

Get to Know LACERA

Los Angeles County Employees Retirement Association

INVESTMENTS

Serving our members since 1938

LEGAL

MEMBER SERVICES

BENEFITS

HUMAN RESOURCES

SYSTEMS...



Who We Are

LACERA is an independent governmental entity that administers and manages the multibillion-dollar retirement fund for the County of Los Angeles and outside districts. We are the largest county retirement system in the United States.

What We Do



Provide retirement plans, retiree healthcare, and related services for members and their families



Prudently **manage and invest** the pension fund and post-employment benefits trusts





Lead our industry through our practices, strategies, expertise, and technological applications



Advocate on behalf of our members to preserve their retirement benefits with public stakeholders and at all levels of government.

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION



— We —

PRODUCE

PROTECT

&

PROVIDE

THE PROMISED BENEFITS
TO OUR MEMBERS



Message From the CEO

Hello, and thank you for taking the time to *Get to Know LACERA*.

Whether you are one of our new members, business partners, public stakeholders, or are considering a career with us, this brochure was created to help you understand not just who we are and what we do, but what drives us and how we approach our work.

We have been providing retirement benefits and financial security to our members since 1938. Our deep commitment to our mission links every person in our organization—from our Board trustees to our financial analysts to our benefits specialists and everyone else in between. In fact, in a 2021 employee engagement survey, 92.3 percent of respondents expressed that LACERA's mission is important to them—well above the median benchmarks for both the public and private sectors.



Santos H. Kreimann
Chief Executive Officer

Mission, Vision, and Values

Mission: To produce, protect, and provide the promised benefits to our members

Vision: Empowering our members to enjoy a healthy and secure retirement

Values: Accountability, collaboration, inclusivity, innovation, integrity, and transparency

At LACERA we value different perspectives, knowing they lead to better business decisions and outcomes. That's why our workforce reflects the wide cultural spectrum of our community, and also why we actively promote diversity initiatives in our own hiring practices as well as those of our external vendors.

As long-term investors, we are always looking ahead. To achieve fiscal durability and best-in-class investor status, we have taken the lead in incorporating environmental, social, and governance (ESG) criteria into our investment decisions, and we advocate for ESG with our industry colleagues and partners.

Because true success lies in the execution, we strive to constantly improve our services and operations through best practices, teamwork, technology, training, and evaluation. Through it all, putting our members' interests first serves as a reliable guidepost; ensuring they can retire with security remains our perpetual goal.

Who We Serve

Our members work for L.A. County, the L.A. Superior Court, and four outside districts (Little Lake Cemetery District, Local Agency Formation Commission, L.A. County Office of Education, and South Coast Air Quality Management District).

From frontline healthcare, public safety, and social service workers to administrative, operations, and maintenance personnel, our members sustain and support the community in hundreds of different capacities, but they all have one thing in common: Each enters County service with the promise that at the end of their public service careers they will be able to retire with secure lifetime benefits.



What We Provide

- Defined benefit plans, with lifetime allowances for retirees
- Survivors benefits
- Disability benefits
- Retiree healthcare
- Retirement counseling



Our Los Angeles Community

The County of Los Angeles has over **94,000 full-time public service employees** working in **34 departments**. Our region encompasses **88 cities** and **4,084 square miles**.

We are the most populous county in the U.S., and our highly multicultural community speaks over **200 different languages** at home.

Key Milestones

1937

L.A. County Pension Trust fund created

1938

LACERA and Board of Retirement established

1971

Board of Investments established

1971

Retiree Healthcare Benefits Program established

2012

Management of L.A. County healthcare and benefits trust assumed

1938

Death benefits fund value: **\$5.86 million**
LACERA members: **12,250**
L.A. County population: **2.2 million**

Today

Pension fund value: **\$74 billion***
Retiree healthcare trust value: **Over \$2 billion**
LACERA members: **Over 187,000**
L.A. County population: **Over 10 million**

**As of the end of fiscal year 2023*

For the latest financial information and statistics, visit lacera.com and review our Annual Reports section. Our award-winning Popular Annual Financial Report (PAFR) summarizes the fiscal year with our fund returns, primary sources and uses of assets, funded status, portfolio growth, and organizational achievements.

How We Operate

Our Structure

- **Board of Retirement**

Composed of nine trustees and two alternates: six elected by members (including alternates), four appointed by the Los Angeles County Board of Supervisors, and one ex-officio by law

Responsibilities: Administering the retirement system, retiree healthcare program, and disability program; conducting strategic planning process; and determining budget policy and budgeting in coordination with the Board of Investments.

- **Board of Investments**

Composed of nine trustees: four elected by members, four appointed by the Los Angeles County Board of Supervisors, and one ex-officio by law

Responsibilities: Establishing LACERA's investment policy and objectives, exercising authority and control over the investment management of the pension and benefits

trusts, and determining budget policy and budgeting in coordination with the Board of Retirement.

- **Executive Team**

Composed of the Chief Executive Officer, Deputy Chief Executive Officer, two Assistant Executive Officers, Chief Investment Officer, Deputy Chief Investment Officer, and Chief Counsel

Responsibilities: Carrying out the strategic goals set by the Boards of Retirement and Investments and overseeing the broader operations of LACERA.

- **Specialty Divisions**

Made up of a divisional manager, subject matter experts, and specially trained employees

Responsibilities: Providing dependable, exceptional service to our members and carrying out LACERA's mission in their respective areas.

Mission-Driven

Our members dedicate their careers to public service, so ensuring that they have a secure financial retirement is our paramount goal.

Our leadership and workforce reflect the diversity of our community.



Our 15 Specialty Divisions

- **Administrative Services:** Provides the operational infrastructure that supports other divisions in administering LACERA programs and services in the sections of business management, budget development, and document processing.
- **Benefits:** Maintains retirement plan accounts and processes retirement plan transactions in compliance with retirement laws, regulations, and policies.
- **Communications:** Provides a complete range of creative services to produce essential retirement information for LACERA members, stakeholders, and staff, including printed materials, website content, and videos.
- **Disability Litigation:** Provides LACERA with legal representation for disability retirement and service-connected survivors' benefit appeals.
- **Disability Retirement:** Investigates, evaluates, and makes recommendations to the Board of Retirement for adjudicating disability retirement applications submitted by active, retired, and deferred members of LACERA.
- **Executive Office:** Directs and coordinates the efforts of all divisions through the strategic goals and policies adopted by the Board of Retirement and Board of Investments; organizes and coordinates Board meetings and activities.
- **Financial and Accounting Services:** Provides sound guardianship of LACERA's assets, funds, member payroll, and organization-wide financial transactions, and ensures compliance with regulatory and statutory financial reporting mandates.
- **Human Resources:** Provides a full range of HR services in

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Every person's retirement scenario is different. LACERA's people have always been there to help me and never rush me, regardless of how many questions I have.

Azar Alavi
Retired member

the areas of employee recruitment and selection, professional development, performance, payroll and benefits, labor negotiations, workplace investigations, labor/employment law compliance, and more.

- **Internal Audit Services:** Provides independent, objective assurance and consulting activities to improve LACERA operations, mitigate risks, and enhance internal controls.
- **Investments Office:** Develops and recommends prudent investment policies and risk management strategies to achieve LACERA's return objectives, as established by the Board of Investments, and implements and monitors Board-approved programs and policies.
- **Legal Services:** Provides comprehensive legal services to LACERA and its Boards and staff in the areas of benefits, disability, investments, litigation, and legislative affairs.
- **Member Services:** Provides customer service, processes transactions, educates members on retirement benefits, and conducts in-depth retirement counseling for members, beneficiaries, and survivors.
- **Quality Assurance and Metrics:** Monitors, measures, evaluates, and verifies the accuracy of retirement benefits processing, calculation, and administration work performed by other divisions.
- **Retiree Healthcare:** Administers the Retiree Healthcare Benefits Program for retired members and their eligible dependents.
- **Systems:** Provides technology products and services for all LACERA divisions, from base infrastructure to end-user applications.

Accountability and Transparency

At LACERA, we hold ourselves accountable to the public as well as our members, peers, and various stakeholders. We operate under state and county governing retirement laws, and internal codes and policies.

As part of our commitment to transparency, we publish a variety of public records and reports related to our Board, investment, and financial activities on our website. For more information, visit lacera.com and click on **About LACERA > Accountability > Public Records**.

The **About LACERA > Accountability > Investments** section provides detailed information about the administration of our investment program, including corporate governance, and performance reports, fees, and disclosures.



I am happy with LACERA's return on investments, even in this volatile market. I know that they diversify and feel comfortable with how they are managing my money.

Jennifer Kaufman
Active member



How We Invest

LACERA maintains a long-term investment horizon with the objective of maximizing growth and stability to ensure current and future funding of the benefits promised to our members. A prudent investment policy statement adopted by our Board of Investments provides the framework for the management of LACERA's assets, which are invested in conformity with the recognized standards of care, skill, and diligence.

Strategy

Our investment program is set up to achieve the long-term assumed rates of return, mitigate risk, and ensure liquidity. Investments are diversified across different industries, geographies, and strategies, which protects the portfolio and avoids overly concentrating in any particular asset class.

Responsibility

LACERA encourages sound corporate governance practices at the companies in which we invest and prudent policies governing financial markets to promote sustainable, long-term value. We also incorporate environmental, social, and governance (ESG)

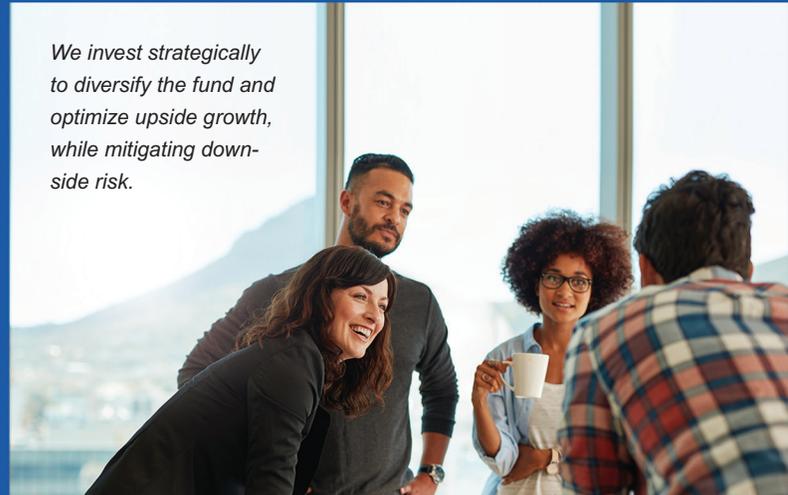
factors in our decision-making, as part of our risk-management approach.

Our active role in corporate governance includes proxy voting, corporate engagement, and promoting initiatives for boardroom diversity, sound market policies, and sustainability reporting. In addition, we provide leadership in numerous investor associations and work with other pension fund systems and institutional investors to advance our common interests.

Visit lacera.com for more about our investments program, and current performance and initiatives.

***LACERA believes that effectively accessing
and managing diverse talent leads to improved
outcomes.***

*We invest strategically
to diversify the fund and
optimize upside growth,
while mitigating down-
side risk.*



Advocacy Efforts

As part of our stewardship responsibilities, LACERA fosters constructive relationships with lawmakers. Our trustees and executives meet regularly with local, state, and national legislators to champion our members' interests. By providing real examples of exemplary service and data of our members' economic impact, we ensure that lawmakers understand the value that LACERA's working and retired members bring to their communities.

We also carefully monitor pending legislation, lobbying against bills that could adversely affect the pensions or benefits of our members, and supporting those that are advantageous. LACERA also occasionally conducts campaigns on important legislation, enlisting members and providing them resources to reach out to their representatives.





LACERA

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