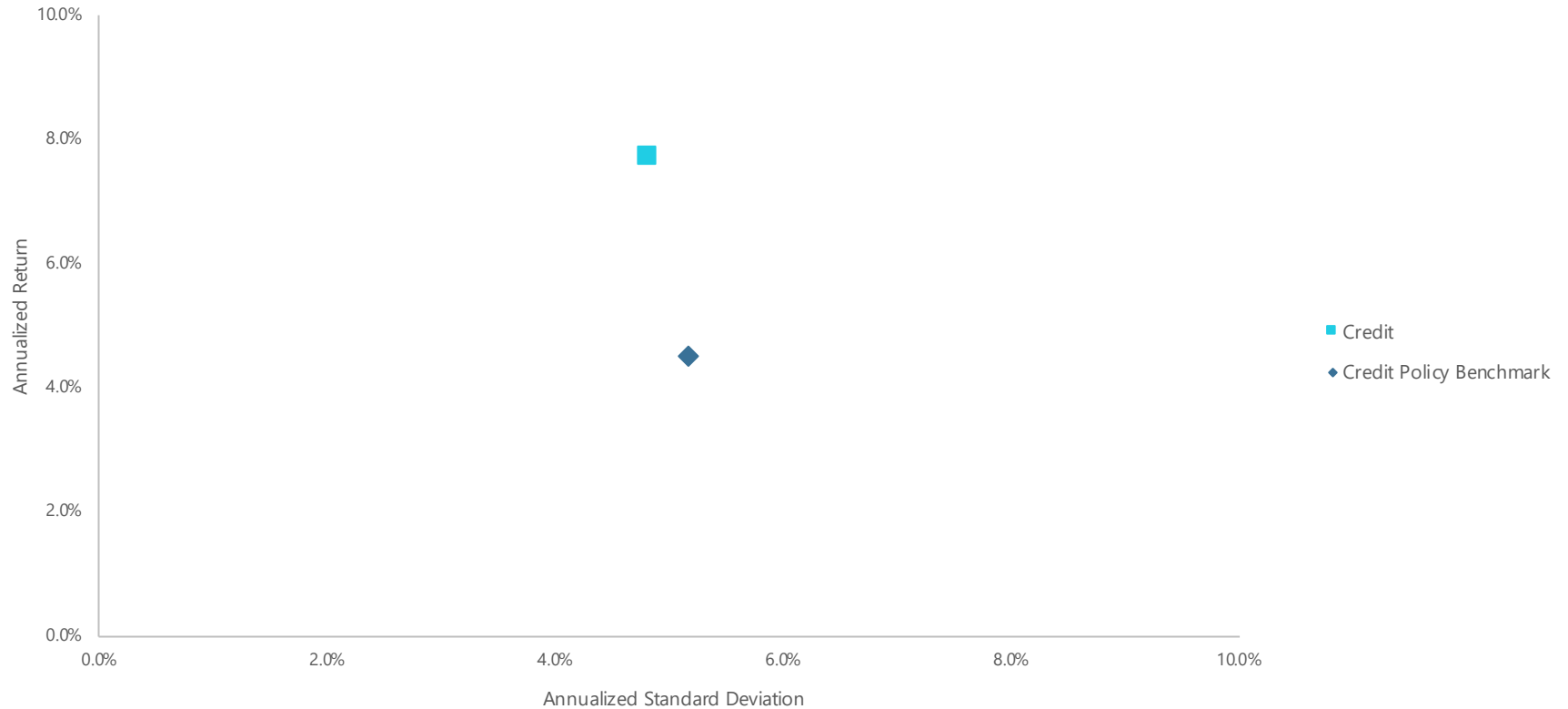
	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
Credit	8,411	100.0%	100.0%	3.5%	3.1%	0.03%	0.35%	0.38%
Liquid Credit	4,076	48.5%	36.4%	3.1%	3.2%	0.02%	-0.04%	-0.02%
Illiquid Credit	4,335	51.5%	63.6%	3.6%	3.0%	0.01%	0.38%	0.40%

¹ Total Value Add column includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2023

3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Credit	7.7%	4.8%				
Credit Policy Benchmark	4.5%	5.2%	1.42	0.87	0.68	3.7%

Performance Detail

for the quarter ended March 31, 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
Credit	100.0%	8,411	8,446	3.5%	3.5%	-0.3%	7.7%	--	--	4.2%	Apr-2019
Credit Policy Benchmark				3.1%	3.1%	-1.8%	4.5%	--	--	2.6%	
Liquid Credit	48.5%	4,076	4,709	3.1%	3.1%	-2.4%	--	--	--	-3.6%	Oct-2021
Liquid Credit Policy Benchmark				3.2%	3.2%	-1.3%	--	--	--	-3.1%	
abrdn	4.5%	380	373	1.9%	1.9%	-5.2%	1.0%	-1.3%	--	-0.5%	Jul-2017
Ashmore Investment Management	4.2%	351	341	2.9%	2.9%	-6.7%	1.7%	-3.3%	--	-1.8%	Jun-2017
Bain Capital	5.1%	432	417	3.7%	3.7%	2.3%	9.6%	4.3%	--	3.8%	Jun-2014
Beach Point	3.5%	291	281	3.6%	3.6%	-4.4%	5.1%	2.9%	--	4.2%	Mar-2014
BlackRock HY ETF	0.0%	0	579	0.2%	0.2%	-6.2%	4.2%	--	--	-0.4%	Feb-2020
Brigade Cap Mgmt	7.6%	641	624	2.8%	2.8%	-7.9%	8.6%	2.6%	3.7%	5.7%	Jul-2010
Credit Suisse Bank Loans	12.0%	1,006	1,154	3.7%	3.7%	3.4%	7.0%	--	--	7.0%	Apr-2020
Crescent Capital	6.0%	508	491	3.4%	3.4%	-1.8%	8.6%	3.9%	--	3.4%	May-2014
Pinebridge Investments	5.5%	466	450	3.7%	3.7%	-3.6%	--	--	--	-4.7%	Sep-2021
Illiquid Credit	51.5%	4,335	3,736	3.6%	3.6%	2.5%	11.0%	--	--	9.7%	Apr-2019
Illiquid Credit Policy Benchmark				3.0%	3.0%	-1.3%	1.0%	--	--	4.2%	
Beach Point - Fund II	0.2%	15	13	--	--	--	--	--	--	--	Jun-2014
Beach Point - Fund III	1.9%	161	154	4.3%	4.3%	-6.3%	13.1%	10.1%	--	10.4%	Jun-2017
BlackRock/Tennenbaum	7.8%	659	647	1.7%	1.7%	5.6%	7.1%	6.9%	--	7.1%	Nov-2014
Grosvenor OPCRD 2 HFOF	0.3%	21	23	--	--	--	--	--	--	--	Mar-2016
Lake Cascade	3.6%	300	0	--	--	--	--	--	--	0.0%	Jan-2023
Lake Cottage	3.8%	317	237	1.9%	1.9%	--	--	--	--	1.9%	Nov-2022
Lake Vineyard	5.0%	421	363	3.1%	3.1%	2.0%	--	--	--	2.0%	Apr-2022
Magnetar	11.1%	933	904	3.2%	3.2%	3.8%	--	--	--	17.7%	Aug-2020
Napier Park	10.5%	885	800	7.4%	7.4%	1.4%	16.4%	--	--	16.4%	Apr-2020
PIMCO Tac Opps	3.2%	273	273	0.0%	0.0%	-5.9%	4.6%	--	--	5.0%	Nov-2018
Private Equity - Credit	2.7%	228	215	7.6%	7.6%	16.0%	18.9%	--	--	14.8%	Jan-2019
Real Estate - Credit	0.9%	74	83	1.8%	1.8%	6.9%	9.9%	9.6%	8.8%	9.0%	Oct-2011
Stable Asset Management - IC	0.6%	49	23	0.4%	0.4%	--	--	--	--	0.4%	Nov-2022

Liquid Credit Risk Summary

for the quarter ended March 31, 2023

Risk Summary

	Value
Total Risk	6.38
Benchmark Risk	5.78
Active Risk	0.90
Portfolio Beta	1.10
Cont. to Eff. Duration	2.60
Convexity	0.12
Yield to Worst (%)	8.85
OAS to Sw ap (bp)	484

Risk Decomposition

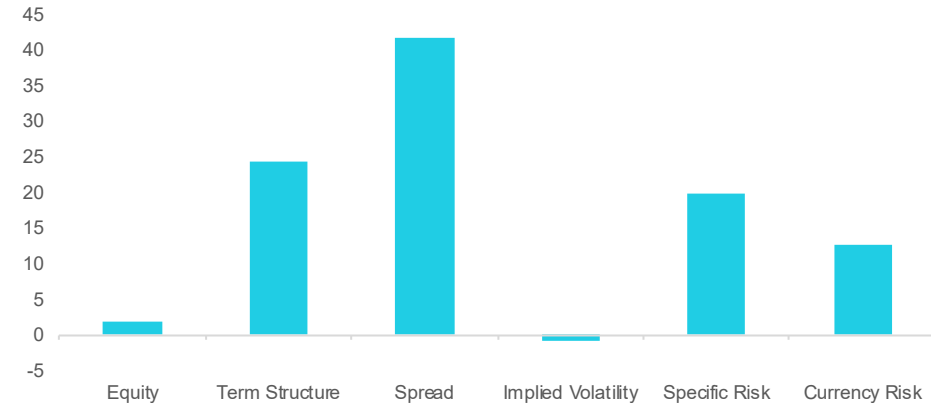
Risk Source	Portfolio		Active	
	Risk Contribution	%Risk	Risk Contribution	%Risk
Total Risk	6.38	100.00	0.90	100.00
Local Market Risk	6.04	94.63	0.79	87.47
Common Factor Risk	6.01	94.17	0.61	67.70
Specific Risk	0.03	0.47	0.18	19.77
Currency Risk	0.34	5.37	0.11	12.53

Contribution to Risk



	Mkt Value (mm)	Weight%	Total Risk	Risk Contribution	%CR to TR
Liquid Credit	3,910	100.00	6.38	6.38	100.00
High Yield	1,331	34.03	8.13	2.66	41.59
Bank Loans	1,848	47.26	4.93	2.06	32.28
Emerging Market Debt	732	18.71	10.21	1.67	26.13

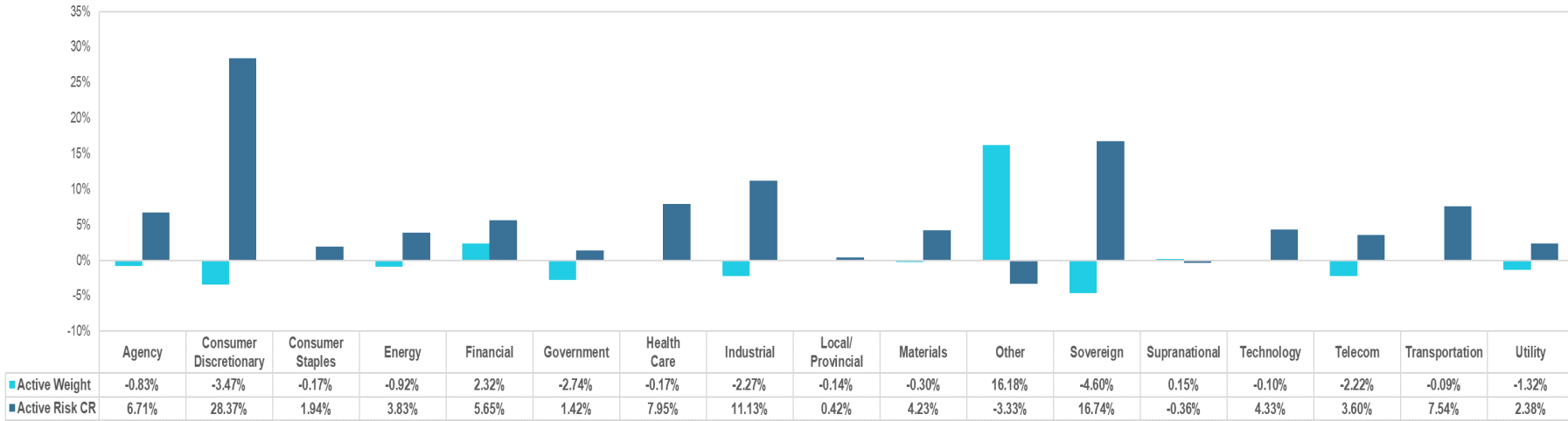
Active Risk from Common Factors



Liquid Credit Risk Summary

for the quarter ended March 31, 2023

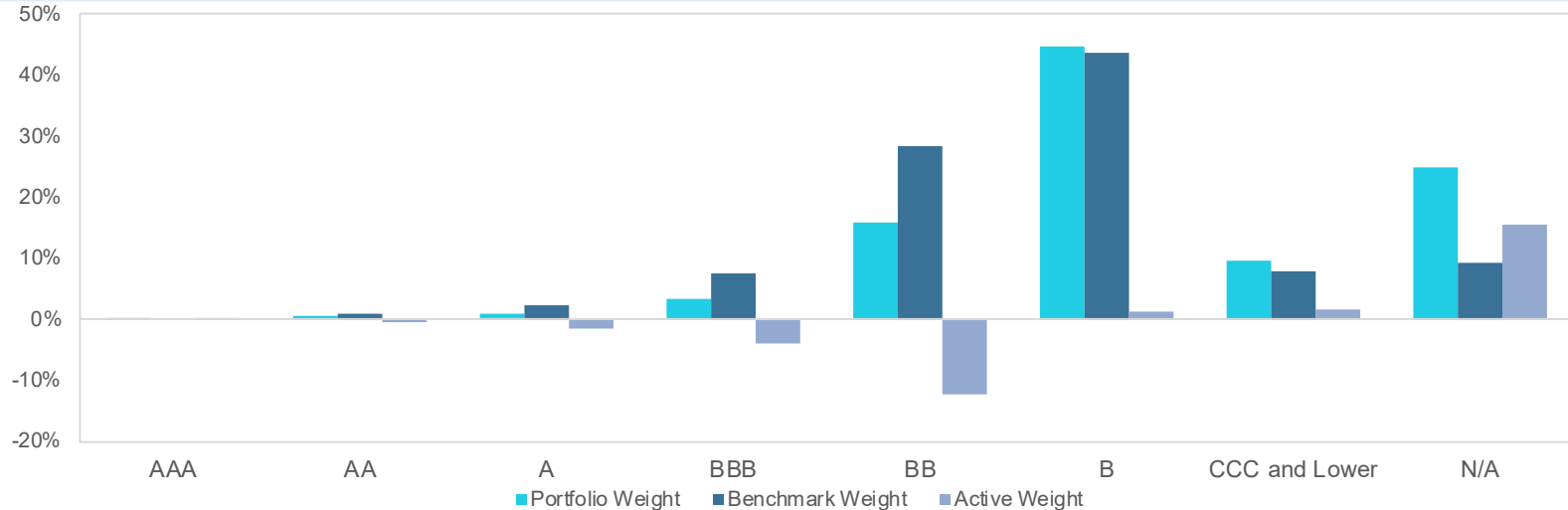
Portfolio Allocation By Bond Sector



Liquid Credit Risk Summary

for the quarter ended March 31, 2023

Portfolio Allocation By Moody's Rating



Rating	Weight%			Total Risk	Active Risk CR	% of Active TR	CR to Effective Duration
	Portfolio	Benchmark	Active				
Liquid Credit	100.00%	100.00%	0.00%	6.38	0.90	100.00%	2.60
AAA	0.31%	0.00%	0.31%	8.49	-0.01	-1.1%	0.03
AA	0.38%	1.02%	-0.64%	11.58	0.03	2.8%	0.04
A	0.78%	2.46%	-1.67%	11.21	0.06	6.6%	0.09
BBB	3.48%	7.60%	-4.11%	7.99	0.11	11.7%	0.23
BB	15.78%	28.24%	-12.46%	6.04	0.25	27.8%	0.55
B	44.80%	43.60%	1.20%	6.45	0.37	40.7%	0.67
CCC and Lower	9.45%	7.70%	1.75%	12.24	0.12	13.2%	0.20
N/A	25.02%	9.39%	15.63%	5.36	-0.02	-1.7%	0.79

Credit – Liquid Credit abrdn

for the quarter ended March 31, 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)

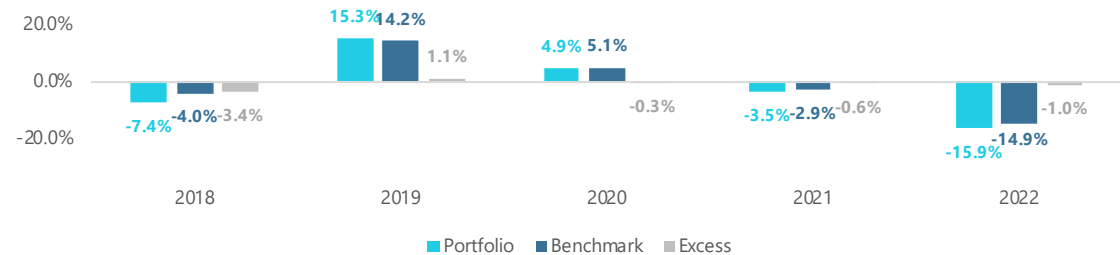
Standard Deviation	11.2%
Benchmark Standard Deviation	9.5%
Sharpe Ratio	-0.12
Information Ratio	-0.33
Beta	1.16
Tracking Error	2.7%

Performance (net)¹

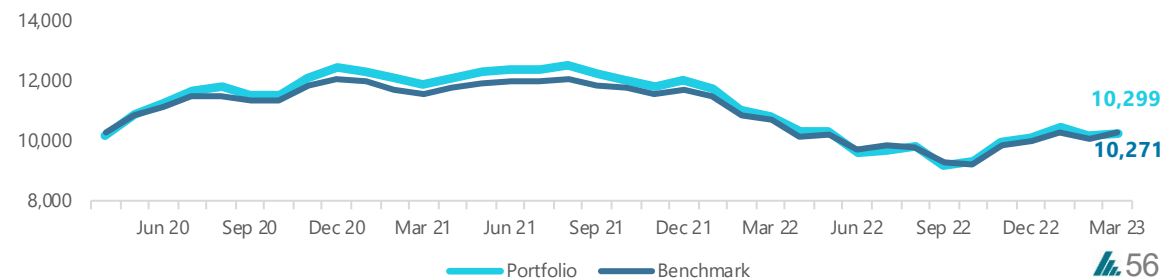
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
abrdn	379.9	1.9%	-5.2%	1.0%	-1.3%
EMD Custom Benchmark		2.8%	-4.0%	0.9%	-0.4%
Credit Policy Benchmark		3.1%	-1.8%	4.5%	--

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
abrdn	2.0%	62	-4.8%	72	1.4%	37	-1.0%	96
Median	2.6%		-2.3%		0.0%		1.6%	

Calendar Year Returns



Growth of \$10,000



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

Credit Risk Analysis – Liquid Credit abrdn

for the quarter ended March 31, 2023

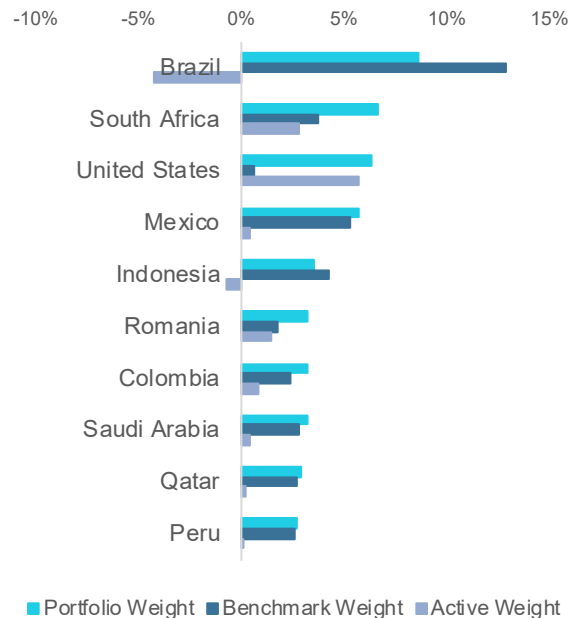


Los Angeles County Employees Retirement Association

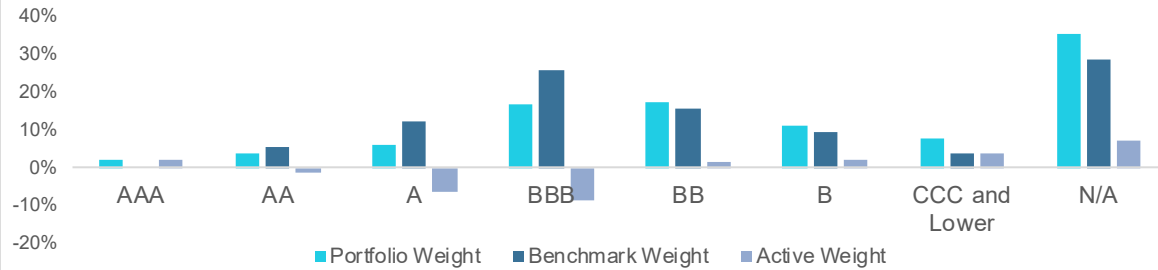
Portfolio Risk Summary

	Value
Total Risk	10.87
Benchmark Risk	7.84
Active Risk	3.98
Portfolio Beta	1.33
Cont. to Eff. Duration	5.76
Yield to Worst (%)	9.44
OAS to Sw ap (bp)	409

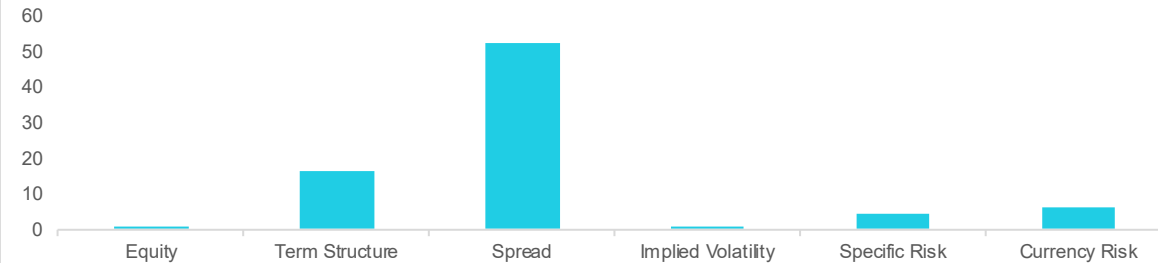
Top Countries by Weight%



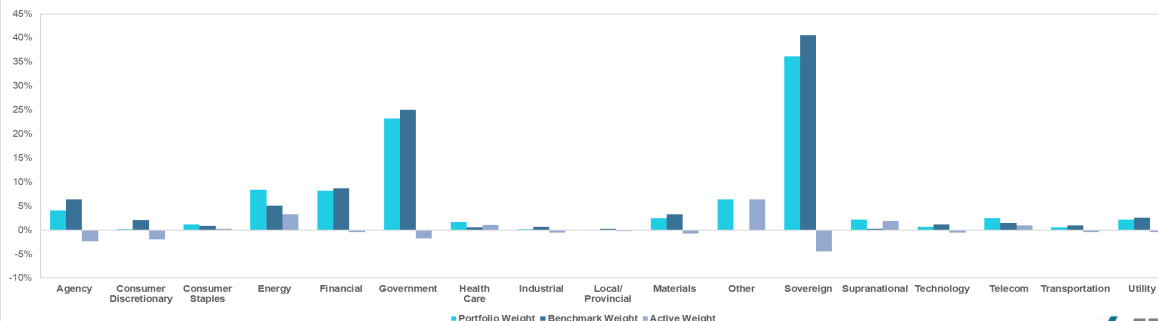
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Liquid Credit Ashmore

for the quarter ended March 31, 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)

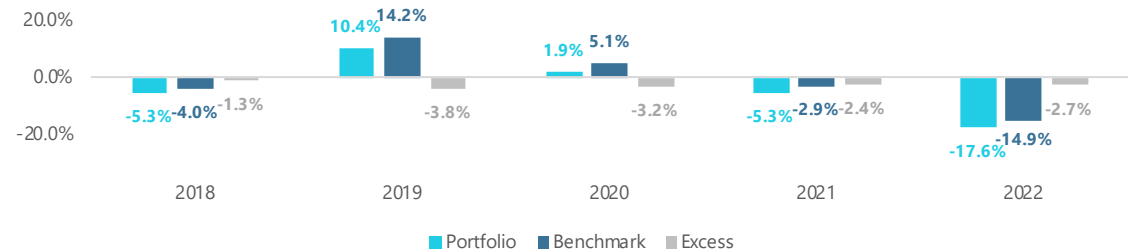
Standard Deviation	13.3%
Benchmark Standard Deviation	9.5%
Sharpe Ratio	-0.16
Information Ratio	-0.45
Beta	1.37
Tracking Error	4.5%

Performance (net)¹

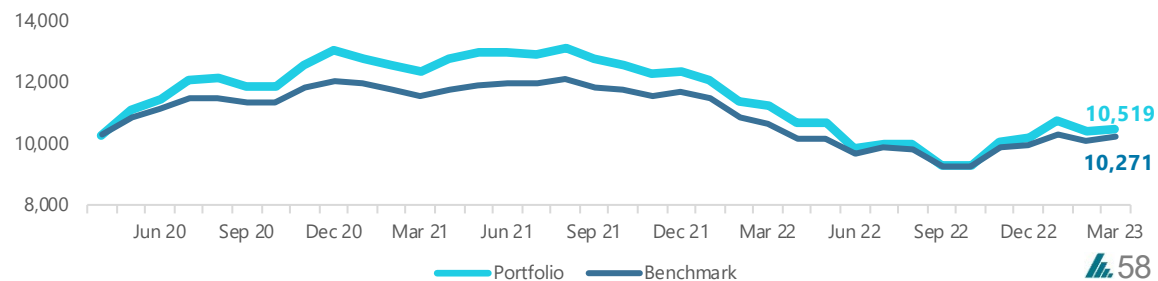
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Ashmore Investment Management	351.2	2.9%	-6.7%	1.7%	-3.3%
EMD Custom Benchmark		2.8%	-4.0%	0.9%	-0.4%
Credit Policy Benchmark		3.1%	-1.8%	4.5%	--

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Ashmore Investment Management	3.1%	38	-6.3%	82	2.3%	32	-2.7%	98
Median	2.6%		-2.3%		0.0%		1.6%	

Calendar Year Returns



Growth of \$10,000



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

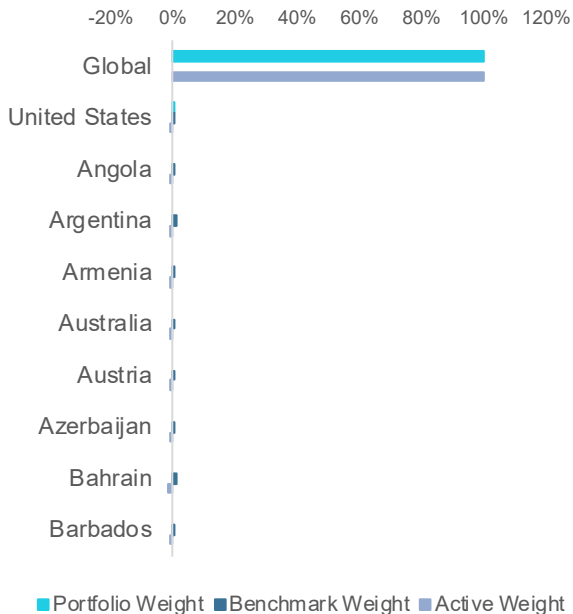
Credit Risk Analysis – Liquid Credit Ashmore

for the quarter ended March 31, 2023

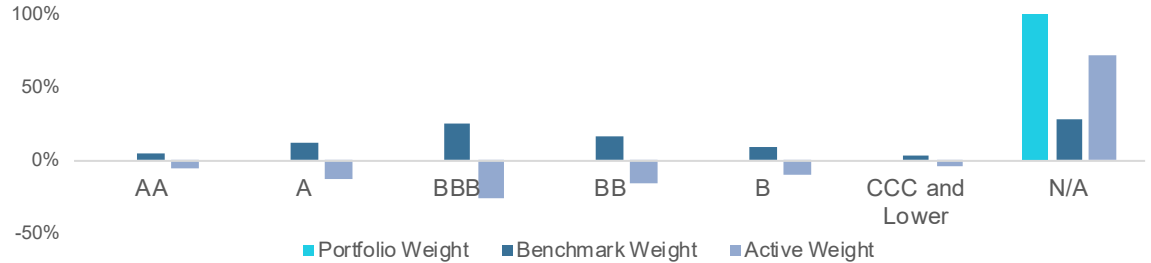
Portfolio Risk Summary

	Value
Total Risk	10.47
Benchmark Risk	7.84
Active Risk	5.46
Portfolio Beta	1.15
Cont. to Eff. Duration	6.04
Yield to Worst (%)	0.00
OAS to Sw ap (bp)	-405

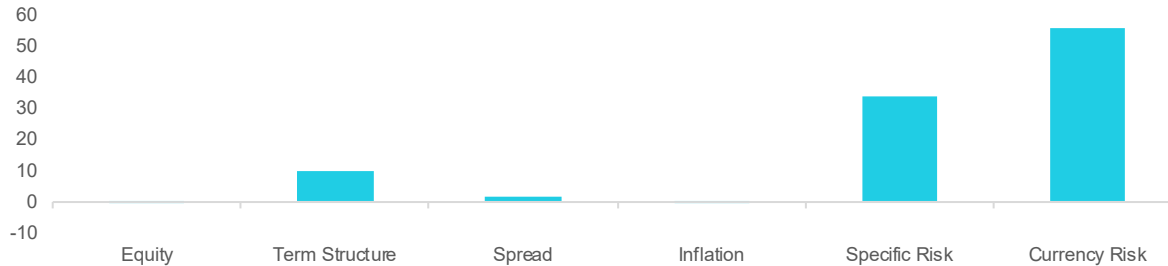
Top Countries by Weight%



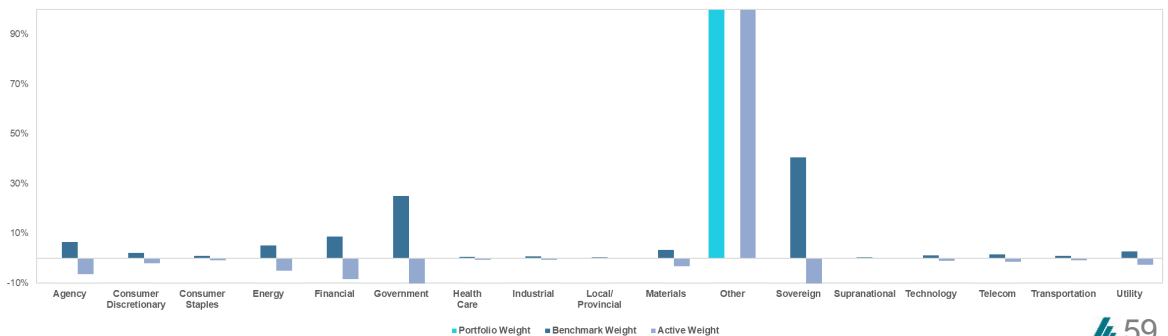
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Liquid Credit Bain Capital

for the quarter ended March 31, 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	524.0	0.0
Effective Duration	0.2	3.7
Convexity	0.0	0.0
Coupon Rate	7.9	5.9
Yield to Maturity	7.5	8.3
Current Yield	8.2	6.6
Rating – Moody's	B-2	B-1
Rating – S & P	B	B+

Top Holdings (% of assets)

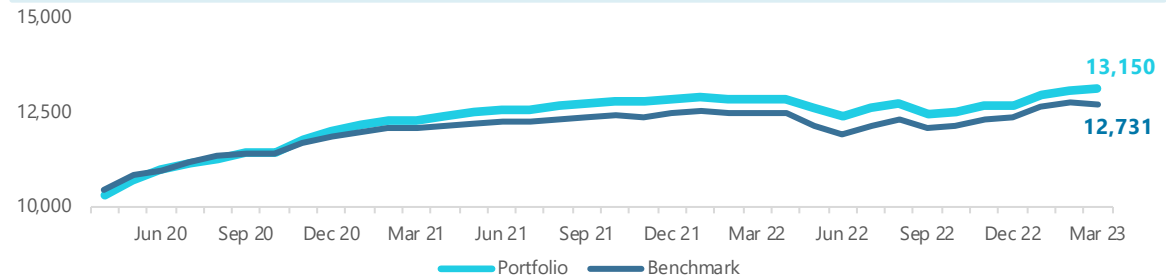
CPS GROUP HOLDINGS INC	0.8%
NAVICURE INC	0.7%
AQGEN ISLAND HOLDINGS, INC.	0.6%
CHAMBER BIDCO LIMITED	0.6%
PMHC II INC	0.6%
Top 5 Holdings	3.4%

Performance (net)¹

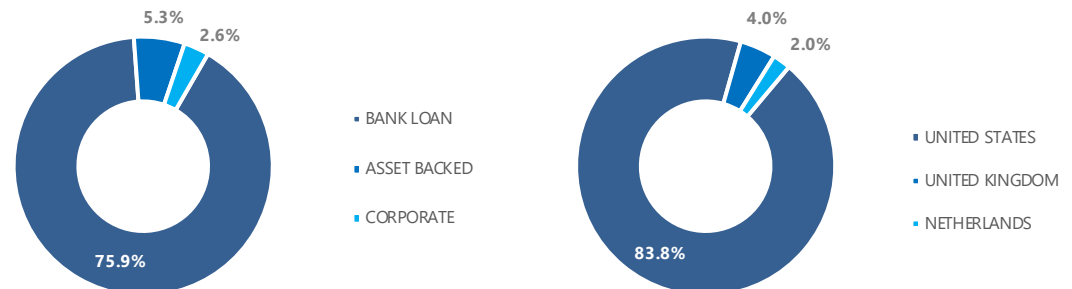
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Bain Capital	432.0	3.7%	2.3%	9.6%	4.3%
Bank Loans Custom Benchmark		3.1%	2.1%	8.4%	4.1%
Credit Policy Benchmark		3.1%	-1.8%	4.5%	--

Universe data: U.S. Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Bain Capital	3.8%	20	2.8%	19	10.2%	13	5.0%	14
Median	2.6%		-2.3%		0.0%		1.6%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

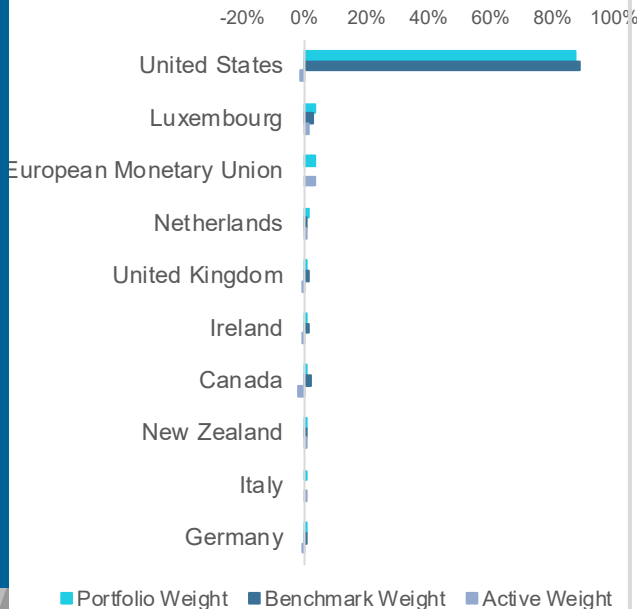
Credit Risk Analysis – Liquid Credit Bain Capital

for the quarter ended March 31, 2023

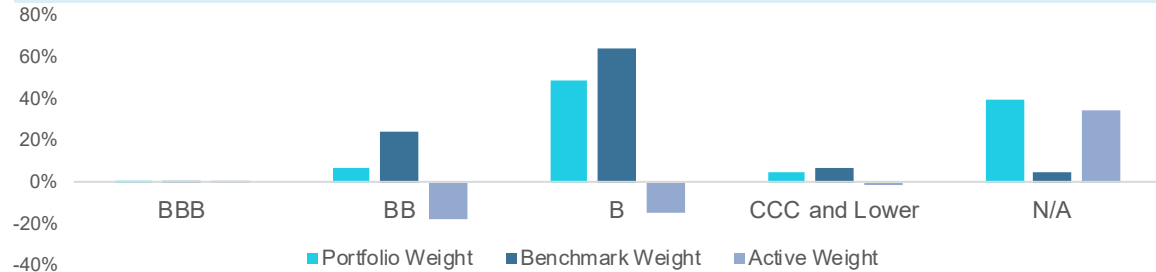
Portfolio Risk Summary

	Value
Total Risk	3.62
Benchmark Risk	5.22
Active Risk	1.82
Portfolio Beta	0.68
Cont. to Eff. Duration	0.49
Yield to Worst (%)	6.91
OAS to Sw ap (bp)	447

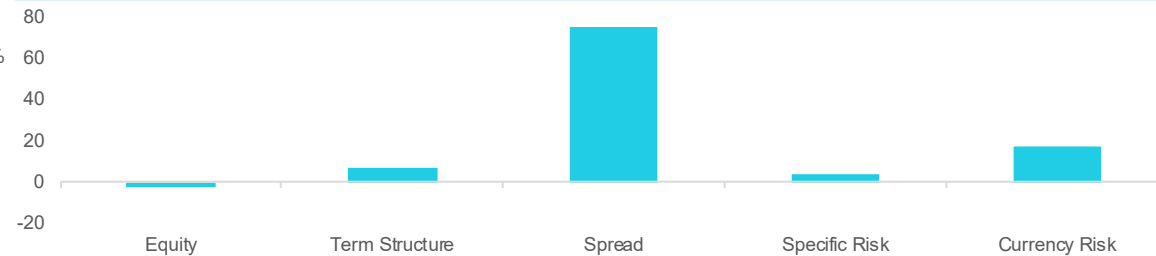
Top Countries by Weight%



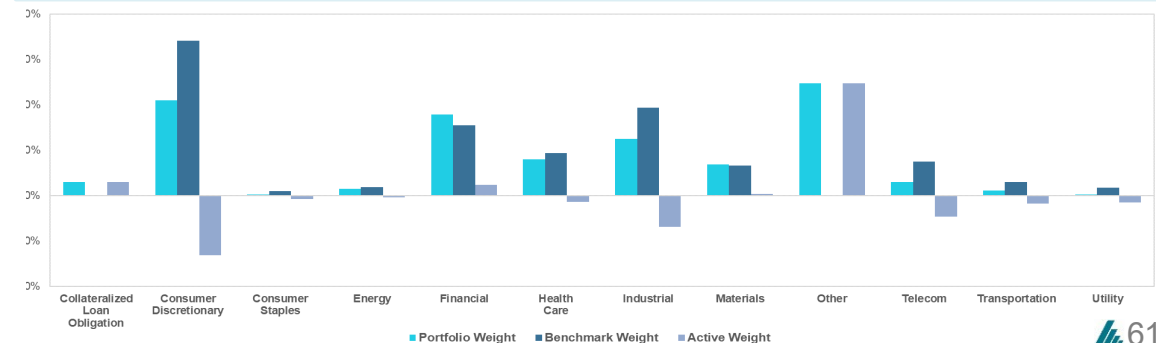
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Liquid Credit Beach Point

for the quarter ended March 31, 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: March 2014

Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	269.0	0.0
Effective Duration	3.7	3.7
Convexity	0.0	0.0
Coupon Rate	5.9	5.9
Yield to Maturity	8.7	8.3
Current Yield	6.8	6.6
Rating – Moody's	B-2	B-1
Rating – S & P	B	B+

Top Holdings (% of assets)

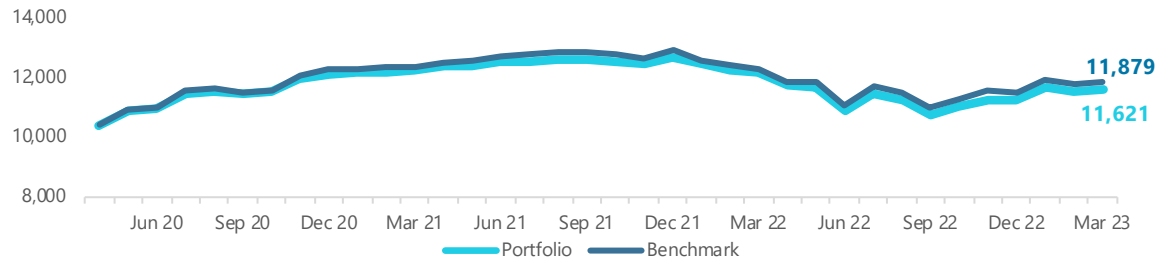
DEALER TIRE LLC/DT ISSR	1.5%
AMERICAN GREETINGS CORP	1.4%
COMPASS GROUP DIVERSIFIE	1.4%
MPH ACQUISITION HOLDINGS	1.3%
FORTRESS TRANS + INFRAST	1.1%
Top 5 Holdings	6.7%

Performance (net)¹

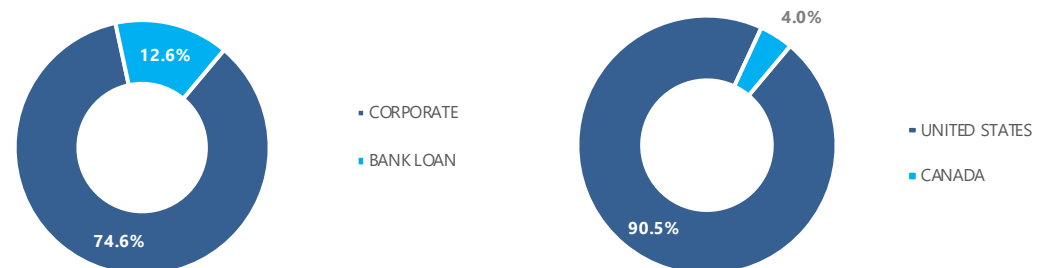
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Beach Point	290.8	3.6%	-4.4%	5.1%	2.9%
Beachpoint Custom Benchmark		3.6%	-3.3%	5.9%	2.7%
Credit Policy Benchmark		3.1%	-1.8%	4.5%	--

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Beach Point	3.7%	22	-4.0%	63	5.6%	24	3.4%	19
Median	2.6%		-2.3%		0.0%		1.6%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

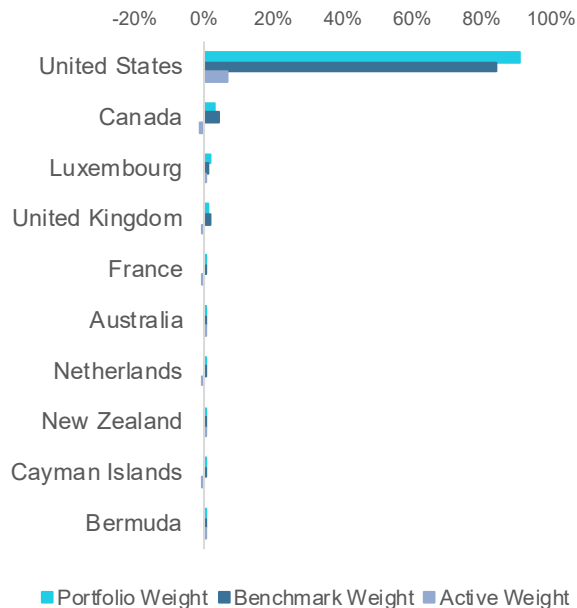
Credit Risk Analysis – Liquid Credit Beach Point

for the quarter ended March 31, 2023

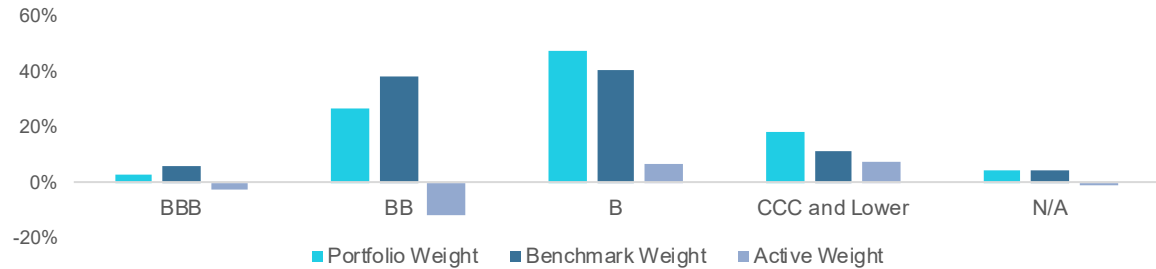
Portfolio Risk Summary

	Value
Total Risk	8.41
Benchmark Risk	6.98
Active Risk	1.83
Portfolio Beta	1.19
Cont. to Eff. Duration	3.78
Yield to Worst (%)	8.37
OAS to Sw ap (bp)	458

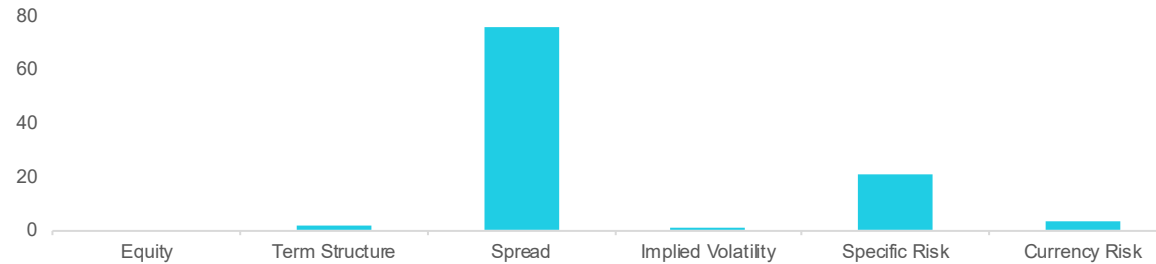
Top Countries by Weight%



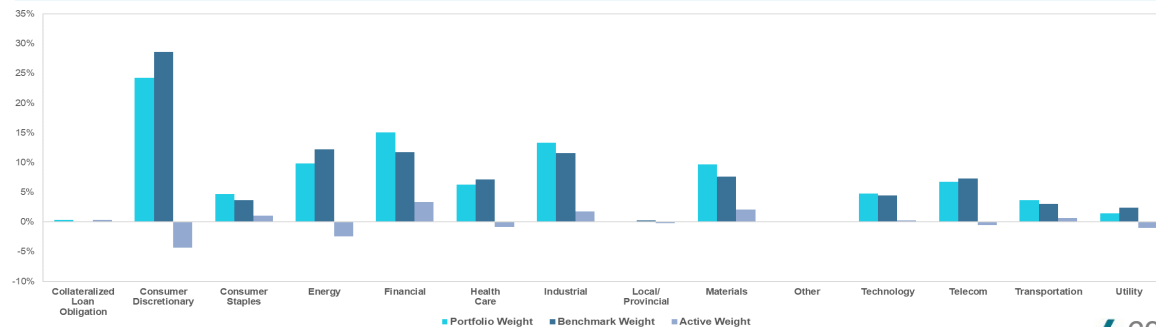
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Liquid Credit Brigade Capital

for the quarter ended March 31, 2023

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	320.0	0.0
Effective Duration	3.7	3.7
Convexity	0.2	0.0
Coupon Rate	6.8	5.9
Yield to Maturity	11.5	8.3
Current Yield	8.5	6.6
Rating – Moody's	B-2	B-1
Rating – S & P	B+	B+

Top Holdings (% of assets)

CORNERSTONE CHEMICAL CO	2.1%
EPIC Y GRADE SERVICES, LP	1.9%
LIFESCAN GLOBAL CORP	1.2%
OCCIDENTAL PETROLEUM COR	1.1%
BAFFINLAND IRON CORP/LP	1.0%

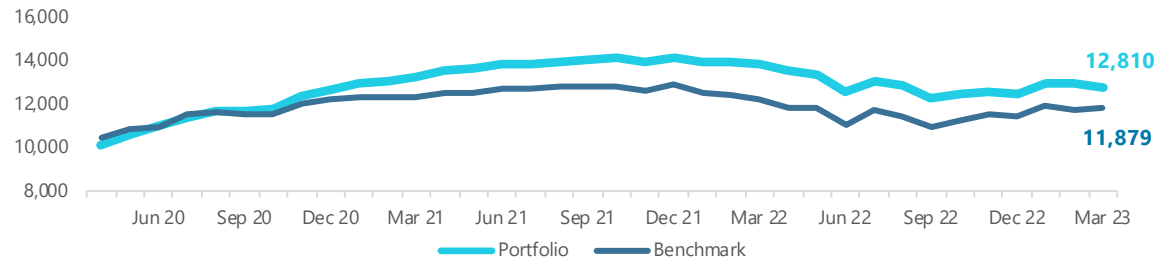
Top 5 Holdings **7.2%**

Performance (net)¹

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Brigade Cap Mgmt	641.4	2.8%	-7.9%	8.6%	2.6%
Brigade Custom Benchmark		3.6%	-3.3%	5.9%	2.9%
Credit Policy Benchmark		3.1%	-1.8%	4.5%	--

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Brigade Cap Mgmt	2.9%	44	-7.5%	85	9.1%	15	3.2%	21
Median	2.6%		-2.3%		0.0%		1.6%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

Credit Risk Analysis – Liquid Credit Brigade Capital

for the quarter ended March 31, 2023

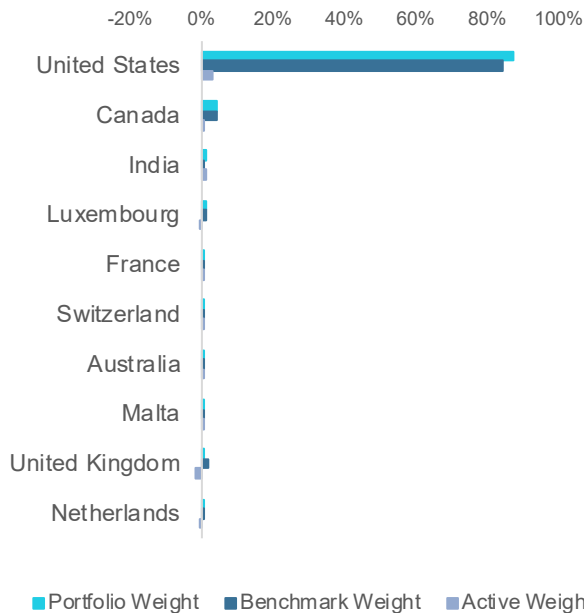


Los Angeles County Employees Retirement Association

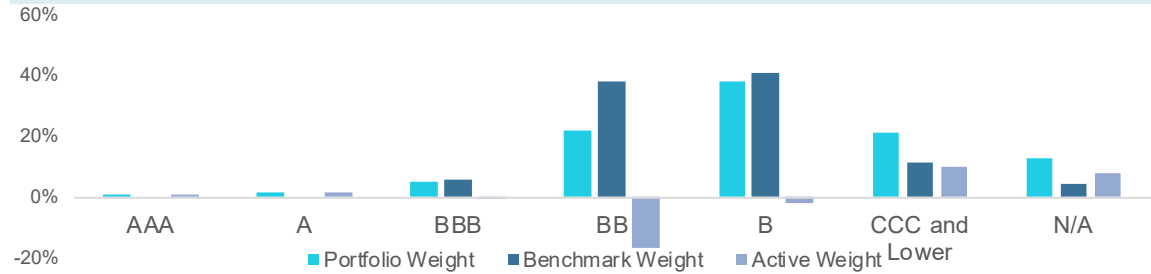
Portfolio Risk Summary

	Value
Total Risk	8.95
Benchmark Risk	6.98
Active Risk	2.71
Portfolio Beta	1.25
Cont. to Eff. Duration	3.78
Yield to Worst (%)	9.59
OAS to Sw ap (bp)	563

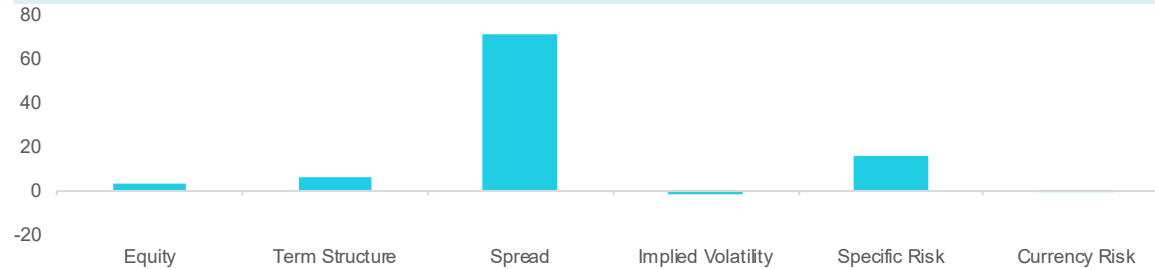
Top Countries by Weight%



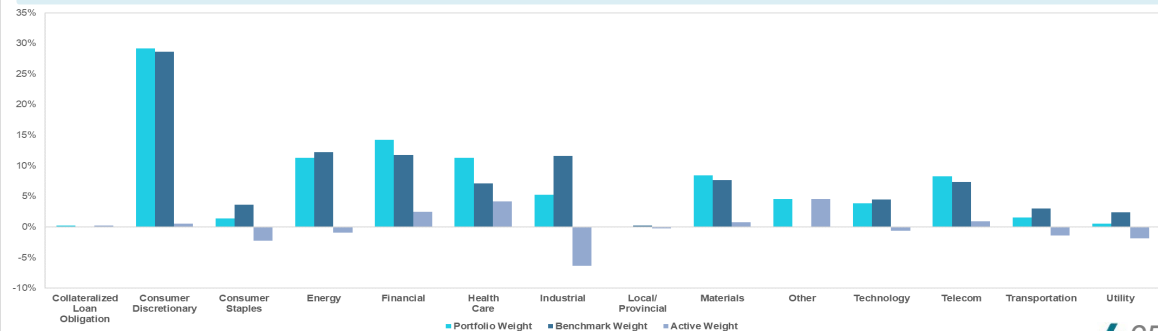
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Liquid Credit

Credit Suisse

for the quarter ended March 31, 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	453.0	0.0
Effective Duration	0.1	3.7
Convexity	0.0	0.0
Coupon Rate	8.4	5.9
Yield to Maturity	8.5	8.3
Current Yield	8.8	6.6
Rating – Moody's	B-2	B-1
Rating – S & P	B	B+

Top Holdings (% of assets)

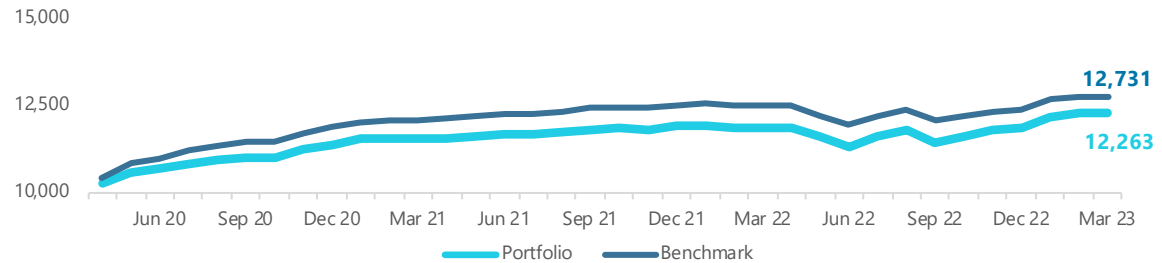
HYLAND SOFTWARE INC	1.0%
MEDLINE BORROWER, LP	0.9%
FINASTRA USA, INC.	0.9%
POLARIS NEWCO, LLC	0.8%
MH SUB I LLC	0.8%
Top 5 Holdings	4.4%

Performance (net)¹

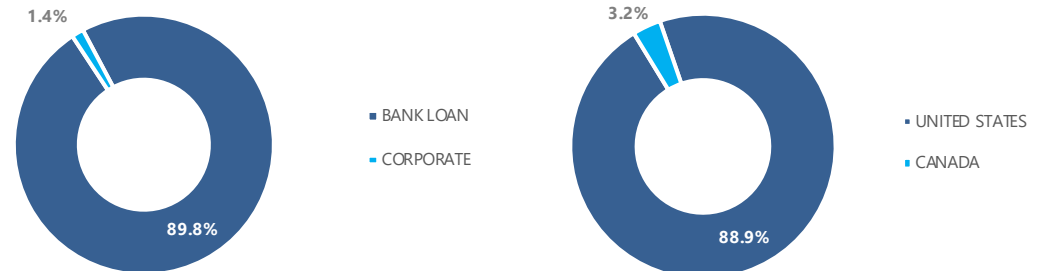
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Credit Suisse Bank Loans	1,006.3	3.7%	3.4%	7.0%	--
CS Leveraged Loan Index		3.1%	2.1%	8.4%	--
Credit Policy Benchmark		3.1%	-1.8%	4.5%	--

Universe data: US Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Credit Suisse Bank Loans	3.7%	22	3.5%	17	7.2%	20	--	--
Median	2.6%		-2.3%		0.0%		--	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

Credit Risk Analysis – Liquid Credit

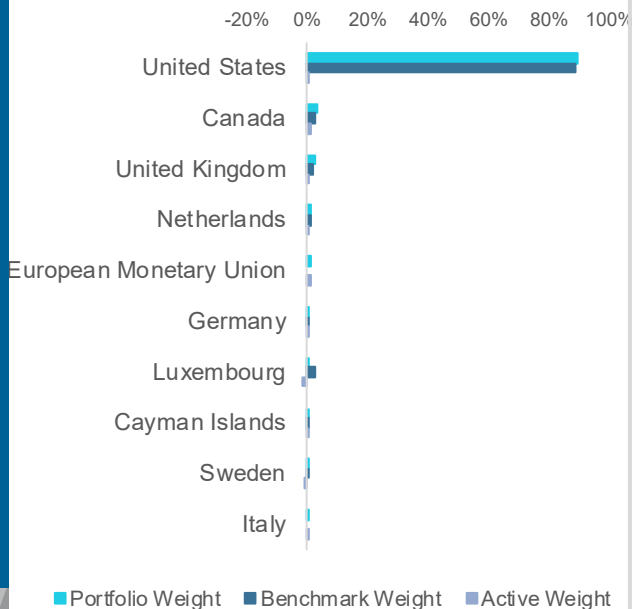
Credit Suisse

for the quarter ended March 31, 2023

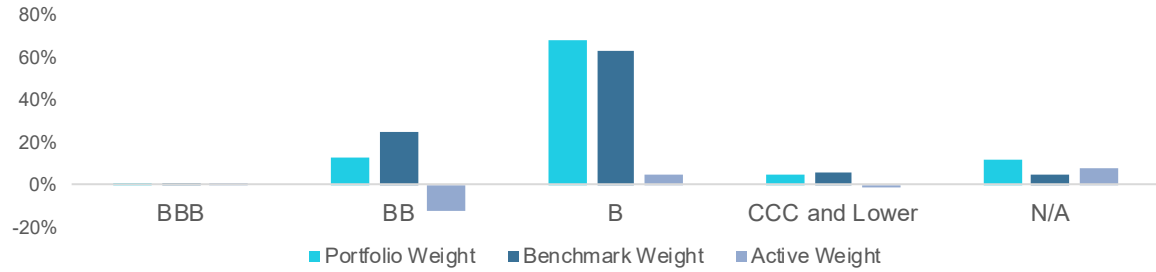
Portfolio Risk Summary

	Value
Total Risk	4.56
Benchmark Risk	5.22
Active Risk	0.83
Portfolio Beta	0.87
Cont. to Eff. Duration	0.29
Yield to Worst (%)	7.99
OAS to Sw ap (bp)	513

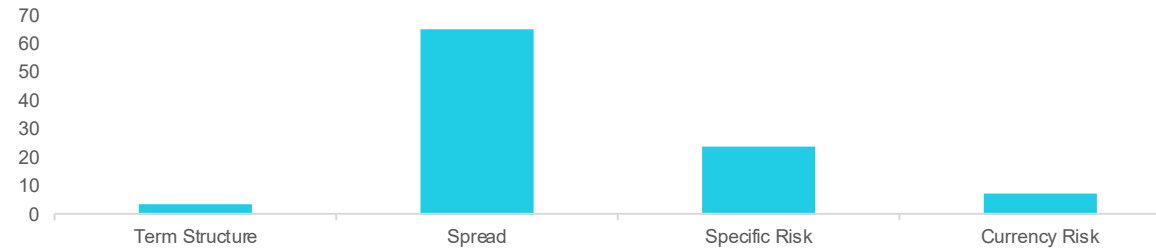
Top Countries by Weight%



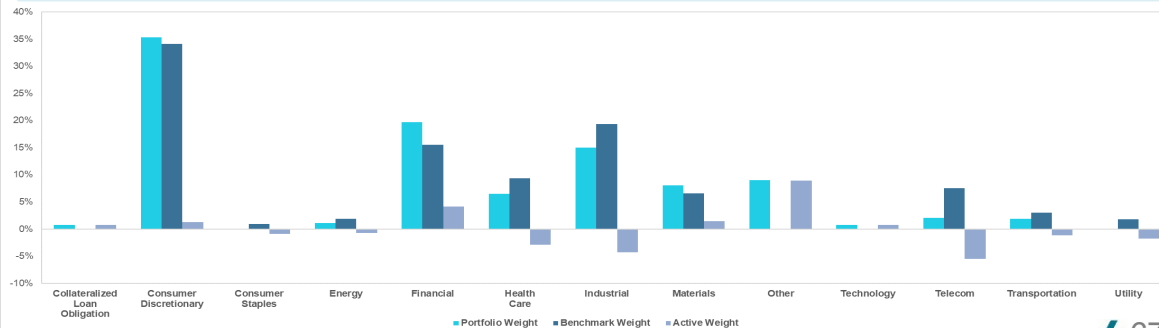
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Liquid Credit Crescent Capital

for the quarter ended March 31, 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 \$31M 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	139.0	0.0
Effective Duration	0.3	3.7
Convexity	0.0	0.0
Coupon Rate	9.6	5.9
Yield to Maturity	11.0	8.3
Current Yield	10.5	6.6
Rating – Moody's	B-2	B-1
Rating – S & P	B-	B+

Top Holdings (% of assets)

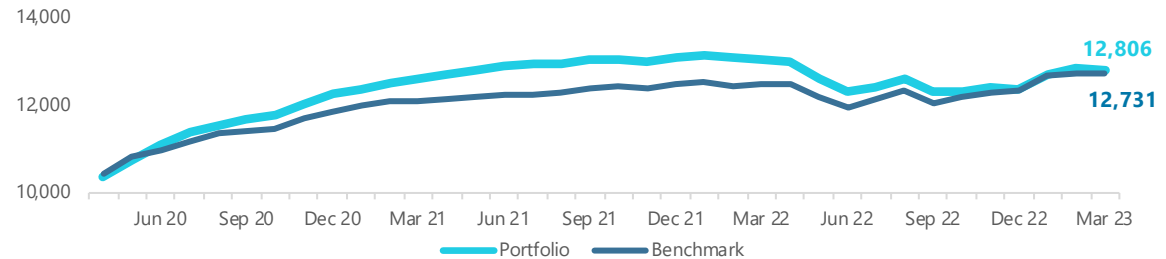
THE KNOT WORLDWIDE INC	1.9%
MAGNATE WORLDWIDE LLC	1.8%
ARCLINE FM HOLDINGS, LLC	1.7%
CTC HOLDINGS LP	1.7%
LASERAWAY INTERM HOLD II LLC	1.7%
Top 5 Holdings	8.9%

Performance (net)¹

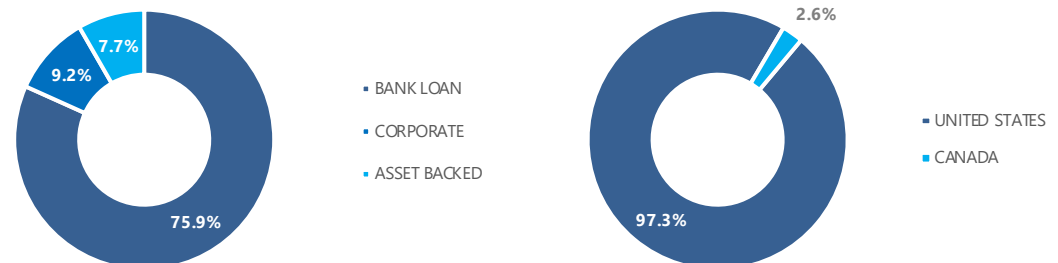
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Crescent Capital	507.7	3.4%	-1.8%	8.6%	3.9%
Bank Loans Custom Benchmark		3.1%	2.1%	8.4%	4.1%
Credit Policy Benchmark		3.1%	-1.8%	4.5%	--

Universe data: U.S. Fixed Income Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Crescent Capital	3.5%	24	-1.3%	44	9.1%	15	4.4%	15
Median	2.6%		-2.3%		0.0%		1.6%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

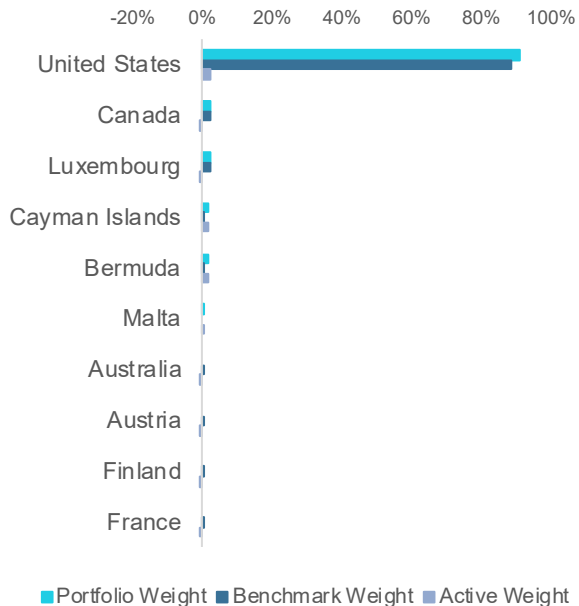
Credit Risk Analysis – Liquid Credit Crescent Capital

for the quarter ended March 31, 2023

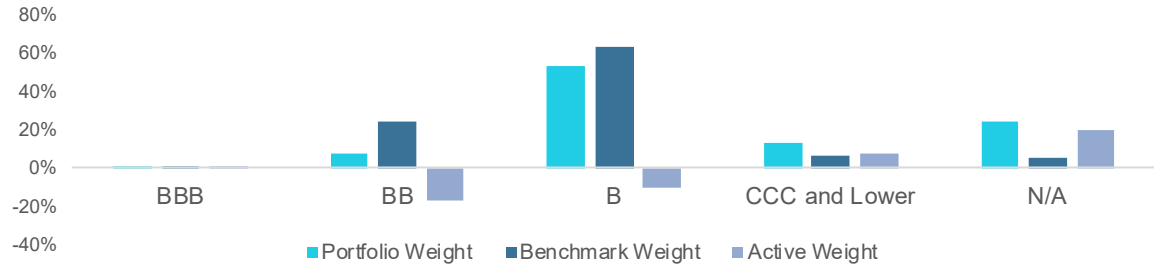
Portfolio Risk Summary

	Value
Total Risk	6.84
Benchmark Risk	5.22
Active Risk	2.09
Portfolio Beta	1.28
Cont. to Eff. Duration	0.65
Yield to Worst (%)	7.12
OAS to Sw ap (bp)	579

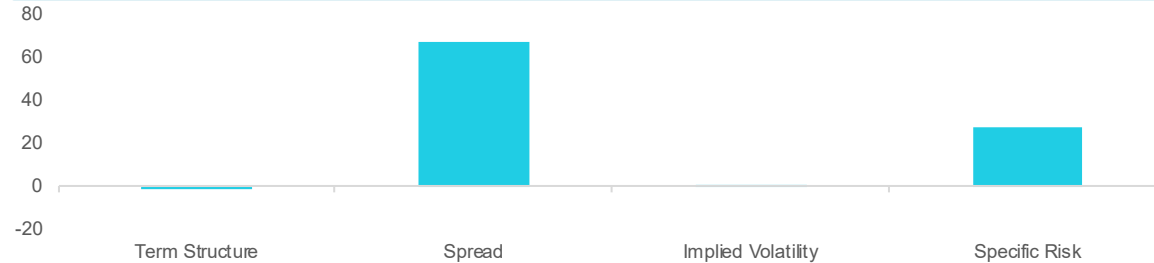
Top Countries by Weight%



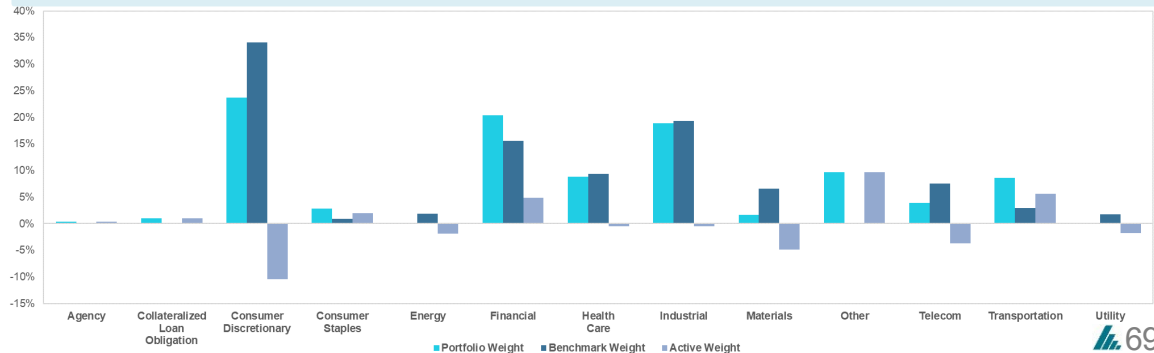
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Credit – Liquid Credit Pinebridge

for the quarter ended March 31, 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	296.0	0.0
Effective Duration	6.3	6.2
Convexity	0.6	0.6
Coupon Rate	3.5	2.8
Yield to Maturity	4.4	4.2
Current Yield	3.7	3.0
Rating – Moody's	AA-3	AA-2
Rating – S & P	AA-	AA-

Top Holdings (% of assets)

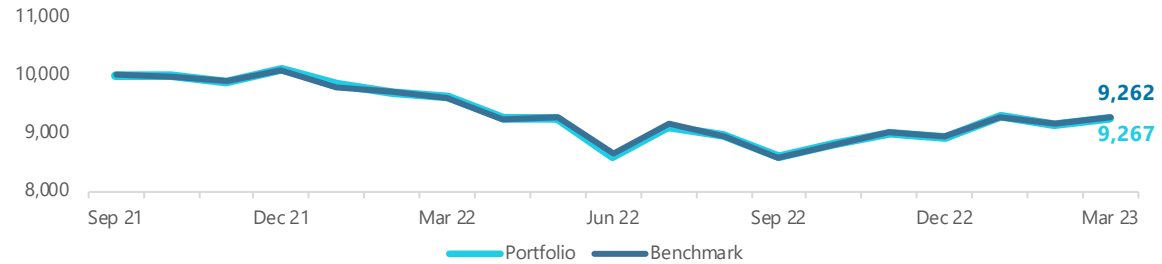
AMERICAN AIRLINES INC	1.1%
CARNIVAL CORP	1.0%
OCCIDENTAL PETROLEUM COR	1.0%
ALTICE FINANCING SA	0.8%
CCO HLDGS LLC/CAP CORP	0.8%
Top 5 Holdings	4.8%

Performance (net)¹

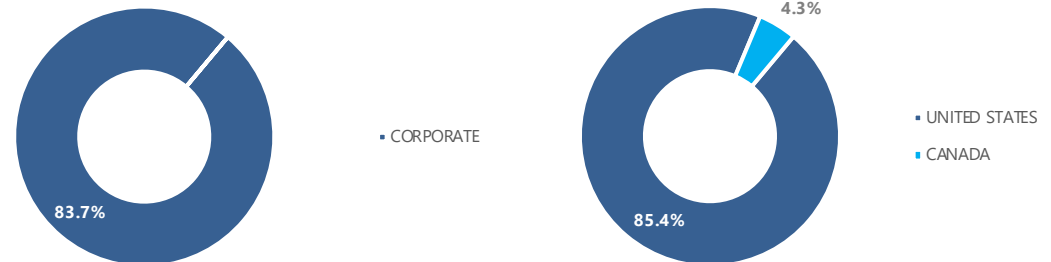
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Pinebridge Investments	466.4	3.7%	-3.6%	--	--
BBG BARC US Corp HY Idx		3.6%	-3.3%	--	--
Credit Policy Benchmark		3.1%	-1.8%	4.5%	--

Universe data: US Fixed Income Pools	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Pinebridge Investments	3.8%	24	-3.3%	47	--	--	--	--
Median	2.9%		-3.9%		--	--	--	--

Growth of \$10,000



Top Exposures (% of assets)



¹ Universe data is gross-of-fees.

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

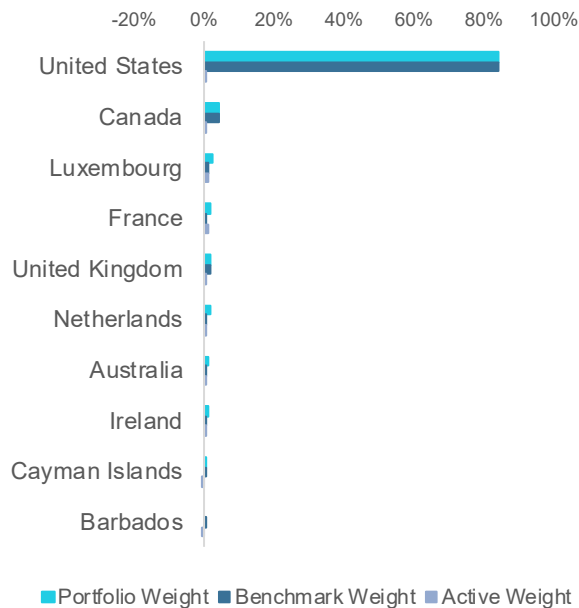
Credit Risk Analysis – Liquid Credit Pinebridge

for the quarter ended March 31, 2023

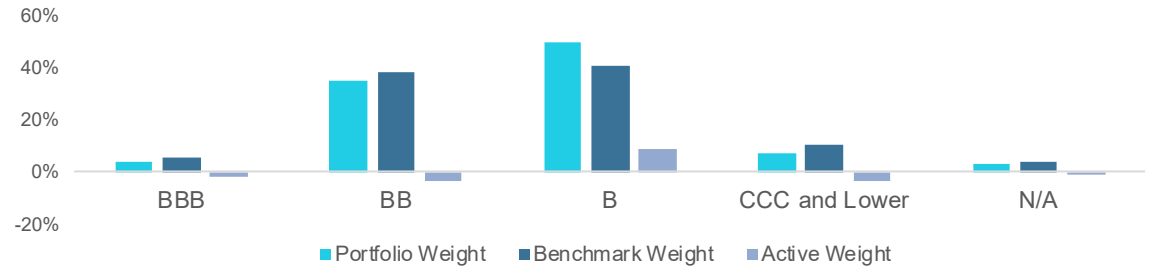
Portfolio Risk Summary

	Value
Total Risk	7.14
Benchmark Risk	6.98
Active Risk	0.76
Portfolio Beta	1.02
Cont. to Eff. Duration	3.83
Yield to Worst (%)	8.16
OAS to Sw ap (bp)	417

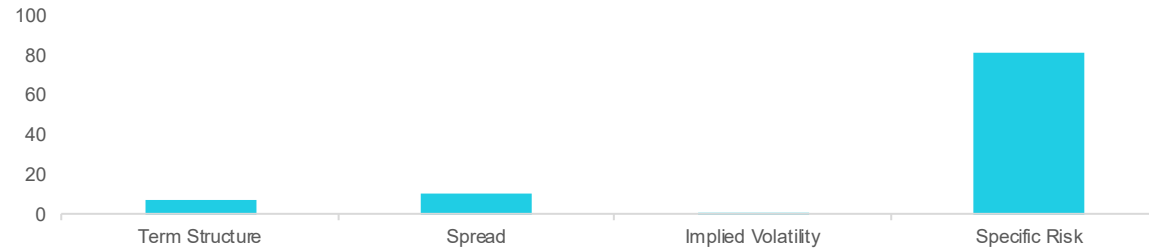
Top Countries by Weight%



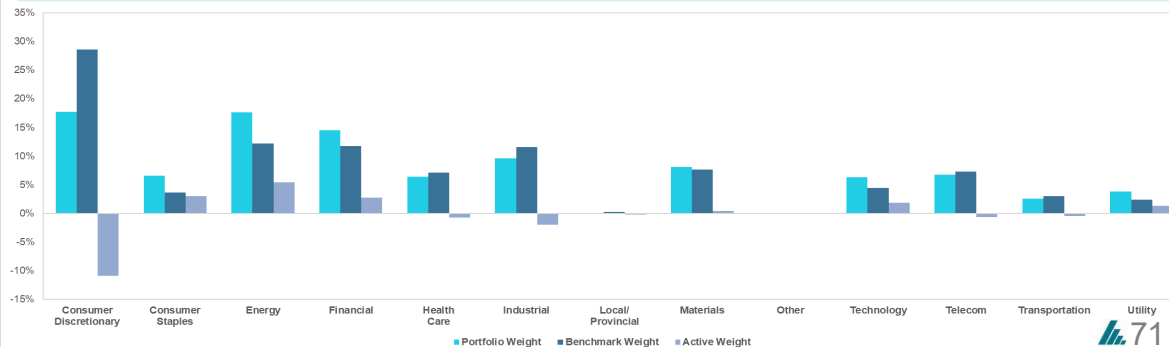
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector

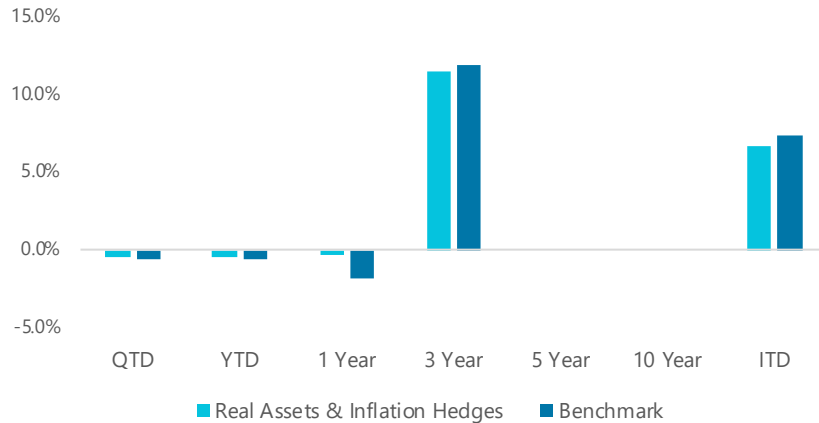


real assets & inflation hedges

Summary

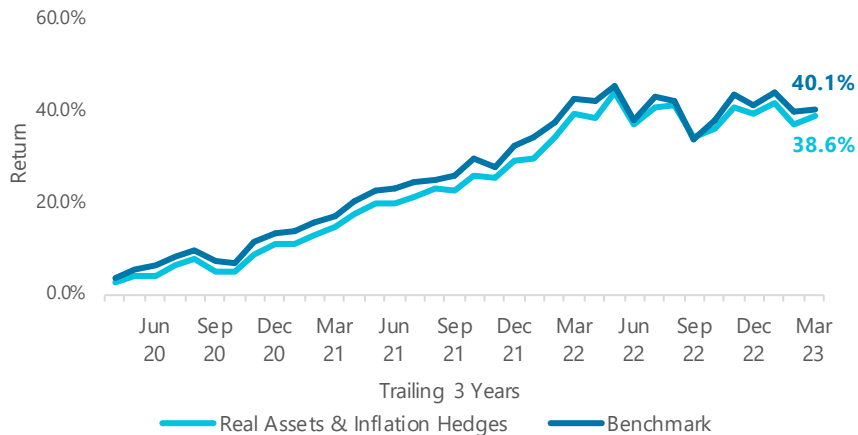
for the quarter ended March 31, 2023

Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Real Assets & Inflation Hedges	-0.4%	-0.4%	-0.4%	11.5%	--	--	6.6%
Benchmark	-0.6%	-0.6%	-1.8%	11.9%	--	--	7.3%
Excess	0.1%	0.1%	1.4%	-0.4%	--	--	-0.7%

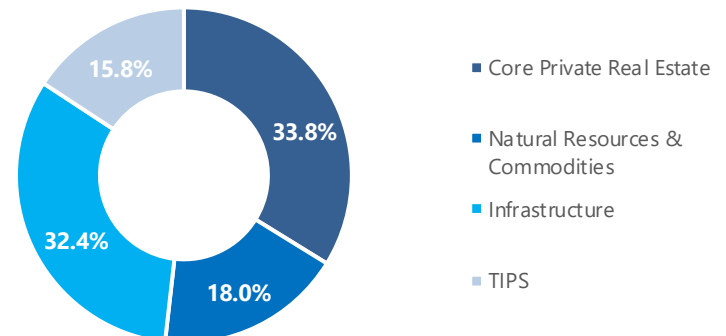
Cumulative Return



Functional Category

	QTD	FYTD	1 Year	3 Year
Core Private Real Estate	-4.5%	2.0%	10.5%	9.1%
Core Private RE Policy Benchmark	-5.2%	-0.6%	6.5%	9.2%
Excess	0.6%	2.5%	3.9%	-0.1%
Natural Resources & Commodities	0.1%	0.9%	-5.2%	24.8%
Nat Res & Comm Policy Benchmark	-1.5%	5.4%	-7.7%	25.3%
Excess	1.6%	-4.4%	2.5%	-0.5%
Infrastructure	1.9%	0.9%	-5.7%	12.9%
DJ Brookfield Global Infra Comp	3.1%	1.2%	-6.1%	12.2%
Excess	-1.2%	-0.3%	0.3%	0.7%
TIPS	3.4%	-0.4%	-6.6%	1.7%
Bloomberg U.S. Treasury: U.S. TIPS	3.3%	0.0%	-6.1%	1.8%
Excess	0.0%	-0.4%	-0.5%	-0.1%

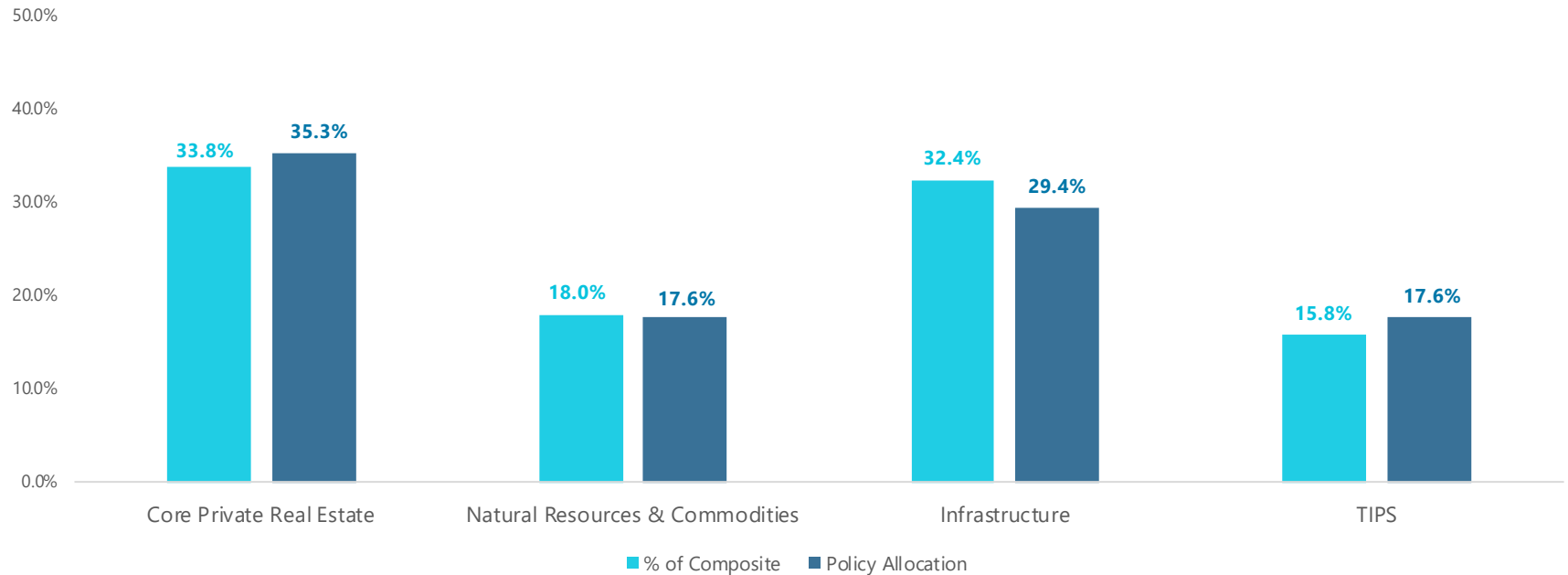
Exposure



Asset Allocation

for the quarter ended March 31, 2023

Actual vs. Policy

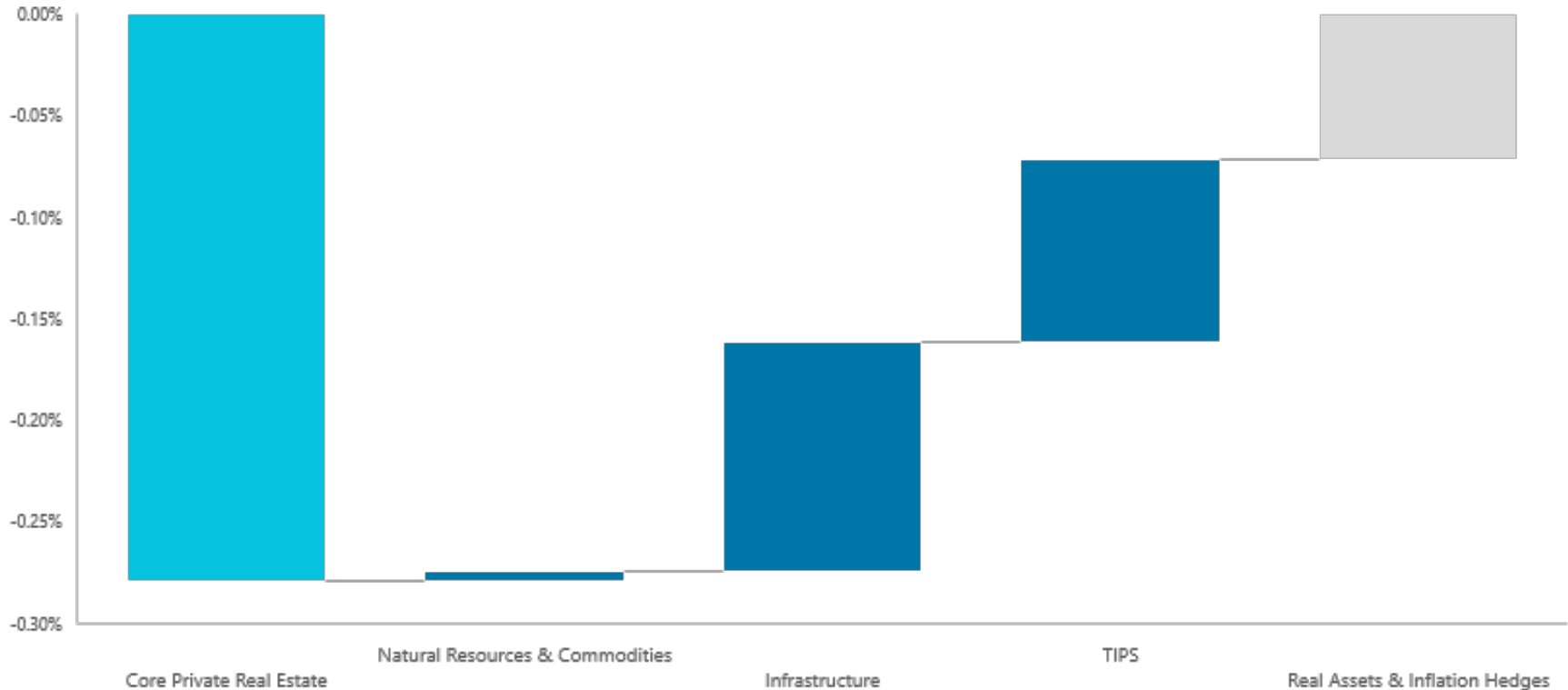


	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Real Assets & Inflation Hedges	12,202	100.0%	100.0%		
Core Private Real Estate	4,124	33.8%	35.3%	-1.5%	-183
Natural Resources & Commodities	2,197	18.0%	17.6%	0.4%	44
Infrastructure	3,958	32.4%	29.4%	3.0%	369
TIPS	1,924	15.8%	17.6%	-1.9%	-230

Contribution to Return

for the quarter ended March 31, 2023

QTD Contribution to Return



Functional Category	Contributors	Detractors
Core Private Real Estate	-0.28% BlackRock TIPS	0.09% Real Estate - Real Assets
Natural Resources & Commodities	0.00% DWS Infrastructure	0.05% Credit Suisse Commodity
Infrastructure	0.11% TIAA-CREF Global Agriculture I	0.03% DWS Natural Resources
TIPS	0.09% Grain Spectrum Holdings III	
Real Assets & Inflation Hedges	-0.07% TIAA-CREF Global Agriculture II	0.03%

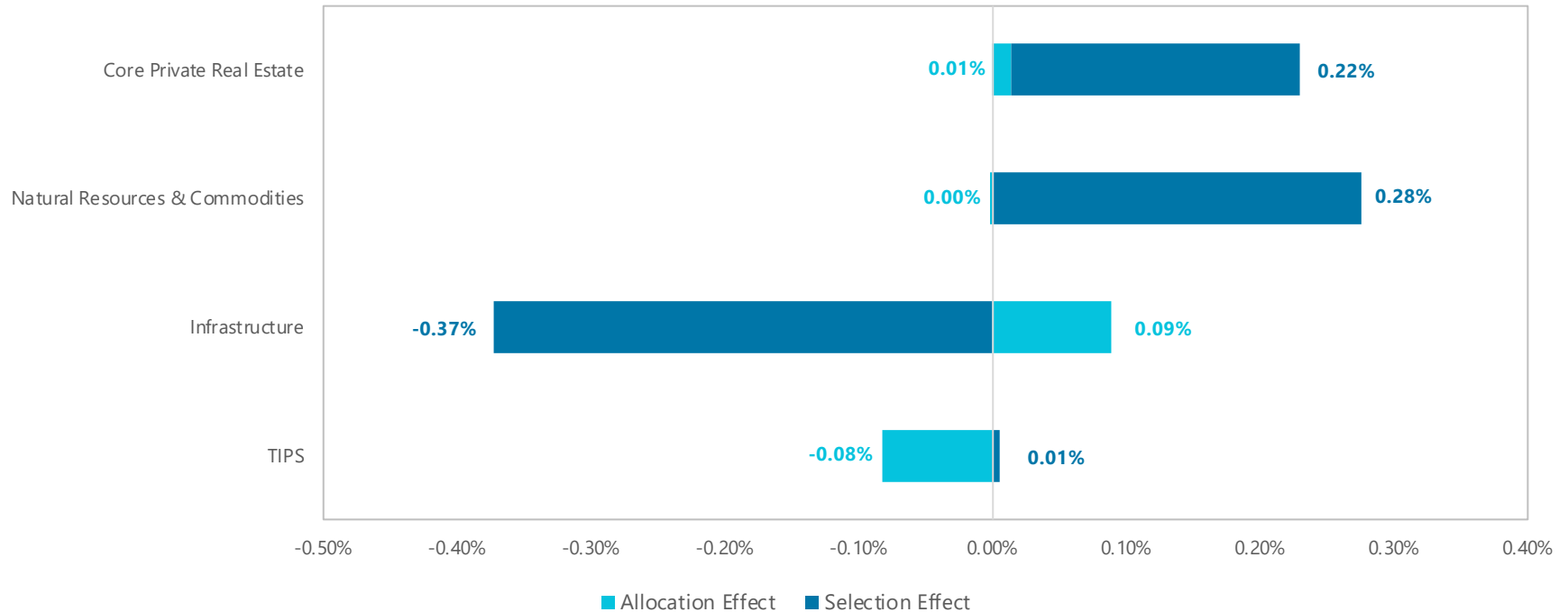
Return Attribution

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

QTD Performance Attribution¹



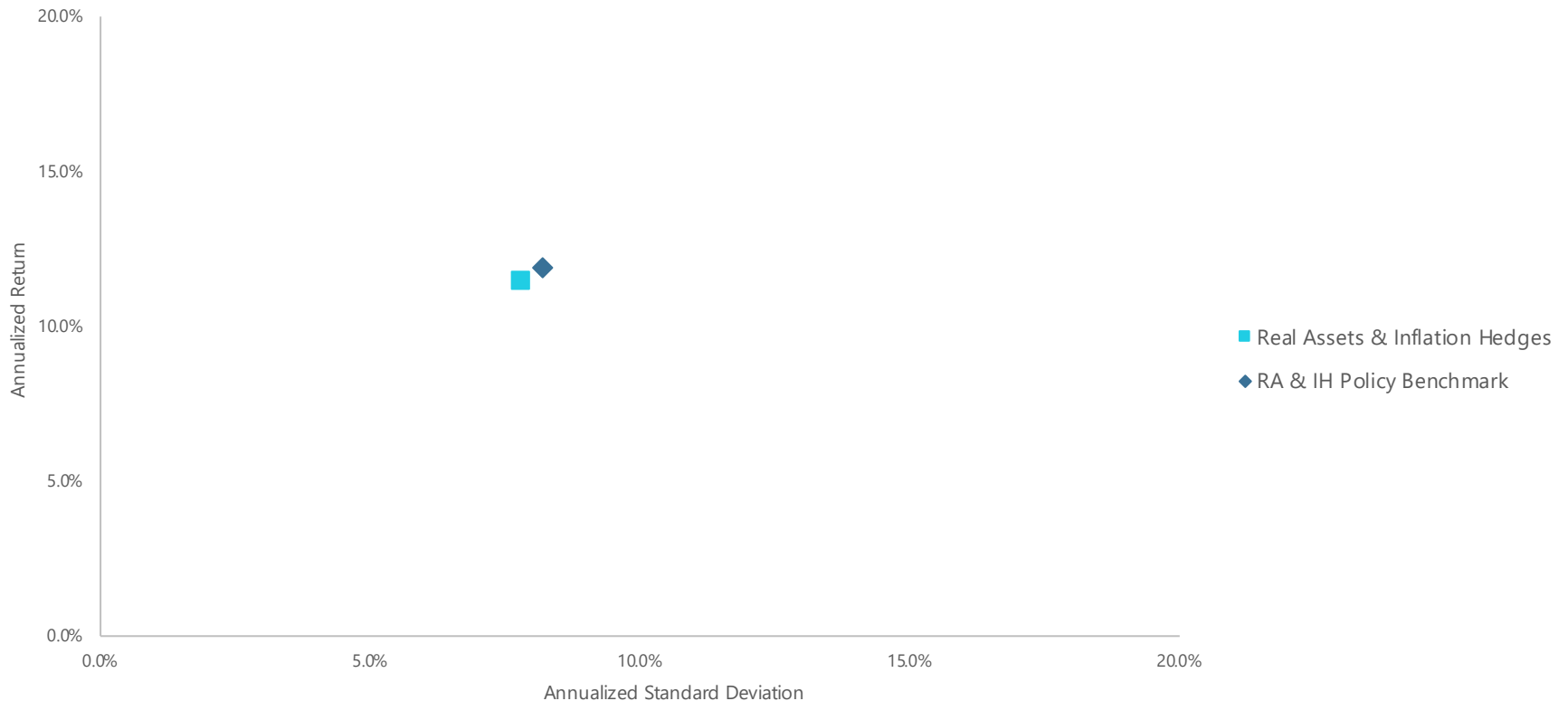
	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
Real Assets & Inflation Hedges	12,202	100.0%	100.0%	-0.4%	-0.6%	0.02%	0.12%	0.14%
Core Private Real Estate	4,124	33.8%	35.3%	-4.5%	-5.2%	0.01%	0.22%	0.23%
Natural Resources & Commodities	2,197	18.0%	17.6%	0.1%	-1.5%	0.00%	0.28%	0.28%
Infrastructure	3,958	32.4%	29.4%	1.9%	3.1%	0.09%	-0.37%	-0.28%
TIPS	1,924	15.8%	17.6%	3.4%	3.3%	-0.08%	0.01%	-0.08%

¹ Total Value Add column includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2023

3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Real Assets & Inflation Hedges	11.5%	7.8%				
RA & IH Policy Benchmark	11.9%	8.2%	1.34	(0.10)	0.90	2.6%

Performance Detail

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Annualized Net Returns¹

	% of Composite	Ending Market Value (mm)	Prior Quarter Ending MV (mm)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD	Inception Date
Real Assets & Inflation Hedges	100.0%	12,202	12,222	-0.4%	-0.4%	-0.4%	11.5%	--	--	6.6%	Apr-2019
RA & IH Policy Benchmark				-0.6%	-0.6%	-1.8%	11.9%	--	--	7.3%	
Core Private Real Estate	33.8%	4,124	4,339	-4.5%	-4.5%	10.5%	9.1%	7.8%	8.5%	7.2%	Oct-1985
Core Private RE Policy Benchmark				-5.2%	-5.2%	6.5%	9.2%	8.1%	9.6%	7.0%	
Natural Resources & Commodities	18.0%	2,197	2,210	0.1%	0.1%	-5.2%	24.8%	6.3%	-0.5%	-0.8%	Jul-2007
Nat Res & Comm Policy Benchmark				-1.5%	-1.5%	-7.7%	25.3%	6.6%	-1.1%	-1.8%	
Cibus Enterprise II	0.0%	4	4	3.3%	3.3%	--	--	--	--	-8.6%	Jun-2022
Cibus Fund II	0.1%	18	16	-1.8%	-1.8%	--	--	--	--	-13.6%	Jun-2022
Co-Investments - Natural Resources	0.1%	15	15	-0.1%	-0.1%	--	--	--	--	0.0%	Oct-2022
Credit Suisse Commodity	2.4%	295	312	-5.6%	-5.6%	-12.0%	21.7%	5.9%	-1.2%	-2.5%	Mar-2011
DWS Natural Resources	5.2%	632	671	-2.3%	-2.3%	-11.3%	26.4%	--	--	11.7%	Jun-2019
HiTecVision New Energy	0.7%	86	67	13.6%	13.6%	--	--	--	--	23.2%	Sep-2022
Neuberger Berman/Gresham	2.8%	344	366	-6.0%	-6.0%	-12.6%	22.4%	5.2%	-1.1%	-1.0%	Jul-2007
Orion Mine Finance Fund III	1.0%	126	122	0.0%	0.0%	5.4%	--	--	--	5.3%	Sep-2021
Orion Mining Royalty Fund I	0.2%	24	20	0.0%	0.0%	-11.4%	--	--	--	-1.0%	Sep-2021
Private Equity - Real Assets	0.7%	83	82	2.1%	2.1%	9.8%	-1.8%	--	--	-7.7%	Jan-2019
Sprott	0.2%	19	0	--	--	--	--	--	--	0.0%	Mar-2023
TIAA-CREF Global Agriculture I	2.3%	279	256	9.0%	9.0%	22.6%	--	--	--	22.6%	Dec-2021
TIAA-CREF Global Agriculture II	2.2%	272	257	8.5%	8.5%	19.2%	--	--	--	19.2%	Dec-2021
Infrastructure	32.4%	3,958	3,812	1.9%	1.9%	-5.7%	12.9%	--	--	7.3%	Jun-2019
DJ Brookfield Global Infra Comp				3.1%	3.1%	-6.1%	12.2%	--	--	4.1%	
Antin Mid Cap	0.3%	40	38	5.2%	5.2%	11.9%	--	--	--	-4.6%	Dec-2021
Axiom Infrastructure	2.1%	259	254	1.9%	1.9%	7.2%	--	--	--	3.3%	Dec-2021
Axiom Infrastructure Canada	1.2%	146	59	1.1%	1.1%	--	--	--	--	-100.0%	Nov-2021
Co-Investments - Infrastructure	0.2%	26	0	--	--	--	--	--	--	0.0%	Mar-2023
DIF CIF III	0.3%	34	40	-7.2%	-7.2%	--	--	--	--	-3.3%	Jun-2022
DIF Infrastructure VI	0.8%	100	103	-2.4%	-2.4%	11.0%	--	--	--	18.6%	Mar-2021
DWS Infrastructure	21.3%	2,593	2,782	1.2%	1.2%	-8.4%	12.3%	--	--	6.9%	Jun-2019
Grain Communications Opportunity III	0.3%	38	33	2.2%	2.2%	-7.8%	--	--	--	-100.0%	Feb-2021
Grain Spectrum Holdings III	0.6%	70	48	46.6%	46.6%	46.1%	--	--	--	16.2%	Nov-2020
KKR DCIF	4.1%	506	327	1.5%	1.5%	3.4%	--	--	--	3.4%	Apr-2022
Pan-European Infrastructure Fund III	0.6%	68	65	4.1%	4.1%	5.4%	--	--	--	4.4%	Nov-2020
Partners Grp Direct Infra 2020	0.6%	76	63	5.6%	5.6%	10.9%	--	--	--	9.2%	Jan-2022
TIPS											
Blackrock TIPS	15.8%	1,924	1,861	3.4%	3.4%	-6.6%	1.7%	--	--	2.9%	May-2019
Bloomberg U.S. Treasury: U.S. TIPS				3.3%	3.3%	-6.1%	1.8%	--	--	3.0%	

¹ Private natural resources and infrastructure funds reflect early-stage life cycle performance.

Real Assets & Inflation Hedges

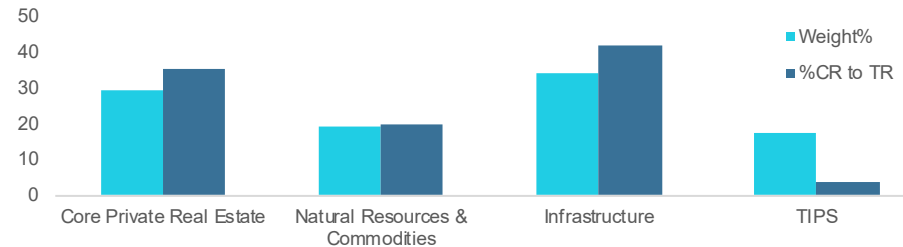
Risk Summary

for the quarter ended March 31, 2023

Risk Summary

	Value
Total Risk	14.97
Benchmark Risk	14.16
Active Risk	3.50
Portfolio Beta	1.03

Contribution to Risk

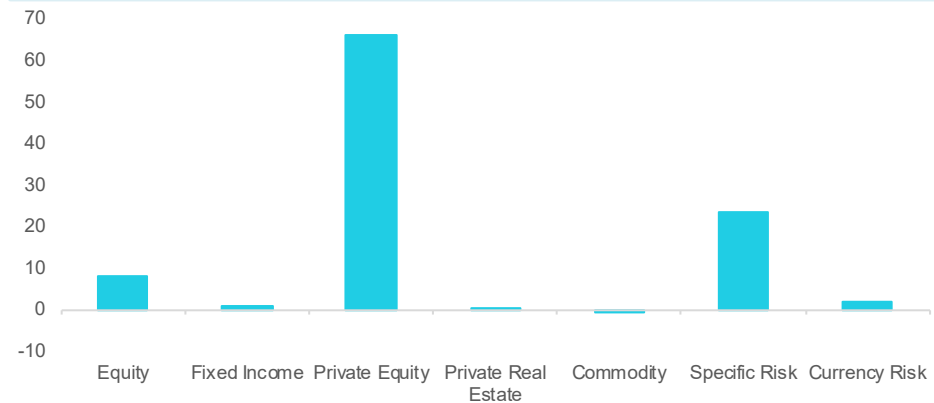


	Mkt Value (mm)	Weight%	Total Risk	Risk Contribution	%CR to TR
Real Assets & Inflation Hedges	11,229	100.00	14.97	14.97	100.00
Core Private Real Estate	3,291	29.31	21.57	5.24	35.03
Natural Resources & Commodities	2,154	19.18	18.37	2.96	19.78
Infrastructure	3,852	34.30	19.59	6.22	41.56
TIPS	1,932	17.21	6.93	0.54	3.62

Risk Decomposition

Risk Source	Portfolio		Active	
	Risk Contribution	%Risk	Risk Contribution	%Risk
Total Risk	14.97	100.00	3.50	100.00
Common Factor Risk	13.74	91.82	2.62	74.90
Specific Risk	0.09	0.58	0.81	23.12
Currency Risk	1.14	7.60	0.07	1.98

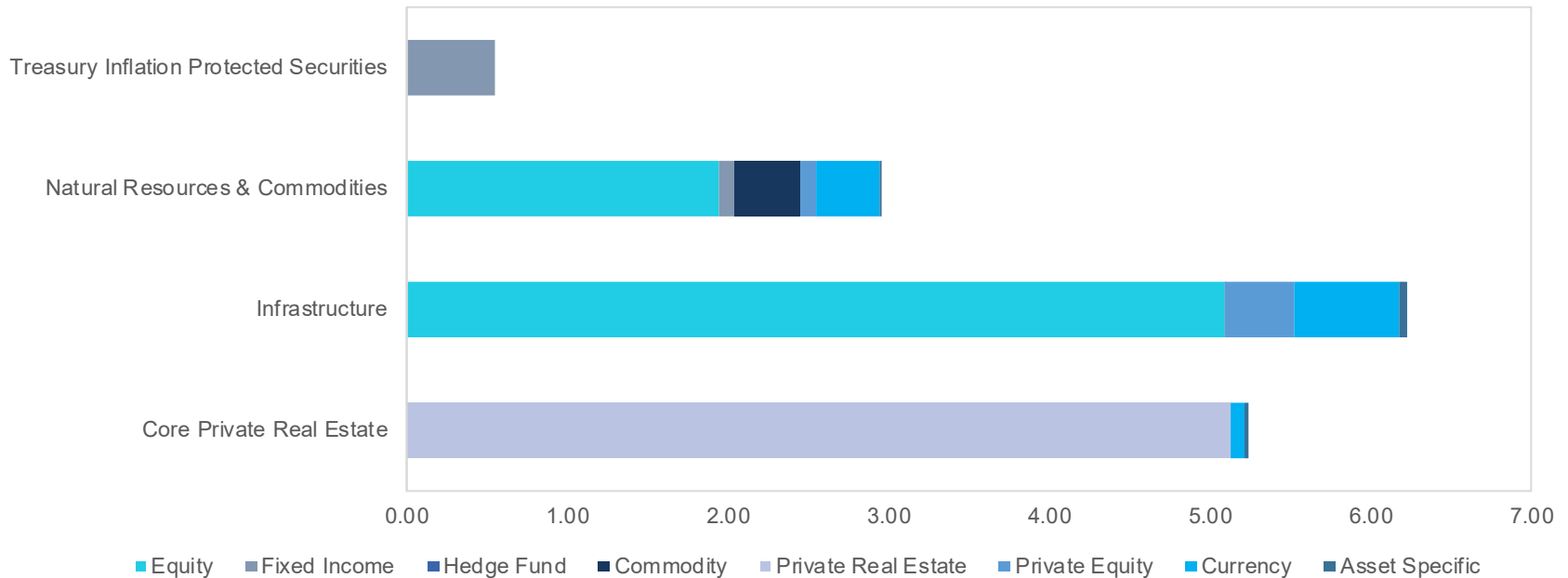
Active Risk from Common Factors



Real Assets & Inflation Hedges Risk Summary

for the quarter ended March 31, 2023

Risk Contribution Breakdown by Risk Type

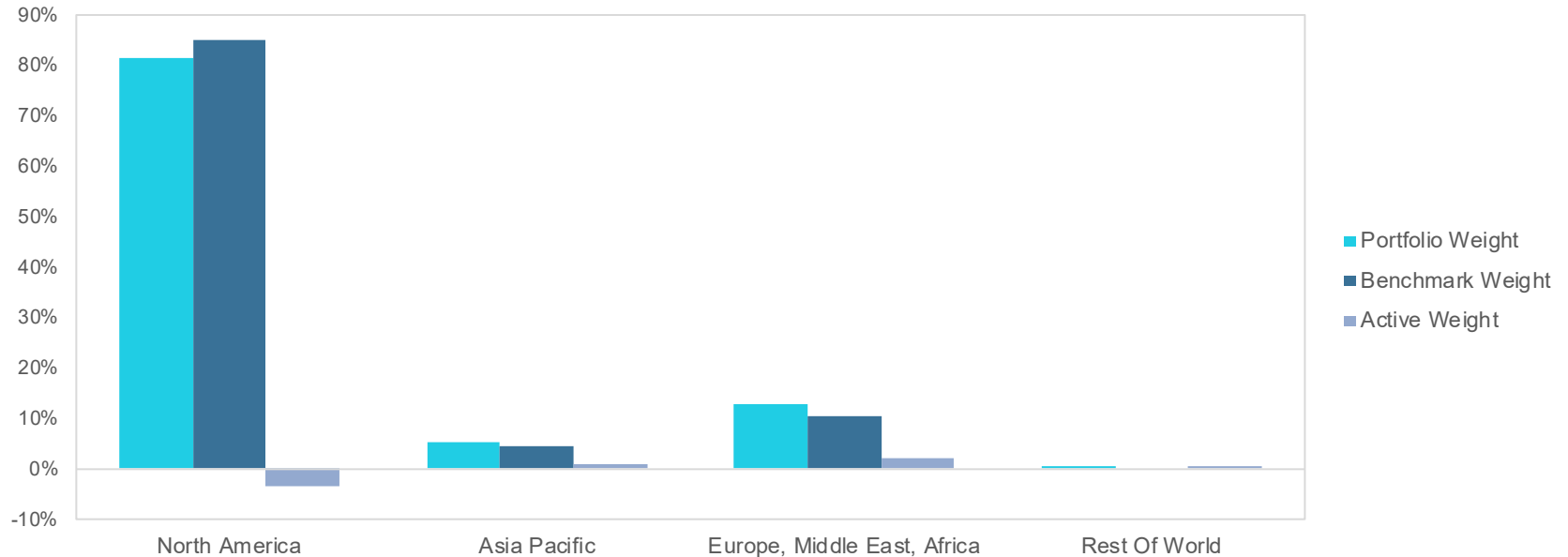


Functional Category	Port Risk Contribution	Equity	Fixed Income	Commodity	Private Real Estate	Private Equity	Currency	Asset Specific
Real Assets & Inflation Hedges	14.97	7.03	0.63	0.41	5.12	0.54	1.14	0.09
Core Private Real Estate	5.24	0.00	0.00	0.00	5.12	0.00	0.09	0.03
Infrastructure	6.22	5.09	0.00	0.00	0.00	0.44	0.65	0.05
Natural Resources and Commodities	2.96	1.95	0.09	0.41	0.00	0.10	0.40	0.01
Treasury Inflation Protected Securities	0.54	0.00	0.54	0.00	0.00	0.00	0.00	0.00

Real Assets & Inflation Hedges Risk Summary

for the quarter ended March 31, 2023

Portfolio Allocation By Region



Region	Weight%			Total Risk	Active Risk CR	% of Active TR	MC to Total Tracking Error
	Portfolio	Benchmark	Active				
Real Assets & Inflation Hedges	100.00%	100.00%	0.00%	14.97	3.50	100.00	0.04
North America	81.54%	85.03%	-3.49%	14.29	2.35	67.09	0.01
Asia Pacific	5.37%	4.34%	1.03%	18.08	0.02	0.60	0.02
Europe, Middle East, Africa	12.90%	10.62%	2.28%	24.91	1.10	31.45	0.10
Rest Of World	0.18%	0.00%	0.18%	38.16	0.03	0.86	0.17

Real Assets & Inflation Hedges

Natural Resources & Commodities

Credit Suisse

for the quarter ended March 31, 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: March 2011

Risk Statistics (since inception)

Standard Deviation	15.7%
Benchmark Standard Deviation	16.0%
Sharpe Ratio	0.33
Information Ratio	0.62
Beta	0.98
Tracking Error	1.0%

Top Holdings (% of assets)

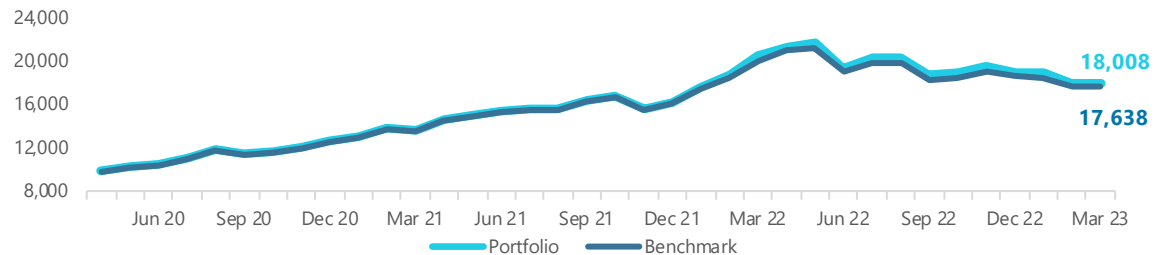
US TREASURY FRN	18.8%
US TREASURY FRN	14.0%
GOLD 100 OZ FUTR AUG23	12.9%
US TREASURY FRN	10.9%
FEDERAL FARM CREDIT BANK	7.0%
Top 5 Holdings	63.6%

Performance (net)¹

	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Credit Suisse Commodity	294.8	-5.6%	-12.0%	21.7%	5.9%
Bloomberg Commodity Index Total Return		-5.4%	-12.5%	20.8%	5.4%
RA & IH Policy Benchmark		-0.6%	-1.8%	11.9%	--

Universe data: Commodity Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Credit Suisse Commodity	-5.5%	93	-11.8%	79	22.0%	39	6.2%	70
Median	1.5%		0.1%		14.7%		11.3%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

Real Assets & Inflation Hedges Risk Analysis

Natural Resources & Commodities

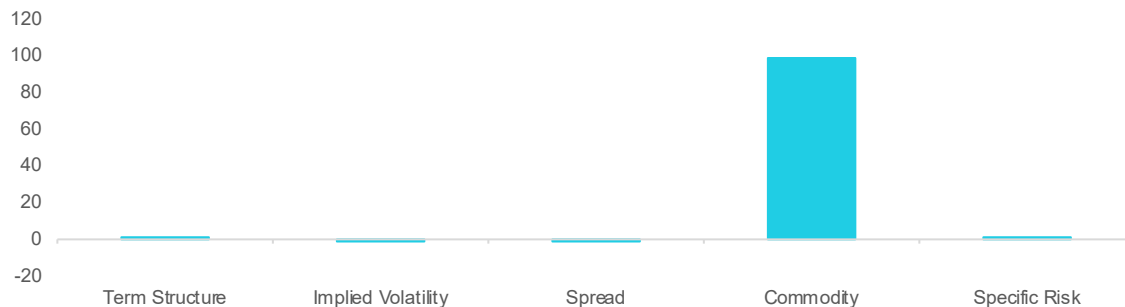
Credit Suisse

for the quarter ended March 31, 2023

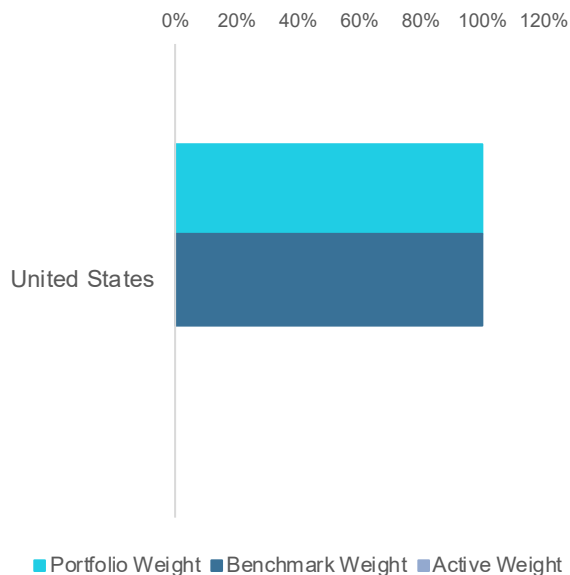
Portfolio Risk Summary

	Value
Total Risk	14.44
Benchmark Risk	18.50
Active Risk	5.89
Portfolio Beta	0.75

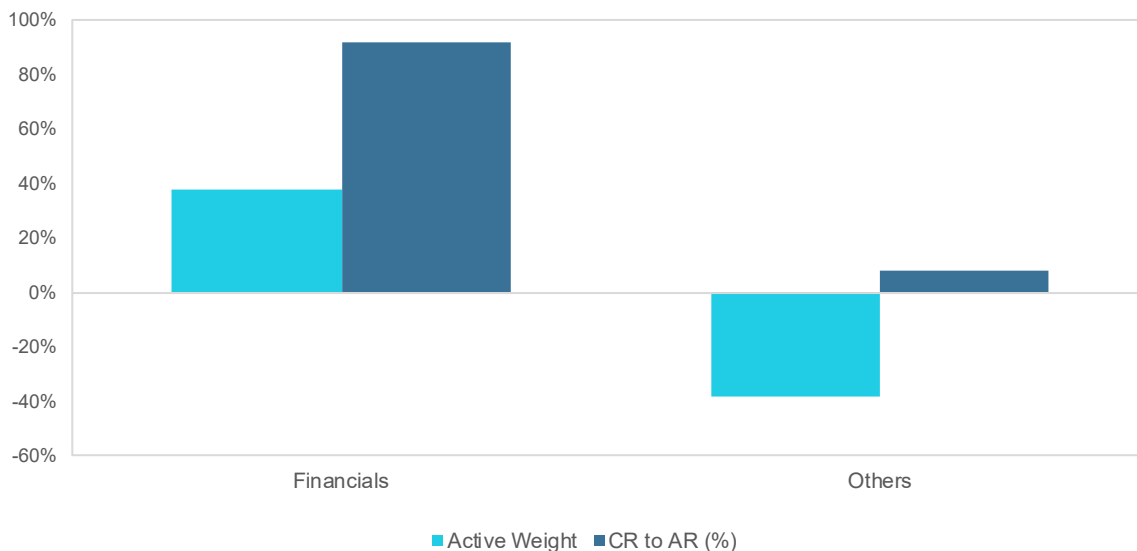
Active Risk from Common Factors



Top Countries by Weight%



Portfolio Risk by Sector



Real Assets & Inflation Hedges

Natural Resources & Commodities

DWS

for the quarter ended March 31, 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	24.3%
Sharpe Ratio	0.53
Information Ratio	-0.54
Beta	0.99
Tracking Error	4.2%

Top Holdings (% of assets)

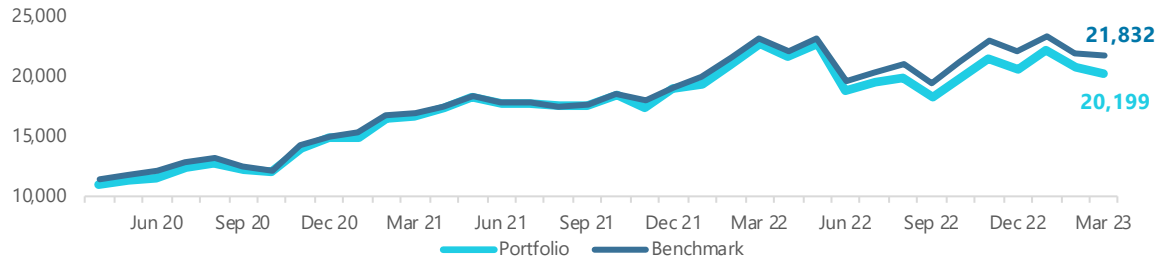
BP PLC	8.8%
NUTRIEN LTD	6.6%
SHELL PLC	5.5%
ARCHER DANIELS MIDLAND CO	4.9%
AGNICO EAGLE MINES LTD	4.8%
Top 5 Holdings	30.5%

Performance (net)¹

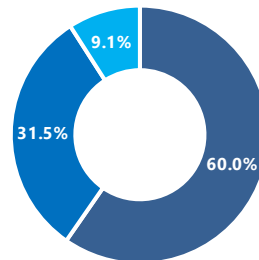
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
DWS Natural Resources	632.3	-2.3%	-11.3%	26.4%	--
S&P Glb LargeMidCap Commod & Resources		-1.3%	-5.8%	29.7%	--
RA & IH Policy Benchmark		-0.6%	-1.8%	11.9%	--

Universe data: Commodity Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
DWS Natural Resources	-2.3%	84	-11.2%	78	26.6%	24	--	--
Median	1.5%		0.1%		14.7%		--	

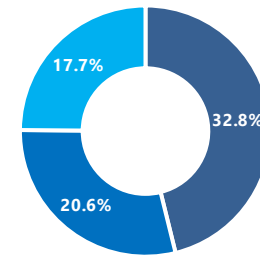
Growth of \$10,000



Top Exposures (% of assets)²



- MATERIALS
- ENERGY
- CONSUMER STAPLES



- UNITED STATES
- CANADA
- UNITED KINGDOM

¹ Universe data is gross-of-fees.

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

Real Assets & Inflation Hedges Risk Analysis

Natural Resources & Commodities

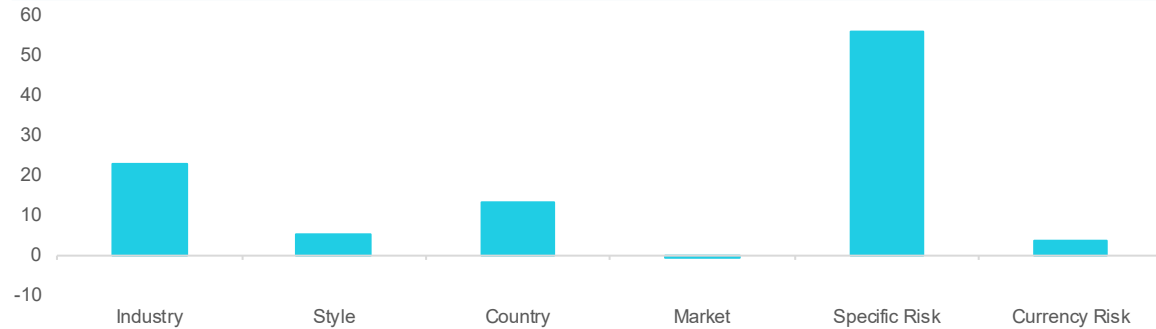
DWS

for the quarter ended March 31, 2023

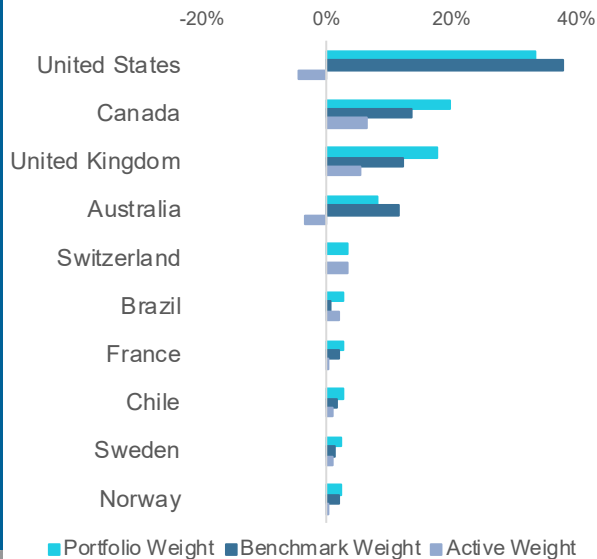
Portfolio Risk Summary

	Value
Total Risk	24.14
Benchmark Risk	23.97
Active Risk	4.03
Portfolio Beta	0.99

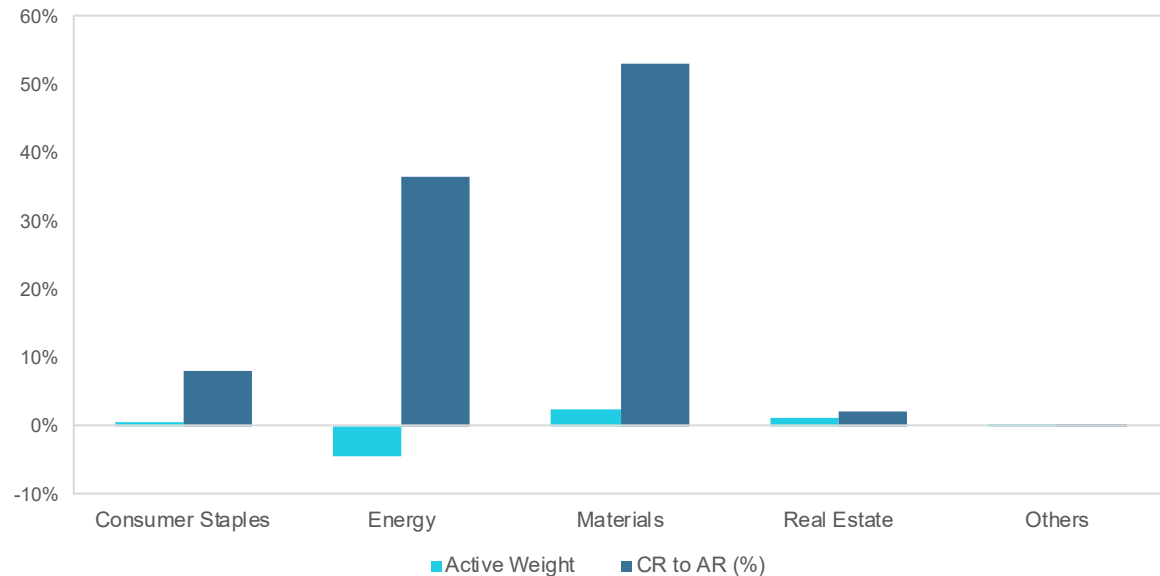
Active Risk from Common Factors



Top Countries by Weight%



Portfolio Risk by Sector



Real Assets & Inflation Hedges

Natural Resources & Commodities

Neuberger Berman / Gresham

for the quarter ended March 31, 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. 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	0.47
Beta	1.04
Tracking Error	4.9%

Top Holdings (% of assets)

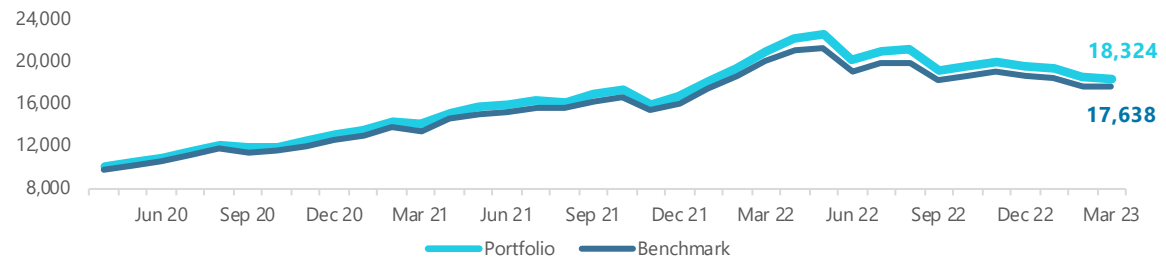
GOLD 100 OZ FUTR JUN23	14.3%
WTI CRUDE FUTURE MAY23	6.2%
BRENT CRUDE FUTR JUL23	6.1%
NATURAL GAS FUTR MAY23	5.9%
LIVE CATTLE FUTR JUN23	5.0%
Top 5 Holdings	37.5%

Performance (net)¹

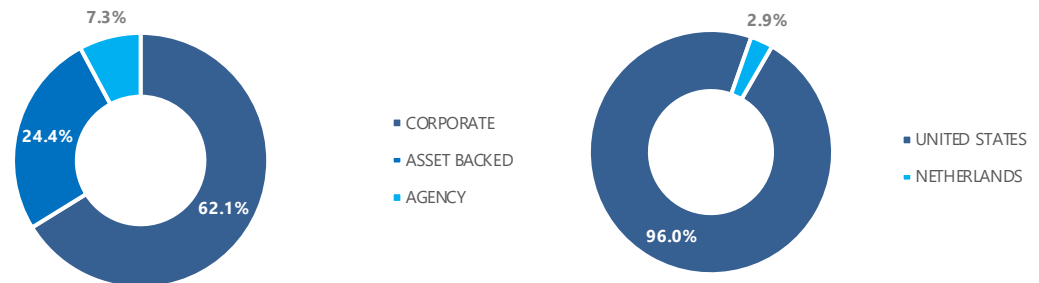
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Neuberger Berman/Gresham	344.2	-6.0%	-12.6%	22.4%	5.2%
Bloomberg Commodity Index Total Return		-5.4%	-12.5%	20.8%	5.4%
RA & IH Policy Benchmark		-0.6%	-1.8%	11.9%	--

Universe data: Commodities Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Neuberger Berman/Gresham	-6.0%	93	-12.4%	80	22.8%	38	5.6%	78
Median	1.5%		0.1%		14.7%		11.3%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

Real Assets & Inflation Hedges Risk Analysis

Natural Resources & Commodities

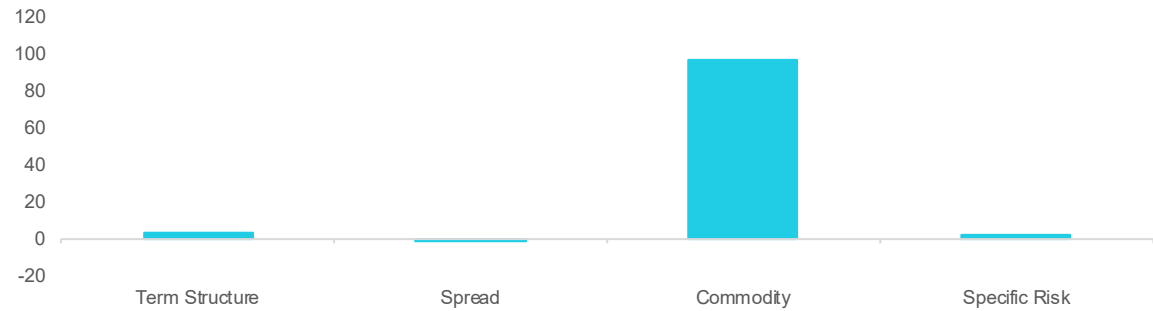
Neuberger Berman / Gresham

for the quarter ended March 31, 2023

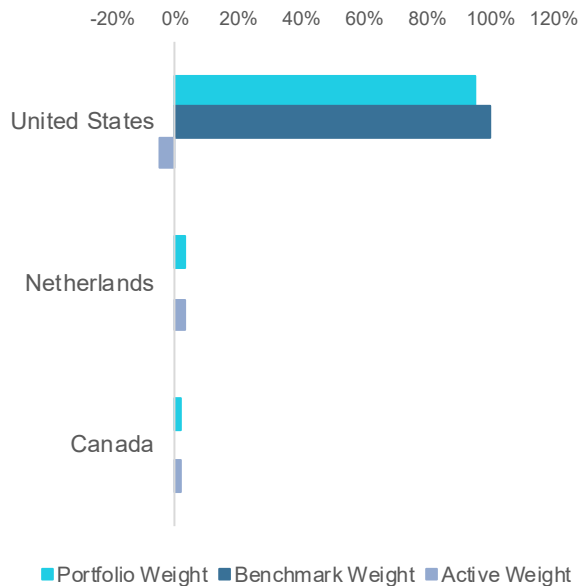
Portfolio Risk Summary

	Value
Total Risk	13.99
Benchmark Risk	17.49
Active Risk	4.47
Portfolio Beta	0.79

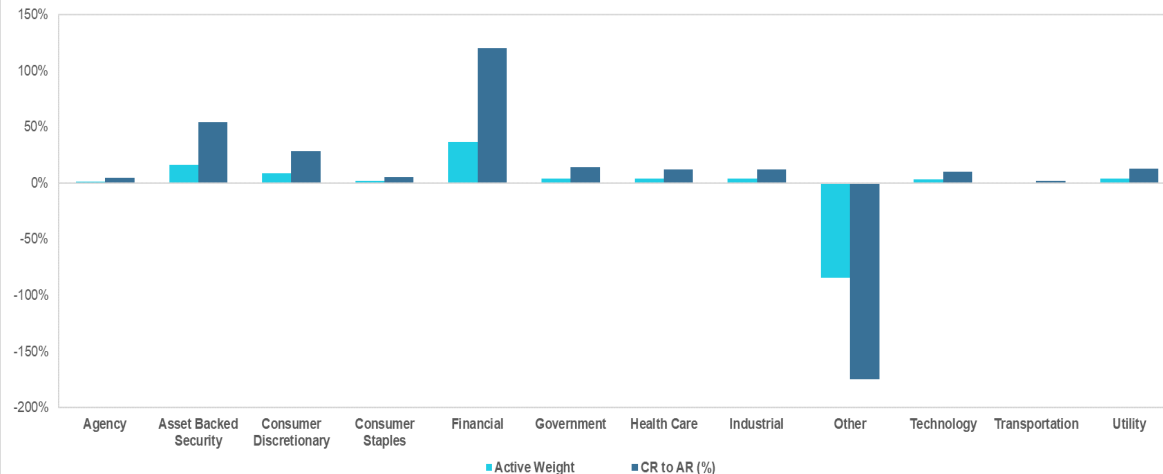
Active Risk from Common Factors



Top Countries by Weight%



Portfolio Risk by Sector



Real Assets & Inflation Hedges

Infrastructure

DWS

for the quarter ended March 31, 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)	41,033.9	38,413.7
No. Of Issues	47.0	0.0
Dividend Yield	2.9	3.2
Return on Equity	12.3	11.3
Price to Sales	3.8	4.3
Price to Book	2.9	3.1
PE Ratio	21.4	22.4

Top Holdings (% of assets)

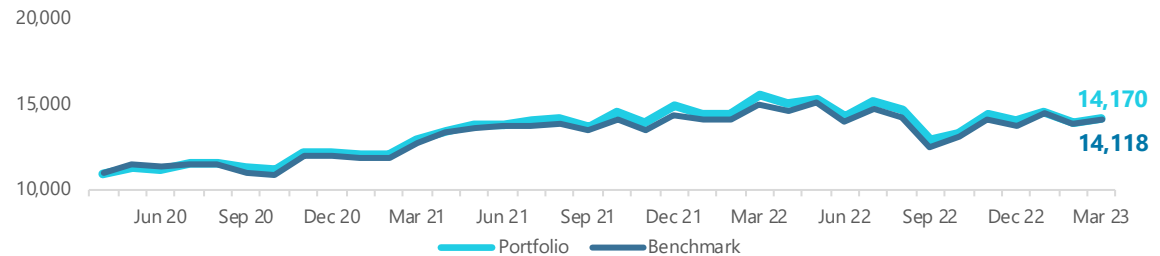
ENBRIDGE INC	7.2%
AMERICAN TOWER CORP	5.4%
NATIONAL GRID PLC	5.2%
SEMPRA ENERGY	4.2%
VINCI SA	4.0%
Top 5 Holdings	25.9%

Performance (net)¹

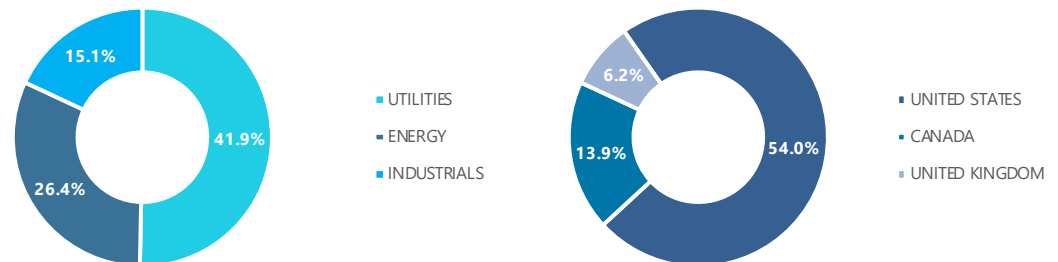
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
DWS Infrastructure	2,593.1	1.2%	-8.4%	12.3%	--
DJ Brookfield Global Infra Comp		3.1%	-6.1%	12.2%	--
RA & IH Policy Benchmark		-0.6%	-1.8%	11.9%	--

Universe data: Infrastructure	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
DWS Infrastructure	1.3%	86	-8.3%	100	12.5%	--	--	--
Median	2.4%		7.6%		--	--	--	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

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

Real Assets & Inflation Hedges Risk Analysis

Infrastructure

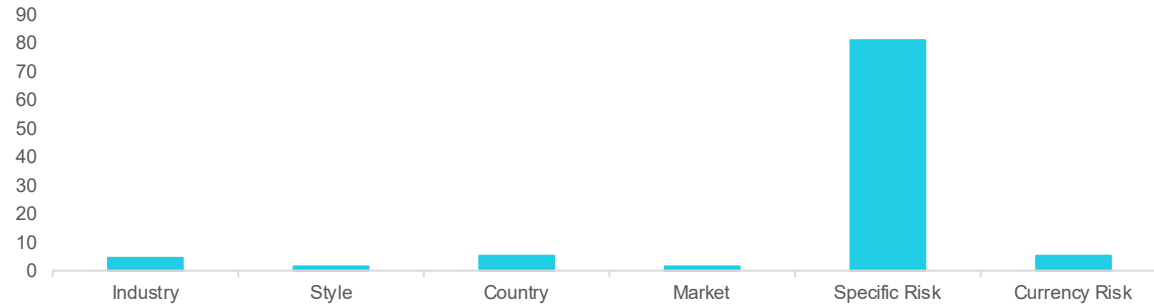
DWS

for the quarter ended March 31, 2023

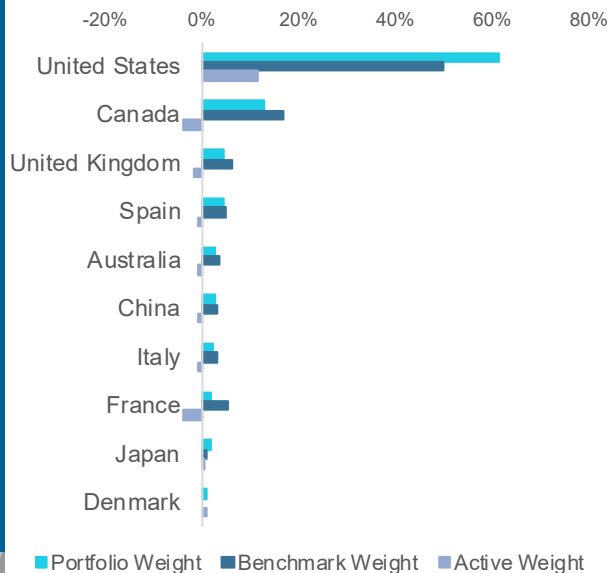
Portfolio Risk Summary

	Value
Total Risk	18.00
Benchmark Risk	18.39
Active Risk	1.72
Portfolio Beta	0.97

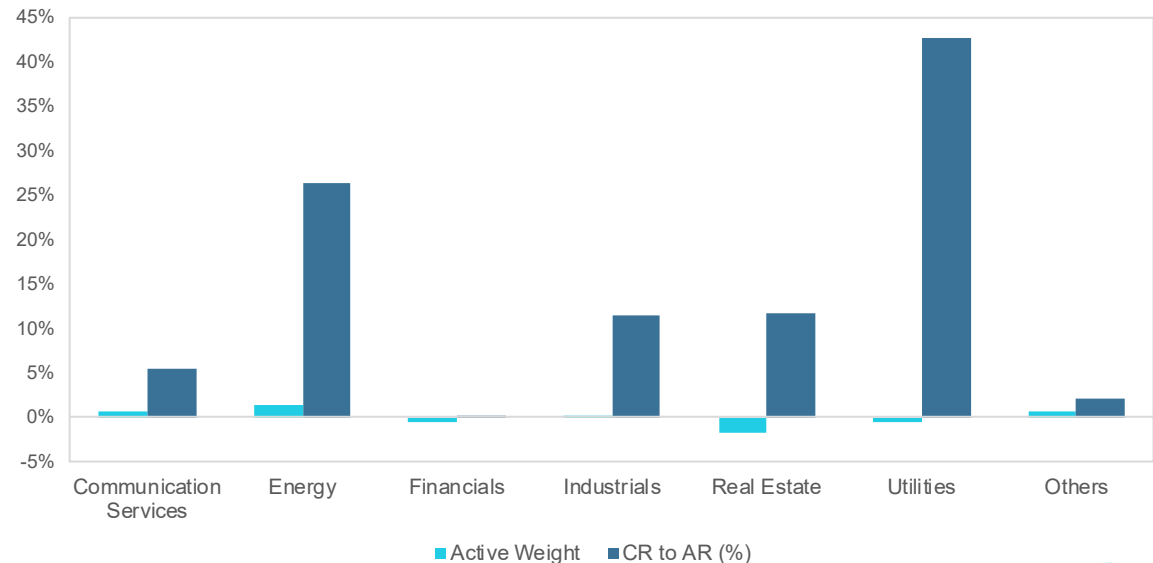
Active Risk from Common Factors



Top Countries by Weight%



Portfolio Risk by Sector



Real Assets & Inflation Hedges

TIPS

BlackRock

for the quarter ended March 31, 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	6.5%
Benchmark Standard Deviation	6.6%
Sharpe Ratio	0.29
Information Ratio	-0.07
Beta	0.99
Tracking Error	0.8%

Top Holdings (% of assets)

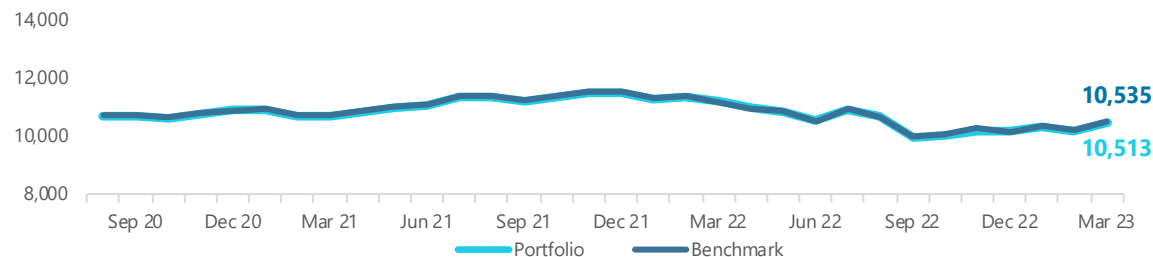
TSY INFL IX N/B	4.3%
TSY INFL IX N/B	3.7%
TSY INFL IX N/B	3.6%
TSY INFL IX N/B	3.6%
TSY INFL IX N/B	3.5%
Top 5 Holdings	18.7%

Performance (net)¹

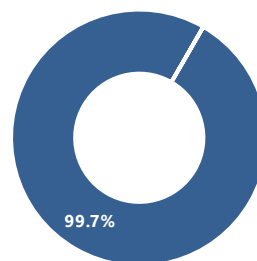
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
BlackRock TIPS	1,923.7	3.4%	-6.6%	1.7%	--
Bloomberg U.S. Treasury: U.S. TIPS		3.3%	-6.1%	1.8%	--
Real Assets & Inflation Hedges Policy BM		-0.6%	-1.8%	11.9%	--

Universe data: Inflation Linked Bond Funds	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
BlackRock TIPS	3.4%	--	-6.6%	--	1.7%	--	--	--
Median	--	--	--	--	--	--	--	--

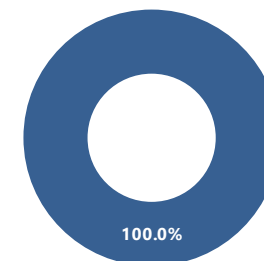
Growth of \$10,000



Top Exposures (% of assets)²



US TREASURY



UNITED STATES

¹ Universe data for TIPS is not available.

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

Real Assets & Inflation Hedges Risk Analysis

TIPS

BlackRock

for the quarter ended March 31, 2023

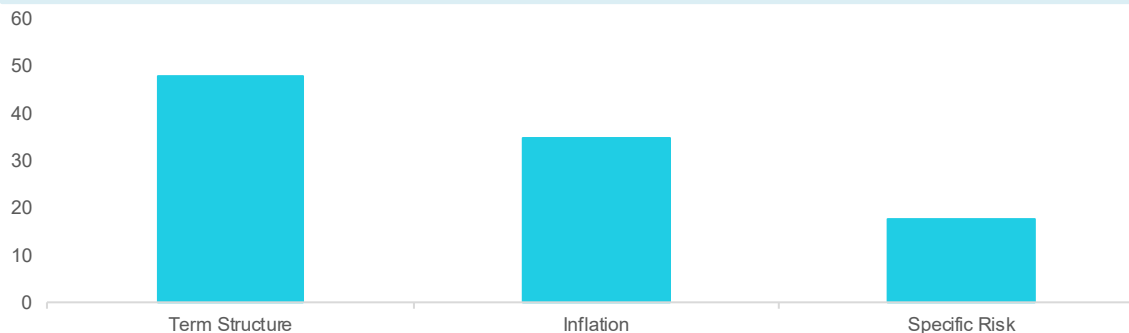


Los Angeles County Employees Retirement Association

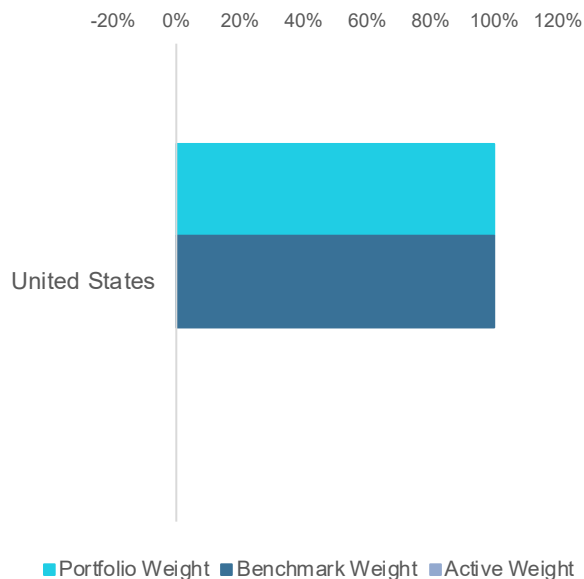
Portfolio Risk Summary

	Value
Total Risk	6.93
Benchmark Risk	6.97
Active Risk	0.05
Portfolio Beta	0.99

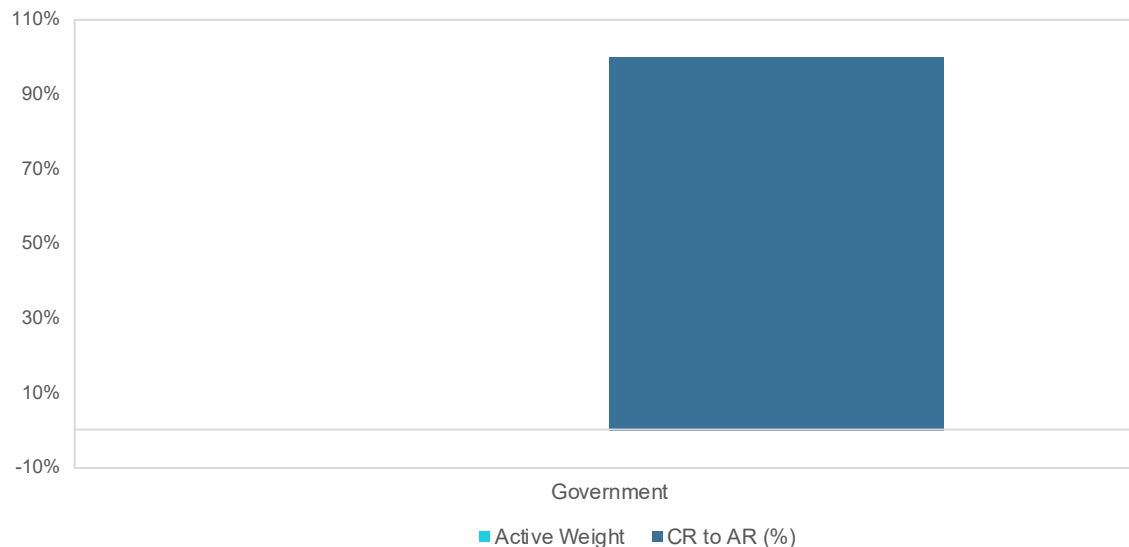
Active Risk from Common Factors



Top Countries by Weight%



Portfolio Risk by Sector



risk reduction & mitigation

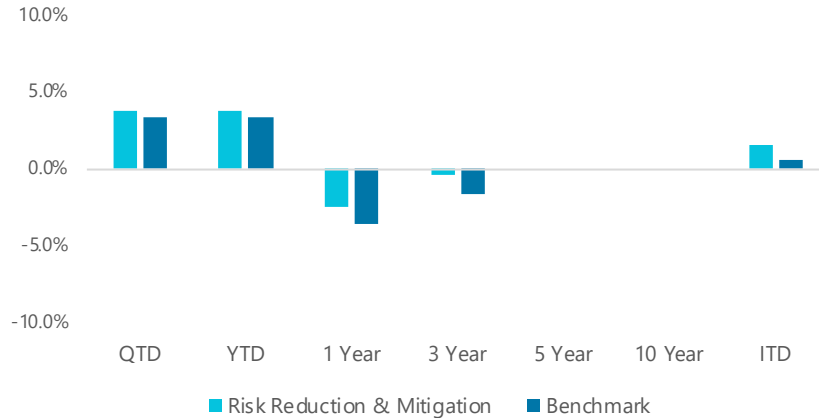
Summary

for the quarter ended March 31, 2023



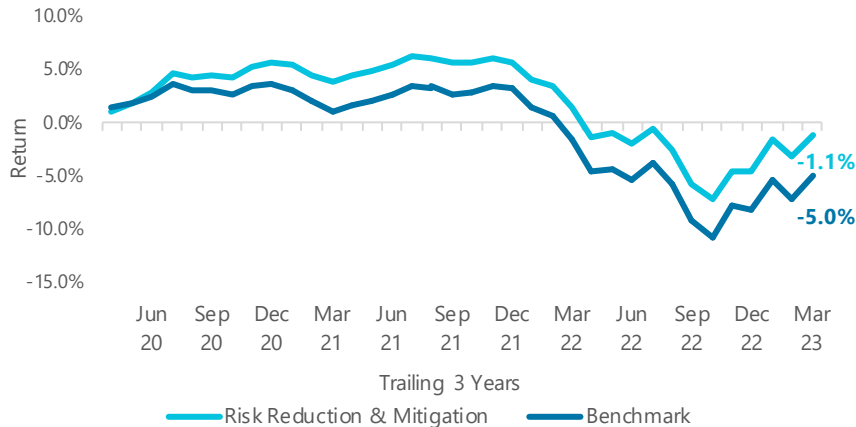
Los Angeles County Employees Retirement Association

Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Risk Reduction & Mitigation	3.7%	3.7%	-2.5%	-0.4%	--	--	1.5%
Benchmark	3.4%	3.4%	-3.6%	-1.7%	--	--	0.6%
Excess	0.4%	0.4%	1.1%	1.3%	--	--	0.9%

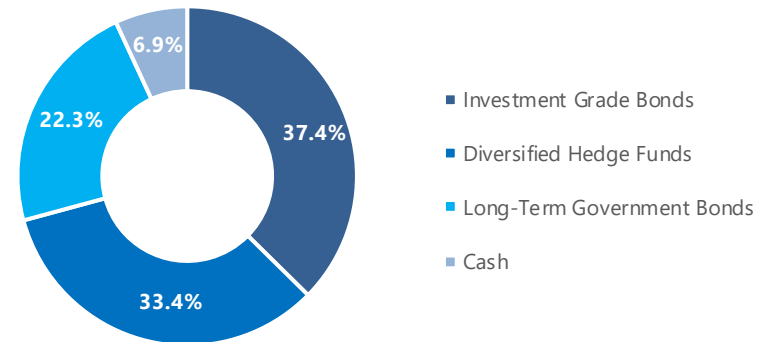
Cumulative Return



Functional Category

	QTD	FYTD	1 Year	3 Year
Investment Grade Bonds	3.1%	0.0%	-4.8%	-2.2%
BBG BC Aggregate Bond Index	3.0%	-0.1%	-4.8%	-2.8%
Excess	0.2%	0.1%	0.0%	0.5%
Diversified Hedge Funds	3.3%	6.1%	7.7%	7.7%
Diversified Hedge Funds Policy Benchmark	1.7%	4.0%	4.8%	3.4%
Excess	1.6%	2.1%	2.9%	4.4%
Long-Term Government Bonds	6.1%	-5.2%	-16.1%	--
Bloomberg U.S. Treasury: Long	6.2%	-4.6%	-16.0%	--
Excess	0.0%	-0.6%	-0.1%	--
Cash	1.4%	3.7%	4.4%	2.0%
Cash Policy Benchmark	1.1%	2.5%	2.6%	1.0%
Excess	0.3%	1.3%	1.8%	1.1%

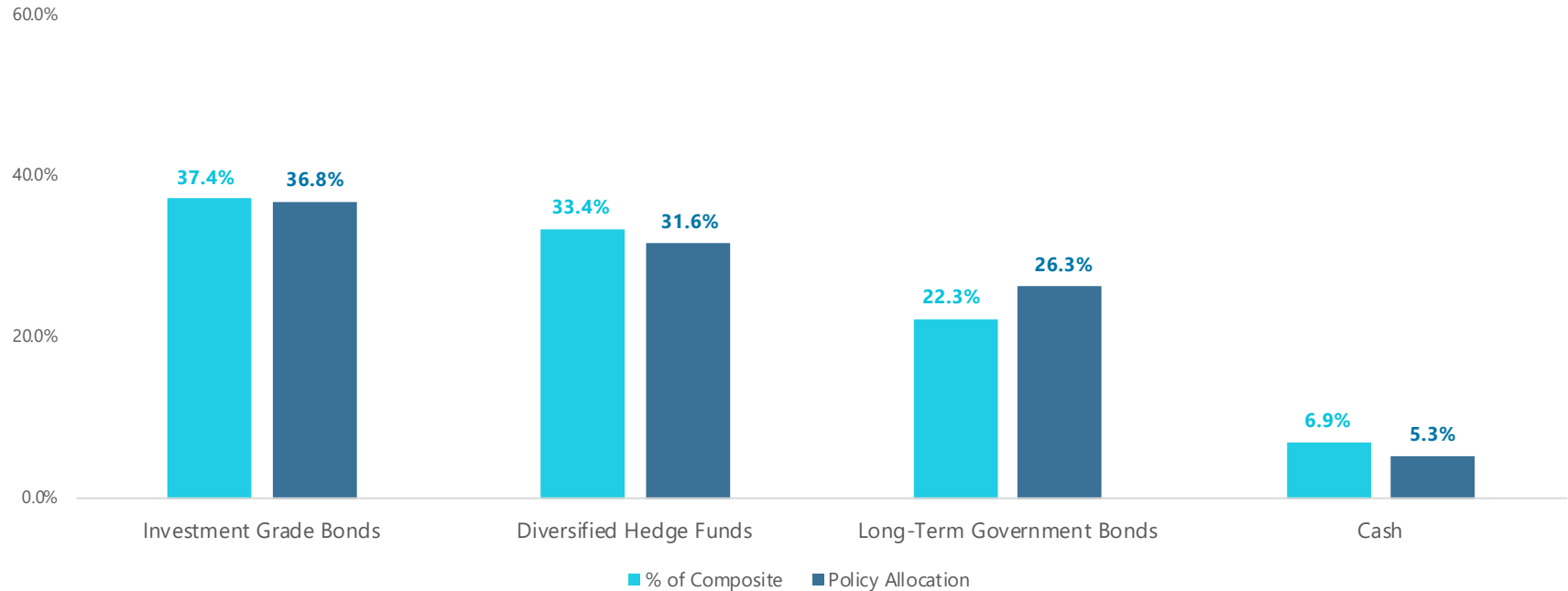
Exposure



Asset Allocation

for the quarter ended March 31, 2023

Actual vs. Policy

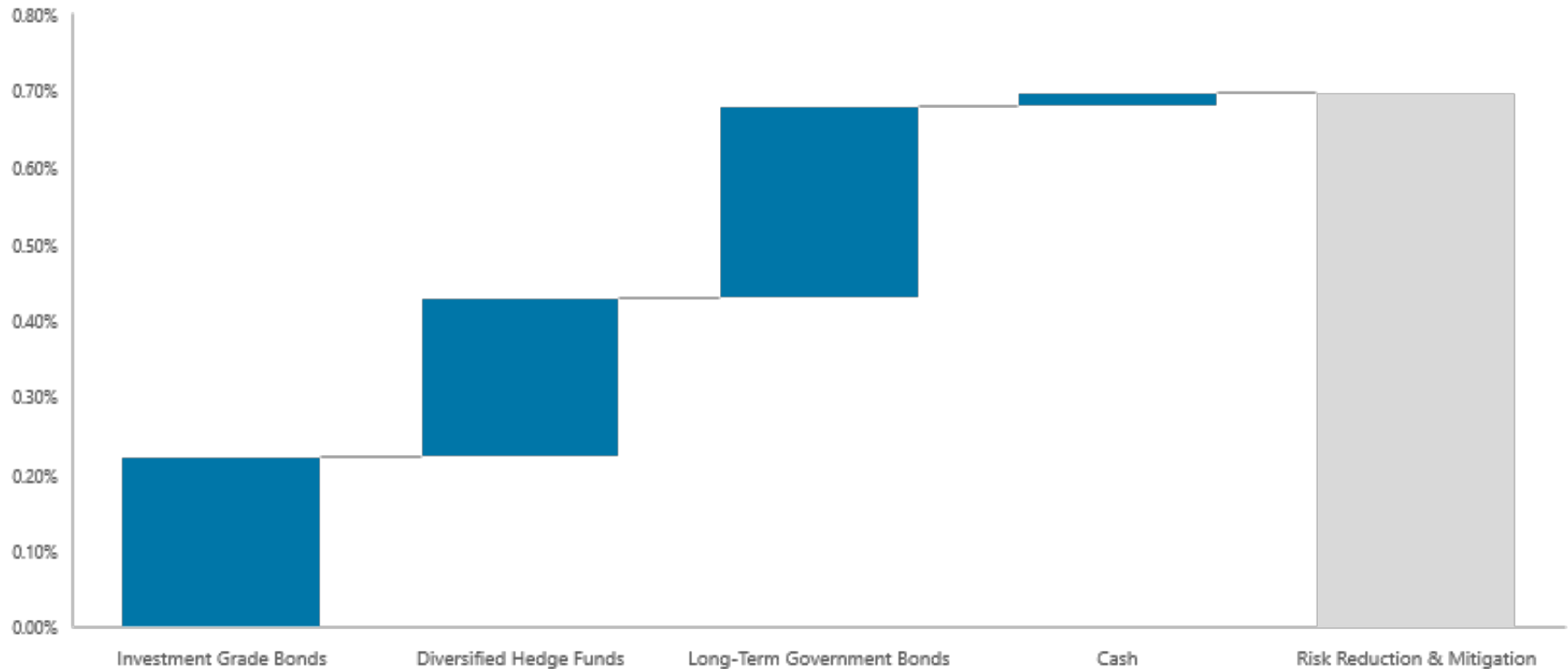


	Ending Market Value (mm)	% of Composite	Policy Allocation	Over / Under (%)	Over / Under (mm)
Risk Reduction & Mitigation	13,598	100.0%	100.0%		
Investment Grade Bonds	5,083	37.4%	36.8%	0.5%	73
Diversified Hedge Funds	4,543	33.4%	31.6%	1.8%	249
Long-Term Government Bonds	3,032	22.3%	26.3%	-4.0%	-546
Cash	939	6.9%	5.3%	1.6%	224

Contribution to Return

for the quarter ended March 31, 2023

QTD Contribution to Return



Functional Category	Contributors	Detractors
Investment Grade Bonds	0.22% BlackRock Long Treasury Bonds	0.25% Clear Sky -0.01%
Diversified Hedge Funds	0.21% BTC US Debt Index Fund	0.13%
Long-Term Government Bonds	0.25% AM Asia Strategies	0.07%
Cash	0.02% Allspring/Wells	0.06%
Risk Reduction & Mitigation	0.70% Pugh Capital Mgmt	0.04%

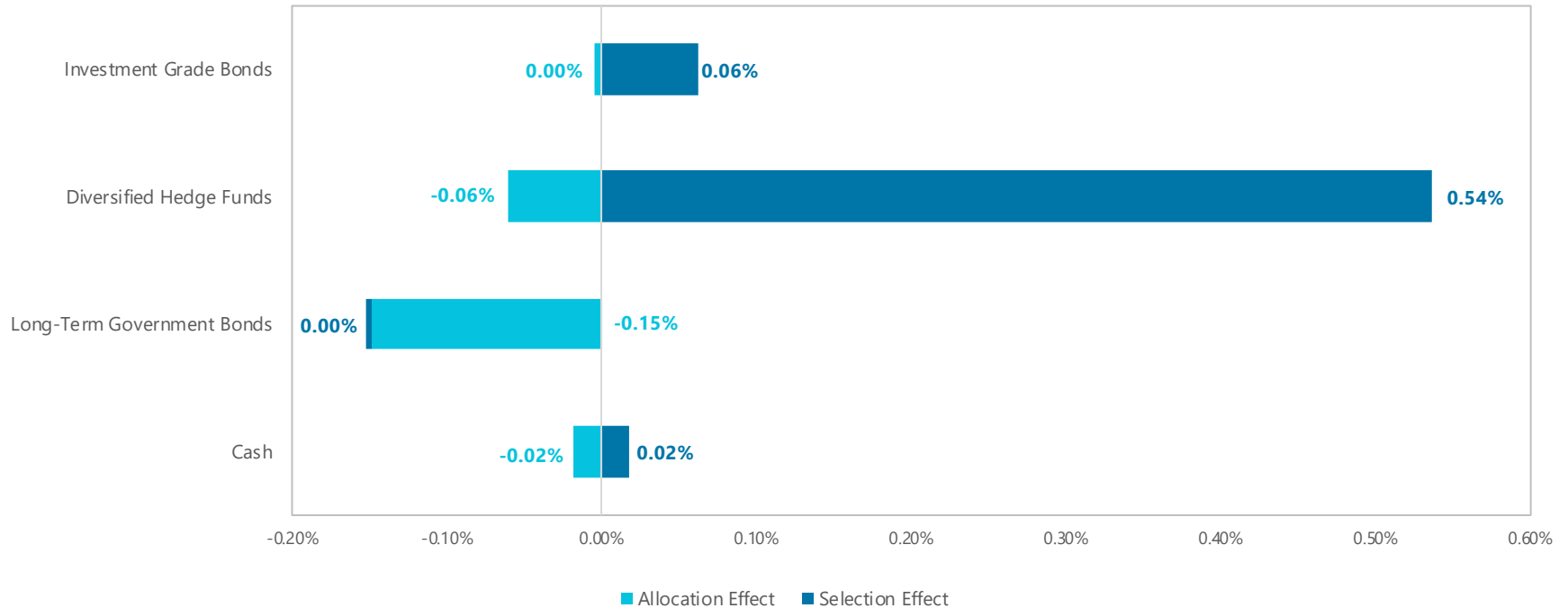
Return Attribution

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

QTD Performance Attribution¹



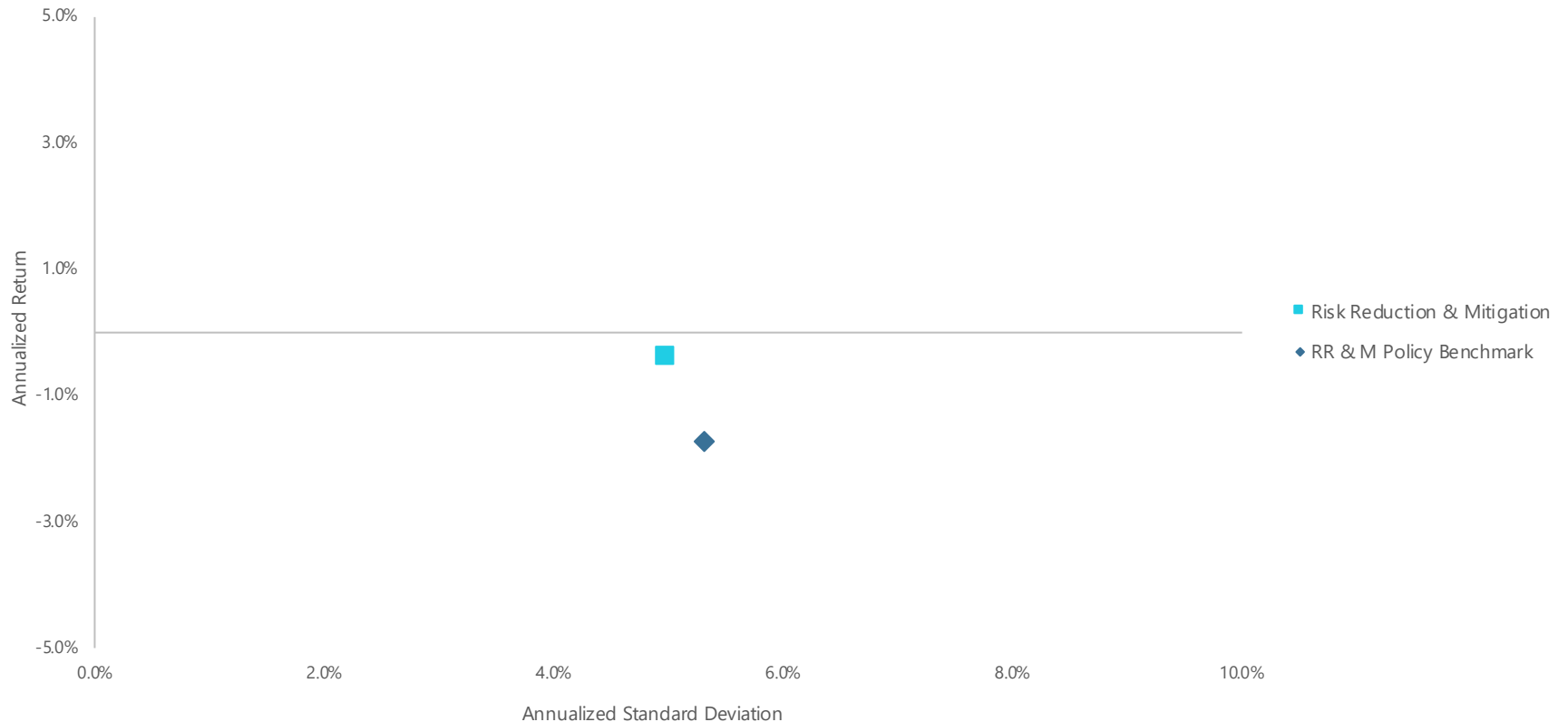
	Ending Market Value (mm)	% of Composite	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
Risk Reduction & Mitigation	13,598	100.0%	100.0%	3.7%	3.4%	-0.23%	0.61%	0.38%
Investment Grade Bonds	5,083	37.4%	36.8%	3.1%	3.0%	0.00%	0.06%	0.06%
Diversified Hedge Funds	4,543	33.4%	31.6%	3.3%	1.7%	-0.06%	0.54%	0.48%
Long-Term Government Bonds	3,032	22.3%	26.3%	6.1%	6.2%	-0.15%	0.00%	-0.15%
Cash	939	6.9%	5.3%	1.4%	1.1%	-0.02%	0.02%	0.00%

¹ Total Value Add column includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2023

3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Risk Reduction & Mitigation	-0.4%	5.0%				
RR & M Policy Benchmark	-1.7%	5.3%	(0.22)	1.72	0.93	0.8%

Performance Detail

for the quarter ended March 31, 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
Risk Reduction & Mitigation	100.0%	13,598	13,202	3.7%	3.7%	-2.5%	-0.4%	--	--	1.5%	Apr-2019
RR & M Policy Benchmark				3.4%	3.4%	-3.6%	-1.7%	--	--	0.6%	
Investment Grade Bonds	37.4%	5,083	5,003	3.1%	3.1%	-4.8%	-2.2%	1.0%	1.7%	5.2%	Nov-1994
BBG BC Aggregate Bond Index				3.0%	3.0%	-4.8%	-2.8%	0.9%	1.4%	4.7%	
Allspring/Wells	9.5%	1,291	1,252	3.2%	3.2%	-4.5%	-1.9%	1.3%	1.7%	3.9%	Mar-2004
BTC US Debt Index Fund	21.5%	2,921	2,905	3.1%	3.1%	-4.7%	-2.7%	1.0%	1.4%	3.9%	Nov-1999
MHLP	0.1%	10	11	1.2%	1.2%	4.9%	5.1%	5.9%	5.4%	5.4%	Apr-2005
Pugh Capital Mgmt	6.3%	860	835	3.0%	3.0%	-4.8%	-2.4%	1.0%	1.4%	3.3%	Jul-2005
Diversified Hedge Funds	33.4%	4,543	4,402	3.3%	3.3%	7.7%	7.7%	--	--	7.1%	Apr-2019
Diversified Hedge Funds Policy Benchmark				1.7%	1.7%	4.8%	3.4%	--	--	3.7%	
AM Asia Strategies	1.9%	263	217	21.2%	21.2%	14.9%	--	--	--	9.1%	Jun-2021
Brevan Howard Master Fund	4.9%	669	650	2.9%	2.9%	18.3%	--	--	--	9.8%	Apr-2021
Capula GRV	4.9%	663	642	3.2%	3.2%	12.0%	6.8%	--	--	7.0%	Dec-2018
Caxton Global Investments	2.2%	302	297	1.8%	1.8%	10.5%	--	--	--	9.8%	Feb-2021
DK Institutional Partners	3.7%	500	486	2.9%	2.9%	1.0%	5.6%	--	--	5.0%	May-2018
Grosvenor HFOF	0.2%	27	31	--	--	--	--	--	--	--	Nov-2011
HBK Multi-strategy	4.3%	585	578	1.3%	1.3%	5.0%	6.9%	--	--	5.5%	Jun-2018
Hudson Bay	4.9%	669	650	2.8%	2.8%	6.0%	--	--	--	10.8%	Jul-2020
Polar	3.5%	481	467	2.9%	2.9%	3.6%	--	--	--	10.6%	May-2020
Stable Asset Management	2.8%	385	384	0.2%	0.2%	1.0%	--	--	--	-0.1%	Aug-2021
Long-Term Government Bonds	22.3%	3,032	2,857	6.1%	6.1%	-16.1%	--	--	--	-18.2%	Nov-2021
Bloomberg U.S. Treasury: Long				6.2%	6.2%	-16.0%	--	--	--	-19.2%	Nov-2021
BlackRock Long Treasury Bonds	22.3%	3,032	2,857	6.1%	6.1%	-16.1%	--	--	--	-18.2%	Nov-2021
Cash	6.9%	939	940	1.4%	1.4%	4.4%	2.0%	2.2%	1.4%	1.9%	Jun-2001
Cash Policy Benchmark				1.1%	1.1%	2.6%	1.0%	1.4%	0.9%	1.4%	

Risk Reduction & Mitigation

Risk Summary

for the quarter ended March 31, 2023

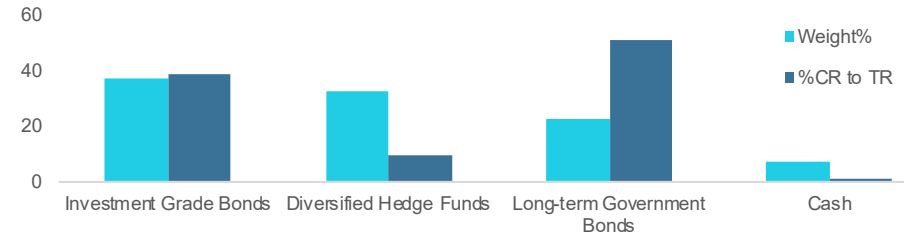
Risk Summary

	Value
Total Risk	6.38
Benchmark Risk	6.26
Active Risk	1.18
Portfolio Beta	1.00
Cont. to Eff. Duration	6.61
Convexity	1.55
Yield to Worst (%)	4.00
OAS to Sw ap (bp)	56

Risk Decomposition

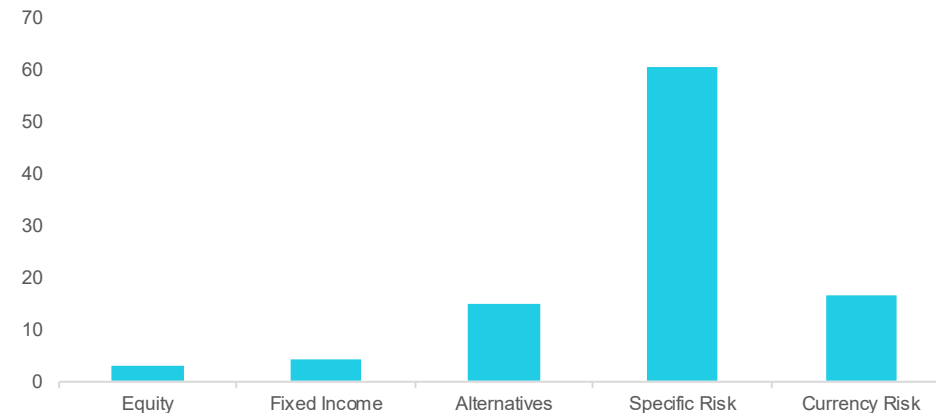
Risk Source	Portfolio		Active	
	Risk Contribution	%Risk	Risk Contribution	%Risk
Total Risk	6.38	100.00	1.18	100.00
Local Market Risk	6.21	97.40	0.99	83.18
Common Factor Risk	6.08	95.31	0.27	22.61
Specific Risk	0.13	2.09	0.72	60.58
Currency Risk	0.17	2.60	0.20	16.82

Contribution to Risk



	Mkt Value (mm)	Weight%	Total Risk	Risk Contribution	%CR to TR
Risk Reduction & Mitigation	13,185	100.00	6.38	6.38	100.00
Investment Grade Bonds	4,929	37.38	6.81	2.48	38.83
Diversified Hedge Funds	4,283	32.49	3.80	0.64	9.96
Long-term Government Bonds	3,031	22.99	14.72	3.27	51.21
Cash	941	7.13	0.00	0.00	0.00

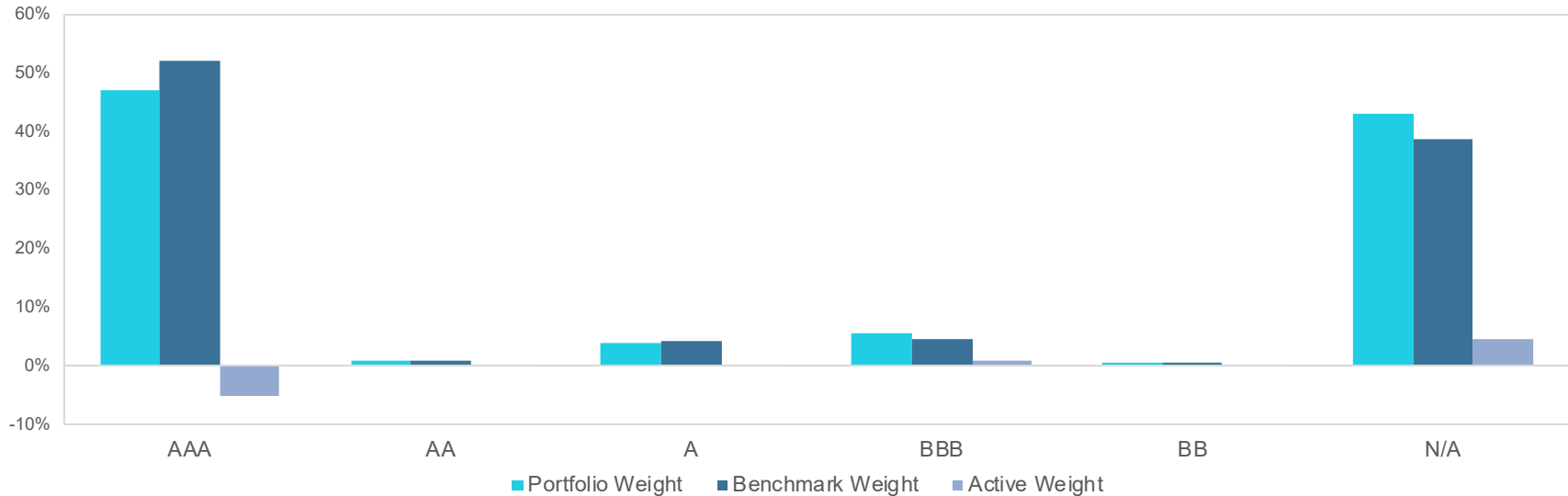
Active Risk from Common Factors



Risk Reduction & Mitigation Risk Summary

for the quarter ended March 31, 2023

Portfolio Allocation By Moody's Rating



Rating	Weight%			Total Risk	Active Risk CR	% of Active TR	CR to Effective Duration
	Portfolio	Benchmark	Active				
Risk Reduction & Mitigation	100.00%	100.00%	0.00%	6.38	1.18	100%	6.61
AAA	46.98%	52.07%	-5.09%	10.56	0.01	1.04%	5.20
AA	0.68%	0.79%	-0.11%	7.90	0.00	0.0%	0.06
A	3.88%	4.10%	-0.22%	6.89	0.00	-0.1%	0.27
BBB	5.34%	4.38%	0.95%	7.15	0.01	0.7%	0.37
BB	0.10%	0.14%	-0.04%	9.43	0.00	-0.1%	0.01
N/A	43.02%	38.52%	4.51%	3.12	1.17	98.4%	0.70

Risk Reduction & Mitigation

Investment Grade Bonds

Allspring/Wells

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Strategy

A core fixed income strategy focusing on bottom-up quantitative and qualitative security selection and comprehensive risk management. Value is added primarily through security selection and sector rotation.

Inception Date: March 2004

Portfolio Characteristics

	Portfolio	Benchmark
No. of Issues	900.0	0.0
Effective Duration	6.4	6.2
Convexity	0.7	0.6
Coupon Rate	3.3	2.8
Yield to Maturity	4.4	4.2
Current Yield	3.5	3.0
Rating – Moody's	AA-2	AA-2
Rating – S & P	AA	AA-

Top Holdings (% of assets)

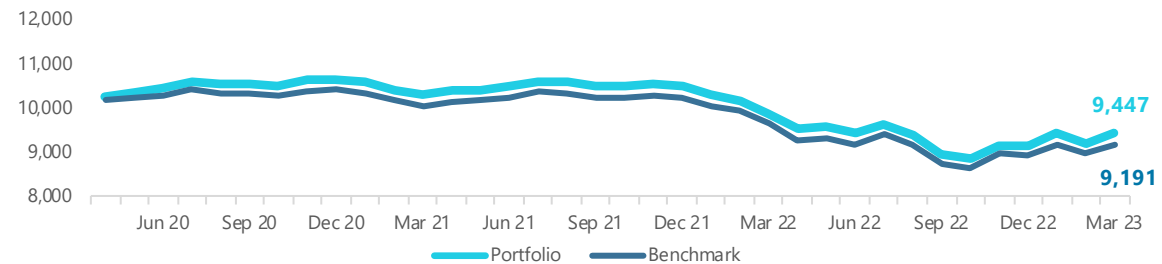
US TREASURY N/B	3.8%
US TREASURY N/B	1.8%
US TREASURY N/B	1.6%
US TREASURY N/B	1.6%
US TREASURY N/B	1.5%
Top 5 Holdings	10.2%

Performance (net)¹

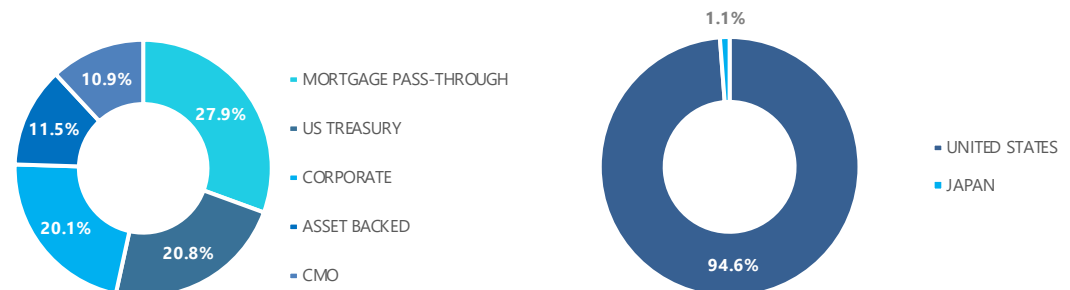
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Allspring/Wells	1,291.3	3.2%	-4.5%	-1.9%	1.3%
BBG BARC Agg		3.0%	-4.8%	-2.8%	0.9%
RR & M Policy Benchmark		3.4%	-3.6%	-1.7%	--

Universe data: US Fixed Income Pools	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Allspring/Wells	3.2%	41	-4.4%	59	-1.8%	66	1.4%	54
Median	2.9%		-3.9%		-0.2%		1.5%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

² 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 March 31, 2023

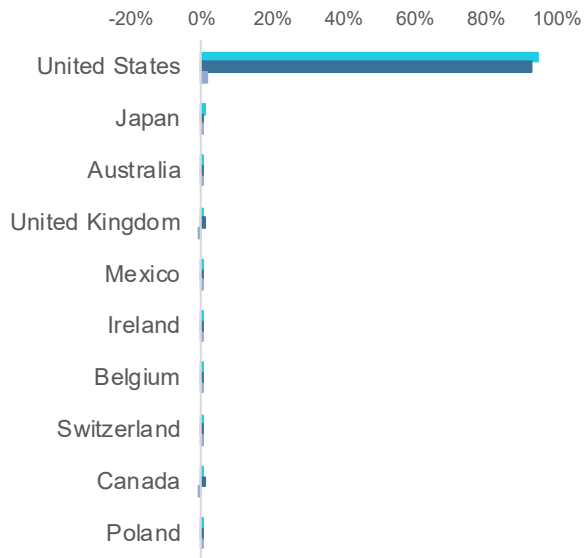


Los Angeles County Employees Retirement Association

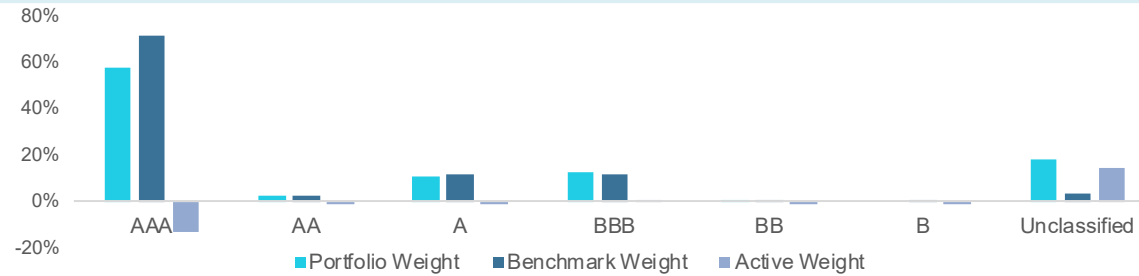
Portfolio Risk Summary

	Value
Total Risk	7.21
Benchmark Risk	6.66
Active Risk	0.72
Portfolio Beta	1.08
Cont. to Eff. Duration	7.15
Yield to Worst (%)	4.27
OAS to Sw ap (bp)	72

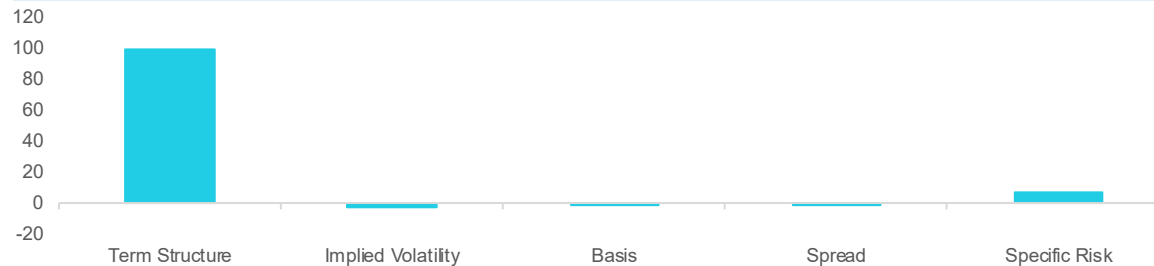
Top Countries by Weight%



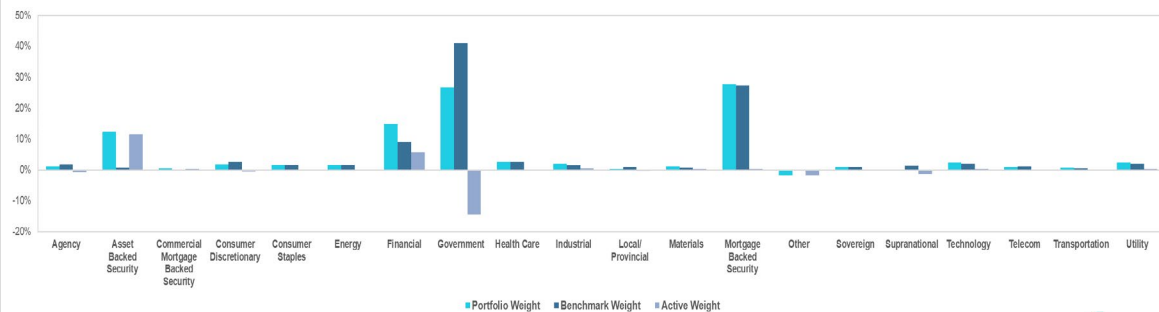
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



■ Portfolio Weight ■ Benchmark Weight ■ Active Weight

■ Portfolio Weight ■ Benchmark Weight ■ Active Weight

Risk Reduction & Mitigation

Investment Grade Bonds

Pugh Capital

for the quarter ended March 31, 2023

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	296.0	0.0
Effective Duration	6.3	6.2
Convexity	0.6	0.6
Coupon Rate	3.5	2.8
Yield to Maturity	4.4	4.2
Current Yield	3.7	3.0
Rating – Moody's	AA-3	AA-2
Rating – S & P	AA-	AA-

Top Holdings (% of assets)

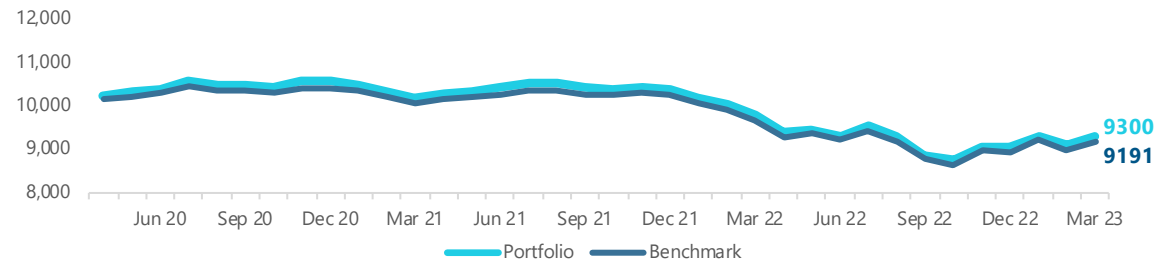
US TREASURY N/B	3.2%
US TREASURY N/B	2.8%
US TREASURY N/B	2.3%
GNMA II POOL MA8151	1.6%
FORD CREDIT AUTO OWNER TRUST/F	1.6%
Top 5 Holdings	11.4%

Performance (net)¹

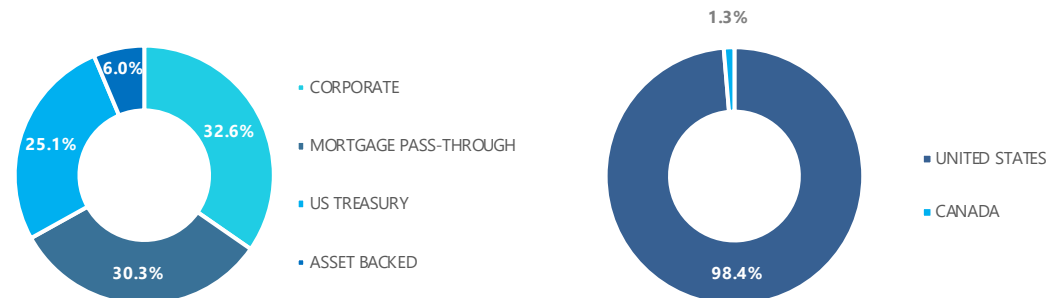
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
Pugh Capital Mgmt	860.3	3.0%	-4.8%	-2.4%	1.0%
BBG BARC Agg		3.0%	-4.8%	-2.8%	0.9%
RR & M Policy Benchmark		3.4%	-3.6%	-1.7%	--

Universe data: US Fixed Income Pools	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
Pugh Capital Mgmt	3.1%	44	-4.7%	62	-2.3%	72	1.2%	69
Median	2.9%		-3.9%		-0.2%		1.5%	

Growth of \$10,000



Top Exposures (% of assets)²



¹ Universe data is gross-of-fees.

² 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 March 31, 2023

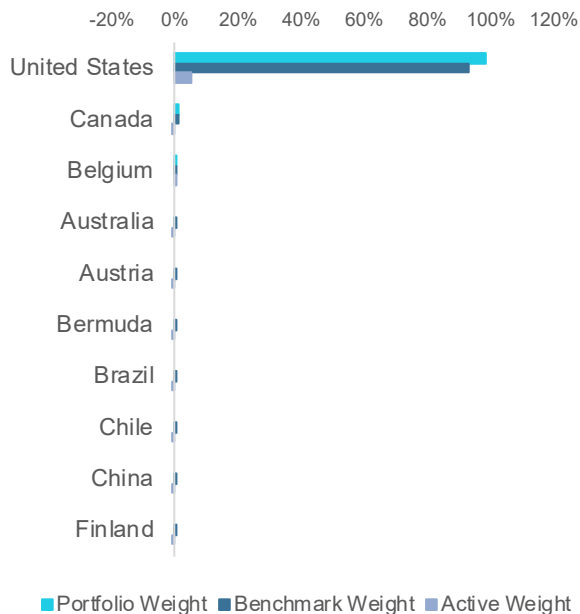


Los Angeles County Employees Retirement Association

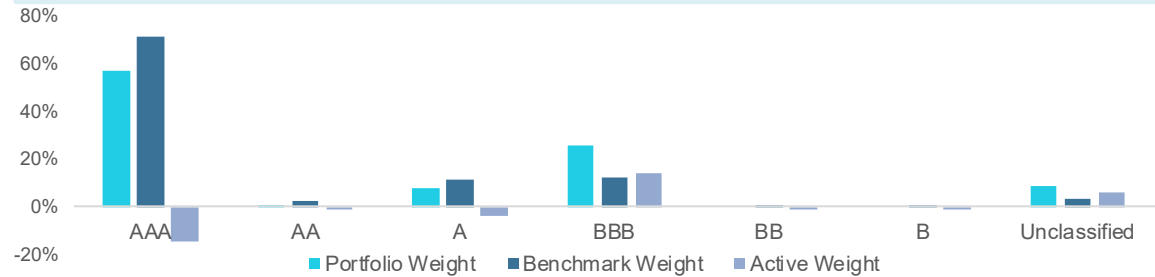
Portfolio Risk Summary

	Value
Total Risk	6.88
Benchmark Risk	6.66
Active Risk	0.45
Portfolio Beta	1.03
Cont. to Eff. Duration	6.52
Yield to Worst (%)	4.41
OAS to Swap (bp)	78

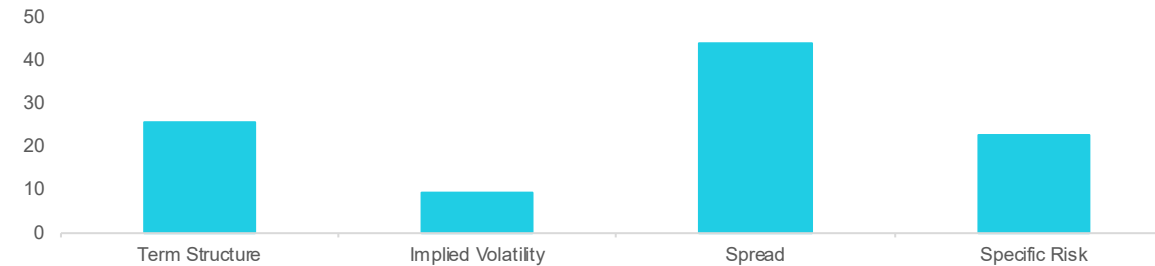
Top Countries by Weight%



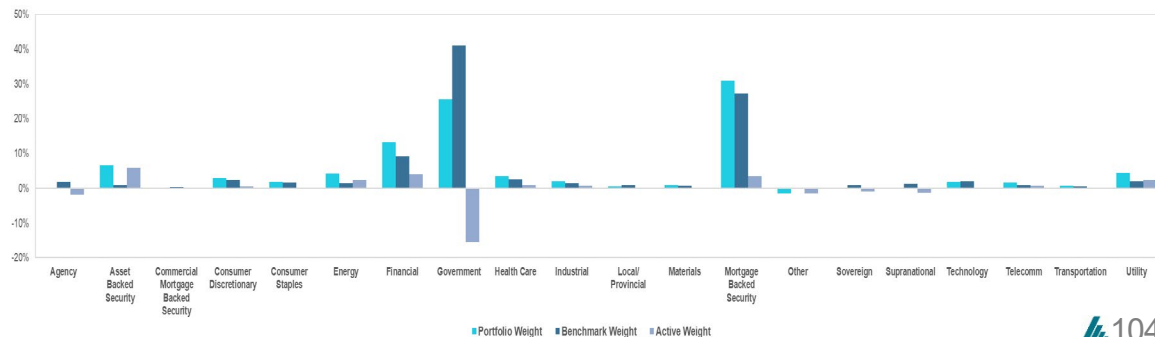
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



Risk Reduction & Mitigation

Long-term Government Bonds

BlackRock

for the quarter ended March 31, 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	16.5%
Benchmark Standard Deviation	16.5%
Sharpe Ratio	-1.21
Information Ratio	-0.20
Beta	1.00
Tracking Error	1.3%

Top Holdings (% of assets)

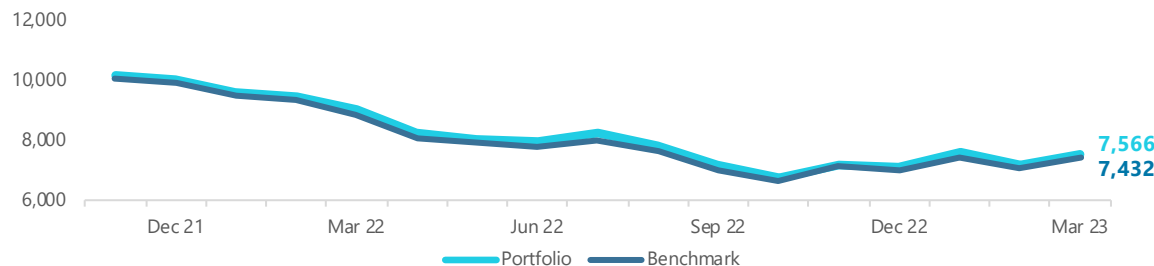
US TREASURY N/B	2.9%
US TREASURY N/B	2.8%
US TREASURY N/B	2.7%
US TREASURY N/B	2.7%
US TREASURY N/B	2.6%
Top 5 Holdings	13.3%

Performance (net)¹

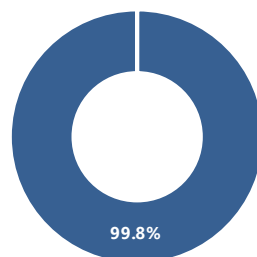
	Ending Market Value (mm)	QTD	1 Year	3 Year	5 Year
BlackRock Long Treasury Bonds	3,032.5	6.1%	-16.1%	--	--
Bloomberg U.S. Treasury: Long RR & M Policy Benchmark		6.2%	-16.0%	--	--
		3.4%	-3.6%	-1.7%	--

Universe data: US Fixed Income Pools	QTD	Rank	1 Year	Rank	3 Year	Rank	5 Year	Rank
BlackRock Long Treasury Bonds	6.2%	13	-16.1%	94	--	--	--	--
Median	2.9%		-3.9%		--	--	--	--

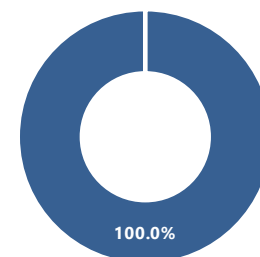
Growth of \$10,000



Top Exposures (% of assets)²



■ US TREASURY



■ UNITED STATES

¹ Universe data is gross-of-fees.

² 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 March 31, 2023

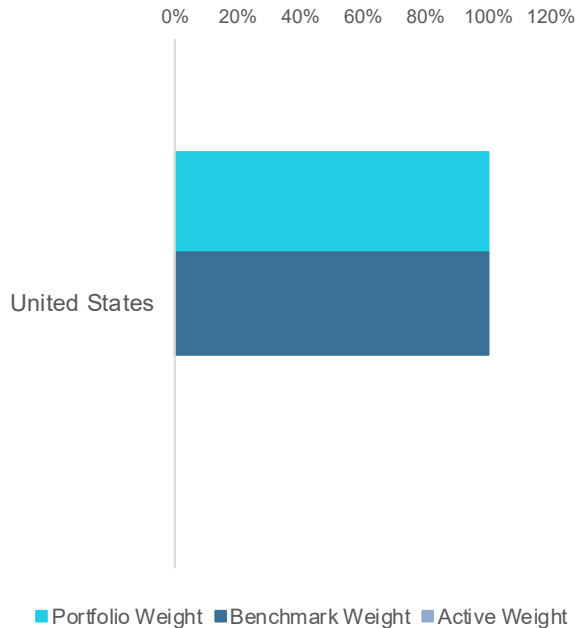


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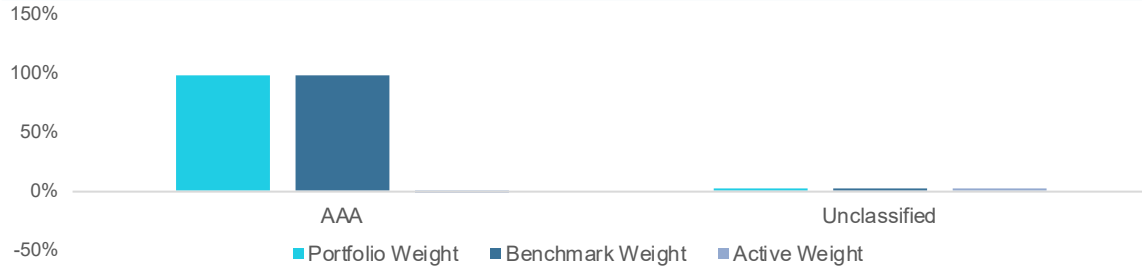
Portfolio Risk Summary

	Value
Total Risk	14.72
Benchmark Risk	14.72
Active Risk	0.03
Portfolio Beta	1.00
Cont. to Eff. Duration	16.31
Yield to Worst (%)	3.78
OAS to Sw ap (bp)	44

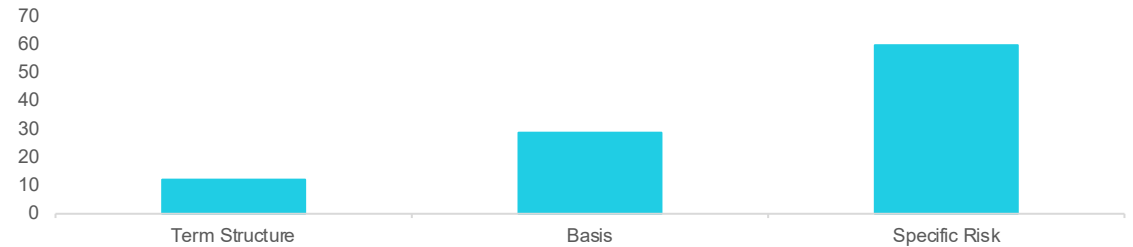
Top Countries by Weight%



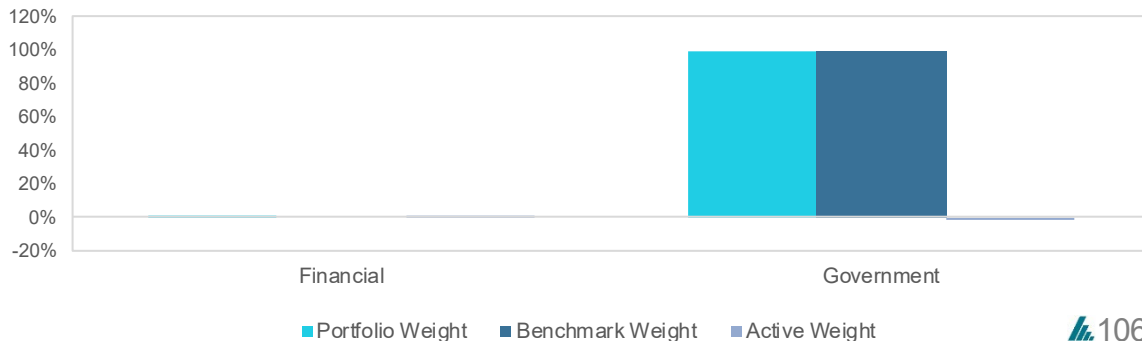
Allocation by Moody's Rating



Active Risk from Common Factors



Portfolio Risk by Bond Sector



private markets

Summary

Private Equity

for the quarter ended March 31, 2023



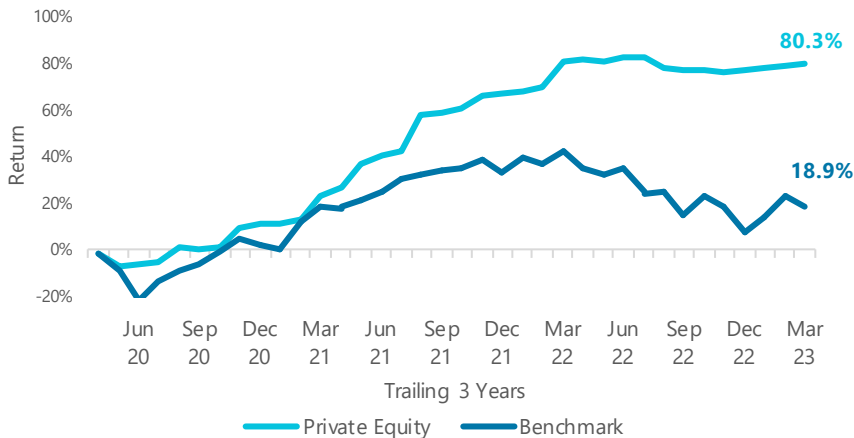
Los Angeles County Employees Retirement Association

Performance (net)



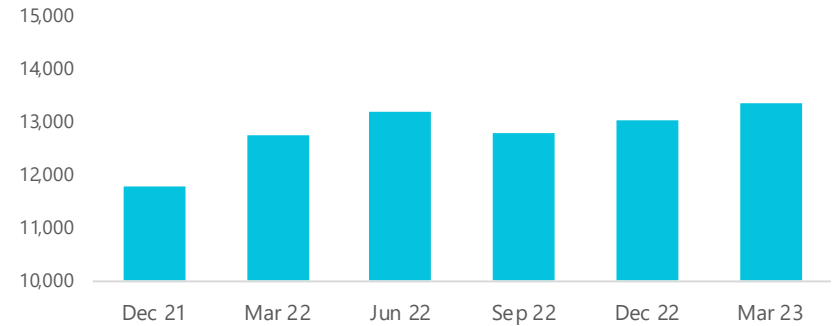
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Private Equity	1.7%	1.7%	-0.5%	21.7%	18.4%	16.8%	15.3%
Benchmark	10.3%	10.3%	-16.4%	5.9%	12.2%	12.7%	--
Excess	-8.6%	-8.6%	16.0%	15.8%	6.2%	4.1%	--

Cumulative Return

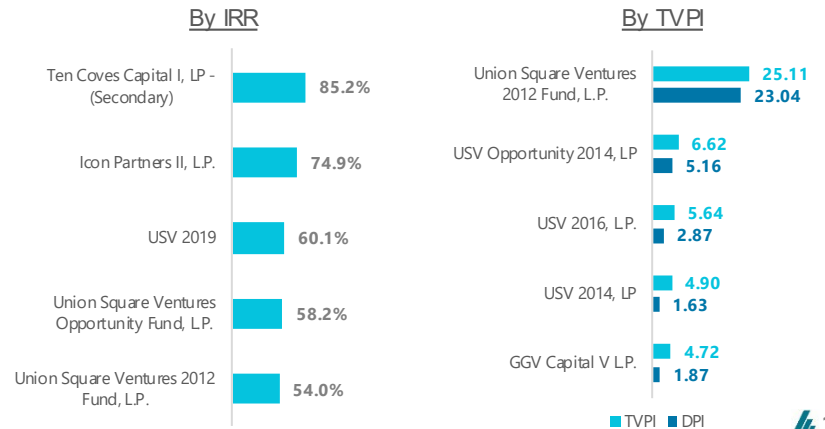


Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	13,030	12,751	6,881
Net Cash Flow	95	651	689
Gain/Loss	221	-57	5,776
Ending Market Value	13,345	13,345	13,345



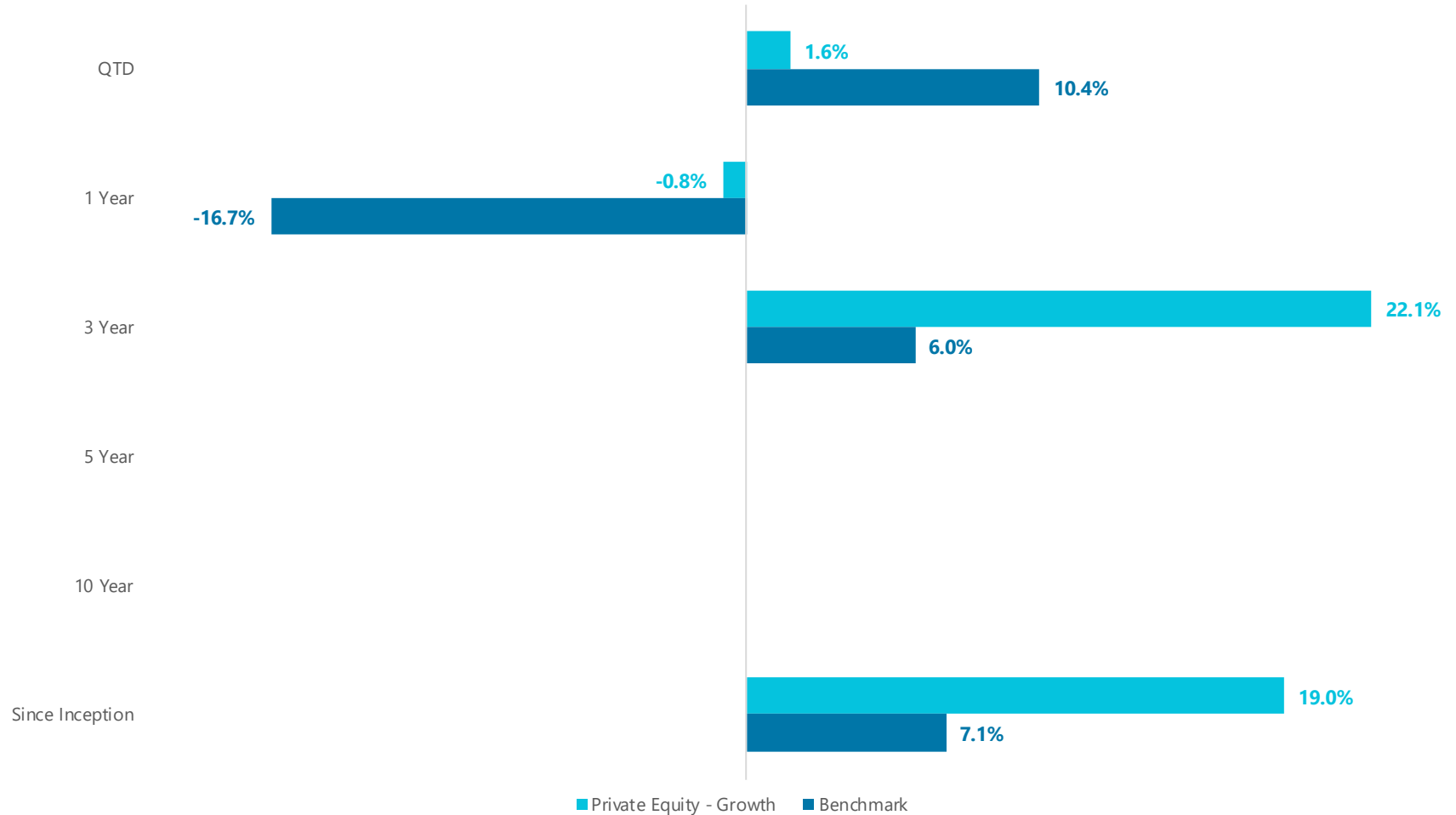
Top Performing Investments (since inception)



Historical Returns

Private Equity – Growth
for the quarter ended March 31, 2023

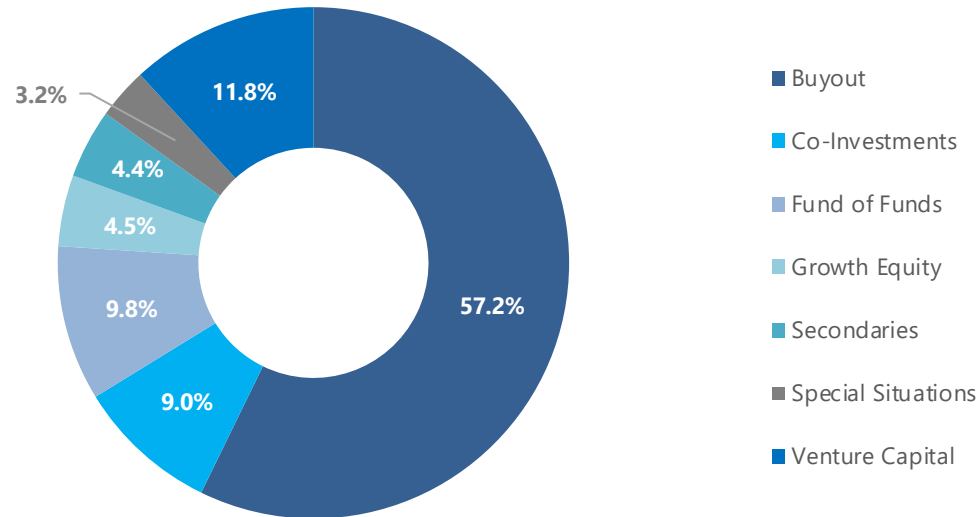
Time-Weighted Returns (net)



Performance by Strategy

Private Equity – Growth
for the quarter ended March 31, 2023

By Strategy^{1,2}



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Buyout	206	14,766.3	13,166.9	14,504.4	7,544.9	22,049.3	8,882.4	1.10x	1.67x	14.0%	1.57
Co-Investments	11	1,557.3	1,351.3	1,030.5	1,185.9	2,216.5	865.2	0.72x	1.56x	18.2%	1.42
Fund of Funds	15	1,863.6	1,344.7	1,566.5	1,293.9	2,860.4	1,515.7	1.16x	2.13x	14.4%	1.54
Growth Equity	23	1,347.1	1,143.3	1,519.5	593.6	2,113.2	969.9	1.33x	1.85x	86.9%	1.68
Secondaries	20	886.7	711.8	369.8	576.8	946.6	234.8	0.52x	1.33x	17.4%	1.29
Special Situations	22	1,172.8	1,018.6	1,073.5	426.3	1,499.8	481.2	1.05x	1.47x	9.7%	1.17
Venture Capital	107	2,253.4	1,942.6	2,611.4	1,561.3	4,172.7	2,230.1	1.34x	2.15x	21.7%	2.00
Total Private Equity - Growth	404	23,847.0	20,679.1	22,675.6	13,182.9	35,858.5	15,179.3	1.09x	1.73x	16.4%	1.69

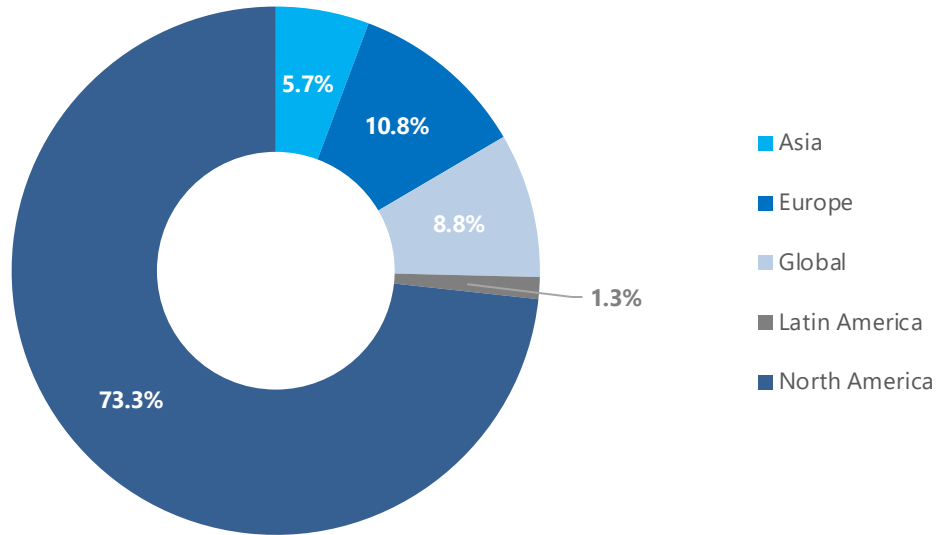
¹ Based on best available cash flow adjusted market values.

² Investment counts for Co-Investments and Fund of Funds do not include underlying funds.

Performance by Geography

Private Equity – Growth
for the quarter ended March 31, 2023

By Geography^{1,2}



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Asia	14	826.0	720.0	459.9	752.8	1,212.8	492.8	0.64x	1.68x	14.3%	1.27
Europe	36	2,741.2	2,439.2	2,362.2	1,428.5	3,790.7	1,351.5	0.97x	1.55x	15.7%	1.35
Global	27	2,162.7	1,359.6	820.1	1,164.9	1,985.0	625.4	0.60x	1.46x	15.7%	1.31
Latin America	2	200.0	188.7	52.7	176.3	229.0	40.3	0.28x	1.21x	6.9%	0.98
North America	325	17,917.2	15,971.7	18,980.7	9,660.3	28,641.0	12,669.3	1.18x	1.79x	16.4%	1.73
Total Private Equity - Growth	404	23,847.0	20,679.1	22,675.6	13,182.9	35,858.5	15,179.3	1.09x	1.73x	16.4%	1.69

¹ Based on best available cash flow adjusted market values.

² Investment counts for Co-Investments and Fund of Funds do not include underlying funds.

Performance by Vintage Year

Private Equity – Growth
for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Vintage Year^{1,2,3}

	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / Loss (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception 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	1st
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	0.6	945.9	290.7	1.44x	1.44x	7.3%	1.19	2nd
1999	21	363.1	369.7	436.6	0.1	436.6	66.9	1.18x	1.18x	3.4%	0.96	2nd
2000	25	375.3	387.3	575.0	0.2	575.2	187.9	1.48x	1.49x	8.7%	1.07	2nd
2001	15	411.1	442.6	835.5	2.4	838.0	395.4	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	309.8	339.2	701.6	0.4	701.9	362.7	2.07x	2.07x	21.3%	1.60	1st
2004	7	344.4	392.2	746.7	(1.5)	745.3	353.1	1.90x	1.90x	19.5%	1.58	1st
2005	15	505.1	506.2	1,040.0	4.5	1,044.5	538.3	2.05x	2.06x	13.4%	1.64	1st
2006	28	1,517.9	1,607.3	2,561.0	10.7	2,571.7	964.4	1.59x	1.60x	8.8%	1.25	2nd
2007	11	517.0	461.9	784.0	30.3	814.3	352.4	1.70x	1.76x	11.4%	1.20	2nd
2008	10	640.9	700.4	1,233.6	26.7	1,260.2	559.8	1.76x	1.80x	13.2%	1.21	2nd
2009	0	--	--	--	--	--	--	--	--	--	--	N/A
2010	2	450.0	472.5	702.7	277.0	979.7	507.2	1.49x	2.07x	15.8%	1.44	2nd
2011	7	391.0	414.8	803.2	153.9	957.2	542.4	1.94x	2.31x	18.4%	1.48	2nd
2012	7	435.0	582.0	1,071.5	98.4	1,170.0	588.0	1.84x	2.01x	21.7%	1.67	1st
2013	10	896.5	983.9	1,274.2	497.0	1,771.3	787.4	1.30x	1.80x	15.1%	1.31	2nd
2014	11	1,250.4	1,387.4	1,494.3	1,221.7	2,716.0	1,328.6	1.08x	1.96x	17.4%	1.44	2nd
2015	10	1,087.0	1,241.0	1,322.4	1,491.8	2,814.2	1,573.2	1.07x	2.27x	23.1%	1.72	2nd
2016	12	1,129.9	1,289.2	1,090.7	1,231.0	2,321.7	1,032.5	0.85x	1.80x	17.9%	1.35	3rd
2017	8	594.0	577.4	371.4	683.6	1,055.0	477.5	0.64x	1.83x	20.1%	1.42	3rd
2018	9	1,273.5	1,158.8	381.5	1,465.1	1,846.6	687.8	0.33x	1.59x	21.3%	1.42	3rd
2019	30	2,118.1	1,847.0	394.9	2,302.9	2,697.7	850.8	0.21x	1.46x	19.3%	1.31	3rd
2020	10	1,173.0	874.6	157.7	1,033.1	1,190.8	316.2	0.18x	1.36x	22.1%	1.37	2nd
2021	30	3,068.4	1,685.3	97.4	1,815.5	1,912.9	227.6	0.06x	1.14x	12.1%	1.17	2nd
2022	18	2,006.3	772.5	28.3	765.8	794.1	21.6	0.04x	1.03x	-2.3%	0.96	1st
2023	10	850.0	(1.2)	--	71.6	--	--	0.00x	1.00x	0.0%	0.98	N/A
Total Private Equity - Growth	404	23,847.0	20,679.1	22,675.6	13,182.9	35,858.5	15,179.3	1.09x	1.73x	16.4%	1.69	

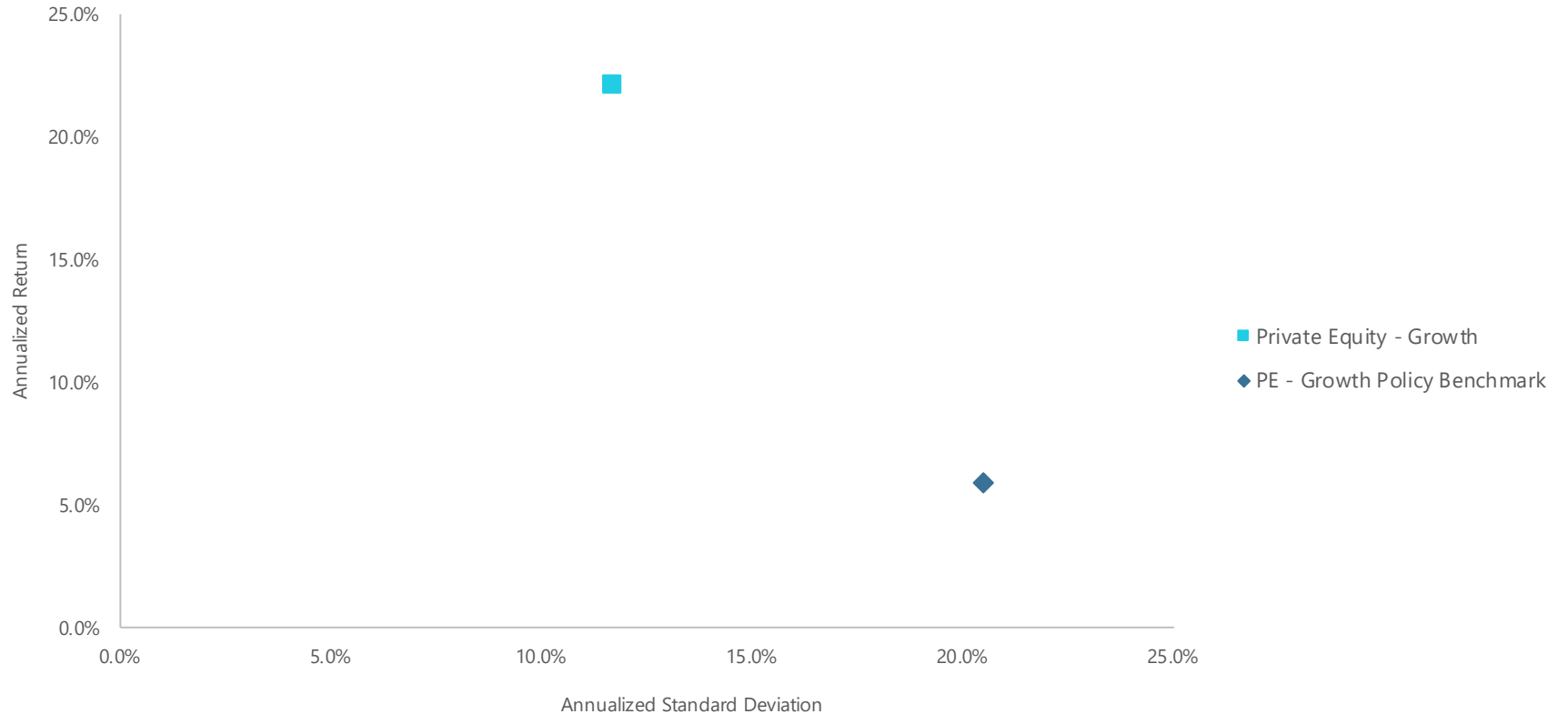
1. Based on best available cash flow adjusted market values.
2. Investment counts for Co-Investments and Fund of Funds do not include underlying funds.
3. Benchmark data used is latest available by Burgiss Private IQ. Quartile rankings are reported as not applicable (N/A) if commitment date is within 3 years of reporting date or if no commitments were made for the respective vintage year.

Risk vs. Return

Private Equity – Growth

for the quarter ended March 31, 2023

3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Private Equity - Growth	22.1%	11.7%				
PE - Growth Policy Benchmark	6.0%	20.5%	1.70	0.66	0.21	19.7%

Annual Cash Flow Activity

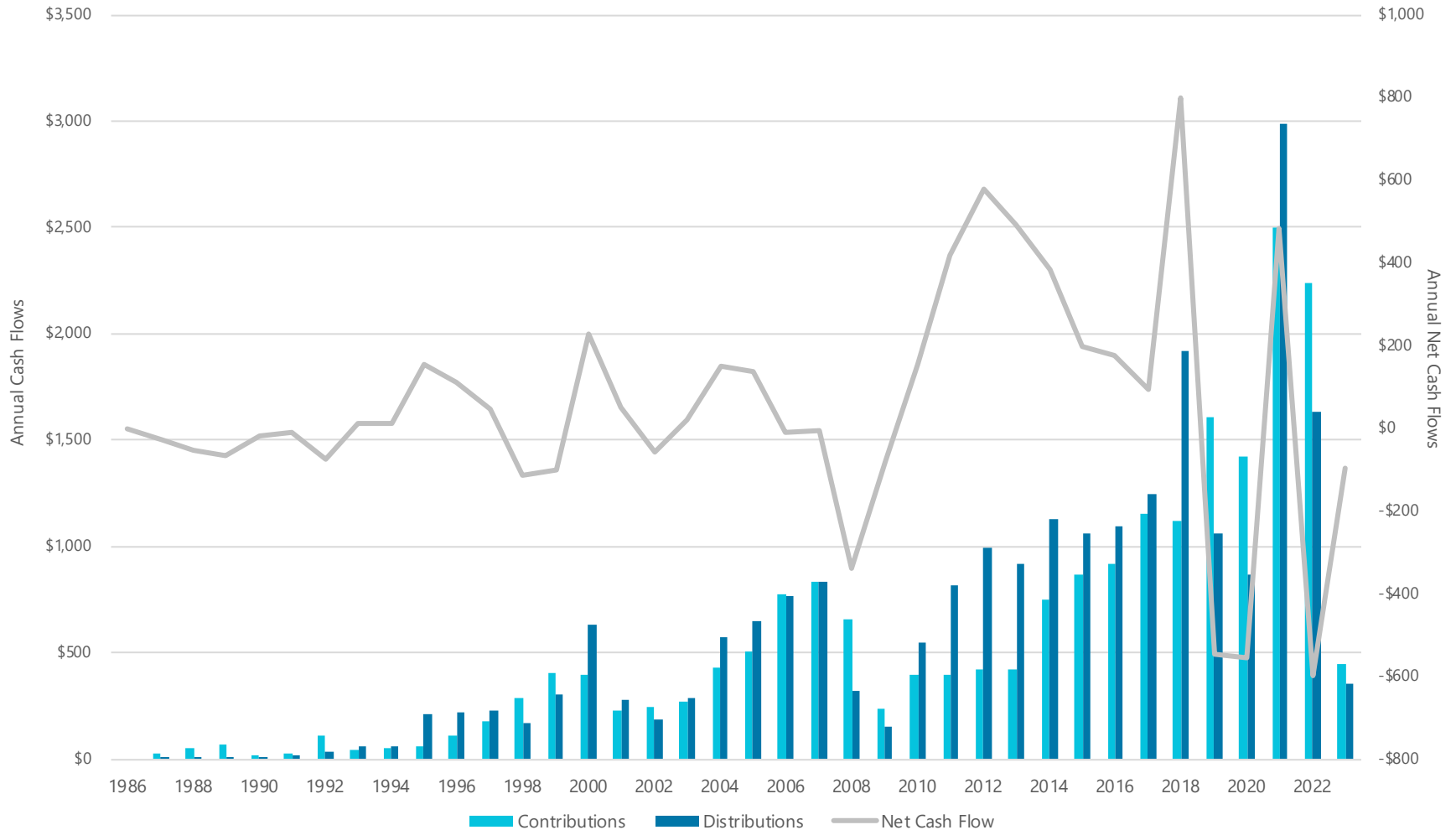
Private Equity

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Year (mm)



Summary

Real Estate

for the quarter ended March 31, 2023



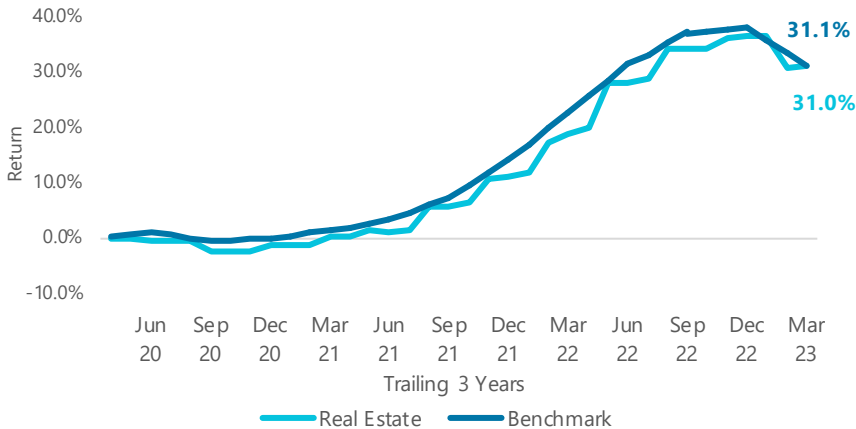
Los Angeles County Employees Retirement Association

Performance (net)



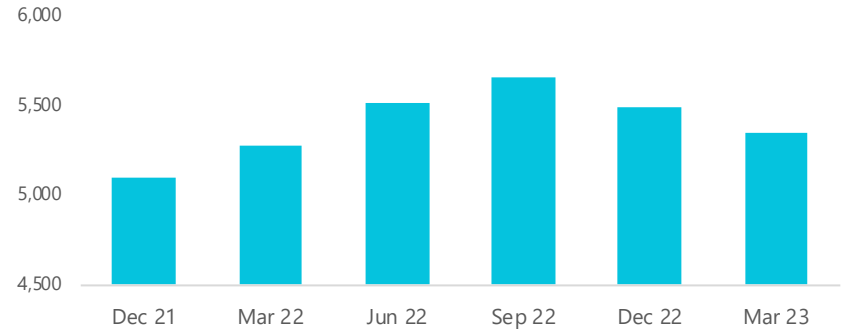
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Real Estate	-4.0%	-4.0%	10.2%	9.4%	8.3%	8.8%	8.0%
Benchmark	-4.9%	-4.9%	6.8%	9.4%	8.3%	9.5%	--
Excess	1.0%	1.0%	3.3%	0.0%	0.1%	-0.7%	--

Cumulative Return

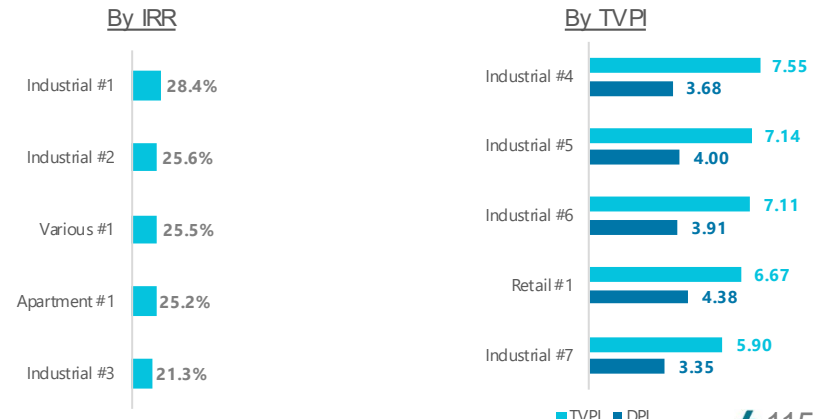


Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	5,493	5,274	6,023
Net Cash Flow	71	-462	-2,119
Gain/Loss	-219	534	1,443
Ending Market Value	5,346	5,346	5,346



Top Performing Investments (since inception)¹



¹ Property names removed due to confidentiality reasons.

■ TVPI ■ DPI

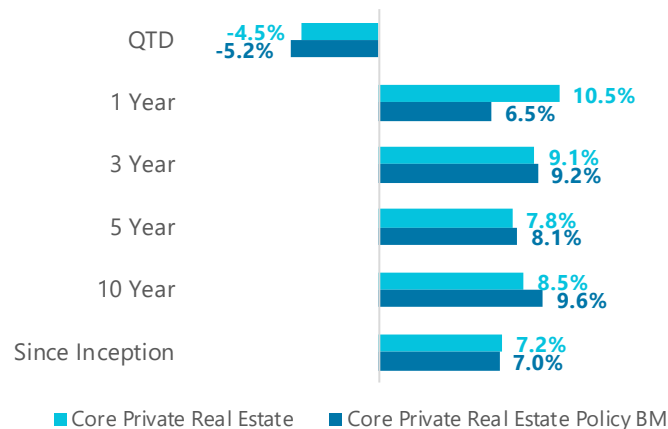
Historical Returns

Real Estate

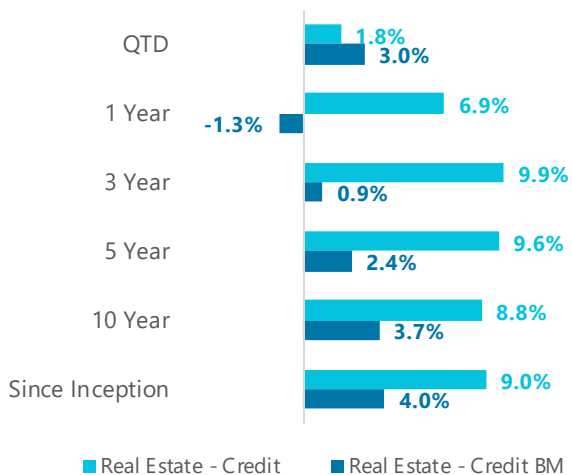
for the quarter ended March 31, 2023

Time-Weighted Returns (net)

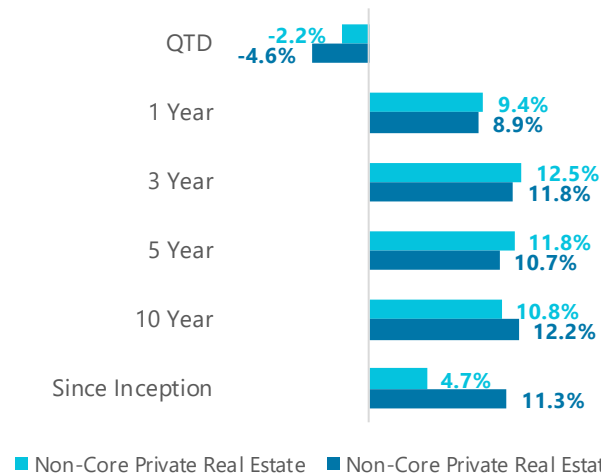
Core



Debt



Non-Core

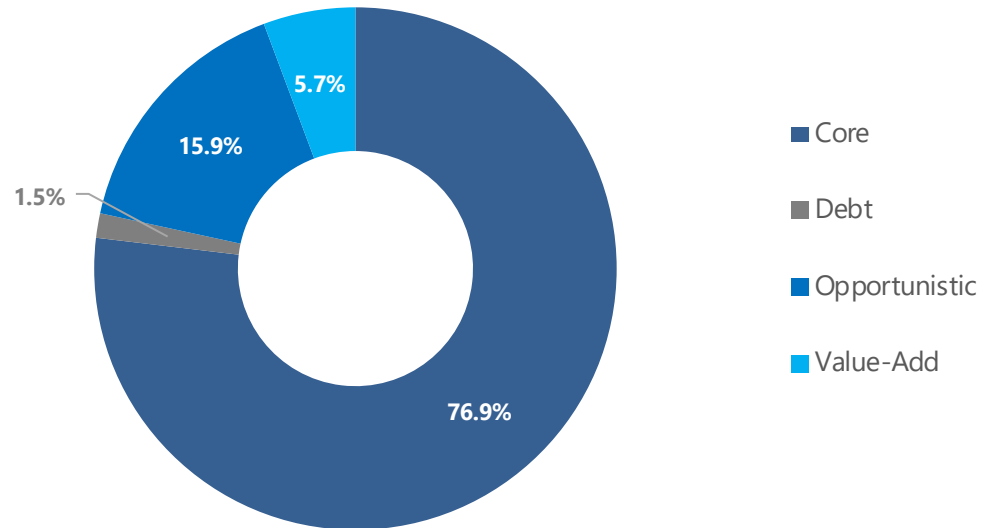


Performance by Strategy

Real Estate

for the quarter ended March 31, 2023

By Strategy^{1,2}



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Core	79	433.6	7,421.7	6,825.9	4,001.5	10,827.4	3,405.7	0.92x	1.46x	8.4%	1.15
Debt	7	0.0	158.5	121.9	78.9	200.8	42.3	0.77x	1.27x	8.9%	1.19
Opportunistic	18	1,549.4	1,234.4	785.8	827.6	1,613.4	379.0	0.64x	1.31x	6.5%	1.00
Value-Add	12	471.4	615.1	234.5	296.6	531.1	(84.0)	0.38x	0.86x	-3.4%	0.61
Total Real Estate	116	2,454.4	9,429.6	7,968.1	5,204.5	13,172.7	3,743.0	0.85x	1.40x	7.8%	1.10

¹ Based on best available cash flow adjusted market values and includes only active investments and sold assets with balance sheet residuals.

² Commitment amounts reflect only commingled fund investments.

Performance by Property Type

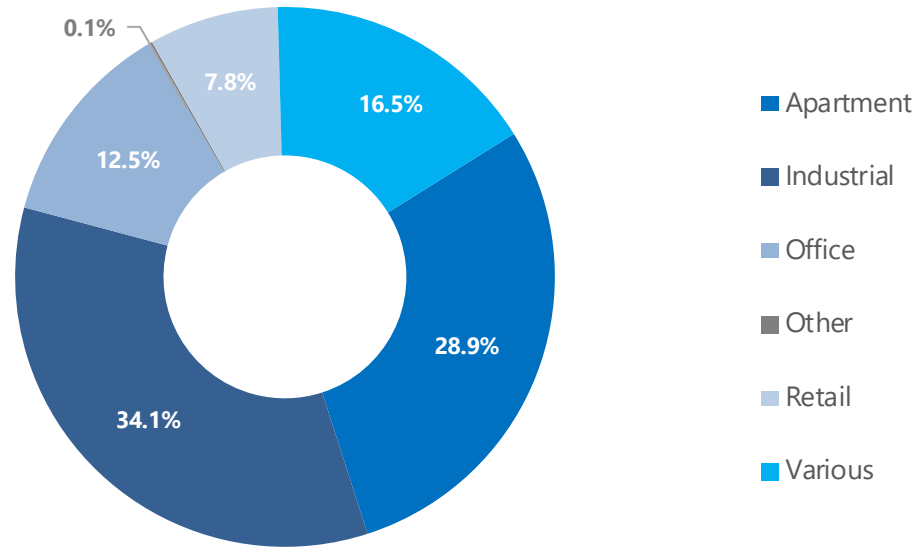
Real Estate

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Property Type^{1,2,3}



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Apartment	36	384.0	3,086.5	2,579.5	1,505.9	4,085.3	998.9	0.84x	1.32x	7.6%	1.11
Industrial	21	233.6	1,694.9	1,559.0	1,774.7	3,333.7	1,638.8	0.92x	1.97x	13.1%	1.68
Office	19	0.0	2,011.9	1,892.2	651.6	2,543.8	531.9	0.94x	1.26x	5.7%	1.06
Other	4	100.0	170.8	199.0	7.1	206.1	35.3	1.17x	1.21x	4.1%	0.76
Retail	15	0.0	1,279.9	1,274.2	404.5	1,678.8	398.9	1.00x	1.31x	6.3%	0.83
Various	21	1,736.8	1,185.7	464.2	860.7	1,325.0	139.2	0.39x	1.12x	2.6%	0.83
Total Real Estate	116	2,454.4	9,429.6	7,968.1	5,204.5	13,172.7	3,743.0	0.85x	1.40x	7.8%	1.10

¹ Based on best available cash flow adjusted market values and includes only active investments and sold assets with balance sheet residuals.

² Commitment amounts reflect only commingled fund investments.

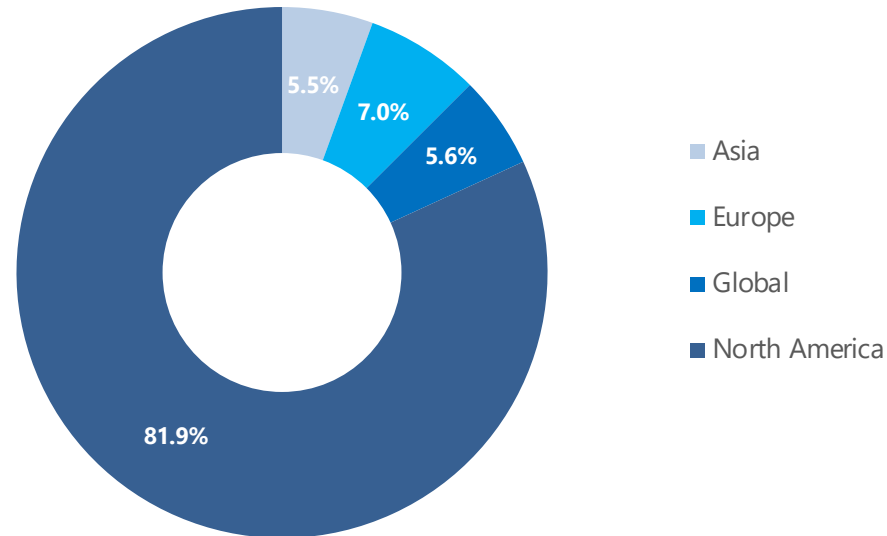
³ Various refers to commingled fund investments with more than one property type; Other refers to hotel and fund level market values for the debt program.

Performance by Geography

Real Estate

for the quarter ended March 31, 2023

By Geography (non-US)^{1,2}



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
Asia	4	300.0	307.8	119.5	288.5	408.0	100.2	0.39x	1.33x	6.2%	1.09
Europe	10	476.7	617.5	373.6	362.7	736.2	118.8	0.61x	1.19x	4.2%	0.87
Global	7	1,068.8	388.5	222.1	293.4	515.5	127.0	0.57x	1.33x	11.8%	1.10
North America	95	609.0	8,115.9	7,253.0	4,260.0	11,512.9	3,397.1	0.89x	1.42x	7.9%	1.11
Total Real Estate	116	2,454.4	9,429.6	7,968.1	5,204.5	13,172.7	3,743.0	0.85x	1.40x	7.8%	1.10

¹ Based on best available cash flow adjusted market values and includes only active investments and sold assets with balance sheet residuals.

² Commitment amounts reflect only commingled fund investments.

Performance by Geography

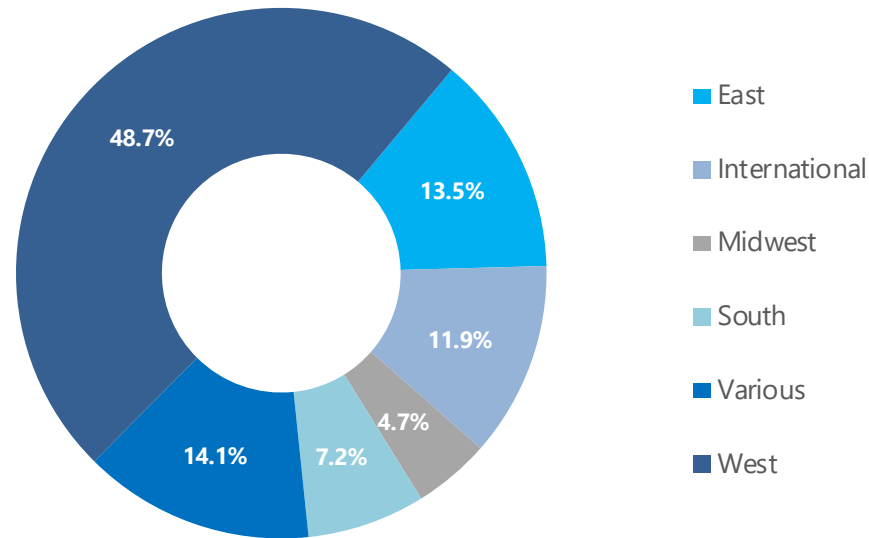
Real Estate

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Geography (US NCREIF)^{1,2}



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME
East	26	0.0	2,475.0	2,293.0	700.5	2,993.4	518.4	0.93x	1.21x	5.5%	0.88
International	13	722.4	884.9	493.1	618.9	1,112.0	227.1	0.56x	1.26x	5.1%	0.94
Midwest	10	0.0	592.4	494.5	244.2	738.6	146.2	0.83x	1.25x	4.9%	0.83
South	11	0.0	1,196.1	1,257.0	374.9	1,631.9	435.8	1.05x	1.36x	8.2%	0.99
Various	13	1,348.1	808.5	358.9	733.3	1,092.2	283.6	0.44x	1.35x	6.6%	1.01
West	43	384.0	3,472.7	3,071.7	2,532.7	5,604.4	2,131.8	0.88x	1.61x	9.4%	1.41
Total Real Estate	116	2,454.4	9,429.6	7,968.1	5,204.5	13,172.7	3,743.0	0.85x	1.40x	7.8%	1.10

¹ Based on best available cash flow adjusted market values and includes only active investments and sold assets with balance sheet residuals.

² Commitment amounts reflect only commingled fund investments.

Performance by Vintage Year

Real Estate

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Vintage Year^{1,2,3}

	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME	Quartile Ranking
1990	1	0.0	249.9	303.6	116.6	420.3	170.3	1.21x	1.68x	6.3%	4.58	N/A
1991	3	0.0	33.0	124.6	100.5	225.1	192.1	3.78x	6.83x	12.4%	13.97	N/A
1992	0	0.0	--	--	--	--	--	--	--	--	--	N/A
1993	0	0.0	--	--	--	--	--	--	--	--	--	N/A
1994	1	0.0	15.4	67.7	35.3	103.0	87.5	4.38x	6.67x	12.8%	1.44	N/A
1995	1	0.0	67.1	112.0	97.3	209.3	142.1	1.67x	3.12x	11.5%	1.22	N/A
1996	1	0.0	24.1	38.8	27.5	66.3	42.2	1.61x	2.75x	7.4%	0.78	N/A
1997	1	0.0	18.4	67.6	70.6	138.2	119.8	3.68x	7.51x	15.8%	2.10	N/A
1998	1	0.0	48.9	66.3	45.7	112.0	63.1	1.36x	2.29x	6.2%	0.69	N/A
1999	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2000	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2001	1	0.0	143.5	78.2	89.3	167.6	24.0	0.54x	1.17x	4.1%	0.72	N/A
2002	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2003	1	0.0	142.8	132.2	61.0	193.1	50.3	0.93x	1.35x	4.0%	0.69	N/A
2004	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2005	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2006	0	0.0	--	--	--	--	--	--	--	--	--	N/A
2007	3	37.4	454.6	401.9	0.9	402.8	(51.8)	0.88x	0.89x	-5.4%	0.54	3rd
2008	1	0.0	150.0	96.0	0.0	96.0	(53.9)	0.64x	0.64x	-5.7%	0.34	4th
2009	1	18.8	22.5	28.8	0.2	29.0	6.5	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	17.4	222.1	117.4	18.9	136.4	(85.8)	0.53x	0.61x	-51.7%	0.27	4th
2012	3	134.0	439.0	187.9	160.4	348.3	(90.6)	0.43x	0.79x	-5.5%	0.62	4th
2013	7	100.0	472.7	582.8	101.2	684.0	211.2	1.23x	1.45x	8.5%	1.00	3rd
2014	15	263.0	992.6	815.6	662.0	1,477.7	485.1	0.82x	1.49x	8.4%	1.16	2nd
2015	9	0.0	954.3	755.9	699.4	1,455.3	501.0	0.79x	1.53x	11.8%	1.40	2nd
2016	7	150.0	486.4	222.4	549.2	771.5	285.1	0.46x	1.59x	12.6%	1.40	2nd
2017	12	179.3	1,341.6	927.8	827.6	1,755.4	413.8	0.69x	1.31x	9.4%	1.17	3rd
2018	10	150.0	378.3	194.4	272.3	466.7	88.4	0.51x	1.23x	7.9%	1.13	3rd
2019	25	413.1	2,412.5	2,408.3	1,062.6	3,470.9	1,058.4	1.00x	1.44x	8.8%	1.03	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	181.5	74.9	2.9	80.3	83.2	8.2	0.04x	1.11x	9.9%	1.22	3rd
2022	3	710.0	116.0	1.7	119.6	121.3	5.3	0.01x	1.05x	10.1%	1.11	1st
2023	0	0.0	--	--	--	--	--	--	--	--	--	N/A
Total Real Estate	116	2,454.4	9,429.6	7,968.1	5,204.5	13,172.7	3,743.0	0.85x	1.40x	7.8%	1.10	

1. Based on best available cash flow adjusted market values.
2. Commitment amounts reflect only commingled fund investments.
3. Benchmark data used is latest available by Burgiss Private IQ. Quartile rankings exclude IMAs and Core Funds.

Leverage Exposure

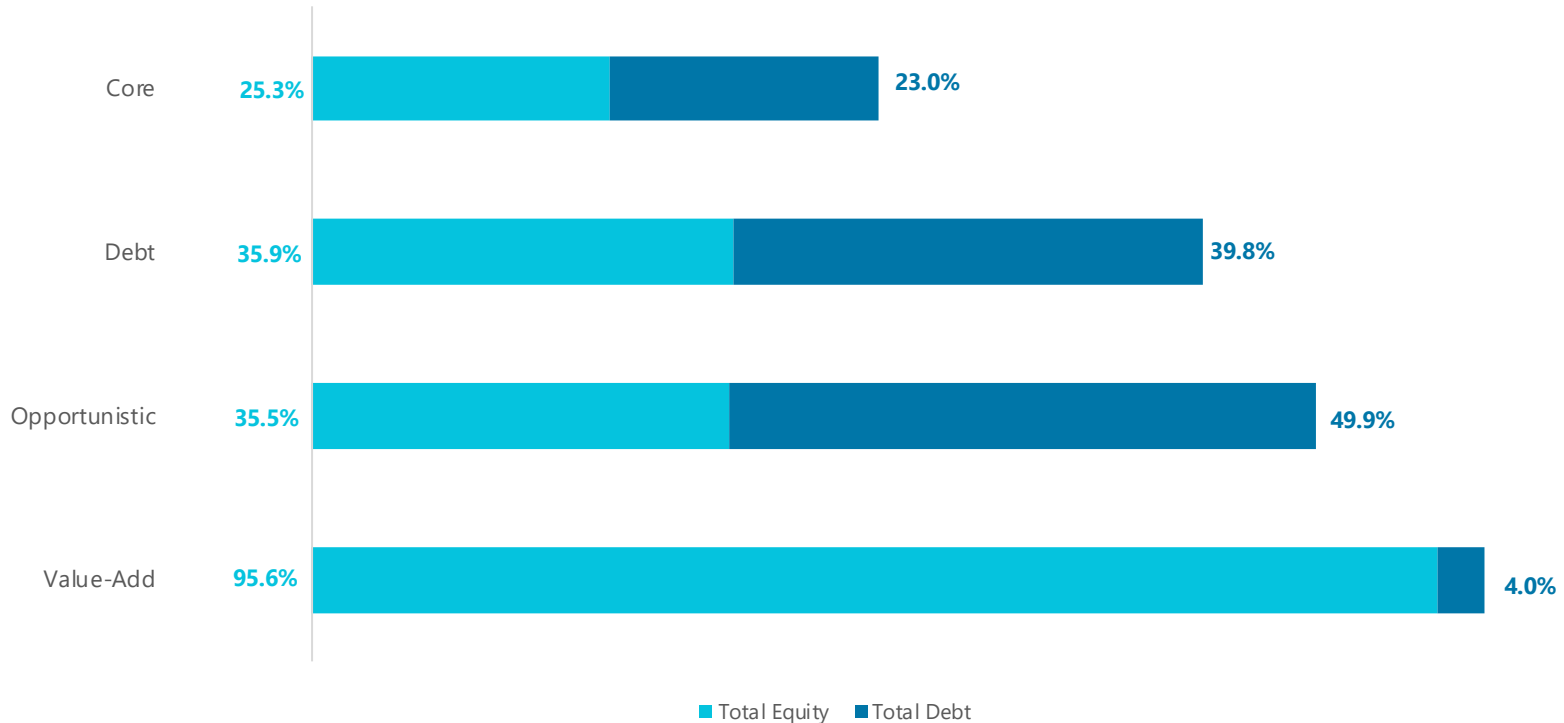
Real Estate

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Leverage Exposure^{1,2}



	Number of Investments	Commitments (mm)	Cumulative Contributions (mm)	Cumulative Distributions (mm)	Market Value (mm)	Total Value (mm)	Total Gain / (Loss) (mm)	Distributed to Paid-In	Total Value to Paid-In	Since Inception Net IRR	Since Inception PME	Total Debt-Fund Level (mm)	Total Equity-Fund Level (mm)	Total Debt-Fund Level (%)	Total Equity-Fund Level (%)
Core	79	433.6	7,421.7	6,825.9	4,001.5	10,827.4	3,405.7	0.92x	1.46x	8.4%	1.15	8,447.7	9,289.3	23.0%	25.3%
Debt	7	0.0	158.5	121.9	78.9	200.8	42.3	0.77x	1.27x	8.9%	1.19	109.3	98.5	39.8%	35.9%
Opportunistic	18	1,549.4	1,234.4	785.8	827.6	1,613.4	379.0	0.64x	1.31x	6.5%	1.00	15,525.4	11,064.6	49.9%	35.5%
Value-Add	12	471.4	615.1	234.5	296.6	531.1	(84.0)	0.38x	0.86x	-3.4%	0.61	5,888.8	142,299.4	4.0%	95.6%
Total Real Estate	116	2,454.4	9,429.6	7,968.1	5,204.5	13,172.7	3,743.0	0.85x	1.40x	7.8%	1.10	29,971.2	162,751.7	13.8%	75.0%

¹ Based on best available cash flow adjusted market values and includes only active investments and sold assets with balance sheet residuals.

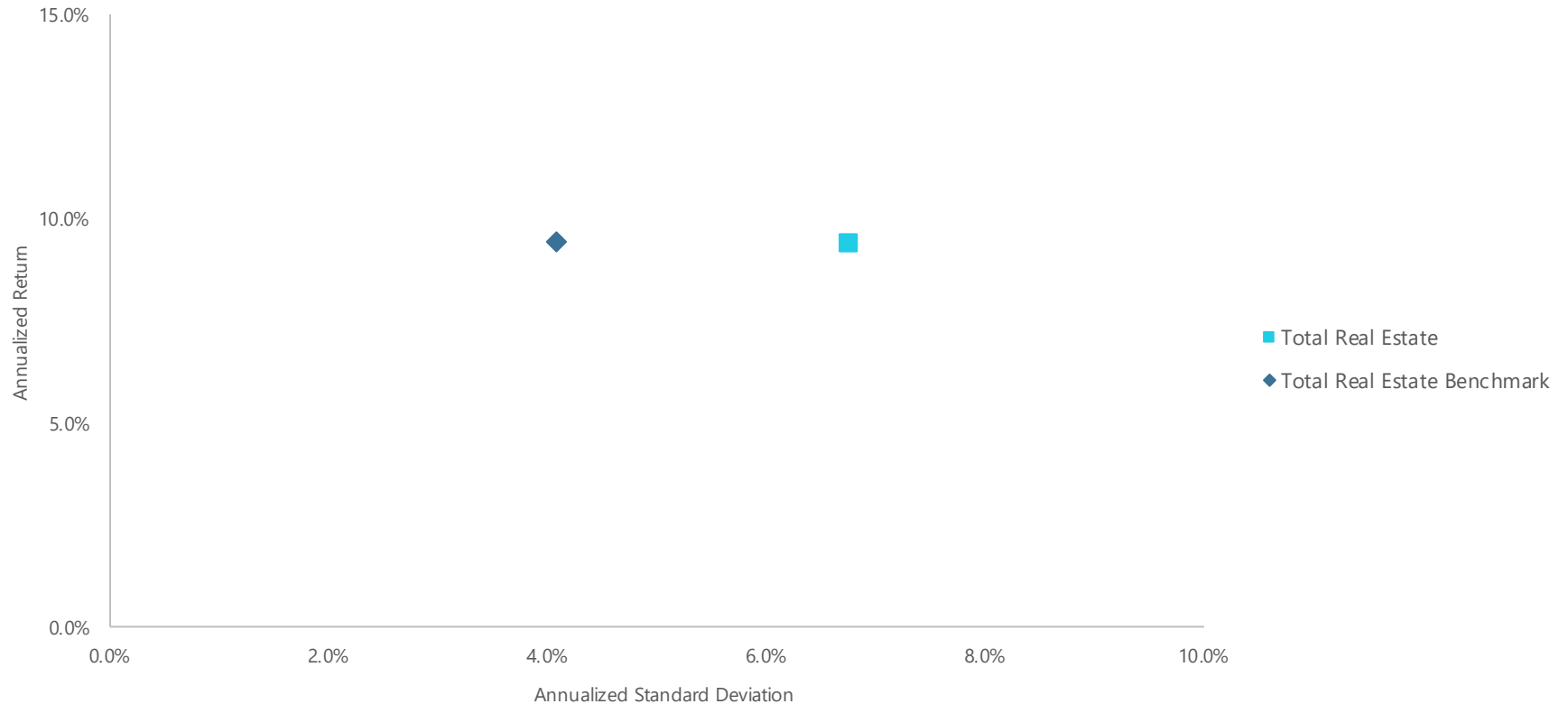
² Commitment amounts reflect only commingled fund investments.

Risk vs. Return

Real Estate

for the quarter ended March 31, 2023

3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Total Real Estate	9.4%	6.8%				
Total Real Estate Benchmark	9.4%	4.1%	1.24	(0.00)	0.92	19.4%

Annual Cash Flow Activity

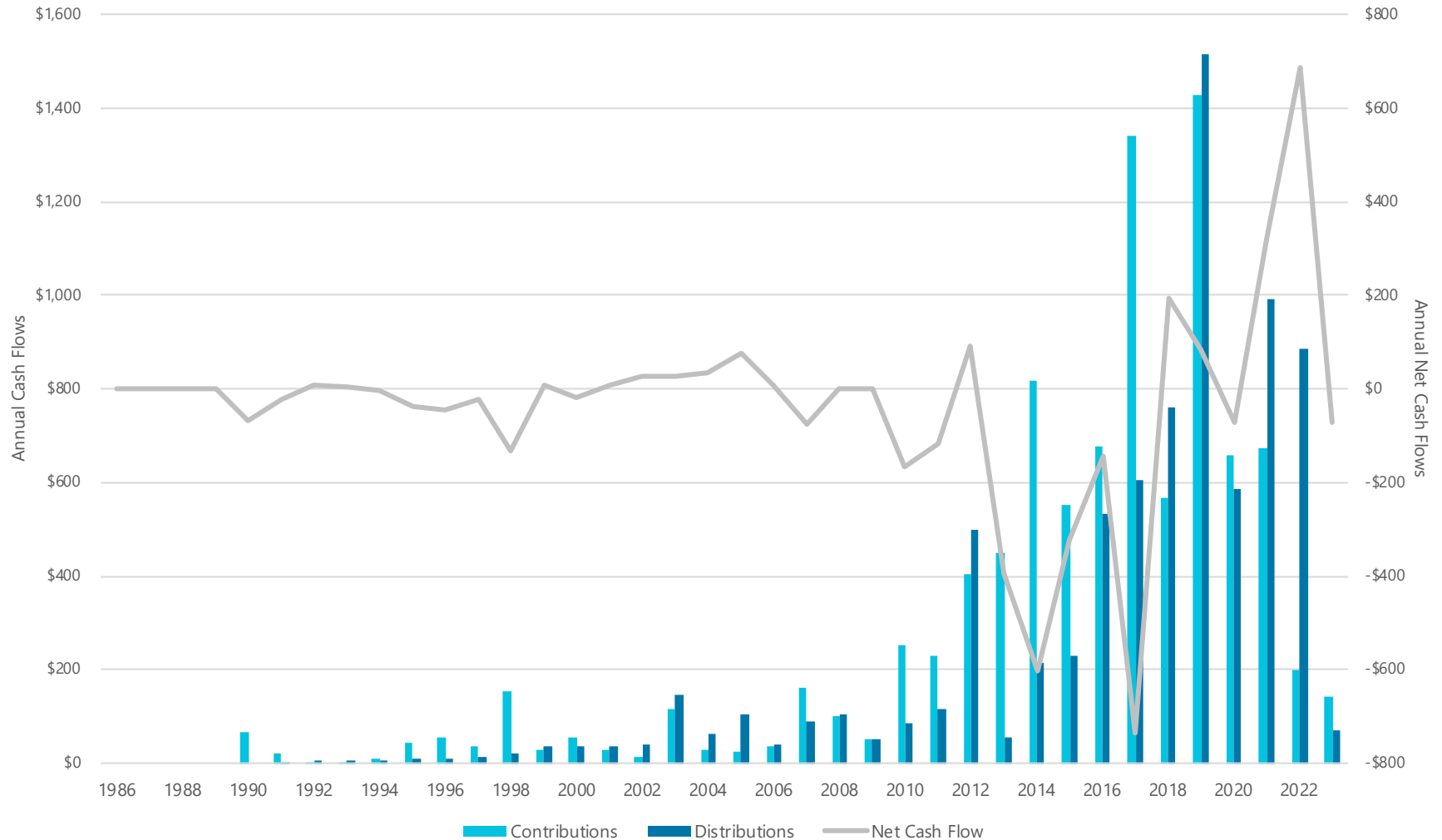
Real Estate

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Year (mm)



Summary

Private Real Assets ex. Real Estate
for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Performance (net)¹



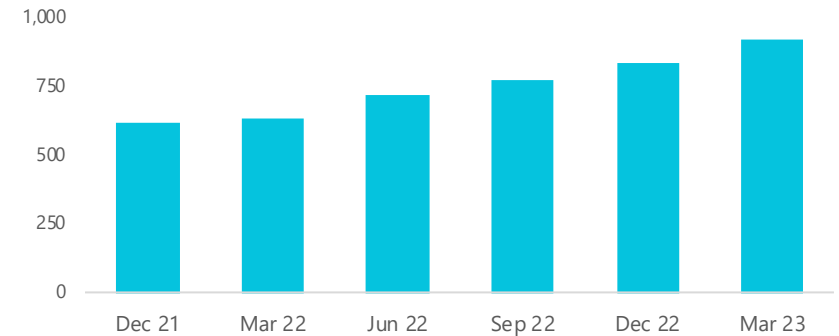
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Private Natural Resources & Commodities	6.5%	6.5%	16.7%	-1.6%	--	--	-5.9%
Benchmark	14.0%	14.0%	15.5%	16.2%	--	--	16.3%
Excess	-7.5%	-7.5%	1.2%	-17.8%	--	--	-22.2%

Cumulative Return¹

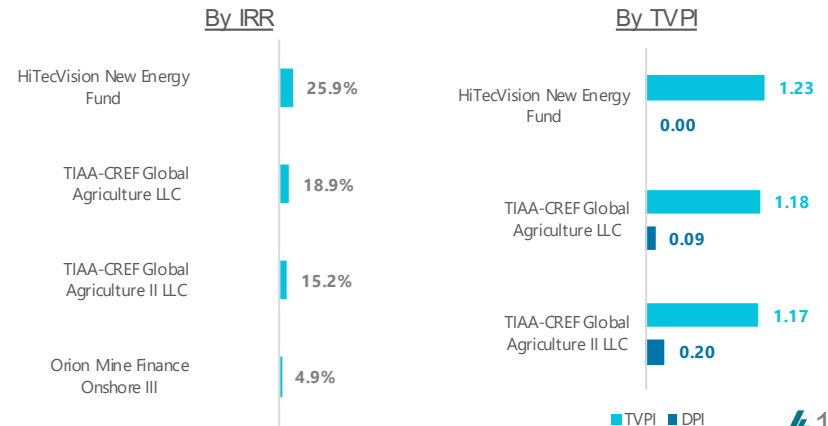


Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	839	631	94
Net Cash Flow	30	176	723
Gain/Loss	56	118.1	108.1
Ending Market Value	925	925	925



Top Performing Investments (since inception)¹



¹ Private natural resources & commodities funds reflect early-stage life cycle performance.

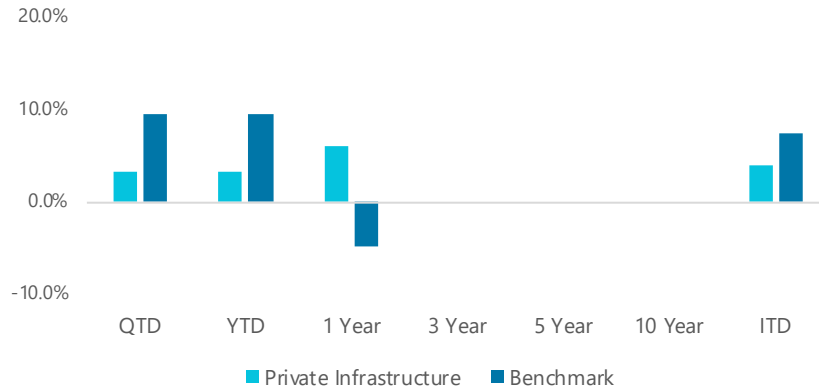
Summary

Private Real Assets ex. Real Estate
for the quarter ended March 31, 2023



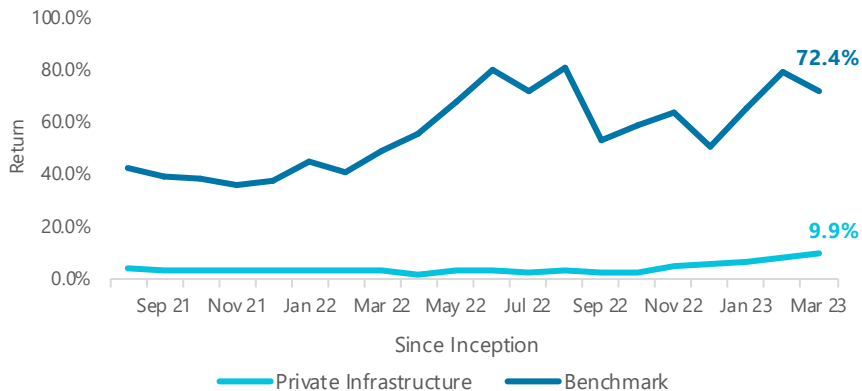
Los Angeles County Employees Retirement Association

Performance (net)¹



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Private Infrastructure	3.3%	3.3%	6.1%	--	--	--	4.0%
Benchmark	9.4%	9.4%	-4.9%	--	--	--	7.5%
Excess	-6.1%	-6.1%	11.0%	--	--	--	-3.5%

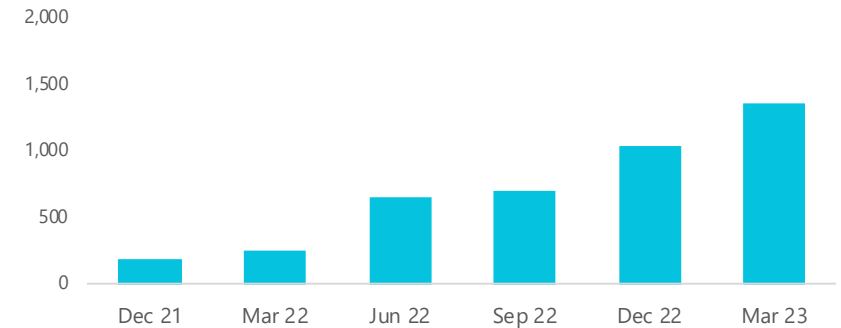
Cumulative Return¹



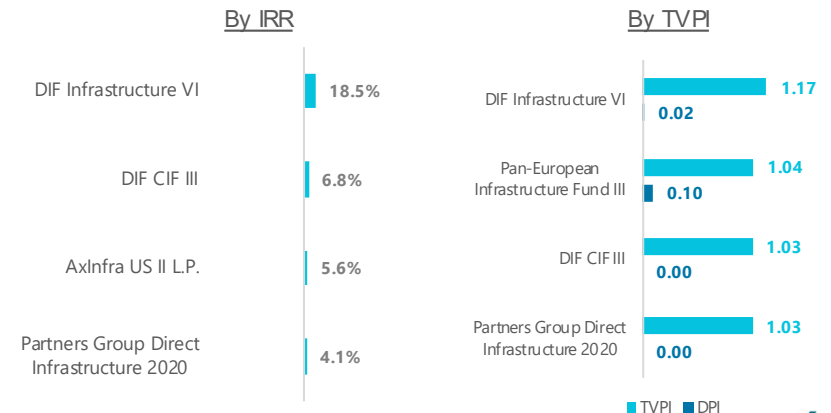
¹ Private infrastructure funds reflect early-stage life cycle performance.

Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	1,030	257	--
Net Cash Flow	292	1,037	--
Gain/Loss	42	71	--
Ending Market Value	1,365	1,365	--



Top Performing Investments (since inception)¹



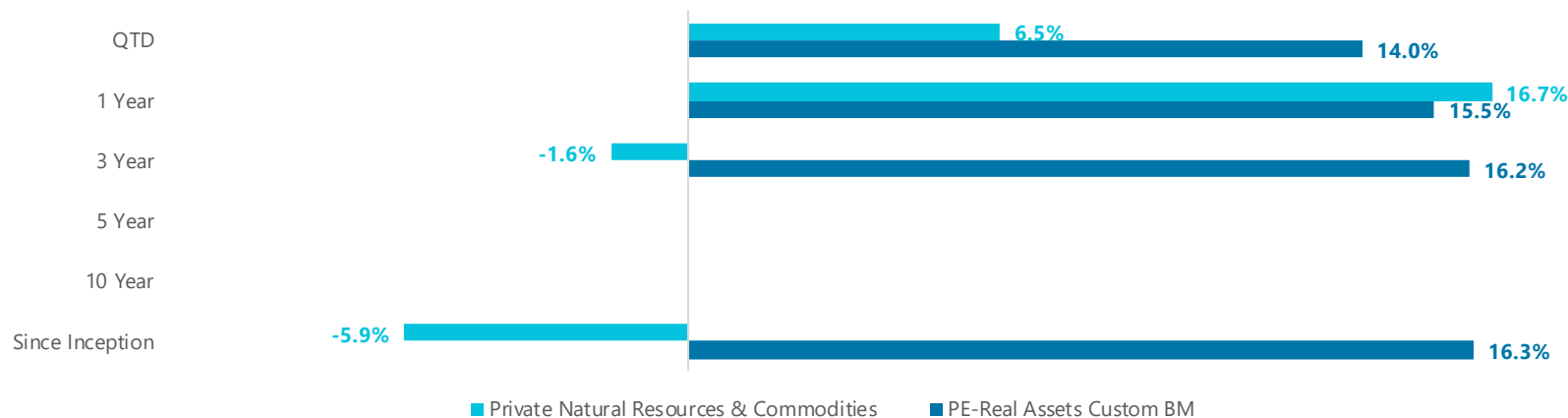
TVPI DPI

Historical Returns

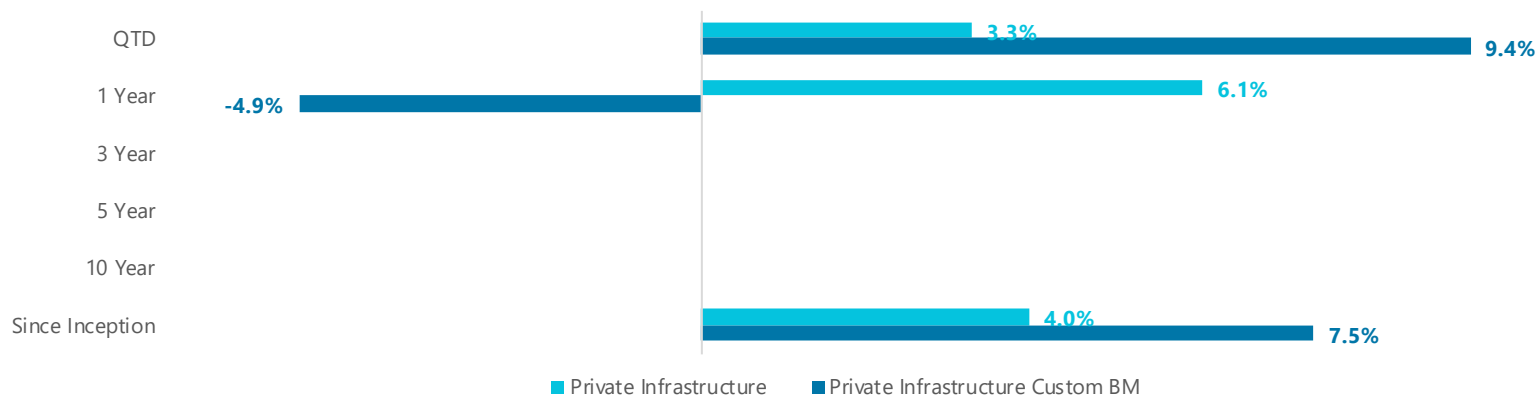
Private Real Assets ex. Real Estate
for the quarter ended March 31, 2023

Time-Weighted Returns (net)¹

Private Natural Resources & Commodities



Private Infrastructure



¹ Private natural resources and infrastructure funds reflect early-stage life cycle performance.

Performance by Strategy

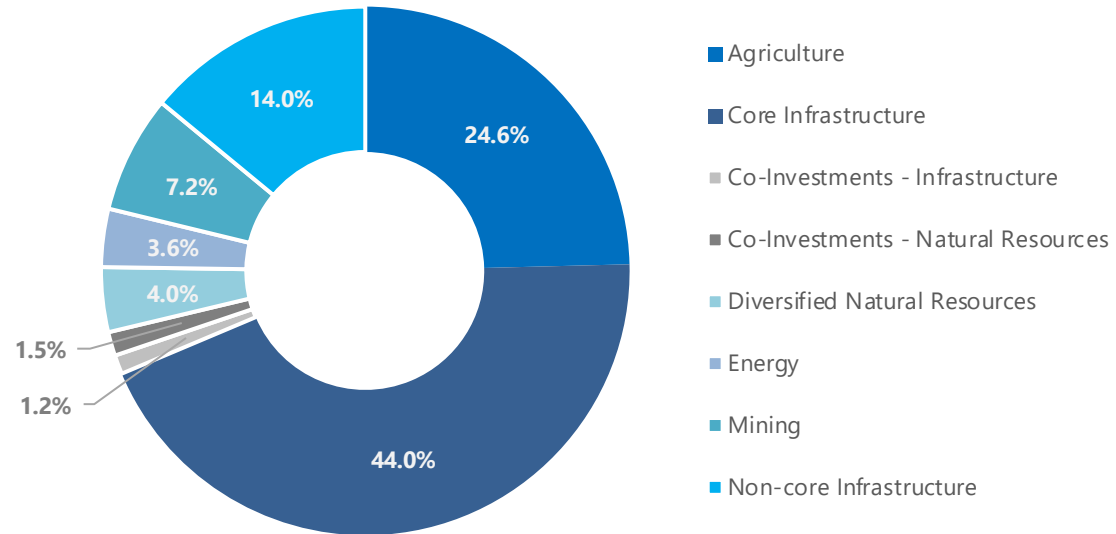
Private Real Assets ex. Real Estate

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Strategy¹



	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	650.0	561.6	80.2	572.6	652.7	91.1	0.14x	1.16x	15.8%	1.08
Core Infrastructure	4	1,060.7	993.3	21.6	1,025.2	1,046.8	53.5	0.02x	1.05x	8.5%	1.03
Co-Investments - Infrastructure	2	100.0	26.8	0.0	27.1	27.1	0.3	0.00x	1.01x	1.6%	1.04
Co-Investments - Natural Resources	2	115.1	34.0	0.0	34.0	34.0	(0.0)	0.00x	1.00x	-0.1%	0.94
Diversified Natural Resources	1	135.8	70.3	0.0	92.2	92.2	21.9	0.00x	1.31x	35.2%	1.22
Energy	2	200.0	205.3	117.7	82.8	200.5	(4.8)	0.57x	0.98x	-0.7%	0.75
Mining	2	250.0	151.2	7.7	167.3	175.1	23.8	0.05x	1.16x	13.8%	1.05
Non-core Infrastructure	6	707.8	305.5	9.1	326.3	335.4	29.9	0.03x	1.10x	8.4%	0.98
Total Private Real Assets ex. Real Estate	23	3,219.4	2,348.1	236.2	2,327.5	2,563.7	215.6	0.10x	1.09x	8.2%	1.00

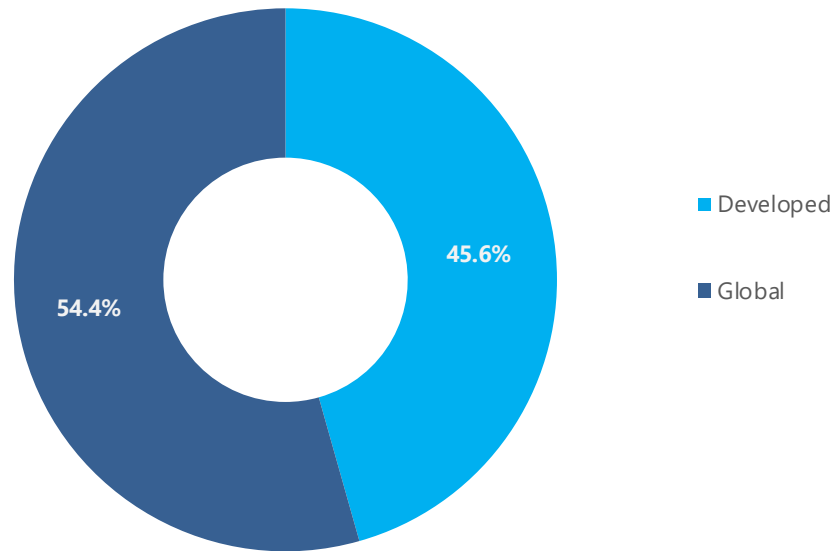
¹ Based on best available cash flow adjusted market values.

Performance by Geography

Private Real Assets ex. Real Estate

for the quarter ended March 31, 2023

By Geography¹



	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	12	1,491.2	1,149.7	194.0	1,061.7	1,255.6	105.9	0.17x	1.09x	6.5%	0.97
Global	11	1,728.1	1,198.4	42.2	1,265.9	1,308.1	109.7	0.04x	1.09x	11.5%	1.03
Total Private Real Assets ex. Real Estate	23	3,219.4	2,348.1	236.2	2,327.5	2,563.7	215.6	0.10x	1.09x	8.2%	1.00

¹ Based on best available cash flow adjusted market values.

Performance by Vintage Year

Private Real Assets ex. Real Estate

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Vintage Year¹

	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
2004	1	50.0	50.0	91.4	0.0	91.4	41.4	1.83x	1.83x	31.1%	1.40
2011	1	250.0	--	--	--	--	--	--	--	--	--
2014	2	450.0	435.4	82.4	354.6	437.0	1.6	0.19x	1.00x	0.1%	0.79
2020	3	331.6	207.8	8.7	238.2	246.9	39.1	0.04x	1.19x	12.8%	1.02
2021	6	823.9	635.9	20.8	657.4	678.2	42.3	0.03x	1.07x	8.7%	1.02
2022	7	1,113.8	716.4	8.9	752.4	761.3	44.8	0.01x	1.06x	10.5%	1.03
2023	3	200.0	45.7	0.0	46.0	46.0	0.3	0.00x	1.01x	1.4%	1.00
Total Private Real Assets ex. Real Estate	23	3,219.4	2,348.1	236.2	2,327.5	2,563.7	215.6	0.10x	1.09x	8.2%	1.00

¹ Based on best available cash flow adjusted market values.

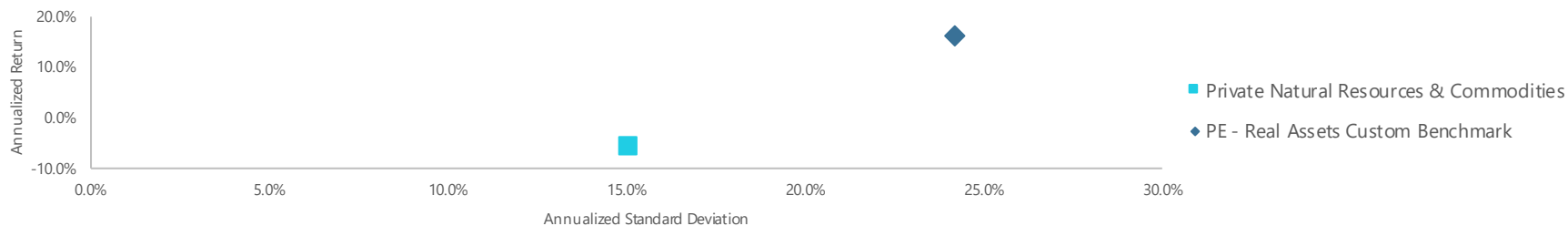
Risk vs. Return

Private Real Assets ex. Real Estate

for the quarter ended March 31, 2023

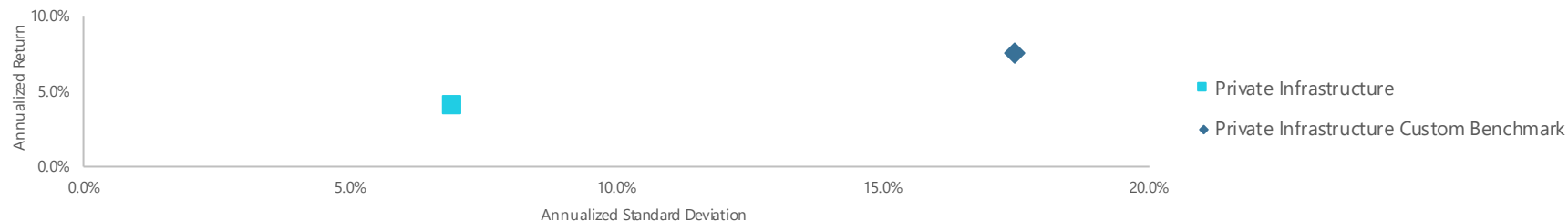
Since Inception (Annualized)

Private Natural Resources & Commodities



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Private Natural Resources & Commodities	-5.8%	15.1%				
PE - Real Assets Custom Benchmark	16.3%	24.2%	(0.40)	(0.87)	0.15	25.5%

Private Infrastructure



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Private Infrastructure	4.0%	7.0%				
Private Infrastructure Custom Benchmark	7.5%	17.5%	0.39	(0.18)	(0.04)	19.6%

Annual Cash Flow Activity

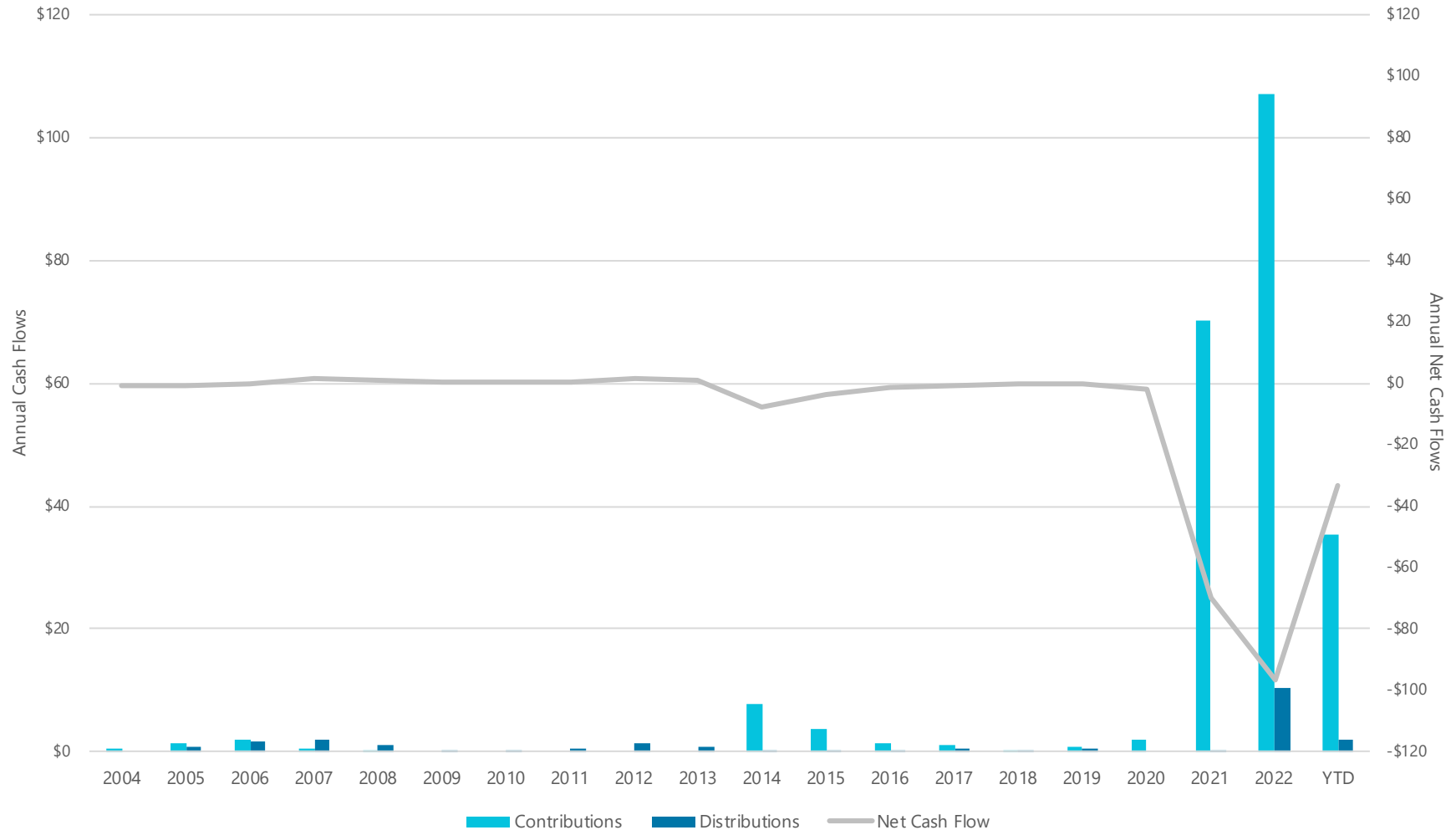
Private Real Assets ex. Real Estate

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Year (mm)



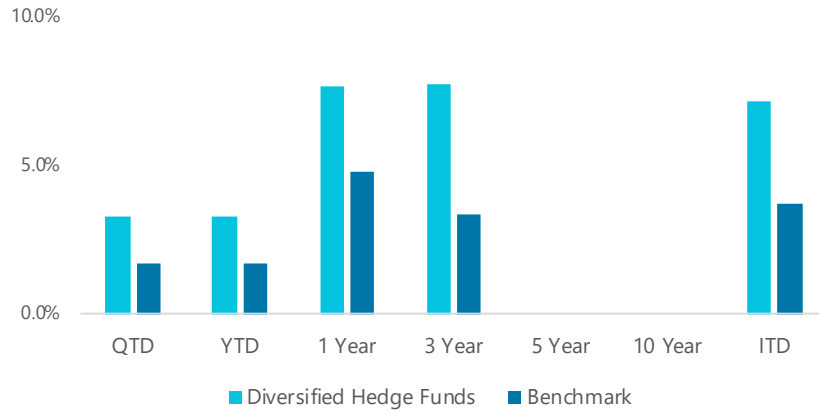
Summary

Diversified Hedge Funds
for the quarter ended March 31, 2023



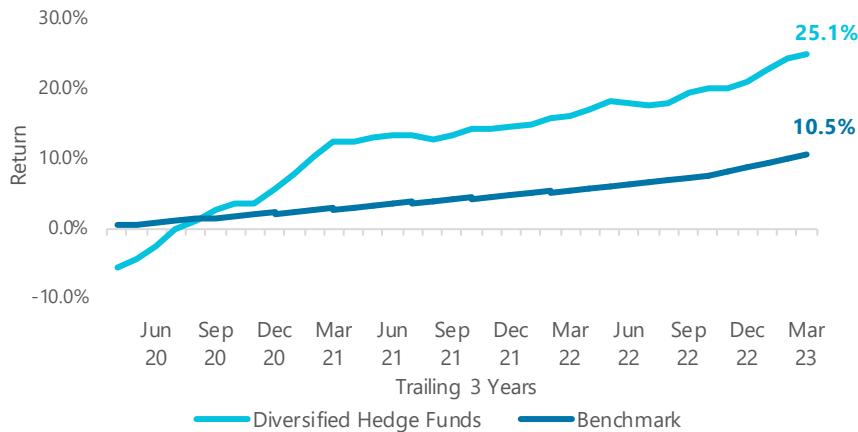
Los Angeles County Employees Retirement Association

Performance (net)



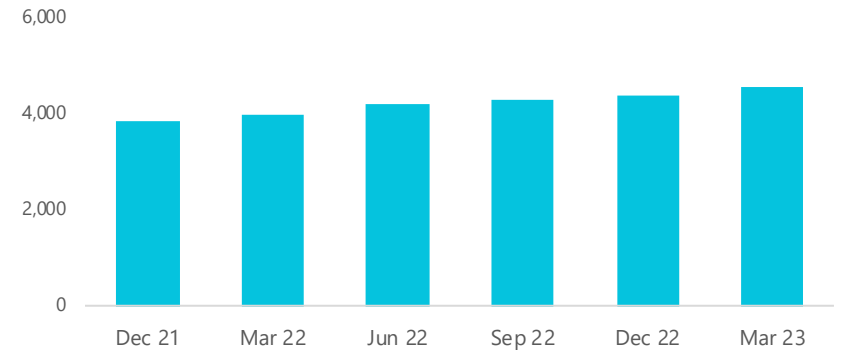
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
Diversified Hedge Funds	3.3%	3.3%	7.7%	7.7%	--	--	7.1%
Benchmark	1.7%	1.7%	4.8%	3.4%	--	--	3.7%
Excess	1.6%	1.6%	2.9%	4.4%	--	--	3.4%

Cumulative Return

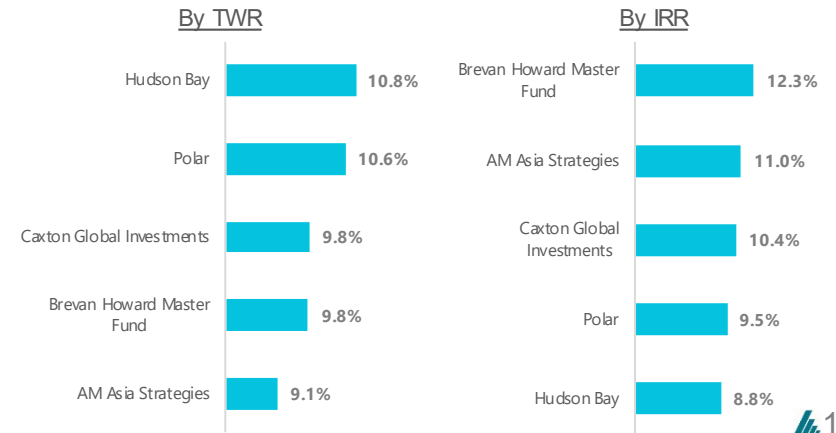


Asset Growth (mm)

	QTD	1 Year	3 Year
Beginning Market Value	4,402	4,001	1,334
Net Cash Flow	-4	221	2,527
Gain/Loss	145	321	682
Ending Market Value	4,543	4,543	4,543



Top Performing Investments (since inception)

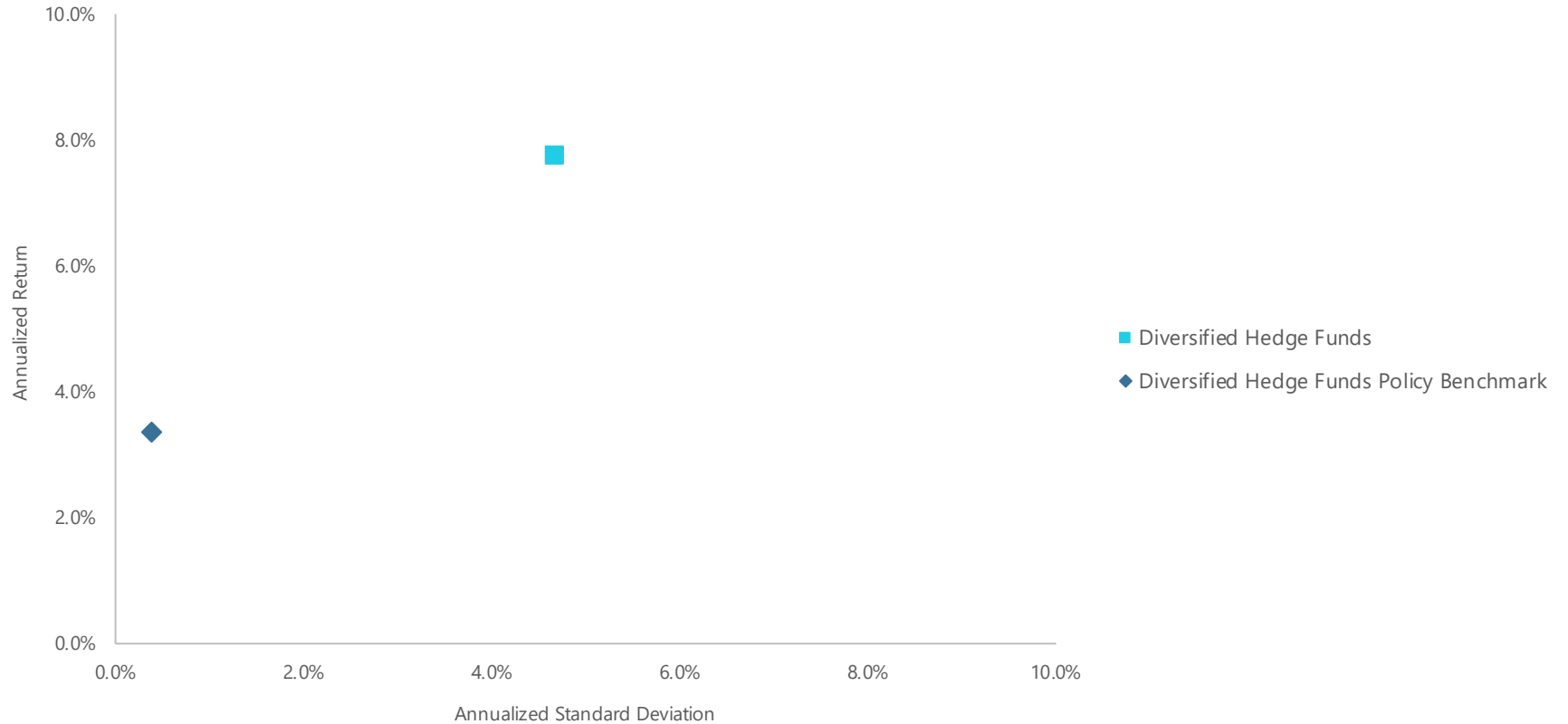


Risk vs. Return

Diversified Hedge Funds

for the quarter ended March 31, 2023

3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
Diversified Hedge Funds	7.7%	4.7%				
Diversified Hedge Funds Policy Benchmark	3.4%	0.4%	1.43	0.90	(10.55)	4.7%

Performance Detail

Diversified Hedge Funds
for the quarter ended March 31, 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
Diversified Hedge Funds	100.0%	4,543	4,402	3.3%	3.3%	7.7%	7.7%	--	--	7.1%	Apr-2019
Diversified Hedge Funds Policy Benchmark				1.7%	1.7%	4.8%	3.4%	--	--	3.7%	
LACERA HF Direct	90.9%	4,132	3,987	3.6%	3.6%	8.5%	8.1%	--	--	5.6%	May-2018
Custom Hedge Fund Benchmark				1.7%	1.7%	4.8%	3.4%	--	--	4.3%	
AM Asia Strategies	5.8%	263	217	21.2%	21.2%	14.9%	--	--	--	9.1%	Jun-2021
Brevan Howard Master Fund	14.7%	669	650	2.9%	2.9%	18.3%	--	--	--	9.8%	Apr-2021
Capula GRV	14.6%	663	642	3.2%	3.2%	12.0%	6.8%	--	--	7.0%	Dec-2018
Caxton Global Investments	6.6%	302	297	1.8%	1.8%	10.5%	--	--	--	9.8%	Feb-2021
DK Institutional Partners	11.0%	500	486	2.9%	2.9%	1.0%	5.6%	--	--	5.0%	May-2018
HBK Multi-strategy	12.9%	585	578	1.3%	1.3%	5.0%	6.9%	--	--	5.5%	Jun-2018
Hudson Bay	14.7%	669	650	2.8%	2.8%	6.0%	--	--	--	10.8%	Jul-2020
Polar	10.6%	481	467	2.9%	2.9%	3.6%	--	--	--	10.6%	May-2020
HF Emerging Managers Program	8.5%	385	384	0.2%	0.2%	1.0%	--	--	--	-0.1%	Aug-2021
Custom Hedge Fund Benchmark				1.7%	1.7%	4.8%	--	--	--	3.9%	
Stable Asset Management	8.5%	385	384	0.2%	0.2%	1.0%	--	--	--	-0.1%	Aug-2021
Stable Fund Investments	8.5%	385	384	0.2%	0.2%	1.0%	--	--	--	0.0%	Aug-2021
Amundsen	1.4%	62	63	-2.1%	-2.1%	-1.1%	--	--	--	-3.2%	Sep-2021
Clear Sky	1.9%	87	92	-5.0%	-5.0%	-2.5%	--	--	--	-2.5%	Apr-2022
Linear B	1.6%	71	70	0.9%	0.9%	8.2%	--	--	--	5.8%	Aug-2021
Quarry	1.8%	81	82	-1.1%	-1.1%	--	--	--	--	-1.7%	Sep-2022
Sparta	1.2%	53	48	12.4%	12.4%	5.3%	--	--	--	4.3%	Sep-2021
Trutino	0.7%	30	29	3.1%	3.1%	4.6%	--	--	--	0.6%	Aug-2021

emerging manager program

Emerging Manager Program

for the quarter ended March 31, 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
Growth								
Global Equity								
Cornercap	80.0	-0.7%	-6.6%	24.7%	--	6.7%	6.7%	Oct-2018
Global Equity Policy Benchmark		6.9%	-7.7%	15.6%	--	7.8%	7.8%	
Private Equity								
J.P. Morgan Emerging Managers Program	86.7	0.0%	8.5%	38.4%	24.8%	26.6%	22.8%	Jan-2010
J.P. Morgan Emerging Managers Program II	77.6	0.3%	-11.4%	27.3%	13.3%	28.2%	36.7%	Apr-2014
J.P. Morgan Emerging Managers Program III	103.6	0.1%	-0.6%	36.4%	29.2%	29.5%	33.2%	Jan-2017
J.P. Morgan Emerging Managers Program IV	217.4	0.7%	6.9%	23.8%	--	19.0%	17.1%	Nov-2018
Total Private Equity Custom Benchmark		10.3%	-16.4%	5.9%	12.2%	13.5%	13.5%	
Non-Core Private Real Estate								
Cityview Bay Area Fund II	77.0	0.0%	-3.9%	3.7%	3.3%	--	10.5%	Oct-2012
Cityview Western Fund I, L.P	210.2	0.2%	16.1%	14.6%	16.5%	-48.9%	13.5%	Jun-2016
CVBAF II Union City Co-Invest	21.5	0.2%	-9.3%	2.9%	-1.6%	3.8%	4.3%	Nov-2015
Non-Core Private RE Policy Benchmark		-4.6%	8.9%	11.8%	10.7%	11.3%	11.3%	
Credit								
Illiquid Credit								
Stable Asset Management - IC	48.7	0.4%	--	--	--	0.4%	1.0%	Nov-2022
Illiquid Credit Policy Benchmark		3.0%	--	--	--	10.1%	10.1%	
Real Assets & Inflation Hedges								
Core Private Real Estate								
Cityview Core I.M.A	202.7	0.1%	-3.9%	1.3%	4.6%	4.7%	4.9%	Jun-2014
Core Private RE Policy Benchmark		-5.2%	6.5%	9.2%	8.1%	7.0%	7.0%	
Risk Reduction & Mitigation								
Hedge Funds								
Stable Asset Management	384.9	0.2%	1.0%	--	--	-0.1%	0.5%	Aug-2021
Custom Hedge Fund Benchmark		1.7%	4.8%	--	--	3.9%	3.9%	

risk reports

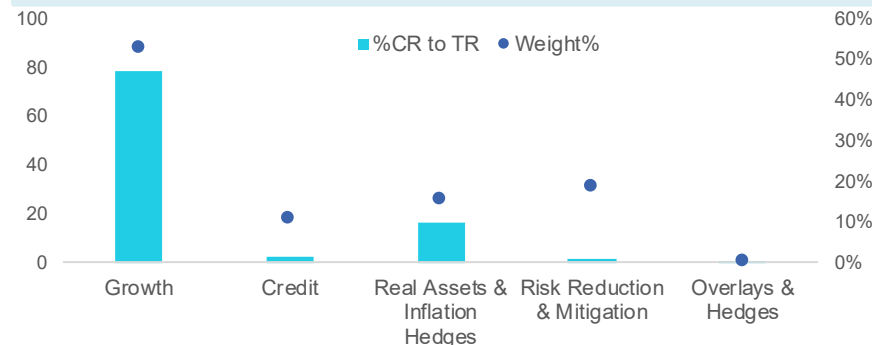
Summary

for the quarter ended March 31, 2023

Risk Summary

	Value
Total Risk	13.78
Benchmark Risk	13.14
Active Risk	1.27
Portfolio Beta	1.04
Effective Duration	1.65

Contribution to Risk

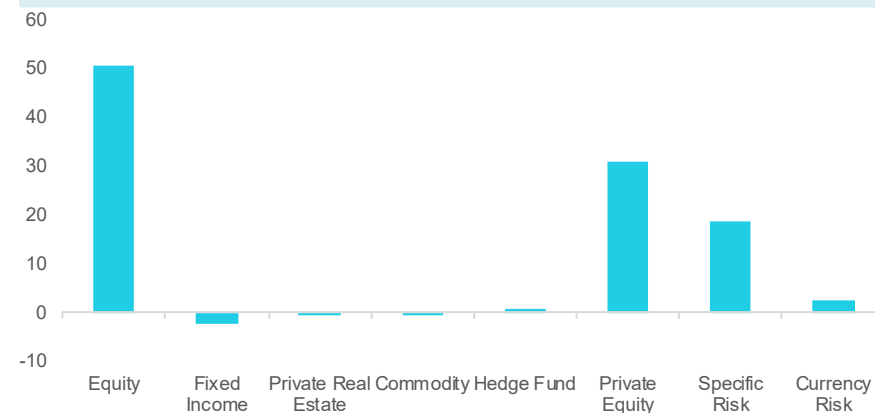


	Mkt Value (mm)	Weight%	Total Risk	Risk Contribution	%CR to TR
Total Fund	69,891	100.0%	13.78	13.78	100.00
Growth	37,225	53.3%	20.50	10.82	78.52
Credit	7,869	11.3%	4.46	0.38	2.77
Real Assets & Inflation Hedges	11,229	16.1%	14.97	2.23	16.20
Risk Reduction & Mitigation	13,185	18.9%	6.34	0.25	1.79
Overlays & Hedges	382	0.5%	57.31	0.10	0.73

Risk Decomposition

Risk Source	Portfolio			Active		
	Risk Contribution	%Risk	Correlation	Risk Contribution	%Risk	Correlation
Total Risk	13.78	100.00	1.00	1.27	100.00	1.00
Local Market Risk	13.04	94.67	1.00	1.24	97.64	0.99
Common Factor Risk	13.02	94.48	1.00	1.00	79.13	0.90
Equity	10.39	75.44	0.95	0.64	50.73	0.63
Fixed Income	0.62	4.53	0.40	-0.03	-2.37	-0.18
Private Real Estate	1.05	7.59	0.67	0.00	-0.32	-0.01
Commodity	0.06	0.40	0.39	0.00	-0.14	-0.03
Hedge Fund	0.00	0.01	0.01	0.01	0.63	0.08
Private Equity	0.89	6.44	0.25	0.39	30.79	0.55
Specific Risk	0.03	0.19	0.04	0.23	18.51	0.43
Currency Risk	0.73	5.33	0.59	0.03	2.36	0.20

Active Risk from Risk Factors



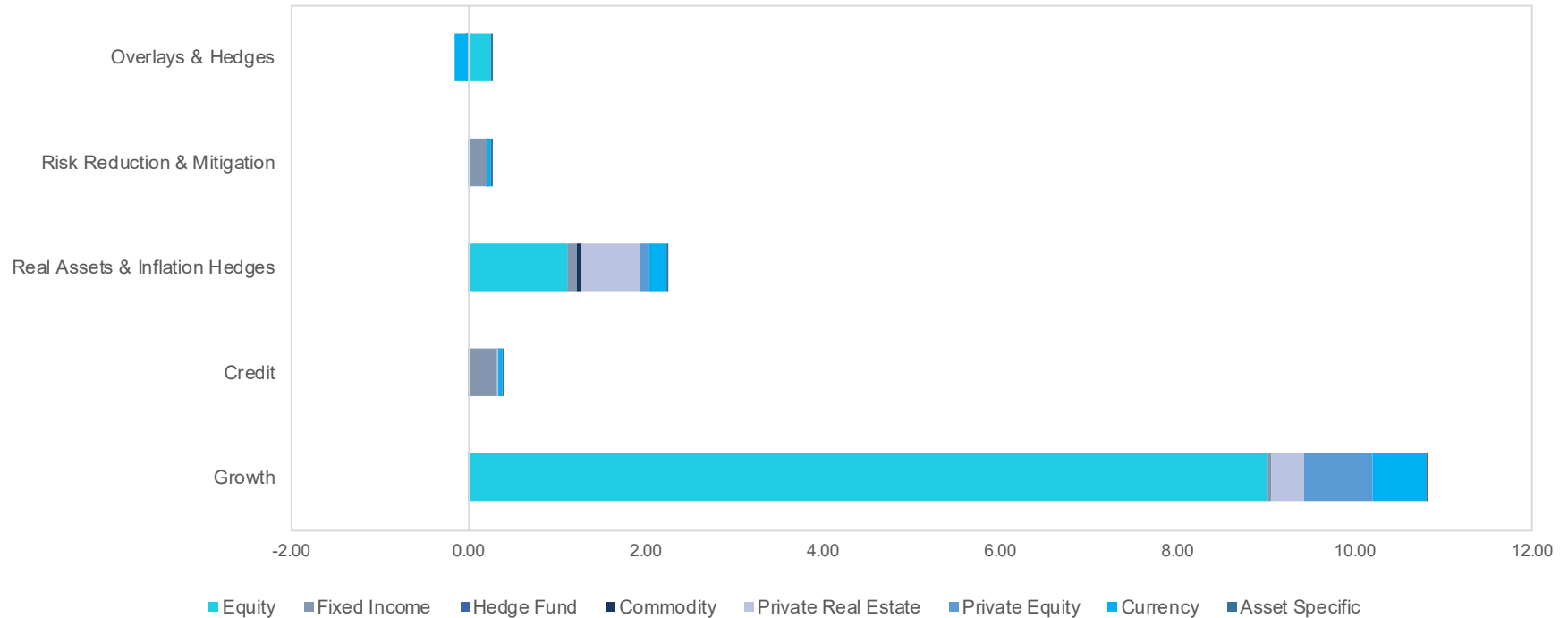
Risk Contribution Breakdown

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Risk Type



Functional Category	Mkt Value	Weight%	Total Risk	%CR to Total Risk	Port Risk Contribution	Equity	Fixed Income	Commodity	Private Real Estate	Private Equity	Currency	Asset Specific
Total Fund	69,891	100.0%	13.78	100.00	13.78	10.39	0.63	0.06	1.05	0.89	0.73	0.03
Growth	37,225	53.3%	20.50	78.52	10.82	9.01	0.04	0.00	0.37	0.77	0.61	0.02
Credit	7,869	11.3%	4.46	2.77	0.38	0.00	0.32	0.00	0.01	0.00	0.05	0.00
Real Assets & Inflation Hedges	11,229	16.1%	14.97	16.20	2.23	1.12	0.10	0.05	0.67	0.11	0.18	0.00
Risk Reduction & Mitigation	13,185	18.9%	6.34	1.79	0.25	0.02	0.18	0.01	0.00	0.00	0.04	0.00
Overlays & Hedges	382	0.6%	57.31	0.73	0.10	0.25	0.00	-0.01	0.00	0.00	-0.14	0.00

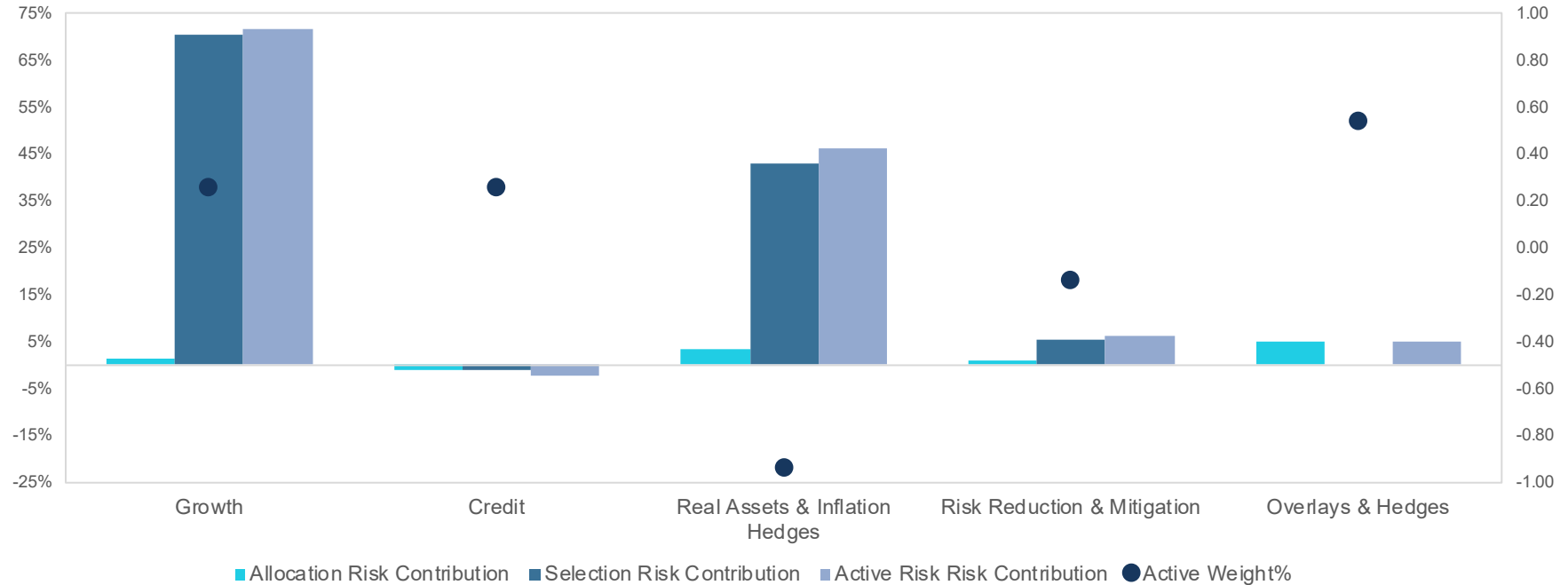
Allocation Selection

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Active Total Risk



Functional Category	Active Weight%	Allocation			Selection			Active Risk Contribution
		Volatility	Correlation	Risk Contribution	Volatility	Correlation	Risk Contribution	
Active Total Risk				0.09			1.17	1.27
Growth	0.26	7.03	0.64	0.01	1.52	0.87	0.70	0.71
Credit	0.26	9.43	-0.50	-0.01	2.14	-0.05	-0.01	-0.02
Real Assets & Inflation Hedges	-0.93	6.21	-0.61	0.04	3.50	0.76	0.43	0.46
Risk Reduction & Mitigation	-0.13	13.63	-0.47	0.01	1.15	0.25	0.05	0.06
Overlays & Hedges	0.55	54.70	0.17	0.05	0.00	0.00	0.00	0.05

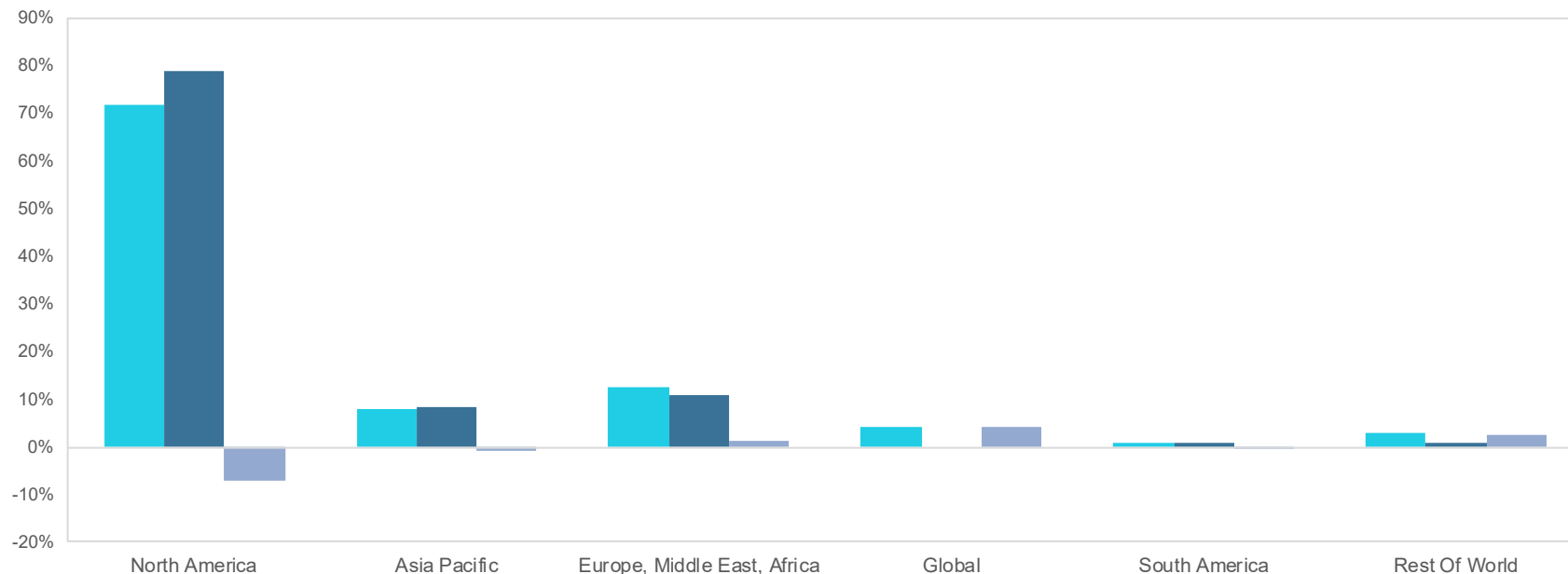
Portfolio Allocation

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Region



■ Portfolio Weight ■ Benchmark Weight ■ Active Weight

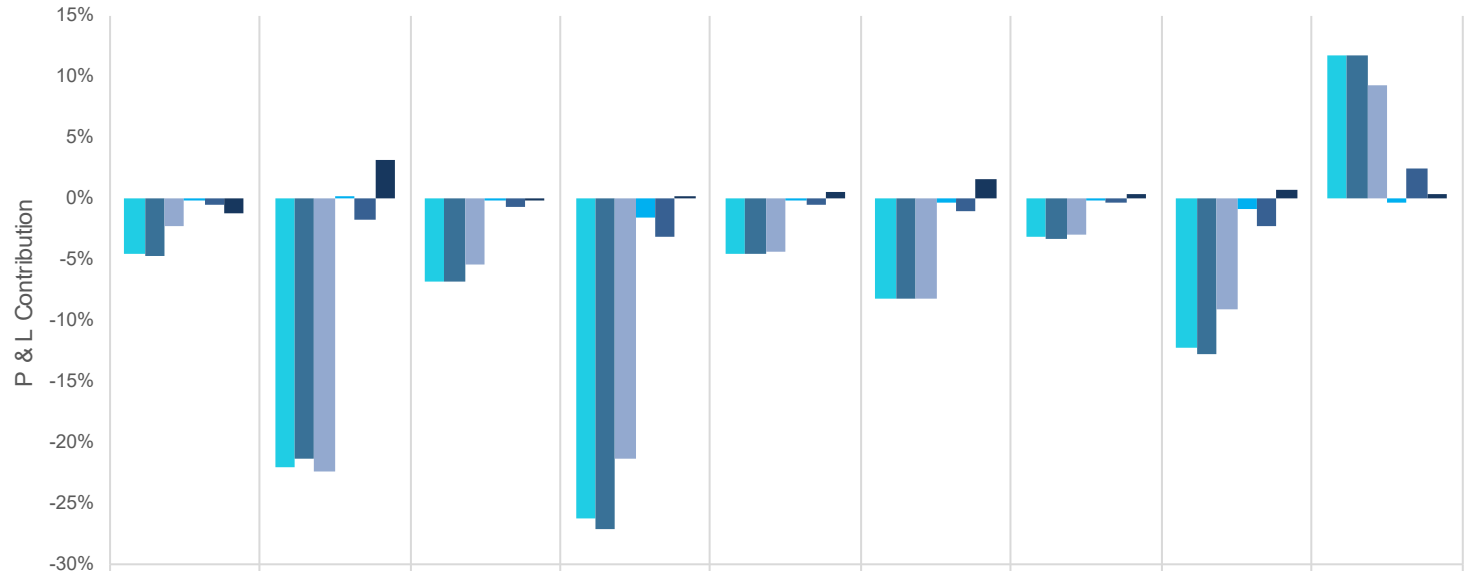
Region	Weight%			Total Risk	Active Risk Contribution	% of Active TR	MC to Total Tracking Error
	Portfolio	Benchmark	Active				
Total Fund	100.00%	100.00%	0.00%	13.78	1.27	100.00	0.01
North America	71.74%	78.69%	-6.95%	14.16	1.10	86.30	0.02
Asia Pacific	7.81%	8.55%	-0.74%	15.96	0.05	4.12	-0.02
Europe, Middle East, Africa	12.32%	11.03%	1.29%	21.16	0.33	25.78	0.05
Global	4.14%	0.00%	4.14%	7.03	-0.15	-12.18	-0.04
South America	0.85%	0.97%	-0.12%	25.89	0.06	4.77	0.01
Rest Of World	3.13%	0.75%	2.38%	6.20	-0.11	-8.80	-0.05

Stress Tests

for the quarter ended March 31, 2023

Scenarios by Asset Category

■ Total Fund ■ Policy Benchmark ■ Growth ■ Credit ■ Real Assets & Inflation Hedges ■ Risk Reduction & Mitigation



	1994 US Rate Hike	2000-2003 Tech Crash & Recession	2001 Sept 11th	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	-4.53%	-22.11%	-6.93%	-26.24%	-4.55%	-8.31%	-3.23%	-12.27%	11.73%
■ Policy Benchmark	-4.76%	-21.38%	-6.92%	-27.11%	-4.58%	-8.26%	-3.41%	-12.75%	11.75%
■ Growth	-2.32%	-22.51%	-5.53%	-21.46%	-4.42%	-8.25%	-3.01%	-9.23%	9.30%
■ Credit	-0.25%	0.00%	-0.26%	-1.61%	-0.13%	-0.40%	-0.10%	-0.98%	-0.36%
■ Real Assets & Inflation Hedges	-0.61%	-1.83%	-0.75%	-3.19%	-0.63%	-1.08%	-0.44%	-2.34%	2.39%
■ Risk Reduction & Mitigation	-1.19%	3.13%	-0.17%	0.18%	0.50%	1.58%	0.29%	0.71%	0.31%

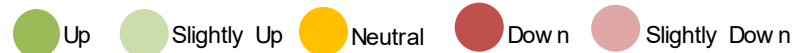
Stress Tests

for the quarter ended March 31, 2023

Scenario Descriptions

Historical Scenario	Description	Stock Market	Interest Rates	Bond Market	Commodity Market
1994 US Rate Hike	In combating inflation, the US Federal Reserve raised rates from 3.25% in February to 5.5% in November 1994.				
2000-2003 Tech Crash & Recession	Period of crisis and slow down for technological firms due to a rapid jump in stock prices when tech bubble began to burst.				
2001 September 11th	The US stock market was closed for a week upon a series of coordinated suicide attacks upon the US on September 11, 2001.				
2008-2009 Global Financial Crisis	Major financial crisis starting with the failure of several US-based financial firms. Extended into 2009, when stock markets reached their lowest.				
2010 European Bond Crisis	During crisis, the liquidity access for peripheral countries was affected by budget deficits, high borrowing costs, and failing banking systems.				
2011 US Debt Ceiling Act	Political deadlock on appropriate level of US government spending and its impacts. Debt and equity markets experienced significant volatility.				
2016 Brexit	The referendum by British voters to exit the European Union roiled global markets causing the pound to fall to its lowest level in decades.				
2020 COVID March Selloff	Peak and Valley of the MSCI ACWI index when Covid became a Global Pandemic.				
2020 COVID Volatility Spike	Period it took for the Cboe Volatility Index (VIX) to revert to pre-pandemic levels.				

Market Trend Signals



manager scorecards



Los Angeles County Employees Retirement Association

PUBLIC MARKETS MANAGER SCORECARD

1st 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	GLOBAL EQUITY			Performance	Organization & Operations	ESG	Partnership	Fees & Terms	
	Manager	Market Value (in \$ millions)	% of Total Fund	SCORE	SCORE	SCORE	SCORE	SCORE	
GROWTH	Acadian Developed Markets	581.5	0.8%	4	S-	3	B	3	
	BTC Euro Tilts	581.0	0.8%	5	S+	4	B	3	
	Capital Group Developed Markets	407.7	0.6%	2	S	2	B	3	
	Cevian Capital II - Activist	439.3	0.6%	3	S	4	B	1	
	Cornercap US SC - EMP	80.0	0.1%	5	S-	1	A	3	
	Frontier US SMID Growth	275.9	0.4%	3	S	2	A	1	
	Global Alpha	181.2	0.3%	4	S+	3	A	3	
	JPMAM Strategic Beta Non-U.S.	584.4	0.8%	*	3	S	2	B	3
	JPMAM Strategic Beta U.S.	4,292.1	5.9%	*	3	S	2	B	3
	Lazard Emerging Markets	383.9	0.5%	1	S-	3	B	1	
	Parametric GE Cash Overlay	204.3	0.3%	—	S	—	B	5	
	SSGA MSCI ACWI IMI	15,279.8	21.1%	4	S	—	B	5	
	Systematic US Small Cap Value	190.3	0.3%	4	S	2	A	3	
CREDIT	HIGH YIELD								
	Beach Point	290.8	0.4%	5	S	3	B	3	
	Brigade Cap Mgmt	641.4	0.9%	3	S	2	B	3	
	Pinebridge Investments	466.4	0.6%	*	3	S	4	B	
	BANK LOANS								
	Bain Capital Credit	432.0	0.6%	5	S	2	B	1	
	Credit Suisse Bank Loans	1,006.3	1.4%	*	3	S-	3	B	
	Crescent Capital	507.7	0.7%	4	S	2	B	3	
	EMERGING MARKET DEBT								
	Aberdeen Asset Management	379.9	0.5%	1	S	3	B	3	
Ashmore Investment Management	351.2	0.5%	1	S	3	B	3		
REAL ASSETS & INFLATION HEDGES	NATURAL RESOURCES & COMMODITIES								
	Credit Suisse Commodity	294.8	0.4%	4	S-	1	A	3	
	DWS Natural Resources	632.3	0.9%	2	S+	2	A	5	
	Neuberger Berman/Gresham	344.2	0.5%	4	S	1	A	1	
	INFRASTRUCTURE								
	DWS Infrastructure	2,593.1	3.6%	3	S+	2	A	5	
TIPS									
Blackrock TIPS	1,923.7	2.7%	3	S+	—	B	5		

PUBLIC MARKETS MANAGER SCORECARD

1st Quarter 2023

			Performance	Organization & Operations	ESG	Partnership	Fees & Terms
			1 to 5 <i>(with 5 the best)</i>	S+, S, or S- <i>(with S+ the best)</i>	1 to 5 <i>(with 5 the best)</i>	A, B, or C <i>(with A the best)</i>	1 to 5 <i>(with 5 the best)</i>
			SCORE	SCORE	SCORE	SCORE	SCORE
Manager			Market Value (in \$ millions)	% of Total Fund			

RISK REDUCTION & MITIGATION	INVESTMENT GRADE BONDS			SCORE	SCORE	SCORE	SCORE	SCORE
	Allspring/Wells	1,291.3	1.8%	5	S	3	B	5
	BTC US Debt Index Fund	2,920.9	4.0%	4	S+	—	B	5
	Pugh Capital Mgmt	860.3	1.2%	3	S	1	A	3
RISK REDUCTION & MITIGATION	LONG-TERM GOVERNMENT BONDS			SCORE	SCORE	SCORE	SCORE	SCORE
	BlackRock	3,032.5	4.2%	* 3	S+	—	B	5
	CASH			SCORE	SCORE	SCORE	SCORE	SCORE
SSGA Cash	638.9	0.9%	* 3	S+	—	A	5	
OVERLAYS & HEDGES	OVERLAYS			SCORE	SCORE	SCORE	SCORE	SCORE
	Parametric Cash Overlay	411.8	0.6%	—	S	—	B	5
	HEDGES			SCORE	SCORE	SCORE	SCORE	SCORE
BTC Passive Currency Hedge	5.4	0.0%	—	S+	—	B	5	

- Exceeds 3-Year Net Excess Return
- Meets 3-Year Net Excess Return
- Below 3-Year Net Excess Return

- 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 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

PRIVATE MARKETS MANAGER SCORECARD

1st Quarter 2023

			Performance <i>1 to 5 (with 5 the best)</i>	Organization & Operations <i>S+, S, or S- (with S+ the best)</i>	ESG <i>1 to 5 (with 5 the best)</i>	Partnership <i>A, B, or C (with A the best)</i>	Fees & Terms <i>1 to 5 (with 5 the best)</i>
			SCORE	SCORE	SCORE	SCORE	SCORE
Manager	Market Value (in \$ millions)	% of Total Fund					
GLOBAL/LARGE BUYOUT							
Advent International Group	127.0	0.2%	5	S+	3	C	4
Blackstone Management	215.3	0.3%	2	S	4	B	5
CVC Capital Partners	573.6	0.8%	4	S	4	A	4
Green Equity Investors	366.2	0.5%	5	S+	3	A	4
Hellman & Friedman	414.4	0.6%	1	S+	3	B	4
MBK	197.9	0.3%	1	S	4	A	2
Silver Lake Partners	503.4	0.7%	3	S+	3	A	5
Thoma Bravo LLC	203.1	0.3%	*	S+	3	B	3
Vista Equity Partners	815.3	1.1%	3	S-	3	A	2
MID-MARKET BUYOUT							
Accel-KKR Capital Partners	217.8	0.3%	3	S+	4	A	3
BlackFin Capital Partners	51.2	0.1%	1	S	3	B	3
Carlyle Group	234.5	0.3%	3	S+	4	B	4
Clearlake Capital	508.0	0.7%	5	S	4	A	4
GHO Capital	113.1	0.2%	*	S	3	A	3
Gilde Partners	36.1	0.0%	5	S	2	A	5
Harvest Partners	60.6	0.1%	5	S	1	C	3
Marlin Equity	26.1	0.0%	1	S-	2	C	3
Novacap	14.9	0.0%	*	S	3	B	3
Onex Partners	313.2	0.4%	2	S	4	A	5
PAI	157.5	0.2%	4	S-	2	B	4
Revelstoke	166.7	0.2%	3	S	4	A	2
Riverside Capital	106.3	0.1%	1	S	3	B	3
Siris Capital Group	161.0	0.2%	2	S	3	B	4
Sterling Partners	134.0	0.2%	4	S	3	A	4
STG Partners	45.6	0.1%	*	S	3	A	3
Triton	139.9	0.2%	4	S-	3	C	5
TSG	-0.8	0.0%	*	S+	3	C	2
Veritas Capital	55.5	0.1%	*	S+	3	B	3
Vinci Partners	73.1	0.1%	2	S	4	B	5
Webster Equity Partners	68.2	0.1%	*	S	3	B	3
Wynnchurch Capital	50.4	0.1%	*	S+	3	C	3
SMALL BUYOUT							
AE Industrial Partners	119.5	0.2%	5	S+	3	A	3
Atlantic Street Capital	45.7	0.1%	5	S	3	A	3
Clarion	28.9	0.0%	3	S+	2	B	4
Excellere Partners	118.0	0.2%	2	S-	3	A	3
Incline Equity Partners	41.0	0.1%	5	S	2	C	4
Insignia Capital Partners	239.7	0.3%	3	S	1	B	5
Juggernaut Capital Partners	302.5	0.4%	4	S	3	A	4
Lightyear Capital	227.6	0.3%	4	S	2	A	5
Livingbridge	55.3	0.1%	1	S+	4	A	3
Montefiore Investment	21.0	0.0%	*	S+	4	B	4
One Rock Capital Partners	218.5	0.3%	1	S	3	A	4
Palladium Equity Partners	89.0	0.1%	2	S-	4	C	2

PRIVATE EQUITY

PRIVATE MARKETS MANAGER SCORECARD

1st 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 EQUITY							
Australis Partners	99.5	0.1%	1	S-	4	B	5
Great Hill Partners	-1.0	0.0%	*	S	4	A	4
JMI Equity	4.3	0.0%	3	S	3	C	2
RedBird Capital Partners	167.2	0.2%	3	S	4	A	3
Summit Partners	79.0	0.1%	2	S	4	A	4
TA Associates	162.8	0.2%	5	S+	4	B	4
Technology Crossover Ventures	4.1	0.0%	5	S	2	B	3
VENTURE CAPITAL							
BlueRun Ventures	110.4	0.2%	2	S	2	B	2
Canaan Partners	165.9	0.2%	5	S	3	A	4
GGV Capital	482.6	0.7%	3	S	3	A	3
Institutional Venture Partners	162.0	0.2%	4	S	1	C	4
Joy Capital	78.8	0.1%	1	S-	2	B	4
Lilly Asia Ventures	155.8	0.2%	4	S	4	B	2
Primary Ventures	0.0	0.0%	*	S	2	C	4
Sinovation Ventures	93.7	0.1%	1	S-	2	C	2
Storm Ventures LLC	235.5	0.3%	2	S	3	A	4
Union Square	101.2	0.1%	5	S-	1	B	5
SPECIAL SITUATIONS							
Alchemy Partners	40.8	0.1%	1	S	3	B	4
Black Diamond	159.8	0.2%	5	S	3	B	4
Centerbridge	176.1	0.2%	3	S	4	A	2
FUND OF FUNDS							
Gateway	814.0	1.1%	5	S	3	C	4
MS GTB Capital Partners	317.5	0.4%	1	S	4	A	2
J.P. Morgan	494.0	0.7%	3	S+	+	B	4

PRIVATE EQUITY
(continued)



Los Angeles County Employees Retirement Association

PRIVATE MARKETS MANAGER SCORECARD

1st 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					
COMMINGLED FUNDS							
AERMONT Real Estate Fund IV	26.0	0.0%	2	S	4	B	3
AEW Value Investors Asia III	30.0	0.0%	2	S	4	B	4
AG Asia Realty Fund IV	78.0	0.1%	*	S-	2	B	4
AG Europe Realty Fund II	47.0	0.1%	2	S-	2	B	3
Bain Capital Real Estate Fund I	76.0	0.1%	5	S	3	A	3
Bain Capital Real Estate Fund II	39.0	0.1%	*	S	3	A	3
Blackstone Real Estate Partners Fund X	0.6	0.0%	*	S	3	B	3
Brookfield Strategic Real Estate Partners Fund IV	7.8	0.0%	*	S	3	B	3
CapMan Nordic Real Estate Fund II	43.0	0.1%	3	S	3	A	4
CapMan Nordic Real Estate Fund III	24.0	0.0%	*	S	3	A	4
CityView Bay Area Fund II	82.0	0.1%	1	S	3	B	3
CityView Western Fund I, L.P.	215.0	0.3%	4	S	3	B	4
Core Property Index Fund	130.0	0.2%	4	S	2	A	5
Europa Fund IV	9.0	0.0%	1	S	3	B	2
Heitman Asia-Pacific Property Investors	35.0	0.0%	3	S	3	B	4
Invesco Real Estate Asia Fund	144.0	0.2%	3	S	4	B	5
Prologis European Logistics Fund (PELF)	197.0	0.3%	4	S	4	A	1
RREEF Core Plus Industrial Fund (CPIF)	307.0	0.4%	5	S-	3	B	5
Starwood Capital Hospitality Fund	6.0	0.0%	1	S	3	C	4
TPG Real Estate Partners III	45.0	0.1%	5	S	2	B	3
TPG Real Estate Partners IV	5.0	0.0%	*	S	2	B	3
SEPARATE ACCOUNTS							
Cityview Core I.M.A.	208.0	0.3%	1	S	3	B	2
Clarion I.M.A.	534.0	0.7%	5	S	3	A	4
Clarion Takeover Core IMA	360.0	0.5%	*	S	3	A	4
Clarion Takeover Value IMA	16.0	0.0%	*	S	3	A	3
Heitman I.M.A.	431.0	0.6%	4	S	3	B	4
RREEF Core/High Return I.M.A. III	863.0	1.2%	2	S-	3	C	5
RREEF Takeover I.M.A.	724.0	1.0%	2	S-	3	C	4
Stockbridge I.M.A.	644.0	0.9%	3	S	2	B	4
Stockbridge High I.M.A. Vintage 2014	113.0	0.2%	*	S	2	B	5
Stockbridge Value I.M.A. Vintage 2014	22.0	0.0%	*	S	2	B	3

REAL ESTATE

PRIVATE MARKETS MANAGER SCORECARD

1st 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					
NATURAL RESOURCES & COMMODITIES							
Cibus Enterprise II	4.3	0.0%	*	S	3	B	3
Cibus Fund II	17.6	0.0%	*	S	3	B	3
EMG	83.2	0.1%	2	S	3	B	1
HiTecVision	86.4	0.1%	*	S	3	A	3
Orion Mine Finance Onshore III	137.5	0.2%	*	S	4	B	4
Orion Mineral Royalty Fund I	22.9	0.0%	*	S	4	B	4
Sprott	18.9	0.0%	*	S	3	B	5
TIAA-CREF Global Agriculture	279.0	0.4%	5	S+	4	A	5
TIAA-CREF Global Agriculture II	271.7	0.4%	5	S+	4	A	5
INFRASTRUCTURE							
Antin Mid Cap	40.0	0.1%	*	S	3	B	2
Axiom Infrastructure Canada II	146.0	0.2%	*	S	4	A	3
Axiom Infrastructure US II	258.8	0.4%	*	S	4	A	3
DIF CIF III	34.3	0.0%	*	S	3	A	4
DIF Infrastructure VI	100.4	0.1%	5	S	3	A	2
Grain Communications Opportunity Fund III	38.5	0.1%	*	S-	3	C	2
Grain Spectrum Holdings III	66.2	0.1%	3	S-	3	C	2
Guardian Smart Infrastructure	0.0	0.0%	*	S	3	C	4
KKR Diversified Core Infrastructure Fund	505.6	0.7%	*	S	3	A	4
Pan-European Infrastructure Fund III	68.0	0.1%	2	S-	3	B	3
Partners Group Direct Infrastructure 2020	76.4	0.1%	*	S	3	A	3

PRIVATE REAL ASSETS
(ex. Real Estate)



Los Angeles County Employees Retirement Association

PRIVATE MARKETS MANAGER SCORECARD

1st 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					
HEDGE FUNDS							
AM Asia	263.1	0.4%	4	S	2	A	5
Brevan Howard	668.9	0.9%	4	S+	2	A	2
Capula GRV	663.0	0.9%	5	S	1	A	3
Caxton	302.0	0.4%	4	S	3	B	3
DK Institutional Partners	500.1	0.7%	5	S	1	B	3
HBK Multistrategy	585.4	0.8%	5	S	1	B	3
Hudson Bay	668.5	0.9%	5	S	1	B	3
Polar	480.7	0.7%	5	S	2	B	4
Stable	384.9	0.5%	*	S	2	A	5
ILLIQUID CREDIT							
Barings	49.0	0.1%	2	S-	3	C	4
Beach Point	173.6	0.2%	3	S	1	B	3
BlackRock/Tennenbaum	658.7	0.9%	1	S-	2	C	4
Glendon	125.6	0.2%	4	S	1	B	2
Magnetar	933.1	1.3%	*	S	2	A	3
Napier Park	884.7	1.2%	*	S	2	A	3
Oaktree	101.9	0.1%	5	S	2	B	2
PIMCO Tac Opps	272.8	0.4%	1	S-	1	C	3
Quadrant	25.0	0.0%	5	S	1	B	4
Silver Rock	421.1	0.6%	*	S	2	A	4
Stable - IC	48.7	0.1%	*	S	2	A	4
Varde	317.2	0.4%	*	S	2	B	4
Waterfall	300.1	0.4%	*	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

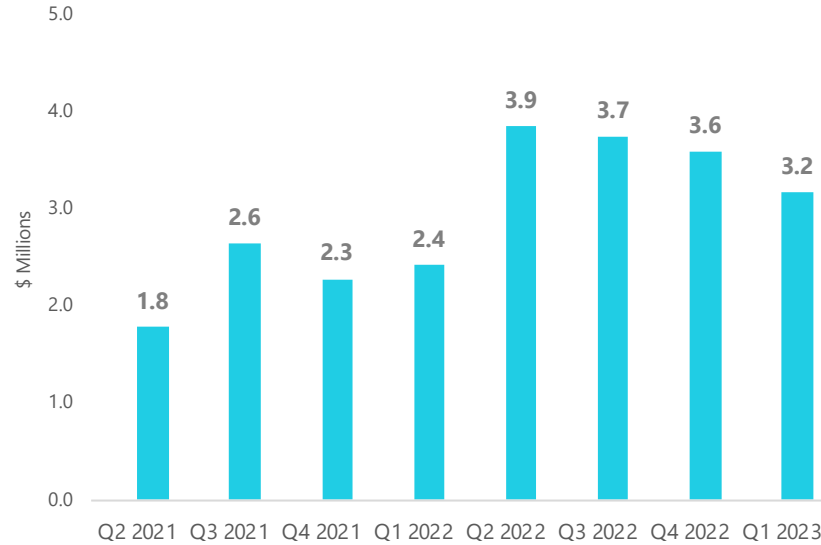
Summary

Securities Lending Income
for the quarter ended March 31, 2023

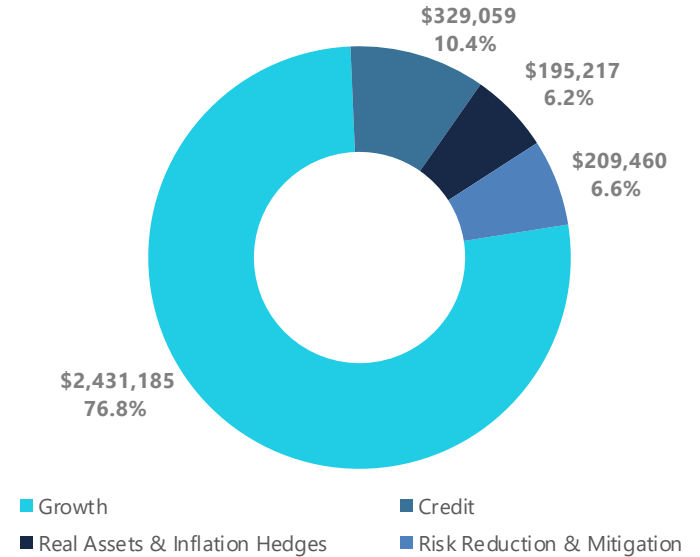


Los Angeles County Employees Retirement Association

Earnings by Quarter



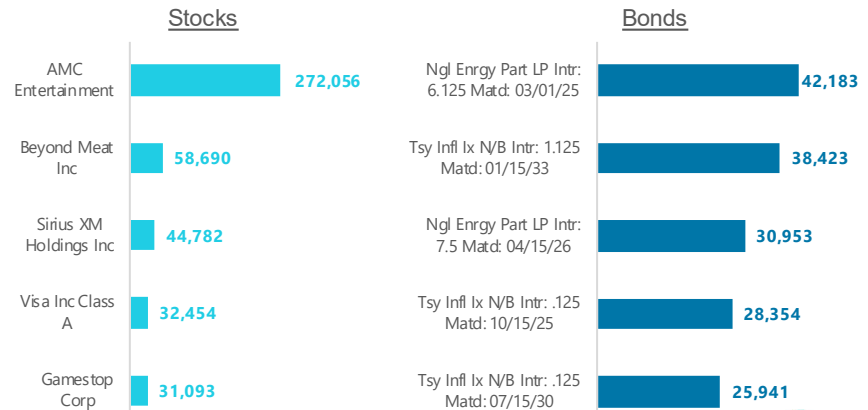
Earnings by Functional Category



Top Earning Funds

Fund	% of Total Fund Earnings	Total Earnings	Cash Earnings	Non-Cash Earnings
SSGA MSCI ACWI IMI	54.8%	1,735,470	1,026,725	708,745
JPMAM Strategic Beta US	13.9%	439,903	330,461	109,443
Brigade Cap Mgmt	5.6%	176,338	164,445	11,894
BlackRock TIPS	5.4%	170,788	68,399	102,389
Pinebridge Investments	4.2%	134,018	110,348	23,670

Top Earning Securities



Public Markets Manager Fees

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Growth

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Active			
Acadian Asset Management	\$580.5	\$545,453	37.6
BTC Europe Alpha Tilts	\$575.7	\$496,833	34.5
Capital Guardian	\$376.0	\$326,096	34.7
Cevian Capital	\$437.8	\$1,197,507	109.4
CornerCap	\$84.7	\$111,453	52.7
Frontier Capital Management	\$283.6	\$531,759	75.0
Global Alpha	\$179.7	\$319,450	71.1
Lazard Asset Management	\$389.4	\$621,576	63.9
Parametric GE Market Cap	\$912.0	\$60,478	2.7
Parametric GE Region	\$592.0	\$39,256	2.7
Systematic	\$196.3	\$269,912	55.0
Subtotal:	\$4,607.6	\$4,519,773	39.2
Factor-Based			
JPMAM Strategic Beta Non-US	\$584.5	\$49,890	3.4
JPMAM Strategic Beta US	\$4,244.2	\$362,263	3.4
Subtotal:	\$4,828.7	\$412,153	3.4
Passive			
SSGA MSCI ACWI IMI	\$15,039.9	\$281,499	0.7
Subtotal:	\$15,039.9	\$281,499	0.7

¹ Reflects estimated investment management fees.

Public Markets Manager Fees

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Credit

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Liquid Credit			
Aberdeen Standard Investments	\$381.0	\$354,922	37.3
Ashmore Investment Management	\$351.2	\$426,722	48.6
Bain Capital	\$432.0	\$584,262	54.1
Beach Point Capital	\$290.2	\$326,431	45.0
Brigade Capital Management	\$647.1	\$659,947	40.8
Credit Suisse Bank Loan	\$1,089.6	\$540,306	19.8
Crescent Capital Group	\$507.1	\$588,331	46.4
Pinebridge	\$464.5	\$383,229	33.0
Subtotal:	\$4,162.7	\$3,864,150	37.1

¹ Reflects estimated investment management fees.

Public Markets Manager Fees

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Real Assets & Inflation Hedges

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Natural Resources & Commodities			
Credit Suisse	\$300.1	\$202,543	27.0
DWS Natural Resources	\$659.9	\$306,865	18.6
Neuberger Berman/Gresham	\$354.5	\$322,962	36.4
Subtotal:	\$1,314.5	\$832,370	25.3
Infrastructure			
DWS Infrastructure	\$2,670.6	\$1,241,885	18.6
Subtotal:	\$2,670.6	\$1,241,885	18.6
Treasury Inflation-Protected Securities			
BlackRock TIPS	\$1,896.7	\$46,767	1.0
Subtotal:	\$1,896.7	\$46,767	1.0

¹ Reflects estimated investment management fees.

Public Markets Manager Fees

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Risk Reduction & Mitigation

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Investment Grade Bonds			
Allspring/Wells	\$1,281.3	\$337,662	10.5
Pugh Capital Management	\$853.8	\$284,519	13.3
Subtotal:²	\$5,082.3	\$683,951	5.4
Long-Term Government Bonds			
BlackRock	\$2,988.6	\$72,529	1.0
Subtotal:	\$2,988.6	\$72,529	1.0
Cash			
SSGA Cash	\$614.3	\$61,433	4.0
Subtotal:	\$614.3	\$61,433	4.0

¹ Reflects estimated investment management fees.

² Includes BTC US Debt Index account.

Public Markets Manager Fees

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Overlays & Hedges

	Average Market Value (\$ mm)	Fees ¹	Annualized Effective Rate (bps)
Overlays			
Parametric Cash Overlay	\$2,250.6	\$149,247	2.7
Subtotal:	\$2,250.6	\$149,247	2.7
Hedges			
BlackRock Developed Markets Currency Hedge	\$6,903.5	\$255,335	1.5
Subtotal:	\$6,903.5	\$255,335	1.5

¹ Reflects estimated investment management fees.

Benchmark Definitions

Current Composition

	Weight	Component
Total Fund		
Total Fund Policy Benchmark		
	53%	Growth Policy Benchmark
	11%	Credit Policy Benchmark
	17%	RA & IH Policy Benchmark
	19%	RR & M Policy Benchmark
Growth		
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)
<hr/>		
EAFE Custom Index	100%	MSCI EAFE + Canada Net Index

Benchmark Definitions

Current Composition

	Weight	Component
Credit		
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
Real Assets & Inflation Hedges		
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)
Risk Reduction & Mitigation		
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

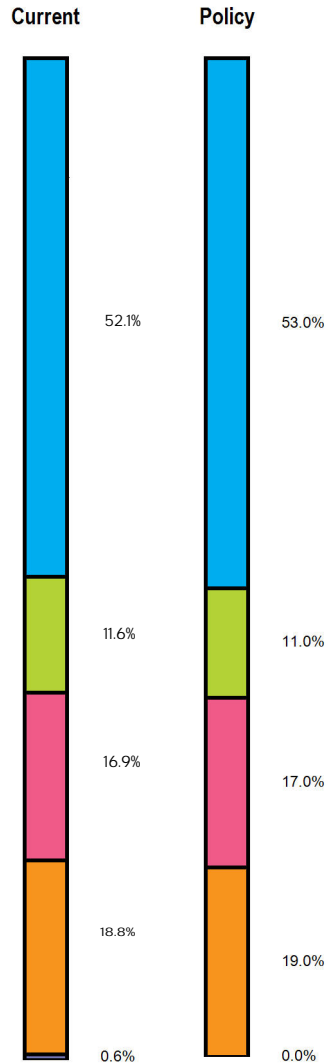
YIELD TO MATURITY

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.

Los Angeles County Employees Retirement Association

March 31, 2023

Fund Evaluation Report



Allocation vs. Targets and Policy							
	Current Balance	Current Allocation	Policy	Difference	Policy Range	Within IPS Range?	
Growth	\$37,704,100,996	52.1%	53.0%	-0.9%	45.0% - 61.0%	Yes	
Global Equity	\$23,520,825,163	32.5%	32.0%	0.5%	25.0% - 39.0%	Yes	
Private Equity	\$13,034,329,367	18.0%	17.0%	1.0%	12.0% - 20.0%	Yes	
Non-Core Private Real Estate	\$1,148,946,467	1.6%	4.0%	-2.4%	2.0% - 6.0%	No	
Credit	\$8,410,894,849	11.6%	11.0%	0.6%	8.0% - 14.0%	Yes	
Liquid Credit ¹	\$4,076,063,978	5.6%	4.0%	1.6%	1.0% - 7.0%	Yes	
Illiquid Credit ²	\$4,334,830,836	6.0%	7.0%	-1.0%	4.0% - 10.0%	Yes	
Real Assets and Inflation Hedges	\$12,202,086,893	16.9%	17.0%	-0.1%	14.0% - 20.0%	Yes	
Core Real Estate	\$4,123,500,240	5.7%	6.0%	-0.3%	3.0% - 9.0%	Yes	
Natural Resources & Commodities	\$2,197,045,831	3.0%	3.0%	0.0%	1.0% - 5.0%	Yes	
Infrastructure	\$3,957,805,929	5.5%	5.0%	0.5%	2.0% - 6.0%	Yes	
TIPS	\$1,923,734,893	2.7%	3.0%	-0.3%	0.0% - 6.0%	Yes	
Risk Reduction and Mitigation	\$13,597,615,233	18.8%	19.0%	-0.2%	13.0% - 25.0%	Yes	
Investment Grade Bonds	\$5,082,662,035	7.0%	7.0%	0.0%	1.0% - 13.0%	Yes	
Diversified Hedge Funds	\$4,543,313,064	6.3%	6.0%	0.3%	2.0% - 8.0%	Yes	
Long-Term Government Bonds	\$3,032,464,981	4.2%	5.0%	-0.8%	0.0% - 10.0%	Yes	
Cash	\$1,578,042,500	2.2%	1.0%	1.2%	0.0% - 3.0%	Yes	
Overlays and Hedges	\$417,185,438	0.6%	0.0%	0.6%	0.0% - 1.0%	Yes	
Cash Overlay	\$411,801,073	0.6%					
Currency Hedge	\$5,384,365	0.0%					
Total³	\$72,331,883,408	100.0%	100.0%				

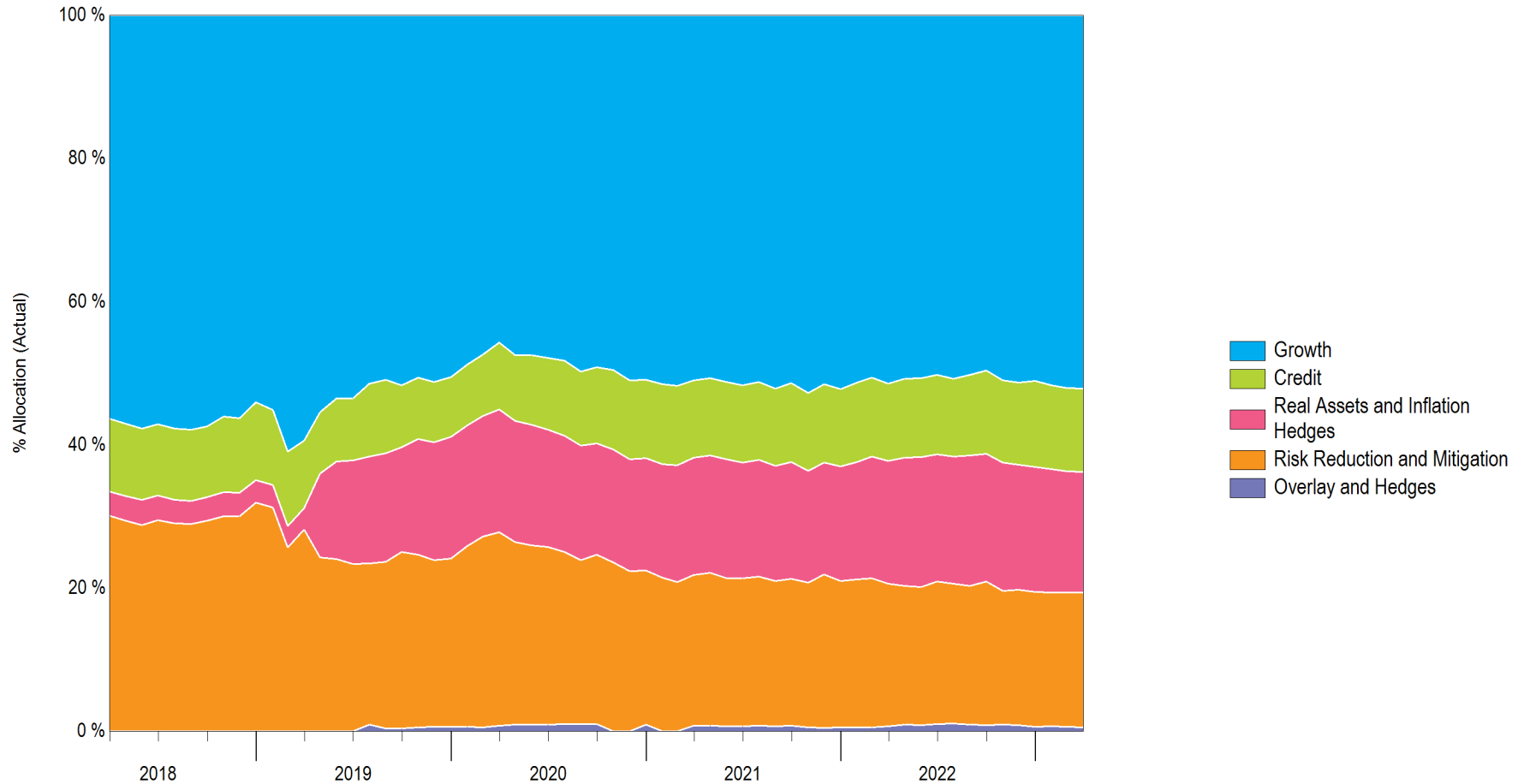
¹ Liquid Credit contains high yield, bank loans, and EM debt.

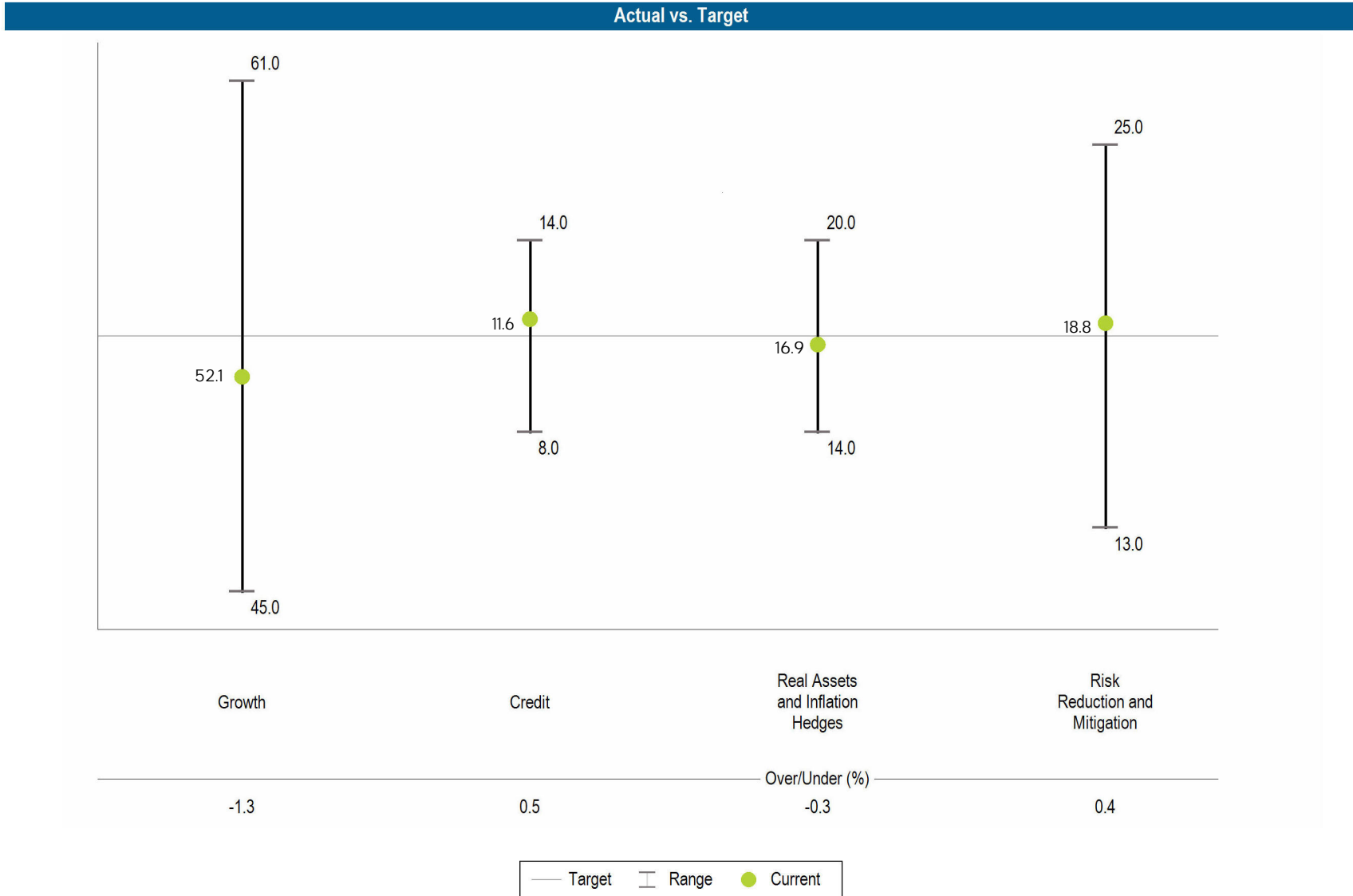
² Illiquid Credit contains credit hedge funds, real estate debt, private debt strategies and private equity-related debt.

³ Totals may not add up due to rounding.

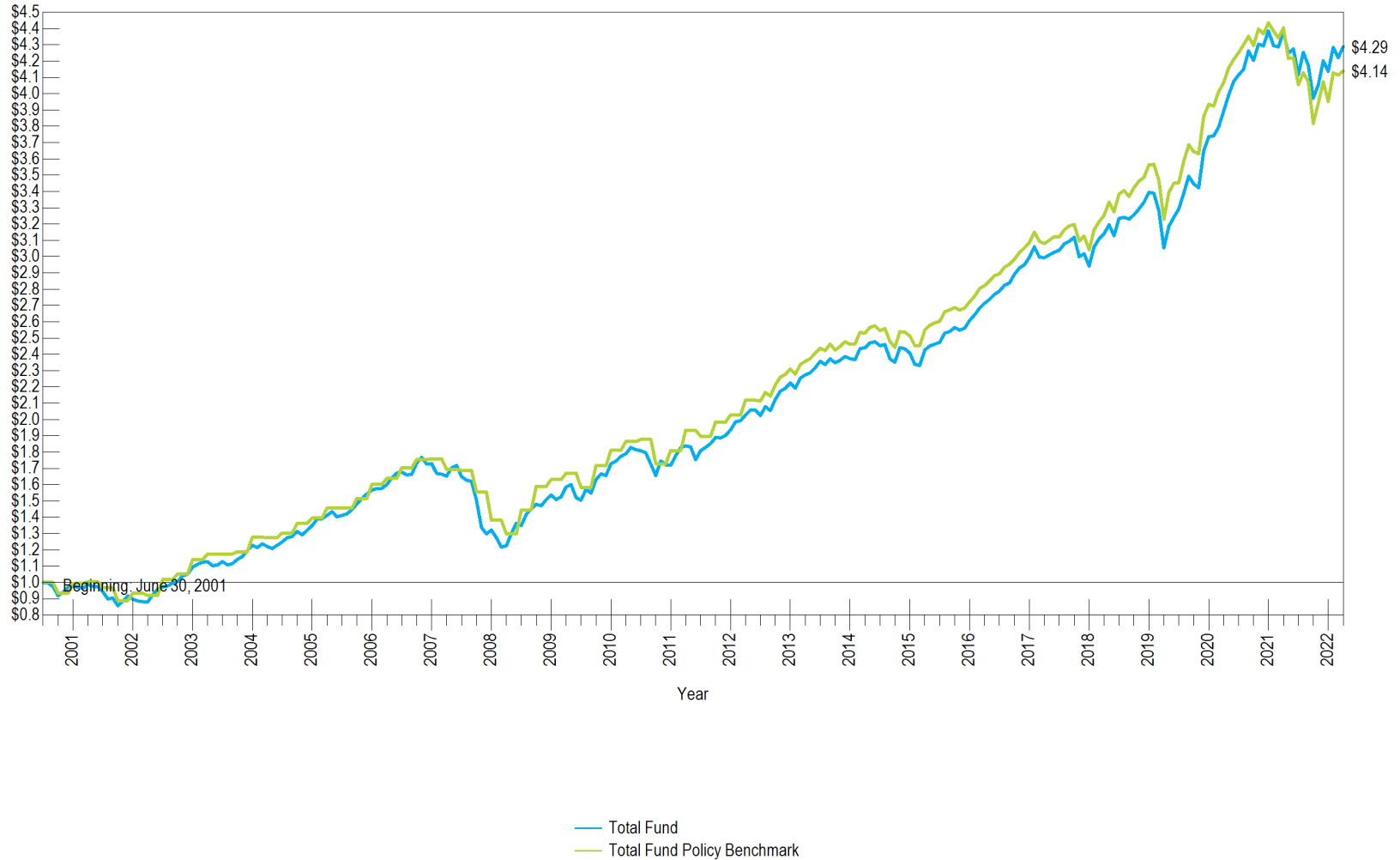
* The Functional Framework became effective April 1, 2019.

Asset Allocation History
5 Years Ending March 31, 2023





Growth of a Dollar



Asset Class Performance Summary (Net)									
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD ¹ (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund (Net)	72,331,883,408	100.0	1.6	3.6	4.1	-2.0	12.1	7.5	7.8
<i>Total Fund Policy Benchmark</i>			<u>0.6</u>	<u>4.7</u>	<u>2.1</u>	<u>-6.0</u>	<u>8.6</u>	<u>6.1</u>	<u>6.9</u>
Excess Return			1.0	-1.1	2.0	4.0	3.5	1.4	0.9
Growth (Net)	37,704,100,996	52.1	1.7	4.9	5.7	-4.2	18.4	--	--
<i>Growth Custom Blended Benchmark</i>			<u>0.2</u>	<u>7.3</u>	<u>2.1</u>	<u>-9.7</u>	<u>13.7</u>	<u>--</u>	<u>--</u>
Excess Return			1.5	-2.4	3.6	5.5	4.7		
Credit (Net)	8,410,894,849	11.6	0.8	3.5	5.2	-0.3	7.7	--	--
<i>Credit Custom Blended Benchmark</i>			<u>-0.1</u>	<u>3.1</u>	<u>4.1</u>	<u>-1.8</u>	<u>4.5</u>	<u>--</u>	<u>--</u>
Excess Return			0.9	0.4	1.1	1.5	3.2		
Real Assets and Inflation Hedges (Net)	12,202,086,893	16.9	1.3	-0.4	1.3	-0.4	11.5	--	--
<i>Real Assets & Inflation Hedges Custom BM</i>			<u>0.4</u>	<u>-0.6</u>	<u>1.5</u>	<u>-1.8</u>	<u>11.9</u>	<u>--</u>	<u>--</u>
Excess Return			0.9	0.2	-0.2	1.4	-0.4		
Risk Reduction and Mitigation (Net)	13,597,615,233	18.8	2.2	3.7	0.9	-2.5	-0.4	--	--
<i>Risk Reduction and Mitigation Custom Blended Benchmark</i>			<u>2.4</u>	<u>3.4</u>	<u>0.3</u>	<u>-3.6</u>	<u>-1.7</u>	<u>--</u>	<u>--</u>
Excess Return			-0.2	0.3	0.6	1.1	1.3		
Overlay and Hedges (Net)	417,185,438	0.6	-7.5	14.0	15.7	101.2	--	--	--

¹ Fiscal Year begins July 1.

* See Glossary for all custom index definitions.

Trailing Performance									
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund (Net)	72,331,883,408	100.0	1.6	3.6	4.1	-2.0	12.1	7.5	7.8
Total Fund (Gross)			1.6	3.7	4.3	-1.8	12.4	7.8	8.1
<i>Total Fund Policy Benchmark</i>			<u>0.6</u>	<u>4.7</u>	<u>2.1</u>	<u>-6.0</u>	<u>8.6</u>	<u>6.1</u>	<u>6.9</u>
Excess Return (vs. Net)			1.0	-1.1	2.0	4.0	3.5	1.4	0.9
Growth (Net)¹	37,704,100,996	52.1	1.7	4.9	5.7	-4.2	18.4	--	--
Growth (Gross)			1.8	5.0	6.0	-3.8	19.0	--	--
<i>Growth Custom Blended Benchmark</i>			<u>0.2</u>	<u>7.3</u>	<u>2.1</u>	<u>-9.7</u>	<u>13.7</u>	--	--
Excess Return (vs. Net)			1.5	-2.4	3.6	5.5	4.7		
Global Equity (Net)	23,520,825,163	32.5	2.4	7.1	10.2	-6.5	16.4	--	--
Global Equity (Gross)			2.4	7.1	10.3	-6.4	16.6	--	--
<i>Global Equity Custom BM</i>			<u>2.5</u>	<u>6.9</u>	<u>9.7</u>	<u>-7.7</u>	<u>15.6</u>	--	--
Excess Return (vs. Net)			-0.1	0.2	0.5	1.2	0.8		
Acadian Developed Markets (Net)	581,545,795	0.8	1.5	3.8	9.4	-8.0	14.3	4.0	7.3
Acadian Developed Markets (Gross)			1.5	3.9	9.7	-7.7	14.7	4.4	7.7
<i>EAFE Custom Benchmark</i>			<u>2.2</u>	<u>8.0</u>	<u>14.0</u>	<u>-2.7</u>	<u>13.5</u>	<u>3.8</u>	<u>4.9</u>
Excess Return (vs. Net)			-0.7	-4.2	-4.6	-5.3	0.8	0.2	2.4
BTC Euro Tilts (Net)	581,028,593	0.8	2.3	10.0	20.3	3.8	17.8	5.3	7.1
BTC Euro Tilts (Gross)			2.4	10.2	20.6	4.2	18.3	5.7	7.5
<i>MSCI EUROPE</i>			<u>2.4</u>	<u>10.6</u>	<u>18.6</u>	<u>1.4</u>	<u>15.0</u>	<u>4.4</u>	<u>5.2</u>
Excess Return (vs. Net)			-0.1	-0.6	1.7	2.4	2.8	0.9	1.9

¹ Includes accounts that are lagged by 3-months and latest available adjusted for cash flows.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Capital Guardian (Net)	407,725,337	0.6	4.7	12.0	18.9	-1.6	12.0	5.7	6.7
Capital Guardian (Gross)			4.7	12.0	19.2	-1.3	12.4	6.1	7.1
<i>EAFE Custom Benchmark</i>			<u>2.2</u>	<u>8.0</u>	<u>14.0</u>	<u>-2.7</u>	<u>13.5</u>	<u>3.8</u>	<u>4.9</u>
Excess Return (vs. Net)			2.5	4.0	4.9	1.1	-1.5	1.9	1.8
Cevian Capital (Net)	439,332,299	0.6	-1.6	10.3	22.4	11.9	24.6	8.8	--
Cevian Capital (Gross)			-1.5	10.6	23.4	13.1	26.0	10.1	--
<i>MSCI EUROPE</i>			<u>2.4</u>	<u>10.6</u>	<u>18.6</u>	<u>1.4</u>	<u>15.0</u>	<u>4.4</u>	--
Excess Return (vs. Net)			-4.0	-0.3	3.8	10.5	9.6	4.4	
CornerCap (Net)	80,018,254	0.1	-7.0	-0.7	4.5	-6.6	24.7	--	--
CornerCap (Gross)			-7.0	-0.6	4.9	-6.1	25.3	--	--
<i>Russell 2000</i>			<u>-4.8</u>	<u>2.7</u>	<u>6.8</u>	<u>-11.6</u>	<u>17.5</u>	--	--
Excess Return (vs. Net)			-2.2	-3.4	-2.3	5.0	7.2		
Frontier Capital Management (Net)	275,854,180	0.4	-2.7	7.7	14.1	-7.4	24.1	7.1	9.8
Frontier Capital Management (Gross)			-2.7	7.9	14.7	-6.8	25.0	7.9	10.6
<i>Russell 2500</i>			<u>-3.7</u>	<u>3.4</u>	<u>7.9</u>	<u>-10.4</u>	<u>19.4</u>	<u>6.6</u>	<u>9.1</u>
Excess Return (vs. Net)			1.0	4.3	6.2	3.0	4.7	0.5	0.7

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Global Alpha IE EMP (Net)	181,216,958	0.3	0.8	9.5	11.8	-3.9	14.4	--	--
Global Alpha IE EMP (Gross)			0.9	9.7	12.4	-3.2	15.2	--	--
<i>MSCI EAFE Small Cap</i>			<u>-0.2</u>	<u>4.9</u>	<u>9.5</u>	<u>-9.8</u>	<u>12.1</u>	--	--
Excess Return (vs. Net)			1.0	4.6	2.3	5.9	2.3		
JPMAM Strategic BETA NON-U.S. (Net)	584,446,245	0.8	1.6	6.2	9.7	-5.4	--	--	--
JPMAM Strategic BETA NON-U.S. (Gross)			1.6	6.2	9.8	-5.4	--	--	--
<i>MSCI ACWI ex USA IMI</i>			<u>2.1</u>	<u>6.6</u>	<u>9.9</u>	<u>-5.8</u>	--	--	--
Excess Return (vs. Net)			-0.5	-0.4	-0.2	0.4			
JPMAM Strategic BETA U.S. (Net)	4,292,050,919	5.9	2.9	7.4	10.0	-7.6	--	--	--
JPMAM Strategic BETA U.S. (Gross)			2.9	7.4	10.1	-7.5	--	--	--
<i>MSCI USA IMI Gross</i>			<u>2.7</u>	<u>7.3</u>	<u>10.0</u>	<u>-8.5</u>	--	--	--
Excess Return (vs. Net)			0.2	0.1	0.0	0.9			
Lazard Emerging Markets (Net)	383,919,824	0.5	2.0	4.3	2.6	-7.0	10.4	1.2	2.8
Lazard Emerging Markets (Gross)			2.0	4.5	3.1	-6.4	11.1	1.9	3.6
<i>MSCI Emerging Markets</i>			<u>3.0</u>	<u>4.0</u>	<u>0.8</u>	<u>-10.7</u>	<u>7.8</u>	<u>-0.9</u>	<u>2.0</u>
Excess Return (vs. Net)			-1.0	0.3	1.8	3.7	2.6	2.1	0.8

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Parametric GE Market Cap (Net)	135,549,394	0.2	39.6	17.6	-0.8	-4.2	--	--	--
Parametric GE Market Cap (Gross)			39.6	17.7	-0.6	-3.9	--	--	--
Parametric GE Region (Net)	68,793,465	0.1	0.5	-15.9	-4.8	-28.2	--	--	--
Parametric GE Region (Gross)			0.5	-15.9	-4.7	-28.0	--	--	--
SSGA MSCI ACWI IMI (Net)	15,279,798,768	21.1	2.4	7.1	9.9	-7.1	16.3	--	--
SSGA MSCI ACWI IMI (Gross)			2.4	7.1	9.9	-7.1	16.3	--	--
<i>MSCI ACWI IMI Net (DAILY)</i>			<u>2.5</u>	<u>6.9</u>	<u>9.7</u>	<u>-7.7</u>	<u>15.6</u>	--	--
Excess Return (vs. Net)			-0.1	0.2	0.2	0.6	0.7		
Systematic Financial Management (Net)	190,319,649	0.3	-4.2	2.1	9.7	-3.2	22.8	--	--
Systematic Financial Management (Gross)			-4.1	2.3	10.1	-2.6	23.5	--	--
<i>Russell 2000</i>			<u>-4.8</u>	<u>2.7</u>	<u>6.8</u>	<u>-11.6</u>	<u>17.5</u>	--	--
Excess Return (vs. Net)			0.6	-0.6	2.9	8.4	5.3		

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Private Equity - Growth (Net)	13,034,329,367	18.0	0.7	1.6	-1.6	-0.8	22.1	--	--
Private Equity - Growth (Gross)			0.8	1.8	-1.0	0.0	23.5	--	--
<i>Private Equity - Growth Custom BM</i>			<u>-3.7</u>	<u>10.4</u>	<u>-12.4</u>	<u>-16.7</u>	<u>6.0</u>	--	--
Excess Return (vs. Net)			4.4	-8.8	10.8	15.9	16.1		
Non-Core Private Real Estate (Net)	1,148,946,467	1.6	0.5	-2.2	4.4	9.4	12.5	11.8	11.0
Non-Core Private Real Estate (Gross)			0.6	-2.0	4.8	9.8	13.4	13.2	12.9
<i>Non-Core Private RE Policy BM</i>			<u>-1.6</u>	<u>-4.6</u>	<u>1.1</u>	<u>8.9</u>	<u>11.8</u>	<u>10.7</u>	<u>12.2</u>
Excess Return (vs. Net)			2.1	2.4	3.3	0.5	0.7	1.1	-1.2
Credit (Net)¹	8,410,894,849	11.6	0.8	3.5	5.2	-0.3	7.7	--	--
Credit (Gross)			0.9	3.3	4.9	-0.4	8.0	--	--
<i>Credit Custom Blended Benchmark</i>			<u>-0.1</u>	<u>3.1</u>	<u>4.1</u>	<u>-1.8</u>	<u>4.5</u>	--	--
Excess Return (vs. Net)			0.9	0.4	1.1	1.5	3.2		
Liquid Credit (Net)	4,076,063,979	5.6	0.2	3.1	6.0	-2.4	--	--	--
Liquid Credit (Gross)			0.2	3.2	6.2	-2.1	--	--	--
<i>Liquid Credit Custom BM</i>			<u>0.7</u>	<u>3.2</u>	<u>6.8</u>	<u>-1.3</u>	--	--	--
Excess Return (vs. Net)			-0.5	-0.1	-0.8	-1.1			

¹ Includes accounts that are lagged by 1-month, 3-months, and latest available adjusted for cash flows.

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
High Yield (Net)	1,399,024,135	1.9	0.1	2.8	4.7	-5.5	6.0	--	--
High Yield (Gross)			0.2	2.8	4.9	-5.3	6.3	--	--
<i>BBgBarc US High Yield TR</i>			<u>1.1</u>	<u>3.6</u>	<u>7.2</u>	<u>-3.3</u>	<u>5.9</u>	--	--
Excess Return (vs. Net)			-1.0	-0.8	-2.5	-2.2	0.1		
Beach Point (Net)	290,849,969	0.4	1.0	3.6	6.7	-4.4	5.1	2.9	--
Beach Point (Gross)			1.0	3.7	7.0	-4.0	5.6	3.4	--
<i>Beach Point Custom BM</i>			<u>1.1</u>	<u>3.6</u>	<u>7.2</u>	<u>-3.3</u>	<u>5.9</u>	<u>2.7</u>	--
Excess Return (vs. Net)			-0.1	0.0	-0.5	-1.1	-0.8	0.2	
BlackRock HY ETF (Net)	326,838	0.0	-0.8	0.2	3.5	-6.2	4.2	--	--
BlackRock HY ETF (Gross)			-0.8	0.2	3.5	-6.2	4.2	--	--
<i>BBgBarc US High Yield TR</i>			<u>1.1</u>	<u>3.6</u>	<u>7.2</u>	<u>-3.3</u>	<u>5.9</u>	--	--
Excess Return (vs. Net)			-1.9	-3.4	-3.7	-2.9	-1.7		
Brigade Capital Management (Net)	641,423,773	0.9	-1.1	2.8	1.5	-7.9	8.6	2.6	3.7
Brigade Capital Management (Gross)			-1.0	2.9	1.8	-7.5	9.1	3.2	4.4
<i>Brigade Custom Index</i>			<u>1.1</u>	<u>3.6</u>	<u>7.2</u>	<u>-3.3</u>	<u>5.9</u>	<u>2.9</u>	<u>3.7</u>
Excess Return (vs. Net)			-2.2	-0.8	-5.7	-4.6	2.7	-0.3	0.0
Pinebridge Investments (Net)	466,378,047	0.6	1.4	3.7	8.0	-3.6	--	--	--
Pinebridge Investments (Gross)			1.4	3.8	8.2	-3.3	--	--	--
<i>BBgBarc US High Yield TR</i>			<u>1.1</u>	<u>3.6</u>	<u>7.2</u>	<u>-3.3</u>	--	--	--
Excess Return (vs. Net)			0.3	0.1	0.8	-0.3			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Bank Loans (Net)	1,945,933,306	2.7	0.0	3.6	6.9	1.9	7.0	--	--
Bank Loans (Gross)			0.1	3.7	7.1	2.2	7.4	--	--
<i>CS Leveraged Loan Index</i>			<u>-0.1</u>	<u>3.1</u>	<u>6.8</u>	<u>2.1</u>	<u>8.4</u>	--	--
Excess Return (vs. Net)			0.1	0.5	0.1	-0.2	-1.4		
Bain Capital (Net)	432,013,272	0.6	0.3	3.7	6.0	2.3	9.6	4.3	--
Bain Capital (Gross)			0.4	3.8	6.4	2.8	10.2	4.9	--
<i>Bank Loans Custom Index</i>			<u>-0.1</u>	<u>3.1</u>	<u>6.8</u>	<u>2.1</u>	<u>8.4</u>	<u>4.1</u>	--
Excess Return (vs. Net)			0.4	0.6	-0.8	0.2	1.2	0.2	
Credit Suisse Bank Loans (Net)	1,006,257,569	1.4	0.1	3.7	8.5	3.4	7.0	--	--
Credit Suisse Bank Loans (Gross)			0.1	3.7	8.7	3.5	7.2	--	--
<i>CS Leveraged Loan Index</i>			<u>-0.1</u>	<u>3.1</u>	<u>6.8</u>	<u>2.1</u>	<u>8.4</u>	--	--
Excess Return (vs. Net)			0.2	0.6	1.7	1.3	-1.4		
Crescent Capital Group (Net)	507,662,466	0.7	-0.4	3.4	3.9	-1.8	8.6	3.9	--
Crescent Capital Group (Gross)			-0.3	3.5	4.2	-1.3	9.1	4.4	--
<i>Bank Loans Custom Index</i>			<u>-0.1</u>	<u>3.1</u>	<u>6.8</u>	<u>2.1</u>	<u>8.4</u>	<u>4.1</u>	--
Excess Return (vs. Net)			-0.3	0.3	-2.9	-3.9	0.2	-0.2	

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
EM Debt (Net)	731,106,538	1.0	0.8	2.4	6.6	-5.9	1.3	-2.3	--
EM Debt (Gross)			0.9	2.5	7.0	-5.5	1.8	-1.8	--
<i>EMD Custom</i>			<u>1.7</u>	<u>2.8</u>	<u>5.8</u>	<u>-4.0</u>	<u>0.9</u>	<u>-0.4</u>	--
Excess Return (vs. Net)			-0.9	-0.4	0.8	-1.9	0.4	-1.9	
Aberdeen Asset Management (Net)	379,863,165	0.5	0.8	1.9	6.8	-5.2	1.0	-1.3	--
Aberdeen Asset Management (Gross)			0.9	2.0	7.1	-4.8	1.4	-0.9	--
<i>EMD Custom</i>			<u>1.7</u>	<u>2.8</u>	<u>5.8</u>	<u>-4.0</u>	<u>0.9</u>	<u>-0.4</u>	--
Excess Return (vs. Net)			-0.9	-0.9	1.0	-1.2	0.1	-0.9	
Ashmore Investment Management (Net)	351,243,373	0.5	0.8	2.9	6.4	-6.7	1.7	-3.3	--
Ashmore Investment Management (Gross)			0.9	3.1	6.8	-6.3	2.2	-2.7	--
<i>EMD Custom</i>			<u>1.7</u>	<u>2.8</u>	<u>5.8</u>	<u>-4.0</u>	<u>0.9</u>	<u>-0.4</u>	--
Excess Return (vs. Net)			-0.9	0.1	0.6	-2.7	0.8	-2.9	

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Illiquid Credit (Net)	4,334,830,836	6.0	1.5	3.6	3.5	2.5	11.0	--	--
Illiquid Credit (Gross)			1.5	3.0	2.7	1.8	11.1	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.6</u>	<u>3.0</u>	<u>2.3</u>	<u>-1.3</u>	<u>1.0</u>	--	--
Excess Return (vs. Net)			2.1	0.6	1.2	3.8	10.0		
Beach Point - Fund III (Net)	161,075,597	0.2	1.3	4.3	-3.3	-6.3	13.1	10.1	--
Beach Point - Fund III (Gross)			1.3	-8.6	-17.6	-19.6	11.6	10.9	--
<i>Opportunistic Custom Index 1 Month Lag</i>			<u>-0.3</u>	<u>2.7</u>	<u>1.8</u>	<u>-1.6</u>	<u>2.6</u>	<u>3.3</u>	--
Excess Return (vs. Net)			1.6	1.6	-5.1	-4.7	10.5	6.8	
Lake Cascade (Net)	300,134,871	0.4	0.0	--	--	--	--	--	--
Lake Cascade (Gross)			0.0	--	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.6</u>	--	--	--	--	--	--
Excess Return (vs. Net)			0.6						
Lake Cottage (Net)	317,206,558	0.4	1.4	1.9	--	--	--	--	--
Lake Cottage (Gross)			1.4	1.9	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.6</u>	<u>3.0</u>	--	--	--	--	--
Excess Return (vs. Net)			2.0	-1.1					
Lake Vineyard (Net)	421,140,854	0.6	0.1	3.1	1.3	2.0	--	--	--
Lake Vineyard (Gross)			0.1	3.1	1.3	2.0	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.6</u>	<u>3.0</u>	<u>2.3</u>	<u>-1.3</u>	--	--	--
Excess Return (vs. Net)			0.7	0.1	-1.0	3.3			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Magnetar Credit Fund (Net)	933,089,014	1.3	0.2	3.2	3.2	3.8	--	--	--
Magnetar Credit Fund (Gross)			0.2	3.2	3.2	3.8	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.6</u>	<u>3.0</u>	<u>2.3</u>	<u>-1.3</u>	--	--	--
Excess Return (vs. Net)			0.8	0.2	0.9	5.1			
Napier Park (Net)	884,725,127	1.2	5.9	7.4	6.9	1.4	16.4	--	--
Napier Park (Gross)			5.9	7.4	6.9	1.4	16.4	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.6</u>	<u>3.0</u>	<u>2.3</u>	<u>-1.3</u>	<u>1.0</u>	--	--
Excess Return (vs. Net)			6.5	4.4	4.6	2.7	15.4		
PIMCO Tac Opps (Net)	272,834,325	0.4	0.0	0.0	-3.3	-5.9	4.6	--	--
PIMCO Tac Opps (Gross)			0.0	0.0	-3.3	-5.9	4.6	--	--
<i>PIMCO Tac Opps Custom BM</i>			<u>-0.6</u>	<u>3.0</u>	<u>2.3</u>	<u>-1.3</u>	<u>0.2</u>	--	--
Excess Return (vs. Net)			0.6	-3.0	-5.6	-4.6	4.4		
Private Equity - Credit (Net)	227,804,665	0.3	0.4	7.6	10.1	16.0	18.9	--	--
Private Equity - Credit (Gross)			0.4	7.6	10.1	16.0	18.9	--	--
<i>PE-Credit Custom Benchmark</i>			<u>-0.2</u>	<u>2.5</u>	<u>-5.8</u>	<u>-10.8</u>	<u>-0.3</u>	--	--
Excess Return (vs. Net)			0.6	5.1	15.9	26.8	19.2		
Real Estate - Credit (Net)	73,528,245	0.1	0.6	1.8	6.0	6.9	9.9	9.6	8.8
Real Estate - Credit (Gross)			0.6	1.9	6.3	7.6	10.6	10.6	9.8
<i>RE Credit BM</i>			<u>-0.6</u>	<u>3.0</u>	<u>2.3</u>	<u>-1.3</u>	<u>0.9</u>	<u>2.4</u>	<u>3.7</u>
Excess Return (vs. Net)			1.2	-1.2	3.7	8.3	9.0	7.2	5.1

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Tennenbaum Capital (Net)	658,689,754	0.9	0.8	1.7	4.6	5.6	7.1	6.9	--
Tennenbaum Capital (Gross)			0.8	1.7	5.0	6.2	7.8	7.7	--
<i>CSFB Leveraged Loan Index 1 Month Lagged</i>			<u>0.6</u>	<u>3.6</u>	<u>4.7</u>	<u>2.3</u>	<u>3.7</u>	<u>3.6</u>	--
Excess Return (vs. Net)			0.2	-1.9	-0.1	3.3	3.4	3.3	
IC EM Program (Net)	48,720,472	0.1	0.4	0.4	--	--	--	--	--
IC EM Program (Gross)			0.4	0.4	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.6</u>	<u>3.0</u>	--	--	--	--	--
Excess Return (vs. Net)			1.0	-2.6					
Stable Asset Management - IC (Net)	48,720,472	0.1	0.4	0.4	--	--	--	--	--
Stable Asset Management - IC (Gross)			0.4	0.4	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.6</u>	<u>3.0</u>	--	--	--	--	--
Excess Return (vs. Net)			1.0	-2.6					
Stable Fund Investments - IC (Net)	48,720,472	0.1	0.4	0.4	--	--	--	--	--
Stable Fund Investments - IC (Gross)			0.4	0.4	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.6</u>	<u>3.0</u>	--	--	--	--	--
Excess Return (vs. Net)			1.0	-2.6					
HarbourView (Net)	48,720,472	0.1	0.4	0.4	--	--	--	--	--
HarbourView (Gross)			0.4	0.4	--	--	--	--	--
<i>Illiquid Credit Custom BM</i>			<u>-0.6</u>	<u>3.0</u>	--	--	--	--	--
Excess Return (vs. Net)			1.0	-2.6					

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Real Assets and Inflation Hedges (Net)¹	12,202,086,893	16.9	1.3	-0.4	1.3	-0.4	11.5	--	--
Real Assets and Inflation Hedges (Gross)			1.3	-0.4	1.5	0.0	11.9	--	--
<i>Real Assets & Inflation Hedges Custom BM</i>			<u>0.4</u>	<u>-0.6</u>	<u>1.5</u>	<u>-1.8</u>	<u>11.9</u>	--	--
Excess Return (vs. Net)			0.9	0.2	-0.2	1.4	-0.4		
Core Private Real Estate (Net)	4,123,500,240	5.7	0.1	-4.5	2.0	10.5	9.1	7.8	8.5
Core Private Real Estate (Gross)			0.2	-4.4	2.5	11.2	9.7	8.4	9.1
<i>Core Private Real Estate Custom BM</i>			<u>-1.8</u>	<u>-5.2</u>	<u>-0.6</u>	<u>6.6</u>	<u>9.2</u>	<u>8.1</u>	<u>9.6</u>
Excess Return (vs. Net)			1.9	0.7	2.6	3.9	-0.1	-0.3	-1.1
Natural Resources and Commodities (Net)	2,197,045,831	3.0	1.5	0.1	0.9	-5.2	24.8	6.3	-0.5
Natural Resources and Commodities (Gross)			1.5	0.2	1.1	-4.9	25.2	6.7	-0.2
<i>Natural Resources & Commodities Custom BM</i>			<u>-0.8</u>	<u>-1.5</u>	<u>5.4</u>	<u>-7.7</u>	<u>25.3</u>	<u>6.6</u>	<u>-1.1</u>
Excess Return (vs. Net)			2.3	1.6	-4.5	2.5	-0.5	-0.3	0.6
Public Natural Resources and Commodities (Net)	1,271,745,431	1.8	-1.9	-4.0	-2.0	-11.9	24.3	--	--
Public Natural Resources and Commodities (Gross)			-1.9	-4.0	-1.8	-11.7	24.6	--	--
<i>Natural Resources & Commodities Custom BM</i>			<u>-0.8</u>	<u>-1.5</u>	<u>5.4</u>	<u>-7.7</u>	<u>25.3</u>	--	--
Excess Return (vs. Net)			-1.1	-2.5	-7.4	-4.2	-1.0		

¹ Includes accounts that are lagged by 3-months and latest available adjusted for cash flows.

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	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Credit Suisse Commodity (Net)	294,837,613	0.4	-0.2	-5.6	-7.5	-12.0	21.7	5.9	-1.2
Credit Suisse Commodity (Gross)			-0.2	-5.5	-7.3	-11.8	22.0	6.2	-0.9
<i>Bloomberg Commodity Index TR USD</i>			<u>-0.2</u>	<u>-5.4</u>	<u>-7.2</u>	<u>-12.5</u>	<u>20.8</u>	<u>5.4</u>	<u>-1.7</u>
Excess Return (vs. Net)			0.0	-0.2	-0.3	0.5	0.9	0.5	0.5
DWS Natural Resources (Net)	632,348,292	0.9	-3.1	-2.3	6.8	-11.3	26.4	--	--
DWS Natural Resources (Gross)			-3.1	-2.3	6.9	-11.2	26.6	--	--
<i>S&P Global Large/MidCap Commodities & Resources</i>			<u>-0.4</u>	<u>-1.3</u>	<u>10.9</u>	<u>-5.8</u>	<u>29.7</u>	--	--
Excess Return (vs. Net)			-2.7	-1.0	-4.1	-5.5	-3.3		
Neuberger Berman/ Gresham (Net)	344,206,110	0.5	-0.9	-6.0	-9.3	-12.6	22.4	5.2	-1.1
Neuberger Berman/ Gresham (Gross)			-0.9	-6.0	-9.1	-12.3	22.8	5.6	-0.7
<i>Bloomberg Commodity Index TR USD</i>			<u>-0.2</u>	<u>-5.4</u>	<u>-7.2</u>	<u>-12.5</u>	<u>20.8</u>	<u>5.4</u>	<u>-1.7</u>
Excess Return (vs. Net)			-0.7	-0.6	-2.1	-0.1	1.6	-0.2	0.6
Private Natural Resources and Commodities (Net)	925,300,400	1.3	6.6	6.5	4.2	16.7	-1.6	--	--
Private Natural Resources and Commodities (Gross)			6.6	6.5	4.3	17.4	0.1	--	--
<i>PE - Real Assets Custom BM</i>			<u>-3.7</u>	<u>14.0</u>	<u>-4.5</u>	<u>15.5</u>	<u>16.2</u>	--	--
Excess Return (vs. Net)			10.3	-7.5	8.7	1.2	-17.8		
Cibus Enterprise II (Net)	4,318,980	0.0	--	--	--	--	--	--	--
Cibus Enterprise II (Gross)			--	--	--	--	--	--	--

Private natural resources and infrastructure funds reflect early-stage life cycle performance.

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	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Co-Investments - Natural Resources (Net)	15,042,249	0.0	-0.1	-0.1	--	--	--	--	--
Co-Investments - Natural Resources (Gross)			-0.1	-0.1	--	--	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-3.7</u>	<u>14.0</u>	--	--	--	--	--
Excess Return (vs. Net)			3.6	-14.1					
Cibus Fund II (Net)	17,559,341	0.0	0.0	-1.8	-13.6	--	--	--	--
Cibus Fund II (Gross)			0.0	-1.8	-13.6	--	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-3.7</u>	<u>14.0</u>	<u>-4.5</u>	--	--	--	--
Excess Return (vs. Net)			3.7	-15.8	-9.1				
HiTecVision New Energy (Net)	86,419,380	0.1	14.3	13.6	--	--	--	--	--
HiTecVision New Energy (Gross)			14.3	13.6	--	--	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-3.7</u>	<u>14.0</u>	--	--	--	--	--
Excess Return (vs. Net)			18.0	-0.4					
Orion Mine Finance Fund III (Net)	125,844,385	0.2	0.0	0.0	-1.2	5.4	--	--	--
Orion Mine Finance Fund III (Gross)			0.0	0.0	-1.2	5.4	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-3.7</u>	<u>14.0</u>	<u>-4.5</u>	<u>15.5</u>	--	--	--
Excess Return (vs. Net)			3.7	-14.0	3.3	-10.1			
Orion Mining Royalty Fund I (Net)	23,593,626	0.0	0.0	0.0	-12.4	-11.4	--	--	--
Orion Mining Royalty Fund I (Gross)			0.0	0.0	-12.4	-11.4	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-3.7</u>	<u>14.0</u>	<u>-4.5</u>	<u>15.5</u>	--	--	--
Excess Return (vs. Net)			3.7	-14.0	-7.9	-26.9			

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 (%)
PE - Real Assets & Inflation Hedges (Net)	83,177,573	0.1	2.1	2.1	1.9	9.8	-1.8	--	--
PE - Real Assets & Inflation Hedges (Gross)			2.5	2.5	3.1	15.7	-0.1	--	--
<i>PE - Real Assets Custom BM</i>			<u>-3.7</u>	<u>14.0</u>	<u>-4.5</u>	<u>15.5</u>	<u>16.2</u>	--	--
Excess Return (vs. Net)			5.8	-11.9	6.4	-5.7	-18.0		
TIAA-CREF Global Agriculture (Net)	278,963,908	0.4	9.0	9.0	5.0	22.6	--	--	--
TIAA-CREF Global Agriculture (Gross)			9.0	9.0	5.0	22.6	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-3.7</u>	<u>14.0</u>	<u>-4.5</u>	<u>15.5</u>	--	--	--
Excess Return (vs. Net)			12.7	-5.0	9.5	7.1			
TIAA-CREF Global Agriculture II (Net)	271,727,430	0.4	8.5	8.5	6.1	19.2	--	--	--
TIAA-CREF Global Agriculture II (Gross)			8.5	8.5	6.1	19.2	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-3.7</u>	<u>14.0</u>	<u>-4.5</u>	<u>15.5</u>	--	--	--
Excess Return (vs. Net)			12.2	-5.5	10.6	3.7			
Sprott (Net)	18,653,528	0.0	--	--	--	--	--	--	--
Sprott (Gross)			--	--	--	--	--	--	--
<i>PE - Real Assets Custom BM</i>			<u>-3.7</u>	--	--	--	--	--	--
Excess Return (vs. Net)									
Infrastructure (Net)	3,957,805,929	5.5	1.7	1.9	0.9	-5.7	12.9	--	--
Infrastructure (Gross)			1.8	2.0	1.0	-5.5	13.1	--	--
<i>DJ Brookfield Global Infrastructure Comp TR</i>			<u>2.1</u>	<u>3.1</u>	<u>1.2</u>	<u>-6.1</u>	<u>12.2</u>	--	--
Excess Return (vs. Net)			-0.4	-1.2	-0.3	0.4	0.7		

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 (%)
Public Infrastructure (Net)	2,593,055,133	3.6	1.8	1.2	-0.5	-8.5	12.3	--	--
Public Infrastructure (Gross)			1.8	1.3	-0.4	-8.3	12.5	--	--
<i>DJ Brookfield Global Infrastructure Comp TR</i>			<u>2.1</u>	<u>3.1</u>	<u>1.2</u>	<u>-6.1</u>	<u>12.2</u>	--	--
Excess Return (vs. Net)			-0.3	-1.9	-1.7	-2.4	0.1		
DWS Infrastructure (Net)	2,593,055,133	3.6	1.8	1.2	-0.5	-8.5	12.3	--	--
DWS Infrastructure (Gross)			1.8	1.3	-0.4	-8.3	12.5	--	--
<i>DJ Brookfield Global Infrastructure Comp TR</i>			<u>2.1</u>	<u>3.1</u>	<u>1.2</u>	<u>-6.1</u>	<u>12.2</u>	--	--
Excess Return (vs. Net)			-0.3	-1.9	-1.7	-2.4	0.1		
Private Infrastructure (Net)	1,364,750,796	1.9	1.7	3.3	6.3	6.1	--	--	--
Private Infrastructure (Gross)			1.7	3.4	6.4	6.2	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>-3.3</u>	<u>9.4</u>	<u>-8.9</u>	<u>-4.9</u>	--	--	--
Excess Return (vs. Net)			5.0	-6.1	15.2	11.0			
Antin Mid Cap (Net)	39,950,485	0.1	5.8	5.2	10.5	11.9	--	--	--
Antin Mid Cap (Gross)			5.8	5.2	10.5	11.9	--	--	--
<i>DJ Brookfield Global Infrastructure Comp TR</i>			<u>2.1</u>	<u>3.1</u>	<u>1.2</u>	<u>-6.1</u>	--	--	--
Excess Return (vs. Net)			3.7	2.1	9.3	18.0			
Axium Infrastructure (Net)	258,846,193	0.4	1.9	1.9	5.3	7.2	--	--	--
Axium Infrastructure (Gross)			2.2	2.2	6.0	8.0	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>-3.3</u>	<u>9.4</u>	<u>-8.9</u>	<u>-4.9</u>	--	--	--
Excess Return (vs. Net)			5.2	-7.5	14.2	12.1			

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	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Axiom Infrastructure Canada (Net)	146,010,566	0.2	1.0	1.1	2.5	--	--	--	--
Axiom Infrastructure Canada (Gross)			1.0	1.3	2.9	--	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>-3.3</u>	<u>9.4</u>	<u>-8.9</u>	--	--	--	--
Excess Return (vs. Net)			4.3	-8.3	11.4				
DIF CIF III (Net)	34,375,653	0.0	3.3	-7.2	-2.4	--	--	--	--
DIF CIF III (Gross)			3.3	-7.2	-2.4	--	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>-3.3</u>	<u>9.4</u>	<u>-8.9</u>	--	--	--	--
Excess Return (vs. Net)			6.6	-16.6	6.5				
DIF Infrastructure VI (Net)	100,412,759	0.1	2.4	-2.4	9.0	11.0	--	--	--
DIF Infrastructure VI (Gross)			2.4	-2.5	8.6	10.4	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>-3.3</u>	<u>9.4</u>	<u>-8.9</u>	<u>-4.9</u>	--	--	--
Excess Return (vs. Net)			5.7	-11.8	17.9	15.9			
Grain Communications Opportunity III (Net)	38,489,208	0.1	0.0	2.2	-0.3	-7.8	--	--	--
Grain Communications Opportunity III (Gross)			0.0	2.2	-0.3	-7.8	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>-3.3</u>	<u>9.4</u>	<u>-8.9</u>	<u>-4.9</u>	--	--	--
Excess Return (vs. Net)			3.3	-7.2	8.6	-2.9			
Grain Spectrum Holdings III (Net)	70,118,102	0.1	0.0	46.6	46.2	46.1	--	--	--
Grain Spectrum Holdings III (Gross)			0.0	46.6	46.2	46.1	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>-3.3</u>	<u>9.4</u>	<u>-8.9</u>	<u>-4.9</u>	--	--	--
Excess Return (vs. Net)			3.3	37.2	55.1	51.0			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
KKR DCIF (Net)	505,623,000	0.7	1.5	1.5	3.4	3.4	--	--	--
KKR DCIF (Gross)			1.5	1.5	3.4	3.4	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>-3.3</u>	<u>9.4</u>	<u>-8.9</u>	<u>-4.9</u>	--	--	--
Excess Return (vs. Net)			4.8	-7.9	12.3	8.3			
Pan European Infrastructure Fund III (Net)	68,006,976	0.1	4.7	4.1	9.1	5.4	--	--	--
Pan European Infrastructure Fund III (Gross)			4.7	4.1	9.6	5.9	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>-3.3</u>	<u>9.4</u>	<u>-8.9</u>	<u>-4.9</u>	--	--	--
Excess Return (vs. Net)			8.0	-5.3	18.0	10.3			
Partners Grp Direct Infra 2020 (Net)	76,449,185	0.1	0.0	5.6	8.6	10.9	--	--	--
Partners Grp Direct Infra 2020 (Gross)			-0.1	5.6	8.3	9.8	--	--	--
<i>Private Infrastructure Policy BM</i>			<u>-3.3</u>	<u>9.4</u>	<u>-8.9</u>	<u>-4.9</u>	--	--	--
Excess Return (vs. Net)			3.3	-3.8	17.5	15.8			
Private Infrastrucutre Co-Investments (Net)	26,468,668	0.0	--	--	--	--	--	--	--
Private Infrastrucutre Co-Investments (Gross)			--	--	--	--	--	--	--
TIPS (Net)	1,923,734,893	2.7	2.9	3.4	-0.4	-6.6	1.7	--	--
TIPS (Gross)			2.9	3.4	-0.3	-6.6	1.7	--	--
<i>BBgBarc US TIPS TR</i>			<u>2.9</u>	<u>3.3</u>	<u>0.0</u>	<u>-6.1</u>	<u>1.8</u>	--	--
Excess Return (vs. Net)			0.0	0.1	-0.4	-0.5	-0.1		

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	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Blackrock TIPS (Net)	1,923,734,893	2.7	2.9	3.4	-0.4	-6.6	1.7	--	--
Blackrock TIPS (Gross)			2.9	3.4	-0.3	-6.6	1.7	--	--
<i>BBgBarc US TIPS TR</i>			<u>2.9</u>	<u>3.3</u>	<u>0.0</u>	<u>-6.1</u>	<u>1.8</u>	--	--
Excess Return (vs. Net)			0.0	0.1	-0.4	-0.5	-0.1		
Risk Reduction and Mitigation (Net)	13,597,615,233	18.8	2.2	3.7	0.9	-2.5	-0.4	--	--
Risk Reduction and Mitigation (Gross)			2.2	3.7	1.0	-2.4	-0.3	--	--
<i>Risk Reduction and Mitigation Custom Blended Benchmark</i>			<u>2.4</u>	<u>3.4</u>	<u>0.3</u>	<u>-3.6</u>	<u>-1.7</u>	--	--
Excess Return (vs. Net)			-0.2	0.3	0.6	1.1	1.4		
Investment Grade Bonds (Net)	5,082,662,036	7.0	2.5	3.1	0.0	-4.8	-2.2	1.0	1.7
Investment Grade Bonds (Gross)			2.5	3.1	0.1	-4.7	-2.2	1.1	1.8
<i>BBgBarc US Aggregate TR</i>			<u>2.5</u>	<u>3.0</u>	<u>-0.1</u>	<u>-4.8</u>	<u>-2.8</u>	<u>0.9</u>	<u>1.4</u>
Excess Return (vs. Net)			0.0	0.1	0.1	0.0	0.6	0.1	0.3
Allspring/Wells (Net)	1,291,341,908	1.8	2.5	3.2	0.3	-4.5	-1.9	1.3	1.7
Allspring/Wells (Gross)			2.5	3.2	0.3	-4.4	-1.8	1.4	1.9
<i>BBgBarc US Aggregate TR</i>			<u>2.5</u>	<u>3.0</u>	<u>-0.1</u>	<u>-4.8</u>	<u>-2.8</u>	<u>0.9</u>	<u>1.4</u>
Excess Return (vs. Net)			0.0	0.2	0.4	0.3	0.9	0.4	0.3

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
BTC US Debt Index (Net)	2,920,873,608	4.0	2.5	3.1	0.0	-4.7	-2.7	1.0	1.4
BTC US Debt Index (Gross)			2.5	3.1	0.0	-4.7	-2.7	1.0	1.5
<i>BBgBarc US Aggregate TR</i>			<u>2.5</u>	<u>3.0</u>	<u>-0.1</u>	<u>-4.8</u>	<u>-2.8</u>	<u>0.9</u>	<u>1.4</u>
Excess Return (vs. Net)			0.0	0.1	0.1	0.1	0.1	0.1	0.0
Member Home Loan Program (MHLP) (Net)	10,132,185	0.0	0.4	1.2	3.7	4.9	5.1	5.9	5.4
Member Home Loan Program (MHLP) (Gross)			0.4	1.3	3.9	5.2	5.4	6.2	5.7
Pugh Capital Management (Net)	860,314,329	1.2	2.5	3.0	0.0	-4.8	-2.4	1.0	1.4
Pugh Capital Management (Gross)			2.5	3.0	0.1	-4.7	-2.3	1.2	1.6
<i>BBgBarc US Aggregate TR</i>			<u>2.5</u>	<u>3.0</u>	<u>-0.1</u>	<u>-4.8</u>	<u>-2.8</u>	<u>0.9</u>	<u>1.4</u>
Excess Return (vs. Net)			0.0	0.0	0.1	0.0	0.4	0.1	0.0
Long-Term Government Bonds (Net)	3,032,464,981	4.2	4.8	6.1	-5.2	-16.1	--	--	--
Long-Term Government Bonds (Gross)			4.8	6.2	-5.2	-16.1	--	--	--
<i>Bloomberg U.S. Treasury: Long</i>			<u>4.7</u>	<u>6.2</u>	<u>-4.6</u>	<u>-16.0</u>	--	--	--
Excess Return (vs. Net)			0.1	-0.1	-0.6	-0.1			
Blackrock Long Treasury Bonds (Net)	3,032,464,981	4.2	4.8	6.1	-5.2	-16.1	--	--	--
Blackrock Long Treasury Bonds (Gross)			4.8	6.2	-5.2	-16.1	--	--	--
<i>Bloomberg U.S. Treasury: Long</i>			<u>4.7</u>	<u>6.2</u>	<u>-4.6</u>	<u>-16.0</u>	--	--	--
Excess Return (vs. Net)			0.1	-0.1	-0.6	-0.1			

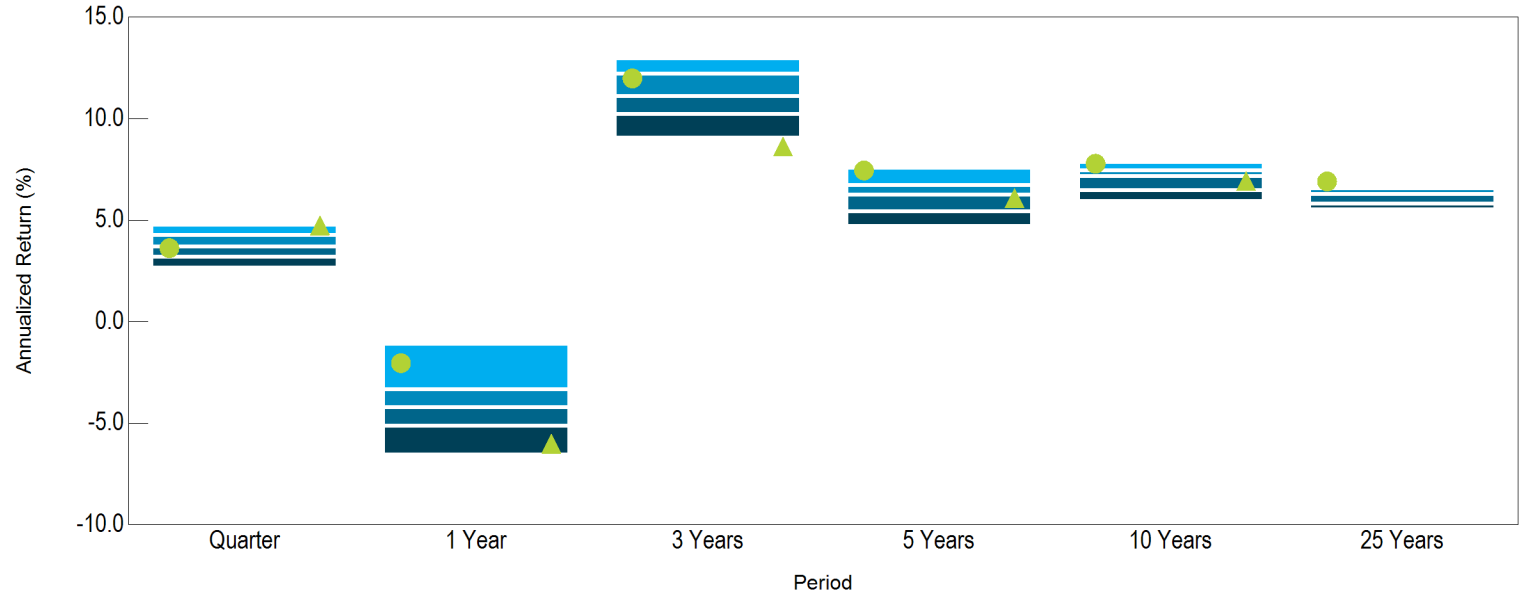
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Diversified Hedge Fund Portfolio (Net)	4,543,313,064	6.3	0.6	3.3	6.1	7.7	7.7	--	--
Diversified Hedge Fund Portfolio (Gross)			0.6	3.3	6.1	7.7	7.8	--	--
<i>Diversified Hedge Funds Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	<u>3.4</u>	--	--
Excess Return (vs. Net)			0.0	1.6	2.1	2.9	4.4		
LACERA HF Direct (Net)	4,131,809,741	5.7	0.7	3.6	6.8	8.5	8.1	--	--
LACERA HF Direct (Gross)			0.7	3.6	6.8	8.5	8.1	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	<u>3.4</u>	--	--
Excess Return (vs. Net)			0.1	1.9	2.8	3.7	4.7		
AM Asia Strategies Fund (Net)	263,115,675	0.4	0.8	21.2	19.6	14.9	--	--	--
AM Asia Strategies Fund (Gross)			0.8	21.2	19.6	14.9	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	--	--	--
Excess Return (vs. Net)			0.2	19.5	15.6	10.1			
Brevan Howard Master Fund (Net)	668,857,200	0.9	-0.4	2.9	7.0	18.3	--	--	--
Brevan Howard Master Fund (Gross)			-0.4	2.9	7.0	18.3	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	--	--	--
Excess Return (vs. Net)			-1.0	1.2	3.0	13.5			
Capula GRV (Net)	663,033,016	0.9	1.0	3.2	9.1	12.0	6.8	--	--
Capula GRV (Gross)			1.0	3.2	9.1	12.0	6.8	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	<u>3.4</u>	--	--
Excess Return (vs. Net)			0.4	1.5	5.1	7.2	3.4		

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Caxton Global Investments (Net)	301,998,750	0.4	0.4	1.8	4.3	10.5	--	--	--
Caxton Global Investments (Gross)			0.4	1.8	4.3	10.5	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	--	--	--
Excess Return (vs. Net)			-0.2	0.1	0.3	5.7			
DK Institutional Partners (Net)	500,125,950	0.7	0.2	2.9	2.8	1.0	5.6	--	--
DK Institutional Partners (Gross)			0.2	2.9	2.8	1.0	5.6	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	<u>3.4</u>	--	--
Excess Return (vs. Net)			-0.4	1.2	-1.2	-3.8	2.2		
HBK Multistrategy (Net)	585,430,500	0.8	0.7	1.3	6.6	5.0	6.9	--	--
HBK Multistrategy (Gross)			0.7	1.3	6.6	5.0	6.9	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	<u>3.4</u>	--	--
Excess Return (vs. Net)			0.1	-0.4	2.6	0.2	3.5		
Hudson Bay Fund (Net)	668,504,650	0.9	1.7	2.8	5.8	6.0	--	--	--
Hudson Bay Fund (Gross)			1.7	2.8	5.8	6.0	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	--	--	--
Excess Return (vs. Net)			1.1	1.1	1.8	1.2			
Polar (Net)	480,744,000	0.7	0.6	2.9	4.7	3.6	--	--	--
Polar (Gross)			0.6	2.9	4.7	3.6	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	--	--	--
Excess Return (vs. Net)			0.0	1.2	0.7	-1.2			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Hedge Fund Emerging Managers Program (Net)	384,876,731	0.5	0.0	0.2	-0.3	1.0	--	--	--
Hedge Fund Emerging Managers Program (Gross)			0.1	0.3	-0.1	1.3	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	--	--	--
Excess Return (vs. Net)			-0.6	-1.5	-4.3	-3.8			
Stable Asset Management (Net)	384,876,731	0.5	0.0	0.2	-0.3	1.0	--	--	--
Stable Asset Management (Gross)			0.1	0.3	-0.1	1.3	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	--	--	--
Excess Return (vs. Net)			-0.6	-1.5	-4.3	-3.8			
Stable Fund Investments (Net)	384,876,731	0.5	0.0	0.2	-0.3	1.0	--	--	--
Stable Fund Investments (Gross)			0.0	0.2	-0.3	1.0	--	--	--
<i>Hedge Fund Custom BM</i>			<u>0.6</u>	<u>1.7</u>	<u>4.0</u>	<u>4.8</u>	--	--	--
Excess Return (vs. Net)			-0.6	-1.5	-4.3	-3.8			
Cash (Net)	939,189,051	1.3	0.5	1.4	3.7	4.4	2.0	2.2	1.4
Cash (Gross)			0.5	1.5	3.8	4.5	2.1	2.2	1.5
<i>Cash Custom BM</i>			<u>0.4</u>	<u>1.1</u>	<u>2.5</u>	<u>2.6</u>	<u>1.0</u>	<u>1.4</u>	<u>0.9</u>
Excess Return (vs. Net)			0.1	0.3	1.2	1.8	1.0	0.8	0.5
SSGA Cash (Net)			0.0	0.0	1.1	1.3	--	--	--
SSGA Cash (Gross)			0.0	0.0	1.2	1.4	--	--	--
<i>Cash Custom BM</i>			<u>0.4</u>	<u>1.1</u>	<u>2.5</u>	<u>2.6</u>	--	--	--
Excess Return (vs. Net)			-0.4	-1.1	-1.4	-1.3			

	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Overlay and Hedges (Net)	417,185,438	0.6	-7.5	14.0	15.7	101.2	--	--	--
Overlay and Hedges (Gross)			-7.5	14.1	16.0	101.7	--	--	--
Cash Overlay (Net)	411,801,073	0.6	4.7	9.2	22.9	44.0	--	--	--
Cash Overlay (Gross)			4.7	9.2	23.0	44.2	--	--	--
Cash Overlay (Net)	411,801,073	0.6	4.7	9.2	22.9	44.0	--	--	--
Cash Overlay (Gross)			4.7	9.2	23.0	44.2	--	--	--
<i>Total Overlay Policy BM</i>			<u>2.5</u>	<u>5.3</u>	<u>5.8</u>	<u>-6.4</u>	--	--	--
Excess Return (vs. Net)			2.2	3.9	17.1	50.4			
Currency Hedge (Net)	5,384,365	0.0	-0.8	-0.1	-0.1	3.5	--	--	--
Currency Hedge (Gross)			-0.8	-0.1	-0.1	3.5	--	--	--
Currency Hedge (Net)	5,384,365	0.0	-0.8	-0.1	-0.1	3.5	--	--	--
Currency Hedge (Gross)			-0.8	-0.1	-0.1	3.5	--	--	--

InvMetrics Public DB > \$1B Net Return Comparison Ending March 31, 2023



	Quarter		1 Year		3 Years		5 Years		10 Years		25 Years	
Return (Rank)	4.8		-1.1		13.0		7.6		7.9		6.8	
5th Percentile	4.8		-1.1		13.0		7.6		7.9		6.8	
25th Percentile	4.3		-3.3		12.2		6.8		7.5		6.6	
Median	3.7		-4.2		11.1		6.3		7.2		6.3	
75th Percentile	3.2		-5.1		10.2		5.4		6.5		5.8	
95th Percentile	2.7		-6.5		9.1		4.7		6.0		5.5	
# of Portfolios	58		58		58		58		55		34	
● Total Fund	3.6	(58)	-2.0	(9)	12.0	(30)	7.5	(7)	7.8	(8)	6.9	(1)
▲ Total Fund Policy Benchmark	4.7	(6)	-6.0	(89)	8.6	(99)	6.1	(54)	6.9	(55)	--	(--)

Benchmark History

As of March 31, 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)

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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").

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CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD - LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM", "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE" OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

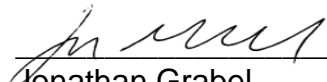
FOR INFORMATION ONLY

June 1, 2023

TO: Trustees – Board of Investments
FROM: Jude Pérez, Principal Investment Officer 
FOR: June 14, 2023 Board of Investments Meeting
SUBJECT: **OPEB QUARTERLY PERFORMANCE BOOK**

Attached is the OPEB Master Trust quarterly performance book as of March 31, 2023. The report includes both performance and risk sections utilizing data from our platform providers, Solovis and MSCI BarraOne, respectively.

Noted and Reviewed:



Jonathan Grabel
Chief Investment Officer

Attachments



Los Angeles County Employees Retirement Association

Investments Division

OPEB MASTER TRUST

PERFORMANCE REPORT

For the quarter ended
March 31, 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 in the sky. The foreground shows residential buildings, palm trees, and a river or canal.

review

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01 OPEB TRUST

02 RISK REPORTS

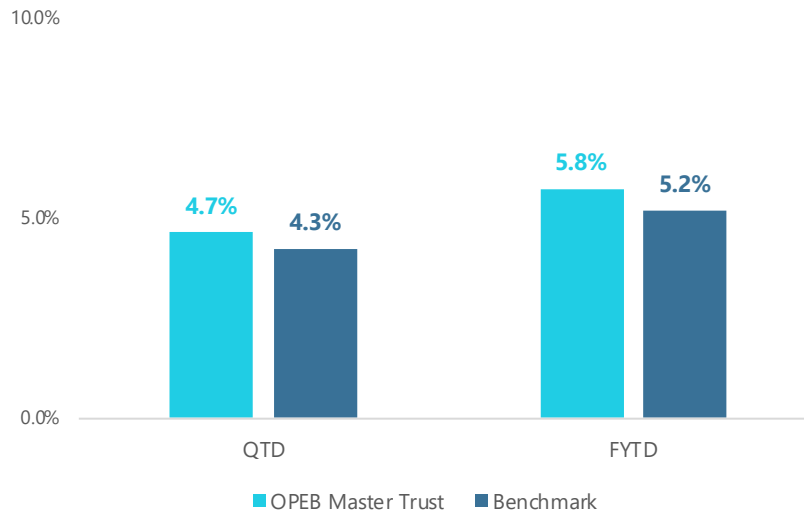
03 APPENDIX

opeb trust

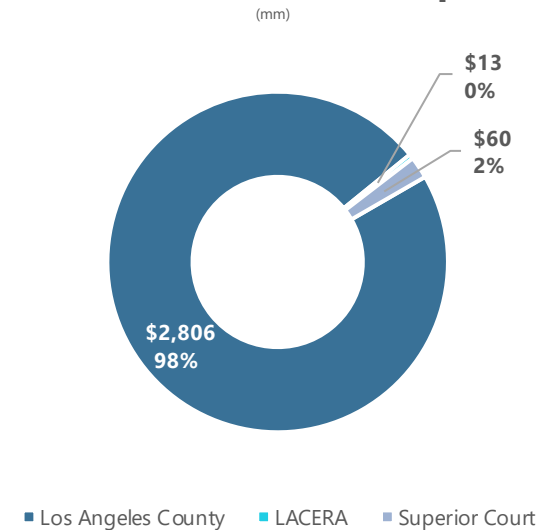
Quarterly Snapshot

for the quarter ended March 31, 2023

Performance (net)



Sub-Trust Ownership



Ending Market Value

2,879

↑ **9%**
from prior quarter

Sharpe Ratio¹

0.8

↑ **295%**
from prior quarter

Batting Average²

46%

↓ **-17%**
from prior quarter

Standard Deviation¹

13.0

↓ **-13%**
from prior quarter

Tracking Error¹

1.3

↑ **15%**
from prior quarter

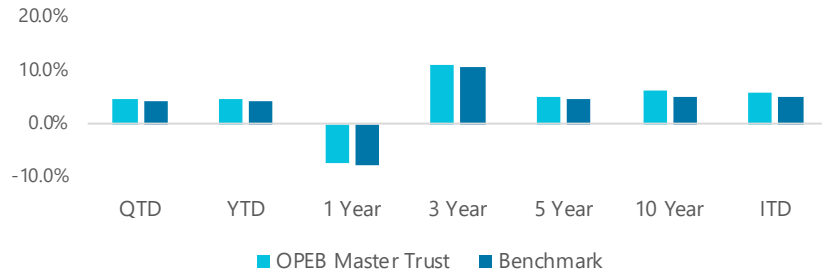
¹ 3-year annualized.

² Percentage of managers that outperformed the benchmark for the quarter.

Summary

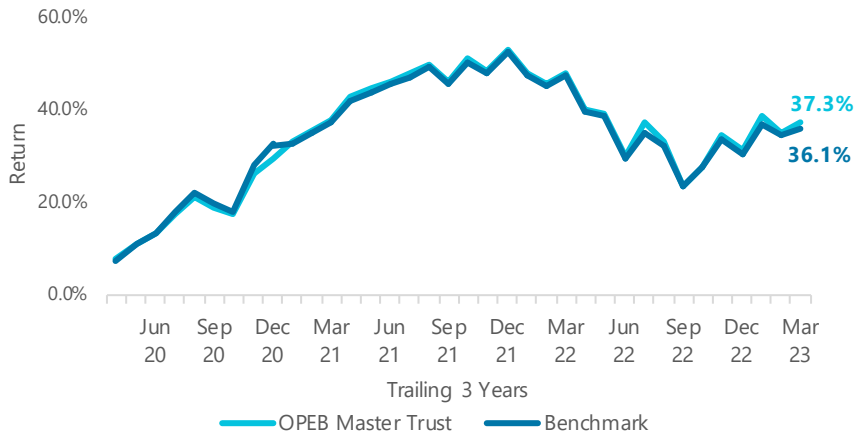
for the quarter ended March 31, 2023

Performance (net)



	QTD	YTD	1 Year	3 Year	5 Year	10 Year	ITD
OPEB Master Trust	4.7%	4.7%	-7.2%	11.1%	5.2%	6.1%	6.0%
Benchmark	4.3%	4.3%	-7.6%	10.8%	4.8%	5.2%	5.1%
Excess	0.4%	0.4%	0.4%	0.3%	0.4%	0.9%	0.9%
Sub-Trusts							
Los Angeles County	4.7%	4.7%	-7.2%	11.1%	5.2%	5.6%	5.5%
LACERA	4.7%	4.7%	-7.3%	11.1%	5.2%	5.6%	5.5%
Superior Court	4.8%	4.8%	-7.2%	11.0%	5.1%	--	6.7%

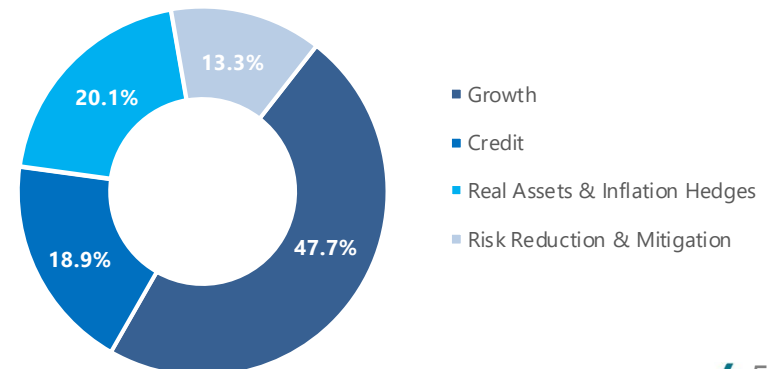
Cumulative Return



Functional Category

	QTD	FYTD	1 Year	3 Year	5 Year
OPEB Growth	6.9%	9.8%	-7.5%	15.9%	6.8%
OPEB Growth Policy Benchmark	7.2%	8.5%	-8.6%	15.2%	6.4%
Excess	-0.2%	1.2%	1.1%	0.6%	0.5%
OPEB Credit	3.7%	8.0%	0.3%	5.5%	--
OPEB Credit Policy Benchmark	3.2%	6.4%	-1.3%	5.7%	--
Excess	0.4%	1.7%	1.5%	-0.1%	--
OPEB Real Assets & Inflation Hedges	1.6%	-3.1%	-14.7%	10.7%	--
OPEB RA & IH Policy Benchmark	-1.0%	-0.6%	-12.6%	11.6%	--
Excess	2.6%	-2.5%	-2.1%	-0.8%	--
OPEB Risk Reduction & Mitigation	3.4%	1.1%	-2.7%	-1.7%	1.4%
OPEB RR & M Policy Benchmark	3.3%	-0.5%	-4.2%	-2.3%	1.0%
Excess	0.1%	1.5%	1.5%	0.6%	0.5%

Exposure



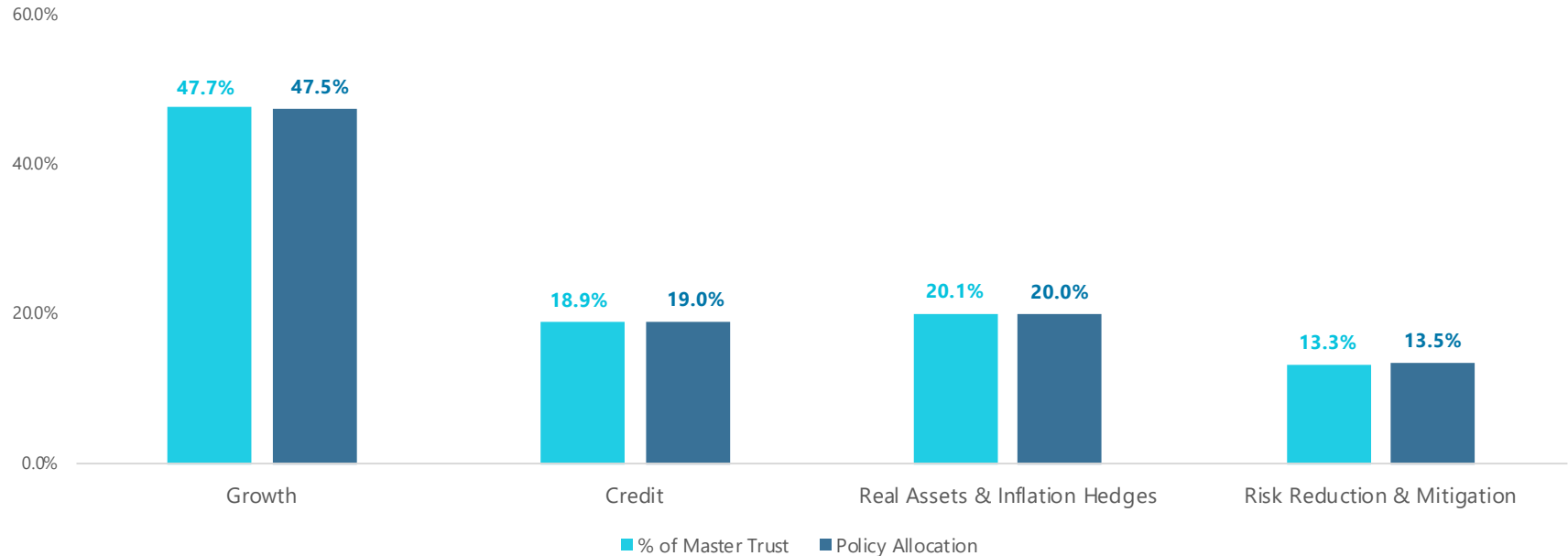
Asset Allocation

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

Actual vs. Policy¹



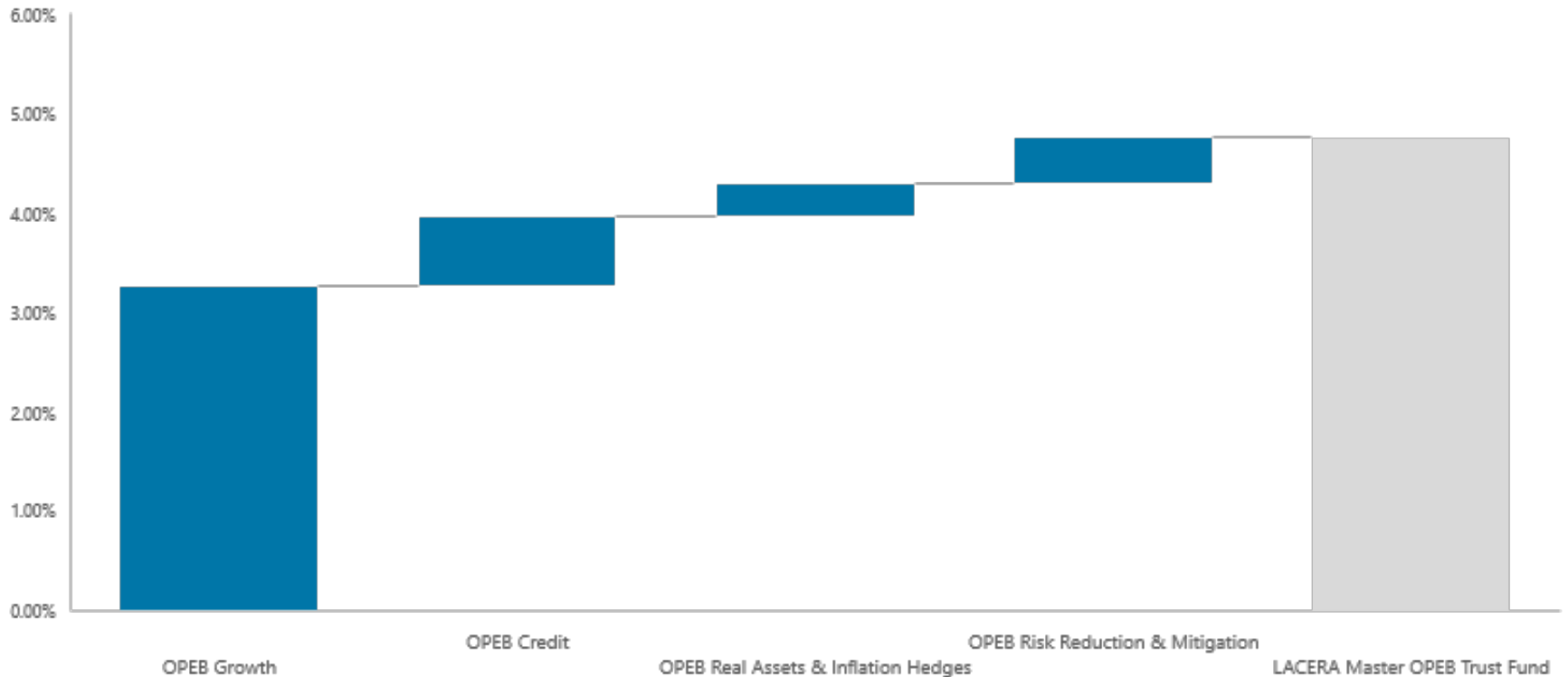
	Ending Market Value (mm)	% of Master Trust	Policy Allocation	Over / Under (%)	Over / Under (mm)
LACERA Master OPEB Trust Fund	2,877	100.0%	100.0%		
Growth	1,372	47.7%	47.5%	0.2%	6
Credit	544	18.9%	19.0%	-0.1%	-3
Real Assets & Inflation Hedges	578	20.1%	20.0%	0.1%	3
Risk Reduction & Mitigation	383	13.3%	13.5%	-0.2%	-6

¹ Total market value excludes cash balances held in ownership funds.

Contribution to Return

for the quarter ended March 31, 2023

QTD Contribution to Return



Functional Category	Contributors	Detractors
OPEB Growth	3.27%	OPEB BTC Commodities -0.21%
OPEB Credit	0.70%	
OPEB Real Assets & Inflation Hedge	0.33%	
OPEB Risk Reduction & Mitigation	0.47%	
LACERA Master OPEB Trust Fund	4.77%	

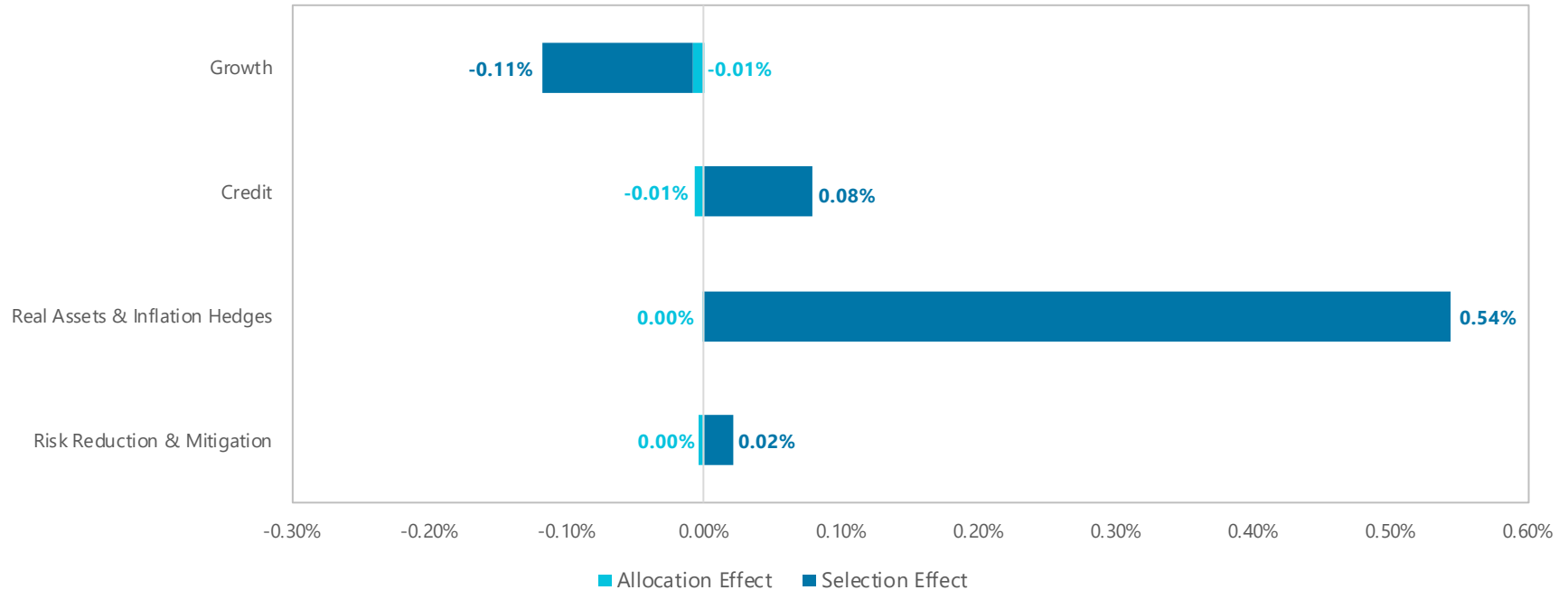
Return Attribution

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

QTD Performance Attribution^{1,2}



	Ending Market Value (mm)	% of Master Trust	Policy Allocation	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Total Value Add
LACERA Master OPEB Trust Fund	2,877	100.0%	100.0%	4.8%	4.3%	-0.02%	0.53%	0.51%
Growth	1,372	47.7%	47.5%	6.9%	7.2%	-0.01%	-0.11%	-0.12%
Credit	544	18.9%	19.0%	3.7%	3.2%	-0.01%	0.08%	0.07%
Real Assets & Inflation Hedges	578	20.1%	20.0%	1.6%	-1.0%	0.00%	0.54%	0.54%
Risk Reduction & Mitigation	383	13.3%	13.5%	3.4%	3.3%	0.00%	0.02%	0.02%

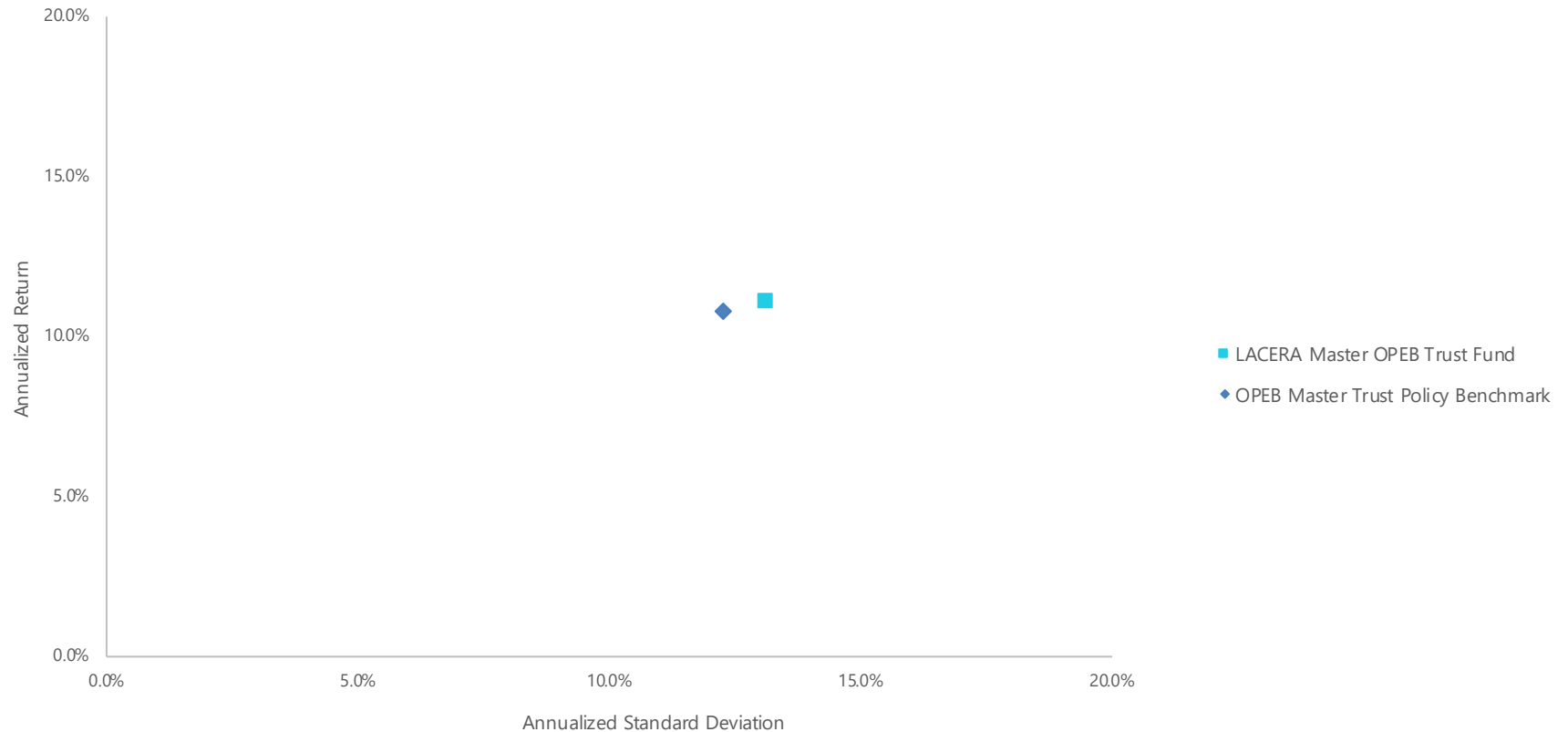
¹ Total market value excludes cash balances held in ownership funds.

² Total Value Add column includes Interaction Effect.

Risk vs. Return

for the quarter ended March 31, 2023

3 Year (Annualized)



	Annualized Return	Standard Deviation	Sharpe Ratio	Information Ratio	Beta	Tracking Error
LACERA Master OPEB Trust Fund	11.1%	13.1%				
OPEB Master Trust Policy Benchmark	10.8%	12.3%	0.81	0.22	1.06	1.4%

Performance Detail

for the quarter ended March 31, 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
OPEB Master Trust	100.0%	2,879	2,641	4.7%	4.7%	-7.2%	11.1%	5.2%	6.1%	6.0%	Feb-2013
OPEB Master Trust Policy Benchmark				4.3%	4.3%	-7.6%	10.8%	4.8%	5.2%	5.1%	
Sub-Trusts											
Los Angeles County	97.5%	2,806	2,572	4.7%	4.7%	-7.2%	11.1%	5.2%	5.6%	5.5%	Feb-2013
LACERA	0.4%	13	12	4.7%	4.7%	-7.3%	11.1%	5.2%	5.6%	5.5%	Feb-2013
Superior Court	2.1%	60	56	4.8%	4.8%	-7.2%	11.0%	5.1%	--	6.7%	Jul-2016
LACERA Master OPEB Trust Fund	100.0%	2,877	2,529	4.8%	4.8%	-7.3%	11.1%	5.3%	5.6%	5.6%	Feb-2013
OPEB Master Trust Policy Benchmark				4.3%	4.3%	-7.6%	10.8%	4.8%	5.2%	5.1%	
OPEB Growth	47.7%	1,372	1,199	6.9%	6.9%	-7.5%	15.9%	6.8%	--	9.4%	Jul-2016
OPEB Growth Policy Benchmark				7.2%	7.2%	-8.6%	15.2%	6.4%	--	9.0%	
OPEB Global Equities	47.7%	1,372	1,199	6.9%	6.9%	-7.5%	15.9%	6.9%	--	7.3%	Mar-2014
MSCI ACWI IMI Net				6.9%	6.9%	-7.7%	15.6%	6.6%	--	6.9%	
OPEB Credit	18.9%	544	484	3.7%	3.7%	0.3%	5.5%	--	--	2.4%	Jul-2018
OPEB Credit Policy Benchmark				3.2%	3.2%	-1.3%	5.7%	--	--	2.4%	
OPEB Liquid Credit	18.9%	544	484	3.7%	3.7%	0.2%	--	--	--	-1.8%	Oct-2021
OPEB Liquid Credit Policy Benchmark				3.2%	3.2%	-0.8%	--	--	--	-2.5%	
OPEB BlackRock Bank Loans	9.4%	271	243	3.1%	3.1%	3.6%	7.7%	--	--	3.5%	Jul-2018
S&P/LSTA Leverage Loan				3.2%	3.2%	2.5%	8.5%	--	--	3.7%	
OPEB BTC EM Debt LC	3.8%	110	99	5.0%	5.0%	-1.1%	0.5%	--	--	-0.7%	Jul-2018
JPM GBI-EM Global Diversified				5.2%	5.2%	-0.7%	0.9%	--	--	-0.2%	
OPEB BTC High Yield Bonds	5.6%	162	143	3.6%	3.6%	-3.9%	5.4%	--	--	2.8%	Jul-2018
BBG BC US Corporate HY Index				3.6%	3.6%	-3.3%	5.9%	--	--	3.2%	
OPEB Real Assets & Inflation Hedges	20.1%	578	504	1.6%	1.6%	-14.7%	10.7%	--	--	4.0%	Jul-2018
OPEB RA & IH Policy Benchmark				-1.0%	-1.0%	-12.6%	11.6%	--	--	4.5%	
OPEB BTC Commodities	4.0%	114	96	-5.4%	-5.4%	-12.8%	20.9%	--	--	5.6%	Jul-2018
Bloomberg Commodity Index Total Return				-5.4%	-5.4%	-12.5%	20.8%	--	--	5.6%	
OPEB BTC REITS	10.2%	292	256	3.0%	3.0%	-20.8%	11.4%	--	--	2.8%	Jul-2018
DJ US Select Real Estate Securities				2.8%	2.8%	-21.1%	11.3%	--	--	2.8%	
OPEB BTC TIPS	6.0%	172	151	3.6%	3.6%	-6.0%	1.9%	--	--	3.0%	Jul-2018
Bloomberg U.S. Treasury: U.S. TIPS				3.3%	3.3%	-6.1%	1.8%	--	--	2.9%	
OPEB Risk Reduction & Mitigation	13.3%	383	342	3.4%	3.4%	-2.7%	-1.7%	1.4%	--	1.3%	Jul-2016
OPEB RR & M Policy Benchmark				3.3%	3.3%	-4.2%	-2.3%	1.0%	--	0.9%	
OPEB BTC Investment Grade Bonds	8.9%	255	227	3.2%	3.2%	-4.8%	-2.7%	--	--	1.0%	Jul-2018
BBG BARC Aggregate Bond Index				3.0%	3.0%	-4.8%	-2.8%	--	--	1.0%	
OPEB Cash	1.9%	55	51	1.3%	1.3%	3.2%	1.4%	1.9%	1.3%	13.4%	Feb-2013
OPEB Cash Policy Benchmark				1.1%	1.1%	2.6%	1.0%	1.5%	0.9%	9.7%	
OPEB LTG Bonds	2.5%	72	64	6.1%	6.1%	--	--	--	--	6.3%	Dec-2022
Bloomberg U.S. Treasury: Long				6.2%	6.2%	--	--	--	--	5.8%	

risk reports

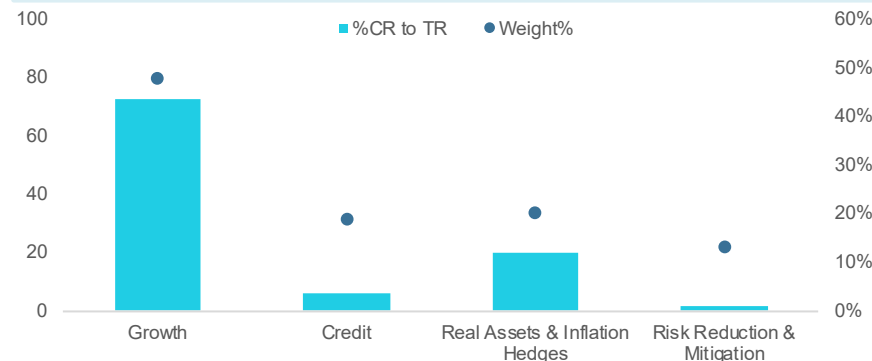
Summary

for the quarter ended March 31, 2023

Risk Summary

	Value
Total Risk	12.17
Benchmark Risk	11.99
Active Risk	1.28
Portfolio Beta	1.01
Effective Duration	1.76

Contribution to Risk

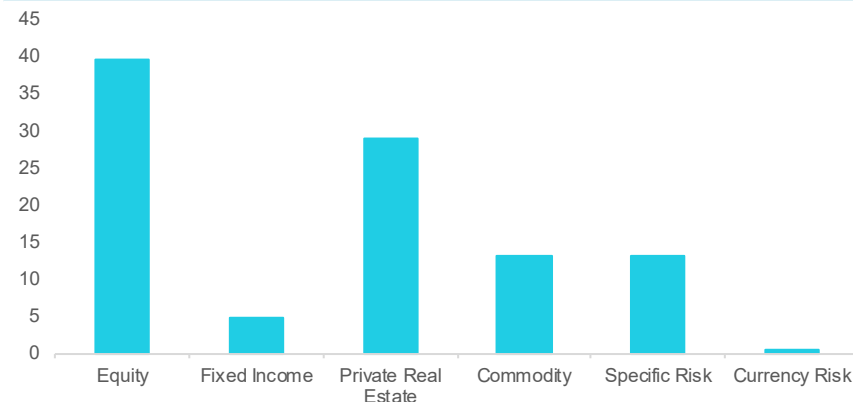


	Mkt Value (mm)	Weight%	Total Risk	Risk Contribution	%CR to TR
Total Fund	2,877	100.0%	12.17	12.17	100.00
Growth	1,373	47.7%	18.68	8.78	72.14
Credit	544	18.9%	5.01	0.76	6.26
Real Assets & Inflation Hedges	578	20.1%	13.15	2.45	20.13
Risk Reduction & Mitigation	382	13.3%	6.79	0.18	1.46

Risk Decomposition

Risk Source	Portfolio			Active		
	Risk Contribution	%Risk	Correlation	Risk Contribution	%Risk	Correlation
Total Risk	12.17	100.00	1.00	1.27	100.00	1.00
Local Market Risk	11.39	93.57	1.00	1.27	99.45	1.00
Common Factor Risk	11.35	93.19	0.99	1.10	86.34	0.93
Equity	10.39	85.37	0.98	0.50	39.60	0.31
Fixed Income	0.95	7.81	0.57	0.06	4.67	0.15
Private Real Estate	0.00	0.00	0.00	0.37	29.04	0.29
Commodity	0.00	0.00	0.00	0.17	13.02	0.30
Specific Risk	0.05	0.37	0.06	0.17	13.11	0.36
Currency Risk	0.78	6.43	0.61	0.01	0.55	0.06

Active Risk from Risk Factors



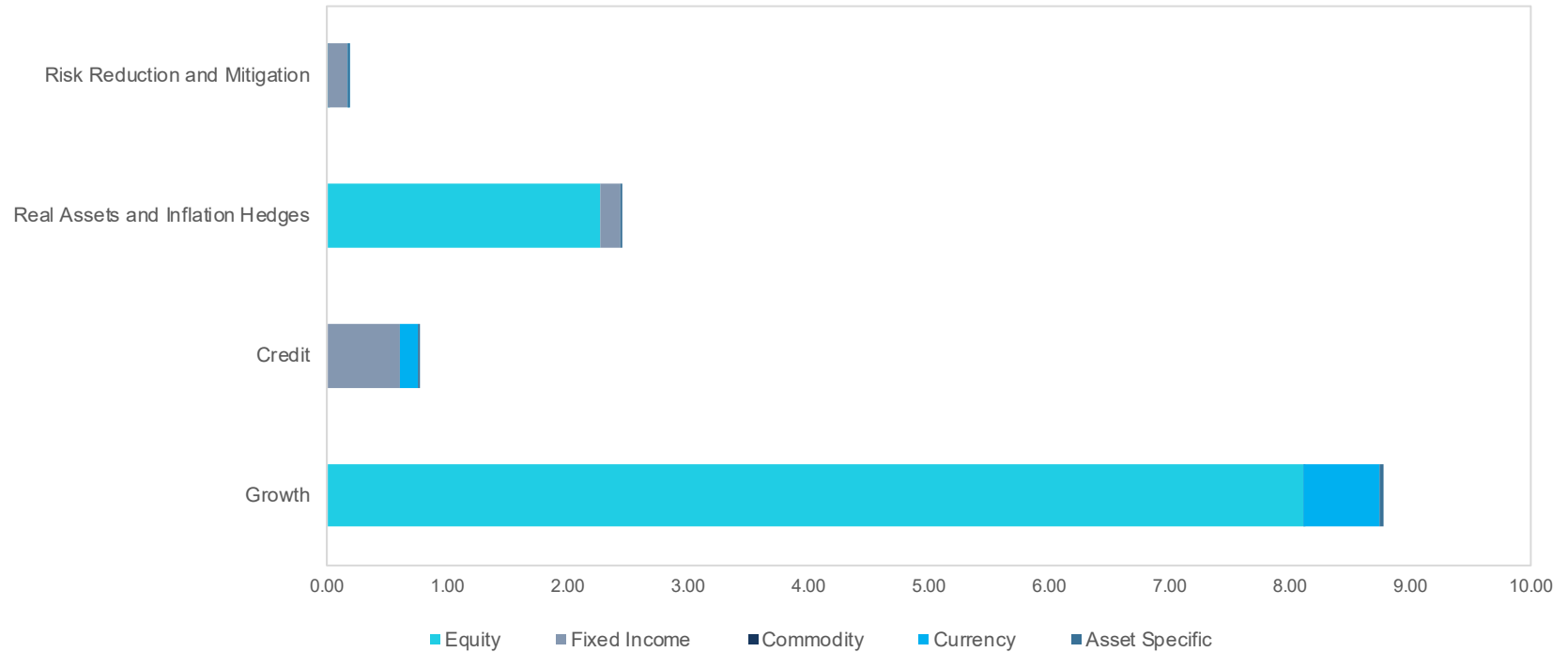
Risk Contribution Breakdown

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Risk Type



Functional Category	Mkt Value	Weight%	Total Risk	%CR to Total Risk	Port Risk Contribution	Equity	Fixed Income	Currency	Asset Specific
Total Fund	2,877	100.0%	12.17	100.00	12.17	10.39	0.95	0.78	0.05
Growth	1,373	47.7%	18.68	72.14	8.78	8.12	0.00	0.63	0.03
Credit	544	18.9%	5.01	6.26	0.76	0.00	0.60	0.15	0.01
Real Assets & Inflation Hedges	578	20.1%	13.15	20.13	2.45	2.27	0.17	0.00	0.01
Risk Reduction & Mitigation	382	13.3%	6.79	1.46	0.18	0.00	0.18	0.00	0.00

Allocation Selection

for the quarter ended March 31, 2023

Active Total Risk



Functional Category	Active Weight%	Allocation			Selection			Active Risk Contribution
		Volatility	Correlation	Risk Contribution	Volatility	Correlation	Risk Contribution	
Active Total Risk				0.00			1.27	1.28
Growth	0.21	7.30	0.28	0.00	0.11	-0.07	0.00	0.00
Credit	-0.10	8.14	-0.15	0.00	2.37	0.27	0.12	0.12
Real Assets & Inflation Hedges	0.10	5.86	-0.55	0.00	6.14	0.94	1.16	1.15
Risk Reduction & Mitigation	-0.21	12.66	-0.06	0.00	0.27	-0.05	0.00	0.00

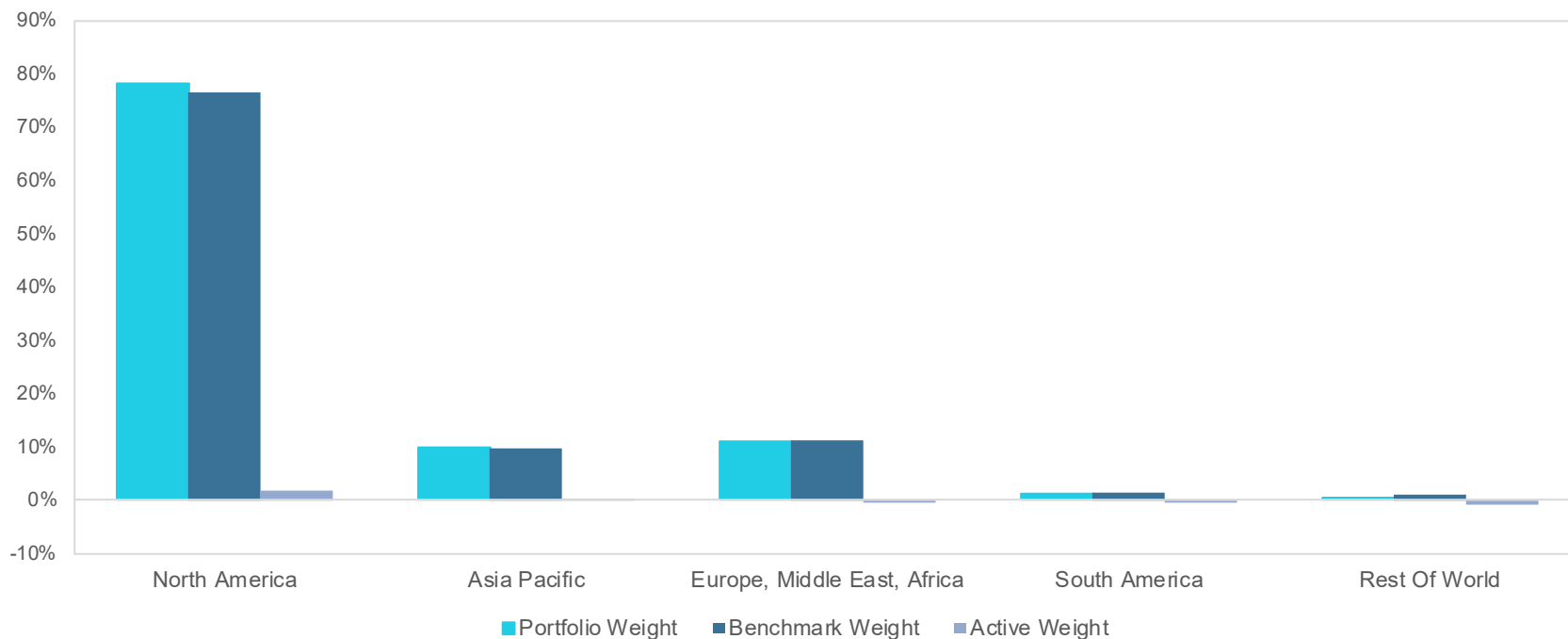
Portfolio Allocation

for the quarter ended March 31, 2023



Los Angeles County Employees Retirement Association

By Region

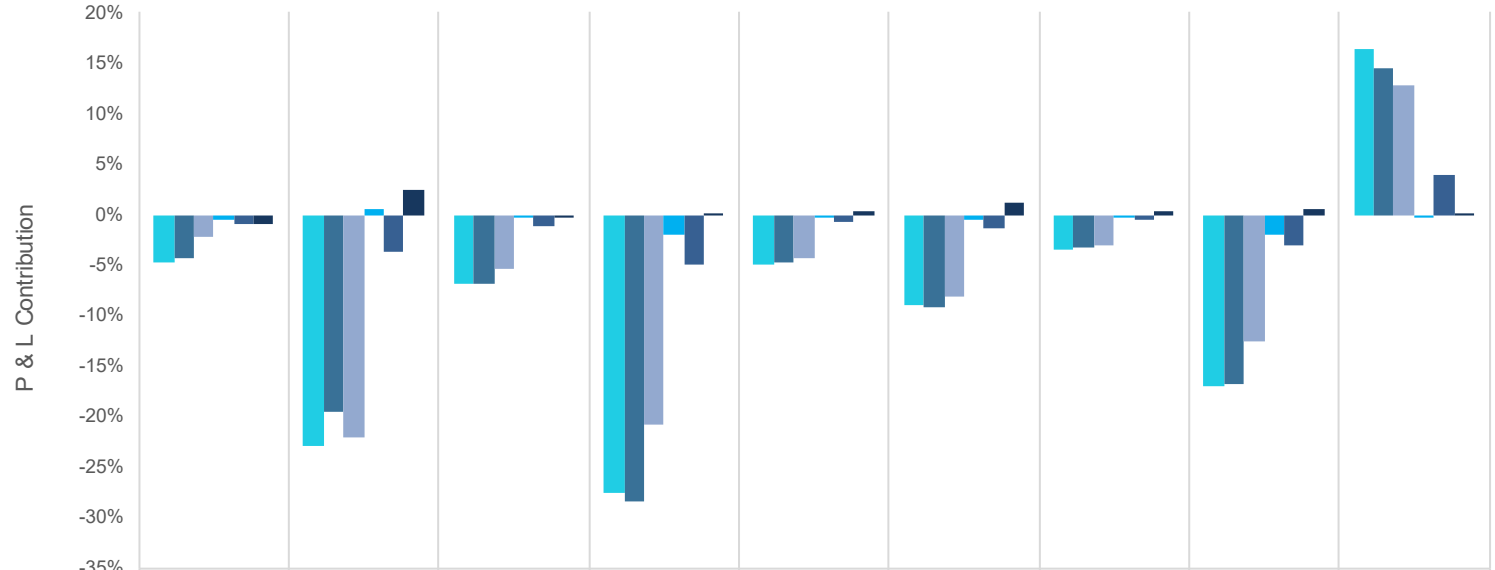


Region	Weight%			Total Risk	Active Risk Contribution	% of Active TR	MC to Total Tracking Error
	Portfolio	Benchmark	Active				
Total Fund	100.00%	100.00%	0.00%	12.17	1.28	100.00	0.01
North America	78.06%	76.50%	1.56%	11.76	1.18	92.75	-0.01
Asia Pacific	9.73%	9.70%	0.03%	14.56	0.00	0.23	0.00
Europe, Middle East, Africa	10.83%	11.36%	-0.52%	17.79	0.07	5.71	-0.02
South America	1.02%	1.37%	-0.35%	18.26	0.01	0.97	-0.01
Rest Of World	0.35%	1.08%	-0.72%	7.49	0.00	0.39	-0.01

Stress Tests

for the quarter ended March 31, 2023

■ Total Fund ■ Policy Benchmark ■ Growth ■ Credit ■ Real Assets & Inflation Hedges ■ Risk Reduction & Mitigation







































	1994 US Rate Hike	2000-2003 Tech Crash & Recession	2001 Sept 11th	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	-4.66%	-23.01%	-6.88%	-27.60%	-4.86%	-9.01%	-3.46%	-17.00%	16.46%
■ Policy Benchmark	-4.43%	-19.58%	-6.86%	-28.48%	-4.65%	-9.10%	-3.24%	-16.80%	14.46%
■ Growth	-2.18%	-22.13%	-5.45%	-20.82%	-4.36%	-8.07%	-3.01%	-12.62%	12.82%
■ Credit	-0.48%	0.46%	-0.20%	-2.11%	-0.17%	-0.60%	-0.15%	-1.91%	-0.40%
■ Real Assets & Inflation Hedges	-1.03%	-3.77%	-1.12%	-4.87%	-0.74%	-1.46%	-0.54%	-3.00%	3.87%
■ Risk Reduction & Mitigation	-0.98%	2.43%	-0.10%	0.19%	0.41%	1.12%	0.25%	0.52%	0.17%

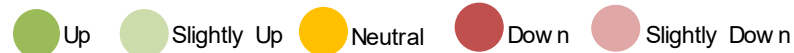
Stress Tests

for the quarter ended March 31, 2023

Scenario Descriptions

Historical Scenario	Description	Stock Market	Interest Rates	Bond Market	Commodity Market
1994 US Rate Hike	In combating inflation, the US Federal Reserve raised rates from 3.25% in February to 5.5% in November 1994.				
2000-2003 Tech Crash & Recession	Period of crisis and slow down for technological firms due to a rapid jump in stock prices when tech bubble began to burst.				
2001 September 11th	The US stock market was closed for a week upon a series of coordinated suicide attacks upon the US on September 11, 2001.				
2008-2009 Global Financial Crisis	Major financial crisis starting with the failure of several US-based financial firms. Extended into 2009, when stock markets reached their lowest.				
2010 European Bond Crisis	During crisis, the liquidity access for peripheral countries was affected by budget deficits, high borrowing costs, and failing banking systems.				
2011 US Debt Ceiling Act	Political deadlock on appropriate level of US government spending and its impacts. Debt and equity markets experienced significant volatility.				
2016 Brexit	The referendum by British voters to exit the European Union roiled global markets causing the pound to fall to its lowest level in decades.				
2020 COVID March Selloff	Peak and Valley of the MSCI ACWI index when Covid became a Global Pandemic.				
2020 COVID Volatility Spike	Period it took for the Cboe Volatility Index (VIX) to revert to pre-pandemic levels.				

Market Trend Signals



appendix

Benchmark Definitions

Current Composition

	Weight	Component
Master Trust		
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
Growth		
OPEB Growth Policy Benchmark		
	95%	MSCI ACWI IMI Net
	5%	OPEB Private Equity Custom Benchmark
Credit		
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
Real Assets & Inflation Hedges		
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
Risk Reduction & Mitigation		
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

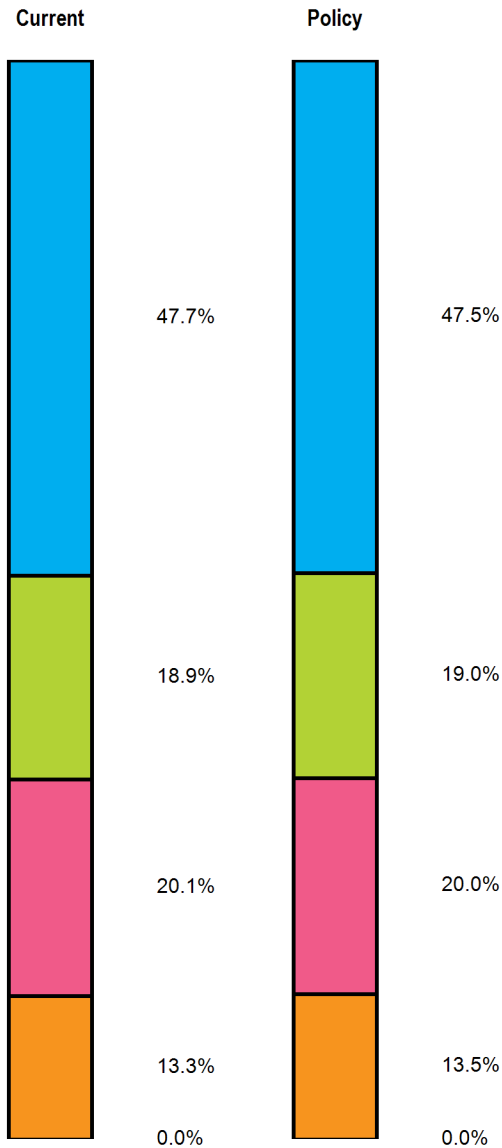
YIELD TO MATURITY

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

March 31, 2023

Fund Evaluation Report

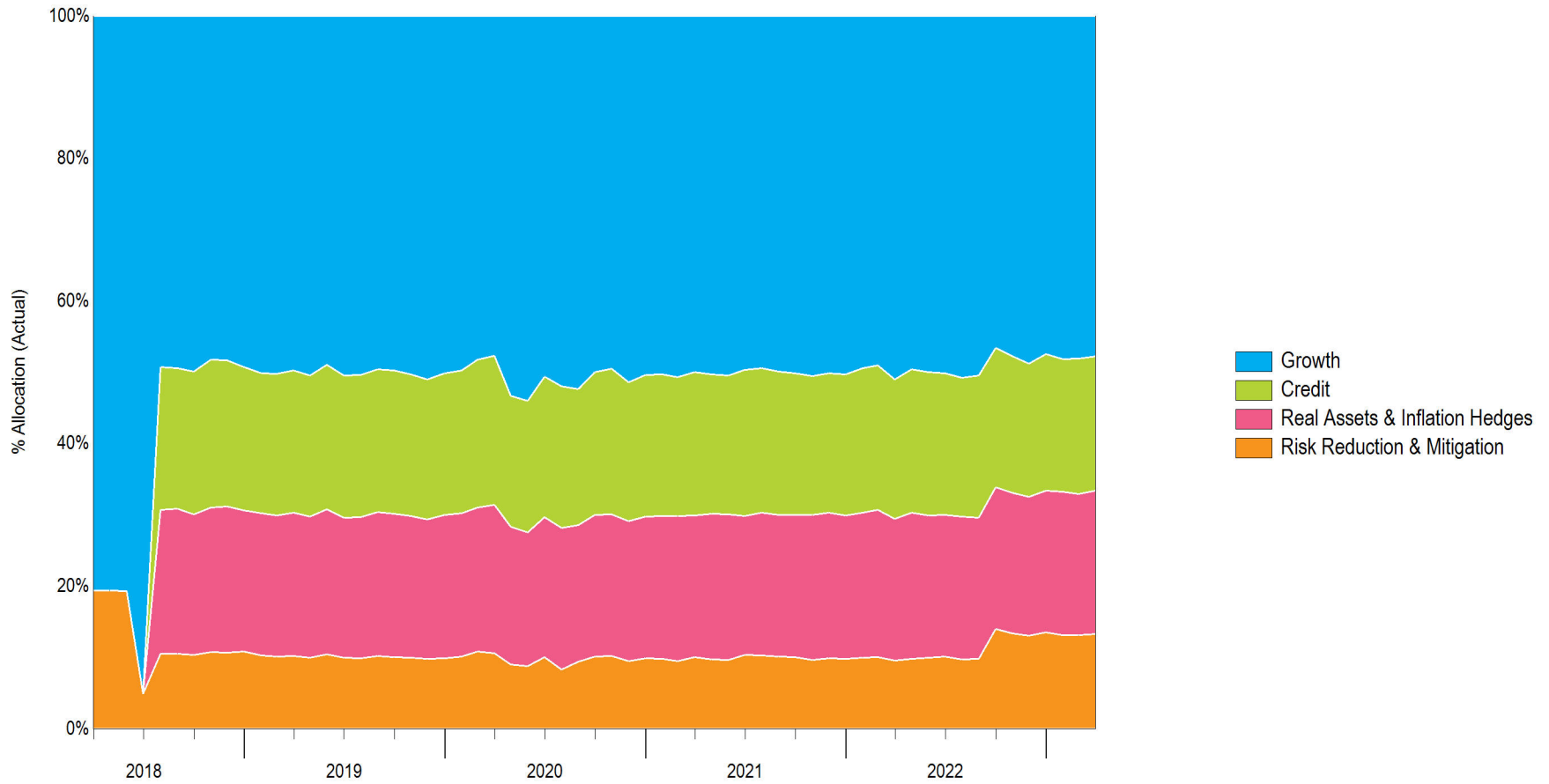


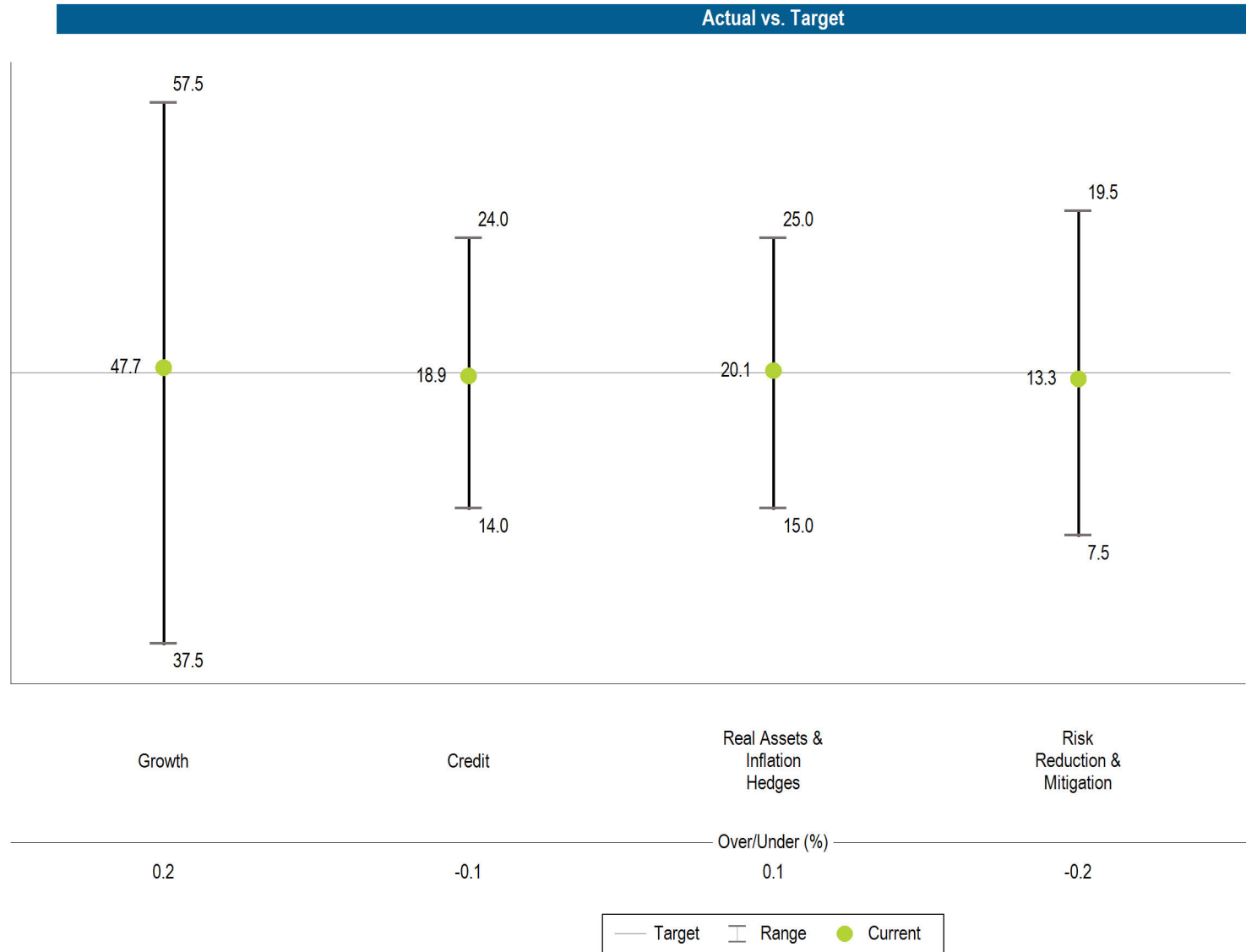
		Allocation vs. Target				
		Current Balance	Current Allocation	Policy	Policy Range	Within IPS Range?
■	Growth	\$1,372,430,170	47.7%	47.5%	37.5% - 57.5%	Yes
	Global Equity	\$1,372,430,170	47.7%	45.0%	35.0% - 55.0%	Yes
	Private Equity	\$0	0.0%	2.5%	0.0% - 7.5%	Yes
■	Credit	\$543,747,869	18.9%	19.0%	14.0% - 24.0%	Yes
	Liquid Credit	\$543,747,869	18.9%	16.5%	11.5% - 21.5%	Yes
	Illiquid Credit	\$0	0.0%	2.5%	0.0% - 7.5%	Yes
■	Real Assets & Inflation Hedges	\$578,169,709	20.1%	20.0%	15.0% - 25.0%	Yes
	Real Estate	\$292,057,738	10.2%	9.0%	5.0% - 13.0%	Yes
	Natural Resources	\$0	0.0%	1.0%	0.0% - 3.0%	Yes
	Commodities	\$114,428,223	4.0%	3.0%	1.0% - 5.0%	Yes
	Infrastructure	\$0	0.0%	1.0%	0.0% - 3.0%	Yes
	TIPS	\$171,683,748	6.0%	6.0%	2.0% - 10.0%	Yes
■	Risk Reduction & Mitigation	\$382,611,404	13.3%	13.5%	7.5% - 19.5%	Yes
	Investment Grade Bonds	\$254,959,539	8.9%	9.0%	5.0% - 13.0%	Yes
	Long-Term Government Bonds	\$72,321,209	2.5%	2.5%	0.0% - 7.5%	Yes
	Cash	\$55,121,164	1.9%	2.0%	0.0% - 4.0%	Yes
	Operational Cash²	\$10	0.0%	0.0%	0.0% - 0.0%	Yes
	Total¹	\$2,878,702,217	100.0%	100.0%		

¹Total market value includes cash held at the participant level.

² includes unsettled trade activity.

Asset Allocation History
5 Years Ending March 31, 2023





Trailing Net Performance

	Market Value ¹ (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
OPEB Master Trust (Net)	2,878,702,217	100.0	4.7	5.8	-7.2	11.1	5.2
OPEB Master Trust (Gross)			4.7	5.8	-7.2	11.2	5.3
<i>Custom OPEB Master Trust BM</i>			<u>4.3</u>	<u>4.7</u>	<u>-7.5</u>	<u>10.7</u>	<u>4.8</u>
Excess Return (vs. Net)			0.4	1.1	0.3	0.4	0.4
LACERA Master OPEB Trust Fund (Net)	2,876,959,152	99.9	4.8	5.6	-7.3	11.1	5.3
LACERA Master OPEB Trust Fund (Gross)			4.8	5.6	-7.3	11.2	5.3
<i>Custom OPEB Master Trust BM</i>			<u>4.3</u>	<u>4.9</u>	<u>-7.5</u>	<u>10.8</u>	<u>4.8</u>
Excess Return (vs. Net)			0.5	0.7	0.2	0.3	0.5
Growth (Net)	1,372,430,170	47.7	6.9	9.8	-7.5	15.9	6.9
Growth (Gross)			6.9	9.8	-7.5	15.9	6.9
OPEB Global Equity (Net)	1,372,430,170	47.7	6.9	9.8	-7.5	15.9	6.8
OPEB Global Equity (Gross)			6.9	9.8	-7.5	15.9	6.9
<i>MSCI ACWI IMI Net (DAILY)</i>			<u>6.9</u>	<u>9.7</u>	<u>-7.7</u>	<u>15.6</u>	<u>6.6</u>
Excess Return (vs. Net)			0.0	0.1	0.2	0.2	0.2

Fiscal Year begins July 1.

¹Total market value includes cash held at the participant level.

The OPEB Master Trust started in February 2013



Los Angeles County OPEB Master Trust

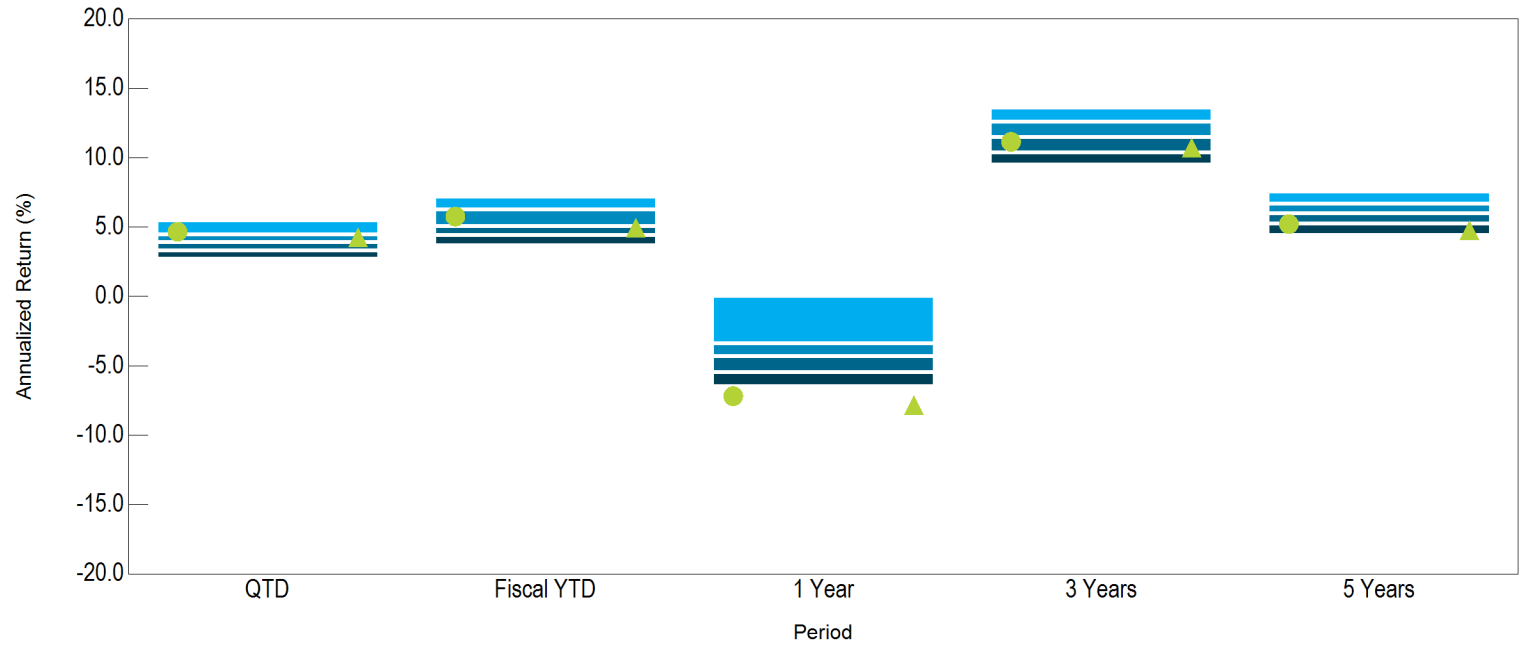
LACERA Master OPEB Trust Fund | As of March 31, 2023

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Credit (Net)	543,747,869	18.9	3.7	8.0	0.3	5.5	--
Credit (Gross)			3.7	8.1	0.3	5.6	--
Liquid Credit (Net)	543,747,869	18.9	3.7	8.0	0.2	--	--
Liquid Credit (Gross)			3.7	8.0	0.3	--	--
<i>OPEB Liquid Credit BM</i>			<u>3.2</u>	<u>6.9</u>	<u>-0.8</u>	--	--
Excess Return (vs. Net)			0.5	1.1	1.0		
OPEB BTC Bank Loans (Net)	271,123,915	9.4	3.1	8.5	3.6	7.7	--
OPEB BTC Bank Loans (Gross)			3.1	8.5	3.2	7.5	--
<i>S&P/LSTA Leveraged Loan TR</i>			<u>3.2</u>	<u>7.4</u>	<u>2.5</u>	<u>8.5</u>	--
Excess Return (vs. Net)			-0.1	1.1	1.1	-0.8	
OPEB BTC EM Debt LC (Net)	110,217,480	3.8	5.0	8.3	-1.1	0.5	--
OPEB BTC EM Debt LC (Gross)			5.1	8.4	-1.0	0.6	--
<i>JPM GBI-EM Global Diversified Index</i>			<u>5.2</u>	<u>8.7</u>	<u>-0.7</u>	<u>0.9</u>	--
Excess Return (vs. Net)			-0.2	-0.4	-0.4	-0.4	
OPEB BTC High Yield Bonds (Net)	162,406,474	5.6	3.6	6.8	-3.9	5.4	--
OPEB BTC High Yield Bonds (Gross)			3.6	6.9	-3.8	5.5	--
<i>BBgBarc US High Yield TR</i>			<u>3.6</u>	<u>7.2</u>	<u>-3.3</u>	<u>5.9</u>	--
Excess Return (vs. Net)			0.0	-0.4	-0.6	-0.5	

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Real Assets & Inflation Hedges (Net)	578,169,709	20.1	1.6	-3.1	-14.7	10.8	--
Real Assets & Inflation Hedges (Gross)			1.6	-3.0	-14.7	10.8	--
OPEB BTC Commodities (Net)	114,428,223	4.0	-5.4	-7.5	-12.8	20.9	--
OPEB BTC Commodities (Gross)			-5.4	-7.4	-12.7	20.8	--
<i>Bloomberg Commodity Index TR USD</i>			<u>-5.4</u>	<u>-7.2</u>	<u>-12.5</u>	<u>20.8</u>	--
Excess Return (vs. Net)			0.0	-0.3	-0.3	0.1	
OPEB BTC REITs (Net)	292,057,738	10.1	3.0	-3.3	-20.8	11.4	--
OPEB BTC REITs (Gross)			3.1	-3.2	-20.7	11.5	--
<i>DJ US Select REIT TR USD</i>			<u>2.8</u>	<u>-3.6</u>	<u>-21.1</u>	<u>11.3</u>	--
Excess Return (vs. Net)			0.2	0.3	0.3	0.1	
OPEB BTC TIPS (Net)	171,683,748	6.0	3.6	0.1	-6.0	1.9	--
OPEB BTC TIPS (Gross)			3.6	0.1	-6.0	1.9	--
<i>BBgBarc US TIPS TR</i>			<u>3.3</u>	<u>0.0</u>	<u>-6.1</u>	<u>1.8</u>	--
Excess Return (vs. Net)			0.3	0.1	0.1	0.1	

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Risk Reduction & Mitigation (Net)	382,611,404	13.3	3.4	1.1	-2.6	-1.7	1.4
Risk Reduction & Mitigation (Gross)			3.4	1.1	-2.6	-1.7	1.4
OPEB BTC Investment Grade Bonds (Net)	254,959,539	8.9	3.2	-0.1	-4.8	-2.7	--
OPEB BTC Investment Grade Bonds (Gross)			3.2	-0.1	-4.8	-2.7	--
<i>BBgBarc US Aggregate TR</i>			<u>3.0</u>	<u>-0.1</u>	<u>-4.8</u>	<u>-2.8</u>	--
Excess Return (vs. Net)			0.2	0.0	0.0	0.1	
OPEB LTG Bonds (Net)	72,321,209	2.5	6.1	--	--	--	--
OPEB LTG Bonds (Gross)			6.1	--	--	--	--
<i>Bloomberg US Treasury Long TR</i>			<u>6.2</u>	--	--	--	--
Excess Return (vs. Net)			-0.1				
OPEB Cash (Net)	55,121,164	1.9	1.1	2.6	2.8	1.2	1.8
OPEB Cash (Gross)			1.1	2.6	2.8	1.3	1.8
<i>Custom Cash BM</i>			<u>1.1</u>	<u>2.5</u>	<u>2.6</u>	<u>1.0</u>	<u>1.5</u>
Excess Return (vs. Net)			0.0	0.1	0.2	0.2	0.3
Operational Cash (Net)	10	0.0					
Operational Cash (Gross)							

InvMetrics Public DB \$1B - \$5B Gross Return Comparison



	Return (Rank)									
5th Percentile	5.5		7.2		0.0		13.6		7.5	
25th Percentile	4.5		6.3		-3.4		12.6		6.7	
Median	3.9		5.1		-4.3		11.5		6.0	
75th Percentile	3.4		4.5		-5.4		10.4		5.3	
95th Percentile	2.8		3.7		-6.5		9.6		4.5	
# of Portfolios	39		39		39		39		39	
● OPEB Master Trust	4.7	(20)	5.8	(34)	-7.2	(99)	11.1	(52)	5.2	(78)
▲ Custom OPEB Master Trust BM	4.3	(35)	4.9	(62)	-7.8	(99)	10.7	(63)	4.8	(88)

Benchmark History
As of March 31, 2023

LACERA Master OPEB Trust Fund

2/1/2013 Present Custom OPEB Master Trust BM

Custom OPEB Total Fund:50% Custom OBEP MT Growth, 20% Custom OBEP MT Credit Pool, 10% Custom OBEP MT RR & M Pool, 20% Custom OBEP MT RA & IH Pool.

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

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CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD - LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM", "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE" OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

FOR YOUR INFORMATION

June 6, 2023

TO: Each Member
Board of Investments

FROM: Esmeralda del Bosque 
Acting Principal Investment Officer

Ron Senkandwa 
Investment Officer

Magdalia Armstrong, CFA, CAIA 
Senior Investment Analyst

FOR: June 14, 2023 Board of Investments Meeting

SUBJECT: **GLOBAL EQUITY ACCOUNT CONVERSION**

BACKGROUND

This memo provides an overview of the conversion of BlackRock's Europe Alpha Tilts Fund ("Fund"), a commingled equity fund, into a separately managed account held at LACERA's custodian, State Street Bank. The conversion occurred on May 31, 2023. Importantly, the conversion is aligned with and advances three of LACERA's "Towards Best-In-Class Investor" strategic initiatives.

LACERA has been invested in BlackRock's Europe Alpha Tilts Fund since December 2006. The portfolio is an actively managed quantitative strategy that invests primarily in developed European stocks. As of April 30, 2023, the market value of LACERA's investment was approximately \$610 million or 2.6% of the \$23.8 billion global equity portfolio. It is worth noting that the conversion to a separate account is an operational activity resulting in net savings for LACERA. Additionally, there were no changes to the portfolio management team or strategy.

DISCUSSION

As mentioned, the conversion enhances three of LACERA's Board-approved strategic initiatives: *Maximize Stewardship and Ownership Rights, Optimize Investment Model, and Enhance Operational Effectiveness*. In addition, a separate account structure

increases LACERA's full beneficial ownership rights from **94% to 97% of the global equity portfolio**. The following identifies the strategic initiatives that are enhanced and highlight key improvements in moving to a separate account:



Objective:

To steward our investments – including legal rights associated with them – in a manner that promotes and safeguards our economic interests and durable financial value, including through proxy voting, engagement, and policy advocacy

- (1) Enhanced beneficial ownership rights extend LACERA's ability to vote proxies consistent with LACERA's corporate governance policies, actively exercise legal rights, and further align to LACERA's securities lending program.**

Under the current investment structure with BlackRock, LACERA does not have beneficial ownership of its investments in the commingled fund vehicle, and therefore, its corporate governance policies do not apply. Instead, BlackRock is the designated fiduciary on its investors' behalf, including the proxy voting rights of the underlying stocks. Converting to a separate account, LACERA will be assigned the beneficial owner of the underlying securities in the portfolio, with the ability to vote proxies according to corporate governance policies, enabling consistency across proxy voting for the total Fund. Proxy votes are a key means for LACERA to express its view on corporate governance and support or co-support of shareholder resolutions in public equities, constituting about one-third of the total Fund's investment portfolio.

Assuming full beneficial ownership in a separate account structure also positions LACERA to exercise additional legal rights, should LACERA so choose. These rights enable LACERA to make informed decisions regarding participation in securities litigation and upholding appraisal rights. They also position LACERA to exercise its fiduciary duty and pursue prudent action to represent its economic interests of underlying portfolio companies, as necessary.

Moving to a separate account structure also increases the number of stocks that can be lent through LACERA's securities lending program. Further, it aligns the portfolio with pre-negotiated rates between LACERA and State Street, LACERA's securities lending agent. Finally, moving to a separate account structure creates a more robust securities lending program such that it permits LACERA to recall shares on loan of the underlying portfolio companies when necessary.



**Optimize
Investment
Model**

Objective:

To leverage our competitive advantages through deliberate investment models and structures that harness technology, cost effectiveness, and human capital to maximize risk-adjusted returns

(2) Extend Application of LACERA's Investment Policy Statement policies on Iran/Sudan and Tobacco Investments.

The separate account conversion facilitates the implementation of LACERA's investment policies on Iran, Sudan, and tobacco to the portfolio's investment guidelines. LACERA's public equity separate accounts are subject to daily compliance monitoring, including the policies mentioned above. Commingled funds are monitored monthly; therefore, changing the structure by taking advantage of our compliance technology enhances the frequency and rigor of compliance measurement and reporting.



**Enhance
Operational
Effectiveness**

Objective:

To maximize the efficiency of our resources (internal and external, human and technological) and mitigate varied investment and enterprise risks, which can improve future outcomes

(3) Increased Transparency for Portfolio and Analytics, Risk Measurement, and Reporting.

A separate account structure also allows LACERA to evaluate and report on the portfolio's exposures in real-time compared to commingled funds, which provide holdings data feeds on a lagged basis. This enhances portfolio transparency into LACERA's analytics platforms including State Street performance, FactSet global equity analytics system, MSCI BarraOne risk measurement, and LACERA's climate analysis providers.

CONCLUSION

The conversion of BlackRock's Europe Alpha Tilts Fund from a commingled fund to a separate account is consistent with LACERA's journey from an allocator to a best-in-class

investor. As discussed in this memo, because of the conversion and expanding LACERA's beneficial rights, progress has been made on three strategic initiatives: *Maximize Stewardship and Ownership Rights, Optimize Investment Model, and Enhance Operational Effectiveness*. The global equity team will provide updates to the Board due to the conversion, if necessary.

Noted and Reviewed:



Jonathan Grabel
Chief Investment Officer




Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**

FOR INFORMATION ONLY

May 27, 2023

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Barry W. Lew 
Legislative Affairs Officer

FOR: June 7, 2023 Board of Retirement Meeting
June 14, 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 or on which LACERA has adopted a position.

Reviewed and Approved:



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

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PUBLIC RETIREMENT

CA AB 738	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	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.
	STATUS:	
	02/23/2023	To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
CA AB 739	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	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%.
	STATUS:	
	02/23/2023	To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
CA AB 1246	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	Nguyen [D] Public Employees' Retirement System Optional Settlement 02/16/2023 03/16/2023 Pending Extends the ability of a retiree to change their designated beneficiary to include naming a new spouse following a retiree's divorce and subsequent remarriage. Allows a retiree's new spouse to receive the retiree's postdivorce retirement settlement benefits.
	STATUS:	
	05/24/2023	To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.
CA SB 300	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	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:	05/02/2023
	DISPOSITION:	Pending
	SUMMARY:	Provides that existing law requires that, if compensation is reported in accordance with the State Teachers' Retirement System rules and is later determined by STRS to have been reported in error, the resulting overpayment be deemed to be an error by the system. Specifies that compensation reported in accordance with STRS rules includes rules relating to timeliness and accuracy and eliminates the requirement that supersession by other law or order be express. Appropriates funds.
	STATUS:	
	05/26/2023	To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
CA SB 548	AUTHOR:	Niello [R]
	TITLE:	Public Employees Retirement: County and Trial Court
	INTRODUCED:	02/15/2023
	LAST AMEND:	04/24/2023
	DISPOSITION:	Pending
	SUMMARY:	Authorizes a county and the trial court located within the county to elect to separate their joint Public Employees' Retirement Law contract into individual contracts, if the county and the trial court make that election voluntarily, and prescribe a process for this. Prohibits the separation from being a cause for modification of employee retirement benefits.
	STATUS:	
	05/25/2023	In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY. (40-0)
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.

PUBLIC INVESTMENT

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:
05/25/2023 In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY. (23-10)

PUBLIC EMPLOYMENT

CA SB 765

AUTHOR: Portantino [D]
TITLE: Teachers: Retired Teachers: Teacher Preparation
INTRODUCED: 02/17/2023
LAST AMEND: 05/03/2023
DISPOSITION: Pending
SUMMARY:

Relates to the State Teachers' Retirement System. Authorizes a member retired from service to perform retired member activities, notwithstanding the specified compensation limitation, if a request for exemption containing specified information is submitted by the Superintendent, the county superintendent of schools, or the chief executive officer of a community college to the system.

STATUS:
05/24/2023 In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY. (39-0)

CA SB 885

AUTHOR: Labor, Public Employment & Retirement Cmt
TITLE: Public Employees' Retirement
INTRODUCED: 03/14/2023
LAST AMEND: 04/17/2023
DISPOSITION: Pending
SUMMARY:

Relates to the County Employees Retirement Law of 1937, which authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to county, city, and district employees and their beneficiaries. Clarifies the definition of final compensation for specified members, members who are subject to the California Public Employees' Pension Reform Act of 2013, and members whose services are on a tenure that is temporary, seasonal, intermittent, or part time in the CERL.

STATUS:
05/18/2023 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

DISABILITY RETIREMENT

CA AB 1020

AUTHOR: Grayson [D]
TITLE: County Employees Retirement Law 1937: Disability

INTRODUCED: 02/15/2023
LAST AMEND: 03/13/2023
DISPOSITION: Pending
SUMMARY:

Related to law that requires, if a safety member, a firefighter member, or a member in active law enforcement who has completed 5 years or more of service develops heart trouble, that the heart trouble be presumed to arise out of and in the course of employment. Requires, if a safety member, firefighter, or member in active law enforcement who has completed a certain number of years or more of service develops hernia or pneumonia, that it shall be presumed to arise out of and in the course of employment.

STATUS:

05/03/2023 To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

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:

05/25/2023 In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY. (40-0)

WORKERS COMPENSATION

CA AB 489

AUTHOR: Calderon [D]
TITLE: Workers' Compensation: Disability Payments
INTRODUCED: 02/07/2023
DISPOSITION: Pending
SUMMARY:

Relates to existing law which, until January 1, 2024, allows an employer to commence a program under which disability indemnity payments are deposited in a prepaid card account for employees. Extends the authorization to deposit indemnity payments in a prepaid card account until January 1, 2025.

STATUS:

05/10/2023 To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

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:

05/18/2023 From ASSEMBLY Committee on APPROPRIATIONS: Do pass. (15-0)

05/18/2023 In ASSEMBLY. Read second time. To third reading.

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:

05/10/2023 To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

CA AB 1107

AUTHOR: Mathis [R]
TITLE: Workers' Compensation: Presumptive Injuries
INTRODUCED: 02/15/2023
DISPOSITION: Pending

SUMMARY:

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.
STATUS:
03/02/2023 To ASSEMBLY Committee on INSURANCE.

CA AB 1145 **AUTHOR:** Maienschein [D]
TITLE: Workers' Compensation
INTRODUCED: 02/16/2023
DISPOSITION: Pending
SUMMARY:
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.
STATUS:
05/25/2023 In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. (76-0)

CA AB 1156 **AUTHOR:** Bonta M [D]
TITLE: Workers' Compensation: Hospital Employees
INTRODUCED: 02/16/2023
DISPOSITION: Pending
SUMMARY:
Defines injury, for a hospital employee who provides direct patient care in an acute care hospital, to include infectious diseases, cancer, musculoskeletal injuries, post-traumatic stress disorder, and respiratory diseases. Includes the 2019 novel coronavirus disease (COVID-19) from SARS-CoV-2 and its variants, among other conditions, in the definitions of infectious and respiratory diseases.
STATUS:
03/02/2023 To ASSEMBLY Committee on INSURANCE.

CA SB 391 **AUTHOR:** Blakespear [D]
TITLE: Workers' Compensation: Skin Cancer
INTRODUCED: 02/09/2023
DISPOSITION: Pending
SUMMARY:
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.
STATUS:
05/25/2023 In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY. (40-0)

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:
05/26/2023 To ASSEMBLY Committee on INSURANCE.

BROWN ACT

CA AB 557	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Hart [D] Open Meetings: Local Agencies: Teleconferences 02/08/2023 Pending Extends the abbreviated teleconferencing provisions when a declared state of emergency is in effect, or in other situations related to public health, indefinitely. The bill would also extend the period for a legislative body to make specified findings related to a continuing state of emergency and social distancing to not later than 45 days after the first teleconferenced meeting, and every 45 days thereafter, in order to continue to meet under the abbreviated teleconferencing procedures.
	STATUS: 05/24/2023	To SENATE Committees on GOVERNANCE AND FINANCE and JUDICIARY.
CA AB 817	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	Pacheco [D] Open Meetings: Teleconferencing: Subsidiary Body 02/13/2023 03/16/2023 Pending 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 03/16/2023 03/16/2023	To ASSEMBLY Committee on LOCAL GOVERNMENT. From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments. In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.
CA AB 1379	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	Papan [D] Open Meetings: Local Agencies: Teleconferences 02/17/2023 03/23/2023 Pending 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 03/23/2023 03/23/2023	To ASSEMBLY Committee on LOCAL GOVERNMENT. From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments. 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: 04/24/2023
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 a specified fraction of an eligible legislative body votes to use the alternate teleconferencing provisions. Requires an eligible legislative body authorized to provide publicly accessible physical locations for public participation.

STATUS:

05/26/2023 To ASSEMBLY Committee on LOCAL GOVERNMENT.

Note:

SACRS lobbyists say this is intended for neighborhood councils.

CA SB 537

AUTHOR: Becker [D]
TITLE: Open Meetings: Multijurisdictional
INTRODUCED: 02/14/2023
LAST AMEND: 04/24/2023
DISPOSITION: Pending
SUMMARY:

Relates to law that authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member. Provides that these circumstances include if a member shows just cause. Expands the circumstances of just cause to apply to the situation in which an immunocompromised child, parent, grandparent, or other specified relative requires the member to participate remotely.

STATUS:

05/04/2023 In SENATE. Read second time. To third reading.

PUBLIC RECORDS ACT

CA AB 1637

AUTHOR: Irwin [D]
TITLE: Local Government: Internet Websites and Email Addresses
INTRODUCED: 02/12/2023
LAST AMEND: 05/18/2023
DISPOSITION: Pending
SUMMARY:

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 and requires a local agency that maintains an internet website that is noncompliant with that requirement to redirect that internet website to a domain name that does utilize a .gov or .ca.gov domain.

STATUS:

05/22/2023 In ASSEMBLY. Read second time. To third reading.

SOCIAL SECURITY

CA SJR 1

AUTHOR: Cortese [D]
TITLE: Social Security Act: Repeal of Benefit Reductions
INTRODUCED: 12/05/2022
LAST AMEND: 04/12/2023
DISPOSITION: To Governor

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:

05/26/2023 In SENATE. SENATE concurred in ASSEMBLY amendments.
To enrollment. (37-0)

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

June 6, 2023

TO: Trustees,
Board of Investments

FROM: Christine Roseland *CR*
Senior Staff Counsel

FOR: June 14, 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 June 6, 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
Earl Buehner
Margo McCabe
Lisa Garcia



LACERA Legal Division
Board of Investments Projects
Monthly Status Report - Pending as of June 6, 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	60%	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	60%	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	65%	Legal negotiations in process.
REAL ESTATE	Clarion Lion Property Fund	Subscription	\$600,000,000	February 8, 2023	In Progress	95%	Legal negotiations in process.
	CBRE U.S. Core Partners Fund (Open-End)	Subscription	\$600,000,000	March 8, 2023	In Progress	95%	Legal negotiations in process.
REAL ASSETS	Macquarie Global Infrastructure Fund SCSP	Subscription	\$600,000,000	April 12, 2023	In Progress	50%	Legal negotiations in process.
	Appian Natural Resources Fund III LP	Subscription	\$150,000,000	May 10, 2023	In Progress	60%	Legal negotiations in process.
	Ara Fund III LP	Subscription	\$125,000,000	May 10, 2023	In Progress	25%	Legal negotiations in process.
	TIAA-CREF Global Agriculture II LLC	Subscription	\$46,400,000	May 10, 2023	In Progress	25%	Legal negotiations in process.

**FOR INFORMATION ONLY**

May 24, 2023

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Ted Granger *TG*
Interim Chief Financial Officer

FOR: June 7, 2023 Board of Retirement Meeting
June 14, 2023 Board of Investments Meeting

SUBJECT: MONTHLY TRAVEL & EDUCATION REPORT – APRIL 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 April 2023. Staff travel and education reports are provided to the Chief Executive Officer monthly and to the Boards quarterly.

REVIEWED AND APPROVED:

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 2022 - 2023
APRIL 2023**

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Alan Bernstein			
A	1 Edu - CII Fall 2022 Conference - Boston MA	09/21/2022 - 09/23/2022	Attended
	2 Edu - NCPERS 2022 Public Safety Conference - Nashville TN	10/23/2022 - 10/26/2022	Attended
B	- Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
V	- Edu - NACD: The Theranos Implosion - VIRTUAL	09/28/2022 - 09/28/2022	Attended
	- Edu - NACD The Future of the American Board - Virtual CA	02/08/2023 - 02/08/2023	Attended
	- Edu - NACD Directorship in a Volatile, Uncertain, Complex, and Ambiguous World - VIRTUAL	04/05/2023 - 04/05/2023	Attended
	- Edu - NACD A Perfect Storm for Directors & Officers: More Risk, Less Protection - VIRTUAL	04/19/2023 - 04/19/2023	Attended
X	- Edu - NCPERS 2023 Legislative Conference - Washington, DC MD	01/22/2023 - 01/24/2023	Canceled
Elizabeth Ginsberg			
B	- Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
	- Edu - CALAPRS Advanced Principles of Pension Governance for Trustees - Los Angeles CA	03/29/2023 - 03/31/2023	Attended
V	- Edu - NACD Cyber-Risk Oversight Certificate - At Your Own Pace - VIRTUAL	11/04/2022 - 11/04/2022	Attended
Vivian Gray			
A	1 Edu - CII Fall 2022 Conference - Boston MA	09/21/2022 - 09/23/2022	Attended
B	- Edu - NCPERS 2022 Public Pension Funding Forum - Los Angeles CA	08/21/2022 - 08/23/2022	Attended
	- Admin - SACRS Board of Directors Meeting - Los Angeles CA	08/22/2022 - 08/22/2022	Attended
	- Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	- Admin - SACRS Program Committee & Board of Directors Meeting - Santa Barbara CA	09/26/2022 - 09/27/2022	Attended
	- Admin - SACRS Board of Directors Meeting - San Diego CA	12/01/2022 - 12/01/2022	Attended
	- Admin - SACRS Board of Directors Meeting - Sacramento CA	01/09/2023 - 01/10/2023	Attended
	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
	- Admin - SACRS Program Committee Meeting - Sacramento CA	03/20/2023 - 03/20/2023	Attended
	- Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/22/2023 - 03/23/2023	Attended
V	- Edu - The Global Conversation on Gender Diversity - VIRTUAL	11/02/2022 - 11/02/2022	Attended
	- Edu - 50/50 Women on Boards - VIRTUAL	11/02/2022 - 11/02/2022	Attended
X	- Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Canceled
	- Edu - NCPERS 2023 Legislative Conference - Washington, DC MD	01/22/2023 - 01/24/2023	Canceled

TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2022 - 2023
APRIL 2023

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
David Green			
A	1 Edu - PPI 2022 Summer Roundtable - Canada, Vancouver	07/13/2022 - 07/15/2022	Attended
	2 Edu - NCPERS 2023 Legislative Conference - Washington, DC MD	01/22/2023 - 01/24/2023	Attended
	3 Edu - RFK Compass Winter Investors Conference - Miami FL	02/26/2023 - 02/28/2023	Attended
B	- Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	- Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
	- Edu - 2023 PPI Winter Roundtable - San Diego CA	03/01/2023 - 03/03/2023	Attended
Jason Green			
A	1 Edu - 2023 Wharton Investment Strategies and Portfolio Management - Philadelphia PA	04/17/2023 - 04/21/2023	Attended
B	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
C	- Edu - NCPERS 2023 Legislative Conference - Washington, DC MD	01/22/2023 - 01/24/2023	Attended
	- Admin - Federal Engagement Visit with Congress - Washington, DC MD	01/24/2023 - 01/25/2023	Attended
Elizabeth Greenwood			
A	1 Edu - 16th Annual Small and Emerging Managers (SEM) Conference - Chicago IL	10/12/2022 - 10/13/2022	Attended
James Harris			
B	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
Patrick Jones			
A	1 Edu - Leading in Artificial Intelligence: Exploring Technology and Policy - Harvard Kennedy School - Cambridge MA	07/17/2022 - 07/22/2022	Attended
	2 Edu - 2022 Infrastructure Investor America Forum - New York NY	12/06/2022 - 12/07/2022	Attended
	3 Edu - 2023 Infrastructure Investor Global Summit - Berlin Germany	03/20/2023 - 03/23/2023	Attended
B	- Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	- Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
	- Edu - 2023 Pension Bridge ESG Summit - Los Angeles CA	02/28/2023 - 03/01/2023	Attended
X	- Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/22/2023 - 03/23/2023	Canceled

**TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2022 - 2023
APRIL 2023**

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Onyx Jones			
A	1 Edu - SACRS Public Pension Investment Management Program - San Francisco CA	07/17/2022 - 07/20/2022	Attended
	2 Edu - 2022 CALAPRS Principles of Pension Governance for Trustees - Tiburon CA	08/29/2022 - 09/01/2022	Attended
	3 Edu - 2022 SuperReturn Summit Africa - Cape Town, South Africa	12/05/2022 - 12/07/2022	Attended
	4 Edu - 2023 Wharton Investment Strategies and Portfolio Management - Philadelphia PA	04/17/2023 - 04/21/2023	Attended
B	- Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	- Edu - Women in Institutional Investments Network - Los Angeles CA	10/12/2022 - 10/12/2022	Attended
	- Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/22/2023 - 03/23/2023	Attended
V	- Edu - The World to Africa Webinar - VIRTUAL	07/27/2022 - 07/27/2022	Attended
Shawn Kehoe			
B	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
V	- Edu - 2022 Board of Investments Offsite - VIRTUAL	09/13/2022 - 09/14/2022	Attended
Joseph Kelly			
A	1 Edu - PPI Executive Seminar and the Asia Pacific Roundtable - Singapore	10/16/2022 - 10/21/2022	Attended
	2 Edu - CII-NYU Corporate Governance Bootcamp - New York NY	11/16/2022 - 11/18/2022	Attended
B	- Edu - 2022 Pension Bridge Alternatives - Los Angeles CA	11/30/2022 - 12/01/2022	Attended
	- Admin - Board of Investments & Committee Meetings - Pasadena CA	01/11/2023 - 01/11/2023	Attended
	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
	- Admin - Board of Investments & Committee Meetings - Pasadena CA	03/08/2023 - 03/08/2023	Attended
V	- Edu - NACD Conflict, Climate, Cyber: What's Next? - VIRTUAL	08/23/2022 - 08/23/2022	Attended
	- Edu - 2022 Board of Investments Offsite - VIRTUAL	09/13/2022 - 09/14/2022	Attended
	- Edu - NACD Risk Mitigation Through Board Quality and Compliance Committees: Lessons from Theranos - VIRTUAL	09/28/2022 - 09/28/2022	Attended
	- Edu - Institute of Internal Auditors 2022 Cybersecurity Virtual Conference - VIRTUAL	10/27/2022 - 10/27/2022	Attended
	- Edu - NACD Wake Up! Are You Prepared for Post-Pandemic Industry Disruption? - VIRTUAL	01/25/2023 - 01/25/2023	Attended
Keith Knox			
B	- Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
V	- Edu - What Makes an Effective Trustee - VIRTUAL	01/30/2023 - 01/30/2023	Host Canceled
Ronald Okum			
B	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended

**TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2022 - 2023
APRIL 2023**

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
William Pryor			
A	1 Edu - NCPERS 2022 Public Safety Conference - Nashville TN	10/23/2022 - 10/26/2022	Attended
B	- Edu - NCPERS 2022 Public Pension Funding Forum - Los Angeles CA	08/21/2022 - 08/23/2022	Attended
Les Robbins			
B	- Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
David Ryu			
A	1 Edu - 2023 Wharton Investment Strategies and Portfolio Management - Philadelphia PA	04/17/2023 - 04/21/2023	Attended
B	- Edu - 2023 PPI Winter Roundtable - San Diego CA	03/01/2023 - 03/03/2023	Attended
	- Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/22/2023 - 03/23/2023	Attended
	- Edu - 2023 AIF West Coast Investors' Forum - Los Angeles CA	04/26/2023 - 04/27/2023	Attended
Gina Sanchez			
A	1 Edu - PPI Executive Seminar and the Asia Pacific Roundtable - Singapore	10/16/2022 - 10/21/2022	Attended
	2 Edu - CII 2023 Spring Conference - Washington, DC MD	03/06/2023 - 03/08/2023	Attended
B	- Edu - NCPERS 2022 Public Pension Funding Forum - Los Angeles CA	08/21/2022 - 08/23/2022	Attended
	- Edu - 2022 Fall Editorial Advisory Board Meeting – Institutional Real Estate Americas - Pasadena CA	09/06/2022 - 09/08/2022	Attended
	- Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	- Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Attended
	- Edu - 2022 Toigo Foundation Gala - Los Angeles CA	11/17/2022 - 11/17/2022	Attended
	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
	- Edu - 2023 Pension Bridge ESG Summit - Los Angeles CA	02/28/2023 - 03/01/2023	Attended
	- Edu - 2023 PPI Winter Roundtable - San Diego CA	03/01/2023 - 03/03/2023	Attended
	- Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/22/2023 - 03/23/2023	Attended
	- Edu - The 8th Annual ALTSLA - Los Angeles CA	03/27/2023 - 03/29/2023	Attended
	- Edu - 2023 AIF West Coast Investors' Forum - Los Angeles CA	04/26/2023 - 04/27/2023	Attended
V	- Edu - NACD Summit 2022 - VIRTUAL	10/08/2022 - 10/11/2022	Attended
Antonio Sanchez			
B	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
Herman Santos			
A	1 Edu - PPI 2022 Summer Roundtable - Canada, Vancouver	07/13/2022 - 07/15/2022	Attended
	2 Edu - CII Fall 2022 Conference - Boston MA	09/21/2022 - 09/23/2022	Attended
	3 Edu - 2022 AAAIM Elevate National Conference - New York NY	09/28/2022 - 09/30/2022	Attended
	4 Edu - RFK Compass Winter Investors Conference - Miami FL	02/26/2023 - 02/28/2023	Attended

**TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2022 - 2023
APRIL 2023**

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Herman Santos			
A	5 Edu - 2023 Infrastructure Investor Global Summit - Berlin Germany	03/20/2023 - 03/23/2023	Attended
	6 Edu - VC Latam Summit 2023 by ColCapital - Miami FL	04/18/2023 - 04/20/2023	Attended
B	- Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	- Edu - 2022 Toigo Foundation Gala - Los Angeles CA	11/17/2022 - 11/17/2022	Attended
	- Admin - Board of Retirement and Committee Meeting - Pasadena CA	02/01/2023 - 02/01/2023	Attended
	- Admin - Board of Investments & Committee Meetings - Pasadena CA	02/08/2023 - 02/08/2023	Attended
	- Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
	- Admin - Board of Investments & Committee Meetings - Pasadena CA	03/08/2023 - 03/08/2023	Attended
	- Admin - Board of Retirement and Committee Meeting - Pasadena CA	04/05/2023 - 04/05/2023	Attended
	- Admin - Board of Investments & Committee Meetings - Pasadena CA	04/12/2023 - 04/12/2023	Attended
	- Admin - Joint Organizational Governance Committee Meeting - Pasadena CA	04/27/2023 - 04/27/2023	Attended
C	- Edu - NCPERS 2023 Legislative Conference - Washington, DC MD	01/22/2023 - 01/24/2023	Attended
	- Admin - Federal Engagement Visit with Congress - Washington, DC MD	01/24/2023 - 01/25/2023	Attended
X	- Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	Canceled

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.C2 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

**FOR INFORMATION ONLY**

May 24, 2023

TO: Trustees
Board of Retirement
Board of Investments

FROM: Ted Granger *TG*
Interim Chief Financial Officer

FOR: June 7, 2023 Board of Retirement Meeting
June 14, 2023 Board of Investments Meeting

SUBJECT: **3RD QUARTER TRUSTEE TRAVEL & EDUCATION EXPENDITURE REPORTS**

Attached for your review, is the (1) Trustee Travel & Education Expenditure Report which includes expenses paid and submitted for reimbursement of events between July 1, 2022 to March 31, 2023 and (2) 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:

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



**3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2023
FOR EVENTS DURING JULY 2022 - MARCH 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Alan Bernstein													
A	1 Edu - CII Fall 2022 Conference - Boston MA - 09/21/2022 - 09/23/2022	Attended	\$4,221.72	\$0.00	\$1,149.39	\$2,697.20	\$169.13	\$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	\$833.49	\$0.00	\$0.00	\$180.68	\$0.00	\$236.00	\$63.00
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
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
Totals for Alan Bernstein:			\$11,244.50	\$1,616.66	\$3,440.77	\$4,212.40	\$1,002.62	\$65.63	\$0.00	\$243.42	\$0.00	\$502.00	\$161.00
Elizabeth Ginsberg													
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
Totals for Elizabeth Ginsberg:			\$3,250.00	\$3,250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Vivian Gray													
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	\$239.67	\$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	\$820.00	\$820.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



**3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2023
FOR EVENTS DURING JULY 2022 - MARCH 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Vivian Gray													
B -	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	\$84.00	\$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	\$126.01	\$0.00	\$0.00	\$0.00	\$0.00	\$47.00	\$15.00
-	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
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
Totals for Vivian Gray:			\$9,934.13	\$1,445.80	\$4,445.79	\$2,897.12	\$449.68	\$165.14	\$0.00	\$180.60	\$0.00	\$300.00	\$50.00



**3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2023
FOR EVENTS DURING JULY 2022 - MARCH 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
David Green													
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	\$354.26	\$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	\$198.31	\$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	\$226.63	\$0.00	\$0.00	\$0.00	\$0.00	\$128.00	\$15.00
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
Totals for David Green:			\$15,058.05	\$3,585.00	\$4,977.41	\$4,588.21	\$779.20	\$231.23	\$0.00	\$70.00	\$0.00	\$655.00	\$172.00
Jason Green													
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	\$273.95	\$52.79	\$0.00	\$94.50	\$48.04	\$132.00	\$20.00
Totals for Jason Green:			\$5,016.53	\$686.66	\$1,759.69	\$1,948.90	\$273.95	\$52.79	\$0.00	\$94.50	\$48.04	\$132.00	\$20.00



**3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2023
FOR EVENTS DURING JULY 2022 - MARCH 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Patrick Jones													
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	\$147.91	\$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	\$0.00	\$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	\$346.28	\$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
Totals for Patrick Jones:			\$35,819.64	\$15,579.59	\$3,503.96	\$15,435.90	\$494.19	\$0.00	\$0.00	\$0.00	\$150.00	\$511.00	\$145.00



**3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2023
FOR EVENTS DURING JULY 2022 - MARCH 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Onyx Jones													
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	\$40.37	\$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	\$353.40	\$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	\$70.04	\$0.00	\$0.00	\$0.00	\$0.00	\$120.00	\$0.00
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
Totals for Onyx Jones:			\$19,690.97	\$2,976.63	\$2,904.91	\$13,093.09	\$463.81	\$11.53	\$0.00	\$35.00	\$0.00	\$206.00	\$0.00
Shawn Kehoe													
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
Totals for Shawn Kehoe:			\$83.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$68.00	\$15.00
Joseph Kelly													
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	\$18.42	\$0.00	\$0.00	\$0.00	\$0.00	\$155.00	\$0.00
	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	\$204.08	\$0.00	\$0.00	\$0.00	\$0.00	\$236.00	\$0.00



**3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2023
FOR EVENTS DURING JULY 2022 - MARCH 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Joseph Kelly													
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 - Board of Investments & Committee Meetings - Pasadena CA - 01/11/2023 - 01/11/2023	Attended	\$16.51	\$0.00	\$0.00	\$0.00	\$0.00	\$16.51	\$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
	- Admin - Board of Investments & Committee Meetings - Pasadena CA - 03/08/2023 - 03/08/2023	Attended	\$16.51	\$0.00	\$0.00	\$0.00	\$0.00	\$16.51	\$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
Totals for Joseph Kelly:			\$15,036.66	\$6,914.51	\$3,364.97	\$4,094.68	\$222.50	\$49.00	\$0.00	\$0.00	\$0.00	\$391.00	\$0.00
William Pryor													
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



**3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2023
FOR EVENTS DURING JULY 2022 - MARCH 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
William Pryor													
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
Totals for William Pryor:			\$1,478.80	\$0.00	\$288.84	\$1,189.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Les Robbins													
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
Totals for Les Robbins:			\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
David Ryu													
B -	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	\$23.35	\$158.51	\$0.00	\$135.00	\$0.00	\$88.00	\$15.00
-	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
Totals for David Ryu:			\$2,423.28	\$1,250.00	\$724.49	\$0.00	\$23.35	\$162.44	\$0.00	\$160.00	\$0.00	\$88.00	\$15.00
Gina Sanchez													
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	\$315.31	\$11.14	\$0.00	\$0.00	\$0.00	\$148.00	\$15.00
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



**3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2023
FOR EVENTS DURING JULY 2022 - MARCH 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Gina Sanchez													
B -	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
-	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	\$0.00	\$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
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
Totals for Gina Sanchez:			\$28,160.97	\$6,732.00	\$3,522.51	\$16,707.37	\$315.31	\$221.58	\$0.00	\$162.20	\$85.00	\$322.00	\$93.00
Herman Santos													
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	\$92.40	\$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	\$60.55	\$121.13	\$0.00	\$114.25	\$0.00	\$238.00	\$25.00
	3 Edu - 2022 AAAM Elevate National Conference - New York NY - 09/28/2022 - 09/30/2022	Attended	\$3,429.25	\$500.00	\$2,278.62	\$0.00	\$161.38	\$0.00	\$0.00	\$114.25	\$0.00	\$350.00	\$25.00



**3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2023
FOR EVENTS DURING JULY 2022 - MARCH 2023**

Cat	Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.	
Herman Santos														
A	4 Edu - RFK Compass Winter Investors Conference - Miami FL - 02/26/2023 - 02/28/2023	Attended	\$5,900.00	\$800.00	\$2,629.80	\$1,993.20	\$139.52	\$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	\$212.26	\$127.46	\$0.00	\$88.08	\$0.00	\$253.00	\$197.54	
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 - Board of Retirement and Committee Meeting - Pasadena CA - 02/01/2023 - 02/01/2023	Attended	\$267.03	\$0.00	\$138.23	\$0.00	\$0.00	\$104.80	\$0.00	\$24.00	\$0.00	\$0.00	\$0.00	
	- Admin - Board of Investments & Committee Meetings - Pasadena CA - 02/08/2023 - 02/08/2023	Attended	\$268.03	\$0.00	\$138.23	\$0.00	\$0.00	\$104.80	\$0.00	\$25.00	\$0.00	\$0.00	\$0.00	
	- Admin - Board of Investments & Committee Meetings - Pasadena CA - 03/08/2023 - 03/08/2023	Attended	\$163.23	\$0.00	\$138.23	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00	\$0.00	\$0.00	\$0.00	
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	\$198.22	\$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	
Totals for Herman Santos:			\$34,238.15	\$9,075.76	\$10,900.58	\$9,753.63	\$864.33	\$702.61	\$0.00	\$706.41	\$48.04	\$1,689.00	\$497.79	
Cnt: 22			Grand Totals:	\$181,554.68	\$53,232.61	\$39,833.92	\$73,921.26	\$4,888.94	\$1,661.95	\$0.00	\$1,652.13	\$331.08	\$4,864.00	\$1,168.79

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.C2 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



**TRUSTEE CANCELLATION AND CREDIT EXPENDITURES
REPORT FOR FISCAL YEAR 2021
FOR TRAVEL DURING JULY 2020 - JUNE 2021**

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Registration (Reg.)	Lodging	Airfare	Other Misc. Travel Exp.	Chair Pardon	Reg. Credit	Reg. Credit Expiration Date	Airfare Credit	Airfare Credit Expiration Date	Refund Pending
Alan Bernstein												
Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Vivian Gray												
Edu - CII & NYU Corporate Governance Bootcamp - VIRTUAL -9/23/2020 - 9/25/2020 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Shawn Kehoe												
Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Les Robbins												
Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled	X	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00	12/31/2023	\$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
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00		\$0.00		\$0.00
Grand Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$2,125.00		\$0.00		\$0.00

Category Legend:

X - Canceled events for which expenses have been incurred.
Z - Trip was Canceled - Balance of \$0.00



**TRUSTEE CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - JUNE 2022**

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Registration (Reg.)	Lodging	Airfare	Other Misc. Travel Exp.	Chair Pardon	Reg. Credit	Reg. Credit Expiration Date	Airfare Credit	Airfare Credit Expiration Date	Refund Pending
Alan Bernstein												
Edu - SuperReturn International Berlin - Berlin, Germany - 11/09/2021 - 11/12/2021 - Canceled	X	\$375.02	\$375.02	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00		\$0.00
Attendee Totals:		\$375.02	\$375.02	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
David Green												
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
Attendee Totals:		\$387.13	\$0.00	\$0.00	\$387.13	\$0.00		\$0.00		\$0.00		\$0.00
Patrick Jones												
Edu - Duke University Executive Education Program - Corporate Social Responsibility - Durham NC - 09/23/2021 - 09/25/2021 - Host Canceled	X	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$616.80	12/31/2023	\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$616.80		\$0.00
Shawn Kehoe												
Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021 - Canceled	X	\$23.96	\$0.00	\$23.96	\$0.00	\$0.00	Yes	\$0.00		\$0.00		\$0.00
Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021 - Canceled	X	\$120.00	\$120.00	\$0.00	\$0.00	\$0.00	Yes	\$0.00		\$0.00		\$0.00
Attendee Totals:		\$143.96	\$120.00	\$23.96	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Joseph Kelly												
Edu - Global Investors Annual Meeting - New York NY - 12/13/2021 - 12/14/2021 - Canceled	Z	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Attendee Totals:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Keith Knox												
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
Attendee Totals:		\$1,646.94	\$0.00	\$1,646.94	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Les Robbins												
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
Attendee Totals:		\$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
Gina Sanchez												
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
Attendee Totals:		\$282.80	\$0.00	\$0.00	\$282.80	\$0.00		\$0.00		\$0.00		\$0.00
Herman Santos												
Edu - Global Investors Annual Meeting - New York NY - 12/13/2021 - 12/14/2021 - Canceled	X	\$4.99	\$4.99	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
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
Attendee Totals:		\$4.99	\$4.99	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00
Grand Totals:		\$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 - MARCH 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
Alan Bernstein												
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		
Attendee Totals:		\$686.66	\$686.66	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		
Vivian Gray												
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		\$1,629.20	01/07/2024	\$216.11
Attendee Totals:		\$351.11	\$135.00	\$216.11	\$0.00	\$0.00		\$0.00		\$1,629.20	01/07/2024	\$216.11
Patrick Jones												
Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/22/2023 - 03/23/2023 - Canceled	X	\$260.00	\$260.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$260.00
Attendee Totals:		\$260.00	\$260.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$260.00
Herman Santos												
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		
Attendee Totals:		\$120.00	\$120.00	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		
Grand Totals:		\$1,417.77	\$1,201.66	\$216.11	\$0.00	\$0.00		\$0.00		\$1,629.20		\$476.11

Category Legend:

- X - Canceled events for which expenses have been incurred.
- Z - Trip was Canceled - Balance of \$0.00

**FOR INFORMATION ONLY**

May 24, 2023

TO: Trustees
Board of Retirement
Board of Investments

FROM: Ted Granger *TG*
Interim Chief Financial Officer

FOR: June 7, 2023 Board of Retirement Meeting
June 14, 2023 Board of Investments Meeting

SUBJECT: **3RD QUARTER STAFF TRAVEL REPORT**

Attached for your information for trips between July 1, 2022 to March 31, 2023 (1) Staff Travel Report and (2) FPPC Form 801 Travel and Other Payments Paid by Third Parties.

REVIEWED AND APPROVED:

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
MARCH 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Administrative Services				
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
Elizabeth Smith	1	Edu - CALAPRS 2022 Management/Leadership Academy Session #3 - Pasadena CA	07/25/2022 - 07/27/2022	Attended
Benefits				
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
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
Latonya Robinson	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended
Disability Retirement Services				
Tamara Caldwell	1	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	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
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

**STAFF TRAVEL REPORT
FOR FISCAL YEAR 2022 - 2023
MARCH 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Executive Offices				
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
Luis Lugo	1	Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	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
	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
Financial & Accounting Services				
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
Weiye 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
Human Resources				
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
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

**STAFF TRAVEL REPORT
FOR FISCAL YEAR 2022 - 2023
MARCH 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Internal Audit				
Richard Bendall	1	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	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
Investments				
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
Amit Aggarwal	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	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
Magdalia Armstrong	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
MARCH 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Investments				
Magdalia Armstrong	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
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 Real Assets ILPA training, meet with GPs (DigitalBridge, Macquarie, GIP, Ridgewood) - New York City NY	10/02/2022 - 10/05/2022	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
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
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
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

**STAFF TRAVEL REPORT
FOR FISCAL YEAR 2022 - 2023
MARCH 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Investments				
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
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

**STAFF TRAVEL REPORT
FOR FISCAL YEAR 2022 - 2023
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Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Investments				
Cheryl Lu	5	Admin - LPAC lunch and annual general meeting for Lilly Asia Ventures - Menlo Park CA	11/29/2022 - 11/30/2022	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
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
Jim Rice	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
	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
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
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
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
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

**STAFF TRAVEL REPORT
FOR FISCAL YEAR 2022 - 2023
MARCH 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Investments				
Christopher Wagner	1	Edu - 2022 Board of Investments Offsite - Long Beach CA	09/13/2022 - 09/14/2022	Attended
Scott Zdrazil	1	Admin - Guest Speaker-The Investment Diversity Exchange (TIDE) Spark 2022 - Dana Point CA	07/06/2022 - 07/07/2022	Attended
	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
Legal Services				
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
Michael Herrera	1	Edu - SACRS 2022 Fall Conference - Long Beach CA	11/08/2022 - 11/11/2022	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
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
Elizabeth Tirado	1	Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA	09/01/2022 - 09/01/2022	Attended

**STAFF TRAVEL REPORT
FOR FISCAL YEAR 2022 - 2023
MARCH 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Member Services				
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
Victor Tafolla	1	Admin - CEM 2022 Conference - Phoenix AZ	11/07/2022 - 11/10/2022	Attended
QA & Metrics				
Bernardo Buenafior	1	Admin - CEM 2022 Conference - Phoenix AZ	11/07/2022 - 11/10/2022	Attended
Retiree Healthcare				
Tionna Fredericks	1	Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV	10/23/2022 - 10/26/2022	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
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

**STAFF TRAVEL REPORT
FOR FISCAL YEAR 2022 - 2023
MARCH 2023**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Retiree Healthcare				
Cassandra Smith	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
Richard Ward	1	Admin/Edu - Board of Retirement Offsite - Pasadena CA	02/22/2023 - 02/23/2023	Attended
Systems				
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

FPPC FORM 801 STAFF TRAVEL EXPENSES FOR FISCAL YEAR 2022-2023

FPPC FORM 801 STAFF TRAVEL EXPENSES FOR FISCAL YEAR 2022-2023																			
		2. Donor Name and Address			3. Payment Information										3.3 Officials who used payment in Section 3.1				
		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	CVC Capital Partners	Private Equity Company	111 Strand London WC2R 0AG	London, UK	September 5-9, 2022	Virgin Atlantic	Air	Savoy Hotel	\$ 1,617.84	\$ 81.48	\$ 12,997.95	\$ 81.48	\$ 14,778.75	Payment is for travel to attend CVC Capital Partner's ("CVC") Limited Partnership Advisory Committee (LPAC) meeting. Per LACERA's contract with CVC, all travel expenses related to LPAC meeting will be covered by the partnership.	Kong	Derek	Financial Analyst III	Investments
2	N/A	BlueRun Ventures	Private Equity Fund Sponsor	Suite 1308, Office Tower 1, China Central Place Beijing, China	Beijing, China	September 25-28, 2022	Singapore Airlines	Air	Ritz Carlton Singapore	\$ 950.00	\$ 0	\$ 8,616.07	\$ 0	\$ 9,566.07	Payment is for travel to attend at BlueRun Ventures' Advisory Board meeting. Per LACERA's contract with BlueRun Ventures, all travel expenses related to Advisory Board meetings will be covered by the partnership.	Lu	Cheryl	Investment Officer	Investments
3	N/A	Great Hill Partners	Private Equity Manager	200 Clarendon St. Boston, MA 02116	Boston, MA	September 28-29, 2022	JetBlue	Air	Mandarin Oriental	\$ 599.73	\$ 0	\$ 4,657.01	\$ 0	\$ 5,256.74	Payment is for travel to attend Great Hill Partners' Limited Partner Advisory Committee Meeting. Per LACERA's contract with Great Hill Partners, all travel expenses related to Advisory Committee meetings will be covered by the partnership.	Acevedo	Didier	Investment Officer	Investments
4	N/A	Revelstoke Capital Partners	Private Equity Fund Sponsor	260 N Josephine St, Suite 500 Denver, CO 80206	Boulder, CO	October 12-13, 2022	Southwest Airlines	Air	St. Julien Hotel	\$ 339	\$ 70	\$ 551.69	\$ 0	\$ 960.69	Payment is for travel to attend Limited Partnership Advisory Committee meeting. Per LACERA's contract with Revelstoke, travel expenses related to LPAC meetings will be covered by the partnership.	Lu	Cheryl	Investment Officer	Investments
5	N/A	Veritas Capital Fund Management, LLC	Private Equity Firm	9 West 57th Street, 32nd Floor New York, NY 10019	New York, NY	October 18-20, 2022	JetBlue	Air	Thompson Hotel	\$ 1,093.11	\$ 100	\$ 3,205.20	\$ 0	\$ 4,398.31	Payment is for travel to Investor Advisory Committee meeting. Per LACERA's contract with Veritas, travel expenses for attendance at Investor Advisory Committee meetings will be covered by the fund.	Chang	Calvin	Financial Analyst II	Investments
6	N/A	TIAA-CREF Global Agriculture	Investment Management	730 Third Avenue New York, NY 10017	Santiago, Chile	October 23-27, 2022	United Airlines	Air	Los Andes	\$ 1,000	\$ 400	\$ 3,188.07	\$ 0	\$ 4,588	Payment is for travel to attend fund board meetings. Per LACERA's contract with the fund, members of the board shall be reimbursed for expenses incurred in the performance of their responsibilities as board members.	Jain	Pushpam	Financial Analyst	Investments
7	N/A	Centerbridge Capital Partners IV, L.P.	Private Equity Manager	375 Park Avenue New York, NY 10152	New York, NY	November 1-3, 2022	JetBlue	Air	Intercontinental Barclay	\$ 685.42	\$ 10	\$ 7,081.20	\$ 0	\$ 7,776.62	Payment is for travel to attend Limited Partnership Advisory Committee meeting. Per LACERA's contract with Centerbridge, travel expenses related to LPAC meetings will be covered by the partnership.	Acevedo	Didier	Investment Officer	Investments

FPPC FORM 801 STAFF TRAVEL EXPENSES FOR FISCAL YEAR 2022-2023

Item Number	2. Donor Name and Address				3. Payment Information										3.2 Payment Description	3.3 Officials who used payment in Section 3.1			
	Individual	Other	Entity's Business Activity	Address	3.1(a) Travel Payment											Last Name	First Name	Position/Title	Department/Division
					Location	Dates	Transportation Provider	Type	Name of Lodging Facility	Lodging Expenses	Meal Expenses	Transportation Expenses	Other Expenses	Total Expenses					
8	N/A	Montefiore Investment V S.L.P	Investment Fund	28 Rue Bayard Paris, France	Paris, France	November 11, 2022	Air France and Virgin Atlantic	Air	Kimpton Hotel	\$2,975.65	\$0	\$13,530.55	\$628	\$ 17,133.70	Payment is for travel to attend Limited Partnership Advisory Committee meeting. Per LACERA's contract with Montefiore, travel expenses related to LPAC meetings will be covered by the fund.	Kong	Derek	Investment Officer	Investments
9	N/A	BDCM Opportunity Fund IV, L.P.	Private Equity Manager	2187 Atlantic St 9th floor Stamford, CT 06902	New York, NY	November 9 10, 2022	JetBlue	Air	Loews Regency	\$689	\$15	\$857.20	\$0	\$ 1,561.20	Payment is for travel to attend Limited Partnership Advisory Committee meeting. Per LACERA's contract with BDCM, travel expenses related to LPAC meetings will be covered by the partnership.	Acevedo	Didier	Investment Officer	Investments
10	N/A	Vista Equity Partners	Private Equity Manager	Four Embarcadero Center San Francisco, CA 94111	New York, NY	November 9 11, 2022	JetBlue and United Airlines	Air	1 Hotel Brooklyn Bridge	\$1,298	\$200	\$3,179.24	\$0	\$ 4,677.24	Payment is for travel to attend Limited Partnership Advisory Committee meeting. Per LACERA's contract with Vista Equity Partners, travel expenses related to LPAC meetings will be covered by the partnership.	Tilaye	Shelly	Senior Investment Analyst	Investments
11	N/A	MBK Partners	Private Equity Fund Sponsor	21-22 Fl., D Tower D1, 17 Jongno 3-gil, Jongno-gu Seoul, South Korea	Seoul, South Korea	November 11-17, 2022	Asiana Airlines	Air	Shilla Hotel	\$707	\$120	\$8,348	\$0	\$ 9,175.00	Payment is for travel to attend Investor Advisory Committee meeting. Per LACERA's contract with MBK Partners, travel expenses for attendance at Investor Advisory Committee meetings will be covered by the partnership.	Lu	Cheryl	Investment Officer	Investments
12	N/A	Aermont Capital Real Estate Fund IV	Private Equity and Real Estate Firm	55 St. James St. London, UK	Berlin, Germany	November 16-18, 2022	United Airlines	Air	Hotel De Rome	\$410	\$100	\$8,200	\$0	\$ 8,710.00	Payment is for travel to Limited Partnership Advisory Committee (LPAC) meeting. Per LACERA's contract with Aermont, travel expenses for attendance at LPAC meetings will be covered by the fund.	Aggarwal	Amit	Investment Officer	Investments
13	N/A	Antin Infrastructure Partners	Infrastructure Investment Firm	14 St. George Street London, UK	London, UK	December 5 6, 2022	Virgin Atlantic	Air	The Carlton Tower Jumeirah	\$1,906.37	\$100	\$10,614.94	\$0	\$ 12,621.31	Payment is for travel to attend the Limited Partnership Advisory Committee meeting. Per LACERA's contract with Antin MidCap, travel expenses related to LPAC meetings will be covered by the fund.	Joye	Daniel	Finance Analyst III	Investments



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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