



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM



Board of Administration Agenda

REGULAR MEETING

TUESDAY, DECEMBER 13, 2022

TIME: 10:00 A.M.

MEETING LOCATION:

In accordance with Government Code Section 54953, subsections (e)(1) and (e)(3), and in light of the State of Emergency proclaimed by the Governor on March 4, 2020 relating to COVID-19 and ongoing concerns that meeting in person would present imminent risks to the health or safety of attendees and/or that the State of Emergency continues to directly impact the ability of members to meet safely in person, the LACERS Board of Administration's December 13, 2022 meeting will be conducted via telephone and/or videoconferencing.

Important Message to the Public

Information to call-in to listen and or participate:

Dial: (669) 254-5252 or (669) 216-1590

Meeting ID# 161 830 5871

Instructions for call-in participants:

- 1- Dial in and enter Meeting ID
- 2- Automatically enter virtual "Waiting Room"
- 3- Automatically enter Meeting
- 4- During Public Comment, **press *9** to raise hand
- 5- Staff will call out the last 3-digits of your phone number to make your comment

Information to listen only: Live Board Meetings can be heard at: (213) 621-CITY (Metro), (818) 904-9450 (Valley), (310) 471-CITY (Westside), and (310) 547-CITY (San Pedro Area).

President: Nilza R. Serrano

Vice President: Elizabeth Lee

Commissioners: Annie Chao
Thuy Huynh
Janna Sidley
Sung Won Sohn
Michael R. Wilkinson

Manager-Secretary: Neil M. Guglielmo

Executive Assistant: Ani Ghokassian

Legal Counsel: City Attorney's Office
Public Pensions General
Counsel Division

LACERS Website Address/link:

www.LACERS.org

Notice to Paid Representatives

If you are compensated to monitor, attend, or speak at this meeting, City law may require you to register as a lobbyist and report your activity. See Los Angeles Municipal Code §§ 48.01 *et seq.* More information is available at ethics.lacity.org/lobbying. For assistance, please contact the Ethics Commission at (213) 978-1960 or ethics.commission@lacity.org.

Request for Services

As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities.

Sign Language Interpreters, Communication Access Real-Time Transcription, Assistive Listening Devices, Telecommunication Relay Services (TRS), or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing Sign Language Interpreters, **five** or more business days' notice is strongly recommended. For additional information, please contact: Board of Administration Office at **(213) 855-9348** and/or email at ani.ghokassian@lacers.org.

Disclaimer to Participants

Please be advised that all LACERS Board and Committee Meeting proceedings are audio recorded.

- I. PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – *THIS WILL BE THE ONLY OPPORTUNITY FOR PUBLIC COMMENT - PRESS *9 TO RAISE HAND DURING PUBLIC COMMENT PERIOD*
- II. BOARD PRESIDENT VERBAL REPORT
- III. GENERAL MANAGER VERBAL REPORT
 - A. REPORT ON DEPARTMENT OPERATIONS
 - B. UPCOMING AGENDA ITEMS
- IV. DISABILITY RETIREMENT APPLICATION(S)
 - A. CONSIDERATION OF RETURN TO WORK REQUEST FOR DISABILITY RETIREMENT RETIREE HAGOP TCHAKERIAN AND POSSIBLE BOARD ACTION (HEARING)
- V. RECEIVE AND FILE ITEMS
 - A. [ETHICAL CONTRACT COMPLIANCE REPORT NOTIFICATION TO THE BOARD](#)
 - B. [BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER](#)
 - C. [EDUCATION AND TRAVEL EXPENDITURE REPORT FOR THE QUARTER ENDING SEPTEMBER 30, 2022](#)
- VI. COMMITTEE REPORT(S)
 - A. GOVERNANCE COMMITTEE VERBAL REPORT FOR THE MEETING ON DECEMBER 13, 2022
- VII. CONSENT ITEM(S)
 - A. [APPROVAL OF MINUTES FOR THE REGULAR MEETING OF NOVEMBER 8, 2022 AND POSSIBLE BOARD ACTION](#)
 - B. [FINDINGS TO CONTINUE TELECONFERENCE MEETINGS AND DETERMINATION THAT COVID-19 STATE OF EMERGENCY CONTINUES TO DIRECTLY IMPACT THE ABILITY OF MEMBERS TO MEET SAFELY IN PERSON AND POSSIBLE BOARD ACTION](#)
- VIII. BOARD/DEPARTMENT ADMINISTRATION
 - A. [PRESENTATION OF LACERS' AUDITED FINANCIAL STATEMENTS AS OF JUNE 30, 2022](#)
- IX. INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT INCLUDING DISCUSSION ON THE PORTFOLIO EXPOSURE TO GLOBAL EVENTS
- B. [PRESENTATION BY NEPC, LLC OF THE PORTFOLIO PERFORMANCE REVIEW FOR THE QUARTER ENDING SEPTEMBER 30, 2022](#)
- C. [PRESENTATION BY CEM BENCHMARKING INC. OF INVESTMENT BENCHMARKING RESULTS FOR PERIOD ENDING DECEMBER 31, 2021](#)
- D. [DISCLOSURE OF FEES, EXPENSES, AND CARRIED INTEREST OF ALTERNATIVE INVESTMENT VEHICLES FOR THE FISCAL YEAR ENDING JUNE 30, 2022 PURSUANT TO GOVERNMENT CODE SECTION 7514.7](#)

X. OTHER BUSINESS

- XI. NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, January 10, 2023 at 10:00 a.m. at LACERS, 202 West 1st Street, Suite 500, Los Angeles, CA 90012, and/or via telephone and/or videoconferencing. Please continue to view the LACERS website for updated information on public access to Board meetings while response to public health concerns relating to the novel coronavirus continue.

XII. ADJOURNMENT

**LACERS’ ETHICAL CONTRACT COMPLIANCE REPORT
NOTIFICATION TO THE BOARD**

RESTRICTED SOURCES

The Board’s Ethical Contract Compliance Policy was adopted in order to prevent and avoid the appearance of undue influence on the Board or any of its Members in the award of investment-related and other service contracts. Pursuant to this Policy, this notification procedure has been developed to ensure that Board Members and staff are regularly apprised of firms for which there shall be no direct marketing discussions about the contract or the process to award it; or for contracts in consideration of renewal, no discussions regarding the renewal of the existing contract.

Name	Description	Inception	Expiration	Division
Bernstein Litowitz Berger & Grossmann LLP	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Bleichmar Fonti & Auld LLP	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Cohen Milstein Sellers & Toll PLLC	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Robbins Geller Rudman & Dowd LLP	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Saxena White, P.A.	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Anthem	Medical HMO & PPO	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
Kaiser	Medical HMO	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
SCAN	Medical HMO	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
United Healthcare	Medical HMO	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
Delta Dental	Dental PPO and HMO	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback

**LACERS' ETHICAL CONTRACT COMPLIANCE REPORT
NOTIFICATION TO THE BOARD**

Name	Description	Inception	Expiration	Division
Anthem Blue View Vision	Vision Services Contract	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
Keenan & Associates	Health and Welfare Consultant	N/A	N/A	Health, Wellness, & Buyback
Mom's Computer, Inc.	Technology, Virtual Meeting, and Video Support Services	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
Personal Wellness Corporation	Fitness Webinar Coaching & Training Services	January 1, 2023	December 31, 2023	Health, Wellness, & Buyback
Moss Adams	External Auditing Consulting Services	July 1, 2020	June 30, 2023	Internal Audit
Townsend Holdings LLC	Real Estate Consulting Services	N/A	N/A	Investments
Axiom Investors LLC	Active Growth Non-U.S. Emerging Markets Equities	January 1, 2022	December 31, 2022	Investments
BlackRock Institutional Trust Company, N.A.	Multi Passive Index Portfolio Management	November 1, 2022	October 31, 2027	Investments
RhumbLine Advisers Limited Partnership	Multi Passive Index Portfolio Management	November 1, 2022	October 31, 2027	Investments
State Street Global Advisors Trust Company	Multi Passive Index Portfolio Management	November 1, 2022	October 31, 2027	Investments
Box, Inc.	Retirement Application Portal Custom Consulting Services	December 1, 2021	November 30, 2022	Systems

**LACERS' ETHICAL CONTRACT COMPLIANCE REPORT
NOTIFICATION TO THE BOARD**

ACTIVE RFPs

Description	Respondents	Inception	Expiration	Division
Private Credit Consultant	Aksia LLC; Meketa Investment Group, Inc.; NEPC, LLC; Wilshire Advisors LLC	January 24, 2022	March 25, 2022	Investments
Transition Manager	Abel Noser, LLC, BlackRock Institutional Trust Company, N.A., Citi Global Markets Inc, Loop Capital Markets, Macquarie Capital (USA) Inc., The Northern Trust Company, Russell Investments Implementation Services, LLC, State Street Bank and Trust Company	February 14, 2022	August 31, 2022	Investments
Mixed Media Diversity, Equity, & Inclusion Fellowship Programming		October 27, 2022	December 2, 2022	Administration

BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER: ITEM V-B

Pursuant to the authority delegated to the General Manager under Board Rule GMA 1, General Manager Authorization, adopted by the Board of Administration on June 14, 2016, the following benefit payments have been approved by the General Manager:

SERVICE RETIREMENTS

<u>Member Name</u>	<u>Service</u>	<u>Department</u>	<u>Classification</u>
Jamil, Azhar	36	Dept. of Bldg. & Safety	Safety Engr Press Ves
Pedersen, Steve	36	Livability Services Division	Ch Env Comp Inspect
Scott Stafford, Jessye R	36	Police Dept.	Sr Mgmt Analyst
Barragan, Diane C	34	Fire & Police Pensions	Benefits Specialist
Mdodana, Mary Ann	34	City Attorney's Office	Pr Clerk City Atty
Ciranna, Raymond P	33	Fire & Police Pensions	General Manager Lafpp
Rodriguez, Teresa C	32	Dept. of Rec. & Parks	Administrative Clerk
Lee, Annette Y	31	City Attorney's Office	Asst City Attorney
Hearns, Anita S	31	Dept. of Airports	Sr Commun Operator
Schulzinger, Michael	30	Dept. of Bldg. & Safety	Sr Build Mech Inspectr
El Saheb, Naser S	30	PW - St. Improv Div.	Pr Civil Engineer
Rinehart, Susan Frances	30	Police Dept.	Criminalist
Nambo, Elvia	29	Dept. of Rec. & Parks	Gardener Caretaker
Munoz, Ricardo Andaya	27	Police Dept.	Systems Aide
Ofalla, Hilaria Maralit	27	Police Dept.	Management Analyst
Sohn, Yong Woo	25	City Attorney's Office	Deputy City Atty
Whitfield, Trudell Wilma	25	Dept. of Transportation	Traf Officer
Holloway, Mark	24	LA Housing Dpt.	Rehab Constr Spec
Kelly, Brian J	22	PW - Engineering	Survey Party Chief
Jones, John E	22	Dept. of Airports	Management Analyst
Houston, Tonica M	22	Police Dept.	Forensic Prnt Spec
Napier, James H	21	City Attorney's Office	Deputy City Atty
Heine, David Joseph	21	Dept. of Bldg. & Safety	Build Mech Inspector
Lambert, Victor W	21	PW - St. Maint.	Motor Sweeper Operator
Lopez, Miguel	20	PW - Sanitation	Ref Coll Truck Oper
Lau, Dennis J	20	Dept. of Airports	Airport Police Lt
Lopez, David Humberto	20	Police Dept.	Sr Security Officer
Pelham, Leeann Marie	19	City Ethics Commission	Exec Ofr City Eth Comm
Broersma, Dirk Preston	18	City Attorney's Office	Deputy City Atty
Bland, Elmer Robert	18	Dept. of Bldg. & Safety	Sr Build Mech Inspectr
Ramos, Ramiro	17	GSD	Equipmnt Mechanic
Hicks, Cynthia S	15	Library Dept.	Librarian
Adams, Nancy Ann	15	Zoo Dept.	Animal Keeper
Heredia, Maria L	14	Police Dept.	Sr Admin Clerk
Brajevich, Joseph A	14	City Attorney's Office	Sr Asst City Atty
Siders, Porretta G	14	GSD	Custodian

Spotts, Gregory Joseph
Coca, Rick F

13 PW - St. Maint.
12 Council

Asst Dir Bur Of St Svcs
Council Aide

BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER: ITEM V-B

Pursuant to the authority delegated to the General Manager under Board Rule GMA 1, General Manager Authorization, adopted by the Board of Administration on June 14, 2016, the following benefit payments have been approved by the General Manager:

Approved Death Benefit Payments

Deceased

Beneficiary/Payee

TIER 1

Barber, Johnnie R

Denice Crosby for the payment of the
Accrued But Unpaid Continuance Allowance

Bowen, Eileen

Debra E Arnold for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Coudriet Portnof, Carol A

Michael P Portnoff for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Dolan, David E

Debra Sue Dolan for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Duvall, Dana D

David William Snelling for the payment of the
Accrued But Unpaid Service Retirement Allowance

Goins, Patricia A	Susan King for the payment of the Accrued But Unpaid Continuance Allowance
Griffith, Scott	Rebecca Griffith for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Hardies, Betty Jo	Sally M Pearne for the payment of the Accrued But Unpaid Continuance Allowance
Hill, Charles L	Kathryn Hill for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Hines, Myrtle N	Byron Jude Noflin for the payment of the Burial Allowance Ora Lee Noflin for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Kennedy, Ronald W	Sharon L Selig for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Kilbane, Brian J	Judith Lee Kilbane for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance

Klippness, Gerald Ronald	Garrid Klippness for the payment of the Accrued But Unpaid Service Retirement Allowance
	Kelly Kevin Klippness for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Larrigan, Gloria L	Kim M Medina for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Lewis, Corrine	Beatrice Henson for the payment of the Accrued But Unpaid Continuance Allowance
Lewis, Reggie Recardo	Martha G Lewis for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Logan, Barry	Jeramy Jacquelyn Carter Logan for the payment of the Burial Allowance
Makarounas, Michael	Sondra Hopkins for the payment of the Accrued But Unpaid Continuance Allowance
Moore, Arthur L	Artricia Moore Jenkins for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance

Ono, Yukiko	Susan Ono for the payment of the Accrued But Unpaid Continuance Allowance
Sakiyama, Kenneth S	Bette N Iseri for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Salo, Richard O	Christine M Salo for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Shaffer, Samuel	Samuel J Shaffer for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Smith, James E	Yumiko L Smith for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Subject, James Thomas	Karen Reeves Subject for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Theus, Gipson L	Stephen Theus for the payment of the Burial Allowance
Tripp, Carl L	Toni M Tripp for the payment of the Accrued But Unpaid Service Retirement Allowance

Walker, James C

Sandra J Walker for the payment of the
Accrued But Unpaid Service Retirement Allowance
Burial Allowance

Wallace, Andrew Manuel

Belinda D Wallace for the payment of the
Burial Allowance

Yotsuya, Jane

April Hisae Fullman for the payment of the
Accrued But Unpaid Continuance Allowance

TIER 3

NONE

BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER: ITEM V-B

Pursuant to the authority delegated to the General Manager under Board Rule GMA 1, General Manager Authorization, adopted by the Board of Administration on June 14, 2016, the following benefit payments have been approved by the General Manager:

Approved Death Benefit Payments

Deceased

Beneficiary/Payee

TIER 1

Active

Gordon Jr, Howard
(Deceased Active)

Alasia Nicole Gordon for the payment of the
Limited Pension

Lee, Mike
(Deceased Active)

May Lee for the payment of the
Accumulated Contributions

Martin, Victor R
(Deceased Active)

Deneice Renee Martin for the payment of the
Accumulated Contributions

Victor R Martin for the payment of the
Accumulated Contributions

TIER 3

Active

Parcon Martinez, Rosemarie
(Deceased Active)

Patrick Martinez for the payment of the
Limited Pension

White, Theodore Roosevelt
(Deceased Active)

Brandon Malik White for the payment of the
Accumulated Contributions

Theodore Roosevelt White for the payment of the
Accumulated Contributions

Disclaimer: The names of members who are deceased may appear more than once due to multiple beneficiaries being paid at different times.



REPORT TO BOARD OF ADMINISTRATION
From: Neil M. Guglielmo, General Manager

MEETING: DECEMBER 13, 2022
ITEM: V-C

Neil M. Guglielmo

SUBJECT: EDUCATION AND TRAVEL EXPENDITURE REPORT FOR THE QUARTER ENDING SEPTEMBER 30, 2022

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board receive and file this report.

Executive Summary

A report of Board and staff education and travel expenditures is provided to the Board on a quarterly basis pursuant to the Board Education and Travel Policy. The Department budgeted a total of \$207,605.00 for travel, training and educational expenses in Fiscal Year 2022-2023. As of the quarter ending September 30, 2022, the Department has incurred a total of \$15,438.93 or 7.4% of the budgeted funds, as indicated in the table below:

	FY 2022-23 Budget	Quarter Ending 09/30/2022			Year-To-Date	
		Travel	Training	Total Amount	Amount	Budget %
Board	\$ 44,220.00	\$ 3,660.03	\$ -	\$ 3,660.03	\$ 3,660.03	8.3%
Staff	\$ 78,835.00	\$ -	\$ 1,133.72	\$ 1,133.72	\$ 1,133.72	1.4%
Investment Administration	\$ 84,550.00	\$ 10,645.18	\$ -	\$ 10,645.18	\$ 10,645.18	12.6%
Total	\$ 207,605.00	\$ 14,305.21	\$ 1,133.72	\$ 15,438.93	\$ 15,438.93	7.4%

Attachment 1 details the travel and training expenditures for Board and staff as of the quarter ending September 30, 2022.

Prepared By: Jo Ann Peralta, Departmental Chief Accountant I

NMG/TB/JP

Attachments: Education and Travel Expenditure Report for Period July 1, 2022 to September 30, 2022

**LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM
BOARD MEMBERS' EDUCATION AND RELATED TRAVEL EXPENDITURE REPORT
FOR THE PERIOD JULY 1, 2022 TO SEPTEMBER 30, 2022**

**BOARD Meeting: 12/13/22
Item V – C
Attachment 1**

NAME	ORGANIZATION	CONFERENCE TITLE	LOCATION	START DATE	END DATE	REGISTRATION	AIRFARE	LODGING	OTHER TRAVEL EXP.	TOTAL EXPENSE
NILZA R SERRANO	INVESTMENT DIVERSITY ADVISORY COUNCIL (IDAC)	INVESTMENT DIVERSITY ADVISORY COUNCIL (IDAC) NATIONAL SUMMIT	ATLANTA, GA	09/13/22	09/15/22	-	539.19	397.86	408.72	\$ 1,345.77
MARIA ELIZABETH LEE ¹	INSTITUTIONAL LIMITED PARTNERS ASSOCIATION (ILPA)	PRVATE EQUITY FOR THE TRUSTEE	SAN FRANCISCO, CA	09/27/22	09/29/22	1,499.00	12.00	583.26	220.00	2,314.26
BOARD MEMBERS' EDUCATION AND RELATED TRAVEL EXPENDITURES FOR THE 1ST QUARTER ENDING 09/30/22:						\$ 1,499.00	\$ 551.19	\$ 981.12	\$ 628.72	\$ 3,660.03
BOARD MEMBERS' EDUCATION AND RELATED TRAVEL EXPENDITURES FOR THE 2ND QUARTER ENDING 12/31/22:						\$ -	\$ -	\$ -	\$ -	\$ -
BOARD MEMBERS' EDUCATION AND RELATED TRAVEL EXPENDITURES FOR THE 3RD QUARTER ENDING 03/31/23:						\$ -	\$ -	\$ -	\$ -	\$ -
BOARD MEMBERS' EDUCATION AND RELATED TRAVEL EXPENDITURES FOR THE 4TH QUARTER ENDING 06/30/23:						\$ -	\$ -	\$ -	\$ -	\$ -
YTD TRAVEL EXPENDITURES / ANNUAL BUDGET FOR BOARD EDUCATION AND TRAVEL (AMOUNT & %):						\$3,660.03	\$30,000.00	12.2%		
YTD BOARD MEMBERS' TRAVEL EXPENDITURES / ANNUAL BUDGET FOR ALL DEPARTMENT TRAVEL (AMOUNT & %):						\$3,660.03	\$152,165.00	2.4%		

¹Airline credit was used to pay the airfare

LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM
 STAFF EDUCATION AND RELATED TRAVEL EXPENDITURE REPORT
 FOR THE PERIOD JULY 1, 2022 TO SEPTEMBER 30, 2022

NAME	ORGANIZATION	CONFERENCE TITLE	LOCATION	START DATE	END DATE	REGISTRATION	AIRFARE	LODGING	OTHER TRAVEL EXP.	TOTAL EXPENSE
NONE						-	-	-	-	-
TOTAL STAFF EDUCATION AND RELATED TRAVEL EXPENDITURES FOR THE 1ST QUARTER ENDING 09/30/22:						\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL STAFF EDUCATION AND RELATED TRAVEL EXPENDITURES FOR THE 2ND QUARTER ENDING 12/31/22:						\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL STAFF EDUCATION AND RELATED TRAVEL EXPENDITURES FOR THE 3RD QUARTER ENDING 03/31/23:						\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL STAFF EDUCATION AND RELATED TRAVEL EXPENDITURES FOR THE 4TH QUARTER ENDING 06/30/23:						\$ -	\$ -	\$ -	\$ -	\$ -
YTD TRAVEL EXPENDITURES / ANNUAL BUDGET FOR STAFF EDUCATION AND RELATED TRAVEL (AMOUNT & %):						\$0.00		\$41,865.00		0.0%
YTD STAFF TRAVEL EXPENDITURES / ANNUAL BUDGET FOR ALL DEPARTMENT TRAVEL (AMOUNT & %):						\$0.00		\$152,165.00		0.0%

**LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM
INVESTMENT ADMINISTRATION AND RELATED TRAVEL EXPENDITURE REPORT
FOR THE PERIOD JULY 1, 2022 TO SEPTEMBER 30, 2022**

NAME	ORGANIZATION	CONFERENCE TITLE	LOCATION	START DATE	END DATE	REGISTRATION	AIRFARE	LODGING	OTHER TRAVEL EXP.	TOTAL EXPENSE
ROBERT KING	AKSIA CA LLC, MEKETA INVESTMENT GROUP, NEPC, LLC	DUE DILLIGENCE	NEW YORK, NY; WESTWOOD, MA; BOSTON, MA	08/07/22	08/10/22	-	1,522.70	559.74	723.78	2,806.22
JEREMIAH PARAS	BLACKROCK/RUSSELL INVESTMENTS	DUE DILLIGENCE	SAN FRANCISCO, CA; SEATTLE, WA	09/07/22	09/08/22	-	345.20	300.51	487.51	1,133.22
RODNEY JUNE	INVESTMENT DIVERSITY ADVISORY COUNCIL (IDAC)	INVESTMENT DIVERSITY ADVISORY COUNCIL (IDAC) NATIONAL SUMMIT	ATLANTA, GA	09/13/22	09/15/22	-	355.20	397.86	292.45	1,045.51
EDUARDO PARK	CLEARLAKE CAPITAL GROUP	CLEARLAKE'S LIMITED PARTNERS ANNUAL MEETING	DANA POINT, CA	09/14/22	09/14/22	-	-	-	103.12	103.12
ROBERT KING	GENERAL CATALYST	GENERAL CATALYST 2022 ANNUAL MEETING	SAN FRANCISCO, CA	09/15/22	09/15/22	-	173.03	-	75.85	248.88
JAMES WANG	NORTHERN TRUST, CITIGROUP, ABEL NOSER	DUE DILIGENCE	CHICAGO, IL; NEW YORK, NY	09/19/22	09/22/22	-	685.71	957.71	522.73	2,166.15
ELLEN CHEN	PORTFOLIO SUMMIT	ESG WEST SUMMIT	SACRAMENTO, CA	09/26/22	09/27/22	-	299.20	241.90	208.66	749.76
EDUARDO PARK ¹	ASANA PARTNERS	ASANA PARTNERS ANNUAL MEETING	ATLANTA, GA	09/27/22	09/29/22	-	431.69	-	410.76	842.45
RODNEY JUNE	ASSOCIATION OF INVESTMENT MANAGEMENT SALES (AIMSE); THE ASSOCIATION OF ASIAN AMERICAN INVESTMENT MANAGERS (AAAIM)	RIDING THE WINDS OF CHANGE; ELEVATE 2022 CREATING OPPORTUNITIES IN TIMES OF UNCERTAINTY	CHICAGO, IL; NEW YORK, NY	09/27/22	09/30/22	-	509.05	876.82	164.00	1,549.87
INVESTMENT ADMINISTRATION TRAVEL EXPENDITURES FOR THE 1ST QUARTER ENDING 09/30/22:						\$ -	\$ 4,321.78	\$ 3,334.54	\$ 2,988.86	\$ 10,645.18
INVESTMENT ADMINISTRATION TRAVEL EXPENDITURES FOR THE 2ND QUARTER ENDING 12/31/22:						\$ -	\$ -	\$ -	\$ -	\$ -
INVESTMENT ADMINISTRATION TRAVEL EXPENDITURES FOR THE 3RD QUARTER ENDING 03/31/23:						\$ -	\$ -	\$ -	\$ -	\$ -
INVESTMENT ADMINISTRATION TRAVEL EXPENDITURES FOR THE 4TH QUARTER ENDING 06/30/23:						\$ -	\$ -	\$ -	\$ -	\$ -
YTD TRAVEL EXPENDITURES / ANNUAL BUDGET FOR INVESTMENT ADMINISTRATION TRAVEL EXPENDITURES (AMOUNT & %):						\$10,645.18	\$80,300.00	13.3%		
YTD INVESTMENT ADMIN. TRAVEL EXPENDITURES / ANNUAL BUDGET FOR ALL DEPARTMENT TRAVEL (AMOUNT & %):						\$10,645.18	\$152,165.00	7.0%		

¹All related travel expenses were paid and reimbursed by Asana Partners.

**LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM
STAFF VIRTUAL EDUCATION EXPENDITURE REPORT
JULY 1, 2022 TO SEPTEMBER 30, 2022**

NAME	VIRTUAL CONFERENCE OR TRAINING COURSE	PMT DATE	AMOUNT	TOTAL
L LI	GFOA (US BANK PACARD) - GFOA Fundamentals Vitual Forum 07/11-15/22	08/12/22	\$ 149.00	
C KURIMOTO	GFOA (US BANK PACARD) - GFOA Fundamentals Vitual Forum 07/11-15/22	08/12/22	149.00	
A DE RIVERA	CALAPRS - Virtual Attorney's Rountable 09/23/22	10/03/22	50.00	
A FREEDMAN	CALAPRS - Virtual Attorney's Rountable 09/23/22	10/03/22	50.00	
S CHEUNG	CALAPRS - Virtual Attorney's Rountable 09/23/22	10/03/22	50.00	
N PAUL	NNA - Notary Online Training 09/01/22 - 10/31/22	10/19/22	685.72	
	1st Quarter Subtotal		\$ 1,133.72	\$ 1,133.72
FY 2023 TOTAL				\$ 1,133.72

MINUTES OF THE REGULAR MEETING
BOARD OF ADMINISTRATION
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

In accordance with Government Code Section 54953, subsections (e)(1) and (e)(3), and in light of the State of Emergency proclaimed by the Governor on March 4, 2020 relating to COVID-19 and ongoing concerns that meeting in person would present imminent risks to the health or safety of attendees and/or that the State of Emergency continues to directly impact the ability of members to meet safely in person, the LACERS Board of Administration's November 8, 2022 meeting will be conducted via telephone and/or videoconferencing.

November 8, 2022

10:00 a.m.

PRESENT via Videoconferencing:	President:	(left at 10:59 a.m.) Nilza R. Serrano
	Vice President:	Elizabeth Lee
	Commissioners:	Annie Chao Janna Sidley Sung Won Sohn Michael R. Wilkinson
	Legal Counselor:	Anya Freedman
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian
ABSENT:	Commissioner:	Thuy Huynh

The Items in the Minutes are numbered to correspond with the Agenda.

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – *THIS WILL BE THE ONLY OPPORTUNITY FOR PUBLIC COMMENT* – **PRESS *9 TO RAISE HAND DURING PUBLIC COMMENT PERIOD** – President Serrano asked if any persons wanted to make a general public comment to which there was no response.

II

BOARD PRESIDENT VERBAL REPORT – President Serrano reminded everyone to vote.

III

GENERAL MANAGER VERBAL REPORT

A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager, advised the Board of the following items:

- Public Pensions Standards Award for Funding and Administration
- Smart City Showcase
- Update on LACERS HQ
- Update on Retirement Services Division
- Update on Health Benefits Administration
- Update on Member Services and Upcoming Events

B. UPCOMING AGENDA ITEMS – Neil M. Guglielmo, General Manager, advised the Board of the following items:

- 977 N. Broadway Project Report for the Quarter Ending September 30, 2022

Items X-A and XI-A taken out of order

President Serrano recessed the Regular Meeting at 10:17 a.m. to convene in Closed Session discussion.

X

DISABILITY RETIREMENT APPLICATION(S)

A. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF JONEL GOODMAN AND POSSIBLE BOARD ACTION**

XI

A. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a),(d)(2), AND (e)(1), AND POSSIBLE BOARD ACTION**

President Serrano reconvened the Regular Meeting at 10:58 a.m. and announced that the Board unanimously approved the Disability Retirement Application of Jonel Goodman.

President Serrano left the Regular Meeting at 10:59 a.m. and announced that Vice President Lee will Chair the remainder of the meeting.

IV

BOARD/DEPARTMENT ADMINISTRATION

A. PRESENTATION BY SEGAL CONSULTING OF THE ACTUARIAL VALUATIONS AS OF JUNE 30, 2022 AND PROPOSED CITY CONTRIBUTION RATES FOR FISCAL YEAR 2023-24 AND POSSIBLE BOARD ACTION – Todd Bouey, Executive Officer, introduced this item to the Board.

Paul Angelo, Actuary, and Andy Yeung, Actuary, with Segal Consulting, presented and discussed this item with the Board for 15 minutes. After discussion, Commissioner Sidley moved approval, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Sidley, Sohn, Wilkinson, and Vice President Lee -5; Nays, None.

- B. TRIENNIAL REVIEW OF BOARD GOVERNANCE AND ADMINISTRATIVE POLICIES AND POSSIBLE BOARD ACTION – John Koontz, Senior Management Analyst, presented and discussed this item with the Board for five minutes. Commissioner Wilkinson moved approval, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Sidley, Sohn, Wilkinson, and Vice President Lee -5; Nays, None.
- C. 977 N. BROADWAY BUILDING PROJECT FISCAL YEAR 2022-23 SUPPLEMENTAL OPERATING BUDGET REQUEST FOR SECURITY AND POSSIBLE BOARD ACTION – Horacio Arroyo, Senior Management Analyst, presented and discussed this item with the Board for 20 minutes. Commissioner Sidley moved approval of the following Resolution:

**977 N. BROADWAY BUILDING PROJECT
FISCAL YEAR 2022-23 SUPPLEMENTAL
SECURITY OPERATING BUDGET REQUEST**

RESOLUTION 221108-A

WHEREAS, on October 23, 2019, LACERS closed escrow on a purchase of an office building at 977 North Broadway (“Broadway Building”), Los Angeles California at the final negotiated purchase price of \$33,750,000; the property is a real estate asset of the LACERS Trust Fund, and the LACERS Board of Administration (Board) has sole and exclusive plenary authority over the assets of the trust fund;

WHEREAS, on June 8, 2021, the Board adopted the 977 N. Broadway Project’s Capital Expense Budget of \$19,707,987, the Operating Budget of \$1,292,058, and Administrative Budget of \$415,396 for the purpose of completing tenant and owner improvements prior to move-in and LACERS occupying the building in Fiscal Year 2022-23;

WHEREAS, the Broadway Building is implementing improvements to enhance the security and safety of Members and staff at the HQ Building including surveillance cameras, access control, mass communication solutions, Fire and Life Safety devices, and on-site security guard services;

WHEREAS, at the request of the Board during the September 27, 2022 meeting of the Board, LACERS prepared security options for the deployment of magnetometers, armed security personnel, and costs associated with their deployment;

WHEREAS, the Broadway Building currently contracts an unarmed security guard tasked with both physical security of the building and the required 24-hour patrol of all areas of the building while the fire protection system is out of service, creating ongoing gaps in safeguarding the building perimeter, controlling access into the building, and deterring crime; and

WHEREAS, LACERS recommends increasing the Broadway Building’s Expense Budget by \$72,192 for two additional unarmed security guards to provide a continuous security presence at the entrance to the building and perform visitor vaccine verification in accordance with the Board Meeting Safety Standards from November 1, 2022 through June 30, 2023;

NOW, THEREFORE, BE IT RESOLVED, that the Board:

1. Consider and provide feedback or direction to staff on the enhanced security option(s) to pursue;
2. Approve the appropriation of \$72,192 to the Property Management – Operations expense budget in Fiscal Year 2022-23 for interim security personnel; and
3. Authorize the General Manager to correct any clerical or typographical errors in this document.

Which motion was seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioners Chao, Sidley, Sohn, Wilkinson, and Vice President Lee -5; Nays, None.

D. LACERS STAFF PARKING AND COMMUTER OPTIONS SURVEY REPORT AND POSSIBLE BOARD ACTION – Isaias Cantu, Chief Management Analyst, presented and discussed this item with the Board for 10 minutes. Commissioner Sidley moved approval of the following Resolution:

**LACERS STAFF PARKING AND COMMUTER OPTIONS SURVEY REPORT
AND POSSIBLE BOARD ACTION**

RESOLUTION 221108-B

WHEREAS, on October 23, 2019, LACERS closed escrow on a purchase of an office building at 977 North Broadway (“Broadway Building”), Los Angeles California at the final negotiated purchase price of \$33,750,000; the property is a real estate asset of the LACERS Trust Fund, and the LACERS Board of Administration has sole and exclusive plenary authority over the assets of the trust fund;

WHEREAS, the City of Los Angeles’ Special Memorandum of Understanding on City Employee Parking and Commute Options (“MOU”) memorializes the City’s right to collect parking fees from City employees who park in lots owned or leased by the City and the authorized amounts the City may charge for parking based on geographic location;

WHEREAS, by virtue of LACERS’ LA Times HQ being located within the MOU’s Downtown Los Angeles geographic area, LACERS staff who want to participate in the Parking Program administered by the Personnel Department’s Employee Benefits Division (“EBD”) are currently required to pay \$50.30 per month to park in lots immediately adjacent to City Offices or Covered Lots;

WHEREAS, LACERS will be moving its operations to the new HQ Building located at 977 N. Broadway which is located outside of the geographic areas established in the MOU;

WHEREAS, following consultation with City Attorney, staff have determined that the LACERS Board has the authority to determine whether or not it is prudent to charge full-time employees to park at the new HQ Building and, if it decides to do so, to set the monthly rate for full-time employee parking at the new HQ Building;

WHEREAS, when comparing the potential \$121,500 of income generated by a LACERS-centric parking program to the \$101,000 potential costs of administering the program, it becomes clear that program costs would significantly reduce the potential income from the program;

WHEREAS, the possibility of generating income could serve to offset operational expenses at the new HQ Building, the potential \$20,500 in surplus funds collected by LACERS from its employees would come with an administrative burden in excess of any financial benefit;

WHEREAS, LACERS proposes that complimentary parking would be an incentive that could not only help to retain LACERS staff but could also attract other City employees who work in and around the Civic Center;

WHEREAS, 107 LACERS employees are currently paying to park at the LA Times Building and the total potential parking demand at the new HQ Building is 179 according to responses collected through LACERS' 977 N. Broadway Employee Commute and Parking Survey leaving LACERS with a deficit of 69 parking spots; higher than the parking capacity at the HQ Building;

WHEREAS, the deficit of 69 parking spots could be mitigated by telecommuting and entering into a contract with a nearby parking lot in Chinatown for up to 30 parking spots at a monthly rate of \$75 per parking spot for an annualized cost of \$27,000 and \$500 in parking validations for daily rate parking, along with \$2,500 in contingency for minor overages;

NOW, THEREFORE, BE IT RESOLVED, that the Board:

- 1) Make a determination that onsite and adjacent parking for 977 N. Broadway, Los Angeles, CA 90012 will be complimentary to LACERS full-time staff;
- 2) Approve the appropriation of \$30,000 to the Property Management - Operations expense budget in Fiscal Year 2022-23 for expenses related to the rental of up to 30 parking spots annually and/or to pay for parking validations in the Chinatown area;
- 3) Authorize the General Manager to work with Cushman & Wakefield Property Management to rent up to 30 parking spots annually and enter into an agreement for validated parking in the Chinatown area; and,
- 4) Authorize the General Manager to negotiate and execute any contracts required to effectuate Recommendations 1 through 3.

Which motion was seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Sidley, Sohn, Wilkinson, and Vice President Lee -5; Nays, None.

V

RECEIVE AND FILE ITEMS

- A. ETHICAL CONTRACT COMPLIANCE REPORT NOTIFICATION TO THE BOARD – This report was received by the Board and filed.
- B. BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER – This report was received by the Board and filed.

- C. COMMISSIONER SOHN BOARD EDUCATION EVALUATION ON HARVARD BUSINESS SCHOOL – BEHAVIORAL ECONOMICS, VIRTUAL; OCTOBER 10-21, 2022 – This report was received by the Board and filed.
- D. COMMISSIONER LEE BOARD EDUCATION EVALUATION ON PENSION REAL ESTATE ASSOCIATION (PREA) 32ND ANNUAL INSTITUTIONAL INVESTOR CONFERENCE, WASHINGTON, D.C.; OCTOBER 19-21, 2022 – This report was received by the Board and filed.
- E. COMMISSIONER HUYNH BOARD EDUCATION EVALUATION ON INSTITUTIONAL INVESTOR – ESG AND SUSTAINABLE RETURNS FORUM 2022, NEW YORK, NY; OCTOBER 25-26, 2022 – This report was received by the Board and filed.
- F. COMMISSIONER SIDLEY BOARD EDUCATION EVALUATION ON CALIFORNIA ASSOCIATION OF PUBLIC RETIREMENT SYSTEMS (CALAPRS) TRUSTEES’ ROUNDTABLE, VIRTUAL; OCTOBER 28, 2022 – This report was received by the Board and filed.

VI

COMMITTEE REPORT(S)

- A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE SPECIAL MEETING ON NOVEMBER 3, 2022 – Vice President Lee stated the Committee conducted Transition Manager Semi-Finalist interviews.

VII

CONSENT AGENDA

Commissioner Sidley moved approval of Consent Agenda Items VII-A and VII-B, seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioners Chao, Sidley, Sohn, Wilkinson, and Vice President Lee -5; Nays, None.

- A. APPROVAL OF MINUTES FOR THE REGULAR MEETING OF AUGUST 9, 2022 AND POSSIBLE BOARD ACTON
- B. FINDINGS TO CONTINUE TELECONFERENCE MEETINGS AND DETERMINATION THAT COVID-19 STATE OF EMERGENCY CONTINUES TO DIRECTLY IMPACT THE ABILITY OF MEMBERS TO MEET SAFELY IN PERSON AND POSSIBLE BOARD ACTION

**CONTINUE HOLDING LACERS BOARD AND COMMITTEE MEETINGS
VIA TELECONFERENCE AND/OR VIDEOCONFERENCE**

RESOLUTION 221108-C

WHEREAS, LACERS is committed to preserving public access and participation in meetings of the Board of Administration; and

WHEREAS, all LACERS Board and Committee meetings are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate as the LACERS Board and Committees conduct their business; and

WHEREAS, the Brown Act, Government Code Section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, subject to the existence of certain conditions; and

WHEREAS, the COVID-19 State of Emergency proclaimed by the Governor on March 4, 2020 remains active; and

WHEREAS, on October 12, 2021, the Board met via teleconference and determined by majority vote, pursuant to Government Code Section 54953(e)(1)(B)-(C), that due to the COVID-19 State of Emergency, meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, the Board has reconsidered the circumstances of the State of Emergency; and

WHEREAS, COVID-19 remains a public health concern in Los Angeles, with substantial community transmission;

NOW THEREFORE, BE IT RESOLVED that pursuant to Government Code Section 54953(e)(1)(B)-(C), the Board finds that holding Board and Committee meetings in person would present imminent risks to the health or safety of attendees.

BE IT FURTHER RESOLVED that pursuant to Government Code Section 54953(e)(3)(A) and (B)(i), the Board finds that the COVID-19 State of Emergency continues to directly impact the ability of Board and Committee members to meet safely in person.

VIII

INVESTMENTS

A. CHIEF INVESTMENT OFFICER VERBAL REPORT INCLUDING DISCUSSION ON THE PORTFOLIO EXPOSURE TO GLOBAL EVENTS – Bryan Fujita, Investment Officer III, reported on the portfolio value of \$20.35 billion as of November 7, 2022. Mr. Fujita discussed the following items:

- Axiom Investors, which manages an Emerging Markets Growth Equities strategy for LACERS was removed from “On Watch” status.
- Emerging Manager Symposium Virtual Event to be held on Wednesday, November 16, 2022.
- Today’s Agenda Items: Board to interview Thomas Martin, the proposed key person replacement at LACERS Private Equity Consultant, Aksia CA LLC and recommendation from staff regarding the 2022 Principles for Responsible Investment Board Annual Elections.

Mr. Fujita shared that the current Russian exposure for LACERS is 1.5 basis points.

IX

LEGAL/LITIGATION

A. UPDATE ON TELECONFERENCE OPTION FOR BOARD MEETINGS PURSUANT TO ASSEMBLY BILL 361 AND NEW ASSEMBLY BILL 2449 – Sheri Cheung, Deputy City Attorney, presented and discussed this item with the Board for 15 minutes.

XII

OTHER BUSINESS – There was no other business.

XIII

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, November 22, 2022, at 10:00 a.m. at LACERS, 202 W. 1st Street, Suite 500, Los Angeles, CA 90012, and/or via telephone and/or videoconferencing. Please continue to view the LACERS website for updated information on public access to Board meetings while response to public health concerns relating to the novel coronavirus continue.

XIV

ADJOURNMENT – There being no further business before the Board, Vice President Lee adjourned the Meeting at 12:26 p.m.

Elizabeth Lee
Vice-President

Neil M. Guglielmo
Manager-Secretary



REPORT TO BOARD OF ADMINISTRATION

From: Neil M. Guglielmo, General Manager

Neil M. Guglielmo

MEETING: DECEMBER 13, 2022

ITEM: VII - B

SUBJECT: FINDINGS TO CONTINUE TELECONFERENCE MEETINGS AND DETERMINATION THAT COVID-19 STATE OF EMERGENCY CONTINUES TO DIRECTLY IMPACT THE ABILITY OF MEMBERS TO MEET SAFELY IN PERSON AND POSSIBLE BOARD ACTION

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board approve continuing to hold LACERS Board and Committee meetings via teleconference and/or videoconference, under Government Code Sections 54953(e)(1)(B)-(C) and 54953(e)(3)(A) and (B)(i).

Discussion

LACERS is committed to preserving public access and participation in meetings of the Board of Administration. All LACERS Board and Committee meetings are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate as the LACERS Board and Committees conduct their business. The Brown Act, Government Code Section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, subject to the existence of certain conditions. The COVID-19 State of Emergency proclaimed by the Governor on March 4, 2020 remains active: COVID-19 remains a public health concern in Los Angeles, with substantial or high community transmission.

The Board met via teleconference on October 12, 2021, and determined by majority vote, pursuant to Government Code Section 54953(e)(1)(B)-(C), that due to the COVID-19 State of Emergency, meeting in person would present imminent risks to the health or safety of attendees.

Strategic Plan Impact Statement

The Board's action on this item aligns with the LACERS Strategic Plan Goal to uphold good governance practices which affirm transparency, accountability, and fiduciary duty.

Prepared By: Ani Ghoukassian, Commission Executive Assistant II

Attachment: Proposed Resolution

CONTINUE HOLDING LACERS BOARD AND COMMITTEE MEETINGS
VIA TELECONFERENCE AND/OR VIDEOCONFERENCE

PROPOSED RESOLUTION

WHEREAS, LACERS is committed to preserving public access and participation in meetings of the Board of Administration; and

WHEREAS, all LACERS Board and Committee meetings are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate as the LACERS Board and Committees conduct their business; and

WHEREAS, the Brown Act, Government Code Section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, subject to the existence of certain conditions; and

WHEREAS, the COVID-19 State of Emergency proclaimed by the Governor on March 4, 2020 remains active; and

WHEREAS, on October 12, 2021, the Board met via teleconference and determined by majority vote, pursuant to Government Code Section 54953(e)(1)(B)-(C), that due to the COVID-19 State of Emergency, meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, the Board has reconsidered the circumstances of the State of Emergency; and

WHEREAS, COVID-19 remains a public health concern in Los Angeles, with substantial or high community transmission;

NOW THEREFORE, BE IT RESOLVED that pursuant to Government Code Section 54953(e)(1)(B)-(C), the Board finds that holding Board and Committee meetings in person would present imminent risks to the health or safety of attendees.

BE IT FURTHER RESOLVED that pursuant to Government Code Section 54953(e)(3)(A) and (B)(i), the Board finds that the COVID-19 State of Emergency continues to directly impact the ability of Board and Committee members to meet safely in person.



LACERS
 LA CITY EMPLOYEES'
 RETIREMENT SYSTEM



REPORT TO BOARD OF ADMINISTRATION
From: Neil M. Guglielmo, General Manager

MEETING: DECEMBER 13, 2022
ITEM: VIII-A

Neil M. Guglielmo

SUBJECT: PRESENTATION OF LACERS' AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2022 BY EXTERNAL AUDITOR, MOSS ADAMS LLP

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board receive and file the audited financial statements for fiscal year ended June 30, 2022.

Executive Summary

Moss Adams LLP (Moss Adams) completed the audit of LACERS' financial statements for fiscal year ended June 30, 2022 and issued an unmodified (clean) opinion signifying that the financial statements present fairly, in all material respects, LACERS' fiduciary net position and changes in fiduciary net position. The audit was conducted in conformity with accounting principles generally accepted in the United States of America. Kory Hoggan, engagement partner of Moss Adams, will present their audit process and results to the Board.

Discussion

Aside from rendering their opinion on LACERS' financial statements for Retirement Plan and Post Employment Health Care Plan as of June 30, 2022, Moss Adams also issued/will issue the following reports:

1. Report on internal control over financial reporting and on compliance and other matters in accordance with Government Auditing Standards, dated December 5, 2022. No material weaknesses noted.
2. Audited report on LACERS Schedules of Employer Allocations and Pension Amounts by Employers (i.e., the City, Airports, and Harbor). Issued on September 13, 2022. Found in order
3. Audit report on the Annual Comprehensive Financial Report, will be issued in December 2022.

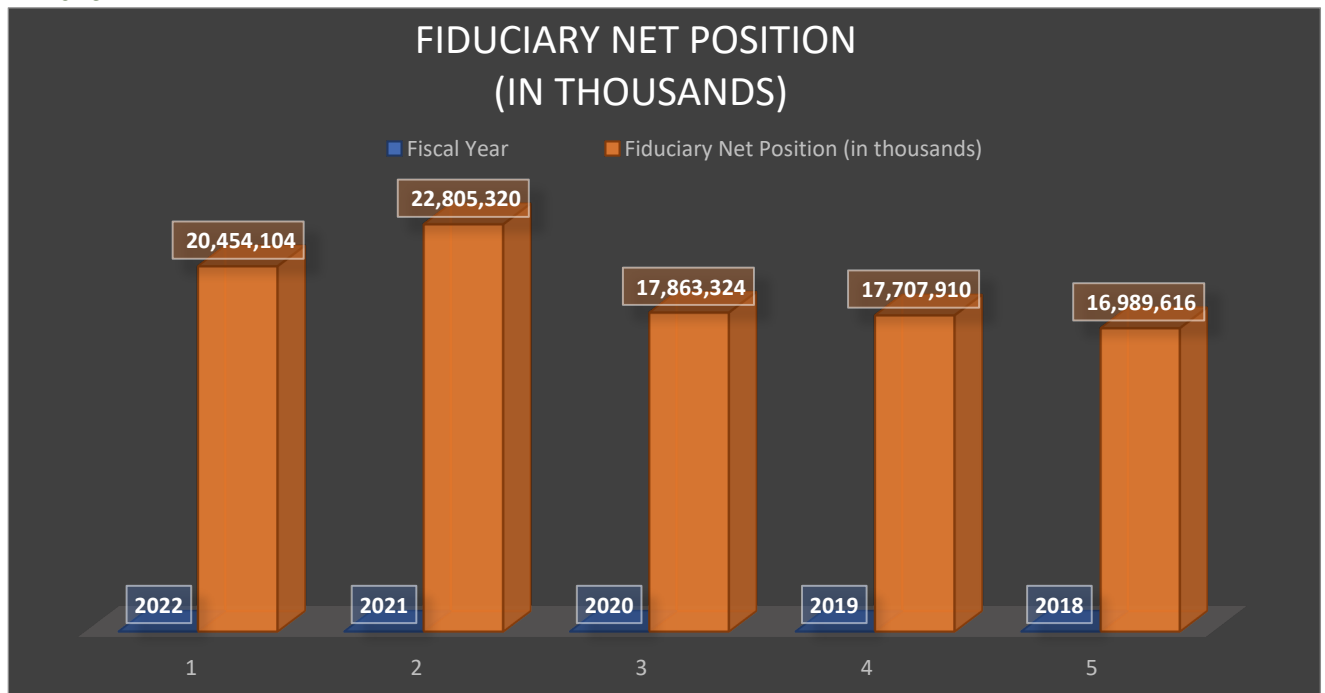
Financial Highlights

The following are highlights from LACERS' audited financial statements as of June 30, 2022:

- A. Although Fiduciary Net Position (FNP) decreased by \$2.3 bn (10.3%) over last fiscal year's record-high balance, this balance was still the second highest in LACERS history and signifies that LACERS remains well-funded to guarantee retirement security for its members. See **Chart A** below.

Items B (Additions or Sources of Funds) and C (Deductions or Uses of Funds) below explain the contributing factors to the FNP balance for fiscal year 2021-2022.

Chart A

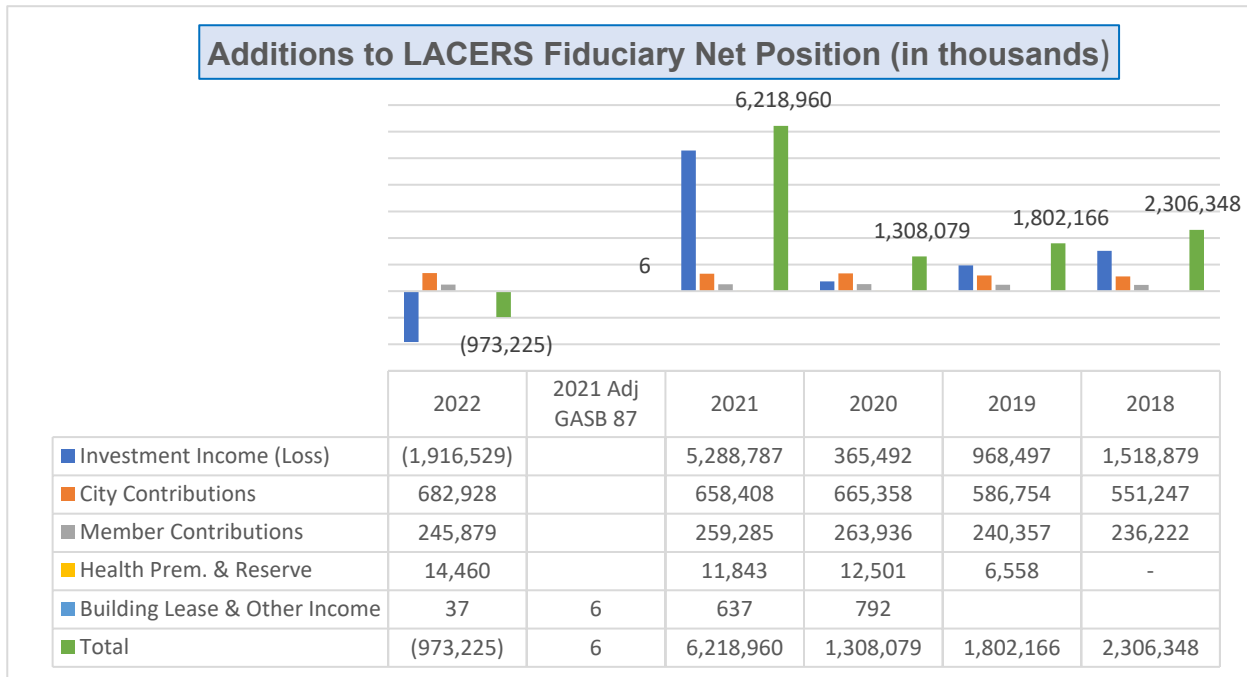


(note: FY 2021 was adjusted by a net of \$20K to comply with GASB 87)

- B. Total additions (Sources of Funds) to FNP decreased over last fiscal year primarily due to investment losses posted during the reported fiscal year. After a year of record highs in FY 2020-21, the reported fiscal year experienced volatility in public equity markets and reported historic negative performances, while private markets fared better.

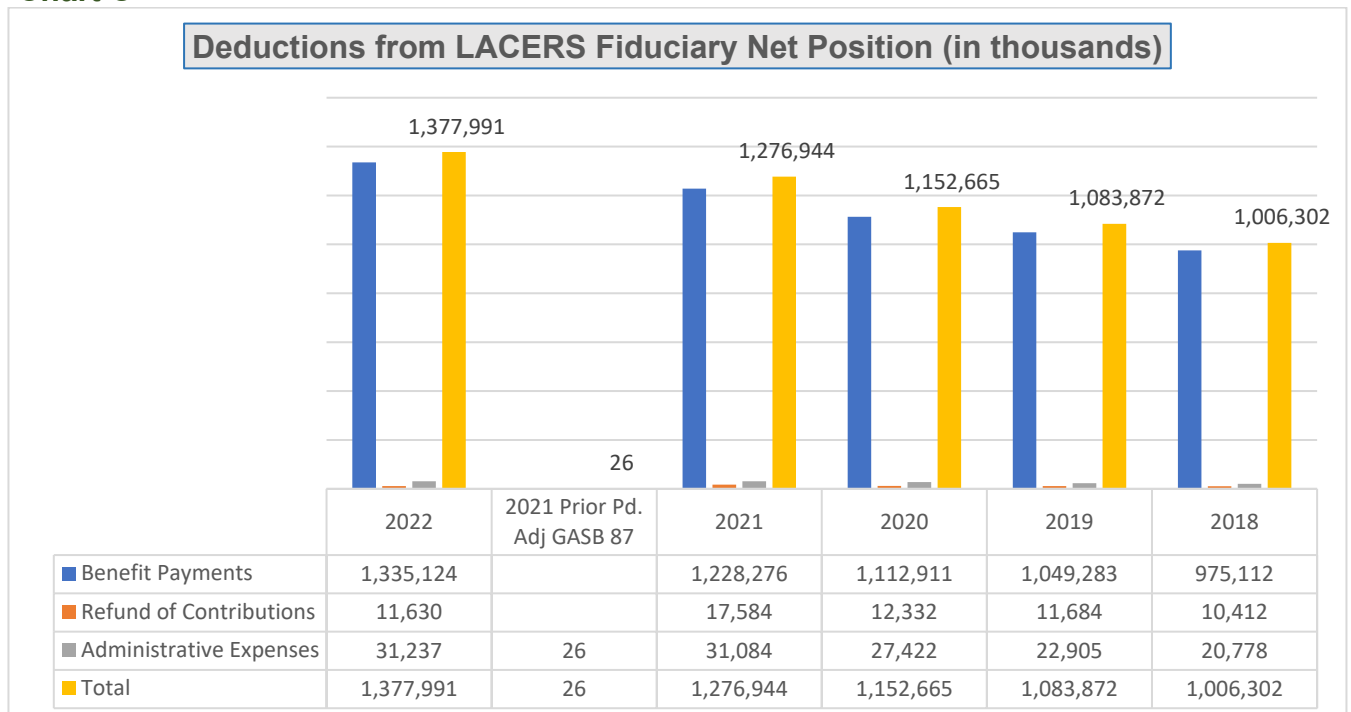
Despite significant market declines, LACERS managed to outperform its' benchmark of -8.97%, and generated a gross return of -6.86% (or net of -7.01%) primarily because of its strategic asset allocation policy that promotes diversification across various classes of assets. As such, LACERS is well-positioned to weather market volatility over the long term. See **Chart B** below.

Chart B



C. Total Deductions (Uses of Funds) was reported higher over prior fiscal year primarily due to increase in benefits paid to retirees as a result of the full year implementation of the Separation Incentive Programs. See **Chart C** below:

Chart C



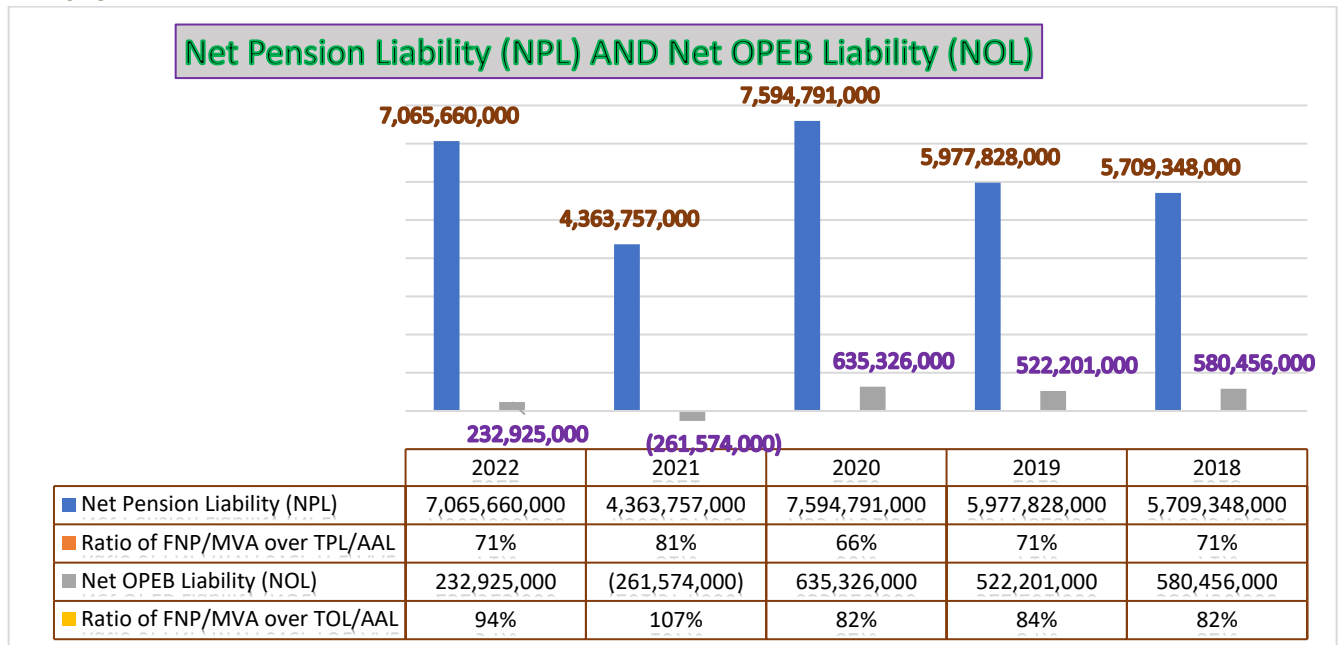
D. Retirement Plan's Funded Ratio remains high at 71%. Because of the decline in market value of assets during the reported year, the Retirement Funded Ratio decreased (**Chart D**) and Net Pension Liability (**NPL**) increased compared to prior FY. See **Chart E** below.

Chart D

RETIREMENT PLAN'S FUNDED RATIO	2022	2021	Explanation
Funded Ratio is calculated using Market Value of Assets (value in the market exchange or MVA) over Actuarial Accrued Liability (AAL)	70.7%	81.3%	This Funded Ratio is what's reported in LACERS Financial Statements per GASB requirement; The funding ratio is based on the Market Value of Assets and are not smoothed out. This usually shows higher funding ratio because gains and losses are not smoothed out. <i>(Except when there are more losses than gains).</i> MVA/AAL=70.7%
Funded Ratio is calculated using Valuation Value of Assets (values are smoothed out or VVA) over Actuarial Accrued Liability (AAL)	73.3%	71.6%	This Ratio is calculated using the actuarial value of assets also known as Valuation Value of Assets (VVA); This funded ratio usually brings lower funded ratio because gains/losses are smoothed out over 7 years to even out short-term market fluctuations. <i>(Except when there are more losses than gains).</i> Also, the ratio using VVA is used for funding purposes by the Actuary. To show: <u>VVA = MVA add Deferred Losses less Deferred Gains</u> VVA/AAL= 73.3%

E. Other Post-Employment Benefits (OPEB) or Health Plan remains well funded at 94%. Because of the decline in market value of assets during the reported year, the Health Funded Ratio decreased and the net OPEB liability (**NOL**) increased compared to prior FY. **Chart E** shows the **NPL** and **NOL** trends from 2018-2022.

Chart E



F. The funded ratios shown in **Chart E** above were based on market values of assets. These ratios were calculated by getting the percentage of Fiduciary Net Position over Total Pension Liability or Market Value of Assets over Actuarial Accrued Liability.

Strategic Alignment

Discussion of the Plan’s financial results is consistent with the Board’s Governance Goal to “uphold good governance practices which affirm transparency, accountability and fiduciary duty.”

Fiscal Impact Statement

LACERS’ audited financial statements provide relevant information about LACERS’ financial position and results of operations for the fiscal year that just ended (FY2021-2022) to help the Board, the Management, and other stakeholders make sound and informed decisions.

Prepared By: Maria Melani Rejuso, Departmental Audit Manager

NMG/MFR

- Attachments:
1. Moss Adams Presentation Agenda
 2. LACERS Audited Financial Statements for Fiscal Year Ended June 30, 2022
 3. Report on Internal Control over Financial Reporting-GAGAS IC Report
 4. Communications with the Board of Administration



Los Angeles City Employees' Retirement System

Presentation to the Board of Administration
December 13, 2022



Your Audit Team



Kory Hoggan, CPA
Engagement Partner
kory.hoggan@mossadams.com



Laurie Tish, CPA
Concurring Partner



Aaron Hamilton, CPA
Senior Manager – Investments, Actuarial
Measurements, Employer Allocation Audit
aaron.hamilton@mossadams.com



Jason Lu, CPA
Senior Manager – Internal Controls
including Information Technology



Kelly Jones, CPA
Senior Manager – Contributions,
Benefit Payments, Other Assets



Issued Reports

We issued or will issue the following reports for the year ended June 30, 2022

- Audit report on the financial statements
- Report on internal control over financial reporting and on compliance and other matters in accordance with *Government Auditing Standards*
- Audit report on the 977 North Broadway Building
- Audit report on the annual comprehensive financial report
- Audit reports on schedules of employer allocations and pension/OPEB amounts by employer for measurement year ended June 30, 2021 (issued September 13, 2022)

Unmodified Opinions

Financial statements are presented fairly in accordance with accounting principles generally accepted in the United States of America

No material weaknesses or significant deficiencies reported





Financial Highlights – Retirement Plan

(in thousands)

	2022	2021	2020
Total pension liability (a)	\$ 24,078,751	\$ 23,281,893	\$ 22,527,195
Plan fiduciary net position			
Employer contributions	\$ 591,234	\$ 554,856	\$ 553,118
Member contributions	241,876	252,123	259,817
Net investment income	(1,545,364)	4,283,202	306,712
Administrative expense	(24,142)	(26,758)	(23,531)
Benefit payments	(1,168,633)	(1,077,691)	(979,305)
Net change in plan fiduciary net position	(1,905,029)	3,985,732	116,811
Plan fiduciary net position			
Beginning of year	18,918,120	14,932,404	14,815,593
End of year (b)	\$ 17,013,091	\$ 18,918,136	\$ 14,932,404
Net pension liability (a) - (b)	\$ 7,065,660	\$ 4,363,757	\$ 7,594,791
Funded status (b) / (a)	70.7%	81.3%	66.3%



Financial Highlights – OPEB Plan

(in thousands)

	2022	2021	2020
Total OPEB liability (a)	\$ 3,580,696	\$ 3,520,078	\$ 3,486,530
Plan fiduciary net position			
Employer contributions	\$ 91,623	\$ 103,454	\$ 112,136
Net investment income	(346,840)	983,522	60,899
Administrative expense	(6,955)	(7,425)	(6,715)
Benefit payments	(171,705)	(149,103)	(127,214)
Net change in plan fiduciary net position	(433,877)	930,448	39,106
Plan fiduciary net position			
Beginning of year	3,781,648	2,851,204	2,812,098
End of year (b)	\$ 3,347,771	\$ 3,781,652	\$ 2,851,204
Net OPEB liability (asset) (a) - (b)	\$ 232,925	\$ (261,574)	\$ 635,326
Funded status (b) / (a)	93.5%	107.4%	81.8%



Areas of Audit Emphasis



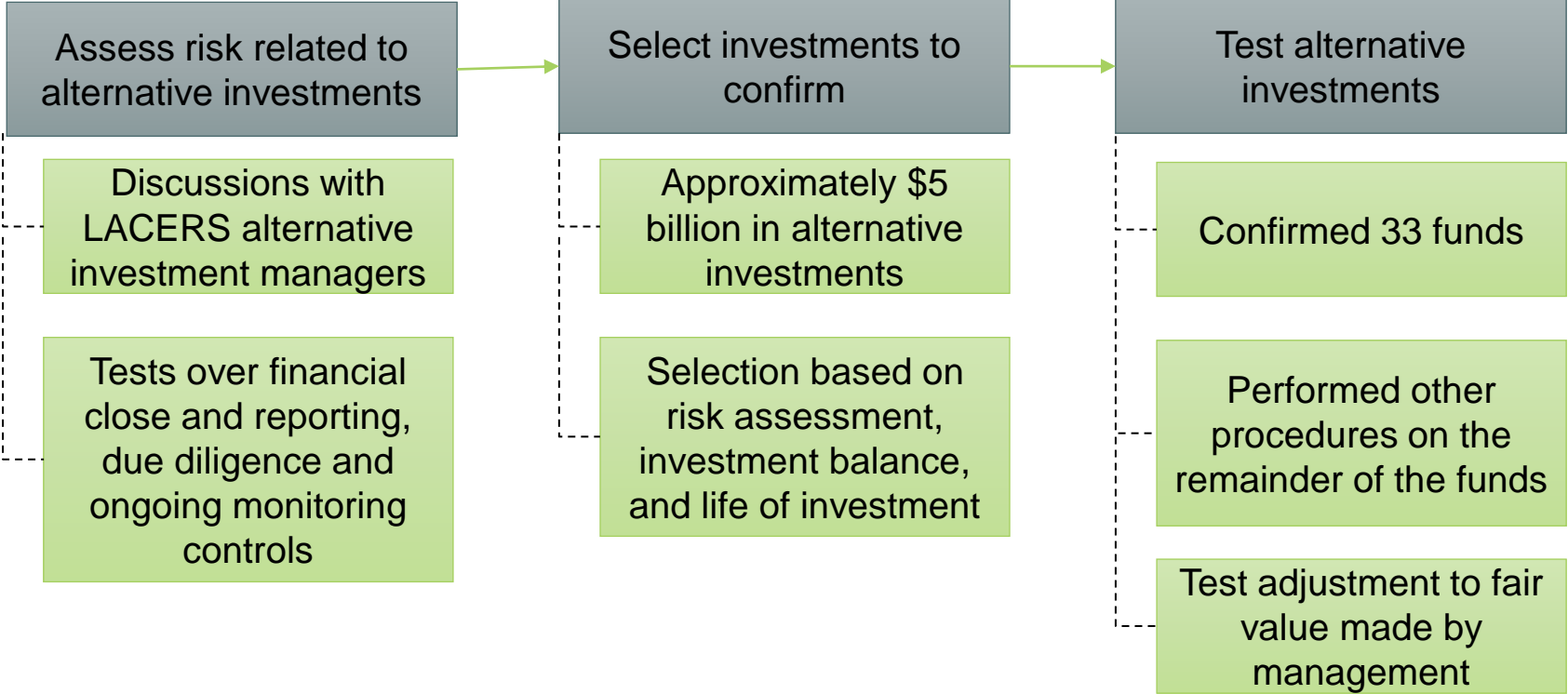
- Investments (authorization and monitoring)
- Contributions (employer and member)
- Benefit payments
- Financial reporting
- IT systems

- Investment earnings
- Benefits payments
- Expenses
- Trends, comparisons, and expectations

- Investment (valuation and confirmations)
- Contributions
- Benefit payments
- Actuarial assumptions and measurements
- Representations from legal counsel and management



Alternative Investment Testing



Alternative Investments – Fund Analysis

Audit procedures included:

- 23 of 33 investment confirmations selected (private equity)
- Analysis of the underlying portfolio companies in these funds
- \$62 billion value at 12/31/2021 vs. \$60 billion value at 6/30/2022
- Backed out the capital calls and distributions between the dates
- Reviewed financial close and reporting controls
- \$2.4 billion decrease in value
 - Decreases were related to failed SPAC funding deals, digital currency investments, public market investments in the portfolio, technology company declines
 - General decline among portfolio companies related to public market comparable, market uncertainty, and inflation concerns
 - Noted increases in valuation were related to health care related portfolio companies or acquisitions of other companies



Required Communications

- Separate memo issued with formal audit communications
- Significant accounting policies summarized in Note 1 to financial statements
- No audit adjustments noted in the audit of LACERS for year ended June 30, 2022
- Two audit adjustments were discovered in the 977 North Broadway Building Fund audit
- GASB No. 87 *Leases* was implemented during 2022
- Consideration of fraud in a financial statement audit
 - Procedures performed included journal entry testing and interviews of personnel
- Moss Adams is independent with respect to LACERS and City of Los Angeles



-
- Audit performed within the scope and timeline discussed during audit planning
 - ‘Tone at the Top’ and attitude from management and staff was one of helpfulness, candor and openness in response to audit requests and discussion points



THANK
YOU



**LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM
A COMPONENT UNIT OF THE CITY OF LOS ANGELES, CALIFORNIA**

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM
A COMPONENT UNIT OF THE CITY OF LOS ANGELES, CALIFORNIA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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Report of Independent Auditors

Board of Administration
Los Angeles City Employees' Retirement System

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying total columns of the retirement plan and the postemployment health care plan in the statements of fiduciary net position of Los Angeles City Employees' Retirement System (LACERS), a department of the Municipality of the City of Los Angeles, California, as of June 30, 2022, and the related total columns of the retirement plan and the postemployment health care plan in the statements of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective total columns of the fiduciary net position of the retirement plan and the postemployment health care plan of Los Angeles City Employees' Retirement System as of June 30, 2022, and the related total columns of the respective changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of LACERS and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

As discussed in Note 1, the financial statements of LACERS present the fiduciary net position and changes in fiduciary net position of the Municipality of the City of Los Angeles, California, that are attributable to the transactions of LACERS. The financial statements do not present fairly the financial position of the entire Municipality of the City of Los Angeles, California, as of June 30, 2022 and 2021, the changes in its financial position, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

As discussed in Note 1 to the financial statements, LACERS adopted Government Accounting Standards Board Statement No. 87 *Leases* during the year ended June 30, 2022. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of LACERS's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Prior-Year Comparative Information

We have previously audited LACER's 2021 financial statements, and we expressed unmodified opinions on the respective total columns of the retirement plan and the postemployment health care plan in our report dated December 1, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the accompanying management's discussion and analysis; the retirement plan's schedule of net pension liability, schedule of changes in net pension liability and related ratios, schedule of contribution history, and schedule of investment returns; and the postemployment health care plan's schedule of net OPEB liability, schedule of changes in net OPEB liability and related ratios, schedule of contribution history, and schedule of investment returns (collectively, the required supplementary information) be presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Schedules

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Los Angeles City Employees' Retirement System's basic financial statements. The schedule of administrative expenses and schedule of investment fees and expenses (collectively, the supplemental schedules) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2022, on our consideration of Los Angeles City Employees' Retirement System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Los Angeles City Employees' Retirement System 's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Los Angeles City Employees' Retirement System's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Moss Adams LLP".

El Segundo, California
December 5, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

Financial Highlights

- The Los Angeles City Employees' Retirement System (LACERS or the System) fiduciary net position as of June 30, 2022 was \$20,454,104,000, a decrease of \$2,351,216,000 or 10.3% year-over-year.
- The total additions to the fiduciary net position of LACERS are from employer contributions made by the City of Los Angeles (the City), Member contributions, self-funded insurance premium, Members' portion of premium reserve, building lease and other income, and net investment income (loss). This fiscal year, net investment loss of \$1,916,529,000 was incurred, representing a 136.2% decrease from prior fiscal year's investment income of \$5,288,787,000. This resulted in a net decrease of \$973,225,000 in fiduciary net position, a 115.6% decrease from the prior fiscal year's total additions of \$6,218,960,000.
- The employer contributions to the Retirement Plan represented 100% of the Actuarially Determined Contribution of the employer as defined by the Governmental Accounting Standards Board (GASB) Statements No. 67, *Financial Reporting for Pension Plans*, and No. 68, *Accounting and Financial Reporting for Pensions*.
- The employer contributions to the Postemployment Health Care Plan represented 100% of the Actuarially Determined Contribution of the employer as defined by GASB Statements No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, and No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.
- The total deductions from the fiduciary net position were \$1,377,991,000, a 7.9% increase year-over-year, for the payment of retirement and postemployment health care benefits, refunds of Member contributions, and administrative expenses.
- The System's Net Pension Liability (NPL) for the Retirement Plan was \$7,065,660,000 as of June 30, 2022. NPL, a measure required by GASB Statement No. 67 to disclose in the financial notes of a pension plan, is the difference between the Total Pension Liability (TPL) and the plan fiduciary net position. As the plan fiduciary net position is equal to the fair value of the plan's assets, NPL is determined on a fair value basis. Compared with the previous fiscal year, the NPL increased by \$2,701,903,000.
- The System's Net Other Postemployment Benefits (OPEB) Plan Liability for the postemployment health care benefits was \$232,925,000 as of June 30, 2022. Net OPEB Liability is a measure required by GASB Statement No. 74. Net OPEB Liability is determined on a fair value basis and is the difference between the Total OPEB Liability (TOL) and the plan fiduciary net position. As compared with the previous fiscal year, the Net OPEB Liability increased by \$494,499,000.
- The plan fiduciary net position as a percentage of TPL for the Retirement Plan, another required disclosure of GASB Statement No. 67, was 70.7%, which is the same as the funded ratio on a fair value basis reported in the actuarial valuation for the retirement benefits.
- The plan fiduciary net position as a percentage of TOL for the Postemployment Health Care Plan, another required disclosure of GASB Statement No. 74, was 93.5%, which is the same as the funded ratio on a fair value basis reported in the actuarial valuation for the postemployment health care benefits.

Management's Discussion and Analysis

Overview of the Financial Statements

The following discussion and analysis are intended to serve as an introduction to LACERS financial statements and the accompanying notes thereto. The required supplementary information and supplemental schedules provide additional financial data on LACERS operations.

Financial Statements

There are two financial statements presented by LACERS. The Statement of Fiduciary Net Position on page 14 gives a snapshot of the account balances at year-end and shows the amount of the fiduciary net position (the difference between the assets plus deferred outflows of resources, and liabilities plus deferred inflows of resources) available to pay future benefits. Over time, increases or decreases in fiduciary net position may serve as a useful indicator of whether the fiduciary net position of LACERS is improving or deteriorating. The Statement of Changes in Fiduciary Net Position on page 15 provides a view of current year additions to, and deductions from, the fiduciary net position.

Notes to the Basic Financial Statements

The notes to the basic financial statements (Notes) provide additional information that is essential for a full understanding of the data provided in the financial statements. The notes to the basic financial statements can be found on pages 16 – 41 of this report.

Required Supplementary Information

In addition to the Management's Discussion and Analysis, other required supplementary information consists of the Schedule of Net Pension Liability, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Contribution History, and Schedule of Investment Returns (Losses) for the Retirement Plan, and the Schedule of Net OPEB (Asset) Liability, Schedule of Changes in Net OPEB (Asset) Liability and Related Ratios, Schedule of Contribution History, and Schedule of Investment Returns (Losses) for the Postemployment Health Care Plan. These schedules and notes primarily present multi-year information as required by the applicable financial reporting standards of GASB Statements No. 67 and No. 74. This required supplementary information can be found on pages 42 - 53 of this report.

Supplemental Schedules

The supplemental schedules, including a Schedule of Administrative Expenses and a Schedule of Investment Fees and Expenses, are presented to provide additional financial information on LACERS operations for the current year. These can be found on pages 54 and 55 of this report.

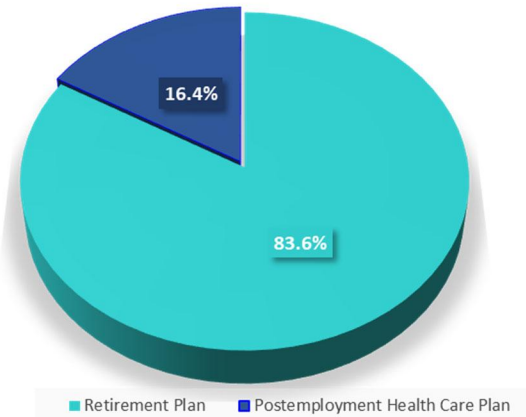
Management's Discussion and Analysis

Financial Analysis

Allocation of Fiduciary Net Position

Fiduciary net position may serve as a useful indicator of a plan's financial position. The total fiduciary net position is allocated between the Retirement Plan and Postemployment Health Care Plan, as required by the existing reporting standards. The following information provides a brief description of the asset allocation between the Retirement Plan and the Postemployment Health Care Plan as of June 30, 2022 (dollars in thousands):

	<u>Fiduciary Net Position</u>	<u>Percent</u>
Retirement Plan	\$ 17,106,333	83.6%
Postemployment Health Care Plan	3,347,771	16.4
Fiduciary Net Position	<u>\$ 20,454,104</u>	<u>100.0%</u>



Fiduciary Net Position

The following table and graph detail the components of the fiduciary net position of LACERS as of June 30, 2022 and 2021 (dollars in thousands):

	<u>June 30, 2022</u>	<u>June 30, 2021¹</u>	<u>Change</u>	
Cash and Short-Term Investments	\$ 428,387	\$ 1,075,484	\$ (647,097)	(60.2) %
Receivables	225,716	231,340	(5,624)	(2.4)
Investments, at Fair Value	20,576,788	22,235,243	(1,658,455)	(7.5)
Capital Assets, Net of Depreciation and Amortization	<u>53,305</u>	<u>44,475</u>	<u>8,830</u>	19.9
Total Assets	<u>21,284,196</u>	<u>23,586,542</u>	<u>(2,302,346)</u>	(9.8)
Securities Lending Collateral Liability	515,988	275,940	240,048	87.0
Purchase of Investments and Other Liabilities	<u>313,533</u>	<u>504,684</u>	<u>(191,151)</u>	(37.9)
Total Liabilities	<u>829,521</u>	<u>780,624</u>	<u>48,897</u>	6.3
Deferred Inflow of Resources	<u>571</u>	<u>598</u>	<u>(27)</u>	(4.5)
Fiduciary Net Position Restricted for Pension Benefits and Postemployment Health Care Benefits	<u>\$ 20,454,104</u>	<u>\$ 22,805,320</u>	<u>\$ (2,351,216)</u>	(10.3) %

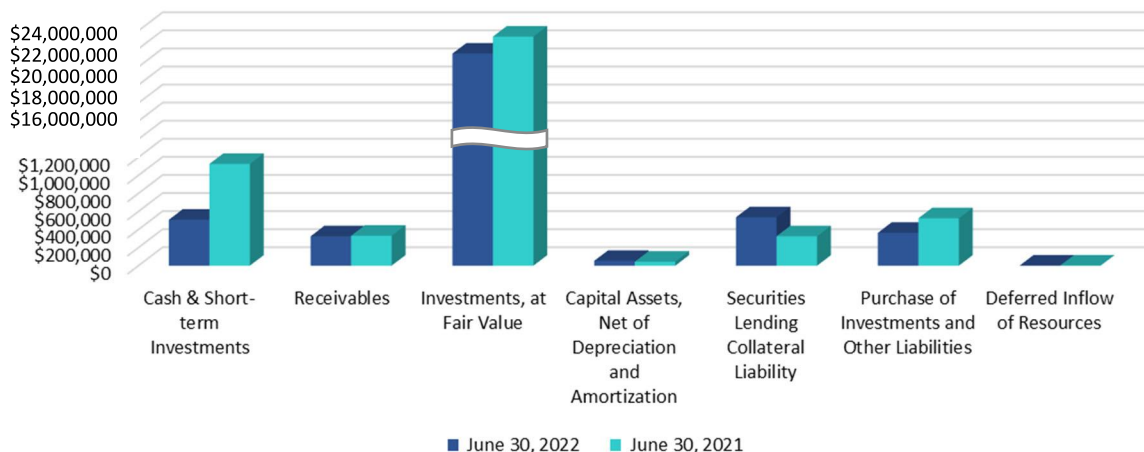
¹Some amounts were restated due to the implementation of GASB Statement 87 *Leases*, effective in fiscal year ending June 30, 2022 (see Notes on page 19).

Management's Discussion and Analysis

Financial Analysis (Continued)

Fiduciary Net Position (Continued)

Components of Fiduciary Net Position



The majority of LACERS fiduciary net position is contained in its investment portfolio, which consists of cash and short-term investments, receivables, fixed income, equities, real estate, private equity and other asset classes. Fiduciary net position decreased by \$2,351,216,000 or 10.3%, during this fiscal year.

Net Increase (Decrease) in Fiduciary Net Position

The increase (decrease) in fiduciary net position during the reporting period was the net effect of factors that either added to or deducted from the fiduciary net position. The following table summarizes the changes in fiduciary net position during the report year, as compared with the prior year (dollars in thousands):

	June 30, 2022	June 30, 2021	Change	
Additions	\$ (973,225)	\$ 6,218,960	\$ (7,192,185)	(115.6) %
Deductions	1,377,991	1,276,944	101,047	7.9
Net Increase (Decrease) in				
Fiduciary Net Position	(2,351,216)	4,942,016	(7,293,232)	(147.6)
Prior Period Adjustment	-	(20)	20	100.0
Fiduciary Net Position				
Beginning of Year	22,805,320	17,863,324	4,941,996	27.7
End of Year	<u>\$ 20,454,104</u>	<u>\$ 22,805,320</u>	<u>\$ (2,351,216)</u>	(10.3) %

Management’s Discussion and Analysis

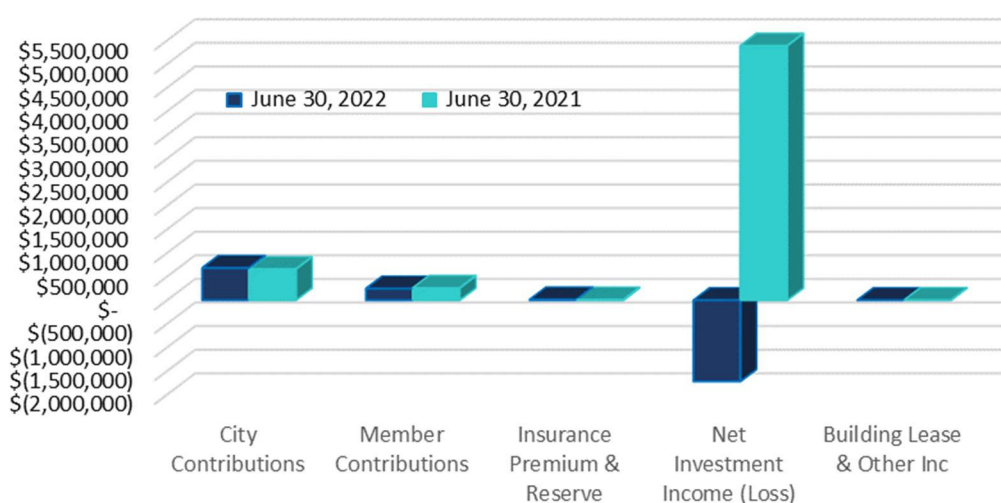
Financial Analysis (Continued)

Net Increase (Decrease) in Fiduciary Net Position – Additions to Fiduciary Net Position

The following table and graph represent the components that make up the additions to fiduciary net position for LACERS for the fiscal years ended June 30, 2022 and 2021 (dollars in thousands):

	June 30, 2022	June 30, 2021	Change
City Contributions	\$ 682,928	\$ 658,408	3.7 %
Member Contributions	245,879	259,285	(5.2)
Health Insurance Premium and Reserve	14,460	11,843	22.1
Net Investment Income (Loss)	(1,916,529)	5,288,787	(136.2)
Building Lease & Other Income	37	637	(94.2)
Additions to Fiduciary Net Position	\$ (973,225)	\$ 6,218,960	(115.6)%

Additions to Fiduciary Net Position



The additions to LACERS fiduciary net position that primarily constitute the funding sources of LACERS benefits are City Contributions, Member Contributions, Health Insurance Premium and Reserve, and Net Investment Income (Loss). This fiscal year, total additions resulted in a decrease or reduction of \$973,225,000 in Fiduciary Net Position, primarily due to the net investment loss of \$1,916,529,000, a 136.2% decrease from the prior year net investment income of \$5,288,787,000. This will be discussed in more detail in the next section.

City contributions to the Retirement Plan, the Postemployment Health Care Plan, and the Family Death Benefit Plan were \$682,928,000 during the fiscal year. The total contributions increased by \$24,520,000 or 3.7% higher than the prior fiscal year, mainly due to the higher contribution rates, notwithstanding, a slightly lower payroll base (approximately 5.35% decrease in payroll) for the reporting year. The total City contributions include a \$75,194,000 true-up credit adjustment, a reduction from the City’s contribution payment, to reconcile the difference of the City’s contributions based on projected payroll against actual payroll. This true-up amount, which includes accrued interest at 7.00%, was recognized as liability as of the end of the reporting period. After reflecting the true-up adjustment, the aggregate employer contribution rate for this fiscal year was 31.69% (27.44% for the Retirement Plan and 4.25% for the Postemployment Health Care Plan), which is 2.78% higher than the prior fiscal year at 28.91%. Actual contribution of \$591,234,000 to the Retirement Plan was equal to 100% of the Actuarially Determined Contribution (ADC) of the employer, as defined by GASB Statement No. 67. Actual contribution of \$91,623,000 to the Postemployment Health Care Plan was equal to 100% of the ADC, as defined by GASB Statement No. 74.

Management's Discussion and Analysis

Financial Analysis (Continued)

Net Increase (Decrease) in Fiduciary Net Position – Additions to Fiduciary Net Position (Continued)

In fiscal year 2021-22, Member contributions were \$245,879,000, which was \$13,406,000 or 5.2% lower than the prior fiscal year. The decrease in Member contributions was due primarily to the decrease in the number of Members (and corresponding salaries), fully realizing the result of the Separation Incentive Programs (SIP) implemented by the City and the Los Angeles World Airports (LAWA) completed in the prior fiscal year as well as SIP implemented by the Harbor department completed during the current fiscal year.

LACERS Postemployment Health Care 115 Trust fund recognized revenue of \$13,280,000 representing monthly dental insurance premium under the Delta Dental PPO and Anthem Vision self-funded plan and \$1,180,000 of Member's portion from health insurance premium reserve.

The net investment loss of \$1,916,529,000 was mainly due to the \$2,245,698,000 net depreciation in the fair value of investments, which will be discussed in the next section.

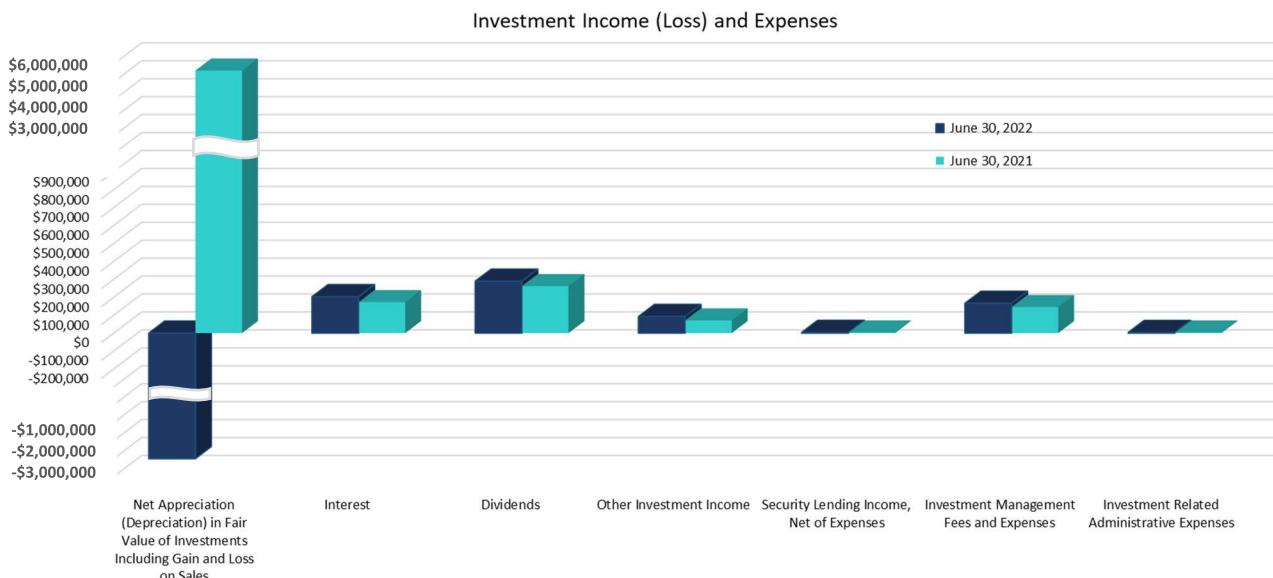
Investment Income (Loss)

The following table and graph present the detail of investment income (loss), net of investment management fees and expenses for the fiscal years ended June 30, 2022 and 2021 (dollars in thousands)

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change</u>
Net Appreciation (Depreciation) in Fair Value of			
Investments, Including Gain and Loss on Sales	\$ (2,245,698)	\$ 5,013,637	(144.8) %
Interest	152,971	122,453	24.9
Dividends	229,455	201,809	13.7
Other Investment Income	72,597	50,802	42.9
Securities Lending Income, Net of Expense	3,891	3,566	9.1
Sub-Total	(1,786,784)	5,392,267	(133.1)
Less: Investment Management Fees and Expenses	(126,174)	(100,225)	25.9
Investment Related Administrative Expenses	(3,571)	(3,255)	9.7
Net Investment Income (Loss)	<u>\$ (1,916,529)</u>	<u>\$ 5,288,787</u>	(136.2) %

Management's Discussion and Analysis

Investment Income (Loss) (Continued)



The net investment loss for the current fiscal year was \$1,916,529,000, as compared with the income of \$5,288,787,000 for the previous fiscal year. This decrease was due primarily to a net depreciation in the fair value of investments of \$2,245,698,000, compared with the previous fiscal year's increase of \$5,013,637,000. This decrease in the fair value of investments is attributed to a decline in the public equity markets following robust returns in the previous fiscal year and increasing interest rates due to mounting inflationary pressures. The Russell 3000 Index, which tracks U.S. broad market equities, returned -13.9% compared with 44.2% for the previous year. The MSCI All Country World ex-U.S. Index, which tracks non-U.S. equities in developed and emerging markets, returned -19.4% compared with 35.7% for the previous year. Fixed income markets, as represented by the Bloomberg U.S. Aggregate Bond Index, experienced a drop in performance during the current fiscal year, returning -10.3% compared with -0.3% for the previous year.

Interest income derived from fixed income securities increased by 24.9%, or \$30,518,000. The average coupon rate of LACERS' fixed income portfolio increased as the Federal Reserve took action to address inflation by increasing the fed funds rate. Dividend income derived from public equities increased by 13.7% or \$27,646,000 as some public companies resumed dividends that had been suspended during the COVID-19 pandemic.

Other investment income, primarily derived from private equity and private real estate partnership investments, increased by 42.9%, or \$21,795,000 as private equity managers made distributions in the process of winding down mature funds.

LACERS earns additional investment income by lending its securities to borrowers through its custodian bank. To earn income for LACERS, the custodian bank invests cash collateral pledged by borrowers on behalf of LACERS in short-term fixed income securities. LACERS also generates income from fees paid by borrowers that pledge non-cash collateral. In the current fiscal year, securities lending income (net of expense) increased by 9.1%, or \$325,000 from a year ago.

Total investment management fees, expenses, and investment related administrative expenses increased by 25.4% or \$26,265,000, from the prior year. This increase corresponded with an increase in LACERS' exposure to private equity and private real estate, which is consistent with LACERS' current target asset allocation and strategic plan to increase returns.

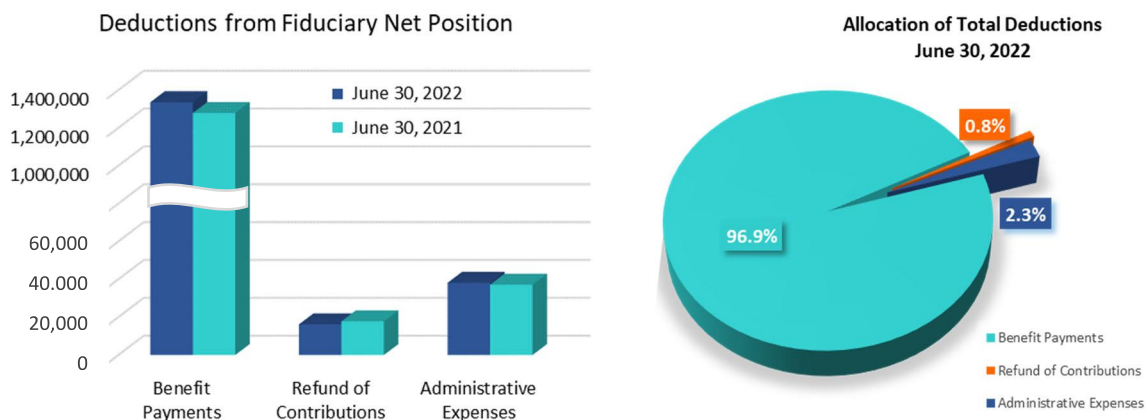
Management’s Discussion and Analysis

Financial Analysis (Continued)

Net Increase (Decrease) in Fiduciary Net Position – Deductions from Fiduciary Net Position

The following table and graphs provide information related to the deductions from fiduciary net position for the fiscal years ended June 30, 2022 and 2021 (dollars in thousands):

	June 30, 2022	June 30, 2021	Change
Benefit Payments	\$ 1,335,124	\$ 1,228,276	8.7%
Refunds of Contributions	11,630	17,584	(33.9)
Administrative Expenses	31,237	31,084	0.5
Deductions from Fiduciary Net Position	<u>\$ 1,377,991</u>	<u>\$ 1,276,944</u>	7.9%



LACERS’ deductions from fiduciary net position in this reporting period can be summarized as Benefit Payments, Refunds of Contributions, and Administrative Expenses. These deductions represent the types of benefit delivery operations undertaken by LACERS and the costs associated with them. Total deductions increased by \$101,047,000 or 7.9% from the prior fiscal year.

Compared to the prior fiscal year, benefit payments increased by \$106,848,000 or 8.7%. The benefit payments for the Retirement Plan increased by \$96,089,000 or 9.0% mainly due to the annual cost of living adjustments (COLA) (approximately 3.0% increase on average); full year impact of the City and LAWA SIP completed during the prior year fiscal year and Harbor SIP that was completed in the current fiscal year which significantly increased the number of retirees and beneficiaries; and higher average retirement allowance of newly retired Members as compared to those of the deceased Members who were removed from the retirement payroll. Payments for Postemployment Health Care Plan benefits increased by \$10,759,000 or 6.7%. This increase was mainly due to the increase in healthcare cost due to the significant increase in number of retirees and their dependents eligible for medical subsidy, mainly due to SIP; higher medical subsidy rates effective January 1, 2022; increased reimbursement of Medicare Part B premium mainly due to medical premium reimbursement rates increased; as well as significant increase in dental benefit claims paid for the Self-Funded Plan.

The Refunds of Member contributions decreased by \$5,954,000 or 33.9% from the prior fiscal year’s \$17,584,000, mainly due to higher survivor contributions refunds resulted from SIP retirements in the prior fiscal year as compared to the current fiscal year and decrease in contribution refunds upon Members leaving the City service in the reporting year.

Management's Discussion and Analysis

Financial Analysis (Continued)

Net Increase (Decrease) in Fiduciary Net Position – Deductions from Fiduciary Net Position (Continued)

LACERS' administrative expenses slightly increased by \$153,000 or 0.5% from the prior fiscal year. Decreases in salary and overtime cost were offset to some degree by the increased employee benefit resulted from the increase in retirement contributions; IT related expenses were lower this year compared to last year when telecommuting and SIP related equipment purchases were made. While professional services and contractual fees slightly increased this fiscal year for legal, audit, actuarial, retired health consulting services as well the self-funded insurance administrative fee and fiduciary insurance expense.

Requests for Information

This financial report is designed to provide a general overview of LACERS finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

LACERS
Fiscal Management Division
PO Box 512218
Los Angeles, CA 90051-0218

BASIC FINANCIAL STATEMENTS

Statement of Fiduciary Net Position
Retirement Plan and Postemployment Health Care Plan
As of June 30, 2022, with Comparative Totals
(In Thousands)

	Retirement Plan			Postemployment Health Care Plan			TOTAL FUND	
	Pension	FDBP & LA	Total	401(h)	115 Trust	Total	2022	2021
Assets								
Cash and Short-Term Investments	\$ 356,319	\$ 1,953	\$ 358,272	\$ 62,352	\$ 7,763	\$ 70,115	\$ 428,387	\$ 1,075,484
Receivables								
Accrued Investment Income	66,279	363	66,642	11,598	1,444	13,042	79,684	70,733
Proceeds from Sales of Investments	112,430	616	113,046	19,673	2,450	22,123	135,169	150,900
Other	9,035	50	9,085	519	1,259	1,778	10,863	9,707
Total Receivables	187,744	1,029	188,773	31,790	5,153	36,943	225,716	231,340
Investments, at Fair Value								
US Government Obligations	1,554,894	8,522	1,563,416	272,088	33,878	305,966	1,869,382	2,155,811
Municipal Bonds	12,397	68	12,465	2,169	270	2,439	14,904	12,075
Domestic Corporate Bonds	762,921	4,181	767,102	133,502	16,623	150,125	917,227	1,026,969
International Bonds	801,218	4,391	805,609	140,204	17,457	157,661	963,270	1,165,195
Other Fixed Income	663,933	3,639	667,572	116,180	14,466	130,646	798,218	1,104,497
Bank Loans	73,170	401	73,571	12,804	1,594	14,398	87,969	87,541
Opportunistic Debts	296,821	1,627	298,448	51,941	6,467	58,408	356,856	254,091
Domestic Stocks	4,336,885	23,769	4,360,654	758,903	94,493	853,396	5,214,050	6,077,976
International Stocks	3,566,718	19,548	3,586,266	624,133	77,712	701,845	4,288,111	5,423,627
Mortgages	480,410	2,633	483,043	84,066	10,467	94,533	577,576	451,539
Government Agencies	9,410	51	9,461	1,647	205	1,852	11,313	902
Derivative Instruments	(1,041)	(6)	(1,047)	(182)	(23)	(205)	(1,252)	2,942
Real Estate	965,833	5,293	971,126	169,009	21,044	190,053	1,161,179	899,656
Private Equity	3,162,384	17,332	3,179,716	553,379	68,902	622,281	3,801,997	3,296,482
Security Lending Collateral	429,183	2,352	431,535	75,102	9,351	84,453	515,988	275,940
Total Investments	17,115,136	93,801	17,208,937	2,994,945	372,906	3,367,851	20,576,788	22,235,243
Capital Assets								
Land	3,346	18	3,364	586	73	659	4,023	4,023
Building	33,746	185	33,931	5,905	735	6,640	40,571	30,741
Furniture, Computer Hardware & Software (Net of Depreciation and Amortization)	7,246	40	7,286	1,267	158	1,425	8,711	9,711
Total Capital Assets	44,338	243	44,581	7,758	966	8,724	53,305	44,475
Total Assets	17,703,537	97,026	17,800,563	3,096,845	386,788	3,483,633	21,284,196	23,586,542
Liabilities								
Accounts Payable and Accrued Expenses	(73,893)	(405)	(74,298)	(2,061)	(12,479)	(14,540)	(88,838)	(59,315)
Accrued Investment Expense	(16,621)	(91)	(16,712)	(2,908)	(362)	(3,270)	(19,982)	(13,765)
Purchases of Investments	(170,274)	(933)	(171,207)	(29,796)	(3,710)	(33,506)	(204,713)	(431,604)
Security Lending Collateral	(429,183)	(2,352)	(431,535)	(75,102)	(9,351)	(84,453)	(515,988)	(275,940)
Total Liabilities	(689,971)	(3,781)	(693,752)	(109,867)	(25,902)	(135,769)	(829,521)	(780,624)
Deferred Inflow of Resources	(475)	(3)	(478)	(83)	(10)	(93)	(571)	(598)
Net Position Restricted For Pensions	17,013,091	93,242	17,106,333				17,106,333	19,023,672
Net Position Restricted For Postemployment Health Care Benefits				2,986,895	360,876	3,347,771	3,347,771	3,781,648
Total Fiduciary Net Position	\$ 17,013,091	\$ 93,242	\$ 17,106,333	\$ 2,986,895	\$ 360,876	\$ 3,347,771	\$ 20,454,104	\$ 22,805,320

The accompanying notes are an integral part of these financial statements.

**Statement of Changes in Fiduciary Net Position
Retirement Plan and Postemployment Health Care Plan
For the Fiscal Year Ended June 30, 2022, with Comparative Totals
(In Thousands)**

	Retirement Plan			Postemployment Health Care Plan			TOTAL FUND	
	Pension	FDB & LA	Total	401(h)	115 Trust	Total	2022	2021
Additions								
Contributions								
City Contributions	\$ 591,234	\$ 71	\$ 591,305	\$ -	\$ 91,623	\$ 91,623	\$ 682,928	\$ 658,408
Member Contributions	241,876	4,003	245,879	-	-	-	245,879	259,285
Total Contributions	833,110	4,074	837,184	-	91,623	91,623	928,807	917,693
Self Funded Insurance Premium	-	-	-	-	13,280	13,280	13,280	10,924
Health Insurance Premium Reserve	-	-	-	-	1,180	1,180	1,180	919
Investment Income (Loss)								
Net Appreciation (Depreciation) in Fair Value of								
Investments, Including Gain and Loss on Sales	(1,817,911)	(10,528)	(1,828,439)	(372,922)	(44,337)	(417,259)	(2,245,698)	5,013,637
Interest	125,845	437	126,282	23,853	2,836	26,689	152,971	122,453
Dividends	188,767	655	189,422	35,779	4,254	40,033	229,455	201,809
Other Investment Income	59,724	207	59,931	11,320	1,346	12,666	72,597	50,802
Security Lending Income	3,766	13	3,779	713	85	798	4,577	4,194
Less: Security Lending Expense	(555)	(3)	(558)	(114)	(14)	(128)	(686)	(628)
Sub-total	(1,440,364)	(9,219)	(1,449,583)	(301,371)	(35,830)	(337,201)	(1,786,784)	5,392,267
Less: Investment Management Fees and Expenses	(102,139)	(592)	(102,731)	(20,952)	(2,491)	(23,443)	(126,174)	(100,225)
Investment Related Administrative Expenses	(2,891)	(17)	(2,908)	(593)	(70)	(663)	(3,571)	(3,255)
Net Investment Income (Loss)	(1,545,394)	(9,828)	(1,555,222)	(322,916)	(38,391)	(361,307)	(1,916,529)	5,288,787
Building Lease and Other Income	30	-	30	6	1	7	37	637
Total Additions	(712,254)	(5,754)	(718,008)	(322,910)	67,693	(255,217)	(973,225)	6,218,960
Deductions								
Benefit Payments	(1,157,297)	(6,122)	(1,163,419)	(161,628)	(10,077)	(171,705)	(1,335,124)	(1,228,276)
Refunds of Contributions	(11,336)	(294)	(11,630)	-	-	-	(11,630)	(17,584)
Administrative Expenses	(24,142)	(140)	(24,282)	(5,434)	(1,521)	(6,955)	(31,237)	(31,084)
Total Deductions	(1,192,775)	(6,556)	(1,199,331)	(167,062)	(11,598)	(178,660)	(1,377,991)	(1,276,944)
Net Increase (Decrease) in Fiduciary Net Position	(1,905,029)	(12,310)	(1,917,339)	(489,972)	56,095	(433,877)	(2,351,216)	4,942,016
Prior Period Adjustments	(16)		(16)	(3)	(1)	(4)	-	(20)
Fiduciary Net Position Restricted for Pension and Postemployment Health Care Benefits								
Beginning of year	18,918,136	105,552	19,023,688	3,476,870	304,782	3,781,652	22,805,320	17,863,324
End of year	\$ 17,013,091	\$ 93,242	\$ 17,106,333	\$ 2,986,895	\$ 360,876	\$ 3,347,771	\$ 20,454,104	\$ 22,805,320

The accompanying notes are an integral part of these financial statements.

Notes to the Basic Financial Statements

1. Description of LACERS and Significant Accounting Policies

General Description

The Los Angeles City Employees' Retirement System (LACERS or the System) is under the exclusive management and control of its Board of Administration (the Board), whose authority is granted by statute in Article XVI, Section 17 of the California State Constitution, and Article XI of the Los Angeles City Charter. The Board has seven members. Four members, one of whom shall be a retired Member of the System, shall be appointed by the Mayor subject to the approval of the City Council. Two members shall be active employee Members of the System elected by active employee Members. One shall be a retired Member of the System elected by retired Members of the System. Elected Board members serve five-year terms in office, with no term limits. The System is a component unit of the City of Los Angeles (the City). The System's financial statements are included in the City of Los Angeles Annual Comprehensive Financial Report as a pension trust fund.

The System operates a single-employer defined benefit plan (the Retirement Plan) and a single-employer Postemployment Health Care Plan. Benefits and benefit changes are established by ordinance and approved by the City Council and the Mayor. A description of each plan is located in Note 2 and Note 3 on pages 21 - 31 of this report. All Notes to the Basic Financial Statements apply to both plans unless indicated otherwise.

Basis of Accounting and Presentation

The financial statements have been prepared in accordance with the accounting principles generally accepted in the United States of America (US GAAP) as outlined by the Governmental Accounting Standards Board (GASB). The financial statements are maintained on the accrual basis of accounting. Contributions from the employer and Members were recognized when due pursuant to formal commitments and contractual requirements. Benefits, refunds, and other expenses are recognized when due and payable. The accompanying financial statements include information from the prior year summarized for comparative purpose only. Such information does not include sufficient detail to constitute a presentation in accordance with US GAAP.

Investments

Investment policies

Funds of the System are invested pursuant to the System's investment policy, established by the Board, in compliance with Article XI Section 1106(d) of the City Charter. The System has a long-term investment horizon, and utilizes an asset allocation that encompasses a strategic, long run perspective of capital markets. The System's investment portfolio is composed of domestic and international equities, domestic and international bonds, bank loans, derivative instruments, real assets, private credit, private equity, and short-term investments. During the reporting period, there were no significant investment policy changes.

As of June 30, 2022, the Board's target asset allocation policy was as follows:

Asset Class	Target Allocation
Domestic and International Equities	47.00%
Domestic and International Bonds	11.25
Private Equity	16.00
Real Assets	12.00
Short-Term Investments	1.00
Credit Opportunities	12.75
Total	<u>100.00%</u>

Fair Value of Investments

Securities traded on national or international exchanges are valued at the last reported sales price at the current exchange rates. Short-term investments, bonds, bank loans, stocks, and private equities are reported at fair value. The fair values of real estate investment funds are provided by the individual real estate fund managers based on periodic appraisals, in the form of either annual in-house appraisals or longer-term appraisals by outside professionals, in accordance with industry practice. The fair value determined as such is also reviewed and evaluated by the Board's real estate consultant. The private equity funds ("partnership investment"), which are managed by third party investment managers, are valued on a quarterly and/or annual basis at their net asset value as reported by the investment managers under US GAAP. US GAAP requires that assets be reported at fair value in accordance with GASB Statement No. 72 – *Fair Value Measurement and Application*. The fair values of derivative instruments are determined using available market information.

Notes to the Basic Financial Statements

1. Description of LACERS and Significant Accounting Policies (Continued)

Investments (Continued)

Fair Value of Investments (Continued)

Debt rewrites are valued based on yields currently available on comparable securities of issuers with similar credit ratings. LACERS investment strategy, as it relates to the debt portfolio, is mainly to achieve market appreciation and not to hold bonds to their maturities.

The provisions of the GASB Statement No. 72, *Fair Value Measurement and Application*, require investments to be measured at fair value as well as to classify the inputs used to determine fair value based on a three-level fair value hierarchy.

Investment transactions are accounted for on the date the securities are purchased or sold (trade date). Unsettled investment trades as of fiscal year-end are reported in the financial statements on an accrual basis. The corresponding proceeds due from sales are reported on the Statement of Fiduciary Net Position under Receivables and labeled as Proceeds from Sales of Investments and amounts payable for purchases are reported under Liabilities and labeled as Purchases of Investments. Dividend income is recorded on the ex-dividend date. Interest income is reported at the stated interest rate as earned, and any premiums or discounts on debt securities are not amortized. The calculation of realized gains and losses is independent of the calculation of the net change in the fair value of LACERS pension plan investment. Realized gains and losses on investments that had been held in more than one reporting period and sold in the current period were included as a change in the fair value reported in the prior period(s) and the current period.

For the future contracts, an initial margin is required to open a position and maintain the collateral requirement until the position is closed. LACERS reports the collateral for the future contracts in the short-term investments.

Concentrations

The investment portfolio as of June 30, 2022, contained no concentration of investments in any one entity that represented 5% or more of the total investment portfolio.

Rate of Return on Investments

For the fiscal year ended June 30, 2022, the aggregate annual money-weighted rate of return for the Retirement Plan and the Postemployment Health Care Plan on LACERS investments, net of investment expenses, was -8.34%. The money-weighted rate of return is a measure of the performance of an investment calculated by finding the rate of return that will set the present values of all cash flows equal to the value of the initial investment. It expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested. Separate schedules for the money-weighted rate of return for Retirement Plan and Postemployment Health Care Plan are presented in the Required Supplementary Information (RSI).

Receivables

As of June 30, 2022, LACERS held no long-term contracts for contributions receivable from the City.

Capital Assets

Purchases of capital assets are capitalized upon acquisition if the cost of purchase was \$5,000 or more and depreciated over five years using the straight-line method.

Certain costs to develop LACERS Pension Administration System (PAS), a customized software solution critical to LACERS core operations was capitalized in accordance with GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. The total capitalized cost of \$9,413,000 is being amortized starting March 1, 2018, over 15 years using the straight-line method.

On October 9, 2019, LACERS Board approved the purchase of a commercial office building and underground parking structure located at 977 N. Broadway in Los Angeles, California to serve as LACERS future headquarters building. The purchase was settled at \$33,750,000 on October 23, 2019. The purchase price was allocated to Land valued at \$4,023,000 and Building valued at \$29,727,000, based on the assessment performed on the fair value of acquired assets. Acquisition costs of \$236,000 were also capitalized as part of the building cost.

Notes to the Basic Financial Statements

1. Description of LACERS and Significant Accounting Policies (Continued)

Capital Assets (Continued)

In addition, as of June 30, 2022, LACERS has capitalized \$10,608,000 of subsequent building improvements, of which \$9,830,000 were incurred during the fiscal year. Major capital improvements are still in progress to prepare the building for occupancy. The project has been impacted by the ongoing supply-chain delays for construction materials and supplies. Once the building is put into use, the System will begin to record depreciation expense of the headquarter.

LACERS recognizes intangible right-to-use lease assets in accordance with GASB 87, using the rates implicit in the lease agreements to calculate the present value of lease payments. The System includes lease extensions in the lease term if, after considering relevant economic factors, it is reasonably certain to be exercised. LACERS has not recognized lease assets for lease with terms of 12 months or less.

Administrative Expenses

All administrative expenses are funded from LACERS fiduciary net position, which represents accumulated investment earnings and contributions from the City and the Members net of payments.

Reserves

As provided in the Los Angeles City Charter, LACERS is maintained on a reserve basis, determined in accordance with recognized actuarial methods. The Los Angeles City Charter establishes reserves for the following:

Reserves for the Retirement Plan

Member Contributions (Mandatory) – To provide for individual accounts of Members consisting of Active Member mandatory contributions to the Retirement Plan and interest credited to Members accounts, less refunds of Members contributions and transfers to the Annuity reserve.

Member Contributions (Voluntary) – To provide for individual accounts of Members participating in the larger annuity program of Active Member voluntary contributions and interest/investment return credited to Members' accounts, less refunds of Member contributions (voluntary) and transfers to the Larger Annuity reserve.

Basic Pensions – To provide for the City's guaranteed portion of retirement benefits consisting of City contributions; investment earnings (losses) including net appreciation (depreciation) in fair value of investments; less payments to retired Members and beneficiaries, and allocated investment and administrative expenses.

Annuity – To provide for the Members' share of retirement benefits consisting of Members' mandatory contribution balances transferred at retirement; investment earnings (losses) excluding net appreciation (depreciation) in fair value of investments; less payments to retired Members and beneficiaries.

Larger Annuity – To provide for the Larger Annuity benefit consisting of Members' voluntary contribution balances transferred at retirement including Internal Revenue Service (IRS) Section 457 deferred compensation and other rollovers; investment earnings (losses) including net appreciation (depreciation) in fair value of investments; less payments to participating retired Members and beneficiaries, and allocated investment and administrative expenses.

Family Death Benefit Plan (FDBP) – To pay benefits under the Family Death Benefit Plan administered by LACERS consisting of Active Member voluntary contributions; matching City of Los Angeles contributions; and investment earnings (losses) including net appreciation (depreciation) in fair value of investments; less payments to beneficiaries and allocated investment and administrative expenses.

Reserves for the Postemployment Health Care Plan

401(h) Account- To provide health care benefits for retirees consisting of City contributions received until fiscal year 2019; investment earnings (losses) including net appreciation (depreciation) in fair value of investments; less payments to insurance providers, including payment to the 115 Trust fund for the self-funded insurance premium and Members' portion of insurance premium reserve.

Notes to the Basic Financial Statements

1. Description of LACERS and Significant Accounting Policies (Continued)

Reserves (Continued)

115 Trust Account – This Health Care fund is currently limited to pay the benefit claims from LACERS self-funded insurance plans, but ultimately will fund all health care benefits for retirees upon depletion of the existing 401(h) account reserve. The 115 Trust account currently consists of City Contributions received starting fiscal year 2020, self-funded insurance plan premiums and prepayments; certain retired Members' health insurance premium deductions; investment earnings (losses) including net appreciation (depreciation) in fair value of investments; less payments of the self-funded insurance plan claims and related third party administration fees; and certain direct and allocated administrative expenses.

Reserve balances as of June 30, 2022, were as follows (in thousands):

Reserve for the Retirement Plan			
Member Contributions			
Mandatory	2,597,602		
Voluntary	8,289		
Basic Pensions	13,603,010		
Annuity	812,479		
Larger Annuity	67,030		
FDBP	17,923	17,106,333	
Reserve for the Postemployment			
Health Care Plan			
401(h) Account	2,986,895		
115 Trust Account	360,876	3,347,771	
Total			\$ 20,454,104

Estimates

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting years. Changes in economic environment, financial markets and any other parameters used in determining these estimates could cause actual results to differ from those estimates materially.

Comparative Totals

The basic financial statements include certain prior year summarized comparative data in total but not at the level of detail required for a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with LACERS' financial statements for the year ended June 30, 2021, from which the summarized data were derived.

Restatement of financial statements for Fiscal Year ended June 30, 2021

LACERS implemented GASB Statement No. 87 related to lease accounting (for leases previously recorded as operating leases) effective for fiscal year ended June 30, 2022. However, since the System presents two-year comparative financial statements, LACERS restated fiscal year ended June 30, 2021 financial statements. Lease transactions for two affected leases previously recorded during fiscal year ending June 30, 2021 were reversed and restated as they would have been recorded under GASB 87. The restatements resulted in a total of \$20,000 decrease in the balance of LACERS Fiduciary Net Position, as of June 30, 2021.

Risk and Uncertainty That May Impact Financial Operations and Performance

The global economic activity and financial markets continue to be impacted by global supply-chain disruptions and a surge in inflation. These issues have resulted in increased financial market volatility and performance. It is currently unclear how measures being taken to address inflation and supply-chain issues both globally and in the United States would impact future market performance.

Additionally, the total pension liabilities, net pension liabilities, total OPEB and Net OPEB (asset) liability disclosed in Notes 2 and 3 to the Basic Financial Statements are measured based on certain assumptions, including the long-term rate of return on investments, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions described in this section, it is at least reasonably possible that changes in these estimates and assumptions in the near term may have material impact on the financial statements.

LACERS Board and management continue to closely monitor the financial market. LACERS' investment strategy is to maintain a well-diversified portfolio to mitigate the risk of market uncertainty.

Notes to the Basic Financial Statements

1. Description of LACERS and Significant Accounting Policies (Continued)

Adoption of New Accounting Pronouncements

GASB Statement No. 87, *Leases*. This requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement takes effect starting with fiscal year ending June 30, 2022. LACERS implemented this statement during fiscal year ended June 30, 2022.

Implementation Guide No. 2019-3, *Leases*. The requirements of this Implementation Guide provide further clarification on Statement 87 implementation issues and takes effect for financial statements starting with the fiscal year ending June 30, 2022. LACERS implemented this guide during fiscal year ended June 30, 2022.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The requirements of this Statement takes effect starting with the fiscal year that ends December 31, 2021. This Statement has no material impact on LACERS financial statements.

GASB Statement No. 92, *Omnibus 2020*. The requirements of this Statement takes effect for financial statements starting with the fiscal year ending June 30, 2022. This Statement has no material impact on LACERS financial statements.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The requirement in paragraph 11b will take effect for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 takes effect for financial statements starting with the fiscal year ending June 30, 2022. This Statement has no material impact on LACERS financial statements.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The requirements of this Statement takes effect for financial statements starting with the fiscal year that ends June 30, 2022. This Statement has no material impact on LACERS' financial statements.

GASB Statement No. 98, *The Annual Comprehensive Financial Report*. The requirement in paragraph 11b takes effect for reporting periods ending after December 31, 2021. LACERS implemented this Statement during fiscal year ended June 30, 2021.

Recent GASB Pronouncements for Future Adoption

LACERS is currently analyzing its accounting practices to determine the potential impact on the financial statements of the following recent GASB Statements:

1. Statement No. 91, *Conduit Debt Obligations*. The requirements of this Statement provides a single method of reporting conduit debt obligation, and will take effect for financial statements starting with the fiscal year ending June 30, 2023.
2. Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this Statement will take effect starting with the fiscal year ending June 30, 2023.
3. Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements of this Statement will take effect starting with the fiscal year that ends June 30, 2023.
4. Statement No. 99, *Omnibus 2022*. The requirement related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022. The remaining requirements are effective for fiscal years beginning after June 15, 2023.
5. Statement No. 100, *Accounting Changes and Errors Correction— an amendment of GASB Statement No. 62*. The requirements of this Statement will take effect for fiscal years starting after June 15, 2023.
6. Statement No. 101, *Compensated Absences*. The requirements of this Statement will take effect for fiscal years starting after December 15, 2023.

Notes to the Basic Financial Statements

2. Retirement Plan Description

Plan Administration and Membership

LACERS administers a defined benefit pension plan that provides for service and disability retirement benefits, as well as death benefits.

The Retirement Plan covers all full-time personnel and department-certified part-time employees of the City, except for sworn employees of the Fire and Police departments, Department of Water and Power employees, elected officials who elected to participate in an alternative Defined Contribution Plan, certain Port Police officers of the Harbor, and certain Airport Peace Officers of the Airports who elected to opt out of LACERS. Upon transferring all active Tier 2 Members to Tier 1 as of February 21, 2016, Membership to Tier 1 is now closed to new entrants unless a Member meets one of the exceptions allowed in the Ordinance (No. 184134). Eligible employees hired on or after February 21, 2016, become Members of Tier 3.

Plan Members have a vested right to their own contributions and accumulated interest posted to their accounts. Generally, after five years of employment, Members are eligible for future retirement benefits, which increase with length of service. If a Member who has five or more years of continuous City service terminates employment, the Member has the option of receiving retirement benefits when eligible or having his or her contributions and accumulated interest refunded. Benefits are based upon age, length of service, and compensation.

As of June 30, 2022, the components of LACERS membership in both tiers (Tier 1 and Tier 3) were as follows:

Active:	
Vested	17,312
Non-vested	7,605
	<u>24,917</u>
Inactive:	
Non-vested	7,790
Terminated Entitled to Benefits, Not Yet Receiving Benefits	2,589
Retired	22,399
	<u>32,778</u>
Total	<u>57,695</u>

Eligibility Requirement and Benefits Provided

Tier 1

Plan Members are eligible to retire with unreduced benefits if they have 10 or more years of continuous City service at age 60, or at least 30 years of City service at age 55, or with any years of City service at age 70 or older. Plan Members also are eligible to retire with age-based reduced benefits after reaching age 55 with 10 or more years of continuous City service, or at any age with 30 or more years of City service. Full (unreduced) retirement benefits are determined as 2.16% of the Member's average monthly pensionable salary during the Member's last 12 months of service, or during any other 12 consecutive months of service designated by the Member, multiplied by the Member's years of service credit.

Plan Members with five years of continuous service are eligible for disability retirement, and the benefits are determined as 1/70 of the Member's final average monthly salary for each year of service or 1/3 of the Member's final average monthly salary, if greater. Upon an active Member's death, a refund of the Member's contributions and, depending on the Member's years of service, a limited pension benefit equal to 50% of monthly salary may be paid up to 12 months. Or, if such Member was eligible to retire, survivor benefits may be paid to an eligible spouse or qualified domestic partner. Upon a retired Member's death, a \$2,500 funeral allowance is paid, and a modified or unmodified allowance is continued to an eligible spouse or qualified domestic partner.

Tier 1 – Enhanced Benefits

On March 28, 2017, the City Council adopted an ordinance (No. 184853) to amend the Los Angeles Administrative Code (LAAC) authorizing certain sworn Airport Peace Officers (APO) at LACERS to elect to transfer into Tier 6 of LAFPP Plan or to remain in LACERS Plan with enhanced benefits. All new APO hired after that date would be enrolled in LAFPP Tier 6. Under the ordinance, APO Members who elect to remain in LACERS would be Tier 1 Members and be eligible for enhanced benefits including more favorable disability benefits, death benefits, and a higher retirement factor of 2.30% (versus 2.16% for all other Tier 1 Members), contingent upon a mandatory additional contribution payment of \$5,700 required by LAAC Section 4.1002(e)(2) to LACERS before January 8, 2019, or prior to the Member's retirement date, whichever is earlier. Among 503 APO Members who elected to remain Members of LACERS on January 7, 2018, 469 APO Members, inclusive of 43 APO Members who retired with the enhanced benefits, paid their mandatory additional contribution.

Notes to the Basic Financial Statements

2. Retirement Plan Description (Continued)

Eligibility Requirement and Benefits Provided (Continued)

Tier 3

Plan Members are eligible to retire with unreduced benefits if they have at least 10 or more years of City service at age 60 or at least 30 years of City service at age 55, provided that five years of service must be continuous. Full unreduced retirement benefits at age 60 with 10 years of City service are determined with a 1.5% retirement factor. Plan Members also are eligible to retire with an age-based reduced benefit before reaching age 60 with 30 or more years of City service with a retirement factor of 2.0%. If the Member is age 55 or older with 30 years of service at the time of retirement, his or her retirement allowance will not be subject to reduction on account of age. However, if the Member is younger than age 55 with 30 years of service at the time of retirement, his or her retirement allowance will be reduced by the applicable early retirement reduction factor. In addition, the System also provides Tier 3 Members enhanced retirement benefits with a 2.0% retirement factor if the Member retires at age 63 with at least 10 years of service, or a retirement factor of 2.1% if the Member retires at age 63 with 30 years of service.

Tier 3 retirement benefits are determined by multiplying the Member's retirement factor (1.5% - 2.1%), with the Member's Final Average Compensation (FAC) based on the Member's pensionable salary for the last 36 months or any other 36 consecutive months designated by the Member, and by the Member's years of service credit (SC) as follows:

Age at Retirement	Required Years of Service	Retirement Benefit ⁽¹⁾
Under 55	30 Years	2.0% x FAC x Yrs. of SC ⁽²⁾
55 and Over	30 Years	2.0% x FAC x Yrs. of SC
60 and Over	10 Years	1.5% x FAC x Yrs. of SC
63 and Over	10 Years	2.0% x FAC x Yrs. of SC
63 and Over	30 Years	2.1% x FAC x Yrs. of SC

(1) Retirement allowance may not exceed 80% of final compensation except when benefit is based solely on the annuity component funded by the Member's contributions.

(2) A reduction factor will be applied based on age at retirement.

Plan Members with five years of continuous service are eligible for disability retirement, and the benefits are determined as 1/70 of the Member's final average monthly salary for each year of service or 1/3 of the Member's final average monthly salary, if greater. Upon an active Member's death, a refund of the Member's contributions and, depending on the Member's years of service, a limited pension benefit equal to 50% of monthly salary may be paid up to 12 months. Or, if such Member was eligible to retire, survivor benefits may be paid to an eligible spouse or qualified domestic partner. Upon a retired Member's death, a \$2,500 funeral allowance is paid, and a modified or unmodified allowance is continued to an eligible spouse or qualified domestic partner.

Cost of Living Adjustment

Retirement allowances are indexed annually for inflation. The Board has authority to determine, no later than May 1st of each year, the average annual percentage change in the Consumer Price Index (CPI) for the purpose of providing a Cost of Living Adjustment (COLA) to the benefits of eligible Members and beneficiaries in July. The adjustment is based on the prior year's change of Los Angeles area CPI subject to a maximum of 3.0% for Tier 1 Members or 2.0% for Tier 3 Members. For Tier 1 Members, the COLA percentage greater than 3.0% is banked for future use.

Employer Contributions

The Los Angeles City Charter Sections 1158 and 1160 provide for periodic actuarially-determined employer contribution rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate the required assets to pay benefits when due. For the fiscal year ended June 30, 2022, the actuarially-determined aggregate employer contribution rate to the Retirement Plan by the City was 27.96% (28.64% for Tier 1 and 25.43% for Tier 3) of projected payroll, based on the June 30, 2020 actuarial valuation.

Upon closing the fiscal year 2021-22, LACERS recalculated the employer contribution rate using actual payroll incurred during the fiscal year, which was smaller than projected covered payroll used by the City to make the advance payment on July 15, 2021. As a result, employer contributions received for the Retirement Plan were \$65,370,000 more than required, and this amount was credited towards employer contributions for fiscal year 2022-23. Based on actual payroll, the effective rate of employer contribution for Retirement Plan was 27.44% for fiscal year 2021-22.

Notes to the Basic Financial Statements

2. Retirement Plan Description (Continued)

Member Contributions

Tier 1 and Tier 1 Enhanced

The current contribution rate for Tier 1 and Tier 1 Enhanced Members is 11% of their pensionable salary including a 1% increase in the Member contribution rate pursuant to 2009 Early Retirement Incentive Program (ERIP) ordinance for all employees for a period of 15 years (or until the ERIP Cost obligation is fully recovered, whichever comes first). Contribution rates for Tier 1 and Tier 1 Enhanced Members is expected to decrease by 1% once ERIP obligation is met.

Tier 3

The contribution rate for Tier 3 Members is 11% of their pensionable salary. Unlike Tier 1, Tier 3 Members do not pay ERIP contribution, therefore, Tier 3 Members' contribution rate will not drop down when Tier 1 Members cease to pay the 1% ERIP contribution.

Notes to the Basic Financial Statements

2. Retirement Plan Description (Continued)

Net Pension Liability

As of June 30, 2022, the components of the net pension liability were as follows (in thousands):

Total Pension Liability	\$ 24,078,751
<u>Less</u> Plan Fiduciary Net Position	<u>(17,013,091)</u>
Plan's Net Pension Liability	<u>\$ 7,065,660</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	70.7%

Significant Assumptions

Projections of benefits for financial reporting purposes are based on the types of benefits provided to active, inactive, and retired Members at the time of each valuation, including expected future COLAs. The attribution method and significant assumptions used in the valuation year of June 30, 2022, are summarized below:

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Cost Method (individual basis).
Amortization Method	Level Percent of Payroll
Actuarial Assumptions:	
Date of Experience Study	June 30, 2019 (July 1, 2016 through June 30, 2019)
Long-Term Expected Rate of Return	7.00%
Inflation	2.75%
Real Across-the-Board Salary Increase	0.50%
Projected Salary Increases	Ranges from 4.25% to 9.95% based on years of service, including inflation assumption at 2.75%, real across-the-board salary increase assumption of 0.50% plus merit and promotion increases.
Annual COLAs	2.75% maximum for Tier 1 and 2.00% maximum for Tier 3.
Mortality Table for Healthy Retirees	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Tables with rates increased by 10% for males, projected generationally with the two-dimensional mortality improvement scale MP-2019.
Mortality Table for Disabled Retirees	Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Tables with rates increased by 10% for males and decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2019.
Mortality Table for Beneficiaries	Pub-2010 Contingent Survivor Amount-Weighted Above Median Mortality Tables with rates increased by 10% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2019.
Percent Married / Domestic Partner	76% of male participants and 52% of female participants are assumed to be married or have a qualified domestic partner.
Spouse Age Difference	Male retirees are assumed to be three years older than their female spouses. Female retirees are assumed to be two years younger than their male spouses.

Notes to the Basic Financial Statements

2. Retirement Plan Description (Continued)

Net Pension Liability (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022 and June 30, 2021.

The projection of cash flows used to determine the discount rate assumed Plan Member contributions will be made at the current contribution rates and that employer contributions will be made at rates equal to the actuarially-determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current Plan Members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future Plan Members and their beneficiaries, as well as projected contributions from future Plan Members, are not included.

Based on those assumptions, the retirement plan's fiduciary net position was projected to be available to make all projected future benefit payments for current Plan Members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability as of both June 30, 2022 and June 30, 2021.

The long-term expected rate of return on retirement plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expenses, are summarized in the following table. These values were used in the derivation of the long-term expected investment rate of return assumption that was used in the actuarial valuation as of June 30, 2022. This information is subject to change every three years based on the actuarial experience study. The last experience study was for July 1, 2016 through June 30, 2019. The next experience study will be conducted in fiscal year 2022-23.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Arithmetic Long-Term Expected Real Rate of Return</u>
U.S. Large Cap Equity	15.01%	5.54%
U.S. Small Cap Equity	3.99	6.25
Developed Int'l Large Cap Equity	17.01	6.61
Developed Int'l Small Cap Equity	2.97	6.90
Emerging Int'l Large Cap Equity	5.67	8.74
Emerging Int'l Small Cap Equity	1.35	10.63
Core Bonds	13.75	1.19
High Yield Bonds	2.00	3.14
Bank Loans	2.00	3.70
Emerging Market Debt (External)	2.25	3.55
Emerging Market Debt (Local)	2.25	4.75
Private Credit/Debt	3.75	6.00
Core Real Estate	4.20	4.60
Real Estate Investment Trust (REIT)	1.00	5.98
Treasury Inflation Protected Securities (TIPS)	4.00	0.86
Commodities	1.00	3.33
Non-Core Real Assets	2.80	5.76
Private Equity	14.00	8.97
Cash	1.00	0.03
Total	<u>100.00%</u>	<u>5.50%</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of LACERS as of June 30, 2022, calculated using the discount rate of 7.00%, as well as what LACERS net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate (dollar in thousands):

<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
\$10,242,711	\$7,065,660	\$4,436,332

Notes to the Basic Financial Statements

3. Postemployment Health Care Plan Description

Plan Administration and Membership

LACERS administers and provides single-employer postemployment healthcare benefits to eligible retirees and their eligible spouses/domestic partners who participate in the Retirement Plan regardless of their membership tiers. These benefits consist of subsidies which may also apply to the coverage of other eligible dependent(s).

As of June 30, 2022, the components of Membership, excluding non-participating retirees and surviving spouses of LACERS postemployment healthcare benefits were as follows:

Retired Members/Surviving Spouses ⁽¹⁾	17,753
Vested terminated Members entitled to, but not yet receiving benefits ⁽²⁾	1,537
Retired Members and surviving spouses not yet eligible for health benefits	139
Active Members	<u>24,917</u>
Total	<u>44,346</u>

(1) Total participants including married dependents and dependent children currently receiving benefits are 23,798.

(2) Includes terminated Members due a refund of employee contributions.

On November 9, 2018, the City Council approved Ordinance No. 185829 to amend Article 1 of Chapter 11, Division 4 of the Los Angeles Administrative Code to establish the LACERS Health Care Fund (115 Trust Account) for the sole purpose of funding the retiree healthcare benefits for eligible LACERS retirees and beneficiaries as well as to help stabilize premium rates over time.

The City and the Board of LACERS entered into a written trust agreement for the LACERS Health Care Fund which shall provide an alternative funding mechanism, in addition to or in lieu of the existing 401(h) account described in LAAC Section 4.1102 for funding benefits under the health and welfare programs. The LACERS Health Care Fund is intended to qualify for federal tax exemption under Section 115 of the Internal Revenue Code. Because health benefits paid out of the LACERS Health Care Fund are not required to be subordinate to the Plan retirement benefits, the LACERS Health Care Fund would not become taxable if the Plan health benefits surpass the 25% threshold. Second, the LACERS Health Care Fund gives LACERS more flexibility to invest premium surpluses to provide for smoothing should healthcare premiums increased

considerably in the future. Currently, the Health Care Coverage Account (401(h) account) cannot receive full refunds of excess premiums from insurance providers. However, the LACERS Health Care Fund can receive full premium surplus refunds from insurance providers; therefore, the System can invest these funds at a higher rate of return than the insurance providers' reserve account interest rate.

Eligibility Requirement and Benefits Provided

To be eligible for LACERS postemployment healthcare benefits, Member must: 1) be at least age 55; 2) have at least 10 whole years of service with LACERS; and 3) be enrolled in a System-sponsored medical or dental plan or are a participant in the Medical Premium Reimbursement Program (MPRP). Retirees and surviving spouses/domestic partners can choose from the health plans that are available, which include medical, dental, and vision benefits, or participate in the MPRP if he/she resides in an area not covered by the available medical plans. Retirees and surviving spouses/domestic partners receive medical subsidies based on service years and service credit. The dental subsidies are provided to the retirees only, based on service years and service credit.

The maximum subsidies are set annually by the Board. Effective February 21, 2016, healthcare benefit eligibility requirements have changed for the Members who have periods of part-time service. Such Members are now eligible to participate in the LACERS retiree medical programs with 10 whole years of service, even if some or all that service was part-time, provided that the Member meets the eligibility requirements. Both Tier 1 and Tier 3 Members will be eligible for 40% of maximum medical plan premium subsidy for 1 – 10 whole years of service credit, and eligible Members earn 4% per year of service credit for their annual medical subsidy accrual after 10 years of service. Eligible spouses/domestic partners of Plan Members are entitled to the System's postemployment healthcare benefits after the retired Member's death.

During the 2011 fiscal year, the City adopted an ordinance ("Subsidy Cap Ordinance") to limit the maximum medical subsidy at \$1,190 for those Members who retire on or after July 1, 2011; however, Members who at any time prior to retirement made additional contributions are exempted from the subsidy cap and obtain a vested right to future increases in the maximum medical subsidy at an amount not less than the dollar increase in the Kaiser two-party non-Medicare Part A and Part B premium. As of June 30, 2022, all active Tier 1 and Tier 3 Members were making the additional contributions, and therefore will not be subject to the medical subsidy cap.

Notes to the Basic Financial Statements

3. Postemployment Health Care Plan Description (Continued)

Employer Contributions

The Los Angeles City Charter Sections 1158 and 1160 require periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate the required assets to pay benefits when due. The actuarially determined aggregate contribution rate for the Postemployment Health Care Plan for the fiscal year ended June 30, 2022, was 4.29% (4.17% for Tier 1 and 4.73% for Tier 3) of projected payroll, based on the June 30, 2020 actuarial valuation.

Upon closing the fiscal year 2021-22, LACERS recalculated employer contribution rate using actual payroll incurred during the fiscal year which was smaller than projected covered payroll used by the City to make the advance payment on July 15, 2021. As a result, employer contributions for Postemployment Health Care Plan were \$9,824,000 more than required, and this amount was credited towards employer contribution for fiscal year 2022-23. Based on actual payroll, the effective rate of employer contribution for Postemployment Health Care Plan was 4.25% for fiscal year 2021-22.

Notes to the Basic Financial Statements

3. Postemployment Health Care Plan Description (Continued)

Net OPEB Liability

As of June 30, 2022, the components of the net OPEB liability were as follows (in thousands):

Total OPEB Liability	\$ 3,580,696
<u>Less: Plan Fiduciary Net Position</u>	<u>(3,347,771)</u>
Plan's Net OPEB Liability	<u>\$ 232,925</u>

Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	93.5%
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Significant Assumptions

The total OPEB liability as of June 30, 2022 was determined by actuarial valuation as of June 30, 2022. The attribution method and significant assumptions used to measure the total OPEB liability, including assumptions about inflation, and healthcare cost trend rates in the valuation year of June 30, 2022, are summarized below:

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Cost Method – level percent of salary.
Amortization Method:	Level Percent of Payroll – assuming a 3.25% increase in total covered payroll.
Actuarial Assumptions:	
Date of Experience Study	June 30, 2019 (July 1, 2016 through June 30, 2019)
Long-Term Expected Rate of Return	7.00%
Inflation	2.75%
Salary Increase	Range from 4.25% to 9.95% based on years of service, including inflation assumption at 2.75%, real across-the-board salary increase assumption of 0.50% plus merit and promotion increases.
Mortality Table for Retirees	Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Tables with rates increased by 10% for males, projected generationally with the two-dimensional mortality improvement scale MP-2019.
Mortality Table for Disabled Retirees	Pub-2010 Non-Safety Disabled Retiree Headcount-Weighted Mortality Tables with rates increased by 10% for males and decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2019.
Mortality Table for Beneficiaries	Pub-2010 Contingent Survivor Headcount-Weighted Above Median Mortality Tables with rates increased by 10% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2019.
Marital Status	60% of male and 35% of female retirees who receive a subsidy are assumed to be married or have a qualified domestic partner and elect dependent coverage.
Spouse Age Difference	Male retirees are assumed to be four years older than their female spouses. Female retirees are assumed to be two years younger than their male spouses.
Surviving Spouse Coverage	With regard to Members who are currently alive, 100% of eligible spouses or domestic partners are assumed to elect continued health coverage after the Member's death.

Notes to the Basic Financial Statements

3. Postemployment Health Care Plan Description (Continued)

Net OPEB Liability (Continued)

Significant Assumptions (Continued)

Healthcare Cost Trend Rates

Medical Premium Trend Rates to be applied in the following fiscal years, to all health plans. Trend Rate is to be applied to the premium for shown fiscal year to calculate next fiscal year's projected premium.

Medical Premium Trend Rates to be applied to fiscal year 2022-2023 and later years are:

First Fiscal Year (July 1, 2022 through June 30, 2023)		
Carrier	Under Age 65	Age 65 & Over
Kaiser HMO	5.81%	3.25%
Anthem Blue Cross HMO	8.29%	N/A
Anthem Blue Cross PPO	8.29%	3.25%
UHC Medicare HMO	N/A	3.98%

Approximate Trend Rate (%) Fiscal Year 2022 - 2023 and later		
Fiscal Year	Non-Medicare	Medicare
2023 - 2024	7.12%	6.37%
2024 - 2025	6.87%	6.12%
2025 - 2026	6.62%	5.87%
2026 - 2027	6.37%	5.62%
2027 - 2028	6.12%	5.37%
2028 - 2029	5.87%	5.12%
2029 - 2030	5.62%	4.87%
2030 - 2031	5.37%	4.62%
2031 - 2032	5.12%	4.50%
2032 - 2033	4.87%	4.50%
2033 - 2034	4.62%	4.50%
2034 and later	4.50%	4.50%

Dental Premium Trend to be applied is 3.00% for all years.

Medicare Part B Premium Trend is 4.50% for all years.

Notes to the Basic Financial Statements

3. Postemployment Health Care Plan Description (Continued)

Net OPEB Liability (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2022 and June 30, 2021.

The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates equal to the actuarially-determined contribution rates. For this purpose, employer contributions that are intended to fund benefits only for current Plan Members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future Plan Members and their beneficiaries, as well as projected contributions from future Plan Members, are not included.

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments for current Plan Members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the Total OPEB Liability as of June 30, 2022 and June 30, 2021.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expenses, are summarized in the following table. These values were used in the derivation of the long-term expected investment rate of return assumption for the actuarial valuation as of June 30, 2022. This information is subject to change every three years based on the actuarial experience study. The last experience study was for July 1, 2016 through June 30, 2019. The next experience study will be conducted in fiscal year 2022-23.

Asset Class	Target Allocation	Arithmetic Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	15.01%	5.54%
U.S. Small Cap Equity	3.99	6.25
Developed Int'l Large Cap Equity	17.01	6.61
Developed Int'l Small Cap Equity	2.97	6.90
Emerging Int'l Large Cap Equity	5.67	8.74
Emerging Int'l Small Cap Equity	1.35	10.63
Core Bonds	13.75	1.19
High Yield Bonds	2.00	3.14
Bank Loans	2.00	3.70
Emerging Market Debt (External)	2.25	3.55
Emerging Market Debt (Local)	2.25	4.75
Private Credit/Debt	3.75	6.00
Core Real Estate	4.20	4.60
Real Estate Investment Trust (REIT)	1.00	5.98
Treasury Inflation Protected Securities (TIPS)	4.00	0.86
Commodities	1.00	3.33
Non-Core Real Assets	2.80	5.76
Private Equity	14.00	8.97
Cash	1.00	0.03
Total	100.00%	5.50%

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of LACERS as of June 30, 2022, calculated using the discount rate of 7.00%, as well as what LACERS net OPEB (asset) liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate (dollar in thousands):

1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
\$ 733,798	\$ 232,925	\$ (177,730)

Notes to the Basic Financial Statements

3. Postemployment Health Care Plan Description (Continued)

Net OPEB Liability (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of LACERS as of June 30, 2022, calculated using the healthcare cost trend rates as well as what LACERS net OPEB (asset) liability would be if it were calculated using trend rates that are one percentage point lower or one percentage point higher than the current rates (dollar in thousands):

1% Decrease	Current Healthcare Cost Trend Rates ⁽¹⁾	1% Increase
(\$ 215,968)	\$ 232,925	\$ 792,250

⁽¹⁾ Current healthcare cost trend rates: 7.12% graded down to 4.50% over 11 years for Non-Medicare medical plan costs, and 6.37% graded down to 4.50% over 8 years for Medicare medical plan costs. 3.00% for all years for Dental and 4.50% for all years for Medicare Part B subsidy cost.

4. Contributions Required and Contributions Made

LACERS uses the Entry Age cost method to determine the required annual contribution amount for the Retirement Plan and the Postemployment Health Care Plan. The required annual contribution amount is composed of two components: normal cost, which is the cost of the portion of the benefit that is allocated to a given year, and the payment to amortize the Unfunded Actuarial Accrued Liability (UAAL) which is the difference between LACERS actuarial liabilities and actuarial assets. The components of the UAAL are amortized as a level percent of pay. Based on LACERS funding policy, increases or decreases in the UAAL due to assumption changes are amortized over 20 years, except that healthcare cost trend and premium assumption changes are amortized over 15 years. Plan changes and experience gains and losses are amortized over 15 years, subject to adjustments to comply with GASB requirements on maximum amortization period of 30 years for all layers combined. The amortization periods are "closed" as each layer of the UAAL is systematically amortized over a "fixed" period.

The total contributions to LACERS for the fiscal year ended June 30, 2022, in the amount of \$928,807,000 (\$837,184,000 for the Retirement Plan and \$91,623,000 for the Postemployment Health Care Plan), consisted of the following (in thousands):

	Retirement Plan	Postemployment Health Care Plan
City Contributions:		
Initial Contributions ⁽¹⁾	\$ 656,604	\$ 101,447
True-up Adjustments ⁽²⁾	(65,370)	(9,824)
Required Contributions	591,234	91,623
FDBP	71	-
Total City Contributions	591,305	91,623
Member Contributions	245,879	-
Total Contributions	\$ 837,184	\$ 91,623

- (1) The initial City contributions made on July 15, 2021 were based on applying actuarially-determined contributions rates to projected payroll for the fiscal year.
- (2) At the end of the fiscal year, LACERS recalculated required contributions based on actual payroll, resulting in these true-up adjustments.

The City contributions made for the Retirement Plan under the Required Contributions category in the amount of \$591,234,000 were equal to 100% of the actuarially determined contribution of the employer as defined by GASB Statement No. 67. The City contributions made for the Postemployment Health Care Plan, in the amount of \$91,623,000, represents 100% of the actuarially determined contribution of the employer as defined by GASB Statement No. 74. Member contributions in the amount of \$245,879,000 were made toward the Retirement Plan, the voluntary Larger Annuity Plan and Family Death Benefit Plan.

5. Historical Trend Information

Historical trend information, designed to provide information about LACERS progress made in accumulating sufficient assets to pay benefits when due, is presented on pages 42 - 47 for the Retirement Plan and pages 48 - 53 for the Postemployment Health Care Plan.

Notes to the Basic Financial Statements

6. Cash and Short-Term Investments and Investments

The Board has the responsibility for the investment of LACERS funds, and should discharge its duties with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims, as prescribed by Article XI Section 1106(c) of the City Charter.

LACERS considers investments with a maturity of 12 months or less to be short-term investments. The carrying value of cash and short-term investments at June 30, 2022, for the Retirement Plan and Postemployment Health Care Plan included approximately \$4,191,000 held in LACERS general operating accounts with the City Treasurer and short-term investments funds (STIF) of \$424,196,000 for a total of \$428,387,000. The amounts held by the City Treasurer are pooled with the monies of other City agencies and invested by the City Treasurer's office. These assets are not individually identifiable. At June 30, 2022, short-term investments included collective STIF of \$140,193,000, international STIF of \$194,115,000, and future contracts initial margin and collaterals of \$89,888,000.

The fair value of derivative instruments, including equity index, commodity, currency, and interest rate future contracts, currency forward contracts and options, rights and warrants and swaps, are recorded in the Statement of Fiduciary Net Position with a net negative value of \$1,252,000. The changes in fair value of the derivative instruments during the fiscal year are recorded in the Statement of Changes in Fiduciary Net Position as Investment Income (Loss). LACERS enters into derivative contracts for investment purposes and to manage risks associated with its investment portfolio. For financial reporting purposes, all of LACERS derivatives for the current and previous fiscal years are classified as investment derivatives.

The notional amount and the fair value of derivative instruments as of June 30, 2022, are as follows (in thousands):

<u>Derivative Type</u>	<u>Notional Amount</u>	<u>Fair Value</u>	<u>Change in Fair Value</u>
Future Contracts -			
Commodities	\$ -	\$ -	\$ -
Equity Index	17,077	(237)	(150)
Foreign Exchange	-	-	-
Interest Rate	(14,668)	(36)	301
Currency Forward			
Contracts	665,164	(858)	(4,002)
Currency Options	N/A	(19)	119
Right / Warrants	N/A	46	(23)
Swaps-Interest Rate	N/A	(2,615)	(1,865)
Swaps-Credit			
Contracts	N/A	<u>2,467</u>	<u>1,427</u>
Total Value		<u>\$ (1,252)</u>	<u>\$ (4,193)</u>

Notes to the Basic Financial Statements

6. Cash and Short-Term Investments and Investments (Continued)

Credit Risk – Investments

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. LACERS seeks to maintain a diversified portfolio of fixed income instruments to obtain the highest total return for the fund at an acceptable level of risk within this asset class. The credit quality ratings of investments in fixed income securities by Standard and Poor's (S&P), a nationally-recognized statistical rating organization, as of June 30, 2022, are as follows (dollars in thousands):

<u>S & P Ratings</u>	<u>Fair Value</u>	<u>Percentage</u>
AAA	\$ 48,364	1.50 %
AA+	3,747	0.12
AA	817,732	25.33
AA-	32,764	1.01
A+	38,285	1.19
A	51,504	1.60
A-	176,409	5.47
BBB+	234,557	7.27
BBB	213,410	6.61
BBB-	161,562	5.01
BB+	76,921	2.38
BB	77,844	2.41
BB-	150,785	4.67
B+	52,807	1.64
B	285,612	8.85
B-	75,205	2.33
CCC+	88,473	2.74
CCC	73,745	2.28
CCC-	41	0.00
CC	1,903	0.06
C	30	0.00
D	4,566	0.14
Not Rated	<u>561,381</u>	<u>17.39</u>
	\$ 3,227,647	100.00%
U.S. Government Guaranteed Securities ⁽¹⁾	\$ <u>2,369,070</u>	
Total Fixed Income Securities	\$ <u><u>5,596,717</u></u>	

⁽¹⁾ Consists of U.S. Government Bonds and GNMA Mortgage-Backed Securities which had the AA+ rating.

Credit Risk – Derivatives

Derivatives are subject to credit risk that the counterparty to a contract will default. LACERS is exposed to credit risk on reported assets of the investment derivatives that are traded over the counter. The credit risk of exchange traded derivatives for future contracts is considered minimal because the exchange clearing house is the counterparty and guarantees the performance.

LACERS permits investment managers, under the terms of individual guidelines, to use derivative instruments as set forth in each manager's investment guidelines to control portfolio risk. It is the responsibility of these investment managers to actively monitor counterparties on their financial safety and ensure compliance with the investment restrictions. LACERS has no general investment policy with respect to netting arrangements or collateral requirements. However, these individual investment managers have set up the arrangements with the counterparties to net off the positive and negative contracts with the same counterparty in case of the counterparty's default.

As of June 30, 2022, without respect to netting arrangements, LACERS maximum income on derivative instruments subject to credit risk, namely currency forward contracts, is \$6,299,000. All counterparties of these investment derivatives had the credit rating of "A" or "AA" assigned by S&P.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a financial institution's failure of depository financial institution, LACERS would not be able to recover its deposits or would not be able to recover collateral securities that are in the possession of an outside party. Deposits are exposed to custodial credit risk if they are not insured or not collateralized. As of June 30, 2022, LACERS has exposure to such risk in the amount of \$30,311,000 or 0.5% of the fair value of total international investments. The amount represents non-invested cash denominated in foreign currencies, managed by 17 different investment managers, and held outside of LACERS custodial bank. LACERS policy requires each individual publicly traded equities investment manager to hold no more than 10% of their portfolios in the form of cash. LACERS is in compliance with the policy.

Notes to the Basic Financial Statements

6. Cash and Short-Term Investments and Investments (Continued)

Custodial Credit Risk (Continued)

Investment securities are exposed to custodial credit risk if the securities are not insured, are not registered in LACERS name, and are held by the counterparty, or the counterparty's trust department or agent but not in LACERS name. As of June 30, 2022, LACERS investments were not exposed to custodial credit risk because all securities were registered in the name of the System.

Concentration of Credit Risk

The investment portfolio as of June 30, 2022, contained no concentration of investments in any one entity that represented 5% or more of the total investment portfolio.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. One of the ways LACERS manages its exposure to interest rate risk is by requiring the fixed income investment managers to maintain their portfolio effective duration within a specified range of the BC U.S. High Yield 2% Capped Index, the BC Intermediate Government Credit Index, the BC Aggregate Bond Index, or the J.P. Morgan EMBI Global Diversified Index, depending on the Board's mandates. The effective duration is a measure, in years, of interest-rate sensitivity in debt investments. The longer the effective duration, the greater the sensitivity to interest rate changes. Information about the sensitivity of the fair values of LACERS investments to market interest rate fluctuations as of June 30, 2022 is provided by the following table that shows the weighted average effective duration of LACERS fixed income securities by investment type (dollars in thousands):

Investment Type	Fair Value	Weighted Average Duration (in Years)
Asset-Backed Securities	\$ 74,558	3.09
Bank Loans	87,969	-0.04
Commercial Mortgage-Backed Securities	93,878	3.31
Corporate Bonds	1,164,983	5.92
Government Agencies	55,642	7.48
Government Bonds	1,366,280	7.52
Government Mortgage-Backed Securities	483,698	6.98
Index Linked Government Bonds	1,070,101	4.63
Municipal/Provincial Bonds	16,078	5.91
Non-Government Backed Collateralized Mortgage Obligations (C.M.O.s)	28,455	4.94
Opportunistic Debts	356,858	0.30
Other Fixed Income (Funds)	798,218	6.43
Derivative Instruments	(36)	0.00
Total Fixed Income Securities	\$ 5,596,682	

Highly-Sensitive Investments

Highly-sensitive investments are certain debt investments whose terms may cause their fair value to be highly-sensitive to market interest rate changes. Terms include embedded options, coupon multipliers, benchmark indexes, and reset dates. LACERS asset-backed investments have embedded prepayment options that will typically cause prepayments by the obligees of the underlying investments when interest rates fall. Prepayments eliminate the stream of future interest payments and, therefore, diminish the fair value of the asset-backed investment. The following table shows the fair value of LACERS asset-backed investments by investment type (in thousands):

Investment Type	Fair Value
Asset-Backed Securities	\$ 74,558
Commercial Mortgage-Backed Securities	93,878
Government Agencies	55,642
Government Mortgage-Backed Securities	483,698
Non-Government Backed C.M.O.s	28,455
Total Asset-Backed Investments	\$ 736,231

Notes to the Basic Financial Statements

6. Cash and Short-Term Investments and Investments (Continued)

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. LACERS Asset Allocation policy sets a target of 23% of the total portfolio for non-U.S. investments in equities. In addition, fixed income, real estate, and private equity managers may hold non-U.S. investments depending on their individual mandates. Forward currency contracts are permitted primarily to reduce the foreign currency risk.

LACERS non-U.S. currency investment holdings as of June 30, 2022, which represent 22.95% of the fair value of total investments, are as follows (in thousands):

Foreign Currency Type	Cash and Adjustments to Cash	Equity	Fixed Income	Derivatives Instruments	Other Investments	Total Fair Value in USD
Australian dollar	(2,763)	152,106	-	240	-	149,583
Brazilian real	28,716	44,491	29,934	(2,730)	(2,846)	97,565
British pound sterling	518	514,210	-	(47)	-	514,681
Canadian dollar	(1,976)	312,616	-	13	-	310,653
Chilean peso	864	1,714	8,001	158	-	10,737
Chinese yuan renminbi	(20,255)	82,910	25,780	(322)	84	88,197
Colombian peso	4,521	479	17,724	300	157	23,181
Czech koruna	8,281	492	17,816	(547)	(525)	25,517
Danish krone	2	72,246	-	-	-	72,248
Egyptian pound	1,512	2,571	919	-	-	5,002
Euro	(25,396)	993,620	46,146	1,332	263,651	1,279,353
Hong Kong dollar	590	291,394	-	(4)	-	291,980
Hungarian forint	(1,092)	709	13,274	676	351	13,918
Indian rupee	(3,335)	163,362	-	41	-	160,068
Indonesian rupiah	(1,667)	29,479	37,216	169	-	65,197
Israeli new shekel	(25,879)	33,255	-	870	-	8,246
Japanese yen	1,143	565,548	-	(15)	-	566,676
Malaysian ringgit	10,235	14,072	29,931	(96)	(98)	54,044
Mexican peso	14,846	50,064	36,212	(1,028)	(1,014)	99,080
New Romanian Leu	8,572	-	3,943	2	-	12,517
New Taiwan dollar	(31,116)	155,857	-	275	-	125,016
New Zealand dollar	(2,150)	4,841	-	81	-	2,772
Norwegian krone	20	29,653	-	-	-	29,673
Peruvian nuevo sol	5,891	-	13,175	12	-	19,078
Philippine peso	15,297	5,806	0	0	-	21,103
Polish zloty	21,561	3,928	19,441	1,772	1,680	48,382
Qatari riyal	2	3,553	-	-	-	3,555
Russian ruble	1,063	-	4,529	-	-	5,592
Singapore dollar	4,494	57,641	0	-	-	62,135
South African rand	(14,252)	35,357	49,747	525	(300)	71,077
South Korean won	(13,053)	94,002	-	180	(13)	81,116
Swedish krona	42	108,050	-	-	-	108,092
Swiss franc	34	246,065	-	-	-	246,099
Thai baht	(7,279)	28,383	13,180	331	(91)	34,524
Turkish lira	450	2,263	804	3	-	3,520
United Arab Emirates dirham	9	11,207	-	-	-	11,216
Total Investments Held in Foreign Currency	\$ (21,550)	\$ 4,111,944	\$ 367,772	\$ 2,191	\$ 261,036	\$ 4,721,393

Notes to the Basic Financial Statements

6. Cash and Short-Term Investments and Investments (Continued)

Fair Value Measurements

LACERS follows GASB Statement No. 72 (GASB 72), *Fair Value Measurements and Application*. GASB 72 addresses accounting and financial reporting issues related to fair value measurements and disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in either a government's principal or the most advantageous market at the measurement date.

The System's investments are measured and reported within the fair value hierarchy established by US GAAP. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Inputs to the valuation include: 1) quoted prices for similar assets or liabilities in active markets; 2) quoted prices for identical or similar assets or liabilities in markets that are not active; 3) inputs other than quoted prices that are observable for the asset or liability; and 4) market-corroborated inputs.

Level 3 inputs are unobservable inputs for an asset or liability where there are little market activities. The inputs into the determination of fair value are based upon the best information in the circumstances and may require management judgment or estimation.

Schedule of Investments by Fair Value Hierarchy

Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 or 3 of the fair value hierarchy are valued using a matrix pricing technique based on the availability of the market price, the pricing source and type, and the country of incorporation of the securities. The hierarchy levels are determined based on the level of corroborative information obtained from other market sources to assert that the prices provided represent observable data.

The exchange traded Future Contracts classified in Level 1 of the fair value hierarchy are valued using a daily settlement when available or as a daily mark to market. The Foreign Exchange Contracts (liabilities) classified in Level 2 of the fair value hierarchy are valued using independent pricing services including London Close Mid-evaluation, WM/Reuters Company, Bloomberg, and Thomson Reuters.

Real estate funds classified in Level 3 of the fair value hierarchy are valued based on periodic appraisals in accordance with industry practice, or other valuation methods and techniques including models.

The System's remaining investments not categorized under the fair value hierarchy, such as private equity partnerships, real estate comingled funds and other investments which do not have a readily determinable fair value have been valued at the Net Asset Value (NAV). NAV is calculated and used as a practical expedient to estimate fair value of LACERS' interest, unless it is probable that all or a portion of the investments will be sold for an amount different from the NAV. As of June 30, 2022, LACERS had no specific plans to sell investments at amounts different from NAV. These investments are disclosed in the Investments Measured at the NAV on page 38.

Notes to the Basic Financial Statements

6. Cash and Short-Term Investments and Investments (Continued)

Fair Value Measurements (Continued)

Schedule of Investments by Fair Value Hierarchy (Continued)

The System has the following recurring fair value measurements as of June 30, 2022 (in thousands):

	Fair Value Measurements Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
Debt securities:				
Government Bonds	\$ 2,436,382	\$ -	\$ 2,436,167	\$ 215
Government Agencies	55,642	-	55,642	-
Municipal/Provincial Bonds	16,078	-	16,078	-
Corporate Bonds	1,267,995	-	1,261,678	6,317
Bank Loans	87,969	-	87,969	-
Government Mortgage Bonds	483,698	-	483,698	-
Commercial Mortgage Bonds	93,878	-	93,878	-
Opportunistic Debts	62,264	-	-	62,264
Funds – Fixed Income ETF	1,858	1,858	-	-
Total Debt Securities	<u>4,505,764</u>	<u>1,858</u>	<u>4,435,110</u>	<u>68,796</u>
Equity Securities:				
Common Stock:				
Basic Industries	1,178,770	1,178,725	29	16
Capital Goods Industries	451,754	451,483	4	267
Consumer & Services	2,093,401	2,092,008	112	1,281
Energy	674,879	674,604	-	275
Financial Services	1,348,108	1,347,891	39	178
Health Care	984,124	984,124	-	-
Information Technology	1,435,686	1,435,436	-	250
Real Estate	717,838	717,490	-	348
Other Funds - Common Stock	562,541	-	562,541	-
Miscellaneous	18,186	15,463	68	2,655
Total Common Stock	<u>9,465,287</u>	<u>8,897,224</u>	<u>562,793</u>	<u>5,270</u>
Preferred Stock	27,031	24,254	2,777	-
Stapled Securities	9,503	9,503	-	-
Convertible Equity	339	339	-	-
Total Equity Securities	<u>9,502,160</u>	<u>8,931,320</u>	<u>565,570</u>	<u>5,270</u>
Real Estate Funds	228,900	-	-	228,900
Total Investments by Fair Value Level	<u>\$ 14,236,824</u>	<u>\$ 8,933,178</u>	<u>\$ 5,000,680</u>	<u>\$ 302,966</u>
Investments Measured at the NAV:				
Common Fund Assets	\$ 796,360			
Private Equity Funds	3,801,996			
Real Estate Funds	932,279			
Opportunistic Debts	294,593			
Total Investments Measured at the NAV	<u>5,825,228</u>			
Total Investments Measured at Fair Value ⁽¹⁾	<u>\$ 20,062,052</u>			
Investment Derivative Instruments:				
Future Contracts (liabilities)	\$ (273)	\$ (273)	\$ -	\$ -
Foreign Exchange Contracts (liabilities)	(858)	-	(858)	-
Rights/Warrants/Options/Swaps	(121)	(110)	(19)	8
Total Investment Derivative Instruments	<u>\$ (1,252)</u>	<u>\$ (383)</u>	<u>\$ (877)</u>	<u>\$ 8</u>

(1) Excluded \$(1,252,000) of investment derivative instruments (shown separately) and \$515,988,000 of securities lending collateral.

Notes to the Basic Financial Statements

6. Cash and Short-Term Investments and Investments (Continued)

Fair Value Measurements (Continued)

Investments Measured at the NAV:

(in thousands)

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Common Fund Assets ⁽¹⁾	\$ 796,360	\$ -	Daily	2 days
Private Equity Funds ⁽²⁾	3,801,996	1,765,448	N/A	N/A
Real Estate Funds ⁽³⁾	932,279	50,837	Daily, Quarterly	1-90 days
Opportunistic Debts ⁽⁴⁾	294,593	-	Monthly	30 days
Total Investments Measured at the NAV	<u>\$ 5,825,228</u>	<u>\$ 1,816,285</u>		

- (1) Common fund assets - This investment type includes one fund that primarily invests in U.S. bonds. The fair value of the investment has been determined using a practical expedient based on the investments' NAV per share (or its equivalent). This investment can be redeemed daily, with a two-day advance redemption notice period.
- (2) Private equity funds - This investment type includes 314 closed-end commingled private equity funds that invest primarily in securities of privately held U.S. and non-U.S. companies. The fair values of these investments have been determined using a practical expedient based on the investments' NAV per share (or its equivalent). These investments are not redeemable. It is expected that these investments will be held for the entire lives of the funds and will not be sold in the secondary market. Distributions from each fund will be received as the underlying assets are liquidated by the fund managers. It is expected that the underlying assets of these funds will be liquidated over the next one to 13 years, depending on the vintage year of each fund.
- (3) Real estate funds - This investment type includes 22 commingled real estate funds that invest primarily in U.S. commercial real estate. The fair values of these investments have been determined using a practical expedient based on the investments' NAV per share (or its equivalent). Seven investments, representing approximately 83.6% of the value of this investment type, are in open-end funds, which may be redeemed according to terms specific to each fund. Redemptions generally are subject to the funds' available cash and redemption queues. Fifteen investments, representing approximately 16.4% of the value of this investment type, are in closed-end funds and are not redeemable. It is expected that these investments will be held for the entire lives of the funds and will not be sold in the secondary market. Distributions from each fund will be received as underlying assets are liquidated by the fund managers. It is expected that the underlying assets of these funds will be liquidated over the next one to 12 years, depending on the vintage year of each fund.
- (4) Opportunistic debts - This investment type includes two commingled funds: one that invests primarily in senior loans of non-investment grade companies (senior loan fund) and another one invests primarily in the securities and obligations of companies experiencing operational or financial distress (distressed investment fund). The fair values of these investments have been determined using a practical expedient based on the investments' NAV per share (or its equivalent). The senior loan fund, representing approximately 94% of the value of this investment type, can be redeemed monthly. The distressed investment fund, representing approximately 6% of the value of this investment type, is being dissolved and is no longer making new underlying investments. Distributions from this fund will be received as underlying investments are liquidated by the fund manager. The fund is still being liquidated.

Notes to the Basic Financial Statements

7. Securities Lending Agreement

Under authority granted by the City Charter, LACERS has entered into various short-term arrangements with its custodian to lend securities to various brokers. There are no restrictions on the number of securities that may be lent, and the custodian determines which lenders' accounts to lend securities from by using an impartial sequential system that matches loan requests with various lenders' accounts. All lenders are deemed to have relatively equal opportunity to profit from the lending of securities. Therefore, should a collateral deficiency occur beyond the custodian's responsibilities, the deficiency is allocated pro rata among all lenders.

Minimum collateralization is 102% of the fair value of the borrowed U.S. securities and 107% for international securities. Collateral consists of cash, government and corporate securities, and commercial bank obligations. Cash collateral is invested in a separate account comprised of money market or high-quality short-term investments. It is the responsibility of the custodian to monitor the collateralization on a daily basis. If the collateral is below the minimum collateralization level, additional collateral will be requested from the borrower to meet the requirement. Collateral requested each morning is required to be received on the same day. If the borrower fails to deliver additional collateral, the custodian would notify the borrower that they are in default under the securities lending agreement. If the borrower does not provide the necessary collateral after receiving notification, the legal agreement allows the custodian to close the contract with the borrower and buy-in the securities on behalf of LACERS.

The borrower has all incidents of ownership with respect to borrowed securities and collateral, including the right to vote and transfer or loan borrowed securities to others. LACERS is entitled to receive all distributions, which are made by the issuer of the borrowed securities, directly from the borrower. Under the agreement, the custodian will indemnify LACERS as a result of the custodian's failure to: 1) make a reasoned determination of the creditworthiness of a potential borrower before lending and, during the term of the loan or loans, the borrower files a petition of bankruptcy or similar action; 2) demand adequate collateral; or 3) otherwise maintain the securities lending program in compliance with the Federal Financial Institutions Examination Council Supervisory Policy on Securities Lending. As of June 30, 2022, the fair value of the securities on loan was \$1,144,872,000. The fair value of associated collateral was \$1,206,064,000 (\$515,988,000 of cash collateral and \$690,076,000 of non-cash collateral). These agreements provide for the return of the securities and revenue determined by the type of collateral received.

During the reporting period, LACERS had no losses on securities lending transactions resulting from default of a borrower or lending agent. Due to the nature of the securities lending program and the custodian bank's collateralization of loans at amounts greater than the fair value of the loaned securities, it is deemed that there were no material credit risks to LACERS as defined in GASB Statement No. 28 and GASB Statement No. 40 by its participation in the securities lending program. However, similar to any other investment portfolio, there is risk associated with investing cash collateral in securities. The value of the invested collateral may fall below the value of the cash collateral pledged by the borrowers and may impair LACERS ability to return cash collateral to the borrowers upon the redemption of loans. If this scenario were to occur, LACERS would be required to make up the deficiency in collateral and would incur a loss.

All securities loans can be terminated on demand by either LACERS or the borrower. Because of this nature, their duration did not generally match the duration of the investment made with the cash collateral. LACERS cannot pledge or sell non-cash collateral unless the borrower defaults.

For loaned securities for which LACERS received cash collateral, the following table represents the fair value of securities on loan, corresponding cash collateral received and cash reinvestment value, as of June 30, 2022 (in thousands):

Securities on Loan	Fair Value of Underlying Securities on Loan	Cash Collateral Received	Collateral Reinvestment Value
U.S. Government & Agency Securities	\$ 91,082	\$ 92,954	\$ 92,954
Domestic Corporate Fixed Income Securities	197,477	203,288	203,288
International Fixed Income Securities	24,024	25,719	25,719
Domestic Stocks	166,547	172,516	172,516
International Stocks	19,135	21,511	21,511
Total	<u>\$ 498,265</u>	<u>\$ 515,988</u>	<u>\$ 515,988</u>

Notes to the Basic Financial Statements

7. Securities Lending Agreement (Continued)

The fair value of cash collateral is reported in the Statement of Fiduciary Net Position. However, the non-cash collateral, which LACERS does not have the ability to sell unless the borrower defaults, is not reported in the Statement of Fiduciary Net Position.

On April 28, 2020, the Board adopted several temporary Security Lending Program risk-reducing strategies to minimize potential losses due to unusual and more volatile market conditions as a result of COVID pandemic. These strategies include (1) temporarily reducing the volume of loans in order to reduce LACERS overall exposure; (2) shorten the duration and maturity of individual investments to 60 days; and (3) require a non-U.S. country to hold a sovereign credit rating of AA- or higher (or the equivalent) by at least two Nationally Recognized Statistical Rating Organizations (NRSRO) in order for non-U.S. government or corporate debt to be eligible for investment. These strategies remained in place through the fiscal year ended June 30, 2022.

During fiscal year ended June 30, 2022, LACERS income and expenses related to securities lending were \$4,577,000 and \$686,000 respectively, an increase of 9.1%, or \$325,000 from prior fiscal year's net security lending income (income net of expenses).

8. Future and Forward Contracts

LACERS uses derivative financial instruments, primarily to manage portfolio risk. Future and forward contracts are marked to market and are recorded in the Statement of Fiduciary Net Position at fair value. Future contracts have little credit risk, as organized exchanges are the guarantors. Forward agreements are subject to the creditworthiness of the counterparties, which are principally large financial institutions (refer to Note 6 – Credit Risk - Derivatives).

As of June 30, 2022, LACERS had outstanding commodities, equity index, and interest rate future contracts with an aggregate notional amount of \$31,745,000. In addition, on June 30, 2022, LACERS had outstanding forward purchase commitments with a notional amount of \$665,164,000 and offsetting forward sales commitments with notional amounts of \$665,164,000, which expire in November 2022. LACERS maintains margin collateral on the positions with brokers, consisting of cash and U.S. Treasury Bills. The total collateral margin was \$89,887,000 as of June 30, 2022.

9. Capital Assets

The System's capital assets include land, building, furniture, office and technology equipment, computer software as well as the intangible right-to-use lease asset. The cost and related accumulated depreciation/amortization as of the fiscal year ended June 30, 2022 and 2021 (dollars in thousands) are presented below:

	June 30, 2022	June 30, 2021
Capital Assets Not Depreciated/Amortized		
Land	\$ 4,023	\$ 4,023
Building (in progress)	40,571	30,741
Total Capital Assets Not Depreciated/Amortized	<u>44,594</u>	<u>34,764</u>
Capital Assets Not Depreciated/Amortized		
Furniture, Office & Technology Equipment	3,690	2,947
Computer Software	9,413	9,413
Intangible Right-to-use leased asset	2,524	2,524
Total Capital Assets Depreciated/Amortized	<u>15,627</u>	<u>14,884</u>
Less: Accumulated Depreciation/Amortization		
Furniture, Office & Technology Equipment	2,374	2,178
Computer Software	2,706	2,077
Intangible Right-to- use leased asset	1,836	918
Total Accumulated Depreciation/Amortization	<u>6,916</u>	<u>5,173</u>
Total Capital Assets, Net of Depreciation/Amortization	<u>\$ 53,305</u>	<u>\$ 44,475</u>

Notes to the Basic Financial Statements

10. Leases

LACERS as a Lessee

The System leases building facilities under a non-cancelable operating lease that expires in March 2023. The System made \$75,000 of variable payments related to this lease during the fiscal year ended June 30, 2022. Those payments were excluded from the System's lease liability. A lease asset was recorded at a cost of \$2,524,000, less accumulated amortization of \$1,836,000. The future lease payment under the lease agreement is as follows:

Year	Lease			
	Variable	Principal	Interest	Total
2023	\$ 87,000	\$ 714,000	\$ 12,000	\$ 813,000

LACERS as a Lessor

The System entered into a cell tower/antenna placement agreement. The total amount of inflow of resources, including lease revenue, interest revenue and other lease related inflows, recognized during the fiscal year was \$39,000. This total includes \$1,800 of variable and other payments not previously included in the measurement of the lease receivable.

11. Commitments and Contingencies

As of June 30, 2022, LACERS was committed to future purchases of real estate and private equity investments at an aggregate cost of approximately \$1,991,292,000, including agreements for acquisition not yet initiated.

REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary Information Retirement Plan

The following schedules included in the Required Supplementary Information for the Retirement Plan shows information for 10 years.

- 1) Schedule of Net Pension Liability
- 2) Schedule of Changes in Net Pension Liability and Related Ratios
- 3) Schedule of Investment Returns (Losses)

Schedule of Net Pension Liability ⁽¹⁾ As of June 30 (Dollars in Thousands)

Fiscal Year	Total Pension Liability	Plan Fiduciary Net Position	Plan's Net Pension Liability	Plan Fiduciary Net Position as a percentage of the Total Pension Liability
2013	14,881,663	10,154,486	4,727,177	68.2%
2014	16,248,853	11,791,079	4,457,774	72.6%
2015	16,909,996	11,920,570	4,989,426	70.5%
2016	17,424,996	11,809,329	5,615,667	67.8%
2017	18,458,188	13,180,516	5,277,672	71.4%
2018	19,944,578	14,235,230	5,709,348	71.4%
2019	20,793,421	14,815,593	5,977,828	71.3%
2020	22,527,195	14,932,404	7,594,791	66.3%
2021	23,281,893	18,918,136	4,363,757	81.3%
2022	24,078,751	17,013,091	7,065,660	70.7%

⁽¹⁾ In calculating the Plan's net pension liability, the total pension liability and the Plan fiduciary net position, amounts associated with non-pension related benefits (Family Death and Larger Annuity Benefits) were excluded.

Note to Schedule:

Refer to the notes to the Schedule of Changes in Net Pension Liability and Related Ratios.

Required Supplementary Information Retirement Plan

Schedule of Changes in Net Pension Liability and Related Ratios ⁽¹⁾ For the Fiscal Years Ended June 30 (Dollars in Thousands)

	2022	2021	2020	2019	2018
Total Pension Liability					
Service cost ⁽²⁾	\$ 413,863	\$ 451,426	\$ 374,967	\$ 370,409	\$ 352,283
Interest	1,617,800	1,570,785	1,499,208	1,439,661	1,332,878
Changes of benefit terms	-	-	-	-	25,173
Differences of expected and actual experience	(66,172)	(189,822)	308,184	(46,035)	144,224
Changes of assumptions	-	-	530,720	-	483,717
Benefit payments, including refunds of Member contributions	(1,168,633)	(1,077,691)	(979,305)	(915,192)	(851,885)
Net change in total pension liability	796,858	754,698	1,733,774	848,843	1,486,390
Total pension liability-beginning	23,281,893	22,527,195	20,793,421	19,944,578	18,458,188
Total pension liability-ending (a)	\$ 24,078,751	\$ 23,281,893	\$ 22,527,195	\$ 20,793,421	\$ 19,944,578
Plan fiduciary net position					
Contributions-employer	\$ 591,234	\$ 554,856	\$ 553,118	\$ 478,717	\$ 450,195
Contributions-Member	241,876	252,123	259,817	237,087	230,757
Net investment income (loss) ⁽⁴⁾	(1,542,473)	4,283,202	306,712	799,351	1,243,817
Benefit payments, including refunds of Member contributions	(1,168,633)	(1,077,691)	(979,305)	(915,192)	(851,885)
Administrative expenses	(27,033)	(26,758)	(23,531)	(19,600)	(17,699)
Others ⁽³⁾	(16)	-	-	-	(471)
Net change in Plan fiduciary net position	(1,905,045)	3,985,732	116,811	580,363	1,054,714
Plan fiduciary net position-beginning	18,918,136	14,932,404	14,815,593	14,235,230	13,180,516
Plan fiduciary net position-ending (b)	\$ 17,013,091	\$ 18,918,136	\$ 14,932,404	\$ 14,815,593	\$ 14,235,230
Plan's net pension liability-ending (a)-(b)	\$ 7,065,660	\$ 4,363,757	\$ 7,594,791	\$ 5,977,828	\$ 5,709,348
Plan fiduciary net position as a percentage of the total pension liability (b)/(a)	70.7%	81.3%	66.3%	71.3%	71.4%
Covered payroll	\$ 2,155,005	\$ 2,276,768	\$ 2,271,039	\$ 2,108,171	\$ 2,057,565
Plan's net pension liability as a percentage of covered payroll	327.9%	191.7%	334.4%	283.6%	277.5%

(1) In calculating the Plan's net pension liability, the total pension liability and the Plan fiduciary net position, amounts associated with non-pension related benefits (Family Death and Larger Annuity Benefits) were excluded.

(2) The service cost is based on the previous year's valuation.

(3) On July 1, 2017, the System reallocated \$471,000 of interest from the Reserve for Mandatory Member Contributions into the Reserve for Voluntary Member Contributions. In fiscal year 2022, a prior period adjustment was made related to the implementation of GASB 87 – Lease, to restate fiscal year 2021 information presented in fiscal year 2022 financial report as comparative report.

(4) Building Lease and Other Income were included in the Net investment income (loss) starting in fiscal year 2020. Investment related administrative expenses is part of Administrative expenses and excluded from Net investment Income.

Required Supplementary Information Retirement Plan

Schedule of Changes in Net Pension Liability and Related Ratios ⁽¹⁾ (Continued) For the Fiscal Years Ended June 30 (Dollars in Thousands)

	2017	2016	2015	2014	2013
Total Pension Liability					
Service cost ⁽²⁾	\$ 340,759	\$ 322,574	\$ 322,380	\$ 317,185	\$ 312,372
Interest	1,302,278	1,263,556	1,215,151	1,149,966	1,112,561
Changes of benefit terms	-	-	-	-	-
Differences of expected and actual experience	(146,474)	(300,813)	(135,821)	(164,247)	(235,829)
Changes of assumptions	340,718	-	-	785,439	-
Benefit payments, including refunds of Member contributions	(804,089)	(770,317)	(740,567)	(721,153)	(701,400)
Net change in total pension liability	1,033,192	515,000	661,143	1,367,190	487,704
Total pension liability-beginning	17,424,996	16,909,996	16,248,853	14,881,663	14,393,959
Total pension liability-ending (a)	\$ 18,458,188	\$ 17,424,996	\$ 16,909,996	\$ 16,248,853	\$ 14,881,663
Plan fiduciary net position					
Contributions-employer	\$ 453,356	\$ 440,546	\$ 381,141	\$ 357,649	\$ 346,181
Contributions-Member	221,829	206,377	202,463	203,975	197,722
Net investment income (loss) ⁽⁴⁾	1,517,545	29,358	306,980	1,810,782	1,268,939
Benefit payments, including refunds of Member contributions	(804,089)	(770,318)	(740,567)	(721,153)	(701,400)
Administrative expenses	(17,454)	(17,204)	(15,860)	(12,372)	(13,281)
Others ⁽³⁾		-	(4,666)	(2,288)	(2,514)
Net change in Plan fiduciary net position	1,371,187	(111,241)	129,491	1,636,593	1,095,647
Plan fiduciary net position-beginning	11,809,329	11,920,570	11,791,079	10,154,486	9,058,839
Plan fiduciary net position-ending (b)	\$ 13,180,516	\$ 11,809,329	\$ 11,920,570	\$ 11,791,079	\$ 10,154,486
Plan's net pension liability-ending (a)-(b)	\$ 5,277,672	\$ 5,615,667	\$ 4,989,426	\$ 4,457,774	\$ 4,727,177
Plan fiduciary net position as a percentage of the total pension liability (b)/(a)	71.4%	67.8%	70.5%	72.6%	68.2%
Covered payroll	\$ 1,973,049	\$ 1,876,946	\$ 1,835,637	\$ 1,802,931	\$ 1,736,113
Plan's net pension liability as a percentage of covered payroll	267.5%	299.2%	271.8%	247.3%	272.3%

(1) In calculating the Plan's net pension liability, the total pension liability and the Plan fiduciary net position exclude amounts associated with non-pension related benefits (Family Death and Larger Annuity Benefits).

(2) The service cost is based on the previous year's valuation.

(3) On July 1, 2015, the System segregated Members' voluntary larger annuity contributions into the (non-pension related) Reserve for Larger Annuity Contributions pursuant to a suggestion made by the System's actuarial consultant. The Reserve balance for Larger Annuity Contributions as of June 30, 2015 was \$5,200,000

(4) Building Lease and Other Income were included in the Net investment income (loss) starting in fiscal year 2020. Investment-related administrative expenses is part of Administrative expenses and excluded from Net investment Income.

Required Supplementary Information Retirement Plan

Schedule of Changes in Net Pension Liability and Related Ratios (Continued)

Notes to Schedule:

Changes of Benefit Terms: The June 30, 2018 calculation reflected the newly adopted enhanced benefits for Airport Peace Officers (APO) who elected to stay at LACERS Plan (refer to Note 2 – Retirement Plan Description, Tier 1 – Enhanced Benefits on page 21). Enhanced benefits became effective as of January 7, 2018.

Change of Assumptions: The June 30, 2014 calculations reflected various assumption changes based on the triennial experience study for the period from July 1, 2011 through June 30, 2014. The increase of total pension liability for fiscal years ended on June 30, 2014 is primarily due to the lowered assumed investment rate of return from 7.75% to 7.50%, and longer assumed life expectancies for Members and beneficiaries while the June 30, 2017 increase is primarily due to the lowered assumed investment rate of return from 7.50% to 7.25%.

The June 30, 2018 calculations reflected changes in the actuarial assumptions adopted by the Board on August 14, 2018 based on the triennial experience study for the period from July 1, 2014 through June 30, 2017, including revising the mortality tables from static to generational to reflect future mortality improvement, contributing to increased total pension liability.

The June 30, 2020 calculations reflected changes in the actuarial assumptions based on the actuarial experience study covering the period from July 1, 2016 to June 30, 2019 and adopted by the Board on June 23, 2020. The changes included lowered assumed investment rate of return from 7.25% to 7.00% along with an Inflation Rate reduction from 3.00% to 2.75%, changes in various demographic assumptions such as adjustments on retirement, termination, disability and mortality rates.

Schedule of Contribution History (Dollars in Thousands)

Fiscal Year	Actuarially Determined Contributions (ADC)	Contributions in Relation to ADC ⁽¹⁾	Contribution Deficiency	Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 346,181	\$ 346,181	\$ -	\$ 1,736,113	19.9%
2014	357,649	357,649	-	1,802,931	19.8
2015	381,141	381,141	-	1,835,637	20.8
2016	440,546	440,546	-	1,876,946	23.5
2017	453,356	453,356	-	1,973,049	23.0
2018	450,195	450,195	-	2,057,565	21.9
2019	478,717	478,717	-	2,108,171	22.7
2020	553,118	553,118	-	2,271,039	24.4
2021	554,856	554,856	-	2,276,768	24.4
2022	591,234	591,234	-	2,155,005	27.4

Notes to Schedule:

Valuation Date Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method Entry Age Actuarial Cost Method (individual basis).

Amortization Method Level Percent of Payroll.

Required Supplementary Information Retirement Plan

Schedule of Contribution History (Continued)

Notes to Schedule (Continued)

Methods and Assumptions Used to Determine Contribution Rates (Continued)

Amortization Period	Multiple layers – closed amortization periods. Actuarial gains/losses are amortized over 15 years. Assumption or method changes are amortized over 20 years. Plan changes, including the 2009 Early Retirement Incentive Program (ERIP), are amortized over 15 years. Future ERIPs will be amortized over five years. Any actuarial surplus is amortized over 30 years. The existing layers on June 30, 2012, except those arising from the 2009 ERIP and the two Governmental Accounting Standards Board (GASB) Statements No. 25/27 layers, were combined and amortized over 30 years.
Asset Valuation Method	Fair value of assets less unrecognized returns in each of the last seven years. Unrecognized return is equal to the difference between the actual market return and the expected return on the fair value and is recognized over a seven-year period. The actuarial value of assets cannot be less than 60% or greater than 140% of the fair value of assets.

Actuarial Assumptions:

Investment Rate of Return	7.00%
Inflation	2.75%
Real Across-the-Board Salary Increase	0.50%
Projected Salary Increases ⁽¹⁾	Ranges from 4.25% to 9.95% based on years of service.
Cost of Living Adjustment	2.75% for Tier 1; 2.00% for Tier 3. Actual increases are contingent upon Consumer Price Index (CPI) increases with a 2.75% maximum for Tier 1 and a 2.00% maximum for Tier 3. For Tier 1 members with sufficient COLA bank, withdrawals from the bank can be made to increase retiree COLA up to 3% per year.
Mortality	Healthy: Pub-2010 General Health Retiree Amount-Weighted Above-Median Mortality Tables with rates increased by 10% for males, projected generationally with the two-dimensional mortality improvement scale MP-2019. Disabled: Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Tables with rates increased by 10% for males and decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2019. Beneficiaries: Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Tables with rates increased by 10% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2019.

⁽¹⁾ Includes inflation at 2.75% plus across-the-board salary increase of 0.50% plus merit and promotional increases.

Required Supplementary Information Retirement Plan

Schedule of Investment Returns (Losses) For the Fiscal Years Ended June 30

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses	(8.0%)	27.5%	2.0%	5.5%	9.3%	12.6%	0.2%	2.6%	18.2%

Note to Schedule:

In fiscal years 2020, 2021 and 2022, the impact of highly divergent and volatile global market in LACERS' investments continued resulting from the economic distress caused by the COVID-19 pandemic that started in 2020, the subsequent strong market recovery in 2021 and the sharp decline in 2022 brought by the inflation concerns.

Required Supplementary Information

Postemployment Health Care Plan

The schedules included in the Required Supplementary Information for the Postemployment Health Care Plan are intended to show information for 10 years. However, the following schedules do not have a full 10-year trend, and therefore, Los Angeles City Employees' Retirement System (LACERS or the System) presented information only for those years for which information is available:

- 1) Schedule of Net OPEB (Asset) Liability
- 2) Schedule of Changes in Net OPEB (Asset) Liability and Related Ratios
- 3) Schedule of Investment Returns (Losses)

Additional years will be displayed in the future as they become available.

Schedule of Net OPEB (Asset) Liability As of June 30 (Dollars in Thousands)

Fiscal Year	Total OPEB Liability	Plan Fiduciary Net Position	Plan's Net OPEB (Asset) Liability	Plan Fiduciary Net Position as a percentage of the Total OPEB Liability
2016	2,793,689	2,134,877	658,812	76.4%
2017	3,005,806	2,438,862	566,944	81.1%
2018	3,256,827	2,676,371	580,456	82.2%
2019	3,334,299	2,812,098	522,201	84.3%
2020	3,486,530	2,851,204	635,326	81.8%
2021	3,520,078	3,781,652	(261,574)	107.4%
2022	3,580,696	3,347,771	232,925	93.5%

Note to Schedule:

Refer to the notes to the Schedule of Changes in Net OPEB (Asset) Liability and Related Ratios.

Required Supplementary Information Postemployment Health Care Plan

Schedule of Changes in Net OPEB (Asset) Liability and Related Ratios For the Fiscal Years Ended June 30 (Dollars in Thousands)

	2022	2021	2020	2019
Total OPEB Liability				
Service cost ⁽¹⁾	\$ 81,415	\$ 84,817	\$ 76,423	\$ 74,478
Interest	246,694	244,776	242,666	236,678
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(369)	10,672	(135,720)	(134,053)
Changes of assumptions	(109,877)	(157,614)	96,076	33,940
Benefit payments ⁽²⁾	(157,245)	(149,103)	(127,214)	(133,571)
Net change in total OPEB liability	<u>60,618</u>	<u>33,548</u>	<u>152,231</u>	<u>77,472</u>
Total OPEB liability-beginning	<u>3,520,078</u>	<u>3,486,530</u>	<u>3,334,299</u>	<u>3,256,827</u>
Total OPEB liability-ending (a)	<u><u>\$ 3,580,696</u></u>	<u><u>\$ 3,520,078</u></u>	<u><u>\$ 3,486,530</u></u>	<u><u>\$3,334,299</u></u>
Plan fiduciary net position				
Contributions-employer	\$ 91,623	\$ 103,454	\$ 112,136	\$ 107,927
Net investment income (loss) ⁽³⁾	(360,636)	983,522	60,899	166,470
Benefit payments ⁽²⁾	(157,245)	(149,103)	(127,214)	(133,571)
Administrative expense	(7,619)	(7,425)	(6,715)	(5,099)
Others ⁽⁴⁾	(4)	-	-	-
Net change in Plan fiduciary net position	<u>(433,881)</u>	<u>930,448</u>	<u>39,106</u>	<u>135,727</u>
Plan fiduciary net position-beginning	<u>3,781,652</u>	<u>2,851,204</u>	<u>2,812,098</u>	<u>2,676,371</u>
Plan fiduciary net position-ending (b)	<u><u>\$ 3,347,771</u></u>	<u><u>\$ 3,781,652</u></u>	<u><u>\$ 2,851,204</u></u>	<u><u>\$2,812,098</u></u>
Plan's net OPEB (asset) liability-ending (a)-(b)	<u><u>\$ 232,925</u></u>	<u><u>\$ (261,574)</u></u>	<u><u>\$ 635,326</u></u>	<u><u>\$ 522,201</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability (b)/(a)	93.5%	107.4%	81.8%	84.3%
Covered payroll	\$ 2,155,005	\$ 2,276,768	\$ 2,271,039	\$2,108,171
Plan's net OPEB (asset) liability as a percentage of covered payroll	10.8%	(11.5%)	28.0%	24.8%

(1) The service cost is based on the previous year's valuation.

(2) Benefit payments associated with the self-funded insurance premium and Member's health insurance premium reserve that were reported as both additions and deductions in fiduciary net position beginning fiscal year 2019 were excluded from the above schedule.

(3) Building Lease and Other Income were included in the Net investment income (loss) starting in fiscal year 2020. Investment related administrative expenses is part of Administrative expenses and excluded from Net investment Income.

(4) In fiscal year 2022, a prior period adjustment was made related to the implementation of GASB 87 – Lease, to restate fiscal year 2021 information presented in fiscal year 2022 financial report as comparative report.

Required Supplementary Information Postemployment Health Care Plan

Schedule of Changes in Net OPEB (Asset) Liability and Related Ratios (Continued) For the Fiscal Years Ended June 30 (Dollars in Thousands)

	2018	2017	2016
Total OPEB Liability			
Service cost ⁽¹⁾	\$ 74,611	\$ 68,385	\$ 62,360
Interest	218,686	210,170	199,078
Changes of benefit terms	948	-	17,215
Differences between expected and actual experience ⁽²⁾	(7,321)	19,666	(22,013)
Changes of assumptions	92,178	33,512	-
Benefit payments ⁽³⁾	(128,081)	(119,616)	(109,940)
Net change in total OPEB liability	<u>251,021</u>	<u>212,117</u>	<u>146,700</u>
Total OPEB liability-beginning	<u>3,005,806</u>	<u>2,793,689</u>	<u>2,646,989</u>
Total OPEB liability-ending (a)	<u><u>\$ 3,256,827</u></u>	<u><u>\$ 3,005,806</u></u>	<u><u>\$ 2,793,689</u></u>
Plan fiduciary net position			
Contributions-employer	100,909	97,457	105,983
Net investment income (loss) ⁽⁴⁾	269,380	330,708	(344)
Benefit payments ⁽³⁾	(128,081)	(119,616)	(109,940)
Administrative expense	(4,699)	(4,564)	(4,528)
Net change in Plan fiduciary net position	<u>237,509</u>	<u>303,985</u>	<u>(8,829)</u>
Plan fiduciary net position-beginning	<u>2,438,862</u>	<u>2,134,877</u>	<u>2,143,706</u>
Plan fiduciary net position-ending (b)	<u><u>\$ 2,676,371</u></u>	<u><u>\$ 2,438,862</u></u>	<u><u>\$ 2,134,877</u></u>
Plan's net OPEB (asset) liability-ending (a)-(b)	<u><u>\$ 580,456</u></u>	<u><u>\$ 566,944</u></u>	<u><u>\$ 658,812</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability (b)/(a)	82.2%	81.1%	76.4%
Covered payroll	\$ 2,057,565	\$ 1,973,049	\$ 1,876,946
Plan's net OPEB (asset) liability as a percentage of covered payroll	28.2%	28.7%	35.1%

(1) The service cost is based on the previous year's valuation.

(2) After the GASB Statement No. 74 valuation report was issued for the fiscal year June 30, 2017, the System's consulting actuary reclassified \$12,450,000 of OPEB liability from the *Changes of Assumption* (revised from \$45,962,000 to \$33,512,000) to the *Differences Between Expected and Actual Experience* (revised from \$7,216,000 to \$19,666,000). However, this reclassification did not affect the recommended employer contribution rates or results of the OPEB valuation in total.

(3) Benefit payments associated with the self-funded insurance premium and Member's health insurance premium reserve that were reported as both additions and deductions in fiduciary net position beginning fiscal year 2019 were excluded from the above schedule.

(4) Building Lease and Other Income were included in the Net investment income (loss) starting in fiscal year 2020. Investment related administrative expenses is part of Administrative expenses and excluded from Net investment Income.

Required Supplementary Information Postemployment Health Care Plan

Schedule of Changes in Net OPEB (Asset) Liability and Related Ratios (Continued)

Notes to Schedule:

Changes of Benefit Terms: The OPEB liability from the changes of benefit terms for the fiscal year ended June 30, 2016 is primarily due to providing retiree healthcare benefits to part-time employees who retired with 10 years of service but less than 10 years of service credit (refer to Note 3 – Postemployment Health Care Plan Description, Eligibility Requirement and Benefits Provided on pages 26 - 27) while the June 30, 2018 increase is primarily as a result of the newly adopted enhanced benefits for Airport Peace Officers (APO) who elected to stay at LACERS Plan (refer to Note 2 – Retirement Plan Description, Tier 1 – Enhanced Benefits on page 21) as some APO Members may retire earlier than expected. Enhanced benefits became effective as of January 7, 2018.

Changes of Assumptions: The OPEB liability from the changes of assumptions for the fiscal year ended June 30, 2017 is primarily due to the lowered assumed investment rate of return, from 7.50% to 7.25%, and the June 30, 2018 increase is primarily due to the new actuarial assumptions adopted in the triennial experience study (July 1, 2014 through June 30, 2017), including revising the mortality tables from static to generational. The June 30, 2019 increase is mainly due to the increased Medicare Part B Premium Trend Rate from 4.0% to 4.5% while the June 30, 2020 is due to the new actuarial assumptions adopted as a result of actuarial experience study covering the period July 1, 2016 to June 30, 2019 which included a lowered investment rate of returns from 7.25% to 7.00% as well as using revised mortality tables. The June 30, 2021 and June 30, 2022 decreases are primarily due to the updated trend assumption for projecting medical premiums after fiscal year 2021/22 and after 2022/23, respectively.

Required Supplementary Information
Postemployment Health Care Plan

Schedule of Contribution History
(Dollars in Thousands)

Fiscal Year	Actuarially Determined Contributions (ADC)	Contributions in Relation to ADC	Contributions Deficiency	Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 72,916	\$ 72,916	\$ -	\$1,736,113	4.2%
2014	97,841	97,841	-	1,802,931	5.4
2015	100,467	100,467	-	1,835,637	5.5
2016	105,983	105,983	-	1,876,946	5.7
2017	97,457	97,457	-	1,973,049	4.9
2018	100,909	100,909	-	2,057,565	4.9
2019	107,927	107,927	-	2,108,171	5.1
2020	112,136	112,136	-	2,271,039	4.9
2021	103,454	103,454	-	2,276,768	4.5
2022	91,623	91,623	-	2,155,005	4.3

Notes to Schedule:

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which the contributions are reported.

Valuation Date

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method Entry Age Actuarial Cost Method (level percent of payroll).

Amortization Method Level Percent of Payroll.

Amortization Period Multiple layers – closed amortization periods.
The unfunded actuarial accrued liability as of June 30, 2020 is amortized over a fixed period of 21 years beginning June 30, 2021. Actuarial gains/losses are amortized over 15 years. Non-health related assumptions or method changes are amortized over 20 years. Health related assumptions or method changes are amortized over 15 years. Plan changes, including the 2009 Early Retirement Incentive Program (ERIP), are amortized over 15 years. Future ERIPs will be amortized over five years. Any actuarial surplus is amortized over 30 years. The existing layers on June 30, 2012, except those arising from the 2009 ERIP and the two Governmental Accounting Standards Board (GASB) Statements No. 25/27 layers, were combined and amortized over 30 years.

Asset Valuation Method Fair value of assets less unrecognized returns in each of the last seven years. Unrecognized return is equal to the difference between the actual and expected returns on a fair value basis and is recognized over a seven-year period. The actuarial value of assets cannot be less than 60% or greater than 140% of the market value of assets.

Actuarial Assumptions:

Investment Rate of Return 7.00%

Inflation 2.75%

Real Across-the-Board Salary Increase 0.50%

Required Supplementary Information Postemployment Health Care Plan

Schedule of Contribution History (Continued)

Notes to Schedule (Continued)

Methods and Assumptions Used to Determine Contribution Rates (Continued)

Projected Salary Increases ⁽¹⁾	Ranges from 4.25% to 9.95% based on years of service.
Mortality	<p>Healthy: Pub-2010 General Healthy Retiree Headcount-Weighted Above-Median Mortality Tables with rates increased by 10% for males, projected generationally with the two-dimensional mortality improvement scale MP-2019</p> <p>Disabled: Pub-2010 Non-Safety Disabled Retiree Headcount-Weighted Mortality Tables with rates increased by 10% for males and decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2019.</p> <p>Beneficiaries: Pub-2010 Contingent Survivor Headcount-Weighted Above-Median Mortality Tables with rates increased by 10% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2019.</p>

⁽¹⁾ Includes inflation at 2.75%, plus across-the-board salary increase of 0.50% plus merit and promotional increases.

Schedule of Investment Returns (Losses) For the Fiscal Years Ended June 30

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expenses	(10.5%)	39.9%	2.1%	6.1%	10.8%	15.2%

Note to Schedule:

The required disclosure about factors that significantly affect trends in the money-weighted rate of return is not provided as only six years' rates are available. As additional years' money-weighted rate of return become available, the System will disclose factors that significantly affect trends in the rate of return.

For fiscal year 2020, investment return was impacted by the recent spread of COVID-19 which adversely impacted global commercial activity and volatility in the global financial markets. The substantial increase of investment return in fiscal year 2021, is primarily attributed to a strong recovery of the global financial market following the initial shock caused by the COVID-19 pandemic in the previous fiscal year. In fiscal year 2022, global economy and financial market sharply declined due to economic distress brought by the rapidly increasing inflation.

SUPPLEMENTAL SCHEDULES

Schedule of Administrative Expenses
For the Fiscal Year Ended June 30, 2022
(In Thousands)

	<u>Retirement Plan</u>	<u>Postemployment Health Care Plan</u>	<u>Total</u>
Personnel Services:			
Salaries	\$ 13,100	\$ 2,989	\$ 16,089
Employee Benefits and Development	5,728	1,307	7,035
Total Personnel Services	<u>18,828</u>	<u>4,296</u>	<u>23,124</u>
Professional Services:			
Actuarial	261	60	321
Audit	142	32	174
Legal Counsel	657	150	807
Disability Evaluation	64	15	79
Retirees' Health Admin Consulting	-	539	539
Benefit Payroll Processing	200	45	245
Self Funded Plan Administrative Fee	-	875	875
Other Consulting	51	12	63
Total Professional Services	<u>1,375</u>	<u>1,728</u>	<u>3,103</u>
Information Technology:			
Computer Hardware & Software	544	124	668
Computer Maintenance & Support	209	47	256
Total Information Technology	<u>753</u>	<u>171</u>	<u>924</u>
Other Expenses:			
Fiduciary Insurance	72	17	89
Educational and Due Diligence Travel	27	6	33
Office Expenses	974	223	1,197
Depreciation	1,419	324	1,743
Building Operating Exp	834	190	1,024
Total Other Expenses	<u>3,326</u>	<u>760</u>	<u>4,086</u>
Total Administrative Expenses	<u>\$ 24,282</u>	<u>\$ 6,955</u>	<u>\$ 31,237</u>

**Schedule of Investment Fees and Expenses
For the Fiscal Year Ended June 30, 2022
(In Thousands)**

	<u>Assets Under Management</u>	<u>Fees and Expenses</u>
<u>Retirement Plan</u>		
Investment Management Fees:		
Fixed Income Managers	\$ 4,680,657	\$ 8,320
Equity Managers	7,945,903	23,368
Subtotal	12,626,560	31,688
Other Investment Fees and Expenses:		
Private Equity Consulting Fees	N/A	620
Real Estate Consulting Fees	N/A	175
Other Consulting Fees	N/A	379
Investment Related Administrative Expenses	N/A	2,907
Subtotal	N/A	4,081
<u>Postemployment Health Care Plan</u>		
Investment Management Fees:		
Fixed Income Managers	916,022	1,899
Equity Managers	1,555,042	5,333
Subtotal	2,471,064	7,232
Other Investment Fees and Expenses:		
Private Equity Consulting Fees	N/A	142
Real Estate Consulting Fees	N/A	40
Other Consulting Fees	N/A	86
Investment Related Administrative Expenses	N/A	664
Subtotal	N/A	932
Total Investment Fees and Expenses excluding Private Equity and Real Estate	<u>\$ 15,097,624</u>	<u>\$ 43,933</u>
Private Equity Managers' Fees and Expenses:		
Retirement Plan	\$ 3,179,715	\$ 56,705
Postemployment Health Care Plan	622,282	12,940
Total Private Equity Managers' Fees and Expenses	<u>\$ 3,801,997</u>	<u>\$ 69,645</u>
Real Estate Managers' Fees and Expenses:		
Retirement Plan	\$ 971,126	\$ 13,163
Postemployment Health Care Plan	190,053	3,004
Total Real Estate Managers' Fees and Expenses	<u>\$ 1,161,179</u>	<u>\$ 16,167</u>
Total Assets Under Management and Fees and Expenses	<u>\$ 20,060,800⁽¹⁾</u>	<u>\$ 129,745⁽²⁾</u>

(1) Excludes Security Lending Collateral assets of \$515,988,000.

(2) Includes Investment Management Fees and Expenses of \$126,174,000 and Investment-Related Administrative Expenses of \$3,571,000.



Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Administration
Los Angeles City Employees' Retirement System

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the total columns of the retirement plan and the postemployment health care plan in the statement of fiduciary net position of Los Angeles City Employees' Retirement System (LACERS), a department of the Municipality of the City of Los Angeles, California, as of June 30, 2022, and the related total columns of the retirement plan and the postemployment health care plan in the statements of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 5, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Los Angeles City Employees' Retirement System's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Los Angeles City Employees' Retirement System's internal control. Accordingly, we do not express an opinion on the effectiveness of Los Angeles City Employees' Retirement System's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of LACERS's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Los Angeles City Employees' Retirement System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of LACERS's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering LACERS's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



El Segundo, California
December 5, 2022



COMMUNICATIONS WITH THE BOARD OF ADMINISTRATION
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

June 30, 2022



Communications with the Board of Administration

Board of Administration
Los Angeles City Employees' Retirement System

We have audited the financial statements of Los Angeles City Employees' Retirement System (LACERS), a department of the Municipality of the City of Los Angeles, California, as of and for the year ended June 30, 2022 and have issued our report thereon dated December 5, 2022. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter dated August 2, 2022, we are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). As part of an audit conducted in accordance with U.S. GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LACERS's internal control over financial reporting. Accordingly, we considered LACERS's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

We are also responsible for communicating significant matters related to the financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter dated August 2, 2022 and planning discussions during August 2022.

Significant Audit Findings and Issues

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by LACERS are described in Note 1 to the financial statements.

LACERS implemented GASB Statement No. 87 related to lease accounting (for leases previously recorded as operating leases) effective for year ended June 30, 2022. There were no other changes in the application of existing policies during 2022. We noted no transactions entered into by LACERS during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the fair value measurements is based on the price that would be received to sell an asset in an orderly transaction between market participants. We evaluated the key factors and assumptions used to develop the fair value measurements in determining that it is reasonable in relation to the financial statements as a whole.

Management's estimates of total pension liability and total OPEB liability are based on actuarial measurements performed by LACERS's independent actuary. We evaluated the key factors, assumptions, and methods used by the actuaries to develop the information disclosed in the financial statements in determining that they are reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

The disclosures in the financial statements are consistent, clear, and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

The most sensitive disclosures affecting the financial statements were disclosures of net pension liability and net OPEB liability and other pension and OPEB measurements in Notes 3 and 4 to the financial statements. These reported measurements, along with the related disclosures required by GAAP, are used by the City of Los Angeles and its affiliated components that report on a standalone basis in their financial reporting at year end.

Significant Unusual Transactions

We encountered no significant unusual transactions during our audit of LACERS's financial statements.

Significant Difficulties Encountered in Performing the Audit

Professional standards require us to inform you of any significant difficulties encountered in performing the audit. No significant difficulties were encountered during our audit of LACERS's financial statements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of our audit.

Circumstances that Affect the Form and Content of the Auditor's Report

There may be circumstances in which we would consider it necessary to include additional information in the auditor's report in accordance with U.S. GAAS. There were no circumstances that affected the form and content of the auditor's report.

Uncorrected Misstatements

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not identify any misstatements during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 5, 2022.

Management Consultation with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to LACERS's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Significant Audit Findings or Issues

We are required to communicate to you other findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process. There were no such items identified.

This information is intended solely for the use of the Board of Administration and management of LACERS and is not intended to be and should not be used by anyone other than these specified parties.



El Segundo, California
December 5, 2022



PORTFOLIO PERFORMANCE REVIEW

LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

QUARTER ENDING SEPTEMBER 30, 2022



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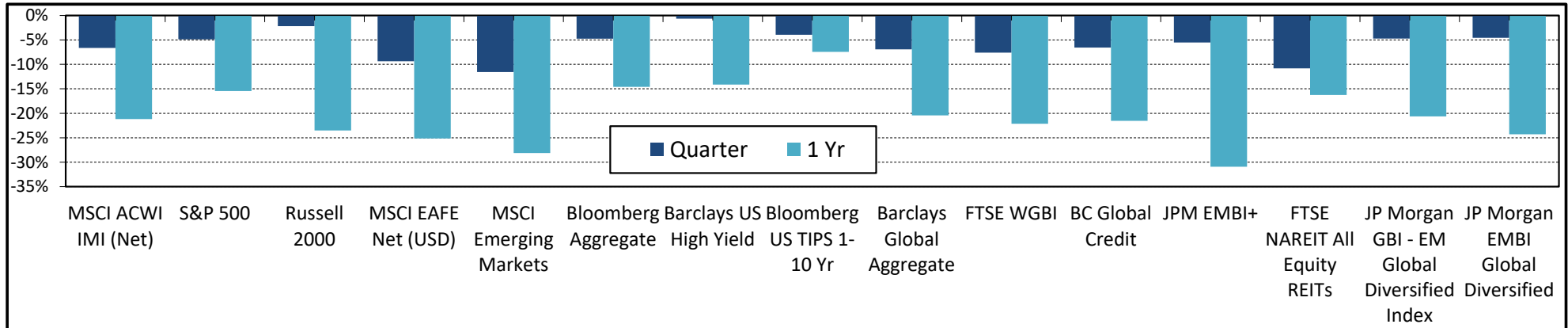
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EXECUTIVE SUMMARY



PERFORMANCE OVERVIEW

Q3 Market Summary – Equities in Bear Market



	Market Value (\$)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	15 Yrs (%)	Inception (%)	Inception Date
LACERS Master Trust	19,934,673,693	-5.3 (83)	-16.7 (68)	-13.1 (68)	4.7 (67)	5.2 (70)	7.3 (52)	5.4 (61)	7.8 (73)	Nov-94
<i>Policy Index</i>		<i>-5.9 (94)</i>	<i>-18.0 (78)</i>	<i>-14.0 (78)</i>	<i>4.1 (75)</i>	<i>4.9 (76)</i>	<i>6.9 (71)</i>	<i>5.3 (67)</i>	<i>7.7 (83)</i>	
<i>InvMetrics Public DB \$5-50B Gross Median</i>		<i>-4.4</i>	<i>-15.0</i>	<i>-11.4</i>	<i>5.2</i>	<i>5.6</i>	<i>7.4</i>	<i>5.4</i>	<i>7.9</i>	

Note: Performance is gross of fees

Equities continued their decline through the third quarter as geopolitical tensions, high inflation and dramatic increases in interest rates ratcheted up concerns of a recession.

U.S. Equity and Non-U.S. Equity and Private Equity outperformed contributing positively relative to policy benchmarks.

Fixed income markets continued to decline in Q3 as the Federal Reserve boosted the Fed Funds rate by 75 basis points in September—its fifth rate hike this year—bringing the benchmark rate to 3%-3.25%.

Core Fixed Income and Credit Opportunities underperformed

Private Real Estate and Public Real Assets outperformed



MARKET ENVIRONMENT



THE S&P 500 INDEX REMAINS IN A BEAR MARKET

LENGTH AND DEPTH OF S&P 500 BEAR MARKETS

Start	End	Length of Bear Market (Months)	Length of Recovery* (Months)	S&P 500 Decline
01/03/2022	?	9*	?	-24%*
02/19/2020	03/23/2020	1	5	-34%
10/09/2007	03/09/2009	17	59	-55%
03/24/2000	10/09/2002	31	80	-47%
08/25/1987	12/04/1987	3	20	-34%
11/28/1980	08/12/1982	21	3	-27%
01/11/1973	10/03/1974	21	69	-48%

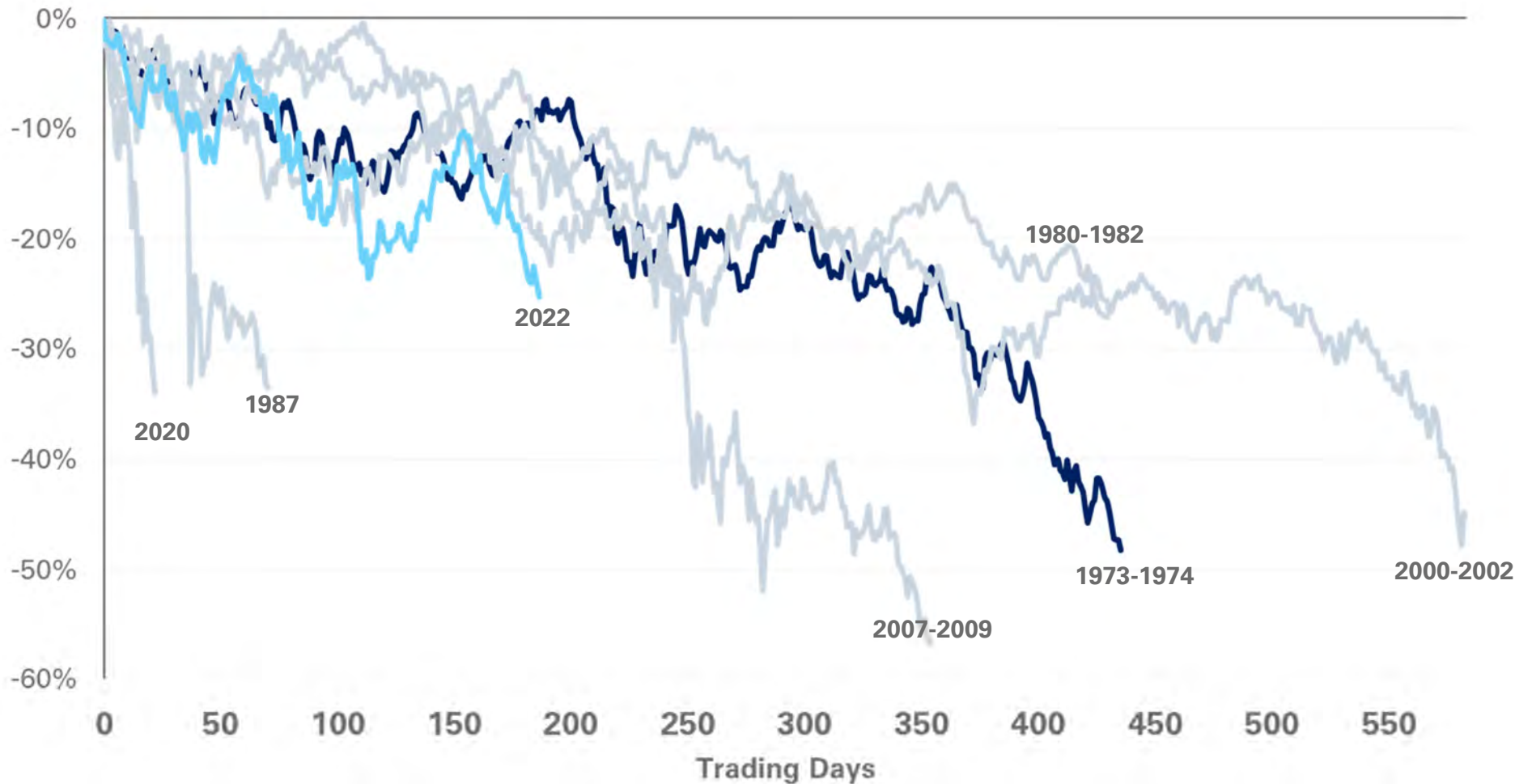
Notes: 2022 bear market is ongoing; represents historical bear markets since 1970. *Length of Recovery represents time to recoup losses from the start of the bear market.

Sources: S&P, FactSet, NEPC



THE BEAR MARKET IS TRENDING WITH THE PAST

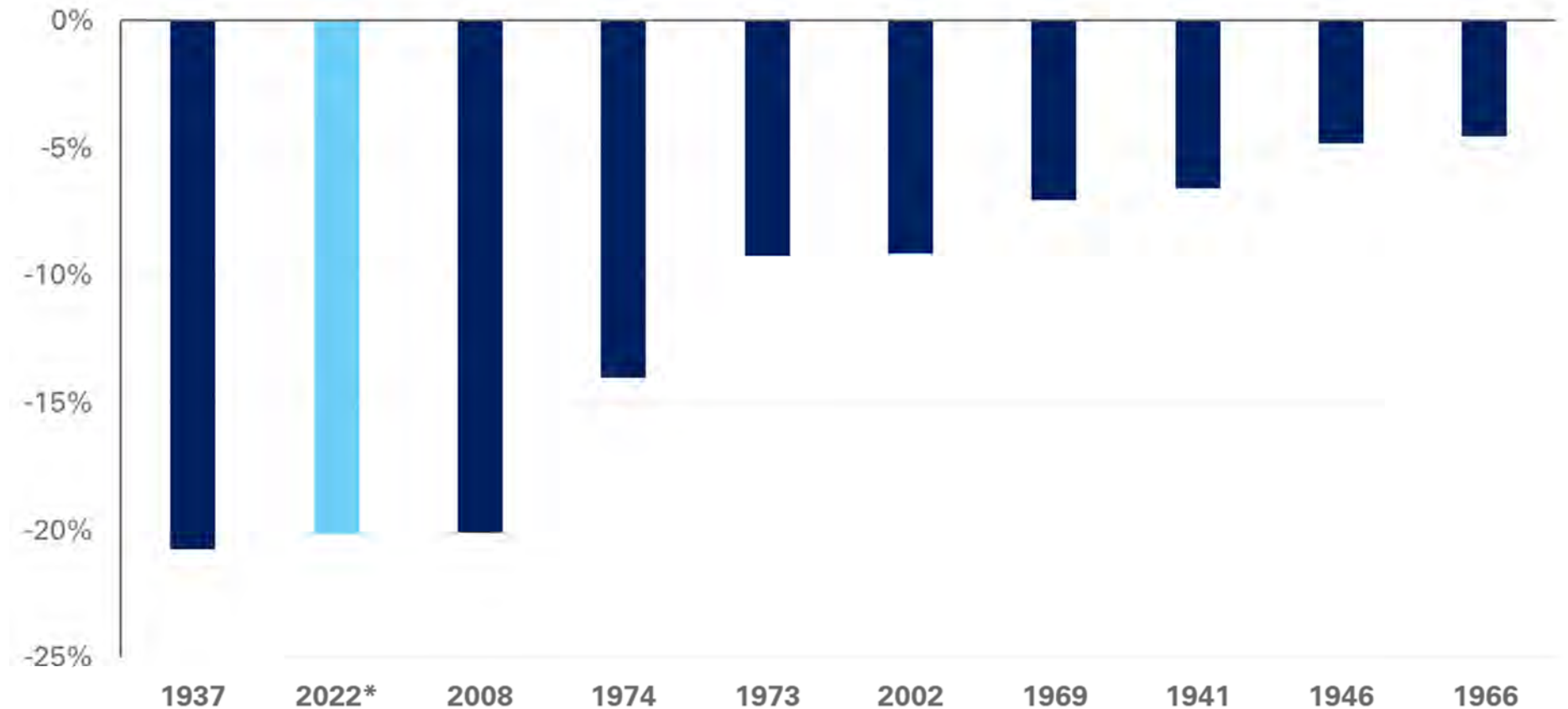
HISTORICAL S&P 500 BEAR MARKET PATHS RELATIVE TO TODAY



Sources: S&P, FactSet, NEPC

60/40 PORTFOLIO ON TRACK FOR WORST YEAR

WORST ANNUAL RETURNS: 60/40 PORTFOLIO

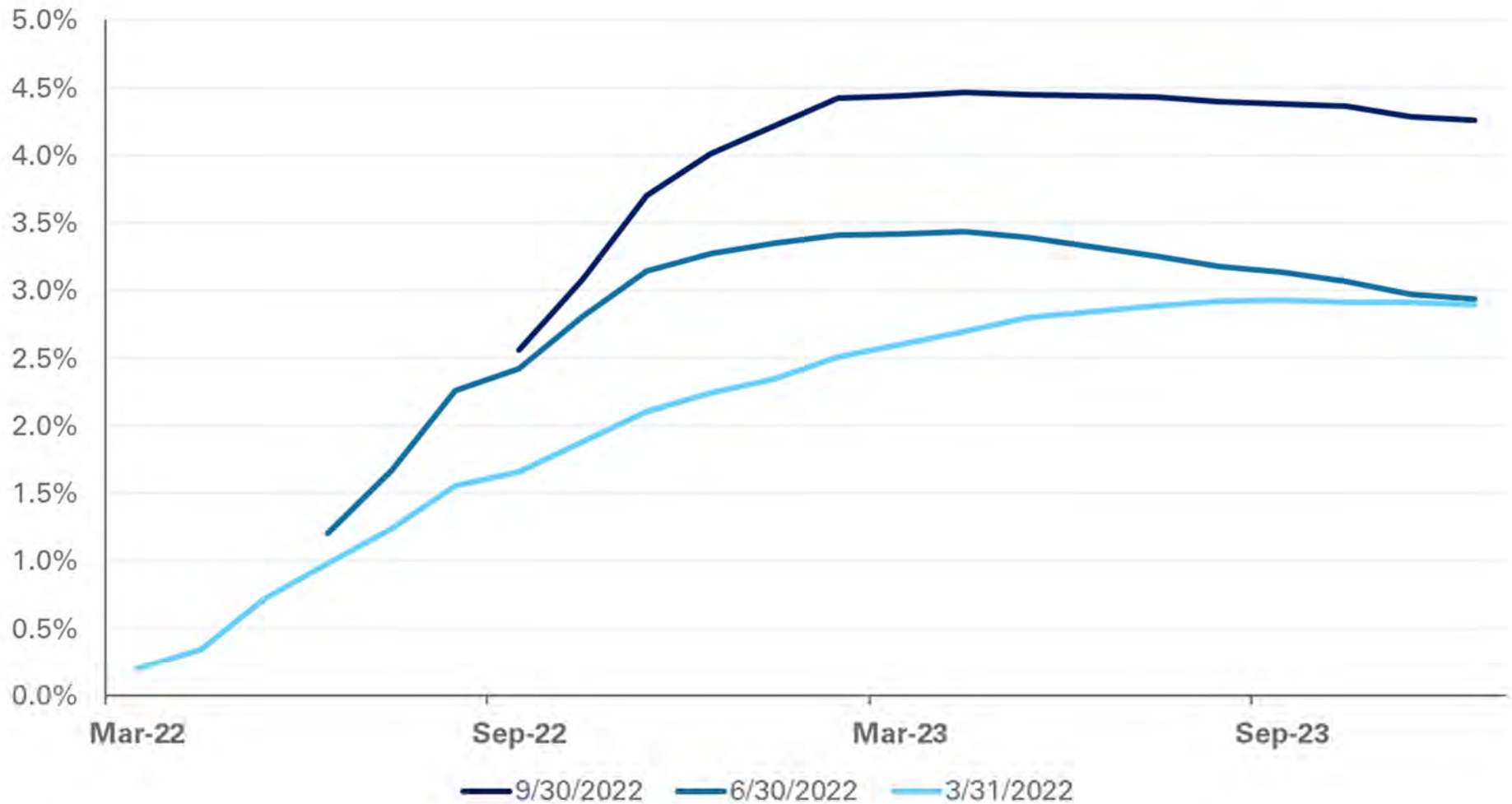


60/40 Portfolio represents 60% S&P 500 and 40% U.S. Aggregate Bonds (post 1975) and 40% Treasury (prior to 1974)
Data calculated from 12/31/1936; 2022 represents returns through the first nine months of the year
Source: S&P, Bloomberg, FactSet



FED FUNDS EXPECTATIONS ROSE

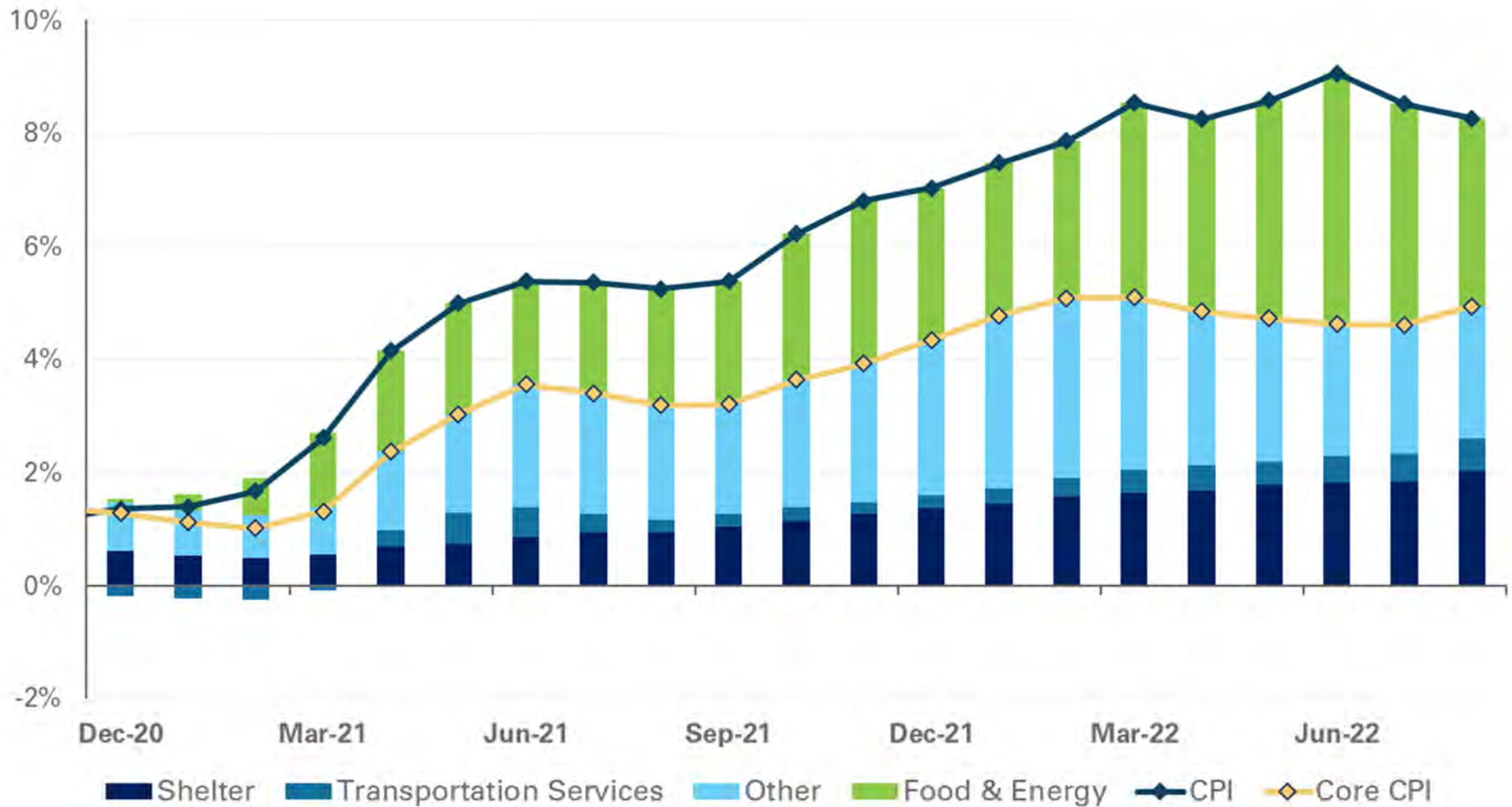
FEDERAL FUNDS FUTURES



Source: FactSet

CORE INFLATION INCREASED

ANNUAL U.S. CPI-U CHANGES



Source: Department of Labor, FactSet



THE DOLLAR STRENGTHENED

THE U.S. DOLLAR INDEX



U.S. Dollar Index represents the value of the U.S. Dollar relative to the currencies of major trade partners. The Euro, Japanese Yen, Pound Sterling, and Canadian Dollar represent the largest weights within the Index.
Source: FactSet



KEY THEMES FOR INVESTORS

Stagflation dynamics pose a challenge to portfolio diversification and represent a headwind for equity valuations and profit margins

The path of U.S. corporate earnings do not reflect material weakness for 2023 despite the tightening monetary policy environment

Europe's economy is exposed to an energy shock as its infrastructure undergoes an emergency transplant to pivot from Russian energy

China's zero-COVID policy has global supply chain implications and continues to dampen consumer spending and industrial activity

U.S. Dollar strength reveals risks in the global financial system and will continue to pressure weaker markets, companies and nations

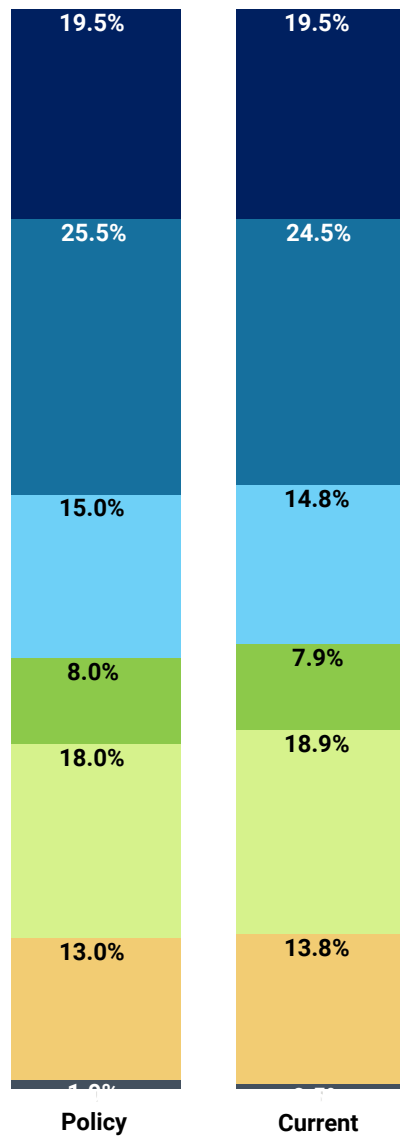
ASSET CLASS POLICY OVERVIEW



Los Angeles City Employees' Retirement System-LACERS Master Trust

ASSET ALLOCATION VS. POLICY

Asset Allocation vs. Target



	Current (\$)	Policy (%)	Current (%)	Differences* (%)	Policy Range (%)	Within Range
■ U.S. Equity	3,884,354,448	19.5	19.5	0.0	14.0 - 25.0	Yes
■ Non-US Equity	4,888,885,269	25.5	24.5	-1.0	19.5 - 31.5	Yes
■ Core Fixed Income	2,956,439,909	15.0	14.8	-0.2	11.8 - 18.3	Yes
■ Credit Opportunities	1,570,572,609	8.0	7.9	-0.1	5.5 - 13.5	Yes
■ Private Equity	3,770,111,083	18.0	18.9	0.9	N/A	Yes
■ Real Assets	2,757,559,694	13.0	13.8	0.8	5.5 - 15.5	Yes
■ Cash	106,750,681	1.0	0.5	-0.5	0.0 - 2.0	Yes
Total	19,934,673,693	100.0	100.0	0.0		

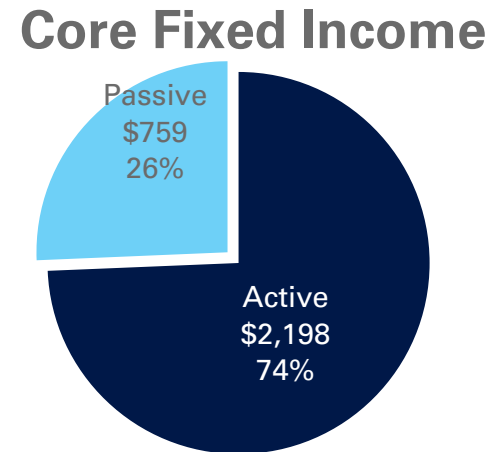
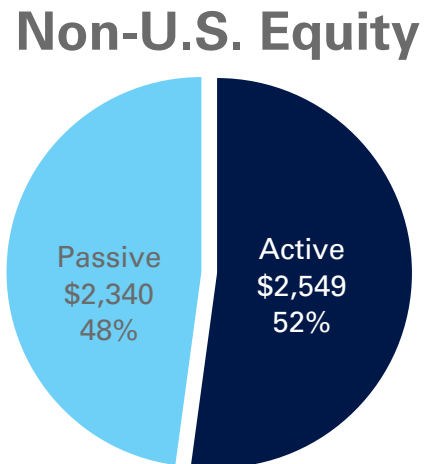
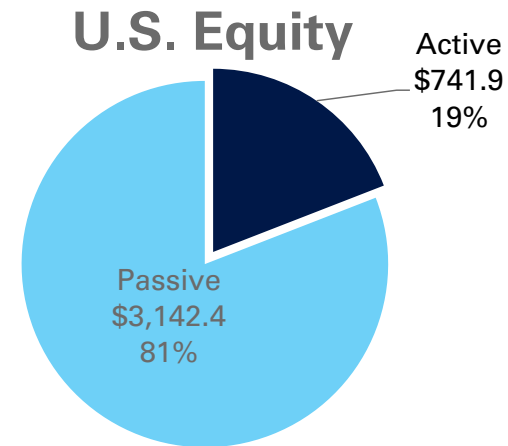
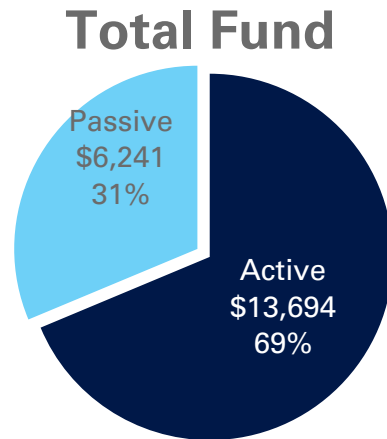
*Difference between Policy and Current Allocation

Note: Policy target asset allocation reflects interim asset allocation policy targets adopted on July 12, 2022.



ACTIVE AND PASSIVE MANAGER BREAKDOWN

Note: Market values shown in millions \$(000).



- LACERS allocated 69% to active managers and 31% to passive managers.
- Credit Opportunities, Private Equity, and Real Assets programs are active and therefore are not shown.

PERFORMANCE OVERVIEW



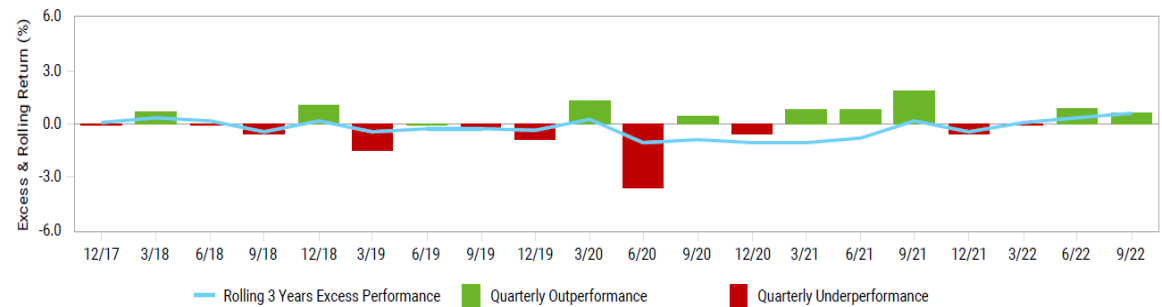
TOTAL FUND PERFORMANCE SUMMARY

GROSS OF FEES

	Market Value (\$)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	15 Yrs (%)	Inception (%)	Inception Date
LACERS Master Trust	19,934,673,693	-5.3 (83)	-16.7 (68)	-13.1 (68)	4.7 (67)	5.2 (70)	7.3 (52)	5.4 (61)	7.8 (73)	Nov-94
<i>Policy Index</i>		<i>-5.9 (94)</i>	<i>-18.0 (78)</i>	<i>-14.0 (78)</i>	<i>4.1 (75)</i>	<i>4.9 (76)</i>	<i>6.9 (71)</i>	<i>5.3 (67)</i>	<i>7.7 (83)</i>	
<i>InvMetrics Public DB \$5-50B Gross Median</i>		<i>-4.4</i>	<i>-15.0</i>	<i>-11.4</i>	<i>5.2</i>	<i>5.6</i>	<i>7.4</i>	<i>5.4</i>	<i>7.9</i>	

Over the past five years the Fund return of 5.2% outperformed the policy index by 0.3% and ranked in the 70th percentile within the Public Funds \$5 Billion- \$50 Billion universe. The Fund’s volatility of 10.2% ranked in the 61st percentile over this period. The Fund’s risk-adjusted performance, as measured by the Sharpe Ratio ranked in the 70th percentile and the Sortino Ratio ranked in the 66th percentile. Both measures outperformed the benchmark indicating that active management benefited the Plan.

Quarter Excess Return with a Rolling 3 Years Excess Return vs. Policy Index over 5 Years Ending September 30, 2022



Over the past three years the Fund return of 4.7% outperformed the policy index by 0.6% and ranked in the 67th percentile in its peer group. The Fund’s volatility ranked in the 59th percentile and the Sharpe Ratio ranked in the 75th percentile. The Sortino Ratio of 0.6 ranked in the 67th percentile.

5 Years Ending September 30, 2022								
	Return	Rank	Standard Deviation	Rank	Sharpe Ratio	Rank	Sortino Ratio	Rank
LACERS Master Trust	5.2	70	10.2	61	0.4	70	0.6	66
Policy Index	4.9	76	11.5	92	0.4	83	0.5	83
InvMetrics Public DB \$5-50B Gross Median	5.6		9.6		0.5		0.7	

3 Years Ending September 30, 2022								
	Return	Rank	Standard Deviation	Rank	Sharpe Ratio	Rank	Sortino Ratio	Rank
LACERS Master Trust	4.7	67	11.7	59	0.4	75	0.6	67
Policy Index	4.1	75	13.0	84	0.3	81	0.5	81
InvMetrics Public DB \$5-50B Gross Median	5.2		11.1		0.4		0.6	

In the one-year ended September 30, 2022, the Fund returned -13.1% and outperformed the policy index by 0.9%. The Fund’s return ranked in the 68th percentile in its peer group.



Los Angeles City Employees' Retirement System-LACERS Master Trust

EXECUTIVE SUMMARY

	Market Value (\$)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	15 Yrs (%)	Inception (%)	Inception Date
LACERS Master Trust	19,934,673,693	-5.3 (91)	-16.7 (71)	-13.1 (67)	4.7 (47)	5.2 (45)	7.3 (29)	5.4 (34)	7.8 (23)	Nov-94
<i>Policy Index</i>		<i>-5.9 (98)</i>	<i>-18.0 (81)</i>	<i>-14.0 (77)</i>	<i>4.1 (65)</i>	<i>4.9 (56)</i>	<i>6.9 (52)</i>	<i>5.3 (42)</i>	<i>7.7 (29)</i>	
<i>InvMetrics Public DB \$1-50B Gross Median</i>		<i>-3.9</i>	<i>-13.9</i>	<i>-10.3</i>	<i>4.5</i>	<i>5.0</i>	<i>7.0</i>	<i>5.2</i>	<i>7.5</i>	

3 Years Ending September 30, 2022

	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
LACERS Master Trust	4.7	11.7	0.4	0.6
<i>Policy Index</i>	<i>4.1</i>	<i>13.0</i>	<i>0.3</i>	<i>0.5</i>
<i>InvMetrics Public DB \$1-50B Gross Median</i>	<i>4.5</i>	<i>11.7</i>	<i>0.4</i>	<i>0.5</i>

5 Years Ending September 30, 2022

	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
LACERS Master Trust	5.2	10.2	0.4	0.6
<i>Policy Index</i>	<i>4.9</i>	<i>11.5</i>	<i>0.4</i>	<i>0.5</i>
<i>InvMetrics Public DB \$1-50B Gross Median</i>	<i>5.0</i>	<i>10.0</i>	<i>0.4</i>	<i>0.6</i>

Los Angeles City Employees' Retirement System-LACERS Master Trust

COMPOSITE PERFORMANCE DETAIL GROSS

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
LACERS Master Trust	19,934,673,693	100.00	-5.28	-16.67	-13.06	4.74	5.18	7.33	7.88	7.79	Nov-94
Policy Index			<u>-5.89</u>	<u>-17.96</u>	<u>-14.00</u>	<u>4.09</u>	<u>4.86</u>	<u>6.91</u>	<u>7.63</u>	<u>7.67</u>	
Over/Under			0.61	1.29	0.94	0.65	0.32	0.42	0.25	0.12	
U.S. Equity	3,884,354,448	19.49	-3.99	-24.02	-16.85	7.60	8.42	11.44	10.06	10.11	Nov-94
U.S. Equity Blend			<u>-4.46</u>	<u>-24.62</u>	<u>-17.63</u>	<u>7.70</u>	<u>8.62</u>	<u>11.39</u>	<u>9.93</u>	<u>9.19</u>	
Over/Under			0.47	0.60	0.78	-0.10	-0.20	0.05	0.13	0.92	
Non-U.S. Equity	4,888,885,269	24.52	-9.63	-27.50	-26.35	0.31	0.47	4.60	7.22	4.57	Nov-94
MSCI AC World ex USA (Net)			<u>-9.91</u>	<u>-26.50</u>	<u>-25.17</u>	<u>-1.52</u>	<u>-0.81</u>	<u>3.01</u>	<u>6.37</u>	<u>4.21</u>	
Over/Under			0.28	-1.00	-1.18	1.83	1.28	1.59	0.85	0.36	
Core Fixed Income	2,956,439,909	14.83	-4.65	-14.31	-14.27	-2.45	0.26	1.50	-	1.77	Jul-12
Core Fixed Income Blend			<u>-4.75</u>	<u>-14.61</u>	<u>-14.60</u>	<u>-3.26</u>	<u>-0.27</u>	<u>0.94</u>	-	<u>1.11</u>	
Over/Under			0.10	0.30	0.33	0.81	0.53	0.56	-	0.66	
Credit Opportunities	1,570,572,609	7.88	-1.65	-14.52	-14.96	-2.59	0.37	-	-	3.03	Jul-13
Credit Opportunities Blend			<u>-2.75</u>	<u>-15.91</u>	<u>-16.32</u>	<u>-2.55</u>	<u>0.28</u>	-	-	<u>3.16</u>	
Over/Under			1.10	1.39	1.36	-0.04	0.09	-	-	-0.13	
Real Assets	2,757,559,694	13.83	-3.28	-5.26	-0.13	4.26	4.85	6.74	4.71	6.10	Dec-94
Real Assets Policy Benchmark			<u>-3.86</u>	<u>-8.41</u>	<u>-1.32</u>	<u>5.47</u>	<u>6.12</u>	<u>6.24</u>	<u>6.31</u>	<u>7.67</u>	
Over/Under			0.58	3.15	1.19	-1.21	-1.27	0.50	-1.60	-1.57	
Public Real Assets	1,463,879,570	7.34	-6.84	-17.92	-13.41	1.19	2.38	-	-	1.70	Jul-14
Public Real Assets Blend			<u>-7.38</u>	<u>-19.18</u>	<u>-13.13</u>	<u>1.24</u>	<u>1.96</u>	-	-	<u>0.26</u>	
Over/Under			0.54	1.26	-0.28	-0.05	0.42	-	-	1.44	
Private Real Estate	1,274,301,050	6.39	1.13	16.73	23.00	8.97	8.32	9.64	6.12	7.11	Nov-94
Real Estate Blend			<u>0.72</u>	<u>13.75</u>	<u>23.05</u>	<u>13.26</u>	<u>11.12</u>	<u>11.52</u>	<u>9.96</u>	<u>10.20</u>	
Over/Under			0.41	2.98	-0.05	-4.29	-2.80	-1.88	-3.84	-3.09	
Private Equity	3,770,111,083	18.91	-4.18	0.79	8.99	21.10	18.04	14.98	13.55	11.66	Dec-95
Private Equity Blend			<u>-6.16</u>	<u>-3.38</u>	<u>6.34</u>	<u>19.57</u>	<u>17.01</u>	<u>17.31</u>	<u>15.03</u>	<u>13.70</u>	
Over/Under			1.98	4.17	2.65	1.53	1.03	-2.33	-1.48	-2.04	
Cash	106,750,681	0.54									

Refer to appendix for blended benchmark definitions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

COMPOSITE PERFORMANCE DETAIL NET

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
LACERS Master Trust	19,934,673,693	100.00	-5.32	-16.77	-13.20	4.57	5.01	7.14	7.68	6.41	Jul-01
<i>Policy Index</i>			<u>-5.89</u>	<u>-17.96</u>	<u>-14.00</u>	<u>4.09</u>	<u>4.86</u>	<u>6.91</u>	<u>7.63</u>	<u>6.34</u>	
Over/Under			0.57	1.19	0.80	0.48	0.15	0.23	0.05	0.07	
U.S. Equity	3,884,354,448	19.49	-4.01	-24.07	-16.92	7.53	8.34	11.33	9.88	7.94	Sep-01
<i>U.S. Equity Blend</i>			<u>-4.46</u>	<u>-24.62</u>	<u>-17.63</u>	<u>7.70</u>	<u>8.62</u>	<u>11.39</u>	<u>9.93</u>	<u>7.84</u>	
Over/Under			0.45	0.55	0.71	-0.17	-0.28	-0.06	-0.05	0.10	
Non-U.S. Equity	4,888,885,269	24.52	-9.69	-27.69	-26.60	-0.03	0.12	4.25	6.86	5.02	Jun-01
<i>MSCI AC World ex USA (Net)</i>			<u>-9.91</u>	<u>-26.50</u>	<u>-25.17</u>	<u>-1.52</u>	<u>-0.81</u>	<u>3.01</u>	<u>6.37</u>	<u>4.27</u>	
Over/Under			0.22	-1.19	-1.43	1.49	0.93	1.24	0.49	0.75	
Core Fixed Income	2,956,439,909	14.83	-4.67	-14.38	-14.36	-2.54	0.17	1.39	-	1.66	Jul-12
<i>Core Fixed Income Blend</i>			<u>-4.75</u>	<u>-14.61</u>	<u>-14.60</u>	<u>-3.26</u>	<u>-0.27</u>	<u>0.94</u>	<u>-</u>	<u>1.11</u>	
Over/Under			0.08	0.23	0.24	0.72	0.44	0.45	-	0.55	
Credit Opportunities	1,570,572,609	7.88	-1.74	-14.74	-15.27	-2.88	0.06	-	-	2.70	Jul-13
<i>Credit Opportunities Blend</i>			<u>-2.75</u>	<u>-15.91</u>	<u>-16.32</u>	<u>-2.55</u>	<u>0.28</u>	<u>-</u>	<u>-</u>	<u>3.16</u>	
Over/Under			1.01	1.17	1.05	-0.33	-0.22	-	-	-0.46	
Real Assets	2,757,559,694	13.83	-3.31	-5.34	-0.24	4.12	4.70	6.59	4.55	4.95	Jun-01
<i>Real Assets Policy Benchmark</i>			<u>-3.86</u>	<u>-8.41</u>	<u>-1.32</u>	<u>5.47</u>	<u>6.12</u>	<u>6.24</u>	<u>6.31</u>	<u>6.24</u>	
Over/Under			0.55	3.07	1.08	-1.35	-1.42	0.35	-1.76	-1.29	
Public Real Assets	1,463,879,570	7.34	-6.87	-18.01	-13.54	1.01	2.18	-	-	1.51	Jul-14
<i>Public Real Assets Blend</i>			<u>-7.38</u>	<u>-19.18</u>	<u>-13.13</u>	<u>1.24</u>	<u>1.96</u>	<u>-</u>	<u>-</u>	<u>0.26</u>	
Over/Under			0.51	1.17	-0.41	-0.23	0.22	-	-	1.25	
Private Real Estate	1,274,301,050	6.39	1.11	16.66	22.92	8.88	8.23	9.54	5.98	6.33	Jul-01
<i>Real Estate Blend</i>			<u>0.72</u>	<u>13.75</u>	<u>23.05</u>	<u>13.26</u>	<u>11.12</u>	<u>11.52</u>	<u>9.96</u>	<u>9.71</u>	
Over/Under			0.39	2.91	-0.13	-4.38	-2.89	-1.98	-3.98	-3.38	
Private Equity	3,770,111,083	18.91	-4.18	0.80	9.01	21.12	18.05	14.99	13.48	11.81	Sep-01
<i>Private Equity Blend</i>			<u>-6.16</u>	<u>-3.38</u>	<u>6.34</u>	<u>19.57</u>	<u>17.01</u>	<u>17.31</u>	<u>15.03</u>	<u>12.82</u>	
Over/Under			1.98	4.18	2.67	1.55	1.04	-2.32	-1.55	-1.01	
Cash	106,750,681	0.54									

Refer to appendix for blended benchmark definitions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

RISK STATISTICS

3 Years Ending September 30, 2022						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
LACERS Master Trust	4.74 (53)	11.68 (44)	1.02 (54)	0.19 (53)	0.57 (50)	2.35 (33)
InvMetrics Public DB \$1-50B Gross Median	4.86	11.90	1.10	0.20	0.57	3.08

5 Years Ending September 30, 2022						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
LACERS Master Trust	5.18 (56)	10.24 (50)	0.83 (53)	0.08 (55)	0.61 (49)	2.05 (32)
InvMetrics Public DB \$1-50B Gross Median	5.38	10.24	0.93	0.15	0.61	2.72

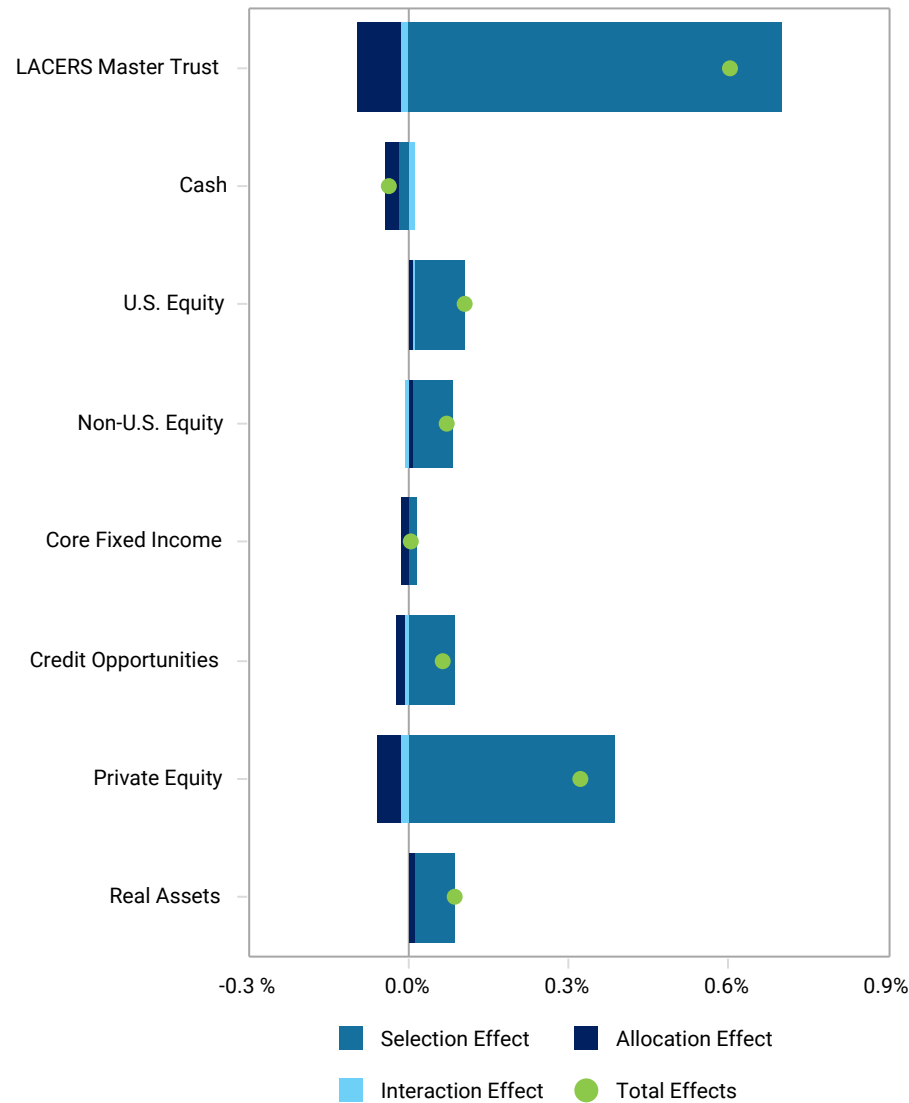
3 Years Ending September 30, 2022						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
LACERS Master Trust	4.74 (67)	11.68 (59)	1.02 (71)	0.19 (67)	0.57 (67)	2.35 (37)
InvMetrics Public DB \$5-50B Gross Median	5.18	11.13	1.47	0.37	0.63	3.15

5 Years Ending September 30, 2022						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
LACERS Master Trust	5.18 (70)	10.24 (61)	0.83 (70)	0.08 (70)	0.61 (66)	2.05 (34)
InvMetrics Public DB \$5-50B Gross Median	5.62	9.59	1.22	0.26	0.67	2.89

Los Angeles City Employees' Retirement System-LACERS Master Trust

ATTRIBUTION ANALYSIS

Attribution Effects 1 Quarter Ending September 30, 2022



Attribution Summary 1 Quarter Ending September 30, 2022

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Cash	-1.3	0.5	-1.8	0.0	0.0	0.0	0.0
U.S. Equity	-4.0	-4.5	0.5	0.1	0.0	0.0	0.1
Non-U.S. Equity	-9.6	-9.9	0.3	0.1	0.0	0.0	0.1
Core Fixed Income	-4.6	-4.8	0.1	0.0	0.0	0.0	0.0
Credit Opportunities	-1.6	-2.8	1.1	0.1	0.0	0.0	0.1
Private Equity	-4.2	-6.2	2.0	0.4	0.0	0.0	0.3
Real Assets	-3.3	-3.9	0.6	0.1	0.0	0.0	0.1
LACERS Master Trust	-5.3	-5.9	0.6	0.7	-0.1	0.0	0.6

Wtd. = Weighted

- In addition to returns on unallocated cash, the Cash composite returns include the impact of securities lending income, foreign tax reclaims, and other miscellaneous transactions.
- Policy target asset allocation reflects interim asset allocation policy targets adopted on July 12, 2022.

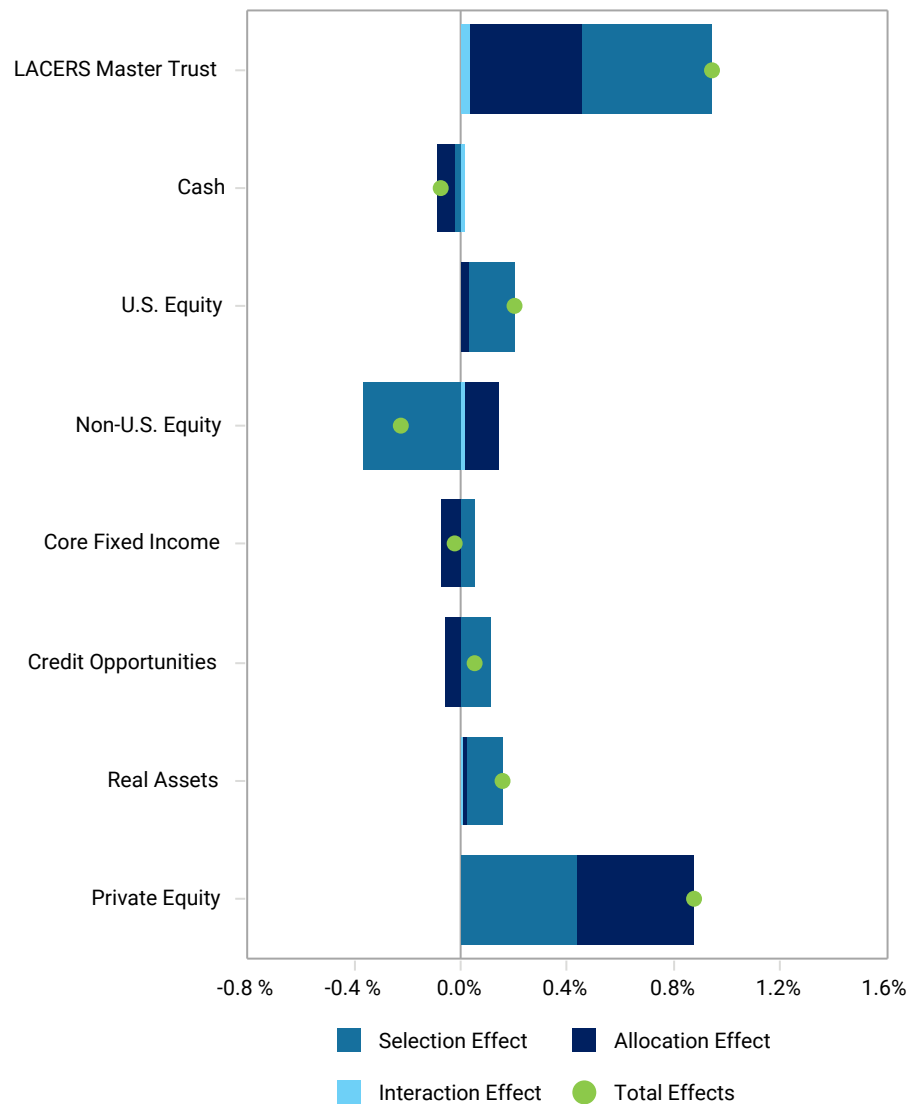
*Total Actual and Index returns are weighted average calculations.



Los Angeles City Employees' Retirement System-LACERS Master Trust

ATTRIBUTION ANALYSIS

Attribution Effects
1 Year Ending September 30, 2022



Attribution Summary
1 Year Ending September 30, 2022

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Cash	-2.2	0.6	-2.8	0.0	-0.1	0.0	-0.1
U.S. Equity	-16.9	-17.6	0.8	0.2	0.0	0.0	0.2
Non-U.S. Equity	-26.4	-25.2	-1.2	-0.4	0.1	0.0	-0.2
Core Fixed Income	-14.3	-14.6	0.3	0.1	-0.1	0.0	0.0
Credit Opportunities	-15.0	-16.3	1.4	0.1	-0.1	0.0	0.0
Real Assets	-0.1	-1.3	1.2	0.1	0.0	0.0	0.2
Private Equity	9.0	6.3	2.6	0.4	0.4	0.0	0.9
LACERS Master Trust	-13.1	-14.0	0.9	0.5	0.4	0.0	0.9

Wtd. = Weighted

- In addition to returns on unallocated cash, the Cash composite returns include the impact of securities lending income, foreign tax reclaims, and other miscellaneous transactions.

- Policy target asset allocation reflects interim asset allocation policy targets adopted on July 12, 2022.

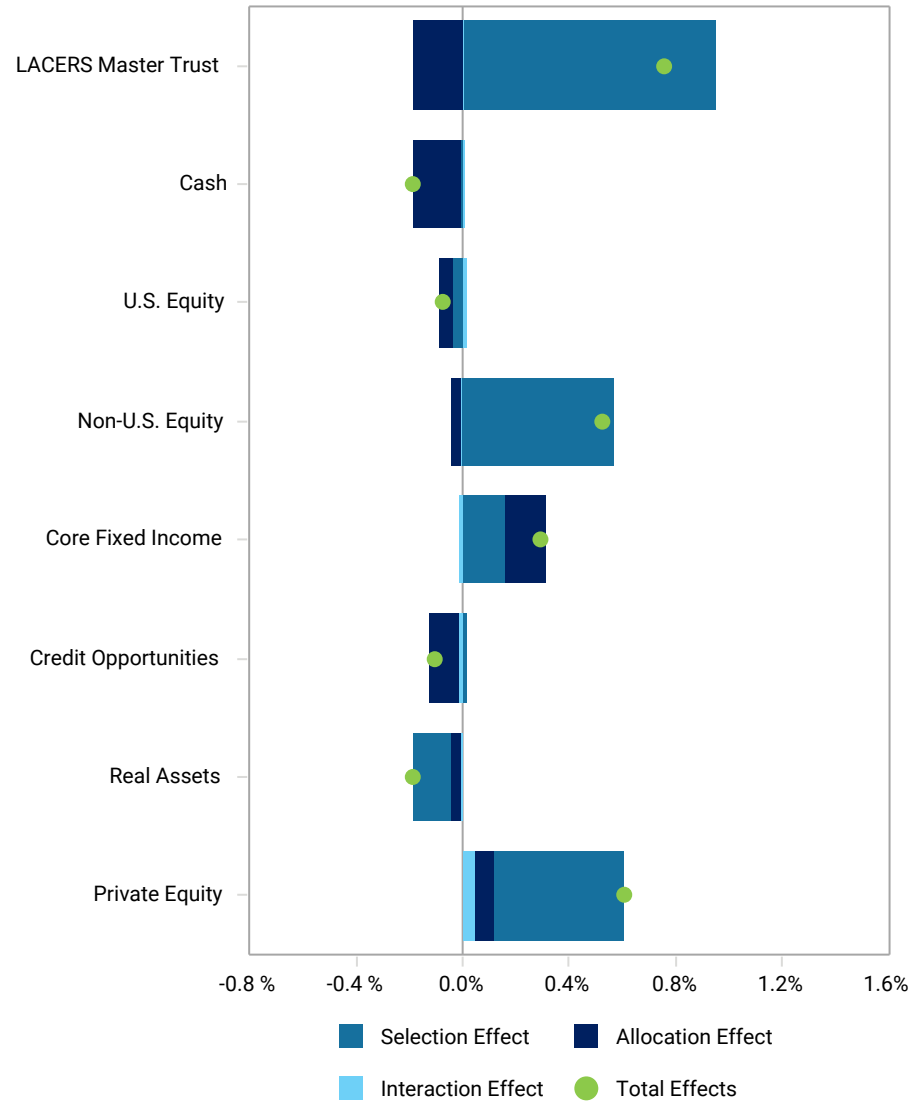
*Total Actual and Index returns are weighted average calculations.



Los Angeles City Employees' Retirement System-LACERS Master Trust

ATTRIBUTION ANALYSIS

Attribution Effects 3 Years Ending September 30, 2022



Attribution Summary 3 Years Ending September 30, 2022

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Cash	0.0	0.6	-0.6	0.0	-0.2	0.0	-0.2
U.S. Equity	7.6	7.7	-0.1	0.0	-0.1	0.0	-0.1
Non-U.S. Equity	0.3	-1.5	1.8	0.6	0.0	0.0	0.5
Core Fixed Income	-2.4	-3.3	0.8	0.1	0.2	0.0	0.3
Credit Opportunities	-2.6	-2.5	0.0	0.0	-0.1	0.0	-0.1
Real Assets	4.3	5.5	-1.2	-0.1	0.0	0.0	-0.2
Private Equity	21.1	16.9	4.2	0.5	0.1	0.0	0.6
LACERS Master Trust	4.7	4.0	0.8	1.1	-0.2	0.0	0.8

Wtd. = Weighted

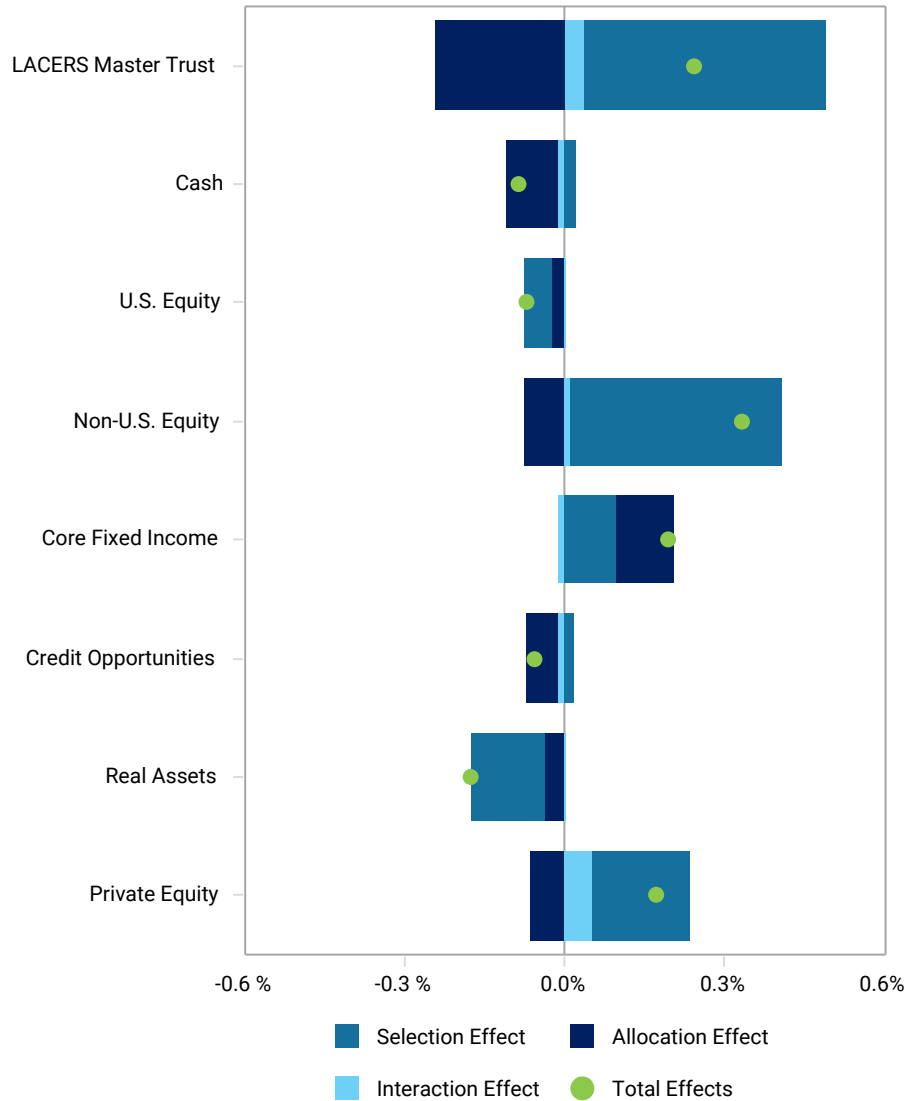
- In addition to returns on unallocated cash, the Cash composite returns include the impact of securities lending income, foreign tax reclaims, and other miscellaneous transactions.
- Policy target asset allocation reflects interim asset allocation policy targets adopted on July 12, 2022.

*Total Actual and Index returns are weighted average calculations.

Los Angeles City Employees' Retirement System-LACERS Master Trust

ATTRIBUTION ANALYSIS

Attribution Effects 5 Years Ending September 30, 2022



Attribution Summary 5 Years Ending September 30, 2022

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Cash	3.5	1.1	2.3	0.0	-0.1	0.0	-0.1
U.S. Equity	8.4	8.6	-0.2	-0.1	0.0	0.0	-0.1
Non-U.S. Equity	0.5	-0.8	1.3	0.4	-0.1	0.0	0.3
Core Fixed Income	0.3	-0.3	0.5	0.1	0.1	0.0	0.2
Credit Opportunities	0.4	0.3	0.1	0.0	-0.1	0.0	-0.1
Real Assets	4.9	6.1	-1.3	-0.1	0.0	0.0	-0.2
Private Equity	18.0	16.2	1.8	0.2	-0.1	0.1	0.2
LACERS Master Trust	5.2	4.9	0.2	0.6	-0.2	0.0	0.2

Wtd. = Weighted

- In addition to returns on unallocated cash, the Cash composite returns include the impact of securities lending income, foreign tax reclaims, and other miscellaneous transactions.

- Policy target asset allocation reflects interim asset allocation policy targets adopted on July 12, 2022.

*Total Actual and Index returns are weighted average calculations.

PRIVATE MARKETS PERFORMANCE

AS OF JUNE 30, 2022

Private Equity	10 Year IRR	Since Inception IRR	Since Inception Multiple
Aggregate Portfolio	15.2%	12.5%	1.69x
Core Portfolio	16.0%	13.0%	1.71x
Specialized Portfolio	2.1%	2.0%	1.13x
Russell 3000 + 300 bps	17.5%	13.4%	N/A

Real Estate	10 Year Return (Net)	Since Inception Return (Net)
Total Portfolio (TWR) ¹	9.74%	6.39%
NFI-ODCE + 80 basis points (TWR)	10.95%	7.58%

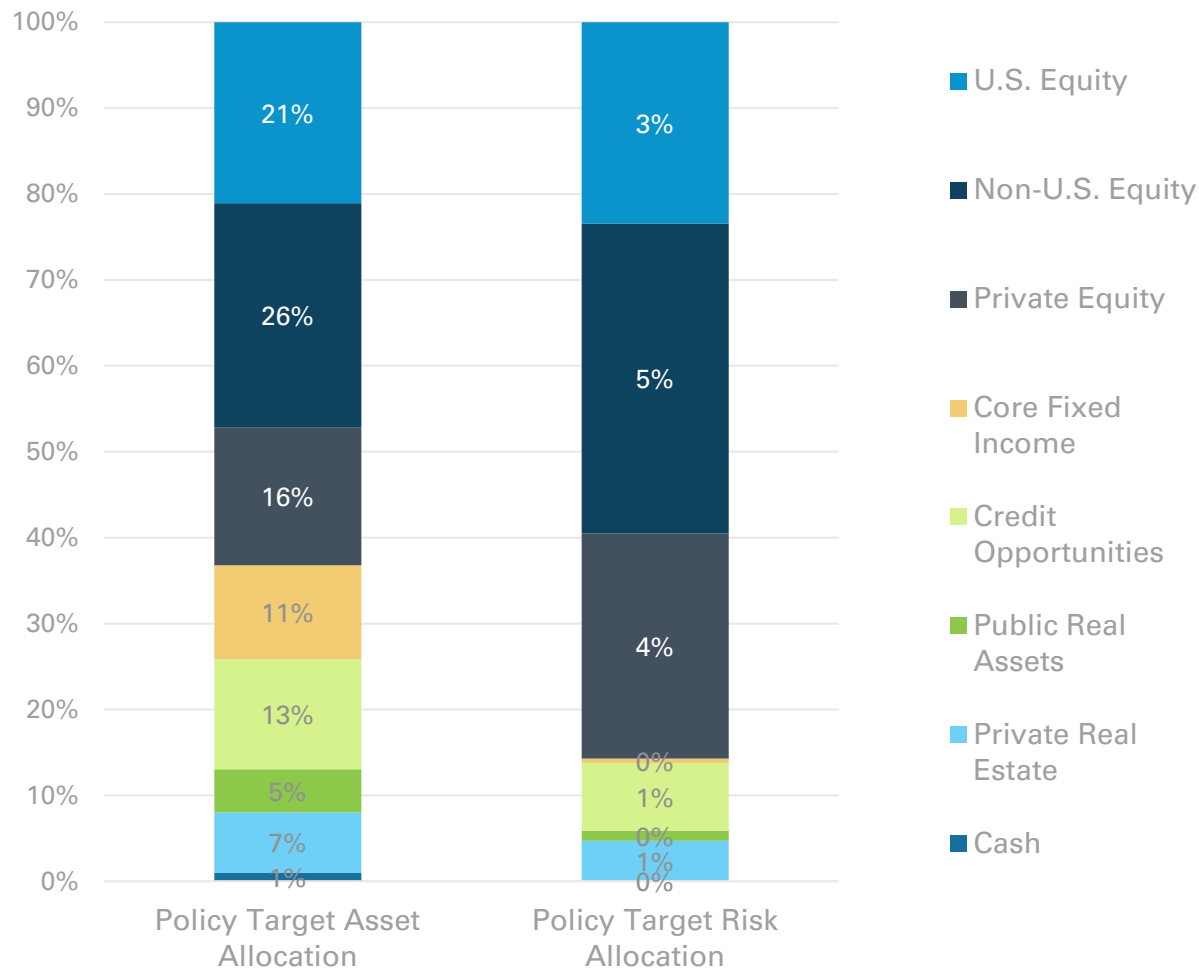
Note: The Total Value to Paid-In Ratio (TVPI) is a multiple that relates the current value of the private equity portfolio plus all distributions received to date with the total amount of capital contributed.

1 - IRR is not available for the Real Estate portfolio and therefore only time weighted returns (TWR) are reported.



TOTAL FUND RISK ALLOCATION

ASSET ALLOCATION VS. RISK ALLOCATION



- Public and Private Equity policy target asset allocation is 63%; accounts for 86% of the policy target portfolio risk.
- Core Fixed Income and Credit Opportunities policy allocation is 24%, accounting for 8% of the policy target portfolio risk.
- Real Assets (Private Real Estate and Public Real Assets) policy allocation is 12%, accounting for 5% of policy target portfolio risk.

* Adopted May 11, 2021

PUBLIC MARKETS RISK BUDGET COMPARISON

AS OF SEPTEMBER 30, 2022

Public Markets Asset Class	Target Risk Budget	Actual 3 Yr Tracking Error
U.S. Equity	1.25%	1.26%
Non-U.S. Equity	1.75%	1.86%
Core Fixed Income	1.75%	0.55%
Credit Opportunities	3.50%	1.94%
Public Real Assets*	1.25%	4.57%

- Current public market asset class composite tracking error statistics are compared to asset class target risk budgets to ensure active risks are within expectations.
- Risk budgets are to be evaluated over three-year periods, at minimum, to reflect a full market cycle.
- All equity public markets asset classes are within an appropriately narrow range of their respective risk budgets.
- Both Core Fixed Income and Credit Opportunities have exhibited lower than expected active risk.
- The Public Real Assets composite is not at its target strategy allocation.
- Note: The target Risk Budget was approved by the Board on June 22, 2021, and is reflected in the table above. Implementation of the new asset allocation is in progress.

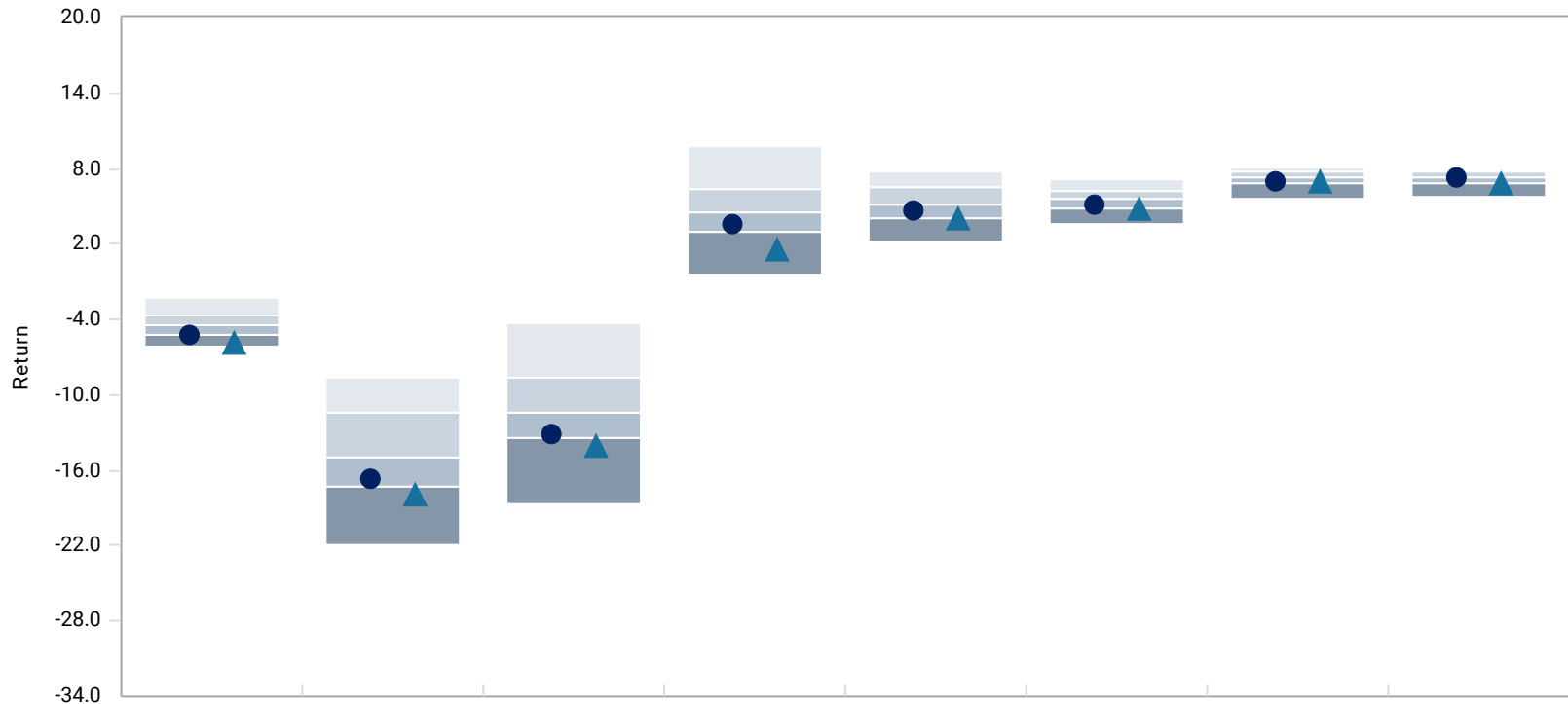
* The benchmark for the Public Real Assets composite is a custom policy benchmark that is comprised of the target weights of the public real asset components: 62.5% Bloomberg Barclays US TIPS and 37.5% FTSE NAREIT All Equity REIT Index. Historical composition can be found in the investment policy statement.



Los Angeles City Employees' Retirement System-LACERS Master Trust

RETURN SUMMARY VS. PEER UNIVERSE

LACERS Master Trust vs. InvMetrics Public DB \$5-50B Gross



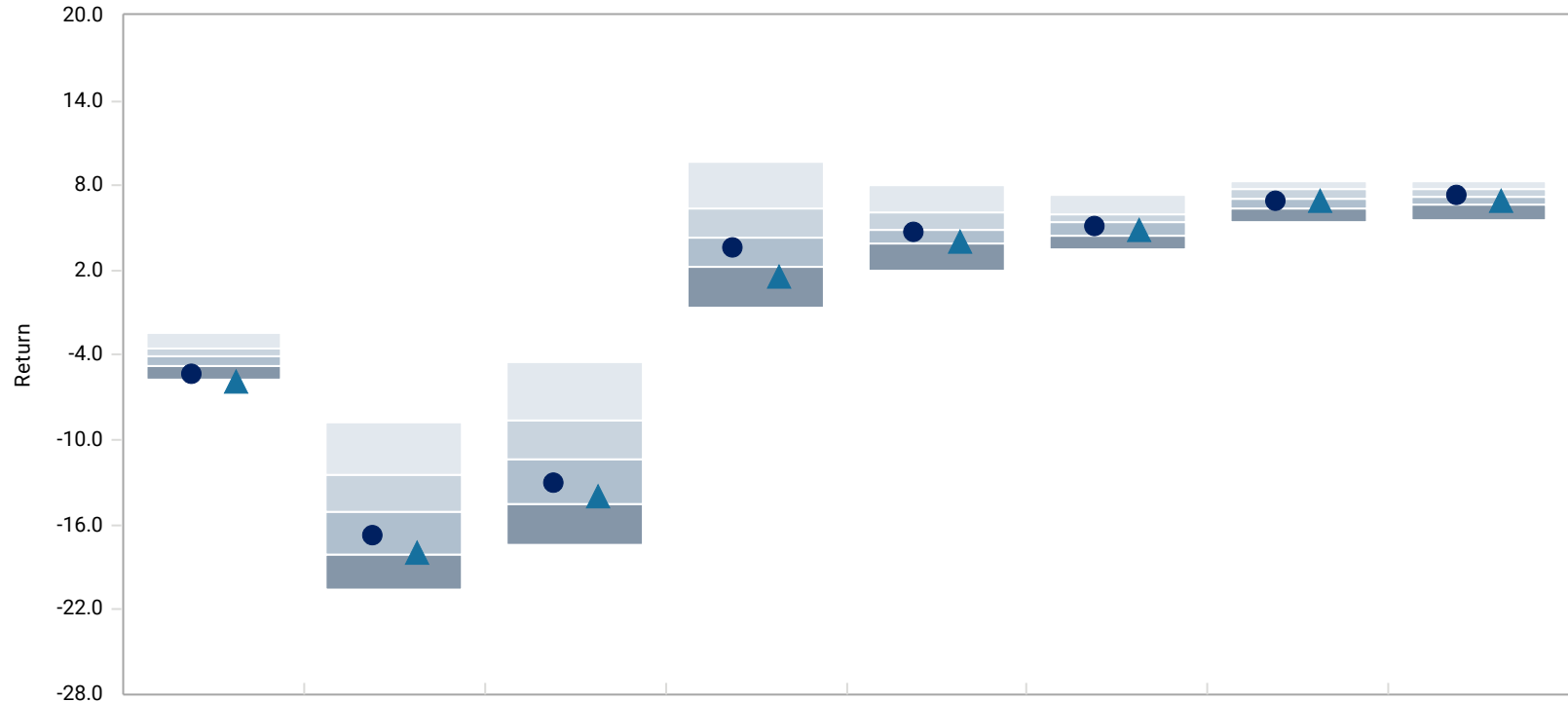
	3 Mo (%)	YTD (%)	1 Year (%)	2 Years (%)	3 Years (%)	5 Years (%)	7 Years (%)	10 Years (%)
● LACERS Master Trust	-5.3 (83)	-16.7 (68)	-13.1 (68)	3.6 (71)	4.7 (67)	5.2 (70)	7.0 (61)	7.3 (52)
▲ Policy Index	-5.9 (94)	-18.0 (78)	-14.0 (78)	1.6 (93)	4.1 (75)	4.9 (76)	7.0 (67)	6.9 (71)
5th Percentile	-2.2	-8.6	-4.3	9.7	7.8	7.2	8.1	7.9
1st Quartile	-3.6	-11.4	-8.6	6.3	6.6	6.2	7.8	7.7
Median	-4.4	-15.0	-11.4	4.6	5.2	5.6	7.3	7.4
3rd Quartile	-5.2	-17.3	-13.4	3.0	4.1	4.9	6.9	6.9
95th Percentile	-6.1	-21.9	-18.7	-0.4	2.2	3.6	5.6	5.7
Population	29	29	29	28	28	27	26	26



Los Angeles City Employees' Retirement System-LACERS Master Trust

RETURN SUMMARY VS. PEER UNIVERSE

LACERS Master Trust vs. InvMetrics Public DB \$1-50B Gross



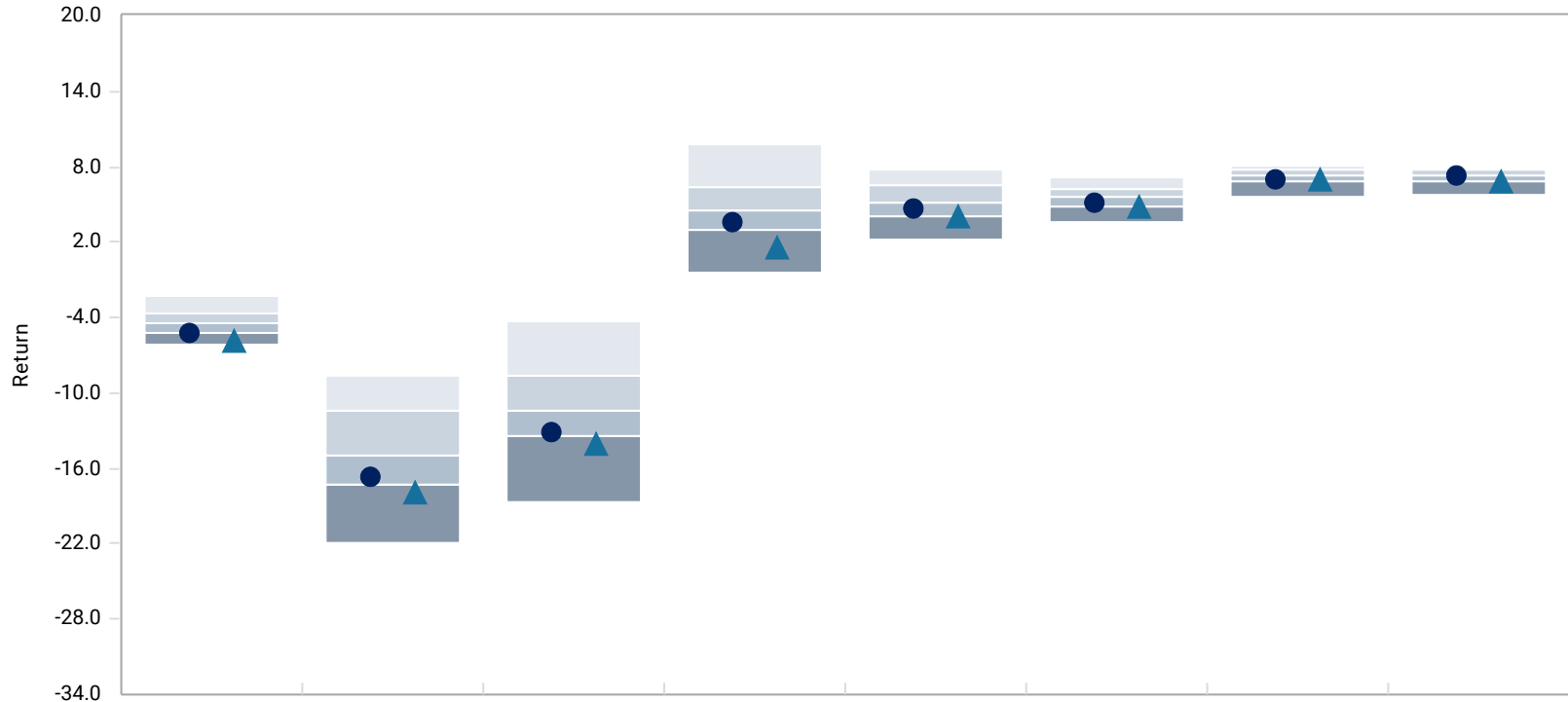
	3 Mo (%)	YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
● LACERS Master Trust	-5.3 (88)	-16.7 (64)	-13.1 (60)	3.6 (58)	4.7 (53)	5.2 (56)	7.0 (54)	7.3 (46)
▲ Policy Index	-5.9 (97)	-18.0 (74)	-14.0 (71)	1.6 (89)	4.1 (70)	4.9 (62)	7.0 (57)	6.9 (63)
5th Percentile	-2.4	-8.8	-4.5	9.6	8.0	7.3	8.3	8.4
1st Quartile	-3.5	-12.4	-8.7	6.4	6.0	5.9	7.7	7.7
Median	-4.0	-15.1	-11.4	4.4	4.9	5.4	7.1	7.3
3rd Quartile	-4.7	-18.1	-14.5	2.2	3.9	4.5	6.4	6.6
95th Percentile	-5.7	-20.6	-17.4	-0.6	2.0	3.4	5.4	5.5
Population	72	72	71	70	70	69	68	67



Los Angeles City Employees' Retirement System-LACERS Master Trust

RETURN SUMMARY VS. PEER UNIVERSE

LACERS Master Trust vs. InvMetrics Public DB \$5-50B Gross



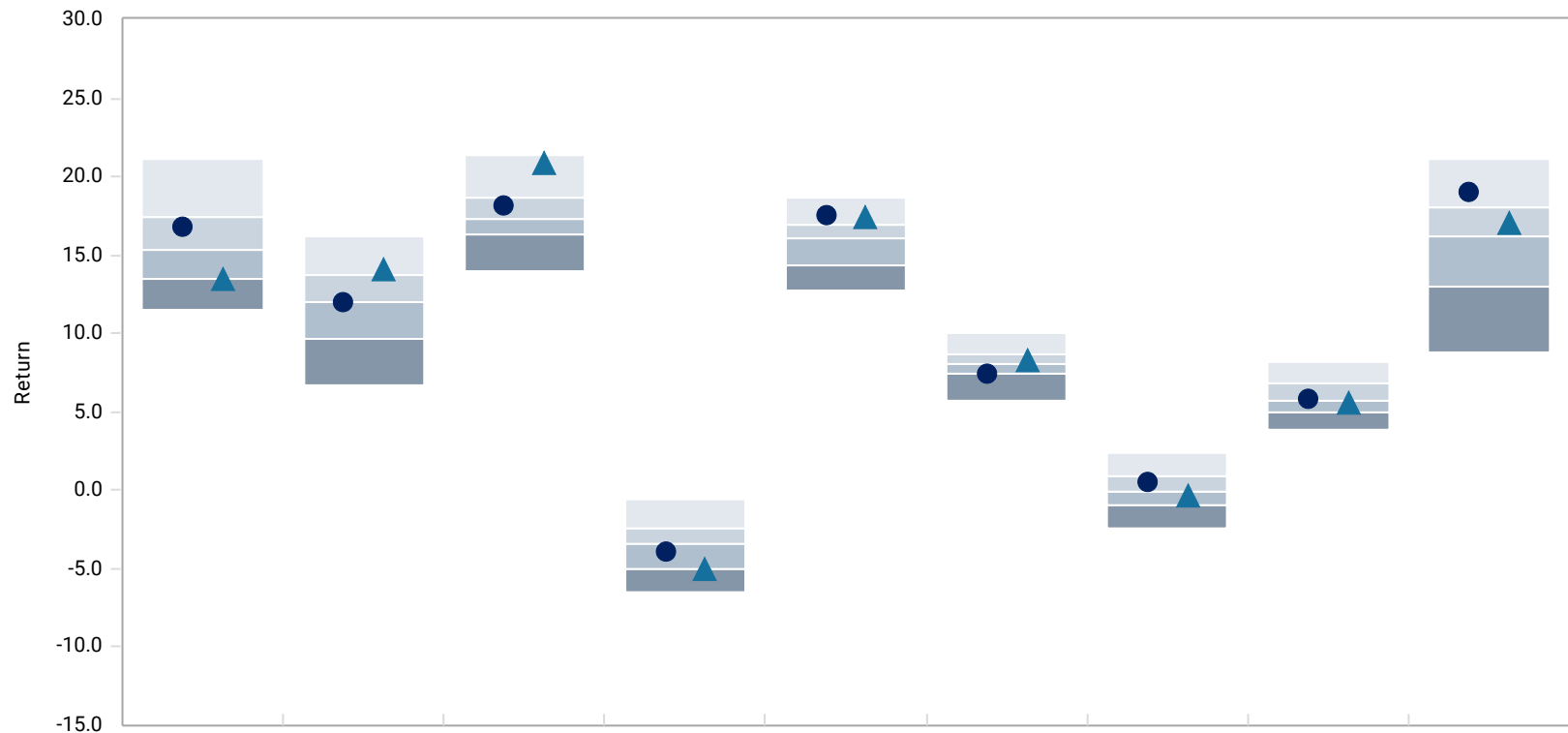
	3 Mo (%)	YTD (%)	1 Year (%)	2 Years (%)	3 Years (%)	5 Years (%)	7 Years (%)	10 Years (%)
● LACERS Master Trust	-5.3 (83)	-16.7 (68)	-13.1 (68)	3.6 (71)	4.7 (67)	5.2 (70)	7.0 (61)	7.3 (52)
▲ Policy Index	-5.9 (94)	-18.0 (78)	-14.0 (78)	1.6 (93)	4.1 (75)	4.9 (76)	7.0 (67)	6.9 (71)
5th Percentile	-2.2	-8.6	-4.3	9.7	7.8	7.2	8.1	7.9
1st Quartile	-3.6	-11.4	-8.6	6.3	6.6	6.2	7.8	7.7
Median	-4.4	-15.0	-11.4	4.6	5.2	5.6	7.3	7.4
3rd Quartile	-5.2	-17.3	-13.4	3.0	4.1	4.9	6.9	6.9
95th Percentile	-6.1	-21.9	-18.7	-0.4	2.2	3.6	5.6	5.7
Population	29	29	29	28	28	27	26	26



Los Angeles City Employees' Retirement System-LACERS Master Trust

RETURN SUMMARY VS. PEER UNIVERSE

LACERS Master Trust vs. InvMetrics Public DB \$1-50B Gross

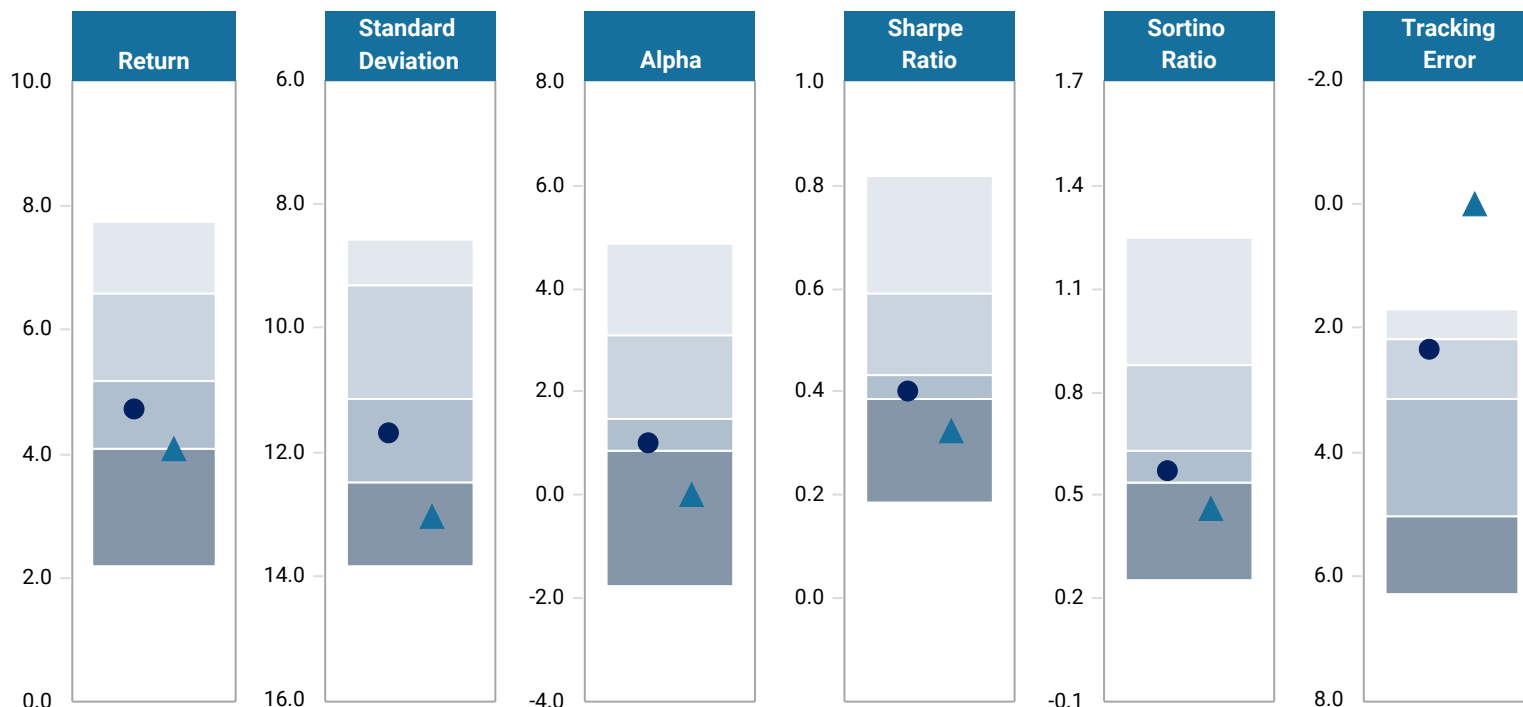


	2021	2020	2019	2018	2017	2016	2015	2014	2013
● LACERS Master Trust	16.8 (37)	12.1 (50)	18.1 (32)	-3.9 (57)	17.6 (15)	7.4 (76)	0.5 (34)	5.9 (48)	19.0 (18)
▲ Policy Index	13.5 (75)	14.1 (21)	20.9 (9)	-5.0 (76)	17.4 (15)	8.3 (35)	-0.4 (57)	5.6 (53)	17.1 (33)
5th Percentile	21.1	16.2	21.4	-0.6	18.7	10.0	2.3	8.2	21.1
1st Quartile	17.4	13.8	18.6	-2.4	17.0	8.6	1.0	6.9	18.0
Median	15.3	12.1	17.3	-3.5	16.1	8.0	-0.1	5.7	16.2
3rd Quartile	13.4	9.7	16.3	-5.0	14.4	7.4	-0.9	5.0	13.0
95th Percentile	11.5	6.7	13.9	-6.5	12.8	5.7	-2.4	3.8	8.7
Population	131	151	120	106	114	122	117	116	111

Los Angeles City Employees' Retirement System-LACERS Master Trust

RISK STATISTICS VS. PEER UNIVERSE

LACERS Master Trust vs. InvMetrics Public DB \$5-50B Gross



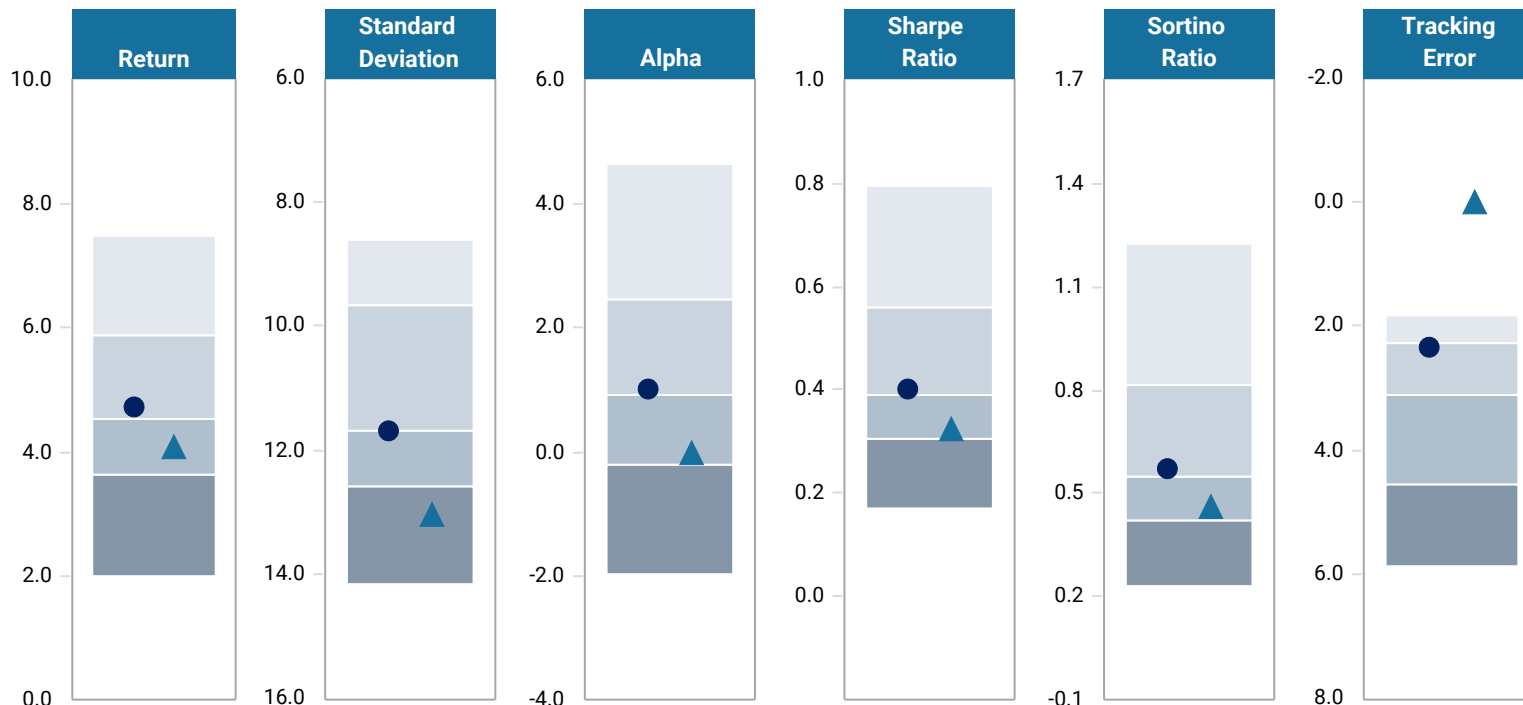
	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)
● LACERS Master Trust	4.7 (67)	11.7 (59)	1.0 (71)	0.4 (75)	0.6 (67)	2.3 (37)
▲ Policy Index	4.1 (75)	13.0 (84)	0.0 (82)	0.3 (81)	0.5 (81)	0.0 (1)
5th Percentile	7.8	8.6	4.9	0.8	1.2	1.7
1st Quartile	6.6	9.3	3.1	0.6	0.9	2.2
Median	5.2	11.1	1.5	0.4	0.6	3.2
3rd Quartile	4.1	12.5	0.8	0.4	0.5	5.1
95th Percentile	2.2	13.8	-1.7	0.2	0.3	6.3
Population	28	28	28	28	28	28



Los Angeles City Employees' Retirement System-LACERS Master Trust

RISK STATISTICS VS. PEER UNIVERSE

LACERS Master Trust vs. InvMetrics Public DB \$1-50B Gross

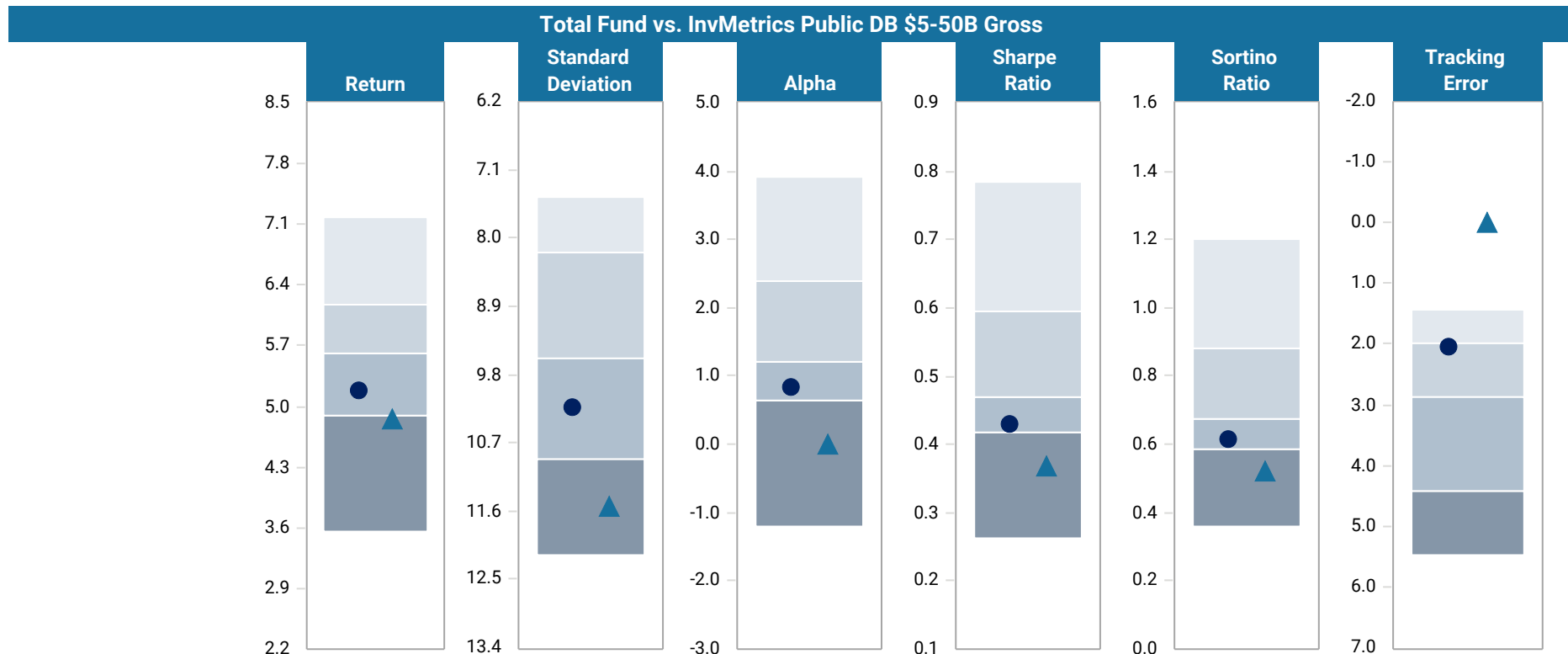


	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)
● LACERS Master Trust	4.7 (47)	11.7 (50)	1.0 (49)	0.4 (47)	0.6 (47)	2.3 (28)
▲ Policy Index	4.1 (65)	13.0 (80)	0.0 (70)	0.3 (68)	0.5 (66)	0.0 (1)
5th Percentile	7.5	8.6	4.6	0.8	1.2	1.8
1st Quartile	5.9	9.7	2.5	0.6	0.8	2.3
Median	4.5	11.7	0.9	0.4	0.5	3.1
3rd Quartile	3.6	12.6	-0.2	0.3	0.4	4.6
95th Percentile	2.0	14.2	-2.0	0.2	0.2	5.9
Population	53	53	53	53	53	53



Los Angeles City Employees' Retirement System-LACERS Master Trust

RISK STATISTICS VS. PEER UNIVERSE



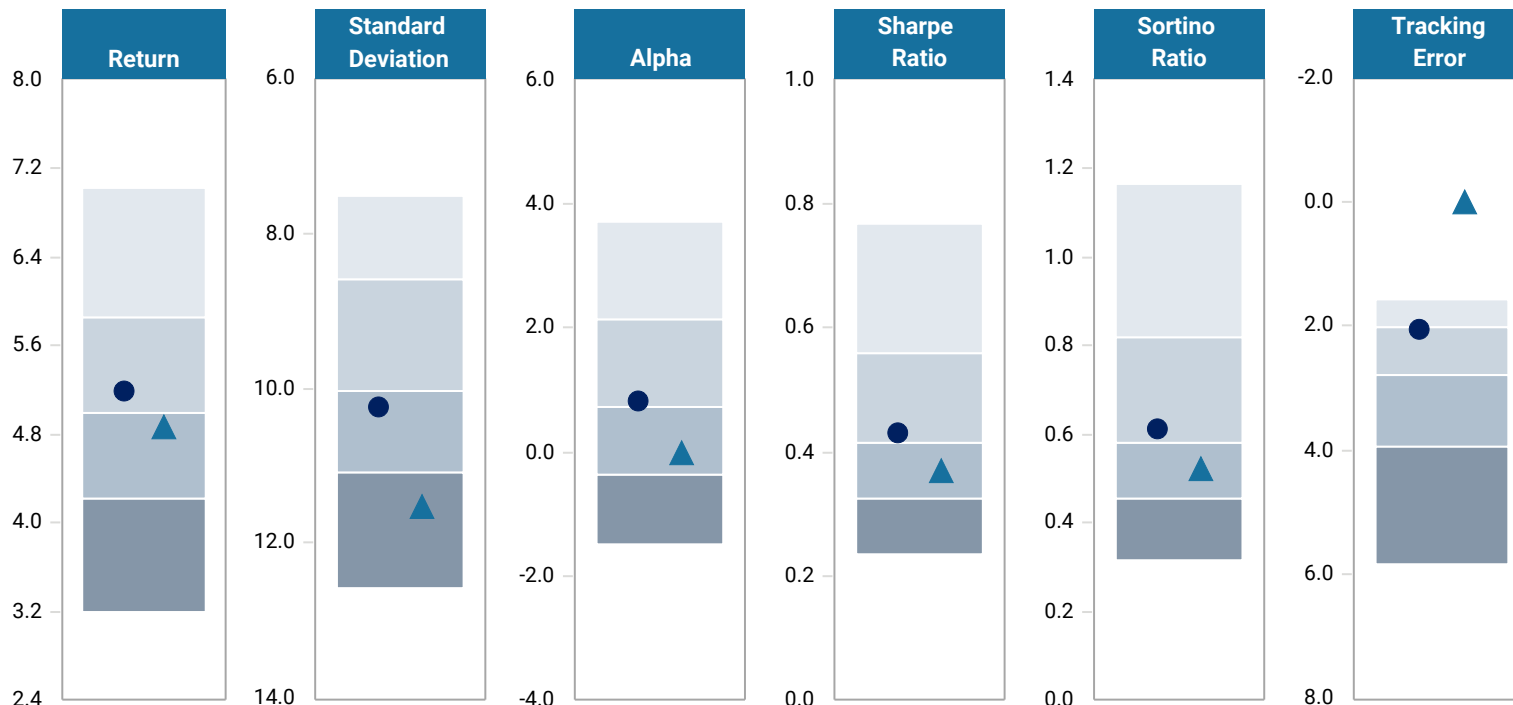
	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)
● LACERS Master Trust	5.2 (70)	10.2 (61)	0.8 (70)	0.4 (70)	0.6 (66)	2.0 (34)
▲ Policy Index	4.9 (76)	11.5 (92)	0.0 (86)	0.4 (83)	0.5 (83)	0.0 (1)
5th Percentile	7.2	7.5	3.9	0.8	1.2	1.4
1st Quartile	6.2	8.2	2.4	0.6	0.9	2.0
Median	5.6	9.6	1.2	0.5	0.7	2.9
3rd Quartile	4.9	10.9	0.6	0.4	0.6	4.4
95th Percentile	3.6	12.2	-1.2	0.3	0.4	5.5
Population	27	27	27	27	27	27



Los Angeles City Employees' Retirement System-LACERS Master Trust

RISK STATISTICS VS. PEER UNIVERSE

LACERS Master Trust vs. InvMetrics Public DB \$1-50B Gross



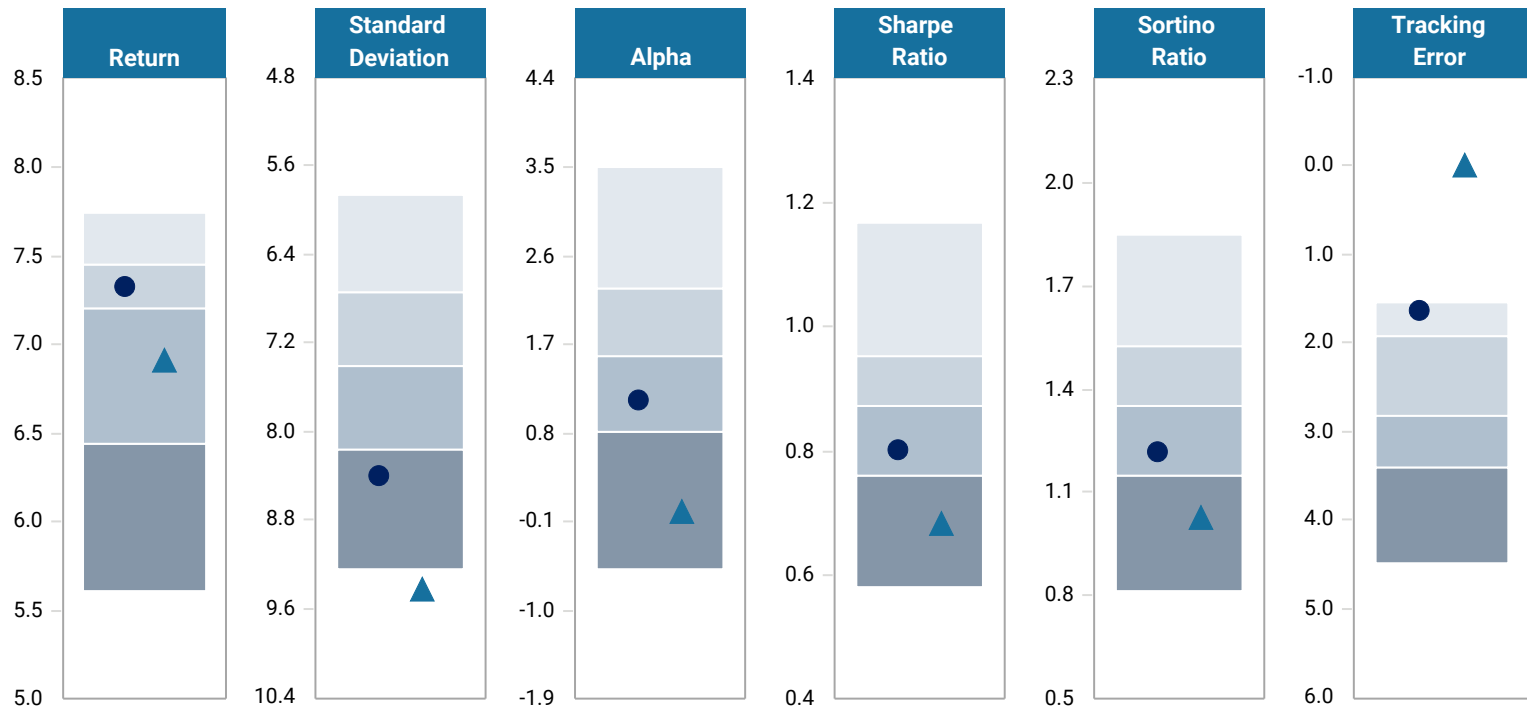
	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)
● LACERS Master Trust	5.2 (45)	10.2 (54)	0.8 (43)	0.4 (41)	0.6 (41)	2.0 (28)
▲ Policy Index	4.9 (56)	11.5 (82)	0.0 (68)	0.4 (67)	0.5 (63)	0.0 (1)
5th Percentile	7.0	7.5	3.7	0.8	1.2	1.6
1st Quartile	5.9	8.6	2.1	0.6	0.8	2.0
Median	5.0	10.0	0.7	0.4	0.6	2.8
3rd Quartile	4.2	11.1	-0.4	0.3	0.5	3.9
95th Percentile	3.2	12.6	-1.5	0.2	0.3	5.8
Population	52	52	52	52	52	52



Los Angeles City Employees' Retirement System-LACERS Master Trust

RISK STATISTICS VS. PEER UNIVERSE

LACERS Master Trust vs. InvMetrics Public DB \$5-50B Gross



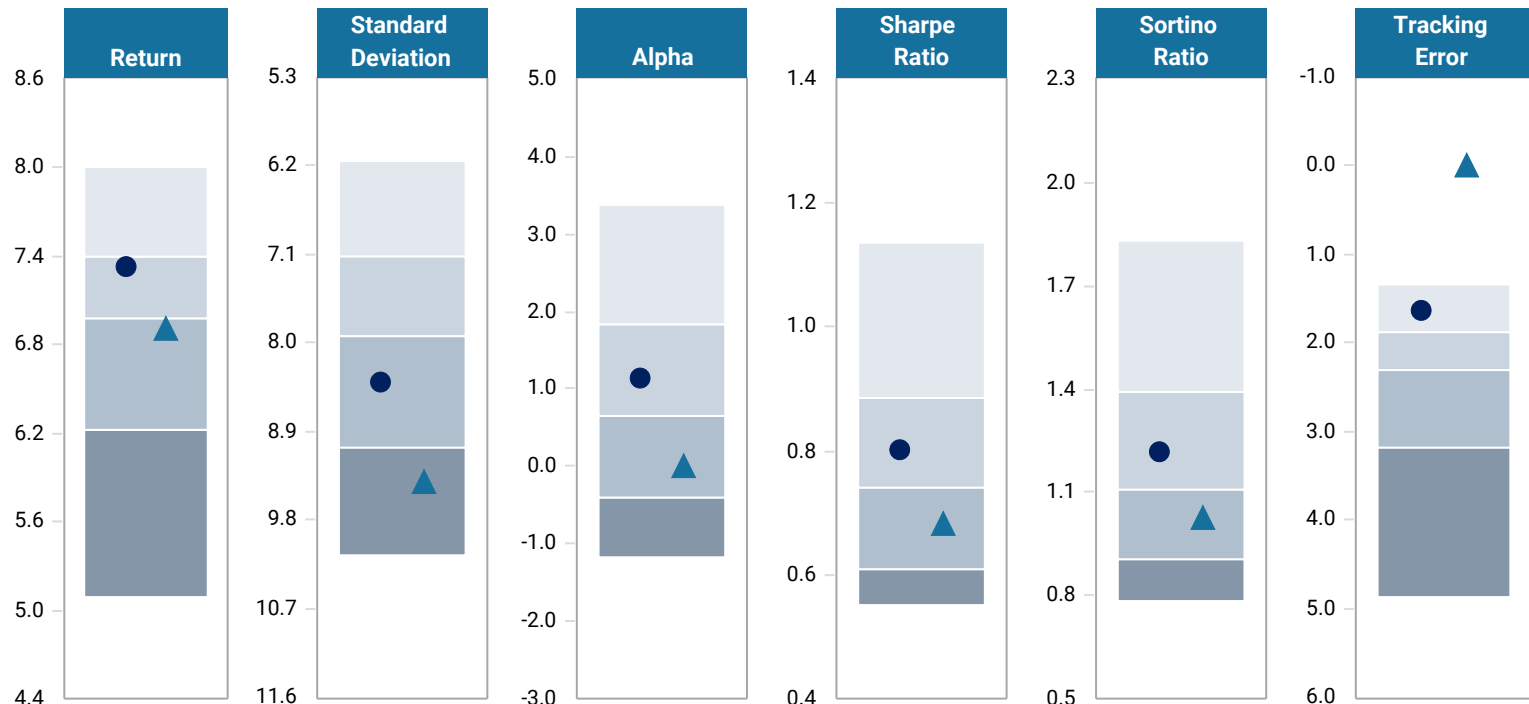
	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)
● LACERS Master Trust	7.3 (39)	8.4 (77)	1.1 (69)	0.8 (69)	1.2 (67)	1.6 (12)
▲ Policy Index	6.9 (64)	9.4 (96)	0.0 (84)	0.7 (82)	1.0 (81)	0.0 (1)
5th Percentile	7.7	5.9	3.5	1.2	1.9	1.5
1st Quartile	7.5	6.7	2.3	1.0	1.5	1.9
Median	7.2	7.4	1.6	0.9	1.3	2.8
3rd Quartile	6.4	8.2	0.8	0.8	1.1	3.4
95th Percentile	5.6	9.2	-0.6	0.6	0.8	4.5
Population	19	19	19	19	19	19



Los Angeles City Employees' Retirement System-LACERS Master Trust

RISK STATISTICS VS. PEER UNIVERSE

LACERS Master Trust vs. InvMetrics Public DB \$1-50B Gross



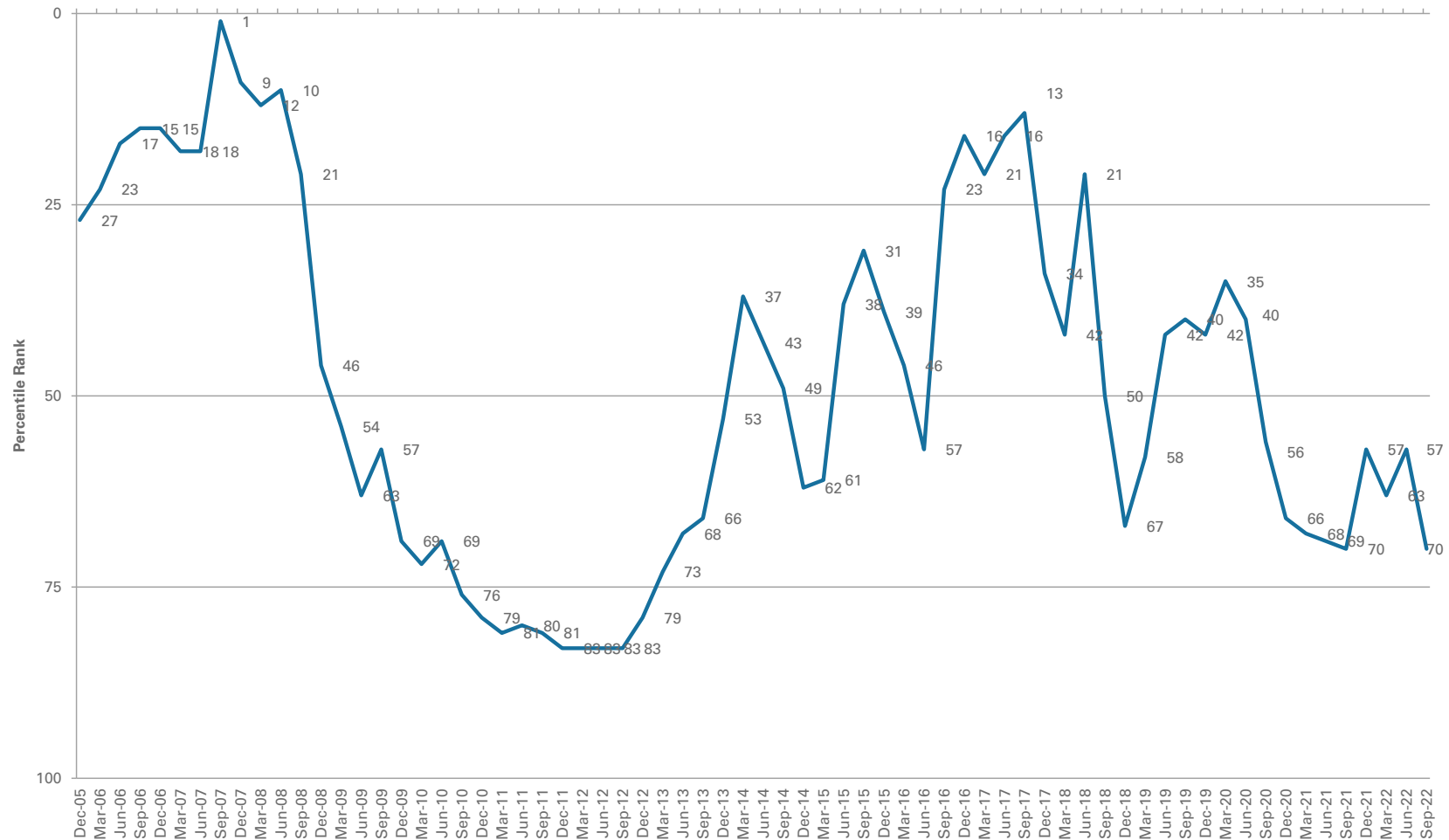
	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)
● LACERS Master Trust	7.3 (29)	8.4 (58)	1.1 (45)	0.8 (45)	1.2 (44)	1.6 (14)
▲ Policy Index	6.9 (52)	9.4 (83)	0.0 (69)	0.7 (66)	1.0 (65)	0.0 (1)
5th Percentile	8.0	6.2	3.4	1.1	1.8	1.4
1st Quartile	7.4	7.1	1.8	0.9	1.4	1.9
Median	7.0	7.9	0.7	0.7	1.1	2.3
3rd Quartile	6.2	9.1	-0.4	0.6	0.9	3.2
95th Percentile	5.1	10.2	-1.2	0.5	0.8	4.9
Population	49	49	49	49	49	49



HISTORICAL RISK ADJUSTED RETURN

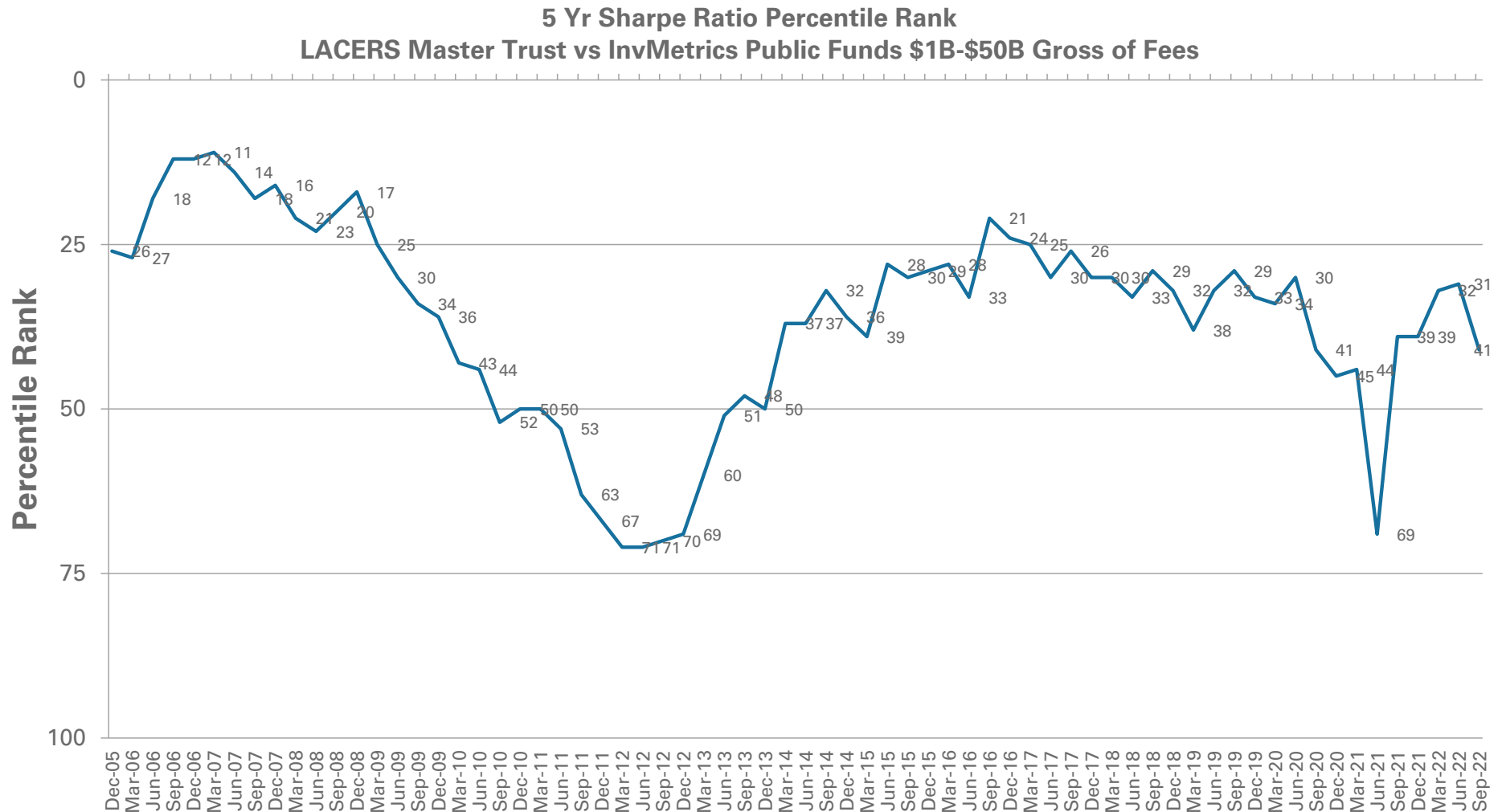
UNIVERSE COMPARISON (\$5-\$50 B GROSS OF FEES)

5 Yr Sharpe Ratio Percentile Rank
LACERS Master Trust vs InvMetrics Public Funds \$5B-\$50B Gross of Fees



HISTORICAL RISK ADJUSTED RETURN

UNIVERSE COMPARISON (\$1-\$50 B GROSS OF FEES)



U.S. EQUITY MANAGER PERFORMANCE



Los Angeles City Employees' Retirement System-LACERS Master Trust

U.S EQUITY (GROSS)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
U.S. Equity	3,884,354,448	100.00	-3.99	-24.02	-16.85	7.60	8.42	11.44	8.13	Sep-01
U.S. Equity Blend			-4.46	-24.62	-17.63	7.70	8.62	11.39	7.84	
Over/Under			0.47	0.60	0.78	-0.10	-0.20	0.05	0.29	
RhumbLine Advisers Russell 2000	267,782,702	6.89	-2.16	-24.99	-23.36	4.35	3.62		5.24	Apr-15
Russell 2000 Index			-2.19	-25.10	-23.50	4.29	3.55	8.55	5.25	
Over/Under			0.03	0.11	0.14	0.06	0.07		-0.01	
Rhumbline Advisers Russell 2000 Value	125,085,796	3.22	-4.56	-21.05	-17.60				0.67	Jan-21
Russell 2000 Value Index			-4.61	-21.12	-17.69	4.72	2.87	7.94	0.67	
Over/Under			0.05	0.07	0.09				0.00	
EAM Investors	80,823,363	2.08	-1.43	-32.72	-29.12	4.06	7.00		8.67	Oct-15
Russell 2000 Growth Index			0.24	-29.28	-29.27	2.94	3.60	8.81	7.12	
Over/Under			-1.67	-3.44	0.15	1.12	3.40		1.55	
Principal Global Investors	254,207,141	6.54	-2.94	-27.95	-20.24	5.08	9.52		10.98	Aug-14
Russell Midcap Index			-3.44	-24.27	-19.39	5.19	6.48	10.30	7.62	
Over/Under			0.50	-3.68	-0.85	-0.11	3.04		3.36	
RhumbLine Advisers S&P 500	2,749,558,158	70.79	-4.66	-23.63	-15.20	8.18	9.22	11.67	6.09	Sep-00
S&P 500 Index			-4.88	-23.87	-15.47	8.16	9.24	11.70	5.99	
Over/Under			0.22	0.24	0.27	0.02	-0.02	-0.03	0.10	
Copeland Capital Management	204,844,107	5.27	-3.42	-20.76	-14.03				10.30	Oct-20
Russell 2000 Index			-2.19	-25.10	-23.50	4.29	3.55	8.55	6.29	
Over/Under			-1.23	4.34	9.47				4.01	
Granahan Investment Management	106,427,491	2.74	7.31	-35.03	-43.01				-5.37	Oct-20
Russell 2000 Growth Index			0.24	-29.28	-29.27	2.94	3.60	8.81	-2.91	
Over/Under			7.07	-5.75	-13.74				-2.46	
Segall, Bryant & Hamill	95,612,590	2.46	-7.47	-23.10	-19.32				7.74	Oct-20
Russell 2000 Value Index			-4.61	-21.12	-17.69	4.72	2.87	7.94	16.16	
Over/Under			-2.86	-1.98	-1.63				-8.42	

Note: All portfolios in U.S. Equity have mid-month inception dates. Since inception return is calculated from the first full month of performance.
eA = eVestment

Refer to appendix for blended benchmark definitions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

U.S. EQUITY (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
U.S. Equity	3,884,354,448	100.00	-4.01	-24.07	-16.92	7.53	8.34	11.33	7.94	Sep-01
U.S. Equity Blend			-4.46	-24.62	-17.63	7.70	8.62	11.39	7.84	
Over/Under			0.45	0.55	0.71	-0.17	-0.28	-0.06	0.10	
All Public Plans > \$1B-US Equity Segment Median										
RhumbLine Advisers Russell 2000	267,782,702	6.89	-2.16 (31)	-24.99 (55)	-23.36 (65)	4.35 (67)	3.61 (67)		5.23 (65)	Apr-15
Russell 2000 Index			-2.19 (32)	-25.10 (55)	-23.50 (65)	4.29 (67)	3.55 (68)	8.55 (69)	5.25 (65)	
Over/Under			0.03	0.11	0.14	0.06	0.06		-0.02	
eV US Small Cap Equity Median			-3.42	-24.17	-19.84	5.61	4.79	9.31	6.07	
Rhumbline Advisers Russell 2000 Value	125,085,796	3.22	-4.57 (45)	-21.06 (60)	-17.60 (74)				0.67 (64)	Jan-21
Russell 2000 Value Index			-4.61 (45)	-21.12 (60)	-17.69 (74)	4.72 (63)	2.87 (79)	7.94 (75)	0.67 (63)	
Over/Under			0.04	0.06	0.09				0.00	
eV US Small-Mid Cap Value Equity Median			-4.85	-19.60	-13.86	5.51	4.44	8.78	2.03	
EAM Investors	80,823,363	2.08	-1.60 (58)	-33.11 (65)	-29.65 (47)	3.34 (79)	6.25 (67)		7.91 (78)	Oct-15
Russell 2000 Growth Index			0.24 (30)	-29.28 (34)	-29.27 (45)	2.94 (84)	3.60 (86)	8.81 (88)	7.12 (85)	
Over/Under			-1.84	-3.83	-0.38	0.40	2.65		0.79	
eV US Small Cap Growth Equity Median			-1.27	-31.47	-30.14	5.62	7.59	10.45	9.83	
Principal Global Investors	254,207,141	6.54	-3.02 (42)	-28.16 (64)	-20.54 (59)	4.72 (60)	9.13 (14)		10.59 (6)	Aug-14
Russell Midcap Index			-3.44 (52)	-24.27 (53)	-19.39 (56)	5.19 (54)	6.48 (49)	10.30 (41)	7.62 (48)	
Over/Under			0.42	-3.89	-1.15	-0.47	2.65		2.97	
eV US Mid Cap Equity Median			-3.39	-23.47	-17.57	5.42	6.35	10.01	7.54	
RhumbLine Advisers S&P 500	2,749,558,158	70.79	-4.66 (38)	-23.63 (57)	-15.20 (51)	8.17 (26)	9.22 (28)	11.67 (25)	N/A	Sep-00
S&P 500 Index			-4.88 (44)	-23.87 (58)	-15.47 (52)	8.16 (26)	9.24 (28)	11.70 (25)		
Over/Under			0.22	0.24	0.27	0.01	-0.02	-0.03		
eV US Large Cap Equity Median			-5.13	-22.54	-15.10	6.49	7.62	10.42		

Note: All portfolios in U.S. Equity have mid-month inception dates. Since inception return is calculated from the first full month of performance.
eA = eVestment

Refer to appendix for blended benchmark definitions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

U.S. EQUITY (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Copeland Capital Management	204,844,107	5.27	-3.53 (52)	-21.04 (29)	-14.43 (22)				9.91 (48)	Oct-20
Russell 2000 Index			-2.19 (32)	-25.10 (55)	-23.50 (65)	4.29 (67)	3.55 (68)	8.55 (69)	6.29 (65)	
Over/Under			-1.34	4.06	9.07				3.62	
eV US Small Cap Equity Median			-3.42	-24.17	-19.84	5.61	4.79	9.31	9.51	
Granahan Investment Management	106,427,491	2.74	7.20 (2)	-35.39 (78)	-43.44 (96)				-5.99 (75)	Oct-20
Russell 2000 Growth Index			0.24 (30)	-29.28 (34)	-29.27 (45)	2.94 (84)	3.60 (86)	8.81 (88)	-2.91 (63)	
Over/Under			6.96	-6.11	-14.17				-3.08	
eV US Small Cap Growth Equity Median			-1.27	-31.47	-30.14	5.62	7.59	10.45	-1.15	
Segall, Bryant & Hamill	95,612,590	2.46	-7.58 (88)	-23.46 (82)	-19.82 (82)				7.14 (92)	Oct-20
Russell 2000 Value Index			-4.61 (49)	-21.12 (58)	-17.69 (74)	4.72 (58)	2.87 (63)	7.94 (63)	16.16 (44)	
Over/Under			-2.97	-2.34	-2.13				-9.02	
eV US Small Cap Value Equity Median			-4.82	-20.36	-14.89	5.15	3.42	8.56	15.23	

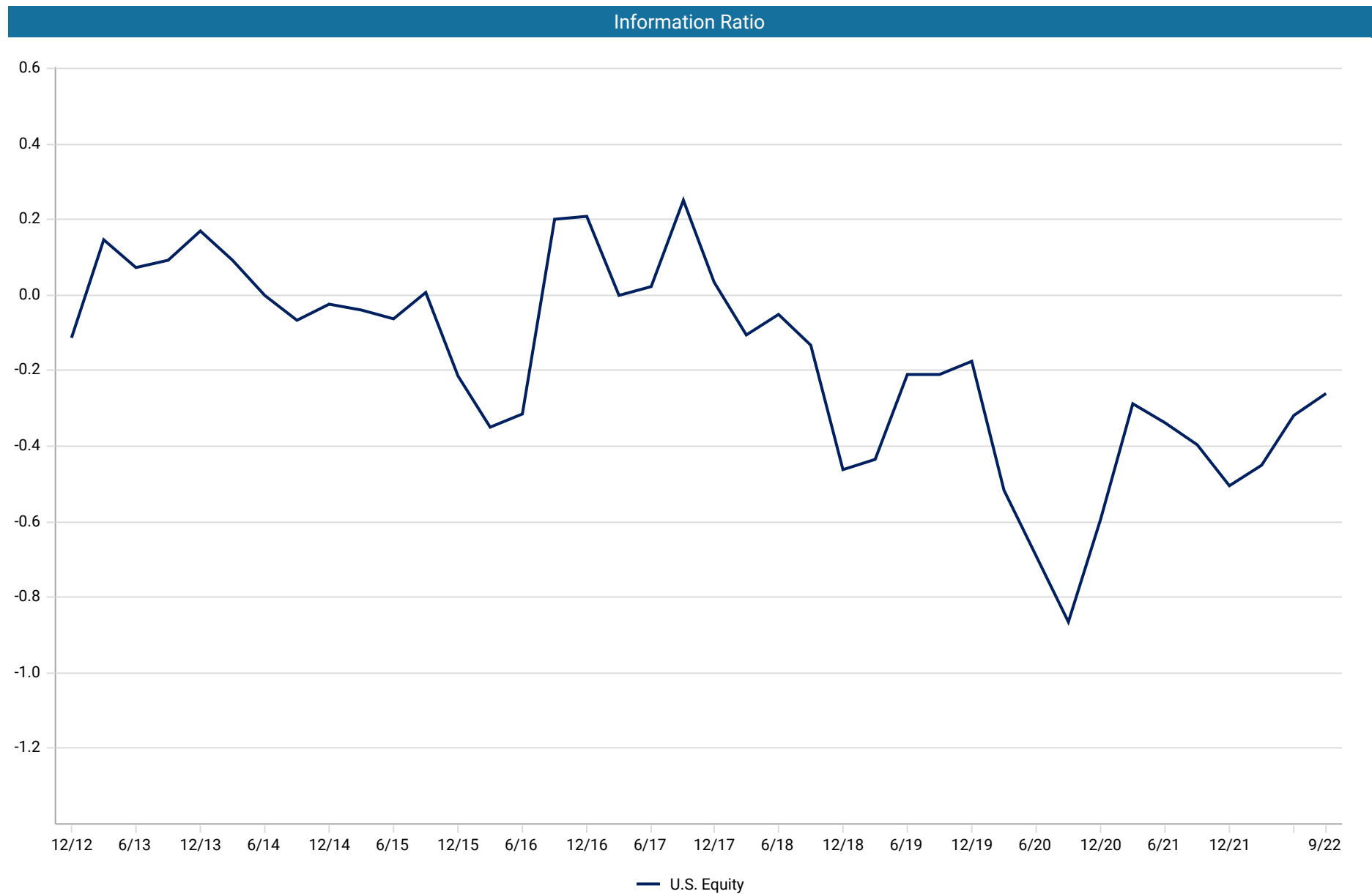
Note: All portfolios in U.S. Equity have mid-month inception dates. Since inception return is calculated from the first full month of performance.
eA = eVestment

Refer to appendix for blended benchmark definitions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

U.S. EQUITY ROLLING 5 YEAR INFORMATION RATIO



INVESTMENT MANAGER REPORT CARD

U.S. EQUITY

U.S. Equity Managers	Inception Date	Mandate	Current Quarter (Net)		One Year (Net)		Three Years (Net)		Five Years (Net)		Since Inception (Net)	Annual Mgt Fee Paid \$ (000)	Comments
			Index	Universe	Index	Universe	Index	Universe	Index	Universe	Index		
Principal Global Investors	Jul-14	Mid Cap	✓	✓	✗	✗	✗	✗	✓	✓	✓	1133.1	Performance compliant with LACERS' Manager Monitoring Policy
EAM Investors	Sep-15	Small Cap Growth	✗	✗	✗	✓	✓	✗	✓	✓	✓	760.6	Performance compliant with LACERS' Manager Monitoring Policy
Copeland	Oct-20	Small Cap Core	✗	✗	✓	✓	N/A	N/A	N/A	N/A	✓	1108.7	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Granahan	Oct-20	Small Cap Growth	✓	✓	✗	✗	N/A	N/A	N/A	N/A	✗	622.1	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Segall Bryant & Hamill	Oct-20	Small Cap Value	✗	✗	✗	✗	N/A	N/A	N/A	N/A	✗	565.8	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy. Placed on watch status for organizational change as of 2/9/21; removed from watch status as of 5/6/2022.
RhumbLine (Passive)	Dec-20	R2000 Value	✓	✓	✓	✗	N/A	N/A	N/A	N/A	=	8.426	Performance compliant with LACERS' Manager Monitoring Policy
RhumbLine (Passive)	Feb-93	S&P 500	✓	✓	✓	✗	✓	✓	✗	✓	✓✓	212.4	Performance compliant with LACERS' Manager Monitoring Policy
RhumbLine (Passive)	Jun-15	R2000	✓	✓	✓	✗	✓	✗	✓	✗	✗	18.2	Performance compliant with LACERS' Manager Monitoring Policy

Note: Managers are placed on Watch List for concerns with organization, process and performance. Managers are normally on the Watch List for 12 months though may be longer if manager issues remain but not severe enough to warrant termination recommendation.

- Annual Management Fee Paid as of fiscal year ending June 30, 2022.
- * Where net of fees performance is not available gross of fee returns are evaluated.

Legend	
✓	Outperformed
✗	Underperformed
=	Equal to
✓✓	Gross Return



NON-U.S. EQUITY MANAGER PERFORMANCE



Los Angeles City Employees' Retirement System-LACERS Master Trust

NON-U.S. EQUITY (GROSS)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Non-U.S. Equity	4,888,885,269	100.00	-9.63	-27.50	-26.35	0.31	0.47	4.60	4.57	Nov-94
MSCI AC World ex USA (Net)			-9.91	-26.50	-25.17	-1.52	-0.81	3.01	4.21	
Over/Under			0.28	-1.00	-1.18	1.83	1.28	1.59	0.36	
Developed ex-U.S.	3,462,412,361	70.82	-9.59	-26.80	-25.48	0.11	0.62	4.88	5.51	Jul-12
MSCI EAFE (Net)			-9.36	-27.09	-25.13	-1.83	-0.84	3.67	4.25	
Over/Under			-0.23	0.29	-0.35	1.94	1.46	1.21	1.26	
Barrow Hanley	429,003,070	8.78	-13.52	-16.29	-14.75	3.51	1.50	-	2.77	Dec-13
MSCI EAFE Value Index (Net)			-10.20	-21.08	-20.16	-2.79	-2.74	-	-0.32	
Over/Under			-3.32	4.79	5.41	6.30	4.24	-	3.09	
Lazard Asset Management	451,093,285	9.23	-9.54	-26.73	-26.90	-1.73	0.57	-	2.27	Dec-13
MSCI EAFE (Net)			-9.36	-27.09	-25.13	-1.83	-0.84	-	1.21	
Over/Under			-0.18	0.36	-1.77	0.10	1.41	-	1.06	
MFS Institutional Advisors	470,181,149	9.62	-6.35	-24.66	-21.10	1.56	3.68	-	4.94	Nov-13
MSCI World ex USA Growth NR USD			-8.14	-32.33	-29.44	-1.14	0.85	-	2.56	
Over/Under			1.79	7.67	8.34	2.70	2.83	-	2.38	
Oberweis Asset Mgmt	271,907,449	5.56	-11.96	-43.88	-46.02	1.93	0.51	-	4.74	Feb-14
MSCI EAFE Small Cap (Net)			-9.83	-32.11	-32.06	-2.16	-1.79	-	2.50	
Over/Under			-2.13	-11.77	-13.96	4.09	2.30	-	2.24	
SSgA World ex US IMI	1,578,776,713	32.29	-9.13	-26.56	-24.51	-0.56	0.08	4.28	3.83	Jul-98
MSCI World ex U.S. IMI Index (Net)			-9.23	-26.97	-24.99	-1.23	-0.53	3.77	3.84	
Over/Under			0.10	0.41	0.48	0.67	0.61	0.51	-0.01	
State Street EAFE SC	261,450,693	5.35	-9.65	-31.65	-31.61	-	-	-	-14.99	Jan-21
MSCI EAFE Small Cap (Net)			-9.83	-32.11	-32.06	-	-	-	-15.34	
Over/Under			0.18	0.46	0.45	-	-	-	0.35	

Note: The Barrow Hanley, Lazard, MFS, Oberweis, MSCI EAFE SC, Axiom Emerging Markets, DFA Emerging Markets, State Street Emerging Markets, Wasatch, portfolios have mid-month inception dates. Since inception return is calculated from the first full month of performance.

eA = eVestment

Refer to appendix for blended benchmark definitions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

NON-U.S. EQUITY (GROSS)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Emerging Markets	1,426,472,908	29.18	-10.01	-29.74	-29.07	0.53	-0.34	1.77	2.49	Jul-12
<i>MSCI Emerging Markets (Net)</i>			<i>-11.57</i>	<i>-27.16</i>	<i>-28.11</i>	<i>-2.07</i>	<i>-1.81</i>	<i>1.05</i>	<i>1.76</i>	
Over/Under			1.56	-2.58	-0.96	2.60	1.47	0.72	0.73	
Axiom Emerging Markets	255,596,907	5.23	-14.09	-34.75	-35.69	-1.97	-1.37	-	2.03	May-14
<i>MSCI Emerging Markets (Net)</i>			<i>-11.57</i>	<i>-27.16</i>	<i>-28.11</i>	<i>-2.07</i>	<i>-1.81</i>	-	<i>0.92</i>	
Over/Under			-2.52	-7.59	-7.58	0.10	0.44	-	1.11	
<i>MSCI Emerging Markets Growth (Net)</i>			<i>-12.13</i>	<i>-30.65</i>	<i>-32.09</i>	<i>-1.75</i>	<i>-1.64</i>	-	<i>2.09</i>	
Over/Under			-1.96	-4.10	-3.60	-0.22	0.27	-	-0.06	
DFA Emerging Markets	419,409,055	8.58	-9.83	-19.44	-19.05	1.74	0.03	-	0.43	Aug-14
<i>MSCI Emerging Markets Value (Net)</i>			<i>-10.95</i>	<i>-23.32</i>	<i>-23.63</i>	<i>-2.57</i>	<i>-2.13</i>	-	<i>-1.48</i>	
Over/Under			1.12	3.88	4.58	4.31	2.16	-	1.91	
State Street Emerging Markets	499,593,393	10.22	-12.14	-27.55	-28.28	-	-	-	-15.44	Jan-21
<i>MSCI Emerging Markets (Net)</i>			<i>-11.57</i>	<i>-27.16</i>	<i>-28.11</i>	-	-	-	<i>-17.80</i>	
Over/Under			-0.57	-0.39	-0.17	-	-	-	2.36	
Wasatch Global Investors	251,715,784	5.15	-4.26	-40.86	-37.04	-	-	-	-11.66	Jan-21
<i>MSCI Emerging Markets Small Cap (Net)</i>			<i>-5.25</i>	<i>-24.23</i>	<i>-23.23</i>	-	-	-	<i>-5.87</i>	
Over/Under			0.99	-16.63	-13.81	-	-	-	-5.79	
Sanctioned Asset	157,580	0.00	0.00	-	-	-	-	-	0.00	Jun-22

Note: The Barrow Hanley, Lazard, MFS, Oberweis, MSCI EAFE SC, Axiom Emerging Markets, DFA Emerging Markets, State Street Emerging Markets, Wasatch, portfolios have mid-month inception dates. Since inception return is calculated from the first full month of performance.

eA = eVestment

Refer to appendix for blended benchmark definitions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

NON-U.S. EQUITY (NET)

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date	
Non-U.S. Equity	4,888,885,269	100.00	-9.69 (53)	-27.69 (41)	-26.60 (47)	-0.03 (39)	0.12 (36)	4.25 (49)	5.02 (50)	Jun-01	
MSCI AC World ex USA (Net)			-9.91 (56)	-26.50 (31)	-25.17 (33)	-1.52 (64)	-0.81 (61)	3.01 (82)	4.27 (76)		
Over/Under			0.22	-1.19	-1.43	1.49	0.93	1.24	0.75		
eV All ACWI ex-US Equity Median			-9.65	-29.00	-27.20	-0.79	-0.46	4.22	5.00		
Developed ex-U.S.	3,462,412,361	70.82	-9.65	-26.94	-25.67	-0.16	0.32	4.59	5.23	Jul-12	
MSCI EAFE (Net)			-9.36	-27.09	-25.13	-1.83	-0.84	3.67	4.25		
Over/Under			-0.29	0.15	-0.54	1.67	1.16	0.92	0.98		
Barrow Hanley	429,003,070	8.78	-13.62 (91)	-16.57 (4)	-15.14 (5)	3.04 (2)	1.02 (5)	-	2.27 (11)	Dec-13	
MSCI EAFE Value Index (Net)			-10.20 (41)	-21.08 (26)	-20.16 (27)	-2.79 (63)	-2.74 (65)	-	-0.32 (79)		
Over/Under			-3.42	4.51	5.02	5.83	3.76	-	2.59		
eV EAFE Value Equity Median			-10.73	-23.65	-22.90	-1.74	-2.04	-	0.57		
Lazard Asset Management	451,093,285	9.23	-9.65 (46)	-27.00 (41)	-27.26 (62)	-2.20 (66)	0.07 (26)	-	1.76 (47)	Dec-13	
MSCI EAFE (Net)			-9.36 (38)	-27.09 (42)	-25.13 (41)	-1.83 (59)	-0.84 (47)	-	1.21 (65)		
Over/Under			-0.29	0.09	-2.13	-0.37	0.91	-	0.55		
eV All EAFE Equity Median			-9.87	-27.98	-26.03	-1.44	-0.98	-	1.58		
MFS Institutional Advisors	470,181,149	9.62	-6.44 (1)	-24.89 (1)	-21.43 (1)	1.16 (16)	3.24 (1)	-	4.43 (1)	Nov-13	
MSCI World ex USA Growth NR USD			-8.14 (24)	-32.33 (37)	-29.44 (31)	-1.14 (43)	0.85 (32)	-	2.56 (42)		
Over/Under			1.70	7.44	8.01	2.30	2.39	-	1.87		
eV EAFE All Cap Growth Median			-8.53	-32.94	-31.27	-2.54	0.26	-	2.48		
Oberweis Asset Mgmt	271,907,449	5.56	-12.09 (95)	-44.22 (96)	-46.46 (97)	1.12 (16)	-0.31 (19)	-	3.86 (7)	Feb-14	
MSCI EAFE Small Cap (Net)			-9.83 (46)	-32.11 (44)	-32.06 (49)	-2.16 (61)	-1.79 (47)	-	2.50 (40)		
Over/Under			-2.26	-12.11	-14.40	3.28	1.48	-	1.36		
eV EAFE Small Cap Equity Median			-9.93	-32.78	-32.69	-1.71	-2.15	-	2.15		

Note: The Barrow Hanley, Lazard, MFS, Oberweis, MSCI EAFE SC, Axiom Emerging Markets, DFA Emerging Markets, State Street Emerging Markets, Wasatch, portfolios have mid-month inception dates. Since inception return is calculated from the first full month of performance.

eA = eVestment

Refer to appendix for blended benchmark definitions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

NON-U.S. EQUITY (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
SSgA World ex US IMI	1,578,776,713	32.29	-9.13 (34)	-26.57 (28)	-24.53 (29)	-0.58 (31)	0.06 (24)	4.26 (46)	N/A	Jul-98
<i>MSCI World ex U.S. IMI Index (Net)</i>			-9.23 (36)	-26.97 (35)	-24.99 (34)	-1.23 (46)	-0.53 (38)	3.77 (64)		
Over/Under			0.10	0.40	0.46	0.65	0.59	0.49		
<i>eV EAFE Core Equity Median</i>			-9.67	-28.32	-26.51	-1.46	-0.98	4.10		
State Street EAFE SC	261,450,693	5.35	-9.65 (43)	-31.67 (43)	-31.64 (44)	-	-	-	-15.02 (50)	Jan-21
<i>MSCI EAFE Small Cap (Net)</i>			-9.83 (46)	-32.11 (44)	-32.06 (49)	-	-	-	-15.34 (53)	
Over/Under			0.18	0.44	0.42	-	-	-	0.32	
<i>eV EAFE Small Cap Equity Median</i>			-9.93	-32.78	-32.69	-	-	-	-15.15	
Emerging Markets	1,426,472,908	29.18	-10.10	-30.08	-29.50	0.03	-0.86	1.19	1.90	Jul-12
<i>MSCI Emerging Markets (Net)</i>			-11.57	-27.16	-28.11	-2.07	-1.81	1.05	1.76	
Over/Under			1.47	-2.92	-1.39	2.10	0.95	0.14	0.14	
Axiom Emerging Markets	255,596,907	5.23	-14.25 (98)	-35.19 (94)	-36.24 (93)	-2.66 (68)	-2.07 (60)	-	1.34 (48)	May-14
<i>MSCI Emerging Markets (Net)</i>			-11.57 (71)	-27.16 (47)	-28.11 (50)	-2.07 (60)	-1.81 (56)	-	0.92 (62)	
Over/Under			-2.68	-8.03	-8.13	-0.59	-0.26	-	0.42	
<i>eV Emg Mkts Equity Median</i>			-10.05	-27.34	-28.11	-1.37	-1.52	-	1.25	
<i>MSCI Emerging Markets Growth (Net)</i>			-12.13 (80)	-30.65 (75)	-32.09 (76)	-1.75 (56)	-1.64 (52)	-	2.09 (30)	
Over/Under			-2.12	-4.54	-4.15	-0.91	-0.43	-	-0.75	
DFA Emerging Markets	419,409,055	8.58	-9.91 (50)	-19.69 (10)	-19.40 (10)	1.27 (26)	-0.45 (32)	-	-0.04 (65)	Aug-14
<i>MSCI Emerging Markets Value (Net)</i>			-10.95 (63)	-23.32 (22)	-23.63 (25)	-2.57 (67)	-2.13 (62)	-	-1.48 (92)	
Over/Under			1.04	3.63	4.23	3.84	1.68	-	1.44	
<i>eV Emg Mkts Equity Median</i>			-10.05	-27.34	-28.11	-1.37	-1.52	-	0.39	
State Street Emerging Markets	499,593,393	10.22	-12.15 (81)	-27.57 (53)	-28.30 (53)	-	-	-	-18.07 (57)	Jan-21
<i>MSCI Emerging Markets (Net)</i>			-11.57 (71)	-27.16 (47)	-28.11 (50)	-	-	-	-17.80 (54)	
Over/Under			-0.58	-0.41	-0.19	-	-	-	-0.27	
<i>eV Emg Mkts Equity Median</i>			-10.05	-27.34	-28.11	-	-	-	-16.96	

Note: The Barrow Hanley, Lazard, MFS, Oberweis, MSCI EAFE SC, Axiom Emerging Markets, DFA Emerging Markets, State Street Emerging Markets, Wasatch, portfolios have mid-month inception dates. Since inception return is calculated from the first full month of performance.

eA = eVestment

Refer to appendix for blended benchmark definitions.

Los Angeles City Employees' Retirement System-LACERS Master Trust

NON-U.S. EQUITY (NET)

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date	
Wasatch Global Investors	251,715,784	5.15	-4.41 (28)	-41.53 (100)	-37.87 (97)	-	-	-	-12.53 (82)	Jan-21	
<i>MSCI Emerging Markets Small Cap (Net)</i>			-5.25 (43)	-24.23 (42)	-23.23 (47)	-	-	-	-5.87 (41)		
Over/Under			0.84	-17.30	-14.64	-	-	-	-6.66		
<i>eV Emg Mkts Small Cap Equity Median</i>			-5.71	-25.37	-23.37	-	-	-	-7.38		
Sanctioned Asset	157,580	0.00	0.00	-	-	-	-	-	0.00	Jun-22	

Note: The Barrow Hanley, Lazard, MFS, Oberweis, MSCI EAFE SC, Axiom Emerging Markets, DFA Emerging Markets, State Street Emerging Markets, Wasatch, portfolios have mid-month inception dates. Since inception return is calculated from the first full month of performance.

eA = eVestment

Refer to appendix for blended benchmark definitions.

Los Angeles City Employees' Retirement System-LACERS Master Trust

NON-U.S. EQUITY ROLLING 5 YEAR INFORMATION RATIO



INVESTMENT MANAGER REPORT CARD

NON-U.S. EQUITY

Non-U.S. Equity Managers	Inception Date	Mandate	Current Quarter (Net)		One Year (Net)		Three Years (Net)		Five Years (Net)		Since Inception (Net)	Annual Mgt Fee Paid \$ (000)	Comments
			Index	Universe	Index	Universe	Index	Universe	Index	Universe	Index		
SSgA (Passive)	Dec-20	Emerging Markets	*	*	*	*	N/A	N/A	N/A	N/A	*	141.2	Performance compliant with LACERS' Manager Monitoring Policy
Axiom International	Mar-14	Emerging Markets	*	*	*	*	*	*	*	*	✓	2,182.0	Released from Watch as of 10/1/22
DFA Emerging Markets	Jul-14	Emerging Markets	✓	=	✓	✓	✓	✓	✓	✓	✓	1,786.4	Performance compliant with LACERS' Manager Monitoring Policy
Wasatch	Dec-20	Emerging Markets Small Cap	✓	✓	*	*	N/A	N/A	N/A	N/A	*	2,300.0	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Oberweis Asset Mgt.	Jan-14	Non-U.S. Developed	*	*	*	*	✓	✓	✓	✓	✓	2,378.7	Performance compliant with LACERS' Manager Monitoring Policy
Barrow, Hanley, Mewhinney & Strauss	Nov-13	Non-U.S. Developed	*	*	✓	✓	✓	✓	✓	✓	✓	2,345.7	On Watch in August 2020 due to organizational change, Watch status extended in August 2021 due to organizational change and AUM Strategy Concentration. Watch extended in August 2022 due to Pental acquisition.
Lazard Asset Mgt.	Nov-13	Non-U.S. Developed	*	✓	*	*	*	*	✓	✓	✓	2,719.0	Removed from Watch status as of September 2022.
MFS Institutional Advisors	Oct-13	Non-U.S. Developed	✓	✓	✓	✓	✓	✓	✓	✓	✓	2,309.0	Performance compliant with LACERS' Manager Monitoring Policy
SsgA (Passive)	Dec-20	Non-U.S. Developed Small Cap	✓	✓	✓	✓	N/A	N/A	N/A	N/A	✓	128.5	Performance compliant with LACERS' Manager Monitoring Policy
SsgA (Passive)	Aug-93	Non-U.S. Developed	✓	✓	✓	✓	✓	✓	✓	✓	✓✓	447.7	Performance compliant with LACERS' Manager Monitoring Policy

Note: Managers are placed on Watch List for concerns with organization, process and performance. Managers are normally on the Watch List for 12 months though may be longer if manager issues remain but not severe enough to warrant termination recommendation.

- Annual Management Fee Paid as of fiscal year ending June 30, 2022.
- * Where net of fees performance is not available gross of fee returns are evaluated.

Legend	
✓	Outperformed
*	Underperformed
=	Equal to
✓✓	Gross Return



CORE FIXED INCOME MANAGER PERFORMANCE



Los Angeles City Employees' Retirement System-LACERS Master Trust

CORE FIXED INCOME (GROSS)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Core Fixed Income	2,956,439,909	100.00	-4.65	-14.31	-14.27	-2.45	0.26	1.50	1.77	Jul-12
Core Fixed Income Blend			-4.75	-14.61	-14.60	-3.26	-0.27	0.94	1.11	
Over/Under			0.10	0.30	0.33	0.81	0.53	0.56	0.66	
Loomis Sayles & Co. Core Fixed Income	560,780,214	18.97	-4.38	-14.41	-14.07	-2.01	0.73	2.03	8.19	Jul-80
Loomis Custom Benchmark			-4.75	-14.61	-14.60	-3.26	-0.27	0.94	6.75	
Over/Under			0.37	0.20	0.53	1.25	1.00	1.09	1.44	
SSgA U.S. Aggregate Bond	758,598,777	25.66	-4.74	-14.60	-14.61	-3.24	-0.24	-	0.90	Aug-14
Blmbg. U.S. Aggregate Index			-4.75	-14.61	-14.60	-3.26	-0.27	-	0.87	
Over/Under			0.01	0.01	-0.01	0.02	0.03	-	0.03	
Baird Advisors Core Fixed Income	537,783,023	18.19	-4.66	-14.99	-14.99	-	-	-	-12.02	Jul-21
Blmbg. U.S. Aggregate Index			-4.75	-14.61	-14.60	-	-	-	-11.81	
Over/Under			0.09	-0.38	-0.39	-	-	-	-0.21	
Garcia Hamilton & Associates	364,542,365	12.33	-5.31	-13.05	-13.03	-	-	-	-10.58	Jul-21
Blmbg. U.S. Aggregate Index			-4.75	-14.61	-14.60	-	-	-	-11.81	
Over/Under			-0.56	1.56	1.57	-	-	-	1.23	
JP Morgan Investment Management	364,150,119	12.32	-4.33	-13.62	-13.67	-	-	-	-10.97	Jul-21
Blmbg. U.S. Aggregate Index			-4.75	-14.61	-14.60	-	-	-	-11.81	
Over/Under			0.42	0.99	0.93	-	-	-	0.84	
Income Research & Management	370,585,356	12.53	-4.50	-14.41	-14.52	-	-	-	-11.66	Jul-21
Blmbg. U.S. Aggregate Index			-4.75	-14.61	-14.60	-	-	-	-11.81	
Over/Under			0.25	0.20	0.08	-	-	-	0.15	

Note: All portfolios in Core Fixed Income have mid-month inception dates. Since inception return is calculated from the first full month of performance.

- Core Fixed Income Blend = 100% Bloomberg U.S. Aggregate Index

Refer to appendix for blended benchmark definitions.

Los Angeles City Employees' Retirement System-LACERS Master Trust

CORE FIXED INCOME (NET)

	Allocation		Performance (%)								Inception Date
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)		
Core Fixed Income	2,956,439,909	100.00	-4.67	-14.38	-14.36	-2.54	0.17	1.39	1.66	Jul-12	
Core Fixed Income Blend			-4.75	-14.61	-14.60	-3.26	-0.27	0.94	1.11		
Over/Under			0.08	0.23	0.24	0.72	0.44	0.45	0.55		
Loomis Sayles & Co. Core Fixed Income	560,780,214	18.97	-4.41 (31)	-14.50 (45)	-14.22 (28)	-2.13 (10)	0.61 (7)	1.90 (3)	8.12 (-)	Jul-80	
Loomis Custom Benchmark			-4.75 (73)	-14.61 (51)	-14.60 (50)	-3.26 (76)	-0.27 (77)	0.94 (71)	6.75 (-)		
Over/Under			0.34	0.11	0.38	1.13	0.88	0.96	1.37		
eV US Core Fixed Inc Median			-4.56	-14.61	-14.62	-2.97	-0.05	1.11	-		
SSgA U.S. Aggregate Bond	758,598,777	25.66	-4.74 (73)	-14.61 (51)	-14.63 (51)	-3.26 (77)	-0.28 (78)	-	0.86 (75)	Aug-14	
Blmbg. U.S. Aggregate Index			-4.75 (73)	-14.61 (51)	-14.60 (50)	-3.26 (76)	-0.27 (77)	-	0.87 (75)		
Over/Under			0.01	0.00	-0.03	0.00	-0.01	-	-0.01		
eV US Core Fixed Inc Median			-4.56	-14.61	-14.62	-2.97	-0.05	-	1.06		
Baird Advisors Core Fixed Income	537,783,023	18.19	-4.68 (68)	-15.06 (74)	-15.08 (74)	-	-	-	-12.10 (64)	Jul-21	
Blmbg. U.S. Aggregate Index			-4.75 (73)	-14.61 (51)	-14.60 (50)	-	-	-	-11.81 (47)		
Over/Under			0.07	-0.45	-0.48	-	-	-	-0.29		
eV US Core Fixed Inc Median			-4.56	-14.61	-14.62	-	-	-	-11.84		
Garcia Hamilton & Associates	364,542,365	12.33	-5.34 (97)	-13.13 (13)	-13.14 (12)	-	-	-	-10.68 (12)	Jul-21	
Blmbg. U.S. Aggregate Index			-4.75 (73)	-14.61 (51)	-14.60 (50)	-	-	-	-11.81 (47)		
Over/Under			-0.59	1.48	1.46	-	-	-	1.13		
eV US Core Fixed Inc Median			-4.56	-14.61	-14.62	-	-	-	-11.84		
JP Morgan Investment Management	364,150,119	12.32	-4.37 (29)	-13.70 (18)	-13.78 (19)	-	-	-	-11.06 (17)	Jul-21	
Blmbg. U.S. Aggregate Index			-4.75 (73)	-14.61 (51)	-14.60 (50)	-	-	-	-11.81 (47)		
Over/Under			0.38	0.91	0.82	-	-	-	0.75		
eV US Core Fixed Inc Median			-4.56	-14.61	-14.62	-	-	-	-11.84		
Income Research & Management	370,585,356	12.53	-4.54 (47)	-14.50 (44)	-14.63 (51)	-	-	-	-11.75 (42)	Jul-21	
Blmbg. U.S. Aggregate Index			-4.75 (73)	-14.61 (51)	-14.60 (50)	-	-	-	-11.81 (47)		
Over/Under			0.21	0.11	-0.03	-	-	-	0.06		
eV US Core Fixed Inc Median			-4.56	-14.61	-14.62	-	-	-	-11.84		

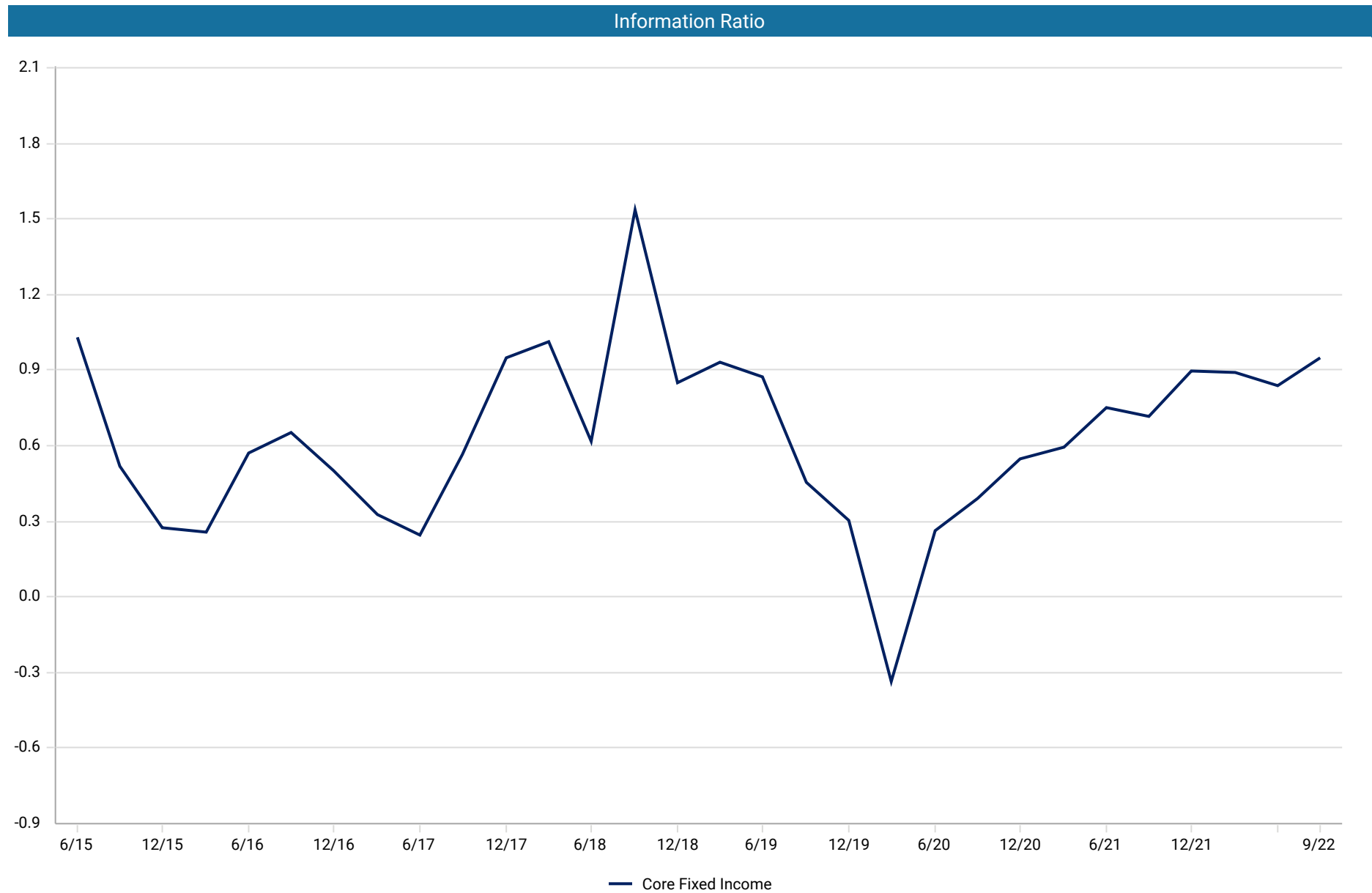
Note: All portfolios in Core Fixed Income have mid-month inception dates. Since inception return is calculated from the first full month of performance.

- Core Fixed Income Blend = 100% Bloomberg U.S. Aggregate Index

Refer to appendix for blended benchmark definitions.

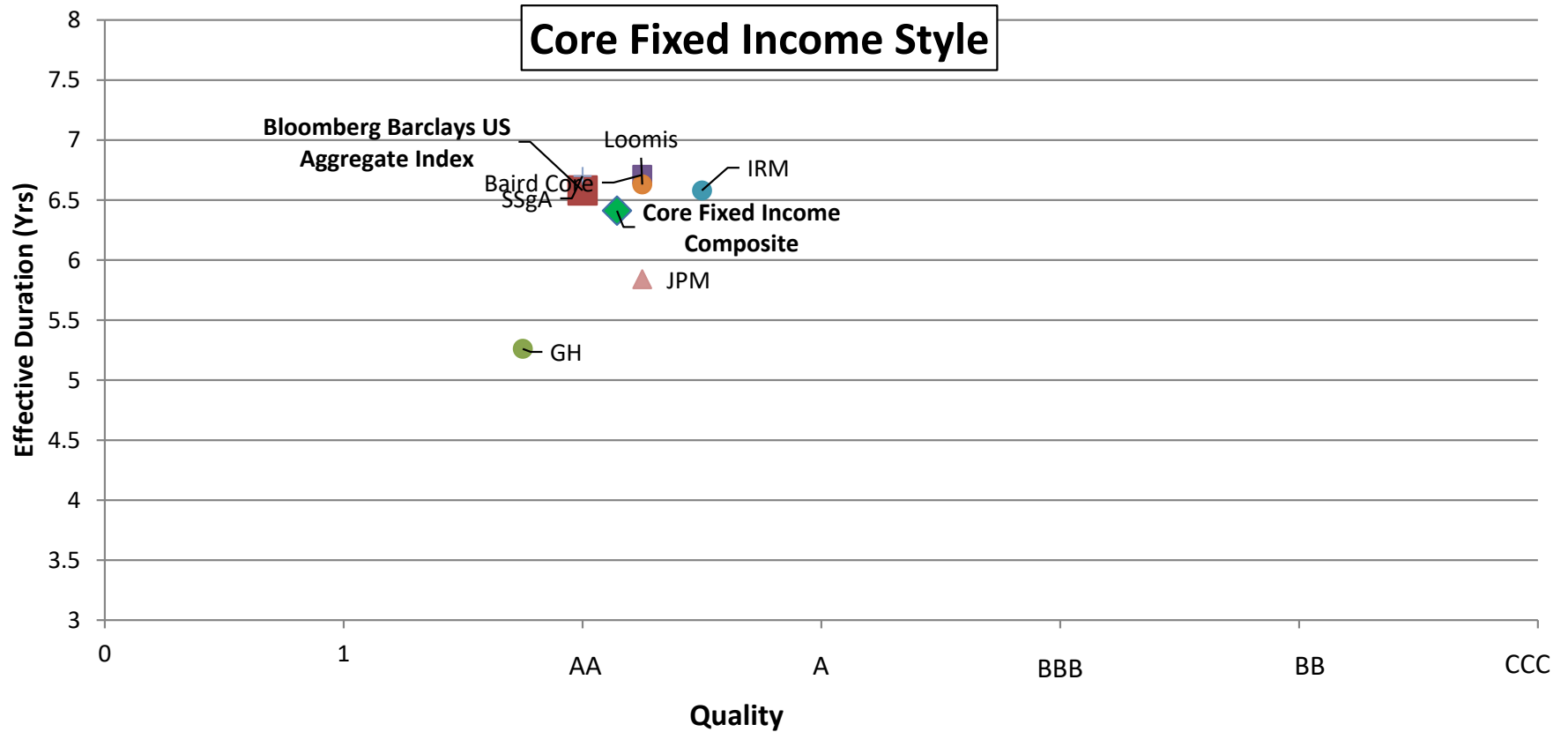
Los Angeles City Employees' Retirement System-LACERS Master Trust

CORE FIXED INCOME 3 YEAR INFORMATION RATIO



CORE FIXED INCOME

STYLE ANALYSIS



- LACERS Core Fixed Income Composite has a slightly lower duration (interest rate risk) than its benchmark.
- The Core Fixed Income Composite has slightly lower average quality rating than its benchmark.

INVESTMENT MANAGER REPORT CARD

CORE FIXED INCOME

Core Fixed Income Managers	Inception Date	Mandate	Current Quarter (Net)		One Year (Net)		Three Years (Net)		Five Years (Net)		Since Inception (Net)	Annual Mgt Fee Paid \$ (000)	Comments
			Index	Universe	Index	Universe	Index	Universe	Index	Universe	Index		
Loomis Sayles	Jul-80	Core	✓	✓	✓	✓	✓	✓	✓	✓	✓✓	887.5	Performance compliant with LACERS' Manager Monitoring Policy
Baird Advisors	Jul-21	Core	✓	✗	✗	✗	N/A	N/A	N/A	N/A	✗	673.3	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Garcia Hamilton	Jul-21	Core	✗	✗	✓	✓	N/A	N/A	N/A	N/A	✓	514.0	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
IR&M	Jul-21	Core	✓	✓	✗	✗	N/A	N/A	N/A	N/A	✓	544.4	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
J.P. Morgan	Jul-21	Core	✓	✓	✓	✓	N/A	N/A	N/A	N/A	✓	518.0	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
SSgA (Passive)	Aug-14	Core	✓	✗	✗	✗	=	✗	✗	✗	✗	272.3	Performance compliant with LACERS' Manager Monitoring Policy

Note: Managers are placed on Watch List for concerns with organization, process and performance. Managers are normally on the Watch List for 12 months though may be longer if manager issues remain but not severe enough to warrant termination recommendation.

- Annual Management Fee Paid as of fiscal year ending June 30, 2022.
- * Where net of fees performance is not available gross of fee returns are evaluated.

Legend	
✓	Outperformed
✗	Underperformed
=	Equal to
✓✓	Gross Return



CREDIT OPPORTUNITIES MANAGER PERFORMANCE



Los Angeles City Employees' Retirement System-LACERS Master Trust

CREDIT OPPORTUNITIES (GROSS)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Credit Opportunities	1,570,572,609	100.00	-1.65	-14.52	-14.96	-2.59	0.37	-	3.03	Jul-13
<i>Credit Opportunities Blend</i>			<u>-2.75</u>	<u>-15.91</u>	<u>-16.32</u>	<u>-2.55</u>	<u>0.28</u>	-	<u>3.16</u>	
Over/Under			1.10	1.39	1.36	-0.04	0.09	-	-0.13	
PGIM Blended	398,833,776	25.39	-3.03	-18.94	-20.06	-	-	-	-13.93	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			<u>-4.63</u>	<u>-21.28</u>	<u>-22.45</u>	-	-	-	<u>-15.62</u>	
Over/Under			1.60	2.34	2.39	-	-	-	1.69	
Wellington	390,252,068	24.85	-3.62	-19.96	-21.17	-	-	-	-14.49	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			<u>-4.63</u>	<u>-21.28</u>	<u>-22.45</u>	-	-	-	<u>-15.62</u>	
Over/Under			1.01	1.32	1.28	-	-	-	1.13	
Bain Capital Senior Loan Fund, LP	232,258,294	14.79	0.70	-5.27	-4.31	2.59	3.22	-	3.38	Jun-15
<i>Credit Suisse Leveraged Loan Index</i>			<u>1.19</u>	<u>-3.31</u>	<u>-2.62</u>	<u>2.12</u>	<u>3.00</u>	-	<u>3.28</u>	
Over/Under			-0.49	-1.96	-1.69	0.47	0.22	-	0.10	
Polen Capital	217,132,009	13.83	-0.74	-11.00	-11.02	-	-	-	-1.03	Nov-20
<i>50% BBgBarc US High Yield 2% Issuer Cap / 50% Credit Suisse Leveraged Loan Index</i>			<u>0.31</u>	<u>-9.10</u>	<u>-8.46</u>	-	-	-	<u>0.12</u>	
Over/Under			-1.05	-1.90	-2.56	-	-	-	-1.15	
Loomis Sayles & Co. High Yield	209,677,070	13.35	0.06	-14.29	-13.94	-	-	-	-2.25	Nov-20
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>			<u>-0.64</u>	<u>-14.73</u>	<u>-14.15</u>	-	-	-	<u>-2.60</u>	
Over/Under			0.70	0.44	0.21	-	-	-	0.35	
Benefit Street Partners LLC	68,098,981	4.34	0.49	2.90	6.64	-	-	-	3.61	Dec-20
<i>Credit Suisse Leveraged Loan Qtr Lag</i>			<u>-4.35</u>	<u>-3.77</u>	<u>-2.68</u>	-	-	-	<u>2.75</u>	
Over/Under			4.84	6.67	9.32	-	-	-	0.86	
Crescent	9,474,001	0.60	0.16	-7.07	-	-	-	-	-7.07	Dec-21
<i>Credit Suisse Leveraged Loan Index</i>			<u>1.19</u>	<u>-3.31</u>	-	-	-	-	<u>-2.70</u>	
Over/Under			-1.03	-3.76	-	-	-	-	-4.37	
Monroe	44,846,411	2.86	0.81	1.20	-	-	-	-	1.20	Dec-21
<i>Credit Suisse Leveraged Loan Qtr Lag</i>			<u>-4.35</u>	<u>-3.77</u>	-	-	-	-	<u>-3.14</u>	
Over/Under			5.16	4.97	-	-	-	-	4.34	

Note: All portfolios within Credit Opportunities have mid-month inception dates. Since inception return is calculated from the first full month of performance.
eA = eVestment

Refer to appendix for blended benchmark definitions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

CREDIT OPPORTUNITIES (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Credit Opportunities	1,570,572,609	100.00	-1.74	-14.74	-15.27	-2.88	0.06	-	2.70	Jul-13
<i>Credit Opportunities Blend</i>			<u>-2.75</u>	<u>-15.91</u>	<u>-16.32</u>	<u>-2.55</u>	<u>0.28</u>	-	<u>3.16</u>	
Over/Under			1.01	1.17	1.05	-0.33	-0.22	-	-0.46	
PGIM Blended	398,833,776	25.39	-3.11 (26)	-19.15 (52)	-20.33 (50)	-	-	-	-14.17 (53)	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			<u>-4.63</u> (68)	<u>-21.28</u> (67)	<u>-22.45</u> (66)	-	-	-	<u>-15.62</u> (74)	
Over/Under			1.52	2.13	2.12	-	-	-	1.45	
<i>eV All Emg Mkts Fixed Inc Median</i>			<u>-4.16</u>	<u>-19.00</u>	<u>-20.42</u>	-	-	-	<u>-13.96</u>	
Wellington	390,252,068	24.85	-3.74 (41)	-20.27 (60)	-21.57 (60)	-	-	-	-14.84 (63)	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			<u>-4.63</u> (68)	<u>-21.28</u> (67)	<u>-22.45</u> (66)	-	-	-	<u>-15.62</u> (74)	
Over/Under			0.89	1.01	0.88	-	-	-	0.78	
<i>eV All Emg Mkts Fixed Inc Median</i>			<u>-4.16</u>	<u>-19.00</u>	<u>-20.42</u>	-	-	-	<u>-13.96</u>	
Bain Capital Senior Loan Fund, LP	232,258,294	14.79	0.70 (78)	-5.27 (79)	-4.31 (75)	2.59 (5)	3.22 (4)	-	3.38 (10)	Jun-15
<i>Credit Suisse Leveraged Loan Index</i>			<u>1.19</u> (45)	<u>-3.31</u> (21)	<u>-2.62</u> (23)	<u>2.12</u> (16)	<u>3.00</u> (9)	-	<u>3.28</u> (12)	
Over/Under			-0.49	-1.96	-1.69	0.47	0.22	-	0.10	
<i>eV US Float-Rate Bank Loan Fixed Inc Median</i>			<u>1.08</u>	<u>-4.23</u>	<u>-3.58</u>	<u>1.39</u>	<u>2.38</u>	-	<u>2.73</u>	
Polen Capital	217,132,009	13.83	-0.89 (76)	-11.36 (30)	-11.49 (33)	-	-	-	-1.46 (39)	Nov-20
<i>50% BBgBarc US High Yield 2% Issuer Cap / 50% Credit Suisse Leveraged Loan Index</i>			<u>0.31</u> (16)	<u>-9.10</u> (21)	<u>-8.46</u> (20)	-	-	-	<u>0.12</u> (21)	
Over/Under			-1.20	-2.26	-3.03	-	-	-	-1.58	
<i>eV US High Yield Fixed Inc Median</i>			<u>-0.50</u>	<u>-13.53</u>	<u>-12.88</u>	-	-	-	<u>-2.10</u>	
Loomis Sayles & Co. High Yield	209,677,070	13.35	-0.05 (28)	-14.54 (71)	-14.34 (80)	-	-	-	-2.57 (62)	Nov-20
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>			<u>-0.64</u> (58)	<u>-14.73</u> (75)	<u>-14.15</u> (77)	-	-	-	<u>-2.60</u> (62)	
Over/Under			0.59	0.19	-0.19	-	-	-	0.03	
<i>eV US High Yield Fixed Inc Median</i>			<u>-0.50</u>	<u>-13.53</u>	<u>-12.88</u>	-	-	-	<u>-2.10</u>	
Benefit Street Partners LLC	68,098,981	4.34	0.49	2.90	6.64	-	-	-	3.61	Dec-20
<i>Credit Suisse Leveraged Loan Qtr Lag</i>			<u>-4.35</u>	<u>-3.77</u>	<u>-2.68</u>	-	-	-	<u>2.75</u>	
Over/Under			4.84	6.67	9.32	-	-	-	0.86	
Crescent	9,474,001	0.60	0.16	-7.07	-	-	-	-	-7.07	Dec-21
<i>Credit Suisse Leveraged Loan Index</i>			<u>1.19</u>	<u>-3.31</u>	-	-	-	-	<u>-2.70</u>	
Over/Under			-1.03	-3.76	-	-	-	-	-4.37	
Monroe	44,846,411	2.86	0.81	1.20	-	-	-	-	1.20	Dec-21
<i>Credit Suisse Leveraged Loan Qtr Lag</i>			<u>-4.35</u>	<u>-3.77</u>	-	-	-	-	<u>-3.14</u>	
Over/Under			5.16	4.97	-	-	-	-	4.34	

Note: All portfolios within Credit Opportunities have mid-month inception dates. Since inception return is calculated from the first full month of performance.

eA = eVestment

Refer to appendix for blended benchmark definitions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

CREDIT OPPORTUNITIES ROLLING 3 YEAR

Information Ratio



INVESTMENT MANAGER REPORT CARD

CREDIT OPPORTUNITIES

Credit Opportunities Managers	Inception Date	Mandate	Current Quarter (Net)		One Year (Net)		Three Years (Net)		Five Years (Net)		Since Inception (Net)	Annual Mgt Fee Paid \$ (000)	Comments
			Index	Universe	Index	Universe	Index	Universe	Index	Universe	Index		
PGIM	Feb-21	Emerging Market Debt Blended	✓	✓	✓	=	N/A	N/A	N/A	N/A	✓	1,548.7	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Wellington	Feb-21	Emerging Market Debt Blended	✓	✓	✓	✘	N/A	N/A	N/A	N/A	✓	2,218.7	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Bain	Jun-15	Bank Loans	✘	✘	✘	✓	✓	✓	✓	✓	✓	N/A	Performance compliant with LACERS' Manager Monitoring Policy
Benefit Street Partners	Dec-20	Private Credit	✓	N/A	✓	N/A	N/A	N/A	N/A	N/A	✘	N/A	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Crescent	Dec-21	Private Credit	✘	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Monroe	Dec-21	Private Credit	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✘	N/A	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Loomis Sayles	Nov-20	High Yield	✓	✓	✘	✘	N/A	N/A	N/A	N/A	✘	986.6	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Polen Capital	Nov-20	High Yield/Bank Loan	✘	✓	✘	✓	N/A	N/A	N/A	N/A	✘	1,445.2	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy. On Watch since December 2021 due to organizational change.

Note: Managers are placed on Watch List for concerns with organization, process and performance. Managers are normally on the Watch List for 12 months though may be longer if manager issues remain but not severe enough to warrant termination recommendation.

- Annual Management Fee Paid as of fiscal year ending June 30, 2022.
- * Where net of fees performance is not available gross of fee returns are evaluated.

Legend	
✓	Outperformed
✘	Underperformed
=	Equal to
✓✓	Gross Return



REAL ASSETS MANAGER PERFORMANCE



Los Angeles City Employees' Retirement System-LACERS Master Trust

REAL ASSETS (GROSS)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Real Assets	2,757,559,694	100.00	-3.28	-5.26	-0.13	4.26	4.85	6.74	6.10	Dec-94
<i>Real Assets Policy Benchmark</i>			<u>-3.86</u>	<u>-8.41</u>	<u>-1.32</u>	<u>5.47</u>	<u>6.12</u>	<u>6.24</u>	<u>7.67</u>	
Over/Under			0.58	3.15	1.19	-1.21	-1.27	0.50	-1.57	
Public Real Assets	1,463,879,570	53.09	-6.84	-17.92	-13.41	1.19	2.38	-	1.70	Jul-14
<i>Public Real Assets Blend</i>			<u>-7.38</u>	<u>-19.18</u>	<u>-13.13</u>	<u>1.24</u>	<u>1.96</u>	<u>-</u>	<u>0.26</u>	
Over/Under			0.54	1.26	-0.28	-0.05	0.42	-	1.44	
TIPS	1,007,415,897	36.53	-5.11	-14.14	-12.33	0.87	2.02	-	1.56	Aug-14
<i>Blmbg. U.S. TIPS</i>			<u>-5.14</u>	<u>-13.61</u>	<u>-11.57</u>	<u>0.79</u>	<u>1.95</u>	<u>-</u>	<u>1.53</u>	
Over/Under			0.03	-0.53	-0.76	0.08	0.07	-	0.03	
DFA US TIPS	1,007,415,897	36.53	-5.11	-14.14	-12.33	0.87	2.02	-	1.64	Aug-14
<i>Blmbg. U.S. TIPS</i>			<u>-5.14</u>	<u>-13.61</u>	<u>-11.57</u>	<u>0.79</u>	<u>1.95</u>	<u>-</u>	<u>1.53</u>	
Over/Under			0.03	-0.53	-0.76	0.08	0.07	-	0.11	
REITS	456,463,673	16.55	-10.20	-26.06	-14.93	1.80	6.32	-	6.57	Apr-15
<i>FTSE NAREIT All Equity REITs</i>			<u>-10.83</u>	<u>-27.93</u>	<u>-16.27</u>	<u>-1.10</u>	<u>4.10</u>	<u>-</u>	<u>4.51</u>	
Over/Under			0.63	1.87	1.34	2.90	2.22	-	2.06	
CenterSquare US Real Estate	456,463,673	16.55	-10.20	-26.06	-14.93	1.80	6.32	-	7.09	May-15
<i>FTSE NAREIT All Equity REITs</i>			<u>-10.83</u>	<u>-27.93</u>	<u>-16.27</u>	<u>-1.10</u>	<u>4.10</u>	<u>-</u>	<u>5.28</u>	
Over/Under			0.63	1.87	1.34	2.90	2.22	-	1.81	
Private Real Estate	1,274,301,050	46.21	1.13	16.73	23.00	8.97	8.32	9.64	7.11	Nov-94
<i>Real Estate Blend</i>			<u>0.77</u>	<u>13.93</u>	<u>23.31</u>	<u>13.50</u>	<u>11.35</u>	<u>11.71</u>	<u>10.96</u>	
Over/Under			0.36	2.80	-0.31	-4.53	-3.03	-2.07	-3.85	
Timber	19,379,074	0.70	-0.11	8.83	9.30	4.79	3.67	5.81	8.67	Oct-99

Note: The DFA U.S. TIPS and CenterSquare US Real Estate portfolios have mid-month inception dates. Since inception return is calculated from the first full month of performance.

Refer to appendix for blended benchmark definitions.

Los Angeles City Employees' Retirement System-LACERS Master Trust

REAL ASSETS (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Real Assets	2,757,559,694	100.00	-3.31	-5.34	-0.24	4.12	4.70	6.59	4.95	Jun-01
Real Assets Policy Benchmark			<u>-3.86</u>	<u>-8.41</u>	<u>-1.32</u>	<u>5.47</u>	<u>6.12</u>	<u>6.24</u>	<u>6.24</u>	
Over/Under			0.55	3.07	1.08	-1.35	-1.42	0.35	-1.29	
Public Real Assets	1,463,879,570	53.09	-6.87	-18.01	-13.54	1.01	2.18	-	1.51	Jul-14
Public Real Assets Blend			<u>-7.38</u>	<u>-19.18</u>	<u>-13.13</u>	<u>1.24</u>	<u>1.96</u>	<u>-</u>	<u>0.26</u>	
Over/Under			0.51	1.17	-0.41	-0.23	0.22	-	1.25	
TIPS	1,007,415,897	36.53	-5.12	-14.17	-12.37	0.82	1.97	-	1.50	Aug-14
Blmbg. U.S. TIPS			<u>-5.14</u>	<u>-13.61</u>	<u>-11.57</u>	<u>0.79</u>	<u>1.95</u>	<u>-</u>	<u>1.53</u>	
Over/Under			0.02	-0.56	-0.80	0.03	0.02	-	-0.03	
DFA US TIPS	1,007,415,897	36.53	<u>-5.12</u> (62)	<u>-14.17</u> (82)	<u>-12.37</u> (87)	<u>0.82</u> (57)	<u>1.97</u> (43)	<u>-</u>	<u>1.59</u> (24)	Aug-14
Blmbg. U.S. TIPS			<u>-5.14</u> (63)	<u>-13.61</u> (68)	<u>-11.57</u> (56)	<u>0.79</u> (57)	<u>1.95</u> (46)	<u>-</u>	<u>1.53</u> (32)	
Over/Under			0.02	-0.56	-0.80	0.03	0.02	-	0.06	
eV US TIPS / Inflation Fixed Inc Median			<u>-5.00</u>	<u>-13.40</u>	<u>-11.52</u>	<u>0.91</u>	<u>1.94</u>	<u>-</u>	<u>1.44</u>	
REITS	456,463,673	16.55	-10.27	-26.27	-15.24	1.41	5.90	-	6.14	Apr-15
FTSE NAREIT All Equity REITs			<u>-10.83</u>	<u>-27.93</u>	<u>-16.27</u>	<u>-1.10</u>	<u>4.10</u>	<u>-</u>	<u>4.51</u>	
Over/Under			0.56	1.66	1.03	2.51	1.80	-	1.63	
CenterSquare US Real Estate	456,463,673	16.55	<u>-10.27</u> (43)	<u>-26.27</u> (7)	<u>-15.24</u> (5)	<u>1.41</u> (9)	<u>5.90</u> (7)	<u>-</u>	<u>6.65</u> (8)	May-15
FTSE NAREIT All Equity REITs			<u>-10.83</u> (62)	<u>-27.93</u> (33)	<u>-16.27</u> (29)	<u>-1.10</u> (56)	<u>4.10</u> (45)	<u>-</u>	<u>5.28</u> (30)	
Over/Under			0.56	1.66	1.03	2.51	1.80	-	1.37	
eV US REIT Median			<u>-10.49</u>	<u>-28.71</u>	<u>-17.46</u>	<u>-0.89</u>	<u>3.66</u>	<u>-</u>	<u>4.45</u>	
Private Real Estate	1,274,301,050	46.21	1.11	16.66	22.92	8.88	8.23	9.54	6.33	Jul-01
Real Estate Blend			<u>0.77</u>	<u>13.93</u>	<u>23.31</u>	<u>13.50</u>	<u>11.35</u>	<u>11.71</u>	<u>10.37</u>	
Over/Under			0.34	2.73	-0.39	-4.62	-3.12	-2.17	-4.04	
Timber	19,379,074	0.70	-0.11	8.83	9.30	4.79	3.67	5.60	7.72	Sep-01

Note: The DFA U.S. TIPS and CenterSquare US Real Estate portfolios have mid-month inception dates. Since inception return is calculated from the first full month of performance.

Refer to appendix for blended benchmark definitions.

INVESTMENT MANAGER REPORT CARD

REAL ASSETS

Real Assets Managers	Inception Date	Mandate	Current Quarter (Net)		One Year (Net)		Three Years (Net)		Five Years (Net)		Since Inception (Net)	Annual Mgt Fee Paid \$ (000)	Comments
			Index	Universe	Index	Universe	Index	Universe	Index	Universe	Index		
DFA	Jul-14	U.S. TIPS	✓	✗	✗	✗	✗	✗	✓	✓	✓	610.5	Performance compliant with LACERS' Manager Monitoring Policy
CenterSquare	Apr-15	REITS	✓	✓	✓	✓	✓	✓	✓	✓	✓	1,828.2	Performance compliant with LACERS' Manager Monitoring Policy

Note: Managers are placed on Watch List for concerns with organization, process and performance. Managers are normally on the Watch List for 12 months though may be longer if manager issues remain but not severe enough to warrant termination recommendation.

- Annual Management Fee Paid as of fiscal year ending June 30, 2022.
- * Where net of fees performance is not available gross of fee returns are evaluated.

Legend	
✓	Outperformed
✗	Underperformed
=	Equal to
✓✓	Gross Return





APPENDIX



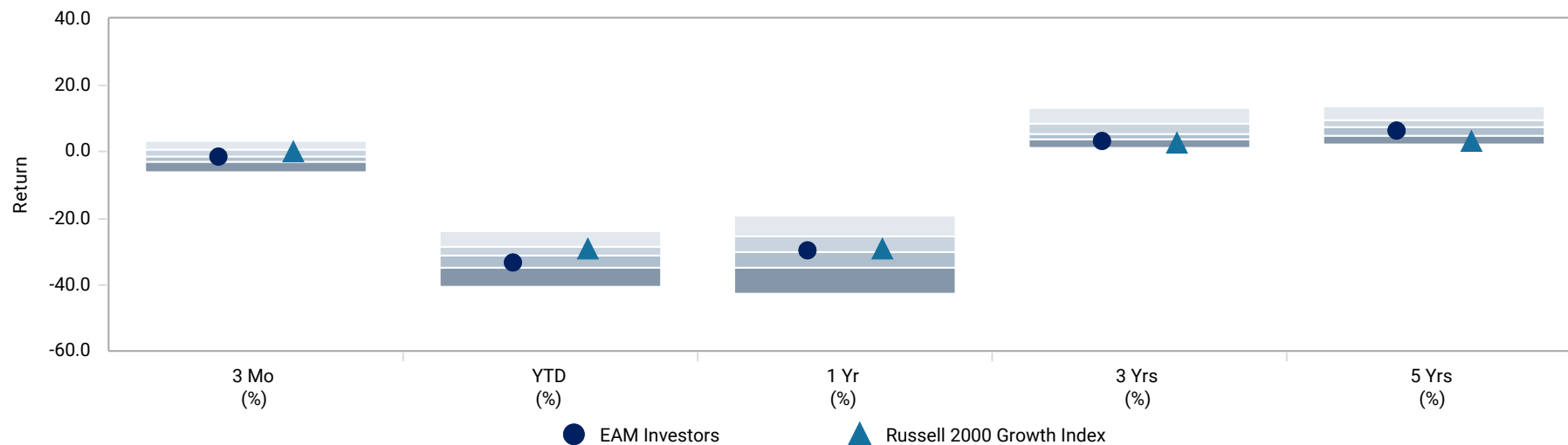
U.S. EQUITY MANAGER PERFORMANCE



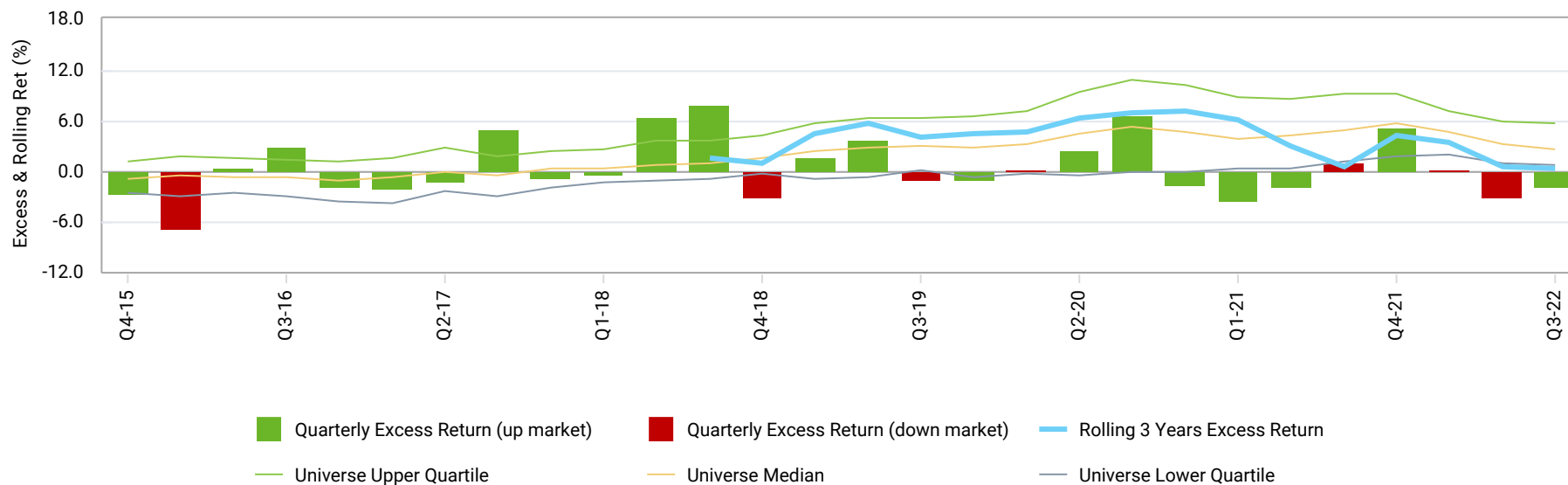
Los Angeles City Employees' Retirement System-LACERS Master Trust

EAM INVESTORS

eV US Small Cap Growth Equity (net of fees)



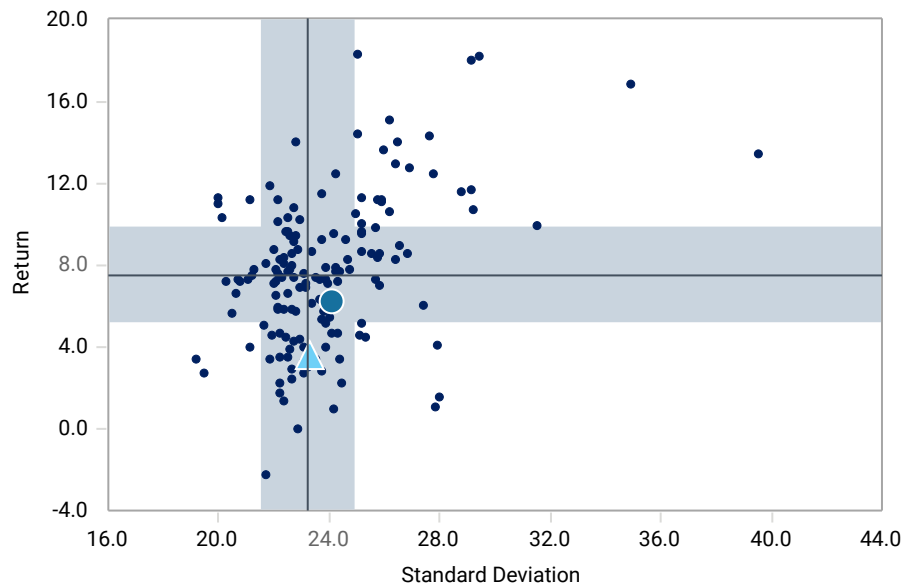
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

EAM INVESTORS

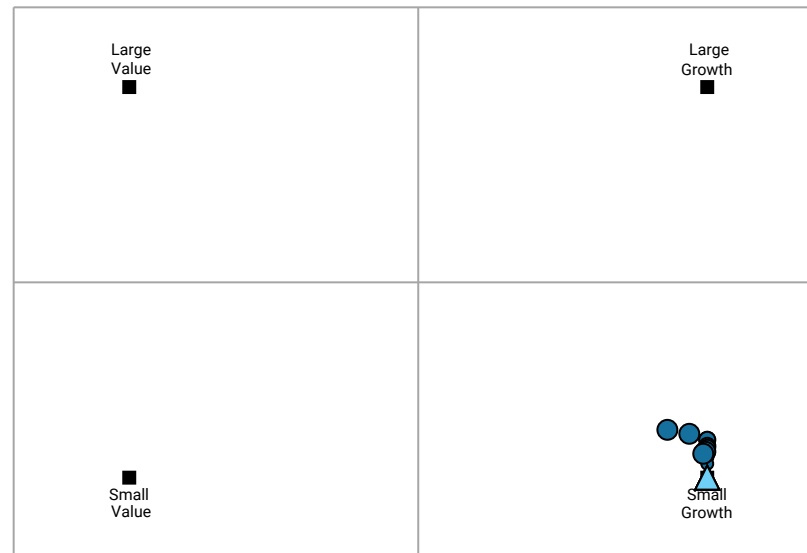
5 Years Return vs. Standard Deviation



● EAM Investors

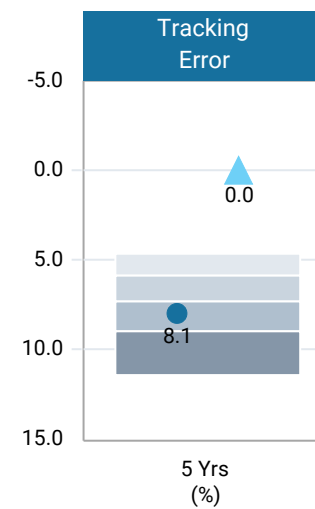
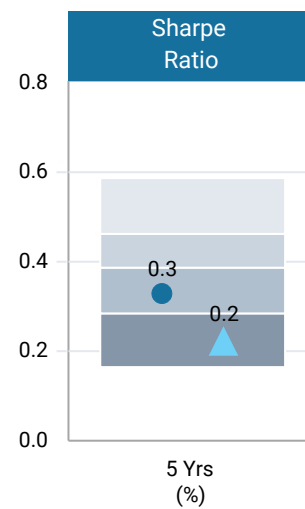
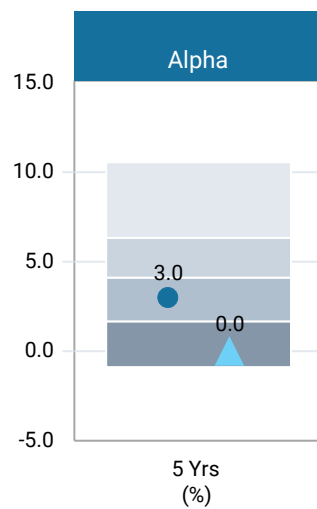
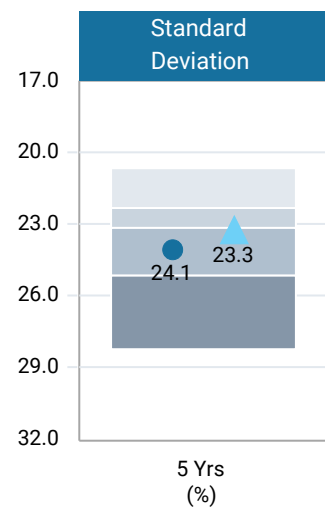
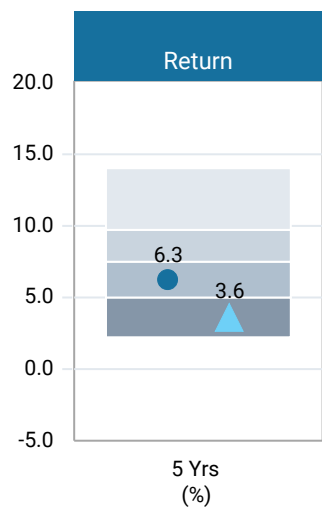
▲ Russell 2000 Growth Index

Rolling 3 Years Style Map



● EAM Investors

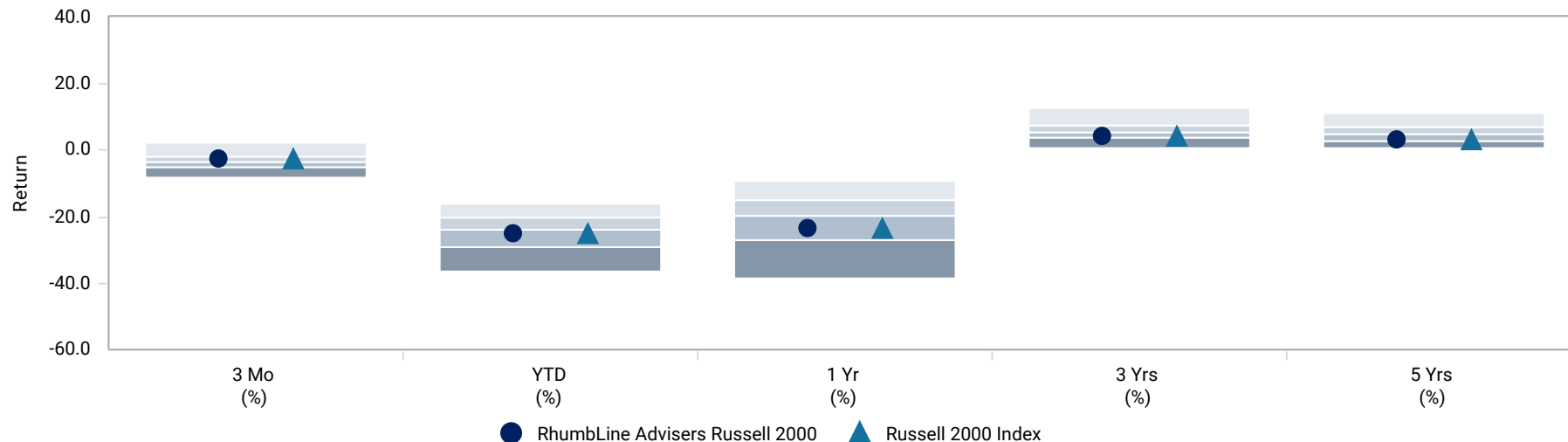
▲ Russell 2000 Growth Index



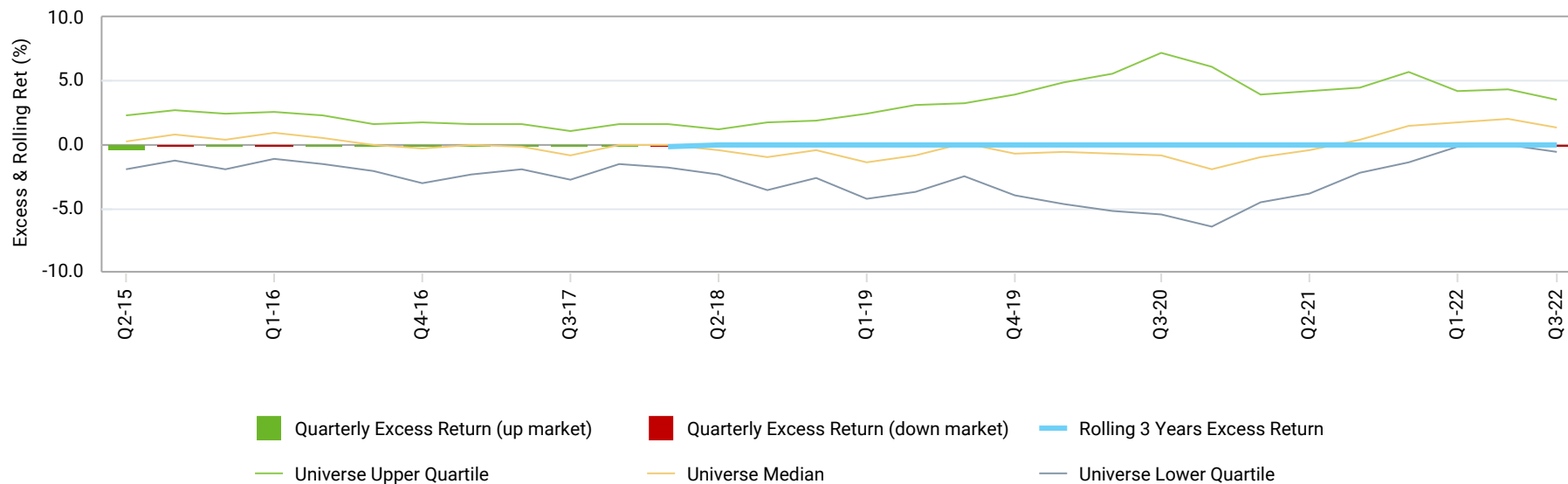
Los Angeles City Employees' Retirement System-LACERS Master Trust

RHUMBLINE ADVISORS RUSSELL 2000

eV US Small Cap Equity (net of fees)



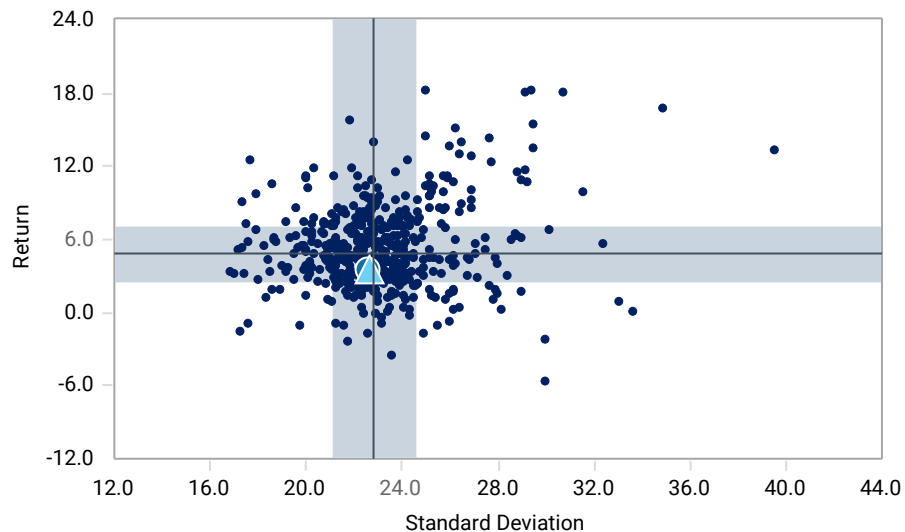
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

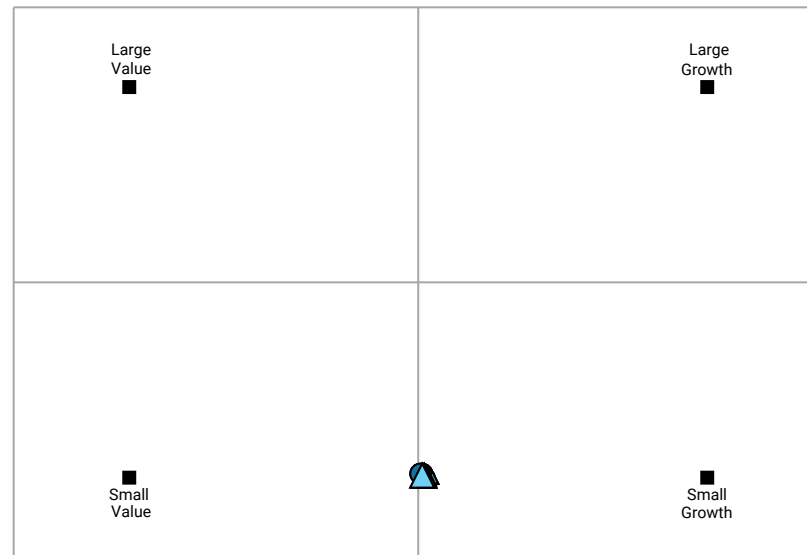
RHUMBLINE ADVISORS RUSSELL 2000

5 Years Return vs. Standard Deviation

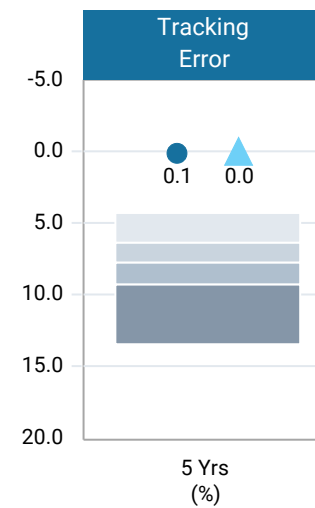
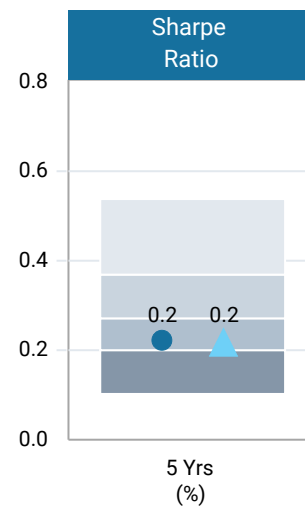
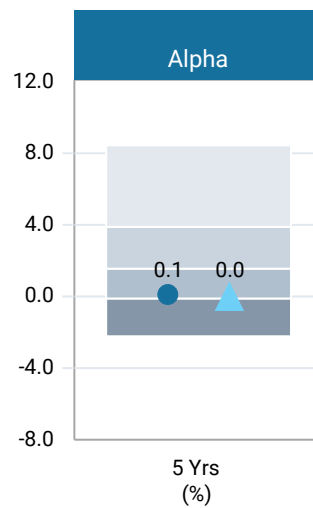
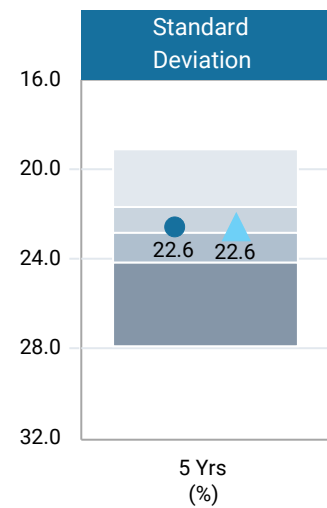
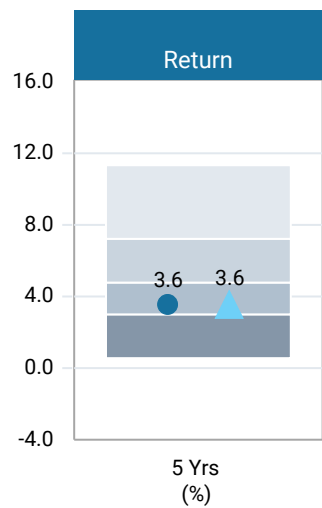


● RhumbLine Advisers Russell 2000
▲ Russell 2000 Index

Rolling 3 Years Style Map



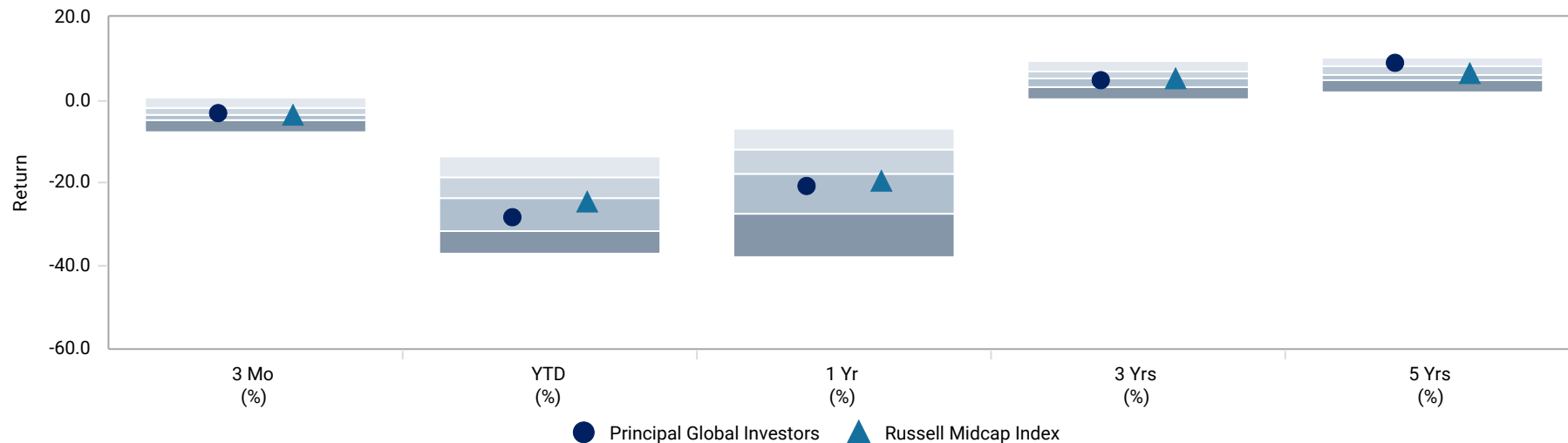
● RhumbLine Advisers Russell 2000 ▲ Russell 2000 Index



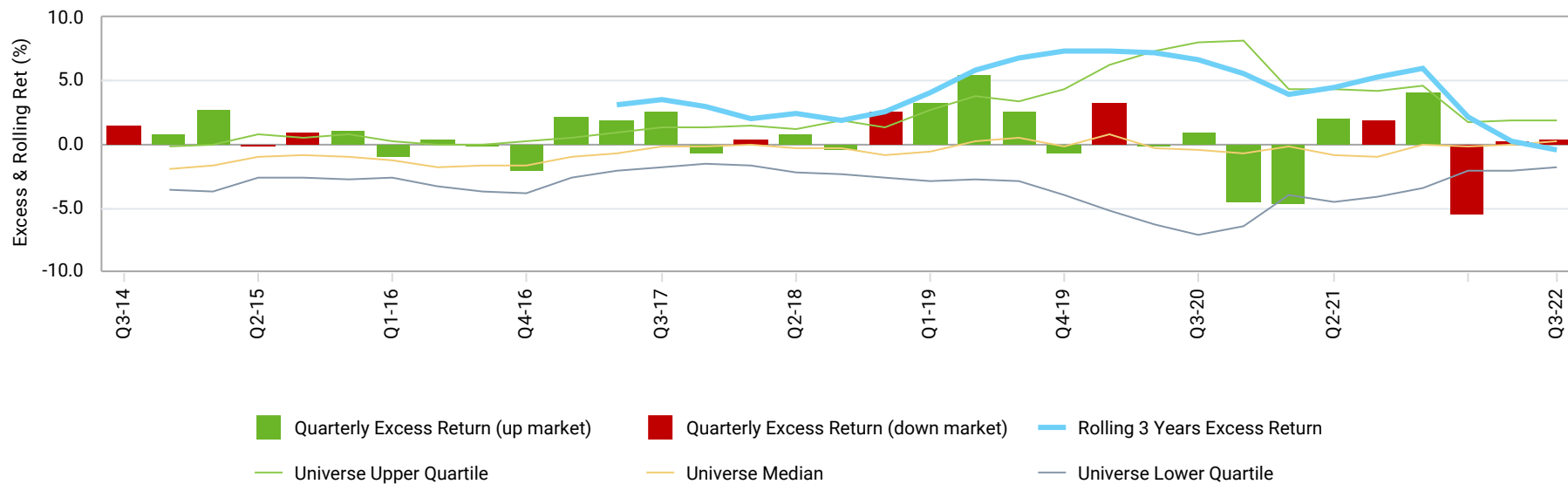
Los Angeles City Employees' Retirement System-LACERS Master Trust

PRINCIPAL GLOBAL INVESTORS

eV US Mid Cap Equity (net of fees)



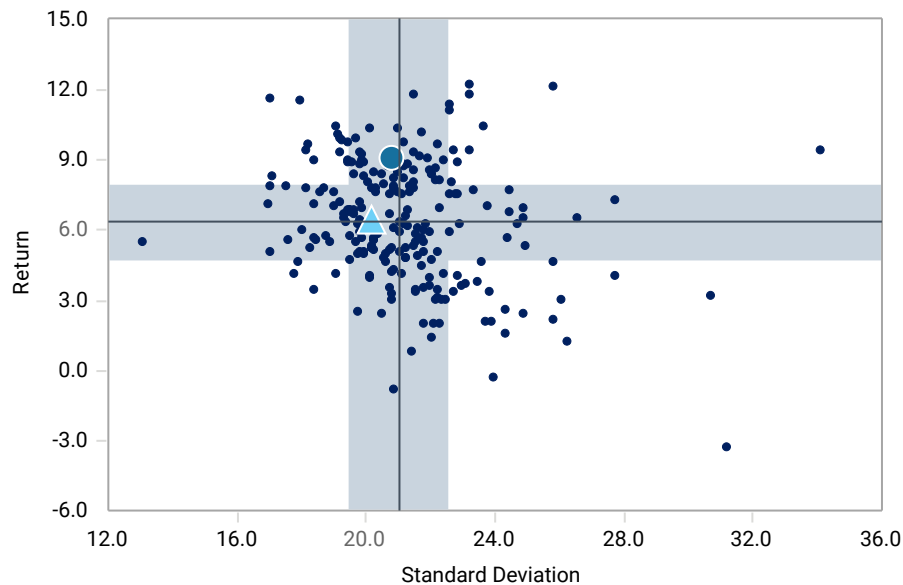
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

PRINCIPAL GLOBAL INVESTORS

5 Years Return vs. Standard Deviation

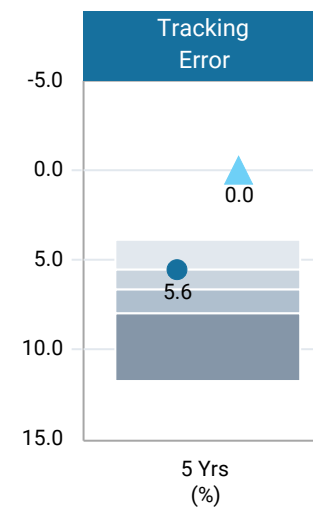
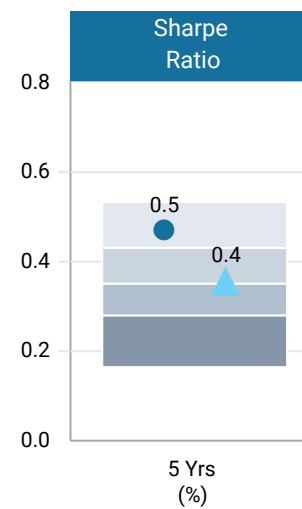
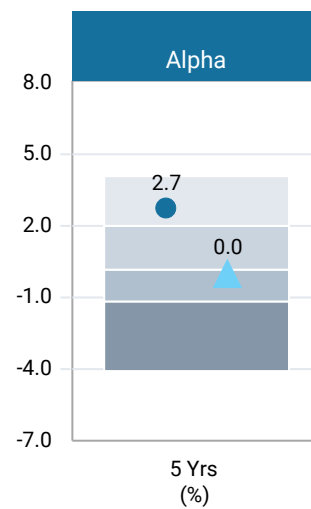
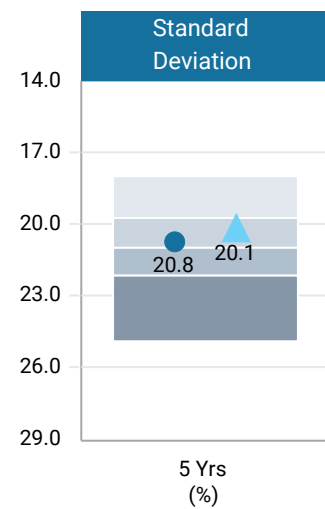
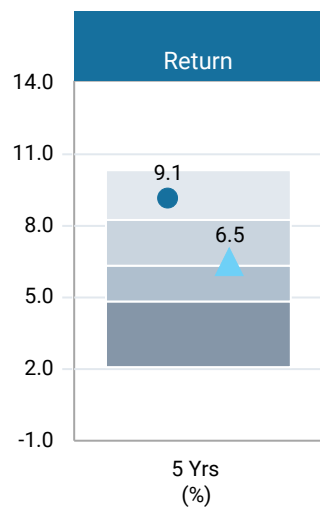


● Principal Global Investors ▲ Russell Midcap Index

Rolling 5 Years Style Map



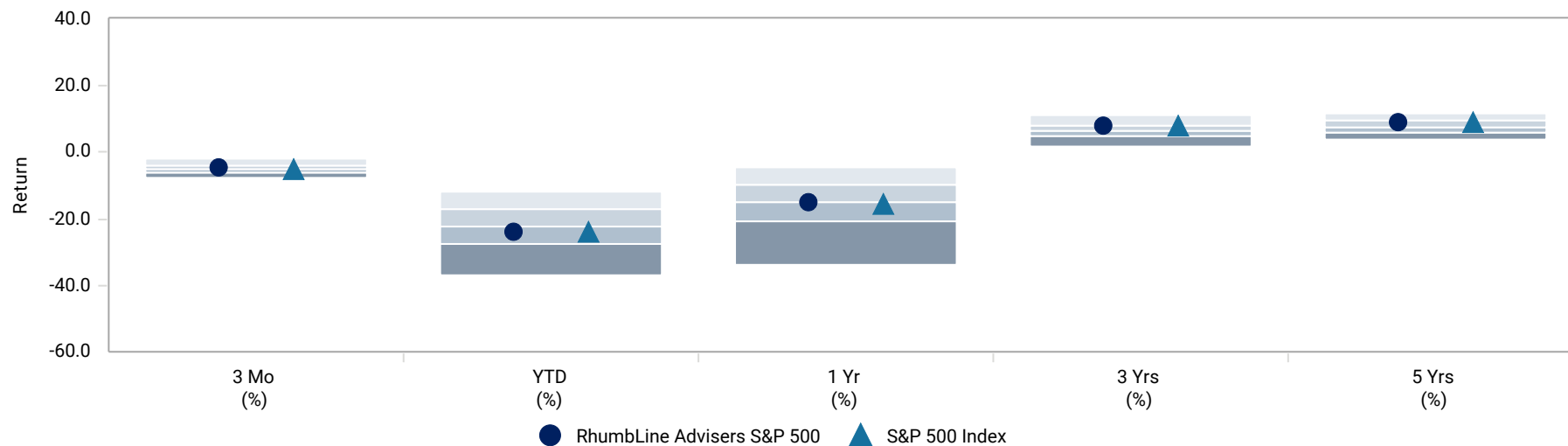
● Principal Global Investors ▲ Russell Midcap Index



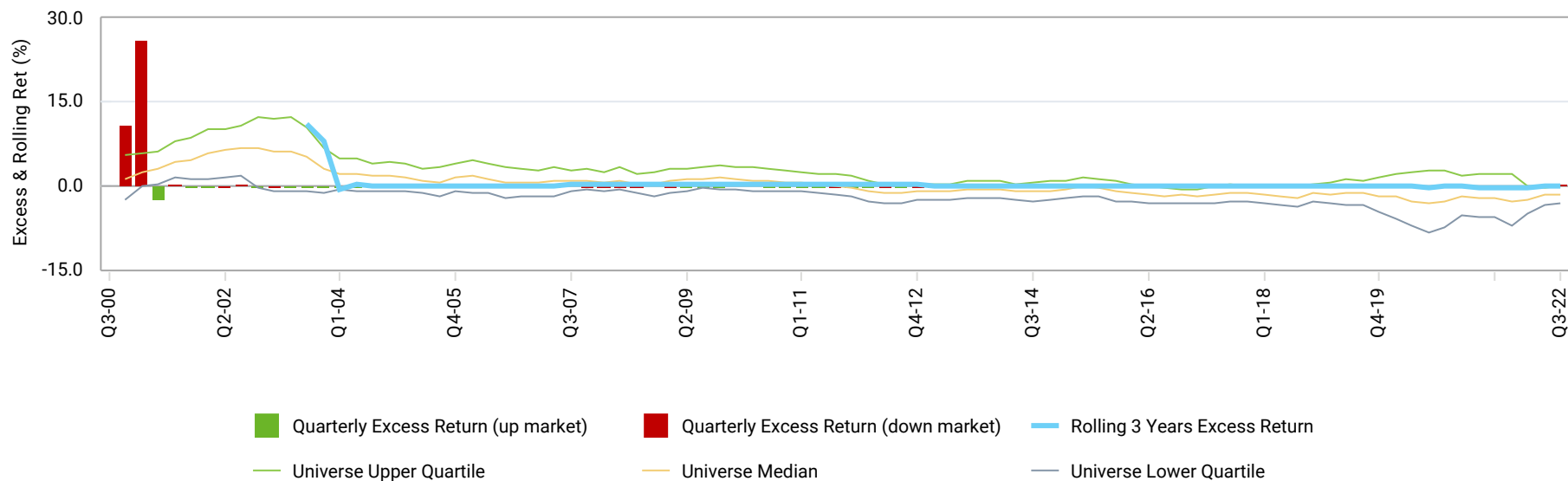
Los Angeles City Employees' Retirement System-LACERS Master Trust

RHUMBLINE ADVISORS S&P 500

eV US Large Cap Equity (net of fees)



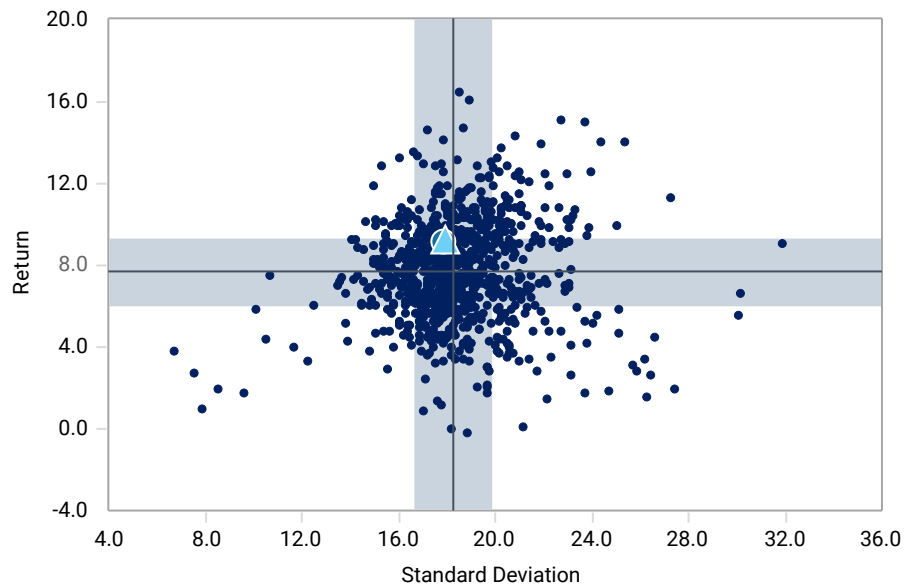
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

RHUMBLINE ADVISORS S&P 500

5 Years Return vs. Standard Deviation

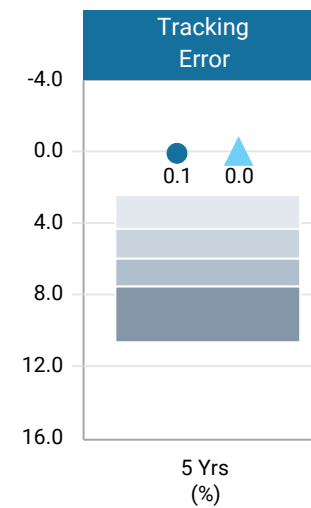
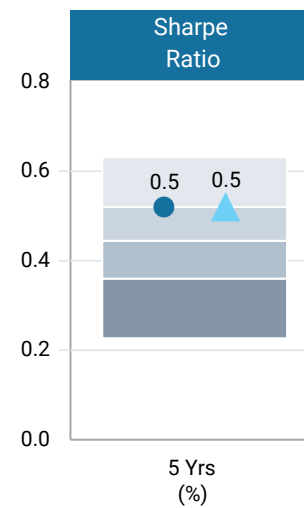
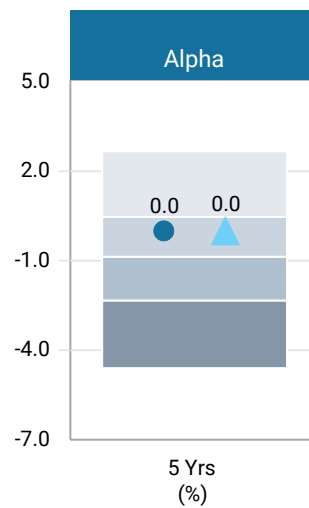
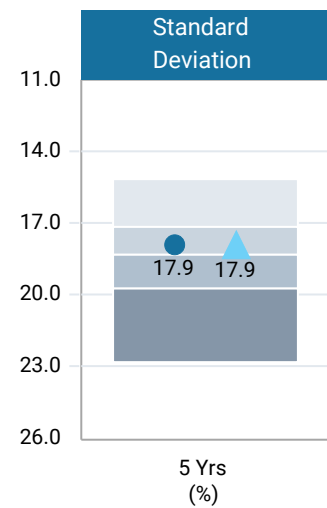
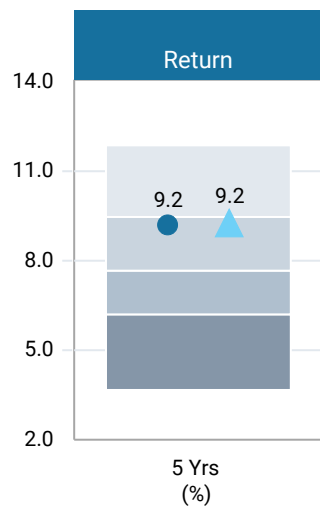


● RhumbLine Advisers S&P 500 ▲ S&P 500 Index

Rolling 5 Years Style Map



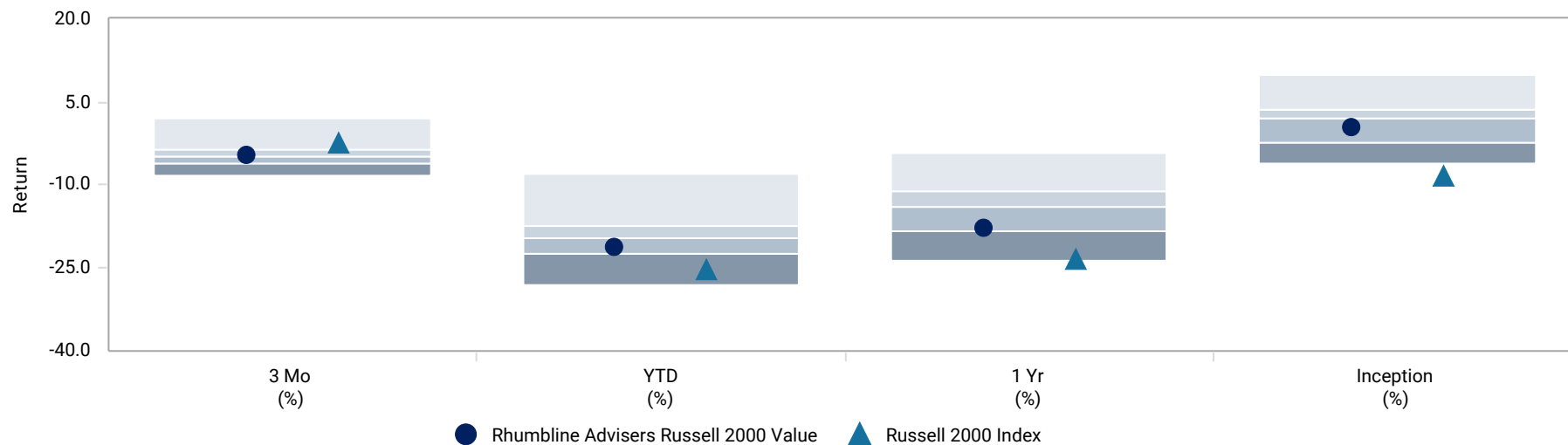
● RhumbLine Advisers S&P 500 ▲ S&P 500 Index



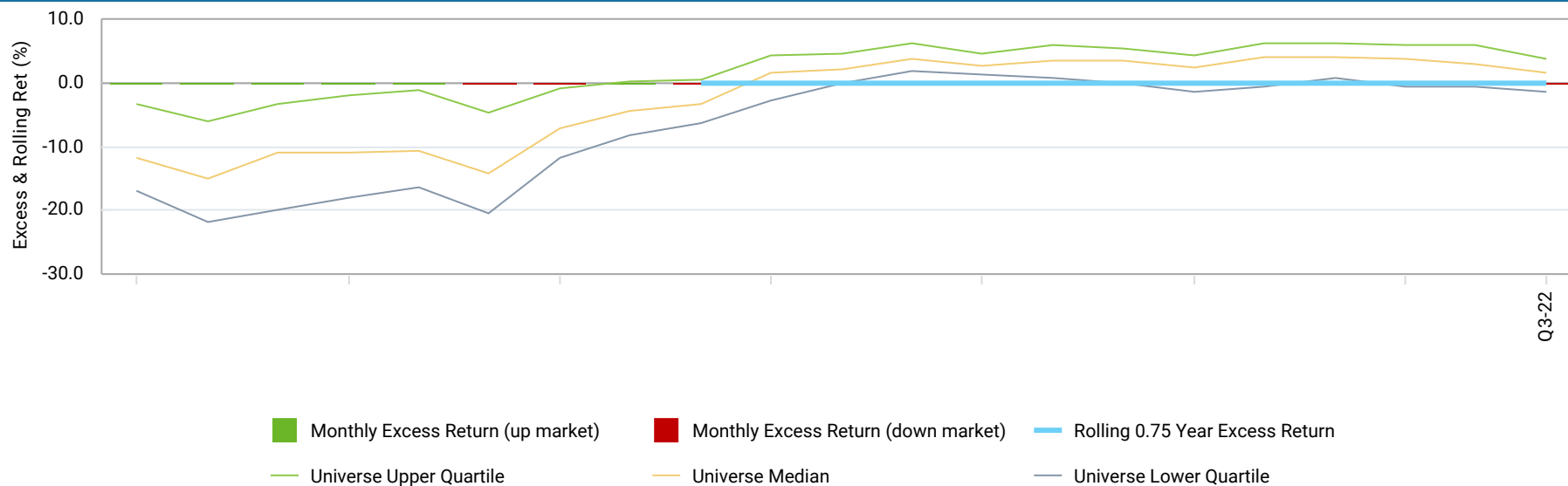
Los Angeles City Employees' Retirement System-LACERS Master Trust

RHUMBLINE ADVISORS RUSSELL 2000 VALUE

eV US Small-Mid Cap Value Equity (net of fees)



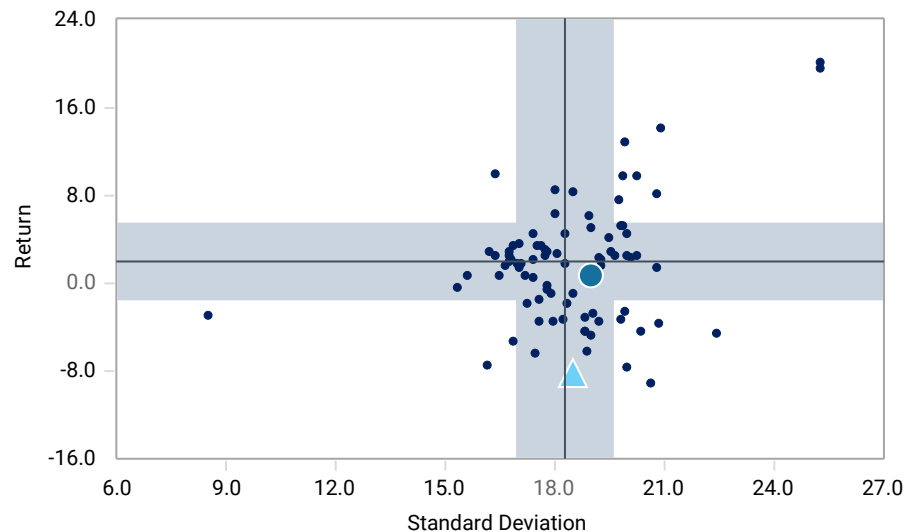
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

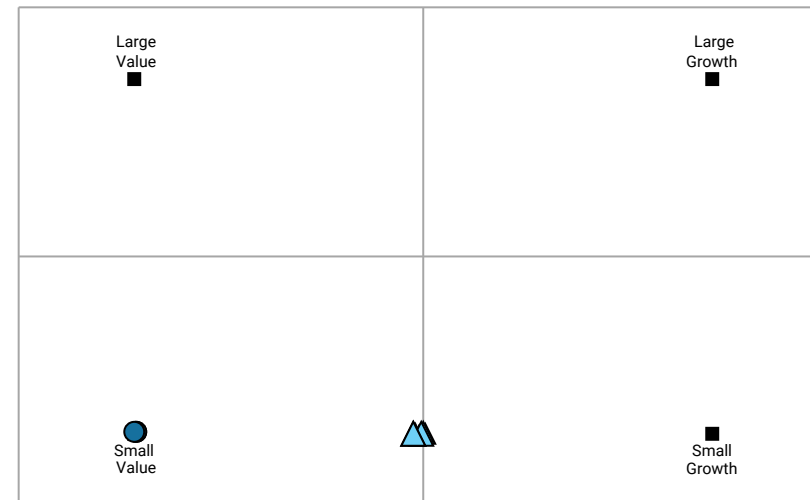
RHUMBLINE ADVISORS RUSSELL 2000 VALUE

Since Inception Return vs. Standard Deviation

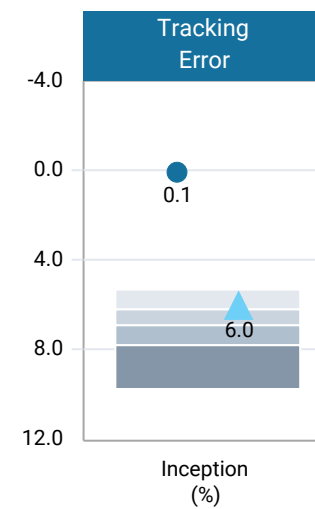
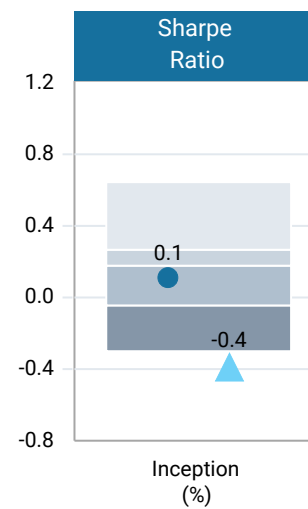
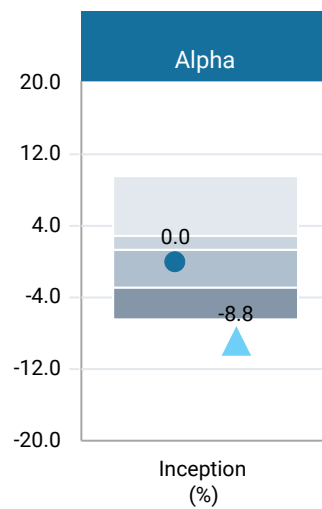
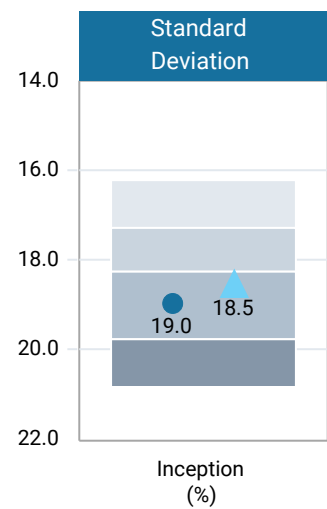
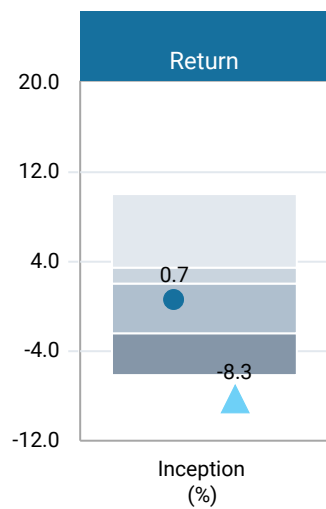


● Rhumbline Advisers Russell 2000 Value
▲ Russell 2000 Index

Rolling 0.75 Year Style Map



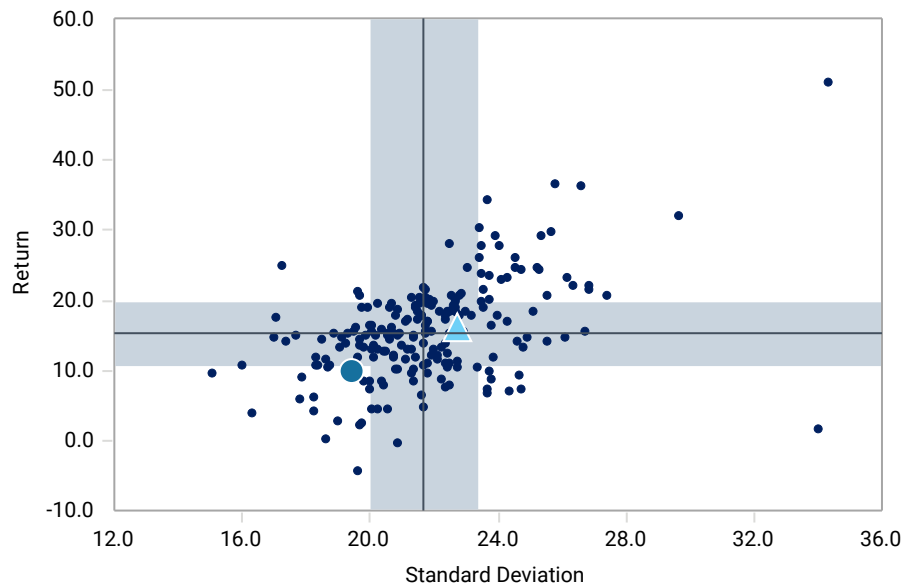
● Rhumbline Advisers Russell 2000 Value
▲ Russell 2000 Index



Los Angeles City Employees' Retirement System-LACERS Master Trust

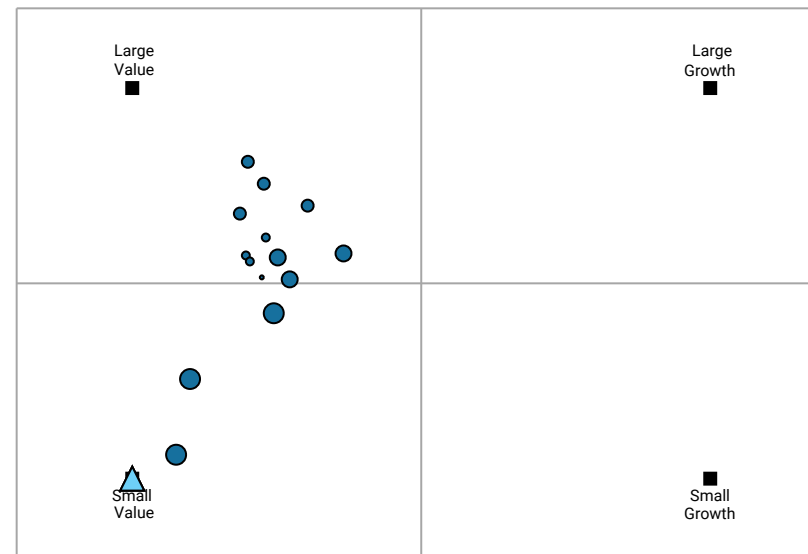
COPELAND CAPITAL MANAGEMENT

Since Inception Return vs. Standard Deviation

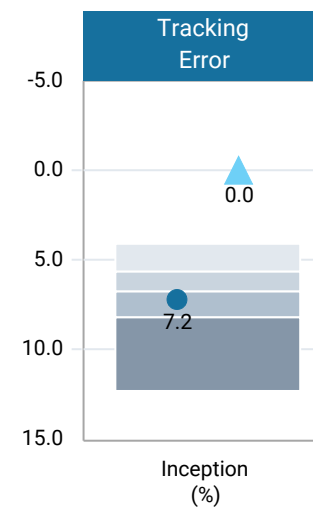
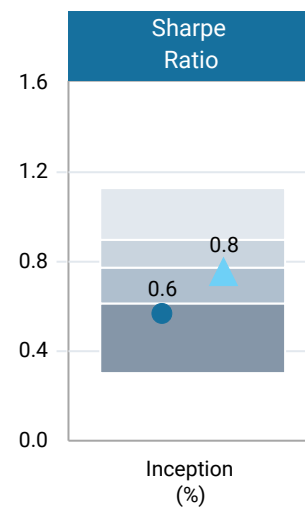
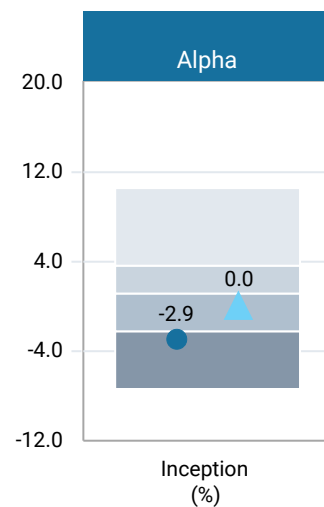
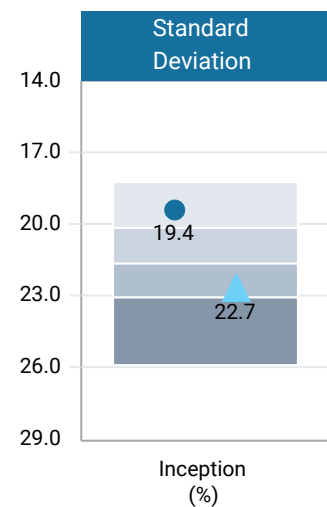
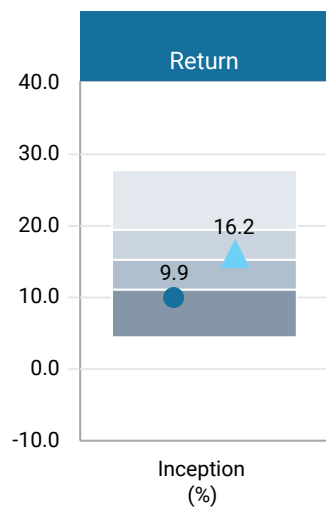


● Copeland Capital Management ▲ Russell 2000 Value Index

Rolling 0.75 Year Style Map



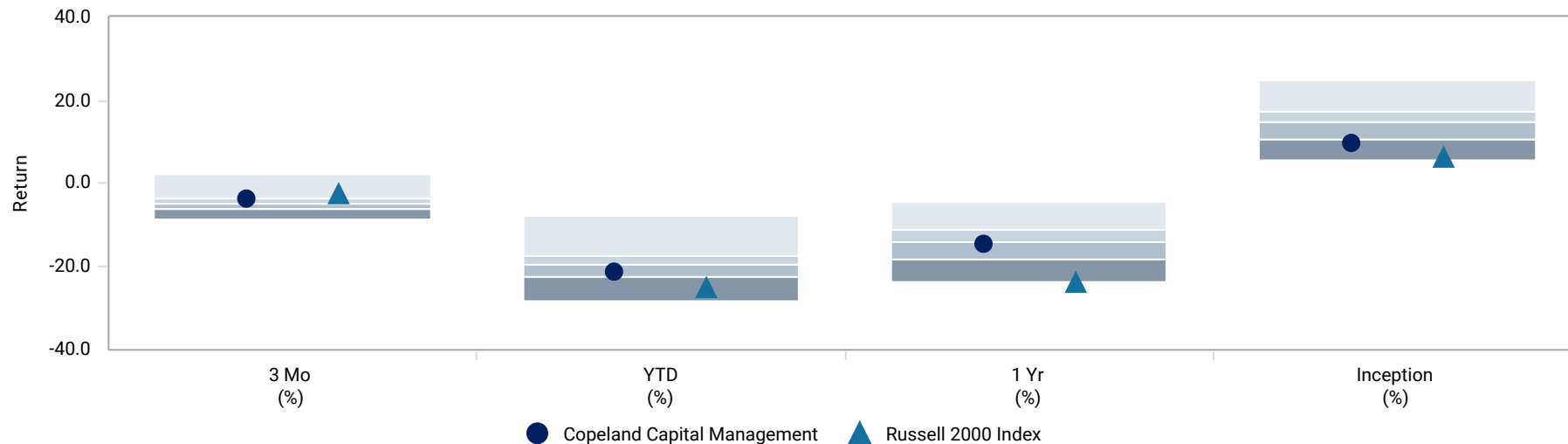
● Copeland Capital Management ▲ Russell 2000 Value Index



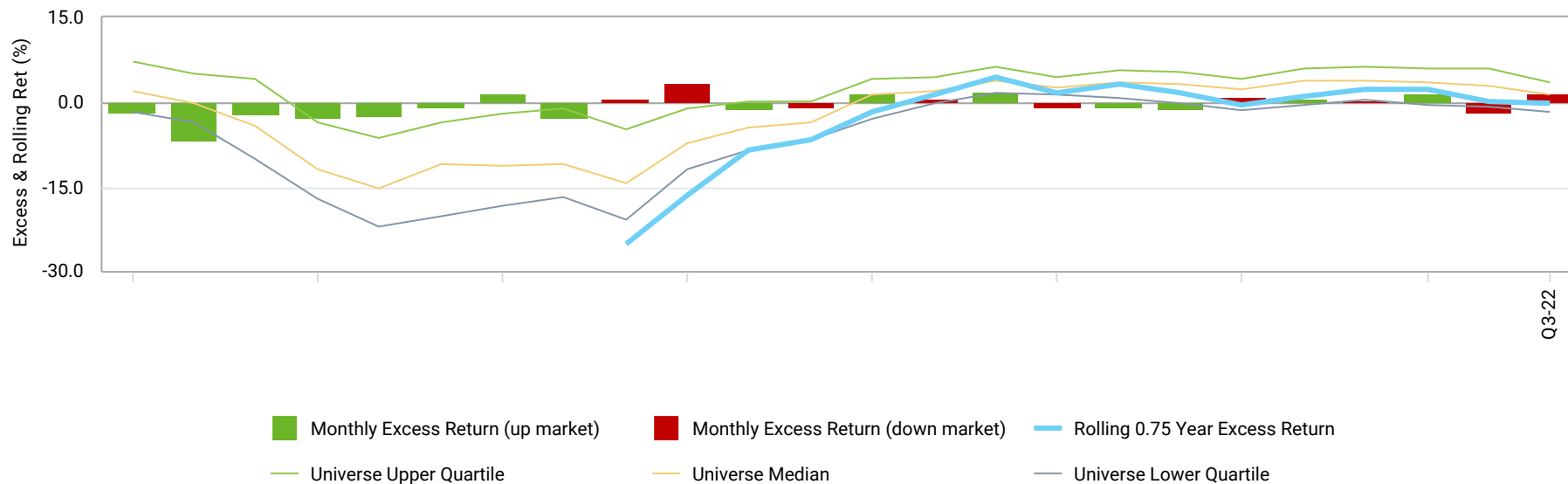
Los Angeles City Employees' Retirement System-LACERS Master Trust

COPELAND CAPITAL MANAGEMENT

eV US Small-Mid Cap Value Equity (net of fees)



Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



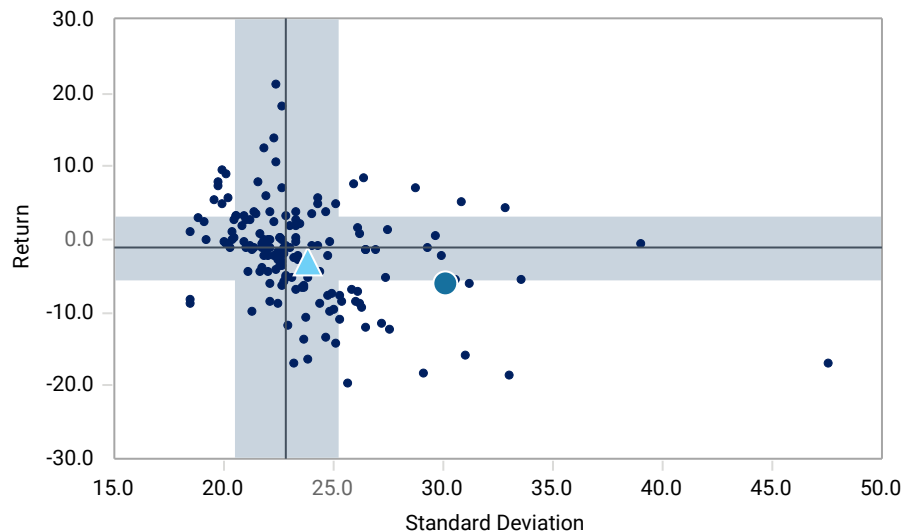
- Monthly Excess Return (up market)
- Monthly Excess Return (down market)
- Rolling 0.75 Year Excess Return
- Universe Upper Quartile
- Universe Median
- Universe Lower Quartile



Los Angeles City Employees' Retirement System-LACERS Master Trust

GRANAHAN INVESTMENT MANAGEMENT

Since Inception Return vs. Standard Deviation

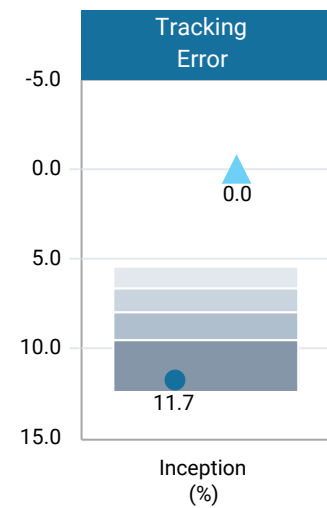
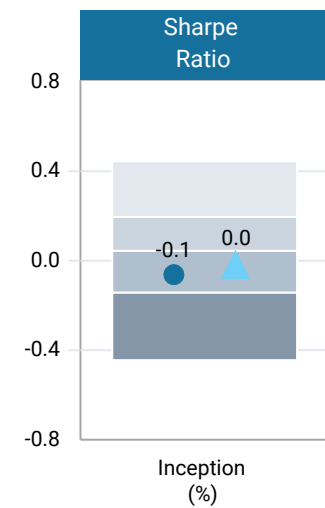
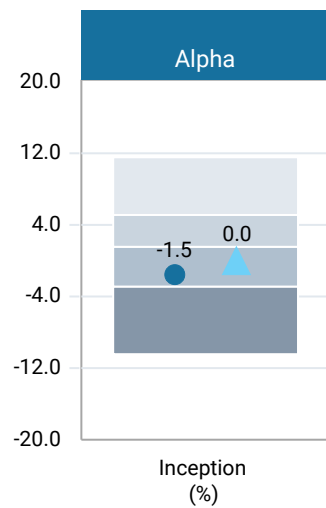
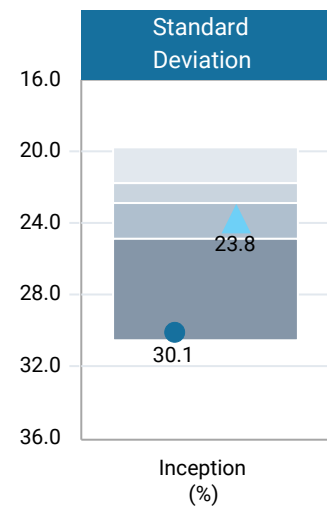
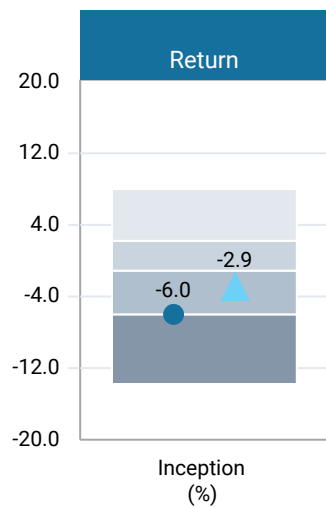


- Granahan Investment Management
- ▲ Russell 2000 Growth Index

Rolling 0.75 Year Style Map



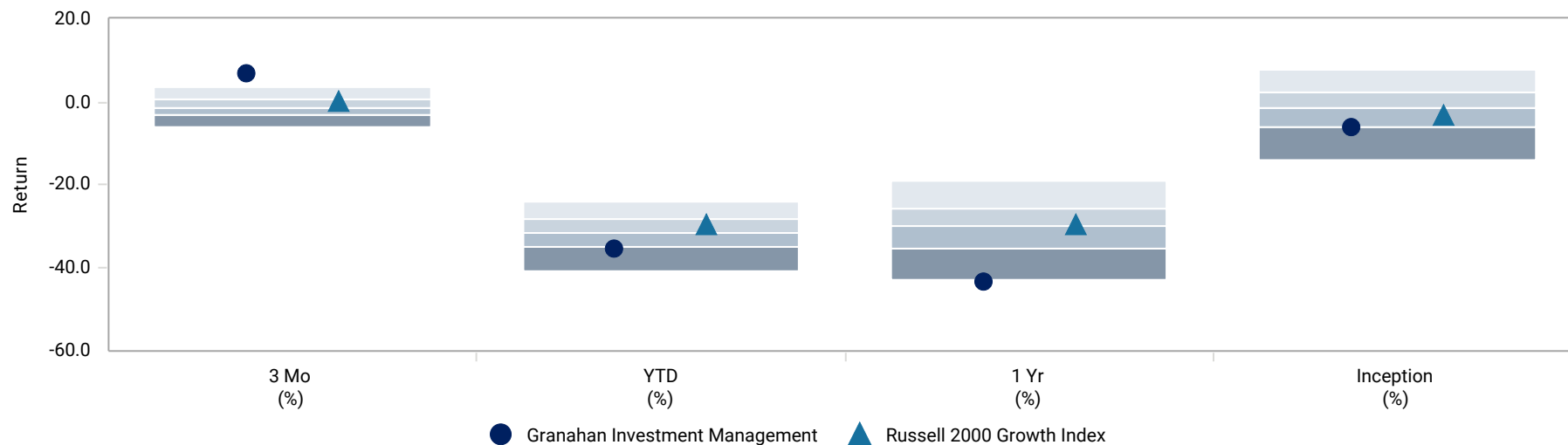
- Granahan Investment Management
- ▲ Russell 2000 Growth Index



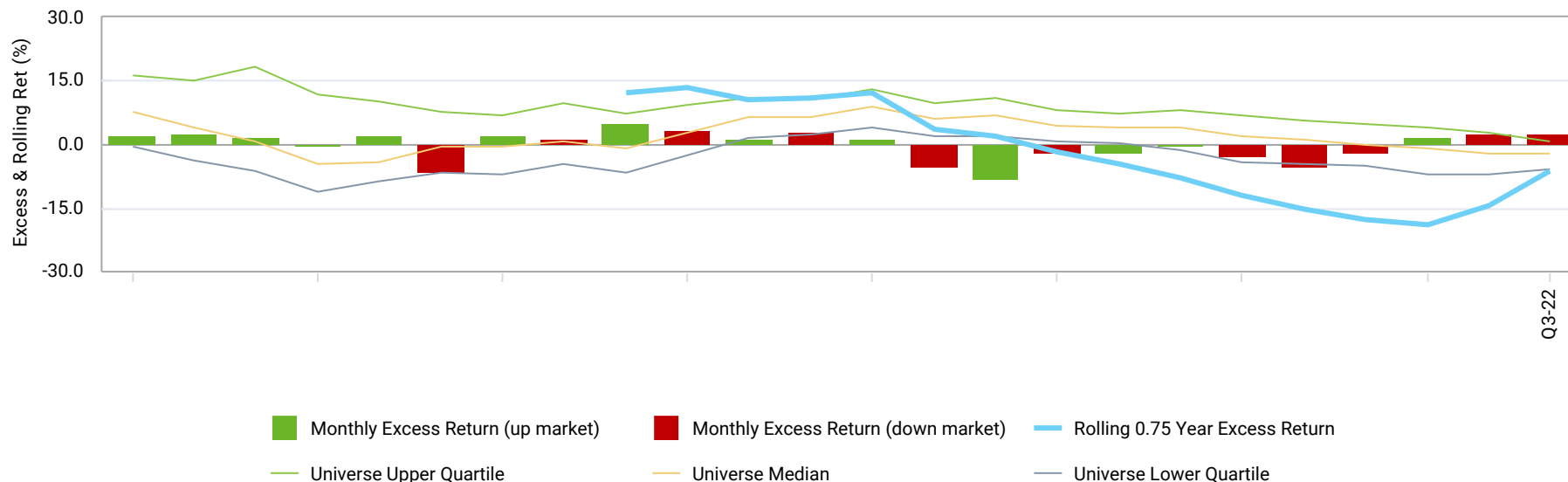
Los Angeles City Employees' Retirement System-LACERS Master Trust

GRANAHAN INVESTMENT MANAGEMENT

eV US Small Cap Growth Equity (net of fees)



Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



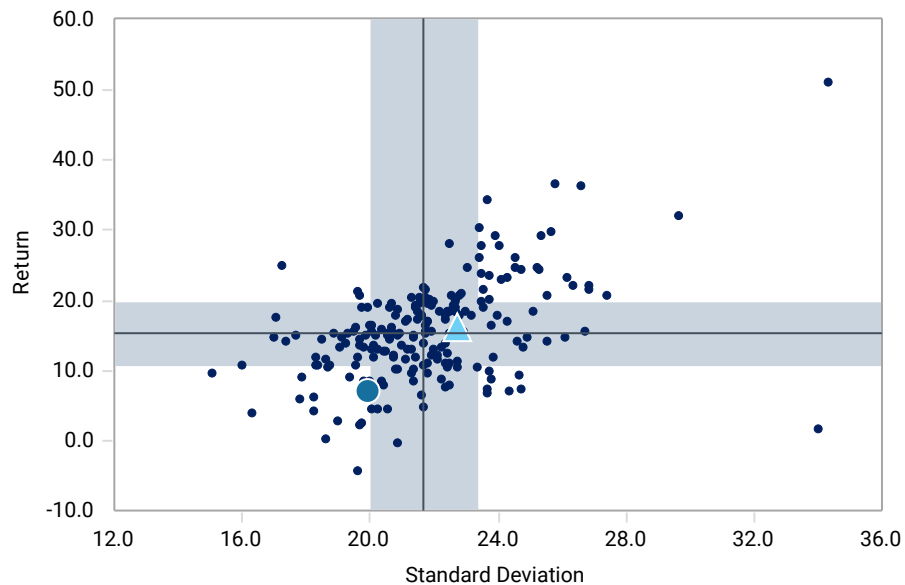
- Monthly Excess Return (up market)
- Monthly Excess Return (down market)
- Rolling 0.75 Year Excess Return
- Universe Upper Quartile
- Universe Median
- Universe Lower Quartile



Los Angeles City Employees' Retirement System-LACERS Master Trust

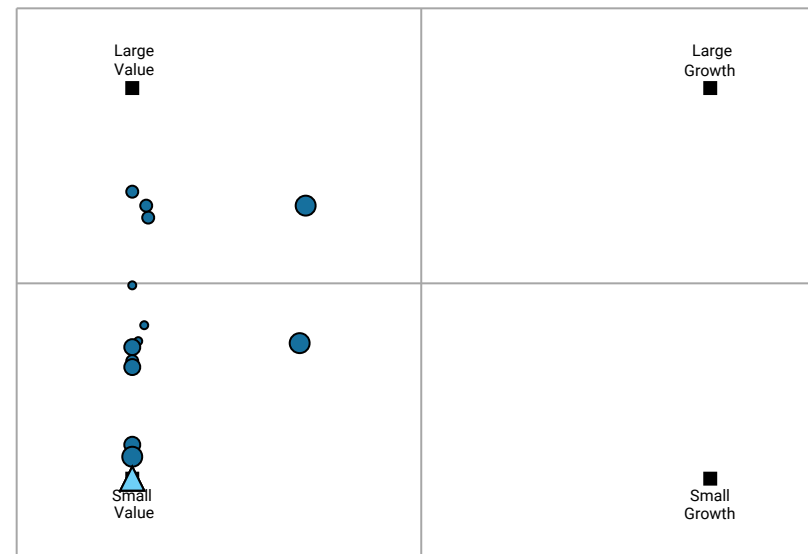
SEGALL, BRYANT & HAMILL

Since Inception Return vs. Standard Deviation

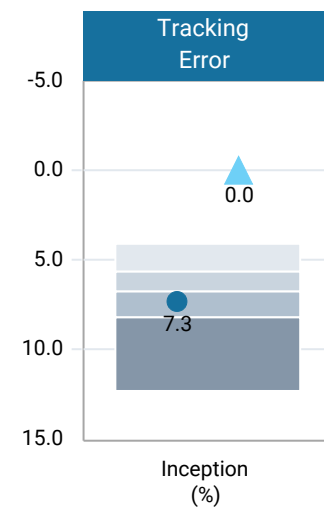
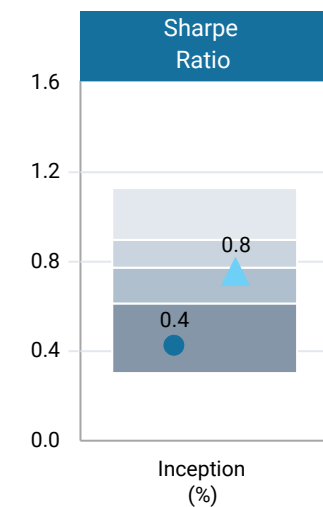
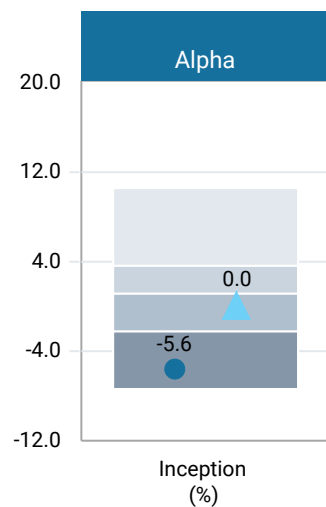
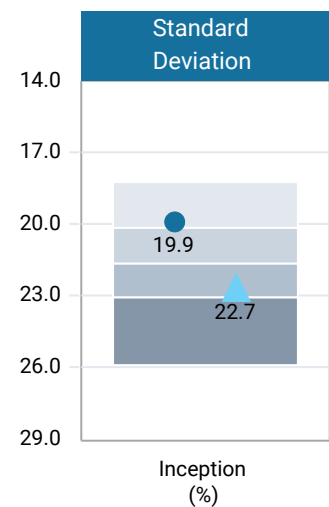
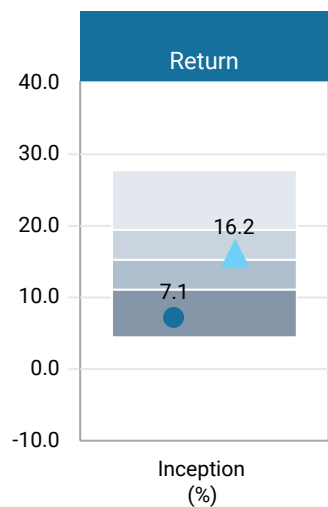


● Segall, Bryant & Hamill ▲ Russell 2000 Value Index

Rolling 0.75 Year Style Map



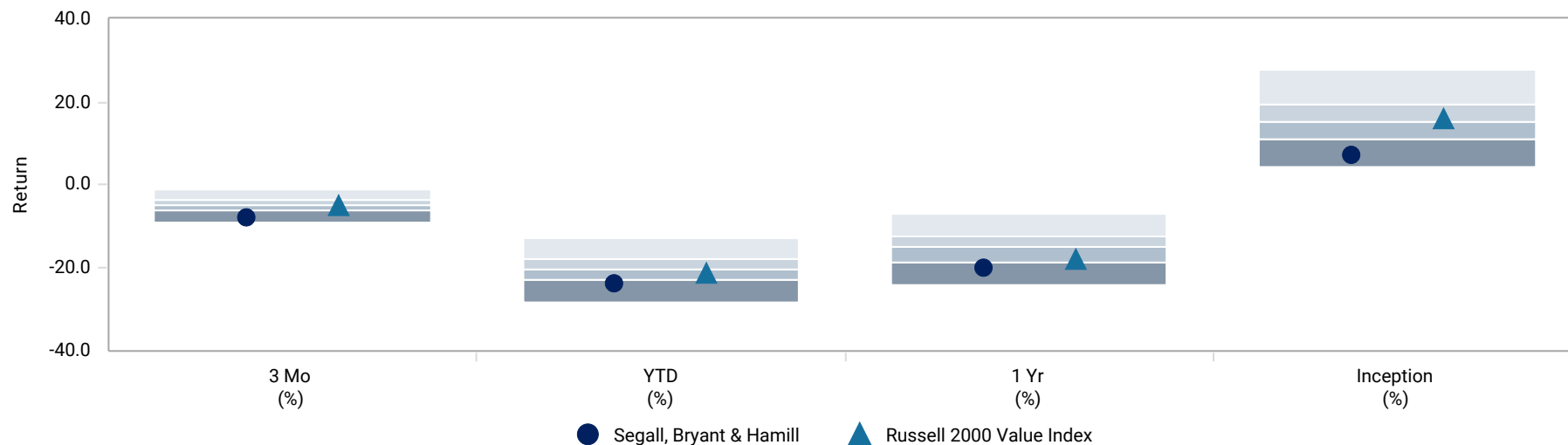
● Segall, Bryant & Hamill ▲ Russell 2000 Value Index



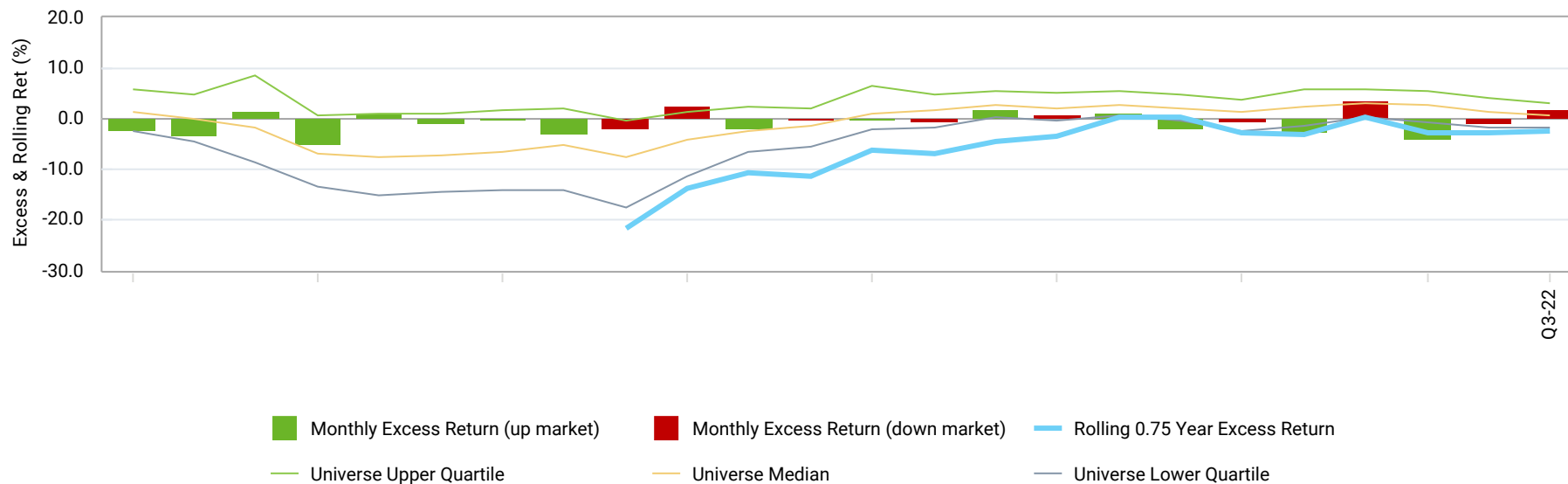
Los Angeles City Employees' Retirement System-LACERS Master Trust

SEGALL, BRYANT & HAMILL

eV US Small Cap Value Equity (net of fees)



Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022

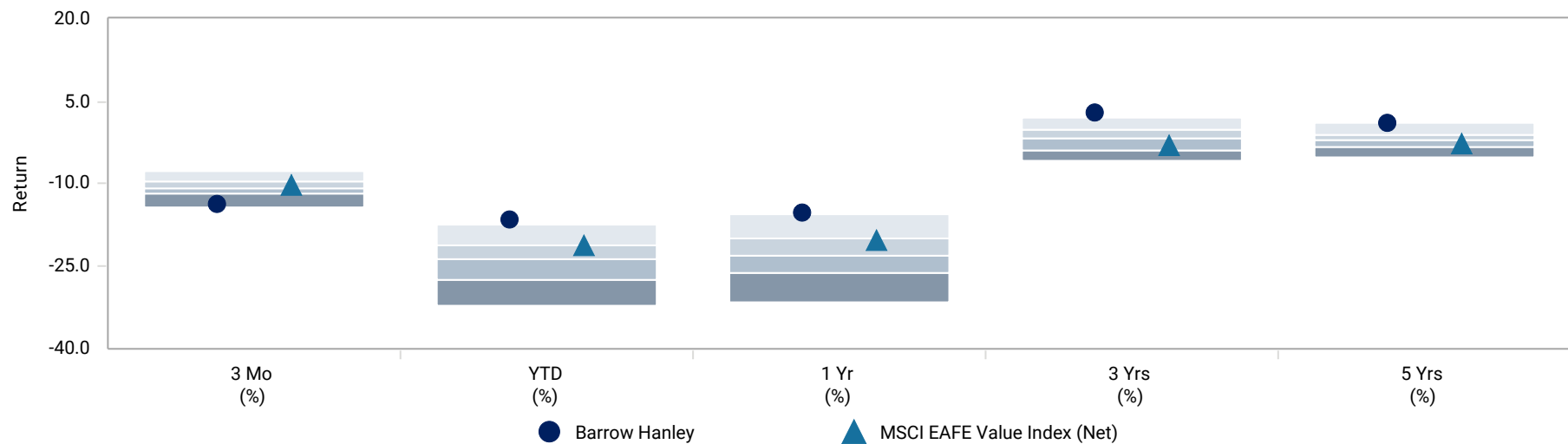


NON-U.S. EQUITY MANAGER PERFORMANCE

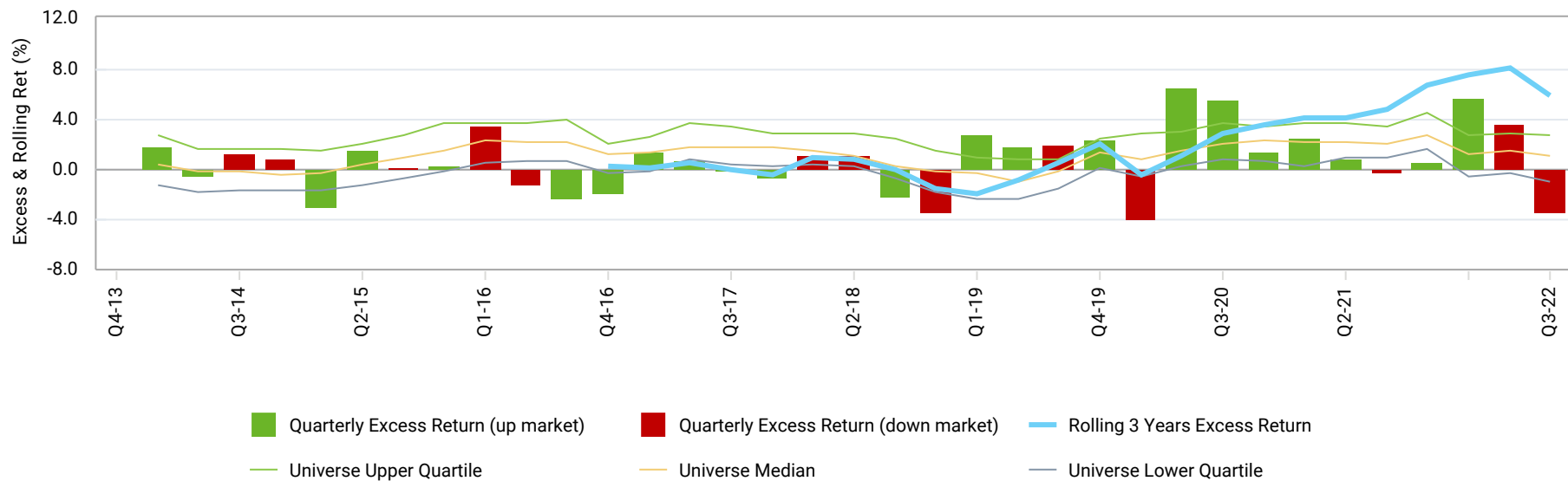
Los Angeles City Employees' Retirement System-LACERS Master Trust

BARROW HANLEY

eV EAFE Value Equity (net of fees)



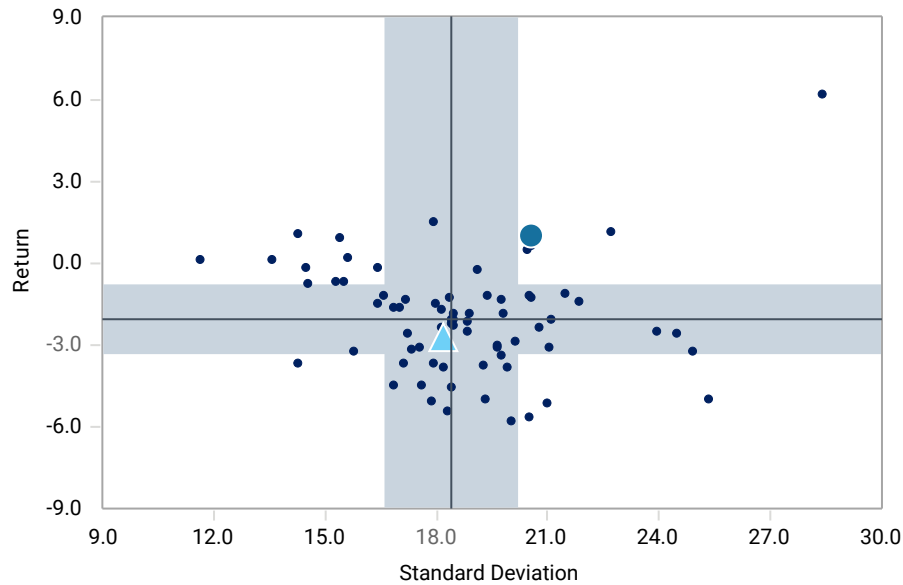
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



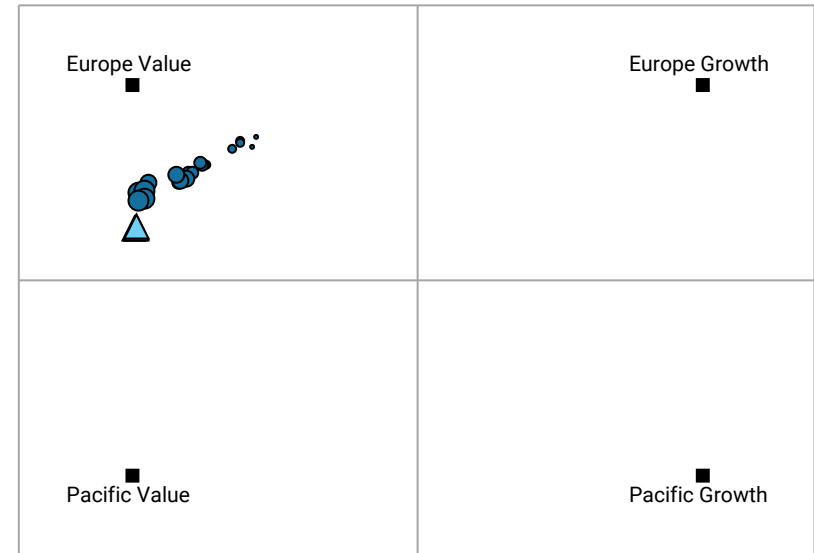
Los Angeles City Employees' Retirement System-LACERS Master Trust

BARROW HANLEY

5 Years Return vs. Standard Deviation



Rolling 5 Years Style Map

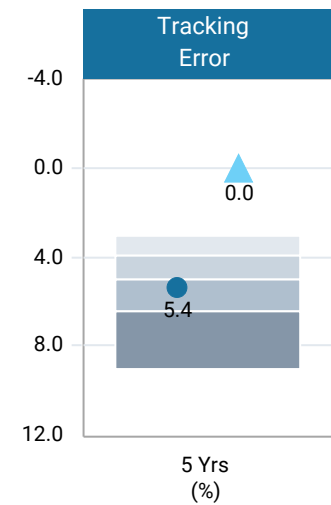
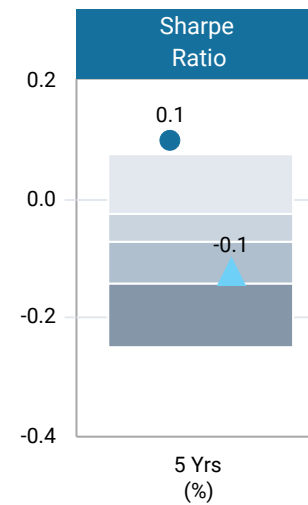
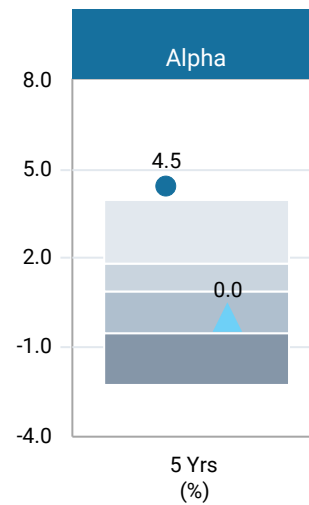
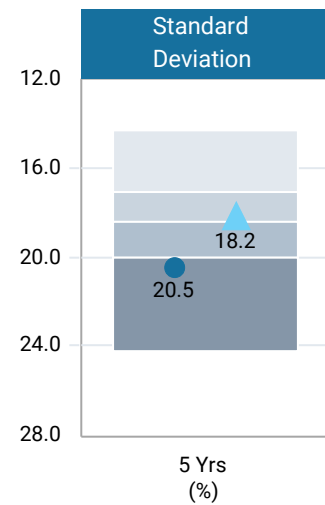
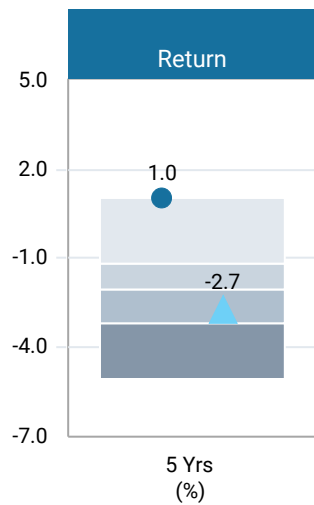


● Barrow Hanley

▲ MSCI EAFE Value Index (Net)

● Barrow Hanley

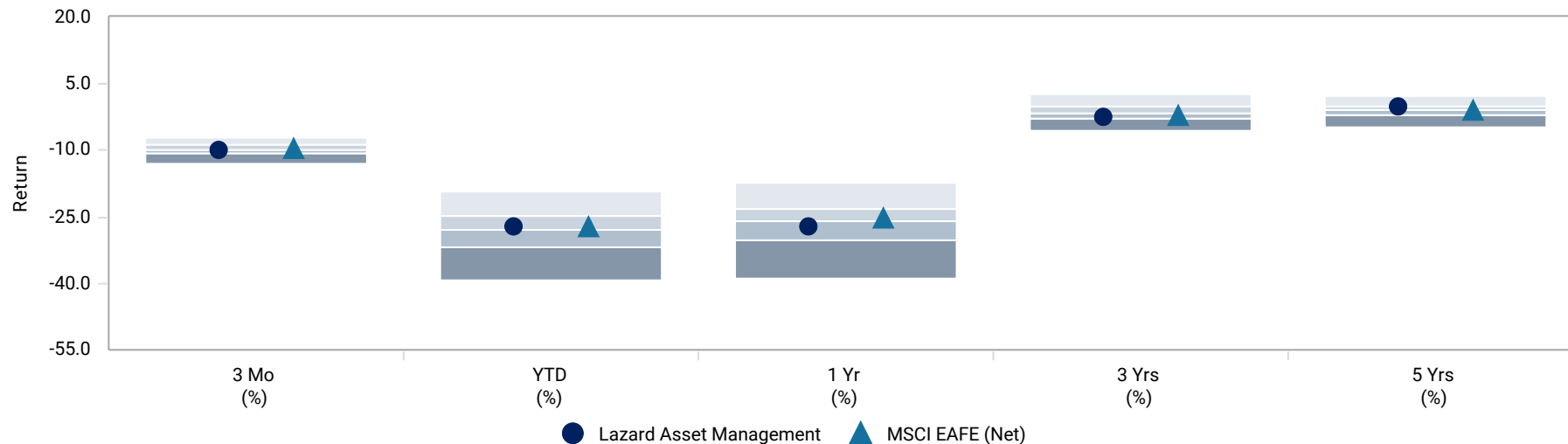
▲ MSCI EAFE Value Index (Net)



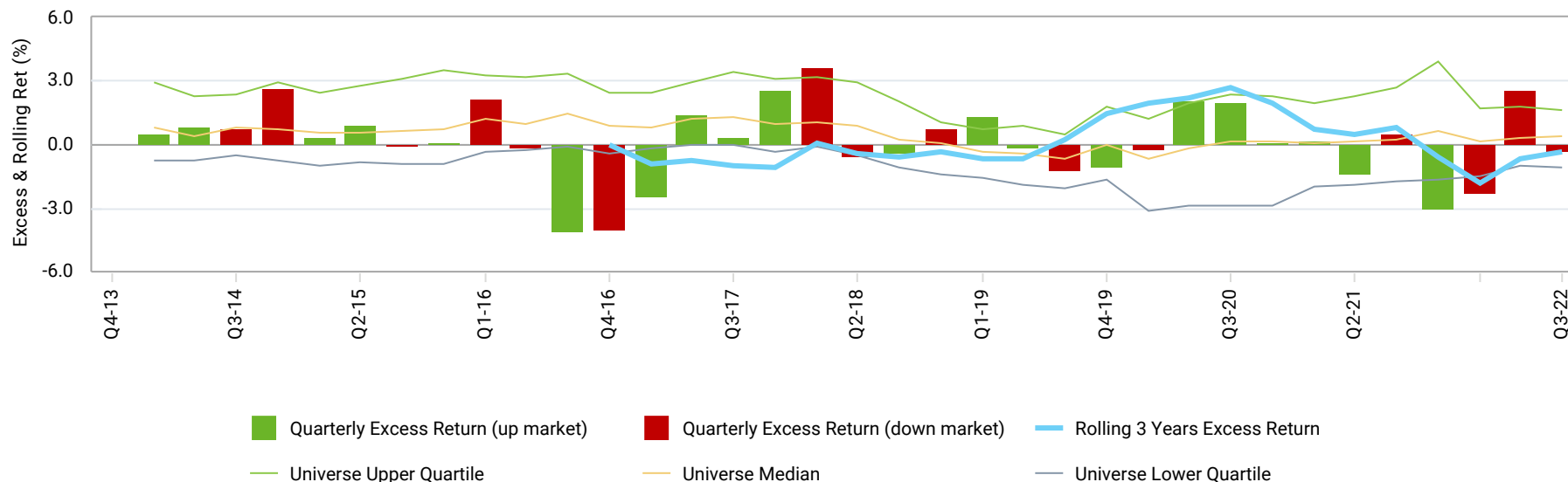
Los Angeles City Employees' Retirement System-LACERS Master Trust

LAZARD ASSET MANAGEMENT

eV All EAFE Equity (net of fees)



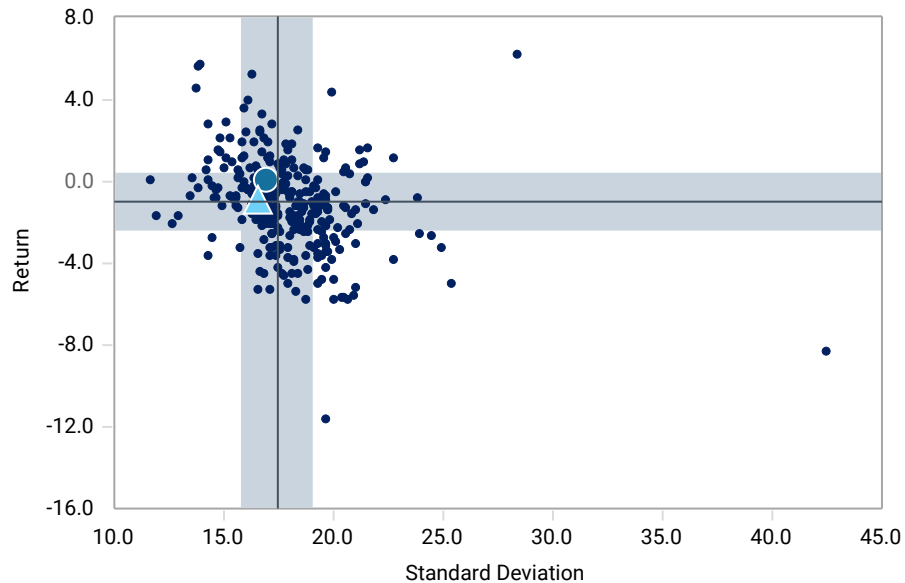
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



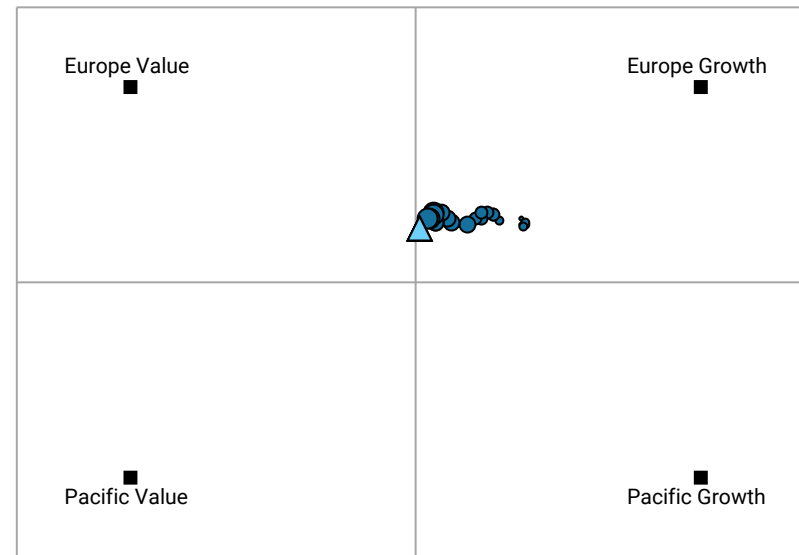
Los Angeles City Employees' Retirement System-LACERS Master Trust

LAZARD ASSET MANAGEMENT

5 Years Return vs. Standard Deviation

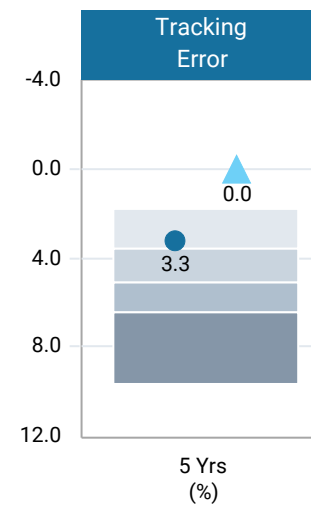
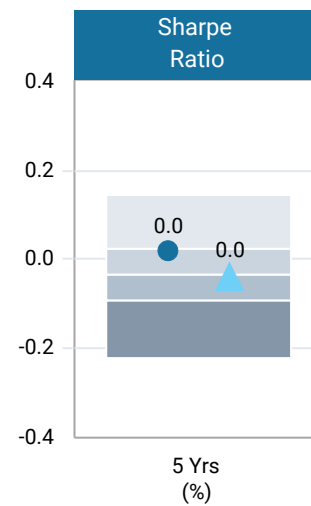
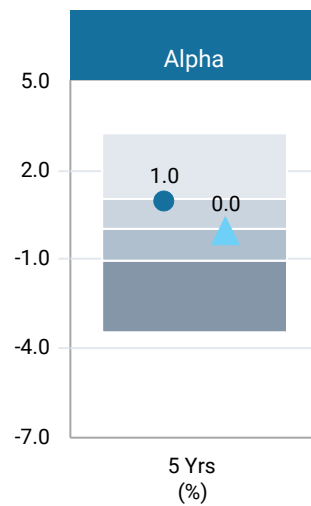
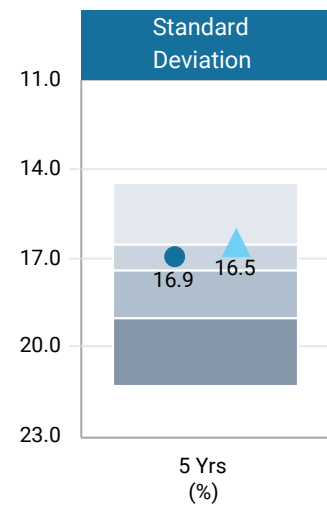
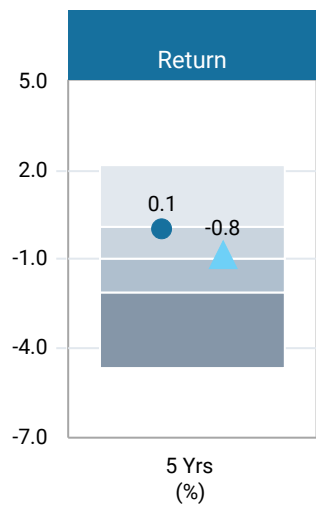


Rolling 5 Years Style Map



● Lazard Asset Management ▲ MSCI EAFE (Net)

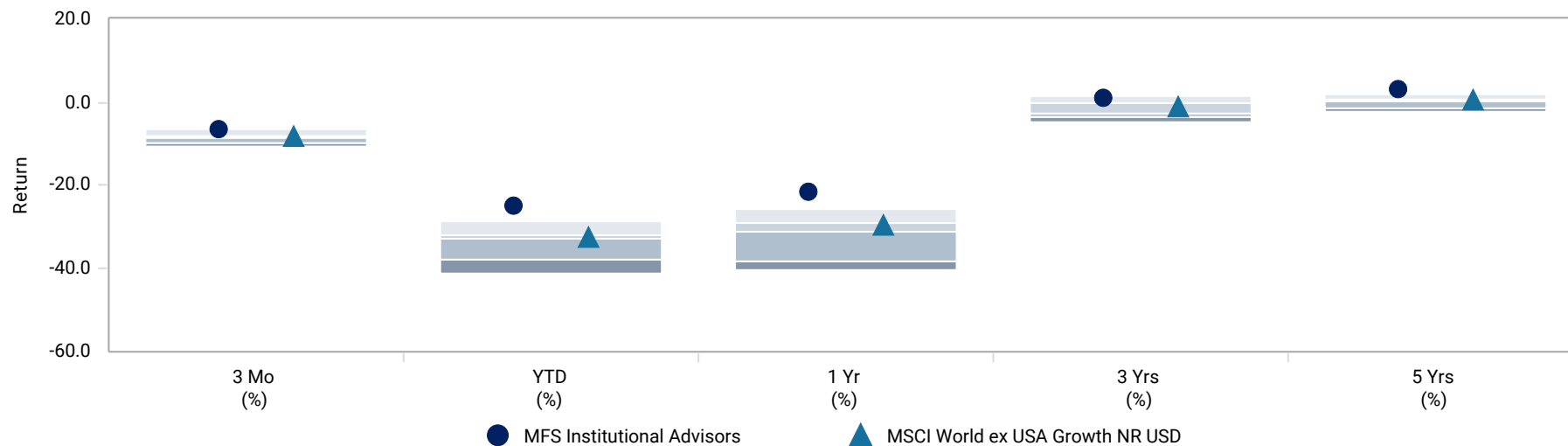
● Lazard Asset Management ▲ MSCI EAFE (Net)



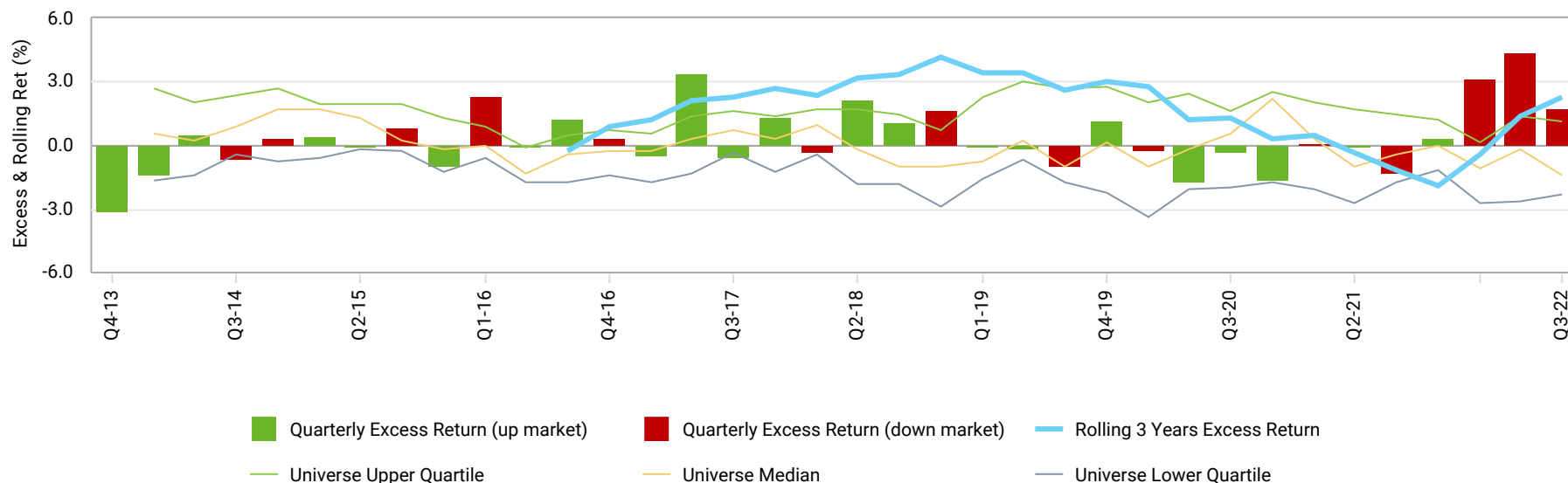
Los Angeles City Employees' Retirement System-LACERS Master Trust

MFS INSTITUTIONAL ADVISORS

eV EAFE All Cap Growth (net of fees)



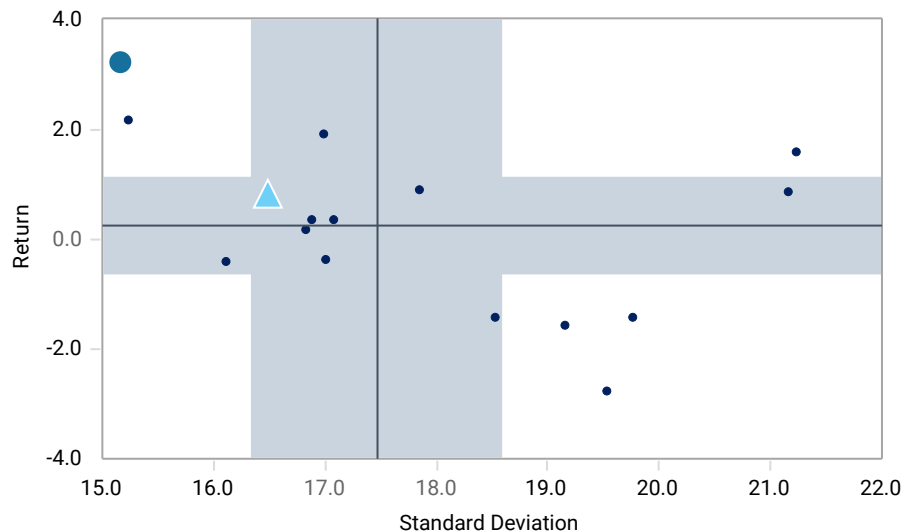
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

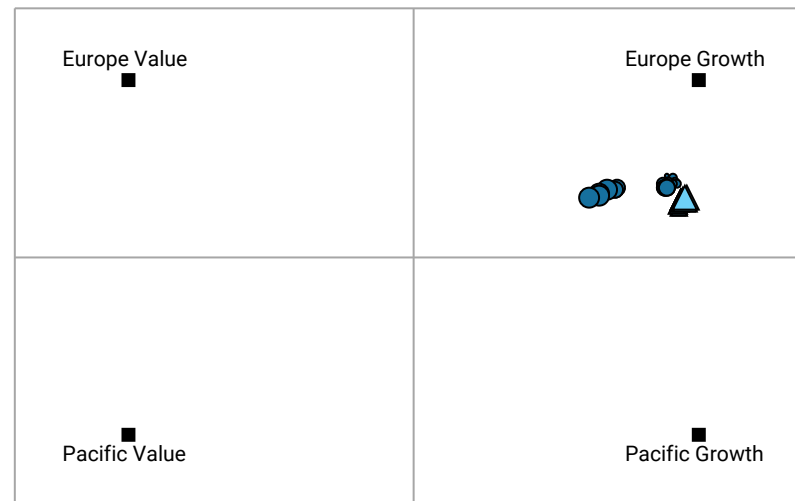
MFS INSTITUTIONAL ADVISORS

5 Years Return vs. Standard Deviation

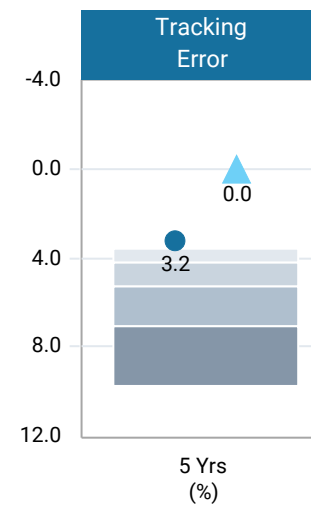
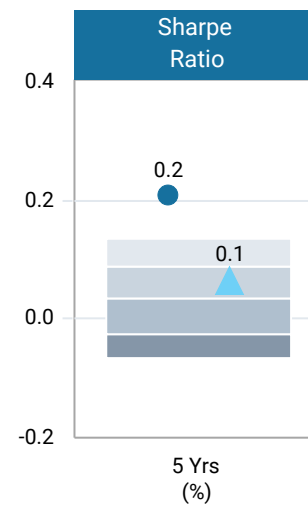
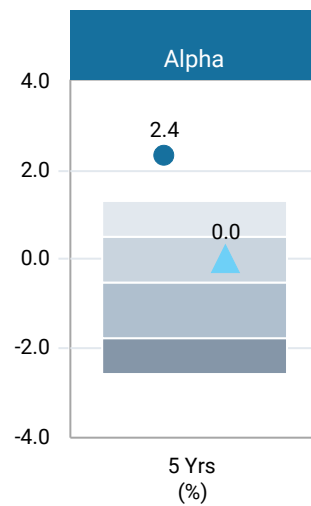
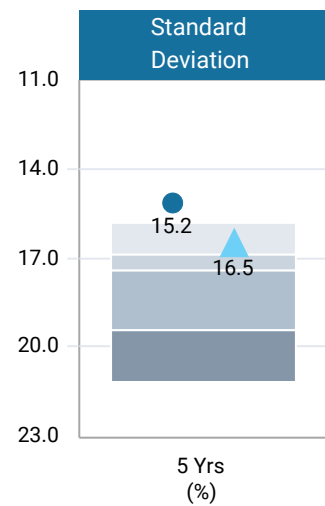
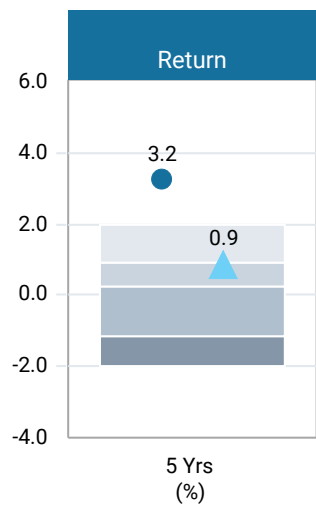


- MFS Institutional Advisors
- ▲ MSCI World ex USA Growth NR USD

Rolling 5 Years Style Map



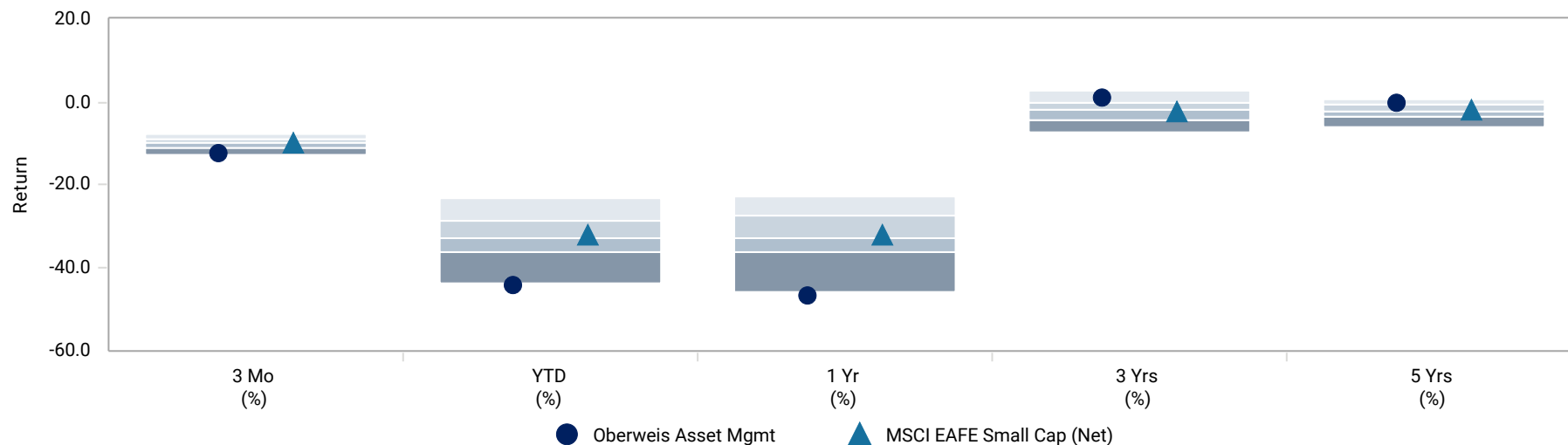
- MFS Institutional Advisors
- ▲ MSCI World ex USA Growth NR USD



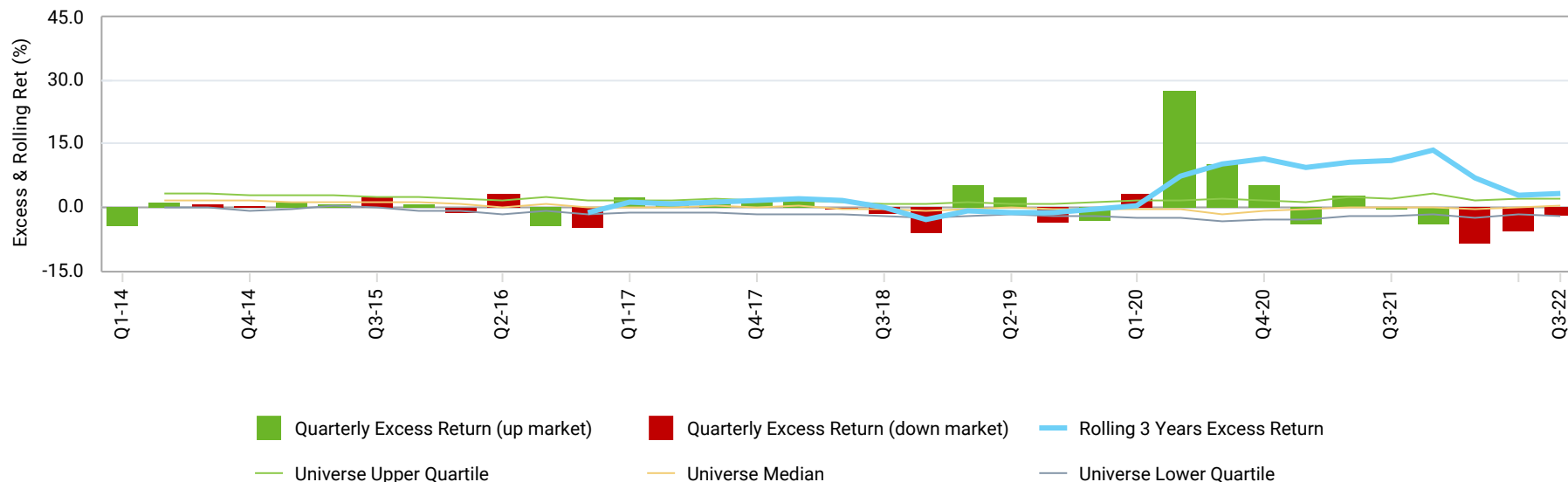
Los Angeles City Employees' Retirement System-LACERS Master Trust

OBERWEIS ASSET MGMT

eV EAFE Small Cap Equity (net of fees)



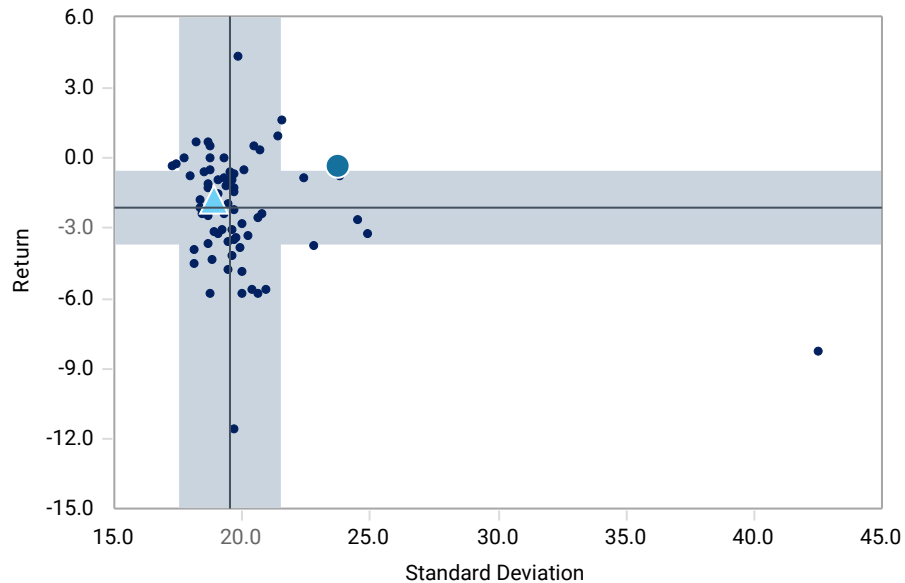
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



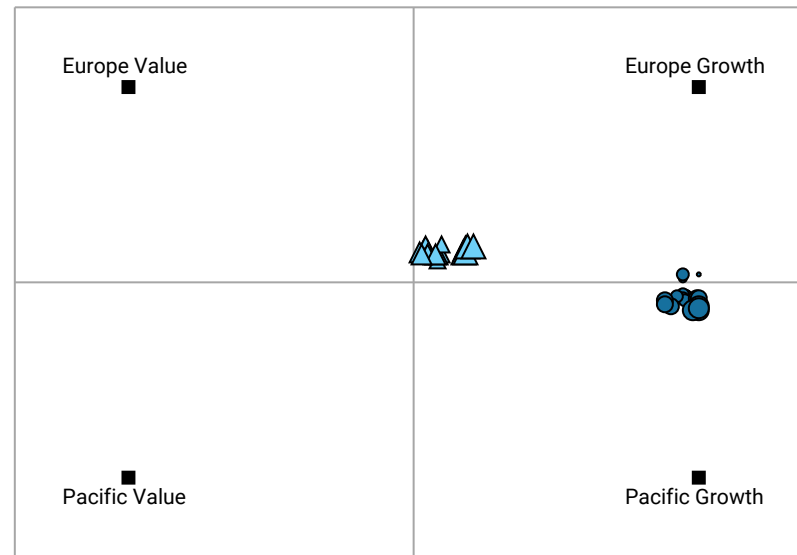
Los Angeles City Employees' Retirement System-LACERS Master Trust

OBERWEIS ASSET MGMT

5 Years Return vs. Standard Deviation

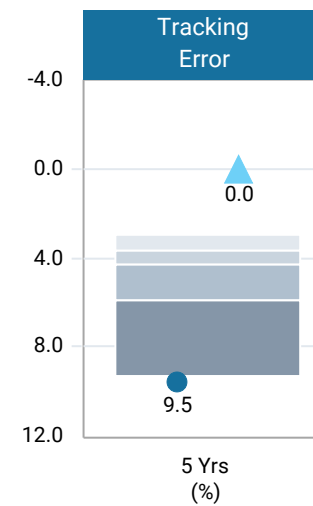
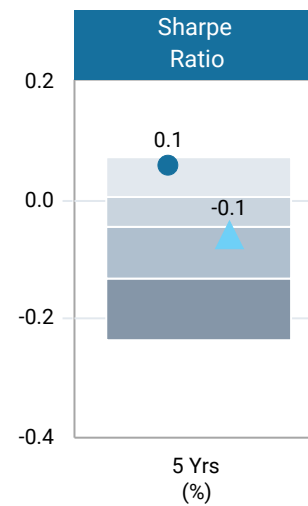
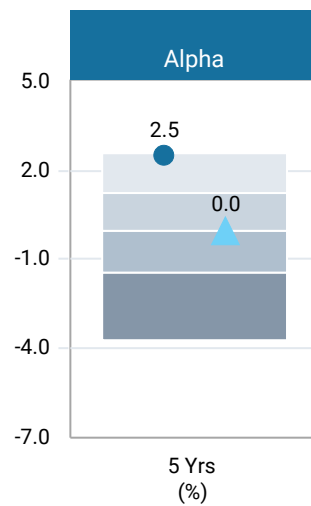
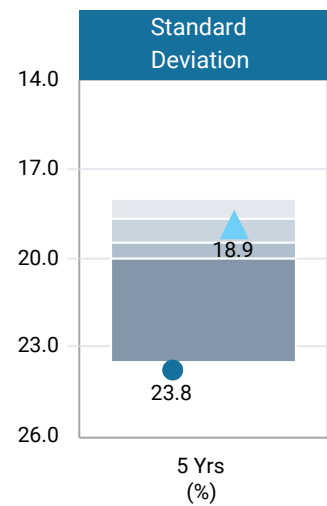
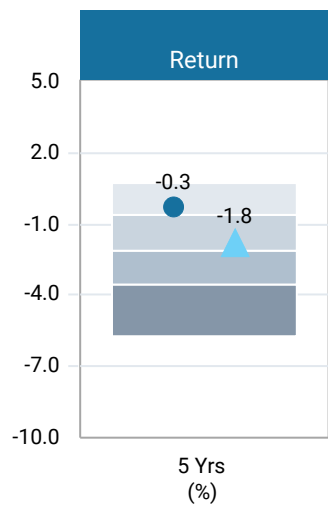


Rolling 5 Years Style Map



● Oberweis Asset Mgmt ▲ MSCI EAFE Small Cap (Net)

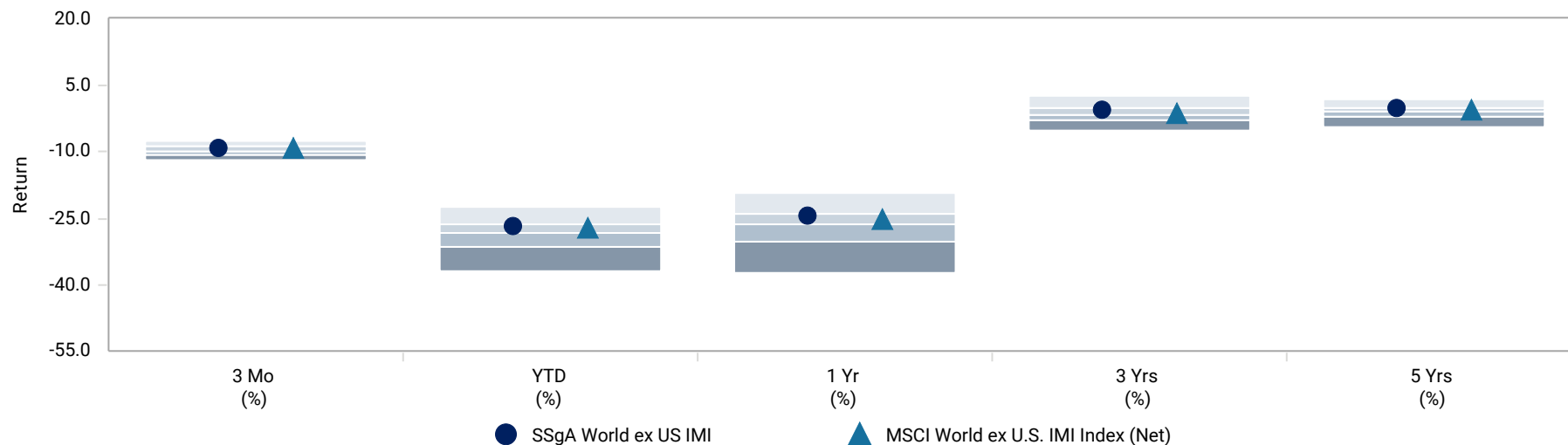
● Oberweis Asset Mgmt ▲ MSCI EAFE Small Cap (Net)



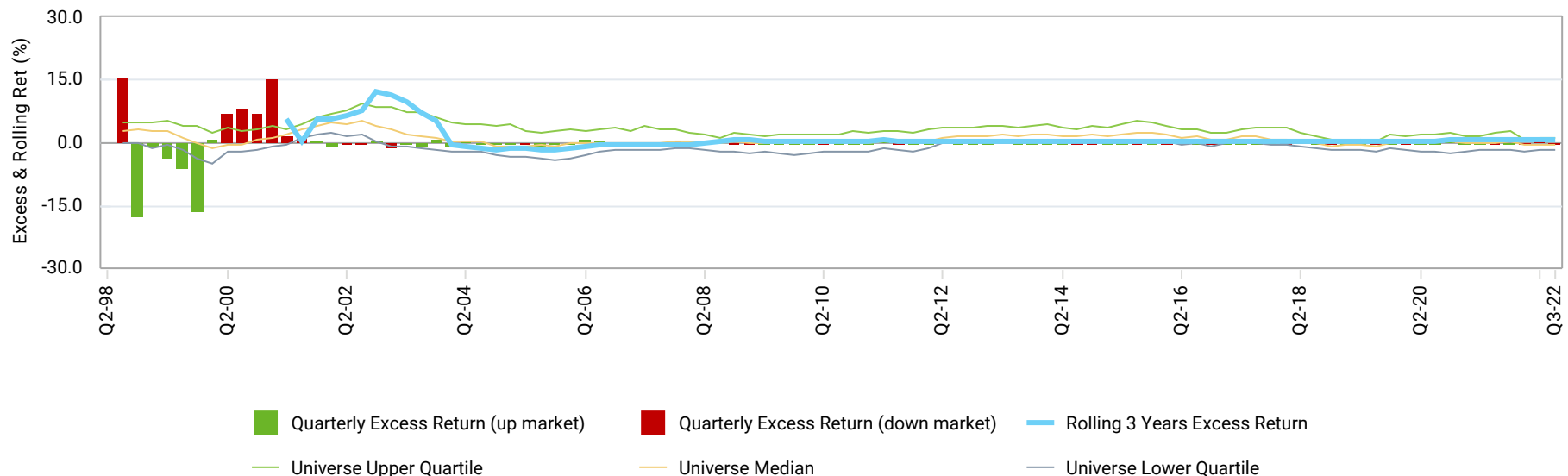
Los Angeles City Employees' Retirement System-LACERS Master Trust

SSGA WORLD EX US IMI

eV EAFE Core Equity (net of fees)



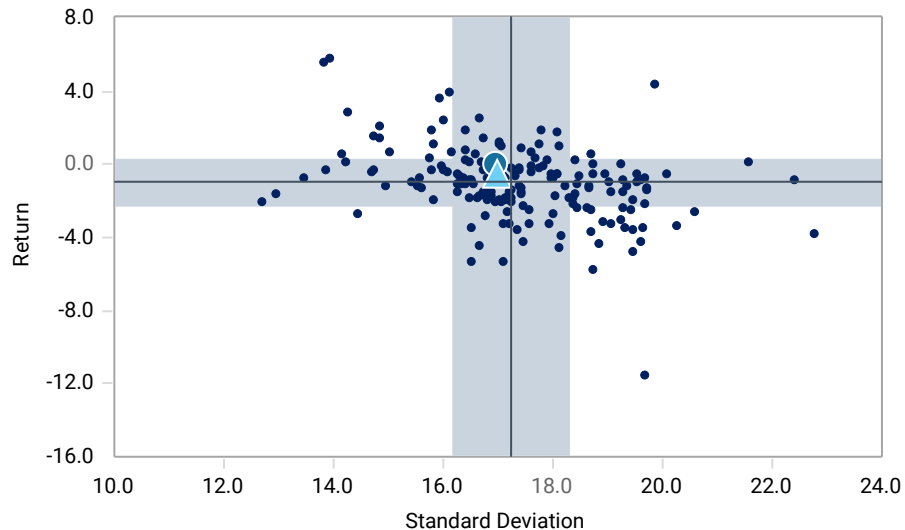
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

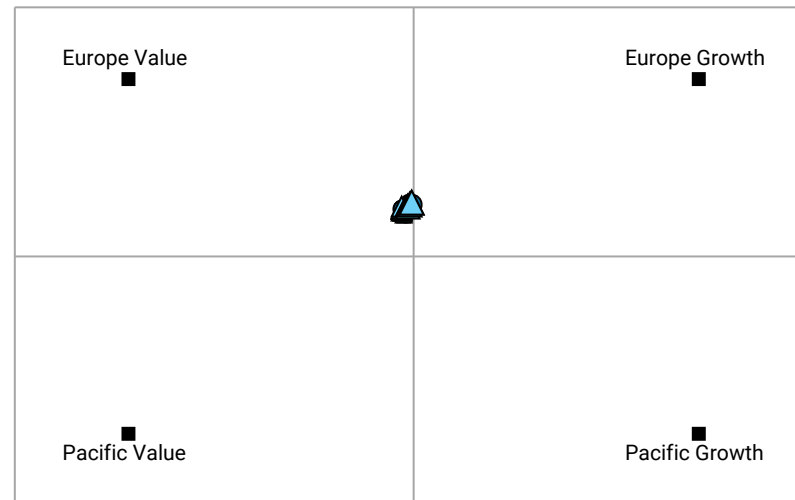
SSGA WORLD EX US IMI

5 Years Return vs. Standard Deviation

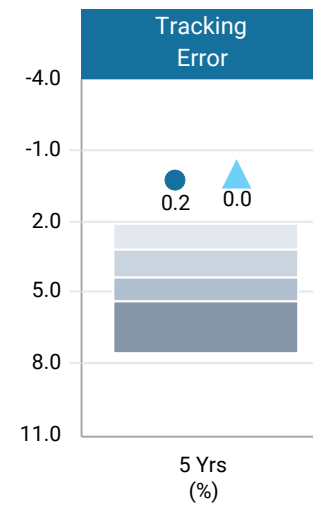
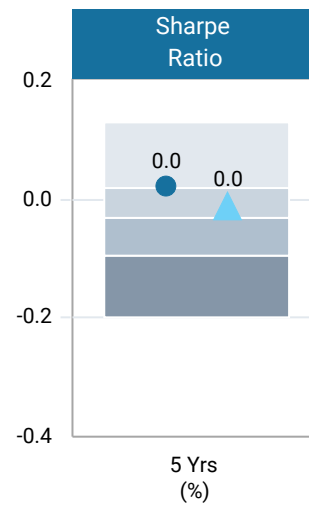
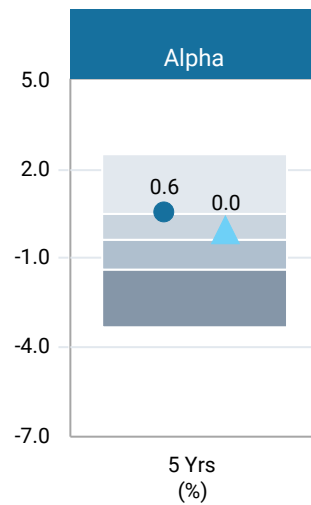
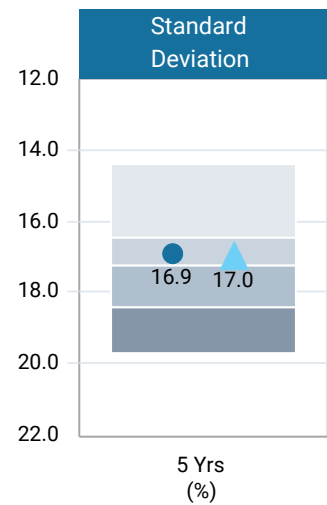
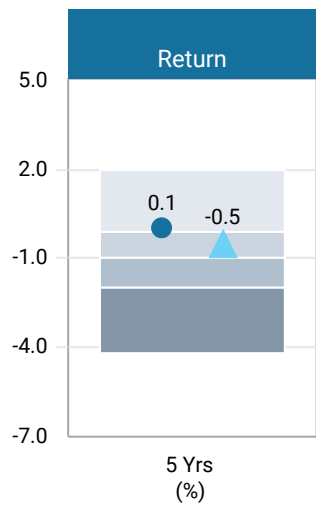


- SSGA World ex US IMI
- ▲ MSCI World ex U.S. IMI Index (Net)

Rolling 5 Years Style Map



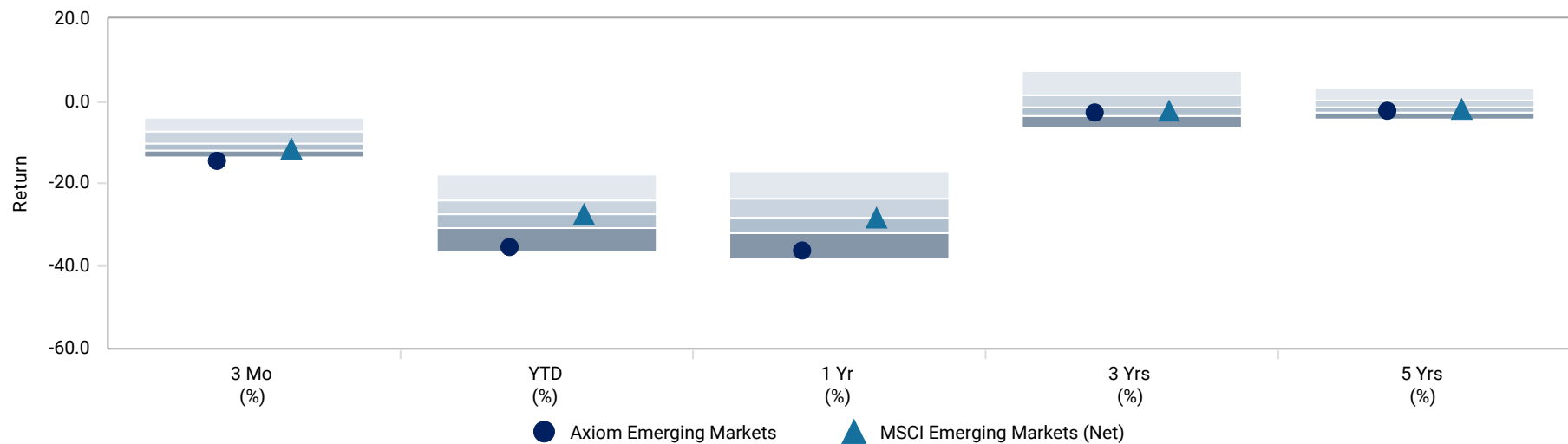
- SSGA World ex US IMI
- ▲ MSCI World ex U.S. IMI Index (Net)



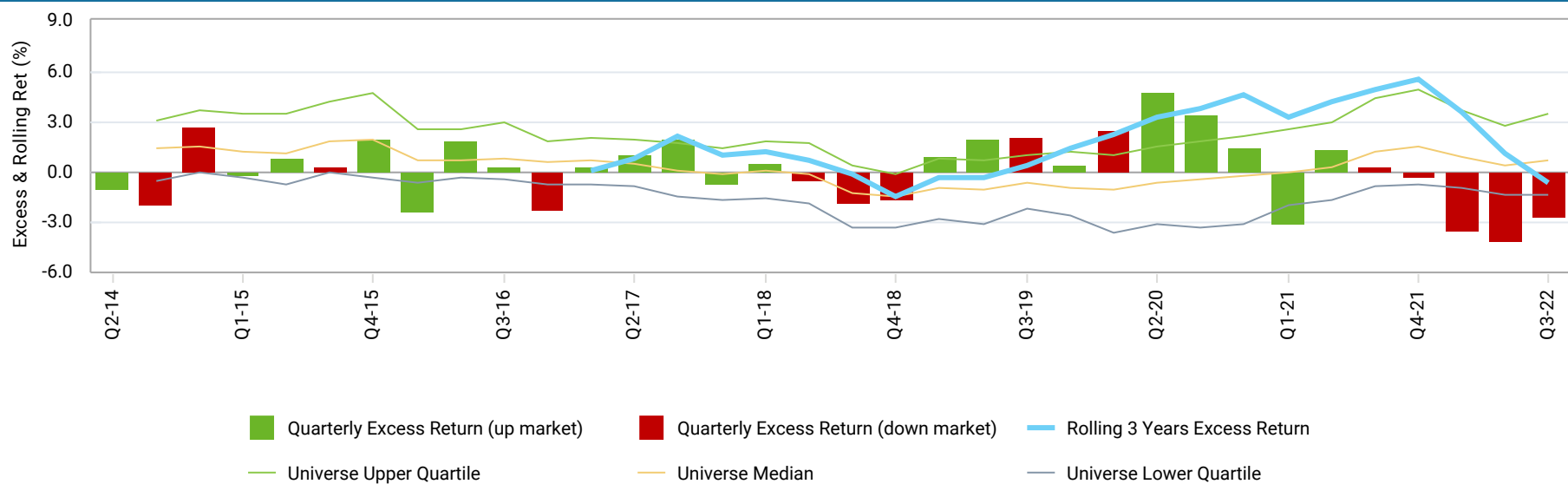
Los Angeles City Employees' Retirement System-LACERS Master Trust

AXIOM EMERGING MARKETS

eV Emg Mkts Equity (net of fees)



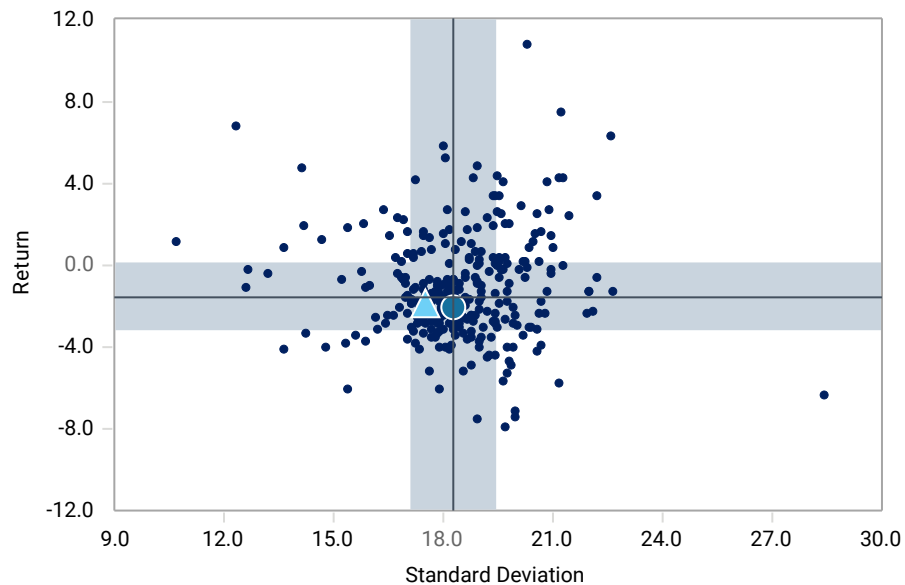
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



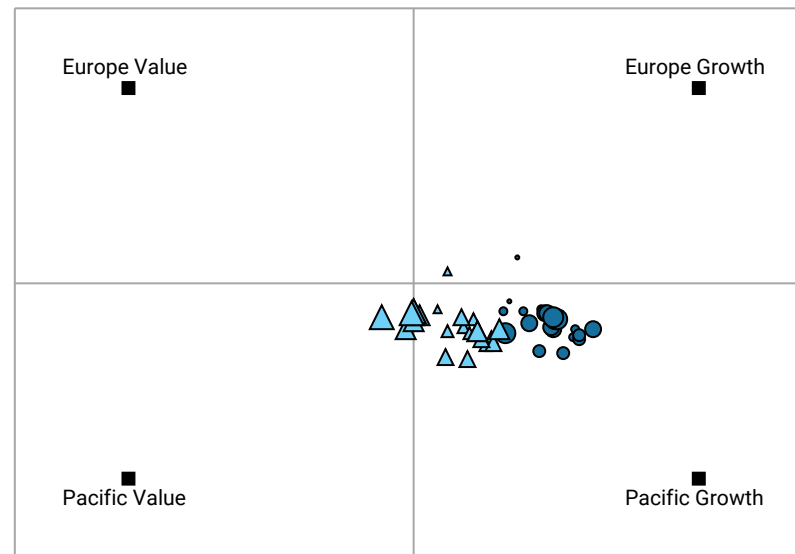
Los Angeles City Employees' Retirement System-LACERS Master Trust

AXIOM EMERGING MARKETS

5 Years Return vs. Standard Deviation



Rolling 5 Years Style Map

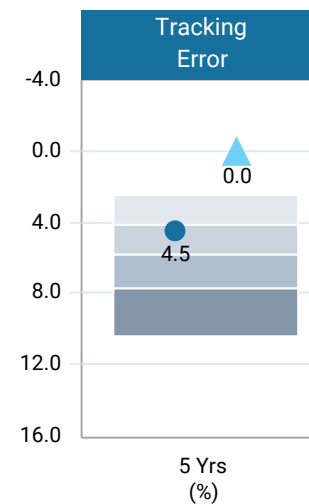
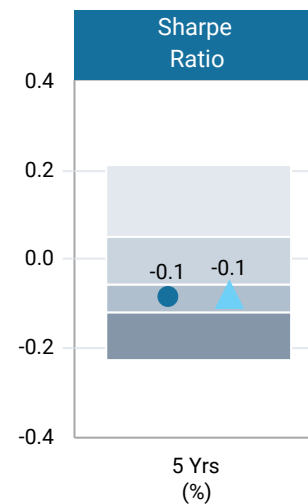
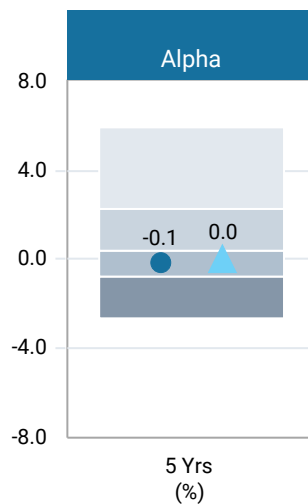
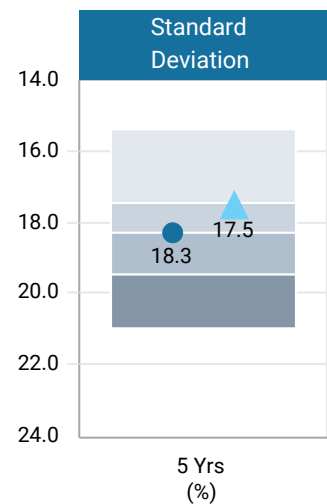
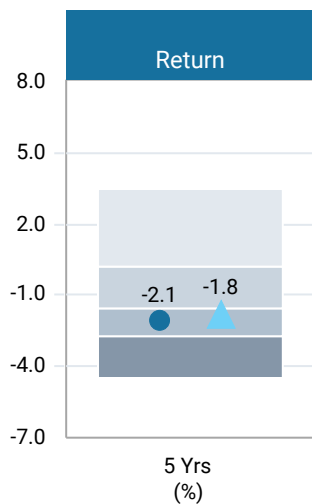


● Axiom Emerging Markets

▲ MSCI Emerging Markets (Net)

● Axiom Emerging Markets

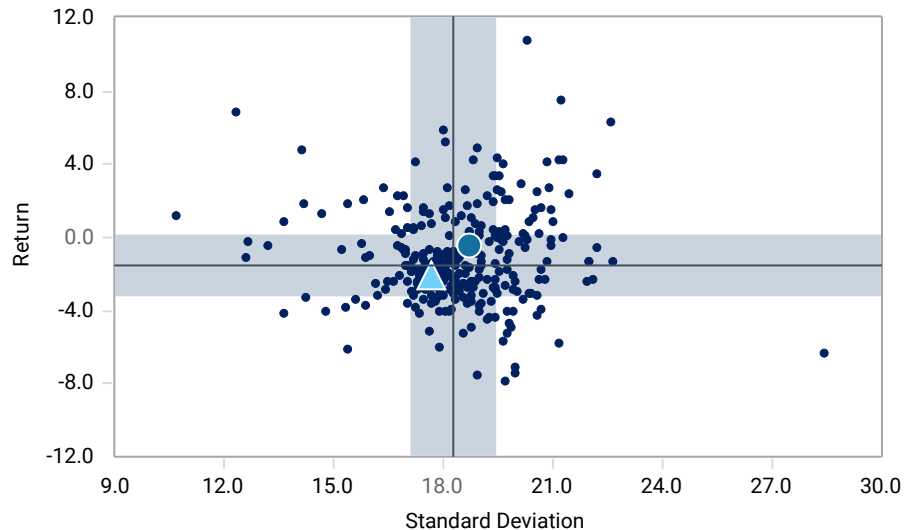
▲ MSCI Emerging Markets (Net)



Los Angeles City Employees' Retirement System-LACERS Master Trust

DFA EMERGING MARKETS

5 Years Return vs. Standard Deviation

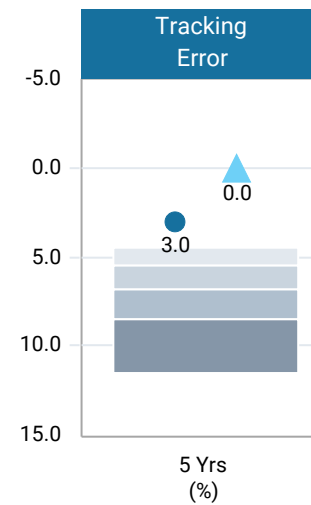
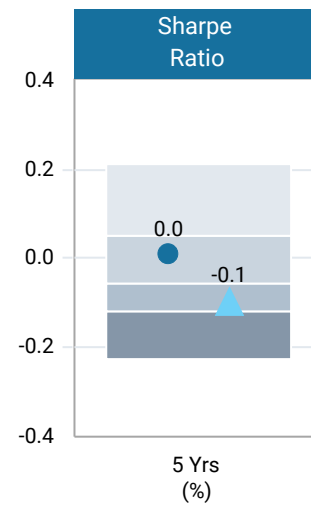
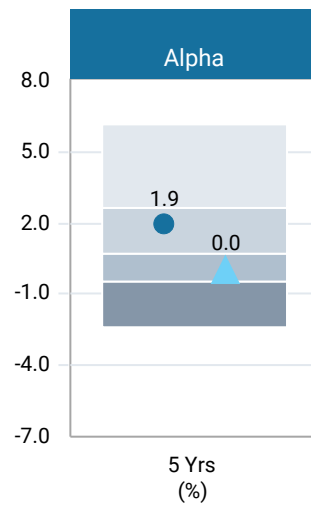
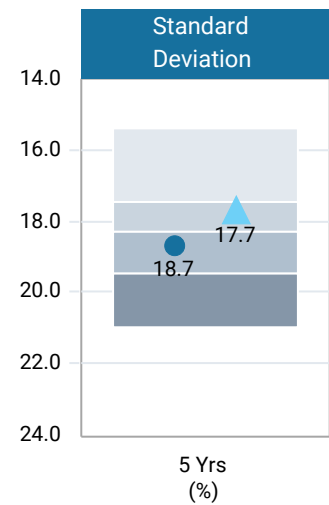
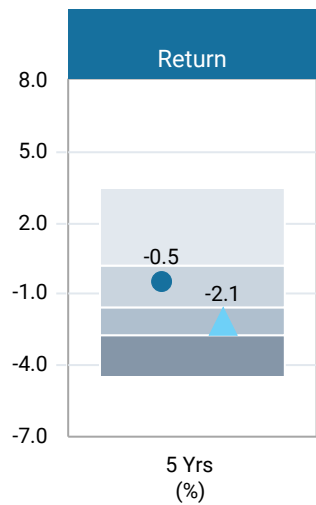


- DFA Emerging Markets
- ▲ MSCI Emerging Markets Value (Net)

Rolling 5 Years Style Map

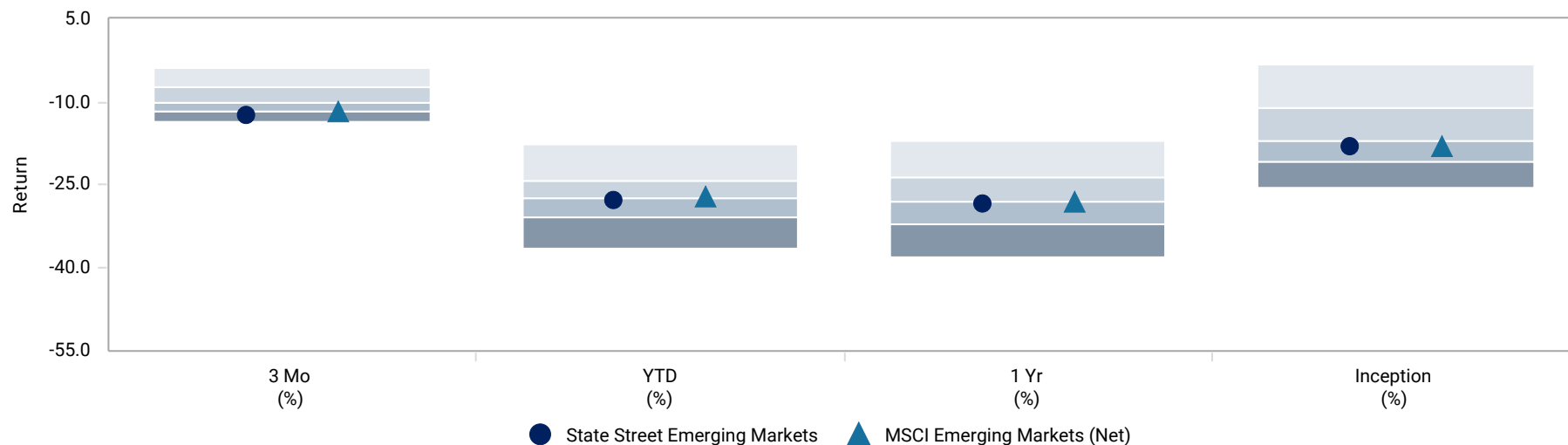


- DFA Emerging Markets
- ▲ MSCI Emerging Markets Value (Net)



SSGA EMERGING MARKETS

eV Emg Mkts Equity (net of fees)



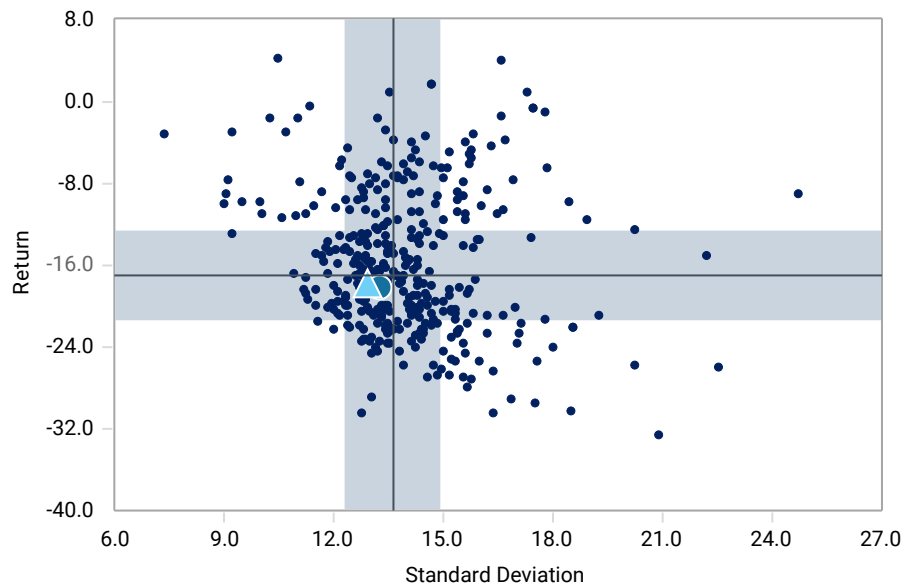
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

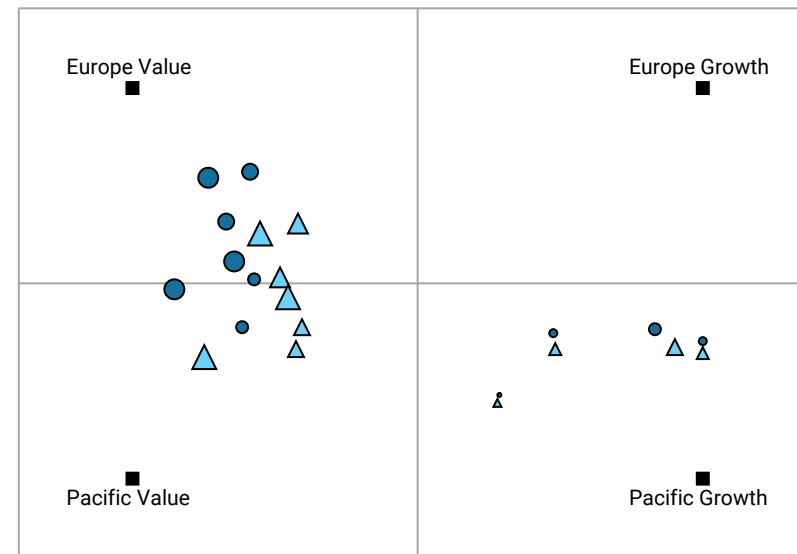
SSGA EMERGING MARKETS

Since Inception Return vs. Standard Deviation

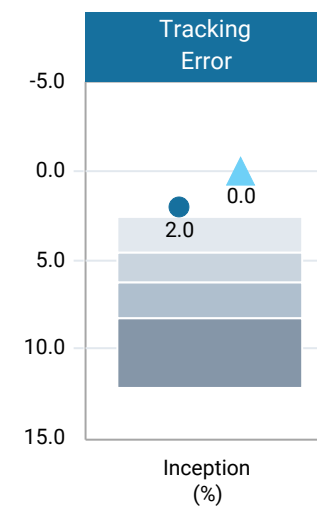
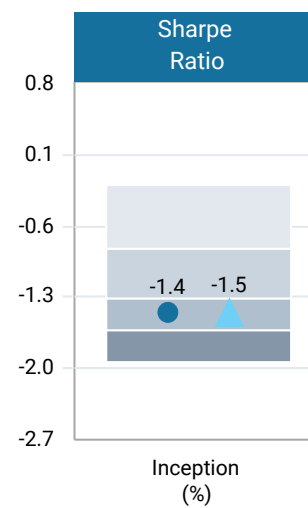
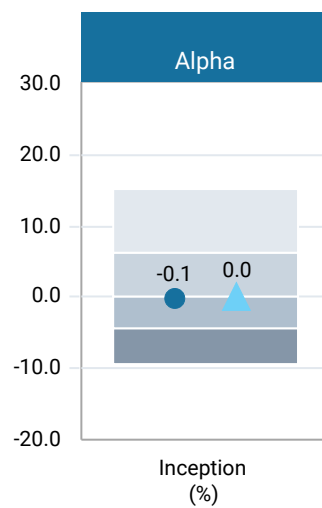
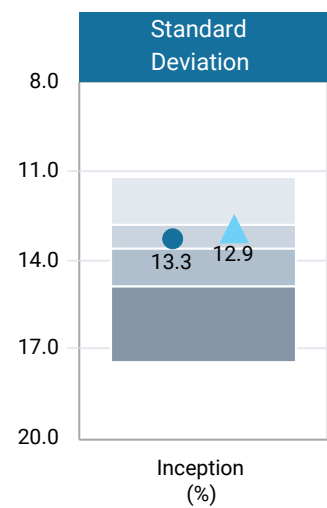
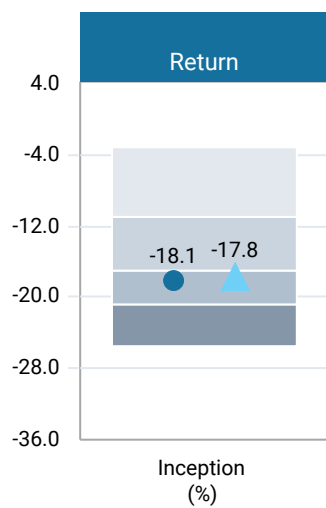


● State Street Emerging Markets ▲ MSCI Emerging Markets (Net)

Rolling 0.75 Year Style Map



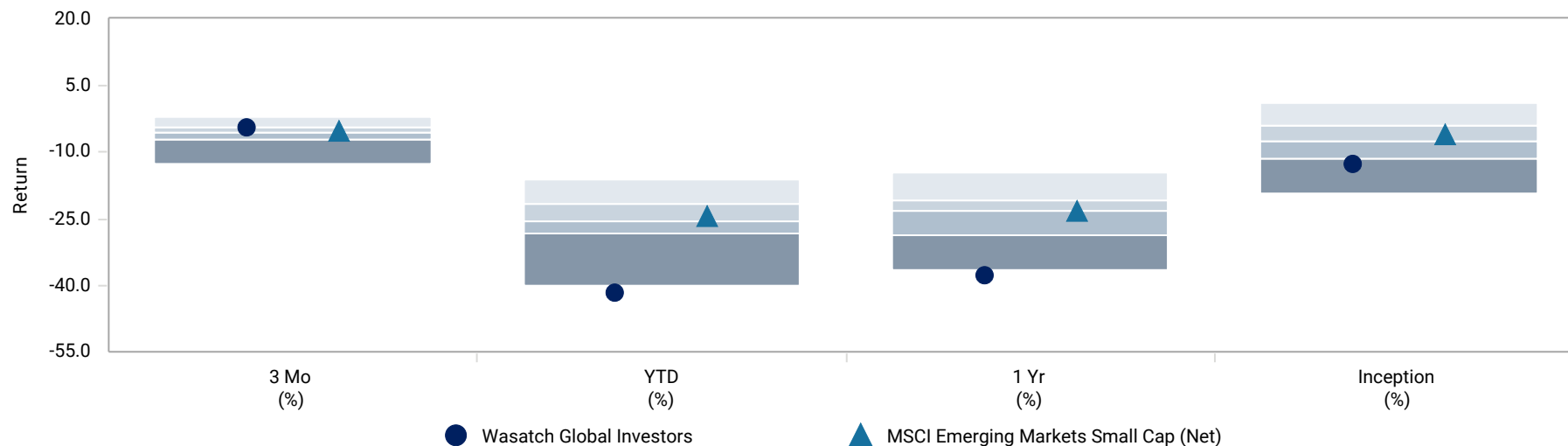
● State Street Emerging Markets ▲ MSCI Emerging Markets (Net)



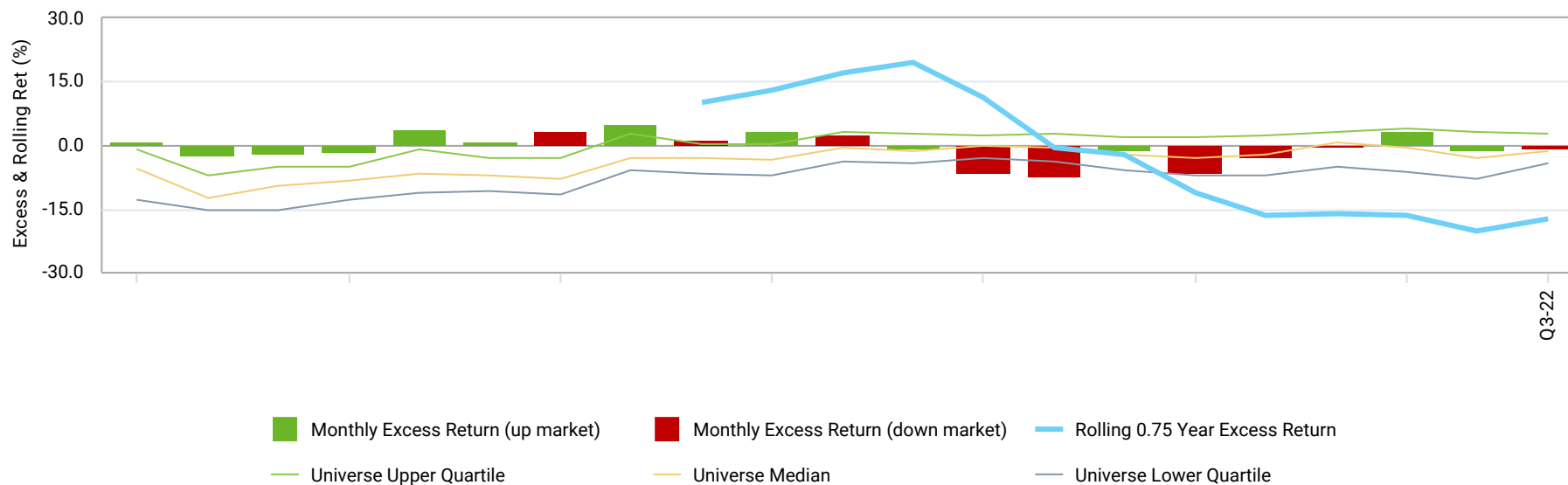
Los Angeles City Employees' Retirement System-LACERS Master Trust

WASATCH GLOBAL INVESTORS

eV Emg Mkts Small Cap Equity (net of fees)



Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



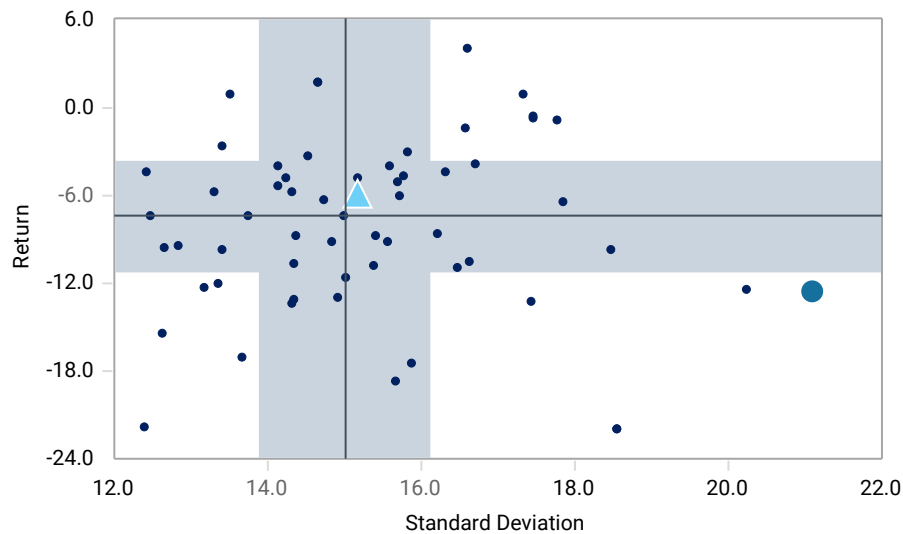
- Monthly Excess Return (up market)
- Monthly Excess Return (down market)
- Rolling 0.75 Year Excess Return
- Universe Upper Quartile
- Universe Median
- Universe Lower Quartile



Los Angeles City Employees' Retirement System-LACERS Master Trust

WASATCH GLOBAL INVESTORS

Since Inception Return vs. Standard Deviation

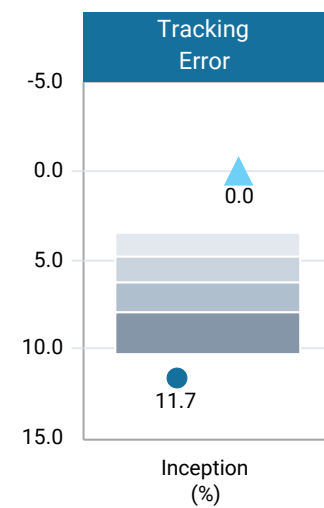
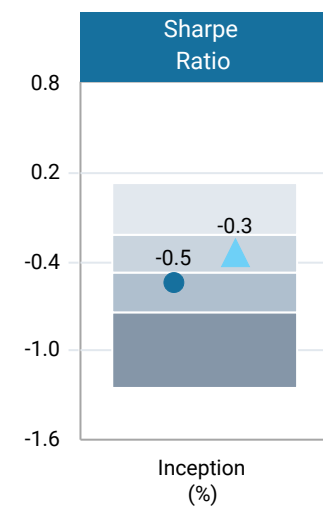
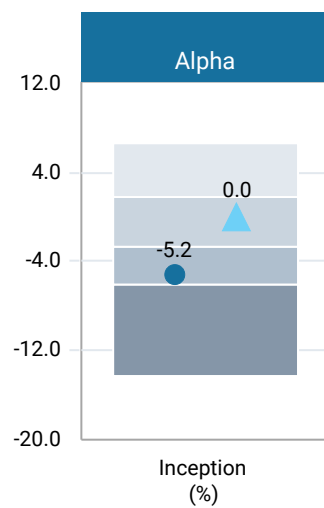
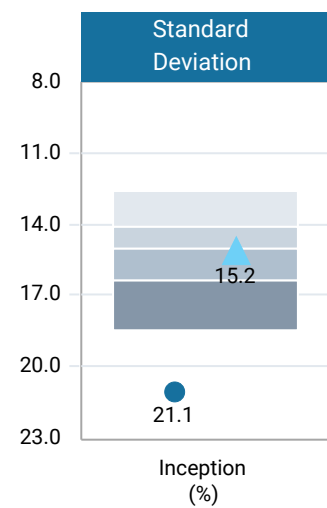
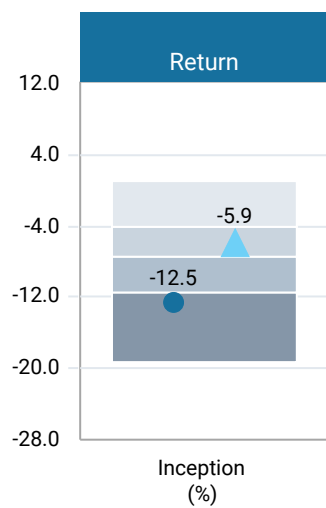


- Wasatch Global Investors
- ▲ MSCI Emerging Markets Small Cap (Net)

Rolling 0.75 Year Style Map



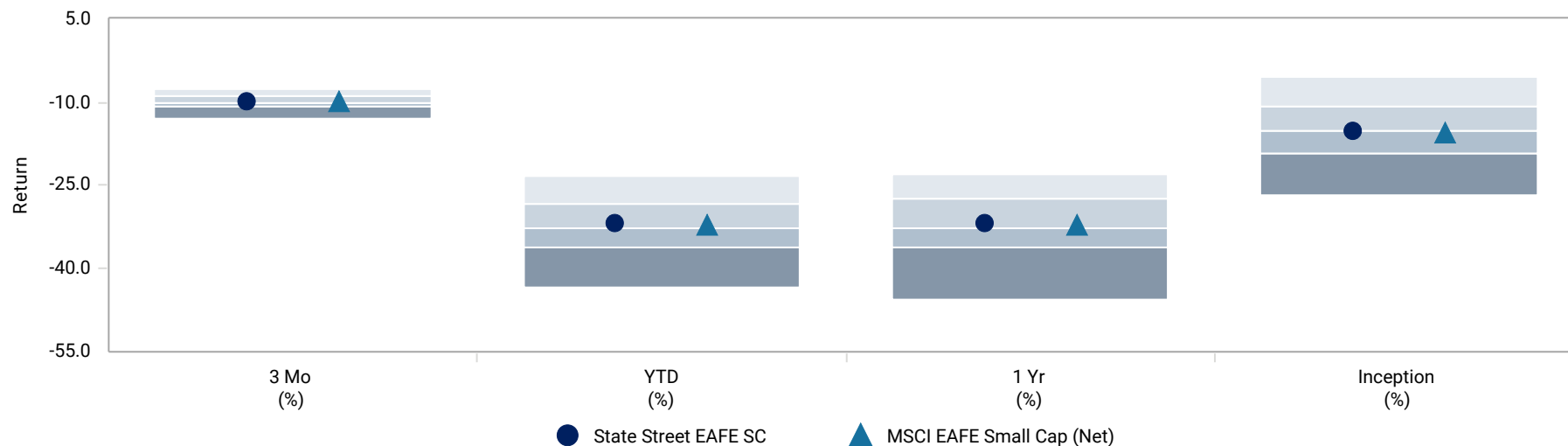
- Wasatch Global Investors
- ▲ MSCI Emerging Markets Small Cap (Net)



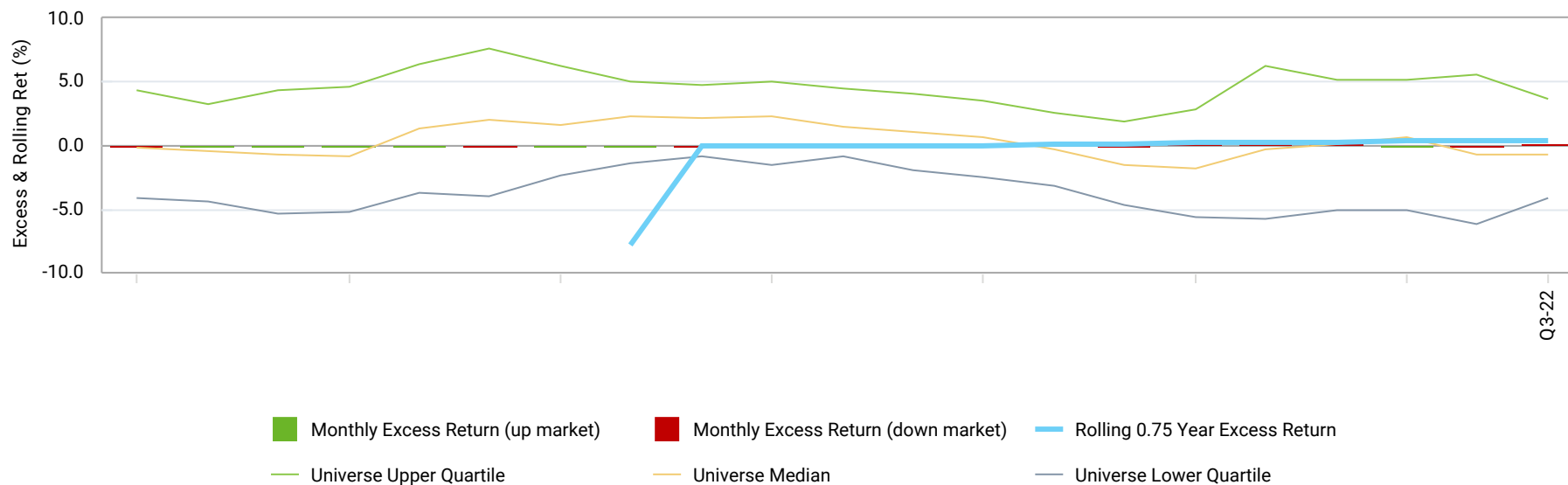
Los Angeles City Employees' Retirement System-LACERS Master Trust

SSGA EAFE SC

eV EAFE Small Cap Equity (net of fees)



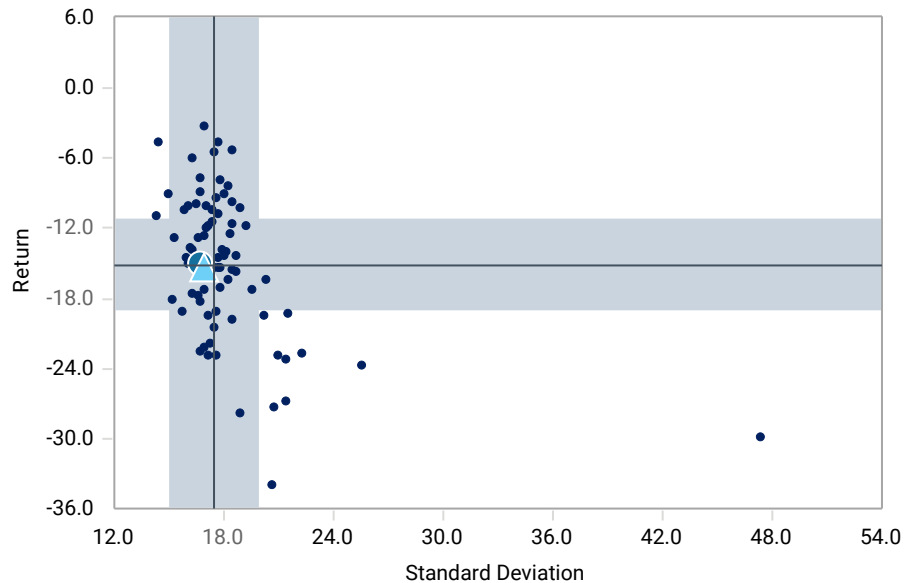
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



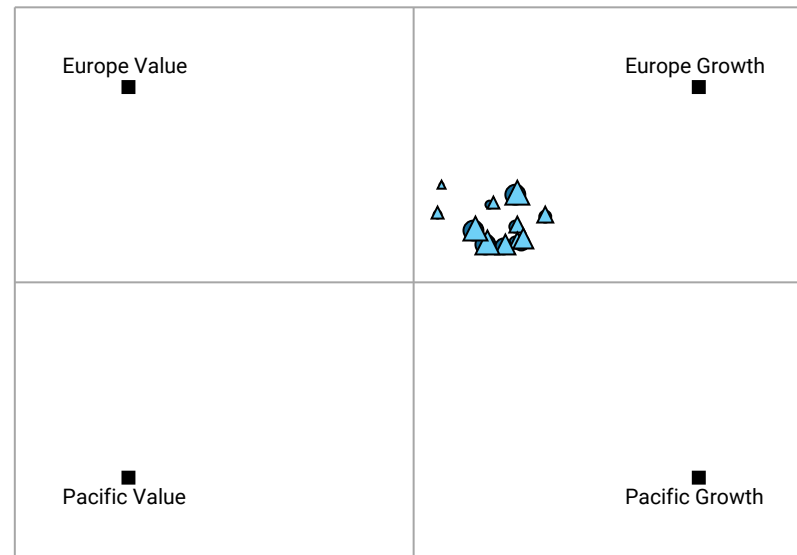
Los Angeles City Employees' Retirement System-LACERS Master Trust

SSGA EAFE SC

Since Inception Return vs. Standard Deviation



Rolling 0.75 Year Style Map

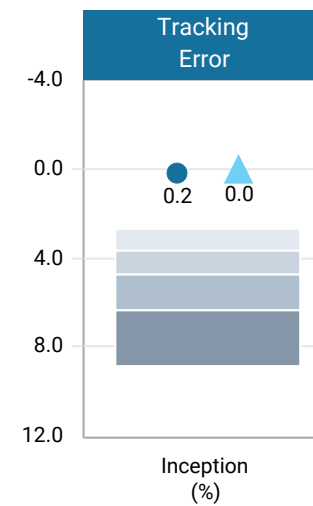
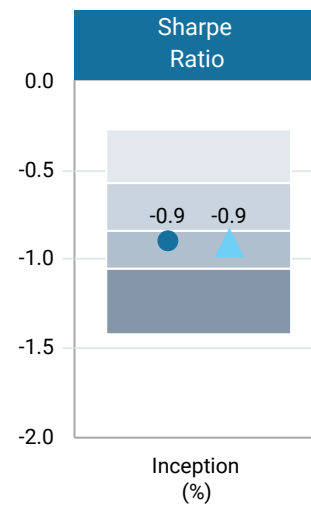
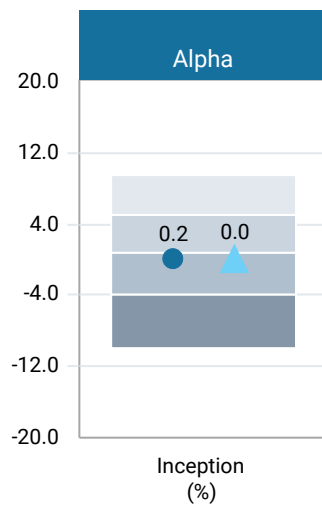
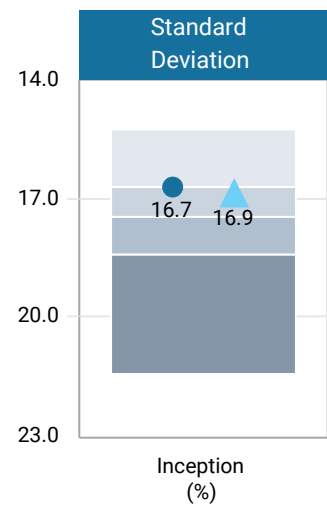
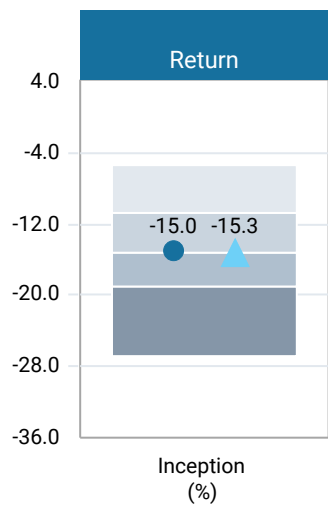


● State Street EAFE SC

▲ MSCI EAFE Small Cap (Net)

● State Street EAFE SC

▲ MSCI EAFE Small Cap (Net)

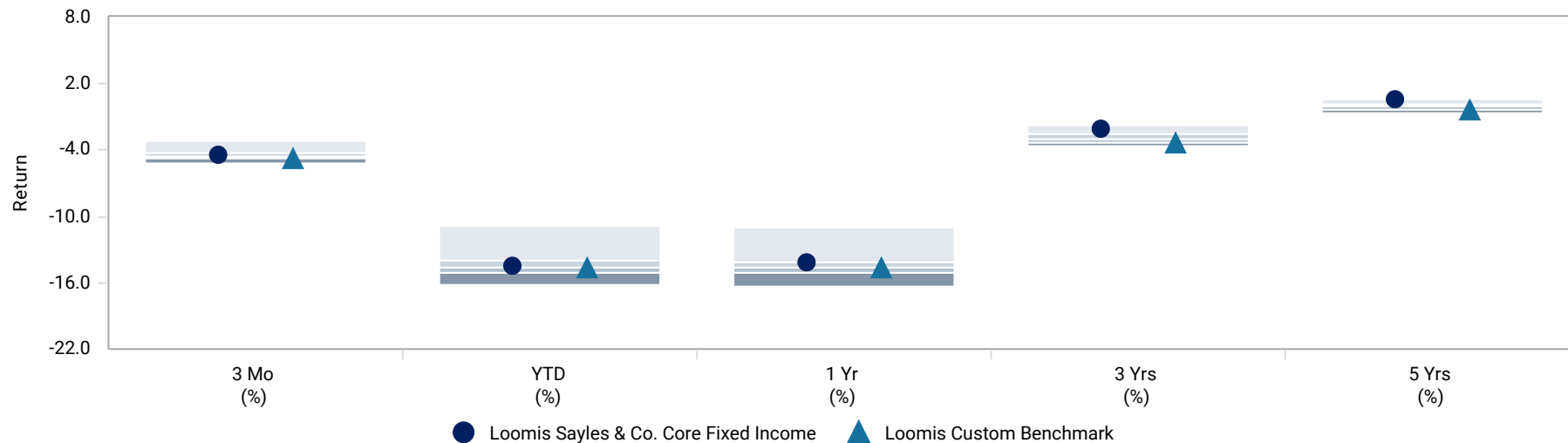


CORE FIXED INCOME MANAGER PERFORMANCE

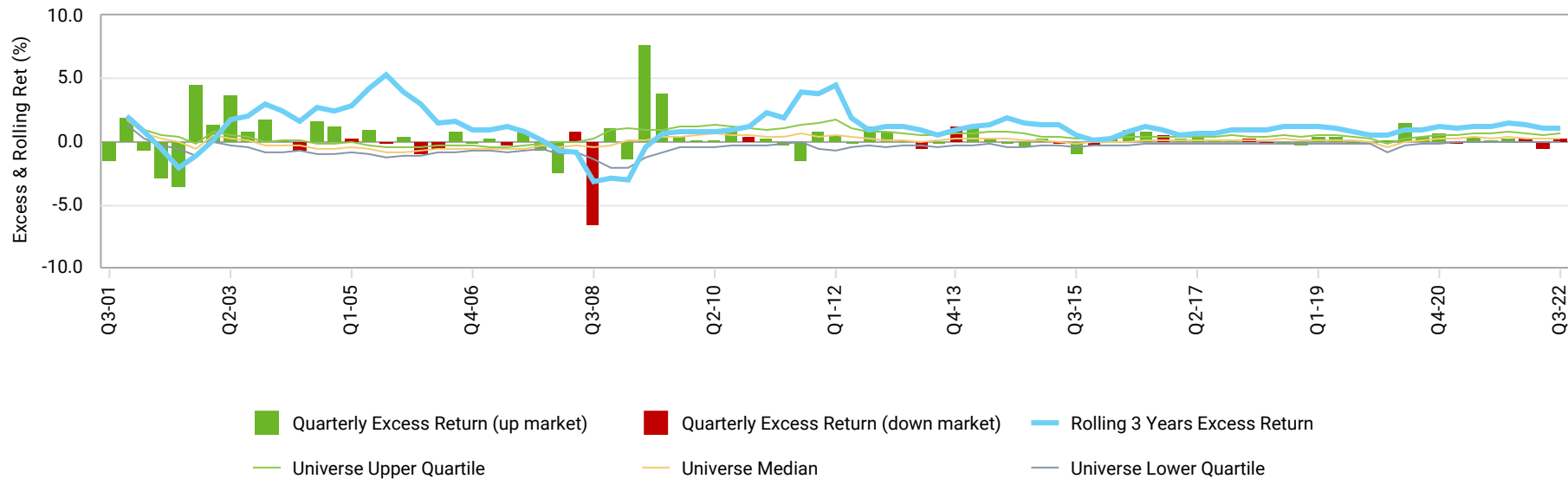
Los Angeles City Employees' Retirement System-LACERS Master Trust

LOOMIS SAYLES & CO. CORE FIXED INCOME

eV US Core Fixed Inc (net of fees)



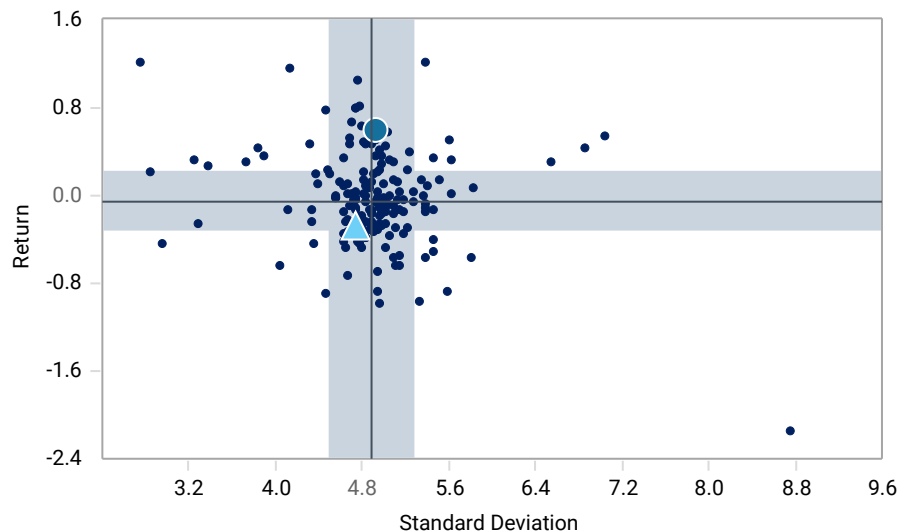
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

LOOMIS SAYLES & CO. CORE FIXED INCOME

5 Years Return vs. Standard Deviation

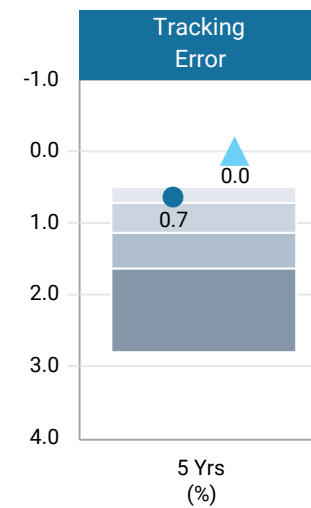
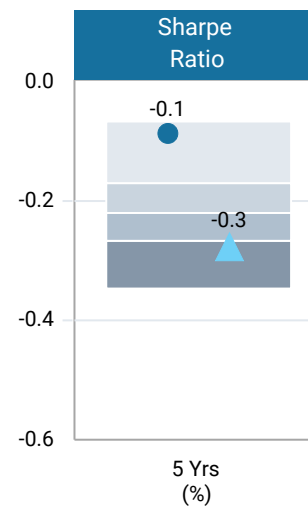
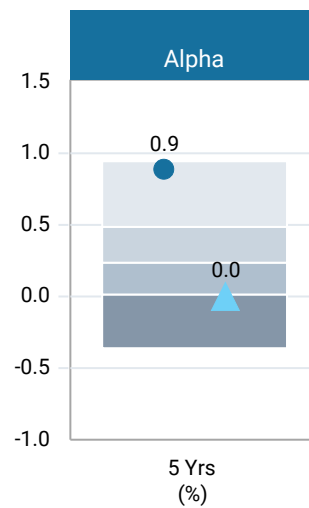
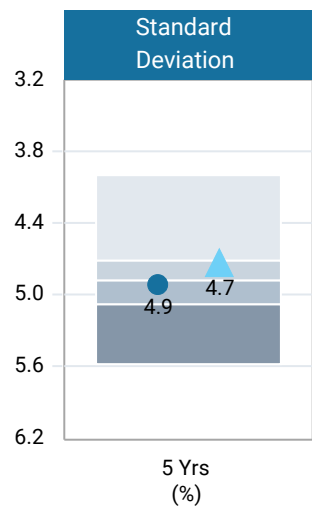
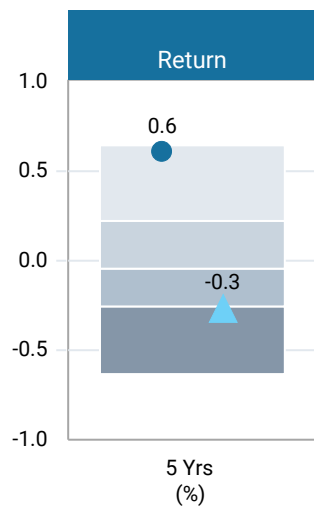


● Loomis Sayles & Co. Core Fixed Income
▲ Loomis Custom Benchmark

Style Map: (5 Years)



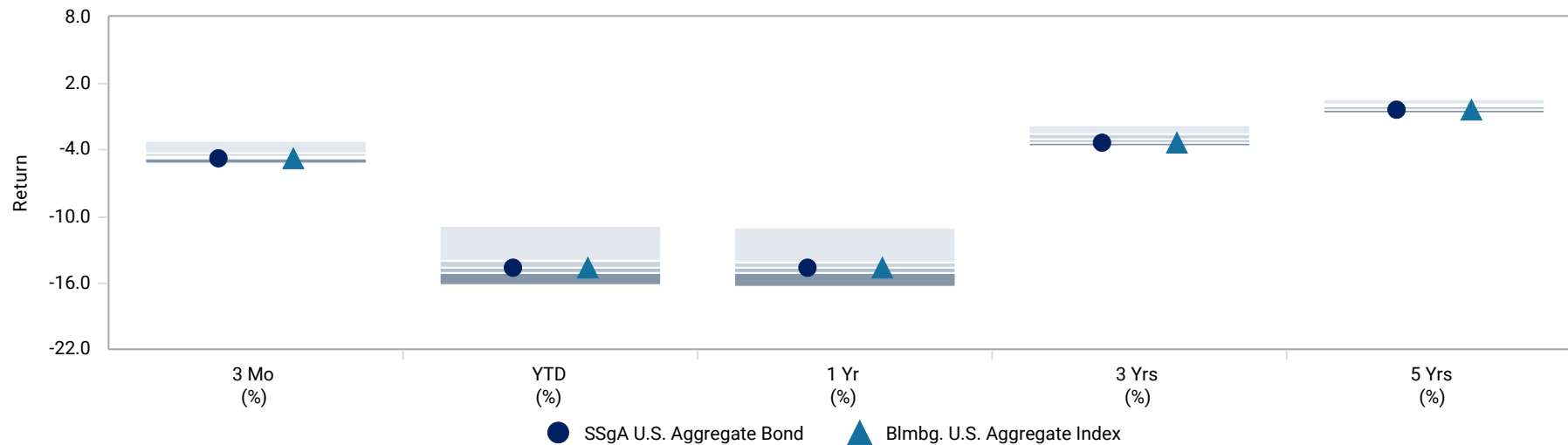
● Loomis Sayles & Co. Core Fixed Income
▲ Loomis Custom Benchmark



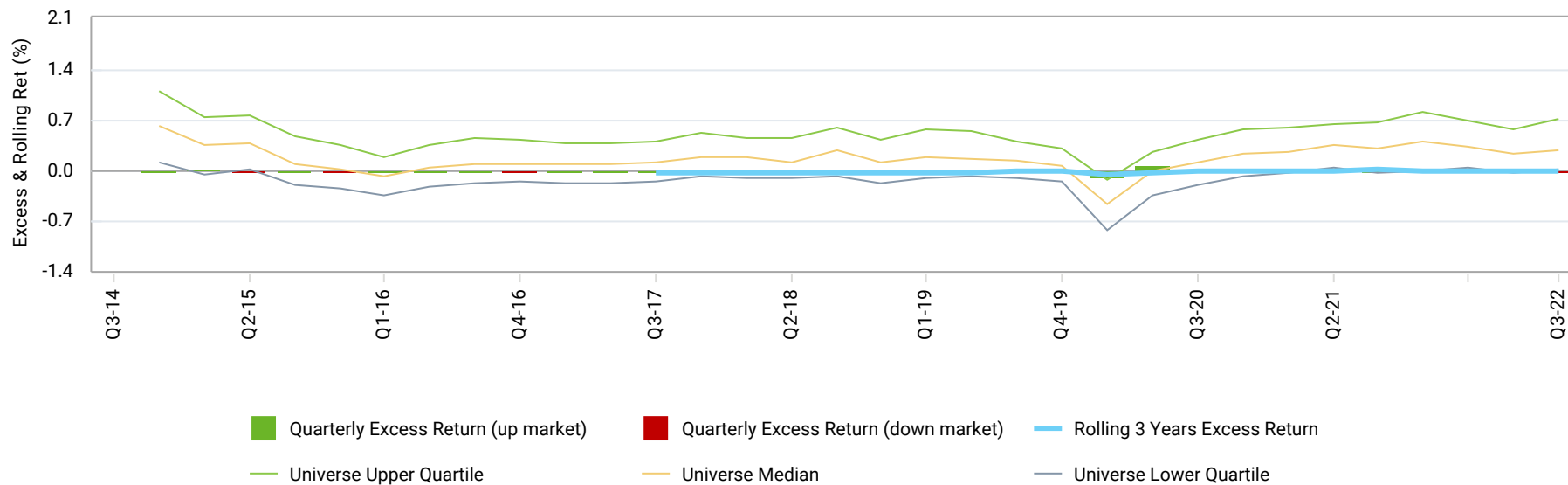
Los Angeles City Employees' Retirement System-LACERS Master Trust

SSGA U.S. AGGREGATE BOND

eV US Core Fixed Inc (net of fees)



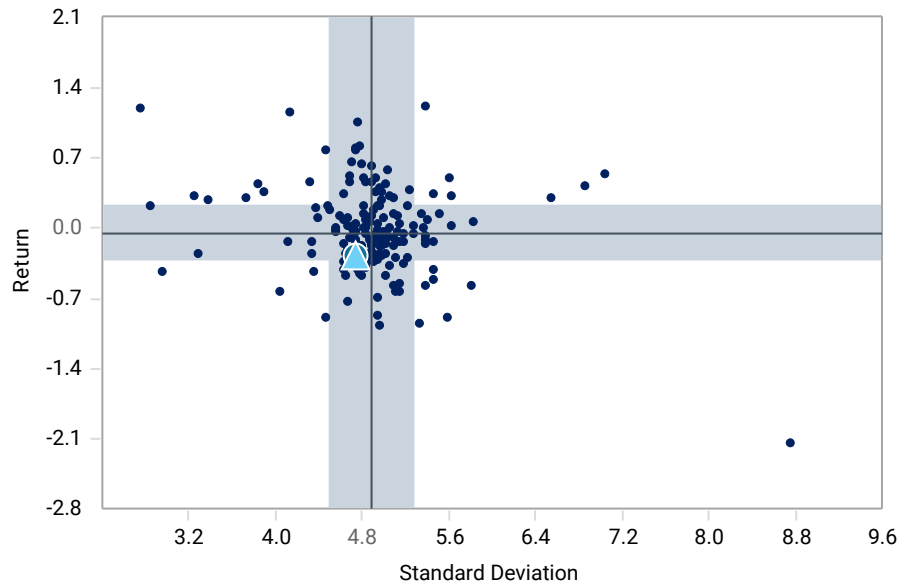
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

SSGA U.S. AGGREGATE BOND

5 Years Return vs. Standard Deviation

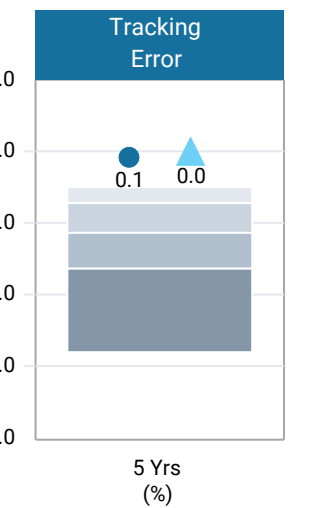
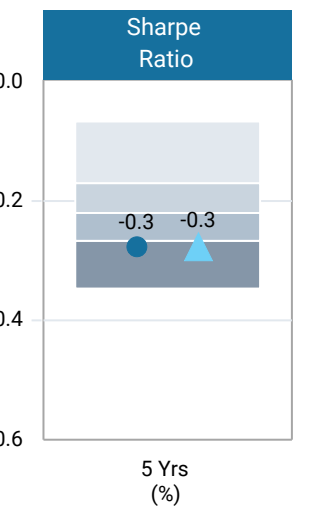
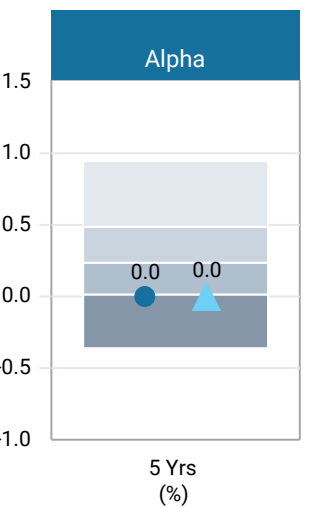
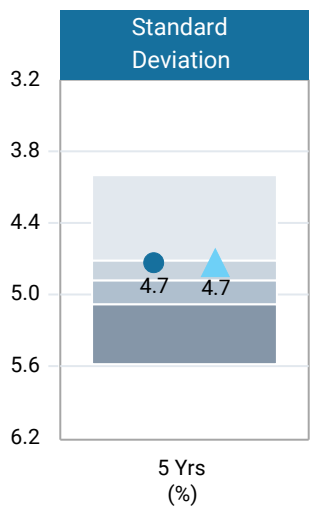
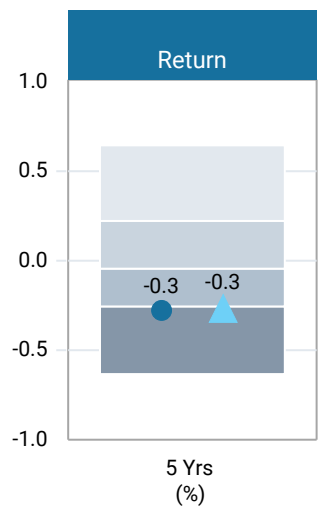


Style Map: (5 Years)



● SSGA U.S. Aggregate Bond ▲ Blmbg. U.S. Aggregate Index

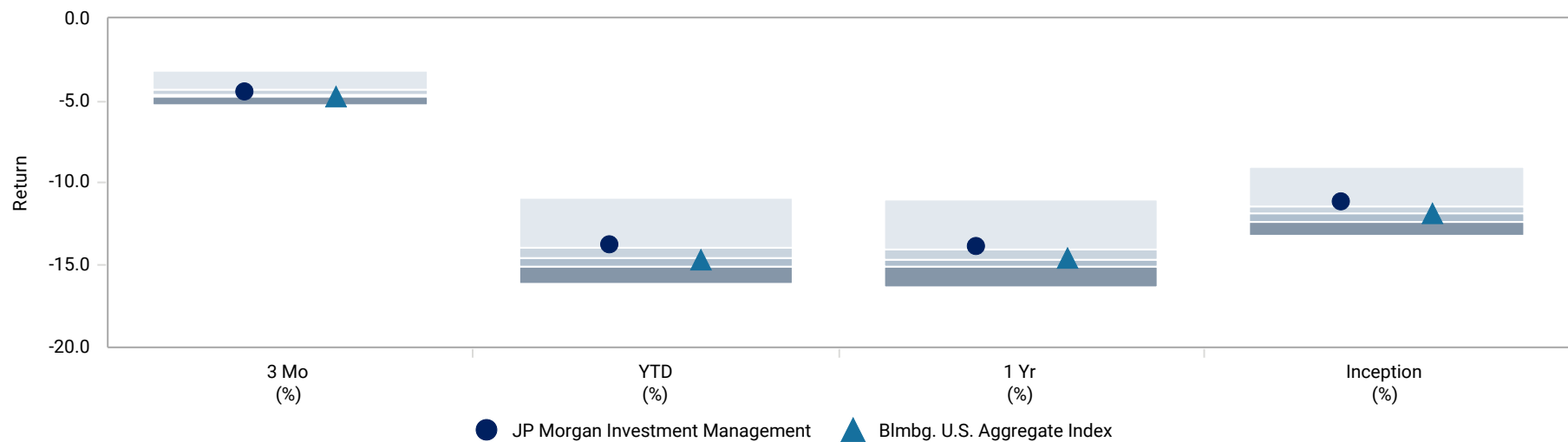
● SSGA U.S. Aggregate Bond ▲ Blmbg. U.S. Aggregate Index



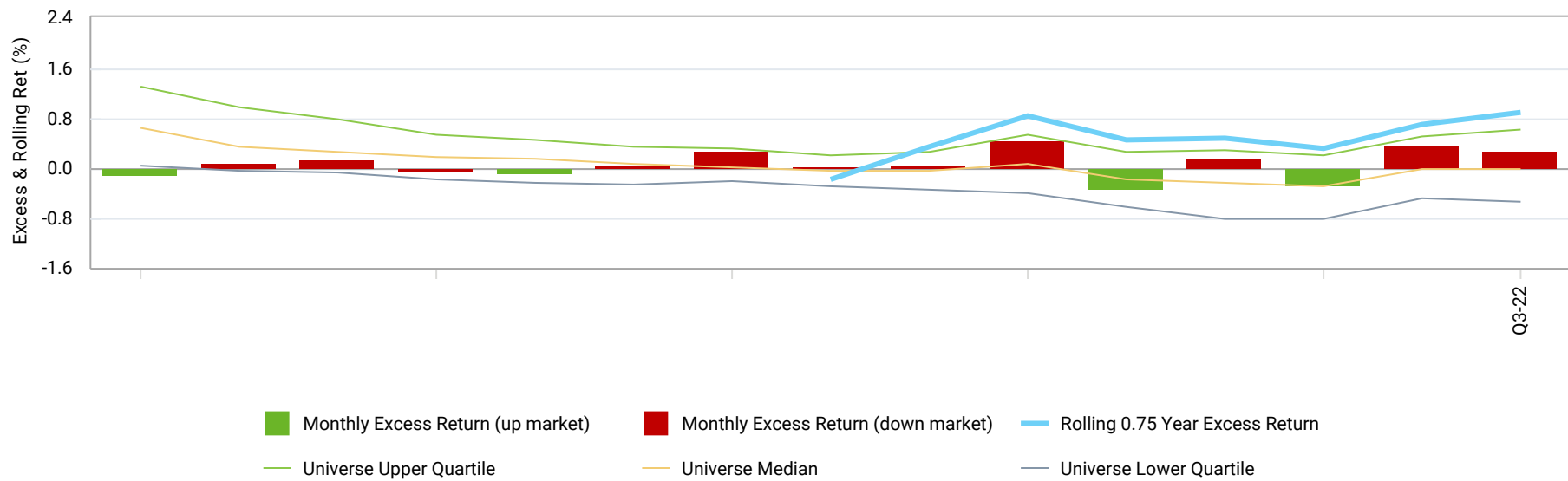
Los Angeles City Employees' Retirement System-LACERS Master Trust

JP MORGAN INVESTMENT MGMT

eV US Core Fixed Inc (net of fees)



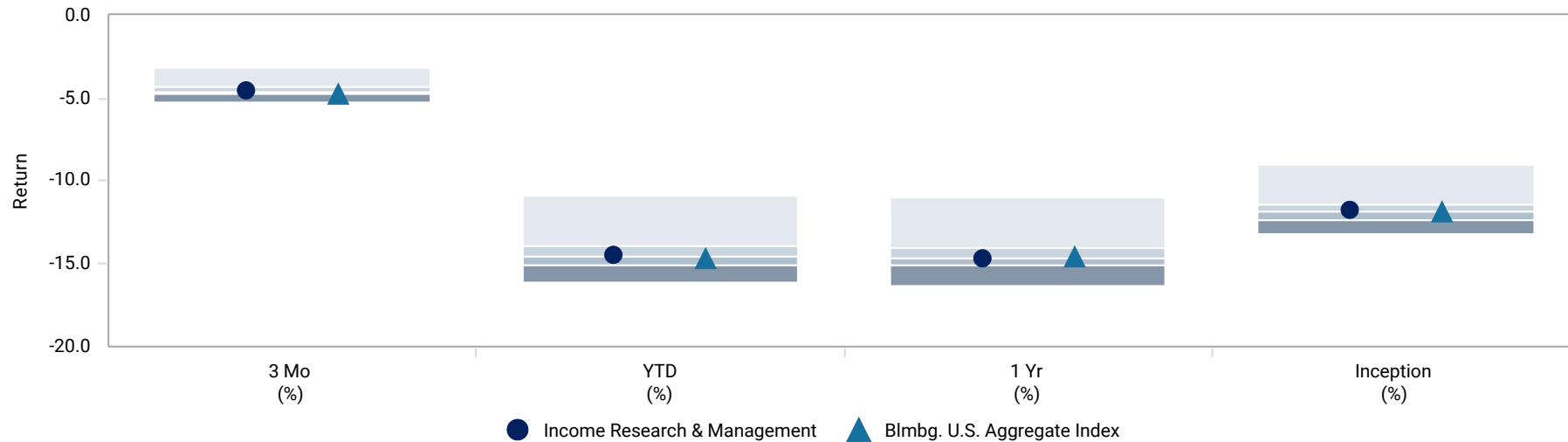
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

INCOME RESEARCH AND MGMT

eV US Core Fixed Inc (net of fees)



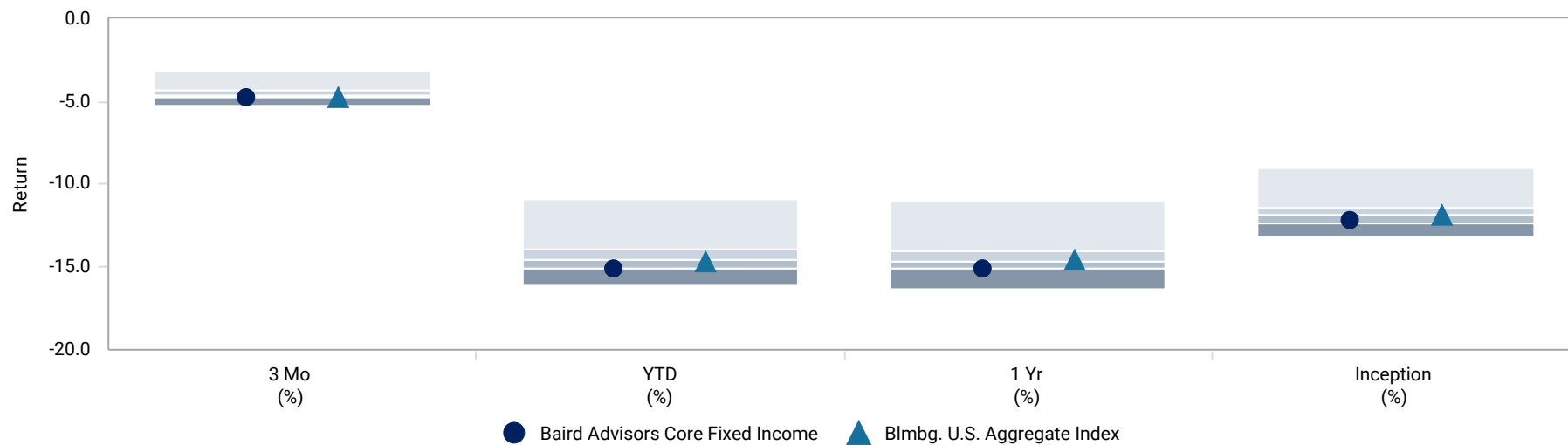
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



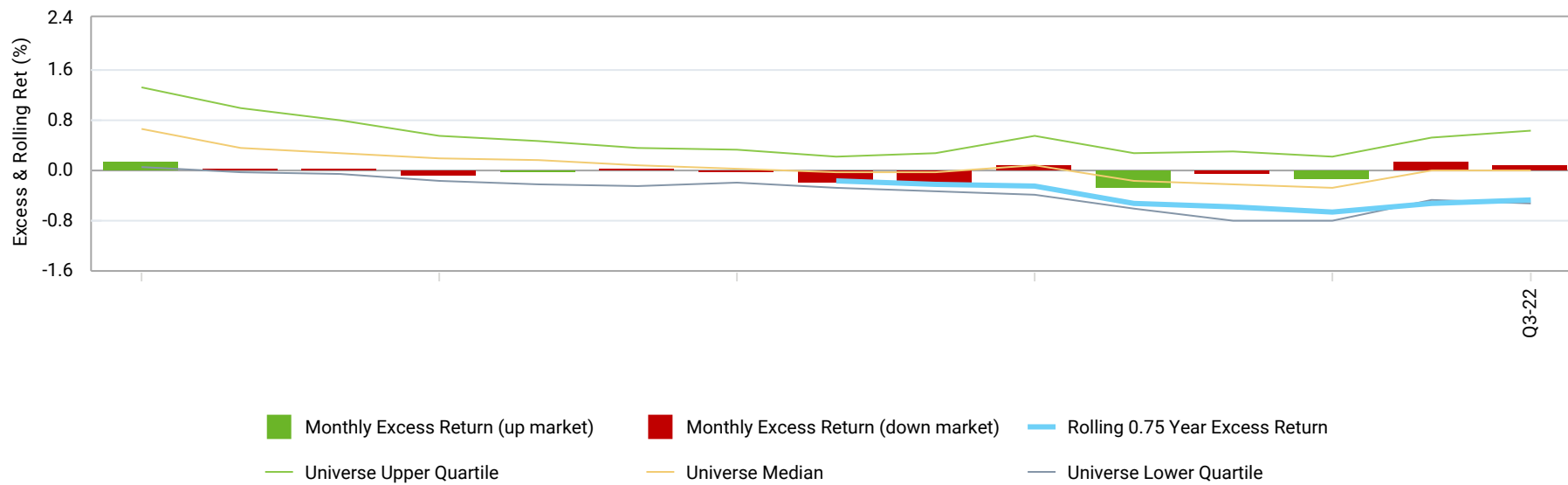
Los Angeles City Employees' Retirement System-LACERS Master Trust

BAIRD ADVISORS CORE FIXED INCOME

eV US Core Fixed Inc (net of fees)



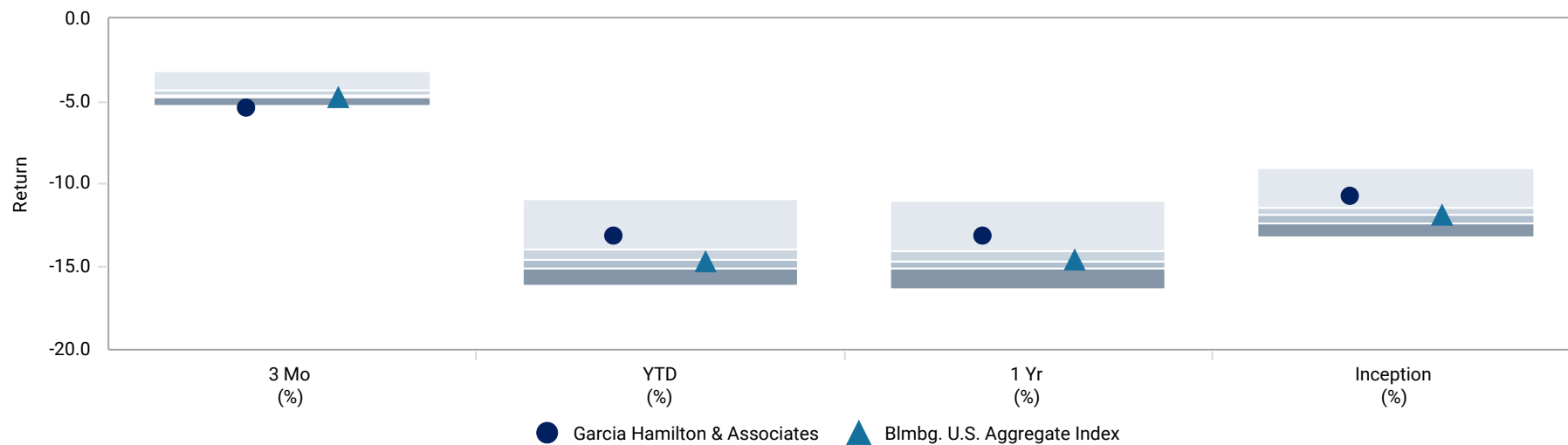
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



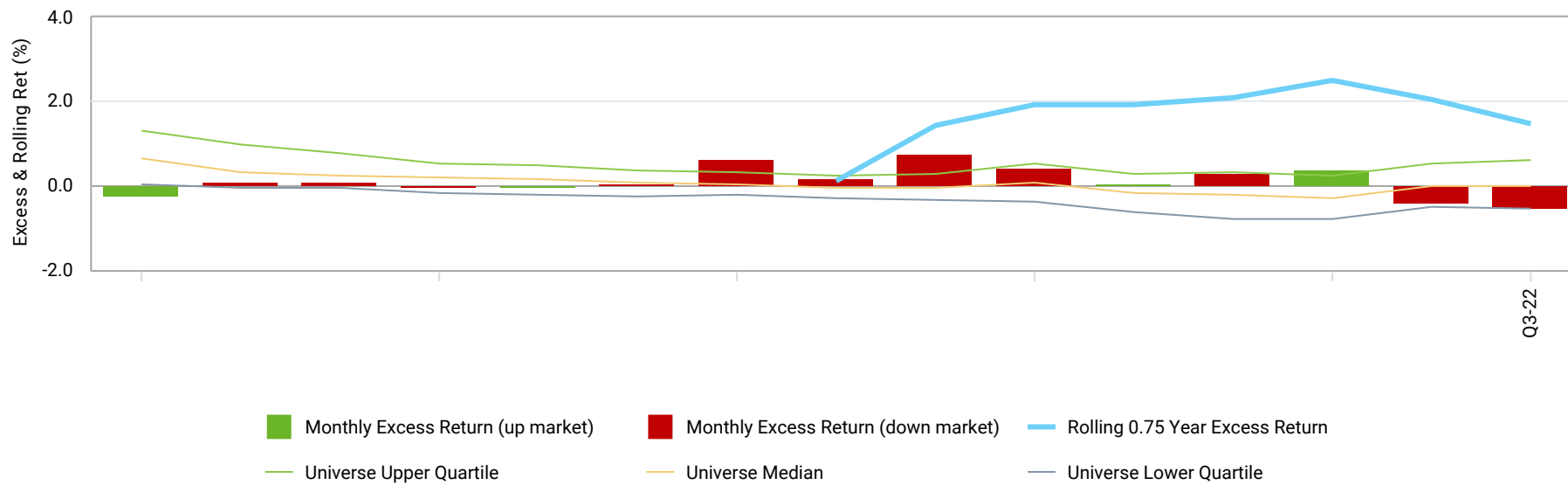
Los Angeles City Employees' Retirement System-LACERS Master Trust

GARCIA HAMILTON & ASSOCIATES

eV US Core Fixed Inc (net of fees)



Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022

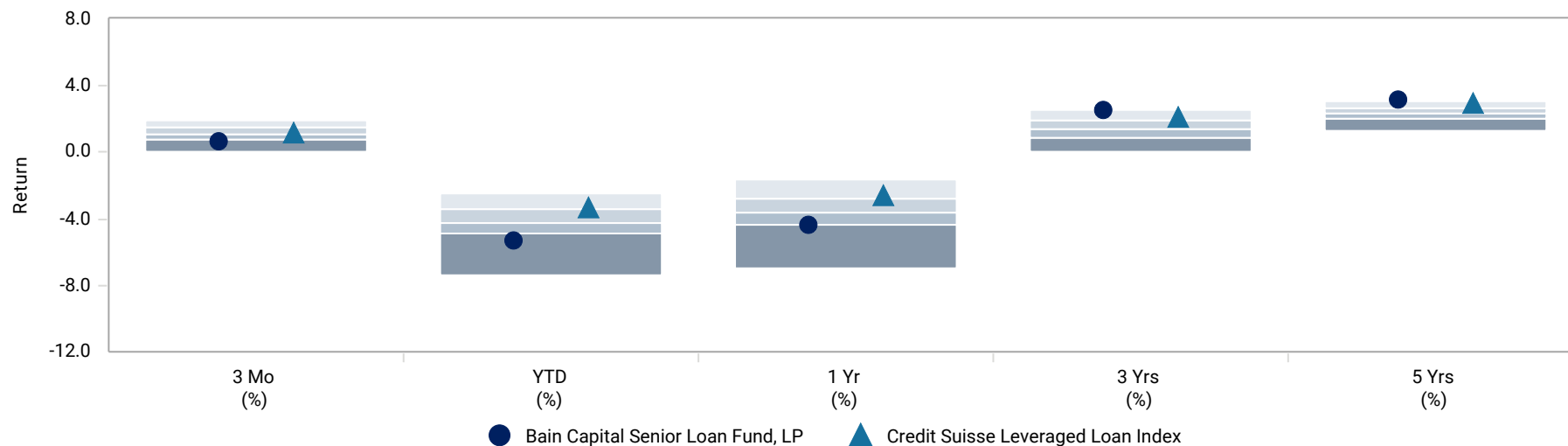


CREDIT OPPORTUNITIES MANAGER PERFORMANCE

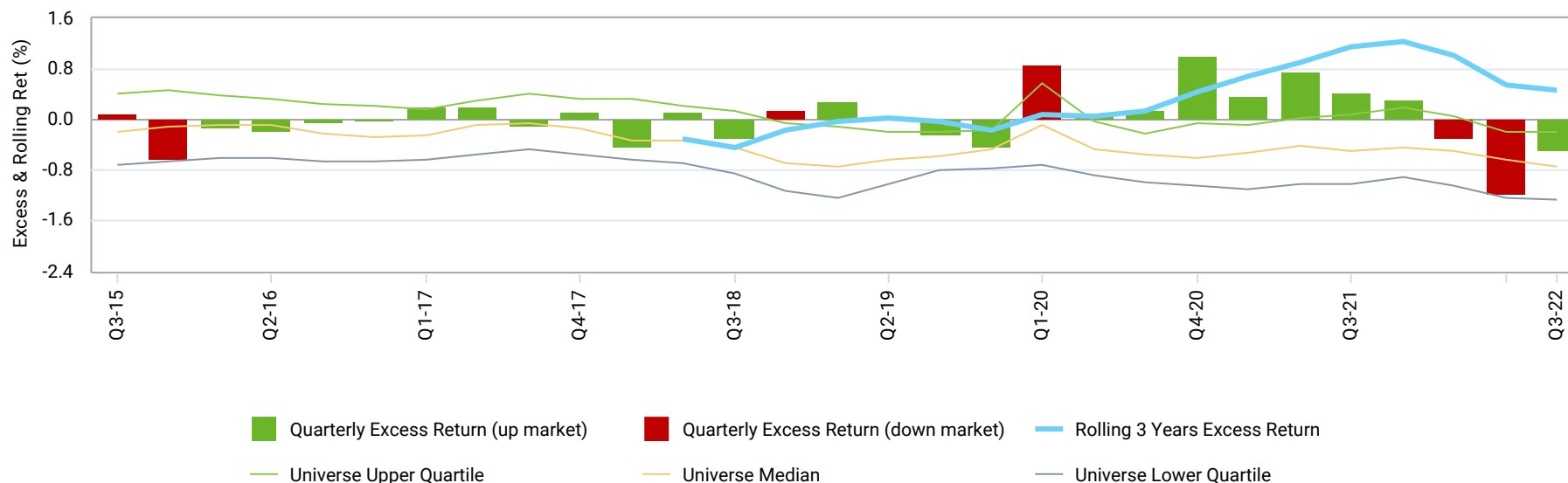
Los Angeles City Employees' Retirement System-LACERS Master Trust

BAIN CAPITAL SENIOR LOAN FUND, LP

eV US Float-Rate Bank Loan Fixed Inc (net of fees)



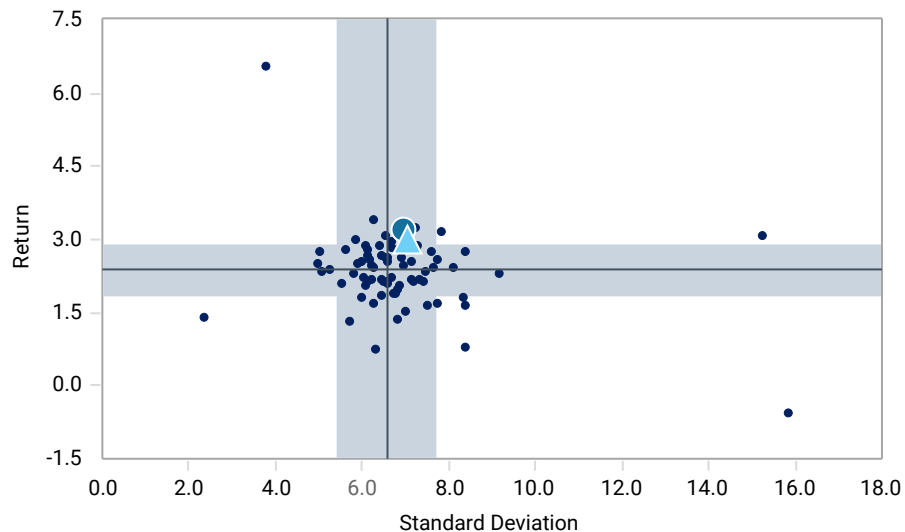
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

BAIN CAPITAL SENIOR LOAN FUND, LP

5 Years Return vs. Standard Deviation

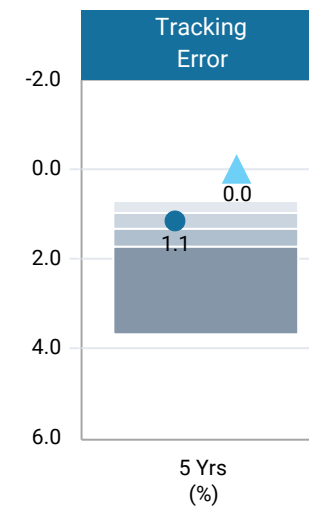
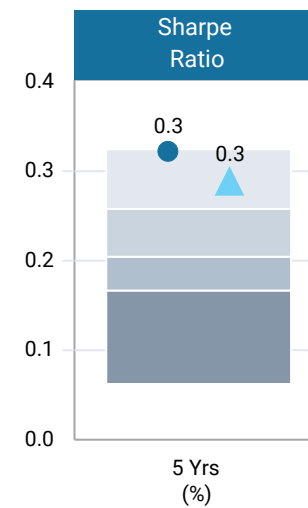
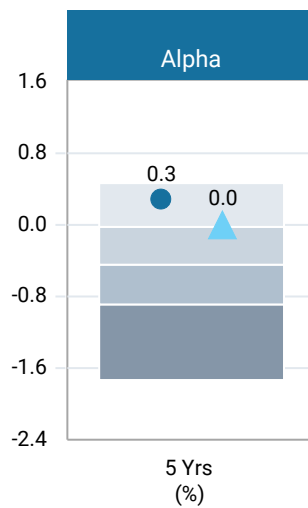
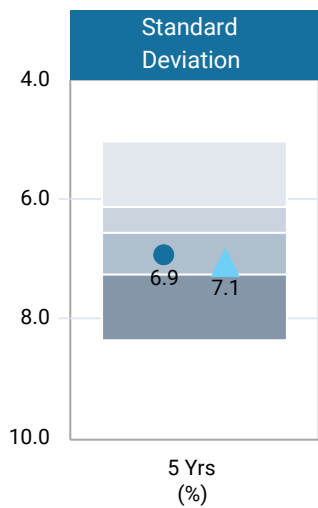
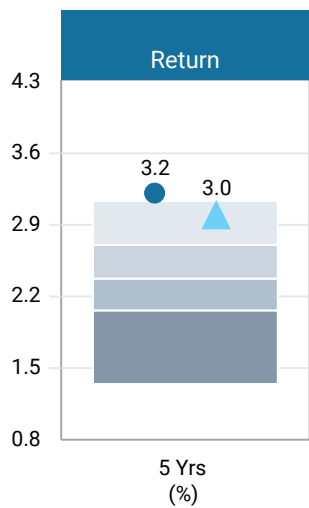


Style Map: (3 Years)



- Bain Capital Senior Loan Fund, LP
- ▲ Credit Suisse Leveraged Loan Index

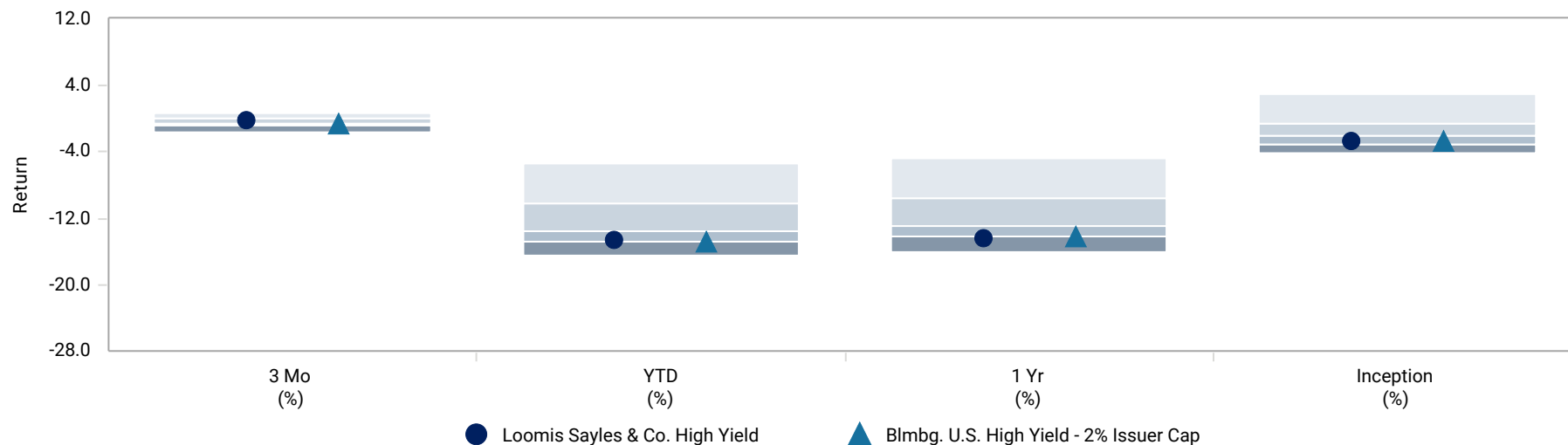
- Bain Capital Senior Loan Fund, LP
- ▲ Credit Suisse Leveraged Loan Index



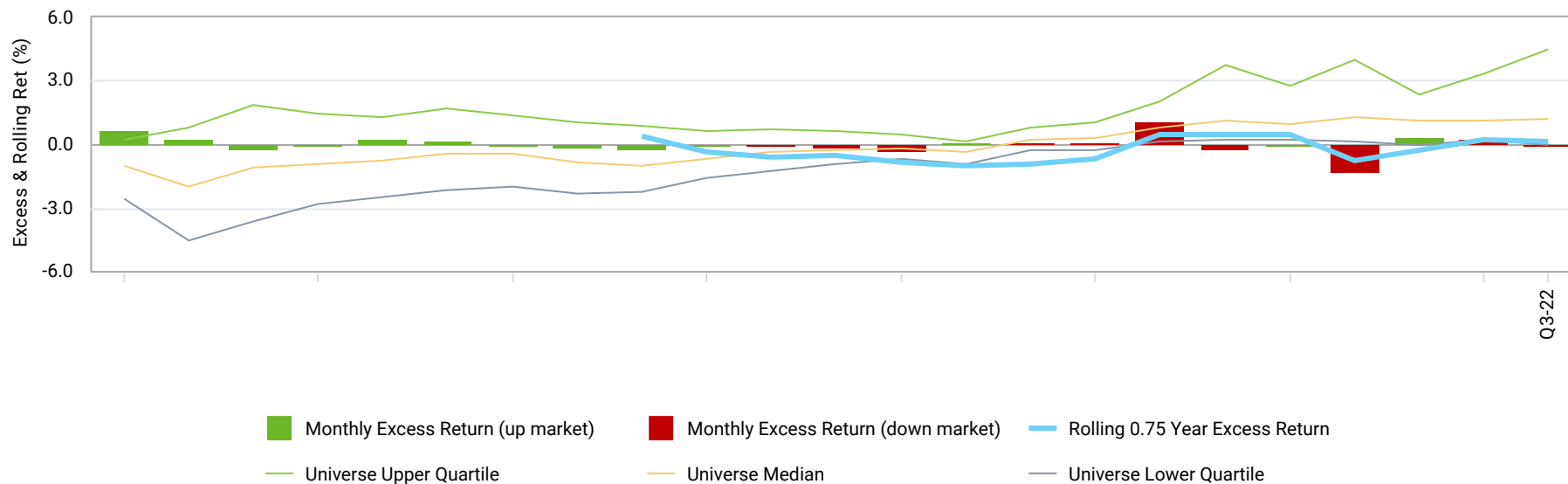
Los Angeles City Employees' Retirement System-LACERS Master Trust

LOOMIS SAYLES & CO. HIGH YIELD

eV US High Yield Fixed Inc (net of fees)



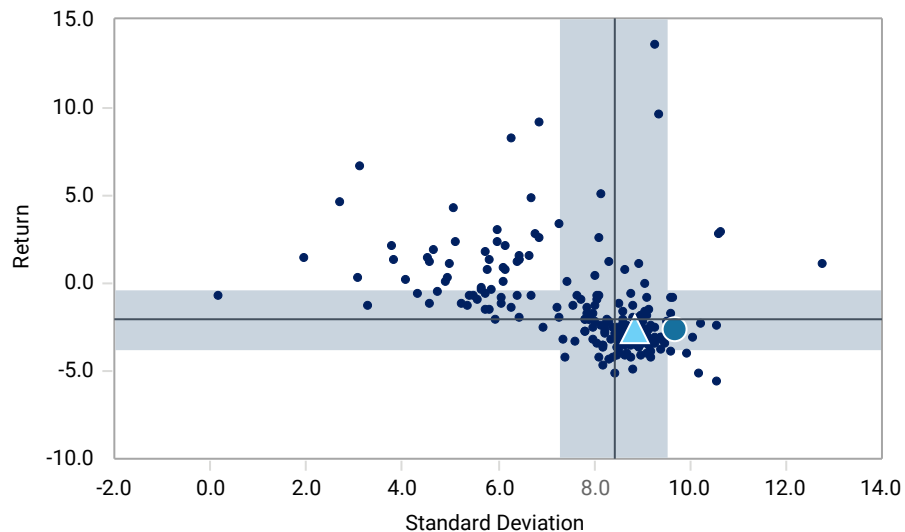
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



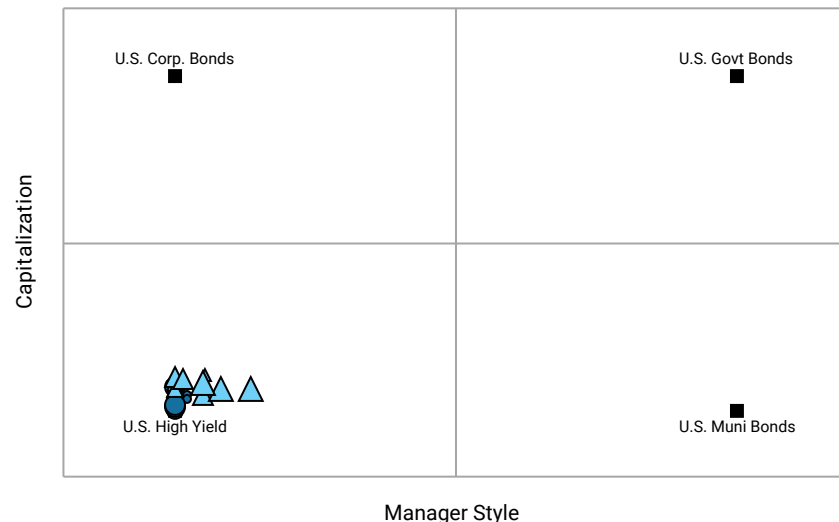
Los Angeles City Employees' Retirement System-LACERS Master Trust

LOOMIS SAYLES & CO. HIGH YIELD

Since Inception Return vs. Standard Deviation

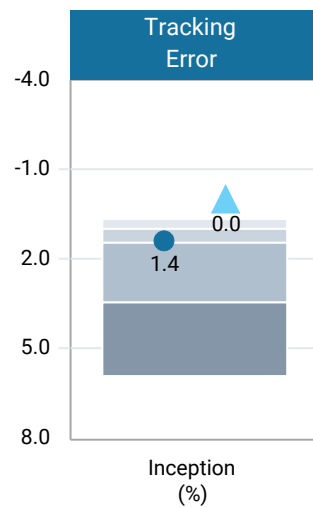
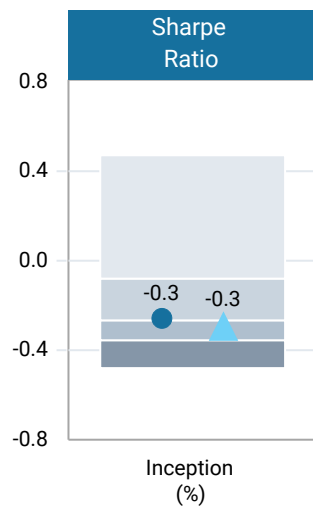
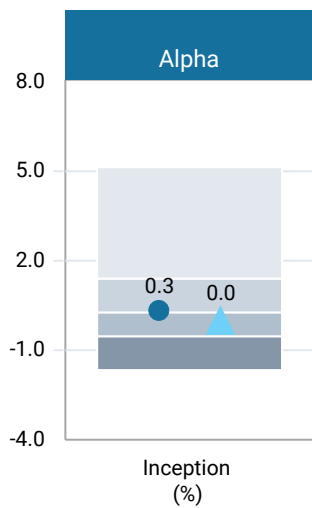
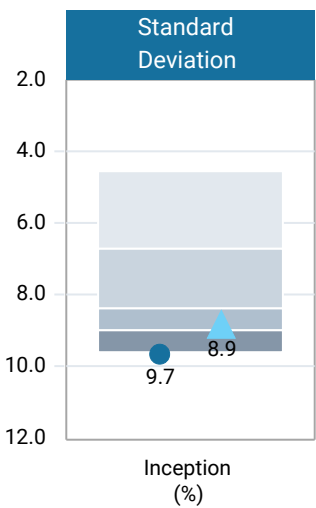
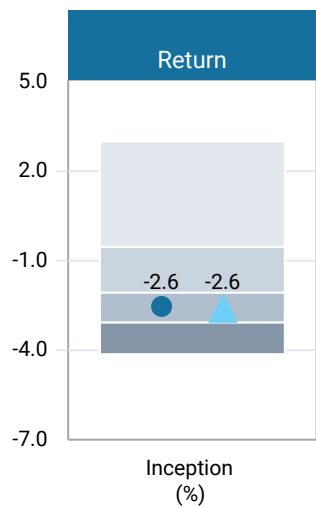


Style Map: (0.75 Year)



- Loomis Sayles & Co. High Yield
- ▲ Blmbg. U.S. High Yield - 2% Issuer Cap

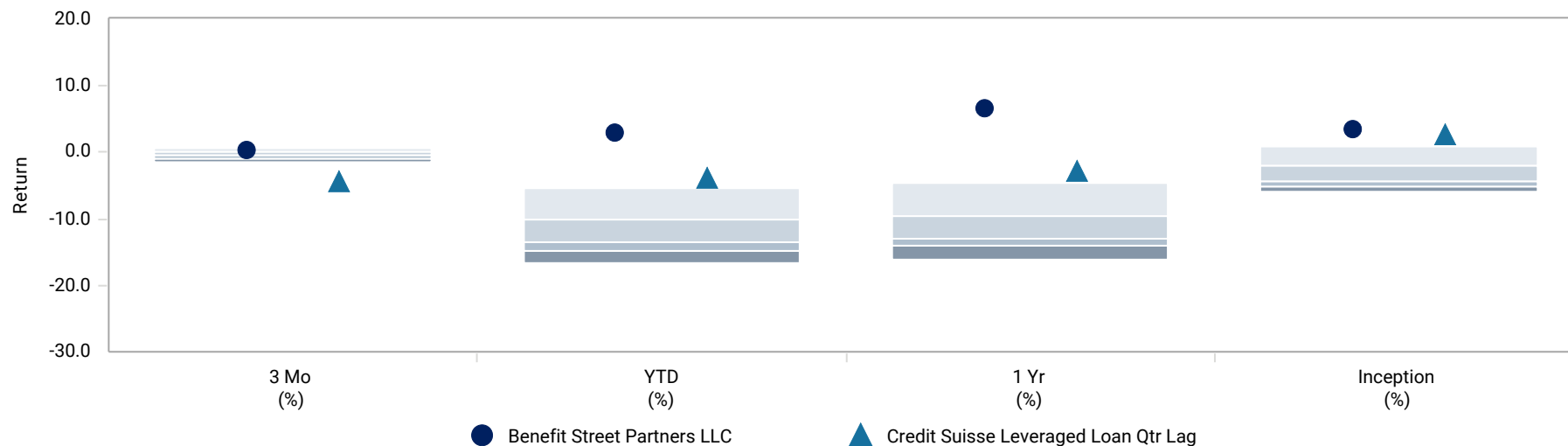
- Loomis Sayles & Co. High Yield
- ▲ Blmbg. U.S. High Yield - 2% Issuer Cap



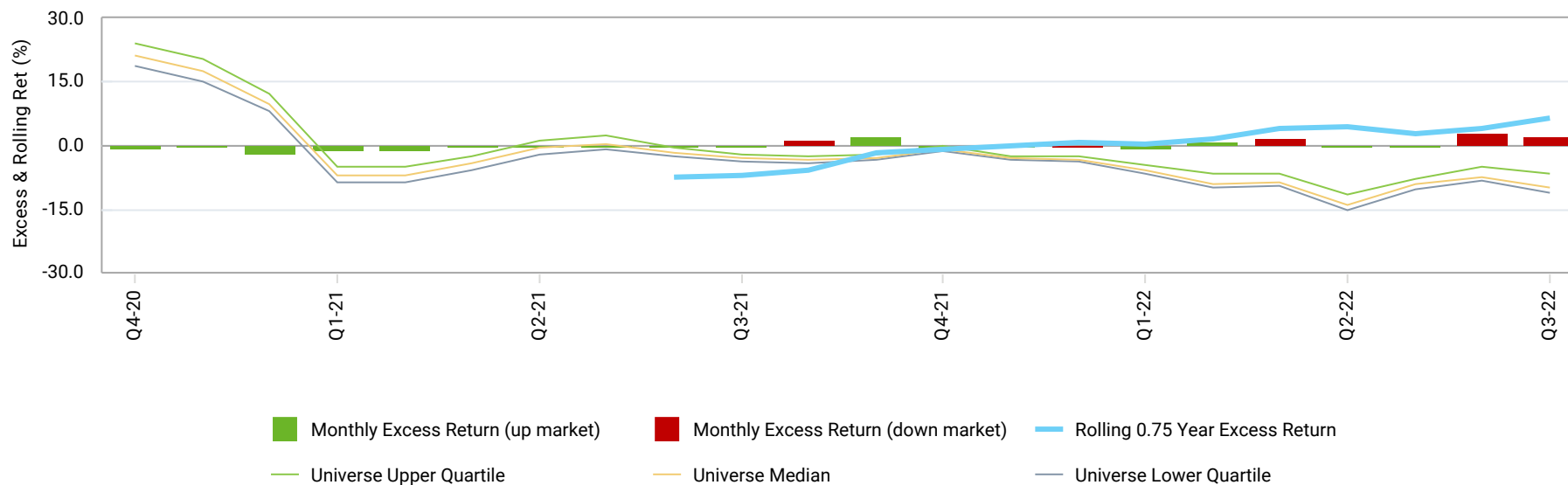
Los Angeles City Employees' Retirement System-LACERS Master Trust

BENEFIT STREET PARTNERS LLC

eV US High Yield Fixed Inc (net of fees)



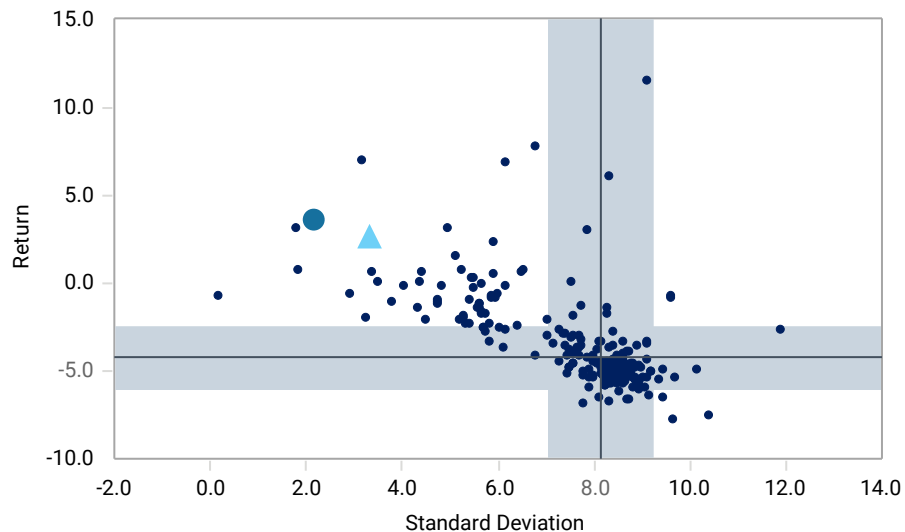
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

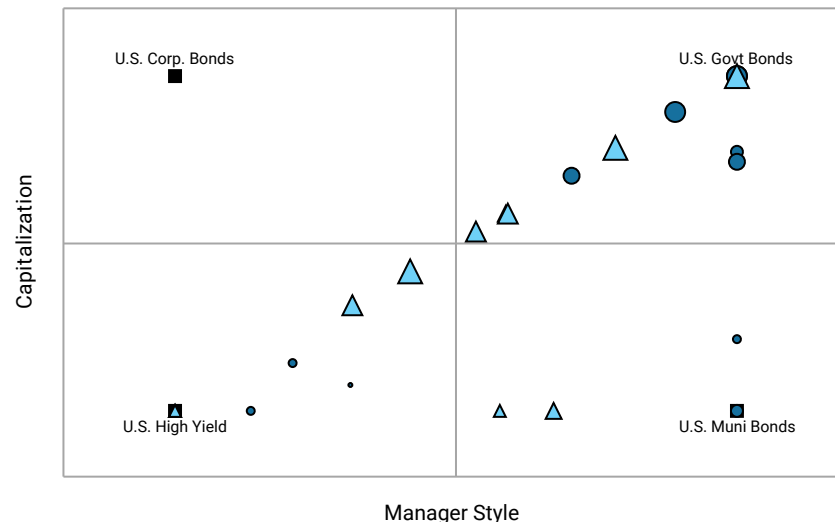
BENEFIT STREET PARTNERS LLC

Since Inception Return vs. Standard Deviation

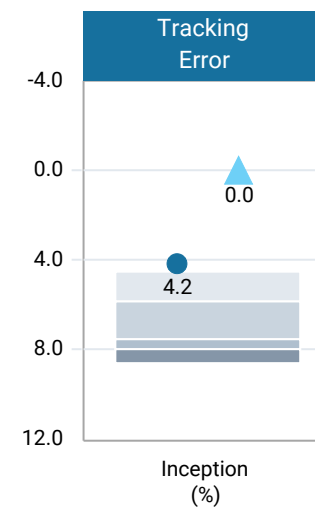
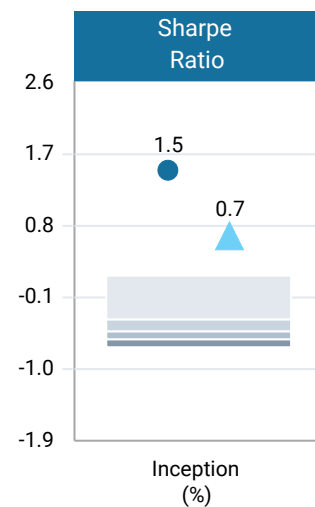
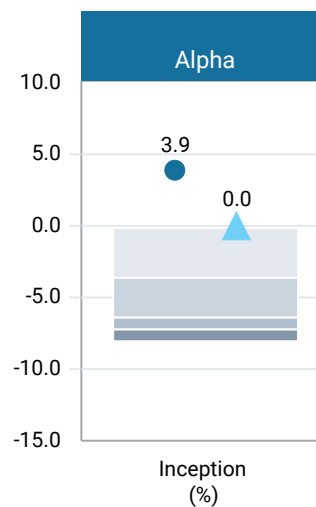
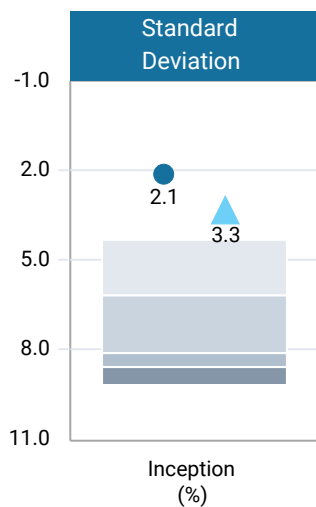
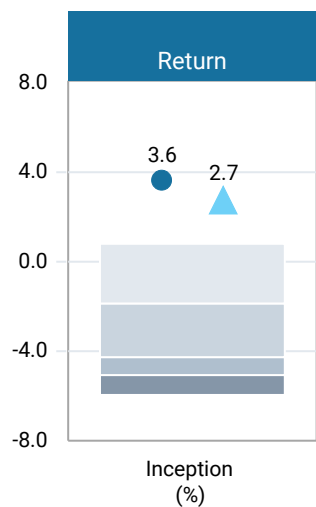


- Benefit Street Partners LLC
- ▲ Credit Suisse Leveraged Loan Qtr Lag

Style Map: (0.75 Year)



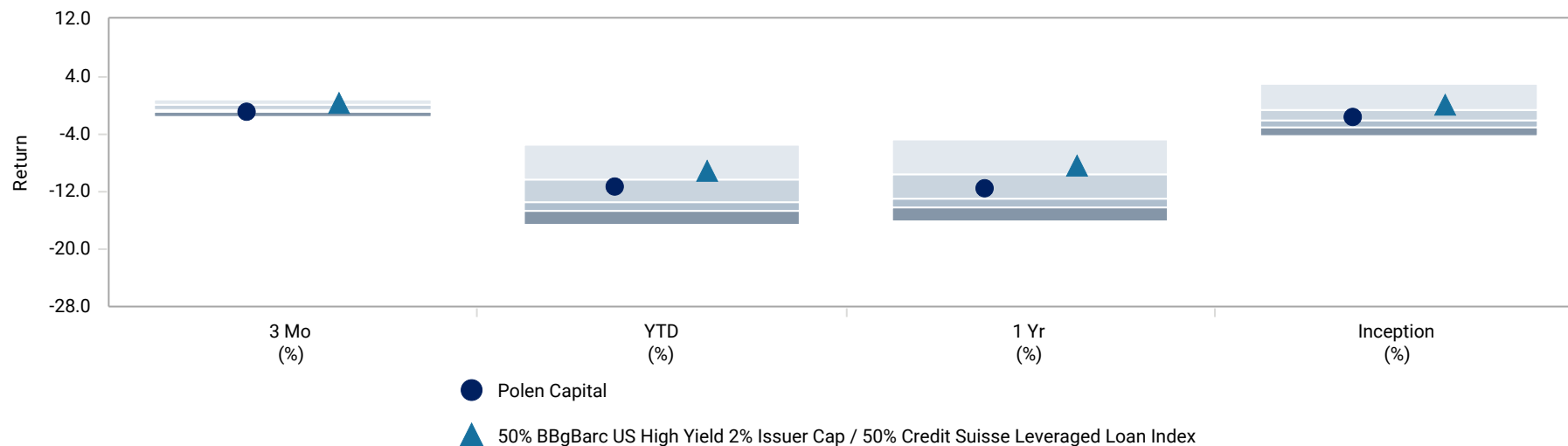
- Benefit Street Partners LLC
- ▲ Credit Suisse Leveraged Loan Qtr Lag



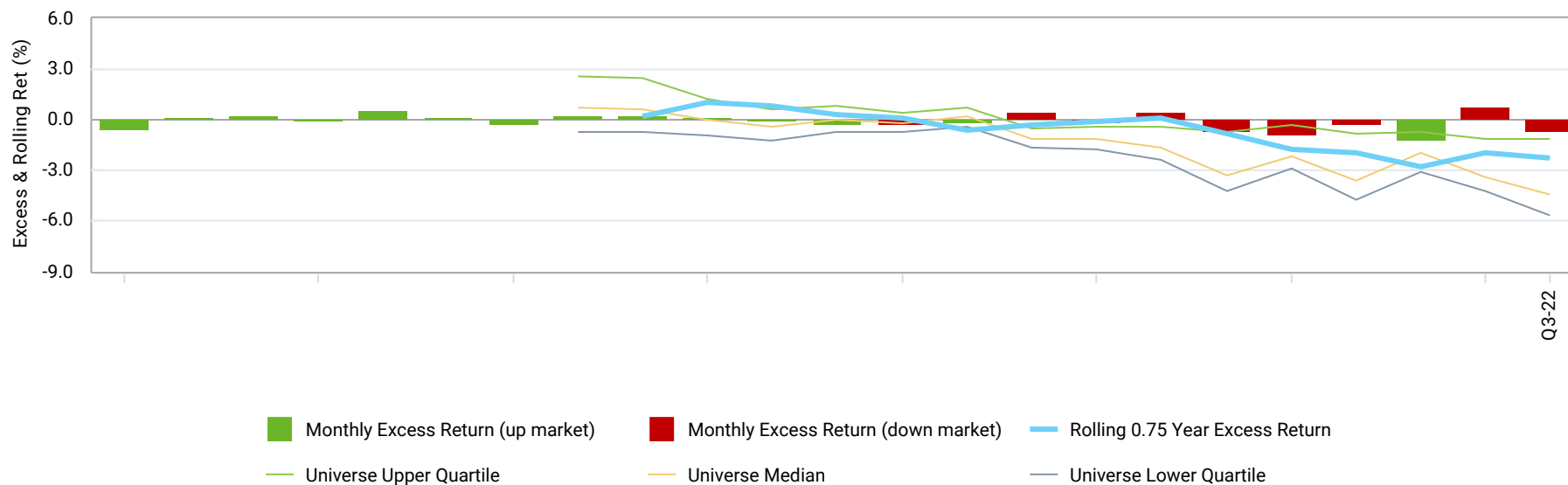
Los Angeles City Employees' Retirement System-LACERS Master Trust

POLEN CAPITAL

eV US High Yield Fixed Inc (net of fees)



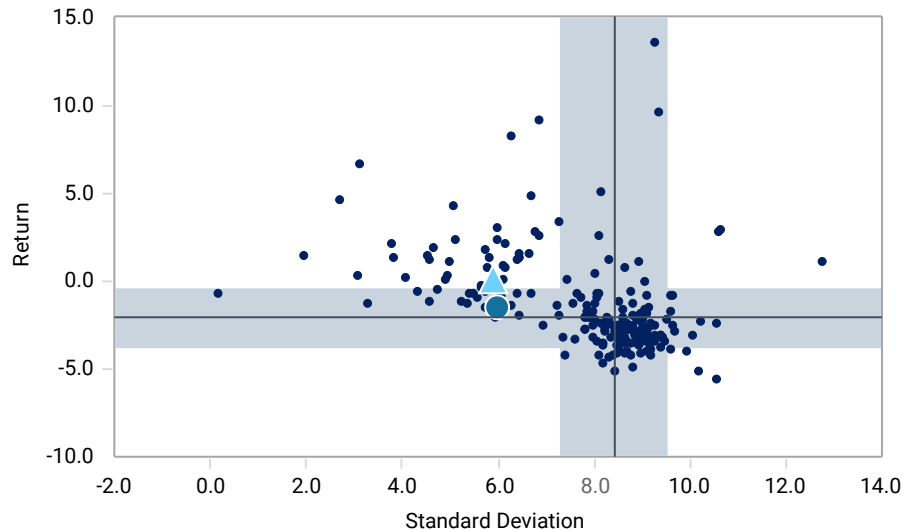
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



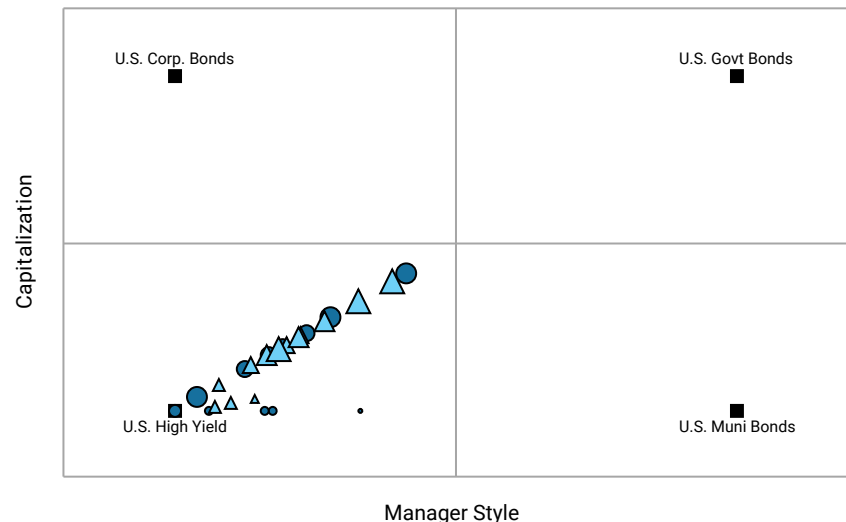
Los Angeles City Employees' Retirement System-LACERS Master Trust

POLEN CAPITAL

Since Inception Return vs. Standard Deviation

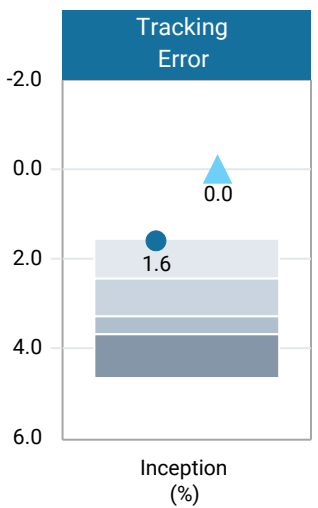
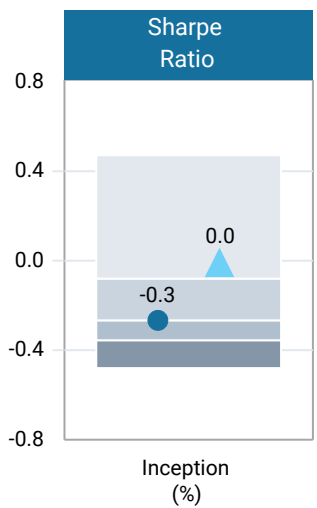
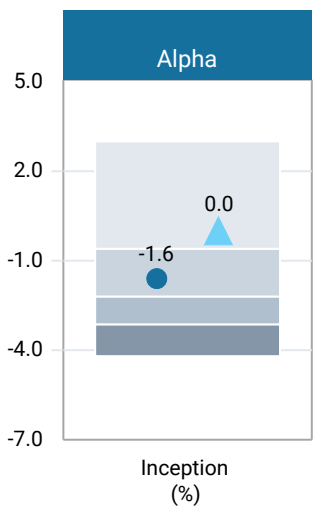
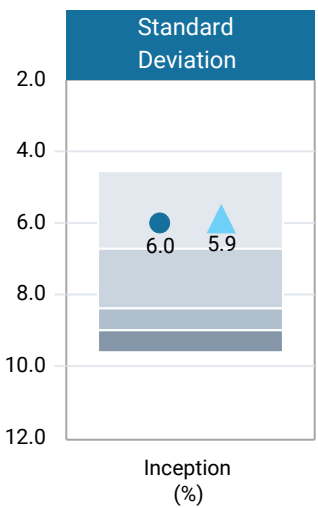
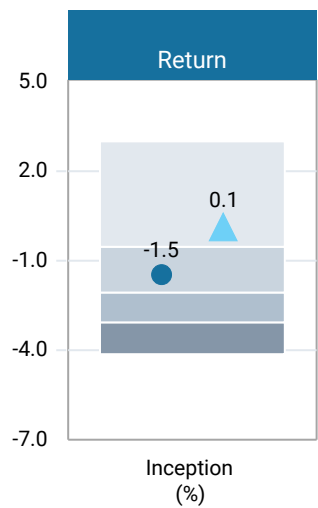


Style Map: (0.75 Year)



- Polen Capital
- ▲ 50% BBgBarc US High Yield 2% Issuer Cap / 50% Credit Suisse Leveraged Lo:

- Polen Capital
- ▲ 50% BBgBarc US High Yield 2% Issuer Cap / 50% Credit Suisse Leveraged Loan

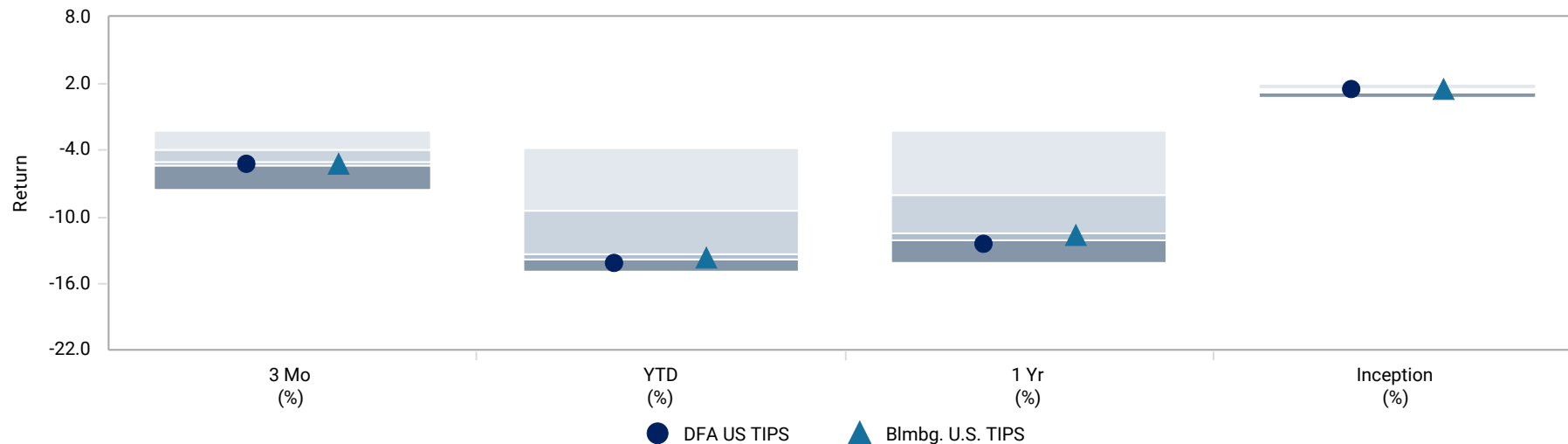


REAL ASSETS MANAGER PERFORMANCE

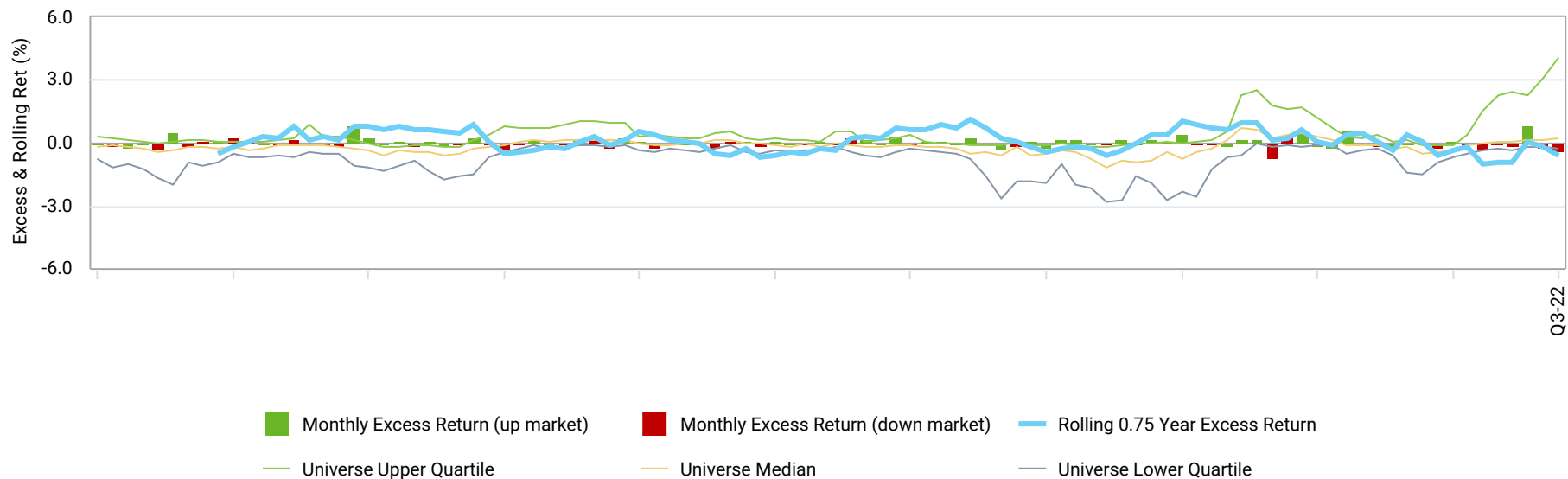
Los Angeles City Employees' Retirement System-LACERS Master Trust

DFA US TIPS

eV US TIPS / Inflation Fixed Inc (net of fees)



Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending September 30, 2022



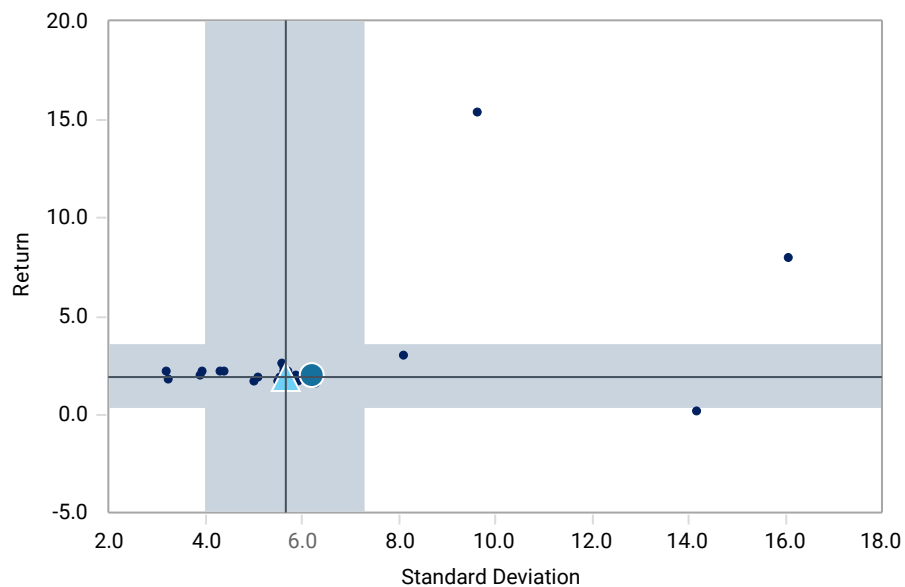
- Monthly Excess Return (up market)
- Monthly Excess Return (down market)
- Rolling 0.75 Year Excess Return
- Universe Upper Quartile
- Universe Median
- Universe Lower Quartile



Los Angeles City Employees' Retirement System-LACERS Master Trust

DFA US TIPS

5 Years Return vs. Standard Deviation

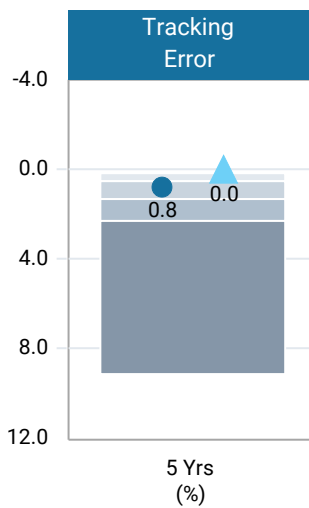
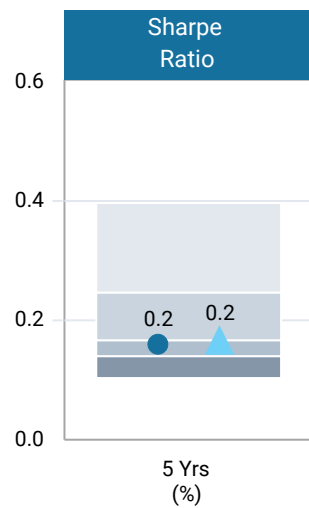
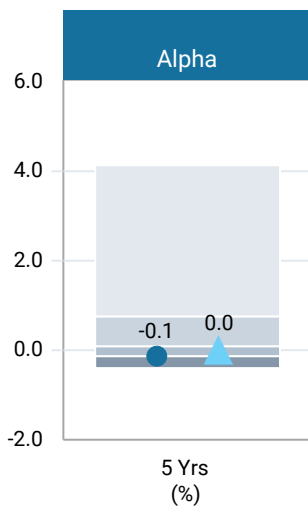
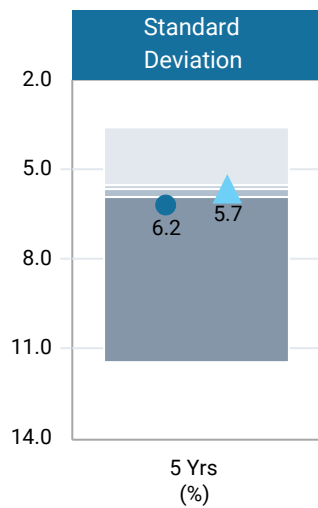
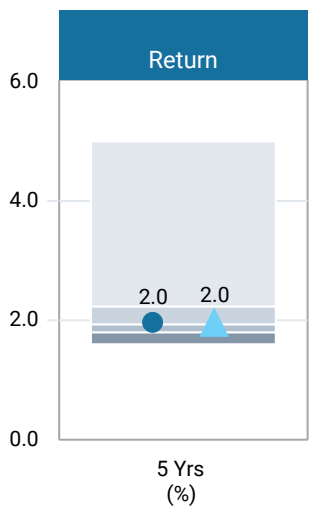


Style Map: (5 Years)



● DFA US TIPS ▲ Blmbg. U.S. TIPS

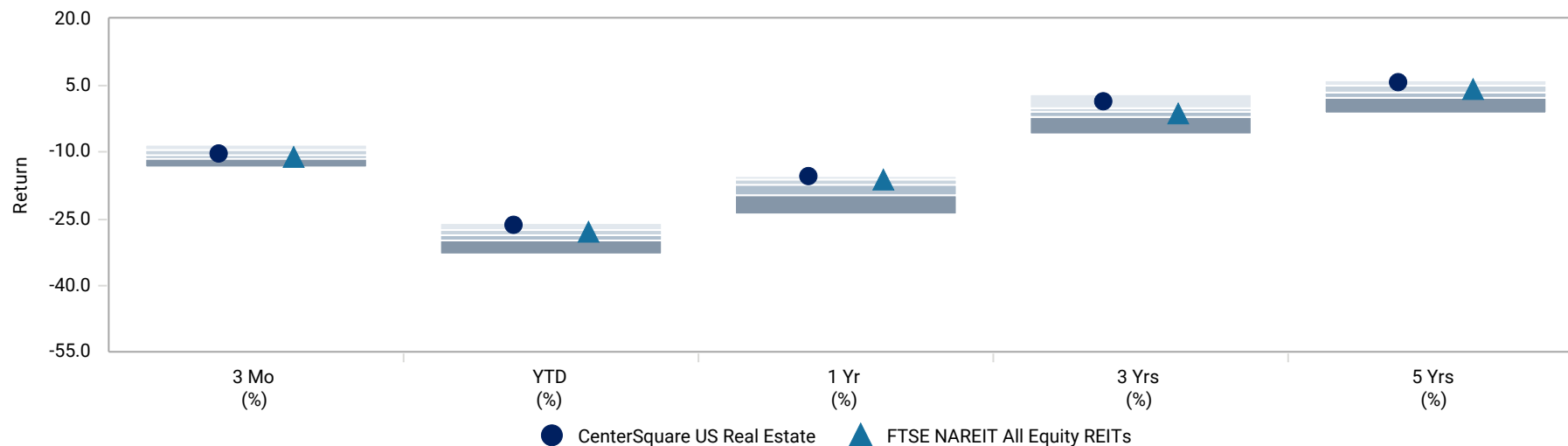
● DFA US TIPS ▲ Blmbg. U.S. TIPS



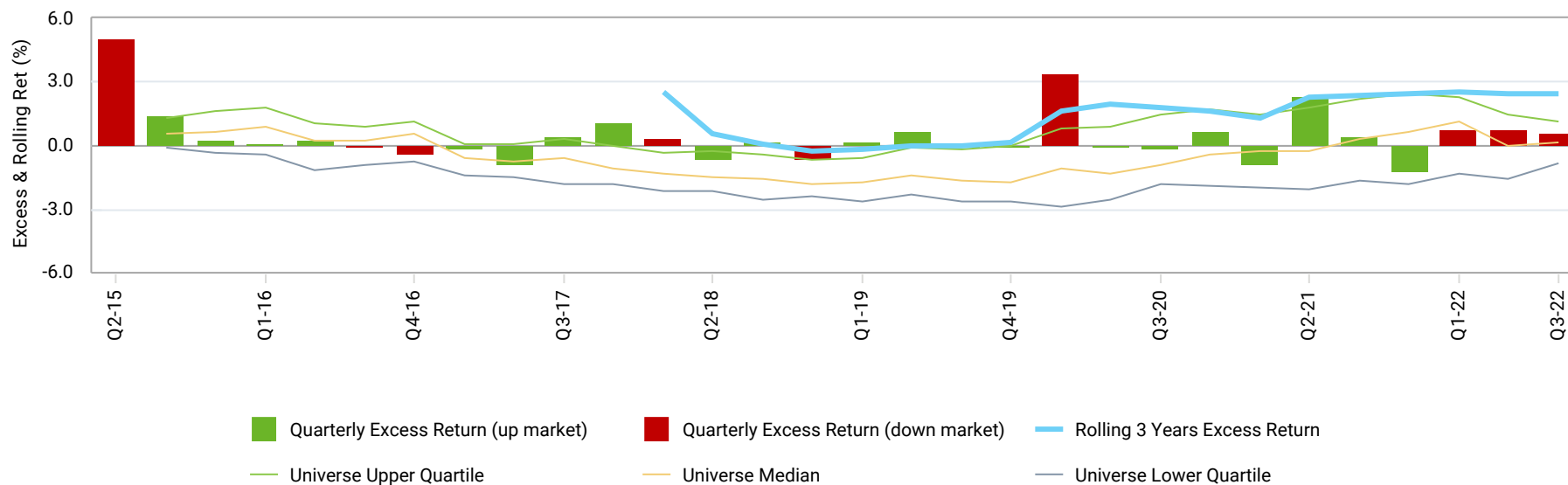
Los Angeles City Employees' Retirement System-LACERS Master Trust

CENTERSQUARE US REAL ESTATE

eV US REIT (net of fees)



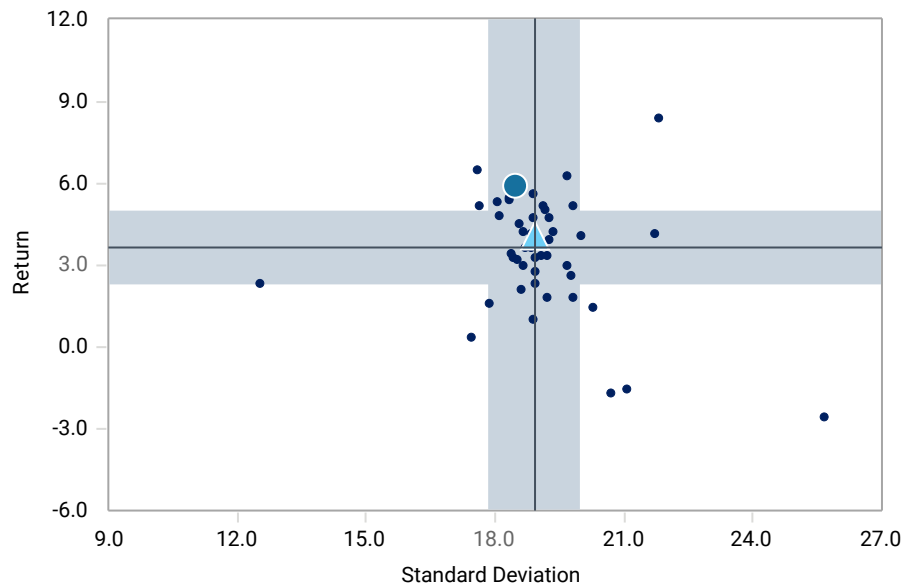
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending September 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

CENTERSQUARE US REAL ESTATE

5 Years Return vs. Standard Deviation

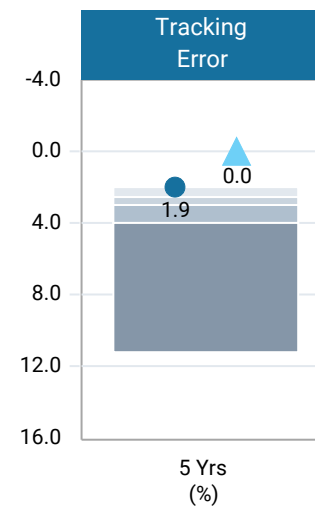
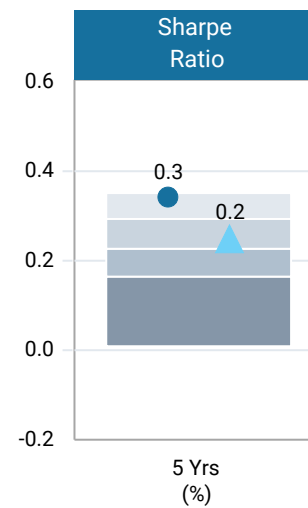
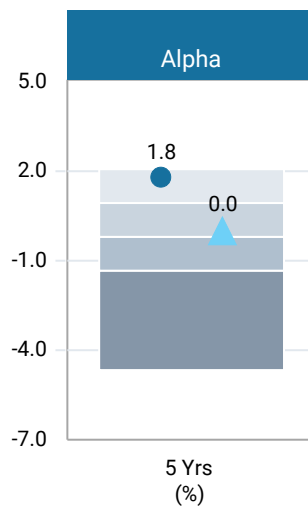
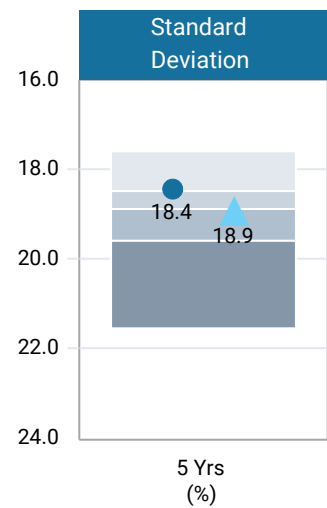
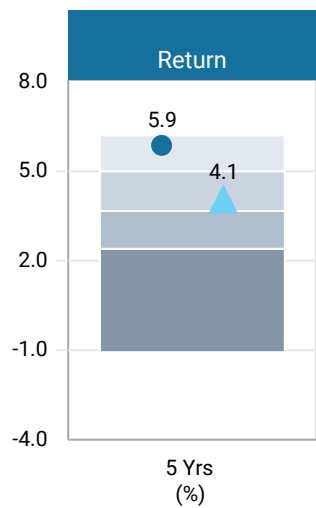


Style Map: (2.5 Years)



● CenterSquare US Real Estate ▲ FTSE NAREIT All Equity REITs

● CenterSquare US Real Estate ▲ FTSE NAREIT All Equity REITs



DEFINITIONS



POLICY INDEX DEFINITIONS

EFFECTIVE JULY 1, 2022

Policy Index: 19.5% Russell 3000 Index, 25.5% MSCI ACWI ex USA Net Index, 15% Bloomberg U.S. Aggregate Bond Index, 8% Credit Opportunities Blend, 7.5% Public Real Assets Blend, 5.5% Real Estate Blend, 18% Private Equity Blend, 1% Citi 3 Month T-Bill Index

U.S. Equity Blend: July 1, 2011 - Current: Russell 3000 Index; September 30, 1994 - December 31, 1999 S&P 500 Index 33.75%, Russell 1000 Value Index 35%, Russell 1000 Growth 12.5%, Russell 2000 Value 12.5%, Russell 2000 Growth 6.25%

Core Fixed Income Blend: July 1, 2013 – Current: Bloomberg U.S. Aggregate Bond Index

Credit Opportunities Blend: 18.75% Bloomberg US High Yield 2% Issuer Capped Index, 18.75% Credit Suisse Leveraged Loan Index, 50% Blended Emerging Markets Debt Blend, 12.5% Credit Suisse Leveraged Loan Index One Quarter Lagged

Emerging Markets Debt Blend: 50% JPM EMBI Global Diversified, 50% JPM GBI-EM Global Diversified

Real Assets Policy Benchmark Blend: 34.62% Bloomberg US TIPS Index, 23.08% FTSE NAREIT All Equity Index, 42.3% Real Estate Blend

Public Real Assets Blend: 60% Bloomberg US TIPS Index, 40% FTSE NAREIT All Equity Index

Real Estate Blend: July 1, 2014 - Current NCREIF ODCE + 0.80%; July 1, 2012 - June 30, 2014 NCREIF Property Index Lagged +1%; October 1, 1994 - June 30, 2012 NCREIF Property Index Lagged

Private Equity Blend: January 1, 2022 Cambridge Global PE and VC Index; February 1, 2012 – December 31, 2021 Russell 3000 + 3%; Inception – January 31, 2012 Russell 3000 + 4%

Note: See Investment Policy for a full description of the indices listed.



POLICY INDEX DEFINITIONS

INTERIM POLICY TARGETS ADOPTED ON JULY 12, 2022

	Policy Target %	2022	2023	2024	2025
Total Portfolio	100.00%	100.00%	100.00%	100.00%	100.00%
U.S. Equity	21.00%	19.50%	20.50%	20.50%	21.00%
Large Cap	15.00%	14.00%	14.50%	14.50%	15.00%
Small/Mid Cap	6.00%	5.50%	6.00%	6.00%	6.00%
Non-U.S. Equity	26.00%	25.50%	25.50%	25.50%	26.00%
Developed	15.00%	14.40%	14.40%	14.40%	15.00%
Developed Small Cap	3.00%	3.00%	3.00%	3.00%	3.00%
Emerging Markets	6.67%	6.75%	6.75%	6.75%	6.67%
Emerging Markets Small Cap	1.33%	1.35%	1.35%	1.35%	1.33%
Private Equity	16.00%	18.00%	17.50%	17.00%	16.00%
Core Fixed Income	11.25%	15.00%	14.00%	12.75%	11.25%
Credit Opportunities	12.75%	8.00%	9.25%	10.75%	12.75%
Bank Loans/High Yield	3.00%	3.00%	3.00%	3.00%	3.00%
Emerging Market Debt	4.00%	4.00%	4.00%	4.00%	4.00%
Private Credit	5.75%	1.00%	2.25%	3.75%	5.75%
Public Real Assets	5.00%	7.50%	6.25%	6.00%	5.00%
TIPS	3.60%	4.50%	4.00%	4.00%	3.60%
REITS	1.40%	3.00%	2.25%	2.00%	1.40%
Real Estate	7.00%	5.50%	6.00%	6.50%	7.00%
Cash	1.00%	1.00%	1.00%	1.00%	1.00%

Note: Policy target changes coincide with beginning of fiscal year.





LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM



REPORT TO BOARD OF ADMINISTRATION

From: Neil M. Guglielmo, General Manager

Neil M. Guglielmo

MEETING: DECEMBER 13, 2022

ITEM: IX - C

SUBJECT: PRESENTATION BY CEM BENCHMARKING INC. OF INVESTMENT BENCHMARKING RESULTS FOR PERIOD ENDING DECEMBER 31, 2021

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board receive and file this report.

Discussion

On October 26, 2021, the Board approved a contract with CEM Benchmarking Inc. (CEM) to perform an objective cost and performance benchmarking analysis of the LACERS portfolio. CEM specializes in providing this type of information to institutional investors such as public and private pension funds, endowments/foundations, and sovereign wealth funds. Since 1990, CEM has maintained a database of investment management and administration costs and investment performance for a global universe of funds that currently consists of over 400 funds, representing \$15 trillion in assets.

Utilizing its database, CEM has provided a detailed report of LACERS' investment performance, risk, and costs compared to a peer group of funds for the five-year period ending December 31, 2021. The information contained in this report will assist the Board and staff with managing LACERS' costs and performance, provide trend and research insights to support decision making, and promote fund governance.

CEM will present a summary of this report to the Board.

Strategic Plan Impact Statement

The CEM benchmarking study provides LACERS with a comparative analysis of investment management and administration costs and performance to improve decision making. This is consistent with Goal IV (optimize long-term risk adjusted investment returns) and Goal V (uphold good governance practices which affirm transparency, accountability, and fiduciary duty).

Prepared By: Ricky Mulawin, Management Analyst, Investment Division

NMG/RJ/BF/RM

Attachments: 1. Investment Benchmarking Results – CEM Benchmarking Inc.

CEM Investment Benchmarking Analysis for: Los Angeles City Employees' Retirement System (for the 5-year period ending Dec. 31, 2021)

Your CEM report provides you with a fiduciary tool for understanding how your investment costs and value generation compare to other pension funds.

- CEM collects annual standardized investment cost and performance data from pension funds and utilizes rigorous data quality checks to ensure the best possible comparability.
- Benchmarking is our only business. We specialize in providing independent and objective comparisons of investment program costs and value added.
- The benchmark cost analysis is relative to a best-fit peer group of U.S. public pension funds, using AUM size as the main criteria.
- For LACERS, we have applied the same criteria for peer group selection and the same benchmarking methodology that we use for all our investment benchmarking clients.
- This presentation will focus on a summary of your key results. A full report with supporting details has been provided to LACERS staff.

Key Takeaways

Returns

- Your 5-year net total return was 11.6%. This was above both the U.S. Public median of 11.2% and the peer median of 11.2%.
- Your 5-year policy return was 10.9%. This was above both the U.S. Public median of 10.7% and the peer median of 10.5%.

Value added

- Your 5-year net value added was 0.7%. This was equal to the U.S. Public median of 0.7% and above the peer median of 0.6%.

Cost

- Your investment cost of 58.2 bps was below your benchmark cost of 60.0 bps. This suggests that your fund was slightly low cost compared to your peers.
- Your fund was slightly low cost because it had a lower cost implementation style. These savings were partly offset by paying more than peers for some services.

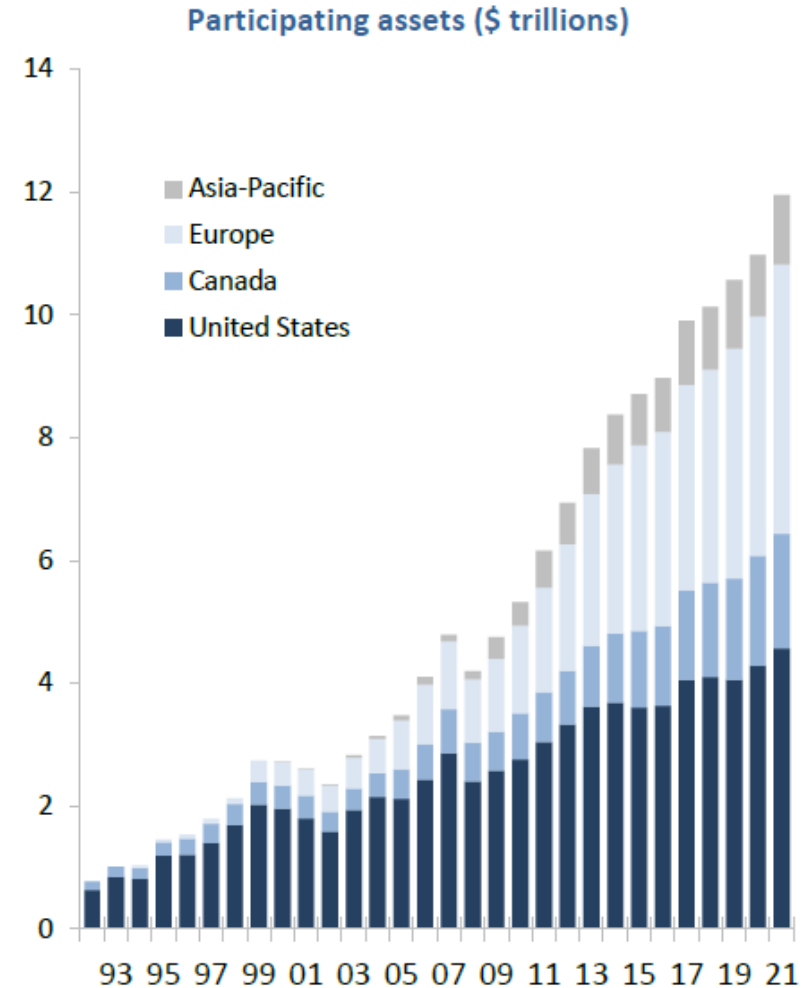
Risk

- Your asset risk of 12.0% was above the U.S. Public median of 11.1%.

This benchmarking report compares your cost and return performance to the 280 funds in CEM's extensive pension database.

- 145 U.S. pension funds participate. The median U.S. fund had assets of \$13.2 billion and the average U.S. fund had assets of \$31.5 billion. Total participating U.S. assets were \$4.6 trillion.
- 68 Canadian funds participate with assets totaling \$1.9 trillion.
- 59 European funds participate with aggregate assets of \$4.4 trillion. Included are funds from the Netherlands, Norway, Sweden, Finland, Ireland, Denmark and the U.K.
- 6 Asia-Pacific funds participate with aggregate assets of \$1.1 trillion. Included are funds from Australia, New Zealand, China and South Korea.
- 2 funds from other regions participate.

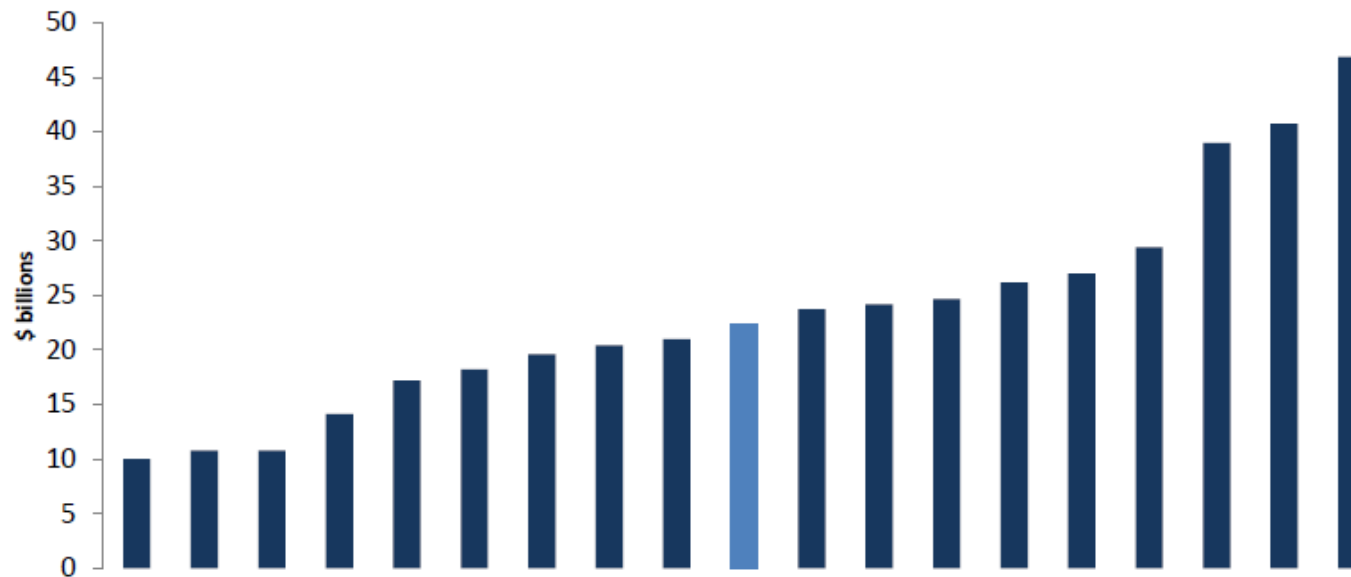
The most meaningful comparisons for your returns and value added are to the U.S. Public universe, which consists of 46 funds.



The most valuable comparisons for cost performance are to your custom peer group because size impacts costs.

Peer group for Los Angeles City Employees' Retirement System

- 19 U.S. Public sponsors from \$10.0 billion to \$46.9 billion
- Median size of \$22.3 billion versus your \$22.3 billion



To preserve client confidentiality, given potential access to documents as permitted by the Freedom of Information Act, we do not disclose your peers' names in this document. For some of the peers, 2020 cost data was used as a proxy for 2021.

Your 5-year net total return of 11.6% was above both the U.S. Public median of 11.2% and the peer median of 11.2%.

Total returns, by themselves, provide little insight into the reasons behind relative performance. Therefore, we separate total return into its more meaningful components: policy return and value added.

	Your 5-year
Net total fund return	11.6%
- Policy return	10.9%
= Net value added	0.7%

This approach enables you to understand the contribution from both policy mix decisions (which tend to be the board's responsibility) and implementation decisions (which tend to be management's responsibility).

U.S. Public net total returns - quartile rankings



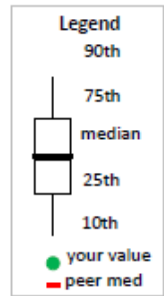
Your 5-year policy return of 10.9% was above both the U.S. Public median of 10.2% and the peer median of 10.5%.

Your policy return is the return you could have earned passively by indexing your investments according to your policy mix.

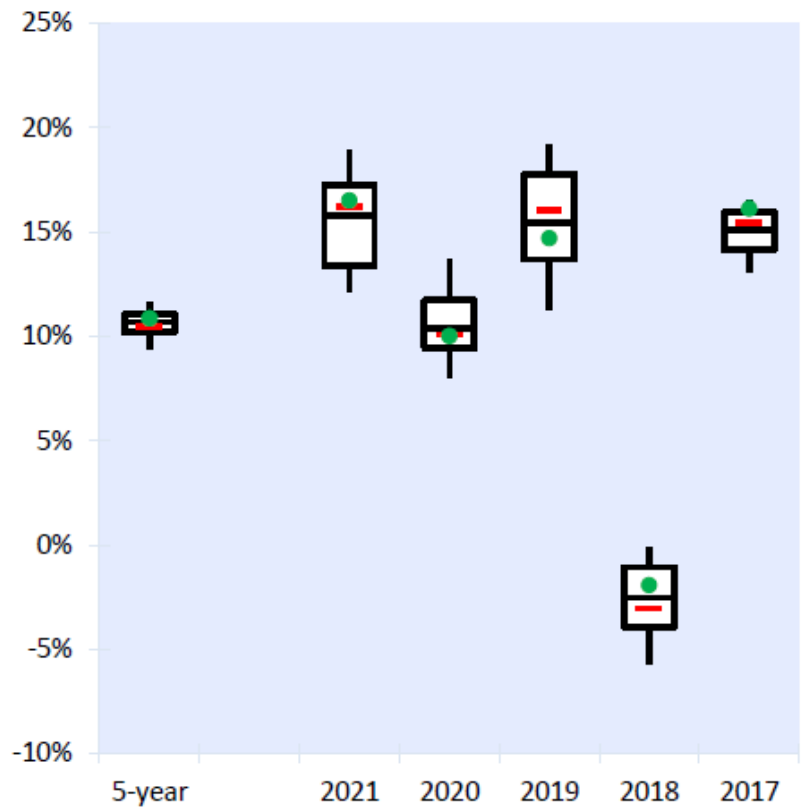
Having a higher or lower relative policy return is not necessarily good or bad. Your policy return reflects your investment policy, which should reflect your:

- Long term capital market expectations
- Liabilities
- Appetite for risk

Each of these three factors is different across funds. Therefore, it is not surprising that policy returns often vary widely between funds.



U.S. Public policy returns - quartile rankings



To enable fairer comparisons, the policy returns of all participants, including your fund, were adjusted to reflect private equity benchmarks based on lagged, investable, public-market indices. Prior to this adjustment, your 5-year policy return was 11.8%, 0.9% higher than your adjusted 5-year policy return of 10.9%. Mirroring this, your 5-year total fund net value added would be 0.9% lower.

Your 5-year policy return of 10.9% was slightly above the U.S. Public median of 10.7% primarily because of:

- Your higher allocation to private equity, which was one of the better performing asset classes over the past 5 years. You had a 5-year average allocation of 13% versus the U.S. Public average of 9%.
- The positive impact of your lower weight in Hedge funds (your 0% 5-year average weight versus a U.S. Public average of 3%). It was one of the lowest performing asset classes of the past 5 years.

	5-year average policy mix ¹			5-year benchmark return	
	Your Fund	U.S. Publ Avg.	More/Less	Your Fund	U.S. Publ Avg.
Stock - U.S.	22%	18%	4%	17.2%	17.7%
Stock - EAFE	18%	5%	14%	8.4%	9.8%
Stock - Emerging	7%	2%	5%	11.1%	10.2%
Other Stock ²	2%	23%	-20%	n/a ³	n/a ³
Total Stock	50%	47%	3%	12.8%	14.4%
Fixed income - U.S.	16%	17%	-1%	3.6%	3.7%
Fixed income - TIPS	4%	3%	0%	5.3%	5.3%
Fixed income - High yield	3%	2%	1%	2.9%	5.6%
Cash	1%	-1%	2%	1.0%	1.2%
Other Fixed Income ²	4%	6%	-1%	n/a ³	n/a ³
Total Fixed Income	28%	27%	1%	3.8%	4.5%
Hedge funds	0%	3%	-3%	n/a ³	4.7%
Commodities	1%	1%	0%	3.7%	3.4%
Real estate incl. REITs	7%	9%	-2%	10.5%	7.4%
Other Real Assets ²	0%	2%	-2%	n/a ³	n/a ³
Private equity	13%	9%	4%	13.0%	14.4%
Private debt	2%	2%	0%	n/a ³	6.3%
Total	100%	100%			

1. 5-year weights are based only on plans with 5 years of continuous data.

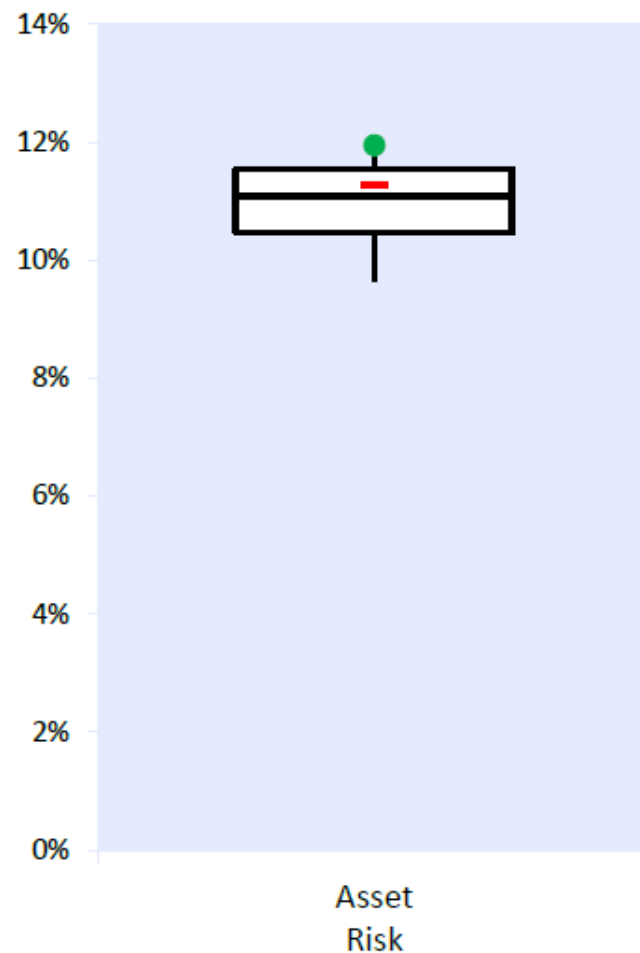
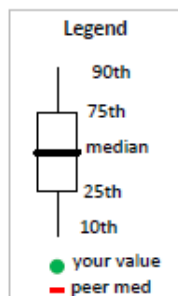
2. Other stock includes: Stock - ACWI x U.S. and Stock - Global. Other fixed income includes: Long bonds. Other real assets include: Natural resources and Infrastructure.

3. A value of 'n/a' is shown if asset class returns are not available for the full 5 years or if they are broad and incomparable.

Comparison of risk levels:

Your asset risk of 12.0% was above the U.S. Public median of 11.1%. Asset risk is the standard deviation of your policy return. It is based on the historical variance of, and covariance between, the asset classes in your policy mix.

U.S. Public risk levels at December 31, 2021



Net value added is the component of total return from active management. Your 5-year net value added was 0.7%.

Net value added equals total net return minus policy return.

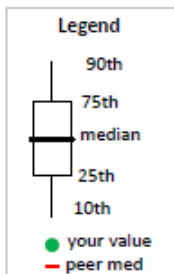
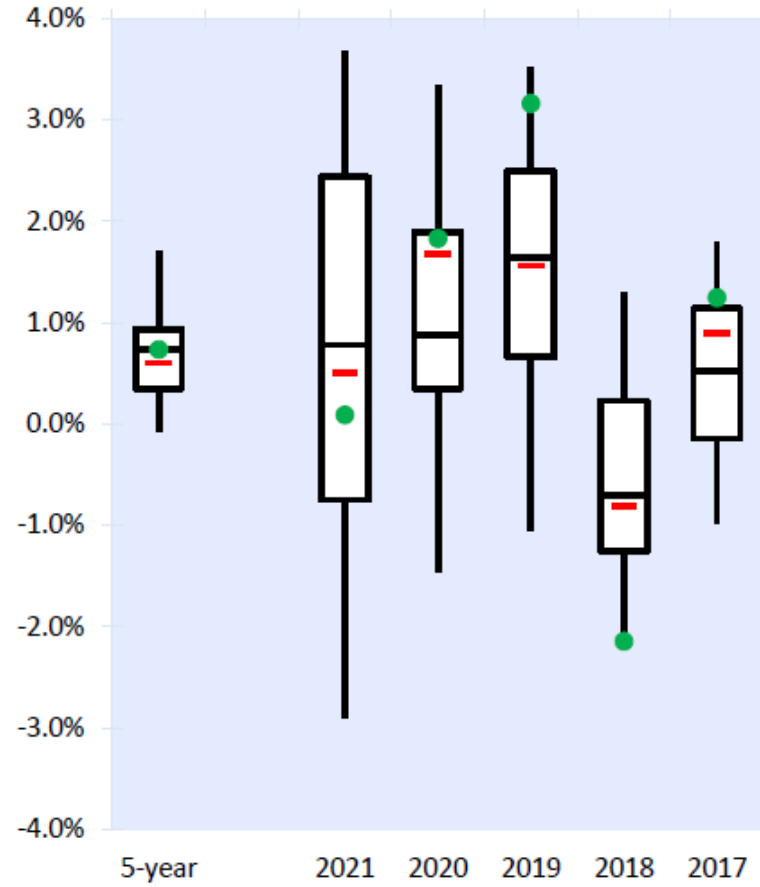
Value added for Los Angeles City Employees' Retirement System

Year	Net return	Policy return	Net value added
2021	16.6%	16.5%	0.1%
2020	11.8%	10.0%	1.8%
2019	17.9%	14.7%	3.2%
2018	-4.1%	-1.9%	-2.1%
2017	17.4%	16.1%	1.2%
5-Year	11.6%	10.9%	0.7%

Your 5-year net value added of 0.7% compares to a median of 0.6% for your peers and 0.7% for the U.S. Public universe.

Your 0.7% 5-year value added translates into approximately \$0.8 billion of cumulative value added over 5 years.

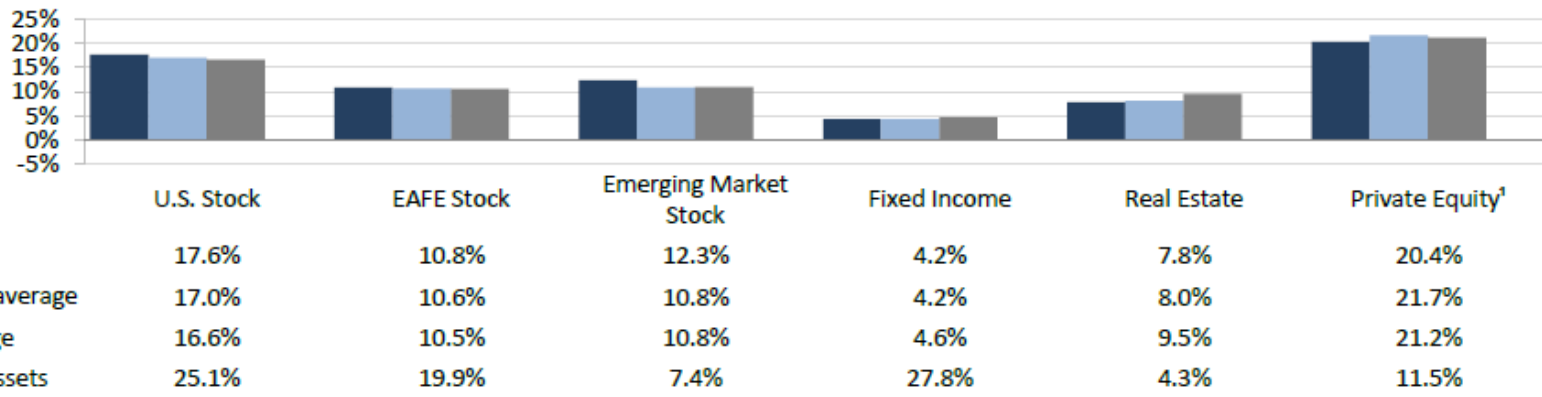
U.S. Public net value added - quartile rankings



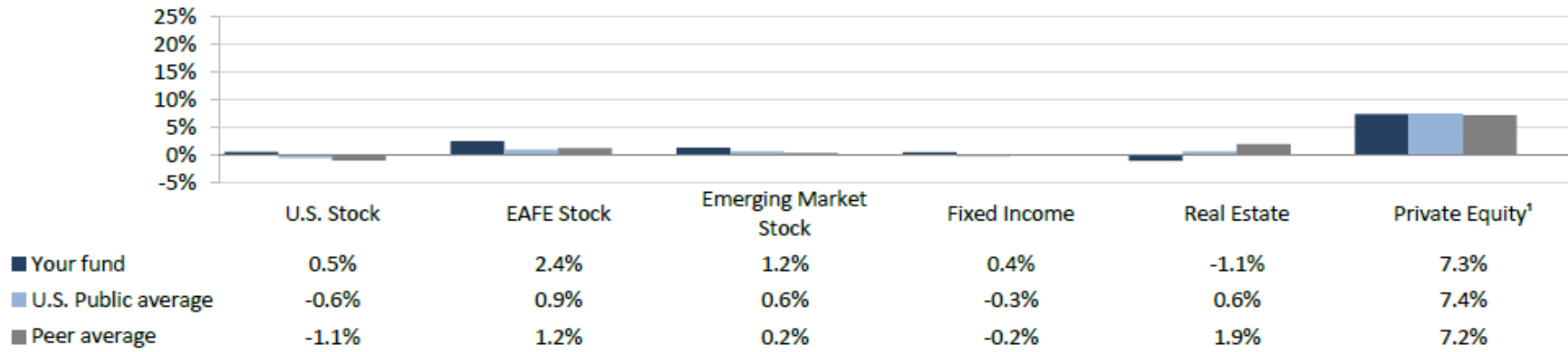
To enable fairer comparisons, the value added for each participant including your fund was adjusted to reflect private equity benchmarks based on lagged, investable public market indices. Prior to this adjustment, your fund's 5-year total fund net value added was -0.2%.

Comparisons of your 5-year net return and net value added by major asset class

5-year average net return by major asset class



5-year average net value added by major asset class



1. To enable fairer comparisons, the private equity benchmarks of all participants, including your fund were adjusted to reflect lagged, investable, public-market indices. Prior to this adjustment, your fund's 5-year private equity net value added was -1.0%.

Your investment costs, excluding private asset performance fees, were \$131.6 million or 58.2 basis points in 2021.

Asset management costs by asset class and style (\$000s)	External Management			Total
	Passive fees	Active base fees	Perform. fees ²	
Stock - U.S. large cap	223			223
Stock - U.S. mid cap		1,022		1,022
Stock - U.S. small cap	26	3,322		3,348
Stock - EAFE	583	10,404		10,987
Stock - Emerging	154	6,750		6,904
Fixed income - U.S.	275	2,808		3,083
Fixed income - Emerging		3,604		3,604
Fixed income - Inflation indexed		543		543
Fixed income - High yield		2,427		2,427
Fixed income - Other		896		896
Commodities		202		202
REITs		1,552		1,552
Real estate ex-REITs ^{1 2}		10,261	1,371	10,261
Real estate ex-REITs - LP ^{1 2}		7,507	1,527	7,507
Private equity - Diversified - LP ^{1 2}		73,969	77,976	73,969
Private credit - Evergreen ²		291		291
Total excluding private asset performance fees				126,821
				56.1bp
Oversight, custodial and other costs ³				
Oversight of the fund				2,772
Trustee & custodial				0
Consulting and performance measurement				1,416
Audit				60
Other				524
Total oversight, custodial & other costs				4,772
				2.1bp
Total investment costs (excl. transaction costs & private asset performance fees)				131,593
				58.2bp

Footnotes

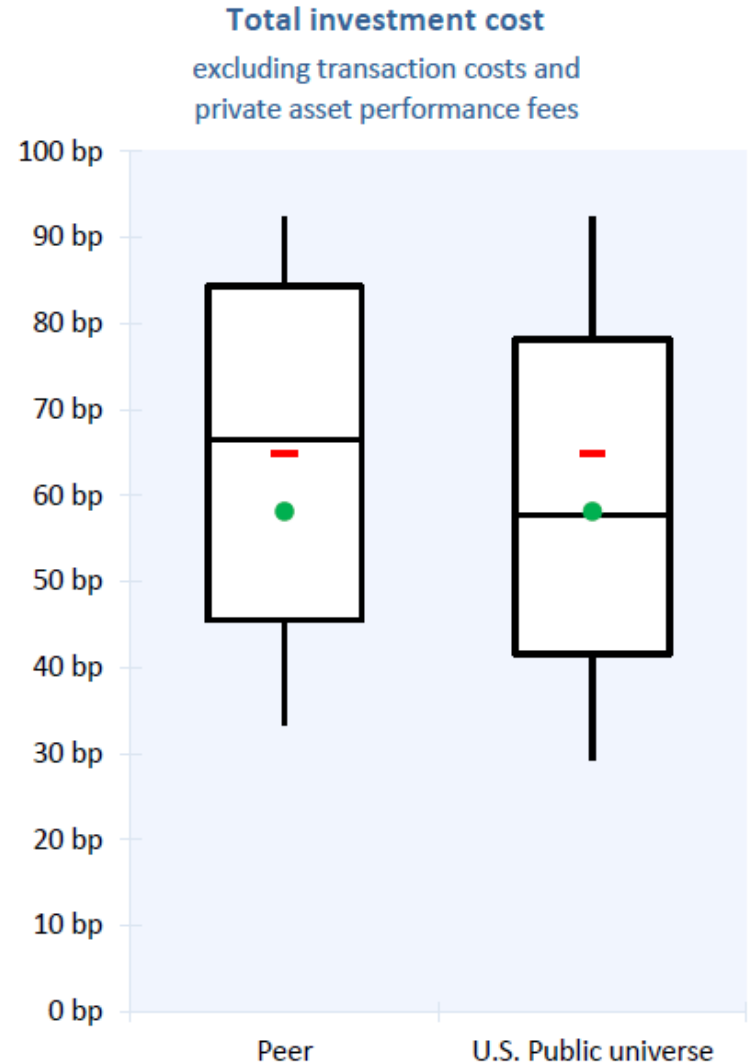
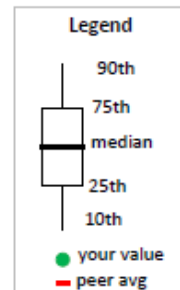
1. CEM used a default cost because detailed costs by partnership were not provided for private assets. Without the details, we were unable to show your actual costs on the same (gross) basis as peers. Other unusually low costs have now been defaulted to: Private equity - Diversified - LP 154 bps, Real estate ex-REITs - LP 134 bps. Refer to Appendix A for full details regarding defaults.
2. Total cost excludes carry/performance fees for real estate, infrastructure, natural resources and private equity. Performance fees are included for the public market asset classes and hedge funds.
3. Excludes non-investment costs, such as benefit insurance premiums and preparing cheques for retirees.

Your total investment cost of 58.2 bps was below the peer median of 66.5 bps

Differences in total investment cost are often caused by two factors that are often outside of management's control:

- Asset mix, particularly holdings of the highest cost asset classes: real estate (excl. REITs), infrastructure, hedge funds, private equity and private credit. These high cost assets equaled 18% of your funds assets at the end of 2021 versus a peer average of 25%.
- Fund size. Bigger funds have advantages of scale.

Therefore, to assess whether your costs are high or low given your unique asset mix and size, CEM calculates a benchmark cost for your fund. This analysis is shown on the following page.



Benchmark cost analysis suggests that, after adjusting for fund size and asset mix, your fund was slightly low cost by 1.8 basis points in 2021.

Your benchmark cost is an estimate of what your cost would be given your actual asset mix and the median costs that your peers pay for similar services. It represents the cost your peers would incur if they had your actual asset mix.

Your total cost of 58.2 bp was slightly below your benchmark cost of 60.0 bp. Thus, your cost savings were 1.8 bp.

Your cost versus benchmark

	\$000s	basis points
Your total investment cost	131,593	58.2 bp
Your benchmark cost	135,677	60.0 bp
Your excess cost	(4,084)	(1.8) bp

Your fund was slightly low cost because it had a lower cost implementation style. These savings were partly offset by paying more than peers for some services.

Reasons for your low cost status

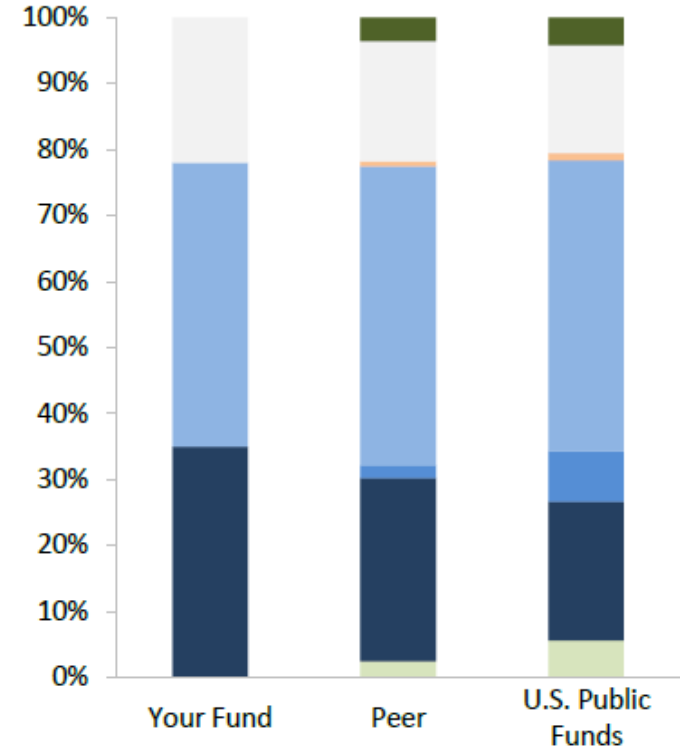
	Excess Cost/ (Savings)	
	\$000s	bps
1. Lower cost implementation style		
• Less active management, more lower cost passive	(2,652)	(1.2)
• More external management, less lower cost internal	577	0.3
• Less LPs as a percentage of external	(796)	(0.4)
• Less fund of funds	(6,859)	(3.0)
• Less co-investment as a percentage of LP/Co	3,128	1.4
• Less overlays	(2,310)	(1.0)
	<u>(8,911)</u>	<u>(3.9)</u>
2. Paying more than peers for some services		
• External investment management costs	4,896	2.2
• Oversight, custodial & other costs	(70)	(0.0)
	<u>4,827</u>	<u>2.1</u>
Total savings	(4,084)	(1.8)

Your implementation style was 3.9 bps lower cost than the peer average.

Implementation style is the way in which your fund implements asset allocation. Each implementation choice has a cost. Your first choice is how much to implement passively or actively. The table below summarizes your aggregate choices versus peers and their cost impact.

Implementation choices	Impact
More passive, less active	(1.2) bp
Less internal as a % of passive	0.0 bp
Less internal as a % of active	0.3 bp
More evergreen % in private assets, excl. PE	(0.4) bp
Less fund of funds % of LP/Co/FoF	(3.0) bp
Less co-investment % of LP/Co	1.4 bp
Less overlays	(1.0) bp
Total impact	(3.9) bp

Implementation style¹



Fund of funds	0.0%	3.6%	4.2%
LP	22.0%	18.2%	16.4%
Co-investment	0.0%	0.8%	1.1%
External active	43.1%	45.3%	44.1%
Internal active	0.0%	1.9%	7.6%
External passive	35.0%	27.8%	21.1%
Internal passive	0.0%	2.4%	5.5%

1. Implementation style is shown as a % of total fund fee basis because the fee basis is the primary driver of cost for private assets (e.g., new private equity LP commitments increase costs before LP NAV increases). Style weights are based on average holdings. Cash and derivatives are excluded.

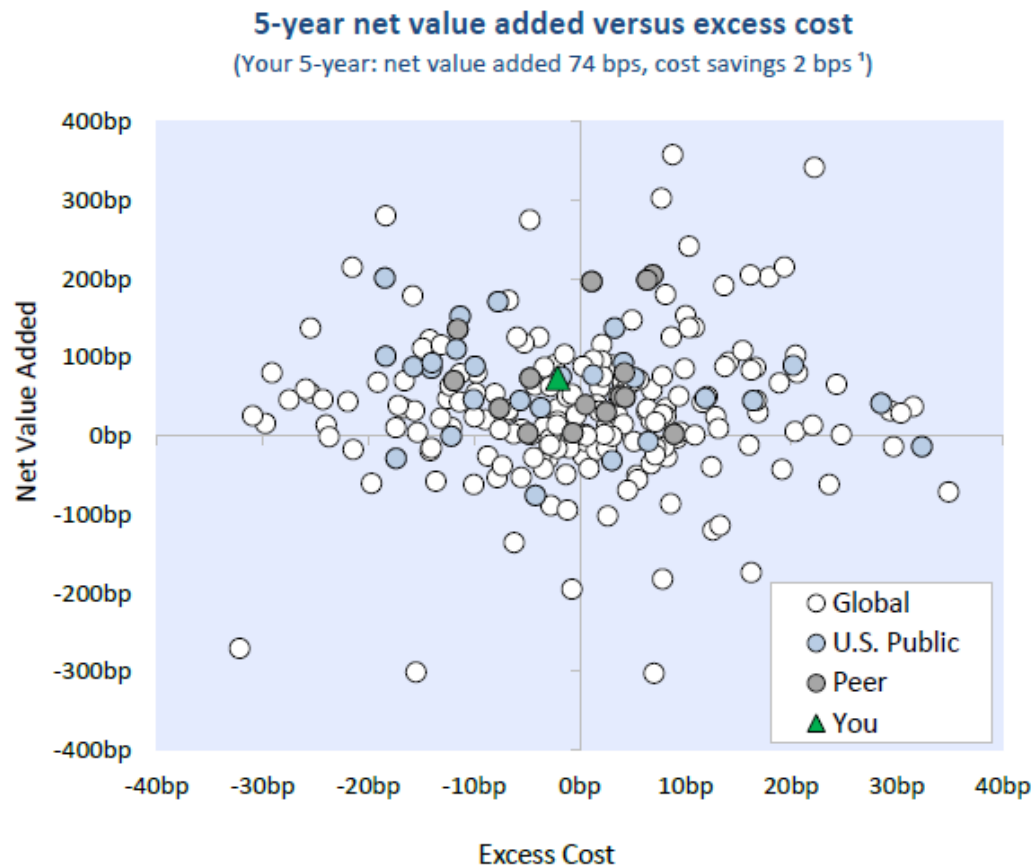
The peer and universe style was adjusted to match your asset mix. It equals their average style for each asset class weighted by your fee basis for the asset class. It shows how the average peer would implement your asset mix.

The table below summarizes why your fund is high/low cost relative to the peer-median by asset class.

Why are you high/(low) cost by asset class?

Asset class/category	Impl. style \$000s	Paying more/(less) \$000s	Total \$000s	Total bps	Holding %
Stock - U.S. large cap	(4,067)	(145)	(4,212)	(10.3) bp	18%
Stock - U.S. mid cap	339	0	339	11.6 bp	1%
Stock - U.S. small cap	(889)	444	(445)	(4.3) bp	5%
Stock - EAFE	714	469	1,183	2.6 bp	20%
Stock - Emerging	932	286	1,218	7.8 bp	7%
Fixed income - U.S.	(349)	(762)	(1,112)	(3.1) bp	16%
Fixed income - Emerging	0	305	305	3.5 bp	4%
Fixed income - Inflation indexed	478	(312)	166	1.5 bp	5%
Fixed income - High yield	7	726	733	13.0 bp	3%
Fixed income - Other	0	(1,197)	(1,197)	(50.1) bp	1%
Commodities	0	104	104	48.3 bp	0%
REITs	624	0	624	16.0 bp	2%
Real estate ex-REITs	(555)	4,902	4,347	35.1 bp	4%
Private equity - Diversified	(3,764)	0	(3,764)	(7.8) bp	14%
Private credit	(71)	76	5	2.2 bp	0%
Derivatives and overlays	(2,310)	0	(2,310)	(1.0) bp	0%
Oversight, custodial & other	n/a	(70)	(70)	(0.0) bp	--
Total	(8,911)	4,827	(4,084)	(1.8) bp	100%

Your 5-year performance placed in the positive value added, low cost quadrant of the cost effectiveness chart.



1. Your estimated 5-year savings of 2.1 basis points is the average of your peer-based benchmarks for the years available (2018, 2017) and estimated benchmarks based on a simplified model for years where peer-based benchmarks were missing.

	2021	2020	2019	2018	2017	5-year
Net value added	9.2bp	183.2bp	316.6bp	(214.5) bp	124.9bp	73.7bp
Excess cost	(1.8) bp	3.2bp	(5.5) bp	(5.4) bp	(0.8) bp	(2.1) bp



REPORT TO BOARD OF ADMINISTRATION

From: Neil M. Guglielmo, General Manager

Neil M. Guglielmo

MEETING: DECEMBER 13, 2022

ITEM: IX - D

SUBJECT: DISCLOSURE REPORT OF FEES, EXPENSES, AND CARRIED INTEREST OF ALTERNATIVE INVESTMENT VEHICLES FOR THE FISCAL YEAR ENDING JUNE 30, 2022 PURSUANT TO GOVERNMENT CODE SECTION 7514.7

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board receive and file this report.

Executive Summary

California Government Code Section 7514.7 requires LACERS to disclose specific fee, expense, and other information for private markets funds committed to on and after January 1, 2017. Funds that LACERS committed to prior to January 1, 2017, are not required to disclose this information but may do so on a voluntary basis. The attachments to this report provide the appropriate disclosures.

Discussion

Background

California Government Code Section 7514.7 (enacted into law by the passage of Assembly Bill 2833) requires LACERS to obtain and disclose specific fee, expense, and other information relating to alternative investment vehicles within the LACERS investment portfolio. The law defines an alternative investment vehicle as a private equity fund, venture fund, hedge fund, or absolute return fund; LACERS considers private credit funds and private real estate funds to fall within the scope of the alternative investment vehicles definition. Pursuant to Section 7514.7, the following information must be disclosed by LACERS at least annually at a meeting open to the public:

1. The fees and expenses that LACERS pays directly to the alternative investment vehicle, the management company or related parties.
2. LACERS' pro rata share of fees and expenses not included in (1) that are paid from the alternative investment vehicle to the management company or related parties.
3. LACERS' pro rata share of carried interest distributed by the alternative investment vehicle to the management company or related parties.

4. LACERS' pro rata share of aggregate fees and expenses paid by all of the portfolio companies held by the alternative investment vehicle to the fund manager or related parties.
5. The gross and net internal rate of return of the fund, since inception.
6. Any additional information described in the California Public Records Act [Government Code Section 6254.26 (b)]:
 - i. The name, address, and vintage year of each alternative investment vehicle.
 - ii. The dollar amount of the commitment made by LACERS to each alternative investment vehicle since inception.
 - iii. The dollar amount of cash contributions made by LACERS to each alternative investment vehicle since inception.
 - iv. The dollar amount, on a fiscal year-end basis, of cash distributions received by LACERS from each alternative investment vehicle.
 - v. The dollar amount, on a fiscal year-end basis, of cash distributions received by LACERS plus remaining value of partnership assets attributable to LACERS investment in each alternative investment vehicle.
 - vi. The net internal rate of return of each alternative investment vehicle since inception.
 - vii. The investment multiple of each alternative investment vehicle since inception.
 - viii. The dollar amount of the total management fees and costs paid on an annual fiscal year-end basis, by LACERS to each alternative investment vehicle.
 - ix. The dollar amount of cash profit received by LACERS from each alternative investment vehicle on a fiscal year-end basis.

The law applies to funds committed to on and after January 1, 2017. Through the fiscal year ending June 30, 2022, 120 private equity funds, 14 real estate funds, and three private credit funds within the LACERS portfolio were required by contract to comply with Section 7514.7.

In addition, the law provides for voluntary reporting of information for funds committed to prior to January 1, 2017, and for which no new capital commitments have been made (pre-2017 funds), subject to LACERS using reasonable effort to acquire the information. LACERS' private equity and real estate consultants, Aksia CA LLC and The Townsend Group contacted 163 pre-2017 private equity funds and 32 real estate funds, respectively, requesting information in accordance with Section 7514.7. Of these funds, 151 private equity funds and 32 real estate funds voluntarily provided the data.

The attached report contains LACERS alternative investments disclosures for the fiscal year ending June 30, 2022, pursuant to Section 7514.7.

Strategic Plan Impact Statement

The annual reporting of specific fees, expense and other information of LACERS private market funds aligns with the Strategic Plan Goal of upholding good governance practices (Goal V).

Prepared By: Eduardo Park, Investment Officer II, Investment Division.

NMG/RJ/BF/WL/EP:rm

- Attachments:
1. Mandatory Disclosure Report for Private Equity Funds
 2. Voluntary Disclosure Report for Private Equity Funds
 3. Mandatory Disclosure Report for Real Estate Funds
 4. Voluntary Disclosure Report for Real Estate Funds
 5. Mandatory Disclosure Report for Private Credit Funds

MANDATORY DISCLOSURE BY PRIVATE EQUITY FUNDS COMMITTED TO ON OR AFTER JANUARY 1, 2017

Fund	Address	Local Currency	Vintage Year	Fees & Expenses Paid Directly Fiscal Year End	Fees & Expenses Paid From The Fund Fiscal Year End	Carried Interest Paid Fiscal Year End	Fees & Expenses Paid By All Portfolio Companies Fund Fiscal Year End	\$ Commitment	\$ Contributions Since Inception	\$ Remaining Value of LACERS Investment	\$ Distributions Fiscal Year End	\$ Distributions+ Remaining Value of Partnership Fiscal Year End	\$ Profit (Realized Gain / Loss) Fiscal Year End	Gross Internal Rate of Return Since Inception (Provided by General Partner)	Net Internal Rate of Return Since Inception	Investment Multiple Since Inception
1315 Capital Fund II	2929 Walnut Street Philadelphia, PA 19104	USD	2018	214,066	431	0	0	10,000,000	6,907,715	8,327,900	1,762,974	10,090,874	0	33.8%	22.3%	1.46x
1315 Capital Fund III	2929 Walnut Street Philadelphia, PA 19104	USD	2023	0	0	0	0	30,000,000	0	0	0	0	0	NM	NM	NA
ABRY Advanced Securities Fund IV	888 Boylston St Boston, MA 02199	USD	2018	799,850	0	0	0	40,000,000	34,461,350	23,501,493	3,548,653	27,050,146	102,940	2.3%	-4.1%	0.95x
ABRY Partners IX	888 Boylston St Boston, MA 02199	USD	2019	558,435	0	0	0	40,000,000	34,863,107	37,364,892	4,316,811	41,681,704	3,015,034	21.8%	14.3%	1.25x
ABRY Senior Equity V	888 Boylston St Boston, MA 02199	USD	2016	113,214	6,193	0	6,193	10,000,000	10,158,623	11,702,638	959,468	12,662,106	498,218	27.3%	18.6%	1.45x
Advent Global Technology	800 Boylston Street Boston, MA 02199-8069	USD	2019	282,700	0	0	0	15,000,000	14,024,999	18,196,423	0	18,196,423	0	27.0%	20.2%	1.30x
Advent Global Technology II	800 Boylston Street Boston, MA 02199-8069	USD	2021	479,750	0	0	0	30,000,000	6,760,511	6,231,351	0	6,231,351	0	NM	NM	0.92x
Advent International GPE IX	800 Boylston Street Boston, MA 02199-8069	USD	2019	1,038,717	17,580	1,097,768	17,580	45,000,000	31,166,206	54,722,050	0	54,722,050	0	67.0%	49.0%	1.87x
Advent International GPE X	800 Boylston Street Boston, MA 02199-8069	USD	2022	0	0	0	0	60,000,000	0	0	0	0	0	NM	NM	NA
American Securities Partners VIII	299 Park Avenue New York, NY 10171	USD	2019	799,474	292,857	0	29,307	40,000,000	31,531,948	42,672,589	12,136	42,684,725	1,283	38.5%	29.9%	1.36x
ArseNAI Capital Partners VI	100 Park Avenue New York, NY 10017	USD	2022	619,481	112,723	0	198	50,000,000	7,363,115	6,159,919	0	6,159,919	0	NM	NM	0.84x
Ascribe Opportunities Fund IV	299 Park Avenue New York, NY 10171	USD	2019	99,943	0	0	0	25,000,000	13,256,848	12,149,218	1,279,646	13,428,864	106,919	NM	NM	1.03x

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*Data converted to USD from EUR

MANDATORY DISCLOSURE BY PRIVATE EQUITY FUNDS COMMITTED TO ON OR AFTER JANUARY 1, 2017

Fund	Address	Local Currency	Vintage Year	Fees & Expenses Paid Directly Fiscal Year End	Fees & Expenses Paid From The Fund Fiscal Year End	Carried Interest Paid Fiscal Year End	Fees & Expenses Paid By All Portfolio Companies Fund Fiscal Year End	\$ Commitment	\$ Contributions Since Inception	\$ Remaining Value of LACERS Investment	\$ Distributions Fiscal Year End	\$ Distributions+ Remaining Value of Partnership Fiscal Year End	\$ Profit (Realized Gain / Loss) Fiscal Year End	Gross Internal Rate of Return Since Inception (Provided by General Partner)	Net Internal Rate of Return Since Inception	Investment Multiple Since Inception
Astorg VII*	68 rue du Faubourg Saint-Honore Paris, 75008	EUR	2019	571,513	199,313	0	0	36,123,864	31,977,722	38,874,942	0	38,874,942	0	27.8%	18.1%	1.22x
Astra Partners I	900 16th Street NW Washington, D.C., 20006	USD	2017	145,103	90,849	0	90,849	10,000,000	6,187,040	6,055,669	0	6,055,669	0	6.2%	-1.1%	0.97x
Avance Investment Partners	650 Fifth Ave New York, NY 10019	USD	2021	632,456	17,723	0	0	20,000,000	7,423,883	6,577,178	648,441	7,225,619	65,707	NM	NM	0.97x
Barings Emerging Generation Fund	Suite 3801 Two IFC Hong Kong,	USD	2021	239,645	0	0	0	25,000,000	8,778,103	11,650,521	(333,543)	11,316,978	0	NM	NM	1.29x
Bessemer Venture Partners XII InstitutioNAI Fund	889 Winslow St Redwood City, CA	USD	2022	0	0	0	0	25,000,000	0	0	0	0	0	NM	NM	NA
Biospring Partners Fund	75 Park Plaza Boston, MA 02116	USD	2022	1,130,335	3,493	0	0	20,000,000	5,480,540	2,894,827	0	2,894,827	0	NM	NM	0.53x
Brentwood Associates Private Equity VI	11150 Santa Monica Boulevard Los Angeles, CA 90025	USD	2017	172,877	425,294	965,516	490,563	25,000,000	27,446,761	30,321,527	6,091,006	36,412,533	4,725,391	30.0%	30.1%	1.51x
Builders VC Fund II	201 Mission Street San Francisco, CA 94105	USD	2021	288,247	0	0	0	10,000,000	2,300,000	2,603,586	0	2,603,586	0	NM	NM	1.13x
Clearlake Capital Partners VI	233 Wilshire Boulevard Santa Monica, CA 90401	USD	2020	112,196	593,751	0	0	30,000,000	27,917,281	40,968,031	2,223,793	43,191,824	1,117,439	51.1%	45.7%	1.56x
Clearlake Capital Partners VII	233 Wilshire Boulevard Santa Monica, CA 90401	USD	2021	605,860	664,899	0	0	75,000,000	23,461,608	22,443,250	1,826	22,445,076	1,826	NM	NM	0.96x
CVC Capital Partners VII*	111 Strand London, WC2R 0AG	EUR	2017	337,498	324	0	324	28,567,140	24,319,718	35,955,208	3,046,861	39,002,069	1,074,906	32.6%	26.1%	1.62x
CVC Capital Partners VIII*	111 Strand London, WC2R 0AG	EUR	2021	1,010,152	0	0	0	50,206,765	10,116,958	11,060,519	0	11,060,519	0	NM	NM	1.09x

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MANDATORY DISCLOSURE BY PRIVATE EQUITY FUNDS COMMITTED TO ON OR AFTER JANUARY 1, 2017

Fund	Address	Local Currency	Vintage Year	Fees & Expenses Paid Directly Fiscal Year End	Fees & Expenses Paid From The Fund Fiscal Year End	Carried Interest Paid Fiscal Year End	Fees & Expenses Paid By All Portfolio Companies Fund Fiscal Year End	\$ Commitment	\$ Contributions Since Inception	\$ Remaining Value of LACERS Investment	\$ Distributions Fiscal Year End	\$ Distributions+ Remaining Value of Partnership Fiscal Year End	\$ Profit (Realized Gain / Loss) Fiscal Year End	Gross Internal Rate of Return Since Inception (Provided by General Partner)	Net Internal Rate of Return Since Inception	Investment Multiple Since Inception
Defy Partners I	2973 Woodside Road Woodside, CA 94062	USD	2017	265,558	0	0	0	10,000,000	9,200,000	11,056,999	0	11,056,999	0	24.1%	14.5%	1.45x
Defy Partners II	2973 Woodside Road Woodside, CA 94062	USD	2019	402,133	70,568	0	0	18,010,000	9,365,200	14,568,799	0	14,568,799	0	68.9%	34.6%	1.56x
Defy Partners III	2973 Woodside Road Woodside, CA 94062	USD	2022	103,812	0	0	0	20,000,000	1,000,000	896,188	0	896,188	0	NM	NM	0.90x
EnCap Energy Capital Fund XI	1100 Louisiana Street Houston, TX 77002	USD	2017	617,454	0	0	0	40,000,000	27,979,312	36,489,228	3,260,117	39,749,345	2,578,270	30.4%	18.8%	1.42x
Fortress Credit Opportunities V Expansion	1345 Avenue of the Americas New York, NY 10105	USD	2020	266,344	0	0	0	50,000,000	17,240,413	16,245,288	3,246,275	19,491,563	0	NM	NM	1.13x
Francisco Partners Agility III	1 Letterman Drive Building C San Francisco, CA 94129	USD	2022	0	0	0	0	17,500,000	0	0	0	0	0	NM	NM	NA
Francisco Partners VII	1 Letterman Drive Building C San Francisco, CA 94129	USD	2022	0	0	0	0	50,000,000	0	0	0	0	0	NM	NM	NA
FS Equity Partners VIII	11100 Santa Monica Blvd Los Angeles, CA 90025	USD	2019	439,311	40,096	0	0	25,000,000	15,535,101	25,312,964	675,676	25,988,640	135,135	48.7%	33.5%	1.67x
General Catalyst Group X - Early Venture	20 University Road Cambridge, MA 02138	USD	2020	245,397	5,023	0	0	10,000,000	9,400,000	19,599,070	0	19,599,070	0	90.2%	69.9%	2.09x
General Catalyst Group X - Endurance	20 University Road Cambridge, MA 02138	USD	2020	11,492	0	0	0	11,666,667	11,666,667	13,281,605	0	13,281,605	0	12.0%	9.8%	1.14x
General Catalyst Group X - Growth Venture	20 University Road Cambridge, MA 02138	USD	2020	352,607	(0)	0	0	16,666,666	15,749,999	25,669,953	0	25,669,953	0	52.3%	39.8%	1.63x
General Catalyst Group XI - Creation LP	20 University Road Cambridge, MA 02138	USD	2022	251,749	0	0	0	13,000,000	3,156,814	3,084,199	0	3,084,199	0	NM	NM	0.98x

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MANDATORY DISCLOSURE BY PRIVATE EQUITY FUNDS COMMITTED TO ON OR AFTER JANUARY 1, 2017

Fund	Address	Local Currency	Vintage Year	Fees & Expenses Paid Directly Fiscal Year End	Fees & Expenses Paid From The Fund Fiscal Year End	Carried Interest Paid Fiscal Year End	Fees & Expenses Paid By All Portfolio Companies Fund Fiscal Year End	\$ Commitment	\$ Contributions Since Inception	\$ Remaining Value of LACERS Investment	\$ Distributions Fiscal Year End	\$ Distributions+ Remaining Value of Partnership Fiscal Year End	\$ Profit (Realized Gain / Loss) Fiscal Year End	Gross Internal Rate of Return Since Inception (Provided by General Partner)	Net Internal Rate of Return Since Inception	Investment Multiple Since Inception
General Catalyst Group XI - Endurance LP	20 University Road Cambridge, MA 02138	USD	2022	324,941	0	0	0	44,000,000	23,898,167	23,014,010	7,971	23,021,981	0	NM	NM	0.96x
General Catalyst Group XI - Ignition LP	20 University Road Cambridge, MA 02138	USD	2022	379,102	0	0	0	18,000,000	7,374,139	7,338,354	1,993	7,340,347	0	NM	NM	1.00x
Genstar Capital Partners IX	Four Embarcadero Center San Francisco, CA HM 11	USD	2019	379,669	6,116	335,361	0	25,000,000	23,338,309	37,417,689	2,564,335	39,982,024	1,526,092	61.9%	43.1%	1.74x
Genstar Capital Partners X	Four Embarcadero Center San Francisco, CA 94111-4191	USD	2021	755,593	13,489	0	0	32,500,000	6,670,767	6,851,424	0	6,851,424	0	NM	NM	1.03x
Genstar IX Opportunities Fund I	Four Embarcadero Center San Francisco, CA HM 11	USD	2019	209,171	0	0	0	25,000,000	21,163,451	36,173,514	559,135	36,732,649	65,054	41.9%	32.8%	1.74x
Genstar X Opportunities Fund I	Four Embarcadero Center San Francisco, CA HM 11	USD	2021	59,436	0	0	0	25,000,000	6,869,783	7,190,293	0	7,190,293	0	NM	NM	1.05x
GGV Capital VIII	3000 Sand Hill Road Menlo Park, CA 94025	USD	2021	1,368,328	0	0	0	16,000,000	7,200,000	8,217,137	0	8,217,137	0	NM	NM	1.14x
GGV Capital VIII Plus	3000 Sand Hill Road Menlo Park, CA 94025	USD	2021	10,502	0	0	0	4,000,000	1,620,000	1,680,337	0	1,680,337	0	NM	NM	1.04x
Gilde Buy-Out Fund VI*	Herculesplein 104 Utrecht, 3584 AA	EUR	2019	658,543	0	0	0	39,684,790	18,068,396	17,930,940	1,042,379	18,973,319	0	21.5%	5.6%	1.05x
Glendon Opportunities Fund II	1620 26th Street Santa Monica, CA 90404	USD	2019	807,341	9,535	0	9,535	40,000,000	30,000,000	41,527,446	0	41,527,446	0	26.6%	19.6%	1.38x
GTCR Fund XII-AB	300 N. LaSalle St., Suite 5600 Chicago, IL 60654	USD	2017	454,810	207,188	1,754,652	11,091	40,000,000	40,978,021	43,158,534	16,786,548	59,945,082	7,257,554	35.1%	32.0%	1.67x
GTCR Fund XIII-AB	300 N. LaSalle St., Suite 5600 Chicago, IL 60654	USD	2020	1,012,437	85,873	0	45,135	40,000,000	9,944,000	12,975,726	1,447,324	14,423,050	271,253	NM	NM	1.45x

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MANDATORY DISCLOSURE BY PRIVATE EQUITY FUNDS COMMITTED TO ON OR AFTER JANUARY 1, 2017

Fund	Address	Local Currency	Vintage Year	Fees & Expenses Paid Directly Fiscal Year End	Fees & Expenses Paid From The Fund Fiscal Year End	Carried Interest Paid Fiscal Year End	Fees & Expenses Paid By All Portfolio Companies Fund Fiscal Year End	\$ Commitment	\$ Contributions Since Inception	\$ Remaining Value of LACERS Investment	\$ Distributions Fiscal Year End	\$ Distributions+ Remaining Value of Partnership Fiscal Year End	\$ Profit (Realized Gain / Loss) Fiscal Year End	Gross Internal Rate of Return Since Inception (Provided by General Partner)	Net Internal Rate of Return Since Inception	Investment Multiple Since Inception
H&F Arrow 1	415 Mission Street San Francisco, CA 94105	USD	2020	2,839	0	0	0	0	3,501,228	5,923,277	0	5,923,277	0	NM	NM	1.69x
H&F Spock 1	415 Mission Street San Francisco, CA 94105	USD	2018	1,041	0	0	0	1	3,266,786	10,221,918	335,718	10,557,636	335,718	27.0%	32.1%	3.23x
H.I.G. Europe Middle Market LBO Fund*	1450 Brickell Avenue Miami, FL 33131	EUR	2020	1,189,957	(1)	0	0	49,552,926	2,626,069	2,635,741	12,105	2,647,846	12,105	NM	NM	1.00x
HarbourVest Partners Co-Investment Fund VI	One FiNancial Center Boston, MA 02111	USD	2022	346,060	0	0	0	50,000,000	2,500,000	2,292,273	0	2,292,273	0	NM	NM	0.92x
Harvest Partners IX	280 Park Avenue New York, NY 10017	USD	2021	749,540	280,586	0	0	50,000,000	0	(761,206)	0	(761,206)	0	NM	NM	NA
Harvest Partners VIII	280 Park Avenue New York, NY 10017	USD	2019	280,670	787,384	167,206	0	50,000,000	45,225,248	54,110,713	4,212,235	58,322,948	2,127,875	28.3%	25.7%	1.42x
Hellman & Friedman Capital Partners IX	415 Mission Street San Francisco, CA 94105	USD	2019	356,106	149	0	174	30,000,000	29,326,455	35,190,885	675,558	35,866,443	82,812	20.0%	14.7%	1.23x
Hellman & Friedman Capital Partners X	415 Mission Street San Francisco, CA 94105	USD	2021	817,193	0	0	0	40,000,000	21,803,826	20,216,574	0	20,216,574	0	NM	NM	0.93x
Hg Genesis 10 A*	2 More London Riverside London, SE1 2AP	EUR	2022	0	0	0	0	39,182,400	0	0	0	0	0	NM	NM	NA
Hg Genesis 9*	2 More London Riverside London, SE1 2AP	EUR	2020	630,677	1,395	0	0	19,295,500	10,326,991	9,075,723	2,847,455	11,923,178	0	NM	NM	1.15x
Hg Saturn 3 A	2 More London Riverside London, SE1 2AP	USD	2022	109,699	0	0	0	40,000,000	0	(132,222)	0	(132,222)	0	NM	NM	NA
HgCapital Saturn Fund 2	2 More London Riverside London, SE1 2AP	USD	2020	553,711	754	0	0	20,000,000	12,009,588	10,428,846	5,438,123	15,866,969	0	NM	NM	1.36x

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MANDATORY DISCLOSURE BY PRIVATE EQUITY FUNDS COMMITTED TO ON OR AFTER JANUARY 1, 2017

Fund	Address	Local Currency	Vintage Year	Fees & Expenses Paid Directly Fiscal Year End	Fees & Expenses Paid From The Fund Fiscal Year End	Carried Interest Paid Fiscal Year End	Fees & Expenses Paid By All Portfolio Companies Fund Fiscal Year End	\$ Commitment	\$ Contributions Since Inception	\$ Remaining Value of LACERS Investment	\$ Distributions Fiscal Year End	\$ Distributions+ Remaining Value of Partnership Fiscal Year End	\$ Profit (Realized Gain / Loss) Fiscal Year End	Gross Internal Rate of Return Since Inception (Provided by General Partner)	Net Internal Rate of Return Since Inception	Investment Multiple Since Inception
ICG Strategic Equity Fund IV	Procession House, London, EC4M 7JW	USD	2021	876,598	7	0	0	50,000,000	21,483,574	26,307,398	2,632,430	28,939,828	301,793	NM	NM	1.35x
KPS Special Situations Fund V	485 Lexington Avenue, 31st Floor New York, NY 10017	USD	2020	61,583	500,000	0	973,239	40,000,000	22,827,472	30,316,014	41,625	30,357,639	36,636	NM	NM	1.38x
KPS Special Situations Mid-Cap Fund	485 Lexington Avenue, 31st Floor New York, NY 10017	USD	2019	59,031	109,510	75,194	197,639	10,000,000	5,419,690	6,481,264	726,161	7,207,425	360,993	44.2%	24.0%	1.33x
L2 Point Opportunities I	1755 Jackson Street San Francisco, CA 94109	USD	2022	129,259	2,504	0	0	30,000,000	10,426,202	10,298,224	(60,727)	10,237,497	0	NM	NM	0.98x
LightBay Investment Partners II	11601 Wilshire Blvd Los Angeles, CA 90025	USD	2022	274,618	0	0	0	25,000,000	0	(274,618)	0	(274,618)	0	NM	NM	NA
MBK Partners Fund V	22nd Fl., D Tower D1, 17 Jongno 3-gil Seoul, 110-130	USD	2021	726,939	83,985	0	0	40,000,000	12,760,060	13,124,151	483,831	13,607,982	0	NM	NM	1.07x
Mill Point Capital Partners	1177 Avenue of the Americas New York, NY 10036	USD	2017	150,153	57,119	540,152	79,204	10,000,000	9,967,997	15,404,781	4,051,299	19,456,080	517,305	33.8%	27.8%	1.96x
Mill Point Capital Partners II	1177 Avenue of the Americas New York, NY 10036	USD	2021	252,623	26,293	0	4,042	11,000,000	1,422,109	1,437,112	0	1,437,112	0	NM	NM	1.01x
Montagu VI*	2 More London Riverside London, SE1 2AP	EUR	2020	981,278	12,402	0	6,845	40,301,363	21,435,147	12,353,277	8,021,507	20,374,784	619,203	NM	NM	0.95x
NEA 18 Venture Growth Equity	5425 Wisconsin Ave Chevy Chase, MD 20815	USD	2022	259,989	31,888	0	103	35,000,000	8,662,500	5,772,735	0	5,772,735	0	NM	NM	0.67x
New Enterprise Associates 16	5425 Wisconsin Ave Chevy Chase, MD 20815	USD	2017	282,870	41,855	0	4,372	25,000,000	22,750,000	28,585,277	2,502,994	31,088,271	480,099	17.2%	11.8%	1.40x
New Enterprise Associates 17	5425 Wisconsin Ave Chevy Chase, MD 20815	USD	2019	367,640	94,135	0	8,853	35,000,000	24,500,000	27,099,805	2,121,558	29,221,363	798,484	22.8%	14.7%	1.23x

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New Enterprise Associates 18	5425 Wisconsin Ave Chevy Chase, MD 20815	USD	2022	208,825	45,263	0	0	40,000,000	4,300,000	3,667,184	0	3,667,184	0	NM	NM	0.85x
NMS Fund III	32 Old Slip New York, NY 10005	USD	2017	68,526	144,286	0	153,886	10,000,000	8,641,803	12,555,951	1,605,886	14,161,837	511,907	37.9%	29.5%	1.77x
NMS Fund IV	32 Old Slip New York, NY 10005	USD	2020	984,767	298,655	0	308,174	40,000,000	11,026,448	10,191,515	2,687,354	12,878,869	55,717	NM	NM	1.17x
Nordic Capital Fund XI*	Mäster Samuelsgatan 21 Stockholm, SE - 111 44	EUR	2022	0	0	0	0	47,663,400	0	0	0	0	0	NM	NM	NA
Oak HC-FT Partners II	Three Pickwick Plaza Greenwich, CT 06830	USD	2017	238,185	0	0	0	10,000,000	9,850,023	25,987,154	1,820,204	27,807,358	1,459,868	57.4%	49.1%	3.09x
Oak HC-FT Partners III	Three Pickwick Plaza Greenwich, CT 06830	USD	2019	601,209	0	0	0	25,000,000	23,625,343	39,631,739	2,246,982	41,878,721	2,092,428	49.8%	42.0%	1.77x
Oak HC-FT Partners IV	Three Pickwick Plaza Greenwich, CT 06830	USD	2021	377,853	468,395	0	0	40,000,000	26,794,151	29,767,664	163,684	29,931,348	163,684	NM	NM	1.12x
Oak HC-FT Partners V	Three Pickwick Plaza Greenwich, CT 06830	USD	2022	0	0	0	0	50,000,000	0	0	0	0	0	NM	NM	NA
OceanSound Partners Fund	320 Park Avenue, 8th Floor New York, NY 10022	USD	2019	376,481	222,019	0	0	20,000,000	20,936,415	14,040,851	6,255,673	20,296,524	1,338,763	NM	NM	1.17x
Orchid Asia VIII	Suite 2901, 29/F, The Center Hong Kong,	USD	2022	1,083,333	0	0	0	50,000,000	4,929,060	3,639,446	0	3,639,446	0	NM	NM	0.74x
P4G Capital Partners I	455 Market Street, Suite 620 San Francisco, CA 94105	USD	2018	337,498	30,508	0	0	10,000,000	3,803,773	2,449,051	0	2,449,051	0	0.0%	-43.5%	0.64x
Palladium Equity Partners V	Rockefeller Center New York, NY 10020	USD	2017	544,768	93,891	0	97,919	25,000,000	15,542,244	15,836,820	2,251,353	18,088,173	1,385,478	20.5%	8.3%	1.20x

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Platinum Equity Capital Partners V	360 N. Crescent Dr. Beverly Hills, CA 90210	USD	2019	515,526	0	749,214	0	50,000,000	51,170,760	63,858,084	8,526,590	72,384,674	3,064,825	55.9%	37.5%	1.42x
Platinum Equity Small Cap Fund	360 N. Crescent Dr. Beverly Hills, CA 90210	USD	2018	262,195	0	450,234	0	22,500,000	16,484,756	23,121,091	3,618,527	26,739,618	3,072,129	47.8%	31.5%	1.65x
Polaris Growth Fund	One MariNA Park Drive Boston, MA 02210	USD	2018	290,353	0	532,499	0	10,000,000	3,500,000	7,917,090	3,514,286	11,431,376	2,903,143	67.9%	63.8%	3.27x
Reverence Capital Partners Opportunities Fund V (PE III)	477 Madison Avenue New York, NY 10022	USD	2022	439,193	249,774	0	0	50,000,000	10,377,201	10,033,357	0	10,033,357	0	NM	NM	0.97x
Roark Capital Partners II Side Car	1180 Peachtree Street NE Atlanta, GA 30309	USD	2018	49,982	0	0	0	10,000,000	9,888,773	15,152,042	1,703,566	16,855,608	0	24.0%	21.0%	1.70x
Roark Capital Partners V	1180 Peachtree Street NE Atlanta, GA 30309	USD	2018	181,558	6,865	0	1,381,779	15,000,000	13,051,537	16,432,452	1,294,548	17,726,999	1,929	33.5%	22.5%	1.49x
Roark Capital Partners VI	1180 Peachtree Street NE Atlanta, GA 30309	USD	2021	32,122	700,000	0	0	40,000,000	8,264,399	9,180,725	310,778	9,491,504	277,062	NM	NM	1.15x
Samson Brunello 1	415 Mission Street San Francisco, CA 94105	USD	2021	1,856	0	611,616	0	0	2,543,236	3,775,568	0	3,775,568	0	NM	NM	1.48x
Samson Hockey 1	415 Mission Street San Francisco, CA 94105	USD	2020	7,260	0	0	0	0	3,380,241	5,247,648	1,104,330	6,351,978	360,818	NM	NM	1.88x
Samson Shield 1	415 Mission Street San Francisco, CA 94105	USD	2020	1,968	0	0	48	0	11,373,473	10,762,339	0	10,762,339	0	NM	NM	1.13x
Spark Capital Growth Fund III	137 Newbury St. #8 Boston, MA 02116	USD	2020	664,242	0	0	0	26,750,000	26,215,000	54,140,402	3,526,069	57,666,471	2,957,964	143.2%	91.8%	2.20x
Spark Capital Growth Fund IV	137 Newbury St. #8 Boston, MA 02116	USD	2022	383,656	0	0	0	33,340,000	5,001,000	4,541,188	0	4,541,188	0	NM	NM	0.91x
Spark Capital VI	137 Newbury St. #8 Boston, MA 02116	USD	2020	328,539	0	0	0	13,250,000	9,341,250	10,147,356	0	10,147,356	0	22.5%	7.2%	1.09x
Spark Capital VII	137 Newbury St. #8 Boston, MA 02116	USD	2022	166,849	0	0	0	16,660,000	3,332,000	3,164,384	0	3,164,384	0	NM	NM	0.95x
Stellex Capital Partners II	900 Third Avenue New York, NY 10022	USD	2021	575,292	63,085	0	63,085	30,000,000	10,119,993	11,332,941	992	11,333,933	992	NM	NM	1.12x
Stripes IV	402 West 13th Street New York, NY 10014	USD	2017	204,310	18,864	939,766	0	10,000,000	13,376,556	35,882,901	4,040,838	39,923,739	4,901,475	62.4%	52.0%	3.12x
Sunstone Partners II	400 S El Camino Real San Mateo, CA 94402	USD	2020	234,628	40,212	0	0	10,000,000	5,258,051	6,502,397	0	6,502,397	0	NM	NM	1.24x

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TA XIII-A	200 Clarendon Street Boston, MA 02116	USD	2019	485,047	140,351	791,407	37,124	35,000,000	32,777,705	41,941,905	6,265,205	48,207,110	3,289,504	56.4%	44.6%	1.66x
TA XIV-A	200 Clarendon Street Boston, MA 02116	USD	2021	927,201	0	0	0	60,000,000	16,200,000	14,556,984	0	14,556,984	0	NM	NM	0.90x
TCV X	250 Middlefield Road Menlo Park, CA 94025	USD	2019	607,486	0	0	0	25,000,000	18,763,324	35,202,890	0	35,202,890	0	33.2%	31.9%	1.88x
TCV XI	250 Middlefield Road Menlo Park, CA 94025	USD	2021	754,464	25,017	0	0	40,000,000	16,966,545	17,214,426	0	17,214,426	0	NM	NM	1.01x
TCV XII	250 Middlefield Road Menlo Park, CA 94025	USD	2023	0	0	0	0	60,000,000	0	0	0	0	0	NM	NM	NA
The Baring Asia Private Equity Fund VII	Suite 3801 Two IFC Hong Kong,	USD	2018	456,593	103,466	0	0	25,000,000	22,545,741	24,124,196	8,431,264	32,555,460	1,955,789	38.0%	34.5%	1.58x
Thoma Bravo Discover Fund II	150 N. Riverside Plaza Chicago, IL 60606	USD	2018	162,872	7,237	727,850	30,349	10,000,000	10,405,421	13,491,871	3,314,793	16,806,664	2,504,800	39.3%	30.9%	1.79x
Thoma Bravo Discover Fund III	150 N. Riverside Plaza Chicago, IL 60606	USD	2020	81,055	400,000	0	102,182	20,000,000	16,625,886	17,542,831	259,587	17,802,418	0	NM	NM	1.07x
Thoma Bravo Discover Fund IV	150 N. Riverside Plaza Chicago, IL 60606	USD	2022	0	0	0	0	45,000,000	0	0	0	0	0	NM	NM	NA
Thoma Bravo Explore Fund	150 N. Riverside Plaza Chicago, IL 60606	USD	2020	200,625	103,396	0	6,465	10,000,000	6,728,271	8,010,207	538,135	8,548,342	50,166	NM	NM	1.27x
Thoma Bravo Fund XIII	150 N. Riverside Plaza Chicago, IL 60606	USD	2018	11,408	396,594	2,516,062	215,070	30,000,000	34,947,516	42,721,560	1,892,586	44,614,146	2,983,118	47.2%	37.4%	1.72x
Thoma Bravo Fund XIV	150 N. Riverside Plaza Chicago, IL 60606	USD	2021	73,511	450,000	0	386,826	30,000,000	28,243,272	27,332,576	0	27,332,576	0	NM	NM	0.97x
Thoma Bravo Fund XV	150 N. Riverside Plaza Chicago, IL 60606	USD	2022	188,704	276,923	0	339,049	80,000,000	13,279,426	13,090,722	0	13,090,722	0	NM	NM	0.99x
TPG Rise Climate	345 California Street San Francisco, CA 94104	USD	2022	1,183,690	3,768	0	3,858	50,000,000	4,716,626	3,905,453	0	3,905,453	0	NM	NM	0.83x
Ulu Ventures Fund III	115 Everett Avenue Palo Alto, CA 94301	USD	2020	267,079	0	0	0	10,000,000	5,500,000	5,462,648	0	5,462,648	0	NM	NM	0.99x
Upfront VI	1314 7th Street Santa Monica, CA 90401	USD	2017	421,620	0	0	0	20,000,000	16,357,032	28,290,393	180,447	28,470,840	13,068	30.7%	22.6%	1.78x
Vista Equity Partners Fund VII	401 Congress Avenue Austin, TX 78701	USD	2018	702,345	1,641	42,376	0	40,000,000	29,485,716	40,209,811	221,102	40,430,913	263,478	26.4%	17.0%	1.37x

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Vista Foundation Fund IV	401 Congress Avenue Austin, TX 78701	USD	2020	751,991	98	0	0	30,000,000	16,992,725	16,750,152	5,779	16,755,931	0	NM	NM	0.99x
Vitruvian Investment Partnership IV*	105 Wigmore Street London, W1U 1QY	EUR	2020	866,412	46,247	0	0	39,119,924	22,736,714	24,298,348	0	24,298,348	0	NM	NM	1.07x

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1315 Capital Fund	2929 Walnut Street Philadelphia, PA 19104	USD	2015	104,002	18,628	0	0	10,000,000	9,640,471	12,087,238	1,875,684	13,962,922	901,912	25.2%	17.7%	1.88x
ABRY Advanced Securities Fund III	888 Boylston St Boston, MA 02199	USD	2014	407,475	NP	NP	NP	20,000,000	25,540,136	14,914,282	4,644,765	19,559,047	1,051,967	3.5%	-1.5%	0.95x
ABRY Heritage Partners	888 Boylston St Boston, MA 02199	USD	2016	140,563	5,943	654,122	5,944	10,000,000	10,148,808	6,700,333	5,745,027	12,445,359	715,967	NP	27.4%	1.68x
ABRY Partners VIII	888 Boylston St Boston, MA 02199	USD	2014	64,872	4,289	959,884	4,289	25,000,000	28,482,865	4,817,805	6,625,812	11,443,617	3,718,917	NP	10.2%	1.42x
ACON Equity Partners 3.5	1133 Connecticut Avenue NW Washington, D.C., 20036	USD	2012	5,002	0	0	NP	20,000,000	18,034,492	435,177	0	435,177	0	NP	2.7%	1.13x
ACON-Bastion Partners II	1133 Connecticut Avenue NW Washington, D.C., 20036	USD	2006	NP	NP	NP	NP	5,000,000	4,721,150	0	13,978	13,978	13,978	NP	12.3%	1.74x
Advent International GPE VI A	800 Boylston Street Boston, MA 02199-8069	USD	2008	33,622	(101)	0	(99)	20,000,000	20,000,000	1,825,911	0	1,825,911	0	23.0%	16.5%	2.10x
Advent International GPE VII B	800 Boylston Street Boston, MA 02199-8069	USD	2012	152,559	(129)	1,666,107	(129)	30,000,000	28,500,000	6,187,447	11,608,893	17,796,340	9,355,551	20.0%	13.8%	1.84x
Advent International GPE VIII B-2	800 Boylston Street Boston, MA 02199-8069	USD	2016	404,933	13,065	2,728,752	13,065	35,000,000	35,000,000	41,907,372	13,383,731	55,291,103	10,732,204	26.0%	19.6%	1.93x
AION Capital Partners	Global Headquarters New York, NY 10019	USD	2012	173,089	9,579	0	9,579	20,000,000	19,161,969	12,948,673	3,077,667	16,026,340	465,661	9.9%	4.6%	1.18x
American Securities Partners VII	299 Park Avenue New York, NY 10171	USD	2016	9,589	270,374	887,279	814	25,000,000	24,058,560	34,955,190	4,686,974	39,642,164	3,603,024	21.9%	17.2%	1.84x
Angeleno Investors III	2029 Century Park East Los Angeles, CA 90067	USD	2009	108,904	26,560	0	0	10,000,000	10,686,144	9,085,692	0	9,085,692	0	3.7%	-0.4%	0.97x

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Angeles Equity Partners I	2425 Olympic Boulevard Santa Monica, CA 90404	USD	2015	186,972	73,364	601,241	50,559	10,000,000	8,022,506	5,246,439	5,571,154	10,817,593	3,959,942	33.0%	18.5%	1.51x
Apollo Investment Fund IV	Global Headquarters New York, NY 10019	USD	1998	NP	0	NP	NP	5,000,000	4,989,241	(40)	0	(40)	0	NP	8.5%	1.67x
Apollo Investment Fund VI	Global Headquarters New York, NY 10019	USD	2006	11,245	0	0	0	15,000,000	14,372,999	273,474	0	273,474	0	12.0%	8.6%	1.69x
Apollo Investment Fund VII	Global Headquarters New York, NY 10019	USD	2008	6,437	0	68,948	1,481	20,000,000	17,573,751	317,819	2,067,394	2,385,213	1,897,123	33.0%	22.6%	2.04x
Apollo Investment Fund VIII	Global Headquarters New York, NY 10019	USD	2013	152,123	22,178	720,294	22,178	40,000,000	35,068,943	18,269,333	6,761,460	25,030,793	4,396,896	15.0%	10.5%	1.54x
Ascribe Opportunities Fund II	299 Park Avenue New York, NY 10171	USD	2010	0	NP	0	NP	20,000,000	30,537,420	2,024,055	0	2,024,055	0	8.4%	3.1%	1.09x
Ascribe Opportunities Fund III	299 Park Avenue New York, NY 10171	USD	2014	NP	NP	NP	NP	30,000,000	50,391,611	3,118,914	3,471,501	6,590,415	234,477	-7.4%	-15.8%	0.86x
Astorg VI*	68 rue du Faubourg Saint-Honore Paris, 75008	EUR	2015	225,015	54,916	0	0	25,625,875	21,228,378	11,613,957	17,426,852	29,040,809	2,177,604	19.1%	15.1%	1.70x
Austin Ventures VIII	835 West 6th Street Austin, TX 78703-5421	USD	2001	NP	NP	NP	NP	8,300,000	8,300,000	0	68,727	68,727	68,012	NP	6.8%	1.65x
Bain Capital Asia Fund III	200 Clarendon Street Boston, MA 02116	USD	2016	138,759	57	131,429	NP	15,000,000	15,428,786	13,782,462	1,271,246	15,053,708	307,027	NP	20.3%	1.60x
Bain Capital Double Impact Fund	200 Clarendon Street Boston, MA 02116	USD	2016	275,100	0	198,048	NP	10,000,000	10,544,474	10,107,624	1,545,240	11,652,864	1,265,399	NP	25.1%	1.60x
BC European Capital IX*	40 Portman Square London, W1H 6DA	EUR	2011	81,006	22,502	0	0	17,665,048	19,361,271	9,664,952	4,946,885	14,611,838	3,864,720	19.1%	12.0%	1.74x

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BC European Capital X*	40 Portman Square London, W1H 6DA	EUR	2017	314,469	34,362	0	0	31,651,237	29,743,063	35,568,980	4,409,124	39,978,103	2,342,790	16.5%	11.0%	1.38x
BDCM Opportunity Fund IV	2187 Atlantic Street, 9th Floor Stamford, CT 06902	USD	2015	371,306	NP	NP	NP	25,000,000	31,724,819	36,860,069	1,001,829	37,861,898	442,250	NP	15.0%	1.66x
Blackstone Capital Partners V & V-S	345 Park Avenue New York, NY 10154	USD	2005	0	0	86,757	0	19,799,726	19,297,288	119,535	509,451	628,986	599,750	9.4%	7.9%	1.69x
Blackstone Capital Partners VI	345 Park Avenue New York, NY 10154	USD	2011	20,317	4,986	711,348	4,986	20,000,000	19,311,288	8,308,361	4,664,927	12,973,288	3,783,549	16.6%	12.2%	1.82x
Blackstone Energy Partners	345 Park Avenue New York, NY 10154	USD	2011	14,274	19,822	568,453	12,293	25,000,000	23,679,796	6,023,223	3,116,662	9,139,885	2,514,084	15.0%	11.4%	1.73x
Blue Sea Capital Fund I	222 Lakeview Avenue, Suite 1700 West Palm Beach, FL 33401	USD	2013	13,176	NP	NP	NP	10,000,000	9,168,182	5,643,013	8,796,248	14,439,261	6,912,273	27.8%	19.8%	2.23x
Carlyle Partners V	1001 Pennsylvania Avenue, NW Washington, D.C., 20004-2505	USD	2007	(682)	3,349	362,813	29,239	30,000,000	26,714,020	2,918,965	1,578,390	4,497,355	1,863,962	17.9%	13.8%	1.96x
CenterGate Capital Partners I	900 South Capital of Texas Highway Austin, TX 78746	USD	2015	36,860	121,752	259,563	NP	10,000,000	5,406,216	4,565,262	4,207,415	8,772,677	3,946,193	38.9%	23.7%	1.91x
Charterhouse Capital Partners IX*	7th Floor, Warwick Court London, EC4M 7DX	EUR	2008	3,912	0	554,764	0	17,650,992	17,448,610	444,775	2,829,377	3,274,152	1,730,932	20.8%	9.4%	1.34x
CHP III	230 Nassau Street Princeton, NJ 08542	USD	2006	NP	NP	NP	NP	15,000,000	15,000,000	8,530,940	14,061,297	22,592,237	12,653,859	0.0%	12.0%	2.81x
Coller International Partners VI	Park House London, W1K 6AF	USD	2011	124,482	0	346,555	0	25,000,000	18,818,470	4,964,302	3,800,952	8,765,254	4,205,758	18.0%	15.4%	1.77x

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CVC European Equity Partners III	111 Strand London, WC2R 0AG	USD	2001	2,828	0	0	0	15,000,000	14,776,341	1,037,776	0	1,037,776	0	NP	41.0%	2.89x
CVC European Equity Partners IV*	111 Strand London, WC2R 0AG	EUR	2005	2,439	0	0	0	26,008,211	23,257,442	34,968	0	34,968	0	22.6%	16.7%	2.00x
CVC European Equity Partners V*	111 Strand London, WC2R 0AG	EUR	2008	1,228	0	30,708	0	18,815,039	18,352,938	632,674	331,780	964,454	184,525	26.4%	16.8%	2.12x
DFJ Element	565 E. Swedesford Road Wayne, PA 19087	USD	2006	NP	NP	NP	NP	8,000,000	7,846,106	0	65,292	65,292	65,292	NP	-3.4%	0.73x
DFJ Frontier Fund II	3300 N. Ashton Blvd. Lehi, UT 84043	USD	2007	13,214	0	NP	0	5,000,000	5,002,783	4,761,154	0	4,761,154	0	7.5%	3.0%	1.31x
DFJ Growth 2013	2882 Sand Hill Road Menlo Park, CA 94025	USD	2013	429,444	0	8,149,254	0	25,000,000	25,126,311	34,131,788	26,382,803	60,514,591	25,467,402	42.4%	33.6%	5.66x
DFJ Growth III	2882 Sand Hill Road Menlo Park, CA 94025	USD	2017	413,707	0	657,821	0	15,000,000	14,325,000	24,407,666	4,824,035	29,231,701	4,364,251	42.2%	29.9%	2.27x
EIG Energy Fund XVI	600 New Hampshire Ave NW Washington, D.C., 20037	USD	2013	197,371	NP	NP	NP	25,000,000	23,629,284	16,092,130	2,693,527	18,785,657	1,286,859	9.3%	7.0%	1.33x
Element Partners Fund II	565 E. Swedesford Road Wayne, PA 19087	USD	2008	20,172	NP	NP	NP	10,000,000	9,361,465	1,026,709	66,800	1,093,509	83,500	NP	5.9%	1.49x
Encap Energy Capital Fund IX	1100 Louisiana Street Houston, TX 77002	USD	2012	197,182	0	0	0	30,000,000	29,154,248	14,429,178	6,861,705	21,290,882	3,515,457	14.7%	10.0%	1.47x
Encap Energy Capital Fund VIII	1100 Louisiana Street Houston, TX 77002	USD	2010	2,730	0	0	0	15,000,000	14,933,115	6,723,085	648,368	7,371,453	187,185	2.4%	0.5%	1.02x
Encap Energy Capital Fund X	1100 Louisiana Street Houston, TX 77002	USD	2015	346,722	0	0	0	35,000,000	33,358,837	39,553,695	13,780,233	53,333,928	10,980,854	22.1%	16.7%	1.90x

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Energy Capital Partners II	40 Beechwood Road Summit, NJ 07901	USD	2009	11,728	0	NP	NP	20,000,000	13,945,375	76,476	6,387	82,863	0	15.0%	9.1%	1.47x
Energy Capital Partners III	40 Beechwood Road Summit, NJ 07901	USD	2014	351,368	808	0	NP	40,000,000	39,152,794	26,626,092	9,857,549	36,483,641	4,323,465	16.0%	11.0%	1.56x
Essex Woodlands Health Ventures Fund IV	335 Bryant Street Palo Alto, CA 94301	USD	1998	NP	0	NP	NP	4,000,000	4,000,000	524,439	0	524,439	0	NP	7.2%	1.44x
Essex Woodlands Health Ventures Fund V	335 Bryant Street Palo Alto, CA 94301	USD	2000	NP	0	NP	NP	10,000,000	10,000,000	1,083,413	0	1,083,413	0	11.2%	3.2%	1.17x
Essex Woodlands Health Ventures Fund VI	335 Bryant Street Palo Alto, CA 94301	USD	2004	NP	0	NP	NP	15,000,000	14,587,500	4,422,200	0	4,422,200	0	NP	3.6%	1.40x
FIMI Opportunity V	98 Yigal Alon Street Tel Aviv, 6789141	USD	2012	166,355	NP	NP	NP	20,000,000	18,194,334	16,443,000	4,427,211	20,870,211	3,129,454	NP	14.2%	2.15x
First Reserve Fund XI	First Reserve Greenwich, CT 06902	USD	2006	7,239	0	0	0	30,000,000	30,000,000	15,749	0	15,749	0	-7.8%	-7.9%	0.70x
First Reserve Fund XII	First Reserve Greenwich, CT 06902	USD	2008	26,987	0	0	0	25,000,000	25,990,474	198,658	186,626	385,284	0	-14.7%	-17.7%	0.49x
Gilde Buy-Out Fund V*	Herculesplein 104 Utrecht, 3584 AA	EUR	2016	248,197	(1)	0	0	27,121,713	25,598,101	34,232,196	14,694,476	48,926,672	0	29.9%	26.3%	2.23x
Glendon Opportunities Fund	1620 26th Street Santa Monica, CA 90404	USD	2014	206,124	3,058	0	3,058	20,000,000	18,990,996	6,205,908	9,587,814	15,793,722	985,866	NP	8.1%	1.51x
Green Equity Investors V	11111 Santa Monica Boulevard Los Angeles, CA 90025	USD	2007	1,116	1,351	0	NP	20,000,000	18,309,236	635,430	0	635,430	0	24.3%	19.5%	2.57x
Green Equity Investors VI	11111 Santa Monica Boulevard Los Angeles, CA 90025	USD	2012	94,017	22,611	795,235	0	20,000,000	18,842,973	22,485,183	6,089,425	28,574,608	3,935,942	20.4%	15.3%	2.25x

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Green Equity Investors VII	11111 Santa Monica Boulevard Los Angeles, CA 90025	USD	2017	258,273	15,646	2,102,150	0	25,000,000	22,306,499	36,202,648	8,794,347	44,996,995	9,563,540	34.4%	27.0%	2.27x
GTCR Fund VIII	300 N. LaSalle St., Suite 5600 Chicago, IL 60654	USD	2003	9,171	0	0	0	20,000,000	18,520,960	256,732	0	256,732	0	NP	22.3%	1.75x
Halifax Capital Partners II	1133 Connecticut Avenue, NW Suite 300 Washington, D.C., 20036	USD	2005	2,734	0	0	0	10,000,001	8,104,233	155,458	0	155,458	0	18.0%	7.5%	1.34x
Harvest Partners VII	280 Park Avenue New York, NY 10017	USD	2016	9,489	174,857	2,466,258	0	20,000,000	19,438,878	28,377,682	17,532,629	45,910,311	14,516,446	29.5%	26.4%	2.38x
Hellman & Friedman Capital Partners VI	415 Mission Street San Francisco, CA 94105	USD	2006	3,492	0	0	0	20,000,000	19,350,491	470,712	6,010	476,722	6,010	18.0%	12.9%	1.88x
Hellman & Friedman Capital Partners VII	415 Mission Street San Francisco, CA 94105	USD	2011	9,823	0	1,650,547	0	20,000,000	19,114,361	3,799,709	6,750,797	10,550,506	8,235,741	31.0%	24.7%	3.34x
Hellman & Friedman Capital Partners VIII	415 Mission Street San Francisco, CA 94105	USD	2016	119,553	78	764,496	78	20,000,000	19,816,526	27,958,258	5,089,880	33,048,138	4,221,163	23.0%	18.8%	1.92x
High Road Capital Partners Fund II	1251 Avenue of the Americas New York, NY 10020	USD	2013	116,104	157,366	144,616	NP	25,000,000	20,611,373	16,286,008	2,651,057	18,937,065	835,397	21.5%	14.6%	1.81x
Hony Capital Fund V	6th floor, South Tower C, Raycom InfoTech Park, No. 2, Ke Xue Yuan Nan Lu, Haidian District Beijing, 100190	USD	2011	217,484	0	0	0	25,000,000	26,124,286	12,881,240	352,016	13,233,256	76,784	-1.3%	-3.9%	0.76x
Incline Equity Partners IV	EQT Plaza – Suite 2300 Pittsburgh, PA 15222	USD	2017	80,482	75,584	0	93,311	10,000,000	9,587,866	9,683,860	3,036,431	12,720,291	2,182,809	38.8%	27.3%	1.72x
Insight Venture Partners IX	1114 Avenue of the Americas New York, NY 10036	USD	2015	424,530	12,303	1,092,138	0	25,000,000	26,387,482	72,262,855	8,265,227	80,528,082	8,118,775	35.0%	29.4%	3.72x

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Insight Venture Partners VIII	1114 Avenue of the Americas New York, NY 10036	USD	2013	123,593	2,306	431,074	0	20,000,000	19,892,344	17,636,800	2,159,220	19,796,020	2,231,381	20.0%	21.1%	3.08x
Institutional Venture Partners XV	3000 Sand Hill Road Menlo Park, CA 94025	USD	2015	440,103	8,409	0	0	20,000,000	20,120,007	32,745,255	9,569,342	42,314,597	7,532,752	NP	31.0%	3.36x
J.H. Whitney VII	130 Main Street New Canaan, CT 06840	USD	2010	24,257	107,628	220,184	0	25,000,000	24,667,457	15,445,623	1,775,807	17,221,430	152,786	15.6%	10.3%	1.70x
Kelso Investment Associates VII	320 Park Avenue, 24th Floor New York, NY 10022	USD	2003	0	0	0	0	18,000,000	17,131,163	28,900	0	28,900	0	17.2%	12.5%	1.70x
Kelso Investment Associates VIII	320 Park Avenue, 24th Floor New York, NY 10022	USD	2007	14,926	0	492,936	9,244	20,000,000	19,002,679	974,703	3,292,246	4,266,949	294,418	11.8%	7.4%	1.48x
Khosla Ventures IV	2128 Sand Hill Road Menlo Park, CA 94025	USD	2011	NP	0	NP	NP	20,000,000	19,620,000	33,467,262	8,828,663	42,295,925	7,758,834	33.6%	25.0%	4.51x
KKR 2006 Fund	30 Hudson Yards New York, NY 10001	USD	2006	48,800	NP	293,830	NP	30,000,000	30,219,403	2,728,383	2,834,672	5,563,055	1,861,048	11.9%	9.2%	1.85x
KKR European Fund II	30 Hudson Yards New York, NY 10001	USD	2005	765	(765)	0	0	15,000,000	15,497,844	106,669	0	106,669	0	NP	4.7%	1.36x
KPS Special Situations Fund IV	485 Lexington Avenue, 31st Floor New York, NY 10017	USD	2014	14,820	140,870	4,060,741	NP	25,000,000	21,396,936	19,063,024	17,259,769	36,322,793	16,430,078	41.2%	24.1%	1.93x
Levine Leichtman Capital Partners III	345 North Maple Drive Beverly Hills, CA 90210	USD	2004	0	0	0	0	20,000,000	21,392,254	(3,563)	0	(3,563)	0	NP	10.0%	1.56x
Levine Leichtman Capital Partners IV	345 North Maple Drive Beverly Hills, CA 90210	USD	2008	NP	0	NP	0	20,000,000	16,448,126	1,788,072	0	1,788,072	0	NP	17.6%	1.87x
Levine Leichtman Capital Partners V	345 North Maple Drive Beverly Hills, CA 90210	USD	2013	NP	NP	NP	NP	30,000,000	31,262,417	22,727,859	13,131,643	35,859,502	10,974,768	NP	17.7%	2.23x

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Lindsay Goldberg III	630 Fifth Avenue New York, NY 10111	USD	2008	10,941	0	273,404	0	20,000,000	19,279,960	42,028	177,246	219,274	357,513	14.0%	8.1%	1.36x
Longitude Venture Partners III	2740 Sand Hill Road Menlo Park, CA 94025	USD	2016	184,541	5,398	0	5,398	10,000,000	9,918,958	7,596,006	3,977,893	11,573,899	0	33.0%	22.6%	1.69x
Madison Dearborn Capital Partners IV	70 W. Madison Street Chicago, IL 60602	USD	2000	0	0	0	0	25,000,000	25,199,114	0	788,236	788,236	0	NP	14.1%	1.91x
Menlo Ventures IX	2884 Sand Hill Road Menlo Park, CA 94025	USD	2001	0	0	0	0	20,000,000	20,000,000	451,058	0	451,058	0	NP	0.6%	1.04x
Nautic Partners V	50 Kennedy Plaza Providence, RI 02903	USD	2000	5,500,814	NP	7,705	4,371,581	15,000,000	14,375,199	1,223,588	33,451	1,257,039	0	26.3%	17.0%	2.15x
New Enterprise Associates 13	5425 Wisconsin Ave Chevy Chase, MD 20815	USD	2009	44,239	25,112	1,197,318	7,177	15,000,000	15,000,000	3,402,331	2,821,898	6,224,229	2,646,167	20.4%	16.9%	2.62x
New Enterprise Associates 15	5425 Wisconsin Ave Chevy Chase, MD 20815	USD	2015	249,673	11,140	0	2,898	20,000,000	18,900,000	21,373,119	7,812,171	29,185,290	6,066,316	19.6%	14.8%	1.96x
New Mountain Partners III	787 7th Avenue New York, NY 10019	USD	2007	4,399	32,365	10,628	5,707	20,000,000	19,468,664	844,799	15,070,908	15,915,707	14,519,684	NP	14.5%	2.53x
New Water Capital	2424 N Federal Hwy #418 Boca Raton, FL 33431	USD	2015	0	NP	0	NP	10,000,000	9,814,587	4,290,584	5,252,374	9,542,958	4,736,820	20.1%	14.7%	1.56x
NewBridge Asia IV	345 California Street San Francisco, CA 94104	USD	2005	2,593	0	0	NP	10,000,000	9,846,880	37,106	0	37,106	0	23.0%	16.8%	2.23x
NGEN III	733 Third Avenue New York, NY 10017	USD	2008	NP	NP	NP	NP	10,000,000	11,306,926	2,861,978	1,779,690	4,641,668	331,884	NP	-3.6%	0.76x
NGP Natural Resources XI	2850 N. Harwood Street Dallas, TX 75201	USD	2014	256,408	59	0	NP	25,000,000	24,932,441	23,616,258	5,111,105	28,727,363	3,973,597	14.0%	9.4%	1.46x

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Nordic Capital V*	Mäster Samuelsgatan 21 Stockholm, SE - 111 44	EUR	2003	92	0	0	0	14,043,460	14,312,613	51,502	0	51,502	0	26.5%	20.8%	2.97x
Oak HC-FT Partners	Three Pickwick Plaza Greenwich, CT 06830	USD	2014	220,940	0	2,230,508	0	10,000,000	9,663,325	21,606,695	11,601,627	33,208,322	8,922,029	41.0%	33.3%	4.16x
Oak Investment Partners XII	Three Pickwick Plaza Greenwich, CT 06830	USD	2006	0	0	0	0	15,000,000	14,999,762	702,365	0	702,365	0	NP	-1.1%	0.93x
Oaktree Opportunities Fund X	333 South Grand Avenue Los Angeles, CA 90071	USD	2015	96,752	2,919	11,597	1,258	7,500,000	6,225,000	5,872,116	1,912,500	7,784,616	0	15.7%	11.3%	1.59x
Oaktree Opportunities Fund Xb	333 South Grand Avenue Los Angeles, CA 90071	USD	2018	405,442	5,852	277,578	5,852	17,500,000	10,500,000	15,625,801	0	15,625,801	0	24.4%	17.0%	1.49x
OCM Opportunities Fund VII	333 South Grand Avenue Los Angeles, CA 90071	USD	2007	337	0	0	0	10,000,000	10,000,000	93,179	10,000	103,179	10,000	10.1%	7.3%	1.38x
OCM Opportunities Fund VIIb	333 South Grand Avenue Los Angeles, CA 90071	USD	2008	85	0	921	0	10,000,000	9,000,000	4,676	3,685	8,361	3,685	21.8%	16.5%	1.73x
Onex Partners	161 Bay Street Toronto, M5J2S1	USD	2003	NP	NP	NP	NP	20,000,000	19,048,408	83,730	0	83,730	0	NP	38.4%	3.07x
Palladium Equity Partners III	Rockefeller Center New York, NY 10020	USD	2004	NP	NP	NP	NP	10,000,000	9,916,579	22,860	22,995	45,855	29,149	NP	11.2%	1.80x
Palladium Equity Partners IV	Rockefeller Center New York, NY 10020	USD	2012	187,611	65,691	0	72,448	25,000,000	26,170,381	20,981,088	4,132,144	25,113,232	2,382,673	15.7%	9.2%	1.44x
Permira Europe III*	80 PALL MALL London, SW1Y5ES	EUR	2003	1,445	0	0	0	21,506,160	21,573,836	96,294	0	96,294	0	29.0%	26.1%	1.71x
Pharos Capital Partners II-A	8 Cadillac Drive Brentwood, TN 37027	USD	2004	91,666	0	0	0	5,000,000	5,000,000	2,507,833	0	2,507,833	0	8.1%	1.6%	1.14x

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Platinum Equity Capital Partners III	360 N. Crescent Dr. Beverly Hills, CA 90210	USD	2011	15,569	0	377,063	NP	25,000,000	19,963,233	5,626,921	2,777,565	8,404,486	1,981,729	50.5%	31.1%	2.34x
Platinum Equity Capital Partners IV	360 N. Crescent Dr. Beverly Hills, CA 90210	USD	2016	(42,018)	0	1,441,684	0	15,000,000	15,270,796	17,999,744	8,349,638	26,349,382	5,936,178	37.0%	29.3%	2.12x
Polaris Partners VII	One Marina Park Drive Boston, MA 02210	USD	2014	531,675	7,693	407,451	0	25,000,000	23,125,000	38,103,562	2,639,801	40,743,363	2,305,686	19.4%	12.4%	1.90x
Polaris Partners VIII	One Marina Park Drive Boston, MA 02210	USD	2016	256,792	1,157	419,681	0	10,000,000	8,100,000	13,424,164	2,374,955	15,799,119	1,753,904	39.8%	27.0%	2.30x
Polaris Venture Partners V	One Marina Park Drive Boston, MA 02210	USD	2006	4,559	0	64,275	0	15,000,000	14,700,000	8,968,798	756,040	9,724,838	496,546	15.3%	8.8%	1.94x
Polaris Venture Partners VI	One Marina Park Drive Boston, MA 02210	USD	2010	162,317	3,398	361,334	0	15,000,000	13,125,000	13,401,754	4,203,111	17,604,865	3,282,114	22.7%	14.4%	2.28x
Providence Debt Fund III	50 Kennedy Plaza, 18th Floor Providence, RI 02903	USD	2013	258,003	2	0	0	30,000,000	32,098,772	10,106,417	2,887,872	12,994,289	652,295	7.8%	6.5%	1.31x
Providence Equity Partners V	50 Kennedy Plaza, 18th Floor Providence, RI 02903	USD	2005	2,271	0	0	0	18,000,000	16,415,595	88,469	0	88,469	0	5.0%	3.2%	1.25x
Providence Equity Partners VI	50 Kennedy Plaza, 18th Floor Providence, RI 02903	USD	2007	7,443	0	0	0	30,000,000	28,967,876	1,975,764	1,857,362	3,833,126	449,470	8.0%	6.1%	1.51x
Rustic Canyon/Fontis Partners	1025 Westwood Blvd. Los Angeles, CA 90024	USD	2005	0	0	0	0	5,000,000	3,671,248	0	2,246	2,246	2,246	NP	-5.0%	0.70x
Saybrook Corporate Opportunity Fund	85 Indian Rock Road New Canaan, CT 06840	USD	2007	94,893	0	267,063	0	6,192,814	6,321,092	539,732	2,350,150	2,889,882	0	NP	9.7%	1.52x
Searchlight Capital II	745 Fifth Avenue New York, NY 10151	USD	2015	231,551	10,947	1,876,119	10,757	25,000,000	21,746,038	12,417,903	9,437,671	21,855,574	9,227,928	33.0%	23.8%	2.02x

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Spark Capital	137 Newbury St. #8 Boston, MA 02116	USD	2005	1,241	0	0	0	9,000,000	8,820,000	436,590	0	436,590	0	16.8%	8.2%	1.40x
Spark Capital Growth Fund	137 Newbury St. #8 Boston, MA 02116	USD	2014	119,818	0	7,432,697	0	10,000,000	10,000,000	35,877,823	23,755,205	59,633,028	21,632,818	46.0%	36.3%	6.58x
Spark Capital Growth Fund II	137 Newbury St. #8 Boston, MA 02116	USD	2017	306,913	0	1,836,756	0	15,000,000	14,625,000	22,412,382	7,308,055	29,720,437	6,598,585	43.7%	29.7%	2.31x
Spark Capital II	137 Newbury St. #8 Boston, MA 02116	USD	2008	3,980	0	2,607,559	0	9,750,000	9,750,000	11,245,234	7,822,710	19,067,944	7,703,563	71.8%	51.6%	5.56x
Spark Capital III	137 Newbury St. #8 Boston, MA 02116	USD	2011	3,610	0	2,626,771	0	10,000,000	10,000,000	33,759,087	3,520,462	37,279,549	2,716,522	44.5%	32.0%	5.10x
Spire Capital Partners III	1500 Broadway #1811 New York, NY 10036	USD	2013	NP	NP	NP	NP	10,000,000	10,520,110	8,006,896	0	8,006,896	0	12.8%	8.0%	1.34x
SSG Capital Partners II	15 Queen's Road Hong Kong,	USD	2012	NP	NP	NP	NP	15,914,286	15,287,483	0	34,358	34,358	0	NP	4.1%	1.16x
St. Cloud Capital Partners II	10866 Wilshire Blvd, Suite 1450 Los Angeles, CA 90024	USD	2007	NP	0	NP	NP	5,000,000	4,989,085	48,129	0	48,129	0	NP	-3.9%	0.85x
StarVest Partners II	650 Madison Ave, 20th Floor New York, NY 10022	USD	2007	36,804	0	0	0	5,000,000	4,965,849	1,510,535	237,793	1,748,328	197,897	-2.5%	-2.6%	0.81x
StepStone Secondary Opportunities III	4275 Executive Square La Jolla, CA 92037	USD	2016	357,012	6,648	0	0	25,000,000	26,893,885	23,641,993	4,925,361	28,567,354	3,297,191	20.1%	15.5%	1.55x
Sterling Venture Partners II	401 N. Michigan Ave Chicago, IL 60611	USD	2005	0	0	0	0	8,000,000	8,006,256	0	1,441,841	1,441,841	1,441,841	NP	3.1%	1.24x
Stripes III	402 West 13th Street New York, NY 10014	USD	2015	205,428	0	1,013,080	0	10,000,000	12,806,754	20,432,797	5,392,598	25,825,395	1,573,021	25.7%	20.1%	2.36x

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Sunstone Partners I	400 S El Camino Real San Mateo, CA 94402	USD	2015	125,496	939	0	0	7,500,000	7,142,203	13,007,349	0	13,007,349	0	43.8%	37.2%	2.56x
TA XI	200 Clarendon Street Boston, MA 02116	USD	2010	14,585	677	3,688,797	402	20,000,000	19,778,812	9,288,234	13,032,699	22,320,933	11,976,030	36.0%	26.9%	3.76x
TA XII-A	200 Clarendon Street Boston, MA 02116	USD	2016	395,910	8,178	3,606,158	8,178	25,000,000	25,017,785	31,046,500	17,476,500	48,523,000	16,051,746	52.4%	39.3%	2.93x
TCV IX	250 Middlefield Road Menlo Park, CA 94025	USD	2016	221,875	598	0	598	10,000,000	7,938,000	8,187,151	3,841,366	12,028,517	0	25.6%	21.8%	1.98x
TCV V	250 Middlefield Road Menlo Park, CA 94025	USD	2004	0	0	0	0	19,500,000	19,334,250	0	412,338	412,338	0	NP	10.6%	1.85x
TCV VII	250 Middlefield Road Menlo Park, CA 94025	USD	2008	27,052	(16,430)	2,039,169	0	20,000,000	19,745,900	1,087,322	6,185,717	7,273,039	4,568,791	31.3%	23.3%	3.16x
TCV VIII	250 Middlefield Road Menlo Park, CA 94025	USD	2014	496,495	10,216	0	10,216	30,000,000	26,152,505	28,766,421	15,828,535	44,594,956	13,231,629	NP	10.7%	1.86x
TCW Crescent Mezzanine Partners V	11100 Santa Monica Boulevard Los Angeles, CA 90025	USD	2007	1,149	NP	247,674	NP	10,000,000	9,625,012	35,593	0	35,593	0	NP	9.7%	1.38x
The Baring Asia Private Equity Fund VI, L.P. 1	Suite 3801 Two IFC Hong Kong,	USD	2015	214,355	195,844	0	0	25,000,000	26,174,462	27,906,473	13,643,432	41,549,906	8,913,649	21.0%	17.0%	1.92x
Thoma Bravo Fund XI	150 N. Riverside Plaza Chicago, IL 60606	USD	2014	138,950	21,193	0	31,723	15,000,000	13,400,392	20,692,274	361,630	21,053,904	311,469	34.3%	27.4%	3.67x
Thoma Bravo Fund XII	150 N. Riverside Plaza Chicago, IL 60606	USD	2016	243,698	126,160	1,973,292	123,104	25,000,000	26,347,700	36,286,048	9,119,743	45,405,791	10,095,454	22.1%	16.9%	1.94x
Thoma Bravo Special Opportunities Fund II	150 N. Riverside Plaza Chicago, IL 60606	USD	2015	36,575	20,484	18,565	28,201	10,000,000	9,200,691	11,581,171	425,779	12,006,950	395,813	21.6%	17.1%	2.31x

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Threshold Ventures II	2882 Sand Hill Road Menlo Park, CA 94025	USD	2016	247,601	0	0	0	10,000,000	9,770,000	33,900,306	1,519,757	35,420,063	0	49.0%	37.1%	3.63x
TPG Growth II	345 California Street San Francisco, CA 94104	USD	2011	167,354	(129)	676,550	(160)	30,000,000	29,936,737	16,172,289	3,016,007	19,188,296	3,057,220	22.0%	17.5%	2.36x
TPG Partners IV	345 California Street San Francisco, CA 94104	USD	2003	9,395	0	0	NP	25,000,000	27,436,973	54,988	0	54,988	0	20.0%	15.2%	1.92x
TPG Partners V	345 California Street San Francisco, CA 94104	USD	2006	1,501	0	0	0	30,000,000	31,415,182	91,933	0	91,933	0	6.0%	4.8%	1.36x
TPG Partners VI	345 California Street San Francisco, CA 94104	USD	2008	11,776	0	241,459	2,146	22,500,000	24,691,367	1,307,928	1,143,290	2,451,218	439,055	14.0%	9.5%	1.49x
TPG STAR	345 California Street San Francisco, CA 94104	USD	2006	13,505	0	0	0	20,000,000	21,635,099	2,597,980	0	2,597,980	0	13.0%	6.3%	1.30x
Trident Capital Fund-V	400 S. El Camino Real San Mateo, CA 94402	USD	2000	0	0	0	0	10,587,999	10,627,045	0	107,271	107,271	107,271	NP	7.7%	1.67x
Trident Capital Fund-V (Secondary)	400 S. El Camino Real San Mateo, CA 94402	USD	2000	0	0	0	0	3,781,680	3,374,683	0	38,314	38,314	38,314	NP	12.1%	1.92x
Trident Capital Fund-VI	400 S. El Camino Real San Mateo, CA 94402	USD	2005	0	0	0	0	8,500,000	8,500,000	2,429,232	0	2,429,232	0	NP	5.1%	1.65x
VantagePoint Venture Partners IV	1111 Bayhill Drive San Bruno, CA 94066	USD	2000	0	0	0	0	15,000,000	15,000,000	25,140	146,677	171,817	0	NP	-0.5%	0.96x
Vestar Capital Partners IV	245 Park Avenue New York, NY 10167	USD	1999	NP	NP	NP	NP	17,000,000	16,585,106	116,994	0	116,994	0	20.0%	13.4%	1.77x
Vicente Capital Partners Growth Equity Fund	11726 San Vicente Boulevard Los Angeles, CA 90049	USD	2007	0	0	0	0	10,000,000	10,093,708	104,941	0	104,941	0	NP	5.7%	1.40x

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Vista Equity Partners Fund III	401 Congress Avenue Austin, TX 78701	USD	2007	7,543	0	0	0	25,000,000	23,280,656	1,620,394	16,288	1,636,682	16,288	35.8%	26.6%	2.65x
Vista Equity Partners Fund IV	401 Congress Avenue Austin, TX 78701	USD	2011	200,571	0	(2,933,883)	0	30,000,000	25,771,668	20,690,201	23,208	20,713,409	23,208	19.4%	14.7%	2.13x
Vista Equity Partners Fund V	401 Congress Avenue Austin, TX 78701	USD	2014	399,780	2,008	(1,074,722)	0	40,000,000	40,557,468	54,367,197	5,872,679	60,239,876	4,147,211	26.9%	20.2%	2.45x
Vista Equity Partners Fund VI	401 Congress Avenue Austin, TX 78701	USD	2016	420,880	49,810	1,487,765	0	30,000,000	37,160,713	41,910,843	10,862,001	52,772,844	7,647,949	26.2%	20.2%	1.95x
Vista Foundation Fund II	401 Congress Avenue Austin, TX 78701	USD	2013	119,283	0	678,656	0	10,000,000	9,236,150	5,964,261	7,145,501	13,109,762	4,235,311	22.4%	16.0%	2.26x
Vista Foundation Fund III	401 Congress Avenue Austin, TX 78701	USD	2016	151,003	15,308	481,996	0	10,000,000	11,169,915	10,956,690	1,784,918	12,741,608	1,859,211	38.6%	26.1%	1.95x
Wynnchurch Capital Partners IV	6250 North River Road Rosemont, IL 60018	USD	2015	87,946	42,555	1,194,714	52,674	10,000,000	9,668,491	14,078,403	5,924,942	20,003,345	4,239,056	38.8%	29.1%	2.39x
Yucaipa American Alliance Fund I	9130 West Sunset Boulevard Los Angeles, CA 90069	USD	2002	0	0	0	0	10,000,000	10,000,000	71,344	0	71,344	0	NP	3.8%	1.25x
Yucaipa American Alliance Fund II	9130 West Sunset Boulevard Los Angeles, CA 90069	USD	2008	20,234	0	NP	NP	20,000,000	20,160,070	15,660,578	570,098	16,230,676	392,751	NP	7.9%	1.88x

MANDATORY DISCLOSURE BY REAL ESTATE FUNDS COMMITTED TO ON OR AFTER JANUARY 1, 2017

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Heitman Asia-Pacific Property Investors	1745 Shea Center Drive, Suite 400 Highlands Ranch, CO 80129	USD	2018	152,431	0	0	0	25,000,000	22,311,650	19,218,479	5,559,494	24,777,973	1,146,437	8.48%	4.09%	1.11x
Kayne Anderson Core Real Estate Fund	1800 Avenue of the Stars, 3rd Floor Los Angeles, CA 90067	USD	2019	361,376	0	0	92,034	60,000,000	60,000,000	65,731,670	4,569,132	70,300,802	0	NA	9.46%	1.17x
Asana Partners Fund II	1617 Camden Road Suite 210 Charlotte, NC 28203	USD	2019	2,019	4,038	0	0	35,000,000	18,025,000	22,573,503	0	22,573,503	134,217	22.50%	14.20%	1.25x
NREP Nordic Strategies Fund IV*	Southamptongade 4, 2150 Copenhagen, Den	EUR	2019	566,040	797,497	0	77,869	35,437,928	13,417,732	14,764,005	0	14,764,005	830,437	46.27%	9.36%	1.10x
Broadview Real Estate Partners Fund LP	300 Atlantic Street Suite 310 Stamford, CT 06901	USD	2019	296,569	100,276	0	0	20,000,000	6,337,535	7,019,854	393,604	7,413,458	706,092	45.60%	14.81%	1.17x
LBA Logistics Value Fund VII	1 Embarcadero Ctr # 710, San Francisco, CA 94111	USD	2020	353,449	1,793,017	0	182,575	35,000,000	28,699,340	38,572,134	610,273	39,182,407	0	34.60%	28.22%	1.37x
Waterton Residential Property Venture XIV, L.P.	30 South Wacker Drive 36th Floor Chicago, IL 60606	USD	2020	2,020	870,861	0	0	50,000,000	17,255,020	21,802,988	0	21,802,988	0	51.08%	33.86%	1.26x
Cerberus Institutional Real Estate Partners V	875 Third Avenue New York, NY 10022	USD	2020	546,798	1,145,631	0	1,089	40,000,000	24,409,117	28,991,643	0	28,991,643	1,144,784	26.80%	21.49%	1.19x
GLP Capital Partners IV	100 Wilshire Blvd #1400 Santa Monica, CA 90401	USD	2021	203,054	(1,685,674)	0	0	40,000,000	25,095,222	26,461,796	8,722,633	35,184,429	6,035,598	36.80%	44.29%	1.40x
LBA Logistics Value Fund IX	1 Embarcadero Ctr # 710, San Francisco, CA 94111	USD	2021	431,250	0	0	304	50,000,000	7,051,282	6,558,460	0	6,558,460	0	0	-9.54%	0.93x
Brookfield Strategic Real Estate Partners IV	Brookfield Place 250 Vesey Street, 15th Floor New York, NY 10281-1023	USD	2021	654,658	13,217	0	0	50,000,000	0	0	0	0	0	NA	NA	NA

NA - Not Available

*Data converted to USD from EUR

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Oaktree Real Estate Opportunities Fund VIII	333 South Grand Avenue, 28th Floor Los Angeles, CA 90071	USD	2021	465,867	0	0	194,688	50,000,000	11,174,118	10,392,673	4,012,272	14,404,945	2,237,054	NA	204.30%	1.29x
TPG Real Estate Partners IV	345 California Street Suite 3300 San Francisco, CA 94104	USD	2021	2,021	0	0	817,830	50,000,000	0	(414,473)	0	(414,473)	0	11.00%	NA	1.00x
Wolff Credit Partners	6710 E. Camelback Road, Suite 100 Scottsdale, AZ 85251	USD	2022	517,381	0	0	0	35,000,000	2,333,333	2,189,507	0	2,189,507	0	14.00%	-6.22%	0.94x

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INVESCO Core Real Estate	2001 Ross Ave, Ste 3400 Dallas, TX 78501	USD	2004	729,007	0	0	0	63,867,553	137,113,121	250,337,647	78,734,446	329,072,093	0	NA	8.3%	2.40x
Southern California Smart Growth Fund	100 Pine St, San Francisco, CA 94111	USD	2004	0	0	0	0	10,000,000	18,836,734	35,009	18,787,802	18,822,811	0	3.5%	0	1.00x
JP Morgan Strategic Property Fund	270 Park Avenue New, York, NY 10017	USD	2005	711,495	0	0	0	30,000,000	30,421,882	95,223,473	2,858,499	98,081,972	13,036	8.5%	7.4%	3.22x
Bryanston Retail Opportunity Fund	35 E Wacker Dr #2900, Chicago, IL 60601	USD	2005	2,005	0	35,493	6,415	10,000,000	4,271,584	8,261,028	11,492,685	19,753,713	(64)	106.7%	79.6%	4.62x
Apollo CPI Europe I**	2000 Avenue of the Stars, Suite 510N Los Angeles, CA 90071	EUR	2006	0	0	0	0	25,533,001	22,385,238	203,658	11,762,746	11,966,404	0	NA	-9.1%	0.53x
California Smart Growth Fund IV	100 Pine St, San Francisco, CA 94111	USD	2006	0	0	0	0	30,000,000	31,522,663	1,024,450	37,313,224	38,337,674	486,595	5.6%	3.0%	1.22x
Stockbridge Real Estate Fund II	4 Embarcadero Center, Suite 3300 San Francisco, CA 94111	USD	2006	9,993	0	0	0	30,000,000	30,000,000	353,356	13,779,370	14,132,726	949,003	-5.6%	-6.8%	0.47x
Walton Street Real Estate Fund V	899 North Michigan Avenue, Suite 1900 Chicago, IL 60606	USD	2006	0	0	0	0	25,000,000	25,000,001	1,111,837	17,037,214	18,149,051	469,956	-0.6%	-3.5%	0.73x
CIM Real Estate Fund III	4700 Wilshire Blvd Los Angeles, CA 90010	USD	2007	2,007	0	0	0	15,000,000	16,674,075	6,587,989	21,301,769	27,889,758	(41,314)	11.2%	8.8%	1.67x
Colony Investors VIII	515 Flower St 44th floor, Los Angeles, CA 90071	USD	2007	0	0	0	0	30,000,000	28,963,224	30,462	12,848,965	12,879,427	0	NA	-11.5%	0.44x

VOLUNTARY DISCLOSURE BY REAL ESTATE FUNDS COMMITTED TO BEFORE JANUARY 1, 2017

Fund	Address	Local Currency	Vintage Year	Fees & Expenses Paid Directly Fiscal Year End	Fees & Expenses Paid From The Fund Fiscal Year End	Carried Interest Paid Fiscal Year End	Fees & Expenses Paid By All Portfolio Companies Fund Fiscal Year End	\$ Commitment	\$ Contributions Since Inception	\$ Remaining Value of LACERS Investment	\$ Distributions Fiscal Year End	\$ Distributions+ Remaining Value of Partnership Fiscal Year End	\$ Profit (Realized Gain / Loss) Fiscal Year End	Gross Internal Rate of Return Since Inception (Provided by General Partner)	Net Internal Rate of Return Since Inception	Investment Multiple Since Inception
DRA Growth and Income Fund VI	220 East 42nd Street, 27th Floor New York, NY 10017	USD	2007	0	(3,666)	116,288	0	25,000,000	16,182,370	0	28,254,483	28,254,483	0	13.4%	10.3%	1.70x
Latin America Investors III	10880 Wilshire Blvd., #950, LA, CA 90024	USD	2008	84,081	0	0	0	20,000,000	20,686,689	(1,894,613)	3,886,924	1,992,311	2,943	0	0	0.10x
RECP Fund IV, L.P.	1123 Broadway, New York, NY 10010	USD	2008	174,390	0	0	0	40,000,000	53,279,662	20,893,903	40,654,313	61,548,216	0	4.7%	2.3%	1.16x
Walton Street Real Estate Fund VI	900 North Michigan Avenue, Suite 1900 Chicago, IL 60606	USD	2009	143,767	273,571	0	0	25,000,000	22,161,966	9,865,212	25,363,504	35,228,716	444,764	11.0%	8.3%	1.59x
DRA Growth and Income Fund VII	220 East 42nd Street, 27th Floor New York, NY 10017	USD	2011	2,011	76,111	150,000	0	25,000,000	26,640,000	2,021,014	59,233,914	61,254,928	0	24.6%	21.6%	2.30x
Lone Star Fund VII	2710 North Haskell Avenue, Suite 1700 Dallas, TX 75204	USD	2011	0	(19,809)	(13,025)	0	15,000,000	14,075,468	49,723	24,661,759	24,711,482	0	71.1%	50.2%	1.76x
Lone Star Real Estate Fund II	2711 North Haskell Avenue, Suite 1700 Dallas, TX 75204	USD	2011	8	(8,200)	(7,789)	0	15,000,000	13,291,475	28,348	20,508,270	20,536,618	0	37.9%	26.3%	1.55x
CIM VI (Urban REIT), LLC	4700 Wilshire Blvd Los Angeles, CA 90010	USD	2012	287,210	0	0	223,255	25,000,000	25,000,000	20,065,606	16,098,534	36,164,140	3,668,746	6.5%	4.9%	1.45x
Almanac Realty Securities VI	1140 Avenue of the Americas, 17th Floor New York, NY 10036	USD	2012	27,954	298,315	0	3,391	25,000,000	15,475,571	3,340,695	17,062,272	20,402,967	0	13.2%	9.2%	1.32x
Bristol Value II, L.P.	400 350 Sansome Street Suite 900 San Francisco, CA 94108	USD	2012	2,012	1,223,726	0	0	20,000,000	23,703,166	17,966,700	17,469,524	35,436,224	2,908,695	12.3%	10.8%	1.49x

VOLUNTARY DISCLOSURE BY REAL ESTATE FUNDS COMMITTED TO BEFORE JANUARY 1, 2017

Fund	Address	Local Currency	Vintage Year	Fees & Expenses Paid Directly Fiscal Year End	Fees & Expenses Paid From The Fund Fiscal Year End	Carried Interest Paid Fiscal Year End	Fees & Expenses Paid By All Portfolio Companies Fund Fiscal Year End	\$ Commitment	\$ Contributions Since Inception	\$ Remaining Value of LACERS Investment	\$ Distributions Fiscal Year End	\$ Distributions+ Remaining Value of Partnership Fiscal Year End	\$ Profit (Realized Gain / Loss) Fiscal Year End	Gross Internal Rate of Return Since Inception (Provided by General Partner)	Net Internal Rate of Return Since Inception	Investment Multiple Since Inception
Hancock Timberland XI LP	197 Clarendon Street, C-08-99 Boston, MA 02116-5010	USD	2012	2,718,341	0	0	0	20,000,000	18,601,851	19,466,518	5,732,328	25,198,846	527,740	5.0%	4.1%	1.40x
Mesa West Real Estate Income Fund III	11755 Wilshire Boulevard, Suite 2100 Los Angeles, CA 90025	USD	2013	0	(755)	200,614	0	25,000,000	18,939,181	0	25,379,728	25,379,728	0	12.6%	9.0%	1.30x
Torchlight Debt Opportunity Fund IV	475 5th Avenue New York, NY 10017	USD	2013	57,552	35,370	0	0	24,474,342	24,483,106	3,964,624	31,379,671	35,344,295	220,630	11.8%	9.5%	1.44x
DRA Growth and Income Fund VIII	221 East 42nd Street, 27th Floor New York, NY 10017	USD	2014	2,014	154,656	0	0	25,000,000	29,576,071	9,526,017	30,683,275	40,209,292	702,804	11.2%	9.2%	1.36x
Berkshire Multifamily Income Realty Fund	601 California Street, Suite 1750 San Francisco, CA 94108	USD	2015	2,015	0	0	0	20,000,000	20,000,000	21,761,307	13,703,349	35,464,656	(35,114)	NA	10.5%	1.77x
Jamestown Premier Property Fund	Ponce City Market 675 Ponce de Leon Avenue NE 7th Floor Atlanta, GA 30308	USD	2015	204,673	19,689	0	424,857	50,000,000	51,573,787	34,695,618	27,394,989	62,090,607	577,370	NA	4.5%	1.20x
Prime Property Fund	1585 Broadway, 37th Floor New York, NY 10036	USD	2015	534,074	0	0	0	50,000,000	50,000,000	71,308,181	14,100,661	85,408,842	0	NA	9.7%	1.71x
Principal U.S. Property Account	625 Maryville Centre Dr St. Louis, MO 63141	USD	2015	693,223	0	0	0	50,000,000	50,000,000	92,539,485	0	92,539,485	0	NA	9.9%	1.85x
Gerrity Retail Fund 2	977 Lomas Sante Fe, Suite A Solana Beach, CA 92075	USD	2015	2,015	0	0	230,945	20,000,000	20,077,854	17,302,855	6,492,336	23,795,191	0	4.3%	3.9%	1.19x
Standard Life Investments European Real Estate Club II	1 George Street, Edinburgh, EH2 2LL	EUR	2015	0	0	0	0	28,531,885	28,134,410	120,071	40,572,657	40,692,728	0	NA	15.5%	1.45x
Lion Industrial Trust - 2007	601 S. Figueroa St Los Angeles, CA 90017	USD	2016	985,699	5,276,661	786,248	0	75,000,000	85,920,320	170,620,011	13,042,781	183,662,792	0	22.2%	19.2%	2.14x
Asana Partners Fund I	1616 Camden Road Suite 210 Charlotte, NC 28203	USD	2017	2,017	1,470,672	0	0	20,000,000	18,301,629	27,196,026	6,081,663	33,277,689	2,969,576	21.0%	16.2%	1.82x

MANDATORY DISCLOSURE BY PRIVATE CREDIT FUNDS COMMITTED TO ON OR AFTER JANUARY 1, 2017

Fund	Address	Local Currency	Vintage Year	Fees & Expenses Paid Directly Fiscal Year End	Fees & Expenses Paid From The Fund Fiscal Year End	Carried Interest Paid Fiscal Year End	Fees & Expenses Paid By All Portfolio Companies Fund Fiscal Year End	\$ Commitment	\$ Contributions Since Inception	\$ Remaining Value of LACERS Investment	\$ Distributions Fiscal Year End	\$ Distributions+ Remaining Value of Partnership Fiscal Year End	\$ Profit (Realized Gain / Loss) Fiscal Year End	Gross Internal Rate of Return Since Inception (Provided by General Partner)	Net Internal Rate of Return Since Inception	Investment Multiple Since Inception
Benefit Street Partners SMA-L L.P.	1209 Orange Street Wilmington, DE 19801	USD	2020	485,426	1,459,094	0	0	100,000,000	64,350,064	64,260,910	2,916,692	67,177,602	2,916,692	10.7%	6.6%	1.05x
Crescent LACERS SMA Partnership, LP	c/o Corporation Service Company 251 Little Falls Drive Wilmington, DE, USA	USD	2021	0	9,594	0	0	100,000,000	2,626,866	2,452,110	0	2,452,110	0	-2.3%	-18.1%	0.90x
Monroe Capital Private Credit Fund L LP	311 S Wacker Drive, Suite 6400, Chicago, IL 60606	USD	2021	0	211,869	0	0	100,000,000	45,000,000	45,395,829	201,575	45,597,404	201,575	3.63%	3.63%	1.01x