

Audit Committee Agenda

REGULAR MEETING

TUESDAY, JULY 8, 2025

TIME: 9:30 A.M.

MEETING LOCATION:

LACERS Boardroom
977 N. Broadway
Los Angeles, California 90012

Important Message to the Public

An opportunity for the public to address the Committee in person from the Boardroom and provide comment on items of interest that are within the subject matter jurisdiction of the Committee or on any agenda item will be provided at the beginning of the meeting and before consideration of items on the agenda.

Members of the public who do not wish to attend the meeting in person may listen to the live meeting via YouTube streaming at the following link: [LACERS Livestream](https://www.youtube.com/watch?v=1000000000000000000000).

Disclaimer to Participants

Please be advised that all LACERS Committee meetings are recorded.

LACERS Website Address/link:

www.LACERS.org

In compliance with Government Code Section 54957.5, non-exempt writings that are distributed to a majority or all of the Committee in advance of the meeting may be viewed by clicking on LACERS website at www.LACERS.org, at LACERS' offices, or at the scheduled meeting. In addition, if you would like a copy of a public record related to an item on the agenda, please call (213) 855-9348 or email at lacers.board@lacers.org.

Presiding Officer: Sung Won Sohn

Committee Member: Janna Sidley

Manager-Secretary: Todd Bouey

Executive Assistant: Ani Ghoukassian

Legal Counselor: 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.

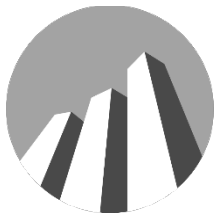
Sign Language Interpreters, Communications Access Real-Time Transcription, Assisted Listening Devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, please make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing Sign Language Interpreters, five or more business days notice is strongly recommended. For additional information, please contact (800) 779-8328 or RTT (888) 349-3996.

Si requiere servicios de traducción, llámenos tres días (72 horas) antes de la reunión o evento al (800) 779-8328.

For additional information, please contact: Board of Administration Office at (213) 855-9348 and/or email at lacers.board@lacers.org.

[CLICK HERE TO ACCESS BOARD REPORTS](#)

- I. PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA
- II. [APPROVAL OF MINUTES FOR THE MEETING OF FEBRUARY 25, 2025 AND POSSIBLE COMMITTEE ACTION](#)
- III. [PRESENTATION OF REQUIRED AUDIT COMMUNICATIONS FOR FISCAL YEAR ENDED JUNE 30, 2025 BY EXTERNAL AUDITOR, BAKER TILLY US, LLP](#)
- IV. OTHER BUSINESS
- V. NEXT MEETING: The next Audit Committee Meeting is not scheduled at this time and will be announced upon scheduling. Please continue to view the LACERS website for updated information on public access to Board/Committee meetings.
- VI. ADJOURNMENT



Board of Administration Agenda

SPECIAL MEETING

TUESDAY, JULY 8, 2025

TIME: 9:30 A.M.

MEETING LOCATION:

LACERS Boardroom
977 N. Broadway
Los Angeles, California 90012

Important Message to the Public

An opportunity for the public to address the Board and provide comment on items of interest that are within the subject matter jurisdiction of the Committee or on any agenda item will be provided at the beginning of the meeting and before consideration of items on the agenda.

Members of the public who do not wish to attend the meeting in person may listen to the live meeting via YouTube streaming at the following link: [LACERS Livestream](https://www.lacers.org/livestream).

Disclaimer to Participants

Please be advised that all LACERS Committee meetings are recorded.

LACERS Website Address/link:
www.LACERS.org

In compliance with Government Code Section 54957.5, non-exempt writings that are distributed to a majority or all of the Committee in advance of the meeting may be viewed by clicking on LACERS website at www.LACERS.org, at LACERS' offices, or at the scheduled meeting. In addition, if you would like a copy of a public record related to an item on the agenda, please call (213) 855-9348 or email at lacers.board@lacers.org.

President: Annie Chao
Vice President: Janna Sidley

Commissioners: Thuy Huynh
Thomas Moutes
Gaylord "Rusty" Roten
Sung Won Sohn

Manager-Secretary: Todd Bouey

Executive Assistant: Ani Ghoukassian

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 lacers.board@lacers.org.

[CLICK HERE TO ACCESS BOARD REPORTS](#)

- I. PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA

- II. APPROVAL OF MINUTES FOR THE MEETING OF FEBRUARY 25, 2025 AND POSSIBLE COMMITTEE ACTION
- III. PRESENTATION OF REQUIRED AUDIT COMMUNICATIONS FOR FISCAL YEAR ENDED JUNE 30, 2025 BY EXTERNAL AUDITOR, BAKER TILLY US, LLP
- IV. OTHER BUSINESS
- V. NEXT MEETING: The next Audit Committee Meeting is not scheduled at this time and will be announced upon scheduling. Please continue to view the LACERS website for updated information on public access to Board/Committee meetings.
- VI. ADJOURNMENT

MINUTES OF THE REGULAR MEETING
AUDIT COMMITTEE
 LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

February 25, 2025

9:30 a.m.

PRESENT:	Chair:	Sung Won Sohn
	Committee Members:	Elizabeth Lee Janna Sidley
	Legal Counselor:	Miguel Bahamon
	Manager-Secretary:	Todd Bouey
	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 COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – Chair Sohn asked if there were any public comments on matters within the Committee's jurisdiction, to which there were no public comment cards received.

II

APPROVAL OF MINUTES FOR THE MEETING OF MAY 14, 2024 AND POSSIBLE COMMITTEE ACTION – Committee Member Sidley moved approval, and adopted by the following vote: Ayes, Committee Members Lee, Sidley, and Chair Sohn -3; Nays, None.

III

REQUEST TO APPROVE AWARD OF EXTERNAL AUDIT CONTRACT TO MOSS ADAMS LLP AND POSSIBLE COMMITTEE ACTION – Colin Tran, Internal Auditor III, presented and discussed this item with the Committee for eight minutes. Committee Member Lee moved approval, and adopted by the following vote: Ayes, Committee Members Lee, Sidley, and Chair Sohn -3; Nays, None.

IV

OTHER BUSINESS – There was no other business.

V

NEXT MEETING: The next Audit Committee Meeting is not scheduled at this time and will be announced upon scheduling. Please continue to view the LACERS website for updated information on public access to Board/Committee meetings.

VI

ADJOURNMENT – There being no further business before the Committee, Chair Sohn adjourned the meeting at 9:40 a.m.

Sung Won Sohn
Chair

Todd Bouey
Manager-Secretary



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM



REPORT TO AUDIT COMMITTEE

From: Todd Bouey, Interim General Manager

TB

MEETING: JULY 8, 2025

ITEM: III

SUBJECT: PRESENTATION OF REQUIRED AUDIT COMMUNICATIONS FOR FISCAL YEAR ENDED JUNE 30, 2025 BY EXTERNAL AUDITOR, BAKER TILLY US, LLP

ACTION: ☐ CLOSED: ☐ CONSENT: ☐ RECEIVE & FILE: ☒

Recommendation

That the Audit Committee receive and file the external auditor's responsibility, planned scope and timing for the audit for fiscal year ended June 30, 2025.

Discussion

In accordance with *Statements on Auditing Standards AU-C 260*, our external auditors, Baker Tilly US, LLP (Baker Tilly), will provide their required communications related to their audit of the Los Angeles City Employees' Retirement System (LACERS) financial statements as of and for the year ended June 30, 2025 in the following presentation. Their presentation will go over the following:

- Scope of services provided to LACERS
- Introduction to the engagement team
- Responsibilities of management, the board/audit committee, and the auditors
- Areas of audit emphasis
- Concept of materiality and how it is applied to the LACERS audit
- Timing of their audit engagements

In the previous year, Baker Tilly (formerly known as Moss Adams LLP) completed the audit of LACERS' financial statements for fiscal year ended June 30, 2024 and issued an unmodified (clean) opinion signifying that the financial statements present fairly, in all material respects, LACERS' fiduciary net position and changes in fiduciary net position. Baker Tilly also reported on internal controls over financial reporting and compliance and other matters in accordance with Government Auditing Standards and found no material weaknesses or significant deficiencies. The audit results for fiscal year ended June 30, 2025 will be communicated to the Board in December 2025.

Prepared By: Colin Tran, Internal Auditor III

TB/CT

Attachments: 1. Baker Tilly US, LLP Required Audit Communication



AC Meeting: 07/08/25
Item III
Attachment 1

Los Angeles City Employees' Retirement System

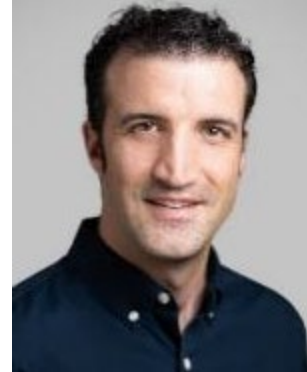
Audit Entrance Conference

July 8, 2025

Your Service Team



Kory Hoggan, CPA
Audit Engagement Principal
Kory.Hoggan@bakertilly.com



Aaron Hamilton, CPA
Audit Senior Manager
Aaron.Hamilton@bakertilly.com



Kelly Jones, CPA
Concurring Reviewer

Other Team Members
Lauren Casias, Manager
Angel Rivera, Senior
Alex Spanos, Staff

Scope of Services

Reports to be provided

- Report of Independent Auditors on Financial Statements of LACERS for the year ended June 30, 2025
- Report of Independent Auditors on Financial Statements of 977 North Broadway Building for the year ended June 30, 2025
- Report of Independent Auditors on Employer Allocation and Pension Amounts by Employer for the measurement year June 30, 2024
- Report of Independent Auditors on Employer Allocation and OPEB Amounts by Employer for the measurement year June 30, 2024
- Report to Those Charged with Governance (required communications and other matters of interest)
- Report on Internal Controls (communication of internal control matters)

Our Responsibility

1 Express our opinion on whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in accordance with U.S. GAAP.

Our audit does not relieve you or management of your responsibilities.

2 Perform audit in accordance with generally accepted auditing standards and *Government Auditing Standards*.

Design the audit to obtain reasonable, rather than absolute, assurance about whether your financial statements are free of material misstatement.

3 Consider internal control as a basis for designing audit procedures but not for the purpose of expressing an opinion on its effectiveness or to provide assurance concerning such internal control.

4 Communicate findings that, in our judgment, are relevant to your responsibilities in overseeing the financial reporting process.

However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Areas of Audit Emphasis



Internal controls, including information systems



Valuation and monitoring of investments



Benefit payments



Investment and administrative expenses



Financial close and reporting process (including the employer allocation reporting)

Testing of Investments

Guidance in AICPA Practice Aid for Alternative Investments

Risk Assessment

- Alternative investments composition
- Understand nature, complexity, and volatility of investment

Internal Controls

- Authorization of investments and investment policy
- Due diligence and on-going monitoring

Test of Details

- Confirm selected investments: existence, valuation, and liquidity
- Review audited financial statements and analyze assumptions used



Materiality

The level of misstatement that could influence the economic decisions of users of the LACERS' financial statements

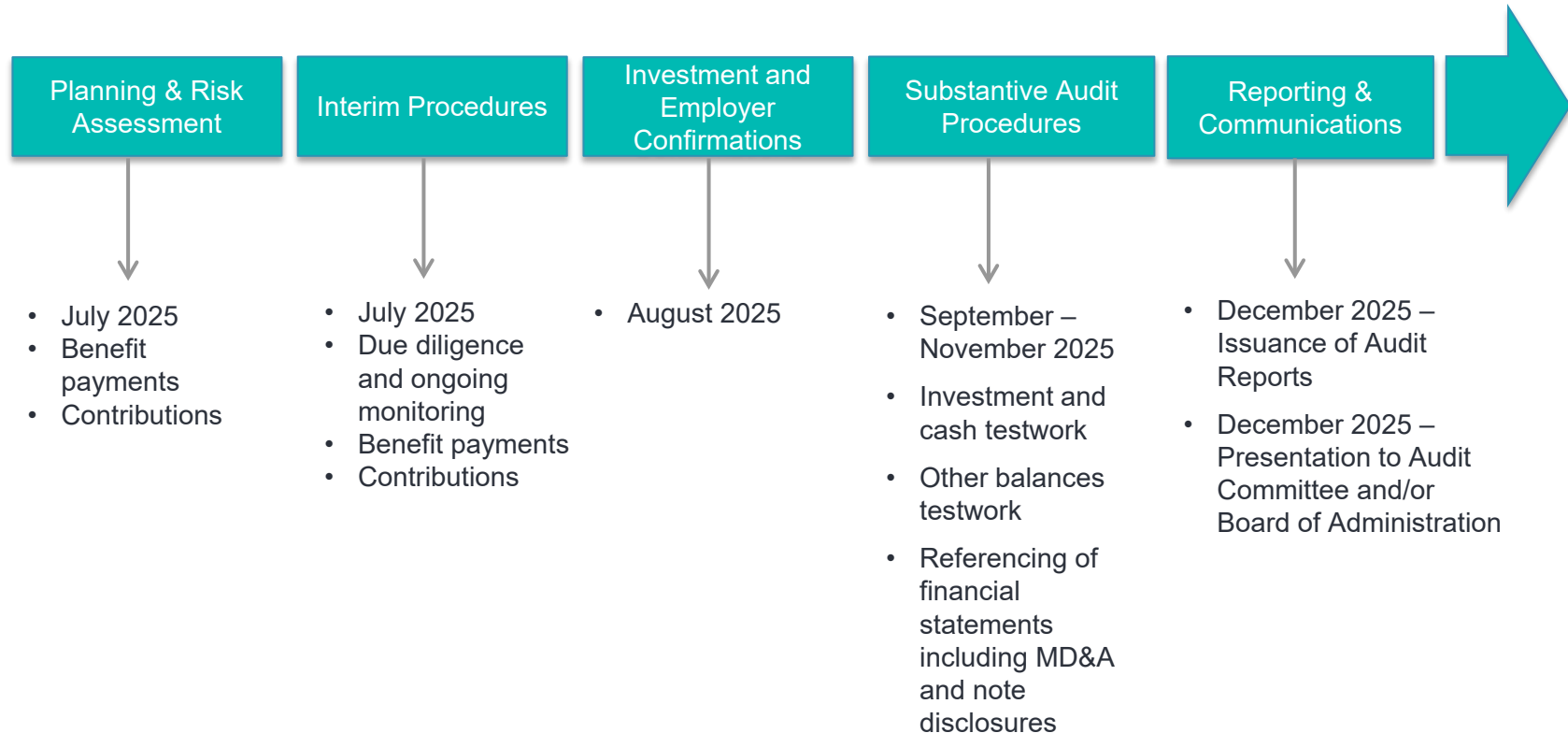


Materiality used to identify:

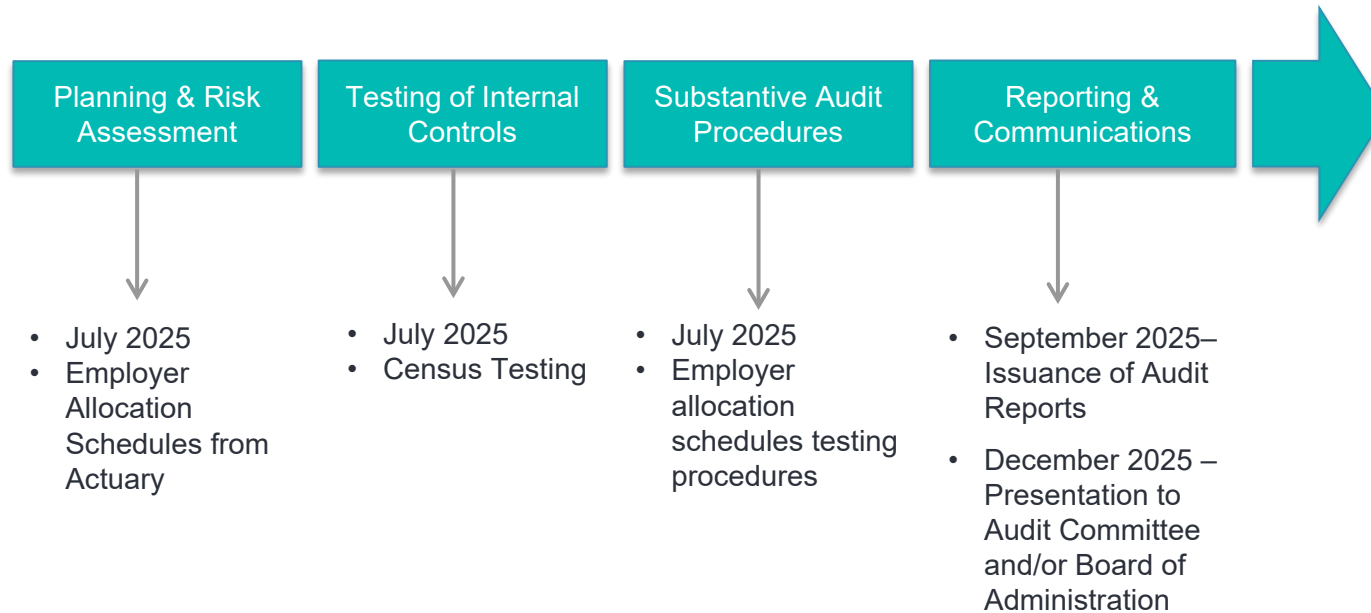
- Significant risk areas
- Nature, timing, extent, and scope of test work
- Findings or misstatements

Two levels: Financial statement materiality and member level (much smaller)

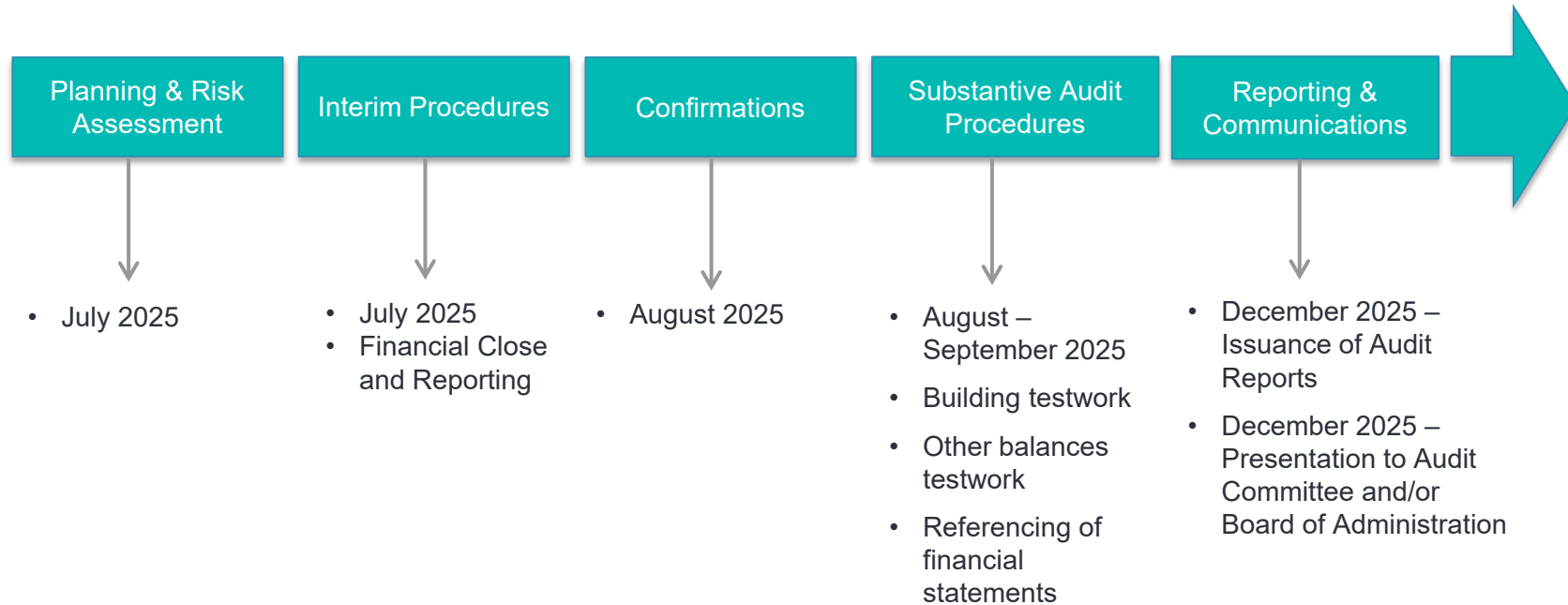
Financial Statement Audit Timeline



Allocation Audit Timeline



977 North Broadway Financial Statement Audit Timeline



More than a Merger. A Multiplier.

Together, Baker Tilly and Moss Adams create something exponential.

With our combined industry expertise, capabilities, and footprint, we create an outsized impact for our clients.



Our Locations

ARIZONA

CALIFORNIA

COLORADO

CONNECTICUT

DELAWARE

FLORIDA

GEORGIA

ILLINOIS

INDIANA

KANSAS

MASSACHUSETTS

MICHIGAN

MINNESOTA

NEW JERSEY

NEW MEXICO

NEW YORK

OHIO

OREGON

PENNSYLVANIA

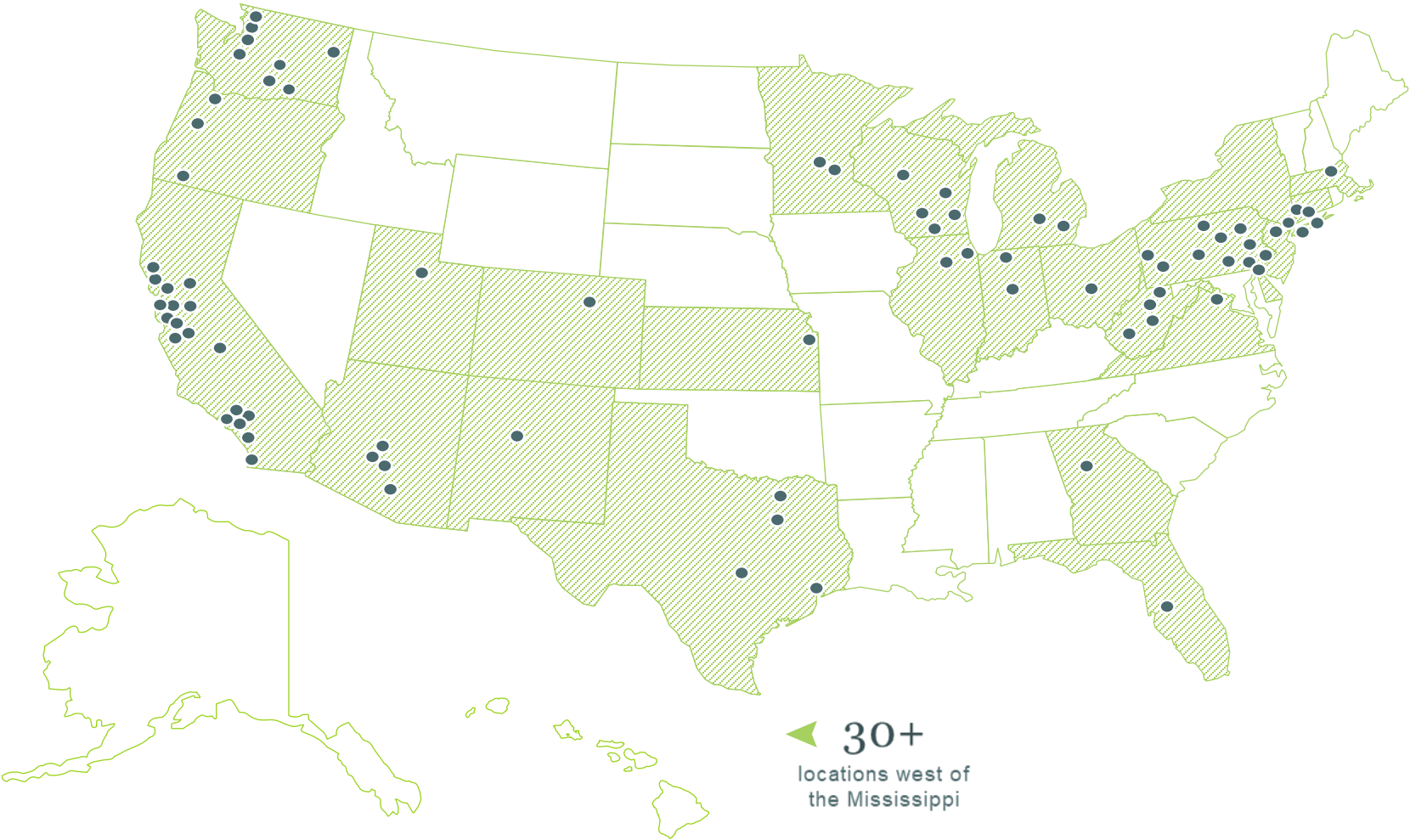
TEXAS

UTAH

WEST VIRGINIA

WASHINGTON

WISCONSIN



**THANK
YOU**