



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM



Board of Administration Agenda

REGULAR MEETING

TUESDAY, SEPTEMBER 27, 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 September 27, 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# 161 930 3684

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

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. RECEIVE AND FILE ITEMS
 - A. [MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR AUGUST 2022](#)
- V. COMMITTEE REPORT(S)
 - A. BENEFITS ADMINISTRATION COMMITTEE VERBAL REPORT FOR THE MEETING ON SEPTEMBER 27, 2022
- VI. CONSENT ITEMS
 - A. [APPROVAL OF MINUTES FOR THE REGULAR MEETING OF AUGUST 23, 2022 AND POSSIBLE BOARD ACTION](#)
- VII. BOARD/DEPARTMENT ADMINISTRATION
 - A. [ASSUMPTIONS FOR THE JUNE 30, 2022 RETIREE HEALTH ACTUARIAL VALUATION AND POSSIBLE BOARD ACTION](#)
 - B. [977 N. BROADWAY BUILDING PROJECT FISCAL YEAR 2022-23 SUPPLEMENTAL CAPITAL AND OPERATING BUDGET REQUEST AND POSSIBLE BOARD ACTION](#)
 - C. [LACERS 2021 ANTHEM AND DELTA DENTAL YEAR-END ACCOUNTING AND POSSIBLE BOARD ACTION](#)
- VIII. 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 JUNE 30, 2022](#)
 - C. [PRESENTATION BY AKSIA CA LLC OF THE PRIVATE EQUITY PORTFOLIO PERFORMANCE REVIEW FOR THE PERIOD ENDING MARCH 31, 2022](#)

D. [CONTINUED DISCUSSION OF UNIQUE INVESTMENT OPPORTUNITIES POLICY AND POSSIBLE BOARD ACTION](#)

IX. OTHER BUSINESS

- X. NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, October 11, 2022 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.

XI. ADJOURNMENT

Agenda of: SEPT. 27, 2022

Item No: IV-A

**MONTHLY REPORT ON SEMINARS AND CONFERENCES
ATTENDED BY BOARD MEMBERS ON BEHALF OF LACERS
(FOR THE MONTH OF AUGUST 2022)**

In accordance with Section V.H.2 of the approved Board Education and Travel Policy, Board Members are required to report to the Board, on a monthly basis at the last Board meeting of each month, seminars and conferences they attended as a LACERS representative or in the capacity of a LACERS Board Member which are either complimentary (no cost involved) or with expenses fully covered by the Board Member. This monthly report shall include all seminars and conferences attended during the 4-week period preceding the Board meeting wherein the report is to be presented.

BOARD MEMBERS:

Commissioner Thuy Huynh

DATE(S) OF EVENT	SEMINAR / CONFERENCE TITLE	EVENT SPONSOR (ORGANIZATION)	LOCATION (CITY, STATE)
August 24, 2022	The Center of Innovation for Diversity, Equity, and Inclusion in Finance (IDiF) Trustee Masterclass Series	IDiF	Virtual

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 August 23, 2022 meeting will be conducted via telephone and/or videoconferencing.

August 23, 2022

10:00 a.m.

PRESENT via Videoconferencing:	President:	Nilza R. Serrano
	Vice President:	Elizabeth Lee
	Commissioners:	Annie Chao Thuy Huynh Janna Sidley Sung Won Sohn Michael R. Wilkinson
	Legal Counselor:	Anya Freedman
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian

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 one response. Ruth Perry, President of the Retired Los Angeles City Employees, Inc. (RLACEI) and member of the public, shared RLACEI's support of staff's recommendation on Agenda Item VII-D (IRMAA and Medicare Part B Only Reimbursement Consideration).

Vice President Lee and Commissioner Sidley stated their intent to abstain from the vote to approve the minutes because they were not present on July 26, 2022. Vice President Lee left the meeting at 10:05 a.m., and returned at 10:08 a.m. and was not present for the vote on Item II.

II

APPROVAL OF MINUTES FOR THE MEETING OF JULY 26, 2022 AND POSSIBLE BOARD ACTION – Commissioner Wilkinson moved approval, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sohn, Wilkinson, and President Serrano -5; Abstention, Commissioner Sidley and Vice President Lee -2.

III

BOARD PRESIDENT VERBAL REPORT – There was no report.

Item IV-C taken out of order.

IV

GENERAL MANAGER VERBAL REPORT

- C. RECOGNITION OF SERVICE FOR SANDRA LEE – Neil M. Guglielmo, General Manager and the Commissioners recognized Sandra Lee’s four years of service to LACERS as a Commissioner.
- A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager, advised the Board of the following items:
- 977 N. Broadway Insurance update
 - Move to 977 N. Broadway
 - Launch of Acronym Decoder
 - IRMAA Staff and Committee Reports
 - Update on LACERS HQ
 - Retirement Services update
 - Member Services update and upcoming events
- B. UPCOMING AGENDA ITEMS – Neil M. Guglielmo, General Manager, advised the Board of the following items:
- September 2022 Benefits Administration Committee Meeting: Anthem Year-End Accounting

V

RECEIVE AND FILE ITEMS

- A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR JULY 2022 – This report was received by the Board and filed.
- B. FISCAL YEAR-END REPORT OF BUSINESS PLAN INITIATIVES FOR THE PERIOD ENDING JUNE 30, 2022 – This report was received by the Board and filed.

- C. ANNUAL REPORT ON LACERS ORGANIZATION DIVERSITY SURVEY – Rod June, Chief Investment Officer and Isais Cantu, Chief Benefits Analyst, presented and discussed this report with the Board. This report was received by the Board and filed.

VI

COMMITTEE REPORT(S)

- A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE MEETING ON AUGUST 9, 2022 – Commissioner Sohn stated that the Committee listened to a presentation by Barrow, Hanley, Mewhinney & Strauss, LLC and the Annual Report on LACERS Emerging Investment Manager Program.
- B. BENEFITS ADMINISTRATION COMMITTEE VERBAL REPORT FOR THE MEETING ON AUGUST 23, 2022 – Commissioner Wilkinson stated the Committee approved the 2023 Maximum Subsidy and Reimbursement Amounts.

VII

BOARD/DEPARTMENT ADMINISTRATION

- A. 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 – Commissioner Chao moved approval of the following Resolution:

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

RESOLUTION 220823-A

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 levels of 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.

Which motion was seconded by Vice President Lee, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.

B. GENERAL MANAGER DESIGNEE SIGNATURE AUTHORITY AND POSSIBLE BOARD ACTION – Commissioner Chao moved approval of the following Resolution:

**SIGNATURE AUTHORITY
FOR GENERAL MANAGER DESIGNEES**

RESOLUTION 220823-B

WHEREAS, the Board may delegate authority to the necessary deputies, assistants, and employees of the department and define their duties under Los Angeles City Charter (LACC) Section 511(a); and

WHEREAS, the General Manager is authorized under LACC Section 509 to administer the affairs of the department as its Chief Administrative Officer; and,

WHEREAS, the General Manager determines it is in the best interest of the department to ensure department business is transacted expeditiously on occasions when they are absent or unable to act through the assignment of signature authorities over specific areas of expertise;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts the signature authority resolution for the General Manager designees. If practicable, designees shall provide notice to the General Manager. Authority is assigned to the position, rather than the individual. This resolution shall be endorsed by the designees, and should there be a change in personnel, a new endorsement certificate may be made and kept on file in the Board office; filed with any other necessary office of City government; or any agencies involved in processing LACERS' investment transactions and custodial responsibilities for the securities of LACERS. The proposed resolution will supersede any previously adopted resolutions related to General Manager Designee signature authority and is effective upon adoption.

1. Assistant General Manager(s) – for the approval of contracts in compliance with the contracting

limitations established in the LACC; approval of expenditures; and approval of benefit payments and related transactions;

2. Chief Management Analyst of Administration Division (AD) – for the approval of contracts in compliance with the contracting limitations established in the LACC; for the approval of service purchase contracts, certifications of service, and related transactions, and approval of expenditures within the authorized AD budget and Performance Management Office. The Chief Management Analyst may delegate to the Senior Management Analysts I and II in the Administrative Services Office the approval of expenditures within the established thresholds specified in the memorandum submitted to the Chief Accounting Employee of LACERS.
3. Chief Benefits Analyst of Health, Wellness, and Buyback Division (HWABD) – for the approval of benefit payments and related transactions; and approval of expenditures within the authorized HWABD budget. The Chief Benefits Analyst may delegate to the Senior Benefits Analysts I and II in the HWABD the approval of expenditures within the established thresholds specified in the memorandum submitted to the Chief Accounting Employee of LACERS. The Chief Benefits Analyst may further delegate to the Senior Benefits Analysts I and II in the Service Purchase Section the approval and execution of service purchase contracts, certifications of service, and related transactions; and delegate to the Senior Benefits Analysts I and II in the Health Benefits Administration the approval of retiree health benefits and related transactions.
4. Chief Benefits Analyst of Retirement Services Division (RSD) – for the approval of benefit payments and related transactions; and approval of expenditures within the authorized RSD budget. The Chief Benefits Analyst may delegate to the Senior Benefits Analysts I and II in the Retirement Services Division the approval of expenditures within the established thresholds specified in the memorandum submitted to the Chief Accounting Employee of LACERS.
5. Information Systems Manager – for the approval of expenditures within the authorized Systems Division budget.
6. Chief Investment Officer or Investment Officer III – for the approval of investment transactions required within the scope of the contracts approved by the Board; and approval of expenditures within the authorized Investment Division budget.
7. Member Services Manager – for the approval of expenditures within the authorized Member Services Section budget.
8. Personnel Director or Senior Personnel Analyst II – for the approval of expenditures within the authorized Human Resources budget. The Personnel Director or Senior Personnel Analyst II may delegate to the Senior Personnel Analyst I in Human Resources Unit the approval of expenditures within the established Human Resources budget.
9. Departmental Audit Manager – for the approval of expenditures within the authorized Internal Audit budget.
10. Member Stewardship Section Manager – comprised of Active Member Accounts (AMA) and the Member Processing Unit (MPU) – for the approval of expenditures within the authorized budget and the Actuarial program budget.

11. Systems Operations Support Manager (SOS) – for the approval of expenditures within the authorized SOS budget.

- Endorsed: _____ Todd Bouey
Assistant General Manager
- Endorsed: _____ Dale Wong-Nguyen
Assistant General Manager
- Endorsed: _____ Isaias Cantú
Chief Management Analyst of Administration Division
- Endorsed: _____ Ferralyn Sneed
Chief Benefits Analyst of Retirement Services Division
- Endorsed: _____ Karen Freire
Chief Benefits Analyst of Health, Wellness, and Buyback Division
- Endorsed: _____ Rodney June
Chief Investment Officer
- Endorsed: _____ Thomas Ma
Information System Manager II
- Endorsed: _____ Bryan Fujita
Investment Officer III
- Endorsed: _____ Wilkin Ly
Investment Officer III
- Endorsed: _____ Melani Rejuso
Departmental Audit Manager
- Endorsed: _____ John Koontz
Senior Management Analyst II (Acting)
- Endorsed: _____ Margaret Drenk
Senior Benefits Analyst II
- Endorsed: _____ Edeliza Fang
Senior Benefits Analyst II
- Endorsed: _____ Delia Hernandez
Senior Benefits Analyst II (Acting)
- Endorsed: _____ Taneda Larios
Senior Benefits Analyst II

Endorsed: _____ Lin Lin
Senior Personnel Analyst II

Endorsed: _____ Edwin Avanesian
Senior Benefits Analyst II

Endorsed: _____ Lauren McCall
Senior Benefits Analyst II

Endorsed: _____ Charlena Freeman
Senior Personnel Analyst I

Endorsed: _____ Heather Ramirez
Senior Benefits Analyst I

Endorsed: _____ Tiffany Obembe
Senior Benefits Analyst I

Endorsed: _____ Horacio Arroyo
Senior Management Analyst I

Endorsed: _____ Lourdes Quintos
Senior Benefits Analyst I

Endorsed: _____ Ada Lok
Senior Benefits Analyst I

Endorsed: _____ Audrey Dymally
Senior Benefits Analyst I

Endorsed: _____ Maricel Martin
Senior Benefits Analyst I

Endorsed: _____ James Kawashima
Senior Benefits Analyst I

Endorsed: _____ Glen Malabuyoc
Senior Benefits Analyst I

Which motion was seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.

C. 2023 MAXIMUM SUBSIDY AND REIMBURSEMENT AMOUNTS AND POSSIBLE BOARD ACTION – Vice President Lee moved approval of the following Resolution:

**MAXIMUM HEALTH PLAN SUBSIDIES AND REIMBURSEMENT AMOUNTS
FOR PLAN YEAR 2023**

RESOLUTION 220823-C

WHEREAS, the Los Angeles Administrative Code establishes that the Los Angeles City Employees' Retirement System (LACERS) provide health and welfare programs for retired employees and their eligible dependents;

WHEREAS, Section 4.1111(b) of the Los Angeles Administrative Code provides that by resolution, the Board of Administration may change the maximum monthly medical subsidy for eligible Tier 1 retirees who retired before July 1, 2011, so long as any increase does not exceed the dollar increase in the Kaiser two-party non-Medicare plan premium and the average percentage increase for the first year of the increase and the preceding two years does not exceed the average assumed actuarial medical trend rate for the same period;

WHEREAS, Section 4.1111(c) of the Los Angeles Administrative Code provides that by resolution, the Board of Administration shall, for Tier 1 retirees who at any time prior to retirement made additional contributions to LACERS as provided in Section 4.1003(c) of the Los Angeles Administrative Code, set the increase in the maximum medical plan premium subsidy at an amount not less than the dollar increase in the Kaiser two-party non-Medicare Part A and B premium;

WHEREAS, Sections 4.1112(b) and 4.1112(d) of the Los Angeles Administrative Code provide that by resolution, the Board of Administration may increase the monthly reimbursement maximum of eligible retirees participating in the Medical Premium Reimbursement Program;

WHEREAS, Section 4.1114(a) of the Los Angeles Administrative Code provides the Board of Administration may, in its discretion, decrease or increase the maximum retiree dental plan subsidy to reflect changes in the dental plan subsidy provided to active City of Los Angeles employees;

WHEREAS, on August 23, 2022, the 2023 health benefit subsidies and reimbursements were presented to the Benefits Administration Committee;

WHEREAS, on August 23, 2022, the Board of Administration approved the 2023 health benefit subsidies and reimbursements;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Administration hereby adopts the following 2023 health benefit subsidies and reimbursements; and authorizes the General Manager to make any necessary subsidy or reimbursement adjustments within the parameters established in the Los Angeles Administrative Code to reflect updated data:

Benefit Type	Tier 1 Retired Before July 1, 2011 "Discretionary"	Tier 1 Retired On After July 1, 2011 "Vested"	Tier 3
Retiree Medical Subsidy, <65/Medicare Part B	\$1,962.20	\$1,962.20	-
Retiree MPRP Reimbursement, <65/Medicare Part B	\$1,962.20	\$1,962.20	-

Retiree MPRP Reimbursement, Medicare Parts A and B	\$494.67	\$494.67	\$494.67
Retiree Dental Subsidy	\$43.81	\$43.81	\$43.81

Which motion was seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.

- D. INCOME-RELATED MONTHLY ADJUSTMENT AMOUNTS (IRMAA) AND MEDICARE PART B ONLY REIMBURSEMENT CONSIDERATION AND POSSIBLE BOARD ACTION – Neil M. Guglielmo, General Manager, Karen Freire, Chief Benefits Analyst, and Ada Lok, Senior Benefits Analyst, presented and discussed this item with the Board for 30 minutes. After discussion, Vice President Lee moved approval, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.

VIII

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT INCLUDING DISCUSSION ON THE PORTFOLIO EXPOSURE TO GLOBAL EVENTS – Rod June, Chief Investment Officer, reported on the portfolio value of \$21.84 billion as of August 22, 2022. Mr. June discussed the following items:
- Fund performance update
 - Fund exposure to Bed, Bath, and Beyond
 - Rod June, Chief Investment Officer, attending the Investment Diversity Advisory Council (IDAC) on September 14, 2022, Bryan Fujita, Investment Officer III, will cover the Board Meeting in the CIO’s absence
 - Three Investment staff will be attending the CalPERS “Pathways for Women” Conference on August 23, 2022.
 - Kroner Center for Financial Research, previously known as the Pacific Center for Asset Management, will be holding their meeting on September 8, 2022. Board Members can provide the CIO with any research ideas.
 - David Fann of Aksia, LLC stated his farewell to LACERS and both the Commissioners and staff shared their appreciation of Mr. Fann’s contributions to LACERS.

Mr. June shared that Russian exposure for LACERS is currently 9.2 basis points of the total plan, about \$21 million, bond holdings have increased in value by approximately \$2 million, and staff will keep the Board apprised of Russian holdings.

- B. PRESENTATIONS BY NEPC, LLC; AKSIA CA LLC; AND TOWNSEND HOLDINGS, LLC REGARDING EMERGING MANAGER EFFORTS AND INITIATIVES – David Fann, Vice Chairman, and Jeff Goldberger, Managing Director, and Trevor Jackson, Managing Director, with Aksia CA LLC, Chae Hong, Partner, and Felix Fels, Associate Partner, with Townsend

Holdings, LLC, and Carolyn Smith, Partner, with NEPC, LLC presented and discussed this item with the Board for 30 minutes.

- C. NOTIFICATION OF COMMITMENT OF UP TO \$60 MILLION IN ADVENT INTERNATIONAL GPE X, L.P. – This report was received by the Board and filed.
- D. NOTIFICATION OF COMMITMENT OF UP TO €36 MILLION (APPROXIMATELY \$40 MILLION) IN HG GENESIS A L.P. – Rod June, Chief Investment Officer, provided a verbal correction to Item VIII-D's title. The correct name for the Fund is NOTIFICATION OF COMMITMENT OF UP TO €36.0 MILLION (APPROXIMATELY \$40.0 MILLION) IN HG GENESIS 10 A L.P.
- E. NOTIFICATION OF COMMITMENT OF UP TO €45.2 MILLION (APPROXIMATELY \$50 MILLION) IN NORDIC CAPITAL FUND XI, L.P. – This report was received by the Board and filed.
- F. NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN OAK HC/FT PARTNERS V, L.P. – This report was received by the Board and filed.
- G. NOTIFICATION OF COMMITMENT OF UP TO \$25 MILLION IN BESSEMER VENTURE PARTNERS XII INSTITUTIONAL L.P. – This report was received by the Board and filed.
- H. NOTIFICATION OF COMMITMENT OF UP TO \$60 MILLION IN TCV XII, L.P. – This report was received by the Board and filed.
- I. NOTIFICATION OF COMMITMENT OF UP TO \$30 MILLION IN L2 POINT OPPORTUNITIES I, L.P. – This report was received by the Board and filed.

IX

OTHER BUSINESS – There was no other business.

X

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, September 13, 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.

XI

ADJOURNMENT – There being no further business before the Board, President Serrano adjourned the Meeting at 12:15 p.m.

Nilza R. Serrano
President

Neil M. Guglielmo
Manager-Secretary



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM



REPORT TO BOARD OF ADMINISTRATION

From: Neil M. Guglielmo, General Manager

Neil M. Guglielmo

MEETING: SEPTEMBER 27, 2022

ITEM: VII - A

SUBJECT: ASSUMPTIONS FOR THE JUNE 30, 2022 RETIREE HEALTH ACTUARIAL VALUATION AND POSSIBLE BOARD ACTION

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board adopt the attached actuarial assumptions for the June 30, 2022 Retiree Health Actuarial Valuation as recommended by LACERS' consulting actuary, Segal.

Executive Summary

Segal reviews the assumptions used for LACERS' health actuarial valuation annually due to the dynamic nature of healthcare costs, as opposed to economic (such as the investment rate of return) and demographic assumptions (such as the mortality rates) which are generally reviewed and updated every three years based on the results of the Triennial Experience Study. Attached for the Board's consideration are the recommended assumptions for the medical trend, per capita costs, and other health-specific assumptions to be applied in the June 30, 2022 Retiree Health Actuarial Valuation.

Discussion

The recommended per capita costs for plan year 2022-2023 combine the calendar year 2023 medical and dental premium rates approved by the Board recently with the 2022 calendar year rates. Medical rates (but not dental or Medicare Part B) will then be adjusted by factors specific to age, gender, and spousal status. The medical trend is applied to the per capita costs to project future healthcare costs. Segal's recommended first-year (used to project 2023 calendar year premiums to 2024) trend rate for Medicare plans is reset at 6.50%, while the non-Medicare plans rate is continued at 7.25%. The first-year rates are graded down by 0.25% each year until reaching an ultimate rate of 4.50%, unchanged from last year. The dental trend assumption is decreased to 3.00% and the Medicare Part B trend assumption is continued at 4.50%, applied for all years. Also included in Segal's report are increases in future health subsidy maximums which factor in the same trend rates they recommend for the valuation. Other assumptions are consistent with the economic and demographic assumptions adopted by the Board as part of the Triennial Experience Study.

Following the analysis Segal prepared in their June 30, 2021 Risk Report, they are also recommending a potential adjustment to the amortization of the Unfunded Actuarial Accrued Liability (UAAL) to avoid a possible funding anomaly when the combined UAAL is positive but the contribution rate to the UAAL is negative (a credit). This may be further discussed at the time of presentation of the June 30, 2022 Retiree Health Valuation in November once the valuation results are known.

Paul Angelo and Andy Yeung of Segal will present the recommended health assumptions.

Strategic Plan Impact Statement

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

Prepared By: Edwin Avanesian, Senior Benefits Analyst

NMG/TB/ea

Attachment: Segal Recommendation Letter dated September 20, 2022



BOARD Meeting: 9/27/2022
Item: VII-A
Attachment

180 Howard Street, Suite 1100
San Francisco, CA 94105-6147
segalco.com

Via Email

September 20, 2022

Mr. Neil Guglielmo
General Manager
Los Angeles City Employees' Retirement System
202 West First Street, Suite 500
Los Angeles, CA 90012-4401

**Re: Los Angeles City Employees' Retirement System
Assumptions Recommended for the
June 30, 2022 Retiree Health Actuarial Valuations**

Dear Neil:

We have provided in this letter the health care related actuarial assumptions that we recommend to the Board for use in the June 30, 2022 retiree health valuations for funding and financial reporting. Furthermore, as we pointed out to the Board in our June 30, 2021 Risk Report, the Health Plan could have a possible Unfunded Actuarial Accrued Liability (UAAL) even though the UAAL contribution rate to be calculated in the June 30, 2022 valuation following the Board's Actuarial Funding Policy might result in a negative UAAL rate (a credit). We have addressed this in item 5 of this letter.

The health care trend assumptions used in the health valuations are reviewed annually. Every year Segal publishes a set of health care trend assumptions based on the latest research and information available to our health actuaries. The health care trend assumptions take into account factors such as recent and expected premium increases affecting our clients, changes in utilization of health care and cost shifting from Medicare.

Other assumptions such as the proportion of members expected to be covered by each health benefit provider (e.g. Kaiser, etc.) can sometimes be volatile due to the dynamic nature of the health care market place. That projection is typically based on the enrollment experience among the current retirees during the most recent annual open enrollment.

Following are our recommended assumptions for the June 30, 2022 health plan valuations:

1. Health care trend assumptions – The detailed health care trend assumptions we are recommending are outlined in Item 1 of the Attachment.

- For non-Medicare plans, we are recommending first-year trend¹ to continue at 7.25%, then grading down by 0.25% each year until reaching an ultimate rate of 4.50% after eleven years.
- For Medicare plans, we are recommending the first-year trend rate be reset to 6.50%, then grading down by 0.25% each year until reaching an ultimate rate of 4.50% after eight years. The primary reason for recommending a slightly higher Medicare trend assumption is based on our observation that, nationally, Medicare Advantage plan trend is increasing.
- We recommend the dental trend assumption be updated to 3.0%. The primary reason for recommending a lower dental trend assumption is based on our observation that actual trends from 2012 to 2019 have been at or below 3.0% (and disregarding 2020 and 2021 trend because of the unusual² impact the COVID pandemic had on dental plans).
- We recommend the Medicare Part B trend assumptions remain at 4.50%, to be applied to premiums after 2022-2023 and all future years, based on updated information from the Centers for Medicare & Medicaid Services (CMS) relating to expectations for ultimate Medicare trend and Congressional Budget Office (CBO) trustee reports.

Setting the medical trends begins with selecting the first-year increase, and then selecting a step for grading down the trends over several years to an ultimate long-term trend. We select first-year trends to project the first-year premiums and subsidies to the following year. In developing first-year health care trend assumptions, a mix of health industry expectations and plan specific information is used as follows.

- a. Segal's National Health Care Practice develops trend standards each year. The methodology utilizes data from our annual Segal Health Plan Cost Trend Survey of insurers, pharmacy benefit managers (PBMs), and managed care organizations. An analysis of historic trend was performed to evaluate the differences in projected trend vs. actual. The methodology looked at variation of actual results and fitted them to the differences between actual and projected trend.
- b. Segal's National Health Care Practice then publishes its internal standards for use by its health actuaries and consultants. These internal standards cover a variety of benefits (e.g. medical, dental, vision) and plan design types (e.g. PPO, HMO). Unlike Segal's annual trend survey, which displays averages of the survey results, the trend standards provide ranges of acceptable assumptions.
- c. For retiree health valuations, without additional information, we would choose a first-year trend in the middle of the range provided in the Segal trend standards. If any additional information from the client or its health consultant is available, Segal may consider that information when setting the first-year trend.

¹ The first-year trend will be used to project 2023 calendar year premiums to calendar year 2024.

² Most clients saw a large decrease in 2020 (as visits to dental offices were significantly low) followed by a large increase in 2021 (as patients returned to dental offices).

- d. Retiree health care valuations typically project benefit payments far into the future (as far as 80 years). Segal's Office of the Chief Actuary has provided standards on trends in the years following the first year of projection. Trend for each year is to decrease until it reaches an ultimate trend rate.
2. Note on Premium Renewals and Health Care Trend Assumptions – Health care trend assumptions take into account factors such as recent and expected premium increases, changes in utilization of health care and cost shifting from Medicare. While there is often a high correlation between a trend rate and the actual cost increase assessed by a carrier, trend rates and the actual net annual change in plan costs (and thus premiums) can also differ substantially. A plan sponsor's costs/premiums can be significantly different from projected claims cost trends due to diverse factors ranging from group demographics, plan design, claim volatility and underwriting cycles. Carrier actions to gain market share along with healthcare marketplace events and subsequent impacts on access and cost of care (i.e., provider consolidations, mandated benefits, pent up demand and severity due to prior lack of access) and the impact of ACA fees are additional factors that influence short-term premiums though they may not necessarily reflect the cost trend assumptions used in an actuarial valuation. For example, a cycle of favorable experience used in the rate setting basis can reduce the claim portion of the premium but that does not mean that the future costs will follow that pattern.
3. Per Capita Health Care Costs – These costs are used to project the premiums for current active members when they retire. Based on the percentage of retired members, spouses and beneficiaries electing health coverage, and the proportion of members enrolled in each available medical plan, we have developed the per capita health premium costs to cover a member in the 2022-2023 fiscal year as provided in Items 2(b) and 2(d) of the Attachment. Note there are three plans (SCAN, UHC Medicare Advantage HMO for Arizona and Nevada) offered by LACERS that are not included in Item 2(d) because we assume a 0% participation rate for each of those plans. On average, their premiums are close to the UHC California Medicare Advantage plan.

Based on the June 30, 2022 membership data, we have provided the observed and assumed election rates among the different medical plans in Items 2(b) and 2(d) of the Attachment.

The per capita costs for members subject to the retiree medical subsidy cap are provided in Item 2(e) of the Attachment.

In accordance with Actuarial Standard of Practice (ASOP) No. 6, *Measuring Retiree Group Benefits Program Periodic Costs or Actuarially Determined Contributions*, we will continue to value health care costs by adjusting premiums using age-specific factors. Those age-specific factors will be provided in our June 30, 2022 valuation report once the membership data provided for use in the June 30, 2022 valuation is finalized. It should be noted though that when those age-specific factors are presented in our June 30, 2022 valuation report, we will continue to display them separately from the per capita health premium costs provided in Items 2(b) and 2(d) of the Attachment.

The per capita costs for the dental plan that we will use for the June 30, 2022 valuation are provided in Item 2(f) of the Attachment.

The per capita costs for Medicare Part B that we will use for the June 30, 2022 valuation are provided in Item 2(g) of the Attachment.

Medical Premium Reimbursement Program (MPRP) – Certain eligible participants may elect to receive a medical subsidy towards the premium of a chosen plan.

Due to the low number electing the MPRP subsidy (1.5% of current retirees), we have assumed that no future retirees elect this subsidy. For current retirees, we will value the reimbursement reported in the data, assumed to increase with medical trend.

4. Increase in Future Health Subsidy Maximums – Consistent with our previous valuation practice, we will continue to assume that the Board’s health subsidy will increase at the same rate as the long-term health trend, for retired members and their qualified survivors, who retired before July 1, 2011. (Although subject to slightly different provisions, members who retired on or after July 1, 2011 will have the same subsidy increase assumption applied to them.)

It should be noted that in our valuation we do not reflect the other potential limit on health subsidy increase in Sec. 4.1111(b) of the Administrative Code which references the average subsidy increase for the upcoming year under consideration and the actual subsidy increases for the preceding two years because our health trend is intended to reflect overall experience in the long run.

5. Other Assumptions and methods – The other demographic and economic assumptions and methods will be consistent with those approved by the Board based on our July 1, 2016 to June 30, 2019 triennial experience study. All demographic assumptions under items 3 (h), (i), and (j) will be reviewed (and updated if necessary) as part of the triennial experience study (rather than annually) so as to provide more stability to the actuarial assumptions used to calculate liabilities and set the contribution rates for the health plans. These assumptions include spouse/domestic partner demographic assumptions, and retiree medical and dental coverage election percentages.

As part of the June 30, 2021 valuation and following a recommendation from Segal (to achieve a more stable UAAL rate), the Board acted to combine all the residual balances of the UAAL layers as of June 30, 2020 and reset the amortization period to a 21-year period starting with the June 30, 2021 valuation.¹ Since then, the Plan had positive actuarial experience (actuarial gains) in the June 30, 2021 valuation. While we have not performed the June 30, 2022 valuation, if the Plan were to continue to have positive actuarial experience, the Plan could still have a net UAAL balance even though the combined UAAL contribution (calculated by amortizing the recent actuarial gains over 15 years under the Board’s Actuarial Funding Policy), could become negative (a credit). This anomalous result occurs because the gains are being recognized over a shorter period than the remaining 20-year amortization period for the combined UAAL layers carried over from the June 30, 2020 valuation.

¹ As demonstrated in our July 14, 2021 letter recommending the combination of the prior UAAL layers, the UAAL contribution rate for the retiree health plan would have doubled in ten years and more than tripled in fifteen years following the June 30, 2020 valuation without the Board’s action.

We propose that if this occurs in the June 30, 2022 and/or future valuations, we take all the actuarial gain layers (including the outstanding balance of the gain from the June 30, 2021 valuation) and amortize them over the longer of 15 years or the remaining amortization period for the outstanding balance of the combined UAAL layers carried over from the June 30, 2020 valuation.

IMPACT OF CORONAVIRUS (COVID-19)

The Coronavirus (COVID-19) pandemic has had a significant impact on the US economy, including most retiree health plans, and will likely continue to have an impact in the future. Our assumptions do not include the impact of the following:

- Future direct or indirect effects of COVID-19 on short-term health plan costs
- Changes in interest rates since June 30, 2022
- Short-term or long-term impacts on mortality of the covered population

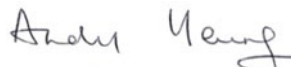
Each of the above factors could significantly impact the results prepared using these assumptions. The net effect of the above factors generally have not affected our assumptions for the June 30, 2022 valuation.

We look forward to discussing this letter with you. Please let us know if you have any questions.

Sincerely,



Paul Angelo, FSA, MAAA, FCA, EA
Senior Vice President & Actuary



Andy Yeung, ASA, MAAA, FCA, EA
Vice President & Actuary



Mary Kirby, FSA, MAAA, FCA
Senior Vice President & Consulting Actuary

JAC/bbf
Attachment

1. Health Care Trend Rates

MEDICAL TRENDS USED FOR THE JUNE 30, 2021 VALUATION

Trend is to be applied in following fiscal years, to all health plans.

Trend is to be applied to premium for shown fiscal year to calculate next fiscal year's projected premium.

First Fiscal Year (July 1, 2021 through June 30, 2022):

Plan	Rate (%)					
	Anthem Blue Cross PPO, Under Age 65	Anthem Blue Cross Medicare Supplement / Anthem Passive PPO Medicare Advantage	Kaiser HMO, Under Age 65	Kaiser Senior Advantage	Anthem Blue Cross HMO, Under 65	UHC CA Medicare Advantage
Trend to be applied to 2021-2022 Fiscal Year premium	6.06%	-3.60%	6.52%	3.25%	3.72%	3.99%

The fiscal year trend rates are based on the following calendar year trend rates:

Fiscal Year	Approximate Trend Rate (%)		Calendar Year	Trend Rate Applied to Calculate Following Year Premium (%)	
	Non-Medicare	Medicare		Non-Medicare	Medicare
2022-2023	7.37%	6.37%	2022	7.50 ¹	6.50 ¹
2023-2024	7.12%	6.12%	2023	7.25	6.25
2024-2025	6.87%	5.87%	2024	7.00	6.00
2025-2026	6.62%	5.62%	2025	6.75	5.75
2026-2027	6.37%	5.37%	2026	6.50	5.50
2027-2028	6.12%	5.12%	2027	6.25	5.25
2028-2029	5.87%	4.87%	2028	6.00	5.00
2029-2030	5.62%	4.62%	2029	5.75	4.75
2030-2031	5.37%	4.50%	2030	5.50	4.50
2031-2032	5.12%	4.50%	2031	5.25	4.50
2032-2033	4.87%	4.50%	2032	5.00	4.50
2033-2034	4.62%	4.50%	2033	4.75	4.50
2034 and later	4.50%	4.50%	2034	4.50	4.50

Dental Premium Trend 4.00% for all years

Medicare Part B Premium Trend 4.50% for all years. First year trend may be adjusted to reflect actual 2022 calendar year premium if available at time of valuation.

¹ For example, the 7.50% assumption, when applied to the 2022, non-Medicare medical premiums would provide the projected 2023 non-Medicare medical premiums. This trend would also be applied to the maximum medical subsidy, based on the non-Medicare Kaiser premium.

PROPOSED MEDICAL TRENDS FOR THE JUNE 30, 2022 VALUATION

Trend is to be applied in following fiscal years, to all health plans.

Trend is to be applied to premium for shown fiscal year to calculate next fiscal year's projected premium.

First Fiscal Year (July 1, 2022 through June 30, 2023):

Plan	Rate (%)					
	Anthem Blue Cross PPO, Under Age 65	Anthem Preferred PPO Medicare Advantage	Kaiser HMO, Under Age 65	Kaiser Senior Advantage	Anthem Blue Cross HMO, Under 65	UHC CA Medicare Advantage
Trend to be applied to 2022-2023 Fiscal Year premium	8.29%	3.25%	5.81%	3.25%	8.29%	3.98%

The fiscal year trend rates are based on the following calendar year trend rates:

Fiscal Year	Approximate Trend Rate (%)		Calendar Year	Trend Rate Applied to Calculate Following Year Premium (%)	
	Non-Medicare	Medicare		Non-Medicare	Medicare
2023-2024	7.12%	6.37%	2023	7.25 ¹	6.50 ¹
2024-2025	6.87%	6.12%	2024	7.00	6.25
2025-2026	6.62%	5.87%	2025	6.75	6.00
2026-2027	6.37%	5.62%	2026	6.50	5.75
2027-2028	6.12%	5.37%	2027	6.25	5.50
2028-2029	5.87%	5.12%	2028	6.00	5.25
2029-2030	5.62%	4.87%	2029	5.75	5.00
2030-2031	5.37%	4.62%	2030	5.50	4.75
2031-2032	5.12%	4.50%	2031	5.25	4.50
2032-2033	4.87%	4.50%	2032	5.00	4.50
2033-2034	4.62%	4.50%	2033	4.75	4.50
2034 and later	4.50%	4.50%	2034	4.50	4.50

Dental Premium Trend 3.00% for all years

Medicare Part B Premium Trend 4.50% for all years. First year trend may be adjusted to reflect actual 2023 calendar year premium if available at time of valuation.

¹ For example, the 7.25% assumption, when applied to the 2023, non-Medicare medical premiums would provide the projected 2024 non-Medicare medical premiums. This trend would also be applied to the maximum medical subsidy, based on the non-Medicare Kaiser premium.

2. Per Capita Costs and Election Rates

(a) Per Capita Costs for the June 30, 2021 Valuation – Participant Under Age 65 or Not Eligible for Medicare A&B

2021 Calendar Year		Single Party			Married/With Domestic Partner			Eligible Survivor		
Carrier		Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy
Kaiser HMO		\$853.39	\$1,790.80	\$853.39	\$1,706.78	\$1,790.80	\$1,706.78	\$853.39	\$853.39	\$853.39
Anthem Blue Cross PPO		1,279.79	1,790.80	1,279.79	2,554.55	1,790.80	1,790.80	1,279.79	853.39	853.39
Anthem Blue Cross HMO		1,069.58	1,790.80	1,069.58	2,134.13	1,790.80	1,790.80	1,069.58	853.39	853.39

2022 Calendar Year		Single Party			Married/With Domestic Partner			Eligible Survivor		
Carrier		Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy
Kaiser HMO		\$900.24	\$1,884.50	\$900.24	\$1,800.48	\$1,884.50	\$1,800.48	\$900.24	\$900.24	\$900.24
Anthem Blue Cross PPO		1,337.99	1,884.50	1,337.99	2,670.95	1,884.50	1,884.50	1,337.99	900.24	900.24
Anthem Blue Cross HMO		1,069.05	1,884.50	1,069.05	2,133.07	1,884.50	1,884.50	1,069.05	900.24	900.24

2021-2022 Fiscal Year		Single Party			Married/With Domestic Partner			Eligible Survivor		
Carrier	Observed and Assumed Election Rate (%)**	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy
Kaiser HMO	63.0	\$876.82	\$1,837.65	\$876.82	\$1,753.63	\$1,837.65	\$1,753.63	\$876.82	\$876.82	\$876.82
Anthem Blue Cross PPO	20.4	1,308.89	1,837.65	1,308.89	2,612.75	1,837.65	1,837.65	1,308.89	876.82	876.82
Anthem Blue Cross HMO	16.6	1,069.32	1,837.65	1,069.32	2,133.60	1,837.65	1,837.65	1,069.32	876.82	876.82

* Members who are subject to the retiree medical subsidy cap have monthly health insurance subsidy maximums fixed at the level in effect on July 1, 2011, as shown on page 12, section 2(e) of our letter dated September 21, 2021 (recommending assumptions for the June 30, 2021 Retiree Health Valuation).

** The observed election percentages are based on raw census data as of June 30, 2021.

(b) Per Capita Costs for the June 30, 2022 Valuation – Participant Under Age 65 or Not Eligible for Medicare A&B

2022 Calendar Year Carrier	Single Party			Married/With Domestic Partner			Eligible Survivor		
	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy
Kaiser HMO	\$900.24	\$1,884.50	\$900.24	\$1,800.48	\$1,884.50	\$1,800.48	\$900.24	\$900.24	\$900.24
Anthem Blue Cross PPO	1,337.99	1,884.50	1,337.99	2,670.95	1,884.50	1,884.50	1,337.99	900.24	900.24
Anthem Blue Cross HMO	1,069.05	1,884.50	1,069.05	2,133.07	1,884.50	1,884.50	1,069.05	900.24	900.24

2023 Calendar Year Carrier	Single Party			Married/With Domestic Partner			Eligible Survivor		
	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy
Kaiser HMO	\$939.09	\$1,962.20	\$939.09	\$1,878.18	\$1,962.20	\$1,878.18	\$939.09	\$939.09	\$939.09
Anthem Blue Cross PPO	1,464.23	1,962.20	1,464.23	2,923.43	1,962.20	1,962.20	1,464.23	939.09	939.09
Anthem Blue Cross HMO	1,169.74	1,962.20	1,169.74	2,334.45	1,962.20	1,962.20	1,169.74	939.09	939.09

2022-2023 Fiscal Year Carrier	Observed and Assumed Election Rate (%)**	Single Party			Married/With Domestic Partner			Eligible Survivor		
		Monthly Premium***	Maximum Subsidy*	Subsidy	Monthly Premium***	Maximum Subsidy*	Subsidy	Monthly Premium***	Maximum Subsidy*	Subsidy
Kaiser HMO	62.4	\$919.67	\$1,923.35	\$919.67	\$1,839.33	\$1,923.35	\$1,839.33	\$919.67	\$919.67	\$919.67
Anthem Blue Cross PPO	20.7	1,401.11	1,923.35	1,401.11	2,797.19	1,923.35	1,923.35	1,401.11	919.67	919.67
Anthem Blue Cross HMO	16.9	1,119.40	1,923.35	1,119.40	2,233.76	1,923.35	1,923.35	1,119.40	919.67	919.67

* Members who are subject to the retiree medical subsidy cap have monthly health insurance subsidy maximums fixed at the level in effect on July 1, 2011, as shown on page 12, section 2(e).

** The observed election percentages are based on raw census data as of June 30, 2022.

*** On average, the non-Medicare premiums increased by about 4.32% for Kaiser and about 9.50% for Anthem Blue Cross from calendar year 2022 to 2023. Please refer to the Keenan report that was presented to the Board during its meeting on August 9, 2022 for a breakdown of rate changes.

(c) Per Capita Costs for the June 30, 2021 Valuation – Participant Eligible for Medicare A&B

2021 Calendar Year Carrier	Single Party			Married/With Domestic Partner			Eligible Survivor		
	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy
Kaiser Senior Advantage HMO	\$262.47	\$262.47	\$262.47	\$524.94	\$524.94	\$524.94	\$262.47	\$262.47	\$262.47
Anthem Blue Cross Medicare Supplement	564.92	564.92	564.92	1,124.81	1,075.93	1,075.93	564.92	564.92	564.92
UHC California Medicare Advantage Plan	279.70	279.70	279.70	554.37	554.37	554.37	279.70	279.70	279.70

2022 Calendar Year Carrier	Single Party			Married/With Domestic Partner			Eligible Survivor		
	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy
Kaiser Senior Advantage HMO	\$262.47	\$262.47	\$262.47	\$524.94	\$524.94	\$524.94	\$262.47	\$262.47	\$262.47
Anthem Medicare Preferred (PPO)	494.67	494.67	494.67	984.31	984.31	984.31	494.67	494.67	494.67
UHC California Medicare Advantage Plan	283.76	283.76	283.76	562.49	562.49	562.49	283.76	283.76	283.76

2021-2022 Fiscal Year Carrier	Observed and Assumed Election Rate (%)**	Single Party			Married/With Domestic Partner			Eligible Survivor		
		Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy
Kaiser Senior Advantage HMO	57.2	\$262.47	\$262.47	\$262.47	\$524.94	\$524.94	\$524.94	\$262.47	\$262.47	\$262.47
Anthem Blue Cross Medicare Supplement / Anthem Medicare Preferred (PPO)	31.3	529.80	529.80	529.80	1,054.56	1,030.12	1,030.12	529.80	529.80	529.80
UHC California Medicare Advantage Plan	11.5	281.73	281.73	281.73	558.43	558.43	558.43	281.73	281.73	281.73

* Members who are subject to the retiree medical subsidy cap have monthly health insurance subsidy maximums fixed at the level in effect on July 1, 2011, as shown on page 12, section 2(e) of our letter dated September 21, 2021 (recommending assumptions for the June 30, 2021 Retiree Health Valuation).

** The observed election percentages are based on raw census data as of June 30, 2021.

Note there are three plans (SCAN, UHC Medicare Advantage HMO for Arizona and Nevada) offered by LACERS that are not included above because we assume a 0% participation rate for each of those plans. On average, their premiums are close to the UHC California Medicare Advantage plan.

(d) Per Capita Costs for the June 30, 2022 Valuation – Participant Eligible for Medicare A&B

2022 Calendar Year Carrier	Single Party			Married/With Domestic Partner			Eligible Survivor		
	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy
Kaiser Senior Advantage HMO	\$262.47	\$262.47	\$262.47	\$524.94	\$524.94	\$524.94	\$262.47	\$262.47	\$262.47
Anthem Medicare Preferred (PPO)	494.67	494.67	494.67	984.31	984.31	984.31	494.67	494.67	494.67
UHC California Medicare Advantage Plan	283.76	283.76	283.76	562.49	562.49	562.49	283.76	283.76	283.76

2023 Calendar Year Carrier	Single Party			Married/With Domestic Partner			Eligible Survivor		
	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy	Monthly Premium	Maximum Subsidy*	Subsidy
Kaiser Senior Advantage HMO	\$262.47	\$262.47	\$262.47	\$524.94	\$524.94	\$524.94	\$262.47	\$262.47	\$262.47
Anthem Medicare Preferred (PPO)	494.67	494.67	494.67	984.31	984.31	984.31	494.67	494.67	494.67
UHC California Medicare Advantage Plan	287.80	287.80	287.80	570.57	570.57	570.57	287.80	287.80	287.80

2022-2023 Fiscal Year Carrier	Observed and Assumed Election Rate (%)**	Single Party			Married/With Domestic Partner			Eligible Survivor		
		Monthly Premium***	Maximum Subsidy*	Subsidy	Monthly Premium***	Maximum Subsidy*	Subsidy	Monthly Premium***	Maximum Subsidy*	Subsidy
Kaiser Senior Advantage HMO	57.0	\$262.47	\$262.47	\$262.47	\$524.94	\$524.94	\$524.94	\$262.47	\$262.47	\$262.47
Anthem Medicare Preferred (PPO)	32.3	\$494.67	494.67	494.67	984.31	984.31	984.31	494.67	494.67	494.67
UHC California Medicare Advantage Plan	10.7	\$285.78	285.78	285.78	566.53	566.53	566.53	285.78	285.78	285.78

* Members who are subject to the retiree medical subsidy cap have monthly health insurance subsidy maximums fixed at the level in effect on July 1, 2011, as shown on page 12, section 2(e).

** The observed election percentages are based on raw census data as of June 30, 2022.

*** On average, the Medicare premiums remained unchanged for Kaiser and Anthem Preferred but increased by about 1.42% for UHC from calendar year 2022 to 2023. Please refer to the Keenan report that was presented to the Board during its meeting on August 9, 2022 for a breakdown of rate changes.

Note there are three plans (SCAN, UHC Medicare Advantage HMO for Arizona and Nevada) offered by LACERS that are not included above because we assume a 0% participation rate for each of those plans. On average, their premiums are close to the UHC California Medicare Advantage plan.

(e) Proposed Per Capita Costs – Subject to Retiree Medical Subsidy Cap for the 2022-2023 Fiscal Year

Tier 1 members who were subject to the retiree medical subsidy cap would have monthly health insurance subsidy maximums capped at the levels in effect at July 1, 2011, as shown in the table below. We understand that no active members are subject to the cap but that some inactive members may be subject to the cap.

Retiree Plan	Single Party	Married/With Domestic Partner	Eligible Survivor
Under 65 – All Plans	\$1,190.00	\$1,190.00	\$593.62
Over 65			
Kaiser Senior Advantage	\$203.27	\$406.54	\$203.27
Anthem Medicare Preferred (PPO)	478.43	478.43*	478.43
UHC California Medicare Adv. HMO	219.09	433.93	219.09

*The reason the subsidy is only at the single-party amount is that there is no excess subsidy to cover a dependent.

(f) Proposed Per Capita Costs used in June 30, 2022 Valuation – Dental Plan

Maximum Dental Subsidy

Retiree Plan	Actual / Assumed Participation Percent (%)	Monthly 2022 Calendar Year Subsidy	Monthly 2023 Calendar Year Subsidy	Monthly 2022-2023 Fiscal Year Subsidy
Delta Dental PPO	80.7	\$44.60	\$43.81	\$44.21
DeltaCare USA	19.3	15.10	15.10	15.10

(g) Proposed Per Capita Costs used in June 30, 2022 Valuation – Medicare Part B Premium Reimbursement

The Plan will reimburse (only available to Member, not dependent or survivor) monthly Medicare Part B premiums before means testing:

Monthly Premium	Single
Actual premium for calendar year 2022	\$170.10
Projected premium for calendar year 2023*	177.75
Projected average monthly premium for plan year 2022-2023	173.93

*Based on calendar year 2022 premium adjusted to 2023 by assumed trend rate of 4.50%.

For retirees over age 65 on the valuation date, we will value the Medicare Part B premiums for those reported in the data with Medicare Part B premium. For current and future retirees under age 65, we will assume 100% of those electing a medical subsidy will be eligible for the Medicare Part B premium subsidy.

3. Other Assumptions and Methods

In the June 30, 2022 valuation, we will also apply the following demographic and economic assumptions and methodologies that the Board approved as a result of the triennial experience study covering July 1, 2016 to June 30, 2019.

- a. Economic assumptions: We will apply the 7.00% investment return and 2.75% inflation assumption that the Board approved as a result of the triennial experience study covering July 1, 2016 to June 30, 2019.
- b. Demographic assumptions: These include the incidence of service retirement, disability retirement, withdrawal, deferred vested retirement and death. We will apply the assumptions adopted in our July 1, 2016 to June 30, 2019 triennial experience study.
- c. Funding methodologies: The Entry Age Cost Method will continue to be used in this valuation.
- d. Expected annual rate of increase in the Board's health subsidy amount:

We have made an assumption that the Board's health subsidy amount will increase at the same rate as the anticipated increase in benefit costs. We recommend leaving this assumption unchanged for the June 30, 2022 valuation. (Please also see discussions under (4) in our cover letter regarding how subsidy increases are to be projected in the valuation.)

- e. Percentage of retirees over age 65 covered by Medicare Parts A and B: In the prior valuation, we assumed that 100% of retirees will enroll in Medicare Parts A and B upon reaching age 65. We recommend maintaining this assumption for the June 30, 2022 valuation.
- f. Market value of assets will be used for the June 30, 2022 GASB 74 and 75 valuations.

Market value of assets less unrecognized returns will be used for the June 30, 2022 funding valuation.

Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a seven-year period. In addition, the actuarial value of assets is further adjusted, if necessary, to stay within 40% of the market value of assets.

- g. Implicit Subsidy: It is our understanding that retiree premium rates are not pooled with the active rates and no implicit subsidy exists, and LACERS has confirmed this understanding.
- h. Spouse/Domestic Partner Age Difference in Years for Retirees with Medical Coverage:

For all non-retired members, male members are assumed to have a female spouse/domestic partners who is 4 years younger than the member and female members are assumed to have a male spouse/domestic partners who is 2 years older than the member. We will evaluate these assumptions during the next triennial experience study.

i. Spouse/Domestic Partner Coverage:

For all active and inactive members, 60% of male participants and 35% of female participants who receive a retiree health subsidy are assumed to be married or have a qualified domestic partner and elect dependent coverage. Of these covered spouses/domestic partners, 100% are assumed to continue coverage if the retiree predeceases the spouse/domestic partner. We will evaluate these assumptions during the next triennial experience study

j. Retiree Medical and Dental Coverage Election:

The table below summarizes the participation assumptions for future retirees. We will evaluate these assumptions during the next triennial experience study.

Service Range	Percent (%) Covered¹
10-14	60
15-19	80
20-24	90
25 and over	95

¹ For deferred vested members, we assume an election percent of 50% of these rates.

k. Reconciliation of Total OPEB Liability (TOL) for GAS 74 and 75 – When reconciling the TOL for the GAS 74 and 75 valuations, changes in TOL attributable to a health care trend, discount rate, medical election, health care premium and subsidy rates and changes adopted from the triennial experience study will be treated as assumption changes.

l. Amortization Policy:

LACERS has elected to amortize the unfunded actuarial accrued liability using the following rules:

- The amortization periods for all unfunded actuarial accrued liability layers as of June 30, 2020 were reset to a 21-year period starting with the June 30, 2021 valuation. The outstanding balance of this pre-6/30/2021 combined base will be amortized over 20 years in the June 30, 2022 valuation.
- Assumption changes resulting from the triennial experience study will be amortized over 20 years.
- Health trend and premium assumption changes, plan changes, and gains and losses will be amortized over 15 years.

Depending on the actuarial experience from 2021/2022, the Health Plan could have a UAAL even though the UAAL contribution rate is negative (a credit). The Board could make an adjustment to its funding policy so that the amortization period for experience gains and losses is the greater of 15 years or the remaining period of the pre-6/30/2021 combined base from the June 30, 2021 valuation.



REPORT TO BOARD OF ADMINISTRATION

From: Neil M. Guglielmo, General Manager

Neil M. Guglielmo

MEETING: SEPTEMBER 27, 2022

ITEM: VII – B

SUBJECT: 977 N. BROADWAY BUILDING PROJECT FISCAL YEAR 2022-23 SUPPLEMENTAL CAPITAL AND OPERATING BUDGET REQUEST AND POSSIBLE BOARD ACTION

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board

- 1) Approve the appropriation of \$920,242 to the Capital Expense Budget in Fiscal Year 2022-23 for expenses related to the Broadway Building Annual Plan;
- 2) Consider enhanced security services during Board meetings at the 977 North Broadway Building headquarters for the second half of Fiscal Year 2022-23 and approve the appropriation of \$5,000 by increasing Appropriation 163040 – Contractual Service; and,
- 3) Authorize the General Manager to correct any clerical or typographical errors in this document.

Executive Summary

The 977 North Broadway Building (“HQ Building”), built in 1983, is a five-story building totaling 64,585 square feet of office space with a 120-space subterranean parking structure. On October 23, 2019, LACERS closed escrow on the purchase of the HQ Building at the final negotiated purchase price of \$33,750,000. The property will serve as the headquarters for LACERS’ offices. LACERS and its partners on the Broadway Building Annual Plan (“Broadway Plan”) have worked on the necessary property and tenant improvements with the goal of fully occupying the HQ Building in 2022.

The Board has allocated \$18,958,139.49 to the Capital Expense Budget for construction and improvements to the HQ Building. Over the course of implementing the Broadway Plan, LACERS has incurred unexpected expenses related to the building. LACERS has used funds identified for contingency purposes but estimates that these will soon be expended, thus an increase to the Capital Expense Budget of \$920,242 is necessary, for a new total Capital Expense Budget of \$19,878,381.49. Also for Board consideration, enhanced security measures during Board meetings at the HQ Building is discussed herein.

Discussion

Over the course of the Broadway Plan, unexpected expenses related to the construction of the HQ Building have been incurred amounting to \$920,242. These are not expenses that would normally be covered by contingency amounts such as slight increases in permit fees/costs or inspector-requested modifications. The majority of expenses were for more unpredictable events including the COVID-19 pandemic and the resulting supply chain delays, lengthy lead times for materials, lengthy Plan Check reviews, and workforce shortages. Delays created a domino effect that caused the need to extend contracts for project partners which translated to increases in fees.

Project Timeline Extension

LACERS and its partners adjusted the project timeline to address delays and blunt their impact. Adjustments meant reordering non-sequential, non-dependent portions of the construction timeline where materials and labor were both available. Although adjusting the schedule was an appropriate option during the demolition and make-ready phase of the project, this became less of an option during the tenant improvement phase where tasks must be performed in a defined order. An example of this would be the need to have the wall frames built before you can install electrical which would then be followed by an inspection and then enclosing the walls by placing drywall. These tasks must be performed in sequential order from a construction and a cost-control perspective. The timeline adjustments triggered contractual extensions for LACERS' project partners including a 51-week contract extension for HOK's architectural services due to a prolonged programming/design process, and a 24-week contract extension for ARC Engineering's design services due to the tenant improvement work requiring structural evaluation.

Issues Identified During Construction

Additionally, as tenant improvements were performed, LACERS' general contractor identified issues with the building's HVAC system, mechanical equipment, and plumbing components. Moreover, during the process of surveying the garage for painting, LACERS identified horizontal and vertical cracks along the concrete which an assessment by LACERS' structural engineer found did not impact the building's integrity but should be filled to prevent water penetration. Although some of the issues could be addressed later, the cost would be considerably higher as repairs would likely disrupt work in parts of the building if performed during normal working hours or if performed after hours at a higher hourly rate. Furthermore, delaying the work would likely displace staff while the work was performed, and require access through brand new drywall which would require repairing, replastering, and repainting the areas.

Expanded Scope

As the project was further implemented, there was limited scope expansion that had not been previously budgeted. This work included the expansion of a stationary security fence which was to be installed at the front of the HQ Building's breezeway to security gates at the front of the breezeway and a rear security gate between the HQ Building and the Bamboo Plaza property. The security gate at the front of the breezeway would include a large swing gate that would be open during normal working hours and locked at night to secure the building's central core and rear patio. The security gate was expanded to include a secondary door that would serve as an emergency egress once the larger gate was closed at night. The security gate between the rear patio and Bamboo Plaza would include a door with remote access capability, card reader access, and a video intercom system that would be used by the Board, Members, and staff that could potentially be parking in supplemental parking spots in the adjacent parking lot. Scope adjustments included

modifications to the 2nd tenant improvement assumptions, 1st floor restroom design, and some minor design drawing adjustment work.

Commitments in Excess of Budget

The Board approved \$547,924 in contingency funds for the project. Although the project currently has \$90,530.88 remaining in contingency funds, it is only because LACERS and its partners have made every effort to implement cost control measures and reallocate budget funds. To pay for the unexpected costs, LACERS augmented the contingency pool of funds by adjusting the scope of work to be performed, deferring non-priority scope work, and reallocating non-committed funds from contracted work that was completed to the contingency fund. Throughout the build, LACERS and its partners have worked to ensure budget compliance for the work as identified in the budget presented to and approved by the Board for the project. However, as explained above, these are expenses that could not have been foreseen and require the financial support of the Board.

Expense	Amount
Security Enhancements to Breezeway	\$ 195,505
Tenant Improvement - Parking Garage Painting	\$ 181,390
HOK Contract Extension - 23 weeks (Programming/Space Planning/Design)	\$ 117,812
HOK Add Service - Change of Assumptions for 2nd FI SOW	\$ 84,455
Tenant Improvement - Flooring	\$ 79,912
Tenant Improvement - 1st FI Assembly Area Cost Increase	\$ 65,832
Technology Demo and Cable Ties	\$ 57,025
HOK Contract Extension - 12 weeks (Sept 2022 to Dec 2022)	\$ 43,680
HOK Contract Extension - 16 weeks (May 2022 to Sept 2022)	\$ 42,000
Tenant Improvement - Plumbing/HVAC	\$ 26,876
ARC Engineering Schedule Extension – 24 weeks (May 2022 to Nov 2022)	\$ 15,360
HOK Extended Permit Process - Separation of 1st FI Assembly Area into Separate Package	\$ 10,395
TOTAL	\$ 920,242

Considering only 75% of the budgeted work has been invoiced, LACERS anticipates that the remaining \$90,530.88 in contingency funds will be required to cover conventional cost increases related to the significant ongoing work at the HQ Building including the tenant improvements to the 1st-Floor Boardroom and Assembly Area, repair and painting of the garage, and any additional repairs that arise during this work. LACERS recommends these funds be held until the invoices for the work being performed near the 100% mark. As the work is completed and the number of outstanding invoices decreases, LACERS would utilize any contingency funds to offset the \$920,242 being requested.

Enhanced Board Security Services

Additionally, LACERS has an opportunity to implement additional physical security measures to ensure that Commissioners, staff, and members of the public are safe during in-person Board meetings at the HQ Building. Presently, LACERS relies on the Onni physical security staff for minimal screening of Board meeting attendees at the LA Times Building. After moving to our new Broadway headquarters, LACERS will be responsible for our overall building security and safety.

At the HQ Building, LACERS currently employs the services of a security guard at the building, the role of this guard is more Member and building oriented including helping to direct Members and visitors to the building, overseeing the building surveillance, overseeing any visitors in the breezeway, and responding to security requests within the building. Simultaneously, the security guard is also responsible for overseeing the surveillance and access control systems including 49 cameras, 63 card readers, and emergency notification buttons.

To ensure adequate coverage to support the normal operating needs of the building while conducting Board meetings, LACERS recommends contracting an additional security guard to be present at all Board meetings for the second half of Fiscal Year 2022-23 after moving to the HQ Building. The additional security guard will be equipped with a security wand metal detector to assist in screening members of the public who attend Board Meetings and maintain a physical security presence in the Boardroom area for the duration of each Board Meeting, currently estimated at an average of four hours per Board Meeting. In terms of the additional security guard, LACERS has received the following quotes for six months of service:

Type of Guard	Monthly Rate	Total for 6 Months
Unarmed	\$339	\$2,034
Armed	\$800	\$4,800

A program cost of \$200 would be requested to purchase a security wand metal detector. In total, the cost for implementation of this enhanced security measure for Board meetings would range between \$2,234 to \$5,000 based on the Board's preferred approach and approval.

Strategic Plan Impact Statement

Ownership in 977 North Broadway advances the Board Governance Goal and Organization Goal by being a cost-effective investment in the long-term as compared to leasing and provides LACERS with complete control over its administrative facilities adding to the organization's efficiency, effectiveness, and resiliency.

Prepared By: Isaias Cantú, Chief Management Analyst

NMG/TB:ic

Attachments: 1. Proposed Board Resolution

977 N. BROADWAY BUILDING PROJECT
FISCAL YEAR 2022-23 SUPPLEMENTAL
CAPITAL AND OPERATING BUDGET REQUEST
AND POSSIBLE BOARD ACTION

PROPOSED RESOLUTION

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;

WHEREAS, on June 8, 2021, the Board adopted the 977 N. Broadway Project's Capital Expense Budget of \$19,707,987, for the purpose of completing tenant and owner improvements prior to move-in and LACERS occupying the building by December 2022;

WHEREAS, on November 9, 2021, the Board approved the reallocation of a net \$72,310.43 from the HQ Project in the Capital Budget to the Administration Budget including a transfer of \$114,497.43 from Capital Budget to the Administration Budget for the purchase of server equipment and a concurrent transfer of \$42,187 from Administration Budget to the Capital Budget to pay for moving services adjusting the Capital Budget to \$19,635,676.57;

WHEREAS, on March 8, 2022, the Board approved the reallocation of \$677,537.08 from HQ Project in the Capital Budget to the Administrative Budget including \$628,583.44 in funds for network infrastructure equipment and \$48,953.64 to procure asset tracking technologies for the Broadway Building subsequently adjusting the Capital Budget to \$18,958,139.49;

WHEREAS, the COVID-19 pandemic had direct and indirect impacts on the project including direct impacts such as supply chain disruptions, increases in building supply costs due to scarcity of key materials globally, and increases in labor costs due to the human impact of the COVID-19 pandemic and indirect impacts such as the prolonging of the construction schedule, and the need to extend contracts with project partners beyond the original construction schedule including a 51-week contract extension for HOK's architectural services due to a prolonged programming/design process, and a 24-week contract extension for ARC Engineering's design services due to the tenant improvement work requiring structural evaluation which resulted in increases in fees for the project in the amount of \$374,991;

WHEREAS, issues were identified during the course of construction including the building's HVAC system, mechanical equipment, plumbing components, and concrete cracks in the garage that were they to be repaired during the current construction would represent long-term cost savings and avoid disrupting LACERS' work or displacing staff once 977 was occupied which cost \$208,266 to complete;

WHEREAS, LACERS implemented limited expansions in the scope of the project including the installation of security enhancements at the front and rear of 977's breezeway to secure the central core of the building and rear patio, adjustments to the 2nd floor design assumptions, and work on the TeleData and security equipment which will cost \$336,985 once complete;

WHEREAS, LACERS adjusted the scope of work to be performed, deferred non-priority scope work, and reallocated non-committed funds from contracted work that was completed to the contingency funds in order to supplement those funds;

WHEREAS, prior to the approval of the work, LACERS had all expenses reviewed by subject-matter experts, and the scope, materials, and labor rates were deemed reasonable and within market prices;

WHEREAS, LACERS maintains that the expenditures performed were reasonable and consistent with LACERS' objectives for the management of the asset;

WHEREAS, LACERS currently relies on the LA Times Property Management company for security staff to perform minimal screening of Board meeting attendees at the LA Times Building;

WHEREAS, in permanently transitioning its operations and functions to 977, LACERS must ensure adequate coverage to support the normal security needs of the building including the responsibility of performing Board meeting security screening,

WHEREAS, LACERS currently employs the services of a security guard at the building and the role of this guard is more Member and building oriented including helping to direct Members and visitors, observing any visitors in the breezeway, overseeing the building surveillance cameras and emergency notification buttons, and responding to security requests within the building;

WHEREAS, LACERS recommends contracting an additional security guard to be present at all Board Meetings for the second half of the Fiscal Year 2022-23 after moving to 977 N. Broadway at the cost of \$5,000;

WHEREAS, only 75% of the budgeted work has been invoiced and LACERS anticipates that the remaining \$90,530.88 in contingency funds will be required to cover conventional cost increases related to the significant ongoing work at the HQ Building including the tenant improvements to the 1st-Floor Boardroom and Assembly Area, repair and painting of the garage, and any additional repairs that arise during this work;

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

1. Approve the appropriation of \$920,242 to the Capital Expense Budget in Fiscal Year 2022-23 for expenses related to the Broadway Building Annual Plan;
2. Consider enhanced security services during Board meetings at the 977 North Broadway Building headquarters for the second half of Fiscal Year 2022-23 and approve the appropriation of \$5,000 by increasing Appropriation 163040 – Contractual Service; and,
3. Authorize the General Manager to correct any clerical or typographical errors in this document.



REPORT TO BOARD OF ADMINISTRATION

From: Benefits Administration Committee

Michael R. Wilkinson, Chair
Annie Chao
Thuy Huynh

MEETING: SEPTEMBER 27, 2022

ITEM: VII - C

SUBJECT: LACERS 2021 ANTHEM AND DELTA DENTAL YEAR-END ACCOUNTING AND POSSIBLE BOARD ACTION

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board approve the Anthem Blue Cross and the self-funded Delta Dental PPO 2021 Year-End Accountings and the transfer of the 2021 Anthem surplus premium funds amount of \$1,947,953 to LACERS' 401(h) account and \$323,407 to LACERS' 115 Trust; and authorize the General Manager to adjust the amounts, based on updates of information received after this report.

Discussion

At the September 27, 2022, Benefit Administration Committee meeting preceding the Board meeting, staff will present recommendations regarding the transfer of surplus premium funds as described in the attached Committee report. Should the Committee approve staff's recommendation, this report on the Year-End Accounting will move forward to the Board for approval.

Strategic Plan Impact Statement

The Anthem and Delta Dental PPO Year-End Accounting process allows premium surpluses to be used toward future premium costs supporting the Strategic Plan Goal to improve value and minimize costs of Members' health and wellness benefits.

Prepared By: James Kawashima, Senior Benefits Analyst, Health, Wellness and Buyback Division

NMG/DWN/KF/jk

Attachments: 1. September 27, 2022 Benefits Administration Committee Report
2. Proposed Resolution



REPORT TO BENEFITS ADMINISTRATION COMMITTEE
From: Neil M. Guglielmo, General Manager

MEETING: SEPTEMBER 27, 2022
ITEM: III

SUBJECT: LACERS 2021 ANTHEM AND DELTA DENTAL YEAR-END ACCOUNTING AND POSSIBLE COMMITTEE ACTION

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Committee approve forwarding the Anthem Blue Cross and Delta Dental 2021 Year-End Accountings to the Board for its approval.

Executive Summary

Each year, LACERS’ Anthem Blue Cross (Anthem) plans and self-funded Delta Dental PPO plan accounting is reported, indicating whether there is a surplus or deficit when considering the total premium payments, claims costs, and administrative expenses during a plan year.

For 2021, the Anthem plans’ adjusted surplus premiums amounted to \$2,271,360 and will be transferred back to LACERS.

LACERS’ self-funded Delta Dental PPO plan ended 2021 with a premium surplus of \$1,807,039.

Discussion

Anthem Blue Cross

LACERS has an experience-rated refunding contract with Anthem for its HMO, PPO, and Medicare Supplement plans which requires a year-end accounting. At the end of each plan year, the review compares Anthem’s actual annual costs with the annual premium¹ amount paid by LACERS and its Members.

¹ Anthem plan premiums are based on projected costs for the next plan year.

Any deficits that may be found in the year-end accounting are funded by LACERS' Claims Stabilization Fund (CSF)² held by Anthem. The required funding level is determined by Anthem at the beginning of each plan year. For 2022, Anthem required the CSF balance to be increased by \$160,072 to \$1,675,806, which was funded by \$4,540 from earned interest and a transfer of \$155,532 from the 2021 premium surplus.

LACERS' Health and Welfare Consultant, Keenan & Associates (Keenan), reviewed Anthem's year-end accounting for 2021 (attached). All year-end accounting takes place after the end of the plan year, December 31, 2021. Highlights of Keenan's findings include:

Total Premium Paid	\$65,618,714
Claims/Expenses	(\$63,191,822)
Surplus Premiums	\$2,426,892
Transfer to CSF	(\$155,532)
2021 Year-End Balance	\$2,271,360

The surplus premium funds are recommended to be transferred from the CSF to LACERS where it can potentially earn a higher rate of return. These funds are to be placed in LACERS' 401(h) account and the 115 Trust accounts in accordance with the premium reserve funding policy to maintain a minimum balance of 15% of the experience-rated refunding or self-funded health plan's projected premium cost for the coming year.

Delta Dental PPO

Delta Dental PPO has been self-funded since the 2019 plan year. The Delta Dental PPO premiums are paid by LACERS and LACERS is responsible for paying all related provider claims. When premiums exceed claims costs, LACERS retains the surplus premium dollars, however, LACERS must resolve any deficits when premiums are not sufficient to cover all claims cost. Delta Dental is paid an administration fee to process the claims and invoices LACERS the claims cost each month.

Keenan performed a year-end accounting of the self-funded Delta Dental PPO plan for 2021. The budgeted premium exceeded the total cost creating a surplus position of \$1,807,039.

The findings include:

Total Premiums Paid	\$11,538,873
Claims/Expenses	(\$9,731,835)
2021 Year-End Balance	\$1,807,038

² The CSF is held in an interest-earning account based on the 12-month London Interbank Offered Rate (LIBOR) Index. The LIBOR Index is a benchmark interest rate at which major global banks lend to one another in the international interbank market for short-term loans

Delta Dental PPO premium surpluses are held in LACERS' 115 Trust account and will comply with the premium reserve funding policy to maintain a minimum balance of 15% of the experience-rated refunding or self-funded health plan's projected premium cost for the coming year.

Conclusion

The 2021 Year-End Accountings provided by Anthem and Delta Dental PPO report any surplus or deficits using the total premium payments, claims costs, and administrative expenses during the plan year. Both plans ended 2021 with a surplus. Anthem, after a required transfer to the Claims Stabilization Fund, had a surplus of \$2,271,360. Staff recommends the Anthem surplus funds be transferred to LACERS in the amount of \$1,947,953 to the 401(h) account and \$323,407 to the 115 Trust. Delta Dental PPO had a surplus of \$1,807,039 and the premium surpluses are being held by LACERS.

Strategic Plan Impact Statement

The Anthem and Delta Dental PPO Year-End Accounting process allows premium surpluses to be used toward future premium costs supporting the Strategic Plan Goal to improve value and minimize costs of Members' health and wellness benefits.

Prepared By: James Kawashima, Senior Benefits Analyst, Health, Wellness and Buyback Division

NMG/DWN/KF/jk

- Attachments:
1. Keenan Report - 2021 Anthem Year-End Accounting
 2. Keenan Report - 2021 Delta Dental Year-End Accounting
 3. Proposed Resolution



BAC Meeting: 09/27/2022
Item: III
Attachment: 1

Los Angeles City Employees' Retirement System 2021 Anthem Year-End Accounting September 12, 2022

Respectfully Submitted by:

Ju Anderson, Vice President | Bordan Darm, Senior Consultant
Erin Robinson, Service Consultant | Christine Hough, Consultant and Actuary

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Executive Summary

- 2021 produced a Year-End Accounting (YEA) surplus of \$2,426,892
- From the surplus, \$155,532 was transferred to the Claims Stabilization Fund (CSF) leaving a Year-End adjusted surplus of \$2,271,360
- Anthem's CSF is now funded at \$1,675,806 as of December 31, 2021
 - from \$1,515,734 at December 31, 2020
 - for an increase of \$160,072
 - \$155,532 from 2021 YEA surplus, and
 - \$4,540 from interest (12-month LIBOR Index)
- Anthem Blue Cross is holding the YEA surplus in its CSF account
- LACERS has two options:
 - Leave the funds in the CSF
 - Request the funds be transferred to LACERS (as has been done in past years)
 - Should LACERS opt for a refund, Anthem requires a formal letter of request or email instructions
- After the 2019 YEA, accounting on the Premium Stabilization Reserve (PSR) was discontinued since all balances were transferred to LACERS (except for the CSF)

Executive Summary (continued)

For the 2022 YEA (next year's YEA) there will be several changes:

- For 2022, the Anthem Blue View Vision coverage was changed to self-funded.
 - LACERS will receive a YEA for the vision coverage.
- For 2022, LACERS discontinued the Medicare Supplemental PPO plan and replaced it with the Passive PPO Medicare Advantage plan.
 - The Medicare Supplemental PPO plan may show on the 2022 YEA but only for adjustments prior to 2022.
 - The Passive PPO Medicare Advantage plan is not a participating contract.
 - It will not be included in the YEA.
 - It is a Medicare Part C contract which is dependent in part on Medicare funding and therefore not dividend (surplus) eligible.

2021 Anthem Accounting Summary

- The YEA provides LACERS with the difference between total costs incurred for the policy period and the respective premium remitted. The balance is expressed as a surplus or deficit position
- The Claims Stabilization Fund (CSF) is set and held by Anthem and funded by LACERS. It is to fund any deficit of a given policy period
- The PSR was discontinued with the 2019 YEA
 - The purpose of the Premium Stabilization Reserve (PSR) fund was to build up reserves from the surpluses of each policy period after meeting the funding requirement in the CSF, and to provide additional security should a period's deficit be greater than the CSF
 - After the 2019 YEA, the balance of the PSR was transferred to LACERS who now manages the surpluses

Policy Year	2015	2016	2017	2018	2019	2020	2021
YEA	\$3,455,525	\$1,017,392	\$4,140,949	\$1,114,664	\$2,366,139	\$2,255,347	\$2,426,892
Surplus/(Deficit)	surplus	surplus	surplus	surplus	surplus	surplus	surplus
% of Premium	7.60%	2.10%	8.20%	2.00%	4.23%	4.13%	3.70%
Ending CSF	\$1,129,400	\$1,129,400	\$1,251,114	\$1,405,423	\$1,452,172	\$1,515,734	\$1,675,806
\$ Adjustment*	\$0	\$0	\$121,714	\$154,309	\$46,749	\$63,562	\$160,072
% Adjustment*	0.00%	0.00%	10.80%	12.30%	3.22%	4.19%	9.55%
PSR w/YEA	\$18,386,470	\$19,671,630	\$16,334,836	\$11,956,924	\$0	\$0	\$0
\$ Adjustment	\$3,581,941	\$1,285,160	(\$3,336,794)	(\$4,497,714)	(\$11,956,924)	\$0	\$0

* From Previous Year

2021 Claims Stabilization Fund (CSF)

CSF Accounting	2015	2016	2017	2018	2019	2020	2021
1/1 CSF Balance	\$1,129,400	\$1,129,400	\$1,129,400	\$1,251,114	\$1,405,423	\$1,452,172	\$1,515,734
Interest Earned	\$8,960	\$15,496	\$20,209	\$34,507	\$33,382	\$11,184	\$4,540
Interest Yield	0.79%	1.37%	1.79%	2.76%	2.38%	0.77%	0.30%
YEA Fund Transfer	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Surplus Transfer*	(\$8,960)	(\$15,496)	\$101,505	\$119,802	\$13,367	\$52,378	\$155,532
Required CSF	\$1,129,400	\$1,129,400	\$1,251,114	\$1,405,423	\$1,452,172	\$1,515,734	\$1,675,806

*Previous to 2020 known as PSR Fund Transfer

- The January 1, 2021, beginning balance was \$1,515,734
- The \$4,520 Interest Yield is based on 12-month LIBOR Index
- Effective January 1, 2022, Anthem required that the CSF be increased 9.55% or \$160,072
 - From \$1,515,734, to \$1,675,806
- The \$160,072 increase was funded from:
 - \$4,540 from earned interest, and
 - the balance of \$155,532 from the 2021 YEA surplus

2021 Anthem Accounting Summary By Plan

LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM

Annual Accounting

Case No. C22357

January 1, 2021 through December 31, 2021

	HMO	PPO	Medicare Supplement	Medicare D	Total
Income Reported	\$16,500,249	\$19,371,845	\$12,282,369	\$17,512,642	\$65,667,105
CMS Revenue (Medicare D)	\$0	\$0	\$0	(\$48,391)	(\$48,391)
Total Income Received	\$16,500,249	\$19,371,845	\$12,282,369	\$17,464,251	\$65,618,714
Paid Claims	\$8,602,488	\$17,917,423	\$9,121,755	\$23,101,876	\$58,743,542
+ Ending Reserve	\$845,574	\$1,653,566	\$1,102,292	\$852,568	\$4,454,000
- Beginning Reserve	(\$670,058)	(\$1,388,411)	(\$951,179)	(\$714,080)	(\$3,723,728)
+ Large Claim Charge	\$947,034	\$1,256,084	\$0	\$0	\$2,203,118
- Large Claim Credit	(\$501,642)	(\$1,045,576)	\$0	\$0	(\$1,547,218)
Incurred Claims	\$9,223,396	\$18,393,086	\$9,272,868	\$23,240,364	\$60,129,714
Retention	\$591,346	\$789,274	\$1,678,049	\$528,927	\$3,587,596
HMC Programs	\$4,742	\$5,809	\$17,194	\$0	\$27,745
Silver Sneakers Program	\$109,633	\$109,347	\$321,805	\$0	\$540,785
Premium Tax	\$0	\$175,956	\$0	\$154,500	\$330,456
ACA Insurer Fee	\$0	\$0	\$0	\$0	\$0
Capitation Expenses	\$5,784,869	\$0	\$0	\$0	\$5,784,869
Consortium Fees	\$0	\$5,942	\$0	\$0	\$5,942
Part D Credit Final Settlement ReOpening - 2015	\$0	\$0	\$0	\$954	\$954
Part D Coverage Gap Discount True-Up - 2020	\$0	\$0	\$0	\$4,252	\$4,252
Part D Credit Final Settlement - 2020	\$0	\$0	\$0	(\$3,552,278)	(\$3,552,278)
Part D Estimated Coverage Gap Discount - 2021	\$0	\$0	\$0	(\$3,667,437)	(\$3,667,437)
Part D Credit Final Settlement ReOpening - 2016	\$0	\$0	\$0	(\$775)	(\$775)
Total Expense	\$15,713,986	\$19,479,414	\$11,289,916	\$16,708,507	\$63,191,822
Expense Ratio	95.23%	100.56%	91.92%	95.67%	96.30%
Accumulated Surplus/(Deficit) at December 31, 2021	\$786,263	(\$107,569)	\$992,453	\$755,744	\$2,426,892
Amount Allocated to Claims Stabilization Fund	(\$50,389)	\$6,894	(\$63,603)	(\$48,433)	(\$155,532)
Ending Surplus	\$735,874	(\$100,675)	\$928,850	\$707,311	\$2,271,360

2021 Anthem Accounting Summary - Accounting History

	2015	2016	2017	2018	2019	2020	2021
Annual Amount							
Total Income	\$46,617,533	\$47,725,568	\$51,421,751	\$55,132,694	\$55,927,235	\$54,664,982	\$65,618,714
Total Expenses	\$43,162,008	\$46,708,176	\$47,280,802	\$54,018,030	\$53,561,096	\$52,409,635	\$63,191,822
Surplus / (Deficit)	\$3,455,525	\$1,017,392	\$4,140,949	\$1,114,664	\$2,366,139	\$2,255,347	\$2,426,892
Expense Ratio	92.60%	97.87%	91.95%	97.98%	95.77%	95.87%	96.30%
Contracts	4,413	4,795	4,734	4,930	4,920	5,149	5,505
Per Retiree Per Month Amount							
Total Income	\$880.31	\$829.43	\$905.19	\$931.93	\$947.34	\$884.79	\$993.33
Total Expenses	\$815.05	\$811.75	\$832.29	\$913.08	\$907.26	\$848.29	\$956.60
Surplus / (Deficit)	\$65.25	\$17.68	\$72.89	\$18.84	\$40.08	\$36.50	\$36.74

Acknowledgement

Keenan & Associates would like to thank Ms. Karen Freire and the LACERS Health Benefits Administration staff for providing the necessary data and engaging in this year end accounting process. Their cooperation and guidance have been extremely valuable.

Questions and Answers



BAC Meeting: 09/27/2022
Item: III
Attachment: 2

Los Angeles City Employees' Retirement System 2021 Delta Dental Year End Accounting September 12, 2022

Respectfully Submitted by:

Ju Anderson, Vice President | Bordan Darm, Senior Consultant
Erin Robinson, Service Consultant | Christine Hough, Consultant and Actuary

Executive Summary

- LACERS self-funded its dental plan effective January 1, 2019
- In 2019, budgeted premium exceeded total cost creating a surplus position of \$1,684,288
- For 2020, budgeted premium exceeded total cost creating a surplus position of \$2,770,856
- For 2021, budgeted premium exceeded total cost creating a surplus position of \$1,807,039
- The three-year total surplus position amounts to \$6,262,183 with loss ratio of 80.6%
- The Year-End accountings were prepared by Keenan based on information provided by Delta Dental. LACERS' auditing team may have more accurate numbers based on fluctuations in enrollment or other debits and credits.

2021 Delta Dental Accounting Summary

2019	Number of Claims	Paid Amount	Administration	Total Expenses	Premium	Surplus / Deficit	Total Cost Loss Ratio
2019	39,128	\$7,763,759.99	\$735,736.20	\$8,499,496.19	\$10,183,783.72	\$1,684,287.53	83.5%
2020	Number of Claims	Paid Amount	Administration	Total Expenses	Premium	Surplus / Deficit	Total Cost Loss Ratio
Jan-20	4,133	\$905,378.28	\$62,852.40	\$968,230.68	\$870,198.30	-\$98,032.38	111.3%
Feb-20	3,837	\$870,291.68	\$63,097.20	\$933,388.88	\$873,659.78	-\$59,729.10	106.8%
Mar-20	3,166	\$689,301.75	\$63,438.90	\$752,740.65	\$878,821.75	\$126,081.10	85.7%
Apr-20	910	\$221,127.06	\$63,469.50	\$284,596.56	\$879,340.23	\$594,743.67	32.4%
May-20	680	\$149,922.69	\$63,591.90	\$213,514.59	\$881,351.99	\$667,837.40	24.2%
Jun-20	2,241	\$448,055.32	\$63,515.40	\$511,570.72	\$879,800.67	\$368,229.95	58.1%
Jul-20	3,405	\$660,700.78	\$63,505.20	\$724,205.98	\$879,396.61	\$155,190.63	82.4%
Aug-20	2,720	\$552,035.73	\$63,479.70	\$615,515.43	\$878,668.99	\$263,153.56	70.1%
Sep-20	2,822	\$589,843.34	\$63,867.30	\$653,710.64	\$885,009.49	\$231,298.85	73.9%
Oct-20	3,803	\$756,616.58	\$64,229.40	\$820,845.98	\$889,295.62	\$68,449.64	92.3%
Nov-20	2,659	\$526,483.33	\$64,509.90	\$590,993.23	\$892,879.31	\$301,886.08	66.2%
Dec-20	3,249	\$680,861.67	\$64,805.70	\$745,667.37	\$897,414.43	\$151,747.06	83.1%
2020	33,625	\$7,050,618.21	\$764,362.50	\$7,814,980.71	\$10,585,837.17	\$2,770,856.46	73.8%
2021	Number of Claims	Paid Amount	Administration	Total Expenses	Premium	Surplus / Deficit	Total Cost Loss Ratio
Jan-21	2,782	\$652,126.66	\$65,815.50	\$717,942.16	\$914,371.80	\$196,429.64	78.5%
Feb-21	3,071	\$704,101.29	\$66,621.30	\$770,722.59	\$926,912.93	\$156,190.34	83.1%
Mar-21	3,472	\$740,992.26	\$67,284.30	\$808,276.56	\$936,652.52	\$128,375.96	86.3%
Apr-21	4,412	\$947,376.59	\$68,187.00	\$1,015,563.59	\$951,408.39	-\$64,155.20	106.7%
May-21	3,602	\$732,683.27	\$69,094.80	\$801,778.07	\$964,790.50	\$163,012.43	83.1%
Jun-21	3,449	\$688,654.00	\$69,615.00	\$758,269.00	\$972,472.39	\$214,203.39	78.0%
Jul-21	4,240	\$840,385.08	\$69,834.30	\$910,219.38	\$975,830.87	\$65,611.49	93.3%
Aug-21	3,403	\$676,516.46	\$70,053.60	\$746,570.06	\$978,175.49	\$231,605.43	76.3%
Sep-21	4,321	\$841,246.46	\$70,104.60	\$911,351.06	\$980,806.35	\$69,455.29	92.9%
Oct-21	3,401	\$635,531.43	\$70,155.60	\$705,687.03	\$980,207.18	\$274,520.15	72.0%
Nov-21	3,299	\$621,600.79	\$70,048.50	\$691,649.29	\$979,064.27	\$287,414.98	70.6%
Dec-21	4,165	\$823,716.61	\$70,089.30	\$893,805.91	\$978,180.64	\$84,374.73	91.4%
2021	43,617	\$8,904,930.90	\$826,903.80	\$9,731,834.70	\$11,538,873.33	\$1,807,038.63	84.3%

2021 Delta Dental Enrollment Summary

2019	Total Primary Enrollees	Enrollee Only	Enrollee + Sp / Dp	Enrollee + 1 Child	Enrollee + Children	Family	Total Primary Enrollees	Adult Dependents	Child Dependents	Total Members
2019	144,262	92,407	45,700	1,820	381	3,954	144,262	49,654	8,453	202,369
2020	Total Primary Enrollees	Enrollee Only	Enrollee + Sp / Dp	Enrollee + 1 Child	Enrollee + Children	Family	Total Primary Enrollees	Adult Dependents	Child Dependents	Total Members
Jan-20	12,324	7,885	3,911	163	31	334	12,324	4,245	721	17,290
Feb-20	12,372	7,913	3,931	163	32	333	12,372	4,264	725	17,361
Mar-20	12,439	7,950	3,957	162	32	338	12,439	4,295	734	17,468
Apr-20	12,445	7,950	3,961	166	32	336	12,445	4,297	733	17,475
May-20	12,469	7,962	3,968	167	32	340	12,469	4,308	739	17,516
Jun-20	12,454	7,959	3,960	167	29	339	12,454	4,299	728	17,481
Jul-20	12,452	7,963	3,954	167	30	338	12,452	4,293	736	17,481
Aug-20	12,447	7,962	3,954	169	27	335	12,447	4,289	720	17,456
Sep-20	12,523	8,000	3,978	171	28	346	12,523	4,324	747	17,594
Oct-20	12,594	8,058	3,987	175	29	345	12,594	4,332	755	17,681
Nov-20	12,649	8,095	4,005	178	29	342	12,649	4,347	755	17,751
Dec-20	12,707	8,129	4,021	178	29	350	12,707	4,371	773	17,851
2020	149,875	95,826	47,587	2,026	360	4,076	149,875	51,664	8,866	210,405
2021	Total Primary Enrollees	Enrollee Only	Enrollee + Sp / Dp	Enrollee + 1 Child	Enrollee + Children	Family	Total Primary Enrollees	Adult Dependents	Child Dependents	Total Members
Jan-21	12,923	8,241	4,105	183	29	365	12,923	4,470	810	18,203
Feb-21	13,074	8,307	4,167	194	29	377	13,074	4,544	839	18,457
Mar-21	13,196	8,372	4,212	192	28	392	13,196	4,604	856	18,656
Apr-21	13,385	8,476	4,271	200	30	408	13,385	4,679	896	18,960
May-21	13,548	8,545	4,346	212	31	414	13,548	4,760	915	19,223
Jun-21	13,651	8,609	4,373	214	31	424	13,651	4,797	930	19,378
Jul-21	13,692	8,633	4,379	216	32	432	13,692	4,811	941	19,444
Aug-21	13,722	8,646	4,397	216	31	432	13,722	4,829	940	19,491
Sep-21	13,758	8,669	4,408	215	31	435	13,758	4,843	944	19,545
Oct-21	13,757	8,678	4,402	212	31	434	13,757	4,836	939	19,532
Nov-21	13,749	8,681	4,397	210	31	430	13,749	4,827	928	19,504
Dec-21	13,750	8,697	4,383	213	30	427	13,750	4,810	921	19,481
2021	162,205	102,554	51,840	2,477	364	4,970	162,205	56,810	10,859	229,874

Acknowledgement

Keenan & Associates would like to thank Ms. Karen Freire, and the LACERS Health Benefits Administration staff for providing the necessary data and engaging in this year-end accounting process. Their cooperation and guidance have been extremely valuable.

Questions and Answers

ANTHEM BLUE CROSS 2021 YEAR- END ACCOUNTING

PROPOSED RESOLUTION

WHEREAS, the Los Angeles Administrative Code establishes that the Los Angeles City Employees' Retirement System (LACERS) provide health and welfare programs for retired employees and their eligible dependents;

WHEREAS, LACERS has participating contracts with Anthem Blue Cross (Anthem), which means that at the end of each plan year, an accounting is performed to determine total premium funds versus total claims costs and administrative expenses;

WHEREAS, if the year-end accounting results in a deficit of premium funds, LACERS must pay Anthem the shortfall; if the accounting results in a surplus, those funds may be returned to LACERS;

WHEREAS, the 2021 Anthem year-end accounting shows an adjusted premium surplus of \$2,271,360;

WHEREAS, the appropriate amount of surplus premium funds attributable to medical subsidies shall be deposited back to the account from which the subsidy dollars were originally paid, which currently is the LACERS 401(h) account, and the appropriate amount of surplus premium funds attributable to Member monthly allowance deductions shall be deposited in the 115 Trust account;

WHEREAS, on September 27, 2022, the Benefits Administration Committee approved forwarding a recommendation to transfer the premium surplus to LACERS;

WHEREAS, the 2021 premium surplus of \$2,271,360 is being held by Anthem in the Claims Stabilization Fund and will transfer \$1,947,953 to LACERS' 401(h) account and \$323,407 to LACERS' 115 Trust upon approval of the 2021 year-end accounting;

NOW, THEREFORE, BE IT RESOLVED, that the Board to approve the Anthem Blue Cross and the self-funded Delta Dental PPO 2021 Year-End Accountings and the transfer of the 2021 Anthem surplus premium funds amount of \$1,947,953 to LACERS' 401(h) account and \$323,407 to LACERS' 115 Trust; and authorize the General Manager to adjust the amounts, based on updates of information received after this report.

September 27, 2022

ANTHEM BLUE CROSS 2021 YEAR- END ACCOUNTING

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September 27, 2022



PORTFOLIO PERFORMANCE REVIEW

LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

QUARTER ENDING JUNE 30, 2022



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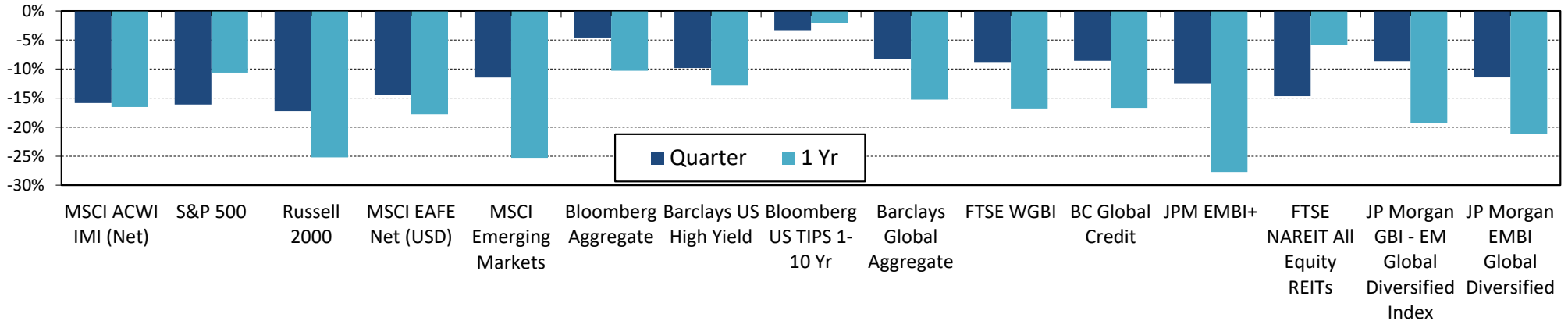
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EXECUTIVE SUMMARY



PERFORMANCE OVERVIEW

Q2 Market Summary – Risk Assets Turned In Negative Results



	Market Value (\$)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	15 Yrs (%)	Inception (%)	Inception Date
LACERS Master Trust	20,600,086,387	-8.9 (59)	-12.0 (59)	-6.9 (53)	6.8 (70)	7.2 (70)	8.4 (60)	6.0 (60)	8.1 (61)	Nov-94
<i>Policy Index</i>		-9.6 (77)	-12.5 (64)	-8.6 (80)	6.6 (73)	7.1 (75)	8.1 (67)	5.9 (65)	8.0 (64)	
<i>InvMetrics Public DB \$5-50B Gross Median</i>		-7.5	-10.0	-6.6	7.2	7.4	8.5	6.2	8.1	

Note: Performance is gross of fees

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

US Equity outperformed its benchmark while Non-U.S. Equity underperformed its benchmark. Private Equity outperformed contributing positively relative to its benchmark .

Volatility reigned in fixed-income markets in the second quarter, as headline CPI surged to 9.1%, hitting a 40-year high. In response, the Federal Reserve boosted the Fed Funds rate by 75 basis points in June—its largest move since 1994—while signaling a willingness to take a tough stance on inflation even at the expense of economic growth

Core Fixed Income and Credit Opportunities underperformed
Private Real Estate and Public Real Assets outperformed



MARKET ENVIRONMENT



ECONOMIC ENVIRONMENT



The S&P 500 had its worst start since 1970

- Large-Cap stocks outperformed Small-Cap, and Value outperformed Growth.
- Global markets continued to broadly decline.



Inflation keeps accelerating

- Headline CPI jumped to 9.1% in June. Core CPI was up 6%.
- The Federal Reserve raised its benchmark interest rate by 75 basis points, the largest hike since 1994.

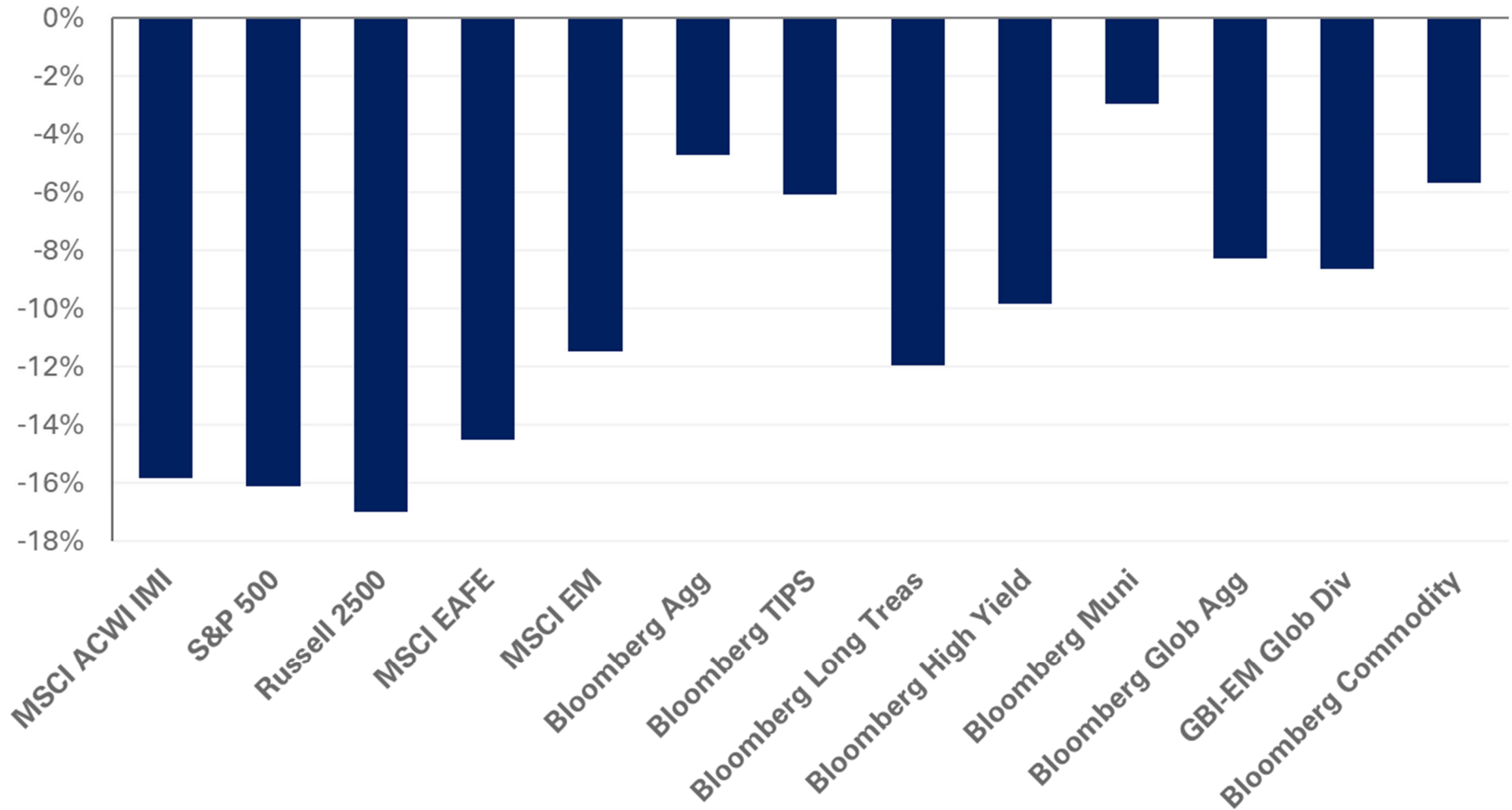


Headline labor rates indicate recovery

- However, the Labor Force Participation Rate remains below pre-pandemic levels.
- The 3-month moving average of overall wage growth continues to climb.

GLOBAL MARKETS BROADLY DECLINED

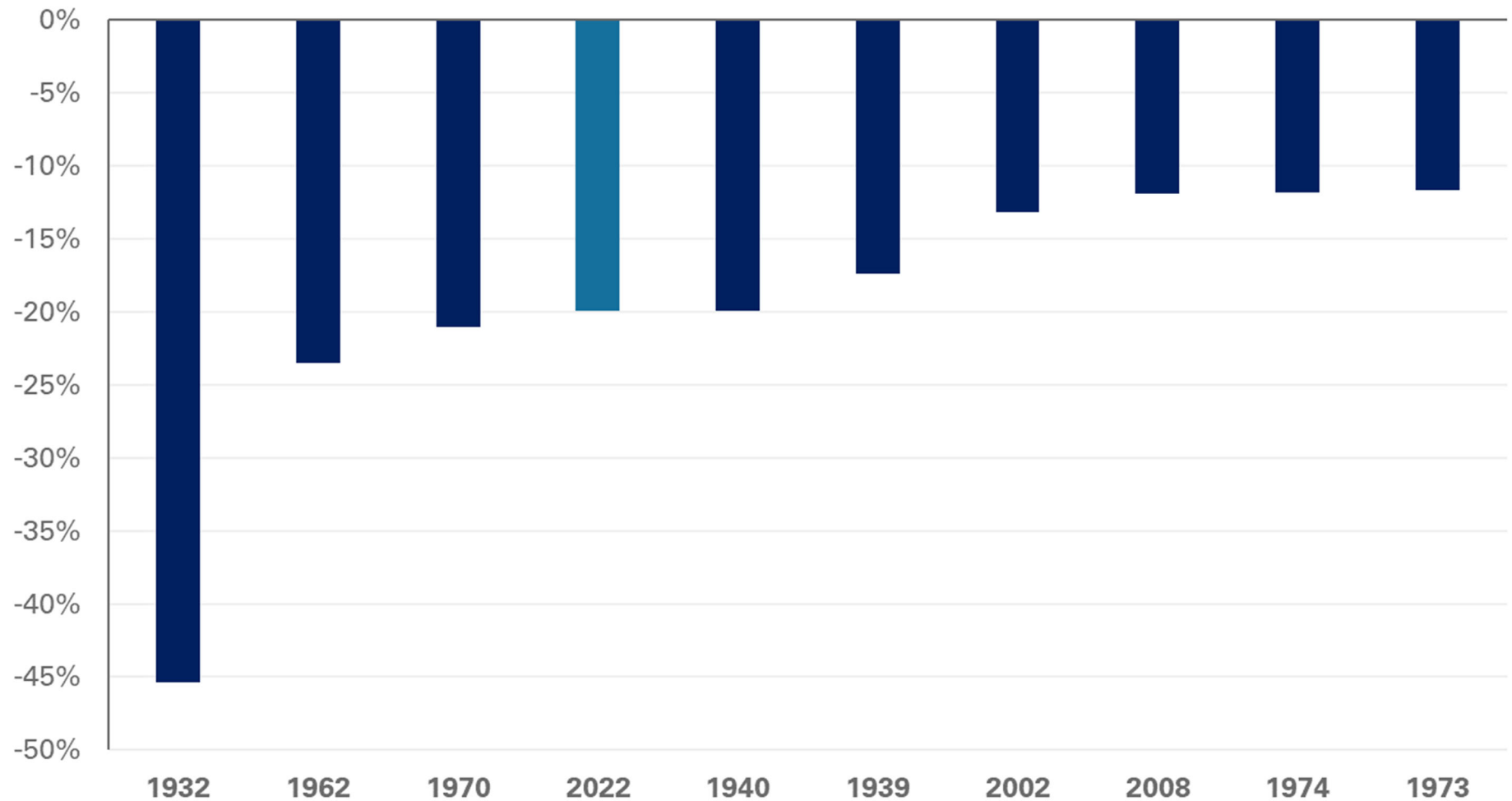
QUARTERLY TOTAL RETURNS



Source: MSCI, S&P, Russell, MSCI, Bloomberg, JPM, FactSet

WORST START FOR THE S&P IN OVER 50 YEARS

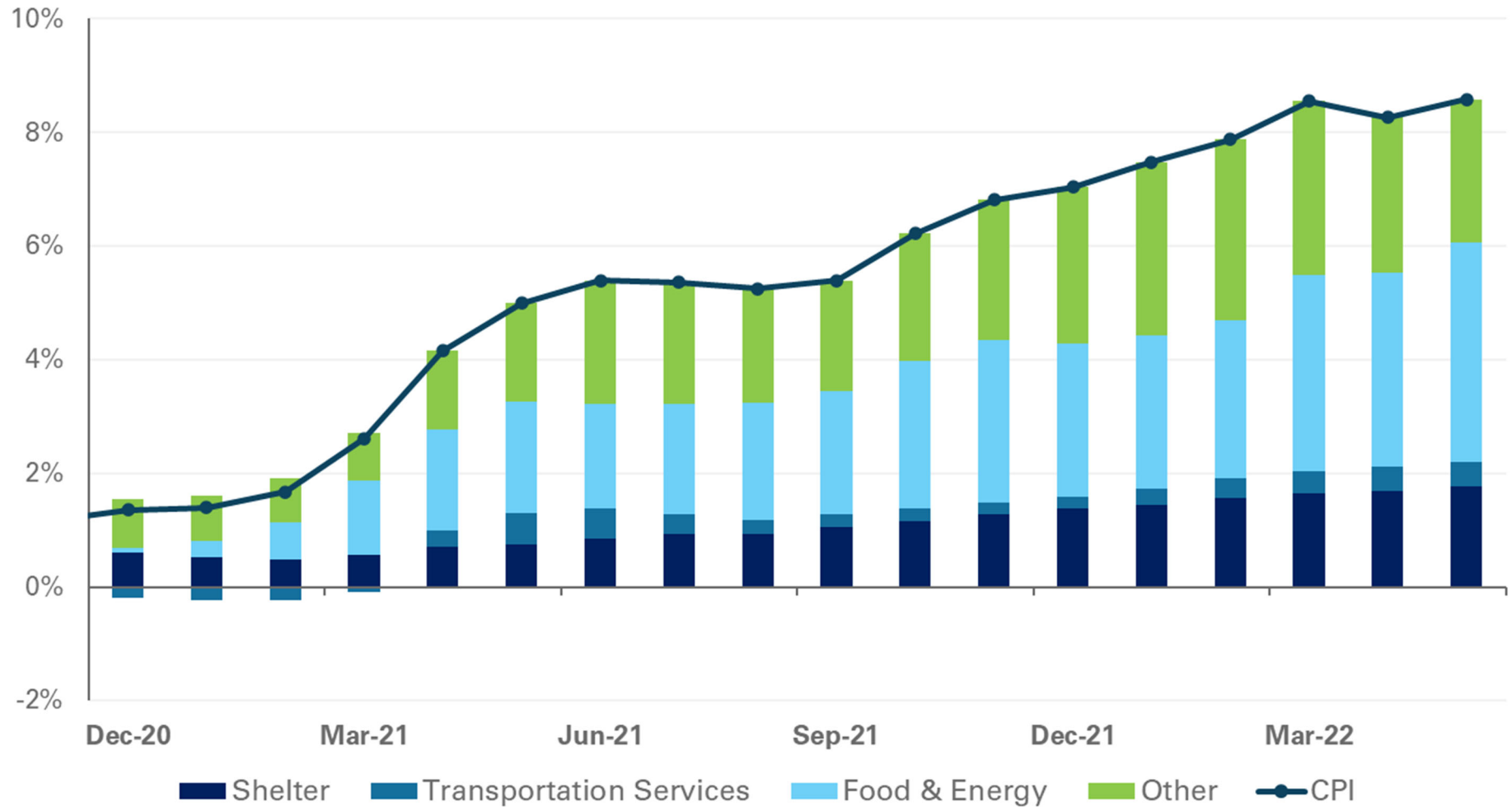
TOP 10 S&P 500 LOSSES IN FIRST HALF OF THE YEAR



Source: S&P, FactSet

INFLATION CONTINUED TO TREND HIGHER

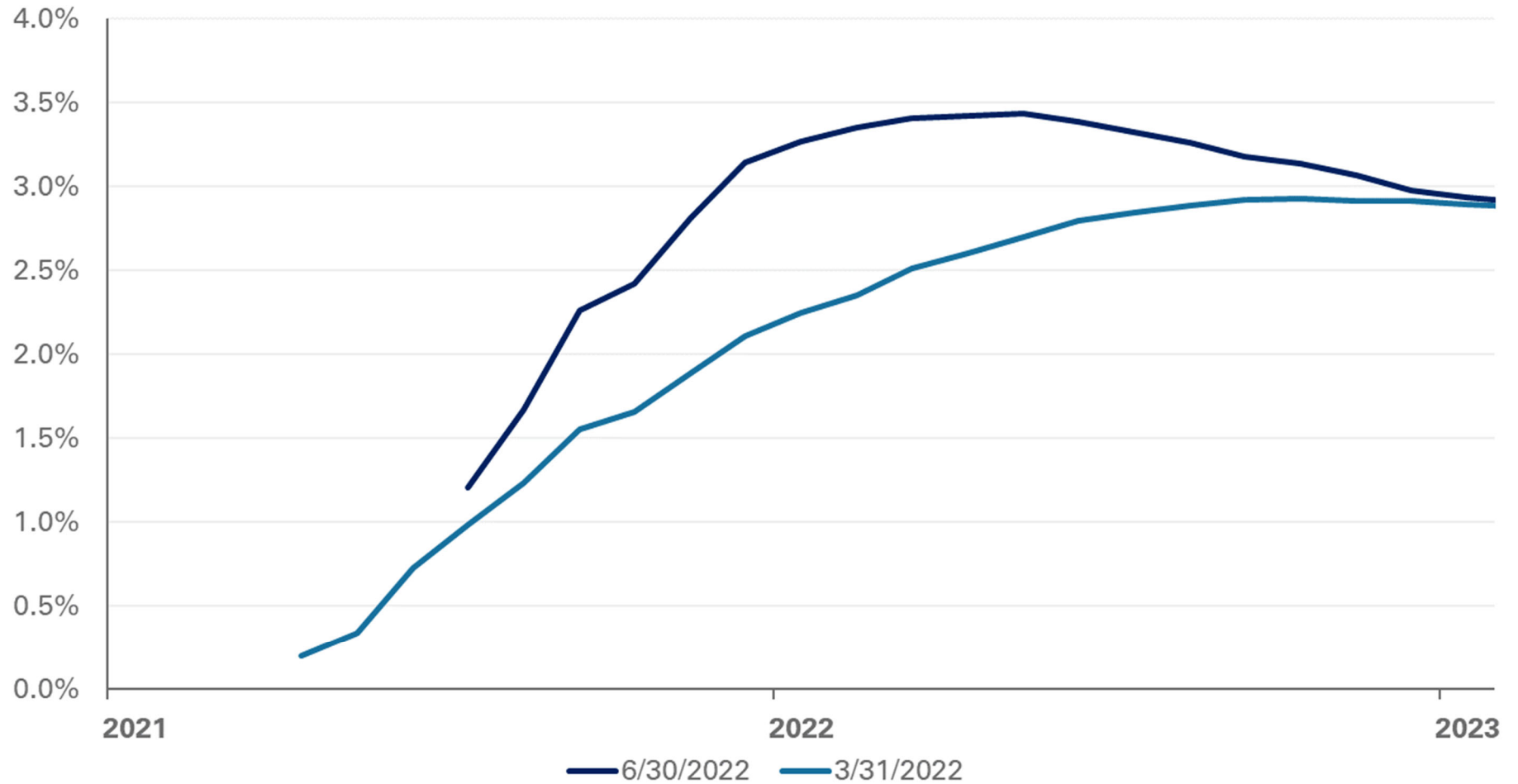
ANNUAL U.S. CPI-U CHANGES



Source: FactSet

RATE HIKE EXPECTATIONS INCREASED

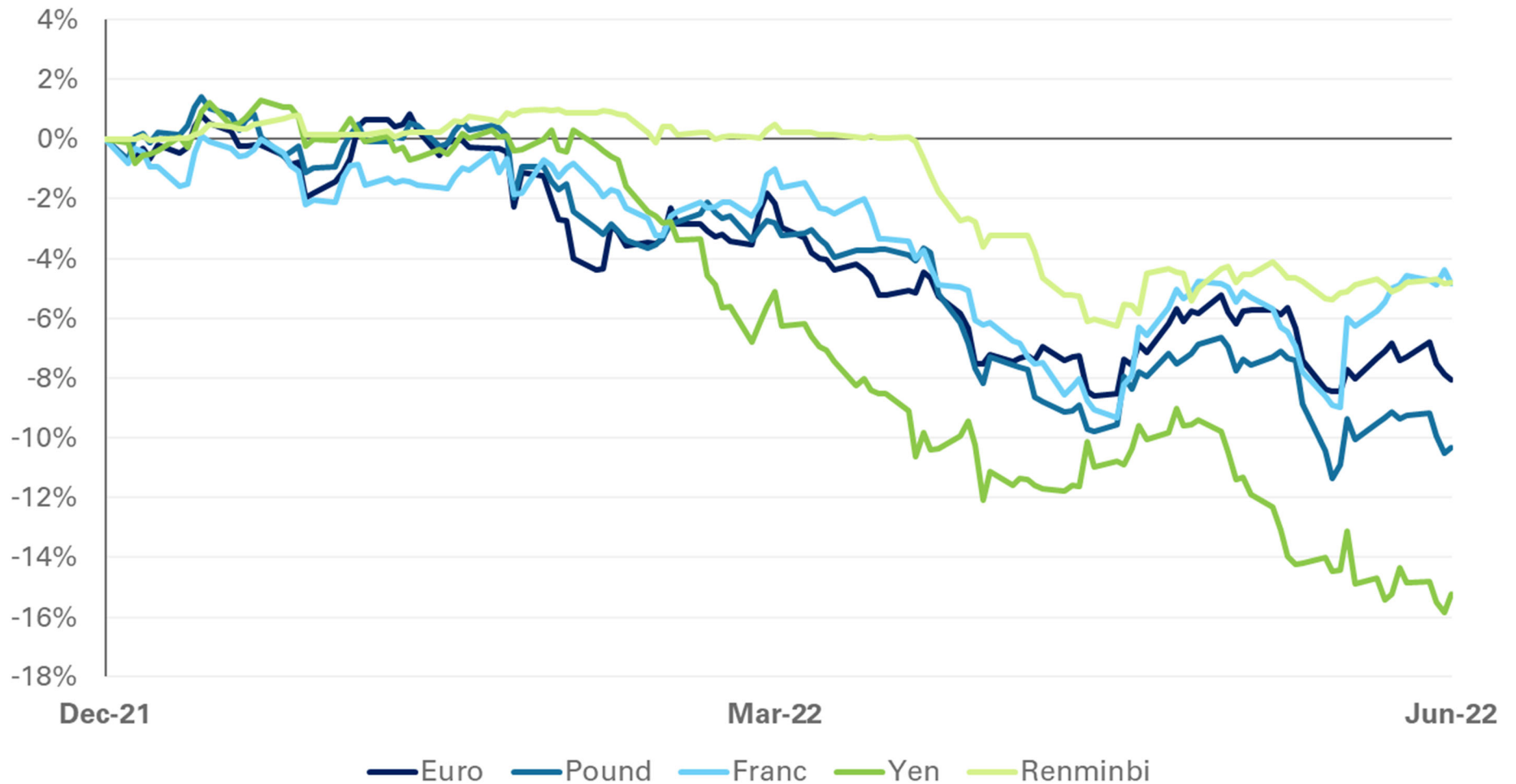
FEDERAL FUNDS FUTURES



Source: FactSet

DOLLAR STRENGTH WEIGHED ON NON-US ASSETS

CUMULATIVE CURRENCY RETURN



Source: FactSet

ASSET CLASS POLICY OVERVIEW

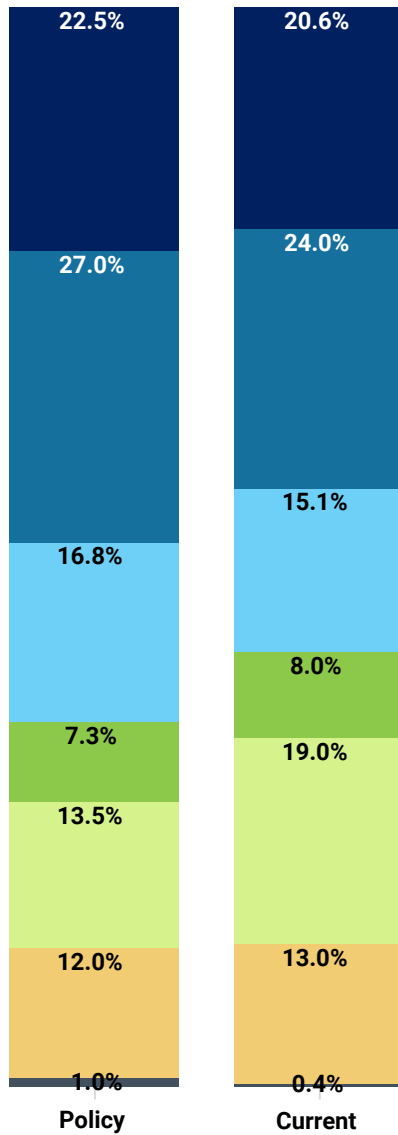


Los Angeles City Employees' Retirement System-LACERS Master Trust

ASSET ALLOCATION VS. POLICY

June 30, 2022

Asset Allocation vs. Target



	Current (\$)	Policy (%)	Current (%)	Differences* (%)	Policy Range (%)	Within Range
■ U.S. Equity	4,242,940,455	22.5	20.6	-1.9	16.5 - 28.5	Yes
■ Non-US Equity	4,938,884,961	27.0	24.0	-3.0	21.0 - 33.0	Yes
■ Core Fixed Income	3,110,563,462	16.8	15.1	-1.7	13.3 - 20.0	Yes
■ Credit Opportunities	1,637,999,544	7.3	8.0	0.7	7.3 - 12.8	Yes
■ Private Equity	3,914,774,762	13.5	19.0	5.5	N/A	Yes
■ Real Assets	2,677,371,939	12.0	13.0	1.0	7.0 - 13.0	Yes
■ Cash	77,551,264	1.0	0.4	-0.6	0.0 - 2.0	Yes
Total	20,600,086,387	100.0	100.0	0.0		

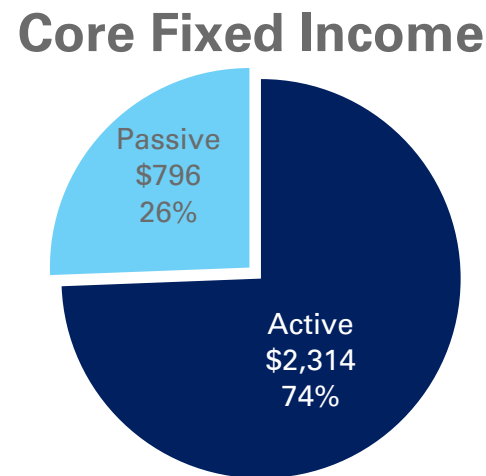
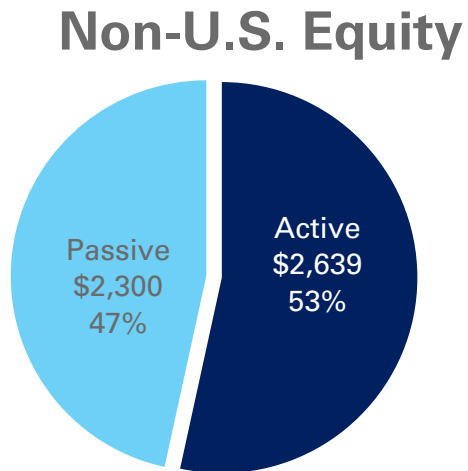
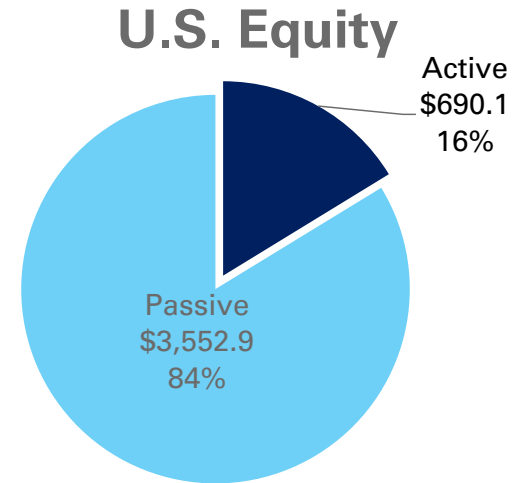
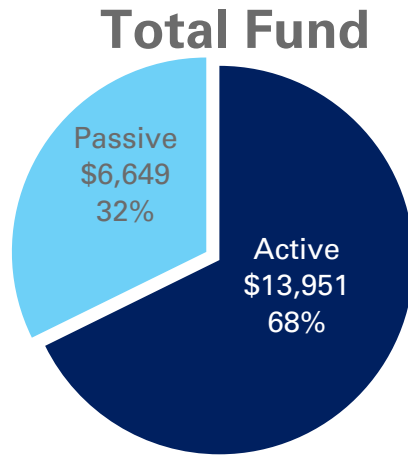
*Difference between Policy and Current Allocation

Note: Policy target asset allocation reflects interim asset allocation policy targets adopted on September 14, 2021.



ACTIVE AND PASSIVE MANAGER BREAKDOWN

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



- LACERS allocated 68% to active managers and 32% to passive managers.
- Credit Opportunities, Private Equity, and Real Assets programs are active and therefore are not shown.

PERFORMANCE OVERVIEW



TOTAL FUND PERFORMANCE SUMMARY

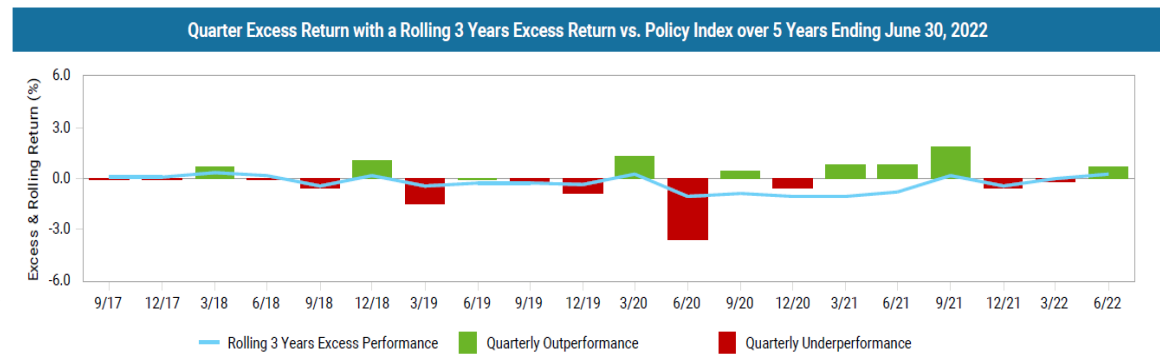
GROSS OF FEES

	Market Value (\$)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	15 Yrs (%)	Inception (%)	Inception Date
LACERS Master Trust	20,600,086,387	-8.9 (59)	-12.0 (59)	-6.9 (53)	6.8 (70)	7.2 (70)	8.4 (60)	6.0 (60)	8.1 (61)	Nov-94
<i>Policy Index</i>		<i>-9.6 (77)</i>	<i>-12.5 (64)</i>	<i>-8.6 (80)</i>	<i>6.6 (73)</i>	<i>7.1 (75)</i>	<i>8.1 (67)</i>	<i>5.9 (65)</i>	<i>8.0 (64)</i>	
<i>InvMetrics Public DB \$5-50B Gross Median</i>		<i>-7.5</i>	<i>-10.0</i>	<i>-6.6</i>	<i>7.2</i>	<i>7.4</i>	<i>8.5</i>	<i>6.2</i>	<i>8.1</i>	

Over the past five years the Fund return of 7.2% outperformed the policy index by 0.1% and ranked in the 70th percentile within the Public Funds \$5 Billion- \$50 Billion universe. The Fund’s volatility of 9.6% ranked in the 60th percentile over this period. The Fund’s risk-adjusted performance, as measured by the Sharpe Ratio ranked in the 61st percentile and the Sortino Ratio ranked in the 61st percentile as well. Both measures outperformed the benchmark indicating that active management benefited the Plan.

Over the past three years the Fund return of 6.8% outperformed the policy index by 0.2% and ranked in the 70th percentile in its peer group. The Fund’s volatility ranks in the 60th percentile and the Sharpe Ratio ranks in the 66th percentile. The Sortino Ratio of 0.9 ranks in the 61st percentile.

In the one-year ended June 30, 2022, the Fund returned -6.9% and outperformed the policy index by 1.7%. The Fund’s return ranked in the 53rd percentile in its peer group.



5 Years Ending March 31, 2022				
	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
LACERS Master Trust	7.2	9.6	0.7	1.0
Policy Index	7.1	10.9	0.6	0.9
InvMetrics Public DB \$5-50B Gross Median	7.4	8.9	0.6	1.0

3 Years Ending March 31, 2022				
	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
LACERS Master Trust	6.8	10.7	0.6	0.9
Policy Index	6.6	12.1	0.5	0.8
InvMetrics Public DB \$5-50B Gross Median	7.2	10.1	0.6	0.9



Los Angeles City Employees' Retirement System-LACERS Master Trust

June 30, 2022

EXECUTIVE SUMMARY

	Market Value (\$)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	15 Yrs (%)	Inception (%)	Inception Date
LACERS Master Trust	20,600,086,387	-8.9 (54)	-12.0 (53)	-6.9 (44)	6.8 (32)	7.2 (27)	8.4 (18)	6.0 (26)	8.1 (20)	Nov-94
<i>Policy Index</i>		-9.6 (73)	-12.5 (59)	-8.6 (64)	6.6 (40)	7.1 (29)	8.1 (32)	5.9 (27)	8.0 (24)	
<i>InvMetrics Public DB \$1-50B Gross Median</i>		-8.3	-11.8	-7.6	6.3	6.7	7.6	5.5	7.6	

3 Years Ending June 30, 2022				
	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
LACERS Master Trust	6.8	10.7	0.6	0.9
<i>Policy Index</i>	6.6	12.1	0.5	0.8
<i>InvMetrics Public DB \$1-50B Gross Median</i>	6.3	11.0	0.6	0.8

5 Years Ending June 30, 2022				
	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
LACERS Master Trust	7.2	9.6	0.7	1.0
<i>Policy Index</i>	7.1	10.9	0.6	0.9
<i>InvMetrics Public DB \$1-50B Gross Median</i>	6.7	9.8	0.6	0.8



Los Angeles City Employees' Retirement System-LACERS Master Trust

June 30, 2022

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	20,600,086,387	100.00	-8.90	-12.02	-6.86	6.83	7.17	8.40	7.64	8.07	Nov-94
Policy Index			-9.76	-12.83	-8.97	6.45	6.98	8.10	7.38	7.98	
Over/Under			0.86	0.81	2.11	0.38	0.19	0.30	0.26	0.09	
U.S. Equity	4,242,940,455	20.60	-16.26	-20.86	-13.41	9.41	10.34	12.52	9.20	10.37	Nov-94
U.S. Equity Blend			-16.70	-21.10	-13.87	9.77	10.60	12.57	9.14	9.46	
Over/Under			0.44	0.24	0.46	-0.36	-0.26	-0.05	0.06	0.91	
Non-U.S. Equity	4,938,884,961	23.98	-14.34	-19.78	-19.47	3.06	3.84	6.45	6.69	4.99	Nov-94
MSCI AC World ex USA (Net)			-13.73	-18.42	-19.42	1.35	2.50	4.83	5.78	4.64	
Over/Under			-0.61	-1.36	-0.05	1.71	1.34	1.62	0.91	0.35	
Core Fixed Income	3,110,563,462	15.10	-4.69	-10.14	-9.98	-0.18	1.40	2.30	-	2.30	Jul-12
Core Fixed Income Blend			-4.69	-10.35	-10.29	-0.94	0.88	1.64	-	1.64	
Over/Under			0.00	0.21	0.31	0.76	0.52	0.66	-	0.66	
Credit Opportunities	1,637,999,544	7.95	-8.44	-13.08	-13.81	-1.56	1.17	-	-	3.30	Jul-13
Credit Opportunities Blend			-8.45	-13.53	-14.44	-1.18	1.29	-	-	3.57	
Over/Under			0.01	0.45	0.63	-0.38	-0.12	-	-	-0.27	
Real Assets	2,677,371,939	13.00	-2.31	-2.05	5.29	5.84	5.85	7.20	5.13	6.28	Dec-94
Real Assets Policy Benchmark			-4.70	-4.74	5.89	7.39	7.38	6.88	6.61	7.90	
Over/Under			2.39	2.69	-0.60	-1.55	-1.53	0.32	-1.48	-1.62	
Public Real Assets	1,489,959,801	7.23	-8.64	-11.90	-5.46	4.14	4.16	-	-	2.66	Jul-14
Public Real Assets Blend			-9.36	-12.74	-5.06	4.11	3.71	-	-	1.24	
Over/Under			0.72	0.84	-0.40	0.03	0.45	-	-	1.42	
Private Real Estate	1,167,923,552	5.67	7.42	15.42	24.70	8.81	8.37	9.62	6.31	7.14	Nov-94
Real Estate Blend			4.98	12.93	30.52	13.56	11.41	11.76	10.01	10.26	
Over/Under			2.44	2.49	-5.82	-4.75	-3.04	-2.14	-3.70	-3.12	
Private Equity	3,914,774,762	19.00	0.32	5.19	27.64	23.82	19.64	15.51	13.66	11.96	Dec-95
Private Equity Blend			-1.97	2.96	14.05	22.90	19.75	18.86	14.37	14.11	
Over/Under			2.29	2.23	13.59	0.92	-0.11	-3.35	-0.71	-2.15	
Cash	77,551,264	0.38									

Please see appendix for the blended benchmark compositions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

June 30, 2022

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	20,600,086,387	100.00	-8.94	-12.10	-7.01	6.65	6.99	8.21	7.44	6.76	Jul-01
Policy Index			-9.76	-12.83	-8.97	6.45	6.98	8.10	7.38	6.73	
Over/Under			0.82	0.73	1.96	0.20	0.01	0.11	0.06	0.03	
U.S. Equity	4,242,940,455	20.60	-16.28	-20.90	-13.48	9.34	10.27	12.41	9.02	8.26	Sep-01
U.S. Equity Blend			-16.70	-21.10	-13.87	9.77	10.60	12.57	9.14	8.18	
Over/Under			0.42	0.20	0.39	-0.43	-0.33	-0.16	-0.12	0.08	
Non-U.S. Equity	4,938,884,961	23.98	-14.41	-19.93	-19.75	2.70	3.47	6.10	6.32	5.59	Jun-01
MSCI AC World ex USA (Net)			-13.73	-18.42	-19.42	1.35	2.50	4.83	5.78	4.84	
Over/Under			-0.68	-1.51	-0.33	1.35	0.97	1.27	0.54	0.75	
Core Fixed Income	3,110,563,462	15.10	-4.72	-10.18	-10.07	-0.27	1.31	2.19	-	2.19	Jul-12
Core Fixed Income Blend			-4.69	-10.35	-10.29	-0.94	0.88	1.64	-	1.64	
Over/Under			-0.03	0.17	0.22	0.67	0.43	0.55	-	0.55	
Credit Opportunities	1,637,999,544	7.95	-8.52	-13.24	-14.12	-1.85	0.86	-	-	2.98	Jul-13
Credit Opportunities Blend			-8.45	-13.53	-14.44	-1.18	1.29	-	-	3.57	
Over/Under			-0.07	0.29	0.32	-0.67	-0.43	-	-	-0.59	
Real Assets	2,677,371,939	13.00	-2.34	-2.11	5.17	5.69	5.70	7.05	4.97	5.18	Jun-01
Real Assets Policy Benchmark			-4.70	-4.74	5.89	7.39	7.38	6.88	6.61	6.51	
Over/Under			2.36	2.63	-0.72	-1.70	-1.68	0.17	-1.64	-1.33	
Public Real Assets	1,489,959,801	7.23	-8.67	-11.96	-5.58	3.96	3.95	-	-	2.47	Jul-14
Public Real Assets Blend			-9.36	-12.74	-5.06	4.11	3.71	-	-	1.24	
Over/Under			0.69	0.78	-0.52	-0.15	0.24	-	-	1.23	
Private Real Estate	1,167,923,552	5.67	7.40	15.38	24.60	8.72	8.28	9.52	6.17	6.35	Jul-01
Real Estate Blend			4.98	12.93	30.52	13.56	11.41	11.76	10.01	9.79	
Over/Under			2.42	2.45	-5.92	-4.84	-3.13	-2.24	-3.84	-3.44	
Private Equity	3,914,774,762	19.00	0.32	5.19	27.66	23.83	19.65	15.52	13.58	12.19	Sep-01
Private Equity Blend			-1.97	2.96	14.05	22.90	19.75	18.86	14.37	13.33	
Over/Under			2.29	2.23	13.61	0.93	-0.10	-3.34	-0.79	-1.14	
Cash	77,551,264	0.38									

Please see appendix for the blended benchmark compositions.



Los Angeles City Employees' Retirement System-LACERS Master Trust

June 30, 2022

RISK STATISTICS

3 Years Ending June 30, 2022						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
LACERS Master Trust	6.83 (42)	10.70 (39)	0.97 (45)	0.03 (45)	0.90 (40)	2.33 (39)
InvMetrics Public DB \$1-50B Gross Median	6.42	11.05	0.77	-0.08	0.85	2.58

5 Years Ending June 30, 2022						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
LACERS Master Trust	7.17 (45)	9.58 (41)	0.93 (40)	-0.01 (48)	0.96 (39)	2.01 (41)
InvMetrics Public DB \$1-50B Gross Median	7.04	9.85	0.57	-0.03	0.89	2.24

3 Years Ending June 30, 2022						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
LACERS Master Trust	6.83 (70)	10.70 (60)	0.97 (66)	0.03 (70)	0.90 (61)	2.33 (43)
InvMetrics Public DB \$5-50B Gross Median	7.23	10.09	1.25	0.20	0.95	2.82

5 Years Ending June 30, 2022						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
LACERS Master Trust	7.17 (70)	9.58 (60)	0.93 (61)	-0.01 (74)	0.96 (61)	2.01 (39)
InvMetrics Public DB \$5-50B Gross Median	7.42	8.85	1.12	0.11	0.99	2.58

ATTRIBUTION ANALYSIS

Attribution Effects
1 Quarter Ending June 30, 2022



Attribution Summary
1 Quarter Ending June 30, 2022

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Cash	-0.2	0.1	-0.3	0.0	-0.1	0.0	-0.1
U.S. Equity	-16.3	-16.7	0.4	0.1	0.0	0.0	0.1
Non-U.S. Equity	-14.3	-13.7	-0.6	-0.2	0.1	0.0	-0.1
Core Fixed Income	-4.7	-4.7	0.0	0.0	-0.1	0.0	-0.1
Credit Opportunities	-8.4	-8.4	0.0	0.0	0.0	0.0	0.0
Real Assets	-2.3	-4.7	2.4	0.3	0.0	0.0	0.3
Private Equity	0.3	-0.6	1.0	0.2	0.3	0.0	0.5
LACERS Master Trust	-8.9	-9.6	0.7	0.4	0.3	0.1	0.7

Wtd. = Weighted

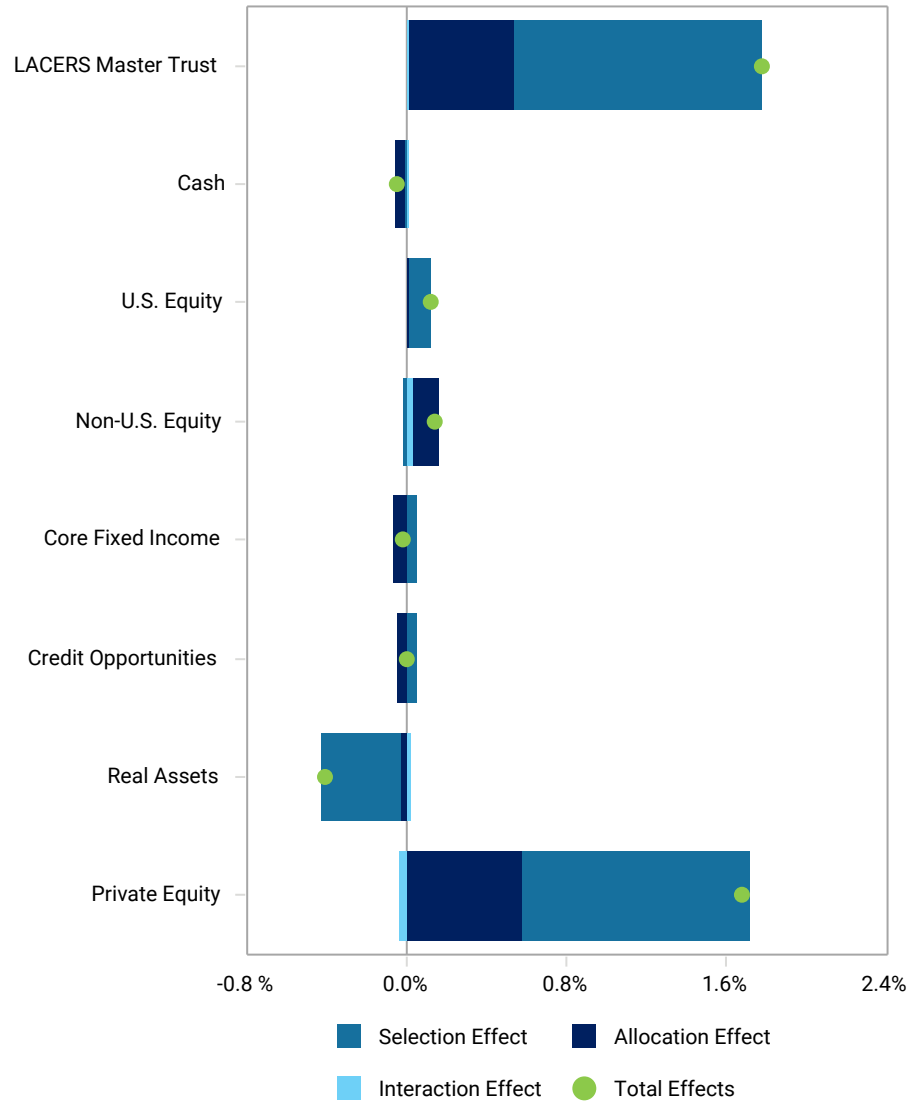
- In addition to returns on unallocated cash, the Cash composite returns include the impact of securities lending income, foreign tax reclaims, and other miscellaneous transactions.
- Policy target asset allocation reflects interim asset allocation policy targets adopted on September 14, 2021.

*Total Actual and Index returns are weighted average calculations.



ATTRIBUTION ANALYSIS

Attribution Effects
1 Year Ending June 30, 2022



Attribution Summary
1 Year Ending June 30, 2022

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Cash	-0.7	0.2	-0.8	0.0	0.0	0.0	-0.1
U.S. Equity	-13.4	-13.9	0.5	0.1	0.0	0.0	0.1
Non-U.S. Equity	-19.5	-19.4	-0.1	0.0	0.1	0.0	0.1
Core Fixed Income	-10.0	-10.3	0.3	0.1	-0.1	0.0	0.0
Credit Opportunities	-13.8	-14.4	0.6	0.1	-0.1	0.0	0.0
Real Assets	2.1	5.9	-3.8	-0.4	0.0	0.0	-0.4
Private Equity	27.6	17.1	10.6	1.1	0.6	0.0	1.7
LACERS Master Trust	-6.9	-8.6	1.8	0.9	0.5	0.0	1.8

Wtd. = Weighted

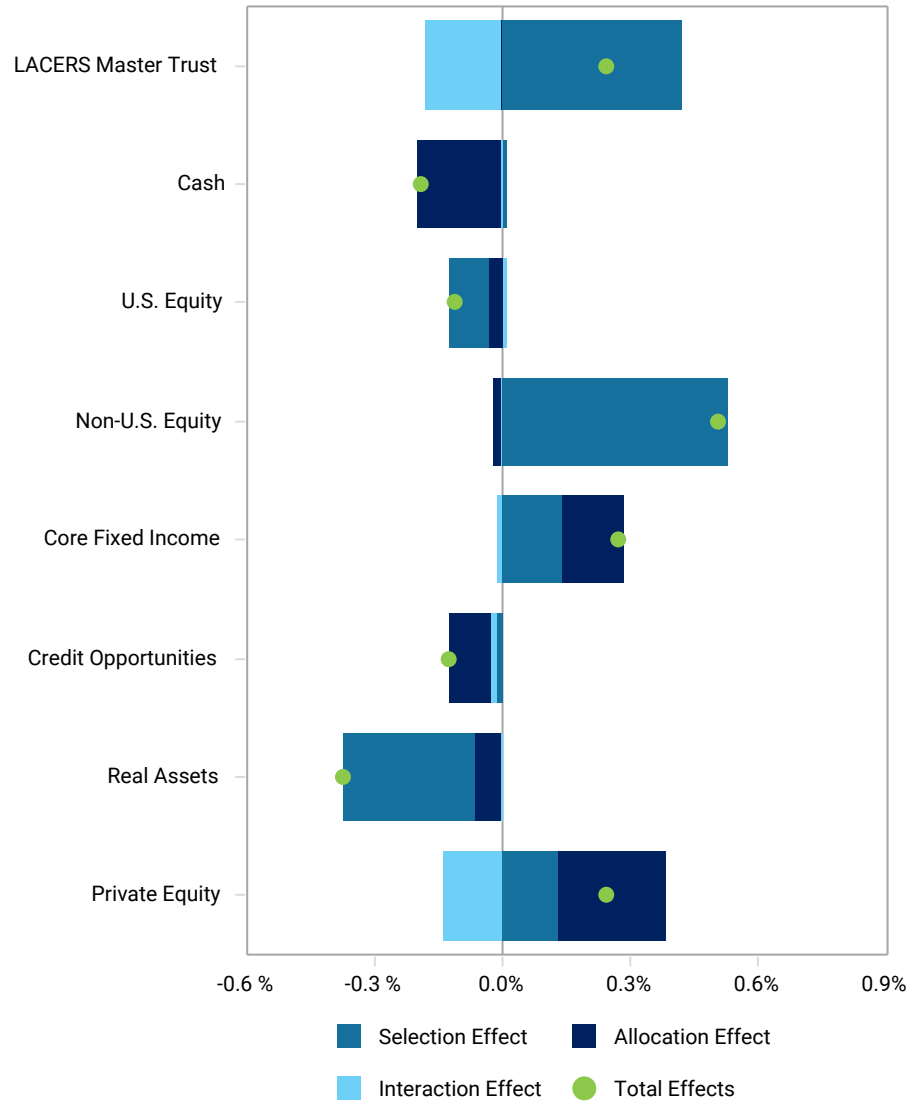
- In addition to returns on unallocated cash, the Cash composite returns include the impact of securities lending income, foreign tax reclaims, and other miscellaneous transactions.
- Policy target asset allocation reflects interim asset allocation policy targets adopted on September 14, 2021.

*Total Actual and Index returns are weighted average calculations.



ATTRIBUTION ANALYSIS

Attribution Effects
3 Years Ending June 30, 2022



Attribution Summary
3 Years Ending June 30, 2022

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Cash	1.5	0.6	0.9	0.0	-0.2	0.0	-0.2
U.S. Equity	9.4	9.8	-0.4	-0.1	0.0	0.0	-0.1
Non-U.S. Equity	3.1	1.4	1.7	0.5	0.0	0.0	0.5
Core Fixed Income	-0.2	-0.9	0.8	0.1	0.1	0.0	0.3
Credit Opportunities	-1.6	-1.2	-0.4	0.0	-0.1	0.0	-0.1
Real Assets	4.8	7.4	-2.6	-0.3	-0.1	0.0	-0.4
Private Equity	23.8	24.0	-0.2	0.0	0.3	-0.1	0.2
LACERS Master Trust	6.8	6.6	0.2	0.2	0.0	-0.2	0.2

Wtd. = Weighted

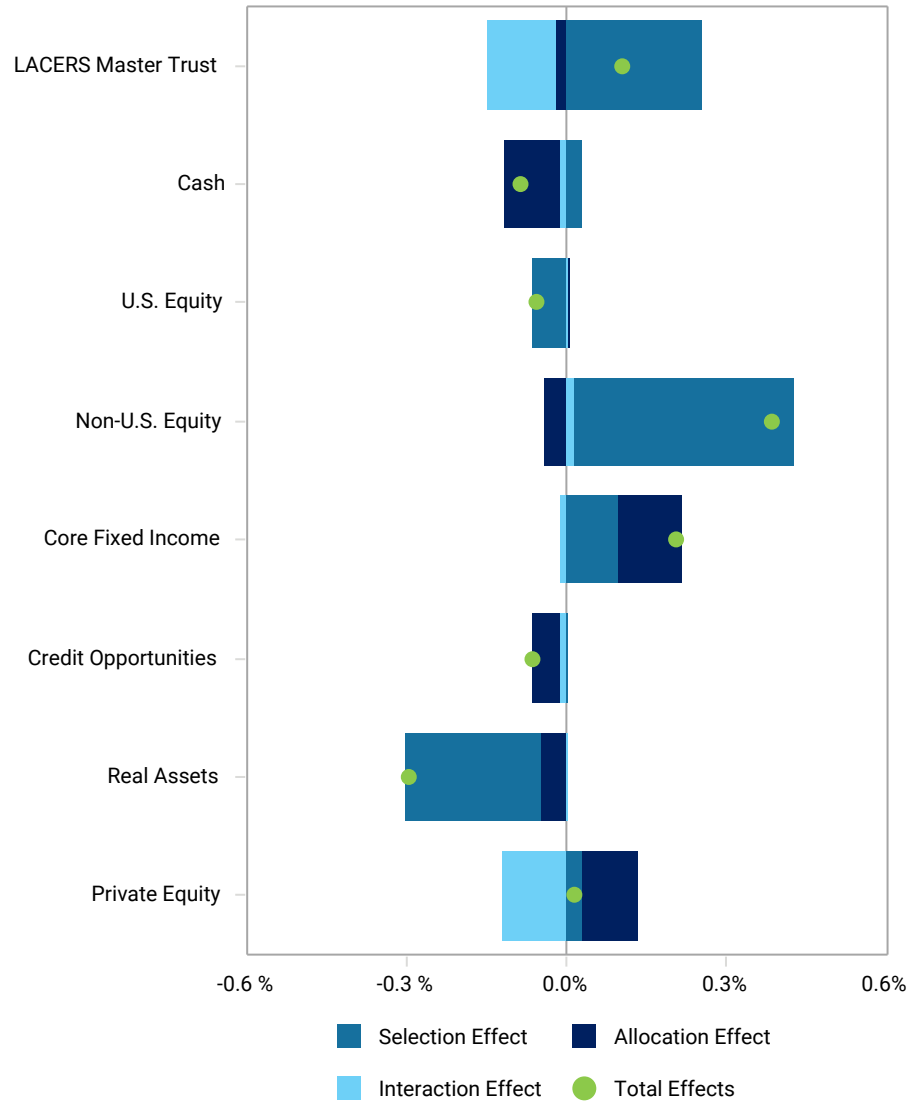
- In addition to returns on unallocated cash, the Cash composite returns include the impact of securities lending income, foreign tax reclaims, and other miscellaneous transactions.
- Policy target asset allocation reflects interim asset allocation policy targets adopted on September 14, 2021.

*Total Actual and Index returns are weighted average calculations.



ATTRIBUTION ANALYSIS

Attribution Effects
5 Years Ending June 30, 2022



Attribution Summary
5 Years Ending June 30, 2022

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Cash	4.0	1.1	2.9	0.0	-0.1	0.0	-0.1
U.S. Equity	10.3	10.6	-0.3	-0.1	0.0	0.0	-0.1
Non-U.S. Equity	3.8	2.5	1.3	0.4	0.0	0.0	0.4
Core Fixed Income	1.4	0.9	0.5	0.1	0.1	0.0	0.2
Credit Opportunities	1.2	1.3	-0.1	0.0	-0.1	0.0	-0.1
Real Assets	5.2	7.4	-2.2	-0.2	0.0	0.0	-0.3
Private Equity	19.6	20.4	-0.8	-0.1	0.1	-0.1	0.0
LACERS Master Trust	7.2	7.1	0.1	0.1	0.0	-0.1	0.1

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 September 14, 2021.

*Total Actual and Index returns are weighted average calculations.



PRIVATE MARKETS PERFORMANCE

AS OF MARCH 31, 2022

Private Equity	10 Year IRR	Since Inception IRR	Since Inception Multiple
Aggregate Portfolio	15.6%	12.9%	1.74x
Core Portfolio	16.3%	13.4%	1.77x
Specialized Portfolio	2.2%	2.0%	1.13x
Russell 3000 + 300 bps	17.3%	12.9%	N/A

Real Estate	10 Year Return (Net)	Since Inception Return (Net)
Total Portfolio (TWR) ¹	9.52%	6.34%
NFI-ODCE + 80 basis points (TWR)	10.72%	7.44%

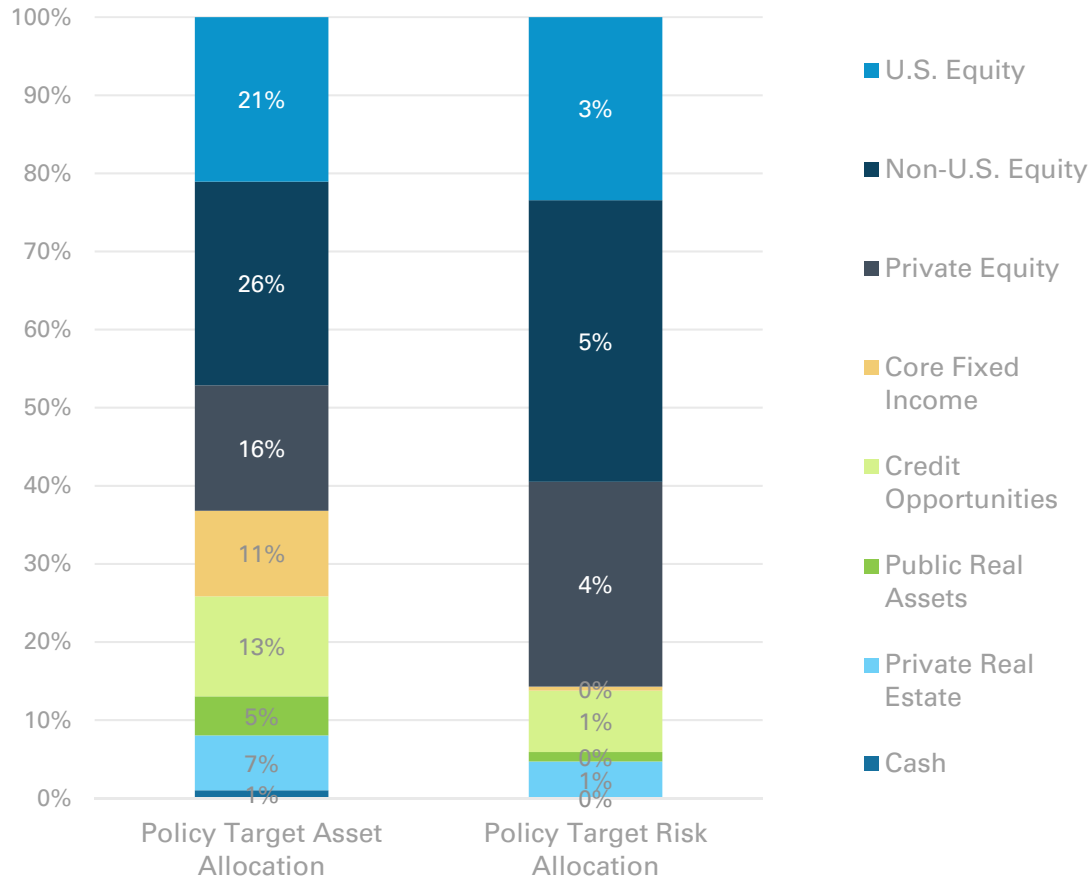
Note: The Total Value to Paid-In Ratio (TVPI) is a multiple that relates the current value of the private equity portfolio plus all distributions received to date with the total amount of capital contributed.

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 JUNE 30, 2022

Public Markets Asset Class	Target Risk Budget	Actual 3 Yr Tracking Error
U.S. Equity	1.25%	0.97%
Non-U.S. Equity	1.75%	1.84%
Core Fixed Income	1.75%	0.56%
Credit Opportunities	3.50%	1.83%
Public Real Assets*	1.25%	4.47%

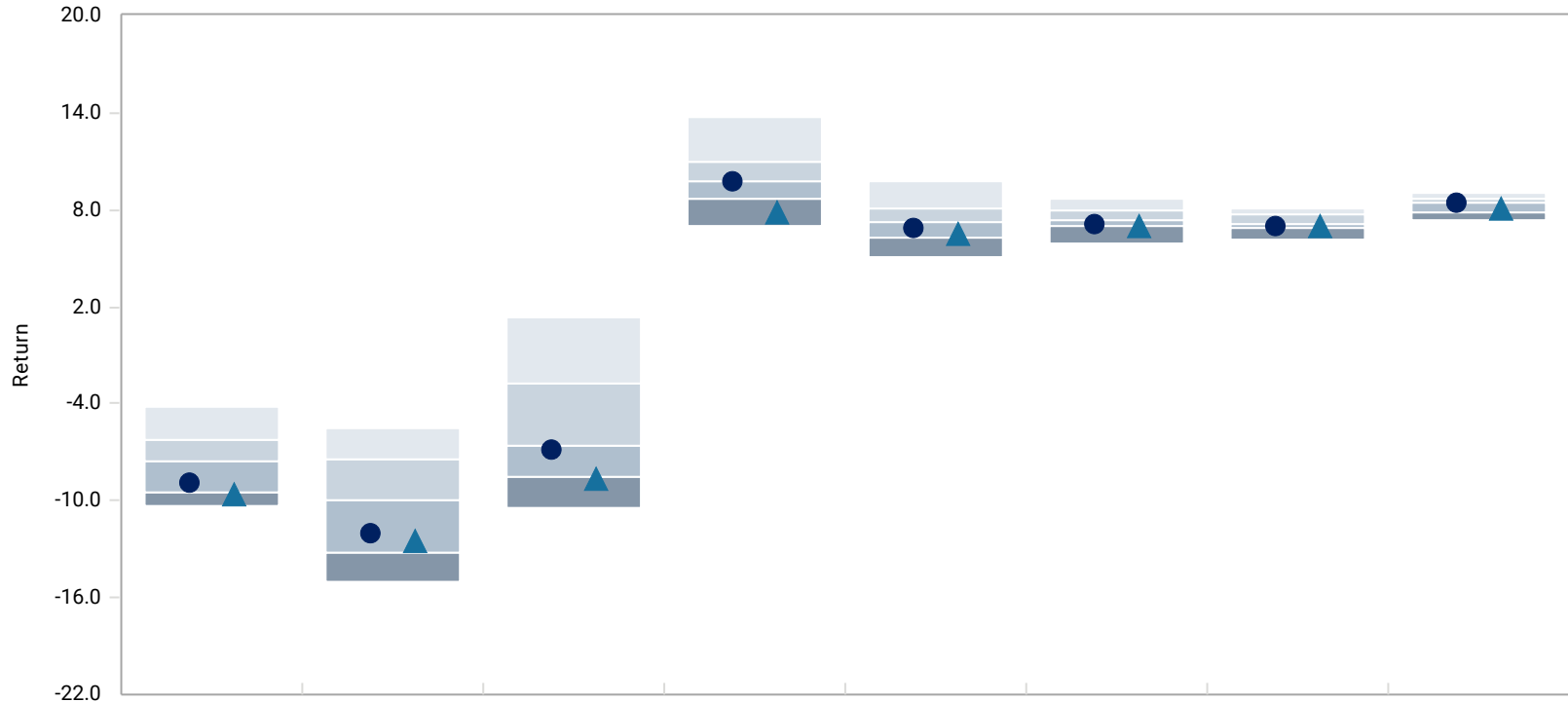
- Current public market asset class composite tracking error statistics are compared to asset class target risk budgets to ensure active risks are within expectations.
- Risk budgets are to be evaluated over three-year periods, at minimum, to reflect a full market cycle.
- All equity public markets asset 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.



RETURN SUMMARY VS. PEER UNIVERSE

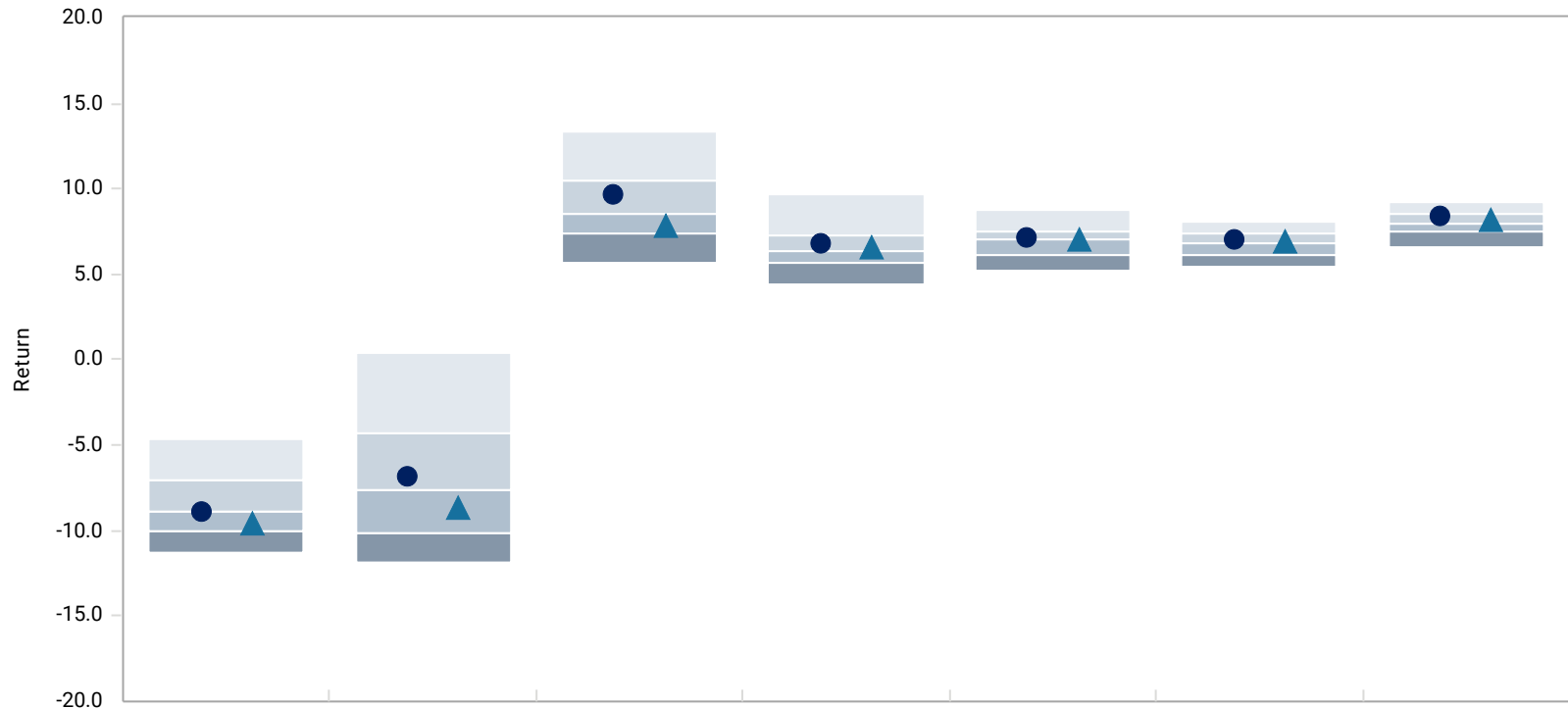
LACERS Master Trust vs. InvMetrics Public DB \$5-50B Gross



	3 Mo (%)	YTD (%)	1 Year (%)	2 Years (%)	3 Years (%)	5 Years (%)	7 Years (%)	10 Years (%)
● LACERS Master Trust	-8.9 (59)	-12.0 (59)	-6.9 (53)	9.7 (53)	6.8 (70)	7.2 (70)	7.0 (73)	8.4 (60)
▲ Policy Index	-9.6 (77)	-12.5 (64)	-8.6 (80)	7.9 (90)	6.6 (73)	7.1 (75)	7.0 (74)	8.1 (67)
5th Percentile	-4.2	-5.6	1.3	13.7	9.8	8.7	8.0	9.0
1st Quartile	-6.3	-7.4	-2.8	11.0	8.0	7.9	7.8	8.7
Median	-7.5	-10.0	-6.6	9.8	7.2	7.4	7.2	8.5
3rd Quartile	-9.5	-13.2	-8.5	8.6	6.3	7.1	6.9	7.9
95th Percentile	-10.3	-15.0	-10.4	7.0	5.1	6.0	6.1	7.4
Population	25	25	24	24	24	24	23	23

RETURN SUMMARY VS. PEER UNIVERSE

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



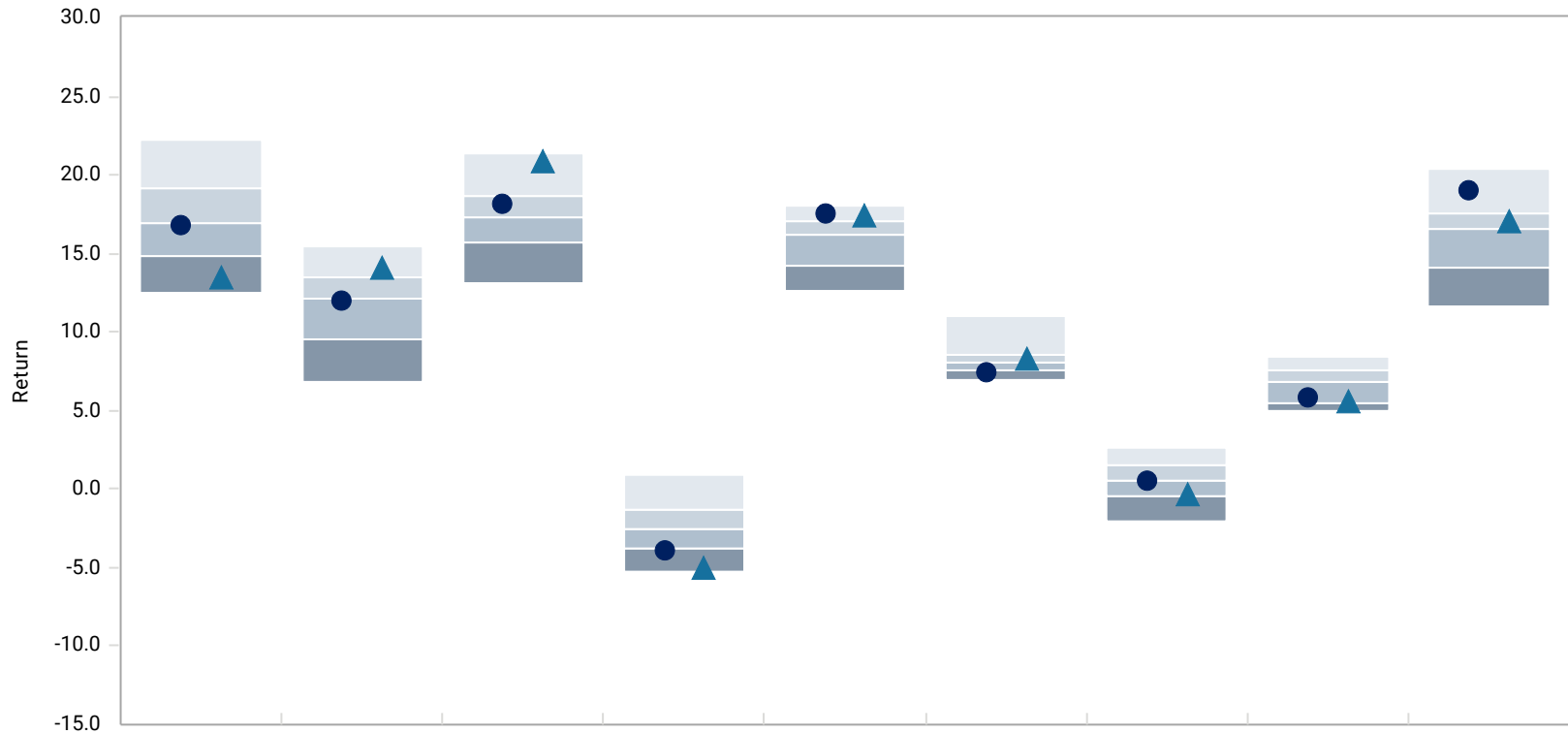
	3 Mo (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
● LACERS Master Trust	-8.9 (50)	-6.9 (40)	9.7 (37)	6.8 (42)	7.2 (45)	7.0 (49)	8.4 (38)
▲ Policy Index	-9.6 (66)	-8.6 (61)	7.9 (63)	6.6 (48)	7.1 (49)	7.0 (49)	8.1 (47)
5th Percentile	-4.6	0.4	13.4	9.7	8.7	8.1	9.2
1st Quartile	-7.0	-4.2	10.5	7.3	7.5	7.3	8.6
Median	-8.9	-7.7	8.6	6.4	7.0	6.8	8.0
3rd Quartile	-10.0	-10.2	7.4	5.6	6.1	6.2	7.5
95th Percentile	-11.2	-11.8	5.7	4.4	5.2	5.5	6.6
Population	65	64	64	64	64	63	63

Los Angeles City Employees' Retirement System-LACERS Master Trust

June 30, 2022

RETURN SUMMARY VS. PEER UNIVERSE

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

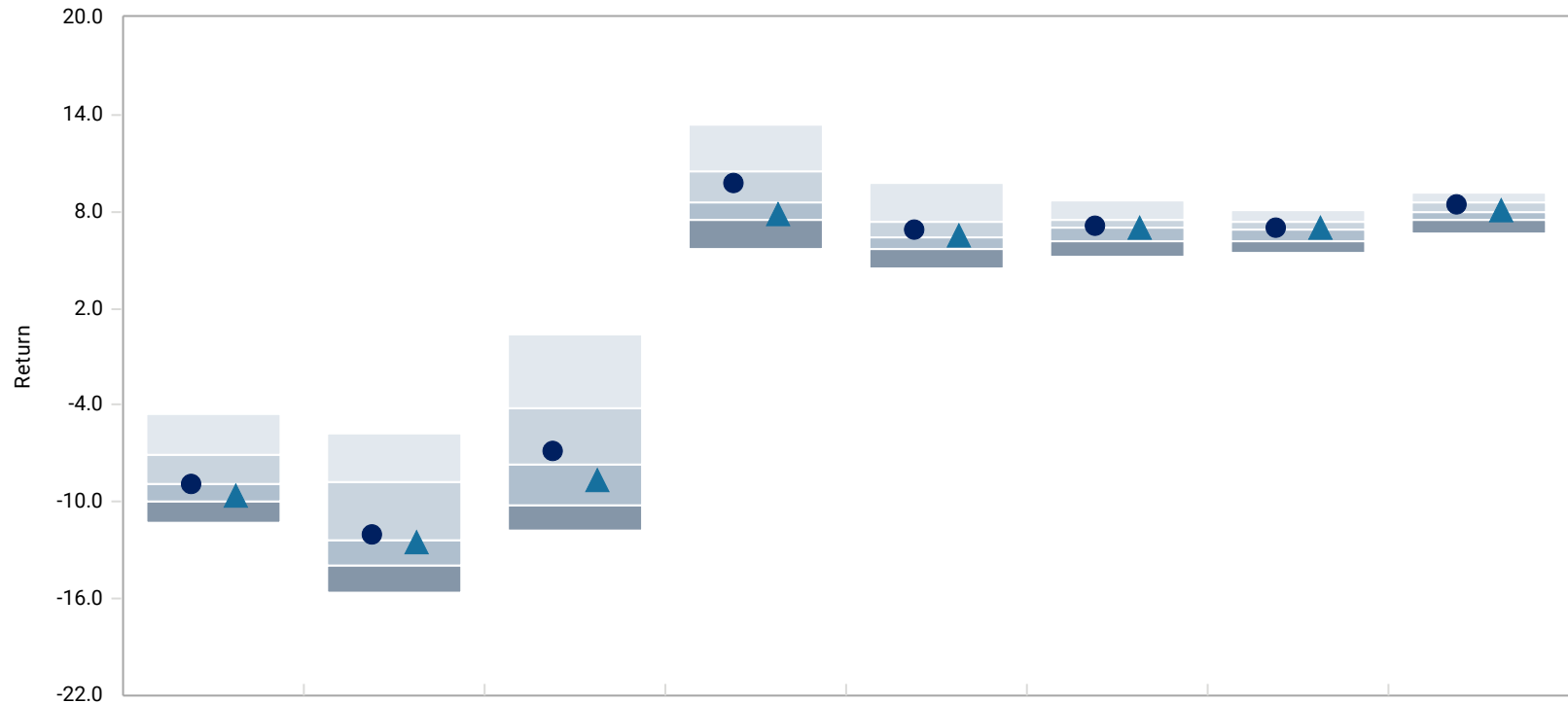


	2021	2020	2019	2018	2017	2016	2015	2014	2013
● LACERS Master Trust	16.8 (56)	12.1 (51)	18.1 (31)	-3.9 (76)	17.6 (10)	7.4 (86)	0.5 (51)	5.9 (69)	19.0 (13)
▲ Policy Index	13.5 (83)	14.1 (17)	20.9 (8)	-5.0 (95)	17.4 (11)	8.3 (33)	-0.4 (75)	5.6 (74)	17.1 (30)
5th Percentile	22.3	15.5	21.4	0.8	18.0	11.0	2.6	8.4	20.4
1st Quartile	19.1	13.5	18.7	-1.3	17.1	8.6	1.6	7.6	17.5
Median	17.0	12.1	17.3	-2.5	16.2	8.0	0.5	6.8	16.6
3rd Quartile	14.9	9.6	15.7	-3.8	14.3	7.5	-0.4	5.5	14.1
95th Percentile	12.4	6.8	13.0	-5.2	12.6	7.0	-2.0	4.9	11.6
Population	46	56	44	38	45	44	43	43	40



RETURN SUMMARY VS. PEER UNIVERSE

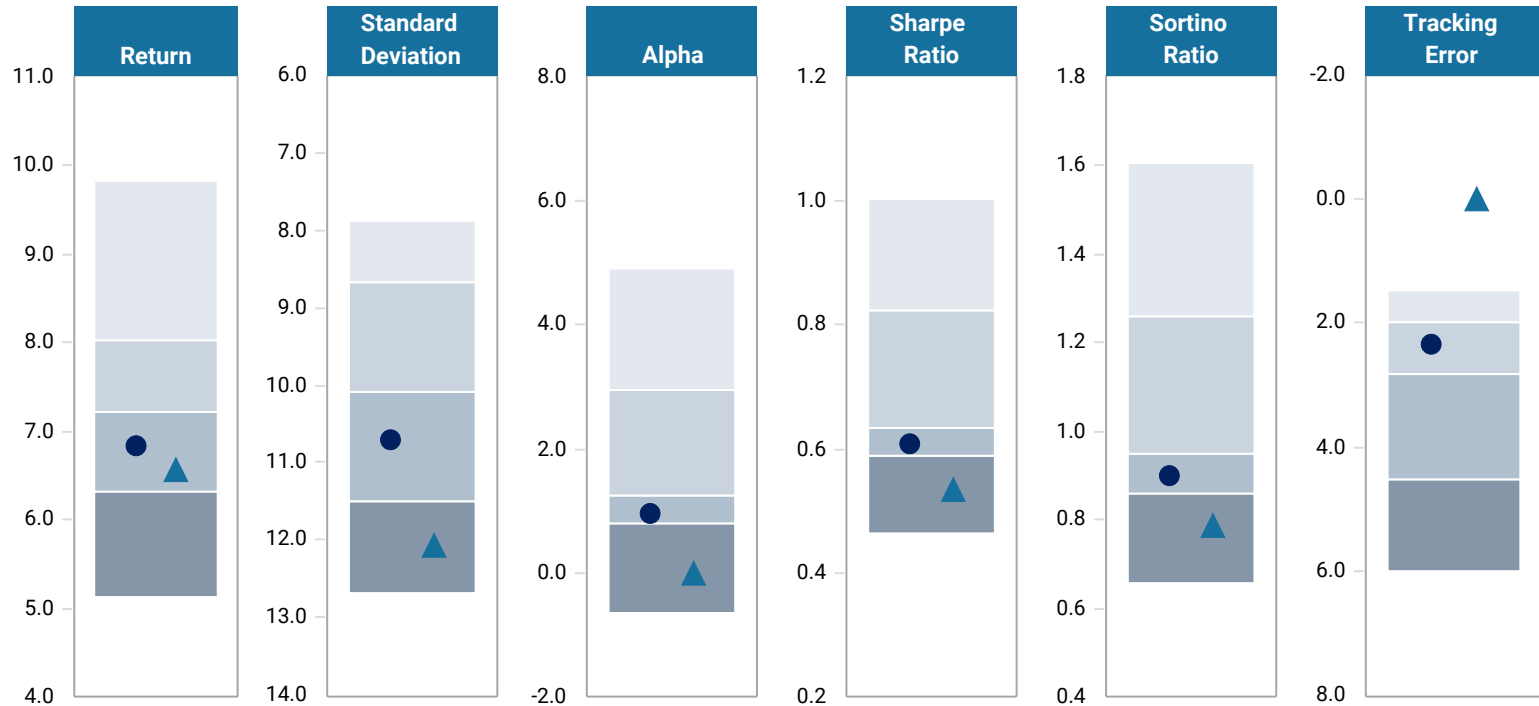
LACERS Master Trust vs. InvMetrics Public DB \$1-50B Gross



	3 Mo (%)	YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
● LACERS Master Trust	-8.9 (50)	-12.0 (49)	-6.9 (40)	9.7 (37)	6.8 (42)	7.2 (45)	7.0 (49)	8.4 (38)
▲ Policy Index	-9.6 (66)	-12.5 (53)	-8.6 (61)	7.9 (63)	6.6 (48)	7.1 (49)	7.0 (49)	8.1 (47)
5th Percentile	-4.6	-5.8	0.4	13.4	9.7	8.7	8.1	9.2
1st Quartile	-7.0	-8.8	-4.2	10.5	7.3	7.5	7.3	8.6
Median	-8.9	-12.4	-7.7	8.6	6.4	7.0	6.8	8.0
3rd Quartile	-10.0	-14.0	-10.2	7.4	5.6	6.1	6.2	7.5
95th Percentile	-11.2	-15.6	-11.8	5.7	4.4	5.2	5.5	6.6
Population	65	65	64	64	64	64	63	63

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	6.8 (70)	10.7 (60)	1.0 (66)	0.6 (66)	0.9 (61)	2.3 (43)
▲ Policy Index	6.6 (73)	12.1 (90)	0.0 (87)	0.5 (86)	0.8 (86)	0.0 (1)
5th Percentile	9.8	7.9	4.9	1.0	1.6	1.5
1st Quartile	8.0	8.7	3.0	0.8	1.3	2.0
Median	7.2	10.1	1.2	0.6	0.9	2.8
3rd Quartile	6.3	11.5	0.8	0.6	0.9	4.5
95th Percentile	5.1	12.7	-0.6	0.5	0.7	6.0
Population	24	24	24	24	24	24

RISK STATISTICS VS. PEER UNIVERSE

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

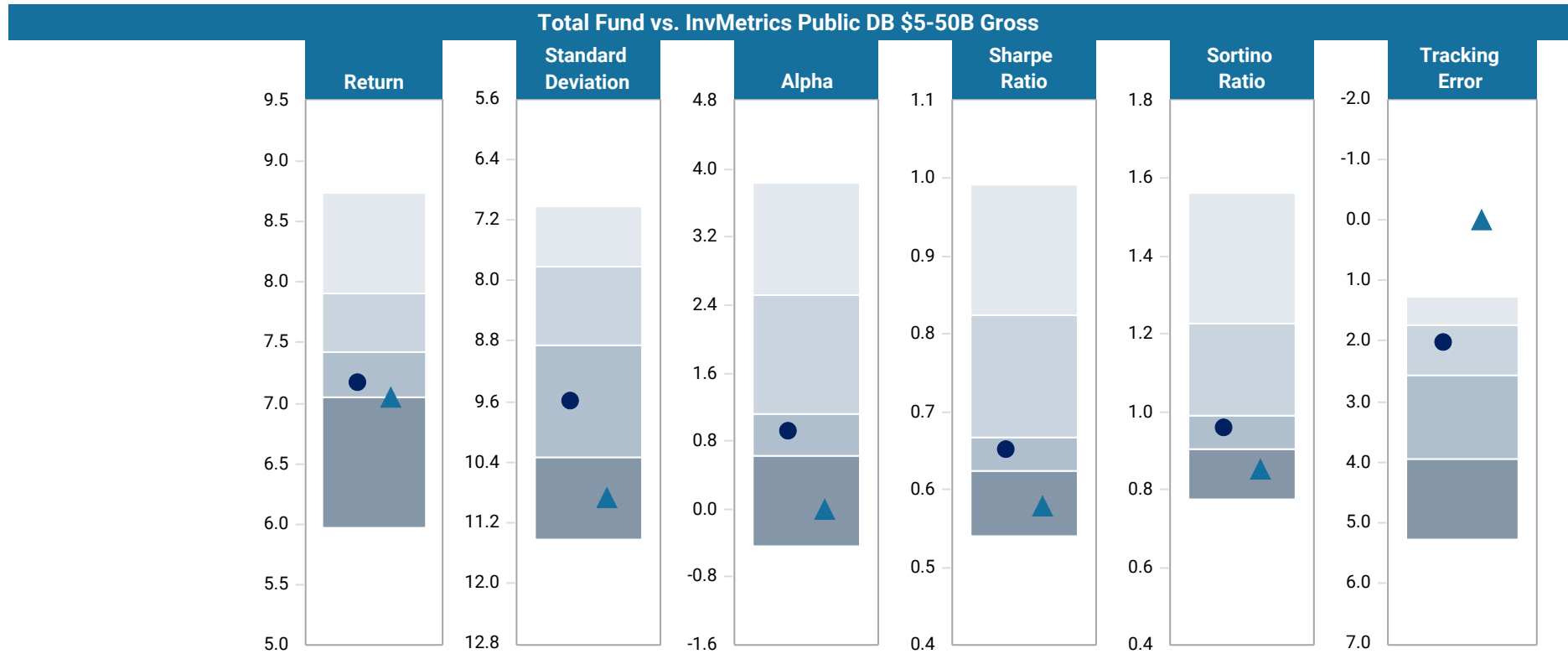


	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)	3 Yrs (%)
● LACERS Master Trust	6.8 (32)	10.7 (43)	1.0 (38)	0.6 (33)	0.9 (33)	2.3 (36)
▲ Policy Index	6.6 (40)	12.1 (83)	0.0 (59)	0.5 (55)	0.8 (52)	0.0 (1)
5th Percentile	9.2	7.8	4.5	1.0	1.6	1.5
1st Quartile	7.0	9.0	1.6	0.7	1.0	2.0
Median	6.3	11.0	0.5	0.6	0.8	2.5
3rd Quartile	5.2	11.8	-0.9	0.4	0.6	4.1
95th Percentile	4.2	12.8	-2.2	0.3	0.5	5.8
Population	59	59	59	59	59	59

Los Angeles City Employees' Retirement System-LACERS Master Trust

June 30, 2022

RISK STATISTICS VS. PEER UNIVERSE



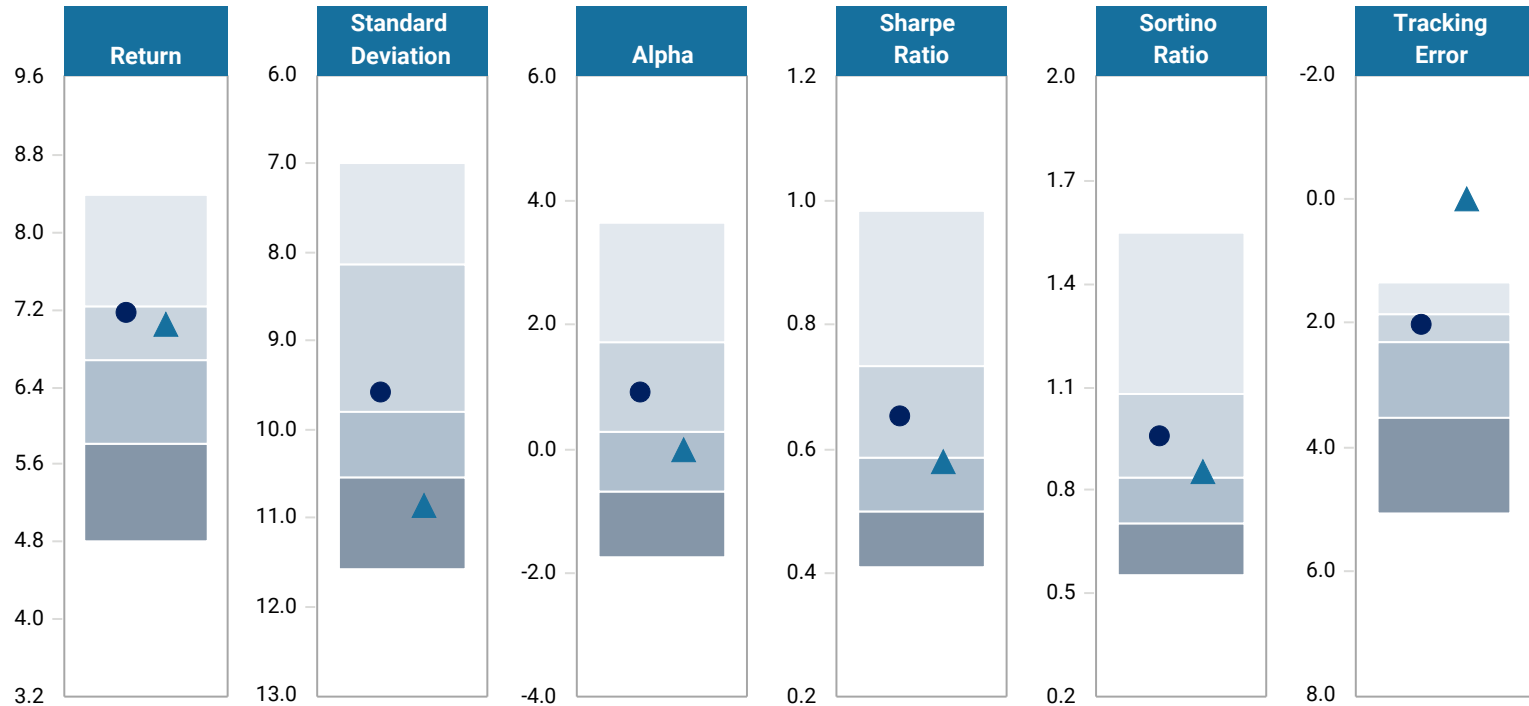
	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)
● LACERS Master Trust	7.2 (70)	9.6 (60)	0.9 (61)	0.7 (61)	1.0 (61)	2.0 (39)
▲ Policy Index	7.1 (75)	10.9 (91)	0.0 (92)	0.6 (90)	0.9 (89)	0.0 (1)
5th Percentile	8.7	7.0	3.8	1.0	1.6	1.3
1st Quartile	7.9	7.8	2.5	0.8	1.2	1.7
Median	7.4	8.9	1.1	0.7	1.0	2.6
3rd Quartile	7.1	10.3	0.6	0.6	0.9	4.0
95th Percentile	6.0	11.4	-0.4	0.5	0.8	5.3

Population	24	24	24	24	24	24
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RISK STATISTICS VS. PEER UNIVERSE

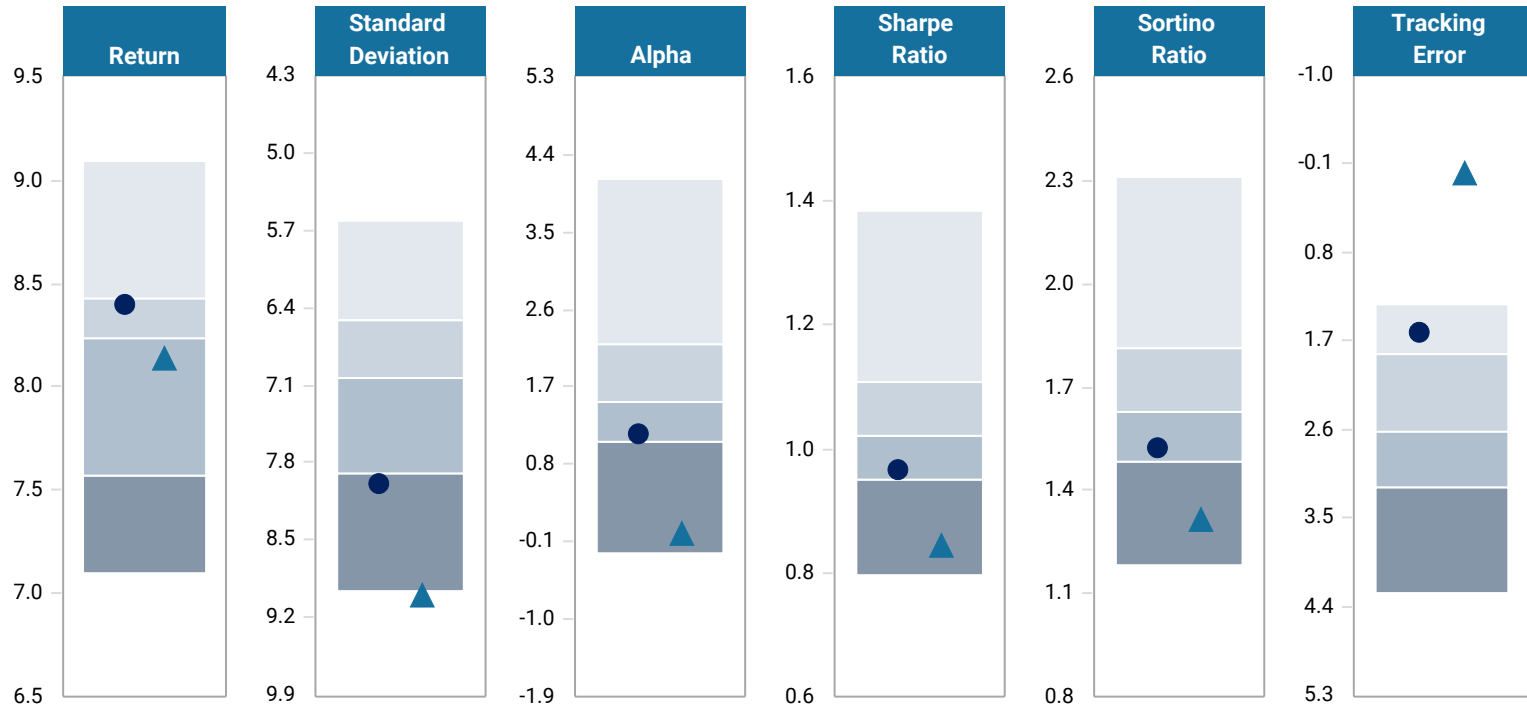
LACERS Master Trust vs. InvMetrics Public DB \$1-50B Gross



	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)	5 Yrs (%)
● LACERS Master Trust	7.2 (27)	9.6 (44)	0.9 (36)	0.7 (35)	1.0 (35)	2.0 (38)
▲ Policy Index	7.1 (29)	10.9 (85)	0.0 (59)	0.6 (52)	0.9 (47)	0.0 (1)
5th Percentile	8.4	7.0	3.6	1.0	1.5	1.3
1st Quartile	7.2	8.1	1.7	0.7	1.1	1.9
Median	6.7	9.8	0.3	0.6	0.8	2.3
3rd Quartile	5.8	10.5	-0.7	0.5	0.7	3.5
95th Percentile	4.8	11.6	-1.8	0.4	0.6	5.1
Population	59	59	59	59	59	59

RISK STATISTICS VS. PEER UNIVERSE

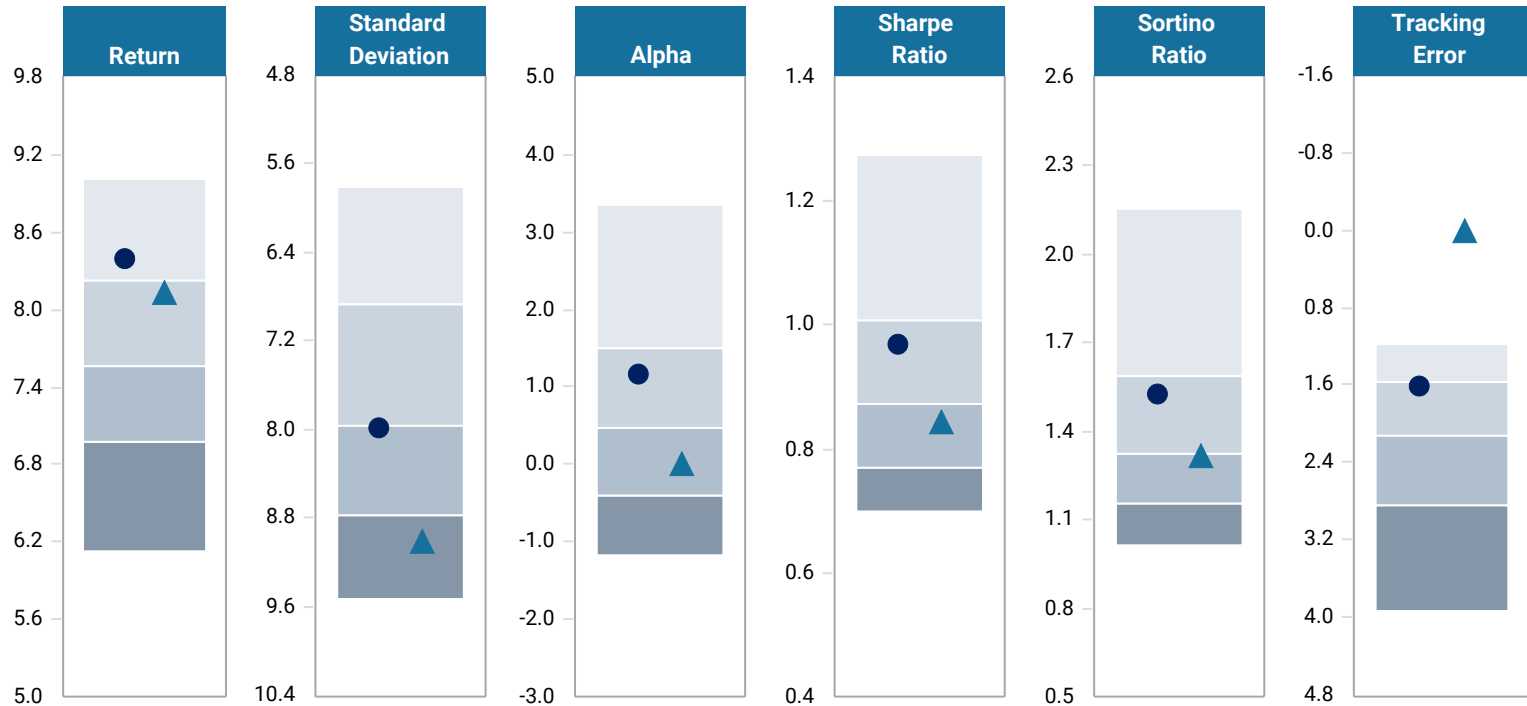
LACERS Master Trust vs. InvMetrics Public DB \$5-50B Gross



	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)
● LACERS Master Trust	8.4 (38)	8.0 (76)	1.2 (73)	1.0 (71)	1.5 (68)	1.6 (17)
▲ Policy Index	8.1 (60)	9.0 (95)	0.0 (94)	0.8 (92)	1.3 (90)	0.0 (1)
5th Percentile	9.1	5.6	4.1	1.4	2.3	1.3
1st Quartile	8.4	6.5	2.2	1.1	1.8	1.8
Median	8.2	7.0	1.5	1.0	1.6	2.6
3rd Quartile	7.6	7.9	1.1	1.0	1.5	3.2
95th Percentile	7.1	9.0	-0.2	0.8	1.2	4.3
Population	18	18	18	18	18	18

RISK STATISTICS VS. PEER UNIVERSE

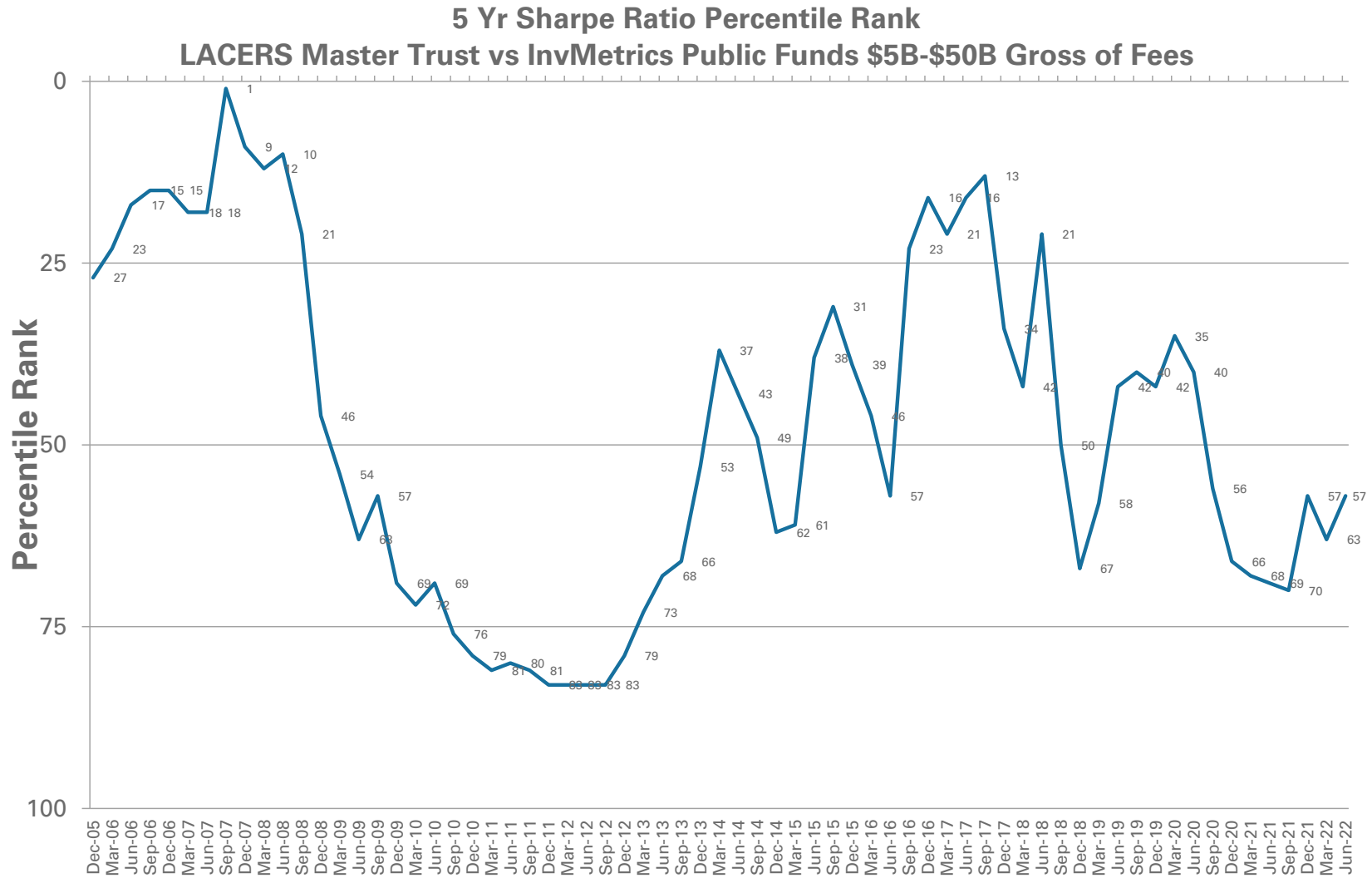
LACERS Master Trust vs. InvMetrics Public DB \$1-50B Gross



	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)	10 Yrs (%)
● LACERS Master Trust	8.4 (18)	8.0 (50)	1.2 (39)	1.0 (37)	1.5 (36)	1.6 (27)
▲ Policy Index	8.1 (32)	9.0 (87)	0.0 (64)	0.8 (62)	1.3 (52)	0.0 (1)
5th Percentile	9.0	5.8	3.3	1.3	2.2	1.2
1st Quartile	8.2	6.9	1.5	1.0	1.6	1.6
Median	7.6	8.0	0.5	0.9	1.3	2.1
3rd Quartile	7.0	8.8	-0.4	0.8	1.2	2.9
95th Percentile	6.1	9.5	-1.2	0.7	1.0	3.9
Population	56	56	56	56	56	56

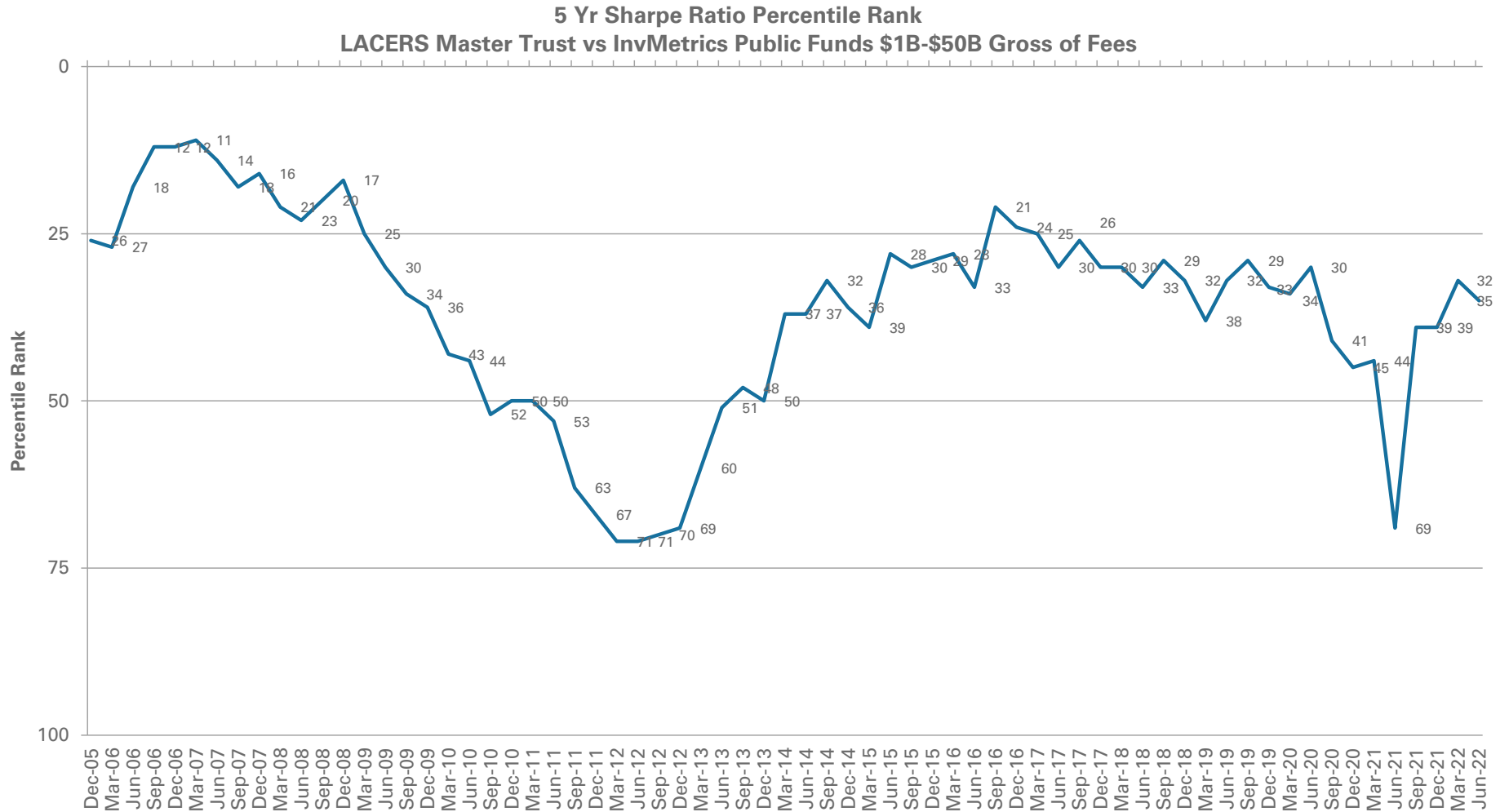
HISTORICAL RISK ADJUSTED RETURN

UNIVERSE COMPARISON (\$5-\$50 B 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

June 30, 2022

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	4,242,940,455	100.00	-16.26	-20.86	-13.41	9.41	10.34	12.52	8.44	Sep-01
U.S. Equity Blend			-16.70	-21.10	-13.87	9.77	10.60	12.57	8.18	
Over/Under			0.44	0.24	0.46	-0.36	-0.26	-0.05	0.26	
RhumbLine Advisers Russell 2000	274,874,586	6.48	-17.13	-23.33	-25.08	4.28	5.23		5.74	Apr-15
Russell 2000 Index			-17.20	-23.43	-25.20	4.21	5.17	9.35	5.76	
Over/Under			0.07	0.10	0.12	0.07	0.06		-0.02	
Rhumblin Advisers Russell 2000 Value	131,866,725	3.11	-15.24	-17.28	-16.22				3.97	Jan-21
Russell 2000 Value Index			-15.28	-17.31	-16.28	6.18	4.89	9.05	4.02	
Over/Under			0.04	0.03	0.06				-0.05	
EAM Investors	82,360,626	1.94	-22.26	-31.75	-31.38	2.78	9.62		9.24	Oct-15
Russell 2000 Growth Index			-19.25	-29.45	-33.43	1.40	4.80	9.30	7.35	
Over/Under			-3.01	-2.30	2.05	1.38	4.82		1.89	
Principal Global Investors	262,119,580	6.18	-16.53	-25.77	-17.00	7.25	11.50		11.77	Aug-14
Russell Midcap Index			-16.85	-21.57	-17.30	6.59	7.96	11.29	8.35	
Over/Under			0.32	-4.20	0.30	0.66	3.54		3.42	
RhumbLine Advisers S&P 500	3,146,092,263	74.15	-16.03	-19.90	-10.54	10.48	11.23	12.90	6.39	Sep-00
S&P 500 Index			-16.10	-19.96	-10.62	10.60	11.31	12.96	6.30	
Over/Under			0.07	0.06	0.08	-0.12	-0.08	-0.06	0.09	
Copeland Capital Management	212,330,268	5.00	-13.47	-17.96	-12.61				14.10	Oct-20
Russell 2000 Index			-17.20	-23.43	-25.20	4.21	5.17	9.35	8.59	
Over/Under			3.73	5.47	12.59				5.51	
Granahan Investment Management	55,054,474	1.30	-27.72	-39.45	-45.83				-9.82	Oct-20
Russell 2000 Growth Index			-19.25	-29.45	-33.43	1.40	4.80	9.30	-3.46	
Over/Under			-8.47	-10.00	-12.40				-6.36	
Segall, Bryant & Hamill	78,224,826	1.84	-14.83	-16.90	-15.19				13.84	Oct-20
Russell 2000 Value Index			-15.28	-17.31	-16.28	6.18	4.89	9.05	21.95	
Over/Under			0.45	0.41	1.09				-8.11	

1 Portfolio has a mid-month inception date. Since inception return is calculated from the first full month of performance.
ev = eVestment



Los Angeles City Employees' Retirement System-LACERS Master Trust

June 30, 2022

U.S. EQUITY (NET)

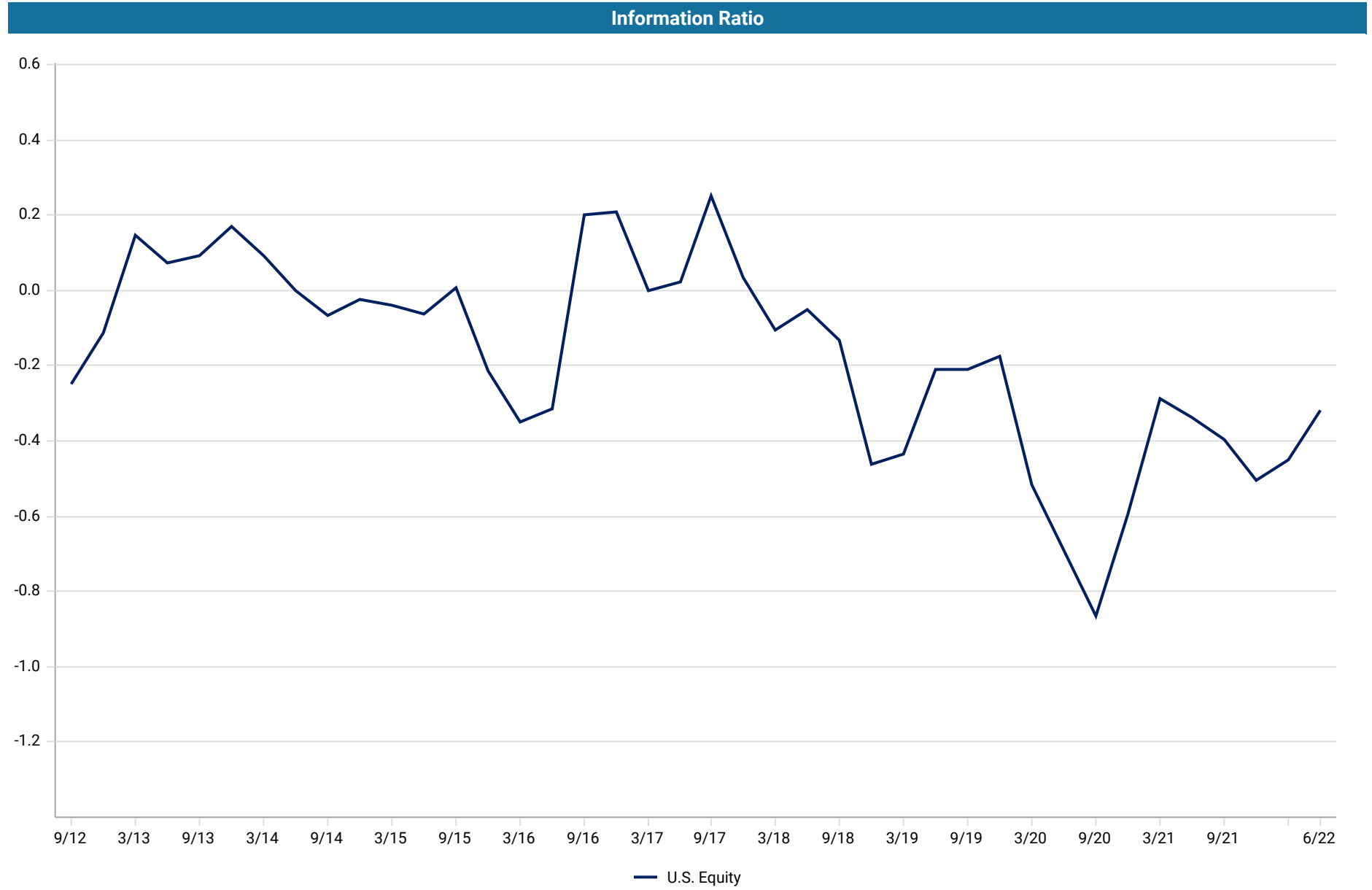
	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
U.S. Equity	4,242,940,455	100.00	-16.28	-20.90	-13.48	9.34	10.27	12.41	8.26	Sep-01
U.S. Equity Blend			-16.70	-21.10	-13.87	9.77	10.60	12.57	8.18	
Over/Under			0.42	0.20	0.39	-0.43	-0.33	-0.16	0.08	
<i>All Public Plans > \$1B-US Equity Segment Median</i>										
RhumbLine Advisers Russell 2000	274,874,586	6.48	-17.13 (67)	-23.33 (63)	-25.08 (75)	4.27 (75)	5.22 (73)		5.73 (69)	Apr-15
Russell 2000 Index			-17.20 (68)	-23.43 (63)	-25.20 (75)	4.21 (76)	5.17 (73)	9.35 (71)	5.76 (69)	
Over/Under			0.07	0.10	0.12	0.06	0.05		-0.03	
eV US Small Cap Equity Median			-15.41	-20.56	-17.57	6.28	6.67	10.27	6.89	
Rhumbline Advisers Russell 2000 Value	131,866,725	3.11	-15.24 (77)	-17.28 (67)	-16.23 (80)				3.97 (66)	Jan-21
Russell 2000 Value Index			-15.28 (77)	-17.31 (67)	-16.28 (80)	6.18 (66)	4.89 (74)	9.05 (79)	4.02 (66)	
Over/Under			0.04	0.03	0.05				-0.05	
eV US Small-Mid Cap Value Equity Median			-13.59	-15.80	-11.12	6.99	6.10	9.97	5.80	
EAM Investors	82,360,626	1.94	-22.42 (74)	-32.02 (65)	-31.88 (57)	2.06 (78)	8.86 (57)		8.47 (81)	Oct-15
Russell 2000 Growth Index			-19.25 (45)	-29.45 (42)	-33.43 (63)	1.40 (84)	4.80 (90)	9.30 (90)	7.35 (87)	
Over/Under			-3.17	-2.57	1.55	0.66	4.06		1.12	
eV US Small Cap Growth Equity Median			-20.22	-30.58	-31.22	4.67	9.19	11.37	10.54	
Principal Global Investors	262,119,580	6.18	-16.61 (60)	-25.93 (64)	-17.30 (56)	6.88 (46)	11.11 (8)		11.37 (6)	Aug-14
Russell Midcap Index			-16.85 (60)	-21.57 (54)	-17.30 (56)	6.59 (50)	7.96 (51)	11.29 (43)	8.35 (46)	
Over/Under			0.24	-4.36	0.00	0.29	3.15		3.02	
eV US Mid Cap Equity Median			-15.08	-20.67	-14.45	6.56	7.97	10.92	8.17	
RhumbLine Advisers S&P 500	3,146,092,263	74.15	-16.03 (65)	-19.90 (58)	-10.54 (50)	10.47 (23)	11.23 (29)	12.89 (24)	8.33 (19)	Sep-00
S&P 500 Index			-16.10 (66)	-19.96 (59)	-10.62 (50)	10.60 (21)	11.31 (28)	12.96 (23)	6.30 (69)	
Over/Under			0.07	0.06	0.08	-0.13	-0.08	-0.07	2.03	
eV US Large Cap Equity Median			-14.34	-18.40	-10.66	8.75	9.66	11.68	7.10	
Copeland Capital Management	212,330,268	5.00	-13.57 (33)	-18.16 (34)	-13.02 (32)				13.71 (50)	Oct-20
Russell 2000 Index			-17.20 (68)	-23.43 (63)	-25.20 (75)	4.21 (76)	5.17 (73)	9.35 (71)	8.59 (66)	
Over/Under			3.63	5.27	12.18				5.12	
eV US Small Cap Equity Median			-15.41	-20.56	-17.57	6.28	6.67	10.27	13.54	
Granahan Investment Management	55,054,474	1.30	-27.89 (98)	-39.73 (96)	-46.28 (95)				-10.45 (89)	Oct-20
Russell 2000 Growth Index			-19.25 (45)	-29.45 (42)	-33.43 (63)	1.40 (84)	4.80 (90)	9.30 (90)	-3.46 (61)	
Over/Under			-8.64	-10.28	-12.85				-6.99	
eV US Small Cap Growth Equity Median			-20.22	-30.58	-31.22	4.67	9.19	11.37	-1.03	
Segall, Bryant & Hamill	78,224,826	1.84	-14.98 (70)	-17.18 (63)	-15.74 (78)				13.19 (89)	Oct-20
Russell 2000 Value Index			-15.28 (74)	-17.31 (64)	-16.28 (80)	6.18 (64)	4.89 (64)	9.05 (64)	21.95 (47)	
Over/Under			0.30	0.13	0.54				-8.76	
eV US Small Cap Value Equity Median			-13.51	-15.76	-11.85	6.75	5.55	9.62	21.29	

1- Portfolio has a mid-month inception date. Since inception return is calculated from the first full month of performance. eV = eVestment Alliance

- U.S. Equity Blend = Russell 3000 from 1/1/2000 to present; 33.75% S&P 500/ 35% Russell 1000 Value/ 12.50% Russell 1000 Growth/ 12.50% Russell 2000 Value/ 6.25% Russell 2000 Growth prior to 1/1/2000.



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	✓	✗	=	✗	✓	✓	✓	✓	✓	811.7	Performance compliant with LACERS' Manager Monitoring Policy
EAM Investors	Sep-15	Small Cap Growth	✗	✗	✓	✗	✓	✗	✓	✗	✓	839.4	Performance compliant with LACERS' Manager Monitoring Policy
Copeland	Oct-20	Small Cap Core	✓	✓	✓	✓	N/A	N/A	N/A	N/A	✓	810.8	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	✗	605.3	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	✗	454.8	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	✗	7.1	Performance compliant with LACERS' Manager Monitoring Policy
RhumbLine (Passive)	Feb-93	S&P 500	✓	✗	✓	✓	✗	✓	✗	✓	✓✓	214.2	Performance compliant with LACERS' Manager Monitoring Policy
RhumbLine (Passive)	Jun-15	R2000	✓	✗	✓	✗	✓	✗	✓	✗	✗	13.2	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, 2021.
- * 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

June 30, 2022

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	4,938,884,961	100.00	-14.34	-19.78	-19.47	3.06	3.84	6.45	4.99	Nov-94
<i>MSCI AC World ex USA (Net)</i>			<i>-13.73</i>	<i>-18.42</i>	<i>-19.42</i>	<i>1.35</i>	<i>2.50</i>	<i>4.83</i>	<i>4.64</i>	
Over/Under			-0.61	-1.36	-0.05	1.71	1.34	1.62	0.35	
Developed ex-U.S.	3,705,203,406	75.02	-14.18	-19.04	-17.84	3.14	3.90	6.73	6.73	Jul-12
<i>MSCI EAFE (Net)</i>			<i>-14.51</i>	<i>-19.57</i>	<i>-17.77</i>	<i>1.07</i>	<i>2.20</i>	<i>5.40</i>	<i>5.39</i>	
Over/Under			0.33	0.53	-0.07	2.07	1.70	1.33	1.34	
Barrow Hanley	496,664,247	10.06	-8.69	-3.20	-2.51	8.74	5.73	-	4.84	Nov-13
<i>MSCI EAFE Value Index (Net)</i>			<i>-12.41</i>	<i>-12.12</i>	<i>-11.95</i>	<i>0.18</i>	<i>0.52</i>	-	<i>1.00</i>	
Over/Under			3.72	8.92	9.44	8.56	5.21	-	3.84	
Lazard Asset Management	499,277,869	10.11	-11.86	-19.00	-19.03	0.87	3.79	-	3.51	Nov-13
<i>MSCI EAFE (Net)</i>			<i>-14.51</i>	<i>-19.57</i>	<i>-17.77</i>	<i>1.07</i>	<i>2.20</i>	-	<i>2.56</i>	
Over/Under			2.65	0.57	-1.26	-0.20	1.59	-	0.95	
MFS Institutional Advisors	502,068,938	10.17	-12.80	-19.55	-16.98	3.36	6.01	-	5.84	Oct-13
<i>MSCI World ex USA Growth NR USD</i>			<i>-17.25</i>	<i>-26.33</i>	<i>-23.37</i>	<i>1.55</i>	<i>3.61</i>	-	<i>3.64</i>	
Over/Under			4.45	6.78	6.39	1.81	2.40	-	2.20	
Oberweis Asset Mgmt	210,257,476	4.26	-23.40	-36.26	-38.21	4.94	4.99	-	5.82	Jan-14
<i>MSCI EAFE Small Cap (Net)</i>			<i>-17.69</i>	<i>-24.71</i>	<i>-23.98</i>	<i>1.12</i>	<i>1.72</i>	-	<i>3.38</i>	
Over/Under			-5.71	-11.55	-14.23	3.82	3.27	-	2.44	
SSgA World ex US IMI	1,737,419,374	35.18	-14.94	-19.18	-17.21	2.41	3.20	6.05	5.35	Aug-93
<i>MSCI World ex U.S. IMI Index (Net)</i>			<i>-15.15</i>	<i>-19.54</i>	<i>-17.73</i>	<i>1.72</i>	<i>2.58</i>	<i>5.53</i>	<i>4.45</i>	
Over/Under			0.21	0.36	0.52	0.69	0.62	0.52	0.90	
State Street EAFE SC	259,515,503	5.25	-17.44	-24.35	-23.63	-	-	-	-11.47	Jan-21
<i>MSCI EAFE Small Cap (Net)</i>			<i>-17.69</i>	<i>-24.71</i>	<i>-23.98</i>	-	-	-	<i>-11.79</i>	
Over/Under			0.25	0.36	0.35	-	-	-	0.32	

Los Angeles City Employees' Retirement System-LACERS Master Trust

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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	1,233,681,555	24.98	-14.79	-21.92	-24.04	2.50	3.36	3.64	3.64	Jul-12
<i>MSCI Emerging Markets (Net)</i>			<i>-11.45</i>	<i>-17.63</i>	<i>-25.28</i>	<i>0.57</i>	<i>2.18</i>	<i>3.06</i>	<i>3.06</i>	
Over/Under			-3.34	-4.29	1.24	1.93	1.18	0.58	0.58	
Axiom Emerging Markets	298,087,996	6.04	-15.33	-24.05	-30.88	2.42	3.62	-	4.01	May-14
<i>MSCI Emerging Markets (Net)</i>			<i>-11.45</i>	<i>-17.63</i>	<i>-25.28</i>	<i>0.57</i>	<i>2.18</i>	-	<i>2.48</i>	
Over/Under			-3.88	-6.42	-5.60	1.85	1.44	-	1.53	
<i>MSCI Emerging Markets Growth (Net)</i>			<i>-12.04</i>	<i>-21.07</i>	<i>-31.18</i>	<i>1.88</i>	<i>2.92</i>	-	<i>3.79</i>	
Over/Under			-3.29	-2.98	0.30	0.54	0.70	-	0.22	
DFA Emerging Markets	409,045,539	8.28	-11.24	-10.67	-13.17	2.88	3.25	-	1.77	Aug-14
<i>MSCI Emerging Markets Value (Net)</i>			<i>-10.83</i>	<i>-13.89</i>	<i>-18.59</i>	<i>-0.97</i>	<i>1.25</i>	-	<i>-0.07</i>	
Over/Under			-0.41	3.22	5.42	3.85	2.00	-	1.84	
State Street Emerging Markets	303,025,520	6.14	-10.49	-17.54	-25.21	-	-	-	-13.57	Jan-21
<i>MSCI Emerging Markets (Net)</i>			<i>-11.45</i>	<i>-17.63</i>	<i>-25.28</i>	-	-	-	<i>-13.66</i>	
Over/Under			0.96	0.09	0.07	-	-	-	0.09	
Wasatch Global Investors	223,364,728	4.52	-24.59	-38.23	-29.43	-	-	-	-10.92	Jan-21
<i>MSCI Emerging Markets Small Cap (Net)</i>			<i>-16.41</i>	<i>-20.03</i>	<i>-20.72</i>	-	-	-	<i>-3.40</i>	
Over/Under			-8.18	-18.20	-8.71	-	-	-	-7.52	
Sanctioned Asset	157,580	0.00	-	-	-	-	-	-	0.00	Jun-22



Los Angeles City Employees' Retirement System-LACERS Master Trust

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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	4,938,884,961	100.00	-14.41 (46)	-19.93 (40)	-19.75 (39)	2.70 (39)	3.47 (37)	6.10 (46)	5.59 (48)	Jun-01
<i>MSCI AC World ex USA (Net)</i>			<i>-13.73 (38)</i>	<i>-18.42 (32)</i>	<i>-19.42 (37)</i>	<i>1.35 (64)</i>	<i>2.50 (57)</i>	<i>4.83 (83)</i>	<i>4.84 (74)</i>	
Over/Under			-0.68	-1.51	-0.33	1.35	0.97	1.27	0.75	
<i>eV All ACWI ex-US Equity Median</i>			<i>-14.96</i>	<i>-21.72</i>	<i>-21.73</i>	<i>2.01</i>	<i>2.68</i>	<i>5.96</i>	<i>5.50</i>	
Developed ex-U.S.	3,705,203,406	75.02	-14.24	-19.14	-18.05	2.86	3.59	6.44	6.44	Jul-12
<i>MSCI EAFE (Net)</i>			<i>-14.51</i>	<i>-19.57</i>	<i>-17.77</i>	<i>1.07</i>	<i>2.20</i>	<i>5.40</i>	<i>5.39</i>	
Over/Under			0.27	0.43	-0.28	1.79	1.39	1.04	1.05	
Barrow Hanley	496,664,247	10.06	-8.80 (8)	-3.42 (3)	-2.95 (3)	8.24 (2)	5.23 (4)	-	4.34 (5)	Nov-13
<i>MSCI EAFE Value Index (Net)</i>			<i>-12.41 (63)</i>	<i>-12.12 (24)</i>	<i>-11.95 (25)</i>	<i>0.18 (72)</i>	<i>0.52 (71)</i>	-	<i>1.00 (79)</i>	
Over/Under			3.61	8.70	9.00	8.06	4.71	-	3.34	
<i>eV EAFE Value Equity Median</i>			<i>-11.65</i>	<i>-14.66</i>	<i>-14.48</i>	<i>1.63</i>	<i>1.40</i>	-	<i>1.99</i>	
Lazard Asset Management	499,277,869	10.11	-11.98 (23)	-19.21 (43)	-19.42 (55)	0.38 (73)	3.27 (29)	-	2.99 (51)	Nov-13
<i>MSCI EAFE (Net)</i>			<i>-14.51 (57)</i>	<i>-19.57 (48)</i>	<i>-17.77 (42)</i>	<i>1.07 (62)</i>	<i>2.20 (52)</i>	-	<i>2.48 (69)</i>	
Over/Under			2.53	0.36	-1.65	-0.69	1.07	-	0.51	
<i>eV All EAFE Equity Median</i>			<i>-14.20</i>	<i>-19.92</i>	<i>-18.86</i>	<i>1.50</i>	<i>2.25</i>	-	<i>2.99</i>	
MFS Institutional Advisors	502,068,938	10.17	-12.89 (4)	-19.72 (2)	-17.33 (14)	2.94 (22)	5.55 (1)	-	5.31 (1)	Oct-13
<i>MSCI World ex USA Growth NR USD</i>			<i>-17.25 (57)</i>	<i>-26.33 (45)</i>	<i>-23.37 (30)</i>	<i>1.55 (40)</i>	<i>3.61 (48)</i>	-	<i>3.91 (38)</i>	
Over/Under			4.36	6.61	6.04	1.39	1.94	-	1.40	
<i>eV EAFE All Cap Growth Median</i>			<i>-15.42</i>	<i>-27.05</i>	<i>-25.94</i>	<i>1.35</i>	<i>3.51</i>	-	<i>3.82</i>	
Oberweis Asset Mgmt	210,257,476	4.26	-23.58 (96)	-36.55 (97)	-38.74 (98)	4.10 (14)	4.12 (8)	-	4.93 (14)	Jan-14
<i>MSCI EAFE Small Cap (Net)</i>			<i>-17.69 (64)</i>	<i>-24.71 (50)</i>	<i>-23.98 (48)</i>	<i>1.12 (51)</i>	<i>1.72 (51)</i>	-	<i>3.62 (36)</i>	
Over/Under			-5.89	-11.84	-14.76	2.98	2.40	-	1.31	
<i>eV EAFE Small Cap Equity Median</i>			<i>-17.03</i>	<i>-24.72</i>	<i>-24.72</i>	<i>1.18</i>	<i>1.81</i>	-	<i>3.21</i>	



Los Angeles City Employees' Retirement System-LACERS Master Trust

June 30, 2022

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	1,737,419,374	35.18	-14.94 (58)	-19.19 (35)	-17.23 (28)	2.39 (34)	3.17 (28)	6.03 (50)	5.20 (54)	Aug-98
<i>MSCI World ex U.S. IMI Index (Net)</i>			-15.15 (60)	-19.54 (38)	-17.73 (32)	1.72 (46)	2.58 (40)	5.53 (69)	4.30 (84)	
Over/Under			0.21	0.35	0.50	0.67	0.59	0.50	0.90	
<i>eV EAFE Core Equity Median</i>			-14.52	-20.89	-19.44	1.45	2.24	6.02	5.34	
State Street EAFE SC	259,515,503	5.25	-17.45 (59)	-24.37 (47)	-23.66 (48)	-	-	-	-11.51 (50)	Jan-21
<i>MSCI EAFE Small Cap (Net)</i>			-17.69 (64)	-24.71 (50)	-23.98 (48)	-	-	-	-11.79 (53)	
Over/Under			0.24	0.34	0.32	-	-	-	0.28	
<i>eV EAFE Small Cap Equity Median</i>			-17.03	-24.72	-24.72	-	-	-	-11.52	
Emerging Markets	1,233,681,555	24.98	-14.94	-22.22	-24.52	1.97	2.82	3.03	3.03	Jul-12
<i>MSCI Emerging Markets (Net)</i>			-11.45	-17.63	-25.28	0.57	2.18	3.06	3.06	
Over/Under			-3.49	-4.59	0.76	1.40	0.64	-0.03	-0.03	
Axiom Emerging Markets	298,087,996	6.04	-15.54 (84)	-24.42 (81)	-31.44 (82)	1.70 (43)	2.90 (37)	-	3.31 (33)	May-14
<i>MSCI Emerging Markets (Net)</i>			-11.45 (34)	-17.63 (38)	-25.28 (49)	0.57 (61)	2.18 (53)	-	2.48 (56)	
Over/Under			-4.09	-6.79	-6.16	1.13	0.72	-	0.83	
<i>eV Emg Mkts Equity Median</i>			-12.34	-19.25	-25.40	1.16	2.33	-	2.70	
<i>MSCI Emerging Markets Growth (Net)</i>			-12.04 (46)	-21.07 (63)	-31.18 (80)	1.88 (41)	2.92 (37)	-	3.79 (25)	
Over/Under			-3.50	-3.35	-0.26	-0.18	-0.02	-	-0.48	
DFA Emerging Markets	409,045,539	8.28	-11.33 (30)	-10.86 (7)	-13.57 (6)	2.39 (33)	2.75 (41)	-	1.28 (68)	Aug-14
<i>MSCI Emerging Markets Value (Net)</i>			-10.83 (24)	-13.89 (11)	-18.59 (18)	-0.97 (78)	1.25 (74)	-	-0.07 (90)	
Over/Under			-0.50	3.03	5.02	3.36	1.50	-	1.35	
<i>eV Emg Mkts Equity Median</i>			-12.34	-19.25	-25.40	1.16	2.33	-	1.81	
State Street Emerging Markets	303,025,520	6.14	-10.50 (21)	-17.56 (37)	-25.24 (49)	-	-	-	-13.60 (53)	Jan-21
<i>MSCI Emerging Markets (Net)</i>			-11.45 (34)	-17.63 (38)	-25.28 (49)	-	-	-	-13.66 (54)	
Over/Under			0.95	0.07	0.04	-	-	-	0.06	
<i>eV Emg Mkts Equity Median</i>			-12.34	-19.25	-25.40	-	-	-	-13.37	



Los Angeles City Employees' Retirement System-LACERS Master Trust

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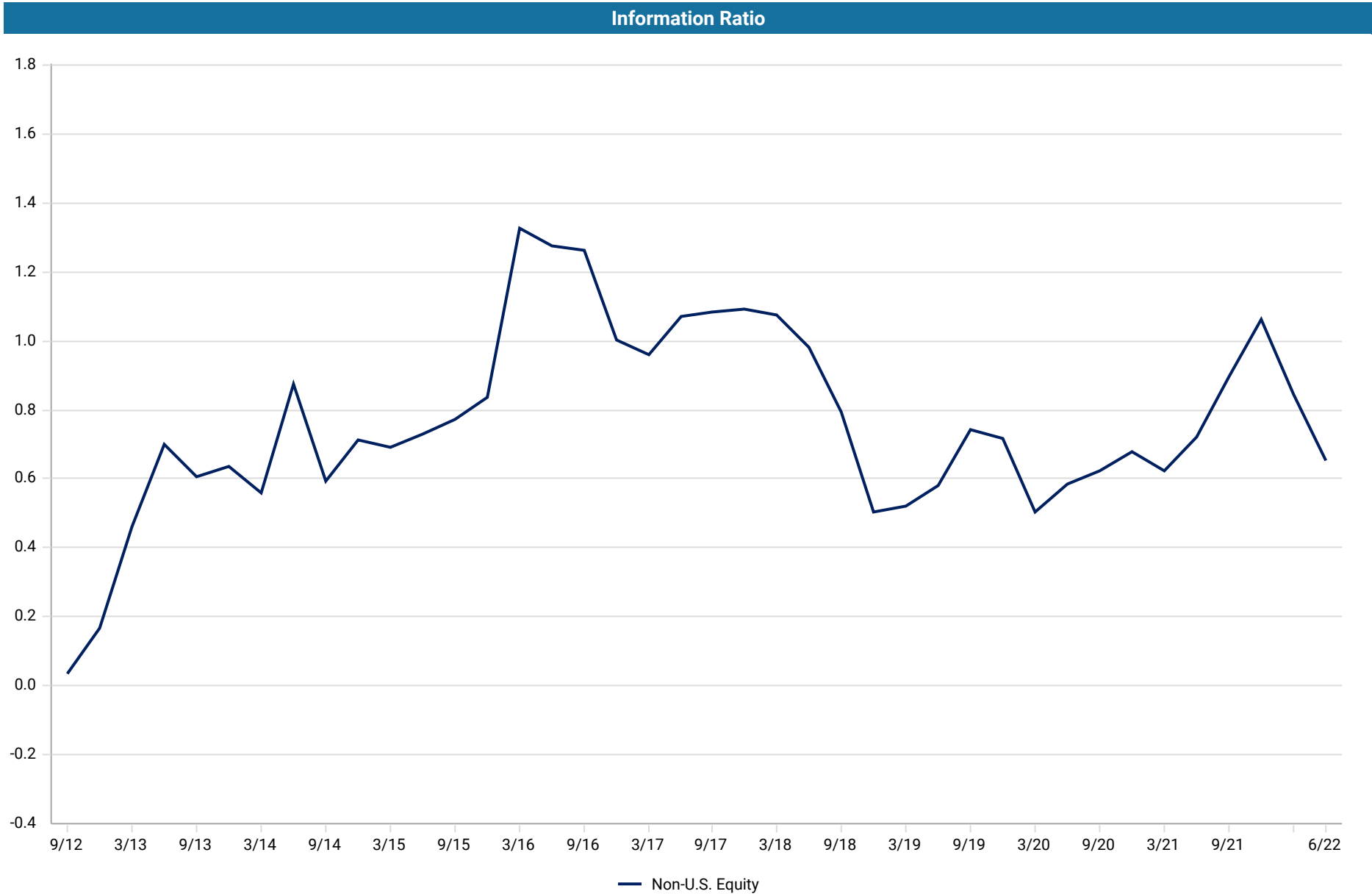
NON-U.S. EQUITY (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Wasatch Global Investors	223,364,728	4.52	-24.86 (100)	-38.84 (100)	-30.41 (93)	-	-	-	-11.86 (84)	Jan-21
<i>MSCI Emerging Markets Small Cap (Net)</i>			-16.41 (58)	-20.03 (47)	-20.72 (42)	-	-	-	-3.40 (36)	
Over/Under			-8.45	-18.81	-9.69	-	-	-	-8.46	
<i>eV Emg Mkts Small Cap Equity Median</i>			-15.98	-20.15	-21.95	-	-	-	-6.00	
Sanctioned Asset	157,580	0.00	-	-	-	-	-	-	0.00	Jun-22

Los Angeles City Employees' Retirement System-LACERS Master Trust

June 30, 2022

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			
SSgA (Passive)	Dec-20	Emerging Markets	✓	✓	✓	✓	N/A	N/A	N/A	N/A	✓	86.1	Performance compliant with LACERS' Manager Monitoring Policy
Axiom International	Mar-14	Emerging Markets	✗	✗	✗	✗	✓	✓	✓	✓	✓	2,708.7	On Watch in August 2020 due to benchmark change, Watch status extended in October 2020 due to CIO change, Watch status extended in October 2021 due to departure of President.
DFA Emerging Markets	Jul-14	Emerging Markets	✗	✓	✓	✓	✓	✓	✓	✗	✓	1,948.4	Performance compliant with LACERS' Manager Monitoring Policy
Wasatch	Dec-20	Emerging Markets Small Cap	✗	✗	✗	✗	N/A	N/A	N/A	N/A	✗	1,139.1	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Oberweis Asset Mgt.	Jan-14	Non-U.S. Developed	✗	✗	✗	✗	✓	✓	✓	✓	✓	2,856.8	Performance compliant with LACERS' Manager Monitoring Policy
Barrow, Hanley, Mewhinney & Strauss	Nov-13	Non-U.S. Developed	✓	✓	✓	✓	✓	✓	✓	✓	✓	2,351.1	On Watch in August 2020 due to organizational change, Watch status extended in August 2021 due to organizational change and AUM Strategy Concentration.
Lazard Asset Mgt.	Nov-13	Non-U.S. Developed	✓	✓	✗	✗	✗	✗	✓	✓	✓	2,946.6	On Watch since August 2021 due to performance.
MFS Institutional Advisors	Oct-13	Non-U.S. Developed	✓	✓	✓	✓	✓	✓	✓	✓	✓	2,419.3	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	✓	69.7	Performance compliant with LACERS' Manager Monitoring Policy
SsgA (Passive)	Aug-93	Non-U.S. Developed	✓	✗	✓	✓	✓	✓	✓	✓	✓✓	401.7	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, 2021.
- * 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

June 30, 2022

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	3,110,563,462	100.00	-4.69	-10.14	-9.98	-0.18	1.40	2.30	2.30	Jul-12
Core Fixed Income Blend			<u>-4.69</u>	<u>-10.35</u>	<u>-10.29</u>	<u>-0.94</u>	<u>0.88</u>	<u>1.64</u>	<u>1.64</u>	
Over/Under			0.00	0.21	0.31	0.76	0.52	0.66	0.66	
Loomis Sayles & Co. Core Fixed Income	586,672,183	18.86	<u>-5.16</u>	<u>-10.49</u>	<u>-9.99</u>	0.24	1.84	2.81	8.36	Jul-80
Loomis Custom Benchmark			<u>-4.69</u>	<u>-10.35</u>	<u>-10.29</u>	<u>-0.94</u>	<u>0.88</u>	<u>1.64</u>	<u>6.92</u>	
Over/Under			-0.47	-0.14	0.30	1.18	0.96	1.17	1.44	
SSgA U.S. Aggregate Bond	796,359,814	25.60	<u>-4.72</u>	<u>-10.35</u>	<u>-10.31</u>	<u>-0.92</u>	0.90	-	1.55	Aug-14
Blmbg. U.S. Aggregate Index			<u>-4.69</u>	<u>-10.35</u>	<u>-10.29</u>	<u>-0.94</u>	<u>0.88</u>	-	<u>1.52</u>	
Over/Under			-0.03	0.00	-0.02	0.02	0.02	-	0.03	
Baird Advisors Core Fixed Income	567,964,890	18.26	<u>-4.89</u>	<u>-10.84</u>	<u>-10.63</u>	-	-	-	<u>-10.63</u>	Jul-21
Blmbg. U.S. Aggregate Index			<u>-4.69</u>	<u>-10.35</u>	<u>-10.29</u>	-	-	-	<u>-10.29</u>	
Over/Under			-0.20	-0.49	-0.34	-	-	-	-0.34	
Garcia Hamilton & Associates	388,146,373	12.48	<u>-3.96</u>	<u>-8.18</u>	<u>-8.17</u>	-	-	-	<u>-8.17</u>	Jul-21
Blmbg. U.S. Aggregate Index			<u>-4.69</u>	<u>-10.35</u>	<u>-10.29</u>	-	-	-	<u>-10.29</u>	
Over/Under			0.73	2.17	2.12	-	-	-	2.12	
JP Morgan Investment Management	383,230,329	12.32	<u>-4.39</u>	<u>-9.70</u>	<u>-9.60</u>	-	-	-	<u>-9.60</u>	Jul-21
Blmbg. U.S. Aggregate Index			<u>-4.69</u>	<u>-10.35</u>	<u>-10.29</u>	-	-	-	<u>-10.29</u>	
Over/Under			0.30	0.65	0.69	-	-	-	0.69	
Income Research & Management	388,189,818	12.48	<u>-4.81</u>	<u>-10.37</u>	<u>-10.32</u>	-	-	-	<u>-10.32</u>	Jul-21
Blmbg. U.S. Aggregate Index			<u>-4.69</u>	<u>-10.35</u>	<u>-10.29</u>	-	-	-	<u>-10.29</u>	
Over/Under			-0.12	-0.02	-0.03	-	-	-	-0.03	

Baird Advisors Core Fixed Income, Garcia Hamilton & Associates, JP Morgan Investment Management and Income Research & Management have a mid-month inception date. Since inception return is calculated from the first full month of performance.

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



Los Angeles City Employees' Retirement System-LACERS Master Trust

June 30, 2022

CORE FIXED INCOME (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Core Fixed Income	3,110,563,462	100.00	-4.72	-10.18	-10.07	-0.27	1.31	2.19	2.19	Jul-12
Core Fixed Income Blend			-4.69	-10.35	-10.29	-0.94	0.88	1.64	1.64	
Over/Under			-0.03	0.17	0.22	0.67	0.43	0.55	0.55	
Loomis Sayles & Co. Core Fixed Income	586,672,183	18.86	-5.19 (71)	-10.55 (52)	-10.12 (28)	0.11 (8)	1.71 (6)	2.68 (3)	8.29 (-)	Jul-80
Loomis Custom Benchmark			-4.69 (34)	-10.35 (42)	-10.29 (38)	-0.94 (75)	0.88 (72)	1.64 (70)	6.92 (-)	
Over/Under			-0.50	-0.20	0.17	1.05	0.83	1.04	1.37	
eV US Core Fixed Inc Median			-4.92	-10.51	-10.51	-0.69	1.06	1.81	-	
SSgA U.S. Aggregate Bond	796,359,814	25.60	-4.73 (37)	-10.36 (43)	-10.33 (39)	-0.94 (76)	0.87 (74)	-	1.51 (71)	Aug-14
Blmbg. U.S. Aggregate Index			-4.69 (34)	-10.35 (42)	-10.29 (38)	-0.94 (75)	0.88 (72)	-	1.52 (71)	
Over/Under			-0.04	-0.01	-0.04	0.00	-0.01	-	-0.01	
eV US Core Fixed Inc Median			-4.92	-10.51	-10.51	-0.69	1.06	-	1.69	
Baird Advisors Core Fixed Income	567,964,890	18.26	-4.91 (49)	-10.89 (72)	-10.71 (62)	-	-	-	-10.71 (62)	Jul-21
Blmbg. U.S. Aggregate Index			-4.69 (34)	-10.35 (42)	-10.29 (38)	-	-	-	-10.29 (38)	
Over/Under			-0.22	-0.54	-0.42	-	-	-	-0.42	
eV US Core Fixed Inc Median			-4.92	-10.51	-10.51	-	-	-	-10.51	
Garcia Hamilton & Associates	388,146,373	12.48	-4.00 (16)	-8.23 (9)	-8.26 (9)	-	-	-	-8.26 (9)	Jul-21
Blmbg. U.S. Aggregate Index			-4.69 (34)	-10.35 (42)	-10.29 (38)	-	-	-	-10.29 (38)	
Over/Under			0.69	2.12	2.03	-	-	-	2.03	
eV US Core Fixed Inc Median			-4.92	-10.51	-10.51	-	-	-	-10.51	
JP Morgan Investment Management	383,230,329	12.32	-4.42 (23)	-9.76 (24)	-9.69 (18)	-	-	-	-9.69 (18)	Jul-21
Blmbg. U.S. Aggregate Index			-4.69 (34)	-10.35 (42)	-10.29 (38)	-	-	-	-10.29 (38)	
Over/Under			0.27	0.59	0.60	-	-	-	0.60	
eV US Core Fixed Inc Median			-4.92	-10.51	-10.51	-	-	-	-10.51	
Income Research & Management	388,189,818	12.48	-4.85 (46)	-10.43 (47)	-10.41 (41)	-	-	-	-10.41 (42)	Jul-21
Blmbg. U.S. Aggregate Index			-4.69 (34)	-10.35 (42)	-10.29 (38)	-	-	-	-10.29 (38)	
Over/Under			-0.16	-0.08	-0.12	-	-	-	-0.12	
eV US Core Fixed Inc Median			-4.92	-10.51	-10.51	-	-	-	-10.51	

Baird Advisors Core Fixed Income, Garcia Hamilton & Associates, JP Morgan Investment Management and Income Research & Management have a mid-month inception date. Since inception return is calculated from the first full month of performance.

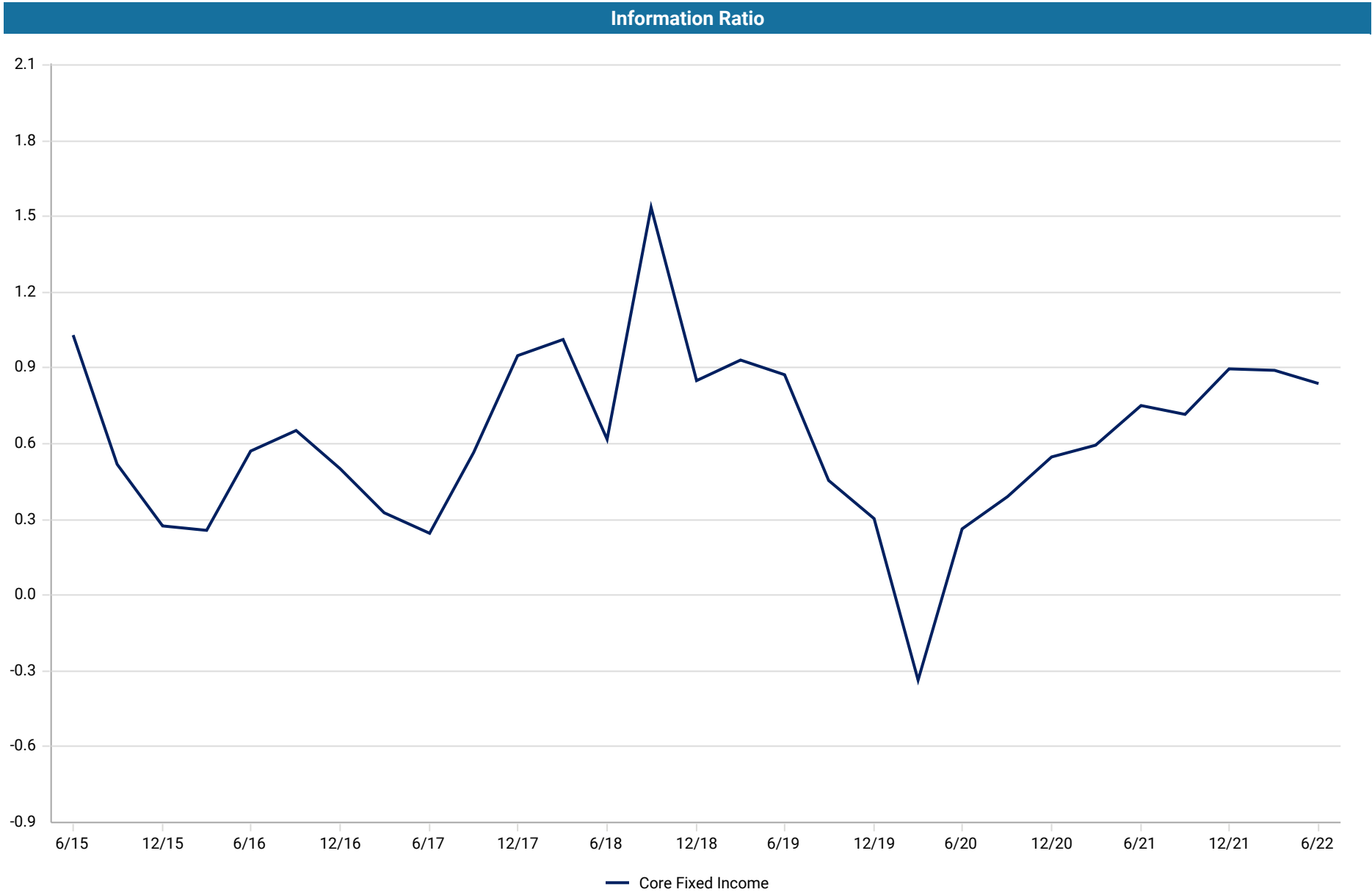
- Core Fixed Income Blend = 100% Bloomberg U.S. Aggregate Index



Los Angeles City Employees' Retirement System-LACERS Master Trust

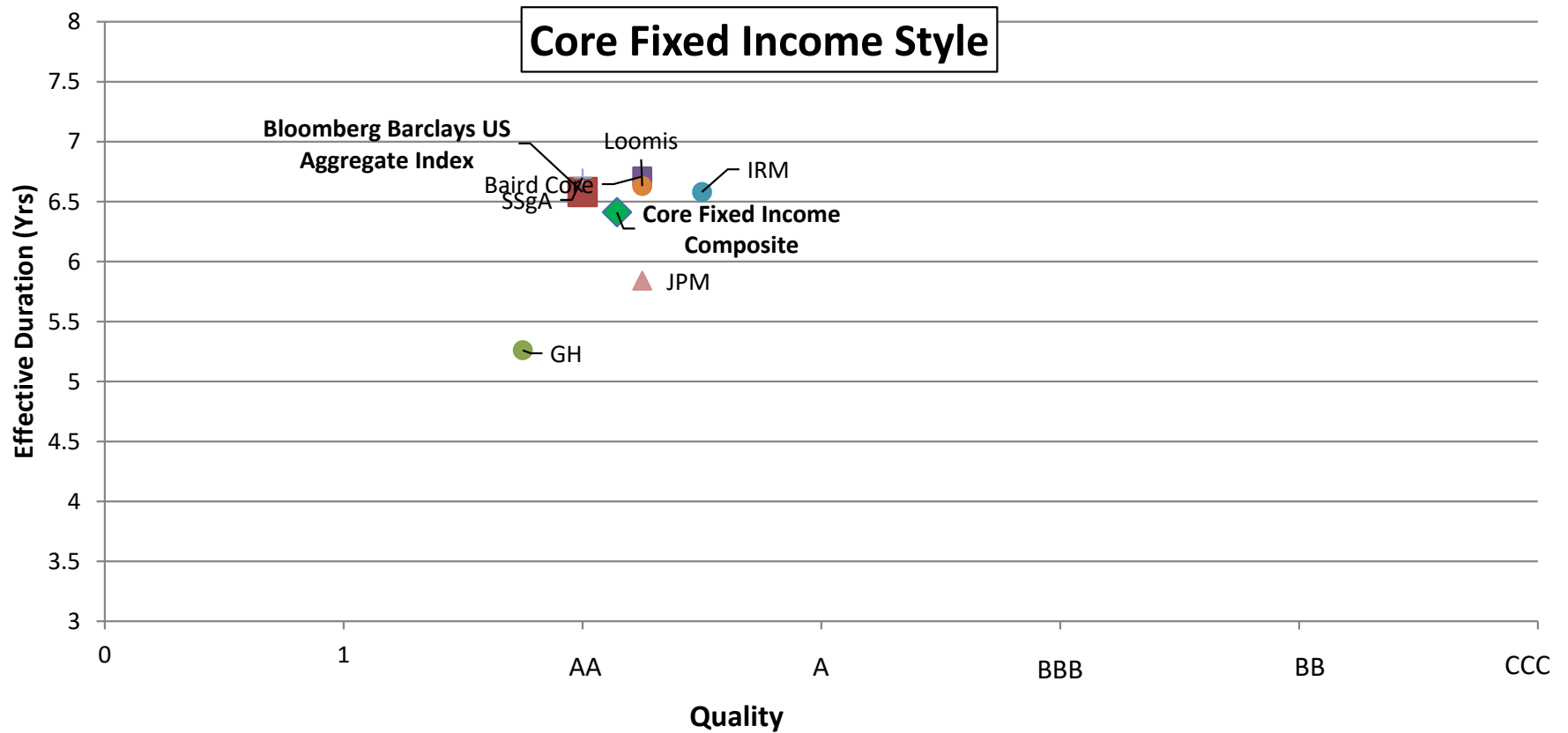
June 30, 2022

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	x	x	✓	✓	✓	✓	✓	✓	✓✓	1,062.4	Performance compliant with LACERS' Manager Monitoring Policy
Baird Advisors	Jul-21	Core	x	✓	x	x	N/A	N/A	N/A	N/A	x	23.5	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	✓	12.7	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
IR&M	Jul-21	Core	x	✓	x	✓	N/A	N/A	N/A	N/A	x	N/A	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	✓	14.2	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
SSgA (Passive)	Aug-14	Core	x	✓	x	✓	=	x	x	x	x	243.1	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, 2021.
- * Where net of fees performance is not available gross of fee returns are evaluated.

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



CREDIT OPPORTUNITIES MANAGER PERFORMANCE

Los Angeles City Employees' Retirement System-LACERS Master Trust
CREDIT OPPORTUNITIES (GROSS)

June 30, 2022

	Allocation		Performance (%)							Inception Date
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	
Credit Opportunities	1,637,999,544	100.0	-8.44	-13.08	-13.81	-1.56	1.17		3.30	Jul-13
<i>Credit Opportunities Blend</i>			<i>-8.45</i>	<i>-13.53</i>	<i>-14.44</i>	<i>-1.18</i>	<i>1.29</i>		<i>3.57</i>	
Over/Under			0.01	0.45	0.63	-0.38	-0.12		-0.27	
PGIM Blended	411,639,963	25.1	-9.12	-16.41	-18.74				-14.34	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			<i>-10.03</i>	<i>-17.45</i>	<i>-20.23</i>	<i>-5.47</i>	<i>-1.70</i>	<i>0.40</i>	<i>-15.32</i>	
Over/Under			0.91	1.04	1.49				0.98	
Wellington	405,416,404	24.8	-9.62	-16.96	-19.59				-14.63	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			<i>-10.03</i>	<i>-17.45</i>	<i>-20.23</i>	<i>-5.47</i>	<i>-1.70</i>	<i>0.40</i>	<i>-15.32</i>	
Over/Under			0.41	0.49	0.64				0.69	
Bain Capital Senior Loan Fund, LP	230,643,364	14.1	-5.54	-5.93	-3.51	2.58	3.27		3.44	Jul-15
<i>Credit Suisse Leveraged Loan Index</i>			<i>-4.35</i>	<i>-4.45</i>	<i>-2.68</i>	<i>2.03</i>	<i>2.97</i>	<i>3.90</i>	<i>3.31</i>	
Over/Under			-1.19	-1.48	-0.83	0.55	0.30		0.13	
Polen Capital	269,096,748	16.4	-8.72	-10.33	-9.06				-0.74	Nov-20
<i>50% BBgBarc US High Yield 2% Issuer Cap / 50% Credit Suisse Leveraged Loan Index</i>			<i>-7.08</i>	<i>-9.38</i>	<i>-7.82</i>				<i>-0.04</i>	
Over/Under			-1.64	-0.95	-1.24				-0.70	
Loomis Sayles & Co. High Yield	209,783,022	12.8	-11.24	-14.34	-13.48				-2.62	Nov-20
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>			<i>-9.84</i>	<i>-14.19</i>	<i>-12.82</i>	<i>0.18</i>	<i>2.09</i>	<i>4.47</i>	<i>-2.62</i>	
Over/Under			-1.40	-0.15	-0.66				0.00	
Benefit Street Partners LLC	63,949,804	3.9	2.40	2.40	6.12				3.88	Dec-20
<i>Credit Suisse Leveraged Loan Qtr Lag</i>			<i>-0.10</i>	<i>0.61</i>	<i>3.22</i>	<i>4.10</i>	<i>4.05</i>	<i>4.47</i>	<i>6.13</i>	
Over/Under			2.50	1.79	2.90				-2.25	
Crescent	2,437,235	0.1	-7.22	-7.22					-7.22	Dec-21
<i>Credit Suisse Leveraged Loan Qtr Lag</i>			<i>-0.10</i>	<i>0.61</i>	<i>3.22</i>	<i>4.10</i>	<i>4.05</i>	<i>4.47</i>	<i>1.26</i>	
Over/Under			-7.12	-7.83					-8.48	
Monroe	45,033,003	2.7	0.82	0.39					0.39	Dec-21
<i>Credit Suisse Leveraged Loan Qtr Lag</i>			<i>-0.10</i>	<i>0.61</i>	<i>3.22</i>	<i>4.10</i>	<i>4.05</i>	<i>4.47</i>	<i>1.26</i>	
Over/Under			0.92	-0.22					-0.87	

- Credit Opportunities Blend = 20.7% Bloomberg U.S. High Yield - 2% Issuer Cap/ 20.7% Credit Suisse Leveraged Loan Index/ 55% 50% JPM EMBI Global Diversified|50% JPM GBI-EM Global Diversified / 3.6% Credit Suisse Leveraged Loan Qtr Lag



Los Angeles City Employees' Retirement System-LACERS Master Trust

CREDIT OPPORTUNITIES (NET)

June 30, 2022

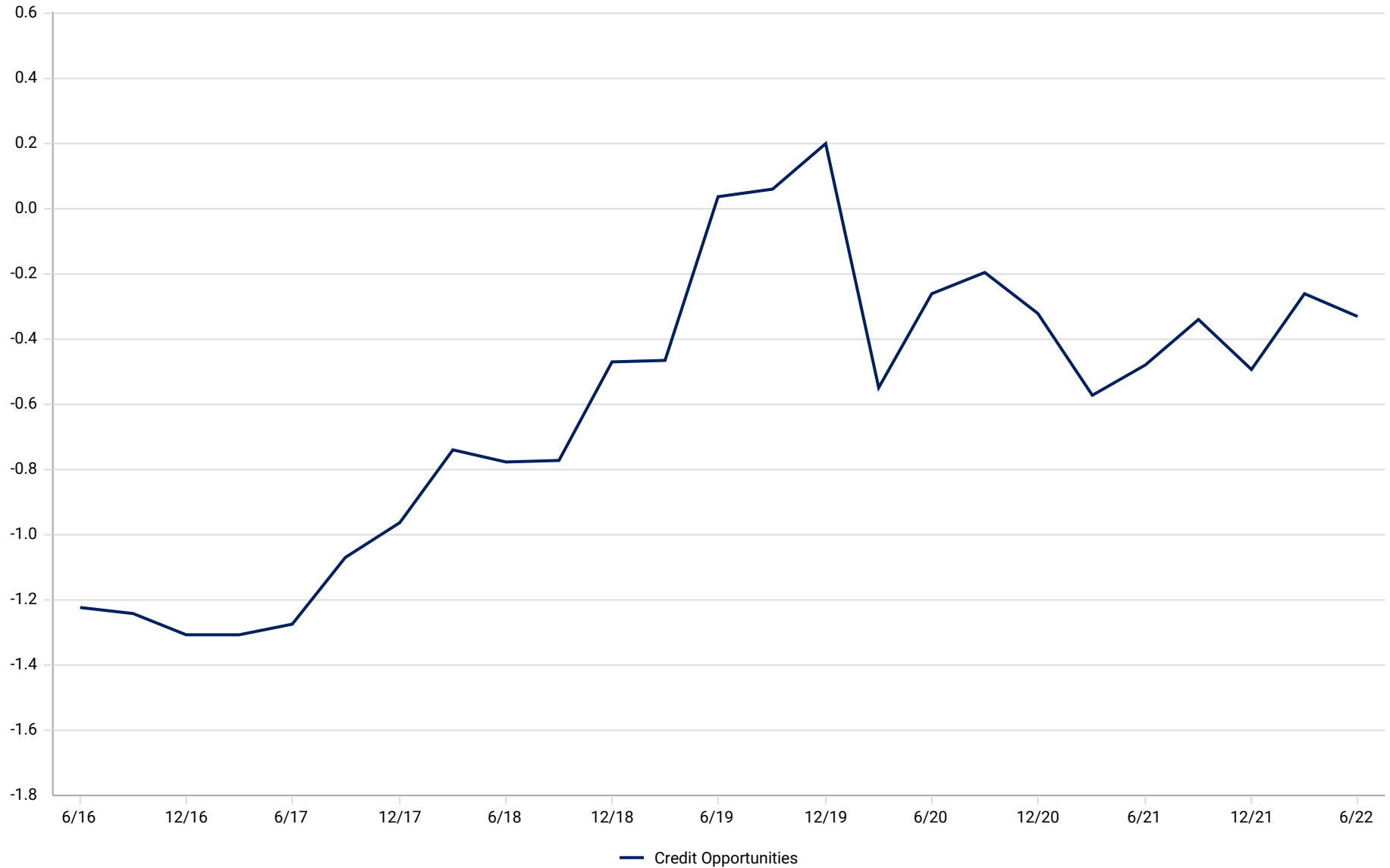
	Allocation		Performance (%)							Inception Date
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	
Credit Opportunities	1,637,999,544	100.0	-8.52	-13.24	-14.12	-1.85	0.86		2.98	Jul-13
<i>Credit Opportunities Blend</i>			<i>-8.45</i>	<i>-13.53</i>	<i>-14.44</i>	<i>-1.18</i>	<i>1.29</i>		<i>3.57</i>	
Over/Under			-0.07	0.29	0.32	-0.67	-0.43		-0.59	
PGIM Blended	411,639,963	25.1	-9.20 (51)	-16.55 (55)	-19.05 (52)				-14.57 (59)	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			<i>-10.03 (58)</i>	<i>-17.45 (61)</i>	<i>-20.23 (66)</i>	<i>-5.47 (73)</i>	<i>-1.70 (65)</i>	0.40 (66)	<i>-15.32 (72)</i>	
Over/Under			0.83	0.90	1.18				0.75	
<i>eV All Emg Mkts Fixed Inc Median</i>			<i>-9.16</i>	<i>-15.97</i>	<i>-18.94</i>	<i>-4.51</i>	<i>-1.10</i>	1.43	<i>-14.10</i>	
Wellington	405,416,404	24.8	-9.73 (55)	-17.17 (59)	-19.98 (63)				-14.96 (65)	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			<i>-10.03 (58)</i>	<i>-17.45 (61)</i>	<i>-20.23 (66)</i>	<i>-5.47 (73)</i>	<i>-1.70 (65)</i>	0.40 (66)	<i>-15.32 (72)</i>	
Over/Under			0.30	0.28	0.25				0.36	
<i>eV All Emg Mkts Fixed Inc Median</i>			<i>-9.16</i>	<i>-15.97</i>	<i>-18.94</i>	<i>-4.51</i>	<i>-1.10</i>	1.43	<i>-14.10</i>	
Bain Capital Senior Loan Fund, LP	230,643,364	14.1	-5.54 (76)	-5.93 (73)	-3.51 (40)	2.58 (3)	3.27 (4)		3.44 (10)	Jul-15
<i>Credit Suisse Leveraged Loan Index</i>			<i>-4.35 (18)</i>	<i>-4.45 (17)</i>	<i>-2.68 (19)</i>	<i>2.03 (15)</i>	<i>2.97 (13)</i>	<i>3.90 (15)</i>	<i>3.31 (14)</i>	
Over/Under			-1.19	-1.48	-0.83	0.55	0.30		0.13	
<i>eV US Float-Rate Bank Loan Fixed Inc Median</i>			<i>-5.04</i>	<i>-5.25</i>	<i>-3.68</i>	<i>1.39</i>	<i>2.33</i>	<i>3.37</i>	<i>2.70</i>	
Polen Capital	269,096,748	16.4	-8.84 (39)	-10.56 (25)	-9.50 (27)				-1.15 (37)	Nov-20
<i>50% BBgBarc US High Yield 2% Issuer Cap / 50% Credit Suisse Leveraged Loan Index</i>			<i>-7.08 (20)</i>	<i>-9.38 (22)</i>	<i>-7.82 (21)</i>				<i>-0.04 (23)</i>	
Over/Under			-1.76	-1.18	-1.68				-1.11	
<i>eV US High Yield Fixed Inc Median</i>			<i>-9.41</i>	<i>-13.18</i>	<i>-11.82</i>	0.36	1.98	4.20	<i>-1.97</i>	
Loomis Sayles & Co. High Yield	209,783,022	12.8	-11.32 (96)	-14.50 (84)	-13.79 (88)				-2.92 (69)	Nov-20
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>			<i>-9.84 (65)</i>	<i>-14.19 (79)</i>	<i>-12.82 (75)</i>	<i>0.18 (61)</i>	<i>2.09 (47)</i>	<i>4.47 (30)</i>	<i>-2.62 (61)</i>	
Over/Under			-1.48	-0.31	-0.97				-0.30	
<i>eV US High Yield Fixed Inc Median</i>			<i>-9.41</i>	<i>-13.18</i>	<i>-11.82</i>	0.36	1.98	4.20	<i>-1.97</i>	
Benefit Street Partners LLC	63,949,804	3.9	2.40	2.40	6.12				3.88	Dec-20
<i>Credit Suisse Leveraged Loan Qtr Lag</i>			<i>-0.10</i>	<i>0.61</i>	<i>3.22</i>	<i>4.10</i>	<i>4.05</i>	<i>4.47</i>	<i>6.13</i>	
Over/Under			2.50	1.79	2.90				-2.25	
Crescent	2,437,235	0.1	-7.22	-7.22					-7.22	Dec-21
<i>Credit Suisse Leveraged Loan Qtr Lag</i>			<i>-0.10</i>	<i>0.61</i>	<i>3.22</i>	<i>4.10</i>	<i>4.05</i>	<i>4.47</i>	<i>1.26</i>	
Over/Under			-7.12	-7.83					-8.48	
Monroe	45,033,003	2.7	0.82	0.39					0.39	Dec-21
<i>Credit Suisse Leveraged Loan Qtr Lag</i>			<i>-0.10</i>	<i>0.61</i>	<i>3.22</i>	<i>4.10</i>	<i>4.05</i>	<i>4.47</i>	<i>1.26</i>	
Over/Under			0.92	-0.22					-0.87	

- Credit Opportunities Blend =20.7% Bloomberg U.S. High Yield - 2% Issuer Cap/ 20.7% Credit Suisse Leveraged Loan Index/ 55% 50% JPM EMBI Global Diversified|50% JPM GBI-EM Global Diversified / 3.6% Credit Suisse Leveraged Loan Qtr Lag



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		
Wellington	Feb-21	Emerging Market Debt Blended	✓	✘	✓	✘	N/A	N/A	N/A	N/A	✓	882.3	Newly hired manager pursuant to Section VIII.D of the Manager Monitoring Policy
Bain	Jun-15	Bank Loans	✘	✘	✘	✓	✓	✓	✓	✓	✓	876.9	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	✘	654.2	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	✘	861.6	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, 2021.
- * 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

June 30, 2022

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	2,677,371,939		-2.31	-2.05	5.29	5.84	5.85	7.20	6.28	Dec-94
Real Assets Policy Benchmark			-4.70	-4.74	5.89	7.39	7.38	6.88	7.90	
Over/Under			2.39	2.69	-0.60	-1.55	-1.53	0.32	-1.62	
Public Real Assets	1,489,959,801		-8.64	-11.90	-5.46	4.14	4.16	-	2.66	Jul-14
Public Real Assets Blend			-9.36	-12.74	-5.06	4.11	3.71	-	1.24	
Over/Under			0.72	0.84	-0.40	0.03	0.45	-	1.42	
TIPS	1,061,824,031		-6.50	-9.51	-5.72	2.92	3.29	-	2.28	Aug-14
Blmbg. U.S. TIPS			-6.08	-8.92	-5.14	3.04	3.21	1.73	2.25	
Over/Under			-0.42	-0.59	-0.58	-0.12	0.08	-	0.03	
DFA US TIPS	1,061,824,031		-6.50	-9.51	-5.72	2.92	3.29	-	2.37	Aug-14
Blmbg. U.S. TIPS			-6.08	-8.92	-5.14	3.04	3.21	1.73	2.25	
Over/Under			-0.42	-0.59	-0.58	-0.12	0.08	-	0.12	
REITS	428,135,770		-13.85	-17.67	-4.56	8.20	8.99	-	8.40	Apr-15
FTSE NAREIT All Equity REITs			-14.66	-19.17	-5.89	5.34	6.75	8.34	6.34	
Over/Under			0.81	1.50	1.33	2.86	2.24	-	2.06	
CenterSquare US Real Estate	428,135,770		-13.85	-17.67	-4.56	8.20	8.99	-	8.97	May-15
FTSE NAREIT All Equity REITs			-14.66	-19.17	-5.89	5.34	6.75	8.34	7.17	
Over/Under			0.81	1.50	1.33	2.86	2.24	-	1.80	
Private Real Estate	1,167,923,552		7.42	15.42	24.70	8.81	8.37	9.62	7.14	Nov-94
Real Estate Blend			4.98	12.93	30.52	13.56	11.41	11.76	10.26	
Over/Under			2.44	2.49	-5.82	-4.75	-3.04	-2.14	-3.12	
Timber	19,488,586		8.95	8.95	9.74	4.66	3.70	5.82	8.77	Oct-99

1 - Real Assets Policy Benchmark = 41.67% Bloomberg US TIPS Index + 25% FTSE NAREIT ALL Equity REIT Index + 33.33% Real Estate Blended Benchmark

2 - Public Real Assets Blend = 62.5% Bloomberg US TIPS Index + 37.5% FTSE NAREIT ALL Equity REIT Index

3 - DFA and Centersquare have a mid-month inception date. Since inception return is calculated from the first full month of performance.

4 - Real Estate Blend = NCREIF-ODCE + 80bps 7/1/2014 to present; NCREIF Property Index 1 Qtr Lag plus 100bps 7/1/2012 - 6/30/2014; NCREIF Property Index Inception - 6/30/2012

Benchmark composition as of 7/1/2021 unless otherwise noted.



Los Angeles City Employees' Retirement System-LACERS Master Trust

June 30, 2022

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	2,677,371,939		-2.34	-2.11	5.17	5.69	5.70	7.05	5.18	Jun-01
Real Assets Policy Benchmark			-4.70	-4.74	5.89	7.39	7.38	6.88	6.51	
Over/Under			2.36	2.63	-0.72	-1.70	-1.68	0.17	-1.33	
Public Real Assets	1,489,959,801		-8.67	-11.96	-5.58	3.96	3.95	-	2.47	Jul-14
Public Real Assets Blend			-9.36	-12.74	-5.06	4.11	3.71	-	1.24	
Over/Under			0.69	0.78	-0.52	-0.15	0.24	-	1.23	
TIPS	1,061,824,031		-6.51	-9.53	-5.76	2.87	3.24	-	2.23	Aug-14
Blmbg. U.S. TIPS			-6.08	-8.92	-5.14	3.04	3.21	1.73	2.25	
Over/Under			-0.43	-0.61	-0.62	-0.17	0.03	-	-0.02	
DFA US TIPS	1,061,824,031		-6.51 (83)	-9.53 (88)	-5.76 (86)	2.87 (70)	3.24 (28)	-	2.32 (17)	Aug-14
Blmbg. U.S. TIPS			-6.08 (60)	-8.92 (68)	-5.14 (56)	3.04 (49)	3.21 (32)	1.73 (34)	2.25 (20)	
Over/Under			-0.43	-0.61	-0.62	-0.17	0.03	-	0.07	
eV US TIPS / Inflation Fixed Inc Median			-5.99	-8.63	-5.08	3.02	3.11	1.61	2.10	
REITS	428,135,770		-13.93	-17.84	-4.91	7.79	8.55	-	7.96	Apr-15
FTSE NAREIT All Equity REITs			-14.66	-19.17	-5.89	5.34	6.75	8.34	6.34	
Over/Under			0.73	1.33	0.98	2.45	1.80	-	1.62	
CenterSquare US Real Estate	428,135,770		-13.93 (18)	-17.84 (7)	-4.91 (16)	7.79 (9)	8.55 (4)	-	8.52 (6)	May-15
FTSE NAREIT All Equity REITs			-14.66 (23)	-19.17 (29)	-5.89 (37)	5.34 (51)	6.75 (41)	8.34 (33)	7.17 (27)	
Over/Under			0.73	1.33	0.98	2.45	1.80	-	1.35	
eV US REIT Median			-16.62	-20.16	-6.89	5.36	6.28	7.53	6.30	
Private Real Estate	1,167,923,552		7.40	15.38	24.60	8.72	8.28	9.52	6.35	Jul-01
Real Estate Blend			4.98	12.93	30.52	13.56	11.41	11.76	9.79	
Over/Under			2.42	2.45	-5.92	-4.84	-3.13	-2.24	-3.44	
Timber	19,488,586		8.95	8.95	9.74	4.66	3.70	5.81	7.82	Sep-01

1 - Real Assets Policy Benchmark = 41.67% Bloomberg US TIPS Index + 25% FTSE NAREIT ALL Equity REIT Index + 33.33% Real Estate Blended Benchmark

2 - Public Real Assets Blend = 62.5% Bloomberg US TIPS Index + 37.5% FTSE NAREIT ALL Equity REIT Index

3 - DFA and Centersquare have a mid-month inception date. Since inception return is calculated from the first full month of performance.

4 - Real Estate Blend = NCREIF-ODCE + 80bps 7/1/2014 to present; NCREIF Property Index 1 Qtr Lag plus 100bps 7/1/2012 - 6/30/2014; NCREIF Property Index Inception - 6/30/2012

Benchmark composition as of 7/1/2021 unless otherwise noted.



INVESTMENT MANAGER REPORT CARD

REAL ASSETS

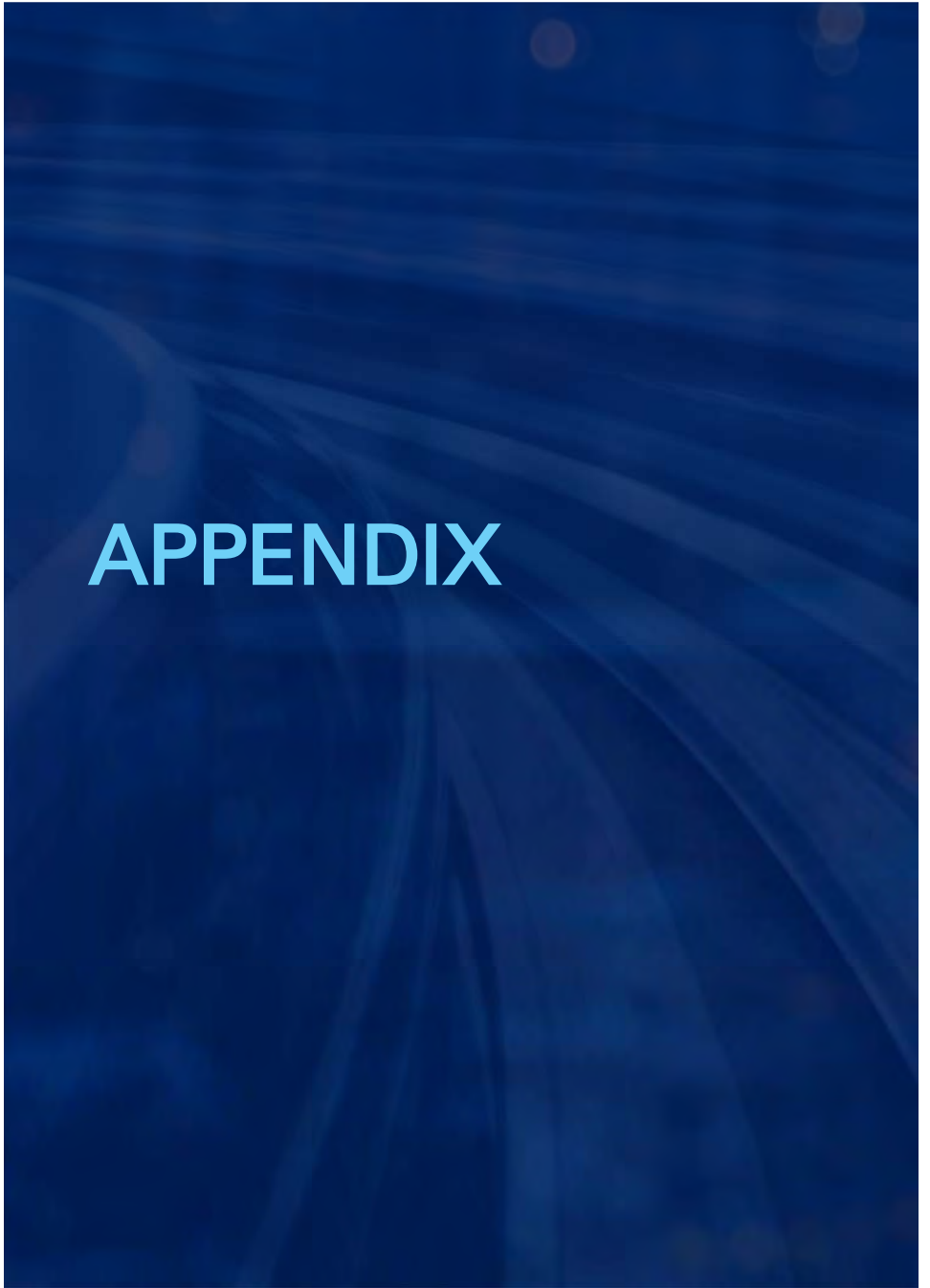
Real Assets Managers	Inception Date	Mandate	Current Quarter (Net)		One Year (Net)		Three Years (Net)		Five Years (Net)		Since Inception (Net)	Annual Mgt Fee Paid \$ (000)	Comments
			Index	Universe	Index	Universe	Index	Universe	Index	Universe	Index		
DFA	Jul-14	U.S. TIPS	x	x	x	x	x	x	✓	✓	✓	420.3	Performance compliant with LACERS' Manager Monitoring Policy
CenterSquare	Apr-15	REITS	✓	✓	✓	✓	✓	✓	✓	✓	✓	1,100.5	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, 2021.
- * Where net of fees performance is not available gross of fee returns are evaluated.

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





APPENDIX

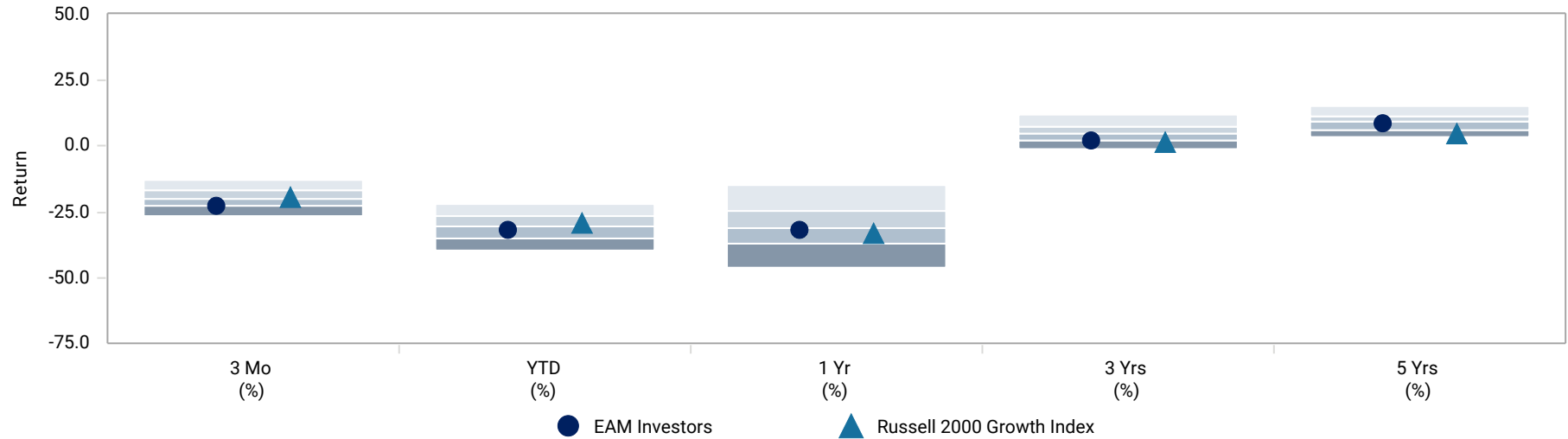


U.S. EQUITY MANAGER PERFORMANCE

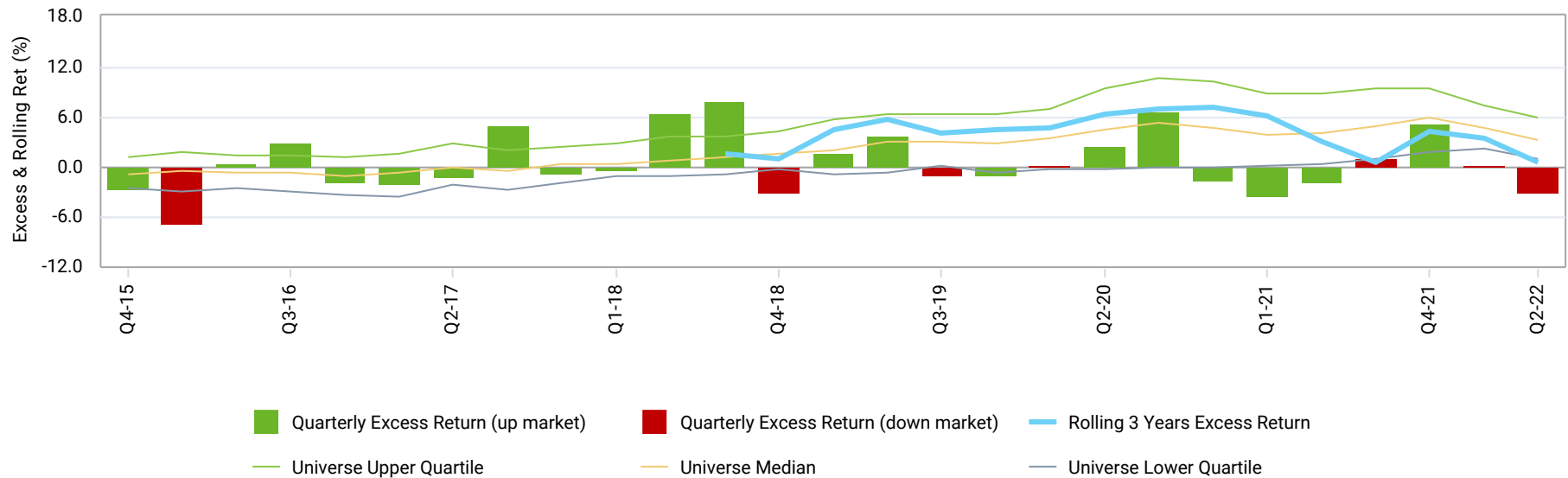


EAM INVESTORS

eV US Small Cap Growth Equity (net of fees)



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

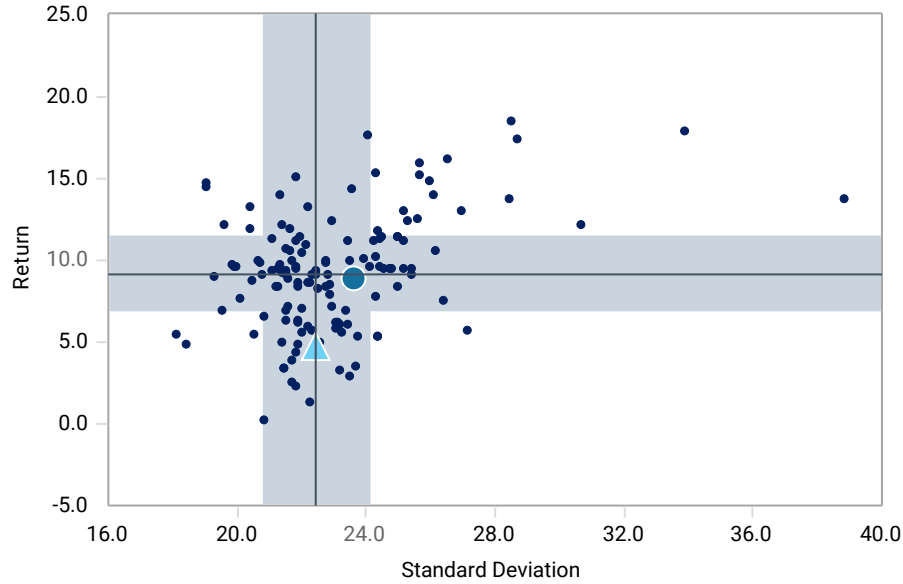


Los Angeles City Employees' Retirement System-LACERS Master Trust

EAM INVESTORS

June 30, 2022

5 Years Return vs. Standard Deviation



Rolling 3 Years Style Map

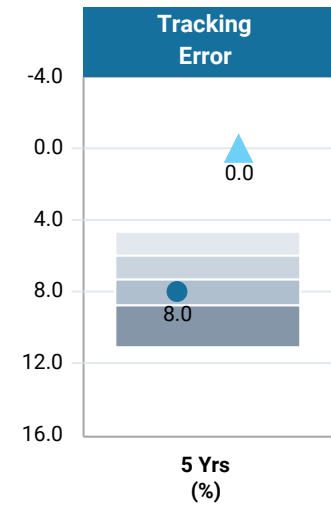
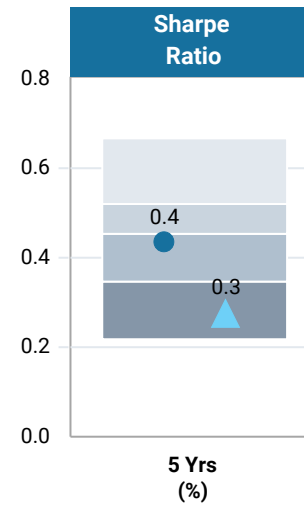
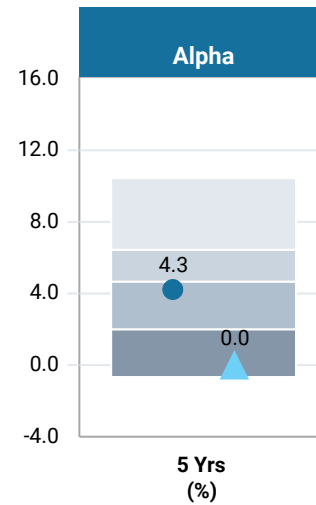
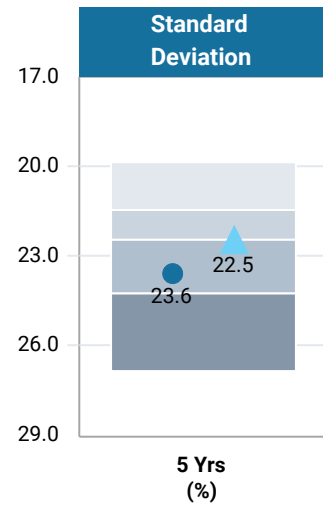
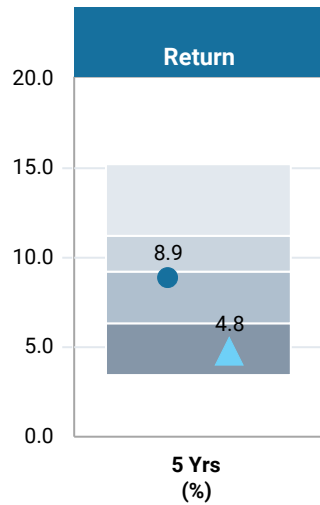


● EAM Investors

▲ Russell 2000 Growth Index

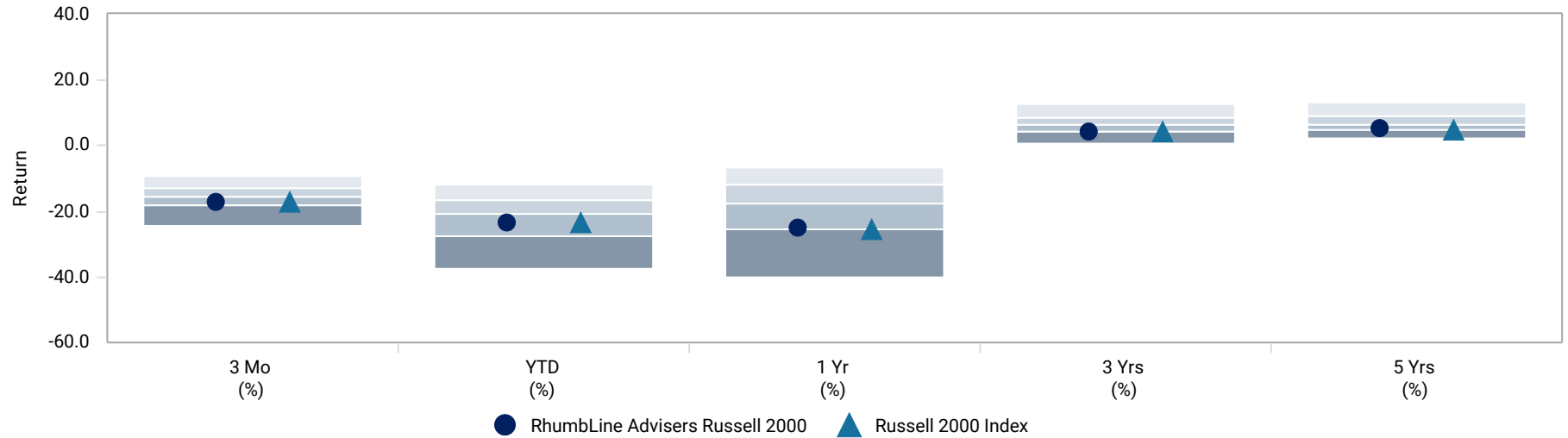
● EAM Investors

▲ Russell 2000 Growth Index

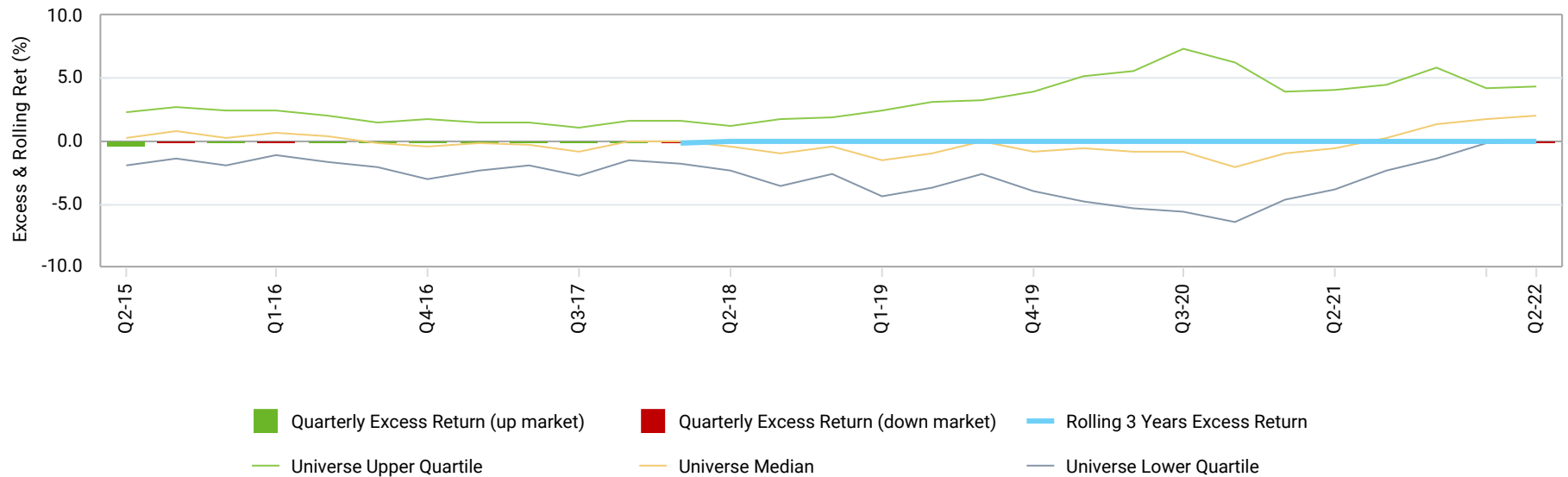


RHUMBLINE ADVISORS RUSSELL 2000

eV US Small Cap Equity (net of fees)

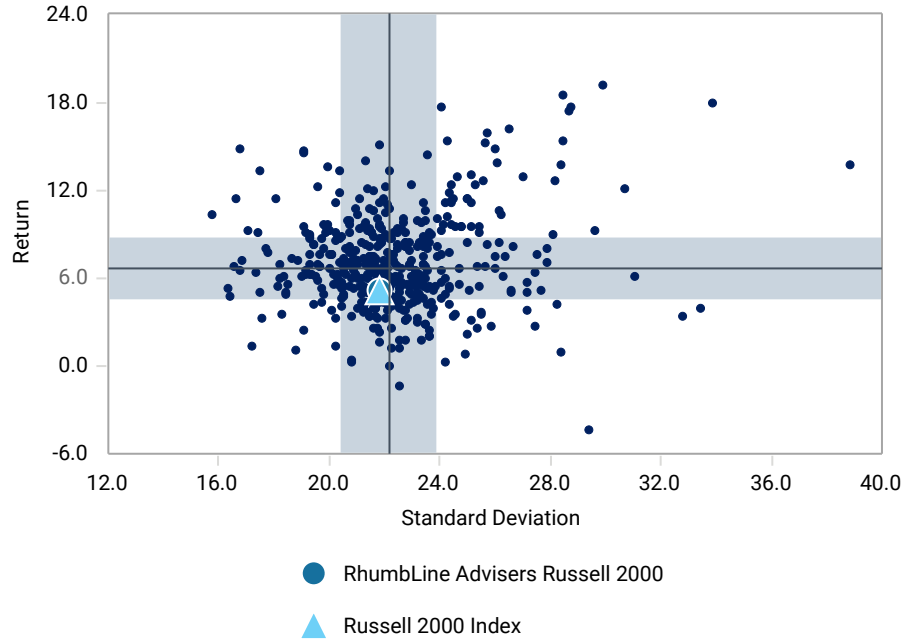


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending June 30, 2022

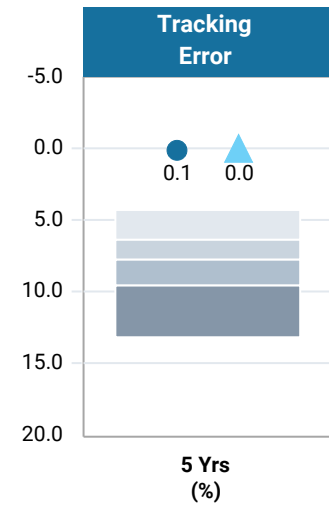
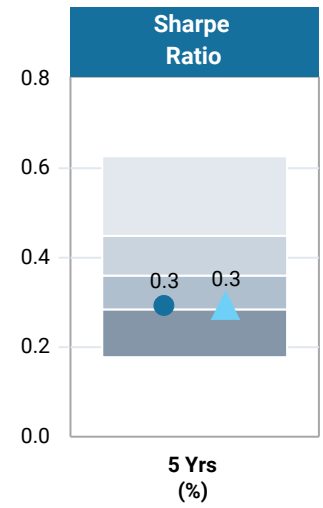
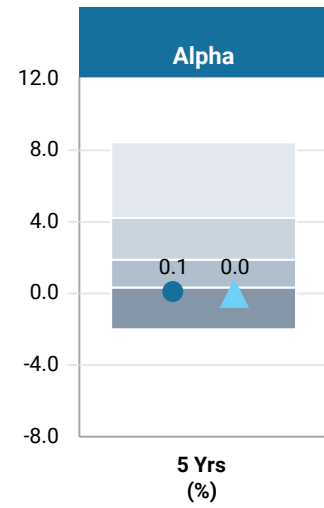
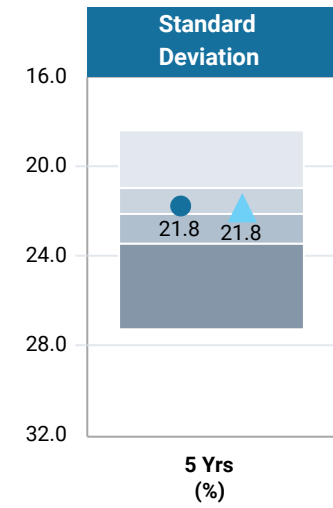
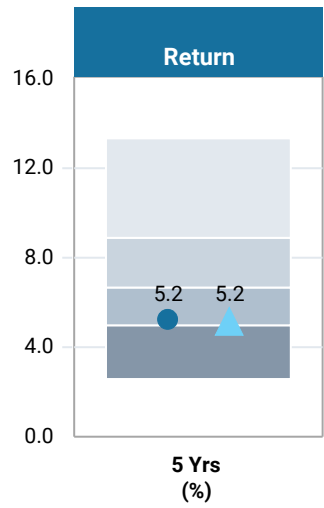
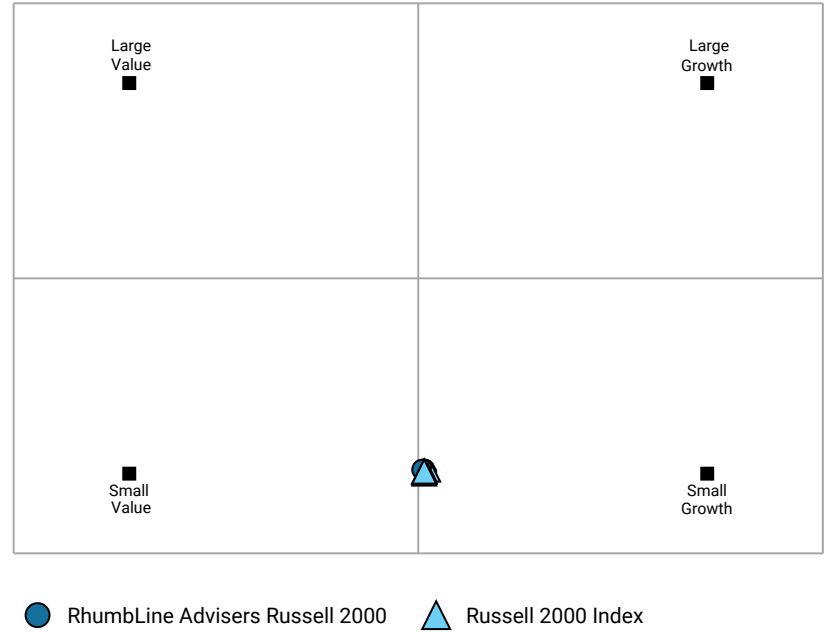


RHUMBLINE ADVISORS RUSSELL 2000

5 Years Return vs. Standard Deviation



Rolling 3 Years Style Map

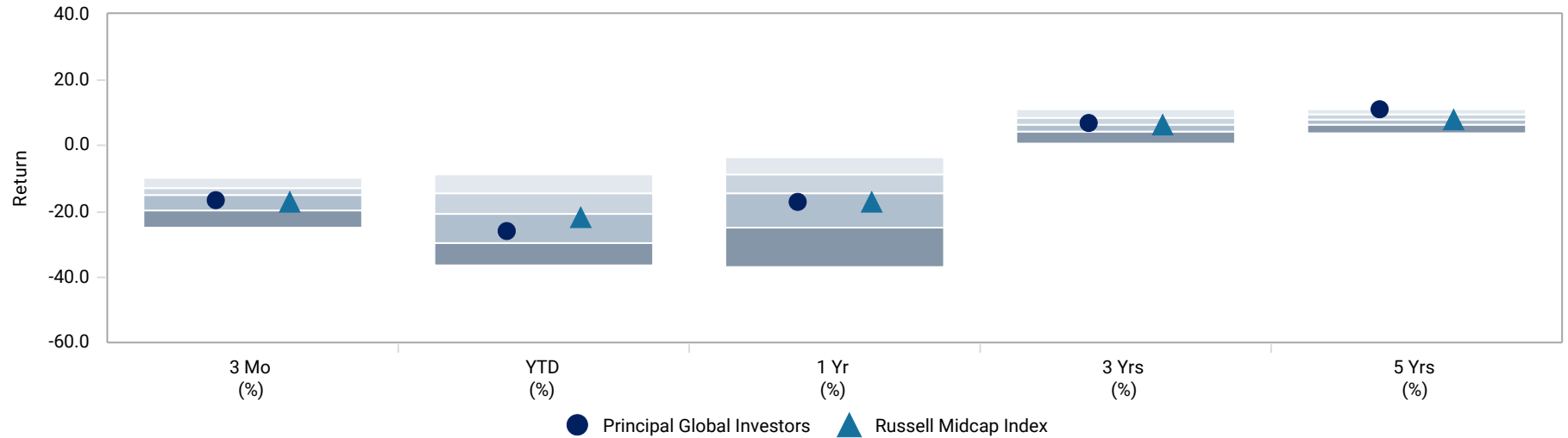


Los Angeles City Employees' Retirement System-LACERS Master Trust

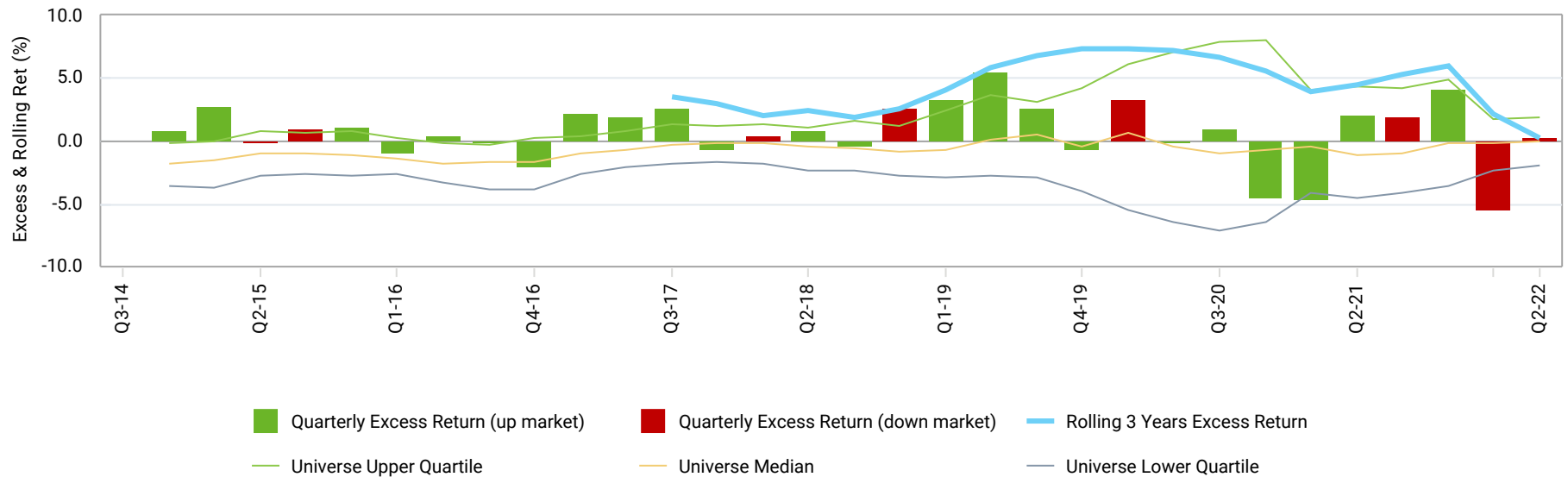
PRINCIPAL GLOBAL INVESTORS

June 30, 2022

eV US Mid Cap Equity (net of fees)



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

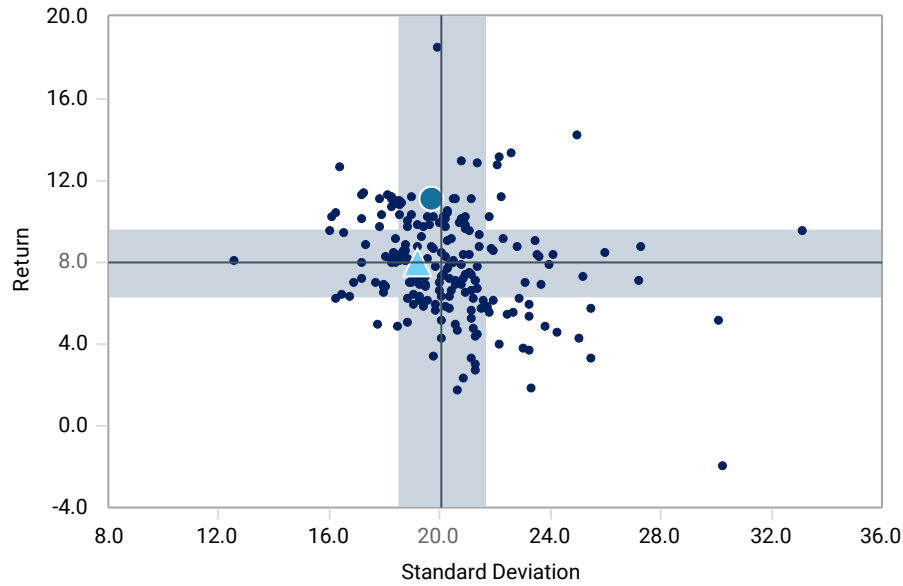


Los Angeles City Employees' Retirement System-LACERS Master Trust

PRINCIPAL GLOBAL INVESTORS

June 30, 2022

5 Years Return vs. Standard Deviation

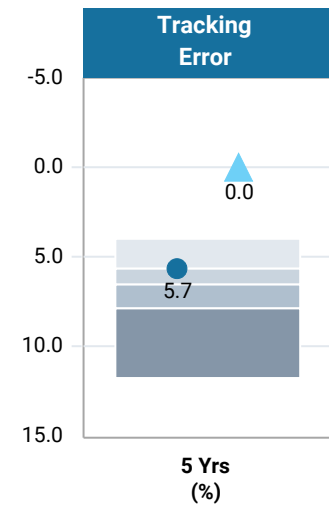
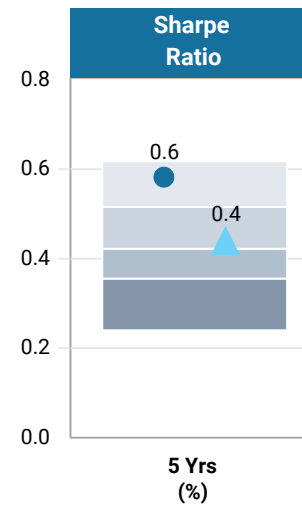
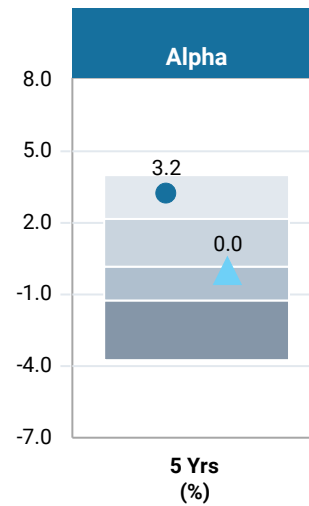
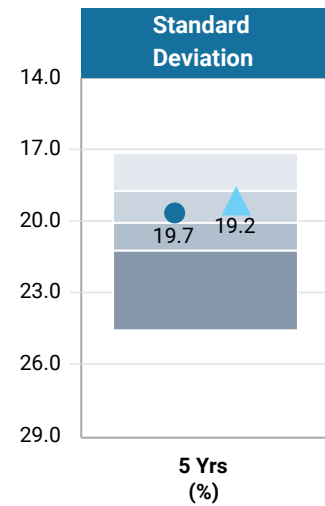
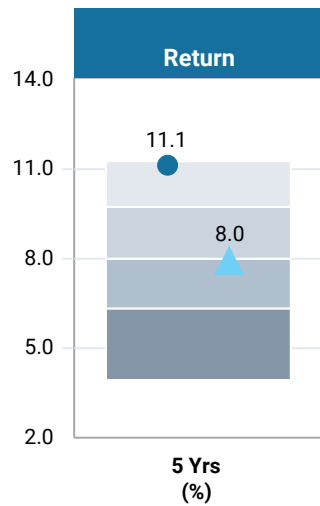


● Principal Global Investors ▲ Russell Midcap Index

Rolling 5 Years Style Map

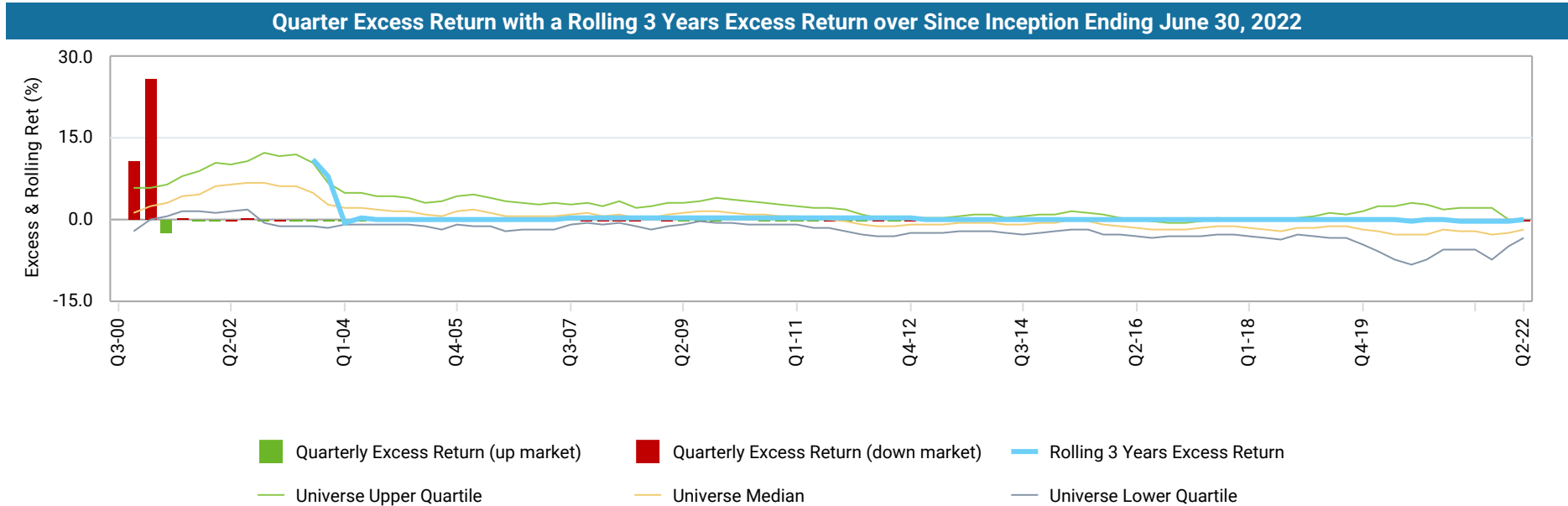
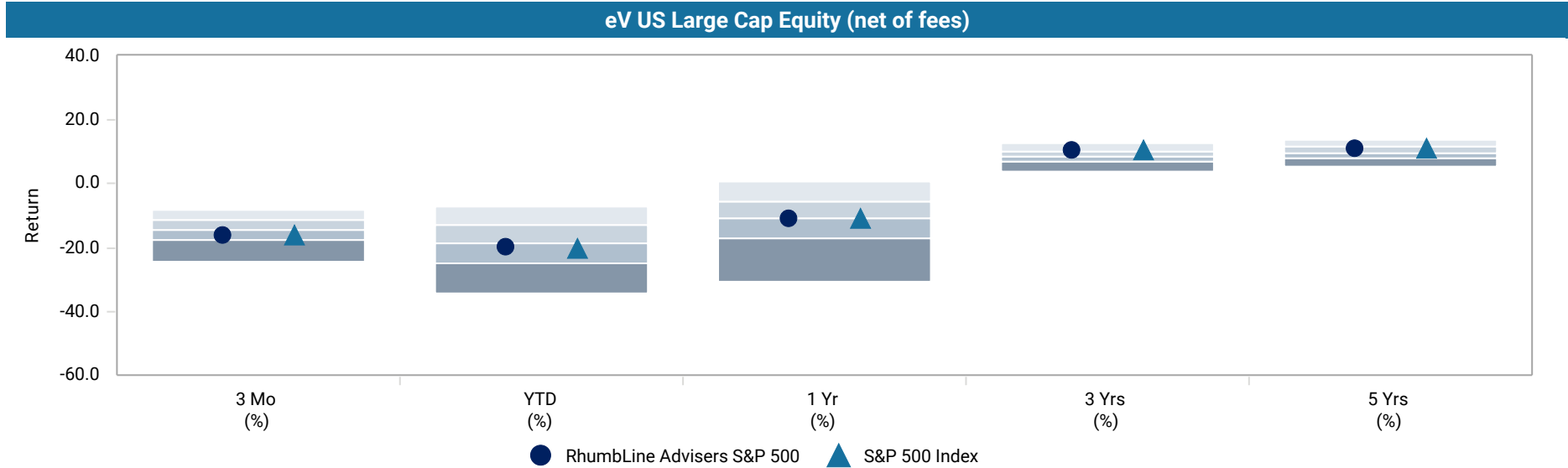


● Principal Global Investors ▲ Russell Midcap Index



Los Angeles City Employees' Retirement System-LACERS Master Trust
RHUMBLINE ADVISORS S&P 500

June 30, 2022

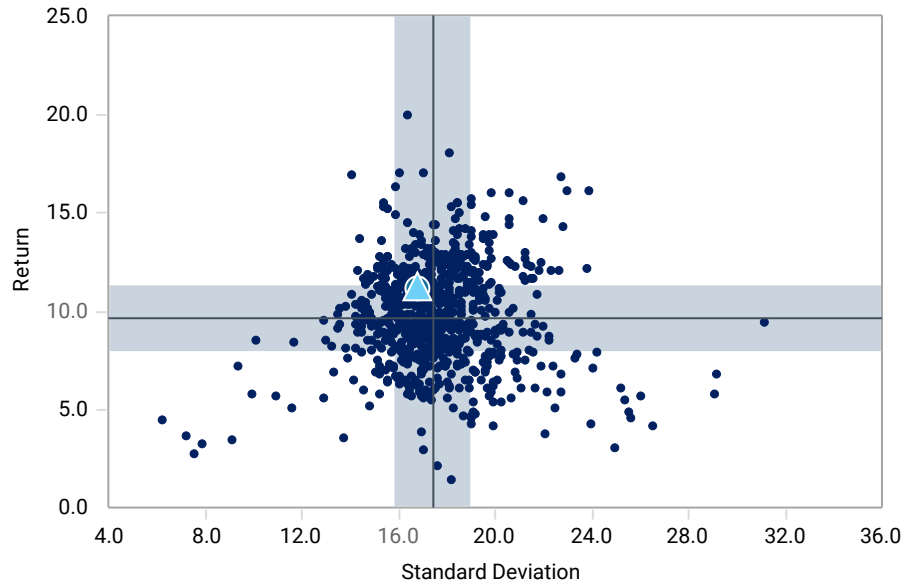


Los Angeles City Employees' Retirement System-LACERS Master Trust

RHUMBLINE ADVISORS S&P 500

June 30, 2022

5 Years Return vs. Standard Deviation

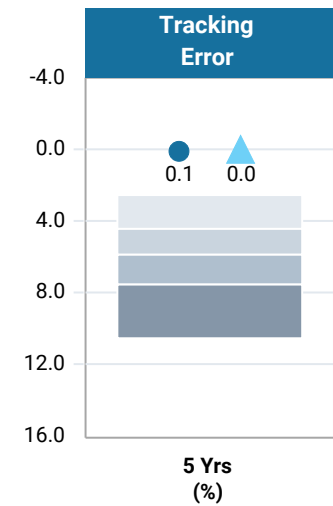
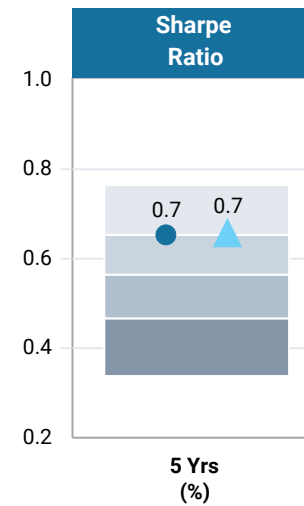
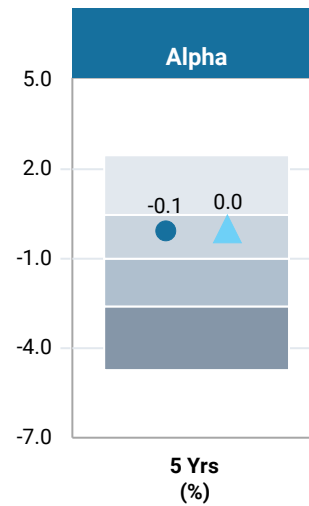
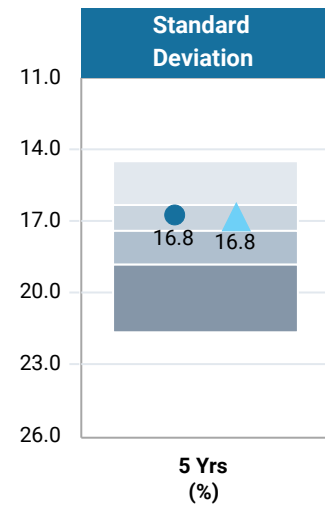
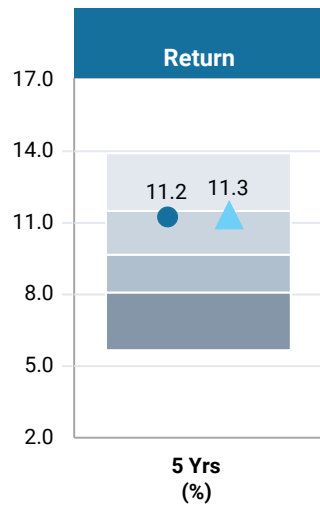


● RhumbLine Advisers S&P 500 ▲ S&P 500 Index

Rolling 5 Years Style Map

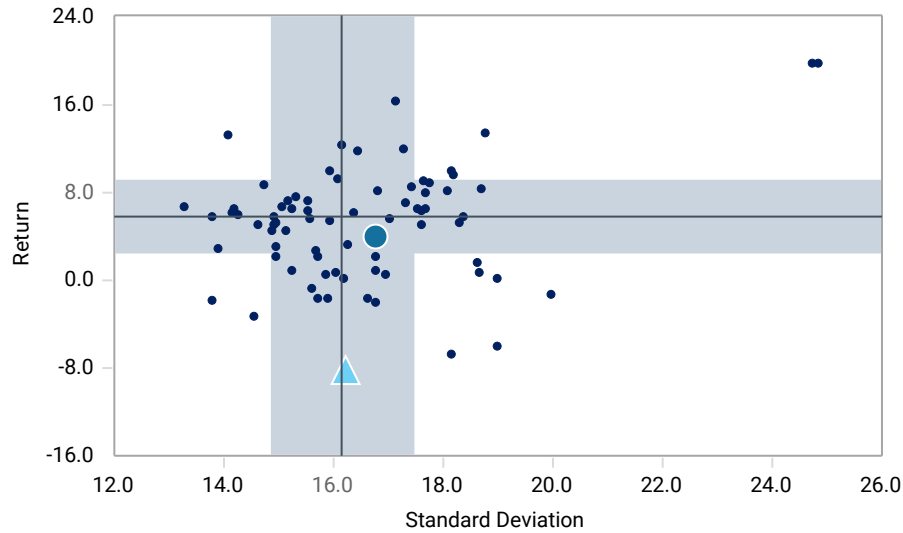


● RhumbLine Advisers S&P 500 ▲ S&P 500 Index



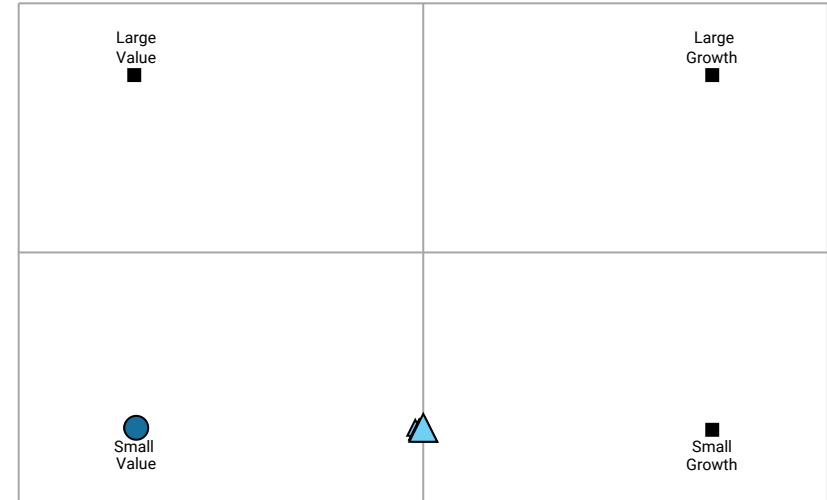
RHUMBLINE ADVISORS RUSSELL 2000 VALUE

Since Inception Return vs. Standard Deviation

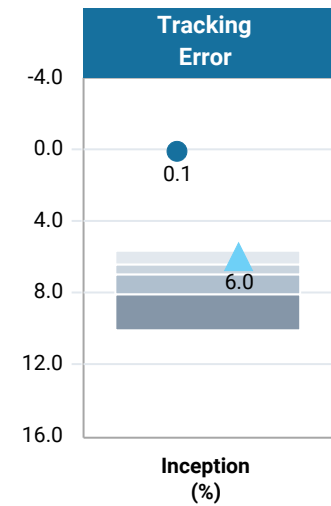
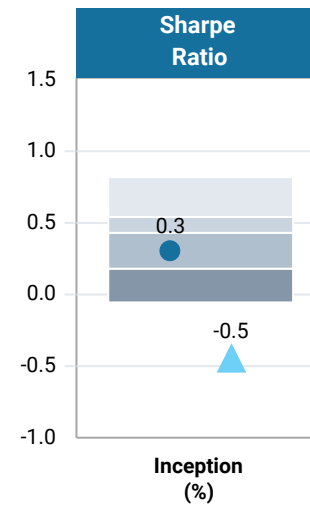
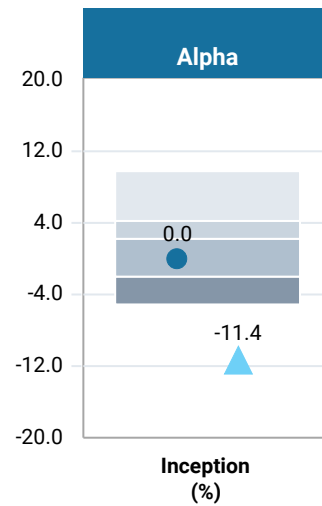
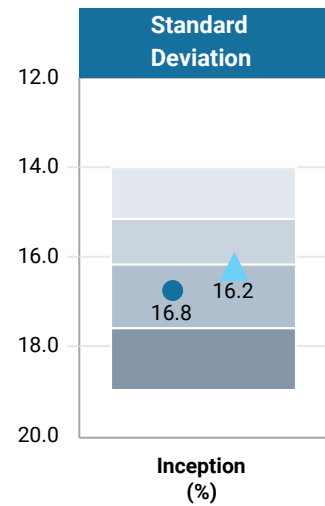
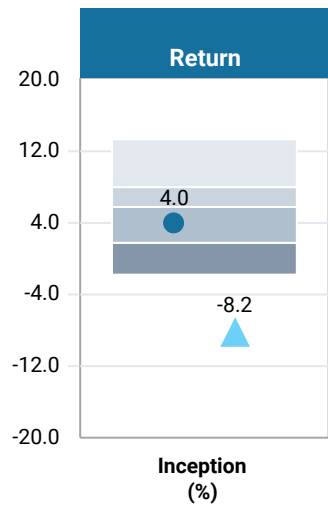


● Rhumbline Advisers Russell 2000 Value
▲ Russell 2000 Index

Rolling 0.75 Year Style Map

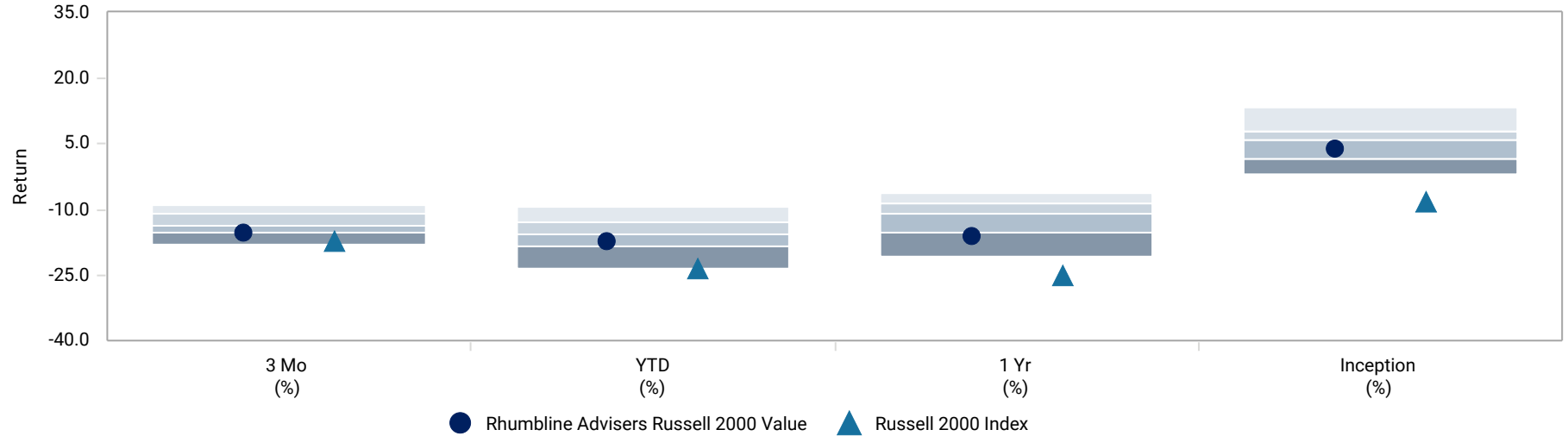


● Rhumbline Advisers Russell 2000 Value
▲ Russell 2000 Index

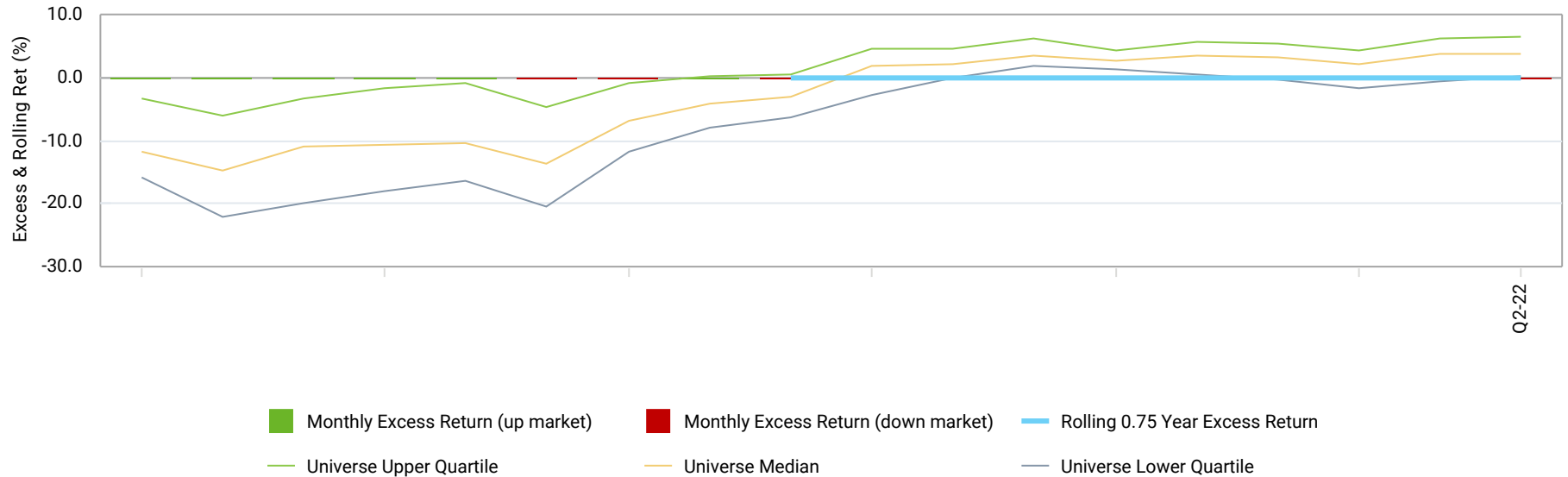


RHUMBLINE ADVISORS RUSSELL 2000 VALUE

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 June 30, 2022

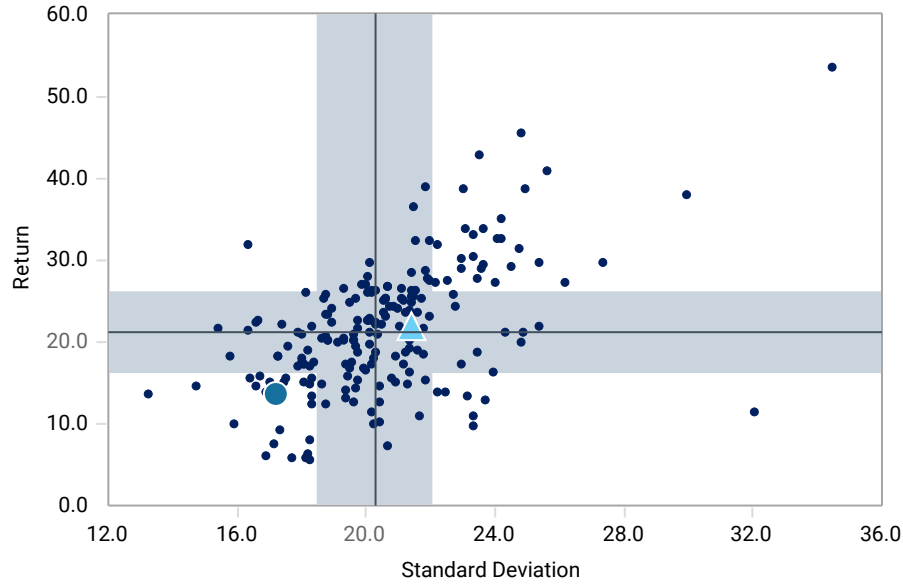


Los Angeles City Employees' Retirement System-LACERS Master Trust

COPELAND CAPITAL MANAGEMENT

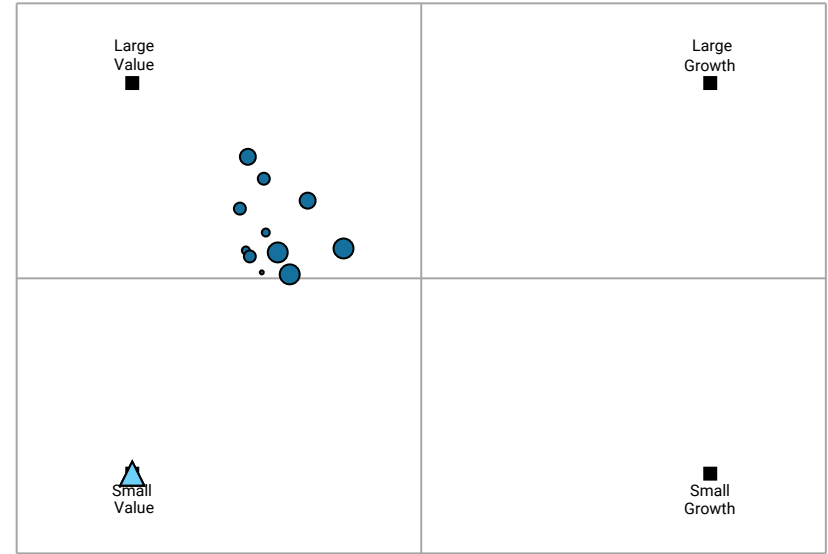
June 30, 2022

Since Inception Return vs. Standard Deviation

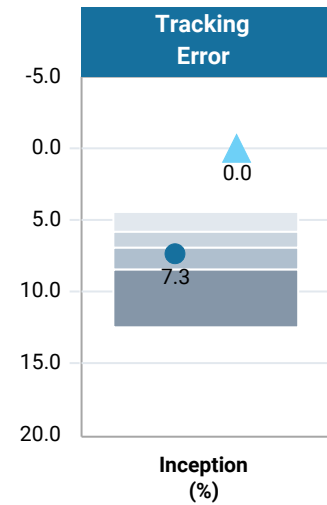
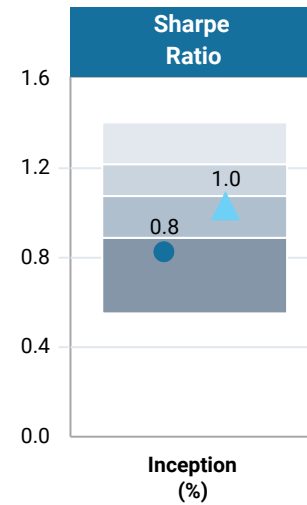
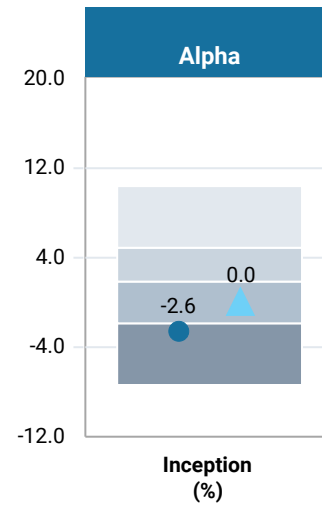
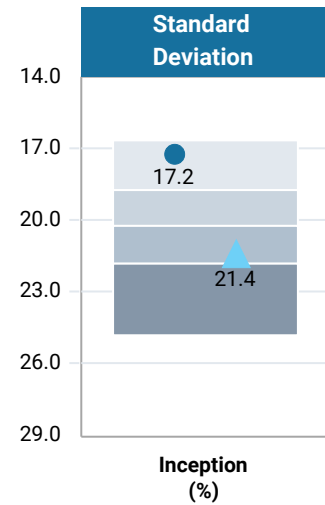
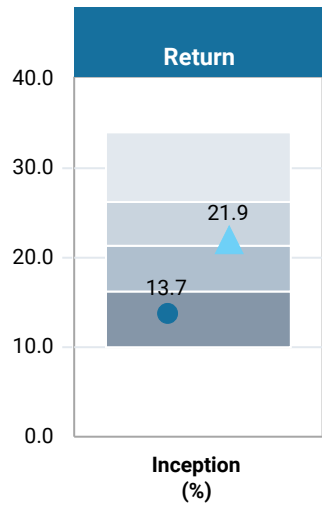


● Copeland Capital Management ▲ Russell 2000 Value Index

Rolling 0.75 Year Style Map



● Copeland Capital Management ▲ Russell 2000 Value Index

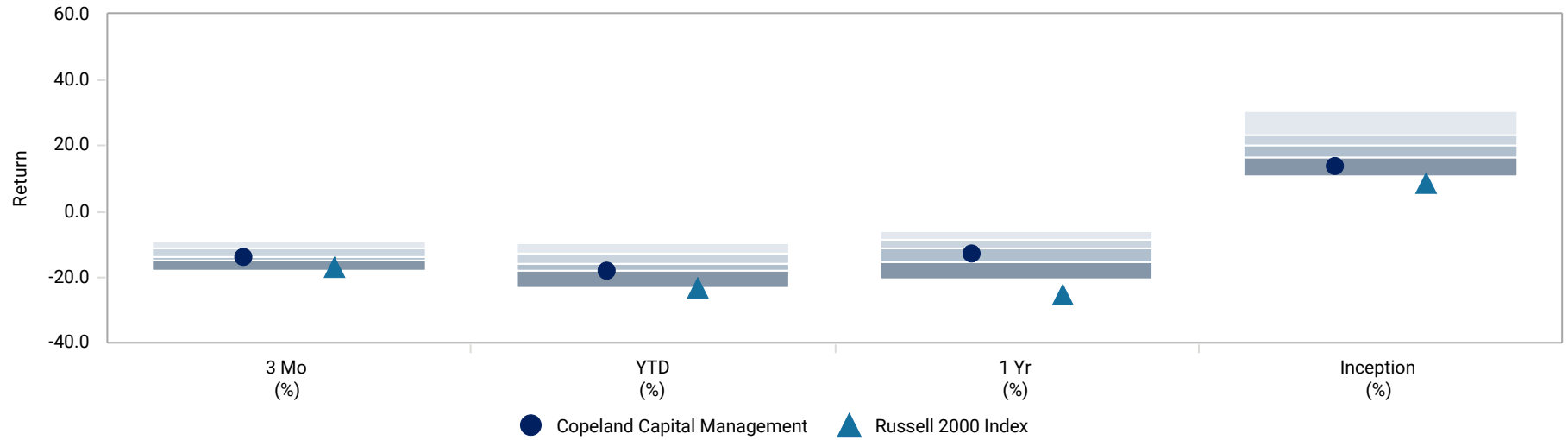


Los Angeles City Employees' Retirement System-LACERS Master Trust

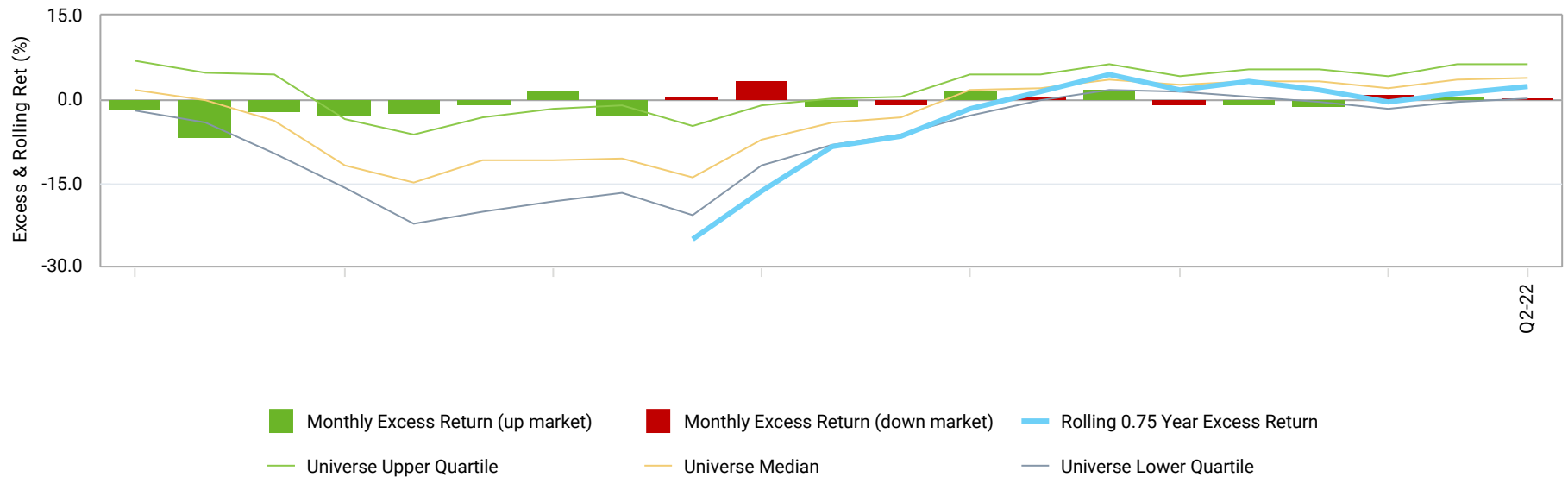
COPELAND CAPITAL MANAGEMENT

June 30, 2022

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

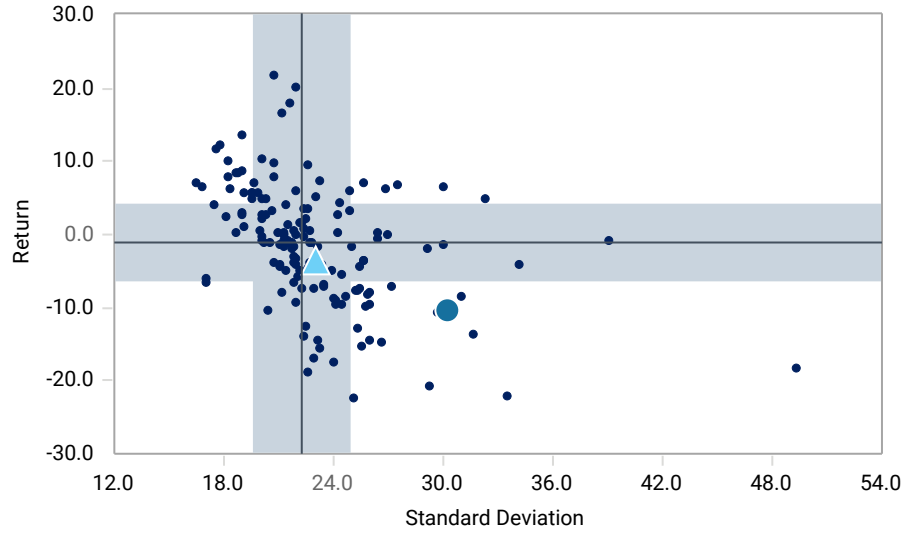


Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending June 30, 2022



GRANAHAN INVESTMENT MANAGEMENT

Since Inception Return vs. Standard Deviation

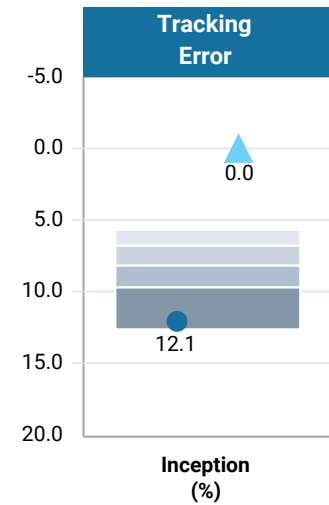
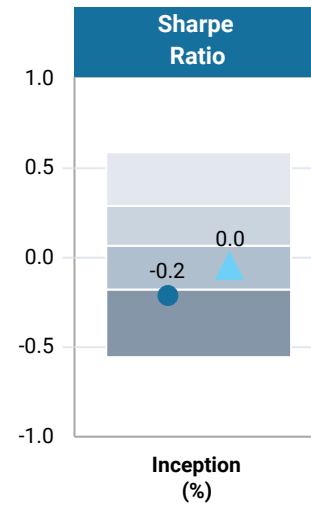
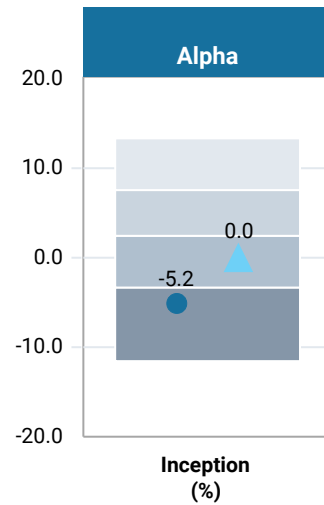
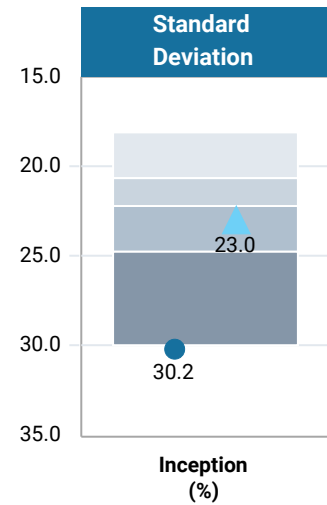
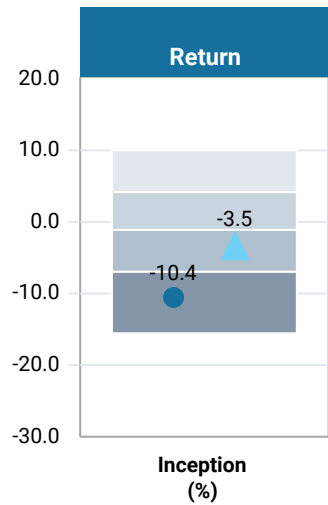


- Granahan Investment Management
- ▲ Russell 2000 Growth Index

Rolling 0.75 Year Style Map

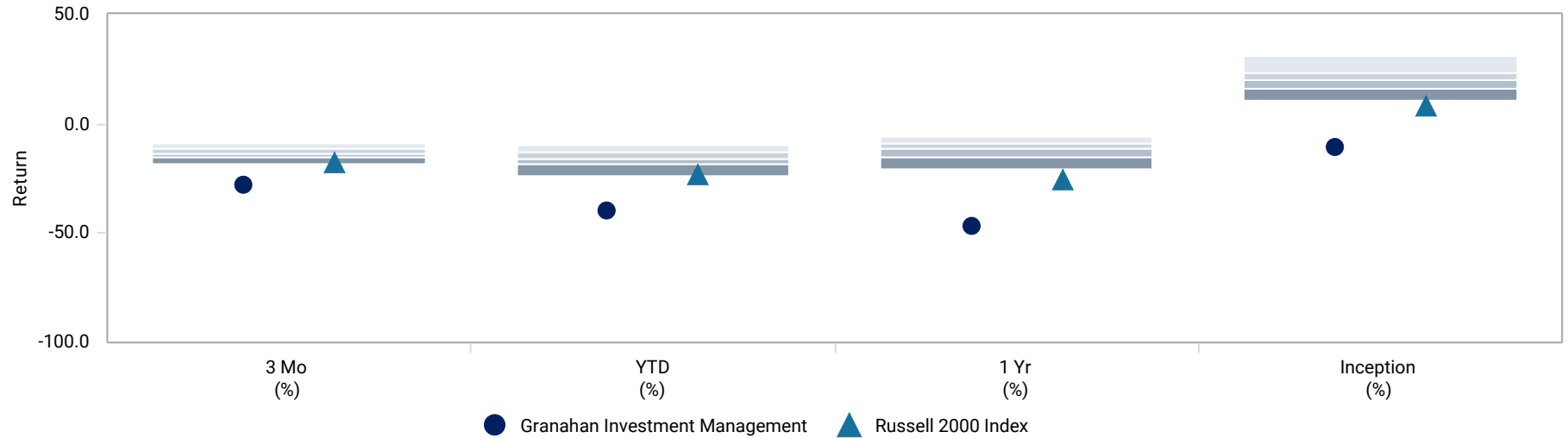


- Granahan Investment Management
- ▲ Russell 2000 Growth Index

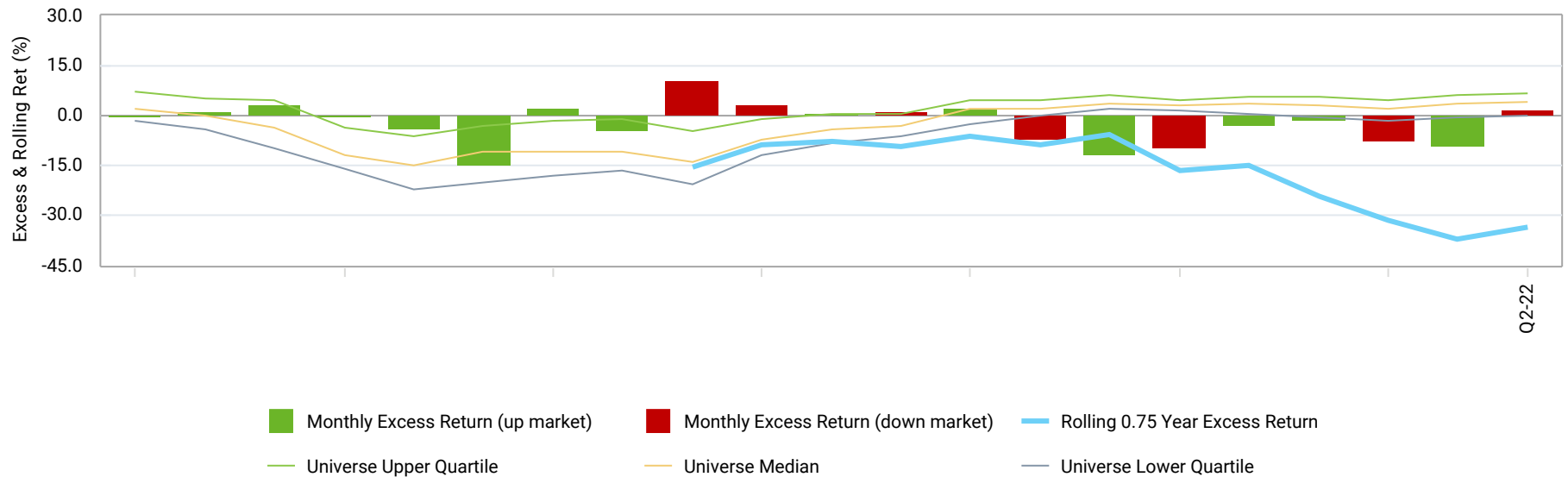


GRANAHAN INVESTMENT MANAGEMENT

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 June 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

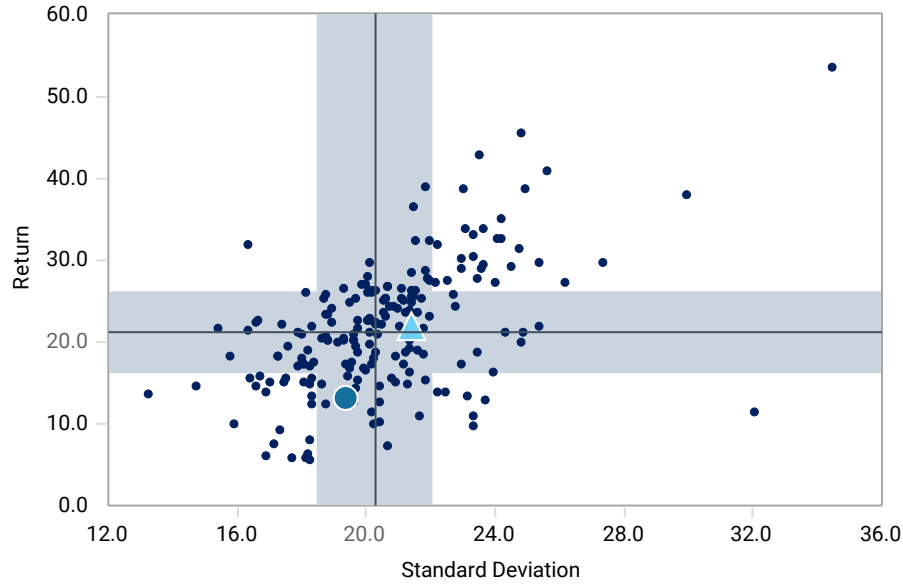


Los Angeles City Employees' Retirement System-LACERS Master Trust

SEGALL, BRYANT & HAMILL

June 30, 2022

Since Inception Return vs. Standard Deviation

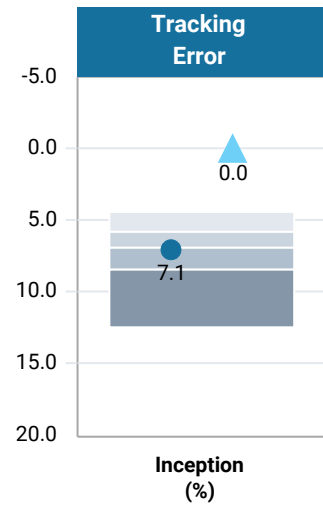
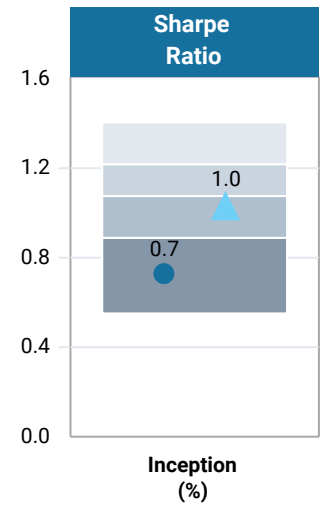
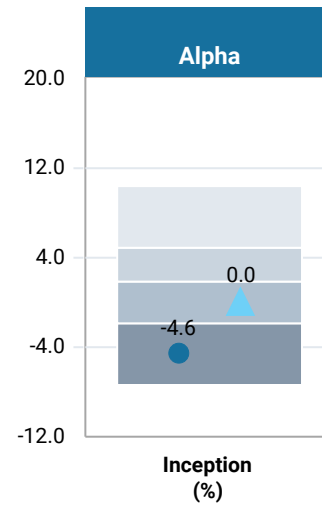
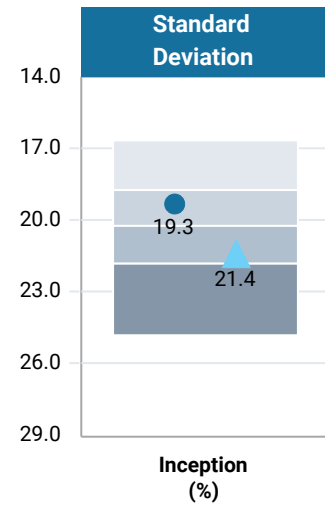
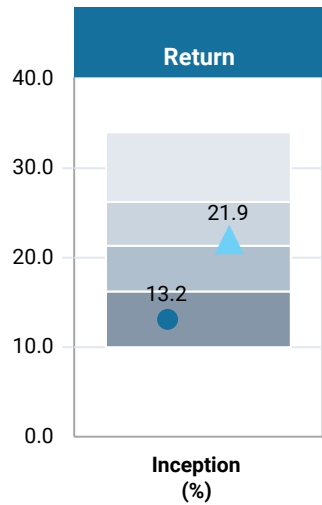


● Segall, Bryant & Hamill ▲ Russell 2000 Value Index

Rolling 0.75 Year Style Map

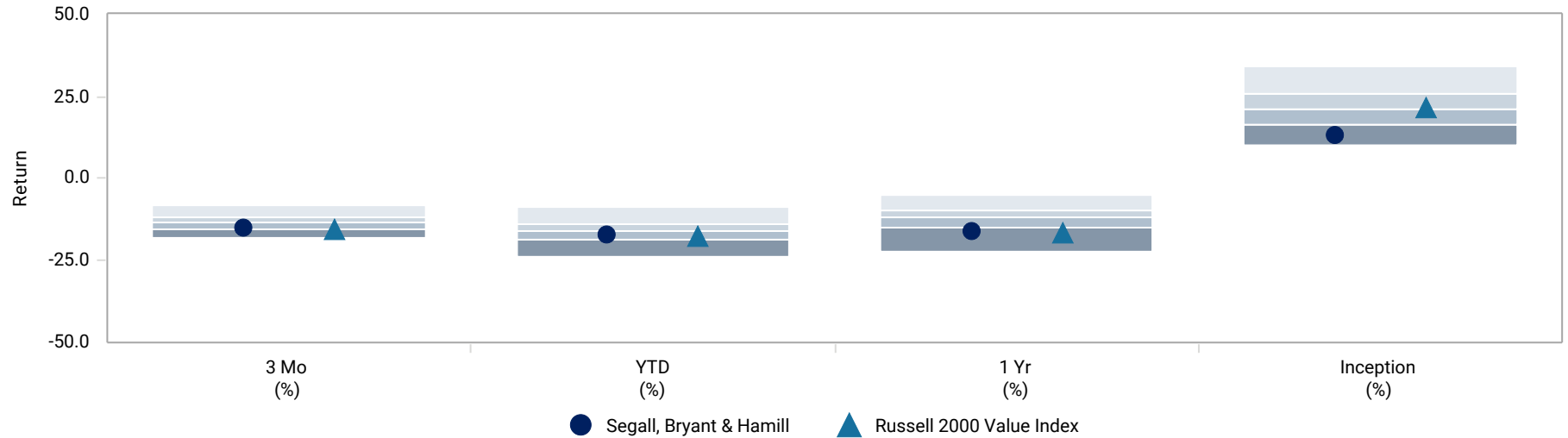


● Segall, Bryant & Hamill ▲ Russell 2000 Value Index

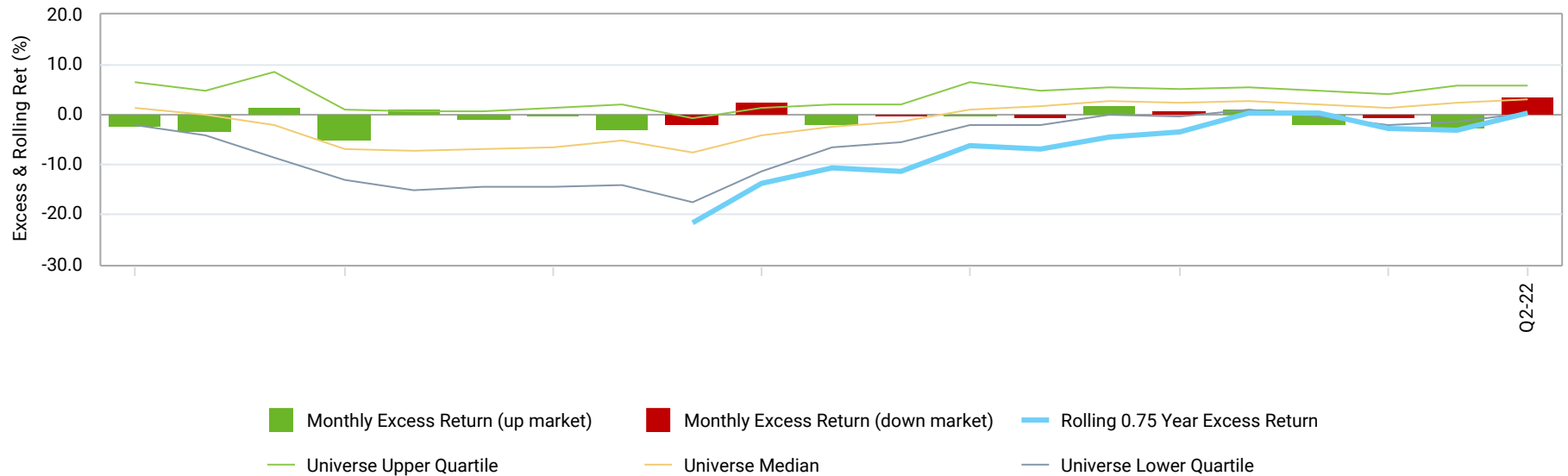


SEGALL, BRYANT & HAMILL

eV US Small Cap Value Equity (net of fees)



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



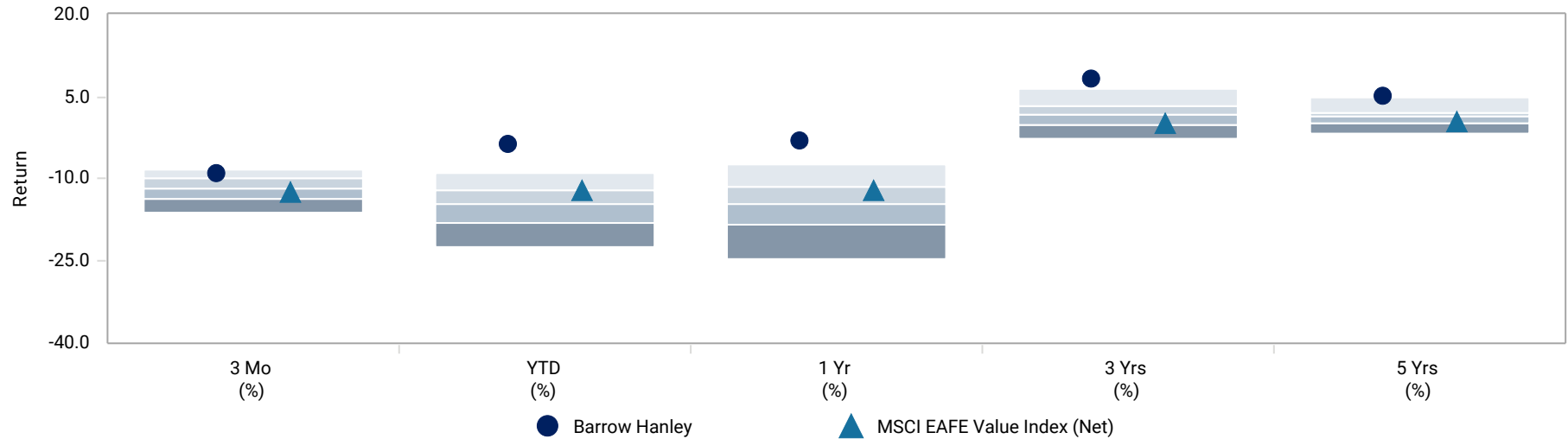
NON-U.S. EQUITY MANAGER PERFORMANCE

Los Angeles City Employees' Retirement System-LACERS Master Trust

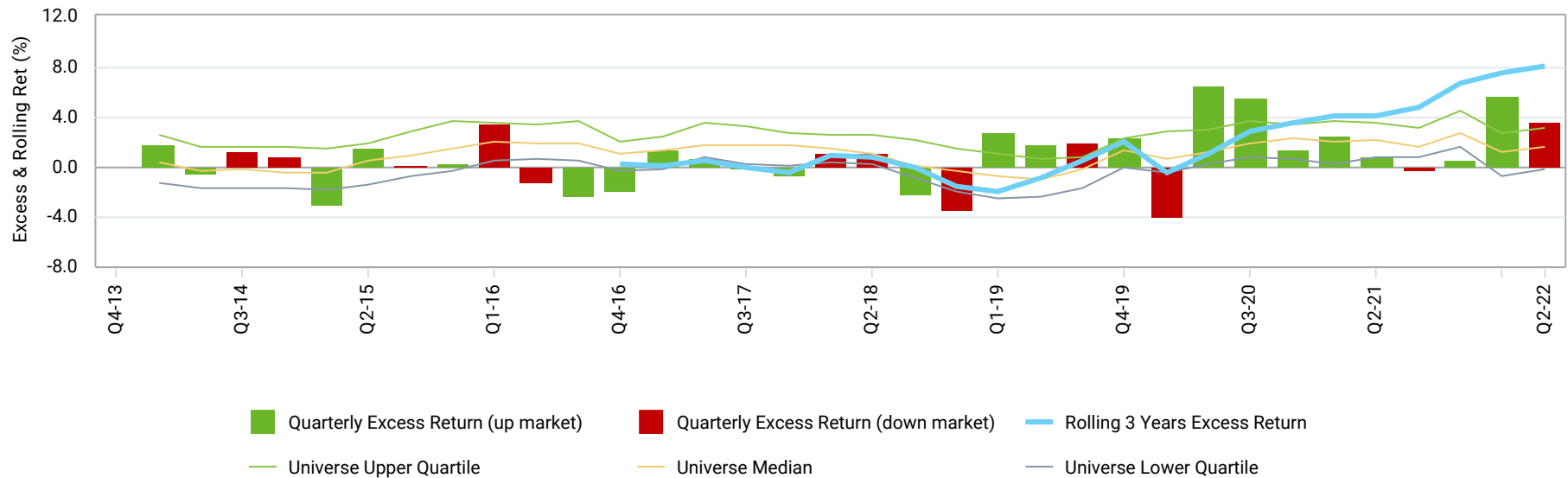
June 30, 2022

BARROW HANLEY

eV EAFE Value Equity (net of fees)

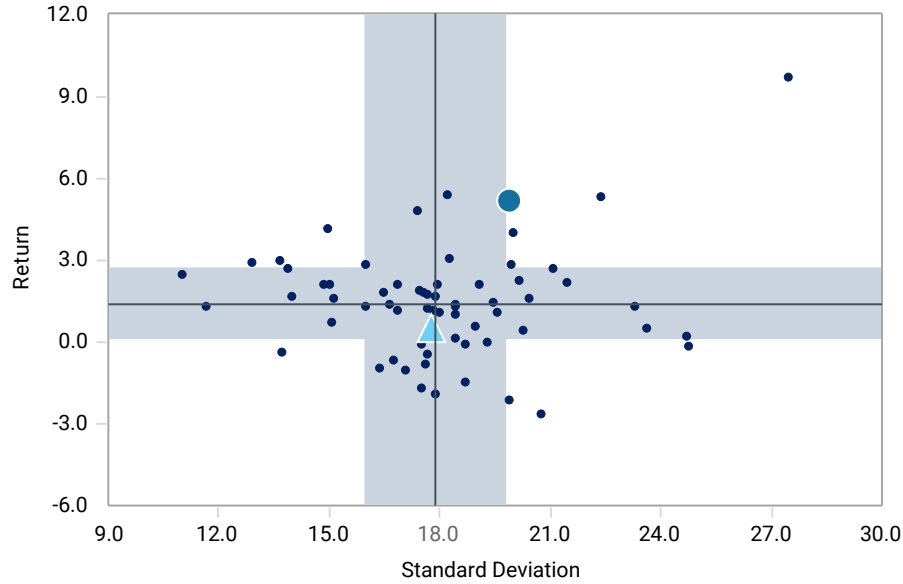


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending June 30, 2022



BARROW HANLEY

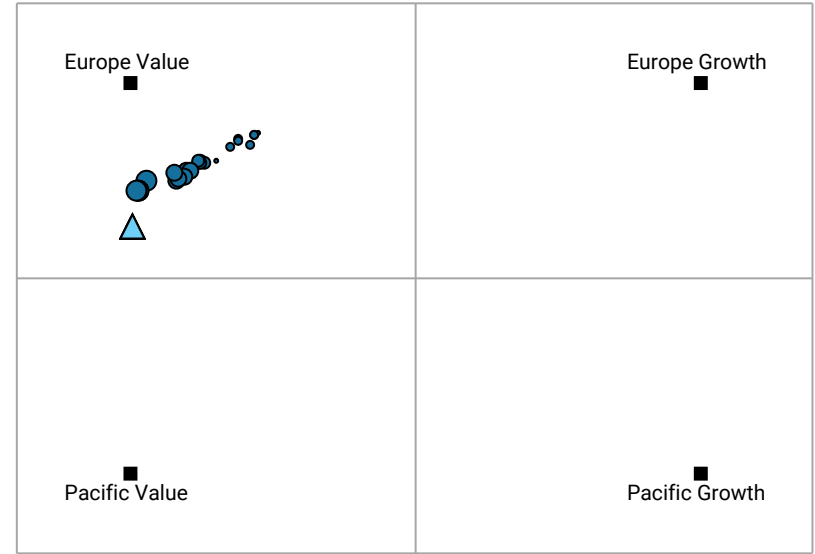
5 Years Return vs. Standard Deviation



● Barrow Hanley

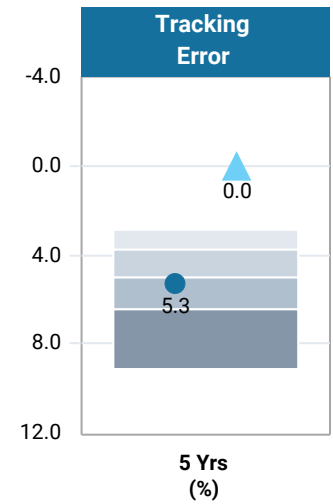
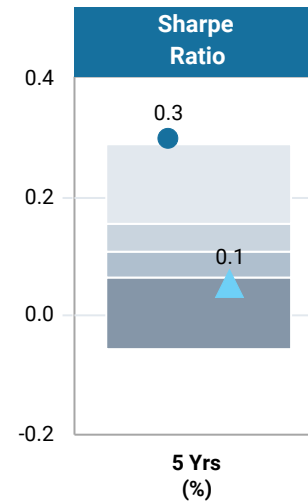
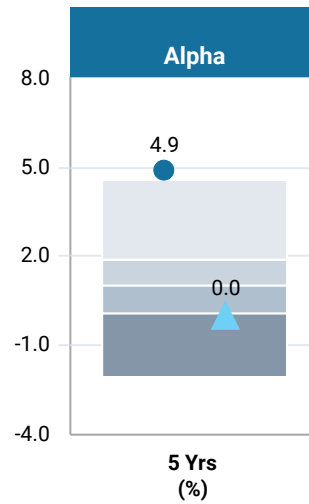
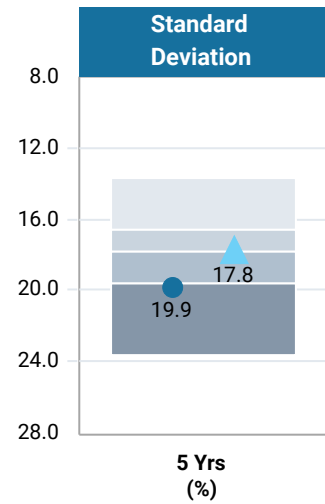
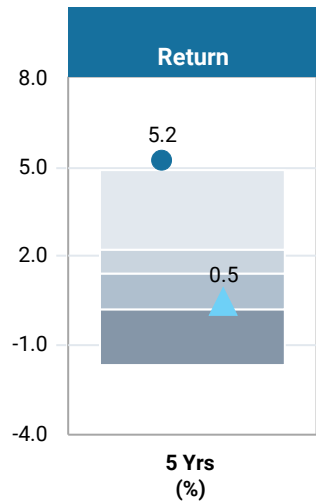
▲ MSCI EAFE Value Index (Net)

Rolling 5 Years Style Map



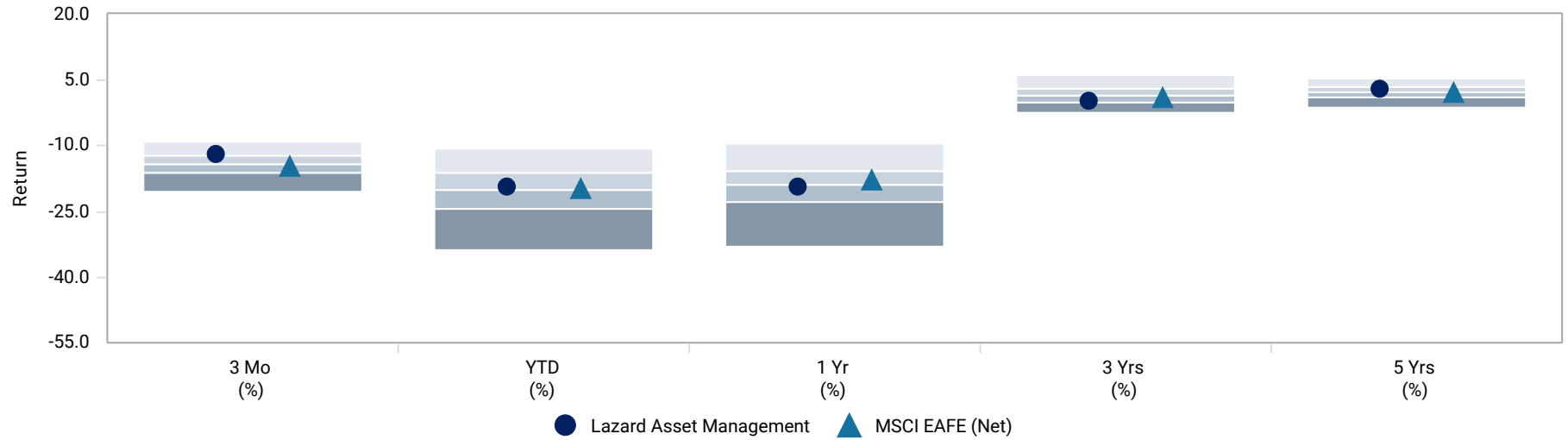
● Barrow Hanley

▲ MSCI EAFE Value Index (Net)

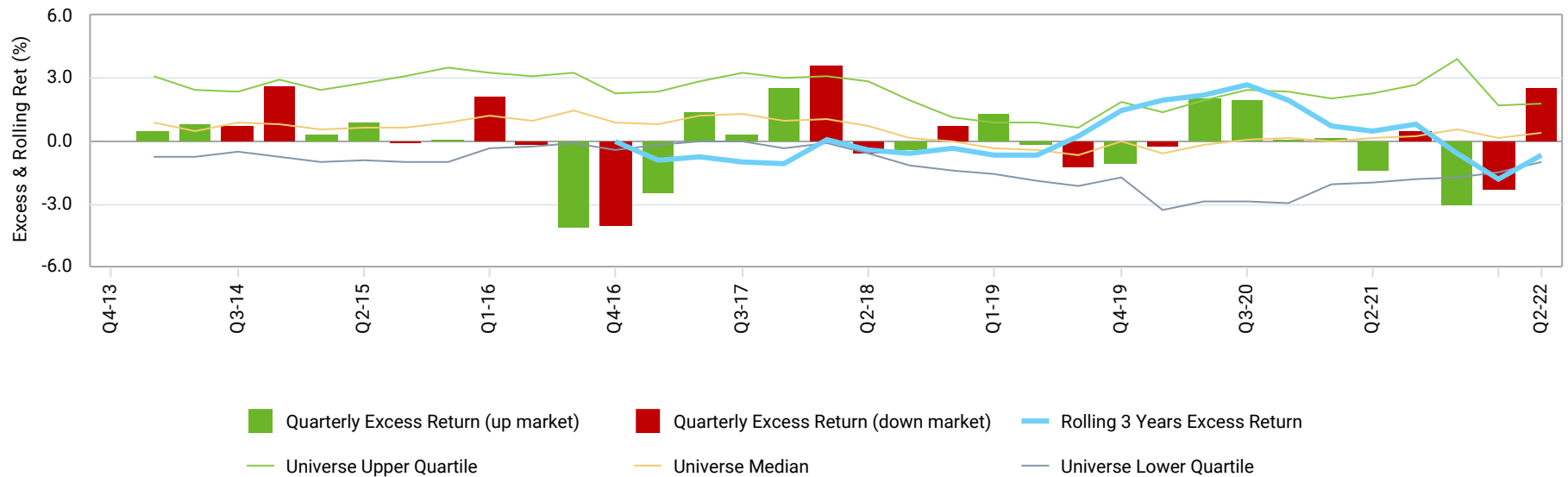


LAZARD ASSET MANAGEMENT

eV All EAFE Equity (net of fees)



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

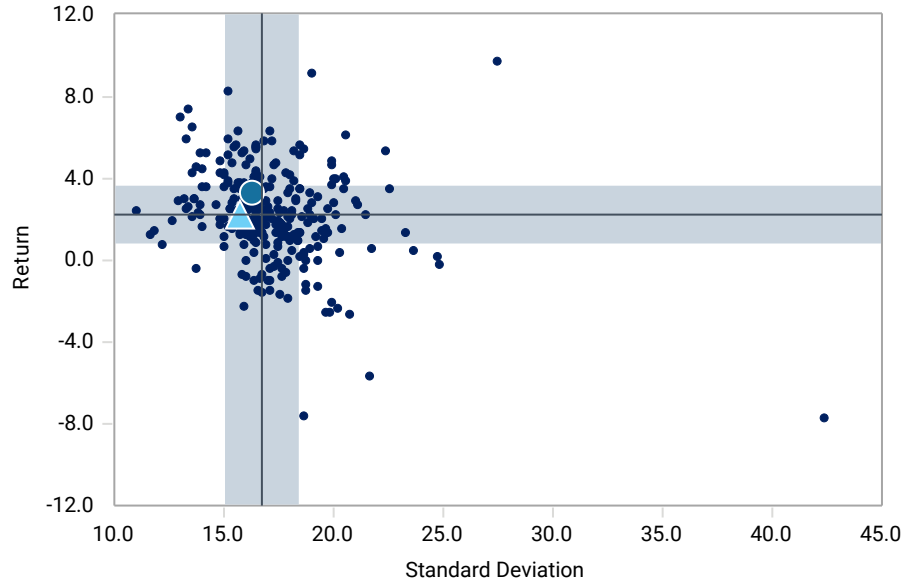


Los Angeles City Employees' Retirement System-LACERS Master Trust

LAZARD ASSET MANAGEMENT

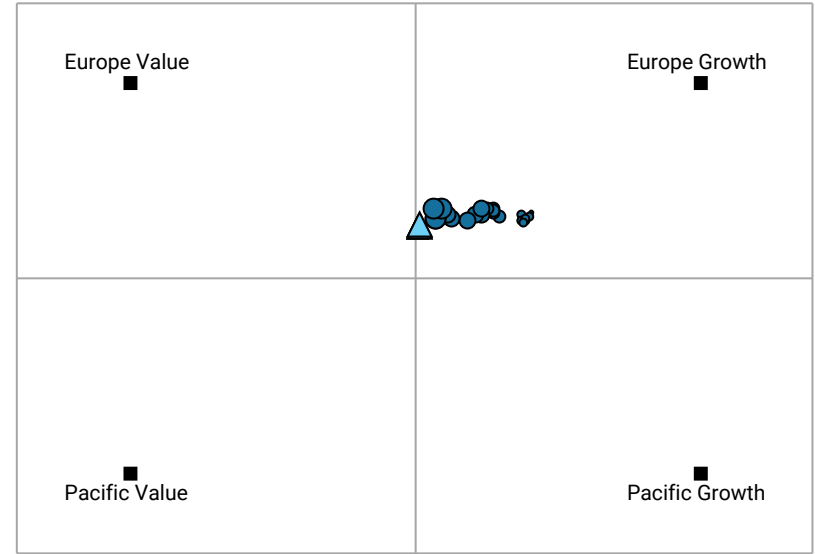
June 30, 2022

5 Years Return vs. Standard Deviation

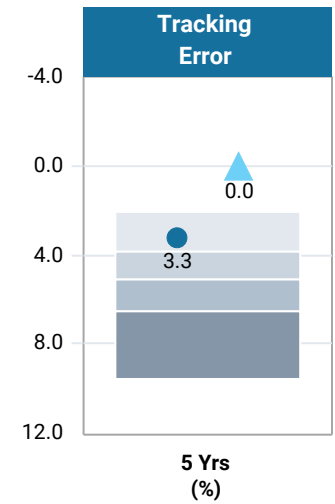
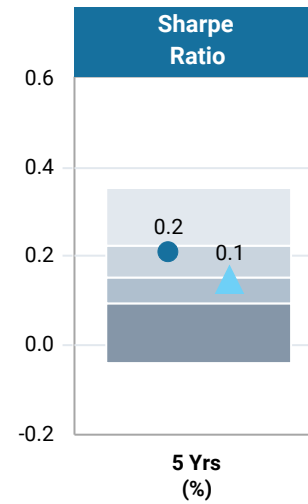
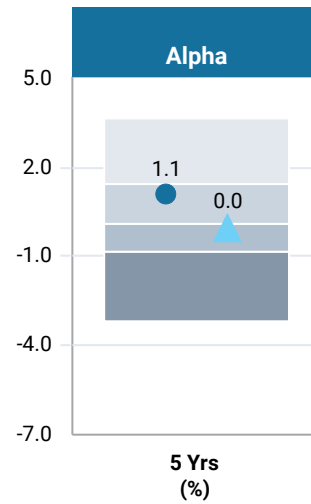
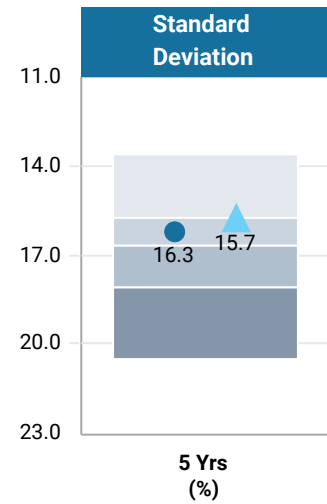
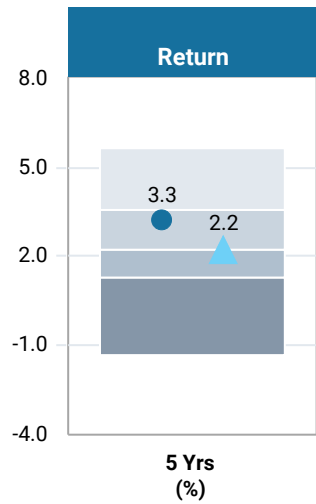


● Lazard Asset Management ▲ MSCI EAFE (Net)

Rolling 5 Years Style Map



● Lazard Asset Management ▲ MSCI EAFE (Net)

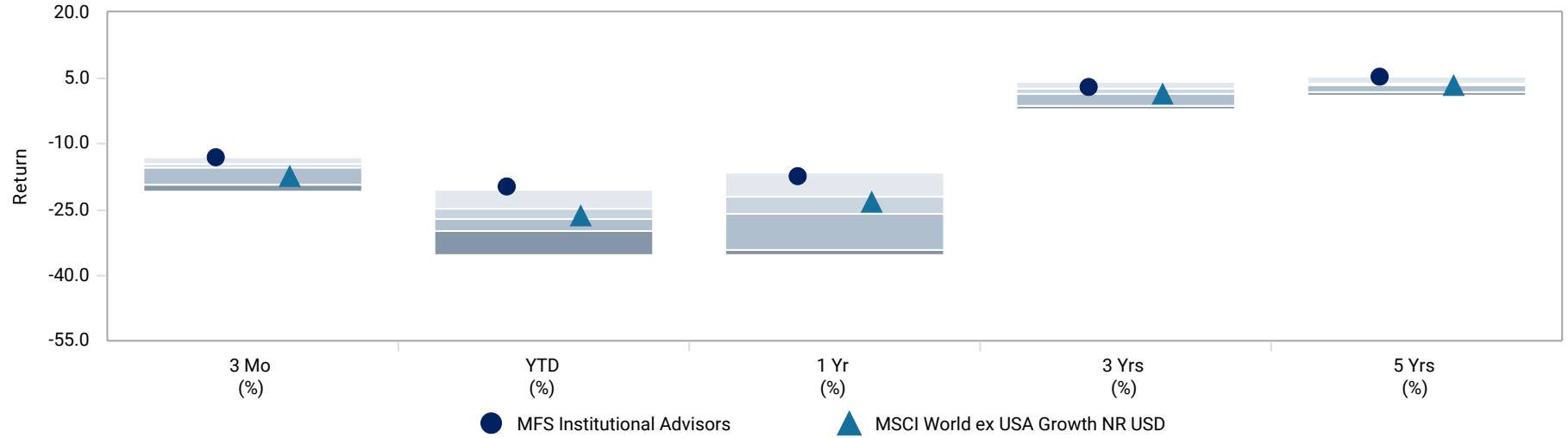


Los Angeles City Employees' Retirement System-LACERS Master Trust

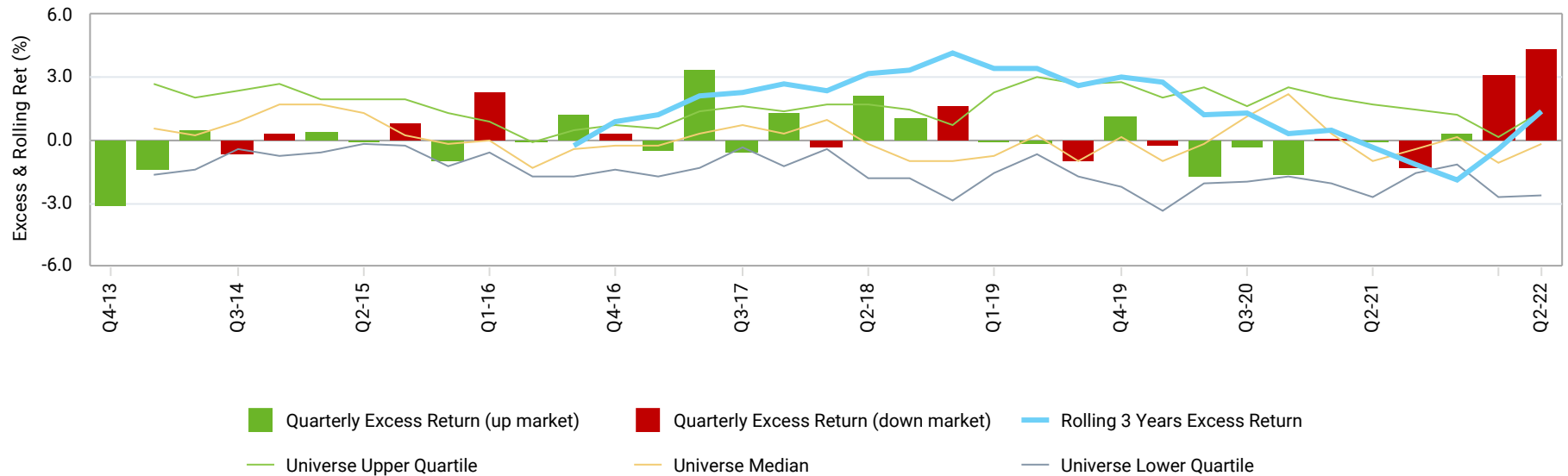
MFS INSTITUTIONAL ADVISORS

June 30, 2022

eV EAFE All Cap Growth (net of fees)



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

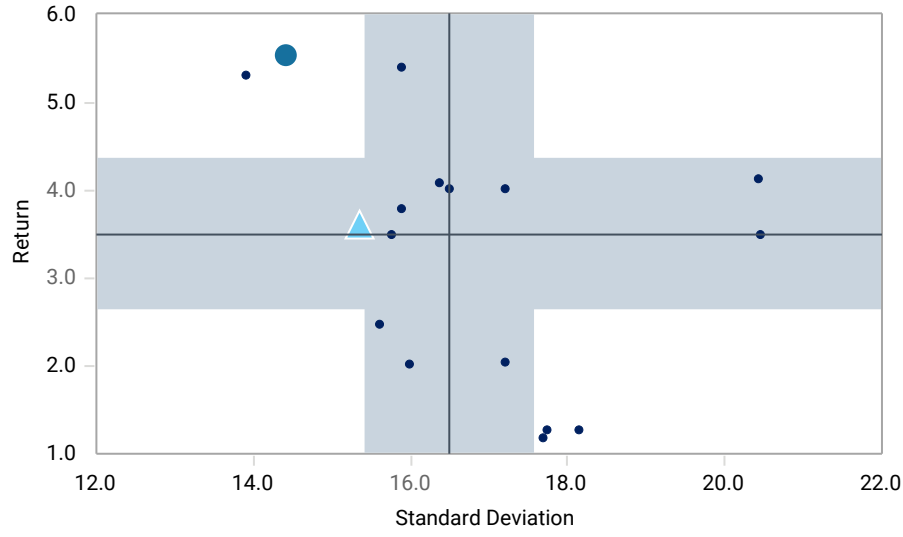


Los Angeles City Employees' Retirement System-LACERS Master Trust

MFS INSTITUTIONAL ADVISORS

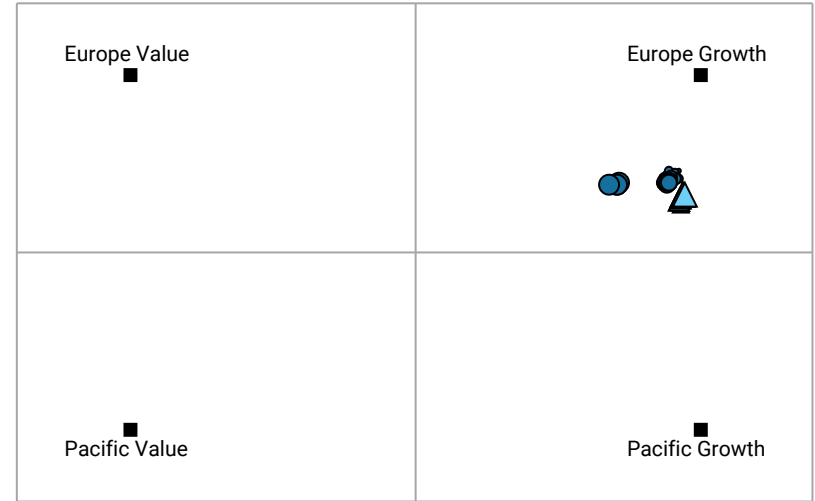
June 30, 2022

5 Years Return vs. Standard Deviation

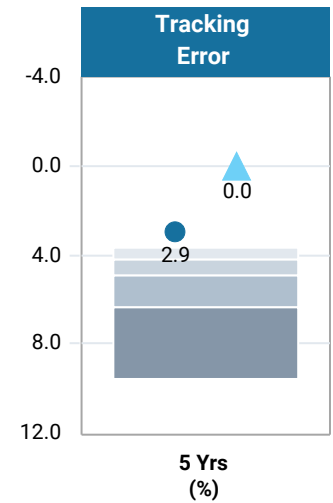
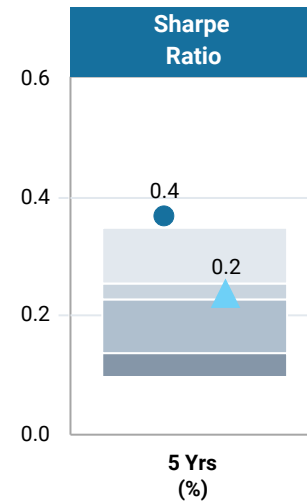
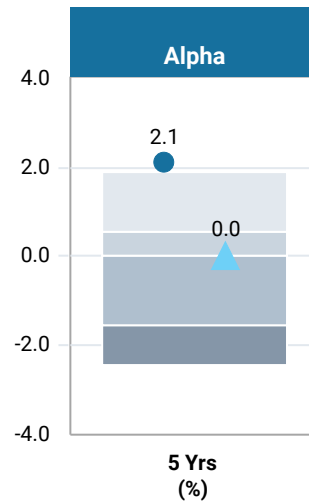
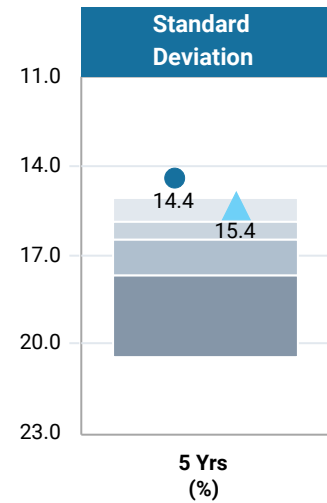
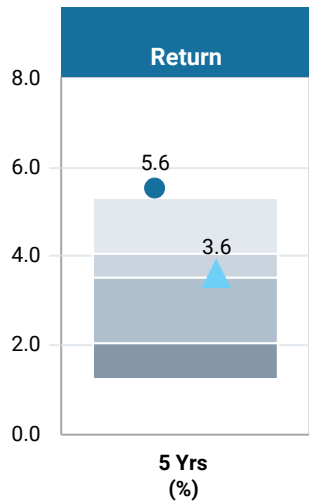


- MFS Institutional Advisors
- ▲ MSCI World ex USA Growth NR USD

Rolling 5 Years Style Map

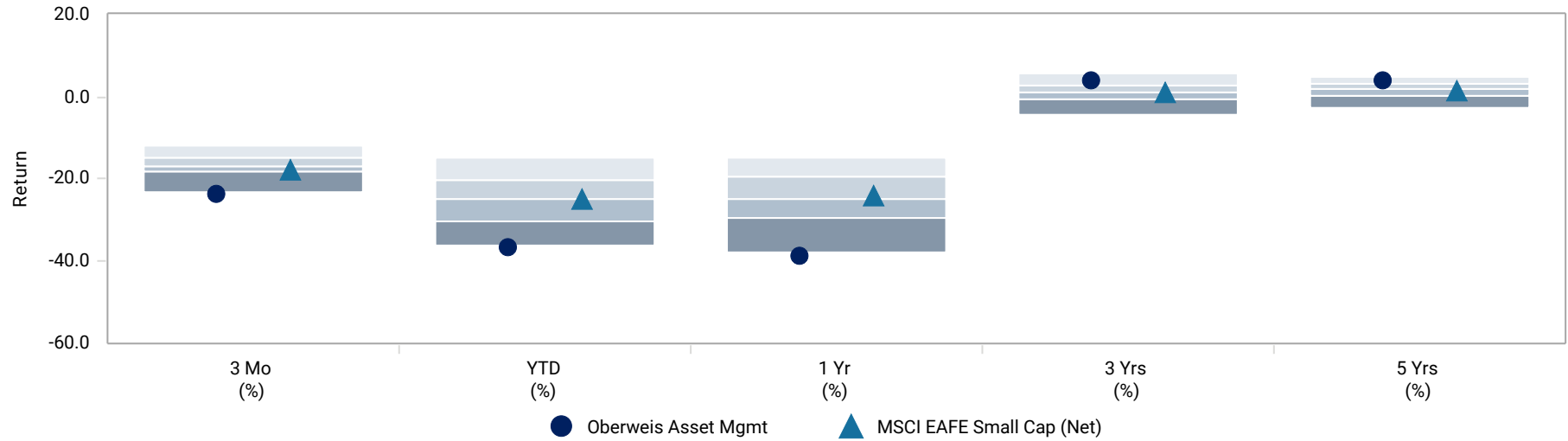


- MFS Institutional Advisors
- ▲ MSCI World ex USA Growth NR USD

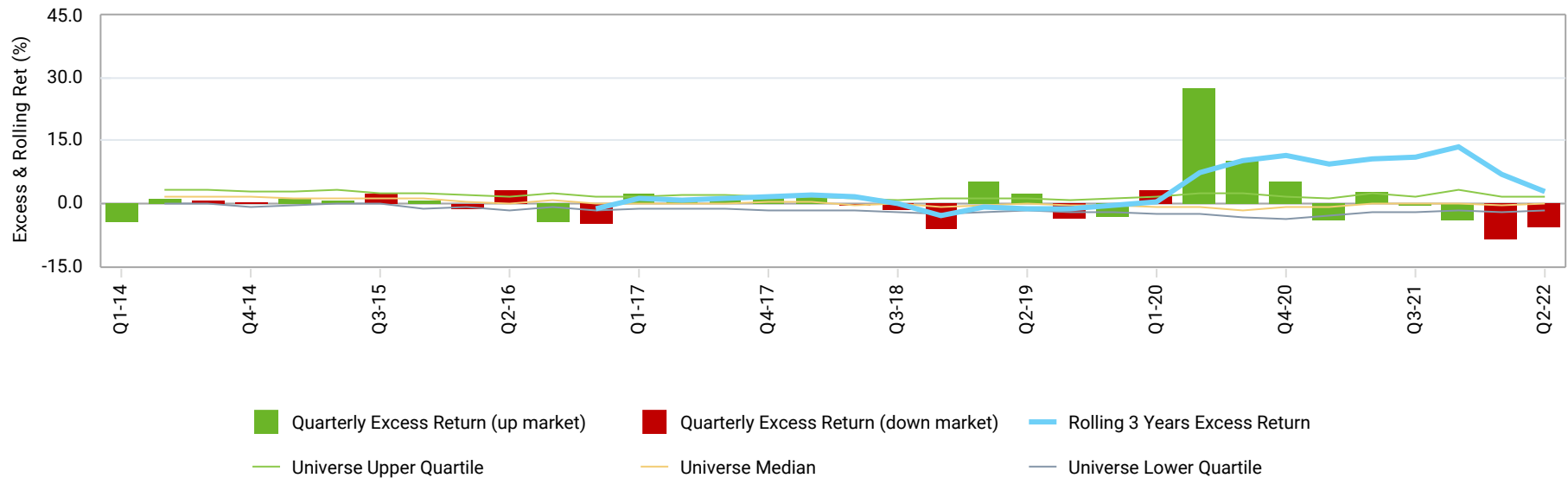


OBERWEIS ASSET MGMT

eV EAFE Small Cap Equity (net of fees)



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

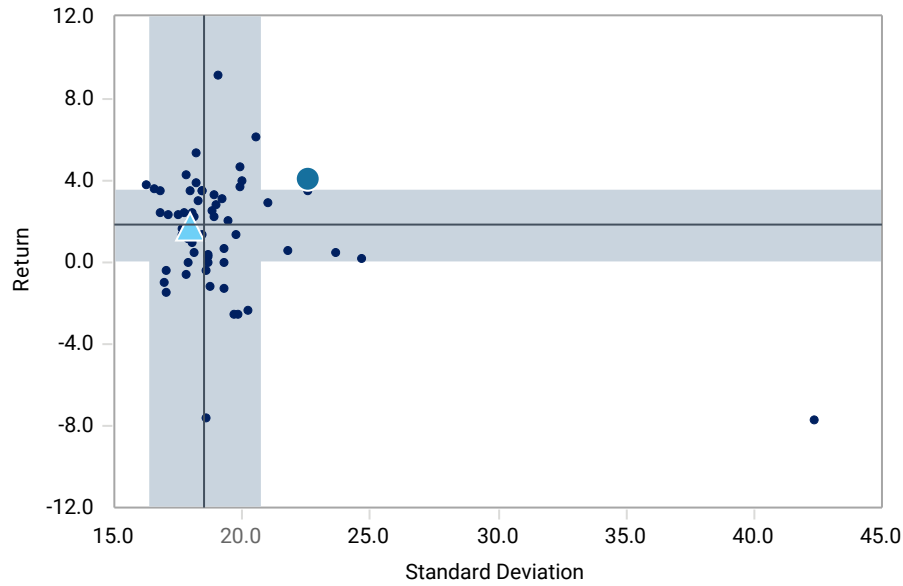


Los Angeles City Employees' Retirement System-LACERS Master Trust

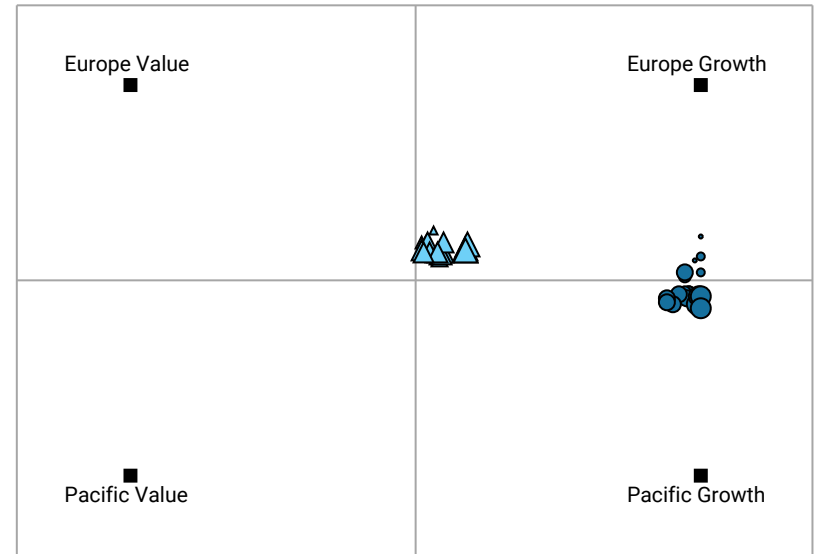
OBERWEIS ASSET MGMT

June 30, 2022

5 Years Return vs. Standard Deviation

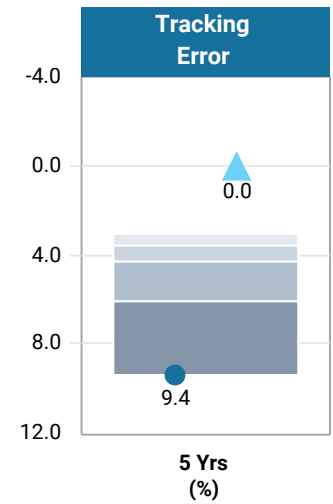
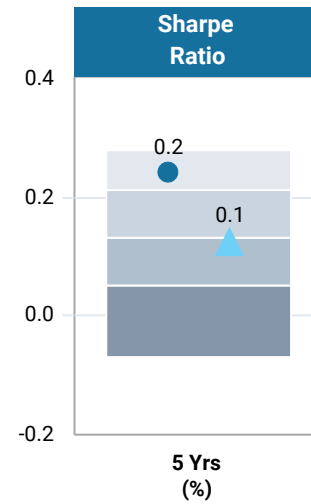
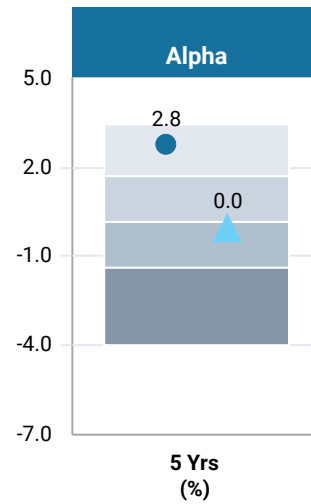
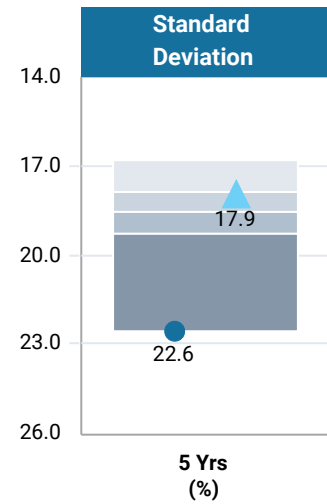
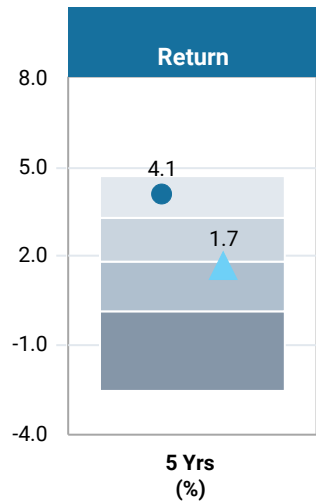


Rolling 5 Years Style Map



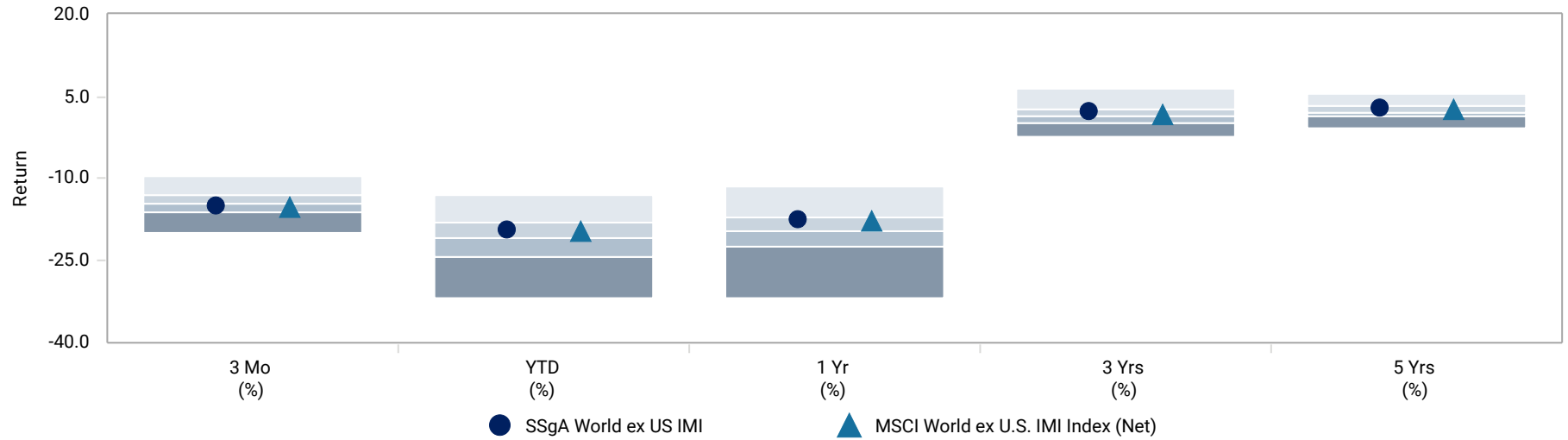
● Oberweis Asset Mgmt ▲ MSCI EAFE Small Cap (Net)

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

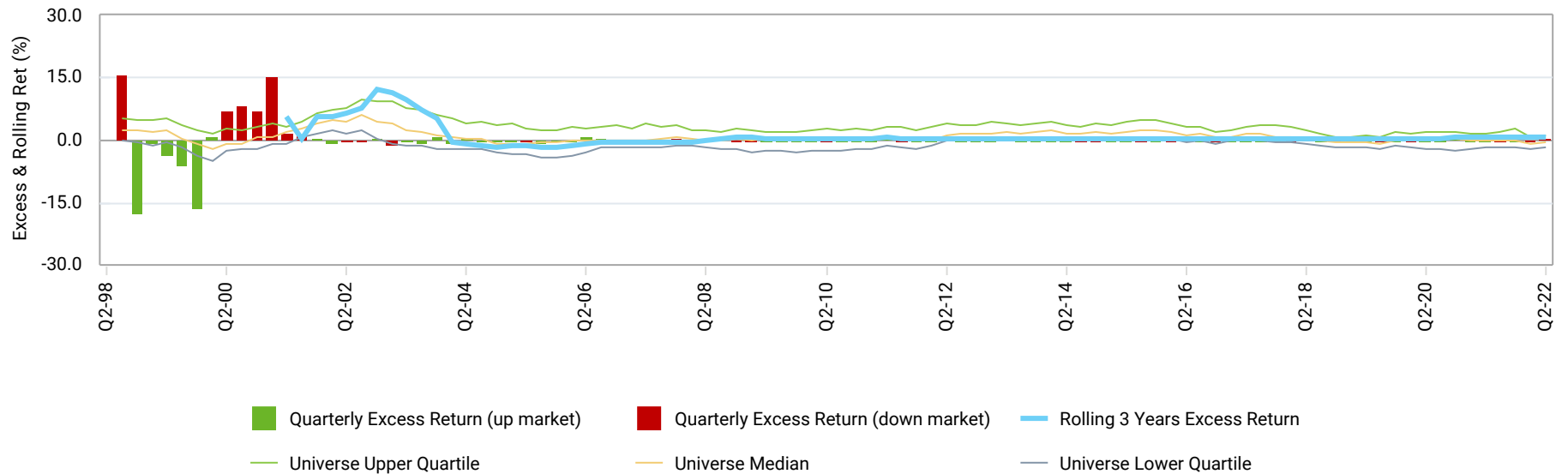


SSGA WORLD EX US IMI

eV EAFE Core Equity (net of fees)



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

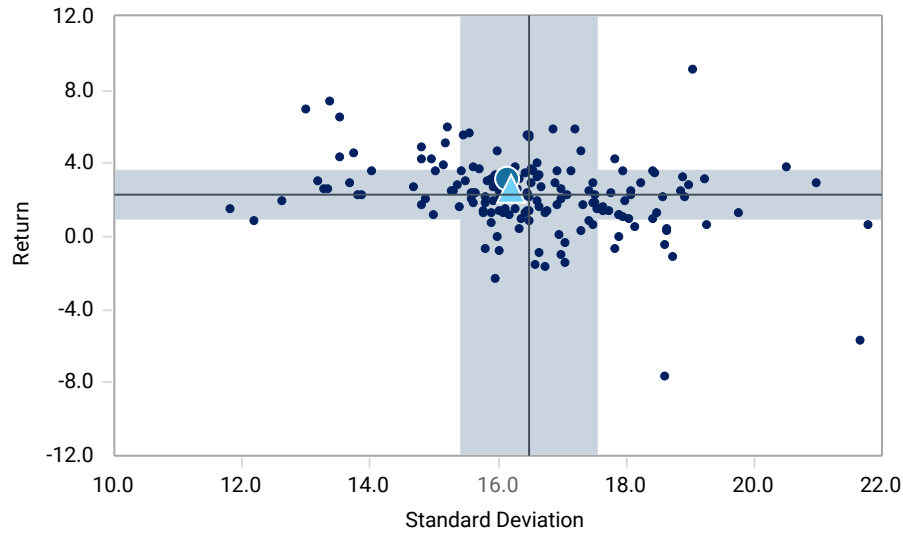


Los Angeles City Employees' Retirement System-LACERS Master Trust

SSGA WORLD EX US IMI

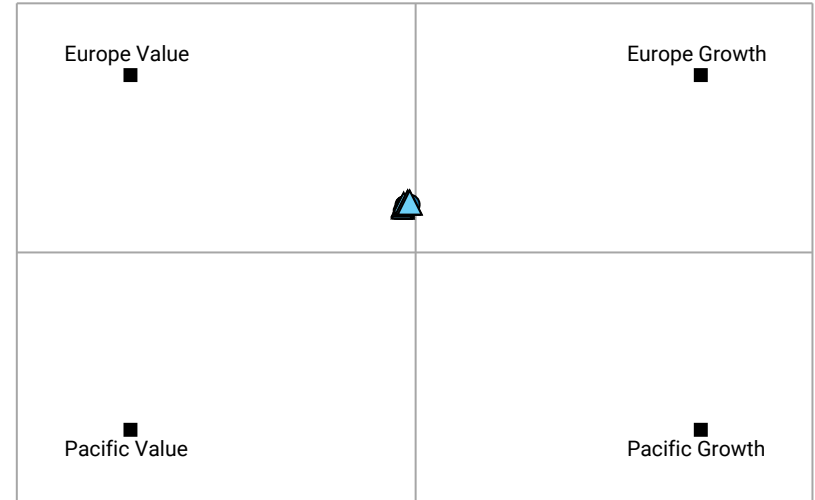
June 30, 2022

5 Years Return vs. Standard Deviation

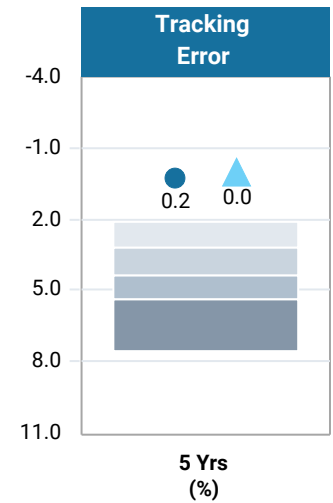
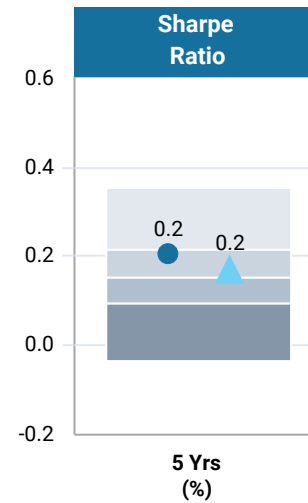
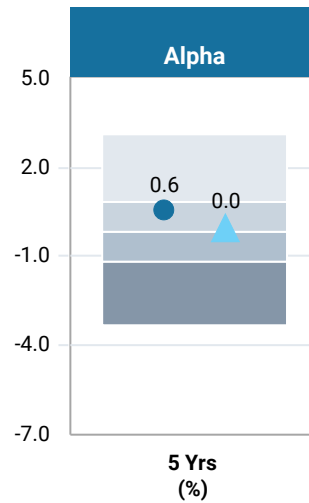
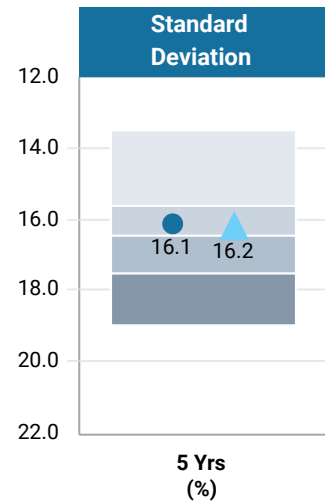
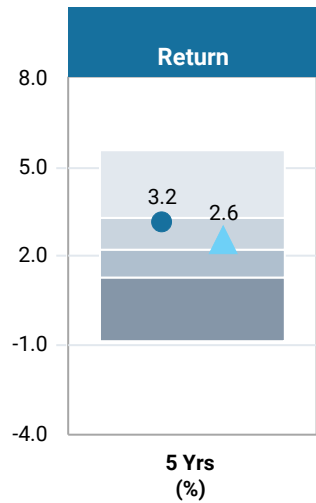


● SSGA World ex US IMI
▲ MSCI World ex U.S. IMI Index (Net)

Rolling 5 Years Style Map

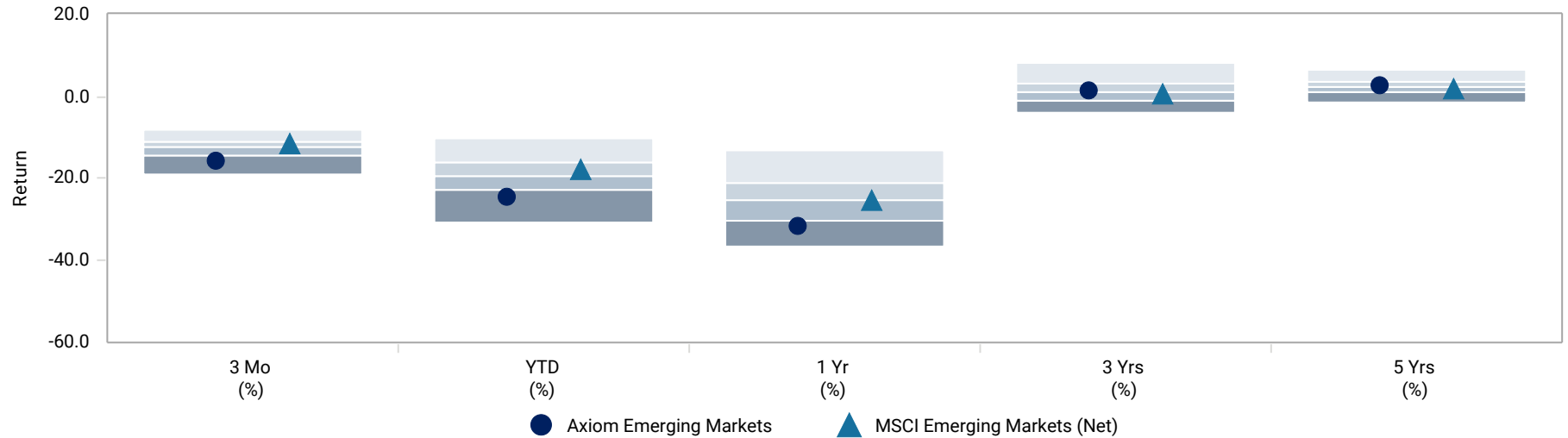


● SSGA World ex US IMI
▲ MSCI World ex U.S. IMI Index (Net)

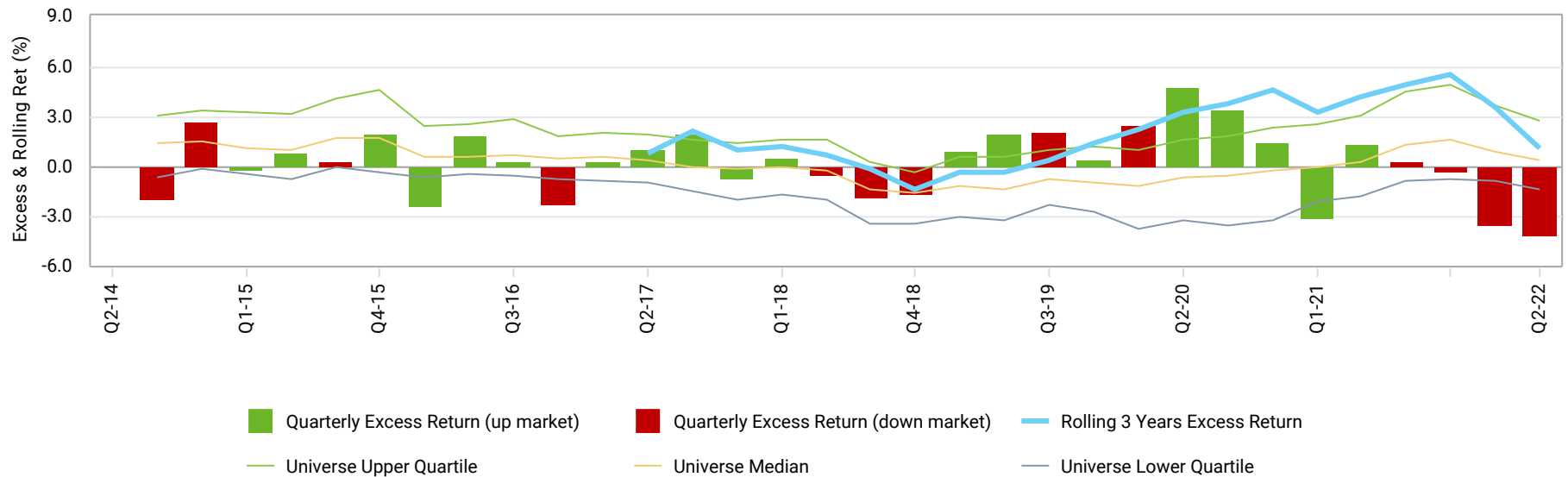


AXIOM EMERGING MARKETS

eV Emg Mkts Equity (net of fees)



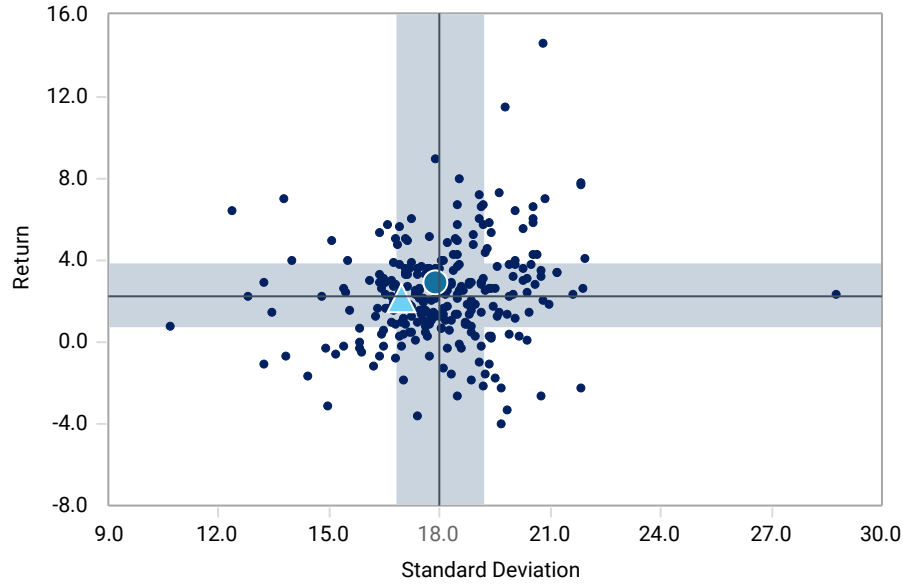
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending June 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust
AXIOM EMERGING MARKETS

June 30, 2022

5 Years Return vs. Standard Deviation

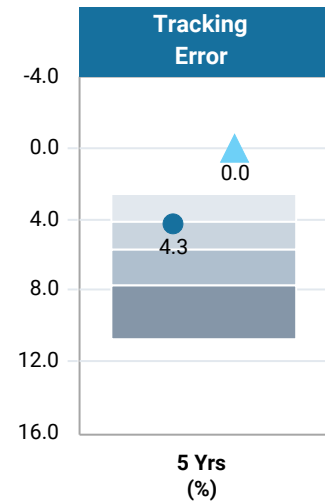
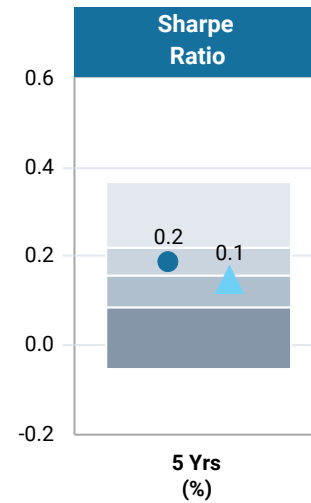
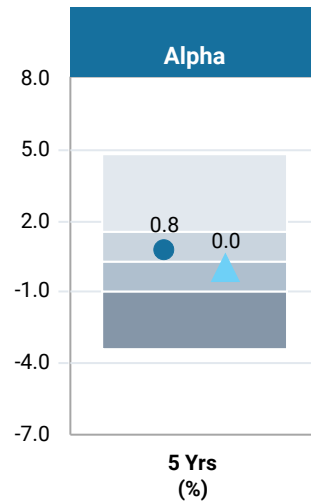
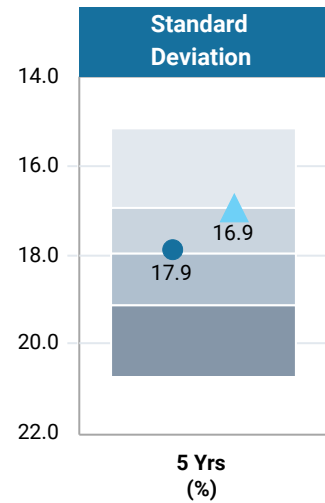
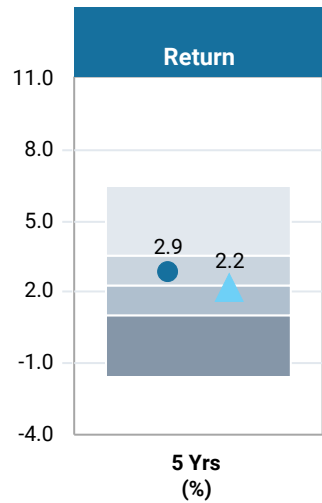


Rolling 5 Years Style Map



● Axiom Emerging Markets ▲ MSCI Emerging Markets (Net)

● Axiom Emerging Markets ▲ MSCI Emerging Markets (Net)

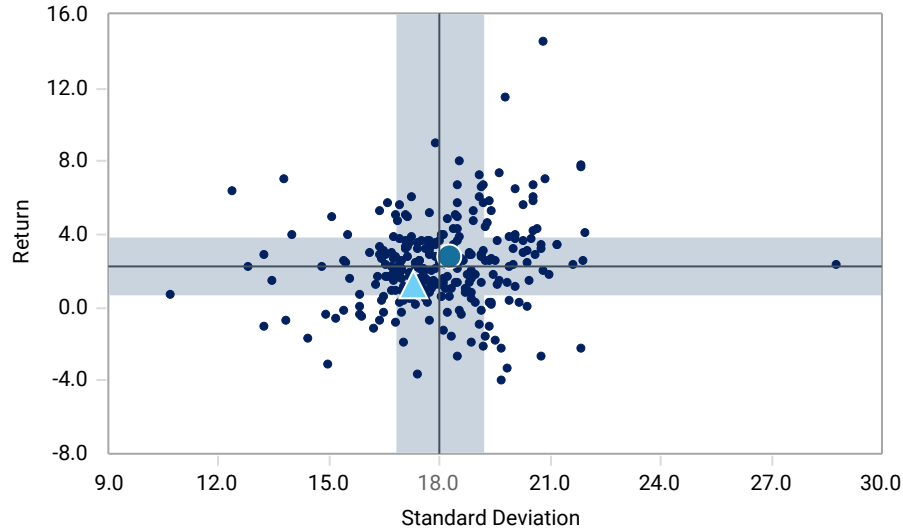


Los Angeles City Employees' Retirement System-LACERS Master Trust

DFA EMERGING MARKETS

June 30, 2022

5 Years Return vs. Standard Deviation

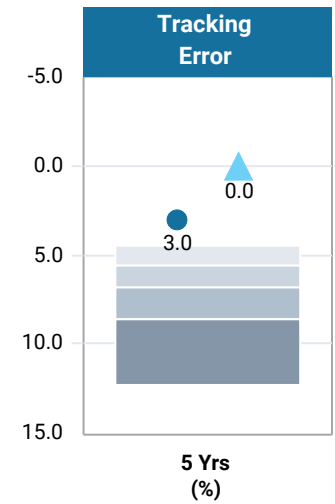
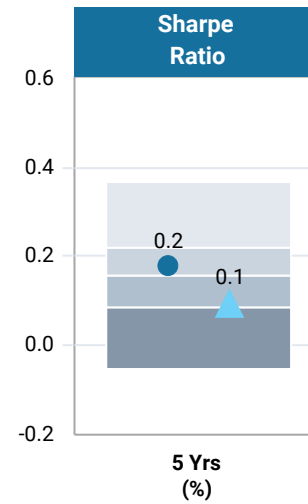
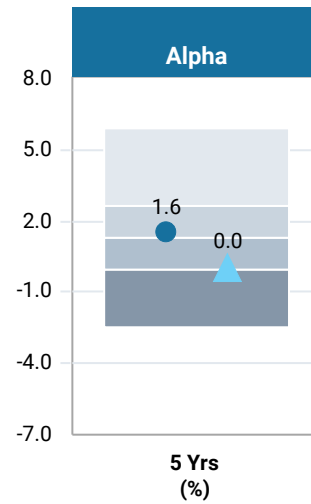
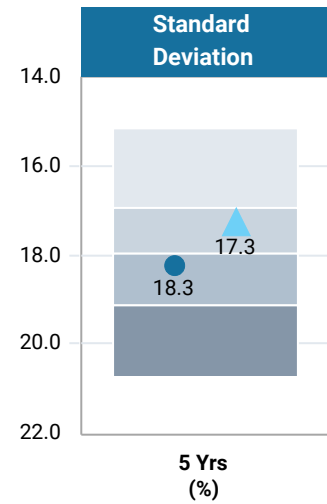
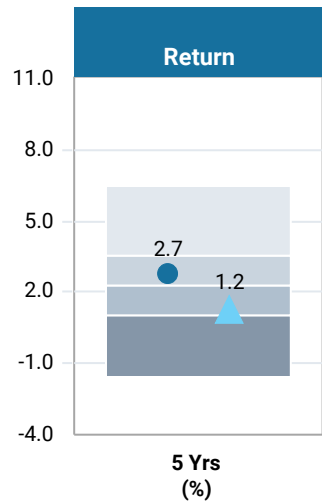


Rolling 5 Years Style Map



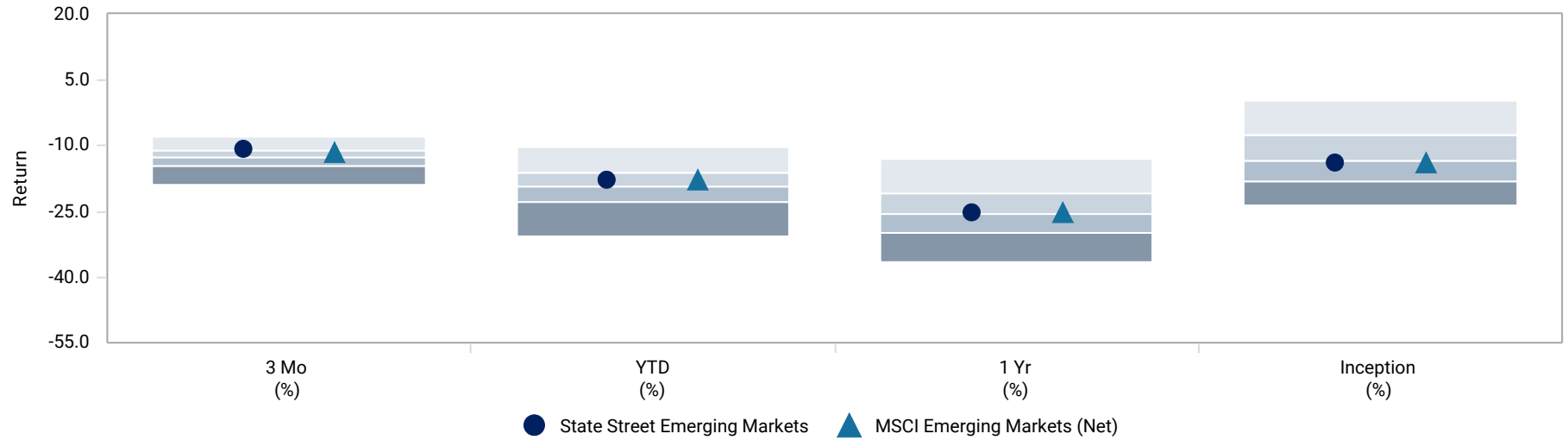
● DFA Emerging Markets
▲ MSCI Emerging Markets Value (Net)

● 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 June 30, 2022

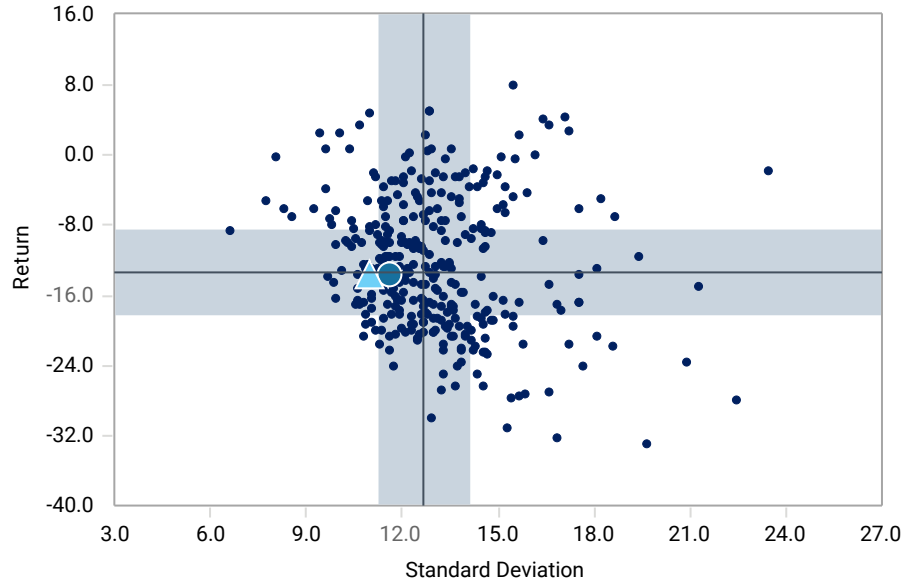


Los Angeles City Employees' Retirement System-LACERS Master Trust

SSGA EMERGING MARKETS

June 30, 2022

Since Inception Return vs. Standard Deviation

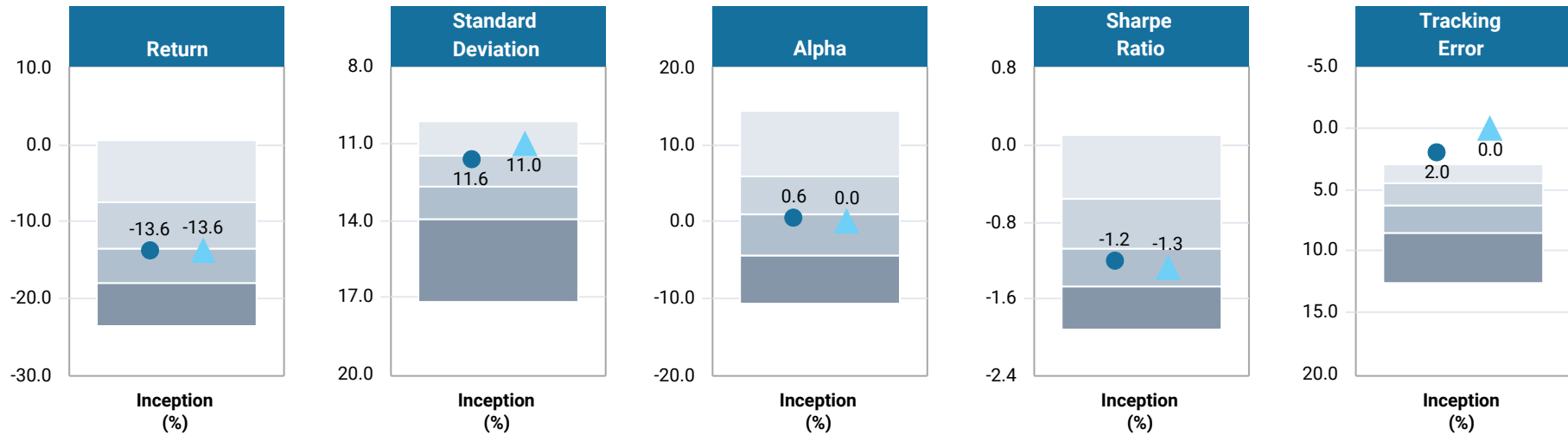


● State Street Emerging Markets ▲ MSCI Emerging Markets (Net)

Rolling 0.75 Year Style Map

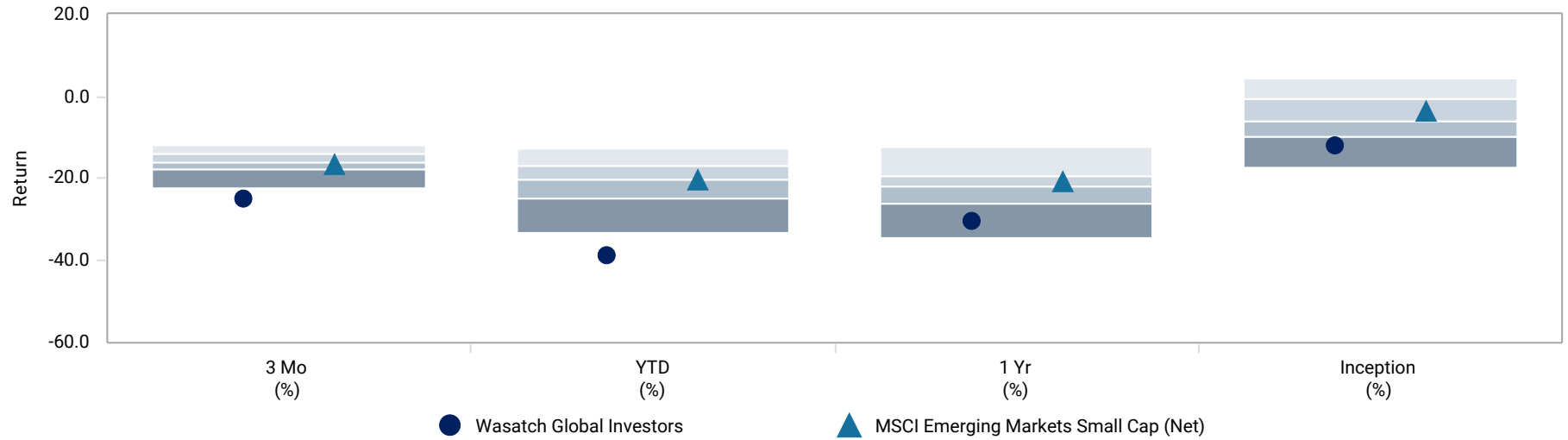


● State Street Emerging Markets ▲ MSCI Emerging Markets (Net)

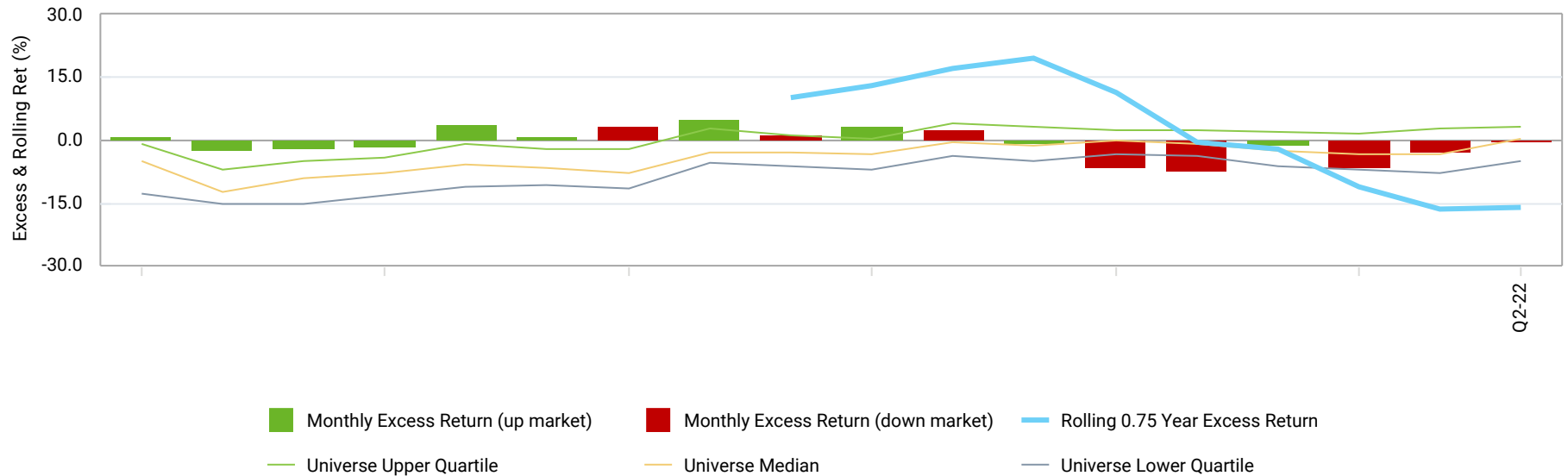


WASATCH GLOBAL INVESTORS

eV Emg Mkts Small Cap Equity (net of fees)



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

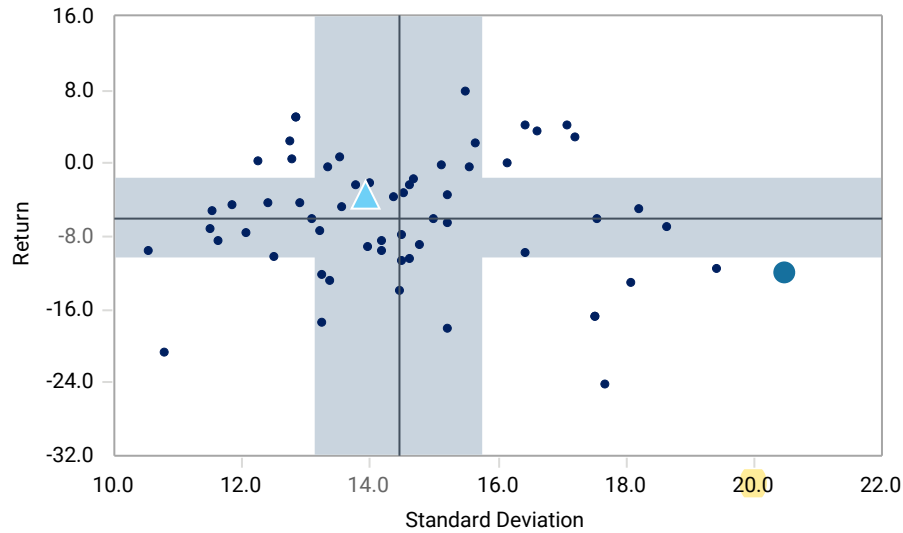


Los Angeles City Employees' Retirement System-LACERS Master Trust

WASATCH GLOBAL INVESTORS

June 30, 2022

Since Inception Return vs. Standard Deviation

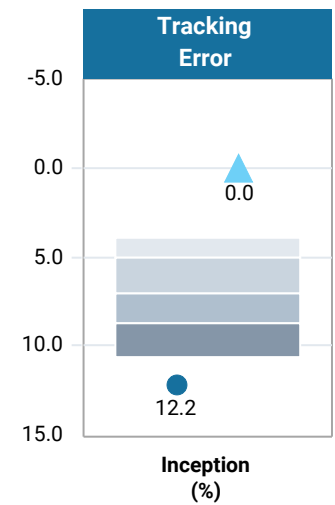
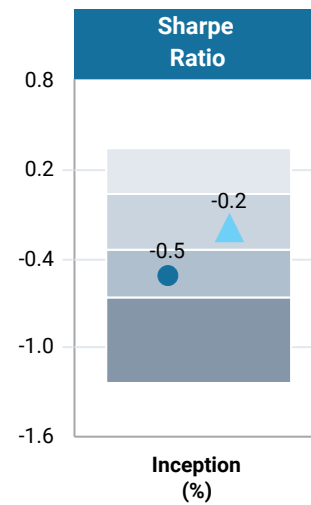
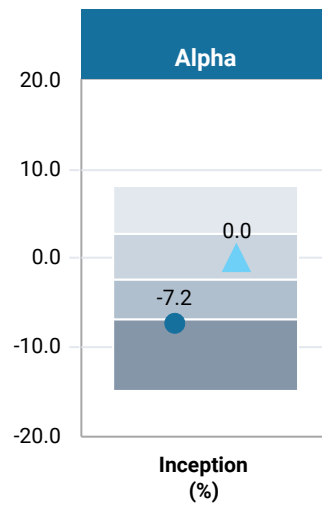
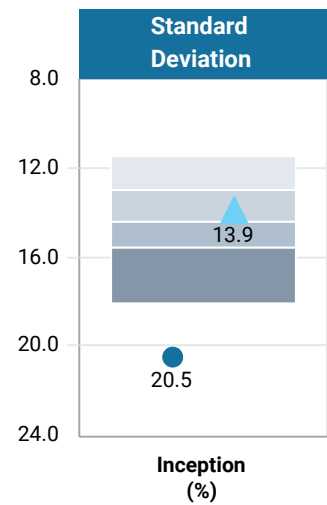
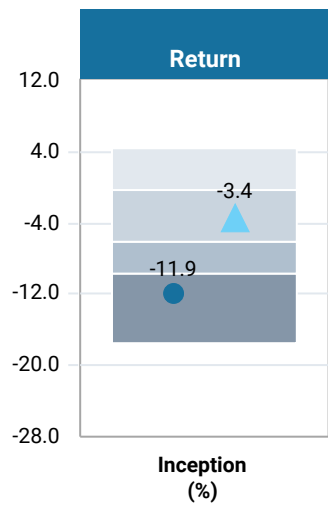


- Wasatch Global Investors
- ▲ MSCI Emerging Markets Small Cap (Net)

Rolling 0.75 Year Style Map

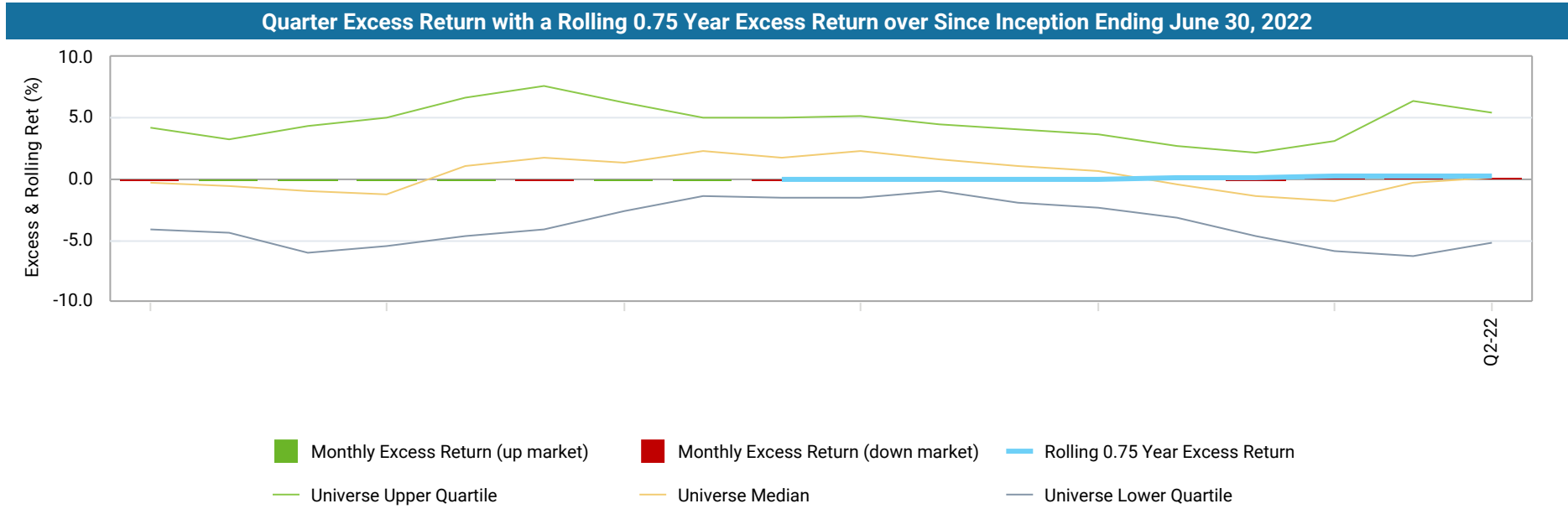
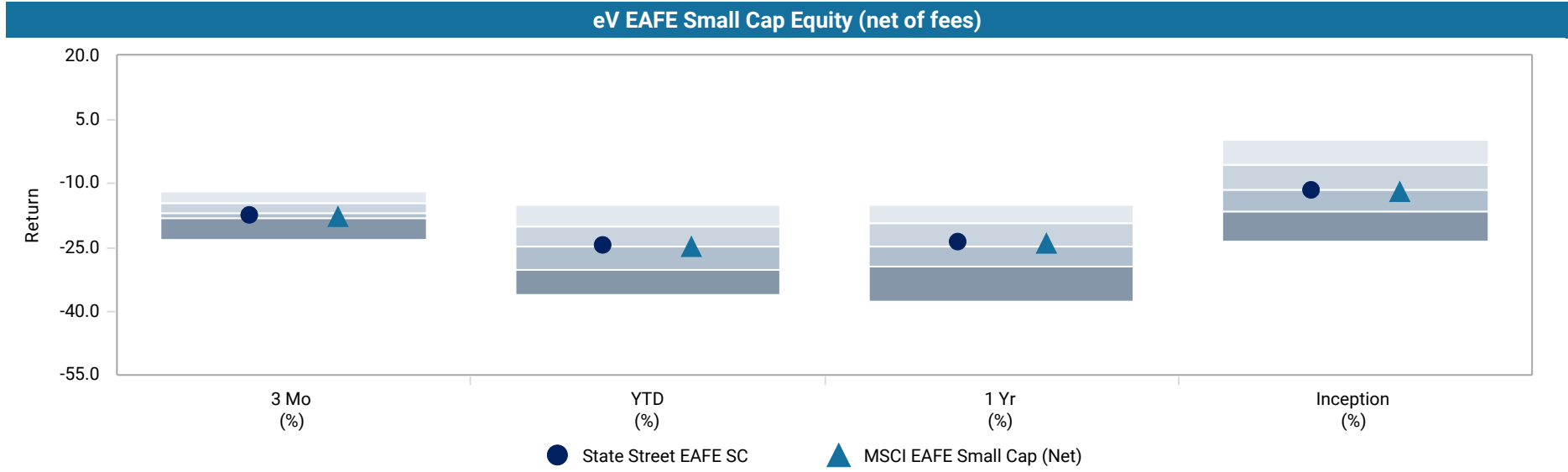


- Wasatch Global Investors
- ▲ MSCI Emerging Markets Small Cap (Net)



Los Angeles City Employees' Retirement System-LACERS Master Trust
SSGA EAFE SC

June 30, 2022

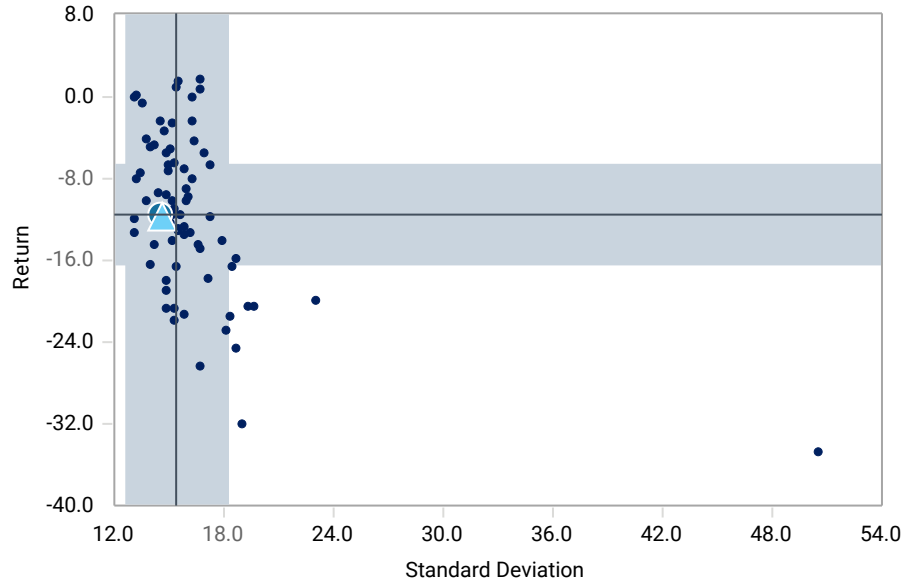


Los Angeles City Employees' Retirement System-LACERS Master Trust

SSGA EAFE SC

June 30, 2022

Since Inception Return vs. Standard Deviation



Rolling 0.75 Year Style Map

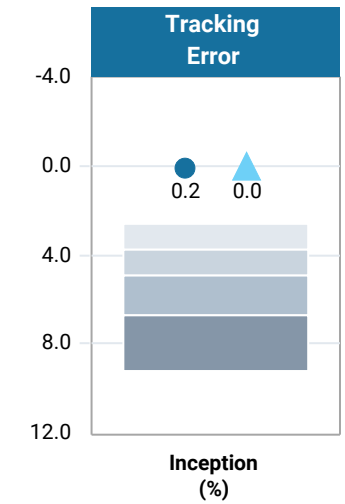
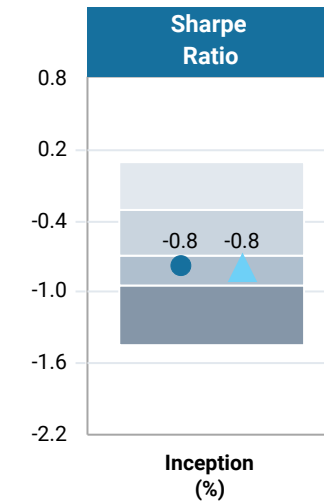
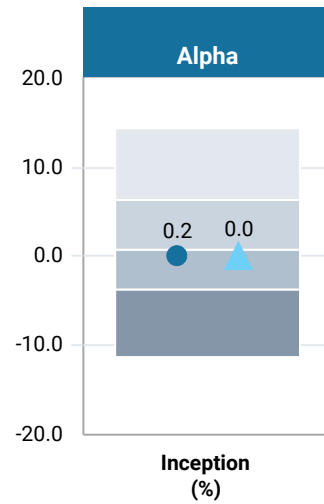
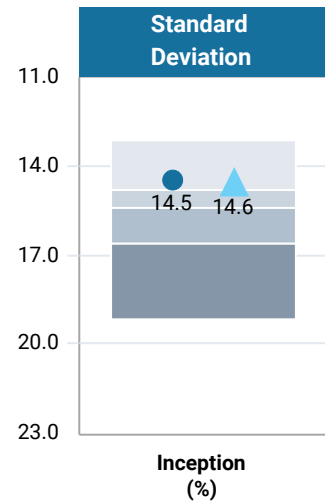
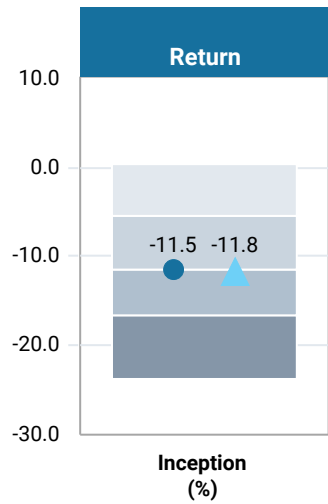


● State Street EAFE SC

▲ MSCI EAFE Small Cap (Net)

● State Street EAFE SC

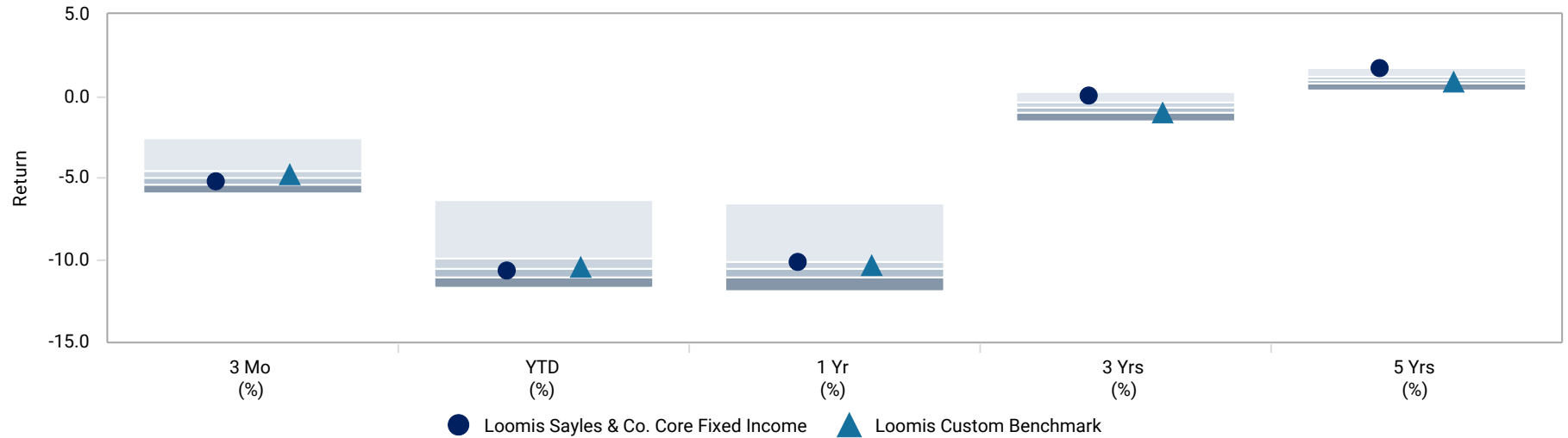
▲ MSCI EAFE Small Cap (Net)



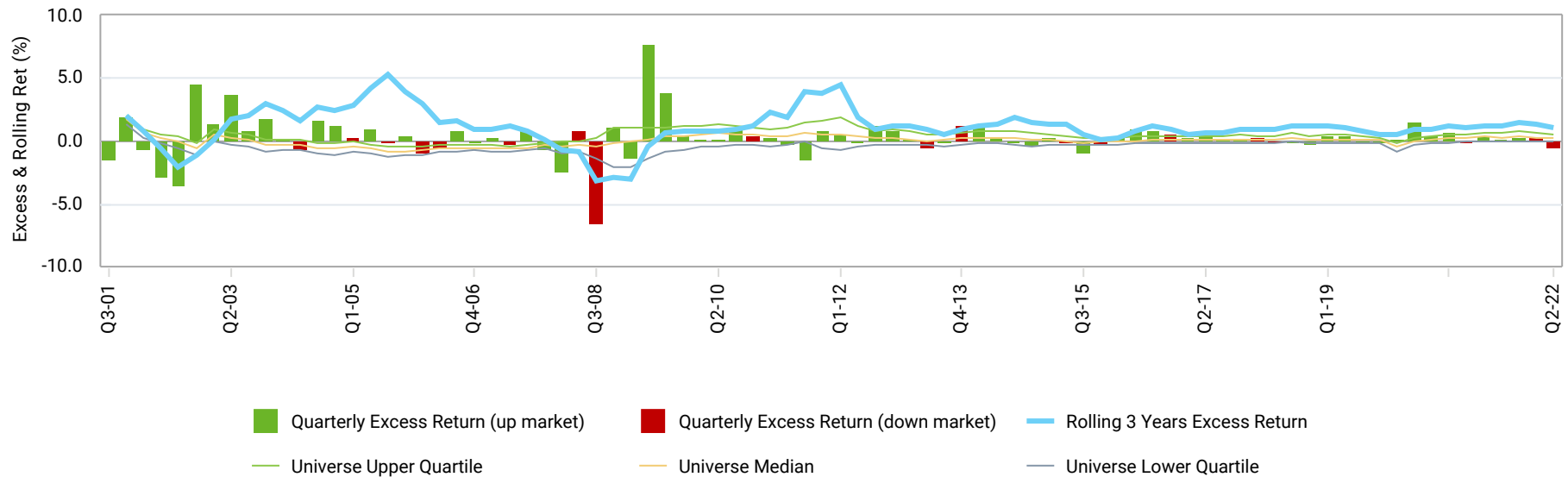
CORE FIXED INCOME MANAGER PERFORMANCE

LOOMIS SAYLES & CO. CORE FIXED INCOME

eV US Core Fixed Inc (net of fees)

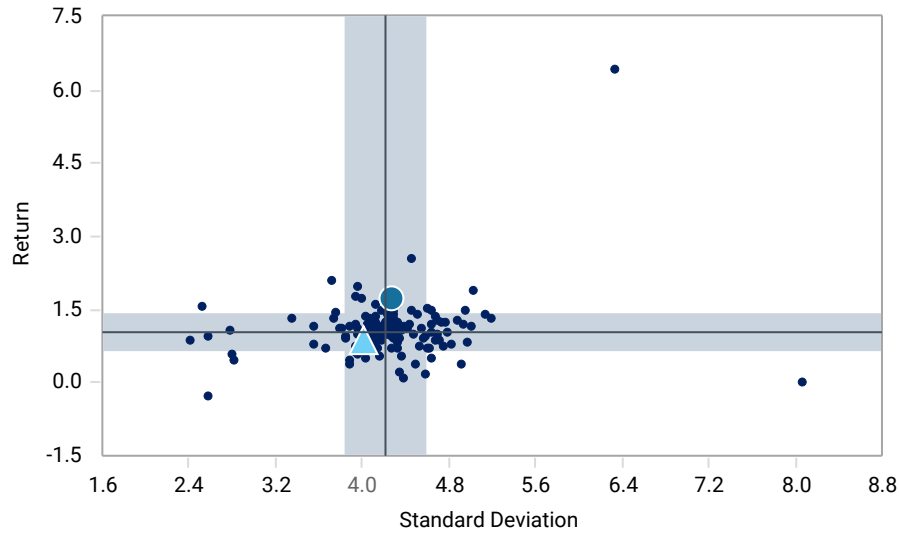


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending June 30, 2022

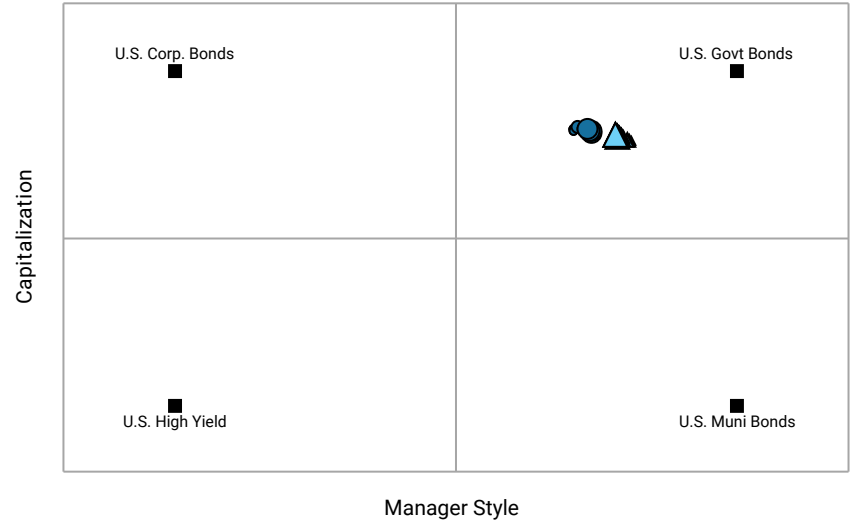


LOOMIS SAYLES & CO. CORE FIXED INCOME

5 Years Return vs. Standard Deviation

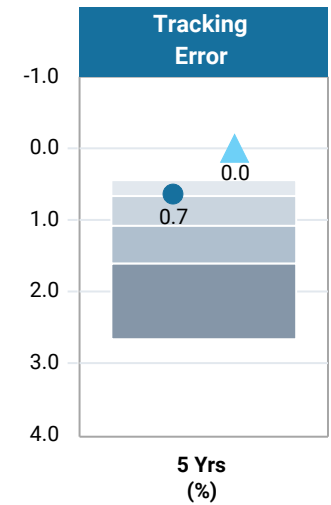
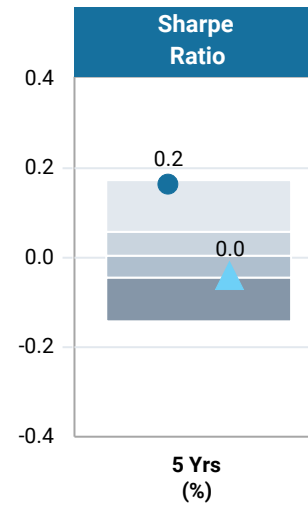
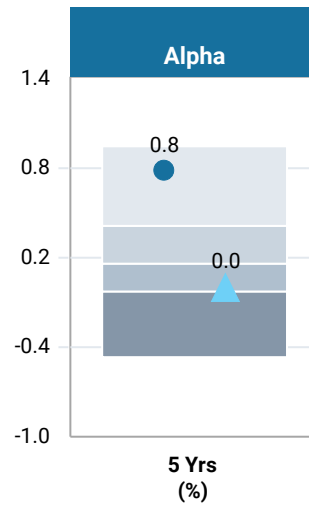
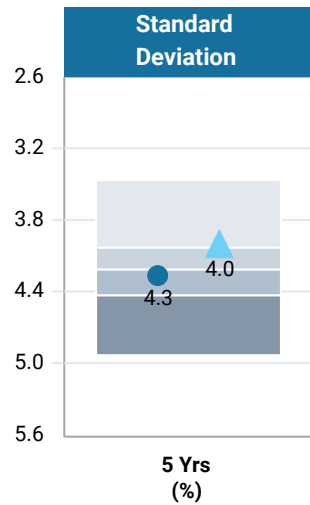
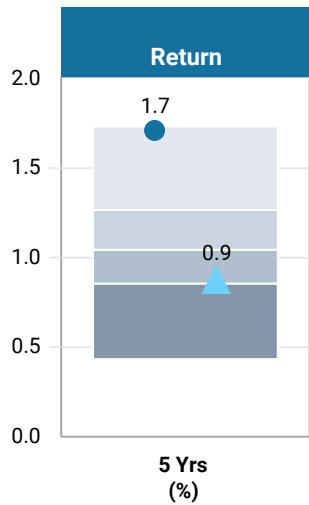


Style Map: (5 Years)



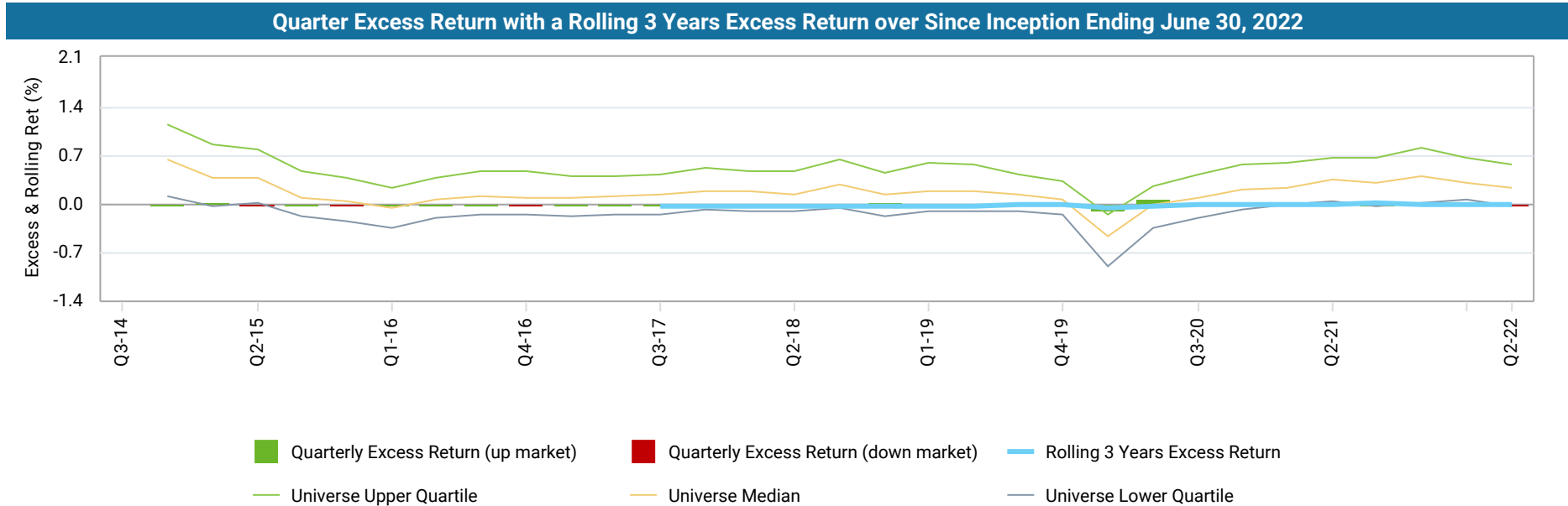
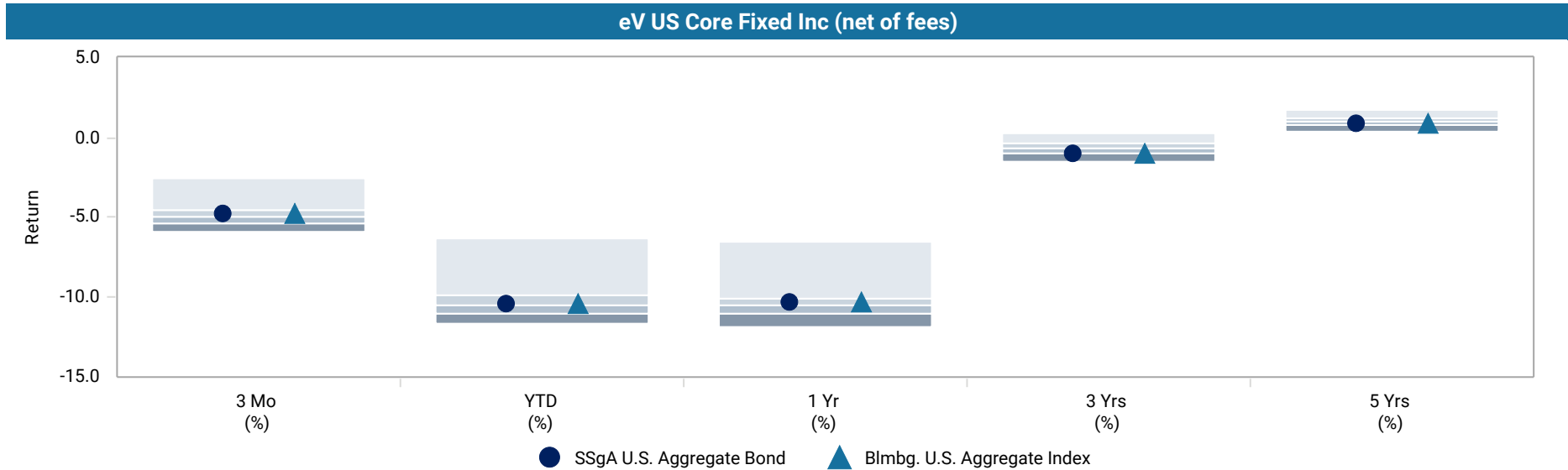
● Loomis Sayles & Co. Core Fixed Income
▲ Loomis Custom Benchmark

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



Los Angeles City Employees' Retirement System-LACERS Master Trust
SSGA U.S. AGGREGATE BOND

June 30, 2022

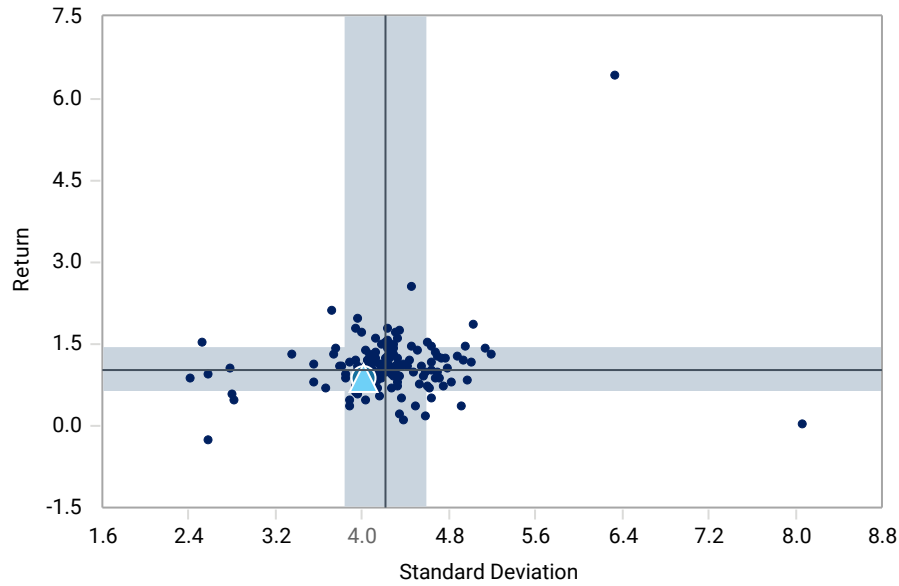


Los Angeles City Employees' Retirement System-LACERS Master Trust

SSGA U.S. AGGREGATE BOND

June 30, 2022

5 Years Return vs. Standard Deviation

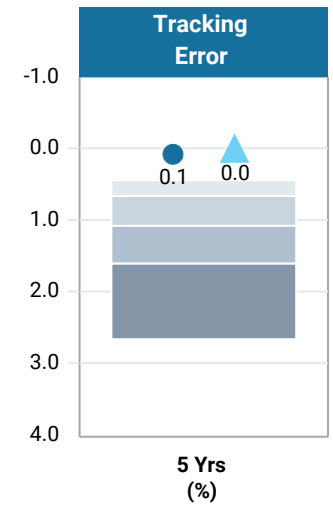
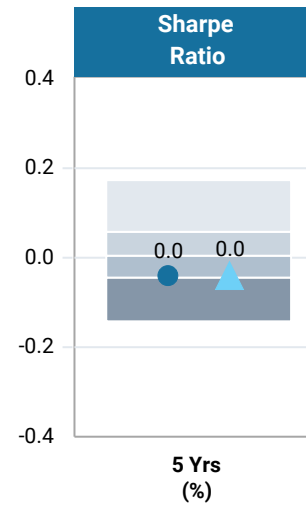
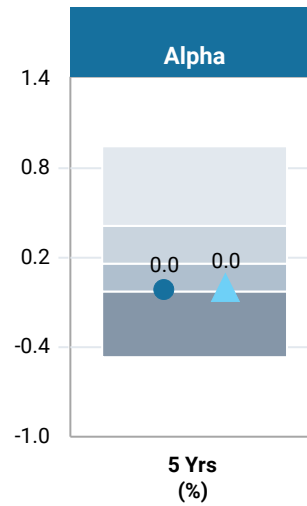
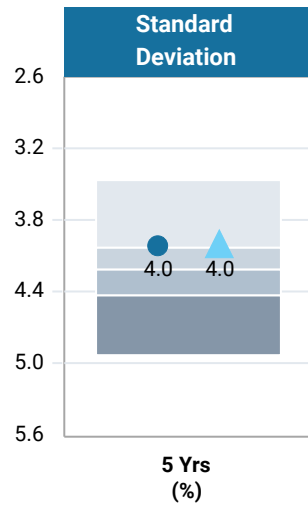
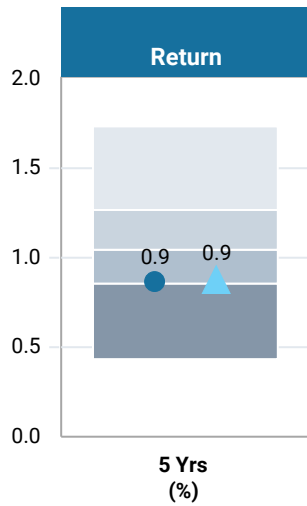


Style Map: (5 Years)



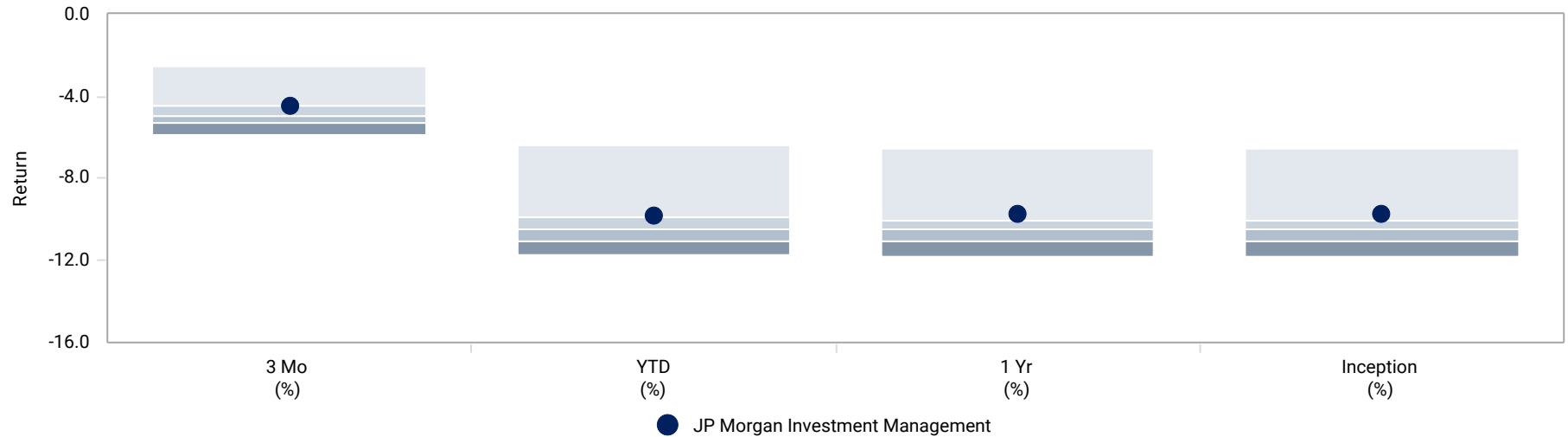
● SSGA U.S. Aggregate Bond ▲ Blmbg. U.S. Aggregate Index

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



JP MORGAN INVESTMENT MANAGEMENT

eV US Core Fixed Inc (net of fees)

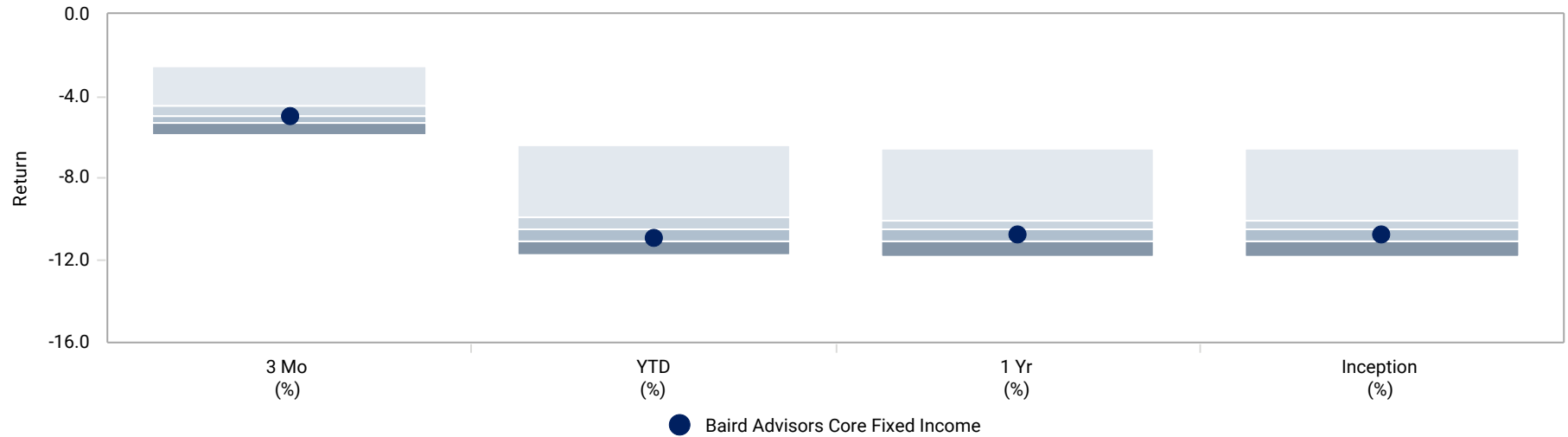


Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending June 30, 2022



BAIRD ADVISORS CORE FIXED INCOME

eV US Core Fixed Inc (net of fees)



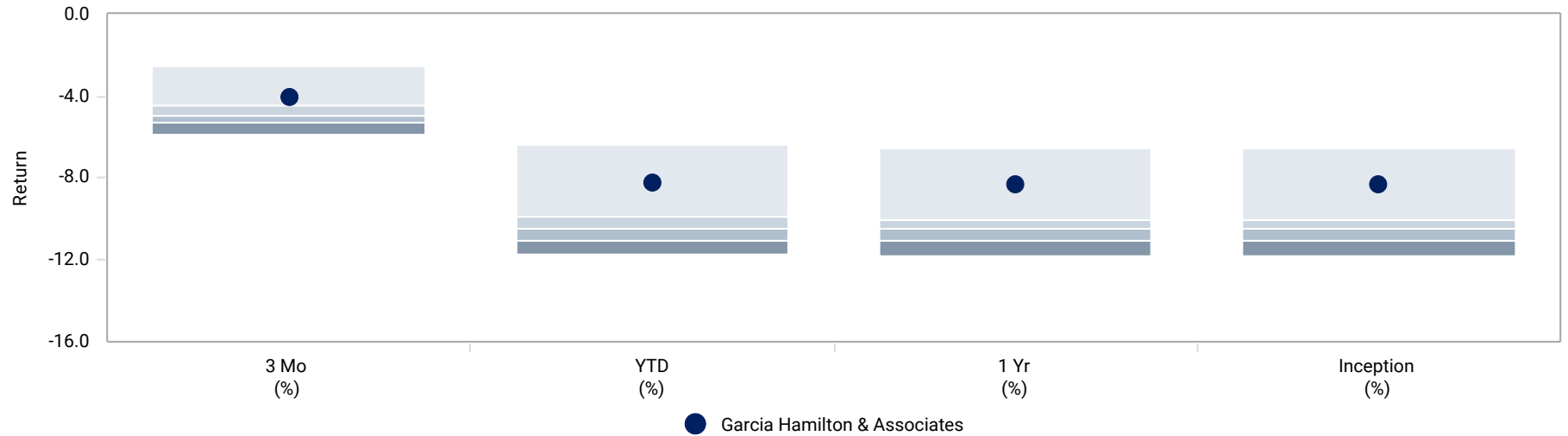
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending June 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust
GARCIA HAMILTON & ASSOCIATES

June 30, 2022

eV US Core Fixed Inc (net of fees)



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



Los Angeles City Employees' Retirement System-LACERS Master Trust
INCOME RESEARCH AND MGMT

June 30, 2022

eV US Core Fixed Inc (net of fees)



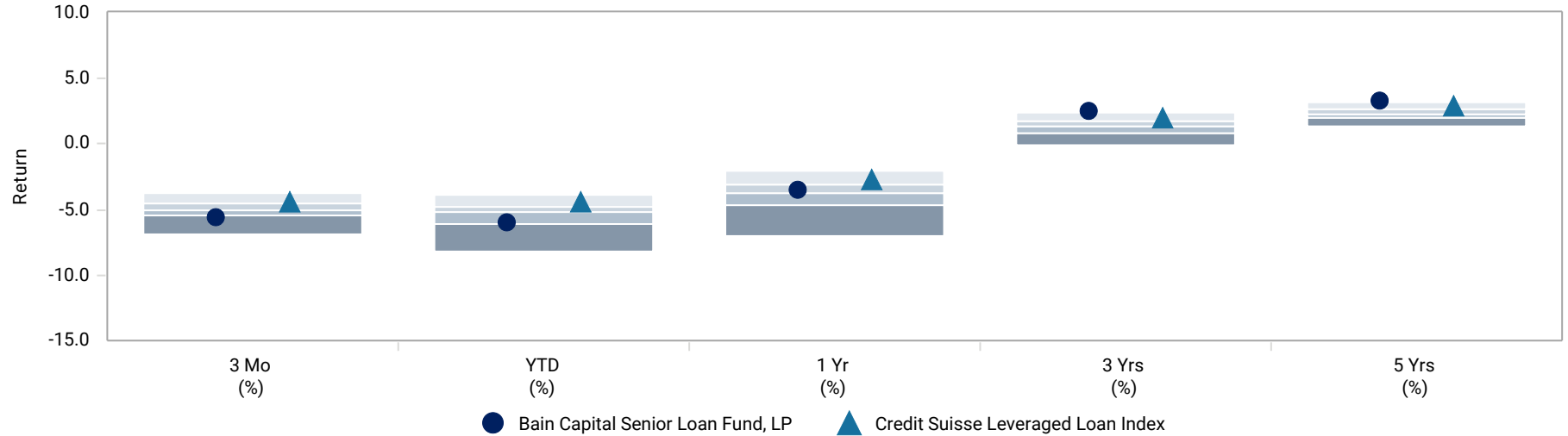
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending June 30, 2022



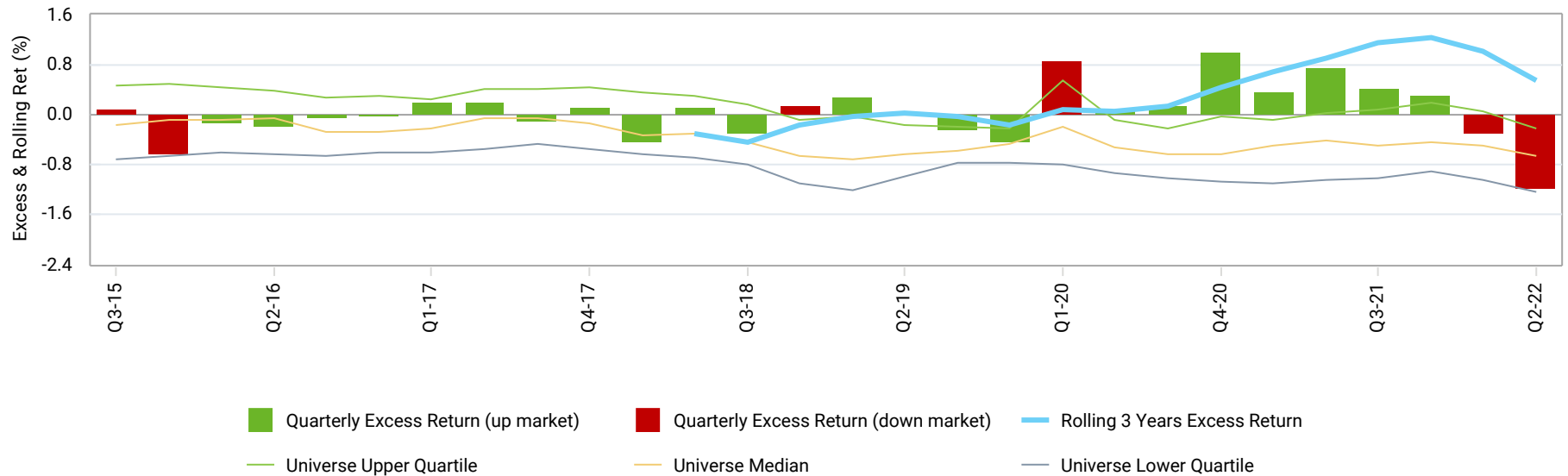
CREDIT OPPORTUNITIES MANAGER PERFORMANCE

BAIN CAPITAL SENIOR LOAN FUND, LP

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

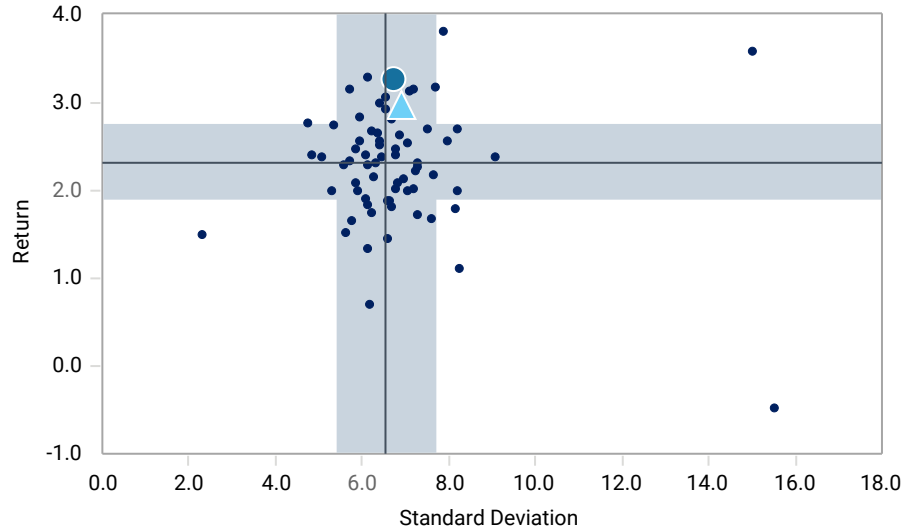


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending June 30, 2022



BAIN CAPITAL SENIOR LOAN FUND, LP

5 Years Return vs. Standard Deviation

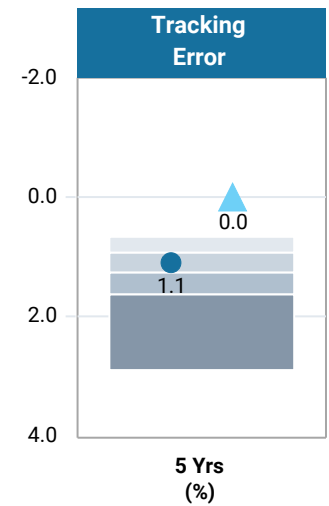
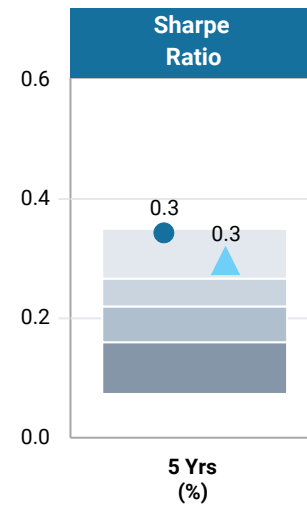
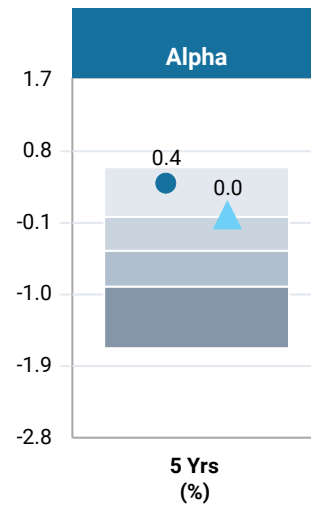
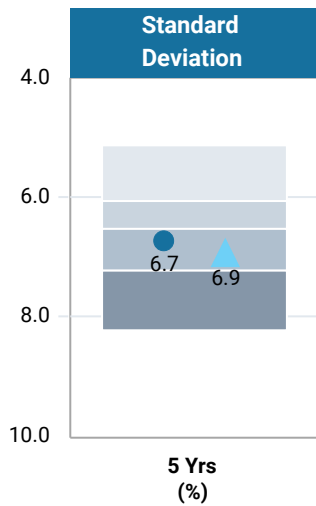
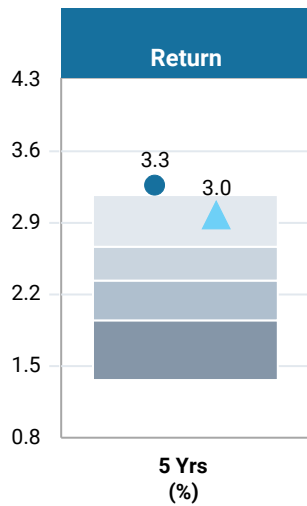


Style Map: (3 Years)



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

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

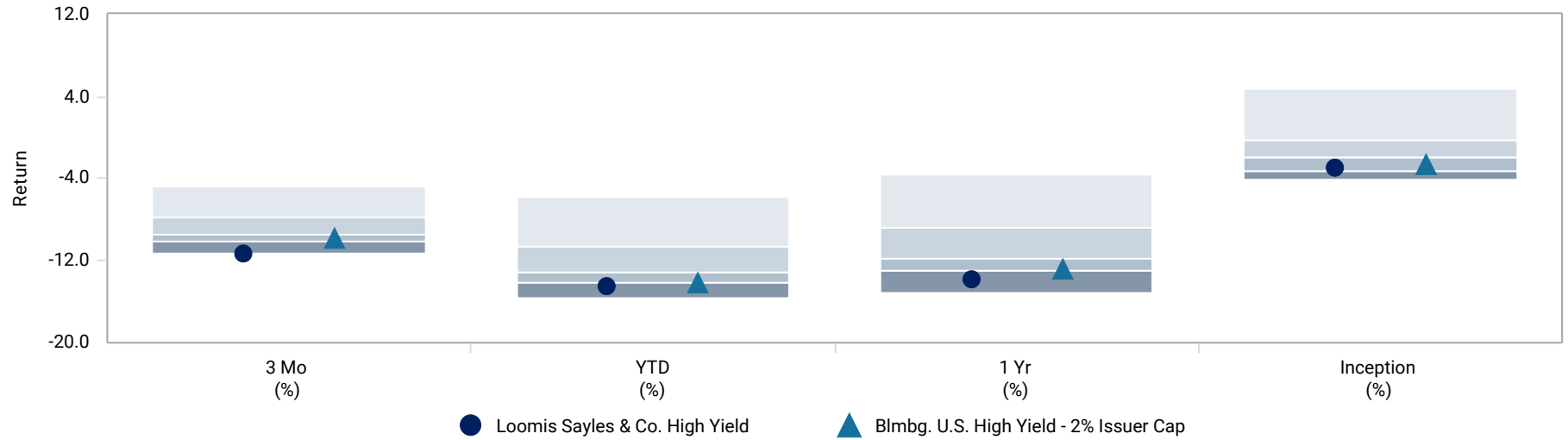


Los Angeles City Employees' Retirement System-LACERS Master Trust

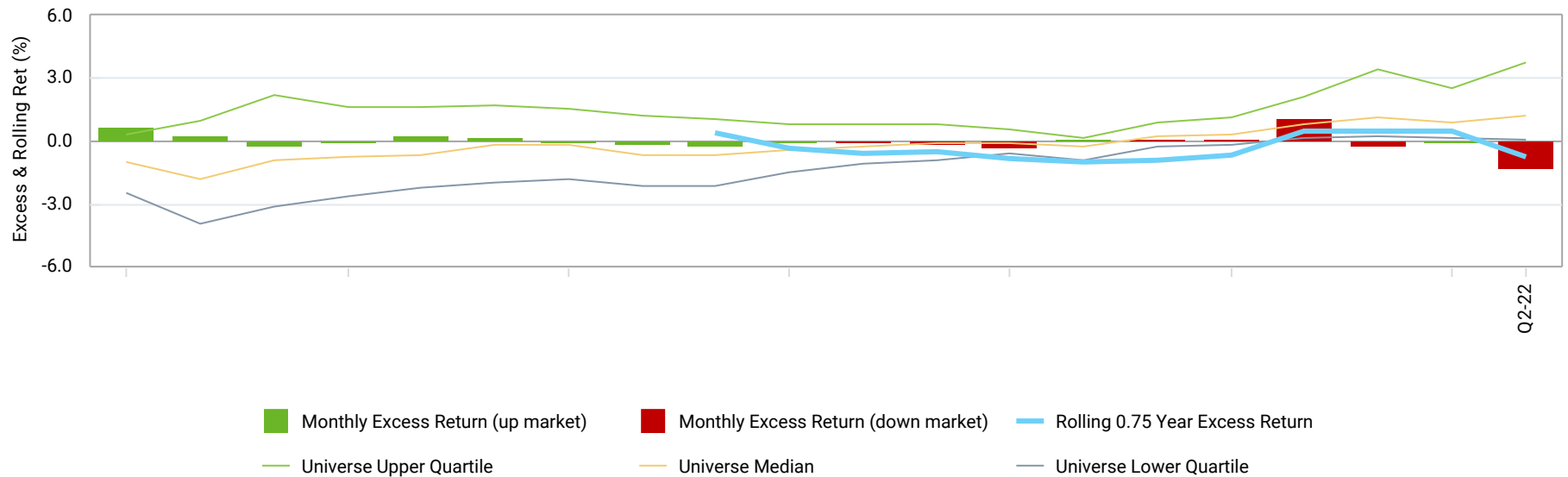
LOOMIS SAYLES & CO. HIGH YIELD

June 30, 2022

eV US High Yield Fixed Inc (net of fees)



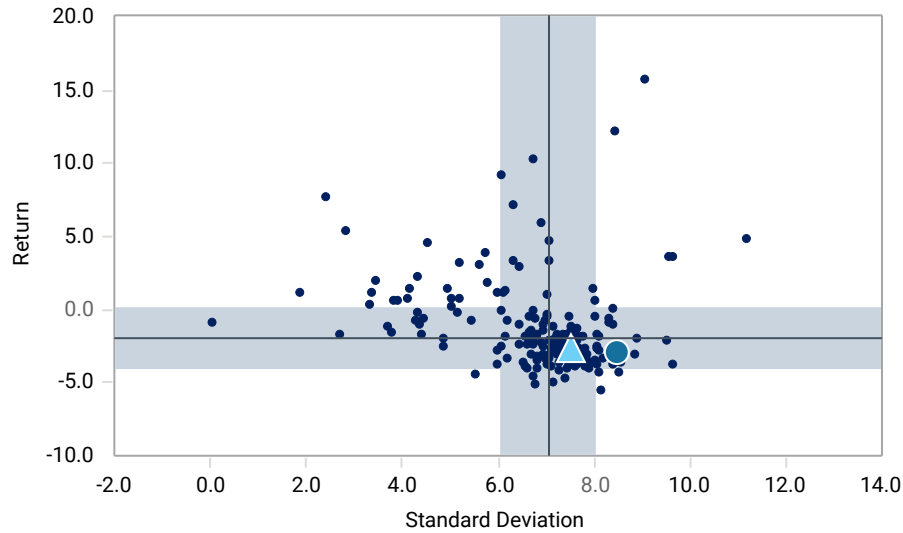
Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending June 30, 2022



Los Angeles City Employees' Retirement System-LACERS Master Trust

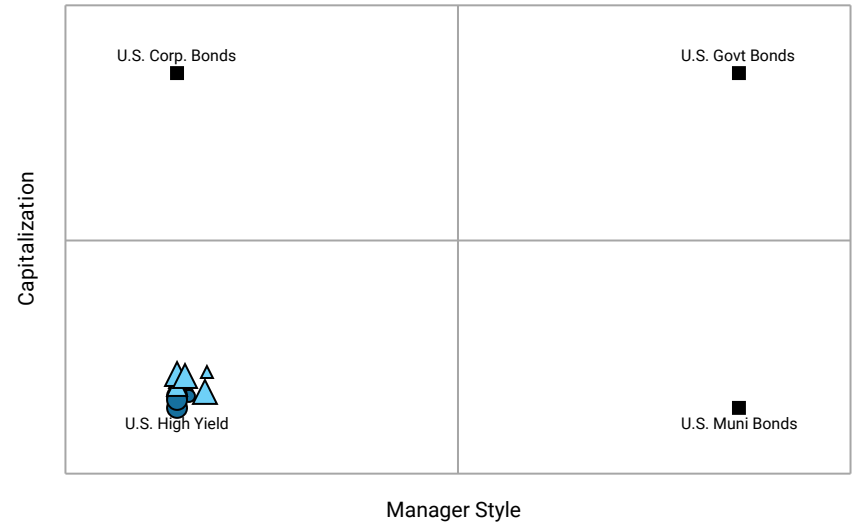
LOOMIS SAYLES & CO. HIGH YIELD

Since Inception Return vs. Standard Deviation

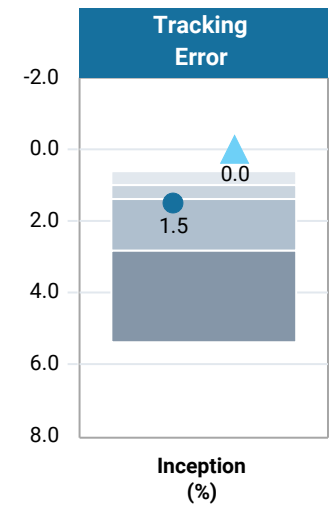
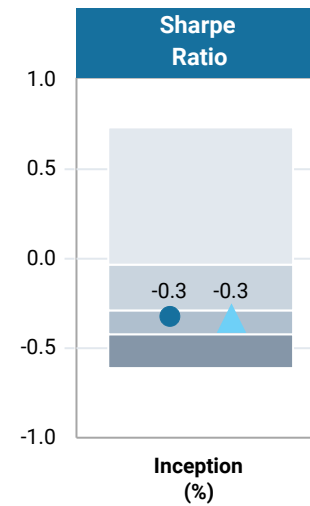
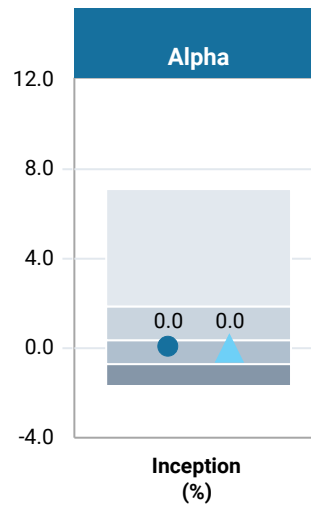
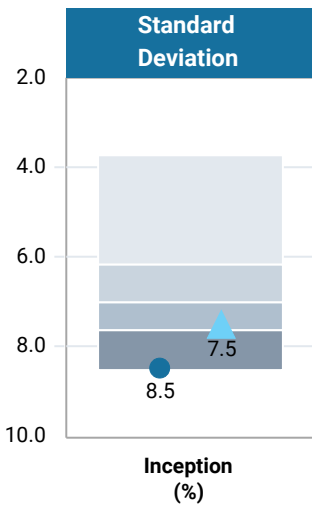
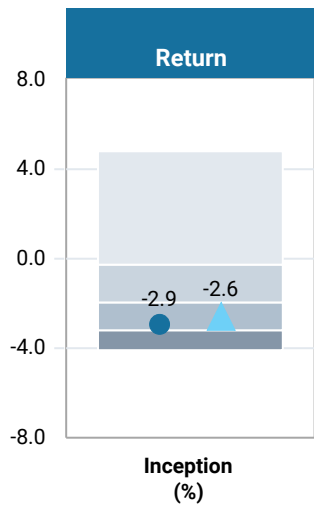


- Loomis Sayles & Co. High Yield
- ▲ Blmbg. U.S. High Yield - 2% Issuer Cap

Style Map: (0.75 Year)

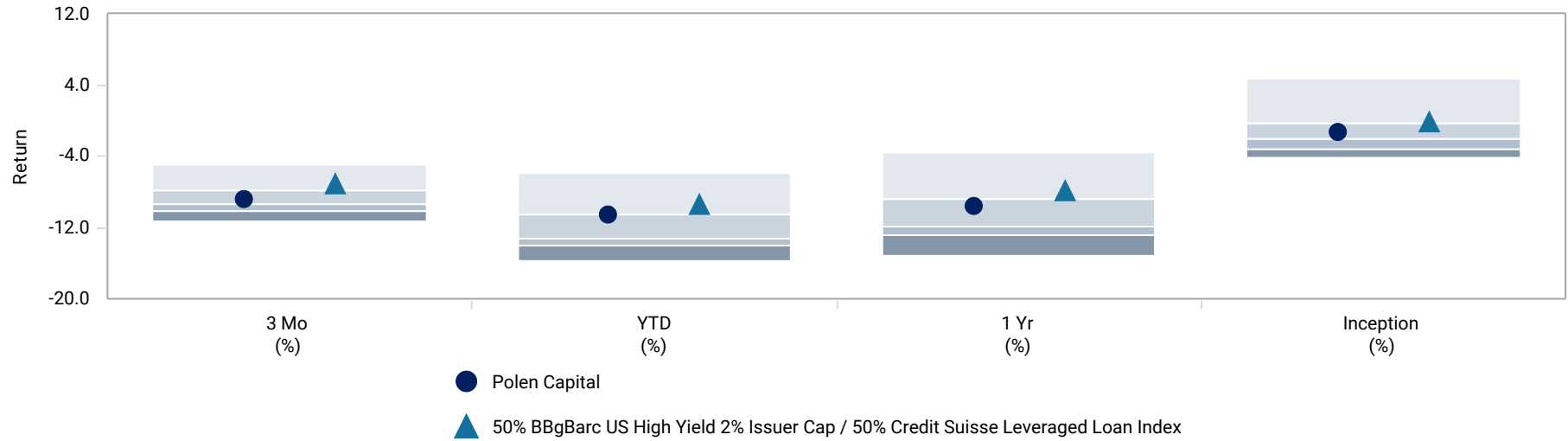


- Loomis Sayles & Co. High Yield
- ▲ Blmbg. U.S. High Yield - 2% Issuer Cap

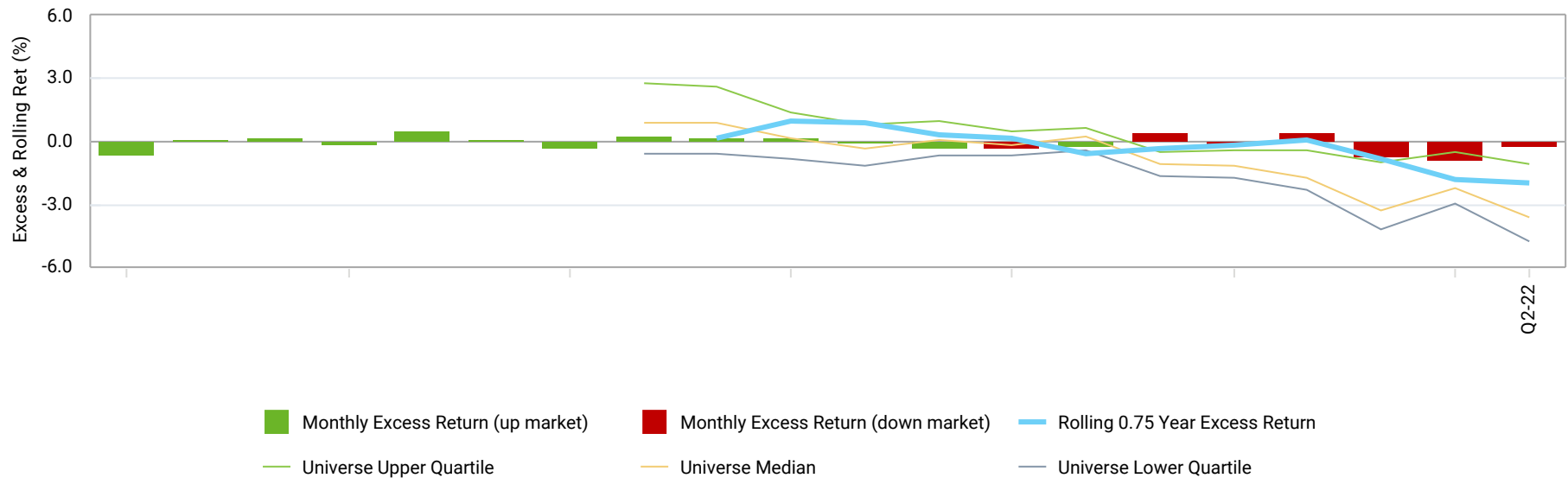


POLEN CAPITAL

eV US High Yield Fixed Inc (net of fees)

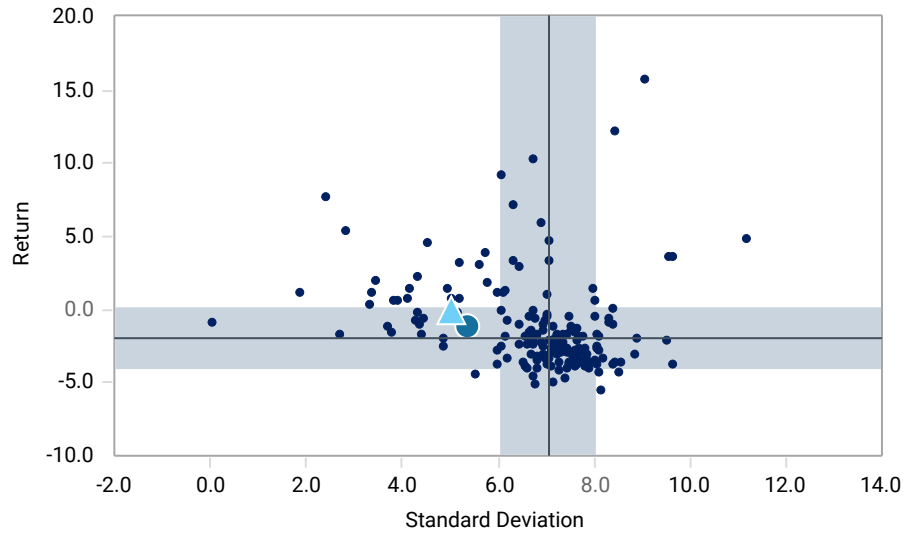


Quarter Excess Return with a Rolling 0.75 Year Excess Return over Since Inception Ending June 30, 2022



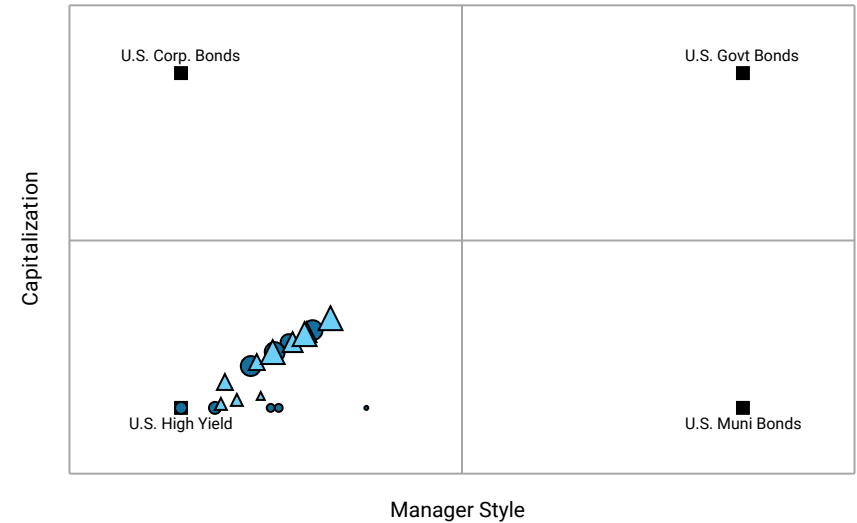
POLEN CAPITAL

Since Inception Return vs. Standard Deviation

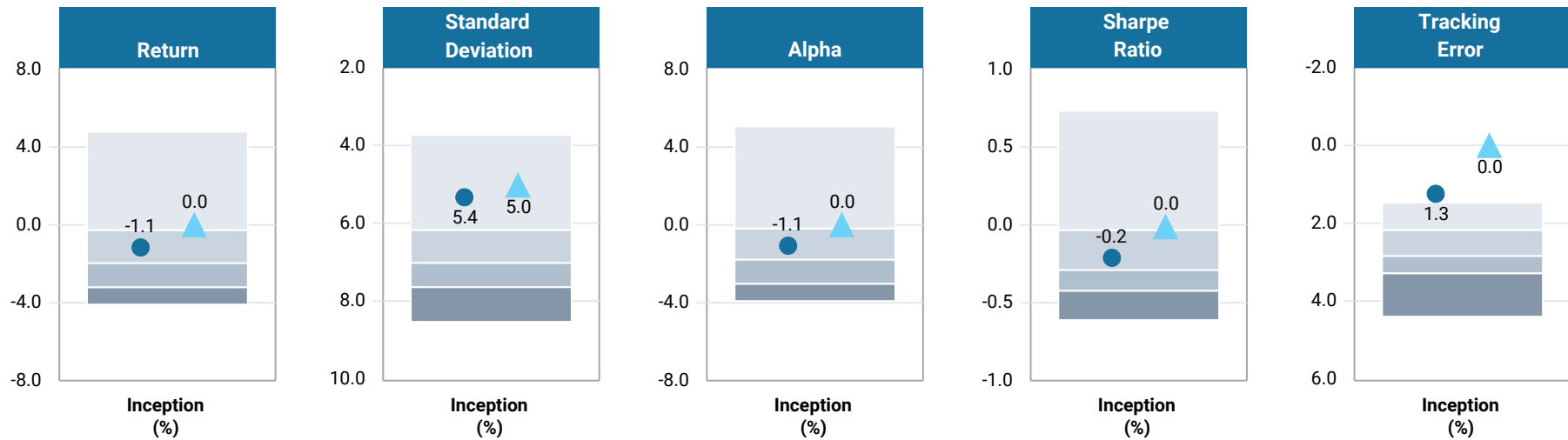


- Polen Capital
- ▲ 50% BBgBarc US High Yield 2% Issuer Cap / 50% Credit Suisse Leveraged Lo:

Style Map: (0.75 Year)



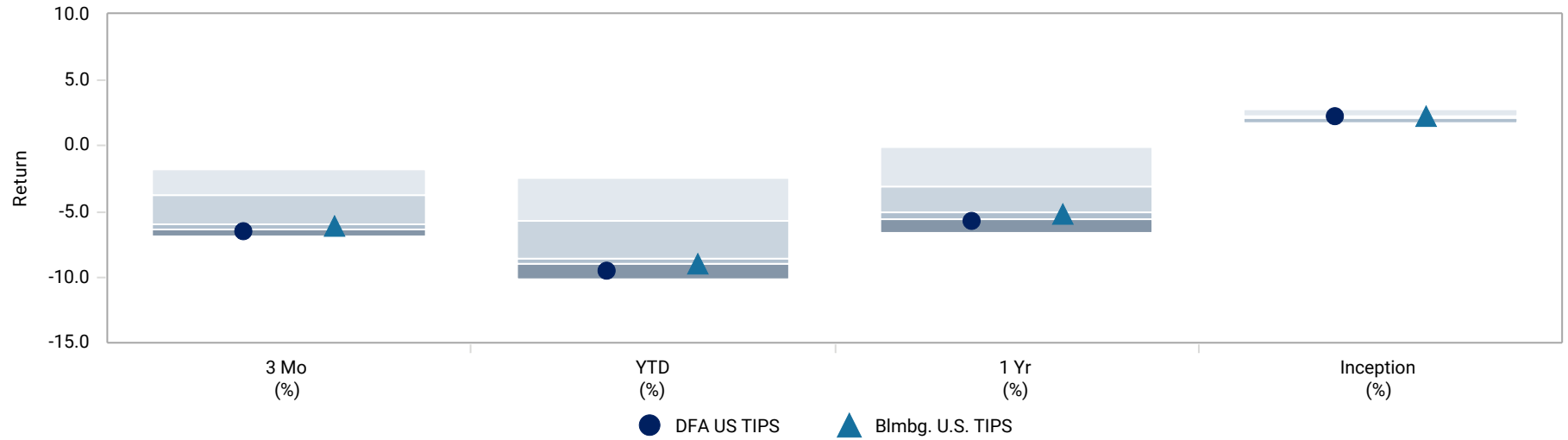
- Polen Capital
- ▲ 50% BBgBarc US High Yield 2% Issuer Cap / 50% Credit Suisse Leveraged Loan



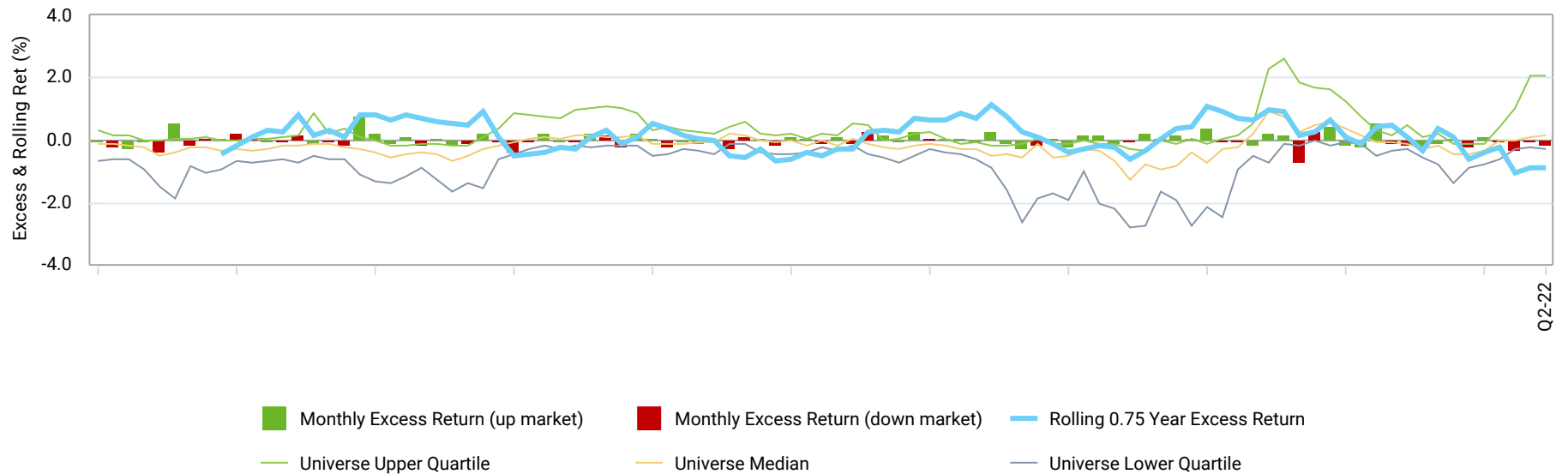
REAL ASSETS MANAGER PERFORMANCE

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 June 30, 2022

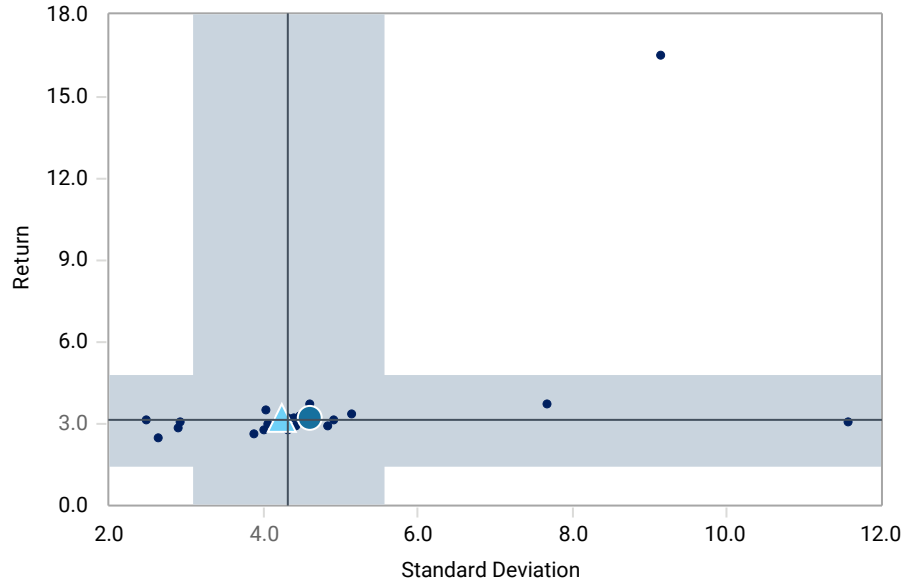


Los Angeles City Employees' Retirement System-LACERS Master Trust

DFA US TIPS

June 30, 2022

5 Years Return vs. Standard Deviation

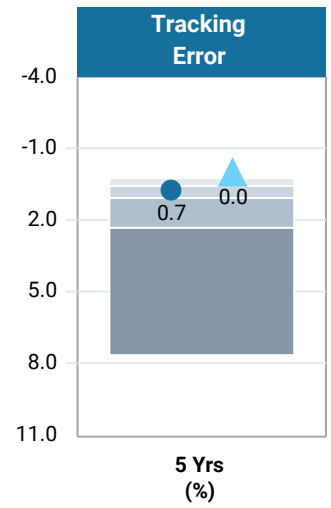
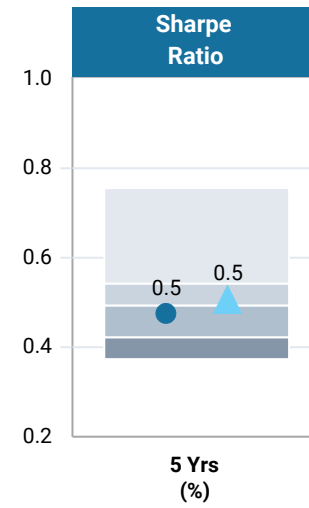
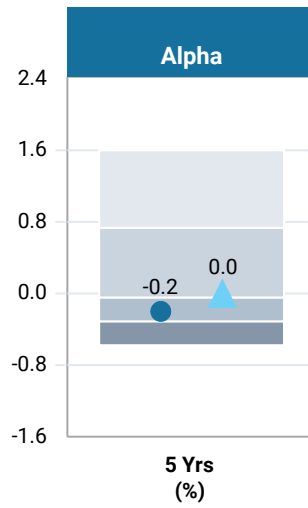
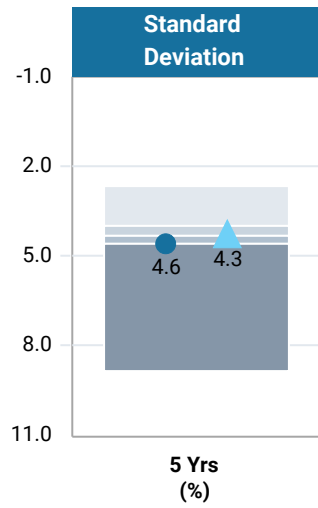
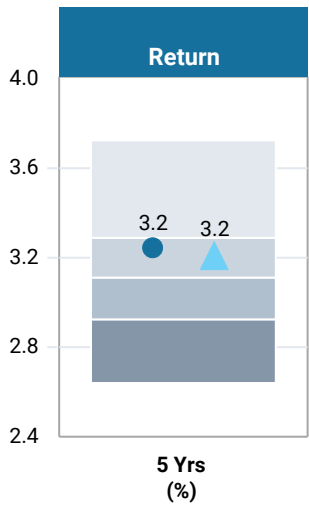


Style Map: (5 Years)



● DFA US TIPS ▲ Blmbg. U.S. TIPS

● DFA US TIPS ▲ Blmbg. U.S. TIPS

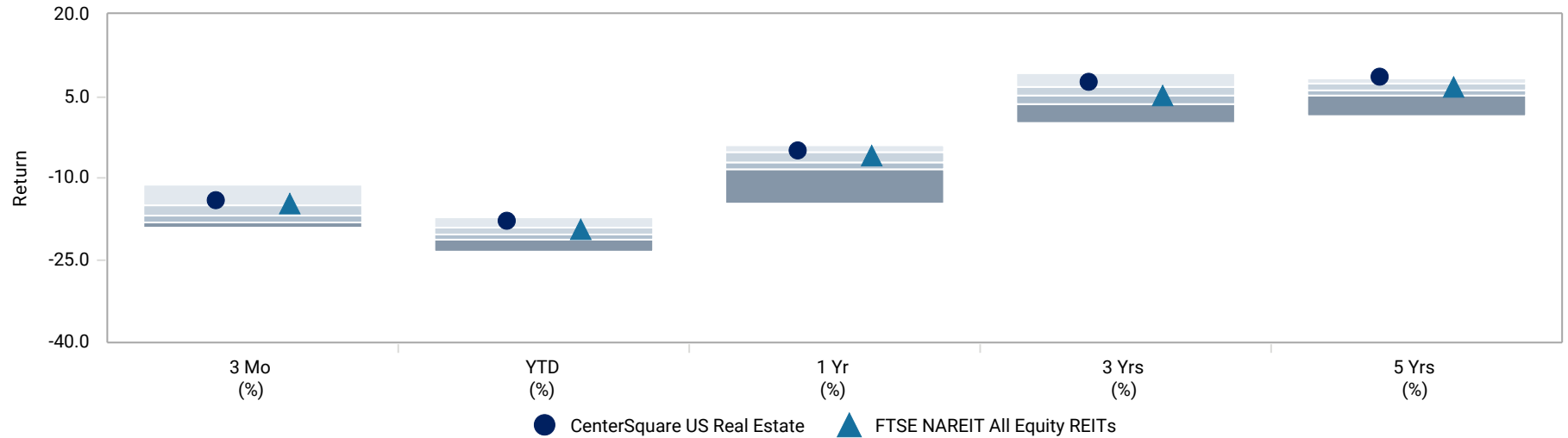


Los Angeles City Employees' Retirement System-LACERS Master Trust

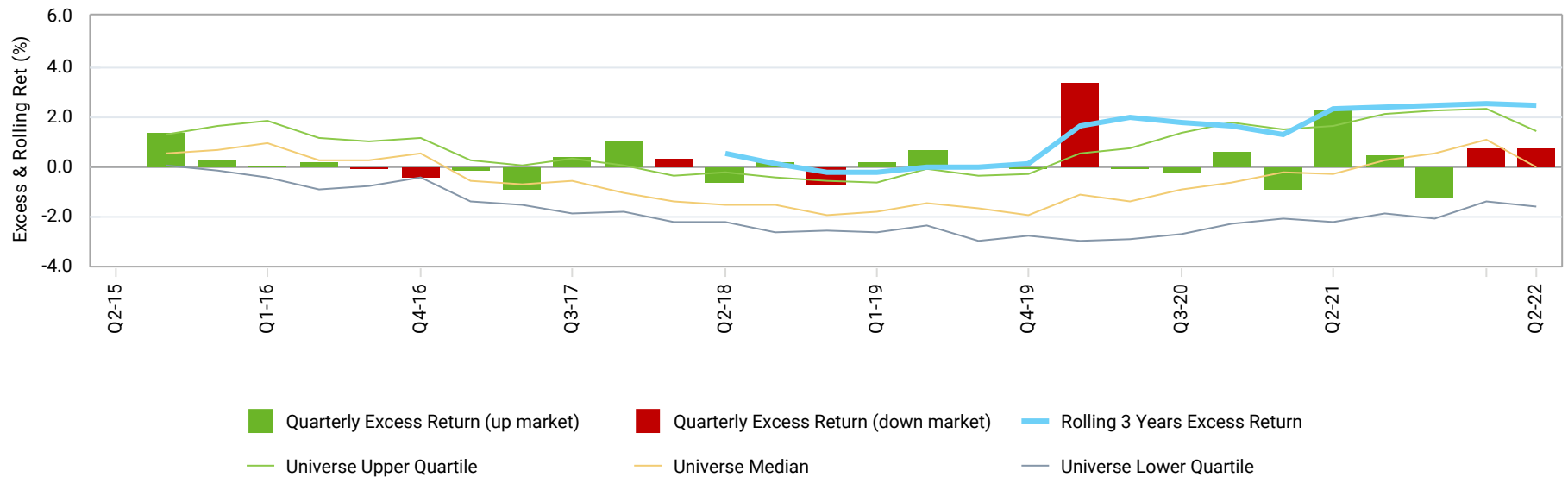
CENTERSQUARE US REAL ESTATE

June 30, 2022

eV US REIT (net of fees)



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

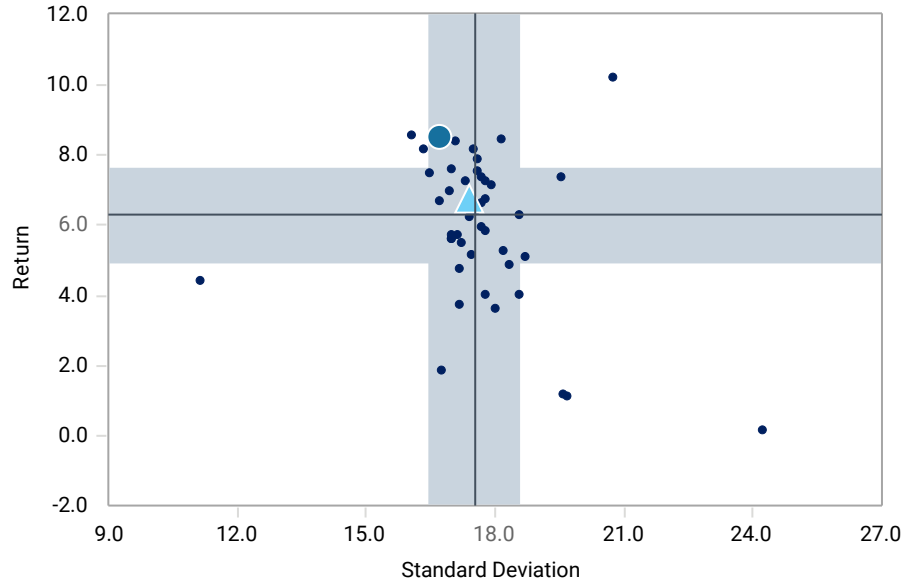


Los Angeles City Employees' Retirement System-LACERS Master Trust

CENTERSQUARE US REAL ESTATE

June 30, 2022

5 Years Return vs. Standard Deviation

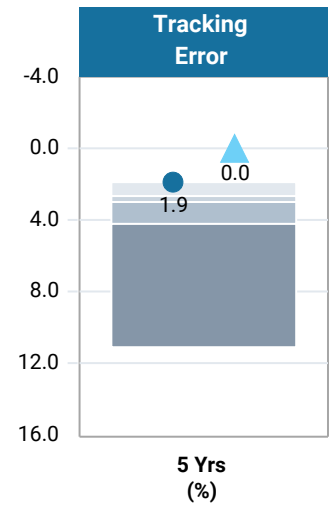
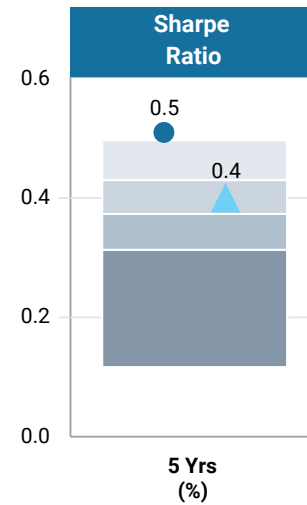
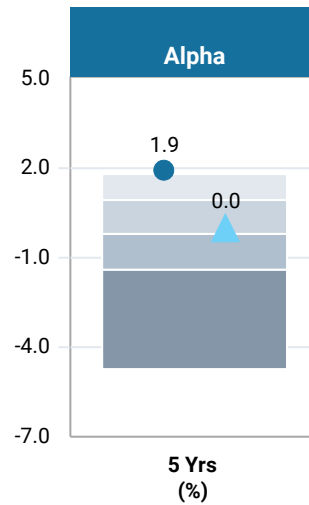
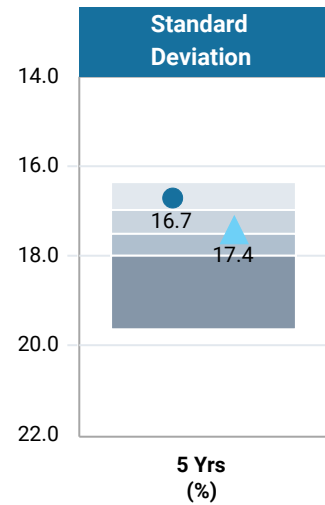
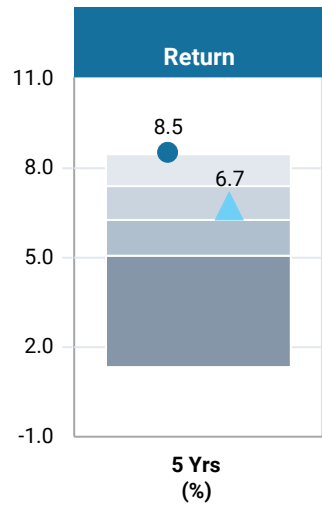


Style Map: (2.5 Years)



● CenterSquare US Real Estate ▲ FTSE NAREIT All Equity REITs

● CenterSquare US Real Estate ▲ FTSE NAREIT All Equity REITs



POLICY INDEX DEFINITIONS

Policy Index: Current (FY 2021 interim targets adopted September 14, 2021) 22.5% Russell 3000 Index, 27% MSCI ACWI ex USA Net Index, 16.75% Bloomberg U.S. Aggregate Bond Index, 7.25% Credit Opportunities Blend, 12% Real Assets Blend, 13.5% 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: 20.7% Bloomberg US High Yield 2% Issuer Capped Index, 20.7% Credit Suisse Leveraged Loan Index, 55% Blended Emerging Markets Debt Blend, 3.6% 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 Blend: 41.67% Bloomberg US TIPS Index, 25% FTSE NAREIT All Equity Index, 33.33% Real Estate Blend

Public Real Assets Blend: 62.5% Bloomberg US TIPS Index, 37.5% 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 SEPTEMBER 14, 2021

Asset Class	Policy Target %	Interim Policy Targets				
		2021	2022	2023	2024	2025
U.S. Equity	21.00%	22.50%	22.00%	21.50%	21.40%	21.00%
Non-U.S. Equity	26.00%	27.00%	27.00%	26.50%	26.10%	26.00%
Private Equity	16.00%	13.50%	14.00%	15.00%	15.50%	16.00%
Core Fixed Income	11.25%	16.75%	16.00%	14.75%	13.25%	11.25%
Credit Opportunities	12.75%	7.25%	8.00%	9.25%	10.75%	12.75%
Public Real Assets	5.00%	8.00%	7.50%	7.00%	6.00%	5.00%
Real Estate	7.00%	4.00%	4.50%	5.00%	6.00%	7.00%
Cash	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%



Aksia LLC

Private Equity Portfolio Performance Report
As of March 31, 2022



www.aksia.com

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- Private Equity Performance Drilldown Pg 10
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- Appendix – Fund-By-Fund Returns Pg 16
 - Active Core Portfolio
 - Liquidated Core Portfolio
 - Active Specialized Portfolio
 - Liquidated Specialized Portfolio

Aggregate Portfolio Summary As Of March 31, 2022

- As of March 31, 2022, the aggregate portfolio's fair market value of ~\$3.8 billion represented 16.8% of Total Plan Assets

Aggregate Portfolio Private Equity Exposure Summary	
Total Plan Market Value	\$22,879,427,979
Private Equity Exposure Target (%)	16.0%
Private Equity Exposure Target (\$)	\$3,660,708,477
Private Equity Exposure (%)	16.8%
Fair Market Value ("FMV")	\$3,843,547,962

- As of June 30, 2022, Total Plan Assets decreased quarter-over-quarter by ~10.0%, to ~\$20.6 billion – which translates into ~18.7% exposure to private equity (based on private equity fair market value as of 3/31/21)
- While markets have rebounded partially from June lows, they remain extremely volatile in Q3 2022. Total Plan Assets have decreased with private equity representing a larger portion of the total portfolio versus the start of 2022. While the pacing plan for 2022 was slated for \$1.375B in commitments, the actual commitment amount will likely be closer to \$1B to \$1.1B for the year given market dynamics

Aggregate Portfolio Snapshot Year-Over-Year (3/31/2021 through 3/31/2022)

- LACERS has committed \$7.0 billion to 340 partnerships since the inception of its private equity program in 1995; 267 of those partnerships remain active as of 3/31/22
- Distributions for the year (\$906mm) outpaced contributions (\$771mm) for the same time period
- The fair market value of the portfolio increased by \$733 million over the last twelve months
- The aggregate portfolio has generated a total value of 1.74x and a Net IRR of 12.9% since inception

Aggregate Portfolio Snapshot (\$ millions)			
Portfolio Since Inception	3/31/22	3/31/21	Change (+/-)
Partnerships	340	309	+ 31
Active	267	247	+ 20
Inactive	73	62	+ 11
Sponsors	147	137	+ 10
Investment To Date Contributions	\$ 5,183	\$4,411	+ \$771
Investment To Date Distributions	\$5,185	\$4,279	+ \$906
Fair Market Value	\$3,844	\$3,111	+ \$733
TVPI ¹	1.74x	1.68x	+ 0.07x
Net IRR	12.9%	12.2%	+ 0.6%

¹Total Value to Paid In Capital ("TVPI"): (Cumulative Distributions + Fair Market Value) / (Cumulative Contributions)

The Aggregate Portfolio Can Be Grouped Into Vintage Year Buckets

- “Mature” bucket (\$129.1 million of fair market value with vintage years ranging from 1995-2009)
 - Minimal change year-over-year with respect to Net TVPI and Net IRR
 - Will have limited impact going forward given the small value relative to other buckets
- “Maturing” bucket (\$1,206.7 million of fair market value with vintage years ranging from 2010-2015)
 - Net TVPI increased 0.17x while the Net IRR increased by ~0.5%
 - Potential for growth or decline to occur in these investments
 - Bulk of any near-term distributions are likely to come from the “Maturing” bucket
- “Developing” bucket (\$2,507.7 million of fair market value with vintage years ranging from 2016-2022)
 - Net TVPI increased 0.12x while the Net IRR increased by ~2.94%
 - Significant potential for growth or decline to occur in these investments
 - Bulk of the near-term contributions are likely to come from the “Developing” bucket

Vintage Years	\$'s in millions								
	LTM ¹ Contributions	ITD ¹ Contributions	LTM ¹ Distributions	ITD ¹ Distributions	Fair Market Value	3/31/22 Net TVPI	Year Over Year Change Net TVPI	3/31/21 Net IRR	Year Over Year Change Net IRR
	Contributions	Contributions	Distributions	Distributions	Value	Net TVPI	Net TVPI	Net IRR	Net IRR
Mature (1995-2009)	\$0.09	\$1,879.6	\$86.0	\$3,002.8	\$129.1	1.67x	0.01x	10.57%	0.00%
Maturing (2010-2015)	\$20.6	\$1,425.6	\$516.9	\$1,693.1	\$1,206.7	2.03x	0.17x	16.42%	0.52%
Developing (2016-2022)	\$750.7	\$1,877.6	\$303.0	\$489.0	\$2,507.7	1.60x	0.12x	28.75%	2.94%
Total Portfolio	\$771.3	\$5,182.7	\$906.0	\$5,184.9	\$3,843.5	1.74x	0.07x	12.86%	0.64%

¹Last 12 Months (“LTM”) and Inception to Date (“ITD”)

10 Largest Sponsor Relationships (by total exposure)

- The top ten Sponsors by exposure account for 33.0% of aggregate portfolio exposure and 23.1% of aggregate portfolio commitments

Firm	Number of Active Funds	Active Commitments	% of Total Active Commitments	Exposure (FMV + Unfunded)	% of Total Exposure	TVPI ¹	Net IRR ¹
Thoma Bravo LP	10	\$275,000,000	4.6%	\$342,591,618	5.7%	1.80	24.5%
Vista Equity Partners	8	\$215,000,000	3.6%	\$263,665,185	4.4%	2.09	22.0%
Spark Management Partners	9	\$143,750,000	2.4%	\$226,844,950	3.8%	3.06	30.5%
New Enterprise Associates	6	\$170,000,000	2.8%	\$187,845,768	3.1%	1.81	18.2%
Advent International	6	\$175,000,000	2.9%	\$181,428,153	3.0%	1.93	19.3%
Oak HC/FT	4	\$85,000,000	1.4%	\$159,127,422	2.7%	2.41	45.2%
TCV (Technology Crossover Ventures)	5	\$125,000,000	2.1%	\$157,370,244	2.6%	2.23	16.5%
Hellman & Friedman	10	\$130,000,000	2.2%	\$154,520,432	2.6%	1.89	20.9%
TA Associates	4	\$140,000,000	2.3%	\$150,939,249	2.5%	2.30	23.5%
Harvest Partners*	3	\$120,000,000	2.0%	\$145,696,210	2.4%	1.69	27.8%

*New to 10 largest sponsor relationship list as of 3/31/22.

¹Inception-to-date performance and includes liquidated holdings.

SUMMARY OF Q4 2021 & Q1 2022 ACTIVITY

New Investments made in Q4 2021 & Q1 2022

Closing Date	Sponsor	Partnership	Commitments – 10/1/21 – 3/31/22			
			Fund Size ¹ (\$million)	New or Existing	Investment Strategy	Commitment Amount (\$million)
10/13/2021	Biospring Partners²	Biospring Partners Fund	\$245	New	Growth Equity	\$20.0
10/13/2021	Spark Management Partners	Spark Capital Growth Fund IV	\$1,400	Existing	Growth Equity	\$33.3
		Spark Capital VII	\$700		Venture - Early Stage	\$16.7
10/21/2021	Defy Partners Management²	Defy Partners III	\$300	Existing	Venture - Early Stage	\$20.0
10/29/2021	General Catalyst Group Management	General Catalyst Group XI - Creation LP	\$4,600	Existing	Venture - Early Stage	\$13.0
		General Catalyst Group XI - Endurance LP	\$4,600		Growth Equity	\$44.0
		General Catalyst Group XI - Ignition LP	\$4,600		Venture - Early Stage	\$18.0
12/10/2021	Arsenal Capital Partners	Arsenal Capital Partners VI	\$4,168	New	Buyout - Medium	\$50.0
12/14/2021	Reverence Capital Partners LLC	Reverence Capital Partners Opportunities Fund V (PE III)	\$1,300	New	Buyout - Medium	\$50.0
12/15/2021	Harvest Partners	Harvest Partners IX	\$3,300	Existing	Buyout - Medium	\$50.0
12/22/2021	New Enterprise Associates	NEA 18 Venture Growth Equity	\$2,000	Existing	Growth Equity	\$35.0
		New Enterprise Associates 18	\$2,500		Venture - Multi-Stage	\$40.0
1/31/2022	LightBay Capital²	LightBay Investment Partners II	\$802	New	Buyout - Small	\$25.0
1/31/2022	Thoma Bravo LP	Thoma Bravo Discover Fund IV	\$5,100	Existing	Buyout - Medium	\$45.0
		Thoma Bravo Fund XV	\$22,000		Buyout - Large	\$80.0
2/24/2022	Francisco Partners Management LP	Francisco Partners Agility III	\$3,300	New	Buyout - Medium	\$17.5
		Francisco Partners VII	\$13,500		Buyout - Medium	\$50.0
3/10/2022	1315 Capital²	1315 Capital Fund III	\$246	Existing	Growth Equity	\$30.0
3/10/2022	HgCapital	Hg Saturn 3 A	\$10,350	Existing	Buyout - Large	\$40.0
Total	13	19				\$677.50

¹Total capital raised as confirmed by the general partner. If the general partner has yet to provide closing data, the fund size will represent the target fund size.

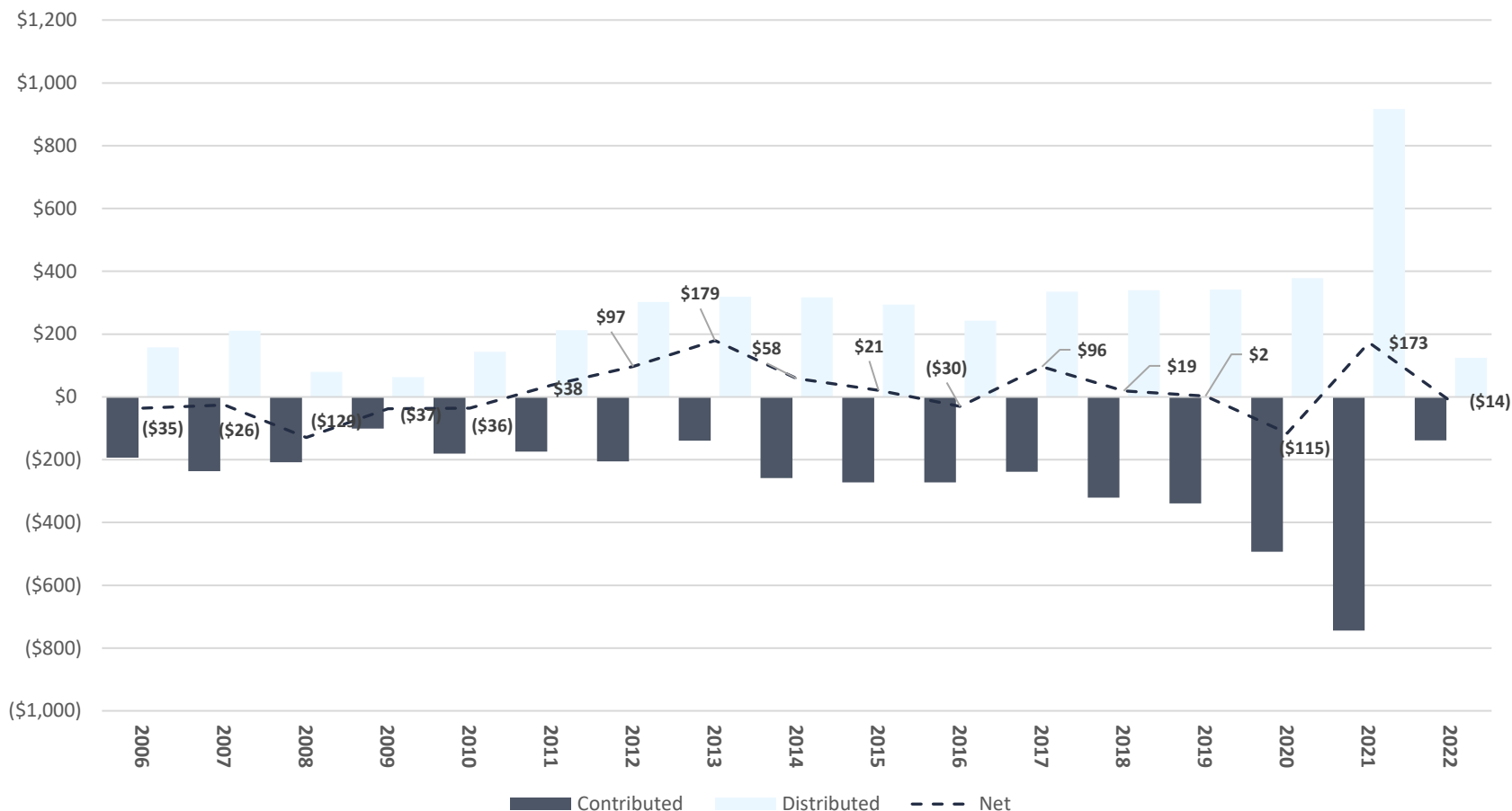
²Qualifies as an Emerging Manager based on LACERS' definition.

Commitment Statistics

- Commitments were made to 19 different funds totaling \$677.5 million in commitments
 - 13 commitments were made to existing Sponsor relationships (\$465.0 million)
 - 6 commitments were made to new Sponsor relationships (\$212.5 million)
 - The average commitment amount was ~\$38.8 million per Sponsor (excluding Emerging Managers)
- ~60% of commitments went to Buyout focused firms; ~24% of commitments went to Growth Equity; and ~16% of commitments went to Venture Capital
 - “Large Buyouts” accounted for ~18% of commitments to buyout funds
 - “Medium Buyouts” accounted for ~39% of commitments to buyout funds
 - “Venture – Early Stage” accounted for ~10% of commitments
 - “Venture – Multi-Stage” accounted for ~6% of commitments
- *4 of the 19 fund commitments were made to Sponsors that qualify as Emerging Managers under LACERS' definition. The average commitment amount was ~\$ 23.8 million per Emerging Manager Sponsor*

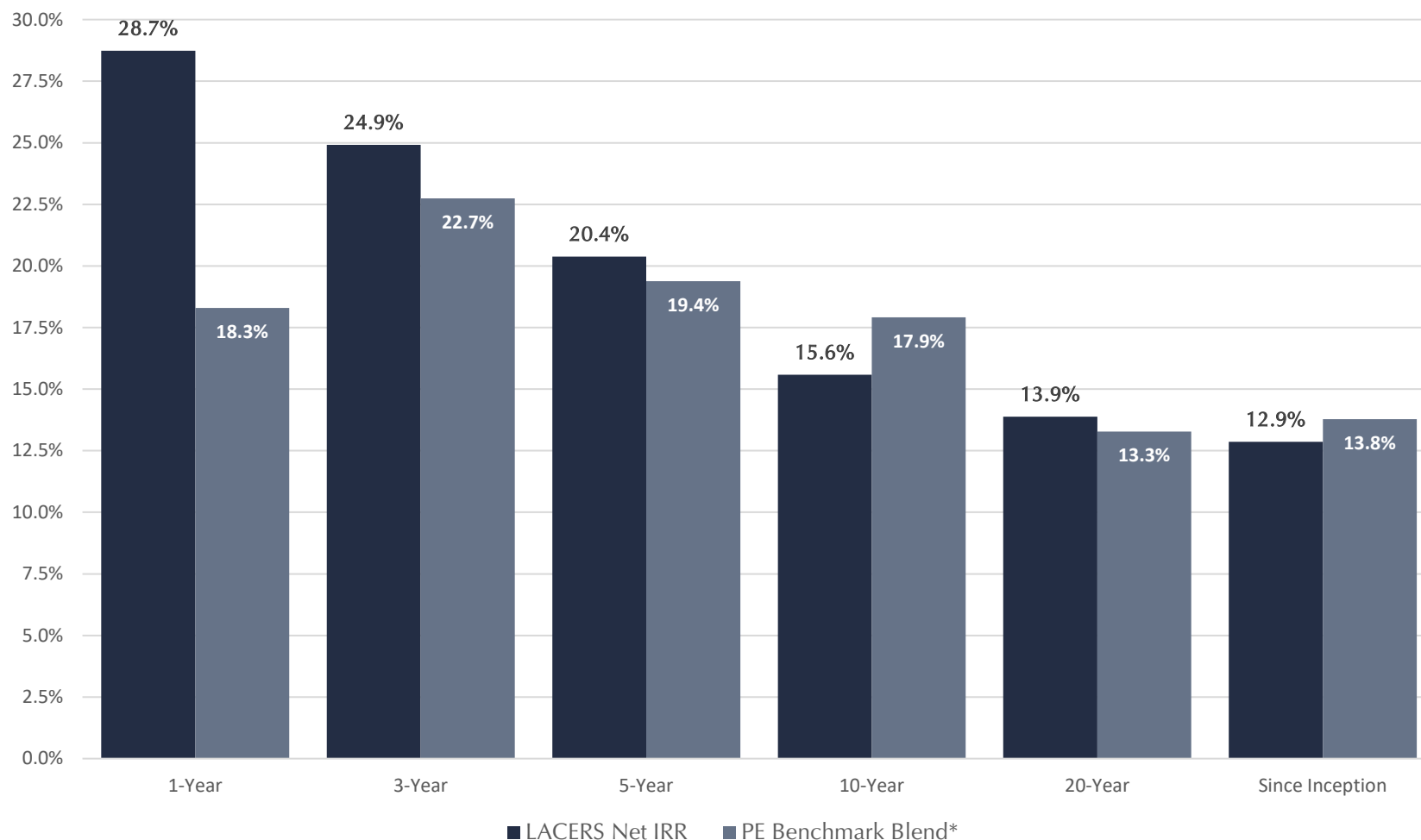
Private Equity Program Cash Flow Profile Over Time

- LACERS' private equity portfolio is relatively mature and has been largely cash flow positive over the last decade even with higher capital calls the last two years



Horizon Returns for LACERS' Private Equity Program vs. PE Benchmark Blend

- LACERS blends the Russell 3000 and Cambridge Associates benchmarks



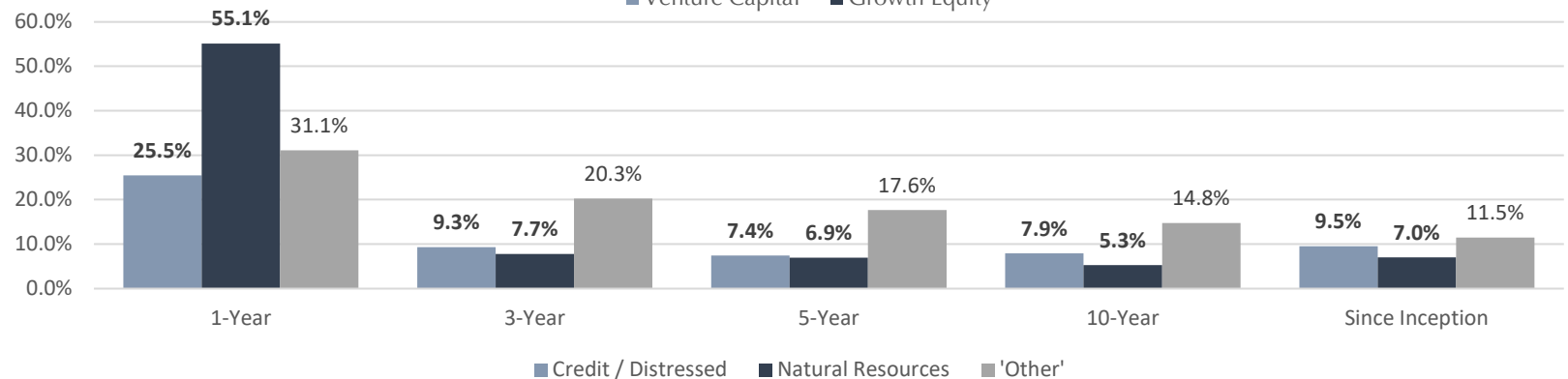
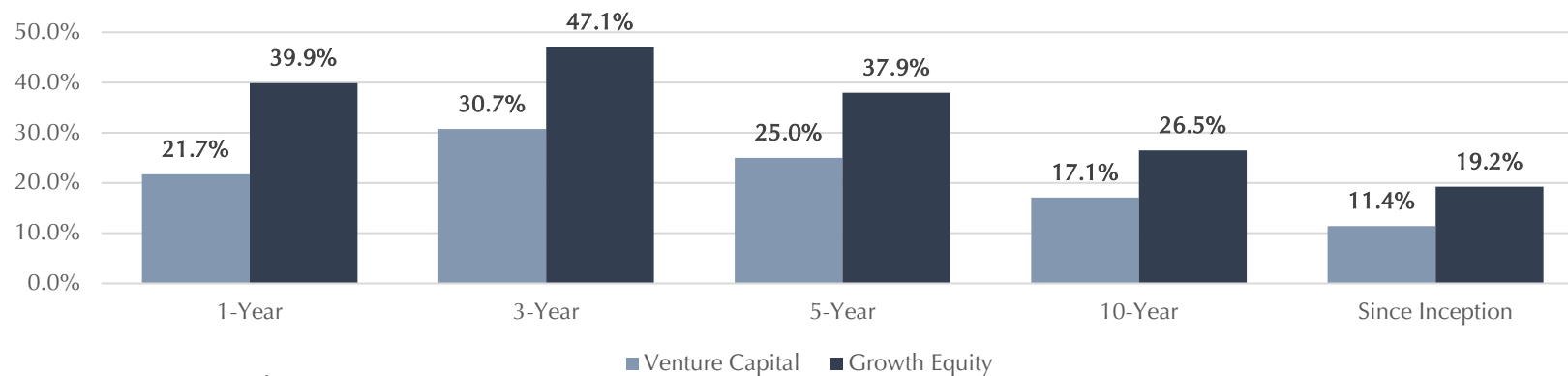
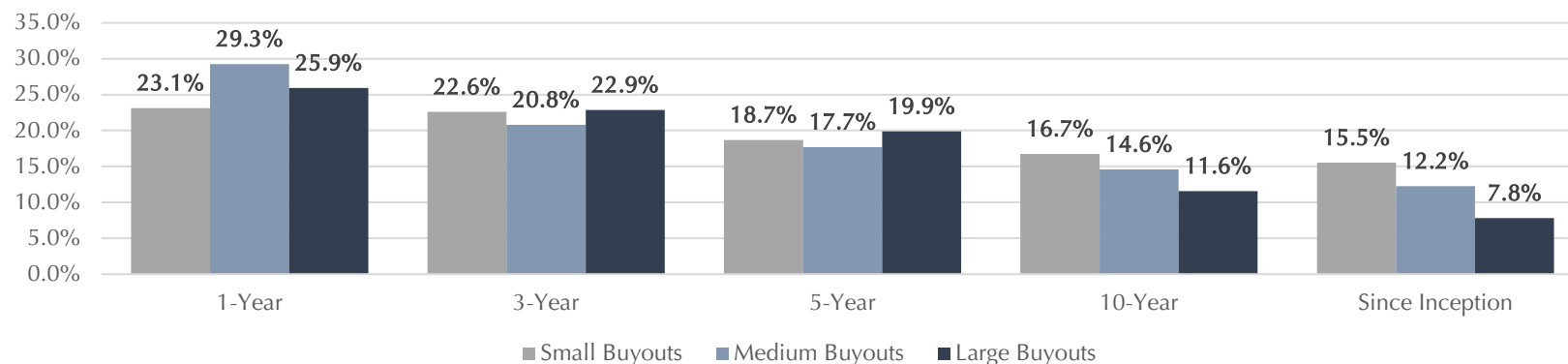
* Note: The Board approved a benchmark change at the January 25, 2022 meeting to the Cambridge Associates Global Private Equity and Venture Capital Index moving forward. The new benchmark includes the Russell 3000 Index + 400bps (inception – January 31, 2012), the Russell 3000 Index + 300bps (February 1, 2012 – December 31, 2021), and the Cambridge Associates Global PE and VC Index, beginning January 1, 2022. All performance data is as of March 31, 2022.

Performance by Strategy and Sub-Strategy (Inception-to-Date)

Sub-Strategy	Commitment	Contributions	Percent Called	Distributions	Percent Distributed	Fair Market Value	TVPI	IRR
Large	\$1,784,356,945	\$1,367,996,167	76.7%	\$1,514,762,463	84.9%	\$912,629,132	1.77x	15.5%
Medium	\$2,168,746,313	\$1,534,501,148	70.8%	\$1,616,077,805	74.5%	\$993,160,590	1.70x	12.2%
Small	\$265,600,562	\$191,903,110	72.3%	\$171,315,234	64.5%	\$111,280,905	1.47x	7.8%
Buyouts Total	\$4,218,703,820	\$3,094,400,425	73.4%	\$3,302,155,502	78.3%	\$2,017,070,627	1.72x	13.1%
Credit	\$80,000,000	\$74,009,327	92.5%	\$26,374,832	33.0%	\$54,272,784	1.09x	3.3%
Distressed	\$524,531,008	\$465,355,286	88.7%	\$437,517,515	83.4%	\$187,305,828	1.34x	10.3%
Mezzanine	\$35,000,000	\$33,485,525	95.7%	\$30,432,493	87.0%	\$11,732,441	1.26x	5.9%
Credit / Distressed Total	\$639,531,008	\$572,850,137	89.6%	\$494,324,841	77.3%	\$253,311,052	1.31x	9.5%
Growth Equity	\$777,297,154	\$462,055,053	59.4%	\$495,346,438	63.7%	\$653,137,516	2.49x	19.2%
Growth Equity Total	\$777,297,154	\$462,055,053	59.4%	\$495,346,438	63.7%	\$653,137,516	2.49x	19.2%
Energy	\$330,000,000	\$308,160,375	93.4%	\$238,802,524	72.4%	\$168,495,911	1.32x	7.0%
Natural Resources Total	\$330,000,000	\$308,160,375	93.4%	\$238,802,524	72.4%	\$168,495,911	1.32x	7.0%
Fund of Funds	\$20,000,000	\$19,179,059	95.9%	\$31,288,815	156.4%	\$0	1.63x	7.4%
Secondaries	\$175,000,000	\$75,974,033	43.4%	\$46,398,632	26.5%	\$68,026,418	1.51x	17.6%
Other Total	\$195,000,000	\$95,153,092	48.8%	\$77,687,448	39.8%	\$68,026,418	1.53x	11.5%
Early Stage	\$242,670,000	\$150,804,099	62.1%	\$178,284,127	73.5%	\$249,604,132	2.84x	43.1%
Expansion Stage	\$20,000,000	\$7,960,000	39.8%	\$0	N/A	\$9,229,849	1.16x	N.M.*
Late Stage	\$135,000,000	\$130,696,569	96.8%	\$126,442,462	93.7%	\$137,862,625	2.02x	9.6%
Multi-Stage	\$435,217,369	\$360,666,099	82.9%	\$271,878,770	62.5%	\$286,809,831	1.55x	7.7%
Venture Capital Total	\$832,887,369	\$650,126,768	78.1%	\$576,605,359	69.2%	\$683,506,437	1.94x	11.4%
Total	\$6,993,419,351	\$5,182,745,848	74.1%	\$5,184,922,111	74.1%	\$3,843,547,962	1.74x	12.9%

*IRRs of investments held less than two years generally are not meaningful and are therefore labeled N.M.

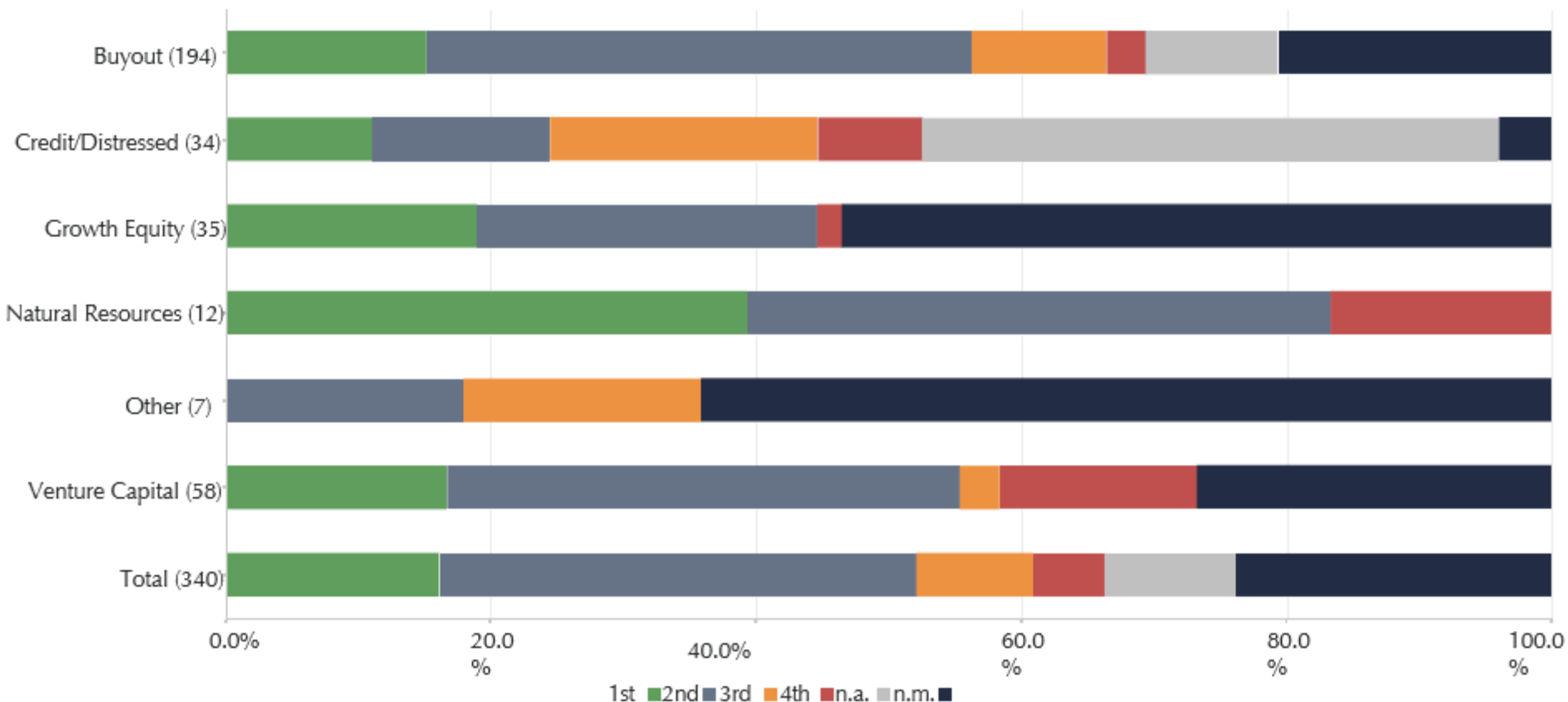
Horizon Returns by Sub-Strategy



*The 'Other' category includes LACERS' investments in Secondary Funds and Fund of Funds.

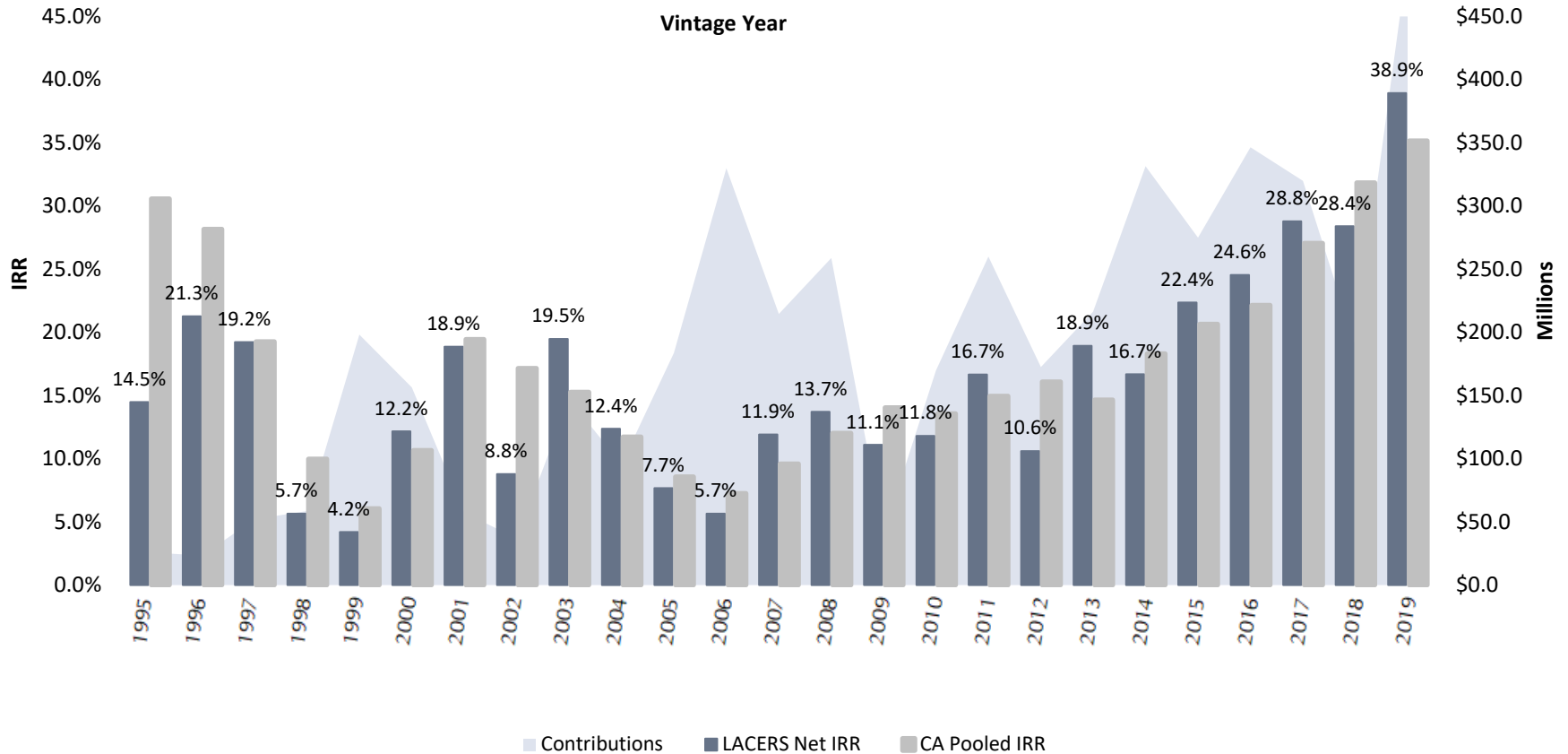
Portfolio Strategy vs. Cambridge Associates¹

% of Contributed Capital as of March 31, 2022



¹All quartiles are based on Cambridge Associates data as of March 31, 2022. Funds where corresponding benchmark data is not available from Cambridge Associates Benchmark are categorized as "NA" and funds where the first capital call date is younger than two years are categorized as "NM". Funds with total commitments equal to zero are excluded from the calculation. Cambridge Associates data is continually updated and subject to change.

Portfolio Vintage Years vs. Cambridge Associates¹ March 31, 2022



¹Cambridge Associates pooled IRRs are as of March 31, 2022. Pooled IRRs are comprised of similar regions and strategies as those in the LACERS portfolio. IRRs of funds younger than two years are not considered meaningful and have been excluded.

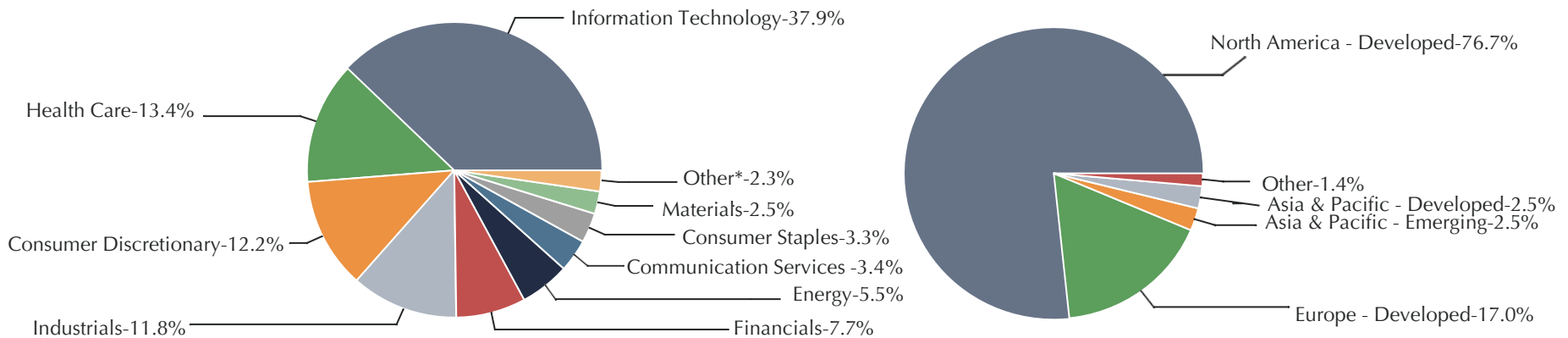
Overall Exposure

- Private Equity exposure was 16.8% as of March 31, 2022
- Private Equity exposure target was 16.0% as of March 31, 2022

Performance Since Inception

- The Aggregate Portfolio has generated a Net IRR of 12.9% and a TVPI of 1.74x
- The Core Portfolio has generated a Net IRR of 13.4% and a TVPI of 1.77x
- The Specialized Portfolio has generated a Net IRR of 2.0% and a TVPI of 1.13x

Diversification



*Other: Represents the total of investments in sectors or geographies that constitute <1% of the NAV.

APPENDIX

- “Fund-By-Fund” Returns
 - Active Core Portfolio
 - Liquidated Core Portfolio
 - Active Specialized Portfolio
 - Liquidated Specialized Portfolio

CORE PORTFOLIO SUMMARY AS OF 3/31/2022 - ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
1315 Capital Fund	Venture Capital	Venture - Late Stage	2015	10,000,000	9,511,012	6,071,284	11,896,039	18.4%
1315 Capital Fund II	Venture Capital	Venture - Late Stage	2018	10,000,000	6,799,754	1,762,974	6,678,524	13.9%
1315 Capital Fund III	Growth Equity	Growth Equity	2022	30,000,000	-	-	-	n.m.
ABRY Advanced Securities Fund III	Credit/Distressed	Credit	2014	20,000,000	25,540,136	8,389,711	17,131,341	0.0%
ABRY Advanced Securities Fund IV	Credit/Distressed	Credit	2018	40,000,000	29,307,222	8,232,791	24,287,134	7.4%
ABRY Heritage Partners	Buyout	Buyout - Small	2016	10,000,000	9,520,506	6,839,912	9,287,785	27.8%
ABRY Partners IX	Buyout	Buyout - Medium	2019	40,000,000	32,913,886	5,911,695	35,529,999	16.3%
ABRY Partners VIII	Buyout	Buyout - Medium	2014	25,000,000	28,471,482	34,331,888	6,061,082	10.3%
ABRY Senior Equity V	Credit/Distressed	Mezzanine	2016	10,000,000	10,158,623	2,999,132	11,644,067	20.2%
ACON Equity Partners 3.5	Buyout	Buyout - Medium	2012	20,000,000	18,034,492	19,912,616	412,374	2.7%
Advent Global Technology	Buyout	Buyout - Medium	2019	15,000,000	13,762,499	-	19,675,751	34.4%
Advent Global Technology II	Buyout	Buyout - Medium	2021	30,000,000	3,010,511	-	2,748,338	n.m.
Advent International GPE IX	Buyout	Buyout - Large	2019	45,000,000	31,166,206	3,598,202	60,574,187	68.1%
Advent International GPE VI A	Buyout	Buyout - Medium	2008	20,000,000	20,000,000	40,162,749	2,215,518	16.6%
Advent International GPE VII B	Buyout	Buyout - Large	2012	30,000,000	28,200,000	46,324,310	6,876,884	14.2%
Advent International GPE VIII B-2	Buyout	Buyout - Large	2016	35,000,000	35,000,000	25,565,736	45,476,691	22.1%
AION Capital Partners	Credit/Distressed	Credit	2012	20,000,000	19,161,969	9,752,330	12,854,309	4.6%
American Securities Partners VII	Buyout	Buyout - Medium	2016	25,000,000	24,058,560	9,355,045	33,895,151	17.4%
American Securities Partners VIII	Buyout	Buyout - Large	2019	40,000,000	28,406,971	353,102	38,716,533	35.1%
Angeles Equity Partners I	Credit/Distressed	Distressed	2015	10,000,000	6,563,303	6,839,796	3,691,407	18.7%
Apollo Investment Fund IV	Buyout	Buyout - Large	1998	5,000,000	4,989,241	8,320,973	56	8.5%

CORE PORTFOLIO SUMMARY AS OF 3/31/2022 - ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Apollo Investment Fund VI	Buyout	Buyout - Large	2006	15,000,000	14,372,999	23,957,457	275,719	8.6%
Apollo Investment Fund VII	Buyout	Buyout - Large	2008	20,000,000	17,573,751	35,498,225	364,241	22.6%
Apollo Investment Fund VIII	Buyout	Buyout - Large	2013	40,000,000	35,005,150	35,479,347	21,510,924	11.9%
Arsenal Capital Partners VI	Buyout	Buyout - Medium	2022	50,000,000	-	-	(434,091)	n.m.
Ascribe Opportunities Fund II	Credit/Distressed	Distressed	2010	20,000,000	30,537,420	31,202,934	2,487,939	3.5%
Ascribe Opportunities Fund III	Credit/Distressed	Distressed	2014	30,000,000	50,391,611	39,225,936	4,143,777	-17.0%
Ascribe Opportunities Fund IV	Credit/Distressed	Distressed	2019	25,000,000	7,078,060	1,513,120	5,971,076	25.6%
Astorg VI	Buyout	Buyout - Medium	2015	25,625,875	21,228,378	18,763,959	16,611,110	14.9%
Astorg VII	Buyout	Buyout - Medium	2019	36,123,864	22,828,850	-	31,816,277	28.1%
Astra Partners I	Buyout	Buyout - Small	2017	10,000,000	6,187,040	(28,358)	6,101,396	-0.9%
Austin Ventures VIII	Venture Capital	Venture - Multi-Stage	2001	8,300,000	8,300,000	13,661,275	69,977	6.8%
Avance Investment Partners	Buyout	Buyout - Small	2021	20,000,000	4,305,985	620,485	3,593,565	n.m.
Bain Capital Asia Fund III	Buyout	Buyout - Large	2016	15,000,000	15,387,739	9,629,643	15,270,746	21.9%
Bain Capital Double Impact Fund	Buyout	Buyout - Small	2016	10,000,000	10,469,474	6,801,798	10,785,808	28.9%
Barings Emerging Generation Fund	Other	Secondaries	2021	25,000,000	8,778,103	(333,543)	11,223,474	n.m.
BC European Capital IX	Buyout	Buyout - Large	2011	17,665,048	19,361,271	23,972,107	11,942,873	13.3%
BC European Capital X	Buyout	Buyout - Large	2017	31,651,237	29,743,063	1,137,245	43,928,840	15.4%
BDCM Opportunity Fund IV	Credit/Distressed	Distressed	2015	25,000,000	31,724,819	15,797,552	33,795,546	13.9%
Biospring Partners Fund	Growth Equity	Growth Equity	2022	20,000,000	5,108,433	-	4,057,469	n.m.
Blackstone Capital Partners V & V-S	Buyout	Buyout - Large	2005	19,799,726	19,297,288	32,184,125	432,709	7.9%
Blackstone Capital Partners VI	Buyout	Buyout - Large	2011	20,000,000	19,309,261	26,315,805	9,328,222	12.6%

CORE PORTFOLIO SUMMARY AS OF 3/31/2022 - ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Blackstone Energy Partners	Natural Resources	Energy	2011	25,000,000	23,654,717	33,670,429	6,997,050	11.3%
Blue Sea Capital Fund I	Buyout	Buyout - Small	2013	10,000,000	9,168,182	14,652,444	5,762,794	20.0%
Brentwood Associates Private Equity VI	Buyout	Buyout - Medium	2017	25,000,000	26,117,573	11,033,392	29,493,437	34.9%
Builders VC Fund II	Venture Capital	Venture - Early Stage	2021	10,000,000	2,300,000	-	2,265,884	-1.9%
Carlyle Partners V	Buyout	Buyout - Large	2007	30,000,000	26,714,020	49,374,292	2,776,504	13.8%
CenterGate Capital Partners I	Buyout	Buyout - Small	2015	10,000,000	5,406,216	5,741,024	4,439,385	24.1%
Charterhouse Capital Partners IX	Buyout	Buyout - Large	2008	17,650,992	17,448,610	22,915,437	601,670	9.6%
CHP III	Venture Capital	Venture - Early Stage	2006	15,000,000	15,000,000	33,179,805	8,451,517	11.9%
Clearlake Capital Partners VI	Credit/Distressed	Distressed	2020	30,000,000	24,366,635	1,026,242	39,812,575	61.7%
Clearlake Capital Partners VII	Buyout	Buyout - Large	2021	75,000,000	-	-	(775,068)	n.m.
Coller International Partners VI	Other	Secondaries	2011	25,000,000	18,818,470	27,880,491	5,719,244	15.6%
CVC Capital Partners VII	Buyout	Buyout - Large	2017	28,567,140	24,319,718	3,416,202	35,739,386	29.0%
CVC Capital Partners VIII	Buyout	Buyout - Large	2021	50,206,765	10,116,958	-	10,521,686	n.m.
CVC European Equity Partners III	Buyout	Buyout - Large	2001	15,000,000	14,776,341	41,619,578	1,086,933	41.0%
CVC European Equity Partners IV	Buyout	Buyout - Large	2005	26,008,211	23,257,442	46,521,992	37,913	16.7%
CVC European Equity Partners V	Buyout	Buyout - Large	2008	18,815,039	18,352,938	38,196,242	834,607	16.8%
Defy Partners I	Venture Capital	Venture - Early Stage	2017	10,000,000	8,800,000	2,251,655	10,795,312	16.1%
Defy Partners II	Venture Capital	Venture - Early Stage	2019	18,010,000	9,365,200	-	15,165,774	46.3%
Defy Partners III	Venture Capital	Venture - Early Stage	2021	20,000,000	-	-	-	n.m.
DFJ Growth 2013	Growth Equity	Growth Equity	2013	25,000,000	25,126,311	108,055,748	40,053,074	34.6%
DFJ Growth III	Growth Equity	Growth Equity	2017	15,000,000	14,325,000	8,137,930	24,041,393	31.4%

CORE PORTFOLIO SUMMARY AS OF 3/31/2022 - ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
EIG Energy Fund XVI	Natural Resources	Energy	2013	25,000,000	23,629,284	13,423,187	16,753,237	6.3%
Encap Energy Capital Fund IX	Natural Resources	Energy	2012	30,000,000	29,112,344	26,492,088	15,237,795	9.7%
Encap Energy Capital Fund VIII	Natural Resources	Energy	2010	15,000,000	14,933,115	7,917,016	7,213,342	0.3%
Encap Energy Capital Fund X	Natural Resources	Energy	2015	35,000,000	33,277,357	19,032,532	40,306,713	15.7%
EnCap Energy Capital Fund XI	Natural Resources	Energy	2017	40,000,000	28,609,090	2,056,061	33,078,803	12.7%
Energy Capital Partners II	Natural Resources	Energy	2009	20,000,000	14,934,322	20,349,894	1,074,309	9.1%
Energy Capital Partners III	Natural Resources	Energy	2014	40,000,000	39,152,794	34,295,473	24,405,533	10.4%
Essex Woodlands Health Ventures Fund IV	Venture Capital	Venture - Late Stage	1998	4,000,000	4,000,000	5,227,551	524,439	7.2%
Essex Woodlands Health Ventures Fund V	Venture Capital	Venture - Late Stage	2000	10,000,000	10,000,000	10,591,086	1,154,231	3.3%
Essex Woodlands Health Ventures Fund VI	Venture Capital	Venture - Multi-Stage	2004	15,000,000	14,587,500	16,028,797	4,422,200	3.7%
FIMI Opportunity V	Buyout	Buyout - Medium	2012	20,000,000	18,194,334	22,671,097	13,535,000	13.1%
First Reserve Fund XI	Natural Resources	Energy	2006	30,000,000	30,000,000	21,071,746	30,517	-7.9%
First Reserve Fund XII	Natural Resources	Energy	2008	25,000,000	25,990,474	12,588,859	897,914	-14.5%
Fortress Credit Opportunities V Expansion	Credit/Distressed	Distressed	2020	50,000,000	13,572,720	585,738	15,226,861	23.9%
Francisco Partners Agility III	Buyout	Buyout - Medium	2022	17,500,000	-	-	-	n.m.
Francisco Partners VII	Buyout	Buyout - Medium	2022	50,000,000	-	-	-	n.m.
FS Equity Partners VIII	Buyout	Buyout - Medium	2019	25,000,000	15,535,101	688,936	23,286,229	32.6%
General Catalyst Group X - Early Venture	Venture Capital	Venture - Early Stage	2020	10,000,000	8,900,000	-	21,701,255	109.6%
General Catalyst Group X - Endurance	Venture Capital	Venture - Multi-Stage	2020	11,666,667	11,666,667	-	14,516,373	21.0%
General Catalyst Group X - Growth Venture	Growth Equity	Growth Equity	2020	16,666,666	15,749,999	-	29,046,348	65.1%
General Catalyst Group XI - Creation LP	Venture Capital	Venture - Early Stage	2021	13,000,000	980,269	-	819,253	n.m.

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Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
General Catalyst Group XI - Endurance LP	Growth Equity	Growth Equity	2021	44,000,000	18,151,428	7,971	17,798,551	n.m.
General Catalyst Group XI - Ignition LP	Venture Capital	Venture - Early Stage	2021	18,000,000	5,167,957	1,993	5,103,201	n.m.
Genstar Capital Partners IX	Buyout	Buyout - Medium	2019	25,000,000	23,251,657	3,147,669	32,847,952	39.6%
Genstar Capital Partners X	Buyout	Buyout - Large	2021	32,500,000	3,998,441	-	4,416,371	n.m.
Genstar IX Opportunities Fund I	Buyout	Buyout - Large	2019	25,000,000	21,114,212	559,135	31,257,082	27.4%
Genstar X Opportunities Fund I	Buyout	Buyout - Large	2021	25,000,000	4,691,667	-	5,204,811	n.m.
GGV Capital VIII	Venture Capital	Venture - Expansion Stage	2021	16,000,000	6,400,000	-	7,603,363	n.m.
GGV Capital VIII Plus	Venture Capital	Venture - Expansion Stage	2021	4,000,000	1,560,000	-	1,626,486	n.m.
Gilde Buy-Out Fund V	Buyout	Buyout - Medium	2016	27,121,713	25,598,101	22,814,667	27,674,649	23.4%
Gilde Buy-Out Fund VI	Buyout	Buyout - Medium	2019	39,684,790	15,444,924	1,042,379	16,649,619	17.9%
Glendon Opportunities Fund	Credit/Distressed	Distressed	2014	20,000,000	18,990,996	21,336,262	7,629,874	8.3%
Glendon Opportunities Fund II	Credit/Distressed	Distressed	2019	40,000,000	28,000,000	-	42,346,949	27.8%
Green Equity Investors V	Buyout	Buyout - Large	2007	20,000,000	18,343,638	46,457,009	754,668	19.5%
Green Equity Investors VI	Buyout	Buyout - Large	2012	20,000,000	18,840,503	19,666,275	25,046,139	16.5%
Green Equity Investors VII	Buyout	Buyout - Large	2017	25,000,000	22,306,499	14,460,767	37,064,620	29.1%
GTCR Fund VIII	Buyout	Buyout - Medium	2003	20,000,000	18,520,960	32,142,142	256,636	22.3%
GTCR Fund XII-AB	Buyout	Buyout - Medium	2017	40,000,000	40,978,021	25,396,657	44,617,128	36.3%
GTCR Fund XIII-AB	Buyout	Buyout - Medium	2020	40,000,000	7,344,000	1,447,324	9,994,046	n.m.
H&F Arrow 1	Buyout	Buyout - Large	2020	0	3,500,382	-	5,922,997	39.3%
H&F Spock 1	Buyout	Buyout - Large	2018	1	3,266,786	335,718	10,261,113	34.5%
H.I.G. Europe Middle Market LBO Fund	Buyout	Buyout - Medium	2020	49,552,926	2,173,593	(10,678)	2,073,215	-8.3%

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Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Halifax Capital Partners II	Buyout	Buyout - Small	2005	10,000,001	8,104,233	10,703,687	156,485	7.5%
HarbourVest Partners Co-Investment Fund VI	Other	Secondaries	2021	50,000,000	-	-	117,061	n.m.
Harvest Partners IX	Buyout	Buyout - Medium	2021	50,000,000	-	-	(375,081)	n.m.
Harvest Partners VII	Buyout	Buyout - Medium	2016	20,000,000	19,438,878	17,911,712	27,568,653	26.9%
Harvest Partners VIII	Buyout	Buyout - Medium	2019	50,000,000	45,225,248	10,095,569	54,137,737	30.0%
Hellman & Friedman Capital Partners IX	Buyout	Buyout - Large	2019	30,000,000	27,959,530	737,756	35,781,420	22.7%
Hellman & Friedman Capital Partners VI	Buyout	Buyout - Large	2006	20,000,000	19,350,491	35,830,309	362,498	12.9%
Hellman & Friedman Capital Partners VII	Buyout	Buyout - Large	2011	20,000,000	19,112,624	59,810,955	4,324,085	24.8%
Hellman & Friedman Capital Partners VIII	Buyout	Buyout - Large	2016	20,000,000	19,761,844	10,048,435	31,695,326	22.7%
Hellman & Friedman Capital Partners X	Buyout	Buyout - Large	2021	40,000,000	21,803,826	-	22,276,416	n.m.
Hg Genesis 9	Buyout	Buyout - Medium	2020	19,295,500	9,299,514	2,847,455	9,563,243	78.7%
Hg Saturn 3 A	Buyout	Buyout - Large	2022	40,000,000	-	-	-	n.m.
HgCapital Saturn Fund 2	Buyout	Buyout - Large	2020	20,000,000	11,982,796	5,248,638	13,302,507	74.7%
High Road Capital Partners Fund II	Buyout	Buyout - Small	2013	25,000,000	20,600,167	21,024,893	16,451,530	15.0%
Hony Capital Fund V	Buyout	Buyout - Large	2011	25,000,000	26,124,286	7,053,617	13,682,798	-3.4%
ICG Strategic Equity Fund IV	Other	Secondaries	2021	50,000,000	21,483,574	911,928	26,307,398	n.m.
Incline Equity Partners IV	Buyout	Buyout - Small	2017	10,000,000	8,748,181	6,765,539	8,207,000	26.8%
Insight Venture Partners IX	Growth Equity	Growth Equity	2015	25,000,000	26,387,482	24,259,268	84,892,969	32.9%
Insight Venture Partners VIII	Growth Equity	Growth Equity	2013	20,000,000	19,892,344	43,298,433	20,411,188	21.8%
Institutional Venture Partners XV	Venture Capital	Venture - Late Stage	2015	20,000,000	20,120,007	33,428,476	38,114,834	33.2%
J.H. Whitney VII	Buyout	Buyout - Medium	2010	25,000,000	24,667,457	26,409,583	15,056,001	10.3%

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Kelso Investment Associates VII	Buyout	Buyout - Medium	2003	18,000,000	17,131,163	29,092,678	29,344	12.5%
Kelso Investment Associates VIII	Buyout	Buyout - Medium	2007	20,000,000	19,002,679	27,187,340	1,038,683	7.5%
Khosla Ventures IV	Venture Capital	Venture - Early Stage	2011	20,000,000	19,620,000	54,044,307	42,771,913	26.4%
KKR 2006 Fund	Buyout	Buyout - Large	2006	30,000,000	30,219,403	52,605,414	3,721,372	9.3%
KKR European Fund II	Buyout	Buyout - Large	2005	15,000,000	15,497,844	20,962,595	107,120	4.7%
KPS Special Situations Fund IV	Buyout	Buyout - Medium	2014	25,000,000	21,255,041	22,022,192	19,088,896	24.9%
KPS Special Situations Fund V	Buyout	Buyout - Medium	2020	40,000,000	16,786,011	1,139,251	23,456,295	44.7%
KPS Special Situations Mid-Cap Fund	Buyout	Buyout - Medium	2019	10,000,000	3,978,138	533,972	5,059,862	25.9%
Levine Leichtman Capital Partners III	Buyout	Buyout - Medium	2003	20,000,000	21,392,254	33,337,694	(3,531)	10.0%
Levine Leichtman Capital Partners IV	Buyout	Buyout - Medium	2008	20,000,000	16,448,126	28,973,102	1,796,630	17.6%
Levine Leichtman Capital Partners V	Buyout	Buyout - Medium	2013	30,000,000	31,262,417	39,042,107	31,061,516	18.1%
LightBay Investment Partners II	Buyout	Buyout - Small	2022	25,000,000	-	-	(120,028)	n.m.
Lindsay Goldberg III	Buyout	Buyout - Large	2008	20,000,000	19,279,960	26,137,028	42,076	8.1%
Longitude Venture Partners III	Venture Capital	Venture - Late Stage	2016	10,000,000	9,732,735	6,766,236	8,786,298	20.9%
MBK Partners Fund V	Buyout	Buyout - Large	2021	40,000,000	10,083,858	-	11,408,289	25.6%
Menlo Ventures IX	Venture Capital	Venture - Multi-Stage	2001	20,000,000	20,000,000	20,254,444	480,171	0.6%
Mill Point Capital Partners	Buyout	Buyout - Small	2017	10,000,000	9,922,056	3,623,056	15,073,890	28.1%
Mill Point Capital Partners II	Buyout	Buyout - Medium	2021	11,000,000	1,422,109	-	1,299,911	n.m.
Montagu VI	Buyout	Buyout - Medium	2020	40,301,363	21,216,118	3,742,628	17,757,949	n.m.
Nautic Partners V	Buyout	Buyout - Medium	2000	15,000,000	14,375,199	29,661,391	1,276,617	17.0%
NEA 18 Venture Growth Equity	Growth Equity	Growth Equity	2022	35,000,000	6,387,500	-	5,729,772	n.m.

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Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
New Enterprise Associates 13	Venture Capital	Venture - Multi-Stage	2009	15,000,000	15,000,000	35,837,620	5,419,075	17.5%
New Enterprise Associates 15	Venture Capital	Venture - Multi-Stage	2015	20,000,000	18,900,000	12,413,229	29,201,405	17.9%
New Enterprise Associates 16	Venture Capital	Venture - Multi-Stage	2017	25,000,000	21,875,000	3,261,239	32,025,763	17.7%
New Enterprise Associates 17	Venture Capital	Venture - Multi-Stage	2019	35,000,000	24,150,000	2,709,494	31,895,891	30.1%
New Enterprise Associates 18	Venture Capital	Venture - Multi-Stage	2022	40,000,000	3,100,000	-	2,986,362	n.m.
New Mountain Partners III	Buyout	Buyout - Large	2007	20,000,000	18,749,918	48,391,001	394,720	14.6%
New Water Capital	Buyout	Buyout - Small	2015	10,000,000	9,508,478	11,414,061	3,656,117	15.1%
NewBridge Asia IV	Buyout	Buyout - Medium	2005	10,000,000	9,846,880	21,902,222	37,462	16.8%
NGP Natural Resources XI	Natural Resources	Energy	2014	25,000,000	24,866,877	11,352,917	22,500,698	8.0%
NMS Fund III	Buyout	Buyout - Small	2017	10,000,000	8,554,156	2,202,695	13,037,893	32.8%
NMS Fund IV	Buyout	Buyout - Medium	2020	40,000,000	11,101,595	216,342	11,009,225	n.m.
Nordic Capital V	Buyout	Buyout - Medium	2003	14,043,460	14,312,613	42,509,152	55,002	20.8%
Oak HC-FT Partners	Venture Capital	Venture - Late Stage	2014	10,000,000	9,663,325	17,566,336	22,730,626	34.2%
Oak HC-FT Partners II	Venture Capital	Venture - Late Stage	2017	10,000,000	9,850,023	3,097,649	36,254,691	67.1%
Oak HC-FT Partners III	Venture Capital	Venture - Multi-Stage	2019	25,000,000	23,129,420	2,246,982	54,191,262	83.6%
Oak HC-FT Partners IV	Venture Capital	Venture - Multi-Stage	2021	40,000,000	24,679,520	163,684	25,862,465	n.m.
Oak Investment Partners XII	Venture Capital	Venture - Multi-Stage	2006	15,000,000	14,999,762	13,311,363	703,609	-1.1%
Oaktree Opportunities Fund X	Credit/Distressed	Distressed	2015	7,500,000	6,225,000	3,700,449	5,500,940	9.8%
Oaktree Opportunities Fund Xb	Credit/Distressed	Distressed	2018	17,500,000	10,500,000	-	15,573,979	18.9%
OceanSound Partners Fund	Buyout	Buyout - Medium	2019	20,000,000	20,936,415	10,500,520	14,214,433	20.7%
OCM Opportunities Fund VII	Credit/Distressed	Distressed	2007	10,000,000	10,000,000	13,736,793	79,669	7.3%

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Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
OCM Opportunities Fund VIIIb	Credit/Distressed	Distressed	2008	10,000,000	9,000,000	15,579,685	4,925	16.5%
Onex Partners	Buyout	Buyout - Large	2003	20,000,000	19,048,408	58,437,674	83,730	38.4%
Orchid Asia VIII	Growth Equity	Growth Equity	2021	50,000,000	4,929,060	-	4,011,225	n.m.
P4G Capital Partners I	Buyout	Buyout - Small	2018	10,000,000	1,696,348	1,328	567,523	-48.6%
Palladium Equity Partners IV	Buyout	Buyout - Medium	2012	25,000,000	25,862,412	13,802,436	23,852,826	9.7%
Palladium Equity Partners V	Buyout	Buyout - Medium	2017	25,000,000	15,465,649	2,271,042	17,272,677	11.7%
Permira Europe III	Buyout	Buyout - Large	2003	21,506,160	21,573,836	36,899,715	90,806	26.1%
Pharos Capital Partners II-A	Buyout	Buyout - Medium	2004	5,000,000	5,000,000	3,192,707	2,426,768	1.5%
Platinum Equity Capital Partners III	Buyout	Buyout - Large	2011	25,000,000	19,963,233	41,152,564	6,107,731	31.3%
Platinum Equity Capital Partners IV	Buyout	Buyout - Large	2016	15,000,000	15,270,796	14,430,336	18,433,968	31.1%
Platinum Equity Capital Partners V	Buyout	Buyout - Large	2019	50,000,000	51,170,760	4,581,114	68,491,485	49.5%
Platinum Equity Small Cap Fund	Buyout	Buyout - Medium	2018	22,500,000	16,762,586	4,051,972	21,362,960	30.0%
Polaris Growth Fund	Growth Equity	Growth Equity	2018	10,000,000	3,500,000	3,514,286	7,982,849	69.9%
Polaris Partners VII	Venture Capital	Venture - Multi-Stage	2014	25,000,000	23,125,000	5,770,814	41,156,653	14.3%
Polaris Partners VIII	Venture Capital	Venture - Multi-Stage	2016	10,000,000	8,100,000	3,206,189	15,413,484	28.7%
Polaris Venture Partners V	Venture Capital	Venture - Multi-Stage	2006	15,000,000	14,700,000	19,542,036	8,997,857	8.9%
Polaris Venture Partners VI	Venture Capital	Venture - Multi-Stage	2010	15,000,000	13,125,000	15,059,346	16,223,985	15.3%
Providence Debt Fund III	Credit/Distressed	Distressed	2013	30,000,000	32,098,772	31,749,158	10,497,686	6.8%
Providence Equity Partners V	Buyout	Buyout - Large	2005	18,000,000	16,415,595	20,374,892	95,933	3.2%
Providence Equity Partners VI	Buyout	Buyout - Large	2007	30,000,000	28,967,876	41,216,052	2,398,791	6.1%
Reverence Capital Partners Opportunities Fund V (PE III)	Buyout	Buyout - Medium	2022	50,000,000	-	-	(362,855)	n.m.

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Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Roark Capital Partners II Side Car	Buyout	Buyout - Medium	2018	10,000,000	9,888,773	1,703,566	15,585,338	24.1%
Roark Capital Partners V	Buyout	Buyout - Large	2018	15,000,000	12,833,426	3,060,353	16,145,999	25.0%
Roark Capital Partners VI	Buyout	Buyout - Large	2021	40,000,000	8,427,793	312,032	8,753,216	n.m.
Samson Brunello 1	Buyout	Buyout - Large	2021	0	2,542,878	-	3,993,322	50.2%
Samson Hockey 1	Buyout	Buyout - Large	2020	0	3,380,241	1,104,330	4,985,299	63.0%
Samson Shield 1	Buyout	Buyout - Large	2020	0	11,373,473	2,125,231	11,493,162	17.8%
Searchlight Capital II	Buyout	Buyout - Medium	2015	25,000,000	21,746,038	30,755,331	13,792,708	24.7%
Spark Capital	Venture Capital	Venture - Early Stage	2005	9,000,000	8,820,000	11,937,038	436,589	8.2%
Spark Capital Growth Fund	Growth Equity	Growth Equity	2014	10,000,000	10,000,000	29,605,004	36,446,492	37.2%
Spark Capital Growth Fund II	Growth Equity	Growth Equity	2017	15,000,000	14,625,000	10,520,319	24,982,935	33.3%
Spark Capital Growth Fund III	Growth Equity	Growth Equity	2020	26,750,000	26,215,000	3,526,069	40,724,656	72.2%
Spark Capital Growth Fund IV	Growth Equity	Growth Equity	2021	33,340,000	4,334,200	-	4,161,298	n.m.
Spark Capital II	Venture Capital	Venture - Early Stage	2008	9,750,000	9,750,000	40,605,932	25,942,850	52.0%
Spark Capital III	Venture Capital	Venture - Early Stage	2011	10,000,000	10,000,000	17,195,128	33,901,777	32.6%
Spark Capital VI	Venture Capital	Venture - Early Stage	2020	13,250,000	9,341,250	-	9,646,733	3.5%
Spark Capital VII	Venture Capital	Venture - Early Stage	2021	16,660,000	2,332,400	-	2,269,470	n.m.
Spire Capital Partners III	Buyout	Buyout - Small	2013	10,000,000	10,439,048	6,139,702	7,805,374	8.1%
Stelllex Capital Partners II	Buyout	Buyout - Medium	2021	30,000,000	8,794,982	992	9,077,236	n.m.
StepStone Secondary Opportunities III	Other	Secondaries	2016	25,000,000	26,893,885	17,939,756	24,659,241	17.1%
Stripes III	Growth Equity	Growth Equity	2015	10,000,000	12,806,754	7,279,098	25,580,432	22.8%
Stripes IV	Growth Equity	Growth Equity	2017	10,000,000	13,376,556	4,261,332	40,687,205	60.9%

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Sunstone Partners I	Growth Equity	Growth Equity	2015	7,500,000	6,902,899	5,307,044	12,594,609	38.9%
Sunstone Partners II	Growth Equity	Growth Equity	2020	10,000,000	5,258,051	-	6,156,435	62.2%
TA XI	Growth Equity	Growth Equity	2010	20,000,000	19,778,812	65,152,536	12,870,115	27.5%
TA XII-A	Growth Equity	Growth Equity	2016	25,000,000	25,017,785	40,016,682	32,918,991	40.3%
TA XIII-A	Growth Equity	Growth Equity	2019	35,000,000	30,975,000	10,237,500	41,273,372	50.4%
TA XIV-A	Growth Equity	Growth Equity	2021	60,000,000	16,200,000	-	15,501,771	n.m.
TCV IX	Growth Equity	Growth Equity	2016	10,000,000	7,938,000	4,477,807	14,080,377	28.3%
TCV VII	Growth Equity	Growth Equity	2008	20,000,000	19,745,900	61,402,597	1,605,801	23.4%
TCV VIII	Growth Equity	Growth Equity	2014	30,000,000	26,152,505	19,755,954	39,598,620	14.6%
TCV X	Growth Equity	Growth Equity	2019	25,000,000	18,763,324	-	48,113,847	57.5%
TCV XI	Growth Equity	Growth Equity	2021	40,000,000	16,966,545	-	18,471,973	14.1%
TCW Crescent Mezzanine Partners V	Credit/Distressed	Mezzanine	2007	10,000,000	9,625,012	13,257,347	38,355	9.7%
The Baring Asia Private Equity Fund VI, L.P. 1 Buyout		Buyout - Medium	2015	25,000,000	26,174,462	22,300,844	28,389,642	17.8%
The Baring Asia Private Equity Fund VII	Buyout	Buyout - Medium	2018	25,000,000	22,545,741	11,527,113	23,833,962	38.0%
Thoma Bravo Discover Fund II	Buyout	Buyout - Medium	2018	10,000,000	10,324,569	4,052,669	14,994,033	35.7%
Thoma Bravo Discover Fund III	Buyout	Buyout - Medium	2020	20,000,000	16,625,886	259,587	18,112,045	n.m.
Thoma Bravo Discover Fund IV	Buyout	Buyout - Medium	2022	45,000,000	-	-	-	n.m.
Thoma Bravo Explore Fund	Buyout	Buyout - Small	2020	10,000,000	5,455,342	538,135	6,474,388	39.1%
Thoma Bravo Fund XI	Buyout	Buyout - Medium	2014	15,000,000	13,400,392	28,097,993	23,221,878	28.6%
Thoma Bravo Fund XII	Buyout	Buyout - Large	2016	25,000,000	26,347,700	9,546,476	42,014,009	17.8%
Thoma Bravo Fund XIII	Buyout	Buyout - Large	2018	30,000,000	32,994,321	15,583,716	43,424,733	42.4%

CORE PORTFOLIO SUMMARY AS OF 3/31/2022 - ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Thoma Bravo Fund XIV	Buyout	Buyout - Large	2021	30,000,000	28,243,272	7	28,557,720	n.m.
Thoma Bravo Fund XV	Buyout	Buyout - Large	2022	80,000,000	-	-	-	n.m.
Thoma Bravo Special Opportunities Fund II	Buyout	Buyout - Medium	2015	10,000,000	9,200,691	9,265,348	12,500,229	17.9%
Threshold Ventures II	Venture Capital	Venture - Early Stage	2016	10,000,000	9,770,000	1,519,757	32,262,601	38.1%
TPG Growth II	Buyout	Buyout - Medium	2011	30,000,000	29,936,737	54,351,978	16,282,190	17.7%
TPG Partners IV	Buyout	Buyout - Large	2003	25,000,000	27,436,973	52,741,423	57,788	15.2%
TPG Partners V	Buyout	Buyout - Large	2006	30,000,000	31,415,182	42,679,767	93,908	4.8%
TPG Partners VI	Buyout	Buyout - Large	2008	22,500,000	24,691,367	35,491,328	1,377,474	9.5%
TPG Rise Climate	Growth Equity	Growth Equity	2021	50,000,000	-	-	(761,164)	n.m.
TPG STAR	Buyout	Buyout - Medium	2006	20,000,000	21,635,099	25,624,152	2,658,781	6.4%
Trident Capital Fund-VI	Buyout	Buyout - Medium	2005	8,500,000	8,500,000	11,600,511	2,568,087	5.2%
Ulu Ventures Fund III	Venture Capital	Venture - Early Stage	2020	10,000,000	4,500,000	-	4,400,147	-2.7%
Upfront VI	Venture Capital	Venture - Early Stage	2017	20,000,000	16,154,241	899,215	28,905,122	26.0%
VantagePoint Venture Partners IV	Venture Capital	Venture - Multi-Stage	2000	15,000,000	15,000,000	14,430,192	25,925	-0.5%
Vestar Capital Partners IV	Buyout	Buyout - Medium	1999	17,000,000	16,585,106	29,291,945	115,972	13.4%
Vista Equity Partners Fund III	Buyout	Buyout - Medium	2007	25,000,000	23,280,656	60,189,165	2,264,969	26.6%
Vista Equity Partners Fund IV	Buyout	Buyout - Medium	2011	30,000,000	25,771,668	34,223,953	23,279,180	15.5%
Vista Equity Partners Fund V	Buyout	Buyout - Medium	2014	40,000,000	40,557,468	44,805,339	56,285,100	21.0%
Vista Equity Partners Fund VI	Buyout	Buyout - Large	2016	30,000,000	37,033,543	25,542,248	50,991,101	22.7%
Vista Equity Partners Fund VII	Buyout	Buyout - Large	2018	40,000,000	29,485,716	314,350	42,490,274	23.1%
Vista Foundation Fund II	Buyout	Buyout - Medium	2013	10,000,000	9,194,226	9,587,161	10,881,016	16.0%

CORE PORTFOLIO SUMMARY AS OF 3/31/2022 - ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Vista Foundation Fund III	Buyout	Buyout - Medium	2016	10,000,000	11,169,915	10,727,804	10,929,127	27.0%
Vista Foundation Fund IV	Buyout	Buyout - Medium	2020	30,000,000	11,767,853	5,779	11,633,954	-1.2%
Vitruvian Investment Partnership IV	Buyout	Buyout - Medium	2020	39,119,924	18,039,481	-	20,488,438	64.9%
Wynnchurch Capital Partners IV	Buyout	Buyout - Medium	2015	10,000,000	9,404,420	8,930,085	14,168,702	30.7%
Yucaipa American Alliance Fund II	Buyout	Buyout - Medium	2008	20,000,000	20,160,070	22,156,981	15,363,156	7.9%
LACERS - Active Core				5,950,133,069	4,164,315,568	3,710,464,093	3,823,051,150	13.4%
LACERS Core				6,802,157,683	4,993,708,234	4,991,586,730	3,823,051,150	13.4%

CORE PORTFOLIO SUMMARY AS OF 3/31/2022 - LIQUIDATED

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
ACON-Bastion Partners II	Buyout	Buyout - Medium	2006	5,000,000	4,721,150	8,209,699	-	12.3%
Alchemy Plan (City of Angels)	Buyout	Buyout - Medium	1999	38,194,245	40,196,637	50,322,714	-	5.7%
Austin Ventures VII	Venture Capital	Venture - Multi-Stage	1999	17,000,000	17,000,000	13,726,439	-	-2.8%
Avenue Europe Special Situations Fund II	Credit/Distressed	Distressed	2011	28,323,908	28,305,005	32,200,618	-	3.5%
Avenue Special Situations Fund IV	Credit/Distressed	Distressed	2006	10,000,000	10,000,000	13,828,999	-	8.3%
Avenue Special Situations Fund V	Credit/Distressed	Distressed	2007	10,000,000	9,950,262	13,312,819	-	11.5%
Carlyle Partners IV	Buyout	Buyout - Large	2005	20,000,000	19,634,189	39,897,415	-	13.0%
CGW Southeast Partners III	Buyout	Buyout - Small	1996	8,680,144	8,680,144	14,736,448	-	9.2%
CGW Southeast Partners IV	Buyout	Buyout - Medium	1999	10,000,000	8,707,914	13,398,877	-	8.3%
Charterhouse Capital Partners VIII	Buyout	Buyout - Large	2006	19,869,483	19,656,305	18,895,820	-	-0.6%
Chisholm Partners IV	Buyout	Buyout - Small	1999	9,000,000	8,841,055	9,376,669	-	0.7%
CHS Private Equity V	Buyout	Buyout - Medium	2005	20,000,000	20,145,530	35,432,176	-	9.9%
CVC European Equity Partners	Buyout	Buyout - Large	1996	10,000,000	9,686,071	24,345,254	-	23.2%
CVC European Equity Partners II	Buyout	Buyout - Large	1998	9,218,055	9,212,371	22,076,376	-	18.9%
Enhanced Equity Fund	Buyout	Buyout - Small	2006	10,000,000	10,000,000	10,776,209	-	1.1%
Enhanced Equity Fund II	Buyout	Buyout - Small	2010	10,000,000	9,570,165	5,253,831	-	-21.7%
First Reserve Fund X	Natural Resources	Energy	2004	20,000,000	20,000,000	36,552,322	-	31.0%
Golder, Thoma, Cressey, Rauner Fund V	Buyout	Buyout - Medium	1997	10,000,000	10,000,000	18,226,074	-	11.0%
GTCR Fund IX-A	Buyout	Buyout - Medium	2006	15,000,000	14,288,203	25,808,785	-	13.8%
GTCR Fund VI	Buyout	Buyout - Medium	1998	10,000,000	10,000,000	8,890,791	-	-3.8%
GTCR Fund VII	Buyout	Buyout - Medium	2000	18,750,000	18,609,375	43,841,047	-	21.8%

CORE PORTFOLIO SUMMARY AS OF 3/31/2022 - LIQUIDATED

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
GTCR Fund VII-A	Buyout	Buyout - Medium	2001	6,250,000	4,140,625	11,565,815	-	83.1%
Hellman & Friedman Capital Partners V	Buyout	Buyout - Large	2004	10,463,972	9,931,388	26,659,657	-	27.8%
Highbridge Principal Strategies Senior Loan II Credit/Distressed		Distressed	2010	50,000,000	40,883,273	47,651,965	-	7.9%
InterWest VI	Venture Capital	Venture - Early Stage	1996	5,000,000	5,000,000	14,858,749	-	49.0%
J.H. Whitney IV	Buyout	Buyout - Medium	1999	22,448,463	22,448,463	9,422,111	-	-10.9%
J.H. Whitney V	Buyout	Buyout - Medium	2000	9,957,358	11,558,159	22,375,756	-	23.3%
J.H. Whitney VI	Buyout	Buyout - Medium	2005	15,000,000	14,884,557	14,590,780	-	-0.4%
Kelso Investment Associates VI	Buyout	Buyout - Medium	1998	4,309,418	4,309,418	5,982,794	-	9.3%
KKR 1996 Fund	Buyout	Buyout - Large	1997	25,000,000	26,194,438	46,838,314	-	13.2%
Lindsay Goldberg & Bessemer II	Buyout	Buyout - Large	2006	20,000,000	18,913,523	27,078,474	-	7.1%
Madison Dearborn Capital Partners III	Buyout	Buyout - Medium	1999	16,000,000	16,000,000	24,398,778	-	8.6%
Madison Dearborn Capital Partners IV	Buyout	Buyout - Medium	2000	25,000,000	25,199,114	48,054,335	-	14.1%
Menlo Ventures VII	Venture Capital	Venture - Multi-Stage	1997	5,000,000	5,000,000	23,552,033	-	135.8%
Menlo Ventures VIII	Venture Capital	Venture - Multi-Stage	1999	18,000,000	18,000,000	8,980,234	-	-8.9%
OCM Opportunities Fund	Credit/Distressed	Distressed	1995	11,000,000	10,972,896	18,030,431	-	10.3%
OCM Opportunities Fund II	Credit/Distressed	Distressed	1997	11,000,000	11,000,000	16,628,641	-	8.4%
OCM Opportunities Fund III	Credit/Distressed	Distressed	1999	10,000,000	10,000,000	15,072,658	-	11.9%
OCM Opportunities Fund IV	Credit/Distressed	Distressed	2001	10,000,000	10,000,000	16,503,319	-	28.4%
OCM Opportunities Fund V	Credit/Distressed	Distressed	2004	7,100,000	7,100,000	11,703,269	-	14.1%
Olympus Growth Fund IV	Buyout	Buyout - Medium	2003	7,700,000	7,660,045	11,831,606	-	8.5%
Permira Europe IV	Buyout	Buyout - Large	2006	14,935,115	14,921,731	24,111,899	-	8.6%

CORE PORTFOLIO SUMMARY AS OF 3/31/2022 - LIQUIDATED

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Providence TMT Debt Opportunity Fund II	Credit/Distressed	Distressed	2010	20,000,000	16,319,772	25,893,666	-	10.4%
Richland Ventures III	Venture Capital	Venture - Late Stage	1999	18,000,000	18,000,000	15,261,276	-	-3.0%
SSG Capital Partners II	Credit/Distressed	Distressed	2012	15,914,286	15,287,483	17,803,371	-	4.1%
TA X	Growth Equity	Growth Equity	2006	6,000,000	6,186,689	8,025,046	-	5.2%
TCV V	Venture Capital	Venture - Multi-Stage	2004	19,500,000	19,334,250	35,783,445	-	10.6%
TCW Crescent Mezzanine Partners IV	Credit/Distressed	Mezzanine	2006	10,000,000	8,712,805	9,998,443	-	2.9%
The Resolute Fund	Buyout	Buyout - Medium	2002	20,000,000	18,978,049	48,217,383	-	17.0%
Thoma Cressey Fund VI	Buyout	Buyout - Medium	1998	5,000,000	4,845,000	4,995,064	-	0.4%
Thomas H. Lee Equity Fund V	Buyout	Buyout - Medium	2000	15,000,000	15,260,867	26,333,190	-	14.2%
Tibbar Holdings, LLC (FKA TH Lee IV)	Buyout	Buyout - Medium	1998	7,000,000	6,314,197	5,484,109	-	-2.6%
TPG Partners III	Buyout	Buyout - Large	1999	25,000,000	22,442,286	56,580,977	-	24.4%
Trident Capital Fund-V	Buyout	Buyout - Medium	2000	10,587,999	10,627,045	17,742,590	-	7.7%
Trident Capital Fund-V (Secondary)	Buyout	Buyout - Medium	2000	3,781,680	3,374,683	6,480,167	-	12.1%
Welsh, Carson, Anderson & Stowe IX	Buyout	Buyout - Medium	2000	15,000,000	14,850,000	24,680,230	-	11.2%
Welsh, Carson, Anderson & Stowe VII	Buyout	Buyout - Medium	1995	15,000,000	15,000,000	32,633,357	-	17.7%
Welsh, Carson, Anderson & Stowe VIII	Buyout	Buyout - Medium	1998	15,000,000	15,000,000	19,322,526	-	3.1%
Weston Presidio Capital IV	Growth Equity	Growth Equity	2000	15,000,000	14,764,721	17,365,533	-	3.0%
Weston Presidio Capital IV (Secondary)	Growth Equity	Growth Equity	2000	3,040,488	2,772,810	3,521,264	-	5.2%
LACERS - Liquidated Core				852,024,614	829,392,665	1,281,122,637	-	10.4%
LACERS Core				6,802,157,683	4,993,708,234	4,991,586,730	3,823,051,150	13.4%

SPECIALIZED PORTFOLIO SUMMARY AS OF 3/31/2022 - ACTIVE

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Angeleno Investors III	Venture Capital	Venture - Late Stage	2009	10,000,000	10,686,144	1,290,117	8,407,217	-1.4%
DFJ Frontier Fund II	Venture Capital	Venture - Early Stage	2007	5,000,000	5,002,783	1,790,549	4,764,734	3.0%
Element Partners Fund II	Venture Capital	Venture - Late Stage	2008	10,000,000	9,361,465	12,922,426	1,238,730	6.1%
NGEN III	Venture Capital	Venture - Multi-Stage	2008	10,000,000	11,297,172	5,659,813	3,217,374	-3.2%
Palladium Equity Partners III	Buyout	Buyout - Medium	2004	10,000,000	9,916,579	17,807,911	22,860	11.2%
Saybrook Corporate Opportunity Fund	Credit/Distressed	Distressed	2007	6,192,814	6,321,092	9,096,851	542,625	9.7%
St. Cloud Capital Partners II	Credit/Distressed	Mezzanine	2007	5,000,000	4,989,085	4,177,572	50,019	-3.8%
StarVest Partners II	Venture Capital	Venture - Late Stage	2007	5,000,000	4,965,849	2,508,899	2,076,996	-1.0%
Vicente Capital Partners Growth Equity Fund	Growth Equity	Growth Equity	2007	10,000,000	10,093,708	13,998,549	104,913	5.7%
Yucaipa American Alliance Fund I	Buyout	Buyout - Medium	2002	10,000,000	10,000,000	12,451,100	71,344	3.8%
LACERS - Specialized Active				81,192,814	82,633,875	81,703,787	20,496,812	3.6%
LACERS Specialized				191,261,668	189,037,615	193,335,382	20,496,812	2.0%

SPECIALIZED PORTFOLIO SUMMARY AS OF 3/31/2022 - LIQUIDATED

Fund	Strategy	Sub-Strategy	Vintage Year	USD Commitment	USD ITD Contributions	USD ITD Distributions	USD Fair Market Value	Net IRR
Ares Special Situations Fund	Credit/Distressed	Distressed	2008	10,000,000	10,166,166	17,497,244	-	13.1%
Carpenter Community BancFund-A	Buyout	Buyout - Small	2008	10,000,000	9,692,231	16,376,097	-	8.2%
Craton Equity Investors I	Growth Equity	Growth Equity	2006	10,000,000	9,951,989	1,067,621	-	-32.7%
DFJ Element	Venture Capital	Venture - Multi-Stage	2006	8,000,000	7,846,106	5,764,976	-	-3.4%
NGEN Partners II	Venture Capital	Venture - Multi-Stage	2005	7,750,702	7,750,702	515,126	-	-49.0%
Nogales Investors Fund II	Buyout	Buyout - Medium	2006	4,100,000	3,603,436	398,586	-	-24.1%
Reliant Equity Partners	Buyout	Buyout - Small	2002	7,920,417	8,008,449	55,772	-	-100.0%
Rustic Canyon/Fontis Partners	Growth Equity	Growth Equity	2005	5,000,000	3,671,248	2,552,846	-	-5.0%
Sector Performance Fund	Buyout	Buyout - Medium	2007	9,297,735	9,502,443	8,466,553	-	-2.9%
Spire Capital Partners II	Buyout	Buyout - Small	2006	10,000,000	9,025,654	17,699,807	-	15.6%
StepStone Pioneer Capital I	Other	Fund of Funds	2004	10,000,000	9,751,911	13,033,359	-	5.1%
StepStone Pioneer Capital II	Other	Fund of Funds	2006	10,000,000	9,427,148	18,255,456	-	9.1%
Sterling Venture Partners II	Venture Capital	Venture - Late Stage	2005	8,000,000	8,006,256	9,948,152	-	3.1%
Liquidated				110,068,854	106,403,740	111,631,595	-	0.8%
LACERS Specialized				191,261,668	189,037,615	193,335,382	20,496,812	2.0%



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM



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

MEETING: SEPTEMBER 27, 2022
ITEM: VIII - D

Neil M. Guglielmo

SUBJECT: CONTINUED DISCUSSION OF UNIQUE INVESTMENT OPPORTUNITIES POLICY AND POSSIBLE BOARD ACTION

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board approve the proposed Unique Investment Opportunities Policy.

Discussion

On July 26, 2022, the Board reviewed and discussed the proposed Unique Investment Opportunities Policy (UIOP), which was created to provide LACERS staff flexibility and authority to take advantage of potential unique and time-sensitive strategies expected to enhance the risk-adjusted returns of the LACERS investment portfolio. During the discussion, the Board instructed staff to reduce the maximum allocation of UIOP investments as a percentage of LACERS total portfolio and to include the Board and Investment Committee in the investment approval process. These revisions are reflected on the following pages of the attached redline version of the UIOP (Attachment 2):

- Page 3 – Reduced the maximum allocation of UIOP investments from 5% to 3% of the total portfolio
- Pages 4, 5, 7, and 8 – Added language to reflect the roles of the Board and Investment Committee in approving UIOP investments and included a provision to delegate authority to approve time-sensitive investments to the Board President, Investment Committee Chairperson, General Manager, and Chief Investment Officer in the event that a quorum of the Board or Committee is unavailable to consider the investment

Several administrative edits have also been made to the proposed UIOP. The proposed policy has been reviewed by NEPC, LLC, LACERS' General Fund Consultant; Aksia CA LLC, LACERS' Private Equity Consultant; The Townsend Group, LACERS' Real Estate Consultant; and the Office of the City Attorney. Upon the Board's approval of the UIOP, staff may make additional minor administrative edits to be incorporated in the final version of the policy.

Strategic Plan Impact Statement

The Unique Investment Opportunities Policy assists the Board with optimizing LACERS' long-term risk-adjusted return profile (Goal IV) and promotes good governance practices (Goal V).

Prepared By: James Wang, Investment Officer I, Investment Division

NMG/RJ/BF/JW:rm

Attachment:

1. Report to the Board Dated July 26, 2022
2. Proposed Revised Unique Investment Opportunities Policy – Redlined
3. Proposed Revised Unique Investment Opportunities Policy – Clean



REPORT TO BOARD OF ADMINISTRATION

From: Investment Committee
Sung Won Sohn, Chair
Elizabeth Lee
Nilza R. Serrano

MEETING: JULY 26, 2022
ITEM: X - E

SUBJECT: UNIQUE INVESTMENT OPPORTUNITIES POLICY AND POSSIBLE BOARD ACTION

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Board approve the proposed Unique Investment Opportunities Policy.

Discussion

The proposed Unique Investment Opportunities Policy (UIOP) was developed to provide LACERS staff flexibility and authority to take advantage of potential unique and time-sensitive strategies that are expected to enhance the risk-adjusted returns of the LACERS investment portfolio. UIOP investments typically arise during periods of market stress, dislocations, or changing market dynamics and have the potential to generate returns in excess of those expected from traditional investments within the LACERS portfolio. Two key defining characteristics of a UIOP investment are a short window of time to capitalize on the opportunity and a short-term investment horizon; such an opportunity would be missed if it were subject to a traditional and lengthy request for proposal search process. Therefore, the proposed policy provides limited discretion to staff, with concurrence from the appropriate investment consultant, to consummate UIOP investments similar to the limited discretion provided to staff and consultant under the Private Equity Investment Policy.

On July 12, 2022, the Committee discussed the proposed UIOP with staff and approved moving it forward to the Board for consideration subject to including a provision that the UIOP be reviewed by the Board at least once every three years to evaluate its effectiveness and make appropriate revisions. This revision has been incorporated in the attached redlined and clean versions of the UIOP (Attachments 2 and 3).

The proposed UIOP has been reviewed by NEPC, LLC, LACERS' General Fund Consultant; Aksia LLC, LACERS' Private Equity Consultant; The Townsend Group, LACERS' Real Estate Consultant; and the Office of the City Attorney. Upon the Board's approval of the UIOP, staff may make additional minor administrative edits to be incorporated in the final version of the policy.

Strategic Plan Impact Statement

The Unique Investment Opportunities Policy assists the Board with optimizing LACERS' long-term risk-adjusted return profile (Goal IV) and promotes good governance practices (Goal V).

Prepared By: James Wang, Investment Officer I, Investment Division

NMG/RJ/BF/JW:rm

- Attachment:
1. Report to Investment Committee Dated July 12, 2022
 2. Proposed Revised Unique Investment Opportunities Policy – Redlined
 3. Proposed Revised Unique Investment Opportunities Policy – Clean



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM



REPORT TO INVESTMENT COMMITTEE
From: Neil M. Guglielmo, General Manager

MEETING: JULY 12, 2022
ITEM: VI

Neil M. Guglielmo

SUBJECT: UNIQUE INVESTMENT OPPORTUNITIES POLICY AND POSSIBLE COMMITTEE ACTION

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Committee consider and provide comments to the proposed Unique Investment Opportunities Policy.

Discussion

The Board believes that the LACERS investment portfolio is best managed when additional tools are available for staff to address and respond to dynamic and rapid changes to investment markets. Staff developed the attached proposed Unique Investment Opportunities Policy (UIOP), which sets forth guidelines to invest in unique, time-sensitive strategies expected to enhance the risk-adjusted returns of the LACERS investment portfolio. UIOP investments typically arise during periods of market stress, dislocations, or changing market dynamics and have the potential to generate returns in excess of those expected from traditional investments within the LACERS portfolio. Two key defining characteristics of a UIOP investment are a short window of time to capitalize on the opportunity and a short-term investment horizon; such an opportunity would be missed if it were subject to a traditional and lengthy request for proposal search process. Therefore, the proposed policy provides limited discretion to staff, with concurrence from the appropriate investment consultant, to consummate UIOP investments similar to the limited discretion provided to staff and consultant under the Private Equity Investment Policy.

The proposed UIOP has been reviewed by NEPC, LLC, LACERS' General Fund Consultant; Aksia LLC, LACERS' Private Equity Consultant; The Townsend Group, LACERS' Real Estate Consultant; and the Office of the City Attorney.

Staff request the Committee to provide further comments regarding the proposed UIOP.

Strategic Plan Impact Statement

The Unique Investment Opportunities Policy assists the Board with optimizing LACERS' long-term risk-adjusted return profile (Goal IV) and promotes good governance practices (Goal V).

Prepared By: James Wang, Investment Officer I, Investment Division

NMG/RJ/BF/JW:rm

Attachment: 1. Proposed Unique Investment Opportunities Policy

UNIQUE INVESTMENT OPPORTUNITIES POLICY

A. Purpose

The Board believes that LACERS Total Fund (Total Fund) is best managed when additional tools are available for Staff to address and respond to dynamic and rapid changes to investment markets or a particular sector. The Unique Investment Opportunities Policy (UIOP) sets forth a framework and guidelines to provide Staff limited discretion to invest in unique, time-sensitive strategies (Unique Investment Opportunities or UIO) expected to enhance Total Fund risk-adjusted returns. UIO investments typically arise during periods of market stress, dislocations, or changing market dynamics and have the potential to generate returns in excess of those expected from traditional investments within the LACERS portfolio. UIO investments generally have limited windows of opportunity, short-term investment horizons, and reasonable likelihood of return of capital; therefore, this policy is designed to give limited investment discretion to Staff to expediently and efficiently consummate such investments.

B. Investment Objectives

The objective of the UIOP is to proactively identify and utilize opportunistic investments within public and private markets that may or may not have an existing long-term asset allocation policy or risk budget targets in the LACERS portfolio. UIO investments may be made in order to accomplish one or more of the following:

1. Generate incremental returns equal to or in excess of LACERS' actuarial assumed rate of return, commensurate with risk.
2. Generate incremental returns in excess of expected returns from LACERS' traditional portfolio of investments—as identified by the asset allocation policy and risk budget targets—commensurate with risk.
3. Reduce downside volatility and optimize risk-adjusted returns for the LACERS portfolio by investing in UIO that have low correlations to existing investments.

C. Scope and Characteristics of Unique Investment Opportunities

UIO investments may be public or private markets investments and may span the capital structure of companies, properties, and other asset types or investment vehicles. Investments to be pursued under the UIOP generally exhibit, but are not limited to, the following characteristics:

1. Situational Economic and Market Conditions - UIO investments generally arise from the following economic and market circumstances:
 - Capital shortages – driven by low market liquidity or scarce capital that result in attractive asset pricing

- Extreme valuations – driven by unique events or macroeconomic environments, in some cases unrelated to fundamentals and resulting in significantly discounted valuations relative to the historical long-run values
 - Stressed or distressed markets – where economic stresses force non-economic sellers to transact at a significant discount relative to fair market value
 - Structural changes – caused by abrupt structural changes including technological disruptions, regulatory changes, capital market structures, or other factors
 - Innovations – where a new phenomenon or development creates opportunities driven by a slow market response to new information and expected trends
 - Niche investment markets – characterized by narrow markets with limited opportunities for capital deployment such as sector-focused fund investments and other funds with niche strategies
2. Limited Windows of Opportunity and Investment Horizons – UIO investments are generally fleeting investment opportunities with brief windows of opportunity to access the investment and execute a transaction. UIO investments may have shorter term holding periods of approximately one to five years as the economic and/or market pressures driving the UIO dissipate and the underlying investment theme matures.
 3. Limited Liquidity – UIO investments, particularly those made in private markets or in non-traditional asset classes, may require a lock-up of capital in order to capture the return potential of the opportunity.
 4. Non-traditional Risk-Return Profiles – UIO investment risk-return profiles may differ from traditional public or private market investments due to the idiosyncratic nature of UIO investments, which may emphasize certain risk factors such as deep value style bias, sector/industry concentration, or credit risk. UIO investments may have unusual cash flow patterns (e.g., asymmetric payoffs) and may distribute cash more or less frequently than traditional strategies.

D. Investment Guidelines

UIO investments may be made in public or private market investment strategies that are either not currently utilized by LACERS (i.e., the strategy does not have an existing target allocation pursuant to the approved Asset Allocation Policy and risk budgets) or have

existing allocations in the LACERS portfolio. UIO shall be managed by external investment managers and have time horizons deemed appropriate for the strategy and commensurate with similar investments held in the LACERS portfolio. Both public and private market UIO investments may be implemented through separate accounts, open-end commingled funds, closed-end commingled funds, or any other suitable investment structure.

For public market UIO investments, each investment may not exceed 0.5% of the total market value of the LACERS portfolio at the time of investment. For private market UIO investments, the commitment size of each investment may not exceed 0.5% of the total market value of the LACERS portfolio at the time of commitment. Total value of UIO investments and unfunded commitments shall be limited to 5% of the total market value of LACERS portfolio.

Each UIO shall be attributed to an existing asset class in LACERS' allocation strategy. The underlying assets of each UIO investment shall be considered to determine which asset class it will be classified under for purposes of overall portfolio construction, diversification, risk budgeting, risk management, and asset allocation considerations.

The funding of any UIO investment shall not cause any asset class weighting to move beyond its established minimum or maximum target ranges, but may cause an asset class to deviate from its asset allocation policy target.

All UIO investments shall be subject to LACERS Responsible Investment Policy and ESG Risk Framework. UIO investments in strategies with existing LACERS allocations pursuant to the adopted asset allocation and risk budgets shall be subject to existing LACERS investment policies. Investment management guidelines will be negotiated for UIO investments that utilize separate account vehicles.

All UIO investments shall be institutional quality and non-speculative, and, when the investment is effectuated, shall have a reasonable, foreseeable path to liquidity and exit.

E. Investment Process

Staff, with written concurrence from LACERS investment consultant(s), shall select and consummate new UIO investments in accordance with the following investment process. UIO investments shall not be subject to a competitive bidding search process (i.e., request for proposal process) due to the time-sensitive nature of these investments. For each UIO investment considered, Staff shall justify in writing why a competitive bidding process was not utilized.

1. Sourcing and Due Diligence

Staff and/or the appropriate LACERS investment consultant (Consultant) shall be responsible for sourcing UIO investments. All UIO investments are subject to a thorough and rigorous investment due diligence process conducted by Staff and/or Consultants. That process may include but is not limited to analysis of projected return, expected holding period, risks (including but not limited to ESG factors, liquidity, and operational risks), correlation with existing LACERS portfolio investments, and exit strategy. Further operational due diligence on the investment management team, risk management processes, legal, and other factors will also be conducted. Section F describes the general qualifications desired of investment managers to be considered for UIO investment mandates.

2. Approval of Investments

Staff shall submit written investment proposals for consideration under the UIOP to a Review Committee (RC) comprised of the Chief Investment Officer, Chief Operating Officer, and Director of Private Markets or their designees. The proposal shall include (a) an investment thesis, (b) summary of the investment opportunity, (c) the expected risk, return, and holding period of the investment, (d) expected path to liquidity, (e) a pro forma analysis to justify the proposed investment meets one of the investment objectives of Section B of this policy, (f) any other information deemed necessary by the RC to evaluate the proposal, and (g) justification for not using a competitive bidding process. Unanimous approval of the RC is required to proceed with any proposed UIO investment.

Any UIO investment approved by the RC will then require the written authorization of the General Manager and Chief Investment Officer and concurrence from the appropriate LACERS Consultant.

The RC shall designate the source of funding from within the LACERS portfolio for any UIO investment.

3. Board Notification of Authorized Investments

Approved UIO investments shall be reported to the Board in writing as soon as reasonably practicable after the investment has been consummated. The report shall include (but not be limited to) the following information:

- Name of the firm and if the firm qualifies as an emerging manager
- Investment strategy and thesis
- Total commitment or investment size

4. Exiting Investments

To the extent that a UIO investment vehicle is liquid, Staff, with concurrence from the appropriate Consultant, shall have discretion to initiate an exit from a UIO investment when it is determined that (a) the UIO investment has met its expected objective or (b) the UIO investment will not meet its expected objective due to changing market conditions, the investment manager's inability to execute the strategy, or other relevant factors.

For illiquid UIO investment vehicles with no redemption terms, exits will occur through distributions made by the investment manager over the life of the vehicle.

The Board shall be notified in writing as soon as reasonably practicable after an investment has been fully exited.

F. Investment Manager Qualifications

UIO investment managers selected by LACERS under the UIOP will exhibit the following characteristics:

- Demonstrates sufficient experience and a verifiable, positive performance track record in the given strategy LACERS is pursuing through the particular UIO.
- Investment thesis that distinguishes the manager from other, existing approaches already in the LACERS portfolio.
- Appropriate resources and research capabilities to identify and execute unique strategies.
- Disciplined execution process to protect against style drift.
- Niche or specific expertise that can be leveraged in unique market environments.
- Fee structure within industry standard for the strategy.
- Manager is a registered investment adviser under the Investment Advisers Act of 1940 or provides a valid exemption at the time of contract execution.

Staff may hire managers who may qualify under LACERS' Emerging Investment Manager Policy. Staff will make every reasonable effort to consider Emerging Investment Managers for UIO investment mandates when appropriate.

G. Benchmarking and Reporting

1. Performance Benchmarking

LACERS' assumed rate of investment return will serve as the baseline benchmark to measure the performance of UIO investments. The Review Committee may establish a higher or lower benchmark if the risk-return characteristics of the investment warrant doing so.

2. Monitoring

Staff and Consultant will diligently monitor the performance of any UIO investment including but not limited to reviewing quarterly, annual, and other periodic reports as well as meeting with the managers periodically when appropriate. Further duties are listed in Section H. Roles and Responsibilities. The Manager Monitoring Policy may not apply to these investments due to their unique nature; managers will be monitored against the objectives and benchmarks set forth by this policy.

3. Reporting

Performance of individual UIO investments and performance of UIO investments at the aggregated level shall be incorporated into LACERS’ established reporting practices. Certain UIO investments may be subject to transparency reporting requirements per California Government Code § 7514.7.

H. Roles and Responsibilities

	Role of the Board	Role of Staff	Role of Consultant
Strategy / Policy	<ul style="list-style-type: none"> Approve applicable policy. 	<ul style="list-style-type: none"> In consultation with appropriate LACERS’ consultants, develop policies, procedures, guidelines, and allocation limits for recommendation to the Board. 	<ul style="list-style-type: none"> Consultation and feedback.
Investment Selection & Execution	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Identify and evaluate UIO investment ideas. The Chief Investment Officer, in conjunction with designated senior investment division staff, will approve or reject proposed investments for due diligence and execution. Conduct due diligence and prepare a written report for file. General Manager and Chief Investment Officer authorize investments General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing. 	<ul style="list-style-type: none"> Review investment opportunities. Assist with due diligence as appropriate. Provide written concurrence with proposed investments

		<ul style="list-style-type: none"> • Ensure review of relevant fund documents by the City Attorney and/or external legal counsel. • Designate source of funding for the investment and prepare written justification report for file. • Prepare written report for file to justify why a competitive bidding process was not used. 	
Investment Management & Monitoring	<ul style="list-style-type: none"> • Review investment notification reports. 	<ul style="list-style-type: none"> • Monitor investment performance relative to the appropriate benchmark. • Conduct periodic meetings with existing managers. • Prepare investment notification reports for Board. • Review periodic reports prepared by investment managers and consultants. • Fund capital calls and manage distributions when necessary. • Execute partnership amendments and consents (General Manager or designee). 	<ul style="list-style-type: none"> • Consultation and feedback.
Investment Wind Down and Exit	<ul style="list-style-type: none"> • Review investment exit notification reports 	<ul style="list-style-type: none"> • Review investment wind down and exit strategies including secondary transactions. • Prepare investment wind down and exit documents. • General Manager and Chief Investment Officer authorize secondary transactions and/or execute other documents necessary to wind down investments as situation warrants. • Prepare exit notification reports for Board. 	<ul style="list-style-type: none"> • Provide written concurrence on secondary transactions and other investment wind down actions.

UNIQUE INVESTMENT OPPORTUNITIES POLICY

A. Purpose

The Board believes that LACERS Total Fund (Total Fund) is best managed when additional tools are available for Staff to address and respond to dynamic and rapid changes to investment markets or a particular sector. The Unique Investment Opportunities Policy (UIOP) sets forth a framework and guidelines to provide Staff limited discretion to invest in unique, time-sensitive strategies (Unique Investment Opportunities or UIO) expected to enhance Total Fund risk-adjusted returns. UIO investments typically arise during periods of market stress, dislocations, or changing market dynamics and have the potential to generate returns in excess of those expected from traditional investments within the LACERS portfolio. UIO investments generally have limited windows of opportunity, short-term investment horizons, and reasonable likelihood of return of capital; therefore, this policy is designed to give limited investment discretion to Staff to expediently and efficiently consummate such investments.

B. Investment Objectives

The objective of the UIOP is to proactively identify and utilize opportunistic investments within public and private markets that may or may not have an existing long-term asset allocation policy or risk budget targets in the LACERS portfolio. UIO investments may be made in order to accomplish one or more of the following:

1. Generate incremental returns equal to or in excess of LACERS' actuarial assumed rate of return, commensurate with risk.
2. Generate incremental returns in excess of expected returns from LACERS' traditional portfolio of investments—as identified by the asset allocation policy and risk budget targets—commensurate with risk.
3. Reduce downside volatility and optimize risk-adjusted returns for the LACERS portfolio by investing in UIO that have low correlations to existing investments.

C. Scope and Characteristics of Unique Investment Opportunities

UIO investments may be public or private markets investments and may span the capital structure of companies, properties, and other asset types or investment vehicles. Investments to be pursued under the UIOP generally exhibit, but are not limited to, the following characteristics:

1. Situational Economic and Market Conditions - UIO investments generally arise from the following economic and market circumstances:
 - Capital shortages – driven by low market liquidity or scarce capital that result in attractive asset pricing

- Extreme valuations – driven by unique events or macroeconomic environments, in some cases unrelated to fundamentals and resulting in significantly discounted valuations relative to the historical long-run values
 - Stressed or distressed markets – where economic stresses force non-economic sellers to transact at a significant discount relative to fair market value
 - Structural changes – caused by abrupt structural changes including technological disruptions, regulatory changes, capital market structures, or other factors
 - Innovations – where a new phenomenon or development creates opportunities driven by a slow market response to new information and expected trends
 - Niche investment markets – characterized by narrow markets with limited opportunities for capital deployment such as sector-focused fund investments and other funds with niche strategies
2. Limited Windows of Opportunity and Investment Horizons – UIO investments are generally fleeting investment opportunities with brief windows of opportunity to access the investment and execute a transaction. UIO investments may have shorter term holding periods of approximately one to five years as the economic and/or market pressures driving the UIO dissipate and the underlying investment theme matures.
 3. Limited Liquidity – UIO investments, particularly those made in private markets or in non-traditional asset classes, may require a lock-up of capital in order to capture the return potential of the opportunity.
 4. Non-traditional Risk-Return Profiles – UIO investment risk-return profiles may differ from traditional public or private market investments due to the idiosyncratic nature of UIO investments, which may emphasize certain risk factors such as deep value style bias, sector/industry concentration, or credit risk. UIO investments may have unusual cash flow patterns (e.g., asymmetric payoffs) and may distribute cash more or less frequently than traditional strategies.

D. Investment Guidelines

UIO investments may be made in public or private market investment strategies that are either not currently utilized by LACERS (i.e., the strategy does not have an existing target allocation pursuant to the approved Asset Allocation Policy and risk budgets) or have

existing allocations in the LACERS portfolio. UIO shall be managed by external investment managers and have time horizons deemed appropriate for the strategy and commensurate with similar investments held in the LACERS portfolio. Both public and private market UIO investments may be implemented through separate accounts, open-end commingled funds, closed-end commingled funds, or any other suitable investment structure.

For public market UIO investments, each investment may not exceed 0.5% of the total market value of the LACERS portfolio at the time of investment. For private market UIO investments, the commitment size of each investment may not exceed 0.5% of the total market value of the LACERS portfolio at the time of commitment. Total value of UIO investments and unfunded commitments shall be limited to 5% of the total market value of LACERS portfolio.

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The funding of any UIO investment shall not cause any asset class weighting to move beyond its established minimum or maximum target ranges, but may cause an asset class to deviate from its asset allocation policy target.

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2. Approval of Investments

Staff shall submit written investment proposals for consideration under the UIOP to a Review Committee (RC) comprised of the Chief Investment Officer, Chief Operating Officer, and Director of Private Markets or their designees. The proposal shall include (a) an investment thesis, (b) summary of the investment opportunity, (c) the expected risk, return, and holding period of the investment, (d) expected path to liquidity, (e) a pro forma analysis to justify the proposed investment meets one of the investment objectives of Section B of this policy, (f) any other information deemed necessary by the RC to evaluate the proposal, and (g) justification for not using a competitive bidding process. Unanimous approval of the RC is required to proceed with any proposed UIO investment.

Any UIO investment approved by the RC will then require the written authorization of the General Manager and Chief Investment Officer and concurrence from the appropriate LACERS Consultant.

The RC shall designate the source of funding from within the LACERS portfolio for any UIO investment.

3. Board Notification of Authorized Investments

Approved UIO investments shall be reported to the Board in writing as soon as reasonably practicable after the investment has been consummated. The report shall include (but not be limited to) the following information:

- Name of the firm and if the firm qualifies as an emerging manager
- Investment strategy and thesis
- Total commitment or investment size

4. Exiting Investments

To the extent that a UIO investment vehicle is liquid, Staff, with concurrence from the appropriate Consultant, shall have discretion to initiate an exit from a UIO investment when it is determined that (a) the UIO investment has met its expected objective or (b) the UIO investment will not meet its expected objective due to changing market conditions, the investment manager's inability to execute the strategy, or other relevant factors.

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- Appropriate resources and research capabilities to identify and execute unique strategies.
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- Fee structure within industry standard for the strategy.
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Staff may hire managers who may qualify under LACERS' Emerging Investment Manager Policy. Staff will make every reasonable effort to consider Emerging Investment Managers for UIO investment mandates when appropriate.

G. Benchmarking and Reporting

1. Performance Benchmarking

LACERS' assumed rate of investment return will serve as the baseline benchmark to measure the performance of UIO investments. The Review Committee may establish a higher or lower benchmark if the risk-return characteristics of the investment warrant doing so.

2. Monitoring

Staff and Consultant will diligently monitor the performance of any UIO investment including but not limited to reviewing quarterly, annual, and other periodic reports as well as meeting with the managers periodically when appropriate. Further duties are listed in Section H. Roles and Responsibilities. The Manager Monitoring Policy may not apply to these investments due to their unique nature; managers will be monitored against the objectives and benchmarks set forth by this policy.

3. Reporting

Performance of individual UIO investments and performance of UIO investments at the aggregated level shall be incorporated into LACERS' established reporting practices. Certain UIO investments may be subject to transparency reporting requirements per California Government Code § 7514.7.

4. Policy Review

[This policy shall be reviewed by the Board at least once every three years to determine its effectiveness and applicability under prevailing circumstances and conditions.](#)

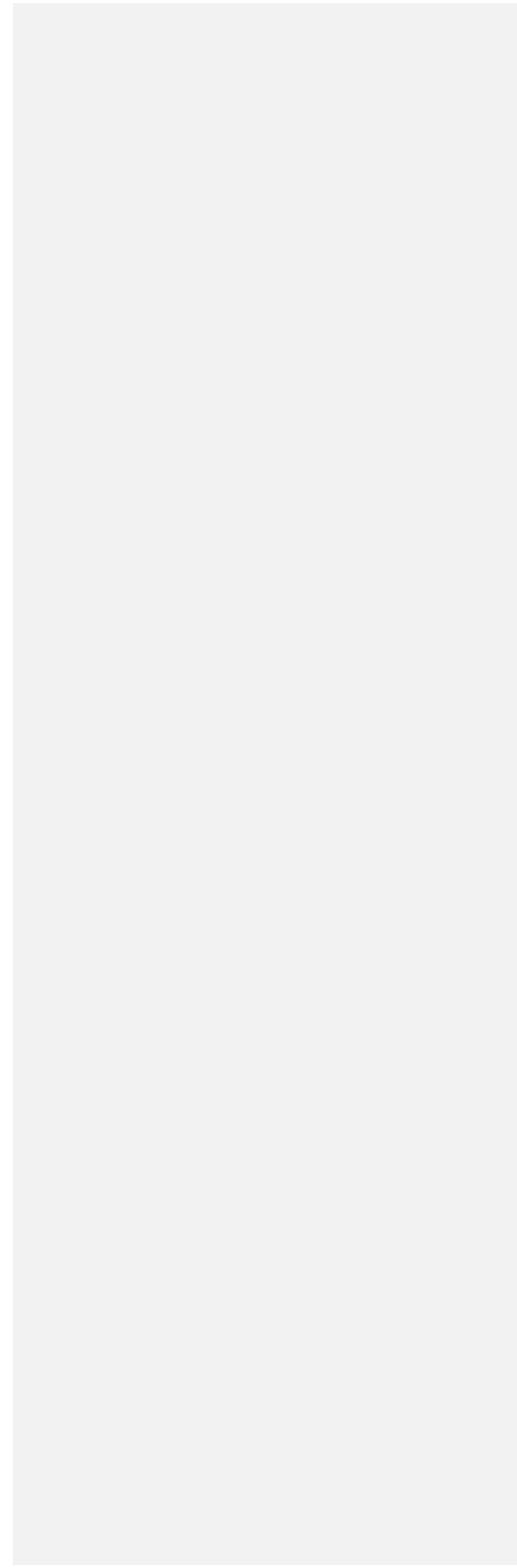
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H. Roles and Responsibilities

	Role of the Board	Role of Staff	Role of Consultant
Strategy / Policy	<ul style="list-style-type: none"> Approve applicable policy. <u>Review policy at least once every three years.</u> 	<ul style="list-style-type: none"> In consultation with appropriate LACERS' consultants, develop policies, procedures, guidelines, and allocation limits for recommendation to the Board. 	<ul style="list-style-type: none"> Consultation and feedback.
Investment Selection & Execution	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Identify and evaluate UIO investment ideas. The Chief Investment Officer, in conjunction with designated senior investment division staff, will approve or reject proposed investments for due diligence and execution. 	<ul style="list-style-type: none"> Review investment opportunities. Assist with due diligence as appropriate. Provide written concurrence with proposed investments

		<ul style="list-style-type: none"> • Conduct due diligence and prepare a written report for file. • General Manager and Chief Investment Officer authorize investments • General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing. • Ensure review of relevant fund documents by the City Attorney and/or external legal counsel. • Designate source of funding for the investment and prepare written justification report for file. • Prepare written report for file to justify why a competitive bidding process was not used. 	
Investment Management & Monitoring	<ul style="list-style-type: none"> • Review investment notification reports. 	<ul style="list-style-type: none"> • Monitor investment performance relative to the appropriate benchmark. • Conduct periodic meetings with existing managers. • Prepare investment notification reports for Board. • Review periodic reports prepared by investment managers and consultants. • Fund capital calls and manage distributions when necessary. • Execute partnership amendments and consents (General Manager or designee). 	<ul style="list-style-type: none"> • Consultation and feedback.

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UNIQUE INVESTMENT OPPORTUNITIES POLICY

A. Purpose

The Board believes that LACERS Total Fund (Total Fund) is best managed when additional tools are available for Staff to address and respond to dynamic and rapid changes to investment markets or a particular sector. The Unique Investment Opportunities Policy (UIOP) sets forth a framework and guidelines to provide Staff limited discretion to invest in unique, time-sensitive strategies (Unique Investment Opportunities or UIO) expected to enhance Total Fund risk-adjusted returns. UIO investments typically arise during periods of market stress, dislocations, or changing market dynamics and have the potential to generate returns in excess of those expected from traditional investments within the LACERS portfolio. UIO investments generally have limited windows of opportunity, short-term investment horizons, and reasonable likelihood of return of capital; therefore, this policy is designed to give limited investment discretion to Staff to expediently and efficiently consummate such investments.

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H. Roles and Responsibilities

	Role of the Board	Role of Staff	Role of Consultant
Strategy / Policy	<ul style="list-style-type: none"> Approve applicable policy. Review policy at least once every three years. 	<ul style="list-style-type: none"> In consultation with appropriate LACERS' consultants, develop policies, procedures, guidelines, and allocation limits for recommendation to the Board. 	<ul style="list-style-type: none"> Consultation and feedback.
Investment Selection & Execution	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Identify and evaluate UIO investment ideas. The Chief Investment Officer, in conjunction with designated senior investment division staff, will approve or reject proposed investments for due diligence and execution. 	<ul style="list-style-type: none"> Review investment opportunities. Assist with due diligence as appropriate. Provide written concurrence with proposed investments

		<ul style="list-style-type: none"> • Conduct due diligence and prepare a written report for file. • General Manager and Chief Investment Officer authorize investments • General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing. • Ensure review of relevant fund documents by the City Attorney and/or external legal counsel. • Designate source of funding for the investment and prepare written justification report for file. • Prepare written report for file to justify why a competitive bidding process was not used. 	
<p>Investment Management & Monitoring</p>	<ul style="list-style-type: none"> • Review investment notification reports. 	<ul style="list-style-type: none"> • Monitor investment performance relative to the appropriate benchmark. • Conduct periodic meetings with existing managers. • Prepare investment notification reports for Board. • Review periodic reports prepared by investment managers and consultants. • Fund capital calls and manage distributions when necessary. • Execute partnership amendments and consents (General Manager or designee). 	<ul style="list-style-type: none"> • Consultation and feedback.

Investment Wind Down and Exit	<ul style="list-style-type: none">• Review investment exit notification reports	<ul style="list-style-type: none">• Review investment wind down and exit strategies including secondary transactions.• Prepare investment wind down and exit documents.• General Manager and Chief Investment Officer authorize secondary transactions and/or execute other documents necessary to wind down investments as situation warrants.• Prepare exit notification reports for Board.	<ul style="list-style-type: none">• Provide written concurrence on secondary transactions and other investment wind down actions.
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UNIQUE INVESTMENT OPPORTUNITIES POLICY

A. Purpose

The Board believes that LACERS Total Fund (Total Fund) is best managed when additional tools are available for Staff to address and respond to dynamic and rapid changes to investment markets or a particular sector. The Unique Investment Opportunities Policy (UIOP) sets forth a framework and guidelines ~~to provide Staff limited discretion~~ to invest in unique, time-sensitive strategies (Unique Investment Opportunities or UIO) expected to enhance Total Fund risk-adjusted returns. UIO investments typically arise during periods of market stress, dislocations, or changing market dynamics and have the potential to generate returns in excess of those expected from traditional investments within the LACERS portfolio. UIO investments generally have limited windows of opportunity, short-term investment horizons, and reasonable likelihood of return of capital; therefore, this policy is designed ~~to give limited investment discretion to Staff~~ to expediently and efficiently consummate such investments.

B. Investment Objectives

The objective of the UIOP is to proactively identify and utilize opportunistic investments within public and private markets that may or may not have an existing long-term asset allocation policy or risk budget targets in the LACERS portfolio. UIO investments may be made in order to accomplish one or more of the following:

1. Generate incremental returns equal to or in excess of LACERS' actuarial assumed rate of return, commensurate with risk.
2. Generate incremental returns in excess of expected returns from LACERS' traditional portfolio of investments—as identified by the asset allocation policy and risk budget targets—commensurate with risk.
3. Reduce downside volatility and optimize risk-adjusted returns for the LACERS portfolio by investing in UIO that have low correlations to existing investments.

C. Scope and Characteristics of Unique Investment Opportunities

UIO investments may be public or private markets investments and may span the capital structure of companies, properties, and other asset types or investment vehicles. Investments to be pursued under the UIOP generally exhibit, but are not limited to, the following characteristics:

1. Situational Economic and Market Conditions - UIO investments generally arise from the following economic and market circumstances:
 - Capital shortages – driven by low market liquidity or scarce capital that result in attractive asset pricing

- Extreme valuations – driven by unique events or macroeconomic environments, in some cases unrelated to fundamentals and resulting in significantly discounted valuations relative to the historical long-run values
 - Stressed or distressed markets – where economic stresses force non-economic sellers to transact at a significant discount relative to fair market value
 - Structural changes – caused by abrupt structural changes including technological disruptions, regulatory changes, capital market structures, or other factors
 - Innovations – where a new phenomenon or development creates opportunities driven by a slow market response to new information and expected trends
 - Niche investment markets – characterized by narrow markets with limited opportunities for capital deployment such as sector-focused fund investments and other funds with niche strategies
2. Limited Windows of Opportunity and Investment Horizons – UIO investments are generally fleeting investment opportunities with brief windows of opportunity to access the investment and execute a transaction. UIO investments may have shorter term holding periods of approximately one to five years as the economic and/or market pressures driving the UIO dissipate and the underlying investment theme matures.
 3. Limited Liquidity – UIO investments, particularly those made in private markets or in non-traditional asset classes, may require a lock-up of capital in order to capture the return potential of the opportunity.
 4. Non-traditional Risk-Return Profiles – UIO investment risk-return profiles may differ from traditional public or private market investments due to the idiosyncratic nature of UIO investments, which may emphasize certain risk factors such as deep value style bias, sector/industry concentration, or credit risk. UIO investments may have unusual cash flow patterns (e.g., asymmetric payoffs) and may distribute cash more or less frequently than traditional strategies.

D. Investment Guidelines

UIO investments may be made in public or private market investment strategies that are either not currently utilized by LACERS (i.e., the strategy does not have an existing target allocation pursuant to the approved Asset Allocation Policy and risk budgets) or have

existing allocations in the LACERS portfolio. UIO shall be managed by external investment managers and have time horizons deemed appropriate for the strategy and commensurate with similar investments held in the LACERS portfolio. Both public and private market UIO investments may be implemented through separate accounts, open-end commingled funds, closed-end commingled funds, or any other suitable investment structure.

For public market UIO investments, each investment may not exceed 0.5% of the total market value of the LACERS portfolio at the time of investment. For private market UIO investments, the commitment size of each investment may not exceed 0.5% of the total market value of the LACERS portfolio at the time of commitment. Total value of UIO investments and unfunded commitments shall be limited to 5.3% of the total market value of LACERS portfolio.

Each UIO shall be attributed to an existing asset class in LACERS' allocation strategy. The underlying assets of each UIO investment shall be considered to determine which asset class it will be classified under for purposes of overall portfolio construction, diversification, risk budgeting, risk management, and asset allocation considerations.

The funding of any UIO investment shall not cause any asset class weighting to move beyond its established minimum or maximum target ranges, but may cause an asset class to deviate from its asset allocation policy target.

All UIO investments shall be subject to LACERS Responsible Investment Policy and ESG Risk Framework. UIO investments in strategies with existing LACERS allocations pursuant to the adopted asset allocation and risk budgets shall be subject to existing LACERS investment policies. Investment management guidelines will be negotiated for UIO investments that utilize separate account vehicles.

All UIO investments shall be institutional quality and non-speculative, and, when the investment is effectuated, shall have a reasonable, foreseeable path to liquidity and exit.

E. Investment Process

Staff, with written concurrence from LACERS investment consultant(s), shall select and consummate new UIO investments in accordance with the following investment process. UIO investments shall not be subject to a competitive bidding search process (i.e., request for proposal process) due to the time-sensitive nature of these investments. For each UIO investment considered, Staff shall justify in writing why a competitive bidding process was not utilized.

1. Sourcing and Due Diligence

Staff and/or the appropriate LACERS investment consultant (Consultant) shall be responsible for sourcing UIO investments. All UIO investments are subject to a thorough and rigorous investment due diligence process conducted by Staff and/or Consultants. That process may include but is not limited to analysis of projected return, expected holding period, risks (including but not limited to ESG factors, liquidity, and operational risks), correlation with existing LACERS portfolio investments, and exit strategy. Further operational due diligence on the investment management team, risk management processes, legal, and other factors will also be conducted. Section F describes the general qualifications desired of investment managers to be considered for UIO investment mandates.

2. Approval of Investments

Staff shall submit written investment proposals for consideration under the UIOP to a Review Committee (RC) comprised of the Chief Investment Officer, Chief Operating Officer, and Director of Private Markets or their designees. The proposal shall include (a) an investment thesis, (b) summary of the investment opportunity, (c) the expected risk, return, and holding period of the investment, (d) expected path to liquidity, (e) a pro forma analysis to justify the proposed investment meets one of the investment objectives of Section B of this policy, ~~(f) confirmation the proposal complies with the Investment Guidelines required by the UIOP,~~ (g) any other information deemed necessary by the RC to evaluate the proposal ~~including written concurrence from the appropriate LACERS investment consultant,~~ and (h) justification for not using a competitive bidding process. Unanimous approval of the RC is required to proceed with any proposed UIO investment.

~~Following the RC's unanimous approval recommendation to approve, the proposed UIO investment, it will be prepared and presented to the Investment Committee (Committee) for consideration. Following the Committee approval, the UIO investment will be presented to the Board for further consideration and final approval. Once the Board approves the item, staff will execute on the proposed UIO investment, subject to standard legal review.~~

~~If the General Manager (GM), in consultation with the Chairperson of the Committee, determines that time constraints or other factors would prevent a formal gathering quorum of the Committee to meet in order to timely consider the RC's recommendation to approve a UIO Investment under the aforementioned process, or, in consultation with the Board President, the GM determines that a quorum of the Board would not be available to timely consider the Committee's approval of a UIO investment in a timely manner, then the Committee delegates specific authority to the General Manager (GM), the Chief Investment Officer (CIO), the Committee President/Chairperson, and Board President to shall consider the item RC's recommendation. If the GM, CIO, Committee President/Chairperson, and Board President unanimously support a approve the RC's proposed UIO investment, at an~~

~~amount not to exceed the limitations set for in the UIOP, staff shall execute on the proposed UIO investment, subject to standard legal review. Following execution of the investment, the CIO shall notify the Board, at the earliest possible opportunity, in a properly agendized written staff report at the earliest opportunity possible regarding the consummation of the investment. Notice shall be given in an agendized, written report~~

~~Any UIO investment approved by the RC will then require the written authorization of the General Manager and Chief Investment Officer and concurrence from the appropriate LACERS Consultant.~~

~~that also includes to be included in the written staff report is The RC shall designate (but is not limited to) the following information: the source of funding from within the LACERS portfolio and the UIO's impact on the asset allocation model and risk budget for any UIO investment.~~

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~~3. Board Notification of Authorized Investments~~

~~Approved UIO investments shall be reported to the Board in writing as soon as reasonably practicable after the investment has been consummated. The report shall include (but not be limited to) the following information:~~

- Name of the firm and if the firm qualifies as an emerging manager
- Investment strategy and thesis
- Total commitment or investment size
- Source of funding from within the LACERS portfolio
- The UIO's impact on the asset allocation and risk budget

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~~4.3. Exiting Investments~~

To the extent that a UIO investment vehicle is liquid, Staff, with concurrence from the appropriate Consultant, shall have discretion to initiate an exit from a UIO investment when it is determined that (a) the UIO investment has met its expected objective or (b) the UIO investment will not meet its expected objective due to changing market conditions, the investment manager's inability to execute the strategy, or other relevant factors.

For illiquid UIO investment vehicles with no redemption terms, exits will occur through distributions made by the investment manager over the life of the vehicle.

The Board shall be notified in writing as soon as reasonably practicable after an investment has been fully exited.

F. Investment Manager Qualifications

UIO investment managers selected by LACERS under the UIOP will exhibit the following characteristics:

- Demonstrates sufficient experience and a verifiable, positive performance track record in the given strategy LACERS is pursuing through the particular UIO.
- Investment thesis that distinguishes the manager from other, existing approaches already in the LACERS portfolio.
- Appropriate resources and research capabilities to identify and execute unique strategies.
- Disciplined execution process to protect against style drift.
- Niche or specific expertise that can be leveraged in unique market environments.
- Fee structure within industry standard for the strategy.
- Manager is a registered investment adviser under the Investment Advisers Act of 1940 or provides a valid exemption at the time of contract execution.

Staff may hire managers who may qualify under LACERS' Emerging Investment Manager Policy. Staff will make every reasonable effort to consider Emerging Investment Managers for UIO investment mandates when appropriate.

G. Benchmarking and Reporting

1. Performance Benchmarking

LACERS' assumed rate of investment return will serve as the baseline benchmark to measure the performance of UIO investments. The Review Committee may establish a higher or lower benchmark if the risk-return characteristics of the investment warrant doing so.

2. Monitoring

Staff and Consultant will diligently monitor the performance of any UIO investment including but not limited to reviewing quarterly, annual, and other periodic reports as well as meeting with the managers periodically when appropriate. Further duties are listed in Section H. Roles and Responsibilities. The Manager Monitoring Policy may not apply to these investments due to their unique nature; managers will be monitored against the objectives and benchmarks set forth by this policy.

3. Reporting

Performance of individual UIO investments and performance of UIO investments at the aggregated level shall be incorporated into LACERS' established reporting

practices. Certain UIO investments may be subject to transparency reporting requirements per California Government Code § 7514.7.

4. Policy Review

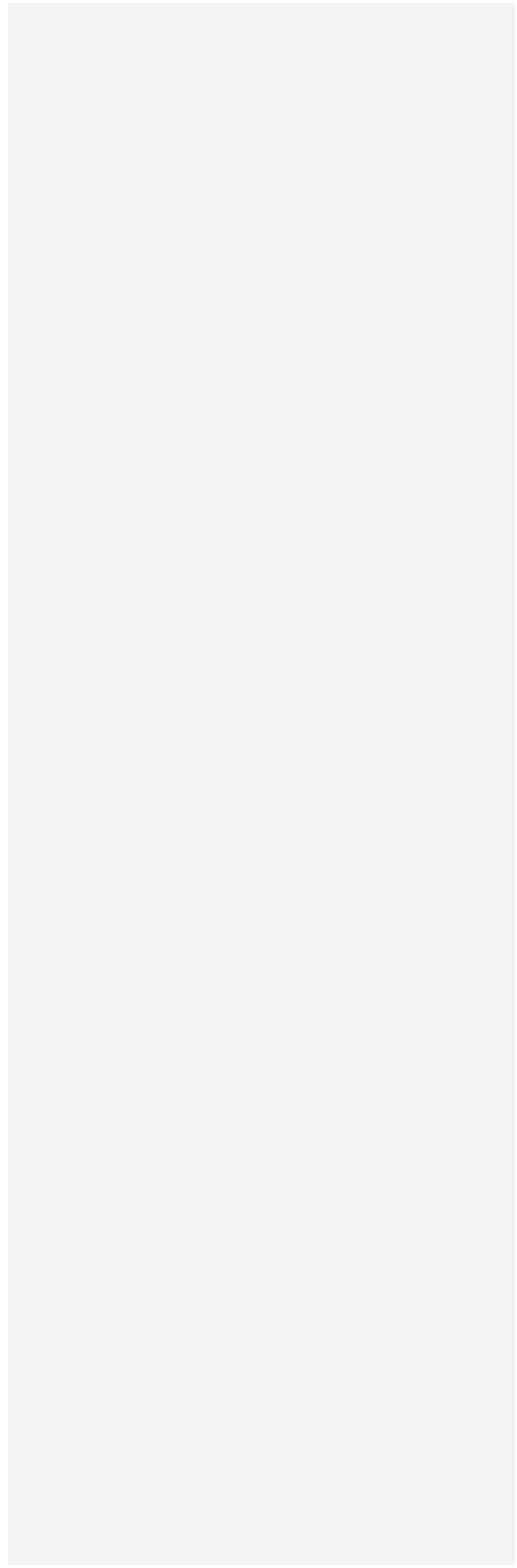
This policy shall be reviewed by the Board at least once every three years to determine its effectiveness and applicability under prevailing circumstances and conditions.

H. Roles and Responsibilities

	Role of the Board	Role of Staff	Role of Consultant
Strategy / Policy	<ul style="list-style-type: none"> Approve applicable policy. Review policy at least once every three years. 	<ul style="list-style-type: none"> In consultation with appropriate LACERS' consultants, develop policies, procedures, guidelines, and allocation limits for recommendation to the Board. 	<ul style="list-style-type: none"> Consultation and feedback.
Investment Selection & Execution	<ul style="list-style-type: none"> None Investment Committee (Committee) considers UIO investments for Board consideration approval. Board makes final decision to approve UIO investments. When the Committee or the Board cannot meet in time to consider a particular UIO investment the, General Manager (GM), Chief Investment Officer (CIO), Committee Chairperson, and Board President shall consider the item. If the Board approves, or, in the alternative, the GM, CIO, 	<ul style="list-style-type: none"> Identify and evaluate UIO investment ideas. The Chief Investment Officer, in conjunction with designated senior investment division staff, will approve or reject proposed investments for due diligence and execution Investment Committee review. Conduct due diligence and prepare a written report for file. General Manager and Chief Investment Officer authorize investments General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing. 	<ul style="list-style-type: none"> Review investment opportunities. Assist with due diligence as appropriate. Provide written concurrence with proposed investments

	<p>Committee Chairperson, and Board President unanimously approve a proposed UIO investment, staff shall execute the proposed UIO investment.</p>	<ul style="list-style-type: none"> • Ensure review of relevant fund documents by the City Attorney and/or external legal counsel. • Designate source of funding for the investment and prepare written justification report for file. • Prepare written report for file to justify why a competitive bidding process was not used. 	
<p>Investment Management & Monitoring</p>	<ul style="list-style-type: none"> • Review investment notification reports. • Review periodic performance reports prepared by consultants. 	<ul style="list-style-type: none"> • Monitor investment performance relative to the appropriate benchmark. • Conduct periodic meetings with existing managers. • Prepare investment notification reports for Board. • Review periodic reports prepared by investment managers and consultants. • Fund capital calls and manage distributions when necessary. • Execute partnership amendments and consents (General Manager or designee). 	<ul style="list-style-type: none"> • Consultation and feedback.
<p>Investment Wind Down and Exit</p>	<ul style="list-style-type: none"> • Review investment exit notification reports 	<ul style="list-style-type: none"> • Review investment wind down and exit strategies including secondary transactions. • Prepare investment wind down and exit documents. • General Manager and Chief Investment Officer authorize secondary transactions and/or execute other documents necessary to wind down 	<ul style="list-style-type: none"> • Provide written concurrence on secondary transactions and other investment wind down actions.

		investments as situation warrants. <ul style="list-style-type: none">• Prepare exit notification reports for Board.	
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UNIQUE INVESTMENT OPPORTUNITIES POLICY

A. Purpose

The Board believes that LACERS Total Fund (Total Fund) is best managed when additional tools are available for Staff to address and respond to dynamic and rapid changes to investment markets or a particular sector. The Unique Investment Opportunities Policy (UIOP) sets forth a framework and guidelines to invest in unique, time-sensitive strategies (Unique Investment Opportunities or UIO) expected to enhance Total Fund risk-adjusted returns. UIO investments typically arise during periods of market stress, dislocations, or changing market dynamics and have the potential to generate returns in excess of those expected from traditional investments within the LACERS portfolio. UIO investments generally have limited windows of opportunity, short-term investment horizons, and reasonable likelihood of return of capital; therefore, this policy is designed to expediently and efficiently consummate such investments.

B. Investment Objectives

The objective of the UIOP is to proactively identify and utilize opportunistic investments within public and private markets that may or may not have an existing long-term asset allocation policy or risk budget targets in the LACERS portfolio. UIO investments may be made in order to accomplish one or more of the following:

1. Generate incremental returns equal to or in excess of LACERS' actuarial assumed rate of return, commensurate with risk.
2. Generate incremental returns in excess of expected returns from LACERS' traditional portfolio of investments—as identified by the asset allocation policy and risk budget targets—commensurate with risk.
3. Reduce downside volatility and optimize risk-adjusted returns for the LACERS portfolio by investing in UIO that have low correlations to existing investments.

C. Scope and Characteristics of Unique Investment Opportunities

UIO investments may be public or private markets investments and may span the capital structure of companies, properties, and other asset types or investment vehicles. Investments to be pursued under the UIOP generally exhibit, but are not limited to, the following characteristics:

1. Situational Economic and Market Conditions - UIO investments generally arise from the following economic and market circumstances:
 - Capital shortages – driven by low market liquidity or scarce capital that result in attractive asset pricing

- Extreme valuations – driven by unique events or macroeconomic environments, in some cases unrelated to fundamentals and resulting in significantly discounted valuations relative to the historical long-run values
 - Stressed or distressed markets – where economic stresses force non-economic sellers to transact at a significant discount relative to fair market value
 - Structural changes – caused by abrupt structural changes including technological disruptions, regulatory changes, capital market structures, or other factors
 - Innovations – where a new phenomenon or development creates opportunities driven by a slow market response to new information and expected trends
 - Niche investment markets – characterized by narrow markets with limited opportunities for capital deployment such as sector-focused fund investments and other funds with niche strategies
2. Limited Windows of Opportunity and Investment Horizons – UIO investments are generally fleeting investment opportunities with brief windows of opportunity to access the investment and execute a transaction. UIO investments may have shorter term holding periods of approximately one to five years as the economic and/or market pressures driving the UIO dissipate and the underlying investment theme matures.
 3. Limited Liquidity – UIO investments, particularly those made in private markets or in non-traditional asset classes, may require a lock-up of capital in order to capture the return potential of the opportunity.
 4. Non-traditional Risk-Return Profiles – UIO investment risk-return profiles may differ from traditional public or private market investments due to the idiosyncratic nature of UIO investments, which may emphasize certain risk factors such as deep value style bias, sector/industry concentration, or credit risk. UIO investments may have unusual cash flow patterns (e.g., asymmetric payoffs) and may distribute cash more or less frequently than traditional strategies.

D. Investment Guidelines

UIO investments may be made in public or private market investment strategies that are either not currently utilized by LACERS (i.e., the strategy does not have an existing target allocation pursuant to the approved Asset Allocation Policy and risk budgets) or have existing allocations in the LACERS portfolio. UIO shall be managed by external investment

managers and have time horizons deemed appropriate for the strategy and commensurate with similar investments held in the LACERS portfolio. Both public and private market UIO investments may be implemented through separate accounts, open-end commingled funds, closed-end commingled funds, or any other suitable investment structure.

For public market UIO investments, each investment may not exceed 0.5% of the total market value of the LACERS portfolio at the time of investment. For private market UIO investments, the commitment size of each investment may not exceed 0.5% of the total market value of the LACERS portfolio at the time of commitment. Total value of UIO investments and unfunded commitments shall be limited to 3% of the total market value of LACERS portfolio.

Each UIO shall be attributed to an existing asset class in LACERS' allocation strategy. The underlying assets of each UIO investment shall be considered to determine which asset class it will be classified under for purposes of overall portfolio construction, diversification, risk budgeting, risk management, and asset allocation considerations.

The funding of any UIO investment shall not cause any asset class weighting to move beyond its established minimum or maximum target ranges, but may cause an asset class to deviate from its asset allocation policy target.

All UIO investments shall be subject to LACERS Responsible Investment Policy and ESG Risk Framework. UIO investments in strategies with existing LACERS allocations pursuant to the adopted asset allocation and risk budgets shall be subject to existing LACERS investment policies. Investment management guidelines will be negotiated for UIO investments that utilize separate account vehicles.

All UIO investments shall be institutional quality and non-speculative, and, when the investment is effectuated, shall have a reasonable, foreseeable path to liquidity and exit.

E. Investment Process

Staff, with written concurrence from LACERS investment consultant(s), shall select and consummate new UIO investments in accordance with the following investment process. UIO investments shall not be subject to a competitive bidding search process (i.e., request for proposal process) due to the time-sensitive nature of these investments. For each UIO investment considered, Staff shall justify in writing why a competitive bidding process was not utilized.

1. Sourcing and Due Diligence

Staff and/or the appropriate LACERS investment consultant (Consultant) shall be responsible for sourcing UIO investments. All UIO investments are subject to a thorough and rigorous investment due diligence process conducted by Staff and/or Consultants. That process may include but is not limited to analysis of projected return, expected holding period, risks (including but not limited to ESG factors, liquidity, and operational risks), correlation with existing LACERS portfolio investments, and exit strategy. Further operational due diligence on the investment management team, risk management processes, legal, and other factors will also be conducted. Section F describes the general qualifications desired of investment managers to be considered for UIO investment mandates.

2. Approval of Investments

Staff shall submit written investment proposals for consideration under the UIOP to a Review Committee (RC) comprised of the Chief Investment Officer, Chief Operating Officer, and Director of Private Markets or their designees. The proposal shall include (a) an investment thesis, (b) summary of the investment opportunity, (c) the expected risk, return, and holding period of the investment, (d) expected path to liquidity, (e) a pro forma analysis to justify the proposed investment meets one of the investment objectives of Section B of this policy, (f) confirmation the proposal complies with the Investment Guidelines required by the UIOP, (g) any other information deemed necessary by the RC to evaluate the proposal including written concurrence from the appropriate LACERS investment consultant, and (h) justification for not using a competitive bidding process. Unanimous approval of the RC is required to proceed with any proposed UIO investment.

Following the RC's unanimous recommendation to approve the proposed UIO investment, it will be presented to the Investment Committee (Committee) for consideration. If the Committee approves, the UIO investment will be presented to the Board for further consideration and final approval. Once the Board approves the item, staff will execute the proposed UIO investment, subject to standard legal review.

If the General Manager (GM), in consultation with the Chairperson of the Committee, determines that time constraints or other factors would prevent a quorum of the Committee from meeting in order to consider the RC's recommendation to approve a UIO Investment, or, in consultation with the Board President, the GM determines that a quorum of the Board would not be available to consider the Committee's approval of a UIO investment in a timely manner, then the GM, Chief Investment Officer (CIO), Committee Chairperson, and Board President shall consider the RC's recommendation. If the GM, CIO, Committee Chairperson, and Board President unanimously approve the RC's proposed UIO investment, staff shall execute the proposed UIO investment, subject to standard legal review. Following execution of

the investment, the CIO shall notify the Board, at the earliest possible opportunity, regarding the consummation of the investment. Notice shall be given in an agendaized, written report that includes (but is not limited to) the following information:

- Name of the firm and if the firm qualifies as an emerging manager
- Investment strategy and thesis
- Total commitment or investment size
- Source of funding from within the LACERS portfolio
- The UIO's impact on the asset allocation and risk budget

3. Exiting Investments

To the extent that a UIO investment vehicle is liquid, Staff, with concurrence from the appropriate Consultant, shall have discretion to initiate an exit from a UIO investment when it is determined that (a) the UIO investment has met its expected objective or (b) the UIO investment will not meet its expected objective due to changing market conditions, the investment manager's inability to execute the strategy, or other relevant factors.

For illiquid UIO investment vehicles with no redemption terms, exits will occur through distributions made by the investment manager over the life of the vehicle.

The Board shall be notified in writing as soon as reasonably practicable after an investment has been fully exited.

F. Investment Manager Qualifications

UIO investment managers selected by LACERS under the UIOP will exhibit the following characteristics:

- Demonstrates sufficient experience and a verifiable, positive performance track record in the given strategy LACERS is pursuing through the particular UIO.
- Investment thesis that distinguishes the manager from other, existing approaches already in the LACERS portfolio.
- Appropriate resources and research capabilities to identify and execute unique strategies.
- Disciplined execution process to protect against style drift.
- Niche or specific expertise that can be leveraged in unique market environments.
- Fee structure within industry standard for the strategy.
- Manager is a registered investment adviser under the Investment Advisers Act of 1940 or provides a valid exemption at the time of contract execution.

Staff may hire managers who may qualify under LACERS’ Emerging Investment Manager Policy. Staff will make every reasonable effort to consider Emerging Investment Managers for UIO investment mandates when appropriate.

G. Benchmarking and Reporting

1. Performance Benchmarking

LACERS’ assumed rate of investment return will serve as the baseline benchmark to measure the performance of UIO investments. The Review Committee may establish a higher or lower benchmark if the risk-return characteristics of the investment warrant doing so.

2. Monitoring

Staff and Consultant will diligently monitor the performance of any UIO investment including but not limited to reviewing quarterly, annual, and other periodic reports as well as meeting with the managers periodically when appropriate. Further duties are listed in Section H. Roles and Responsibilities. The Manager Monitoring Policy may not apply to these investments due to their unique nature; managers will be monitored against the objectives and benchmarks set forth by this policy.

3. Reporting

Performance of individual UIO investments and performance of UIO investments at the aggregated level shall be incorporated into LACERS’ established reporting practices. Certain UIO investments may be subject to transparency reporting requirements per California Government Code § 7514.7.

4. Policy Review

This policy shall be reviewed by the Board at least once every three years to determine its effectiveness and applicability under prevailing circumstances and conditions.

H. Roles and Responsibilities

	Role of the Board	Role of Staff	Role of Consultant
Strategy / Policy	<ul style="list-style-type: none"> • Approve applicable policy. • Review policy at least once every three years. 	<ul style="list-style-type: none"> • In consultation with appropriate LACERS’ consultants, develop policies, procedures, guidelines, and allocation 	<ul style="list-style-type: none"> • Consultation and feedback.

		limits for recommendation to the Board.	
Investment Selection & Execution	<ul style="list-style-type: none"> Investment Committee (Committee) considers UIO investments for Board consideration. Board makes final decision to approve UIO investments. When the Committee or the Board cannot meet in time to consider a particular UIO investment the, General Manager (GM), Chief Investment Officer (CIO), Committee Chairperson, and Board President shall consider the item. If the Board approves, or, in the alternative, the GM, CIO, Committee Chairperson, and Board President unanimously approve a proposed UIO investment, staff shall execute the proposed UIO investment. 	<ul style="list-style-type: none"> Identify and evaluate UIO investment ideas. The Chief Investment Officer, in conjunction with designated senior investment division staff, will approve or reject proposed investments for due diligence and Investment Committee review. Conduct due diligence and prepare a written report for file. General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing. Ensure review of relevant fund documents by the City Attorney and/or external legal counsel. Designate source of funding for the investment and prepare written justification report for file. Prepare written report for file to justify why a competitive bidding process was not used. 	<ul style="list-style-type: none"> Review investment opportunities. Assist with due diligence as appropriate. Provide written concurrence with proposed investments
Investment Management & Monitoring	<ul style="list-style-type: none"> Review investment notification reports. Review periodic performance reports prepared by consultants. 	<ul style="list-style-type: none"> Monitor investment performance relative to the appropriate benchmark. Conduct periodic meetings with existing managers. 	<ul style="list-style-type: none"> Consultation and feedback.

		<ul style="list-style-type: none"> • Prepare investment notification reports for Board. • Review periodic reports prepared by investment managers and consultants. • Fund capital calls and manage distributions when necessary. • Execute partnership amendments and consents (General Manager or designee). 	
Investment Wind Down and Exit	<ul style="list-style-type: none"> • Review investment exit notification reports 	<ul style="list-style-type: none"> • Review investment wind down and exit strategies including secondary transactions. • Prepare investment wind down and exit documents. • General Manager and Chief Investment Officer authorize secondary transactions and/or execute other documents necessary to wind down investments as situation warrants. • Prepare exit notification reports for Board. 	<ul style="list-style-type: none"> • Provide written concurrence on secondary transactions and other investment wind down actions.