

LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

**Board of Administration Agenda
REGULAR MEETING
TUESDAY, APRIL 28, 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

ACCESS TO LACERS BOARD AND COMMITTEE MEETING REPORTS

IMPORTANT MESSAGES TO THE PUBLIC

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

Members of the public who do not wish to attend the meeting in person may listen to the live meeting via YouTube streaming at the following link: [LACERS YouTube Livestream Link](#) for Board/Committee meeting audio – only accessible during meetings.

The Board may take action on any item appearing on this agenda, regardless of whether it is listed as an action item. Cal. Gov. Code § 54954.2.

DISCLAIMER TO PARTICIPANTS

Please be advised that all LACERS Board meetings are recorded.

LACERS WEBSITE ADDRESS/LINK

www.LACERS.org

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

NOTICE TO PAID REPRESENTATIVES

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

REQUEST FOR SERVICES

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

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

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

- 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. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR MARCH 2026
 - B. 2026 OPEN ENROLLMENT CLOSEOUT REPORT
 - C. VACANCY, RECRUITMENT, AND RETENTION REPORTING IN ACCORDANCE WITH GOVERNMENT CODE SECTION 3502.3
- IV. COMMITTEE REPORT(S)
 - A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE MEETING ON APRIL 14, 2026
- V. CONSENT ITEMS
 - A. APPROVAL OF MINUTES FOR THE MEETING ON MARCH 24, 2026 AND POSSIBLE BOARD ACTION
 - B. APPROVAL OF DISABILITY RETIREMENT APPLICATION OF LORENZO TERRY AND POSSIBLE BOARD ACTION
- VI. INVESTMENTS
 - A. CHIEF INVESTMENT OFFICER VERBAL REPORT

- B. PRESENTATION BY DR. GREGORY BROWN OF UNC KEENAN-FLAGLER BUSINESS SCHOOL REGARDING THE STATE OF PRIVATE MARKETS INVESTMENTS
 - C. NON-U.S. ASSET CLASS RESTRUCTURE AND IMPLEMENTATION PLAN AND POSSIBLE BOARD ACTION
 - D. APPROVAL OF 1-YEAR CONTRACT WITH THE INFORMED MOMENTUM COMPANY LLC REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP VALUE GROWTH PORTFOLIO AND POSSIBLE BOARD ACTION
 - E. APPROVAL OF 3-YEAR CONTRACT WITH LOOMIS, SAYLES & COMPANY, L.P. REGARDING THE MANAGEMENT OF AN ACTIVE HIGH YIELD FIXED INCOME PORTFOLIO AND POSSIBLE BOARD ACTION
 - F. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER A COMMITMENT TO PRIME PROPERTY FUND, LLC AND POSSIBLE BOARD ACTION**
- VII. 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)**
 - C. CLOSED SESSION PURSUANT TO SUBDIVISIONS (A) AND (D)(2) OF GOVERNMENT CODE SECTION 54956.9 TO CONFER WITH, AND/OR RECEIVE ADVICE FROM LEGAL COUNSEL AND POSSIBLE BOARD ACTION**
- VIII. OTHER BUSINESS
- IX. NEXT MEETING: The next Regular meeting of the Board is scheduled for May 12, 2026, at 10:00 A.M., in the LACERS Boardroom, at 977 N. Broadway, Los Angeles, CA 90012.

X. ADJOURNMENT

Agenda of: April 28, 2026
Item No: III-A

**MONTHLY REPORT ON SEMINARS AND CONFERENCES ATTENDED BY BOARD MEMBERS ON BEHALF OF
LACERS FOR THE MONTH OF MARCH 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:

Vice President Janna Sidley

DATE(S) OF EVENT	SEMINAR / CONFERENCE TITLE	EVENT SPONSOR (ORGANIZATION)	LOCATION (CITY, STATE)
March 23, 2026	ALTSLA 2026 (Alternative Investments Los Angeles)	Markets Group	Los Angeles, CA



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO BOARD OF ADMINISTRATION

MEETING: APRIL 28, 2026

FROM: Todd Bouey, General Manager

ITEM: III-B

SUBJECT: 2026 OPEN ENROLLMENT CLOSEOUT REPORT

ACTION CLOSED CONSENT RECEIVE & FILE

Recommendation

That the Board receives and files this report.

Executive Summary

The 2026 Open Enrollment period resulted in a 3.5% increase in total new and changed-into medical enrollments compared to the previous year (268 in 2026 versus 259 in 2025). In the under-65 plans, the Kaiser Permanente HMO continued to have the greatest number of covered lives, followed by Anthem Blue Cross PPO and Anthem Blue Cross HMO. Kaiser HMO enrollment decreased by 51 covered lives, Anthem PPO increased by 4, and Anthem HMO decreased by 40 for the start of the 2026 plan year. In the over-65 plans, Kaiser Permanente Senior Advantage maintained the largest enrollment, followed by Anthem Medicare Preferred, UnitedHealthcare (UHC), SCAN, and Anthem Medicare Supplement. Kaiser Senior Advantage enrollment increased by 23 covered lives, Anthem Medicare Preferred increased by 120, UHC decreased by 70, SCAN increased by 12, and Anthem Medicare Supplement increased by 70 for the start of the 2026 plan year. The report details the results and summarizes the 2026 Open Enrollment activities.

Discussion

LACERS' annual Open Enrollment is a key part of administering retiree health benefits, requiring coordination across divisions, collaboration with health plan carriers and the Health & Welfare Consultant, and the development of clear Member communications. The process ensures Members receive essential information on plan options, premiums, subsidies, and enrollment procedures while supporting a significant increase in service demand and maintaining continuity of service.

Annual Plan

LACERS begins Open Enrollment planning each December to support a coordinated, Member-focused enrollment period. Planning includes securing venues, coordinating with health carriers, updating PensionGold rates and subsidies, preparing Member publications, and aligning internal resources. Bi-weekly staff meetings throughout the year ensured coordination on health plan changes, premiums and subsidies, the Health Benefits Guide, event logistics, and Member communications.

Events

In 2025, LACERS conducted four virtual and four in-person Open Enrollment events, serving 674 Members—an increase of 56 (9.0%) over 2024. Virtual sessions featuring health carriers drew 138 Members and addressed more than 200 questions, with recordings posted online. In-person events in Woodland Hills, Ontario, Lakewood, and Alhambra attracted 536 Members, up 98 (22.4%) from the prior year. Member satisfaction remained high, with 89.5% of survey respondents reporting they were Satisfied or Very Satisfied with the information presented.

Contacts

Open Enrollment significantly increases Health Division workload beyond the formal October 15 through November 15 period, with related activity continuing through February. Monthly Member contacts rise from an average of 1,966 during non-Open Enrollment months to 2,706 during Open Enrollment, a 37.6% increase, with a peak of 3,317 contacts in November 2025. Contact volume also exceeded 2024 levels, when averages were 1,779 outside Open Enrollment and 2,535 during the Open Enrollment period. Despite the increased demand, service levels were maintained through staff coordination, operational planning, and strategic overtime use.

Medicare Open Enrollment

The Medicare Open Enrollment periods significantly increase the workload of the Medicare Compliance Unit because they overlap with LACERS' annual Open Enrollment. Between Medicare's October 15–December 7 enrollment window and the January 1–March 31 Medicare Advantage period, Members may unintentionally make

coverage changes that impact their LACERS health plans. Some Members enroll in outside Medicare or Medicare Advantage plans without realizing this can automatically disenroll them from their LACERS senior plan. In 2025, there were 61 Anthem and Kaiser disenrollments, up 19.6% from 51 the previous year.

During this time, the Medicare Compliance Unit contacts affected Members to verify whether the outside enrollment was intentional and, when possible, helps them cancel unintended coverage before it takes effect. Written notices are issued when changes lead to plan terminations. These efforts help protect Members' benefits and coverage continuity. During this period, 18 disenrolled Members were reinstated or reenrolled, compared to 21 the prior year.

Enrollment Results

Between October and November, Enrollment staff review all incoming Open Enrollment applications and supporting documents and contact Members whenever information is missing. Most completed applications are processed in the December payroll cycle, and the January and February payroll cycles once missing documents are received. If staff are unable to obtain the required information after repeated attempts, the Members will be notified that their applications could not be processed due to incompleteness.

For the 2026 Open Enrollment, out of the 84 new enrollees, the majority selected the Anthem Blue Cross PPO/Medicare Preferred PPO (42 or 50.0%), Anthem Blue Cross PPO/Medicare Supplement (7 or 8.3%), and Kaiser Permanente (31 or 36.9%). Unlike prior reports, this year's analysis distinguishes subscriber (Member and Survivor) and dependent counts, offering a clearer view of the total number of individuals processed.

Among plan changes, the Anthem Blue Cross PPO/Medicare Preferred PPO and Anthem Blue Cross PPO/Medicare Supplement plans experienced the largest net increases of subscribers and dependents, 32 and 28, respectively. In contrast, UHC saw a notable net decrease of 57 subscribers and dependents, largely due to contract issues with major providers.

Overall, the 2026 Open Enrollment period resulted in a 3.5% increase in total new and changed-into medical enrollments compared to the previous year (268 in 2026 versus 259 in 2025). As is typical, most transactions were processed during the December payroll cycle, which saw more than double the transaction volume of any other month in the year, driven by concurrent Open Enrollment and ongoing enrollment activity.

Prepared By:

Ada Lok, Tenah Johnson-Taylor, and Vi Duong, Senior Benefits Analysts I, Health, Wellness, and Buyback Division

Attachment – 2026 Open Enrollment Charts

BOARD MEETING: 4/28/26
ITEM: III-B
ATTACHMENT: 1

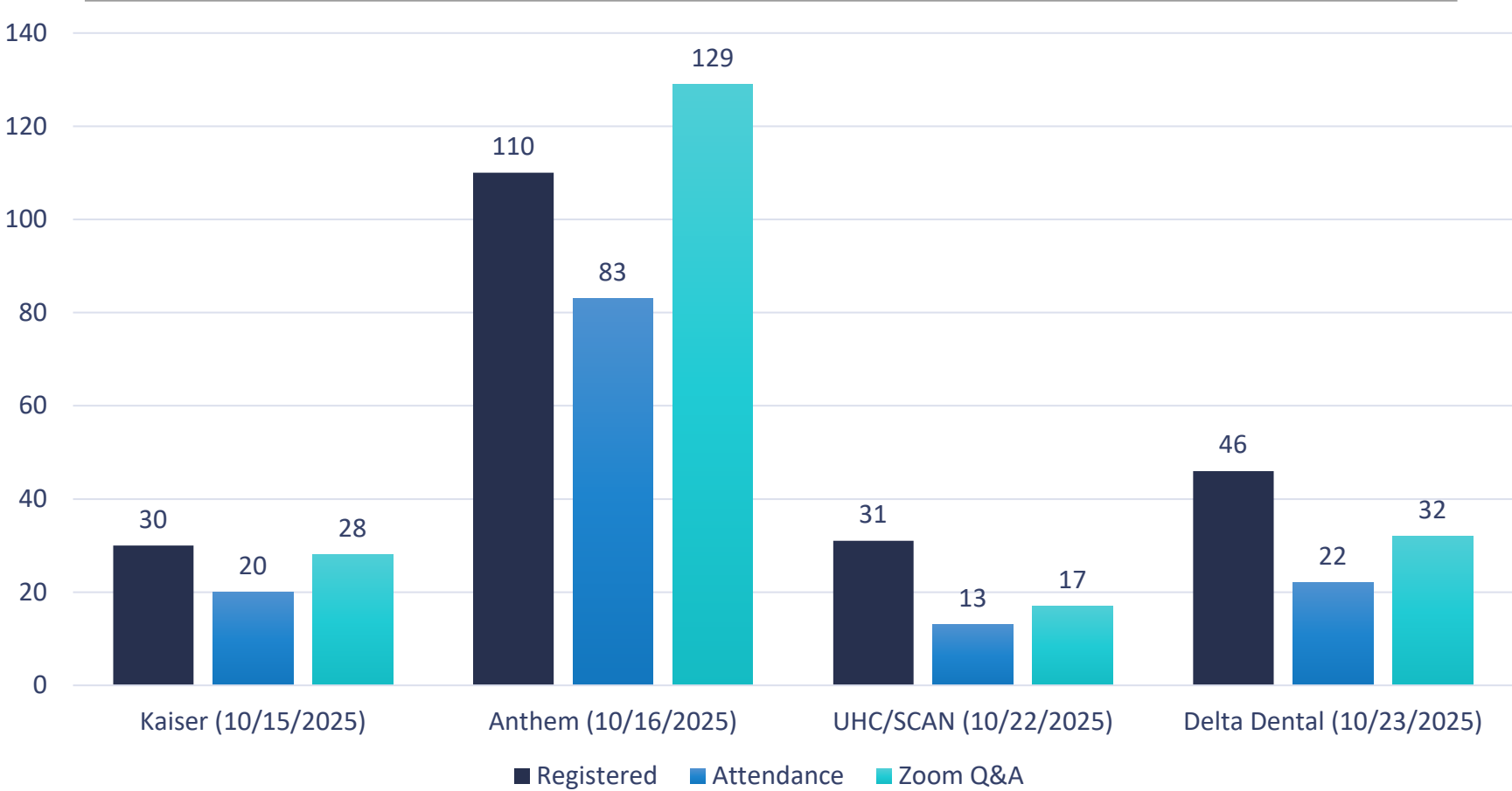
2026 Open Enrollment Closeout Report

**LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM
(LACERS)
HEALTH, WELLNESS, AND BUYBACK DIVISION**

OPEN ENROLLMENT EVENTS

Virtual Meeting Summary Graph

Virtual Meetings

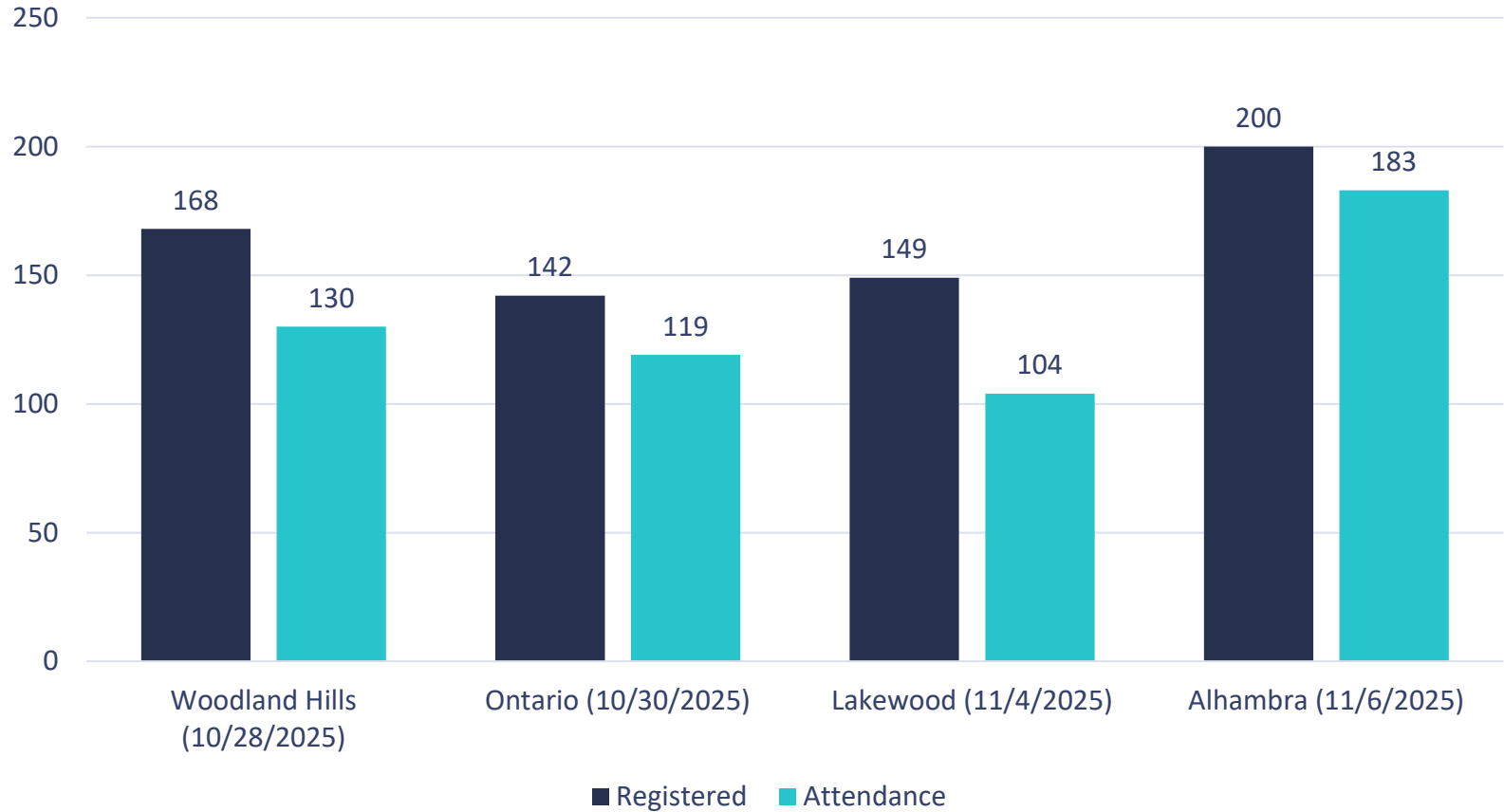


Virtual Meetings Summary Chart

Date	Carrier	Registered	Attendance	Zoom Q&A
10/15/2025	Kaiser	30	20	28
10/16/2025	Anthem	110	83	129
10/22/2025	UHC / SCAN	31	13	17
10/23/2025	Delta Dental	46	22	32

In-Person Events Summary Graph

In-Person Events



In-Person Events Summary Chart

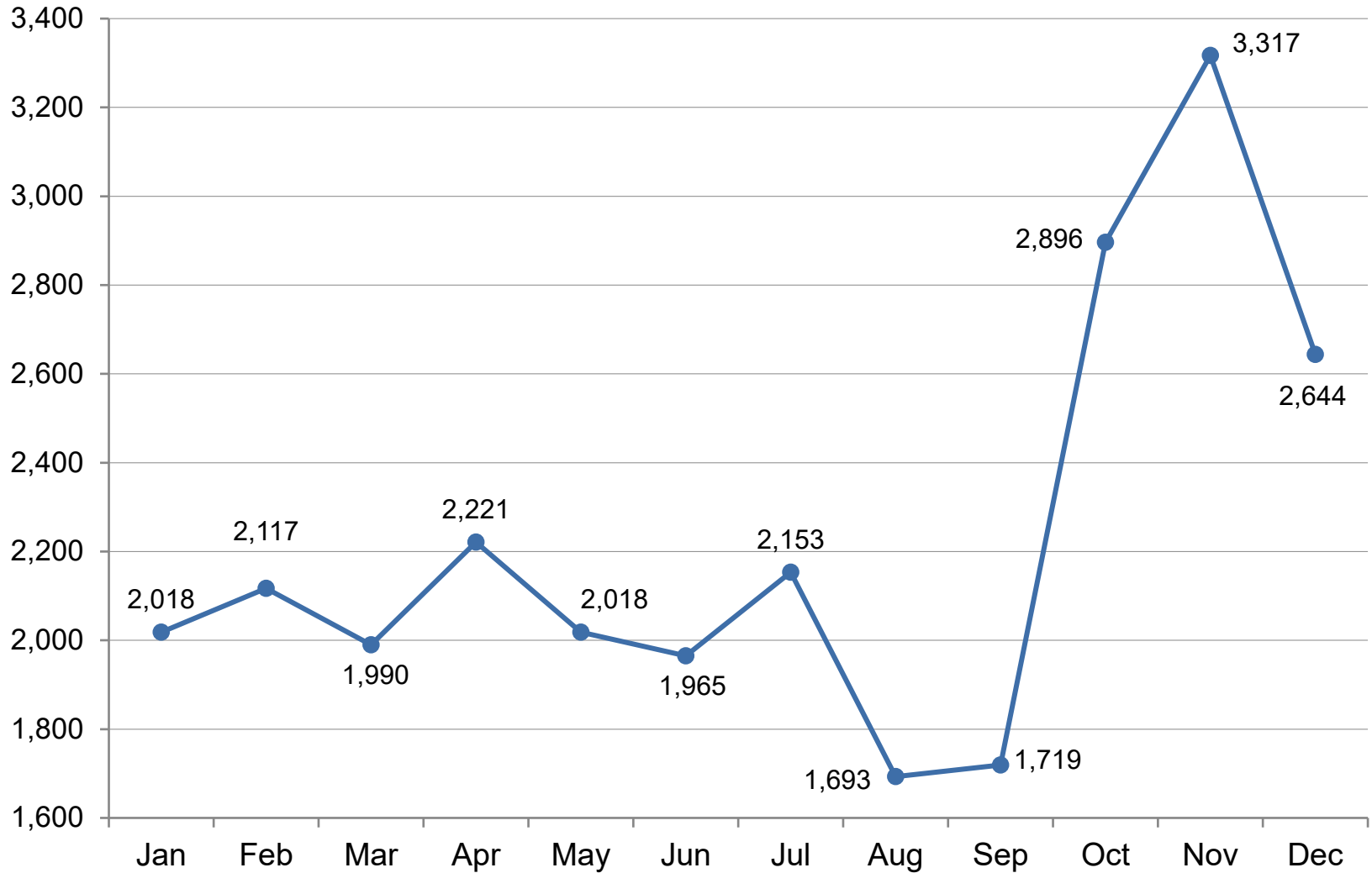
Date	Location	Registered	Attendance
10/28/2025	Woodland Hills	168	130
10/30/2025	Ontario	142	119
11/4/2025	Lakewood	149	104
11/6/2025	Alhambra	200	183

Survey Satisfaction Results

Rating	Responses
Very Satisfied	112
Satisfied	76
Somewhat Satisfied	11
Uncertain	2
Somewhat Unsatisfied	0
Unsatisfied	0
Very Unsatisfied	9

OPEN ENROLLMENT CONTACTS

2025 Monthly Contacts Volume Graph



2025 Monthly Contacts Volume Chart

Month	Total Contacts
January	2,018
February	2,117
March	1,990
April	2,221
May	2,018
June	1,965
July	2,153
August	1,693
September	1,719
October	2,896
November	3,317
December	2,644

OPEN ENROLLMENT: **MEDICARE**

Historical Medicare Disenrollments and Reinstatements

Plan Year	Anthem Disenrollments	Anthem Reinstatements	Kaiser Disenrollments	Kaiser Reinstatements	Member Contacts (Oct – Nov)
2026	39	9	22	9	3,746
2025	32	9	19	12	3,583
2024	33	6	30	10	3,402

OPEN ENROLLMENT RESULTS

2026 New Medical Plan Enrollments

Medical Carriers	Number of Members and Continuance	Number of Dependents	Number of Total Enrollees
Anthem Blue Cross HMO	1	3	4
Anthem Blue Cross PPO/Medicare Supplement	5	2	7
Anthem Blue Cross PPO/Medicare Preferred PPO	23	19	42
Kaiser	17	14	31
SCAN	0	0	0
UnitedHealthcare (CA, AZ, NV)	0	0	0
Total	46	38	84

2026 New Dental Plan Enrollments

Dental Carriers	Number of Members and Continuance	Number of Dependents	Number of Total Enrollees
DeltaCare USA HMO (CA, NV)	10	6	16
Delta Dental PPO	40	44	84
Total	50	50	100

2026 Medical Plan Changes (Moved Into vs. Vacated)

Medical Carriers	Moved Into*	Vacated*	Net Change*
Anthem HMO	10	34	-24
Anthem PPO/Medicare Supplement	31	3	28
Anthem PPO/Medicare Preferred PPO	95	63	32
Kaiser	27	69	-42
SCAN	24	18	6
UnitedHealthcare (CA, AZ, NV)	1	58	-57

Chart Terminology:

Moved Into- amount of member **sign up** into plan

Vacated- amount of member **leaving** plan

Net Change- the plan's calculated **difference** due to Open Enrollment

2026 Dental Plan Changes (Moved Into vs. Vacated)

Dental Carriers	Moved Into	Vacated	Net Change
DeltaCare USA HMO (CA, NV)	19	104	-85
Delta Dental PPO	91	85	6

Chart Terminology:

Moved Into- amount of member **sign up** into plan

Vacated- amount of member **leaving** plan

Net Change- the plan's calculated **difference** due to Open Enrollment

2025 to 2026 Enrollment Comparisons (New and Changed Entries) - Medical

Medical Carriers	2025	2026
Anthem HMO	17	10
Anthem Blue Cross PPO/Medicare Supplement	64	38
Anthem Blue Cross PPO/Medicare Preferred	107	137
Kaiser	45	58
SCAN	11	24
UnitedHealthcare	15	1
Total	259	268

2025 to 2026 Enrollment Comparisons (New and Changed Entries) - Dental

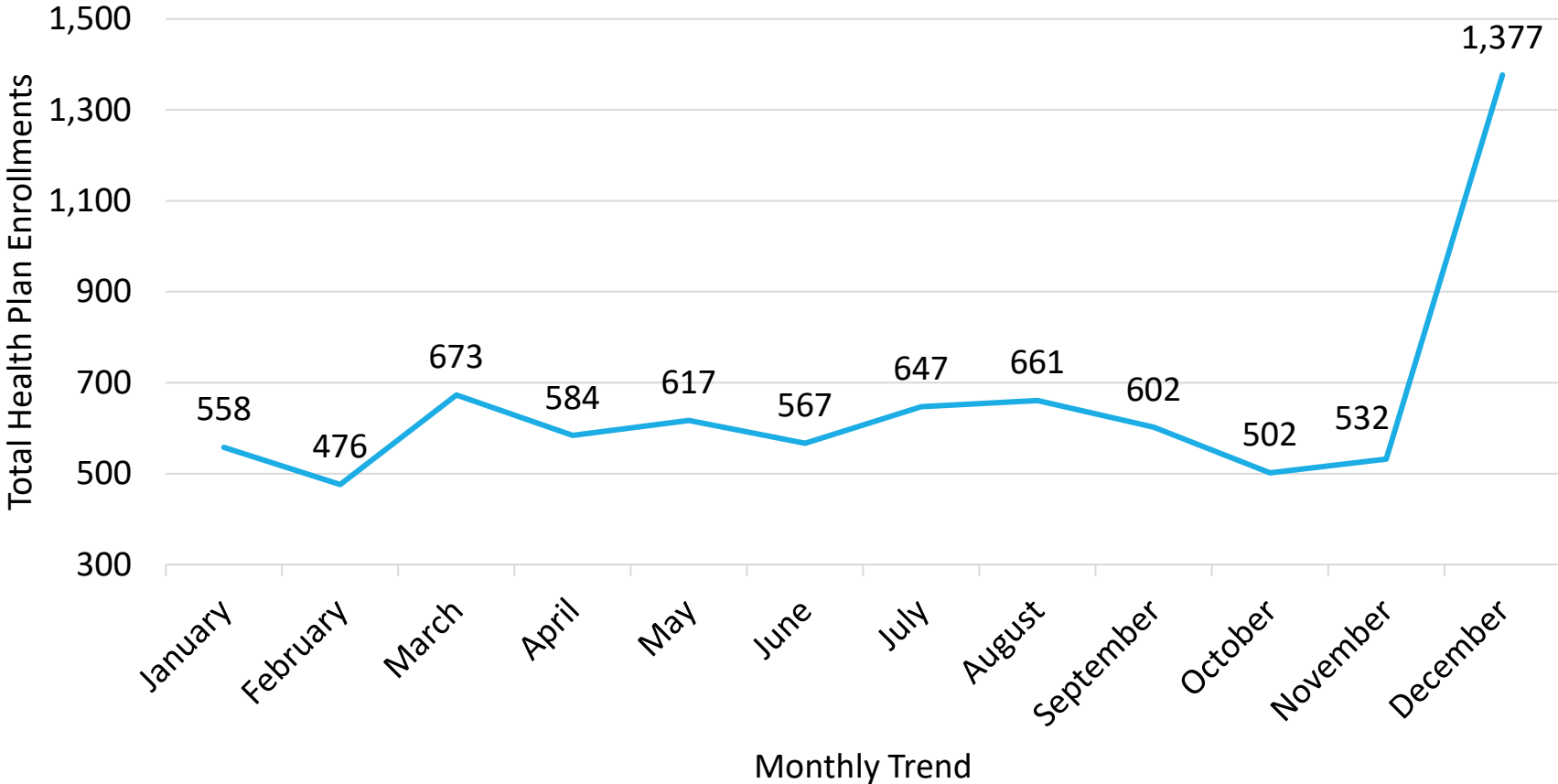
Dental Carriers	2025	2026
DeltaCare USA HMO (CA, NV)	27	35
Delta Dental PPO	277	174
Total	304	209

Covered Lives Before and After 2026 Open Enrollment Period

Carrier	September Total	December Total	Percent Change
Anthem HMO	1,181	1,141	-3.4%
Anthem Med Preferred	5,104	5,224	2.4%
Anthem Med Supplement	343	413	20.4%
Anthem PPO	1,387	1,391	0.3%
Kaiser HMO	3,699	3,648	-1.4%
Kaiser Senior Adv	10,106	10,129	0.2%
SCAN	736	748	1.6%
UHC	902	832	-7.8%
Delta Dental PPO	20,395	20,569	0.9%
DeltaCare HMO	4,427	4,337	-2.0%

Number of Enrollment Transactions in 2025, by Month Graph

Enrollment Transactions in 2025

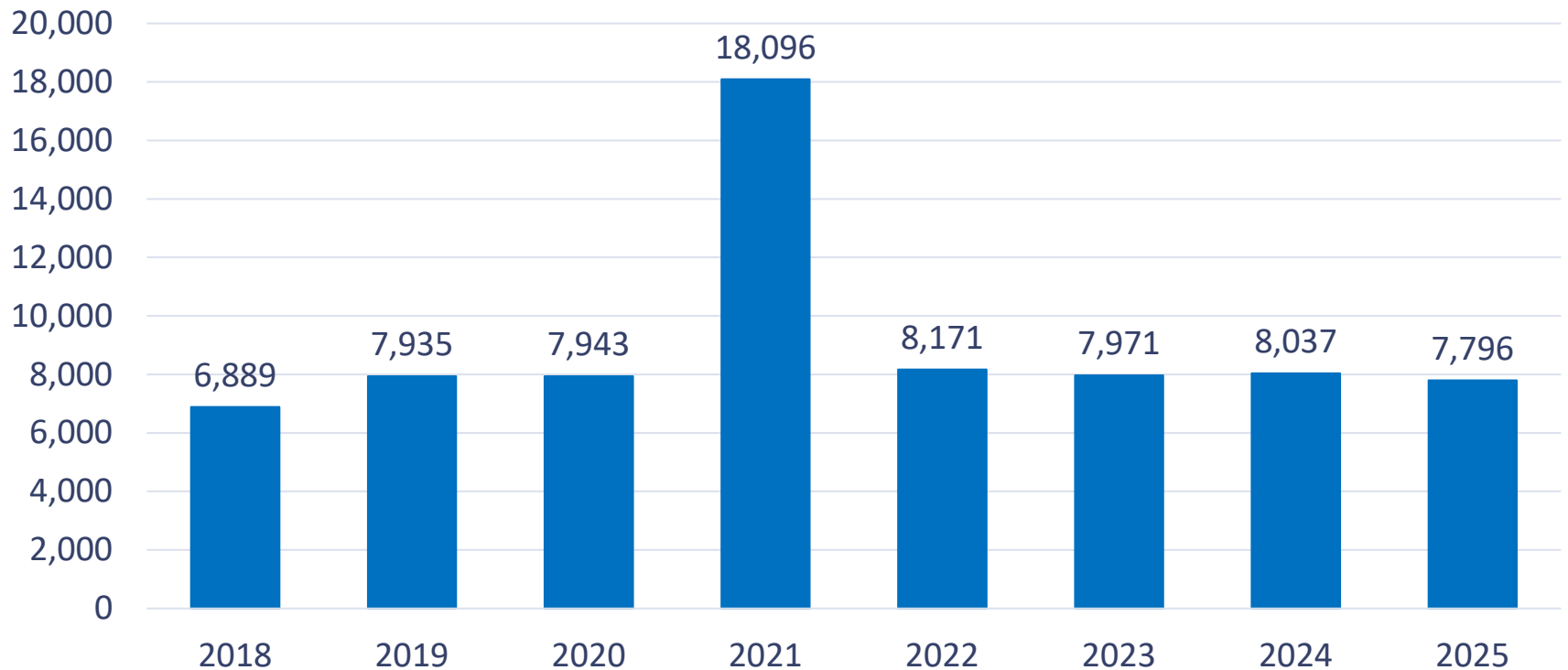


Number of Enrollment Transactions in 2025, by Month Chart

Health Plan Enrollments	New	Changes	Termination	Total
January	172	198	188	558
February	197	123	156	476
March	274	194	205	673
April	321	144	119	584
May	309	154	154	617
June	275	170	122	567
July	242	213	192	647
August	378	182	101	661
September	258	204	140	602
October	195	139	168	502
November	219	187	126	532
December	476	714	187	1,377
Yearly Total	3,316	2,622	1,858	7,796

Health Enrollment Transactions

Total Health Enrollment Transactions



Note: 2021 increase is due to Separation Incentive Program (SIP).



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO BOARD OF ADMINISTRATION

MEETING: APRIL 28, 2026

FROM: Todd Bouey, General Manager

ITEM: III-C

**SUBJECT: VACANCY, RECRUITMENT, AND RETENTION REPORTING
IN ACCORDANCE WITH GOVERNMENT CODE SECTION 3502.3**

ACTION **CLOSED** **CONSENT** **RECEIVE & FILE**

Recommendation

That the Board receive and file this report on the status of vacancies, recruitment, and retention efforts prior to the adoption of the 2026-27 Budget of the Los Angeles City Employees' Retirement System (LACERS), in accordance with California Government Code Section 3502.3.

Executive Summary

California Government Code section 3502.3 requires public agencies to present the status of vacancies and their recruitment and retention efforts during a public hearing before the governing board at least once per fiscal year, and this presentation must occur prior to adoption of the final budget. Recognized employee organizations are entitled to make a presentation at the same public hearing in which the agency reports on vacancies and recruitment and retention efforts for positions within their bargaining units.

Discussion

Provided for the Board's review is a list of vacancies within LACERS, by Memorandum of Understanding (MOU) for each of the City's recognized employee labor organizations. This list of vacancies reflects data as of April 19, 2026, with LACERS having an average vacancy rate of approximately 13 percent.

Section 3502.3 states if the number of job vacancies within a single bargaining unit exceeds 20 percent of the total number of authorized positions, the recognized employee organization may request information relating to the total number of job vacancies within the bargaining unit, the total number of applicants for vacant positions within the bargaining unit, the average number of days to complete the hiring process from when a position is posted, and the opportunities to improve compensation and working conditions. LACERS Human Resources (HR) will be able to provide the information listed above should it be requested by recognized employee organizations that meet the vacancy rate threshold.

The following table lists the bargaining units that exceed a 20 percent vacancy rate:

Bargaining Unit	Filled	Open	Percent Vacant
MOU 08: Professional Engineering and Scientific • Programmer/Analyst III	1	2	67%
MOU 17: Supervisory Professional Engineering and Scientific • Senior Cyber Security Analyst II	-	1	100%
MOU 21: Technical • Systems Administrator II	3	1	25%
MOU 64: Confidential Senior Personnel Analyst • Senior Personnel Analyst II	2	1	33%

The main challenge that LACERS faces with employee retention is the transfer of staff to the Department of Water and Power (DWP). This is primarily due to the 5-step salary range schedule used specifically by DWP and higher compensation for comparable classifications. The remaining City workforce (non-DWP) are placed on a 12-step salary schedule.

The April 15, 2026 report from the Office of the City Administrative Officer on the Status of Eliminated Filled Positions as of April 9, 2026 (C.F. 25-0660), which will be scheduled for an upcoming meeting of the Personnel and Hiring Committee, provides an update on the citywide layoff process associated with the 2025–26 Mayor’s Proposed Budget. The report indicated that 107 employees remain in substitute authority positions. Although Letters of Agreement have been reached with the Engineers and Architects Association and the Coalition of Los Angeles City Unions, resulting in layoffs being held in abeyance, the City continues to prioritize moving these employees into permanent, regular authority positions.

LACERS HR is actively working on filling vacancies throughout the department. To support this effort, we are utilizing the Personnel Department’s Expedited Transfer Process (ETP), which has been successful with previous recruitment processes. LACERS HR is currently conducting background and references checks on candidates that were interviewed in April 2026.

Should the Board require additional information, LACERS HR remains available to provide updates during upcoming scheduled meetings.

Prepared By:

Kevin Hirose, Senior Personnel Analyst II

TB/EA/KH

Attachment 1: LACERS Vacancies by Bargaining Unit

BOARD MEETING: 4/28/26
ITEM: III-C
ATTACHMENT: 1

LACERS Vacancies by Bargaining Unit

as of April 19, 2026

Bargaining Unit	Authorized Positions*			Percent Vacant
	Filled	Open	Total	
MOU 00: Non-Represented - General Managers	1	-	1	0.0%
MOU 01: Administrative	44	10	54	18.5%
MOU 03: Clerical	39	8	47	17.0%
MOU 08: Professional Engineering and Scientific	1	2	3	66.7%
MOU 17: Supervisory Professional Engineering and Scientific	-	1	1	100.0%
MOU 20: Supervisory Administrative	93	6	99	6.1%
MOU 21: Technical	3	1	4	25.0%
MOU 36: Management Employees	11	1	12	8.3%
MOU 37: Executive Administrative Assistants	3	-	3	0.0%
MOU 63: Personnel Director	1	-	1	0.0%
MOU 64: Confidential Senior Personnel Analyst	2	1	3	33.3%
Total	198	30	228	
Average Vacancy Rate by MOU				13.16%

*Authorized Positions includes regular and substitute authority positions as part of the 2025-26 Adopted Budget.

* Count does not include one unfunded Cyber Security Analyst II.

Board Agenda of: April 28, 2026
Item No.: V-A
MINUTES OF THE REGULAR MEETING
BOARD OF ADMINISTRATION
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM
March 24, 2026
10:02 A.M.

Commissioners Present:

Annie Chao, President
Janna Sidley, Vice President
Thuy Huynh, Commissioner
Susan Liem, Commissioner
Thomas Moutes, Commissioner
Sung Won Sohn, Commissioner

Commissioners Absent:

Gaylord "Rusty" Roten, Commissioner

Legal Counselor:

Miguel Bahamon

Manager-Secretary:

Todd Bouey

Executive Assistant:

Ani Ghoukassian

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 was one public comment card received by Ann Seales, member of the public and the President of the Retired Los Angeles City Employees' Incorporated, who made a comment with respect to IRMAA.

II

GENERAL MANAGER VERBAL REPORT

A. REPORT ON DEPARTMENT OPERATIONS – Todd Bouey, General Manager, advised the Board of the following items:

- Discretionary COLA: Yesterday a letter from the Board was transmitted to Council advocating for application of discretionary COLA for retirees.
- LACERS 2025 115 Trust and Financial Statements: LACERS FYE 2025 115 Trust and Financial Statements were received by Budget & Finance Committee yesterday, having previously been heard at the Personnel and Hiring Committee. The financial statements are now pending Council.
- Benefit Operations Update: Communications & Stakeholder Relations Division: ADA Web Accessibility: 146 LACERS staff attended the WCAG training courses for Microsoft Word, PowerPoint, Canva, and Video Captioning across 12 sessions and three days this past week to prepare our LACERS content creators and support staff on how to create accessible web documents. LACERS is tapping our network to identify the latest tools, resources, and knowledge to maximize our readiness for the April 2026 deadline.
- Women's History Month: To celebrate Women's History Month, the Communications and Stakeholder Relations Division designed a Leadership Conversations panel to spotlight the Women of Investments. The discussion focused on the impact and legacy of women in the investment and financial landscape, personal journeys, leadership lessons, and the importance of lifting others as we build the next generation of leaders.
- Retirement Services Division: Alive and Well: The final phase of the Alive and Well project places paycheck holds for 171 out of 5,432 Members and beneficiaries over the age of 80.
- Health, Wellness, & Buyback Division: Benefits comparisons (Active vs Retiree plans): As we enter health plan renewal discussions for the 2027 plan year, we compare the benefits for the Active City employees and the LACERS Retiree plans.

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

Board Meeting on April 14, 2026:

- General Manager designee signature authority
- Ethical Contract Compliance Report notification to the Board

III

RECEIVE AND FILE ITEMS

- A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR FEBRUARY 2026 – This report was received by the Board and filed.
- B. 2025 ANNUAL REPORT ON LACERS ORGANIZATION DIVERSITY SURVEY – This report was received by the Board and filed.

IV

COMMITTEE REPORT(S)

- A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE MEETING ON MARCH 10, 2026 – Commissioner Huynh stated the Committee discussed and approved the Investment Manager Contract with Granaham Investment Management, Inc., regarding the Management of an active U.S. small cap growth equities portfolio and the Investment Manager Contract with Copeland Capital Management, LLC regarding the Management of an active U.S. small cap core equities portfolio.
- B. GOVERNANCE COMMITTEE VERBAL REPORT FOR THE MEETING ON MARCH 24, 2026 – Vice President Sidley stated the Committee discussed and approved the Board Policy Review Succession Policy.

V

Commissioner Liem moved approval of Consent Agenda Items V-A and V-B and seconded by Commissioner Huynh, and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Sohn, Vice President Sidley, and President Chao -6: Nays, None.

CONSENT ITEMS

- A. APPROVAL OF MINUTES FOR THE MEETING ON FEBRUARY 24, 2026 AND POSSIBLE BOARD ACTION
- B. TRAVEL AUTHORITY FOR INVESTMENT OFFICER I DANIEL BECERRA TO ATTEND THE INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFIT PLANS (IFEFP) PORTFOLIO CONCEPTS AND MANAGEMENT COURSE AT THE WHARTON SCHOOL; MAY 10-14, 2026; PHILADELPHIA, PENNSYLVANIA AND

POSSIBLE BOARD ACTION – Commissioner Liem moved approval of the following Resolution:

**TRAVEL AUTHORITY
ATTENDANCE TO THE INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFIT
PLANS (IFEBP)
PORTFOLIO CONCEPTS AND MANAGEMENT COURSE
MAY 10-14, 2026
PHILADELPHIA, PA**

RESOLUTION 260324-A

WHEREAS, the complexities of sound management of a public pension fund impose a continuing need for staff to attend professional and education conferences, seminars, and other educational events that will better prepare them to perform their fiduciary duties; and,

WHEREAS, the cost of attending the IFEBP Portfolio Concepts and Management Course exceeds the General Manager's general travel authority approval limit to expend;

NOW, THEREFORE, BE IT RESOLVED, that the Board approve and authorize the General Manager to expend additional funds for Investment Officer I Daniel Becerra to attend IFEBP Portfolio Concepts and Management Course at The Wharton School, University of Pennsylvania, on May 11-14, 2026 (travel dates May 10-14, 2026).

BE IT FURTHER RESOLVED, that the reimbursement of up to \$10,705 for Daniel Becerra, Investment Officer I is hereby authorized for reasonable expenses in connection with participation and will be applied to the 2025-26 Fiscal Year budget.

VI

BOARD/DEPARTMENT ADMINISTRATION

- A. SEGAL DETERMINATION OF MEASURE FF ASSET TRANSFER AMOUNTS FROM LACERS TO LOS ANGELES FIRE AND POLICE PENSIONS AND POSSIBLE BOARD ACTION – Todd Bouey, General Manager, and Todd Tauzer, Senior Vice President and Actuary, with Segal, presented and discussed this item with the Board for four minutes. Commissioner Moutes moved approval, seconded by Commissioner Huynh, and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Sohn, Vice President Sidley, and President Chao -6; Nays, None.
- B. ACTUARIAL RISK ASSESSMENT AND REVIEW OF FUNDED STATUS OF THE RETIREMENT AND HEALTH PLANS AS OF JUNE 30, 2025 – Todd Tauzer, Senior Vice President and Actuary, with Segal, presented and discussed this item with the Board for 50 minutes.

C. APPROVAL OF CONTRACT AMENDMENT FOR THE WEBSITE VENDOR PLANETERIA AND POSSIBLE BOARD ACTION – Commissioner Moutes moved approval of the following Resolution:

**CONTRACT AMENDMENT WITH PLANETERIA MEDIA LLC
FOR WEBSITE DESIGN AND SUPPORT SERVICES**

RESOLUTION 260324-B

WHEREAS, on March 12, 2019, the Board approved contracting with PLANETERIA MEDIA LLC (formerly DIGITAL DEPLOYMENT INC.) for website design and support services for the contract term beginning April 1, 2019 through April 30, 2022, not to exceed \$188,750;

WHEREAS, PLANETERIA MEDIA LLC completed the website redesign in March 2020 and is the exclusive provider of website and maintenance and support services to the websites it designs;

WHEREAS, annual contract extensions for maintenance and support services were executed on November 15, 2021, May 27, 2022, July 5, 2023, April 8, 2024, March 17, 2025, and January 21, 2026, increasing the contract amount to \$328,750;

WHEREAS, LACERS must meet Web Content Accessibility Guidelines (WCAG) 2.1 Level AA requirements for all public-facing documents by April 24, 2026 and desires to use an automated remediation service; and

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to negotiate and execute a contract amendment with PLANETERIA MEDIA LLC to add DocAccess.com services, and increase the contract ceiling by \$20,000, and to make any necessary clerical, typographical, or technical corrections to this document.

Company Name: PLANETERIA MEDIA LLC (Formerly DIGITAL DEPLOYMENT INC.)

Service Provided: Website Design
Website Maintenance and Support
Accessibility Services

Term Dates: April 1, 2019 through April 30, 2027

Total Expenditure Authority: \$348,750

Which motion was seconded by Commissioner Huynh and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Sohn, Vice President Sidley, and President Chao -6; Nays, None.

- D. INCOME-RELATED MONTHLY ADJUSTMENT AMOUNT (IRMAA) – ADDITIONAL INFORMATION – Karen Freire, Chief Benefits Analyst, James Kawashima, Senior Benefits Analyst II, and Bordan Darm, Lead Consultant, with Keenan Associates, presented and discussed this item with the Board for 20 minutes.
- E. PRELIMINARY PROPOSED BUDGET, PERSONNEL, AND ANNUAL RESOLUTIONS FOR FISCAL YEAR 2026-27 AND POSSIBLE BOARD ACTION – Todd Bouey, General Manager, Chhintana Kurimoto, Management Analyst, Lisa Li, Management Analyst, and Thomas Ma, Information Systems Manager II, presented and discussed this item with the Board for 55 minutes. Commissioner Sohn moved approval, seconded by Commissioner Liem, and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Sohn, Vice President Sidley, and President Chao -6; Nays, None.

VII

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value of \$26.79 billion as of March 23, 2026; and Volatility Index at 27.86. Rod June discussed the following items:

OPERATIONAL:

- a. Publicly-traded infrastructure RFP will be released and available on the LACERS website on Monday, April 13. It will also appear in a variety of media platforms including those widely read by the industry and emerging managers.

FUTURE AGENDA ITEMS:

- a. NEPC, LLC presentation of the Non-US Equities Asset Class restructure plan.
b. Contract with Aksia LLC regarding the replacement of the key person.
c. Presentation from an academic researcher on the State of Private Markets, scheduled for April 28, 2026.

- B. APPROVAL OF 1-YEAR CONTRACT WITH GRANAHAN INVESTMENT MANAGEMENT, INC. REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP GROWTH EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Barbara Sandoval, Investment Officer II, and Kevin Novak, Principal, with NEPC, LLC, presented and discussed this item with the Board for 21 minutes. Vice President Sidley moved approval of the following Resolution:

**CONTRACT RENEWAL
GRANAHAN INVESTMENT MANAGEMENT, INC.
ACTIVE U.S. SMALL CAP GROWTH EQUITIES
PORTFOLIO MANAGEMENT**

RESOLUTION 260324-C

WHEREAS, LACERS current three-year contract term with Granahan Investment Management, Inc. (Granahan) for management of an active U.S. small cap growth equities portfolio management expires on July 31, 2026; and,

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

WHEREAS, a contract renewal with Granahan will allow the fund to maintain a diversified exposure to U.S. small cap growth equities; and,

WHEREAS, on March 24, 2026, the Board approved the Investment Committee's recommendation to approve a one-year contract renewal with Granahan.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager or 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: Granahan Investment Management, Inc.

Service Provided: Active U.S. Small Cap Growth Equities Portfolio Management

Effective Dates: August 1, 2026 through July 31, 2027

Duration: One year

Benchmark: Russell 2000 Growth Index

Allocation as of

January 31, 2026: \$160.8 million

Which motion was seconded by Commissioner Liem and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Sohn, Vice President Sidley, and President Chao -6; Nays, None.

C. APPROVAL OF 1-YEAR CONTRACT WITH COPELAND CAPITAL MANAGEMENT, LLC REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP CORE EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Barbara Sandoval,

Investment Officer II, and Kevin Novak, Principal, with NEPC, LLC, presented and discussed this item with the Board for two minutes. Vice President Sidley moved approval of the following Resolution:

**CONTRACT RENEWAL
COPELAND CAPITAL MANAGEMENT, LLC
ACTIVE U.S. SMALL CAP CORE EQUITIES
PORTFOLIO MANAGEMENT**

RESOLUTION 260324-D

WHEREAS, LACERS' current one-year contract term with Copeland Capital Management, LLC (Copeland) for management of an active U.S. small cap core equities portfolio management expires on July 31, 2026; and,

WHEREAS, Copeland is on watch status for underperformance; and,

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

WHEREAS, on March 24, 2026, the Board approved the Investment Committee's recommendation to approve a one-year contract renewal with Copeland.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager or 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:

Which motion was seconded by Commissioner Liem and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Sohn, Vice President Sidley, and President Chao -6; Nays, None.

D. CONTINUED DISCUSSION OF PRIVATE CREDIT CONSULTING CONTRACT WITH AKSIA LLC AND POSSIBLE BOARD ACTION – Todd Bouey, General Manager, presented and discussed this item with the Board for two minutes. Vice President Sidley moved approval of the following Resolution:

**CONTRACT RENEWAL
AKSIA LLC
PRIVATE CREDIT CONSULTING SERVICES**

RESOLUTION 260324-E

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 March 24, 2026, the Board approved the Investment Committee's recommendation for a renewal with Aksia.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager or designee 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, 2029

Duration: Three years

Fee: Year 1 - \$325,000

Year 2 - \$325,000 + Annual Inflation Adjustment (Consumer Price Index for All Urban Consumers, CPI-U)

Year 3 – Year 2 Fee + Annual Inflation Adjustment (CPI-U)

CPI-U annual inflation adjustment is capped at 3.5% per year

Which motion was seconded by Commissioner Huynh and adopted by the following vote: Ayes, Commissioners Huynh, Liem, Moutes, Sohn, Vice President Sidley, and President Chao -6; Nays, None.

President Chao recessed the meeting for a break at 1:15 p.m. and reconvened the meeting at 1:18 p.m. Immediately thereafter, President Chao recessed the Regular meeting at 1:19 p.m. to convene in closed session.

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)**
- C. 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: ROQUE ROQUE, PETITIONER v. LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION, RESPONDENT; LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM, REAL PARTY IN INTEREST, (LOS ANGELES SUPERIOR COURT CASE NO. 25NNCP00940)**
- D. 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 LITIGATION IN THE CASE ENTITLED: LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM, ET AL. V. GLENN SANFORD, ET AL., (DELAWARE COURT OF CHANCERY CASE NO. 2024-0998-KSJM)**

President Chao reconvened the Regular meeting at 1:22 P.M. with nothing to report.

IX

OTHER BUSINESS – There was no other business.

X

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, April 14, 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 1:23 P.M.

Annie Chao, President
Todd Bouey, Manager-Secretary



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO BOARD OF ADMINISTRATION

MEETING: APRIL 28, 2026

FROM: ISAIAS CANTÚ, CHIEF BENEFITS ANALYST

ITEM: V-B

**SUBJECT: APPROVAL OF DISABILITY RETIREMENT APPLICATION
OF LORENZO TERRY AND POSSIBLE BOARD ACTION**

ACTION **CLOSED** **CONSENT** **RECEIVE & FILE**

Recommendation

That, pursuant to Los Angeles Administrative Code Section 4.1008(b), the Board approve the disability retirement benefit for Lorenzo Terry based on the claimed disabling condition and the supporting medical evidence contained in the administrative record, which includes reports by three licensed, practicing physicians.

Background

Lorenzo Terry (Applicant), age 50, is a Transitional Worker at the Department of Public Works – Sanitation with 10.27780 years of City Service. The Applicant applied for disability retirement on October 22, 2024, 16 months outside of the one-year filing period; however, the application was accepted due to the Applicant's settled Workers' Compensation claim.

The Applicant's last day on active payroll was July 12, 2022. If approved, the Applicant's retirement effective date will be July 13, 2022.

Accommodation

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

Fiscal Impact

Upon approval, the Applicant would receive a disability allowance of approximately \$2,275.00 per month, and a retroactive payment covering approximately 46 months of approximately \$104,650.00.

Prepared By:

Carol Jackson, Benefits Analyst, Retirement Services Division

Claudia Batres-Flores, Sr. Benefits Analyst I, Retirement Services Division

Attachment: 1. Proposed Resolution

BOARD MEETING: 04/28/2026
ITEM: V-B
ATTACHMENT: 1

APPROVAL OF DISABILITY RETIREMENT BENEFIT FOR LORENZO TERRY

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, Physician 1 examined and concluded Lorenzo Terry is unable to perform their usual and customary duties as a Transitional Worker with the City of Los Angeles;

WHEREAS, notwithstanding, Physicians 2 and 3 examined and concluded Lorenzo Terry is able to perform their usual and customary duties as a Transitional Worker 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 Lorenzo Terry is incapacitated pursuant to the definition in Los Angeles Administrative Code § 4.1008(b) and not capable of performing the duties as a Transitional Worker;

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 Lorenzo Terry based upon the claimed disabling condition.

BOARD MEETING DATE: APRIL 28, 2026
ITEM: VI-B

The State of Private Market Investments

Prof. Gregory W. Brown

Van and Kay Weatherspoon Distinguished Professor of Finance

UNC Kenan-Flagler Business School

April 28, 2026

- **Prof. Greg Brown**, Van and Kay Weatherspoon Distinguished Professor of Finance at UNC Kenan-Flagler Business School
- My research centers on alternative investments, including hedge funds and private equity funds. I am also a leading expert on financial risk and the use of derivative contracts in risk management.
- I am the founder and research director of the [Institute for Private Capital](#) and a member of the Private Equity Research Consortium (PERC).
- I currently serve on the board of directors of the Chartered Alternative Investment Analyst (CAIA) Association.
- Previously, I served as director of research for Amundi Smith Breeden, a global asset management firm specializing in fixed income investments.
- I received my PhD in finance from the University of Texas at Austin and a BS with honors in physics and economics from Duke University.



- About the Institute for Private Capital
- Risk-adjusted Returns of Private Funds
- Current State of Private Asset Markets
- Valuations of Private Assets – How Good are GP-reported NAVs?
- Asset Allocation with Illiquid Assets
 - The Illiquidity Premium and Durability of Private Asset Outperformance

The mission of the Institute for Private Capital is to advance research, promote public understanding, and inform policymakers in the area of private capital.

- IPC is a **non-profit, multi-university initiative** involving leading scholars in private capital affiliated with UNC's Kenan-Flagler Business School.
- We provide unbiased & independent research, conducted by our network of academic affiliates such as the Private Equity Research Consortium (PERC).
- We offer exclusive access to data for academic research.
- We work in partnership with our members, offering **outreach and education**, and developing new research from collaboration and joint projects.

IPC Operates Initiatives in Three Primary Subject Areas



Private Equity
Research Consortium

- Academic researchers and industry professionals dedicated to advancing research on private equity, private credit, and VC
- Completed: 70+ projects by 90+ Faculty, 50+ Univ., 20+ Ph.D. Students

Real Assets

- Collect and curate data on real assets include real estate, infrastructure, and natural resources.
- Launched new initiative last October

Active Management with
Alternative Assets

- Research projects aimed at better understanding portfolio management and construction with alternative assets
- Creating a comprehensive database of institutional-quality hedge funds for research

PERC Advisory Board

Prof. Gregory W. Brown

UNC Kenan-Flagler Business School

Prof. Steven N. Kaplan

Univ. of Chicago Booth School

Prof. Robert Harris

UVA Darden School of Business

Prof. Tim Jenkinson

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Risk-adjusted Performance of Private Funds: What do we know?

by

Greg Brown, Christian Lundblad, and William Volckmann
UNC Chapel Hill & Institute for Private Capital

Full white paper available at this [link](#)

The authors gratefully acknowledge generous support provided by the Kroner Center for Financial Research at UC-San Diego, the Institute for Private Capital, the Private Equity Research Consortium, and MSCI.

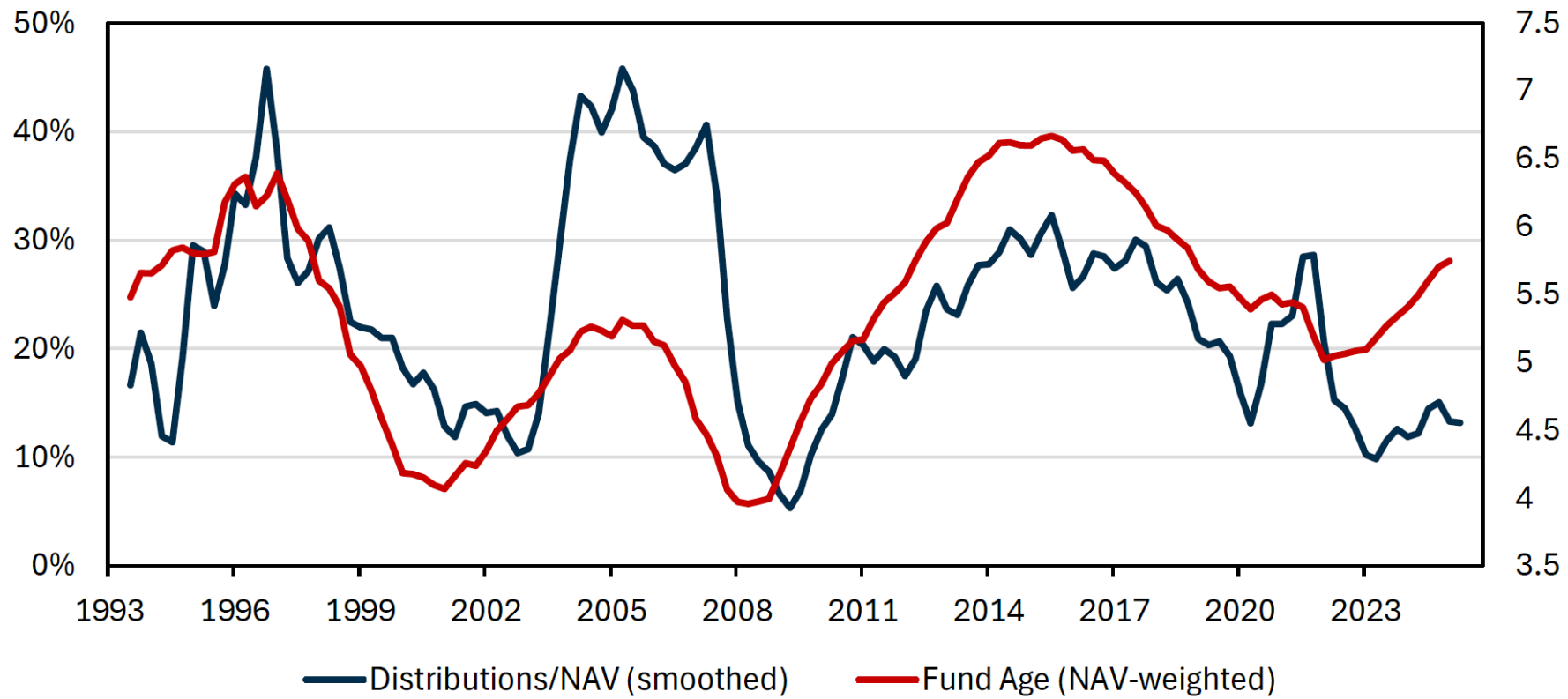
- **Private fund performance analysis and attribution is difficult:**
 - Lack of market return time series
 - Uncertainty about proper benchmarks and risk loadings
 - Lack of long/accurate data series for some assets
- **Research Objective:** Provide historical context for risk-adjusted performance using high-quality comprehensive data & methods
 - **Goal 1:** Generate comprehensive & current dataset for analysis (easy part)
 - **Goal 2:** Help move toward a common agreement of how to evaluate funds and portfolios of illiquid assets
 - Challenges & trade-offs of different methods / benchmarks

- **Data:** MSCI-Burgiss global private fund **data through 2023:Q4**
 - LP experience, net of fees for **7,816 private equity, credit, and real asset funds** from vintage years from 1988 through 2019 with 6.8 trillion USD in committed capital
- **Caveats:**
 - **We are using a very general definition of “alpha”** that includes liquidity, premium, potentially other unexplored factor risks, etc.
 - **The results I am discussing are for the “aggregate market”** -- Individual investors will have their own experiences that can depend on things like skill and access

- **Equity Funds**
 - US buyout has $\beta \sim 1$ and generates reliable excess returns (regardless of benchmark/model)
 - US VC has $\beta \gg 1$ and \sim zero excess returns (regardless of benchmark/model)
 - Rest-of-world (ROW) has reliable excess returns using a ROW benchmark
- **Debt Funds**
 - We estimate substantial variation in β s of debt funds across sub-strategies
 - Benchmarks are more important than for equity funds (broad indices are uncorrelated)
 - Fairly consistent positive excess returns across strategies
- **Real Estate Funds** – Roughly zero excess returns
- **Infrastructure Funds** – Reliably positive excess returns
- **Risk Models**
 - Advanced models like the Generalized PME and NowCasting models can be hard to estimate
 - KS-PME and Direct Alpha using asset-specific betas provide estimates highly correlated with the advanced models
- **Benchmarks**
 - Custom benchmarks (matched by sector-geography at fund-level) do not provide much additional explanatory power beyond the total stock market index (which we found surprising)
 - Need better benchmarks for private credit, real estate, & infrastructure

- The market for private assets is highly cyclical
- Cycles are correlated with broader business/market cycle – but not perfectly
 - Private markets appear to lag public markets and have some unique risks
- Currently,
 - Most of private equity is in a prolonged down-market
 - Private credit appears to remain in bull market (despite problems with evergreen redemptions, SaaS?)
 - Real assets – very dependent on asset type
- Is this time different?
 - Depth of decline is not unusual, but duration is longest on record
 - New working paper on buyout fund distributions available [here](#)

DISTRIBUTIONS AND AVERAGE FUND AGE

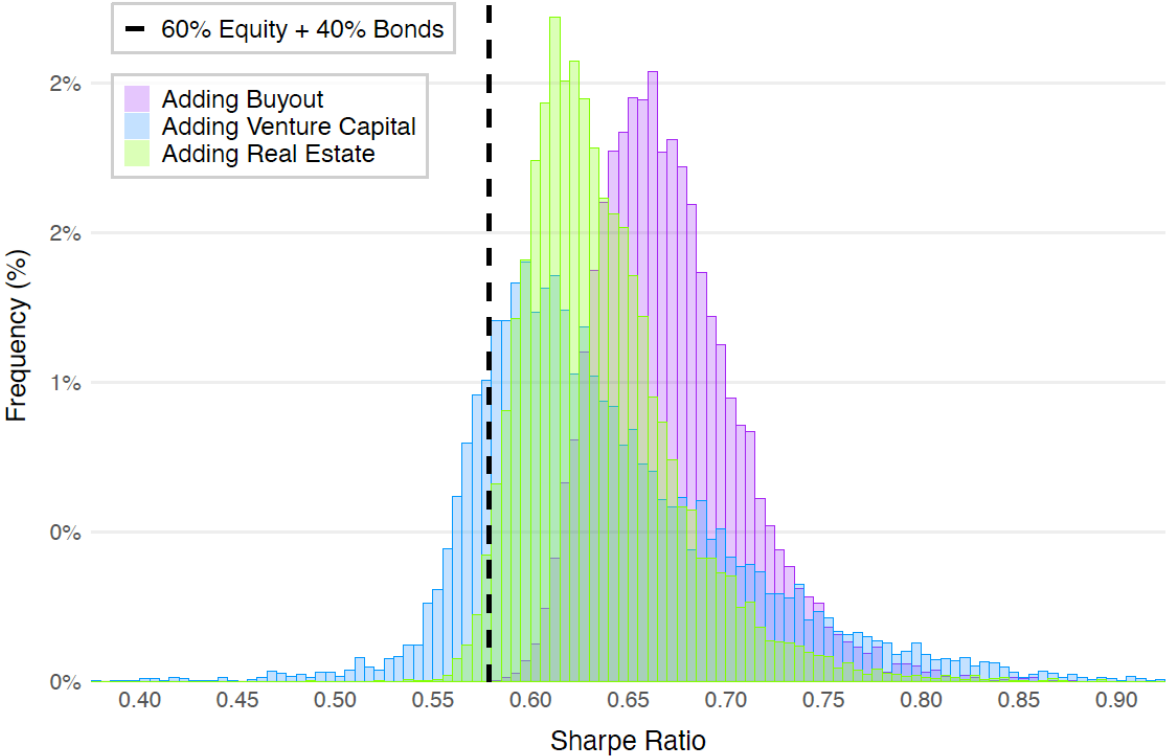


- How Good are GP-reported NAVs?
 - On average, slightly conservative
- However, NAVs have predictable properties that suggest systematic biases
 - NAVs are stale (typically reflect changes over last ~4 quarters)
 - GP's appear to manipulate NAVs at times. For example:
 - Around fundraising, poor performing funds exaggerate performance and top performing funds sandbag performance
 - GP's avoid reporting small losses at deal level
- References:
 - “Nowcasting Net Asset Values: The Case of Private Equity,” Greg Brown, Eric Ghysels and Oleg Gredil, *Review of Financial Studies* 36(3), 945-986, March 2023.
 - “Do Private Equity Funds Manipulate Reported Returns?” Greg Brown, Steven Kaplan and Oleg Gredil, *Journal of Financial Economics* 132(2), 267-297, May 2019.

Asset Allocation with Illiquid Assets

- Over long-horizons (and when properly measured), private assets have improved the Sharpe ratio of diversified portfolios

(b) Diversification+Sampling ($SR[r_{pp}]$)



Source: “The Private Capital Alpha,” Greg Brown, Andrei Gonçalves, and Wendy Hu, Fisher College of Business WP No. 2024-03-020, (Sept 2024). Available at SSRN: ssrn.com/abstract=4967890



uncipc.org

For additional information please contact:

Prof. Greg Brown (gregwbrown@unc.edu)

Sarah Franks (sarah_franks@kenan-flagler.unc.edu)



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO BOARD OF ADMINISTRATION

MEETING: APRIL 28, 2026

FROM: Todd Bouey, General Manager

ITEM: VI-C

**SUBJECT: NON-U.S. ASSET CLASS RESTRUCTURE AND
IMPLEMENTATION PLAN AND POSSIBLE BOARD ACTION**

ACTION **CLOSED** **CONSENT** **RECEIVE & FILE**

Recommendation

That the Board review and approve the Non-U.S. Asset Class Restructure and Implementation Plan as presented by NEPC, LLC.

Discussion

At its meeting of December 10, 2024, the Board adopted a new target asset allocation policy. The new asset allocation policy created the addition of an Infrastructure allocation; made slight modifications to the fixed income targets; increased the target to U.S. equities; and decreased the target to non-U.S. equities. On February 25, 2025, the Board approved asset class risk budgets to manage and control the market volatility of active management within various asset classes. On June 10, 2025, the Board approved the interim policy targets, which allowed for a gradual migration of actual asset class market weightings to the new policy targets in a controlled manner through Fiscal Year 2028. On July 8, 2025, the Board approved the interim asset class policy ranges, which established upper and lower bands that are intended to maintain the actual asset allocation close to the asset allocation policy targets and within risk budget tolerances. On October 14, 2025, NEPC, LLC (NEPC), LACERS' General Consultant, presented an Infrastructure Implementation Plan to initiate the 5% allocation to infrastructure.

As part of the asset allocation policy decision to reduce the target to non-U.S. equities, NEPC and Staff have developed the Non-U.S. Equity Restructure & Implementation Plan (Plan) that provides a roadmap of proposed activities that are deemed

necessary to reduce the non-U.S. Equity target from 24% to 20%. As outlined in the attachment, the presentation consists of analysis on manager-level exposures, risk and return profiles, and management fees. The steps for implementing the proposed Plan will be phased in during the 2026 calendar year and may require Board consideration and issuance of investment manager RFPs. Staff will continue to keep the Board apprised of the status of these activities and any additional needed approvals to fully implement the Plan.

Prepared By:

Wilkin Ly, Investment Officer III

Attachment 1: Non-US Equity Restructure & Implementation Plan - NEPC

BOARD MEETING DATE: APRIL 28, 2026

ITEM: VI-C

ATTACHMENT: 1



NON-US EQUITY RESTRUCTURE & IMPLEMENTATION PLAN

LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

APRIL 2026



TABLE OF CONTENTS

- Executive Summary
- Manager-Level Analysis
- Non-US Equity Portfolio Analysis
- Recommendation
- Appendix



EXECUTIVE SUMMARY



PROPRIETARY & CONFIDENTIAL

SUMMARY

The LACERS Board approved adjustments to the non-US equity policy targets in late 2024

- The target to overall non-US equity was reduced from 24% to 20%
 - *Non-US developed* equity was reduced from 16% to 13%
 - *Emerging markets* equity was reduced from 8% to 7%

Interim policy targets were then approved in mid-2025

- Interim targets dictate that the reduction of non-US equities should be achieved by 7/1/2026

Throughout 2025 and 2026, Staff gradually trimmed the non-US equity position through monthly cash raises to cover benefit payments

- In addition, Axiom Emerging Markets' contract expired at the end of 2025, further reducing the Plan's exposure

SUMMARY CONTINUED

As part of the active risk budgeting exercise presented in early 2025, the Board approved a reduced risk budget for non-US equities going forward, which reflected:

- Increased use of passive investment strategies
- Streamlined investment manager lineup

The following presentation builds upon that initial analysis and includes perspective on:

- Manager-level statistical analysis
- Underlying exposures (sector, market cap, regional, etc.)
- Historical risk/return profile
- Management fees

Based on this analysis, NEPC recommends changes to the non-US equity portfolio as detailed in this report

MANAGER-LEVEL ANALYSIS



PROPRIETARY & CONFIDENTIAL

NON-US EQUITY MANAGER SUMMARY

Strategy	Asset Class	Weight in Total Non-US Equity Portfolio*	Style	Market Cap	Role in Portfolio
Barrow Hanley Non-U.S. Value Equity	Non-US developed markets; modest EM exposure (3% @ 9/30/25)	12.5%	Value	Primarily Large Cap	Provides balance and diversification to MFS Growth
Lazard International Strategic Equity	Non-US developed markets; modest EM exposure (7% @ 9/30/25)	8.5%	Core	Primarily Large Cap	Actively managed core exposure
MFS International Growth Equity	Non-US developed markets; moderate EM exposure (21% @ 9/30/25)	12.1%	Growth	Primarily Large Cap	Provides balance and diversification to Barrow Hanley Value
Oberweis International Opportunities	Non-US developed markets	7.6%	Growth	Small Cap	Active exposure to a less efficient area of non-US markets
SSGA MSCI World ex USA IMI Index	Non-US developed markets	23.7%	Core	All Cap	Low-cost exposure to developed markets; source of liquidity; anchor to actively managed strategies
SSGA MSCI EAFE Small Cap Index	Non-US developed markets	6.3%	Core	Small Cap	Low-cost exposure to small cap developed markets; source of liquidity
DFA Emerging Markets All Cap Value	Emerging Markets	12.1%	Value	All Cap	Value orientation provides balance to Wasatch (and previously Axiom Growth)
State Street MSCI Emerging Markets Index NL	Emerging Markets	11.6%	Core	Large Cap	Low-cost exposure to emerging markets; source of liquidity
Wasatch Emerging Markets Small Cap Growth	Emerging Markets; modest DM exposure (8% @ 9/30/25)	5.8%	Growth	Small Cap	Active exposure to a less efficient area of non-US markets



MANAGER TRAILING PERFORMANCE

Strategy	1 Year	3 Year	5 Year	7 Year	10 Year
Barrow Hanley Non-U.S. Value Equity	17.50%	21.30%	15.55%	9.57%	9.12%
MSCI EAFE Value	23.40%	26.55%	16.45%	8.88%	8.85%
<i>Excess Return</i>	<i>-5.90%</i>	<i>-5.25%</i>	<i>-0.90%</i>	<i>0.69%</i>	<i>0.27%</i>
Lazard International Strategic Equity	15.74%	18.75%	8.78%	6.51%	7.15%
MSCI EAFE	15.58%	22.33%	11.71%	8.25%	8.70%
<i>Excess Return</i>	<i>0.16%</i>	<i>-3.58%</i>	<i>-2.93%</i>	<i>-1.74%</i>	<i>-1.55%</i>
MFS International Growth Equity	6.39%	18.46%	8.91%	8.54%	9.94%
MSCI World ex US Growth	9.73%	18.47%	7.31%	7.59%	8.41%
<i>Excess Return</i>	<i>-3.34%</i>	<i>-0.01%</i>	<i>1.60%</i>	<i>0.95%</i>	<i>1.53%</i>
Oberweis International Opportunities	23.95%	19.48%	3.90%	6.84%	8.48%
MSCI EAFE Small Cap	18.25%	20.24%	8.97%	6.52%	8.36%
<i>Excess Return</i>	<i>5.70%</i>	<i>-0.76%</i>	<i>-5.07%</i>	<i>0.32%</i>	<i>0.12%</i>
SSGA MSCI World ex USA IMI Index	16.93%	21.75%	11.84%	8.35%	8.88%
MSCI World ex US IMI Index	17.14%	22.04%	11.84%	8.38%	8.94%
<i>Excess Return</i>	<i>-0.21%</i>	<i>-0.29%</i>	<i>0.00%</i>	<i>-0.03%</i>	<i>-0.06%</i>
SSGA MSCI EAFE Small Cap Index	17.85%	19.74%	8.64%	6.21%	8.09%
MSCI EAFE Small Cap	18.25%	20.24%	8.97%	6.52%	8.36%
<i>Excess Return</i>	<i>-0.40%</i>	<i>-0.50%</i>	<i>-0.33%</i>	<i>-0.31%</i>	<i>-0.27%</i>
DFA Emerging Markets All Cap Value	12.89%	19.29%	13.38%	7.35%	9.20%
MSCI EM (Emerging Markets) Value	14.59%	18.71%	10.64%	5.96%	7.77%
<i>Excess Return</i>	<i>-1.70%</i>	<i>0.58%</i>	<i>2.74%</i>	<i>1.39%</i>	<i>1.43%</i>
State Street MSCI Emerging Markets Index NL	18.19%	18.19%	6.85%	5.98%	7.75%
MSCI EM	18.17%	18.81%	7.51%	6.62%	8.43%
<i>Excess Return</i>	<i>0.02%</i>	<i>-0.62%</i>	<i>-0.66%</i>	<i>-0.64%</i>	<i>-0.68%</i>
Wasatch Emerging Markets Small Cap Growth	-7.52%	10.00%	5.26%	8.20%	7.56%
MSCI EM Small Cap	8.76%	18.45%	13.04%	9.42%	8.92%
<i>Excess Return</i>	<i>-16.28%</i>	<i>-8.45%</i>	<i>-7.78%</i>	<i>-1.22%</i>	<i>-1.36%</i>

Most active managers have added value over longer periods of time

Active managers that have underperformed over the longer term:

- Lazard
 - Consistent, modest underperformance over past 5 calendar years has overwhelmed their longer-term track record
 - Relative value philosophy has struggled with the rally of lower quality stocks
- Wasatch
 - Highly volatile, high tracking error strategy has endured a challenging stretch since 2021, pulling down longer-term performance
 - Quality growth approach has been out of favor

As of September 30, 2025, based on LACERS' net-of-fee performance. Product composite returns were obtained from eVestment for SSGA MSCI EAFE Small Cap Index, State Street MSCI Emerging Markets Index, and Wasatch Emerging Markets Small Cap Growth to backfill the history from 9/30/15-12/31/20.



RISK STATISTICS

Information Ratio highlights active strategies that have not delivered consistency of outperformance – Lazard and Wasatch

- These managers have also provided an unfavorable combination of upside/downside capture statistics

Strategy	Annualized Sharpe (Rf=0%)	Beta	Tracking Error	Information Ratio	Upside Capture	Downside Capture
Barrow Hanley Non-U.S. Value Equity	0.52	1.05	4.86%	0.06	105.28%	105.38%
Lazard International Strategic Equity	0.48	0.97	3.71%	-0.42	94.47%	100.21%
MFS International Growth Equity	0.70	0.91	3.36%	0.46	98.80%	90.55%
Oberweis International Opportunities	0.43	1.08	7.87%	0.01	108.82%	110.00%
SSGA MSCI World ex USA IMI Index	0.59	1.00	0.20%	-0.29	99.53%	99.63%
SSGA MSCI EAFE Small Cap Index	0.49	0.99	0.16%	-1.70	98.86%	99.81%
DFA Emerging Markets All Cap Value	0.54	1.02	2.75%	0.52	104.04%	97.91%
State Street MSCI Emerging Markets Index NL	0.46	1.01	1.24%	-0.54	99.22%	102.23%
Wasatch Emerging Markets Small Cap Growth	0.41	0.95	8.99%	-0.15	100.34%	106.63%

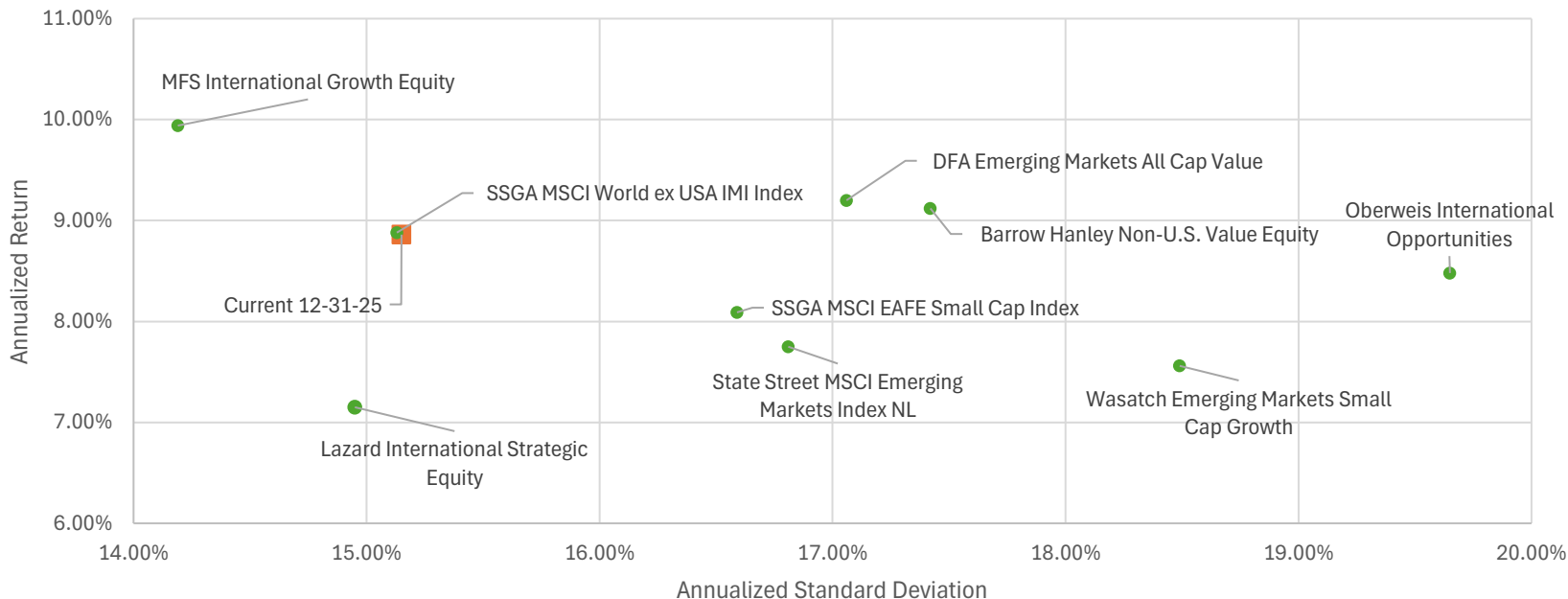
- Risk metrics shown are in relation to each manager's respective benchmark. Analysis covers the 10-year period ending September 30, 2025, based on LACERS' net-of-fee performance. - Product composite returns were obtained from eVestment for SSGA MSCI EAFE Small Cap Index, State Street MSCI Emerging Markets Index, and Wasatch Emerging Markets Small Cap Growth to backfill the history from 9/30/15-12/31/20.

10-YEAR RISK/RETURN

In general, investors should expect higher returns to be accompanied by higher volatility (standard deviation)

- MFS plots very favorably with the highest return, but lowest volatility over the trailing 10-year period
- Wasatch has delivered lower returns with higher risk, compared to LACERS other non-US equity strategies

10-Year Risk and Return Chart



EXCESS RETURN CORRELATION

As expected, strategies targeting different geographies (i.e. developed vs. emerging markets) are much less correlated with each other, and vice versa

- Excess returns from DFA and Barrow Hanley have been the least correlated to other investments in the LACERS non-US equity portfolio
- Lazard's excess returns have exhibited positive correlation to other developed markets

Strategy	Barrow Hanley Non-US Value Equity	Lazard International Strategic Equity	MFS International Growth Equity	Oberweis International Opportunities	SSGA MSCI World ex USA IMI Index	SSGA MSCI EAFE Small Cap Index	DFA Emerging Markets All Cap Value	State Street MSCI Emerging Markets Index NL	Wasatch Emerging Markets Small Cap Growth
Barrow Hanley Non-US Value Equity	1.00								
Lazard International Strategic Equity	0.12	1.00							
MFS International Growth Equity	(0.23)	0.45	1.00						
Oberweis International Opportunities	(0.05)	0.39	0.22	1.00					
SSGA MSCI World ex USA IMI Index	0.34	0.58	0.43	0.39	1.00				
SSGA MSCI EAFE Small Cap Index	0.20	0.41	0.19	0.68	0.66	1.00			
DFA Emerging Markets All Cap Value	0.00	(0.47)	(0.54)	(0.34)	(0.71)	(0.38)	1.00		
State Street MSCI Emerging Markets Index NL	(0.29)	(0.55)	(0.48)	(0.25)	(0.96)	(0.50)	0.76	1.00	
Wasatch Emerging Markets Small Cap Growth	(0.35)	(0.01)	0.01	0.31	(0.20)	0.11	0.20	0.24	1.00

High (-)
(< -0.75)

Moderate (-)
(-0.75 - -0.50)

Low (-)
(-0.50 - -0.25)

Uncorrelated
(-0.25 - 0.25)

Low (+)
(0.25 - 0.50)

Moderate (+)
(0.50 - 0.75)

High (+)
(> 0.75)



Correlation of excess returns versus MSCI AC World ex-US Index over 10-year period ending September 30, 2025

NON-US EQUITY PORTFOLIO ANALYSIS



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ANALYSIS SCOPE AND PORTFOLIO MODELS

- Analysis covers the 10-year period ending September 30, 2025, based on LACERS' net-of-fee performance*
- The following analysis includes the portfolio allocations below:

Strategy	Current 12-31-25	Model 1	Model 2	Contract Expiration Date
Barrow Hanley Non-U.S. Value Equity	12.50%	9.50%	12.00%	9/30/26
Lazard International Strategic Equity	8.48%	0.00%	0.00%	9/30/26
MFS International Growth Equity	12.05%	13.50%	10.00%	9/30/28
Oberweis International Opportunities	7.59%	4.50%	5.50%	12/31/28
SSGA MSCI World ex USA IMI Index	23.66%	37.50%	37.50%	6/30/28
SSGA MSCI EAFE Small Cap Index	6.25%	0.00%	0.00%	6/30/28
DFA Emerging Markets All Cap Value	12.05%	8.00%	8.00%	6/30/29
State Street MSCI Emerging Markets Index NL	11.62%	22.50%	27.00%	6/30/28
Wasatch Emerging Markets Small Cap Growth	5.80%	4.50%	0.00%	9/30/26

▪ Model portfolio summary:

- Model 1: aligns with previous risk budgeting exercise in 2025; increases the use of passive management for cost savings and to reduce tracking error
 - Reallocate Lazard dollars among remaining international developed strategies to achieve targeted exposure
- Model 2: further increases the use of passively managed strategies; reallocate Wasatch dollars to State Street MSCI Emerging Markets (passive)



Note: MSCI EM Index used as a proxy for State Street MSCI Emerging Markets Index strategy for holdings analysis

*Product composite returns were obtained from eVestment for SSGA MSCI EAFE Small Cap Index, State Street MSCI Emerging Markets Index, and Wasatch Emerging Markets Small Cap Growth to backfill the history from 9/30/15-12/31/20

SECTOR EXPOSURE

▪ Observations:

- None of the portfolios are taking outsized positions relative to the index
- Current allocation maintains a slight overweight in industrials (~3%)
- Model portfolios only slightly shift sector exposure and maintain modestly higher allocation to consumer discretionary, industrials, tech, and materials, and slightly lower allocation to financials

Portfolio	Comm. Services	Consumer Disc.	Consumer Staples	Energy	Financials	Healthcare	Industrials	Info. Tech	Materials	Real Estate	Utilities
Current 12-31-25	4.3%	11.0%	5.2%	3.8%	22.9%	7.0%	18.5%	14.6%	7.9%	2.2%	2.6%
Model 1	5.2%	11.0%	5.3%	4.1%	22.8%	7.1%	16.3%	15.6%	8.1%	1.9%	2.6%
Model 2	5.3%	11.4%	5.1%	4.4%	23.0%	6.5%	16.1%	14.9%	8.2%	2.0%	2.8%
Benchmark											
MSCI ACWI ex USA	6.3%	10.7%	6.1%	4.5%	24.8%	7.7%	14.7%	13.7%	6.5%	1.6%	3.0%
MSCI ACWI ex US IMI	5.9%	10.8%	6.0%	4.3%	23.0%	7.5%	15.4%	13.3%	7.3%	2.7%	3.0%

MARKET CAPITALIZATION EXPOSURE

▪ Observations:

- All portfolios skew more towards small caps relative to the index
 - Reflects more attractive opportunity set in non-US small caps, compared to larger caps
- Model portfolios bring market cap exposures slightly closer to the index

Portfolio	>\$50 Billion	\$15-50 Billion	\$7.5-15 Billion	\$1.5-7.5 Billion	\$750M-1.5 Billion	\$400-750 Million	< \$400 Million
Current 12-31-25	30.0%	22.5%	19.4%	23.7%	3.0%	0.8%	0.5%
Model 1	32.5%	22.7%	17.8%	23.2%	2.6%	0.8%	0.4%
Model 2	32.9%	23.1%	18.4%	22.5%	1.9%	0.7%	0.5%
Benchmark							
MSCI ACWI ex USA	50.2%	26.9%	12.3%	9.9%	0.4%	0.2%	0.1%
MSCI ACWI ex US IMI	47.4%	24.3%	10.8%	13.9%	2.8%	0.7%	0.0%

REGIONAL EXPOSURE

- **Observations:**

- All portfolios maintain a higher allocation to emerging markets, compared to the index
 - Model 1 and Model 2 split between developed and emerging markets dictated by strategic asset allocation decision by the Board in late 2024

Portfolio	Developed ex US	Emerging Markets	United States
Current 12-31-25	67.0%	31.9%	1.1%
Model 1	62.2%	36.8%	1.0%
Model 2	62.5%	36.8%	0.7%
Benchmark			
MSCI ACWI ex USA	69.8%	29.0%	0.0%
MSCI ACWI ex US IMI	72.3%	26.4%	0.0%

STYLE / MARKET CAPITALIZATION – MANAGERS

Observations:

– Underlying managers provide a balance of styles

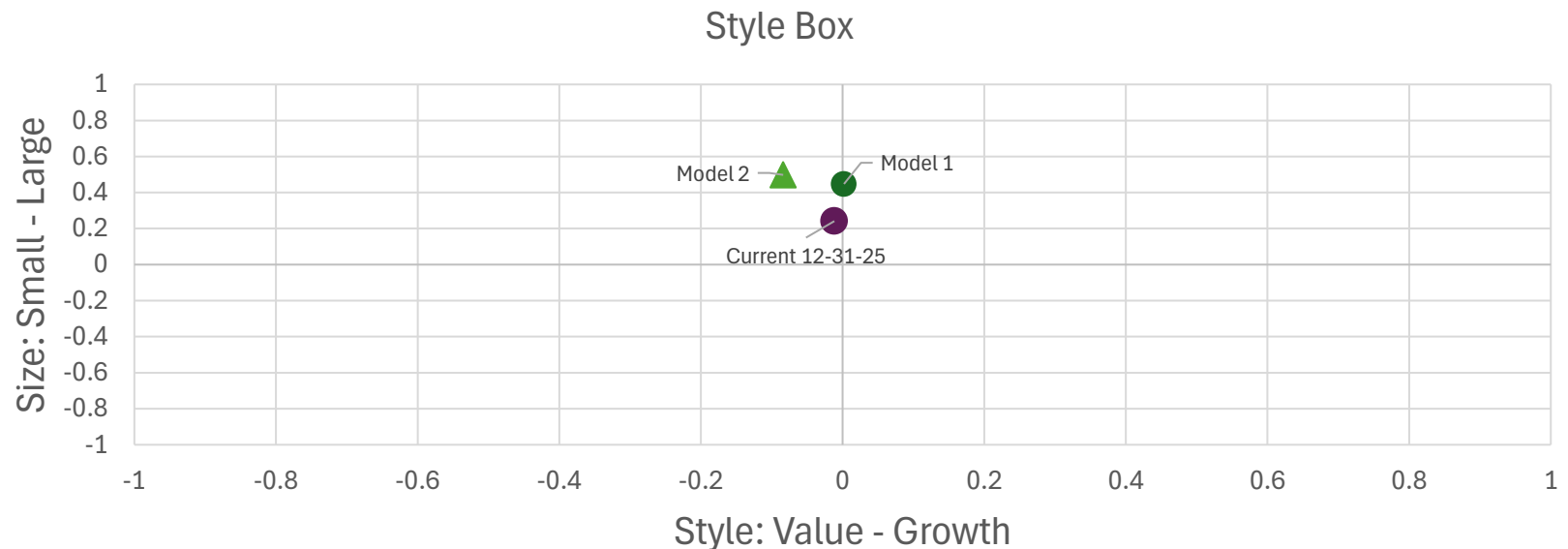
- Growth managers Wasatch, Oberweis and MFS complement value managers DFA and Barrow Hanley



STYLE / MARKET CAPITALIZATION – PORTFOLIOS

■ Observations:

- All portfolios, in aggregate, reflect a core orientation, consistent with market benchmarks
 - Model 2 reflects a very slight value tilt with the removal of Lazard and Wasatch



MANAGEMENT FEE ESTIMATE

- **Observations:**

- Lower fees through the use of increased passive management

- Still allows for upside potential from outperformance of a smaller number of high conviction managers

Portfolio	Estimated Effective Annual Fee*	Percent Invested in Passively Managed Strategies
Current	0.30%	41.5%
Model 1	0.21%	60.0%
Model 2	0.18%	64.5%

NEPC RECOMMENDATION



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RECOMMENDATION

- **NEPC recommends LACERS adopt Model 2 going forward**
 - Closely aligns with goals of the reduced target allocation to non-US equities, particularly with respect to greater use of passive management and a more streamlined stable of managers
 - Trims active managers that have underperformed over longer periods of time and exhibited less favorable risk statistics
 - Reduces estimated manager fees by 12bps, compared to current allocation

APPENDIX



DEVELOPED NON-US EQUITY MANAGER CALENDAR YEAR PERFORMANCE

Strategy	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD 2025
Barrow Hanley Non-U.S. Value Equity	3.00%	3.20%	23.10%	-18.10%	26.10%	3.80%	14.70%	-0.90%	19.00%	-2.80%	30.00%
MSCI EAFE Value	2.70%	5.70%	22.10%	-14.30%	16.80%	-2.10%	11.60%	-4.90%	19.80%	6.40%	32.80%
<i>Excess Return</i>	<i>0.30%</i>	<i>-2.50%</i>	<i>1.00%</i>	<i>-3.80%</i>	<i>9.30%</i>	<i>5.90%</i>	<i>3.10%</i>	<i>4.00%</i>	<i>-0.80%</i>	<i>-9.20%</i>	<i>-2.80%</i>
Lazard International Strategic Equity	4.80%	-5.00%	27.30%	-10.80%	20.60%	11.50%	7.30%	-16.50%	16.70%	0.30%	25.00%
MSCI EAFE	4.70%	1.50%	25.60%	-13.40%	22.70%	8.30%	11.80%	-14.00%	18.90%	4.30%	25.70%
<i>Excess Return</i>	<i>0.10%</i>	<i>-6.50%</i>	<i>1.70%</i>	<i>2.60%</i>	<i>-2.10%</i>	<i>3.20%</i>	<i>-4.50%</i>	<i>-2.50%</i>	<i>-2.20%</i>	<i>-4.00%</i>	<i>-0.70%</i>
MFS International Growth Equity	4.60%	1.90%	32.00%	-8.90%	27.70%	14.10%	10.60%	-14.50%	16.70%	7.60%	16.30%
MSCI World ex US Growth	5.60%	-1.50%	28.10%	-12.80%	28.50%	18.80%	11.90%	-22.40%	17.90%	3.20%	19.60%
<i>Excess Return</i>	<i>-1.00%</i>	<i>3.40%</i>	<i>3.90%</i>	<i>3.90%</i>	<i>-0.80%</i>	<i>-4.70%</i>	<i>-1.30%</i>	<i>7.90%</i>	<i>-1.20%</i>	<i>4.40%</i>	<i>-3.30%</i>
Oberweis International Opportunities	7.70%	-5.00%	41.50%	-23.80%	25.60%	64.50%	3.90%	-37.30%	6.20%	8.40%	31.80%
MSCI EAFE Small Cap	6.80%	2.60%	33.50%	-17.60%	25.50%	12.70%	10.50%	-21.00%	13.70%	2.30%	29.00%
<i>Excess Return</i>	<i>0.90%</i>	<i>-7.60%</i>	<i>8.00%</i>	<i>-6.20%</i>	<i>0.10%</i>	<i>51.80%</i>	<i>-6.60%</i>	<i>-16.30%</i>	<i>-7.50%</i>	<i>6.10%</i>	<i>2.80%</i>
SSGA MSCI World ex USA IMI Index	4.20%	3.40%	25.50%	-14.20%	23.40%	9.40%	12.90%	-14.80%	17.50%	4.80%	26.30%
MSCI World ex US IMI Index	4.20%	3.50%	25.80%	-14.30%	23.60%	8.80%	12.90%	-14.80%	17.80%	5.00%	26.50%
<i>Excess Return</i>	<i>0.00%</i>	<i>-0.10%</i>	<i>-0.30%</i>	<i>0.10%</i>	<i>-0.20%</i>	<i>0.60%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>-0.30%</i>	<i>-0.20%</i>	<i>-0.20%</i>
SSGA MSCI EAFE Small Cap Index	6.80%	2.40%	33.20%	-17.60%	25.00%	12.40%	10.10%	-20.90%	13.40%	1.70%	28.60%
MSCI EAFE Small Cap	6.80%	2.60%	33.50%	-17.60%	25.50%	12.70%	10.50%	-21.00%	13.70%	2.30%	29.00%
<i>Excess Return</i>	<i>0.00%</i>	<i>-0.20%</i>	<i>-0.30%</i>	<i>0.00%</i>	<i>-0.50%</i>	<i>-0.30%</i>	<i>-0.40%</i>	<i>0.10%</i>	<i>-0.30%</i>	<i>-0.60%</i>	<i>-0.40%</i>

- As of September 30, 2025, based on LACERS' net-of-fee performance.

- Product composite returns were obtained from eVestment for SSGA MSCI EAFE Small Cap Index, State Street MSCI Emerging Markets Index, and Wasatch Emerging Markets Small Cap Growth to backfill the history from 9/30/15-12/31/20.



EMERGING MARKET EQUITY MANAGER CALENDAR YEAR PERFORMANCE

Strategy	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD 2025
DFA Emerging Markets All Cap Value	0.30%	17.90%	32.60%	-12.50%	10.10%	4.50%	12.00%	-10.80%	16.70%	6.20%	23.30%
MSCI EM (Emerging Markets) Value	-1.40%	15.50%	28.70%	-10.30%	12.50%	6.00%	4.50%	-15.30%	14.90%	5.40%	25.80%
<i>Excess Return</i>	<i>1.70%</i>	<i>2.40%</i>	<i>3.90%</i>	<i>-2.20%</i>	<i>-2.40%</i>	<i>-1.50%</i>	<i>7.50%</i>	<i>4.50%</i>	<i>1.80%</i>	<i>0.80%</i>	<i>-2.50%</i>
State Street MSCI Emerging Markets Index NL	0.70%	10.70%	37.00%	-14.90%	18.20%	18.00%	-2.60%	-20.10%	9.40%	7.00%	28.00%
MSCI EM	0.70%	11.60%	37.80%	-14.20%	18.90%	18.70%	-2.20%	-19.70%	10.30%	8.10%	28.20%
<i>Excess Return</i>	<i>0.00%</i>	<i>-0.90%</i>	<i>-0.80%</i>	<i>-0.70%</i>	<i>-0.70%</i>	<i>-0.70%</i>	<i>-0.40%</i>	<i>-0.40%</i>	<i>-0.90%</i>	<i>-1.10%</i>	<i>-0.20%</i>
Wasatch Emerging Markets Small Cap Growth	1.60%	-3.10%	38.30%	-18.10%	29.80%	35.80%	35.30%	-39.20%	24.80%	0.20%	2.40%
MSCI EM Small Cap	3.30%	2.60%	34.20%	-18.30%	11.90%	19.70%	19.30%	-17.50%	24.50%	5.20%	17.10%
<i>Excess Return</i>	<i>-1.70%</i>	<i>-5.70%</i>	<i>4.10%</i>	<i>0.20%</i>	<i>17.90%</i>	<i>16.10%</i>	<i>16.00%</i>	<i>-21.70%</i>	<i>0.30%</i>	<i>-5.00%</i>	<i>-14.70%</i>

- As of September 30, 2025, based on LACERS' net-of-fee performance.

- Product composite returns were obtained from eVestment for SSGA MSCI EAFE Small Cap Index, State Street MSCI Emerging Markets Index, and Wasatch Emerging Markets Small Cap Growth to backfill the history from 9/30/15-12/31/20.



PORTFOLIO RISK STATISTICS

Portfolio	Annualized Sharpe (Rf=0%)	Tracking Error	Information Ratio	Upside Capture	Downside Capture
Current 12-31-25	0.58	1.22%	0.11	100.94%	100.56%
Model 1	0.60	0.85%	0.18	100.77%	100.25%
Model 2	0.59	0.91%	0.14	100.98%	100.64%

Risk metrics shown are in relation to each composite or manager's respective benchmark. Analysis covers the 10-year period ending September 30, 2025, based on LACERS' net-of-fee performance. Product composite returns were obtained from eVestment for SSGA MSCI EAFE Small Cap Index, State Street MSCI Emerging Markets Index, and Wasatch Emerging Markets Small Cap Growth to backfill the history from 9/30/15-12/31/20.



PORTFOLIO CALENDAR YEAR PERFORMANCE

Portfolio	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD 2025
Current 12-31-25	3.50%	4.00%	30.70%	-14.70%	22.40%	15.30%	10.80%	-17.20%	15.90%	4.20%	24.40%
Current 12-31-25 benchmark	3.50%	5.30%	28.90%	-14.20%	20.90%	10.70%	9.80%	-16.00%	16.80%	5.10%	26.40%
<i>Excess Return</i>	<i>0.00%</i>	<i>-1.30%</i>	<i>1.80%</i>	<i>-0.50%</i>	<i>1.50%</i>	<i>4.60%</i>	<i>1.00%</i>	<i>-1.20%</i>	<i>-0.90%</i>	<i>-0.90%</i>	<i>-2.00%</i>
Model 1	3.10%	5.40%	30.60%	-14.40%	22.40%	14.50%	9.70%	-16.60%	15.50%	5.20%	24.60%
Model 1 benchmark	3.10%	5.80%	29.40%	-14.00%	21.20%	11.90%	8.70%	-16.40%	16.20%	5.70%	26.30%
<i>Excess Return</i>	<i>0.00%</i>	<i>-0.40%</i>	<i>1.20%</i>	<i>-0.40%</i>	<i>1.20%</i>	<i>2.60%</i>	<i>1.00%</i>	<i>-0.20%</i>	<i>-0.70%</i>	<i>-0.50%</i>	<i>-1.70%</i>
Model 2	3.00%	6.00%	30.40%	-14.70%	21.80%	13.90%	8.10%	-15.60%	14.80%	5.20%	26.30%
Model 2 benchmark	2.90%	6.40%	29.40%	-13.90%	21.20%	11.20%	7.70%	-16.00%	15.60%	5.90%	27.20%
<i>Excess Return</i>	<i>0.10%</i>	<i>-0.40%</i>	<i>1.00%</i>	<i>-0.80%</i>	<i>0.60%</i>	<i>2.70%</i>	<i>0.40%</i>	<i>0.40%</i>	<i>-0.80%</i>	<i>-0.70%</i>	<i>-0.90%</i>

- As of September 30, 2025, based on LACERS' net-of-fee performance. Performance of composite portfolios and benchmarks are based on static weights.
 - Product composite returns were obtained from eVestment for SSGA MSCI EAFE Small Cap Index, State Street MSCI Emerging Markets Index, and Wasatch Emerging Markets Small Cap Growth to backfill the history from 9/30/15-12/31/20.



DEVELOPED NON-US EQUITY MANAGER TRAILING PERFORMANCE

Strategy	1 Year	3 Year	5 Year	7 Year	10 Year
Barrow Hanley Non-U.S. Value Equity	17.50%	21.30%	15.55%	9.57%	9.12%
MSCI EAFE Value	23.40%	26.55%	16.45%	8.88%	8.85%
<i>Excess Return</i>	<i>-5.90%</i>	<i>-5.25%</i>	<i>-0.90%</i>	<i>0.69%</i>	<i>0.27%</i>
Lazard International Strategic Equity	15.74%	18.75%	8.78%	6.51%	7.15%
MSCI EAFE	15.58%	22.33%	11.71%	8.25%	8.70%
<i>Excess Return</i>	<i>0.16%</i>	<i>-3.58%</i>	<i>-2.93%</i>	<i>-1.74%</i>	<i>-1.55%</i>
MFS International Growth Equity	6.39%	18.46%	8.91%	8.54%	9.94%
MSCI World ex US Growth	9.73%	18.47%	7.31%	7.59%	8.41%
<i>Excess Return</i>	<i>-3.34%</i>	<i>-0.01%</i>	<i>1.60%</i>	<i>0.95%</i>	<i>1.53%</i>
Oberweis International Opportunities	23.95%	19.48%	3.90%	6.84%	8.48%
MSCI EAFE Small Cap	18.25%	20.24%	8.97%	6.52%	8.36%
<i>Excess Return</i>	<i>5.70%</i>	<i>-0.76%</i>	<i>-5.07%</i>	<i>0.32%</i>	<i>0.12%</i>
SSGA MSCI World ex USA IMI Index	16.93%	21.75%	11.84%	8.35%	8.88%
MSCI World ex US IMI Index	17.14%	22.04%	11.84%	8.38%	8.94%
<i>Excess Return</i>	<i>-0.21%</i>	<i>-0.29%</i>	<i>0.00%</i>	<i>-0.03%</i>	<i>-0.06%</i>
SSGA MSCI EAFE Small Cap Index	17.85%	19.74%	8.64%	6.21%	8.09%
MSCI EAFE Small Cap	18.25%	20.24%	8.97%	6.52%	8.36%
<i>Excess Return</i>	<i>-0.40%</i>	<i>-0.50%</i>	<i>-0.33%</i>	<i>-0.31%</i>	<i>-0.27%</i>

- As of September 30, 2025, based on LACERS' net-of-fee performance.

- Product composite returns were obtained from eVestment for SSGA MSCI EAFE Small Cap Index, State Street MSCI Emerging Markets Index, and Wasatch Emerging Markets Small Cap Growth to backfill the history from 9/30/15-12/31/20.



EMERGING MARKET EQUITY MANAGER TRAILING PERFORMANCE

Strategy	1 Year	3 Year	5 Year	7 Year	10 Year
DFA Emerging Markets All Cap Value	12.89%	19.29%	13.38%	7.35%	9.20%
MSCI EM (Emerging Markets) Value	14.59%	18.71%	10.64%	5.96%	7.77%
<i>Excess Return</i>	<i>-1.70%</i>	<i>0.58%</i>	<i>2.74%</i>	<i>1.39%</i>	<i>1.43%</i>
State Street MSCI Emerging Markets Index NL	18.19%	18.19%	6.85%	5.98%	7.75%
MSCI EM	18.17%	18.81%	7.51%	6.62%	8.43%
<i>Excess Return</i>	<i>0.02%</i>	<i>-0.62%</i>	<i>-0.66%</i>	<i>-0.64%</i>	<i>-0.68%</i>
Wasatch Emerging Markets Small Cap Growth	-7.52%	10.00%	5.26%	8.20%	7.56%
MSCI EM Small Cap	8.76%	18.45%	13.04%	9.42%	8.92%
<i>Excess Return</i>	<i>-16.28%</i>	<i>-8.45%</i>	<i>-7.78%</i>	<i>-1.22%</i>	<i>-1.36%</i>

- As of September 30, 2025, based on LACERS' net-of-fee performance.

- Product composite returns were obtained from eVestment for SSGA MSCI EAFE Small Cap Index, State Street MSCI Emerging Markets Index, and Wasatch Emerging Markets Small Cap Growth to backfill the history from 9/30/15-12/31/20.



PORTFOLIO TRAILING PERFORMANCE

Portfolio	1 Year	3 Year	5 Year	7 Year	10 Year
Current 12-31-25	14.39%	19.54%	10.30%	7.95%	8.86%
Current 12-31-25 benchmark	16.47%	21.12%	11.02%	7.81%	8.72%
<i>Excess Return</i>	<i>-2.08%</i>	<i>-1.58%</i>	<i>-0.72%</i>	<i>0.14%</i>	<i>0.14%</i>
Model 1	14.70%	19.82%	10.32%	8.02%	8.94%
Model 1 benchmark	16.54%	20.92%	10.67%	7.87%	8.78%
<i>Excess Return</i>	<i>-1.84%</i>	<i>-1.10%</i>	<i>-0.35%</i>	<i>0.15%</i>	<i>0.16%</i>
Model 2	16.42%	20.27%	10.49%	7.91%	8.90%
Model 2 benchmark	17.39%	21.15%	10.67%	7.76%	8.77%
<i>Excess Return</i>	<i>-0.97%</i>	<i>-0.88%</i>	<i>-0.18%</i>	<i>0.15%</i>	<i>0.13%</i>

- As of September 30, 2025, based on LACERS' net-of-fee performance. Performance of composite portfolios and benchmarks are based on static weights.
 - Product composite returns were obtained from eVestment for SSGA MSCI EAFE Small Cap Index, State Street MSCI Emerging Markets Index, and Wasatch Emerging Markets Small Cap Growth to backfill the history from 9/30/15-12/31/20.



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 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 accurate data cannot be obtained, manager data 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.
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LACERS

LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO BOARD OF ADMINISTRATION

MEETING: APRIL 28, 2026

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

ITEM: VI-D

**SUBJECT: APPROVAL OF 1-YEAR CONTRACT WITH THE INFORMED
MOMENTUM COMPANY LLC REGARDING THE MANAGEMENT OF AN
ACTIVE U.S. SMALL CAP GROWTH EQUITIES PORTFOLIO AND
POSSIBLE BOARD ACTION**

ACTION **RECEIVE & FILE** **CONSENT** **CLOSED**

Recommendation

That the Board:

1. Approve a one-year contract renewal with Informed Momentum Company LLC for management of an active U.S. small cap growth equities portfolio and;
2. Authorize the General Manager or designee to approve and execute the necessary documents, subject to satisfactory business and legal terms.

Discussion

On April 14, 2026, the Committee considered the attached staff report (Attachment 1) recommending a one-year contract renewal with Informed Momentum Company LLC (IMC). IMC has managed an active U.S. small cap growth equities portfolio for LACERS since October 2015. LACERS' portfolio was valued at approximately \$132 million as of February 28, 2026. IMC is currently on watch status due to performance.

Staff provided a review of the organization, investment strategy, and performance. Following the discussion, the Committee concurred with the staff recommendation.

Prepared By:

Barbara Sandoval, Investment Officer II

Attachments: 1. Investment Committee Recommendation Report dated April 14, 2026
2. Proposed Resolution

BOARD MEETING DATE: APRIL 28, 2026

ITEM: VI-D

ATTACHMENT: 1



LACERS

LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO INVESTMENT COMMITTEE

MEETING: APRIL 14, 2026

FROM: Todd Bouey, General Manager

ITEM: V

SUBJECT: INVESTMENT MANAGER CONTRACT WITH THE INFORMED MOMENTUM COMPANY LLC REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP GROWTH EQUITIES PORTFOLIO AND POSSIBLE COMMITTEE ACTION

ACTION **CLOSED** **CONSENT** **RECEIVE & FILE**

Recommendation

That the Committee recommend to the Board a one-year contract renewal with Informed Momentum Company LLC for management of an active U.S. small cap growth equities portfolio.

Executive Summary

Informed Momentum Company LLC (IMC) has managed an active U.S. small cap growth equities portfolio for LACERS since October 2015. LACERS' portfolio was valued at approximately \$132 million as of February 28, 2026. IMC is currently on watch status due to performance. Staff and NEPC, LLC (NEPC), LACERS' General Fund Consultant, recommend a one-year contract renewal

Discussion

Background

IMC manages an active U.S. small cap growth equities portfolio for LACERS benchmarked to the Russell 2000 Growth Index. IMC's strategy seeks to identify companies undergoing positive fundamental changes that will potentially accelerate the companies' earnings growth rates. The strategy is led by Travis Prentice, Chief Investment Officer and Portfolio Manager, with over 28 years of industry experience. LACERS' portfolio was valued at approximately \$132 million as of February 28, 2026.

IMC has managed assets for LACERS since October 2015. The Board initially hired the firm through the 2014-2015 Active U.S. Small Cap Growth Equities search. At the time of hire, IMC qualified as an Emerging Investment Manager pursuant to the LACERS Emerging Investment Manager Policy. The firm rebid for the Small Cap Growth Equities mandate through the 2019-2020 Active U.S. Small Cap Equities manager search process and was selected by the Board on January 28, 2020 to manage the existing mandate under a new three-year contract. The contract was extended on April 25, 2023 and the current contract expires on July 31, 2026.

Organization

IMC was originally founded as EAM Investors in 2007. In 2025, the firm rebranded as Informed Momentum Company to more closely align with the firm’s approach in their investment strategies. IMC is headquartered in Solana Beach, California, has a total of 23 employees, and currently is 56% employee-owned and 44% owned by Roth Capital Partners. As of December 31, 2025, IMC managed \$2.4 billion in assets, with \$927 million of assets in the U.S. small cap growth equities strategy.

Due Diligence

Staff conducts routine due diligence of the manager and an on-site visit in January 2026. Based upon these due diligence activities as well as staff’s and NEPC’s continuous monitoring, IMC’s organization, investment philosophy, strategy, and process have not changed materially over the contract period.

Performance

As of February 28, 2026, IMC outperformed its benchmark, net-of-fees, in all time periods with slight underperformance in the five-year as presented in the table below. The performance inception date is October 1, 2015. IMC has been on watch status since June 2024 due to performance. The portfolio experienced underperformance during periods where the momentum factor emphasis of the strategy becomes a detractor such as in calendar years 2022, 2023 and 2025 when swift market reversals occurred. More recently, the strategy has experienced a rebound in performance.

Annualized Performance as of 2/28/2026 (Net-of-Fees)

Time periods	3-Month	1-Year	2-Year	3-Year	5-Year	10-Year	Since Inception
IMC	5.76	29.66	17.14	15.92	1.58	12.76	10.51
Russell 2000 Growth Index	2.40	21.88	13.57	13.77	2.30	11.32	10.00
% of Excess Return	3.36	7.78	3.57	2.15	-0.72	1.44	0.51

¹Performance inception date: 10/1/2015.

Calendar Year Performance as of 12/31/2025 (Net-of-Fees)

Calendar year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	10/1/15 – 12/31/15
IMC	10.26	26.03	7.17	-31.11	3.77	44.11	32.39	-1.41	22.68	4.65	1.63
Russell 2000 Growth Index	13.01	15.15	18.66	-26.36	2.83	34.63	28.48	-9.31	22.17	11.32	4.32
% of Excess Return	-2.75	10.88	-11.49	-4.75	0.94	9.48	3.91	7.90	0.51	-6.67	-2.69

Fees

LACERS pays IMC an assets base fee of 50 basis points (0.50%), which is approximately \$609,167 annually based on the value of LACERS' assets as of December 31, 2025. This fee ranks in the 4th percentile among its peers in the eVestment U.S. Small Cap Growth Universe (i.e., 96% of like-managers have higher fees).

General Fund Consultant Opinion

NEPC concurs with this recommendation.

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

Attachment: 1. Consultant Recommendation – NEPC



To: Los Angeles City Employees' Retirement System Investment Committee

From: NEPC, LLC

Date: April 14, 2026

Subject: Informed Momentum Company - Contract Renewal

Recommendation

NEPC recommends Los Angeles City Employees' Retirement System (LACERS) renew the contract that is currently in place with Informed Momentum Company ("IMC," formerly EAM Investors) for a period of one year from the date of contract expiry. The one-year extension reflects the fact that IMC remains on watch status per LACERS performance criteria.

Background

IMC has been an investment manager for LACERS since October 1, 2015. As of February 28, 2026, IMC managed \$131.9 million, or 0.5% of Plan assets. The portfolio is benchmarked against the Russell 2000 Growth Index and has a performance objective of outperforming the benchmark, net of fees, annualized over a full market cycle (normally three-to-five years). The IMC portfolio is currently on watch due to performance per LACERS' manager monitoring policy.

The firm was founded by Montie Weisenberger, Travis Prentice and Joshua Moss and was originally known as EAM Investors. All three founders came from Nicholas-Applegate and started the firm in 2007. Their product lineup focuses on small and microcap names across the globe. Effective April 1, 2024, the company purchased the shares of departing partner Montie Weisenberger (who retired from IMC at the end of 2024), bringing active employee ownership to 56%, with Roth Capital Partners maintaining 44% ownership. IMC intends to redistribute the purchased shares to active employees over time. Effective February 4, 2025, the firm was rebranded as The Informed Momentum Company. The change in name was to more closely align the firm name and branding with the investment approach of the firm's strategies. The firm's non-U.S. products were incepted in the 2011 to 2017 timeframe while the U.S. strategies have been managed since the firm began operations in 2007. All products use the same team, investment process and tools. As of December 31, 2025 the firm managed \$2.4 billion.

IMC specializes in identifying alpha opportunities created by companies benefitting from positive change through innovation, reinvention and/or disruption. They believe their systematic approach to discovering ideas, focused fundamental analysis, timely

decision making and efficient implementation are the keys to maximizing available alpha and achieving consistent results. The strategy employs a behaviorally based, fundamentally driven investment philosophy, focused on companies that are accelerating their potential earnings growth due to positive, fundamental change through innovation, reinvention and/or disruption. This approach has been consistently applied across all strategies at the firm since inception in 2007.

IMC's disciplined approach to portfolio construction results in diversified portfolios, with 100-150 holdings and maximum position sizes (2% limit), thus mitigating single stock risk. IMC's bottom-up investment process results in idiosyncratic/stock-specific risk and momentum (IMC calls this Informed Momentum) being the most significant and persistent risk factors in their portfolios. Every stock selected for inclusion in the portfolio has both positive price momentum and a fundamental rationale that explains its performance. Therefore, they believe that in their portfolios both momentum and stock-specific risk are inextricably linked. IMC monitors these risks using risk models from Axioma to assess the contributors to risk and determine aggregate portfolio risk on a holistic basis. As expected, stock-specific risk and momentum as a percentage of active risk have accounted for 77% in the IMC US Small Cap strategy on average since inception.

The investment team functions collaboratively so that the merits of each investment idea are vetted in a collegial environment every day and in real-time. Portfolio manager Travis Prentice is responsible for the execution of the IMC US Small Cap strategy, including prioritizing research and contributing to final decision making. He leans on the expertise and collective wisdom of the entire team. Previously, both Travis Prentice and Montie Weisenberger served as co-portfolio managers on the strategy, with Mr. Weisenberger retiring at the end of 2024.

Performance

Referring to Exhibit 1, as of December 31, 2025, since inception the portfolio matched its benchmark and ranked in the 70th percentile in its peer group of small cap growth managers. In the past five-years, ended December 31, 2025, the portfolio underperformed its benchmark by 1.9% and ranked in the 63rd percentile in its peer group. Over the past one-year, the portfolio underperformed its benchmark by 2.8% and ranked in the 45th percentile among peers.

The strategy has experienced a meaningful rebound in 2026, more favorably impacting longer-term results. Referring to Exhibit 2, as of February 28, 2026, since the portfolio's inception date of October 1, 2015, the portfolio has outperformed its benchmark by 0.5%. Over the last ten-years ended February 28, 2026, the portfolio has outperformed its benchmark by 1.4%. Over the last five-years, ended February 28, 2026, the portfolio has underperformed by 0.7%. Over the past three-years, ending February 28, 2026,



the portfolio has outperformed by 2.1%. Fiscal year-to-date performance has been strong, with the strategy outperforming the benchmark by 14.5%

Fees

The portfolio has an asset-based fee of 0.50% annually. This fee ranks in the 4th percentile among its peers in the eVestment US Small Cap Growth universe. In other words, 96% of the products included in the peer universe have a higher fee than the LACERS account.

Conclusion

Based on performance as of February 28, 2026, IMC has outperformed its benchmark since October 1, 2015. The five-year return is slightly below the benchmark, as it captures the underperformance from calendar years 2022, 2023, and 2025. The periods of 2022 and 2023, in particular, delivered swift market reversals and resulted in historically poor years for the momentum factor that IMC emphasizes. However, the strategy has recovered and the one- and three-year periods are outperforming the benchmark as of February 28, 2026. The portfolio has had strong outperformance since the second half of 2025, outperforming the benchmark by 14.5% since June 30, 2025.

While the strategy remains on watch, the firm has exhibited stability in their investment process, investment team, strategy and philosophy. IMC's strategy employs a behaviorally based, fundamentally driven investment philosophy, focused on companies that are accelerating their potential earnings growth due to positive, fundamental change through innovation, reinvention and/or disruption. The strategy offers a number of positive traits, and we believe that it can play an appropriate role in the LACERS portfolio. NEPC recommends a contract renewal for a period of one year from the period of contract expiry.

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

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

Informed Momentum vs. eV US Small Cap Growth Equity

This table provides the detailed returns, percentile rankings, peer universe breakpoints, and population counts across 3 months, FYTD, 1 year, 3 years, 5 years, 10 years, and since inception as of December 31, 2025. The inception period begins on October 1, 2015. The table shows how Informed Momentum and the Russell 2000 Growth Index rank within the broader peer universe over time, with population sizes ranging from 154 to 139. Percentile rankings are indicated in parentheses with 1 indicating the highest ranking and 100 the lowest ranking.

Strategy vs. Benchmark and Universe	3 Mo %	FYTD %	1 YR %	3 YR %	5 YR %	10 YR %	Inception
• Informed Momentum Company	4.5 (15)	22.1 (6)	10.3 (45)	14.2 (40)	1.3 (63)	9.9 (65)	9.8 (70)
▲ Russell 2000 Growth	1.2 (62)	13.6 (25)	13.0 (27)	15.6 (29)	3.2 (49)	9.6 (73)	9.8 (71)
5 th Percentile	6.8	22.1	22.1	24.0	10.9	15.6	15.1
1 st Quartile	3.6	13.5	13.1	16.2	5.6	12.2	12.3
Median	2.2	9.6	8.8	12.9	2.8	10.8	10.7
3 rd Quartile	-0.5	5.9	3.4	10.6	0.3	9.5	9.5
95 th Percentile	-3.3	-3.7	-8.3	6.3	-4.0	8.2	8.2
Population	154	154	154	152	150	142	139

Exhibit 2: Performance Comparison Net of Fees as of February 28, 2026

This table compares Informed Momentum Company with the Russell 2000 Growth Index across 1 month, FYTD, 1 year, 3 years, 5 years, 10 years, and since inception as of February 28, 2026. The inception period begins on October 1, 2025. The table also includes an over/under row showing the difference between the strategy and benchmark. Informed Momentum outperforms the benchmark in every period except 5 years, with the strongest relative outperformance shown in FYTD and 1 year.

Strategy vs. Benchmark	1 Mo %	FYTD %	1 YR %	3 YR %	5 YR %	10 YR %	Inception
Informed Momentum Company	1.8	32.3	29.7	15.9	1.6	12.8	10.5
Russell 2000 Growth	-0.2	17.8	21.9	13.8	2.3	11.3	10.0
Over/Under	2.0	14.5	7.8	2.1	-0.7	1.4	0.5



BOARD MEETING DATE: APRIL 28, 2026

ITEM: VI-D

ATTACHMENT: 2

CONTRACT RENEWAL
INFORMED MOMENTUM COMPANY LLC
ACTIVE U.S. SMALL CAP GROWTH EQUITIES
PORTFOLIO MANAGEMENT

PROPOSED RESOLUTION

WHEREAS, LACERS' current three-year contract term with Informed Momentum Company LLC (IMC) for management of an active U.S. small cap growth equities portfolio expires on July 31, 2026; and,

WHEREAS, IMC is on watch status for underperformance; and,

WHEREAS, a contract renewal with IMC will allow the fund to maintain a diversified exposure to U.S. small cap growth equities; and,

WHEREAS, on April 28, 2026, the Board approved the Investment Committee's recommendation to approve a one-year contract renewal with IMC.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager or 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: Informed Momentum Company LLC

Service Provided: Active U.S. Small Cap Growth Equities Portfolio Management

Effective Dates: August 1, 2026 through July 31, 2027

Duration: One year

Benchmark: Russell 2000 Growth Index

Allocation as of
February 28, 2026: \$132 million

April 28, 2026



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO BOARD OF ADMINISTRATION

MEETING: APRIL 28, 2026

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

ITEM: VI-E

**SUBJECT: APPROVAL OF 3-YEAR CONTRACT WITH LOOMIS,
SAYLES & COMPANY, L.P. REGARDING THE MANAGEMENT OF AN
ACTIVE HIGH YIELD FIXED INCOME PORTFOLIO AND POSSIBLE
BOARD ACTION**

ACTION **RECEIVE & FILE** **CONSENT** **CLOSED**

Recommendation

That the Board:

1. Approve a three-year contract renewal with Loomis, Sayles & Company, L.P. for management of an active high yield fixed income portfolio, and;
2. Authorize the General Manager or designee to approve and execute the necessary documents, subject to satisfactory business and legal terms.

Discussion

On April 14, 2026, the Committee considered the attached staff report (Attachment 1) recommending a three-year contract renewal with Loomis, Sayles & Company, L.P. (Loomis). Loomis has managed an active high yield fixed income portfolio for LACERS since October 2020. LACERS' portfolio was valued at \$416 million as of February 28, 2026. Loomis is in compliance with the LACERS Manager Monitoring Policy.

Staff provided a review of the performance and addressed the Committee's inquiry regarding the since inception performance return discrepancy between NEPC and the custodian's reports. Staff also disclosed that Loomis provided an investment management fee concession. Following the discussion, the Committee concurred with the staff recommendation.

Prepared By:

Jeremiah Paras, Investment Officer II, Investment Division

Attachments: 1. Investment Committee Recommendation Report dated April 14, 2026
 2. Proposed Resolution

BOARD MEETING DATE: APRIL 28, 2026

ITEM: VI-E

ATTACHMENT: 1



LACERS
LA CITY EMPLOYEES'
RETIREMENT SYSTEM

REPORT TO INVESTMENT COMMITTEE

MEETING: APRIL 14, 2026

FROM: Todd Bouey, General Manager

ITEM: VI

SUBJECT: INVESTMENT MANAGER CONTRACT WITH LOOMIS, SAYLES & COMPANY, L.P. REGARDING THE MANAGEMENT OF AN ACTIVE HIGH YIELD FIXED INCOME AND POSSIBLE COMMITTEE ACTION

ACTION **CLOSED** **CONSENT** **RECEIVE & FILE**

Recommendation

That the Committee recommend to the Board a three-year contract renewal with Loomis, Sayles & Company, L.P. for management of an active high yield fixed income portfolio.

Executive Summary

Loomis, Sayles & Company, L.P. (Loomis) has managed an active high yield fixed income portfolio for LACERS since October 2020. LACERS' portfolio was valued at \$416 million as of February 28, 2026. Loomis 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

Loomis manages an active high yield fixed income portfolio for LACERS benchmarked against the Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index. Loomis' U.S. High Yield strategy is benchmark aware and provides a diversified, actively managed exposure to the U.S. high yield fixed income market. The strategy seeks to outperform through issue and sector selection, highlighting the importance of a disciplined portfolio construction and risk assessment process. The strategy is managed

by a team of portfolio managers who include Matt Eagan (35 years of experience), Brian Kennedy (35 years of experience), Peter Sheehan (18 years of experience), Eric Williams (15 years of experience), and Chris Romanelli (20 years of experience). The U.S. High Yield team has dedicated investment strategists and key support professionals and has full access to the firm's wider resources, including teams in credit research, trading, risk management and macro strategies.

The Board hired Loomis through the 2019-2020 Active High Yield Fixed Income search process and authorized a three-year contract on February 11, 2020; the contract became effective on September 1, 2020. The Board then authorized a three-year contract renewal on May 23, 2023. The current contract expires on August 31, 2026. LACERS' portfolio was valued at \$416 million as of February 28, 2026.

Loomis also manages an active core fixed income portfolio for LACERS currently benchmarked against the Bloomberg U.S. Aggregate Bond Index. This core fixed income portfolio has undergone several mandate changes going back to its inception in July 1980. As of February 28, 2026, this core fixed income portfolio Loomis manages for LACERS was valued at \$711 million.

Organization

Loomis is headquartered in Boston and has over 800 employees, of whom approximately 333 are investment personnel. Loomis is a wholly-owned subsidiary of Natixis S.A., a publicly traded France-based firm offering corporate and investment banking, asset and wealth management, financial investments, payments, and insurance services. As of December 31, 2025, the firm managed over \$431.4 billion in total assets with about \$2.4 billion in the U.S. High Yield strategy.

Due Diligence

Staff conducts routine due diligence of the manager; in addition to meeting virtually for quarterly portfolio reviews and ad hoc investment discussions, LACERS staff conducted an onsite meeting at Loomis' headquarters in March 2026, to interview key personnel across the organization. These due diligence activities as well as staff's and NEPC's continuous monitoring find that Loomis' organization, investment philosophy, strategy, and process have remained stable over the contract period. This finding supports staff's and NEPC's assessment that Loomis maintains the ability to manage assets for LACERS under the high yield fixed income strategy and deliver its stated investment objectives.

Performance

As of February 28, 2026, Loomis has outperformed the benchmark over the 1-year and since inception time periods; and has underperformed the benchmark over the 3-month, 3-year, and 5-year time periods, as presented in the table below.

Annualized Performance as of 2/28/2026 (Net-of-Fees)

Time Period	3-Month	1-Year	3-Year	5-Year	Since Inception 10/28/2020
Loomis	1.26	7.75	9.17	4.13	5.60
Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index	1.27	7.18	9.42	4.50	5.46
<i>% of Excess Return</i>	<i>-0.01</i>	<i>0.57</i>	<i>-0.25</i>	<i>-0.37</i>	<i>0.14</i>

The underperformance against the benchmark over the 3-year and 5-year time periods can be mostly attributed to the negative excess return produced in calendar year 2023, as presented in the table below.

Calendar Year Performance as of 2/28/2026 (Net-of-Fees)

Time Period	2025	2024	2023	2022	2021	10/28/20 - 12/31/20
Loomis	9.17	8.89	10.98	-11.24	4.23	8.77
Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index	8.62	8.19	13.44	-11.18	5.26	5.82
<i>% of Excess Return</i>	<i>0.55</i>	<i>0.70</i>	<i>-2.46</i>	<i>-0.06</i>	<i>-1.03</i>	<i>2.95</i>

Although benchmarked against the Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index, Loomis' investment management guidelines allow it the flexibility to invest in a variety of fixed income securities other than high yield on an opportunistic basis to help mitigate risk and enhance total return potential provided that at least 90% of the portfolio market value is invested in below investment grade fixed income securities. However, the underperformance against the benchmark in calendar year 2023 was largely attributable to effective overweight positioning in convertibles, emerging market debt and bank loans. More recently, the portfolio's allocation to convertibles, which as an asset class was able to capture equity upside seen during recent years, was the primary driver of the outperformance during calendar years 2024 and 2025. During that two-year period, the Fed cut interest rates by a cumulative 175 basis points, benefiting the high yield bond market. More than macroeconomic and sector positioning, Loomis aims to continue to outperform on the strength of its security selection, focusing on each name's long-term enterprise value while minimizing risks. As the foundation for its bottom-up credit work, Loomis intends to continue utilizing

credit cycle analysis to evaluate the factors driving the cycle, anticipate broad sector mispricing, and seek to take advantage of changes in risk premiums.

The Loomis high yield strategy was placed under watch status for a one-year period effective August 30, 2024. The portfolio's performance through June 30, 2024, triggered LACERS Manager Monitoring Policy watch list criteria, after registering two consecutive quarters of poor relative and risk-adjusted returns over the trailing five-year period. Parallel to the turnaround in performance seen in 2024 and 2025, the watch status was lifted, and Loomis is currently in compliance with the LACERS Manager Monitoring Policy. Staff and NEPC recommend renewing Loomis' contract for another three-year period and will continue to monitor the manager and strategy pursuant to policy.

Fees

For management of the high yield portfolio, LACERS pays Loomis an effective fee of 36 basis points (0.36%), which is approximately \$1.5 million annually based on the value of LACERS' assets as of March 31, 2026. This fee ranks in the 27th percentile of fees charged by similar managers in the eVestment database (i.e., 73% of like-managers have higher fees). Since inception, LACERS has paid Loomis, for the high yield portfolio only, a total of \$5.8 million in investment management fees as of March 31, 2026.

General Fund Consultant Opinion

NEPC concurs with this recommendation.

Prepared By:

Jeremiah Paras, Investment Officer II, Investment Division

Attachment: 1. Consultant Recommendation – NEPC



To: Los Angeles City Employees' Retirement System Investment Committee

From: NEPC, LLC

Date: April 14, 2026

Subject: Loomis, Sayles & Company, LP High Yield - Contract Renewal

Recommendation

NEPC recommends Los Angeles City Employees' Retirement System (LACERS) renew the contract for high yield services that is currently in place with Loomis, Sayles & Company, LP ('Loomis' or 'Loomis Sayles') for a period of three years from the date of contract expiry.

Background

Loomis has been a high yield investment manager for LACERS since October 28, 2020. Loomis also manages a core fixed income portfolio for LACERS. As of February 28, 2026, Loomis managed \$416.4 million, or 1.5% of Plan assets, for the high yield portfolio. The portfolio is benchmarked against the Bloomberg U.S. High Yield 2% Issuer Cap Index and has a performance objective of outperforming the benchmark, net of fees, annualized over a full market cycle (normally three-to-five years). The Loomis portfolio is currently compliant with LACERS' manager monitoring policy.

Loomis traces its origins back to January 1926, when Robert H. Loomis and Ralph T. Sayles formed a partnership and established Loomis Sayles as an investment management company in Boston, Massachusetts. Since 2008, the firm is wholly owned by Natixis Investment Managers, a subsidiary of a firm formed by two shareholders Caisse Nationale des Caisses d'Epargne ("CNCE") and Banque Federale des Banques Populaires ("BFBP") who together form an entity named Groupe BPCE; a large banking group based in France. Groupe BPCE is the single voice of governance and strategic direction for Natixis. In 2021, Groupe BPCE completed a tender offer to purchase all outstanding public shares of Natixis. Loomis manages \$431 billion and employs 837 people as of December 31, 2025.

Loomis Sayles is one of over 15 investment affiliates wholly owned by Natixis. Natixis is described by Loomis management as the Bank of America of France. Two people from Natixis sit on the board of Loomis Sayles as of January 31, 2025. Loomis counts on Natixis for a distribution network outside the US. Loomis' client base is currently 29% retail and 71% institutional as of December 31, 2025. Relative to other Natixis affiliates, Loomis is strong in fixed income, and faces tougher competition for shelf space in the Natixis line-up on the equities side. From an incentive alignment standpoint, Loomis' ownership structure is stable and functioning. Natixis does place pressure on their asset managers to grow assets under management ('AUM'). Natixis allows Loomis significant

autonomy, permitting them control of investment decisions and day-to-day operations. Pre-bonus income, with certain adjustments, is split evenly with Natixis.

In January 2025, Natixis Investment Managers and Generali Investments Holdings signed a non-binding agreement to enter into a joint venture together where the two parties will each own 50% of the combined business. In December 2025, it was announced that the merger talks had ended and the deal would not take place. No changes to NEPC research ratings or statuses occurred as a result of these announcements.

Loomis' U.S. High Yield team's philosophy and approach is based on three considerations:

1. The market is inefficient pricing specific risk: fundamental research paints a clearer picture of intrinsic value. The team uses this foundation to identify mispriced securities when markets are short-term focused, illiquid, or irrational due to factors including fear and greed.
2. A credit cycle view can help identify opportunities and risks: the team follows a disciplined top-down framework to analyze the factors driving the macroeconomic cycle, evaluate how they might affect asset valuations, and seek to harvest credit risk premiums.
3. Risk management is integral, not an add-on: the team believes in a rigorous investment process that seeks to balance risk/reward tradeoffs effectively and integrates risk management at every step.

The team believes security selection can be most effective when paired with a rigorous top-down analysis of the macro environment. Credit cycle analysis is used to evaluate the factors driving the cycle, anticipate broad sector mispricing and seek to take advantage of changes in risk premiums at various stages of the cycle. The process helps the team identify which risk drivers they want to emphasize, or avoid in the portfolio, and it lays the foundation for bottom-up security selection.

The team includes portfolio managers Matthew Eagan, Brian Kennedy, Peter Sheehan, and Eric Williams, and associate portfolio manager Christopher Romanelli. Eric Williams joined Loomis Sayles in March 2025 as a portfolio manager for the Full Discretion Team. Previously, he was head of capital structure and senior portfolio manager at Northern Trust Asset Management. In the past year, the team has been realigned to improve alignment of process across different parts of the credit strategies, including bank loans. There have been some departures as part of this process, including Todd Vandam, Heather Young and Michael Klawitter, Portfolio Managers on the Full Discretion Team, and Alex Thieck, Investment Analyst on the Full Discretion Team. The team has gone through a full transition and the Full Discretion team is expected to be consistent in their approach to security selection.

Performance

Performance has been challenged in the past 5 years for the high yield strategy. High Yield as a whole has not been an easy sector for active management and Loomis has experienced performance challenges mainly resulting from idiosyncratic credit selections, particularly in the cable/ satellite sector.

NEPC calculates since inception performance from first full month of performance so there is a discrepancy between the LACERS custodian reported performance report. The performance numbers included in this document uses NEPC's performance. Exhibit 1 shows performance as of December 31, 2025. Since inception the portfolio has underperformed its benchmark's return by 0.3% and ranked in the 52nd percentile in its peer group. Exhibit 2 is as of February 28, 2026, and the portfolio has underperformed its benchmark by 0.2%. Underperformance in the portfolio can be attributed to Loomis' value orientation, and during 2022 and 2023, performance suffered due to the strategy's higher beta profile during a more late cycle, risk off environment.

Their active positions focus on cheap / undervalued names across sectors and ratings, and while performance may be challenged in the shorter term, they are expected to produce gains from higher yielding active positions focused on relative value vs. the security credit ratings.

Fees

The portfolio has an asset-based fee of 0.36% annually. This fee ranks in the 27th percentile among its peers in the eVestment U.S. High Yield Fixed Income universe. In other words, 73% of the products included in the peer universe have a higher fee than the LACERS account.

Conclusion

Loomis has slightly underperformed its benchmark index since November 1, 2020. The portfolio is designed to be benchmark aware against the Bloomberg U.S. High Yield 2% Issuer Cap Index. The firm has exhibited stability in their investment strategy and philosophy, and the realignment of the team is expected to bring additional consistency in their process. NEPC recommends a contract renewal for a period of three years from the period of contract expiry.

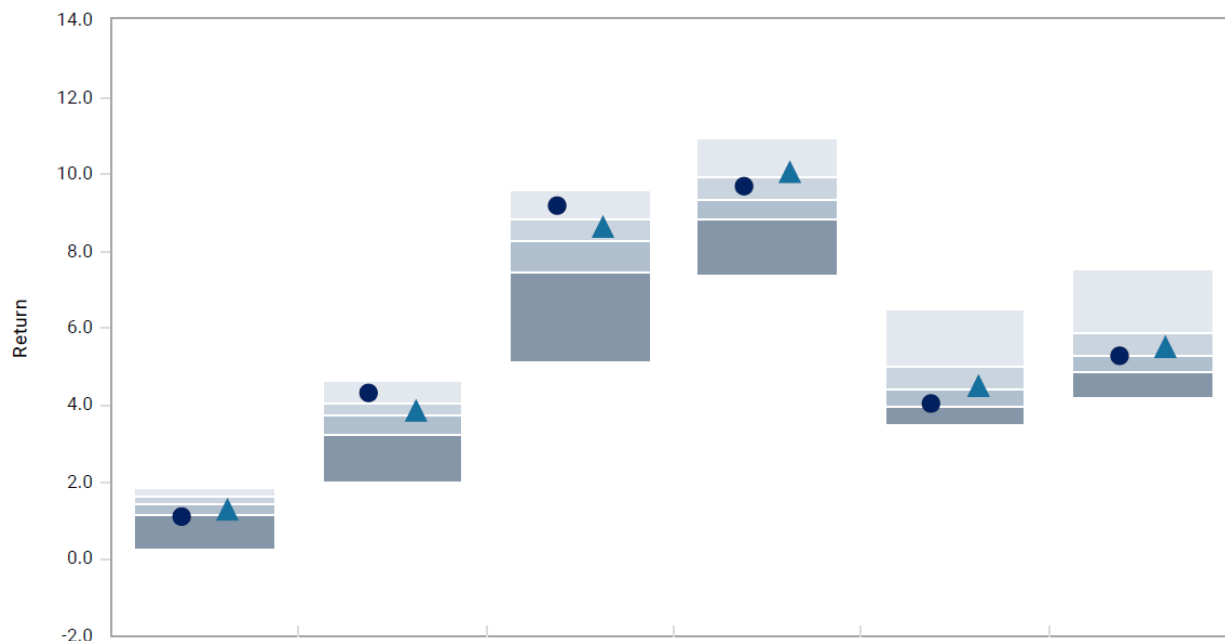
The following tables provide specific performance information, net of fees referenced above.

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

Loomis Sayles High Yield vs. eV US High Yield Fixed Income



This chart compares Loomis Sayles and the Bloomberg US High Yield 2% Issuer Cap Index across six periods: 3 months, FYTD, 1 year, 3 years, 5 years, and since inception. The shaded bars show the range of peer universe returns, while the markers show the two compared results. Loomis Sayles outperforms the benchmark over FYTD and 1 year, and trails it over the 3-month, 3-year, 5-year, and since inception periods.



This table provides the detailed returns, percentile rankings, peer universe breakpoints, and population counts for the same six periods shown in the chart. It shows how Loomis Sayles and the Bloomberg US High Yield 2% Issuer Cap Index rank within the broader peer universe over time, with population sizes ranging from 214 to 238. Percentile rankings are indicated in parentheses with 1 indicating the highest ranking and 100 the lowest ranking.

	3 Mo %	FYTD %	1 YR %	3 YRS %	5 YRS %	Inception
• Loomis Sayles & Co. High Yield	1.1 (79)	4.3 (12)	9.2 (14)	9.7 (36)	4.1 (70)	5.3 (52)
▲ Blmbg. U.S. High Yield - 2% Issuer Cap	1.3 (61)	3.9 (38)	8.6 (33)	10.1 (20)	4.5 (43)	5.5 (39)
5 th Percentile	1.9	4.7	9.6	10.9	6.5	7.5
1 st Quartile	1.6	4.0	8.8	9.9	5.0	5.9
Median	1.4	3.7	8.2	9.3	4.4	5.3
3 rd Quartile	1.2	3.2	7.4	8.8	4.0	4.9
95 th Percentile	0.2	2.0	5.1	7.3	3.5	4.2
Population	238	238	238	229	215	214

Exhibit 2: Performance Comparison Net of Fees as of February 28, 2026

This table compares Loomis Sayles with the Bloomberg US High Yield 2% Issuer Cap Index across 1 month, FYTD, 1 year, 3 years, 5 years, and since inception as of February 28, 2026. It also includes an over/under row showing the difference between the two. Loomis Sayles outperforms the benchmark for FYTD and 1 year, and trails it over the one-month, 3-year, 5-year, and since inception periods.

	1 Mo	FYTD	1 YR	3 YRS	5 YRS	Inception	Inception Date
Loomis Sayles & Co. High Yield	0.0	5.1	7.8	9.2	4.1	5.2	Nov-20
Blmbg. U.S. High Yield - 2% Issuer Cap	0.2	4.6	7.2	9.4	4.5	5.5	
Over/Under	-0.2	0.5	0.6	-0.3	-0.4	-0.2	

BOARD MEETING DATE: APRIL 28, 2026

ITEM: VI-E

ATTACHMENT: 2

**CONTRACT RENEWAL
LOOMIS, SAYLES & COMPANY, L.P.
ACTIVE HIGH YIELD FIXED INCOME PORTFOLIO MANAGEMENT**

PROPOSED RESOLUTION

WHEREAS, LACERS' current three-year contract term Loomis, Sayles & Company, L.P. for management of an active high yield fixed income portfolio expires on August 31, 2026; and,

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

WHEREAS, a contract renewal with Loomis will allow the fund to maintain a diversified exposure to high yield fixed income; and,

WHEREAS, on April 28, 2026, the Board approved the Investment Committee's recommendation to approve a three-year contract renewal with Loomis.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager or 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: Loomis, Sayles & Company, L.P.

Service Provided: Active High Yield Fixed Income Portfolio Management

Effective Dates: September 1, 2026 through August 31, 2029

Duration: Three years

Benchmark: Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index

Allocation as of
February 28, 2026: \$416 million

April 28, 2026