



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM

**Board of Administration Agenda  
REGULAR MEETING  
TUESDAY, FEBRUARY 24, 2026  
10:00 A.M.  
LACERS BOARDROOM  
977 N. Broadway  
Los Angeles, CA 90012**

**President:**

Annie Chao

**Vice President:**

Janna Sidley

**Commissioners:**

Thuy Huynh

Susan Liem

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

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- I. PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA
- II. GENERAL MANAGER VERBAL REPORT
  - A. REPORT ON DEPARTMENT OPERATIONS
  - B. UPCOMING AGENDA ITEMS
- III. RECEIVE AND FILE ITEMS
  - A. SEMI-ANNUAL REPORT OF BUSINESS PLAN INITIATIVES FOR THE PERIOD ENDING DECEMBER 31, 2025
  - B. REPORT ON THE 2025 FAMILY DEATH BENEFIT PLAN ANNUAL REPORT OF EARNINGS AUDIT
  - C. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR JANUARY 2026
  - D. FY25 PERFORMANCE UPDATE COMMUNICATIONS AND STAKEHOLDER RELATIONS DIVISION
- IV. COMMITTEE REPORT(S)
  - A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE MEETING ON FEBRUARY 10, 2026
- V. CONSENT ITEMS
  - A. APPROVAL OF MINUTES FOR THE MEETING ON JANUARY 27, 2026 AND POSSIBLE BOARD ACTION
  - B. APPROVAL OF DISABILITY RETIREMENT APPLICATION OF ROMOLO VALLE FOR SERVICE-CONNECTED DISABILITY RETIREMENT OF 71% AND POSSIBLE BOARD ACTION
  - C. APPROVAL OF DISABILITY RETIREMENT APPLICATION OF SUMIT PANDYA FOR SERVICE-CONNECTED DISABILITY RETIREMENT OF 65% AND POSSIBLE BOARD ACTION
  - D. APPROVAL OF DISABILITY RETIREMENT APPLICATION OF MATTHEW PATRICK FOR SERVICE-CONNECTED DISABILITY RETIREMENT OF 65% AND POSSIBLE BOARD ACTION
- VI. BOARD/DEPARTMENT ADMINISTRATION
  - A. 2026 LACERS WELL UPDATE, WORKPLAN, BUDGET AND POSSIBLE BOARD ACTION
  - B. COST-OF-LIVING ADJUSTMENTS FOR JULY 2026 AND POSSIBLE BOARD ACTION

VII. INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT
- B. PRESENTATION BY NEPC, LLC OF THE PORTFOLIO PERFORMANCE REVIEW FOR THE QUARTER ENDING DECEMBER 31, 2025
- C. APPROVAL OF 3 YEAR CONTRACT WITH PRINCIPAL GLOBAL INVESTORS, LLC REGARDING THE MANAGEMENT OF AN ACTIVE U.S. MID CAP CORE EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION
- D. CONTINUED DISCUSSION OF PRIVATE CREDIT CONSULTING CONTRACT WITH AKSIA LLC AND POSSIBLE BOARD ACTION
- E. NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN QUANTUM ENERGY PARTNERS IX, LP
- F. NOTIFICATION OF COMMITMENT OF UP TO €34.3 MILLION (APPROXIMATELY \$40 MILLION) IN HG GENESIS 11 A L.P.
- G. NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN OCEANSOUND PARTNERS FUND III, LP
- H. NOTIFICATION OF COMMITMENT OF UP TO €40 MILLION (APPROXIMATELY \$50 MILLION) IN CAPVEST EQUITY PARTNERS VI A SCSP
- I. NOTIFICATION OF COMMITMENT OF UP TO \$20 MILLION IN SQUARE NINE SPECIALTY CREDIT FUND I LP
- J. NOTIFICATION OF COMMITMENT OF UP TO \$70 MILLION IN SOUND POINT STRATEGIC CAPITAL FUND III, LP
- K. NOTIFICATION OF COMMITMENT OF UP TO \$100 MILLION IN BDT & MSD REAL ESTATE CREDIT OPPORTUNITY FUND III, L.P.
- L. NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN WOLFF CREDIT PARTNERS IV, L.P.

VIII. LEGAL/LITIGATION

- A. CLOSED SESSION PURSUANT TO SUBDIVISIONS (A) AND (D)(1) OF GOVERNMENT CODE SECTION 54956.9 TO CONFER WITH, AND/OR RECEIVE ADVICE FROM LEGAL COUNSEL AND POSSIBLE BOARD ACTION REGARDING PENDING LITIGATION IN THE CASE ENTITLED: INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 18 v. CITY OF LOS ANGELES ET AL., (LOS ANGELES SUPERIOR COURT CASE NO. 24STCP02171)**

**B. CLOSED SESSION PURSUANT TO SUBDIVISIONS (A) AND (D)(1) OF GOVERNMENT CODE SECTION 54956.9 TO CONFER WITH, AND/OR RECEIVE ADVICE FROM LEGAL COUNSEL AND POSSIBLE BOARD ACTION REGARDING PENDING LITIGATION IN THE CASE ENTITLED: THOMAS CRAWLEY v. LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM ET AL., (LOS ANGELES SUPERIOR COURT CASE NO. 24STCV14282)**

IX. OTHER BUSINESS

X. NEXT MEETING: The next Regular meeting of the Board is scheduled for March 10, 2026, at 10:00 A.M., in the LACERS Boardroom, at 977 N. Broadway, Los Angeles, CA 90012.

XI. ADJOURNMENT



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

**MEETING: FEBRUARY 24, 2026**

**ITEM: III – A**

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**SUBJECT: SEMI-ANNUAL REPORT OF BUSINESS PLAN INITIATIVES FOR THE PERIOD  
ENDING DECEMBER 31, 2025**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

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**Recommendation**

That the Board receive and file this report.

**Executive Summary**

This semi-annual report of the business plan initiatives (BPIs) for Fiscal Year 2025-26 (FY26) presents progress on four priority initiatives during the reporting period from July through December 2025, with three continuing initiatives and one new initiative.

**Discussion**

The Governance BPI concludes the Triennial Board Policy Review, including a rewrite of the Board Education and Travel Policy. This fiscal year focuses on proposed Charter reform changes and new policies as recommended by the Management Audit. Three new policies have been adopted by the Board and included in the Board Manual. The remaining proposed new policies will be presented to the Board for consideration.

Preparing LACERS staff in the event of emergencies continues through the Business Continuity Plan BPI, which consists of a series of various tabletop exercises designed to evaluate the resiliency of our disaster plans. LACERS has established a bench for Tabletop Exercise Consulting Services vendors and has successfully completed its first tabletop exercise, Shelter-in-Place training. Additional staff trainings include, First Aid/CPR/AED training for staff and Workplace Violence Prevention training. For the remainder of the fiscal year, efforts will focus on planning a Business Continuity Tabletop exercise and on integrating emergency preparedness training into the Learning Management System (LMS).

The Central Data Repository (CDR) BPI, launched last fiscal year, is evolving into the LACERS Artificial Intelligence (AI) Enablement BPI, reflecting a broader and more integrated approach to enterprise data and information strategy. This expansion goes beyond the foundational data focus of the CDR to encompass a broader content and information focus through Box Hubs (an AI-enabled centralized

workplace for content collaboration and knowledge management), Box AI, and other authorized Gen AI tools including Microsoft Copilot and Google’s NotebookLM, thereby creating a unified framework for managing, accessing, and leveraging information across the organization. By aligning these components under a single initiative, we aim to enhance data governance, streamline collaboration, and enable intelligent automation, ensuring that data and information are not only stored securely but also transformed into actionable insights that drive efficiency and innovation.

The Information Management and Workflow Redesign BPI, launched in FY26, is a transformative initiative focused on rethinking how work gets done across LACERS. By reevaluating existing workflows and developing a realignment plan, this effort aims to optimize team composition, ensuring that roles and responsibilities are structured to make the best use of available budget and resources. Beyond efficiency gains, the ultimate goal is to elevate the Member experience—delivering faster, more accurate, and more personalized service. This redesign will serve as a critical foundation for defining requirements for a new Pension Administration System, ensuring that future technology investments are aligned with streamlined processes and a Member-focused approach. To date, staff has completed workflow evaluations for all Benefit Units within the Retirement Services Division, and the next phase will focus on the Health, Wellness, and Buyback Division.

The following provides a brief snapshot of each BPI. See Attachment for a detailed dashboard view of each BPI.

<b>Governance BPI – off-target</b>	
<i>TO ENSURE THAT ALL POLICIES REMAIN RELEVANT, EFFECTIVE, AND ALIGNED WITH REGULATORY REQUIREMENTS AND BEST PRACTICE, ENABLING GOOD GOVERNANCE</i>	
<b>Team Lead:</b> Edwin Avanesian	
<ul style="list-style-type: none"> <li>• Project sponsor: Todd Bouey</li> <li>• Total FY26 project budget: None</li> <li>• Project duration: July 2022 and ongoing</li> </ul>	

<b>Business Continuity Plan (BCP) BPI – on-target</b>	
<i>CONTINUE TO IMPROVE AND TEST THE LACERS BUSINESS CONTINUITY PLAN</i>	
<b>Team Lead:</b> Dan Goto	
<ul style="list-style-type: none"> <li>• Project sponsor: Todd Bouey</li> <li>• Total FY26 project budget: \$98,487</li> <li>• Project duration: July 2024 and ongoing</li> </ul>	

**LACERS Artificial Intelligence (AI) Enablement BPI - *on-target***

*TO ENHANCE ORGANIZATIONAL EFFECTIVENESS, EFFICIENCY, AND RESILIENCY BY IMPROVING DECISION-MAKING, STREAMLINING OPERATIONS, AND ENSURING DATA SECURITY THROUGH AI*

**Team Lead:** Vikram Jadhav

- Project sponsor: Todd Bouey
- Total FY26 project budget: \$63,480
- Project duration: July 2023 and ongoing

**Information Management and Workflow Redesign BPI - *on-target***

*RECALIBRATE INFORMATION MANAGEMENT AND WORKFLOW SCHEMA*

**Team Lead:** Vikram Jadhav

- Project sponsor: Todd Bouey
- Total FY26 project budget: None
- Project duration: July 2025 and ongoing

Prepared By: Chhintana Kurimoto, Management Analyst

TB/EA/VJ/LL/CK:ck

Attachment: 1. Semi-Annual Report of Business Plan Initiatives Fiscal Year 2025-26 for the reporting period ending December 31, 2025

Fiscal Year 2025-26

# Business Plan Initiatives



Semi-Annual Report of Business Plan Initiatives  
for the Period Ending December 31, 2025



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- 07 APPENDIX A - BUSINESS PLAN INITIATIVE TEMPLATE

# LACERS Goals

## Customer Service

Provide outstanding customer service that meets Members' needs

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## Benefits Delivery

Delivery accurate and timely Member benefits

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## Health & Wellness

Improve value and minimize costs of Members' health and wellness benefits

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## Investments

Optimize long-term risk adjusted returns through superior investments

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## Governance

Uphold good governance practices which affirm transparency, accountability, and fiduciary duty

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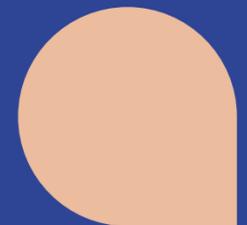
## Organization

Increase organizational effectiveness, efficiency, and resiliency

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## Workforce

Recruit, retain, mentor, empower, and promote a high-performing workforce



# EXECUTIVE SUMMARY DASHBOARD

- Completed
- On-Track
- Off-Track
- Need Intervention

	INITIATIVES	GOALS	STATUS	EXECUTIVE SPONSORS	INITIATIVE LEADS
1.	Governance	Governance		Todd Bouey	Edwin Avanesian
2.	Business Continuity Plan	Workforce, Benefits Delivery, Governance, & Organization		Todd Bouey	Dan Goto
3.	LACERS Artificial Intelligence (AI) Enablement	Organization		Todd Bouey	Vikram Jadhav
4.	Information Management and Workflow Redesign	Benefits Delivery		Todd Bouey	Vikram Jadhav

# INITIATIVE: GOVERNANCE

**PURPOSE:** TO ENSURE THAT ALL POLICIES REMAIN RELEVANT, EFFECTIVE, AND ALIGNED WITH REGULATORY REQUIREMENTS AND BEST PRACTICE, ENABLING GOOD GOVERNANCE

**DIVISION(S)/SECTION:** ADMINISTRATION DIVISION

**STRATEGIC GOAL(S):** GOVERNANCE



**CURRENT STATUS:** **OFF-TRACK**  
**REPORT MONTHS:** JULY 2025 – DECEMBER 2025  
**LEAD(S):** EDWIN AVANESSIAN  
**TEAM:** CHHINTANA KURIMOTO, LISA LI

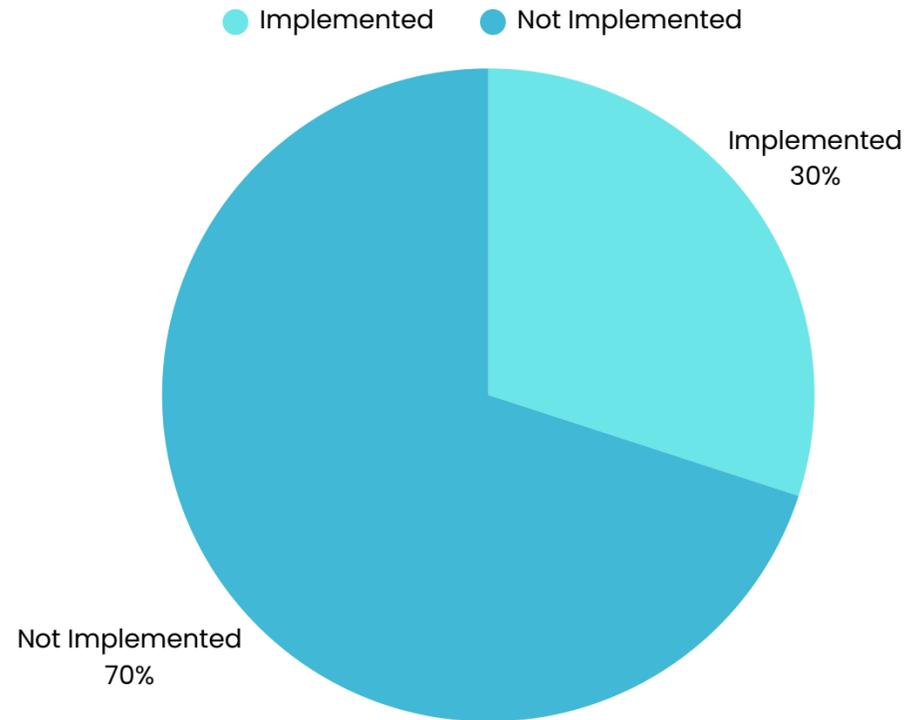
## BUDGET

## KEY METRICS

N/A

No budget was needed for this initiative

PROGRESS ON NEW POLICIES RECOMMENDED BY THE MANAGEMENT AUDIT TO BE ADDED TO THE BOARD MANUAL



## PROGRESS

- The Board Education & Travel Policy were successfully separated into two policies and implemented
- Budget Approval Policy, Compensation Policy, and Whistleblower Policy approved and published
- LACERS presented Charter change proposals to the Charter Reform Commission for consideration

## CHALLENGES

- Charter changes analysis and reporting were prioritized and other competing workload has delayed the new policy development and implementation schedule

## NEXT STEPS

- Initiate drafts for the remaining recommended policies by the Management Audit
- New policy drafting to continue into the next fiscal year

## MILESTONES

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
<b>Triennial Board Policies</b>	Board Education & Travel, Contract Renewal Policy			
<b>Draft New Policies</b>	Budget Approval Policy	Compensation Policy Whistleblower Policy	Succession Policy	Information Security Policy
<b>Charter Changes</b>	Drafted Charter Change proposals for the Board's consideration and approval	Submitted Charter Change proposals to the Charter Reform Commission for consideration	Council monitoring	Council monitoring

# INITIATIVE: BUSINESS CONTINUITY PLAN

**PURPOSE:** CONTINUE TO IMPROVE AND TEST THE LACERS BUSINESS CONTINUITY PLAN (BCP)

**DIVISION(S)/SECTION:** ADMINISTRATIVE SERVICES OFFICE

**STRATEGIC GOAL(S):** ORGANIZATION

COMPLETED
ON-TRACK
OFF-TRACK
INTERVENTION NEEDED

**CURRENT STATUS:** **ON-TRACK**

**REPORT MONTHS:** JULY 2025–DECEMBER 2025

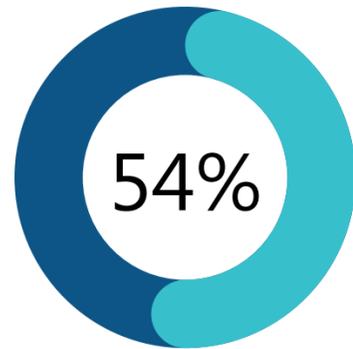
**LEAD(S):** DANIEL GOTO

**TEAM:** KRISTEN SZANTO, HORACIO ARROYO, EDWIN AVANESSIAN

## BUDGET

**\$98,487**

Expense % of Budget



**\$47,729** has been spent to-date

## KEY METRICS

<b>17</b> senior staff trained on their annual role in updating the Department Emergency Plan and the BCP	<b>136</b> Staff who participated in simulation of Active Shooter situation
<b>89%</b> of staff completed Workplace Violence Prevention Plan training prepared by ASO	<b>28</b> employees with current training on First Aid, CPR, and AED <b>11</b> trained to use Narcan
Conducted and broadcasted Emergency Response and Floor Warden Trainings, training <b>102</b> people to step in as emergency response team	<b>116</b> employees participated in evacuation drills



## PROGRESS

- Conducted Shelter-In-Place Tabletop Exercise
- Conducted First Aid/CPR/AED training for staff
- Conducted Workplace Violence Prevention training
- Onboarded all LACERS employees in new BSS Training Portal

## CHALLENGES

- Competing projects/tasks in emergency preparedness
- Time needed to develop exercise scenario/scope
- Onboarding new training platform
- Staffing vacancies

## MILESTONES

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
<b>Emergency Preparedness and BCP Training</b>	Training on the emergency response process	Submit annual DEP to Emergency Mgmt. Dept	Added all employees to new BSS training portal	Launch Workplace Violence Training in LMS
<b>Conduct Shelter-In-Place Exercise</b>		Conduct simulation of Active Shooter response and Tabletop Exercise		
<b>Business Continuity Tabletop Exercise</b>		Update TOS draft for Tabletop Exercise	Research new tabletop topics	Finalize scope for new tabletop exercise

## NEXT STEPS

- Research immigration enforcement tabletop topic
- Distribute survey on staff understanding of the BCP
- Conduct training on Department Emergency Plan/BCP training
- Integrate emergency preparedness training in Learning Management System (LMS)

# INITIATIVE: LACERS ARTIFICIAL INTELLIGENCE (AI) ENABLEMENT

**PURPOSE:** TO ENHANCE ORGANIZATIONAL EFFECTIVENESS, EFFICIENCY, AND RESILIENCY BY IMPROVING DECISION-MAKING, STREAMLINING OPERATIONS, AND ENSURING DATA SECURITY THROUGH AI  
**DIVISION(S)/SECTION:** ADMINISTRATION/PROJECT MANAGEMENT OFFICE/DATA UNIT  
**STRATEGIC GOAL(S):** ORGANIZATION

COMPLETED  
 ON-TRACK  
 OFF-TRACK  
 INTERVENTION NEEDED

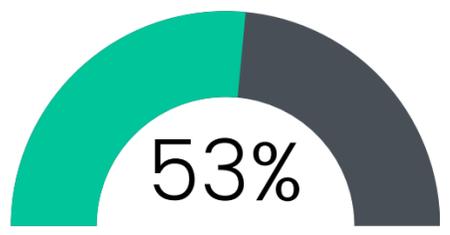
**CURRENT STATUS:** ON-TRACK  
**REPORT MONTHS:** JULY 2025 - DECEMBER 2025  
**LEAD(S):** VIKRAM JADHAV  
**TEAM:** THOMAS MA, JULIE GUAN, ANDY CHIU

## BUDGET\*

## KEY MILESTONES

\$63,480

Expense % of Budget



Expense: \$33,621  
 Unspent: \$63,480

\*Budget related to CDR

**Data Centralization**  
 Migrated legacy Sharepoint data to new servers to support Central Data Repository (CDR)

**Document Intelligence**  
 Deployed new AI tools to reduce gaps in access to training and procedural information for staff

**Generative AI Tools**  
 Deployed Gen AI tools to develop an AI proficient workforce. Tools include MS Copilot, Google NotebookLM, and Box AI

**New Employee Orientation (NEO)**  
 Developed NEO using AI Tools and uploaded into LACERS LMS for deployment

## PROGRESS

- Launched Phase 0-1 of CDR
- Launched Gen AI Tools for Staff Use
- Launched Box AI and Box Hubs for advanced information management
- Development of NEO for deployment

## CHALLENGES

- Continue to uncover areas of opportunity within LACERS operations

## NEXT STEPS

- Continue build out of business critical reports in CDR
- Continue staff training on AI
- Launch New Employee Orientation in LACERS LMS

## MILESTONES

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
<b>Central Data Repository</b>	Project Scoping and Deliverables	Sharepoint Data Migration	Migrate Business Critical Reports to CDR	Continue building out reporting tools and dashboards
<b>AI-Enabled Document Management</b>	Beta Test Box Hubs	Adopt new Data Governance Process	Release Box AI Develop Box Hubs Release AI Tools	Continue integrating AI tools throughout operations
<b>Staff Training</b>	Designed NEO Developed Policies and Procedures	Designed additional staff training content	Finalize NEO for Deployment Launch Monthly AI Learning	Fully deploy NEO

# INITIATIVE: INFORMATION MANAGEMENT AND WORKFLOW REDESIGN

**PURPOSE:** RECALIBRATE INFORMATION MANAGEMENT AND WORKFLOW SCHEMA

**DIVISION(S)/SECTION:** PROJECT MANAGEMENT OFFICE (PMO)

**STRATEGIC GOAL(S):** BENEFITS DELIVERY



**CURRENT STATUS:** ON-TRACK

**REPORT MONTHS:** JULY 2025-DECEMBER 2025

**LEAD(S):** VIKRAM JADHAV

**TEAM:** AUDREY DYMALLY, LAUREN MCCALL

## KEY STATS

- 18 duplicative Member facing forms identified for remediation
- 12 chokepoints for information flow between Benefits Units identified
- Five distinct technologies used for data entry (Box, Monday, Excel, Network Drive, Email)

## KEY AREAS OF OPPORTUNITY

- FORMS DIGITIZATION
- FORM INTAKE PROCESSES
- PENSION ADMINISTRATION WORKFLOW MANAGEMENT AND MODERNIZATION
- WCAG 2.1 AA COMPLIANCE AND WEB ACCESSIBILITY

## PROGRESS

- Developed Forms Library to assess current state and identify gaps, redundancies, and other areas for improvement
- Identified technology solutions to resolve WCAG compliance issues
- Identified workflow bottlenecks and proposed solutions

## KEY FINDINGS

Forms Digitization	Form Intake	PAS Workflow	WCAG Compliance
High volume of manual data entry	Inconsistent Submission Channels (Email, S-Fax, Box, Mail, In-Person)	Excessive staff time spent on manual and redundant tasks	Missing or Incorrect tagging structure among PDFs
Lack of Integration with Existing Systems	Lack of Standardization in format and required fields	Workflows that are unused and unable to be modified by staff to accommodate changes to Ad Code	Documents often lack alternative text descriptions and visuals are not optimized for assistive technologies
Compliance and Data Security Risks	Limited visibility and tracking of submitted documents	Limited self-service and user experience options	Design schema of documents do not meet WCAG 2.1 AA standards

## CHALLENGES

- Available technology to meet needs
- Reconfiguration of policies and procedures to allow for efficiency gains
- Recalibrate content intake methods to allow for seamless transition of work products

## MILESTONES

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
<b>Current State Assessment and Gap Analysis</b>	Mapped out current workflows and collated Forms Library	Meet with all RSD Stakeholders and identify gaps	Meet with all Health Stakeholders and identify gaps	Present Findings to Stakeholders
<b>Future State Design and Validation</b>	N/A	Begin Draft Design with Findings	Finalize Design	Present Findings
<b>Implementation and Change Management</b>	Receive Exec Approval to Begin Assessment	N/A	N/A	Executive Review

## NEXT STEPS

- Conduct workshops with units within Health Division to identify gaps and bottlenecks

**INITIATIVE:** [NAME OF BUSINESS PLAN INITIATIVE]

**PURPOSE:** [BRIEF DESCRIPTION]

**DIVISION(S)/SECTION:** [DIVISION NAME/SECTION UNIT]

**STRATEGIC GOAL(S):** [ASSOCIATED STRATEGIC GOAL AREAS]

COMPLETED
ON-TRACK
OFF-TRACK
INTERVENTION NEEDED

**CURRENT STATUS:** ON-TRACK

**REPORT MONTHS:** [REPORTING MONTHS AND YEAR]

**LEAD(S):** [FIRST AND LAST NAMES]

**TEAM:** [FIRST AND LAST NAMES]

**BUDGET**

**KEY METRICS**

[PROVIDE MEASUREMENTS OF SUCCESSFUL IMPLEMENTATION]

**PROGRESS**

- [Part of narrative. What are the next steps in advancing the BPI?]

**CHALLENGES**

- [Part of narrative. What are the next steps in advancing the BPI?]

**MILESTONES**

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
[Milestone #1]				
[Milestone #2]				
[Milestone #3]				
[Milestone #4]				

**NEXT STEPS**

- [Part of narrative. What are the next steps in advancing the BPI?]



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

**MEETING: FEBRUARY 24, 2026**

**ITEM: III - B**

**SUBJECT: REPORT ON THE 2025 FAMILY DEATH BENEFIT PLAN ANNUAL REPORT OF EARNINGS AUDIT**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

Receive and file this report providing the outcome of the 2025 Family Death Benefit Plan (FDBP) Annual Report of Earnings Audit.

**Executive Summary**

Los Angeles City Employees' Retirement System (LACERS) offers an optional Family Death Benefit Plan (FDBP) to eligible Members who choose to participate in the plan. The FDBP provides monthly benefit payments to certain eligible survivors of qualifying FDBP participants who die before retirement, thereby ensuring financial protection for those Members' families. The FDBP is governed by Los Angeles Administrative Code section 1090 ("LAAC 4.1090").

LAAC 4.1090(g) requires the Board of Administration to establish an earnings test and provide for a reduction in payments for the benefits of the FDBP, in substantial accordance with the earnings test and reduced payments under the Social Security's Old Age, Survivors and Disability Insurance (OASDI) program. For 2025, there were no FDBP recipients who exceeded the earning limitation test and therefore maintained their level of benefits.

**Discussion**

FDBP recipients who do not meet the "Normal Retirement Age (NRA)" as defined by the Social Security Administration are subject to the FDBP earnings test on an annual basis until they reach NRA. FDBP benefits are reduced for any recipient exceeding the limit. The 2025 OASDI lower limit of \$1,950 per month was applied in the earnings test unless the recipient reached their NRA in 2025, then the higher limit of \$5,180 per month was applied.

The Survivor Benefits Unit (SBU) within the Retirement Services Division conducts the FDBP Annual Report of Earnings Audit in accordance with LACERS Policy RSD-SBU 07, titled “Survivor Benefit Unit Family Death Benefit Plan Annual Report on Earnings.” The 2025 FDBP Annual Report on Earnings Audit was finalized on December 31, 2025, yielding the following results:

- There are 82 active recipients of the FDBP benefit
- 58 are above the NRA and are not mandated to report their earnings
- 24 recipients are below the NRA
  - 21 recipients, including fourteen (14) minors and seven (7) disabled individuals, completed their FDBP Annual Report of Earnings Declaration, and none reported earnings exceeding the 2025 limits
  - Not included in the audit were two (2) of the disabled individuals pending the appointment of a conservator or guardian, and one (1) survivorship beneficiary under review as part of the 2025 Domestic Alive and Well Audit.

The FDBP is currently overfunded, meaning that participation, City contributions, and interest surpass the actuarially estimated cost of expected benefits. The LAAC 4.1090 grants the Board authority to adjust FDBP contribution rates for Members and the City based on actuarial forecasts; however, it does not give the Board authority to alter payment amounts. To address the funding surplus, the Board recently implemented a lower member premium rate. A staff report is being prepared to review the alignment of the FDBP benefit to the Federal OASDI program, on which FDBP is based.

Prepared By: Estella Priebe, Senior Benefits Analyst I

TB/DW/IC:ep

Agenda of: Feb. 24, 2026

Item No: III-C

**MONTHLY REPORT ON SEMINARS AND CONFERENCES  
ATTENDED BY BOARD MEMBERS ON BEHALF OF LACERS  
(FOR THE MONTH OF JANUARY 2026)**

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:**

President Annie Chao  
Vice President Janna Sidley

Commissioner Thuy Huynh  
Commissioner Susan Liem  
Commissioner Thomas Moutes  
Commissioner Gaylord "Rusty" Roten  
Commissioner Sung Won Sohn

DATE(S) OF EVENT	SEMINAR / CONFERENCE TITLE	EVENT SPONSOR (ORGANIZATION)	LOCATION (CITY, STATE)
	<b>NOTHING TO REPORT</b>		

BOARD Meeting: 02/24/26

Item: III - D

# FY 25 Performance Update

Communications and Stakeholder Relations Division

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February 24, 2026



# Who We Are

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We are front-line representatives of LACERS, the first point of contact for Members and proudly serve as the eyes and ears of the Department. We strive to make every interaction meaningful and informative.

Our mission is to help Members understand their benefits, empowering them to make confident and informed decisions throughout their City career and in retirement.

**KNOWLEDGE TODAY, CONFIDENCE TOMORROW - RETIRE STRONG!**



# Leveraging Technology: Qless

Qless is a web-based appointment system that LACERS implemented in March 2025 to provide self-service appointment scheduling.

## Measurable Impact FY 25 (March -June)



1311  
In-Person



568  
Phone



423  
Virtual



2302

Total Appointments

## Expanded Access, Engagement, and Management

- Self-service options to schedule in-person, phone, and virtual appointments
- Centralized appointment booking, reducing manual administrative tasks
- Automated text and email confirmations, reminders, and cancellations

# Member Service Center: By the Numbers

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**56,457** Total Member Inquiries (calls, online inquiries, in-person visits).

**20% Increase** In the number of MyLACERS inquiries handled.

**205** Highest weekly calls handled by an agent.

**103 Minutes** Longest call handled by an agent.

**92%** Member Satisfaction Surveys were rated at Excellent Service (86%) and Above Average (6%)

**4,670** Number of in-person visitors served at LACERS Reception Desk.

# Member Engagement: Staying Connected

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## SEMINARS, WEBINARS, & MORE

- **145** Seminars/Webinars conducted (+14%)
- **3,691** Total Participants (+27%)
- **208** highest attended seminar
- **26** Departments served

## YOUTUBE CHANNEL

- **2,699** YouTube Subscribers (+14%)
- **50** Videos posted

## MYLACERS

- **25,400** MyLACERS users (+6%)

## WRITTEN PUBLICATIONS

- **60%** and **54%** Open rates for Active and Retiree Newsletters respectively which is above the industry standard of 29%.

\*Percent changes are from the prior fiscal year.

# Member Engagement Project Highlights

## Inaugural Part-Time Member Event June 26, 2025

- One-on-one interaction with the LACERS member-facing staff.
- Vendors from City Club and Deferred Comp were available.
- Over 30 part-time members attended the event.

## Planning for Retirement Seminar Rebrand

- Updated name to "Retirement Benefits Seminar" to include all stages of planning for retirement.
- Refreshed 134-page slide presentation and 17 YouTube videos.

## Layoff Support Materials

- Developed a video, presentation, pamphlets, and FAQ content to provide clear, timely information to City employees affected by the layoffs.



# Development and Marketing Section

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## LANGUAGE ACCESS PLAN

- **21** Translations
  - Languages: Spanish, Korean, Mandarin and Thai
- **32** Forms translated into Spanish



## SOCIAL MEDIA

- **1,037** LinkedIn Followers (+44%)
- **137** Posts



## ENGAGEMENT / PARTNERSHIPS

- Leadership Lunch and Learn
- Guiding Principles Employee Event
- Women's Management Academy

# Member Success Partners

## Communications and Stakeholder Relations Division (CSRD)

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### THE FRONTLINE TEAM: MEMBER SERVICE CENTER & DIVISION SUPPORT

Veronica Flores, Adrian Dymally, Andrea Espinosa, Patrick Guglielmo, Gina Henderson, Samantha Hernandez, Moses Kim, Aixa Lopez, Abigail Martinez, Megan Sgroi, Daelin Wilson

### THE ACCESSIBILITY, COMMUNICATIONS, AND ENGAGEMENT TEAM: MEMBER ENGAGEMENT & DEVELOPMENT AND MARKETING

Sandra Ford-James, Lisseth Grande, Wendy Johnson, Carlos Jovel Jr., Nathan Herkelrath, Khia Moore, Jennifer Romero

### THE DIVISION LEADERSHIP TEAM

Marilyn Hernandez, Tiffany Obembe, Heather Ramirez, Amelia Herrera-Robles, Taneda K. Larios



# FY26 - What's Loading...

## Major projects that we are currently working on:

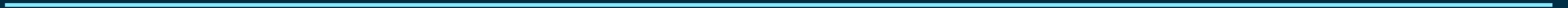
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- LACERS.org WCAG 2.1 AA Compliance Requirements
- 10-Year Anniversary of Tier 3
- NCPERS Conference Hackathon and Engagement Presentations
- RFP for LACERS.org Website, Remediation, and Captioning Vendor

**Thank you**

**We are available for questions.**



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

January 27, 2026

10:09 A.M.

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PRESENT:	President:	Annie Chao
	Commissioners:	Thuy Huynh Susan Liem Thomas Moutes Gaylord "Rusty" Roten
	Legal Counselor:	Miguel Bahamon
	Manager-Secretary:	Todd Bouey
	Executive Assistant:	Ani Ghoukassian
ABSENT:	Vice President:	Janna Sidley
	Commissioner:	Sung Won Sohn

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*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 – President Chao asked if any persons wanted to make a general public comment, to which there were no public comment cards received.

II

GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Todd Bouey, General Manager, advised the Board of the following items:
- LACERS Charter reforms presented to Personnel and Budget Committee of the Charter Reform Commission by Todd Bouey
  - LACERS introduced BoxAI department-wide
  - Web Content Accessibility Guidelines, an ADA requirement being implemented to documents and content on the LACERS website
  - Benefit Operations Update: Communications and Stakeholder Relations Division – LACERS Benefit Seminars and Outreach
-

- Retirement Services Division: Annual 415 Testing for Excess Benefit Members, and Annual Required Minimum Distribution Letters
- Health, Wellness, & Buyback Division: Anthem Over-the-Counter Benefit Allowance, A Message of Thanks from a LACERS Well Participant, and Conduent security breach (vendor for Anthem & Kaiser)

B. UPCOMING AGENDA ITEMS – Todd Bouey, General Manager, advised the Board of the following items:

Board Meeting on February 10, 2026: Benefits Administration Committee – 2026 LACERS Well Update, Workplan, and Budget

C. ARTIST TRINH MAI PRESENTATION ON 977 N. BROADWAY MURAL – Trinh Mai presented and discussed the mural for 977 N. Broadway.

### III

#### COMMITTEE REPORT(S)

A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE MEETING ON JANUARY 13, 2026 – Commissioner Huynh stated the Committee discussed a presentation by Aksia LLC of the Private Credit Program 2026 Strategic Plan, Private Credit Consulting Contract with Aksia LLC, and Securities Lending Program Guidelines Modifications.

### IV

#### RECEIVE AND FILE ITEMS

A. ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) AND POPULAR ANNUAL FINANCIAL REPORT (PAFR) FOR FISCAL YEAR ENDED JUNE 30, 2025 – This report was received by the Board and filed.

B. REPORT ON LACERS RETIREMENT ORIENTATION PILOT PROGRAM – This report was received by the Board and filed.

### V

Commissioner Moutes moved approval of Consent Agenda Items V-A and V-B and seconded by Commissioner Roten, and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Roten, and President Chao -5; Nays, None.

#### CONSENT ITEM(S)

A. APPROVAL OF DISABILITY RETIREMENT APPLICATION OF ONDRA MILLER AND POSSIBLE BOARD ACTION

#### **APPROVAL OF DISABILITY RETIREMENT BENEFIT FOR ONDRA MILLER**

#### **RESOLUTION 260127-A**

WHEREAS, the General Manager presented certain medical reports and other evidence, and reported that the application filed was in regular and proper form;

WHEREAS, Physicians 1 and 2 examined and concluded Ondra Miller is unable to perform the usual and customary duties as a Gardener Caretaker with the City of Los Angeles;

NOTWITHSTANDING, Physician 3 examined and concluded Ondra Miller is able to perform the usual and customary duties as a Gardener Caretaker with the City of Los Angeles;

WHEREAS, after some discussion and consideration of the evidence received, it was the finding and determination of this Board that Ondra Miller is incapacitated pursuant to the definition in Los Angeles Administrative Code § 4.1008(b) and not capable of performing the duties as a Gardener Caretaker;

WHEREAS, an investigation of the employment record established the age, final compensation, and period of continuous service in accordance with the Los Angeles Administrative Code, and such disability is not the result of the applicant's intemperance or willful misconduct;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the disability retirement benefit for Ondra Miller based upon the claimed disabling conditions.

**B. APPROVAL OF DISABILITY RETIREMENT APPLICATION OF RODRIGO URENA AND POSSIBLE BOARD ACTION**

**APPROVAL OF DISABILITY RETIREMENT BENEFIT FOR RODRIGO URENA**

**RESOLUTION 260127-B**

WHEREAS, the General Manager presented certain medical reports and other evidence, and reported that the application filed was in regular and proper form;

WHEREAS, Physicians 1, 2, and 3 examined and concluded Rodrigo Urena is unable to perform their usual and customary duties as a Refuse Collection Truck Operator II with the City of Los Angeles;

WHEREAS, after some discussion and consideration of the evidence received, it was the finding and determination of this Board that Rodrigo Urena is incapacitated pursuant to the definition in Los Angeles Administrative Code § 4.1080.8(b) and not capable of performing the duties as a Refuse Collection Truck Operator II;

WHEREAS, an investigation of the employment record established the age, final compensation, and period of continuous service in accordance with the Los Angeles Administrative Code, and such disability is not the result of the applicant's intemperance or willful misconduct;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the disability retirement benefit for Rodrigo Urena based upon their claimed disabling conditions.

- A. BOARD POLICY REVIEW: WHISTLEBLOWER POLICY AND POSSIBLE BOARD ACTION – Chhintana Kurimoto, Management Analyst, presented and discussed this item with the Board for two minutes. Commissioner Moutes moved approval, seconded by Commissioner Roten, and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Roten, and President Chao -5; Nays, None.
- B. BOARD POLICY REVIEW: COMPENSATION POLICY AND POSSIBLE BOARD ACTION – Lisa Li, Management Analyst, presented and discussed this item with the Board for one minute. Commissioner Roten moved approval, seconded by Commissioner Huynh, and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Roten, and President Chao -5; Nays, None.
- C. ASSISTANT GENERAL MANAGER CANDIDATE TRAVEL AUTHORITY AND BUDGET AND POSSIBLE BOARD ACTION – Todd Bouey, General Manager, presented and discussed this item with the Board for one minute. Commissioner Huynh moved approval of the following Resolution:

**ASSISTANT GENERAL MANAGER CANDIDATE  
TRAVEL AUTHORITY  
AND POSSIBLE BOARD ACTION**

**RESOLUTION 260127-C**

WHEREAS, candidates for the LACERS Assistant General Manager position may reside outside of the Los Angeles area, and it is for the benefit of LACERS and common practice in executive recruitment to provide reimbursement of travel expenses for out-of-town candidates;

WHEREAS, out-of-town candidates are defined as interviewees who reside outside the geographic boundaries of Los Angeles County and more than 50 miles away from the interview location;

WHEREAS, for out-of-town candidates invited to interview as a finalist, LACERS will arrange round trip transit and one-night hotel stay in Los Angeles, ground transportation to and from the transit station to lodging and the interview location, and a per diem at the Federal rate for meals and incidental expenses;

WHEREAS, LACERS will only provide reimbursement for reasonable travel expenses that meet the requirements of the Controller’s Travel Policy, not to exceed \$1,000 per out-of-town candidate per interview, and not to exceed a total of \$4,000 for all candidates travel expenses;

NOW, THEREFORE BE IT RESOLVED, that the Board hereby authorizes reimbursement of travel expenses for Assistant General Manager candidates under the terms described above, and directs the General Manager to implement this policy consistent with Controller guidelines.

Which motion was seconded by Commissioner Moutes, and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Roten, and President Chao -5; Nays, None.

- D. CONTRACT AWARD TO CUSHMAN & WAKEFIELD, INC. FOR PROPERTY MANAGEMENT SERVICES AND POSSIBLE BOARD ACTION – Kristen Szanto, Management Analyst,

presented and discussed this item with the Board for two minutes. Commissioner Roten moved approval of the following Resolution:

**CONTRACT AWARD TO CUSHMAN & WAKEFIELD, INC.  
FOR PROPERTY MANAGEMENT SERVICES  
AND POSSIBLE BOARD ACTION**

**RESOLUTION 260127-D**

WHEREAS, in October 2019, LACERS acquired the partially unfinished five-story building located at 977 North Broadway (the Property) to serve as its headquarters;

WHEREAS, in 2021, LACERS, in partnership with its asset management consultant, Invesco Advisors Inc. (Invesco), engaged Cushman & Wakefield, Inc. (C&W) to provide property management services, including tenant management, lease negotiations, building service contracts, and preparation for tenant improvement projects scheduled for 2021–2023, under an initial five-year contract term effective May 1, 2021, through April 30, 2026;

WHEREAS, on July 28, 2025, LACERS issued a Request for Proposals (RFP) for Property Management Services, advertised on the LACERS website and the RAMPLA portal, with submissions due by September 5, 2025;

WHEREAS, the RFP outlined required services including compliance with LACERS and governmental requirements, professional management of the Property, preparation of financial reports, on-site staffing, solicitation and execution of service contracts, income collection, property maintenance, tenant communications, and management of property-related financial matters;

WHEREAS, LACERS received six proposals, of which three met all qualifications, and an evaluation panel of five LACERS Administrative Division staff reviewed and scored proposals based on professionalism, proposed scope and methodology, qualifications and experience, and cost value;

WHEREAS, after completing evaluations, the panel recommends awarding the Property Management Services contract to C&W;

NOW, THEREFORE BE IT RESOLVED, that the Board hereby approves awarding the Property Management Services contract to C&W and authorizes the General Manager to execute the necessary documents, with the following terms, and subject to City Attorney review:

COMPANY NAME:	Cushman & Wakefield, Inc.
SERVICE PROVIDED:	Commercial Property Management Services
TERM:	May 1, 2026, to April 30, 2029
TOTAL EXPENDITURE AUTHORITY:	\$660,684

Which motion was seconded by Commissioner Huynh, and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Roten, and President Chao -5; Nays, None.

VII

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Ellen Chen, Investment Officer III, reported on the portfolio value of \$27.76 billion as of January 26, 2026; and Volatility Index at 15.91. Ellen Chen discussed the following items:

PERFORMANCE:

- 14.56% 1 year return net of fees
- No material change in LACERS’ portfolio in China, Israel, Russia, Ukraine, and Venezuela

INDUSTRY COMMENTARY:

- LACERS’ Single Family Home exposure was 0.6% of the RE portfolio as of 9/30/25, roughly \$8.6M. This is projected to reach 2.5% of the RE portfolio as LACERS funds past commitments.

FUTURE AGENDA ITEMS:

- Investment Manager Contract with Principal Global Investors, LLC
- Investment Manager Contract with Dimensional Fund Advisors LP

- B. PRESENTATION BY AKSIA LLC OF THE PRIVATE CREDIT PORTFOLIO PERFORMANCE REVIEW FOR THE PERIOD ENDING JUNE 30, 2025 – Clark Hoover, Investment Officer I, and Trevor Jackson, Managing Director, with Aksia, LLC, presented and discussed this item with the Board for 17 minutes.
- C. PRESENTATION BY AKSIA LLC OF THE PRIVATE CREDIT PROGRAM 2026 STRATEGIC PLAN AND POSSIBLE BOARD ACTION – Clark Hoover, Investment Officer I, Trevor Jackson, Managing Director, and Rahul Desai, Director, with Aksia, LLC, presented and discussed this item with the Board for 26 minutes. President Chao requested staff to incorporate language for Emerging Managers to represent roughly 10% of total annual commitments. Commissioner Huynh moved approval, seconded by Commissioner Liem, and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Roten, and President Chao -5; Nays, None.
- D. PRIVATE CREDIT CONSULTING CONTRACT WITH AKSIA LLC AND POSSIBLE BOARD ACTION – Clark Hoover, Investment Officer I, presented and discussed this item with the Board for nine minutes. The Board provided staff with guidance on the Aksia fee schedule in the contract renewal and advised them to bring it back at a future Board meeting. No action was taken.
- E. SECURITIES LENDING PROGRAM GUIDELINES MODIFICATIONS AND POSSIBLE BOARD ACTION – Jeremiah Paras, Investment Officer II, presented and discussed this item with the Board for three minutes. Commissioner Moutes moved approval of the following Resolution:

**CONTRACT AMENDMENT  
CONTRACT NO. 4293 – THE NORTHERN TRUST COMPANY  
EXHIBIT II TO APPENDIX B  
INVESTMENT MANAGER OBJECTIVES AND GUIDELINES FOR CUSTOM CASH COLLATERAL  
ACCOUNT**

**RESOLUTION 260127-E**

WHEREAS, the Board authorized temporary modifications to the Securities Lending Program (SLP) Cash Collateral Guidelines on April 28, 2020; and,

WHEREAS, on June 22, 2021, the Board affirmed staff's recommendation to have the temporary revisions to the Cash Collateral Guidelines to remain in effect for an indefinite period of time; and,

WHEREAS, staff revisited the guidelines and reviewed their suitability against the current market environment and LACERS' SLP return objectives and risk constraints; and,

WHEREAS, staff believes that its proposed revisions to the Cash Collateral Guidelines will align the cash reinvestment portfolio's risk parameters with current industry standards to expand earnings potential and optimize the risk-adjusted return profile of the SLP cash reinvestment program; and,

WHEREAS, at the Investment Committee meeting of January 13, 2026, staff recommended modifications to the Cash Collateral Guidelines which largely restore the guidelines to a pre-2020 risk-return profile, to which the Investment Committee provided concurrence; and,

WHEREAS, on January 27, 2026, the Board approved the Investment Committee's recommendation to approve staff's proposed revisions to the Cash Collateral Guidelines.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager or their designee is hereby authorized to approve and execute the necessary documents, subject to satisfactory business and legal terms.

Which motion was seconded by Commissioner Liem, and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Roten, and President Chao -5; Nays, None.

The Board did not discuss any Legal/Litigation items.

## VIII

### LEGAL/LITIGATION

- A. **CLOSED SESSION PURSUANT TO SUBDIVISIONS (A) AND (D)(1) OF GOVERNMENT CODE SECTION 54956.9 TO CONFER WITH, AND/OR RECEIVE ADVICE FROM LEGAL COUNSEL AND POSSIBLE BOARD ACTION REGARDING PENDING LITIGATION IN THE CASE ENTITLED: THOMAS CRAWLEY v. LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM ET AL., (LOS ANGELES SUPERIOR COURT CASE NO. 24STCV14282)**
  
- B. **CLOSED SESSION PURSUANT TO SUBDIVISIONS (A) AND (D)(1) OF GOVERNMENT CODE SECTION 54956.9 TO CONFER WITH, AND/OR RECEIVE ADVICE FROM LEGAL COUNSEL AND POSSIBLE BOARD ACTION REGARDING PENDING LITIGATION IN THE CASE ENTITLED: INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 18 v. CITY OF LOS ANGELES ET AL., (LOS ANGELES SUPERIOR COURT CASE NO. 24STCP02171)**

## IX

OTHER BUSINESS – There was no other business.

X

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, February 10, 2026, at 10:00 A.M., in the LACERS Boardroom, at 977 N. Broadway, Los Angeles, CA 90012.

XI

ADJOURNMENT – There being no further business before the Board, President Chao adjourned the meeting at 11:39 A.M.

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Annie Chao  
President

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Todd Bouey  
Manager-Secretary



REPORT TO BOARD OF ADMINISTRATION  
From: Isaias Cantú, Chief Benefits Analyst

*IC*

MEETING: FEBRUARY 24, 2026  
ITEM: V - B

SUBJECT: **APPROVAL OF DISABILITY RETIREMENT APPLICATION OF ROMOLO VALLE FOR SERVICE-CONNECTED DISABILITY RETIREMENT OF 71% AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That it be the finding of the Board that:

1. Romolo Valle is incapable of performing the duties of an Airport Police Officer II;
2. There is clear and convincing evidence that demonstrates that the discharge of Romolo Valle’s duties as an Airport Police Officer II is the predominant cause of the incapacity;
3. Romolo Valle be granted a Service-Connected Disability Retirement, with a rating of 71%, based on their claimed disabling condition and the supporting medical evidence contained in the administrative record, which includes reports by three licensed, practicing physicians.

**Background**

Romolo Valle (Officer) is an Airport Police Officer II in the Department of Airports (LAWA) with 16.56720 years of City Service. The Officer applied for Service-Connected Disability Retirement on September 9, 2024, within the one-year filing period, in compliance with Los Angeles Administrative Code § 4.1008.1(a).

The Officer’s last day on active payroll was May 30, 2024. If approved, the Officer’s retirement effective date would be May 31, 2024.

**Accommodation**

Because Physicians 1 and 3 opined the Officer is disabled with no form of accommodation that would allow them to return to work, no inquiries were made with the employing department.

## Basis for Disability Rating Recommendation

Disability Type: Service-Connected  
Percentage: 71%  
Limitations: Serious (54-71%)

## **Fiscal Impact**

Upon approval, the Officer will receive a Service-Connected Disability Retirement allowance of approximately \$6,690.00 per month, which is equal to 71% of their Final Average Compensation, and a retroactive payment covering 22 months of approximately \$147,180.00.

*The Los Angeles Administrative Code § 4.1008.1(b) requires a Service-Connected Disability Retirement allowance be no less than the equivalent of 2% per year of service or a minimum of 30% of the Officer's Final Compensation, whichever is greater.*

Prepared By: Carol Rembert, Benefits Analyst, Retirement Services Division  
Claudia Batres-Flores, Sr. Benefits Analyst I, Retirement Services Division

IC:CBF:cr

Attachment: 1. Proposed Resolution

**APPROVAL OF SERVICE-CONNECTED DISABILITY RETIREMENT  
BENEFIT FOR ROMOLO VALLE**

PROPOSED RESOLUTION

WHEREAS, the General Manager presented certain medical reports and other evidence, and reported that the application filed was in regular and proper form;

WHEREAS, Physicians 1, 2, and 3 examined Romolo Valle and concluded that they are unable to perform the usual and customary duties as an Airport Police Officer II with the City of Los Angeles;

WHEREAS, after some discussion and consideration of the evidence received, it was the finding and determination of this Board that clear and convincing evidence demonstrates that the discharge of Romolo Valle's duties as an Airport Police Officer II is the predominant cause of the incapacity pursuant to the definition in Los Angeles Administrative Code § 4.1008.1(b) and not capable of performing the duties as an Airport Police Officer II;

WHEREAS, an investigation of the employment record established the age, final compensation, and period of continuous service in accordance with the Los Angeles Administrative Code, and such disability is not the result of the Officer's intemperance or willful misconduct;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the Service-Connected Disability Retirement benefit for Romolo Valle of 71% of the Final Average Compensation based upon the claimed disabling conditions.



REPORT TO BOARD OF ADMINISTRATION  
From: Isaias Cantú, Chief Benefits Analyst

MEETING: FEBRUARY 24, 2026  
ITEM: V - C

SUBJECT: **APPROVAL OF DISABILITY RETIREMENT APPLICATION OF SUMIT PANDYA FOR SERVICE-CONNECTED DISABILITY RETIREMENT OF 65% AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That it be the finding of the Board that:

1. Sumit Pandya is incapable of performing the duties of an Airport Police Officer II;
2. There is clear and convincing evidence that demonstrates that the discharge of Sumit Pandya's duties as an Airport Police Officer II is the predominant cause of the incapacity;
3. Sumit Pandya be granted a Service-Connected Disability Retirement, with a rating of 65%, based on their claimed disabling condition and the supporting medical evidence contained in the administrative record, which includes reports by three licensed, practicing physicians.

**Background**

Sumit Pandya (Officer) is an Airport Police Officer II in the Department of Airports (LAWA) with 17.75605 years of City Service. The Officer applied for Service-Connected Disability Retirement on October 17, 2024, within the one-year filing period, in compliance with Los Angeles Administrative Code § 4.1008.1(b).

The Officer's last day on active payroll was May 20, 2024. If approved, the Officer's retirement effective date will be May 21, 2024.

**Accommodation**

Because Physician 1 opined the Officer is disabled with no form of accommodation that would allow them to return to work, no inquiries were made with the employing department.

Basis for Disability Rating Recommendation

Disability Type: Service-Connected  
Percentage: 65%  
Limitations: Serious (54-71%)

**Fiscal Impact**

Upon approval, the Officer will receive a Service-Connected Disability Retirement allowance of approximately \$6,125.00 per month, which is equal to 65% of their Final Average Compensation, and a retroactive payment covering 22 months of approximately \$134,750.00.

Prepared By: Carol Rembert, Benefits Analyst, Retirement Services Division  
Claudia Batres-Flores, Sr. Benefits Analyst I, Retirement Services Division

IC:CBF:cr

Attachment: 1. Proposed Resolution

**APPROVAL OF SERVICE-CONNECTED DISABILITY RETIREMENT  
BENEFIT FOR SUMIT PANDYA**

PROPOSED RESOLUTION

WHEREAS, the General Manager presented certain medical reports and other evidence, and reported that the application filed was in regular and proper form;

WHEREAS, Physicians 1, 2, and 3 examined Sumit Pandya and concluded that they are unable to perform the usual and customary duties as an Airport Police Officer II with the City of Los Angeles;

WHEREAS, after some discussion and consideration of the evidence received, it was the finding and determination of this Board that clear and convincing evidence demonstrates that the discharge of Sumit Pandya's duties as an Airport Police Officer II is the predominant cause of the incapacity pursuant to the definition in Los Angeles Administrative Code § 4.1008.1(b), and they are not capable of performing the duties of an Airport Police Officer II;

WHEREAS, an investigation of the employment record established the age, final compensation, and period of continuous service in accordance with the Los Angeles Administrative Code, and such disability is not the result of the Officer's intemperance or willful misconduct;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the Service-Connected Disability Retirement benefit for Sumit Pandya of 65% of the Final Average Compensation based upon the claimed disabling conditions.



REPORT TO BOARD OF ADMINISTRATION  
From: Isaias Cantú, Chief Benefits Analyst

IC

MEETING: FEBRUARY 24, 2026  
ITEM: V - D

SUBJECT: **APPROVAL OF DISABILITY RETIREMENT APPLICATION OF MATTHEW PATRICK FOR SERVICE-CONNECTED DISABILITY RETIREMENT OF 65% AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That it be the finding of the Board that:

1. Matthew Patrick was incapable of performing the duties of an Airport Police Officer III, prior to retirement;
2. Matthew Patrick’s incapacity has been continuous from the date of their service retirement to the present;
3. There is clear and convincing evidence that demonstrates that the discharge of Matthew Patrick’s duties as an Airport Police Officer III is the predominant cause of the incapacity;
4. Matthew Patrick be granted a Service-Connected Disability Retirement, with a rating of 65%, based on their claimed disabling condition and the supporting medical evidence contained in the administrative record, which includes reports by three licensed, practicing physicians.

**Background**

Matthew Patrick (Officer) was a former Airport Police Officer III in the Department of Airports (LAWA) with 17.71770 years of City Service. The Officer applied for Service-Connected Disability Retirement on May 1, 2024, within one year of their Service Retirement effective date, in compliance with Los Angeles Administrative Code (LAAC) § 4.1008.1(p).

The Officer retired from active duty on March 9, 2024. If approved, the Officer’s disability retirement effective date will be March 9, 2024.

**Accommodation**

Because Physician 1 opined the Officer is disabled with no form of accommodation that would allow them to return to work, no inquiries were made with the employing department.

Basis for Disability Rating Recommendation

Disability Type: Service-Connected  
Percentage: 65%  
Limitations: Serious (54-71%)

**Fiscal Impact**

Upon approval, the Officer's retirement status will convert from a Service Retirement to a Service-Connected Disability Retirement. The Officer's allowance of approximately \$7,204.00 per month will be equal to 65% of their Final Average Compensation, and they will receive a retroactive payment for the difference between their Service Retirement allowance and their Service-Connected Disability Retirement allowance for 24 months of approximately \$70,992.00.

Prepared By: Carol Rembert, Benefits Analyst, Retirement Services Division  
Claudia Batres-Flores, Sr. Benefits Analyst I, Retirement Services Division

IC:CBF:cr

Attachment: 1. Proposed Resolution

**APPROVAL OF SERVICE-CONNECTED DISABILITY RETIREMENT  
BENEFIT FOR MATTHEW PATRICK**

PROPOSED RESOLUTION

WHEREAS, the General Manager presented certain medical reports and other evidence, and reported that the application filed was in regular and proper form;

WHEREAS, Physicians 1 and 2 examined Matthew Patrick and concluded that he is unable to perform the usual and customary duties as an Airport Police Officer III with the City of Los Angeles;

WHEREAS, notwithstanding, Physician 3 examined Matthew Patrick and concluded that he is able to perform the usual and customary duties as an Airport Police Officer III with the City of Los Angeles;

WHEREAS, after some discussion and consideration of the evidence received, it was the finding and determination of the Board that clear and convincing evidence demonstrates that the discharge of Matthew Patrick's duties as an Airport Police Officer III is the predominant cause of the incapacity pursuant to the definition in Los Angeles Administrative Code § 4.1008.1(b) and not capable of performing the duties as an Airport Police Officer III;

WHEREAS, an investigation of the employment record established the age, final compensation, and period of continuous service in accordance with the Los Angeles Administrative Code, and such disability is not the result of the Officer's intemperance or willful misconduct;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the Service-Connected Disability Retirement benefit for Matthew Patrick of 65% of the Final Average Compensation based upon the claimed disabling conditions.



**REPORT TO BOARD OF ADMINISTRATION**

**From: Benefits Administration Committee**

Tom Moutes, Chair  
Janna Sidley  
Sung Won Sohn

**MEETING: FEBRUARY 24, 2026**

**ITEM: VI -A**

**SUBJECT: 2026 LACERS WELL UPDATE, WORKPLAN, BUDGET AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Board approve the following:

1. Proposed 2026 Wellness Budget;
2. Authorize an increase by \$50,000 in Fund 800, Appropriation 163040 – Contractual Services for Fiscal Year 2025-26 (FY26) for MYCA Learning (Cornerstone Training) to be reimbursed from the LACERS Wellness Fund; and,
3. Authorize the General Manager or designee to transfer funds between Wellness budget accounts, as necessary, within the approved 2026 budget.

**Executive Summary**

At the February 10, 2026 Benefits Administration Committee meeting, LACERS Well staff presented the 2026 LACERS Well update, workplan and recommendations in the attached Committee report (Attachment 1). After discussion, the Committee approved staff's recommendation to forward the report on the proposed 2026 LACERS Well Budget and General Manager delegated authority to the Board for approval.

Prepared By: Alejandra Zuniga, Benefits Analyst, Health, Wellness and Buyback Division

TB/DWN/KF/JK/az

Attachment: 1. February 24, 2026, Benefits Administration Committee Report  
2. Proposed Board Resolution



**REPORT TO BENEFITS ADMINISTRATION COMMITTEE MEETING: FEBRUARY 10, 2026**

**From: Todd Bouey, General Manager**

**ITEM: III**

**SUBJECT: 2026 LACERS WELL UPDATE, WORKPLAN, BUDGET AND POSSIBLE COMMITTEE ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Committee forward a recommendation to the Board to:

1. Approve the proposed 2026 Wellness budget;
2. Authorize and increase by \$50,000 in Fund 800, Appropriation 163040 - Contractual Services for Fiscal Year 2025-26 (FY26) for MYCA Learning (Cornerstone Training) to be reimbursed from the LACERS Wellness Fund; and,
3. Authorize the General Manager or designee to transfer funds between Wellness budget accounts, as necessary, within the approved 2026 Wellness budget.

**Executive Summary**

The LACERS Wellness Program was implemented to support Retired Members in adopting and maintaining healthier behaviors that can help reduce long-term health-related costs. Through informational seminars, workshops, and activities that aligned with the program’s five pillars—purpose, health, financial wellness, social engagement, and community—the program encourages engagement in practices that contribute to improved health outcomes.

The program also supports a network of LACERS Well Champions, Retired Members who voluntarily lead activities for other LACERS Members in their communities or assist at various LACERS Well events. While the program offers a wide range of wellness opportunities, its overarching goal is to enhance Members’ quality of life and retirement experience by promoting optimal health and well-being.

**Discussion**

The LACERS Well program provides wellness activities and services that promote the health, well-being, and quality of life of LACERS Members. Our health plan carriers contribute to this effort by offering webinars, educational sessions, and additional wellness-focused activities.

## **2025 Achievements**

In 2025, LACERS Well achieved the following:

- Facilitated 91 Webinars and Seminars, an increase of 16.7%
- Facilitated 19 In-person Workshops/Events
- Increased program participation to 3,635
- Increased Member Interaction Touchpoints from 7,980 to 13,506, all taking place via email inquiry, phone calls, mailers, social media, and Carrier surveys
- Assisted in coordinating four Open Enrollment in-person events with the Health Advocacy Unit
- Supported 17 Champion Volunteers
- 72 Champion-led Online Activities
- 104 Champion-led In-person Activities

## **2026 Goals**

Building on the success of 2025, LACERS Well aims to:

- Increase Program participation to **3,700**
- Increase Webinars/Seminars to **95**
- Facilitate **25** In-person Workshops/Events
- Recruit new Champion Volunteers to the program
- Establish one new Non-profit or Senior Agency Partnership
- Summer of Fit Activity Series
- 2026 Health and Wellness Fair with Carrier Partners

## **Strategic Plan Initiatives**

LACERS Well is exploring other opportunities that extend outreach to augment the current offerings, as well as increase the value of LACERS Well to our Members. The Wellness Program has two Strategic Plan Initiatives: strengthen engagement opportunities, and to build collaborations with the health plan carriers, non-profit organizations, and other agencies. In 2026, LACERS Well, with the assistance of the Health and Welfare Consultant, Keenan, is partnering with carriers to provide additional wellness program activities.

## **2026 Wellness Workplan**

LACERS Well's 2026 work plan is energized by this year's theme: "Live Stronger, Longer." Building on our previous focus of turning knowledge into action, we're shifting from simply being *in motion* to moving with purpose, resilience, and longevity. This new theme reflects our commitment to helping Members strengthen their bodies, minds, and daily habits, empowering them to stay active, informed, and engaged for years to come. Through education, movement, and meaningful connection, we are supporting every Member in living not just longer, but stronger.

Building on the success of previous years, LACERS Well will expand both in-person and virtual offerings and continue core programs such as technology classes, exercise sessions, brain health programs, and Champion-led activities. New program offerings for 2026 will include:

- The Empowered Caregiver Series facilitated by our new partnership with the nationwide Alzheimer’s Association. These monthly webinars will provide members with education, support and resources when caring for a parent, spouse or loved one living with this disease.
- LACERS Well will host a Health Fair Event with biometric screenings for 200 members in partnership with Keenan and the health plan carriers scheduled for August 13, 2026.
- Fitness activities such as aquatic water aerobics, five Tai-Chi classes, museum tours, and nature walks are all at various locations.

**Wellness Budget Proposal**

Each year, LACERS health plan carriers contribute funds to support the LACERS Well program. In 2026, carriers have committed a total of \$298,500 for the program. The total account balance is \$1,298,925.08 as of January 23, 2026.

A budget of \$428,500 is proposed to fund the activities of the 2026 Wellness workplan. The proposed budget is \$50,000 higher than last year’s budget due to the addition of a one-time expense for the MYCA Learning (Cornerstone Training) in FY26. The Wellness vehicle purchase is still ongoing and remains in the budget in case the purchase is not completed by the General Services Division (GSD) this fiscal year. The 2026 Wellness budget accounts and amounts are below:

<b>Account/ Expense</b>	<b>Budget</b>
1000: Fitness Events (Zumba, Dancing, 5k)	\$7,500
2000: Workshops (Technology, Financial Planning, Disaster Prep)	\$15,000
3000: Community Events	\$15,000
4000: Informational Meetings (Meet the Dr., Lunch & Learns, Carrier Summit)	\$15,000
5000: Champion Meetings/ Wellness Staff Activities	\$13,000
6000: Passport to Health Initiatives (Gift Cards via Keenan)	\$1,000
7000: Technology Class Contract ( <i>Mom’s Computer</i> )	\$18,000
8000: Fitness Class Contract ( <i>Personal Wellness Corp.</i> )	\$18,000
9000: Various Classes Contract ( <i>Foundation for Senior Services</i> )	\$6,000
10000: Open Enrollment Meetings	\$70,000

11000: Mailings	\$1,000
12000: Promotional Items (Custom items, promotional videos)	\$14,000
13000: Training	\$5,000
14000: Salaries, Overtime, Mileage	\$90,000
15000: Equipment	\$10,000
16000: Vehicle (Health, Wellness and Buyback Division)	\$80,000
17000: Training Platform ( <i>MYCA Learning/Cornerstone</i> )	\$50,000
<b>Total</b>	<b>\$428,500</b>

In 2025, expenditures totaled \$183,073.78, which was below the \$378,500 budget.

Although the health plan carriers have not placed limitations or restrictions on the use of the funds, the proposed budget provides transparency and control of the use of the wellness funds. Staff requests that the proposed 2026 budget be established and approved in accordance with the established Wellness Funds Policy.

Prepared By: Alejandra Zuniga, Benefits Analyst, Health, Wellness and Buyback Division

TB/DWN/KF/JK/KB/az

- Attachments: 1. 2026 LACERS Well Update, Workplan & Budget  
2. Proposed Board Resolution



BAC Meeting: 02/10/26  
Item: III  
Attachment: 1



**LACERS WELL**

# **2026 LACERS Well Update, Workplan, and Budget**



# Wellness Program Achievements – 2025 Overview

The Wellness Team is pleased to share highlights from our 2025 programs and events, all designed to promote physical activity, mental and emotional wellness, lifelong learning, and emergency preparedness.

## Key Achievements

### 2025 Health Summit (Mar 20)

Partnered with health plans and City benefits teams; featured plan overviews, chronic condition strategies, and a collaborative roundtable.

### 5K Hike–Walk–Run (Apr 30)

71 participated in the Lacy Park 5K to promote movement and social engagement.

### LAX Flight Path Museum Champion-Led Tour (May 16) *(Non-profit)*

41 Members experienced air-traffic communications and historic aviation exhibits.

### Sip & Paint Workshop (Jul 15)

45 participated in the creativity-focused session supporting cognitive and emotional wellness.

### Zumba Dance Class (Jul 29)

14 Members joined the fun, heart-healthy physical activity led by a certified instructor.

### Technology Workshop (Jul 31)

Scam prevention and digital skills training for 61 retirees.

### Hyperion Environmental Learning Center Tour (Aug 12)

16 Members were educated on sustainability, water conservation, and environmental stewardship.

### SCAN/Kaiser Lunch & Learn (Aug 19)

Preventive care, screenings, and sleep apnea education for 61 Members.

### Disaster Preparedness Workshop (Sep 16)

Emergency readiness training with starter kits provided for 32 Members.

### Preventing Diabetes Seminar (Sep 18)

11 Members joined the interactive session on nutrition and exercise for diabetes prevention.

### Financial & Estate Planning Workshop (Sep 23)

Guidance from attorneys and advisors for 71 Members.

### Autry Museum Tour (Sep 30) *(Non-profit)*

43 Members participated in the cultural enrichment and social engagement.

### Cabrillo Marine Aquarium Tour (Oct 7)

Hands-on learning about local marine life for 15 Members.

### Central Library Tour (Nov 14)

22 Members explored the historic architecture and art.

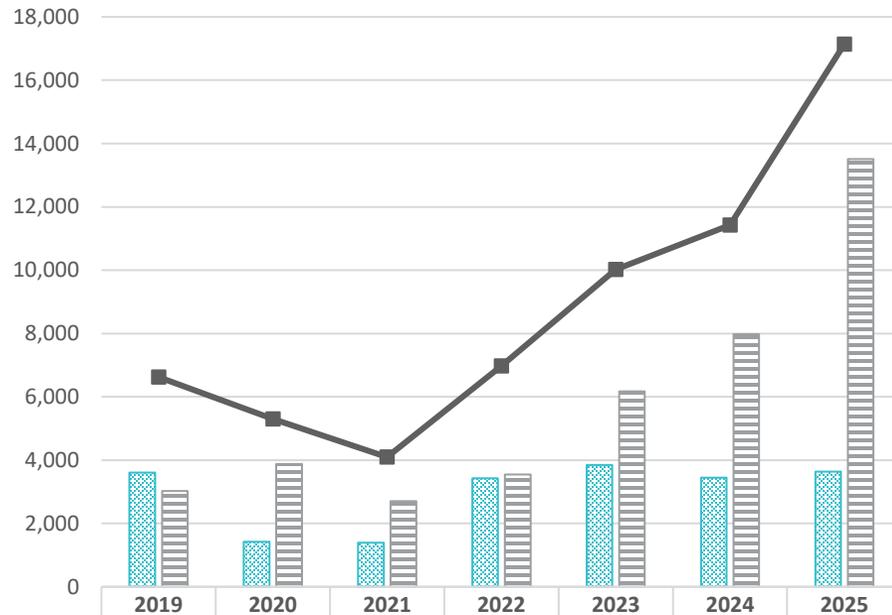
### Back to Basics Tech Workshop (Dec 4)

15 Members attended the one-on-one tech support for phones, laptops, and photos.

The Wellness Team is proud of the impact of these programs and looks forward to expanding our offerings in 2026.

# 2025 Wellness Program Accomplishments & 2026 Goals

Wellness Participation and Touchpoints



	2019	2020	2021	2022	2023	2024	2025
Wellness Program Member Participation	3,605	1,422	1,394	3,427	3,846	3,448	3,635
Wellness Interaction "Touchpoints"	3,021	3,880	2,703	3,545	6,174	7,980	13,506
Totals	6,626	5,302	4,097	6,972	10,020	11,428	17,141



## 2025 Results

- **3,635** – Members participated in a wellness activity
- **13,506** – Member Interactions/Touchpoints
- **91** – Webinars or Classes were offered
- **19** - In-Person Workshops/Events
- **17** - Champion Volunteers
- **7** - Non-profit or Senior Agency Partnerships

## 2026 Wellness Goals

- **3,700** – Member participation (*1.8% increase*)
- **13,911** – Member Interactions/Touchpoints (*3% Increase*)
- **95** – Webinars or Classes were offered (*4.4% Increase*)
- **25** - Increase In-Person Workshops/Events
- **19** - Champion Volunteers
- **7** - Non-profit or Senior Agency Partnerships

# Wellness Strategic Plan Initiative Support

## Objective

Expand wellness services by collaborating with health plan carriers, non-profits, and community organizations to empower Members in managing their health. Focus on preventing chronic conditions through innovative workshops, fostering social connections via group activities, and leveraging technology to enhance access to health education and resources, all while promoting physical, emotional, and social well-being.

## Benefits

- Align resources to scale programming
- Support Member education, assistance, and participation
- Integrate health management in wellness programming

## Next Steps

- Identify health carrier and non-profit resources and reporting
- Define metrics for reporting and enhance existing dashboard

## Team Leaders

- Kristal Baldwin, LACERS
- Alejandra Zuniga, LACERS

## HWABD Management Support

- Karen Freire, LACERS
- James Kawashima, LACERS

## Executive Sponsor

Dale Wong-Nguyen

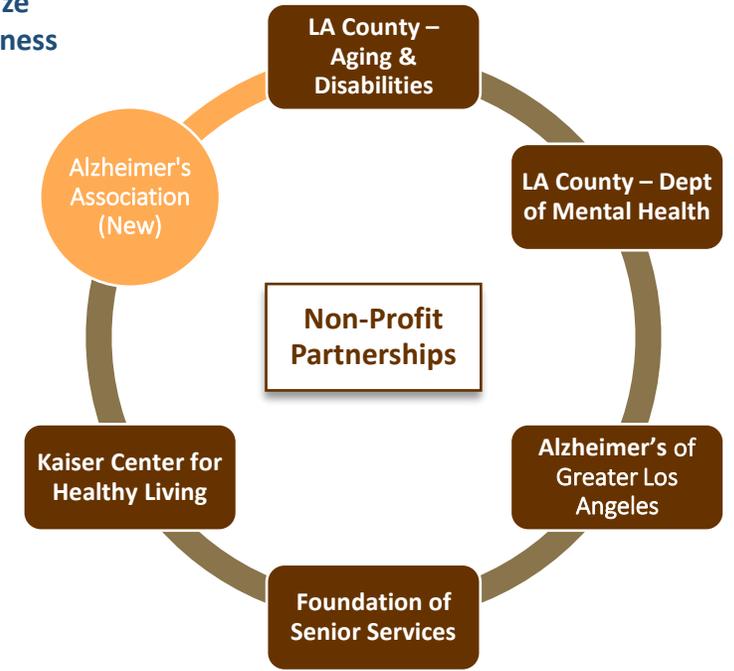
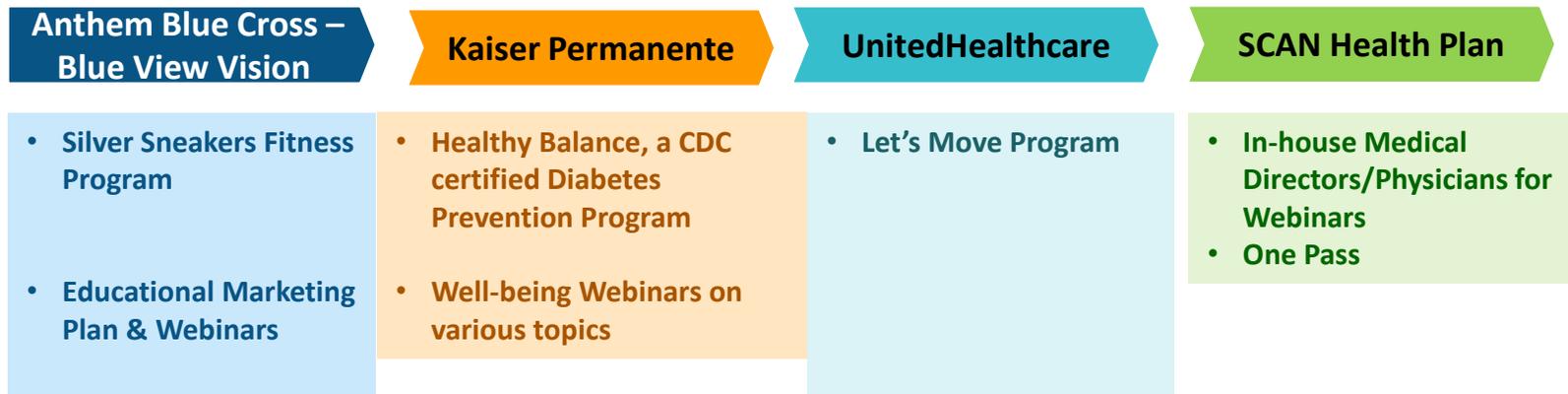
## Support

- LACERS Well Team
- Keenan and Associates
- Health Plan Carriers
- Non-Profit Organizations



# Proposed Strategic Plan Initiatives Fiscal Year 2026

Focus on preventing and managing diabetes, hypertension, and depression



# 2026 Wellness In-person & Virtual Events

## Theme: "Live Stronger, Longer"

### Live Stronger, Longer through Physical activity

- Stronger U Fitness Classes with Sean Foy
- Champion-led Program In-person and Virtual Activities
- Two 5K Hike-Walk-Run events @ Lacy Park
- Zumba Dance Class



### Live Stronger, Longer by learning something new

- Mom's Computer Classes/Tech Workshops
- SCAN-Kaiser Lunch and Learn Meetings
- Financial and Estate Planning Workshop



### Live Stronger, Longer by focusing on Brain Health

- Brain Health Classes
- County of L.A. – Financial Scams, Preserving Memory, and Holiday Blues
- The Empowered Caregiver Series – focusing on caregiver support.



### New In-Person Activities

- Maritime Museum & Boat Tour (San Pedro)
- LACERS Health & Wellness Fair with Bio-Metric Screenings
- Five Tai-Chi Classes



### Live Stronger, Longer concentrating on Mental Health

- Coping with Grief & Loss Webinar
- Aging Well Discussion Group
- Kaiser / Anthem Well-Being Webinars



### New In-Person Activities

- UHC/Delta Dental Lunch & Learn Event
- Aquatic Water Aerobics
- Ronald Regan Museum Tour (*Nonprofit*)

# 2026 Wellness Workplan

This plan will support the well-being of Members through consistent, accessible, and engaging wellness programming that enhances physical health, emotional resilience, cognitive vitality, financial security, and social connection.

Category	Activity	Frequency	Purpose
Online Learning & Wellness	Aging Well Discussion Group	Monthly	Focus: Emotional well-being, social connection, healthy aging
	Mom’s Computer Tech Classes	Monthly	Focus: Digital literacy, Support Members in navigating technology confidently and independently
	Brain Health Classes with AZLA; The Empowered Caregiver Series	Monthly	Focus: Alzheimer’s Awareness and education, cognitive and physical health; Providing caregiver support and resources
	A Stronger You Fitness Classes	Monthly	Focus: Strength, mobility, and physical activity, which includes finding your purpose
	Carrier Webinars (Kaiser/Anthem)	Monthly	Focus: Benefits education and utilization, Chronic Disease management
	County of L.A. Mental Health Webinars	4-Months	Focus: Mental Health Awareness and Scam Prevention
	(2) Book Clubs, (2) Movie Review Clubs, Chess Club	Monthly	Focus: Peer led engagement, motivation, and connection
In-Person Engagement	5K Hike-Walk-Run Event; El Dorado Nature Tour; Maritime Museum/Boat Tour; Wildlife Learning Center	Seasonal	Focus: Group Activity & Socialization; Physical Movement, Balance and Flexibility strengthening
	LACERS Tech Workshop; Zumba Dance Class; Sip & Paint; Lunch & Learn Events; Financial & Estate Planning and Back to Basics Tech Workshops; Health & Wellness Fair	Annual	Focus: Expand Health Benefit Awareness, Support Financial & Estate Planning, Strengthen Hand eye coordination and Learn Tech skills
	Museum Tours, Aqua Water Fitness; Tai-Chi Classes	Monthly	Focus: Improve Physical Health, Build muscle strength; Hand and eye coordination, Enhance Cultural knowledge
	Champion-led Walks in the Park/Beach; Hikes; Pickle Ball, and Chess	Monthly	Focus: Peer-led Engagement and Interactions through physical and mental stimulation

# 2026 Wellness Workplan cont'd

Measurement Area	Key Metrics/Tools	
Surveys & Assessments	<p><b>Pre/Post-event Surveys or Quizzes</b> (Google/Microsoft Forms)</p> <ul style="list-style-type: none"> <li>Measure knowledge of chronic disease management, medication adherence, nutrition and physical activity</li> <li>Capture confidence levels ("How confident are you managing X condition?")</li> <li>Track changes in sleep, stress, physical activity, diet and symptom management; Health Risk Assessment</li> </ul>	Launching in 2026
Engagement	Webinar and in-person event attendance vs Registration Ratio	60% + Attendance
Health & Behavior Tracking Tools	<p><b>Wearables &amp; Apps</b></p> <ul style="list-style-type: none"> <li>Fitbit, Apple Health, Sydney App, etc (Track steps, sleep quality, blood glucose and weight trends)</li> </ul>	Increase Usage
Qualitative Feedback Tool	<p><b>Focus Groups</b></p> <ul style="list-style-type: none"> <li>Explore what resonated, what didn't, and what retirees want next</li> </ul> <p><b>Open-ended Surveys</b></p> <ul style="list-style-type: none"> <li>"What was the most valuable part of the program?" What changes have you made since attending?"</li> </ul>	25+ Participation
Healthcare Utilization Data	<p><b>Facilitated by Consultants and Carriers</b></p> <ul style="list-style-type: none"> <li>Changes in ER visits</li> <li>Hospitalizations</li> <li>Medication adherence</li> <li>Preventive care usage</li> </ul> <p><b>Cost-Savings</b></p> <ul style="list-style-type: none"> <li>Lower healthcare claims</li> </ul>	All Carriers



# Wellness Budget Proposal

Annually, health plan carriers make contributions to fund the LACERS Well program at the beginning of the calendar year. In 2026, health carriers have committed the amounts below for the program.

Health Carrier	Amount
Kaiser	\$150,000
Anthem	\$100,000
SCAN	\$20,000
Delta Dental	\$10,000
Anthem Blue View	\$10,000
UnitedHealthcare	\$8,500
<b>Total</b>	<b>\$298,500</b>

**Note:** LACERS Health Carrier Account (HCA) balance as of 1/23/2026 is \$1,298,925.08.

\*The 2026 Wellness budget is \$130,000 above the carrier funding due to the one-time vehicle and MYCA Learning training expense.

Account/ Expense	Budget
1000: Fitness Events (Zumba, Dancing, 5k)	\$7,500
2000: Workshops (Technology, Financial Planning, Disaster Prep)	\$15,000
3000: Community Events	\$15,000
4000: Informational Meetings (Meet the Dr., Lunch & Learns, Carrier Summit)	\$15,000
5000: Champion Meetings/ Wellness Staff Activities	\$13,000
6000: Passport to Health Initiatives (Gift Cards via Keenan)	\$1,000
7000: Tech Classes Contract ( <i>Mom's Computer</i> )	\$18,000
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10000: Open Enrollment Meetings	\$70,000
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12000: Promotional Items (Custom items, promotional videos)	\$14,000
13000: Training	\$5,000
14000: Salaries, Overtime, Mileage	\$90,000
15000: Equipment	\$10,000
16000: Vehicle (Health, Wellness and Buyback Div.)	\$80,000
17000: Training Platform ( <i>MYCA Learning/Cornerstone</i> )	\$50,000
<b>Total</b>	<b>\$428,500</b>



**LACERS WELL**

**QUESTIONS?**



**2026 BUDGET FOR LACERS WELLNESS PROGRAM AND DELEGATION OF  
AUTHORITY TO THE GENERAL MANAGER**

PROPOSED RESOLUTION

WHEREAS, the Los Angeles City Employees' Retirement System (LACERS) developed the LACERS Well program to support and improve the health of Retired Members;

WHEREAS, the health plan carriers provide annual funding to the LACERS Well programs;

WHEREAS, LACERS Well has contracted with vendors to provide services and activities to help Retired Members better manage their health while minimizing long-term healthcare costs;

WHEREAS, the Calendar Year 2026 Wellness Program budget provides funds for expenditures related to wellness events;

WHEREAS, Charter Section 343(b) and Administrative Code Section 5.36, provides authority to the head of the department, the LACERS Board of Administration, to transfer between budgetary items, within limits prescribed by the City Administrative Officer;

WHEREAS, the Board is authorized to delegate to the General Manager to move funds in order to meet priorities in the most efficient and timely manner;

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

1. Approve the proposed 2026 Wellness budget;
2. Authorize and increase by \$50,000 in Fund 800, Appropriation 163040 - Contractual Services for Fiscal Year 2025-26 (FY26) for MYCA Learning (Cornerstone Training) to be reimbursed from the LACERS Wellness Fund; and,
3. Authorize the General Manager or designee to transfer funds between Wellness budget accounts, as necessary, within the approved 2026 Wellness budget.

February 10, 2026

**2026 BUDGET FOR LACERS WELLNESS PROGRAM AND DELEGATION OF AUTHORITY  
TO THE GENERAL MANAGER**

**PROPOSED RESOLUTION**

WHEREAS, the Los Angeles City Employees' Retirement System (LACERS) developed the LACERS Well program to support and improve the health of Retired Members;

WHEREAS, the health plan carriers provide annual funding to the LACERS Well programs;

WHEREAS, LACERS Well has contracted with vendors to provide services and activities to help Retired Members better manage their health while minimizing long-term healthcare costs;

WHEREAS, the Calendar Year 2026 Wellness Program budget provides funds for expenditures related to wellness events;

WHEREAS, Charter Section 343(b) and Administrative Code Section 5.36, provides authority to the head of the department, the LACERS Board of Administration, to transfer between budgetary items, within limits prescribed by the City Administrative Officer;

WHEREAS, the Board is authorized to delegate to the General Manager to move funds in order to meet priorities in the most efficient and timely manner;

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

1. Approve the proposed 2026 Wellness budget;
2. Authorize and increase by \$50,000 in Fund 800, Appropriation 163040 - Contractual Services for Fiscal Year 2025-26 (FY26) for MYCA Learning (Cornerstone Training) to be reimbursed from the LACERS Wellness Fund; and,
3. Authorize the General Manager or designee to transfer funds between Wellness budget accounts, as necessary, within the approved 2026 Wellness budget.

February 24, 2026



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

**MEETING: FEBRUARY 24, 2026**

**ITEM: VI - B**

**SUBJECT: COST-OF-LIVING ADJUSTMENT FOR JULY 2026 AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Board:

1. Adopt a 3% cost-of-living-adjustment with the excess of 0.2% banked for Tier 1 and Tier 1 Enhanced Members, and a 2% cost-of-living-adjustment for Tier 3 Members, as detailed in the attached schedule prepared by LACERS' consulting actuary, to be effective July 1, 2026; and,
2. Consider the discussion of Discretionary COLA and provide any direction to Staff on further engaging the City in requesting a discretionary COLA increase for LACERS Members and beneficiaries.

**Executive Summary**

On July 1 of each year, eligible retired Members and beneficiaries may receive a cost-of-living adjustment (COLA) to their benefits, determined in accordance with the Los Angeles Administrative Code (LAAC). The COLA is based on the average annual percentage change in the Consumer Price Index (CPI) for the Los Angeles area for the previous calendar year and is subject to the limitations in the LAAC § 4.1022 for Tier 1 and § 4.1080.17 for Tier 3. According to the Federal Bureau of Labor Statistics, the annual average CPI for the Los Angeles area increased 3.2% in 2025. However, due to LAAC limitations, Tier 1 and Tier 1 Enhanced will receive 3% COLA with the excess 0.2% banked, while Tier 3 will receive 2% COLA effective July 1, 2026.

**Discussion**

In any given year, Tier 1 and Tier I Enhanced Members are eligible for a maximum increase of 3% COLA (LAAC § 4.1022 for Tier 1). In addition, Tier 1 and Tier 1 Enhanced participants are entitled to receive and accumulate the excess (known as "Excess COLA") whenever the CPI change is greater than the maximum limit of 3% in any year. Based on the 3.2% CPI increase for 2025, Tier 1 and Tier 1 Enhanced participants will receive the maximum 3% increase, with the remaining excess COLA of 0.2% (i.e., 3.2%-3.0%) banked for future use. Since the Tier 3 COLA benefit is capped at 2.0% (LAAC § 4.1080.17) and there is no banked benefit, Tier 3 participants will receive 2% COLA effective July 1, 2026.

The COLA benefits effective July 1, 2026, are summarized in the table below and are further detailed in the attached letter from LACERS' consulting actuary.

<b>Membership</b>	<b>Initial Retirement Date</b>	<b>COLA Limitation</b> (LAAC § 4.1022 & § 4.1080.17)	<b>COLA Effective July 1, 2026</b>
Tier 1 and Tier 1 Enhanced participants and beneficiaries	On or before July 1, 2025	<ul style="list-style-type: none"> <li>• 3.0% maximum increase</li> <li>• Excess COLA will be banked (i.e., added to the existing accumulated COLA balance, see attached schedule).</li> </ul>	3%
Tier 1 and Tier 1 Enhanced participants and beneficiaries with less than one full year of retirement	July 2, 2025, to June 30, 2026	<ul style="list-style-type: none"> <li>• Prorated COLA increase of 1/12 for each full month of retirement</li> <li>• Excess will not be banked for less than one full year of retirement</li> </ul>	1/12th of 3.0% each full month retired
Tier 3 participants and beneficiaries	On or before July 1, 2025	<ul style="list-style-type: none"> <li>• 2% maximum increase</li> <li>• No COLA Bank</li> </ul>	2%
Tier 3 participants and beneficiaries with less than one full year of retirement	July 2, 2025, to June 30, 2026	<ul style="list-style-type: none"> <li>• Prorated COLA increase of 1/12 for each full month of retirement</li> <li>• No COLA Bank</li> </ul>	1/12th of 2.0% each full month retired

### **Discretionary COLA**

Pursuant to LAAC § 4.1023 and LAAC § 4.1080.17(c), the City Council shall periodically review the matter of the cost-of-living adjustment to ascertain the impact of the increase in CPI and adequacy of the annual cost-of-living adjustments provided to eligible retirees and beneficiaries and may grant additional but discretionary adjustments subject to certain limitations. The Board sent a letter to the Mayor and Council requesting that the City grant LACERS Members and their Beneficiaries a discretionary COLA in April 2023, May 2024, and February 2025, however, no formal action has been taken on these requests. The maximum discretionary COLA that can be granted per LAAC on or after July 2026 is 0.5%.

The City Council had previously provided three discretionary adjustments: 7.00% in 1982, 1.25% in 1986, and 1.60% in 1989 (Council File No. 99-1158). In 2002, the Council granted a discretionary COLA for Members with a retirement date before June 30, 1984 (Council File No. 01-2343). The purpose of this one-time COLA was to reduce all excess COLA banks to no more than 25.3% (Ordinance No. 174419). Any banked amount that exceeded 25.3% was paid to Members. Although this method of applying the discretionary COLA is not as currently prescribed by City Code, Council has discretion in determining how a discretionary COLA is awarded, as it is enacted through the adoption of an ordinance. Since 2002, the Council has not granted any discretionary COLAs based on staff research.

Prepared By: Jo Ann Peralta, Departmental Chief Accountant IV

TB:EA:JP

Attachments: 1. Segal Letter dated January 22, 2026, with COLA schedule



Emily Klare, ASA, MAAA, EA  
Senior Actuary  
T 415.263.8236  
eklare@segalco.com

Board Meeting: 02-24-26  
Item: VI – B  
Attachment: 1

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

## Via Email

January 22, 2026

Mr. Todd Bouey  
General Manager  
Los Angeles City Employees' Retirement System  
977 N. Broadway  
Los Angeles, CA 90012-1728

### **Re: Los Angeles City Employees' Retirement System (LACERS) Cost-of-living adjustment (COLA) banks as of July 1, 2026**

Dear Todd:

We have prepared a schedule showing the accumulated COLA banks for the System's retirees and beneficiaries reflecting the COLAs as of July 1, 2026.

The annual average Consumer Price Index (CPI)<sup>1</sup> increased from 332.194 in 2024 to 342.676 in 2025, an increase of 3.2% (rounded to the nearest one-tenth of one percent). This figure was determined by using the CPI for all Urban Consumers in the Los Angeles-Long Beach-Anaheim Area, as published by the Bureau of Labor Statistics.

The schedule in Exhibit 1 contains four columns for Tier 1 and Tier 1 Enhanced participants:

- Column 1 Accumulated COLA banks as of July 1, 2025. This data was obtained from a similar schedule we prepared last year.
- Column 2 Actual average CPI increase of 3.2%.
- Column 3 Cost-of-living increase granted as of July 1, 2026, for a full year of retirement.
- Column 4 Accumulated COLA banks as of July 1, 2026.  
(Column (1) + Column (2) - Column (3), but limited to no less than 0%)<sup>2</sup>

As shown in Exhibit 1, the cost-of-living increase as of July 1, 2026 for Tier 1 and Tier 1 Enhanced participants with an initial retirement date on or before June 30, 2025 is the full 3.0% maximum increase permitted by the Administrative Code. The difference between 3.2% and 3.0%, or 0.2%, will increase the accumulated COLA bank for each of these participants for future COLA increases.

<sup>1</sup> In the past, the annual average CPI has been calculated by the Bureau of Labor Statistics (BLS) by taking the sum of the CPI for each of the past 12 months and dividing that total by 12. While the October CPI would have been used in the calculation of the annual average CPI, the BLS has determined the annual average CPI for 2025 without the October 2025 CPI.

<sup>2</sup> Note that for initial retirement dates of 07/01/2025 to 06/30/2026, the July 1, 2026 accumulated COLA bank in Column (4) of Exhibit 1 is instead shown as 0.000%. Not establishing a July 1, 2026 COLA bank for this range of initial retirement dates is consistent with our understanding of the Administrative Code that requires retirement for the entire fiscal year for an initial COLA bank to be established.

Mr. Todd Bouey  
January 22, 2026  
Page 2

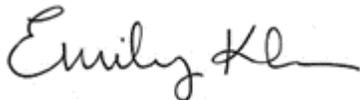
For Tier 1 and Tier 1 Enhanced participants with an initial retirement date between July 1, 2025 and June 30, 2026, the full cost-of-living increase as of July 1, 2026 will be 3.0% but COLA benefits for partial year retirements will be pro-rated. The accumulated COLA bank for these participants will be 0% as of July 1, 2026.<sup>3</sup>

Participants in Tier 3 are entitled to a maximum of 2% COLA provision after retirement (instead of a maximum of 3% COLA provision for Tier 1 and Tier 1 Enhanced). In addition, excess COLA will not be banked under the Tier 3 provision, and all Tier 3 retirees and beneficiaries will receive the same COLA regardless of retirement date.

As shown in Exhibit 2, the cost-of-living increase as of July 1, 2026 for Tier 3 participants will be 2.0% regardless of retirement date.<sup>4</sup>

Please give us a call if you have any questions.

Sincerely,



Emily Klare, ASA, MAAA, EA  
Senior Actuary

JT/bbf  
Attachments

cc: Edwin Avanesian

<sup>3</sup> Except for July 1, 2025 retirees, whose accumulated COLA banks as of July 1, 2026 will be 0.2%.

<sup>4</sup> COLA benefits for partial year retirements between July 1, 2025 and June 30, 2026 are pro-rated.

# Los Angeles City Employees' Retirement System Cost-of-Living Increases and Accumulated COLA Banks as of July 1, 2026

Tier 1 and Tier 1 Enhanced Participants  
(Maximum Annual COLA of 3%)

Initial Retirement Date	July 1, 2025 Accumulated COLA Bank (1)	Increase in Annual Average CPI <sup>1</sup> (2)	COLA <sup>2</sup> (3)	July 1, 2026 Accumulated COLA Bank (4)
On or Before 07/01/1978	20.500%	3.200%	3.000%	20.700%
07/02/1978 to 07/01/1979	16.250%	3.200%	3.000%	16.450%
07/02/1979 to 08/01/1979	11.644%	3.200%	3.000%	11.844%
08/02/1979 to 09/01/1979	11.839%	3.200%	3.000%	12.039%
09/02/1979 to 10/01/1979	12.033%	3.200%	3.000%	12.233%
10/02/1979 to 11/01/1979	12.228%	3.200%	3.000%	12.428%
11/02/1979 to 12/01/1979	12.422%	3.200%	3.000%	12.622%
12/02/1979 to 01/01/1980	12.617%	3.200%	3.000%	12.817%
01/02/1980 to 02/01/1980	12.811%	3.200%	3.000%	13.011%
02/02/1980 to 03/01/1980	13.006%	3.200%	3.000%	13.206%
03/02/1980 to 04/01/1980	13.200%	3.200%	3.000%	13.400%
04/02/1980 to 05/01/1980	13.394%	3.200%	3.000%	13.594%
05/02/1980 to 06/01/1980	13.589%	3.200%	3.000%	13.789%
06/02/1980 to 07/01/1980	13.783%	3.200%	3.000%	13.983%
07/02/1980 to 06/30/2018	6.000%	3.200%	3.000%	6.200%
07/01/2018 to 06/30/2021	6.000%	3.200%	3.000%	6.200%
07/01/2021 to 06/30/2022	5.200%	3.200%	3.000%	5.400%
07/01/2022 to 06/30/2023	0.800%	3.200%	3.000%	1.000%
07/01/2023 to 06/30/2024	0.300%	3.200%	3.000%	0.500%
07/01/2024 to 06/30/2025	0.000%	3.200%	3.000%	0.200%
07/01/2025 <sup>3</sup> to 06/30/2026		3.200%	3.000%	0.000%

<sup>1</sup> Based on ratio of 2025 annual average CPI to 2024 annual average CPI for the Los Angeles - Long Beach - Anaheim Area.

<sup>2</sup> COLA benefits for partial year retirements are pro-rated.

<sup>3</sup> Only those retirees (or continuing survivors) whose benefits commenced on July 1 and continued through June 30 receive a COLA bank in years of excess CPI. For initial retirement dates starting July 1, 2018 and later, the COLA bank for a July 1 retiree (or continuing survivor) is shown on the row above that retiree's (or continuing survivor's) retirement date. For example, the July 1, 2025 COLA bank for a July 1, 2018 retiree (or continuing survivor) is 6.000% (i.e., from the 07/02/1980 to 06/30/2018 row) and such retiree (or continuing survivor) would receive a July 1, 2026 COLA of 3.000%. The July 1, 2026 COLA bank for such retiree (or continuing survivor) would be increased to 6.200%.

# Los Angeles City Employees' Retirement System Cost-of-Living Increases as of July 1, 2026

Tier 3 Participants  
(Maximum Annual COLA of 2%)

<b>Initial Retirement Date</b>	<b>Increase in Annual Average CPI<sup>4</sup> (1)</b>	<b>COLA<sup>5</sup> (2)</b>
On or Before 06/30/2026	3.200%	2.000%

<sup>4</sup> Based on ratio of 2025 annual average CPI to 2024 annual average CPI for the Los Angeles - Long Beach - Anaheim Area.

<sup>5</sup> COLA benefits for partial year retirements are pro-rated.



# PORTFOLIO PERFORMANCE REVIEW

LOS ANGELES CITY EMPLOYEES'  
RETIREMENT SYSTEM

QUARTER ENDING DECEMBER 31, 2025

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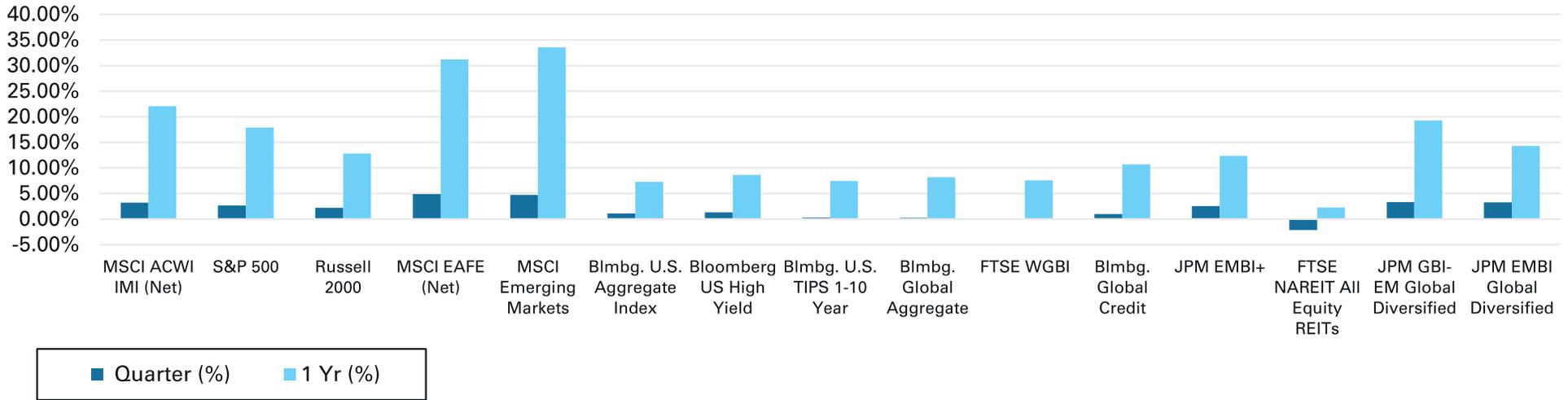


# EXECUTIVE SUMMARY



# PERFORMANCE OVERVIEW

## Market Summary – Q4



	Market Value (\$)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	15 Yrs (%)	Inception (%)	Inception Date
<b>LACERS Master Trust</b>	<b>27,111,858,652</b>	<b>2.0 (68)</b>	<b>6.6 (51)</b>	<b>14.7 (24)</b>	<b>11.2 (42)</b>	<b>7.2 (63)</b>	<b>8.6 (41)</b>	<b>8.3 (31)</b>	<b>8.2 (1)</b>	<b>Nov-94</b>
<i>Policy Index</i>		<i>2.6 (26)</i>	<i>7.7 (18)</i>	<i>15.9 (10)</i>	<i>11.9 (28)</i>	<i>6.6 (75)</i>	<i>8.6 (40)</i>	<i>8.2 (36)</i>	<i>8.2 (14)</i>	
<i>InvMetrics Public DB \$5-50B Gross Median</i>		<i>2.3</i>	<i>6.6</i>	<i>13.4</i>	<i>10.6</i>	<i>7.5</i>	<i>8.4</i>	<i>7.8</i>	<i>8.0</i>	

Note: Performance is gross of fees

### The global stock market capped off another year of robust returns for investors.

LACERS public equity portfolios delivered significant absolute returns, with U.S. Equity and Non-U.S. Equity composites up 14.6% and 29.3%, respectively, but trailed their respective benchmarks. Actively managed public equity strategies continued to face material headwinds amid the elevated concentration within industry benchmarks.

### Fixed income markets were also positive in 2025, with high yield slightly outperforming investment grade.

The Core Fixed Income and Credit Opportunities portfolios have consistently outperformed their respective benchmarks over their history, although the Credit Opportunities portfolio has achieved a higher total return.



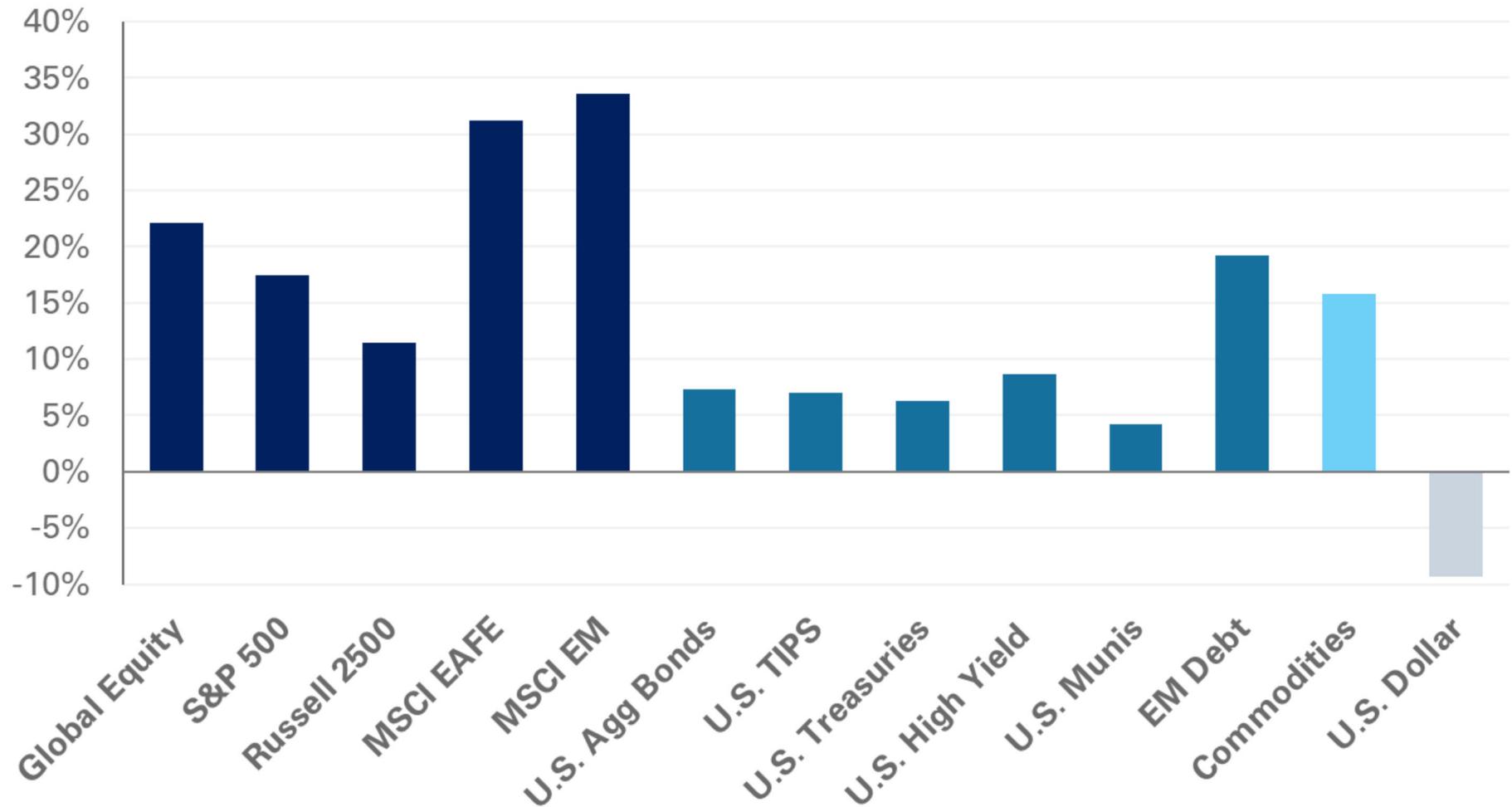


# MARKET ENVIRONMENT



# 2025: A GOOD YEAR FOR CAPITAL MARKETS

## 2025 ANNUAL TOTAL RETURNS



# ANNUAL ASSET CLASS PERFORMANCE

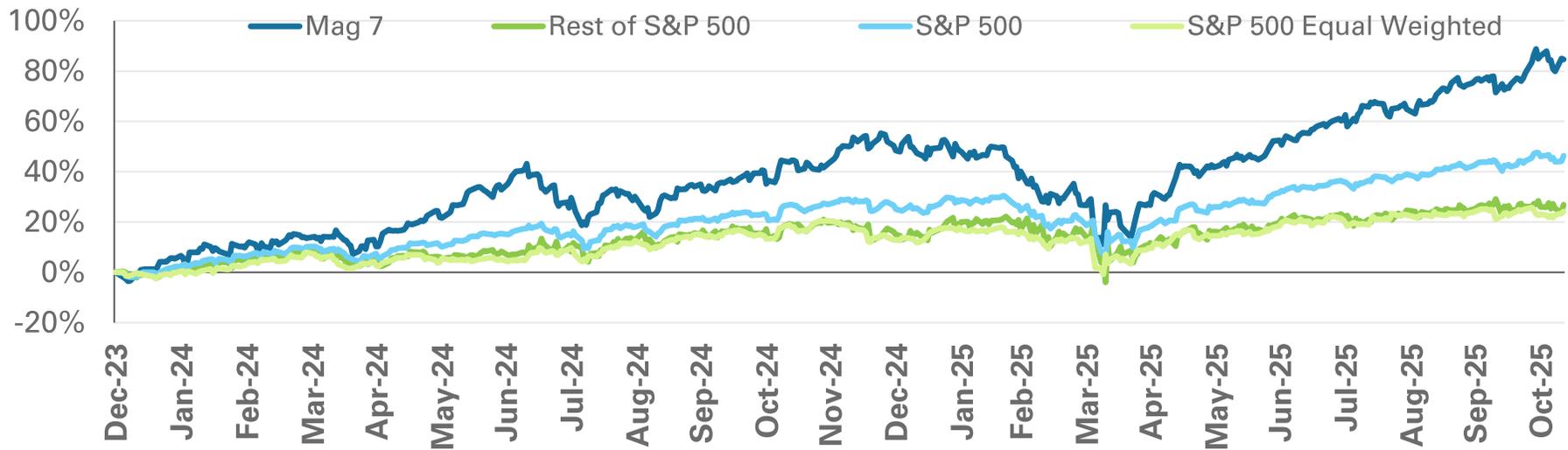
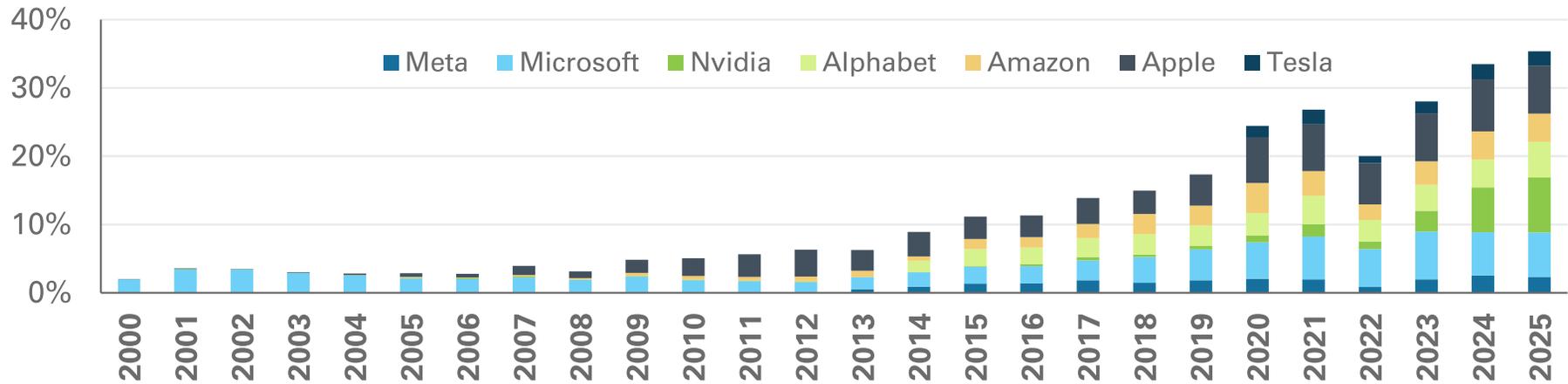
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
S&P 500 1.4%	U.S. High Yield 17.1%	MSCI EM 37.3%	U.S. Treasury 0.9%	S&P 500 31.5%	S&P 500 18.4%	S&P 500 28.7%	Commodities 16.1%	S&P 500 26.3%	S&P 500 25.0%	MSCI EM 33.6%
EMD (Hard) 1.2%	S&P 500 12.0%	MSCI EAFE 25.0%	U.S. Agg 0.0%	MSCI ACWI 26.6%	MSCI EM 18.3%	Commodities 27.1%	U.S. High Yield -11.2%	MSCI ACWI 22.2%	MSCI ACWI 17.5%	MSCI EAFE 31.2%
U.S. Treasury 0.8%	Commodities 11.8%	MSCI ACWI 24.0%	U.S. TIPS -1.3%	MSCI EAFE 22.0%	MSCI ACWI 16.3%	MSCI ACWI 18.5%	EMD (Local) -11.7%	MSCI EAFE 18.2%	U.S. High Yield 8.2%	MSCI ACWI 22.3%
U.S. Agg 0.5%	MSCI EM 11.2%	S&P 500 21.8%	U.S. High Yield -2.1%	MSCI EM 18.4%	U.S. TIPS 11.0%	MSCI EAFE 11.3%	U.S. TIPS -11.8%	U.S. High Yield 13.4%	MSCI EM 7.5%	EMD (Local) 19.3%
U.S. Credit -0.8%	EMD (Hard) 10.2%	EMD (Local) 15.2%	U.S. Credit -2.1%	EMD (Hard) 15.0%	U.S. Credit 9.4%	U.S. TIPS 6.0%	U.S. Treasury -12.5%	EMD (Local) 12.7%	EMD (Hard) 6.5%	S&P 500 17.9%
MSCI EAFE -0.8%	EMD (Local) 9.9%	EMD (Hard) 10.3%	EMD (Hard) -4.3%	U.S. High Yield 14.3%	U.S. Treasury 8.0%	U.S. High Yield 5.3%	U.S. Agg -13.0%	EMD (Hard) 11.1%	Commodities 5.4%	Commodities 15.8%
U.S. TIPS -1.4%	MSCI ACWI 7.9%	U.S. High Yield 7.5%	S&P 500 -4.4%	U.S. Credit 13.8%	MSCI EAFE 7.8%	U.S. Credit -1.1%	MSCI EAFE -14.5%	MSCI EM 9.8%	MSCI EAFE 3.8%	EMD (Hard) 14.3%
MSCI ACWI -2.4%	U.S. Credit 5.6%	U.S. Credit 6.2%	EMD (Local) -6.2%	EMD (Local) 13.5%	U.S. Agg 7.5%	U.S. Agg -1.5%	U.S. Credit -15.3%	U.S. Credit 8.2%	U.S. Credit 2.0%	U.S. High Yield 8.6%
U.S. High Yield -4.5%	U.S. TIPS 4.7%	U.S. Agg 3.5%	MSCI ACWI -9.4%	U.S. Agg 8.7%	U.S. High Yield 7.1%	EMD (Hard) -1.8%	EMD (Hard) -17.8%	U.S. Agg 5.5%	U.S. TIPS 1.8%	U.S. Credit 7.8%
MSCI EM -14.9%	U.S. Agg 2.6%	U.S. TIPS 3.0%	Commodities -11.2%	U.S. TIPS 8.4%	EMD (Hard) 5.3%	U.S. Treasury -2.3%	S&P 500 -18.1%	U.S. Treasury 4.1%	U.S. Agg 1.3%	U.S. Agg 7.3%
EMD (Local) -14.9%	U.S. Treasury 1.0%	U.S. Treasury 2.3%	MSCI EAFE -13.8%	Commodities 7.7%	EMD (Local) 2.7%	MSCI EM -2.5%	MSCI ACWI -18.4%	U.S. TIPS 3.9%	U.S. Treasury 0.6%	U.S. TIPS 7.0%
Commodities -24.7%	MSCI EAFE 1.0%	Commodities 1.7%	MSCI EM -14.6%	U.S. Treasury 6.9%	Commodities -3.1%	EMD (Local) -8.7%	MSCI EM -20.1%	Commodities -7.9%	EMD (Local) -2.4%	U.S. Treasury 6.3%



Sources: S&P, MSCI, Bloomberg, JPM, FactSet

# DOMINANCE OF THE MAGNIFICENT 7

NARROW LEADERSHIP A HEADWIND FOR ACTIVE MANAGEMENT



Source: FactSet; Data as of Oct. 2025



# RECENT CAPITAL MARKET RESULTS (AS OF 2/6/2026)

Index	Week	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr
S&P 500	-0.1%	-0.1%	1.4%	1.4%	15.4%	20.6%	13.9%	15.9%
NASDAQ Composite Index	-1.8%	-1.8%	-0.9%	-0.9%	16.3%	24.5%	10.7%	17.4%
Dow Jones Industrial Average	2.5%	2.5%	4.3%	4.3%	11.9%	13.9%	9.9%	11.9%
Russell 2000	2.2%	2.2%	7.6%	7.6%	17.2%	12.4%	5.0%	11.9%
Russell 2000 Growth	1.0%	1.0%	5.0%	5.0%	14.0%	13.2%	1.5%	12.0%
Russell 2000 Value	3.4%	3.4%	10.5%	10.5%	20.8%	11.5%	8.5%	11.5%
MSCI EAFE	0.5%	0.5%	5.8%	5.8%	30.7%	16.6%	9.7%	9.7%
MSCI EAFE SC	0.0%	0.0%	5.8%	5.8%	33.8%	14.5%	6.2%	9.0%
MSCI Emerging Markets	-1.4%	-1.4%	7.3%	7.3%	39.5%	16.7%	4.0%	9.9%
MSCI EM SC	-1.7%	-1.7%	5.5%	5.5%	27.7%	15.4%	8.5%	9.7%
Bloomberg Aggregate	0.3%	0.3%	0.4%	0.4%	6.4%	4.0%	-0.1%	1.9%
Bloomberg U.S. Treasury	0.3%	0.3%	0.2%	0.2%	5.3%	3.1%	-0.6%	1.1%
Bloomberg Credit	0.3%	0.3%	0.4%	0.4%	6.9%	5.0%	0.4%	3.1%
Bloomberg TIPS	0.2%	0.2%	0.5%	0.5%	5.5%	4.0%	1.2%	3.0%
Bloomberg High Yield	0.1%	0.1%	0.6%	0.6%	7.6%	8.7%	4.4%	6.9%
JPM EMBI Global Diversified	0.3%	0.3%	1.0%	1.0%	12.9%	9.7%	2.1%	4.5%
JPM GBI-EM Global Diversified	0.1%	0.1%	2.3%	2.3%	18.8%	9.1%	1.7%	3.9%
NAREIT Global REIT Index	1.9%	1.9%	5.0%	5.0%	10.6%	5.7%	5.1%	5.2%
S&P Global Infrastructure Index	1.5%	1.5%	6.7%	6.7%	27.2%	15.6%	12.1%	10.2%

Sources: FactSet Research and NEPC Research



# ASSET CLASS POLICY OVERVIEW



# ASSET ALLOCATION VS. POLICY

Asset Allocation vs. Target

	Current (\$)	Policy (%)	Current (%)	Differences* (%)	Policy Range (%)	Within Range
■ U.S. Equity	6,459,577,533	21.0	23.8	2.8	17.0 - 25.0	Yes
■ Non-US Equity	6,079,862,174	24.0	22.4	-1.6	19.0 - 27.0	Yes
■ Core Fixed Income	3,389,198,875	13.0	12.5	-0.5	11.0 - 15.0	Yes
■ Opportunistic Credit	2,162,040,176	8.0	8.0	0.0	6.0 - 10.0	Yes
■ Private Credit	640,902,735	2.0	2.4	0.4	1.5 - 3.5	Yes
■ Private Equity	5,114,363,795	19.0	18.9	-0.1	14.0 - 22.0	Yes
■ Real Assets	2,948,304,688	12.0	10.9	-1.1	7.0 - 17.0	Yes
■ Cash	317,608,675	1.0	1.2	0.2	0.0 - 2.0	Yes
<b>Total</b>	<b>27,111,858,652</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>		



\*Difference between Policy and Current Allocation

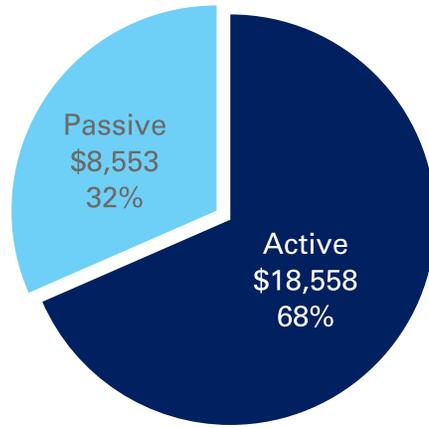
Note: Policy target asset allocation reflects interim asset allocation policy targets adopted June 2025.



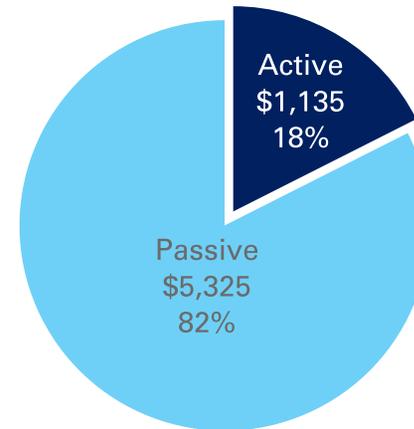
# ACTIVE AND PASSIVE MANAGER BREAKDOWN

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

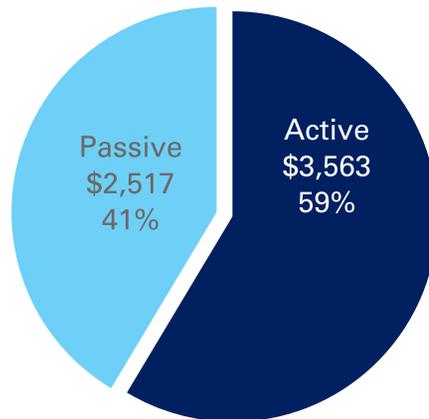
## Total Fund



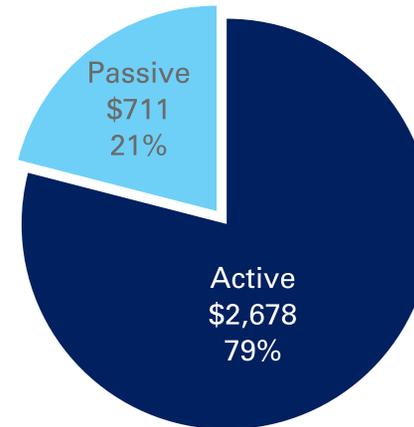
## U.S. Equity



## Non-U.S. Equity



## Core Fixed Income



- 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.



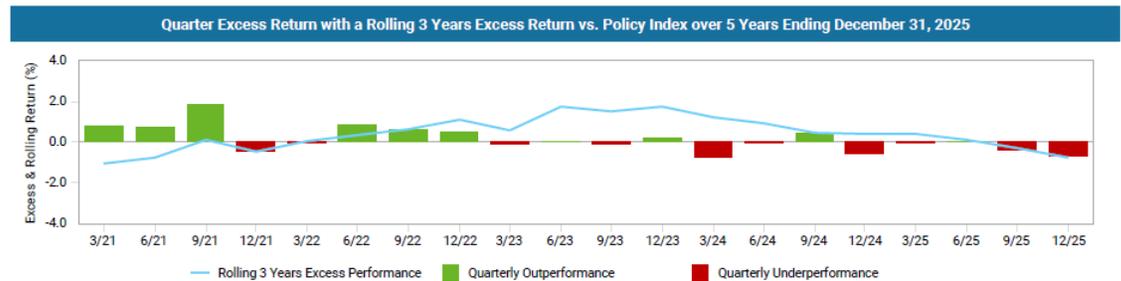
# PERFORMANCE OVERVIEW

# TOTAL FUND PERFORMANCE SUMMARY

## GROSS OF FEES

	Market Value (\$)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	15 Yrs (%)	Inception (%)	Inception Date
<b>LACERS Master Trust</b>	<b>27,111,858,652</b>	<b>2.0 (68)</b>	<b>6.6 (51)</b>	<b>14.7 (24)</b>	<b>11.2 (42)</b>	<b>7.2 (63)</b>	<b>9.4 (40)</b>	<b>8.6 (41)</b>	<b>8.3 (31)</b>	<b>8.2 (1)</b>	<b>Nov-94</b>
<i>Policy Index</i>		<i>2.6 (26)</i>	<i>7.7 (18)</i>	<i>15.9 (10)</i>	<i>11.9 (28)</i>	<i>6.6 (75)</i>	<i>9.6 (33)</i>	<i>8.6 (40)</i>	<i>8.2 (36)</i>	<i>8.2 (14)</i>	
<i>InvMetrics Public DB \$5-50B Gross Median</i>		<i>2.3</i>	<i>6.6</i>	<i>13.4</i>	<i>10.6</i>	<i>7.5</i>	<i>9.3</i>	<i>8.4</i>	<i>7.8</i>	<i>8.0</i>	

Over the past five years the Fund return of 7.2% outperformed the policy index by 0.6% and ranked in the 63<sup>rd</sup> percentile within the Public Funds \$5 Billion-\$50 Billion universe. The Fund's volatility of 8.3% ranked in the 81<sup>st</sup> percentile over this period. The Fund's risk-adjusted performance, as measured by the Sharpe Ratio ranked in the 75<sup>th</sup> percentile and the Sortino Ratio ranked in the 75<sup>th</sup> percentile.



Over the past three years the Fund return of 11.2% underperformed the policy index by 0.7% and ranked in the 42<sup>nd</sup> percentile in its peer group. The Fund's volatility ranked in the 82<sup>nd</sup> percentile and the Sharpe Ratio ranked in the 74<sup>th</sup> percentile. The Sortino Ratio also ranked in the 74<sup>th</sup> percentile.

	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
<b>LACERS Master Trust</b>	<b>11.2 (42)</b>	<b>6.8 (82)</b>	<b>0.9 (74)</b>	<b>1.5 (74)</b>
<i>Policy Index</i>	<i>11.9 (28)</i>	<i>6.6 (68)</i>	<i>1.0 (59)</i>	<i>1.8 (59)</i>
<i>InvMetrics Public DB \$5-50B Gross Median</i>	<i>10.6</i>	<i>5.8</i>	<i>1.1</i>	<i>1.9</i>

In the one-year ended December 31, 2025, the Fund returned 14.7% and underperformed the policy index by 1.2%. The Fund's return ranked in the 24<sup>th</sup> percentile in its peer group.

	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
<b>LACERS Master Trust</b>	<b>7.2 (63)</b>	<b>8.3 (81)</b>	<b>0.5 (75)</b>	<b>0.7 (75)</b>
<i>Policy Index</i>	<i>6.6 (75)</i>	<i>8.6 (88)</i>	<i>0.4 (80)</i>	<i>0.6 (81)</i>
<i>InvMetrics Public DB \$5-50B Gross Median</i>	<i>7.5</i>	<i>6.8</i>	<i>0.7</i>	<i>1.0</i>



# EXECUTIVE SUMMARY

	Market Value (\$)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	15 Yrs (%)	Inception (%)	Inception Date
<b>LACERS Master Trust</b>	<b>27,111,858,652</b>	<b>2.0 (60)</b>	<b>6.6 (53)</b>	<b>14.7 (24)</b>	<b>11.2 (56)</b>	<b>7.2 (54)</b>	<b>9.4 (44)</b>	<b>8.6 (42)</b>	<b>8.3 (34)</b>	<b>8.2 (31)</b>	<b>Nov-94</b>
<i>Policy Index</i>		2.6 (20)	7.7 (18)	15.9 (10)	11.9 (40)	6.6 (78)	9.6 (38)	8.6 (38)	8.2 (37)	8.2 (40)	
<i>InvMetrics Public DB \$1-50B Gross Median</i>		2.2	6.6	13.5	11.5	7.3	9.3	8.5	7.8	8.1	

3 Years Ending December 31, 2025				
	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
<b>LACERS Master Trust</b>	<b>11.2 (56)</b>	<b>6.8 (56)</b>	<b>0.9 (63)</b>	<b>1.5 (65)</b>
<i>Policy Index</i>	11.9 (40)	6.6 (49)	1.0 (36)	1.8 (38)
InvMetrics Public DB \$1-50B Gross Median	11.5	6.6	1.0	1.7

5 Years Ending December 31, 2025				
	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
<b>LACERS Master Trust</b>	<b>7.2 (54)</b>	<b>8.3 (56)</b>	<b>0.5 (57)</b>	<b>0.7 (57)</b>
<i>Policy Index</i>	6.6 (78)	8.6 (63)	0.4 (75)	0.6 (78)
InvMetrics Public DB \$1-50B Gross Median	7.3	8.2	0.5	0.8

# COMPOSITE PERFORMANCE DETAIL GROSS

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
<b>LACERS Master Trust</b>	<b>27,111,858,652</b>	<b>100.00</b>	<b>2.02</b>	<b>6.60</b>	<b>14.72</b>	<b>11.20</b>	<b>7.22</b>	<b>8.57</b>	<b>7.31</b>	<b>8.24</b>	<b>Nov-94</b>
Policy Index			<u>2.64</u>	<u>7.70</u>	<u>15.93</u>	<u>11.92</u>	<u>6.58</u>	<u>8.64</u>	<u>7.23</u>	<u>8.19</u>	
Over/Under			-0.63	-1.10	-1.21	-0.72	0.65	-0.07	0.08	0.05	
<b>U.S. Equity</b>	<b>6,459,577,533</b>	<b>23.83</b>	<b>1.73</b>	<b>9.61</b>	<b>14.56</b>	<b>19.89</b>	<b>12.23</b>	<b>13.57</b>	<b>10.38</b>	<b>11.19</b>	<b>Nov-94</b>
U.S. Equity Blend			<u>2.40</u>	<u>10.78</u>	<u>17.15</u>	<u>22.25</u>	<u>13.15</u>	<u>14.29</u>	<u>10.77</u>	<u>10.55</u>	
Over/Under			-0.67	-1.17	-2.59	-2.35	-0.92	-0.72	-0.39	0.64	
<b>Non-U.S. Equity</b>	<b>6,079,862,174</b>	<b>22.43</b>	<b>3.68</b>	<b>9.52</b>	<b>29.25</b>	<b>16.28</b>	<b>7.46</b>	<b>8.90</b>	<b>6.41</b>	<b>6.04</b>	<b>Nov-94</b>
MSCI AC World ex USA (Net)			<u>5.05</u>	<u>12.29</u>	<u>32.39</u>	<u>17.33</u>	<u>7.91</u>	<u>8.41</u>	<u>5.63</u>	-	
Over/Under			-1.37	-2.77	-3.14	-1.05	-0.45	0.48	0.78	-	
<b>Core Fixed Income</b>	<b>3,389,198,875</b>	<b>12.50</b>	<b>1.09</b>	<b>3.25</b>	<b>7.60</b>	<b>4.99</b>	<b>0.01</b>	<b>2.51</b>	<b>-</b>	<b>2.59</b>	<b>Jul-12</b>
Core Fixed Income Blend			<u>1.10</u>	<u>3.15</u>	<u>7.30</u>	<u>4.66</u>	<u>-0.36</u>	<u>2.01</u>	-	<u>2.01</u>	
Over/Under			-0.01	0.10	0.30	0.33	0.37	0.51	-	0.58	
<b>Credit Opportunities</b>	<b>2,162,040,176</b>	<b>7.97</b>	<b>2.31</b>	<b>5.64</b>	<b>12.06</b>	<b>10.40</b>	<b>3.98</b>	<b>5.82</b>	<b>-</b>	<b>5.11</b>	<b>Jul-13</b>
Credit Opportunities Blend			<u>2.28</u>	<u>5.29</u>	<u>10.94</u>	<u>9.84</u>	<u>3.51</u>	<u>5.77</u>	-	<u>5.11</u>	
Over/Under			0.03	0.35	1.12	0.56	0.47	0.06	-	0.00	
<b>Private Credit</b>	<b>640,902,735</b>	<b>2.36</b>	<b>2.73</b>	<b>5.22</b>	<b>10.72</b>	<b>9.74</b>	<b>7.15</b>	<b>-</b>	<b>-</b>	<b>7.03</b>	<b>Dec-20</b>
Private Credit Blend			<u>1.69</u>	<u>3.91</u>	<u>6.94</u>	<u>9.66</u>	<u>6.85</u>	-	-	<u>6.88</u>	
Over/Under			1.04	1.31	3.78	0.08	0.30	-	-	0.15	
<b>Real Assets</b>	<b>2,948,304,688</b>	<b>10.87</b>	<b>-0.56</b>	<b>0.64</b>	<b>3.51</b>	<b>0.62</b>	<b>2.38</b>	<b>3.97</b>	<b>2.83</b>	<b>5.56</b>	<b>Dec-94</b>
Real Assets Policy Benchmark			<u>0.18</u>	<u>1.82</u>	<u>4.98</u>	<u>1.51</u>	<u>2.54</u>	<u>4.77</u>	<u>4.29</u>	<u>6.99</u>	
Over/Under			-0.74	-1.17	-1.47	-0.88	-0.17	-0.80	-1.46	-1.43	
<b>Public Real Assets</b>	<b>1,469,283,839</b>	<b>5.42</b>	<b>-0.51</b>	<b>1.73</b>	<b>5.68</b>	<b>5.67</b>	<b>2.97</b>	<b>4.03</b>	<b>-</b>	<b>2.93</b>	<b>Jul-14</b>
Public Real Assets Blend			<u>-0.77</u>	<u>1.55</u>	<u>5.33</u>	<u>5.08</u>	<u>3.21</u>	<u>3.64</u>	-	<u>1.75</u>	
Over/Under			0.26	0.18	0.35	0.59	-0.25	0.39	-	1.18	
<b>Private Real Estate</b>	<b>1,459,649,231</b>	<b>5.38</b>	<b>-0.63</b>	<b>-0.46</b>	<b>1.32</b>	<b>-4.57</b>	<b>2.85</b>	<b>4.18</b>	<b>3.33</b>	<b>5.88</b>	<b>Nov-94</b>
Real Estate Blend			<u>1.12</u>	<u>2.06</u>	<u>4.61</u>	<u>-2.67</u>	<u>4.22</u>	<u>5.63</u>	<u>6.97</u>	<u>8.63</u>	
Over/Under			-1.75	-2.52	-3.29	-1.89	-1.37	-1.45	-3.64	-2.75	
<b>Private Equity</b>	<b>5,114,363,795</b>	<b>18.86</b>	<b>2.41</b>	<b>6.10</b>	<b>11.52</b>	<b>8.01</b>	<b>14.61</b>	<b>13.19</b>	<b>12.51</b>	<b>11.21</b>	<b>Dec-95</b>
Private Equity Blend			<u>2.80</u>	<u>7.18</u>	<u>9.99</u>	<u>7.19</u>	<u>8.58</u>	<u>13.62</u>	<u>12.44</u>	<u>12.85</u>	
Over/Under			-0.39	-1.08	1.53	0.82	6.03	-0.43	0.07	-1.64	
<b>Cash</b>	<b>317,608,675</b>	<b>1.17</b>									

Refer to appendix for blended benchmark definitions.



# COMPOSITE PERFORMANCE DETAIL NET

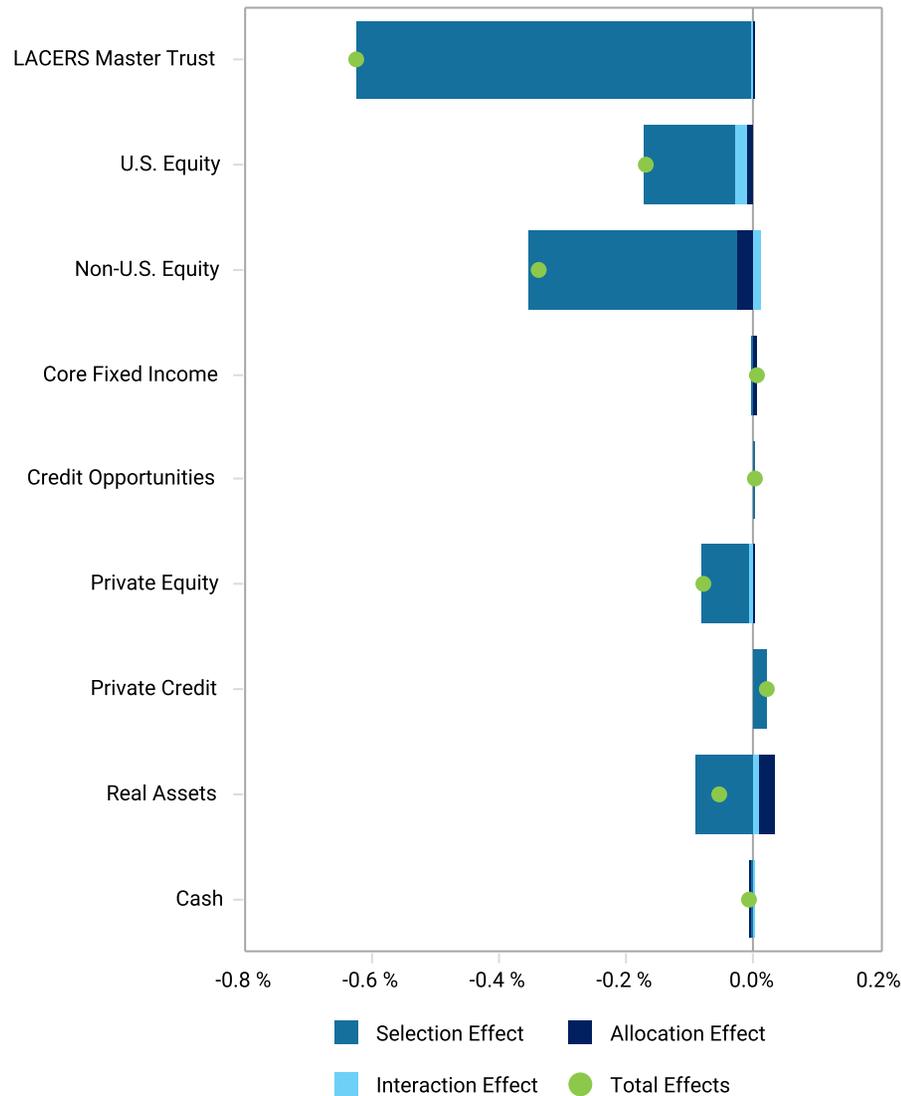
	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
<b>LACERS Master Trust</b>	<b>27,111,858,652</b>	<b>100.00</b>	<b>1.97</b>	<b>6.50</b>	<b>14.52</b>	<b>11.02</b>	<b>7.05</b>	<b>8.39</b>	<b>7.12</b>	<b>7.14</b>	<b>Jul-01</b>
<i>Policy Index</i>			<u>2.64</u>	<u>7.70</u>	<u>15.93</u>	<u>11.92</u>	<u>6.58</u>	<u>8.64</u>	<u>7.23</u>	<u>7.17</u>	
Over/Under			-0.67	-1.19	-1.40	-0.90	0.48	-0.25	-0.11	-0.03	
<b>U.S. Equity</b>	<b>6,459,577,533</b>	<b>23.83</b>	<b>1.71</b>	<b>9.56</b>	<b>14.45</b>	<b>19.77</b>	<b>12.12</b>	<b>13.48</b>	<b>10.23</b>	<b>9.58</b>	<b>Sep-01</b>
<i>U.S. Equity Blend</i>			<u>2.40</u>	<u>10.78</u>	<u>17.15</u>	<u>22.25</u>	<u>13.15</u>	<u>14.29</u>	<u>10.77</u>	<u>9.75</u>	
Over/Under			-0.69	-1.22	-2.70	-2.47	-1.03	-0.81	-0.53	-0.17	
<b>Non-U.S. Equity</b>	<b>6,079,862,174</b>	<b>22.43</b>	<b>3.57</b>	<b>9.29</b>	<b>28.72</b>	<b>15.84</b>	<b>7.08</b>	<b>8.51</b>	<b>6.05</b>	<b>6.79</b>	<b>Jun-01</b>
<i>MSCI AC World ex USA (Net)</i>			<u>5.05</u>	<u>12.29</u>	<u>32.39</u>	<u>17.33</u>	<u>7.91</u>	<u>8.41</u>	<u>5.63</u>	<u>6.31</u>	
Over/Under			-1.48	-3.00	-3.67	-1.49	-0.83	0.09	0.41	0.47	
<b>Core Fixed Income</b>	<b>3,389,198,875</b>	<b>12.50</b>	<b>1.06</b>	<b>3.20</b>	<b>7.49</b>	<b>4.89</b>	<b>-0.09</b>	<b>2.41</b>	<b>-</b>	<b>2.48</b>	<b>Jul-12</b>
<i>Core Fixed Income Blend</i>			<u>1.10</u>	<u>3.15</u>	<u>7.30</u>	<u>4.66</u>	<u>-0.36</u>	<u>2.01</u>	<u>-</u>	<u>2.01</u>	
Over/Under			-0.04	0.04	0.19	0.22	0.28	0.41	-	0.47	
<b>Credit Opportunities</b>	<b>2,162,040,176</b>	<b>7.97</b>	<b>2.22</b>	<b>5.45</b>	<b>11.70</b>	<b>10.06</b>	<b>3.66</b>	<b>5.49</b>	<b>-</b>	<b>4.78</b>	<b>Jul-13</b>
<i>Credit Opportunities Blend</i>			<u>2.28</u>	<u>5.29</u>	<u>10.94</u>	<u>9.84</u>	<u>3.51</u>	<u>5.77</u>	<u>-</u>	<u>5.11</u>	
Over/Under			-0.06	0.16	0.76	0.22	0.15	-0.28	-	-0.33	
<b>Private Credit</b>	<b>640,902,735</b>	<b>2.36</b>	<b>2.73</b>	<b>5.22</b>	<b>10.72</b>	<b>9.74</b>	<b>7.15</b>	<b>-</b>	<b>-</b>	<b>7.03</b>	<b>Dec-20</b>
<i>Private Credit Blend</i>			<u>1.69</u>	<u>3.91</u>	<u>6.94</u>	<u>9.66</u>	<u>6.85</u>	<u>-</u>	<u>-</u>	<u>6.88</u>	
Over/Under			1.04	1.31	3.78	0.08	0.30	-	-	0.15	
<b>Real Assets</b>	<b>2,948,304,688</b>	<b>10.87</b>	<b>-0.59</b>	<b>0.59</b>	<b>3.39</b>	<b>0.51</b>	<b>2.26</b>	<b>3.83</b>	<b>2.68</b>	<b>4.41</b>	<b>Jun-01</b>
<i>Real Assets Policy Benchmark</i>			<u>0.18</u>	<u>1.82</u>	<u>4.98</u>	<u>1.51</u>	<u>2.54</u>	<u>4.77</u>	<u>4.29</u>	<u>5.57</u>	
Over/Under			-0.77	-1.23	-1.58	-1.00	-0.29	-0.94	-1.61	-1.15	
<b>Public Real Assets</b>	<b>1,469,283,839</b>	<b>5.42</b>	<b>-0.55</b>	<b>1.64</b>	<b>5.49</b>	<b>5.49</b>	<b>2.80</b>	<b>3.82</b>	<b>-</b>	<b>2.74</b>	<b>Jul-14</b>
<i>Public Real Assets Blend</i>			<u>-0.77</u>	<u>1.55</u>	<u>5.33</u>	<u>5.08</u>	<u>3.21</u>	<u>3.64</u>	<u>-</u>	<u>1.75</u>	
Over/Under			0.22	0.09	0.16	0.40	-0.42	0.18	-	0.99	
<b>Private Real Estate</b>	<b>1,459,649,231</b>	<b>5.38</b>	<b>-0.65</b>	<b>-0.48</b>	<b>1.28</b>	<b>-4.62</b>	<b>2.78</b>	<b>4.11</b>	<b>3.21</b>	<b>4.87</b>	<b>Jul-01</b>
<i>Real Estate Blend</i>			<u>1.12</u>	<u>2.06</u>	<u>4.61</u>	<u>-2.67</u>	<u>4.22</u>	<u>5.63</u>	<u>6.97</u>	<u>7.80</u>	
Over/Under			-1.76	-2.54	-3.33	-1.94	-1.44	-1.52	-3.75	-2.93	
<b>Private Equity</b>	<b>5,114,363,795</b>	<b>18.86</b>	<b>2.41</b>	<b>6.11</b>	<b>11.54</b>	<b>8.03</b>	<b>14.63</b>	<b>13.21</b>	<b>12.48</b>	<b>11.23</b>	<b>Sep-01</b>
<i>Private Equity Blend</i>			<u>2.80</u>	<u>7.18</u>	<u>9.99</u>	<u>7.19</u>	<u>8.58</u>	<u>13.62</u>	<u>12.44</u>	<u>11.89</u>	
Over/Under			-0.39	-1.07	1.54	0.84	6.05	-0.41	0.04	-0.66	
<b>Cash</b>	<b>317,608,675</b>	<b>1.17</b>									

Refer to appendix for blended benchmark definitions.



# ATTRIBUTION ANALYSIS

**Attribution Effects**  
1 Quarter Ending December 31, 2025



**Attribution Summary**  
1 Quarter Ending December 31, 2025

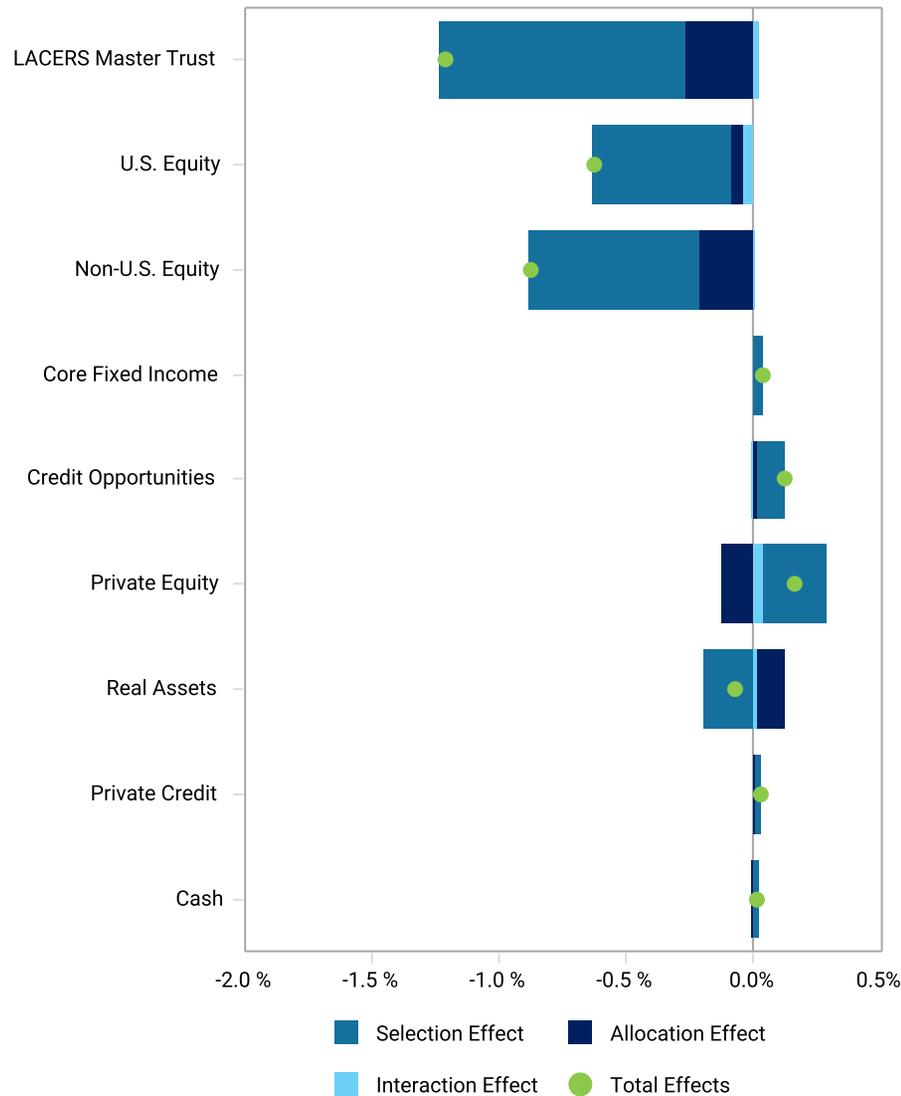
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
U.S. Equity	1.7	2.4	-0.7	-0.1	0.0	0.0	-0.2
Non-U.S. Equity	3.7	5.1	-1.4	-0.3	0.0	0.0	-0.3
Core Fixed Income	1.1	1.1	0.0	0.0	0.0	0.0	0.0
Credit Opportunities	2.3	2.3	0.0	0.0	0.0	0.0	0.0
Private Equity	2.4	2.8	-0.4	-0.1	0.0	0.0	-0.1
Private Credit	2.7	1.7	1.0	0.0	0.0	0.0	0.0
Real Assets	-0.6	0.2	-0.7	-0.1	0.0	0.0	-0.1
Cash	0.7	1.0	-0.2	0.0	0.0	0.0	0.0
<b>LACERS Master Trust</b>	<b>2.0</b>	<b>2.6</b>	<b>-0.6</b>	<b>-0.6</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.6</b>

\*Total Actual and Index returns are weighted average calculations.



# ATTRIBUTION ANALYSIS

**Attribution Effects**  
1 Year Ending December 31, 2025



**Attribution Summary**  
1 Year Ending December 31, 2025

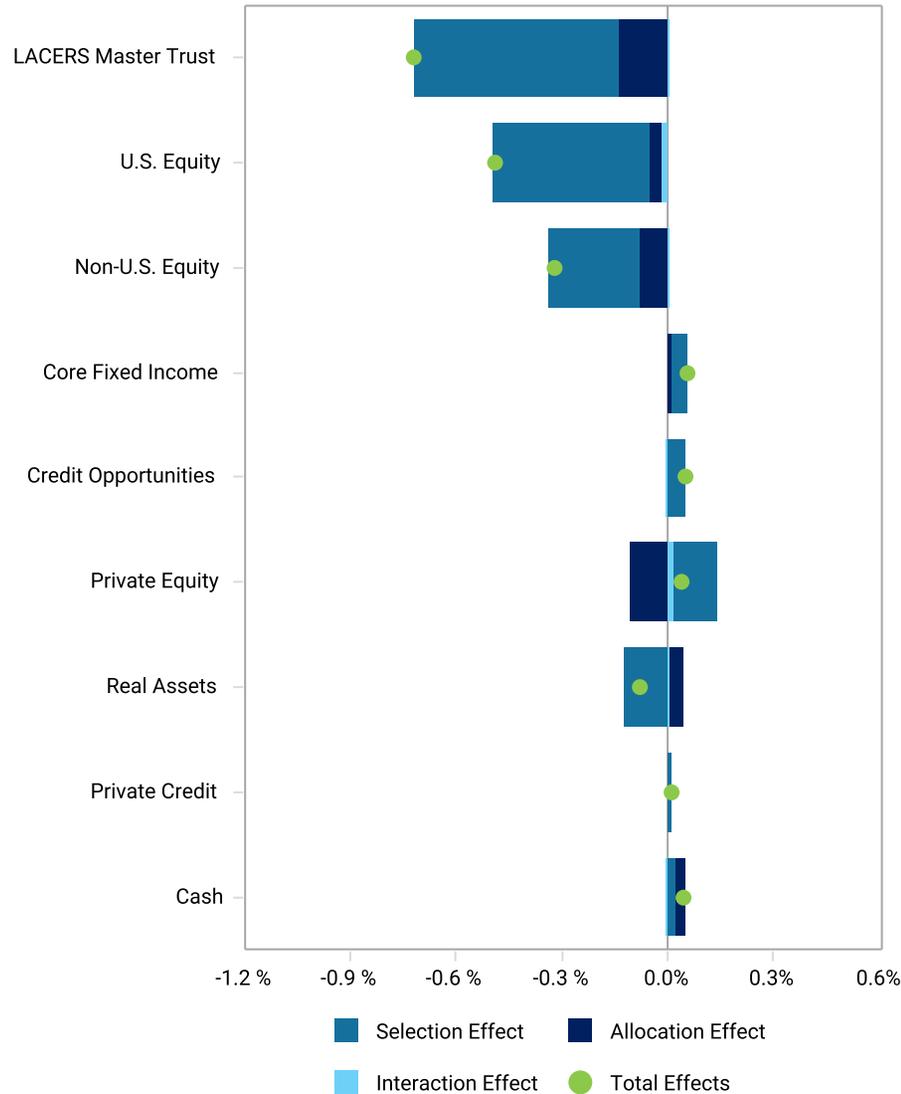
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
U.S. Equity	14.6	17.1	-2.6	-0.5	0.0	0.0	-0.6
Non-U.S. Equity	29.2	32.4	-3.1	-0.7	-0.2	0.0	-0.9
Core Fixed Income	7.6	7.3	0.3	0.0	0.0	0.0	0.0
Credit Opportunities	12.1	10.9	1.1	0.1	0.0	0.0	0.1
Private Equity	11.5	10.0	1.5	0.2	-0.1	0.0	0.2
Real Assets	3.5	5.0	-1.5	-0.2	0.1	0.0	-0.1
Private Credit	5.2	3.9	1.3	0.0	0.0	0.0	0.0
Cash	6.4	4.2	2.2	0.0	0.0	0.0	0.0
<b>LACERS Master Trust</b>	<b>14.7</b>	<b>15.9</b>	<b>-1.2</b>	<b>-1.0</b>	<b>-0.3</b>	<b>0.0</b>	<b>-1.2</b>

\*Total Actual and Index returns are weighted average calculations.



# ATTRIBUTION ANALYSIS

**Attribution Effects**  
3 Years Ending December 31, 2025



**Attribution Summary**  
3 Years Ending December 31, 2025

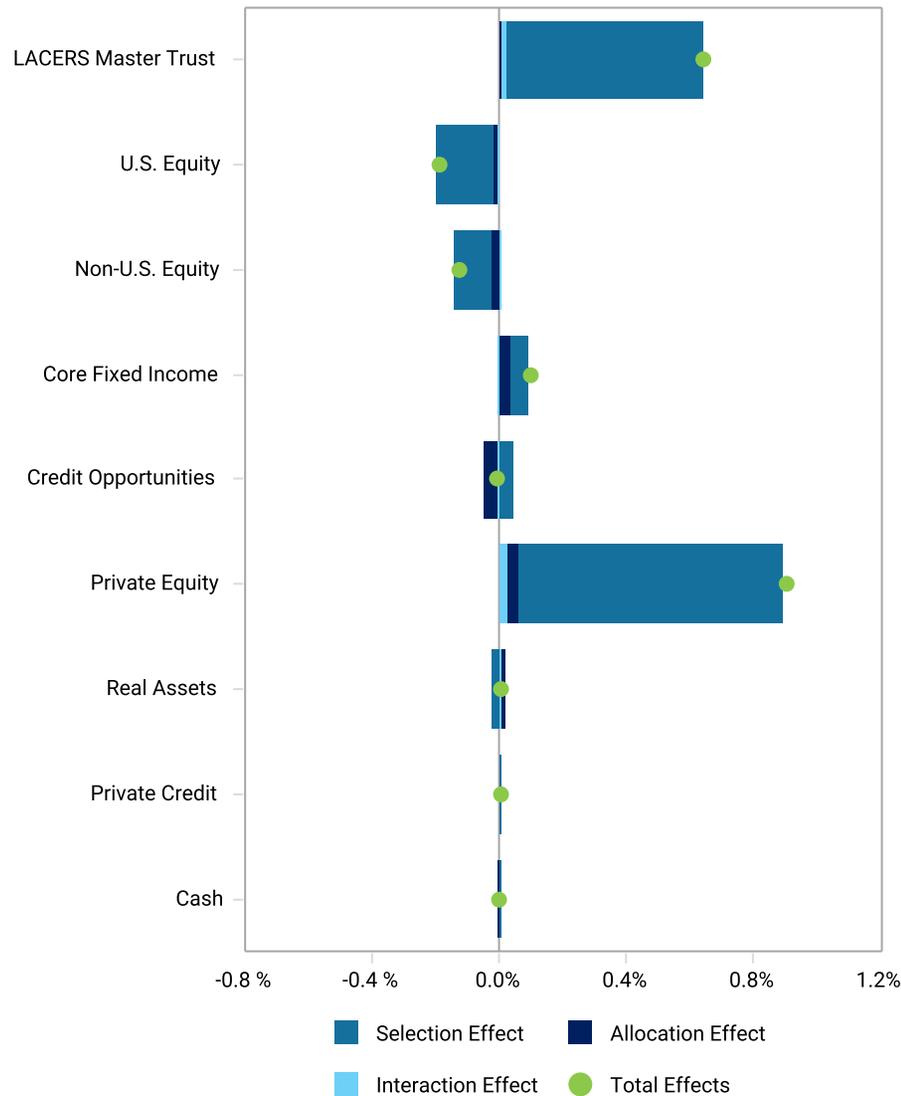
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
U.S. Equity	19.9	22.2	-2.4	-0.4	0.0	0.0	-0.5
Non-U.S. Equity	16.3	17.3	-1.1	-0.3	-0.1	0.0	-0.3
Core Fixed Income	5.0	4.7	0.3	0.0	0.0	0.0	0.1
Credit Opportunities	10.4	9.8	0.6	0.0	0.0	0.0	0.0
Private Equity	8.0	7.2	0.8	0.1	-0.1	0.0	0.0
Real Assets	0.6	1.5	-0.9	-0.1	0.0	0.0	-0.1
Private Credit	1.7	1.3	0.4	0.0	0.0	0.0	0.0
Cash	6.9	4.8	2.1	0.0	0.0	0.0	0.0
<b>LACERS Master Trust</b>	<b>11.2</b>	<b>11.9</b>	<b>-0.7</b>	<b>-0.6</b>	<b>-0.1</b>	<b>0.0</b>	<b>-0.7</b>

\*Total Actual and Index returns are weighted average calculations.



# ATTRIBUTION ANALYSIS

**Attribution Effects**  
5 Years Ending December 31, 2025



**Attribution Summary**  
5 Years Ending December 31, 2025

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
U.S. Equity	12.2	13.1	-0.9	-0.2	0.0	0.0	-0.2
Non-U.S. Equity	7.5	7.9	-0.4	-0.1	0.0	0.0	-0.1
Core Fixed Income	0.0	-0.4	0.4	0.1	0.0	0.0	0.1
Credit Opportunities	4.0	3.5	0.5	0.0	0.0	0.0	0.0
Private Equity	14.6	8.6	6.0	0.8	0.0	0.0	0.9
Real Assets	2.4	2.5	-0.2	0.0	0.0	0.0	0.0
Private Credit	1.0	0.8	0.3	0.0	0.0	0.0	0.0
Cash	4.0	3.2	0.8	0.0	0.0	0.0	0.0
<b>LACERS Master Trust</b>	<b>7.2</b>	<b>6.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.6</b>

\*Total Actual and Index returns are weighted average calculations.



# PRIVATE MARKETS PERFORMANCE

AS OF SEPTEMBER 30, 2025

Private Equity	10 Year IRR	Since Inception IRR	Since Inception Multiple
Aggregate Portfolio	13.4%	11.9%	1.64x
Core Portfolio	13.7%	12.3%	1.66x
Specialized Portfolio	-1.2%	1.6%	1.11x
PE Blended Benchmark	13.8%	12.7%	N/A

Source: Aksia

Real Estate	10 Year Return (Net)	Since Inception Return (Net)
Total Portfolio (TWR) <sup>1</sup>	4.4%	5.4%
NFI-ODCE + 80 basis points (TWR)	4.9%	6.4%

Source: The Townsend Group

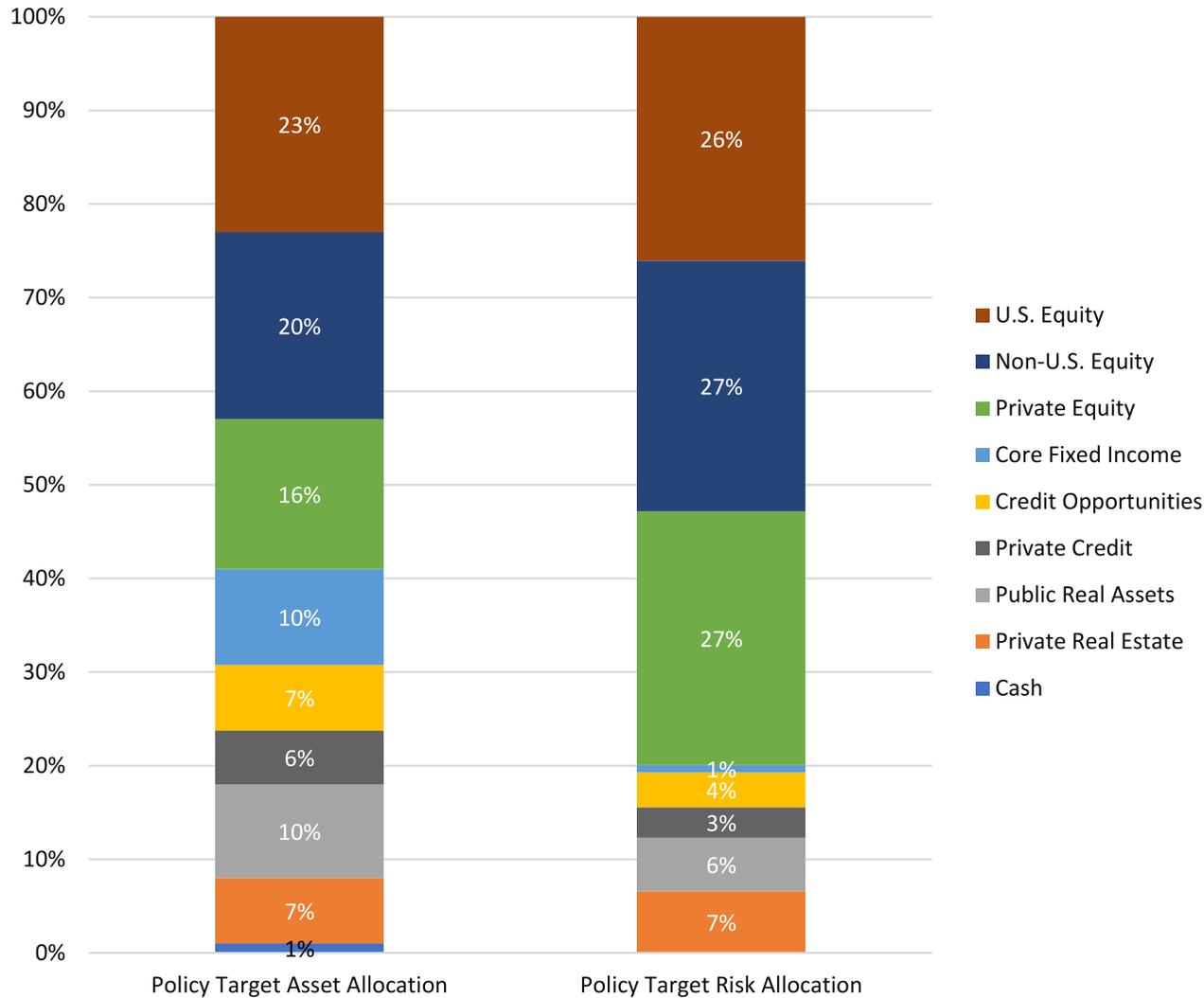
Note: The Total Value to Paid-In Ratio (TVPI) is a multiple that relates the current value of the private equity portfolio plus all distributions received to date with the total amount of capital contributed.

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 59%; accounts for 80% of the policy target portfolio risk.
  - Core Fixed Income, Credit Opportunities, and Private Credit policy allocation is 23%, accounting for 8% of the policy target portfolio risk.
  - Real Assets (Private Real Estate and Public Real Assets) policy allocation is 17%, accounting for 12% of policy target portfolio risk.
- \* Adopted by Board on December 10, 2024



Note: Risk allocation based on NEPC's capital market assumptions as of 12/31/25

# PUBLIC MARKETS RISK BUDGET COMPARISON

AS OF DECEMBER 31, 2025

Public Markets Asset Class	Target Risk Budget	Actual 3 Yr Tracking Error
U.S. Equity	1.25%	1.65%
Non-U.S. Equity	1.25%	1.40%
Core Fixed Income	0.75%	0.28%
Credit Opportunities	1.50%	1.07%
Public Real Assets*	1.50%	0.91%

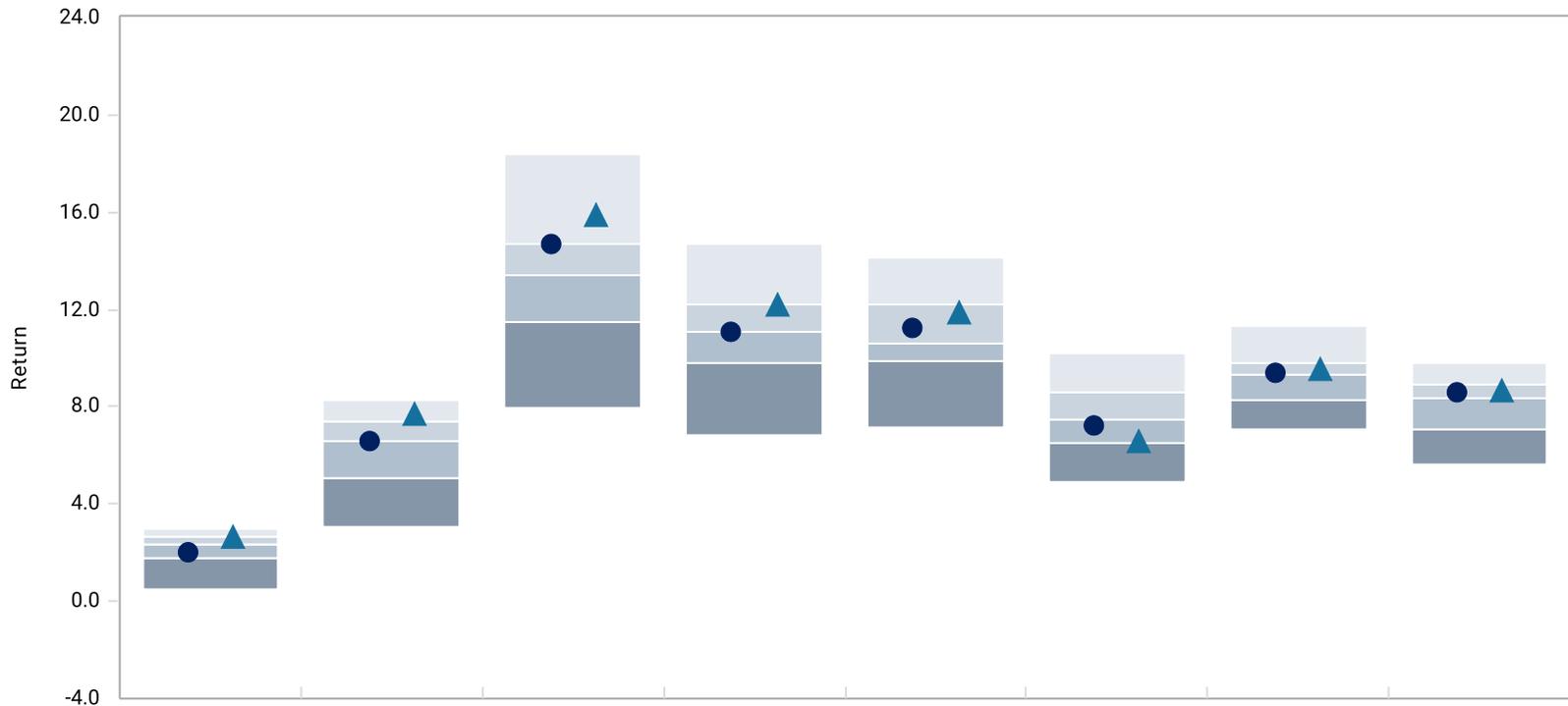
- Current public market asset class composite tracking error statistics are compared to asset class target risk budgets to ensure active risks are within expectations.
- Risk budgets are to be evaluated over three-year periods, at minimum, to reflect a full market cycle.
- Public Equity asset classes are within an appropriate range of their respective risk budgets.
- Both Core Fixed Income and Credit Opportunities have exhibited lower than expected active risk.
- The Public Real Assets benchmark includes prior historical composition.
- Note: The target Risk Budget was approved by the Board on February 25, 2025, 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: 60% Bloomberg US TIPS and 40% FTSE NAREIT All Equity REITs Index as of 7/1/25. 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

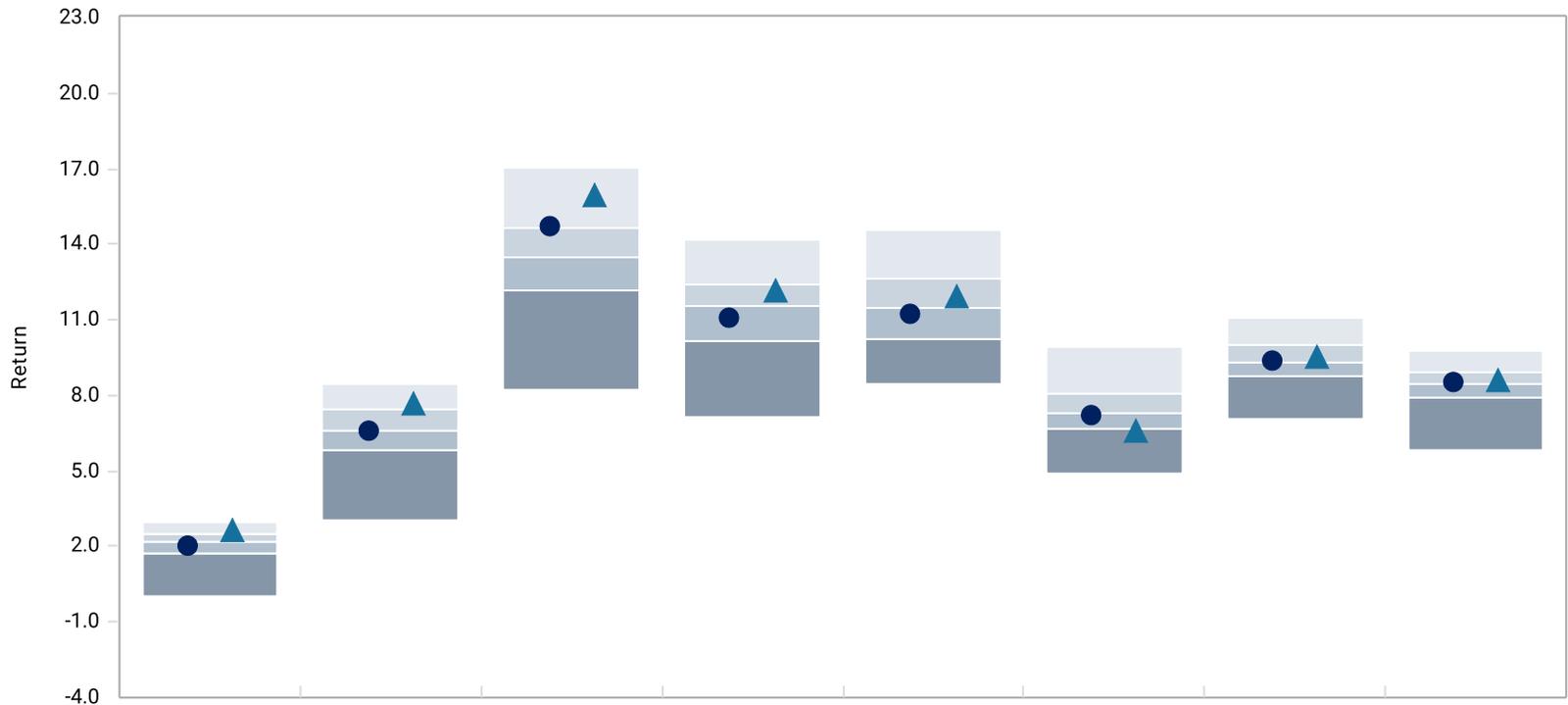


	3 Mo (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
● LACERS Master Trust	2.0 (68)	6.6 (51)	14.7 (24)	11.1 (50)	11.2 (42)	7.2 (63)	9.4 (40)	8.6 (41)
▲ Policy Index	2.6 (26)	7.7 (18)	15.9 (10)	12.2 (26)	11.9 (28)	6.6 (75)	9.6 (33)	8.6 (40)
5th Percentile	3.0	8.3	18.3	14.7	14.1	10.2	11.4	9.8
1st Quartile	2.6	7.4	14.7	12.2	12.2	8.6	9.8	8.9
Median	2.3	6.6	13.4	11.1	10.6	7.5	9.3	8.4
3rd Quartile	1.8	5.1	11.5	9.8	9.9	6.5	8.2	7.0
95th Percentile	0.5	3.0	8.0	6.8	7.1	4.9	7.1	5.6
Population	35	35	35	35	35	33	31	31



# RETURN SUMMARY VS. PEER UNIVERSE

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



	3 Mo (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
● LACERS Master Trust	2.0 (60)	6.6 (53)	14.7 (24)	11.1 (58)	11.2 (56)	7.2 (54)	9.4 (44)	8.6 (42)
▲ Policy Index	2.6 (20)	7.7 (18)	15.9 (10)	12.2 (29)	11.9 (40)	6.6 (78)	9.6 (38)	8.6 (38)
5th Percentile	3.0	8.4	17.1	14.2	14.5	10.0	11.1	9.8
1st Quartile	2.5	7.5	14.6	12.4	12.7	8.1	10.0	9.0
Median	2.2	6.6	13.5	11.5	11.5	7.3	9.3	8.5
3rd Quartile	1.7	5.9	12.2	10.1	10.3	6.7	8.8	7.9
95th Percentile	0.0	3.0	8.2	7.1	8.4	4.9	7.1	5.8
Population	104	104	104	104	104	102	100	99

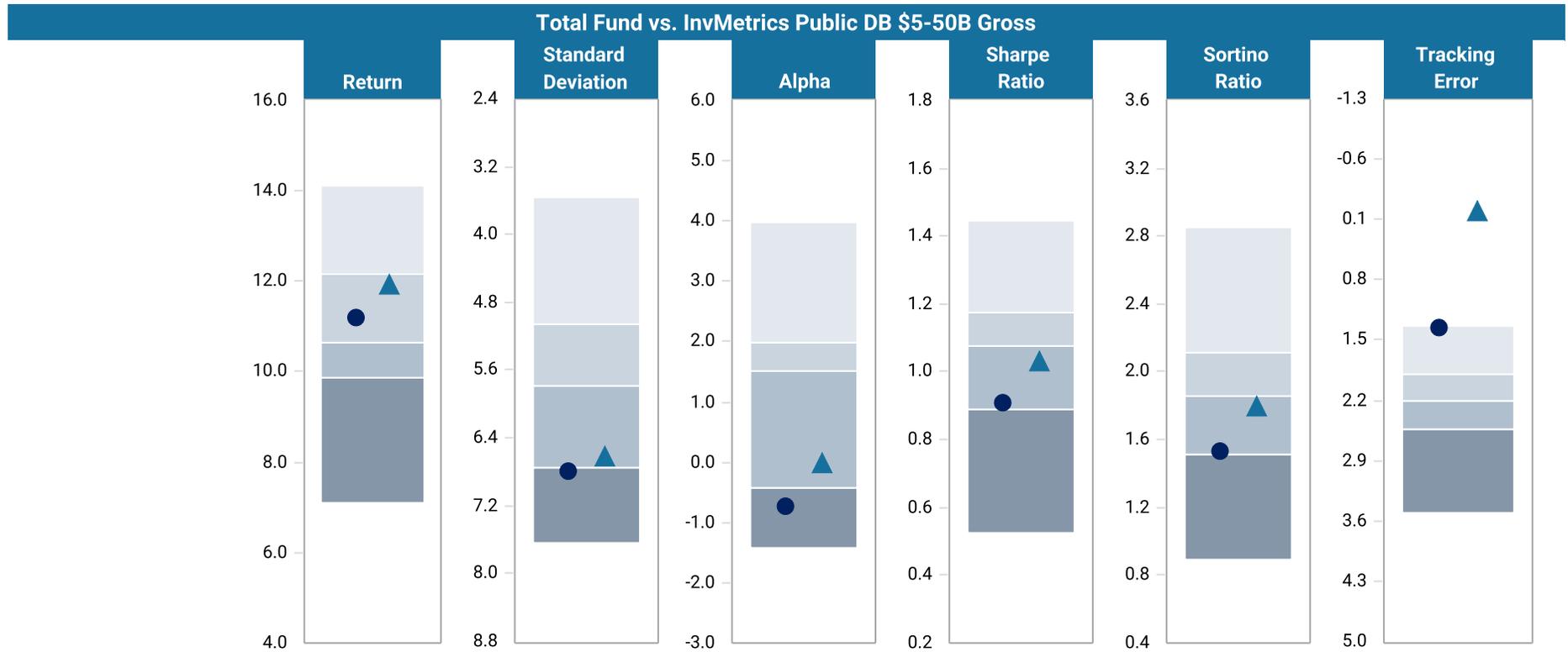


# RISK STATISTICS

3 Years Ending December 31, 2025						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
<b>LACERS Master Trust</b>	<b>11.20 (56)</b>	<b>6.80 (56)</b>	<b>-0.73 (66)</b>	<b>-0.47 (60)</b>	<b>1.53 (65)</b>	<b>1.36 (5)</b>
InvMetrics Public DB \$1-50B Gross Median	11.48	6.64	0.01	-0.23	1.71	2.08
5 Years Ending December 31, 2025						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
<b>LACERS Master Trust</b>	<b>7.22 (54)</b>	<b>8.34 (56)</b>	<b>0.94 (54)</b>	<b>0.35 (42)</b>	<b>0.73 (57)</b>	<b>1.67 (8)</b>
InvMetrics Public DB \$1-50B Gross Median	7.31	8.17	1.17	0.26	0.78	2.56
10 Years Ending December 31, 2025						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
<b>LACERS Master Trust</b>	<b>8.57 (42)</b>	<b>8.64 (55)</b>	<b>0.74 (54)</b>	<b>-0.08 (45)</b>	<b>1.12 (47)</b>	<b>1.69 (7)</b>
InvMetrics Public DB \$1-50B Gross Median	8.49	8.54	0.91	-0.11	1.12	2.62
3 Years Ending December 31, 2025						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
<b>LACERS Master Trust</b>	<b>11.20 (42)</b>	<b>6.80 (82)</b>	<b>-0.73 (80)</b>	<b>-0.47 (48)</b>	<b>1.53 (74)</b>	<b>1.36 (5)</b>
InvMetrics Public DB \$5-50B Gross Median	10.64	5.79	1.52	-0.49	1.86	2.21
5 Years Ending December 31, 2025						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
<b>LACERS Master Trust</b>	<b>7.22 (63)</b>	<b>8.34 (81)</b>	<b>0.94 (75)</b>	<b>0.35 (50)</b>	<b>0.73 (75)</b>	<b>1.67 (9)</b>
InvMetrics Public DB \$5-50B Gross Median	7.46	6.78	2.53	0.35	0.99	2.81
10 Years Ending December 31, 2025						
	Return	Standard Deviation	Alpha	Information Ratio	Sortino Ratio	Tracking Error
<b>LACERS Master Trust</b>	<b>8.57 (41)</b>	<b>8.64 (83)</b>	<b>0.74 (67)</b>	<b>-0.08 (41)</b>	<b>1.12 (67)</b>	<b>1.69 (6)</b>
InvMetrics Public DB \$5-50B Gross Median	8.39	7.30	1.51	-0.16	1.24	3.01



# RISK STATISTICS VS. PEER UNIVERSE

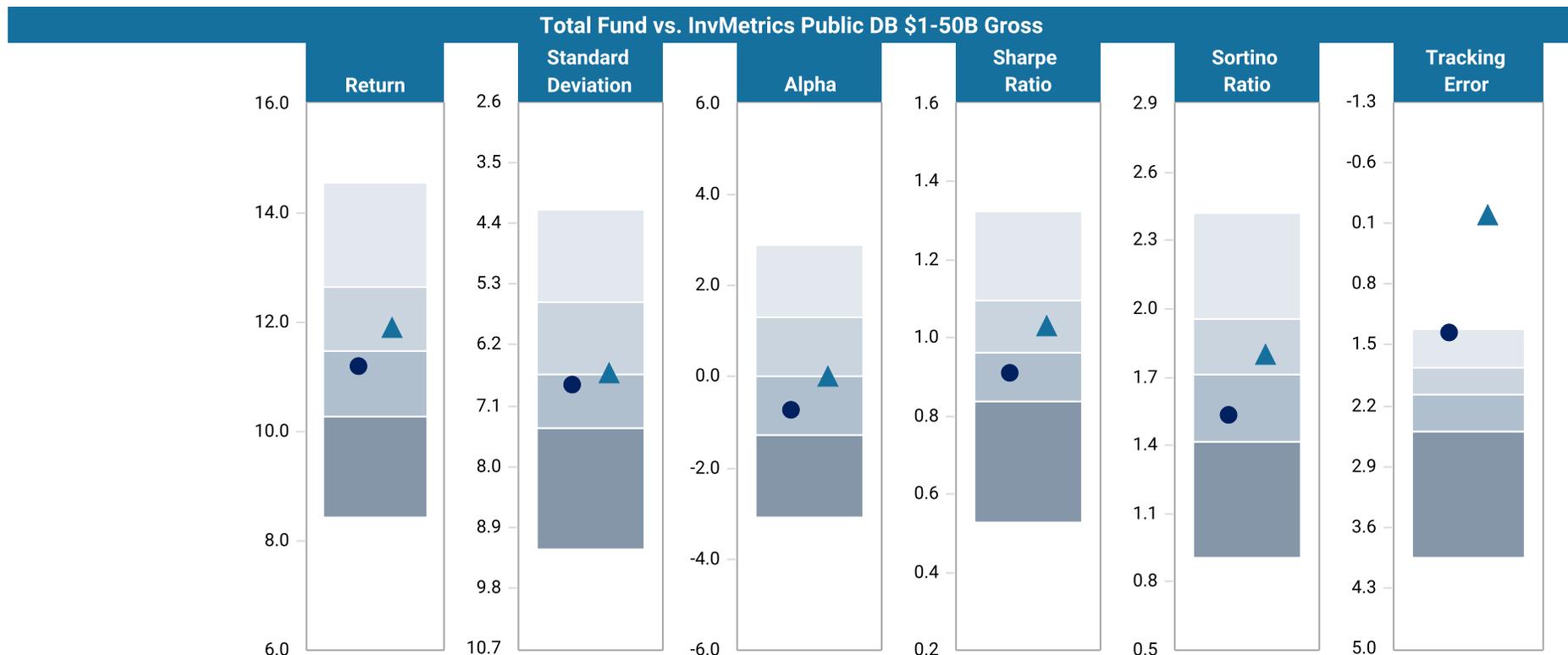


	3 Yrs (%)					
● LACERS Master Trust	11.2 (42)	6.8 (82)	-0.7 (80)	0.9 (74)	1.5 (74)	1.4 (5)
▲ Policy Index	11.9 (28)	6.6 (68)	0.0 (67)	1.0 (59)	1.8 (59)	0.0 (1)
5th Percentile	14.1	3.6	4.0	1.4	2.8	1.3
1st Quartile	12.2	5.1	2.0	1.2	2.1	1.9
Median	10.6	5.8	1.5	1.1	1.9	2.2
3rd Quartile	9.9	6.8	-0.4	0.9	1.5	2.5
95th Percentile	7.1	7.6	-1.4	0.5	0.9	3.5

Population	35	35	35	35	35	35
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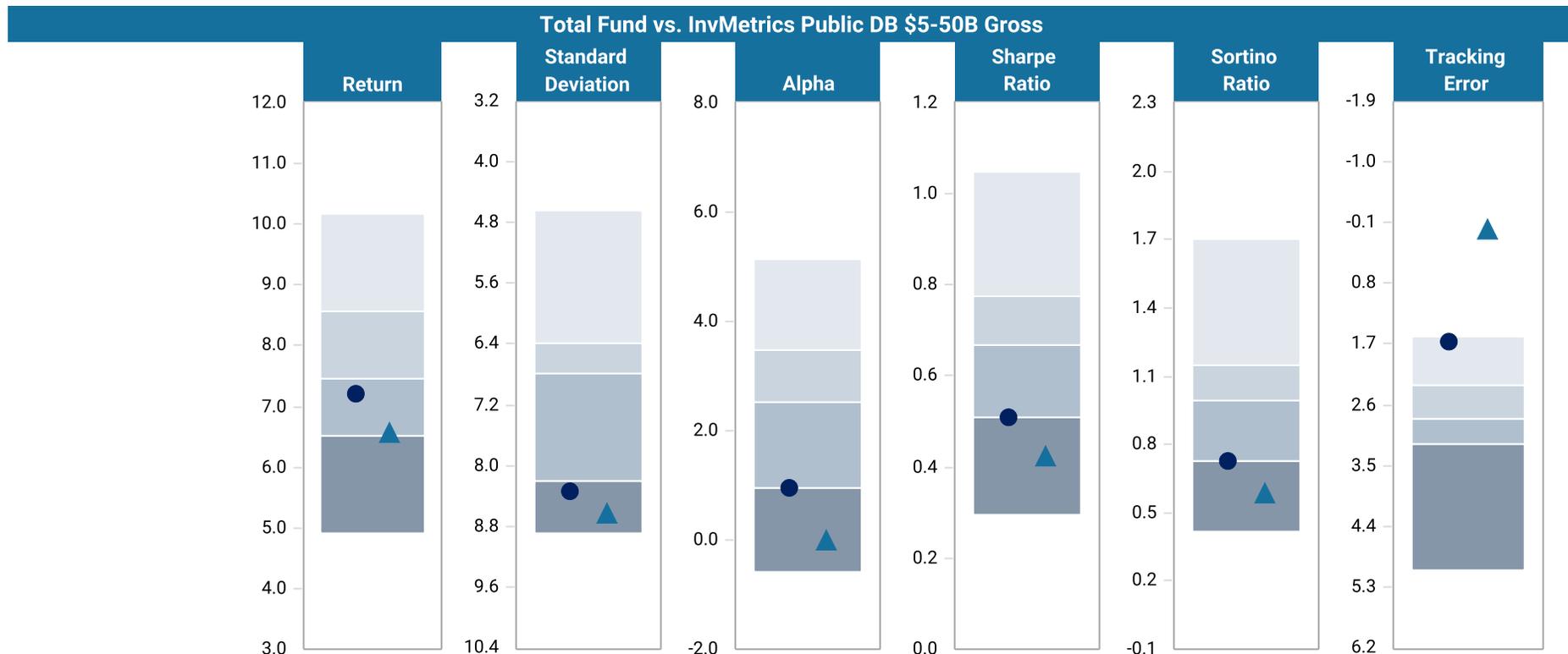
# RISK STATISTICS VS. PEER UNIVERSE



	3 Yrs (%)					
● LACERS Master Trust	11.2 (56)	6.8 (56)	-0.7 (66)	0.9 (63)	1.5 (65)	1.4 (5)
▲ Policy Index	11.9 (40)	6.6 (49)	0.0 (51)	1.0 (36)	1.8 (38)	0.0 (1)
5th Percentile	14.5	4.2	2.9	1.3	2.4	1.3
1st Quartile	12.7	5.6	1.3	1.1	2.0	1.8
Median	11.5	6.6	0.0	1.0	1.7	2.1
3rd Quartile	10.3	7.4	-1.3	0.8	1.4	2.5
95th Percentile	8.4	9.2	-3.1	0.5	0.9	3.9
Population	104	104	104	104	104	104



# RISK STATISTICS VS. PEER UNIVERSE

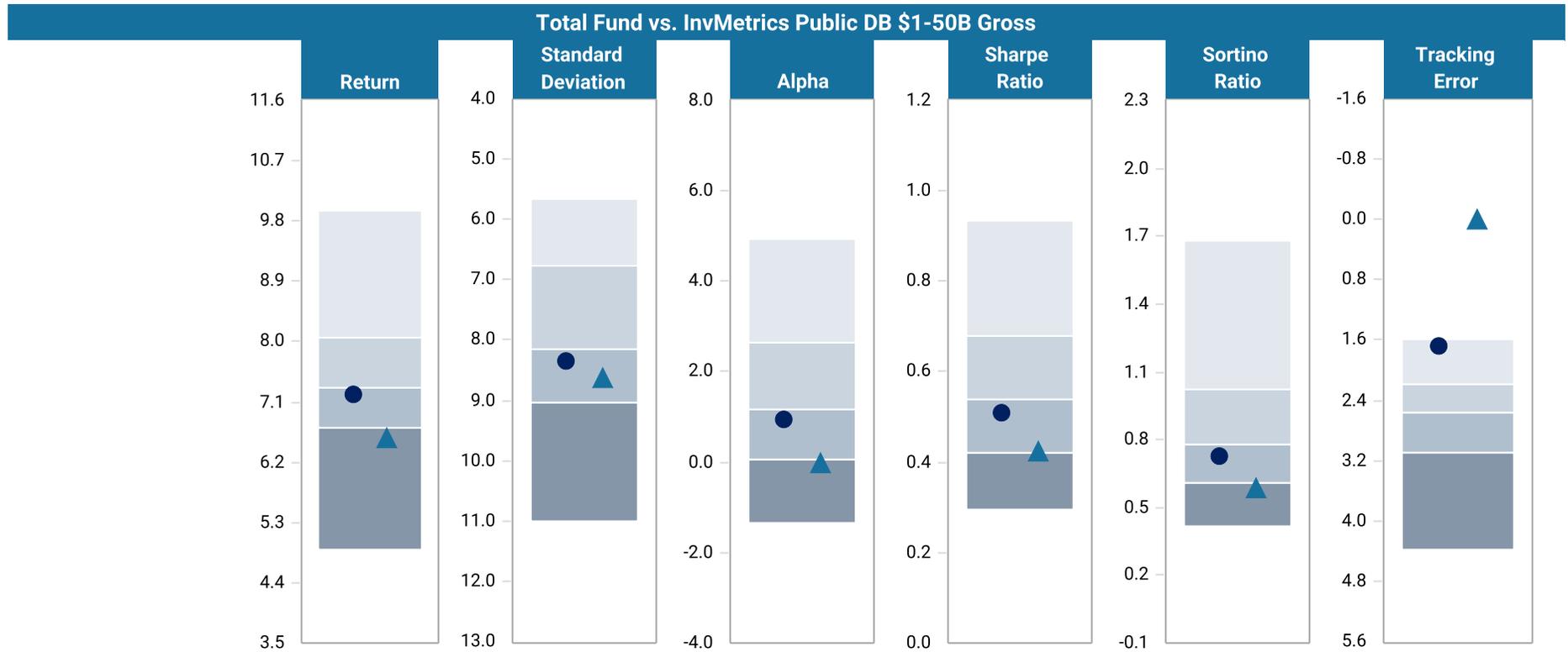


	5 Yrs (%)					
● LACERS Master Trust	7.22 (63)	8.34 (81)	0.94 (75)	0.51 (75)	0.73 (75)	1.67 (9)
▲ Policy Index	6.58 (75)	8.63 (88)	0.00 (90)	0.42 (80)	0.59 (81)	0.00 (1)
5th Percentile	10.17	4.64	5.15	1.05	1.70	1.58
1st Quartile	8.57	6.39	3.48	0.77	1.15	2.31
Median	7.46	6.78	2.53	0.67	0.99	2.81
3rd Quartile	6.53	8.22	0.94	0.51	0.73	3.20
95th Percentile	4.91	8.90	-0.59	0.29	0.42	5.06

Population	33	33	33	33	33	33
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# RISK STATISTICS VS. PEER UNIVERSE

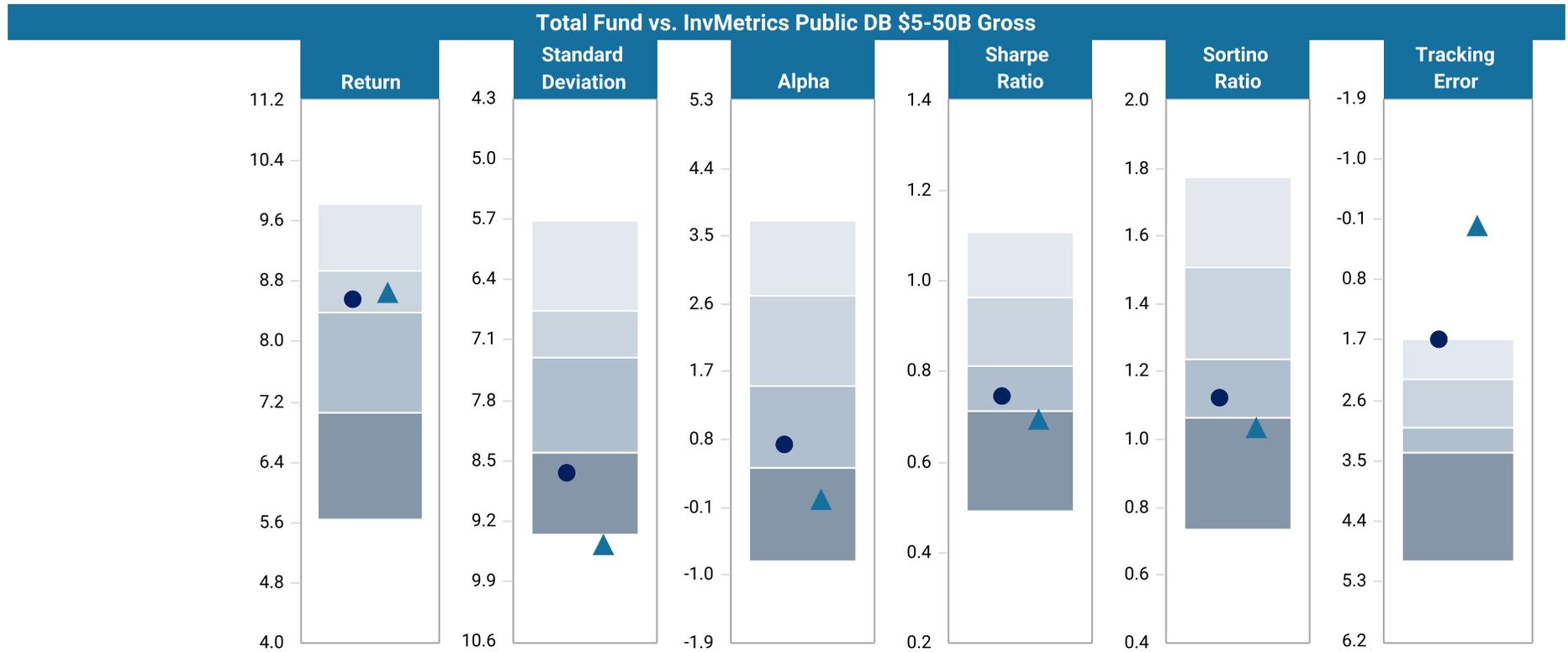


	5 Yrs (%)					
● LACERS Master Trust	7.22 (54)	8.34 (56)	0.94 (54)	0.51 (57)	0.73 (57)	1.67 (8)
▲ Policy Index	6.58 (78)	8.63 (63)	0.00 (76)	0.42 (75)	0.59 (78)	0.00 (1)
5th Percentile	9.96	5.67	4.94	0.93	1.68	1.59
1st Quartile	8.06	6.78	2.65	0.68	1.02	2.19
Median	7.31	8.17	1.17	0.54	0.78	2.56
3rd Quartile	6.71	9.05	0.07	0.42	0.61	3.11
95th Percentile	4.91	11.01	-1.36	0.29	0.42	4.39

Population	102	102	102	102	102	102
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# RISK STATISTICS VS. PEER UNIVERSE

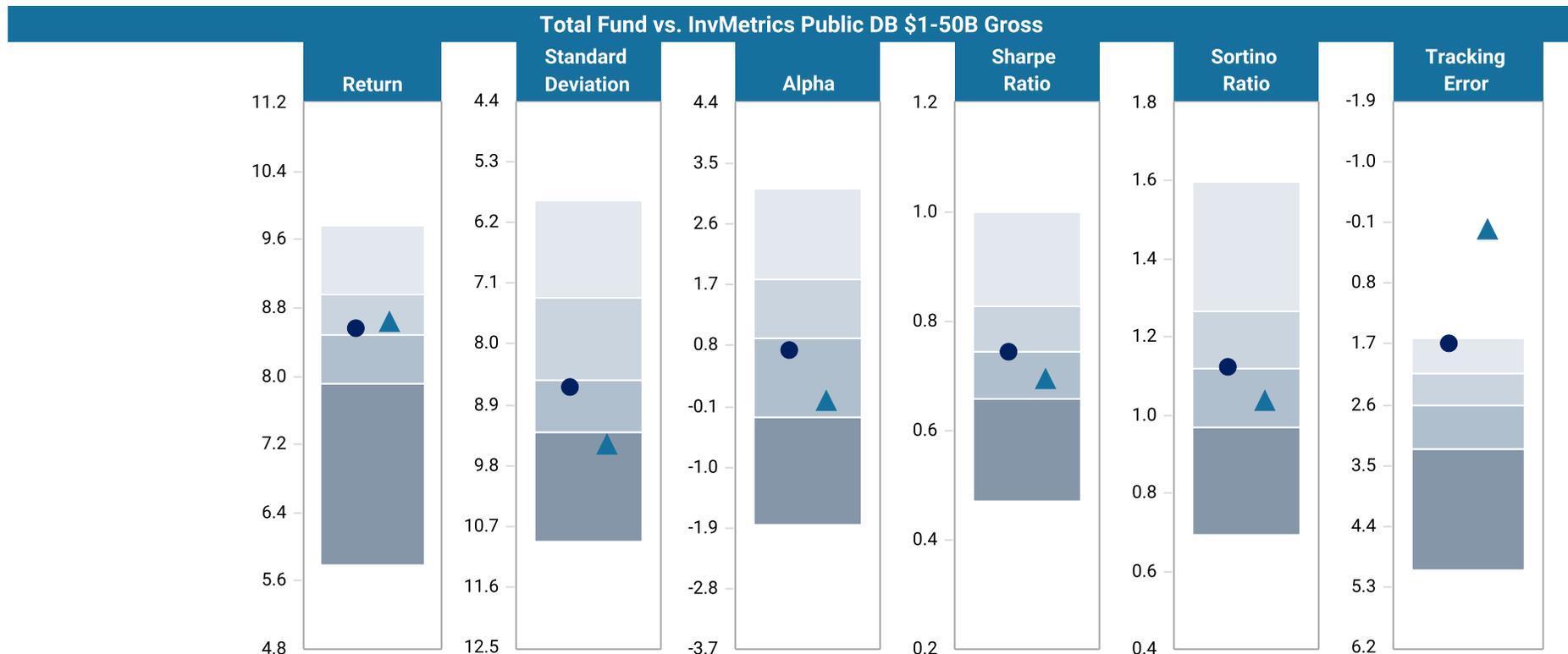


	10 Yrs (%)					
● LACERS Master Trust	8.57 (41)	8.64 (83)	0.74 (67)	0.75 (71)	1.12 (67)	1.69 (6)
▲ Policy Index	8.64 (40)	9.48 (96)	0.00 (79)	0.69 (77)	1.04 (77)	0.00 (1)
5th Percentile	9.82	5.71	3.71	1.11	1.77	1.68
1st Quartile	8.94	6.77	2.70	0.96	1.51	2.29
Median	8.39	7.30	1.51	0.81	1.24	3.01
3rd Quartile	7.05	8.40	0.42	0.71	1.07	3.37
95th Percentile	5.65	9.36	-0.81	0.49	0.73	4.99

Population	31	31	31	31	31	31
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# RISK STATISTICS VS. PEER UNIVERSE



	10 Yrs (%)					
● LACERS Master Trust	8.57 (42)	8.64 (55)	0.74 (54)	0.75 (51)	1.12 (47)	1.69 (7)
▲ Policy Index	8.64 (38)	9.48 (77)	0.00 (69)	0.69 (60)	1.04 (60)	0.00 (1)
5th Percentile	9.75	5.87	3.13	1.00	1.60	1.61
1st Quartile	8.96	7.33	1.78	0.83	1.27	2.13
Median	8.49	8.54	0.91	0.75	1.12	2.62
3rd Quartile	7.91	9.32	-0.26	0.66	0.97	3.26
95th Percentile	5.79	10.93	-1.86	0.47	0.69	5.06

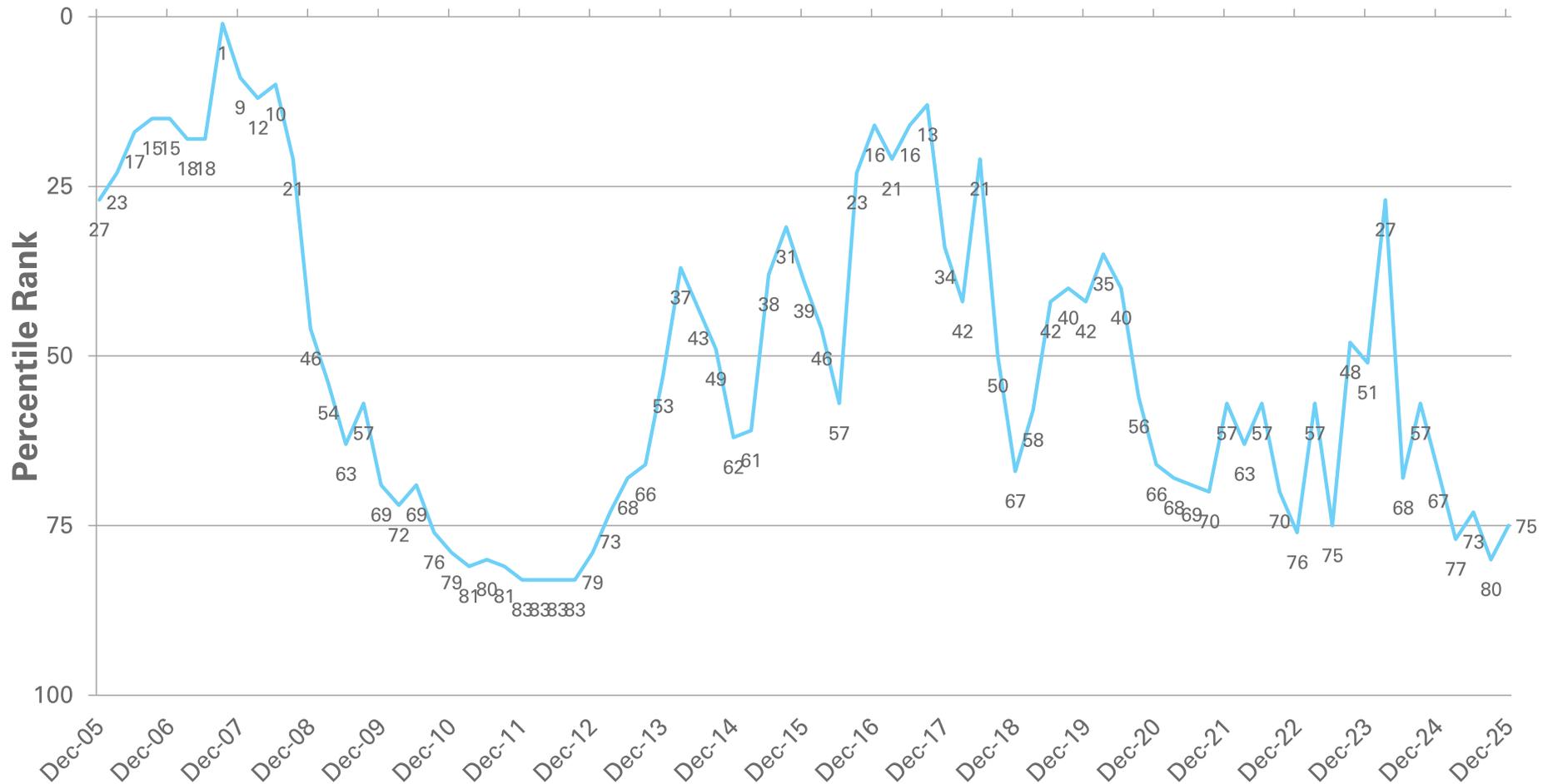
Population	99	99	99	99	99	99
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# HISTORICAL RISK ADJUSTED RETURN

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

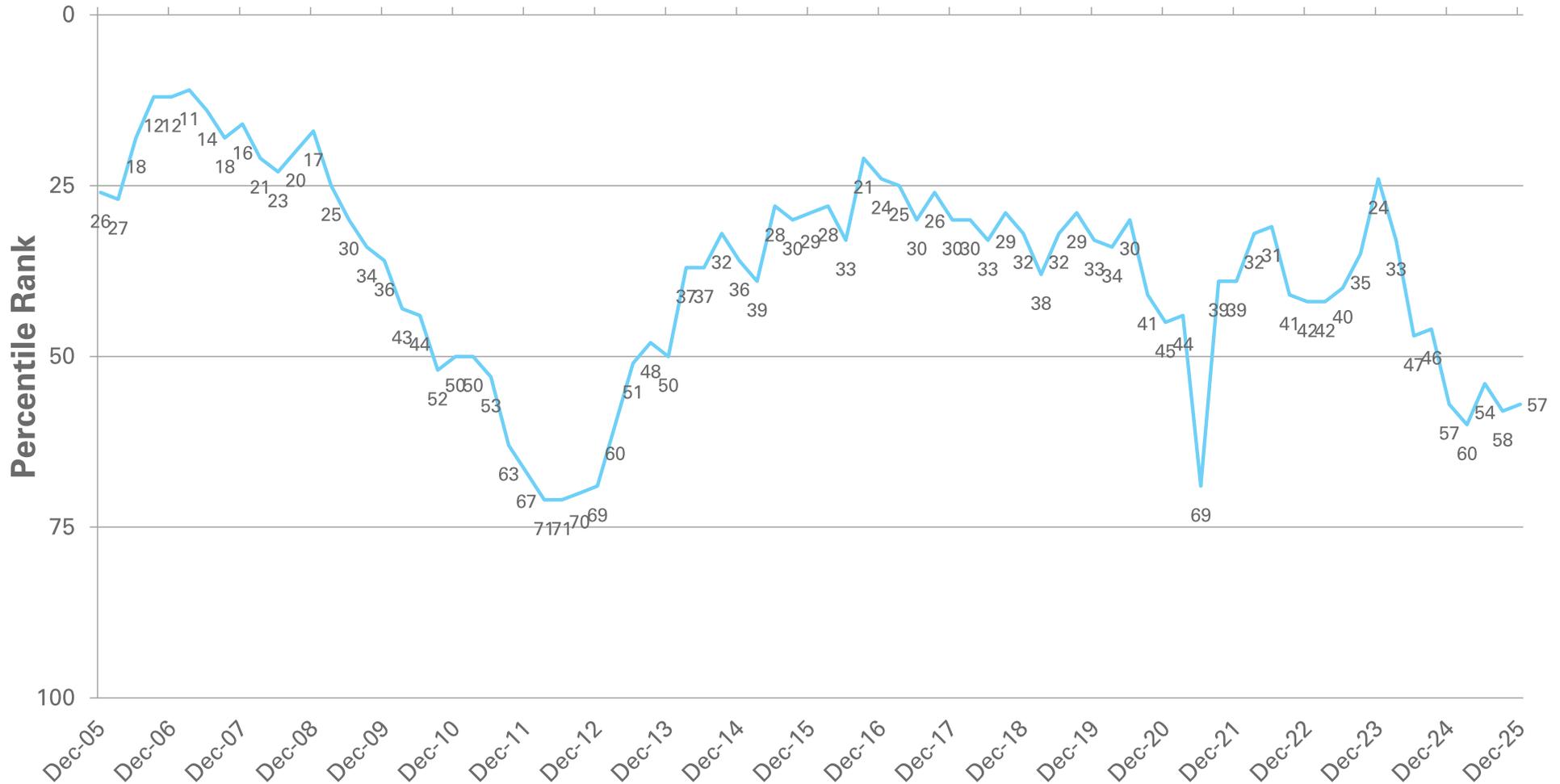
5 Yr Sharpe Ratio Percentile Rank  
 LACERS Master Trust vs InvMetrics Public Funds \$5B-\$50B Gross of Fees



# HISTORICAL RISK ADJUSTED RETURN

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

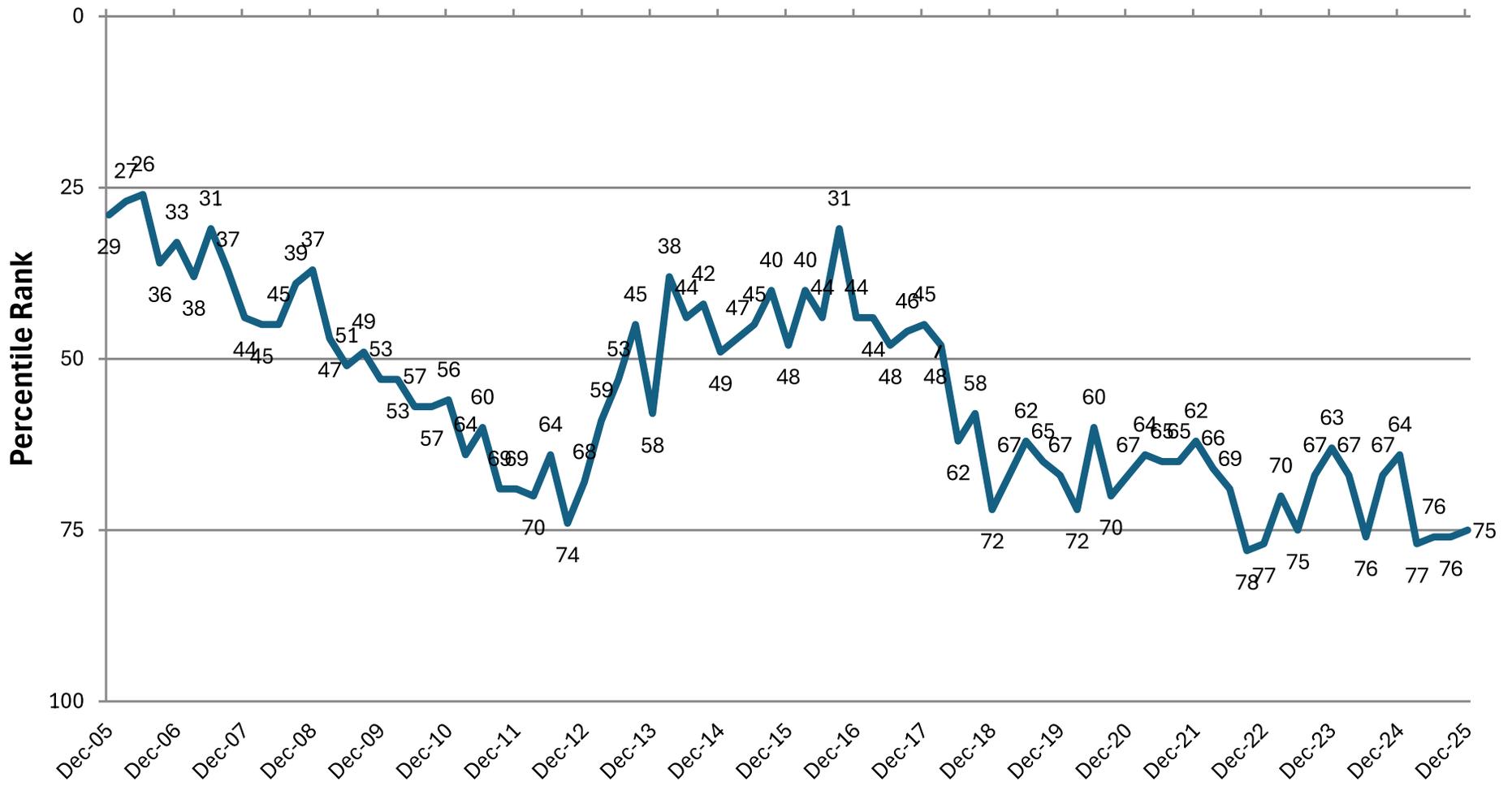
5 Yr Sharpe Ratio Percentile Rank  
 LACERS Master Trust vs InvMetrics Public Funds \$1B-\$50B Gross of Fees



# HISTORICAL SORTINO RATIO

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

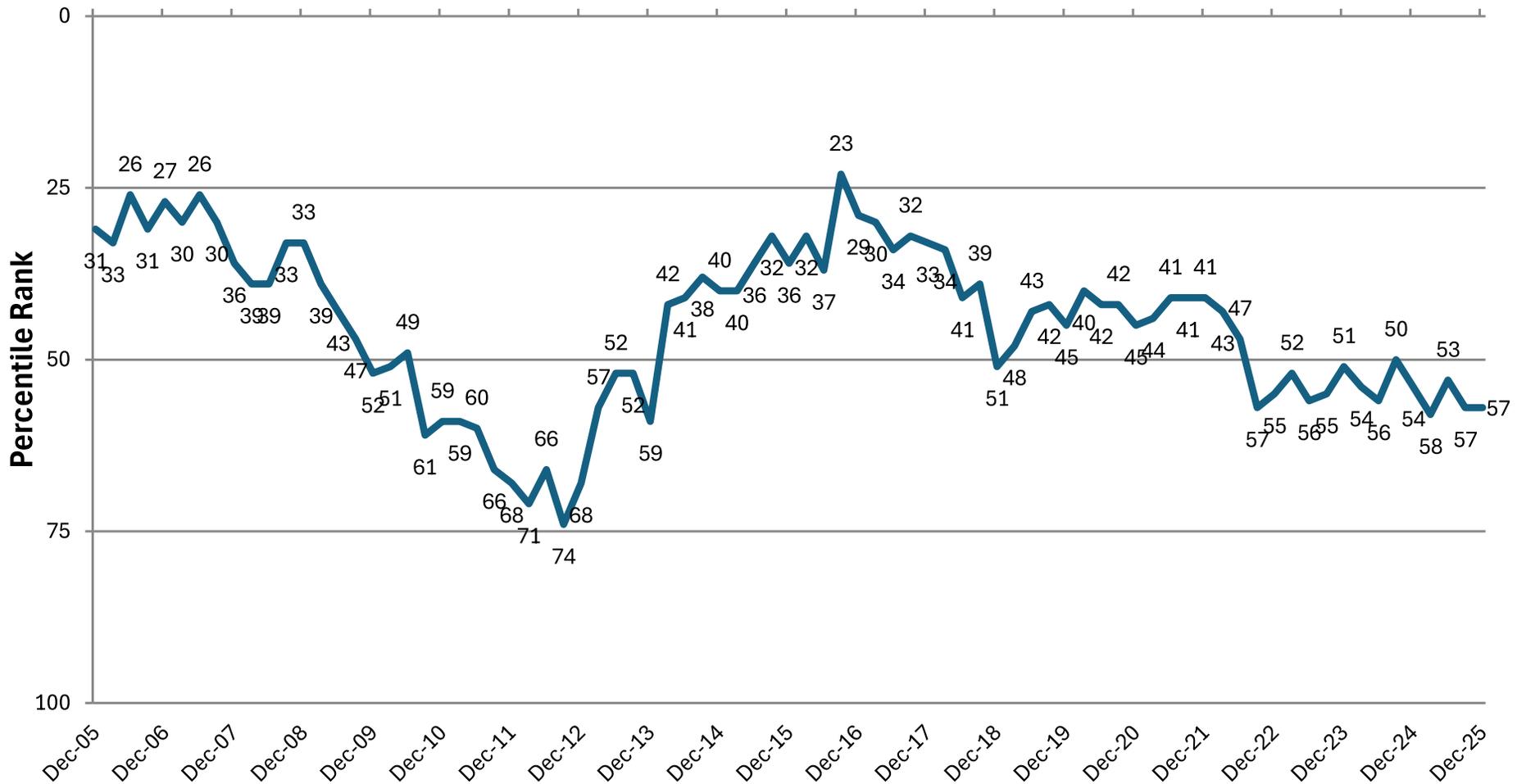
5 Yr Sortino Ratio Percentile Rank  
LACERS Master Trust vs InvMetrics Public Funds \$5B-\$50B Gross of Fees



# HISTORICAL SORTINO RATIO

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

5 Yr Sortino Ratio Percentile Rank  
LACERS Master Trust vs InvMetrics Public Funds \$1B-\$50B Gross of Fees





# U.S. EQUITY MANAGER PERFORMANCE

# U.S EQUITY (GROSS)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>U.S. Equity</b>	<b>6,459,577,533</b>	<b>100.00</b>	<b>1.73</b>	<b>9.61</b>	<b>14.56</b>	<b>19.89</b>	<b>12.23</b>	<b>13.57</b>	<b>9.76</b>	<b>Sep-01</b>
U.S. Equity Blend			2.40	10.78	17.15	22.25	13.15	14.29	9.75	
Over/Under			-0.67	-1.17	-2.59	-2.35	-0.92	-0.72	0.01	
RhumbLine Advisers Russell 2000	485,803,413	7.52	2.20	14.82	12.83	13.75	6.14	9.65	8.03	Apr-15
Russell 2000 Index			2.19	14.86	12.81	13.73	6.09	9.62	8.03	
Over/Under			0.01	-0.04	0.03	0.01	0.05	0.03	-0.01	
Rhumblin Advisers Russell 2000 Value	144,765,492	2.24	3.25	16.19	12.62	11.74	8.95		8.95	Jan-21
Russell 2000 Value Index			3.26	16.27	12.59	11.73	8.88		8.88	
Over/Under			0.00	-0.08	0.02	0.01	0.07		0.07	
Informed Momentum Company	121,833,420	1.89	4.57	22.38	10.80	14.87	1.91	10.66	10.56	Oct-15
Russell 2000 Growth Index			1.22	13.56	13.01	15.59	3.18	9.57	9.78	
Over/Under			3.36	8.82	-2.21	-0.72	-1.27	1.08	0.78	
Principal Global Investors	421,022,753	6.52	-3.11	-2.87	3.13	15.69	8.93	13.39	12.72	Aug-14
Russell Midcap Index			0.16	5.49	10.60	14.36	8.67	11.01	10.03	
Over/Under			-3.27	-8.36	-7.47	1.33	0.26	2.38	2.69	
RhumbLine Advisers S&P 500	4,694,263,893	72.67	2.65	10.99	17.86	22.95	14.44	14.77	8.20	Sep-00
S&P 500 Index			2.66	11.00	17.88	23.01	14.42	14.82	8.12	
Over/Under			0.00	-0.01	-0.02	-0.06	0.02	-0.05	0.08	
Copeland Capital Management	279,300,474	4.32	-2.32	2.69	-0.58	7.88	6.80		10.43	Oct-20
Russell 2000 Index			2.19	14.86	12.81	13.73	6.09		11.44	
Over/Under			-4.51	-12.17	-13.39	-5.86	0.71		-1.01	
Granahan Investment Management	159,903,240	2.48	-10.00	-10.32	3.09	13.04	0.03		6.27	Oct-20
Russell 2000 Growth Index			1.22	13.56	13.01	15.59	3.18		8.24	
Over/Under			-11.22	-23.88	-9.92	-2.55	-3.15		-1.98	
Segall, Bryant & Hamill	152,569,717	2.36	4.17	16.27	13.41	13.37	8.05		12.87	Oct-20
Russell 2000 Value Index			3.26	16.27	12.59	11.73	8.88		14.55	
Over/Under			0.92	0.00	0.82	1.64	-0.83		-1.68	

Note: All portfolios in U.S. Equity have mid-month inception dates. Since inception return is calculated from the first full month of performance. eA = eVestment  
Refer to appendix for blended benchmark definitions.  
Informed Momentum Company: Rebranding as of 2/4/25



# U.S. EQUITY (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>U.S. Equity</b>	<b>6,459,577,533</b>	<b>100.00</b>	<b>1.71</b>	<b>9.56</b>	<b>14.45</b>	<b>19.77</b>	<b>12.12</b>	<b>13.48</b>	<b>9.58</b>	<b>Sep-01</b>
U.S. Equity Blend			2.40	10.78	17.15	22.25	13.15	14.29	9.75	
Over/Under			-0.69	-1.22	-2.70	-2.47	-1.03	-0.81	-0.17	
RhumbLine Advisers Russell 2000	485,803,413	7.52	2.20 (45)	14.81 (19)	12.83 (24)	13.74 (33)	6.13 (64)	9.64 (55)	8.02 (59)	Apr-15
Russell 2000 Index			2.19 (45)	14.86 (19)	12.81 (24)	13.73 (33)	6.09 (64)	9.62 (56)	8.03 (58)	
Over/Under			0.01	-0.04	0.02	0.01	0.04	0.02	-0.01	
eV US Small Cap Equity Median			1.92	9.69	7.81	12.15	7.53	9.83	8.37	
Rhumbline Advisers Russell 2000 Value	144,765,492	2.24	3.25 (24)	16.19 (5)	12.61 (21)	11.74 (42)	8.94 (55)		8.94 (55)	Jan-21
Russell 2000 Value Index			3.26 (24)	16.27 (5)	12.59 (21)	11.73 (42)	8.88 (56)		8.88 (56)	
Over/Under			0.00	-0.08	0.02	0.01	0.06		0.06	
eV US Small-Mid Cap Value Equity Median			1.89	7.74	6.64	11.06	9.28		9.28	
Informed Momentum Company	121,833,420	1.89	4.45 (15)	22.09 (6)	10.26 (45)	14.20 (39)	1.26 (63)	9.90 (65)	9.82 (70)	Oct-15
Russell 2000 Growth Index			1.22 (61)	13.56 (25)	13.01 (26)	15.59 (29)	3.18 (49)	9.57 (72)	9.78 (71)	
Over/Under			3.24	8.53	-2.75	-1.39	-1.92	0.33	0.04	
eV US Small Cap Growth Equity Median			2.23	9.62	8.83	12.90	2.75	10.75	10.70	
Principal Global Investors	421,022,753	6.52	-3.20 (80)	-3.04 (90)	2.76 (79)	15.28 (32)	8.55 (46)	12.98 (9)	12.32 (7)	Aug-14
Russell Midcap Index			0.16 (48)	5.49 (40)	10.60 (32)	14.36 (38)	8.67 (45)	11.01 (41)	10.03 (44)	
Over/Under			-3.35	-8.54	-7.84	0.93	-0.12	1.97	2.30	
eV US Mid Cap Equity Median			-0.12	4.09	8.01	12.66	8.09	10.57	9.73	
RhumbLine Advisers S&P 500	4,694,263,893	72.67	2.65 (45)	10.99 (28)	17.86 (29)	22.95 (31)	14.44 (20)	14.77 (23)	9.90 (7)	Sep-00
S&P 500 Index			2.66 (45)	11.00 (28)	17.88 (29)	23.01 (30)	14.42 (21)	14.82 (23)	8.12 (59)	
Over/Under			0.00	-0.01	-0.02	-0.06	0.01	-0.05	1.77	
eV US Large Cap Equity Median			2.38	9.02	15.43	18.37	12.33	12.77	8.32	

Note: All portfolios in U.S. Equity have mid-month inception dates. Since inception return is calculated from the first full month of performance. eA = eVestment  
 Refer to appendix for blended benchmark definitions.  
 Informed Momentum Company: Rebranding as of 2/4/25



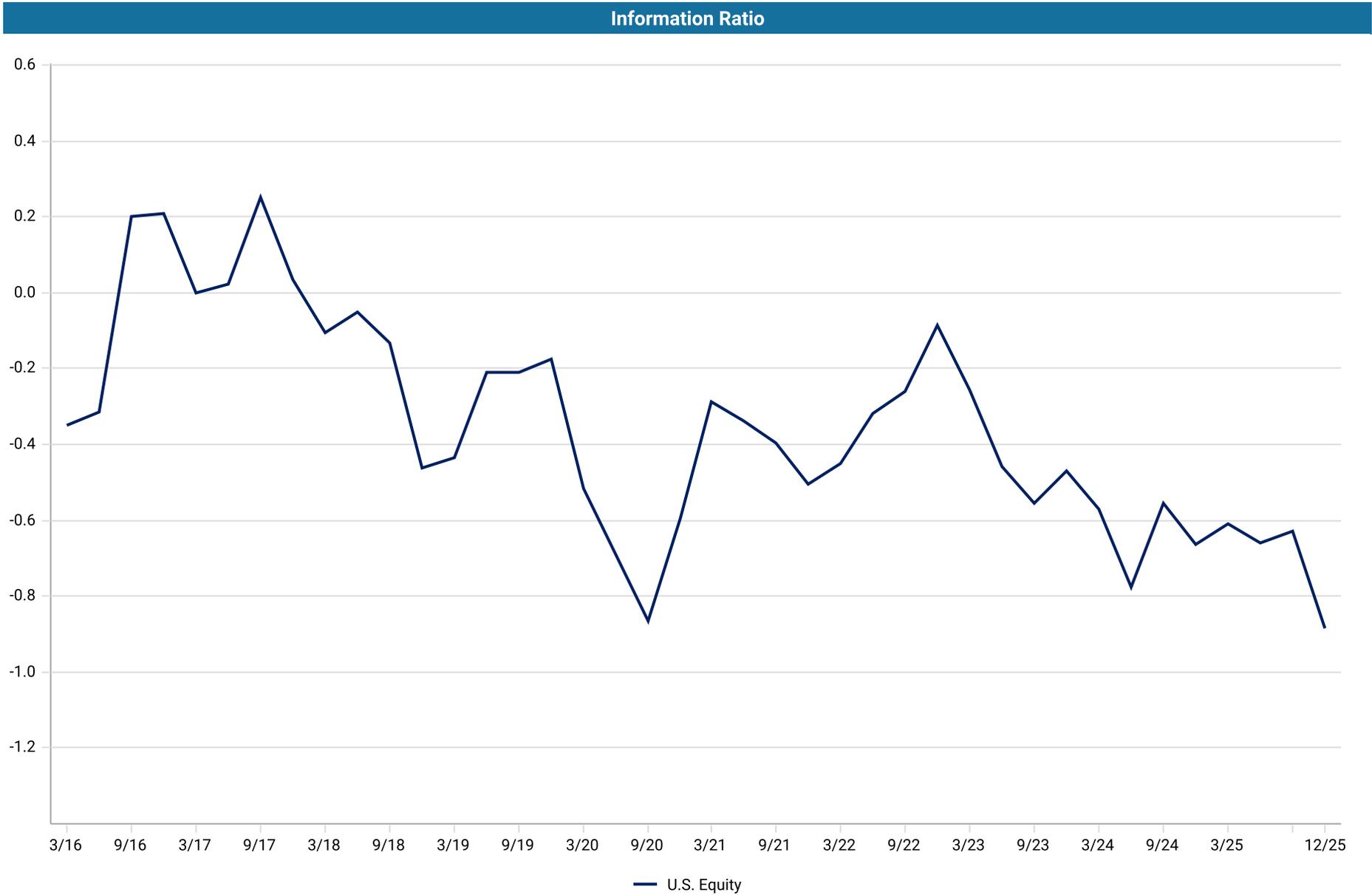
# U.S. EQUITY (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Copeland Capital Management	279,300,474	4.32	-2.43 (91)	2.45 (88)	-1.04 (87)	7.39 (88)	6.34 (62)		9.97 (69)	Oct-20
<i>Russell 2000 Index</i>			2.19 (45)	14.86 (19)	12.81 (24)	13.73 (33)	6.09 (64)		11.44 (60)	
Over/Under			-4.62	-12.40	-13.85	-6.35	0.25		-1.47	
<i>eV US Small Cap Equity Median</i>			1.92	9.69	7.81	12.15	7.53		12.50	
Granahan Investment Management	159,903,240	2.48	-10.18 (100)	-10.64 (100)	2.38 (79)	12.26 (59)	-0.67 (82)		5.55 (72)	Oct-20
<i>Russell 2000 Growth Index</i>			1.22 (61)	13.56 (25)	13.01 (26)	15.59 (29)	3.18 (49)		8.24 (45)	
Over/Under			-11.39	-24.20	-10.63	-3.33	-3.85		-2.69	
<i>eV US Small Cap Growth Equity Median</i>			2.23	9.62	8.83	12.90	2.75		7.13	
Segall, Bryant & Hamill	152,569,717	2.36	4.02 (19)	15.95 (13)	12.76 (20)	12.70 (33)	7.40 (77)		12.22 (81)	Oct-20
<i>Russell 2000 Value Index</i>			3.26 (27)	16.27 (12)	12.59 (20)	11.73 (44)	8.88 (56)		14.55 (49)	
Over/Under			0.77	-0.32	0.17	0.97	-1.48		-2.33	
<i>eV US Small Cap Value Equity Median</i>			1.83	9.85	6.81	11.06	9.41		14.43	

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



# 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	*	*	*	*	✓	✓	*	✓	✓	1,451.7	Performance compliant with LACERS' Manager Monitoring Policy
Informed Momentum Company	Sep-15	Small Cap Growth	✓	✓	*	✓	*	✓	*	*	✓	508.6	Placed on Watch as of 5/28/24 due to performance.
Copeland	Oct-20	Small Cap Core	*	*	*	*	*	*	✓	*	*	1,290.4	Placed on Watch as of 3/19/25 due to performance.
Granahan	Oct-20	Small Cap Growth	*	*	*	*	*	*	*	*	*	980.3	Performance compliant with LACERS' Manager Monitoring Policy
Segall Bryant & Hamill	Oct-20	Small Cap Value	✓	✓	✓	✓	✓	✓	*	*	*	767.6	Placed on Watch as of 8/30/24 due to performance; on-watch status extended for underperformance
RhumbLine (Passive)	Dec-20	R2000 Value	=	✓	✓	✓	✓	✓	✓	*	✓	5.7	Performance compliant with LACERS' Manager Monitoring Policy
RhumbLine (Passive)	Feb-93	S&P 500	=	✓	*	✓	*	✓	✓	✓	✓	160.1	Performance compliant with LACERS' Manager Monitoring Policy
RhumbLine (Passive)	Jun-15	R2000	✓	✓	✓	✓	✓	✓	✓	*	*	17.7	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, 2025.
- \* Where net of fees performance is not available gross of fee returns are evaluated.

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



Note: Informed Momentum Company was rebranded from EAM Investors as of 2/4/25.



# NON-U.S. EQUITY MANAGER PERFORMANCE

**NON-U.S. EQUITY (GROSS)**

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Non-U.S. Equity</b>	<b>6,079,862,174</b>	<b>100.00</b>	<b>3.68</b>	<b>9.52</b>	<b>29.25</b>	<b>16.28</b>	<b>7.46</b>	<b>8.90</b>	<b>6.04</b>	<b>Nov-94</b>
<i>MSCI AC World ex USA (Net)</i>			<u>5.05</u>	<u>12.29</u>	<u>32.39</u>	<u>17.33</u>	<u>7.91</u>	<u>8.41</u>	-	
Over/Under			-1.37	-2.77	-3.14	-1.05	-0.45	0.48	-	
<b>Developed ex-U.S.</b>	<b>4,282,869,898</b>	<b>70.44</b>	<b>3.51</b>	<b>8.35</b>	<b>30.41</b>	<b>16.43</b>	<b>8.28</b>	<b>8.85</b>	<b>8.91</b>	<b>Jul-12</b>
<i>MSCI EAFE (Net)</i>			<u>4.86</u>	<u>9.86</u>	<u>31.22</u>	<u>17.22</u>	<u>8.92</u>	<u>8.18</u>	<u>8.20</u>	
Over/Under			-1.35	-1.51	-0.81	-0.80	-0.64	0.66	0.71	
Barrow Hanley	748,407,562	12.31	6.76	12.46	39.24	17.54	13.24	10.02	7.72	Dec-13
<i>MSCI EAFE Value Index (Net)</i>			<u>7.83</u>	<u>15.80</u>	<u>42.25</u>	<u>21.38</u>	<u>13.36</u>	<u>8.69</u>	<u>6.25</u>	
Over/Under			-1.07	-3.33	-3.01	-3.84	-0.12	1.34	1.47	
Lazard Asset Management	522,559,676	8.59	1.51	6.10	27.36	14.59	6.36	7.32	6.34	Dec-13
<i>MSCI EAFE (Net)</i>			<u>4.86</u>	<u>9.86</u>	<u>31.22</u>	<u>17.22</u>	<u>8.92</u>	<u>8.18</u>	<u>6.34</u>	
Over/Under			-3.35	-3.75	-3.86	-2.64	-2.56	-0.87	0.00	
MFS Institutional Advisors	733,810,440	12.07	1.74	2.86	18.65	14.49	7.42	10.09	8.24	Nov-13
<i>MSCI World ex USA Growth NR USD</i>			<u>2.20</u>	<u>5.11</u>	<u>21.94</u>	<u>13.77</u>	<u>4.90</u>	<u>7.67</u>	<u>6.32</u>	
Over/Under			-0.46	-2.25	-3.29	0.72	2.52	2.42	1.92	
Oberweis Asset Mgmt	462,262,276	7.60	-0.13	5.10	32.29	15.64	0.48	8.49	8.34	Feb-14
<i>MSCI EAFE Small Cap (Net)</i>			<u>2.68</u>	<u>9.05</u>	<u>31.83</u>	<u>14.95</u>	<u>5.62</u>	<u>7.49</u>	<u>6.75</u>	
Over/Under			-2.82	-3.95	0.46	0.69	-5.14	1.00	1.59	
SSgA World ex US IMI	1,423,397,964	23.41	4.99	10.98	32.61	17.80	9.47	8.99	5.80	Jul-98
<i>MSCI World ex U.S. IMI Index (Net)</i>			<u>4.96</u>	<u>10.84</u>	<u>32.18</u>	<u>17.39</u>	<u>9.03</u>	<u>8.47</u>	<u>5.80</u>	
Over/Under			0.03	0.15	0.43	0.41	0.44	0.52	0.01	
State Street EAFE SC	392,431,980	6.45	2.69	9.10	32.04	15.10	5.84	-	5.84	Jan-21
<i>MSCI EAFE Small Cap (Net)</i>			<u>2.68</u>	<u>9.05</u>	<u>31.83</u>	<u>14.95</u>	<u>5.62</u>	-	<u>5.62</u>	
Over/Under			0.01	0.05	0.21	0.15	0.21	-	0.21	

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

eA = eVestment

Refer to appendix for blended benchmark definitions.

Axiom Custom Blended BM consists of MSCI Emerging Markets Growth(Net) through August 2020. MSCI Emerging Markets(Net) from September 2020 to present.



**NON-U.S. EQUITY (GROSS)**

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Emerging Markets</b>	<b>1,796,992,276</b>	<b>29.56</b>	<b>3.97</b>	<b>11.87</b>	<b>25.89</b>	<b>15.65</b>	<b>5.10</b>	<b>9.09</b>	<b>5.89</b>	<b>Jul-12</b>
<i>MSCI Emerging Markets (Net)</i>			<u>4.73</u>	<u>15.88</u>	<u>33.57</u>	<u>16.40</u>	<u>4.20</u>	<u>8.42</u>	<u>5.53</u>	
Over/Under			-0.76	-4.01	-7.68	-0.75	0.90	0.68	0.35	
Axiom Emerging Markets	1,243,400	0.02	-0.59	8.45	21.84	14.92	0.31	8.09	5.71	May-14
<i>Axiom Custom Blended BM</i>			<u>4.73</u>	<u>15.88</u>	<u>33.57</u>	<u>16.40</u>	<u>4.20</u>	<u>10.11</u>	<u>7.46</u>	
Over/Under			-5.32	-7.43	-11.73	-1.47	-3.88	-2.02	-1.74	
<i>MSCI Emerging Markets (Net)</i>			<u>4.73</u>	<u>15.88</u>	<u>33.57</u>	<u>16.40</u>	<u>4.20</u>	<u>8.42</u>	<u>5.51</u>	
Over/Under			-5.32	-7.43	-11.73	-1.47	-3.88	-0.33	0.21	
<i>MSCI Emerging Markets Growth (Net)</i>			<u>3.31</u>	<u>16.06</u>	<u>34.30</u>	<u>16.17</u>	<u>1.77</u>	<u>8.76</u>	<u>6.33</u>	
Over/Under			-3.90	-7.61	-12.47	-1.24	-1.46	-0.67	-0.62	
DFA Emerging Markets	743,725,495	12.23	4.61	13.48	29.39	17.41	10.29	10.15	5.61	Aug-14
<i>MSCI Emerging Markets Value (Net)</i>			<u>6.37</u>	<u>15.66</u>	<u>32.74</u>	<u>16.58</u>	<u>6.76</u>	<u>7.96</u>	<u>3.85</u>	
Over/Under			-1.76	-2.18	-3.35	0.83	3.53	2.19	1.76	
State Street Emerging Markets	701,348,939	11.54	4.71	16.16	34.06	16.20	4.08	-	4.08	Jan-21
<i>MSCI Emerging Markets (Net)</i>			<u>4.73</u>	<u>15.88</u>	<u>33.57</u>	<u>16.40</u>	<u>4.20</u>	-	<u>4.20</u>	
Over/Under			-0.02	0.29	0.49	-0.20	-0.12	-	-0.12	
Wasatch Global Investors	350,436,235	5.76	4.82	3.10	8.77	11.83	3.25	-	3.25	Jan-21
<i>MSCI Emerging Markets Small Cap (Net)</i>			<u>1.63</u>	<u>7.08</u>	<u>18.58</u>	<u>15.47</u>	<u>8.43</u>	-	<u>8.43</u>	
Over/Under			3.19	-3.99	-9.81	-3.65	-5.18	-	-5.18	
Sanctioned Asset	238,208	0.00	0.00	0.00	0.00	0.00	-	-	0.00	Jun-22

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

eA = eVestment

Refer to appendix for blended benchmark definitions.

Axiom Custom Blended BM consists of MSCI Emerging Markets Growth(Net) through August 2020. MSCI Emerging Markets(Net) from September 2020 to present.



# NON-U.S. EQUITY (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Non-U.S. Equity</b>	<b>6,079,862,174</b>	<b>100.00</b>	<b>3.57 (51)</b>	<b>9.29 (52)</b>	<b>28.72 (57)</b>	<b>15.84 (59)</b>	<b>7.08 (56)</b>	<b>8.51 (53)</b>	<b>6.79 (51)</b>	<b>Jun-01</b>
MSCI AC World ex USA (Net)			<u>5.05</u> (28)	<u>12.29</u> (28)	<u>32.39</u> (40)	<u>17.33</u> (44)	<u>7.91</u> (46)	<u>8.41</u> (57)	<u>6.31</u> (75)	
Over/Under			-1.48	-3.00	-3.67	-1.49	-0.83	0.09	0.47	
eV All ACWI ex-US Equity Median			3.65	9.69	30.29	16.80	7.54	8.60	6.80	
<b>Developed ex-U.S.</b>	<b>4,282,869,898</b>	<b>70.44</b>	<b>3.43</b>	<b>8.20</b>	<b>30.06</b>	<b>16.12</b>	<b>8.00</b>	<b>8.53</b>	<b>8.62</b>	<b>Jul-12</b>
MSCI EAFE (Net)			<u>4.86</u>	<u>9.86</u>	<u>31.22</u>	<u>17.22</u>	<u>8.92</u>	<u>8.18</u>	<u>8.20</u>	
Over/Under			-1.43	-1.66	-1.17	-1.11	-0.92	0.35	0.42	
Barrow Hanley	748,407,562	12.31	6.65 (44)	12.22 (48)	38.65 (39)	17.02 (68)	12.74 (28)	9.51 (21)	7.22 (23)	Dec-13
MSCI EAFE Value Index (Net)			<u>7.83</u> (15)	<u>15.80</u> (16)	<u>42.25</u> (23)	<u>21.38</u> (19)	<u>13.36</u> (21)	<u>8.69</u> (40)	<u>6.25</u> (60)	
Over/Under			-1.18	-3.57	-3.60	-4.35	-0.62	0.82	0.97	
eV EAFE Value Equity Median			6.13	11.99	36.61	18.80	11.44	8.34	6.42	
Lazard Asset Management	522,559,676	8.59	1.38 (85)	5.84 (75)	26.75 (72)	14.06 (79)	5.87 (79)	6.79 (86)	5.82 (78)	Dec-13
MSCI EAFE (Net)			<u>4.86</u> (43)	<u>9.86</u> (48)	<u>31.22</u> (56)	<u>17.22</u> (51)	<u>8.92</u> (50)	<u>8.18</u> (55)	<u>6.34</u> (64)	
Over/Under			-3.48	-4.02	-4.47	-3.17	-3.06	-1.39	-0.53	
eV All EAFE Equity Median			4.52	9.77	31.91	17.23	8.90	8.29	6.70	
MFS Institutional Advisors	733,810,440	12.07	1.65 (36)	2.67 (53)	18.22 (46)	14.07 (43)	7.01 (29)	9.63 (16)	7.78 (17)	Nov-13
MSCI World ex USA Growth NR USD			<u>2.20</u> (31)	<u>5.11</u> (27)	<u>21.94</u> (31)	<u>13.77</u> (43)	<u>4.90</u> (41)	<u>7.67</u> (42)	<u>6.32</u> (49)	
Over/Under			-0.55	-2.44	-3.72	0.30	2.11	1.96	1.46	
eV EAFE All Cap Growth Median			1.07	3.50	16.05	10.74	1.81	7.51	6.21	
Oberweis Asset Mgmt	462,262,276	7.60	-0.31 (82)	4.72 (66)	31.36 (50)	14.78 (55)	-0.29 (96)	7.64 (54)	7.48 (38)	Feb-14
MSCI EAFE Small Cap (Net)			<u>2.68</u> (51)	<u>9.05</u> (49)	<u>31.83</u> (47)	<u>14.95</u> (55)	<u>5.62</u> (57)	<u>7.49</u> (55)	<u>6.75</u> (62)	
Over/Under			-3.00	-4.33	-0.48	-0.18	-5.92	0.15	0.72	
eV EAFE Small Cap Equity Median			2.72	8.43	31.28	16.12	6.91	7.90	7.19	

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

eA = eVestment

Refer to appendix for blended benchmark definitions.

Axiom Custom Blended BM consists of MSCI Emerging Markets Growth(Net) through August 2020. MSCI Emerging Markets(Net) from September 2020 to present.



**NON-U.S. EQUITY (NET)**

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
SSgA World ex US IMI	1,423,397,964	23.41	4.98 (41)	10.97 (37)	32.58 (49)	17.77 (46)	9.45 (41)	8.96 (30)	5.78 (82)	Jul-98
<i>MSCI World ex U.S. IMI Index (Net)</i>			<u>4.96</u> (41)	<u>10.84</u> (40)	<u>32.18</u> (52)	<u>17.39</u> (51)	<u>9.03</u> (46)	<u>8.47</u> (46)	<u>5.80</u> (82)	
Over/Under			0.03	0.13	0.39	0.38	0.41	0.49	-0.02	
<i>eV EAFE Core Equity Median</i>			4.39	9.67	32.35	17.40	8.61	8.32	6.32	
State Street EAFE SC	392,431,980	6.45	2.68 (51)	9.08 (49)	31.99 (46)	15.06 (54)	5.80 (57)	-	5.80 (57)	Jan-21
<i>MSCI EAFE Small Cap (Net)</i>			<u>2.68</u> (51)	<u>9.05</u> (49)	<u>31.83</u> (47)	<u>14.95</u> (55)	<u>5.62</u> (57)	-	<u>5.62</u> (57)	
Over/Under			0.00	0.03	0.16	0.11	0.17	-	0.17	
<i>eV EAFE Small Cap Equity Median</i>			2.72	8.43	31.28	16.12	6.91	-	6.91	
<b>Emerging Markets</b>	<b>1,796,992,276</b>	<b>29.56</b>	<b>3.77</b>	<b>11.48</b>	<b>25.01</b>	<b>14.93</b>	<b>4.48</b>	<b>8.50</b>	<b>5.27</b>	<b>Jul-12</b>
<i>MSCI Emerging Markets (Net)</i>			<u>4.73</u>	<u>15.88</u>	<u>33.57</u>	<u>16.40</u>	<u>4.20</u>	<u>8.42</u>	<u>5.53</u>	
Over/Under			-0.96	-4.39	-8.55	-1.47	0.29	0.08	-0.26	
Axiom Emerging Markets	1,243,400	0.02	-1.25 (96)	7.45 (86)	20.02 (88)	13.60 (83)	-0.69 (94)	7.19 (86)	4.87 (85)	May-14
<i>Axiom Custom Blended BM</i>			<u>4.73</u> (44)	<u>15.88</u> (42)	<u>33.57</u> (45)	<u>16.40</u> (55)	<u>4.20</u> (61)	<u>10.11</u> (21)	<u>7.46</u> (15)	
Over/Under			-5.98	-8.43	-13.55	-2.79	-4.89	-2.92	-2.59	
<i>eV Emg Mkts Equity Median</i>			4.54	15.02	32.56	16.74	5.20	8.76	6.08	
<i>MSCI Emerging Markets (Net)</i>			<u>4.73</u> (44)	<u>15.88</u> (42)	<u>33.57</u> (45)	<u>16.40</u> (55)	<u>4.20</u> (61)	<u>8.42</u> (58)	<u>5.51</u> (71)	
Over/Under			-5.98	-8.43	-13.55	-2.79	-4.89	-1.23	-0.64	
<i>MSCI Emerging Markets Growth (Net)</i>			<u>3.31</u> (74)	<u>16.06</u> (39)	<u>34.30</u> (41)	<u>16.17</u> (57)	<u>1.77</u> (80)	<u>8.76</u> (50)	<u>6.33</u> (40)	
Over/Under			-4.57	-8.62	-14.29	-2.56	-2.47	-1.57	-1.46	
DFA Emerging Markets	743,725,495	12.23	4.47 (52)	13.21 (66)	28.77 (68)	16.87 (49)	9.79 (17)	9.65 (27)	5.11 (65)	Aug-14
<i>MSCI Emerging Markets Value (Net)</i>			<u>6.37</u> (21)	<u>15.66</u> (44)	<u>32.74</u> (49)	<u>16.58</u> (52)	<u>6.76</u> (37)	<u>7.96</u> (70)	<u>3.85</u> (91)	
Over/Under			-1.89	-2.46	-3.97	0.29	3.03	1.68	1.26	
<i>eV Emg Mkts Equity Median</i>			4.54	15.02	32.56	16.74	5.20	8.76	5.56	
State Street Emerging Markets	701,348,939	11.54	4.70 (45)	16.14 (39)	34.01 (42)	16.16 (58)	4.04 (63)	-	4.04 (62)	Jan-21
<i>MSCI Emerging Markets (Net)</i>			<u>4.73</u> (44)	<u>15.88</u> (42)	<u>33.57</u> (45)	<u>16.40</u> (55)	<u>4.20</u> (61)	-	<u>4.20</u> (61)	
Over/Under			-0.03	0.27	0.44	-0.24	-0.15	-	-0.15	
<i>eV Emg Mkts Equity Median</i>			4.54	15.02	32.56	16.74	5.20	-	5.20	

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

eA = eVestment

Refer to appendix for blended benchmark definitions.

Axiom Custom Blended BM consists of MSCI Emerging Markets Growth(Net) through August 2020. MSCI Emerging Markets(Net) from September 2020 to present.



**NON-U.S. EQUITY (NET)**

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Wasatch Global Investors	350,436,235	5.76	4.61 (29)	2.50 (84)	7.17 (100)	10.23 (93)	1.95 (98)	-	1.95 (98)	Jan-21
<i>MSCI Emerging Markets Small Cap (Net)</i>			<u>1.63</u> (63)	<u>7.08</u> (52)	<u>18.58</u> (61)	<u>15.47</u> (63)	<u>8.43</u> (62)	-	<u>8.43</u> (62)	
Over/Under			2.98	-4.58	-11.41	-5.25	-6.48	-	-6.48	
<i>eV Emg Mkts Small Cap Equity Median</i>			2.57	7.58	21.69	17.20	10.01	-	10.01	
Sanctioned Asset	238,208	0.00	0.00	0.00	0.00	0.00	-	-	0.00	Jun-22

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

eA = eVestment

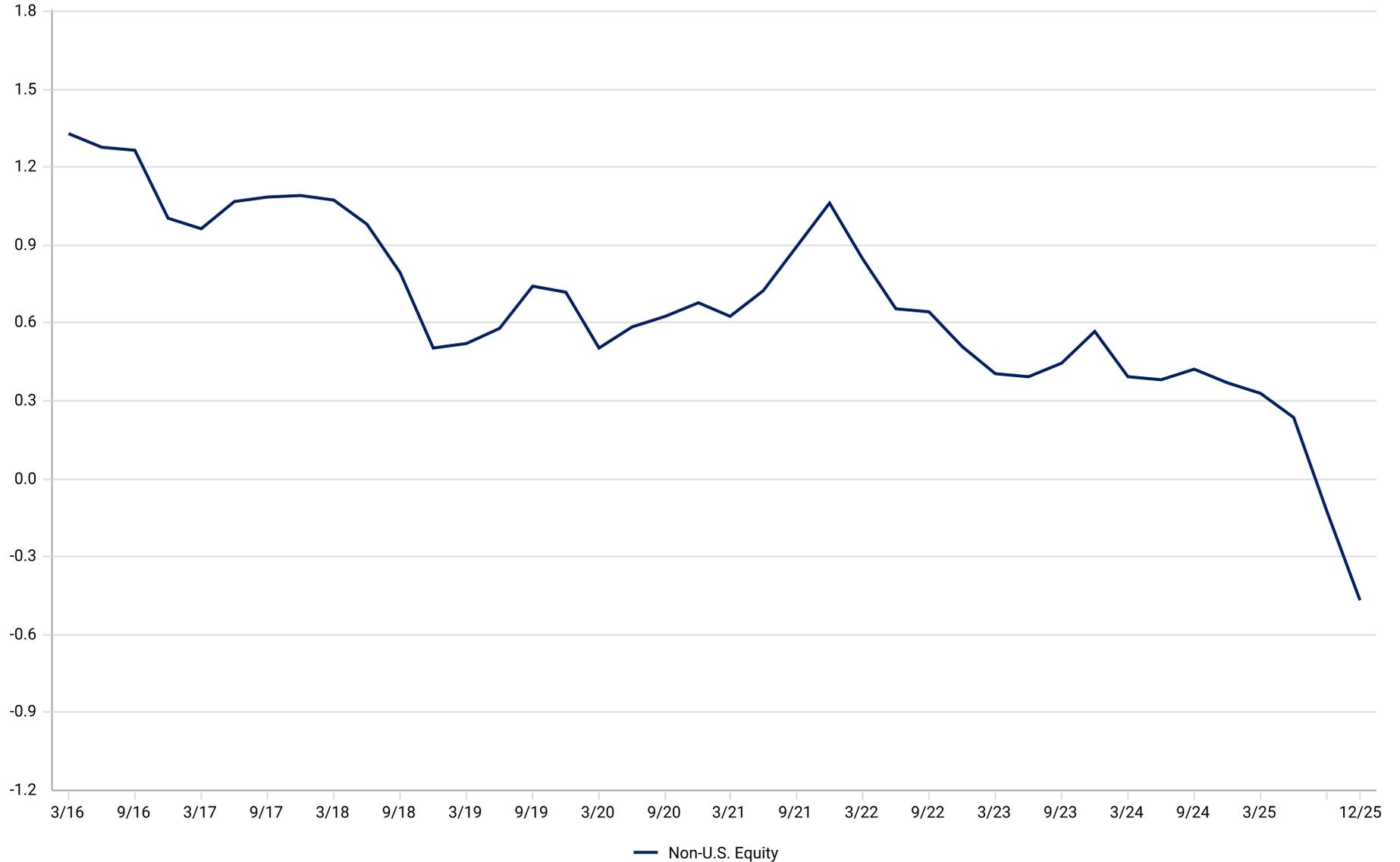
Refer to appendix for blended benchmark definitions.

Axiom Custom Blended BM consists of MSCI Emerging Markets Growth(Net) through August 2020. MSCI Emerging Markets(Net) from September 2020 to present.



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

## 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	*	✓	✓	✓	*	*	*	*	*	228.6	Performance compliant with LACERS' Manager Monitoring Policy
Axiom International	Mar-14	Emerging Markets	*	*	*	*	*	*	*	*	*	4,149.0	Placed on Watch as of 4/4/23 due to performance
DFA Emerging Markets	Jul-14	Emerging Markets	*	*	*	*	✓	✓	✓	✓	✓	2,987.8	Performance compliant with LACERS' Manager Monitoring Policy
Wasatch	Dec-20	Emerging Markets Small Cap	✓	✓	*	*	*	*	*	*	*	7,457.1	Placed on Watch as of 6/5/25 due to performance.
Oberweis Asset Mgt.	Jan-14	Non-U.S. Developed	*	*	*	=	*	*	*	*	✓	2,681.6	Placed on watch November 2025 due to performance.
Barrow, Hanley, Mewhinney & Strauss	Nov-13	Non-U.S. Developed	*	✓	*	✓	*	*	*	✓	✓	2,525.2	Performance compliant with LACERS' Manager Monitoring Policy
Lazard Asset Mgt.	Nov-13	Non-U.S. Developed	*	*	*	*	*	*	*	*	*	2,689.4	Placed on Watch as of 5/28/24 due to performance; on-watch status extended for underperformance
MFS Institutional Advisors	Oct-13	Non-U.S. Developed	*	✓	*	✓	✓	✓	✓	✓	✓	2,396.9	Performance compliant with LACERS' Manager Monitoring Policy
SsgA (Passive)	Dec-20	Non-U.S. Developed Small Cap	=	*	✓	✓	✓	*	✓	*	✓	122.2	Performance compliant with LACERS' Manager Monitoring Policy
SsgA (Passive)	Aug-93	Non-U.S. Developed	✓	✓	✓	✓	✓	✓	✓	✓	*	393.5	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, 2025.
- \* 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

# CORE FIXED INCOME (GROSS)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Core Fixed Income</b>	<b>3,389,198,875</b>	<b>100.00</b>	<b>1.09</b>	<b>3.25</b>	<b>7.60</b>	<b>4.99</b>	<b>0.01</b>	<b>2.51</b>	<b>2.59</b>	<b>Jul-12</b>
Core Fixed Income Blend			<u>1.10</u>	<u>3.15</u>	<u>7.30</u>	<u>4.66</u>	<u>-0.36</u>	<u>2.01</u>	<u>2.01</u>	
Over/Under			-0.01	0.10	0.30	0.33	0.37	0.51	0.58	
Loomis Sayles & Co. Core Fixed Income	698,936,214	20.62	0.93	3.01	7.17	4.79	-0.09	2.94	7.96	Jul-80
Loomis Custom Benchmark			<u>1.10</u>	<u>3.15</u>	<u>7.30</u>	<u>4.66</u>	<u>-0.36</u>	<u>2.01</u>	<u>6.62</u>	
Over/Under			-0.17	-0.15	-0.13	0.12	0.28	0.94	1.34	
SSgA U.S. Aggregate Bond	711,338,692	20.99	0.99	3.05	7.21	4.73	-0.36	2.03	2.02	Aug-14
Blmbg. U.S. Aggregate Index			<u>1.10</u>	<u>3.15</u>	<u>7.30</u>	<u>4.66</u>	<u>-0.36</u>	<u>2.01</u>	<u>2.00</u>	
Over/Under			-0.11	-0.10	-0.10	0.07	0.01	0.02	0.02	
Baird Advisors Core Fixed Income	654,220,632	19.30	1.14	3.31	7.72	5.50	-	-	0.48	Jul-21
Blmbg. U.S. Aggregate Index			<u>1.10</u>	<u>3.15</u>	<u>7.30</u>	<u>4.66</u>	-	-	<u>-0.05</u>	
Over/Under			0.04	0.16	0.42	0.84	-	-	0.52	
Garcia Hamilton & Associates	381,477,629	11.26	1.30	3.61	8.52	4.56	-	-	0.34	Jul-21
Blmbg. U.S. Aggregate Index			<u>1.10</u>	<u>3.15</u>	<u>7.30</u>	<u>4.66</u>	-	-	<u>-0.05</u>	
Over/Under			0.20	0.46	1.22	-0.11	-	-	0.38	
JP Morgan Investment Management	448,798,153	13.24	1.15	3.27	7.72	5.25	-	-	0.58	Jul-21
Blmbg. U.S. Aggregate Index			<u>1.10</u>	<u>3.15</u>	<u>7.30</u>	<u>4.66</u>	-	-	<u>-0.05</u>	
Over/Under			0.05	0.11	0.42	0.59	-	-	0.63	
Income Research & Management	494,403,558	14.59	1.13	3.34	7.54	5.23	-	-	0.36	Jul-21
Blmbg. U.S. Aggregate Index			<u>1.10</u>	<u>3.15</u>	<u>7.30</u>	<u>4.66</u>	-	-	<u>-0.05</u>	
Over/Under			0.03	0.19	0.24	0.57	-	-	0.40	

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

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

Refer to appendix for blended benchmark definitions.



# CORE FIXED INCOME (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Core Fixed Income</b>	<b>3,389,198,875</b>	<b>100.00</b>	<b>1.06</b>	<b>3.20</b>	<b>7.49</b>	<b>4.89</b>	<b>-0.09</b>	<b>2.41</b>	<b>2.48</b>	<b>Jul-12</b>
Core Fixed Income Blend			<u>1.10</u>	<u>3.15</u>	<u>7.30</u>	<u>4.66</u>	<u>-0.36</u>	<u>2.01</u>	<u>2.01</u>	
Over/Under			-0.04	0.04	0.19	0.22	0.28	0.41	0.47	
Loomis Sayles & Co. Core Fixed Income	698,936,214	20.62	0.90 (86)	2.94 (83)	7.03 (86)	4.65 (84)	-0.22 (59)	2.81 (6)	7.88 (-)	Jul-80
Loomis Custom Benchmark			<u>1.10</u> (40)	<u>3.15</u> (57)	<u>7.30</u> (59)	<u>4.66</u> (84)	<u>-0.36</u> (79)	<u>2.01</u> (83)	<u>6.62</u> (-)	
Over/Under			-0.20	-0.21	-0.27	-0.01	0.15	0.80	1.26	
eV US Core Fixed Inc Median			1.06	3.20	7.37	4.97	-0.16	2.30	-	
SSgA U.S. Aggregate Bond	711,338,692	20.99	0.99 (72)	3.04 (72)	7.18 (72)	4.71 (80)	-0.38 (81)	1.99 (84)	1.99 (83)	Aug-14
Blmbg. U.S. Aggregate Index			<u>1.10</u> (40)	<u>3.15</u> (57)	<u>7.30</u> (59)	<u>4.66</u> (84)	<u>-0.36</u> (79)	<u>2.01</u> (83)	<u>2.00</u> (81)	
Over/Under			-0.11	-0.11	-0.12	0.05	-0.02	-0.01	-0.01	
eV US Core Fixed Inc Median			1.06	3.20	7.37	4.97	-0.16	2.30	2.23	
Baird Advisors Core Fixed Income	654,220,632	19.30	1.11 (37)	3.25 (39)	7.60 (27)	5.38 (18)	-	-	0.37 (18)	Jul-21
Blmbg. U.S. Aggregate Index			<u>1.10</u> (40)	<u>3.15</u> (57)	<u>7.30</u> (59)	<u>4.66</u> (84)	-	-	<u>-0.05</u> (74)	
Over/Under			0.01	0.10	0.30	0.72	-	-	0.42	
eV US Core Fixed Inc Median			1.06	3.20	7.37	4.97	-	-	0.10	
Garcia Hamilton & Associates	381,477,629	11.26	1.27 (6)	3.55 (10)	8.39 (2)	4.43 (90)	-	-	0.22 (33)	Jul-21
Blmbg. U.S. Aggregate Index			<u>1.10</u> (40)	<u>3.15</u> (57)	<u>7.30</u> (59)	<u>4.66</u> (84)	-	-	<u>-0.05</u> (74)	
Over/Under			0.17	0.40	1.09	-0.24	-	-	0.26	
eV US Core Fixed Inc Median			1.06	3.20	7.37	4.97	-	-	0.10	
JP Morgan Investment Management	448,798,153	13.24	1.09 (41)	3.17 (54)	7.59 (28)	5.11 (36)	-	-	0.46 (13)	Jul-21
Blmbg. U.S. Aggregate Index			<u>1.10</u> (40)	<u>3.15</u> (57)	<u>7.30</u> (59)	<u>4.66</u> (84)	-	-	<u>-0.05</u> (74)	
Over/Under			-0.01	0.02	0.29	0.45	-	-	0.51	
eV US Core Fixed Inc Median			1.06	3.20	7.37	4.97	-	-	0.10	
Income Research & Management	494,403,558	14.59	1.10 (40)	3.28 (36)	7.41 (44)	5.10 (37)	-	-	0.24 (28)	Jul-21
Blmbg. U.S. Aggregate Index			<u>1.10</u> (40)	<u>3.15</u> (57)	<u>7.30</u> (59)	<u>4.66</u> (84)	-	-	<u>-0.05</u> (74)	
Over/Under			0.00	0.12	0.11	0.44	-	-	0.28	
eV US Core Fixed Inc Median			1.06	3.20	7.37	4.97	-	-	0.10	

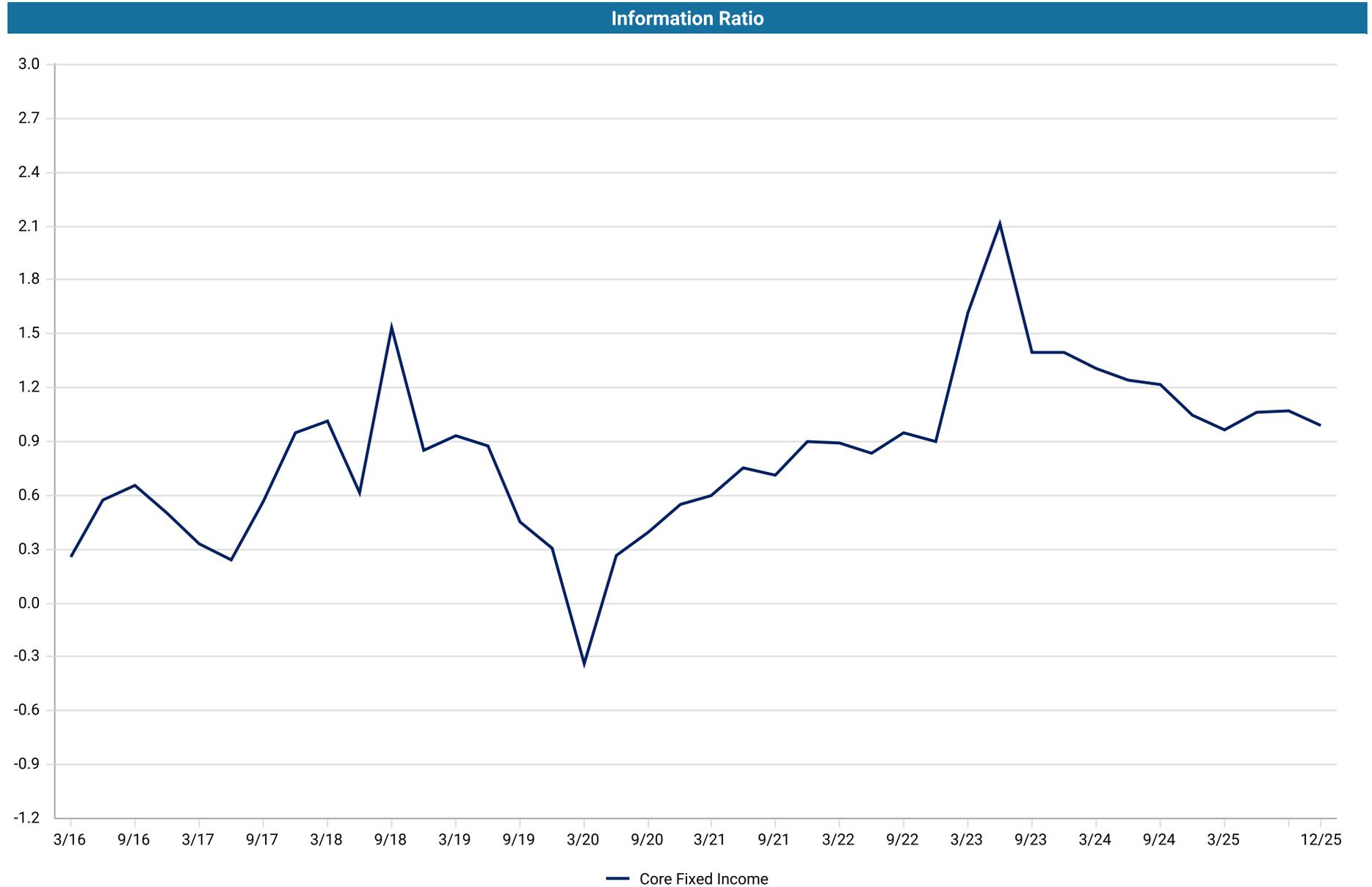
Note: All portfolios in Core Fixed Income have mid-month inception dates. Since inception return is calculated from the first full month of performance.

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

Refer to appendix for blended benchmark definitions.



# CORE FIXED INCOME 3 YEAR INFORMATION RATIO



# 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	*	*	*	*	*	*	✓	*	✓	855.2	Performance compliant with LACERS' Manager Monitoring Policy
Baird Advisors	Jul-21	Core	✓	✓	✓	✓	✓	✓	N/A	N/A	✓	695.6	Performance compliant with LACERS' Manager Monitoring Policy
Garcia Hamilton	Jul-21	Core	✓	✓	✓	✓	*	*	N/A	N/A	✓	445.3	Placed on watch November 2025 due to performance
IR&M	Jul-21	Core	=	✓	✓	✓	✓	✓	N/A	N/A	✓	580	Performance compliant with LACERS' Manager Monitoring Policy
J.P. Morgan	Jul-21	Core	*	✓	✓	✓	✓	✓	N/A	N/A	✓	409.3	Performance compliant with LACERS' Manager Monitoring Policy
SSgA (Passive)	Aug-14	Core	*	*	*	*	✓	*	*	*	*	130.0	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, 2025.
- \* Where net of fees performance is not available gross of fee returns are evaluated.

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





**CREDIT  
OPPORTUNITIES  
MANAGER  
PERFORMANCE**

# Los Angeles City Employees' Retirement System-LACERS Master Trust

## CREDIT OPPORTUNITIES (GROSS)

December 31, 2025

	Allocation		Performance (%)							Inception Date
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	
<b>Credit Opportunities</b>	<b>2,162,040,176</b>		<b>2.31</b>	<b>5.64</b>	<b>12.06</b>	<b>10.40</b>	<b>3.98</b>	<b>5.82</b>	<b>5.11</b>	<b>Jul-13</b>
<i>Credit Opportunities Blend</i>			2.28	5.29	10.94	9.84	3.51	5.77	5.11	
Over/Under			0.03	0.35	1.12	0.56	0.47	0.06	0.00	
PGIM Blended	582,531,666		3.22	7.63	17.10	10.94			2.89	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			3.32	7.22	16.79	10.07			1.73	
Over/Under			-0.10	0.41	0.31	0.88			1.16	
Wellington	566,674,895		4.41	8.41	17.62	10.74			2.65	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			3.32	7.22	16.79	10.07			1.73	
Over/Under			1.09	1.19	0.83	0.67			0.92	
Bain Capital Senior Loan Fund, LP	307,179,349		0.47	2.05	4.43	9.17	6.09	5.77	5.11	Jul-15
<i>S&amp;P UBS Leveraged Loan Index</i>			1.19	2.89	5.94	9.30	6.37	5.78	5.18	
Over/Under			-0.72	-0.85	-1.51	-0.13	-0.28	-0.01	-0.07	
Polen Capital	291,430,511		0.13	2.10	6.09	10.40	5.13		5.79	Nov-20
<i>50% BBgBarc US High Yield 2% Issuer Cap / 50% S&amp;P UBS Leveraged Loan Index</i>			1.25	3.38	7.28	9.70	5.47		6.23	
Over/Under			-1.12	-1.28	-1.18	0.70	-0.34		-0.44	
Loomis Sayles & Co. High Yield	413,285,640		1.19	4.53	9.55	10.06	4.43		5.62	Nov-20
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>			1.31	3.88	8.62	10.06	4.50		5.52	
Over/Under			-0.12	0.65	0.93	0.00	-0.07		0.10	
<b>Private Credit</b>	<b>640,902,735</b>		<b>2.73</b>	<b>5.22</b>	<b>10.72</b>	<b>9.74</b>	<b>7.15</b>		<b>7.03</b>	<b>Dec-20</b>
<i>Private Credit Blend</i>			1.69	3.91	6.94	9.66	6.85		6.88	
Over/Under			1.04	1.31	3.78	0.08	0.30		0.15	

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

Refer to appendix for blended benchmark definitions.



# Los Angeles City Employees' Retirement System-LACERS Master Trust

## CREDIT OPPORTUNITIES (NET)

December 31, 2025

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Credit Opportunities</b>	<b>2,162,040,176</b>		<b>2.22</b>	<b>5.45</b>	<b>11.70</b>	<b>10.06</b>	<b>3.66</b>	<b>5.49</b>	<b>4.78</b>	<b>Jul-13</b>
<i>Credit Opportunities Blend</i>			2.28	5.29	10.94	9.84	3.51	5.77	5.11	
Over/Under			-0.06	0.16	0.76	0.22	0.15	-0.28	-0.33	
PGIM Blended	582,531,666		3.14 (52)	7.46 (39)	16.69 (35)	10.57 (41)			2.56 (48)	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			3.32 (43)	7.22 (44)	16.79 (34)	10.07 (49)			1.73 (74)	
Over/Under			-0.18	0.23	-0.10	0.50			0.83	
<i>eV All Emg Mkts Fixed Inc Median</i>			3.15	6.89	14.65	10.04			2.50	
Wellington	566,674,895		4.29 (10)	8.14 (27)	17.05 (32)	10.21 (47)			2.18 (61)	Feb-21
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			3.32 (43)	7.22 (44)	16.79 (34)	10.07 (49)			1.73 (74)	
Over/Under			0.97	0.92	0.26	0.14			0.45	
<i>eV All Emg Mkts Fixed Inc Median</i>			3.15	6.89	14.65	10.04			2.50	
Bain Capital Senior Loan Fund, LP	307,179,349		0.47 (93)	2.05 (87)	4.43 (87)	9.17 (32)	6.09 (33)	5.77 (9)	5.11 (14)	Jul-15
<i>S&amp;P UBS Leveraged Loan Index</i>			1.19 (55)	2.89 (52)	5.94 (34)	9.30 (26)	6.37 (20)	5.78 (8)	5.18 (12)	
Over/Under			-0.72	-0.85	-1.51	-0.13	-0.28	-0.01	-0.07	
<i>eV US Float-Rate Bank Loan Fixed Inc Median</i>			1.28	2.93	5.62	8.86	5.78	5.21	4.65	
Polen Capital	291,430,511		0.00 (97)	1.85 (96)	5.57 (94)	9.86 (28)	4.61 (35)		5.28 (50)	Nov-20
<i>50% BBgBarc US High Yield 2% Issuer Cap / 50% S&amp;P UBS Leveraged Loan Index</i>			1.25 (67)	3.38 (68)	7.28 (81)	9.70 (35)	5.47 (13)		6.23 (18)	
Over/Under			-1.25	-1.54	-1.70	0.16	-0.86		-0.94	
<i>eV US High Yield Fixed Inc Median</i>			1.43	3.74	8.26	9.35	4.36		5.28	
Loomis Sayles & Co. High Yield	413,285,640		1.10 (80)	4.34 (12)	9.17 (14)	9.68 (36)	4.07 (69)		5.27 (52)	Nov-20
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>			1.31 (61)	3.88 (38)	8.62 (34)	10.06 (20)	4.50 (42)		5.52 (39)	
Over/Under			-0.21	0.46	0.55	-0.38	-0.44		-0.26	
<i>eV US High Yield Fixed Inc Median</i>			1.43	3.74	8.26	9.35	4.36		5.28	
<b>Private Credit</b>	<b>640,902,735</b>		<b>2.73</b>	<b>5.22</b>	<b>10.72</b>	<b>9.74</b>	<b>7.15</b>		<b>7.03</b>	<b>Dec-20</b>
<i>Private Credit Blend</i>			1.69	3.91	6.94	9.66	6.85		6.88	
Over/Under			1.04	1.31	3.78	0.08	0.30		0.15	

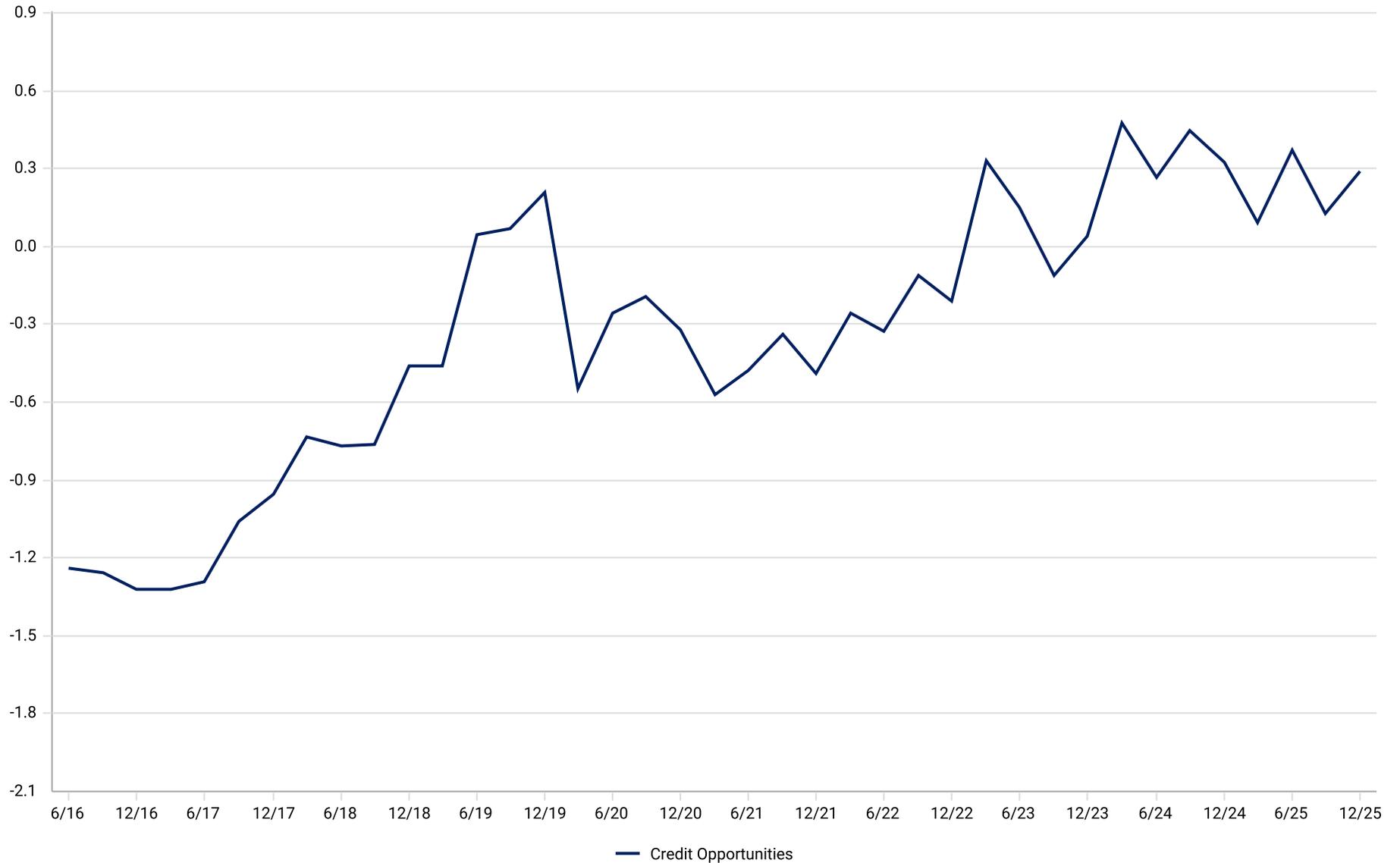
Note: All portfolios within Credit Opportunities have mid-month inception dates. Since inception return is calculated from the first full month of performance.  
eA = eVestment

Refer to appendix for blended benchmark definitions.



# 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	✓	1,803.5	Performance compliant with LACERS' Manager Monitoring Policy
Wellington	Feb-21	Emerging Market Debt Blended	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	✓	2,322.8	Performance compliant with LACERS' Manager Monitoring Policy
Bain	Jun-15	Bank Loans	*	*	*	*	*	✓	✓	*	✓	*	1,032.2	Performance compliant with LACERS' Manager Monitoring Policy
Loomis Sayles	Nov-20	High Yield	*	*	✓	✓	*	✓	*	*	*	*	1,336.9	Performance compliant with LACERS' Manager Monitoring Policy
Polen Capital	Nov-20	High Yield/Bank Loan	*	*	*	*	✓	✓	*	✓	*	*	1,363.0	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, 2025.
- \* 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

**REAL ASSETS (GROSS)**

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Real Assets</b>	<b>2,948,304,688</b>	<b>100.00</b>	<b>-0.56</b>	<b>0.64</b>	<b>3.51</b>	<b>0.62</b>	<b>2.38</b>	<b>3.97</b>	<b>5.56</b>	<b>Dec-94</b>
<i>Real Assets Policy Benchmark</i>			<u>0.18</u>	<u>1.82</u>	<u>4.98</u>	<u>1.51</u>	<u>2.54</u>	<u>4.77</u>	<u>6.99</u>	
Over/Under			-0.74	-1.17	-1.47	-0.88	-0.17	-0.80	-1.43	
<b>Public Real Assets</b>	<b>1,469,283,839</b>	<b>49.83</b>	<b>-0.51</b>	<b>1.73</b>	<b>5.68</b>	<b>5.67</b>	<b>2.97</b>	<b>4.03</b>	<b>2.93</b>	<b>Jul-14</b>
<i>Public Real Assets Blend</i>			<u>-0.77</u>	<u>1.55</u>	<u>5.33</u>	<u>5.08</u>	<u>3.21</u>	<u>3.64</u>	<u>1.75</u>	
Over/Under			0.26	0.18	0.35	0.59	-0.25	0.39	1.18	
<b>TIPS</b>	<b>881,422,581</b>	<b>29.90</b>	<b>0.14</b>	<b>2.35</b>	<b>7.85</b>	<b>4.38</b>	<b>1.12</b>	<b>3.23</b>	<b>2.46</b>	<b>Aug-14</b>
<i>Blmbg. U.S. TIPS</i>			<u>0.13</u>	<u>2.24</u>	<u>7.01</u>	<u>4.23</u>	<u>1.12</u>	<u>3.09</u>	<u>2.38</u>	
Over/Under			0.00	0.11	0.84	0.16	-0.01	0.14	0.08	
DFA US TIPS	881,422,581	29.90	0.14	2.35	7.85	4.38	1.12	3.29	2.52	Aug-14
<i>Blmbg. U.S. TIPS</i>			<u>0.13</u>	<u>2.24</u>	<u>7.01</u>	<u>4.23</u>	<u>1.12</u>	<u>3.09</u>	<u>2.38</u>	
Over/Under			0.00	0.11	0.84	0.16	-0.01	0.20	0.15	
<b>REITS</b>	<b>587,861,257</b>	<b>19.94</b>	<b>-1.46</b>	<b>0.81</b>	<b>2.60</b>	<b>7.87</b>	<b>6.57</b>	<b>7.39</b>	<b>7.15</b>	<b>Apr-15</b>
<i>FTSE NAREIT All Equity REITs</i>			<u>-2.15</u>	<u>0.47</u>	<u>2.27</u>	<u>6.11</u>	<u>4.86</u>	<u>5.77</u>	<u>5.25</u>	
Over/Under			0.69	0.34	0.33	1.76	1.72	1.62	1.90	
CenterSquare US Real Estate	587,861,257	19.94	-1.46	0.81	2.60	7.87	6.57	7.39	7.52	May-15
<i>FTSE NAREIT All Equity REITs</i>			<u>-2.15</u>	<u>0.47</u>	<u>2.27</u>	<u>6.11</u>	<u>4.86</u>	<u>5.77</u>	<u>5.79</u>	
Over/Under			0.69	0.34	0.33	1.76	1.72	1.62	1.72	
<b>Private Real Estate</b>	<b>1,459,649,231</b>	<b>49.51</b>	<b>-0.63</b>	<b>-0.46</b>	<b>1.32</b>	<b>-4.57</b>	<b>2.85</b>	<b>4.18</b>	<b>5.88</b>	<b>Nov-94</b>
<i>Real Estate Blend</i>			<u>1.12</u>	<u>2.06</u>	<u>4.61</u>	<u>-2.67</u>	<u>4.22</u>	<u>5.63</u>	<u>8.63</u>	
Over/Under			-1.75	-2.52	-3.29	-1.89	-1.37	-1.45	-2.75	
<b>Timber</b>	<b>19,371,619</b>	<b>0.66</b>	<b>0.43</b>	<b>0.22</b>	<b>2.22</b>	<b>4.58</b>	<b>5.17</b>	<b>3.92</b>	<b>8.12</b>	<b>Oct-99</b>

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

Refer to appendix for blended benchmark definitions.

# REAL ASSETS (NET)

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Real Assets</b>	<b>2,948,304,688</b>	<b>100.00</b>	<b>-0.59</b>	<b>0.59</b>	<b>3.39</b>	<b>0.51</b>	<b>2.26</b>	<b>3.83</b>	<b>4.41</b>	<b>Jun-01</b>
Real Assets Policy Benchmark			<u>0.18</u>	<u>1.82</u>	<u>4.98</u>	<u>1.51</u>	<u>2.54</u>	<u>4.77</u>	<u>5.57</u>	
Over/Under			-0.77	-1.23	-1.58	-1.00	-0.29	-0.94	-1.15	
<b>Public Real Assets</b>	<b>1,469,283,839</b>	<b>49.83</b>	<b>-0.55</b>	<b>1.64</b>	<b>5.49</b>	<b>5.49</b>	<b>2.80</b>	<b>3.82</b>	<b>2.74</b>	<b>Jul-14</b>
Public Real Assets Blend			<u>-0.77</u>	<u>1.55</u>	<u>5.33</u>	<u>5.08</u>	<u>3.21</u>	<u>3.64</u>	<u>1.75</u>	
Over/Under			0.22	0.09	0.16	0.40	-0.42	0.18	0.99	
<b>TIPS</b>	<b>881,422,581</b>	<b>29.90</b>	<b>0.12</b>	<b>2.33</b>	<b>7.80</b>	<b>4.33</b>	<b>1.07</b>	<b>3.18</b>	<b>2.41</b>	<b>Aug-14</b>
Blmbg. U.S. TIPS			<u>0.13</u>	<u>2.24</u>	<u>7.01</u>	<u>4.23</u>	<u>1.12</u>	<u>3.09</u>	<u>2.38</u>	
Over/Under			-0.01	0.09	0.79	0.11	-0.05	0.09	0.03	
DFA US TIPS	881,422,581	29.90	0.12 (49)	2.33 (14)	7.80 (10)	4.33 (46)	1.07 (58)	3.23 (36)	2.47 (32)	Aug-14
Blmbg. U.S. TIPS			<u>0.13</u> (48)	<u>2.24</u> (25)	<u>7.01</u> (43)	<u>4.23</u> (53)	<u>1.12</u> (49)	<u>3.09</u> (50)	<u>2.38</u> (49)	
Over/Under			-0.01	0.09	0.79	0.11	-0.05	0.15	0.10	
eV US TIPS / Inflation Fixed Inc Median			0.11	2.13	6.97	4.26	1.11	3.08	2.37	
<b>REITS</b>	<b>587,861,257</b>	<b>19.94</b>	<b>-1.55</b>	<b>0.62</b>	<b>2.22</b>	<b>7.47</b>	<b>6.18</b>	<b>6.96</b>	<b>6.73</b>	<b>Apr-15</b>
FTSE NAREIT All Equity REITs			<u>-2.15</u>	<u>0.47</u>	<u>2.27</u>	<u>6.11</u>	<u>4.86</u>	<u>5.77</u>	<u>5.25</u>	
Over/Under			0.60	0.15	-0.05	1.35	1.32	1.18	1.48	
CenterSquare US Real Estate	587,861,257	19.94	-1.55 (50)	0.62 (61)	2.22 (49)	7.47 (44)	6.18 (26)	6.96 (6)	7.09 (5)	May-15
FTSE NAREIT All Equity REITs			<u>-2.15</u> (74)	<u>0.47</u> (68)	<u>2.27</u> (49)	<u>6.11</u> (76)	<u>4.86</u> (71)	<u>5.77</u> (49)	<u>5.79</u> (52)	
Over/Under			0.60	0.15	-0.05	1.35	1.32	1.18	1.30	
eV US REIT Median			-1.55	1.27	2.13	7.20	5.52	5.68	5.90	
<b>Private Real Estate</b>	<b>1,459,649,231</b>	<b>49.51</b>	<b>-0.65</b>	<b>-0.48</b>	<b>1.28</b>	<b>-4.62</b>	<b>2.78</b>	<b>4.11</b>	<b>4.87</b>	<b>Jul-01</b>
Real Estate Blend			<u>1.12</u>	<u>2.06</u>	<u>4.61</u>	<u>-2.67</u>	<u>4.22</u>	<u>5.63</u>	<u>7.80</u>	
Over/Under			-1.76	-2.54	-3.33	-1.94	-1.44	-1.52	-2.93	
<b>Timber</b>	<b>19,371,619</b>	<b>0.66</b>	<b>0.43</b>	<b>0.22</b>	<b>2.22</b>	<b>4.58</b>	<b>5.17</b>	<b>3.92</b>	<b>7.25</b>	<b>Sep-01</b>

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

Refer to appendix for blended benchmark definitions.



# INVESTMENT MANAGER REPORT CARD

## REAL ASSETS

Real Assets Managers	Inception Date	Mandate	Current Quarter (Net)		One Year (Net)		Three Years (Net)		Five Years (Net)		Since Inception (Net)	Annual Mgt Fee Paid \$ (000)	Comments
			Index	Universe	Index	Universe	Index	Universe	Index	Universe	Index		
DFA	Jul-14	U.S. TIPS	*	✓	✓	✓	✓	✓	*	*	✓	389.3	Placed on Watch as of 8/30/24 due to performance; on-watch status extended due to underperformance
CenterSquare	Apr-15	REITS	✓	=	*	✓	✓	✓	✓	✓	2,185.8	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, 2025.
- \* Where net of fees performance is not available gross of fee returns are evaluated.

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



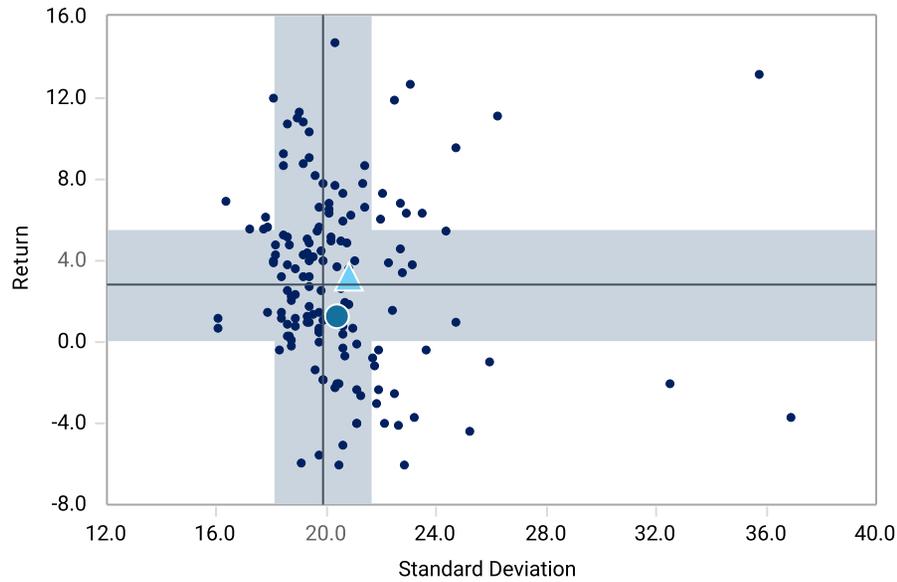


# APPENDIX



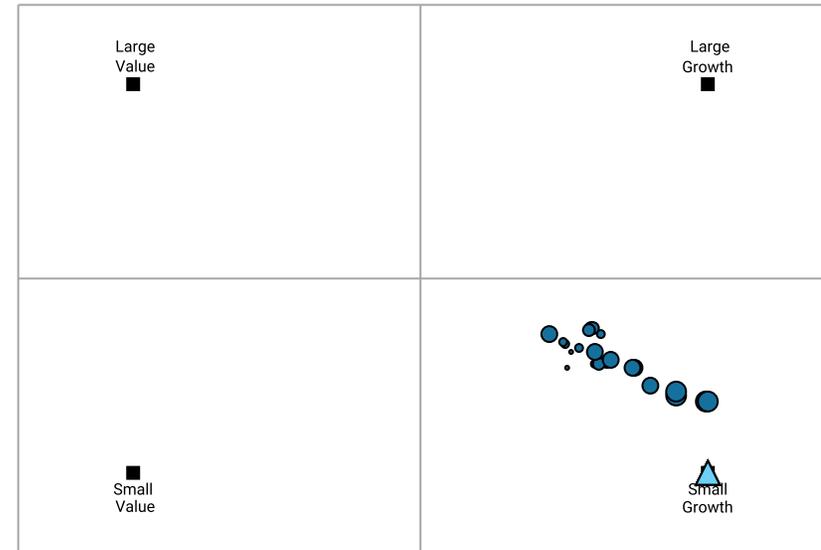
# U.S. EQUITY MANAGER PERFORMANCE

5 Years Return vs. Standard Deviation

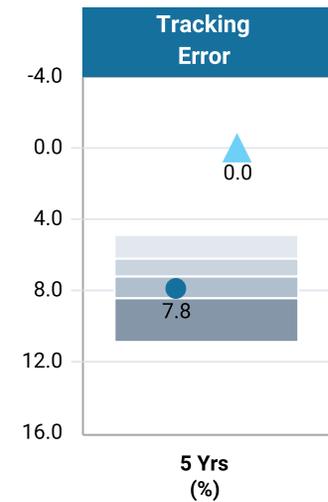
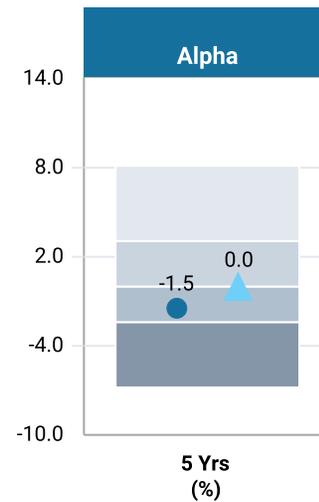
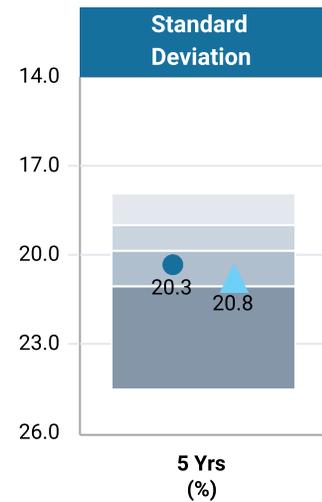
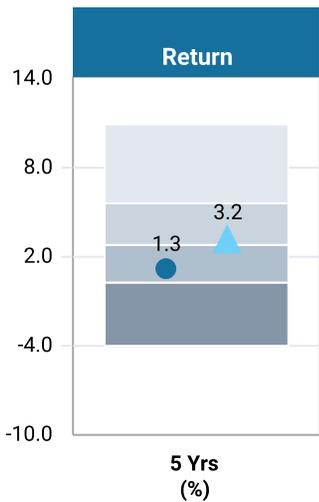


● Informed Momentum Company ▲ Russell 2000 Growth Index

Rolling 3 Years Style Map



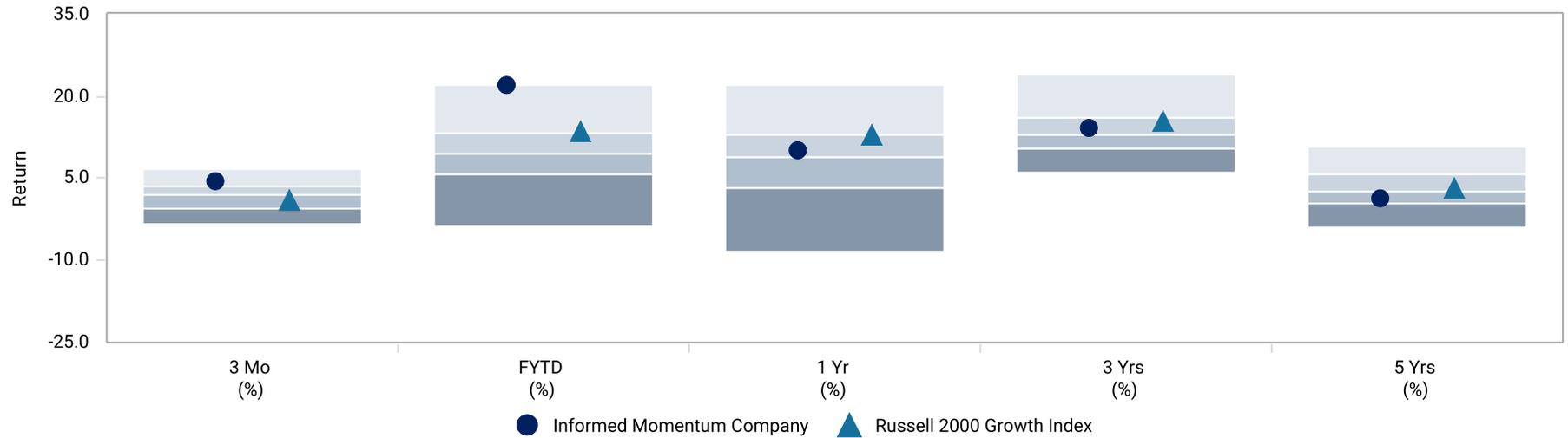
● Informed Momentum Company ▲ Russell 2000 Growth Index



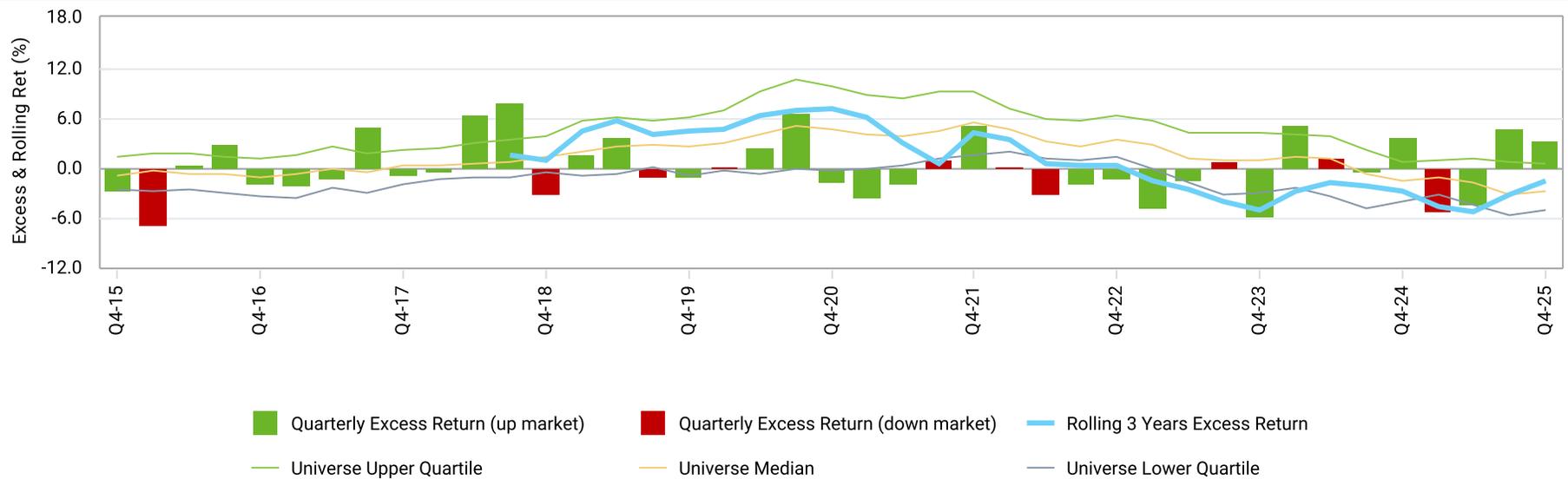
Rebranding as of 2/4/25



**eV US Small Cap Growth Equity (net of fees)**



**Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025**

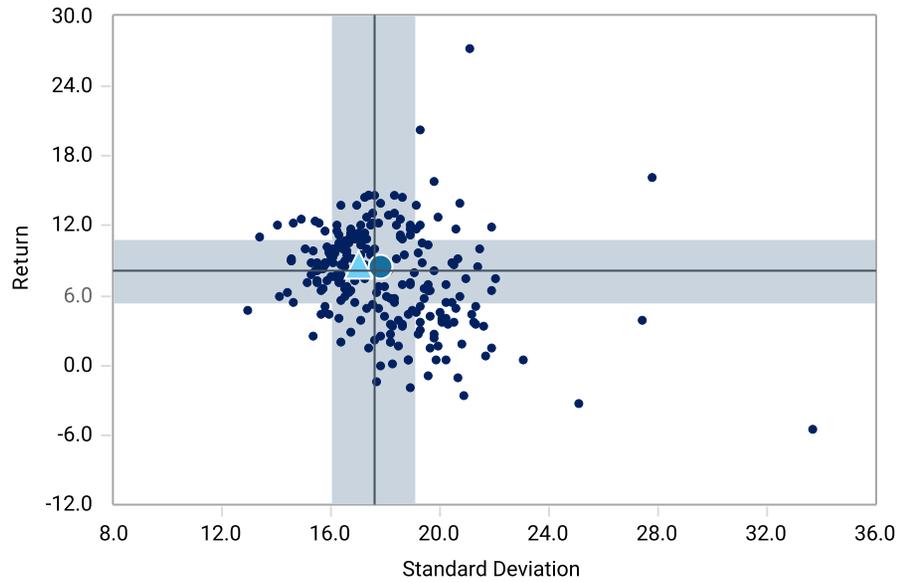


# Los Angeles City Employees' Retirement System-LACERS Master Trust

## PRINCIPAL GLOBAL INVESTORS

December 31, 2025

5 Years Return vs. Standard Deviation

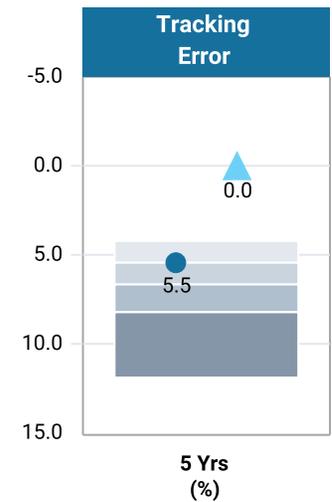
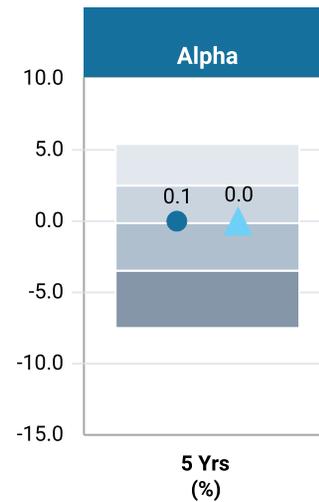
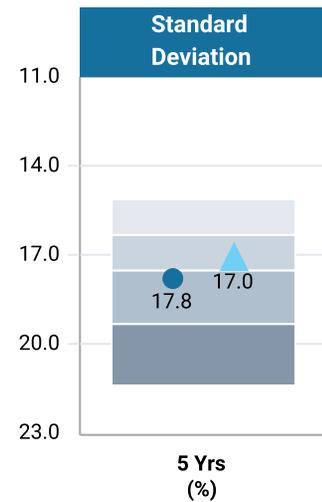


● Principal Global Investors ▲ Russell Midcap Index

Rolling 5 Years Style Map

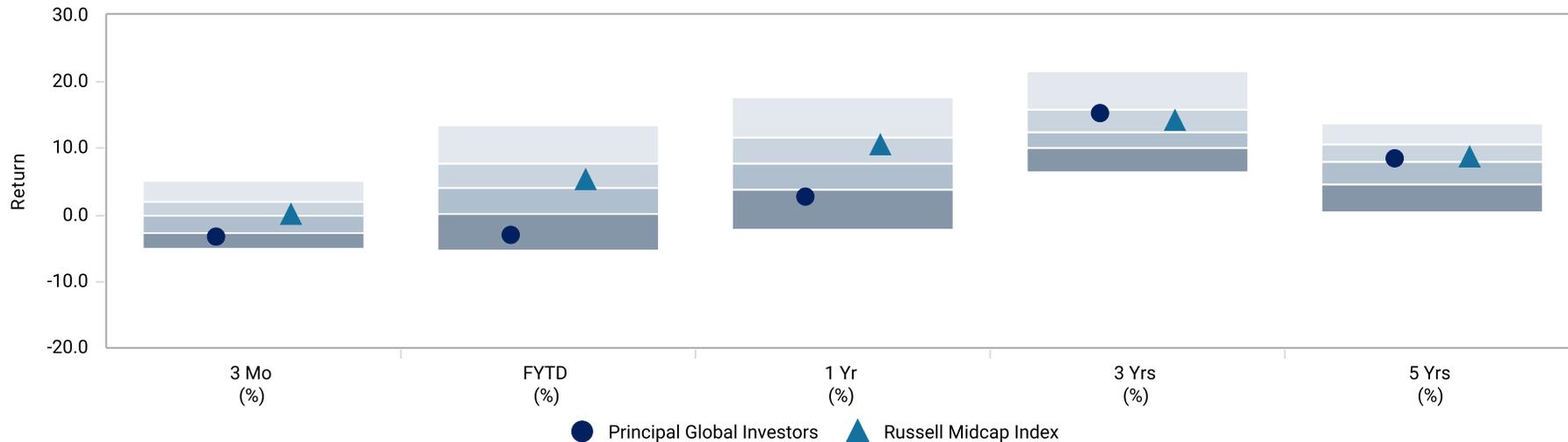


● Principal Global Investors ▲ Russell Midcap Index

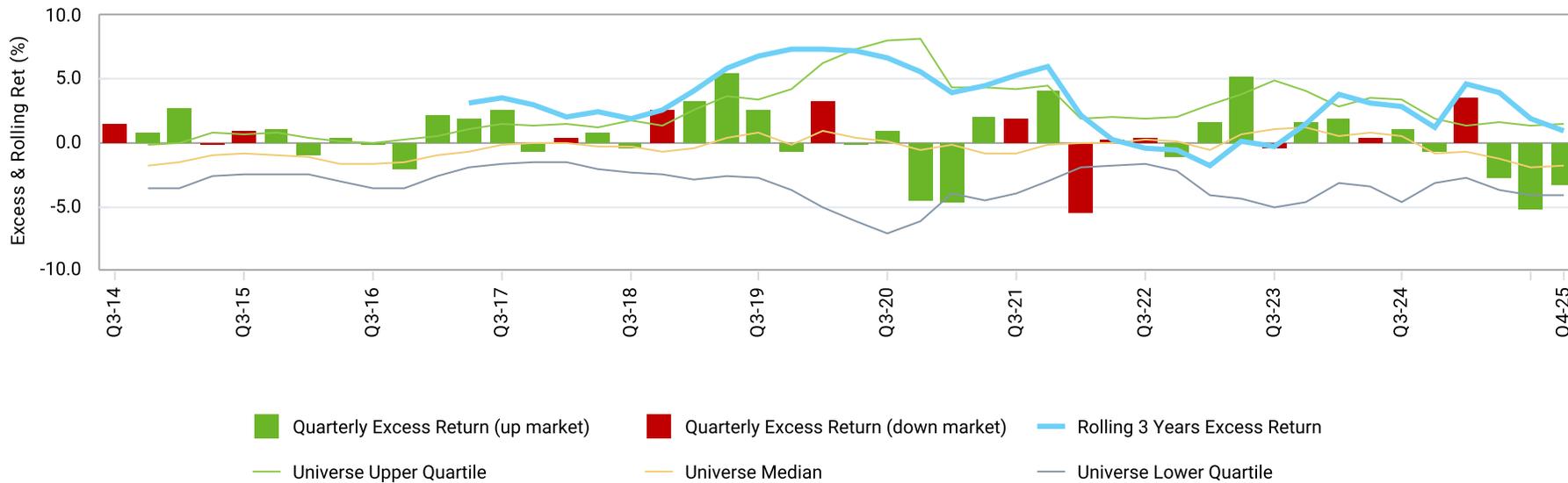


# PRINCIPAL GLOBAL INVESTORS

## eV US Mid Cap Equity (net of fees)



## Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025

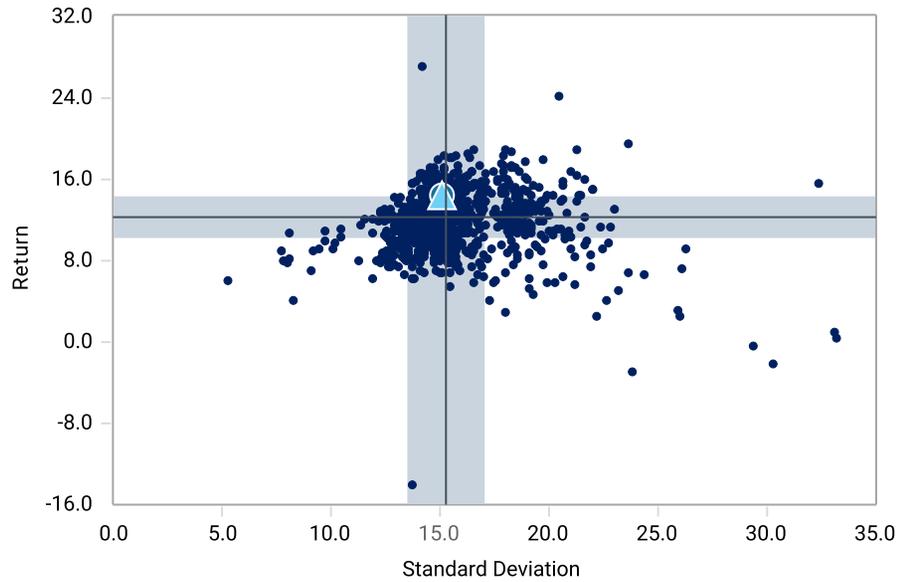


# Los Angeles City Employees' Retirement System-LACERS Master Trust

## RHUMBLINE ADVISORS S&P 500

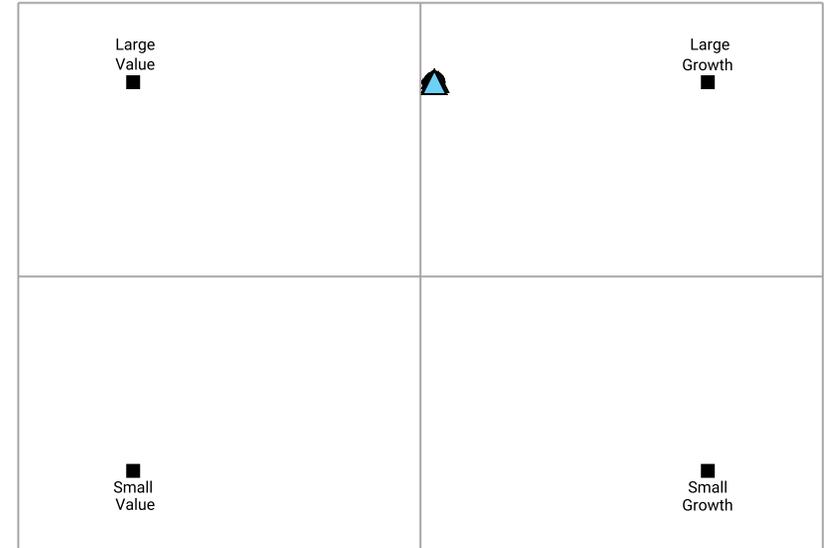
December 31, 2025

5 Years Return vs. Standard Deviation

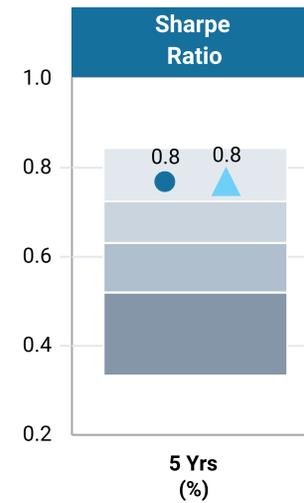
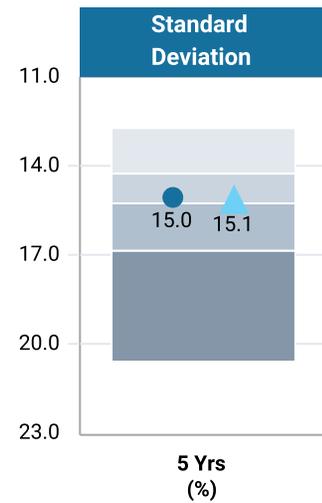
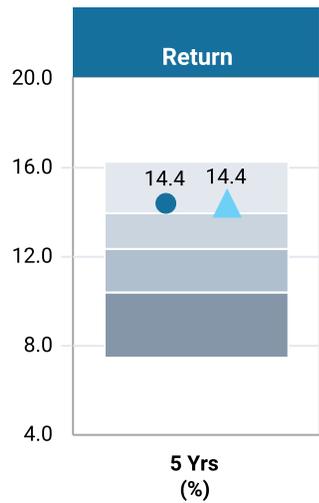


● RhumbLine Advisers S&P 500 ▲ S&P 500 Index

Rolling 5 Years Style Map

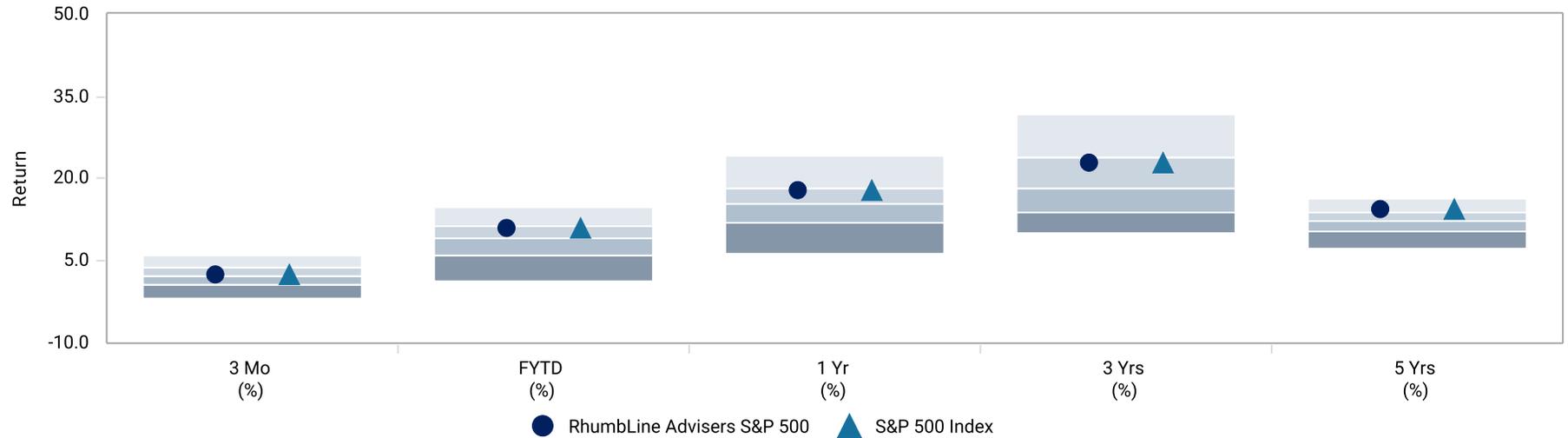


● RhumbLine Advisers S&P 500 ▲ S&P 500 Index

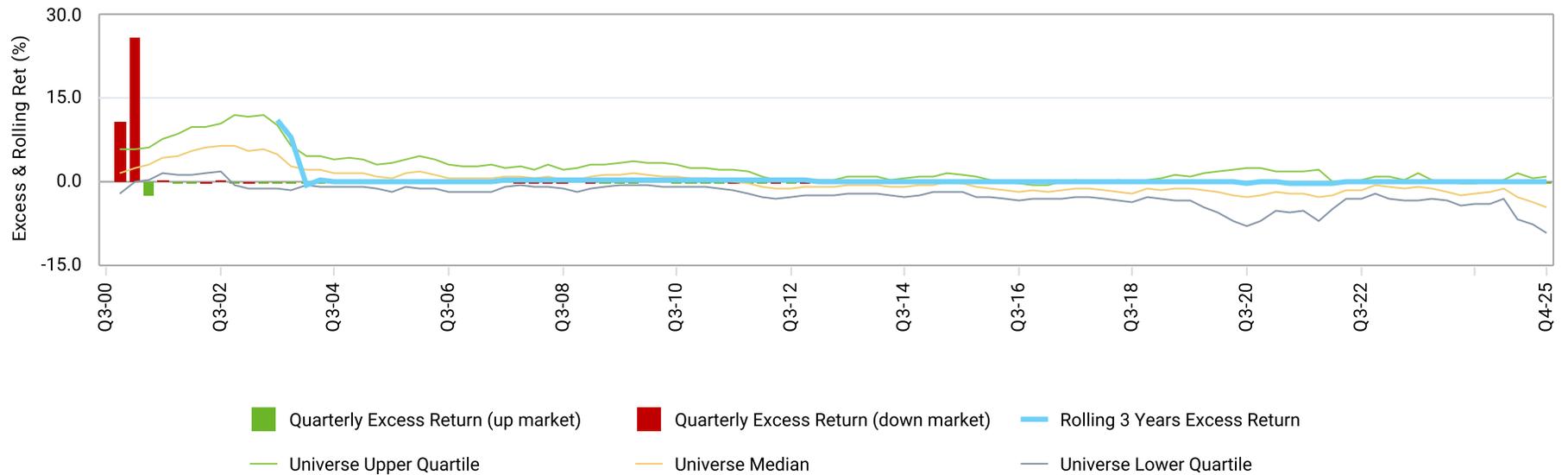


# RHUMBLINE ADVISORS S&P 500

eV US Large Cap Equity (net of fees)

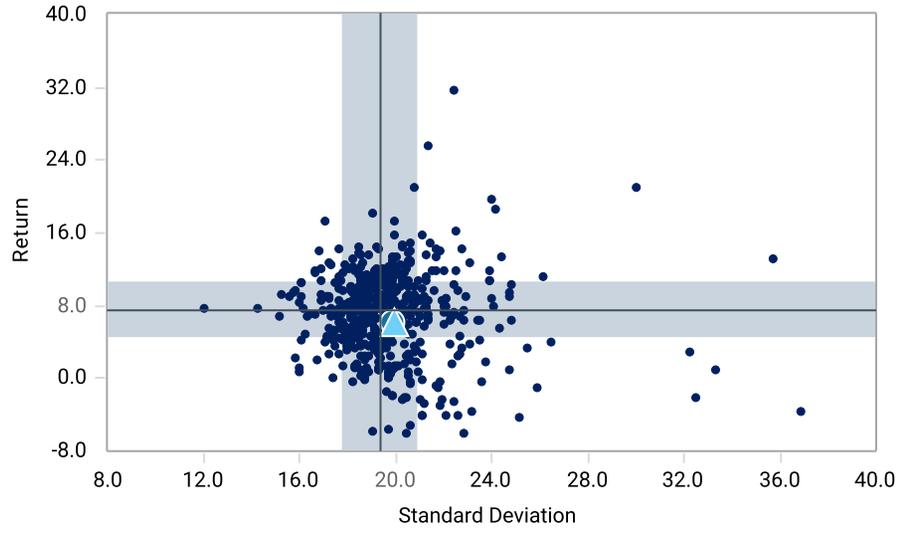


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025



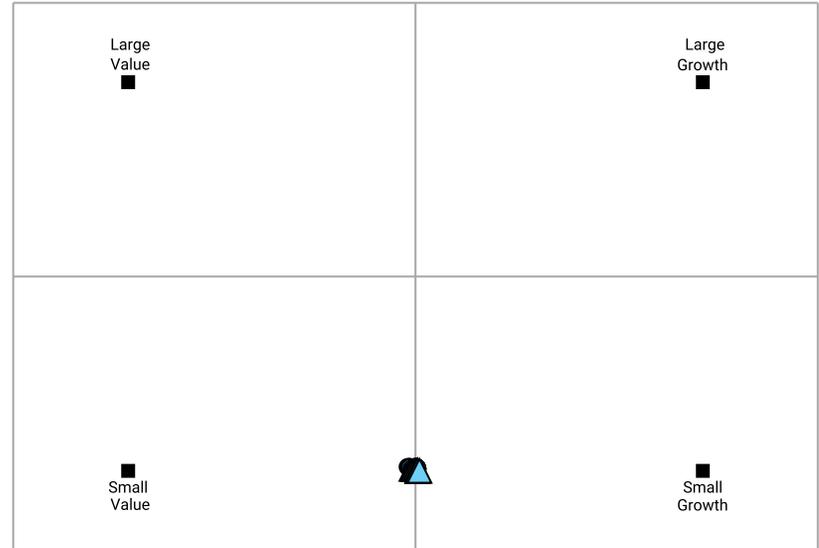
# RHUMBLINE ADVISORS RUSSELL 2000

5 Years Return vs. Standard Deviation

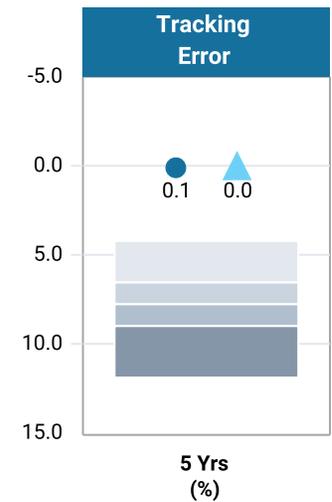
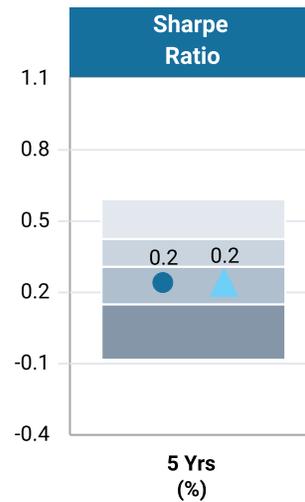
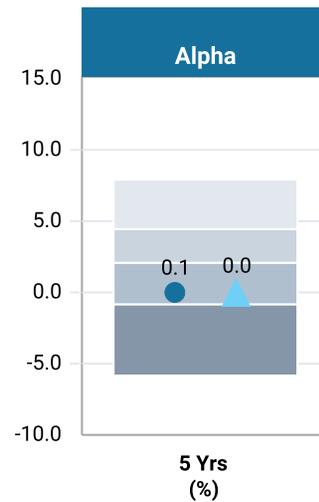
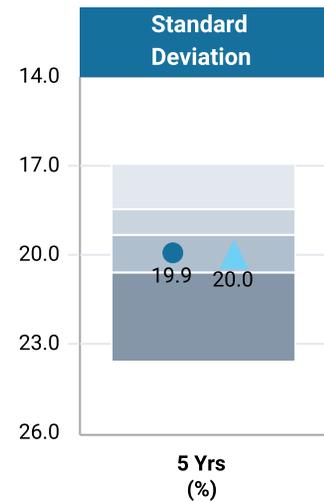
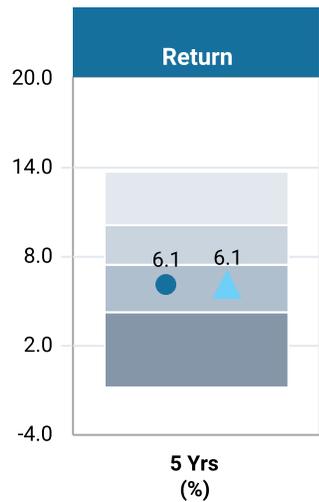


● RhumbLine Advisers Russell 2000  
▲ Russell 2000 Index

Rolling 3 Years Style Map

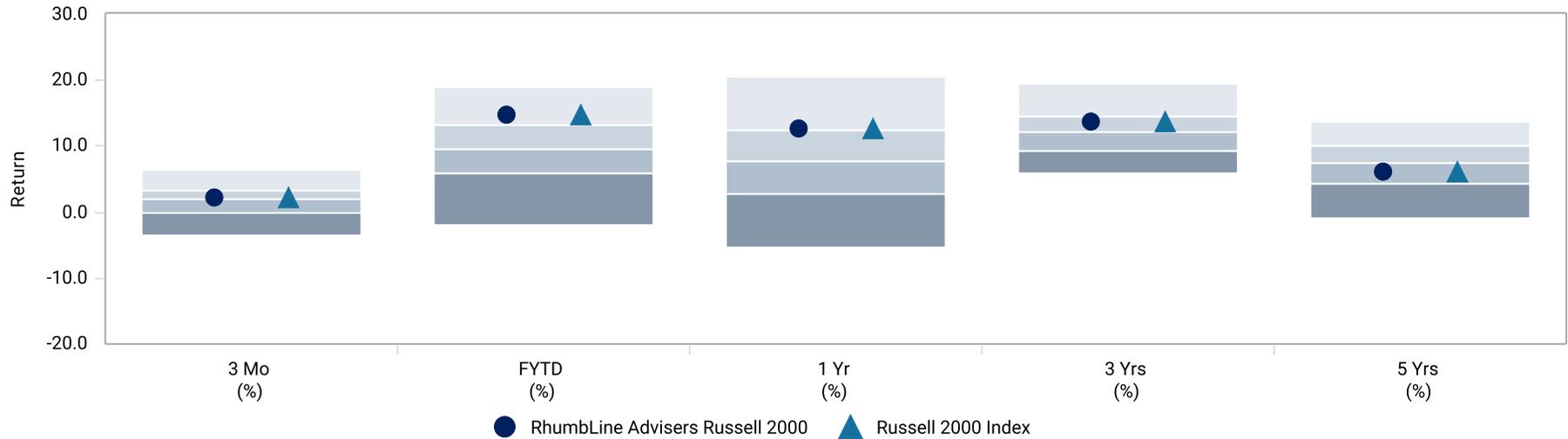


● RhumbLine Advisers Russell 2000 ▲ Russell 2000 Index

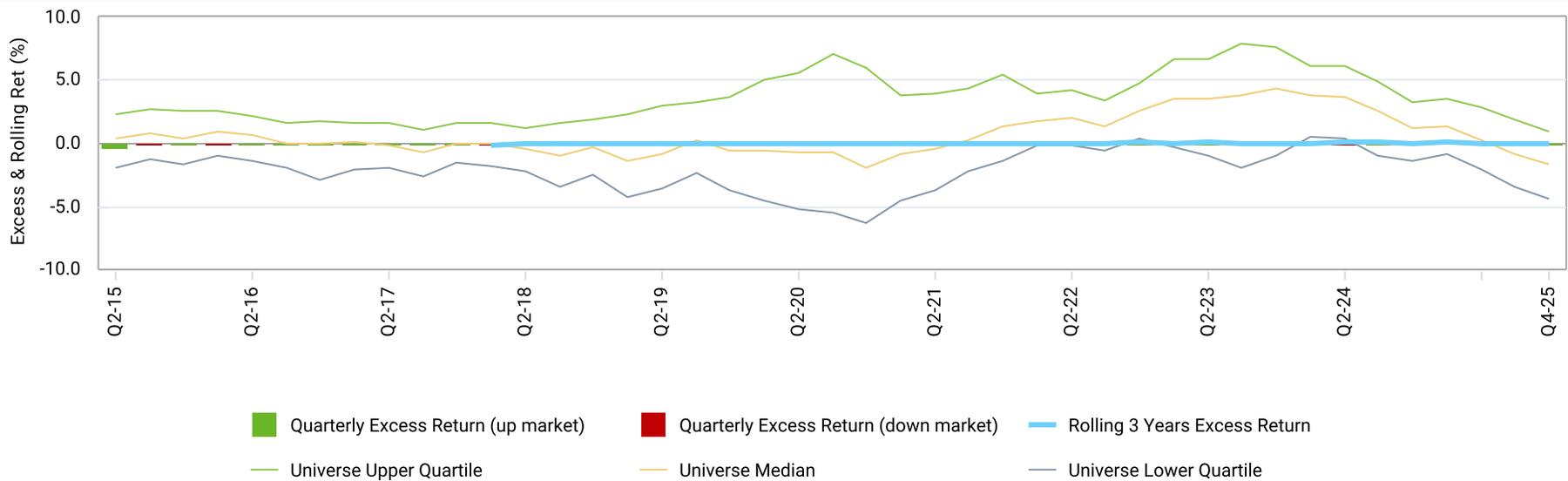


# RHUMBLINE ADVISORS RUSSELL 2000

eV US Small Cap Equity (net of fees)

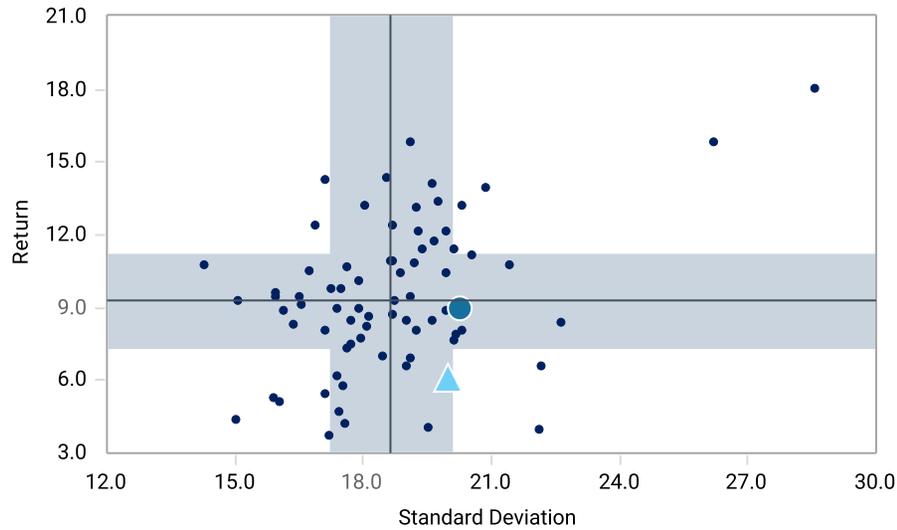


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025



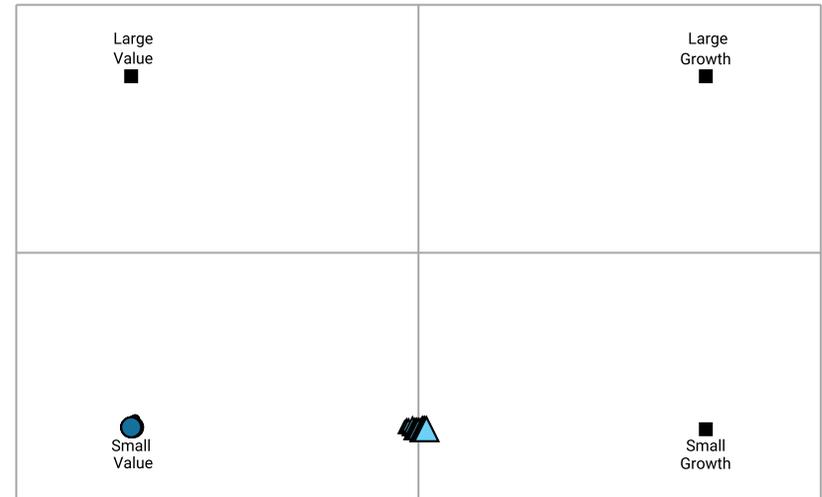
# RHUMBLINE ADVISORS RUSSELL 2000 VALUE

Since Inception Return vs. Standard Deviation

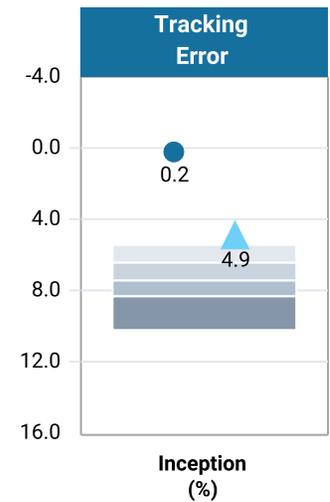
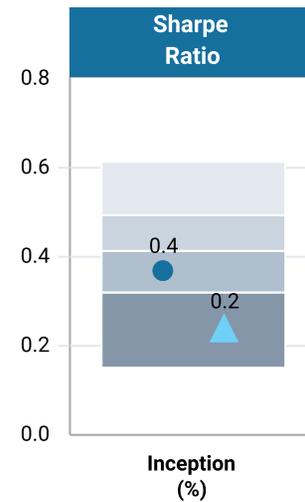
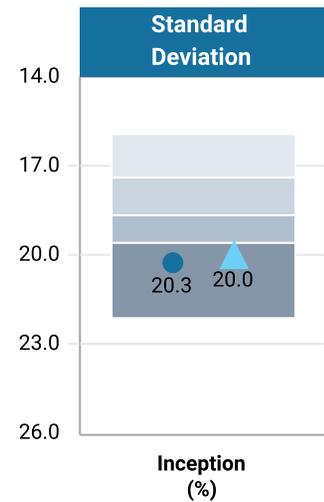
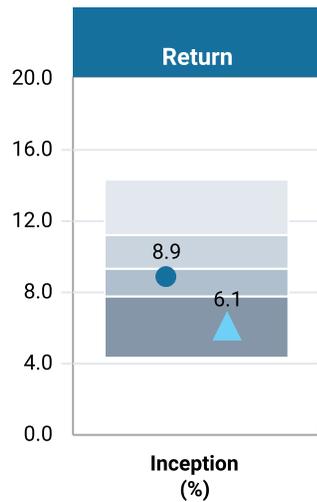


● Rhumbline Advisers Russell 2000 Value  
▲ Russell 2000 Index

Rolling 1 Year Style Map

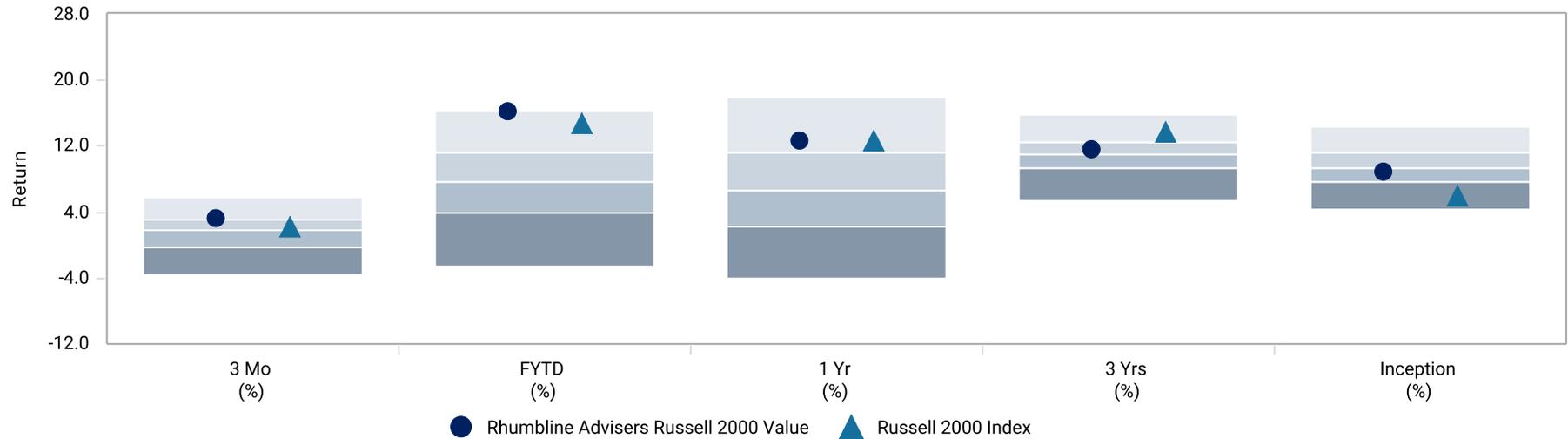


● Rhumbline Advisers Russell 2000 Value  
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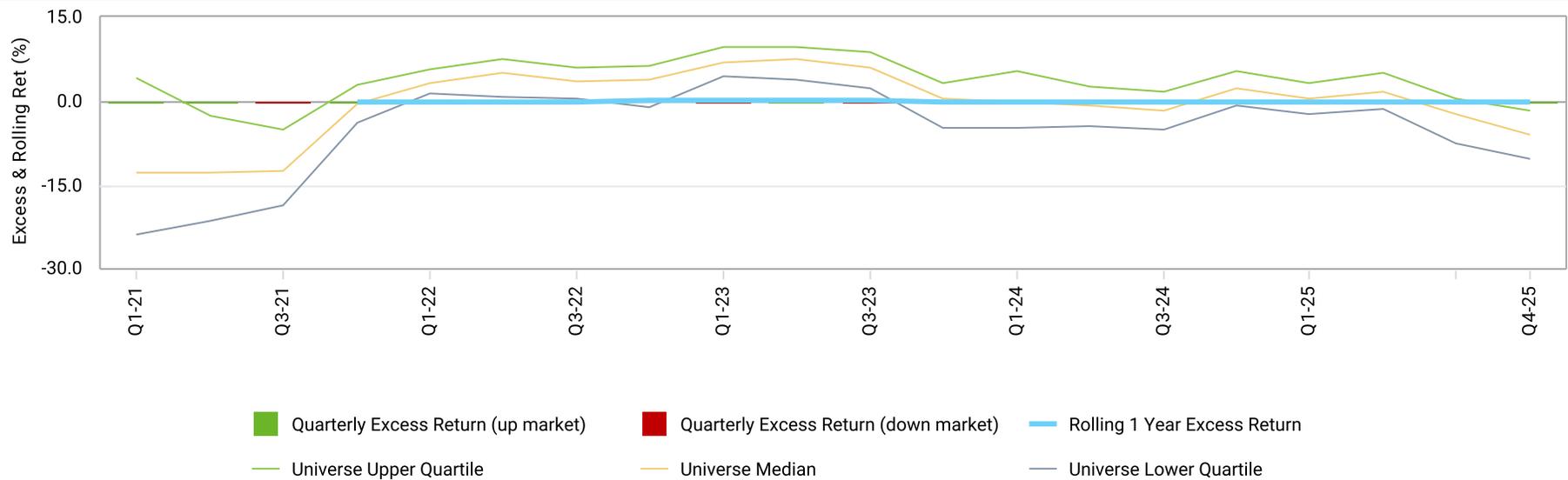


# RHUMBLINE ADVISORS RUSSELL 2000 VALUE

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



Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025

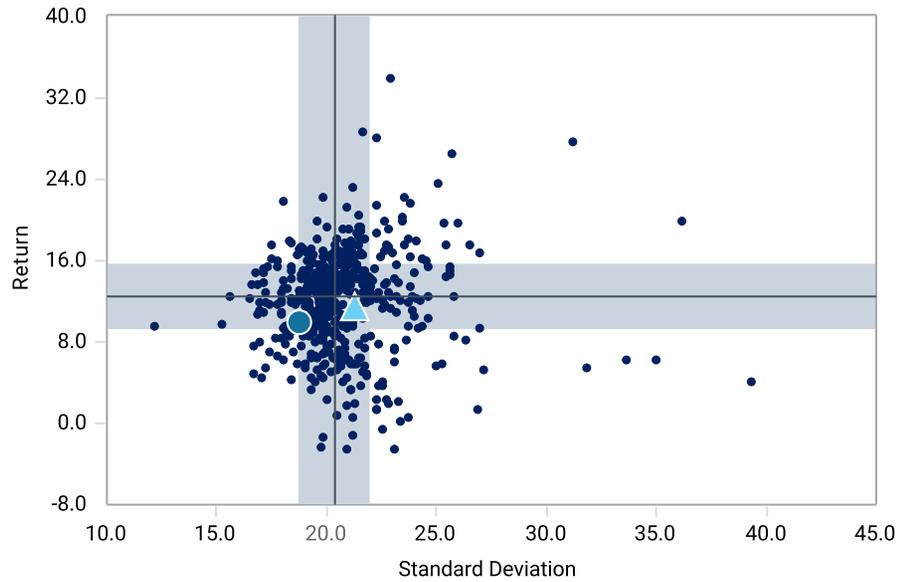


# Los Angeles City Employees' Retirement System-LACERS Master Trust

## COPELAND CAPITAL MANAGEMENT

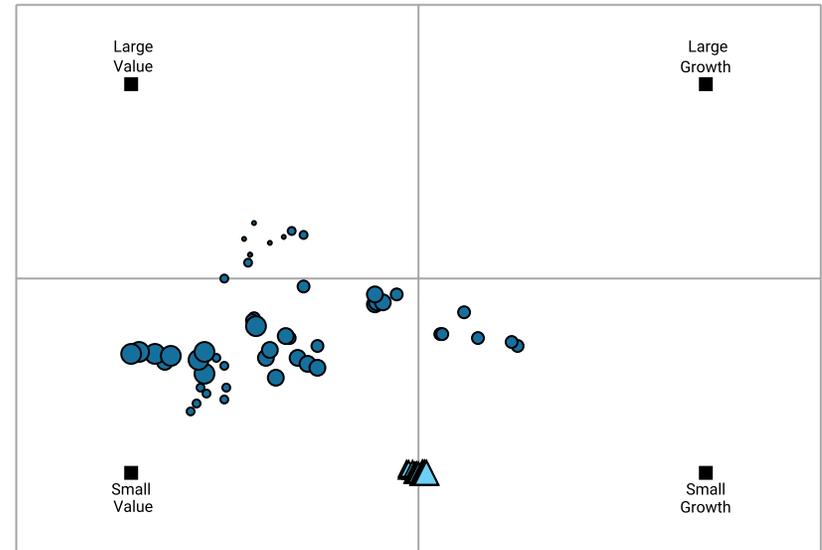
December 31, 2025

Since Inception Return vs. Standard Deviation

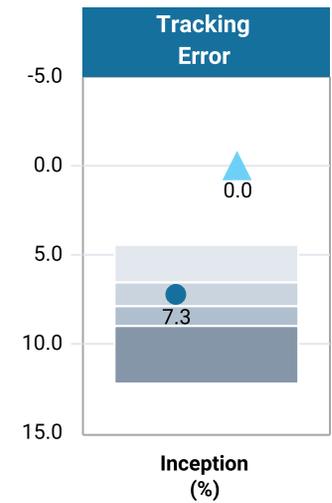
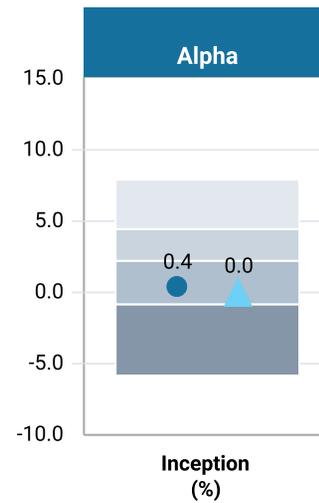
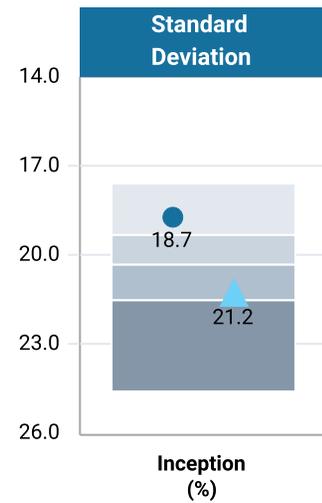
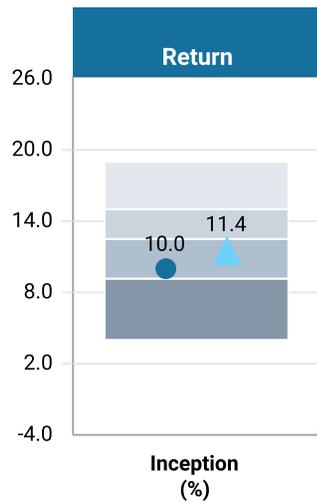


● Copeland Capital Management ▲ Russell 2000 Index

Rolling 1 Year Style Map



● Copeland Capital Management ▲ Russell 2000 Index

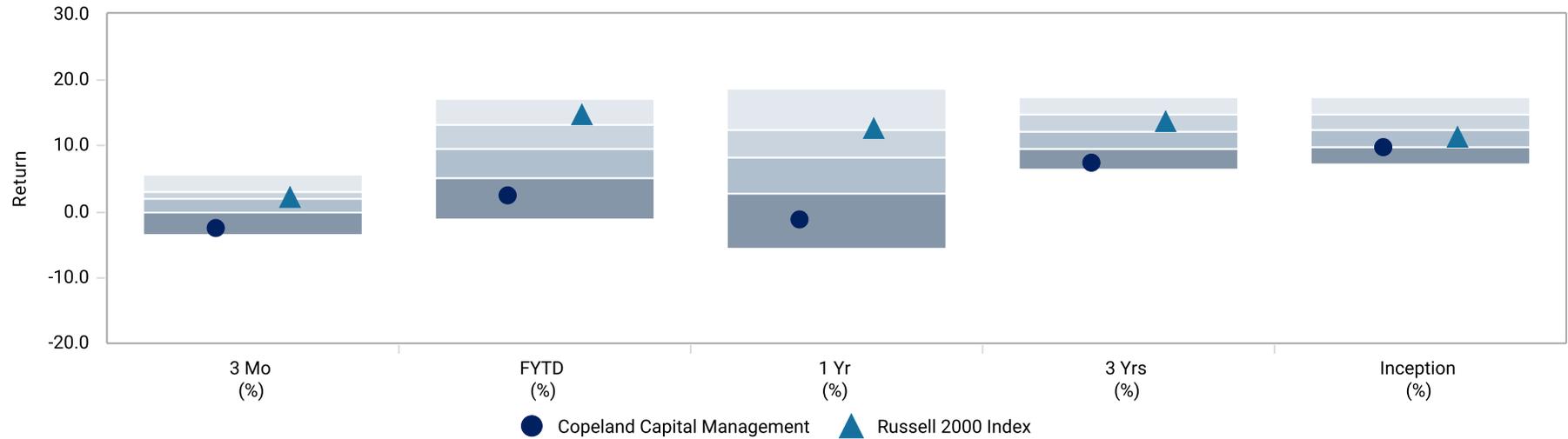


# Los Angeles City Employees' Retirement System-LACERS Master Trust

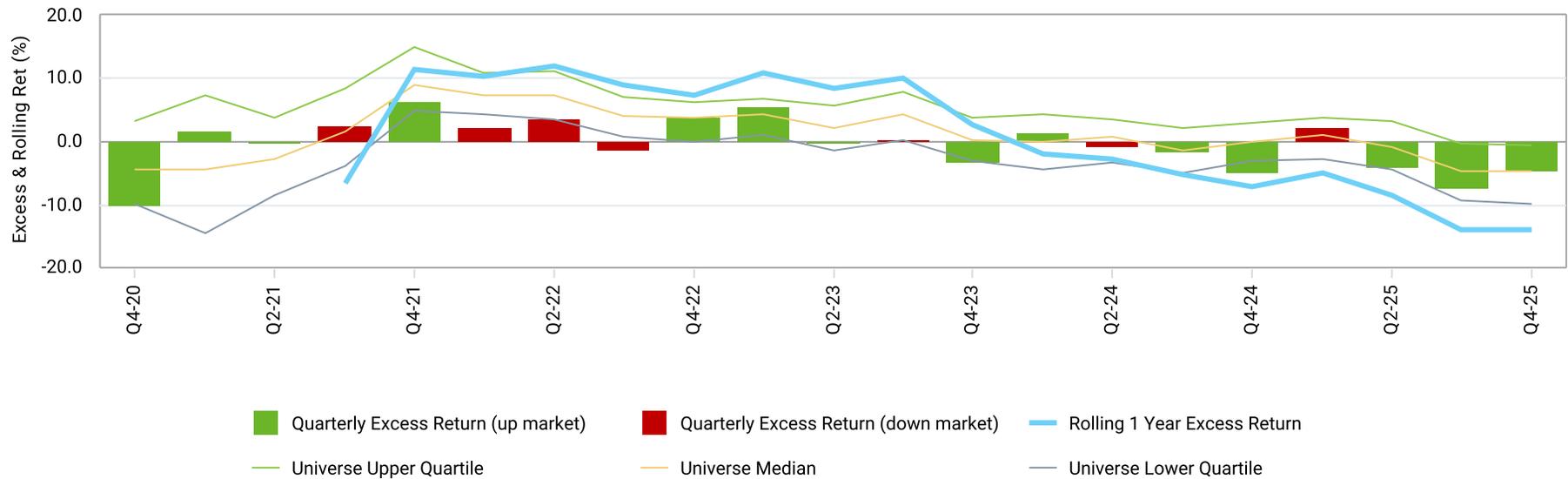
## COPELAND CAPITAL MANAGEMENT

December 31, 2025

### eV US Small Cap Core Equity (net of fees)

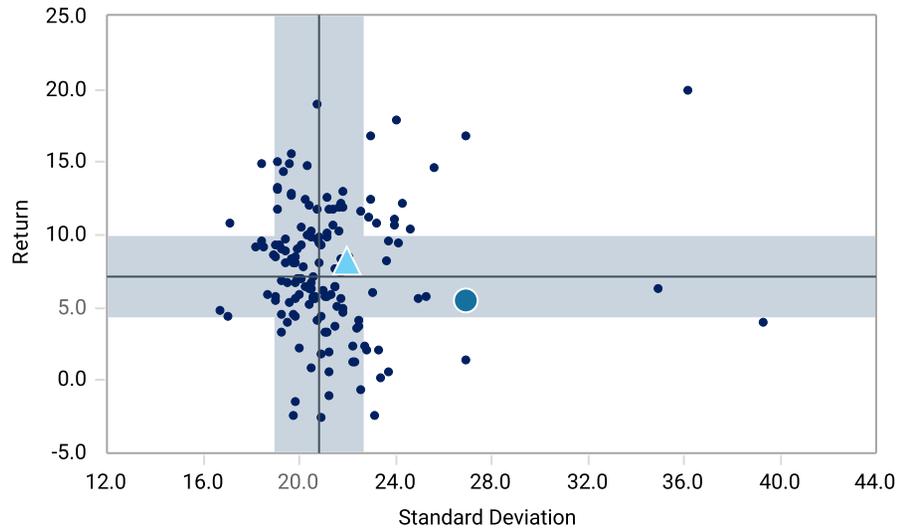


### Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025



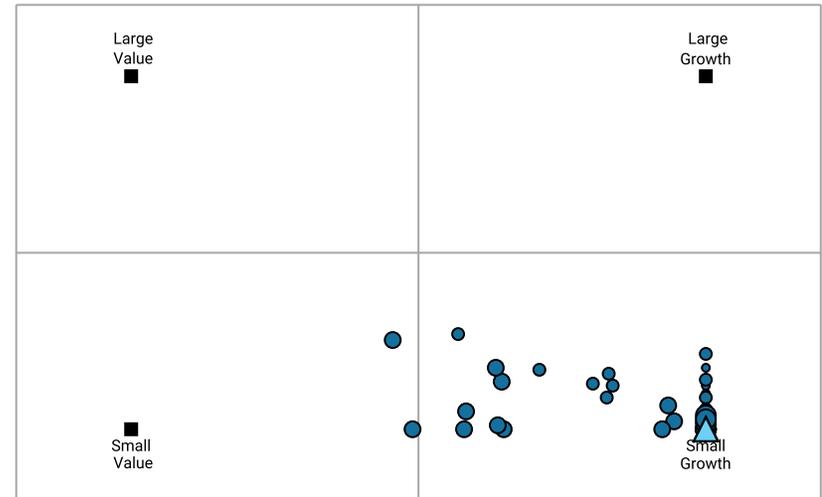
# GRANAHAN INVESTMENT MANAGEMENT

Since Inception Return vs. Standard Deviation

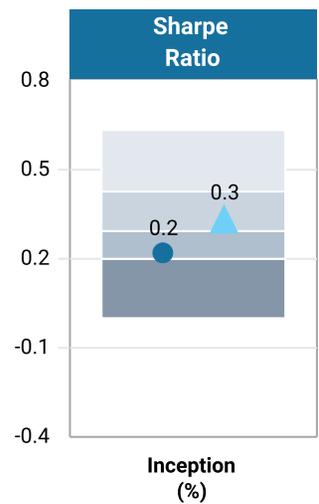
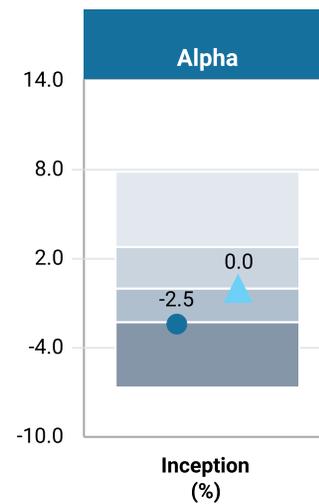
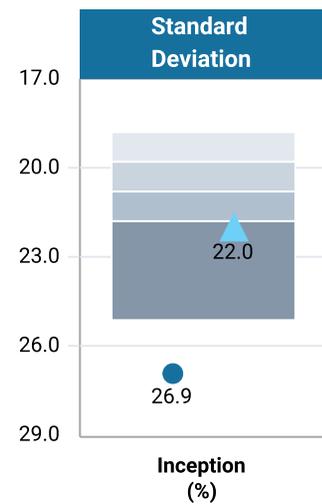
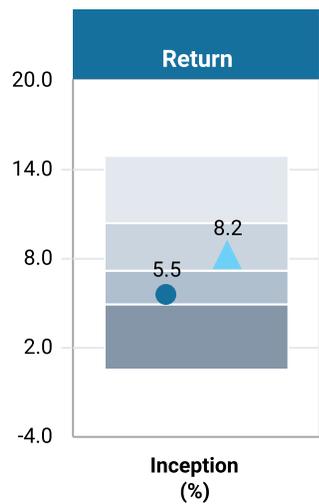


- Granahan Investment Management
- ▲ Russell 2000 Growth Index

Rolling 1 Year Style Map

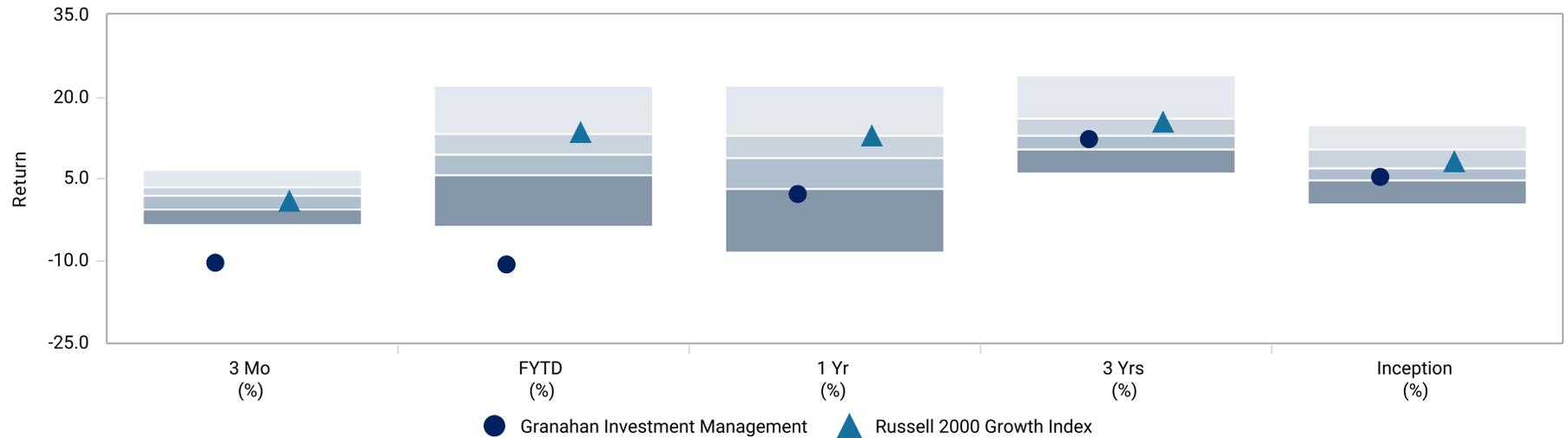


- Granahan Investment Management
- ▲ Russell 2000 Growth Index

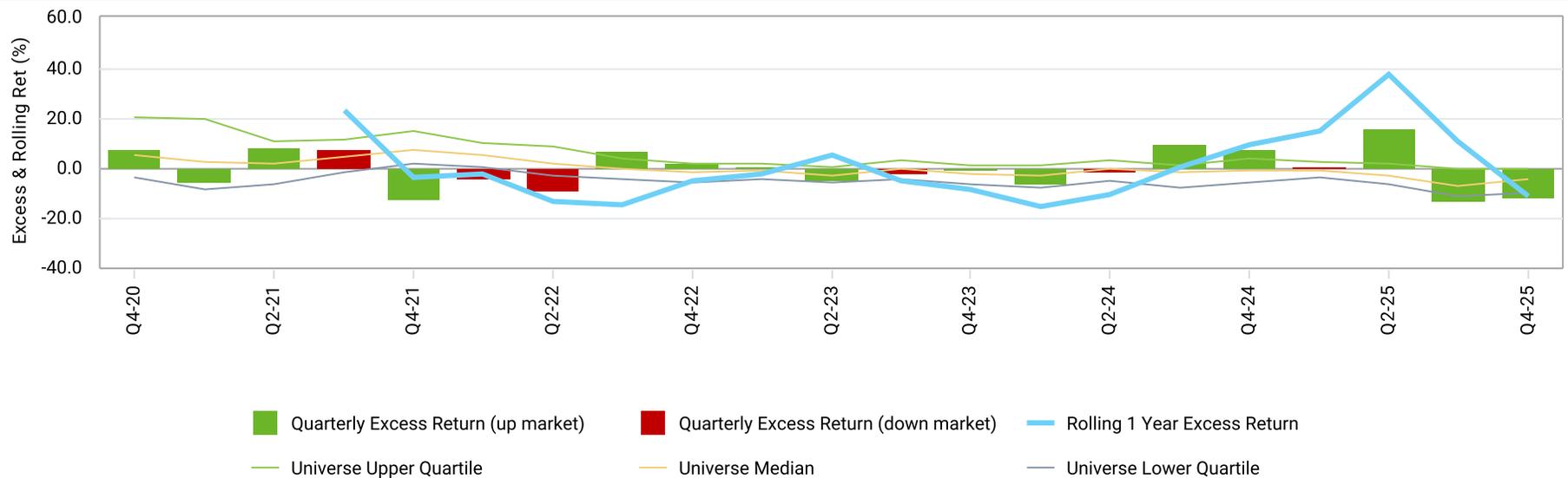


# GRANAHAN INVESTMENT MANAGEMENT

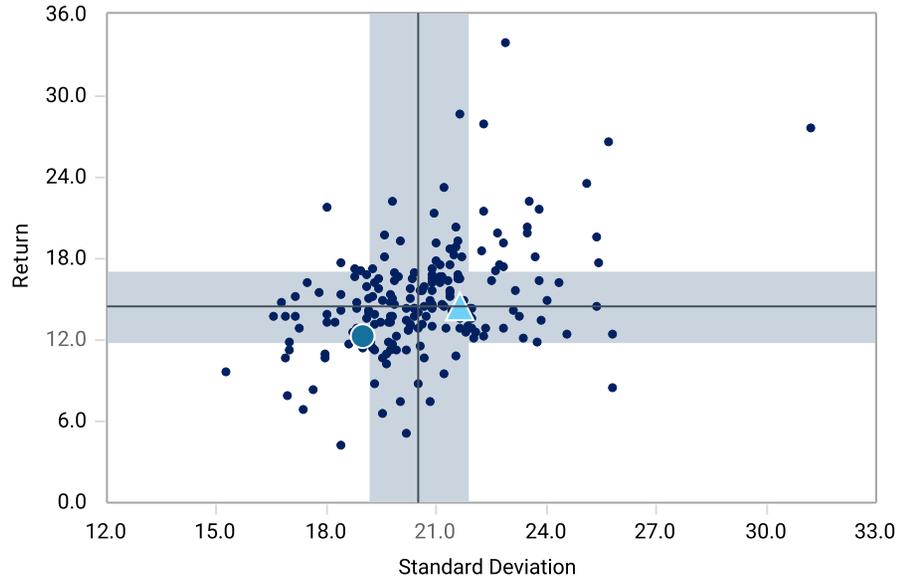
## eV US Small Cap Growth Equity (net of fees)



## Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025

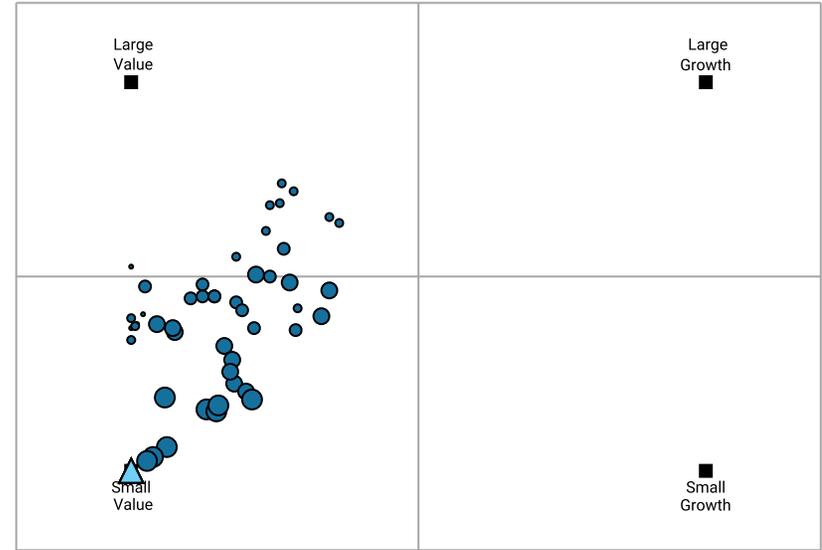


Since Inception Return vs. Standard Deviation

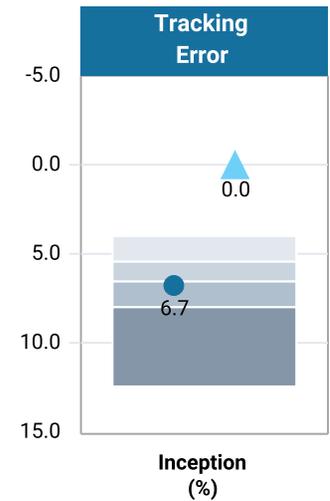
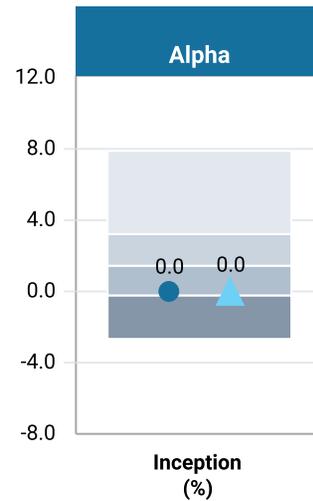
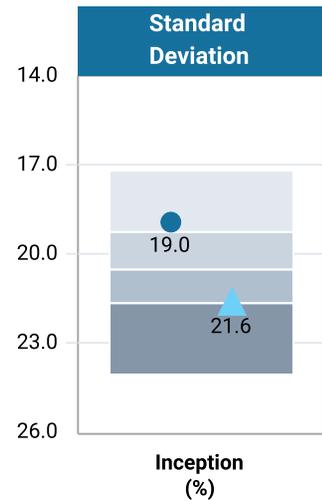
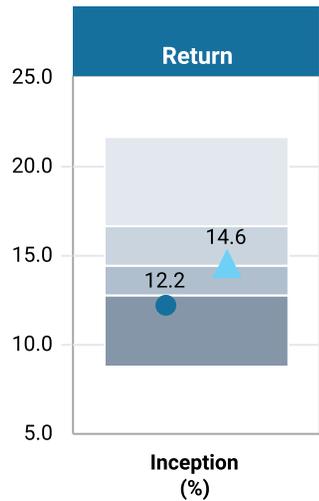


● Segall, Bryant & Hamill    ▲ Russell 2000 Value Index

Rolling 1 Year Style Map

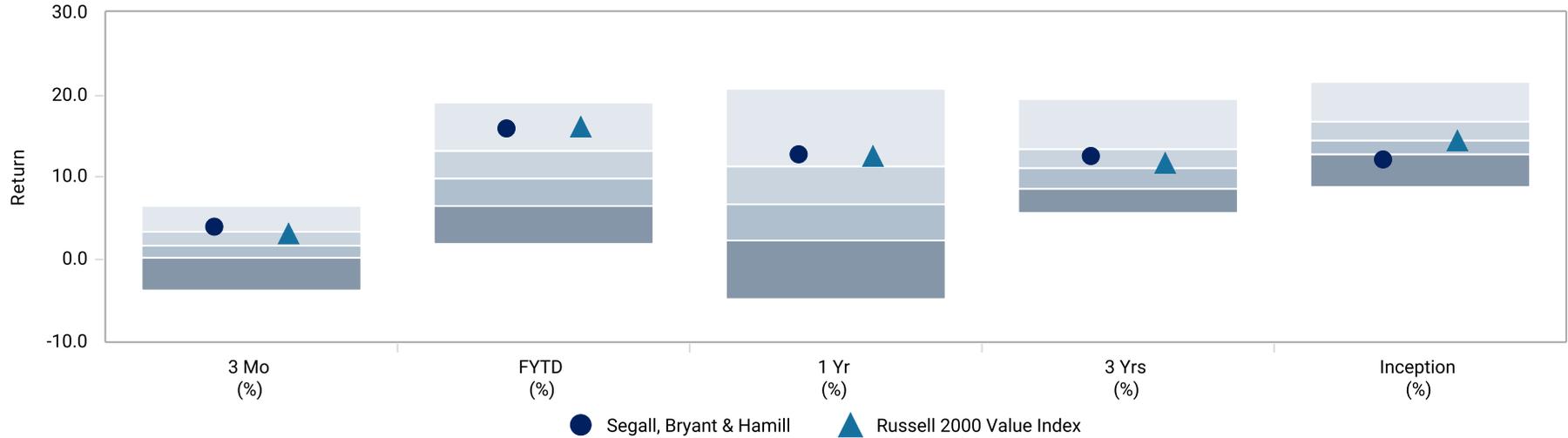


● Segall, Bryant & Hamill    ▲ Russell 2000 Value Index

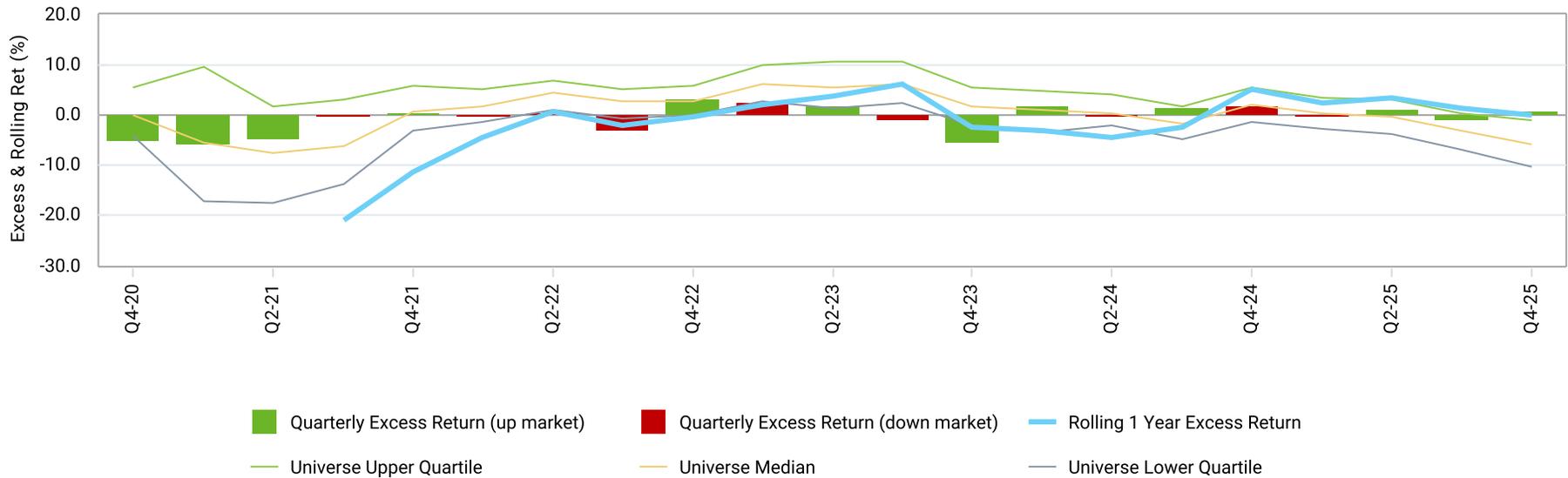


# SEGALL, BRYANT & HAMILL

## eV US Small Cap Value Equity (net of fees)



## Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025

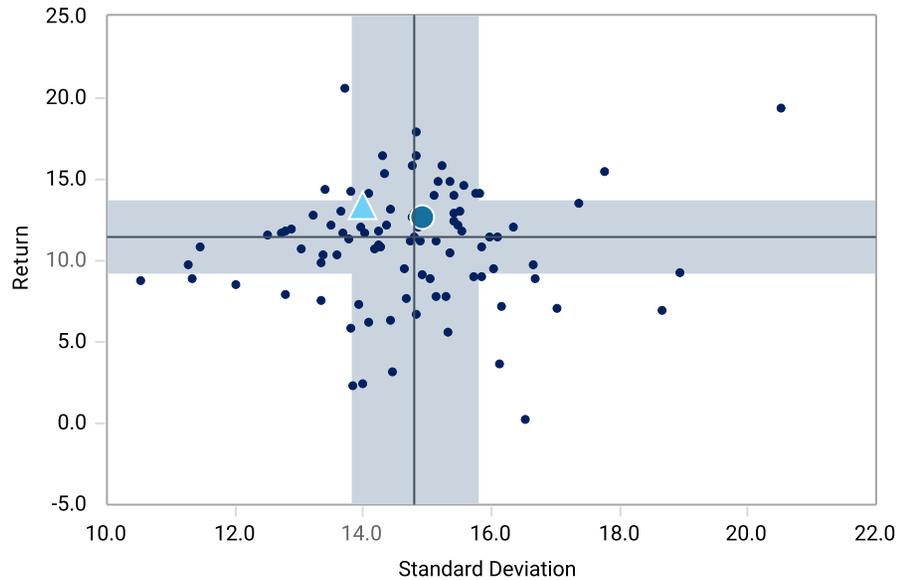




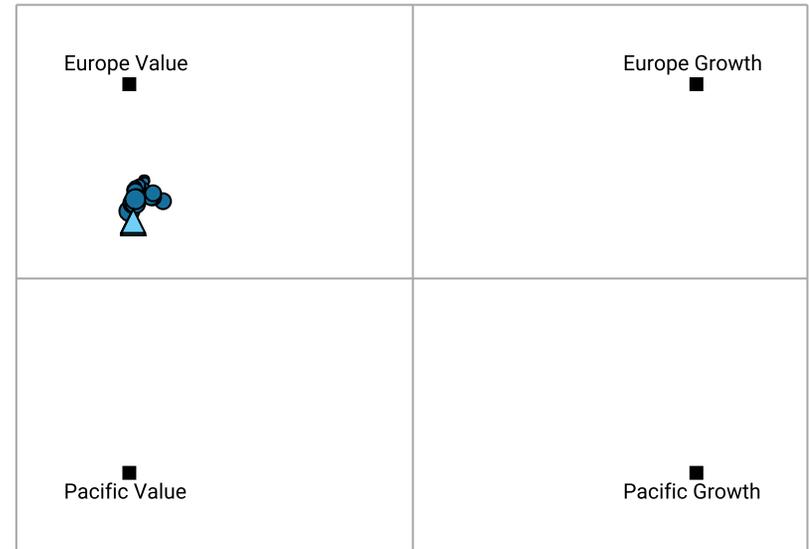
# NON-U.S. EQUITY MANAGER PERFORMANCE

# BARROW HANLEY

5 Years Return vs. Standard Deviation



Rolling 5 Years Style Map

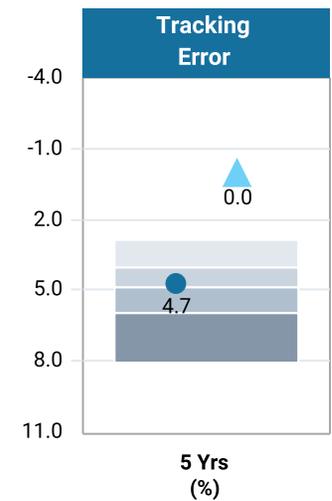
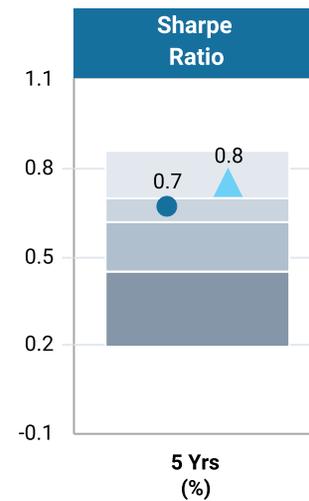
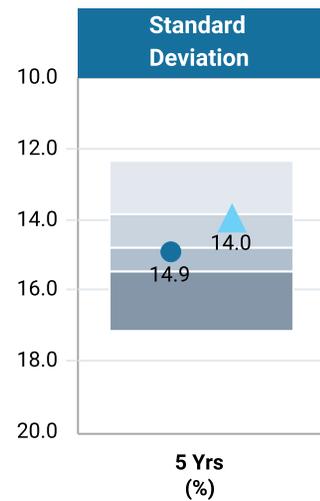
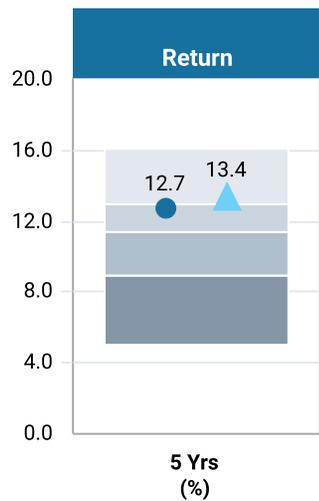


● Barrow Hanley

▲ MSCI EAFE Value Index (Net)

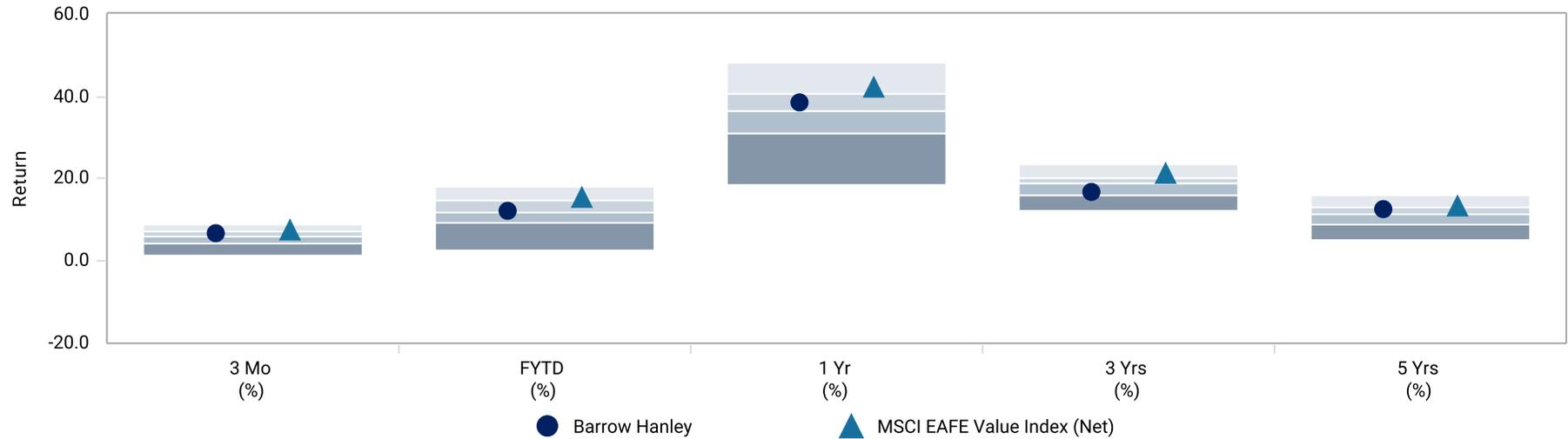
● Barrow Hanley

▲ MSCI EAFE Value Index (Net)

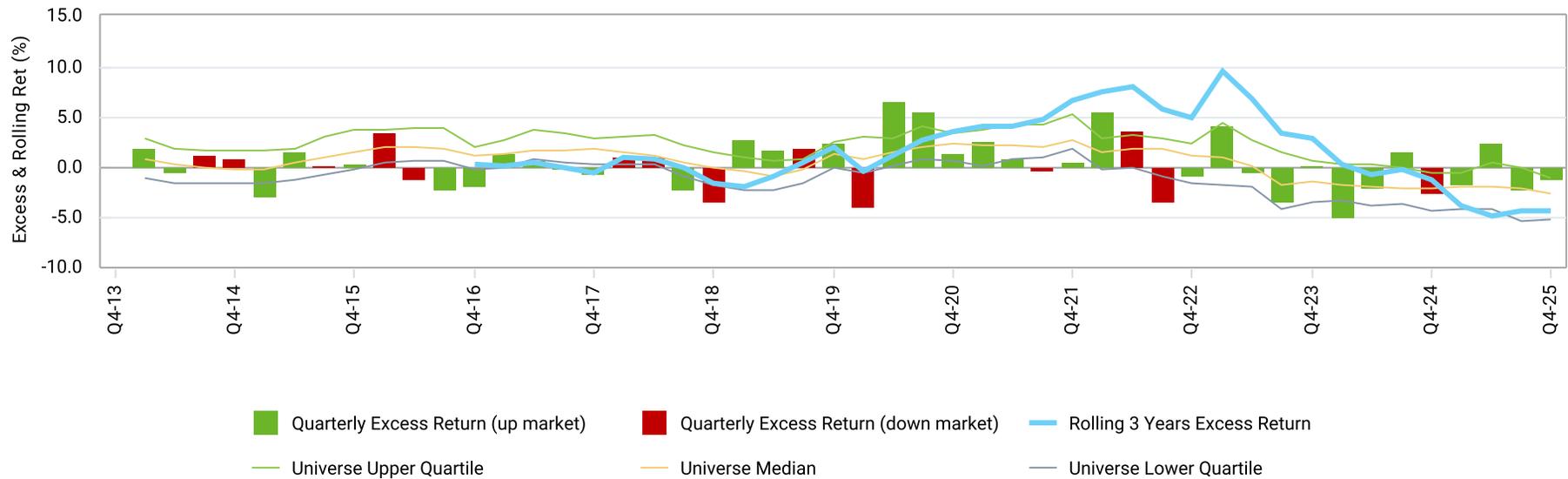


# BARROW HANLEY

## eV EAFE Value Equity (net of fees)

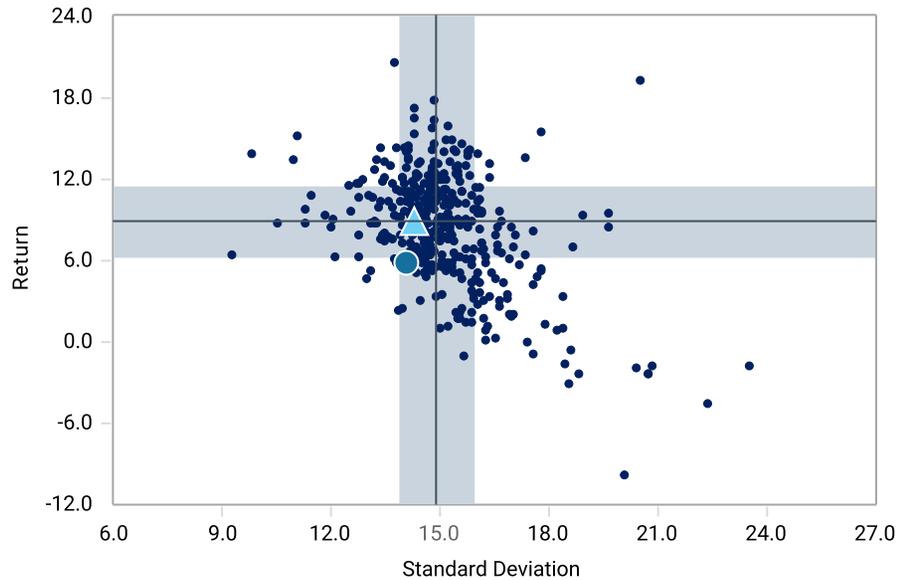


## Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025



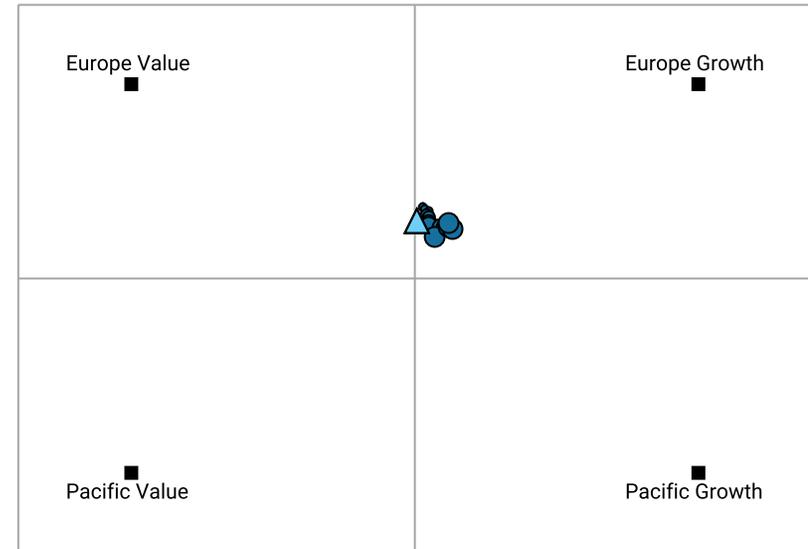
# LAZARD ASSET MANAGEMENT

5 Years Return vs. Standard Deviation

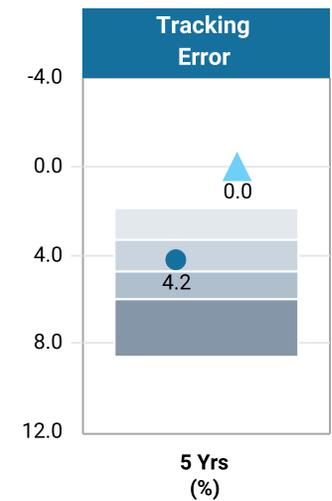
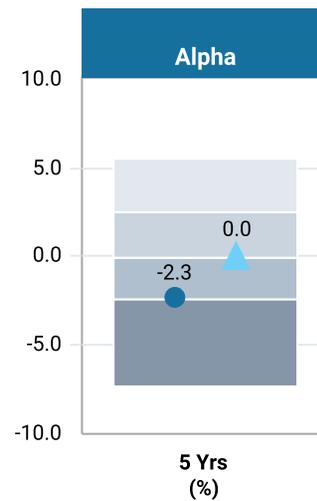
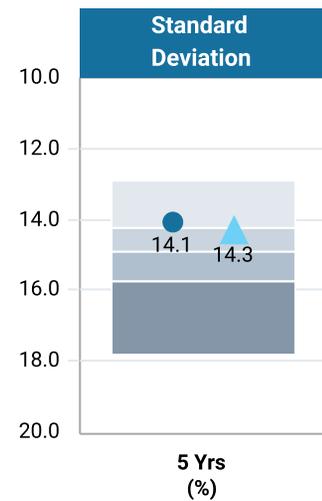
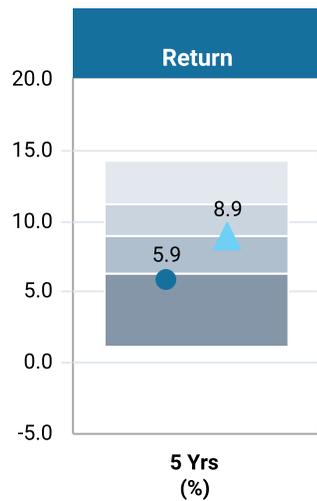


● Lazard Asset Management ▲ MSCI EAFE (Net)

Rolling 5 Years Style Map

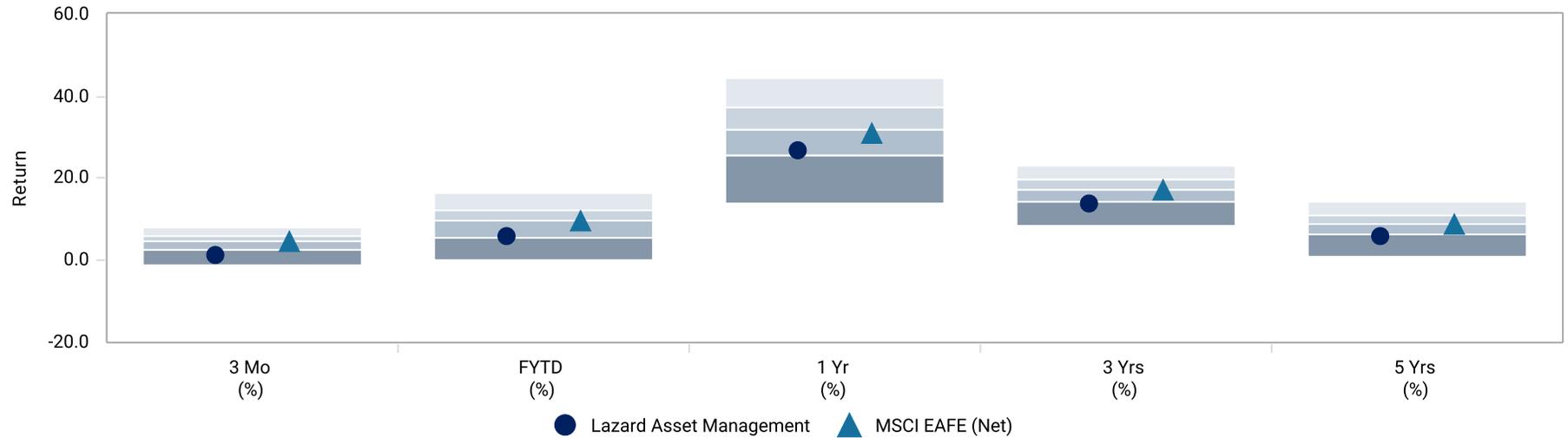


● Lazard Asset Management ▲ MSCI EAFE (Net)

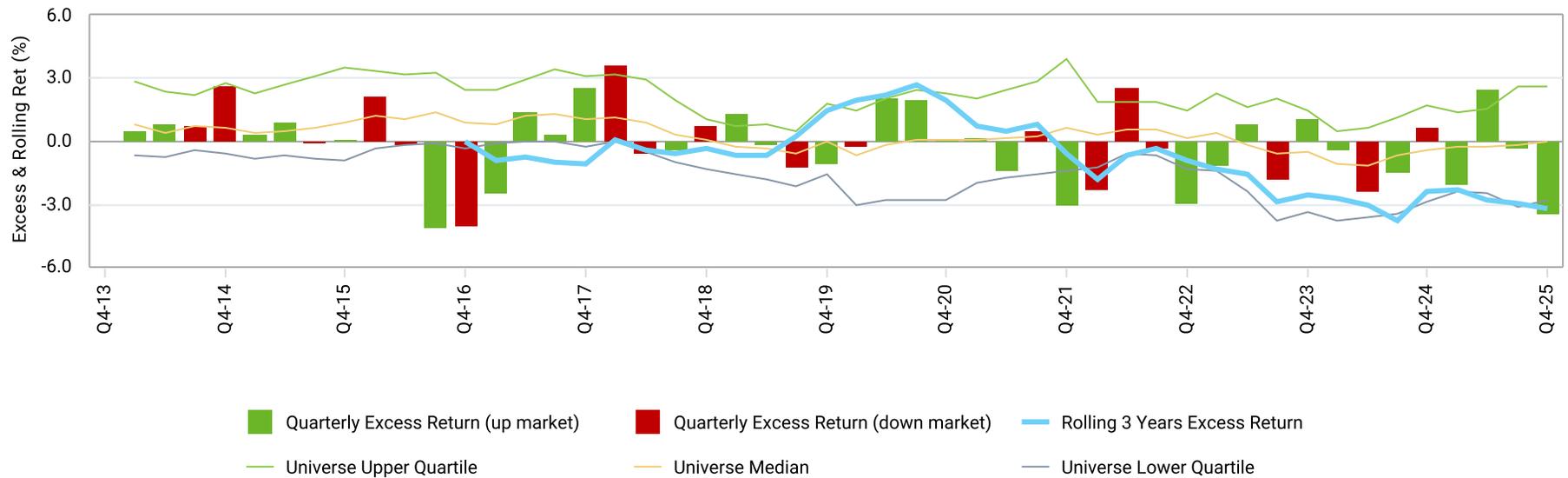


# LAZARD ASSET MANAGEMENT

eV All EAFE Equity (net of fees)



Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025

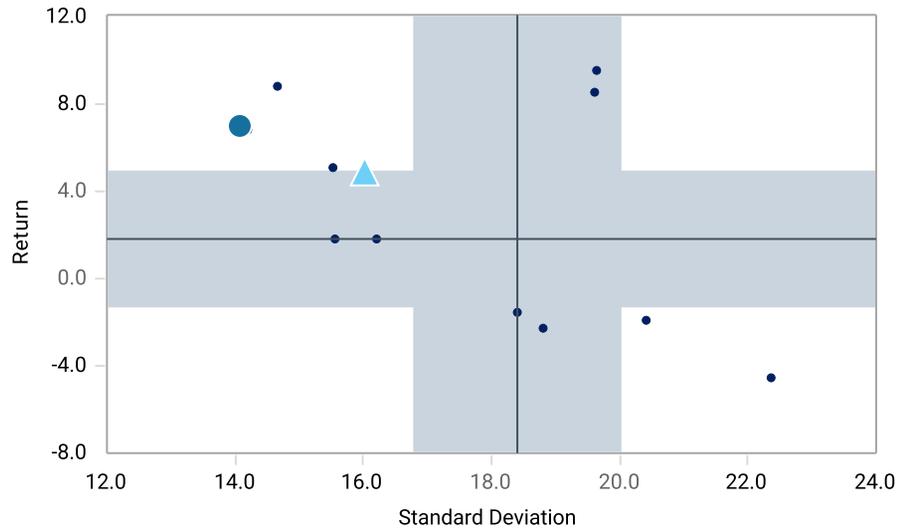


# Los Angeles City Employees' Retirement System-LACERS Master Trust

## MFS INSTITUTIONAL ADVISORS

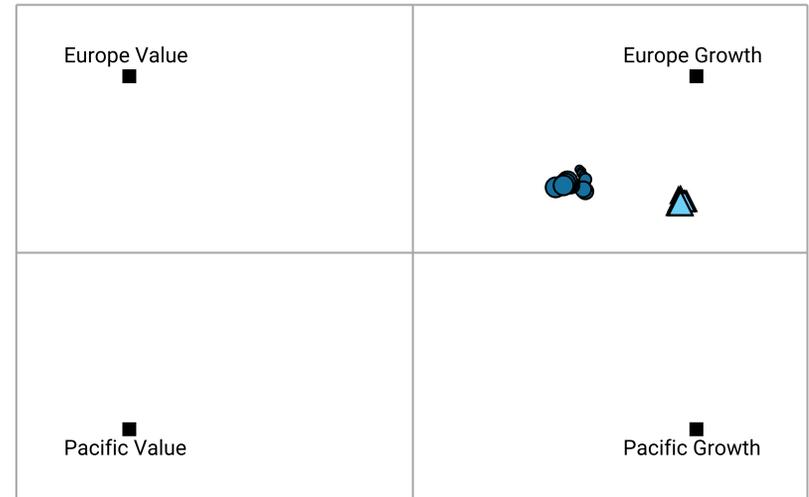
December 31, 2025

5 Years Return vs. Standard Deviation

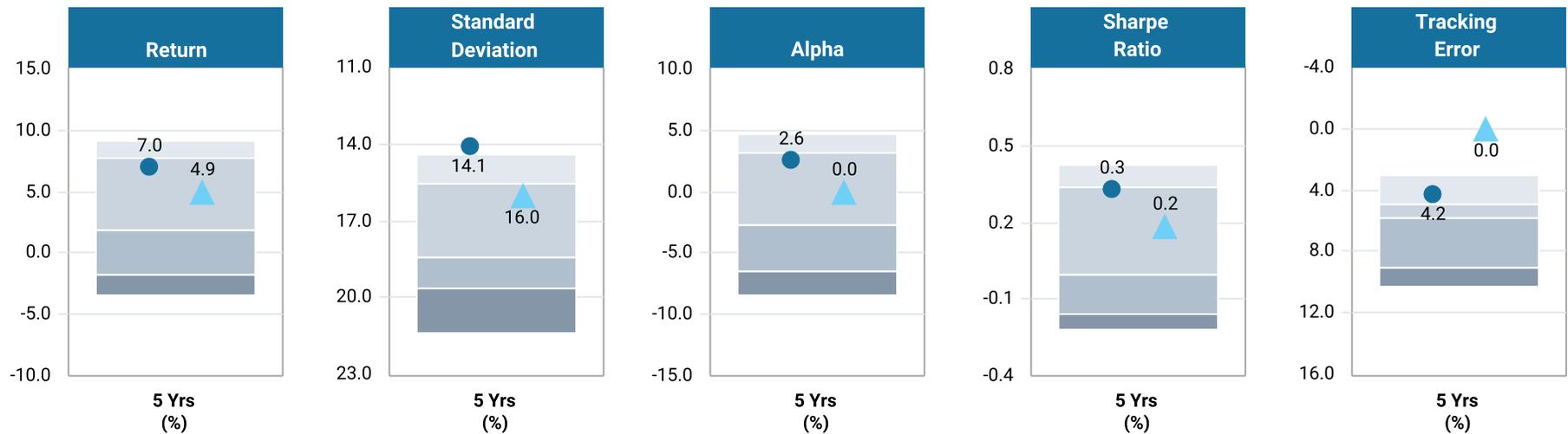


- MFS Institutional Advisors
- ▲ MSCI World ex USA Growth NR USD

Rolling 5 Years Style Map



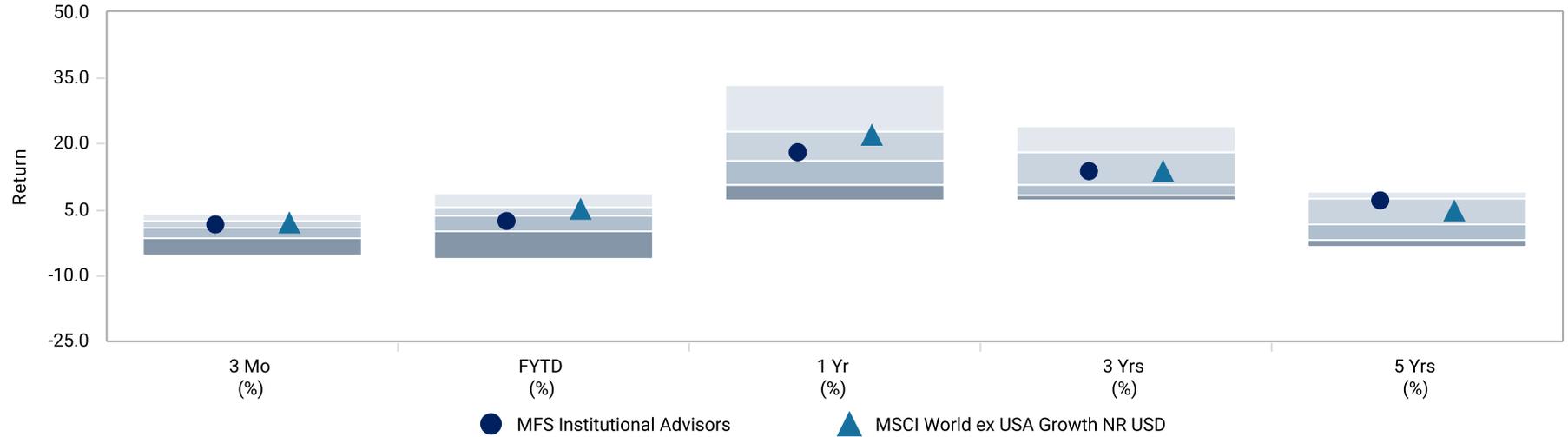
- MFS Institutional Advisors
- ▲ MSCI World ex USA Growth NR USD



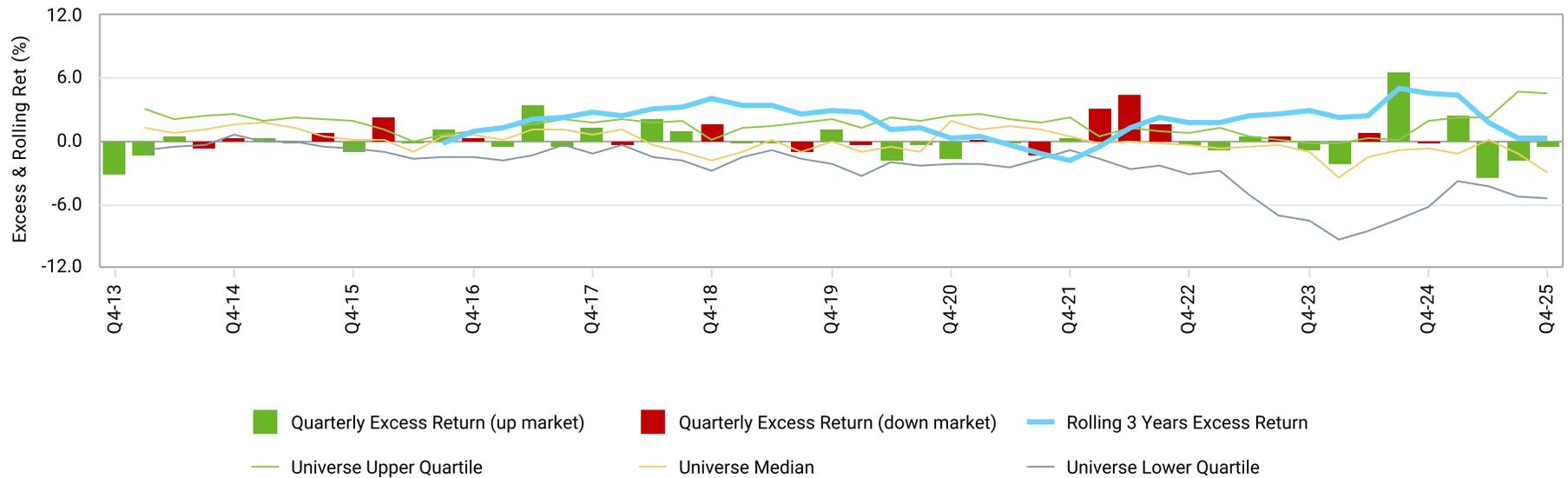
Los Angeles City Employees' Retirement System-LACERS Master Trust  
**MFS INSTITUTIONAL ADVISORS**

December 31, 2025

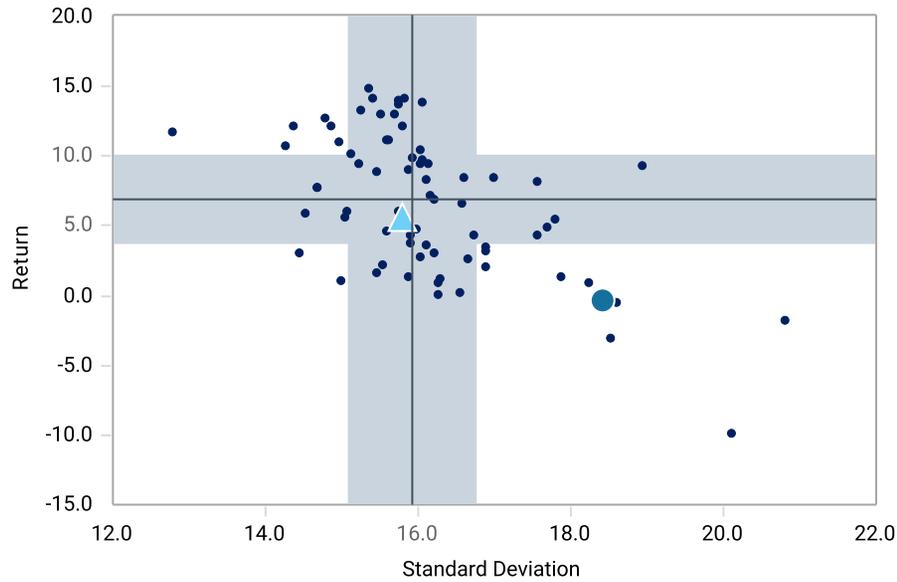
eV EAFE All Cap Growth (net of fees)



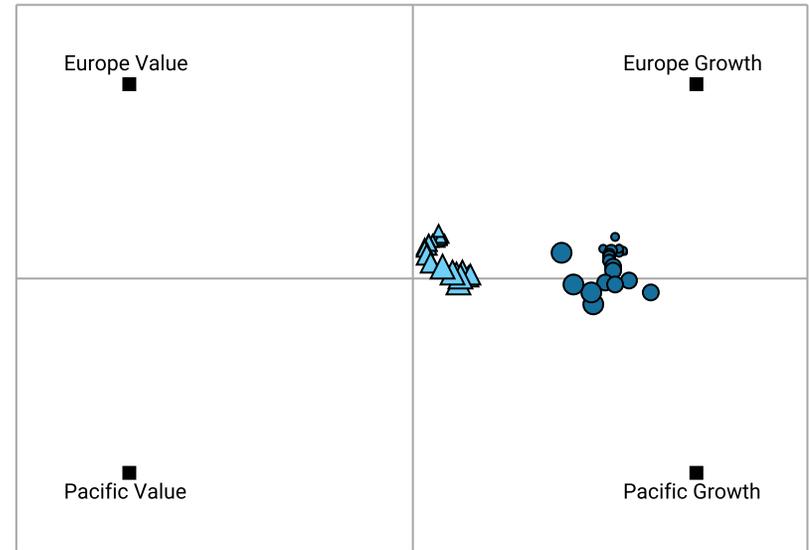
Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025



5 Years Return vs. Standard Deviation

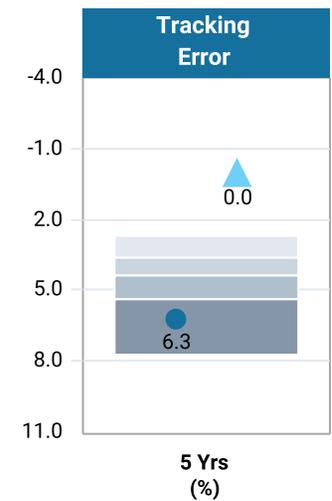
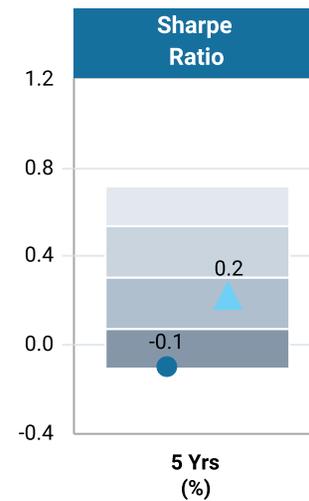
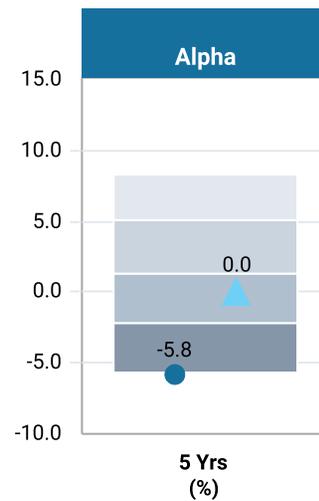
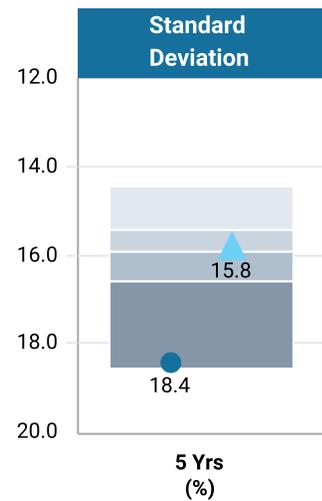
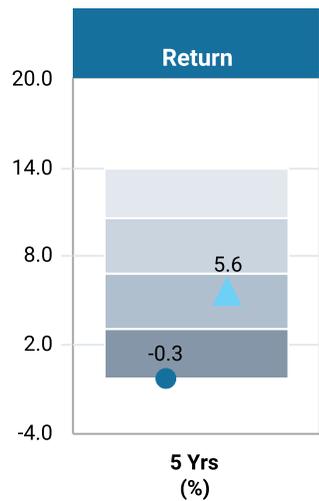


Rolling 5 Years Style Map



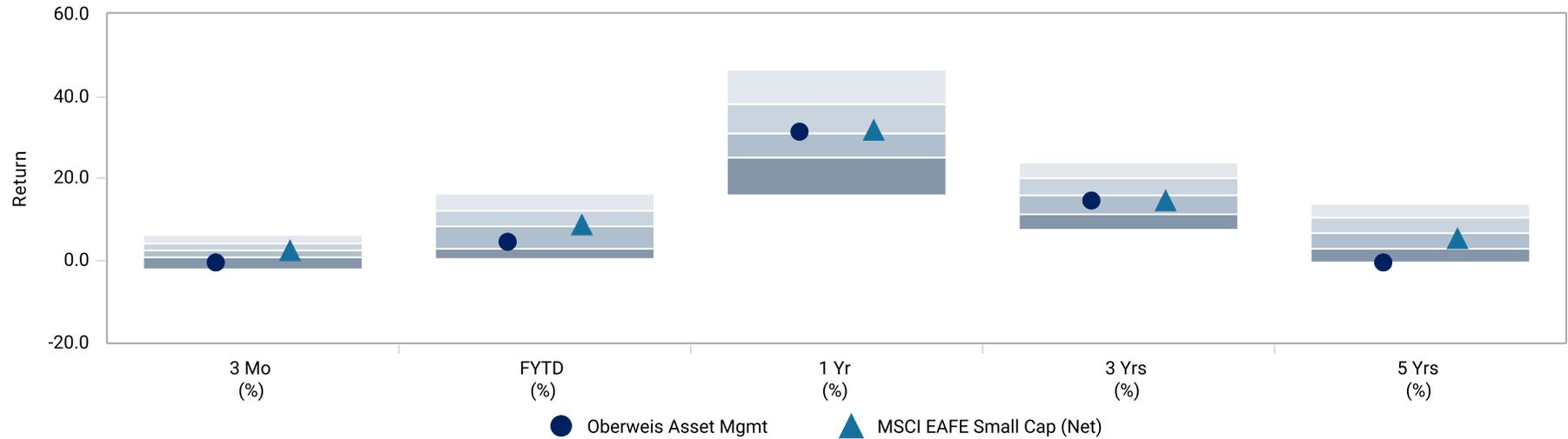
● Oberweis Asset Mgmt ▲ MSCI EAFE Small Cap (Net)

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

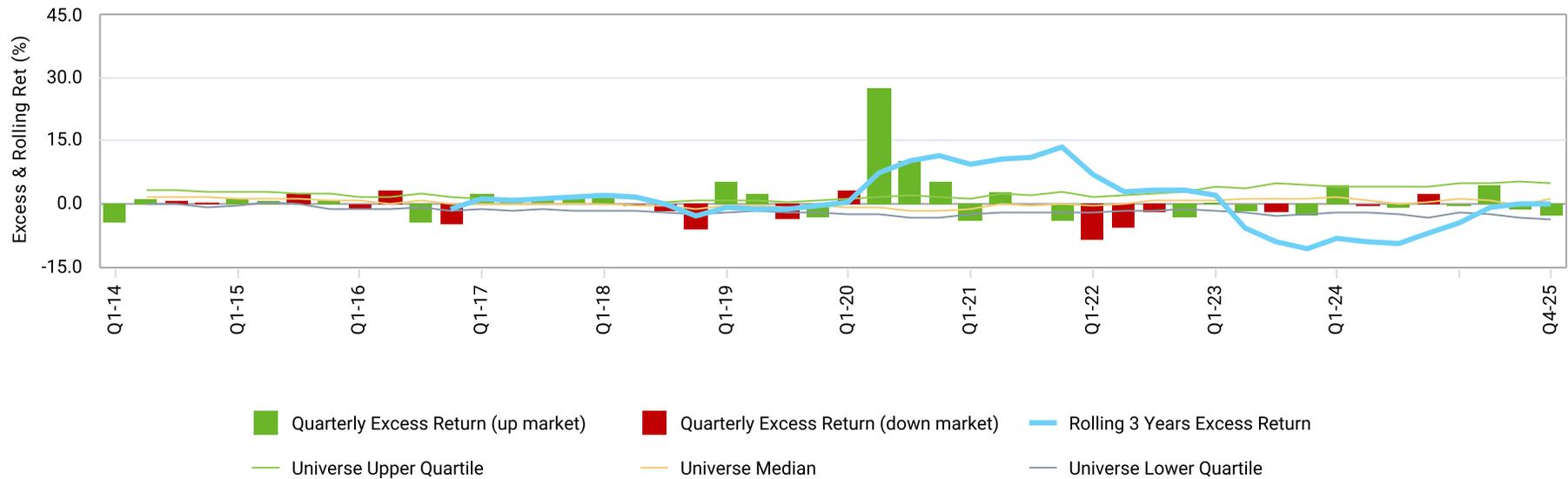


# OBERWEIS ASSET MGMT

## eV EAFE Small Cap Equity (net of fees)



## Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025

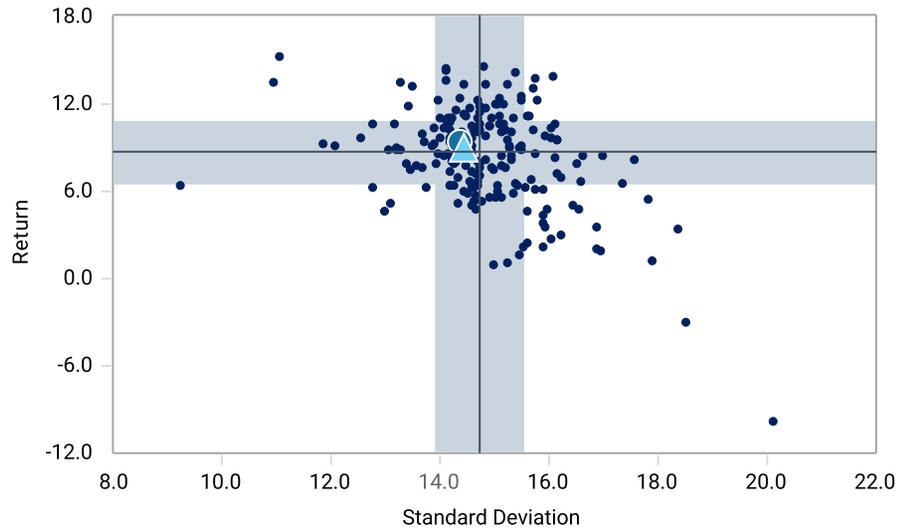


# Los Angeles City Employees' Retirement System-LACERS Master Trust

## SSGA WORLD EX US IMI

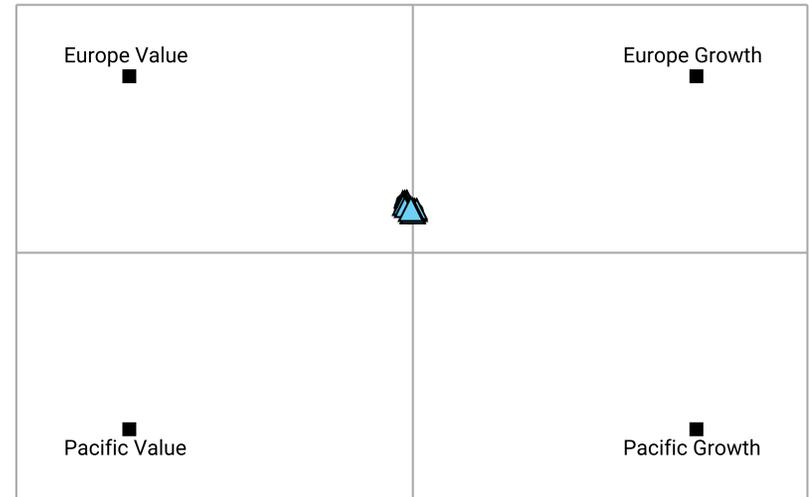
December 31, 2025

5 Years Return vs. Standard Deviation

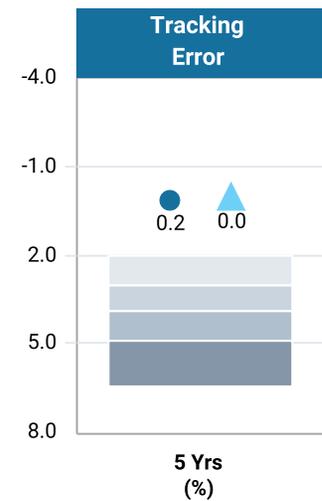
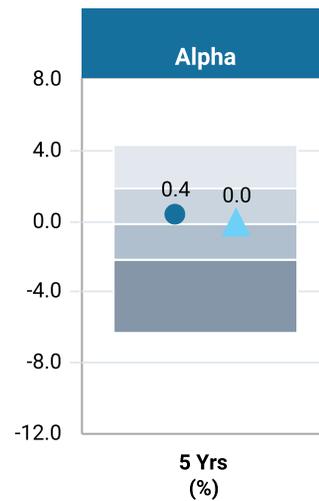
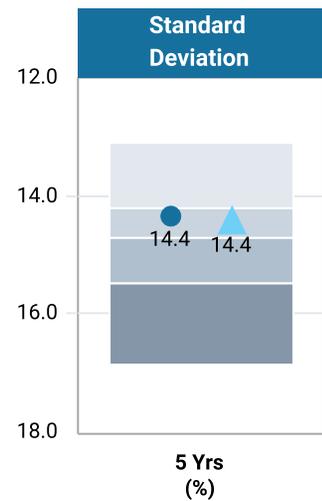
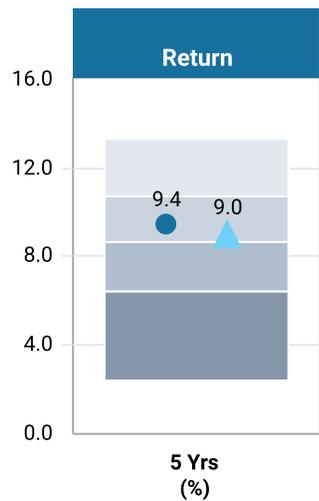


● SSGA World ex US IMI  
▲ MSCI World ex U.S. IMI Index (Net)

Rolling 5 Years Style Map

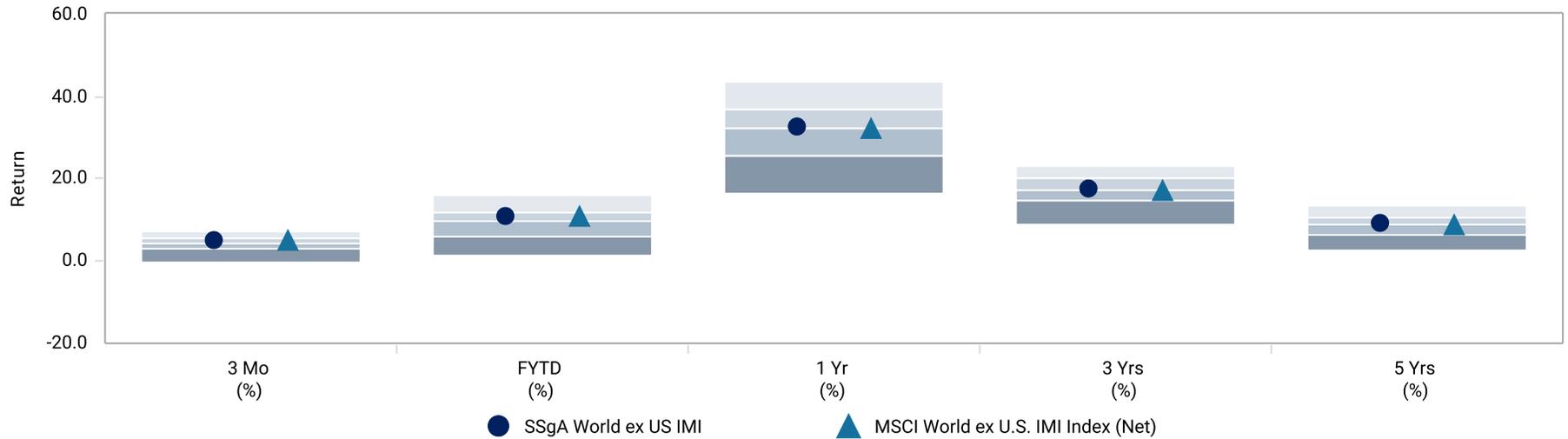


● SSGA World ex US IMI  
▲ MSCI World ex U.S. IMI Index (Net)

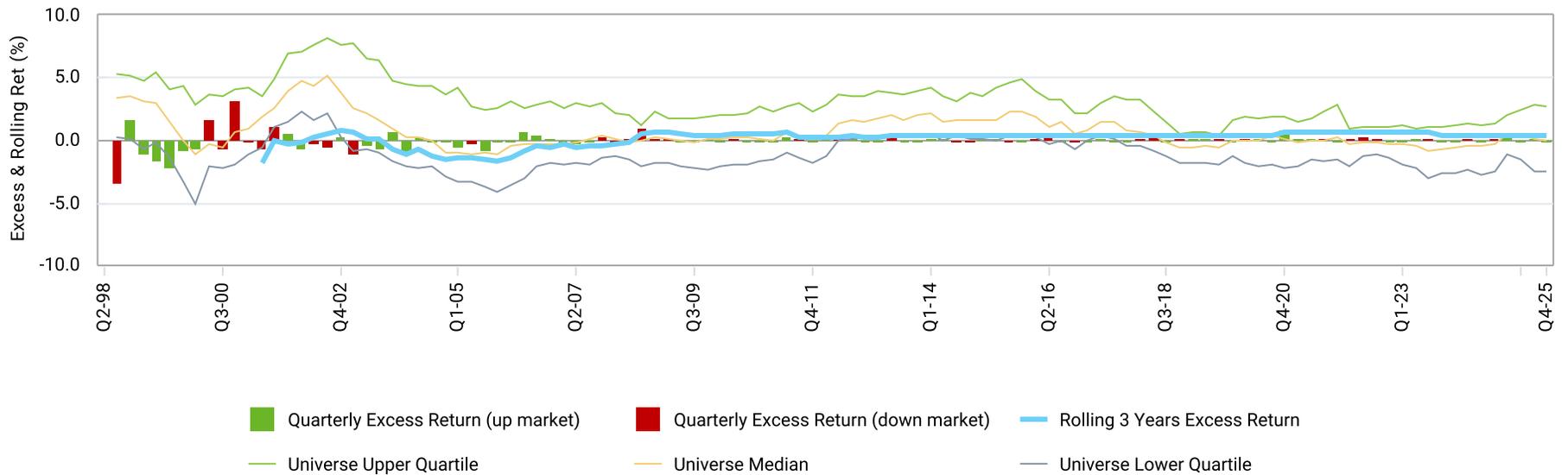


# SSGA WORLD EX US IMI

eV EAFE Core Equity (net of fees)



Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025

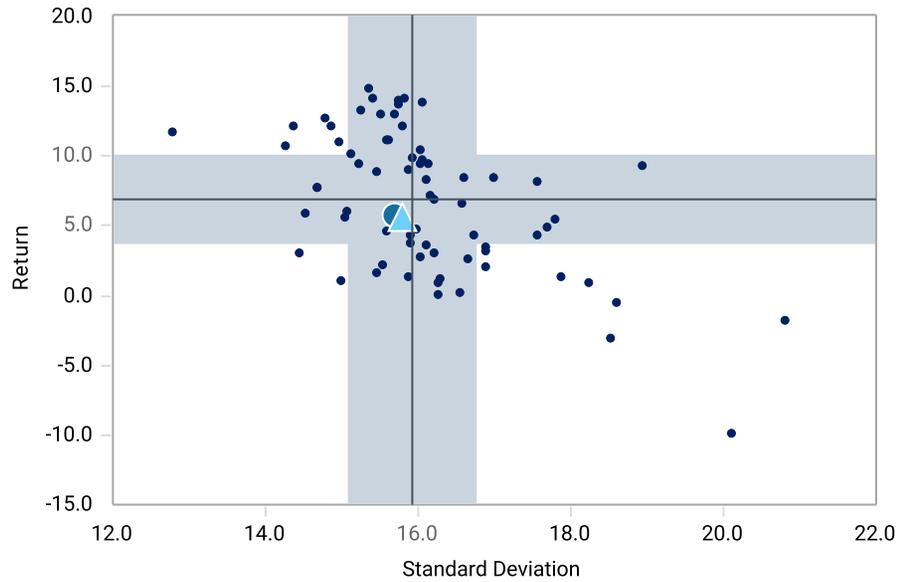


# Los Angeles City Employees' Retirement System-LACERS Master Trust

## SSGA EAFE SMALL CAP

December 31, 2025

Since Inception Return vs. Standard Deviation

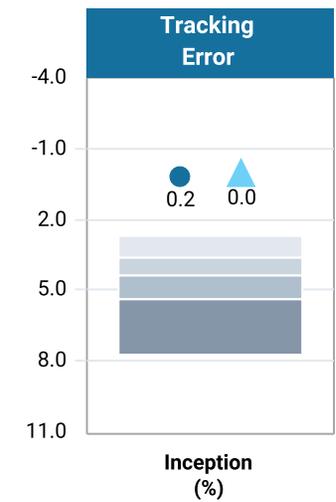
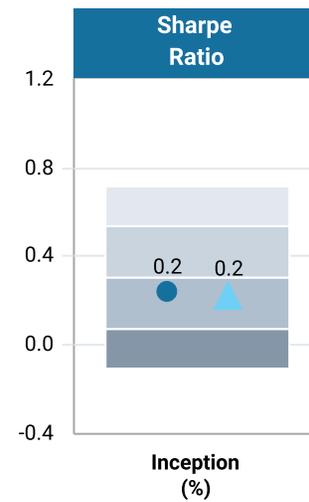
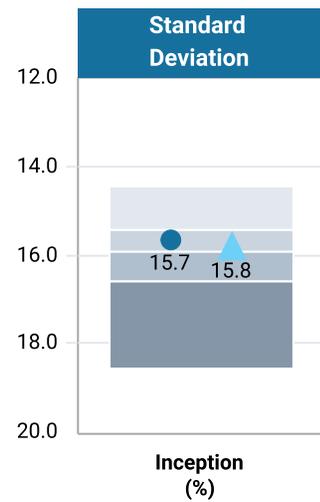
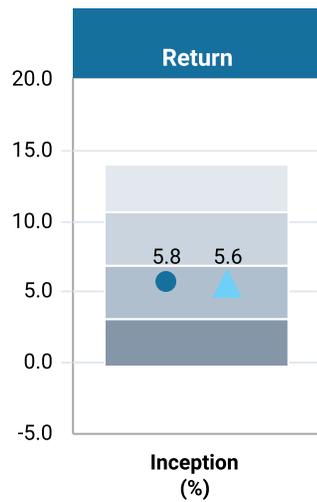


● State Street EAFE SC    ▲ MSCI EAFE Small Cap (Net)

Rolling 1 Year Style Map

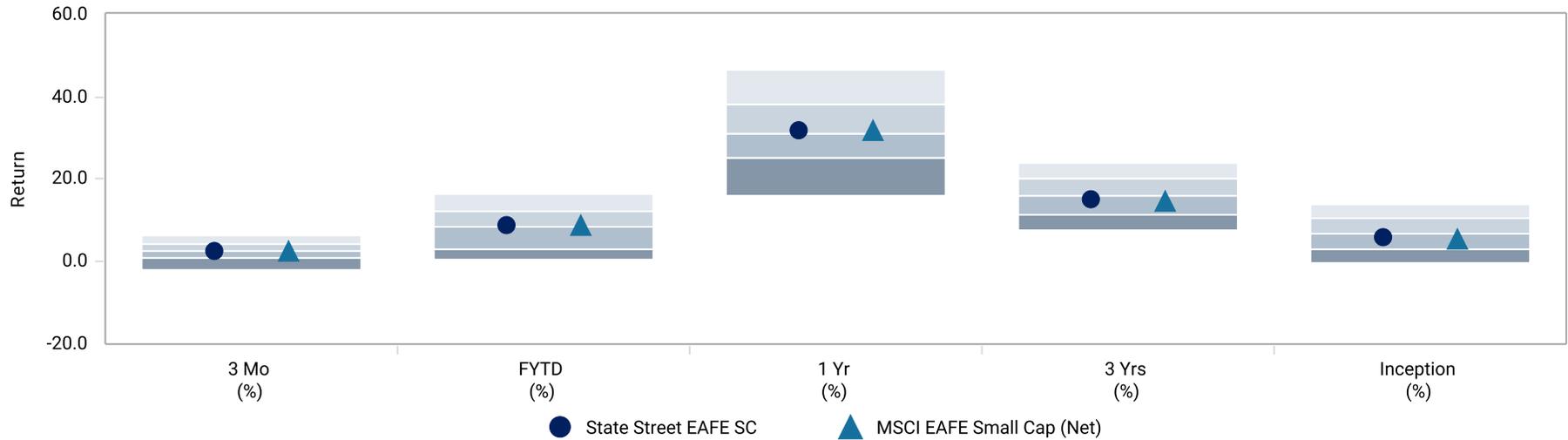


● State Street EAFE SC    ▲ MSCI EAFE Small Cap (Net)

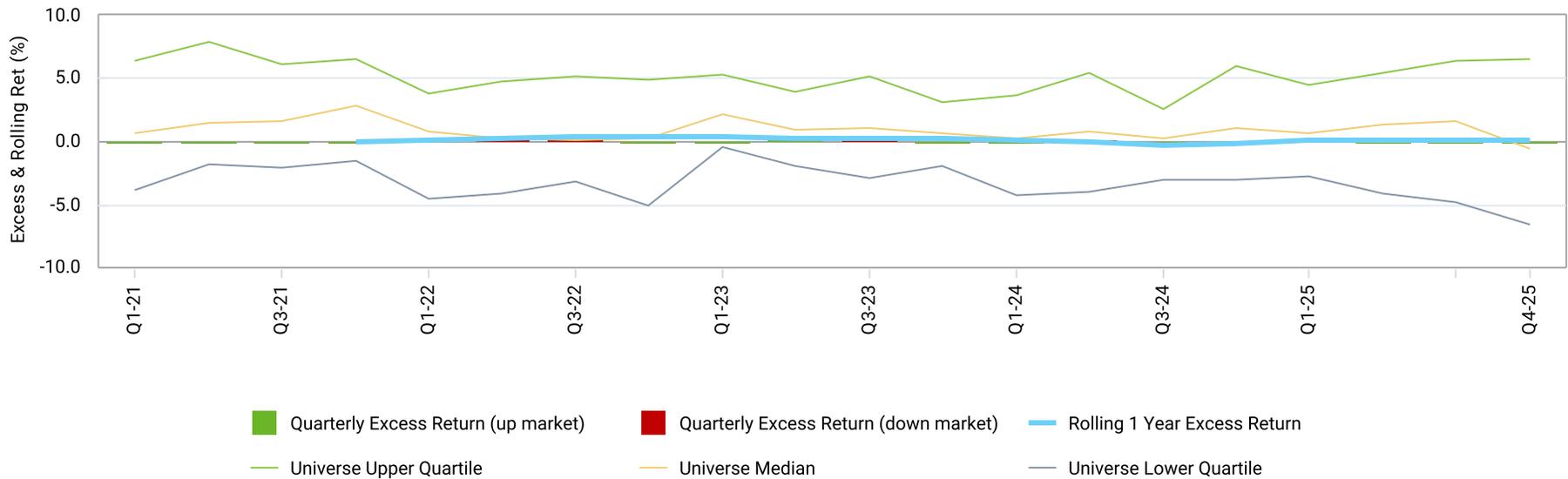


# SSGA EAFE SMALL CAP

eV EAFE Small Cap Equity (net of fees)

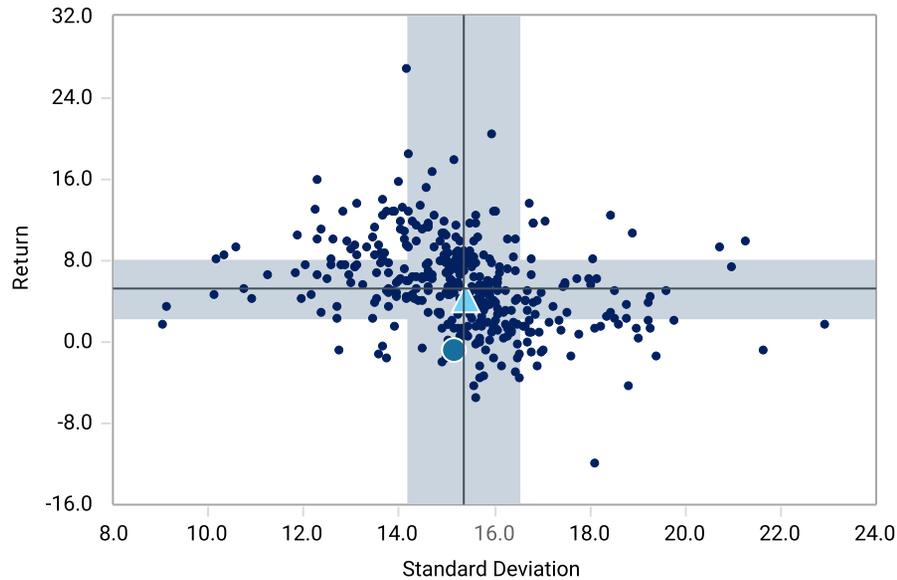


Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025



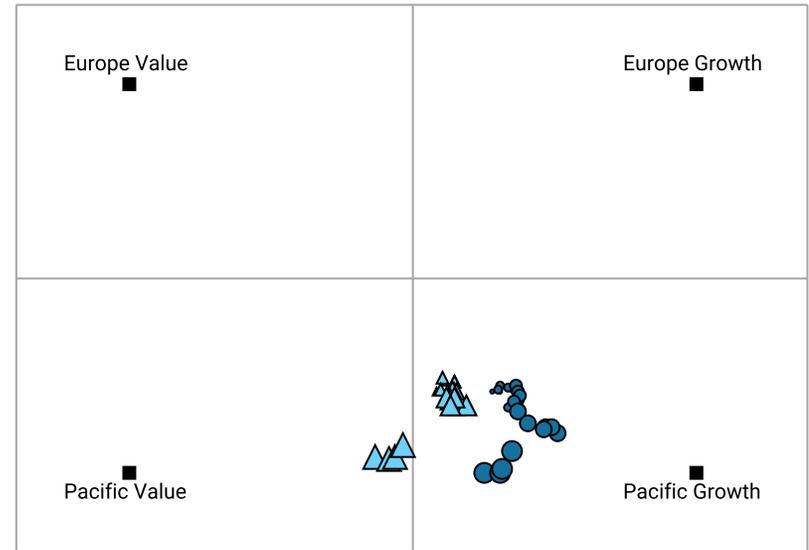
# AXIOM EMERGING MARKETS

5 Years Return vs. Standard Deviation

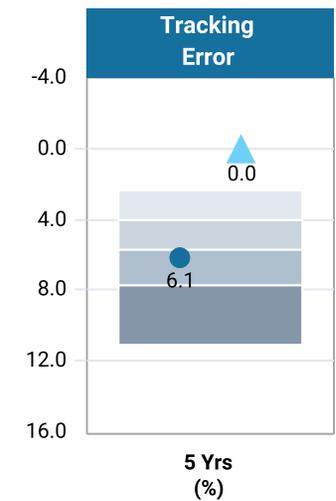
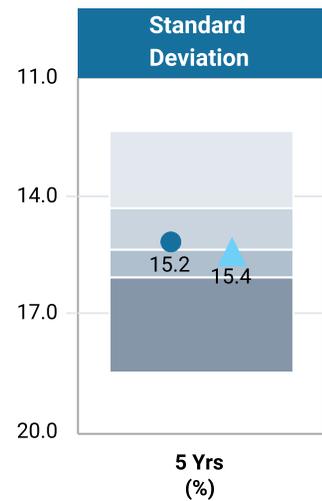


● Axiom Emerging Markets ▲ Axiom Custom Blended BM

Rolling 5 Years Style Map

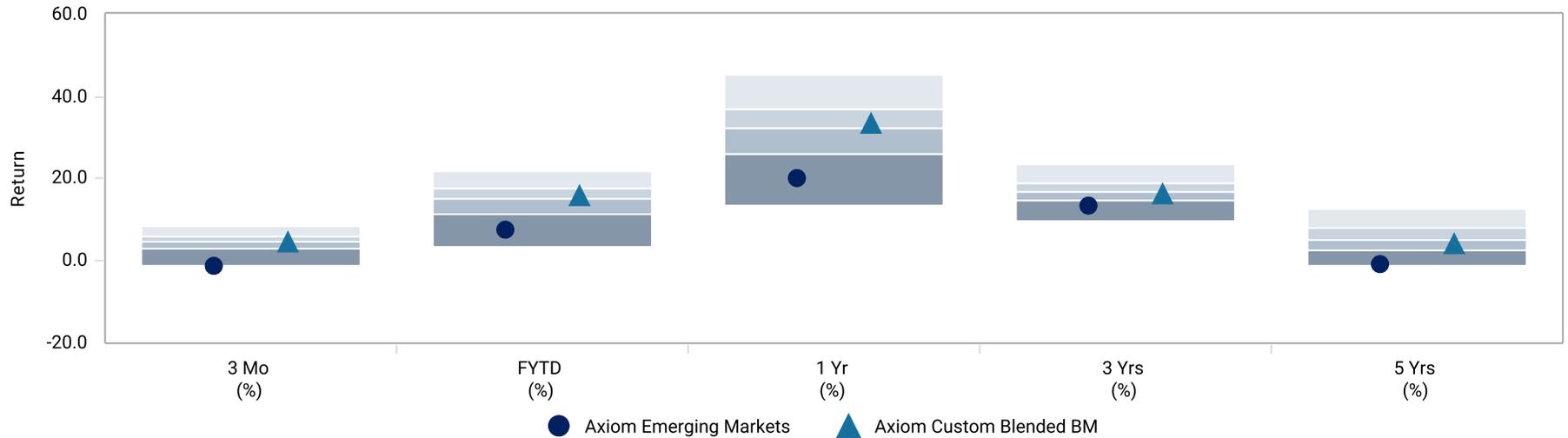


● Axiom Emerging Markets ▲ Axiom Custom Blended BM

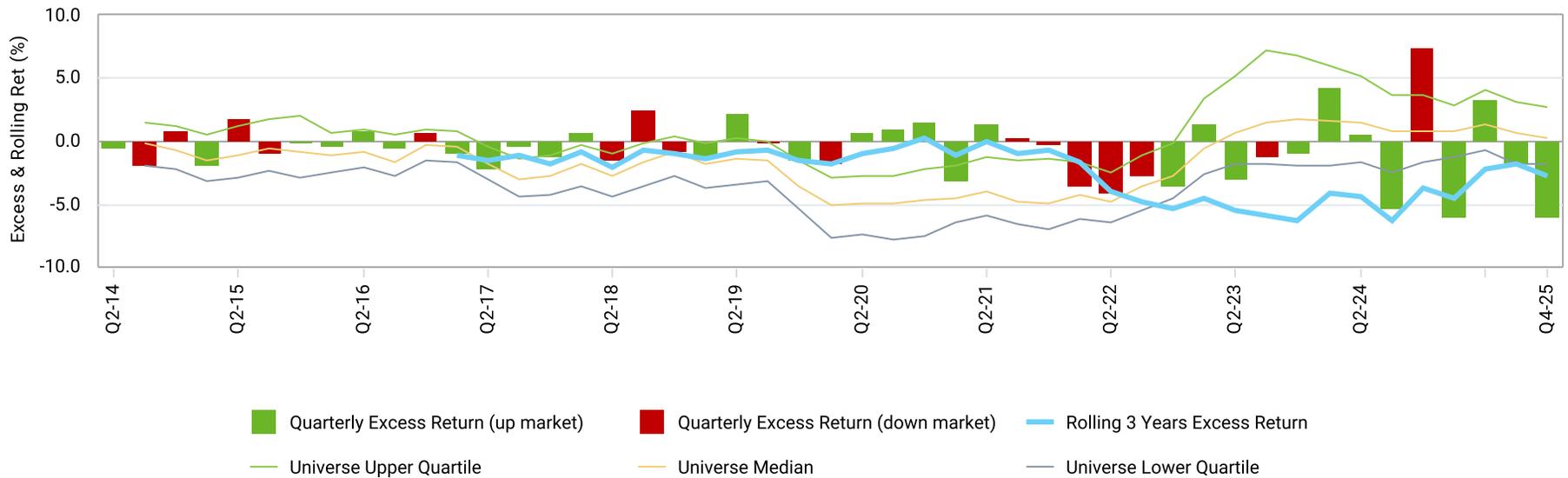


# AXIOM EMERGING MARKETS

eV Emg Mkts Equity (net of fees)

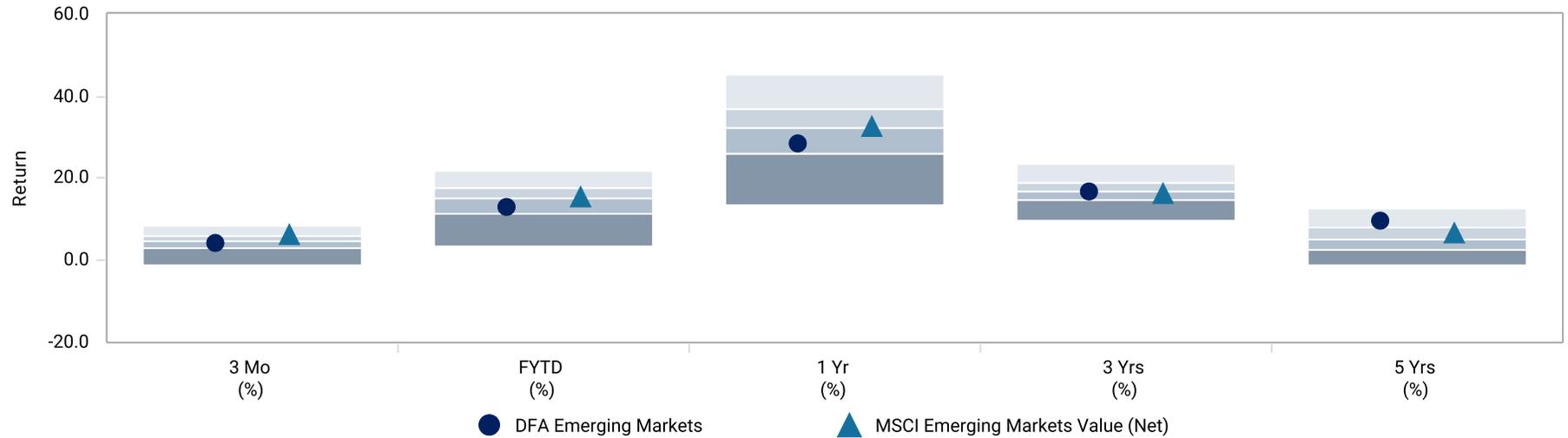


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025

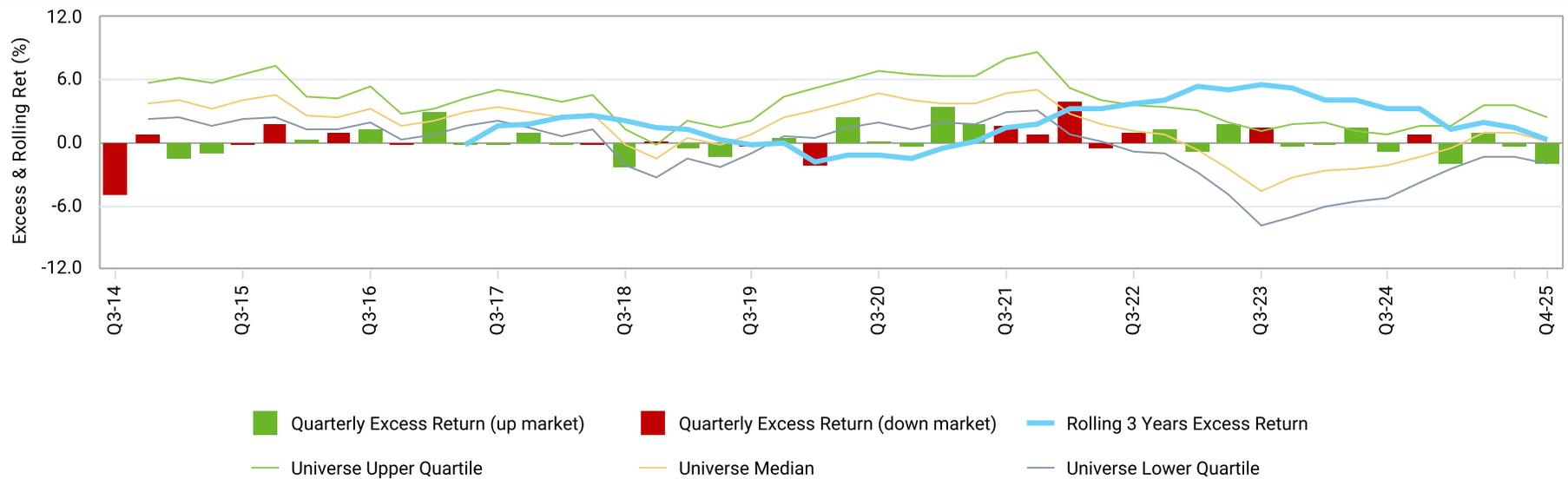


# DFA EMERGING MARKETS

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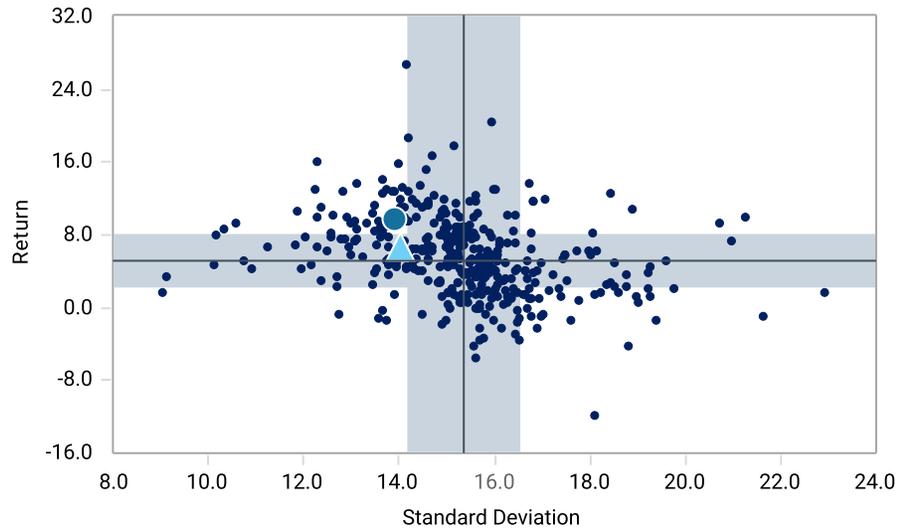


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025



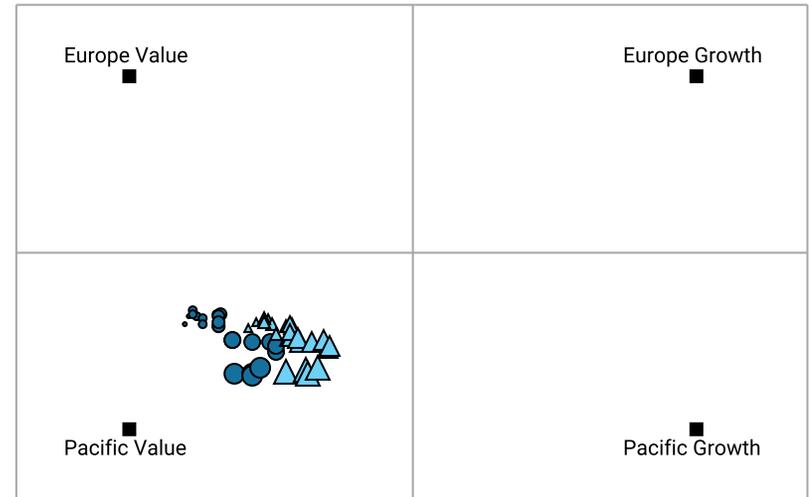
# DFA EMERGING MARKETS

5 Years Return vs. Standard Deviation

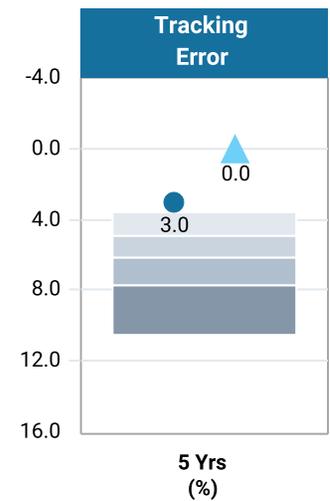
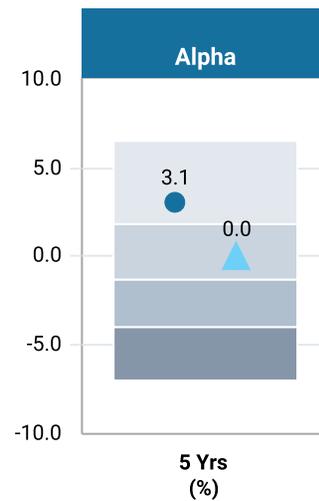
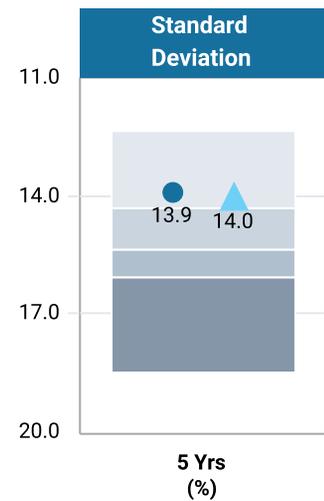
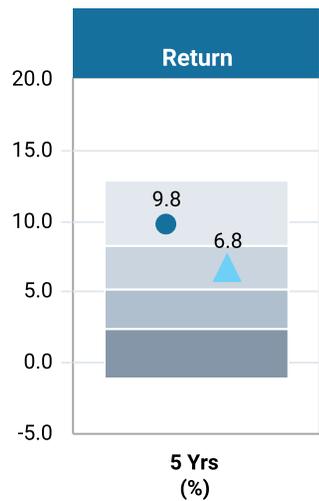


- DFA Emerging Markets
- ▲ MSCI Emerging Markets Value (Net)

Rolling 5 Years Style Map

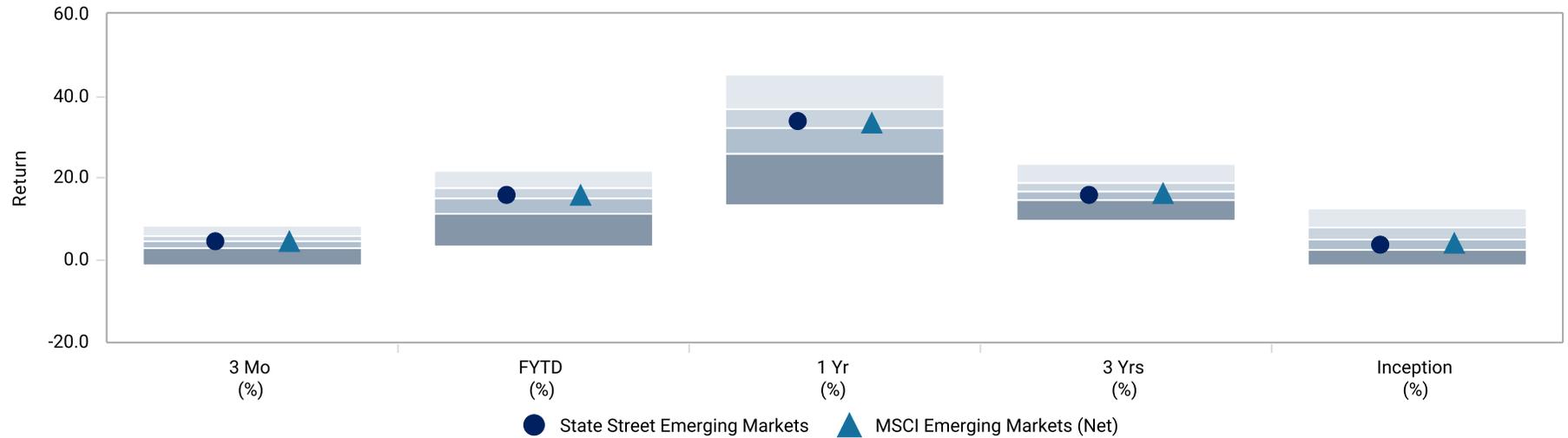


- DFA Emerging Markets
- ▲ MSCI Emerging Markets Value (Net)



# SSGA EMERGING MARKETS

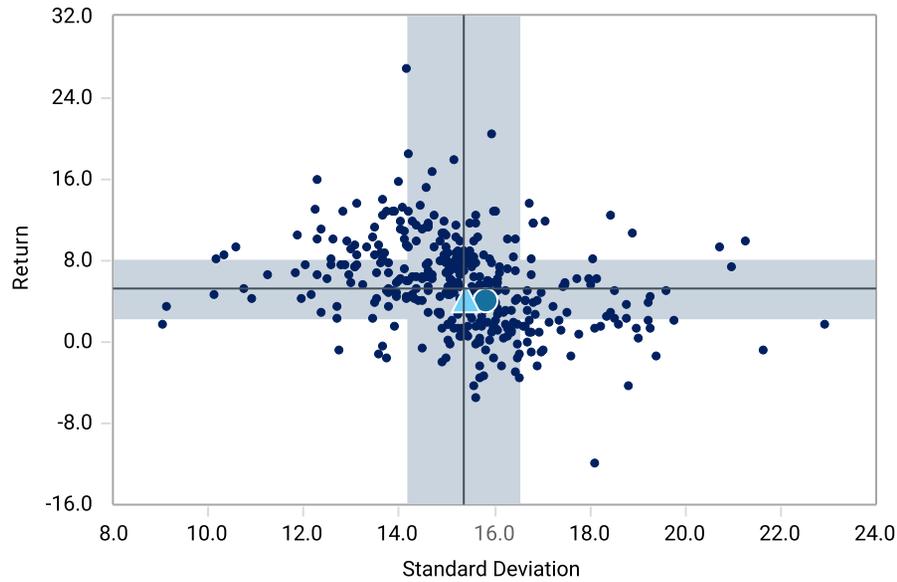
eV Emg Mkts Equity (net of fees)



Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025

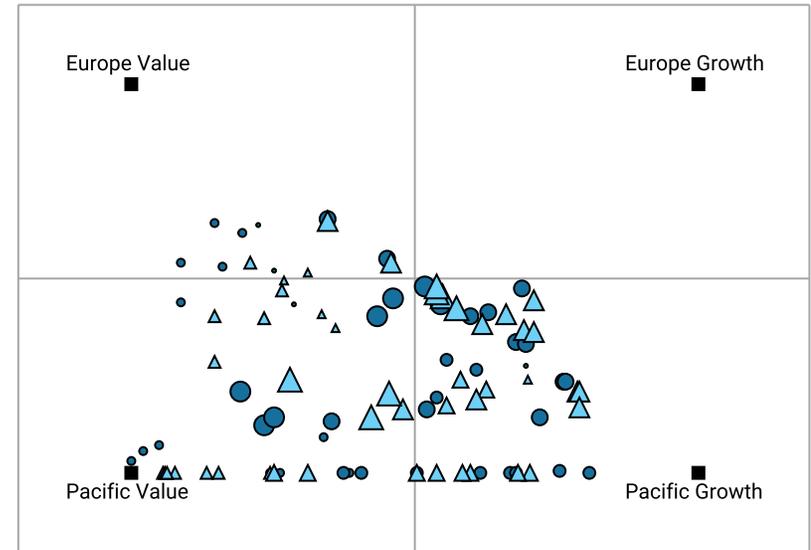


Since Inception Return vs. Standard Deviation

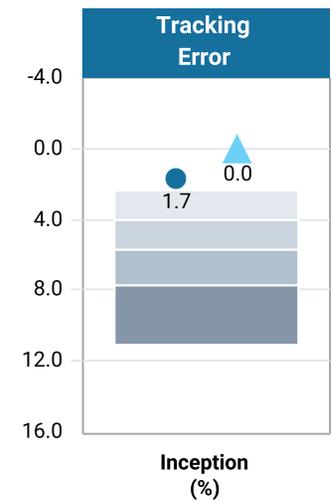
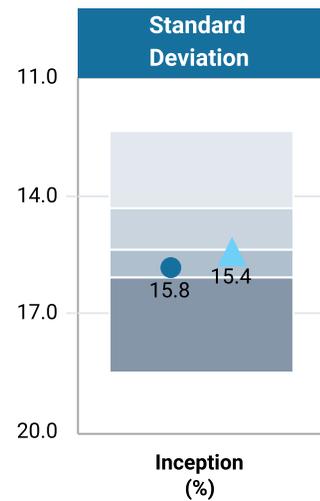
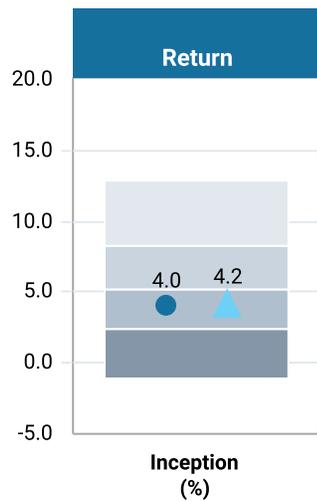


● State Street Emerging Markets ▲ MSCI Emerging Markets (Net)

Rolling 1 Year Style Map



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

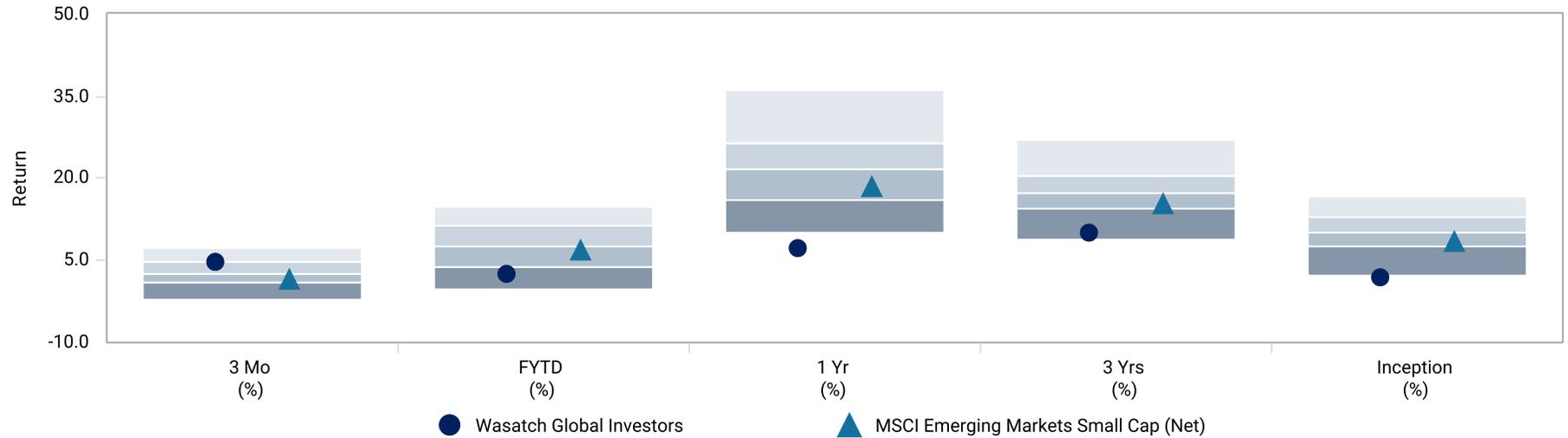


# Los Angeles City Employees' Retirement System-LACERS Master Trust

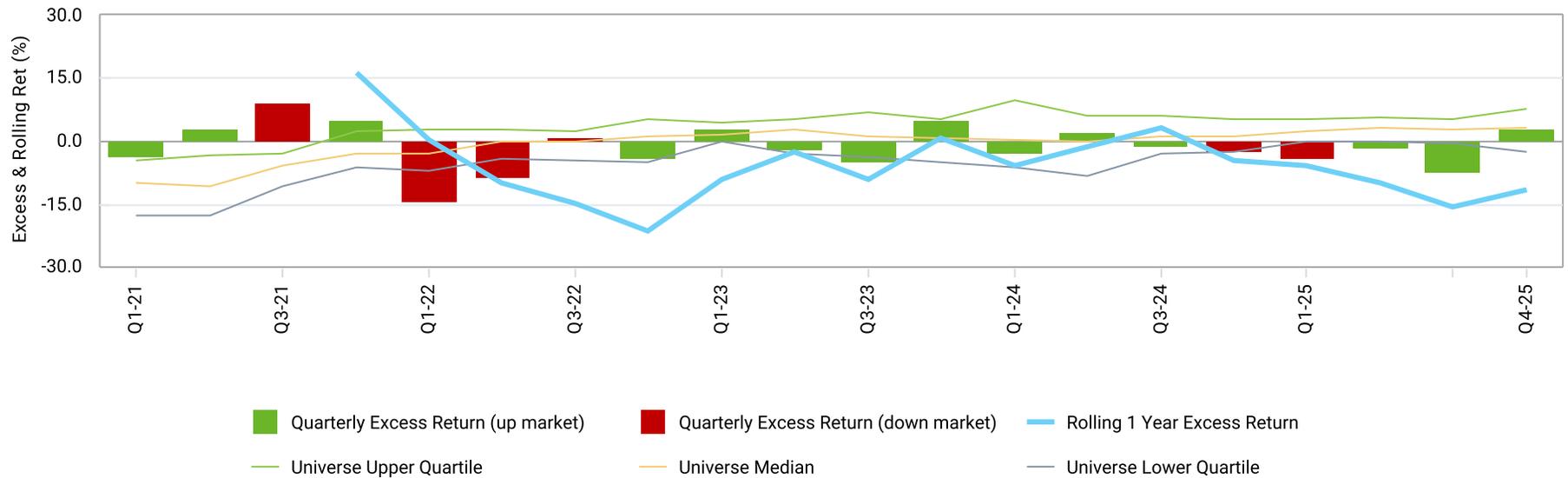
## WASATCH GLOBAL INVESTORS

December 31, 2025

### eV Emg Mkts Small Cap Equity (net of fees)



### Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025

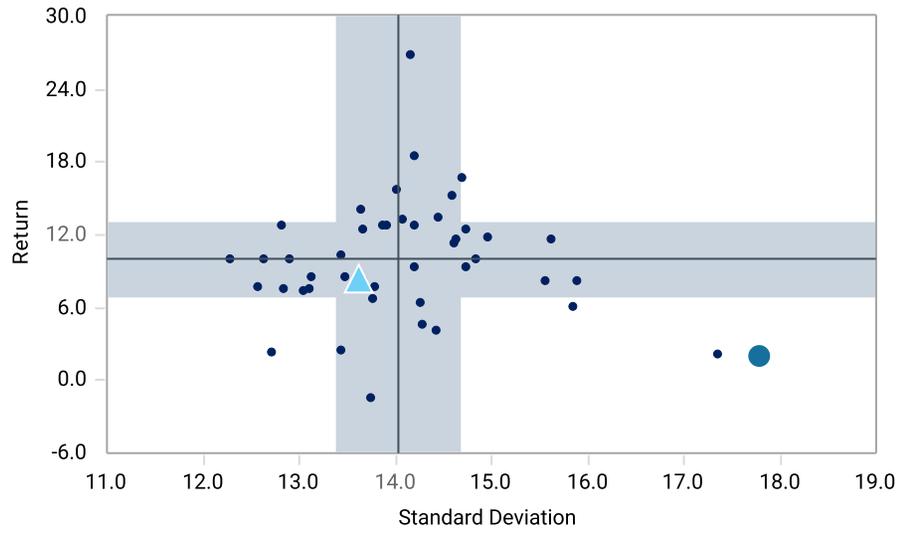


# Los Angeles City Employees' Retirement System-LACERS Master Trust

## WASATCH GLOBAL INVESTORS

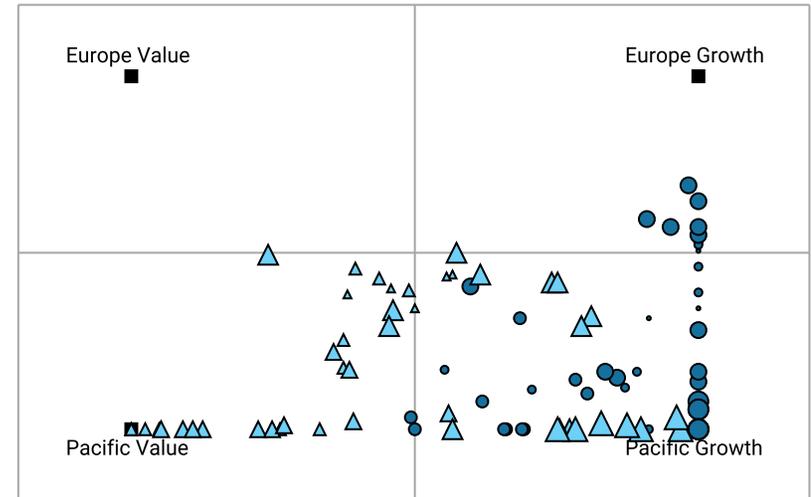
December 31, 2025

Since Inception Return vs. Standard Deviation

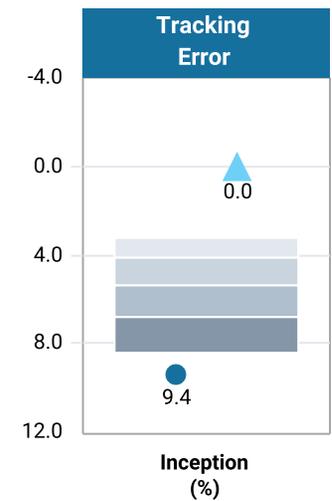
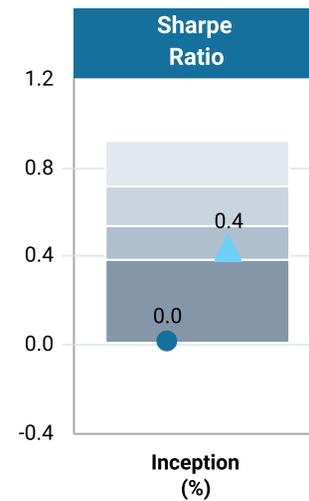
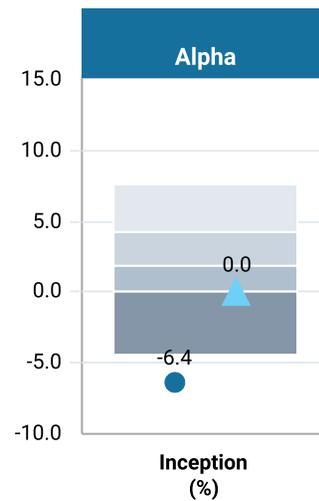
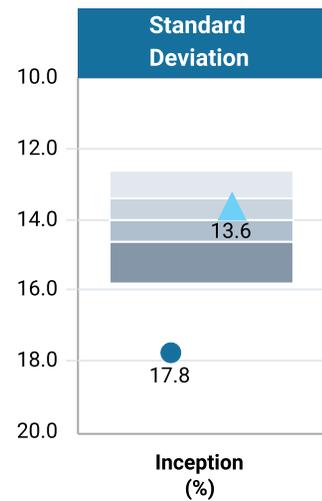
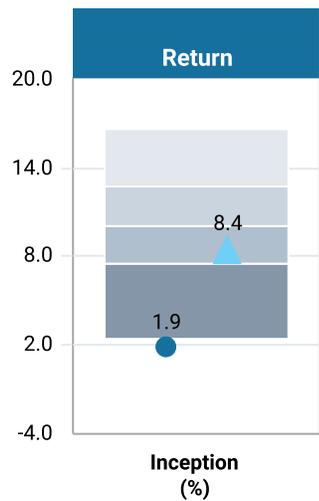


- Wasatch Global Investors
- ▲ MSCI Emerging Markets Small Cap (Net)

Rolling 1 Year Style Map



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

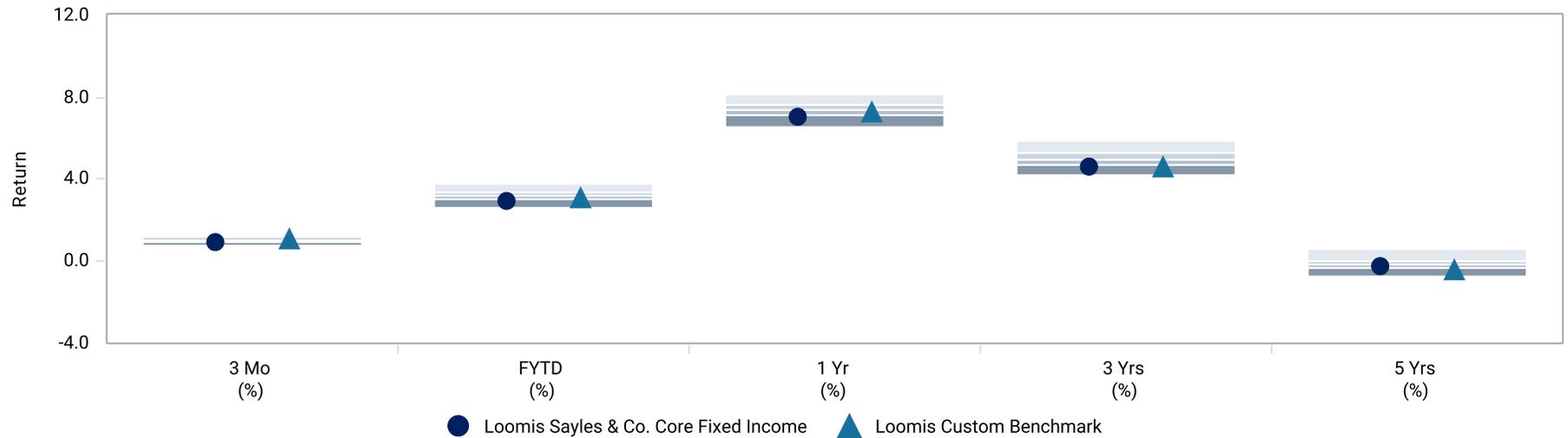




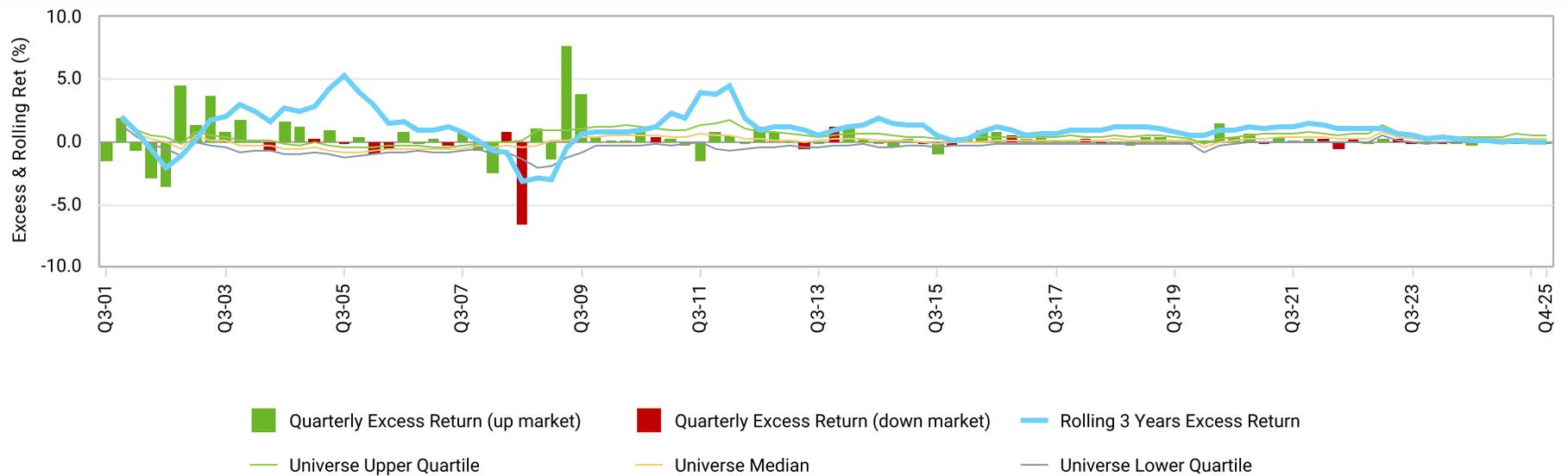
# CORE FIXED INCOME MANAGER PERFORMANCE

# LOOMIS SAYLES & CO. CORE FIXED INCOME

eV US Core Fixed Inc (net of fees)

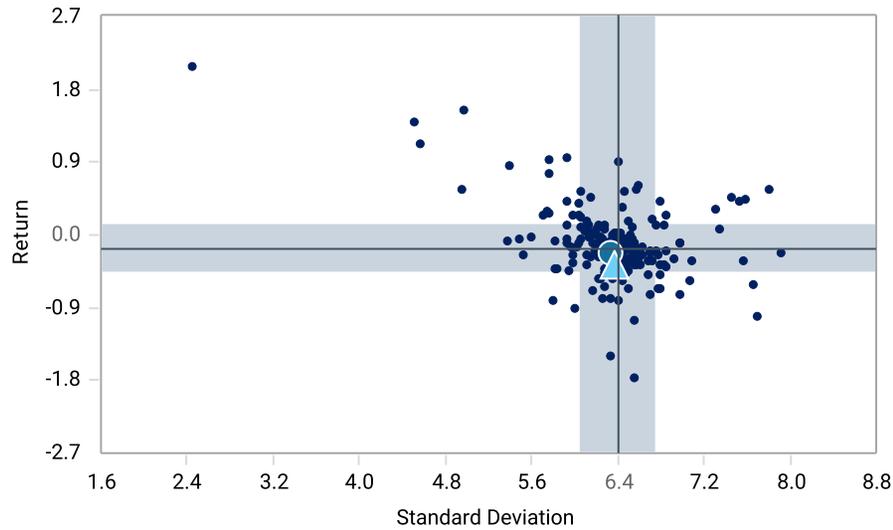


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025



# LOOMIS SAYLES & CO. CORE FIXED INCOME

5 Years Return vs. Standard Deviation

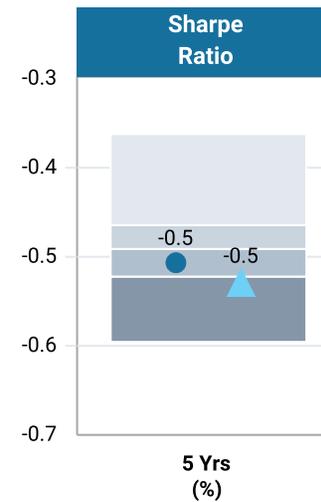
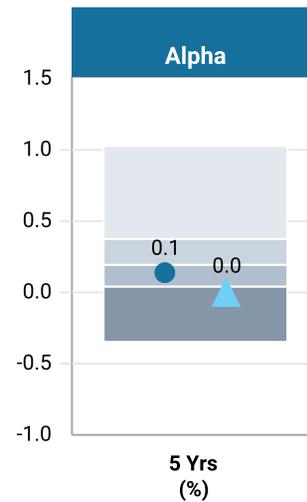
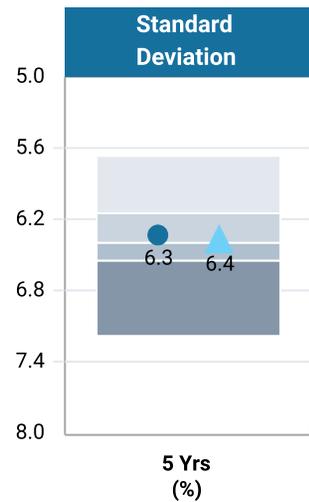
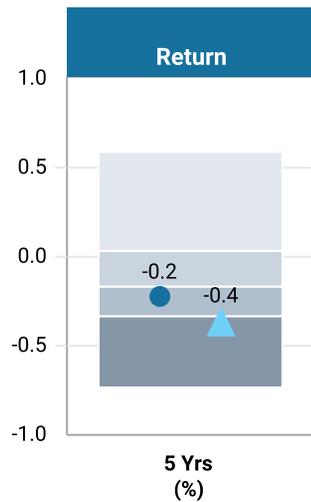


Style Map: (5 Years)



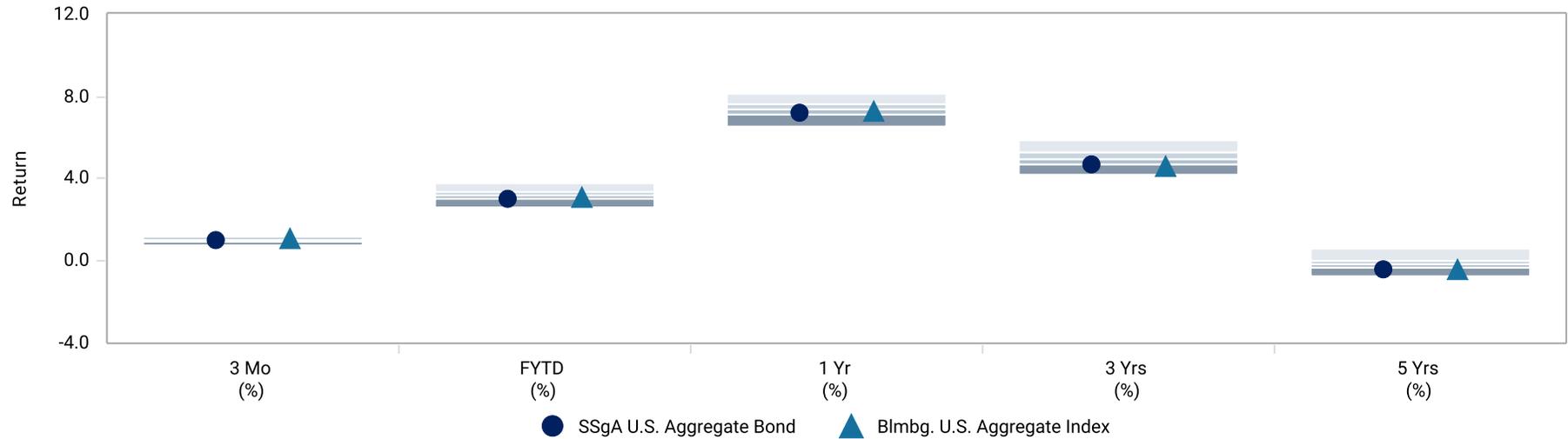
- Loomis Sayles & Co. Core Fixed Income
- ▲ Loomis Custom Benchmark

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



# SSGA U.S. AGGREGATE BOND

eV US Core Fixed Inc (net of fees)



Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025

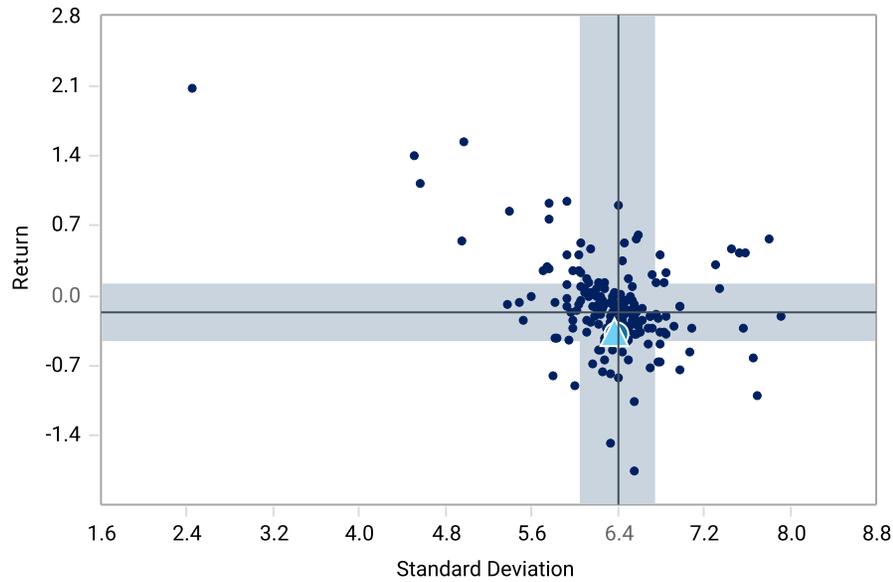


# Los Angeles City Employees' Retirement System-LACERS Master Trust

## SSGA U.S. AGGREGATE BOND

December 31, 2025

5 Years Return vs. Standard Deviation

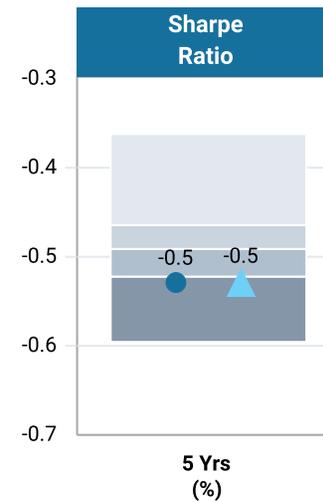
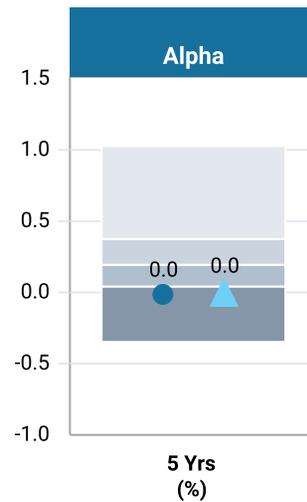
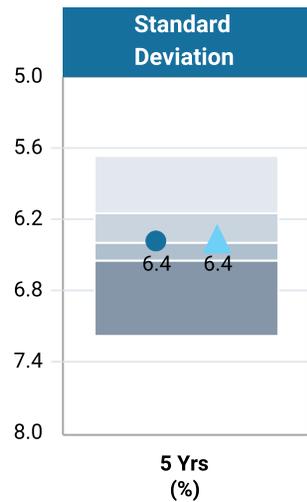
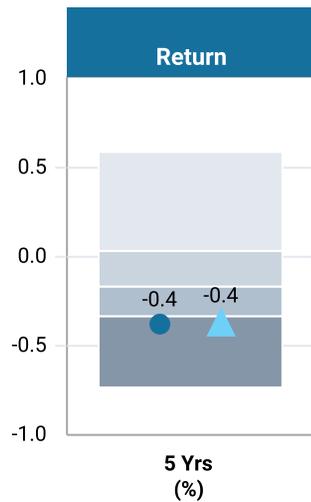


Style Map: (5 Years)



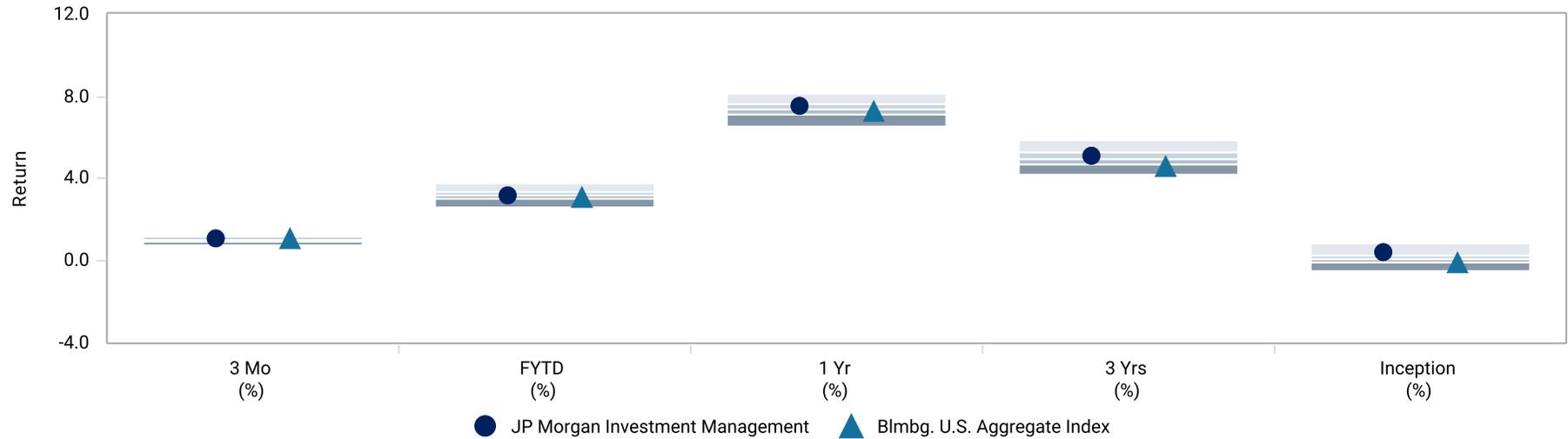
● SSGA U.S. Aggregate Bond ▲ Blmbg. U.S. Aggregate Index

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

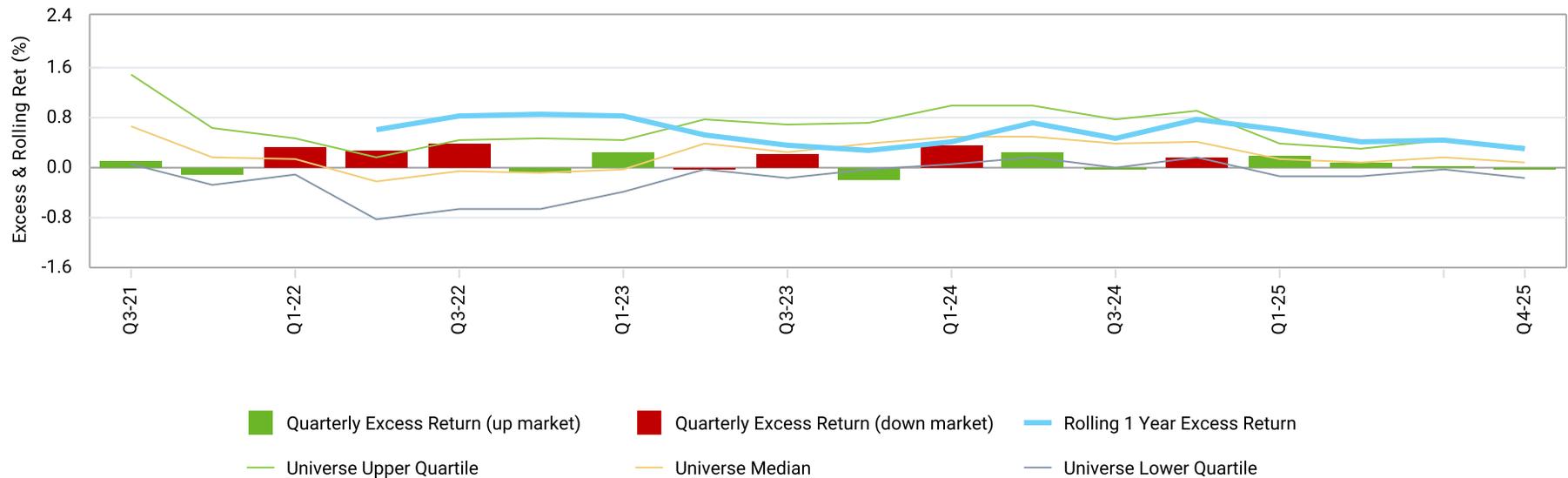


# JP MORGAN INVESTMENT MANAGEMENT

## eV US Core Fixed Inc (net of fees)

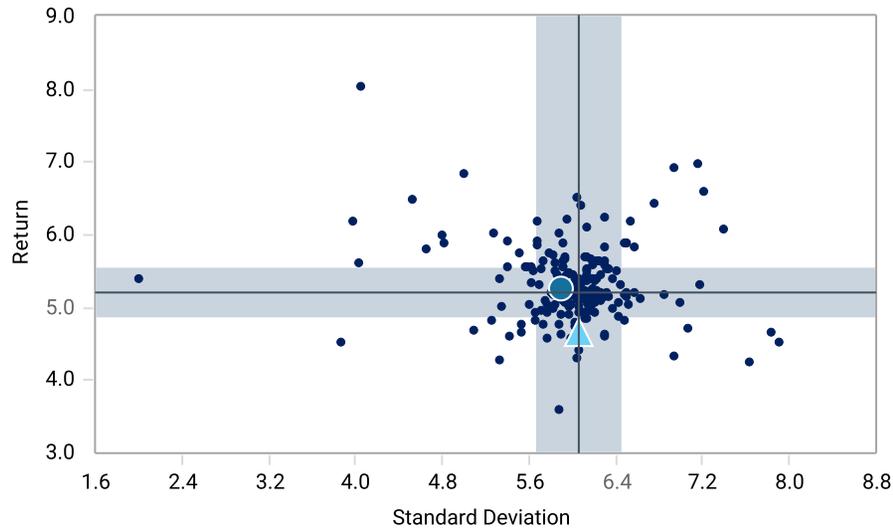


## Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025



# JP MORGAN INVESTMENT MANAGEMENT

3 Years Return vs. Standard Deviation

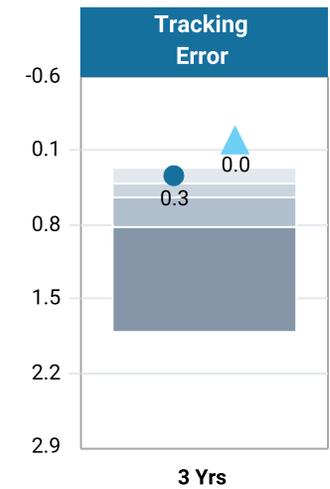
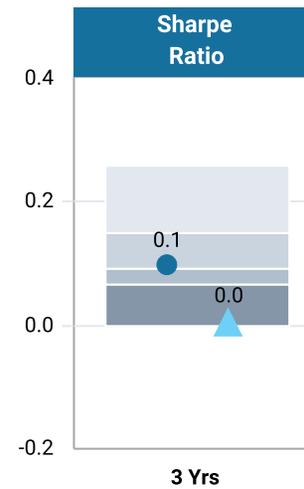
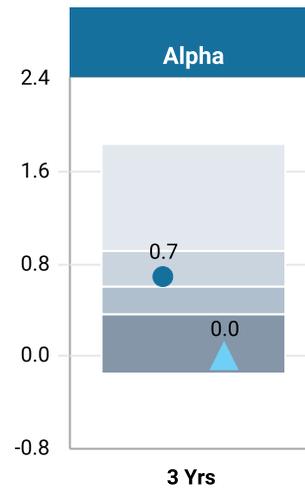
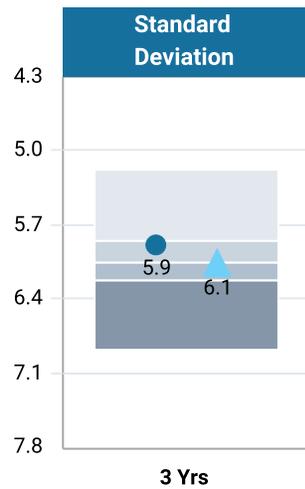


● JP Morgan Investment Management  
▲ Blmbg. U.S. Aggregate Index

Style Map: (1 Year)



● JP Morgan Investment Management  
▲ Blmbg. U.S. Aggregate Index

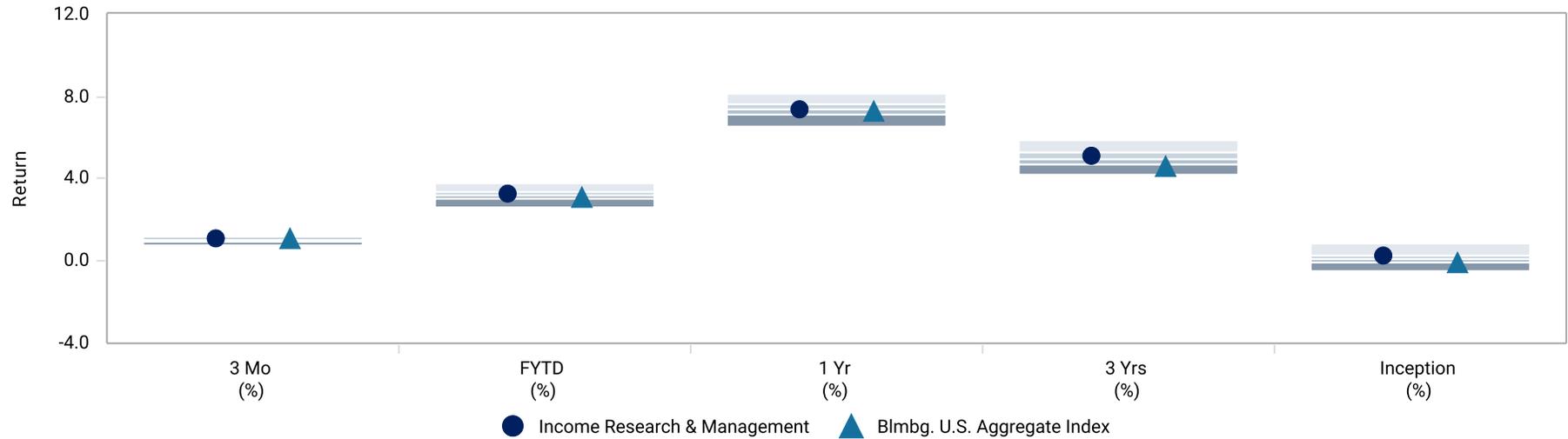


# Los Angeles City Employees' Retirement System-LACERS Master Trust

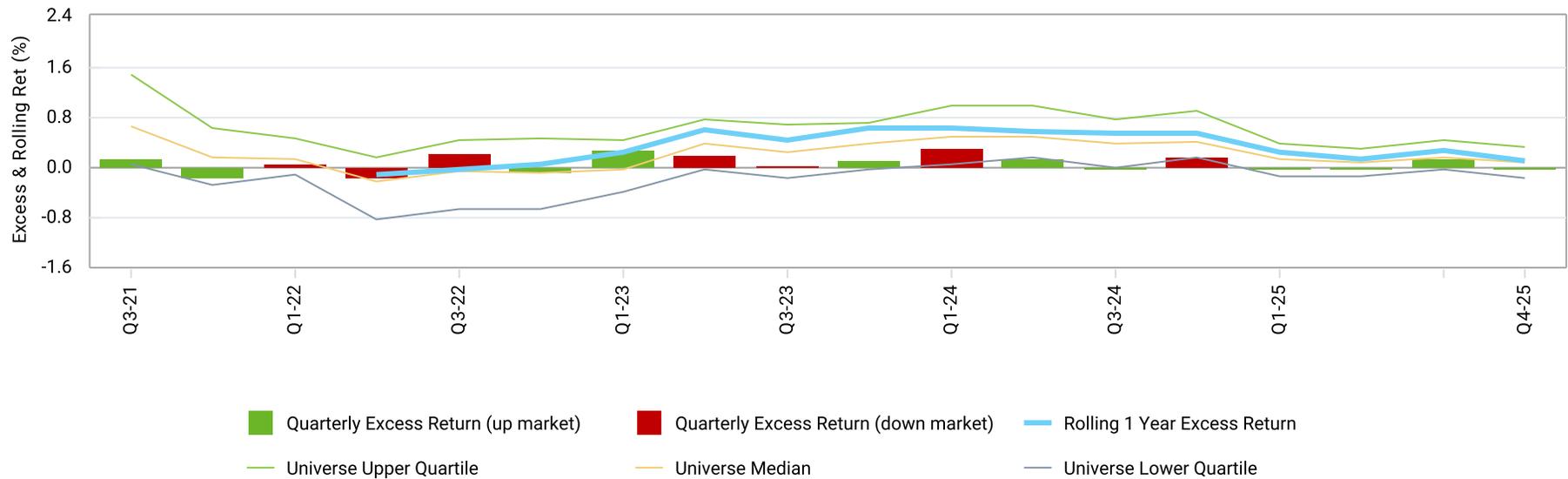
## INCOME RESEARCH & MANAGEMENT

December 31, 2025

### eV US Core Fixed Inc (net of fees)



### Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025

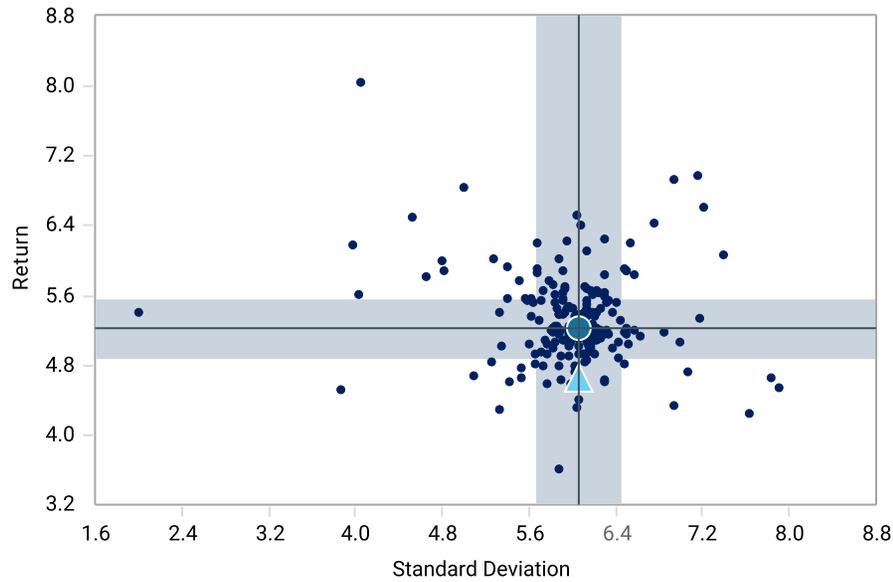


# Los Angeles City Employees' Retirement System-LACERS Master Trust

## INCOME RESEARCH & MANAGEMENT

December 31, 2025

3 Years Return vs. Standard Deviation

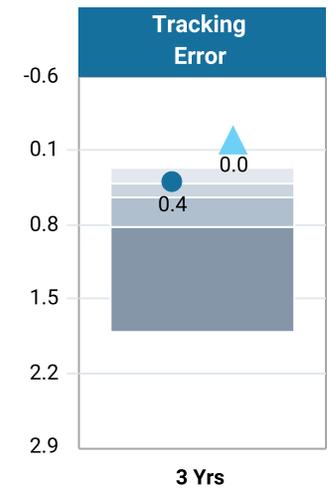
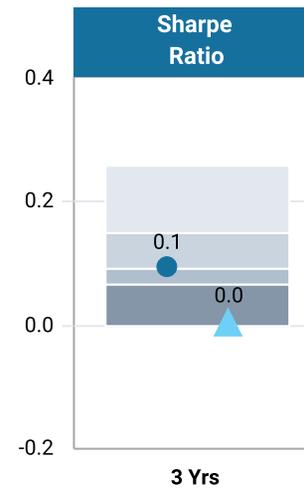
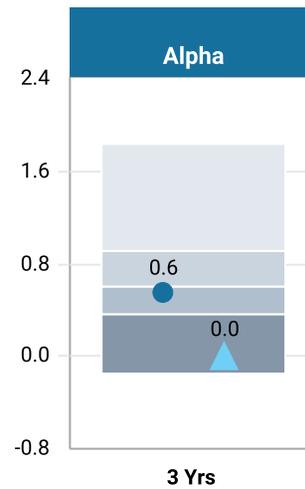
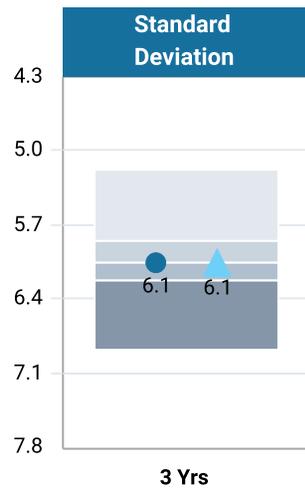


● Income Research & Management ▲ Blmbg. U.S. Aggregate Index

Style Map: (1 Year)

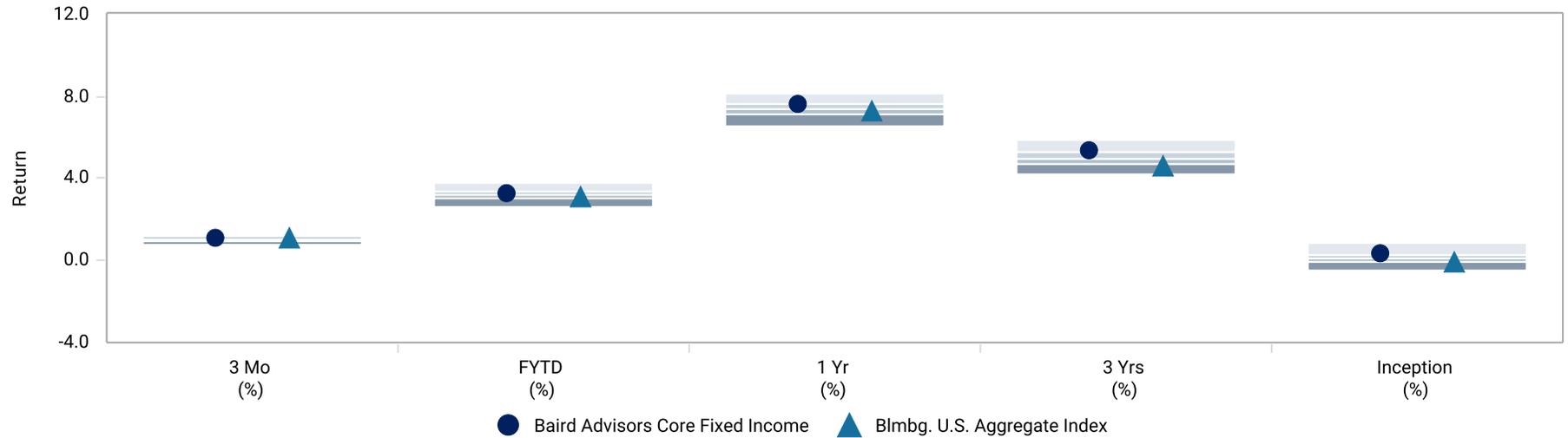


● Income Research & Management ▲ Blmbg. U.S. Aggregate Index

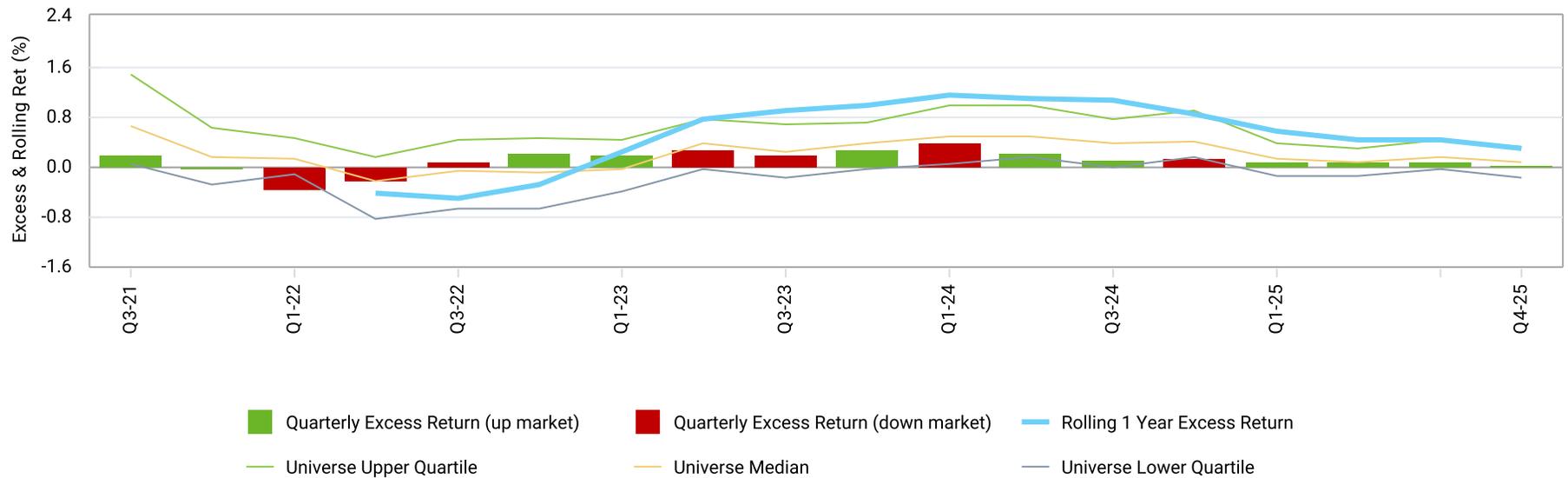


# BAIRD ADVISORS CORE FIXED INCOME

eV US Core Fixed Inc (net of fees)

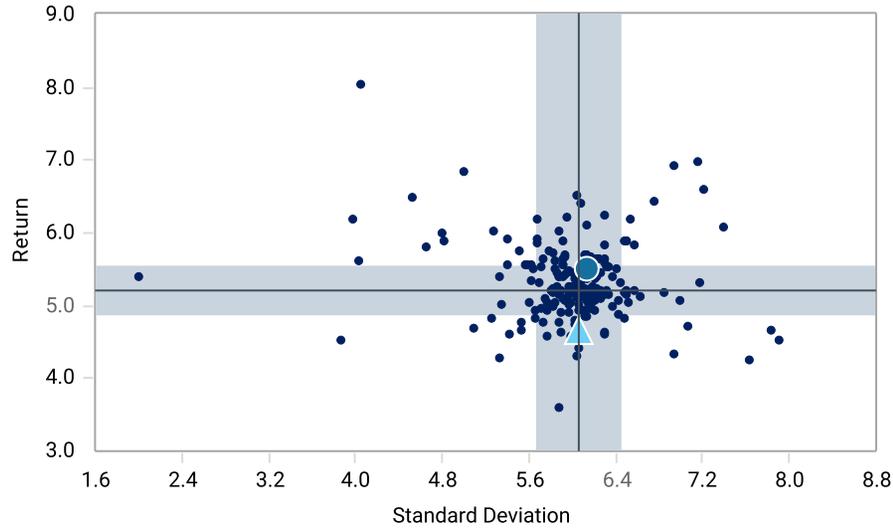


Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025



# BAIRD ADVISORS CORE FIXED INCOME

3 Years Return vs. Standard Deviation

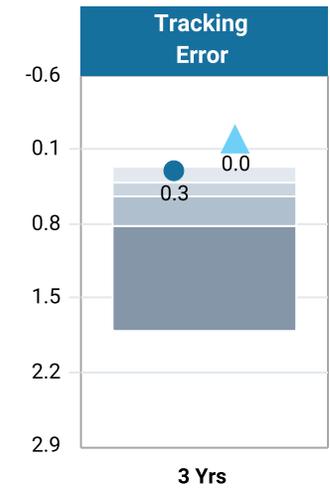
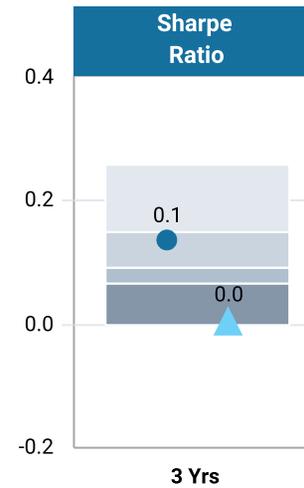
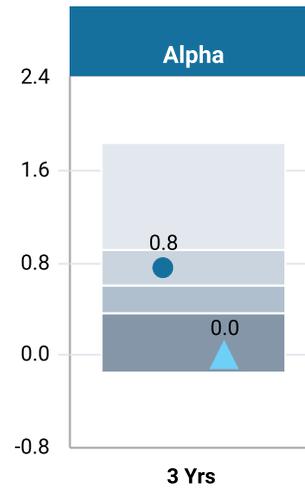
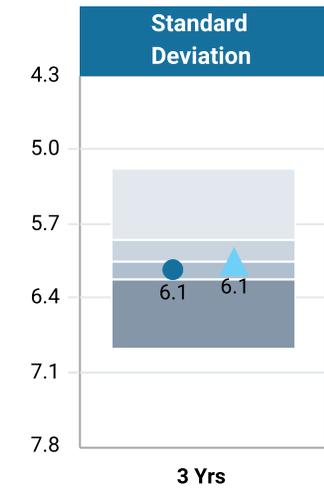
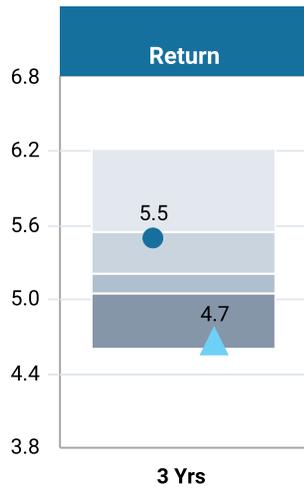


Style Map: (1 Year)

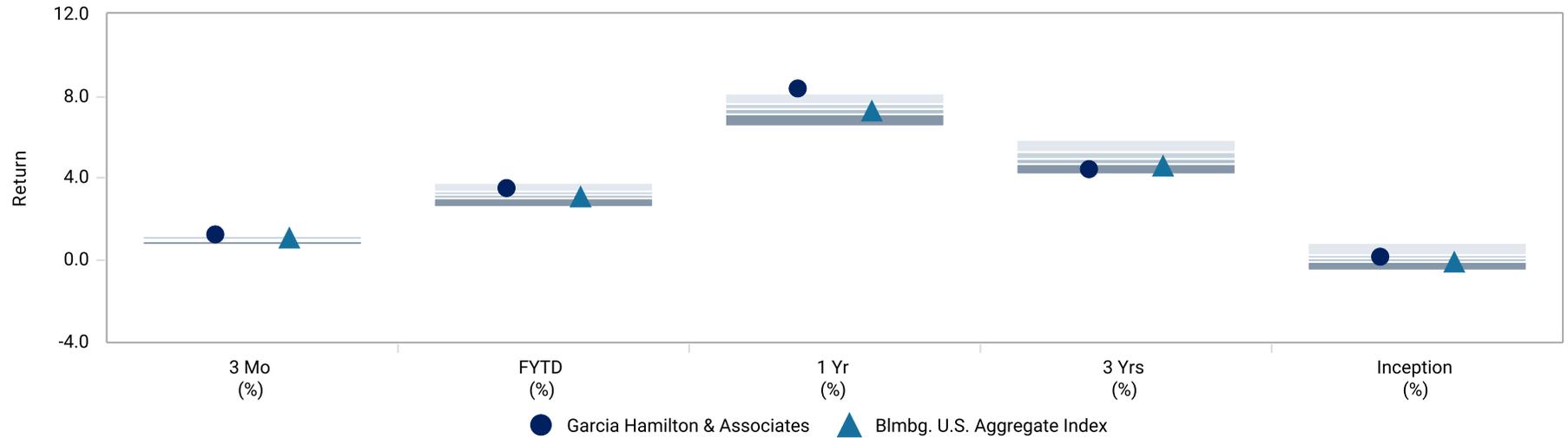


● Baird Advisors Core Fixed Income  
▲ Blmbg. U.S. Aggregate Index

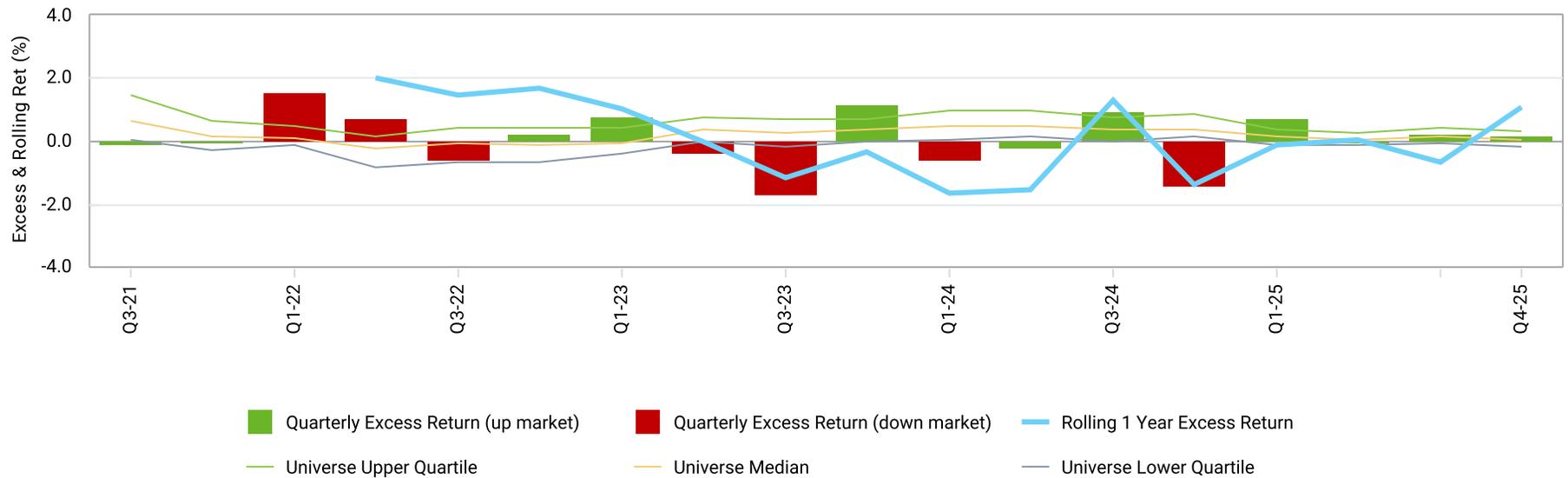
● Baird Advisors Core Fixed Income  
▲ Blmbg. U.S. Aggregate Index



**eV US Core Fixed Inc (net of fees)**



**Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025**

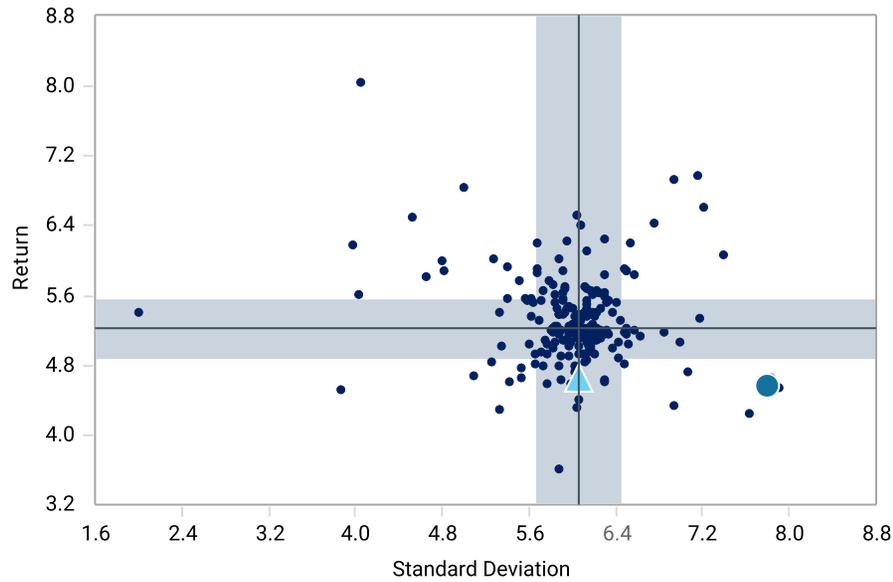


# Los Angeles City Employees' Retirement System-LACERS Master Trust

## GARCIA HAMILTON & ASSOCIATES

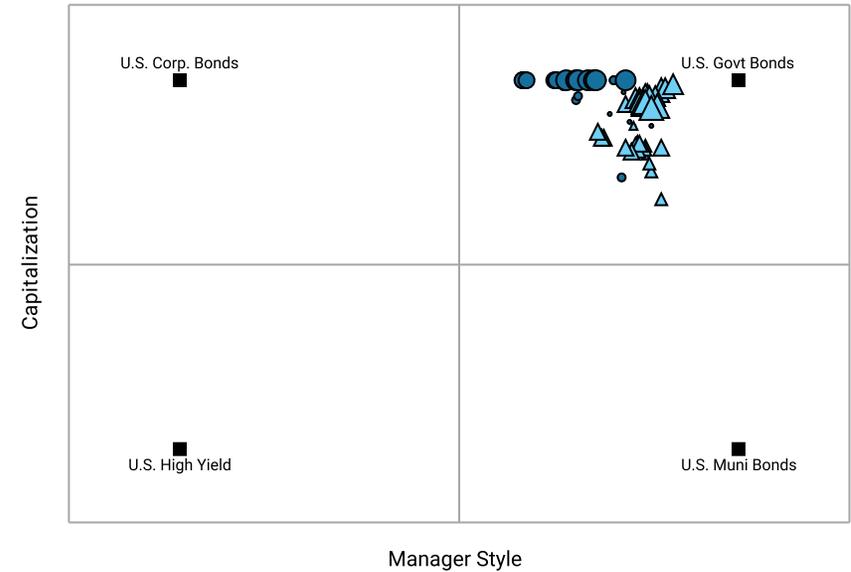
December 31, 2025

3 Years Return vs. Standard Deviation

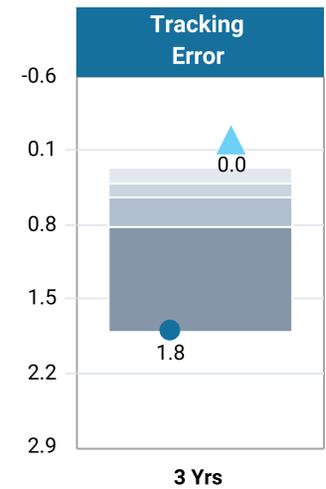
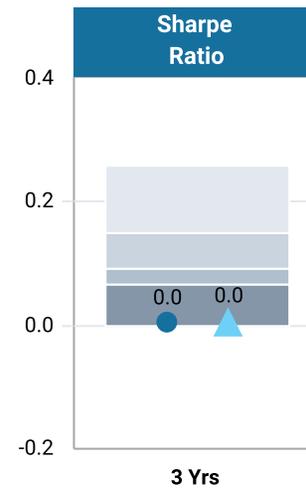
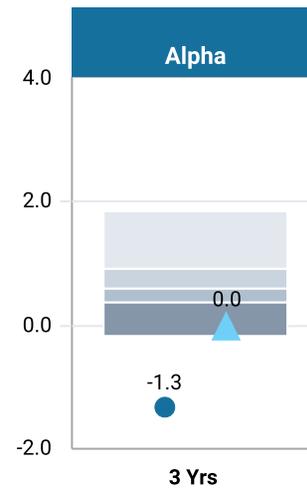
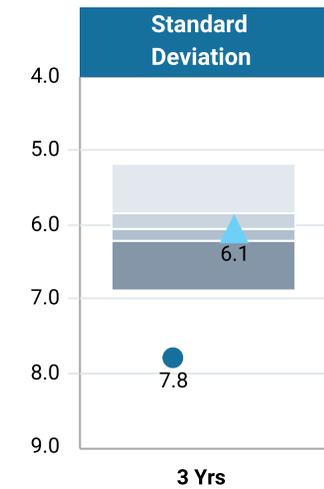
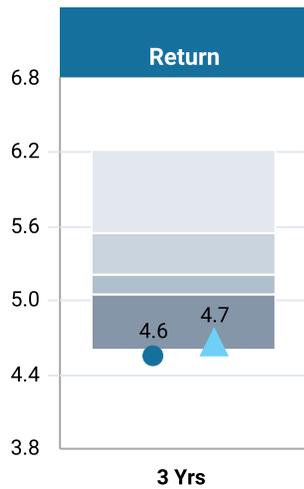


● Garcia Hamilton & Associates ▲ Blmbg. U.S. Aggregate Index

Style Map: (1 Year)



● Garcia Hamilton & Associates ▲ Blmbg. U.S. Aggregate Index

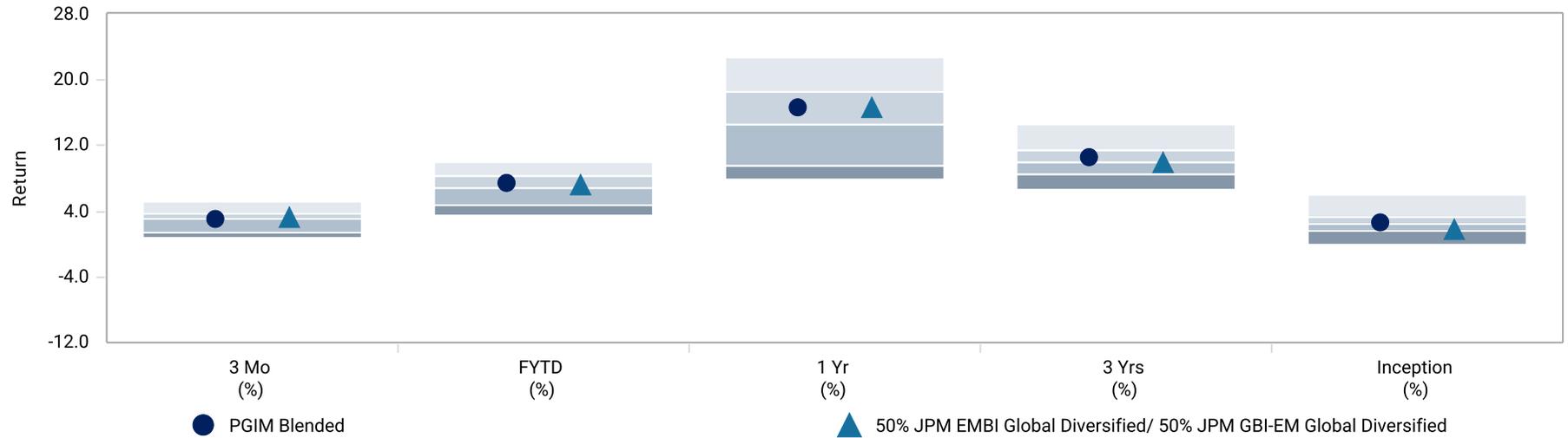




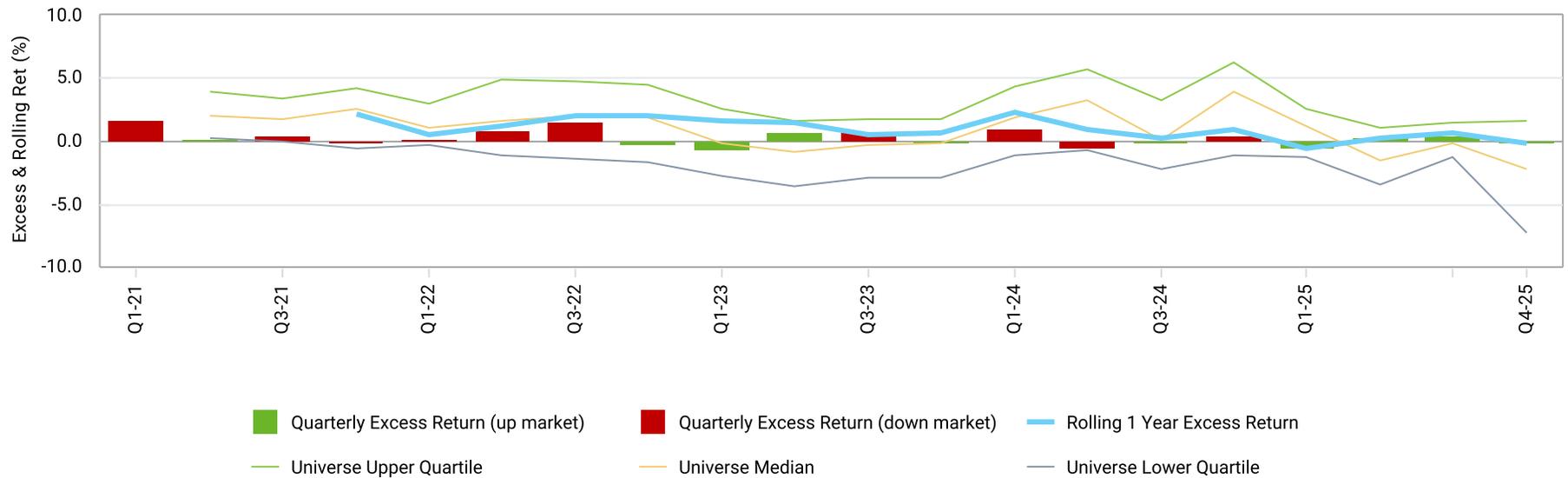
**CREDIT  
OPPORTUNITIES  
MANAGER  
PERFORMANCE**

# PGIM BLENDED

eV All Emg Mkts Fixed Inc (net of fees)

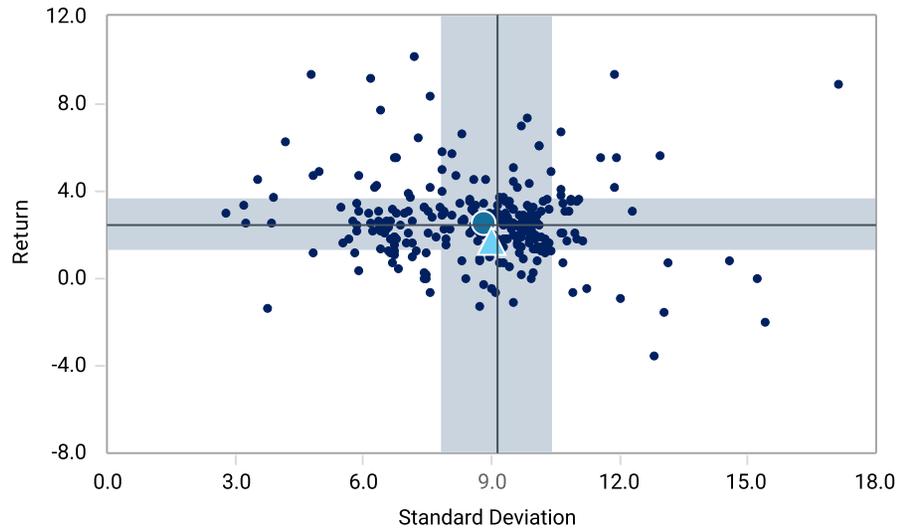


Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025



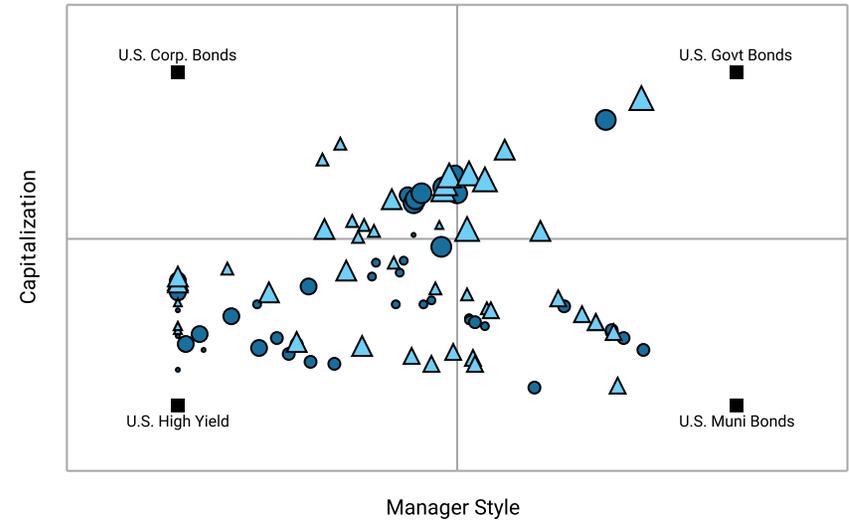
# PGIM BLENDED

Since Inception Return vs. Standard Deviation

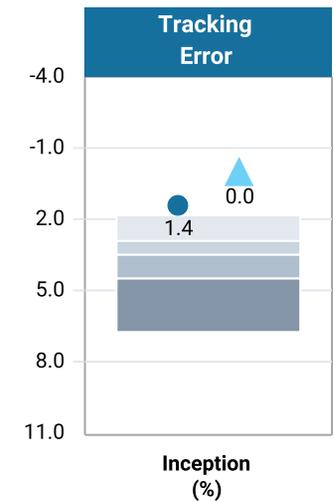
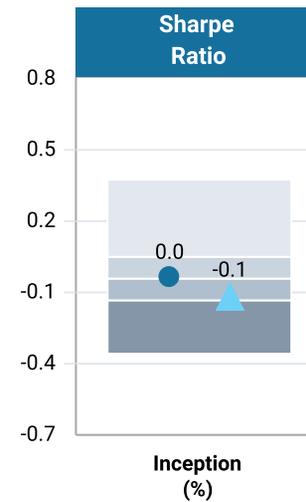
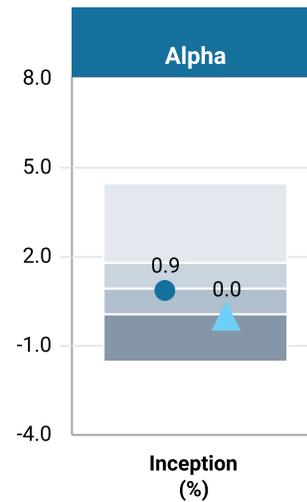
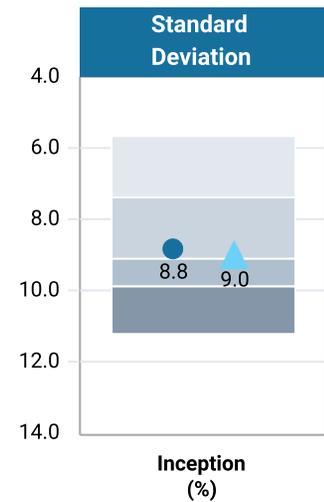
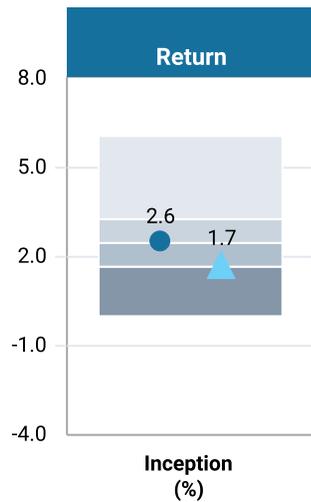


- PGIM Blended
- ▲ 50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified

Style Map: (1 Year)

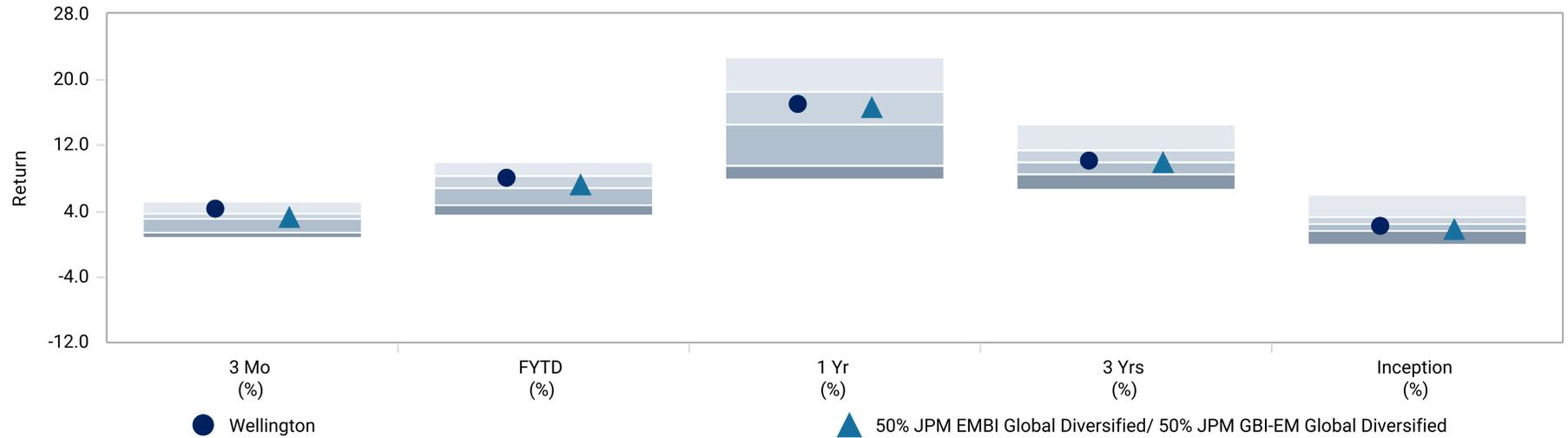


- PGIM Blended
- ▲ 50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified

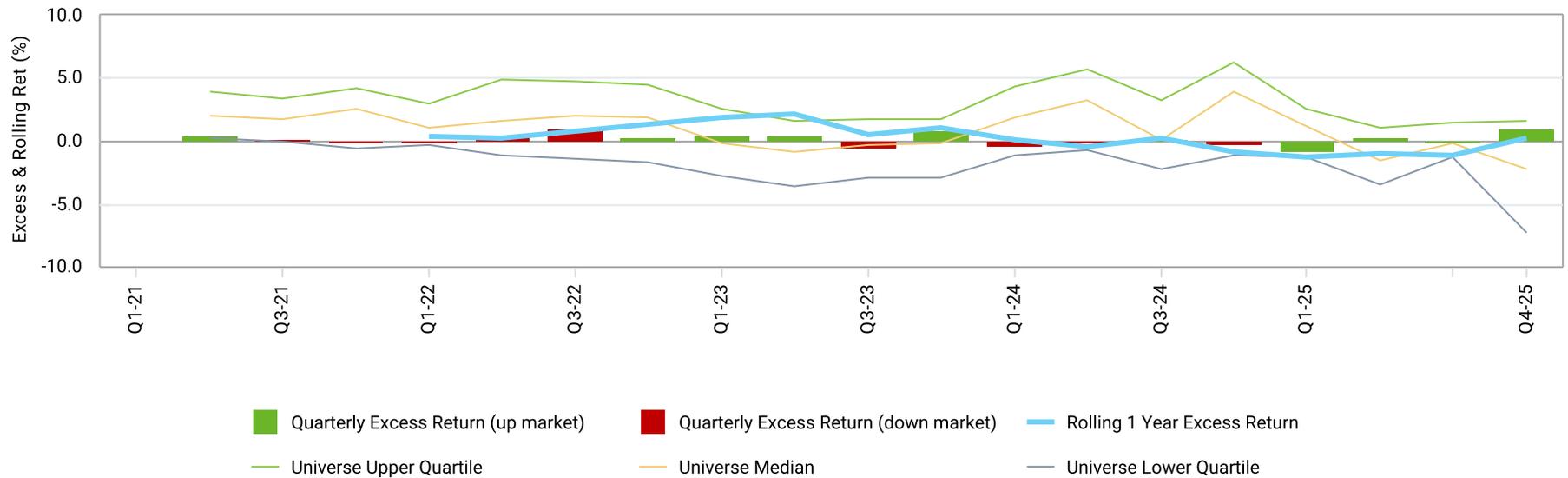


# WELLINGTON

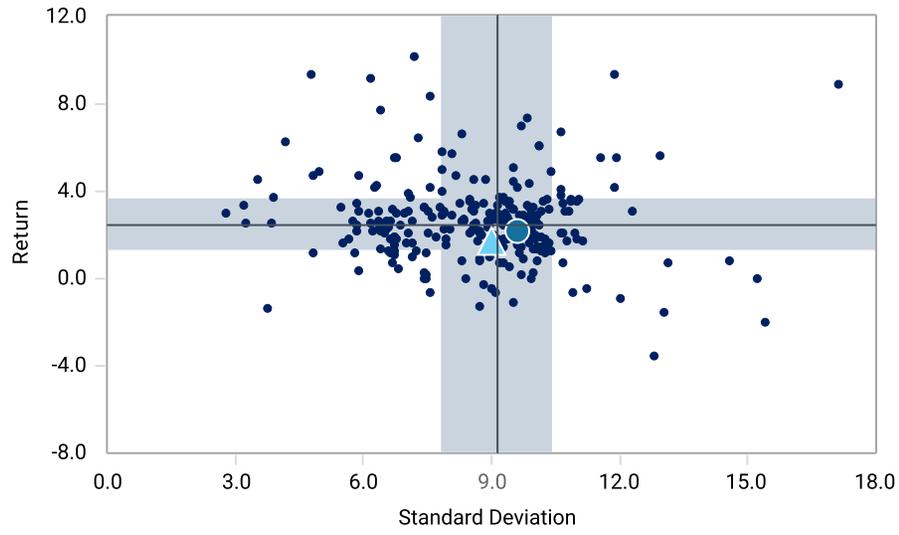
## eV All Emg Mkts Fixed Inc (net of fees)



## Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025



Since Inception Return vs. Standard Deviation

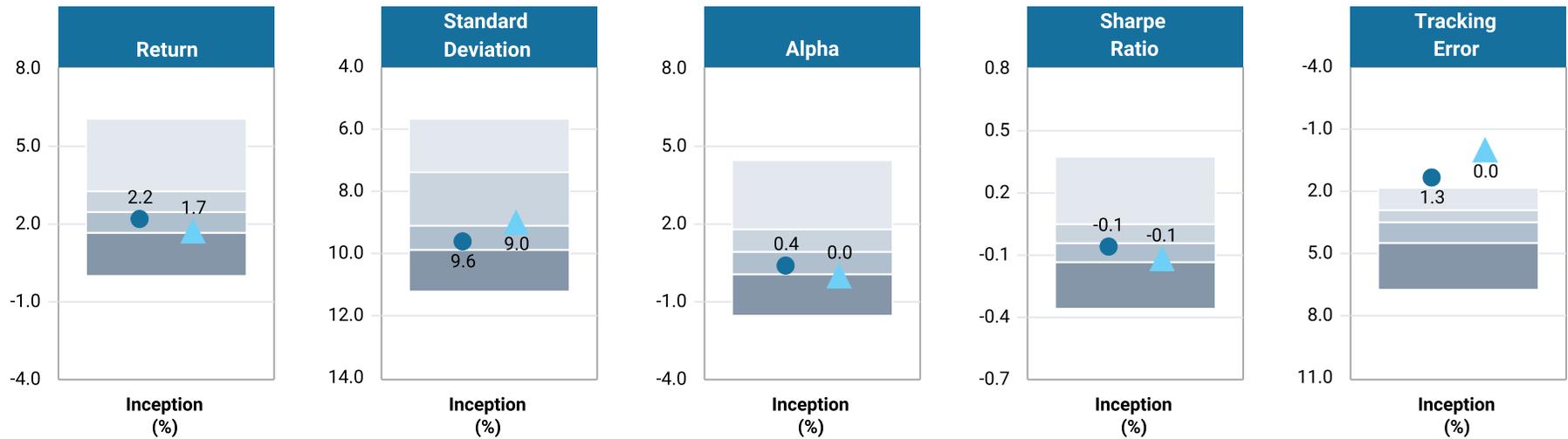


- Wellington
- ▲ 50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified

Style Map: (1 Year)

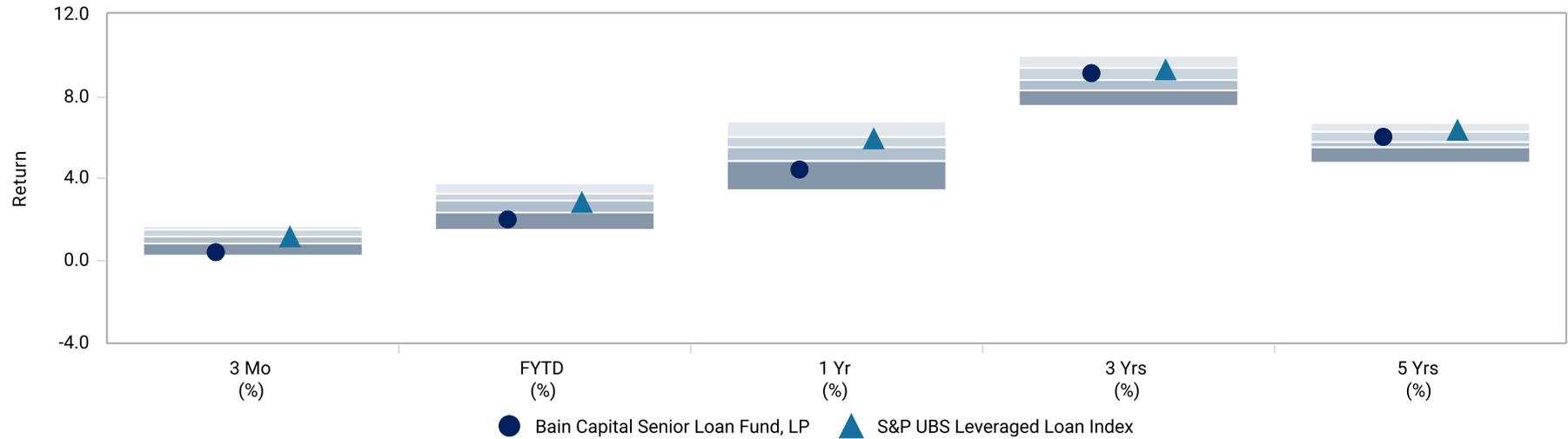


- Wellington
- ▲ 50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified

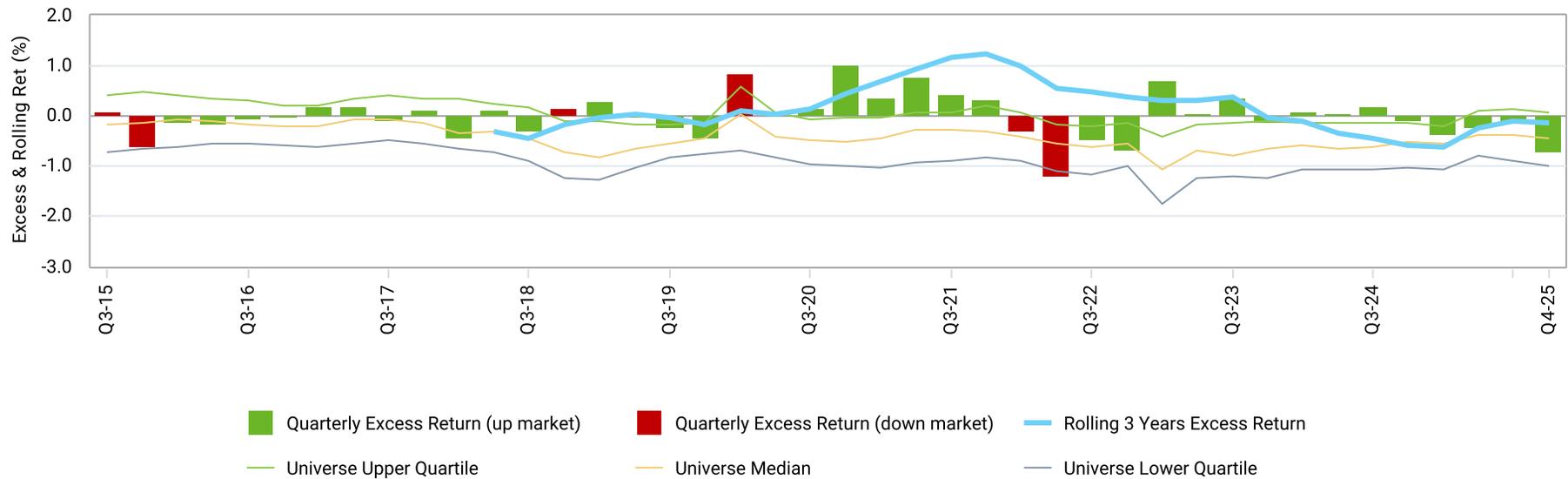


# BAIN CAPITAL SENIOR LOAN FUND, LP

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

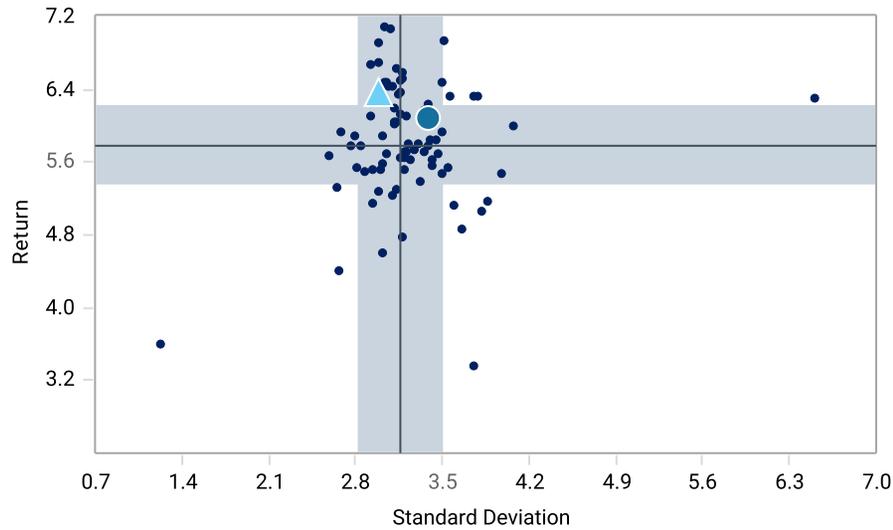


## Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025

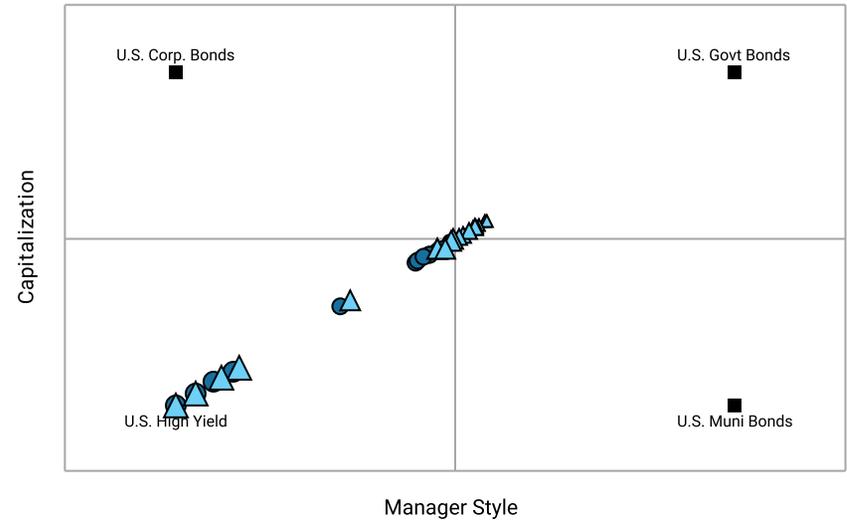


# BAIN CAPITAL SENIOR LOAN FUND, LP

5 Years Return vs. Standard Deviation

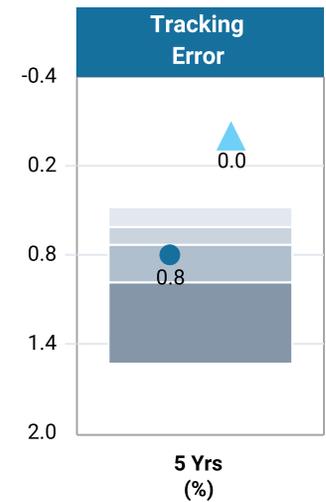
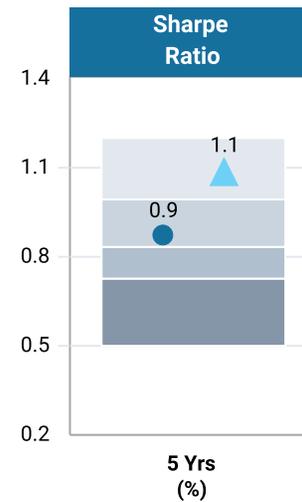
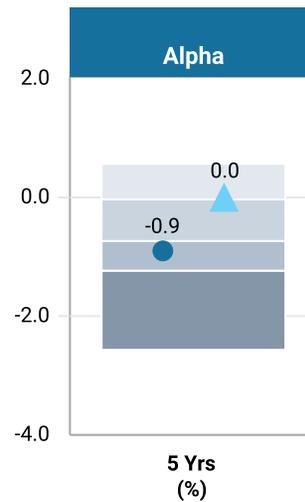
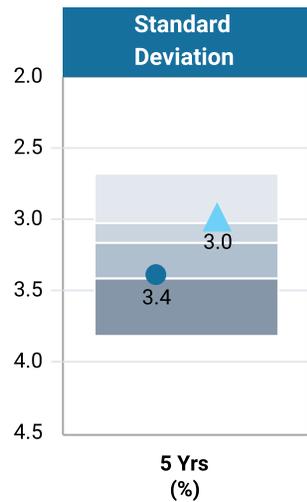
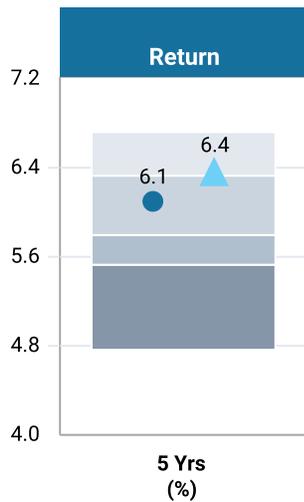


Style Map: (3 Years)



● Bain Capital Senior Loan Fund, LP  
▲ S&P UBS Leveraged Loan Index

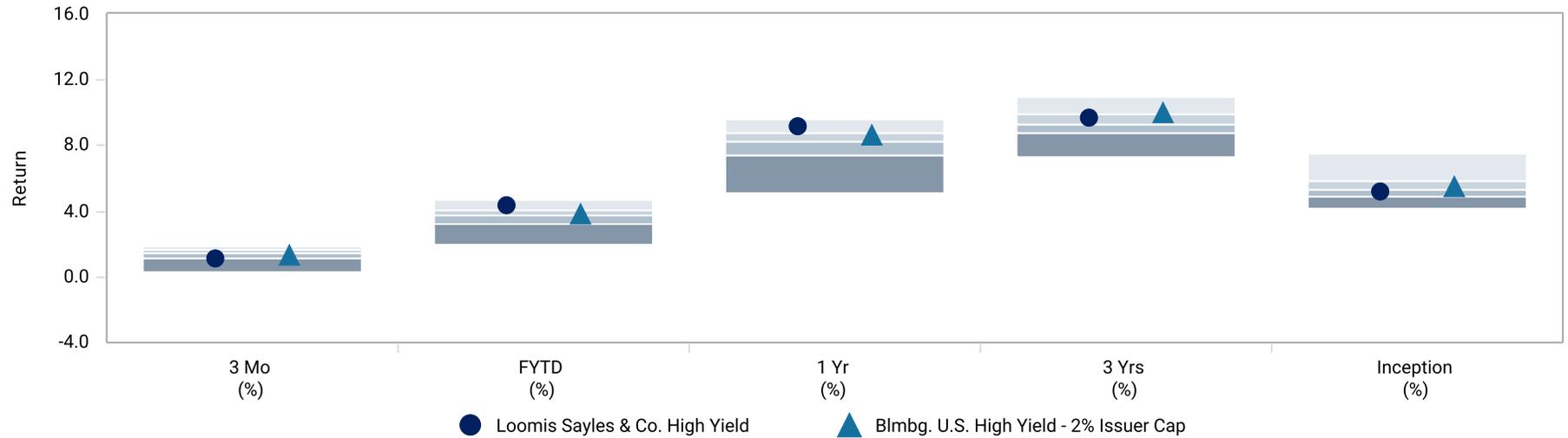
● Bain Capital Senior Loan Fund, LP  
▲ S&P UBS Leveraged Loan Index



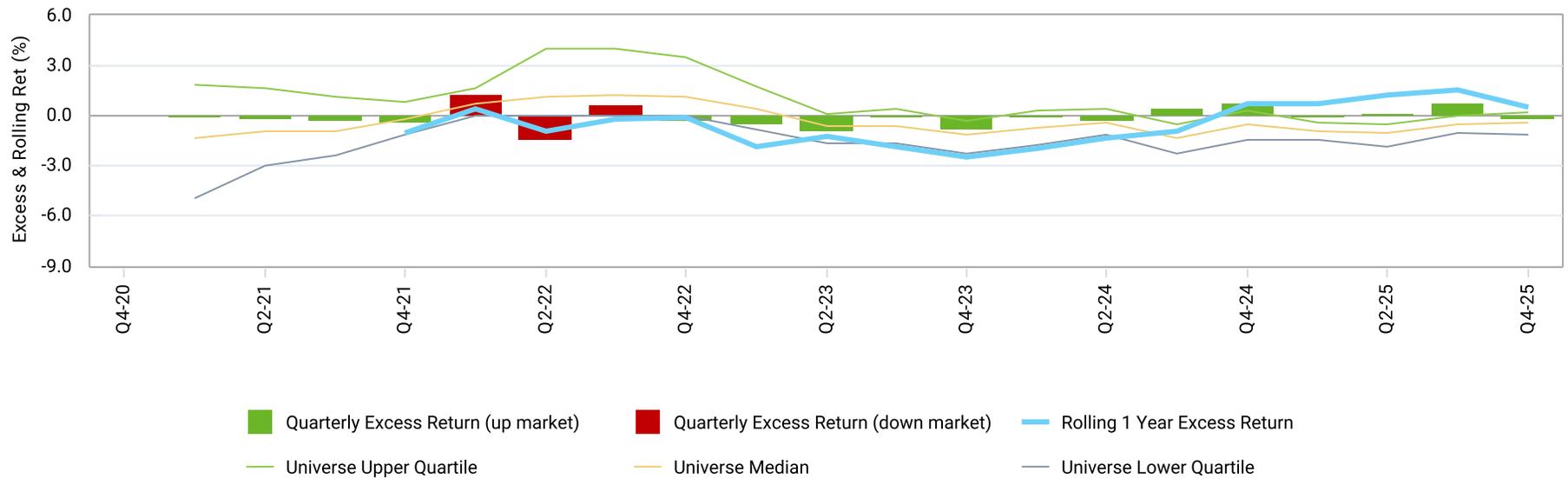
Los Angeles City Employees' Retirement System-LACERS Master Trust  
**LOOMIS SAYLES & CO. HIGH YIELD**

December 31, 2025

**eV US High Yield Fixed Inc (net of fees)**



**Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025**

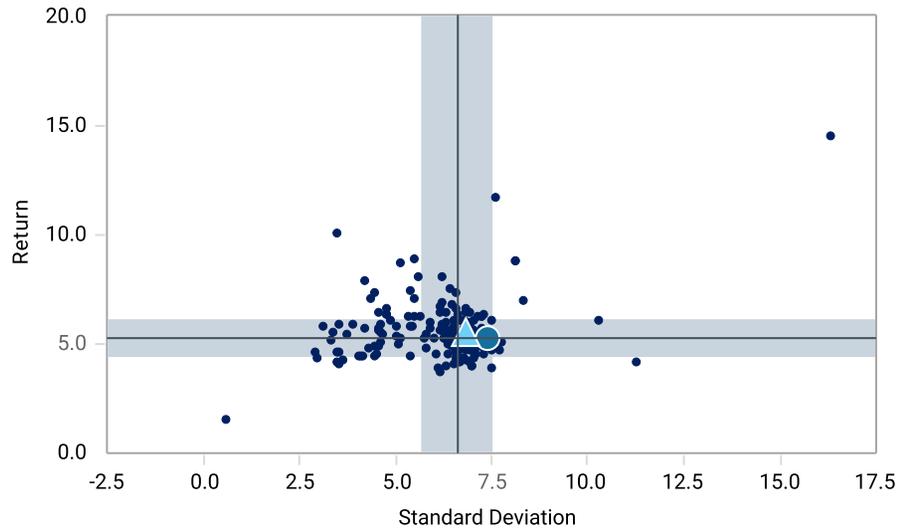


# Los Angeles City Employees' Retirement System-LACERS Master Trust

## LOOMIS SAYLES & CO. HIGH YIELD

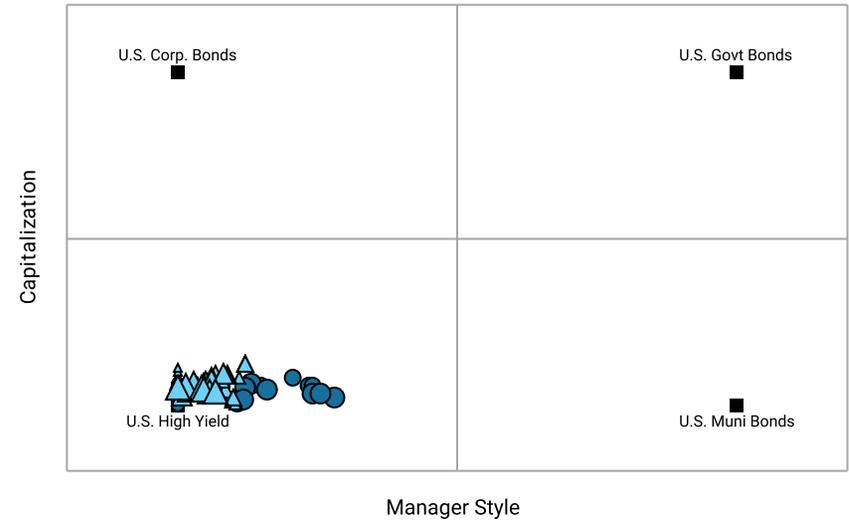
December 31, 2025

Since Inception Return vs. Standard Deviation

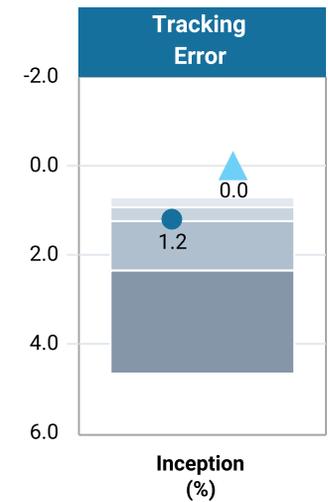
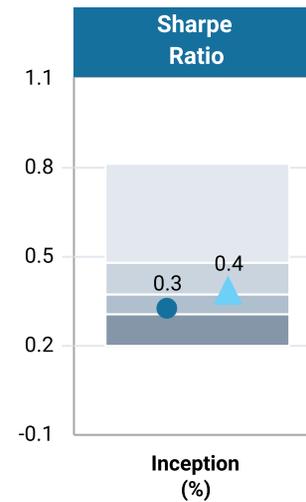
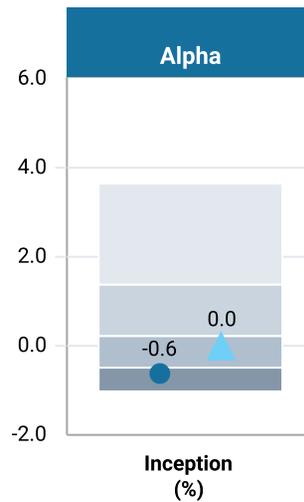
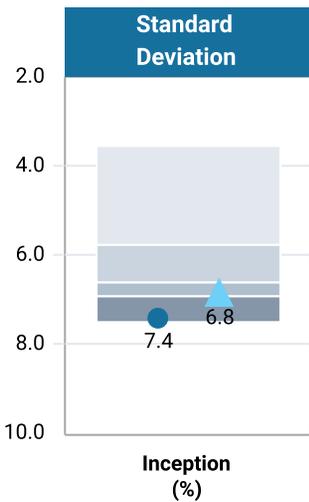
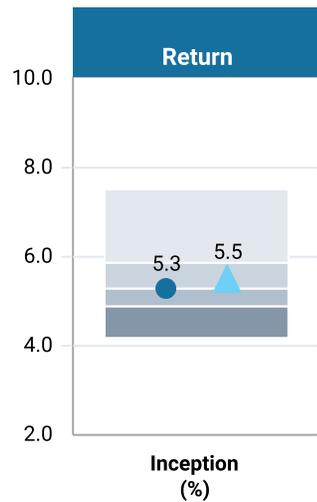


- Loomis Sayles & Co. High Yield
- ▲ Blmbg. U.S. High Yield - 2% Issuer Cap

Style Map: (1 Year)

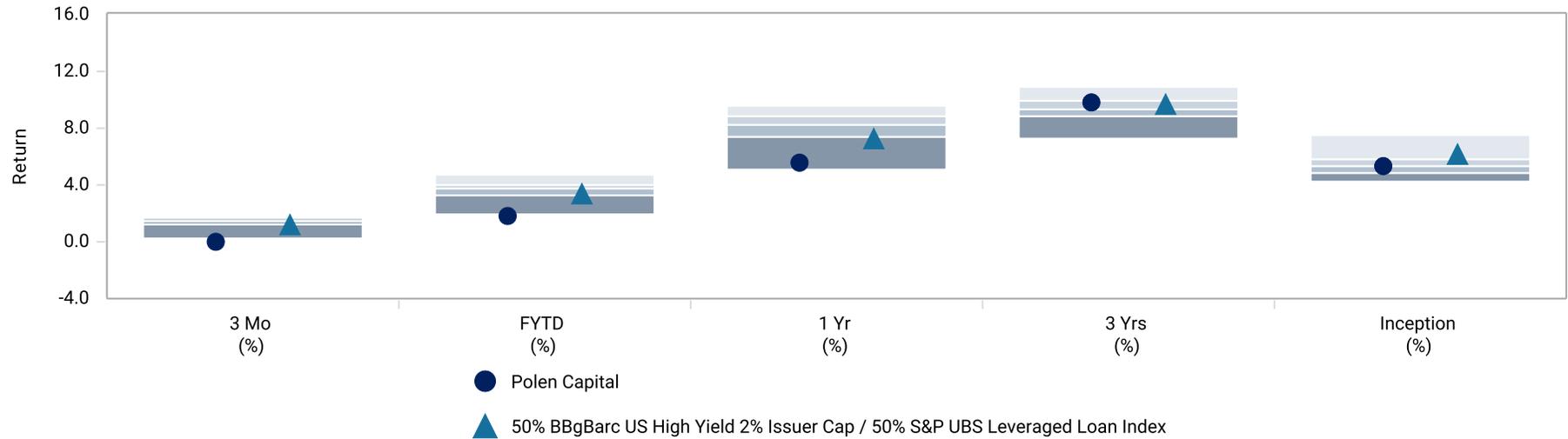


- Loomis Sayles & Co. High Yield
- ▲ Blmbg. U.S. High Yield - 2% Issuer Cap

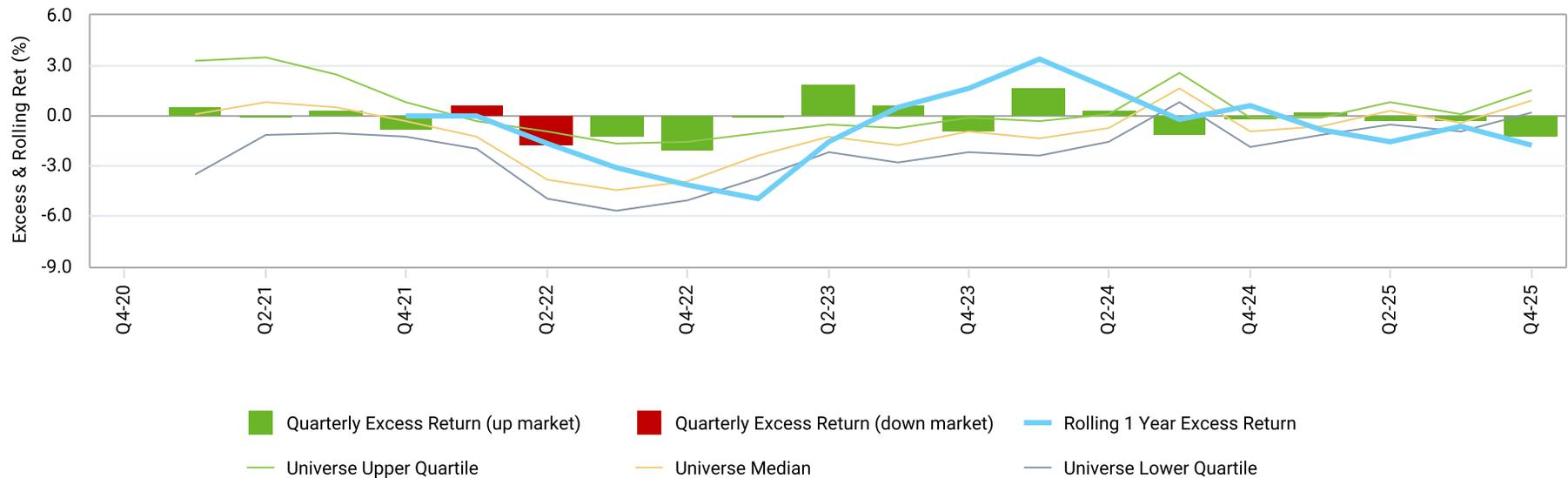


# POLEN CAPITAL

## eV US High Yield Fixed Inc (net of fees)

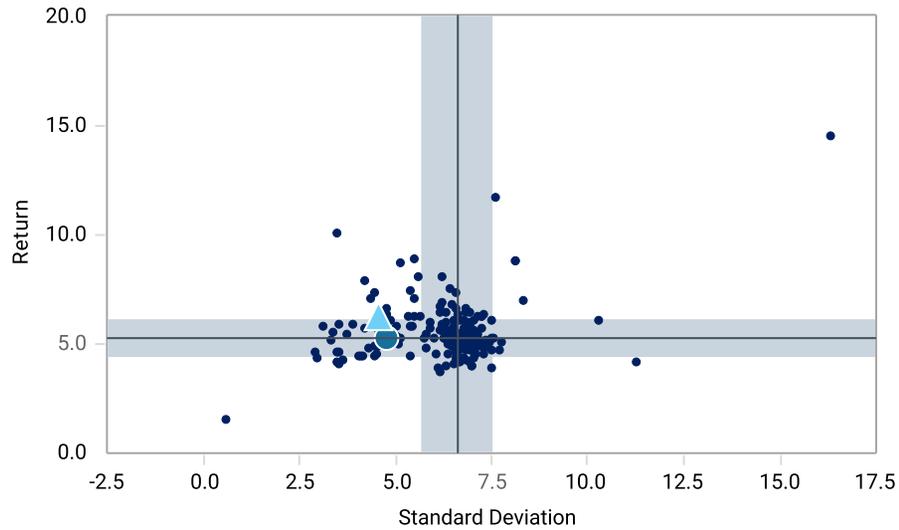


## Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2025



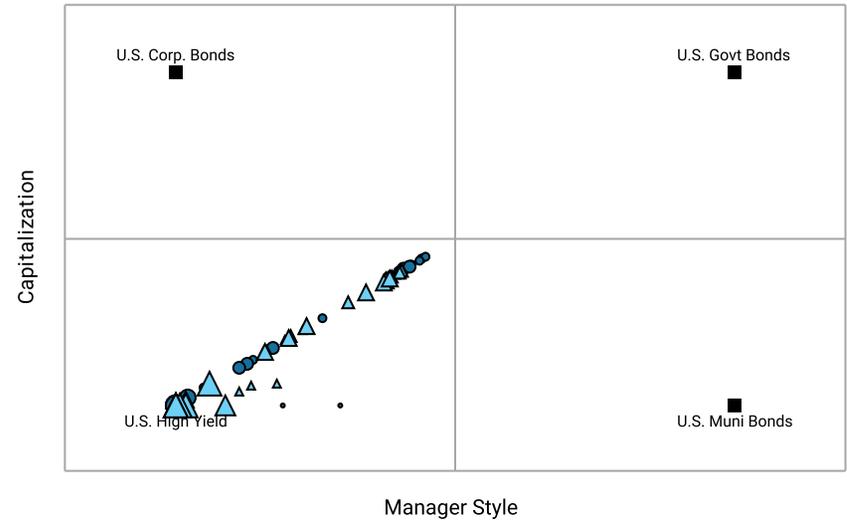
# POLEN CAPITAL

Since Inception Return vs. Standard Deviation

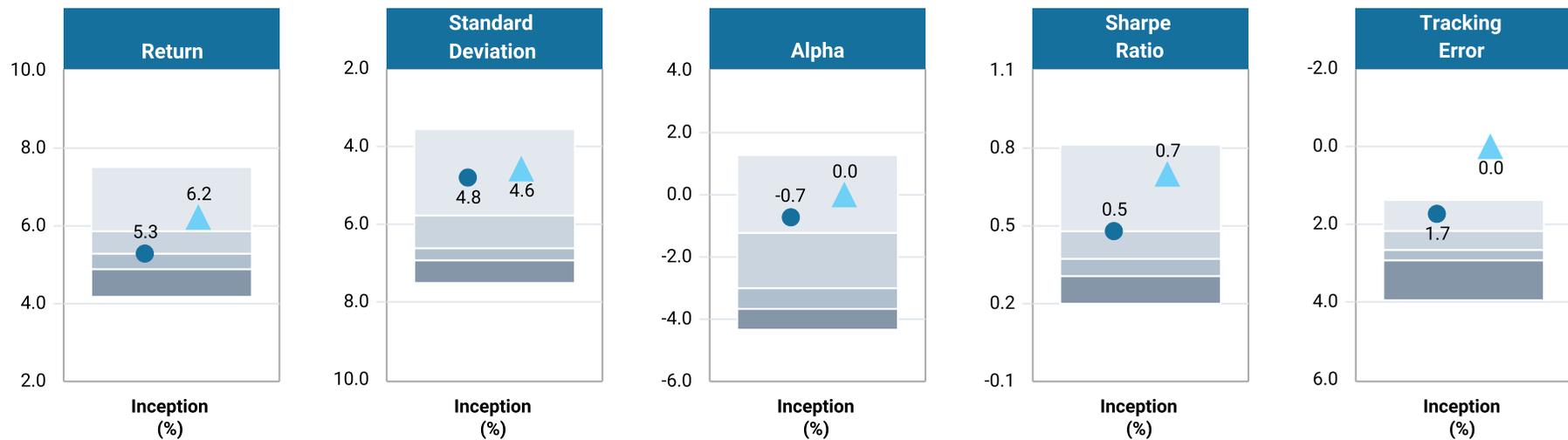


- Polen Capital
- ▲ 50% BBgBarc US High Yield 2% Issuer Cap / 50% S&P UBS Leveraged Loan Ind

Style Map: (1 Year)



- Polen Capital
- ▲ 50% BBgBarc US High Yield 2% Issuer Cap / 50% S&P UBS Leveraged Loan Ind

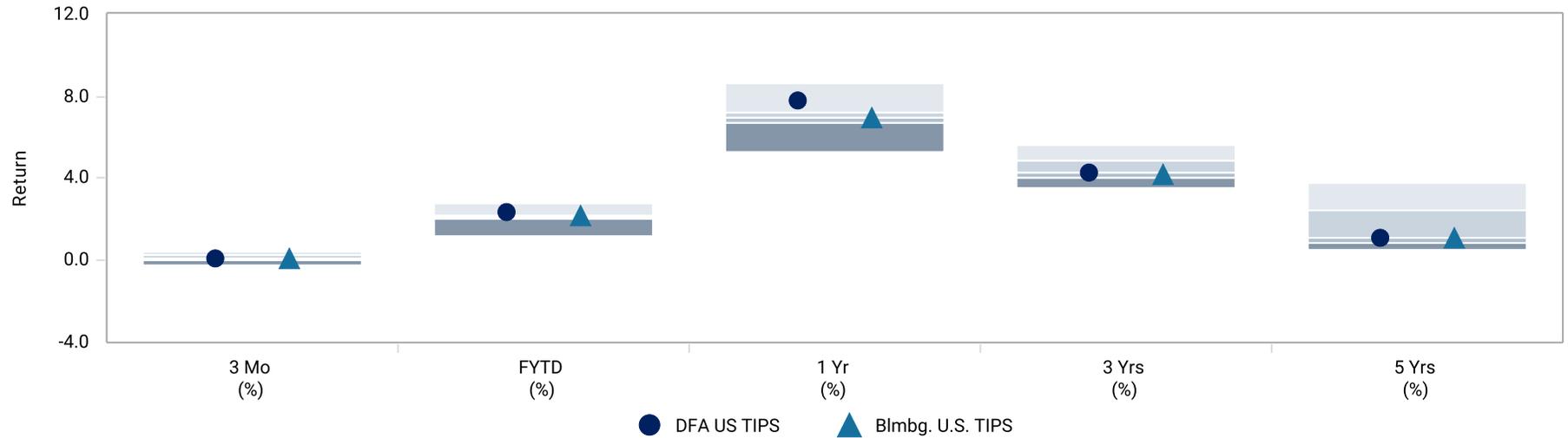




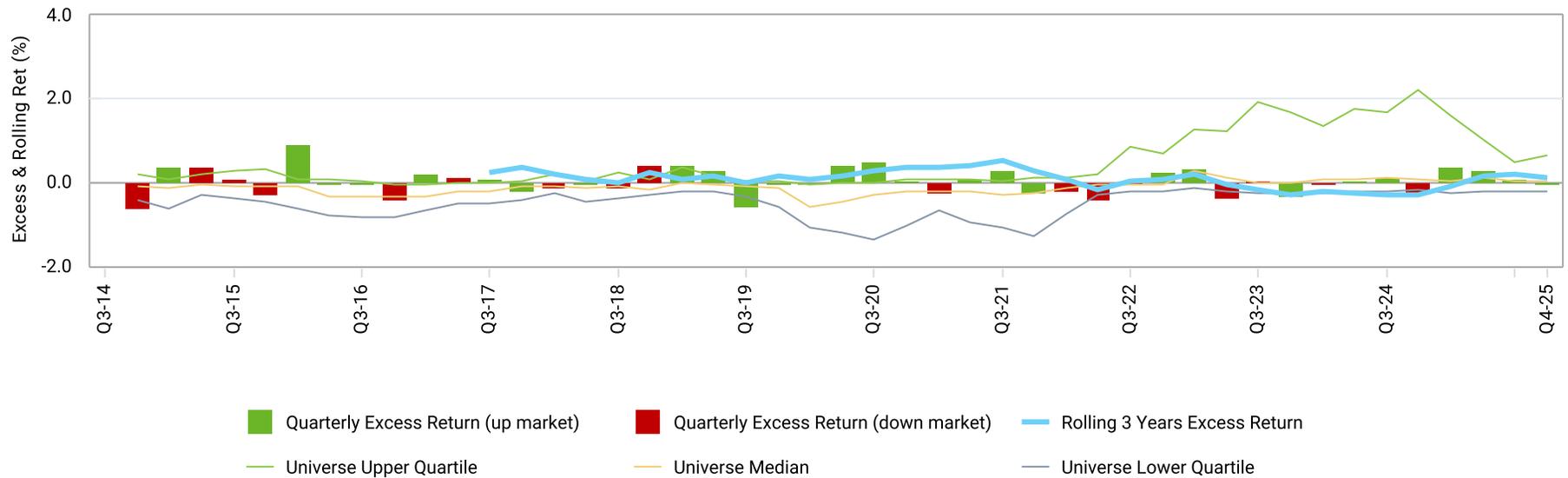
# REAL ASSETS MANAGER PERFORMANCE

# DFA US TIPS

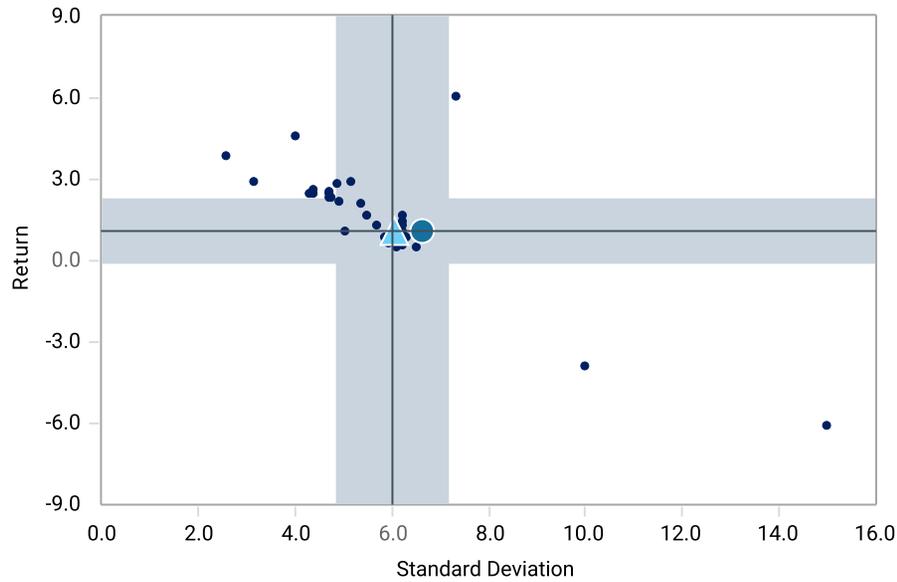
eV US TIPS / Inflation Fixed Inc (net of fees)



Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025



5 Years Return vs. Standard Deviation

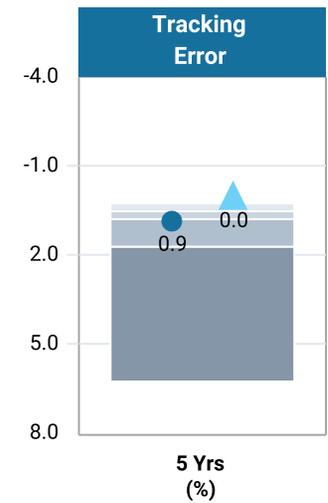
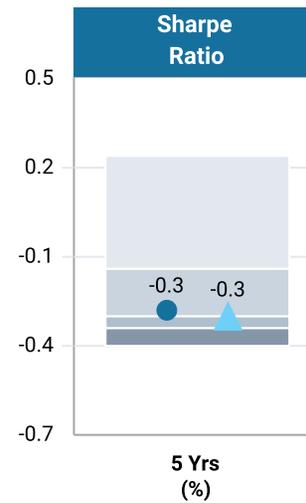
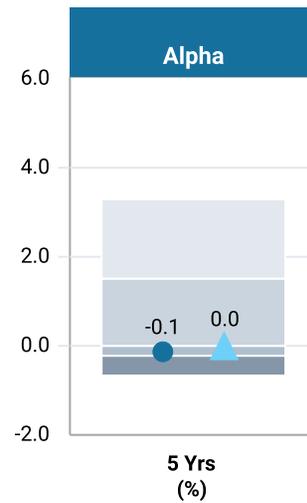
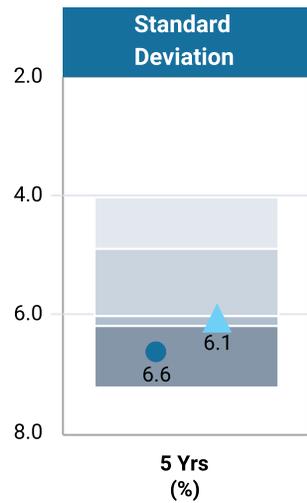
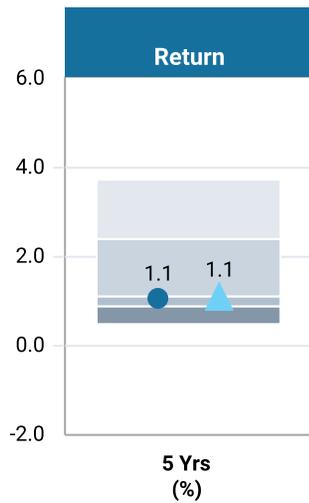


Style Map: (5 Years)

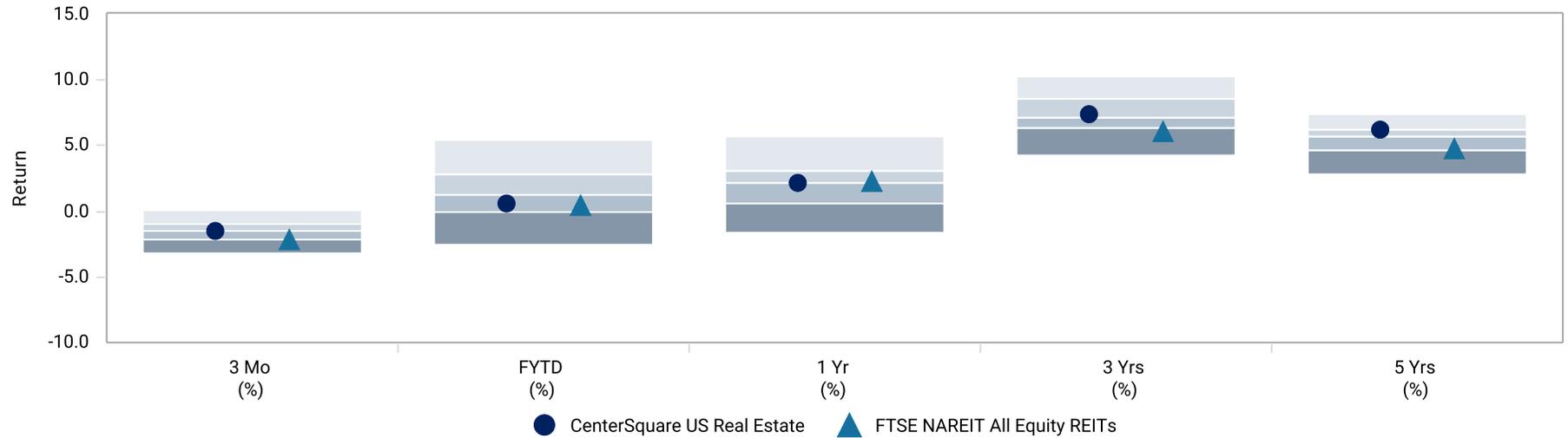


● DFA US TIPS    ▲ Blmbg. U.S. TIPS

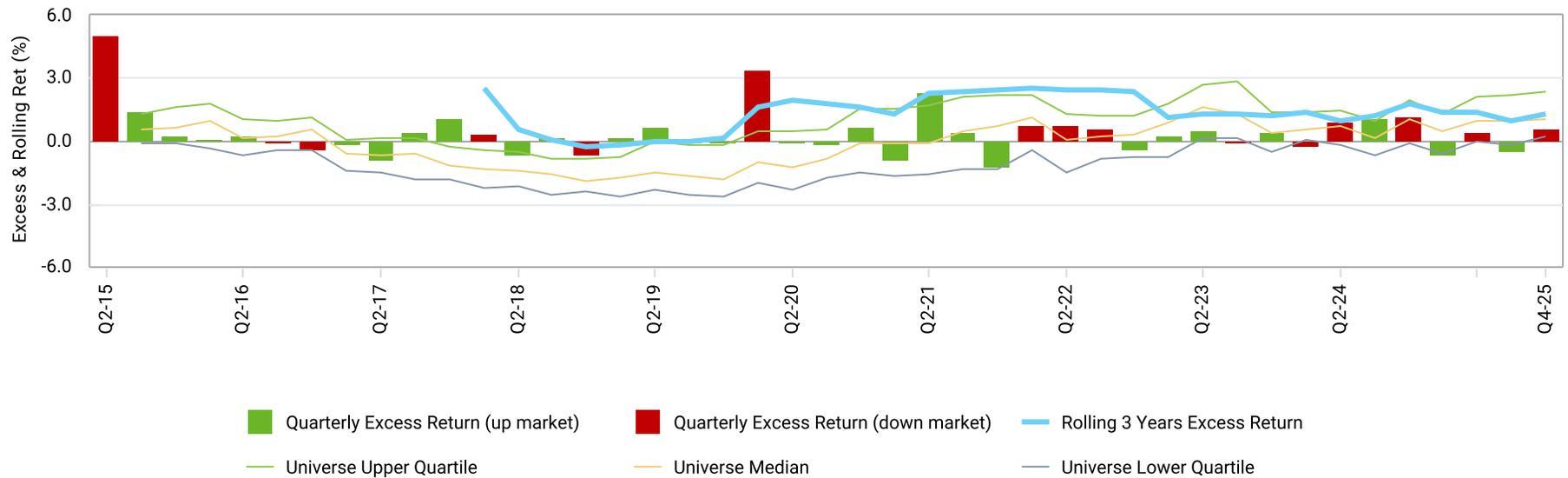
● DFA US TIPS    ▲ Blmbg. U.S. TIPS



**eV US REIT (net of fees)**



**Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending December 31, 2025**

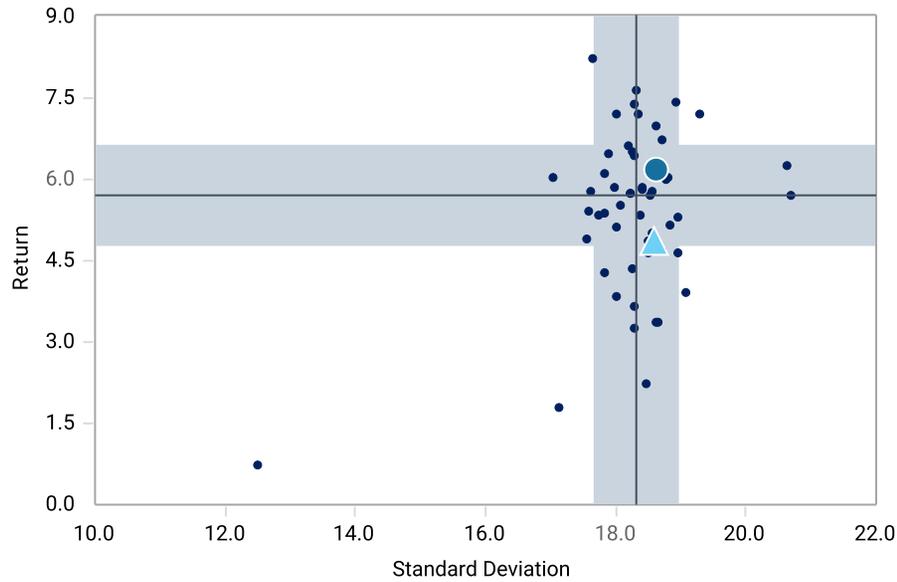


# Los Angeles City Employees' Retirement System-LACERS Master Trust

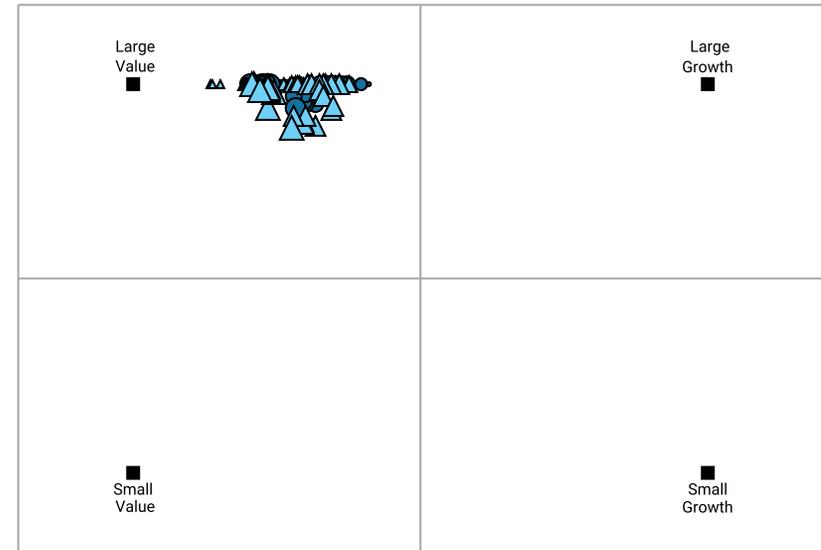
## CENTERSQUARE US REAL ESTATE

December 31, 2025

5 Years Return vs. Standard Deviation

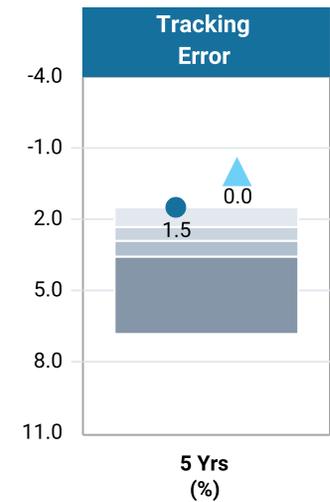
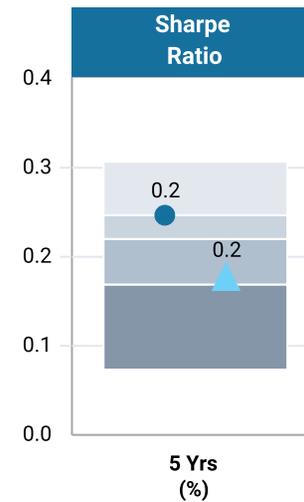
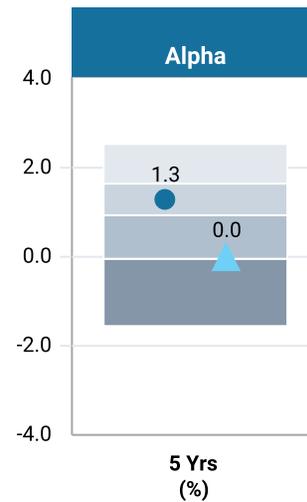
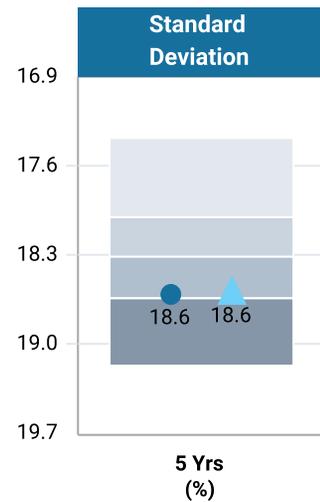
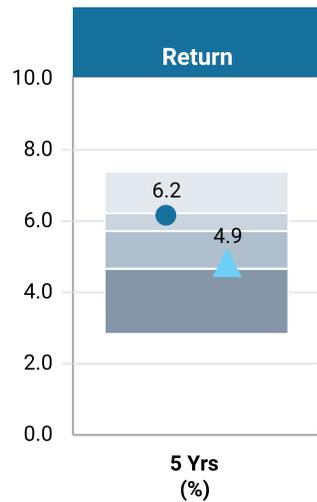


Rolling 5 Years Style Map



● CenterSquare US Real Estate ▲ FTSE NAREIT All Equity REITs

● CenterSquare US Real Estate ▲ FTSE NAREIT All Equity REITs



# MARKET ENVIRONMENT (QUARTER-END)

# 2025 CAPITAL MARKETS OVERVIEW

**The U.S. economy remained steady in the face of heightened policy uncertainty** as AI-related spending and a resilient consumer supported economic growth

**Labor market dynamics and tariff-related inflation uncertainties delayed rate cuts relative to expectations** forcing investors to recalibrate pricing for monetary policy

**Despite weak sentiment, risk asset returns were robust** with the mega-cap names in the U.S. able to deliver on lofty revenue and earnings growth expectations

**Non-U.S. equity markets outperformed** as investor flows shifted overseas while U.S. Dollar weakness supported returns

**2025 was a favorable environment for real assets** amid resilient global economic growth and heightened geopolitical uncertainty that supported prices

# 2025 DIDN'T FOLLOW A LINEAR STORY LINE



	Q1	Q2	Q3	Q4
<p>DeepSeek news temporarily disrupted the AI narrative in the U.S.</p> <p>S&amp;P falls into correction territory on trade policy concerns</p>	<p>Liberation Day tariff announcements roil markets: S&amp;P posts worst week since March 2020 as VIX spikes above 60, while 10Y Treasury yield adds 46 bps</p>	<p>One Big Beautiful Bill passes, reigniting concerns over debt levels</p> <p>The U.S. publishes its first negative monthly jobs report since 2020</p>	<p>Nvidia reaches \$5 trillion market capitalization</p> <p>The U.S. government shuts down for 43 days – the longest closure in history</p>	

S&P 500  
Total Return:

**-4.3%**

**+10.9%**

**+8.1%**

**+2.7%**

10Y Treasury  
Yield Range:

4.15%-4.79%

4.01%-4.58%

4.02%-4.48%

3.95%-4.18%

End of 2025 Fed  
Funds Estimate  
Range:

3.7%-4.0%

3.4%-3.9%

3.7%-4.0%

3.75

Note: Q4 data as of December 31, 2025. Fed Funds estimate range calculated using end of month Fed Funds futures estimates.

Sources: S&P, FactSet, NEPC



# A TALE OF TARIFFS: S&P 500 DAILY INDEX PRICE

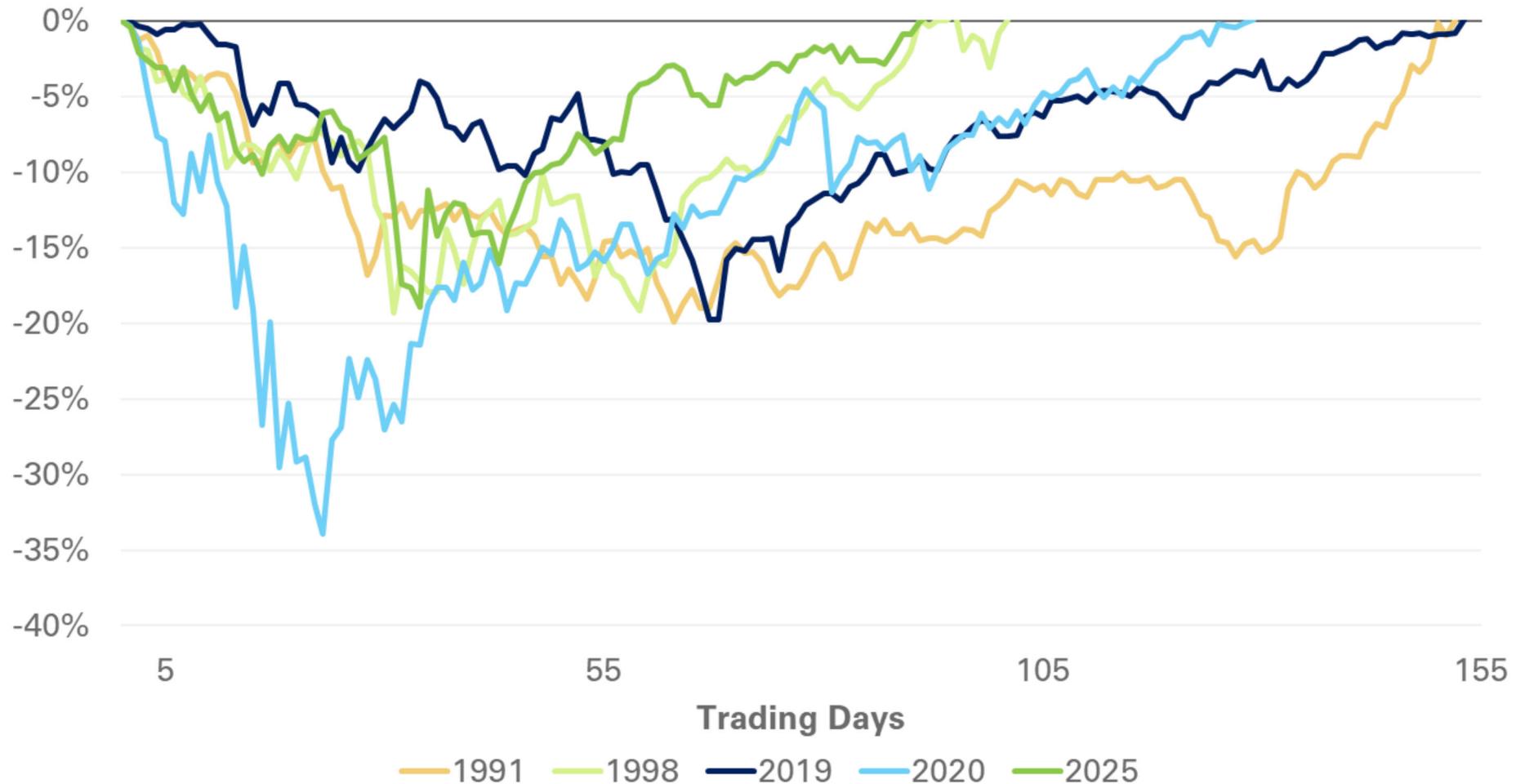
## S&P 500 2025 INDEX PRICE PATH



Sources: S&P, FactSet

# STOCKS RESET QUICKLY FROM APRIL CORRECTION

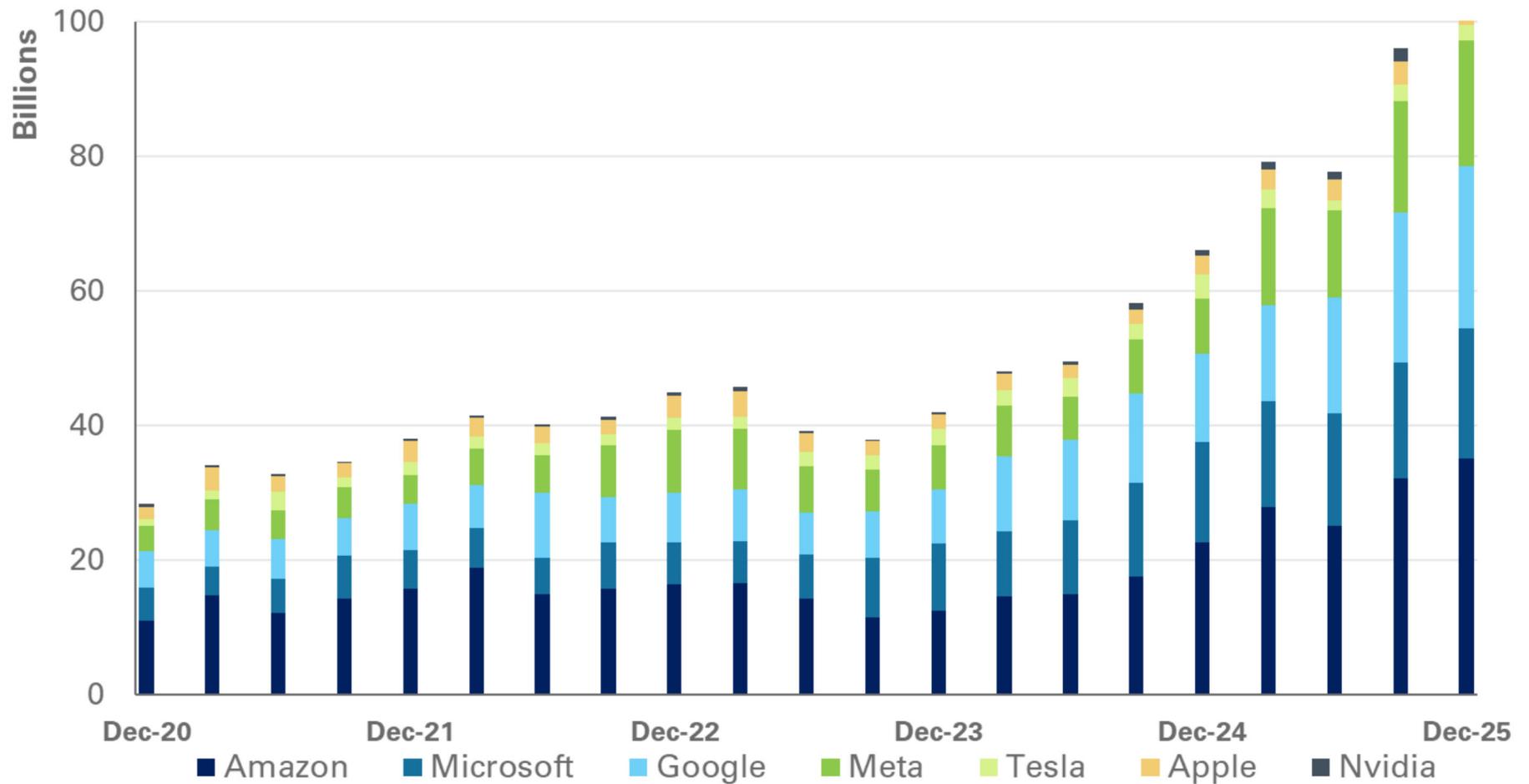
S&P 500 RECOVERIES TO RECORDS AFTER A DECLINE OF 15%+



Sources: S&P, FactSet, NEPC

# A.I. CAPEX RAMPED UP MEANINGFULLY IN 2025

## TOTAL QUARTERLY CAPITAL EXPENDITURES



Source: FactSet

# MARKET CONCENTRATION INCREASED

MAGNIFICENT 7 TOTAL WEIGHT IN THE S&P 500 INDEX



Sources: S&P, FactSet

# GROWTH & VALUE EXPOSURE BENEFITTED PORTFOLIOS

R1000 GROWTH – R1000 VALUE PERFORMANCE DIFFERENTIAL

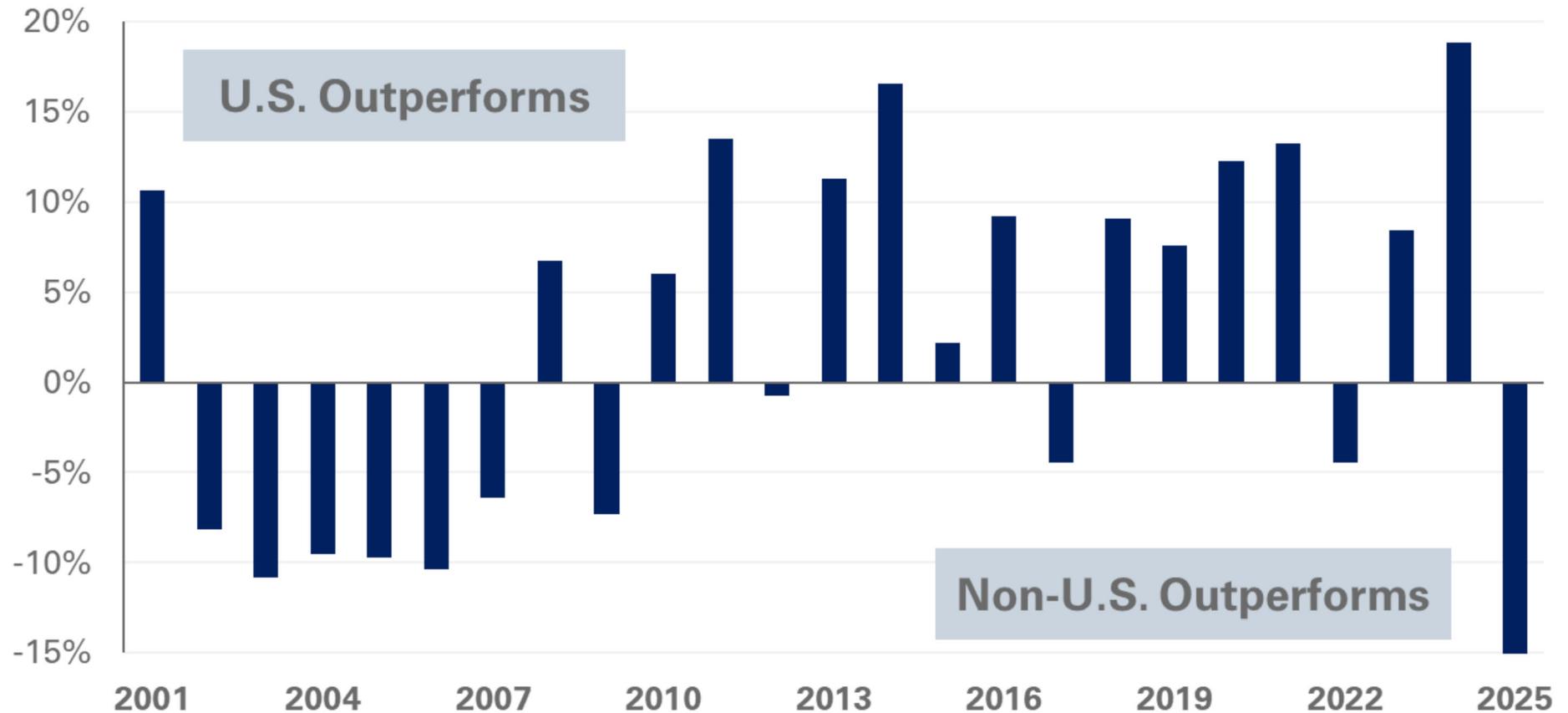


Note: Chart data reflects year-to-date rolling performance differential of the Russell 1000 Growth Index minus the Russell 1000 Value Index  
Sources: Russell, FactSet, NEPC



# NON-U.S. OUTPACED U.S. MARKETS IN 2025

ANNUAL PERFORMANCE DIFFERENTIAL: MSCI USA IMI MINUS MSCI WORLD EX-USA IMI

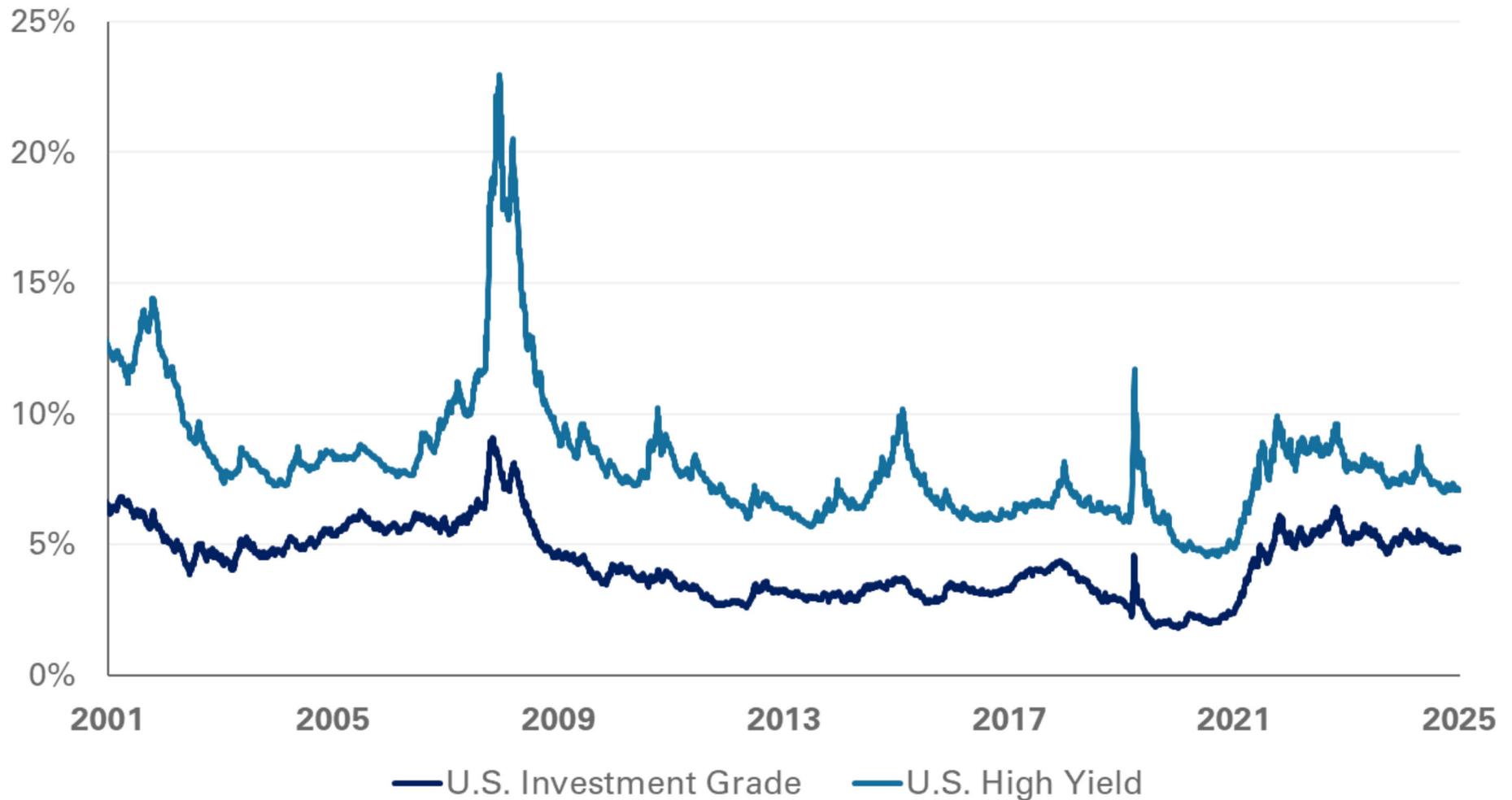


Note: Data reflects annual performance differential calculated as MSCI USA IMI performance minus MSCI World Ex-USA IMI. Returns in USD.  
Sources: FactSet, MSCI



# CREDIT SPREADS WERE UNBOTHERED

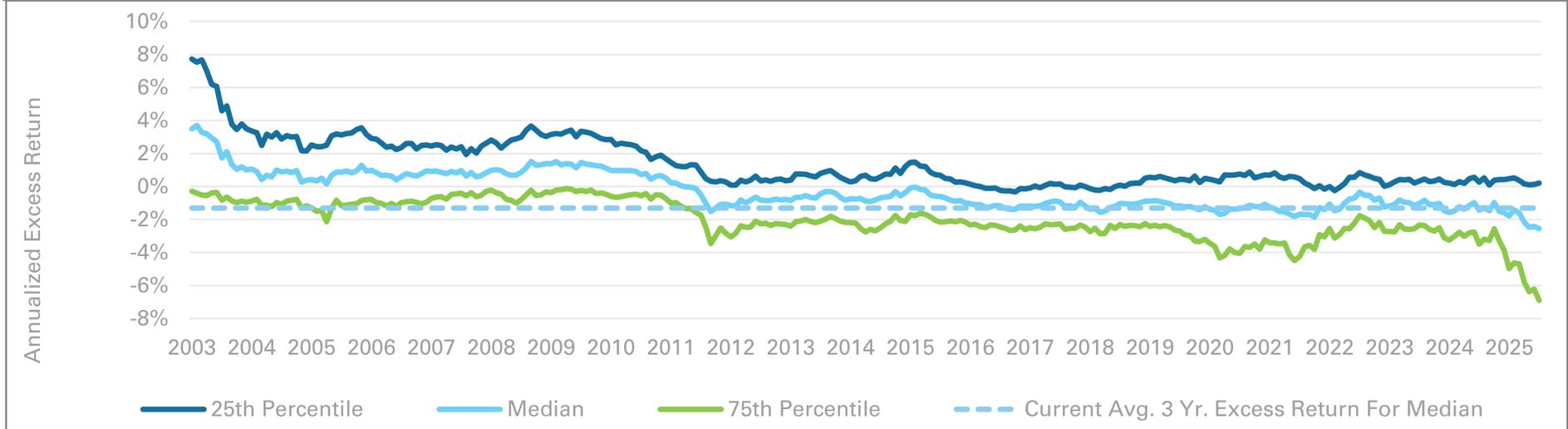
## U.S. CORPORATE INVESTMENT GRADE AND HIGH YIELD SPREADS



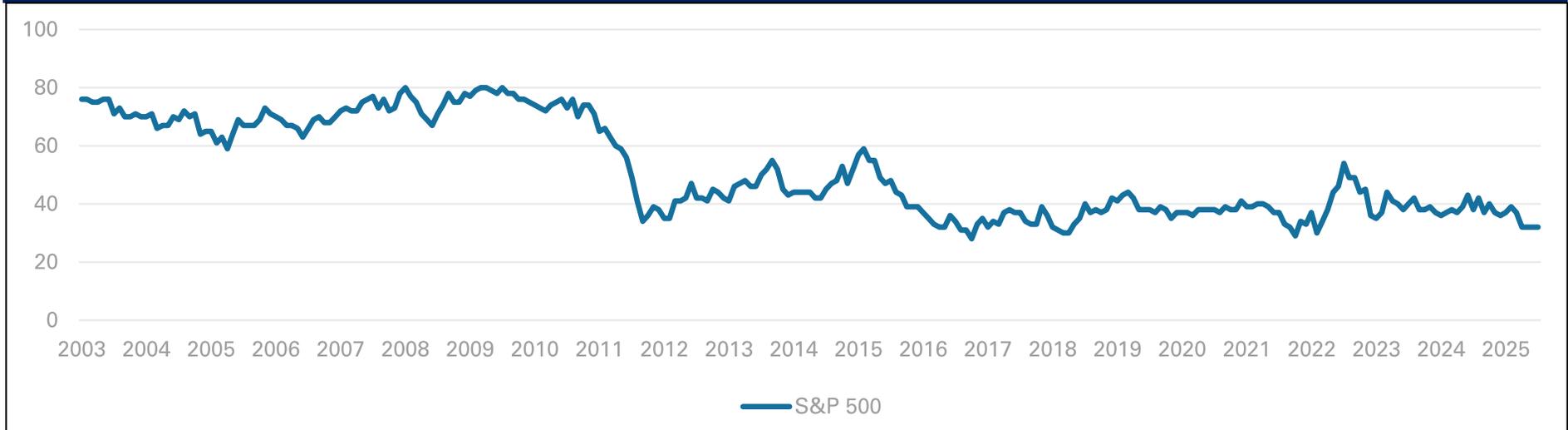
Sources: Bloomberg, FactSet

# US LARGE CAP CORE

## Rolling 3 Year Excess Returns



## Universe Ranking of Benchmark (Rolling 3 Year Ranks)

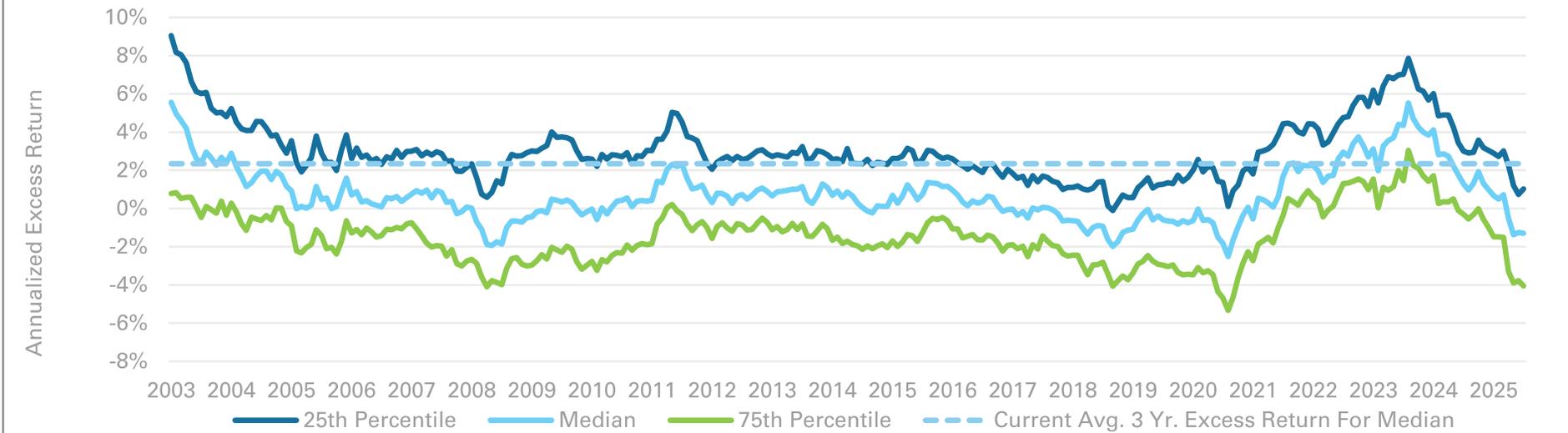


Source: eVestment. Data as of 12/32/2025; **Test 1** considers whether there is wide dispersion between manager returns across the trailing 10-year period and **Test 2** considers whether the median manager outperforms the benchmark, net of fees, on a rolling 3-year basis on average;

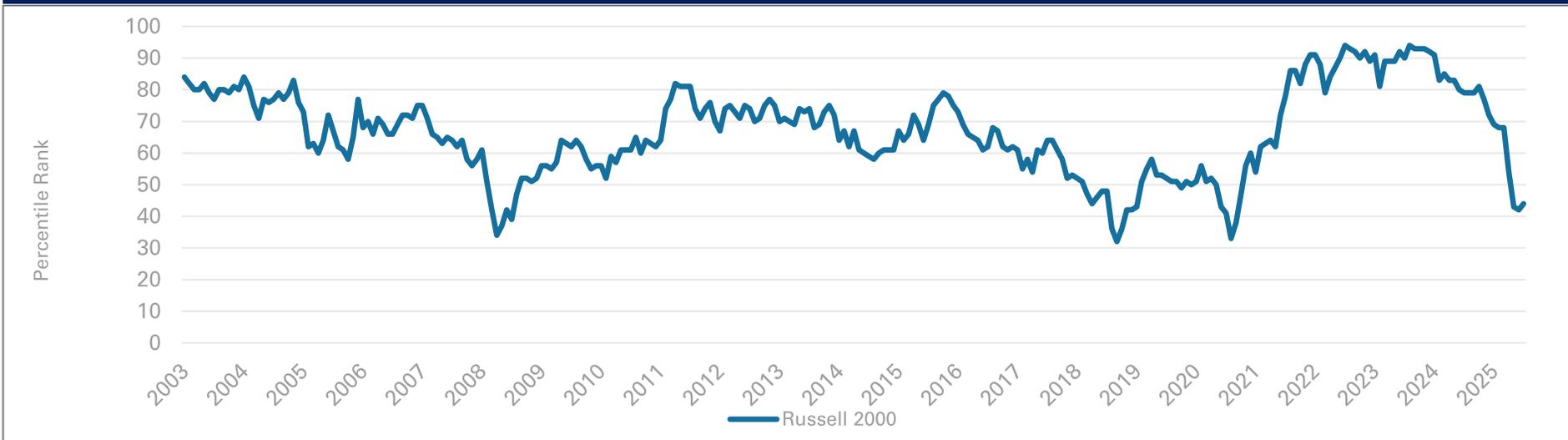
Data is Net-of-Fees. US Large Cap Core Universe vs. S&P 500 Index.

# US SMALL CAP CORE

## Rolling 3 Year Excess Returns



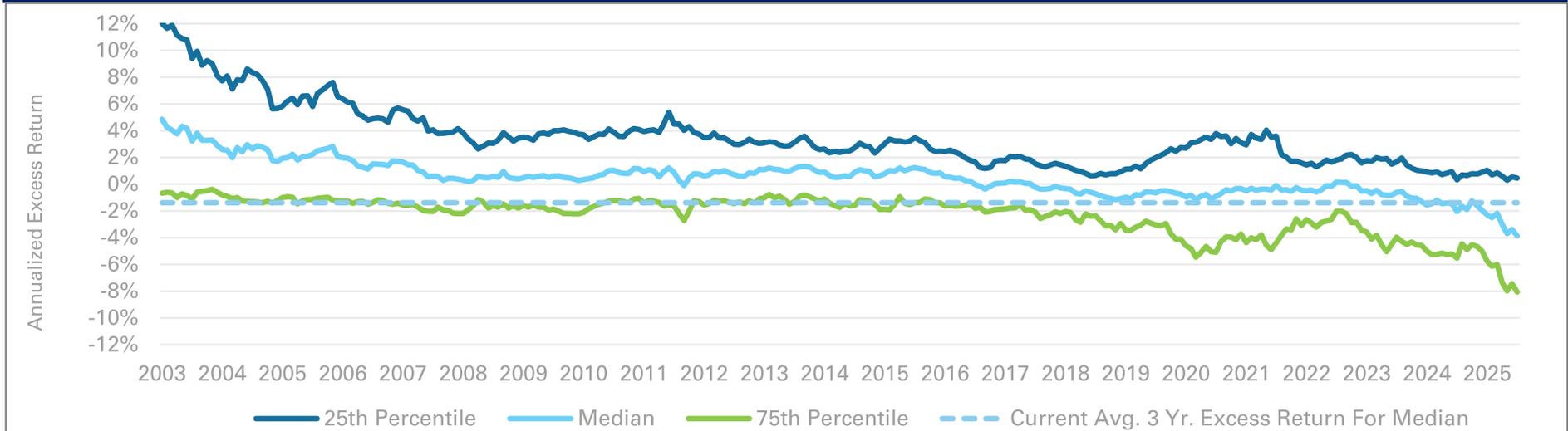
## Universe Ranking of Benchmark (Rolling 3 Year Ranks)



Source: eVestment. Data as of 12/31/2025; **Test 1** considers whether there is wide dispersion between manager returns across the trailing 10-year period and **Test 2** considers whether the median manager outperforms the benchmark, net of fees, on a rolling 3-year basis on average; Data is Net-of-Fees. US Small Cap Core Universe vs. Russell 2000 Index.

# GLOBAL EQUITY

## Rolling 3 Year Excess Returns



## Universe Ranking of Benchmark (Rolling 3 Year Ranks)



Source: eVestment. Data as of 12/31/2025; **Test 1** considers whether there is wide dispersion between manager returns across the trailing 10-year period and **Test 2** considers whether the median manager outperforms the benchmark, net of fees, on a rolling 3-year basis on average; Data is Net-of-Fees. All Global Equity Universe vs. MSCI ACWI Index.



# DEFINITIONS

# POLICY INDEX DEFINITIONS

EFFECTIVE JULY 1, 2025

**Policy Index:** 21% Russell 3000 Index, 24% MSCI ACWI ex USA Net Index, 13% Bloomberg U.S. Aggregate Bond Index, 8% Credit Opportunities Blend, 2% Private Credit Blend, 6% Public Real Assets Blend, 6% Real Estate Blend, 19% Private Equity Blend, 1% Citi 3 Month T-Bill Index

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

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

**Credit Opportunities Blend:** July 1, 2025 – Current: 25% Bloomberg US High Yield 2% Issuer Capped Index, 25% S&P UBS Leveraged Loan Index, 50% Blended Emerging Markets Debt Blend

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

**Private Credit Blend:** July 1, 2025 – Current: S&P UBS Leveraged Loan + 2%; Inception – June 30, 2025: S&P UBS Leveraged Loan Index One Quarter Lagged

**Real Assets Policy Benchmark Blend:** July 1, 2025 – Current: 50% Public Real Assets Blend, 50% Real Estate Blend

**Public Real Assets Blend:** July 1, 2025 – Current: 60% Bloomberg US TIPS Index, 40% FTSE NAREIT All Equity REITs 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 – Current: Cambridge Global PE and VC Index; July 1, 2012 – December 31, 2021: Russell 3000 + 3%; Inception – June 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 JUNE 10, 2025

	Approved Policy Target %
Total Portfolio	100.00%
U.S. Equity	23.00%
Large Cap	17.00%
Small/Mid Cap	6.00%
Non-U.S. Equity	20.00%
Developed	13.00%
Emerging Markets	7.00%
Private Equity	16.00%
Core Fixed Income	10.25%
Credit Opportunities	7.00%
Bank Loans/High Yield	4.00%
Emerging Market Debt	3.00%
Private Credit	5.75%
Public Real Assets	10.00%
TIPS	3.60%
REITS	1.40%
Infrastructure	5.00%
Real Estate	7.00%
Cash	1.00%

	7/1/2025	7/1/2026	7/1/2027	7/1/2028
Total Portfolio	100.00%	100.00%	100.00%	100.00%
U.S. Equity	21.00%	21.00%	21.50%	22.00%
Large Cap	15.00%	15.00%	15.50%	16.00%
Small/Mid Cap	6.00%	6.00%	6.00%	6.00%
Non-U.S. Equity	24.00%	20.00%	20.00%	20.00%
Developed	16.00%	13.00%	13.00%	13.00%
Emerging Markets	8.00%	7.00%	7.00%	7.00%
Private Equity	19.00%	19.00%	18.00%	17.00%
Core Fixed Income	13.00%	12.25%	11.50%	10.75%
Credit Opportunities	8.00%	7.50%	7.00%	7.00%
Bank Loans/High Yield	4.00%	4.00%	4.00%	4.00%
Emerging Market Debt	4.00%	3.50%	3.00%	3.00%
Private Credit	2.00%	3.25%	4.50%	5.25%
Public Real Assets	6.00%	10.00%	10.00%	10.00%
TIPS	3.60%	3.60%	3.60%	3.60%
REITS	2.40%	1.40%	1.40%	1.40%
Infrastructure	0.00%	5.00%	5.00%	5.00%
Real Estate	6.00%	6.00%	6.50%	7.00%
Cash	1.00%	1.00%	1.00%	1.00%

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





# DISCLAIMERS & DISCLOSURES

# DISCLAIMERS & DISCLOSURES

Past performance is no guarantee of future results.

Returns for pooled funds, e.g. mutual funds and collective investment trusts, are collected from third parties; they are not generally calculated by NEPC. Returns for separate accounts, with some exceptions, are calculated by NEPC. Returns are reported net of manager fees unless otherwise noted.

A “since inception” return, if reported, begins with the first full month after funding, although actual inception dates (e.g. the middle of a month) and the timing of cash flows are taken into account in Composite return calculations.

NEPC’s preferred data source is the plan’s custodian bank or record-keeper. If data cannot be obtained from one of the preferred data sources, data provided by investment managers may be used. Information on market indices and security characteristics is received from additional providers. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within. In addition, some index returns displayed in this report or used in calculation of a policy index, allocation index or other custom benchmark may be preliminary and subject to change.

All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.

The opinions presented herein represent the good faith views of NEPC as of the date of this presentation and are subject to change at any time. Neither fund performance nor universe rankings contained in this report should be considered a recommendation by NEPC.

This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

Source of private fund performance benchmark data: Cambridge Associates, via Refinitiv



**REPORT TO BOARD OF ADMINISTRATION**

**From: Investment Committee**  
Thuy Huynh, Chair  
Susan Liem  
Gaylord "Rusty" Roten

**MEETING: FEBRUARY 24, 2026**  
**ITEM: VII - C**

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**SUBJECT: APPROVAL OF 3 YEAR CONTRACT WITH PRINCIPAL GLOBAL INVESTORS, LLC REGARDING THE MANAGEMENT OF AN ACTIVE U.S. MID CAP CORE EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

---

**Recommendation**

That the Board:

1. Approve a three-year contract renewal with Principal Global Investors, LLC for management of an active U.S. mid cap core equities portfolio.
2. Authorize the General Manager or their designee to approve and execute the necessary documents, subject to satisfactory business and legal terms.

**Discussion**

On February 10, 2026, the Committee considered the attached staff report (Attachment 1) recommending a three-year contract renewal with Principal Global Investors, LLC (Principal). The Board hired Principal through the 2013 Active U.S. Mid Cap Core Equities manager search process and authorized a three-year contract on January 28, 2014; the contract became effective on July 1, 2014. Subsequently, the Board authorized three-year contract renewals on January 24, 2017, January 28, 2020, and January 24, 2023. The current contract expires on June 30, 2026. Principal is currently in compliance with the LACERS Manager Monitoring Policy.

Staff provided a review of the organization, investment strategy, and performance. In addition, staff clarified that as of September 30, 2025, Principal managed approximately \$601 billion in total assets, with \$51.4 billion in the mid cap equities strategy. Following the discussion, the Committee concurred with the staff recommendation.

Prepared By: Barbara Sandoval, Investment Officer II, Investment Division

TB:RJ:WL:RM:BS

Attachments:   1. Investment Committee Recommendation Report dated February 10, 2026  
                  2. Proposed Resolution



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM

Board Meeting: 02/24/26  
ITEM VII-C  
Attachment 1



**REPORT TO INVESTMENT COMMITTEE**  
From: **Todd Bouey, General Manager**

**MEETING: FEBRUARY 10, 2026**  
**ITEM: IV**

**SUBJECT: INVESTMENT MANAGER CONTRACT WITH PRINCIPAL GLOBAL INVESTORS, LLC REGARDING THE MANAGEMENT OF AN ACTIVE U.S. MID CAP CORE EQUITIES PORTFOLIO AND POSSIBLE COMMITTEE ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Committee recommend to the Board a three-year contract renewal with Principal Global Investors, LLC for management of an active U.S. mid cap core equities portfolio.

**Executive Summary**

Principal Global Investors, LLC (Principal) has managed an active U.S. mid cap core equities portfolio for LACERS since July 2014. LACERS' portfolio was valued at approximately \$421 million as of December 31, 2025. Principal is in compliance with the LACERS Manager Monitoring Policy. Staff and NEPC, LLC (NEPC), LACERS' General Fund Consultant, recommend a three-year contract renewal.

**Discussion**

*Background*

Principal manages an active U.S. mid cap core equities portfolio for LACERS benchmarked to the Russell Midcap Index. Principal's investment strategy is driven by fundamental research and seeks companies with strong competitive advantages trading at discounts to intrinsic values, as determined by free cash flows. The portfolio is managed by Bill Nolin, Chief Investment Officer, and Thomas Rozycki, Head of Research, who are supported by a team of seven research analysts. LACERS' portfolio was valued at approximately \$421 million as of December 31, 2025.

The Board hired Principal through the 2013 Active U.S. Mid Cap Core Equities manager search process and authorized a three-year contract on January 28, 2014; the contract became effective on July 1, 2014. Subsequently, the Board authorized three-year contract renewals on January 24, 2017, January 28, 2020 and January 24, 2023. The current contract expires on June 30, 2026.

*Organization*

Principal is headquartered in Des Moines, Iowa and has approximately 1,957 employees of which 681 are investment personnel. The firm is the wholly-owned global investment management business of Principal Financial Group, Inc., a publicly traded financial services company (NASDAQ ticker symbol

PFG). As of September 30, 2025, Principal managed approximately \$601 million in total assets, with \$511 million in the mid cap equities strategy.

**Due Diligence**

Principal’s organization, investment philosophy, strategy, and process have not changed materially over the contract period. In 2024 Kamal Bhatia was named president and chief executive officer of Principal Asset Management. This appointment followed the decision of Pat Halter to retire after 40 years with the company. Staff conducted an on-site visit in December 2025. Staff and NEPC have no concerns about Principal’s ability to manage assets for LACERS.

**Performance**

As of December 31, 2025, Principal outperformed its benchmark, net-of-fees, over the 3-year, 10-year, and since inception time periods and underperformed in more recent time periods as presented in the table below. Periods of underperformance primarily occur when style is out of favor, lower-quality assets led the Index, and in times of uncertainty and volatility, such as tariff uncertainty.

<b>Annualized Performance as of 12/31/25 (Net-of-Fees)</b>							
	3-Month	1-Year	2-Year	3-Year	5-Year	10-Year	Since Inception <sup>1</sup>
Principal	-3.20	2.76	10.21	15.28	8.55	12.98	12.10
Russell Midcap Index	0.16	10.60	12.95	14.36	8.67	11.01	9.73
% of Excess Return	-3.36	-7.84	-2.74	0.92	-0.12	1.97	2.37

<sup>1</sup>Performance inception date: 7/24/14. Strategy was funded after contract inception date of 7/1/14.

Calendar year performance is presented in the table below as supplemental information.

<b>Calendar Year Performance as of 12/31/25 (Net-of-Fees)</b>												
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	7/24/14-12/31/14
Principal	2.76	18.20	26.14	-22.34	26.67	18.68	43.96	-5.56	25.56	10.96	2.35	6.65
Russell Midcap Index	10.60	15.34	17.23	-17.32	22.58	17.10	30.54	-9.06	18.52	13.80	-2.44	4.40
% of Excess Return	-7.84	2.86	8.91	-5.02	4.09	1.58	13.42	3.50	7.04	-2.84	4.79	2.25

Principal is in compliance with the LACERS Manager Monitoring Policy.

**Fees**

LACERS pays Principal an effective fee of 37 basis points (0.37%), which is approximately \$1.1 million annually based on the value of LACERS’ assets as of November 30, 2022. This fee ranks in the 5<sup>th</sup>

percentile among its peers in the eVestment U.S. Mid Cap Universe (i.e., 95% of like-managers have higher fees). From contract inception in July 2014 to September 30, 2025, LACERS has paid Principal a total of \$9.6 million in investment fees.

*General Fund Consultant Opinion*

NEPC concurs with this recommendation.

Prepared By: Barbara Sandoval, Investment Officer II, Investment Division

TB:RJ:WL:BS:RM

Attachment: 1. Consultant Recommendation – NEPC



**To: Los Angeles City Employees' Retirement System Investment Committee**

**From: NEPC, LLC**

**Date: February 10, 2026**

**Subject: Principal Global Investors, LLC – Contract Renewal**

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### **Recommendation**

NEPC recommends Los Angeles City Employees' Retirement System (LACERS) renew the contract with Principal Asset Management ('Principal') for a period of three years from the date of contract expiry.

### **Background**

Principal was funded in the LACERS Pension Plan on July 24, 2014 to provide the Plan with exposure to middle capitalization equity exposure within the U.S. Equity asset class. As of December 31, 2025, Principal managed \$421.0 million, or 1.6% of Plan assets. The performance objective is to outperform the Russell MidCap Index, net of fees, annualized over a full market cycle (normally three-to-five years). The account is currently in good standing based on LACERS' Manager Monitoring Policy.

Principal is a wholly-owned, indirect subsidiary of Principal Financial Group, Inc., a public company listed on the Nasdaq. Principal Financial Group, Inc. was founded in 1879, began managing retirement assets in 1941, and today operates four primary business segments: Principal Asset Management, Retirement and Investor Services, Principal International, and Insurance Solutions. Principal Global Investors, LLC was formed as a Delaware Limited Liability Company in 1998 and became a registered investment advisor with the SEC on October 26, 1998, relaunching in 2022 as Principal Asset Management. The portfolio is managed by a team led by Bill Nolin and supported by Thomas Rozycki, who are both supported by a team of equity research professionals within a subsidiary of Principal Global Investors named Aligned Investors. As of September 30, 2025, Principal managed \$601.6 billion in assets.

Principal's investment philosophy believes that individual stock selection based on in-depth original fundamental research results in superior investment returns over market cycles. They believe in long-term, low turnover, purely bottom-up fundamental investing. The firm's strategy focuses on the following four pillars of investing:

- 1) High quality companies with sustainable competitive advantages – The focus is on fundamental research and investing in companies that possess sustainable competitive advantages, such as: industry leadership, innovation, low-cost production, barriers to entry, and efficient capital allocation.
- 2) Owner-operator management and culture – Through understanding who is managing the companies in prospective investments and a preference toward management teams with CEOs that

have substantial ownership stakes, Principal believes they can identify alpha opportunities. Their belief is that owner-operators have incentives that are aligned with outside shareholders and run efficient organizations allocating capital in a counter-cyclical fashion. Principal prefers management teams that clearly exhibit an owner-operator mentality. For example, one metric considered with every prospective name for the portfolio is the 'Aligned Ratio' which compares the CEO's ownership stake in the company's stock to the amount of cash compensation they receive per year.

3) Valuation discipline builds a margin of safety – Principal relies on a discounted cash flow assessment process whereby the goal is to identify companies selling at a discount to long term intrinsic value, thereby providing not only appreciation potential, but also a margin of safety to dampen potential volatility relative to the market.

4) Focus on risk reduction – Principal seeks to reduce risk through company selection, that is, through owning companies with sustainable competitive advantages that have lower business risk, less financial risk and less accounting risk.

### **Performance**

Referring to Exhibits 1 and 2, since inception as of December 31, 2025, the portfolio has outperformed its benchmark by 2.3% and ranked in the 6<sup>th</sup> percentile in its peer group of midcap managers. In the past five-years, ended December 31, 2025, the portfolio underperformed its benchmark by 0.1% and ranked in the 46<sup>th</sup> percentile in its peer group. Over the past one-year, the portfolio underperformed its benchmark by 7.8% and ranked in the 79<sup>th</sup> percentile among peers. Underperformance in the portfolio in the near-term was driven by stock selection, primarily in the technology and financial services sectors. Over the longer-run, the portfolio's emphasis on high quality companies that have a sustainable business model has provided excess returns to LACERS.

### **Fees**

The portfolio has an asset-based fee of 0.36% annually. This fee ranks in the 8<sup>th</sup> percentile among its peers in the eVestment US MidCap universe. In other words, 92% of the products included in the peer universe have a higher fee than the LACERS account.

### **Conclusion**

LACERS has experienced strong outperformance from the Principal portfolio as compared to its benchmark index since inception ended December 31, 2025. The firm's research-driven bottom-up approach to middle capitalization domestic equities investing is supported by a large stable organization while executing the investment strategy through a small and focused team environment. NEPC recommends a three-year contract renewal.

The following tables provide specific performance information, net of fees referenced above.

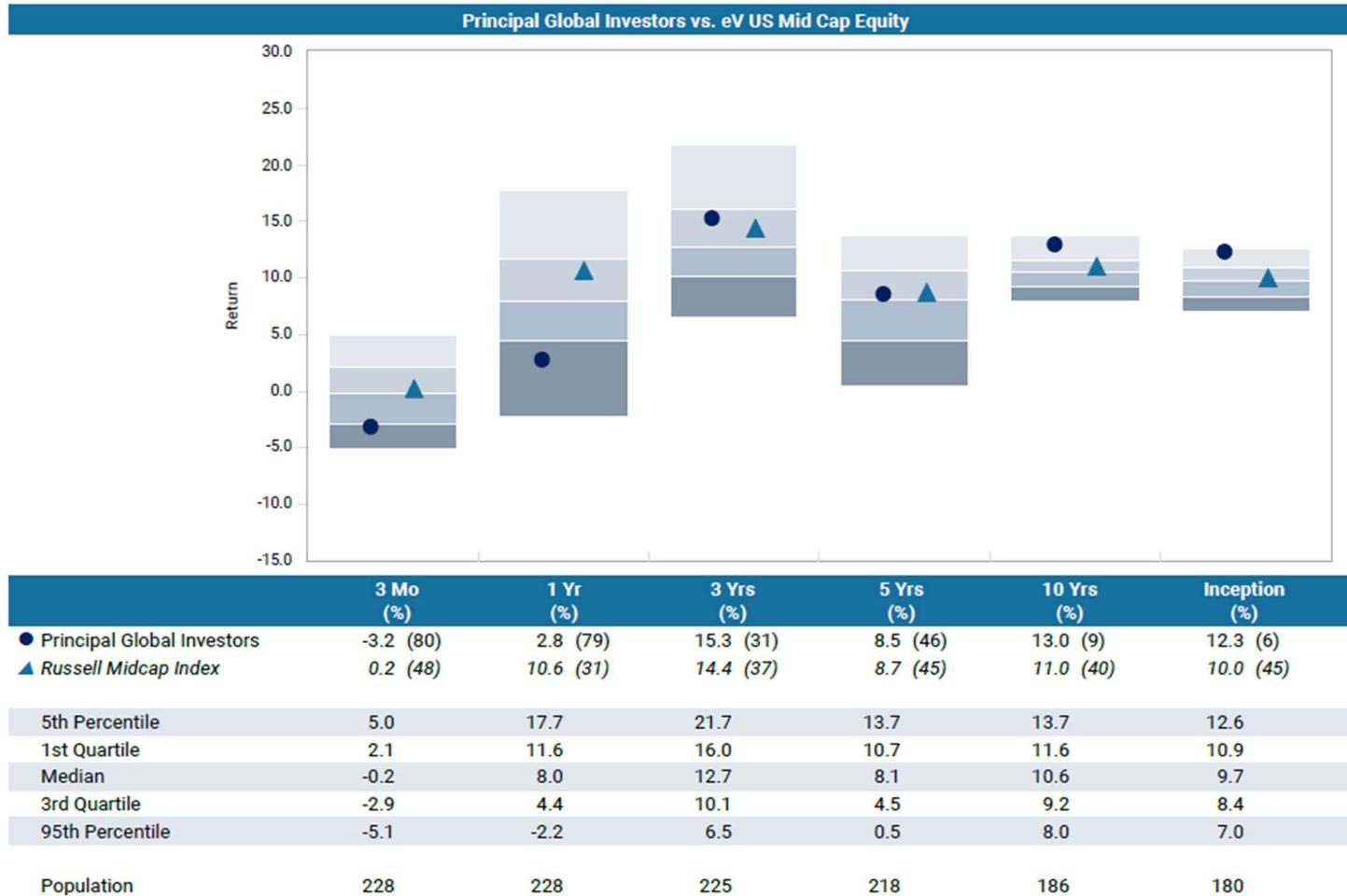
Exhibit 1: Performance Comparison Net of Fees as of December 31, 2025

	Market Value (\$)	3 Months	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Principal Global Investors</b>	<b>421,022,753</b>	<b>-3.2</b>	<b>2.8</b>	<b>15.3</b>	<b>8.5</b>	<b>13.0</b>	<b>12.3</b>	<b>Aug-14</b>
Russell MidCap Index		0.2	10.6	14.4	8.7	11.0	10.0	
Over/Under		-3.4	-7.8	0.9	-0.1	2.0	2.3	





Exhibit 2: Universe Performance Comparison Net of Fees Ending December 31, 2025



**CONTRACT RENEWAL  
PRINCIPAL GLOBAL INVESTORS, LLC  
ACTIVE U.S. MID CAP CORE EQUITIES  
PORTFOLIO MANAGEMENT**

**PROPOSED RESOLUTION**

WHEREAS, LACERS' current three-year contract term with Principal Global Investors, LLC (Principal) for management of an active U.S. mid cap core equities portfolio management expires on June 30, 2026; and,

WHEREAS, Principal is in compliance with the LACERS Manager Monitoring Policy; and,

WHEREAS, a contract renewal with Principal will allow the fund to maintain a diversified exposure to U.S. mid cap core equities; and,

WHEREAS, on February 24, 2026, the Board approved the Investment Committee's recommendation to approve a three-year contract renewal with Principal.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager or their designee is hereby authorized to approve and execute a contract subject to satisfactory business and legal terms and consistent with the following services and terms:

- Company Name: Principal Global Investors, LLC
- Service Provided: Active U.S. Mid Cap Core Equities Portfolio Management
- Effective Dates: July 1, 2026 through June 30, 2029
- Duration: Three years
- Benchmark: Russell Midcap Index
- Allocation as of December 31, 2025: \$421 million

February 24, 2026



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

**MEETING: FEBRUARY 24, 2026**

**ITEM: VII - D**

**SUBJECT: CONTINUED DISCUSSION OF PRIVATE CREDIT CONSULTING CONTRACT WITH AKSIA LLC AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Board:

1. Approve a five-year contract renewal with Aksia LLC for private credit consulting services.
2. Authorize the General Manager or their designee to approve and execute the necessary documents, subject to satisfactory business and legal terms.

**Discussion**

On January 27, 2026, the Board considered the attached staff report (Attachment 1) recommending a five-year contract renewal with Aksia LLC (Aksia) for private credit consulting services. The current contract with Aksia became effective on April 1, 2023, and expires on March 31, 2026. Since inception, LACERS has paid a total of \$975,000 in private credit consulting fees to Aksia (\$325,000 annually over three years).

Staff expressed to the Board its satisfaction with the quality and level of services provided by Aksia as LACERS continues to develop a private credit program. Aksia provides deep resources in private credit. These include a global footprint of eight offices (New York, San Diego, London, Chicago, Tokyo, Hong Kong, Dubai and Athens), an experienced research staff of 26 professionals dedicated to private credit research, 55 independent operational due diligence team members, and access to a large pool of private credit general partners (1,400 funds with full due diligence as of December 31, 2025).

LACERS also directly benefits from Aksia's size and scale in the form of aggregation discounts that Aksia negotiates from investment managers. Based on the lower management fees for investments in LACERS' portfolio, staff estimates fee savings of at least \$2.25 million over the lifetime of those funds.

At the meeting held on January 27, 2026, the Board inquired about the proposed increases in the fee schedule and the annual \$75,000 increase in private credit consulting fees should LACERS no longer

engage Aksia as its private equity consultant. The Board asked Staff to engage Aksia in further discussions on these two points.

In response, Aksia submitted to Staff the revised fee schedule below, which in total is \$80,000 less than the proposal presented to the Board on January 27, 2026, and \$100,000 less than the initial proposal presented to the Investment Committee on January 13, 2026. Aksia also removed the annual private credit consulting fee increase should LACERS no longer engage Aksia as its private equity consultant.

<b>Year</b>	<b>Fee</b>	<b>% Increase</b>
1	\$350,000	7.7%
2	\$360,000	2.9%
3	\$370,000	2.8%
4	\$380,000	2.7%
5	\$390,000	2.6%
<b>Total</b>	<b>\$1,850,000</b>	

This contract is for a discretionary mandate which requires higher consultant professional liability and is all-inclusive for any additional due diligence requested by staff (including evaluations of funds outside the consultant's focus placement list). Staff conducted additional outside due diligence by canvassing private credit consultant fees paid by other public pension plans and is prepared to discuss these findings with the Board.

Prepared By: Clark Hoover, Investment Officer I, Investment Division

TB:RJ:WL:EC:RM:CH

Attachments: 1. Report to Board dated January 27, 2026  
2. Proposed Resolution



**REPORT TO BOARD OF ADMINISTRATION**

**From: Investment Committee**

Thuy T. Huynh, Chair  
Gaylord "Rusty" Roten  
Susan Liem

**MEETING: JANUARY 27, 2026**

**ITEM: VII - D**

**SUBJECT: PRIVATE CREDIT CONSULTING CONTRACT WITH AKSIA LLC AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Board:

1. Approve a five-year contract renewal with Aksia LLC for private credit consulting services.
2. Authorize the General Manager to approve and execute the necessary documents, subject to satisfactory business and legal terms.

**Discussion**

On January 13, 2026, the Committee considered the attached staff report (Attachment 1) recommending a five-year contract renewal with Aksia LLC (Aksia) for private credit consulting services. The current contract with Aksia became effective on April 1, 2023, and expires on March 31, 2026. Since inception, LACERS has paid a total of \$975,000 in private credit consulting fees to Aksia (\$325,000 annually over three years).

Staff discussed Aksia's consulting service and expressed satisfaction with the quality and level of service provided by Aksia as LACERS continues to develop a private credit program. The Committee inquired about the increase in the proposed fee schedule and asked Staff to engage Aksia in further discussions on this point. In response, Aksia submitted the revised fee schedule below, which is \$20,000 less than the proposal presented to the Committee. The Committee concurred with staff's recommendation for a five-year contract renewal, subject to review and approval of a revised fee schedule.

<b>Year</b>	<b>Fee</b>	<b>% Increase</b>
1	\$360,000	10.8%
2	\$370,000	2.8%
3	\$385,000	4.1%
4	\$400,000	3.9%
5	\$415,000	3.8%
<b>Total</b>	<b>\$1,930,000</b>	

Prepared By: Clark Hoover, Investment Officer I, Investment Division

TB:RJ:WL:EC:RM:CH

- Attachments:   1. Report to Investment Committee dated January 13, 2026  
                  2. Proposed Resolution



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM

**Board Meeting: 01/27/26**  
ITEM VII-D  
Attachment 1



**REPORT TO INVESTMENT COMMITTEE**  
**From: Todd Bouey, General Manager**

**MEETING: JANUARY 13, 2026**  
**ITEM: V**

**SUBJECT: PRIVATE CREDIT CONSULTING CONTRACT WITH AKSIA LLC AND POSSIBLE COMMITTEE ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Investment Committee recommend to the Board a five-year contract renewal with Aksia LLC for private credit consulting services.

**Executive Summary**

Aksia LLC (Aksia) has served as LACERS private credit consultant since April 1, 2023; the current contract expires on March 31, 2026. Since inception of the contract, Aksia has provided value-added consulting services to LACERS; their investment recommendations have been developed thoughtfully based on a solid understanding of LACERS’ objectives and Investment Policy. Staff is satisfied with Aksia’s services and recommend a five-year contract renewal for private credit consulting services.

**Discussion**

*Background*

Aksia provides private credit consulting services to LACERS. The Board hired Aksia through the 2021-2022 Private Credit Consultant search process and authorized a three-year contract with Aksia on October 25, 2022. The contract became effective on April 1, 2023, and expires on March 31, 2026. Since inception, LACERS has paid a total of \$975,000 in private credit consulting fees to Aksia.

*Organization*

Aksia is an alternative asset specialist investment consulting firm and is 100% employee owned. The firm was founded in 2006 and has eight global offices including New York (headquarters), San Diego, Chicago, London, Tokyo, Hong Kong, Dubai, and Athens. Aksia has more than 450 employees including 180 investment professionals, 56 operational due diligence professionals, and 47 risk management professionals.<sup>1</sup> Aksia advises on over \$395 billion in client assets under supervision.<sup>2</sup>

<sup>1</sup> Number of professionals as of November 30, 2025.

<sup>2</sup> As of September 30, 2025. Assets under supervision includes \$362.4 billion of assets under advisory (“AUA”) and \$33.2 billion in assets under management (“AUM”). AUA is the sum of NAV and unfunded commitments of advisory clients’ underlying investments. AUM is the sum of NAV, unfunded commitments of investment management clients’ underlying investments, and amounts committed to Aksia-managed vehicles but not yet committed to underlying investments. AUA & AUM are assets advised/managed by Aksia and tracked by Aksia’s client operations team; does not include assets of research clients or of clients for which Aksia does not track assets. AUM includes all accounts where Aksia is investment manager and provides continuous and regular supervisory or management services.

### *Primary Consulting Team Assigned to LACERS*

LACERS' primary consulting team currently consists of three individuals: Trevor Jackson, Managing Director, Pan-Alts, and LACERS' primary relationship manager; Rahul Desai, CFA, Director, Private Credit; and Melisa Zarate, Senior Associate, Pan-Alts.

Members of the consulting team bring deep private market experience and specializations around manager sourcing and selection, industry and manager research, operational due diligence, and portfolio construction. Collectively, they help guide LACERS long-term private credit strategy and program.

### *Consulting Approach and Accomplishments*

Aksia's consulting approach is research-driven and centered on building a customized portfolio for LACERS, providing performance focused solutions to optimize LACERS' risk-adjusted returns. Since being hired, Aksia has provided value-added services to LACERS including:

- Underwriting and recommending \$1.46 billion in new commitments to 22 funds, including approximately \$115 million in commitments to 5 emerging manager funds<sup>3</sup>
- Advising on numerous contract amendments for existing LACERS managers
- Preparing and presenting the annual strategic plan and pacing studies
- Assisting with LACERS' Investment Policy review and developing new policies
- Providing Board and staff with investment education on topics such as private credit portfolio construction and manager due diligence
- Participating in LACERS initiatives such as the Emerging Manager Symposium and Networking Forum

Aksia's recommendations and deliverables have been developed thoughtfully based on a solid understanding of LACERS' objectives and Investment Policy. Based on the high quality of services that Aksia has provided to LACERS, staff recommends a five-year contract renewal with Aksia.

### *Fees*

The current contract with Aksia, which spans from April 1, 2023 to March 30, 2026, specifies the following fee structure:

<b>Year</b>	<b>Fee</b>
1	\$325,000
2	\$325,000
3	\$325,000
<b>Total</b>	<b>\$975,000</b>

For the next five-year contract term, Aksia has proposed a fee structure which reflects adjustments for current and projected inflation, additional staffing resources, as well as the increased size and complexity of LACERS' private credit program. The proposed fee schedule includes escalations each

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<sup>3</sup> As of December 31, 2025

year, starting from the current annual fee of \$325,000:

<b>Year</b>	<b>Fee</b>	<b>% Increase</b>
1	\$360,000	10.8%
2	\$375,000	4.2%
3	\$390,000	4.0%
4	\$400,000	2.6%
5	\$425,000	6.3%
<b>Total</b>	<b>\$1,950,000</b>	

Aksia also currently provides Private Equity Consulting Services to LACERS under a separate contract. In the renewal proposal submitted to LACERS, Aksia points out that the coordinated delivery of both private equity and private credit creates synergies which are reflected in the current pricing. For the proposed contract renewal, Aksia states that if LACERS terminates the Private Equity mandate during the proposed Private Credit contract term, Private Credit Consulting Services will be subject to an additional annual fee of \$75,000, effective from the termination date of the Private Equity mandate.

Prepared By: Clark Hoover, Investment Officer I, Investment Division

TB:RJ:WL:RM:EC:CH

CONTRACT RENEWAL  
AKSIA LLC  
PRIVATE CREDIT CONSULTING SERVICES

PROPOSED RESOLUTION

WHEREAS, LACERS' current five-year contract with Aksia LLC (Aksia) for private credit consulting services expires on March 31, 2026; and,

WHEREAS, Aksia has provided a satisfactory level of service in meeting LACERS' needs and objectives; and,

WHEREAS, on January 27, 2026, the Board approved the Investment Committee's recommendation for a five-year contract renewal with Aksia.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute the contract subject to satisfactory business and legal terms and consistent with the following services and terms:

Company Name:	Aksia LLC
Services Provided:	Private Credit Consulting Services
Effective Dates:	April 1, 2026 through March 31, 2031
Duration:	Five years
Fee:	Year 1 - \$360,000
	Year 2 - \$370,000
	Year 3 - \$385,000
	Year 4 - \$400,000
	Year 5 - \$415,000

January 27, 2026

CONTRACT RENEWAL  
AKSIA CA LLC  
PRIVATE CREDIT CONSULTING SERVICES

PROPOSED RESOLUTION

WHEREAS, LACERS' current three-year contract with Aksia LLC (Aksia) for private credit consulting services expires on March 31, 2026; and,

WHEREAS, Aksia has provided a satisfactory level of service in meeting LACERS' needs and objectives; and,

WHEREAS, on February 24, 2026, the Board approved the Investment Committee's recommendation for a five-year contract renewal with Aksia.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute the contract subject to satisfactory business and legal terms and consistent with the following services and terms:

Company Name: Aksia LLC

Services Provided: Private Credit Consulting Services

Effective Dates: April 1, 2026 through March 31, 2031

Duration: Five years

Fee: Year 1 - \$350,000  
Year 2 - \$360,000  
Year 3 - \$370,000  
Year 4 - \$380,000  
Year 5 - \$390,000

February 24, 2026



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

**MEETING: FEBRUARY 24, 2026**

**ITEM: VII - E**

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**SUBJECT: NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN QUANTUM ENERGY PARTNERS IX, LP**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

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**Recommendation**

That the Board receive and file this notice of the commitment of up to \$50 million in Quantum Energy Partners IX, LP.

**Executive Summary**

Quantum Energy Partners IX, LP targets control-oriented equity investments across the North American energy sector, with a primary focus on upstream oil and gas and midstream assets. It also maintains a secondary mandate for power generation and energy transition-related opportunities.

**Discussion**

*Consultant Recommendation*

Aksia LLC (Aksia), LACERS' Private Equity Consultant, recommended a commitment of up to \$50 million in Quantum Energy Partners IX, LP (Quantum or the GP). Fund management and incentive fees are comparable to similar strategies; the GP will invest alongside limited partners, providing alignment of interests. This recommendation is consistent with the Private Equity Program 2025 Strategic Plan adopted by the Board on January 14, 2025.

*Background*

Quantum was founded in 1998 by Wil VanLoh, Toby Neugebauer, and AV Jones, Jr. to pursue North American oil and gas opportunities. Quantum has \$30 billion in total commitments across the firm's platform and has invested in more than 150 portfolio companies since its inception. Quantum has approximately 133 employees with offices in Houston (headquarters) and New York City.

Quantum is an existing general partner relationship with LACERS, in both private equity and private credit. In 2023 we made a total commitment of \$60 million in their private credit strategy, Quantum Capital Solutions II. In private equity we are invested in the following funds:

Fund	Vintage Year	Commitment	Net IRR <sup>1 2</sup>
Quantum Energy Partners VIII	2022	\$42.9 million	n.m.
Quantum Energy Partners VIII Co-Investment Fund	2022	\$7.1 million	n.m.

*Investment Thesis*

Quantum Energy Partners IX, LP pursues control-oriented equity investments across the North American energy sector, with a primary concentration in upstream oil and gas and midstream assets. The Fund also maintains a secondary mandate for power generation and energy transition-related opportunities. The portfolio is expected to comprise 13 to 16 platform investments, with equity commitments ranging from \$250 million to \$750 million per platform. Quantum executes this strategy by partnering with seasoned management teams—frequently engaging repeat operators—and utilizes a staged capital deployment model to actively manage risk and mitigate the J-curve.

*Placement Agent*

The GP did not use a placement agent in connection with LACERS’ investment.

*Staff Recommendation*

Staff concurred with Aksia’s recommendation. The commitment has been consummated pursuant to the Discretion in a Box (Roles and Responsibilities) section of the Private Equity Investment Policy; no Board action is required.

Prepared By: Daniel Becerra, Investment Officer I, Investment Division

TB:RJ:WL:RM:EC:DB

- Attachments:
1. Aksia Investment Notification
  2. Discretion in a Box

<sup>1</sup> Performance as of June 30, 2025

<sup>2</sup> Performance data (1) does not necessarily accurately reflect the current or expected future performance of the Fund(s) or the fair value of LACERS’ interest in the Fund(s), (2) should not be used to compare returns among multiple private equity funds and (3) has not been calculated, reviewed, verified or in any way sanctioned or approved by the general partner(s) or manager(s)

Quantum Energy Partners IX, L.P.  
Investment Notification



[www.aksia.com](http://www.aksia.com)

## Quantum Energy Partners IX, L.P.

General Partner	• Quantum Energy Partners
Fund	• Quantum Energy Partners IX, L.P.
Firm Founded	• 1998
Strategy	• Oil & Gas
Sub-Strategy	• Diversified Oil & Gas
Geography	• North America
Team	• 60 investment professionals
Senior Partners	• Wil VanLoh, Ajay Khurana, Dwight Scott, Charles Baillie
Office Locations	• Houston, TX; New York, NY
Industries	• Upstream Oil & Gas, Midstream, Power
Target Fund Size	• \$4.5 billion
LACERS Commitment	• \$50.0 million

## Investment Highlights

- Quantum is a long-tenured upstream energy manager led by Founder and CEO Wil VanLoh, with a cohesive senior team averaging more than three decades of industry experience and a strong culture built over multiple commodity cycles.
- The Firm has delivered consistently strong upstream performance, generating attractive realized returns across major U.S. basins.
- Quantum's proprietary Basin Intelligence platform and shared services infrastructure enhance underwriting rigor, operational execution, and value creation for portfolio companies.
- Quantum pairs decades of oil and gas experience with differentiated technical underwriting and cutting-edge digital investment tools to be a value-add partner for prospective management teams.

## Quantum Energy Partners IX, L.P.

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### **Firm and Background**

- Quantum Energy Partners was founded in 1998 to pursue North American oil and gas investments and has grown into one of the longest-tenured private equity platforms focused on upstream energy.
- In 2025, Dwight Scott joined as Executive Vice Chairman to support firmwide strategy and oversee the launch of an energy infrastructure strategy.
- The Firm manages a diversified energy investment platform across private equity, structured capital, and credit, supported by deep technical, operational, and digital capabilities.

### **Investment Strategy**

- Quantum Energy Partners IX, LP seeks to make control-oriented equity investments in North American energy companies, primarily focused on upstream oil and gas and midstream assets, with a secondary focus on power generation and energy transition-related opportunities.
- The Fund will target 13–16 platform investments, with \$250–\$750 million equity checks per platform.
- Quantum partners with experienced management teams, often repeat operators, and deploys capital through staged equity commitments to manage risk and mitigate J-curve effects.

**PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE.**

**THESE MATERIALS ARE NOT INTENDED AS AN OFFER TO SELL, OR THE SOLICITATION OF AN OFFER TO PURCHASE, ANY SECURITY. THIS PRESENTATION HAS BEEN PREPARED SOLELY FOR INFORMATIONAL AND DISCUSSION PURPOSES ONLY. THE INFORMATION HEREIN IS NOT INTENDED TO BE COMPLETE AND THE DESCRIPTION OF THE FUND IN THESE MATERIALS IS QUALIFIED IN ITS ENTIRETY BY THE TERMS AND INFORMATION CONTAINED IN THE FUND'S OFFERING DOCUMENTS, INCLUDING, WITHOUT LIMITATION, THE FUND'S PRIVATE PLACEMENT MEMORANDUM, PARTNERSHIP AGREEMENT AND SUBSCRIPTION AGREEMENT ("GOVERNING DOCUMENTS"). NOTHING HEREIN CONSTITUTES, OR SHOULD BE CONSTRUED, AS INVESTMENT ADVICE.**

**THE INFORMATION HEREIN IS NOT INTENDED TO PROVIDE, AND SHOULD NOT BE RELIED UPON FOR, ACCOUNTING, TAX OR LEGAL ADVICE. YOU SHOULD CONSULT YOUR TAX, LEGAL AND/OR ACCOUNTING ADVISERS ABOUT ANY MATTERS DISCUSSED HEREIN.**

**INTERESTS IN THE FUND HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER ANY STATE OR OTHER SECURITIES LAWS OR THE LAWS OF ANY NON-U.S. JURISDICTION. THE INTERESTS WILL BE OFFERED AND SOLD FOR INVESTMENT ONLY TO QUALIFYING INVESTORS PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS OF THE STATES AND OTHER JURISDICTIONS (INCLUDING NON-U.S. JURISDICTIONS) WHERE THE OFFERING WILL BE MADE. THERE WILL BE NO PUBLIC MARKET FOR INTERESTS IN THE FUND, AND THERE IS NO OBLIGATION ON THE PART OF ANY PERSON TO REGISTER THE INTERESTS UNDER THE SECURITIES ACT. INTERESTS IN THE FUND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND ANY APPLICABLE NON-U.S. SECURITIES LAWS, PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. THE TRANSFERABILITY OF THE INTERESTS WILL BE FURTHER RESTRICTED BY THE TERMS OF THE FUND'S GOVERNING DOCUMENTS. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF AN INVESTMENT IN THE FUND FOR AN INDEFINITE PERIOD OF TIME.**

**NONE OF THE INFORMATION CONTAINED HEREIN WAS PREPARED BY THE FUND OR ANY UNDERLYING PORTFOLIO FUNDS IDENTIFIED HEREIN, IF ANY, THE GENERAL PARTNERS THEREOF OR ANY OF THEIR RESPECTIVE AFFILIATES. BY ACCEPTING THESE MATERIALS, YOU HEREBY ACKNOWLEDGE AND AGREE TO ALL OF THE TERMS AND CONDITIONS IN THESE DISCLOSURES.**

## Section 5 PRIVATE EQUITY INVESTMENT POLICY

## F. Roles and Responsibilities

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Equity Consultant</b>
<b>Strategy/Policy</b>	<ul style="list-style-type: none"> <li>Select Private Equity Consultant.</li> <li>Approve asset class funding level.</li> <li>Review and approve the Private Equity Annual Strategic Plan which includes allocation targets and ranges.</li> </ul>	<ul style="list-style-type: none"> <li>In consultation with Private Equity Consultant and General Fund Consultant, develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>	<ul style="list-style-type: none"> <li>Help develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>
<b>Investment Management and Monitoring</b>	<ul style="list-style-type: none"> <li>Review quarterly, annual, and other periodic monitoring reports and plans.</li> <li>Review Commitment Notification Reports.</li> </ul>	<ul style="list-style-type: none"> <li>Review quarterly, annual and other periodic monitoring reports prepared by the Private Equity Consultant.</li> <li>Conduct meetings with existing managers periodically.</li> <li>Attend annual partnership meetings when appropriate.</li> <li>Fund capital calls and manage distributions.</li> <li>Review Private Equity Consultant's recommendations on partnership amendments and consents.</li> <li>Execute partnership amendments and consents.</li> <li>Manage and approve the wind-down and/or dissolve private equity fund investment(s) with private equity consultant's concurrence.</li> <li>Manage and execute the sale of partnership interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>Prepare Commitment Notification Reports for Board.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain regular contact with existing managers in the portfolio to ascertain significant events within the portfolio.</li> <li>Recommend amendments and consents to Staff for approval.</li> <li>Provide quarterly, annual, and other periodic monitoring reports and plans.</li> </ul>

**Section 5 PRIVATE EQUITY INVESTMENT POLICY**

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Equity Consultant</b>
<b>Investment Selection</b>	<ul style="list-style-type: none"> <li>• Review investment analysis reports.</li> <li>• Review and approve investments in partnerships of amounts greater than \$150 million prior to investment.</li> <li>• Review and approve direct co-investment opportunities that exceed \$50 million.</li> <li>• Review and approve the sale of any one existing partnership fund on the secondary market exceeding \$50 million in Fair Market Value.</li> <li>• Review and approve a simultaneous sale of multiple partnership fund interests in a packaged structure.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer investments and forward to Private Equity Consultant for preliminary screening.</li> <li>• Conduct meetings with prospective or existing general partners representing new investment opportunities.</li> <li>• Conduct due diligence with general partners to better ascertain risk and return profile, as determined by the Chief Investment Officer.</li> <li>• In conjunction with Private Equity Consultant, invest up to and including \$150 million in partnerships without Board approval. If Staff opposes and Private Equity Consultant disagrees, refer to Board for decision.</li> <li>• In conjunction with Private Equity Consultant, make recommendations to Board for approval for investments over \$150 million.</li> <li>• In conjunction with Private Equity Consultant, review and concur with direct co-investment opportunities up to and including \$50 million.</li> <li>• In conjunction with Private Equity Consultant, review and concur with the approval of sale of existing partnership funds on the secondary market up to and including \$50 million in Fair Market Value.</li> <li>• General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing.</li> <li>• Ensure review of relevant fund documents by the City Attorney and/or external legal counsel.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct appropriate analysis and due diligence on investments.</li> <li>• Prepare investment reports for Board consideration on investments exceeding \$150 million.</li> <li>• With Staff concurrence, approve investments of up to and including \$150 million.</li> <li>• With Staff concurrence, approve direct co-investment opportunities up to and including \$50 million.</li> <li>• Present to Staff recommendations pertaining to the sale of existing partnership funds on the secondary market exceeding \$50 million in Fair Market Value. Such transactions shall be brought to the Board for review and approval.</li> <li>• Provide investment analysis reports for each new investment and for sales of partnership fund interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>• Communicate with Staff regarding potential investment opportunities undergoing analysis and due diligence.</li> <li>• Coordinate meetings with general partners at the request of Staff.</li> <li>• Advise on and negotiate investment terms.</li> </ul>



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

**MEETING: FEBRUARY 24, 2026**

**ITEM: VII - F**

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**SUBJECT: NOTIFICATION OF COMMITMENT OF UP TO €34.3 MILLION (APPROXIMATELY \$40.0 MILLION) IN HG GENESIS 11 A L.P.**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

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**Recommendation**

That the Board receive and file this notice of the commitment of up to €34.3 million (approximately \$40.0 million) in Hg Genesis 11 A L.P.

**Executive Summary**

Hg Genesis 11 A L.P. will focus on making middle-market control investments in software and technology-enabled services primarily in northern Europe.

**Discussion**

*Consultant Recommendation*

Aksia LLC (Aksia), LACERS' Private Equity Consultant, recommended a commitment of up to €34.3 million in Hg Genesis 11 A L.P. (the Fund), a buyout strategy managed by Hg Pooled Management Limited (the Firm or Hg). Fund management and incentive fees are comparable to similar strategies; the GP will invest alongside limited partners, providing alignment of interests. This recommendation is consistent with the Private Equity Program 2025 Strategic Plan adopted by the Board on January 14, 2025.

*Background*

Hg spun out from the private equity division of Mercury Asset Management, which was part of Merrill Lynch Investment Managers in 2000. Ian Armitage assumed leadership of Mercury in 1990 and executed its spin-out as an independent entity, HgCapital. In 2007, Armitage transitioned to Chairman, while Nic Humphries, formerly Head of Technology, Media, and Telecommunications, was appointed CEO and Managing Partner. Consistent with the firm's succession plan, in November 2025, Steven Batchelor and Jean-Baptiste ("JB") Brian will become Managing Partners and Co-CEOs, with Mr. Humphries transitioning to Senior Partner and Executive Chairman.

The firm has more than \$110 billion in assets under management and approximately 430 investment professionals with offices in London (headquarters), Munich, New York, Paris, Singapore, and San Francisco.

Hg is an existing general partner relationship with LACERS, with previous commitments to the following funds:

Fund	Vintage Year	Commitment	Net IRR <sup>1 2</sup>
Hg Saturn 4 A L.P.	2025	\$40 million	n.m.
Hg Genesis 10 A L.P.	2022	\$39.2 million	16.6%
Hg Saturn 3 A L.P.	2022	\$40 million	13.6%
Hg Genesis 9 A L.P.	2020	\$19.3 million	19.0%
Hg Saturn 2 A L.P.	2020	\$20 million	15.7%

### *Investment Thesis*

Hg will target large-cap software and technology-enabled service companies domiciled primarily in Europe. Targeted companies provide mission-critical software or services using a subscription or repeat revenue model. Transactions typically will take the form of leveraged buyouts, carve-outs, and privatizations. Hg focuses on value creation through organic revenue growth. Exit strategies include initial public offerings and sales to financial institutions or strategic partners, such as other private equity firms or large enterprise firms.

### *Placement Agent*

The GP did not use a placement agent in connection with LACERS' investment.

### *Staff Recommendation*

Staff concurred with Aksia's recommendation. The commitment has been consummated pursuant to the Discretion in a Box (Roles and Responsibilities) section of the Private Equity Investment Policy; no Board action is required.

Prepared By: Daniel Becerra, Investment Officer I, Investment Division

TB:RJ:WL:RM:EC:DB

Attachments:      1. Aksia Investment Notification  
                          2. Discretion in a Box

<sup>1</sup> Performance as of June 30, 2025

<sup>2</sup> Performance data (1) does not necessarily accurately reflect the current or expected future performance of the Fund(s) or the fair value of LACERS' interest in the Fund(s), (2) should not be used to compare returns among multiple private equity funds and (3) has not been calculated, reviewed, verified or in any way sanctioned or approved by the general partner(s) or manager(s)

Hg Genesis 11 A L.P.  
Investment Notification



[www.aksia.com](http://www.aksia.com)

## Hg Genesis 11 A L.P.

General Partner	• HgCapital
Fund	• Hg Genesis 11 A L.P.
Firm Founded	• 2000
Strategy	• European Buyouts
Sub-Strategy	• Middle Market
Geography	• Europe
Team	• 50 investment professionals
Senior Partners	• Nic Humphries, Jean-Baptiste Brian, Matthew Brockman, Sebastien Briens, Nick Jordan, and Alan Cline
Office Locations	• London, Munich, New York, Paris, San Francisco
Industries	• Software & Services (Healthcare IT, Fintech, ERP & Payroll, Legal & Regulatory, etc.)
Target Fund Size	• €7.5 billion
LACERS Commitment	• €34.3 million (≈ \$40.0 million)

## Investment Highlights

- Hg's Genesis series pursues middle market software and services businesses with enterprise values between up to €2 billion and equity requirements between €350 million and €750 million.
- The Genesis strategy is supported by a deep, experienced senior team and extensive value-creation resources, including operating partners ("Serial Chairs") and a 60+ person value creation team.
- Hg's cluster-based sourcing model provides deep sector specialization and strong proprietary deal flow. The cluster teams have developed deep specialist knowledge within their respective subsectors and strong relationships across the market.

## Hg Genesis 11 A L.P.

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### Firm and Background

- HgCapital is a leading European private equity firm focused exclusively on software and technology-enabled services, with a history dating back to 1990 and a dedicated software investment strategy since 2009.

### Investment Strategy

- Hg Genesis 11 A L.P. seeks to make control investments in mid-market European software and services businesses that provide mission-critical, recurring-revenue solutions to business customers.
- The Fund targets companies within eight core software clusters, including ERP & Payroll, Legal & Regulatory Compliance, Healthcare IT, Fintech, Insurance, and Technology Services, where Hg has developed long-standing expertise and strong competitive positioning.
- Investments typically involve businesses with high revenue visibility, strong intellectual property, and fragmented end-markets, with value creation driven through organic growth, strategic M&A, and operational efficiency initiatives.
- The Fund is expected to construct a concentrated portfolio of 10–12 investments, with equity commitments of approximately €350 million to €750 million per platform and a disciplined focus on underwriting net returns in excess of 2.5x MOIC and 20% IRR.

**PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE.**

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## Section 5 PRIVATE EQUITY INVESTMENT POLICY

## F. Roles and Responsibilities

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Equity Consultant</b>
<b>Strategy/Policy</b>	<ul style="list-style-type: none"> <li>Select Private Equity Consultant.</li> <li>Approve asset class funding level.</li> <li>Review and approve the Private Equity Annual Strategic Plan which includes allocation targets and ranges.</li> </ul>	<ul style="list-style-type: none"> <li>In consultation with Private Equity Consultant and General Fund Consultant, develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>	<ul style="list-style-type: none"> <li>Help develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>
<b>Investment Management and Monitoring</b>	<ul style="list-style-type: none"> <li>Review quarterly, annual, and other periodic monitoring reports and plans.</li> <li>Review Commitment Notification Reports.</li> </ul>	<ul style="list-style-type: none"> <li>Review quarterly, annual and other periodic monitoring reports prepared by the Private Equity Consultant.</li> <li>Conduct meetings with existing managers periodically.</li> <li>Attend annual partnership meetings when appropriate.</li> <li>Fund capital calls and manage distributions.</li> <li>Review Private Equity Consultant's recommendations on partnership amendments and consents.</li> <li>Execute partnership amendments and consents.</li> <li>Manage and approve the wind-down and/or dissolve private equity fund investment(s) with private equity consultant's concurrence.</li> <li>Manage and execute the sale of partnership interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>Prepare Commitment Notification Reports for Board.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain regular contact with existing managers in the portfolio to ascertain significant events within the portfolio.</li> <li>Recommend amendments and consents to Staff for approval.</li> <li>Provide quarterly, annual, and other periodic monitoring reports and plans.</li> </ul>

**Section 5 PRIVATE EQUITY INVESTMENT POLICY**

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Equity Consultant</b>
<b>Investment Selection</b>	<ul style="list-style-type: none"> <li>• Review investment analysis reports.</li> <li>• Review and approve investments in partnerships of amounts greater than \$150 million prior to investment.</li> <li>• Review and approve direct co-investment opportunities that exceed \$50 million.</li> <li>• Review and approve the sale of any one existing partnership fund on the secondary market exceeding \$50 million in Fair Market Value.</li> <li>• Review and approve a simultaneous sale of multiple partnership fund interests in a packaged structure.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer investments and forward to Private Equity Consultant for preliminary screening.</li> <li>• Conduct meetings with prospective or existing general partners representing new investment opportunities.</li> <li>• Conduct due diligence with general partners to better ascertain risk and return profile, as determined by the Chief Investment Officer.</li> <li>• In conjunction with Private Equity Consultant, invest up to and including \$150 million in partnerships without Board approval. If Staff opposes and Private Equity Consultant disagrees, refer to Board for decision.</li> <li>• In conjunction with Private Equity Consultant, make recommendations to Board for approval for investments over \$150 million.</li> <li>• In conjunction with Private Equity Consultant, review and concur with direct co-investment opportunities up to and including \$50 million.</li> <li>• In conjunction with Private Equity Consultant, review and concur with the approval of sale of existing partnership funds on the secondary market up to and including \$50 million in Fair Market Value.</li> <li>• General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing.</li> <li>• Ensure review of relevant fund documents by the City Attorney and/or external legal counsel.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct appropriate analysis and due diligence on investments.</li> <li>• Prepare investment reports for Board consideration on investments exceeding \$150 million.</li> <li>• With Staff concurrence, approve investments of up to and including \$150 million.</li> <li>• With Staff concurrence, approve direct co-investment opportunities up to and including \$50 million.</li> <li>• Present to Staff recommendations pertaining to the sale of existing partnership funds on the secondary market exceeding \$50 million in Fair Market Value. Such transactions shall be brought to the Board for review and approval.</li> <li>• Provide investment analysis reports for each new investment and for sales of partnership fund interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>• Communicate with Staff regarding potential investment opportunities undergoing analysis and due diligence.</li> <li>• Coordinate meetings with general partners at the request of Staff.</li> <li>• Advise on and negotiate investment terms.</li> </ul>



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

**MEETING: FEBRUARY 24, 2026**

**ITEM: VII - G**

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**SUBJECT: NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN OCEANSOUND PARTNERS FUND III, LP**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

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**Recommendation**

That the Board receive and file this notice of the commitment of up to \$50 million in OceanSound Partners Fund III, LP.

**Executive Summary**

OceanSound Partners Fund III, LP will focus on private equity investments primarily in the government technology, communications, industrial technology, and enterprise information technology sectors.

**Discussion**

*Consultant Recommendation*

Aksia LLC (Aksia), LACERS' Private Equity Consultant, recommended a commitment of up to \$50 million in OceanSound Partners Fund III, LP (the Fund), a private equity fund managed by OceanSound Partners, LP (OceanSound or the GP). Fund management and incentive fees are comparable to similar strategies; the GP will invest alongside limited partners, providing alignment of interest. This recommendation is consistent with the Private Equity Program 2025 Strategic Plan adopted by the Board on January 14, 2025.

*Background*

The Firm was founded by Joe Benavides, Ted Coons, and Jeff Kelly in 2019 to invest in U.S. technology and technology-service companies operating in business-to-business and business-to-government end markets. Mr. Benavides previously worked with Mr. Coons at Blackstone and with Mr. Kelly at Veritas Capital. Collectively, they have nearly 40 years of experience investing in private equity. The Firm consists of 23 investment professionals and maintains one office in New York City.

OceanSound is an existing general partner relationship for LACERS and has graduated to the core portfolio as an Emerging Investment Manager pursuant to the LACERS Emerging Investment Manager Policy. LACERS previously committed to the following funds:

<b>Fund Name</b>	<b>Vintage Year</b>	<b>Commitment Size</b>	<b>Net IRR<sup>1,2</sup></b>
OceanSound Partners Fund I, LP	2019	\$25 million	23.0%
OceanSound Partners Fund II, LP	2022	\$25 million	21.1%

*Investment Thesis*

The GP will seek to make seven to eight control-oriented investments in domestic, middle-market businesses primarily within the government technology, communications, industrial technology, and enterprise information technology sectors. The GP anticipates that the vast majority of transactions will take the form of traditional buyouts, founder recapitalizations, and corporate carve-outs. The GP will target businesses that have positive cash flow and operate in large markets. Other characteristics of target businesses may include high barriers to entry, deeply rooted customer bases, regulatory protection, defensible cost structures, proprietary technology or specialized processes, or distribution capabilities that are difficult to replicate. The GP will focus on companies within subsectors that have displayed consistent growth across economic and political cycles such as cybersecurity, process automation, unmanned systems technology, healthcare information technology, and software.

*Placement Agent*

The GP did not use a placement agent in connection with LACERS' investment.

*Staff Recommendation*

Staff concurred with Aksia's recommendation. The commitment has been consummated pursuant to the Discretion in a Box (Roles and Responsibilities) section of the Private Equity Investment Policy; no Board action is required.

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

TB:RJ:WL:JP:EC:EP

- Attachments:        1. Aksia Investment Notification  
                              2. Discretion in a Box

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<sup>1</sup> Performance as of June 30, 2025.

<sup>2</sup> Performance data (1) does not necessarily accurately reflect the current or expected future performance of the Fund(s) or the fair value of LACERS' interest in the Fund(s), (2) should not be used to compare returns among multiple private equity funds and (3) has not been calculated, reviewed, verified or in any way sanctioned or approved by the general partner(s) or manager(s).

OceanSound Partners Fund III, LP  
Investment Notification

## OceanSound Partners Fund III, LP

General Partner	• OceanSound Partners
Fund	• OceanSound Partners Fund III, LP
Firm Founded	• 2019
Strategy	• North American Buyouts
Sub-Strategy	• Middle Market
Geography	• North America
Team	• 23 investment professionals
Senior Partners	• Joe Benavides, Ted Coons, Jeff Kelly
Office Locations	• New York, NY
Industries	• Government & Defense Tech, Infrastructure Tech & Services, Tech-Enabled Services
Target Fund Size	• \$2.0 billion (\$2.75 billion hard cap)
LACERS Commitment	• \$50.0 million

## Investment Highlights

- OceanSound is a specialized private equity manager focused on government, defense, and regulated end markets, where the team's prior experience and security clearances enable differentiated sourcing and underwriting.
- A network of government officials, policy advisors, and executives that have helped them navigate multiple economic and political cycles.
- The Firm's focus on complex transactions and regulated end markets have resulted in less competition for investments.

## OceanSound Partners Fund III, LP

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### Firm and Background

- OceanSound Partners is a New York–based private equity firm founded in 2019 by Joe Benavides, Ted Coons, and Jeff Kelly, who bring deep experience investing in government, defense, and regulated end markets from their prior tenures at Veritas Capital and Blackstone.
- In its formative years, OceanSound entered into two passive economic arrangements with SP Capital Partners, an affiliate of Sixpoint Partners (now Harris Williams), who helped seed the platform, and Petershill Partners, who provided capital and resources towards the end of the debut fundraising.

### Investment Strategy

- OceanSound Partners Fund III, LP seeks to make control investments in North American middle market technology and tech-enabled services companies serving aerospace, defense, government, and other regulated end markets.
- The Fund targets founder- and family-owned businesses and corporate carve-outs with recurring revenue models, mission-critical offerings, and opportunities for operational improvement or strategic repositioning.
- OceanSound leverages its sector expertise, government relationships, and security clearances to source proprietary transactions in less competitive segments of the market and acquire businesses at attractive entry valuations.
- Post-investment, the Firm partners closely with management teams to professionalize operations and execute value creation initiatives, including management upgrades, business model transitions, and M&A-driven growth.

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## Section 5 PRIVATE EQUITY INVESTMENT POLICY

## F. Roles and Responsibilities

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<b>Strategy/Policy</b>	<ul style="list-style-type: none"> <li>Select Private Equity Consultant.</li> <li>Approve asset class funding level.</li> <li>Review and approve the Private Equity Annual Strategic Plan which includes allocation targets and ranges.</li> </ul>	<ul style="list-style-type: none"> <li>In consultation with Private Equity Consultant and General Fund Consultant, develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>	<ul style="list-style-type: none"> <li>Help develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>
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**Section 5 PRIVATE EQUITY INVESTMENT POLICY**

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Equity Consultant</b>
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**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

**MEETING: FEBRUARY 24, 2026**

**ITEM: VII - H**

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**SUBJECT: NOTIFICATION OF COMMITMENT OF UP TO €40 MILLION (APPROXIMATELY \$50 MILLION) IN CAPVEST EQUITY PARTNERS VI A SCSP**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

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### **Recommendation**

That the Board receive and file this notice of the commitment of up to €40 million (approximately \$50 million) in CapVest Equity Partners VI A SCSp.

### **Executive Summary**

CapVest Equity Partners VI A SCSp will focus on making control investments in European, non-cyclical businesses.

### **Discussion**

#### *Consultant Recommendation*

Aksia LLC (Aksia), LACERS' Private Equity Consultant, recommended a commitment of up to €40 million (approximately \$50 million) in CapVest Equity Partners VI A SCSp (the Fund), a European buyout strategy managed by CapVest Partners LLC (CapVest or the GP). Fund management and incentive fees are comparable to similar strategies; the GP will invest alongside limited partners, providing alignment of interests. This recommendation is consistent with the Private Equity Program 2025 Strategic Plan adopted by the Board on January 14, 2025.

#### *Background*

CapVest was founded in 1999 by Seamus FitzPatrick, Randl Shure and Scott Paton. The firm was first backed by American International Group (AIG), which focused on Leveraged Buyout (LBO) and growth equity investments in Europe. In 2000, the GP decided to move away from growth equity opportunities and solely focus on control LBOs. Then in 2002, Scott Paton was bought out and Randl Shure passed away in 2011, leaving Seamus FitzPatrick as the only remaining founding partner. The firm is now led by Seamus FitzPatrick, Kate Briant, and Christopher Campbell. The GP has 26 investment professionals with offices in London (HQ), United Kingdom, and New York.

CapVest is a new general partner relationship for LACERS.

### *Investment Thesis*

The Fund's strategy will focus on making control investments in mid-to-large European companies with a focus in defensive businesses in the Food & Staple Consumer Goods and the Healthcare & Essential Services sectors. CapVest will apply its proprietary "CapVest Toolbox" to drive value, which may include but not be limited to, buy-and-build, margin and sales optimization, high-return capex initiatives, and innovative financing structures. CapVest will utilize its network and sector expertise to identify industry trends and themes within sub-segments, seeking businesses that benefit from non-discretionary demand.

### *Placement Agent*

The GP did not use a placement agent in connection with LACERS' investment.

### *Staff Recommendation*

Staff concurred with Aksia's recommendation. The commitment has been consummated pursuant to the Discretion in a Box (Roles and Responsibilities) section of the Private Equity Investment Policy; no Board action is required.

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

TB:RJ:WL:JP:EC:EP

Attachments:           1. Aksia Investment Notification  
                              2. Discretion in a Box

Aksia LLC

# CapVest Equity Partners VI A SCSp Investment Notification



[www.aksia.com](http://www.aksia.com)

## CapVest Equity Partners VI A SCSp

General Partner	• CapVest Partners LLC
Fund	• CapVest Equity Partners VI A SCSp
Firm Founded	• 1999
Strategy	• European Buyouts
Sub-Strategy	• Middle Market
Geography	• Europe
Team	• 26 investment professionals
Senior Partners	• Seamus FitzPatrick, Kate Briant, Christopher Campbell
Office Locations	• London, United Kingdom; New York, NY
Industries	• Staple Consumer Goods, Healthcare, Essential Services
Target Fund Size	• €3.9 billion (€4.5 billion cap)
LACERS Commitment	• €40.0 million

## Investment Highlights

- CapVest is a long-tenured European buyout manager focused on building concentrated portfolios of control investments in resilient, non-cyclical businesses.
- The Firm targets companies operating in staple consumer goods, healthcare, and essential services sectors, applying a flexible and geographically agnostic mandate to identify opportunities with strong market positions and transformational potential.
- CapVest demonstrates strong alignment with investors through significant General Partner commitment and a hands-on ownership model, characterized by frequent engagement with management teams and active involvement in strategic and operational decision-making.

## CapVest Equity Partners VI A SCSp

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### Firm and Background

- CapVest was founded in 1999 and is led by Managing Partner Seamus FitzPatrick alongside long-tenured Partners Kate Briant and Christopher Campbell, who collectively bring decades of experience executing control buyouts across Europe.
- The Firm has built a cohesive and stable senior team, supported by a hands-on investment culture that emphasizes frequent engagement with portfolio company management and deep operational involvement.

### Investment Strategy

- CapVest Equity Partners VI A SCSp seeks to make control-oriented buyouts of mid-to-large European companies operating in defensive sectors, including staple consumer goods, healthcare, and essential services.
- CapVest applies its proprietary “CapVest Toolbox” to drive value creation, including buy-and-build strategies, margin and sales optimization, high-return capex initiatives, and innovative financing structures.
- The Fund is expected to construct a concentrated portfolio of eight to nine investments, with selective exposure outside Europe capped at 36%.
- The Partner group is well-tenured, the broader team has experienced limited turnover, ensuring strong alignment with LPs.

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## Section 5 PRIVATE EQUITY INVESTMENT POLICY

## F. Roles and Responsibilities

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Equity Consultant</b>
<b>Strategy/Policy</b>	<ul style="list-style-type: none"> <li>Select Private Equity Consultant.</li> <li>Approve asset class funding level.</li> <li>Review and approve the Private Equity Annual Strategic Plan which includes allocation targets and ranges.</li> </ul>	<ul style="list-style-type: none"> <li>In consultation with Private Equity Consultant and General Fund Consultant, develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>	<ul style="list-style-type: none"> <li>Help develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>
<b>Investment Management and Monitoring</b>	<ul style="list-style-type: none"> <li>Review quarterly, annual, and other periodic monitoring reports and plans.</li> <li>Review Commitment Notification Reports.</li> </ul>	<ul style="list-style-type: none"> <li>Review quarterly, annual and other periodic monitoring reports prepared by the Private Equity Consultant.</li> <li>Conduct meetings with existing managers periodically.</li> <li>Attend annual partnership meetings when appropriate.</li> <li>Fund capital calls and manage distributions.</li> <li>Review Private Equity Consultant's recommendations on partnership amendments and consents.</li> <li>Execute partnership amendments and consents.</li> <li>Manage and approve the wind-down and/or dissolve private equity fund investment(s) with private equity consultant's concurrence.</li> <li>Manage and execute the sale of partnership interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>Prepare Commitment Notification Reports for Board.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain regular contact with existing managers in the portfolio to ascertain significant events within the portfolio.</li> <li>Recommend amendments and consents to Staff for approval.</li> <li>Provide quarterly, annual, and other periodic monitoring reports and plans.</li> </ul>

**Section 5 PRIVATE EQUITY INVESTMENT POLICY**

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Equity Consultant</b>
<b>Investment Selection</b>	<ul style="list-style-type: none"> <li>• Review investment analysis reports.</li> <li>• Review and approve investments in partnerships of amounts greater than \$150 million prior to investment.</li> <li>• Review and approve direct co-investment opportunities that exceed \$50 million.</li> <li>• Review and approve the sale of any one existing partnership fund on the secondary market exceeding \$50 million in Fair Market Value.</li> <li>• Review and approve a simultaneous sale of multiple partnership fund interests in a packaged structure.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer investments and forward to Private Equity Consultant for preliminary screening.</li> <li>• Conduct meetings with prospective or existing general partners representing new investment opportunities.</li> <li>• Conduct due diligence with general partners to better ascertain risk and return profile, as determined by the Chief Investment Officer.</li> <li>• In conjunction with Private Equity Consultant, invest up to and including \$150 million in partnerships without Board approval. If Staff opposes and Private Equity Consultant disagrees, refer to Board for decision.</li> <li>• In conjunction with Private Equity Consultant, make recommendations to Board for approval for investments over \$150 million.</li> <li>• In conjunction with Private Equity Consultant, review and concur with direct co-investment opportunities up to and including \$50 million.</li> <li>• In conjunction with Private Equity Consultant, review and concur with the approval of sale of existing partnership funds on the secondary market up to and including \$50 million in Fair Market Value.</li> <li>• General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing.</li> <li>• Ensure review of relevant fund documents by the City Attorney and/or external legal counsel.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct appropriate analysis and due diligence on investments.</li> <li>• Prepare investment reports for Board consideration on investments exceeding \$150 million.</li> <li>• With Staff concurrence, approve investments of up to and including \$150 million.</li> <li>• With Staff concurrence, approve direct co-investment opportunities up to and including \$50 million.</li> <li>• Present to Staff recommendations pertaining to the sale of existing partnership funds on the secondary market exceeding \$50 million in Fair Market Value. Such transactions shall be brought to the Board for review and approval.</li> <li>• Provide investment analysis reports for each new investment and for sales of partnership fund interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>• Communicate with Staff regarding potential investment opportunities undergoing analysis and due diligence.</li> <li>• Coordinate meetings with general partners at the request of Staff.</li> <li>• Advise on and negotiate investment terms.</li> </ul>



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

**MEETING: FEBRUARY 24, 2026**

**ITEM: VII - I**

**SUBJECT: NOTIFICATION OF COMMITMENT OF UP TO \$20 MILLION IN SQUARE NINE SPECIALTY CREDIT FUND I LP**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Board receive and file this notice of the commitment of up to \$20 million in Square Nine Specialty Credit Fund I LP.

**Executive Summary**

Square Nine Specialty Credit Fund I LP will target opportunistic and bespoke senior capital solutions investments in North America.

**Discussion**

*Consultant Recommendation*

Aksia LLC (Aksia), LACERS' Private Credit Consultant, recommended a commitment of up to \$20 million in Square Nine Specialty Credit Fund I LP (the Fund), an opportunistic credit strategy managed by Square Nine Capital LP (Square Nine or the GP). Fund management and incentive fees are comparable to similar strategies; the Firm will invest alongside limited partners, providing alignment of interests. This recommendation is consistent with the Private Credit Program 2025 Strategic Plan adopted by the Board on January 28, 2025.

*Background*

Square Nine was founded in 2025 by managing partners Peter Ma and Nicole Musicco and has offices in Los Angeles (headquarters) and New York. Prior to founding the firm, Mr. Ma was a senior deal professional at Morgan Stanley North Haven Credit Partners and Colbeck Capital, where he deployed more than \$1.5 billion in private credit deals; while Ms. Musicco served as CIO of the California Public Employees' Retirement System (CalPERS), as well as in a variety of senior investment positions for both managers and allocators, including RedBird Capital Partners, the Investment Management Corporation of Ontario (IMCO), and the Ontario Teachers' Pension Plan (OTPP). In addition to the two managing partners, Square Nine employs a Chief Operating Officer and two additional senior deal professionals, all of whom worked previously with Mr. Ma.

Square Nine is a new general partner relationship for LACERS and meets the criteria as an Emerging Investment Manager pursuant to the LACERS Emerging Investment Manager Policy.

*Investment Thesis*

The strategy focuses on opportunistic and bespoke senior capital solutions investments for borrowers that are generally overlooked and/or underserved by traditional private credit investors. The Fund invests primarily in North American core middle market and upper middle market borrowers and targets primarily first lien senior secured loans with up to 15% of the portfolio available to invest in junior debt.

*Placement Agent*

The GP did not use a placement agent in connection with LACERS' investment.

*Staff Recommendation*

Staff concurred with Aksia's recommendation. The commitment has been consummated pursuant to the Discretion in a Box (Roles and Responsibilities) section of the Private Credit Investment Policy; no Board action is required.

Prepared By: Clark Hoover, Investment Officer I, Investment Division

TB:RJ:WL:RM:EC:CH

Attachments:       1. Aksia Investment Notification  
                          2. Discretion in a Box

Aksia LLC

# Square Nine Specialty Credit Fund I, LP

## Investment Notification



[www.aksia.com](http://www.aksia.com)

## Square Nine Specialty Credit Fund I, LP

General Partner	• Square Nine Capital LP
Fund	• Square Nine Specialty Credit Fund I, LP
Firm Founded	• 2025
Strategy	• U.S. Direct Lending
Sub-Strategy	• U.S. Opportunistic Lending
Geography	• North America
Team	• 4 senior investment professionals
Senior Partners	• Peter Ma, Nicole Musicco
Office Locations	• Los Angeles, CA; New York, NY
Industries	• Diversified / Generalist
Target Fund Size	• \$750.0 million (\$1.0 billion cap)
LACERS Commitment	• \$20.0 million

### Investment Highlights

- Square Nine is a newly established specialty credit manager focused on opportunistic, bespoke senior capital solutions for middle market borrowers that are underserved by traditional lenders, typically due to elements of complexity or non-traditional equity ownership.
- The Fund targets primarily first-lien senior secured loans with strong structural protections, emphasizing disciplined underwriting and conservative loan-to-value levels.

## Square Nine Specialty Credit Fund I, LP

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### Firm and Background

- Square Nine was founded in 2025 by managing partners Peter Ma and Nicole Musicco.
- Prior to founding the Firm, Peter was a senior deal professional at Morgan Stanley North Haven Credit Partners and Colbeck Capital, where he deployed over \$1.5 billion in primarily senior capital solutions deals that are representative of the Square Nine strategy. Nicole was most recently CIO of the California Public Employees' Retirement System, having held a variety of senior investment positions at both managers and allocators across her career including RedBird, IMCO, and OTPP.
- Square Nine benefits from a strategic partnership with Fortress Investment Group that provides working capital support and warehouse capacity, enhancing the Firm's ability to source and execute transactions during the Fund's early investment period.

### Investment Strategy

- Square Nine Specialty Credit Fund I, LP seeks to provide opportunistic senior capital solutions to North American middle market and upper middle market borrowers, including sponsor-backed and non-sponsor-backed companies.
- The Fund focuses primarily on first-lien senior secured loans, with limited exposure to junior capital, targeting transactions that involve complexity, transition situations, or non-traditional ownership structures.
- The Fund is expected to construct a diversified portfolio of 20–30 positions with modest hold sizes and a focus on current income and capital preservation.

**PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE.**

**THESE MATERIALS ARE NOT INTENDED AS AN OFFER TO SELL, OR THE SOLICITATION OF AN OFFER TO PURCHASE, ANY SECURITY. THIS PRESENTATION HAS BEEN PREPARED SOLELY FOR INFORMATIONAL AND DISCUSSION PURPOSES ONLY. THE INFORMATION HEREIN IS NOT INTENDED TO BE COMPLETE AND THE DESCRIPTION OF THE FUND IN THESE MATERIALS IS QUALIFIED IN ITS ENTIRETY BY THE TERMS AND INFORMATION CONTAINED IN THE FUND'S OFFERING DOCUMENTS, INCLUDING, WITHOUT LIMITATION, THE FUND'S PRIVATE PLACEMENT MEMORANDUM, PARTNERSHIP AGREEMENT AND SUBSCRIPTION AGREEMENT ("GOVERNING DOCUMENTS"). NOTHING HEREIN CONSTITUTES, OR SHOULD BE CONSTRUED, AS INVESTMENT ADVICE.**

**THE INFORMATION HEREIN IS NOT INTENDED TO PROVIDE, AND SHOULD NOT BE RELIED UPON FOR, ACCOUNTING, TAX OR LEGAL ADVICE. YOU SHOULD CONSULT YOUR TAX, LEGAL AND/OR ACCOUNTING ADVISERS ABOUT ANY MATTERS DISCUSSED HEREIN.**

**INTERESTS IN THE FUND HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER ANY STATE OR OTHER SECURITIES LAWS OR THE LAWS OF ANY NON-U.S. JURISDICTION. THE INTERESTS WILL BE OFFERED AND SOLD FOR INVESTMENT ONLY TO QUALIFYING INVESTORS PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS OF THE STATES AND OTHER JURISDICTIONS (INCLUDING NON-U.S. JURISDICTIONS) WHERE THE OFFERING WILL BE MADE. THERE WILL BE NO PUBLIC MARKET FOR INTERESTS IN THE FUND, AND THERE IS NO OBLIGATION ON THE PART OF ANY PERSON TO REGISTER THE INTERESTS UNDER THE SECURITIES ACT. INTERESTS IN THE FUND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND ANY APPLICABLE NON-U.S. SECURITIES LAWS, PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. THE TRANSFERABILITY OF THE INTERESTS WILL BE FURTHER RESTRICTED BY THE TERMS OF THE FUND'S GOVERNING DOCUMENTS. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF AN INVESTMENT IN THE FUND FOR AN INDEFINITE PERIOD OF TIME.**

**NONE OF THE INFORMATION CONTAINED HEREIN WAS PREPARED BY THE FUND OR ANY UNDERLYING PORTFOLIO FUNDS IDENTIFIED HEREIN, IF ANY, THE GENERAL PARTNERS THEREOF OR ANY OF THEIR RESPECTIVE AFFILIATES. BY ACCEPTING THESE MATERIALS, YOU HEREBY ACKNOWLEDGE AND AGREE TO ALL OF THE TERMS AND CONDITIONS IN THESE DISCLOSURES.**

ARTICLE III. BOARD INVESTMENT POLICIES

Section 5 PRIVATE CREDIT INVESTMENT POLICY

**F. Roles and Responsibilities**

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Credit Consultant</b>
<b>Strategy/Policy</b>	<ul style="list-style-type: none"> <li>• Select Private Credit Consultant.</li> <li>• Approve asset class funding level.</li> <li>• Review and approve the Private Credit Annual Strategic Plan which includes allocation targets and ranges.</li> </ul>	<ul style="list-style-type: none"> <li>• In consultation with Private Credit Consultant and General Fund Consultant, develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>	<ul style="list-style-type: none"> <li>• Help develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>
<b>Investment Management and Monitoring</b>	<ul style="list-style-type: none"> <li>• Review quarterly, annual, and other periodic monitoring reports and plans.</li> <li>• Review Commitment Notification Reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Review quarterly, annual and other periodic monitoring reports prepared by the Private Credit Consultant.</li> <li>• Conduct meetings with existing managers periodically.</li> <li>• Attend annual partnership meetings when appropriate.</li> <li>• Fund capital calls and manage distributions.</li> <li>• Review Private Credit Consultant's recommendations on partnership amendments and consents.</li> <li>• Execute partnership amendments and consents.</li> <li>• Manage and approve the wind-down and/or dissolve private credit fund investment(s).</li> <li>• Manage and execute the sale of partnership interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>• Prepare Commitment Notification Reports for Board.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain regular contact with existing managers in the portfolio to ascertain significant events within the portfolio.</li> <li>• Recommend amendments and consents to Staff for approval.</li> <li>• Provide quarterly, annual, and other periodic monitoring reports and plans.</li> </ul>

Section 5 PRIVATE CREDIT INVESTMENT POLICY

Roles and Responsibilities continued

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Credit Consultant</b>
<b>Investment Selection</b>	<ul style="list-style-type: none"> <li>• Review investment analysis reports.</li> <li>• Review and approve investments in partnerships of amounts greater than \$150 million prior to investment.</li> <li>• Review and approve the sale of any one existing partnership fund on the secondary market greater than \$50 million in Fair Market Value.</li> <li>• Review and approve a simultaneous sale of multiple partnership fund interests in a packaged structure.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer investments and forward to Private Credit Consultant for preliminary screening.</li> <li>• Conduct meetings with prospective or existing general partners representing new investment opportunities.</li> <li>• Conduct due diligence with general partners to better ascertain risk and return profile, as determined by the Chief Investment Officer.</li> <li>• In conjunction with Private Credit Consultant, invest up to and including \$150 million in partnerships without Board approval.</li> <li>• In conjunction with Private Credit Consultant, make recommendations to Board for approval for investments greater than \$150 million.</li> <li>• In conjunction with Private Credit Consultant, review and concur with approval of sale of existing partnership funds on the secondary market up to and including \$50 million in Fair Market Value.</li> <li>• General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing.</li> <li>• Ensure review of relevant fund documents by the City Attorney and/or external legal counsel.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct appropriate analysis and due diligence on investments.</li> <li>• Prepare investment reports for Board consideration on investments greater than \$150 million.</li> <li>• Propose investments of up to and including \$150 million for Staff concurrence.</li> <li>• Present recommendations to Staff pertaining to the sale of existing partnership funds on the secondary market greater than \$50 million in Fair Market Value. Such transactions shall be brought to the Board for review and approval.</li> <li>• Provide investment analysis reports for each new investment and for sales of partnership fund interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>• Communicate with Staff regarding potential investment opportunities undergoing analysis and due diligence.</li> <li>• Coordinate meetings with general partners at the request of Staff.</li> <li>• Advise on and negotiate investment terms.</li> </ul>



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

**MEETING: FEBRUARY 24, 2026**

**ITEM: VII - J**

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**SUBJECT: NOTIFICATION OF COMMITMENT OF UP TO \$70 MILLION IN SOUND POINT STRATEGIC CAPITAL FUND III, LP**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

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**Recommendation**

That the Board receive and file this notice of the commitment of up to \$70 million in Sound Point Strategic Capital Fund III, LP.

**Executive Summary**

Sound Point Strategic Capital Fund III, LP will focus on investing in first-lien, asset-based revolving credit facilities secured by receivables and other types of collateral.

**Discussion**

*Consultant Recommendation*

Aksia LLC (Aksia), LACERS' Private Credit Consultant, recommended a commitment of up to \$70 million in Sound Point Strategic Capital Fund III, LP (the Fund) managed by Sound Point Capital Management LP (Sound Point or the GP). Fund management and incentive fees are comparable to similar strategies; the GP will invest alongside limited partners, providing alignment of interests. This recommendation is consistent with the Private Credit Program 2025 Strategic Plan adopted by the Board on January 28, 2025.

*Background*

Sound Point is a credit-focused investment manager founded in 2008 by CIO Stephen Ketchum and five senior principals of Stone Point Capital (Stone Point). Mr. Ketchum has over 35 years of credit structuring, advisory and investment management experience. Sound Point's senior portfolio management team has an average of over 25 years' experience in the credit markets. As of September 30, 2025, Sound Point manages more than \$44 billion in assets. The firm has a global team of over 200 employees, including 87 investment professionals, and maintains offices in New York City (headquarters); San Francisco; West Palm Beach; Chicago; and Greenwich, Connecticut.

Sound Point is a new general partner relationship for LACERS.

*Investment Thesis*

The Fund will focus on investing in first-lien, asset-based revolving credit facilities secured primarily by receivables with exposure to other types of collateral including inventory and/or assets with contractual cash flows. The investment team typically targets larger borrowers including syndicated loan issuers. The strategy will seek to generate a spread premium relative to bank asset backed lending facilities driven by situations that involve greater complexity, limited appetite from traditional cash flow lenders, or even underlying company stress.

*Placement Agent*

The GP did not use a placement agent in connection with LACERS' investment.

*Staff Recommendation*

Staff concurred with Aksia's recommendation. The commitment has been consummated pursuant to the Discretion in a Box (Roles and Responsibilities) section of the Private Credit Investment Policy; no Board action is required.

Prepared By: Clark Hoover, Investment Officer I, Investment Division

TB:RJ:WL:RM:EC:CH

Attachments:           1. Aksia Investment Notification  
                              2. Discretion in a Box

# Sound Point Strategic Capital Fund III, LP

## Investment Notification



[www.aksia.com](http://www.aksia.com)

## Sound Point Strategic Capital Fund III, LP

<b>General Partner</b>	• Sound Point Capital Management LP
<b>Fund</b>	• Sound Point Strategic Capital Fund III, LP
<b>Firm Founded</b>	• 2008
<b>Strategy</b>	• Specialty Finance
<b>Sub-Strategy</b>	• Stretch Asset-Based Lending
<b>Geography</b>	• North America
<b>Team</b>	• Dedicated Strategic Capital investment team
<b>Senior Partners</b>	• Stephen Ketchum, Marc Sole, Morgan O’Neill
<b>Office Locations</b>	• New York, NY; San Francisco, CA; West Palm Beach, FL; Chicago, IL; and Greenwich, CT
<b>Industries</b>	• Diversified / Asset-Backed & Specialty Finance
<b>Target Fund Size</b>	• \$1 billion (\$1.5 billion cap)
<b>LACERS Commitment</b>	• \$70.0 million

## Investment Highlights

- Sound Point Strategic Capital Fund III focuses on providing asset-based revolving credit facilities secured primarily by accounts receivable, inventory, and other contractual cash flow assets.
- The strategy emphasizes short-duration, collateral-driven lending solutions designed for borrowers requiring flexible financing structures that are often outside the scope of traditional bank ABL facilities.
- The Fund benefits from Sound Point’s broader credit platform, which supports sourcing, underwriting, and structuring through deep market relationships and dedicated operational infrastructure.

# Sound Point Strategic Capital Fund III, LP

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## Firm and Background

- Sound Point Capital is an alternative investment firm founded in 2008 and headquartered in New York, with a broad credit platform spanning performing credit, CLOs, private credit, structured credit, and specialty finance.
- The Firm manages a large, diversified credit platform supported by an experienced investment team and institutional infrastructure, including dedicated risk management, operations, and asset management resources.
- Today, the GP is also partly owned by Blue Owl Capital and insurance company Assured Guaranty Ltd. after a minority stake sale in 2017 and a merger with Assured Investment Management, a leading CLO manager, in 2023.

## Investment Strategy

- Sound Point Strategic Capital Fund III, LP seeks to invest primarily in first-lien, asset-based revolving credit facilities secured by receivables, inventory, and other contractual cash flow assets.
- The Fund targets situations involving borrower complexity, transition, or limited access to traditional financing, while maintaining a focus on strong collateral coverage and structural protections.
- Investments are typically short-duration in nature, with an emphasis on active monitoring, borrowing-base controls, and third-party verification of underlying collateral.
- The Fund is expected to construct a portfolio of approximately 20–25 investments, with selective exposure to opportunistic lending, including super-senior and DIP financings, within defined risk limits.

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ARTICLE III. BOARD INVESTMENT POLICIES

**Section 5 PRIVATE CREDIT INVESTMENT POLICY**

**F. Roles and Responsibilities**

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Credit Consultant</b>
<b>Strategy/Policy</b>	<ul style="list-style-type: none"> <li>• Select Private Credit Consultant.</li> <li>• Approve asset class funding level.</li> <li>• Review and approve the Private Credit Annual Strategic Plan which includes allocation targets and ranges.</li> </ul>	<ul style="list-style-type: none"> <li>• In consultation with Private Credit Consultant and General Fund Consultant, develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>	<ul style="list-style-type: none"> <li>• Help develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>
<b>Investment Management and Monitoring</b>	<ul style="list-style-type: none"> <li>• Review quarterly, annual, and other periodic monitoring reports and plans.</li> <li>• Review Commitment Notification Reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Review quarterly, annual and other periodic monitoring reports prepared by the Private Credit Consultant.</li> <li>• Conduct meetings with existing managers periodically.</li> <li>• Attend annual partnership meetings when appropriate.</li> <li>• Fund capital calls and manage distributions.</li> <li>• Review Private Credit Consultant's recommendations on partnership amendments and consents.</li> <li>• Execute partnership amendments and consents.</li> <li>• Manage and approve the wind-down and/or dissolve private credit fund investment(s).</li> <li>• Manage and execute the sale of partnership interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>• Prepare Commitment Notification Reports for Board.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain regular contact with existing managers in the portfolio to ascertain significant events within the portfolio.</li> <li>• Recommend amendments and consents to Staff for approval.</li> <li>• Provide quarterly, annual, and other periodic monitoring reports and plans.</li> </ul>

Section 5 PRIVATE CREDIT INVESTMENT POLICY

Roles and Responsibilities continued

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Credit Consultant</b>
<b>Investment Selection</b>	<ul style="list-style-type: none"> <li>• Review investment analysis reports.</li> <li>• Review and approve investments in partnerships of amounts greater than \$150 million prior to investment.</li> <li>• Review and approve the sale of any one existing partnership fund on the secondary market greater than \$50 million in Fair Market Value.</li> <li>• Review and approve a simultaneous sale of multiple partnership fund interests in a packaged structure.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer investments and forward to Private Credit Consultant for preliminary screening.</li> <li>• Conduct meetings with prospective or existing general partners representing new investment opportunities.</li> <li>• Conduct due diligence with general partners to better ascertain risk and return profile, as determined by the Chief Investment Officer.</li> <li>• In conjunction with Private Credit Consultant, invest up to and including \$150 million in partnerships without Board approval.</li> <li>• In conjunction with Private Credit Consultant, make recommendations to Board for approval for investments greater than \$150 million.</li> <li>• In conjunction with Private Credit Consultant, review and concur with approval of sale of existing partnership funds on the secondary market up to and including \$50 million in Fair Market Value.</li> <li>• General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing.</li> <li>• Ensure review of relevant fund documents by the City Attorney and/or external legal counsel.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct appropriate analysis and due diligence on investments.</li> <li>• Prepare investment reports for Board consideration on investments greater than \$150 million.</li> <li>• Propose investments of up to and including \$150 million for Staff concurrence.</li> <li>• Present recommendations to Staff pertaining to the sale of existing partnership funds on the secondary market greater than \$50 million in Fair Market Value. Such transactions shall be brought to the Board for review and approval.</li> <li>• Provide investment analysis reports for each new investment and for sales of partnership fund interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>• Communicate with Staff regarding potential investment opportunities undergoing analysis and due diligence.</li> <li>• Coordinate meetings with general partners at the request of Staff.</li> <li>• Advise on and negotiate investment terms.</li> </ul>



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

**MEETING: FEBRUARY 24, 2026**

**ITEM: VII - K**

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**SUBJECT: NOTIFICATION OF COMMITMENT OF UP TO \$100 MILLION IN BDT & MSD REAL ESTATE CREDIT OPPORTUNITY FUND III, L.P.**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

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**Recommendation**

That the Board receive and file this notice of the commitment of up to \$100 million in BDT & MSD Real Estate Credit Opportunity Fund III, L.P.

**Executive Summary**

BDT & MSD Real Estate Credit Opportunity Fund III, L.P. will focus on bridge, transitional, and construction loans in North America.

**Discussion**

*Consultant Recommendation*

Aksia LLC (Aksia), LACERS' Private Credit Consultant, recommended a commitment of up to \$100 million in BDT & MSD Real Estate Credit Opportunity Fund III, L.P. (the Fund) managed by BDT & MSD Partners (BDT & MSD or the GP). Fund management and incentive fees are comparable to similar strategies; the GP will invest alongside limited partners, providing alignment of interests. This recommendation is consistent with the Private Credit Program 2025 Strategic Plan adopted by the Board on January 28, 2025.

*Background*

BDT & MSD was established in 2023 through the combination of BDT & Company and MSD Partners and is led by Co-CEOs Byron Trott and Gregg Lemkau. BDT was founded in 2009 by Mr. Trott and focused on advisory services and private equity investing in family and founder-owned businesses. MSD Capital was established in 1998 as a private investment firm that served as the exclusive manager for Michael Dell, his family, and affiliated foundation assets. MSD Partners was later formed in 2009 to allow the partners of MSD Capital to manage outside capital. Today, the combined platform of BDT & MSD oversees \$75 billion in assets under management across private equity, private credit, and real estate. BDT & MSD has more than 500 employees located in 12 offices worldwide including Chicago (headquarters), New York, Denver, Dallas, Menlo Park, Palm Beach, Santa Monica, London, Luxembourg, Frankfurt, Dubai, and Verbier (Switzerland).

BDT & MSD is a new general partner relationship for LACERS.

*Investment Thesis*

The Fund will directly originate acquisition, bridge, transitional, and construction loans on high-quality assets with a specific business plan. The Fund will target properties located in large, high-growth markets across the United States, with an estimated portfolio of 40-50 loans. While most of the investment activity will be privately originated loans, a smaller portion of portfolio activity may include opportunistic investments in secondary loan acquisitions and commercial mortgage-backed securities.

*Placement Agent*

The GP did not use a placement agent in connection with LACERS' investment.

*Staff Recommendation*

Staff concurred with Aksia's recommendation. The commitment has been consummated pursuant to the Discretion in a Box (Roles and Responsibilities) section of the Private Credit Investment Policy; no Board action is required.

Prepared By: Clark Hoover, Investment Officer I, Investment Division

TB:RJ:WL:RM:EC:CH

Attachments:           1. Aksia Investment Notification  
                              2. Discretion in a Box

BDT & MSD Real Estate Credit Opportunity  
Fund III, L.P.  
Investment Notification



[www.aksia.com](http://www.aksia.com)

## BDT & MSD Real Estate Credit Opportunity Fund III, L.P.

<b>General Partner</b>	• BDT & MSD Partners
<b>Fund</b>	• BDT & MSD Real Estate Credit Opportunity Fund III, L.P.
<b>Firm Founded</b>	• 2009
<b>Strategy</b>	• Real Estate Credit
<b>Sub-Strategy</b>	• U.S. Large Loan CRE Bridge
<b>Geography</b>	• North America
<b>Team</b>	• 503
<b>Senior Partners</b>	• Byron Trott, Jason Kollander, Gregg Lemkau
<b>Office Locations</b>	• New York, Denver, Dallas, Menlo Park, Palm Beach, Santa Monica, London, Luxembourg, Frankfurt, Dubai, Chicago, and Verbier (Switzerland)
<b>Industries</b>	• Hospitality, Industrial, Residential, Office, and Land
<b>Target Fund Size</b>	• \$1.5 billion
<b>LACERS Commitment</b>	• \$100.0 million

### Investment Highlights

- BDT & MSD Real Estate Credit Opportunity Fund III focuses on originating and structuring commercial real estate loans, primarily senior mortgages, secured by high-quality properties with defined business plans.
- The Fund emphasizes large-loan bridge, transitional, and construction lending in major U.S. markets, targeting assets with strong sponsorship and attractive long-term fundamentals.
- The strategy benefits from BDT & MSD's integrated platform, combining deep real estate credit expertise with long-standing relationships across family offices, founders, and real estate operators that support proprietary sourcing and underwriting discipline.

## BDT & MSD Real Estate Credit Opportunity Fund III, L.P.

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### Firm and Background

- BDT & MSD Partners was formed in 2023 through the combination of BDT & Company and MSD Partners, bringing together long-tenured platforms with experience across private equity, private credit, and real estate investing.
- The real estate credit team operates as a dedicated group within the broader platform, while also leveraging the resources of MSD's real estate equity and asset management teams.

### Investment Strategy

- BDT & MSD Real Estate Credit Opportunity Fund III, L.P. seeks to originate and invest in U.S. commercial real estate loans, primarily senior mortgages, including acquisition, bridge, transitional, and construction financings.
- The Fund targets properties in large, high-growth U.S. markets and is expected to construct a diversified portfolio of approximately 40–50 loans across property types and business plans.
- While the strategy is centered on primary loan origination, the Fund may selectively pursue opportunistic secondary loan purchases or structured credit investments as part of overall portfolio construction.

**PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE.**

**THESE MATERIALS ARE NOT INTENDED AS AN OFFER TO SELL, OR THE SOLICITATION OF AN OFFER TO PURCHASE, ANY SECURITY. THIS PRESENTATION HAS BEEN PREPARED SOLELY FOR INFORMATIONAL AND DISCUSSION PURPOSES ONLY. THE INFORMATION HEREIN IS NOT INTENDED TO BE COMPLETE AND THE DESCRIPTION OF THE FUND IN THESE MATERIALS IS QUALIFIED IN ITS ENTIRETY BY THE TERMS AND INFORMATION CONTAINED IN THE FUND'S OFFERING DOCUMENTS, INCLUDING, WITHOUT LIMITATION, THE FUND'S PRIVATE PLACEMENT MEMORANDUM, PARTNERSHIP AGREEMENT AND SUBSCRIPTION AGREEMENT ("GOVERNING DOCUMENTS"). NOTHING HEREIN CONSTITUTES, OR SHOULD BE CONSTRUED, AS INVESTMENT ADVICE.**

**THE INFORMATION HEREIN IS NOT INTENDED TO PROVIDE, AND SHOULD NOT BE RELIED UPON FOR, ACCOUNTING, TAX OR LEGAL ADVICE. YOU SHOULD CONSULT YOUR TAX, LEGAL AND/OR ACCOUNTING ADVISERS ABOUT ANY MATTERS DISCUSSED HEREIN.**

**INTERESTS IN THE FUND HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER ANY STATE OR OTHER SECURITIES LAWS OR THE LAWS OF ANY NON-U.S. JURISDICTION. THE INTERESTS WILL BE OFFERED AND SOLD FOR INVESTMENT ONLY TO QUALIFYING INVESTORS PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS OF THE STATES AND OTHER JURISDICTIONS (INCLUDING NON-U.S. JURISDICTIONS) WHERE THE OFFERING WILL BE MADE. THERE WILL BE NO PUBLIC MARKET FOR INTERESTS IN THE FUND, AND THERE IS NO OBLIGATION ON THE PART OF ANY PERSON TO REGISTER THE INTERESTS UNDER THE SECURITIES ACT. INTERESTS IN THE FUND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND ANY APPLICABLE NON-U.S. SECURITIES LAWS, PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. THE TRANSFERABILITY OF THE INTERESTS WILL BE FURTHER RESTRICTED BY THE TERMS OF THE FUND'S GOVERNING DOCUMENTS. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF AN INVESTMENT IN THE FUND FOR AN INDEFINITE PERIOD OF TIME.**

**NONE OF THE INFORMATION CONTAINED HEREIN WAS PREPARED BY THE FUND OR ANY UNDERLYING PORTFOLIO FUNDS IDENTIFIED HEREIN, IF ANY, THE GENERAL PARTNERS THEREOF OR ANY OF THEIR RESPECTIVE AFFILIATES. BY ACCEPTING THESE MATERIALS, YOU HEREBY ACKNOWLEDGE AND AGREE TO ALL OF THE TERMS AND CONDITIONS IN THESE DISCLOSURES.**

ARTICLE III. BOARD INVESTMENT POLICIES

**Section 5 PRIVATE CREDIT INVESTMENT POLICY**

**F. Roles and Responsibilities**

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Credit Consultant</b>
<b>Strategy/Policy</b>	<ul style="list-style-type: none"> <li>• Select Private Credit Consultant.</li> <li>• Approve asset class funding level.</li> <li>• Review and approve the Private Credit Annual Strategic Plan which includes allocation targets and ranges.</li> </ul>	<ul style="list-style-type: none"> <li>• In consultation with Private Credit Consultant and General Fund Consultant, develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>	<ul style="list-style-type: none"> <li>• Help develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> </ul>
<b>Investment Management and Monitoring</b>	<ul style="list-style-type: none"> <li>• Review quarterly, annual, and other periodic monitoring reports and plans.</li> <li>• Review Commitment Notification Reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Review quarterly, annual and other periodic monitoring reports prepared by the Private Credit Consultant.</li> <li>• Conduct meetings with existing managers periodically.</li> <li>• Attend annual partnership meetings when appropriate.</li> <li>• Fund capital calls and manage distributions.</li> <li>• Review Private Credit Consultant's recommendations on partnership amendments and consents.</li> <li>• Execute partnership amendments and consents.</li> <li>• Manage and approve the wind-down and/or dissolve private credit fund investment(s).</li> <li>• Manage and execute the sale of partnership interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>• Prepare Commitment Notification Reports for Board.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain regular contact with existing managers in the portfolio to ascertain significant events within the portfolio.</li> <li>• Recommend amendments and consents to Staff for approval.</li> <li>• Provide quarterly, annual, and other periodic monitoring reports and plans.</li> </ul>

Section 5 PRIVATE CREDIT INVESTMENT POLICY

Roles and Responsibilities continued

	<b>Role of the Board</b>	<b>Role of Staff</b>	<b>Role of the Private Credit Consultant</b>
<b>Investment Selection</b>	<ul style="list-style-type: none"> <li>• Review investment analysis reports.</li> <li>• Review and approve investments in partnerships of amounts greater than \$150 million prior to investment.</li> <li>• Review and approve the sale of any one existing partnership fund on the secondary market greater than \$50 million in Fair Market Value.</li> <li>• Review and approve a simultaneous sale of multiple partnership fund interests in a packaged structure.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer investments and forward to Private Credit Consultant for preliminary screening.</li> <li>• Conduct meetings with prospective or existing general partners representing new investment opportunities.</li> <li>• Conduct due diligence with general partners to better ascertain risk and return profile, as determined by the Chief Investment Officer.</li> <li>• In conjunction with Private Credit Consultant, invest up to and including \$150 million in partnerships without Board approval.</li> <li>• In conjunction with Private Credit Consultant, make recommendations to Board for approval for investments greater than \$150 million.</li> <li>• In conjunction with Private Credit Consultant, review and concur with approval of sale of existing partnership funds on the secondary market up to and including \$50 million in Fair Market Value.</li> <li>• General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing.</li> <li>• Ensure review of relevant fund documents by the City Attorney and/or external legal counsel.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct appropriate analysis and due diligence on investments.</li> <li>• Prepare investment reports for Board consideration on investments greater than \$150 million.</li> <li>• Propose investments of up to and including \$150 million for Staff concurrence.</li> <li>• Present recommendations to Staff pertaining to the sale of existing partnership funds on the secondary market greater than \$50 million in Fair Market Value. Such transactions shall be brought to the Board for review and approval.</li> <li>• Provide investment analysis reports for each new investment and for sales of partnership fund interest on the secondary market or to other limited partner(s) or potential buyer(s).</li> <li>• Communicate with Staff regarding potential investment opportunities undergoing analysis and due diligence.</li> <li>• Coordinate meetings with general partners at the request of Staff.</li> <li>• Advise on and negotiate investment terms.</li> </ul>



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



**REPORT TO BOARD OF ADMINISTRATION**

**From: Todd Bouey, General Manager**

*T. Bouey*

**MEETING: FEBRUARY 10, 2026**

**ITEM: VII - L**

**SUBJECT: NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN WOLFF CREDIT PARTNERS IV, L.P.**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Board receive and file this notice of commitment of up to \$50 million in Wolff Credit Partners IV, L.P.

**Executive Summary**

Wolff Credit Partners IV, L.P. will target preferred equity opportunities in the United States.

**Discussion**

*Consultant Recommendation*

The Townsend Group (Townsend), LACERS' Private Real Estate Consultant, recommended a commitment of up to \$50 million in Wolff Credit Partners IV, L.P. (the Fund), a real estate closed-end, non-core sponsored by Wolff Principal Holdings LP (Wolff Principal or the Firm). Fund management and incentive fees are comparable to similar strategies; the GP will invest alongside limited partners, providing alignment of interests. This recommendation is consistent with the Private Real Estate Program 2025 Strategic Plan adopted by the Board on May 27, 2025.

*Background*

Wolff Principal is a real estate investment manager founded in 1949 and based in Scottsdale, Arizona. The firm is composed of senior leadership experienced in successfully developing, acquiring, and financing more than 65,000 residential rental units. The current team brings an average of 26 years of industry experience, having collaborated closely for approximately 12 years. Additionally, the firm manages a robust, diversified portfolio exceeding 15,000 properties. The firm's footprint spans all 50 U.S. states, the United Kingdom, and six European nations, supported by a global workforce of 468 professionals.

Wolff Principal is an existing general partner relationship for LACERS. The plan committed to Wolff Credit Partners III, LP in 2022 and as of June 30, 2025, has a net IRR of 11.1%.

### *Investment Thesis*

The Fund provides financing for mid-sized non-luxury amenitized apartments in high density urban core neighborhoods. Manager prioritizes markets with strong job and population growth, as well as above-average income. The loan to cost (LTC) metric of 65-85% and a contractual pay rate of approximately 15% on a typically three-year loan term makes this an opportunistic investment within the LACERS real estate portfolio. The GP's foreclosure ability on a mixture of borrowers, both long-term hold sponsors and shorter-term hold merchant developers, mitigates risk of default.

### *Placement Agent*

The GP did not use a placement agent in connection with LACERS' investment.

### *Staff Recommendation*

Staff concurred with Townsend's recommendation. The commitment has been consummated pursuant to the Discretion in a Box (Roles and Responsibilities) section of the Private Real Estate Investment Policy; no Board action is required.

Prepared By: Jessica Chumak, Investment Officer I, Investment Division

TB:RJ:WL:RM:EC:JC

Attachments:       1. Townsend Investment Notification  
                          2. Discretion in a Box



## Wolff Credit Partners IV, L.P.

Los Angeles City Employees' Retirement System

Investment Manager	Wolff Principal Holdings LP
General Partner	WCP IV Capital Master, LLC
Fund	Wolff Credit Partners IV, L.P.
Firm Founded	1949
Strategy	Preferred Equity Investments
Headquarters	Scottsdale, Arizona
Structure	Closed-End Commingled Fund
Risk Segment	Non-Core
Target Sectors	Multifamily Development
Target Return	12-14% net IRR, 1.4x-1.5x net multiple
Leverage	Limited to 30% of the Fund's net asset value
Target Fund Size	\$500 million (\$600 million cap)
LACERS Commitment	\$50 million

## Investment Highlights

- Wolff Credit Partners IV ("WCP IV") is a closed-end, value added fund from Wolff Principal Holdings focused on preferred equity investments in U.S. multifamily development projects.
- WCP IV is 100% focused on the multifamily sector, which is favorable as the LACERS Portfolio currently has an underweight position to the sector compared to the NFI-ODCE benchmark.
- LACERS is currently invested in the sponsor's prior vehicle, which pursues the same strategy and is performing well, with a net IRR of 11.1% as of June 30, 2025. While LACERS participated in only one prior vintage, Wolff Credit Partners I and II were both top-quartile performers among real estate credit funds.

## Firm and Background

- The Sponsor is an experienced and well-qualified capital provider, founded in 1949.
- The current senior team has developed, acquired or financed over 65,000 residential rental units since 2000, with an average experience of 26 years, and have worked together for roughly 12 years on average.
- The Sponsor owns a diversified portfolio of more than 15,000 properties across all 50 states in the United States, the UK, and six other countries in Europe and employs 468 professionals globally.

## Investment Strategy

- The Fund targets a 65% to 85% LTC position in the capital stack, structuring the capital with a contractual pay rate of approximately 15%, finite term of typically 3 years, and foreclosure ability.
- The Sponsor focuses on amenitized non-luxury, mid-sized apartment projects in MSAs with above-average growth in population, high employment, growth in job formation, and above-average personal income levels.
- WCP borrowers are a mixture of longer-term hold sponsors and shorter-term hold merchant developers.

## Disclaimer

This document has been prepared by Townsend Holdings LLC ("Townsend") and is appropriate solely for qualified investors. Nothing in this document should be treated as an authoritative statement of the law on any particular aspect or in any specific case. It should not be taken as financial advice and action should not be taken as a result of this document alone. The information contained herein is given as of the date hereof and does not purport to give information as of any other date. The delivery at any time shall not, under any circumstances, create any implication that there has been a change in the information set forth herein since the date hereof or any obligation to update or provide amendments hereto. The information contained herein is derived from proprietary and non-proprietary sources deemed by Townsend to be reliable and are not necessarily all inclusive. Reliance upon information in this material is at the sole discretion of the reader. This document does not constitute an offer of securities or solicitation of any kind and may not be treated as such, i) in any jurisdiction where such an offer or solicitation is against the law; ii) to anyone to whom it is unlawful to make such an offer or solicitation; or (iii) if the person making the offer or solicitation is not qualified to do so. Townsend is a Registered Investment Adviser with the Securities and Exchange Commission. Select Townsend employees may have personal interest in this investment/fund or affiliates of this investment/fund. All Townsend employees are subject to an investment pre-clearance process for such investments under Townsend's Code of Ethics. To assess any conflict of interest/perceived conflict of interest and to avoid any opportunity of beneficial treatment, all employee investments that may create a conflict/or perceived conflict are monitored by Townsend Compliance and the Townsend Compliance Committee.

Past performance is not indicative of future performance.

## Section 7 PRIVATE REAL ESTATE INVESTMENT POLICY

## H. Roles and Responsibilities (Part 1 of 2)

	Role of the Board	Role of Staff	Role of Private Real Estate Consultant
<b>Strategy/Policy</b>	<ul style="list-style-type: none"> <li>Select Private Real Estate Consultant.</li> <li>Approve asset class funding level.</li> <li>Review and approve the Private Real Estate Annual Strategic Plan which includes allocation targets and ranges.</li> </ul>	<ul style="list-style-type: none"> <li>In consultation with Private Real Estate Consultant and General Fund Consultant, develop policies, procedures, guidelines, allocation targets, ranges, assumptions for recommendation to the Board.</li> <li>Provide input to the Private Real Estate Consultant in the development of the Private Real Estate Annual Strategic Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Under the guidance of staff, assist in the development of policies, procedures, guidelines, allocation targets, ranges, and assumptions for recommendation to the Board.</li> <li>Develop the fiscal year Private Real Estate Annual Strategic Plan for the fiscal year, incorporating staff input, and present it to the Board on or before the fiscal year's end.</li> </ul>
<b>Investment Management and Monitoring</b>	<ul style="list-style-type: none"> <li>Review and approve policies, procedures, guidelines, allocation targets, ranges, and assumptions.</li> <li>Review quarterly, annual, and other periodic monitoring reports and plans.</li> <li>Review Commitment Notification Reports.</li> </ul>	<ul style="list-style-type: none"> <li>Review quarterly, annual, and other periodic monitoring reports prepared by the Private Real Estate Consultant.</li> <li>Conduct meetings with existing managers periodically.</li> <li>Attend annual partnership meetings when appropriate.</li> <li>Fund capital calls and manage distributions.</li> <li>Review Private Real Estate Consultant's recommendations on partnership amendments and consents.</li> <li>Execute contract amendments and consents.</li> <li>Manage and approve the wind-down and/or dissolve private real estate fund investment(s) with Private Real Estate Consultant's concurrence.</li> <li>Manage and execute secondary market transactions up to and including \$50 million in Fair Market Value.</li> <li>Prepare Commitment Notification Reports for the Board.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain regular contact with existing Managers in the portfolio to ascertain significant events within the portfolio.</li> <li>Recommend contract amendments and consents to Staff for approval.</li> <li>Provide quarterly, annual, and other periodic monitoring reports and plans.</li> </ul>

**Section 7 PRIVATE REAL ESTATE INVESTMENT POLICY**

**H. Roles and Responsibilities (Part 2 of 2)**

	Role of Board	Role of Staff	Role of Private Real Estate Consultant
<p><b>Investment Selection</b></p>	<ul style="list-style-type: none"> <li>Review and approve investments in commingled funds that exceed \$65 million, or in any fund that does not receive the Real Estate Consultant’s highest unconditional fund-quality rating for similar institutional investors.</li> <li>Review and approve direct co-investment and separately managed account (SMA) opportunities.</li> <li>Review and approve secondary market transactions exceeding \$50 million in Fair Market Value.</li> <li>Review and approve a simultaneous sale of multiple partnership fund interests in a packaged structure.</li> <li>Review and approve any direct investment where LACERS would be exclusive title holder or debt holder in real property interest.</li> </ul>	<ul style="list-style-type: none"> <li>Refer investments and forward to Private Real Estate Consultant for preliminary screening.</li> <li>Review due diligence reports and conduct meetings with prospective or existing general partners to discuss investment opportunities.</li> <li>Conduct due diligence with general partners and Managers to better ascertain risk and return profile, as determined by the Chief Investment Officer.</li> <li>Consider and approve an investment up to and including \$65 million in commingled funds that have received the Real Estate Consultant’s highest non-conditional quality rating for like-institutional investors. If Staff does not concur with Real Estate Consultant recommendation, staff will refer items to the Board for a decision.</li> <li>Recommend to the Board the approval of investments exceeding \$65 million and/or investments not meeting the consultant’s highest unconditional fund-quality rating for similar institutional investors, as advised by the Private Real Estate Consultant.</li> <li>Make recommendations to the Board for co-investment and separately managed account (SMA) opportunities recommended by the Real Estate Consultant</li> <li>General Manager or designee with signature authority will execute agreements and other legal or business documents to effectuate the transaction closing.</li> <li>Ensure review of relevant fund documents by the City Attorney and/or external legal counsel.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct appropriate analysis and due diligence on commingled fund investments for Staff review.</li> <li>Provide due diligence reports for each new commingled fund investment, secondary market transaction, direct investment, co-investment, and separately managed account (SMA) opportunity.</li> <li>Recommend commingled fund investments to Staff for consideration up to and including \$65 million; investments exceeding \$65 million will be brought forth to the Board for review and approval.</li> <li>Prepare investment reports for Board/Staff consideration of commingled fund investments.</li> <li>Recommend direct co-investment and separately managed account (SMA) opportunities to Staff for Board approval.</li> <li>Recommend secondary market transaction opportunities to Staff for consideration up to and including \$50 million in Fair Market Value; transactions exceeding \$50 million will be brought to the Board for review and approval.</li> <li>Communicate with Staff regarding potential investment opportunities undergoing analysis and due diligence. Coordinate meetings with Managers at the request of Staff.</li> <li>Advise on and negotiate investment terms.</li> </ul>