

P.S.

POST SCRIPT

NEWS FOR ACTIVE MEMBERS

JUNE 2021 • VOL. 32, NO. 2



New LACERA.com Launches July 30

We are getting ready to go live July 30 and are excited to give you a first look at the new lacera.com! Not only does the website have a brand-new design, it has been completely reorganized and streamlined, with an improved search engine so you can find the information you need quickly and easily. The site is also responsive and mobile-friendly, meaning the content adapts to fit the screen of whatever device you are using, including your cellphone. For a sneak peek, go to page 8.

2021 LACERA Board Elections

In August, Executive Office of the Board of Supervisors will be holding LACERA general member elections for the third seat on the Board of Retirement and the third seat on the Board of Investments. The terms of the current trustees are set to expire on December 31, 2021.

The election will be held from Thursday, August 5 through Tuesday, August 31. General members can cast ballots online or over the phone. (Safety members are not eligible to vote for these seats.)

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Los Angeles County Employees Retirement Association

Board of Retirement:

ALAN J. BERNSTEIN

Chair
Appointed by Board of Supervisors

VIVIAN H. GRAY

Vice Chair
Elected by General Members

GINA ZAPANTA

Secretary
Appointed by Board of Supervisors

ELIZABETH GINSBERG

Chief Deputy County Treasurer
and Tax Collector
Alternate Ex-Officio Member

JAMES P. HARRIS

Alternate Member
Elected by Retired Members

SHAWN R. KEHOE

Elected by Safety Members

KEITH KNOX

County Treasurer and Tax Collector
Ex-Officio Member

WAYNE MOORE

Appointed by Board of Supervisors

RONALD A. OKUM

Appointed by Board of Supervisors

WILLIAM R. PRYOR

Alternate Member
Elected by Safety Members

LES ROBBINS

Elected by Retired Members

HERMAN B. SANTOS

Elected by General Members

Board of Investments:

KEITH KNOX

Chair
County Treasurer and Tax Collector
Ex-Officio Member

JOSEPH KELLY

Vice Chair
Elected by Retired Members

ALAN J. BERNSTEIN

Secretary
Appointed by Board of Supervisors

ELIZABETH GINSBERG

Chief Deputy County Treasurer
and Tax Collector
Alternate Ex-Officio Member

DAVID GREEN

Elected by General Members

ELIZABETH GREENWOOD

Appointed by Board of Supervisors

PATRICK T. JONES

Appointed by Board of Supervisors

SHAWN R. KEHOE

Elected by Safety Members

GINA V. SANCHEZ

Appointed by Board of Supervisors

HERMAN B. SANTOS

Elected by General Members

Chief Executive Officer

SANTOS H. KREIMANN

Assistant Executive Officer
JJ POPOWICH

FROM THE EXECUTIVE DESK

SANTOS H. KREIMANN | CHIEF EXECUTIVE OFFICER



Things Are Looking Up

Hello, members. We are already halfway through 2021 and are starting summer on a positive note. Now that COVID-19 vaccination eligibility has been expanded and millions of people have received their shots—including over 27 million in California alone as of mid-April—cases are receding.

“
**The number of
COVID-19 cases
are receding,
and we are
beginning to
resume normal
activities while
we wait for the
green light to
reopen.**
”

Here in Los Angeles County, the daily testing positivity and hospitalization rates have dropped

dramatically over the last several months, allowing us to begin resuming normal activities. While we wait for the green light to bring more employees back in-house and reopen LACERA's Member Service Center, we have finished physical modifications to our offices and are working out final details regarding onsite protocols and staffing. We will continue to follow public health recommendations and safety protocols to keep you and our employees healthy once we are again open for business. We have also encouraged our staff members to get vaccinated and voluntarily let us know to assist us in scheduling our work teams and assignments.

Thanks again to all of you who have worked so hard over the last year to save lives and keep our communities safe, as well as our members who were patient and supportive as we worked through operational changes to continue to provide you service.

Investments Update

As we approach the end of the fiscal year on June 30, our investments continue to maintain value and we have weathered the ups and downs of the market

through the pandemic well. See the investment report from Chief Investment Officer Jon Grabel on page 6 for more information about how LACERA is protecting the fund and our assets over the long term.

March Madness Wrap-Up

We had a record number of retirements this year, which tested the capabilities of our remote and virtual systems, as well as our ability to process member applications with limited staff onsite. I am happy to report that our Retirement Benefits Specialists, Document Processing Center and Retiree Healthcare staff, and team members from multiple divisions were able to transition 1,784 members to retirement, up from 1,690 in 2020 and 1,765 in 2019. Thanks to all our dedicated staff members who worked long hours and put in the extra effort this busy season, and congratulations to our new retirees.

Employee Engagement Survey Completed

In the March *PostScript*, I shared that we had launched an employee engagement program to foster a more rewarding work environment. This ultimately translates to better service for members, since employees with high levels of job satisfaction perform better, are more innovative, and remain loyal to the organization.

Our first step in this process was conducting a confidential employee engagement survey, facilitated by the Institute for Public Sector Employee Engagement, which had an impressive response rate of 86 percent. As of the end of April, we have received and are reviewing the results, which we will be communicating to staff in May. Our next steps include setting up staff focus groups to take a deeper dive into the results—identifying and developing action plans for areas needing improvement, and building on success in areas where we are doing well.

New LACERA.com

Finally, I'm excited to present a preview of the new lacera.com on page 8—a strategic goal that has been years in the making and execution. The new site was developed, designed, and written entirely by an in-house team led by our Communications Division.

I applaud the team—made up of key staff members from our Systems and Communications divisions, as well as subject matter experts from across the organization—for their perseverance in completing this ambitious first phase of the website redesign, despite the challenges of working remotely last year. Since web development is a highly interconnected process, with simultaneous pieces in

development, this entailed a tremendous amount of collaboration, attention to detail, and follow-through, sustained over many months. With an aggressive timeline for completion, all team members had to meet their deadlines; if not, the cascade effect would have delayed the entire project.

Be sure to go online and explore the new site when it launches July 30! You'll see that the site has an improved look, interface, search capabilities, and has been completely streamlined with your needs in mind. And remember, this is only the beginning. Our robust new content management system will enable us to add more multimedia and interactive features and provide a better user experience going forward.

Enjoy Your Summer

Thank you for all you do. I wish you a happy Independence Day and hope you will be enjoying barbecues and other outdoor celebrations again this year. I know I relish time with family and friends with a greater sense of appreciation than ever before.

Continue to stay safe and healthy!

Santos H. Kreimann



LACERA ACCOMPLISHMENTS

CIO Jon Grabel Recognized as Industry Leader



Congratulations are also in order for Chief Investment Officer Jon Grabel, who has been included in *Chief Investment Officer* magazine's "2021 Power 100" list of influential CIOs and other investment and financial

industry leaders. You can see the list on the CIO website at www.ai-cio.com/lists/2021-power-100/.

To find more information about LACERA's investment fund strategies and initiatives, see page 6.

SIO Scott Zdrazil Elected as CII Board Chair



Congratulations to Senior Investment Officer Scott Zdrazil for his election to Chair of the Council of Institutional Investors (CII) board. CII promotes corporate governance and financial policies that enhance long-term value for employee benefit funds and their beneficiaries.

Its membership includes over 140 public, labor, and corporate employee benefit plans.

LACERA has been active with CII for over 25 years. Mr. Zdrazil joined the board three years ago after being nominated by the LACERA Board of Investments. His leadership will continue to enhance our advocacy efforts for prudent investor rights and best corporate governance practices at portfolio companies.

2021 LACERA Board Elections cont'd from pg. 1

General members may use County provided computers and phones to request their ballot and cast their votes. If you have any questions, or want more information, speak with your department's election coordinator.

You are strongly encouraged to update or provide your current email address to LACERA to receive voting information and reminders via email. Please log in to your My LACERA account to edit your profile or contact LACERA at 800-786-6464. For general information regarding the election, call the Executive Office of the Board of Supervisors at 213-974-1093.

CONNECT WITH US!

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welcome@lacera.com

Call:
800-786-6464

Website:
lacera.com

Mail:
LACERA
P.O. Box 7060
Pasadena, CA 91109-7060



LACERA Thanks Our LGBTQ+ Members

In observance of LGBTQ+ History Month (also known as Pride Month), LACERA thanks all members who identify as LGBTQ+ for your service and contributions to our community.

Fulfilling our commitment to protect and provide your benefits extends to your family, too. Even before the legalization of gay marriage in California in 2013, the County Employees Retirement Law (CERL) was amended in 2003 to permit domestic partners of County employees the same survivor benefits received by the spouses of other employees. Both LACERA and the County Board of Supervisors supported this resolution and implemented its provisions immediately, ensuring that all members' eligible spouses, partners, and dependents receive survivor benefits and have access to healthcare coverage.

FRAUD ALERT **From the D.A.'s Office** **DON'T GET SCAMMED OUT OF** **YOUR HOME**

Beware of criminals attempting to take your home right out from under you.

In the Home Title Fraud Scam, the crooks impersonate the homeowner so they can refinance or sell the victim's property for the scammer's benefit.

They first obtain the homeowner's personal information through identity theft or by stealing mail. Then, they create false documents, such as a fake driver's license using the victim's name and the scammer's photo. Those false documents are used to sell the home or take out a loan against the property without the homeowner's knowledge.

Tips:

- Shred documents and don't give out personal information by phone or email.
- Beware if you stop receiving your usual utility bills and property tax statements.
- Check your mail. The county sends copies of documents recorded against a property, such as loans and change of ownership.

Visit lacera.com/about_lacera/fraud_alerts.html for a link with more details.

Enroll in My LACERA Today!

If you haven't already, signing up for My LACERA is the best way to easily and securely manage your retirement account, personal information, and beneficiaries. You can also prepare a retirement benefit estimate using potential retirement dates, service credit amounts, and retirement options to estimate your monthly allowance.

**Worry Less,
Go
Paperless**

Registering for My LACERA is quick and easy. Visit lacera.com and click on the My LACERA icon on the bottom right of the homepage to get started.

Opt In for Digital Delivery of Your LACERA Documents

Did you know you can easily receive important information by using our safe and secure My LACERA paperless option? Simply log in to your My LACERA account, select "Profile," and click on "Document Delivery." There, you can choose electronic delivery of the available documents you want delivered electronically, such as your newsletters and future statements.

LACERA's Funds Are Built to Last

A Message From Chief Investment Officer Jon Grabel

Even though it has been over a year since the onset of the COVID-19 pandemic, we want you to know that your LACERA benefits remain secure.

Your retirement security is of paramount importance to us. LACERA and the dedicated team of professionals in our Investments Division maintain a stable, long-term strategy to uphold each component of LACERA's mission statement: "To produce, protect, and provide the promised benefits" to members.

Promised Benefits: Your LACERA Benefits Are Not Affected by Market Movements.

As a member of a defined benefit pension like LACERA's, your benefits do not change based on financial market performance. LACERA benefits are generally determined by your length of service and a salary formula. While the value of LACERA's assets will move up and down based on market conditions, your member benefits are not affected.

LACERA invests contributions from L.A. County and members, abiding by a legal doctrine known as "fiduciary duty." Fiduciary duty requires LACERA to act in the exclusive interest of you as LACERA members. Consistent with that duty, we aim to maximize risk-adjusted returns in order to minimize County and employee contributions and to pay promised benefits to current and future members.

Your LACERA pension benefit is unlike defined contribution plans you may participate in, such as 401(k) and 457(b) programs, where participants select individual investment strategies in their personal accounts. Participants in these defined contribution accounts may benefit in rising markets as their account balances increase, but the value may also decrease during market downturns.

To Produce and Protect: LACERA Diversifies Investment Risks and Opportunities Over a Long Time Horizon Through Strategic Asset Allocation.

LACERA intentionally diversifies its investments across different industries, geographies, and strategies, which protects the portfolio and avoids overly concentrating investments into any asset class. This process is called "strategic asset allocation" and it determines how much capital LACERA invests in each asset class to maximize risk-adjusted returns over a long-term investment horizon. LACERA generally reviews its strategic asset allocation targets every three years. In the summer of 2020, LACERA's Board of Investments commenced an in-depth study of the portfolio's targets. The study is expected to be completed by midyear of 2021.

LACERA categorizes investments into four functional asset classes based on the role we expect them to serve in a diversified, balanced portfolio.

cont'd on next pg.

LACERA's Asset Allocation

as of March 31, 2021

Functional Category	Sub-Asset Classes	Role in Portfolio	Allocation %
Growth	Global Equity Private Equity Opportunistic Real Estate	Primary driver of long-term total returns	51%
Credit	High Yield Bonds Bank Loans Emerging Market Debt Illiquid Credit-Oriented Fixed Income	Produce current income and moderate long-term total returns with lower risk than growth assets	11%
Real Assets and Inflation Hedges	Core and Value-Added Real Estate Natural Resources/Commodities Infrastructure Treasury Inflation Protected Securities	Provide income and hedge against inflation	16%
Risk Reduction and Mitigation	Investment Grade Bonds Diversified Hedge Funds Cash	Provide current income and a modest level of return while reducing total portfolio risk	21%

Beyond strategic asset allocation, LACERA took several steps in recent years to further maximize investment returns while mitigating risks. LACERA's risk analysis capabilities have been enhanced through the use of a data analytics platform that allows LACERA to better assess the portfolio against its desired risk and return profile. LACERA also expanded its focus on analyzing and considering sustainability factors—often called environmental, social, and governance risk factors—that may impact the portfolio's investment performance. We believe a better understanding of these risks will lead to better long-term investment returns. Additionally, LACERA elevated its T.I.D.E initiative, which stands for "Towards Inclusion, Diversity, and Equity." This initiative reflects LACERA's view that organizations making investment decisions realize better outcomes when they access and incorporate wider talent and views that reflect the diversity of human experiences. This initiative is not only an important consideration for LACERA's own internal team but also every investment manager that we contract with or consider. We believe that these programs

collectively will lead to better outcomes for LACERA's investment portfolio and members.

To Provide: LACERA Maintains Adequate Cash to Pay Benefits Today and Into the Future.

LACERA diligently manages liquidity to ensure it has adequate cash at all times to pay member benefits even if markets become volatile. Currently, LACERA has about \$1.3 billion in cash and money-market assets. In addition, over 50 percent of LACERA's \$68 billion portfolio is in liquid, publicly traded instruments. These investments can be converted to cash within a short amount of time, if necessary.

LACERA remains focused on a disciplined, risk-aware approach to investing, rooted in our commitment to provide members the promised benefits. We continue to assess portfolio risks and opportunities so that whatever happens, the necessary funds remain available for LACERA benefit payments. Detailed financial reports and periodic updates are available at www.lacera.com.

"Hope will never be silent."

—Harvey Milk



HOMEPAGE HIGHLIGHTS

Here we highlight some of the new homepage design and navigation features to get you started, but don't just take our word for it! Go to lacera.com starting July 30 and look around to see (and click) for yourself. Future phases of the website will include more interactive features and guided content based on your needs and feedback.



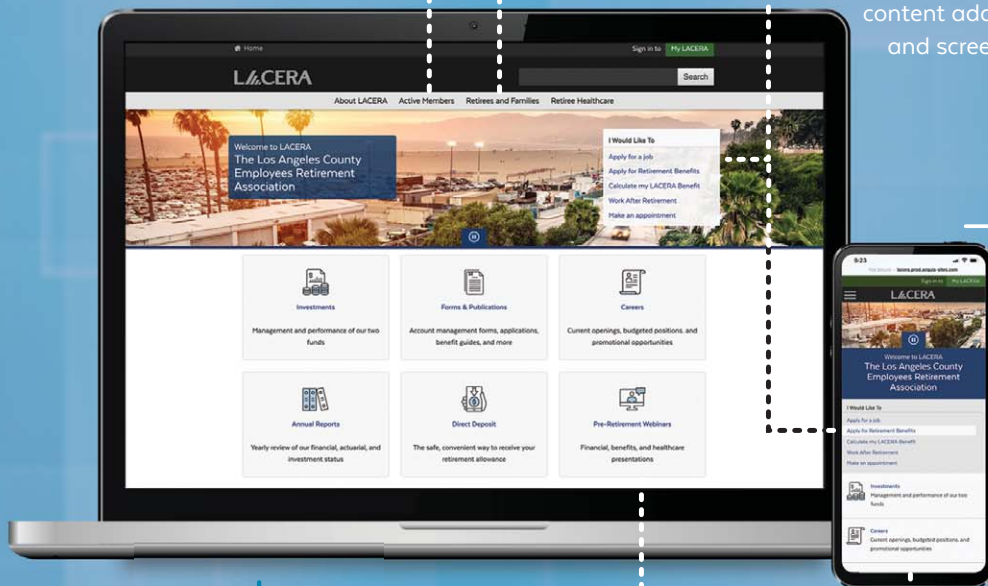
SHORTCUTS

To save you time, "I Would Like to" shortcuts take you directly to the most frequently accessed self-service options and information pages.



DEVICE-FRIENDLY

Whether you are on your cellphone, tablet, or laptop, the content adapts to whatever device and screen size you are using.



REORGANIZED CONTENT

Dropdown menus with grouped content specific to your career stage help you find what you need with ease.

ACTIVE MEMBERS

Plan books
Service Credit
Reciprocity
Retirement Planning
and more

RETIRED MEMBERS

Cost of Living
Direct Deposit
Returning to Work
Survivor Benefits
and more



NAVIGATION TILES

These quick links give you a preview of what you'll find in a certain section and get you there with one click.

For email updates on the launch, check your My LACERA account profile to make sure we have your current email address.

Summer Crossword Puzzle

NEWS FOR ACTIVE MEMBERS

I	F	D	F	I	I	L	F	Q	X	K	H	B	T	C
K	N	I	H	V	N	B	A	X	B	I	J	O	S	M
N	K	V	P	B	F	C	V	T	C	N	L	R	S	S
J	T	E	E	F	R	I	L	E	I	S	Z	R	E	E
T	D	R	M	S	R	G	C	U	L	G	A	B	L	G
M	W	S	I	Z	T	R	X	I	S	V	I	H	R	O
A	K	I	E	U	E	M	A	U	Y	I	K	D	E	B
C	C	T	Y	A	H	M	E	N	V	Q	O	U	P	X
L	B	Y	M	N	R	O	Z	N	B	S	G	N	A	K
D	A	O	R	Y	K	C	O	R	T	U	B	S	P	V
A	C	E	M	P	O	W	E	R	N	S	P	J	T	M
U	V	Z	G	E	M	G	G	U	L	L	L	W	F	V
N	W	B	X	G	F	Z	Q	U	A	I	X	M	Z	P
P	O	D	E	W	K	C	G	G	M	B	G	C	E	P
P	B	U	M	F	A	W	A	O	D	B	H	G	Z	X

- Digital
- Paperless
- Mail Slot
- Ice Cream
- Inclusion
- Diversity
- Rocky Road
- Investments
- Empower

Answer key on page 10

ICE CREAM

The days are longer, the temperature is rising, and those are just a couple of many good reasons to scream for ice cream. Here are some fun facts to savor while you enjoy this cool treat that is popular around the world.

Sources: icecream.com;
dayfinder.com;
nationaltoday.com

June 2 is National Rocky Road Day. While the dessert was created in Australia in 1853, it became a staple ice cream flavor in the United States thanks to William Dreyer in Oakland in 1929. It became the first widely available flavor outside of vanilla, chocolate, and strawberry.

1

Is one day of ice cream celebration not enough for you? No problem. July has been National Ice Cream Month since 1984, when its designation was signed into law by President Ronald Reagan.

2

The ice cream cone made its debut at the World's Fair in St. Louis in 1906. Since then, Italy holds the record for largest ice cream cone made to date, at over 9 feet tall.

3

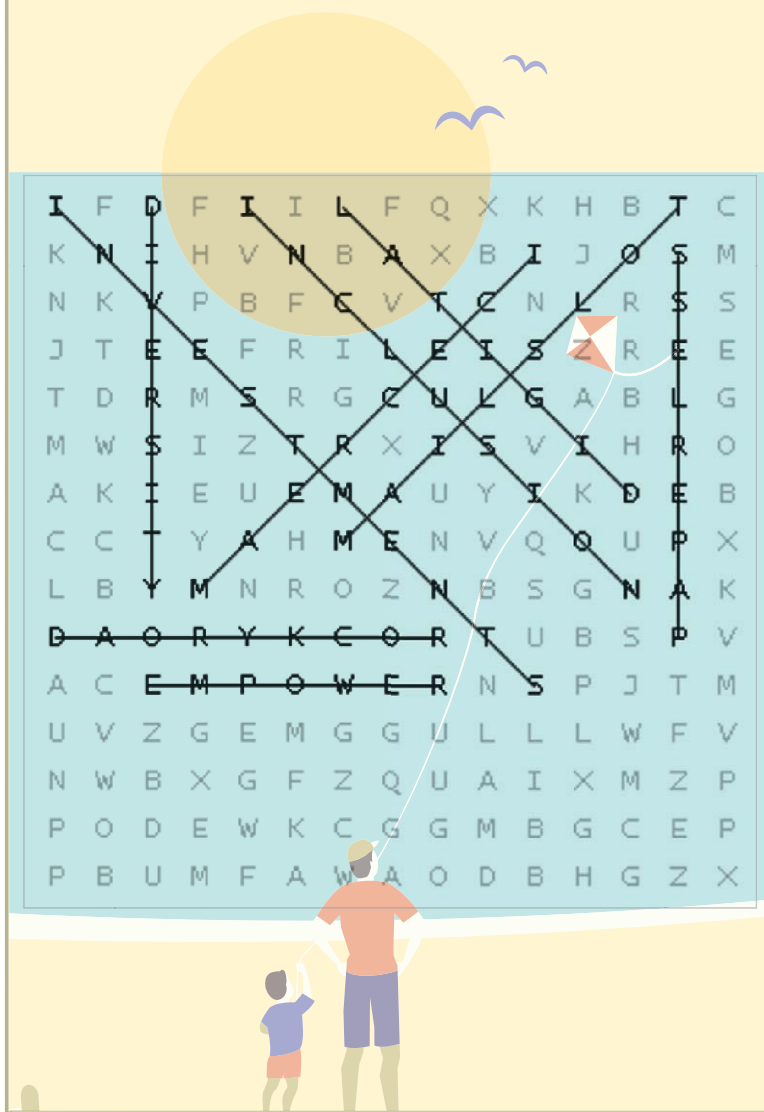
Pre-Retirement Webinars: Register Now!



To help you better plan for retirement, LACERA and Empower Retirement have teamed up to provide you with informative pre-retirement webinars. These webinars are designed to help you maximize your benefits and embark on a successful, secure retirement. Sign up today to reserve your spot!

Visit lacera.com/benefits/Active_Member/retirement_planning_webinars.html to find and register for a webinar timeslot that works for you.

Summer Crossword Puzzle Answer Key



Public Service Announcement

DCBA Can Help You Get Financially Fit

Message From Rafael Carbajal, Director of the Department of Consumer and Business Affairs (DCBA)

As the COVID-19 pandemic slows and post-COVID life approaches, DCBA encourages you to consider your financial fitness now and in the near future. If you have suffered financially, take advantage of County, state, and federal programs that provide monetary relief, loan forgiveness, increased tax credits, and additional rent or foreclosure protections. Also, be sure to avoid the temptation of easily accessible high-cost payday loans or car-title loans, which could quickly increase your personal debt.

The new Financial Navigators Program through our Center for Financial Empowerment can help you. We can discuss your individual circumstances and help connect you with available financial services and resources. For info, call 800-593-8222 or visit www.dcba.lacounty.gov/financial-empowerment.

Empower Retirement and LACERA

Stronger Together



457(b) Horizons & 401(k) Savings Plans

Empower Retirement and LACERA work together to help guide you towards a more financially secure retirement.

Empower Retirement Plan Advisors are conveniently located right here in the same building as LACERA and are available to help guide you towards a more financially secure retirement. They can answer important questions about your Defined Contribution Plans [457(b) Horizons, 401(k) Savings and/or Pension Savings Plans (PSP)], such as:

- How much will I need in retirement?
- Can I afford to save more?
- Are my assets invested appropriately to match my goals?
- Are my beneficiaries in place and up to date?
- What are my distribution options from the plans?
- It's almost time to retire; what are my next steps?

If you have a specific question, contact your Empower Representative at (800) 947-0845 or visit www.countyla.com.

Empower Timeline Towards Success

Welcome to the County of Los Angeles

Meet with an Empower Representative to determine:

- What are my retirement goals?
- How much do I need to start saving to reach those goals?
- Set up account and start contributing to your future.
- Log on to the website.

3-4 months after employment

Meet with your Empower representative to determine:

- Am I comfortable with my current savings rate?
- Can I afford to save more?
- Am I ready to sign up for Auto Escalation?

One year and annually thereafter

Log on to the website to:

- Review my beneficiary designations.
- Ensure my contact information is up to date.

Ten and three years prior to retirement

Meet with your Empower representative to determine:

- If I'm on track to meet my retirement goals.
- To see if I can afford to save more.
- Am I a candidate for Three Year Catch Up?

Six months prior to retirement

Meet with your Empower Representative to:

- Look at termination pay options.
- Validate my personal email address.
- Validate my beneficiaries.
- Confirm my retirement date.

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New Mail Slot for Document Drop-Offs

We have a new way for members who visit our offices to "mail us." With our newly installed LACERA Mail Slot—located to the right of the main lobby entry doors—you can drop off your LACERA mail in a sealed envelope at any time. Documents are picked up Monday through Friday, except on holidays. We mark a document as "received" if it is dropped before 4 p.m. during the week. Any document placed in the maildrop after 4 p.m. is picked up and stamped as received the next business day.



Upcoming Holiday
LACERA will be closed on:

- **Monday, July 5**
For Independence Day

Editor's Note:

PostScript is published by the staff of LACERA. Consult with professional advisors regarding legal, tax, and/or medical matters; LACERA does not offer legal, tax, or medical advice.

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