

IN PERSON & VIRTUAL BOARD MEETING

*The Board meeting will be held after the Committee meeting scheduled prior.



TO VIEW VIA WEB



TO PROVIDE PUBLIC COMMENT

Members of the public may address the Board orally and in writing. To provide Public Comment, you should visit the above link and complete the request form by selecting whether you will provide oral or written comment from the options located under Options next to the Board meeting.

Attention: If you have any questions, you may email PublicComment@lacera.com. If you would like to make a public comment during the board meeting, review the [Public Comment instructions](#).

AGENDA

A REGULAR MEETING OF THE BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

9:00 A.M., WEDNESDAY, NOVEMBER 12, 2025*

This meeting will be conducted by the Board of Investments both in person and by teleconference under California Government Code Section 54953 (b), (f).

Any person may view the meeting in person at LACERA's offices or online at <https://LACERA.com/leadership/board-meetings>

The Board may take action on any item on the agenda, and agenda items may be taken out of order.

Teleconference Locations for Trustees and the Public under California Government Code Section 54953(b)

(1) Hyatt Regency Huntington Beach Resort and Spa | 21500 Pacific Coast Highway, Huntington Beach, CA 92648

(2) Courtyard by Marriott Boston Cambridge | 777 Memorial Drive, Cambridge, MA 02139

(3) Bloomberg 371 Lexington Ave. New York, NY 10022

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953(f)
 - A. Just Cause
 - B. Action on Emergency Circumstance Requests
 - C. Statement of Persons Present at AB 2449 Teleconference Locations
- IV. APPROVAL OF MINUTES
 - A. Approval of the Minutes of the Regular Meeting of October 8, 2025

V. PUBLIC COMMENT

(Members of the public may address the Committee orally and in writing. To provide Public Comment, you should visit <https://LACERA.com/leadership/board-meetings> and complete the request [form](#).

If you select oral comment, we will contact you via email with information and instructions as to how to access the meeting as a speaker. You will have up to 3 minutes to address the Committee. Oral comment requests will be accepted up to the close of the Public Comment item on the agenda.

If you select written comment, please input your written public comment within the form as soon as possible and up to the close of the meeting. Written comment will be made part of the official record of the meeting. If you would like to remain anonymous at the meeting without stating your name, please leave the name field blank in the request form. If you have any questions, you may email PublicComment@lacera.gov.)

VI. EXECUTIVE UPDATE

- A. Chief Investment Officer's Report
- B. Member Spotlight
- C. Chief Executive Officer's Report

VII. REPORTS

- A. **Impact of SB 852 on LACERA Form 700 Filing Processes**
Jessica Rivas, Staff Counsel
(Presentation) (Memo dated October 22, 2025)
- B. **Comment Letter Regarding European Commission Sustainability Reporting**
Scott Zdrazil, Principal Investment Officer
Piers Hugh Smith, Investment Officer
(For Information Only) (Memo dated October 10, 2025)
- C. **Legal Projects**
Christine Roseland, Senior Staff Counsel
(For Information Only) (Memo dated November 3, 2025)
- D. **Monthly Status Report on Legislation**
Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated October 27, 2025)

VII. REPORTS (Continued)

- E. **Monthly Trustee Travel & Education Report – September 2025**
Ted Granger, Chief Financial Officer
(For Information Only) (Memo dated October 24, 2025)
- F. **Semi-Annual Interest Crediting for Reserves as of June 30, 2025 (Audited)**
Ted Granger, Chief Financial Officer
Michael Huang, Accounting Officer II
(For Information Only) (Memo dated October 24, 2025)
- G. **October 2025 Fiduciary Counsel Contact and Billing Report**
Steven P. Rice, Chief Counsel
(For Information Only) (Memo dated October 29, 2025)
(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product and Exempt from Disclosure under California Government Code Sections 7927.705, 54957.5(a))

VIII. ITEMS FOR STAFF REVIEW

(This item summarizes requests and suggestions by individual trustees during the meeting for consideration by staff. These requests and suggestions do not constitute approval or formal action by the Board, which can only be made separately by motion on an agenda item at a future meeting.)

IX. ITEMS FOR FUTURE AGENDAS

(This item provides an opportunity for trustees to identify items to be included on a future agenda as permitted under the Board's Regulations.

X. GOOD OF THE ORDER

(For Information Purposes Only)

XI. EXECUTIVE SESSION

- A. Conference with Staff and Legal Counsel to Consider the Purchase or Sale of Particular, Specific Pension Fund Investments
(Pursuant to California Government Code Section 54956.81)
 - 1. **Passive Cash Overlay Investment Manager Search – Total Fund Selection Notice**
Esmeralda del Bosque, Principal Investment Officer
John Kim, Investment Officer
Kathryn Ton, Senior Investment Analyst
Magdalia Armstrong, Senior Investment Analyst

XI. EXECUTIVE SESSION (Continued)

Jesse Gonzalez, Investment Analyst
(Presentation) (Memo dated November 1, 2025)

2. **Passive Cash Overlay Investment Manager Search –
OPEB Master Trust Selection Notice**

Esmeralda del Bosque, Principal Investment Officer
John Kim, Investment Officer
Kathryn Ton, Senior Investment Analyst
Magdalia Armstrong, Senior Investment Analyst
Jesse Gonzalez, Investment Analyst
(Presentation) (Memo dated November 1, 2025)

3. **Secondary Sale Update**

Didier Acevedo, Senior Investment Officer
Derek Kong, Investment Officer
(Presentation) (Memo dated October 16, 2025)

4. **Private Equity Investment Update**

Didier Acevedo, Senior Investment Officer
Derek Kong, Investment Officer
(For Information Only) (Memo dated October 8, 2025)

5. **Risk Mitigation Investment Update**

Vache Mahseredjian, Principal Investment Officer
Quoc Nguyen, Investment Officer
(For Information Only) (Memo dated October 21, 2025)

XII. ADJOURNMENT

****Although the meeting is scheduled for 9:00 a.m., it can start anytime thereafter, depending on the length of the Committee meeting preceding it.***

Documents subject to public disclosure that relate to an agenda item for an open session of the Board of Investments that are distributed to members of the Board of Investments less than 72 hours prior to the meeting will be available for public inspection at the time they are distributed to a majority of the Board of Investments Trustees at LACERA's offices at 300 N. Lake Avenue, Suite 820, Pasadena, CA 91101, during normal business hours of 8:00 a.m. to 5:00 p.m. Monday through Friday and will also be posted on lacera.com at the same time, [Board Meetings | LACERA](#).

Requests for reasonable modification or accommodation of the telephone public access and Public Comments procedures stated in this agenda from individuals with disabilities, consistent with the Americans with Disabilities Act of 1990, may call the Board Offices at (626) 564-6000 from 8:00 a.m. to 5:00 p.m. Monday through Friday or email PublicComment@lacera.gov, but no later than 48 hours prior to the time the meeting is to commence.

MINUTES OF REGULAR MEETING OF THE BOARD OF INVESTMENTS
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

9:00 A.M., WEDNESDAY, OCTOBER 8, 2025

This meeting was conducted by the Board of Investments both in person and by teleconference under California Government Code Section 54953(f).

TRUSTEES PRESENT

Jason Green, Chair

Patrick Jones, Vice Chair

David Ryu, Secretary

Mike Gatto

Aleen Langton

Alma Martinez (Joined the meeting at 10:04 a.m.)

Nicole Mi, Teleconference Due to Just Cause under Section 54953 (f))

Lisa Proft

ABSENT:

Debbie Martin

STAFF, ADVISORS, PARTICIPANTS:

Jonathan Grabel, Chief Investment Officer

Jude Pérez, Deputy Chief Investment Officer

Luis Lugo, Acting Chief Executive Officer

Steven P. Rice, Chief Counsel

STAFF, ADVISORS, PARTICIPANTS:

JJ Popowich, Assistant Executive Officer

Ted Granger, Chief Financial Officer

Vache Mahseredjian, Principal Investment Officer

Didier Acevedo Senior Investment Officer

Quoc Nguyen, Investment Officer

Meketa Investment Group (General Investment Consultants)
Timothy Filla, Managing Principal

StepStone Group LP (Real Assets Consultant)
Margaret McKnight, Managing Director

StepStone Group LP (Private Equity Consultant)
Natalie Walker, Managing Director

Albourne (Illiquid Credit, Real Assets and Hedge Funds Consultants)
Steven Kennedy, Partner

Milliman (Consulting Actuaries)
Nick Collier, Principal

I. CALL TO ORDER

The meeting was called to order by Chair Green at 9:02 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Trustee Proft led the Trustees and staff in reciting the Pledge of Allegiance.

III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE
UNDER AB 2449, California Government Code Section 54953(f)

III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE
UNDER AB 2449, California Government Code Section 54953(f)
(Continued)

A. Just Cause

B. Action on Emergency Circumstance Requests

C. Statement of Persons Present at AB 2449 Teleconference Locations

A physical quorum was present at the noticed meeting location. There was one request received from Trustee Mi to attend by teleconference for Just Cause (B) contagious illness. Trustee Mi confirmed that there were no individuals 18 years of age or older present at the teleconference location.

IV. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of September 9, 2025 and September 10, 2025.

A motion was made by Trustee Langton, seconded by Trustee Jones, to approve the minutes of the Board of Investments meetings of September 9, 2025 and September 10, 2025. The motion passed by following roll call vote:

Yes: Gatto, Green, Jones, Langton, Mi, Proft, Ryu

Absent: Martinez

V. PUBLIC COMMENT

There were no requests made by the public to speak.

VI. EXECUTIVE UPDATE

A. Chief Investment Officer's Report

Mr. Grabel provided a brief presentation on the Chief Investment Officer's Report and answered questions from the Board.

B. Member Spotlight

Mr. Popowich recognized LACERA member, Stefanie Zumbo.

VI. EXECUTIVE UPDATE (Continued)

C. Chief Executive Officer's Report

Mr. Lugo provided a brief presentation on the Chief Executive Officer's Report and answered questions from the Board.

VII. CONSENT ITEM

A. **2025 SuperReturn Europe in Amsterdam, Netherlands on November 4 – 7, 2025**

Recommendation as submitted to approve attendance of Trustees at at the 2025 SuperReturn Europe, which will be held in Amsterdam, Netherlands, from November 4 to 7, 2025. Additionally, approve the reimbursement of all travel costs incurred, in accordance with LACERA's Trustee Education and Trustee Travel Policies.
(Memo dated September 28, 2025)

A motion was made by Trustee Langton, seconded by Trustee Jones, to approve staff's recommendation. The motion passed by the following roll call vote:

Yes: Gatto, Green, Jones, Langton, Mi, Proft, Ryu

Absent: Martinez

VIII. NON-CONSENT ITEMS

A. **Hedge Funds Investment Guidelines – Update Recommendation**
Recommendation as submitted by Vache Mahseredjian, Principal Investment Officer and Quoc Nguyen, Investment Officer: That the Board: Update the manager diversification guideline from an approximate number of managers to a maximum manager allocation.
(Memo dated September 26, 2025)

Trustee Green made a motion, Trustee Ryu seconded, to approve staff's recommendation.

Yes: Gatto, Green, Jones, Langton, Mi, Proft, Ryu

Absent: Martinez

VIII. NON-CONSENT ITEMS (Continued)

(Ms. Martinez joined the meeting at 10:04 a.m.)

B. **Credit Investment Guidelines – Update Recommendation**

Recommendation as submitted by Vache Mahseredjian, Principal Investment Officer and Quoc Nguyen, Investment Officer: That the Board: Update the manager diversification guideline from an approximate number of managers to a maximum manager allocation. (Memo dated September 26, 2025)

Trustee Green made a motion, Trustee Langton seconded, to approve staff's recommendation.

Yes: Green, Jones, Langton, Martinez, Mi, Proft, Ryu

Absent: Gatto

IX. REPORTS

A. **Pension Plan Actuarial Economic Assumption Review**

Luis A. Lugo, Acting Chief Executive Officer

Ted Granger, Chief Financial Officer

Nick Collier, Milliman

Craig Glyde, Milliman

(Presentation) (Memo dated September 24, 2025)

Mr. Granger and Mr. Collier of Milliman provided a presentation and answered questions from the Board. This item was received and filed.

B. **Comment Letter to United Kingdom Department of Business and Trade Regarding UK Sustainability Reporting Standards**

Scott Zdrazil, Principal Investment Officer

Piers Hugh Smith, Investment Officer

(For Information Only) (Memo dated September 16, 2025)

This item was received and filed.

C. **2026 STAR COLA Program Award**

Ted Granger, Chief Financial Officer

(For Information Only) (Memo dated September 22, 2025)

IX. REPORTS (Continued)

This item was received and filed.

D. **Legal Projects**

Christine Roseland, Senior Staff Counsel

(For Information Only) (Memo dated October 1, 2025)

This item was received and filed.

E. **Monthly Status Report on Legislation**

Barry W. Lew, Legislative Affairs Officer

(For Information Only) (Memo dated September 22, 2025)

This item was received and filed.

F. **Monthly Trustee Travel & Education Report – August 2025**

Ted Granger, Chief Financial Officer

(For Information Only) (Memo dated September 19, 2025)

This item was received and filed.

G. **September 2025 Fiduciary Counsel Contact and Billing Report
Steven P. Rice, Chief Counsel**

(For Information Only) (Memo dated September 22, 2025)

(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product and Exempt from Disclosure under California Government Code Sections 7927.705, 54957.5(a))

This item was received and filed.

X. ITEMS FOR STAFF REVIEW

The Board requested a presentation of the midcycle capital market expectations .

For the upcoming Milliam presentation, the Board has requested the inclusion of a slide with additional information addressing the fair value of assets compared to the actuarial value of assets.

XI. ITEMS FOR FUTURE AGENDAS

There was nothing to report.

XII. GOOD OF THE ORDER
(For Information Purposes Only)

There was nothing to report.

XIII. EXECUTIVE SESSION (Continued)

A. Conference with Staff and Legal Counsel to Consider the Purchase or Sale of Particular, Specific Pension Fund Investments (Pursuant to California Government Code Section 54956.81)

1. **LACERA Headquarters – Gateway Plaza**

There is nothing to report.

2. **Private Equity Investment Update – I**

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a commitment of up to \$400 million to Advent International GPE XI SCSp, which is a non-U.S. private equity buyout fund focusing on global investments in the business and financial services, healthcare, industrials, retail, consumer and leisure, and technology, media, and communications sectors.

3. **Private Equity Investment Update – II**

There is nothing to report.

4. **Real Estate Investment Update – I**

The Board received an information only memo reporting that LACERA's Chief Investment Officer, within his Board-approved authority, approved a commitment of up to \$300 million to Bell Partners Residential Growth & Income Fund, which is a core-plus private real estate fund focusing on investments in the apartments sector in the United States.

XIII. EXECUTIVE SESSION (Continued)

5. **Real Estate Investment Update – II**

There is nothing to report at this time. A report out will be made at a later date in accordance with the Brown Act

C. Public Employee Performance Evaluation
(Pursuant to Paragraph (1) of Subdivision (b) of California Government Code Section 54957)

1. **Title: Chief Investment Officer**

There is nothing to report.

2. **Title: Chief Counsel**

There is nothing to report.

XIV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 2:00 p.m.

DAVID RYU, SECRETARY

JASON GREEN, CHAIR



Chief Investment Officer Monthly Report

Jonathan Grabel – Chief Investment Officer 

Board of Investments Meeting
November 12, 2025

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- 02** Total Fund Performance & Risk
- 03** OPEB Trust Performance & Risk
- 04** Portfolio & Structural Updates
- 05** Appendix



Complete list of slide footnotes are included in the Appendix.



01



Market Environment

Notable Items and Market Themes to Watch



Notable Items



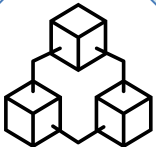
Interest rates and central bank actions

- The Federal Reserve approved its second 25 basis point interest rate cut this year amid labor market weakness



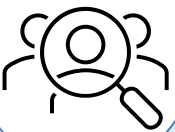
Economic data and trends

- Inflation, tariffs, elevated trade tensions, & labor developments



Artificial intelligence

- Research developments, applications, infrastructure investment, market impact, risk oversight and governance



Stewardship and ESG-related developments

- Securities and Exchange Commission Chair announces SEC will not oppose initial public offering filings with mandatory arbitration provisions and will defer to state law; International Corporate Governance Network and Council of Institutional Investors oppose

Market Themes

- **U.S. Federal Government Shutdown:** The shutdown has prompted various economic and market consequences including weakened consumer sentiment due to the furlough of government workers and delayed payments to federal contractors; policy-making uncertainty as key data releases are on pause; and potential downside implications to GDP growth
- **Tariff Impacts:** U.S. trade policy remains a headwind on the economy. Import tariffs remain high across many sectors. Trade policy risk has been priced into inflation expectations in many forward-looking economic models
- **Inflation:** Global inflation is projected to decline gradually from ~3.4% in 2025 to ~2.9% in 2026. In the U.S., core inflation is expected to register 3.0% year-over-year, with tariff impacts expected to gradually build
- **Federal Reserve Policy:** On October 29th, the Federal Reserve cut the federal funds rate by another 25 basis points. The second cut of the year, the new range is 3.75-4.00%. The reduction was intended to ease impacts of a slowdown in the labor market
- **Geopolitical Uncertainty:** Geopolitical uncertainty continues due to trade tensions, tariff retaliation, and regional conflicts
- **Corporate Earnings:** Third-quarter earnings were strong with many of the largest companies performing better than expected

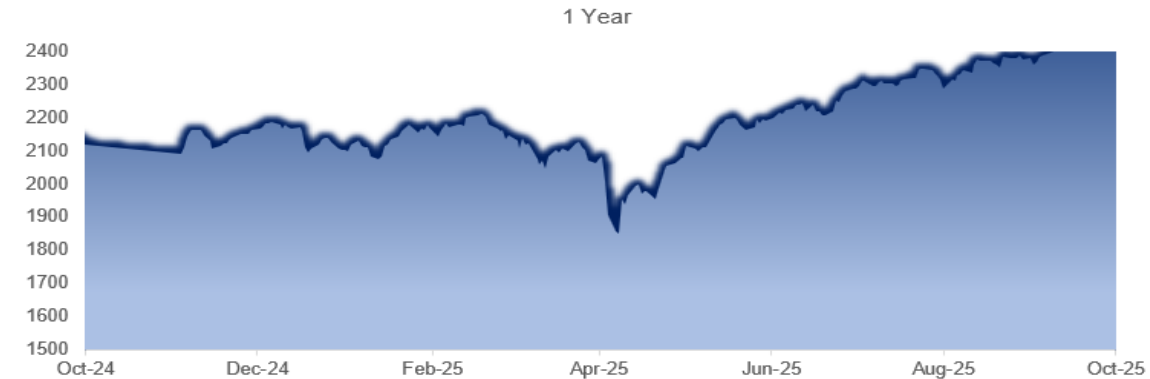
Global Market Performance

As of October 31, 2025



MSCI ACWI IMI Index (Global Equity Market)*

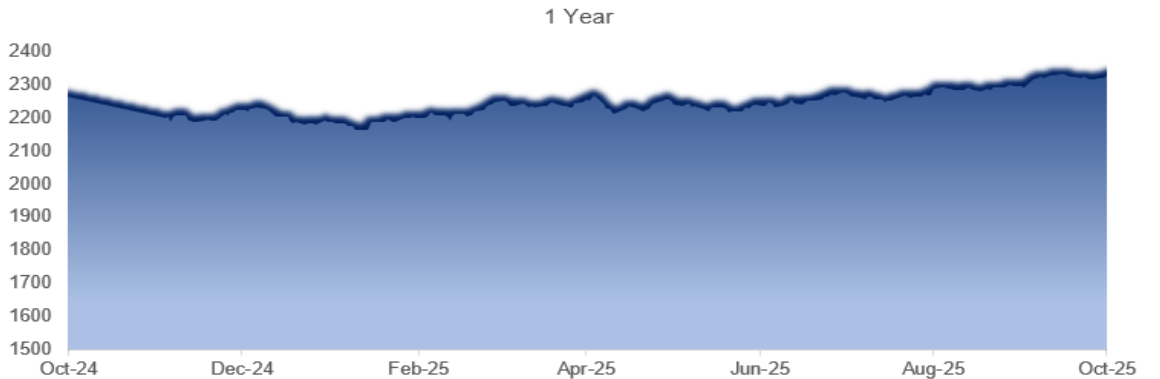
Trailing Returns (%)				Annualized Returns (%)			
1-Month	3-Month	FYTD	YTD	1Y	3Y	5Y	10Y
2.0	8.4	9.9	20.7	22.0	20.9	14.3	11.0



*Global Equity Policy Benchmark - MSCI ACWIIMI Index

Bloomberg U.S. Aggregate Bond Index**

Trailing Returns (%)				Annualized Returns (%)			
1-Month	3-Month	FYTD	YTD	1Y	3Y	5Y	10Y
0.6	2.9	2.7	6.8	6.2	5.6	-0.2	1.9



**Investment Grade Bonds Policy Benchmark - Barclays U.S. Aggregate Bond Index

Market	Sub-Category	Index Name	1 M	3 M	FYTD	YTD	1 Y	3 Y	5 Y	10 Y
Reference Portfolio	60:40 Equity:Bond Portfolio	60% MSCI ACWI IMI/ 40% Bloomberg U.S. Aggregate Index	1.5	6.2	6.9	15.0	15.5	14.7	8.4	7.5
Global Equity	U.S. Large Cap	S&P 500 Total Return	2.3	8.2	10.7	17.5	21.5	22.7	17.6	14.6
	U.S. Small Cap	Russell 2000 Total Return	1.8	12.5	14.4	12.4	14.4	11.9	11.5	9.4
	Non-U.S. All Cap	MSCI ACWI-ex U.S. IMI Total Return	1.8	9.0	8.7	28.2	24.6	20.0	11.1	7.7
	Emerging Markets	MSCI Emerging Markets Total Return	4.2	13.1	15.3	32.9	27.9	21.1	7.5	7.7
Private Equity	Private Equity Buyout	Thomson Reuters PE Buyout Index	2.3	9.3	12.2	24.6	27.0	20.7	14.5	12.4
Fixed Income	U.S. Corporate High Yield Bonds	Bloomberg U.S. Corporate High Yield Total Return	0.2	2.2	2.7	7.4	8.2	10.2	5.5	5.9
	U.S. Long Term Treasury Bonds	Bloomberg Long Term U.S. Treasury Total Return Index	1.3	4.7	3.8	7.0	3.1	2.8	-7.0	0.1
	Developed Markets Leveraged Loans	Credit Suisse Leveraged Loan Total Return	0.3	1.2	2.0	5.0	6.5	9.5	6.9	5.5
Real Assets & Inflation Hedges	Natural Resources	S&P Global Natural Resources Total Return Index	-0.7	8.0	8.8	20.5	11.3	7.0	14.9	9.3
	Global Infrastructure	Dow Jones Brookfield Global Infrastructure Composite Index	-2.5	0.2	-1.0	10.7	10.2	10.8	10.4	6.2
	Treasury Inflation-Protected Securities	Bloomberg U.S. Treasury TIPS 0-5 Years Total Return	0.1	1.3	1.6	5.7	6.1	5.1	3.8	3.1
	Real Estate	NCREIF Fund Index - ODCE (Net) ¹	—	0.5	0.5	2.2	3.2	-6.1	2.6	4.1

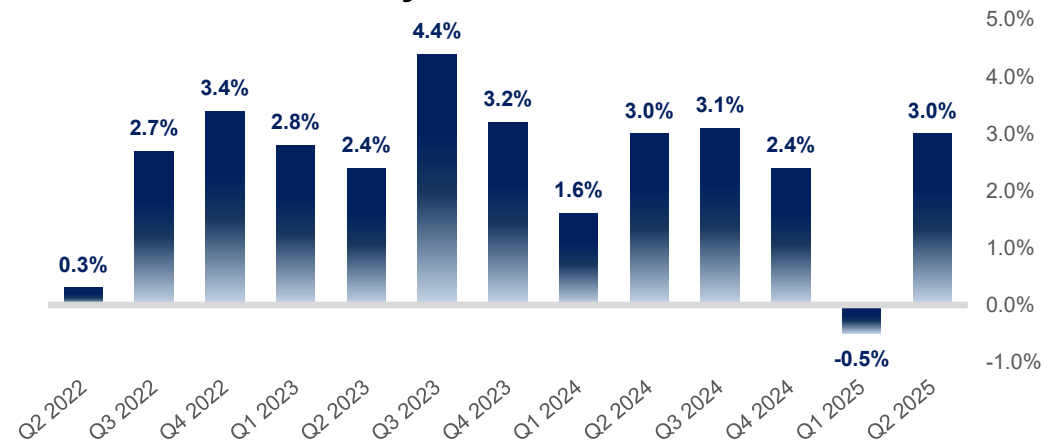
¹ Reported on a 3-month lag.

Source: Bloomberg, State Street

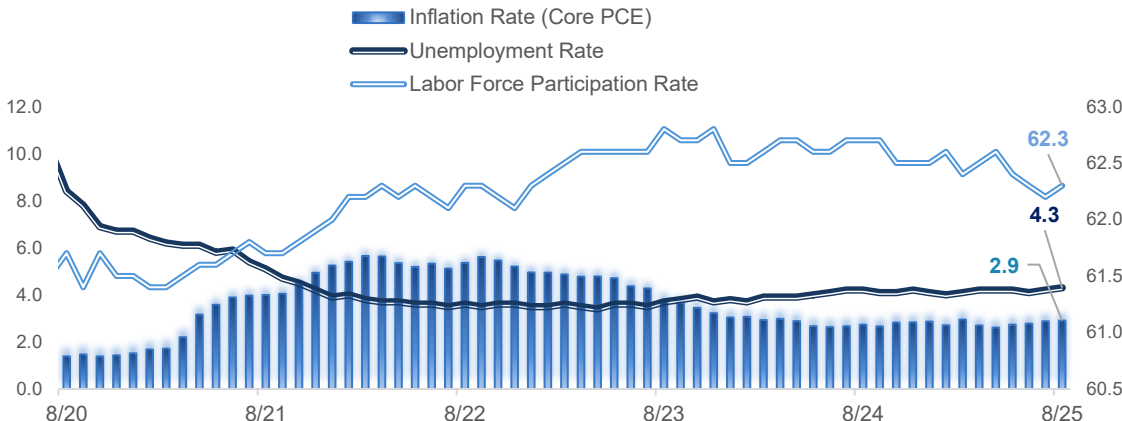
Key Macro Indicators²



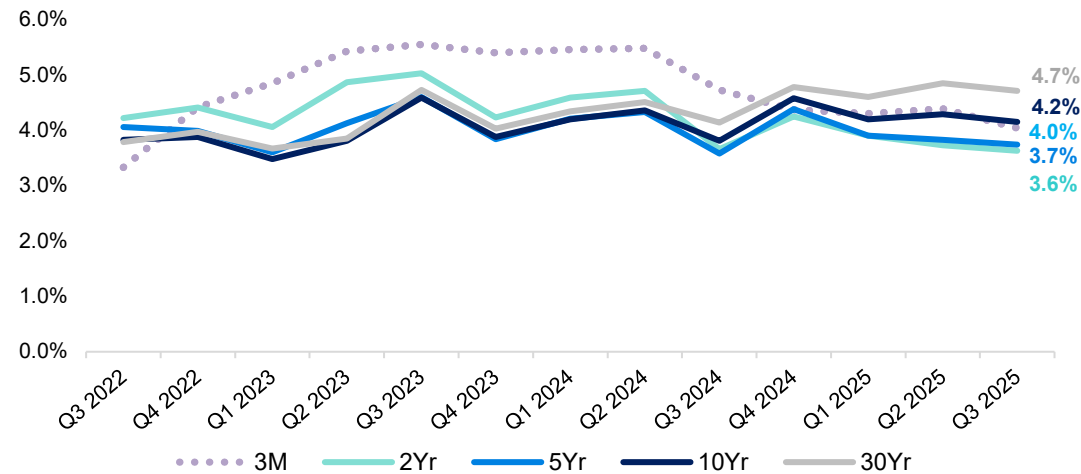
Quarterly Real GDP Growth



Inflation, Unemployment, and Labor Participation

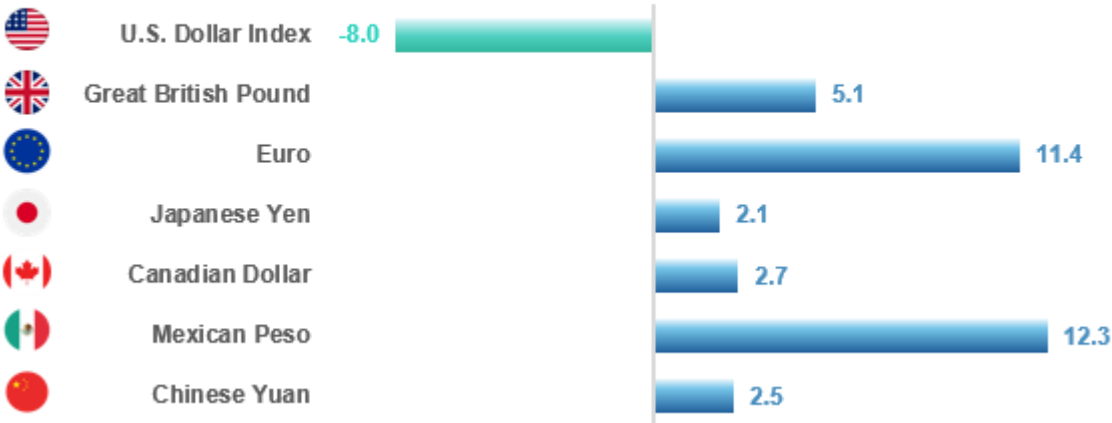


Market Yields on U.S. Treasury Securities



U.S. Dollar and Major Currency Performance

(Year-to-Date as of 10/31/2025)



Sources: Bloomberg, St. Louis Federal Reserve



02



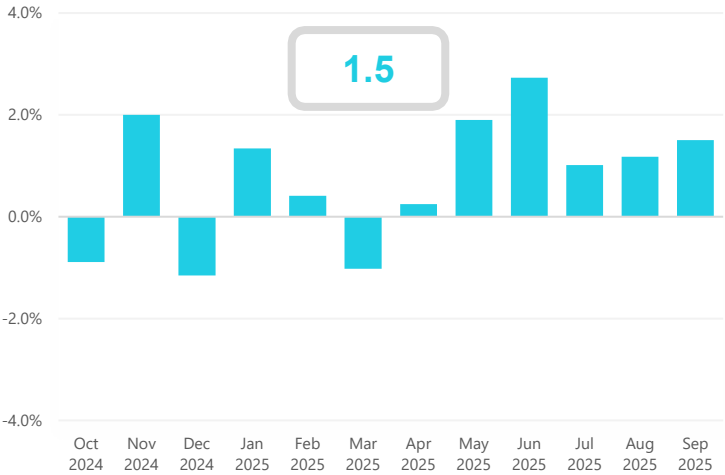
Total Fund Performance & Risk

Total Fund

Performance Summary as of September 2025



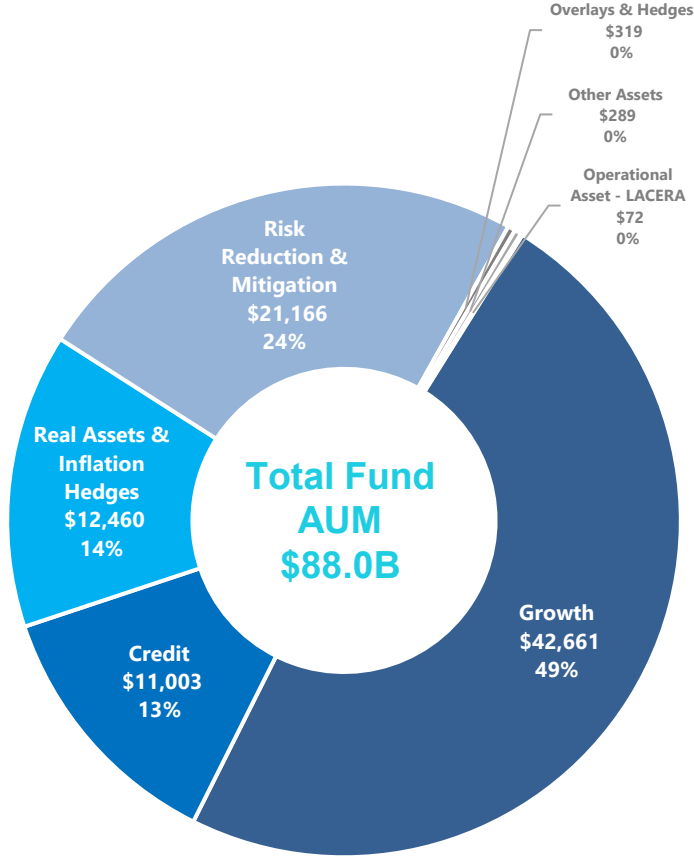
Monthly Return (net)



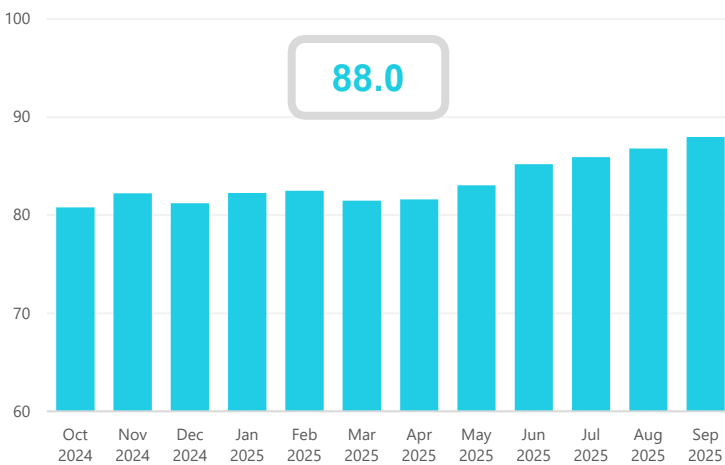
Growth of a Dollar (trailing 5Y)³



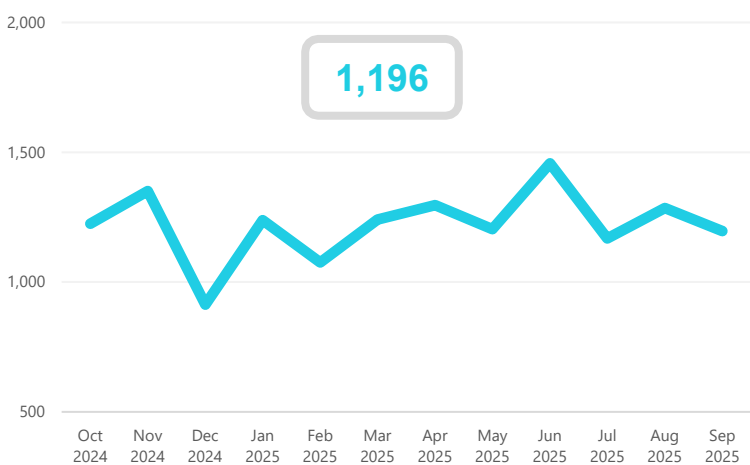
Asset Allocation (in millions)⁴



Total Market Value (in billions)



Cash Equivalents (in millions)

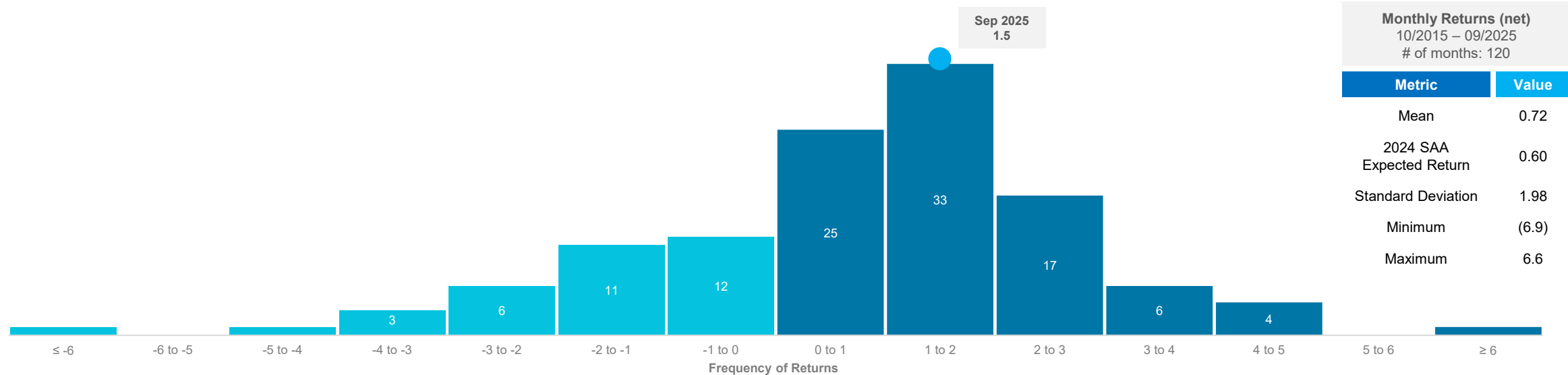


Total Fund

Historical Net Performance as of September 2025



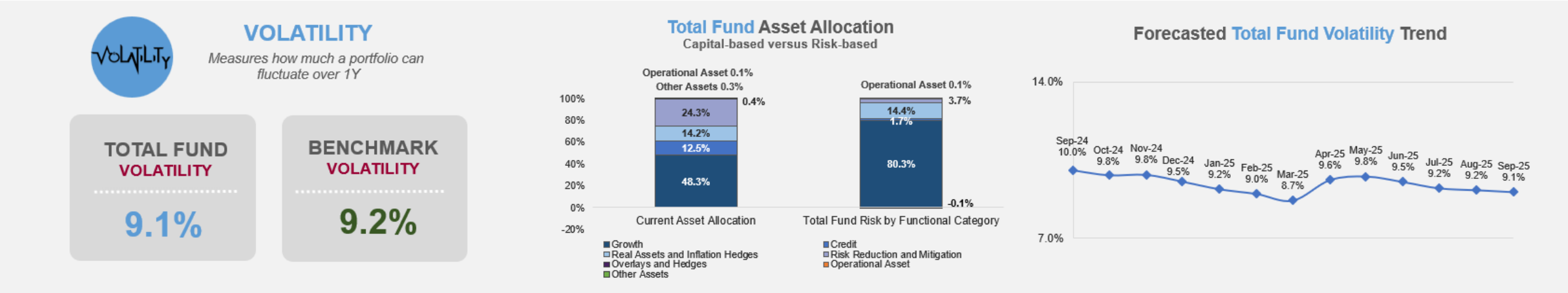
LACERA Pension Fund⁵



	Market Value (\$ mm)	% of Total Fund	Target	1 Month	3 Month	FYTD	YTD	1 Year	3 Year	5 Year	10 Year
Total Fund	87,971	100.0%	100.0%	1.5%	3.7%	3.7%	9.6%	9.6%	11.1%	9.6%	8.8%
Total Fund Policy Benchmark				2.3%	5.4%	5.4%	9.9%	11.4%	12.8%	8.5%	8.4%
Total Fund Actuarial Hurdle				0.6%	1.7%	1.7%	5.2%	7.0%	7.0%	7.0%	7.0%
Growth	42,661	48.5%	48.0%	2.2%	5.6%	5.6%	13.1%	12.5%	15.4%	13.8%	
Growth Policy Benchmark				3.8%	9.0%	9.0%	14.9%	16.9%	19.8%	13.5%	
Credit	11,003	12.5%	13.0%	0.4%	0.9%	0.9%	10.2%	13.5%	13.7%	9.5%	
Credit Policy Benchmark				0.7%	2.7%	2.7%	5.9%	8.7%	10.2%	5.4%	
Real Assets & Inflation Hedges	12,460	14.2%	15.0%	0.4%	2.3%	2.3%	7.3%	6.2%	3.3%	7.1%	
RA & IH Policy Benchmark				0.8%	2.2%	2.2%	4.2%	8.4%	3.0%	6.4%	
Risk Reduction & Mitigation	21,166	24.1%	24.0%	1.2%	2.1%	2.1%	5.6%	3.9%	4.8%	0.8%	
RR & M Policy Benchmark				1.0%	1.9%	1.9%	5.6%	3.2%	4.8%	0.3%	
Overlays & Hedges	319	0.4%									
Other Assets	289	0.3%									
Operational Asset - LACERA	72	0.1%									

Total Fund

Forecast Volatility as of September 2025⁶



Total Fund

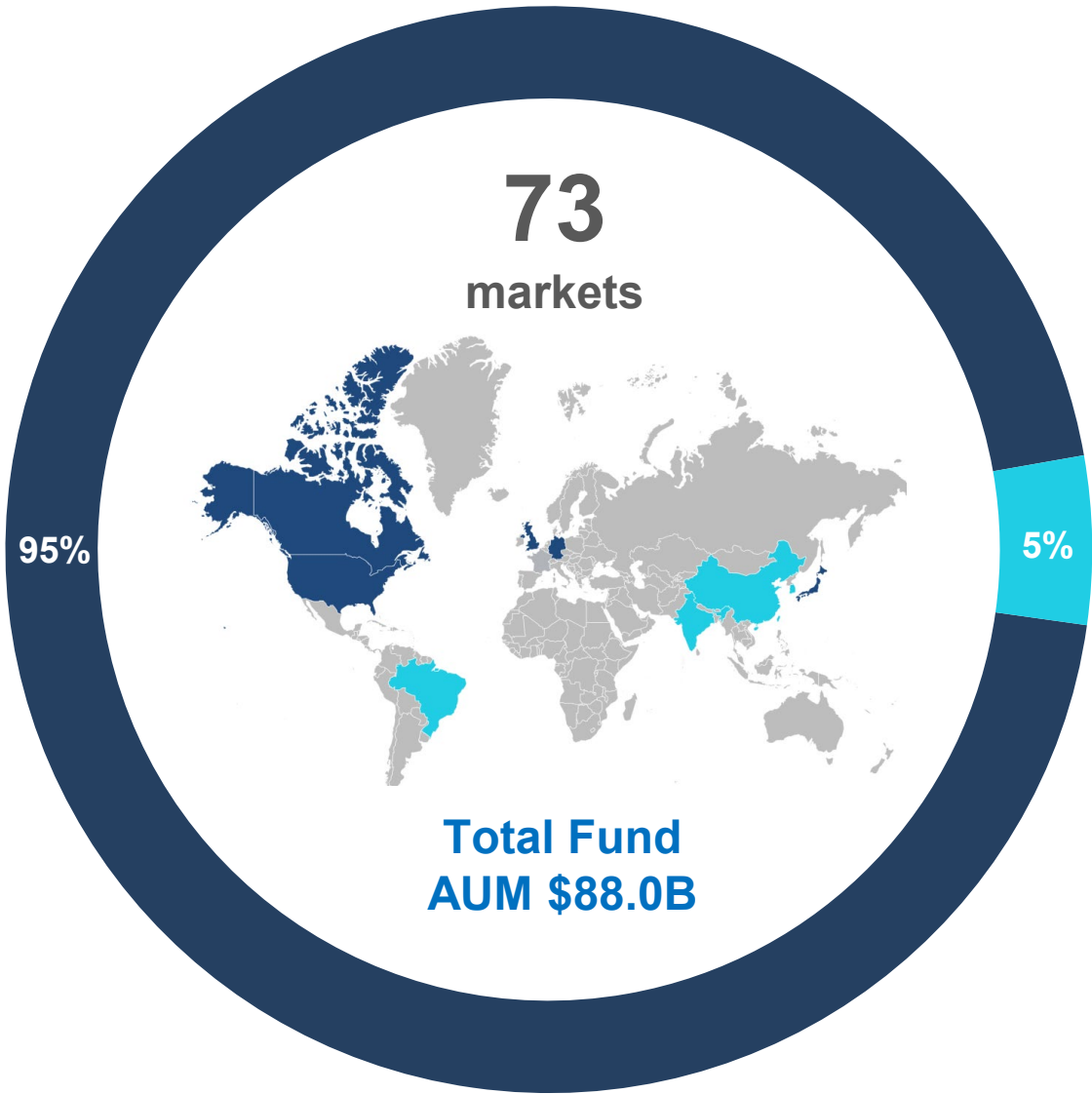
Geographic Exposure by AUM as of September 2025^{7,8}



25

developed markets

Top 5 Countries		Portfolio
	United States	76.5%
	United Kingdom	4.6%
	Canada	2.3%
	Germany	1.6%
	Japan	1.6%



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emerging & frontier markets

Top 5 Countries		Portfolio
	China	2.0%
	Taiwan	0.7%
	India	0.5%
	South Korea	0.5%
	Brazil	0.4%



03



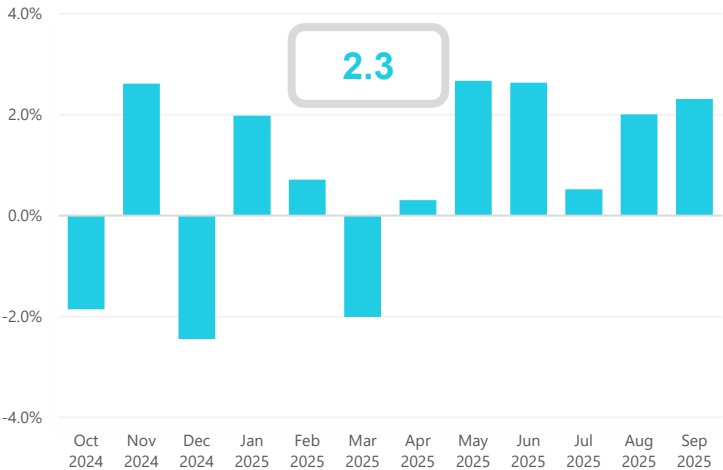
OPEB Trust Performance & Risk

OPEB Trust

Performance Summary as of September 2025



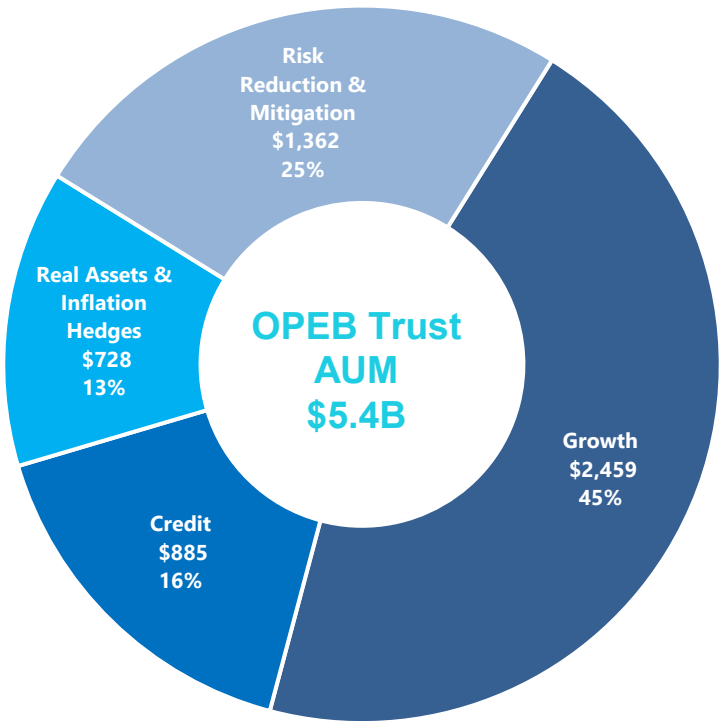
Monthly Return (net)



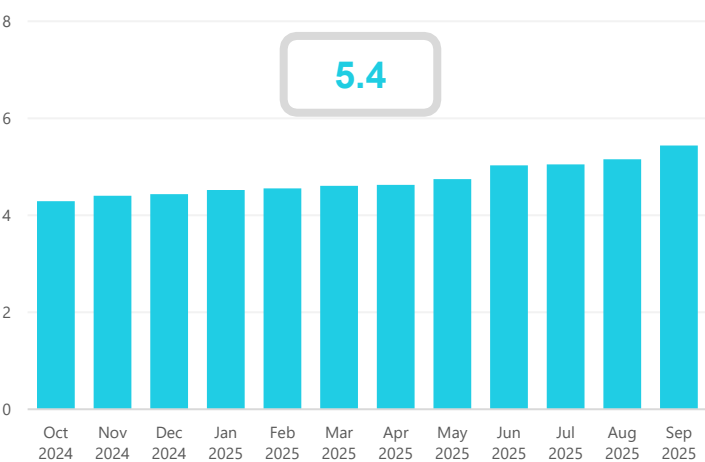
Growth of a Dollar (trailing 5Y)⁹



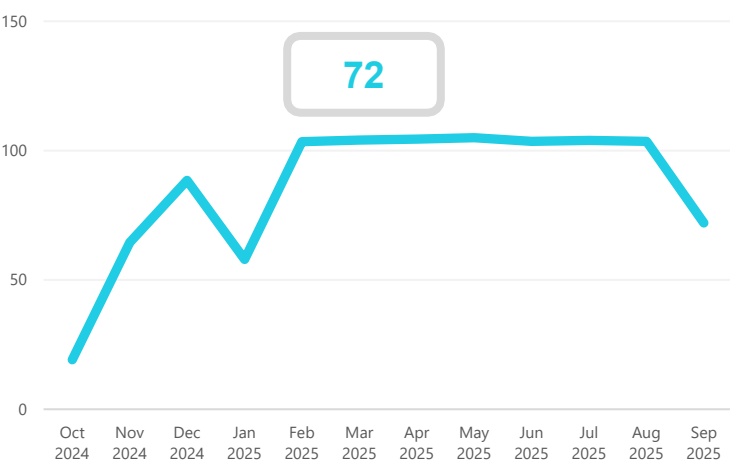
Asset Allocation (in millions)



Total Market Value (in billions)

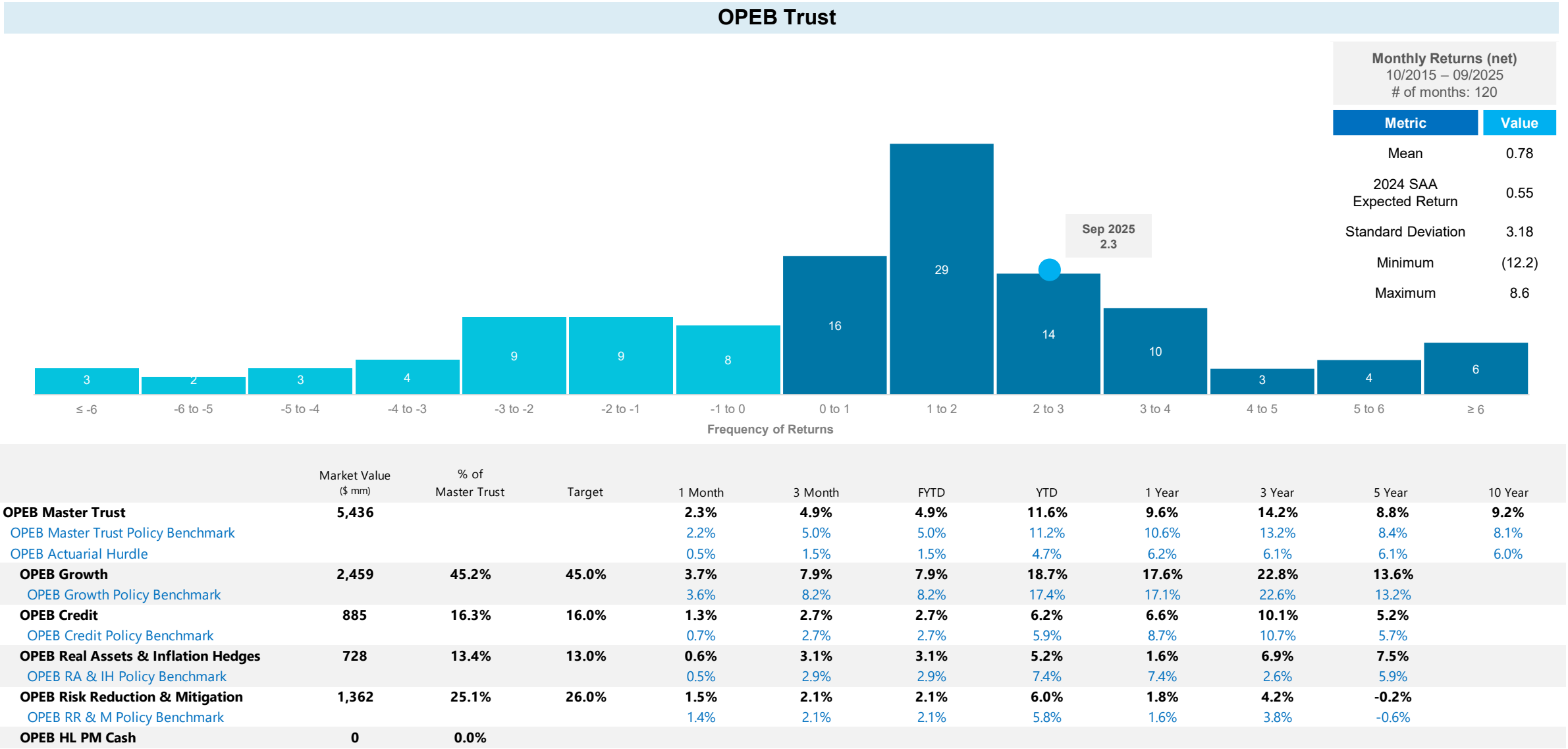


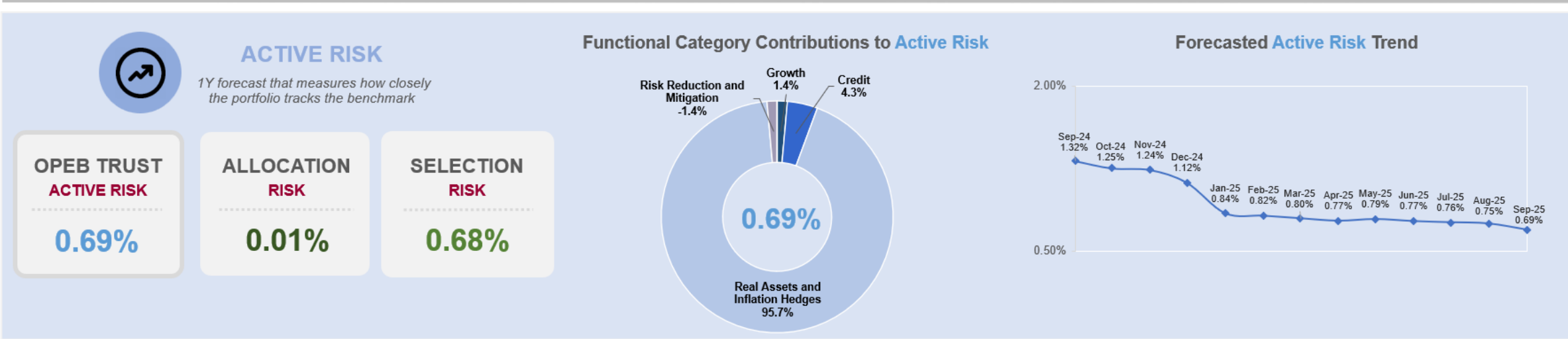
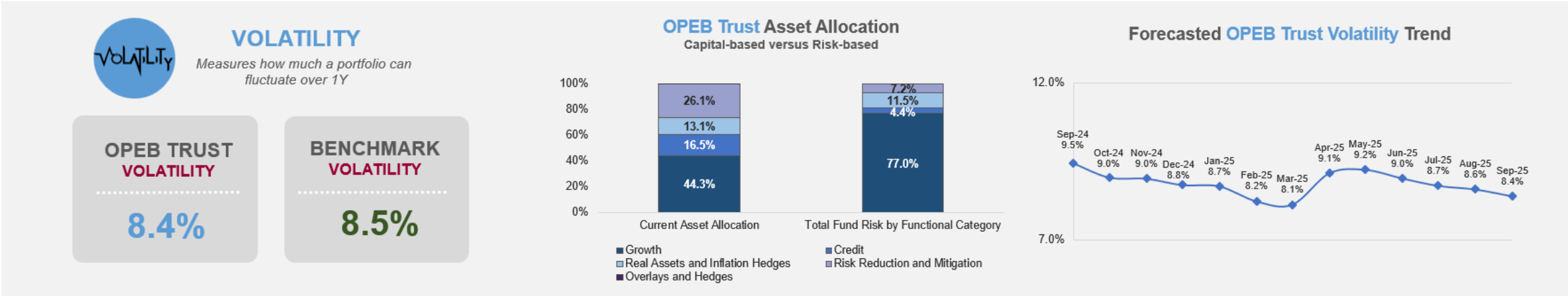
Cash Equivalents (in millions)



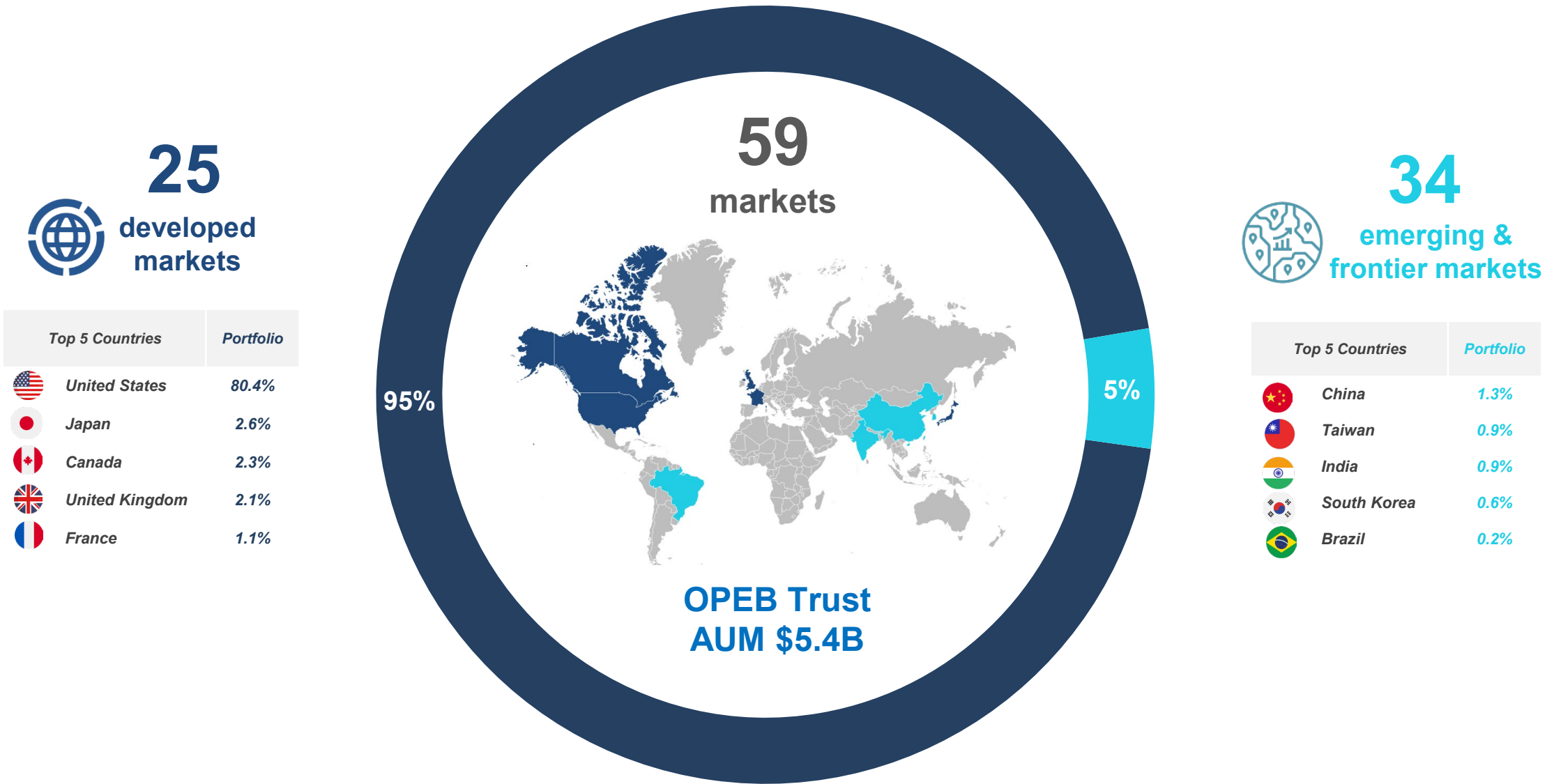
OPEB Trust

Historical Net Performance as of September 2025





Source: MSCI BarraOne





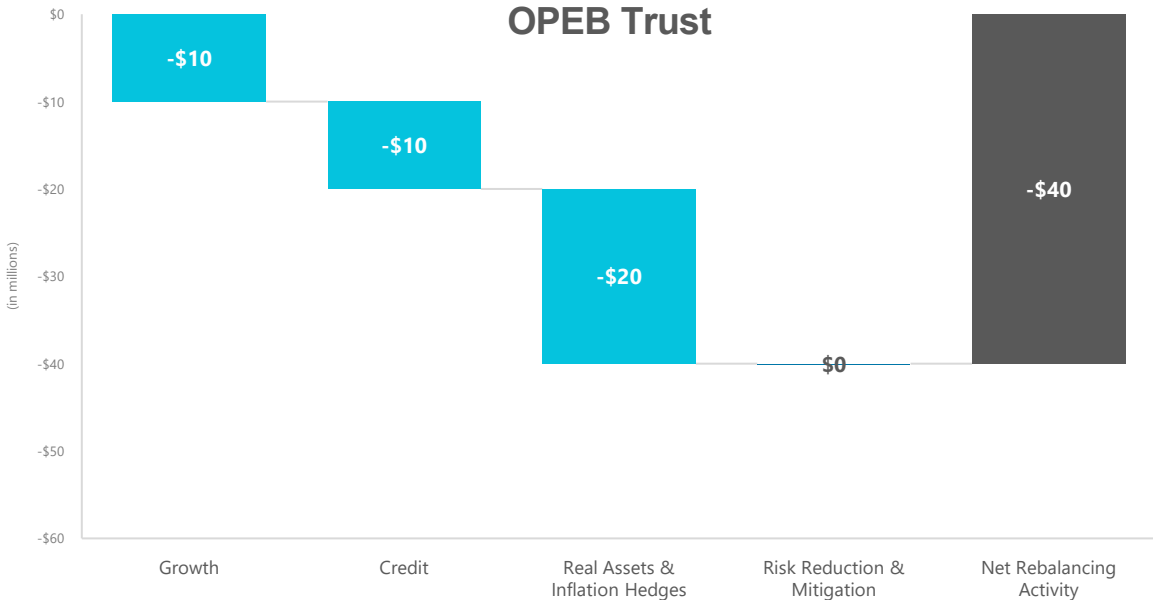
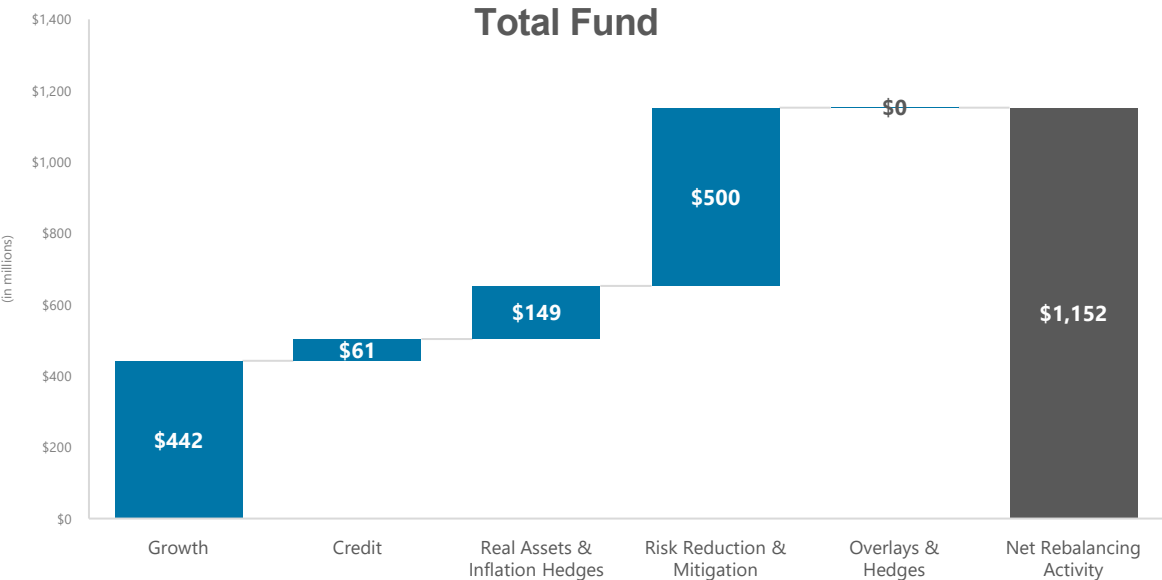
04

Portfolio & Structural Updates





Rebalancing Activity



Overlays & Hedges

Program	September Gain / (Loss) in \$ millions	Since Inception Gain / (Loss) in \$ millions
Currency Hedge	(5.6)	1,457.7
Cash / Rebalance Overlay	11.7	597.9

Key Initiatives and Operational Updates



Key Initiatives & Operational Updates

	Status
Total Fund	
April 2024 approved Strategic Asset Allocation implementation	In Progress
Adhering to the BOI-approved 2025 Strategic Framework	In Progress
Risk system onboarding	In Progress
Manager surveys distributed for annual TIDE report	In Progress
OPEB Trust	
April 2024 approved Strategic Asset Allocation implementation	In Progress
Risk system onboarding	In Progress



Open Personnel Searches

	Status
Investments Division	
Principal Investment Officer – 1 position	In Development
Senior Investment Officer – 1 position	In Progress
Finance Analyst III – 6 positions	In Development
Finance Analyst II – 3 positions	In Progress
Finance Analyst I – 1 position	Completed

Key Initiatives and Operational Updates



Manager / Consultant Updates

Firm	Mandate	Asset Class	LACERA AUM (prior month end, in millions)	Update
Onex Corporation	Credit	Credit	407	AIG will buy a 9.9% stake in Onex and invest \$2B in Onex’s private equity and credit strategies over three years. Onex and AIG also formed a strategic partnership to jointly acquire Convex Group. The deal is expected to close in early 2026, pending regulatory approval.
Innocap	Dedicated Managed Account Platform Manager	Credit and Hedge Funds	N/A	Bain Capital purchased a minority stake in Innocap, a dedicated managed account (“DMA”) platform manager that oversees nine of LACERA’s DMA investment vehicles across credit and hedge funds. The transaction with Bain is intended to provide Innocap with strategic growth capital to further scale their DMA platform business.

Change In Fiduciary Net Position¹³



FIDUCIARY NET POSITION

Additions

+

Deductions



ADDITIONS

Employer and Employee Contributions

Net Investment Income/(Loss)

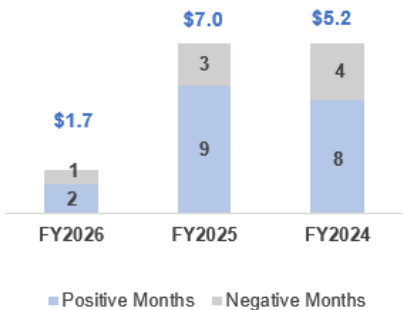


DEDUCTIONS

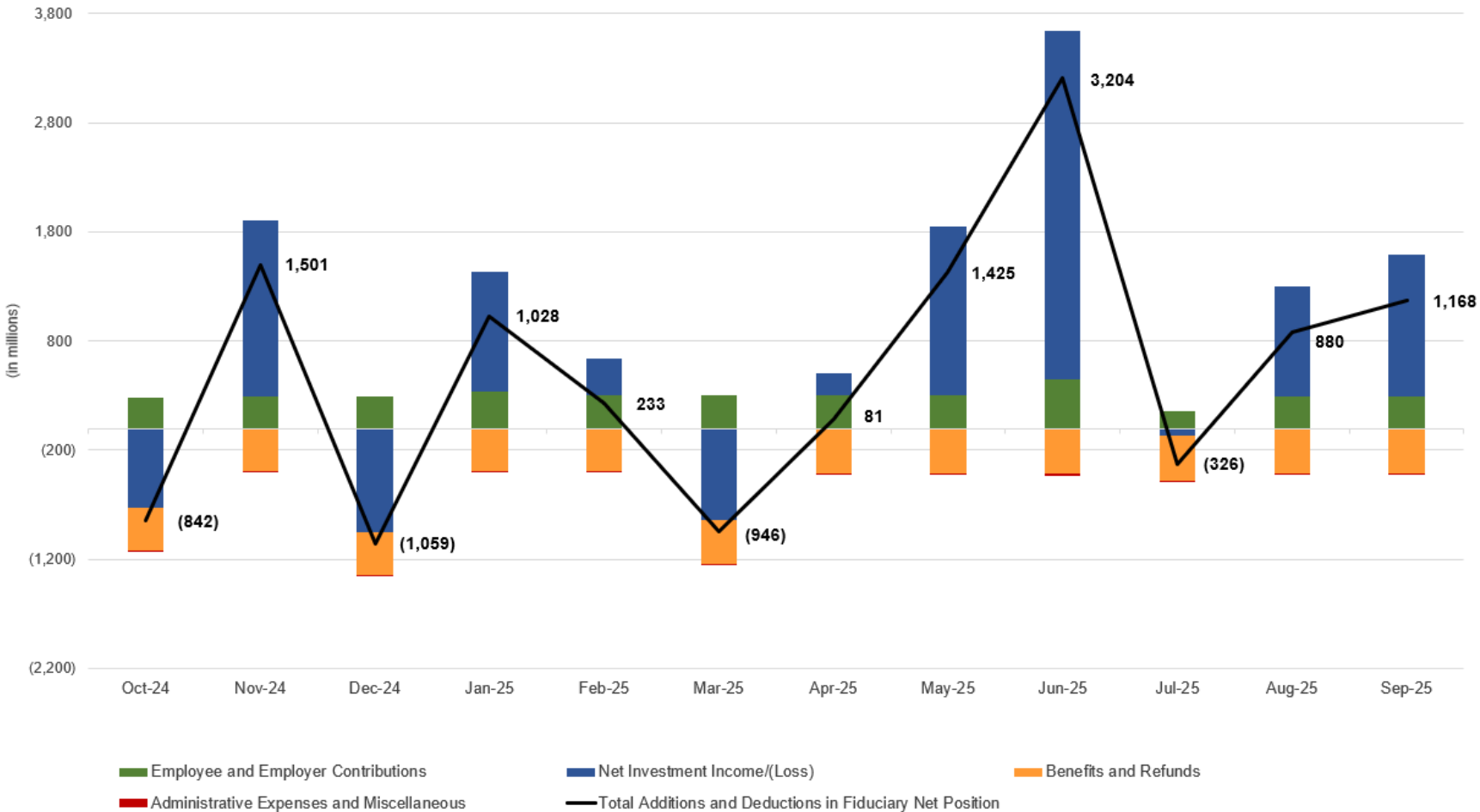
Benefits and Refunds

Administrative Expenses

Total Net Position Change Trend (in billions)



Additions and Deductions in Net Fiduciary Position (Unaudited)





05



Appendix

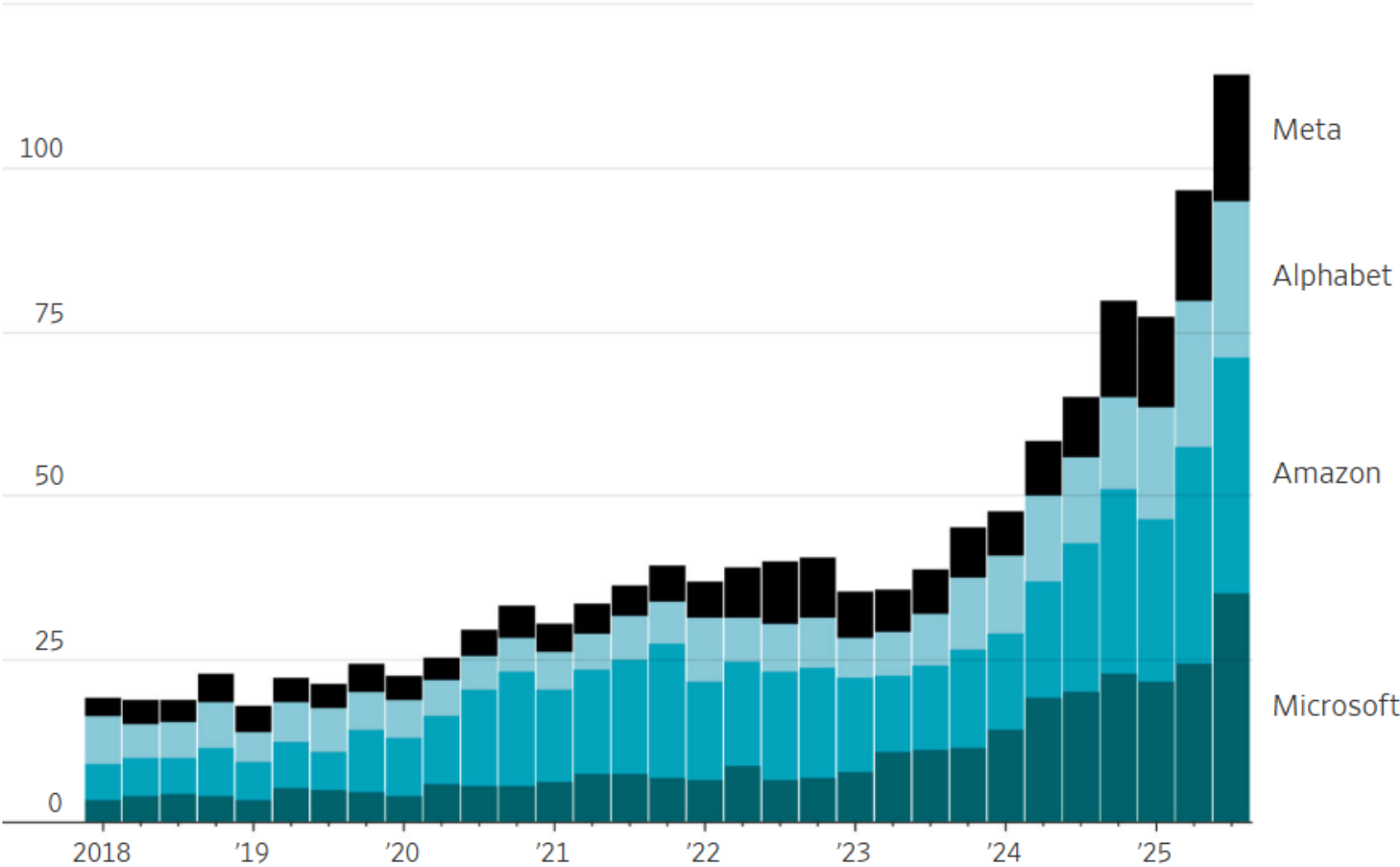
Staff Chart of the Month

Big Tech Now Spends Over \$100 Billion Per Quarter on Capital Expenditures



Capital expenditures, quarterly

\$125 billion



Note: Data are for calendar quarters and include finance leases.
Source: the companies

Source: Wall Street Journal

Real Assets Emerging Manager Program
Discretionary Separate Account Manager



▪ Artemis Real Estate Partners	▪ ORG Portfolio Management
▪ Aether Investment Partners	▪ Barings
▪ Neuberger Berman Group	▪ Belay Investment Group
▪ The Townsend Group	▪ Hamilton Lane
▪ BGO Strategic Capital Partners	▪ Cambridge Associates
▪ BlackRock	▪ Seed Partners
▪ StepStone	▪ Stable Asset Management
▪ GCM Grosvenor	▪ Wafra Inc.

Quiet Period for Search Respondents



Overlays and Hedges Passive Cash Overlay Investment Manager



- Legal & General Asset Management
- NISA Investment Advisors
- Parametric Portfolio Associates
- Russell Investments
- State Street Investment Management

Disclosures & Definitions



Page / Footnote	Disclosure
Page 5 / Footnote 1	NCREIF Fund Index – ODCE (Net) returns represent the latest available quarterly performance.
Page 6 / Footnote 2	The information on the “Key Macro Indicators” charts is the best available data and may not reflect the current market and economic environment. The Quarterly Real GDP Growth and the Inflation, Unemployment, and Labor Participation charts have not been updated due to the unavailability of source data resulting from the recent federal government shutdown.
Page 8, 13 / Footnote 3, 9	Reference portfolio = 60% MSCI ACWI IMI / 40% Bloomberg US Aggregate Bond Index.
Page 8, 9 / Footnote 4, 5	Other Assets include receivables due to deferred sales and rebalancing activity pending settlement.
Page 10, 15 / Footnote 6, 10	Real estate and private equity data is based on best available cash flow adjusted market values. Exposure data is based on security level holdings and/or proxies.
Page 11, 16 / Footnote 7, 11	Geographic exposure ex-overlays and hedges is based on the domicile country of a given security/asset.
Page 11, 16 / Footnote 8, 12	Information displayed represents best available holdings level transparency. Based on MSCI Market Classification Framework.
Page 21 / Footnote 13	Includes unrealized and realized net investment income.
Term	Definition
Active risk	Risk that a managed portfolio creates to outperform the benchmark returns.
Allocation risk	Investment manager’s decision to overweight or underweight sector weights in the portfolio versus the benchmark.
Mean	Expected return of an asset over a specified period.
Selection risk	Investment manager’s selection of securities within the portfolio versus the benchmark.
Standard deviation	Statistical measure of dispersion around the mean.
Volatility	Statistical measure of dispersion of returns for a portfolio.



Recognizing Our Members' Service and Accomplishments

LACERA has over 120,000 active members working in dozens of L.A. County departments, many of whom dedicate their entire working lives to serving the community. Meet one of our long-serving members, who recently began enjoying her well-earned retirement.



Newly Retired Member **Bonnie Weise**

Years of Service: 25 years

Retirement Date: September 2025



MEMBER SPOTLIGHT

Notable Contributions: Bonnie retired in September 2025 after working her entire County career in LACERA's Disability Retirement Division. She started as a Word Processor II and promoted to Staff Assistant II. In that role, she managed processes and documentation for members' disability cases—making sure they were complete and ready to be presented to the board. Bonnie also helped manage administrative appeals cases.

Accomplishments: Bonnie is most proud of achieving her 25-year service milestone, as well as the years she spent on the Employee Council Team, including stints as president and vice president .

Retirement Plans: Bonnie's plate will be filled with travel, organizing her home, playing bingo and taking casino trips, enjoying family time, and continuing to spoil her dogs.





Chief Executive Officer's Report

November 2025



Organizational Updates

LACERA Updates



2025 SAFETY MEMBER ELECTION RESULTS | THREE YEAR TERM (JANUARY 1, 2026-DECEMBER 31, 2028)

Board of Supervisor Ratification of Results | October 21, 2025

- Shawn R. Kehoe | Fourth Member of the BOI & Seventh Member of the BOR
- Jason E. Green | Alternate Safety Member of the BOR

ANNUAL STAKEHOLDER ENGAGEMENT

County of Los Angeles, SEIU Local 14, Peace Officers Professional Assoc. (POPA), Retired Employees of Los Angeles County (RELAC), Outside Districts: Little Lake Cemetery District, Local Agency Formation Commission, Los Angeles County Office of Education, South Coast Air Quality Management District.

CULTURE SURVEY RESULTS | NEXT STEPS

- Staff Focus Group Discussions (November)
- Results Agendized for Upcoming Board and ACRE Committee Meetings (November-December)
- Management Offsite Action Plan (December)

RETIREMENT ANNOUNCEMENT | MARCH 2026

Assistant Executive Officer, Laura Guglielmo

Retiree Healthcare Updates



RETIREE HEALTHCARE UPDATE

United Healthcare (UHC) Provider Contract Terminating Effective January 1, 2026

Riverside Medical Clinic – Riverside, CA

- 42 LACERA Members Impacted
 - Members Notified in October
 - Members Moved to Optum Care Network in Riverside or Own Primary Care Provider/Medical Group
-

Hiring Update

Reporting Period September 16, 2025 – October 15, 2025



Additions to the Team

Human Resources

Andrea Ascencio, Senior Human Resources Assistant

Disability Retirement Services

Mirna Cardoza, Senior Administrative Assistant

Legal Office

Fabiola Galindo Hernandez, Legal Secretary
Anna Muradyan, Legal Secretary

Recruitments Underway

Internal Audit

Chief Audit Executive

Communications

Senior Writer

Financial & Accounting Services

Accountant I (General & Investment Accounting)

Investments

Finance Analyst II & III
Senior Investment Officer

Various Divisions

Retirement Benefits Specialist I (Trainee)

Systems

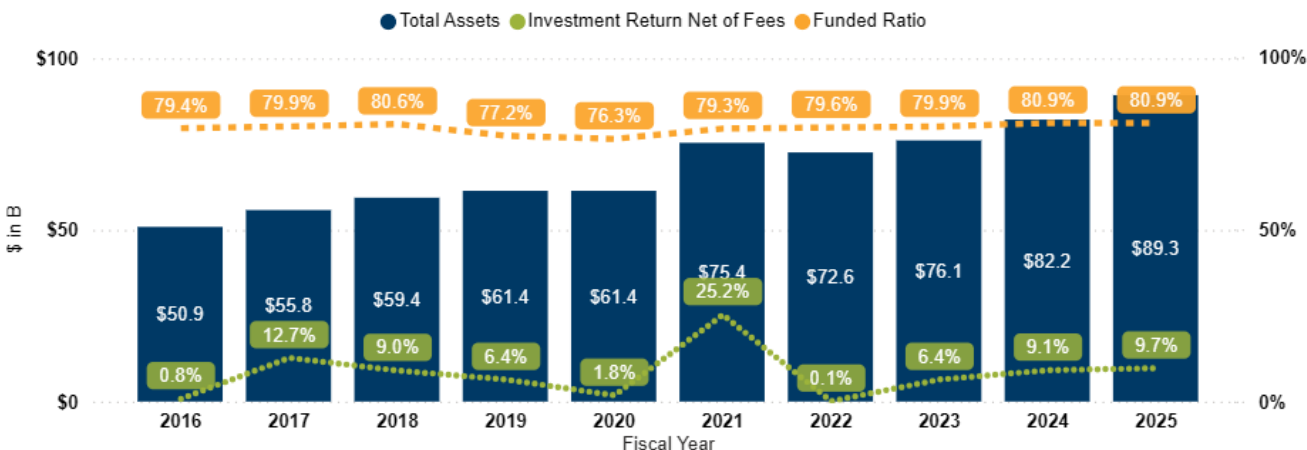
Information Technology Manager II (PMO)

Key Financial Information

Fiscal Year End June 30, 2025



FISCAL YEAR END FINANCIAL UPDATE



Funding Metrics

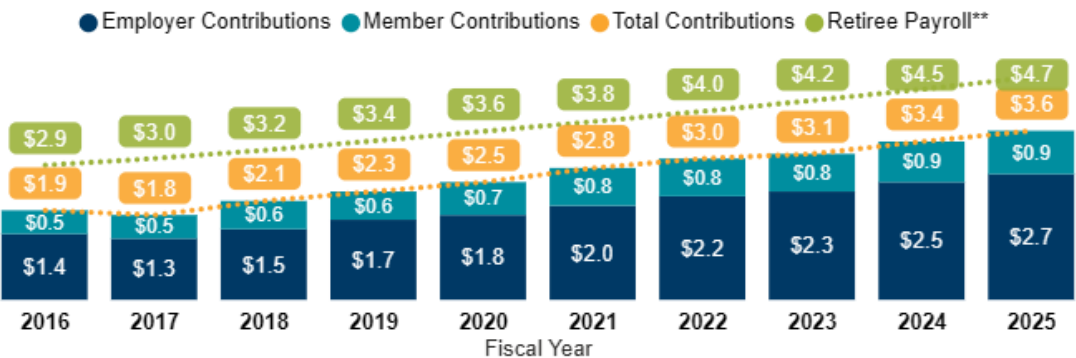
UAAL | 14.73%
Assumed Rate | 7.00%
Star Reserve | \$607.M
Total Net Assets | 86.2B

Annualized Investment Returns | Net of Fees

1-Year	3-Years	5-Years	10-Years
9.7%	8.4%	9.8%	7.9%

CONTRIBUTIONS AND RETIREE PAYROLL BY YEAR

(Dollars in Billions)



*Based on the latest actuarial valuation data available, as of June 30, 2024

**Retiree Payroll includes pension benefits and excludes retiree healthcare benefits.

Contributions

Employer Annual Contribution | \$2.7B

Employer % of Payroll | 25.61%

Member Annual Contribution | \$919.1M

Member % of Payroll | 8.46%

LACERA PENSION DOLLAR





CEO DASHBOARD

Service Metrics

Disability Retirement Snapshot

Reporting Period Month End | September 30, 2025



APPLICATIONS

Pending Applications
in Process
1,099

APPEALS

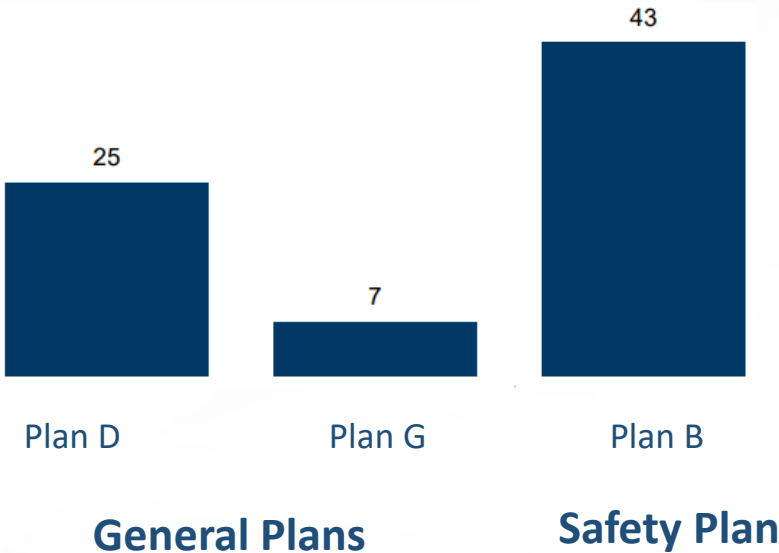
Pending Appeals
in Process
62

New Applications | 75
Applications Received Fiscal Year to Date (FYTD) | 230
Applications Presented to Board (Month) | 33
Applications Presented to Board (FYTD) | 134
New Appeals | 0
Appeals Received Fiscal Year to Date (FYTD) | 4

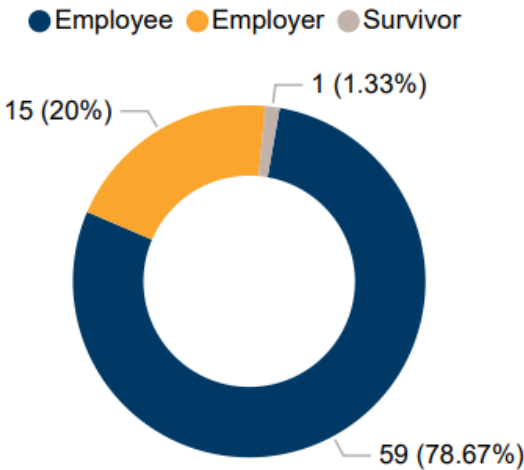
APPLICATIONS FILED BY TYPE

Service-Connected Disability (SCD) | 56
SCD Supplemental Allowance | 9
Pending Acceptance | 6
Nonservice-Connected Disability (NSCD) | 2
SCD Survivor Benefits | 1

APPLICATIONS FILED BY PLAN



APPLICATIONS FILED BY SOURCE



Disability Retirement | Application Processing Time



Reporting Period Month End | September 30, 2025

Total Cases on
November Agenda

74

Processed in 12
Months or Less

12%

Average Processing
in Months

16.84



TARGET
12 Months

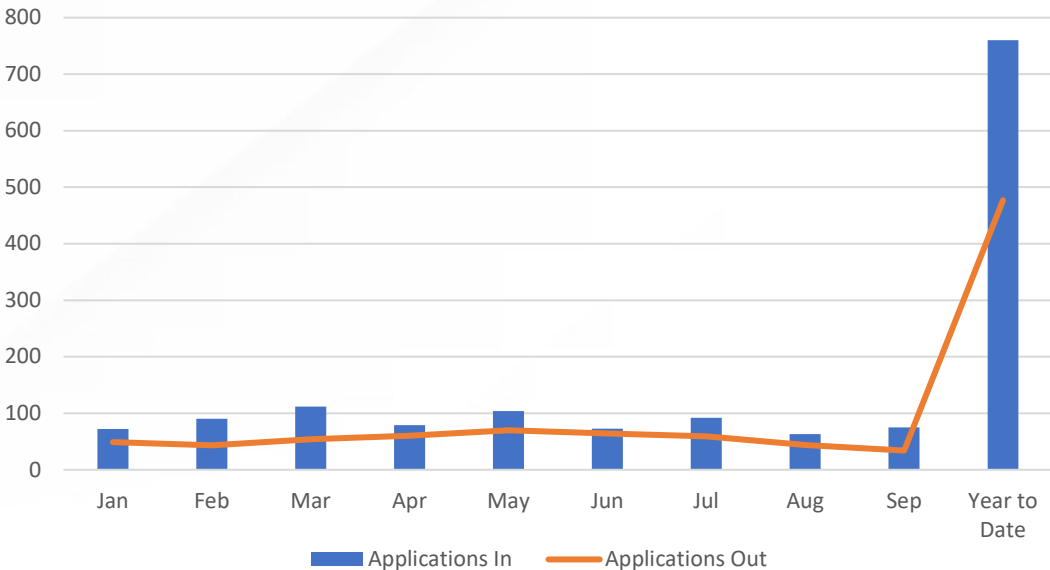
PENDING APPLICATIONS BY MILESTONE

Milestone	Applications	Percentage
Intake Review	58	5.36%
Records Request	238	21.98%
File Indexing	222	20.50%
Pending Interview	283	26.13%
Drafting Report	123	11.36%
Medical Review	115	10.62%
Post Medical Review	11	1.02%
Board Prep	22	2.03%
Final Case Review	10	0.92%
Board Submission	74	0.08%
Total	1,156	100%

As of October 22, 2025

APPLICATIONS IN VS. OUT

January to September 2025 - Year to Date



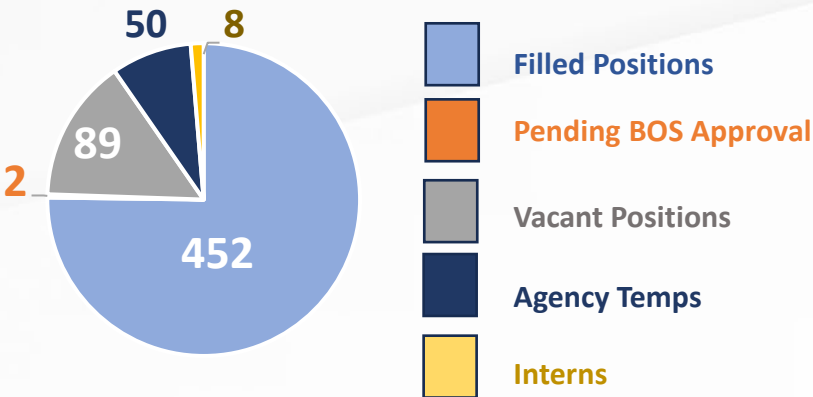
As of September 30, 2025

HUMAN RESOURCE - SNAPSHOT

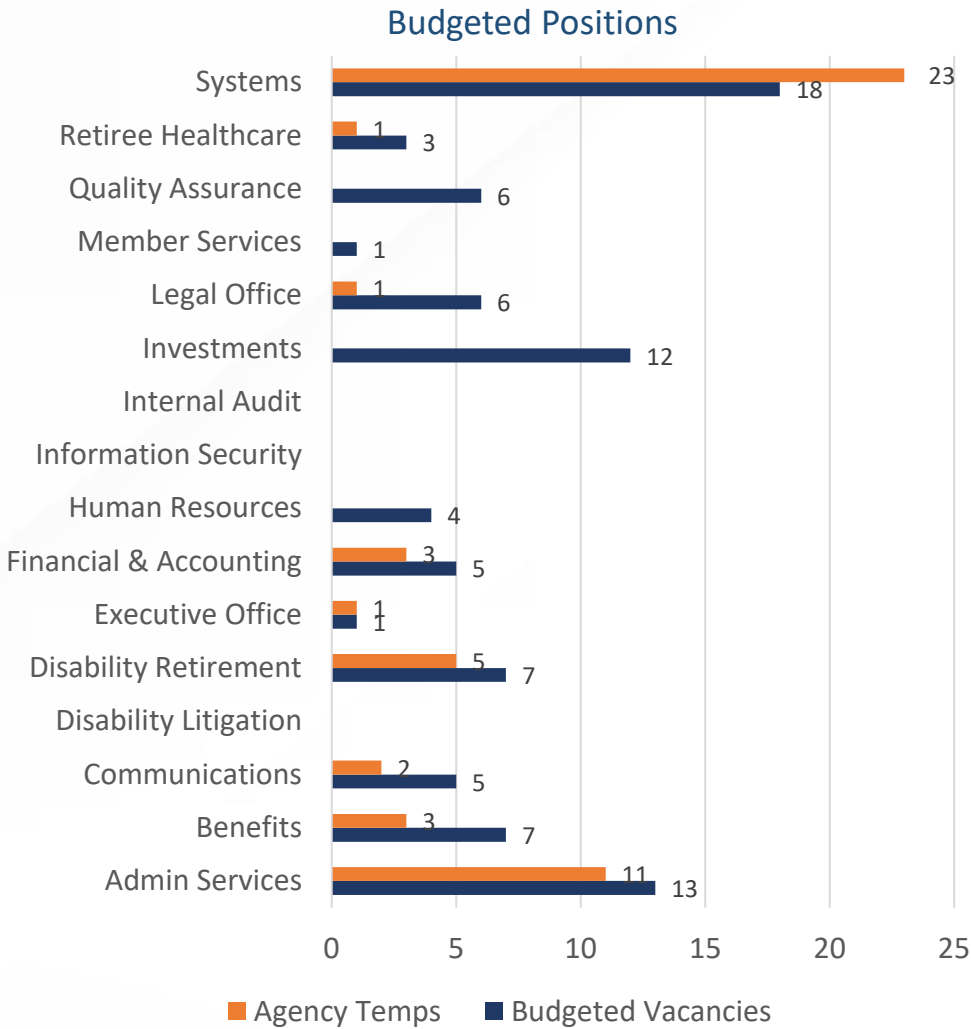
Reporting Period September 16, 2025 – October 15, 2025



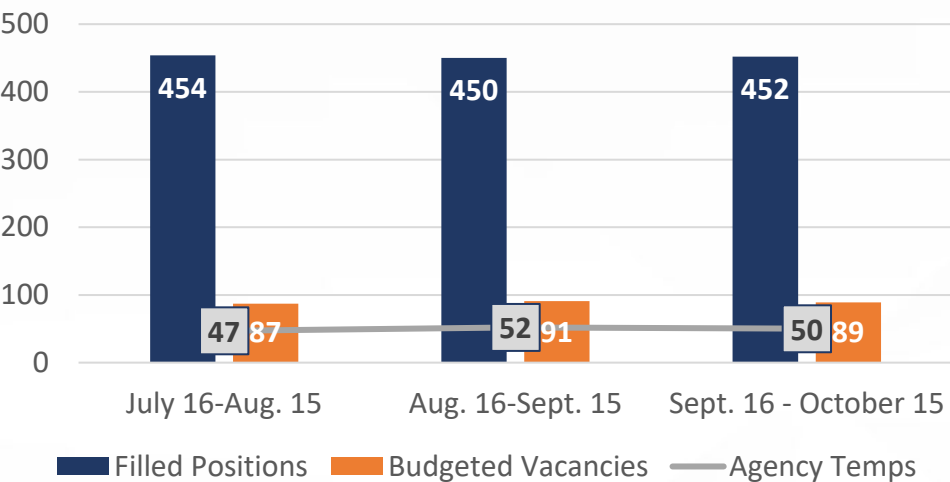
VACANCY RATE



VACANCIES BY DIVISION



MONTH TO MONTH PERFORMANCE



Membership Snapshot

*Reporting Period September 16, 2025 – October 15, 2025



MEMBERSHIP COUNT

	Active		Inactive		Service Retirement	Retired		Survivors	Total
	Active Vested	Active Non-Vested	Inactive Vested	Inactive Non-Vested		SCD-Disability Retirement	NSCD-Disability Retirement		
☐ General Plans	65,207	22,976	7,914	12,726	50,088	3,138	577	8,442	171,068
AG	33		8	30	10,317	768	124	4,056	15,336
BG	6		5	3	540	33	5	80	672
CG	6		4	7	339	35	4	69	464
DG	29,678	113	3,684	3,613	21,876	2,226	432	2,320	63,942
EG	10,931	4	2,182	326	16,523			1,875	31,841
GG	24,553	22,859	2,031	8,747	493	76	12	43	58,814
☐ Safety Plans	10,204	2,027	550	1,019	5,189	7,586	78	2,241	28,894
AS			1	2	1,639	2,157	23	1,720	5,542
BS	6,361	40	376	342	3,530	5,378	54	516	16,597
CS	3,843	1,987	173	675	20	51	1	5	6,755
Total	75,411	25,003	8,464	13,745	55,277	10,724	655	10,683	199,962

Membership Count vesting status excludes reciprocal service credit.

SEPTEMBER 2025 PAYROLL

New Retired Payees | 271
Monthly Payroll | \$409.47M
Payroll Fiscal Year to Date | \$1.23B
Monthly Payroll by Direct Deposit | 98.36%
Monthly Payroll by Check | 1.64%

MEMBER GROSS AVERAGE MONTHLY BENEFIT

General & Safety Plan Average

\$5,526

General Plans

\$4,486

Safety Plans

\$9,880

SURVIVOR GROSS AVERAGE MONTHLY BENEFIT

\$3,849

MONTHLY BENEFIT ALLOWANCE DISTRIBUTION

Members and Survivors

Gross Benefit Range	General Plans	Safety Plans	Total
\$0 to \$3,999	36,110	1,437	37,547
\$4,000 to \$7,999	17,745	4,505	22,250
\$8,000 to \$11,999	5,496	4,688	10,184
\$12,000 to \$15,999	1,611	3,168	4,779
\$16,000 to \$19,999	564	862	1,426
\$20,000 to \$23,999	193	252	445
\$24,000 to \$27,999	40	55	95
> \$28,000	30	17	47
Total	61,789	14,984	76,773

Excludes active deaths and replacement benefit plan benefits

Member Services (MS) Snapshot

Reporting Period Month End | September 30, 2025



EVENT/WEBINARS

Current Month | Year to Date

41 | 105

ATTENDANCE

Current Month | Year to Date

3,045 | 5,178

Webinar Satisfaction | 1-5 Scale

4.5

(39% Response Rate)

EMAIL
RHC Member



MS CENTER (MSC) APPOINTMENTS

Current Month | Fiscal Year to Date

1,150 | 2,419

MSC Satisfaction | % Scale

(25% Response Rate)

98%

September

In-Person | 567

Virtual | 503

Phone | 26

**Fiscal Year
Monthly Average**

In-Person | 575

Virtual | 562

Phone | 40



MS CALL CENTER

94% Answered | 6% Abandoned

9,102 | 561

Average Speed of Answer: 2 Min, 36 Sec.

Average Duration: 17 Min, 12 Sec.

Total Calls 9,663

CALL BACK QUEUE

99% Answered | 1% Abandoned

851 | 6

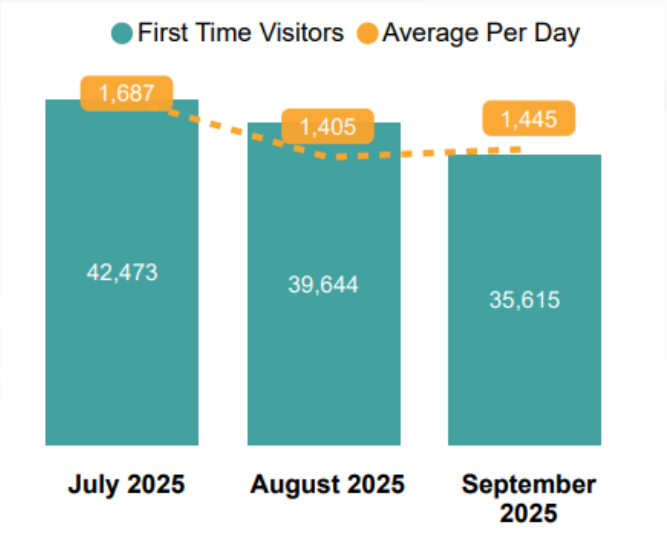
Average Speed of Answer: 6 Min, 55 Sec.

Average Duration: 12 Min, 3 Sec.

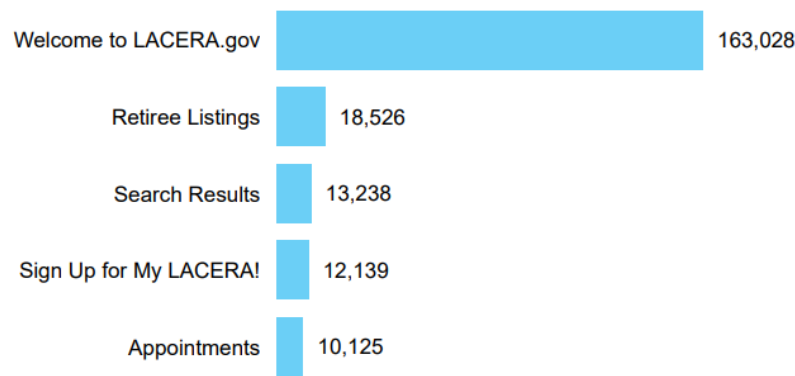
Total Calls 857



LACERA.GOV USER TRAFFIC



TOP FIVE LACERA.GOV PAGE VIEWS



Total Member Accounts

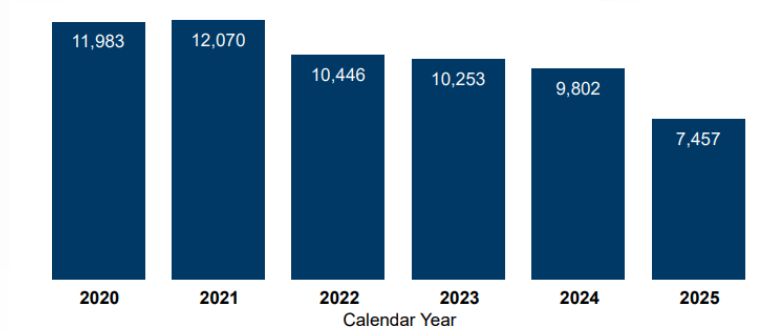
125,062

Percentage of Total Members

63%

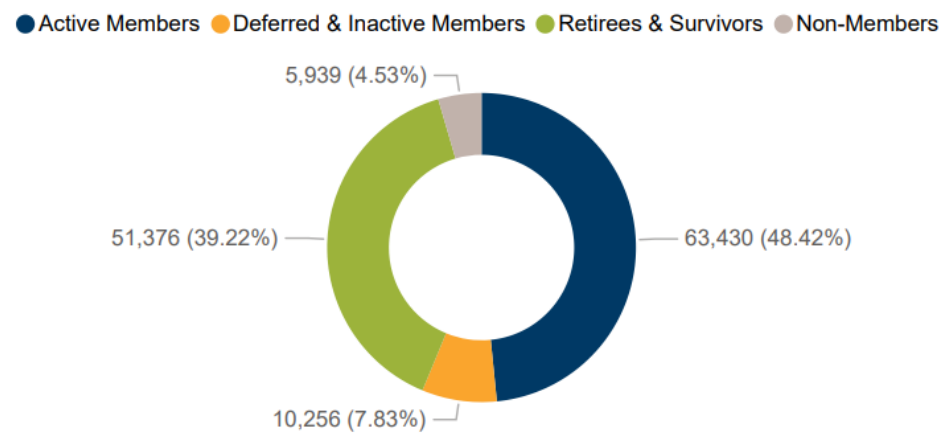
Excludes Non-Members

ANNUAL NEW MYLACERA ACCOUNTS



Data labels may not appear for all values

TOTAL ACCOUNTS BY MEMBER TYPE



*Data as of October 15, 2025
Non-Members include legal split payees and withdrawn members.

Retiree Healthcare (RHC)

Reporting Period Month End | September 30, 2025



EMAILS
healthcare@lacera.gov
314



SECURE MESSAGE
MyLACERA
1,041

SERVICE LEVEL
24 Business Hours

Retiree Healthcare Program Enrollments			
Benefit	Employer	Member	Enrollments
Medical	\$190.1	\$13.4	57,618
Dental	\$13.8	\$1.2	59,927
Part B	\$27.2	\$0.0	39,997
Long Term Care	-	-	56
Total	\$231.1	\$14.6	157,598



RHC CALL CENTER | MAIN QUEUE

96% Answered | 4% Abandoned
3,794 | 168

Total Calls **3,962**

Average Speed of Answer
2 Minutes, 57 Seconds

Average Duration
13 Minutes, 03 Seconds

RHC CALL CENTER | CALL BACK QUEUE

100% Answered | 0% Abandoned
226 | 1

Total Calls **227**

Average Speed of Answer
7 Minutes, 17 Seconds

Average Duration
9 Minutes, 06 Seconds

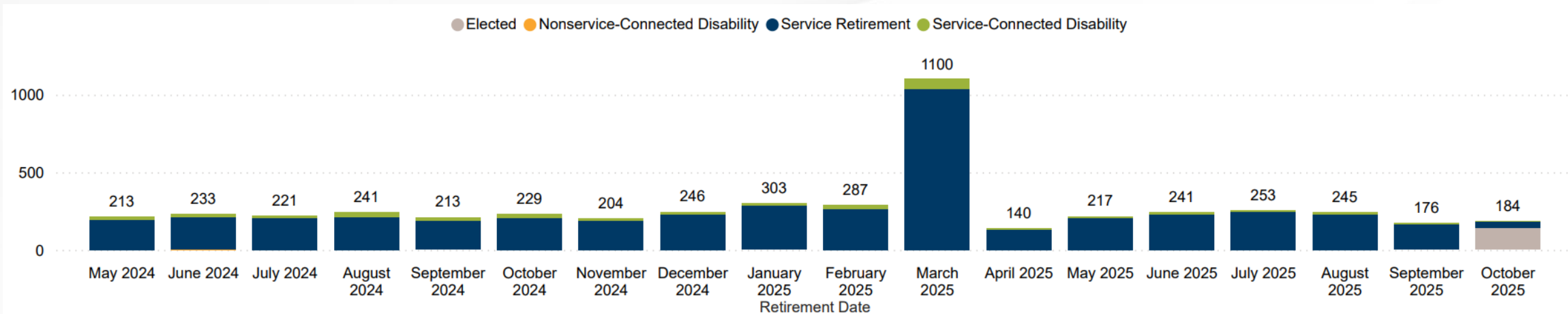
TOP CALL TOPICS | Medical/Dental Enrollments, Medicare Part B, General Benefit Inquiries

Retirements | Member Snapshot

Reporting Period September 16, 2025 – October 15, 2025



MONTHLY RETIREMENTS

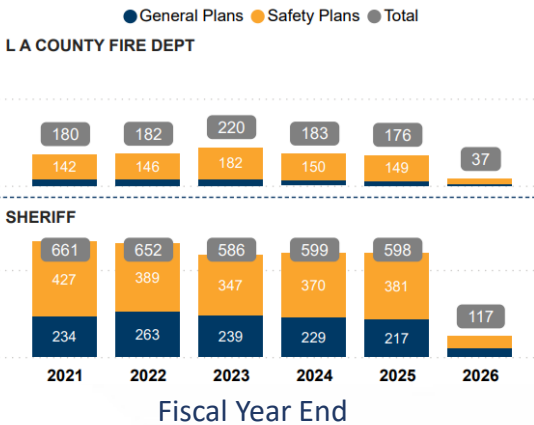


Elected retirements are members placed on the BOR Agenda, but not yet retired as of reporting date

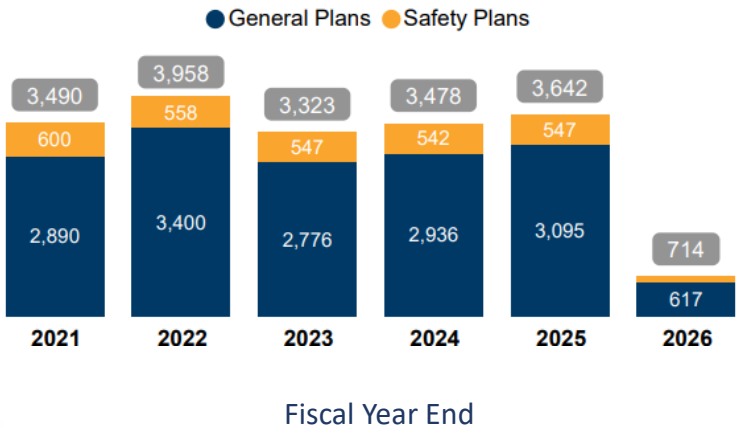
MONTHLY RETIREMENT TYPES

Retirement Type	October 2025
Elected	144
Service Retirement	39
Service-Connected Disability	1
Total	184

FIRE AND SHERIFF RETIREMENTS



TOTAL RETIREMENTS BY TYPE





APPENDIX

Additional Reports and Information



A quiet period is a period during which LACERA is prohibited from communicating with vendors about a specific procurement. This is typically done to avoid any conflicts of interest.

The quiet period typically begins when LACERA releases a solicitation (i.e., Request for Proposal – RFP, Request for Quote – RFQ, etc.) and ends when the contract is awarded. During this time, trustees and staff are not allowed to have any contact with vendors, including phone calls, emails, or in-person meetings.

There are a few exceptions to the quiet period rule. For example, trustees and staff may still communicate with vendors if they are:

- Responding to a question or clarification that was asked in writing to authorized staff pursuant to the solicitation.

- Participating in a pre-bid conference with authorized LACERA personnel that was scheduled before the quiet period began.

- Negotiating a contract after the award has been made.

- Conducting other existing business.

- Conducting Proof of Concept studies

If you are unsure whether or not you are allowed to communicate with a vendor during a quiet period, it is always best to err on the side of caution and avoid any contact or seek advice from the LACERA Legal Office.

Quiet List | Administrative/Operations



Solicitation Name	Issuing Division	Public Release Date	Solicitation Stage*	Bid Respondents*
Auditing and Consulting Services Pool	Internal Audit	2/13/2025	Contract Development	Armanino, Canaudit, Crowe, Eide Bailly, GoldSRD, Grant Thornton, HORNE, MGO CPA, Simpson & Simpson, Tap International Inc.
Economic Impact Analysis	Executive Office	08/08/25	RFP Issued	Beacon Economics LLC, Berkely Economic Advising and Research
eDiscovery	Legal/InfoSec	12/1/2023	Contract Development	GlobalRelay
Financial Auditor Search	Internal Audit	4/30/2025	Contract Development	CLA (Clifton, Larson, Allen), CPAs
Quality Assurance and Process Management Group Classification and Compensation Study	Human Resources	07/21/2025	Contract Development	CBIZ Benefits & Insurance Services, Inc., CPS HR Consulting, Gallagher Benefits Services, Inc., Segal Western States, Transformance Consulting
SAAS Provider: Drupal Hosting	Systems	08/11/2025	RFP Issued	AIM Technical Group LLC, Amazee.io, ATZ Solutions LLC, Datanetiix Solutions, Dynamics Federal Technologies, Exemplifai LLC, Pantheon Systems, Inc., Smashing Infolabs Private Limited

*Subject to Change

Quiet List | Investments



Solicitation Name	Issuing Division	Public Release Date	Solicitation Stage*	Bid Respondents*
Passive Cash Overlay Investment Manager Search	6/13/2025	Investments	Bid Review	Legal & General Asset Management, NISA Investment Advisors, Parametric Portfolio Associates, Russell Investments, State Street Investment Management
Real Assets Emerging Manager Program Discretionary Separate Account Manager	Investments	3/29/2023	Contract Development	Aether Investment Partners, Artemis Real Estate Partners, Barings, BGO Strategic Capital Partners, Belay Investment Group, BlackRock, Cambridge Associates, GCM Grosvenor, Hamilton Lane , Neuberger Berman Group, ORG Portfolio Management, Seed Partners, Stable Asset Management, StepStone, The Townsend Group, Wafra Inc.

*Subject to Change

Upcoming Conferences



Date	Conference Title
November 4-6	Institutional Limited Partners Association (ILPA) General Partner Summit New York, NY
November 9-12	IFEBP (International Foundation of Employment Benefit Plans) Annual Employee Benefits Conference Honolulu, HI
November 11-14	SACRS Fall Conference Huntington Beach, CA
December 7-11	Pacific Pension Institute (PPI) West Asia Study Mission to Abu Dhabi and Riyadh Abu Dhabi, United Arab Emirates (December 7-9) Riyadh, Kingdom of Saudi Arabia (December 10-11)
December 11	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual
January 20-22	IFEBP (International Foundation of Employment Benefit Plans) Health Benefits Conference & Expo Ponte Vedra Beach, FL
January 26-28	NCPERS (National Conference on Public Employee Retirement Systems) Legislative Conference and Policy Day Washington D.C
March 2-4	NCPERS (National Conference on Public Employee Retirement Systems) Communications & Member Services Summit (formerly Pension Communications Summit) Washington D.C.
March 8-11	CALAPRS (California Association of Public Retirement Systems) General Assembly 2026 Carlsbad, CA
March 9-11	Council of Institutional Investors (CII) Spring Conference Washington D.C.

Report of Felony Forfeiture Cases

As of October 17, 2025



#	Members Last Name	Members First Name	Dept.	Conviction Date	LACERA Notified	Initial Impact Notice Sent	Final Impact Notice Sent	Status*	Disability Status	Serv. Level
77	CADMAN	CHRISTOPHER M.	SHERIFF	7/14/2025	9/11/2025	N/A	N/A	DELAY – CD	N/A	N/A
76	RODRIGUEZ	DAVID A.	SHERIFF	7/14/2025	9/11/2025	N/A	N/A	DELAY – CD	N/A	N/A
75	MEISER	MICHAEL	SHERIFF	7/10/2025	8/1/2025	N/A	N/A	DELAY – CD	N/A	N/A
74	KAMACK	DANNIE T.	PROBATION	3/3/2025	4/22/2025	N/A	N/A	DELAY – CD	N/A	N/A
72	BENZA	JOSEPH M.	SHERIFF	12/17/2024	2/11/2025	N/A	N/A	DELAY – CD	PEND	N/A
71	SAAVEDRA	ERIC C.	SHERIFF	1/16/2025	2/6/2025	N/A	N/A	DELAY – CD	PEND	N/A
70	PINEDA	REMIN	SHERIFF	11/19/2024	1/10/2025	8/13/25	N/A	PEND	N/A	N/A
68	ESSEX	SEAN	SHERIFF	6/7/2024	7/22/2024	N/A	N/A	PEND	N/A	N/A
64	RIDLEY-THOMAS	MARK	BOS	3/31/2023	3/31/2023	10/23/2023	N/A	APPEAL	N/A	N/A

STATUS LEGEND:

APPEAL: Pending an appeal filed with LACERA

CLOSED: RET: Retired member, case is complete

CLOSED: DEF: Deferred member, case complete

CLOSED: INA: Inactive member – not eligible until age 70, case closed

DELAY- MI: Member input needed (i.e. pending a legal split decision)

DELAY- CD: Pending a court decision (reduction in charges pending conditions being met)

PEND: Case is currently in evaluation and notification stages

WITHDRAWN: Member withdrew prior to conviction – no impact

N/A: Not Available/Applicable

Public Records Requests

Reporting Period September 15, 2025 – October 14, 2025



Date Received	Requestor	Documents Requested
08-22-25	S. Koffroth, SEIU 721	Requester: All writings related to requests from any Entity from January 1, 2024, to present related to Union or Union-represented employees. Legal, on August 29, 2025, via email, requested clarification on required information. Legal, on September 4, 2025, via email, confirmed to Requester that call on September 4, 2025, was helpful re requested information. Legal will inform Requester a time estimate as to production of responsive documents. On September 17, Legal provided an update to the requestor via email with a response/production date of September 27, 2025. Legal, on September 26, 2025, invoked extension to search for, collect and review requested documents. LACERA will respond by October 3, 2025. Legal, on October 2, 2025, via email, informed Requester that LACERA completed a diligent search from January 1, 2024, to present. LACERA does not have records response the request. LACERA's search is concluded.
09-11-25	B. Campbell, with Intelligence	Request: Access to disclosable documents (promotional materials such as fund-specific presentation desk by manager during investment process) you may have received in relation to LACERA's investment in the below funds. Blue Sage Capital IV Cohere Capital Fund II Juggernaut Capital Partners IV Lightyear Fund VI Rockwood Equity Partners IV. Legal, on September 18, 2025, via email, informs Requester that LACERA needs an additional five (5) business days to search for and review for responsiveness. LACERA will provide a response and/or records by September 26, 2025. Legal, on September 26, 2025, informed Requester that while LACERA has pitchbooks for the alternative investments specified in your request, they are not disclosable under the PRA.
09-16-25	B. Campbell, with Intelligence	Request: Monthly performance data from your investment pools for all the absolute return/hedge funds in which you are currently invested for the month of July 2025. Transmitted 1 document. Legal, on September 24, 2025, sent via email, the responsive document listed below. FOIA Request - Hedge Funds July 2025.xlsx.
09-18-25	C. Siverson, Fire, LA County and 5 other Recipients	Monthly Response: Transmitted 1 document. Board Office, on September 18, 2025, via email, transmitted the responsive document listed below. Board of Retirement Meeting Benefit Approval List dated September 3, 2025.pdf.
09-22-25	E. Luz, Pionline	Request: Has LACERA recently made any commitment to D.E. Shaw's new Cogence Fund II. If so, confirm size of commitment and approval. Legal, on September 24, 2025, via email, informed Requester that LACERA has no records responsive to her request because LACERA has not made any commitments to D.E. Shaw's Cogence Fund. Link to LACERA website providing monthly written reports given in email.

Public Records Requests (Continued)

Reporting Period September 15, 2025 – October 14, 2025



Date Received	Requestor	Documents Requested
09-25-25	K.B. O'Brien, Individual	Request: Copies of recorded phone calls, emails, and a Zoom meeting conducted between Requester and LACERA representatives. Legal, on October 1, 2025, sent via email, the responsive comment stating due to the volume of records required, LACERA invokes the 14-day extension under § 6253(c)(1) and (2) to search for, collect, and review such documents. LACERA will therefore respond by or before October 20, 2025. Legal, on October 20, 2025, via email, informed Requester that Recorded telephone calls and Zoom meeting have been identified per request. Due to the size of files of telephone recordings and Zoom meeting a link to a SharePoint site will need to be created. LACERA expects the link to be live by October 21, 2025. Email information is working diligently to identify and review responsive to the request. Once completed, we will add responsive emails to the SharePoint site. Legal, on October 21, 2025, via email, informed Requester that Systems sent an invitation to access the LACERA SharePoint site to view and access the telephone and Zoom meeting recordings responsive to the request. A follow-up email will be sent providing invitation to required emails once available.
09-30-25	Alexander Gonzalez	Request: documents pertaining to my application for the Finance Analyst I, LACERA Fellowship (9-0767-A, Bul#25-05). Legal, on October 1, 2025, submitted the following comment to Requester. In receipt of latest request dated September 30, 2025. LACERA, unfortunately, did not receive your previous requests. LACERA is looking into the cause for not receiving them. In the meantime, rest assured that we have begun the process of reviewing and searching for responsive records. LACERA will follow up soon with an update and estimated date of delivery. Transmitted 7 documents. Legal, on October 10, 2025, via email transmitted 7 documents.
09-30-25	A. Lindstrom, Sierra Club	Request: 2025 proxy voting records for LACERA. Transmitted 1 document. Legal, on October 7, 2025, via email, transmitted to Requester the responsive document listed below. 251007_FOIA Request_LACERA.pdf.
10-01-25	H. Ahaiwe, HR, LA County and 1 other Recipient	Per monthly request: Transmitted 1 document. Board Office, on October 1, 2025, via email, transmitted the responsive document listed below. MonthlyAgenda.csv dated October 1, 2025.
10-01-25	Sheriffs Dept, LA County and 3 other Recipients	Per monthly request: Transmitted 2 documents. Board Office, October 1, 2025, via email, transmitted the 2 responsive documents listed below. Monthly Agenda Reports for Sheriff Department Listing and Fire Department listing, each dated October 1, 2025.
10-02-25	C. Siverson, Fire, LA County and 6 other Recipients	Monthly Response: Transmitted 1 document. Board Office, on October 2, 2025, via email, transmitted the responsive document listed below. Board of Retirement Meeting Benefit Approval List dated October 1, 2025.pdf.

Public Records Requests (Continued)

Reporting Period September 15, 2025 – October 14, 2025



Date Received	Requestor	Documents Requested
10-03-25 Public Records In-Box did not receive Request	A. Gonzalez	Request: Materials for application and assessment of hired applicants. Legal, on October 14, 2025, via email, informed Requester that materials requested are exempt from disclosure and LACERA will not provide them due to privacy protections.
10-06-25	B. Lanyadoo, Individual	Request: Electronic list of all individuals who have retired under your retirement system during the past 36 months. Transmitted 1 document. Legal, on October 15, 2025, via email, transmitted 1 responsive document listed below. PRA 20151015.xlsx.
10-13-25	J. Heard, PEI Group	Request: We are requesting quarterly cash-flow reports from Q2 2025 for private capital investments in private equity, real estate, natural resources, infrastructure, venture, and private debt funds. Transmitted 1 document. Legal, on October 20, 2025, via email, transmitted the responsive document listed below. FOIA Request – PEI Group – Private Markets Q2 2025.xlsx.
10-13-25	B. Campbell, with Intelligence	Request: Monthly performance data from your investment pools for all the absolute return/hedge funds in which you are currently invested for the time period of August 2025. Transmitted 1 document. Legal, on October 22, 2022, via email, transmitted the responsive document listed below. FOIA Request – With Intelligence – Hedge Funds Aug 2025.xlsx.



Thank You!



October 22, 2025

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Jessica C. Rivas, ^{JR}
Staff Counsel

FOR: November 5, 2025 Board of Retirement Meeting
November 12, 2025 Board of Investments Meeting

SUBJECT: Impact of SB 852 on LACERA Form 700 Filing Processes

On October 3, 2025, Governor Gavin Newsom signed Senate Bill 852, which in part, amends the Political Reform Act to require all public officials who manage public investments to file their forms electronically with the Fair Political Practices Commission. Staff will present on the impact this will have on LACERA Form 700 filers.

Reviewed and Approved:

Steven P. Rice
Chief Counsel

Attachment

cc:	Santos H. Kreimann	Jonathan Gabel	Luis A. Lugo	JJ Popowich
	Laura Guglielmo	Carly Ntoya	Richard Bendall	



SB 852 Impact on Form 700 Filing

Jessica Rivas
Legal Services

Background



Form 700 Statement of Economic Interests

- Method by which public officials disclose their financial interests
- Important tool for public officials to identify actual and potential conflicts of interests
- Public documents

Current Process

- All LACERA Trustees, staff, and certain contractors file with LACERA
- Filers use LACERA's e-filing system
- Forms are not posted online

New Change



AB 1170

- Adopted in 2024, went into effect January 1, 2025
- Required many public officials who previously filed with their own agency to e-file with the FPPC
- Did not affect LACERA

AB 852

- Adopted in 2025, goes into effect January 1, 2026
- ***Adds “public officials who manage public investments” to the list of public officials that must e-file with the FPPC***
- Does affect LACERA

Impact to LACERA Filers



Which Positions at LACERA “manage public investments?”

- Board of Investments Trustees
- Chief Executive Officer
- Chief Investment Officer
- Chief Counsel
- Principal Investment Officer
- LACERA’s independent contractors, consultants, and any of their employees who manage public investments pursuant to a contract with LACERA

Over 100 LACERA filers serve in these positions.

Impact to LACERA Filers



How will the process change for these filers?

- Filers will use FPPC's e-filing system
- FPPC will have responsibility for managing these filers, including sending notices, reviewing forms for completeness, issuing fines to late filers if necessary, etc.
- Forms may be posted on FPPC's website

What will stay the same?

- LACERA Legal Office will remain a resource for any questions from LACERA filers about the filing requirements and will assist filers and the FPPC with ensuring forms are timely-filed
- LACERA will obtain forms from FPPC as an aid in managing conflicts

Thank You!



Legal Services

Questions?

jrivas@lacera.com

FOR INFORMATION ONLY

October 10, 2025

TO: Trustees – Board of Investments

FROM: Scott Zdrazil 
Principal Investment Officer

Piers Hugh Smith 
Investment Officer

FOR: November 12, 2025, Board of Investments Meeting

SUBJECT: **Comment Letter Regarding European Commission Sustainability Reporting**

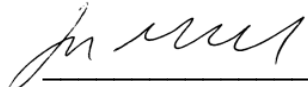
Please find attached a comment letter (**Attachment**) submitted by LACERA to the European Commission's technical advisor for corporate reporting, the European Financial Reporting Advisory Group (EFRAG). The letter has been submitted in adherence with the provisions of LACERA's Corporate Governance and Stewardship Principles (Principles), is being provided to Trustees for informational purposes, and is available on lacera.gov.

LACERA's Principles expect companies to provide timely, comparable, and reliable information about their performance, including disclosing financially relevant sustainability risks that may impact firm performance and value. Reporting material risks enables investors to assess those risks in portfolio construction and investment decisions, including proxy voting. LACERA has endorsed the reporting framework outlined by the International Sustainability Standards Board (ISSB), which focuses on financial materiality and industry-specific guidance. LACERA participates on the ISSB Investor Advisory Group to encourage companies and financial market regulators to use the ISSB framework so that reporting is comparable and cost-effective across global markets.

The European Commission is proposing revisions to rules slated to take effect in 2026 that will guide what European companies are required to disclose regarding sustainability matters. The attached letter responds to EFRAG's request for market feedback on specific proposed revisions. LACERA's letter supports the proposals' alignment with ISSB and suggests opportunities to strengthen consistency with ISSB's global framework.

Attachment

Noted and Reviewed:


Jonathan Grabel
Chief Investment Officer



22 September 2025

Monsieur Patrick de Cambourg, Chair
European Financial Reporting Advisory Group (EFRAG)
35 Square de Meeûs
1000 Brussels (Fifth Floor)
Belgium

via email at: efragsecretariat@efrag.org

RE: Consultation on the revised European Sustainability Reporting Standard (ESRS) Exposure Drafts

Dear Mr. de Cambourg:

The Los Angeles County Employees Retirement Association (LACERA) appreciates the opportunity to submit comments in response to the European Financial Reporting Advisory Group's (EFRAG) consultation on the revised ESRS exposure draft, as released in July 2025.¹ This letter is in furtherance of our letter of May 2, 2025, responding to EFRAG's initial request for market input in which we encouraged any prospective revisions to the ESRS to support material, timely, and comparable international reporting standards for sustainability factors. We welcome the opportunity to provide feedback on specific components of the ESRS revisions subsequently proposed in the July release.

We appreciate EFRAG publishing the prospective ESRS revisions for market feedback in the interest of facilitating a pragmatic and cohesive, investment-useful global framework for corporate sustainability reporting that is conducive to durable value creation for companies and investors alike.

About LACERA

LACERA is the largest county pension system in the United States, with approximately \$90 billion in plan assets, as of August 1, 2025. We hold investments in over 6,000 companies in more than 60 global financial markets. LACERA's mission is "to produce, protect, and provide the promised benefits" to about 200,000 beneficiaries who serve the most populous county in the United States. We encourage sound corporate governance practices at portfolio companies, clear corporate reporting, and prudent financial market policies that help facilitate economic growth and enhance our ability to fulfill our mission.

Investor Interest in Financially Relevant Disclosures of Sustainability Factors

Our comments are guided by the investment beliefs and principles outlined in LACERA's [Investment Policy Statement](#)² and [Corporate Governance and Stewardship Principles](#).³ We consider that financial markets work most efficiently when investors have **timely, reliable, and comparable information about material aspects of a firm's performance**, including how they manage business-relevant sustainability factors that may affect durable cash flow. Adequate information to identify and assess risks is critical to help evaluate material investment factors and therefore of paramount importance to fulfill our fiduciary duty.

¹ EFRAG. Press Release ESRS Shares Revised Exposure Draft. July 2025. Available at: <https://www.efrag.org/en/news-and-calendar/news/press-release-efrag-shares-revised-esrs-exposure-drafts-and-launches-60day-public-consultation>.

² LACERA. Investment Policy Statement. Revised June 2024. Available at: https://www.lacera.com/sites/default/files/assets/documents/board/Governing%20Documents/BOI%20Policies/invest_policy_stmt.pdf.

³ LACERA. Corporate Governance and Stewardship Principles. Revised 2023. Available at: <http://www.lacera.com/sites/default/files/assets/documents/board/Governing%20Documents/BOI%20Policies/CorpGovPrinciples.pdf>.

As referenced in our May 2025 letter, we believe the IFRS Foundation's International Sustainability Standards Board (ISSB Standards) provides a pragmatic and valuable reporting framework to guide global regulators, reporting companies, and investors to identify, measure, and assess financially relevant factors that are specific to 77 industries. We strongly encourage global regulators and companies to align their reporting requirements and practices with the ISSB Standards to reduce reporting burden and facilitate efficient disclosures across global markets and business operations.

We support any efforts by EFRAG to maximize the alignment of the proposed ESRS revisions with the ISSB Standards. The most effective strategy for EFRAG to achieve the goals of optimizing the cost-effectiveness, pragmatism, and market-usefulness of the ESRS would be to utilize the ISSB Standards as the basis of reporting obligations. Alignment with the ISSB Standards empowers reporting companies to maximize efficiency, comparability, and consistency with international financial markets.

In that spirit, we address below four items regarding the proposed ESRS revisions.

- 1. Impacts of Gross versus Net Materiality on Interoperability.** (*Consultation Question 12*). The proposed revisions deviate from the ISSB Standards in how they require companies to determine whether a sustainability factor could present a material risk. The proposed ESRS revisions call for companies to only assess prospective financial impact and do not call for companies to consider the financial requirements of any current risk mitigating efforts. The ISSB Standards, in contrast, require reporting entities to take into account the financial resources underlying any risk mitigating efforts that may reduce the financial impacts of certain sustainability risks. LACERA recognizes that the financial resources required to mitigate risks are part of a holistic view of the materiality of any risk. Guidance in any revised ESRS framework to consider mitigation in determining financial impact would enhance the congruence of the ESRS with other reporting standards in global markets, thereby facilitating interoperability for companies and investors. We respectfully submit that exclusion of any consideration of a companies' risk mitigation efforts in determining materiality may be counterproductive to EFRAG's stated objectives of simplifying the ESRS requirements, as the reporting standards—as proposed—would introduce a provision that is discordant with the ISSB Standards and any reporting regime in global markets that is aligned with the ISSB.⁴
- 2. Disclosure of Corporate Performance Against Targets.** (*Consultation Question 14*). The proposed revisions suggest removing any requirements for reporting companies to provide information regarding the governance and oversight of risk mitigation activities and underlying methodologies related to the energy transition and climate change. LACERA supports prudent oversight of risks, including risks presented by climate change, consistent with the framework laid out by the Taskforce on Climate-related Financial Disclosures in 2016. Information regarding how a company oversees the impact on its business strategy from climate change, such as any risk mitigation activities, enables investors to assess the effectiveness of such oversight and use this information to inform investment decisions, including evaluating whether to support directors charged with exercising oversight on behalf of investors in our proxy voting activities. The proposed omission of this information under the revised ESRS would reduce the overall usefulness and comparability of ESRS disclosures.
- 3. Disclosure of Quantitative Information on Financial Effects.** (*Consultation Question 19*). The proposal requests market feedback on whether companies should be required to provide quantitative or only qualitative information on the prospective financial impacts from climate change. We support aligning with ISSB Standards. Under the ISSB Standards, quantitative information is required subject to certain safeguards that enable reporting companies to include only reasonable and supportable information that is available within current skills, capabilities, and

⁴ EFRAG, Public Consultation on revised ESRS exposure draft. July 2025. Available at: https://www.efrag.org/sites/default/files/media/document/2025-08/Amended_ESRS_Exposure_Draft_July_2025_Public_Consultation_Survey_as_PDF-2.pdf.

resources, and allow for qualitative disclosures in limited circumstances. We encourage EFRAG to incorporate the safeguards to more fully align with ISSB Standards. Absent alignment with ISSB Standards, reporting companies would face increased reporting costs to make incremental efforts to provide quantitative information under the ISSB Standards.

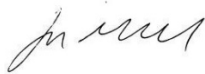
- 4. Disclosures Relating to Scenario Analysis.** (*Consultation Question Part 3*). Scenario analyses of a corporation's exposure to climate risks and potential threats to investment value can provide useful insights for investors to understand a company's approach to navigating business risks and opportunities. The proposed revisions remove requirements that companies disclose certain information about scenario analyses that are useful for investors to evaluate the appropriateness and comparability of scenarios and stress testing methodologies, such as the range of scenarios used and whether those scenarios are aligned with internationally recognized standards. The proposed omission would reduce the reliability of information as it would be harder to assess the credibility of the analysis. As an asset owner with fiduciary duties to the assets we steward, LACERA routinely conducts scenario analyses to evaluate the capital market assumptions that underlie our strategic asset allocation. The integrity of our process is reliant on clear disclosure of the methodologies deployed to inform our analysis. We believe a similar principle applies to entities reporting scenario analyses under the ESRS. We encourage EFRAG to ensure that the ESRS aligns with IFRS S22.2(b) regarding scenario analysis by requiring disclosure of underlying methodologies to promote reliable disclosures that would be consistent with the ESRS objectives.

###

We reiterate our belief that the prospective regulations' alignment with the ISSB Standards would support timely and comparable global reporting that is relevant to capital providers and conducive to sustainable growth in the European Union and all global markets.

Please contact the undersigned at jgrabel@lacera.gov if you would like to further discuss any of the above remarks.

Sincerely,



Jonathan Grabel
Chief Investment Officer

FOR INFORMATION ONLY

November 4, 2025

TO: Trustees,
Board of Investments

FROM: Christine Roseland 
Senior Staff Counsel

FOR: November 2025 Board of Investments Meeting

SUBJECT: **Legal Projects**

Attached is the monthly report on the status of investment related projects that are either Board directed or reported out pursuant to the Investment Policy Statement and handled by the Legal Division as of November 4, 2025.

Attachment

c: Santos H. Kreimann
Luis A. Lugo
Jonathan Grabel
Esmeralda Del Bosque
Vache Mahseredjian
Jude Perez
Jim Rice
Christopher Wagner
Scott Zdrazil
Steven Rice
Avi Herescu
Susan Wang
Lisa Garcia



LACERA Legal Division
Board of Investments Projects
Monthly Status Report - Pending as of November 4, 2025*



	Project/ Investment	Description	Amount	Board Approval Or Report Out Date	Completion Status	% Complete	Notes
PORTFOLIO ANALYTICS	State Street Bank and Trust Co.	Global Custody and Commercial Banking Services Agreement for LACERA's Pension Plan and OPEB Master Trust	\$72,000,000,000	August 10, 2022	In Progress	99%	Legal negotiations in process.
PRIVATE EQUITY	Advent International GPE XI SCSp	Subscription	\$400,000,000	October 8, 2025	Completed	100%	Completed.
REAL ESTATE	Bell Partners Residential Growth & Income Fund	Subscription	\$300,000,000	October 8, 2025	Completed	100%	Completed.

*= This list does not include Real Estate separate account transactions, consents and amendments and other investment related legal work that arise during the life of an investment unless it is a BOI approved item or is otherwise reported out.

FOR INFORMATION ONLY

October 27, 2025

TO: Each Trustee
Board of Retirement

FROM: Barry W. Lew 
Legislative Affairs Officer

FOR: November 5, 2025 Board of Retirement Meeting
November 12, 2025 Board of Investments Meeting

SUBJECT: **Monthly Status Report on Legislation**

Attached is the monthly report on the status of legislation that staff is monitoring. Bills on which LACERA has adopted a position are highlighted in yellow.

Reviewed and Approved:



Luis Lugo, Acting Chief Executive Officer

Attachments

LACERA Legislative Report Index
LACERA Legislative Report

cc: JJ Popowich
Laura Guglielmo
Steven P. Rice
Jon Grabel
Scott Zdrazil
Anthony Roda, Williams & Jensen
Naomi Padron, MKP Government Relations

CATEGORY	BILL	AUTHOR	TITLE	BOR POSITION	PAGE
BROWN_ACT	AB 259.....	Blanca E. Rubio (D).....	Open Meetings: Local Agencies: Teleconferences.....		2
BROWN_ACT	AB 409.....	Joaquin Arambula (D).....	Open Meetings: Teleconferences: Community College.....		6
BROWN_ACT	AB 467.....	Mike Fong (D).....	Open Meetings: Teleconferences: Neighborhood Councils.....		7
BROWN_ACT	SB 239.....	Jesse Arreguin (D).....	Open Meetings: Teleconferencing: Subsidiary Body.....		19
BROWN_ACT	SB 707.....	Maria Elena Durazo (D).....	Open Meetings: Meeting and Teleconference Requirements.....		23
PUBLIC_EMPLOYMENT	AB 288.....	Tina McKinnor (D).....	Employment: Labor Organization and Unfair Practices.....		3
PUBLIC_EMPLOYMENT	AB 339.....	Liz Ortega (D).....	Local Public Employee Organizations: Notice Requirement.....		4
PUBLIC_EMPLOYMENT	AB 340.....	Patrick Ahrens (D).....	Employer-Employee Relations: Confidential Communication.....		5
PUBLIC_EMPLOYMENT	AB 889.....	Heather Hadwick (R).....	Prevailing Wage: Per Diem Wages.....		10
PUBLIC_INVESTMENT	AB 1439.....	Robert Garcia (D).....	Public Retirement Systems: Development Projects: Labor.....		15
PUBLIC_RECORDS_ACT	AB 810.....	Jacqui Irwin (D).....	Local Government: Internet Websites and Email Addresses.....		9
PUBLIC_RETIREMENT	AB 1054.....	Mike A. Gipson (D).....	Public Employees Retirement: Deferred Retirement Option.....		11
PUBLIC_RETIREMENT	AB 1067.....	Sharon Quirk-Silva (D).....	Public Employees Retirement: Felony Convictions.....		12
PUBLIC_RETIREMENT	AB 1323.....	Phillip Chen (R).....	County Employees Retirement: Administration.....		13
PUBLIC_RETIREMENT	AB 1383.....	Tina McKinnor (D).....	Public Employees Retirement Benefits.....	Watch	14
PUBLIC_RETIREMENT	AB 1451.....	Al Muratsuchi (D).....	State Teachers' Retirement System.....		16
PUBLIC_RETIREMENT	AB 26.....	Carl DeMaio (R).....	Eliminate the Politicians Perks Act of 2025.....		1
PUBLIC_RETIREMENT	AB 569.....	Catherine Stefani (D).....	California Public Employees' Pension Reform Act of 2013.....		8
PUBLIC_RETIREMENT	ACA 2.....	Corey Jackson (D).....	Legislature: Retirement.....		17
PUBLIC_RETIREMENT	SB 301.....	Timothy S. Grayson (D).....	County Employees Retirement Law of 1937: Employees.....		20
PUBLIC_RETIREMENT	SB 443.....	Susan Rubio (D).....	Retirement: Joint Powers Authorities.....		21
PUBLIC_RETIREMENT	SB 538.....	Megan Dahle (R).....	Public Employees' Retirement System: Teaching.....		22
PUBLIC_RETIREMENT	SB 853.....	Labor, Public Employment and Retirement.....	Public Employees' Retirement.....	Support	24
SOCIAL_SECURITY	S 1504.....	Bill Cassidy (R).....	Social Security Administration.....		25
SOCIAL_SECURITY	S 1505.....	Bill Cassidy (R).....	Social Security Beneficiaries.....		26
WORKERS_COMPENSATION	SB 8.....	Angelique Ashby (D).....	Peace Officers: Injury or Illness: Leaves of Absence.....		18

State Net® Search Results

Term:

No term applied.

Tracking

Include tracked measures only

1.

California Assembly Bill 26 (2025-2026)

CAA 26 | [Carl DeMaio \(R-075\)](#) | Pending - Carryover | Fiscal Committee (No) | Urgency Clause (No) | ASSEMBLY

Eliminate the Politicians Perks Act of 2025

States the intent of the Legislature to enact legislation that holds elected officials accountable by prohibiting Members of the Legislature from accepting gifts or trading in individual stock, imposing a lifetime lobbying ban, eliminating exemptions for the Legislature from labor, workplace, and public record laws, and eliminating government pensions for local elected officials.

Code:

An act relating to the Political Reform Act of 1974.

Status:

Dec 2, 2024: INTRODUCED.



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

2.

California Assembly Bill 259 (2025-2026)

CAA 259 | [Blanca E. Rubio \(D-048\)](#) | Pending - Carryover | Fiscal Committee (No) | Urgency Clause (No) |
Senate Local Government Committee

Open Meetings: Local Agencies: Teleconferences

Provides that existing law, until the specified date, authorizes the legislative body of a local agency to use alternative teleconferencing under certain conditions. Extends the alternative teleconferencing procedures until the specified date.

Code:

An act to amend and repeal Sections 54953 and 54954.2 of the Government Code, relating to local government.

Status:

May 14, 2025: To SENATE Committees on LOCAL GOVERNMENT and JUDICIARY.

[+ Show full status history](#)



BROWN_ACT

| No tags, commentary, or attachment applied

3.

California Assembly Bill 288 (2025-2026)

CAA 288 | [Tina McKinnor \(D-061\)](#) | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2026

Employment: Labor Organization and Unfair Practices

Expands the Public Employment Relations Board's jurisdiction. Authorizes a worker to petition PERB to enforce rights under certain circumstances, including if the worker is in a position subject to the National Labor Relations Act but the National Labor Relations Board has ceded jurisdiction. Authorizes PERB to decide unfair labor practice cases and order civil penalties. Establishes the Public Employment Relations Board Enforcement Fund. Specifies the jurisdiction of the Agricultural Labor Relations Board.

Code:

An act to amend Sections 1141 and 1148 of, and to add Sections 923.1 and 1140.6 to, the Labor Code, relating to employment.

[Approved by Governor September 30, 2025. Filed with Secretary of State September 30, 2025.]

Status:

Sep 30, 2025: Chaptered by Secretary of State. Chapter No. 2025-139

Sep 30, 2025: Signed by GOVERNOR.

[+ Show full status history](#)



PUBLIC_EMPLOYMENT

| No tags, commentary, or attachment applied

4.

California Assembly Bill 339 (2025-2026)

CAA 339 | [Liz Ortega \(D-020\)](#) | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2026

Local Public Employee Organizations: Notice Requirement

Relates to collective bargaining. Provides that existing law requires the governing body of a public agency, and boards and commissions designated by law or by the governing body, to give reasonable written notice, except in cases of emergency, as specified, to each recognized employee organization affected of any ordinance, rule, resolution, or regulation directly relating to matters within the scope of representation proposed to be adopted by the governing body or the designated boards and commissions.

Code:

An act to add Section 3504.1 to the Government Code, relating to public employment.

[Approved by Governor October 13, 2025. Filed with Secretary of State October 13, 2025.]

Status:

Oct 13, 2025: Chaptered by Secretary of State. Chapter No. 2025-687

Oct 13, 2025: Signed by GOVERNOR.

[+ Show full status history](#)



PUBLIC_EMPLOYMENT

| No tags, commentary, or attachment applied

5.

California Assembly Bill 340 (2025-2026)

CAA 340 | [Patrick Ahrens \(D-026\)](#) | Pending - Carryover | Fiscal Committee (Yes) | Urgency Clause (No) | Senate Appropriations Committee

Employer-Employee Relations: Confidential Communication

Prohibits a public employer from compelling a public employee, a representative of a recognized employee organization, or an exclusive representative to disclose confidential communications to a third party. Provides that this would not apply to a criminal investigation or when a public safety officer is under investigation and certain circumstances exist.

Code:

An act to ~~amend Sections 3506.5, 3519, 3543.5, and 3571 of the Government Code, and to amend Section 28858 of the Public Utilities~~ add Section 3558.9 to the Government Code, relating to employer-employee relations.

Status:

Aug 29, 2025: In SENATE Committee on APPROPRIATIONS: Held in committee.
[+ Show full status history](#)



PUBLIC_EMPLOYMENT

| No tags, commentary, or attachment applied

6.

California Assembly Bill 409 (2025-2026)

CAA 409 | [Joaquin Arambula \(D-031\)](#) | Pending - Carryover | Fiscal Committee (No) | Urgency Clause (No)
| Senate Local Government Committee

Open Meetings: Teleconferences: Community College

Provides that existing law authorizes a California community college student body association or student-run community college organization to use alternate teleconferencing provisions if, among other things, at least a quorum of the members of the body participate from a singular physical location that is accessible to the public. Exempts from the quorum, physical location, and accommodation requirements the California Online Community College.

Code:

An act to amend Section 54953.9 of the Government Code, relating to open meetings.

Status:

June 23, 2025: In SENATE. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.

June 23, 2025: From SENATE Committee on LOCAL GOVERNMENT with author's amendments.

[+ Show full status history](#)



BROWN_ACT

| No tags, commentary, or attachment applied

7.

California Assembly Bill 467 (2025-2026)

CAA 467 | [Mike Fong \(D-049\)](#) | Pending - Carryover | Fiscal Committee (No) | Urgency Clause (No) | Senate Local Government Committee

Open Meetings: Teleconferences: Neighborhood Councils

Provides that existing law authorizes specified neighborhood city councils to use alternate teleconferencing provisions related to notice, agenda, and public participation if, among other requirements, the city council has adopted an authorizing resolution and 2/3 of the neighborhood city council votes to use alternate teleconference provisions. Extends the authorization for specified neighborhood city councils to use the alternate teleconferencing provisions until the specified date.

Code:

An act to amend Section 54953.8 of the Government Code, relating to local government.

Status:

May 14, 2025: To SENATE Committees on LOCAL GOVERNMENT and JUDICIARY.

[+ Show full status history](#)



BROWN_ACT

| No tags, commentary, or attachment applied

8.

California Assembly Bill 569 (2025-2026)

CAA 569 | [Catherine Stefani \(D-019\)](#) | Pending - Carryover | Fiscal Committee (No) | Urgency Clause (No)
| Assembly Appropriations Committee

California Public Employees' Pension Reform Act of 2013

Relates to the California Public Employees' Pension Reform Act of 2013. Authorizes a public employer to bargain over contributions for supplemental retirement benefits administered by, or on behalf of, an exclusive bargaining representative of one or more of the public employer's bargaining units, subject to certain limitations.

Code:

An act to amend Section 7522.18 of the Government Code, relating to retirement benefits.

Status:

May 23, 2025: In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.
[+ Show full status history](#)



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

9.

California Assembly Bill 810 (2025-2026)

CAA 810 | [Jacqui Irwin \(D-042\)](#) | Pending - Carryover | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Appropriations Committee

Local Government: Internet Websites and Email Addresses

Provides that existing law requires that a local agency that maintains public email addresses to ensure that each email address provided to its employees uses a .gov domain name or a .ca.gov domain name. Requires a city, county, or city and county to comply with specified domain requirements. Requires a special district, joint powers authority, or other political subdivision to comply with similar domain requirements no later than the specified date.

Code:

An act to amend Section 50034 of the Government Code, relating to local government.

Status:

May 23, 2025: In ASSEMBLY Committee on APPROPRIATIONS. Held in committee and made a Two-year bill.

[+ Show full status history](#)



PUBLIC_RECORDS_ACT

| No tags, commentary, or attachment applied

10.

California Assembly Bill 889 (2025-2026)

CAA 889 | [Heather Hadwick \(R-001\)](#) | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2026

Prevailing Wage: Per Diem Wages

Authorizes an employer to take full credit for the hourly amounts contributed to defined contribution pension plans that provide for both immediate participation and essentially immediate vesting even if the employer contributes at a lower rate or does not make contributions to private construction. Requires the employer to prove that the credit for employer payments was calculated properly.

Code:

An act to amend Section 1773.1 of the Labor Code, relating to prevailing wage.

[Approved by Governor October 11, 2025. Filed with Secretary of State October 11, 2025.]

Status:

Oct 11, 2025: Chaptered by Secretary of State. Chapter No. 2025-626

Oct 11, 2025: Signed by GOVERNOR.

[+ Show full status history](#)



PUBLIC_EMPLOYMENT

No tags, commentary, or attachment applied

11.

California Assembly Bill 1054 (2025-2026)

CAA 1054 | [Mike A. Gipson \(D-065\)](#) | Pending - Carryover | Fiscal Committee (Yes) | Urgency Clause (No)
| Assembly Public Employment and Retirement...

Public Employees Retirement: Deferred Retirement Option

Establishes the Deferred Retirement Option Program as a voluntary program within the Public Employees Retirement System for employees of State Bargaining Units 5 (Highway Patrol) and 8 (Firefighters). Requires these State bargaining units to bargain with the Department of Human Resources to implement the program. Requires the program to result in a cost savings or be cost neutral. Requires the department to work with the Board of PERS to develop the program.

Code:

An act to ~~amend Section 20000 of~~ add Chapter 20 (commencing with Section 21717) to Part 3 of Division 5 of Title 2 of the Government Code, relating to retirement.

Status:

- Mar 24, 2025:** In ASSEMBLY. Read second time and amended. Re-referred to Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
- Mar 24, 2025:** From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT With author's amendments.
- Mar 24, 2025:** To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
- [+ Show full status history](#)



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

12.

California Assembly Bill 1067 (2025-2026)

CAA 1067 | Sharon Quirk-Silva (D-067) | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2026

Public Employees Retirement: Felony Convictions

Relates to the California Public Employees' Pension Reform Act of 2013. Requires a public employer, if an investigation indicates that a public employee may have committed a crime, to refer the matter to the appropriate law enforcement agency. Authorizes the public employer to close the investigation. Provides that if the public employee is convicted of a felony for certain conduct, the public employee would forfeit all accrued rights and benefits in any public retirement system.

Code:
An act to add Section 7522.76 to the Government Code, relating to public employees' retirement.
[Approved by Governor October 06, 2025. Filed with Secretary of State October 06, 2025.]

Status:
Oct 6, 2025: Chaptered by Secretary of State. Chapter No. 2025-388
Oct 6, 2025: Signed by GOVERNOR.
[+ Show full status history](#)

 PUBLIC_RETIREMENT
| No tags, commentary, or attachment applied

13.

California Assembly Bill 1323 (2025-2026)

CAA 1323 | [Phillip Chen \(R-059\)](#) | Pending - Carryover | Fiscal Committee (No) | Urgency Clause (No) | Assembly Public Employment and Retirement...

County Employees Retirement: Administration

Provides that the County Employees Retirement Law authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to county, city, and district employees and their beneficiaries. Provides that existing law sets forth the membership composition for boards of retirement and boards of investment. Authorizes the compensation rate to be increased by the board of retirement, for members in Orange County only, to not more than a specified amount per meeting.

Code:

An act to amend Section 31521 of the Government Code, relating to public employees' retirement.

Status:

- Mar 24, 2025:** In ASSEMBLY. Read second time and amended. Re-referred to Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
- Mar 24, 2025:** From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT With author's amendments.
- Mar 24, 2025:** To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
- [+ Show full status history](#)



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

14.

California Assembly Bill 1383 (2025-2026)

CAA 1383 | Tina McKinnor (D-061) | Pending - Carryover | Fiscal Committee (Yes) | Urgency Clause (No)
| Assembly Appropriations Committee

Public Employees Retirement Benefits

Provides that the State Public Employees' Pension Reform Act requires each retirement system that offers a defined benefit plan for safety members of the Public Employees' Retirement System to use certain formulas for safety members. Establishes new retirement formulas. Authorizes a public employer and a recognized employee organization to negotiate a prospective increase to the retirement benefit formulas for members and new members, consistent with the formulas permitted under the act. Appropriates funds.

Code:

An act to amend ~~Section 7522.10 of~~ Sections 7522.10, 7522.25, and 7522.30 of, and to add Sections 7522.19 and 7522.26 to, the Government Code, relating to public employees' retirement, and making an appropriation therefor.

Status:

May 25, 2025: In ASSEMBLY. Coauthors revised.
[+ Show full status history](#)

 PUBLIC_RETIREMENT

Tags:

- Staff_Recommendation: Neutral
- IBLC_Recommendation: Watch
- BOR_Position: Watch

Commentary:

Comment:
Jul 1, 2025 - 10:46 A.M. (PDT)

Bill was held in the Appropriations Committee and will not move for the rest of 2025. Bill will be reconsidered in the 2026 legislative year.

15.

California Assembly Bill 1439 (2025-2026)

CAA 1439 | [Robert Garcia \(D-050\)](#) | Pending - Carryover | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Public Employment and Retirement...

Public Retirement Systems: Development Projects: Labor

Prohibits the board of a public pension or retirement system from making any additional or new investments of public employee pension or retirement funds in development projects in the State or providing financing for those projects with public employee pension or retirement funds unless those projects include labor standards protections.

Code:

An act to ~~amend Section 70397 of the Government Code, relating to courts.~~ add Section 7513.77 to the Government Code, relating to public retirement systems.

Status:

- Mar 24, 2025:** In ASSEMBLY. Read second time and amended. Re-referred to Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
- Mar 24, 2025:** From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT With author's amendments.
- Mar 24, 2025:** To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
- [+ Show full status history](#)

PUBLIC_INVESTMENT

Commentary:

Comment:

Apr 25, 2025 - 2:03 P.M. (PDT)

The bill has been pulled from further consideration for 2025 and will be revisited in 2026.

16.

California Assembly Bill 1451 (2025-2026)

CAA 1451 | [Al Muratsuchi \(D-066\)](#) | Pending - Carryover | Fiscal Committee (No) | Urgency Clause (No) | ASSEMBLY

State Teachers' Retirement System

Makes a nonsubstantive change to the provision naming the Teachers' Retirement Law.

Code:

An act to amend Section 22000 of the Education Code, relating to teachers' retirement.

Status:

Feb 21, 2025: INTRODUCED.



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

17.

California Assembly Constitutional Amendment 2 (2025-2026)

CA ACA 2 | [Corey Jackson \(D-060\)](#) | Pending - Carryover | Fiscal Committee (Yes) | Urgency Clause (No) | ASSEMBLY

Legislature: Retirement

Creates the Legislative Diversification Act, to repeal a prohibition of members of the Legislature accruing any pension or retirement benefit as specified and instead require the Legislature to establish a retirement system for members elected to or serving in the Legislature on specified date.

Code:

A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by repealing and adding Section 4.5 of Article IV thereof, relating to the Legislature.

Status:

Dec 2, 2024: INTRODUCED.



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

18.

California Senate Bill 8 (2025-2026)

CAS 8 | [Angelique Ashby \(D-008\)](#) | Enacted | Fiscal Committee (No) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2026

Peace Officers: Injury or Illness: Leaves of Absence

Provides that existing law entitles local law enforcement, probation officers and firefighters to a leave of absence while disabled by injury or illness arising out of their duties. Provides that existing law provides that such leave is in lieu of temporary disability payments or maintenance allowance payments otherwise payable under the workers compensation system. Entitles specified peace officers who are employed on a regular, full time basis by a county of the eighth class to this leave.

Code:

An act to amend Section 4850 of the Labor Code, relating to public employment.

[Approved by Governor October 13, 2025. Filed with Secretary of State October 13, 2025.]

Status:

Oct 13, 2025: Chaptered by Secretary of State. Chapter No. 2025-733

Oct 13, 2025: Signed by GOVERNOR.

[+ Show full status history](#)



WORKERS_COMPENSATION

| No tags, commentary, or attachment applied

19.

California Senate Bill 239 (2025-2026)

CAS 239 | [Jesse Arreguin \(D-007\)](#) | Pending - Carryover | Fiscal Committee (No) | Urgency Clause (No) | Senate Inactive File

Open Meetings: Teleconferencing: Subsidiary Body

Provides that the Ralph M. Brown Act requires that all meetings of a legislative body be open and public and that all persons be permitted to attend and participate. Authorizes a subsidiary body to use alternative teleconferencing provisions and imposes requirements for notice, agenda, and public participation. Requires the subsidiary body to post the agenda at each physical meeting location designated by the subsidiary body.

Code:

An act to add and repeal Section 54953.05 of the Government Code, relating to local government.

Status:

June 3, 2025: In SENATE. From third reading. To Inactive File.

[+ Show full status history](#)

Hearing Dates:

01/05/2026 Senate Inactive File - # A-1



BROWN_ACT

| No tags, commentary, or attachment applied

20.

California Senate Bill 301 (2025-2026)

CAS 301 | [Timothy S. Grayson \(D-009\)](#) | Enacted | Fiscal Committee (No) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2026

County Employees Retirement Law of 1937: Employees

Prohibits a county or district whose officers and employees are enrolled as members of a retirement system under the County Employees Retirement Law of 1937 from excluding from membership in the system any employee, group, or classification, other than excludable officers and employees.

Code:

An act to add Section 31566 to the Government Code, relating to retirement.

[Approved by Governor October 13, 2025. Filed with Secretary of State October 13, 2025.]

Status:

Oct 13, 2025: Chaptered by Secretary of State. Chapter No. 2025-749

Oct 13, 2025: Signed by GOVERNOR.

[+ Show full status history](#)



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

21.

California Senate Bill 443 (2025-2026)

CAS 443 | [Susan Rubio \(D-022\)](#) | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2026

Retirement: Joint Powers Authorities

Authorizes the Pajaro Regional Flood Management Agency, a joint powers authority, to provide a defined benefit plan or formula to an employee of a member agency of the joint powers authority, or of another public agency who is not a new member and who is subsequently employed by the joint powers authority, within a specified number of days of the effective date of the retirement plan contract amendment.

Code:

An act to amend Sections 7522.02 and 7522.05 of the Government Code, relating to retirement.

[Approved by Governor October 13, 2025. Filed with Secretary of State October 13, 2025.]

Status:

Oct 13, 2025: Chaptered by Secretary of State. Chapter No. 2025-756

Oct 13, 2025: Signed by GOVERNOR.

[+ Show full status history](#)



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

22.

California Senate Bill 538 (2025-2026)

CAS 538 | [Megan Dahle \(R-001\)](#) | Pending - Carryover | Fiscal Committee (Yes) | Urgency Clause (No) | Senate Labor, Public Employment and Retirement...

Public Employees' Retirement System: Teaching

Authorizes member providing services as a substitute teacher, as defined, under certain circumstances to elect to retain coverage under the Public Employees' Retirement System.

Code:

An act to amend Section 20309 of the Government Code, relating to public employee's retirement.

Status:

Mar 5, 2025: To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.
[+ Show full status history](#)



PUBLIC_RETIREMENT

| No tags, commentary, or attachment applied

23.

California Senate Bill 707 (2025-2026)

CAS 707 | [Maria Elena Durazo \(D-026\)](#) | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2026

Open Meetings: Meeting and Teleconference Requirements

Requires an eligible legislative body, on or before a specified date, to approve at a noticed public meeting in open session a policy regarding disruption of telephonic or internet services occurring during meetings subject to these provisions, and would require the eligible legislative body to comply with certain requirements relating to disruption, including for certain disruptions, recessing the open session for at least one hour and making a good faith attempt to restore the service.

Code:

An act to amend Sections 54952.7, 54953, 54953.5, 54953.7, 54954.2, 54954.3, 54956, 54956.5, 54957.6, 54957.9, and 54957.95 of, to amend and repeal Section 54952.2 of, to add Sections 54953.8, 54953.8.1, 54953.8.2, and 54957.96 to, and to add and repeal Sections 54953.4, 54953.8.3, 54953.8.4, 54953.8.5, 54953.8.6, and 54953.8.7 of, the Government Code, relating to local government.

[Approved by Governor October 03, 2025. Filed with Secretary of State October 03, 2025.]

Status:

Oct 3, 2025: Chaptered by Secretary of State. Chapter No. 2025-327

Oct 3, 2025: Signed by GOVERNOR.

[+ Show full status history](#)

 BROWN_ACT

| No tags, commentary, or attachment applied

24.

California Senate Bill 853 (2025-2026)

CAS 853 | Labor, Public Employment and Retirement | Enacted | Fiscal Committee (Yes) | Urgency Clause (No) | Chaptered

Effective Dates: 01/01/2026 (Corrected)

Public Employees' Retirement

Provides that under the Public Employees' Retirement Law, the compensation earnable during any period of service as a member of the Judges' Retirement System, the Judges' Retirement System II, the Legislators' Retirement System or the Defined Benefit Program of the State Teachers' Retirement Plan is considered compensation earnable. Specifies that the compensation during any period of service is considered compensation earnable or pensionable compensation under the Public Employees' Pension Reform Act.

Code:

An act to amend Sections 22104.8, 22131, 22146.5, 22713, 22954, 22955, 22955.1, 24616.2, and 26122 of the Education Code, and to amend Sections 7522.02, 20034, 20069, 20638, 20639, 31462.05, 31470.14, and 31680.9 of the Government Code, relating to public retirement systems.

[Approved by Governor October 01, 2025. Filed with Secretary of State October 01, 2025.]

Status:

Oct 1, 2025: Chaptered by Secretary of State. Chapter No. 2025-239

Oct 1, 2025: Signed by GOVERNOR.

+ [Show full status history](#)



PUBLIC_RETIREMENT

Tags:

Staff_Recommendation: Support

IBLC_Recommendation: Support

BOR_Position: Support

25.

United States Senate Bill 1504 (2025-2026)

USS 1504 | [Bill Cassidy \(R-LA\)](#) and 4 Co-sponsors | Pending | Senate Finance Committee

Social Security Administration

Requires the Social Security Administration to make changes to the social security terminology used in the rules, regulation, guidance, or other materials of the Administration.

Status:

Apr 29, 2025: To SENATE Committee on FINANCE.

Apr 29, 2025: In SENATE. Read second time.

Apr 29, 2025: INTRODUCED.

[+ Show full status history](#)

Identical:

[US H 5284](#)



SOCIAL_SECURITY

| No tags, commentary, or attachment applied

26.

United States Senate Bill 1505 (2025-2026)

USS 1505 | [Bill Cassidy \(R-LA\)](#) and 3 Co-sponsors | Pending | Senate Finance Committee

Social Security Beneficiaries

Ensures that Social Security beneficiaries receive regular statements from the Social Security Administration.

Status:

Apr 29, 2025: To SENATE Committee on FINANCE.

Apr 29, 2025: In SENATE. Read second time.

Apr 29, 2025: INTRODUCED.

[+ Show full status history](#)

Related:

[US S 345](#)



SOCIAL_SECURITY

| No tags, commentary, or attachment applied

FOR INFORMATION ONLY

October 24, 2025

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Ted Granger 
Chief Financial Officer

FOR: November 5, 2025 Board of Retirement Meeting
November 12, 2025 Board of Investments Meeting

SUBJECT: MONTHLY TRUSTEE TRAVEL & EDUCATION REPORT – SEPTEMBER 2025

Attached for your review is the monthly Trustee Travel & Education Report. This report includes all events (i.e., attended and canceled) from the beginning of the fiscal year through September 2025.

Trustees attend monthly Board and Committee meetings at LACERA's office which are considered administrative meetings per the Trustee Travel Policy. In order to streamline report volume and information, these regular meetings are excluded from the monthly travel reports but are included in the quarterly travel expenditure reports.

Staff travel and education expenditure reports are provided to the Chief Executive Officer monthly and to the Boards quarterly.

REVIEWED AND APPROVED:



Luis A. Lugo
Acting Chief Executive Officer

TG/JT/EW/AC/SE/gj

Attachments

c: J. Popowich
L. Guglielmo
J. Grabel
S. Rice
R. Contreras

TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2025 - 2026
SEPTEMBER 2025

Attendee Purpose of Travel - Location			Event Dates	Travel Status
Nancy Durazo				
A	1	Edu - Harvard Business School Executive Education Program: Audit Committees in a New Era of Governance - Boston MA	07/23/2025 - 07/25/2025	Attended
Mike Gatto				
B	-	Edu - iGlobal Forum 28th Real Estate Private Equity Summit: West - Los Angeles CA	09/25/2025 - 09/25/2025	Attended
Elizabeth Ginsberg				
A	1	Edu - Harvard Business School Executive Education Program: Audit Committees in a New Era of Governance - Boston MA	07/23/2025 - 07/25/2025	Attended
Patrick Jones				
B	-	Edu - 2025 The Investment Diversity Exchange (TIDE) Spark - Dana Point CA	07/09/2025 - 07/10/2025	Attended
	-	Edu - Locust Point Capital INC Business Dinner - Los Angeles CA	08/07/2025 - 08/07/2025	Attended
Aleen Langton				
A	1	Edu - IFEBP: Public Plan Trustees Institute – Level I - Chicago IL	07/15/2025 - 07/16/2025	Attended
B	-	Edu - 2025 UC Irvine Audit Committee Summit - Irvine CA	09/19/2025 - 09/19/2025	Attended
	-	Edu - iGlobal Forum 28th Real Estate Private Equity Summit: West - Los Angeles CA	09/25/2025 - 09/25/2025	Attended
Debbie Martin				
A	1	Edu - Invest in Yourself SACRS Public Pension Investment Management Program - Berkeley CA	07/13/2025 - 07/16/2025	Attended
Alma Martinez				
V	-	Edu - Wharton Asset and Portfolio Management Certificate Program (Weekly Course) - VIRTUAL	07/01/2025 - 09/30/2025	Attended
	-	Edu - Wharton Executive Education - Investment Products (Weekly Course) - VIRTUAL	07/01/2025 - 09/30/2025	Attended
	-	Edu - Harvard Business School - Alternative Investments (Weekly Course) - VIRTUAL	08/13/2025 - 09/17/2025	Attended
Nicole Mi				
A	1	Edu - Invest in Yourself SACRS Public Pension Investment Management Program - Berkeley CA	07/13/2025 - 07/16/2025	Attended
	2	Edu - 2nd Annual AAPI LEAD Summit - Atlanta GA	07/23/2025 - 07/25/2025	Attended
B	-	Edu - 2025 The Investment Diversity Exchange (TIDE) Spark - Dana Point CA	07/09/2025 - 07/10/2025	Attended
	-	Edu - 2025 UC Irvine Audit Committee Summit - Irvine CA	09/19/2025 - 09/19/2025	Attended

Category Legend:

A - Pre-Approved/Board Approved Educational Conferences

B - 1) Board Approved Administrative Meetings and 2) Pre-Approved Educational Conferences in CA where total cost is no more than \$3,000 provided that a Trustee may not incur over \$15,000 for all expenses of attending all such Educational Conferences and Administrative Meetings in a fiscal year per Trustee Travel Policy; Section III.A

V - Virtual Event

FOR INFORMATION ONLY

October 24, 2025

TO: Each Trustee,
Board of Investments

FROM: Ted Granger 
Chief Financial Officer

Michael Huang 
Accounting Officer II

FOR: November 12, 2025 Board of Investments Meeting

SUBJECT: **Semi-Annual Interest Crediting for Reserves as of June 30, 2025 (Audited)**

INTEREST CREDITING APPLIED FOR JUNE 2025

Pursuant to the County Employees Retirement Law of 1937 (CERL), California Government Code Section 31591, and the Board of Investment's Interest Crediting Policy for Reserve Accounts, regular interest shall be credited on June 30 and December 31 to all eligible member contributions in the retirement fund, which have been on deposit six months immediately prior to such date at an interest rate, compounded semiannually, determined by the Board.

The Available Earnings as of the June 30, 2025 Interest Crediting Date, will be allocated to each Reserve Account as follows:

- A. Member Reserve accounts will be credited with 3.50% interest to eligible balances on deposit,
- B. Contingency Reserve account will be established at 1% of the Fair Value of Assets,
- C. Employer Reserve accounts will be credited with an amount equivalent to 2.72% interest, and
- D. Undistributed Earnings Reserve will be allocated \$0.

BACKGROUNDNew Policy

In October 2024, the Board adopted two policies, the "Actuarial Funding Policy" and the "Interest Crediting Policy" to replace the Retirement Benefit Funding Policy.

It was determined that the interest crediting process warranted a separate policy and therefore the Interest Crediting Policy ("ICP") for Reserve Accounts was created, see *Attachment 1*. The ICP introduces a new term called "Available Earnings," sets the interest crediting rate for the Member Reserve account within the Policy, and establishes a requirement to fund the Contingency Reserve at 1% of the Fair Value of Assets each crediting cycle. Other changes align the reserve account treatment within actuarial and accounting processes and provide support for internal accounting operations.

Policy Application

The previous Interest Crediting Date, December 31, 2024, represented the first time the new ICP was applied. This June 30, 2025 Interest Crediting Date will be the final interest crediting cycle for the fiscal year ended 2024-2025.

Legal Authority

LACERA is a public retirement plan duly created and operating under the County Employees Retirement Law of 1937 (CERL), set forth at California Government Code Section 31450 et seq. Pursuant to Government Code Section 31591 of the CERL, regular interest shall be credited semi-annually on June 30 and December 31 to all eligible member contributions in the retirement fund, which have been on deposit for six months immediately prior to such date at an interest rate determined by the Board of Investments. CERL includes other provisions guiding the allocation of earnings, all of which must be exercised pursuant to the fiduciary duties of prudence and loyalty owed by the Board of Investments and its trustees to members and their beneficiaries under Article XVI, Section 17 of the California Constitution.

Board Policy

The BOI adopted the Interest Crediting Policy for Reserve Accounts in October 2024, which guides LACERA's Financial and Accounting Services Division (FASD) in allocating Available Earnings to Reserve accounts and is performed semi-annually.

INTEREST CREDITING OVERVIEW

As defined in the Interest Crediting Policy, Available Earnings are equal to Realized Earnings for the six-month period ending on the Interest Crediting Date plus prior period ending balances in the Contingency Reserve and Undistributed Earnings Reserve. Regardless of the amount of Available Earnings on the Interest Crediting Date, interest is always credited first to the Member Reserve at a rate equal to one-half of the Assumed Rate of Investment Return, and second, the Contingency Reserve is always set equal to 1% of the fair value of assets as of the Interest Crediting Date.

Only if there are sufficient Available Earnings remaining after the allocations to the Member Reserve and Contingency Reserve, then, third, interest is credited to the Employer Reserve at a rate not to exceed one-half of the Assumed Rate of Investment Return but no less than \$0. Any remaining Available Earnings after the allocation to the Employer Reserve, if any, shall be, fourth, credited to the Undistributed Earnings Reserve.

If there are insufficient Available Earnings to meet the minimum requirements of the Member Reserve and the Contingency Reserve, the Employer Reserve shall not receive an allocation, and the Undistributed Earnings Reserve shall be set equal to Available Earnings minus the amounts allocated to Member and Contingency reserves, which could in some circumstances cause the Undistributed Earnings Reserve to have a negative balance.

INTEREST CREDITING FOR JUNE 30, 2025 (Audited)

Table 1 below shows the determination of Available Earnings as of June 30, 2025 and Table 2 provides the allocation of those Available Earnings to each Reserve Account.

Table 1 – Determination of Available Earnings as of June 30, 2025	
Contingency Reserve Balance as of December 31, 2024*	\$ 811,627,899
Undistributed Earnings Reserve Balance as of December 31, 2024*	\$ 0
Realized Earnings for the period January 1, 2025 to June 30, 2025	\$ 2,015,560,347
Available Earnings as of June 30, 2025	\$ 2,827,188,246

*Reserve balances as of December 31, 2024 are included in the Available Earnings balance for this period, which resets the balance to \$0 at the beginning of the June 30, 2025 interest crediting process.

Table 2 – Allocation of Available Earnings as of June 30, 2025	
Member Reserve (Member Crediting Rate = 3.50%) *	\$ 1,020,832,873
Contingency Reserve (1% of Fair Value of Assets)	\$ 861,876,179
Employer Reserve (effective Interest Crediting Rate = 2.72%) **	\$ 944,479,194
Undistributed Earnings Reserve	\$ 0
STAR Reserve	N/A
Available Earnings Allocated as of June 30, 2025	\$ 2,827,188,246

*Estimated dollar amount based on December 31, 2024 balances. Actual interest credits applied to eligible member accounts, where eligibility is based on in member status change from December 31, 2024 to June 30, 2025.

**Estimated dollar amount which will vary depending on actual interest credit applied to Member Reserve.

As shown in the first chart above, Available Earnings as of June 30, 2025 include the prior period Contingency Reserve and Undistributed Earnings Reserve. Therefore, for the June 30, 2025 interest crediting cycle, the Contingency Reserve's balance of \$811,627,899 as of December 31, 2024 was included in the Available Earnings. For this "audited" memo, Realized Earnings decreased by \$1,055,234 from the prior "unaudited" memo due to additional administrative expenses that were recorded, and the Contingency Reserve received a higher allocation of Available Earnings based on the final fair value of assets. As a result, the effective Interest Crediting Rate for the Employer Reserve decreased from the preliminary amount of 2.75% as reported in August to 2.72%, which is the final amount for the fiscal year ended June 30, 2025.

As shown in the second chart above, from the Available Earnings as of June 30, 2025, the Member Reserve interest credit rate is 3.50% and the Contingency Reserve is fully established at 1% of the Fair Value of Assets. While the target interest rate for the Employer Reserve is 3.50%; Available Earnings were sufficient to credit only at an effective rate of 2.72%. No funds remained for the Undistributed Earnings Reserve. The STAR Reserve does not receive an interest credit/allocation.

Change in Board Memos Going Forward

In prior years, staff prepared two versions of this June 30th memo. The "unaudited" information is presented to the Board in August based on preliminary financial data to set the Member Crediting Rate, so member accounts receive actual interest credits for their June 30 balances.

By mid-October, LACERA's external financial statement auditor will issue their audit report. At that time, staff updates the financial data and provides an "audited" version to the Board in November. In most years, financial statement audit adjustments do not cause the Member Interest Crediting Rate to change, but instead, there may be instances of minor updates to the Employer Reserve interest crediting amount. In total, three "for information only" memos are sent to the Board each fiscal year, one memo for December and two for June.

The Interest Crediting Policy sets the semiannual Member Crediting Rate equal to one-half of the Assumed Rate of Investment Return (current rate is 7.00%) for the semiannual interest crediting period. The Policy also states that the Member Crediting rate will always be credited in full to the Member Reserve on each Interest Crediting Date regardless of the amount of Available Earnings.

Staff has prepared the second memo for this fiscal year ended 2024-2025 reporting the final "audited" interested crediting amounts to provide to the Board in November. For the next fiscal year 2025-2026, since the Interest Crediting Policy sets the Member Crediting Rate, staff will eliminate the June memo containing "unaudited" amounts. Instead, staff anticipates preparing two "for information only" memos for the Board each fiscal year. The first memo will present the financial information as of the December Interest Crediting Date, and the second will include the "audited" amounts based upon final audited financial statements for the June Interest Crediting Date.

CONCLUSION

The Board's Interest Crediting Policy requires crediting to the Member Reserve at 3.50%, which is one-half of the Assumed Rate of Investment Return, and the establishment of the Contingency Reserve equal to 1% of the Fair Value of Assets. For this Interest Crediting Date, there were sufficient Available Earnings to credit the Employer Reserve at 2.72% and the Undistributed Earnings Reserve with \$0.

Attachments:

- I. Interest Crediting Policy for Reserve Accounts, October 2024

REVIEWED AND APPROVED:



Luis A. Lugo
Acting Chief Executive Officer

LL:tg:mh

c: Board of Retirement, LACERA
Steven P. Rice Jonathan Gabel Laura Guglielmo
JJ Popowich Richard Bendall



INTEREST CREDITING POLICY FOR RESERVE ACCOUNTS

**BOARD OF INVESTMENTS
ADOPTED: OCTOBER 2024**

Interest Crediting Policy for Reserve Accounts

Authorizing Manager: Ted Granger, Chief Financial Officer

Original Issue Date: N/A, included in former Retirement Benefit Actuarial Funding Policy, as amended, February 13, 2013

Effective Date: July 1, 2024

Last Updated: October 9, 2024

Mandatory Review: July 1, 2027 (Every 3 Years)

Approval Level: Board of Investments

I. Purpose

The purpose of this policy is to:

1. Define the reserve accounts maintained by LACERA;
2. Describe the methodology to credit interest to the reserve accounts of LACERA; and
3. Outline a process for allocating any “undistributed earnings” of LACERA.

II. Scope

This policy guides LACERA’s Financial and Accounting Services Division (FASD) in allocating Available Earnings to reserve accounts and is performed semi-annually.

III. Legal Authority

LACERA is a public retirement plan duly created and operating under the [County Employees Retirement Law of 1937, set forth at California Government Code Section 31450 et seq.](#) Pursuant to [Section 31591 of the County Employees Retirement Law of 1937 \(CERL\)](#), regular interest shall be credited semi-annually on June 30 and December 31 to all eligible member contributions in the retirement fund, which have been on deposit for six months immediately prior to such date at an interest rate determined by the Board of Investments. CERL includes other provisions guiding the allocation of earnings, all of which must be exercised pursuant to the fiduciary duties of prudence and loyalty owed by the Board of Investments and its trustees to members and their beneficiaries under [Article XVI, Section 17 of the California Constitution](#).

IV. Definitions

For this Policy, the terms below shall have the following definitions:

Actuarial Accrued Liability (AAL): The portion of the present value of projected benefits that is attributed to past service determined by the actuarial funding method.

IV. Definitions (continued)

Actuarial Value of Assets (AVA): The Fair Value of Assets plus or minus the net deferred investment gains or losses not yet recognized by the Asset Smoothing Method.

Asset Smoothing Method: A process used to spread the recognition of actuarial investment gains or losses (relative to the assumed return) over a period of time for the purposes of determining the Actuarial Value of Assets.

Assumed Rate of Investment Return: The investment rate of return assumption adopted by the Board of Investments with the Funding Valuation that established the employer and employee contribution rates for the fiscal year that includes the Interest Crediting Date.

Available Earnings: Realized Earnings for the six-month period ending on the Interest Crediting Date plus prior period ending balances in the Contingency Reserve and Undistributed Earnings Reserve. Available Earnings may be negative.

Book Value of Assets (BVA): The Fair Value of Assets (FVA) minus any Unrealized Earnings. It is the original cost of the asset plus all earnings on the asset other than unrealized appreciation/depreciation and is equal to the sum of Valuation Reserves plus Non-Valuation Reserves.

County: Los Angeles County

[County Employees Retirement Law of 1937 \(CERL\)](#): Body of law enacted to govern retirement benefits for certain public employees. The [CERL](#) governs retirement systems (including LACERA) for county and district employees in those counties adopting its provisions pursuant to [Section 31500](#).

Employer: Participating employers in LACERA include Los Angeles County, Los Angeles County Superior Court, South Coast Air Quality Management District (SCAQMD), Los Angeles County Office of Education (LACOE), Little Lake Cemetery District (LLCD), Local Agency Formation Commission for the County of Los Angeles (LAFCO).

Fair Value of Assets (FVA): The Fiduciary Net Position Restricted for Pension Benefits as defined by the Government Accounting Standards Board.

Funding Valuation: An actuarial valuation that provides a comprehensive assessment of the financial and funding status of a pension plan and calculates employer and member contribution rates. The report is prepared by an external actuary who is independent of the retirement plan.

Interest Crediting Rate: This is the target interest rate to be credited to the Employer Reserve on each Interest Crediting Date. Pursuant to [Section 31591 of the CERL](#) the Board of

IV. Definitions (continued)

Investments determines the semiannual interest rate to be credited on each Interest Crediting Date. By this Interest Crediting Policy for Reserve Accounts, the Board of Investments sets the semiannual Interest Crediting Rate equal to one-half of the Assumed Rate of Investment Return. The target rate of interest will only be credited to the Employer Reserve if there are sufficient Available Earnings after first crediting both the Member Reserve and the Contingency Reserve as provided in this Policy, and therefore the amount credited to the Employer Reserve may be less than this rate if Available Earnings are insufficient to credit the entire amount.

Interest Crediting Date(s): Interest crediting shall be performed twice per year, as of June 30 and December 31.

Member Crediting Rate: This is the interest rate to be credited to member accounts on each Interest Crediting Date. Pursuant to [Section 31591 of the CERL](#), the Board of Investments determines the semiannual interest rate to be credited to Member Reserves on each Interest Crediting Date. By this Interest Crediting Policy for Reserve Accounts, the Board of Investments sets the semiannual Member Crediting Rate equal to one-half of the Assumed Rate of Investment Return for that semiannual interest crediting period. This rate will be credited to the Member Reserve from Available Earnings. If Available Earnings are insufficient to credit this amount, the Undistributed Earnings Reserve will be debited by the amount of the shortfall (Section V.B below), such that the Member Crediting Rate will always be credited in full to the Member Reserve on each Interest Crediting Date regardless of the amount of Available Earnings.

Non-Valuation Reserves: Reserves that are set aside for obligations or contingencies and are excluded from Valuation Assets and the calculation of contribution rates in the Funding Valuation.

Realized Earnings: Earnings that have been received. This excludes changes in asset values due to appreciation/depreciation.

Unfunded Actuarial Accrued Liability (UAAL): The excess, if any, of the Actuarial Accrued Liability (AAL) over the Actuarial Value of Assets (AVA).

Unrealized Earnings: The accumulated appreciation or depreciation in value of assets held in the investment portfolio that has not yet been realized by the sale of those assets.

Valuation Assets: The value of assets used in the Funding Valuation to determine employer contribution rate requirements. It is equal to the Actuarial Value of Assets reduced by the value of any Non-Valuation Reserves.

Valuation Reserves: Reserves that will be included in the determination of Valuation Assets and the calculation of contribution rates in the Funding Valuation.

V. Policy

A. Reserve Accounts (“Reserves”)

LACERA maintains the following reserve accounts for the purpose of allocating income and disbursements of the trust fund assets. Reserve accounts are classified as either Valuation Reserves or Non-Valuation Reserves. The sum of Valuation Reserves plus Non-Valuation Reserves is equal to the Book Value of Assets. Non-Valuation Reserves are not included in the Valuation Assets used in the Funding Valuation. These reserve balances are accounting balances and may not equal the Actuarial Value of Assets.

1. Valuation Reserves

- a. **Member Reserve:** This reserve represents the total accumulated contributions, with interest, of members. Additions include member contributions and related earnings. Deductions include payments to retirees and refunds to members.
- b. **Employer Reserve:** This reserve includes the total accumulated contributions, with interest, of the employer. Additions include contributions from employers and related earnings. Deductions include payments to retired members and survivors.
- c. **Undistributed Earnings Reserve.** The accumulation of Available Earnings not yet allocated to any other Valuation or Non-Valuation Reserve. This reserve is used for semi-annual interest crediting, to eliminate the Unfunded Actuarial Accrued Liability by allocating excess amounts to the Employer Reserve, and for other uses at the joint discretion of the Board of Investments and Board of Retirement as permitted under [CERL](#), and subject to the LACERA Actuarial Funding Policy. Specifically, this reserve should be used to eliminate the Unfunded Actuarial Accrued Liability prior to any other discretionary uses, by reallocating an amount to the Employer Reserve. The balance of this reserve may be negative.

2. Non-Valuation Reserves

- a. **Contingency Reserve:** This is a statutorily defined reserve pursuant to [Sections 31592 and 31592.2 of the CERL](#). The Contingency Reserve is set at 1.0% of the Fair Value of Assets as a reserve against deficiencies in interest earnings in other years, losses on investments, and other contingencies and other purposes permitted under CERL.
- b. **STAR Reserve:** Reserves accumulated for the payment of cost-of-living benefits pursuant to [Section 31874.3 of the CERL](#). Supplemental Targeted Adjustment for Retirees (STAR) benefits provide supplemental cost-of-living payments to retired members to restore purchasing power at a specified percentage level. The STAR Reserve does not receive interest credits.

V. Policy (Continued)

B. Crediting of Interest / Allocation of Available Earnings Process

The first step in the interest crediting process at each Interest Crediting Date is to determine Available Earnings. Available Earnings are equal to Realized Earnings for the six-month period ending on the Interest Crediting Date plus prior period ending balances in the Contingency Reserve and Undistributed Earnings Reserve. As a result of the prior period Contingency Reserve and Undistributed Earnings Reserve being included in Available Earnings, those reserve balances are reset to zero (\$0) at this step. Throughout this process, Available Earnings will be reduced by the amount of interest credited, or allocated, to each reserve.

Interest is credited / allocated to individual reserve accounts in the priority order outlined below.

1. Member Reserve

Credit individual member contributions and accumulated interest that have been on deposit for at least six months prior to the Interest Crediting Date with interest at the Member Crediting Rate. The Member Crediting Rate is equal to one half of the applicable Assumed Rate of Investment Return for that interest crediting period. This rate will always be credited in full to the Member Reserve on each Interest Crediting Date regardless of the amount of Available Earnings. Reduce Available Earnings by the total amount of interest credited to member accounts.

2. Contingency Reserve

Allocate an amount so that this reserve is equal to 1% of the Fair Value of Assets as of the Interest Crediting Date. This amount will always be allocated to the Contingency Reserve regardless of the amount of Available Earnings. If Available Earnings are insufficient to allocate this amount, the Undistributed Earnings Reserve will be debited by the amount of the shortfall (Section V.B.4 below). Reduce Available Earnings by the total amount allocated to this reserve.

3. Employer Reserve

If there are Available Earnings remaining after the allocation to the Contingency Reserve, then credit interest at the Interest Crediting Rate to the Employer Reserve balance as of the prior Interest Crediting Date only to the extent there is sufficient remaining Available Earnings to credit this amount. If this amount of interest is greater than the remaining Available Earnings, credit the entire amount of remaining Available Earnings, but not less than zero (\$0). The interest rate credited to this Employer Reserve will be no less than 0% and no more than one-half of the Assumed Rate of Investment Return. The actual interest rate credited will depend on the amount of remaining Available Earnings after the allocation to the Contingency Reserve. Reduce Available Earnings by the amount of interest credited to this reserve.

V. Policy (Continued)

4. Undistributed Earnings Reserve

If there are positive Available Earnings remaining after the allocation to the Employer Reserve, allocate any remaining Available Earnings to this reserve.

If there are zero (\$0) Available Earnings remaining after the allocation to the Employer Reserve, then no allocation shall be made to this reserve.

If there are negative Available Earnings remaining after the allocation to the Member Reserve and the Contingency Reserve, no interest shall be credited to the Employer Reserve and the amount of those negative Available Earnings shall be allocated to this reserve.

VI. References

These references are intended to help explain this policy and are not an all-inclusive list of policies, procedures, laws, and requirements. The following information complements and supplements this document:

Related Policies:

- Actuarial Funding Policy, Effective: July 1, 2024

Related Procedures:

- Interest Crediting Internal Accounting Procedures, June 12, 2024

Related Forms/Templates: Not Applicable

Other Related Information: Not Applicable

VII. Version History

Policy Approval Date: Board of Investments, October 9, 2024

Policy Update/Review Summary: Previous policy language included, and version(s) superseded by this policy:

- Retirement Benefit Funding Policy, February 13, 2013

Original Issue Date: Adopted by the Board of Investments on December 9, 2009

VIII. Policy Review/Approval

The Board of Investments will review and update this Policy every three years, at a minimum, typically when the triennial actuarial experience study report is completed.

APPENDIX

Interest Crediting Examples

	Scenario #1	Scenario #2	Scenario #3
	Available Earnings less than amount needed for Member Reserve Interest Credit + Contingency Reserve Allocation	Available Earnings greater than amount needed for Member Reserve Interest Credit + Contingency Reserve Allocation but not enough for full Employer Reserve Credit	Available Earnings greater than amount needed for Member Reserve Interest Credit + Contingency Reserve Allocation + full Employer Reserve Credit
Pension Plan Reserves as of June 30, XXXX			
(1) Member Reserve	\$30,000,000,000	\$30,000,000,000	\$30,000,000,000
(2) Contingency Reserve	\$800,000,000	\$800,000,000	\$800,000,000
(3) Employer Reserve	\$35,000,000,000	\$35,000,000,000	\$35,000,000,000
(4) Undistributed Earnings Reserve	\$200,000,000	\$200,000,000	\$200,000,000
(5) STAR Reserve	\$610,000,000	\$610,000,000	\$610,000,000
(6) Total Reserves at Book Value	\$66,610,000,000	\$66,610,000,000	\$66,610,000,000
December 31, XXXX			
(7) Fair Value of Assets as of December 31, XXXX	\$82,000,000,000	\$82,000,000,000	\$82,000,000,000
(8) Unrealized Investment Portfolio Appreciation as of December 31, XXXX	\$16,000,000,000	\$16,000,000,000	\$16,000,000,000
(9) Realized Earnings for the Period	\$0	\$1,220,000,000	\$2,200,000,000
(10) 1.0% Fair Value of Assets as of December 31, XXXX	\$820,000,000	\$820,000,000	\$820,000,000
Step 1 - Determine Available Earnings as of December 31, XXXX			
(11) Realized Earnings for the Period [= (9)]	\$0	\$1,220,000,000	\$2,200,000,000
(12) Contingency Reserve as of June 30, XXXX [= (2)]	\$800,000,000	\$800,000,000	\$800,000,000
(13) Undistributed Earnings Reserve as of June 30, XXXX [= (4)]	\$200,000,000	\$200,000,000	\$200,000,000
(14) Available Earnings	\$1,000,000,000	\$2,220,000,000	\$3,200,000,000
Step 2 - Reset Pension Plan Reserves as of June 30, XXXX after determination of December 31, XXXX Available Earnings			
(15) Member Reserve [= (1)]	\$30,000,000,000	\$30,000,000,000	\$30,000,000,000
(16) Contingency Reserve ^a [= (2) - (12)]	\$0	\$0	\$0
(17) Employer Reserve [= (3)]	\$35,000,000,000	\$35,000,000,000	\$35,000,000,000
(18) Undistributed Earnings Reserve ^a [= (4) - (13)]	\$0	\$0	\$0
(19) STAR Reserve [= (5)]	\$610,000,000	\$610,000,000	\$610,000,000
(20) Total Reserves at Book Value	\$65,610,000,000	\$65,610,000,000	\$65,610,000,000
Step 3 - Pension Plan Reserves Interest Crediting & Allocations as of December 31, XXXX			
(21) Member Reserve credit (always equal to one-half of investment return assumption ^b)	\$1,050,000,000	\$1,050,000,000	\$1,050,000,000
(22) Contingency Reserve allocation (always reset to 1% of Fair Value of Assets) [= (10)]	\$820,000,000	\$820,000,000	\$820,000,000
(23) Employer Reserve credit	\$0 ^c	\$350,000,000 ^e	\$1,225,000,000 ^f
(24) Undistributed Earnings Reserve allocation ^d [= (14) - (21) - (22) - (23)]	(\$870,000,000)	\$0	\$105,000,000
(25) STAR Reserve credit	\$0	\$0	\$0
(26) Total Interest Crediting & Allocations	\$1,000,000,000	\$2,220,000,000	\$3,200,000,000
Step 4 - Determine Pension Plan Reserves as of December 31, XXXX			
(27) Member Reserve [= (1) + (21)]	\$31,050,000,000	\$31,050,000,000	\$31,050,000,000
(28) Contingency Reserve [= (22)]	\$820,000,000	\$820,000,000	\$820,000,000
(29) Employer Reserve [= (3) + (23)]	\$35,000,000,000	\$35,350,000,000	\$36,225,000,000
(30) Undistributed Earnings Reserve [= (24)]	(\$870,000,000)	\$0	\$105,000,000
(31) STAR Reserve [= (5)]	\$610,000,000	\$610,000,000	\$610,000,000
(32) Total Reserves at Book Value	\$66,610,000,000	\$67,830,000,000	\$68,810,000,000

a Contingency Reserve and Undistributed Earnings Reserve are reset to \$0 at the beginning of each cycle when these amounts are included in Available Earnings for that cycle.

b The investment return assumption referred to here is the assumption adopted by the Board of Investments with the Funding Valuation that established the employer and employee contribution rates for the fiscal year that includes the Interest Crediting Date. For the purpose of these examples one-half of the investment return assumption is 3.50%.

c The effective interest rate credited to the Employer Reserve is 0% because Available Earnings are less than the amount needed to provide interest crediting to the Member Reserve and to establish the Contingency Reserve equal to 1% of the Fair Value of Assets.

d The Undistributed Earnings Reserve is allocated with the excess (or shortfall) of Available Earnings over the amounts credited (or allocated) to the Member Reserve, Contingency Reserve and Employer Reserve.

e Available Earnings are greater than the amount needed to provide interest crediting to the Member Reserve and to establish the Contingency Reserve equal to 1% of the Fair Value of Assets, but are insufficient to provide interest crediting equal to one-half of the investment return assumption. As such, the full amount of remaining Available Earnings is credited to the Employer Reserve. The effective interest rate credited to the Employer Reserve in this example is 1% (\$350,000,000 / \$35,000,000,000).

f Available Earnings are greater than the amount needed to provide interest crediting to the Member Reserve, to establish the Contingency Reserve equal to 1% of the Fair Value of Assets, and to provide interest crediting equal to one-half of the investment return assumption. As such, the Employer Reserve receives an interest credit of 3.5% (\$1,225,000,000 / \$35,000,000,000).

These example scenarios ignore contributions & benefit payments from reserves (for simplification). All amounts are for illustration only.

Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**

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