

AGENDA

BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

January 15, 2026
8:30 a.m.

Sam Diannitto Boardroom
Los Angeles Fire and Police Pensions Building
701 East 3rd Street, Suite 400
Los Angeles, CA 90013

Important Message to the Public:

In compliance with Government Code Section 54957.5, non-exempt writings that are distributed to a majority or all of the Board or applicable Committee of the Board in advance of their meetings may be viewed at the [Meetings](#) page of [LAFPP's website](#), at [LAFPP's offices](#), or at the scheduled meeting. In addition, if you would like a copy of any record related to an item on the agenda, please contact the Commission Executive Assistant, at (213) 279-3178 or by e-mail at pensions@lafpp.com.

Members of the public who wish to attend the Board or Committee meeting in person must provide government issued photo identification. Alternatively, members of the public will have the opportunity to observe the meeting via livestream. Please refer to the Top Stories section of [LAFPP's website](#) during the week of the Board meeting to access the livestreaming link.

An opportunity for the public to address the Board or Committee about any item on today's agenda for which there has been no previous opportunity for public comment will be provided before or during consideration of the item. Members of the public who attend in person and wish to speak on any item on today's agenda are requested to complete a speaker card for each item they wish to address and present the completed card(s) to the Commission Executive Assistant. Speaker cards are available at the Commission Executive Assistant's desk. Members of the public who observe via livestream and wish to speak on any item on today's agenda are requested to call (669) 900-9128 or (346) 248-7799 and enter Meeting ID 898 405 2575 and Passcode 501554 (Please note: Toll charges may apply).

Request for Services: As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities. Sign Language Interpreters, Communication Access Real-Time Transcription, Assistive Listening Devices, Telecommunication Relay Services (TRS), Language Translation and Interpretation Services, or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing sign language interpreters, five or more business days' notice is strongly recommended. For language translation and interpretation services, please submit your request, including the language required, as soon as possible to allow time for scheduling; you will receive a confirmation reply if an interpreter is available. For additional information or to make requests for any of the above accommodations, please contact the Department of Fire and Police Pensions: (213) 279-3000 voice; (213) 628-7713 TDD; and/or email pensions@lafpp.com.

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

A. CALL TO ORDER

1. Roll Call
2. Consideration of Notices of Remote Participation for Just Cause pursuant to SB 707

B. PUBLIC COMMENT ON MATTERS WITHIN THE BOARD'S JURISDICTION AND ANY SPECIFIC AGENDA ITEMS

C. DISABILITY CASE

Alternative 2

1. Police Officer III Katherine A. O'Brien. Ms. O'Brien will be represented by Michael D. Treger, Esq. of Straussner Sherman Lonné Treger Helquist Krupnik.

D. CONSENT ITEMS

1. APPROVAL TO ISSUE A REQUEST FOR PROPOSALS FOR WEBSITE MAINTENANCE AND SUPPORT SERVICES AND POSSIBLE BOARD ACTION
2. REVISIONS TO GOVERNANCE POLICIES, SECTION 1 – DEFINED TERMS AND APPENDIX 2 – BROWN ACT SUMMARY, AND POSSIBLE BOARD ACTION
3. TRIENNIAL REVIEW OF BOARD GOVERNANCE POLICIES, SECTION 10 - BOARD EDUCATION AND SECTION 13 - MONITORING AND REPORTING, AND POSSIBLE BOARD ACTION
4. APPROVAL OF TRAVEL AUTHORITY (SALAZAR) – CALIFORNIA ASSOCIATION OF PUBLIC RETIREMENT SYSTEMS (CALAPRS) 2026 GENERAL ASSEMBLY
5. 2025-26 ANNUAL AUDIT PLAN STATUS
6. QUARTERLY STATUS REPORT OF FUTURE AGENDA ITEM REQUESTS AND POSSIBLE BOARD ACTION
7. QUARTERLY TRAVEL REPORT FOR COMMISSIONERS AND STAFF
8. QUARTERLY LEGISLATION TRACKING REPORT
9. Approval of Minutes

Regular Board meeting minutes of December 4, 2025, and December 18, 2025

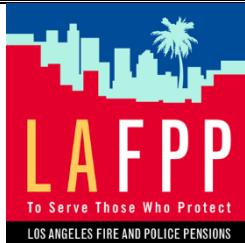
E. REPORTS TO THE BOARD

1. UPDATE ON CITY PENSION CONTRIBUTION TRUE-UP MECHANISM AND POSSIBLE BOARD ACTION
2. PRESENTATIONS BY FINALIST CANDIDATES FOR THE ACTIVE INTERNATIONAL SMALL CAPITALIZATION EQUITY MANAGER SEARCH AND POSSIBLE BOARD ACTION
3. SECOND QUARTER REPORT OF THE 2025-26 ANNUAL PLAN AND POSSIBLE BOARD ACTION
4. VERBAL STATUS REPORT FROM DEPARTMENTAL AUDIT MANAGER ON REQUEST TO INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS FOR UFLAC FORENSIC AUDIT RESULTS AND POSSIBLE BOARD ACTION

F. GENERAL MANAGER'S REPORT

1. [Monthly Report](#)
2. Marketing Cessation Information
3. Benefits Actions approved by General Manager on December 18, 2025 and January 1, 2026
4. Other business relating to Department operations

G. CONSIDERATION OF FUTURE AGENDA ITEMS



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026

ITEM: D.1

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: APPROVAL TO ISSUE A REQUEST FOR PROPOSALS FOR WEBSITE MAINTENANCE AND SUPPORT SERVICES AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board authorize the General Manager to issue a Request for Proposals (RFP) for website maintenance, support services, and possible upgrades.

BACKGROUND

Providing an easy-to-navigate website for our members and other stakeholders is a priority for LAFPP. In October 2017, the Department entered into a three-year contract with Digital Deployment, Inc., for website design and development services, following an RFP process. The goal was to facilitate a better user experience for members and improve staff's process for updating our website content. LAFPP's Communications team and Digital Deployment engaged in a multi-phased project plan, which included website discovery, design analysis, infrastructure deployment, data migration, and staff training. The redesigned website was launched on April 1, 2019.

In October 2020, LAFPP entered into a new one-year contract with Digital Deployment for Website Support Services under the Service Level Agreement (SLA), which includes website support, security patches and updates, ongoing training, hosting, and technology updates. LAFPP extended this SLA contract with Digital Deployment for website support and related services in one-year increments from 2020-2025, which is consistent with the City's contracting requirements. The current contract with Digital Deployment will expire on June 30, 2026.

DISCUSSION

Staff is seeking the services of an experienced website development firm to possibly enhance and assist with maintaining the LAFPP website. Staff continues to focus on expanding the site's usefulness to our members and stakeholders, and will search for a qualified firm to assist in meeting this goal. Staff will also explore incorporating website improvements suggested by members in the recent surveys conducted for Strategic Goal Project #1 – *Member Feedback*, such as improved navigation from mobile devices, improved search capabilities, and the addition of an AI chat bot.

The current contract for website support services provides for expenditures not to exceed \$22,000 over a one-year term. Staff's intent is for the Board to award a new three-year contract to the firm that best meets LAFPP's needs. In the past, there have been a limited number of vendors interested in providing website support services for a website designed by another vendor. Nonetheless, staff

believes it is prudent to proceed with a competitive process to ensure that the Board is securing the best possible services in accordance with its fiduciary duties.

Upon approval, the RFP will be published on both the LAFPP website and the City's contracting opportunities website, the Regional Alliance Marketplace for Procurement. Staff anticipates that the evaluation of responses, cost information, and a contract award recommendation will be presented to the Board in May 2026.

BUDGET

Funds have been included in the proposed budget for FY 2026-27 and will be budgeted for future fiscal years.

POLICY

There are no policy changes recommended in this report.

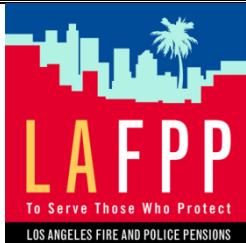
CONTRACTOR DISCLOSURE INFORMATION

There is no contractor disclosure information required with this report.

This report was prepared by:

Oscar Diaz, Management Analyst
Communications and Education Section

JS:GM:KR:ABH:OD



DEPARTMENT OF FIRE AND POLICE PENSIONS

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Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026

ITEM: D.2

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: REVISIONS TO GOVERNANCE POLICIES, SECTION 1 – DEFINED TERMS AND APPENDIX 2 – BROWN ACT SUMMARY, AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board approve the proposed revisions to Board Governance Policies, Section 1 – Defined Terms and Appendix 2 – Brown Act Summary, as reflected on Attachments I and II.

BACKGROUND

The Defined Terms (Section) of the Board Governance Policies provide specific meanings for key words used throughout the document for clarity and consistency. The Section includes Appendix 1 – Charter Provisions and Appendix 2 – Brown Act Summary, to ensure legal and operational compliance and mitigate potential risks. These three documents are reviewed at least every three years. The last review occurred in April 2023, and no revisions were warranted. The next review is not due until April 2026.

DISCUSSION

At the December 18, 2025 Board meeting, staff presented a summary of the relevant Brown Act provisions authorizing remote participation in Board meetings, highlighting changes pursuant to California Senate Bill (SB) 707, effective January 1, 2026. The implementation of SB 707 necessitated updates to the Brown Act and triggered a more immediate review of the policy's Defined Terms and its Appendices. The proposed policy revisions reflected in Attachment II are non-substantive, clarifying ambiguous language and citing appropriate sections of the Brown Act.

BUDGET

There is no budget impact.

POLICY

The attached proposed policy revisions have been reviewed by staff of the City Attorney's Office.

CONTRACTOR DISCLOSURE INFORMATION

There is no contractor disclosure information required with this report.

This report was prepared by:

Myo Thedar, Executive Officer
Administrative Operations Division

JS:MTS

Attachments:

- I) Proposed Revisions to Governance Policies, Section 1 – Defined Terms
- II) Proposed Revisions to Governance Policies, Appendix 2 – Brown Act Summary

Los Angeles Fire & Police Pension System

1.0 - DEFINED TERMS

- 1.1 "System" refers to the City of Los Angeles Fire and Police Pension System.
- 1.2 "Board" refers to the City of Los Angeles Fire and Police Pension Board of Commissioners.
- 1.3 "Fund" refers to the Investment Portfolio of the City of Los Angeles Fire and Police Pension System.
- 1.4 "Section" refers to Los Angeles City Charter Section.

Attachments:

APPENDIX 1 - CHARTER PROVISIONS
APPENDIX 2 - BROWN ACT SUMMARY

REVIEW

- 1.5 The Board shall review these Defined Terms and Appendices at least every three years. (Added 01/21/16) Revised on 11/03/16 and 11/21/19. Reviewed on 04/06/23. Revised on 01/15/26.
- 1.6 The Board shall next review these Defined Terms and Appendices by April 2026January 2029. (Added 01/21/16)

APPENDIX 2 - BROWN ACT SUMMARY
(as amended through 20142025)

(The Act is contained in Sections 54950 through 54963 of the California Government Code. The following is not a complete description - it summarizes the sections most pertinent to the Board of Pension Commissioners. If there is a difference between this Summary and the legal text of the California Government Code, the legal text prevails.)

1. **Meeting Definition** - The term "meeting" includes any congregation of the majority of the Board at the same time and place to hear, discuss or deliberate upon any item that is within the jurisdiction of the Board. Any use of direct communication, personal intermediaries or technological devices employed by the majority of the Board to develop an action to be taken on an item by the Board is prohibited.

This restriction shall not apply to individual contacts or conversations between a Board member and any other person, the attendance of the majority of the Board at a conference, community meeting, notice~~s~~ meeting of another legislative body or board, or social or ceremonial occasion, provided the Board members do not discuss among themselves any matter within the jurisdiction of the Board. (Sec. 54952.2) (Revised 01/21/16)

2. **Open Public Meetings** - All meetings of the Board of Pension Commissioners shall be open and public, except those that meet specified requirements. Members of the Board may use teleconferencing in connection with any meeting or proceeding authorized by law¹. Open meeting requirements apply². All votes taken during a teleconferencing meeting shall be by roll call. (Sec. 54952, 54952.2, 54953) (Revised 01/21/16)

3. **Time and Place** - The Board shall provide by its rules for the time and place of regular meetings. Meetings must be in the closest facility except under following circumstances:

- a. inspection of real property;
- b. administrative or judicial proceedings to which the Board is party;
- c. meetings to discuss legislative, regulatory or items of multiagency significance;
- d. interview of potential employees;
- e. meetings relocated due to natural disaster or other emergency. (Sec. 54954)

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4. **Agendas** - Must be posted in a location accessible to the public 72 hours before regular meetings. Such agendas shall contain a brief description of each item of business. No action or discussion can be undertaken on any item not appearing on the posted agenda, except Board members and staff may respond to statements made or questions posed by persons exercising their public testimony rights. A member of the Board or staff may ask a question for clarification, make a brief announcement or report or may provide a reference to staff or other resources for

¹ A quorum of the members shall participate from locations within the boundaries over which the Board exercises jurisdiction.

² Agendas must be posted at each teleconference location, the teleconference location must be identified in the agenda of the meeting and shall be accessible to the public.

factual information, or take action to direct staff to place a matter of business on a future agenda. (Sec. 54954, 54954.2)

5. **Emergencies** - The Board may take action on items not appearing on the posted agenda upon a determination of the majority of the Board that an emergency exists. An emergency is defined as a crippling disaster, work stoppage or other activity which severely impairs public health, safety or both. (Sec. 54954.2, 54956.5)
6. **Public Comment** - Every agenda must provide members of the public with the opportunity to address the Board on any item within the Board's jurisdiction, and the Board Chair must also provide the public with the opportunity to address the Board on a specific agenda item before or during Board consideration of the item. The Board may adopt reasonable rules limiting the time allotted for public comment and for each individual speaker. (Sec. 54954.3) (Revised 11/21/19)
7. **Registration of Attendance** - No member of the public shall be required to identify him or herself by name as a condition of attendance at such public meeting. Any attendance list shall state that the signing of the document is voluntary. (Sec. 54943.3)
8. **Recording of Proceedings** - Any person attending Board meetings shall have the right to record the proceedings ~~on an audio or video tape recorder, or still or motion picture camera~~ unless there is a reasonable finding that such action would constitute a persistent disruption of the proceedings. Any ~~taperecording~~ made at the direction of the Board is subject to public inspection under the California Public Records Act but may be erased or destroyed 30 days from the date of recording. (Sec. 54953.5) (Revised 01/15/26)
9. **Meeting Disruptions** - The Board may have removed from a meeting, including any teleconferenced meeting, any individuals who are disrupting and/or willfully interrupting the meeting. In the event order cannot be restored by removing such individuals, the Board's presiding officer may order the meeting room cleared. In such instances, the press may remain after the meeting room is cleared if they are not parties to the disturbance. Individuals not responsible for the disturbance may also be readmitted by the Board's presiding officer. The Board's actions on these matters must also comply with any applicable protections afforded to the individuals or press or by the First Amendment to the United States Constitution, and other applicable laws. (Sec. 54957.95, 54957.96) (Revised 01/21/16, 11/21/19, 01/15/26)
10. **Special Meeting** - May be called at any time by the presiding officer or by a majority of the Board, by delivering written notice to each Board member and posting such notice 24 hours before the time of the meeting. The notice must identify the time and place of the meeting and the business to be conducted. No other business may be conducted. (Sec. 54956)
11. **Closed Sessions** - Notwithstanding the above, closed sessions may be held by the Board to consider certain types of issues, examples of which include:
 - a. conference with real property negotiator (Sec. 54956.8)
 - b. consideration of any specific, particular investment decision for the Fund (including private equity and real property funds) (Sec. 54956.81)

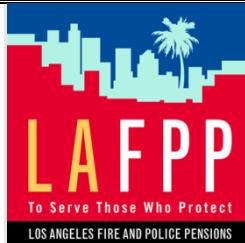
- c. conference with legal counsel on anticipated or existing litigation; (Sec. 54956.9) (Revised 01/21/16)
- d. personnel matters such as appointments, evaluations, discipline and confidential medical information

Closed sessions must be identified and described on an agenda. Prior to holding a closed session, the item to be discussed may be required to be disclosed in an open meeting. The Ralph M. Brown Act requires a public report of final actions taken in closed session including the vote or abstention on that action of each member present. Some closed sessions items require a roll call vote.

- The timing of this report will be contingent on the final disposition of the matter and its resolution.
- The vote of every member present must be disclosed. The Board has discretion on how this is reported (if the vote was not unanimous) and can be made in terms of the majority or minority votes cast.

Minutes may be kept but are not available for public inspection. (Sec. 54954.5, 54957.1, 54957.7) (Revised 11/21/19)

12. **Penalties for Violation** - Any Board member who attends a meeting where action is taken in violation of the Ralph M. Brown Act and where the member intends to deprive the public of information to which the member knows or has reason to know the public is entitled, is guilty of a misdemeanor. Persons elected to serve on a Board who have not yet taken office are subject to the conduct requirement of the Act. (Sec. 54959, 54952.1)



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026

ITEM: D.3

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: TRIENNIAL REVIEW OF BOARD GOVERNANCE POLICIES, SECTION 10 - BOARD EDUCATION AND SECTION 13 - MONITORING AND REPORTING, AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board adopt the proposed changes to the Board Governance Policies, Section 10 - Board Education, and Section 13 - Monitoring and Reporting, as reflected on Attachments I and II.

BACKGROUND

Adopted by the Board on June 8, 2006, the Board Education Policy (Policy) emphasizes the importance of education in keeping Board members abreast of current issues, industry changes, and relevant public pension policy areas to effectively administer the System. Since it was adopted, the Policy has been revised nine times. Most of these revisions were administrative changes that either added topics to the New Board Member Orientation, updated items in Appendix 1 – Board Reference Manual, or updated the knowledge requirements for Board members.

The most recent substantive revision was approved on January 19, 2023, when the Board established a minimum of 24 hours of education within the first two years of assuming office, and 24 hours of education every subsequent two-year period the Board member remains in office. This education standard was a recommendation from the City's 2022 Management Audit and is consistent with fiduciary best practices and the education requirements for trustees who serve on the boards of the twenty 1937 Act County Retirement Systems pursuant to California Government Code Section 31522.8 and the education requirements for trustees who serve on the Board of Administration for the California Public Employees' Retirement System (CalPERS) pursuant to California Government Code Section 20100.

Lastly, the Policy requires the Board to review the Policy at least every three years to ensure that it continues to effectively meet the needs of the Board. The last triennial review was conducted on January 19, 2023. As such, staff reviewed the Policy and finds that it continues to meet the needs of the Board.

DISCUSSION

On August 21, 2025, the General Manager provided the Board with the Fiscal Year 2024-25 Board Education Report, which summarized the educational training hours per Board member for Fiscal Years 2023-24 and 2024-25. Pursuant to the Policy, this information was subsequently posted on

the LAFPP website. Excluding the two new Board members, a majority of the Board members did not meet the minimum 24-hour education requirement over the two-year period they remained in office.

As such, staff is proposing to amend this Policy to provide more frequent reporting to assist Board members in meeting the education requirement. The suggested quarterly Board Education Reports will help Board members track their completed educational hours to date and provide information on upcoming in-house training opportunities and conferences. Staff is also proposing corresponding updates to the Monitoring and Reporting Policy to cross-reference the newly-added quarterly report. The proposed policy changes are tracked in Attachments I and II.

BUDGET

There is no budgetary impact related to this report.

POLICY

The proposed policy revisions associated with this report are attached.

CONTRACTOR DISCLOSURE INFORMATION

There is no contractor disclosure information required with this report.

This report was prepared by:

Wilson K. Poon, Chief Management Analyst
Administrative Operations Division

JS:MTS:WKP

Attachments: I. Proposed Governance Policy Revisions – Board Education Policy, Section 10
II. Proposed Governance Policy Revisions – Monitoring and Reporting Policy, Section 13

Los Angeles Fire & Police Pension System**10.0 - BOARD EDUCATION POLICY****BACKGROUND AND PURPOSE**

10.1 The Board is charged with the sole and exclusive fiduciary responsibility for the assets of the System, and is granted the sole and exclusive responsibility for administering the System in a manner that will assure prompt delivery of benefits and related services to members of the System.

The Board shall discharge its duties with respect to its system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character with like aims. This standard of sound pension management imposes a continuing need for Board members and staff to build and maintain their knowledge of pension and investment issues. Accordingly, this policy is intended to guide the Board's education efforts. [Section 1106(c)]

The Board has established a minimum of 24 hours for Board member education within the first two years of assuming office, and 24 hours of education every subsequent two-year period the Board Members remain in office. This standard for Board member education is consistent with fiduciary best practices and the education requirements placed on trustees who serve on the boards of the twenty 1937 Act County Retirement Systems pursuant to California Government Code Section 31522.8, and the education requirements placed on trustees who serve on the Board of Administration for the California Public Employees' Retirement System (CalPERS) pursuant to California Government Code Section 20100. Also consistent with the statutory education requirements of these peer pension boards, a report that details the training hours and education received by each Board member will be provided through the annual Board Education Report and will be subsequently published on the LAFPP website. Training "credit" may be received through relevant education provided: in-house (including New Board Member Orientation), by attending conferences, by academic institutions and by self-study courses. (Amended 01/19/23)

REQUIREMENTS OF BOARD MEMBERS

10.2 Throughout their terms on the Board, Board members are required to develop their knowledge and understanding of a broad range of pension-related issues including, but not limited to:

- A. Fiduciary duty law and pension board governance
- B. Ethics
- C. Pension and other relevant legislation (e.g. California Constitution and the Ralph M. Brown Act)
- D. Pension and disability benefits administration
- E. Fair hearings for disability cases
- F. Health benefits administration, funding, and liability
- G. Actuarial funding and liability principles
- H. Institutional portfolio management:

- 1) Asset/liability management
- 2) Capital market theory (asset class characteristics)
- 3) Active and passive investment management
- 4) Investment performance measurement
- 5) Investment costs

I. The financial audit and internal control functions
(Amended 10/20/14; 01/19/23)

10.3 Board members are also:

- A. Expected to complete the in-house Board orientation program within 60 days of joining the Board (see Sections 10.5-10.8 below).
- B. Expected to participate in all in-house education seminars or presentations delivered by either staff or outside experts.
- C. Encouraged to attend at least two (2) approved educational conferences each year. (Attendance shall not exceed a maximum of six (6) conferences each fiscal year.) Conference agendas shall contain at least five hours of high quality educational content, as opposed to content geared towards marketing or the promotion of investment management and related sponsors.
- D. Encouraged to seek out relevant training offered through academic institutions and/or self-study courses.
(Amended 10/02/14; 08/06/20; 01/19/23)

THE BOARD EDUCATION PROGRAM

10.4 The System's Board education program will contain four key components:

- A. New Board member orientation
- B. In-house training and education
- C. Conferences (e.g. CALAPRS, NCPERS, SACRS, IFEBP, Wharton School, etc.).
- D. Relevant academic institutions and/or self-study courses (Amended 10/02/14; 01/19/23)

New Board Member Orientation

10.5 Staff will be responsible for designing and making available to each new Board member a formal Board orientation program, using consultants where appropriate.

10.6 The specific contents of the Board orientation program will be determined by staff, but will generally cover the following areas:

- A. Role and expectations of Board members
- B. Fiduciary duties of Board members, conflict of interest guidelines, open meeting laws, Proposition 162, and other relevant law to be provided by the City Attorney
- C. Ethics responsibilities
- D. Overview of organizational structure and the roles of staff, and key service providers including the actuary, investment consultant, custodian bank, investment managers, attorneys and auditors
- E. Statement of Economic Interest filings and Robert's Rules of Order

- F. The disability application process
- G. Overview of member services
- H. Benefit structure of the System, delivery, and Board authority
- I. Health benefits program structure, delivery, and Board authority
- J. Actuarial valuation process
- K. Investment and funding policies of the System
 - Structure of current investment program and portfolios
 - Current asset allocation process
 - Private Equity asset class
 - Passive vs Active management
 - Investment manager selection and due diligence process
 - Investment Consultant's role
- L. Board governance policies and practices
- M. Budget process
- N. Travel policies and procedures
- O. Strategic and Annual Plan process and goals
- P. Audit process

(Amended: 10/02/14, 11/21/19)

10.7 In covering the above concepts with new Board members, it is expected that staff will schedule in-house orientation sessions. The scheduling and duration of such sessions should be determined with input from the Board member(s) in question. As a general guide, it is expected that, in total, the orientation sessions will require up to two days to complete.

10.8 As part of the orientation process, Board members will also be provided, either a hard copy or electronic copy:

- A. A user friendly Board Reference Manual, the contents of which are to be determined by staff (See Appendix 1 for sample contents).
- B. A listing of recommended conferences to be attended during a Board member's first year on the Board.
- C. Suggested reading material of an educational nature.
- D. Other relevant information and documentation deemed appropriate by staff.

In-house Education and Training

10.9 The System views in-house education and training to be an essential element of an effective Board education program. Accordingly,

- A. Staff will schedule education sessions during Board meetings so as to coincide with key policy decisions on the Board's agenda. To ensure that the Board is able to make such policy decisions in an informed manner, the education sessions will occur at least one meeting prior to the meeting at which the policy decision is to be made. For example, if the Board is scheduled to make a decision to invest in a new asset class, staff should schedule one or more education sessions on the asset class in question at least one meeting prior to the meeting at which the Board is to make its decision. These sessions may include a panel of consultants as appropriate for the asset class to ensure that the Board receives a balanced presentation.
- B. Through the annual Board Member Self-Assessment Policy (Governance Policy, Section 11.0) the results can be used by staff in determining

educational needs for the following fiscal year and planning these educational items for the Board agendas. (Amended 10/02/14, 08/20/15, 11/21/19 and 09/21/23)

- C. In addition to the above, staff will coordinate special education sessions throughout the year on other topics of general interest and importance to the Board, and that will enhance the Board's ability to govern the System. It is expected that a minimum of one special education session will be organized each year. When possible, efforts should be made to coordinate educational training sessions with other systems or CALAPRS.
- D. Given the changing needs and time availability of Board members, staff is expected to consult with the Board when scheduling in-house education sessions so as to maximize the likelihood of full attendance. Notwithstanding this, it is the responsibility of each Board member to make all reasonable efforts to attend all in-house education sessions.

Conferences

- 10.10 The System believes that attending high quality conferences can also be of great value to Board members in effectively carrying out their fiduciary duties by, for example, exposing Board members to new issues and insights and enabling them to meet and learn from their peers throughout the pension industry.
- 10.11 While many conferences may be beneficial, the Board has found that conferences sponsored by industry associations (e.g. CALAPRS) or by academic institutions (e.g. the Wharton School) are particularly effective (see Appendix 2 for a listing of sample associations).
- 10.12 Staff is responsible for identifying high quality conferences and bringing them to the attention of the Board. Individual Board members are also encouraged to bring quality conferences to the attention of the Board.
- 10.13 Upon returning from a conference, Board members are encouraged to share relevant information with the Board, complete a conference evaluation form and submit it to the General Manager to assist in the evaluation of conferences for future recommendation to the Board. (see Appendix 3 - Conference Attendance Report) (Amended 07/18/13 and 10/02/14)

Involvement by Staff

- 10.14 An additional objective of the Board Education Policy is to establish over time a *common or shared* understanding by the Board and staff of the major issues and concepts involved in the governance and management of the System. Accordingly, the Board expects that staff will, whenever practical, participate in all in-house Board education and training.

REPORTING AND MONITORING

- 10.15 To assist Board members in meeting their educational requirements, the members' educational hours to date and information on upcoming in-house and external training opportunities will be provided in the General Manager's Monthly Report on a quarterly basis for the first three quarters of the fiscal year (Governance Policy, Section 13.0) During the fourth quarter, An annual report summarizing the

training hours and various educational activities, including travel, undertaken by the Board will be prepared by the General Manager and provided to the Board. (Amended: 01/19/23; Revised 01/15/26)

HISTORY

10.16 This policy was adopted by the Board on June 8, 2006; Revised 10/21/10, 07/18/13, 10/02/14, 08/20/15, 11/03/16, 11/21/19, 08/06/20, 01/19/23, ~~and~~ 09/21/23, and 01/15/26.

REVIEW

10.17 The Board will review this policy at least every three years to ensure that it continues to effectively meet the needs of the Board.

10.18 The Board shall next review this policy by January 20296.

APPENDIX 1 - BOARD REFERENCE MANUAL

Some suggested items for inclusion in the Board Reference Manual include:

- A. Commissioners' Contact Information
- B. Current Committee Assignments
- C. Ethics Information
- D. Fiduciary Responsibilities
- E. Background of Contractor's Disclosure Policy
- F. iPad Usage Policy and User Guide
- G. LAFPP Organizational Chart
- H. Summary of LAFPP Sections
- I. Travel Flow Chart
- J. Travel and Education Policy
- K. Budget
- L. Business and Strategic Plans
- M. LAFPP Annual Report (Available Online)
- N. Disability Training Board Reports
- O. Medical and Dental Training
- P. Summary Plan Description of Tier 5 and Tier 6
- Q. Actuarially Speaking by Grant Boyken
- R. Suggested Readings

(Amended 09/2021)

BOARD POLICY MANUAL

- I. Board Governance Policies
- II. Board Operating Policies and Procedures
- III. Board Investment Policies

APPENDIX 2 – RECOMMENDED ASSOCIATIONS

The following Industry Associations have been found to offer educational conferences that are particularly useful for Board members:

- a. CALAPRS - (California Association of Public Retirement Systems) -
<http://www.calaprs.org>
- b. NCPERS - (National Conference on Public Employee Retirement Systems) -
<http://www.ncpers.org>
- c. IFEBP - (International Foundation of Employee Benefits Plans) -
<http://www.ifebp.org>
- d. SACRS - (State Association of County Retirement Systems) -
<http://www.sacrs.org>

The following academic institutions also offer programs that may be particularly useful for Board members:

- The Wharton School at the University of Pennsylvania

APPENDIX 3 - CONFERENCE ATTENDANCE REPORT

Board Member Name: _____

Name of Conference: _____

Date of Conference: _____

Location of Conference: _____

Key Topics Covered: _____

Were there any ideas taught at the Conference that staff or the Board should consider?

Did you learn anything at the Conference that you wanted to share with the Board?

For each of the following statements, please select the response that best describes your opinion:

	Strongly Disagree	Disagree	Agree	Strongly Agree
The conference sessions were mostly informative, well presented and relevant.				
The conference provided a good opportunity to network with, and learn from, industry peers.				
The conference represented good value.				
I would recommend that fellow Board members attend this conference in the future.				

Additional Comments: _____

Signature: _____

Los Angeles Fire & Police Pension System

13.0 - MONITORING AND REPORTING POLICY

BACKGROUND AND PURPOSE

13.1 In keeping with the duty of the Board to oversee the activities and performance of the System, the Board has established this Monitoring and Reporting Policy, which sets out the Board's expectations concerning the reports it is to receive on a regular basis.

PRINCIPLES AND ASSUMPTIONS

13.2 The Board should receive all appropriate information that is relevant to its duties and responsibilities in a timely manner.

13.3 The system of reporting to the Board is a dynamic one, and often must change over time to meet the changing needs of the Board. A process should be in place to help direct and keep track of such changes.

13.4 To the extent practical, reports to the Board should be in written form. Verbal reports should be accompanied by supporting documentation where feasible. The Commission Executive Assistant will work with the General Manager to ensure this is completed.

GUIDELINES

13.5 The Board will be provided the routine reports outlined in Appendix 1 with a frequency also set out therein. The Board may be provided other ad hoc reports as required.

13.6 Requests by Board members for additional routine reports and changes to existing routine reports shall require Board approval and an amendment to Appendix 1 of this policy.

HISTORY

13.7 The Board adopted this policy on June 8, 2006; Reviewed 10/21/10, 10/02/14, 11/03/16, 11/21/19, 09/02/21, 09/05/24, ~~and~~ 09/04/25, and 01/15/26.

REVIEW

13.8 The Board will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

13.9 The Board shall next review this policy by September 2027.

APPENDIX 1 - ROUTINE AND EXCEPTION REPORTS

Monthly Report

Report Name	Frequency	Presented By	Description and Purpose of Report
1. Monthly Report (unless otherwise noted)	Monthly	General Manager	<p>Addresses a range of issues including, but not limited to:</p> <ul style="list-style-type: none"> • Summary of Investment Performance • Asset Allocation • Market Cessation Listing • Pensions and Administrative Operations Division Activities • Budget Compliance (Quarterly) • Contracts including Searches, Expirations, and Renewals • Staffing level and hiring efforts during the first and third quarter of each fiscal year with the latter report providing additional information to comply with California Government Code Section 3502.3. In addition, the recognized employee organization for each bargaining unit is entitled to make a presentation at the public hearing (Amended 09/04/25) • <u>Quarterly Board Education Reports (First three quarters of the fiscal year)</u> (Amended 01/15/26) • Ad hoc Committee Assignments (as appropriate)

Investment & Funding Reports

Report Name	Frequency	Presented By	Description and Purpose of Report
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2. Investment Performance	Quarterly	Investment General Consultant	Report on investment performance for the total Fund, for each asset class, and by investment manager. Provides analysis based on return over various periods (3 months, 1 year, 5 year, etc.), and seeks to identify sources of returns.
3. CIO Report of Asset Allocation	Quarterly	Chief Investment Officer	Report on compliance with asset mix policy, due diligence activity/visits, estimated cash flows and current events.
4. Investment Manager Compliance Exception Report	On an Exception Basis only	Chief Investment Officer	In the event that the investment managers are not investing plan assets in compliance with their mandate, investment agreement, regulatory requirements and System policy, the findings will be summarized for the Board.

Investment & Funding Reports (continued)

Report Name	Frequency	Presented By	Description and Purpose of Report
5. Report on Investment Costs	Annually in the Budget	Chief Investment Officer	Estimates the costs of the investment program.
6. Proxy Voting	Annually	Chief Investment Officer	Included in the Annual Report. Confirms compliance with the Board's Proxy Voting Policy, and summarizes how the System exercised its voting rights in public companies. Specific reports available upon request.
7. Real Estate	Semi-Annually	Real Estate Consultant	Provides overview of real estate portfolio and performance.
8. Private Equity	Semi-Annually	Private Equity Consultant	Provides overview of private equity portfolio and performance.
9. Minority/Women/Disabled Veteran/LGBTQ Broker Report	Annually	Chief Investment Officer	Status report on brokerage activity of each active large cap equity manager and the percentage of trading with minority, women, disabled veteran and LGBTQ owned brokerage firms.
10. Due Diligence	Quarterly	Chief Investment Officer	Summary of due diligence activity/visits over the last quarter will be provided in the CIO Quarterly Report of Asset Allocation.
11. Market Cessation Listing	Monthly	General Manager	Listing included in the Monthly Report of investment firms that shall have no direct marketing contact with the Board and staff during searches or three months prior to the renewal of a contract with a firm currently under contract.
12. Portfolio Value & Asset Allocation	Monthly	General Manager	Included in the Monthly Report.
13. Actuarial Valuation	Annually	Actuary	Summarizes the results of the actuarial valuation for the System, together with any recommendations.
14. Asset Allocation Study	At least every three years	Investment Consultant	A study of the relationship between the System's assets and liabilities.

15. Actuarial Experience Study	Every 3 years	Actuary	Reviews the appropriate long-term economic assumptions such as investment return and wage and price inflation, and demographic assumptions such as disability rates, mortality rates.
16. Actuarial Audit	Every 5-7 years ¹	Actuarial Auditor	An independent review of the validity of the analyses and methodologies used in preparing the System's actuarial valuation.

Administration and Operations Reports

Report Name	Frequency	Presented By	Description and Purpose of Report
17. Strategic Plan	Every 3 years	General Manager	Summarizes the vision, mission, and long term goals.
18. Annual Plan	Annually	General Manager	Annual listing of all initiatives and projects identified to achieve the LAFPP vision, mission and long term goals.
19. Annual Plan: Status Report	Quarterly/Annually	General Manager	Summarizes the status of each initiative/project contained in the annual plan.
20. External Financial Audit	Annually	Chief Accounting Employee/ Auditor	Confirms that the financial statements present fairly, in all materials respects, the financial status of the System, in accordance with generally accepted accounting principles.
21. Annual Report	Annually	Distributed	Reviews the operations and activities of the System during the last fiscal year. The financial statements shall be part of the annual report and indicate the financial position of the System.
22. Legal Affairs	Semi-Annually (in June & December)	City Attorney	An update on significant litigation, potential litigation, and on changes and potential changes to legislation that would significantly affect the System.

¹ Unless the System has recently appointed, or is about to appoint, a new actuary at or about the time an actuarial audit is scheduled to be performed.

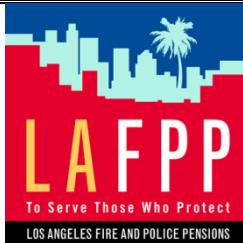
Report Name	Frequency	Presented By	Description and Purpose of Report
23. Staff and Board Travel Report	Quarterly	General Manager	Summary of staff travel approved by General Manager cumulative fiscal year summary of Board travel and other relevant information.
24. Contractor Disclosure Report	Quarterly	Departmental Audit Manager	Listing of all disclosures of monetary contributions and/or other financial benefits made directly/indirectly by contractors.
25. Annual Audit Plan	Annually	Departmental Audit Manager	Listing of all audit activities for the upcoming year.
26. Management Audit Report	Every 5 Years	Departmental Audit Manager	Reports on the findings of the management audit required by the Mayor, Council and Controller per City Charter.
27. Status of Future Agenda Items	Quarterly	General Manager	Provides the current status of items requested by the Board over the past year.

Governance Reports

Report Name	Frequency	Presented By	Description and Purpose of Report
28. General Manager Evaluation	Annually	President, Board, or Third Party Designee.	Summarizes the Board's performance assessment of the General Manager.
29. Annual Governance Report	Annually	President, Board	A summary confirmation of compliance with the governance policies of the Board.
30. Board Education Report	<u>Quarterly/</u> Annually	General Manager	Summarizes the activities and training hours of the Board with respect to education <u>and provides information on upcoming in-house and external training opportunities.</u> (Amended 01/15/26)
31. City Attorney Evaluation	Annually	General Manager	Summarizes the performance assessment of the City Attorney's Office made by the Board and staff.

Report Name	Frequency	Presented By	Description and Purpose of Report
32. Board Self-Assessment	Annually	General Manager	Summarizes the Board's self-assessment to determine educational needs for the following fiscal year and plan these educational items for the Board agenda.

| (Amended 11/21/19; 09/02/21; 09/15/21; 01/19/23; 09/21/23; 11/02/23; 09/05/24; 09/04/25; 01/15/26)



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026

ITEM: D.4

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: APPROVAL OF TRAVEL AUTHORITY (SALAZAR) – CALIFORNIA ASSOCIATION OF PUBLIC RETIREMENT SYSTEMS (CALAPRS) 2026 GENERAL ASSEMBLY

RECOMMENDATION

That the Board approve Joseph Salazar, General Manager, to attend the California Association of Public Retirement Systems (CALAPRS) 2026 General Assembly from March 9 – 11, 2026 in Carlsbad, CA.

DISCUSSION

If approved, Joseph Salazar will attend the following conference:

Conference:	2026 General Assembly
Sponsor:	California Association of Public Retirement Systems
Dates:	March 9 – 11, 2026
Location:	Carlsbad, CA
Mode of Transportation:	Personal Vehicle

BUDGET

Sufficient funds are available in the Fiscal Year 2025-26 Travel Account. Listed below is the estimated cost for attendance and travel.

Estimated cost for Joseph Salazar:

Registration (includes meals)	\$ 250.00
Hotel	\$ 601.90
Per Diem	\$ 193.50
Incidentals (Hotel Parking)	<u>\$ 114.00</u>
	\$1,159.40

POLICY

If approved by the Board, the proposed expenditures would be within the Board's Travel and Education Policy.

CONTRACTOR DISCLOSURE INFORMATION

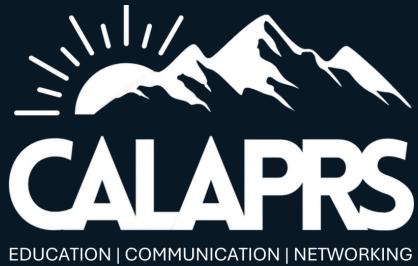
There is no contractor disclosure information required with this report.

This report was prepared by:

Ailana Aguirre, Executive Administrative Assistant
Executive Office

JS:MTS:AA

Attachment: CALAPRS 2026 General Assembly Agenda



ATTACHMENT

2026 GENERAL ASSEMBLY

Navigating the Noise: Governance in an Era of Global Uncertainty



The California Association of Public Retirement Systems (CALAPRS) invites you to attend the Annual General Assembly, Sunday, March 8 – Wednesday, March 11, 2026 at the Westin Carlsbad Resort & Spa, in Carlsbad, CA. The General Assembly is an educational conference for retirement system trustees, senior staff, and our annual sponsors. Attendees will learn from experts and peers, while getting the opportunity to network with colleagues.

SIGN-UP

Register online at <https://www.calaprs.org/general-assembly/>

- **Retirement System Fee:** \$250/person
- **Sponsor Fee:** \$2,500 annual sponsorship includes registration for 2 representatives at no additional cost

Don't miss the only CALAPRS meeting that brings together both our member staff and our association sponsors. The program includes educational sessions on relevant and timely topics, as well as networking opportunities for participants. CALAPRS is dedicated to providing a safe event experience for all meeting participants including: attendees, sponsors, staff, and guests. This meeting will be conducted as advised by government (local, state, and national) regulations, CDC recommendations, and venue requirements at the time of the event.

LODGING

CALAPRS has secured a block of rooms at the host hotel, the Westin Carlsbad Resort & Spa.

Book Online: [CALAPRS Hotel Booking](#)

By Phone: +1 760-827-2800

Room Rate: \$265/night + taxes and fees*

Cut-off Date: Sunday, February 8, 2026 or when the block is sold out, whichever comes first

The \$38/day resort fee is waived, if your room is booked within the CALAPRS room block. This discounted rate is available until the listed cut-off date or until the rooms are sold out, whichever comes first.

COMMITTEE

CALAPRS would like to thank the 2026 General Assembly Planning Committee for their dedication to creating a timely and impactful General Assembly Program!

Julie Wyne, CEO, Sonoma County Employees' Retirement Association (*Chair*)

Debby Cherney, CEO, San Bernardino County Employees' Retirement Association

Katie Girardi, Executive Director, San Luis Obispo County Pension Trust

Kim Malm, Deputy Executive Officer Customer Services & Support, CalPERS

Gregg Rademacher, CEO, San Diego City Employees' Retirement System

AGENDA

SUNDAY, MARCH 8

4:00 PM –

6:00 PM

EARLY-BIRD REGISTRATION OPEN

Beat the crowd and pick-up your badge and other meeting materials starting at 4:00 PM!

MONDAY, MARCH 9

10:00 AM –

5:00 PM

REGISTRATION OPEN

Be sure to check-in and pick-up your badge and meeting materials!

10:00 AM –

12:00 PM

AB1234 ETHICS FOR TRUSTEES

This two hour mandatory bi-annual training for public officials covers conflict of interest rules, public meeting and record requirements, due process requirements and other significant rules for legal compliance by public officials, with a particular focus on how these rules apply to retirement board trustees and senior staff. Note - this session is designed for system trustees and senior staff.

Presenter: Ashley Dunning, Partner & Co-chair Pension, Benefits & Investments Group, Nossaman LLP

11:00 AM –

1:45 PM

INVESTMENTS ROUND TABLE DISCUSSION

This Round Table is for System members ONLY and is an additional fee. Pre-registration is required. Lunch will be available for those registered.

2:00 –

2:15 PM

WELCOME REMARKS

Welcome remarks provided by Dave Nelsen, CEO, Alameda County Employees' Retirement Association (ACERA) & CALAPRS Association President and Julie Wyne, CEO, Sonoma County Employees' Retirement Association (SCERA)

2:15 –

3:15 PM

KEYNOTE – IF YOU NEED IT, WE PRINT IT!

In this moderated discussion, Jeffrey Gundlach shares his perspectives on government debt, Federal Reserve policy, the macroeconomic outlook, and where investors may find opportunities—or risks—in today's markets.

Speaker: Jeffrey Gundlach, CEO, DoubleLine

Moderator: Jim Failor, CIO, Sonoma County Employees' Retirement Association (SCERA)

3:15 –

3:30 PM

NETWORKING BREAK

Coffee, tea, and networking!

**3:30 –
4:30 PM**

CHANGE AND UNCERTAINTY: BETTING AND HEDGING IN A LOW CONVICTION WORLD

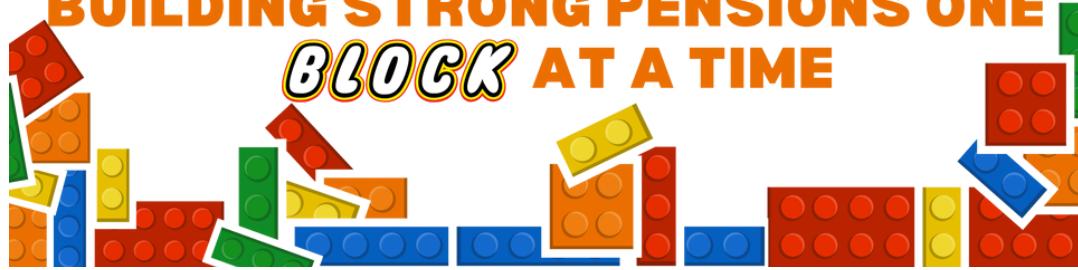
You won't want to miss this dynamic conversation with Simona Mocuta moderated by Donald Pierce discussing how to break down the complexities of U.S. macro policy transitions and their potential impact on markets.

Speaker: Simona Mocuta, Chief Economist, State Street Investment Management
Moderator: Donald Pierce, CIO, San Bernardino County Employees' Retirement Association (SBCERA)

**6:30 –
9:30 PM**

STROLLING DINNER AT THE WESTIN

BUILDING STRONG PENSIONS ONE BLOCK AT A TIME



You're invited to our annual strolling dinner – an evening that blends playful creativity with serious purpose, reminding us that the most durable outcomes are built intentionally—piece by piece, decision by decision, creating retirement security for generations to come. System guests welcome – please register your guest with CALAPRS staff.

Strong pensions aren't built overnight—they're built one block at a time.

TUESDAY, MARCH 10

**7:15 –
8:15 AM**

BREAKFAST

The registration desk will be open starting at 7:00 AM.

**8:15 –
8:30 AM**

OPENING REMARKS

Opening remarks provided by Dave Nelsen, CEO, Alameda County Employees' Retirement Association (ACERA) & CALAPRS Association President.

**8:30 –
9:30 AM**

KEYNOTE – TOTAL PORTFOLIO APPROACH IMPLEMENTATION

Leaders of the nation's largest public pension fund discuss how they are implementing a Total Portfolio Approach to strengthen performance, manage risk, and achieve long-term sustainability. They'll share insights into how this strategy is transforming CalPERS' \$600 billion portfolio, fostering alignment across asset classes, and supporting the fund's mission to deliver retirement security for 2 million members. This session offers a rare look at how one of the world's leading institutional investors is redefining its investment governance.

Speaker: Marcie Frost, Executive Director and Stephen Gilmore, CIO, CalPERS
Moderator: Dave Nelsen, CEO, Alameda County Employees' Retirement Association (ACERA)

**9:30 –
10:00 AM**

NETWORKING BREAK

Coffee, tea, and networking!

**10:00 –
11:00 AM**

WHY LEADING WITH EMPATHY MATTERS TO OUTPERFORMANCE

Join a leader from KKR for an exploration about why empathy is more than a soft skill—it's a strategic imperative linked to higher performance. Discover how leading with empathy builds trust, resilience, and exceptional results across organizations.

Speaker: Ann Arlinghaus, Partner and Co-Head of Capstone in the Americas, KKR
Moderator: Neil Sheth, Partner and Head of Global Research, NEPC

**11:00 AM –
12:00 PM**

SCALE AND STRATEGY: INSIGHTS FROM A LARGE AND SMALL PENSION SYSTEM

Two accomplished CIOs will explore how pension systems of different sizes navigate markets, allocate resources, and pursue innovation. Attendees will gain insight into shared challenges, distinct approaches, and the lessons each system can learn from the other.

Panelists: Molly Murphy, CIO, Orange County Employees' Retirement Association and Katie Girardi, Executive Director, San Luis Obispo County Pension Trust
Moderator: Debby Cherney, CEO, San Bernardino County Employees' Retirement Association (SBCERA)

**12:00 –
1:30 PM**

LUNCH

System members and Sponsor attendees are welcome to join the luncheon.

**1:30 –
2:30 PM**

NAVIGATING THE SEC POLICY LANDSCAPE AHEAD

Panelists will unpack key recent developments from the U.S. Securities and Exchange Commission impacting public pension systems and recommend strategies for ongoing fiduciary oversight of trust fund investments in this challenging regulatory environment. SEC policy changes discussed will include changes altering the SEC's historic structure as a bipartisan, expert, and independent agency; changes altering SEC government enforcement activity; and changes undermining investors' tools to ensure corporate accountability and the integrity of U.S. capital markets.

Panelists: Anya Freedman, Partner, Bernstein Litowitz Berger & Grossman LLP (BLB&G); Omid Harraf, Rock Center for Corporate Governance, Stanford University; and Heather Traeger, General Counsel and Chief Compliance Officer, Teacher Retirement System of Texas

Moderator: Julie Wyne, CEO, Sonoma County Employees' Retirement Association (SCERA)

**2:30 –
3:00 PM**

NETWORKING BREAK

Coffee, tea, and networking!

**3:00 –
4:00 PM**

“LEFT OF BOOM” – A CYBER THREAT LANDSCAPE BRIEFING AND LESSONS LEARNED TO IMPROVE CYBER RESILIENCY

SSA Lally will provide a cyber threat landscape briefing from the FBI's perspective and the non-technical, "lessons learned" from organizations who were impacted by significant cyber incidents.

Speaker: Supervisory Agent Brett Lally, Federal Bureau of Investigation

Moderator: Kim Malm, Deputy Executive Officer, Customer Service & Support Branch, CalPERS

**5:00 –
6:00 PM**

NETWORKING RECEPTION AT THE WESTIN

Join fellow attendees for a last hoorah before the last day of the General Assembly – enjoy a cocktail, delicious hors d'oeuvres, and great company!

WEDNESDAY, MARCH 11

**8:00 –
9:00 AM**

BREAKFAST

The registration desk will be open starting at 7:45 AM.

**9:00 –
10:00 AM**

SHIFTS HAPPEN

This session addresses one of the greatest challenges for institutional investors: staying disciplined as a patient capital investor despite the constant pressures of short-termism. Drawing on global best practices and empirical evidence, Rick Funston highlights how governance discipline, strategic clarity, and aligned decision-making create lasting value over 10-, 20-, and 30-year horizons despite short-term noise.

Speaker: Rick Funston, Funston Advisory Services CEO, Former Deloitte National Leader, Governance and Risk Oversight

Moderator: Gregg Rademacher, CEO, San Diego City Employees' Retirement System (SDCERS)

**10:00 –
10:45 AM**

TRUSTEE ROUNDUP

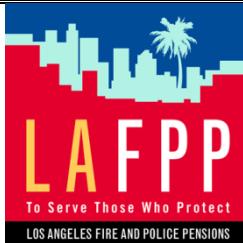
This session will bring together experienced trustees to discuss best practices in board management, strategies for strengthening fiduciary oversight, the importance of transparent, forward-thinking governance structures, and current and emerging challenges facing pension systems. Attendees will gain practical perspectives on effective decision-making, collaborative board dynamics, and the critical role trustees play in safeguarding the retirement security of public employees.

Panelists: Marc Bracco, Chair, Board of Trustees, San Bernardino County Employees Retirement Association (SBCERA); Lisa Marie Harris, President, Board of Administration, San Diego City Employees' Retirement System (SDCERS); and Theresa Taylor, President, Board of Administration, CalPERS

Moderator: Katie Girardi, Executive Director, San Luis Obispo County Pension Trust

**10:45 –
11:00 AM**

CLOSING REMARKS & PROGRAM ADJOURNMENT



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026 **ITEM:** D.5
FROM: JOSEPH SALAZAR, GENERAL MANAGER
SUBJECT: 2025-26 ANNUAL AUDIT PLAN STATUS

THIS REPORT IS PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES.

BACKGROUND

As required by the Internal Audit Charter, the Internal Audit Section (IAS) develops an Annual Audit Plan (Audit Plan) to prioritize internal audit activities for each fiscal year. The Audit Plan is based off of a formal assessment of the organization's strategies, objectives, and risks that complies with Global Internal Audit Standards (Standards). Additionally, Board Governance Policy Section 3.15.B.i requires the Board to approve "...the risk-based internal audit plan, and updates thereto". The Board approved the Fiscal Year (FY) 2025-26 Annual Audit Plan on June 18, 2025, and subsequent amendments to the Audit Plan on October 16, 2025. The Audit Plan is flexible to enable adjustments in scheduled projects to respond to changes in business, risk, operations, programs, systems, and controls in accordance with Standards.

DISCUSSION

Status of Audit Plan Completion to Date

As noted in the "Updated Completion Date" column of the Attachment, IAS has completed one audit carried over from FY 2024-25 and two monitoring projects. Additionally, one audit, one advisory, and one follow-up project are in progress. The contractor disclosure monitoring project is still ongoing and meeting established milestones. IAS has also made substantial progress toward its web-based Contractor Disclosure Form Annual Plan special project and meeting established milestones. One audit has not been started and another has been deferred to FY 2026-27. The Departmental Audit Manager will provide the Board with a fiscal year-end update on the status of the remaining Audit Plan projects in June 2026.

BUDGET

There is no additional impact to the budget.

POLICY

No policy changes are recommended.

CONTRACTOR DISCLOSURE INFORMATION

There is no contractor disclosure information required with this report.

This report was prepared by:

Rebecca Takahashi, Departmental Audit Manager
Internal Audit Section

JS:RT

Attachment: Status of Internal Audit Plan 2025-2026



Status of Internal Audit Plan 2025-2026

Internal Audit Section
Los Angeles Fire and Police Pensions

Attachment

Assurance

NO.	TITLE	TYPE	RISK PRIORITY/INITIAL OBJECTIVE	ORIGINAL COMPLETION DATE	STATUS
AS 2	LAPPL Subsidy Audit - <i>Carryover from 2024-25</i>	Assurance	Risk Priority- Medium (Contractual requirement) <i>Objective: Determine whether LAPPL's Subsidy Program is effective, efficient, and operates as intended. Scope to exclude administrative fees.</i>	July 2025	<u>Completed</u> August 2025
AS 1	UFLAC Subsidy Audit- <i>From Horizon List</i>	Assurance	Risk Priority- High (Contractual requirement) <i>Preliminary Objective : Determine whether UFLAC's Subsidy Program is effective, efficient, and operates as intended. Subobjectives may include review of program governance, risk management, performance, and internal controls. Scope to exclude administrative fees.</i>	New	<u>In Progress</u> February 2026
AS 2	Maintenance of Retired Member Data in MyLAFPP	Assurance	Risk Priority- High <i>Preliminary Objective : Evaluate internal controls in place to update and maintain retired member data in the MyLAFPP portal to ensure fraud risk is reduced to an acceptable level.</i>	January 2026	<u>Not Started</u> June 2026
	Follow-up of Business Continuity and Disaster Recovery Audit	Assurance	Risk Priority- High <i>Preliminary Objective: Conduct a follow-up audit of the 2017 Business Continuity and Disaster Recovery Audit to ensure recommendations made were effectively implemented, and to identify any needed improvements to strengthen the department's ability to currently operate during and after a disaster or other major disruption to service.</i>	June 2026	<u>Deferred to FY 2026-27</u>

Follow-up and Advisory Projects

NO.	PROJECT TITLE	TYPE	RESPONSIBILITY	ORIGINAL COMPLETION DATE	STATUS
F1	Recommendation Follow-Up	Follow-Up	Present semi-annual report on implementation status of outstanding Internal Audit recommendations.	August 2025; February 2026	<u>Completed</u> August 2025 <u>In Progress</u> February 2026
F2	Cybersecurity Governance Follow-Up	Follow-up/Advisory	Monitor and advise on the Department's enterprise-wide cybersecurity governance enhancements.	As needed	<u>Ongoing</u>



Status of Internal Audit Plan 2025-2026

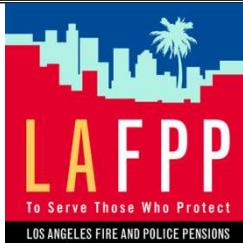
Internal Audit Section
Los Angeles Fire and Police Pensions

Attachment

AD1	Sensitive Information Control Review	Advisory	Management request to perform surprise review of physical security and other controls over sensitive information in office workspaces.	TBD	TBD
AD3	Systems Access Review	Advisory	Review and provide informal advice on system access updates as requested by management.	As needed	As needed
AD4	UFLAC Fiduciary Standard of Care Review	Advisory	Board request to determine whether retired member subsidies and deductions paid to UFLAC were used for their intended purpose and in compliance with the fiduciary standard of care required by their Contract.	January 2026	<u>In Progress</u> February 2026
AD5	Time Sensitive, Investigative, or Other Services	Advisory	Complete any time sensitive reviews, investigations, or other needed services throughout the year as requested by the Board or Management.	As needed	As needed

Monitoring and Special Projects

No.	PROJECT TITLE	Type	RESPONSIBILITY	ORIGINAL COMPLETION DATE	STATUS
					UPDATED COMPLETION DATE
SP 1-4	Contractor Disclosure Policy: Quarterly Reporting	Monitoring	Board Operating Policy Requirement	September 2025; December 2025; March 2026; June 2026	<u>Completed</u> September 2025 December 2025; <u>In Progress</u> March 2026; June 2026
SP 5	Annual Plan Operational Initiative #3: Web- Special Based Contractor Disclosure Form	Project	Annual plan project to optimize the contractor disclosure reporting form by developing a web based form to automate data entry and improve user experience with the contractor disclosure process.	September 2025; December 2025; March 2026; June 2026	<u>Completed</u> September 2025 December 2025; <u>In Progress</u> March 2026; June 2026
SP 6	External Financial Statement Audit Oversight	Monitoring	Board delegation to monitor and support external audit firm performing required financial statement audit, GASB 68/75 audits, and/or needed advisory services.	December 2025	<u>Completed</u> December 2025
SP 7	Quality Assurance and Improvement Program	Monitoring	Reporting of internal quality self-assessment results to ensure section is operating in conformance to Global Internal Audit Standards. When applicable, conduct and report results of periodic external quality assessment by independent assessors.	July 2025	<u>Completed</u> July 2025



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026 **ITEM:** D.6

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: QUARTERLY STATUS REPORT OF FUTURE AGENDA ITEM REQUESTS AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board approve the status of the Future Agenda Item Requests as reflected on Attachments I (Active Items) and II (Completed Items).

BACKGROUND

On September 2, 2021, the Board considered a report providing a status update on all Future Agenda Items requested since July 2020. The Board approved the status of the items and asked that a status report be provided at every meeting, with "Completed" items separated to focus on the "Active" items. On October 6, 2022, the Board directed staff to provide the report once per month during the first Board meeting of each month. On November 2, 2023, the Board approved reducing the frequency of this report to once per quarter. This report is responsive to that request.

DISCUSSION

Attachment I reflects the status of all active items. Attachment II reflects items that have been completed within the last twelve months.

BUDGET

There is no budgetary impact related to this report.

POLICY

There are no policy revisions associated with this report.

CONTRACTOR DISCLOSURE INFORMATION

There is no contractor disclosure information required with this report.

This report was prepared by:

Pedro Durango, Administrative Intern II
Administrative Services and Human Resources Section

JS:MTS:WKP:EJH:PAD:ADMN260008

Attachments: I. Status of Future Agenda Items – Active Items
II. Status of Future Agenda Items – Completed Items

**FUTURE AGENDA ITEMS
QUARTERLY STATUS REPORT
AS OF DECEMBER 18, 2025**

Attachment I

STATUS OF FUTURE AGENDA ITEMS - ACTIVE ITEMS (AS OF 12/18/25)					
Item No.	Request Date	Description of Requested Item	Requesting Commissioner	Status*	Disposition*
1	11/06/25	Disability Pension Physician Reports	Buzzell	Pending	Commissioner Buzzell requested that future pension physician reports contain more objective findings as opposed to subjective findings for applicants claiming injuries due to cumulative trauma or wearing a Sam Browne belt.
2	11/06/25	Education on Private Credit Investing Risks	Liu	Completed	Commissioner Liu requested an educational presentation on the risks of investing in private credit. StepStone, the Board's Private Credit Consultant, presented the education during the Annual Private Credit Strategic Plan at the 11/20/25 meeting.
3	09/18/25	Education on Data Center Investment Opportunities and Energy Impacts	Chun	Pending	Commissioner Chun requested an educational presentation on data center investment opportunities and the energy impacts. Staff and the Board's real estate consultant will schedule an education session.
4	08/21/25	Additional Education on Real Estate Investment Trusts (REITs)	Ambriz	Completed	Following a closed session item, Commissioner Ambriz requested additional information on REITs. The Board's General Consultant, RVK, presented an education session on REITs during its Public Asset Education presentation at the 10/16/25 meeting.
5	08/07/25	Research the need to increase cyber liability insurance coverage to an amount over the current \$10 million.	Perez	Pending	Staff will work with Segal to see what the current trends are in comparison to our plan size as well as poll other systems through the Public Retirement Information Systems Management (PRISM) and California Association of Public Retirement Systems (CALAPRS) forums. Staff is working to schedule a presentation to the Board.
6	08/07/25	Follow-up Information on Investment Managers Referred to Consultants	Liu	Pending	Commissioner Liu requested information from staff regarding tracking and status of investment managers who have been referred to the consultants. Strategic Goal Project No. 2 of the 2025-26 Annual Plan contains milestones related to this request which are scheduled to be completed and presented according to the project timeline (or sooner).
7	07/03/25	Investments in Los Angeles	Jenkins	Scheduled	Commissioner Jenkins asked to look at ways to increase investments in Los Angeles across various asset classes. Staff and the investment consultants subsequently reported on Los Angeles-focused investments in the Private Equity, Private Credit, and Private Real Estate portfolios at the 10/16/25, 11/06/25, and 11/20/25 meetings via the semi-annual performance reports. Staff will consolidate the exposure into a single report to be tentatively provided to the Board during the first calendar quarter of 2026.

**FUTURE AGENDA ITEMS
QUARTERLY STATUS REPORT
AS OF DECEMBER 18, 2025**

Attachment I

STATUS OF FUTURE AGENDA ITEMS - ACTIVE ITEMS (AS OF 12/18/25)					
Item No.	Request Date	Description of Requested Item	Requesting Commissioner	Status*	Disposition*
8	11/07/24	Request for Information from LAFD Medical Liaison Unit (LAFD MLU)	Buzzell	Completed	Commissioner Buzzell requested information from the LAFD MLU regarding: 1) light duty assignments, 2) statement of no job available for applicants, and 3) policy on members who move out of state and apply for disability pensions. LAFD provided the Board with a presentation covering the above information on 11/06/25.

* Yellow highlighted cells indicate updates since the last Board report.

Status	Count	% of Total
Completed	3	37.5%
Pending	4	50.0%
Ongoing	0	0.0%
Scheduled	1	12.5%
TOTAL	8	100.0%

**FUTURE AGENDA ITEMS
QUARTERLY STATUS REPORT
AS OF DECEMBER 18, 2025**

STATUS OF FUTURE AGENDA ITEMS - COMPLETED ITEMS (AS OF 12/18/25)

Item No.	Request Date	Date of Disposition*	Description of Requested Item	Requesting Commissioner	Status	Disposition
1	07/17/25	10/01/25	Department Cybersecurity Strategies	Ambriz/Liu	Completed	Commissioners Ambriz and Liu requested that staff report back on the overall cybersecurity strategies. On 10/01/25, staff reported back on work that has been performed since 2020, work that is currently being performed, and a summary of initiatives under consideration.
2	07/03/25	08/21/25	Workplace Culture Assessment	Ambriz	Completed	Commissioner Ambriz requested that staff report back on ways to survey staff to assess the workplace culture and environment. Staff presented options on 08/21/25, and the Board directed staff to execute a Letter of Agreement with TurningWest. TurningWest presented the results of the survey along with actionable recommendations to the Board on 11/20/25.
3	02/06/25	06/18/25	LAFD Payroll Pension Deduction Issues	Buzzell	Completed	Commissioner Buzzell requested a report on the pension deduction issues that LAFD is having due to the implementation of the new City payroll system, Workday. This issue was addressed via the May 2025 General Manager's Monthly Report.
4	11/21/24	06/18/25	Expanded Private Equity Portfolio Performance Reporting	Liu	Completed	Commissioner Liu requested that the next Private Equity Portfolio Performance review include: 1) comparison to public benchmark for the same time period, 2) expanding the sector and sub-sector performance by vintage year, and 3) adding another public pension plan of similar Assets Under Management (AUM) (i.e., San Francisco Employees' Retirement System) to the peer comparison. Staff worked with the Consultant to incorporate Commissioner Liu's feedback on the Private Equity Portfolio Performance review presented on 06/18/25.
5	04/17/25	05/15/25	Overview on Robert's Rules of Order	Perez	Completed	Commissioner Perez requested an overview of procedures for motions and voting in order to reconsider a vote on a motion that has already been decided. Staff's report to the Board on 05/15/25 included discussion on three relevant motions, as well as administrative and investment recommendation-related concerns for consideration.
6	05/18/23	05/01/25	MBE/WBE/DOBE/VBE/LGBTQ broker usage increase and expanded reporting	Ambriz/Perez	Completed	During the MBE/WBE/DOBE/VBE/LGBTQ broker usage report at the 05/18/23 Board meeting, Commissioner Ambriz asked how we can increase the usage. Commissioner Perez asked to expand the report so that each broker is listed. Report was presented at the 05/02/24 Board meeting. Commissioner Ambriz requested additional information on other pension plans' MBE/WBE/DOBE/VBE/LGBTQ broker usage. Staff presented the findings at the 05/01/25 Board meeting.
7	11/07/24	02/20/25	Workers' Compensation	Ambriz/Zimmon	Completed	Commissioner Ambriz requested information on possible savings to LAFPP if there were no Workers' Compensation (WC) liens; as well as, what is the cost to the City to increase the WC Division's budget as requested in the 11/07/24 letter to the Mayor. Commissioner Zimmon requested information on roadblocks to retirees getting treatment from WC third party administrators. Tyrone Spears, the head of Personnel Department's Workers' Compensation Division, came to the 02/20/25 Board meeting to answer questions from the Commissioners. Staff also presented an estimate of the potential savings to the plan on health subsidies if recovered Workers' Compensation claims had not been treated via the retiree health plans.

**FUTURE AGENDA ITEMS
QUARTERLY STATUS REPORT
AS OF DECEMBER 18, 2025**

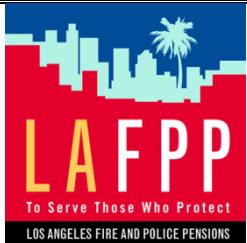
Attachment II

STATUS OF FUTURE AGENDA ITEMS - COMPLETED ITEMS (AS OF 12/18/25)

Item No.	Request Date	Date of Disposition*	Description of Requested Item	Requesting Commissioner	Status	Disposition
8	11/07/24	12/19/24	Measure FF - LACERS to LAFPP Tier 6 transfer	Buzzell	Completed	Staff provided the Board with a report on Measure FF and the transfer to Tier 6.
9	06/01/23	11/21/24	Global macro look at ESG	Chun	Completed	During the private credit policy discussion, Commissioner Chun said that ESG metrics were unclear and requested a global macro look at ESG. On 11/21/24 staff coordinated an educational presentation to the Board by AllianceBernstein.
10	03/21/24	11/21/24	Follow-Up on DEI Survey	Ambriz	Completed	During the presentation on the DEI Survey results of investment managers and consultants, Commissioner Ambriz requested more detail on the investment managers and consultants who did not respond. Staff brought a follow-up report to the Board for the 11/21/24 meeting.
11	11/02/23	11/07/24	Outstanding Workers' Compensation claims and their impact on retiree health plan costs.	Zimmon	Completed	Staff provided the Board a report on 11/07/24 and the Board approved sending a letter to the Mayor's office requesting additional funding for the City's Workers' Compensation Program.
12	04/20/23	11/07/24	ILPA DAI Signatory Follow-Up	Ambriz	Completed	Staff provided a follow-up report to the Board at the 11/07/24 meeting.

* Items highlighted in red are more than one-year old and will be removed in next report.

Status	Count	% of Total
Completed	12	100.0%



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
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REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026 **ITEM: D.7**

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: QUARTERLY TRAVEL REPORT FOR COMMISSIONERS AND STAFF

THIS REPORT IS PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES.

DISCUSSION

Staff provides the Board quarterly updates on travel expenditures for both Commissioners and staff. For Fiscal Year (FY) 2025-26, the department budgeted \$142,200 for Travel Expense. Through December 31, 2025, the department recorded total travel expenditures of \$16,037 of which \$2,057 was spent for Commissioners and \$13,980 was spent for staff (Attachment I).

In October 2019, the Board directed staff to include comparison data for the past three fiscal years, which is provided on Attachment II of this report.

BUDGET

There is no budget impact associated with this report.

POLICY

There are no policy changes associated with this report.

CONTRACTOR DISCLOSURE INFORMATION

There is no contractor disclosure information associated with this report.

This report was prepared by:

Blas Rafols, Principal Accountant II
Administrative Operations Division

JS:MTS:MC:BR

Attachments: I) Fiscal Year to Date Travel Expenditures Summary for Commissioners & Staff
II) LAFPP Travel Quarterly Expense Trend (FY 2023 – FY 2026)

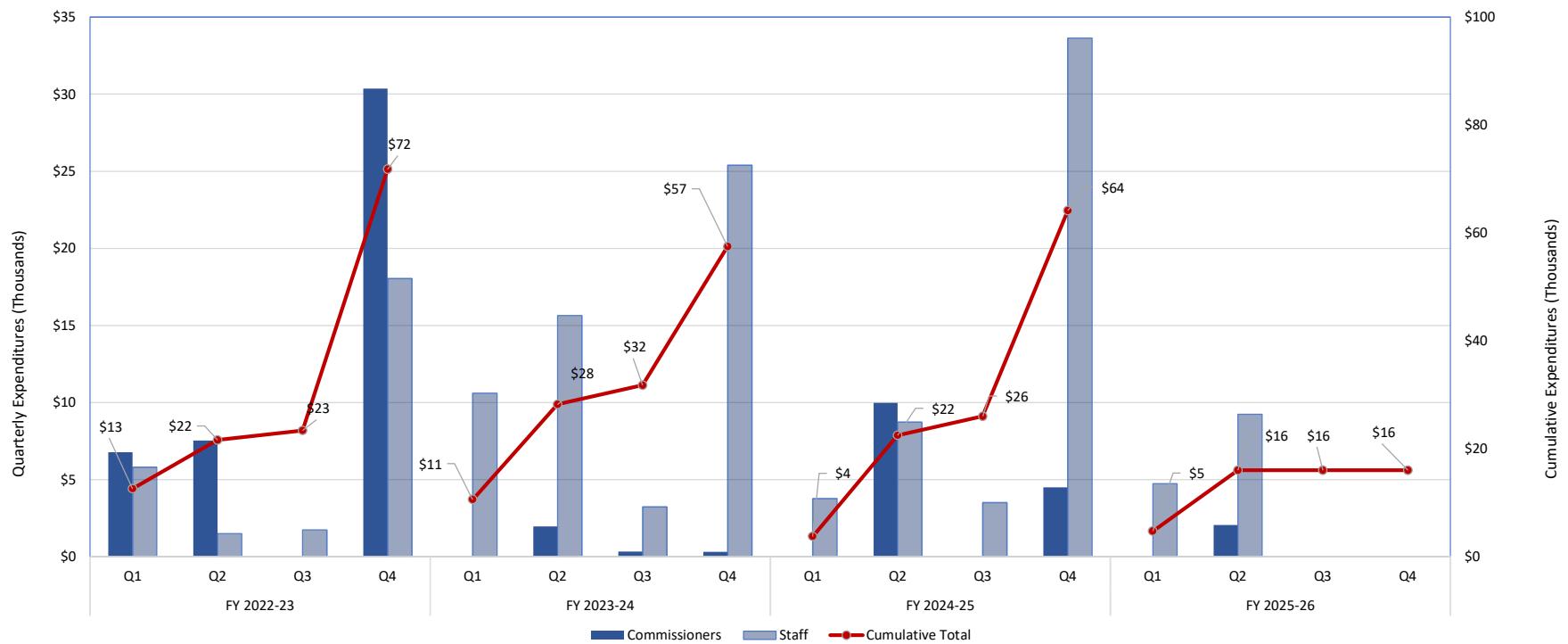
DEPARTMENT OF FIRE AND POLICE PENSIONS
COMMISSIONERS & STAFF TRAVEL REPORT
SUMMARY FOR FISCAL YEAR 2025-26 (JULY 1, 2025 TO DECEMBER 31, 2025)

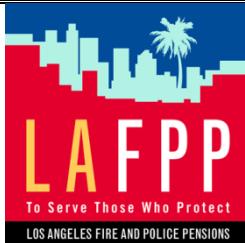
Commissioner Name	Location	Travel Dates		Estimated Expenses	Actual Expenses*	Notes	Date Submitted to Accounting	Date Approved by Accounting in FMS	# of Business Processing Days	Event/Organization**	Remarks
Arellano, Rigoberto	Honolulu, HI	11/08/25	11/12/25	3,187	2,057		12/04/25	12/10/25	4	IFEBP 71st Employee Benefits Conference	Paid
TOTAL COMMISSIONERS TRAVEL EXPENDITURES \$ 2,057											
Staff Name	Location	Travel Dates		Estimated Expenses	Actual Expenses*	Notes	Date Submitted to Accounting	Date Approved by Accounting in FMS	# of Business Processing Days	Event/Organization**	Remarks
STAFF											
Magallanes, Claire	Scottsdale, AZ	10/13/25	10/16/25	\$ 1,751	\$ 1,701		11/20/25	11/24/25	2	TPG Annual Investors Meeting & Phoenix MSA Market Overview	Paid
Ortiz, Bernice	San Diego, CA	09/25/25	09/28/25	\$ 1,483	\$ 1,356		11/07/25	11/17/25	5	LA Police Protective League Delegates Conference Booth	Paid
Perez, Adam	New York, NY	10/13/25	10/15/25	\$ 2,300	\$ 1,479		11/14/25	11/17/25	1	Future Standard Annual General Meeting & Manager Meeting	Paid
Perez, Adam	New York, NY	11/03/25	11/07/25	\$ 2,653	\$ 2,653					ILPA GP Summit & Manager On-Site Meetings	
Shaler, Marion	New York, NY	09/28/25	10/01/25	\$ 2,253	\$ 1,983		11/20/25	11/24/25	2	AAAIM Elevate Conference	Paid
Takahashi, Rebecca	Folsom, CA	10/20/25	10/23/25	\$ 1,996	\$ 1,615		11/18/25	11/24/25	4	APPFA Fall 2025 Conference	Paid
Torres, Christian	Folsom, CA	10/20/25	10/23/25	\$ 1,961	\$ 1,790		12/02/25	12/02/25	0	APPFA Fall 2025 Conference	Paid
Trevizo, Elizabeth	San Diego, CA	09/25/25	09/28/25	\$ 1,529	\$ 1,403		11/25/25	12/01/25	2	LA Police Protective League Delegates Conference Booth	Paid
TOTAL STAFF TRAVEL EXPENDITURES \$ 13,980											
TOTAL TRAVEL EXPENDITURES \$ 16,037											
AVERAGE NO. OF PROCESSING DAYS (BUSINESS DAYS) FROM DATE ACCOUNTING RECEIVES TO FMS APPROVAL DATE 2.5											
*If PES is not yet submitted, the amount used is an estimate.											
**Event/Organization Acronym Guide											
AAAIM	Association of Asian American Investment Managers										
APPFA	Association of Public Pension Fund Auditors										
IFEBP	International Foundation of Employee Benefit Plans										
ILPA	Institutional Limited Partners Association										

LAFPP TRAVEL QUARTERLY EXPENSE TREND

(FY 2023 - FY 2026)

	FY 2022-23				FY 2023-24				FY 2024-25				FY 2025-26			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Commissioners	\$ 6,787	\$ 7,531	\$ -	\$ 30,360	\$ -	\$ 1,977	\$ 327	\$ 310	\$ -	\$ 9,990	\$ -	\$ 4,501	\$ -	\$ 2,057	\$ -	\$ -
Staff	\$ 5,813	\$ 1,496	\$ 1,752	\$ 18,038	\$ 10,602	\$ 15,641	\$ 3,230	\$ 25,386	\$ 3,775	\$ 8,730	\$ 3,512	\$ 33,628	\$ 4,742	\$ 9,238	\$ -	\$ -
Quarterly Total	\$ 12,600	\$ 9,027	\$ 1,752	\$ 48,398	\$ 10,602	\$ 17,618	\$ 3,557	\$ 25,696	\$ 3,775	\$ 18,720	\$ 3,512	\$ 38,129	\$ 4,742	\$ 11,295	\$ -	\$ -
Cumulative Total	\$ 12,600	\$ 21,627	\$ 23,379	\$ 71,777	\$ 10,602	\$ 28,220	\$ 31,777	\$ 57,473	\$ 3,775	\$ 22,495	\$ 26,007	\$ 64,136	\$ 4,742	\$ 16,037	\$ 16,037	\$ 16,037
Adopted/Adjusted Budget	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 122,200	\$ 122,200	\$ 122,200	\$ 122,200	\$ 142,300	\$ 142,300	\$ 142,300	\$ 142,300	\$ 142,200	\$ 142,200	\$ 142,200	\$ 142,200
Remaining Balance	\$ 87,400	\$ 78,373	\$ 76,621	\$ 28,223	\$ 111,598	\$ 93,980	\$ 90,423	\$ 64,727	\$ 138,525	\$ 119,805	\$ 116,293	\$ 78,164	\$ 137,458	\$ 126,163	\$ 126,163	\$ 126,163
% of Budget Expended	12.6%	21.6%	23.4%	71.8%	8.7%	23.1%	26.0%	47.0%	2.7%	15.8%	18.3%	45.1%	3.3%	11.3%	11.3%	11.3%





DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026 **ITEM:** D.8

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: QUARTERLY LEGISLATION TRACKING REPORT

THIS REPORT IS PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES.

Pursuant to Board Governance Policy Sections 3.18 and 9.17, Staff monitors legislation that may have a significant impact on the System. Currently, Staff provides the Board with quarterly updates highlighting pension and healthcare benefit-related legislation introduced within and progressing through the State legislature and U.S. congressional chambers. Given the slow pace of legislation, Staff will shift to a semi-annual schedule because Sections 3.18 and 9.17 do not dictate a reporting schedule, and Staff will comply with the requirement to bring any time-sensitive matters to the Board as needed.

This report provides the fourth quarter's activity for the 2025 calendar year. Beginning June 2026, the Legislation Tracking Report will be provided to the Board on a semi-annual basis every June and December, which will coincide with the City Attorney's semi-annual legal affairs/litigation report, and on an as-needed basis when a time-sensitive update is required.

DISCUSSION

State Legislation

SB 351 – Health Facilities

SB 351 was approved by the Governor on October 6, 2025, and was Chaptered by the Secretary of State under *Chapter 409, Statutes of 2025*. This bill prohibits a private equity group or hedge fund involved in any manner with a physician or dental practice doing business in California from interfering with the professional judgment of physicians or dentists in making health care decisions and exercising power over specified actions, including making decisions regarding coding and billing procedures for patient care services.

Federal Legislation

S. 3251 – State and Local Cybersecurity Grant Program Reauthorization Act

This bill, introduced November 20, 2025, would amend the Homeland Security Act of 2002 to authorize state and local cybersecurity grants for fiscal year 2026, and for other purposes. If passed,

it will extend and enhance the federal grant program that helps provide funding to state, local tribal and territorial governments to improve cybersecurity.

Details about these bills and additional legislative activity are included in the attached report. Staff will continue to monitor any updates regarding State and Federal legislation.

BUDGET

No budget impact associated with this report.

POLICY

No policy changes associated with this report.

CONTRACTOR DISCLOSURE INFORMATION

There is no contractor disclosure information required with this report.

This report was prepared by:

Nashamah Freeman, Management Analyst
Communications & Education Section

JS:GFM:KR:ABH:NF

Attachment – Legislation Tracking

Bill No./ Initiative (Version)/ Introduced	Author	Summary	Status
Statewide Legislation: 2025-2026			
AB 339 (01/28/25)	Ortega	<p>AB 339 - Local public employee organizations: notice requirements</p> <p>Existing law, the Meyers-Milias-Brown Act, contains various provisions that govern collective bargaining of local represented employees and delegates jurisdiction to the Public Employment Relations Board to resolve disputes and enforce the statutory duties and rights of local public agency employers and employees. Existing law requires the governing body of a public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations.</p> <p>This bill would require the governing body of a public agency, and boards and commissions designated by law or by the governing body of a public agency, to give the recognized employee organization no less than 45 days' written notice before issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization.</p>	10/13/25 – Approved by the Governor & Chaptered by Secretary of State – Chapter 687, Statutes of 2025.
AB 814 (02/19/25)	Schiavo	<p>AB 814 - Personal Income Tax Law: exclusions: law enforcement retirement.</p> <p>The Personal Income Tax Law, in conformity with federal income tax law, generally defines "gross income" as income from whatever source derived, except as specifically excluded, and provides various exclusions from gross income.</p> <p>This bill, for taxable years beginning on or after January 1, 2025, and before January 1, 2030, would exclude from gross income qualified payments received by a taxpayer during the taxable year. The bill would define qualified payments to mean either amounts received from a pension plan the taxpayer is the beneficiary of based on services performed as a peace officer, as defined, or amounts received as the beneficiary of an annuity plan set up for the surviving spouse</p>	05/05/25 - In committee: Set, second hearing. Held under submission.

Bill No./ Initiative (Version)/ Introduced	Author	Summary	Status
Statewide Legislation: 2025-2026			
SB 351 (02/12/25)	Cabaldon	<p>or dependent of a person that lost their life in services as a peace officer, as specified.</p> <p>SB 351 – Health Facilities.</p> <p>This bill would prohibit a private equity group or hedge fund involved in any manner with a physician or dental practice doing business in this state from interfering with the professional judgment of physicians or dentists in making health care decisions and exercising power over specified actions, including making decisions regarding coding and billing procedures for patient care services.</p>	10/06/25– Approved by the Governor and chaptered by Secretary of State.

Bill No./ Initiative (Version)/ Introduced	Author	Summary	Status
Federal Legislation – 119th Congress 2025-2026			
H.R. 1040 (02/06/25)	Massie	<p>H.R. 1040 – Senior Citizens Tax Elimination Act</p> <p>To amend the Internal Revenue Code of 1986 to repeal the inclusion in gross income of Social Security benefits.</p>	02/06/25 – Introduced in House and referred to the House Committee on Ways and Means.
H.R. 2041 (03/11/25)	Courtney	<p>H.R. 2041 - Hidden Fee Disclosure Act of 2025</p> <p>To amend the Employee Retirement Income Security Act of 1974 to clarify and strengthen the application of certain employer-sponsored health plan disclosure requirements.</p>	03/11/25 - Introduced in House and referred to the House Committee on Education and Workforce.
H.R. 2045 (03/11/25)	Doggett	<p>H.R. 2045 - Medicare Dental, Vision, and Hearing Benefit Act of 2025</p> <p>To amend title XVIII of the Social Security Act to provide for coverage of dental, vision, and hearing care under the Medicare program.</p>	03/11/25 - Introduced in House and Referred to the Committee on Energy and Commerce.
H.R. 2067 (03/11/25)	Moolenaar	<p>H.R. 2067 – Protecting Americans’ Retirement Savings Act</p> <p>To amend the Employee Retirement Income Security Act of 1974 to prohibit plan investments in foreign adversary and sanctioned entities, require disclosures of existing investments in such entities, and for other purposes.</p>	03/11/25 – Introduced in the House and referred to the House Committee on Education and Workforce.
H.R. 2988 (04/24/25)	Allen	<p>H.R. 2988 – Protecting Prudent Investment of Retirement Savings Act</p> <p>To amend the Employee Retirement Income Security Act of 1974 to specify requirements concerning consideration of pecuniary (related to or consisting of money) and non-pecuniary factors, and for other purposes.</p>	12/30/25 – Reported (Amended) by the Committee on Education and Workforce and Placed on the Union Calendar, Calendar No. 367.
H.R. 3327 (05/13/25)	Bacon	<p>H.R. 3327 - Public Safety Retirees Healthcare Protection Act of 2025</p> <p>To amend the Internal Revenue Code of 1986 to increase the amount excluded from gross income by reason of distributions from governmental</p>	05/13/25 – Introduced in the House and referred to the House Committee on

Bill No./ Initiative (Version)/ Introduced	Author	Summary	Status
Federal Legislation – 119th Congress 2025-2026			
		retirement plans for health and long-term care insurance for public safety officers.	Ways and Means.
H.R. 3514 (05/20/25)	Kelly	<p>H.R. 3514 - Improving Seniors' Timely Access to Care Act of 2025</p> <p>To amend title XVIII of the Social Security Act to establish requirements with respect to the use of prior authorization under Medicare Advantage plans.</p>	05/20/25 – Introduced and referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
H.R. 5284 (09/10/25)	Smucker	<p>H.R. 5284 – Claiming Age Clarity Act</p> <p>To require the Social Security Administration to make changes to the social security terminology used in the rules, regulation, guidance, or other materials of the Administration. Not later than the later of the date that is 12 months after the date of enactment of this Act or January 1, 2027, the Commissioner of Social Security shall ensure that, in any rules, regulation, guidance, or other materials of the Social Security Administration, whether online or in print the term “early eligibility age” is replaced with the term “minimum monthly benefit age”; the terms “full retirement age” and “normal retirement age” are replaced with the term “standard monthly benefit age”; and the term “delayed retirement credit” shall not be used and any reference to age 70 as the maximum age up to which delayed retirement credits can be received shall be replaced with the term “maximum monthly benefit age.”</p>	12/02/25 – Received in the Senate and read twice and referred to the Committee on Finance.

Bill No./ Initiative (Version)/ Introduced	Author	Summary	Status
Federal Legislation – 119th Congress 2025-2026			
H.R. 5403 (09/16/25)	Landsman	H.R. 5403 - Enhancing COPS Hiring Program Grants for Local Law Enforcement Act	09/16/25 - Introduced in House and referred to the House Committee on the Judiciary.
S. 237 (01/23/25)	Klobuchar	S. 237 - Honoring Our Fallen Heroes Act of 2025	05/20/25 - Placed on Senate Legislative Calendar under General Orders. Calendar No. 78.
H.R. 1269 (02/12/25)	Scanlon	To amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide public safety officer benefits for exposure-related cancers, and for other purposes.	
S. 527 (02/11/25)	Grassley	S. 527 – Prescription Pricing for the People Act of 2025	04/10/25 - Placed on Senate Legislative Calendar under General Orders. Calendar No. 42.
S. 1040 (03/13/25)	Cornyn	S. 1040 – Drug Competition Enhancement Act	04/10/25 - Placed on Senate Legislative Calendar under General Orders. Calendar No. 43.
S. 1563 (05/01/25)	Klobuchar	S. 1563 - Retired Law Enforcement Officers Continuing Service Act	05/20/25 - Placed on Senate Legislative Calendar under General Orders. Calendar No. 83.
S. 1797 (05/15/25)	Barrasso	S. 1797 - Expanding Seniors Access to Mental Health Services Act	05/15/25 - Read twice and referred to the Committee on Finance.
5			

LEGISLATION TRACKING

Attachment

Bill No./ Initiative (Version)/ Introduced	Author	Summary	Status
Federal Legislation – 119th Congress 2025-2026			
S. 3251 (11/20/25)	Hassan	<p>S. 3251 - State and Local Cybersecurity Grant Program Reauthorization Act</p> <p>To amend the Homeland Security Act of 2002 to authorize State and local cybersecurity grants for fiscal year 2026, and for other purposes.</p>	11/20/25 - Read twice and referred to the Committee on Homeland Security and Governmental Affairs.

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
BOARD MEETING OF DECEMBER 4, 2025

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met on Thursday, December 4, 2025.

COMMISSIONERS PRESENT: Andrea Ambriz, President
Brian J. Churchill, Vice President
Kenneth E. Buzzell
Carlton J. Jenkins
Nanxi Liu
Garrett W. Zimmon

COMMISSIONERS ABSENT: Rigoberto Arellano
Raul Perez

DEPARTMENT OF FIRE AND POLICE PENSIONS: Joseph Salazar, General Manager
Myo Thedar, Executive Officer
Gregory Mack, Assistant General Manager
Bryan Fujita, Chief Investment Officer
Tiffany West, Commission Executive Assistant

CITY ATTORNEY'S OFFICE: Joshua Geller, Assistant City Attorney

President Ambriz called the meeting to order at 8:34 a.m. All the above-listed Commissioners were present at the start of the meeting.

A. CALL TO ORDER

1. Roll Call

Ms. Tiffany West announced there was a quorum, with six Commissioners participating in person from the Boardroom. Commissioners Arellano and Perez are absent.

2. Consideration of Notices and Requests for Remote Participation pursuant to AB 2449

- a. Just Cause – receive and file
- b. Emergency Circumstance and possible Board action

There were no Notices and Requests for Remote Participation for consideration.

B. PUBLIC COMMENT ON MATTERS WITHIN THE BOARD'S JURISDICTION AND ANY SPECIFIC AGENDA ITEMS

Commissioner Buzzell announced the passing of former LAFPP Commissioner Steve J. Silberman. There were no additional public comments.

C. DISABILITY CASE

This item was continued at the request of the applicant's representative, and no action was taken.

Alternative 2

Police Officer II Maryann B. Bunag. Ms. Bunag will be represented by Thomas J. Wicke, Esq. of Lewis, Marenstein, Wicke, Sherwin & Lee, LLP.

D. CONSENT ITEMS

1. NEW MEDICARE SUBSIDY, DENTAL SUBSIDY, NON-MEDICARE SUBSIDY FOR QUALIFIED SURVIVING SPOUSES/DOMESTIC PARTNERS, AND MEDICARE PART B PREMIUM REIMBURSEMENT MAXIMUMS FOR 2026

Received and filed.

2. CONTRACTOR DISCLOSURE REPORT: THIRD QUARTER 2025

Received and filed.

3. Approval of Minutes

Regular Board meeting minutes of November 6, 2025

Commissioner Churchill moved that the Board approve the consent items, which was seconded by Commissioner Liu and approved by the following vote: ayes, Commissioners Buzzell, Churchill, Jenkins, Liu, Zimmon, and President Ambriz – 6; nays, none.

E. REPORTS TO THE BOARD

1. DISCUSSION OF KEY PERSONNEL TRANSITION AT SEGAL, AUTHORITY TO AMEND THE CONTRACT WITH THE SEGAL COMPANY FOR ACTUARIAL CONSULTING SERVICES, AND POSSIBLE BOARD ACTION

Messrs. Gregory Mack, Assistant General Manager, Pensions Division, Andy Yeung, Vice President and Actuary, and Ms. Emily Klare, Senior Actuary of Segal presented this item to the Board. The report was approved as submitted.

Resolution 26070

Commissioner Buzzell moved that the Board consider the recently announced key personnel changes at The Segal Company (Segal) and authorize the General Manager, on behalf of the Board, to execute a contract amendment with Segal updating the key personnel provisions to reflect the current actuarial consultants, subject to the approval of the City Attorney as to form,

which was seconded by Commissioner Jenkins and approved by the following vote: ayes, Commissioners Buzzell, Churchill, Jenkins, Liu, Zimmon, and President Ambriz – 6; nays, none.

2. CONSIDERATION OF THE JULY 1, 2024 TO JUNE 30, 2025 PENSION AND HEALTH BENEFITS VALUATIONS AND POSSIBLE BOARD ACTION

Messrs. Gregory Mack, Assistant General Manager, Pensions Division, Todd Tauzer, Senior Vice President and Actuary, Andy Yeung, Vice President and Actuary of Segal presented and discussed this item with the Board. General Manager Salazar provided additional comment. The report was approved as submitted.

Resolution 26071

Commissioner Buzzell moved that the Board:

1. Adopt the attached pension and health valuation reports submitted by Segal for plan funding purposes for the period ending June 30, 2025, including the application of the recommended seven-year glide path to phase out the unfunded actuarial accrued liability (UAAL) for the retirement plan due to its fully funded status (Attachment 1); and,
2. Adopt the attached Governmental Accounting Standards Board (GASB) 67 and 74 Actuarial Valuations for plan financial reporting purposes as of June 30, 2025 (Attachments 2 and 3),

which was seconded by Commissioner Churchill and approved by the following vote: ayes, Commissioners Buzzell, Churchill, Jenkins, Liu, Zimmon, and President Ambriz – 6; nays, none.

3. AUDITED FINANCIAL STATEMENTS AS OF JUNE 30, 2025 AND POSSIBLE BOARD ACTION

Mses. Rebecca Takahashi, Departmental Audit Manager, Etta Hur, Audit Manager, and Mark Frishwasser, Audit Supervisor of Simpson and Simpson presented this item to the Board. The report was approved as submitted.

Resolution 26072

Commissioner Buzzell moved that the Board:

1. Adopt the System's Audited Financial Statements as of June 30, 2025; and,
2. Direct staff to provide copies of the adopted Audited Financial Statements to the State Controller and City Controller,

which was seconded by Commissioner Zimmon and approved by the following vote: ayes, Commissioners Buzzell, Churchill, Jenkins, Liu, Zimmon, and President Ambriz – 6; nays, none.

4. CONSIDERATION OF GOVERNMENTAL SIDE-A FIDUCIARY LIABILITY INSURANCE AND POSSIBLE BOARD ACTION

Mr. Wilson Poon, Chief Management Analyst, Administrative Operations Division, Ms. Anna Bell, Vice President and Mr. Dennis Yuen, Senior Broker of Segal Select Insurance presented and discussed this item with the Board. The report was approved as submitted.

Resolution 26073

Commissioner Churchill moved that the Board:

1. Authorize the General Manager to negotiate and execute the required documents with our current broker Segal Select Insurance Services, Inc., to renew the Governmental Side-A Directors & Officers liability insurance policy (for a total of \$15 million in primary and excess coverage limits) with the incumbent carriers, at an annual cost not to exceed \$67,000; and,
2. Request a Waiver of Recourse Endorsement (estimated at \$50 annually per insured person) to be paid by the insured person and not by System assets,

which was seconded by Commissioner Buzzell and approved by the following vote: ayes, Commissioners Buzzell, Churchill, Jenkins, Liu, Zimmon, and President Ambriz – 6; nays, none.

5. VERBAL STATUS REPORT FROM DEPARTMENTAL AUDIT MANAGER ON INFORMATION REQUEST FROM UNITED FIREFIGHTERS OF LOS ANGELES CITY (UFLAC) CONSERVATOR

Ms. Rebecca Takahashi, Departmental Audit Manager presented and discussed this item with the Board. Mr. Dave Riles, Vice-Chair Benefits Trust, United Firefighters of Los Angeles City, provided additional comments.

F. GENERAL MANAGER'S REPORT

1. Benefits Actions approved by General Manager on November 20, 2025

Minutes of the Board of Fire and Police Pension Commissioners

Meeting of December 4, 2025

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Pursuant to Resolution 04008, adopted by the Board of Fire and Police Pension Commissioners on August 7, 2003, the following benefits actions have been approved by the General Manager. Any conservatorships or community property divisions contained herein have been determined following a review by the Office of the City Attorney.

DISCONTINUED PENSIONS – 18

<u>Name</u>	<u>Member's Class</u>	<u>Tier</u>	<u>Effective</u>	<u>Died</u>
Constantin B. Albera	Fire Service	2	06-01-78	10-14-25
Andrew D. Kuljis	Fire Disability	2	02-18-88	10-08-25
Jerry M. Schnitker	Fire Disability	2	11-25-90	10-09-25
Leona R. Dorsey	Fire Widow	2	12-30-19	10-24-25
Leota A. Grady	Fire Widow	2	02-14-11	09-15-25
William F. Fletcher	Harbor Service	5	07-09-06	09-29-25
John F. Balicki	Police Service	2	07-10-94	07-24-25
Richard L. Batson	Police Service	2	05-06-90	10-14-25
Sherman R. Oakes	Police Service	2	07-31-88	10-01-25
Robert J. Tumas	Police Service	2	08-02-98	09-07-25
Emmanuel C. Valencia	Police Service	2	10-24-99	10-15-25
Ronald D. Corbin	Police Disability	2	04-01-77	10-14-25
Carol J. Hill	Police Disability	2	07-18-86	09-18-25
William D. Myers	Police Disability	2	06-29-82	10-18-25
Rita M. Savala	Police Disability	3	07-18-98	10-01-25
Robert Van Gelder	Police Disability	2	02-26-87	10-10-25
Narisse F. Johnson	Police Widow	2	01-14-24	09-27-25
Carol J. Monnett	Police Widow	2	10-30-12	08-14-25

DISCONTINUED PENSIONS DESIGNATED BENEFICIARY – 1

<u>Name</u>	<u>Member's Class</u>	<u>Tier</u>	<u>Effective</u>	<u>Member Died</u>	<u>Died</u>
Matthew E. Valencia	Police Service	2	03-15-23	10-15-25	

ELIGIBLE SURVIVING SPOUSE'S PENSION – 12

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Tier</u>	<u>Effective</u>
Eileen T. Albera	Constantin B. Albera	Fire Service	2	10-15-25
Bettina M. Martin	Gail M. Martin, Jr.	Fire Service	5	08-18-25
Marjorie G. Kuljis	Andrew D. Kuljis	Fire Disability	2	10-09-25
Gloria J. Fletcher	William F. Fletcher	Harbor Service	5	09-30-25
Karen S. Balicki	John F. Balicki	Police Service	2	07-25-25
Carol V. Batson	Richard L. Batson	Police Service	2	10-15-25
Lynndell M. Hilton	Robert H. Hilton	Police Service	2	09-30-25
Linda F. Hudson	Charles C. Hudson	Police Service	2	10-13-25
Kathleen G. Corbin	Ronald D. Corbin	Police Disability	2	10-15-25

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Lupe M. Myers	William D. Myers	Police Disability	2	10-19-25
Steven G. Savala	Rita M. Savala	Police Disability	3	10-02-25
Elizabeth J. White	Travis R. White	Police Disability	2	10-24-25

CONSERVATORSHIP – 1

<u>Name</u>	<u>Conservator</u>	<u>Member's Class</u>	<u>Tier</u>	<u>Effective</u>
Dondi L. O'Connell (Richard L. O'Connell)	Robin Surman	Police Disability	1	10-23-25

DISCONTINUE MINOR'S PENSION – 2

<u>Name</u>	<u>Deceased Member</u>	<u>Member's Class</u>	<u>Tier</u>	<u>Effective</u>
Jacqueline R. Munoz	Henry A. Munoz	Fire Service- Connected Death	5	06-01-25
Landon M. Dorris, Jr.	Landon M. Dorris, Sr.	Police Service- Connected Death	5	06-01-25

COMMUNITY PROPERTY DIVISION OF PENSION – 4

<u>Member's Name</u>	<u>Former Spouse</u>	<u>Member's Class</u>	<u>Tier</u>	<u>Action</u>	<u>Effective</u>
Timothy J. Hamson	Kristina L. Hamson	Fire Service	5	Paid/COLA	09-21-25
Marvin J. Eiley	Lucia S. Eiley	Police Service	5	Withheld/COLA	11-01-25
Edwina M. Hearn	Ricardo B. Good	Police Disability	3	Released/COLA	02-13-23
Ronald G. Lopez, Jr.	Jeanette Lopez	Police Service	3	Paid/COLA	09-21-25

COMMUNITY PROPERTY DIVISION OF PENSION – 1

<u>Member's Name</u>	<u>Designated Beneficiary</u>	<u>Member's Class</u>	<u>Tier</u>	<u>Action</u>	<u>Effective</u>
Richard F. Marino	Richard F. Marino, Jr.	Fire Service	2	Designated/ COLA	09-14-25

SERVICE PENSION – 10

FIRE

<u>Name</u>	<u>Rank</u>	<u>Tier</u>	<u>Effective</u>	<u>Years</u>
Timothy J. Hamson	Firefighter III	5	09-21-25	40.858631
Frank Montes	Firefighter III	5	09-16-25	21.911713

POLICE

<u>Name</u>	<u>Rank</u>	<u>Tier</u>	<u>Effective</u>	<u>Years</u>
Sherwin C. Antiporda	Police Officer II	5	09-21-25	23.838357
Samuel C. Chin	Police Officer II	5	09-21-25	27.034519

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Eric M. Johnson	Detective II	5	09-21-25	26.665959
Jerome J. Knopp	Police Officer III	5	09-21-25	21.211095
Ronald G. Lopez, Jr.	Sergeant II	3	09-21-25	29.937260
Dorota S. Phillips	Police Officer III	5	10-05-25	20.042877
Nicolas C. Rodriguez	Sergeant I	4	10-01-25	24.974179
Robert V. Scutaro	Police Officer II	5	09-10-25	26.953974

SERVICE PENSION/DROP – 5

POLICE

<u>Name</u>	<u>Rank</u>	<u>Tier</u>	<u>Effective</u>	<u>Years</u>
Robin L. Aguirre	Lieutenant II	5	01-11-25	25.624453
Deseray D. Ehrlich	Sergeant II	5	02-03-25	28.010343
Lisa Y. Garcia	Police Officer II	3	02-03-25	27.731165
Steven A. Ramos	Commander	5	03-10-25	26.897398
Raymond G. Wong	Police Officer III	5	10-01-24	28.798904

DISCONTINUE DROP – 10

FIRE

<u>Name</u>	<u>Tier</u>	<u>Retired</u>	<u>Exit Close of</u>
Geoffrey D. Lite	5	02-04-24	10-07-25
Kevin A. Rudd	5	11-02-20	11-01-25

POLICE

<u>Name</u>	<u>Tier</u>	<u>Retired</u>	<u>Exit Close of</u>
Robert Benavidez	3	11-01-22	11-01-25
Lillian L. Carranza	4	09-01-20	10-31-25
Martin A. Higuera	5	11-03-20	11-02-25
Jodie L. McGee	5	11-01-20	10-31-25
Gorgonio Medina, Jr.	5	02-01-21	10-31-25
David A. Smith	5	02-01-21	10-31-25
David L. Torres	3	02-01-21	10-17-25
Yvette M. Tuning	5	02-01-22	10-31-25

COMMUNITY PROPERTY DIVISION OF DROP/SERVICE PENSION – 2

POLICE

<u>Member</u>	<u>Former Spouse</u>	<u>Tier</u>	<u>Effective</u>	<u>Benefit</u>	<u>Action</u>
Paul R. Ervin	Belkys C. Ervin	5	05-31-25	DROP	Released
Paul R. Ervin	Belkys C. Ervin	5	06-01-25	Pension	Released/COLA

Walter M. Killingsworth III	Sherry L. Kenchel Ellis	3	01-31-25	DROP	Released
Walter M. Killingsworth III	Sherry L. Kenchel Ellis	3	02-01-25	Pension	Released/COLA

2. Other business relating to Department operations

General Manager Salazar gave the following updates:

1. Fund total is at \$35.9 billion this week.
2. Consistent with the FY 2025-26 Annual Plan for Strategic Goal No. 2 — *Enhance Outreach by Promoting Inclusivity and Engagement with Emerging Investment Managers*, LAFPP and LACERS co-hosted the 2025 Emerging Manager Networking Forum here at our offices on November 13th.
 - The event brought together 48 investment professionals from 33 emerging manager firms, including 7 based in the City of Los Angeles. 19 firms representing a range of asset classes were selected by lottery to participate in one-on-one meetings with investment staff from both systems. All attendees were invited to participate in general networking and attend the General Consultants Panel and the Alternatives Consultants Panel, featuring the consultants of both LAFPP and LACERS. The panels provided attendees education on the consultants' investment processes. The Forum successfully provided staff and consultants with the occasion to learn about various investment opportunities currently offered by emerging managers and a platform to build connections with new firms.
 - General Manager Salazar recognized the entire Investments team for their efforts and extended a special thank you to Miki Shaler of Investments, who took the lead in planning the event, as well as to Kaeli Espinoza of Investments, Elijah Hernandez and Carissa Herrera of Administrative Operations, and Toney Kim of Systems, who played key roles in bringing the event to life.

3. Tentative Agenda Items for December 18:

- Annual review of the Board's Investment Policies
- International small cap manager search finalists
- Part 3 of the Public Equity Structure Study by RVK

4. New Staff Introduction

G. CONSIDERATION OF FUTURE AGENDA ITEMS

Vice President Churchill requested a contingent report back to an ad hoc committee of the Board on enforcement options and how to proceed forward if the information request from UFLAC is not fulfilled.

President Ambriz requested to report back to the Board in January with a public agenda item and, if needed, in February with a closed session item on the status of the information request from UFCAC.

President Ambriz recessed the meeting for a break at 9:45 a.m. and reconvened at 9:52 a.m.

H. CLOSED SESSION

1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER THE PURCHASE OF THREE (3) PARTICULAR, SPECIFIC INVESTMENTS AND POSSIBLE BOARD ACTION

The Board met in closed session.

Upon reconvening in open session, President Ambriz stated there was no public report.

The meeting adjourned at 10:39 a.m. in memory of former LAFPP Commissioner Steve J. Silberman who passed away.

President

Secretary

MINUTES
OF THE
BOARD OF FIRE AND POLICE PENSION COMMISSIONERS
BOARD MEETING OF DECEMBER 18, 2025

The Board of Fire and Police Pension Commissioners of the City of Los Angeles met on Thursday, December 18, 2025.

COMMISSIONERS PRESENT: Andrea Ambriz, President
Brian J. Churchill, Vice President
Rigoberto Arellano
Kenneth E. Buzzell
Carlton J. Jenkins
Nanxi Liu
Raul Perez
Garrett W. Zimmon

DEPARTMENT OF FIRE AND POLICE PENSIONS: Joseph Salazar, General Manager
Myo Thedar, Executive Officer
Gregory Mack, Assistant General Manager
Bryan Fujita, Chief Investment Officer
Tiffany West, Commission Executive Assistant

CITY ATTORNEY'S OFFICE: Joshua Geller, Assistant City Attorney

President Ambriz called the meeting to order at 8:32 a.m. All the above-listed Commissioners were present at the start of the meeting.

A. CALL TO ORDER

1. Roll Call

Ms. Tiffany West announced there was a quorum, with eight Commissioners participating in person from the Boardroom.

2. Consideration of Notices and Requests for Remote Participation pursuant to AB 2449

- a. Just Cause – receive and file
- b. Emergency Circumstance and possible Board action

There were no Notices and Requests for Remote Participation for consideration.

B. PUBLIC COMMENT ON MATTERS WITHIN THE BOARD'S JURISDICTION AND ANY SPECIFIC AGENDA ITEMS

There were no public comments.

C. DISABILITY CASE

Alternative 1

1. Police Officer II Nathaniel J. Foster. Mr. Foster will be represented by Michael D. Treger, Esq. of Straussner Sherman Lonné Treger Helquist Krupnik.

Motion

Commissioner Buzzell moved to reschedule the disability case of Police Officer II Nathaniel J. Foster to an Alternative 2 hearing,

which was seconded by Commissioner Zimmon and approved by the following vote: ayes, Commissioners Arellano, Buzzell, Churchill, Jenkins, Liu, Perez, Zimmon, and President Ambriz – 8; nays, none.

D. CONSENT ITEMS

1. PROPOSED AMENDMENTS TO THE LOS ANGELES ADMINISTRATIVE CODE, DIVISION 23, CHAPTER 5, ARTICLE 5 – ELECTED EMPLOYEE MEMBERS OF BOARD AND ARTICLE 5.5 – ELECTED RETIRED MEMBERS OF THE BOARD AND POSSIBLE BOARD ACTION

Resolution 26077

Commissioner Churchill moved that the Board:

1. Approve the proposed amendments to the Los Angeles Administrative Code (LAAC), Division 23, Chapter 5, Article 5 – *Elected Employee Members of Board* and Article 5.5 – *Elected Retired Members of the Board*;
2. Authorize the General Manager, on behalf of the Board, to transmit the proposed LAAC amendments to the City Council for its consideration and action; and,
3. Direct staff to revise Section 6.0 – *Elected Employee and Elected Retired Board Member Elections* of the Board Operating Policies and Procedures, contingent upon City Council approval of the proposed LAAC amendments and return to the Board with the proposed revisions for approval,

which was seconded by Commissioner Zimmon and approved by the following vote: ayes, Commissioners Arellano, Buzzell, Churchill, Jenkins, Liu, Perez, Zimmon, and President Ambriz – 8; nays, none.

2. UPDATE ON ANNUAL PLAN STRATEGIC GOAL PROJECT #1 – MEMBER FEEDBACK

Received and filed.

3. REMOTE PARTICIPATION IN BOARD MEETINGS PURSUANT TO SENATE BILL 707

Received and filed.

4. Approval of Minutes

Regular Board meeting minutes of November 20, 2025

Commissioner Churchill moved that the Board approve the consent items, which was seconded by Commissioner Zimmon and approved by the following vote: ayes, Commissioners Arellano, Buzzell, Churchill, Jenkins, Liu, Perez, Zimmon, and President Ambriz – 8; nays, none.

Items H.1, H.2, and H.3 were taken out of order.

H. CLOSED SESSION

1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER THE PURCHASE OF ONE (1) PARTICULAR, SPECIFIC INVESTMENT AND POSSIBLE BOARD ACTION

The Board met in closed session.

2. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER THE PURCHASE OF TWO (2) PARTICULAR, SPECIFIC INVESTMENTS AND POSSIBLE BOARD ACTION

The Board met in closed session.

3. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(A) & (D)(1): CONFER WITH LEGAL COUNSEL REGARDING PENDING LITIGATION IN LOS ANGELES POLICE PROTECTIVE LEAGUE V. THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS FOR LOS ANGELES FIRE AND POLICE PENSIONS, et al. (Los Angeles Superior Court Case Nos. BC489113 & BC672034) AND POSSIBLE BOARD ACTION

The Board met in closed session.

Upon reconvening in open session, President Ambriz stated there was no public report.

E. REPORTS TO THE BOARD

1. DISCUSSION OF FINALIST CANDIDATES FOR THE ACTIVE INTERNATIONAL SMALL CAPITALIZATION EQUITY MANAGER SEARCH AND POSSIBLE BOARD ACTION

Commissioner Buzzell recused himself from Item E.1.

Messrs. Randy Chih, Investment Officer I, Investments Division, and Ryan Sullivan, Senior Consultant of RVK presented this item to the Board. The report was approved as submitted.

Resolution 26078

Commissioner Perez moved that the Board:

1. Approve Acadian Asset Management LLC, AllianceBernstein L.P., and Numeric Investors LLC as the three finalists for the Active International Small Capitalization Equity manager search; and,
2. Direct Staff and RVK to schedule the three finalists for Board interviews with the intent of hiring one firm for the Active International Small Capitalization Equity mandate,

which was seconded by Commissioner Jenkins and approved by the following vote: ayes, Commissioners Arellano, Churchill, Jenkins, Liu, Perez, Zimmon, and President Ambriz – 7; nays, none.

2. U.S. EQUITY STRUCTURE STUDY: PART 3 – CURRENT LAFPP U.S. EQUITY STRUCTURE EDUCATION BY RVK, INC. AND POSSIBLE BOARD ACTION

Commissioner Buzzell returned to the Boardroom at 9:47 a.m.

Mr. Ryan Sullivan, Senior Consultant, and Ms. Becky Gratsinger, Chairman, Senior Consultant of RVK presented and discussed this item with the Board. The report was received and filed.

3. ANNUAL INVESTMENT POLICIES REVIEW, AMENDMENTS TO BOARD OPERATING POLICIES AND PROCEDURES, SECTION 1.15 – MARKETING CESSATION (INVESTMENT CONTRACTS), AND POSSIBLE BOARD ACTION

Mr. Bryan Fujita, Chief Investment Officer, and Ms. Annie Chao, Deputy Chief Investment Officer of the Investments Division, presented this item to the Board. The report was approved as submitted.

Resolution 26079

Commissioner Perez moved that the Board:

1. Approve the proposed amendments to Section 1.0 – Investment Guidelines Policy;
2. Approve the proposed amendments to Section 2.0 – Private Equity Investment Policy;
3. Approve the proposed amendments to Section 3.0 – Private Credit Investment Policy;

4. Approve the proposed amendments to Section 4.0 – Real Estate Investment Policy;
5. Approve the proposed amendments to Section 9.0 – Manager Selection and Retention Policy;
6. Approve the proposed amendments to Section 12.0 – Duties of Responsible Parties;
7. Approve all remaining formatting, grammatical, ordering, and clarifying amendments to the overall Board Investment Policies;
8. Approve the proposed amendments to Board Operating Policies and Procedures, Section 1.15 – Marketing Cessation (Investment Contracts);
9. Discuss any other desired amendments to the Board Investment or Marketing Cessation Policies; and,
10. Authorize Staff to make technical corrections or clarifications to the Policies to effectuate the intent of the Board,

which was seconded by Commissioner Buzzell and approved by the following vote: ayes, Commissioners Arellano, Buzzell, Churchill, Jenkins, Liu, Perez, Zimmon, and President Ambriz – 8; nays, none.

4. REQUEST TO INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS (IAFF) FOR UFLAC FORENSIC AUDIT RESULTS AND POSSIBLE BOARD ACTION

Ms. Rebecca Takahashi, Departmental Audit Manager, presented this item to the Board. The report was approved as submitted.

Resolution 26080

Commissioner Buzzell moved that the Board authorize the Board President to send the attached letter to the International Association of Fire Fighters (IAFF) requesting they provide the Departmental Audit Manager (DAM) with access to the United Firefighters of Los Angeles City (UFLAC) forensic audit report and authorize an informed representative to discuss the forensic audit with the DAM related to the UFLAC Benefits Trust,

which was seconded by Commissioner Arellano and approved by the following vote: ayes, Commissioners Arellano, Buzzell, Churchill, Jenkins, Liu, Perez, Zimmon, and President Ambriz – 8; nays, none.

F. GENERAL MANAGER'S REPORT

1. Monthly Report
2. Marketing Cessation Information

3. Benefits Actions approved by General Manager on December 4, 2025

Pursuant to Resolution 04008, adopted by the Board of Fire and Police Pension Commissioners on August 7, 2003, the following benefits actions have been approved by the General Manager. Any conservatorships or community property divisions contained herein have been determined following a review by the Office of the City Attorney.

DISCONTINUED PENSIONS – 15

<u>Name</u>	<u>Member's Class</u>	<u>Tier</u>	<u>Effective</u>	<u>Died</u>
Aquil F. Basheer	Fire Service	5	02-04-07	10-26-25
Gerald A. Jensen	Fire Service	2	08-02-88	10-20-25
John M. Mc Kinney	Fire Service	2	07-17-81	11-05-25
Patrick R. Wolcott	Fire Disability	3	06-16-94	10-30-25
Colleen K. Hoppert	Fire Widow	2	07-18-24	11-02-25
Arlene A. Johnston	Fire Widow	2	03-18-25	10-11-25
Wilma L. Mc Quown	Fire Widow	2	01-31-19	10-03-25
Anthony J. Finch	Police Service	4	08-10-03	06-12-25
John D. Mc Crillis	Police Service	2	11-04-93	10-22-25
Michael L. Wynn	Police Service	2	04-18-93	11-14-25
Richard H. Romney	Police Disability	4	02-23-09	09-09-25
Travis R. White	Police Disability	2	09-26-91	10-23-25
Pamula C. Dierx	Police Widow	2	10-19-03	09-30-25
Vaudrey M. Franklin	Police Widow	2	02-14-16	10-12-25
Madeline A. Harper	Police Widow	2	11-27-15	10-29-25

SERVICE PENSION – 1 CORRECTION

FIRE

<u>Name</u>	<u>Rank</u>	<u>Tier</u>	<u>Effective</u>	<u>Years</u>
Arturo Yepez	Firefighter III	5	09-06-25	24.761645

SERVICE PENSION/DROP – 14

POLICE

<u>Name</u>	<u>Rank</u>	<u>Tier</u>	<u>Effective</u>	<u>Years</u>
Craig S. Adams	Police Officer III	5	02-03-25	30.008219
Luis C. Alvarado	Lieutenant II	5	02-01-25	29.701370
Joe D. Garcia	Detective II	5	02-03-25	29.081781
John B. Hong	Detective I	5	02-04-25	28.687672
Keith A. Hopkins	Sergeant II	3	02-03-25	28.231234
Matthew D. Lee	Police Officer III	5	02-03-25	25.699863

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Irene L. Martinez	Police Officer III	5	02-03-25	30.000000
Chris M. Redrup	Detective II	5	02-22-25	25.000000
Antonio Rodriguez, Jr.	Detective I	5	02-03-25	26.098631
Bobby Romero	Police Officer II	5	02-03-25	25.161644
Romeo Rubalcava	Police Officer II	5	02-02-25	25.791781
Daniel Ruelas	Police Officer III	4	02-01-25	27.214508
Matthew J. Simanski	Police Officer II	5	02-04-25	26.316302
Efrain Zepeda	Police Officer III	5	02-05-25	25.241713

SERVICE PENSION/DROP – 1 CORRECTION

POLICE

<u>Name</u>	<u>Rank</u>	<u>Tier</u>	<u>Effective</u>	<u>Years</u>
Blake H. Chow	Deputy Chief II	5	02-03-25	34.760685

ELIGIBLE SURVIVING SPOUSE APPLICATION – 1

<u>Name</u>	<u>Member's Rank</u>	<u>Tier</u>	<u>Type % Rate</u>	<u>Effective Date</u>
Bianca L. Soto (Camilo Soto)	Police Officer II	6	Nonservice-Connected Death w/o prejudice: 50% + 1 minor child	10-17-25

4. Other business relating to Department operations

General Manager Salazar gave the following updates:

1. Fund total is at \$36.0 billion this week.
2. 2026 Conferences
 - The annual list of recommended conferences/seminars for Board Members will be emailed to Commissioners this afternoon.
 - If you are interested in attending any of the conferences listed, please notify Tiffany West.
3. Waiver of Recourse

Last week, Commissioners received an email from staff requesting payment of your portion of the Waiver of Recourse for the D&O insurance policies. If you need any assistance with the payment portal or have check payments, please see Wilson Poon after the Board meeting.

4. Next Board Meeting

As a reminder, the Board will not have a meeting on the January 1st holiday. The next Board meeting will be on Thursday, January 15. Tentative Agenda Items for January 15:

- Update on the status of our contribution true-up calculation efforts
- International small cap equity manager interviews

5. General Manager Salazar thanked the Commissioners and staff for another successful year. The Plan has achieved some exceptional milestones this year, including being over 100% actuarially funded and a one-year investment return of over 11%. He concluded by thanking all of the LAFPP staff for the great work they've done serving our members and each other.

G. CONSIDERATION OF FUTURE AGENDA ITEMS

There were no items referred for consideration.

H. CLOSED SESSION

4. CITY ATTORNEY SEMIANNUAL LITIGATION UPDATE

A. CLOSED SESSION PURSUANT TO SUBDIVISIONS (A) AND (D)(1) OF GOVERNMENT CODE SECTION 54956.9 TO CONFER WITH, AND/OR RECEIVE ADVICE FROM LEGAL COUNSEL AND POSSIBLE BOARD ACTION REGARDING PENDING LITIGATION IN THE CASES ENTITLED:

- 1) SAM ET AL. V. KWAN ET AL. (LASC, CASE NO. BC721121; CAL. APP. CT. 2D CASE NO. B315773)
- 2) IN RE CVS HEALTH CORPORATION SECURITIES ACT LITIGATION (U.S.D.C., D. RHODE ISLAND, CASE NO. 19-CV-00434; U.S. COURT OF APPEALS, 1ST CIR., CASE NO. 25-1230)
- 3) WILLIAMS V. CITY OF LOS ANGELES (U.S.D.C., C.D. CAL., CASE NO. 24-CV-08458)

The Board met in closed session.

Upon reconvening in open session, President Ambriz stated there was no public report.

The meeting adjourned at 10:20 a.m.

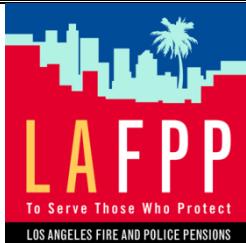
President

Minutes of the Board of Fire and Police Pension Commissioners

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Secretary



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026

ITEM: E.1

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: UPDATE ON CITY PENSION CONTRIBUTION TRUE-UP MECHANISM AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board either:

A. Determine that the longstanding methodology used to calculate employer contributions for the City (General Fund), Harbor, and Airports is efficient and supports the System's long-term funding objectives, as validated by the System actuary, and direct staff to continue applying the Board-adopted contribution rates to the City's budgeted sworn payroll to determine the required employer contributions for the Fiscal Year (FY) 2026-27 Preliminary and Final Budgets and for future fiscal years.

OR

B. Direct staff to continue efforts to resolve remaining sworn payroll data discrepancies, including obtaining a cost estimate to engage *Accenture*, the City's Workday payroll system consultant, to assist with data audit and report remediation in order to calculate a pension contribution true-up for the City (General Fund), Harbor, and Airports for FY 2026-27, reconciling the annual required contribution against actual sworn pensionable pay (i.e., inclusive of employee contributions reduced by City Charter and Administrative Code provisions and any retroactive payroll adjustments), and direct staff to report back by January 2027 on the status of the calculation results and, if the City's payroll data appears reliable and provides a high confidence level of accuracy, present a proposed amendment to the Board Operating Policies and Procedures Section 2.0, Fiscal Administration, to incorporate a pension contribution true-up mechanism which would impact the employer contributions payable beginning on July 15, 2027.

BACKGROUND

On May 15, 2025, staff presented the Board with a request from the Mayor and City Controller to consider implementing a contribution true-up mechanism of the FY 2024-25 City contribution. Due to concerns with the short timeframe for implementation and payroll data accuracy, the Board directed staff to report back on considerations for implementing a true-up for the following year (which would impact City contributions payable in FY 2026-27).

At the July 3, 2025 Board meeting, staff presented these considerations (Attachment I) and the Board directed staff to proceed with calculating a pension contribution true-up for the City (General Fund), Harbor, and Airports for FY 2025-26. The Board further directed staff to report by January

2026 on calculation results and potential amendments to incorporate a pension contribution true-up mechanism in the Board's Fiscal Administration policy, contingent upon the City's payroll system data proving to be reliable and providing a high confidence level of accuracy. This report responds to that direction.

DISCUSSION

Attachment II summarizes staff time spent reviewing payroll data files and identifies data discrepancies. The most recent data received on January 2, 2026, contains three unresolved discrepancy types:

1. Employees had an unusually high number of hours in a pay period. Staff analysis suggested the payroll data query had displayed employees on light duty (LD) with hours that were the sum of actual hours and the standard hourly rate.
2. For retroactive adjustments that involve pay periods predating the implementation of Workday (June 16, 2024), the payroll data file is incorrectly displaying either the current or zero pensionable hourly rate or zero transaction hours.
3. For retroactive adjustments that involve pay periods following the implementation of Workday, the payroll data file is incorrectly displaying zero pensionable hourly rate or zero transaction hours.

Of note, retroactive adjustments-related discrepancies appear to be persistent, as staff initially identified that these transactions displayed incorrect pensionable hourly rates in the payroll data files received in August 2025. The impacts of the three unresolved discrepancies are stated within pay records totaling \$65.5 million in gross earnings or 5.6% of the total earnings for the first 12 pay periods of the fiscal year. As a result of these unresolved discrepancies, staff lacks sufficiently reliable data to complete an accurate pension contribution true-up calculation before the City Council adopts the FY 2026-27 Budget by June 1, 2026.

However, if the Board wishes to continue pursuing a true-up, staff recommends extending efforts, potentially with assistance from the City's third-party Workday consultant (*Accenture*), to target a FY 2026-27 true-up which would impact the employer contributions payable beginning July 15, 2027.

Alternatively, if the Board determines that sufficient effort has been expended and resources should be redirected, then staff recommends discontinuing true-up efforts and continuing to use the longstanding method of calculating the annual employer contribution. The Board is reminded that even if a true-up mechanism is not implemented, the System's long-term funding goal will not be impacted. This is because if the City's estimated budgeted payroll is less than the actual pensionable payroll and if there are any missed employee contributions, an actuarial loss will occur in the valuation performed at the end of the fiscal year, as the actual contribution will be less than what is expected. The converse is also true. Losses or gains of this type are a part of the annual experience gains/losses which impact the Unfunded Actuarial Accrued Liability (UAAL) and are amortized over 20 years in accordance with the Board's Actuarial Funding Policy. The City's future contributions will increase or decrease over the next 20 years to account for the contribution shortfall or surplus for a given year. Therefore, from the plan funding perspective, any inexactness in budgeted payroll should not affect the System's long-term funding goal.

BUDGET

There is no impact to the Fiscal Year 2025-26 Budget.

POLICY

There are no policy changes recommended in this report.

CONTRACTOR DISCLOSURE INFORMATION

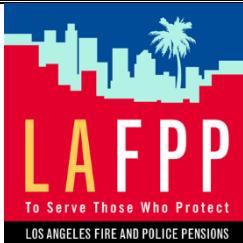
There is no contractor disclosure information required with this report.

This report was prepared by:

Myo Thedar, Executive Officer
Administrative Operations Division

JS:MTS

Attachment I – July 3, 2025 Board Report on City Contribution True-Up Mechanism
Attachment II – City Contribution True-Up Mechanism – Staff Time Allocation and Issue Log



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
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(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JULY 3, 2025

ITEM: E.1

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: DISCUSSION OF CITY PENSION CONTRIBUTION TRUE-UP MECHANISM AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board direct staff to:

1. Proceed with calculating a pension contribution true-up for the City (General Fund), Harbor, and Airports for Fiscal Year 2025-26 that will reconcile the annual required contribution against actual sworn pensionable pay, inclusive of employee contributions which are not fully paid due to other City Charter and Administrative Code provisions that reduce employee contributions; and,
2. Report back to the Board by no later than January 2026 with the status of the calculation results and, if the City's payroll system data appears to be reliable and provides a high confidence level of accuracy, present a proposed amendment to the Board Operating Policies and Procedures Section 2.0, Fiscal Administration, incorporating a pension contribution true-up mechanism which would impact the employer contributions payable beginning on July 15, 2026.

BACKGROUND

On May 15, 2025, staff presented the Board with a request from the Mayor and City Controller for the Board to consider implementing a contribution true-up mechanism of the Fiscal Year (FY) 2024-25 City contribution (Attachment 1). The Board chose not to conduct a true-up for FY 2024-25 due to concerns with the short timeframe for implementation and payroll data accuracy, and instead directed staff to return to today's Board meeting to discuss options and other considerations for implementing a true-up for FY 2025-26 (which would impact employer contributions beginning in FY 2026-27). The Board also requested information on the potential impacts to our staff and operations from conducting the annual true-up.

As previously discussed, a "true-up" is a term used by accountants and actuaries to describe an adjustment made to account for the difference between the "estimated" contribution paid to LAFPP (determined using budgeted payroll for a given fiscal year) and the "actual" required contribution (determined using payroll records for the same fiscal year). If a pension contribution true-up mechanism were adopted by the Board, and in order to include a true-up amount in the Mayor's Proposed Budget (which is typically released on April 20th), at the end of pay period 18 of each fiscal year (early March), staff would calculate a corresponding adjustment to the City's required contribution for the subsequent year. For example, any adjustment resulting from the FY 2025-26

true-up would be applied during the FY 2026-27 budget development. Additionally, a second true-up amount would be calculated for the remaining pay periods in the fiscal year (pay periods 19 through 26), to be applied during the budget development two fiscal years later (e.g., FY 2027-28 budget development in the example provided).

COMPONENTS OF THE TRUE-UP

In determining the actual payroll amount to be used in a contribution true-up, LAFPP staff must calculate the “pensionable” pay for all active sworn members. Pensionable pay is the portion of a member’s salary used to calculate pension benefits, member contributions, and City contributions. Actual payroll data is analyzed by using only pensionable payroll variation codes, which is necessary since some salary bonuses are not pensionable and are therefore not included when calculating a member’s pension benefit amount. Total pensionable salary payments for each bi-weekly pay period are then multiplied by the contribution rate required for each tier (Tier 2 to Tier 6) to arrive at the actual amount to be compared to the estimated employer contribution received on the preceding July 15th.

Additionally, LAFPP staff must examine the actual payroll data for payroll variation codes that reduce or eliminate employee contributions but still provide members with full service credit, to account for these “missed contributions” to the System. Missed contributions occur when members use less than 100% paid sick time, are on IOD (injury on duty), or military leave.

Further, a member’s service credit is calculated down to the hour, which adds an additional layer of complexity and increases the need for staff to closely review the true-up calculation to ensure accuracy.

Finally, the true-up mechanism must analyze the interest “credit” applied to the up-front employer contribution payment received on July 15th at the assumed rate of investment return used in the actuarial valuation (currently 7.00% per year) and compare it to the amount that would have been due if the contribution was made bi-weekly.

LAFPP staff and the Board’s consulting actuary, Segal, have reviewed these components to ensure they are not being adjusted in the true-up as well as in the annual actuarial valuation. At the time of this writing, staff is preparing to share the sample true-up file for FY 2024-25, along with the details of Used and Unused/Irreconcilable Datasets (Attachment 2), with the Office of the City Controller for review and feedback.

IMPORTANT CONSIDERATIONS

As discussed in the May 15, 2025 Board report (Attachment 1), once a true-up process is implemented, it must be calculated and applied each year going forward, regardless of whether the true-up results in a contribution credit or shortfall.

Staff has identified three main issues about the ability to obtain the necessary payroll data from the City’s new payroll system, Workday, to perform an accurate, reliable contribution true-up (Attachment 3). Staff submitted an initial request for a data file to the City’s Information Technology Agency (ITA)/Workday in 2021, and while ITA has provided files within the past two months, staff remains concerned with 1) the completeness of the member population (i.e., member records missing from the file); 2) the differences in programming of pensionable earning codes in Workday versus the

legacy payroll system (“PaySR”); and 3) the accuracy of retroactive pay adjustments for periods predating Workday go-live, and in certain cases, the accuracy of pensionable pay in Workday.

City Council Files 25-0073-S1 and 25-0116 document payroll inaccuracies in Workday for Police and Fire Department members. In addition, staff recently discovered data downloaded from Workday that included overtime pay as pensionable for Airport Police Officers. Until this latest issue is corrected in Workday, staff will need to manually correct pensionable pay for Airport Police Officers each pay period when performing a true-up.

Staff examined the possibility of using payroll data that is stored in our pension administration system (“PARIS”) as an alternative means of obtaining the data necessary to perform a true-up and validating the information ITA has retrieved from Workday. However, there is not enough data captured in our Active Payroll files which are downloaded from Workday and uploaded into PARIS to perform a true-up.

Any true-up will not be 100% accurate due to a variety of factors, including retroactive payroll adjustments that span fiscal years or payroll discrepancies that would require an inordinate amount of staff time to determine the correct true-up amount. Correct payroll data is critical to ensure any true-up is accurate and to reduce the amount of LAFPP staff time required to conduct the true-up. If directed to conduct a true-up, staff would attempt to make the final true-up as accurate as reasonably possible.

Another consideration is the time required for staff to conduct the true-up calculation. Staff estimates that this new process will require two staff members in Accounting to conduct and review the true-up. Between May 15 and June 30, 2025, two staff members have spent a combined total of 368 hours, primarily to research, analyze, and validate the FY 2024-25 data file and set up the template to compute the pensionable pay and missing employee contributions. Staff recognizes the amount of time spent is also a reflection of the learning curve and anticipates reducing it by one-third, should a true-up mechanism be implemented for the City, Harbor, and Airports, and staff reconciles pensionable pay more routinely (bi-weekly or monthly) rather than once per year.

It is important to note that if the Board does not ultimately adopt a true-up mechanism, the System’s long-term funding goal will not be impacted. This is because if the estimated budgeted payroll is less than the actual pensionable payroll and if there are any missed employee contributions, an actuarial loss will occur in the valuation performed at the end of the fiscal year, as the actual contribution will be less than what is expected. The converse is also true. Losses or gains of this type are a part of the annual experience gains/losses which impact the Unfunded Actuarial Accrued Liability (UAAL) and are amortized over 20 years in accordance with the Board’s actuarial funding policy. The City’s future contributions will increase or decrease over the next 20 years to account for the contribution shortfall or surplus for a given year. Therefore, from the plan funding perspective, any inexactness in estimated covered payroll should not affect the System’s long-term funding goal.

BUDGET

The sample true-up calculated by staff for the 2024-25 fiscal year, utilizing actual payroll data for pay periods 1 through 18 and projected payroll for pay periods 19 through 26 (without consideration of any retroactive payroll adjustments), would have resulted in a contribution credit of \$5,404,621 in FY 2025-26. However, it should be noted that the retroactive payroll adjustment in pay period 11, when the new contract (MOU 23) for Firefighters and Fire Captains was retroactively implemented, resulted in \$13.4 million of retroactive gross pay; a true-up calculation of this particular retroactive adjustment

could significantly reduce the contribution credit. Staff is aware of other retroactive pay adjustments throughout the fiscal year that could also impact the true-up results. As explained in Attachment 3, staff is unable to account for retroactive pay adjustments in the true-up calculation as the data is incomplete.

If the Board ultimately adopts a true-up mechanism, it would begin in FY 2025-26 and any credit or shortfall to the City's contribution would be reflected in the FY 2026-27 budget (contributions payable July 15, 2026).

POLICY

There are no policy changes recommended in this report.

CONTRACTOR DISCLOSURE INFORMATION

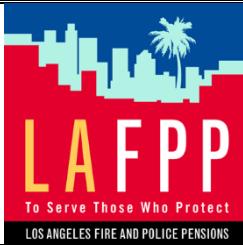
There is no contractor disclosure information required with this report.

This report was prepared by:

Greg Mack, Assistant General Manager
Pensions Division

JS:GFM

Attachments (3): 1: May 15, 2025 Board Report on City Contribution True-Up Mechanism
2: Sample True-Up FY 2024-25 - Used and Unused / Irreconcilable Datasets
3: Main Issues Complicating LAFPP True-Up Calculations



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
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(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: MAY 15, 2025

ITEM: D.1

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: CITY PENSION CONTRIBUTION TRUE-UP MECHANISM BASED ON ACTUAL PENSIONABLE PAY AND MISSED EMPLOYEE CONTRIBUTIONS, AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board provide direction to staff regarding review and possible future implementation of a contribution true-up mechanism that would reconcile the employer's annual required contribution against the following differences from the prior fiscal year:

- A. Employer contribution utilizing actual rather than estimated/budgeted sworn pensionable pay; and,
- B. Employee contributions required by the City Charter, which are not fully paid due to other City Charter and Administrative Code provisions that reduce employee contributions.

BACKGROUND

As part of the yearly actuarial valuation process, the Board commissions a report from its consulting actuary, who determines the annual contribution rates (on a percentage of sworn payroll basis) needed to fund the pension and retiree health benefits promised by the City to LAFPP members. Following adoption by the Board, these contribution rates are then multiplied by the budgeted sworn payroll as adopted by the Mayor and City Council (for LAPD and LAFD), and the Harbor (Port Police) and Airport (Airport Police), to calculate the annual required contribution from the General Fund and two Special Funds. The employer contribution is usually received in a single lump sum payment on or before July 15th of every fiscal year, which allows the employer to use a discounted contribution rate compared to the rate if the contribution was made over time on a bi-weekly basis throughout the fiscal year.

"True-up" is a term used by accountants and actuaries to describe an adjustment made to account for the difference between the "estimated" contribution paid to LAFPP (determined using budgeted payroll for a given fiscal year) and the "actual" required contribution (determined using payroll records for the same fiscal year). A true-up typically occurs as soon as administratively feasible. If a pension contribution true-up mechanism were adopted by the Board, and in order to include a true-up amount in the Mayor's Proposed Budget (which is typically released on April 20th), at the end of pay period 18 of each fiscal year (early March), staff would calculate a corresponding adjustment to the City's required contribution in the subsequent year. For example, any adjustment resulting from the Fiscal

ATTACHMENT 1

Year (FY) 2025-26 true-up would be applied during the FY 2026-27 budget development. Additionally, a second true-up amount would be calculated for the remaining pay periods in the fiscal year (pay periods 19 through 26), to be applied during the budget development two fiscal years later (e.g., FY 2027-28 budget development in the example provided).

A true-up was one of several recommendations in a March 7, 2014 audit issued by the City Controller. In response to this audit recommendation, LAFPP staff calculated a sample true-up based on actual sworn payroll in FY 2017-18, which determined that the City's General Fund contribution was deficient by approximately \$476,000, while the Harbor and Airports would have received a credit of \$465,000 and \$48,000, respectively, due to contributing amounts in excess of what their actual payroll would have required. These results were discussed with the Office of the City Administrative Officer (CAO) at the time, and the CAO did not pursue it any further.

LACERS currently conducts an annual contribution true-up and has done so since 2013. As detailed in the LACERS FY 2024-25 budget, the most recent true-up resulted in a credit adjustment of \$82,919,984, which reduced the total amount of the City's subsequent annual contribution. For comparison, the City's contribution to LACERS for FY 2024-25 is about \$850 million.

Due to the City's projected budget deficit, LAFPP has recently fielded questions from the City Controller and a Council Office regarding the feasibility of LAFPP conducting a true-up of the City's annual contribution. Additionally, the Controller's Office has requested that LAFPP explore the cost impacts of alternative payment options related to the timing of the City's contribution, such as a partial payment in July and the remainder in the second half of the fiscal year.

At the May 5, 2025 City Council Budget and Finance Committee meeting, Councilmember Bob Blumenfield instructed the CAO to (1) report back on the budget impact if LAFPP conducted a true-up of the FY 2024-25 contribution, and (2) request that LAFPP conduct a true-up of the FY 2024-25 contribution based on the actual pensionable salaries and credit the excess contribution amount, if any, toward the required contribution for FY 2025-26.

As of the writing of this report, neither the CAO nor the Mayor's office have made a request for LAFPP to consider conducting an annual true-up. The CAO has provided a report back to the City Council Budget and Finance Committee on these issues (Attachment).

DISCUSSION

In determining the actual amount to be used in a contribution true-up, LAFPP staff must calculate the "pensionable" pay for all active sworn members. Actual payroll data is analyzed by using only pensionable payroll variation codes, which is necessary since some salary bonuses are not pensionable and are therefore not included when calculating a member's pension amount. Total pensionable salary payments for each bi-weekly pay period are then multiplied by the contribution percentage required for each tier (Tier 2 to Tier 6) to arrive at the actual amount to be compared to the estimated employer contribution received on the preceding July 15th.

Additionally, LAFPP staff must examine the actual payroll data for payroll variation codes that reduce or eliminate employee contributions. For example, when an employee uses less than 100% paid sick time, their employee contribution is reduced proportionately. Members do not earn service credit and therefore do not make an employee contribution for suspensions or unpaid leaves of absence. A member's service credit is calculated down to the hour, which adds an additional layer of complexity

and increases the need for staff to closely review the true-up calculation to ensure accuracy. Further, plan provisions entitle an employee who is on IOD (injury on duty) or on military leave to receive full service credit without requiring any employee contribution for that time. As such, the true-up process must account for these “missed contributions” to the System, which the CAO has previously suggested the City would use to make the Plan “whole.”

Finally, the true-up mechanism must analyze the interest “credit” applied to the up-front payment received by July 15th at the assumed rate of return used in the valuation (currently 7.00% per year) and compare it to the amount that would have been due if the contribution was made bi-weekly.

It is important to note that if the Board does not ultimately adopt a true-up mechanism, the System's long-term funding goal will not be impacted. This is because if the estimated budgeted payroll is less than the actual pensionable payroll and if there are any missed employee contributions, an actuarial loss will occur in the valuation performed at the end of the fiscal year, as the actual contribution will be less than what is expected. The converse is also true. Losses or gains of this type are a part of the annual experience gains/losses which impact the Unfunded Actuarial Accrued Liability (UAAL) and are amortized over 20 years in accordance with the Board's actuarial funding policy. The City's future contributions will increase or decrease over the next 20 years to account for the contribution shortfall or surplus for a given year. Therefore, from the plan-funding perspective, any inexactness in estimated covered payroll should not affect the System's long-term funding goal.

IMPORTANT CONSIDERATIONS

Once a true-up process is implemented, it must be calculated and applied each year going forward, regardless of whether the true-up results in a contribution credit (amount credited against the following year's annual required contribution amount) or shortfall (additional amount owed on top of the following year's annual required contribution) each year. Introduction of a true-up mechanism will introduce an additional level of contribution volatility for the City greater than existing changes that may result from application of the amortization policy; any additional payment resulting from a true-up based on salary variations would be made immediately in the following year's contribution, as opposed to being treated as actuarial gains/losses and amortized over 20 years, resulting in a more gradual adjustment over time.

According to Segal, the Board's consulting actuary, implementing a true-up mechanism when the plan sponsor “pre-pays” its total contribution could be considered an actuarial practice improvement. For example, the County Employees Retirement Law of 1937 (California Government Code 31582(b)) permits prepaid contributions but requires corresponding true-ups. Segal has advised LAFPP staff that while most plans that allow for prepayment of contributions also conduct true-ups, it is not universally true.

Staff has identified concerns about the ability to obtain the necessary payroll data from Workday to perform an accurate, reliable contribution true-up. Staff submitted an initial request for a data file to ITA/Workday in 2021 and ITA is currently working on providing this data, but LAFPP staff would need time to review the file to ensure its accuracy. Staff is also currently exploring the possibility of using payroll data that is stored in our pension administration system (PARIS) as an alternative means of obtaining the data necessary to perform a true-up.

ATTACHMENT 1

Lastly, now may not be an optimal time to implement a true-up mechanism when the City has acknowledged issues concerning the accuracy of Los Angeles Fire Department and Los Angeles Police Department payroll data (see [Council File 25-0073-S1](#) and [Council File 25-0116](#)). As previously discussed, there are scenarios where members do not make an employee pension contribution but earn service credit (IOD or military leave), or do not earn service credit (suspensions or unpaid leaves of absence). Additionally, retroactive adjustments in pay would have to be accounted for in any true-up that is conducted. Correct payroll data is critical to ensure any true-up is accurate and to reduce the amount of LAFPP staff time required to conduct the true-up. If the true-up is based on incorrect salary data, the Board risks underfunding the plan if credits are improperly provided against the City's annual required contribution.

Due to concerns over the reliability and accuracy of payroll data in Workday and the time required to conduct a true-up, if the Board directs staff to implement a contribution true-up mechanism, staff recommends that the true-up begin with FY 2025-26, and any credit or increase be reflected in the FY 2026-27 budget. The CAO indicated to staff that any true-up for FY 2024-25 would need to be completed prior to the City Council's adoption of the budget, which must be done by June 1, 2025. This deadline would require staff to conduct and complete the true-up a few days after today's Board meeting.

BUDGET

If the Board were to adopt a true-up mechanism, all future employer contribution amounts would be increased or decreased based on the prior year's true-up calculation.

POLICY

The powers and duties of the Board, including the determination of the Plan's funding policy with any contribution true-up mechanism, are provided through the following references:

Article XVI, Section 17 of the California Constitution states the Board, consistent with the exclusive fiduciary responsibilities vested in it, shall have the sole and exclusive power to provide for actuarial services in order to assure the competency of the assets of the public pension or retirement system.

Los Angeles City Charter Section 1106 states the Board has the sole and exclusive power to provide for actuarial services in order to assure the competency of the assets of its systems in accordance with recognized actuarial methods.

City Charter Section 1210 provides the Board with the authority to determine the annual contribution required to fund the Plan, and Section 1248 requires that unfunded liabilities be funded in accordance with the actuarial funding method "adopted by the Board upon the advice of its consulting actuary" (i.e., the Board's Actuarial Funding Policy).

The California Constitution and City Charter also grant the Board "sole and exclusive responsibility to administer the system" in order "(1) to provide benefits to system participants and their beneficiaries ... [and] (2) to minimize City contributions."

ATTACHMENT 1

Staff will return to the Board with recommended revisions to the Board Operating Policies and Procedures, should the Board provide direction to staff to implement a contribution true-up mechanism in the annual budget process.

CONTRACTOR DISCLOSURE INFORMATION

There is no contractor disclosure information required with this report.

This report was prepared by:

Greg Mack, Assistant General Manager
Pensions Division

JS:GFM

Attachment: CAO Report Back to Budget and Finance Committee, May 7, 2025

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 106

Date: May 07, 2025

To: Budget and Finance Committee

From: Matthew W. Szabo, City Administrative Officer 

Subject: **PENSIONS (FIRE AND POLICE PENSIONS) – CONTRIBUTION TRUE-UP**

APPLICABLE BUDGET THEMES:

- Fulfils legal obligations
- Improves accessibility requirements
- Supports public safety
- Relates to proposed position or expense account eliminations
- Above themes do not apply

RECOMMENDATION

This Office recommends to note and file this report as it is provided for informational purposes.

DISCUSSION

The Budget and Finance Committee requested a report on the budget impact if Fire and Police Pensions conducted a true-up for 2024-25 sworn salaries. The Committee further requested to ensure that non-pensionable salary amounts are excluded from the City's covered payroll and not factored into the 2025-26 pensions contribution.

The Board of Fire and Police Commissioners (Board) have the Charter responsibility to adopt the cost of maintaining the Fire and Police Pension Plan (Plan). The Board approves annual pension and health actuarial valuations to determine the contribution rate, as a percentage of covered payroll, needed to fund the normal retirement costs accrued for current employment and to amortize any unfunded actuarial accrued liability (UAAL).

True-Up

The City's General Fund contribution is based on applying the established contribution rates to the budgeted sworn covered payroll for the Police and Fire departments, less non-pensionable salaries and costs. This allows the City to prepay the contribution in July 2025 through the issuance of tax and revenue anticipation notes rather than spreading the payments throughout the year. As a result of the early payment, Los Angeles Fire and Police Pensions (LAFPP) provides a discount to the City contribution of approximately 3.13 percent, which equates to \$19.95 million for 2025-26.

A true-up would calculate the difference in the budgeted payroll and the actual pensionable payroll for all benefit tiers and identify if there was an overpayment or underpayment compared to the required contribution based on the budgeted payroll. A true-up adjustment would result in a credit or an increase to the following year's contribution.

Currently, without a separate true-up adjustment, if estimated budgeted payroll is more or less than actual pensionable payroll, the actuarial gain or loss will occur in the actuarial valuation performed at the end of the fiscal year. The annual experience gains and losses will impact the UAAL and will be amortized over 20 years in accordance with the Board's actuarial funding policy and in an effort to reduce the volatility of the City's contributions from year to year.

The Board of Fire and Police Commissioners would need to adopt the use of the true-up mechanism apart from the actuarial valuation as part of the Board's funding policy. Although a true-up mechanism does not impact the system's long-term funding goal or status, the true-up would introduce employer contribution volatility from year to year as the City would adjust the next year's contribution to account for the full amount of any overpayment or underpayment instead of amortizing it over 20 years. LAFPP has stated that once a true-up process is implemented, it must be calculated and applied each and every year going forward, regardless of whether the true-up results in a contribution credit or additional amount owed as part of the following year's contribution.

If the Board approves the implementation of a true-up, LAFPP will need time to obtain the necessary, specific payroll data by variation code from Workday to perform a contribution true-up for each tier (Tier 2 to Tier 6). LAFPP reports that ITA is working to obtain and provide this data and then LAFPP will need to validate and ensure accuracy of data from Workday. The Board and LAFPP have reported concerns about the accuracy of the underlying data in light of the various sworn payroll issues in Workday identified earlier this year by the Fire and Police departments. Once LAFPP receives payroll data and validates the accuracy, it will analyze actual payroll data for each payroll variation code to determine pensionable salary payments for each pay period and each tier. LAFPP reports there are payroll codes specific to sworn payroll that may require further analysis because it will reduce or eliminate employee contributions and may require further adjustments to the employer contribution requirements.

Based on timing necessary for Board approval, data collection and validation, and the complex calculations required for the implementation of an accurate true-up, the first available true-up, if approved by the Board, would be calculated for the 2025-26 sworn payroll and would provide a credit or increase to the 2026-27 contribution.

Non-Pensionable Payroll

In regards to the City's covered payroll used to calculate the 2025-26 Fire and Police Pensions contribution, this Office reduced approximately \$128 million in ongoing non-pensionable costs and bonuses from the budgeted sworn salaries to derive the covered payroll used for the 2025-26 Proposed Budget pension contribution calculation. Non-pensionable costs include uniform allowances, unused sick or vacation time payouts, various ongoing non-pensionable bonuses, and salaries for academy recruits that are not eligible for LAFPP membership.

The City's covered payroll includes salaries that are pensionable and salaries that are temporarily classified as non-pensionable and later convert to pensionable salary increases or become pensionable based on members certifying they will retire or enter DROP during a time

window specified in the applicable Memorandum of Understanding. Calculating the covered payroll in this manner corresponds to the actuary's annual valuation methodology and ensures that the City pays the full and appropriate contribution each year. Specifically, the actuary develops the total normal cost and the UAAL using both the pensionable and temporarily non-pensionable salaries and expects that the City, Harbor Department, and Airport Department would apply the contribution rates to these salaries in determining their respective prepaid contribution amounts, as is our practice. If the City, Harbor Department, or Airport Department no longer include temporarily non-pensionable salaries in the covered payroll used for the contribution calculation, the actuary will recommend a change to LAFPP's valuation procedures and assumptions and for the Board to approve a corresponding increase to the contribution rate for the revised covered payroll so as to mitigate the instability in the annual contributions. In short, the City's contribution rate would increase and, once applied against the lower covered payroll, the City's contribution amount would remain at a similar level.

FISCAL IMPACT STATEMENT

The recommendation to note and file this memorandum will have no fiscal impact.

FINANCIAL POLICY COMPLIANCE

The recommendation in this report complies with the City's Financial Policies.

MWS:JJL:01250050

Question No. 1156

**SAMPLE TRUE-UP FY 2024-25
USED AND UNUSED / IRRECONCILABLE DATASETS**

The City's Information Technology Agency (ITA) has generated a report of payroll data containing 1) LAFPP designated as the employee's Pension Plan, 2) compensated and uncompensated hours to total assigned work schedule, and 3) pensionable pay hourly rate. LAFPP utilizes this report to arrive at the pensionable pay, which is necessary for the true-up computation.

$$\text{Pensionable Pay} = \text{Pensionable Hourly Rate} \times \text{Hours}$$

USED DATASETS

First, analysis is performed to ensure trainee time is excluded from the pensionable pay population; this is for the period of time and the payroll before a member's enrollment date to the LAFPP Pension Plan.

Next, the pensionable hours and rates are determined by reviewing full-pay earning codes, such as HW (hours worked), VC (vacation), SK (100% sick time), etc. (Note: full-pay = full-service credit)

Then, reduced-pay and no-pay earning codes are reviewed and factored as full-pay if members will receive full-service credit upon retirement. Examples of these codes include SS (75% sick time), ID (injury on duty), ML (military leave), etc., and the factored pay is also referred to as "missed contributions."

Lastly, temporarily non-pensionable pay earnings are incorporated since members will receive full-service credit upon retirement. Examples of these earnings include longevity retention and base bonuses, which are also considered missed contributions.

UNUSED / IRRECONCILABLE DATASETS

Maximum years of service – Members who have met this threshold (30 or 33 years depending on their Tier) do not make employee contributions. The Plan Actuary already accounts for members who are no longer contributing in the annual actuarial valuation.

Retroactive Transactions for payroll after Workday go-live (6/16/24) – ITA's report may not contain sufficient data (e.g., 0 hours and missing or incorrect rate). A Workday report called Retro Payroll Reconciliation was discovered and utilized to obtain the missing data; however, this report on occasion displays unreasonable Pensionable Pay in comparison to the Gross Pay adjustment (e.g., for pay period #18, one employee has Retro Gross pay of \$222 while the Pensionable Eligible Wages are negative (-) \$9,609).

Retroactive Transactions for payroll before Workday go-live (6/16/24) – ITA's report may not contain sufficient data (e.g., 0 hours and missing or incorrect rate). The previously used Retro Payroll Reconciliation report does not include information for retroactive transactions pre-Workday implementation. Retroactive adjustments to pre-Workday payroll were first entered to the PPA (Prior Pay period Activity) tool, and then an import file was produced to be uploaded to Workday. Searching the import payroll file from the PPA tool has been unsuccessful to date, as the file returns all information in a single comment, burying the necessary key pieces of information.

Given the complexity described above, Retroactive Transactions were removed from the sample true-up calculation.

Main Issues Complicating LAFPP True-Up Calculations

FILE SIZE AND RECONCILIATION

The payroll files provided by the City's ITA (Information Technology Agency) are very large, consisting of 150,000 to 300,000 records per pay period. Such large files are slow to open and lookup tables created by staff to fill in missing data also run slowly.

The large number of records makes reconciliation against LAFPP's demographic file difficult. Staff use the biweekly demographic file as a check to ensure all members have been accounted for in ITA's data. So far, staff has identified issues with trainees being included in ITA data files (no City or employee contributions are made until after a member graduates from training in the Police Academy or Fire Drill Tower). Staff also found that members who were active in a given pay period but subsequently terminated employment were excluded from the files.

INCOMPLETE DATA FOR RETROACTIVE PAYROLL TRANSACTIONS

Pensionable pay can be difficult to determine for certain retroactive pay changes. If a member is paid a retroactive raise that covers periods prior to the implementation of the Workday system, the amount is often calculated outside of the system with no indication as to what hourly pensionable rates were used. Even for pay periods since Workday's go-live, pensionable pay can be difficult to deduce if the member has had multiple retroactive pay transactions.

When pensionable pay is not readily available, staff must spend significant time researching applicable Memoranda of Understanding (MOUs) and data from LAFPP's Pension Administration System (PARIS) to correctly determine pensionable pay. In any pay period there may be anywhere from dozens to over a thousand retroactive transactions. Therefore, staff will exclude retroactive pay transactions from any true-up.

ACCOUNTING FOR MISSING MEMBER PENSION CONTRIBUTIONS

When members receive 50% or 75% sick pay, they make a reduced pension contribution. When members are on injury on duty (IOD), workers' compensation, or military leave they do not make any pension contributions. In each of these cases, members still receive full salary credit toward their pension benefit.

Staff must determine the full rate of pensionable pay in each situation to calculate the City's contribution. Staff also must calculate the difference between the contribution the member would have paid had they received their full normal pensionable pay and the member contribution actually received, known as the "missed contribution." These missed contributions must be added to the City's contribution as part of the true-up.

Staff must research hundreds of lines of data pertaining to these pay codes for partial sick, workers' compensation, or military leave each pay period.

City Contribution True-Up Mechanism
Staff Time Allocation and Issue Log

PERIOD ANALYZING 2024-25 PAYROLL DATA	ACCOUNTANT		DEPT CHIEF ACCT SALARIED	HOURS
	REGULAR	OT		
5.7.25 - 6.30.25	132	31	205	368
TOTAL	132	31	205	368
PERIOD ANALYZING 2025-26 PAYROLL DATA	ACCOUNTANT		DEPT CHIEF ACCT SALARIED	HOURS
	REGULAR	OT		
7.3.25 - 11.5.25	155.5	6	14	175.5
11.6.25 - 11.13.25	54	20		74
11.14.25 - 01.05.26	45.5		26.6	72.1
TOTAL	255	26	40.6	321.6
TOTAL HOURS SPENT				689.6

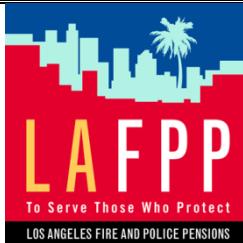
Task Name	Start Date	Task Description and Remarks (if necessary)	Hours Spent
Meeting Preparation with Controller	7/3/2025	Prepare for documentation to share our calculation with the Controller. 2 Reports were sent to show the differences of the calculation.	10
Meeting Preparation	7/16/2025	Validate both Controller and ITA files.	10
Meeting with Controller	7/22/2025	Review of Methodology /ITA Coordination - How to optimize and set up efficiency procedures. Review of Methodology with Controller's Office - True up Calculation Review.	2
Pensionable Factor Review	8/8/2025		
Apply Hybrid Calculation Method (WD + ITA Files)	8/8/2025	Decide not to use hybrid method. Confirmed that the variances between Controller's Office and LAFPP are mainly due to Max YOS.	
		8/11/2025	
Review of Methodology /ITA Coordination - How to optimize and set up efficiency procedures. Review of Methodology with Controller's Office - True up Calculation Review			
LAWA and Harbor Calculation	8/13/2025		
Review Variable Code	8/13/2025		2
Identify Issues (e.g., WD includes overtime pay as pensionable for Airport Police Officers)	8/13/2025	Validate overtime issues for LAWA.	12
Trainees	8/13/2025	Find an example. Inquire with ITA about Trainees (using PP25 & 26) Inter-sectional Meeting	3

City Contribution True-Up Mechanism
Staff Time Allocation and Issue Log

Determine Population - MOUs	8/13/2025 Identify & Review MOUs. Request AMS to confirm.	1
Max YOS Members	8/13/2025 Inter-sectional Meeting	3
Terminate	8/13/2025	
Sampling Test to Validate Calculation Methods	8/13/2025 Inter-sectional Meeting	2
Rate Change	8/13/2025	1
IOD Conversion	8/13/2025	
MOU Bonus	8/13/2025	1
Meeting with Controller	8/13/2025	
Validate the factor	8/13/2025	4
PP1-2	8/13/2025 Review the preliminary ITA files and Communicate with ITA. ITA provided PP1 File but EID is missing and Trainees are included. They are fixing these problems from 8/14/2025 to 8/25/2025. ITA sent the files without trainees and EID on 8/25/2025	1.5
PP3-4	8/13/2025	
PP5-6	8/13/2025	
Inform Controller's Office	8/13/2025	
Resolve overtime coding issues	8/13/2025 Confirm with Pensions Div and Inter-sectional Meeting. Seeking a solution for the overstated HW from overtime.	2.5
Remove trainees from ITA files	8/13/2025 Working with ITA to find the best approach of criteria for the file generation.	
Retro Payments Calculation	8/19/2025	
Download PP1-2	8/26/2025 Received the ITA files on 8/25/2025. No issues identified but look for the better approach to remove trainees. 09/10/2025 - Sent request to fix the ITA file issues - incorrect pensionable hourly rate for the cross-year different rate, missing negative retro adjustments	
Review PP1-2	8/26/2025 Calculate pensionable pay and analyze the files and inter-sectional meeting.	30
Temporary Non-Pensionable	8/27/2025 Review new Temporary non-pensionable files - CPAS non-pensionable pay raise and longevity	3.5
Validate Pensionable Pay Hourly Rate	9/2/2025 Compare with Pay Calculate Results - Earning Register	
Revise the calculation methods	9/2/2025 1. Pensionable Factor 1 & 1a - Pen Hour x Pen Hourly Rate 2. Pensionable Factor 2 - Gross Pay	
Calculate using ITA files PP1-PP6	9/11/2025	
ITA files	9/11/2025	
Meeting with Controller	9/11/2025 FY26PP01 1st: 9/10/2025 2nd: 9/24/2025	
Compare with the Controller's Office	9/11/2025 Investigate the differences.	40

City Contribution True-Up Mechanism
Staff Time Allocation and Issue Log

Differences	9/11/2025 Summary attached. Sent the list of missed retro pen hourly rate from earning register testing file to Controller team	4
Stats Count and Analysis	10/3/2025 GM Monthly Letter preparation	2
Validate LAFPP Member Earnings	10/8/2025 ITA built a new report format in the Workday Sandbox. Compare with rpt1393 and Demo to see whether the report is accurate. On 10/17/25, emailed ITA to share the issues in the report.	12
Review and Calculate Harbor Detail	10/17/2025 DCA communicated with Payroll at Harbor to verify the RE and IX entries. Harbor provided a file, and DCA validated the calculation methods used.	14
Updates from ITA	10/24/2025 On October 24, 2025, ITA responded with an explanation of the issues in the report and indicated they would create a new dataset to address them. On October 30, 2025, we received the revised format; however, the report still appeared to contain small populations and datasets, which we communicated to ITA.	1
Review and Calculate	11/5/2025 On 11/5/25, ITA provided updates for rerunning the publishing.	100
Planning & Discussion	11/13/2025 Inter-sectional meeting.	4
Research Retro	11/14/2025 DCA reviewed and validated the retro adjustments. (11/14- 12/17: break down the pre-WD and WD retro for analysis)	26.6
Summary for Conclusion	12/8/2025	
Suggest to Use Average Pensionable Pay over Gross for Pre-WD Retro	12/8/2025	
Comparison between WD and ITA	12/8/2025 Diff: MAX YOS and Retro WD = Earning + Deduction ITA = Var Code	5
Sampling	12/8/2025	9
New version of Sandbox (3rd)	12/15/2025 ITA replied back with a new version of report. Review and validate to see if they resolved the issues.	2.5
Issues Identification	12/16/2025 Informed ITA of the issues with the new version.	2
Issues Identification	12/17/2025 2 out of 5 issues raised are resolved.	3
Issues Identification	12/22/2025 Raise additional issues on retro transactions.	
Issues Identification	1/2/2026 4 out of 7 issues are resolved with the 1.2.2026 new version.	
Issues Identification and Meeting	1/5/2026 Examine 1.2.2026 version sand box files and discuss the issues to be reported to the Board with DCA.	8
		321.6



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026

ITEM: E.2

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: PRESENTATIONS BY FINALIST CANDIDATES FOR THE ACTIVE INTERNATIONAL SMALL CAPITALIZATION EQUITY MANAGER SEARCH AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board:

- 1) Conduct interviews with Acadian Asset Management LLC, AllianceBernstein L.P., and Numeric Investors LLC as the three finalists for the Active International Small Capitalization Equity manager search;
- 2) Award a contract to one firm to manage the Active International Small Capitalization Equity mandate;
- 3) Authorize the General Manager to negotiate and approve the terms and conditions of the contract with the selected firm for Active International Small Capitalization Equity investment management services for a three-year period; and,
- 4) Authorize the General Manager, on behalf of the Board, to execute the contract with the selected firm for Active International Small Capitalization Equity investment management services, subject to the approval of the City Attorney as to form.

BACKGROUND

On March 6, 2025, the Board approved the Active International Small Capitalization (Cap) Equity manager search and a one-year contract extension with Principal Global Investors, LLC (Principal) in order to complete the search to find a replacement manager.

At the July 3, 2025 meeting, the Board approved the minimum qualifications (MQs) criteria and the qualitative evaluation characteristics for the search. Staff publicly advertised the search beginning in August 2025 to notify interested firms of the opportunity and allow them sufficient time to update firm and strategy information in the eVestment database, which would be used to identify qualified candidates. In September 2025, RVK, Inc. (RVK), the Board's General Investment Consultant, used the approved MQs as well as criteria for strategy style (core style only) and strategy focus (small cap only) to identify 12 qualified managers, who were subsequently invited to respond to a request for proposal (RFP) questionnaire; seven managers submitted RFP responses by the October 10, 2025 deadline and were further evaluated by Staff and RVK.

At the December 18, 2025 meeting, the Board approved three finalist firms to interview: Acadian Asset Management LLC (Acadian), AllianceBernstein L.P. (AllianceBernstein), and Numeric Investors LLC (Man Numeric) (Attachment I).

DISCUSSION

At today's meeting, the Board will conduct interviews with Acadian, AllianceBernstein, and Man Numeric. Each firm will begin with a 20-minute presentation to provide the Board an overview of their firm, team, strategy, performance, and proposed fee structure, followed by a 10-minute question and answer period. The firms' presentation books are attached (Attachments II, III, and IV).

After the Board completes the interviews, Staff and RVK recommend that the Board award a contract to one of the three finalist firms to manage the Active International Small Cap Equity mandate. The attached analysis by RVK (Attachment V) shows how each finalist firm would have enhanced the risk-return profile of LAFPP's Active International Small Cap Equity portfolio on a historical basis and is provided to aid the Board in making a selection. Staff and RVK will be available to discuss the analysis.

Once the Board awards a contract to a firm, Staff will initiate contract negotiations. The selected firm will manage an allocation of \$225 million based on the value of Principal's plan assets when the search was approved. The new account will be funded by the assets currently in the Principal account.

Acadian has indicated that capacity for LAFPP's full mandate may not be immediately available due to an existing investor queue, should the Board award the firm a contract. AllianceBernstein and Man Numeric do not currently have investor queues.

BUDGET

Approval of this recommendation is not expected to impact LAFPP's annual budget, as the costs associated with this search and investment management fees have already been projected and included.

The finalists' proposed management fee schedules and the effective blended fee rates based on an estimated allocation of \$225 million are listed below. These rates all fall below the 25th percentile of fees listed in the eVestment Non-US Small Cap peer group.

Manager	Proposed Fee Schedule in Basis Points (bps)	Effective Fees in Basis Points (bps)
Acadian	First \$50mm 85 bps	
	Next \$50mm 75 bps	
	Thereafter 60 bps	69 bps
AllianceBernstein	Flat Fee 55 bps	55 bps
Man Numeric	First \$100mm 75 bps	
	Thereafter 65 bps	69 bps
eVestment Non-US Small Cap 25th Percentile		70 bps
eVestment Non-US Small Cap Median		78 bps

Man Numeric has two proposed fee structures. Option 1 is listed above and Option 2 is 30 bps management fee with a 20% performance fee.

POLICY

Approval of this recommendation will have no policy impact.

CONTRACTOR DISCLOSURE INFORMATION

Acadian Asset Management LLC complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on December 9, 2025. Internal Audit Section reviewed the provided information and determined there was nothing to report under this policy.

AllianceBernstein L.P. complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on October 31, 2025. Internal Audit Section reviewed the provided information and determined there was nothing new to report under this policy.

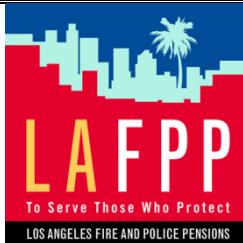
Numeric Investors LLC complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on December 5, 2025. Internal Audit Section reviewed the provided information and determined there were reportable disclosures under this policy. The contractor reported using Man Investments Inc. (adviser affiliate) as a broker dealer for the fund in North America. Man Investments Inc. will be paid a discretionary bonus and compensation fees will be paid by Numeric. LAFPP will not pay any placement agent fees as a result of a contract with this manager.

This report was prepared by:

Randy Chih, Investment Officer
Investments Division

JS:BF:AC:RC

Attachments: I – Active International Small Capitalization Equity Finalist Candidates
Recommendation Board Report dated December 18, 2025
II – Acadian Asset Management LLC Finalist Presentation
III – AllianceBernstein L.P. Finalist Presentation
IV – Numeric Investors LLC Finalist Presentation
V – RVK Active International Small Capitalization Equity Portfolio Blend Analysis



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: DECEMBER 18, 2025

ITEM: E.1

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: DISCUSSION OF FINALIST CANDIDATES FOR THE ACTIVE INTERNATIONAL SMALL CAPITALIZATION EQUITY MANAGER SEARCH AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board:

- 1) Approve Acadian Asset Management LLC, AllianceBernstein L.P., and Numeric Investors LLC as the three finalists for the Active International Small Capitalization Equity manager search; and,
- 2) Direct Staff and RVK to schedule the three finalists for Board interviews with the intent of hiring one firm for the Active International Small Capitalization Equity mandate.

BACKGROUND

On March 6, 2025, the Board approved the Active International Small Capitalization (Cap) Equity manager search and a one-year contract extension with Principal Global Investors, LLC (Principal) in order to complete the search to find a replacement manager.

At the July 3, 2025 meeting, the Board approved the minimum qualifications (MQs) criteria and the qualitative evaluation characteristics for the search (Attachment I). Staff publicly advertised the search beginning in August 2025 to notify interested firms of the opportunity and allow them sufficient time to update firm and strategy information in the eVestment database, which would be used to identify qualified candidates.

DISCUSSION

In September 2025, RVK, Inc. (RVK), the Board's General Investment Consultant, used the approved MQs as well as criteria for strategy style (core style only) and strategy focus (small cap only) to screen the eVestment universe of 167 active international small cap equity managers down to 12 qualified managers. At the end of September 2025, the 12 qualified managers were invited to respond to a request for proposal (RFP) questionnaire; seven managers submitted RFP responses by the October 10, 2025 deadline. The responses were evaluated based on product characteristics, risk and return metrics, portfolio attribution, and correlation to Victory Capital Management Inc., an existing active international small cap equity manager in the Plan's portfolio that will remain after the search is completed. Staff and RVK selected all seven managers as semi-finalists for due diligence interviews. In December 2025, Staff and RVK conducted virtual interviews

with each firm to better understand their organization, team, strategy, investment philosophy and process, portfolio construction and positioning, risk management, and fees. Following these interviews, Staff and RVK conducted further analyses and discussions to assess the merits and risks of each semi-finalist firm.

Based on these evaluations and in accordance with Section 9.2 (Manager Selection Criteria) of the Board's Investment Policies, which states that Staff and RVK shall recommend no more than three finalists for a search to hire one investment manager, Staff and RVK recommend Acadian Asset Management LLC (Acadian), AllianceBernstein L.P. (AllianceBernstein), and Numeric Investors LLC (Numeric), also known as Man Numeric, as the finalists for the Active International Small Capitalization Equity manager search.

Acadian and AllianceBernstein benchmark their proposed strategies to the MSCI All Country World ex-US Small Cap Index, which includes developed and emerging markets companies. Numeric benchmarks its strategy to the MSCI World ex-US Small Cap Index, which includes only developed markets companies.

A detailed discussion of the search process and finalist candidates is provided in the attached RVK memo (Attachment II).

Staff also recommends that the Board interview the three finalists with the intent to hire one firm. The selected firm will manage an allocation of approximately \$225 million. Should the Board approve the recommendation to interview the three finalist firms, the firms will be scheduled to present in person at the January 15, 2026 meeting.

BUDGET

Approval of this recommendation is not expected to impact LAFPP's annual budget, as the costs associated with this search have already been projected and included.

POLICY

Approval of this recommendation will have no policy impact.

CONTRACTOR DISCLOSURE INFORMATION

Acadian Asset Management LLC complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on December 9, 2025. Internal Audit Section reviewed the provided information and determined there was nothing to report under this policy.

AllianceBernstein L.P. complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on October 31, 2025. Internal Audit Section reviewed the provided information and determined there was nothing new to report under this policy.

Numeric Investors LLC complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on December 5, 2025. Internal Audit Section reviewed the provided information and determined there were reportable disclosures under this policy. The contractor reported using Man Investments Inc. (adviser affiliate) as a broker dealer for the fund in North America. Man Investments Inc. will be

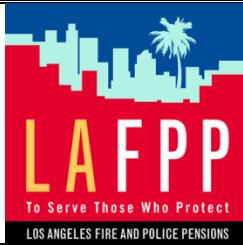
paid a discretionary bonus and compensation fees will be paid by Numeric. LAFPP will not pay any placement agent fees as a result of a contract with this manager.

This report was prepared by:

Randy Chih, Investment Officer
Investments Division

JS:BF:AC:RC

Attachments: I – July 3, 2025 Minimum Qualifications Board Report
 II – RVK Finalists Recommendation Memo



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JULY 3, 2025

ITEM: E.2

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: MINIMUM QUALIFICATIONS FOR ACTIVE INTERNATIONAL SMALL CAPITALIZATION EQUITY MANAGER SEARCH AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board approve the following Minimum Qualifications (MQs) for a search to hire one investment manager to provide active international small capitalization (cap) equity management services:

1. The active international small cap equity strategy must be offered in a separate account;
2. The active international small cap equity strategy must be open to new investors;
3. The active international small cap equity strategy must have a minimum 5-year track record;
4. The active international small cap equity strategy must have more than \$900 million in assets under management (AUM); and,
5. The active international small cap equity strategy must have less than \$10 billion in AUM.

BACKGROUND

At the March 6, 2025 meeting, the Board approved a one-year contract extension for Principal Global Investors, LLC (“Principal”) for International Small Cap Equity management services and authorized Staff and RVK, the Board’s General Investment Consultant, to conduct a search to consider hiring a replacement manager. The Board also directed Staff and RVK to develop the MQs for an Active International Small Cap Equity manager search and return to the Board at a future meeting for approval of the MQs. The March 6, 2025 report is provided as Attachment I.

DISCUSSION

LAFPP currently has two International Small Cap Equity managers: Victory Capital Management Inc. (Victory Trivalent) and Principal. As of May 31, 2025, Victory managed \$308.2 million and Principal managed \$252.6 million. The approved manager search aims to replace Principal and find potential candidates that have complementary styles to Victory Trivalent. RVK is proposing a mandate size of approximately \$225 million based on the size of Principal’s account as of March 31, 2025. Should the market value of the non-U.S. equity portfolio change substantially during the search process, Staff and RVK may recommend revising the mandate size in a future report to the Board.

Staff and RVK will conduct a search for the active international small cap equity manager according to the active manager search procurement process adopted by the Board on March 17, 2011 (Attachment II). This process leverages RVK's databases to identify and evaluate qualified firms in lieu of publishing a request for proposal document (refer to the Decision Points for Active Manager Searches table in Attachment II). The proposed MQs in RVK's memo (Attachment III) will be used to screen a universe of 169 active international small cap equity strategies in the eVestment database and will be applied as of June 30, 2025. The screen is expected to produce approximately 34 firms for consideration. Qualified firms will be further evaluated according to the criteria and process discussed on page 2 of Attachment III.

Per Section 9.2 (Manager Selection and Retention Policy) of the Board Investment Policies, once the search MQs are approved, RVK will provide Staff with a list of all investment firms that have met the MQs. Staff and RVK shall recommend to the Board a list of finalists to interview. For a mandate to hire one investment manager, Staff and RVK shall recommend no more than three finalists. Staff and RVK anticipate that evaluating the firms that meet the MQs will take approximately four to six months. Staff and RVK expect to present to the Board a list of finalists in the 1Q26 and anticipate scheduling finalist interviews in early 2Q26.

Staff is recommending that the Board approve the MQs to hire one Active International Small Cap Equity manager. If approved, Staff will advertise the search to notify interested investment firms that they must be registered in the eVestment database with complete firm and strategy information as of June 30, 2025, to be considered for the mandate. Advertisements will be placed on LAFPP's website and the City of Los Angeles' Regional Alliance Marketplace for Procurement (RAMPLA), which provides information on contractual opportunities offered by the City of Los Angeles. Staff may also advertise the search in Pensions & Investments (P&I) magazine, P&I's website, FIN Daily/Emerging Manager Monthly newsletters, and the websites of various industry organizations. These organizations may include, but may not be limited to: Association of Asian American Investment Managers (AAAIM); New America Alliance (NAA); National Association of Investment Companies (NAIC); and National Association of Securities Professionals (NASP).

BUDGET

RVK (in conjunction with Staff) will conduct the search at no additional cost, per their contract. The estimated cost for advertising the search is \$3,000 to \$4,000 and has been accounted for in the FY 2025-26 budget.

POLICY

Approval of this recommendation will have no policy impact.

CONTRACTOR DISCLOSURE INFORMATION

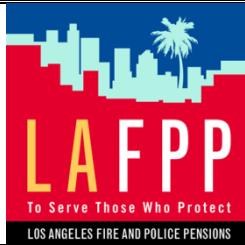
There is currently no disclosure information required for the search.

This report was prepared by:

Randy Chih, Investment Officer
Investments Division

JS:BF:AC:RC

Attachments: I – Board Report on One-Year Contract Extension for Principal Global Investors,
 LLC and Manager Search, dated March 6, 2025
 II – Board Report on Investment Manager Search Process, dated March 17, 2011
 III – RVK Minimum Qualifications Recommendation Memo



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: MARCH 6, 2025

ITEM: D.3

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: APPROVAL OF ONE-YEAR CONTRACT EXTENSION WITH PRINCIPAL GLOBAL INVESTORS, LLC AND MANAGER SEARCH FOR INTERNATIONAL SMALL CAP EQUITY MANAGEMENT, AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board:

1. Approve a one-year contract extension with Principal Global Investors, LLC for International Small Cap Equity investment management services;
2. Authorize the General Manager to negotiate and approve the terms and conditions of a contract extension with Principal Global Investors, LLC for International Small Cap Equity investment management services for the period of May 1, 2025, through April 30, 2026;
3. Authorize the General Manager, on behalf of the Board, to execute the contract extension with Principal Global Investors, LLC for International Small Cap Equity investment management services, subject to the approval of the City Attorney as to form;
4. Approve an Active International Small Cap Equity manager search to consider hiring a replacement manager; and,
5. Direct Staff to develop the minimum qualifications for an Active International Small Cap Equity manager search and return to the Board at a future meeting for approval of the minimum qualifications.

BACKGROUND

In April 2017, the Board approved a recommendation by RVK, the Board's General Investment Consultant, to conduct an Active International Small Cap Equity manager search to replace an existing passive mandate based on an International Equity Asset Class Structure Study. Following a competitive search process, the Board hired Principal Global Investors, LLC (Principal) and Victory Capital Management Inc. (Victory) in March 2018.

The Principal account was initially funded with approximately \$214 million in late May 2018 and as of December 31, 2024, the account was valued at approximately the same amount. Due to underperformance of the strategy, Principal was placed on the watch list as of December 31, 2020 (approximately four years ago). The contract with Principal was renewed in March 2021 for a three-

year term and extended in March 2024 for a one-year term. The current contract will expire on April 30, 2025.

DUE DILIGENCE REVIEW

As part of the due diligence process, Staff requests that each manager complete a questionnaire which focuses on the areas of ownership, personnel, investment style, assets under management, and investment performance.

OWNERSHIP

Principal is a wholly owned, indirect subsidiary of Principal Financial Group, Inc. (Principal Financial). Listed on the Nasdaq Global Select Market under the ticker symbol “PFG,” Principal Financial is a member of the Fortune 500 and a leading global financial institution offering a wide range of financial products and services through a diverse family of financial services companies.

Principal Financial is headquartered in Des Moines, Iowa. Initially founded in 1879 as Bankers Life Association, an insurance company, the company’s name was changed to Principal Financial Group in 1985.

PERSONNEL

The portfolio is managed by Principal’s International Small Cap Equity team and led by two portfolio managers: Brian Pattinson and Tiffany Lavastida. They are supported by six industry analysts. During the current one-year contract extension period, there were no changes within the team.

ASSETS UNDER MANAGEMENT

Principal had \$137.6 billion of assets under management (AUM) for 342 institutional clients as of June 30, 2024, and \$151.5 billion of AUM for 344 institutional clients as of December 31, 2024. The Board’s account is part of Principal’s International Small Cap strategy which had \$3.4 billion of AUM and 16 institutional clients as of June 30, 2024, and \$2.8 billion of AUM and 16 institutional clients as of December 31, 2024. The net outflow of assets was largely attributed to a withdrawal by Principal’s affiliated group that manages target date funds. The Board’s account with Principal was valued at approximately \$214 million as of December 31, 2024.

INVESTMENT STYLE

Principal uses a fundamental, bottom-up approach to 1) invest in businesses that are improving, 2) identify companies ahead of the market, and 3) isolate stock selection as the key driver of results.

The investment process begins with analysts identifying stocks undergoing fundamental changes by independently reviewing company financial statements, regulatory filings, news flow, and independent research sources, and engaging with senior executives of the companies. The evaluation of these stocks focuses on earnings acceleration and cash flow trends with clear identification of specific underlying change catalysts.

The next step involves assessment of investor expectations. The difference between Principal’s assessment of the earnings potential of a company and the prevailing consensus expectation is regarded as an expectation gap. Principal seeks to identify a company’s changing fundamentals

relative to its valuation from current expectations to exploit the market underestimation of this change.

When a set of attractively ranked companies is identified, the portfolio managers may consider these stocks for inclusion in the portfolio. Principal's strategy centers on isolating stock selection as the key driver of relative performance and avoiding unintended systematic biases.

INVESTMENT PERFORMANCE

All active managers are expected to exceed the return of the median manager in the same investment style universe and exceed the return of the appropriate index over a full market cycle. The Board's investment performance benchmark for Principal is the MSCI World ex US Small Cap Index.

As of December 31, 2024, Principal underperformed its benchmark over the 1-year, 3-year, 5-year, and since inception periods on a net-of-fees basis. Compared to the universe of peer active international small cap managers, Principal's performance ranked 59th in the 1-year, 48th in the 3-year, 84th in the 5-year, and 83rd in the since inception periods. Performance has also lagged the benchmark and peer median in four of the past six calendar years. Attachment I provides a detailed performance analysis.

CONCLUSION

Principal has not met performance expectations since inception of the Board's account. Principal has underperformed the benchmark and its peers in both up and down markets over a 6.5-year period, which is in the range of a full market cycle (generally considered to be five to seven years).

The firm's management fee on the \$214 million in the Board's account as of December 31, 2024, was approximately 40 basis points, or \$860,000 a year. This fee places Principal in the 4th percentile of the eVestment Non-US Diversified Small Cap Equity universe, where the median fee is 80 basis points.

Despite Principal's underperformance, Staff recommends that the Board extend the contract with Principal for one year and authorize Staff and RVK to conduct a search for a replacement Active International Small Cap Equity manager. Given the inefficiencies of the international small cap equity market and the potential to generate returns above the benchmark, Staff and RVK advise the Board to continue utilizing active management in this space rather than investing passively. Staff and RVK also believe it is prudent to maintain the assets in Principal's account until the search is completed to avoid incurring excessive transition costs (associated with moving assets to Victory or a passive strategy) and to maintain diversified active management exposure to international small cap equities (as opposed to moving all assets to the Victory account and having single active manager exposure). RVK concurs with Staff's recommendation (Attachment II).

Should the Board authorize an Active International Small Cap Equity manager search, Staff will work with RVK to develop the proposed minimum qualifications for the search and present them to the Board for consideration at a future meeting.

BUDGET

Approval of these recommendations will not impact the FY 2024-25 budget, as Principal's fees are already included in the budget. There is no additional charge to have RVK conduct an international small cap equity manager search, as RVK's contract includes four public markets manager searches per year.

POLICY

Approval of this recommendation will have no policy impact.

CONTRACTOR DISCLOSURE INFORMATION

The contractor complied with LAFPP's Contractor Disclosure Policy regarding campaign contributions, charitable contributions, intermediaries, gifts, and contacts on January 31, 2025. Internal Audit Section reviewed the provided information and determined there was nothing new to report under this policy.

This report was prepared by:

Randy Chih, Investment Officer
Investments Division

JS:BF:AC:RC

Attachments: I - Principal Performance Analysis
II - RVK Memo: Principal International Small Cap

Principal International Small Cap Core Performance Information
Annualized Return Information as of December 31, 2024

	FYTD	1-Year	3-Year	5-Year	Inception Return	Inception Date
Principal (Gross of Fees)	-0.46%	2.37%	-2.30%	1.68%	1.69%	06/01/18
Principal (Net of Fees)	-0.66%	1.97%	-2.71%	1.20%	1.20%	
MSCI World Ex US Small Cap	1.94%	3.28%	-2.29%	3.33%	2.99%	
Difference (Gross of Fees)	-2.40%	-0.92%	-0.01%	-1.65%	-1.30%	
Difference (Net of Fees)	-2.60%	-1.31%	-0.42%	-2.13%	-1.79%	
Percentile Rank (Investment Metrics Universe)	74	59	48	84	83	

Principal International Small Cap Core Performance Information
Calendar Year Annual Return Information from 2019

	2024	2023	2022	2021	2020	2019
Principal (Gross of Fees)	2.37%	14.60%	-20.50%	10.35%	5.63%	28.45%
Principal (Net of Fees)	1.97%	14.14%	-20.88%	9.75%	5.03%	27.73%
MSCI World Ex US Small Cap	3.28%	13.20%	-20.21%	11.54%	13.20%	25.94%
Difference (Gross of Fees)	-0.92%	1.40%	-0.30%	-1.19%	-7.57%	2.51%
Difference (Net of Fees)	-1.31%	0.95%	-0.68%	-1.79%	-8.17%	1.79%
Percentile Rank (Investment Metrics Universe)	59	58	44	71	84	22



Memorandum

To	The Los Angeles Fire and Police Pension System ("LAFPP")
From	RVK, Inc. ("RVK")
Subject	Principal International Small Cap Core - Contract Termination
Date	March 6, 2025

Recommendation

RVK recommends that the Board conduct a search for a replacement manager for the Principal International Small Cap Core ("Principal") as outlined below. In order to allow time for the search, and avoid multiple asset transitions, we also recommend renewing the Principal contract for 1 year. This is in agreement with the Staff's recommendation to the Board. Our rationale for this recommendation follows.

- The team implemented portfolio changes with poor articulation of why the changes are expected to improve performance.
- Loss of strategy assets due to internal withdrawal of the strategy from Principal's Target Retirement Date (TRD) Funds which occurred in Q4 of last year. In total, strategy net outflows totaled \$500 million, the majority of which were the Principal managed TRD suite.
- Failure to generate excess return over extended time periods. They underperformed in 4 of the last 5 calendar years in a period including both strong returns (2020, 2021 and 2024) and weak returns (2022) for the asset class.
- Underperformance during both up and down markets.
- Poor risk-adjusted returns (ranks 82nd percentile for Sharpe Ratio and 92nd percentile for Information Ratio over the 5-year period ending December 31, 2024).
- Strong candidate pool of potential replacement strategies.

Principal's International Small Cap strategy produced poor results in 2020 due to macro-related events. Historically, this strategy has not consistently protected capital in down markets relative to their benchmark. However, they have also trailed in up market environments in recent years without a specific rationale for an eventual rebound beyond improved stock selection. One adjustment they are implementing is to reduce the number of holdings in the portfolio around higher conviction ideas; however, this can lead to higher tracking error, which could be positive or negative. Most importantly, long-term returns have deteriorated in a broad and inefficient asset class where more consistent excess returns are expected. The strategy is not meeting its alpha target for the 20- and 25-year periods. Therefore, recommendation is due to long-term underperformance, a lack of confidence in future return generation potential, and the presence and availability of more successful options within the asset class.



Background

The Principal contract expires on April 30, 2025. As of December 31, 2024, LAFPP has approximately \$214.4 million invested in the Principal separate account product, which represents approximately 4.03% of the International Developed Equity composite, 4.02% of the Total International Equity composite, and 0.70% of the Total Plan. LAFPP has been invested in this account since May 2018.

Firm

Principal Global Equities is an investment group within Principal Global Investors, a wholly owned subsidiary of Principal Financial Group that is publicly listed on the NASDAQ under ticker “PFG.” The Global Investors Group is a multi-boutique operation that allows the broader organization to offer investment expertise across equities, fixed income, real estate, asset allocation, currency management, stable value management, and other types of structured investment strategies.

Principal Global Equities started managing assets for clients in 1987 when their first international equity strategy was launched, and now manage approximately \$155 billion.

Team

Co-portfolio manager Brian Pattinson joined the firm in 1994 but became a named portfolio manager in 2001. Tiffany Lavastida, joined the firm as a member of the equities team in 1997 and was named a co-portfolio manager to this strategy in 2006. Together they have an average of 29 years of industry experience and 29 years at the firm.

Mr. Pattinson and Ms. Lavastida are supported by a team of six analysts. The analysts have an average of 14 years at the firm and 19 years in the industry. Analysts have sector specialties by region. The team has been stable, with just one analyst departure in the last five years. Equity Analyst Jun Kim was let go in 2023, and was at the firm for 12 years. He was the only investment professional based in Tokyo and returns were poor.

Brian Pattinson, CFA | Portfolio Manager

Brian is a portfolio manager for Principal Global Equities. Brian leads the global small-cap team which encompasses global, international, regional and U.S. small-cap strategies. He serves as the lead portfolio manager for the firm's international portfolios while providing oversight to the U.S. small-cap team. Brian received an MBA and a bachelor's degree in finance from the University of Iowa. Brian has earned the right to use the Chartered Financial Analyst designation and is a member of the CFA Institute.

Tiffany Lavastida, CFA | Portfolio Manager

Tiffany is a portfolio manager for Principal Global Equities. Her responsibilities include portfolio management and analysis on the international small-cap team and covers financials, real estate, and energy sectors. Previously she was a sales assistant at Mid-America Securities Management. She received an MBA with a finance concentration and a bachelor's degree in finance from the University of Iowa. Tiffany has earned the right to use the Chartered Financial Analyst designation and is a member of the CFA Institute.

Product Strategy and Process

The investment team seeks stocks where three conditions exist:

- Positive and Sustainable Fundamental Change
- Investor Expectation Gaps
- Attractive Relative Valuation

The strategy is supported by the Global Research Platform (“GRP”) which helps target stocks that fit the conditions preferred by the investment team. The GRP encompasses multiple distinct screening models tailored to specific regions and sectors. The ranking process prioritizes the most promising subset of companies based on the fundamental attributes they seek. Since 2003, portfolio managers and analysts have helped with the ongoing evolution of the GRP. The output of the GRP is rankings of the entire universe of stocks. Companies ranking in the top 20% of the available universe are considered the investable universe for the investment team.

The members of the investment team each have sector coverage responsibilities for their regions. The analysts review the top-rated stocks, identified by the GRP, and conduct fundamental research. This includes evaluating financial statements, regulatory filings, news flow, independent research networks, and sell-side research. The analysts seek to understand the competitive position of a company within its industry and its key business drivers. Company management teams can also be interviewed to better understand their past capital allocation decisions and future growth plans.

Ultimately, analysts apply a ranking of “outperform” to their highest conviction stocks. These recommendations are shared via an online portal, the Equities Research Dashboard, which also tracks company news, analysis from the GRP and other key characteristics. The portfolio managers review the information and opinions on the dashboard while continuing to communicate with analysts regarding

their conclusions. The portfolio managers are the final decision makers for the strategy. They determine the final stocks purchased for the portfolio, subject to risk constraints.

Performance (as of December 31, 2024)

In the time since client inception (June 2018), the Principal separate account has underperformed its benchmark by 179 basis points since inception, annualized and net of fees, and ranked in the 83rd percentile. Over the recent 3-year period the fund has underperformed its benchmark by 42 basis points and ranked in the 48th percentile, while over the 5-year period the fund has underperformed its benchmark by 213 basis points and ranked in the 84th percentile. Principal has underperformed its benchmark over all trailing time periods shown below. The table below details Principal's performance (gross and net of fees) as of December 31, 2024.

	QTD	FYTD	1 Year	3 Years	5 Years	Since Incep.	Inception Date	Expense Ratio
Principal Int'l Small Cap Core (SA) - Gross	-8.02	-0.46	2.37	-2.30	1.68	1.69	06/01/2018	0.42%
MSCI Wrld Ex US Sm Cap Index (USD) (Gross)	-7.80	1.94	3.28	-2.29	3.33	2.99		
Difference	-0.22	-2.40	-0.92	-0.01	-1.65	-1.30		
Principal Int'l Small Cap Core (SA) - Net	-8.11	-0.66	1.97	-2.71	1.20	1.20	06/01/2018	
MSCI Wrld Ex US Sm Cap Index (USD) (Gross)	-7.80	1.94	3.28	-2.29	3.33	2.99		
Difference	-0.32	-2.60	-1.31	-0.42	-2.13	-1.79		
IM International Small Cap Equity (SA+CF) Median	-7.02	1.22	4.16	-2.85	4.62	3.73		
Rank	67	74	59	48	84	83		

	2023	2022	2021	2020	2019
Principal Int'l Small Cap Core (SA) - Gross	14.60	-20.50	10.35	5.63	28.45
MSCI Wrld Ex US Sm Cap Index (USD) (Gross)	13.20	-20.21	11.54	13.20	25.94
Difference	1.40	-0.30	-1.19	-7.57	2.51
Principal Int'l Small Cap Core (SA) - Net	14.14	-20.88	9.75	5.03	27.73
MSCI Wrld Ex US Sm Cap Index (USD) (Gross)	13.20	-20.21	11.54	13.20	25.94
Difference	0.95	-0.68	-1.79	-8.17	1.79
IM International Small Cap Equity (SA+CF) Median	15.09	-21.52	13.74	13.95	24.61
Rank	58	44	71	84	22

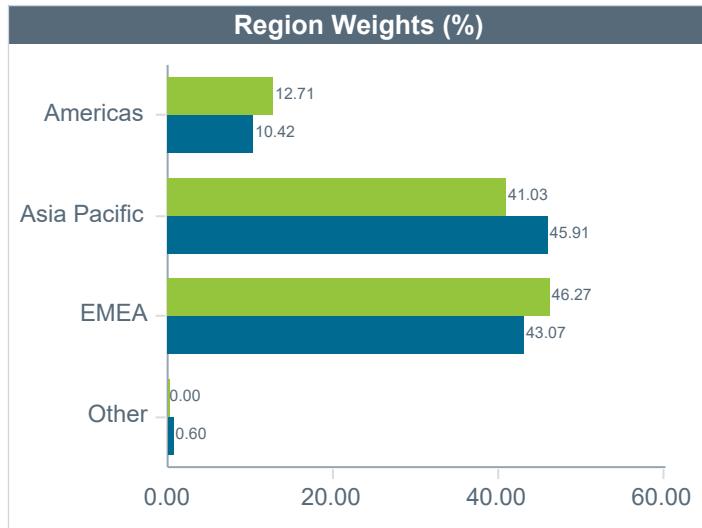
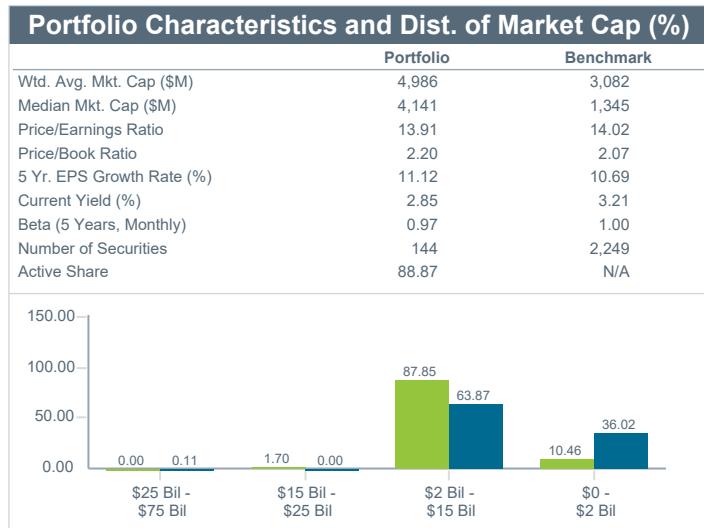
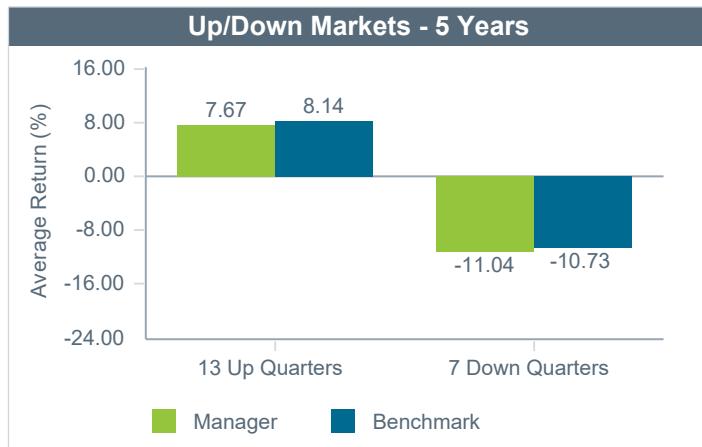


Fees

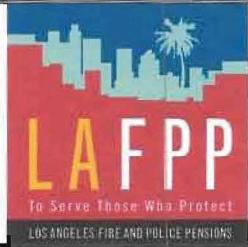
Principal charges 0.42% on the first \$100M, 0.385% on the next \$100M, and 0.35% thereafter. Based on the December 31, 2024, market value of \$214.4 million, the effective annual expense ratio is approximately 0.40%. This fee ranks in the 4th percentile when compared to the eVestment Non-US Diversified Small Cap Equity universe utilizing a separate account vehicle and comparable mandate size. The median fee for this universe is 80 basis points.

Manager: Principal Int'l Small Cap Core (SA)
As of December 31, 2024
Benchmark: MSCI Wrld Ex US Sm Cap Index (USD) (Gross)
Peer Group: IM International Small Cap Equity (SA+CF)

	QTD	Performance									
		1 Year	3 Years	5 Years	7 Years	10 Years	2023	2022	2021	2020	2019
Manager	-8.02	2.37	-2.30	1.68	N/A	N/A	14.60	-20.50	10.35	5.63	28.45
Benchmark	-7.80	3.28	-2.29	3.33	2.88	5.93	13.20	-20.21	11.54	13.20	25.94
Difference	-0.22	-0.92	-0.01	-1.65	N/A	N/A	1.40	-0.30	-1.19	-7.57	2.51
Peer Group Median	-7.02	4.16	-2.85	4.62	3.72	7.07	15.09	-21.52	13.74	13.95	24.61
Rank	67	59	48	84	N/A	N/A	58	44	71	84	22
Population	99	99	99	91	86	73	113	127	125	133	134



Performance shown is gross of fees. Calculation is based on quarterly periodicity. Parentheses contain percentile ranks.



DEPARTMENT OF FIRE AND POLICE PENSIONS

360 East Second Street, Suite 400
Los Angeles, CA 90012
(213) 978-4545

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

March 17, 2011

ITEM: A.4

FROM:  Michael A. Perez, General Manager

SUBJECT: PRESENTATION BY RV KUHNS ON INTERNATIONAL EQUITY SEARCHES
AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board approve the search procedures for active manager searches (page 2 of the attachment) and emerging manager and passive manager searches (page 3 of the attachment), as proposed by the General Consultant, RV Kuhns.

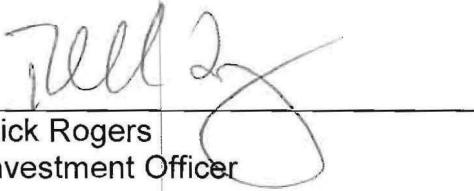
BACKGROUND

At the meeting of February 17, 2011 the Board approved searches for an International Equity Large Cap Core passive manager, an International Equity Large Cap Growth manager, an International Equity Small/Mid Cap manager and an Emerging Markets Equity manager. The Board also considered approving searches for Emerging Managers in one or more of the approved searches.

At the meeting of March 3, 2011 the Board discussed various models for manager searches. The Board consensus was to employ a hybrid selection model, in which the Board, Staff and the Consultant would all participate in the search process. RV Kuhns was directed to report back with specific recommendations on the timing and degree of involvement by the participants in the search process. RV Kuhns appears today to discuss its recommendations (attached).

Also at the March 3, 2011 meeting the Board approved a search for an International Equity Emerging Manager. The attached recommendations include a proposed process for Emerging Manager searches.

Staff has discussed the search processes with RV Kuhns, and supports the recommendations.


Rick Rogers

Investment Officer

MAP:TL:RR
Attachment



►►► & ASSOCIATES, INC.

MEMORANDUM

To: The Los Angeles Fire and Police Pensions System (LAFPP)
From: R.V. Kuhns & Associates (RVK)
Re: Investment Manager Search Selection Process
Date: March 17, 2011

Background

At the March 3, 2011 meeting, the Board discussed various manager selection models with LAFPP Staff and RVK. The objective of these discussions was to evaluate Board involvement in manager selection decisions going forward. To briefly summarize, the Board indicated a preference for a hybrid selection model that incorporates the following:

- Blends Board involvement and Staff discretion.
- Staff and the Consultant are largely responsible for search execution, but the Board may be involved at multiple touch points along the way.
- Integrates Staff expertise with Board perspectives but requires clear delineation of discretionary authority at each step in the search process.

The Board also indicated a preference to continue the practice of using a full procurement model, inclusive of a request for proposal (RFP) for emerging manager searches, while using a limited procurement model which leverages available database information for traditional manager searches. In addition, the Board clarified their expectations that Staff would be primarily responsible for passive manager searches, while RVK would have responsibility for active and emerging manager searches.

In follow up to those conversations, the Board requested that Staff and RVK delineate the steps involved in each of the search processes discussed and the multiple decision points that could involve the Board.

Manager Search Process Decision Points

The number of steps involved in the search process depends on the procurement model. Full procurement models requiring customized RFP's with prolonged response times naturally require more work than search processes that leverage database information for initial manager identification and screening. In addition, passive searches are typically less time and resource intensive than active manager searches. Given that LAFPP utilizes a full procurement model for emerging manager searches and a limited procurement model for traditional manager searches, we developed a list of decision points for both processes.

The objective of this exercise is to identify a comprehensive list of search activities that may involve the Board, LAFPP Staff, and RVK, either in isolation, or working together on the search activity. In addition to the specific steps outlined in the search process, we also included a

general timeframe for step completion. It's important to recognize that the timeframe for completion that is inherent in a full procurement model or in a model requiring multiple levels of Board approval will naturally be longer than in a search process that leverages database information and/or one with higher levels of Staff and Consultant discretion.

The tables below summarize the search activities considered in the process and the recommended distribution of responsibilities between the Board, Staff and RVK. In identifying these steps, we have also included our recommendation on the touch points of Board involvement in each of the search processes. In our experience, the recommended touch points have proven to be most productive in balancing Board engagement while limiting the administrative burden and providing for acceptable levels of Staff discretion.

Although RVK will have primary responsibility for active and emerging manager searches, Staff involvement will be crucial to evaluating the managers and identifying finalist candidates. Conversely, although Staff will have primary responsibility for passive searches, RVK is expected to be available to provide reviews and analytical support to that process. Consequently, both Staff and RVK are identified in many of the steps for all three search processes.

Decision Points for Active Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
1 Authorize search and approve mandate			X	Recommended	Board meeting
2 Assess existing portfolio and propose search criteria	X	X			1-2 weeks
3 Approve minimum qualifications and evaluation criteria			X	Recommended	Board Meeting
4 Compile search document utilizing database	X	X			1-3 weeks
5 Quantitative & Qualitative Review of search document	X	X			1-2 weeks
6 Identify semi-finalists for further due diligence	X	X			1-2 weeks
7 Semi-Finalist Review	X	X			1-2 weeks
8 Identify and approve finalist candidates			X	Recommended	Board Meeting
9 Interview finalists and select manager	X	X	X	Recommended	4 weeks
10 Contract Negotiations			X		2-3 weeks
11 Contract Signed by Board President			X	Recommended	President only
12 Fund Mandate			X		1 week
Total Time from Search Approval to Funding					12-16 weeks

Decision Points for Emerging Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
1 Authorize search and approve mandate			X	Recommended	Board meeting
2 Assess existing portfolio and propose search criteria	X	X			1-2 weeks
3 Approve minimum qualifications and evaluation criteria			X	Recommended	Board Meeting
4 Develop customized RFP	X	X			2-4 weeks
5 Approve RFP and channels for distribution			X	Recommended	Board Meeting
6 Collect RFP responses	X	X			4-6 weeks
7 Quantitative & Qualitative Review of search document	X	X			1-2 weeks
8 Identify semi-finalists for further due diligence	X	X			1-2 weeks
9 Semi-Finalist Review	X	X			1-2 weeks
10 Identify and approve finalist candidates			X	Recommended	Board Meeting
11 Interview finalists and select manager	X	X	X	Recommended	4 weeks
12 Contract Negotiations			X		2-3 weeks
13 Contract Signed by Board President			X	Recommended	President only
14 Fund Mandate			X		1 week
Total Time from Search Approval to Funding					16-20 weeks

Decision Points for Passive Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
1 Authorize search and approve mandate			X	Recommended	Board meeting
2 Assess existing portfolio and propose search criteria	X	X			1-2 weeks
3 Identify minimum qualifications and evaluation criteria			X		1-2 weeks
4 Create search comparison	X	X			1-3 weeks
5 Quantitative & Qualitative Review of search document	X	X			1-2 weeks
6 Identify semi-finalists for further due diligence	X	X			1-2 weeks
7 Semi-Finalist Review	X	X			1-2 weeks
8 Identify finalists candidates	X	X			1-2 weeks
9 Interview finalists and select manager	X	X			4 weeks
10 Contract Negotiations			X		2-3 weeks
11 Contract Signed by Board President			X	Recommended	President only
12 Fund Mandate			X		1 week
Total Time from Search Approval to Funding					12-16 weeks

In reviewing these processes, the recommended Board touch points are as follows:

Active Manager Searches

1. Approve search and specific mandate
2. Approve minimum qualifications and evaluation criteria
3. Approve finalists
4. Interview finalists and select manager
5. Sign contract (Board President)

Emerging Manager Searches

1. Approve search and specific mandate
2. Approve minimum qualifications and evaluation criteria
3. Approve RFP channels for distribution
4. Approve finalists
5. Interview finalists and select manager
6. Sign contract (Board President)

Passive Manager Searches

1. Authorize search and approve mandate
2. Sign contract (Board President)

In recommending these touch points, we recognize that the Board may elect to be involved in any of the steps outlined for the manager selection processes. We have provided the detailed breakdown of the search activities for the Board to review and we look forward to discussing the search process with the Board at the upcoming meeting.

Decision Points for Active Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
1 Authorize search and approve mandate			X	Recommended	Board meeting
2 Assess existing portfolio and propose search criteria	X	X			1-2 weeks
Profile existing managers	X				
Initial scan of universe of available managers	X				
Identify complementary strategies	X				
Customize evaluation criteria:	X				
Organizational depth and resources					
Organizational stability					
Investment methodology					
Assessment of performance					
Fit with existing managers & structure					
Fees					
3 Approve minimum qualifications and evaluation criteria			X	Recommended	Board Meeting
Customized based on the results of Step 2					
4 Compile search document utilizing database	X	X			1-3 weeks
Identify appropriate database (eVestment, Morningstar, etc.)	X				
Apply screens for evaluation criteria and minimum qualifications	X				
Identify long list of managers for evaluation	X				
Ensure manager data is updated and reliable	X				
Verify managers meet minimum qualifications	X				
Fill manager data gaps and clarify data questions	X				
Identify appropriate peer groups and benchmarks	X				
Identify relevant search metrics	X				
Compile search document	X				
5 Quantitative & Qualitative Review of search document	X	X			1-2 weeks
Assess manager comparisons	X				
Rank managers for further evaluation	X				
Narrow list to semi-finalists	X	X			
Recommend semi-finalists to Board	X				
6 Identify semi-finalists for further due diligence	X	X			1-2 weeks
Based on results of step 5					
7 Semi-Finalist Review	X	X			1-2 weeks
Conduct semi-finalist interviews via conference calls (optional)	X				
Select and recommend finalists to the Board based on results of the search, quantitative and qualitative factors, and those that appear to have the highest probability of success over the next three to five years.	X	X			
8 Identify and approve finalist candidates			X	Recommended	Board Meeting
Based on results of step 7					
9 Interview finalists and select manager	X	X	X	Recommended	4 weeks
Inform finalists and schedule interviews	X	X			
On-site visits and additional due diligence	X	X			
Finalists present to Board	X	X	X		
Approve manager decision			X		
10 Contract Negotiations		X			2-3 weeks
Review investment policy with manager		X			
Determine separate account constraints and benchmarks		X			
Negotiate fees		X			
11 Contract Signed by Board President			X	Recommended	President only
12 Fund Mandate			X		1 week
Total Time from Search Approval to Funding					12-16 weeks

Decision Points for Emerging Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
1 Authorize search and approve mandate			X	Recommended	Board meeting
2 Assess existing portfolio and propose search criteria	X	X			1-2 weeks
Profile existing managers	X				
Initial scan of universe of available managers	X				
Identify complementary strategies	X				
Customize evaluation criteria:	X				
Organizational depth and resources					
Organizational stability					
Investment methodology					
Assessment of performance					
Fit with existing managers & structure					
Fees					
3 Approve minimum qualifications and evaluation criteria			X	Recommended	Board Meeting
Customized based on the results of Step 2					
4 Develop customized RFP	X	X			2-4 weeks
Specify asset class, minimum qualifications and evaluation criteria	X				
Post RFP on website or take out journal advertisement	X				
Notify managers in eInvestment Alliance	X				
Collect managers' formal acknowledgement of meeting the qualifications	X				
Ensure manager data is updated and reliable	X				
Collect manager questions	X				
Post responses to the questions	X				
Fill manager data gaps and clarify responses	X				
5 Approve RFP and channels for distribution			X	Recommended	Board Meeting
6 Collect RFP responses	X	X			4-6 weeks
Clarify outstanding questions					
Compile search document					
7 Quantitative & Qualitative Review of search document	X	X			1-2 weeks
Assess manager comparisons	X				
Rank managers for further evaluation	X				
Narrow list to semi-finalists	X	X			
Recommend semi-finalists to Board	X				
8 Identify semi-finalists for further due diligence	X	X			1-2 weeks
Based on results of step 7					
9 Semi-Finalist Review	X	X			1-2 weeks
Conduct semi-finalist interviews via conference calls (optional)	X				
Select and recommend finalists to the Board based on results of the search, quantitative and qualitative factors, and those that appear to have the highest probability of success over the next three to five years.	X	X			
10 Identify and approve finalist candidates			X	Recommended	Board Meeting
Based on results of step 9					
11 Interview finalists and select manager	X	X	X	Recommended	4 weeks
Inform finalists and schedule interviews	X	X			
On-site visits and additional due diligence	X	X			
Finalists present to Board	X	X	X		
Approve manager decision			X		
12 Contract Negotiations		X			2-3 weeks
Review investment policy with manager		X			
Determine separate account constraints and benchmarks		X			
Negotiate fees		X			
13 Contract Signed by Board President			X	Recommended	President only
14 Fund Mandate			X		1 week
Total Time from Search Approval to Funding					16-20 weeks

Decision Points for Passive Manager Searches					
Search Activity	RVK	LAFPP Staff	LAFPP Board	Board Touch Point	General Timeframe for Completion
1 Authorize search and approve mandate			X	Recommended	Board meeting
2 Assess existing portfolio and propose search criteria	X	X			1-2 weeks
Profile existing managers		X			
Initial scan of universe of available managers		X			
Identify complementary strategies		X			
Customize evaluation criteria:		X			
Organizational depth and resources					
Organizational stability					
Fees					
3 Identify minimum qualifications and evaluation criteria		X			1-2 weeks
Customized based on the results of Step 2					
4 Create search comparison	X	X			1-3 weeks
Apply screens for evaluation criteria and minimum qualifications		X			
Identify list of managers for evaluation		X			
Ensure manager data is updated and reliable		X			
Verify managers meet minimum qualifications		X			
Identify relevant search metrics		X			
Compile search comparison		X			
5 Quantitative & Qualitative Review of search document	X	X			1-2 weeks
Assess manager comparisons		X			
Rank managers for further evaluation		X			
Narrow list to semi-finalists		X			
Recommend semi-finalists to Board		X			
6 Identify semi-finalists for further due diligence	X	X			1-2 weeks
Based on results of step 5					
7 Semi-Finalist Review	X	X			1-2 weeks
Conduct semi-finalist interviews via conference calls (optional)		X			
Identify finalists based on results of the search, quantitative and qualitative factors, and those that offer the lowest fees and tracking error to the relevant index.		X			
8 Identify finalists candidates	X	X			1-2 weeks
Based on results of step 7					
9 Interview finalists and select manager	X	X			4 weeks
Inform finalists and schedule interviews		X			
On-site visits and additional due diligence		X			
10 Contract Negotiations		X			2-3 weeks
Review investment policy with manager		X			
Determine separate account constraints and benchmarks		X			
Negotiate fees		X			
11 Contract Signed by Board President			X	Recommended	President only
12 Fund Mandate			X		1 week
Total Time from Search Approval to Funding					12-16 weeks



Memorandum

To	The Los Angeles Fire and Police Pensions System (“LAFPP”)
From	RVK, Inc. (“RVK”)
Subject	International Equity Small Cap Search Minimum Qualifications
Date	July 2025

Recommendation

That the Board considers the following Minimum Qualifications (“MQs”) when screening for active international equity small cap managers.

Background

At the March 6, 2025 Board meeting, the Board reviewed and extended the Principal International Small Cap Core (“Principal”) mandate for a year and authorized Staff and Consultant to conduct a search for potential replacement options given concerns regarding the Principal account. The purpose of this memo is to propose MQs to focus the search on potential candidates to evaluate. The proposed mandate size is approximately \$225 million based on March 31, 2025 Plan assets. The manager will complement the Plan’s other manager in this space, Victory Trivalent International Small Cap Core.

Discussion

RVK has developed the following suggested screening criteria for the search under consideration. There are currently 169 small cap international equity strategies in the eVestment database, and based on the following criteria, we have listed how many managers would be eliminated at each stage.

Proposed Criteria	Rationale
Product is Open	Some strategies are closed to new investors.
Minimum 5-Year Track Record	The majority of the universe is comprised of managers with mature track records. Newer firms or products have surfaced in recent years without sufficient track records of managing through a full cycle. Preference should be given to those managers who have demonstrated their capabilities through both strong and weak markets.
Strategy AUM > \$900 million	LAFPP is limited to 20% of strategy assets; a \$225 million mandate would necessitate a strategy AUM of at least \$900 million (\$1,125 million after the \$225 million mandate is added).
Strategy AUM < \$10 billion	This is a capacity-constrained asset class where the ability to add value decreases as AUM increases.

The screening criteria recommended above for the search process are intended to serve as minimum qualifications for managers to be considered for this mandate. RVK will use the eVestment database information to perform the minimum qualification screens. RVK has compared the universe of global managers in eVestment to Morningstar and found it to have a larger population. A summary of how the



MQs narrow the universe down to a smaller subset is provided below. Please note that the potential universe size is based on manager-entered data and may change after managers confirm in writing that they meet the MQs.

Proposed Criteria	Starting Universe	Products Eliminated
Product is Open	169	9
Minimum 5-Year Track Record	160	21
Strategy AUM > \$900 million	139	102
Strategy AUM < \$10 billion	37	3

After all managers are screened, the list of approximately 34 managers will be evaluated against additional characteristics to cull the list down further and establish a group of candidates that will be considered for investment. These characteristics will include:

- **Firm** – ownership, regulatory compliance, assets, insurance levels, organizational stability
- **Team** – years of experience in the industry and at the firm, overall team stability
- **Performance** – consistency of returns and peer rankings, as well as risk-adjusted return metrics
- **Volatility** – standard deviation and downside market capture over various time periods
- **Product** – multiple attributes such as: number of holdings, sector allocation and limits, turnover, cash position, and assets
- **Fit** – Fit with LAFPP's international equity composite and existing managers.
- **Fees**

Utilizing the above referenced screening characteristics, we believe the search process will result in a list of 8-10 qualified managers to be evaluated in further detail. After analyzing the screening results, Staff and RVK will collectively determine the candidates that are the most attractive options and recommend 3 of those candidates to present to the Board for final interviews.



Memorandum

To	Los Angeles Fire and Police Pension System (LAFPP)
From	RVK, Inc. (RVK)
Subject	Active International Small Cap Equity - Finalist Summary
Date	December 18, 2025

Executive Summary

Following the issuance of an Active International Small Cap Equity search on September 26, 2025, RVK and Staff performed due diligence to identify a list of three top-tier candidates capable of managing an Active International Small Cap Equity strategy with an expectation of outperformance relative to peers and its benchmark. The following managers are the three finalists identified by both RVK and Staff for the prospective allocation:

- Acadian Asset Management (Acadian)
- AllianceBernstein LP (Alliance Bernstein)
- Man Numeric

Search Background

At the Board meeting held on March 6, 2025, the Board reviewed and approved a recommendation to extend the contract for Principal International Small Cap Equity strategy for 1 year. This extension was intended to allow Staff and RVK time to conduct a search to identify a replacement. The rationale for replacement included the strategy experiencing a declining asset base and poor performance, relative to peers and benchmark, since being initially funded in May 2018.

The discussion led to a decision to search for an additional active International Small Cap Equity manager that has demonstrated the ability to generate excess returns and whose style is expected to complement the incumbent strategy managed by Victory Capital Management (Victory). The Board approved an approximate mandate size of \$225 million, which represents the asset managed by Principal. As a result of this approval, RVK and Staff initiated the search process on September 26, 2025.



Search Process

Prior to sending the RFP to potential candidates, RVK proposed a set of minimum qualifications to ensure only applicable strategies would be reviewed. The following screening criteria for the search was approved at the July 3, 2025 Board meeting.

Minimum Qualifications – Rationale	
Criteria	Rationale
Separate Account is Open	Some strategies are closed to new investors or do not offer separate accounts in this space.
Minimum 5 Year Track Record	Preference should be given to those managers that have demonstrated their capabilities through different conditions across a full market cycle.
Strategy AUM > \$900 million	LAFPP is limited to 20% of strategy assets; a \$225 million mandate would require a strategy AUM of at least \$900 million (\$1.125 billion after \$225 million mandate is added).
Strategy AUM < \$10 billion	Preference was given to strategies below the asset levels of the largest strategies in the peer group to avoid the potential impacts of operating with a large asset base in a lower liquidity asset class.

RVK and Staff used additional criteria to narrow the search prior to candidates being contacted with the RFP documents. The screening criteria are summarized below.

Additional Screens – Rationale	
Criteria	Rationale
Strategy style is core	Focuses evaluation on strategies that would not introduce significant style risk when paired with Victory.
Strategy focus is small cap	Focuses evaluation on strategies with portfolios that are focused on small cap securities to avoid overlap with other strategies used within the international equity asset class.

A summary of how the minimum qualifications narrowed the universe to a subset is provided below. Please note the potential universe size is based on manager-entered data which is subject to change. There were 167 strategies in the eVestment US Diversified Non-US Small Cap peer group when the search launched. The number of managers eliminated at each stage are summarized in the table below. Given the offering of a separate account can be a case-by-case decision for investment managers, that criteria was not used to narrow the universe, but was applied when reviewing the RFP responses. The eVestment database does not charge investment management firms for inclusion. The RFP was sent out on September 26, 2025 with firms required to respond by October 10, 2025.



Minimum Qualifications and Additional Screens – Eliminated Products		
Proposed Criteria	Starting Universe	Products Eliminated
Minimum 5 Year Track Record	167	32
Strategy AUM > \$900 million	135	94
Strategy AUM < \$10 billion	41	4
Strategy style is core	37	23
Strategy focus is small cap	14	2
Potential Candidate Universe	12	---

RVK and Staff discussed the potential candidates resulting from these screens and focused on the candidate universe of 12. A request for proposal (RFP) inclusive of an extensive questionnaire was sent to each of these 12 firms and 7 of the firms responded, each meeting the minimum qualifications stated in the RFP. RVK and Staff worked in tandem to further evaluate these candidates. A summary of the characteristics reviewed and discussed is provided below.

- Organization
- Professional Staff
- Assets Under Management
- Investment Philosophy and Process
- Trading
- Performance
- Portfolio Risk Management
- Operations
- Fees

RVK and Staff invited the 7 candidates to participate in virtual video interviews, with RVK and Staff in attendance. Information shared during these interviews enabled further evaluate the organizational stability, team depth, and process quality of each firm. The firms involved in this phase of the process are listed below.

- Alliance Bernstein
- Acadian Asset Management
- Fidelity Investments
- Global Alpha Capital Management
- Goldman Sachs Asset Management
- Man Numeric
- Wellington Management Company LLP



Following the interviews, RVK and Staff discussed the strategies with regard to their client footprint and experience, firm and team assets under management, longevity of the strategy and team, performance track record, experience of the investment team, risk management, among other areas. Based on these areas of focus, both RVK and Staff recommend that the Board interview the following three candidates.

- Acadian Asset Management
- Alliance Bernstein
- Man Numeric

Fees

Each of the finalists recommended for Board interviews have proposed fees, which are below the 25th percentile of the fees listed in the eVestment Non-US Small Cap peer group for a separate account with a mandate size of \$225 million.

Calculated Fee at \$225M Mandate	
Acadian	69
Alliance Bernstein	55
Man Numeric	69
eVestment Non-US Small Cap 25th Percentile	70
eVestment Non-US Small Cap Median	78

Appendix A includes profiles for each of the three finalist managers that underwent a comprehensive due diligence review and virtual video interview with Staff and RVK. **Appendix B** shows performance and portfolio information for each of these managers.

Appendix A

Acadian Asset Management

Firm Background

Acadian was founded in Boston in 1986. In 1992, Acadian became an affiliate of Boston-based United Asset Management which was acquired in October 2000 by Old Mutual plc, a publicly traded international financial services group, which was later rebranded to Brightsphere. More recently, the parent company has divested of other asset management companies and focused its business around Acadian. The publicly traded entity has since rebranded to Acadian Asset Management Inc., trading under the ticker AAMI.

Team

The investment team is led by CIO Brendan Bradley. There are four distinct groups that contribute to the quantitative investment process. These are Investment Analytics & Data (32 members), Research (16 members), Portfolio Management (24 members), and Implementation (31 members). These groups work collaboratively to maintain and enhance the quantitative model that is used across all strategies at the firm.

Philosophy and Process

The team follows a quantitative process that is based on fundamental valuation. They believe market inefficiencies are caused by behavioral anomalies such as investors' overconfidence and pessimism.

- Their process starts with a broad universe of 43,000 stocks that are ranked using bottom-up (value, growth, quality, technical), top-down factors (value, growth, technical, risk, macro), and peer (fundamentals, growth, momentum). Bottom-up factors receive the majority of the weight and are relative to stocks within similar sectors or industries.
- After the universe has been ranked, an optimizer is used to mitigate risk and maximize return. Portfolios are optimized to maximize idiosyncratic risk and subsequently, tend to reflect the benchmark in terms of industry and country/region exposures.

Given the inclusion of emerging markets within the asset class benchmark, Acadian will maintain exposure to emerging markets countries within the portfolio, typically at a similar or higher level than the benchmark.

Risks to Consider

Acadian has experienced underperformance at inflection points, but rebounded following past occurrences. The firm has also had past team turnover among its research team. While it has been stable for the past five years, it is a trend that is consistently monitored given the importance of research to the investment process. Additionally, Acadian may not be able to take the full mandate initially and the position will need to be built over time as capacity becomes available.



AllianceBernstein, LP

Firm Background

Alliance Bernstein is an independent partially owned subsidiary of AXA Financial, Inc. (AXA). AXA owns approximately 69% of AB. The remaining ownership is divided between public shareholders (22%) and AB Directors, Officers, and employees (9%). AB currently employs over 550 investment professionals. The firm is a scaled asset manager with a global footprint that has offerings across asset classes.

Team

Alliance Bernstein's International Small Cap strategy is managed by Andrew Birse (Portfolio Manager since 2014) and Vivian Chen (2016) on a consensus basis. Mr. Birse has been at the firm since 2010 and started in the industry in 2002. Ms. Chen has been at the firm since 2012 and in the industry since 2006. They are supported by the firm's broader resources. The majority of ideas come from discussions with analysts and regional teams. The firm's investment team is located around the globe, currently 20 analysts outside the United States supports this team

Philosophy and Process

The strategy seeks to outperform its benchmark by applying a value-driven investment approach. The team believes that opportunities are created when a company faces a controversy or investors question a company's long-term earnings prospects. The team also believes that investors tend to overreact to short-term events and make irrational decisions. Investment decisions are guided by a disciplined, bottom-up process that integrates both fundamental and quantitative research.

The team uses the quantitative model to rank each stock in the universe by expected return using multiple factors that capture different perspectives on a stock's potential, including valuation, earnings and quality. Fundamental research analysts then identify companies undergoing positive change, underappreciated competitive advantages and strong/improving industry dynamics. After the research candidates are identified, the fundamental analysts then conduct research to develop a five-year forecast of a company's income statement, cash flows, and balance sheet. The key is the internal rate of return generated from their cash flow projections, without multiple expansion. The analysts' forecast is then reviewed by the portfolio managers.

Given the inclusion of emerging markets within the asset class benchmark, Alliance Bernstein will maintain exposure to emerging markets countries within the portfolio, typically at a similar level to the benchmark, with some incremental variation over time.

Risks to Consider

While a co-portfolio management structure is in place, key person risk is still inherent in this approach as the departure of either portfolio manager would require further due diligence to confirm that an appropriate replacement is identified.



Man Numeric

Firm Background

Numeric Investors LLC was founded in 1989 and was acquired by Man Group plc in September 2014. Man Group plc was founded in 1783 as a brokerage firm and, in 2000, transitioned to an investment management business following the demerger of its brokerage business. Man Group has grown significantly through strategic acquisitions, which includes Numeric. Man Group is a publicly traded company listed on the London Stock Exchange under the ticker “EMG”.

Team

The Equities portfolio management team includes two senior portfolio managers, supporting portfolio managers and associate portfolio managers in addition to research analysts. The portfolio management team is further supported by five other groups: Strategic Alpha Research ('SAR') team, Risk team, Man Group's centralized trading group, Man Group's technology teams and the Client Portfolio Management team. In addition, the entire investment process is overseen by Man Numeric's Investment Committee, which includes the CIO, Director of Portfolio Management, Director of Research, and other executives.

Philosophy and Process

The International Small Cap strategy utilizes a systematic, quantitative investment process that combines bottom-up fundamental analysis with quantitative models to be an all-weather approach that has the potential to generate attractive, risk-adjusted excess returns in a variety of market environments. Stock selection for the core investment process is based on the output of proprietary investment models and validated by the portfolio managers' fundamental knowledge of the investable universe to make investment decisions.

The strategy aims to have balanced exposure to each of the five high-level model pillars (Valuation, Momentum, Quality, Informed Investor, and Factor Selection). Weights are determined by a combination of expected alpha, predictive power, and correlations between the models with constraints related to market impact and benchmark exposures. The strategy focuses on stock selection within a universe of approximately 3,500 stocks across 22 developed markets, including all stocks within the MSCI World ex-US Small Cap Index.

The strategy does not include emerging markets and focuses on small cap stocks within developed international countries.

Risks to Consider

As with other quantitative strategies, this approach can underperform at sharp market inflection points when market trends reverse. This specific strategy also has client concentration with three large accounts representing most of the strategy assets. While the quantitative platform has a broader client base overall, the client concentration risk would be a factor to monitor going forward.



Appendix B (Performance as of 9/30/2025)

Trailing Period Returns (Gross of Fees)

	1 Year	3 Years	5 Years	7 Years	10 Years
Acadian	22.19	23.93	15.72	11.62	12.90
AllianceBernstein	25.13	24.33	11.97	7.57	10.35
Man Numeric	27.16	28.56	15.28	9.76	10.58
MSCI ACWI ex US Small Cap Index	16.51	19.95	10.48	7.65	8.83
MSCI World ex US Small Cap Index	19.97	20.59	9.75	7.13	8.76
eVestment Non-US SC Median	19.60	20.58	10.56	7.72	9.37

Calendar Year Returns (Gross of Fees)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Acadian	12.72	16.68	-14.47	23.49	18.71	21.46	-17.82	38.98	9.29	3.13
AllianceBernstein	9.27	13.43	-20.04	12.36	7.80	22.00	-15.33	41.61	6.77	2.51
Man Numeric	14.33	17.98	-16.01	15.72	6.29	24.97	-21.76	34.96	4.24	11.56
MSCI ACWI ex US Small Cap Index	3.85	16.23	-19.57	13.36	14.67	22.93	-17.89	32.12	4.29	2.95
MSCI World ex US Small Cap Index	3.28	13.20	-20.21	11.54	13.20	25.94	-17.75	31.54	4.72	5.83
eVestment Non-US SC Median	4.00	15.72	-20.50	14.10	13.06	24.90	-18.81	34.99	1.89	9.60

Trailing 10 Year Risk, Risk-Adjusted Returns and Excess Return Correlations with Victory

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio	Emerging Markets Allocation	Excess Return Correlation with Victory
Acadian	15.94	0.68	3.60	1.13	34%	0.12
AllianceBernstein	17.02	0.48	3.95	0.39	33%	0.30
Man Numeric	17.48	0.48	3.39	0.52	0%	0.42
MSCI ACWI ex US Small Cap Index	16.33	0.41	0.00	---	30%	---
eVestment Non-US SC Median	16.98	0.43	4.81	0.10	25%*	---

* Represents median of strategies managed against the MSCI ACWI ex USA Small Cap Index which includes emerging markets.

Los Angeles Fire and Police Pensions

All-Country World ex-U.S. Small-Cap Equity

January 15, 2026

Presentation Team

Anna Papush, Ph.D. — Vice President, Associate Portfolio Manager, Equity

Anna joined Acadian in 2018 and is an Associate Portfolio Manager on the Equity Team. Prior to Acadian, she worked as a research assistant at the Operations Research Center at MIT, where she developed data-driven product recommendation systems and researched machine learning applications in the medical and utilities industries. She also previously worked as a researcher in IBM's smarter commerce and supply chain group. Anna holds a Ph.D. in operations research and a B.A. in mathematics (cum laude) from Cornell University.

Andrew Miller — Senior Vice President, Americas Client Group

Andrew joined Acadian in 2004 and is a senior member of Acadian's Global Client Group, focusing on business development within public pension and Taft-Hartley funds. Prior to his current role, he worked in client service, business development, and operations functions at Acadian. Before joining Acadian, he worked in global custody at State Street Corporation. Andrew is a member of numerous public pension associations including the National Association of State Retirement Administrators (NASRA), National Council on Teacher Retirement (NCTR), National Conference on Public Employee Retirement Systems (NCPERS), and the State Association of County Retirement Systems (SACRS). He also serves on the Fenway High School (Boston) Investment Committee. Andrew received an M.B.A. from Northeastern University and a B.A. from Wheaton College.

OVERVIEW

Acadian

Investing systematically for over 30 years, we combine intellectual rigor, rich data, and powerful tools to deliver results with analytical clarity.

Acadian Systematic Investing Built On



**Economic intuition & insights of a talented,
experienced, diverse group of investors:**

100+ person investment team | 1600+ years' collective experience
95+ advanced analytical degrees

PEOPLE

DATA

**Extensive data repository supplemented by
alternative data scouting effort:**

620M+ daily observations | 61TB+ data

150+ global markets | 65K+ traded assets



Transforming information into insights:

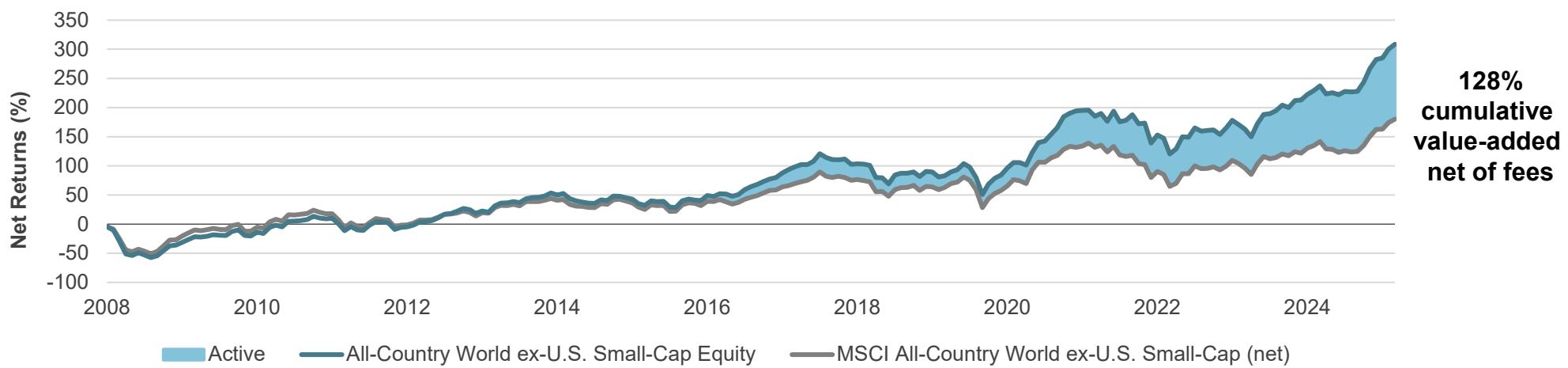
Robust technological infrastructure

Sophisticated analytical tools & portfolio attribution illuminate
trends, relationships, and drivers of alpha

CLARITY

Why Acadian in All-Country World Ex-U.S. Small-Cap?

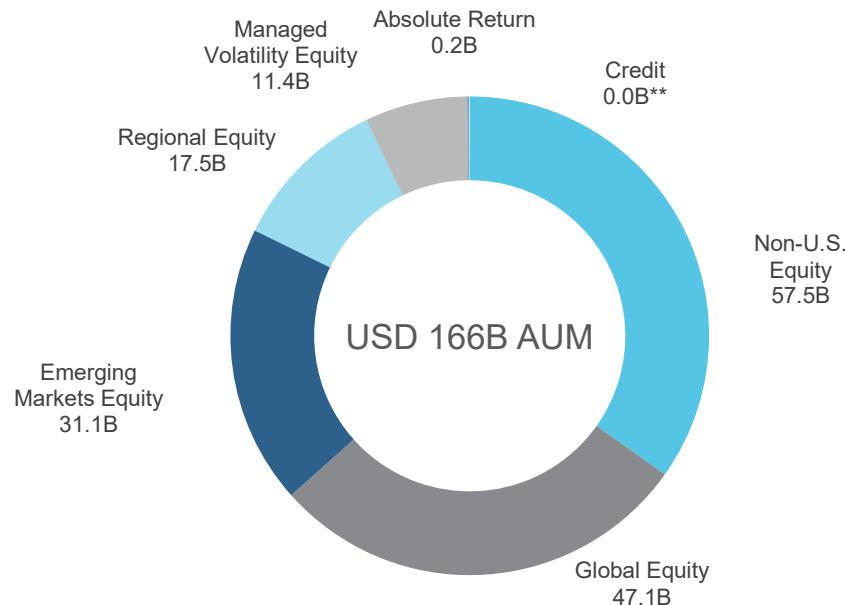
- Founded in 1986 on the principle of investing in All-Country World ex-U.S. Small-Cap equities
- Broad and mispriced security universe in an inefficient asset class
- Outperformance in 12 out of 17 years, with a since inception annualized return of 8.5% versus 6.2% for the benchmark as of September 30, 2025*



*All-Country World ex-U.S. Small-Cap Equity composite versus the MSCI AC World ex-US Small Cap benchmark. After management fees. Performance inception July 1, 2008. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future results. The complete performance disclosure can be found in the composite performance disclosure page attached. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

Organizational Overview

- Acadian has been a pioneer in systematic investing since our founding in 1986
- We believe that a systematic approach grounded in fundamentals is well suited to delivering consistent risk-adjusted returns
- Our 372-person team is focused on continuous research and innovation



September 30, 2025

Rounding is applied to the total firm AUM which includes \$1357.2 million in model advisory contracts where Acadian does not have trading authority. The individual strategy level assets under management (AUM) are rounded to the nearest million unless otherwise noted and do not include model advisory assets.

*As a separate legal entity, Acadian Asset Management (Australia) Limited. This was initially established as a joint venture with Colonial First State Investments Limited and became a wholly owned entity on June 30, 2015.

**Credit AUM: \$68.0M

Investment Team – Equities

Brendan Bradley, Ph.D. | Executive Vice President, Chief Investment Officer



Representative Investors

Public

Employees' Retirement Fund of the City of Dallas
 Florida State Board of Administration
 Los Angeles County Employees Retirement Association
 Massachusetts Pension Reserves Investment Management Board
 Municipal Employees' Retirement System of Michigan
 New York City Employees Retirement System
 Ohio Public Employees Retirement System
 Oregon Public Employees
 Public School & Education Employee Retirement Systems of Missouri
 Tennessee Consolidated Retirement System
 Virginia Retirement System
 West Virginia Investment Management Board

Corporate

3M Company
 Altria Group
 Dow Inc.
 JM Family Enterprises, Inc.
 Pfizer
 The Boeing Company

Endowment/Foundation

Carnegie Mellon University
 Cornell University

Sub-Advisory

Harbor International Core Fund
 Optimum International Fund
 SEI

Taft-Hartley

North Atlantic States Carpenters Benefit Funds
 Producer-Writers Guild of America Pension Plan

Asia

Government Pension Fund [Thailand]
 Government Pension Investment Fund [Japan]
 Khazanah Nasional Berhad
 Permodalan Nasional Berhad (PNB)

Australia

Aware Super
 Colonial First State Investments Ltd.
 Rest Super

Canada

Mouvement Desjardins
 Ville de Montréal

Europe

Fidelity International
 Hampshire County Council
 Kempen Capital Management



PROCESS

Investment Philosophy

- Financial assets are often **mispiced** due to investors incorrectly processing information, having incomplete information, or both
- **Systematic** processes best capture inefficiencies arising from mispriced fundamental and market information
- Our **edge** comes from embracing new ideas and a continuous investment in people, technology, and data

Investment Process



INVESTMENT UNIVERSE
All-Country World ex-U.S.
Small-Cap

34,500 stock investment
universe



RETURN FORECAST

Objective Return Forecast

Stock-specific
Selection within traditionally
defined groups

+

Peer
Overlooked information from
alternative peer groups

+

Macro
Top-down group signals
(industry and country)



PORTFOLIO CONSTRUCTION

**Disciplined Portfolio
Construction**

Multi-horizon forecasts

Proprietary risk models

Dynamic transaction cost
modeling



STRUCTURED TRADING PROCESS

Systematic approach

Dynamic routing based on
order profiling

Real-time oversight

Return Forecast Example

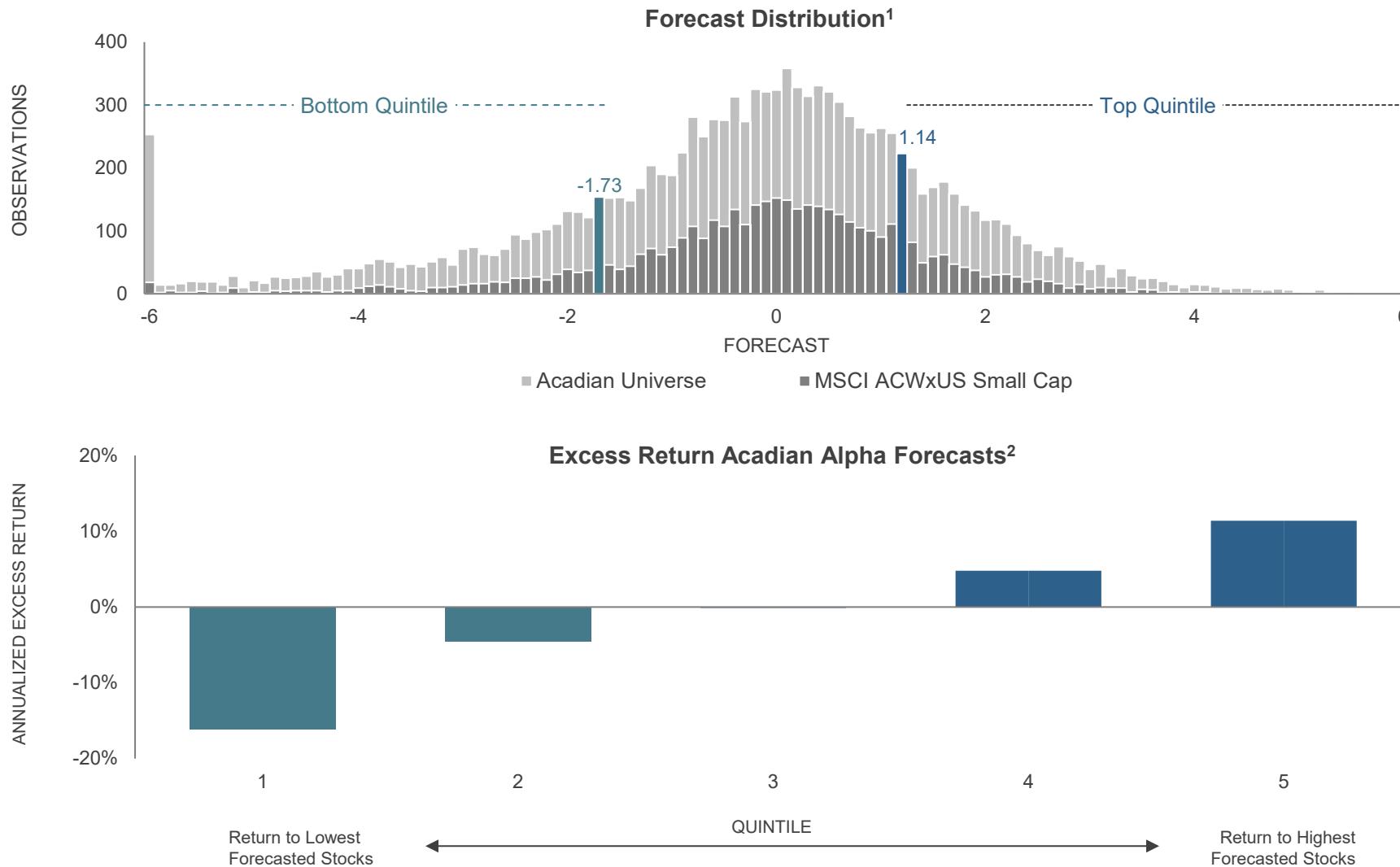
Model	Theme	Sample signals	Forecast
Stock-Specific	Value	Adjusted Intrinsic Value Extended Asset Value	+0.46
	Quality	Financial Strength Management Behavior	+0.56
	Growth	Earnings Surprise Recommendation Change	+0.24
	Technical	Institutional Investor Crowding Smart Reversal	+0.09
Peer	Proprietary Networks	Momentum Fundamentals	+0.73
Macro	Country	Corruption Adjusted Valuation Macro Environment	-0.06
	Industry	Quality Global Growth Sensitivity	+0.44
	Country/Industry Intersection	Price Momentum Adjusted Valuation	+0.07

Total Forecast
+2.54%

Company: CRITEO SA
Market Cap: USD 2B
Country: France
Industry: Media & Entertainment
Description: Specializing in digital performance marketing

Stock Forecast Distribution and Returns

Trailing 10 Years as of December 2024



Source: Acadian Asset Management LLC. For illustrative purposes only.

¹Source: Acadian's All-Country World ex-U.S. Small-Cap universe with a market cap between \$100M – \$500M. Methodology: Observations represents the number of forecasts. The highlighted values represent the observations in the top and bottom quintiles. The information is not reflective of a particular time period and is provided for illustrative purposes only. The chart depicts our forecast distribution process based on proprietary models. There can be no assurance that the forecasts will be achieved.

²This is not intended to represent investment returns generated by an actual portfolio. They do not represent actual trading or an actual account but were achieved by means of using Acadian's All-Country World ex-U.S. Small-Cap universe of securities for the period specified above. Results do not reflect transaction costs or other implementation costs. Past performance is no guarantee of future results. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

Risk Management and Portfolio Construction

All-Country World ex-U.S. Small-Cap Equity

Active risk	4% - 6% tracking error
Market risk	Beta, volatility & size constrained relative to market
Security risk	Up to 2.25% active weight
Country/Industry/Currency risk	Risk aware, active bounds
Factor crowding	Mitigate factor crowding through Dynamic Factor Weighting
Human oversight	Portfolio review, discretionary risk management



STRATEGY

Strategy Overview

All-Country World ex-U.S. Small-Cap Equity

Style	Small-Cap
Process	Systematic stock selection, 100+ proprietary signals
Universe	34,500 securities
Benchmark	MSCI All-Country World ex-U.S. Small-Cap
Excess Return Target	2% - 3% (net of fees)
Active Risk Target	4% - 6%
Turnover	60% - 70%

All-Country World ex-U.S. Small-Cap Equity

Key Characteristics – September 30, 2025*

Fundamentals	Portfolio	Benchmark
Price/Earnings	13.8	20.5
Price/Book Value	1.3	1.5
ROE (%)	7.8	5.5
EPS Growth (%)	14.6	11.7
Debt/Equity (%)	56.6	66.8
Dividend Yield (%)	3.1	2.6

Positioning	Portfolio	Benchmark
Asset-weighted Market Cap. (\$B)	3.1	3.6
Total Securities (#)	1,719	4,137
Non-benchmark Holdings (%)	18	NA
Active Share (%)	78.1	NA

Portfolio-to-Benchmark Fundamental Ratios



Portfolio Alpha Themes



■ Value ■ Quality ■ Growth ■ Technical ■ Peer ■ Top-Down

Portfolio: All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap.

*Preliminary. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

All-Country World ex-U.S. Small-Cap Equity

Regional Allocations – September 30, 2025*

	Portfolio	Benchmark	Difference
Continental Europe	22.0%	20.0%	2.0%
Austria	0.8	0.8	0.0
Belgium	0.3	1.0	-0.7
Denmark	1.2	1.2	0.0
Finland	0.7	0.7	0.0
France	2.1	2.1	0.0
Germany	2.1	2.6	-0.5
Ireland	0.0	0.2	-0.1
Italy	4.0	2.1	1.9
Netherlands	1.1	0.8	0.2
Norway	1.4	1.3	0.1
Portugal	0.4	0.1	0.3
Spain	1.5	0.9	0.6
Sweden	2.6	3.2	-0.6
Switzerland	3.8	2.8	1.0
United Kingdom	4.8%	8.3%	-3.5%
Australia/New Zealand	6.3%	7.1%	-0.8%
Australia	5.9	6.8	-0.9
New Zealand	0.4	0.3	0.1
Hong Kong/Singapore	1.7%	2.5%	-0.8%
Hong Kong	0.4	1.1	-0.7
Singapore	1.3	1.3	0.0
Japan	20.4%	23.0%	-2.6%
North America	7.6%	7.0%	0.5%
Canada	7.6	7.0	0.5
Middle East	2.4%	2.4%	0.1%
Israel	2.4	2.4	0.1
Emerging Markets	34.0%	29.7%	4.3%
Cash	0.8		



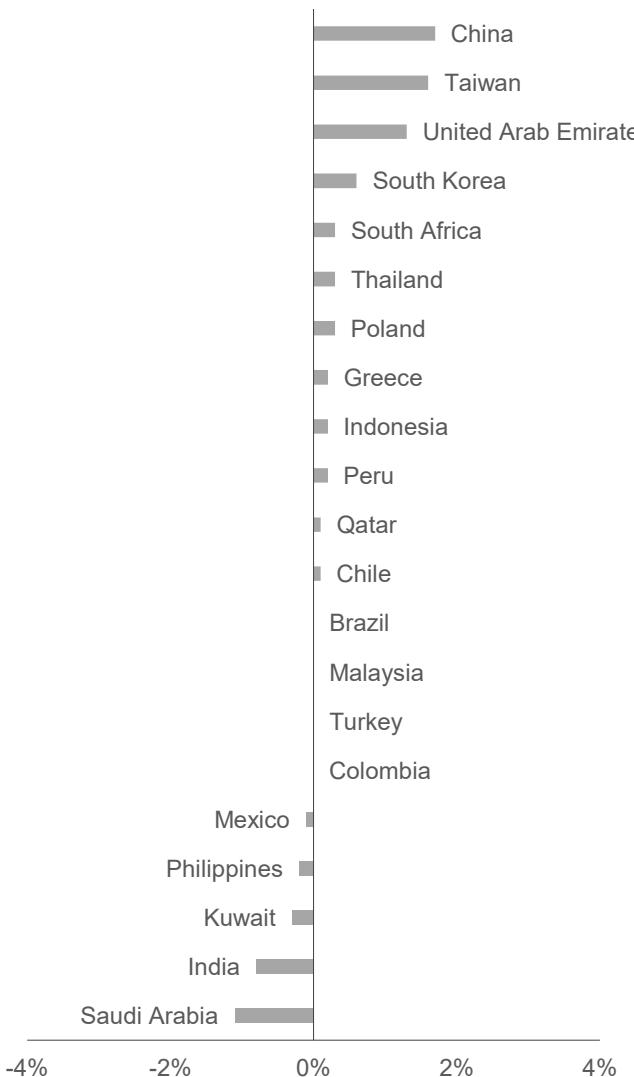
Portfolio: All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap.

Portfolio: All Country World ex-U.S. Small-Cap Equity. Benchmark: MSCI All-Country World ex-U.S. Small-Cap.
*Preliminary. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

All-Country World ex-U.S. Small-Cap Equity

Emerging Markets Allocations – September 30, 2025*

	Portfolio	Benchmark	Difference	% Underweight/Overweight
Europe/Mid East/Africa	5.3%	4.6%	0.7%	
Czech Republic	0.0	0.0	0.0	
Egypt	0.0	0.0	0.0	
Greece	0.5	0.2	0.2	
Hungary	0.0	0.0	0.0	
Kuwait	0.0	0.3	-0.3	
Poland	0.7	0.5	0.3	
Qatar	0.3	0.2	0.1	
Saudi Arabia	0.0	1.1	-1.1	
South Africa	1.5	1.2	0.3	
Turkey	0.6	0.6	0.0	
United Arab Emirates	1.7	0.4	1.3	
Latin America	2.2%	2.0%	0.2%	
Brazil	1.3	1.2	0.0	
Chile	0.3	0.2	0.1	
Colombia	0.0	0.1	0.0	
Mexico	0.4	0.4	-0.1	
Peru	0.2	0.0	0.2	
Asia	26.5%	23.1%	3.4%	
China	5.4	3.8	1.7	
India	6.5	7.3	-0.8	
Indonesia	0.8	0.6	0.2	
Malaysia	0.8	0.8	0.0	
Philippines	0.1	0.2	-0.2	
South Korea	4.5	3.8	0.6	
Taiwan	7.4	5.8	1.6	
Thailand	1.0	0.7	0.3	



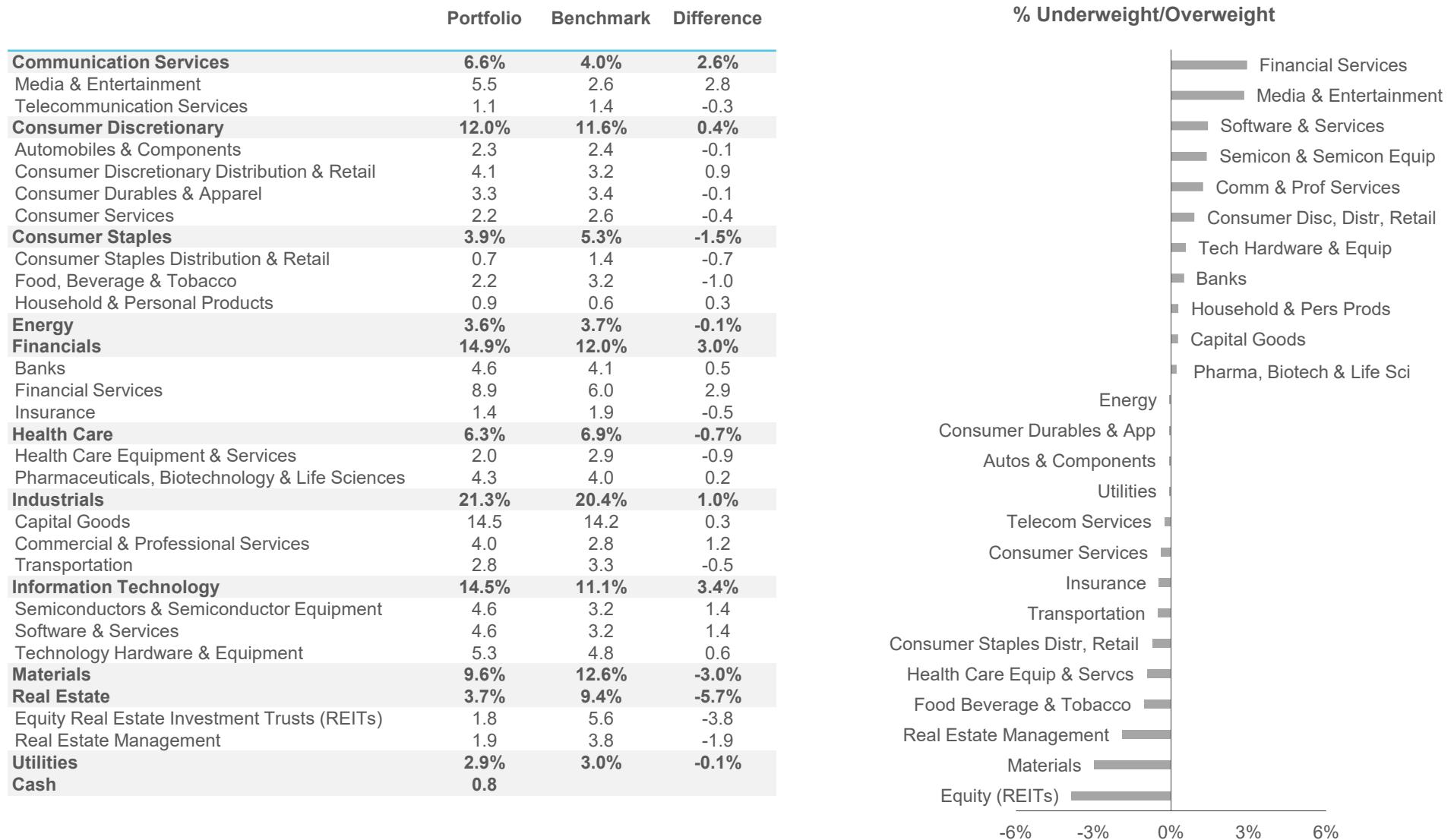
The chart displays the percentage of underweight or overweight for various countries relative to the benchmark. The x-axis represents the percentage from -4% to 4%. The countries listed on the y-axis are: Mexico, Philippines, Kuwait, India, and Saudi Arabia. Mexico is slightly underweight (~-0.5%), while the others are slightly overweight (between 1.0% and 1.7%).

Portfolio: All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap.

*Preliminary. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

All-Country World ex-U.S. Small-Cap Equity

Industry Allocations – September 30, 2025*



Portfolio: All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap.

*Preliminary. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

All-Country World ex-U.S. Small-Cap Equity

Largest Overweights – September 30, 2025*

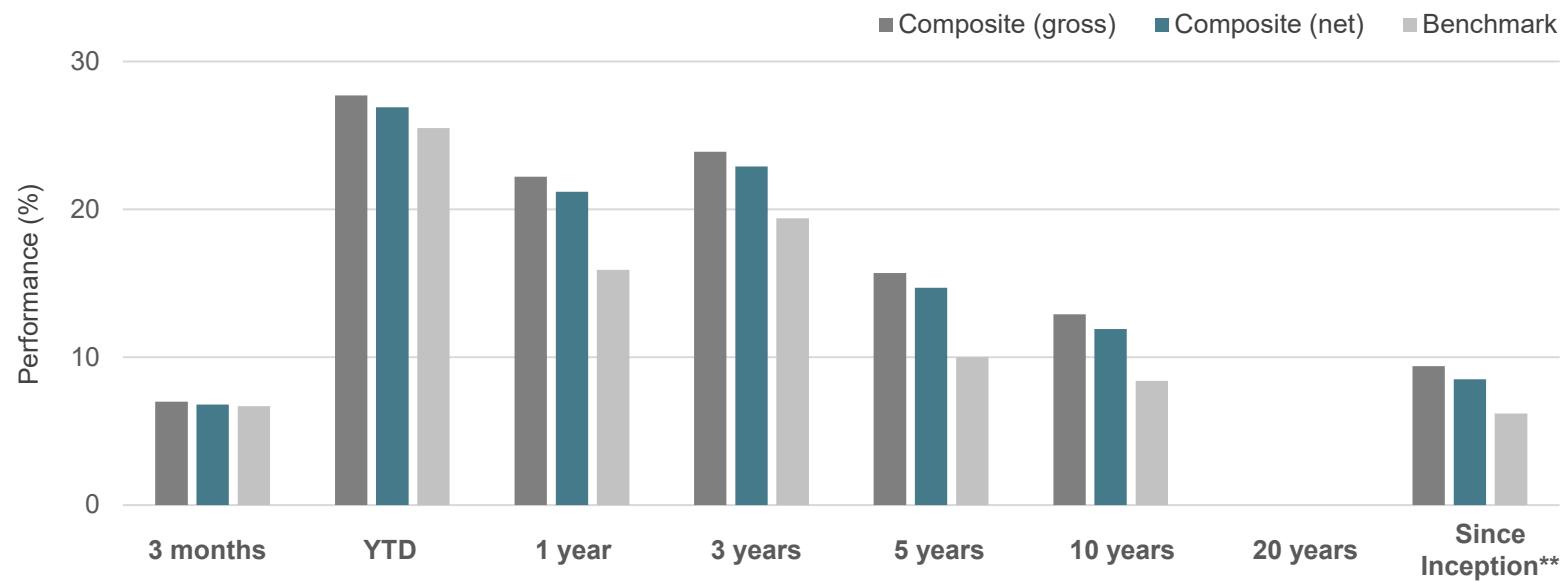
Holding	Industry	Country	Market Cap. (\$M)	Portfolio Weight (%)	Active Weight (%)	Proprietary Signal Themes						
						Value	Quality	Growth	Technical	Top Down	Peer	
SWISSQUOTE GROUP HOLDING SA	Financial Services	Switzerland	10,702	1.2	1.1							
PERSEUS MINING LTD	Materials	Australia	4,388	1.1	1.0							
A2A SPA	Utilities	Italy	8,198	0.8	0.7							
XD INC	Media & Entertainment	China	5,168	0.8	0.7							
SANKYO CO LTD	Consumer Durables & App	Japan	4,527	0.8	0.7							
ACCELLERON INDUSTRIES AG	Capital Goods	Switzerland	7,952	0.8	0.7							
PLUS500 LTD	Financial Services	United Kingdom	3,041	0.7	0.7							
WEIBO CORP	Media & Entertainment	China	3,036	0.6	0.6							
IVECO GROUP NV	Capital Goods	Italy	5,849	0.7	0.6							
UNICAJA BANCO SA	Banks	Spain	7,040	0.6	0.6							
Total Portfolio Weight						8.3%	Contribution to Stock Forecast					
												

Portfolio: All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap.

*Preliminary. Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell individual securities. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

All-Country World ex-U.S. Small-Cap Equity Composite

Trailing Period Performance (Returns in USD) – September 30, 2025*



Composite (%, gross)	7.0	27.7	22.2	23.9	15.7	12.9	--	9.4
Composite (%, net)	6.8	26.9	21.2	22.9	14.7	11.9	--	8.5
Benchmark (%)	6.7	25.5	15.9	19.4	10.0	8.4	--	6.2
Value added (%, gross)	0.3	2.2	6.3	4.5	5.7	4.5	--	3.2

** (Inception: Jul 1, 2008)

Active Risk (%) 3.6

Information Ratio 0.9

Composite: All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap (net).

*Before and After Management Fees. All periods of 1 year or longer reflect annualized performance. Statistics are calculated gross of fees. Returns that include the most recent month are preliminary. Since-Inception performance data reflects an inception date of July 1, 2008. The composite inceptioned on February 1, 2005, however for the period from April 1, 2006, through June 30, 2008, no portfolios were managed that qualified for inclusion in the composite. Acadian Asset Management LLC claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future returns. The complete performance disclosure can be found in the composite performance disclosure page attached. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

All-Country World ex-U.S. Small-Cap Equity Composite

Calendar Year Performance (Returns in USD) – September 30, 2025*

Year	Composite (gross)	Composite (net)	Benchmark	Value-Added (gross)
2008**	-49.1%	-49.4%	-43.2%	-5.9%
2009	62.4	61.1	62.9	-0.5
2010	29.6	28.6	25.2	4.4
2011	-14.3	-15.1	-18.5	4.2
2012	25.6	24.5	18.5	7.1
2013	25.9	24.9	19.7	6.2
2014	-1.0	-1.9	-4.0	3.0
2015	3.1	2.3	2.6	0.5
2016	9.3	8.4	3.9	5.4
2017	39.0	37.8	31.6	7.4
2018	-17.8	-18.5	-18.2	0.4
2019	21.5	20.4	22.4	-0.9
2020	18.7	17.7	14.2	4.5
2021	23.5	22.5	12.9	10.6
2022	-14.5	-15.2	-20.0	5.5
2023	16.7	15.7	15.7	1.0
2024	12.7	11.8	3.4	9.3
2025 through September	27.7	26.9	25.5	2.2

** (Inception: Jul 1, 2008)

Composite: All-Country World ex-U.S. Small-Cap Equity. **Benchmark:** MSCI All-Country World ex-U.S. Small-Cap (net).

*Before and After Management Fees. Returns that include the most recent month are preliminary. Since-Inception performance data reflects an inception date of July 1, 2008. The composite inceptioned on February 1, 2005, however for the period from April 1, 2006, through June 30, 2008, no portfolios were managed that qualified for inclusion in the composite. Acadian Asset Management LLC claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future returns. The complete performance disclosure can be found in the composite performance disclosure page attached. Index Source: MSCI Copyright MSCI 2026. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.



SUPPORTING EXHIBITS

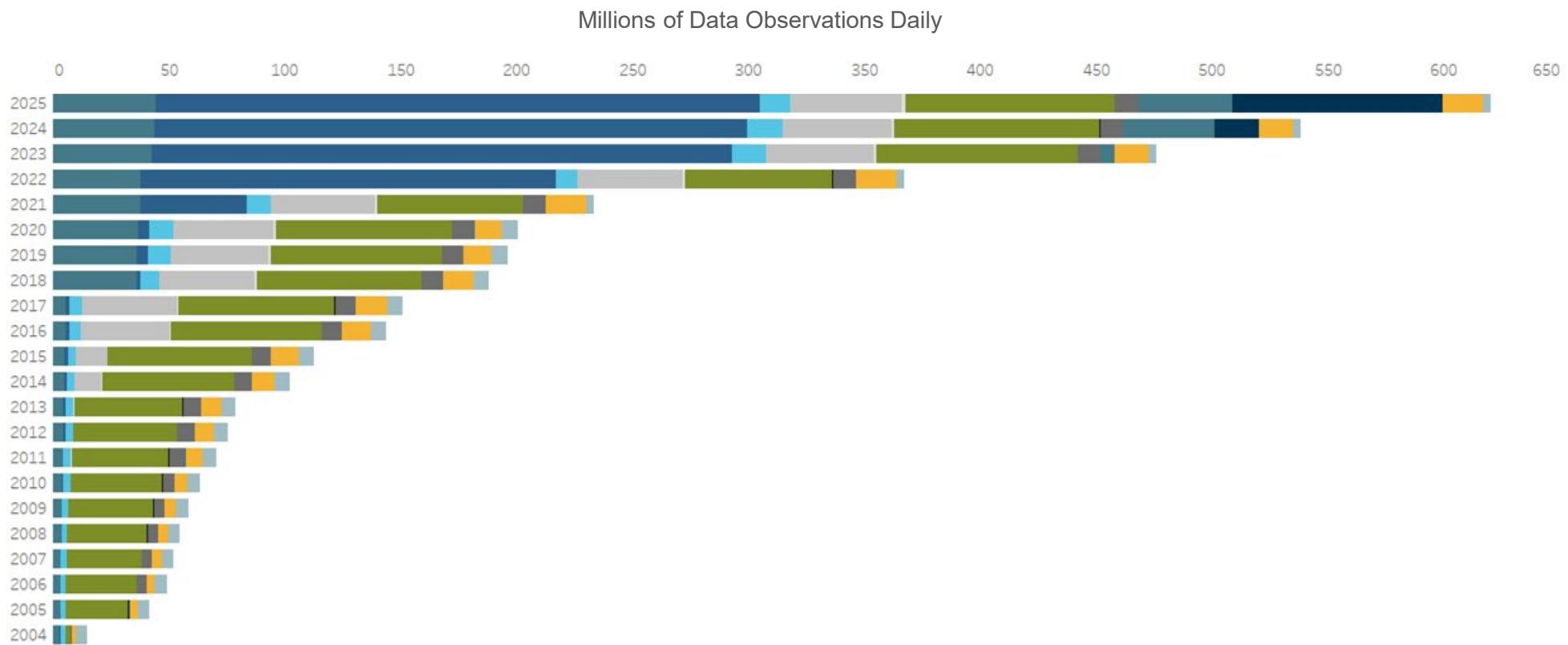
Global Data

44,000 COMPANIES
100 COUNTRIES

620 MILLION DAILY
OBSERVATIONS

61 TERABYTE
DATABASE

Daily data from over 40 sources including regulatory authorities, company websites, media sources, and industry trade organizations not available in standard vendor offerings:





BIOGRAPHIES

Investment Team

Brendan Bradley, Ph.D. – Executive Vice President, Chief Investment Officer

- 27 years of investment experience
- Member of the Acadian Board of Managers, Executive Management Team, Executive Committee, Responsible Investing Committee
- Ph.D. in applied mathematics from Boston University
- B.A. in physics from Boston College

Alexandre Voitenok – Executive Vice President, Deputy Chief Investment Officer

- 24 years of investment experience
- Member of Acadian's Executive Committee and Executive Management Team
- M.Sc. in software engineering from Minsk Radio Engineering Institute

Malcolm Baker, Ph.D. – Director, Research

- 23 years of investment experience
- Research consultant since 2006
- Robert G. Kirby Professor of Finance, Harvard Business School
- Ph.D. from Harvard University
- M.Phil. From Cambridge University
- B.A. from Brown University

Andy Moniz Ph.D., CFA – Senior Vice President, Director of Responsible Investing

Acadian Asset Management (U.K.) Limited

- 25 years of professional experience
- Ph.D. in natural language processing and information retrieval from Erasmus University
- MSc. in applied statistics from the University of London
- M.A. in economics from Cambridge University
- B.A. in economics from Cambridge University
- CFA charterholder and member of CFA Society U.K.

Ryan Taliaferro, Ph.D. – Senior Vice President, Director, Investment Strategies

- 23 years of professional experience
- Member of Acadian's Executive Committee
- Ph.D. in business economics (finance) from Harvard University
- M.B.A. in finance and economics from the University of Chicago
- A.M. in economics from Harvard University
- A.M. and A.B. in physics from Harvard University

Fanesca Young, Ph.D., CFA – Senior Vice President, Director, Equity Portfolio Management

- 20 years of professional experience
- Ph.D. in statistics from Columbia University
- M.Phil. in statistics from Columbia University
- M.A. in statistics from Columbia University
- B.A. in mathematics from the University of Virginia
- CFA charterholder

Vladimir Zdorovtsov, Ph.D. – Senior Vice President, Director, Global Equity Research

- 23 years of investment experience
- Member of the Acadian Executive Committee
- Ph.D. in finance from University of South Carolina
- M.B.A. from University of Arkansas
- B.A. in international economics from Sumy University, Ukraine

Francis Seah, CFA – Senior Vice President, Portfolio Manager and Managing Director, Acadian Singapore

Acadian Asset Management (Singapore) Pte Ltd

- 21 years of investment experience
- B.S. and M.S. from Nanyang Technological University
- CPA, Institute of Certified Public Accountants Singapore
- CFA charterholder and a member of CFA Singapore
- Computational Finance Certificate from Carnegie Mellon University

Mark Birmingham, CFA – Senior Vice President, Head of Risk Modeling, Portfolio Manager

- 30 years of investment experience
- A.B. in computer science from Princeton University
- CFA charterholder and member of CFA Society Boston

Doug Eisenstein – Senior Vice President, Head of Investment Data Solutions

- 25 years of professional experience
- Studied computer science at Suffolk University

Joel Feinberg – Senior Vice President, Head of Trading

- 19 years of investment experience
- MSIM from Boston University
- B.B.A. in finance from the University of Massachusetts

Alexander Galakatos, Ph.D. – Senior Vice President, Head of Investment Data Engineering

- 6 years of professional experience
- Ph.D. in computer science from Brown University
- ScM in computer science from Brown University
- B.Sc. in computer engineering from Lehigh University

Investment Team

Adoito Haroon– Senior Vice President, Head of Implementation Research

- 18 years of professional experience
- Masters in Finance from Princeton University
- M.B.A. from New York University
- B.S. in computer science from Brown University

Anton Kapliy, Ph.D., CFA – Senior Vice President, Head of Portfolio Analytics

- 11 years of professional experience
- Ph.D. in high energy physics from University of Chicago
- B.A. in physics from University of Pennsylvania
- CFA charterholder and a member of CFA Society Boston

David Meadows – Senior Vice President, Head of Data Implementation Engineering

- 16 years of professional experience
- B.Sc. in computer science from Newcastle University

Jian Pan, CFA – Senior Vice President, Head of Quantitative Systems

- 31 years of professional experience
- M.S. in computer science from the University of Massachusetts
- B.S. industrial automation control from Nanjing University of Technology, China

Michael McCart, CFA – Senior Vice President, Investment Systems Architect

- 27 years of investment experience
- B.S. in engineering and economics, University of Pennsylvania
- CFA charterholder and a member of CFA Society Boston

Javier Alcazar, Ph.D. – Senior Vice President, Portfolio Manager, Research Acadian Asset Management (U.K.) Limited

- 23 years of professional experience
- Ph.D. in mechanical engineering from the Universidad Pontificia Comillas, ICAI, Spain
- M.Sc. in advanced mathematics and theoretical Physics from the University of Cambridge
- M.Sc. in aeronautical engineering from the Universidad Politecnica de Madrid, Spain
- M.Sc. in parallel computing from Imperial College London
- B.Sc. in theoretical physics from Universidad Complutense de Ciencias Fisicas, Spain

Daniel Adamson – Senior Vice President, Portfolio Manager, Implementation

- 22 years of professional experience
- M.B.A. from Boston College
- B.A. in accountancy and management information systems from Miami University

Giuliano Amantini, Ph.D. – Senior Vice President, Portfolio Manager, Implementation

- 20 years of professional experience
- Ph.D. in engineering and applied sciences from Yale University
- M.S. in mathematical finance from Bocconi University
- M.S. in mechanical engineering from Yale University
- M.S. in aerospace engineering from La Sapienza University
- B.S. in mechanical engineering from Tor Vergata University

Pavel Bandarchuk, Ph.D., CFA – Senior Vice President, Portfolio Manager, Research

- 18 years of investment experience
- Ph.D. in international economics and finance from Brandeis University
- M.S. in finance from Brandeis University
- Diploma in international economics from Belarusian State University
- Certified FRM and CFA charterholder

Scott Brymer, CFA – Senior Vice President, Portfolio Manager

- 27 years of professional experience
- B.B.A. in finance from the University of Massachusetts Amherst
- CFA charterholder and a member of CFA Society Boston

Zhe Chen, Ph.D., CFA – Senior Vice President, Portfolio Manager, Research

Acadian Asset Management (Australia) Limited

- 16 years of professional experience
- Ph.D. in empirical finance from Macquarie University
- Bachelor of Engineering (bioinformatics), First Class Honours and University Medal, from the University of New South Wales
- Bachelor of Commerce (finance) from UNSW
- CFA charterholder

Chris Covington, CFA – Senior Vice President, Portfolio Manager

- 18 years of professional experience
- M.S. in investment management from Boston University
- B.A. in mathematical economics from Colorado College
- CFA charterholder

Thomas Dobler, Ph.D. – Senior Vice President, Portfolio Manager

- 29 years of investment experience
- Ph.D. in mathematics from Columbia University
- M.S. in mathematics from University of Illinois
- B.S. in mathematics from University of Vienna, Austria

Investment Team

Timothy Ellerton, CFA – Senior Vice President, Portfolio Manager Acadian Asset Management (U.K.) Limited

- 25 years of professional experience
- M.Sc. in mathematical trading & finance from the Bayes Business School at City University
- B.A. in law & society from the University of Exeter
- CFA charterholder and member of CFA Society U.K

Denys Glushkov, Ph.D. – Senior Vice President, Portfolio Manager, Research

- 19 years of professional experience
- Ph.D. in finance, University of Texas at Austin
- M.S. in economic cybernetics, Dnipropetrovsk State University (Ukraine)
- M.A. in economics, Central European University (Hungary)

Katrina Khoupongsy, CFA – Senior Vice President, Portfolio Manager, Research

Acadian Asset Management (Australia) Limited

- 31 years of professional experience
- Bachelor in mathematics and finance (Hons) from the University of Technology, Sydney
- Graduate Diploma in applied finance and investments from the Securities Institute of Australia
- CFA charterholder

Owen Lamont, Ph.D. – Senior Vice President, Portfolio Manager, Research

- 37 years of professional experience
- Ph.D. in economics from the Massachusetts Institute of Technology
- B.A. in economics from Oberlin College

Devin Nial – Senior Vice President, Portfolio Manager, ESG

- 20 years of professional experience
- M.S. in finance from Boston College
- M.A. in computer science from Boston University
- B.A. in English literature from SUNY Albany

Brendan O'Leary, CFA – Senior Vice President, Portfolio Manager, Research

- 12 years of professional experience
- B.S.E. in mechanical & aerospace engineering from Princeton University
- CFA charterholder

Dmitry Olevsky, CFA – Senior Vice President, Portfolio Manager, Research

- 23 years of investment experience
- M.B.A. from Harvard Business School
- B.S. in structural engineering from Michigan Technological University
- FRM designation and CFA charterholder

Matthew Picone, CFA – Senior Vice President, Portfolio Manager Acadian Asset Management (Australia) Limited

- 21 years of professional experience
- Member of Acadian's Responsible Investing Committee
- Bachelor of Commerce in finance and econometrics from the University of Sydney
- CFA charterholder
- Member of the PRI Australian Advisory Committee

Lukasz Pomorski, Ph.D. – Senior Vice President, Portfolio Manager

- 19 years of professional experience
- Ph.D. in finance from the University of Chicago
- M.A. in finance from Tilburg University
- M.A. and B.A. in economics from the Warsaw School of Economics

Mark Roemer – Senior Vice President, Portfolio Manager

- 29 years of professional experience
- M.S. in finance from London Business School
- M.S. in engineering from Stanford University
- B.S. in mechanical engineering from Virginia Polytechnic Institute & State University

Bin Shi, Ph.D., CFA – Senior Vice President, Portfolio Manager, Research

- 19 years of investment experience
- Ph.D. in industrial and systems engineering from Georgia Institute of Technology
- M.S. in operations research from Georgia Institute of Technology
- B.S. in mechanical engineering from Southeast University, China
- CFA charterholder

Olivia Tang, Ph.D., CFA – Senior Vice President, Portfolio Manager, Research

- 15 years of professional experience
- Ph.D. in systems engineering, with a concentration in operations research, from Boston University
- B.S. in mathematics from Peking University (China)
- CFA charterholder

Rob Ricciarelli, CFA – Senior Vice President, Lead Analyst, IPD

- 29 years of professional experience
- M.B.A from Suffolk University
- B.S. in management and B.A. in psychology from the University of Massachusetts, Boston
- CFA charterholder

Jeffrey Sutthoff, CFA – Senior Vice President, Lead Analyst, Integration

- 30 years of professional experience
- M.B.A. in finance from Boston College
- B.S. in mathematics from Stetson University
- CFA charterholder

Investment Team

Mark Weissman – Senior Vice President, Lead Analyst, Research

- 19 years of investment experience
- B.S. in computer science, SUNY at Buffalo
- B.S. in chemical engineering from SUNY at Buffalo

Xiaoting Zhang, CFA, FRM – Senior Vice President, Lead Analyst, Integration

- 21 years of investment experience
- M.B.A. from the University of Chicago
- M.S. in financial mathematics from the University of Chicago
- M.S. in computer science from Loyola University Chicago
- B.A. in architecture from Tianjin University, China
- Certified FRM and CFA charterholder

Deborah Waters – Senior Vice President, Senior Trader, Implementation

- 35 of years of professional experience
- B.S. in finance from Northeastern University

Tom Bilbe – Vice President, Portfolio Manager

Acadian Asset Management (U.K.) Limited

- 13 years of professional experience
- MSc in finance and investment from the University of Edinburgh Business School
- BEng in mechanical engineering with management from the University of Edinburgh

Stephen Fang – Vice President, Portfolio Manager, Research

- 8 years of investment experience
- M.S. in computational science and engineering from Harvard University
- B.A. in mathematics and economics from Middlebury College

Sean Geary, CFA – Vice President, Portfolio Manager

- 17 years of professional experience
- M.B.A. from Boston College
- M.S. in mechanical engineering from Boston University
- B.S. in physics from James Madison University
- CFA charterholder and member of CFA Society Boston

Charles Johnson – Vice President, Portfolio Manager

- 23 years of professional experience
- M.S. in finance from Northeastern University
- M.B.A. from Northeastern University
- B.S. in finance from the University of Massachusetts at Dartmouth

John King – Vice President, Portfolio Manager

- 24 years of professional experience
- Associate's degree in computer technology from Southern Maine Community College
- B.S. in analytics from Northeastern University

Ken Massee, CFA – Vice President, Portfolio Manager

- 33 years of investment experience
- M.S. in finance from Boston College Carroll School of Management
- B.S. in finance from Bentley University
- CFA charterholder

Kyle McCarthy, CFA – Vice President, Portfolio Manager, Implementation

- 19 years of professional experience
- B.S. in finance from Bentley University
- CFA charterholder and member of CFA Society Boston

Louis Seng – Vice President, Portfolio Manager, Implementation

Acadian Asset Management (Singapore) Pte Ltd

- 16 years of investment experience
- B.B.M in finance from Singapore Management University

James Toppa, CFA, CAIA – Vice President, Portfolio Manager, Portfolio Solutions

- 17 years of professional experience
- B.S. in business administration from Bryant University
- CAIA charterholder
- CFA charterholder

Linda Wang – Vice President, Portfolio Manager, Research

- 12 years of investment experience
- Master of Finance from MIT's Sloan School of Management
- B.S. in finance and accounting from Drexel University
- Certified FRM

Steven Wong – Vice President, Portfolio Manager, Research

Acadian Asset Management (Australia) Limited

- 14 years of professional experience
- Ph.D. in statistics from the University of Sydney
- Master of Finance from the University of New South Wales
- Bachelor of Commerce and Bachelor of Engineering (Hons, University Medal) from the University of New South Wales

Xunqi (Richie) Yu, CFA – Vice President, Portfolio Manager

- 17 years of professional experience
- Ph.D. in electrical and computer engineering from the University of Miami
- M.S. in computational finance from Carnegie Mellon University, Tepper School of Business
- B.S. in information engineering from Wuhan University, School of Remote Sensing and Information Engineering
- CFA charterholder

Investment Team

Wesley Jeng, CFA – Vice President, Associate Portfolio Manager, Implementation

Acadian Asset Management (Australia) Limited

- 12 years of investment experience
- Dual Master's Degree from UT Austin and ESCP Europe
- BA (Hons) from University of Nottingham
- CFA charterholder

Jeffrey Lobdell, CMT – Vice President, Associate Portfolio Manager, Implementation

- 17 years of professional experience
- M.B.A. in finance from the University of Massachusetts
- B.A. in communications from the University of Massachusetts
- CMT charterholder

Anna Papush, Ph.D. – Vice President, Associate Portfolio Manager

- 11 years of professional experience
- Ph.D. in operations research from Massachusetts Institute of Technology
- B.A. in mathematics from Cornell University

Alexander Rikun – Vice President, Associate Portfolio Manager, Research

- 15 years of professional experience
- Ph.D. in operations research from Massachusetts Institute of Technology
- B.S. in applied mathematics with a minor in economics from Columbia University

Vincent Tang, CFA – Vice President, Associate Portfolio Manager, Research

- 8 years of investment experience
- M. Eng. in financial engineering from Cornell University
- B. Econ in finance, with a minor in computer science, from Wuhan University
- CFA Charterholder

James Coder, CFA – Vice President, Lead Analyst, Investment Data Engineering

- 12 years of investment experience
- B.S. in finance from the University of Kansas
- CFA charterholder

Bhaskar Edara, CFA, FRM – Vice President, Lead Analyst, Implementation

- 30 years of professional experience
- M.S. in finance from Boston College
- B.Tech. in mechanical engineering from the National Institute of Technology, India
- Certified FRM and CFA charterholder

Lucas Manley, CFA – Vice President, Lead Analyst, Implementation

- 21 years of investment experience
- M.S. in investment management from Boston University
- B.S. in business administration from Northeastern University
- CFA charterholder and a member of CFA Society Boston

**Bernard Sim – Vice President, Lead Analyst, IPD
Acadian Asset Management (Singapore) Pte Ltd**

- 24 years of professional experience
- Bachelor of Commerce in finance from the Australia National University

Michael Szrom, CFA – Vice President, Lead Analyst, Implementation

- 8 years of professional experience
- B.S. in computer science and computer engineering from Northeastern University
- CFA charterholder

Michael Vashevko – Vice President, Lead Analyst, Implementation

- 29 years of professional experience
- M.S. in applied mathematics and computer science from Belarusian State University

Yu (Richard) Wang, CFA, FRM – Vice President, Lead Analyst, Integration

- 20 years of professional experience
- M.B.A. from the University of Chicago Booth
- M.S. in computer science from Cornell University
- B.S. in computer science from National University of Singapore
- FRM and CFA charterholder

Shin Zhao, CFA – Vice President, Lead Analyst, Integration

- 22 years of professional experience
- M.S. in electrical and computer engineering from the University of Massachusetts
- B.S. in physics from the University of Science and Technology of China
- CFA charterholder

Chong Chen – Vice President, Senior Analyst, Integration

- 10 years of professional experience
- M.A. in mathematics of finance from Columbia University
- M.S. in economics from Shanghai Jiao Tong University
- B.S. in finance and mathematics from Wuhan University

Rei Cheong, CFA – Vice President, Senior Analyst, IPD

Acadian Asset Management (Singapore) Pte Ltd

- 21 years of professional experience
- MSc in computer science from Georgia Institute of Technology
- Masters in Business Administration from the Singapore Management University
- Graduate Diploma in Financial Management from the Singapore Institute of Management
- Bachelor of Electrical Engineering from the National University of Singapore
- CFA charterholder

Soichi Hayashi – Vice President, Senior Analyst, Implementation

- 24 years of professional experience
- B.S. in computer science and physics from Henderson State University

Investment Team

Shi He – Vice President, Senior Analyst, Integration

- 7 years of professional experience
- M.S. in data science from Worcester Polytechnic Institute
- B.S. in computer science from Hubei University of Police, China

Michael Kelsey – Vice President, Senior Analyst, Implementation

- 23 years of professional experience
- M.B.A. from Northeastern University
- B.S. from Babson College

Anthony King – Vice President, Senior Analyst, IPD

- 25 years of professional experience
- M.S. in computer science from Boston University
- B.S. in management science and information systems from The Pennsylvania State University

Anna Lang, CFA – Vice President, Senior Analyst, IPD

- 13 years of professional experience
- M.B.A. from Boston University
- B.S. in accounting from the International Slavic University
- CFA charterholder and a member of CFA Society Boston

Zhenan (Micky) Li, CFA – Vice President, Senior Analyst, IPD

- 14 years of investment experience
- M.S. in economics from Boston University
- B.S. in international business and trade from ShanDong University of Science & Technology
- B.S. in business management and administration from Cambridge College
- CFA charterholder and member of CFA Society Boston

Guy Mann – Vice President, Senior Analyst, Implementation

- 22 years of professional experience
- B.S. in computer science from Worcester Polytechnic Institute

Sean McOwen, CFA, CAIA, FRM – Vice President, Senior Analyst, Implementation

- 7 years of professional experience
- M.S. in applied mathematics from Columbia University
- M.S. in analytics from Georgia Institute of Technology
- B.S. in finance and economics from Boston College
- Certified FRM and CFA and CAIA charterholder

Aashir Naqvi – Vice President, Senior Analyst, Implementation

- 6 years of professional experience
- B.S. in industrial engineering from Northeastern University

Diego Torres Patino, Ph.D. – Vice President, Senior Analyst, Implementation

- 10 years of investment experience
- Ph.D. in economics from Stanford University
- B.S. degrees in industrial engineering and in economics from Instituto Tecnologico Autonomo de Mexico

Sam Rogers – Vice President, Senior Analyst, Integration

- 8 years of professional experience
- B.A. in economics from The University at Buffalo

Alagappan Solaiappan – Vice President, Senior Analyst, Data Engineering

- 20 years of professional experience
- M.E. in engineering from Anna University
- B.E. in engineering from Madurai Kamaraj University

Shikun (George) Xue, CFA – Vice President, Senior Analyst, Integration

- 16 years of professional experience
- M.A. in finance from Peking University
- B.A. in economics and B.S. in mathematics from Wuhan University
- CFA charterholder

Ted Zhang, CFA – Vice President, Senior Analyst

- 19 years of professional experience
- M.S. in finance from Bentley University
- B.S. accounting from Bentley University
- CFA charterholder and a member of CFA Society Boston

Benjamin Hutchens, CAIA – Vice President, Senior Trader, Implementation

- 18 years of professional experience
- M.S. in investment management from Boston University
- B.A. in international affairs and political science from Northeastern University
- CAIA charterholder

Jason Littlefield – Vice President, Senior Trader, Implementation

- 20 years of professional experience
- M.S. in finance from Northeastern University
- B.S. in business administration, with a dual concentration in accounting and marketing, from Northeastern University

Sean Paylor – Vice President, Senior Trader, Implementation

- 19 years of professional experience
- B.A. in sociology from Princeton University

Danny Ly – Vice President, Trader, Implementation

Acadian Asset Management (Singapore) Pte Ltd

- 9 years of professional experience
- Master of Technology from University of New South Wales
- Bachelor of Commerce from University of New South Wales

Investment Team

Gregory Spyropoulos, CFA – Vice President, Credit Trader, Implementation

- 22 years of professional experience
- B.S in finance from Bentley University
- CFA charterholder

Jianing Duan – Assistant Vice President, Associate Portfolio Manager, Research

- 7 years of professional experience
- Ph.D. in mathematical finance from Boston University
- MSc in financial mathematics from University of Chicago
- BSc in applied mathematics from Peking University

Eric Huang – Assistant Vice President, Associate Portfolio Manager

- 9 years of professional experience
- B.S. in operations research and financial engineering from Princeton University

Jerry Yu, Ph.D., CFA – Assistant Vice President, Associate Portfolio Manager, ESG

- 5 years of investment experience
- Ph.D. in political science and scientific computing from the University of Michigan
- M.A. in statistics from the University of Michigan
- CFA charterholder and a member of the CFA Society Boston

Siddhartha Pant – Assistant Vice President, Senior Analyst, Implementation

- 5 years of investment experience
- M.Sc. in computer science from Northeastern University
- B.S. in mathematics and business administration from Northeastern University

Steven Wang – Assistant Vice President, Senior Analyst Acadian Asset Management (Australia) Limited

- 18 years of professional experience
- Bachelor of Engineering (software engineering), First Class Honours, from the University of New South Wales
- Bachelor of Commerce (finance) from the University of New South Wales

Rajasekar (Raj) Karuppiah – Assistant Vice President, Data Engineer

- 19 years of professional experience
- B.E. in electrical and electronics engineering from Anna University, Chennai, India

Siyu Chen – Assistant Vice President, Analyst, IPD

- 6 years of professional experience
- M.S. in management and finance from Case Western Reserve University
- B.S. in economics from Beihang University

Ian Chong, CFA – Assistant Vice President, Analyst, IPD Acadian Asset Management (Singapore) Pte Ltd

- 8 years of professional experience
- Master of IT in business (artificial intelligence) from Singapore Management University
- M.S. in applied finance from Singapore Management University
- Specialist diploma in data science (artificial intelligence) from Singapore Polytechnic
- Bachelor of Business and Commerce from Monash University
- CFA charterholder

Christian Clay – Assistant Vice President, Analyst, Data Implementation Engineering

- 2 years of professional experience
- B.S. in computing from East Tennessee State University

Jacob Hall – Assistant Vice President, Analyst, IPD

- 6 years of professional experience
- B.A. in business, entrepreneurship, and organizations from Brown University

Bill (Zeqi) Liu – Assistant Vice President, Analyst

- 1 year of professional experience
- M.Sc. in financial engineering from Columbia University
- B.S. in applied mathematics from Columbia University

Shirley Liu – Assistant Vice President, Analyst

- 9 years of investment experience
- M.S. in finance from MIT
- B.Econ. from Shanghai Jiao Tong University

Kunbo Wang – Assistant Vice President, Analyst, Research

- 4 years of investment experience
- Ph.D. in applied math and statistics from Johns Hopkins University
- M.Sc. in financial mathematics from Johns Hopkins University

Yufei Zhang – Assistant Vice President, Analyst, Research

- 2 years of internship experience
- Ph.D. in financial economics from Brandeis University
- M.S. in statistics from University of Chicago
- B.A. in mathematics from Boston University

APPENDIX

Annual Performance Disclosure

All-Country World ex-U.S. Small-Cap Equity Composite

	Composite Return (%) Gross-of-Fees	Composite Return (%) Net-of-Fees	Benchmark Return (%)	Dispersion of Returns Within Composite (%)	Three-Year ex-Post Standard Deviation of Absolute Gross Returns		Number of Portfolios in Composite	Assets In Composite (\$MMs)	Total Firm Assets Under Management (\$MMs)
2015	3.1	2.3	2.6	0.7	11.5	11.3	5	437	66,834
2016	9.3	8.4	3.9	0.5	11.7	12.1	5	473	74,174
2017	39.0	37.8	31.6	0.9	11.2	11.5	5	632	96,765
2018	-17.8	-18.5	-18.2	1.2	13.0	12.3	5	482	85,338
2019	21.5	20.4	22.4	2.1	12.8	11.6	5	621	101,232
2020	18.7	17.7	14.2	2.5	19.9	21.0	5	885	107,229
2021	23.5	22.5	12.9	2.1	18.8	19.9	6	1,248	116,160
2022	-14.5	-15.2	-20.0	1.2	21.9	22.7	8	1,201	92,796
2023	16.7	15.7	15.7	2.6	17.5	17.0	8	1,530	102,930
2024	12.7	11.8	3.4	0.9	16.5	16.8	8	2,145	115,836

Performance Inception: February 1, 2005. This composite was created on: March 1, 2014. All figures stated in USD.

For the period from April 1, 2006 through June 30, 2008, no portfolios were managed that qualified for inclusion in the composite. Post-Period Performance Inception: July 1, 2008.

Acadian Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Acadian Asset Management has been independently verified for the periods January 1, 1994 through December 31, 2024¹. A copy of the verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. **Past performance is no guarantee of future returns.** Acadian Asset Management is an investment adviser specializing in global equity management. Acadian Asset Management is defined to include assets managed by Acadian Asset Management LLC, an investment adviser registered with and regulated by the United States Securities and Exchange Commission, as well as assets managed by its wholly-owned affiliates, Acadian Asset Management (Australia) Limited (ABN 41 114 200 127), Acadian Asset Management Singapore Pte Ltd, (Registration Number: 199902125D) is licensed by the Monetary Authority of Singapore, and Acadian Asset Management (UK) Limited, authorized and regulated by the Financial Conduct Authority of the United Kingdom. On June 30, 2015, Acadian acquired the assets of Acadian's Australian office.

Methodology: Returns are net of foreign withholding taxes on dividends, interest, and capital gains. Since January 1, 2010 Acadian's methodology was augmented to produce a more accurate gross return figure by eliminating modest cash flows such as securities lending income and custodial fees which are regarded as independent of the investment management process; the reinvestment of all income and trading expenses continue to be included. Monthly composite results are asset-weighted by beginning-of-month asset values of member portfolios which are geometrically linked to arrive at the annual composite return. Net-of-fee performance is calculated on a monthly basis by deducting a model management fee equal to 1/12 of the highest annual management fee listed in the standard fee schedule for accounts shown below. The standard fee schedule for accounts managed with this product is 0.85% on the first \$50 million, 0.75% on the next \$50 million, and 0.6% thereafter. The combined, all-in maximum fee that includes management and operating expenses for the Acadian All Country World Ex U.S. Small-Cap Equity CIT, which is included in the composite, is 0.95% on all assets. The standard management fee schedule and total expense ratio for the Acadian ACWI ex-U.S. Small-Cap Fund, which is included in the composite, are 0.85% on all assets and 1.00%, respectively. Management fees may vary according to the range of services provided, investment performance, and the amount of assets under management. Constituent portfolios are included from the first full month after inception to the present or the last full month prior to cessation of the client relationship with the firm. For example, an account that opened January 15, 2019 will be included beginning February 1, 2019. An account that terminated February 12, 2019 will be included through January 31, 2019. Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.

Dispersion and Standard Deviation: Acadian's broad definitions are mainly the product of a highly customized process that may result in modest differences with regards to portfolio characteristics among constituents. All accounts managed with directly comparable investment objectives are included, though it's possible for members to utilize slightly different benchmarks in optimization and reporting. Although at times dispersion among constituents may be high, the long-term forecast for each portfolio is consistent with the overall composite. The 'Dispersion' statistic presented above uses gross of fee returns and is an annual, asset-weighted standard deviation calculation performed only on those portfolios who have been members for the entire calendar year. These figures are not applicable if there is only one portfolio in the composite for the full year. Thirty-six months are required to calculate the 'Three Year ex-Post Standard Deviation' statistic. These figures are not applicable if thirty-six months of composite returns are not available.

Composite Description: This composite invests in developed and emerging small-cap, non-U.S. equities with a dedicated allocation to emerging markets. Complete lists of the firm's composite descriptions, limited distribution pooled fund descriptions, and broad distribution funds are available upon request.

Benchmark Description: The benchmark for the composite is MSCI All-Country World ex-U.S. Small-Cap (net of dividend withholding taxes). The MSCI All Country World ex-U.S. Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets excluding the United States. The MSCI Small-Cap Indices cover all investable small cap securities with a market capitalization below that of the companies in the MSCI Standard Indices, and target approximately 14% of each market's free-float adjusted market capitalization.

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¹Ashland Partners verified Acadian's GIPS Compliance claim through March 31, 2017. ACA Compliance Group acquired Ashland's GIPS Verification unit and provided subsequent verifications.

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Acadian Asset Management (Australia) Limited (ABN 41 114 200 127) is the holder of Australian financial services license number 291872 ("AFSL"). It is also registered as an investment adviser with the U.S. Securities and Exchange Commission. Under the terms of its AFSL, Acadian Asset Management (Australia) Limited is limited to providing the financial services under its license to wholesale clients only. This marketing material is not to be provided to retail clients.

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Los Angeles Fire & Police Pensions

January 15, 2026

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Liz Smith, Senior Managing Director—US Public Retirement Systems
Mark Brown, Managing Director—US Public Retirement Systems

Firm and Business Update



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AB International Small Cap Equity

AllianceBernstein Is a Leading Global Asset Manager

Serving clients with our global reach

Global Reach and Integrated Network

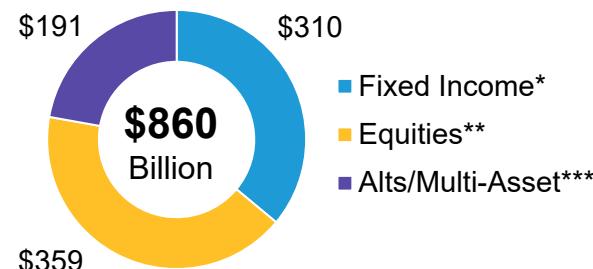


\$860 Billion
In solutions for investors including the world's largest institutions

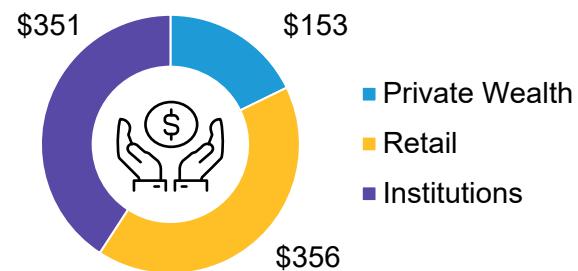


610
Investment professionals

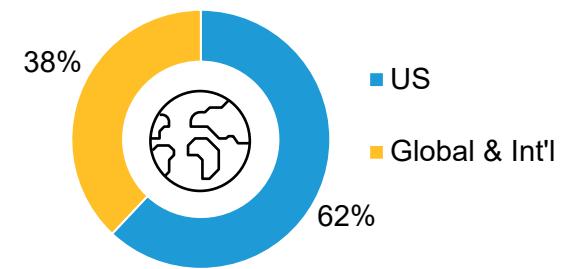
How Our Clients Invest



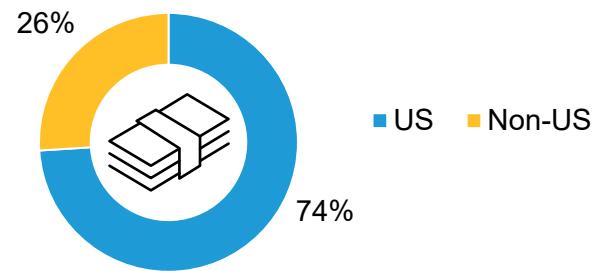
Distribution Channels



By Geographic Investment Service



Client Domicile By Region



In US dollars. Global and EAFE services, including those that invest in emerging markets, as well as stand-alone emerging-market services.

Source: AB. As of September 30, 2025. *Fixed Income includes Active and Passive. Active Fixed Income includes Actively Managed Tax-Exempt and Actively Managed Taxable. Passive Fixed Income includes Index and Enhanced Index Services.

**Equity includes Active and Passive Equity. Passive Equity Includes Index and enhanced Index services.

***Includes certain multi-asset solutions and services not included in equity or fixed income services.



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International Small Cap Investment Team

Portfolio Management	Research Expertise*	
	 Europe 5 Fundamental Analysts	2 Quantitative Analysts
	 Asia ex-Japan 8 Fundamental Analysts	2 Quantitative Analysts
	 Australia 4 Fundamental Analysts	1 Quantitative Analyst
	 Japan 3 Fundamental Analysts	
	AB Global ex-US Equity: Value Research <ul style="list-style-type: none">• 20 Fundamental Analysts• 5 Quant Analysts <ul style="list-style-type: none">➤ Majority of portfolio manager and analyst compensation is variable➤ Primary driver of variable compensation is alpha contribution to portfolios	

As of November 2025

*International research analysts as of September 30, 2025



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Philosophy and Process



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AB International Small Cap Equity

Thinking like business owners to seek underappreciated non-US small cap companies

Characteristics		International Small Cap provides a distinct source of alpha, based on:
Return Objective*	+2%–4% vs. Benchmark	 Idiosyncratic Insights Fundamental research to identify companies of which future cash flows are underappreciated
Primary Benchmark	MSCI ACWI ex US Small Cap	 Thinking Like Owners Bringing a private equity mind-set to the public markets. Disciplined cash flow-based valuations, not dependent on multiple expansion or accounting metrics
Beta	~1	 Globally Integrated Research Capabilities Promoting intense collaboration among analysts across regions and industries
Number of Holdings	80–120	 Broader Perspectives on Risk Directly engaging with short sellers to deepen understanding of the bear case
Market Capitalization	Small <\$5 billion for new buys	
Position Weights	Typically 0.5% to 2.5%	
Active Share	>95%	
Turnover	30%–60%	
Inception Date	February 2014	

There can be no assurances that any investment objectives will be achieved. All portfolio statistics, characteristics and holdings are subject to change. *Simulated or hypothetical performance results have certain inherent limitations. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve returns or a volatility profile similar to those being shown.

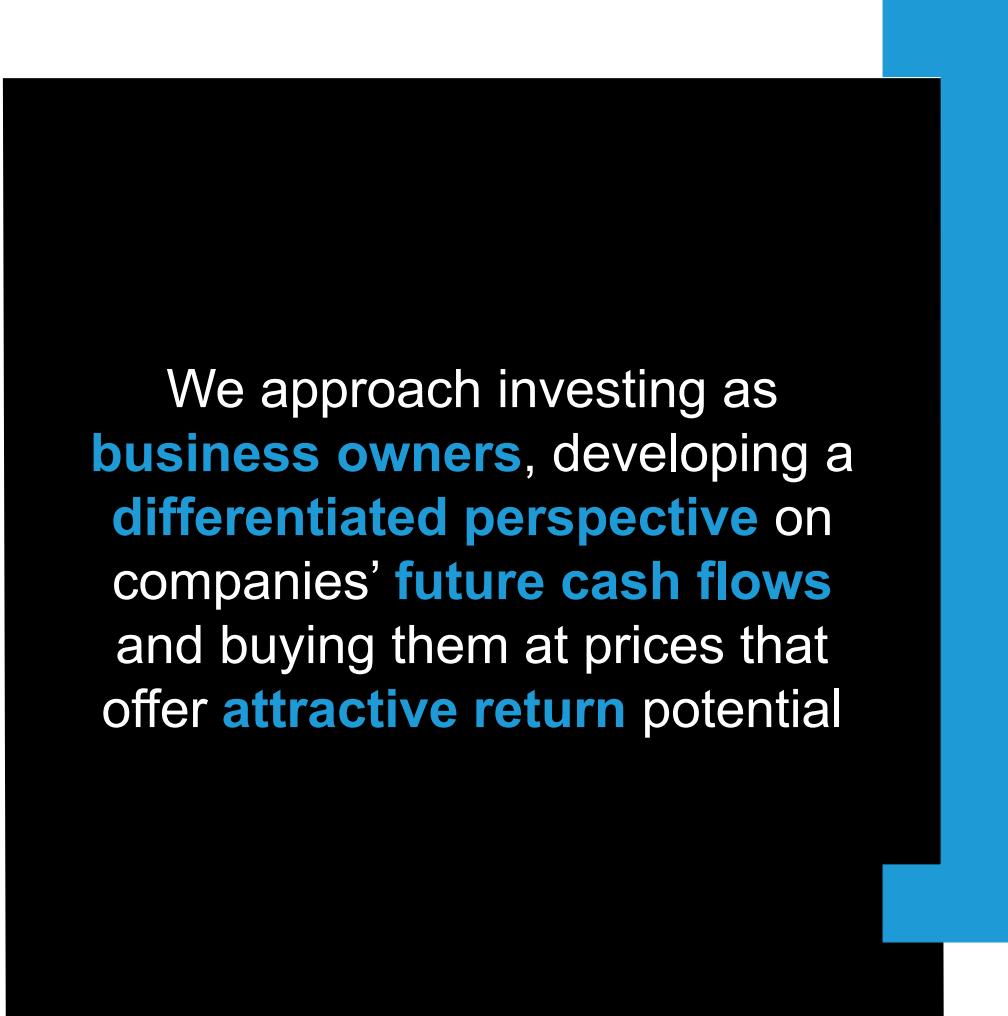
As of November 2025. Source: AB



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AB International Small Cap Equity

Our Investment Philosophy



We approach investing as **business owners**, developing a **differentiated perspective** on companies' **future cash flows** and buying them at prices that offer **attractive return** potential

Why AB International Small Cap?

Why International Small Cap?



- We believe the portfolio is well positioned to help capitalize on **disconnects between fundamentals and valuation**
- AB International Small Cap is **attractively valued relative to global markets**

Why Value?



- Deep discount despite **healthy and improving Value fundamentals**
- An environment of more **normal interest rates**

Why Now?



- Value stocks are “**uncrowded**”, and the average investor is very overweight Growth
- **Reevaluating regional diversification** given the heavy concentration global equities in a small group of mega-cap US stocks
- Idiosyncratic opportunities are widespread led by **valuation gaps near record levels**

Why AB?



- **Long history** managing value portfolios
- **Experienced** investment team
- Differentiated research insights with **global research footprint**

Past performance and current forecast do not guarantee future results.

As of September 30, 2025



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We Stand for Cash Flow-Driven Value Investing



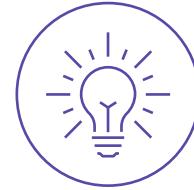
Long-term valuation framework of normalized cash earnings with five years of proprietary financial forecasts



Focus on value through lens of **sustainable free-cash-flow yield**



Management quality and business strength are key elements of our investing approach



Independent and contrarian thinking drives differentiated insights and conviction



Disciplined quantamental approach with a focus on risk management



Overcome behavioral biases to help avoid value traps.

For illustrative purposes only. There can be no assurance that any investment objectives will be achieved.



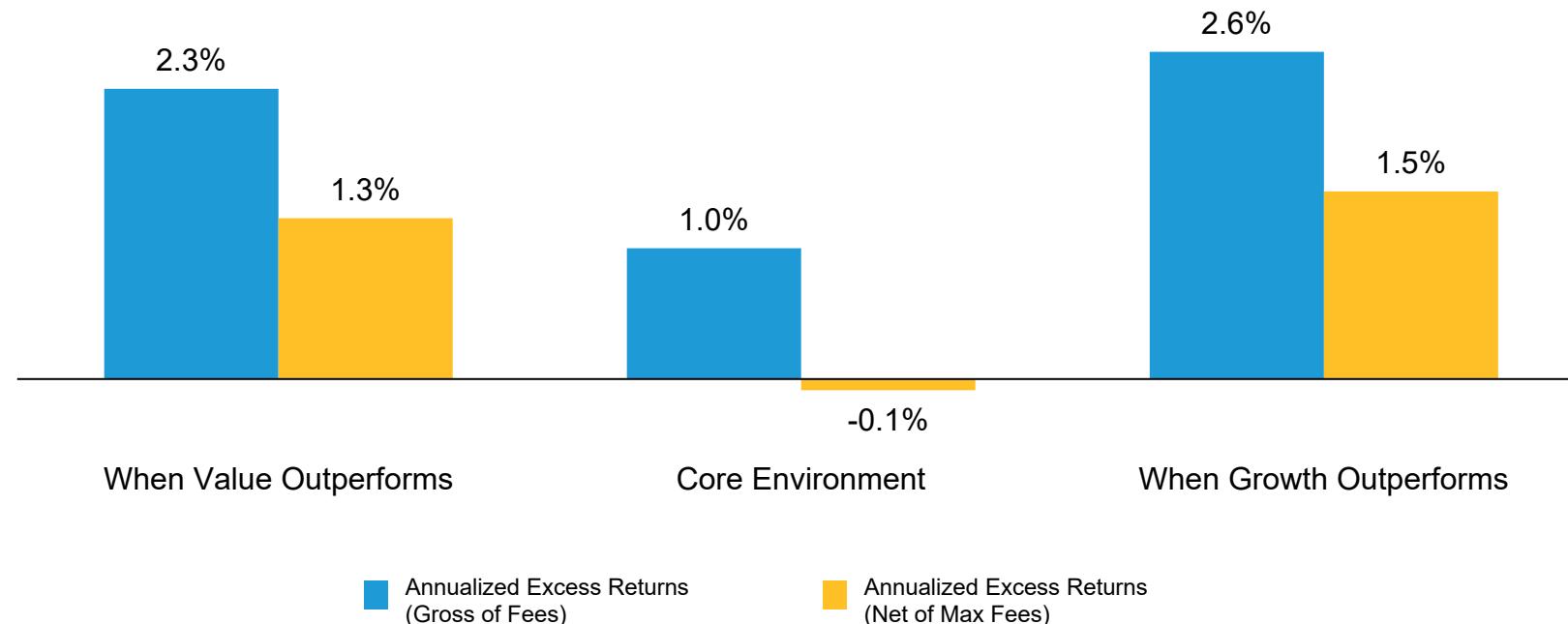
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AB International Small Cap Equity

AB International Small Cap: Consistent Long-Term Performance in Different Market Style Environments

Relative Returns vs. the MSCI ACWI ex-US Small Cap index

Since inception*



Past performance does not guarantee future results.

*Data are preliminary. The returns presented above are shown both gross and net of management fees since inception of the International Small Cap portfolio in March 1, 2014. Net performance figures have been calculated by deducting the highest fee payable by a separately managed institutional account; 1.00% of assets, annually. Investment advisory fees are described in Part 2A of AB's Form ADV. This is supplemental information to the GIPS-compliant performance and disclosure page. Value environment defines as months when the MSCI ACWI ex-US Small Value Index outperforms the MSCI ACWI ex-US Small Growth Index by 0.50% or greater. Growth environment defines as months when the MSCI ACWI ex-US Small Growth Index outperforms the MSCI ACWI ex-US Small Value Index by 0.50% or greater. Core environments defined as months when the difference between the Value and Growth Index was less than 0.50%. As of September 30, 2025. Source: MSCI and AB; please see the AB GIPS Report at the conclusion of this presentation.



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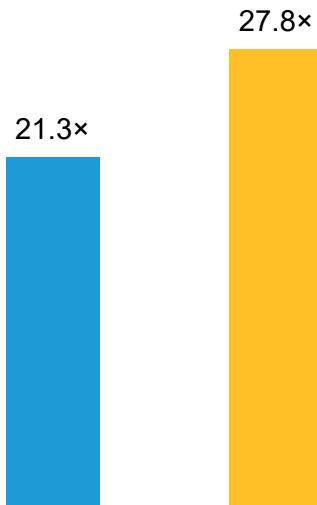
10

Portfolio Characteristics

Attractive valuations and strong returns

Price/Free Cash Flow

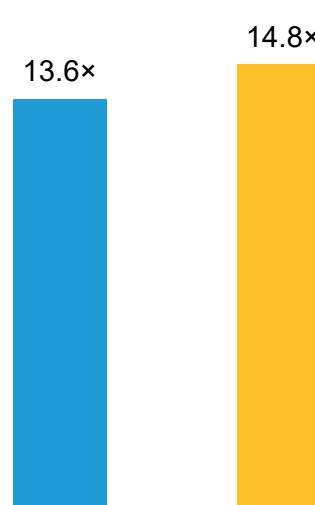
Relative
-23.6%



Price/Forward Earnings

Next 12 months (est.)

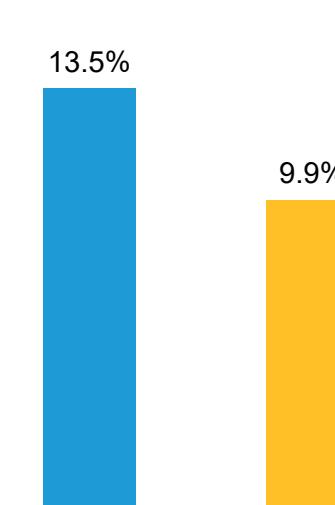
Relative
-7.8%



Earnings Growth

EPS growth (2025/2024E)

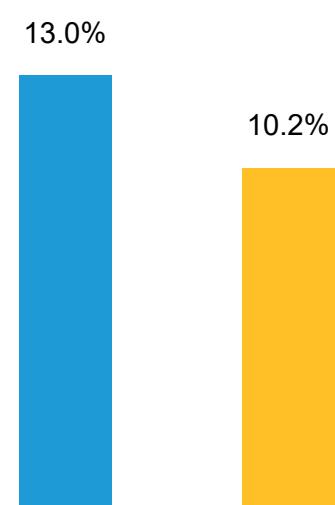
Relative
+36.3%



Return on Equity

Next 12 months (est.)

Relative
+27.1%



International
Small Cap MSCI ACWI ex-
US Small Cap

International
Small Cap MSCI ACWI ex-
US Small Cap

International
Small Cap MSCI ACWI ex-
US Small Cap

International
Small Cap MSCI ACWI ex-
US Small Cap

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returns or a volatility profile similar to those being shown

Based on a representative International Small Cap account

As of September 30, 2025

Source: MSCI and AB



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11

Our Cash Flow-based Approach to Investing

AB Value philosophy



What Do We Do?



- Utilize our integrated global research team to invest in companies trading at attractive valuations relative to their normalized free cash flow generation prospects based on bottom-up company-specific insights of our analysts



Where Do We Find Opportunities?



- We typically find attractive opportunities in three areas
 1. Companies undergoing positive changes (turnarounds)
 2. Underappreciated sustainable competitive advantage (diamonds in the rough)
 3. Companies benefitting from improving industry competitive dynamics (micro-economic winners)



Putting it Together



- We aim to build a portfolio of attractive small and mid-cap businesses with similar or better growth and profitability characteristics than the market yet trading at a significant discount to the market relative to cash flow generated
- We incorporate a broad perspective on risk through proprietary and customized risk tools

For illustrative purposes only. There can be no assurance that any investment objectives will be achieved.



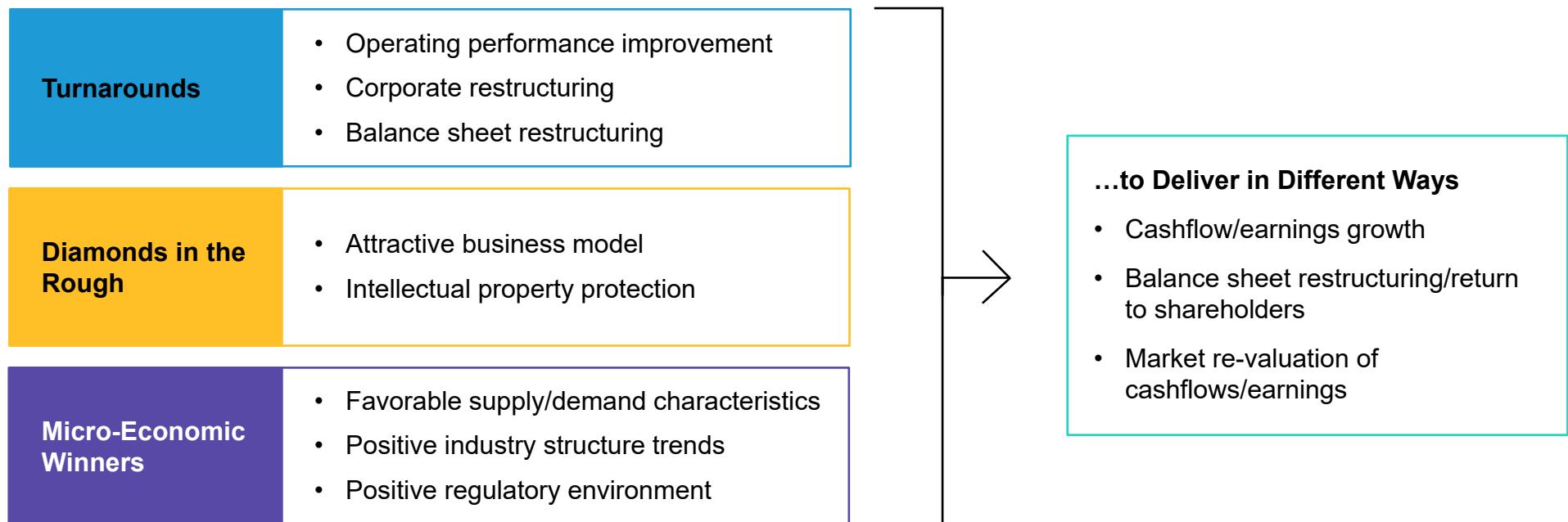
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Our Investment Approach

We Exploit Multiple Themes...



There is no guarantee the investment objective will be achieved.

Source: AB; see Disclosures and Important Information.



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High Conviction in Our Differentiated Research Insights

Company examples

Turnarounds



Babcock

Balfour Beatty

Coca-Cola
BOTTLERS JAPAN HOLDINGS INC.

Diamonds in the Rough



KADOKAWA



sembcorp



SAAB

Micro-Economic Winners



LIG
LIG Nex1

Nexans

The specific securities identified and described herein do not represent all of the securities purchased, sold or recommended for the portfolio, and it should not be assumed that investments in the securities identified were or will be profitable. Holdings are subject to change. The companies identified above represent a portion of the holdings of a representative International Small Cap account. Logos, brands and other trademarks in this presentation are the property of their respective trademark holders. They are used for illustrative purposes only, and are not intended to convey any endorsement or sponsorship by, or association or affiliation with, the trademark holders.

As of November 30, 2025

Source: AB; see Disclosures and Important Information at the conclusion of this presentation.



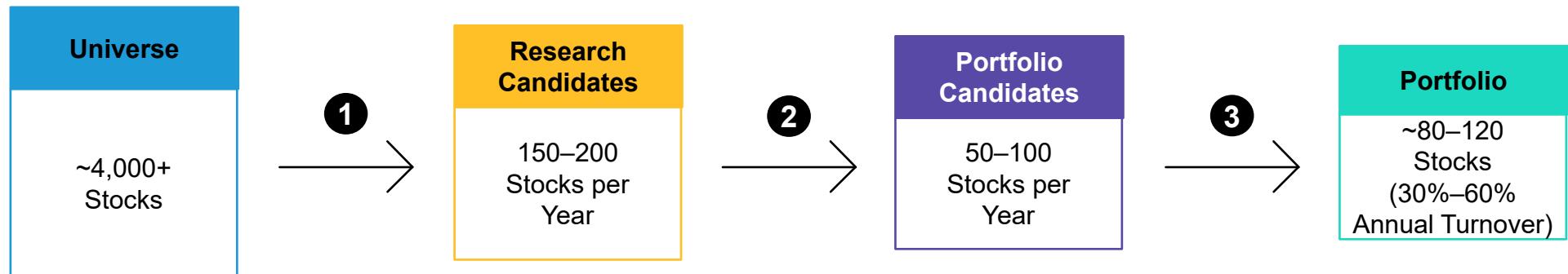
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Investment Process Overview

Leveraging global research



Screen and Prioritize

- 1 **Fundamental Perspective**
 - Inflection points
 - Catalysts
 - Industry cycles/themes

- 2 **Quantitative Perspective**
 - Value factors
 - Quality factors
 - Management/Investor behavior factors

Triage

- 1 Identification of key investment drivers of company earnings and cash-flows
- 2 Identification of key investment controversies
- 3 Management due diligence
- 4 Understanding of bull and bear cases
- 5 Preliminary earnings forecast
- 6 Identify topics for further research or pass

Deep-Dive Research

- 1 Extensive company, industry and competitive analysis
- 2 Engagement with management and boards
- 3 Detailed earnings, cash flow forecasts and return expectations
- 4 Sensitivity analysis
- 5 Proprietary ESG research*
- 6 Proprietary and external risk models analysis
- 7 Risk/return assessment

For illustrative purposes only. There can be no assurance that any investment objectives will be achieved.

*ESG: environmental, social and governance

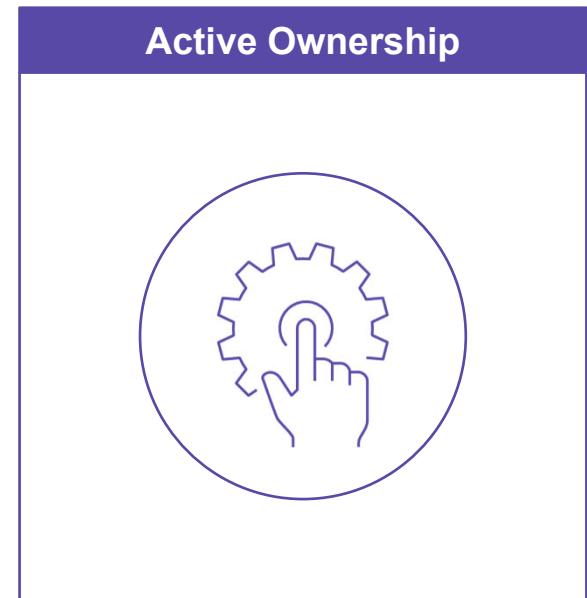
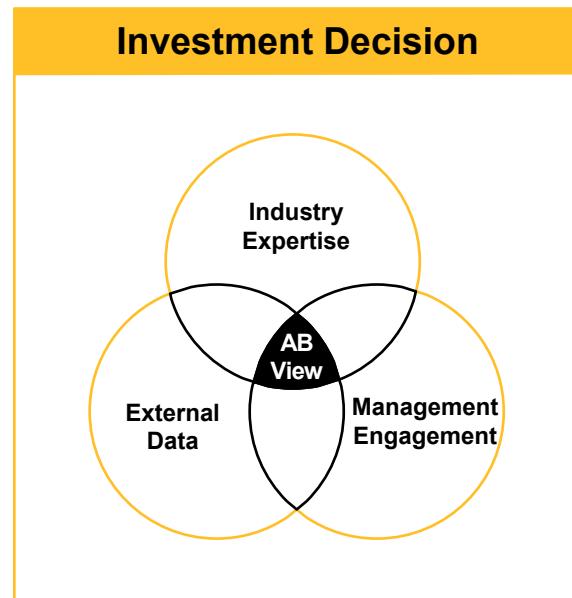
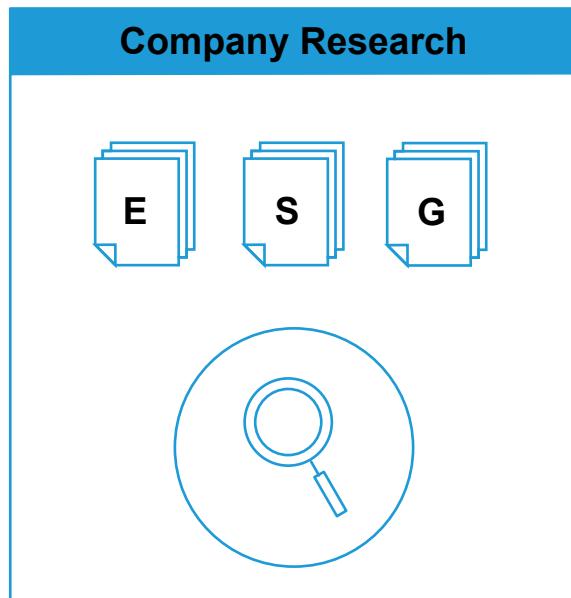


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ESG Is Integrated into Our Investment Process



- **Identify** potentially material ESG issues, including through external ESG research
- **Collaborate** internally, using cross-asset Esgight database to access existing AB perspectives
- **Discuss** with company management and others with a useful perspective

- **Develop** research perspective on financial impact of material ESG issues
- **Discuss** material ESG issues in Research Review meeting as input into buy/pass decision

- **Monitor** evolution of ESG risks and opportunities and companies' actions to address them
- **Engage** with company management and boards
- **Vote** proxies following well-established AB policies

For illustrative purposes only. AB engages companies where it believes the engagement is in the best financial interest of its clients.

Source: AB

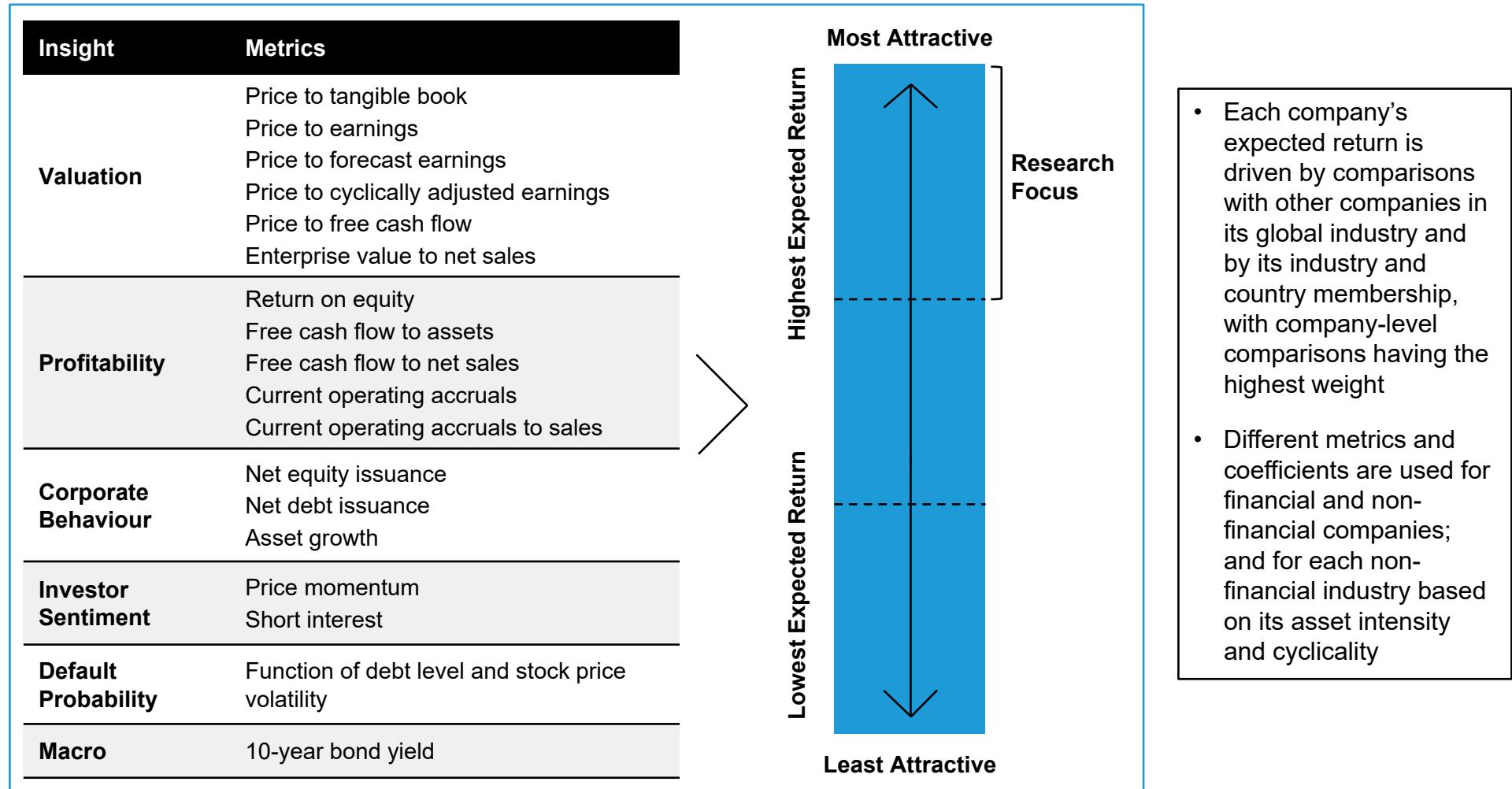


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Expected Return Model: Helps Focus Fundamental Research



For illustrative purposes only.

Source: AB

[A]
[B]

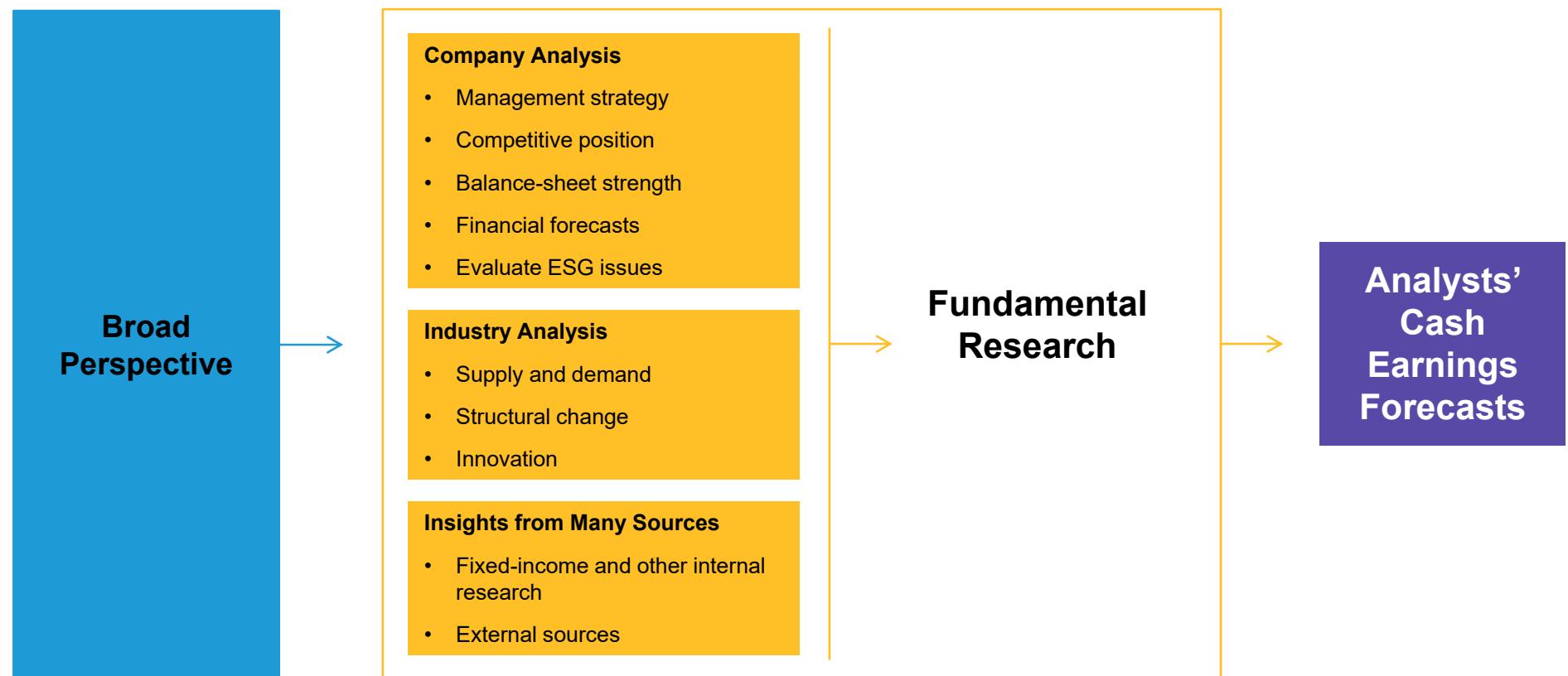
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The Basis of Stock Selection

Fundamental analysts' cash earnings forecasts



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Our IRR-Based Approach

A company example of research-based return forecasting (Euro millions)

	2020E	2021F	2022F	2023F	2024F	2025F
EBITDA	385	516	552	582	602	617
FCF*	-58	163	90	134	151	161
Net Debt	988	825	795	760	721	678
Dividends/Share Buy-Backs	—	—	61	99	111	118
EV/EBITDA	6.7×	—	—	—	—	6.7×
Enterprise Value	2,474	—	—	—	—	4,194
Market Cap	1,486	—	—	—	—	3,516
Investment Cashflow	-1,486	0	61	99	111	3,634

Our actual forecasts,
based on our
fundamental
research

Our conservative
approach assumes
an exit at a similar
multiple than entry

= 20.5% IRR Potential

This example is provided for the sole purpose of illustrating how research can be used to help identify investable ideas in the portfolio-management process, and is not to be considered a recommendation by AllianceBernstein L.P. Holdings are investment theses and are subject to change.

It should not be assumed that investments in any specific security was or will be profitable. It does not represent all of the securities purchased, sold or recommended for clients in this product. A listing of all recommendations made during the prior one-year period is available upon request. Simulated or hypothetical performance results have certain inherent limitations. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve returns or a volatility profile similar to those being shown.

Net debt, enterprise value and market cap are as of 31 December of each year. Thesis and model based on end of year 2019 and AB forecasts as of 2020.

*FCF (free cash flow) = cash flow from operating activities - cash flow from investing activities - repayment of lease liabilities

As of September 30, 2025

Source: Company reports and AB; see Disclosures and Important Information at the conclusion of this presentation.



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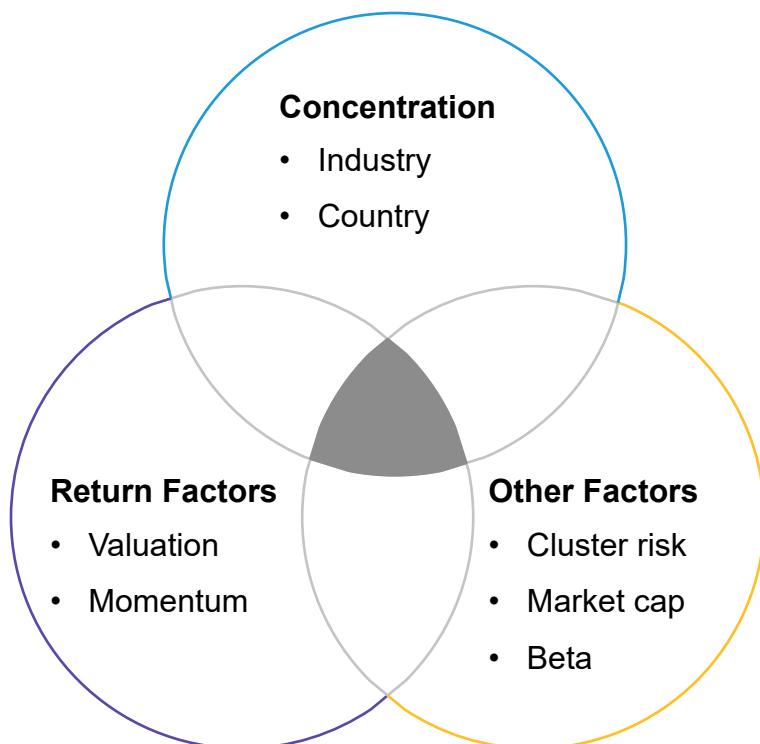
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19

Disciplined Portfolio Construction

Informed by fundamental and quantitative perspectives

Understand Changing Portfolio Risk Exposures



Size Positions Based on:

- Return conviction
- Downside risks
- Contribution to portfolio's factor and macro risk exposures
- Liquidity

Ensure that company-specific risks are the primary source of tracking error

Source: AB

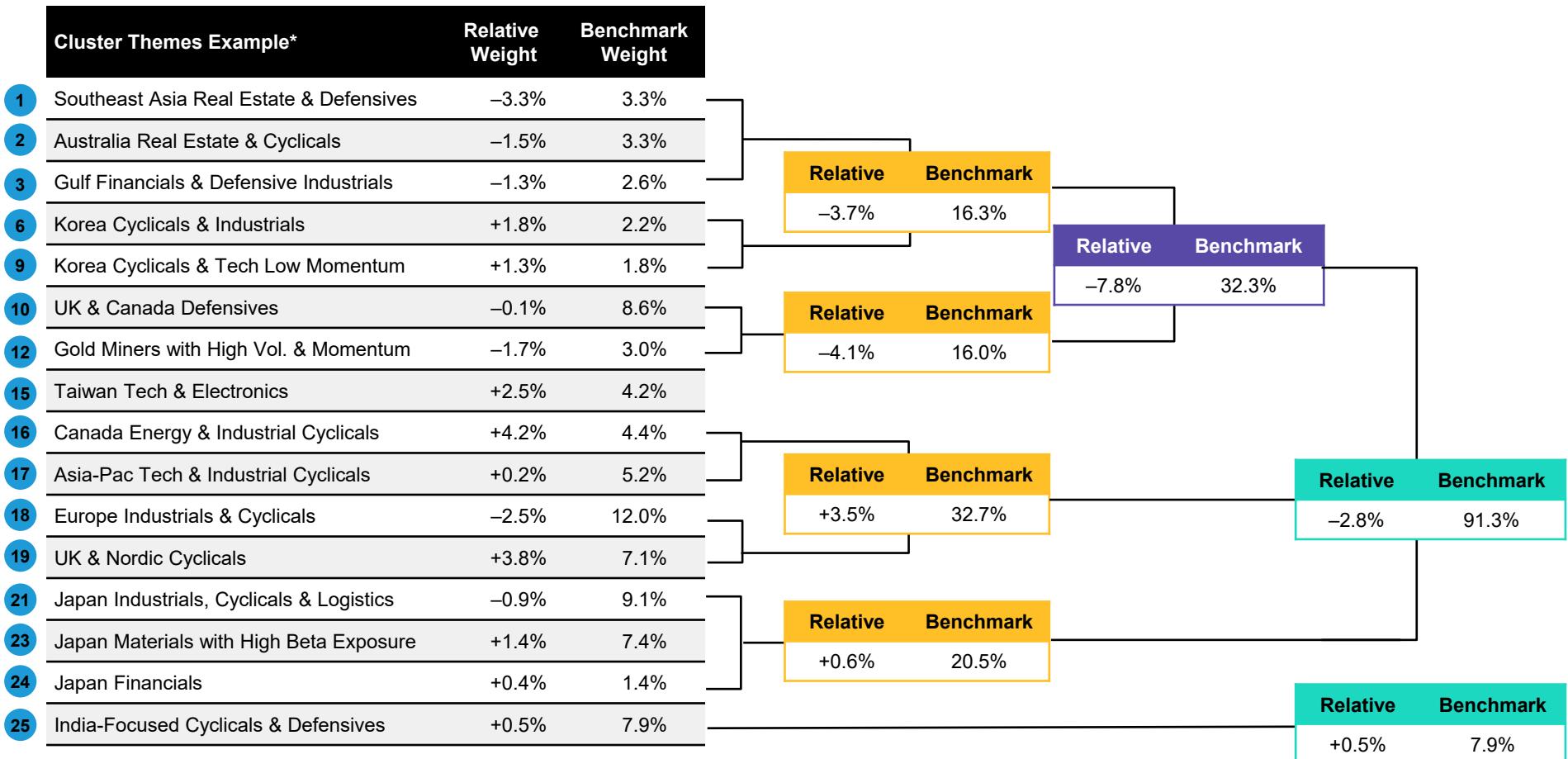


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Cluster Analysis: Helping to Identify Unintended Risks



Analysis provided for illustrative purposes only and is subject to revision. Holdings are subject to change. Based on a representative International Small Cap account versus the MSCI ACWI ex-US Small Cap Index. Clustered according to six-month intra-stock correlations.

*The cluster themes shown are for illustrative purposes only and do not represent all clusters in the analysis or all the stocks in the clusters. Each cluster may include stocks outside the theme but moving with high correlation to the theme.

As of June 25, 2025. Source: MSCI and AB

AB Global Equity Trading Team

Frank Loughlin

Global Head of Execution Services – Equities

Americas

Robert Arendt – SVP, Trader
Julie Eckel – VP, Trader
Matthew Egge – VP, Trader
Jacqueline Mendez – VP, Trader

EMEA

April Lin - SVP, Head of EMEA and APAC
Equity Trading
Emma King – VP, Trader

Asia Pacific

Fiona Wong – VP, Trader
Sandy Ngai – VP, Trader
Karina Lee – VP, Trader

Quantitative Trading

Mark Gurliacci – SVP, Quantitative Trader

As of September 2025
Source: AB



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AB Equity Portfolio Management Group

Global Support. Local Specialists.



Global PMG Locations

US – Nashville

EMEA – London

Asia Pacific – Sydney, Taipei

Role	Description
Local PMG team	Support and implement PM decisions, manage client lifecycle events
Global PMG Community	Provide regional expertise to market and 24/6 support for PM decisions
Management Team	Provide risk oversight and technology support for APM community, experience from multiple regions
Risk Management	Dedicated Risk Manager supporting process excellence, and cross firm ad-hoc event
SBU Heads	Reporting lines to both Equities and Operations/Technology heads to ensure client focus and technology support

As of September 2025

Source: AB



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Current Strategy Performance, Attribution and Characteristics



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AB International Small Cap: Performance Summary

Composite (in US dollars)

	Periods Ended September 30, 2025					
	Jan–Sep 2025	One Year	Three Years	Five Years	Ten Years	Since Inception
International Small Cap (Net of Max of Fees)	33.8%	23.9%	23.1%	10.9%	9.3%	7.2%
MSCI ACWI ex-US Small Cap	25.5	15.9	19.4	10.0	8.4	6.3
Relative Performance	+8.3%	+8.0%	+3.7%	+0.9%	+0.9%	+0.9%
International Small Cap (Gross of Fees)	34.8%	25.1%	24.3%	12.0%	10.4%	8.3%
MSCI ACWI ex-US Small Cap	25.5	15.9	19.4	10.0	8.4	6.3
Relative Performance	+9.3%	+9.2%	+5.0%	+2.0%	+2.0%	+2.0%

Past performance does not guarantee future results. Data are preliminary. Periods of more than one year are annualized. Numbers may not sum due to rounding. The returns presented above are shown both gross and net of management fees. Net performance figures have been calculated by deducting the highest fee payable by a separately managed institutional account; 1.00% of assets, annually. Investment advisory fees are described in Part 2A of AB's Form ADV. This is supplemental information to the GIPS-compliant performance and disclosure page.

Inception date: International Small Cap—February 28, 2014

Source: MSCI and AB; please see the AB GIPS Report at the conclusion of this presentation..



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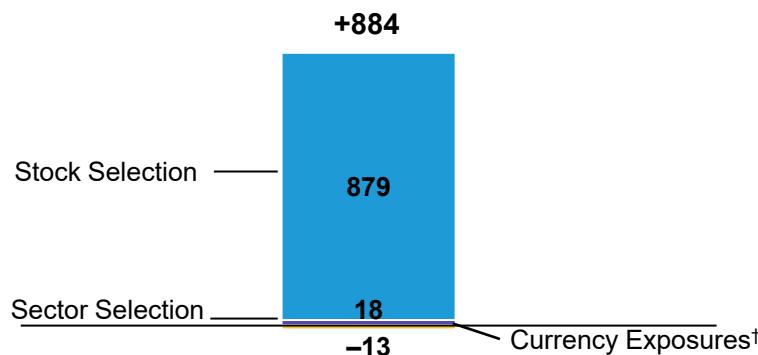
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AB International Small Cap: YTD Attribution

As of September 30, 2025 vs. MSCI ACWI ex-US Small Cap (basis points)

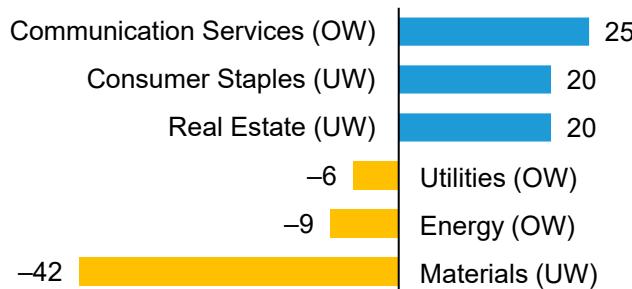
Relative Performance



Largest Contributors

Company	Sector	Attribution
Hyundai Rotem	Industrials	+245
Hanwha Aerospace	Industrials	+200
APR Corp	Consumer Staples	+187
Saab AB	Industrials	+180
Hyosung Heavy Industries	Industrials	+147

Sector Selection



Largest Detractors

Company	Sector	Attribution
Criteo	Communication Services	-100
International Games System	Communication Services	-66
Bidvest Group	Industrials	-58
Kuraray	Materials	-56
Jollibee Foods Corp	Consumer Discretionary	-52

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[†]Explicit and implicit currency exposures

As of September 30, 2025. Source: MSCI and AB; please see the AB GIPS Report and Disclosures and Important Information at the conclusion of this presentation.



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AB International Small Cap: Three-Years Attribution

As of September 30, 2025 vs. MSCI ACWI ex-US Small Cap (basis points)

Relative Performance

+471

Stock Selection

476

Sector Selection

12

-17

Currency Exposures[†]

Sector Selection

Real Estate (UW) 53

Cons. Staples (UW) 14

Healthcare (UW) 8

-7 Energy (OW)

-9 Communication Services (OW)

-10 Materials (UW)

Largest Contributors

Company	Sector	Attribution
Saab AB	Industrials	+126
International Games System	Communication Services	+98
Hanwha Aerospace	Industrials	+95
Asics Corp	Consumer Discretionary	+80
Hyundai Rotem	Industrials	+74

Largest Detractors

Company	Sector	Attribution
Hypermarcas	Healthcare	-49
Interfor Corp.	Materials	-40
Sendas Distribuidora	Consumer Staples	-36
Ubisoft Entertainment	Communication Services	-34
Criteo	Communication Services	-30

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[†]Explicit and implicit currency exposures

As of September 30, 2025. Source: MSCI and AB; please see the AB GIPS Report and Disclosures and Important Information at the conclusion of this presentation.



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Sector Weights

Sector	International Small Cap (Percent)	MSCI ACWI ex US Small Cap (Percent)	Portfolio Over/Underweight (Percent)
Financials	17.6	12.0	5.6
Technology	15.2	11.1	4.0
Industrials	21.8	20.4	1.4
Energy	4.6	3.6	1.0
Utilities	3.5	3.0	0.5
Communication Services	4.3	4.0	0.3
Consumer Discretionary	11.7	11.6	0.1
Consumer Staples	4.2	5.3	-1.1
Healthcare	3.7	7.0	-3.3
Materials	9.0	12.5	-3.6
Real Estate	4.5	9.4	-4.9

Holdings are subject to change. Numbers may not sum due to rounding.

Based on a representative International Small Cap account. Individual accounts will vary. The portfolio allocation excludes cash
As of September 30, 2025

Source: MSCI and AB; please see Disclosures and Important Information at the conclusion of this presentation.

Country Weights

	Portfolio	MSCI ACWI ex-US Small Cap	Relative Weight
Europe, Middle East and Africa	UK	12.8%	+4.5%
	France	4.0	+1.9
	Ireland	1.6	+1.4
	Cyprus	0.8	+0.8
	Jersey	0.7	+0.7
	Austria	1.3	+0.5
	Germany	2.9	+0.3
	Spain	0.9	+0.0
	Denmark	1.2	-0.0
	Belgium	0.9	-0.2
	Others	2.5	-11.0
	Region Total	29.6%	-1.1%
Asia Pacific	Japan	27.7%	+4.7%
	Singapore	1.0	-0.3
	Australia	1.7	-5.2
	Others	0.5	-1.0
	Region Total	30.9%	-1.8%
Americas	Canada	6.8%	-0.2%
	Region Total	6.8%	-0.2%
Emerging Markets	Korea	10.3%	+6.5%
	Taiwan	7.6	+1.8
	Greece	1.8	+1.5
	Mexico	1.7	+1.3
	India	7.8	+0.5
	Others	3.5	-8.6
	Region Total	32.7%	+3.0%

Holdings are subject to change. Numbers may not sum due to rounding.

Based on a representative International Small Cap account. Individual accounts will vary. The portfolio allocation excludes cash.

As of September 30, 2025

Source: MSCI and AB; please see Disclosures and Important Information at the conclusion of this presentation.



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AB International Small Cap Equity

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Top 10 Active Holdings

Company Name	Country	Sector	Absolute Weight	Relative Weight
Balfour Beatty	UK	Industrials	2.2%	+2.1%
Mebuki Financial Group	Japan	Financials	2.2%	+2.1%
Alpha Bank	Greece	Financials	1.7%	+1.7%
Babcock Intl Group	UK	Industrials	1.8%	+1.7%
Grupo Aeroportuario del Centro Norte	Mexico	Industrials	1.7%	+1.7%
Elite Material	Taiwan	Technology	1.6%	+1.6%
Bank of Ireland	Ireland	Financials	1.5%	+1.5%
Nexans	France	Industrials	1.6%	+1.5%
Capital Power Corp	Canada	Utilities	1.5%	+1.4%
Lundin Mining Corp	Canada	Materials	1.4%	+1.4%

Based on a representative International Small Cap account. Individual accounts will vary. Active weights relative to MSCI ACWI ex-US Small Cap Index
As of September 30, 2025

Source: MSCI and AB; please see Disclosures and Important Information at the conclusion of this presentation.



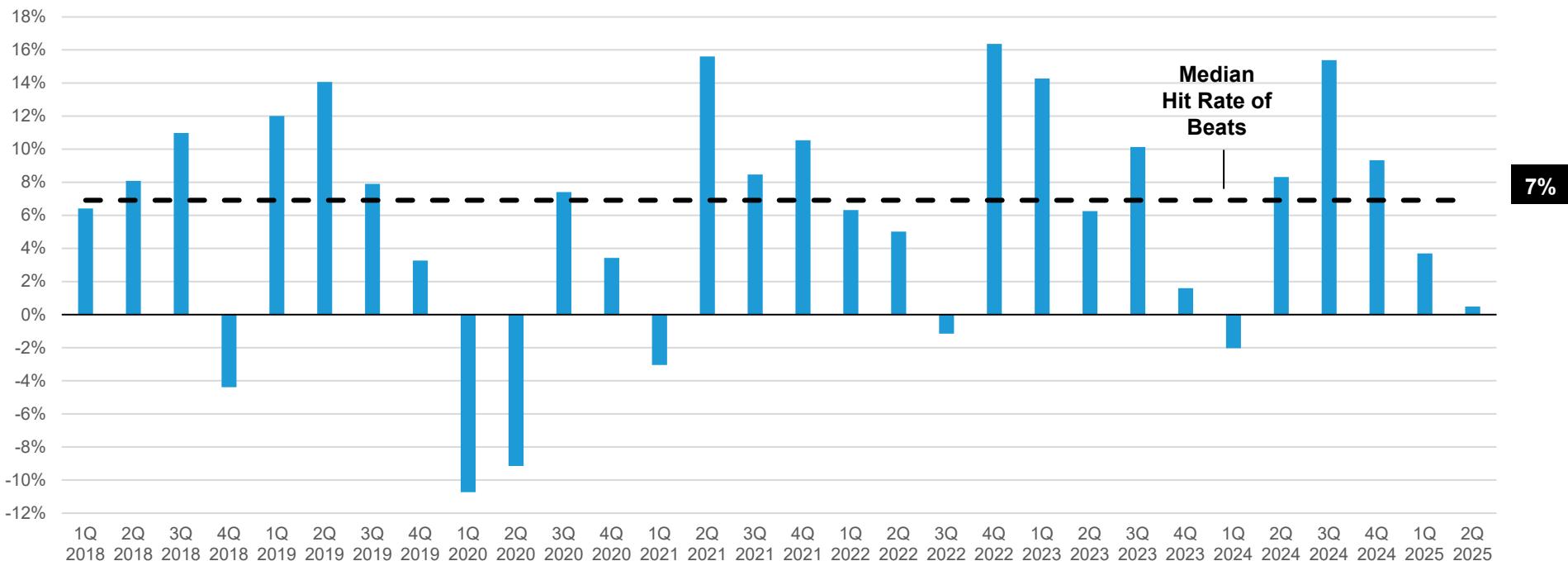
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AB International Small Cap Equity

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Recent Earnings Trends for the International Small Cap Portfolio Have Been Consistently Positive

AB International Small Cap held positions' earnings beating consensus relative to MSCI ACWI ex-US Small Cap Index



Past performance and historical analysis do not guarantee future results. There are no assurances that investment objectives will be achieved. Historical information and forecasts provided for illustrative purposes only and are subject to change. Holdings are investment theses are subject to change. Based on a representative International Small Cap account against MSCI ACWI ex-US Small Cap Index. All data shown in US dollars from January 1, 2018 to June 30, 2025.

As of September 30, 2025

Source: IBES, IDC and AB; please see the AB GIPS Report and Disclosures and Important Information at the conclusion of this presentation



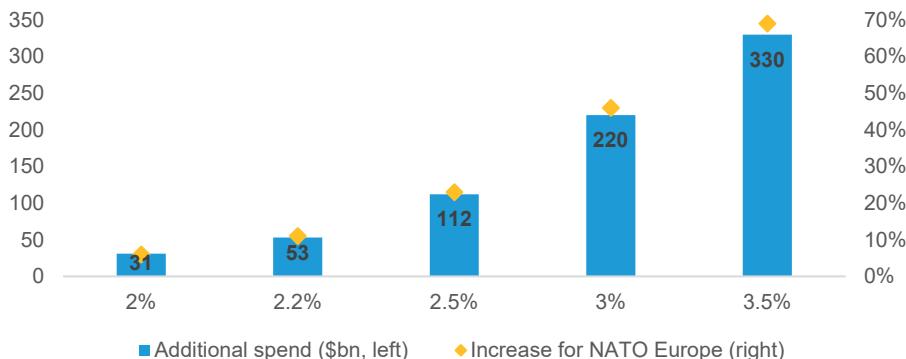
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AB International Small Cap Equity

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Pressure For Upward Spending in Defense Budgets Globally, Following Uncertainties over the Shape of the US Defense Umbrella

Additional Spend for NATO Europe at Different Spending Threshold



Japan Defense-Related Fiscal Year Expenditures*

Original budget, in trillion yen



Past performance and historical analysis do not guarantee future results. This example is provided for the sole purpose of illustrating how research can be used to help identify investable ideas in the portfolio-management process, and is not to be considered a recommendation by AllianceBernstein L.P. The specific securities identified and described herein do not represent all of the securities purchased, sold or recommended for the portfolio, and it should not be assumed that investments in the securities identified were or will be profitable. Holdings are investment theses are subject to change. Logos, brands and other trademarks in this presentation are the property of their respective trademark holders. They are used for illustrative purposes only, and are not intended to convey any endorsement or sponsorship by, or association or affiliation with, the trademark holders.

*Expenditures excluding SACO, reorganization, government aircraft, and building national resilience.

As of September 30, 2025. Source: NATO, Japan Ministry of Defense and AB

We believe national defense spending trends present compelling investment opportunities

- **Sweden-based aerospace and defense company Saab**
 - European governments plan to step up defense spending markedly over the coming years, from approximately 2% of GDP today to more than 3%
 - If all European countries were to reach the 3% target, this could add roughly \$220bn of military spending, and imply a 46% increase in the size of NATO country budgets overall
- **Japanese defense equipment conglomerate Kawasaki Heavy Industries**
 - Increasing tensions with China have prompted Japan to increase its own defense spending, leading the Cabinet to approve a record defense budget for 2025, the 13th growth year in a row
 - Exporters of defense equipment will benefit of governments increasing their defense spending. As one of the major defense equipment suppliers in Japan, Kawasaki performed well in the first half of 2025
 - The company reported a significant boost in fiscal year 3Q:2024 revenue, with aerospace revenue in particular up 13.8% on a year-over-year basis – one of the highest quarterly figure. Growth was largely driven by defense business where revenues grew by 52% yoy



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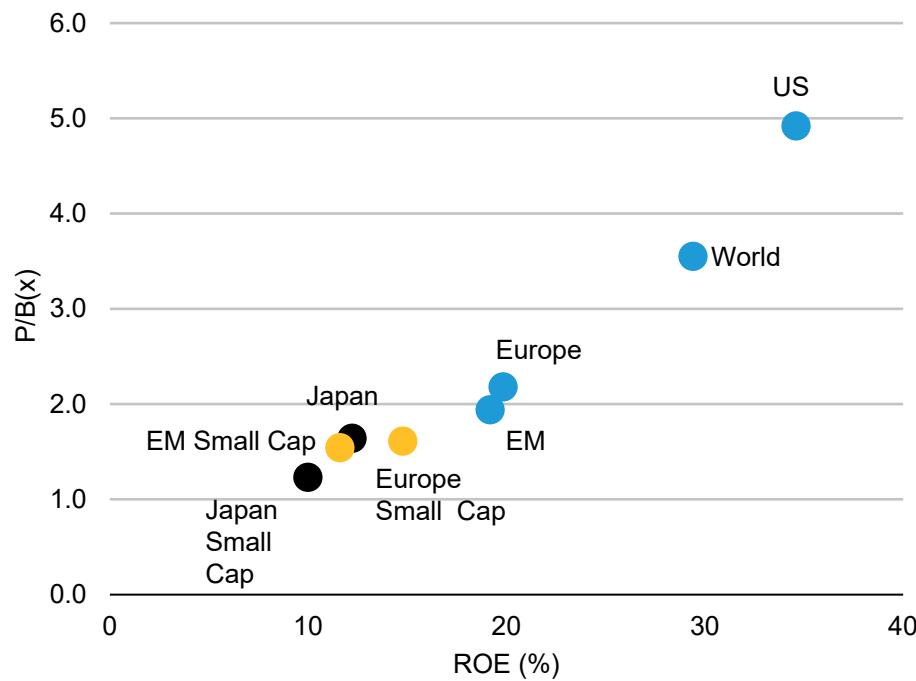
32

Investing in Japan is all about the “Transformation” Story

Closing the ROE gap vs. other equity markets could trigger a re-rating

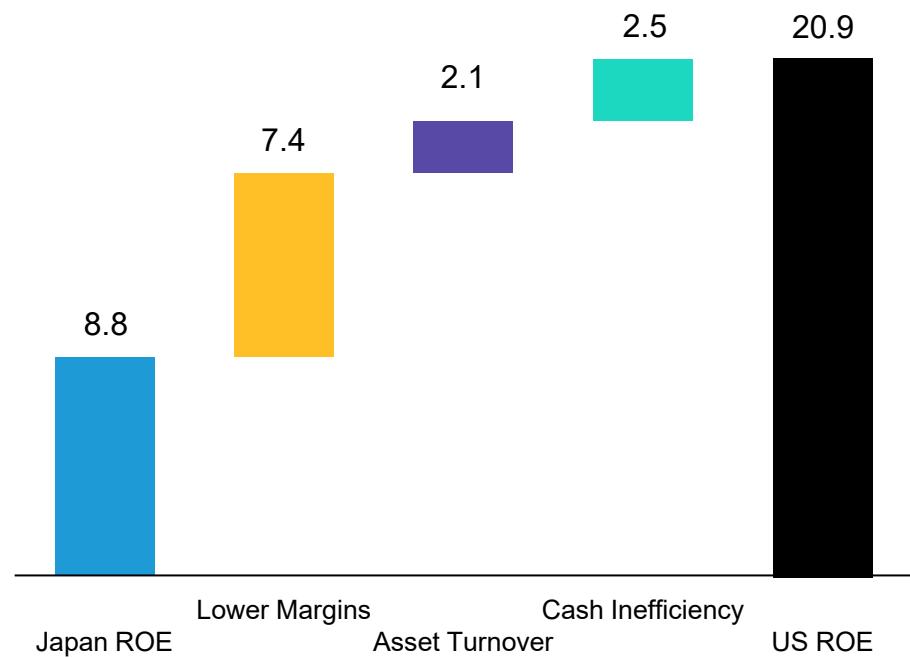
Price/Book vs. Return on Equity (ROE)

Major MSCI & US indices



Difference Between Japan and US ROE

As of December 31, 2024 (in percent)



Past performance and current analysis do not guarantee future results.

US large-caps represented by S&P 500 Index, global large-caps by MSCI World Index, emerging markets by MSCI Emerging Markets Index, emerging markets small-caps by MSCI EM Small Cap Index, Japan large-caps by MSCI Japan Index, Japan small-caps by MSCI Japan Small Cap Index, Europe large-caps by MSCI Europe Index, and Europe small-caps by MSCI Europe Small Cap Index.

As of September 30, 2025

Source: Bloomberg, MSCI, S&P, Japan Exchange Group, Morningstar Direct and AB



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AB International Small Cap Equity

33

Healthy Valuation Discount Despite Recent Value Outperformance

Current Value vs. Growth discount percentiles*



- Given expectations for a strong cyclical recovery in a potentially more stubborn inflationary environment, the forecast profitability and earnings revisions of Value companies is high relative to Growth, and...
- ... balance sheets, too, are quite strong relative to Growth, based on Net Debt to Equity
- Despite these fundamentals, Value is priced at a near record discount to Growth

Analysis provided for illustrative purposes only and is subject to revision.

*Discount percentile ranks based on the price-to-earnings ratio, price-to-book, price-to-cash earnings and price-to-forward earnings (next 12-months) of the MSCI EAFE Value Index relative to the MSCI EAFE Growth Index from June 1, 1999 through September 30, 2025

As of September 30, 2025

Source: FactSet, IBES, MSCI and AB



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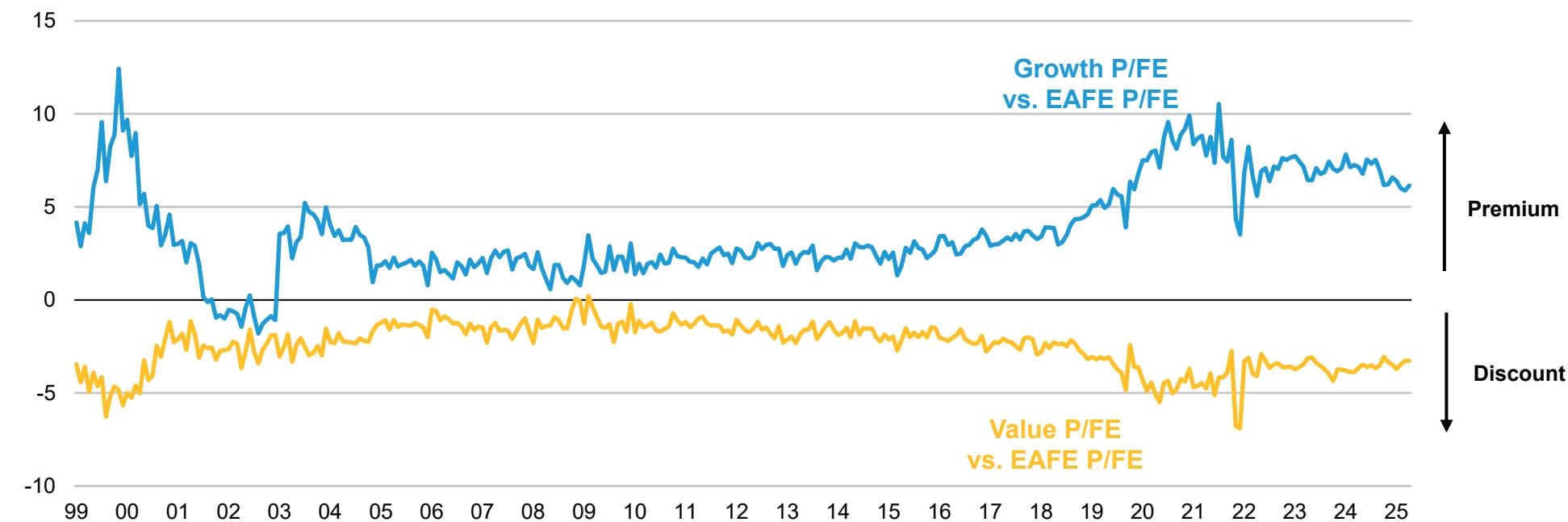
34

The Global Stock Market Has Skewed Towards Growth Since Post GFC

Growth P/E remains high while Value P/E low

MSCI EAFE Value vs. MSCI EAFE Growth

Price-to-forward earnings* relative to MSCI EAFE Index



Past performance and current analysis do not guarantee future results.

*Price-to-forward earnings (next 12-months) since June 1999.

As of September 30, 2025

Source: FactSet, IBES, MSCI and AB



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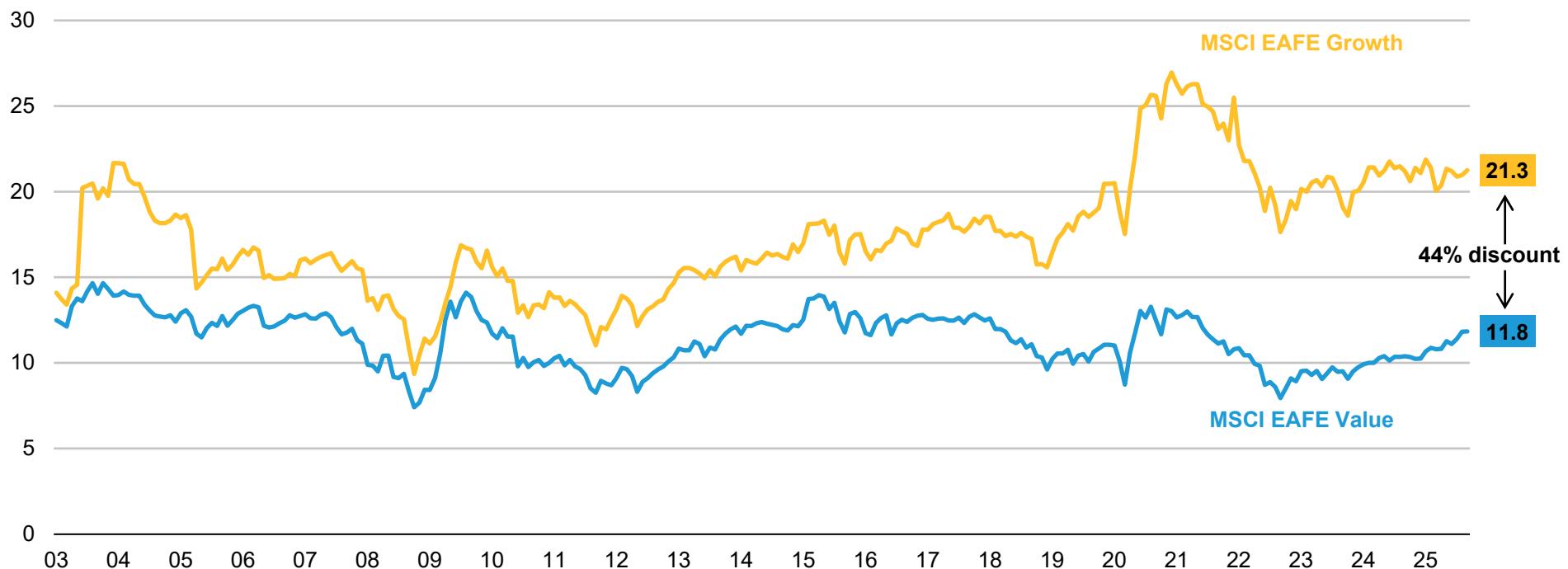
AB International Small Cap Equity

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The P/E Spread Between Growth and Value Remains Wide

MSCI EAFE Value vs. MSCI EAFE Growth

Price-to-forward earnings*



Past performance and current analysis do not guarantee future results.

*Price-to-forward earnings (next 12-months) since January 2003.

As of September 30, 2025

Source: FactSet, IBES, MSCI and AB

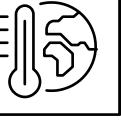


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Our Five Pillars of Investing

	Cash Flow Focus	Capture value risk premium with attractively priced cash flows because historically it improved risk and return. Invest in stocks with a strong cash flow metric based on conservative exit multiples
	Concentrated Portfolio	Focus on best ideas because we believe concentrated portfolios better capture fundamental research insights and, in our experience, outperform more diversified portfolios
	Downside Capture	Aim for downside capture of better than 100%. Employ behavioural finance to help avoid value traps, construct portfolios that align stock risk with return
	Macro Risk Management	Manage risk so that the key drivers of performance are the value risk premium and stock selection rather than macro factors
	ESG	Identify risks and opportunities of ESG factors on equity valuations

There can be no assurances that investment objectives will be achieved.

As of October 31, 2025

Source: AB



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Team Bios



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Investment Team Profiles

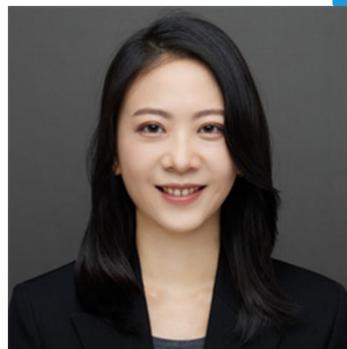


Andrew Birse

Chief Investment Officer—
International Small Cap &
European Value Equities

Andrew Birse was appointed Chief Investment Officer of European Value Equities in November 2022 after serving as portfolio manager of European Value Equities since March 2016. He has also served as Chief Investment Officer of International Small Cap Equities since 2021 and has managed the International Small Cap and European Small Cap Equities services since inception in 2014 and 2017, respectively. Prior to joining the firm as a research analyst in 2010, Birse spent seven years in the Corporate Finance Group at McKinsey & Company, working in the firm's London, Sydney and Auckland offices. He holds a BCom (honors) in finance and a BA in history and economics from the University of Auckland, and an MSc in economics and philosophy from the London School of Economics.

Location: Auckland, New Zealand



Vivian Chen, CFA

Portfolio Manager —
International Small Cap Equities
& Senior Research Analyst —
Emerging Markets Equities

Vivian Chen is a Portfolio Manager for International Small Cap Equities since 2016. She is also a Senior Research Analyst on the Emerging Markets Equities team with a focus on technology companies in Asia ex Japan. Prior to joining the firm in 2012, Chen covered regional technology as an equity research analyst on the buy side and the sell side, most recently at Cavalry Asset Management and UBS Securities, Taiwan. She holds a BA in business administration from National Taiwan University and is a CFA charterholder.

Location: Taipei, Taiwan

Disclosures and Important Information



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AB International Small Cap Equity

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Strategy Risks

The value of an investment can go down as well as up, and investors may not get back the full amount they invested. Past performance does not guarantee future results.

Some of the principal risks of investing include:

Market Risk: The market values of the investments may rise and fall from day to day, so investments may lose value.

Currency Risk: Currency fluctuations may have a large impact on returns, and the value of an investment may be negatively affected when translated into the currency in which the initial investment was made.

Derivatives Risk: The Portfolio may include financial derivative instruments. These may be used to obtain, increase or reduce exposure to underlying assets and may create gearing; their use may result in greater fluctuations of the assets under management.

OTC Derivatives Counterparty Risk: Transactions in OTC derivatives markets may have generally less governmental regulation and supervision than transactions entered into on organized exchanges. These will be subject to the risk that their direct counterparty will not perform its obligations and that the Portfolio will sustain losses.

Overseas Assets Risk: Investing in overseas assets may be more volatile because of political, regulatory, market and economic uncertainties associated with them. These risks are magnified in assets of emerging or developing markets.

Systemic Risk: Systemic risk is the risk of broad financial-system stress or collapse triggered by the default of one or more financial institutions, resulting in a series of defaults by other interdependent financial institutions.

Turnover Risk: A portfolio will be actively managed, and turnover may, in response to market conditions, exceed 100%. A higher rate of portfolio turnover increases brokerage and other expenses. High portfolio turnover may also result in the realization of substantial net short-term capital gains, which may be taxable when distributed.

Leverage Risk: The Portfolio may use derivatives or other financial instruments to gain exposure to investments exceeding its overall value. This may cause greater changes in the Portfolio's price, as it is more sensitive to market or interest-rate movements, and increase the risk of loss.

Equities Risk: The value of equity investments may fluctuate in response to the activities and results of individual companies or because of market and economic conditions. These investments may decline over short- or long-term periods.

Smaller-Capitalization Companies Risk: Investment in securities of companies with relatively small market capitalizations may be subject to more abrupt or erratic market movements because the securities are typically traded in lower volume and are subject to greater business risk.

ESG Risk: Applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers based on ESG risk factors and therefore, the Fund may forgo some market opportunities available to funds that do not use ESG risk or sustainability criteria.

Disclosures and Important Information

Important Information

Past performance is not a guide to future performance. The value of investments, and the income from them, can fall as well as rise, and you may not get back the original amount invested. The value of nondomestic securities may be subject to exchange-rate fluctuations.

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Disclosure on Security Examples

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AB GIPS Report

International Small Cap Composite (in US dollars)

Period	Composite Assets (USD Millions)	Composite Accounts at End of Period	Gross Return (%)	Net Return (%)	Internal Composite Dispersion (%)	Composite 3-Year Ann. ex Post Standard Deviation (%)	Benchmark 3-Year Ann. ex Post Standard Deviation (%)	Total Firm Assets (USD Billions)	MSCI ACWI ex USA SMALL CAP (Net) Unhedged to USD Return (%)
2024	2,504.4	5	9.27	8.19	0.27	17.86	16.81	663.8	3.36
2023	2,959.9	5	13.43	12.30	0.41	17.72	16.98	615.1	15.66
2022	2,995.3	5	-20.04	-20.84	0.20	23.14	22.73	545.4	-19.97
2021	1,818.8	5	12.36	11.25	0.70	20.03	19.86	684.8	12.93
2020	1,602.4	5	7.80	6.73	0.07	20.99	20.98	611.0	14.24
2019	1,186.7	3	22.00	20.79	0.03	12.21	11.61	574.4	22.42
2018	835.4	2	-15.33	-16.17	0.01	12.53	12.34	473.5	-18.20
2017	875.6	2	41.62	40.21	NM	12.37	11.53	512.9	31.65
2016	265.8	1	6.77	5.72	NM	NA	NA	444.5	3.91
2015	41.4	1	2.51	1.50	NM	NA	NA	432.1	2.60
3 Years*			-0.30	-1.29					-1.47
5 Years*			3.72	2.69					4.30
10 Years*			6.75	5.70					5.66

NM: not meaningful, fewer than two accounts were included in the Composite for the full period

NA: not applicable, less than minimum time period

*Annualized through most recent year-end

Presentation of the Firm: AllianceBernstein L.P. ("ABLP") is a registered investment advisor with the US Securities and Exchange Commission. AB Institutional Investments and AB Investments (collectively, the "Firm") are the institutional and retail sales, marketing, and client service units of ABLP. In February 2006, Alliance Capital Management L.P. changed its name to ABLP.

Compliance Statement: The Firm claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Firm has been independently verified for the periods from January 1, 1993, through December 31, 2023. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firmwide basis. Verification does not provide assurance on the accuracy of any specific performance report.

Composite Description: The performance results displayed herein represent the investment performance record for the International Small Cap Composite (the "Composite"). The Composite includes all fee-paying discretionary accounts and, when applicable, pooled investment vehicles. The Composite consists of accounts that invest primarily in small-capitalization stocks based in developed and emerging markets outside the United States and that seek a long-term premium relative to their benchmark. The creation date of this Composite is April 2014 and the inception date is February 28, 2014.

For the performance period presented, Investment Professionals may have changed or departed, none of which in the Firm's view have altered the Composite's strategy.

Accounts in the Composite may utilize derivative contracts including, but not limited to, swaps, swaptions, options, futures, options on futures and currency transactions for risk-management purposes or for enhancing expected returns by adjusting exposure to the markets, sectors, countries, currencies or specific securities permitted by these guidelines. The impact of all derivatives is fully incorporated into the calculation of risk and return, and the use of derivatives shall not violate the investment guidelines that limit exposure to markets, sectors, countries, currencies or specific securities. Investment in non-exchange-traded (over-the-counter) derivatives exposes the accounts within the Composite to counterparty risk.

A complete list including composite descriptions, pooled fund descriptions for limited distribution pooled funds, and broad distribution funds managed by the Firm is available upon request. Additional information regarding policies for valuing investments, calculating performance and preparing GIPS reports is also available upon request via email to compositerequests@alliancebernstein.com.

Total Return Methodology and Fee Structure: Performance figures in this presentation have been presented gross and net of model investment-management fees. Net performance figures have been calculated by deducting the highest fee payable by a separately managed institutional account; 1.00% of assets, annually. The Composite may contain mutual funds with share classes that incur higher management fees. The current investment advisory fee schedule applicable for this Composite is as follows:

Segregated Account	AB DBT-Fundamental International Small Cap Series
1.00% on the first 25 million in USD	0.90% on the first 25 million in USD
0.85% on the next 25 million in USD	0.85% on the next 25 million in USD
0.75% on the next 50 million in USD	0.75% on the next 50 million in USD
0.65% on the balance	0.65% on the balance
Highest annual expense ratio = 1.05%	

Rate of Return: No representation is made that the performance shown in this presentation is indicative of future performance. An account could incur losses as well as generate gains. Performance figures for each account are calculated monthly on a trade-date basis using a total rate-of-return calculation. Investment transactions are recorded on a trade date basis, and interests and dividends are recorded on accrual basis, net of withholding taxes, if applicable. Investments in securities are valued in accordance with the Firm's Valuation Policies and reflect a good faith estimate of fair value levels for all investments, which may not be realized upon liquidation. The fair valuation process requires judgment and estimation by the Firm. The gross-of-fee returns reflect the deduction of trading costs. Account returns are net of foreign withholding taxes. The benchmark returns are net of withholding taxes from a Luxembourg tax perspective. The Composite returns are calculated based on the asset-weighted monthly composite constituent account returns where the weight is the beginning fair value of the accounts.

Dispersion: Internal dispersion is calculated using the asset-weighted standard deviation of gross-of-fee return for all accounts included in the Composite for the entire year; it is not presented for periods less than one year or when there were fewer than two accounts in the Composite for the entire year. The three-year annualized ex post standard deviation measures the variability of the Composite's gross-of-fee return and the benchmark returns over the preceding 36-month period; it is not presented for periods of less than three years.

The benchmark is the MSCI ACWI ex USA SMALL CAP (Net) Unhedged to USD.

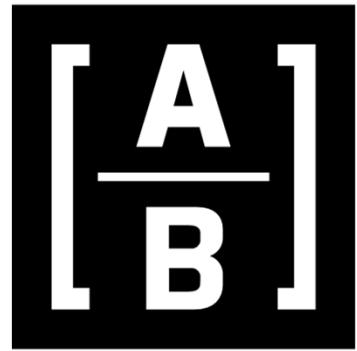
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AB International Small Cap Equity

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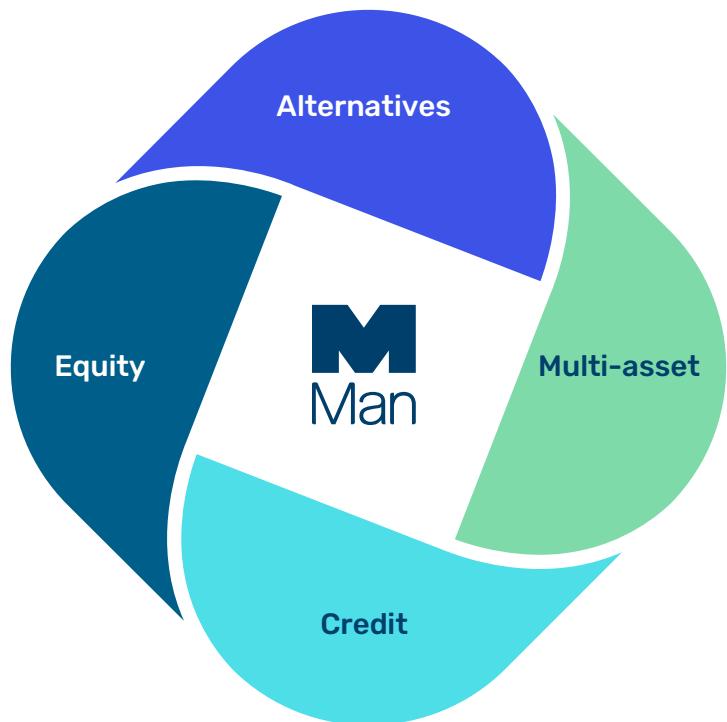
JANUARY 2026

Los Angeles Fire and Police Pension System

Numeric International Small Cap Strategy

Overview of Man Group

Man Group is a global alternative investment management firm focused on pursuing outperformance for sophisticated clients via our Systematic, Discretionary and Solutions offerings.



\$213.9bn

Assets Under
Management

45%

Assets in
Alternatives

55%

Assets in
Long-only

450+

Investment Professionals

650+

Systematic Researchers
and Technologists

\$8.2tn

Notional Traded Globally¹

150+

Actively Managed Strategies

Man Numeric Assets: USD 77.9 Billion¹

As of September 30, 2025

Emerging Markets Equity

	Total Assets (USD mm)
Emerging Markets Alpha (130/30)	2,439
Emerging Markets Core	9,337
Emerging Markets ex China	215
Emerging Markets Small Cap	1,413
China	29

Global Equity

	Total Assets (USD mm)
Global Core	7,711
Global Core ESG	3,234
Global Core ex Japan	1,240
Global ex Japan ESG +	122
Global Core Sharia	178
Global Small Cap	464
Long Term Alpha	586

ACWI/ACWI ex-US Equity

	Total Assets (USD mm)
ACWI Beta +	19,257
ACWI Core	1,814
ACWI RI Climate Beta +	6,121
ACWI ex US SMID	332
ACWI 130/30	30

Global ex-US Equity

	Total Assets (USD mm)
Global ex-US/EAFFE Core	2,052
Global ex US 170/70	2,288
International Alpha (130/30)	1,224
International Small Cap	1,258
Europe Core	1,564
Japan Core	985
Japan Large Cap	631
Australia	506

U.S. Equity

	Total Assets (USD mm)
Core	346
Long Term Alpha	427

Low Volatility Equity

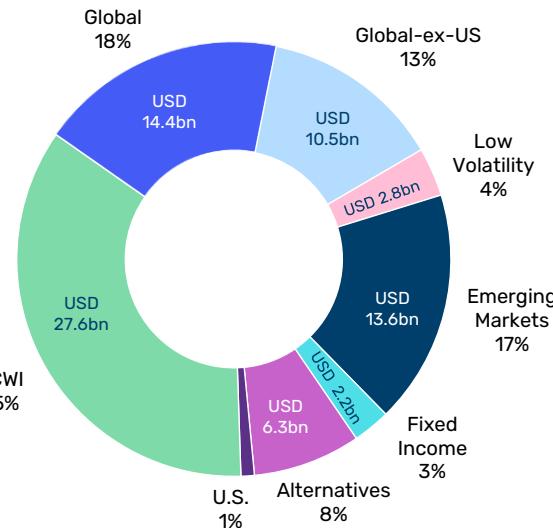
	Total Assets (USD mm)
Global Low Volatility	1,863
Global ex US Low Volatility	347
EAFFE Low Volatility	408
Emerging Markets Low Volatility	148
Europe Low Volatility	25
Global ex Japan Low Volatility	48

Alternatives

	Total Assets (USD mm)
Liquid Alpha	4,582
Quantitative Alpha	736
Defensive Equities	124
Portable Alpha/Custom	340
*Alts Gross Market Exposure	~25,000+

Fixed Income

	Total Assets (USD mm)
US High Yield Credit	562
Global High Yield Credit	467
US Investment Grade Credit	170
Global Investment Grade Credit	349
Credit Long/Short	224
Global Agg/Core Plus	605
Short Duration	24
US Treasuries	12



Additional Strategies with internal seed capital

- EM Beta +
- IP Alpha
- US Small Cap Core
- Liquid Private Equity
- Decarbonization Beta +

ESG integration may vary across funds and strategies offered by Man Numeric. 1. As of September 30, 2025. Man Numeric firm Total Assets excludes approximately USD 1.8 billion in leveraged assets. Total Assets combines both Assets Under Management and Assets Under Advisement. Assets Under Management represent the aggregate fair value of all discretionary and non-discretionary assets, including fee paying and non-fee paying portfolios. Assets Under Advisement represent advisory-only assets where the firm provides a model portfolio and does not have decision making or trading authority over the assets.

Man Numeric Team Structure¹



Numeric Management Committee

President and Chief Executive Officer
Greg Bond (24)

Chief Investment Officer
Dan Taylor (26)

Chief Operating Officer
Heidi Roderick (20)
Team of 3

Director of Portfolio Management
Ori Ben-Akiva (30)

Director of Alternatives
Jay Rajamony (23)

Head of Numeric Alpha Technology
Tom Taylor (19)

Investment Committee

Director of Research
Ed Fang (20)

Dedicated Man Numeric Investment & Business Support: 59

Equity²
Jeremy Wee (27)
Mickael Nouvellon (20)

Team of 12

Alternatives
Joe Schirripa (26)
Andrew Kindman (13)

Team of 7

Credit
Rob Lam (16)
Paul Kamenski (13)

Team of 5

Research³
Chao Xia (7)
Diana Zheng (7)

Team of 19

CPM
Jason Moore (24)
John Lidington (19)

Team of 5

Man Group Central Resources: 1300+

Technology

472

Data Science

24

Trading

36

Financial Risk

28

Responsible Investment

11



Our foundational beliefs

- Market inefficiencies exist and can be harvested systematically
- Disciplined implementation of quantitative models can deliver differentiated risk adjusted returns
- Research and technology innovation critical to investment success

Key components of investment success



Robust Alpha Signals

- Innovation
- Academic+
- Intuitive and repeatable



Rigorous Process

- Proprietary Portfolio Construction
- Integrated Risk Management
- Leading Execution Capabilities



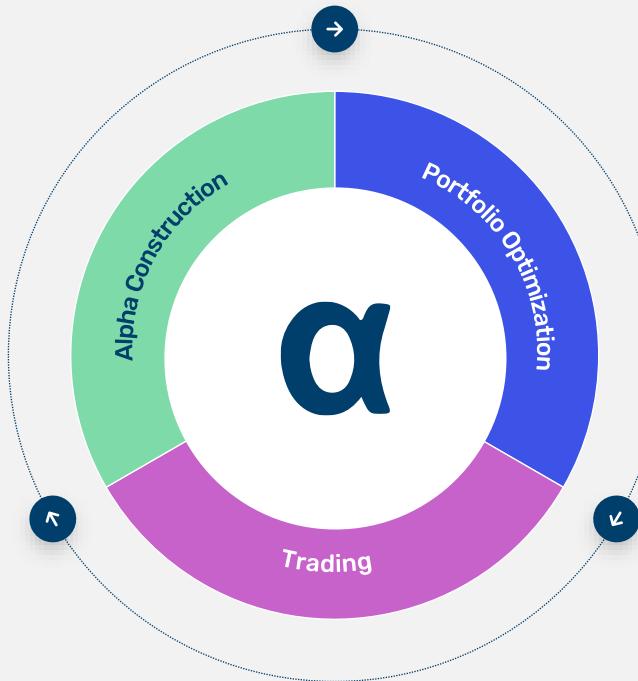
Continuous Evolution

- Data and Data Science
- Technology
- Diverse Skill Sets

Investment Process Overview

Delivering differentiated alpha requires rigor across the entire investment process

Powered by Continuous Research



Alpha Construction

- Diversified models
- Updated multiple times daily
- Risk-adjusted for structural biases
- Low correlation to common factors

Portfolio Optimization

- Integrated one-step optimization process
- Alpha / liquidity / transaction costs
- Dynamic proprietary risk model
- Macroeconomic constraints

Trading

- Global team, local presence
- Robust transaction cost models
- Proprietary trade routing and execution algorithms
- Dedicated execution research team

Core Alpha Model Framework

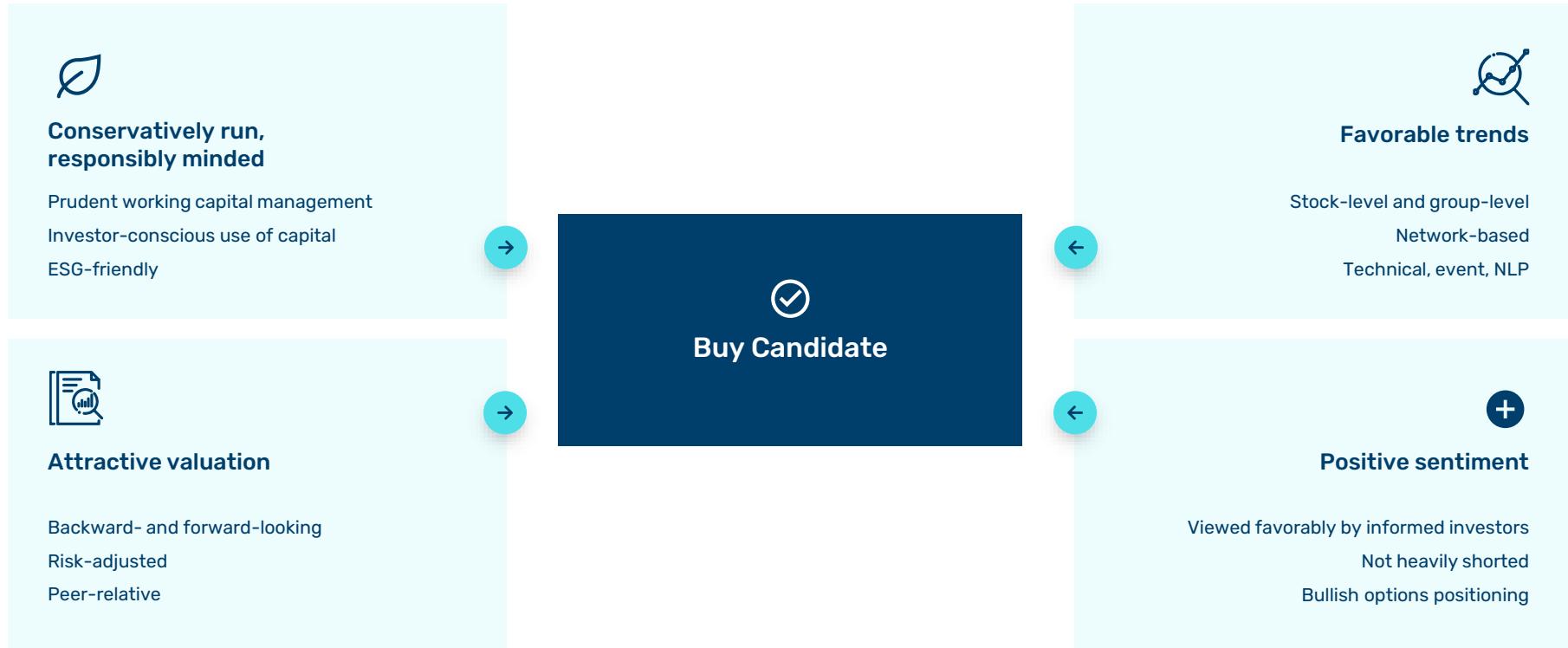
Diversified suite of Academic+ and Innovation alpha models

- Comprehensive combined signal
- Unique score for every company
- Risk budgeted and conviction weighted
- Industry-specific models
- Controlled for common factor risk



The Types of Companies/Securities We Invest In

Diverse drivers of alpha



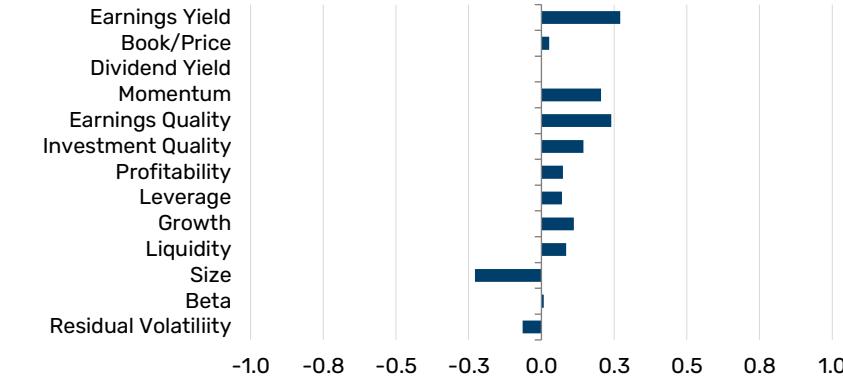
Portfolio Characteristics – Current Guidelines

Numeric International Small Cap

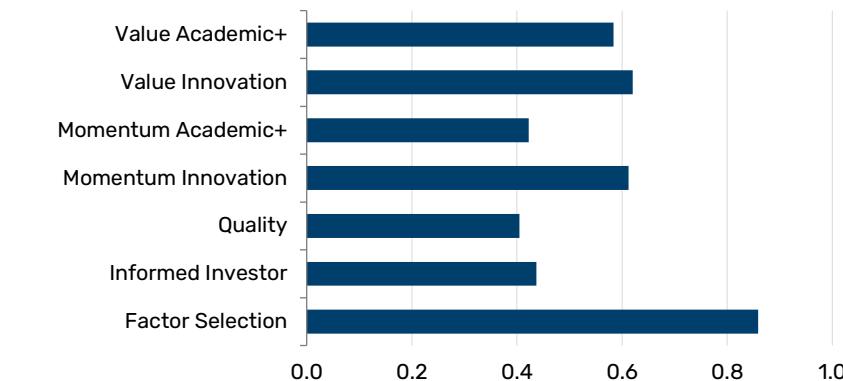
As of September 30, 2025

Specification	Objective
Universe	World ex-U.S. Small Cap universe
Benchmark	MSCI World ex US Small Cap®
Sector Constraints	±1.5% of benchmark ¹
Industry Constraints	±3.0% of benchmark ¹
Country Constraints	±3.0% of benchmark ¹
Max Position Size	Benchmark +0.70% ¹
Numeric International Small Cap ("Int'l Small Cap")	
P/E	12.9x
P/B	1.5x
ROE	11.9%
Dividend Yield	2.6%
No. of Holdings	381
Active Share	84.5%
Market Cap (wtd average)	\$3.0 Billion
MSCI World ex-U.S. SC®	
	15.0x
	1.5x
	10.3%
	2.8%
	2201
	-
	\$4.0 Billion

Active Barra Factor Exposure



Active Numeric Model Exposure

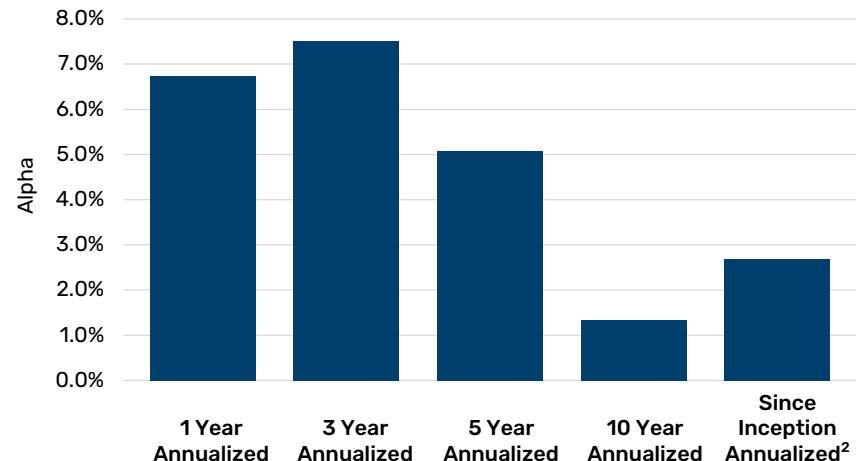


¹ The specifications provided above are for illustrative purposes only and may be subject to change at the discretion of the portfolio manager. Man Numeric believes the benchmark listed is most representative of the strategy's universe. The volatility of the indices shown may be materially different from the individual performance attained by a specific investor. In addition, the strategy's holdings may differ significantly from the securities that comprise the indices. You cannot invest directly in an index. Investors may choose to compare returns for their accounts to different benchmarks, resulting in differences in relative return information. Source: Numeric Investors LLC; Bloomberg.

Net Composite Performance Summary¹

Numeric International Small Cap

As of September 30, 2025



	1 Year Annualized	3 Year Annualized	5 Year Annualized	10 Year Annualized	Since Inception Annualized ²
Portfolio	26.09%	27.50%	14.32%	9.63%	9.65%
Benchmark	19.35%	19.98%	9.24%	8.29%	6.97%
Alpha	6.74%	7.52%	5.08%	1.34%	2.68%
Tracking error:	2.71%	2.63%	2.70%	3.03%	3.25%

	Numeric International Small Cap Composite (Gross)	Numeric International Small Cap Composite (Net)	Custom MSCI World Ex-U.S. Small Cap® Index	Relative Return (Gross)	Relative Return (Net)
2011	-10.84%	-11.65%	-15.94%	5.10%	4.29%
2012	26.28%	25.17%	20.00%	6.28%	5.16%
2013	40.04%	38.82%	28.14%	11.90%	10.68%
2014	-2.52%	-3.40%	-5.34%	2.82%	1.95%
2015	11.56%	10.57%	5.46%	6.10%	5.11%
2016	4.25%	3.26%	4.32%	-0.06%	-1.05%
2017	34.96%	33.78%	31.04%	3.93%	2.75%
2018	-21.76%	-22.48%	-18.07%	-3.69%	-4.40%
2019	24.98%	23.88%	25.41%	-0.43%	-1.53%
2020	6.32%	5.40%	12.78%	-6.46%	-7.38%
2021	15.74%	14.77%	11.14%	4.60%	3.63%
2022	-16.01%	-16.73%	-20.59%	4.58%	3.86%
2023	17.99%	17.00%	12.62%	5.36%	4.38%
2024	14.37%	13.42%	2.76%	11.61%	10.65%
2025 YTD	34.81%	33.98%	29.54%	5.27%	4.44%
Since Inception (Annualized) ²	10.63%	9.66%	6.98%	3.65%	2.68%

Strategy AUM: USD 1,257 million

Past performance is not indicative of future results. Returns may increase or decrease as a result of currency fluctuations.

1. Returns are based on the performance of only unrestricted accounts within each strategy. Returns of accounts with client restrictions may differ. The return data shown above is based on preliminary performance for the most recent month and is subject to change. Man Numeric calculates the net-of-fee composite return by applying the maximum applicable management fee ('maximum fee') to the gross-of-fee composite return. This maximum fee may consist of a base fee plus a performance fee in those years when the composite outperforms its benchmark. The maximum management fee schedule for the Numeric International Small Cap composite is 0.85% of assets under management. The highest management fee prior to July 2020 was 0.90%. To the extent fund vehicles are part of the strategy composite, the fund returns are gross of certain expenses including but not limited to custody fees, administration fees and professional expenses. Man Numeric believes the benchmark listed is most representative of the strategy's universe. Investors may choose to compare returns for their accounts to different benchmarks, resulting in differences in relative return information. 2. Inception: January 1, 2011. Source: Numeric Investors LLC; Bloomberg.

Key Differentiators - Why Man Numeric?



Boutique culture,
big firm
infrastructure



Innovation-
focused,
research-driven



Idiosyncratic
alpha beyond
common factors



Time-tested
process;
experienced
team



Bespoke
client
solutions

Appendix



Man Group Attendees Today

Experience



Nina Gnedin
Portfolio Manager

Nina Gnedin is a portfolio manager at Man Numeric. She is responsible for the day-to-day management of developed markets strategies. Nina joined Man Numeric in 2017 as a quantitative researcher on the Strategic Alpha Research team. Prior to joining Man Group, Nina worked in investment banking at JP Morgan Chase. Nina received a bachelor's degree in economics and mathematics from the University of Chicago and a master's degree in finance and data science from Princeton University.



Tyler Sauer
Director, US Institutional Sales

Tyler Sauer is a Director at Man Group, focused on institutional business development and client relationship efforts in the Western United States. He joined Man Group in April 2022. Before joining Man Group, Tyler held client facing roles at PGIM Quantitative Solutions, Allianz Global Investors, and RS Investments. He holds a bachelor's degree in Finance from The University of Alabama.

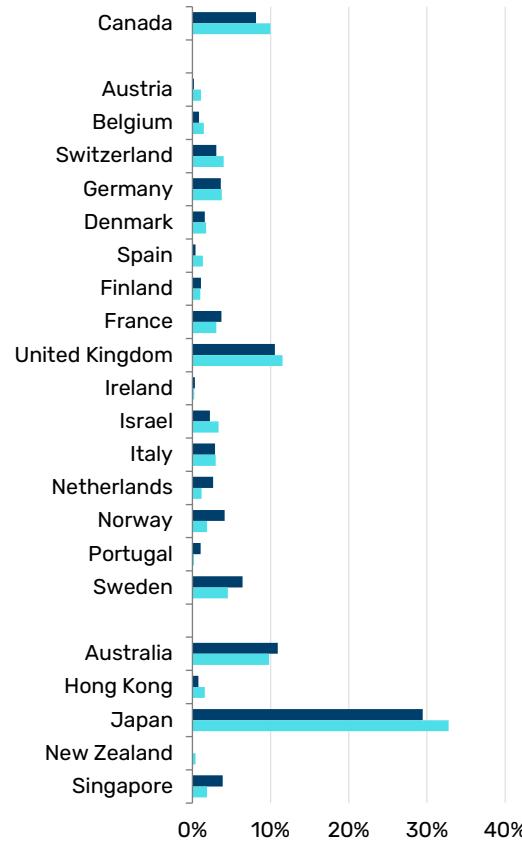
Portfolio Characteristics – Current Guidelines

Numeric International Small Cap

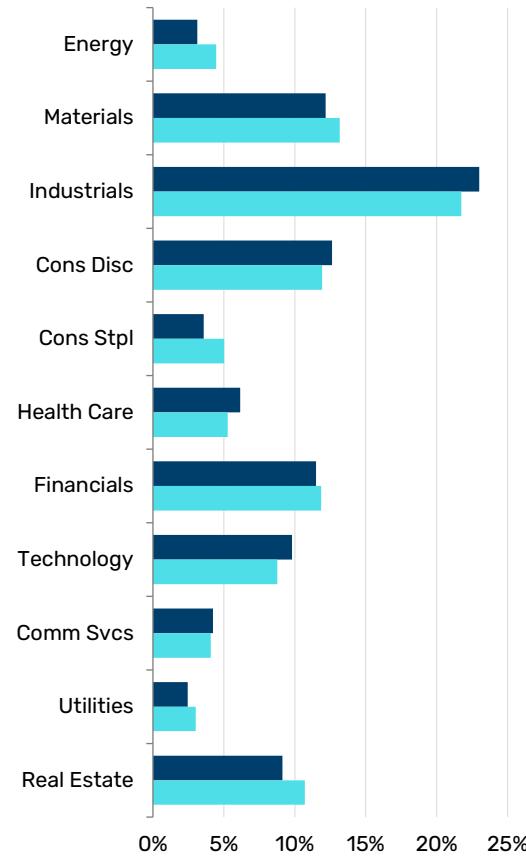
As of September 30, 2025

■ Int'l Small Cap ■ MSCI World ex-U.S. SC

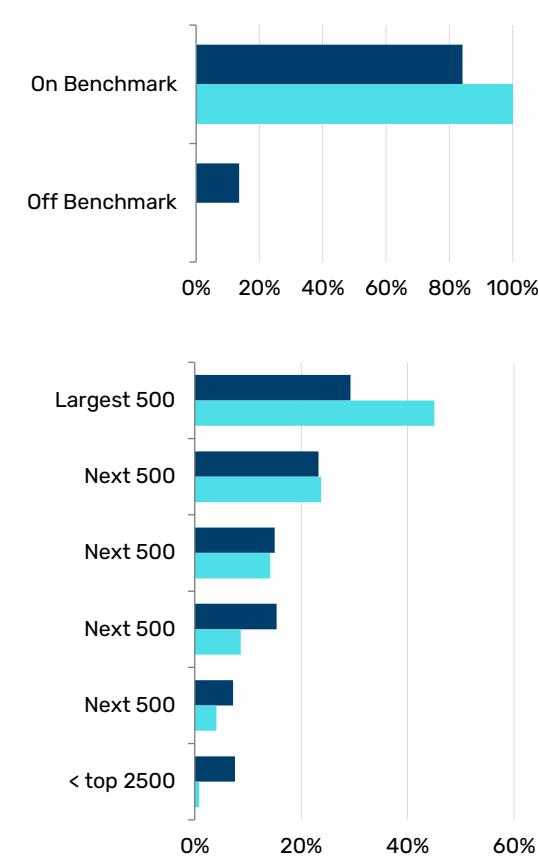
Country Exposure



Sector Exposure



Capitalization Exposure



1. The specifications provided above are for illustrative purposes only and may be subject to change at the discretion of the portfolio manager. Man Numeric believes the benchmark listed is most representative of the strategy's universe. The volatility of the indices shown may be materially different from the individual performance attained by a specific investor. In addition, the strategy's holdings may differ significantly from the securities that comprise the indices. You cannot invest directly in an index. Investors may choose to compare returns for their accounts to different benchmarks, resulting in differences in relative return information. Source: Numeric Investors LLC; Bloomberg.

Man Numeric ESG Modelling

Broad based approach supplemented by specialised factors

Broad based ESG factors



Broad based factors that take a multiple perspective ESG view

- Principles-based approach that focuses on data and academic research, rather than datamining factors
- Unbiased multiple perspective view of ESG utilising multiple vendors
- Created a fundamentally-based framework centred around 14 key pillars
- Advance data science techniques to properly transform, categorise, weight and combine ESG factors
- Country, industry and risk adjustments

Specialised ESG models



glassdoor



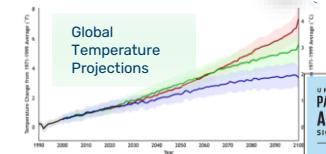
RepRisk

openwork

Specialised models focused on specific ESG themes

- ESG Incident Prediction Model
- Glassdoor – Employee company ratings
- Openwork – Japan employee review

Climate models



Focus on Physical Impact, Transition Impact and Climate Opportunity

- Physical Impact: intrinsic location-specific demand & supply impacts from climate change
- Transition Impact: hidden costs & incentives induced by climate policy
- Opportunity: mispriced innovators & adaptors in economic shift

ESG Combo Model

ESG integration and use of the ESG model may vary across funds and strategies offered by Man Numeric.

Executive Management Experience



Gregory Bond, CFA

President and Chief Executive Officer, Man Numeric, Head of the Americas, Man Group

Gregory ('Greg') Bond is the President and CEO of Man Numeric and Head of the Americas of Man Group. He also serves on the Man Group Executive Committee and the Man Numeric Investment Committee. Previously, Greg was director of research at Man Numeric, responsible for research initiatives, including the day-to-day management of Man Numeric's strategic alpha research team. Prior to joining Man Numeric in 2003, Greg worked as a research associate for Professor Michael E. Porter at Harvard Business School. Greg holds a Bachelor of Arts degree in economics and in biology, magna cum laude, from Yale University and a Master of Business Administration degree from Harvard Business School with distinction. He is a CFA® charterholder.



Daniel Taylor, CFA

Chief Investment Officer

Daniel ('Dan') Taylor is CIO of Man Numeric. He also serves on the Man Numeric Investment Committee. Dan has had multiple roles at Man Numeric since joining as an intern in 1998, including director of small cap strategies, head of hedge fund strategies, and senior member of Man Numeric's strategic alpha research team. During his tenure at Man Numeric, Dan has conducted a wide range of research, including areas such as momentum, earnings quality, valuation, investor behavior, and market timing. Dan holds a Bachelor of Arts degree in economics with honors from Harvard University. He is also a CFA® charterholder.



Heidi Roderick

Chief Operating Officer

Heidi Roderick is the Chief Operating Officer at Man Numeric. She is responsible for all operation oversight and is a member of Man Numeric's Management and Operating Committees. She is also a member of Man Group's Systematic Steering Committee. Heidi has also served as a strategic initiatives project manager at Man Numeric and previously worked in the Technology team supporting projects and daily operations. Prior to joining Man Group in 2007, Heidi worked for Fidelity Investments. Heidi received a Bachelor of Business Administration in finance, with minor in economics from the University of Massachusetts at Amherst. She is a member of the Project Management Institute and a director of the Man US Charitable Foundation.



Ori Ben-Akiva

Director of Portfolio Management

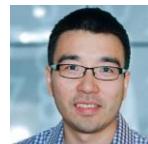
Ori Ben-Akiva is the Director of Portfolio Management at Man Numeric. He provides oversight of Man Numeric's equity and credit strategies, in addition to the client portfolio management team. Ori also serves on Man Numeric's Investment and Management Committees and is also a member of Man Group's Systematic Steering Committee. Previously, Ori spearheaded the development and launch of the emerging market strategies. Prior to joining Man Numeric in 1998, he was a portfolio analyst at The Oak Group, LP, a Chicago-based hedge fund investment manager. Ori received a bachelor's degree in economics from the University of Chicago.



Jayendran Rajamony, PhD, CFA

Director of Alternatives

Jayendran ('Jay') Rajamony is the Director of Alternatives at Man Numeric and serves on Man Numeric's Investment and Management Committees. He is also a member of Man Group's Systematic Steering Committee. Previously, Jay managed world market neutral and US small cap strategies, served on the strategic alpha research team and developed low volatility products at Man Numeric. Prior to joining Man Numeric in 2004, he worked at Independence Investments in Boston as a quantitative analyst. Jay received a Bachelor of Technology degree in Naval Architecture from the Indian Institute of Technology in Kharagpur, India, a Master of Business Administration degree with distinction from Cornell University, and a doctorate degree in Physical Oceanography from the University of Rhode Island. He is a member of the CFA Institute and the CFA Society Boston. Jay is a CFA® charterholder.



Ed Fang, PhD, CFA

Director of Research

Ed Fang is the Director of Research at Man Numeric and serves on Man Numeric's Investment and Management Committees. He is also a member of Man Group's Systematic Steering Committee. Prior to his current role, Ed has been overseeing day-to-day firm-wide research at Man Numeric in his capacity as the Deputy Director of Research since 2016. Ed joined Man Numeric in 2005 and has been actively engaged in a broad spectrum of research, ranging from bottom-up alpha models to top-down dynamic asset allocation. He has also been responsible for developing multiple innovation portfolios within Man Numeric's absolute return and alternative risk premium strategies. Ed received a Bachelor of Science degree with honors in Economics and Management Information Science from Fudan University in China. He also received a doctorate degree in financial economics from Duke University. Ed is a CFA charterholder.

Portfolio Management Experience



Jeremy Wee, CFA Senior Portfolio Manager

Jeremy Wee is a senior portfolio manager at Man Numeric. He leads the day-to-day management of the US and global portfolios and assists in managing other strategies. Jeremy also conducts research on model and process improvements for these strategies. He is also a member of the Man Group Responsible Investment Committee. Prior to joining Man Numeric in 2014, he was a portfolio manager at Batterymarch Financial Management for emerging markets and global managed volatility strategies. Prior to that, Jeremy held portfolio management and quantitative research roles at Blackstone and Citigroup Asset Management. Jeremy received a bachelor's degree in computer engineering from the University of Michigan and an MBA from the Massachusetts Institute of Technology Sloan School of Management. Jeremy is a CFA® charterholder.



Mickael Nouvellon, CFA Senior Portfolio Manager

Mickael Nouvellon is a senior portfolio manager at Man Numeric. He leads the day-to-day management of emerging markets and Asia portfolios and assists in managing other strategies within the group. Mickael is also involved in the research efforts of the group to improve the processes and models used by the team. Prior to joining Man Numeric in 2014, Mickael was a portfolio manager at Disciplined Alpha and in the Canadian Active and Global Enhanced groups at State Street Global Advisors. Mickael received a bachelor's degree in economics and a master's degree in computational finance from the University of Montreal, as well as a French degree in engineering from the National School of Statistics and Information Analysis. He is also a CFA® charterholder.



Nina Gnedin Portfolio Manager

Nina Gnedin is a portfolio manager at Man Numeric. She is responsible for the day-to-day management of developed markets strategies. Nina joined Man Numeric in 2017 as a quantitative researcher on the Strategic Alpha Research team. Prior to joining Man Group, Nina worked in investment banking at JP Morgan Chase. Nina received a bachelor's degree in economics and mathematics from the University of Chicago and a master's degree in finance and data science from Princeton University.



Valerie Xiang Portfolio Manager

Valerie Xiang is a portfolio manager at Man Numeric. She is responsible for the day-to-day management of developed markets strategies. Prior to joining Man Numeric in 2019, Valerie worked at Panagora and Citigroup Global Markets. Valerie received a bachelor's degree in economics from Fudan University and Masters' degree in finance from Massachusetts Institute of Technology.



Hannan Zheng Senior Portfolio Analyst

Hannan Zheng is a senior portfolio analyst at Man Numeric. He joined Man Numeric in 2022. Prior to joining Man Group, he was a data analyst at Fidelity Investments. Hannan received a bachelor's degree in finance from Xiamen University, a master's degree in math finance from Boston University and a doctorate degree in math finance from Boston University.

Numeric International Small Cap Disclosure

As of December 31, 2024

	Absolute Returns			Relative Returns ²		3 Yr Ann Standard Deviation		Number of Portfolios	Dispersion Internal Asset Wtd.	Composite Assets		
	Gross-of-Fees Return (%)	Net-of-Fees Return (%)	Benchmark Return (%)	Gross-of-Fees Return (%)	Net-of-Fees Return (%)	Composite	Benchmark			End of Period (\$mm)	% of Firm Assets	Firm Assets (\$bn)
2014	-2.52%	-3.40%	-5.34%	2.82%	1.95%	14.01%	13.61%	≤5	n/a	315.68	1.89%	16.70
2015	11.56%	10.57%	5.46%	6.10%	5.11%	11.57%	11.69%	≤5	n/a	306.80	1.60%	19.23
2016	4.25%	3.32%	4.32%	-0.06%	-0.99%	11.09%	12.49%	≤5	n/a	230.37	0.98%	23.56
2017	34.96%	33.78%	31.04%	3.93%	2.75%	10.50%	11.69%	≤5	n/a	363.36	1.16%	31.45
2018	-21.76%	-22.48%	-18.07%	-3.69%	-4.40%	12.80%	12.73%	6	0.13%	841.10	2.80%	29.99
2019	24.98%	23.88%	25.41%	-0.43%	-1.53%	12.75%	11.93%	≤5	n/a	1,073.35	3.42%	31.43
2020	6.32%	5.40%	12.78%	-6.46%	-7.38%	23.00%	21.08%	≤5	n/a	924.35	3.27%	28.23
2021	15.74%	14.77%	11.14%	4.60%	3.63%	22.09%	20.02%	≤5	n/a	792.54	2.16%	36.76
2022	-16.01%	-16.73%	-20.59%	4.58%	3.86%	25.03%	23.30%	≤5	n/a	674.67	2.12%	31.83
2023	17.99%	17.00%	12.62%	5.36%	4.38%	18.42%	18.21%	≤5	n/a	684.88	1.84%	37.32
2024	14.37%	13.42%	2.76%	11.61%	10.65%	18.25%	18.45%	≤5	n/a	774.52	2.09%	37.12
Cum (SI)	229.04%	190.94%	108.77%	120.27%	82.16%							
Ann (SI)	8.87%	7.92%	5.39%	3.48%	2.53%							

Past performance is not indicative of future results. Returns may increase or decrease as a result of currency fluctuations.

1. Composite inception date January 01, 2011. 2. Relative Returns are provided as supplemental information. These reference the gross and net of fee absolute returns reduced by the return of the International Small Cap BM, respectively. More information on how this composite was constructed is available on the next page.

Numeric International Small Cap Disclosure

1) Numeric Investors LLC (Numeric) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Numeric has been independently verified for the periods January 1, 2001 through December 31, 2024. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

2) Numeric Investors L.P. was founded in 1989 and reorganized in 2004 as Numeric Investors LLC ("Numeric"). In September 2014, Numeric was partially acquired by Man Group plc ("Man"). In September 2019, Numeric became a wholly-owned indirect subsidiary of Man. Man is a global independent asset manager headquartered in London. Man has four main investment divisions: AHL/MSS, GLG, FRM, and Numeric. Numeric is an investment adviser registered with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended. Numeric is a commodity pool operator registered with the U.S. Commodity Futures Trading Commission and a member of the National Futures Association. The firm is defined as all portfolios managed by Numeric.

3) For inclusion in the composite, an account must have a minimum market value of \$1,000,000. If there is a significant cash flow in an account in the composite, where significant is defined as a cash flow greater than 10% of the portfolio's prior month-ending market value, the performance for that account is excluded from the composite for the entire month in which the cash flow occurred. This treatment is applied for cash flows occurring only after June of 2013 in accordance with GIPS. If cash is not completely invested in the case of inflows or divested in the case of outflows during the month of the cash flow, the performance for prior or the subsequent month will also be excluded from the composite.

4) The Numeric International Small Cap Composite was created in January of 2011. The preferred benchmark for the composite is a custom index that links the MSCI EAFE Small Cap from inception through August 2013 to the MSCI World ex US Small Cap Index from September 2013 forward. The change is due to the addition of Canada to the universe at that time. The universe for the strategy is primarily but not exclusively based on this index. Valuations are computed and performance is reported in US dollars. On average the portfolios in this composite will hold approximately 300-450 long securities.

5) Gross-of-fee composite return is presented before management and custodial fees but after all trading expenses. Performance is net of withholding taxes on dividends, interest, and capital gains. These taxes can be a combination of reclaimable and non-reclaimable withholding taxes.

6) Numeric calculates the net-of-fee composite return by applying the maximum applicable management fee ("maximum fee") to the gross-of-fee composite return. This maximum fee may consist of a base fee plus a performance fee in those years when the composite outperforms its benchmark. The maximum management fee schedule for the Numeric International Small Cap composite is 0.85% of assets under management. The highest management fee prior to July 2020 was 0.90%. Performance fees, if applicable, are modeled and computed for Global Investment Performance Standards (GIPS®) report purposes once per year at each calendar year end. Where applicable, the net-of-fee composite return does not reflect the deduction of an administrator fees or expenses for any account that has charged such a fee. The net-of-fee composite returns would be lower than those presented if such administrator fee were deducted. Generally, these expenses should not exceed 0.50%.

7) Relative return is a benchmark relative performance figure which equals the absolute return less the benchmark return for the given period.

8) Internal dispersion is calculated using the asset - weighted standard deviation of the annual gross returns of those portfolios that were included in the composite for the entire year. Where there are five or fewer portfolios in the composite for the full year, internal dispersion is not applicable.

9) The three year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 month period. If 3 years of returns are not available standard deviation is not presented.

10) Policies for valuing portfolios, calculating performance, preparing GIPS® reports, list of Numeric composite descriptions, a list of Numeric limited distribution pooled fund descriptions, and a list of Numeric broad distribution pooled funds is available upon request.

Important Considerations

One should carefully consider the risks associated with investing, whether the strategy suits your investment requirements and whether you have sufficient resources to bear any losses which may result from an investment:

Investment Objective Risk - There is no guarantee that the Strategy will achieve its investment objective.

Market Risk - The Strategy is subject to normal market fluctuations and the risks associated with investing in international securities markets and therefore the value of your investment and the income from it may rise as well as fall and you may not get back the amount originally invested.

Counterparty Risk - The Strategy will be exposed to credit risk on counterparties with which it trades in relation to on-exchange traded instruments such as futures and options and where applicable, 'over-the-counter'("OTC", "non-exchange") transactions. OTC instruments may also be less liquid and are not afforded the same protections that may apply to participants trading instruments on an organized exchange.

Currency Risk - The value of investments designated in another currency may rise and fall due to exchange rate fluctuations. Adverse movements in currency exchange rates may result in a decrease in return and a loss of capital. It may not be possible or practicable to successfully hedge against the currency risk exposure in all circumstances.

Liquidity Risk - The Strategy may make investments or hold trading positions in markets that are volatile and which may become illiquid. Timely and cost efficient sale of trading positions can be impaired by decreased trading volume and/or increased price volatility.

Financial Derivatives - The Strategy may invest in financial derivative instruments ("FDI") (instruments whose prices are dependent on one or more underlying asset) typically for hedging purposes. The use of FDI involves additional risks such as high sensitivity to price movements of the asset on which it is based. The use of FDI may multiply the gains or losses.

Leverage - The Strategy's use of FDI may result in increased leverage which may lead to significant losses.

Model and Data Risk - The Investment Manager relies on quantitative trading models and data supplied by third parties. If models or data prove to be incorrect or incomplete, the Strategy may be exposed to potential losses. Models can be affected by unforeseen market disruptions and/or government or regulatory intervention, leading to potential losses.

Important Information

This material is of a promotional nature.

This material was prepared by Numeric Investors LLC ("Numeric," Investment Manager). Numeric is registered as an investment advisor with the US Securities and Exchange Commission ("SEC"). Numeric is also registered as a commodity pool operator with the National Futures Association ("NFA") as authorized by the US Commodity Futures Trading Commission ("CFTC"). Numeric utilizes its affiliate, Man Investments Inc. ("Man Investments") to assist in the marketing of its investment services. To that end, in the US this material is presented by Man Investments. Man Investments is registered as a broker-dealer with the SEC and is a member of the Financial Industry Regulatory Authority ("FINRA"). Man Investments is also a member of Securities Investor Protection Corporation ("SIPC"). Man Investments and Numeric are members of Man Group plc. ("Man Group"). The registrations and memberships in no way imply a certain level of skill or that the SEC, FINRA, SIPC, CFTC or NFA have endorsed Man Investments or Numeric. In the US, Man Investments can be contacted at 1345 Avenue of the Americas, 21st Floor, New York, NY 10105, Telephone: (212) 649-6600.

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Glossary

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The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of 21 emerging market country indices. The MSCI Daily Total Return (DTR) Methodology reinvests dividends in the indices on the day the security is quoted ex-dividend (ex-date). For more details on the index, please visit: https://www.msci.com/resources/factsheets/index_fact_sheet/msci-emerging-markets-index-usd-net.pdf

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The **MSCI World ex USA Small Cap Index** captures small cap representation across 22 of 23 Developed Markets (DM) countries* (excluding the United States). With 2,547 constituents, the

index covers approximately 14% of the free float-adjusted market capitalization in each country. <https://www.msci.com/documents/10199/94076f89-3150-4ff7-8e64-be41786b969f>

The **S&P/ASX 300 Index** is designed to provide investors with broader exposure to the Australian equity market. The index is liquid and float-adjusted, and it measures up to 300 of Australia's largest securities by float-adjusted market capitalization. The S&P/ASX 300 index covers the large-cap, mid-cap, and small-cap components of the S&P/ASX 300 Index Series. This index is designed to address investment managers' needs to benchmark against a broad opportunity set characterized by sufficient size and liquidity. <https://us.spindices.com/indices/equity/sp-asx-300>

The **MSCI Europe Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. The MSCI Europe Index consists of the following 15 developed market country indexes: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. For more details on the index, please visit: https://www.msci.com/resources/factsheets/index_fact_sheet/msci-europe-index.pdf

The **MSCI Japan Index** is designed to measure the performance of the large and mid cap segments of the Japanese market. With 323 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan. <https://www.msci.com/documents/10199/b3ee6464-f705-4d65-81a0-d8756607cf9f>

The **Russell 1000 Index** measures the performance of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000® Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 92% of the U.S. market. The Russell 1000 Index is constructed to provide a comprehensive and unbiased barometer for the large-cap segment and is completely reconstituted annually to ensure new and growing equities are reflected. For more details on the index, please visit: <https://www.russell.com/indexes/americas/indexes/fact-sheet.page?ic=US1000>

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Disclosure

The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000 is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set. For more details on the index, please visit: <https://www.russell.com/indexes/americas/indexes/factsheet.page?ic=US2000>

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ICE BofA US High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of \$250 million. <https://indices.theice.com/>

ICE BofA Japan Treasury Bill Index tracks the performance Japanese Treasury Bills publicly issued by the Japanese government in its domestic market. Qualifying securities must have at least one month remaining term to final maturity and a minimum amount outstanding of JPY 200 billion. Securities issued or marketed primarily to retail investors are excluded. Index constituents are market capitalization weighted. Accrued interest is calculated assuming next-day settlement. Cash flows from bond payments that are received during the month are retained in the index until the end of the month and then are removed as part of the rebalancing. Cash does not earn any reinvestment income while it is held in the index. Information concerning constituent bond prices, timing and conventions and index governance and administration is provided in the ICE BofA Bond Index Methodologies, which can be accessed on our public website (<https://indices.theice.com>), or by sending a request to iceindices@theice.com. The index is rebalanced on the last calendar day of the month, based on information available up to and including the third business day before the last business day of the month. New issues must settle on or before the calendar month end rebalancing date in order to qualify for the coming month. No changes are made to constituent holdings other than on month end rebalancing dates. <https://indices.theice.com>

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International Small Cap Blend Analysis

Los Angeles Fire and Police Pension System

Universe: eVestment International Small Cap Equity

Performance Data as of: September 2025

Performance Format: Gross of Fees

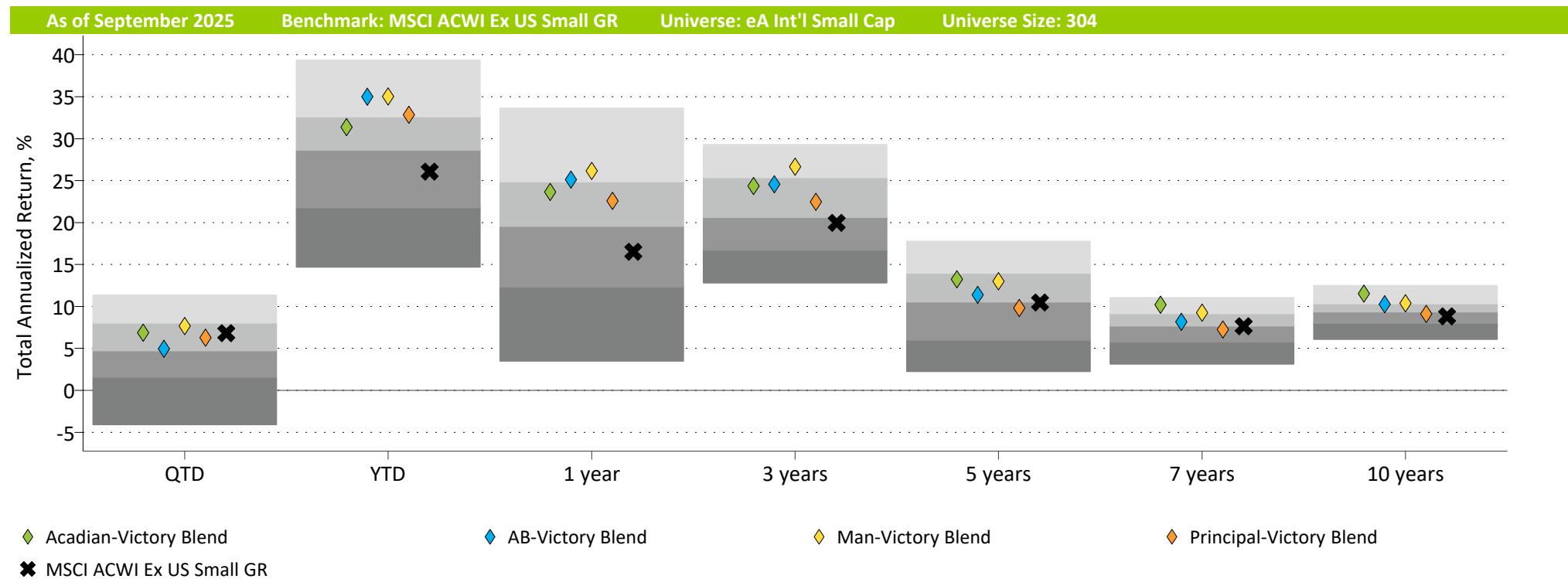
Analysis Summary: Int'l Small Cap Manager Blends

RVK and Staff reviewed the historical results assuming that Acadian, AllianceBernstein and Man Numeric had been combined with the current incumbent, Victory Trivalent, in an equal-weighted fashion. The results were compared to a blend of Victory Trivalent and Principal. Key takeaways are noted below:

- All three managers would have resulted in better trailing period returns as of 09/30/2025 above the current blend between Principal and Victory Trivalent.
- The increase in performance is even more prominent on a risk-adjusted basis across the long-term according to the 10-year Information Ratio and Sharpe Ratio statistics.
- From a risk perspective, the blends exhibit lower relative risk (tracking error) compared to the current blend between Principal and Victory Trivalent which indicates each would not have contributed additional relative risk. The prospective blends would have produced a similar style bias to the peer group median as well.
- The following pages include additional exhibits to display the differences in risk and return between each prospective blend, each assumes an equal-weighted allocation between the managers.

Annualized Performance	QTD	YTD	1 year	3 years	5 years	7 years	10 years
Acadian-Victory Blend	6.9	31.4	23.6	24.4	13.2	10.2	11.5
AB-Victory Blend	5.0	35.0	25.1	24.6	11.4	8.2	10.3
Man-Victory Blend	7.7	35.0	26.1	26.7	13.0	9.3	10.4
<i>Principal-Victory Blend</i>	6.3	32.9	22.6	22.5	9.8	7.3	9.1
MSCI ACWI Ex US Small GR	6.8	26.1	16.5	19.9	10.5	7.6	8.8
eA Int'l Small Cap Median	4.7	28.7	19.6	20.6	10.6	7.7	9.4

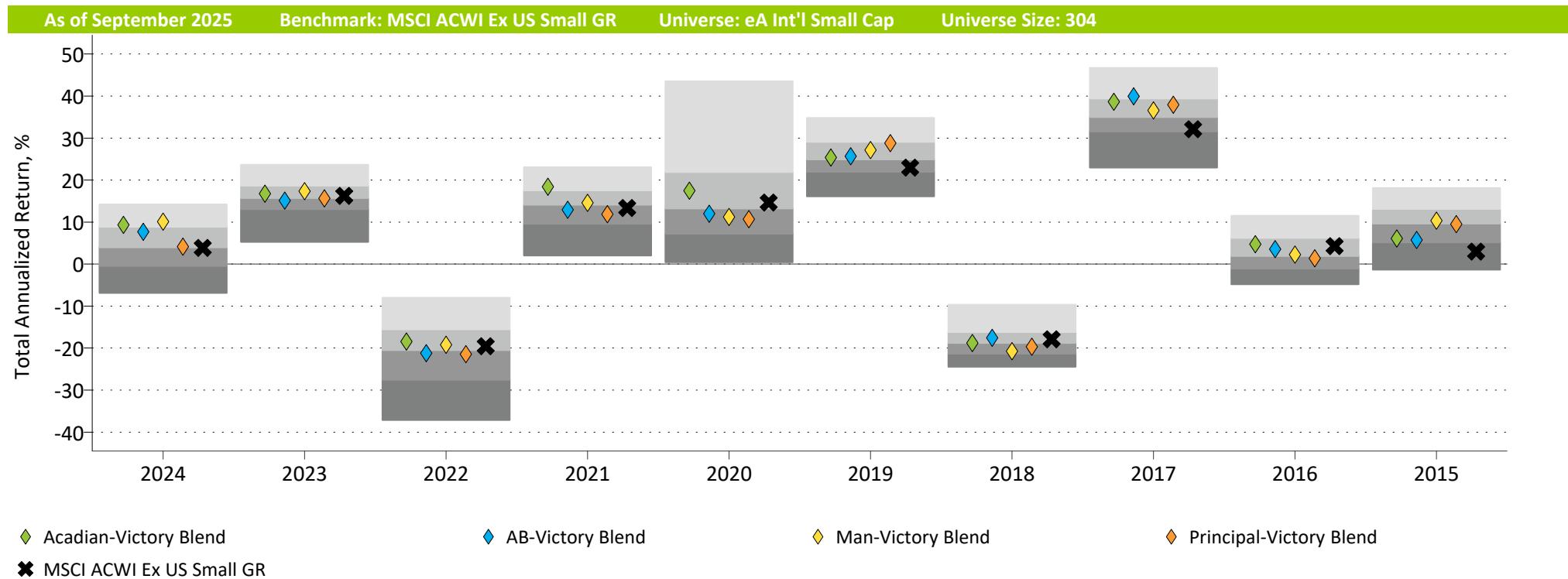
Trailing Period Returns and Rankings



Annualized Performance	QTD		YTD		1 year		3 years		5 years		7 years		10 years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Acadian-Victory Blend	6.9	34	31.4	34	23.6	31	24.4	31	13.2	30	10.2	13	11.5	11
AB-Victory Blend	5.0	49	35.0	15	25.1	22	24.6	30	11.4	47	8.2	41	10.3	27
Man-Victory Blend	7.7	27	35.0	15	26.1	18	26.7	18	13.0	31	9.3	22	10.4	25
Principal-Victory Blend	6.3	40	32.9	25	22.6	37	22.5	42	9.8	54	7.3	58	9.1	53
MSCI ACWI Ex US Small GR	6.8	36	26.1	63	16.5	63	19.9	58	10.5	51	7.6	51	8.8	57
eA Int'l Small Cap Median	4.7	50	28.7	50	19.6	50	20.6	50	10.6	50	7.7	50	9.4	50

Performance is gross of fees.

Calendar Year Returns and Rankings



Calendar Year Performance	2024		2023		2022		2021		2020		2019		2018		2017		2016		2015	
	Return	Rank																		
Acadian-Victory Blend	9.3	22	16.7	40	-18.5	39	18.4	20	17.5	35	25.4	46	-18.8	50	38.6	29	4.8	32	6.1	71
AB-Victory Blend	7.7	32	15.1	54	-21.2	53	12.9	59	12.0	55	25.6	44	-17.5	35	39.9	23	3.5	40	5.8	73
Man-Victory Blend	10.1	19	17.4	34	-19.2	41	14.6	46	11.2	57	27.2	32	-20.7	71	36.6	41	2.3	47	10.3	46
Principal-Victory Blend	4.1	48	15.6	51	-21.5	54	11.9	68	10.7	60	28.8	26	-19.7	61	38.0	34	1.4	54	9.5	51
MSCI ACWI Ex US Small GR	3.9	51	16.2	44	-19.6	43	13.4	57	14.7	46	22.9	65	-17.9	39	32.1	73	4.3	37	3.0	85
eA Int'l Small Cap Median	4.0	50	15.7	50	-20.5	50	14.1	50	13.2	50	24.9	50	-18.8	50	35.0	50	1.9	50	9.6	50

Performance is gross of fees.

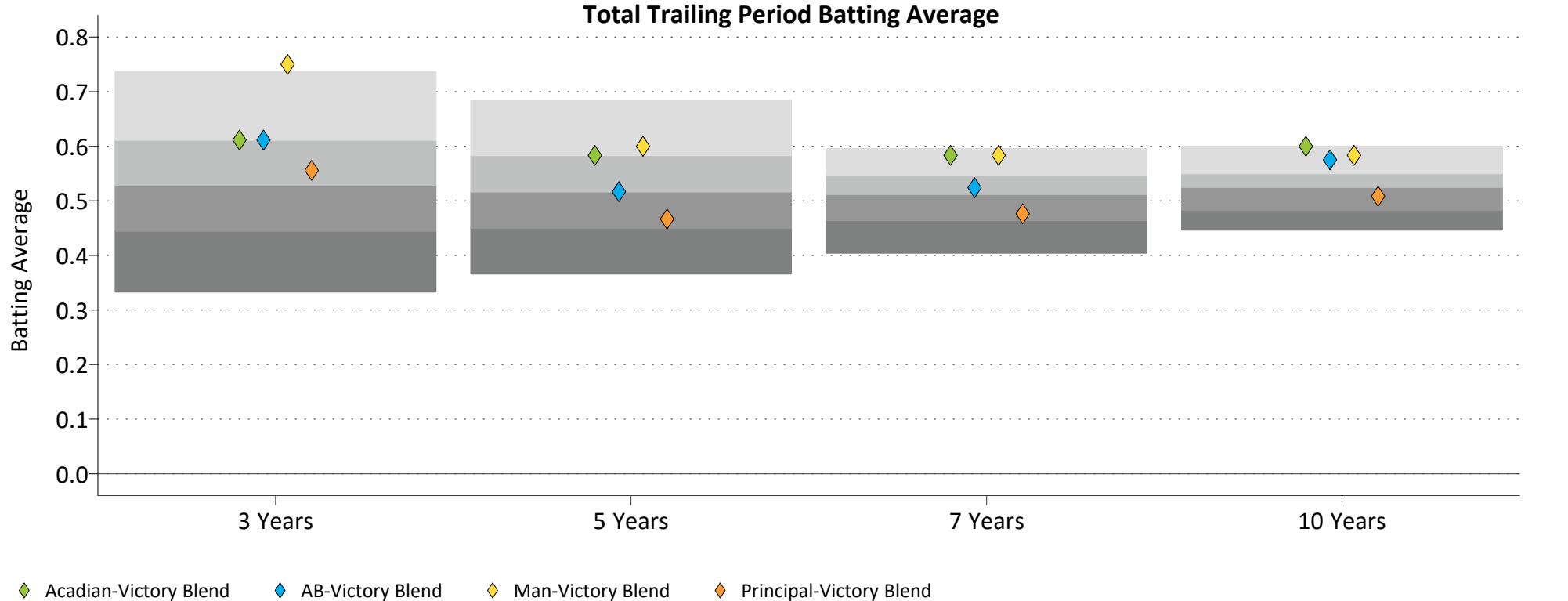
Trailing Period Batting Average

As of September 2025

Benchmark: MSCI ACWI Ex US Small GR

Universe: eA Int'l Small Cap

Universe Size: 304



◆ Acadian-Victory Blend ◆ AB-Victory Blend ◆ Man-Victory Blend ◆ Principal-Victory Blend

	Up Mkt Batting Average				Down Mkt Batting Average			
	3 Years	5 Years	7 Years	10 Years	3 Years	5 Years	7 Years	10 Years
Acadian-Victory Blend	0.63	0.64	0.63	0.62	0.58	0.50	0.52	0.57
AB-Victory Blend	0.71	0.64	0.63	0.62	0.42	0.33	0.36	0.50
Man-Victory Blend	0.83	0.75	0.71	0.65	0.58	0.38	0.39	0.48
Principal-Victory Blend	0.63	0.58	0.57	0.55	0.42	0.29	0.33	0.43
eA Int'l Small Cap Median	0.54	0.53	0.51	0.51	0.50	0.46	0.48	0.50

Up/Down Market Capture - Seven and Ten Year

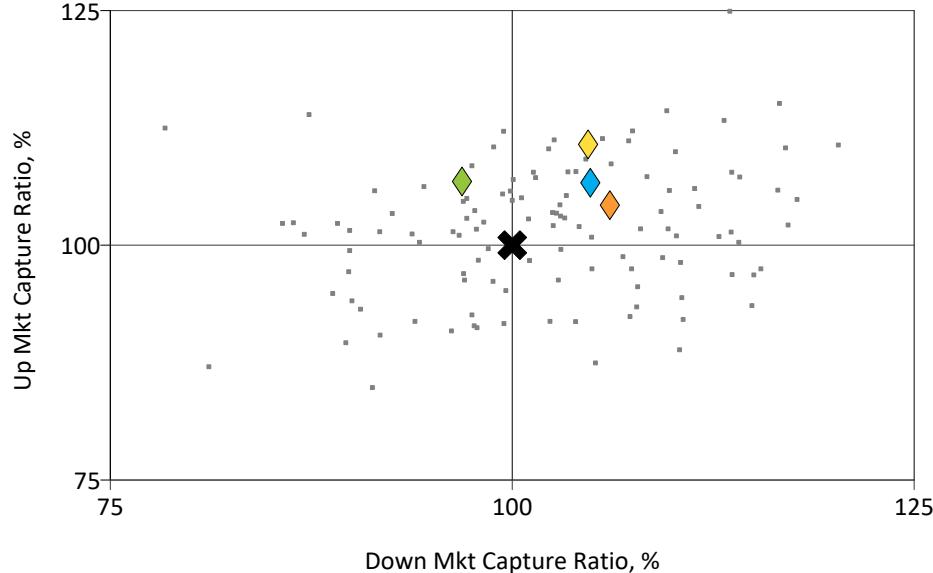
As of September 2025

Benchmark: MSCI ACWI Ex US Small GR

Universe: eA Int'l Small Cap

Universe Size: 304

Seven Year Up/Down Market Capture Ratio



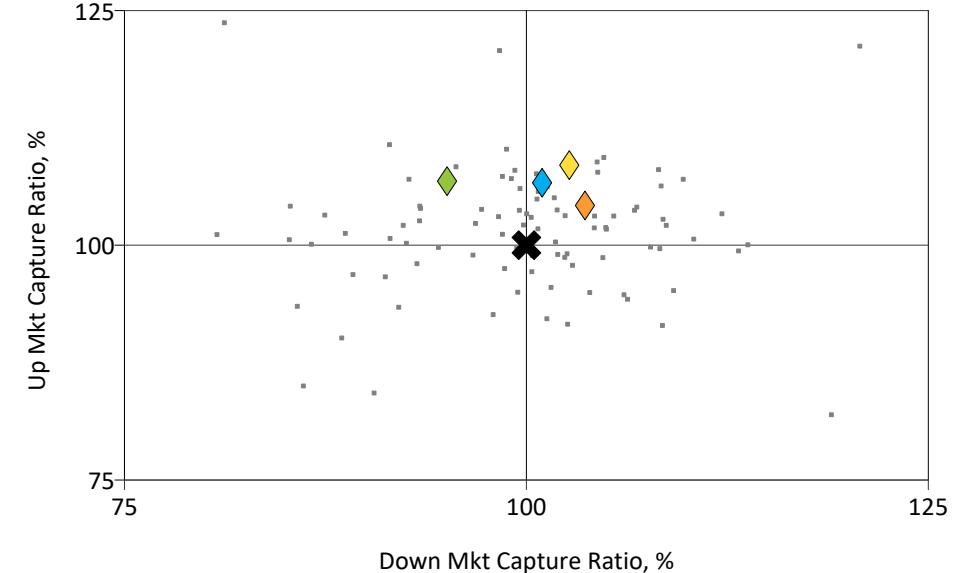
eA Int'l Small Cap

Principal-Victory Blend

Acadian-Victory Blend

MSCI ACWI Ex US Small GR

Ten Year Up/Down Market Capture Ratio



AB-Victory Blend

Man-Victory Blend

	Up Mkt Cap Ratio, %	Up Mkt Months	Down Mkt Cap Ratio, %	Down Mkt Months
Acadian-Victory Blend	106.80	51	96.87	33
AB-Victory Blend	106.65	51	104.85	33
Man-Victory Blend	110.74	51	104.72	33
Principal-Victory Blend	104.29	51	106.08	33
MSCI ACWI Ex US Small GR	100.00	51	100.00	33
eA Int'l Small Cap Median	102.00	51	102.60	33

	Up Mkt Cap Ratio, %	Up Mkt Months	Down Mkt Cap Ratio, %	Down Mkt Months
Acadian-Victory Blend	106.83	74	95.06	46
AB-Victory Blend	106.66	74	100.97	46
Man-Victory Blend	108.54	74	102.67	46
Principal-Victory Blend	104.24	74	103.65	46
MSCI ACWI Ex US Small GR	100.00	74	100.00	46
eA Int'l Small Cap Median	101.86	74	100.35	46

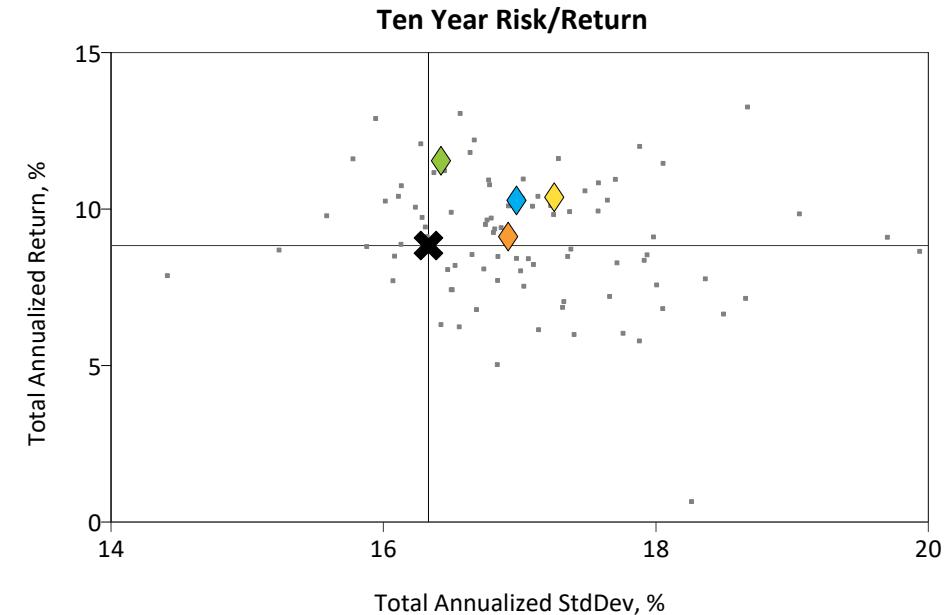
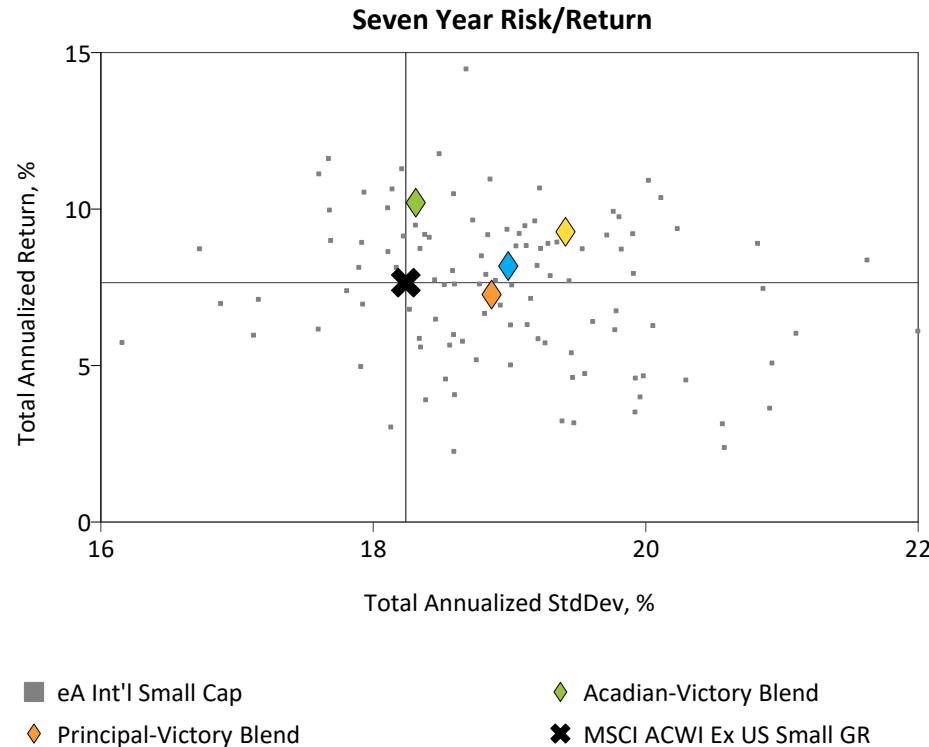
Risk/Return - Seven and Ten Year

As of September 2025

Benchmark: MSCI ACWI Ex US Small GR

Universe: eA Int'l Small Cap

Universe Size: 304



	Annualized Return	Annualized Std. Dev.
Acadian-Victory Blend	10.20	18.31
AB-Victory Blend	8.18	18.99
Man-Victory Blend	9.27	19.41
Principal-Victory Blend	7.27	18.87
MSCI ACWI Ex US Small GR	7.65	18.24
eA Int'l Small Cap Median	7.71	19.01

	Annualized Return	Annualized Std. Dev.
Acadian-Victory Blend	11.54	16.42
AB-Victory Blend	10.27	16.98
Man-Victory Blend	10.38	17.25
Principal-Victory Blend	9.12	16.91
MSCI ACWI Ex US Small GR	8.83	16.33
eA Int'l Small Cap Median	9.37	16.98

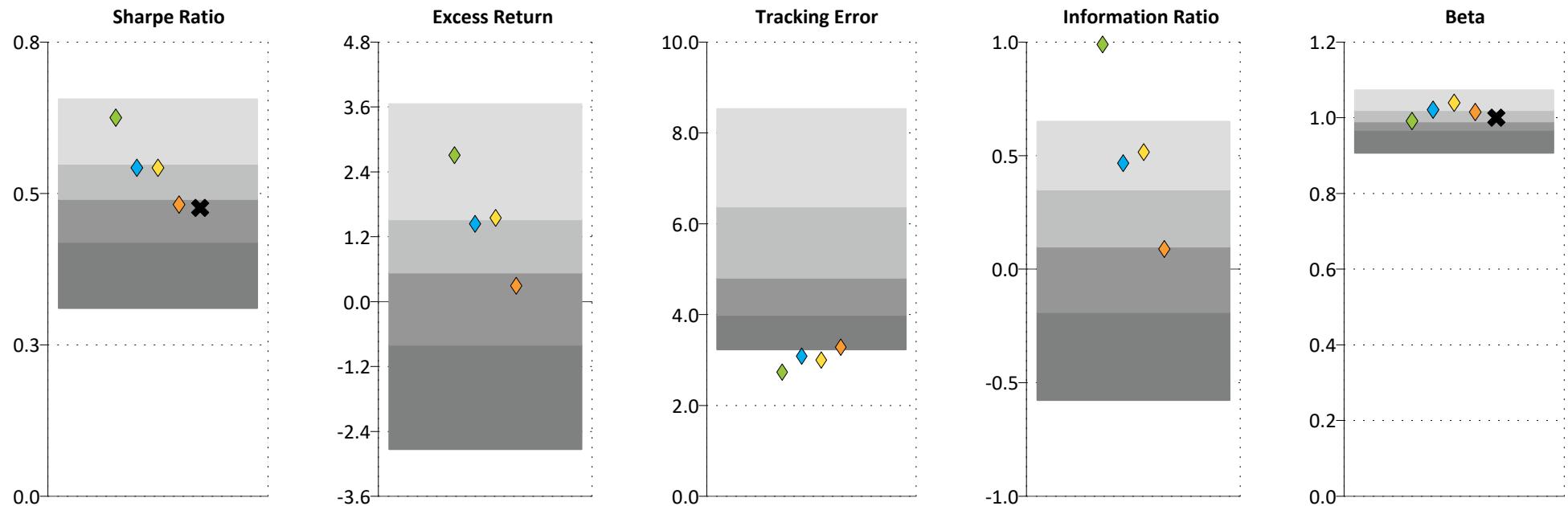
Modern Portfolio Theory Statistics - Ten Year

As of September 2025

Benchmark: MSCI ACWI Ex US Small GR

Universe: eA Int'l Small Cap

Universe Size: 304



◆ Acadian-Victory Blend

◆ AB-Victory Blend

◆ Man-Victory Blend

◆ Principal-Victory Blend

✖ MSCI ACWI Ex US Small GR

Firm/Product	Sharpe Ratio	Rank	Excess Return %	Rank	Tracking Error	Rank	Information Ratio	Rank	Beta	Rank
Acadian-Victory Blend	0.63	10	2.71	11	2.74	99	0.99	3	0.99	50
AB-Victory Blend	0.54	30	1.44	27	3.09	97	0.47	16	1.02	24
Man-Victory Blend	0.54	30	1.55	25	3.00	98	0.52	15	1.04	10
Principal-Victory Blend	0.48	55	0.29	53	3.28	95	0.09	51	1.02	32
MSCI ACWI Ex US Small GR	0.48	55	0.00	57	0.00	100	---	---	1.00	40
eA Int'l Small Cap Median	0.49	50	0.53	50	4.81	50	0.10	50	0.99	50

Returns Based Style Analysis

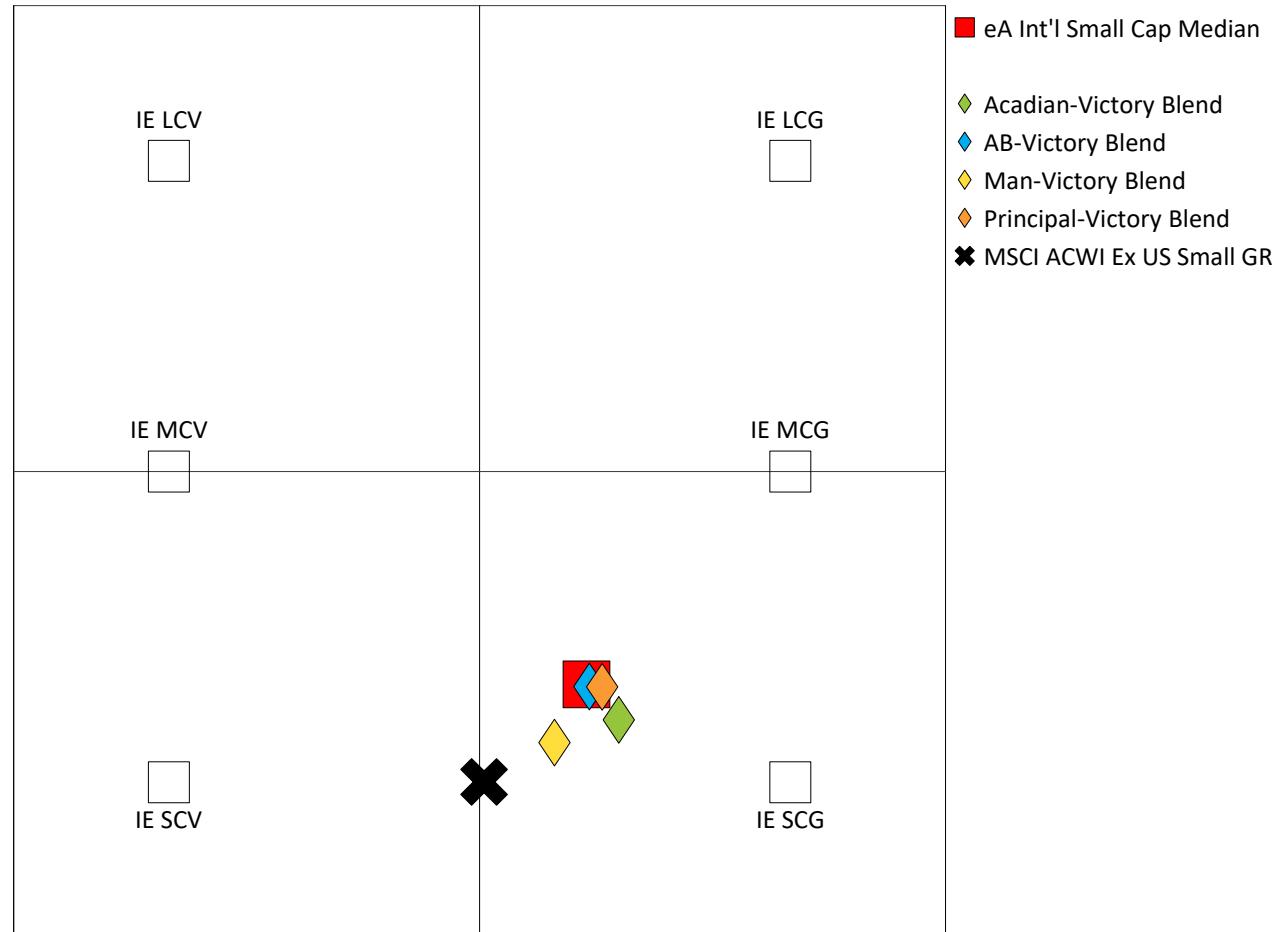
As of September 2025

Benchmark: MSCI ACWI Ex US Small GR

Universe: eA Int'l Small Cap

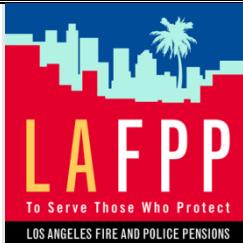
Universe Size: 304

Style Analysis - 10 Year Average



RVK

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DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026

ITEM: E.3

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: SECOND QUARTER REPORT OF THE 2025-26 ANNUAL PLAN AND POSSIBLE BOARD ACTION

RECOMMENDATION

That the Board authorize technical corrections to the 2025-26 Annual Plan to more accurately reflect the Project Leads for Operational Initiatives Projects No. 2 and No. 5.

BACKGROUND

The 2025-26 Annual Plan was approved by the Board on June 18, 2025, and includes a total of eight projects, of which three are Strategic Goal Projects and five are Operational Initiatives Projects.

LAFPP's current Vision, Mission, Strategic Goals, Guiding Principles, and Values are provided on page one of the 2025-26 Annual Plan (Attachment II). A summary of the eight projects included in the Annual Plan is provided on pages two and three of Attachment II. Six of the projects are newly added, while two are continuing from the 2024-25 Annual Plan.

PROJECTS ON SCHEDULE AND ON BUDGET

Staff is providing the second quarter report on the status and progress of the 2025-26 Annual Plan projects (Attachments I and II). As reflected in Attachment I, all projects are on schedule and on budget. Additionally, Attachment II includes two technical corrections to reflect updates in the Project Leads' civil service job titles (changes appear in red font for Operational Initiatives Projects Nos. 2 and 5).

Strategic Goal Project No. 1 – Member Feedback

Staff completed the review and analysis of the 3,606 member survey responses collected in Fiscal Year 2024-25. A summary of the survey findings was presented to the Board on December 18, 2025. Currently, staff are preparing to convene a focus group to discuss and identify potential process improvements for implementation based on the survey feedback.

Strategic Goal Project No. 2 – Emerging Manager Outreach

Investments Division staff co-hosted the Emerging Manager Networking Forum (EMNF) with the Los Angeles City Employees' Retirement System (LACERS). Staff coordinated with various emerging manager organizations, news outlets, and consulting firms to promote the event. The broad marketing campaign drew 138 interested firms to apply for one-on-one meeting slots.

The EMNF itself served as both an educational and networking event, featuring two panel discussions on public and private market investments with the two Plans' consultants, as well as one-on-one meetings with the two Plans' investment staff, and general networking. Forty-eight (48) managers attended the event, with 19 firms randomly selected for one-on-one meeting slots. A total of 33 firms were in attendance, with seven based in the City of Los Angeles. The event received very positive feedback from attendees.

Additionally, at the December 18, 2025 Board meeting, Investments Division staff presented revisions to Board Investment Policies Section 1.5, renamed from "Board Member and Staff Referral Restrictions for Potential New Investments" to "Board Member and Staff Referral Process for Potential New Private Market Fund Investments" as part of the Board's Annual Investment Policies Review. The Board approved the updated policy section.

Strategic Goal Project No. 3 – Mentorship Program

In October 2025, LAFPP hosted an in-person Mentoring Open House to educate employees on the benefits of mentoring, the LAFPP Mentoring Program's structure, and expected commitment and participation levels for mentees. The event, which was mandatory for participation, attracted 46 employees. Following the event, the mentorship application was distributed to all staff and eight applications were received during the three-week application period. Executive Management has identified mentors for each applicant. Training for the selected mentors will occur in January 2026 and mentorship pairings will begin meeting shortly thereafter. As such, the implementation of this project is approximately two months ahead of schedule.

Operational Initiatives Project No. 1 – Popular Annual Report

Communications and Education Section staff have received the documents required (i.e., Annual Actuarial Valuation, Department-wide contributions, etc.) to compose the Comprehensive Annual Report (CAR) and are in the process of preparing said report. Staff have also begun to input the actual figures into the first draft of the Popular Annual Report (PAR) to prepare for eventual posting on LAFPP's website by the March 31, 2026 milestone date. Staff also established the PAR theme (e.g., color scheme, pictures, etc.) and are awaiting the finalized CAR from the graphics designer to provide the full layout and style.

Operational Initiatives Project No. 2 – Elimination of the Attained Age Database

On November 18, 2025, Systems staff, on behalf of the Medical and Dental Benefits Section, received a quote from Neumo, our pension administration system consultant, estimating the number of work hours required to implement the specified changes into the Pension and Retirement Information System (PARIS). Initially, this project was thought to require a significant number of work hours, resulting in a change order. However, Neumo confirmed their ability to adjust the desired functionality and correspondence requirements using pre-existing contract hours, thereby eliminating the need for a change order.

Operational Initiatives Project No. 3 – Web-Based Contractor Disclosure Form

Internal Audit Section (IAS) staff conducted an education campaign on the upcoming transition for current contractors and LAFPP section managers who manage active contracts. The campaign concluded in December 2025. IAS also finalized both the Contractor Disclosure Webform (CDW) and Annual Gift Disclosure Webform (AGDW), by adding descriptive links to resource materials, clarifying instructions, and allowing contractors to submit forms directly online. Both the AGDW and CDW were made available to contractors on December 31, 2025. IAS had implemented a pilot program for the CDW during the previous quarterly filing period, with participants providing positive

comments and feedback. For the quarter, 16 of 95 total contractors participated in the pilot program. IAS staff also continued to establish baseline benchmarks by tracking the time required to receive and process CDW forms.

Operational Initiatives Project No. 4 – Review and Update of the Los Angeles Administrative Code for LAFPP Board Elections

Administrative Services and Human Resources Section staff developed a comprehensive matrix outlining all proposed changes to the Los Angeles Administrative Code (LAAC) sections governing LAFPP retired and employee Board member elections. These edits were incorporated into tracked-changes versions of the LAAC and reviewed by the Office of the City Attorney and City Clerk. On December 18, 2025, staff presented the proposed revisions to the Board for approval. The Board approved the proposed LAAC revisions with no changes. As such, LAFPP will be submitting the proposed LAAC revisions to the City Council for consideration and approval ahead of the Third Quarter Project Milestone.

Operational Initiatives Project No. 5 – Artificial Intelligence (AI)-Powered Reference Tool

Disability Pensions Section and Systems Section staff collaborated with Microsoft Unified Support to evaluate platforms and services best suited to support the development of an AI-powered reference tool within LAFPP's existing network infrastructure. Based on the project's objectives, deliverables, and compatibility within our existing infrastructure, Microsoft Copilot Agent (MCA) was selected. Systems Section staff is currently working with Microsoft to configure the MCA within the existing infrastructure.

As of December 2025, the project has received official approval from the City's Information Technology Agency regarding compliance with its AI Safety Checklist. Pending MCA integration into LAFPP's existing infrastructure, Disability Pensions Section staff will begin data source research, evaluation, and validation for the AI tool.

BUDGET

Funding for the proposed projects has been included in the 2025-26 Adopted Budget.

POLICY

There are no policy changes proposed in this report.

CONTRACTOR DISCLOSURE INFORMATION

There is no contractor disclosure information required with this report.

This report was prepared by:

Brandon Chung, Management Assistant
Administrative Services and Human Resources Section

JS:MTS:WKP:EJH:BTC:ADMN260010

Attachments: I. 2025-26 Annual Plan Dashboard – Second Quarter Report
 II. 2025-26 Annual Plan – Revised January 15, 2026



2025-26 ANNUAL PLAN DASHBOARD
SECOND QUARTER REPORT
QUARTER ENDING DECEMBER 31, 2025

<u>Strategic Goal Projects</u>					
<u>Strategic Goals</u>	<u>Project Title</u>	Overall Project Duration	2025-26 Milestone Dates	Overall Project Schedule	Overall Project Budget
<u>Goal 1</u> Enhance Member Experience by Implementing Ongoing Improvements Based on Member Feedback	1. Member Feedback	2024-25 2025-26 2026-27	●	●	●
<u>Goal 2</u> Enhance Outreach by Promoting Inclusivity and Engagement with Emerging Investment Managers	2. Emerging Manager Outreach	2024-25 2025-26	●	●	●
<u>Goal 3</u> Enhance Employee Development by Increasing Opportunities for Training and Leadership Development	3. Mentorship Program	2025-26	●	●	●
<u>Operational Initiatives Projects</u>					
<u>Guiding Principles</u>	<u>Project Title</u>	Overall Project Duration	2025-26 Milestone Dates	Overall Project Schedule	Overall Project Budget
Enhance Customer Care and Stakeholder Relations	1. Popular Annual Report	2025-26	●	●	●
Pursue Operational Efficiencies	2. Elimination of the Attained Age Database	2025-26	●	●	●
Pursue Operational Efficiencies	3. Web-Based Contractor Disclosure Form	2025-26	●	●	●
Pursue Operational Efficiencies	4. Review and Update of the Los Angeles Administrative Code for LAFPP Board Elections	2025-26	●	●	●
Pursue Operational Efficiencies	5. Artificial Intelligence-Powered Reference Tool	2025-26	●	●	●

Legend:	● On schedule or on budget
	● At risk of falling behind schedule or going over budget
	● Behind schedule/over budget
	✓ Project completed

2025-26 FINAL ANNUAL PLAN

INTRODUCTION

Los Angeles Fire and Police Pensions (LAFPP) prepares an Annual Plan each fiscal year consisting of projects to help accomplish its Strategic Plan Goals, as well as support its Guiding Principles. With preparation of the Annual Plan, LAFPP strives to fulfill our Vision and support our Mission as outlined in the 2025-27 Three-Year Strategic Plan. The Strategic Plan, as approved by the Board on January 18, 2024, established LAFPP's commitment to:

Vision

A secure and prosperous future for our members.

Mission

To advance the health and retirement security of those who dedicate their careers and risk their lives to protect the people of Los Angeles.

The 2025-27 Three-Year Strategic Plan was developed with input from the Board, the General Manager, our Plan member representatives, and LAFPP staff. This collaborative effort resulted in a new framework in which six prior Goals, Objectives, and Strategic Initiatives were retitled as "Guiding Principles" to reflect their role as a driving force behind every action we take as an organization. The new strategic planning framework additionally created three new Strategic Goals designed to set a destination toward which LAFPP will navigate and focus its resources.

Strategic Goals

1. Enhance Member Experience by Implementing Ongoing Improvements Based on Member Feedback
2. Enhance Outreach by Promoting Inclusivity and Engagement with Emerging Investment Managers
3. Enhance Employee Development by Increasing Opportunities for Training and Leadership Development

Guiding Principles

1. Ensure a Financially Sound Retirement System
2. Manage Risk Throughout the Organization
3. Enhance Customer Care and Stakeholder Relations
4. Pursue Operational Efficiencies
5. Build and Support a Talented Workforce
6. Promote Diversity, Equity, and Inclusion (DEI) Throughout the Organization, Including Our Investment Portfolio and Business Partners

Values

- Collaboration
- Respect
- Efficiency
- Accountability
- Transparency
- Ethics
- Diversity

2025-26 FINAL ANNUAL PLAN

PROJECT SUMMARY

The 2025-26 Final Annual Plan structures projects into two separate categories: 1) Strategic Goal projects, and 2) Operational Initiatives projects that support our Guiding Principles. Projects are organized further according to the Strategic Goal or Guiding Principle they support. The 2025-26 Final Annual Plan contains eight projects. Six projects are new and two are continuing from the 2024-25 Annual Plan.

2025-26 Strategic Goal Projects

1

Member Feedback

Strategic Goal:

1. *Enhance Member Experience by Implementing Ongoing Improvements Based on Member Feedback*

Project Lead(s):
Gregory Mack, Pensions Division
Anthony Torres, Pensions Division

Project Objective:

Enact process improvements that will enhance the member experience, based upon feedback from member and beneficiary surveys conducted in 2024-25.

2

Emerging Manager Outreach

Strategic Goal:

2. *Enhance Outreach by Promoting Inclusivity and Engagement with Emerging Investment Managers*

Project Lead(s):
Bryan Fujita, Investments Division
Annie Chao, Investments Division
Susan Liem, Investments Division
Miki Shaler, Investments Division

Project Objective:

Broaden engagement with emerging investment managers to increase the pool of candidates for LAFPP's investment portfolio, ensuring evaluation of a wide selection of managers capable of delivering superior risk-adjusted returns.

3

Mentorship Program

Strategic Goal:

3. *Enhance Employee Development by Increasing Opportunities for Training and Leadership Development*

Project Lead(s):
Wilson Poon, Administrative Operations Division

Project Objective:

Increase training and leadership development opportunities that allow employees to be successful at their jobs and careers, create an environment where employees feel the organization is invested in their career development, improve succession planning, and increase retention of institutional knowledge.

2025-26 Operational Initiatives Projects

1

2

3

Popular Annual Report

Guiding Principle:
3. Enhance Customer Care and Stakeholder Relations

Project Lead(s):
 Nashamah Freeman, Communications and Education Section

Project Objective:
 To deliver the Annual Report to stakeholders in a streamlined, accessible, and easy-to-understand format.

Elimination of the Attained Age Database

Guiding Principle:
4. Pursue Operational Efficiencies

Project Lead(s):
 Jennifer Chan, Medical and Dental Benefits Section

Project Objective:
 To retire the Attained Age Database by integrating its functionality and correspondence into the Pension Administration System (PARIS).

Web-Based Contractor Disclosure Form

Guiding Principle:
4. Pursue Operational Efficiencies

Project Lead(s):
 Jennifer Van, Internal Audit Section
 Christian Torres, Internal Audit Section

Project Objective:
 To optimize the Contractor Disclosure Reporting Form that currently relies on substantial manual interventions from contractors, Internal Audit staff, and department staff to report, collect, and compile needed information.

4

Review and Update of the Los Angeles Administrative Code for LAFFP Board Elections

Guiding Principle:
4. Pursue Operational Efficiencies

Project Lead(s):
 JC De La Cruz, Administrative Services and Human Resources Section
 Brandon Chung, Administrative Services and Human Resources Section

Project Objective:
 To update the Los Angeles Administrative Code (LAAC) Division 23, Chapter 5, Article 5 and 5.5, as well as the Board Operating Policies and Procedures Section 6.0, which govern the administration of the elections for the Board of Fire and Police Pension Commissioners' four elected commissioner seats.

5

Artificial Intelligence-Powered Reference Tool

Guiding Principle:
4. Pursue Operational Efficiencies

Project Lead(s):
 Timothy Morita, Disability Pensions Section
 Kyle Susswain, Disability Pensions Section
 Stevie De Jong, Disability Pensions Section

Project Objective:
 To accelerate training and ensure knowledge transfer of Disability Pension-specific references (e.g., City Charter, Los Angeles Administrative Code, Summary Plan Descriptions, etc.) and guides through Artificial Intelligence (AI)-powered learning tools.

Strategic Goal Project #1

Member Feedback

<i>Strategic Goal No.:</i>	1 – Enhance Member Experience by Implementing Ongoing Improvements Based on Member Feedback
<i>Duration:</i>	2024-25, 2025-26, and 2026-27
<i>Project Lead(s):</i>	Gregory Mack, Assistant General Manager, Pensions Division Anthony Torres, Chief Benefits Analyst, Pensions Division
<i>Project Participants:</i>	Pensions Division staff
<i>Stakeholders:</i>	LAFPP Members

OBJECTIVE

Enact process improvements that will enhance the member experience, based upon feedback from member and beneficiary surveys conducted in 2024-25.

BACKGROUND

LAFPP members, retirees, and their beneficiaries rely on LAFPP to administer their pension and retiree health benefits. This project will seek to identify areas where improvements can be made to enhance the member experience. In 2024-25, Pensions Division staff worked with the Fire/Police Relief Associations, Unions, and Los Angeles Retired Fire and Police Association (LARFPA) representatives to gather ideas on improvements that LAFPP can make to enhance the member experience. Staff also developed and released a series of surveys to gather feedback from members and beneficiaries.

2025-26 DELIVERABLES

Pensions Division staff will complete the review of the survey responses and compile all suggested process improvements. Additionally, at least one focus group of members will be conducted to further delve into survey feedback and help prioritize suggested process improvements. Information from the surveys and the focus group(s) will be used to identify enhancements that can be implemented in 2025-26 and 2026-27.

2025-26 MILESTONES

BY DECEMBER 31, 2025:

Complete the review and analysis of the responses received from the surveys conducted in 2024-25.

Strategic Goal Project #1

Member Feedback

2025-26 MILESTONES (cont.)

BY MARCH 31, 2026:

Conduct and complete member focus group(s) to discuss, identify, and solicit member feedback on potential process improvements suggested by survey responses for implementation.

BY JUNE 30, 2026:

- a) Implement identified process improvements that can be completed quickly and within existing resources; and,
- b) Determine the process improvements for implementation in 2026-27.

METRICS

- a) Conduct at least one focus group; and,
- b) Identify at least one process improvement.

RESOURCES

No additional resources are required. All project deliverables will be implemented with existing resources. Future process improvements in 2026-27 may require additional funding that will be determined as part of the 2026-27 Budget development process.

Strategic Goal Project #2

Emerging Manager Outreach

<i>Strategic Goal No.:</i>	2 – Enhance Outreach by Promoting Inclusivity and Engagement with Emerging Investment Managers
<i>Duration:</i>	2024-25 and 2025-26
<i>Project Lead(s):</i>	Bryan Fujita, Chief Investment Officer, Investments Division Annie Chao, Investment Officer III, Investments Division Susan Liem, Investment Officer III, Investments Division Miki Shaler, Investment Officer II, Investments Division
<i>Project Participants:</i>	Executive Management, Investments staff, General Investment Consultant, Private Equity, Private Credit, and Real Estate Consultants
<i>Stakeholders:</i>	Board Members, LAFPP Members, and Investments staff

OBJECTIVE

Broaden engagement with emerging investment managers to increase the pool of candidates for LAFPP's investment portfolio, ensuring evaluation of a wide selection of managers capable of delivering superior risk-adjusted returns.

BACKGROUND

The Board adopted the 2025-2027 Strategic Plan, which includes Strategic Goal No. 2 – Enhance Outreach by Promoting Inclusivity and Engagement with Emerging Investment Managers. This goal aims to strengthen the Board's longstanding Emerging Manager Program by expanding outreach channels to emerging managers when evaluating investment opportunities. In Year 1 (2024-25) of this project, two of the initiatives that Investments staff focused on included updating the Emerging Manager Program webpage on the LAFPP website and participating in emerging manager industry events. In Year 2 (2025-26), Investments staff will further LAFPP's engagement by leveraging the accomplishments of Year 1.

2025-26 DELIVERABLES

Investments staff will explore new relationships with emerging manager organizations and will gather feedback and suggestions from emerging managers to further refine the updated Emerging Manager Program webpage. Investments staff will also plan and host/co-host an emerging manager educational event. Investments staff will review Board Investment Policies Section 1.5 – Board Member and Staff Referral Restrictions for Potential New Investments with the Board's consultants for potential clarifications and process enhancements. Investments staff will also explore ways to enhance tracking of emerging managers introduced to consultants.

Strategic Goal Project #2

Emerging Manager Outreach

2025-26 MILESTONES

BY SEPTEMBER 30, 2025:

- a) Research additional emerging manager organizations for consideration to be affiliated with or become members of;
- b) Review Board Investment Policies Section 1.5 – Board Member and Staff Referral Restrictions for Potential New Investments for possible clarifications and process enhancements; and,
- c) Begin planning process for an emerging manager educational event, including meeting and collaborating with potential partners organizations such as like-minded public pension plans, investment consultants, and emerging manager organizations.

BY DECEMBER 31, 2025:

- a) Draft and present updates to the Board of Board Investment Policies Section 1.5; Host/co-host emerging manager education event:
- b) Coordinate with potential partner organizations and LAFPP staff on broad marketing and promotion of the event, and,
- c) Arrange event details and logistics with LAFPP staff.

BY MARCH 31, 2026:

- a) Collect feedback and suggestions from emerging managers on the updated Emerging Manager Program webpage on the LAFPP website;
- b) Develop a new tracking mechanism for emerging managers referred to consultants; and,
- c) Consider membership options for LAFPP to join additional emerging manager organizations.

BY JUNE 30, 2026:

- a) Review and update the Emerging Manager Program webpage based on the feedback received;
- b) Begin incorporating the new tracking mechanism for emerging managers referred to consultants per Board Investment Policies Section 1.5; and,
- c) Budget for potential membership fees and join additional emerging manager organizations.

Strategic Goal Project #2

Emerging Manager Outreach

METRICS

- a) Number of meetings with emerging managers taken by Investments staff;
- b) Number of emerging managers that participate in the emerging manager educational event hosted by Investments staff;
- c) Number of emerging manager events attended by Investments staff; and,
- d) Number of emerging managers that complete the new manager intake form on the LAFPP website.

RESOURCES

The costs associated with supplies for the emerging manager educational event hosted by Investments staff are included within the 2025-26 Final Budget.

Strategic Goal Project #3

Mentorship Program

<i>Strategic Goal No.:</i>	3 – Enhance Employee Development by Increasing Opportunities for Training and Leadership Development
<i>Duration:</i>	2025-26
<i>Project Lead(s):</i>	Wilson Poon, Chief Management Analyst, Administrative Operations Division
<i>Project Participants:</i>	LAFPP staff
<i>Stakeholders:</i>	LAFPP staff

OBJECTIVE

Increase training and leadership opportunities that allow employees to be successful at their jobs and careers, create an environment where employees feel the organization is invested in their career development, improve succession planning, and increase retention of institutional knowledge.

BACKGROUND

In 2024-25, staff conducted research on existing mentorship programs across the City and other public pension systems. Using this research, LAFPP will develop its own mentorship program that seeks to provide informal, non-technical guidance to LAFPP's workforce.

2025-26 DELIVERABLES

This project seeks to implement a three-month mentorship pilot program. At the conclusion of the pilot, the mentor and mentee can opt to extend the program for an additional three months or longer. Potential mentees will be required to attend a mandatory open house and complete a survey, which will require them to identify personal goals and areas of employee development. Mentors will be identified based on the results of these surveys and will work with the mentee to develop a mentorship plan. Discussions between mentors and mentees are treated as confidential to allow both parties to speak freely and honestly.

2025-26 MILESTONES

BY SEPTEMBER 30, 2025:

- Develop mentorship program guidelines and expectations for both mentors and mentees; and,
- Solicit feedback from senior managers on the proposed guidelines.

Strategic Goal Project #3

Mentorship Program

2025-26 MILESTONES (cont.)

BY DECEMBER 31, 2025:

- a) Host a mandatory open house event for interested participants to learn about the program and discuss expectations and commitment level; and,
- b) Distribute survey instrument to all potential participants.

BY MARCH 31, 2026:

- a) Conduct training for mentors; and,
- b) Pair mentors and mentees.

BY JUNE 30, 2026:

- a) Conduct three-month follow-up with mentors and mentees; and,
- b) Develop a survey to measure the effectiveness of the mentorship program, to be distributed in 2026-27.

METRICS

Surveys will be distributed after three months to evaluate the effectiveness of the mentorship program and to assess any new job skills or knowledge that was acquired through the program.

RESOURCES

No additional resources are required. All project deliverables will be implemented with existing resources.

Operational Initiatives Project #1

Popular Annual Report

Guiding Principle No.: 3 – Enhance Customer Care and Stakeholder Relations

Duration: 2025-26

Project Lead(s): Nashamah Freeman, Management Analyst, Communications and Education Section

Project Participants: Communications and Education staff, Investments staff, Executive Management, and LAFPP staff

Stakeholders: LAFPP staff, Board Members, and LAFPP Members

OBJECTIVE

To deliver the Annual Report to stakeholders in a streamlined, accessible, and easy-to-understand format.

BACKGROUND

Due to the timeline required for graphic design, drafting, and editing, the Comprehensive Annual Report does not become available until February. Communications and Education staff seeks to provide a condensed version of the Comprehensive Annual Report to be made available to LAFPP stakeholders, containing highlights of the most important components of the Comprehensive Annual Report. This will allow for a condensed summary of the Comprehensive Annual Report, including information contained in the valuation reports, financial statements, and LAFPP section contributions.

2025-26 DELIVERABLES

A streamlined and easy-to-understand online version of LAFPP's Comprehensive Annual Report (hereinafter, the "Popular Annual Report").

2025-26 MILESTONES

BY SEPTEMBER 30, 2025:

Review the current development timeline of the Comprehensive Annual Report.

BY DECEMBER 31, 2025:

- a) Develop the design and theme of the Popular Annual Report; and,
- b) Work with various project participants to ensure that required documents and financial data are received on time (e.g., Annual Actuarial Valuation, Department-wide contributions, etc.).

Operational Initiatives Project #1

Popular Annual Report

2025-26 MILESTONES (cont.)

BY MARCH 31, 2026:

- a) Post the Popular Annual Report to LAFPP's website; and,
- b) Evaluate Popular Annual Report development process and adjust where necessary.

BY JUNE 30, 2026:

- a) Survey stakeholders; and,
- b) Enhance design based on survey feedback.

METRICS

- a) Post the Popular Annual Report; and,
- b) Assess the results of stakeholder survey and feedback.

RESOURCES

No additional resources are required. All project deliverables will be implemented with existing resources.

Operational Initiatives Project #2

Elimination of the Attained Age Database

Guiding Principle No.: 4 – Pursue Operational Efficiencies

Duration: 2025-26

Project Lead(s): Jennifer Chan, Senior Benefits Analyst ~~II~~, Medical and Dental Benefits Section

Project Participants: Medical and Dental Benefits staff, Systems staff, and Pension Administration System vendor

Stakeholders: Medical and Dental Benefits staff, Systems staff, and LAFPP Members

OBJECTIVE

To retire the Attained Age Database by integrating its functionality and correspondence into the Pension Administration System (PARIS).

BACKGROUND

The Attained Age Database is used to track the Medicare status of LAFPP pensioners and generate correspondence to members nearing Medicare and/or subsidy eligibility age. A monthly listing from PARIS is needed to update the database to generate Attained Age correspondence to pensioners. This listing and database maintenance requires resources from Systems staff.

2025-26 DELIVERABLES

PARIS will be upgraded with Medicare tracking functionality and Attained Age correspondence. Medicare data currently held in the Attained Age database will be converted into PARIS.

2025-26 MILESTONES

BY SEPTEMBER 30, 2025:

- a) Identify functionality and correspondence requirements; and,
- b) Send functionality and correspondence requirement specifications to the PARIS vendor (Neumo, formerly known as Avenu).

BY DECEMBER 31, 2025:

Neumo to deliver the change request and quote for project.

BY MARCH 31, 2026:

Deliver the conversion file from the Attained Age Database to Neumo.

Operational Initiatives Project #2

Elimination of the Attained Age Database

2025-26 MILESTONES (cont.)

BY JUNE 30, 2026:

Neumo to deliver functionality and correspondence upgrades to the PARIS testing environment.

METRICS

Cost savings attributed to no longer needing to maintain the Attained Age Database and improvement in process efficiency attributed to the elimination of redundant data entry.

RESOURCES

\$25,000 has been included within the 2025-26 Final Budget for the PARIS change request and conversion.

Operational Initiatives Project #3

Web-Based Contractor Disclosure Form

Guiding Principle No.: 4 – Pursue Operational Efficiencies

Duration: 2025-26

Project Lead(s): Jennifer Van, Internal Auditor IV, Internal Audit Section

Christian Torres, Internal Auditor II, Internal Audit Section

Project Participants: Internal Audit staff and LAFPP staff

Stakeholders: Board Members, Senior Management, Contractors, and Consultants

OBJECTIVE

To optimize the Contractor Disclosure Reporting Form that currently relies on substantial manual interventions from contractors, Internal Audit staff, and department staff to report, collect, and compile needed information.

BACKGROUND

The current Contractor Disclosure process requires substantial manual interventions from contractors, Internal Audit Section (IAS) staff, and Department staff to complete. This can result in time-consuming back and forth communications, potential errors, and the need for extensive review to compile and analyze responses. This project seeks to optimize this process by using a web-based form that's easy to read and retrieve, that can automate manual processes, incorporate proactive data validation, and enhance the user experience for department contractors.

2025-26 DELIVERABLES

IAS staff will leverage an available JotForm enterprise license to develop, test, and implement a web-based form that strives to streamline the submission and intake processes for quarterly and annual Contractor Disclosure requirements. IAS staff will also explore features available through JotForm to improve the analysis and maintenance of Contractor Disclosure compliance data. These efforts seek to automate the most manual procedures in the Contractor Disclosure process, freeing up staff time and improving the user experience for department contractors required to comply with the policy. IAS staff will also work with the Communications and Education Section staff to create a centralized Contractor Disclosure subpage on LAFPP's website containing the Contractor Disclosure Policy and other resources.

2025-26 MILESTONES

BY SEPTEMBER 30, 2025:

- a) Track staff time to receive, process, and analyze required filings using current method of compliance reporting to establish a benchmark;

Operational Initiatives Project #3

Web-Based Contractor Disclosure Form

2025-26 MILESTONES (cont.)

BY SEPTEMBER 30, 2025: (cont.)

- b) Track time for contractors to submit forms using the current method of submitting forms to establish a benchmark;
- c) Prepare a draft template and method of analysis of the quarterly form in place for testing for the Contractor Disclosure Q3 (ending September 30, 2025) reporting period with willing beta testers or internal staff;
- d) Prepare a draft template and method of analysis for the annual gift form in place for testing for the Contractor Disclosure Q4 (ending December 31, 2025) reporting period; and,
- e) Work with Communications and Education Section staff to create a sub-page on the LAFPP website centralizing the Contractor Disclosure Policy.

BY DECEMBER 31, 2025:

- a) Develop messaging for the new form type and provide education to LAFPP staff and contractors;
- b) Deploy final quarterly and annual gift forms for the Contractor Disclosure Q4 (ending December 31, 2025) reporting period;
- c) Track time (in business days) for contractors and staff completion for the quarter to begin analysis of performance using new tool; and,
- d) Update the Contractor Disclosure Policy sub-page with revised resources and access to new forms.

BY MARCH 31, 2026:

Refine metrics showing average time for contractors to complete and submit forms, as well as IAS staff time to analyze and report compliance data.

BY JUNE 30, 2026:

- a) Adjust and/or develop a quarterly reporting form to allow contractors that are required to report each fiscal year in the same manner as other filers; and,
- b) Develop a survey to distribute to contractors to get their feedback on the new form and suggestions for improvement.

METRICS

- a) Number of business days for contractors to complete forms before and after JotForm implementation;

Operational Initiatives Project #3

Web-Based Contractor Disclosure Form

METRICS (cont.)

- b) Number of business days for IAS staff to collect, analyze, and summarize compliance before and after JotForm implementation; and,
- c) Contractor survey results rate overall satisfaction with form reporting.

RESOURCES

No additional resources are required. All project deliverables will be implemented with existing resources.

Operational Initiatives Project #4

Review and Update of the Los Angeles Administrative Code for LAFPP Board Elections

Guiding Principle No.: 4 – Pursue Operational Efficiencies

Duration: 2025-26

Project Lead(s): JC De La Cruz, Management Analyst, Administrative Services and Human Resources Section
Brandon Chung, Management Assistant, Administrative Services and Human Resources Section

Project Participants: Administrative Services and Human Resources Section, Pensions Division staff, Office of the City Attorney staff, Office of the City Clerk – Election Division staff, and Personnel Department staff

Stakeholders: Board Members and LAFPP Members

OBJECTIVE

To update the Los Angeles Administrative Code (LAAC) Division 23, Chapter 5, Articles 5 and 5.5, as well as the Board Operating Policies and Procedures Section 6.0, which govern the administration of the elections for the Board of Fire and Police Pension Commissioners' (Board) four elected commissioner seats.

BACKGROUND

Los Angeles Fire and Police Pensions (LAFPP) conducts elections for Employee and Retired Members of the Board in accordance with the City Charter, LAAC, and Board Operating Policies and Procedures. The LAAC governing Employee Members was codified in 1972 and updated in 1995, 2000, and 2017, while the LAAC for Retired Members was codified in 2000 and updated in 2004 and 2017. The 2017 revisions standardized the processes for both groups, which until that time lacked uniformity due to their separate development timelines. Board elections are currently administered under this version of the LAAC.

In 2020, the COVID-19 Pandemic disrupted LAFPP's election administration process in unforeseen ways, requiring immediate procedural adaptations not considered in the 2017 LAAC revision. Various procedures originally designed for in-person interactions among LAFPP staff, City staff, and LAFPP members had to be quickly transitioned to virtual alternatives. Additionally, operational changes implemented by our partner City agencies in response to the pandemic, as well as implementation of a new Citywide payroll system, led to compressed election timelines, reducing flexibility in election administration.

Operational Initiatives Project #4

Review and Update of the Los Angeles Administrative Code for LAFPP Board Elections

2025-26 DELIVERABLES

The updated LAAC, if adopted by the City Council, will align with election procedures adopted and continued since the COVID-19 Pandemic. Additionally, the election timeline will be adjusted to reflect post-pandemic operational changes and provide staff and the Board with greater flexibility in administering Board elections.

2025-26 MILESTONES

BY SEPTEMBER 30, 2025:

- a) Meet with Pensions Division staff, Office of the City Clerk – Election Division staff, Personnel Department staff, and Office of the City Attorney staff to solicit input on potential enhancements to the LAAC; and,
- b) Document all recommendations, assess feasibility, and present the proposed revisions to Executive Management.

BY DECEMBER 31, 2025:

- a) Present a draft of the LAAC revisions for consideration by the Board; and,
- b) Integrate any revisions requested by the Board.

BY MARCH 31, 2026:

- a) Present a final draft of LAAC revisions for consideration by the Board; and,
- b) Transmit the Board-approved LAAC revisions to the City Council for adoption.

METRICS

- a) Host at least one consultation with each project participant; and,
- b) Number of operational improvements approved by the Board.

RESOURCES

No additional resources are required. All project deliverables will be implemented with existing resources.

Operational Initiatives Project #5

Artificial Intelligence-Powered Reference Tool

Guiding Principle No.: 4 – Pursue Operational Efficiencies

Duration: 2025-26

Project Lead(s): Timothy Morita, Senior Benefits Analyst I, Disability Pensions Section
 Kyle Susswain, Senior Benefits Analyst II, Disability Pensions Section
 Stevie De Jong, Senior **Management Benefits** Analyst I, Disability Pensions Section

Project Participants: Disability Pensions staff, and Systems staff

Stakeholders: LAFPP Members, Disability Pensions staff, and Pensions Division staff

OBJECTIVE

To accelerate training and ensure knowledge transfer of Disability Pension-specific references (e.g., City Charter, Los Angeles Administrative Code, Summary Plan Descriptions, etc.) and guides through Artificial Intelligence (AI)-powered learning tools.

BACKGROUND

AI is transforming industries, including government operations, at an unprecedented pace. Staff plans to unlock AI potential through a pilot program to optimize internal operations, specifically enabling retrieval of information from consistent source documents, thereby increasing efficiency and productivity with regards to tasks and research. This project would also serve as a proof-of-concept to determine scalability for additional non-member-facing operations throughout the Pensions Division.

2025-26 DELIVERABLES

An AI-powered chat interface trained on publicly available, non-confidential data for use by Disability Pensions staff with consistent information retrieval and research functionality. The tool may also support additional tasks and capabilities as available. Once completed, other Pensions Division Sections will also be able to perform the same information retrieval and research.

2025-26 MILESTONES

BY SEPTEMBER 30, 2025:

- a) Assess LAFPP's current technology platform and systems to determine what solution is viable within our existing setup and capabilities; and,
- b) Obtain approval from the Information Technology Agency (ITA) and ensure compliance with the AI Safety Checklist, as required per Council File 23-1020 regarding safe facilitation of AI usage.

Operational Initiatives Project # 5

Artificial Intelligence-Powered Reference Tool

2025-26 MILESTONES (cont.)

BY DECEMBER 31, 2025:

Research and select solution for the proof-of-concept and use case.

BY MARCH 31, 2026:

Conduct data source research, evaluation, and validation.

BY JUNE 30, 2026:

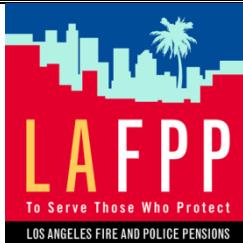
- a) Implementation and testing of AI tool; and,
- b) Staff training of AI tool for its intended use.

METRICS

Recollection accuracy, with potential for additional metrics based on adopted AI model.

RESOURCES

\$40,000 has been included within the 2025-26 Final Budget for this project.



DEPARTMENT OF FIRE AND POLICE PENSIONS

701 E. 3rd Street, Suite 200
Los Angeles, CA 90013
(213) 279-3000

REPORT TO THE BOARD OF FIRE AND POLICE PENSION COMMISSIONERS

DATE: JANUARY 15, 2026

ITEM: F.1

FROM: JOSEPH SALAZAR, GENERAL MANAGER

SUBJECT: DECEMBER 2025 MONTHLY REPORT AND UPDATE

THIS REPORT IS PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES.

PENSIONS DIVISION

NEW PROJECTS

WORKDAY, DROP, AND SMOOTHING HOURS

Members in the Deferred Retirement Option Plan (DROP) program must have at least 112 hours compensated under certain “active duty” payroll codes as specified by the Office of the City Administrative Officer (CAO) in order to have a DROP deposit credited to their account in a given month. Staff must be able to determine which dates a member is being compensated for in order to administer this benefit correctly.

Members may be scheduled for work using deployment periods. A deployment period consists of two pay periods. Members on deployment period schedules will work 160 hours spread over the two pay periods in the deployment period. The City’s payroll system balances the hours worked in each pay period so that the member is compensated for 80 hours in each pay period. The payroll system entries that balance out hours worked between the two pay periods are known as “smoothing hours.”

Prior to implementation of the City’s current payroll system, Workday, smoothing hours were clearly tied to a specific day. However, Workday went to an automated method of generating smoothing hours. These smoothing hours usually appear in Workday as a lumpsum for the pay period, dated as of the end of the pay period.

Pay Period 9, which ran from 10/19/2025 – 11/1/2025 provides an example where the current method used in Workday does not provide staff with the detailed breakdown needed to correctly determine if a member qualifies for (or misses) a DROP account deposit. In one scenario reviewed, Workday’s logic generated 30 smoothing hours dated 11/1/2025, even though a member could work no more than 24 hours in a single day. Staff has no means of allocating these 30 hours between October and November of 2025.

The CAO’s Labor Relations Division opened a ticket with ITA to request a fix for this issue. Staff will work with Labor Relations, ITA, and the employing departments to develop a solution.

UPDATED PROJECTS

SWORN OFFICER TRANSFER FROM LACERS TO LAFPP

On May 16, 2024, staff provided the Board with an update regarding the proposed transfer of sworn peace officers (Airport, Harbor, and LAPD) and Park Rangers who are currently members of LACERS to LAFPP Tier 6. The City had entered into Letters of Agreement with the unions representing the above employees, agreeing to place a measure on the November 2024 ballot to amend the Los Angeles City Charter (Charter) to allow for a new transfer into LAFPP Tier 6. On June 25, 2024, the City Council approved placing the measure on the November 5, 2024 ballot.

On December 3, 2024, the Los Angeles County Registrar-Recorder/County Clerk certified the results for the November 5, 2024, General Election. Measure FF received 686,394 or 58.37% 'yes' votes and 489,615 or 41.63% 'no' votes. At the December 19, 2024 Board meeting, staff provided the Board with a report on the parameters and expected timeline of the transfer and refund process.

The City Attorney's Office was tasked with drafting the enabling ordinance for Measure FF to include the details for transfer eligibility, refunds to Airport Police and Police Department members who previously transferred to Tier 6, transfer of funds from LACERS to LAFPP, and the transfer election deadline. Segal prepared an update to the cost study that was previously provided to the City Council when the Charter change was approved for the ballot.

On September 30, 2025, the City Council had the first reading of the ordinance and the second reading of the ordinance occurred on October 31, 2025. On November 6, 2025, the Board adopted policy changes regarding the refunds to Airport Police and Police Department members who previously paid to transfer service.

LACERS and LAFPP staff have scheduled counseling sessions for the eligible members on November 10, 14, 18, and 21, December 5, 12, and 16, and January 5. A recorded presentation is available for those members unable to attend one of the scheduled presentations. LACERS and LAFPP will be conducting outreach to all eligible members over the next two months to ensure all members are informed of the transfer opportunity.

[Update: The last counseling session was held January 5, 2026, and as of that date a total of 428 employees have attended the counseling sessions. Some employees that attended the counseling sessions were ineligible for the Measure FF transfer. Of the approximately 400 employees eligible to transfer, 314 have elected to transfer to LAFPP (4 Port Police, 30 Park Rangers, 40 LAPD, and 240 Airport Police). The deadline to submit a transfer election form is January 9, 2026.]

WORKDAY - ACTIVE MEMBER PAYROLL FILE

Workday, the City's new payroll system, provides Active Members' payroll information necessary to interface with LAFPP's pension administration system for pension calculation purposes. The first Workday payroll file was received on July 5, 2024. Upon review and reconciliation of the data file, staff identified approximately 3,000 pension contribution and salary credit discrepancies. The majority of the discrepancies were due to differences in how Workday calculates bonuses and rounding compared to the City's legacy payroll system, PaySR. All errors discovered by staff were reported so that corrections could be made. For errors that were the result of a data entry error made by the employing departments (LAFD, LAPD, etc.), staff notified the employing departments. As a result of this work, the discrepancies were reduced to less than 40 remaining, which will be addressed with the corresponding departments.

There are two Enterprise Interface Builders (EIB) that staff uses for Workday: Change Benefits and Payroll Input. The Change Benefits EIB is used to do mass benefit election changes (e.g., Tier 6/new recruit graduate classes and Tier 3/4/5 maximum service/contribution cessation) and the Payroll Input EIB is used to enter deductions to be taken from or refunded to members (contributions). Some issues encountered thus far include testing issues with Workday Test Sites, information being overridden, and effective date confusion. Working on the EIBs is very time consuming, as staff needs to check every single entry, every pay period, to ensure that the deduction amounts are correct and to properly project when a deduction is supposed to end. When adding new entries, staff needs to ensure that the deductions being taken (or refunded) are the correct amount and for the proper amount of time. Staff has been informed that fixes for issues identified by staff are being worked on by the City's vendor and project team.

Additionally, Workday is working on fixing an issue where pension contributions on Retirement Incentive Program (RIP) 2.0 Bonuses have been taken pre-tax, whereas they should be taken post-tax. Workday has only programmed RIP 2.0 bonuses for employees under MOU 24. RIP 2.0 bonuses for employees covered under MOUs 27 and 38 need proper post-tax coding.

Workday's test environment was updated with programming to take RIP 2.0 bonuses post-tax from members of MOU 24. Staff tested this functionality in June 2025, and the test was successful. The functionality was rolled out to Workday production in late June 2025, and staff verified this functionality is working properly in production in July 2025.

Staff identified one member who had pension contributions deducted from their paycheck but was not included in the biweekly Active Payroll file generated in Workday. Further investigation revealed this member's contributions had not been included in the Active Payroll file since the start of Workday go-live. This Active Payroll file is uploaded into LAFPP's Pension Administration System to update demographic information, lost service time, salary history, and contributions.

LAFPP's Systems Section is working with ITA to determine why this member's contribution data has been excluded. Pensions Division staff are reviewing member records to determine if any other members were affected by this error.

[Update: In December 2025, staff submitted a request to ITA to take pension contributions on the MOU 27 and MOU 38 RIP Base Bonuses on a post-tax basis. The RIP program for MOUs 30, 39, and 40 ended on January 12, 2025, with no one in these MOUs having participated in the RIP program.]

Staff was able to verify that no additional members were affected by the error causing pension contributions to be taken but not reported in LAFPP's Active Payroll File. ITA was able to fix the reporting issue in a test environment. ITA and LAFPP staff will work to apply the fix to the City's Workday production environment.]

UNCHANGED PROJECTS

OVERDEDUCTION OF PENSION CONTRIBUTIONS FOR AIRPORT POLICE MEMBERS

Los Angeles World Airports (LAWA) informed LAFPP staff that pension contributions for many of their members had been over-deducted.

Staff researched the issue and determined the over-deductions were caused by how overtime for Airport Police was being recorded in the City's payroll system, Workday. The same payroll code was

being used to record regular hours worked and overtime hours. Using the same code for both types of time caused pension contributions to be deducted for overtime hours even though members do not owe pension contributions or receive salary credit for overtime.

LAWA staff is working with Workday and the City's Information Technology Agency (ITA) to correct the ongoing error causing pension contributions to be collected on overtime.

LAFPP staff has identified 107 members potentially affected by this overcollection of pension contributions. Staff plans to audit contributions from LAWA members and issue refunds on a quarterly basis going forward until the Workday error is resolved.

Staff has gathered the information needed to calculate refunds for these members from the implementation of Workday in late June 2024 through June 2025. Staff originally anticipated issuing the first refunds to these members in October 2025. However, due to the complexity of the calculations, additional time was required to determine the refund amounts owed.

Staff has provided the following timetable to LAWA Management for issuing these refunds to affected members:

- Refunds for excess contributions taken during the 2024-2025 fiscal year will be issued between January and March of 2026.
- Refunds for excess contributions taken from July 2025 through March 2026 will be issued between April and June of 2026.
- If the issue persists after March 2026, staff will issue further refunds in the quarter after they are taken (e.g., April through June 2026 overcontributions would be refunded between July and September of 2026).

ADMINISTRATIVE OPERATIONS DIVISION

NEW PROJECTS

None.

UPDATED PROJECTS

NEPTUNE BUILDING MARKETING ACTIVITY OF VACANT SPACES

The three tenant spaces on the first floor of our building (a.k.a. "Neptune") have become vacant. The property management company, Total Commercial Real Estate (TCRE), currently has the exclusive right to market the spaces and negotiate all leases for Neptune. By including their marketing activities in this report, the Board will be kept apprised of the efforts to lease these vacant spaces.

The table below provides a summary of the leasing activity of the spaces for December 2025.

New Inquiries / Active Prospects			
Inquiry Type	Term	Projected Occupancy	Comments
New – Business Owner	Month to Month	01/01/2026	Artists/Muralists – Liked the space, but occupancy budget was too low.

PENSION CONTRIBUTION TRUE-UP

On July 3, 2025, the Board instructed staff to calculate a pension contribution true-up for the City (General Fund), Harbor, and Airports for Fiscal Year 2025-26 that will reconcile the annual required contribution against actual sworn pensionable pay, inclusive of employee contributions which are not fully paid due to other City Charter and Administrative Code provisions that reduce employee contributions.

Since then, staff of LAFPP and the City's Information Technology Agency (ITA) have collaborated to customize and refine payroll data queries that are necessary for LAFPP to perform a true-up analysis. However, due to programming differences between the City's new and legacy payroll systems and competing work assignments for ITA staff, the collaboration has not yet produced an accurate payroll data file. As of October 7, 2025, there are three payroll data query fixes remaining to reflect:

- 1) accurate active membership;
- 2) retroactive payroll adjustments with the pensionable hourly rates that are appropriate for the adjusted pay period; and
- 3) retroactive payroll adjustments clearly showing both the negative amount originally paid and the positive correction.

Additionally, staff of LAFPP and the City Controller's Office have met on numerous occasions to clarify pensionable pay references (through MOUs, City Administrative Officer, Los Angeles Administrative Code, and City Charter), whether the actuary addresses differences between retirement assumptions and experience (specifically when members who earned temporarily non-pensionable pay retire with < 20 years of service), and the methodology to be used in the true-up analysis.

Staff remains committed to ongoing efforts and to report back to the Board by no later than January 2026 with the status of the calculation results and, if the City's payroll system data appears to be reliable and provides a high confidence level of accuracy, present a proposed amendment to the Board Operating Policies and Procedures Section 2.0, Fiscal Administration, incorporating a pension contribution true-up mechanism which would impact the employer contributions payable beginning on July 15, 2026.

Since November 5, 2025, staff has reiterated to ITA staff and Executives regarding the inaccuracy of the payroll data files received to date and the urgency to obtain accurate payroll data files in order to perform a true-up analysis. Staff has also provided a status update to the City Controller's staff, that despite LAFPP and ITA staff's efforts, accurate payroll data files are not yet available for true-up analysis. Staff also reminded the Controller's staff that employer contributions paid on a biweekly basis (as opposed to a single lump sum paid at the beginning of the fiscal year) are more accurate than a true-up.

[Update: ITA and LAFPP staff exchanged a significant amount of communication during December. By mid-December, LAFPP staff informed ITA staff regarding the following discrepancies with the latest employee payroll data files:

- 1) *Trainees who have not enrolled to the LAFPP benefit plan should not be in the file. Conversely, trainees who have enrolled to the LAFPP benefit plan should be included in the file.*
- 2) *Employees who retired mid-pay period were not included. They should be included as it is likely they will have some pensionable pay during that pay period.*
- 3) *Fields such as Transaction Dates and Pen Hourly Rates (PHR) which are necessary for true-up analysis are missing from the payroll data file.*
- 4) *Some employee payroll records showed negative PHRs. There should never be negative rates.*
- 5) *Employees had unusually high number of hours in a pay period. Staff analysis suggested the payroll data query had displayed those on light duty (LD) with hours that were the sum of actual hours and the standard hourly rate.*
- 6) *For retroactive adjustments that involve pay periods that predate the implementation of WD (June 16, 2024), the payroll data file is incorrectly displaying either the current or zero PHR or zero transaction hours.*
- 7) *For retroactive adjustments that involve pay periods since the implementation of WD, the payroll data file is incorrectly displaying zero PHR or zero transaction hours.*

On January 2, 2026, ITA staff uploaded new payroll data files for LAFPP staff's review. As of this writing on January 6, 2026, discrepancy items 1 - 4 mentioned above have been resolved. Discrepancy items 5 - 7 are still pending resolution. As requested by the Board, LAFPP Accounting staff has tracked time spent to evaluate the payroll data files and discuss findings with staff from ITA and the City Controller's Office. Since July 1, 2025, a total of 322 hours has been recorded by our Department Chief Accountant and one Accountant.]

UNCHANGED PROJECTS

IN-HOUSE PARKING PROGRAM

On February 6, 2020, the Board directed staff to work with the relevant City departments to implement an in-house parking and transit subsidy program by June 30, 2020. Staff conducted research into other proprietary department parking programs and discussed the City parking and transit subsidy programs with staff from the Personnel Department. During this discussion, Commute Options and Parking (COP) Personnel staff explained that the Joint Labor-Management Committee (JLMC) was working on a new Parking Memorandum of Understanding (MOU) and indicated LAFPP may be able to leverage parts of that work into the LAFPP in-house parking and transit subsidy program. As staff believed review of the parking and transit subsidy programs would require a bit of a paradigm shift, particularly given the expectation that telework in some form would become a permanent option for the City in the future, the decision was made to await and take into consideration any determinations from the JLMC on these programs.

On November 16, 2023, the JLMC-COP adopted the Special MOU Regarding City Employee Parking and Commute Options (Successor Special MOU), which included several changes, some of which are highlighted below.

- 1) Permanently increase the monthly transit incentive from \$50 to \$100.
- 2) Expand the Bike/Walk to Work incentive program from certain City work sites to all work sites and incorporate a more flexible incentive structure by providing a \$5 daily benefit with a maximum of \$100 per month.

- 3) Increase the Individual Parking Permit for the Downtown Los Angeles area from \$46 per month to \$55 per month, effective January 1, 2025.

On December 1, 2023, staff from LACERS and LAFPP met with the Personnel Department's Chief of Employee Benefits along with the respective city attorneys to discuss "key deal points" of a proposed MOA between the Retirement Systems and Personnel for the continuing administration of CommuteWell benefits for LACERS and LAFPP employees, while maintaining free parking for those employees not receiving transit subsidies. Should the "key deal points" be acceptable, staff will draft an MOA for further consideration by the JLMC-COP and approval/ratification by the City Council.

On April 11, 2024, LACERS and LAFPP staff met with the JLMC-COP Subcommittee and learned that the City's parking and transit subsidy programs are mutually inclusive and cannot be unbundled, as revenues generated from the parking deductions, as well as monies secured from grants, are used to fund the transit reimbursement program. Therefore, in order for LAFPP staff to continue using the transit reimbursement arm of the City's program, LAFPP staff who utilize our parking lot would be required to complete the City's program-related forms and restart parking deductions.

On May 16, 2024, the Board instructed staff to develop and administer an in-house parking and transit subsidy reimbursement program that is a pared down version of the City's program and includes complimentary parking for staff. The Board further instructed staff to report back with final program details for approval.

On July 23, 2024, the JLMC-COP considered a report to exclude LACERS and LAFPP from the Successor Special MOU. The Committee expressed fiscal concerns from such action and requested Personnel Department staff to meet with the City Administrative Officer's (CAO) Employee Relations Division (ERD) to determine the feasibility of excluding LACERS and LAFPP from the Successor Special MOU and to report back on the fiscal impacts.

On August 14, 2024, LACERS and LAFPP staff met with ERD and Personnel. In this meeting, LACERS and LAFPP staff presented arguments for why there would be no fiscal impact and also addressed potential labor concerns raised by ERD. Personnel Department and CAO staff will next prepare their report and analysis to the JLMC-COP. As such, staff is suspending the development of the in-house parking and transit subsidy reimbursement program until this matter is resolved.

The JLMC-COP was scheduled to hear this matter on January 9, 2025, but rescheduled the meeting due to the wildfires. In anticipation of the January 9, 2025 meeting, LACERS and LAFPP had prepared a joint letter to the JLMC-COP to provide additional points of clarification.

On January 30, 2025, the JLMC-COP heard the COP staff report on the proprietary status of LACERS and LAFPP and instructed COP staff to work with the Special Ad Hoc Governance Subcommittee to draft a report concerning considerations and recommendation(s) regarding modifying Article 4 Eligibility to exclude LACERS and LAFPP from the Successor Special MOU.

The Special Ad Hoc Governance Subcommittee convened on April 24, 2025 to continue discussions on this matter and hear the concerns raised by LACERS and LAFPP. LACERS and LAFPP presented arguments that both parking lots are assets of their respective trusts and not subject to the Special

Parking MOU, which governs City-owned parking lots. After hearing these arguments, the Subcommittee continued discussions amongst themselves and will reconvene at a later date.

On October 14, 2025, LAFPP staff reached out to COP Personnel staff for an update on this matter and COP staff reported that there are no updates. Further, COP staff reported they are currently occupied with processing Open Enrollment changes and will revisit this matter once that period has concluded.

INVESTMENTS DIVISION

Searches and Firms Within the Marketing Cessation Period Policy

Vendor / Contract	Contract Start Date	Contract Expiration Date	Marketing Cessation* Start Date
Active International Small Capitalization Equity Manager Search	TBD	TBD	07/03/2025
Denali Advisors, LLC (Domestic Equity)	05/01/2020	04/30/2026	02/01/2026
Eastern Shore Capital Management (Domestic Equity)	05/01/2020	04/30/2026	02/01/2026
Lisanti Capital Growth, LLC (Domestic Equity)	05/01/2020	04/30/2026	02/01/2026
Principal Global Investors, LLC (International Equity)	05/01/2021	04/30/2026	02/01/2026

*Marketing Cessation: In accordance with Section 1.15 of the Board Operating Policies and Procedures, from the time the search begins with the Board's approval of the minimum criteria for the search until the search ends with the selection of the firm(s) to receive contract(s), all direct marketing contact with firms that meet the search criteria will be limited to meetings with the Consultant, information sent to the Consultant or Department, questions about the search directed to the Staff or Consultant, one meeting at the Department's office with Staff and any site visits. The Board members, Department Staff, or Consultant will accept no entertainment or gifts of any kind from any firm qualifying for the search. This policy does not prohibit contact with potential interview candidates at group social events, educational seminars, conferences, or charitable events, so long as there is no direct marketing.

During the three months prior to the renewal of a contract with a firm currently under contract, the Board Members, Department Staff, and Consultant will accept no entertainment or gifts from that firm until the contract has been renewed or terminated by the Board. Firms who currently have contracts with LAFPP are allowed to continue contact related to the existing contract with Staff and the Consultant.

Private Investment Funds Closed Since Last Meeting Announcement

TYPE	BOARD MEETING CLOSED SESSION DATE*	FUND NAME	COMMITMENT AMOUNT	BOARD VOTE	CLOSING DATE
Private Equity	09/04/2025	Greenbriar Equity Fund VII, L.P.	Up to \$60 million	Ayes – 7; Nays – 0	12/11/2025
Private Equity	10/01/2025	Gridiron Capital Fund VI, L.P.	Up to \$75 million	Ayes – 7; Nays – 0	12/18/2025
Private Equity	11/06/2025	Lightyear Fund VI, L.P.	Up to \$40 million	Ayes – 8; Nays – 0	12/12/2025
Private Equity	11/06/2025	OceanSound Partners Fund III, L.P.	Up to \$60 million	Ayes – 8; Nays – 0	12/17/2025
Private Equity	11/06/2025	Renegade Partners III, L.P.	Up to \$15 million	Ayes – 5; Nays – 3	12/03/2025
Private Equity	12/04/2025	STG Allegro II, L.P.	Up to \$35 million	Ayes – 6; Nays – 0	12/23/2025
Infra-structure	11/06/2025	IFM Global Infrastructure, L.P.	Up to \$100 million	Ayes – 8; Nays – 0	12/17/2025
Infra-structure	11/06/2025	Blackstone Infrastructure Partners, L.P.	Up to \$100 million	Ayes – 8; Nays – 0	12/31/2025
Real Estate	10/16/2025	Blue Owl Real Estate Fund VII, L.P.	Up to \$75 million	Ayes – 8; Nays – 0	12/19/2025

*Closed session pursuant to California Government Code Section 54956.81.

Attachments: 1) Investment Portfolio
 2) Real Estate Summary
 3) Portfolio Allocation
 4) Preliminary Return Information
 5) Pensions Division Metrics
 6) Contracts
 7) Budget to Actual



Los Angeles Fire and Police Pensions

Portfolio as of December 31, 2025

EQUITIES										PRIVATE EQUITY									
	STOCKS	BONDS	CASH	TOTAL	ALLOC.		STOCKS / EQUITY / RE	BONDS	CASH	TOTAL	ALLOC.								
AllianceBernstein (S&P 500 Index)	3,161.2	-	2.9	3,164.1			Abbott Capital	0.7	-	-	0.7								
AllianceBernstein (Systematic Value)	945.7	-	3.1	948.8			Hamilton Lane	0.1	-	-	0.1								
Rhumbline (Russell 1000 Growth Index)	1,776.1	-	1.9	1,778.0			PCA	0.3	-	-	0.3								
NTI S&P 500 Equal Weight	1,422.0	-	12.5	1,434.5			Fairview Capital	271.4	-	-	271.4								
NTI Stoxx USA 900	654.4	-	2.6	657.0			Future Standard (formerly Portfolio Advisors)	5,325.7	-	-	5,325.7								
Boston Partners (Value)	770.6	-	9.8	780.4			Future Standard Commodities (formerly Portfolio Advisors Commodities)	114.9	-	-	114.9								
Terminated/Transition Domestic Equity Managers	-	-	0.1	0.1			Aldus Equity	90.0	-	-	90.0								
Core Equity Managers (23%)	8,730.0	-	32.9	8,762.9	24.29%		Stepstone Group	39.0	-	-	39.0								
Target Differential	1.29%				465.2		TCP	24.5	-	-	24.5								
Rhumbline (S&P 600 Index)	164.4	-	0.2	164.7			Greycroft Growth IV LP	34.6	-	-	34.6								
Frontier Capital Mgt. (Growth)	767.1	-	2.8	769.8			Baillie Gf Pvc GP II	65.0	-	-	65.0								
Channing Capital Mgt. (Value)*	89.8	-	1.3	91.2			TOTAL PRIVATE EQUITY MGRS (15%)	5,966.3	-	-	5,966.3								
Denali Advisors (Value)*	98.3	-	1.0	99.4			Target Differential	1.54%			16.54%								
Eastern Shore Capital (Core)*	74.2	-	2.9	77.1							554.7								
Lisanti Capital (Growth)*	70.1	-	1.9	72.0			PRIVATE CREDIT												
PIMCO Stocks Plus (Core)	257.6	-	-	257.6			Stepstone Private Credit	340.4	-	-	340.4								
Palisade Capital Management (Core)	90.2	-	3.9	94.1			TOTAL PRIVATE CREDIT MGRS (3%)	340.4	-	-	340.4								
Phocas Financial (Value)*	90.6	-	3.6	94.2			Target Differential	(2.06)%			0.94%								
Westwood Management (Value)	247.4	-	3.4	250.8							(742.0)								
AllianceBernstein (Value)	242.7	-	1.1	243.8			REAL ESTATE												
Terminated/Transition Small Cap Equity Managers	-	-	0.0	0.0			Alliance REIT	180.4	-	1.0	181.4								
Small Cap. Equity Mgrs (6%)	2,192.4	-	22.3	2,214.7	6.14%		Principal Global REIT	0.3	-	0.2	0.4								
Target Differential	0.14%				50.0		Principal U.S. REIT	301.7	-	1.5	303.1								
Brandeis Investment Partners (Value)	2,252.2	-	81.9	2,334.1			Cohen & Steers U.S. REIT	480.5	-	3.5	484.0								
Blackrock (Core Passive)	2,420.3	-	25.1	2,445.4			REIT Managers (1.5%)	962.9	-	6.1	968.9								
Baillie Gifford (Growth)	1,402.7	-	20.5	1,423.3			Target Differential	1.19%			2.69%								
Boston Common (ESG)	-	-	0.1	0.1			REAL ESTATE COMMINGLED FUNDS SUMMARY				427.8								
Principal Global Int'l Small Cap	277.4	-	2.6	280.0			Total Pooled Funds	1,738.7	-	-	1,738.7								
Victory Capital Mgt.	360.9	-	5.2	366.1			REAL ESTATE SEPARATE ACCT. SUMMARY BY MANAGER				4.82%								
Terminated/Transition Int'l Equity Managers	-	-	0.1	0.1			AEW (Heitman, Sentinel)	466.4	-	-	466.4								
Int'l Equity Mgrs (18%)	6,713.5	-	135.5	6,849.1	18.98%		Neptune Building	21.1	-	-	21.1								
Target Differential	0.98%				355.2		Real Estate Equity Mgrs	487.5	-	-	487.5								
TOTAL EQUITIES MANAGERS (47%)	17,636.0	-	190.7	17,826.7	49.41%		Private Real Estate (8.5%)	2,226.2	-	-	6.17%								
Int'l Tax Reclaims	1.1	0.1	3.0	4.1			TOTAL REAL ESTATE (10%)	3,189.1	-	6.1	3,195.1								
							Target Differential	(1.14)%			8.86%								
											(412.6)								
FIXED INCOME										INFRASTRUCTURE									
Northern Trust (Fixed Income Index)	-	0.1	0.3	0.4			Townsend Infrastructure	66.2	-	-	66.2								
JP Morgan Core Bond (Active)	-	903.3	5.5	908.8			TOTAL INFRASTRUCTURE (2%)	66.2	-	-	66.2								
Reams Asset Mgmt. (Opportunistic)	-	964.1	-	964.1			Target Differential	(2.00)%			0.18%								
LM Capital (Opportunistic)	-	910.1	16.5	926.6							(655.3)								
GIA Partners (Opportunistic)*	0.1	110.9	1.6	112.6			CASH												
Medalist Partners (MBS)*	-	117.0	-	117.0			HOUSE ACCOUNTS												
Loomis Sayles (Long Duration)	-	754.6	9.9	764.4			Tier 1 (Article 17)	-	-	35.3	35.3								
Reams Asset Mgmt. (Passive TIPS)	-	1,247.2	0.9	1,248.2			Tier 2 (Article 18)	-	-	693.8	693.8								
Terminated/Transition Fixed Income Managers	-	-	-	-			Tier 3 (Article 35)	-	-	0.1	0.1								
Core Bond Mgrs (14.3%)	0.1	5,007.3	34.7	5,042.1	13.98%		Tier 4 (New)	-	-	0.1	0.1								
Target Differential	(0.32)%				(116.9)		Tier 5 (New)	-	-	148.9	148.9								
Mackay Shields (High Yield)	13.2	739.6	19.0	771.8	2.14%		Tier 6 (New)	-	-	2.7	2.7								
Loomis Sayles Global Credit	-	1,124.4	63.5	1,187.9	3.29%		Transition Account	-	-	0.0	0.0								
Credit Fixed Income (5.5%)	13.2	1,863.9	82.6	1,959.7	5.43%			-	-	0.3	0.3								
Target Differential	(0.07)%				(24.5)		CASH SUMMARY												
Reams Asset Mgmt. (Unconstrained)	-	401.2	-	401.2			Unallocated Cash Reserve (1%)	-	-	881.3	881.3								
Payden & Rygel (Unconstrained)	-	394.1	-	394.1			Target Differential	1.44%			2.44%								
Unconstrained Fixed Income (2.2%)	-	795.4	-	795.4	2.20%						520.5								
Target Differential	0.00%				1.7		TOTAL FUND												
TOTAL FIXED INCOME MGRS (22%)	13.3	7,666.6	117.3	7,797.2	21.61%		STOCKS	BONDS	REAL ESTATE	PRIVATE EQUITY	PRIVATE CREDIT	INFRA	CASH	TOTAL					
Notes																			
* - Denotes Emerging Manager							ACTUAL ASSET MIX												
City Pension Contribution received on 7/14/25							Current Month	17,650.4	7,666.6	3,189.1	5,966.3	340.4	66.2	1,198.3	36,077.2				
Subtotals & totals may not sum up exactly due to rounding.								48.92%	21.25%	8.84%	16.54%	0.94%	0.18%	3.32%	100.00%				
Data is unaudited; Dollars expressed in Millions.							Last Month	17,507.7	7,658.2	3,191.1	5,971.3	302.5	58.5	1,311.3	36,000.6				
Asset allocation amended by Board on 11/21/2024. Currently executing implementation plan.							% Change	0.81%	0.11%	-0.06%	-0.08%	12.52%	13.17%	-8.62%	0.21%				



Los Angeles

Fire and Police Pensions

Attachment 2

Real Assets Summary

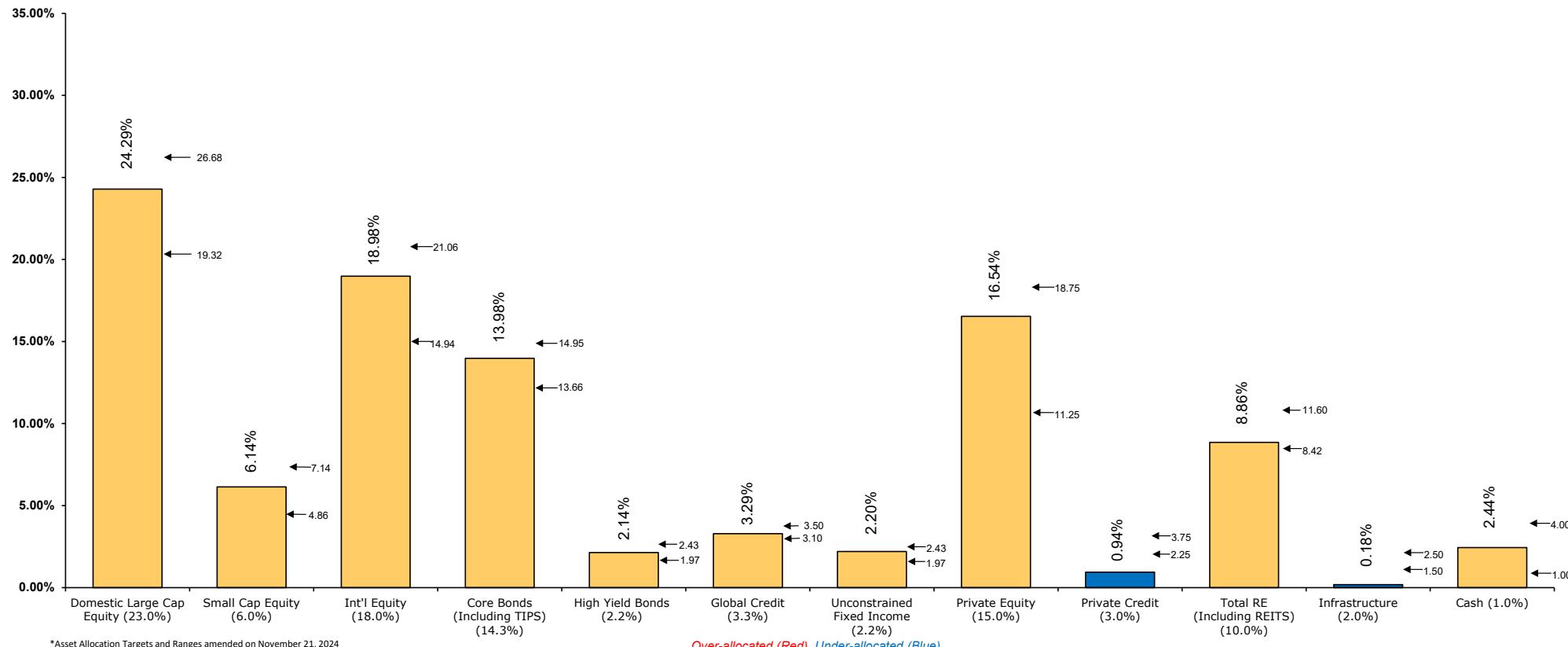
INFRASTRUCTURE COMMINGLED FUNDS	EQUITY	POOLED	CASH	TOTAL
Brookfield Super-Core Infrastructure Partners L.P.	-	-	-	-
Icon VII, L.P.	-	2.9	-	2.9
Macquarie GIG Energy and Climate Opportunities Fund	-	45.0	-	45.0
Meridian Infrastructure North America Fund IV (Domestic)	-	18.3	-	18.3
Total	-	66.2	-	66.2
REAL ESTATE COMMINGLED FUNDS	EQUITY	POOLED	CASH	TOTAL
Abacus Multi-Family Partners VI	NA	51.5	-	51.5
Almanac Realty Securities VII	NA	25.1	-	25.1
Almanac Realty Securities VIII	NA	40.4	-	40.4
Almanac Realty Securities IX	NA	38.5	-	38.5
Asana Partners Fund I	NA	25.8	-	25.8
Asana Partners Fund II	NA	30.0	-	30.0
Asana Partners Fund III	NA	26.4	-	26.4
Berkshire Multifamily Income Realty Fund	NA	30.5	-	30.5
Brookfield Strategic Real Estate Partners IV	NA	40.5	-	40.5
California Smart Growth Fund IV	NA	0.1	-	0.1
Cerberus Institutional Real Estate Partners Fund V	NA	32.9	-	32.9
Cerberus Institutional Real Estate Partners Fund VI	NA	30.9	-	30.9
CIM Real Estate Fund III	NA	2.8	-	2.8
Clarion Lion Industrial Trust 2007	NA	210.3	-	210.3
Apollo CPI Europe I (Asia)	NA	0.3	-	0.3
Exeter Industrial Value Fund IV	NA	2.4	-	2.4
Exeter Industrial Value Fund V	NA	37.8	-	37.8
Exeter Industrial Value Fund VI	NA	46.8	-	46.8
EQT Exeter Europe Logistics IV	NA	17.3	-	17.3
EQT Exeter Europe Logistics V	NA	-	-	-
Gerrity Retail Fund 2	NA	20.5	-	20.5
GID Mainstay Fund	NA	114.2	-	114.2
Heitman Asia Pacific Property Investors HAPI	NA	19.5	-	19.5
Heitman HART	NA	-	-	-
Jadian Real Estate Fund II	NA	12.9	-	12.9
Jamestown Premier	NA	20.0	-	20.0
Kayne Anderson Core Real Estate Fund KACORE	NA	77.3	-	77.3
LBA Logistics Value Fund VII	NA	30.7	-	30.7
LBA Logistics Fund IX	NA	54.6	-	54.6
LBA Logistics Value Fund X	NA	-	-	-
MetLife Core Property Fund	NA	131.5	-	131.5
NREP Nordic Strategies Fund IV	NA	28.7	-	28.7
Oaktree Real Estate Opportunities Fund VIII	NA	25.7	-	25.7
Oaktree Real Estate Opportunities Fund IX	NA	11.5	-	11.5
Oaktree Real Estate Opportunities Fund XI	NA	-	-	-
Principal Data Center Growth & Income Fund, LP	NA	37.0	-	37.0
Principal Green I	NA	-	-	-
Principal US Core USPA	NA	101.1	-	101.1
Prudential PRISA	NA	78.6	-	78.6
Realty Income U.S. Core Plus Fund, LP	NA	57.7	-	57.7
RREEF Core Plus Industrial Fund	NA	97.0	-	97.0
Rothschild Five Arrows Realty V (Almanac)	NA	0.0	-	0.0
Savanna Real Estate Fund III	NA	-	-	-
Starwood Opportunity Fund IX	NA	2.6	-	2.6
Standard Life Investments European Real Estate Club II	NA	-	-	-
Stockbridge Real Estate Fund II	NA	0.4	-	0.4
Townsend Real Estate Capital Solutions IV, LP	NA	19.3	-	19.3
TPG Real Estate Partners IV	NA	40.1	-	40.1
Unico Core Plus Partners	NA	4.5	-	4.5
WCP NewCold Fund III	NA	35.1	-	35.1
Wolff Credit Fund III	NA	28.1	-	28.1
Total	1,738.7	-	1,738.7	
SEPARATE ACCOUNT PROPERTIES	EQUITY	POOLED	CASH	TOTAL
AEW (Heitman) - 121 W. Chestnut	58.2	NA	-	58.2
AEW (Heitman) - Sea Isle	57.5	NA	-	57.5
AEW (Sentinel) - Aerial Center Executive Park*	41.4	NA	-	41.4
AEW (Sentinel) - Town Center	67.0	NA	-	67.0
AEW (Sentinel) - Walmart Building at Water Ridge	-	NA	-	-
AEW (Sentinel) - Windward Place	59.7	NA	-	59.7
AEW - Bar W Marketplace	66.9	NA	-	66.9
AEW - I-4 Logistics Center	34.5	NA	-	34.5
AEW - Lockwood Glen Apartments	46.1	NA	-	46.1
AEW - Sycamore Hills Plaza	35.2	NA	-	35.2
Real Estate Managers Total Committed				
AEW [Heitman, Sentinel (Urdang)]				466.4
Neptune Building	21.1	NA	-	21.1
Total				487.5

*Consists of Aerial Center Executive Park I and II



Los Angeles Fire and Police Pensions

Portfolio Allocation





Los Angeles
Fire and Police Pensions

Preliminary Return Information as of December 31, 2025

Manager	1-month	3-month	1-year	3-years	5-years	FYTD
Total Fund S & P 500 Index	0.52 % 0.06 %	2.06 % 2.66 %	13.85 % 17.88 %	11.66 % 23.01 %	7.95 % 14.42 %	6.13 % 11.00 %
Total Equity ¹ S & P 500 Index	1.15 % 0.06 %	2.93 % 2.66 %	20.74 % 17.88 %	19.15 % 23.01 %	10.71 % 14.42 %	9.73 % 11.00 %
Total Domestic Equity Russell 3000 Index	0.15 % -0.02 %	2.03 % 2.40 %	14.58 % 17.15 %	18.93 % 22.25 %	11.95 % 13.15 %	9.67 % 10.78 %
Total Large Cap Equity S & P 500 Index	0.06 % 0.06 %	1.82 % 2.66 %	16.09 % 17.88 %	20.48 % 23.01 %	13.18 % 14.42 %	9.33 % 11.00 %
Total Small Cap Russell 2000 Index	0.54 % -0.58 %	2.84 % 2.19 %	8.54 % 12.81 %	12.81 % 13.73 %	7.26 % 6.09 %	11.07 % 14.86 %
Total International Equity MSCI ACWI ex-US	2.78 % 3.02 %	4.40 % 5.11 %	32.46 % 33.11 %	19.33 % 17.95 %	8.51 % 8.46 %	9.73 % 12.50 %
Total International Developed Markets MSCI ACWI ex-US	2.78 % 3.02 %	4.40 % 5.11 %	32.50 % 33.11 %	19.83 % 17.95 %	9.29 % 8.46 %	9.75 % 12.50 %
Total Fixed Income ² Bloomberg Barclays Universal	-0.01 % -0.07 %	1.08 % 1.20 %	8.04 % 7.58 %	6.07 % 5.24 %	1.44 % 0.06 %	3.43 % 3.35 %
Total Core Fixed Income Bloomberg Barclays Aggregate	-0.37 % -0.15 %	1.02 % 1.10 %	7.97 % 7.30 %	5.02 % 4.66 %	-0.95 % -0.36 %	3.53 % 3.15 %
Total High Yield LAFPP HY Benchmark ³	0.62 % 0.65 %	1.16 % 1.35 %	8.02 % 8.50 %	9.41 % 10.03 %	5.31 % 4.50 %	3.35 % 3.78 %
Total Global Credit Loomis Global Credit Blend	0.58 % 0.28 %	1.76 % 1.43 %	9.62 % 8.13 %	8.24 % 8.10 %	N/A N/A	4.81 % 4.00 %
Total REITs ⁴ LAFPP REIT Benchmark ⁵	-2.21 % -1.58 %	-1.13 % -1.32 %	5.98 % 6.43 %	7.73 % 6.97 %	4.77 % 4.34 %	1.13 % 2.12 %

Footnote:

¹ Total Equity: Does not include Private Equity

² Total Fixed Income : Does not include Private Credit.

³ LAFPP HY Benchmark: CS HY Index thru 12/31/11 & BofA ML US HY Master II Cnst Index thereafter.

⁴ Total REITs : Does not include Private Real Estate

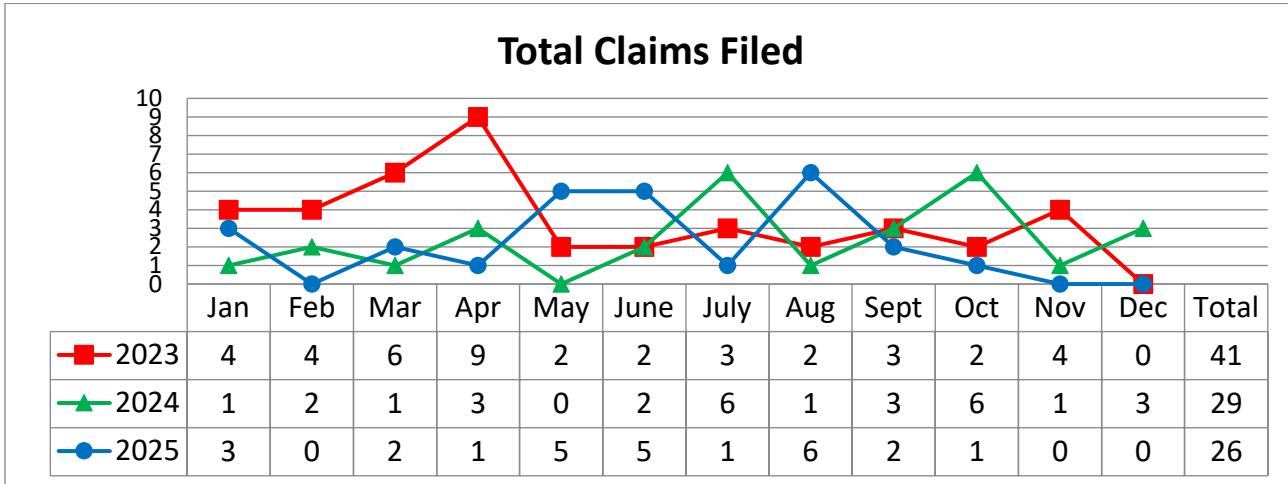
⁵ LAFPP REIT Benchmark: Dow Jones US Select RE Securities Index thru 12/31/13, 50% FTSE EPRA/NAREIT Global RE Index and 50% Dow Jones US Select RE Securities Index thereafter.

PENSIONS DIVISION

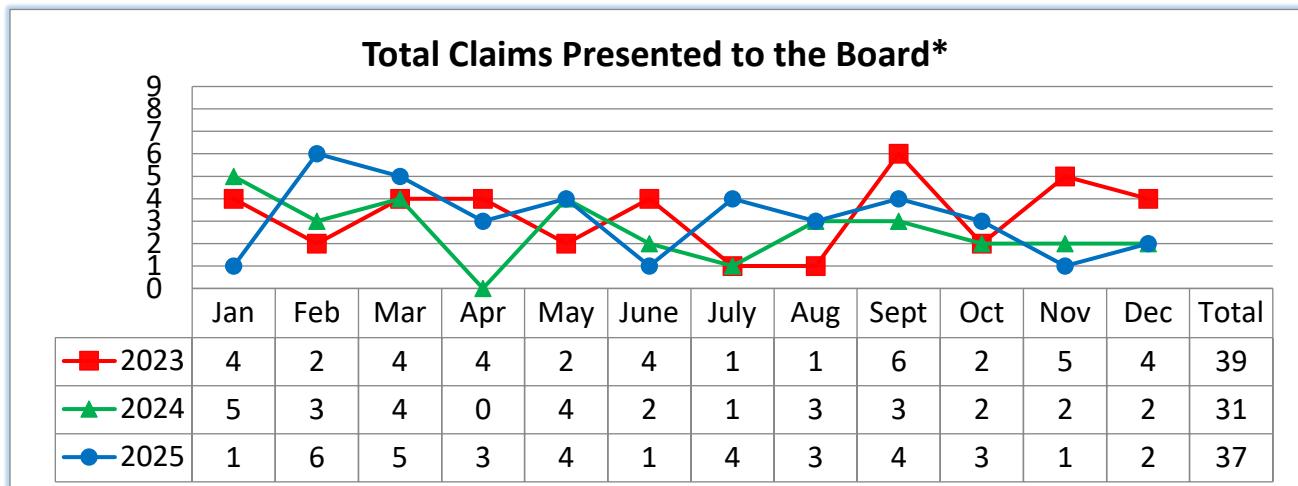
Attachment 5

(Data through December 31, 2025)

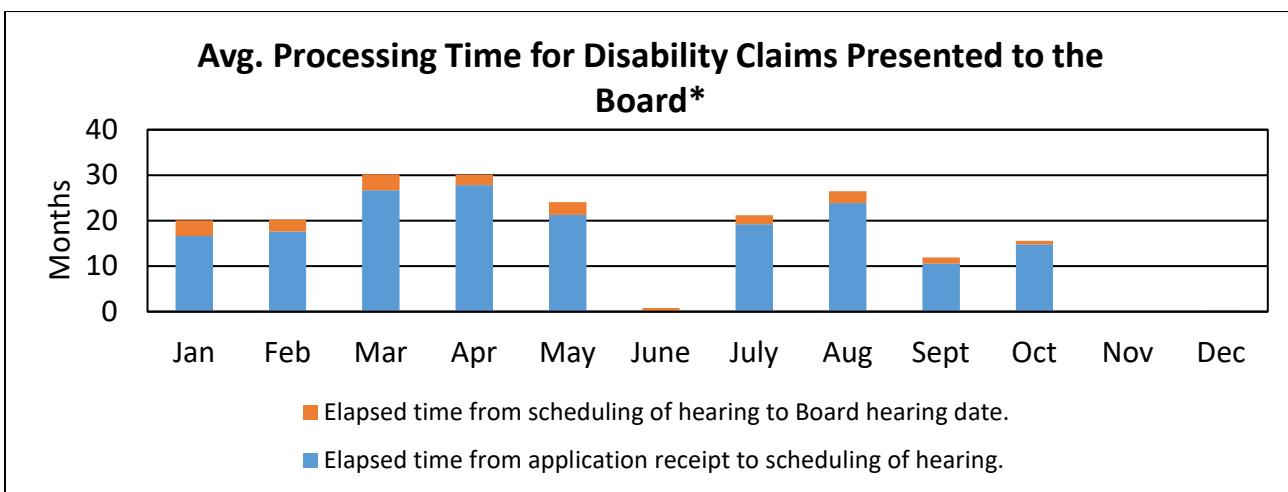
DISABILITY PENSIONS



*Applications filed for Disability, Active Member Death, and Dependent Child/Parent benefits.

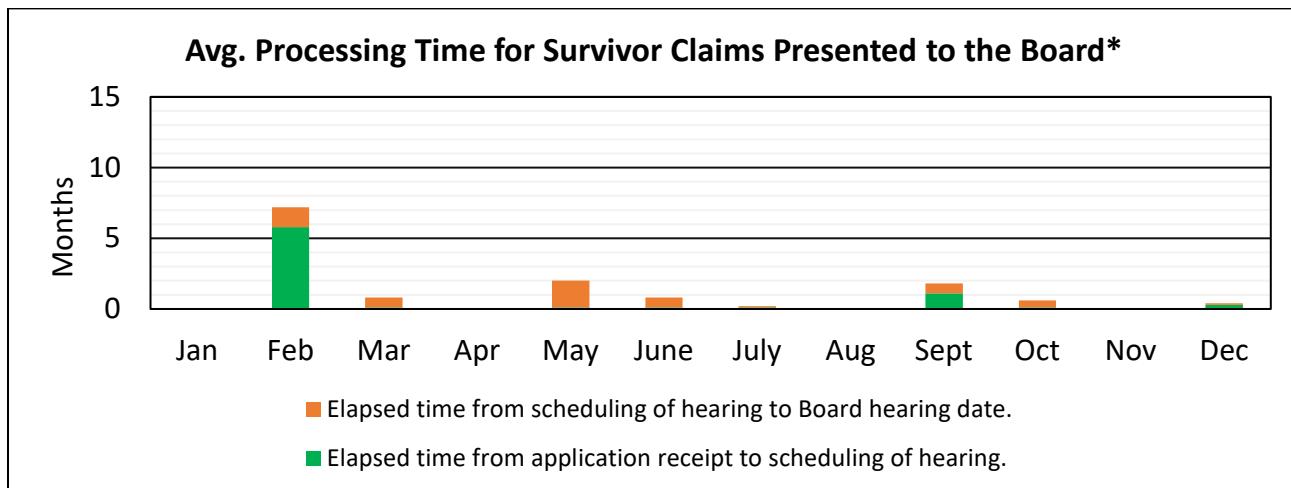


*Claims for Disability, Active Member Death, and Dependent Child/Parent benefits.



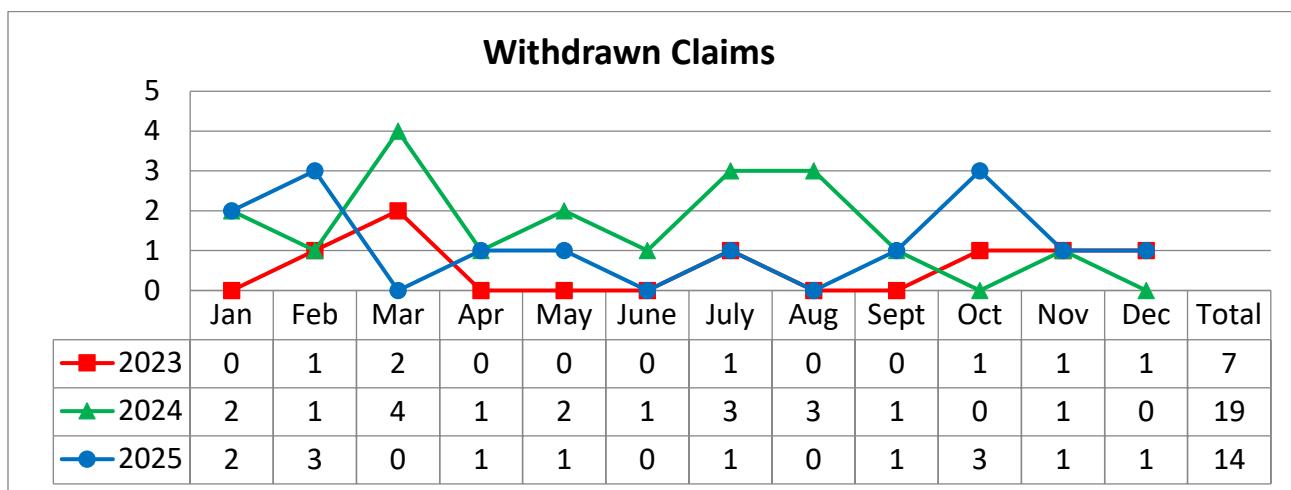
*Claims include Disability, Active Member Death, Dependent Child/Parent.

*Months with zero (0) indicate no disability claims presented to the Board that month.



*Claims include Active Member Death and Dependent Child/Parent.

*Months with zero (0) indicate no survivor claims presented to the Board that month.



PENSIONS DIVISION

Attachment 5

PENDING CLAIMS BY YEAR FILED	FIRE	POLICE	HARBOR	AIRPORT	TOTAL
2023					
Dependent Child/Parent	0	0	0	0	0
Surviving Spouse/Domestic Partner/Minor Children	0	0	0	0	0
Disability (New/Review)	0	8	0	0	8
2024					
Dependent Child/Parent	0	0	0	0	0
Surviving Spouse/Domestic Partner/Minor Children	0	2	0	0	2
Disability (New/Review)	6	14	1	0	21
2025					
Dependent Child/Parent	0	0	0	0	0
Surviving Spouse/Domestic Partner/Minor Children	2	1	0	0	3
Disability (New/Review)	5	16	0	0	21
TOTAL	13	41	1	0	55

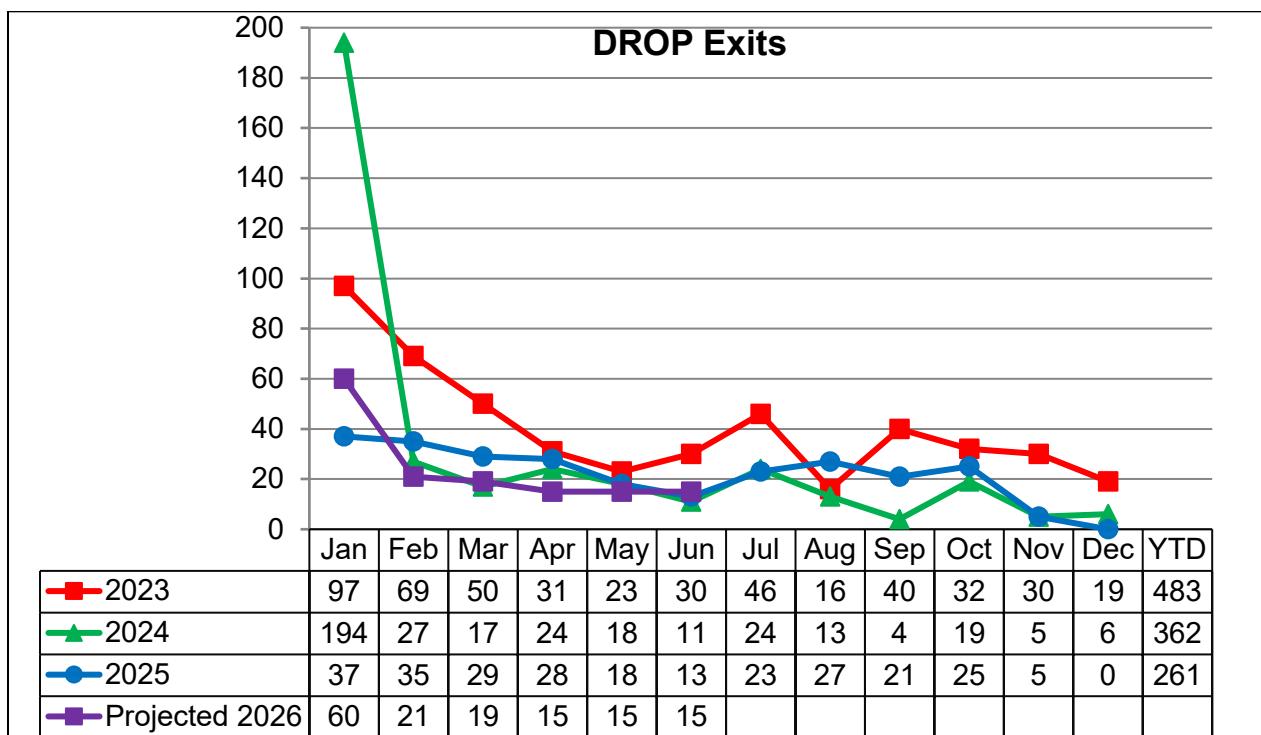
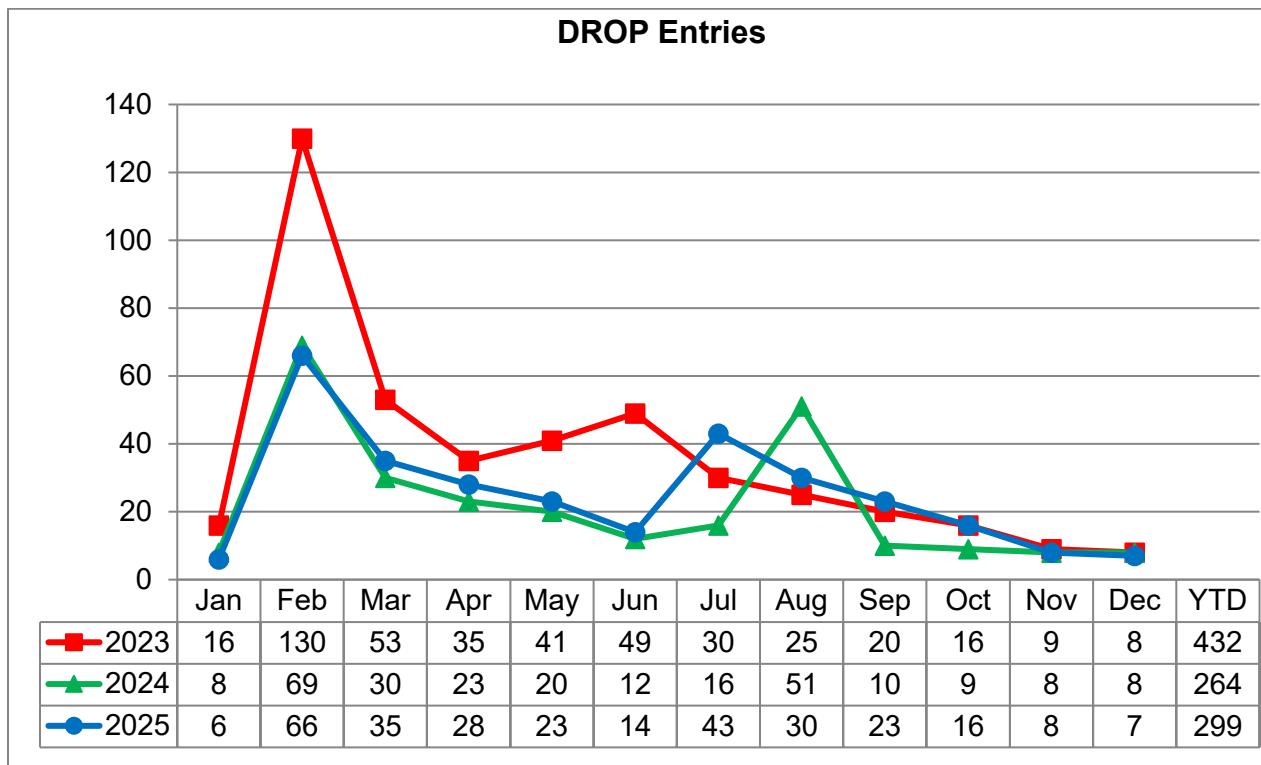
CURRENT STATUS OF PENDING CLAIMS	
Collecting/Reviewing records	24
Manager reviewing admin file / creating appendix	10
Medical Desk (pension physician appointments and reports)	11
Board Package (Board report, pension physician reports, and admin file)	9
Ready to schedule for Board hearing	0
Case on hold (pending surgery / litigation / WC hearing)	1
TOTAL	55

PENSIONS DIVISION

Attachment 5

DROP/SERVICE PENSIONS

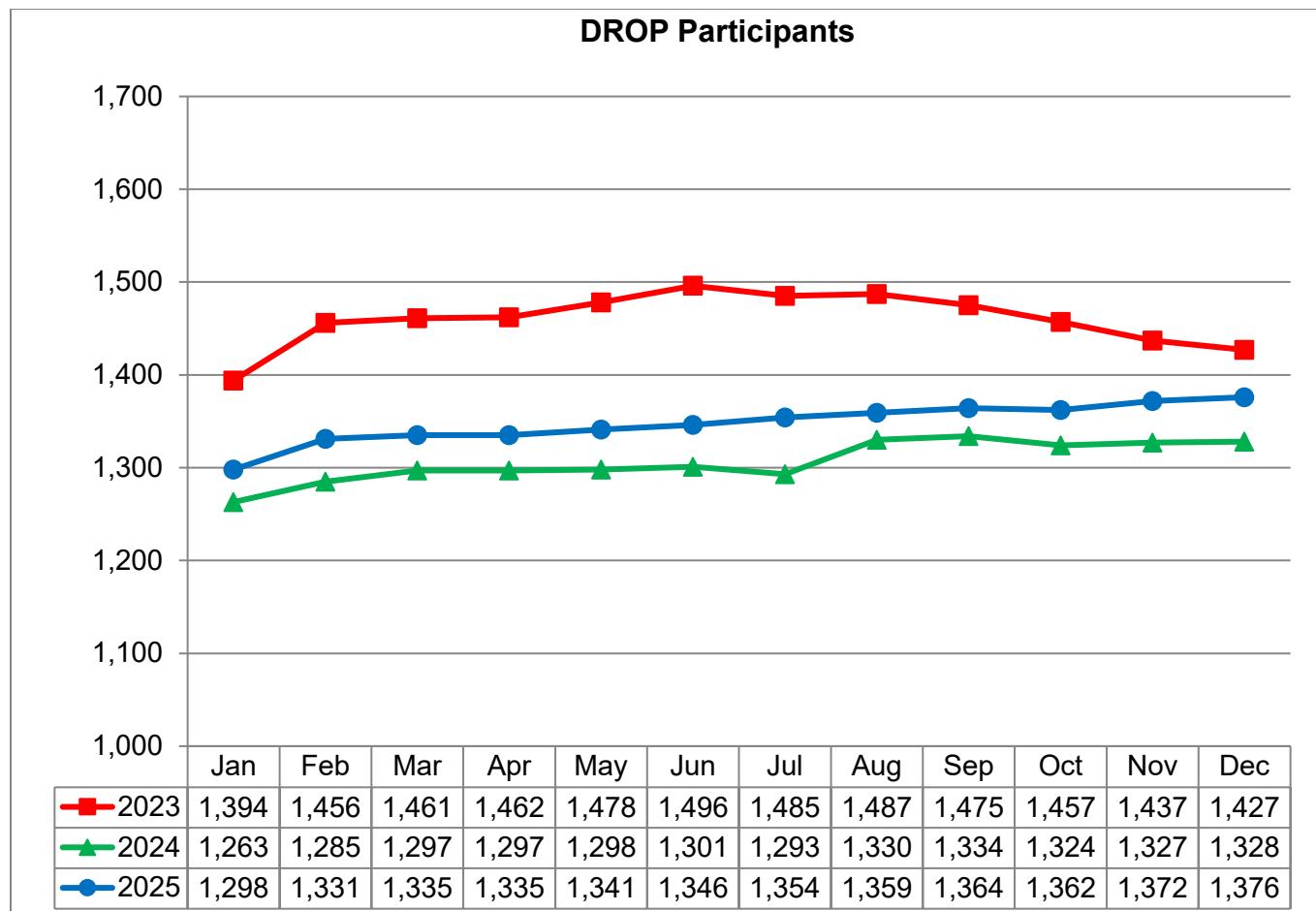
*Data may change due to timing of processing transactions.



NOTE: Projected DROP Exit numbers reflect mandatory exits only.

PENSIONS DIVISION

Attachment 5

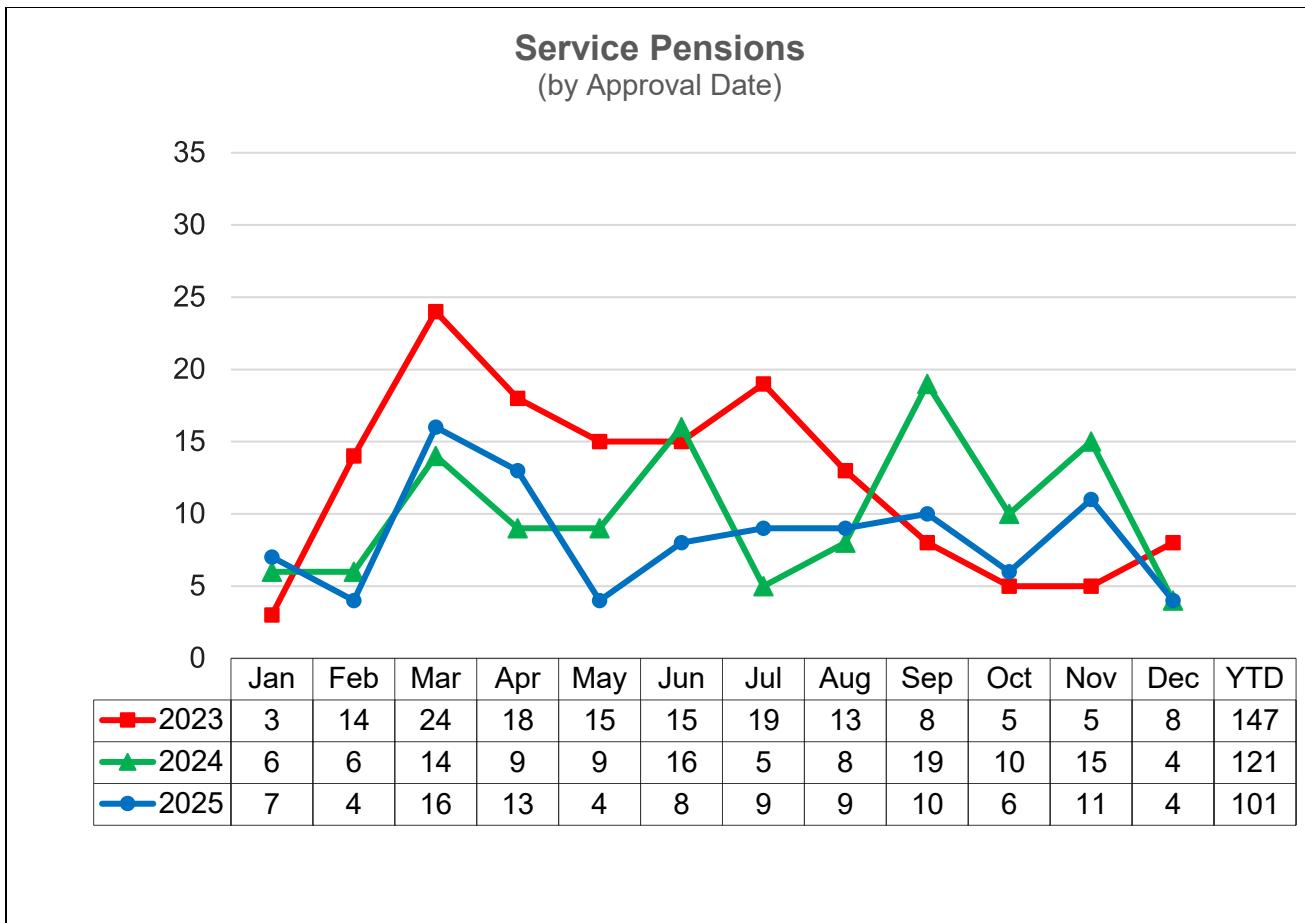


DROP Participants by Department

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fire	195	195	189	191	193	193	208	208	216	215	220	220
Police	1,102	1,135	1,145	1,143	1,147	1,152	1,149	1,149	1,146	1,145	1,150	1,154
Harbor	1	1	1	1	1	1	1	1	1	1	1	1
Airport	0	0	0	0	0	0	1	1	1	1	1	1

PENSIONS DIVISION

Attachment 5



PENSIONS DIVISION

Attachment 5

SURVIVORSHIP PENSIONS

	Current Month	Fiscal Year To Date	12 Month Moving Avg.
Surviving Spouse/Domestic Partner Pension Applications Processed	20	105	17
Survivor Benefit Purchase Program	1	2	1

ACTIVE MEMBER SERVICES

	Current Month	Fiscal Year To Date	12 Month Moving Avg.
New Members Enrolled in the Plan			
Fire	0	39	6
Police	24	146	23
Harbor	2	8	1
Airport	4	13	2
Basic Training Purchases (completed)			
Fire	9	52	7
Police	17	82	15
Harbor	2	3	0
Airport	0	0	0
Public Service Purchases (PSP)			
Completed Purchases	1	1	0
Avg. Years of Service (YOS) Purchased	1.70	1.70	1.24
Avg. Cost per YOS Purchased	\$73,532	\$73,532	\$58,891
Refund of Contributions			
Fire	0	11	1
Police	6	32	6
Harbor	0	0	0
Airport	1	4	0

PENSIONS DIVISION

Attachment 5

MEMBER OUTREACH ACTIVITIES

Date	Type of Outreach	Number of Participants	Tier
12/2/2025	LAFD Benefits Presentation – FS 17B	7	All Tiers
12/2/2025	LAPD Special Operations Division	53	All Tiers
12/5/2025	Benefits Information Webinar or In-Person – “Measure FF”	34	Tier 6
12/9/2025	LAFD Benefits Presentation – Drill Tower 81	9	All Tiers
12/10/2025	Financial Planning Education Seminar – DROP Exit	75	All Tiers
12/10/2025	LAPD Traffic Division Wellness Day	9	All Tiers
12/11/2025	Benefits Information Webinar – “Health Insurance in Retirement”	26	All Tiers
12/12/2025	Benefits Information Webinar – “Measure FF”	16	Tier 6
12/15/2025	LAPD Pacific Division Wellness Day	32	All Tiers
12/16/2025	Benefits Information Webinar or In-Person – “Measure FF”	23	Tier 6
12/17/2025	LAFD Benefits Presentation – FS 61A	14	All Tiers
12/17/2025	Benefits Information Webinar – “Understanding Your Plan”	23	All Tiers
12/18/2025	Benefits Information Webinar – “Service Retirement and DROP Entry”	22	All Tiers
12/19/2025	Recruit Talk – LAPD	22	Tier 6
Upcoming Events			
1/5/2026	Benefits Information Webinar or In-Person – “Measure FF”		Tier 6
1/16/2026	Recruit Talk – LAPD		Tier 6

Outreach Activity Totals		
	Current Month	Fiscal Year to Date
Members Reached	365	2,000
-# of Recruit Talks	1	8
-# of Financial Planning Education Seminars (live)	1	4
-# of Financial Planning Education Webinars (virtual)	0	2
-# of Benefits Information Webinars (virtual)	6	19
-# of Other Outreach Events	6	42

DEPARTMENT OF FIRE AND POLICE PENSIONS
Active, Expired, and Upcoming Contracts
December 31, 2025

Attachment 6

Contract	Vendor / Services	Contract Term		Marketing Cessation Start Date ¹	Board Authorization Date			Comments
		Start Date	Expiration Date		New Search Date	Vendor/ Candidate Finalist Date	Contract Award / Renewal Date	
INVESTMENTS								
SEARCH	Active international Small Capitalization Equity Manager Search	tbd	tbd	07/03/25	07/03/25	01/15/26		On 12/18/2025 the Board approved three finalists for the Active International Small Capitalization Equity Manager Search. Interviews are scheduled for 01/15/26.
747PEN	Denali Advisors, LLC (Domestic Equity)	05/01/20	04/30/26	02/01/26				
748PEN	Eastern Shore Capital Management (Domestic Equity)	05/01/20	04/30/26	02/01/26				
749PEN	Lisanti Capital Growth, LLC (Domestic Equity)	05/01/20	04/30/26	02/01/26				
768PEN	Principal Global Investors, LLC (International Equity)	05/01/21	04/30/26	02/01/26				
800PEN	StepStone LLC (Private Credit Consultant)	06/01/23	05/31/26					
801PEN	MacKay Shields, LLC (Fixed Income - High Yield Bond)	07/01/23	06/30/26					
730PEN	Pacific Investment Management Company, LLC (PIMCO) (Domestic Equity)	08/01/19	07/31/26					
804PEN	Brandes Investment Partners, LP (International Equity)	08/01/23	07/31/26					
805PEN	Payden & Rygel (Unconstrained Fixed Income Manager)	08/01/23	07/31/26					
806PEN	Scout Investments, Inc. - Reams Asset Management Division (Unconstrained Fixed Income Manager)	08/01/23	07/31/26					
755PEN	AllianceBernstein, L.P. (Domestic Equity)	10/01/20	09/30/26					
756PEN	Westwood Management Corp. (Domestic Equity)	10/01/20	09/30/26					
775PEN	Channing Capital Management, LLC (Domestic Equity)	10/01/21	09/30/26					
777PEN	PHOCAS Financial Corporation (Domestic Equity)	10/01/21	09/30/26					
780PEN	GIA Partners, LLC (Domestic Fixed Income)	10/01/21	09/30/26					
802PEN	Portfolio Advisors, LLC (Private Equity)	10/01/23	09/30/26					
803PEN	Portfolio Advisors, LLC (Private Equity - Specialized Manager)	10/01/23	09/30/26					
736PEN	Boston Partners, Inc. (Domestic Equity)	11/01/19	10/31/26					
740PEN	Principal Real Estate Investors, LLC (U.S. REIT Manager)	12/01/19	11/30/26					
813PEN	Cohen & Steers Capital Management, Inc. (Real Estate Investment Trust Manager (Active))	01/01/24	12/31/26					
814PEN	AEW Capital Management, L.P. (Real Estate Separate Account Manager)	01/01/24	12/31/26					
817PEN	The Townsend Group (Real Estate Consultant)	02/01/24	01/31/27					
765PEN	Baillie Gifford Overseas Limited (International Equity)	03/01/21	02/28/27					
769PEN	Victory Capital Management, Inc. (Trivalent Investments, a Victory Capital Investment Franchise) (International Equity)	05/01/21	04/30/27					
771PEN	Frontier Capital Management Company, LLC (Domestic Equity)	07/01/21	06/30/27					
791PEN	Loomis, Sayles & Co., LP (Global Credit Investment Manager)	08/01/22	07/31/27					
774PEN	LM Capital Group, LLC (Fixed Income)	09/01/21	08/31/27					
807PEN	Medalist Partners, L.P. (Fixed Income)	10/01/23	09/30/27					
778PEN	Loomis, Sayles & Co., LP (Fixed Income)	10/01/21	09/30/27					
762PEN	BlackRock Institutional Trust Company (Index Provider)	02/01/21	11/30/27					

DEPARTMENT OF FIRE AND POLICE PENSIONS
Active, Expired, and Upcoming Contracts
December 31, 2025

Attachment 6

Contract	Vendor / Services	Contract Term		Marketing Cessation Start Date ¹	Board Authorization Date			Comments
		Start Date	Expiration Date		New Search Date	Vendor/ Candidate Finalist Date	Contract Award / Renewal Date	
784PEN	Scout Investments, Inc. - Reams Asset Management Division (Fixed Income)	12/01/21	11/30/27					
794PEN	AllianceBernstein, L.P. (Index Provider)	12/01/22	11/30/27					
796PEN	Northern Trust Investments, Inc. (Index Provider)	12/01/22	11/30/27					
797PEN	RhumbLine Advisers L.P. (Index Provider)	12/01/22	11/30/27					
729PEN	Palisade Capital Management, LP (Small Cap Equity) (Domestic Equity)	07/01/19	06/30/28					
825PEN	J.P. Morgan Investment Management Inc. (Active Core Fixed Income)	07/01/25	06/30/28					
721PEN	RVK, Inc. (General Investment Consultant)	03/01/19	02/28/29					
735PEN	Northern Trust Company (Custodian Bank)	10/01/19	09/30/29					
786PEN	Glass, Lewis, & Co., LLC (Proxy Voting Services)	01/01/22	12/31/29					
793PEN	Scout Investments, Inc. - Reams Asset Management Division (Fixed Income - TIPS)	09/01/22	08/31/30					
ADMINISTRATIVE OPERATIONS								
828PEN	TurningWest (Workplace Culture Assessment Study)	08/21/25	12/20/25					
824PEN	Segal Select Insurance Services, Inc. (Cyber Liability and D&O Insurance)	11/01/24	10/31/26					
815PEN	Haworth, Inc. (HQ Furniture)	01/01/24	12/31/26					
826PEN	Total Commercial Real Estate, Inc. (Property Management Services - Neptune)	07/01/25	06/30/28					
ADMINISTRATIVE SERVICES								
808PEN	Stericycle, Inc. (Shred-It) (Secure Document Shredding Services)	02/01/24	01/31/26					
BOARD OF FIRE & POLICE PENSION COMMISSIONERS								
C-137251	Reed Smith, LLP (Independent Conflict Counsel)	09/01/20	08/31/26					
CITY ATTORNEY'S OFFICE								
RFP	Outside Securities Monitoring and Litigation Counsel Services	tbd	tbd		08/07/25			On 08/07/25, the Board approved the release of an RFP for Outside Securities Monitoring and Litigation Counsel services. The RFP is expected to open in early-2026.
RFP	Outside Tax Counsel	tbd	tbd		02/20/25			On 02/20/25, the Board approved the release of an RFP for Outside Tax Counsel services. The RFP was released on 07/29/25, and closed on 08/23/25; 5 responses were received.
C-140274	Ice Miller, LLP (Outside Tax Counsel)	03/01/22	02/28/26					
C-142074	Bernstein Litowitz Berger & Grossmann LLP (Securities Monitoring Counsel)	11/01/22	10/31/26					
C-142077	Cohen Milstein Sellers & Toll PLLC (Securities Monitoring Counsel)	11/01/22	10/31/26					
C-142085	Bleichmar Fonti & Auld LLP (Securities Monitoring Counsel)	11/01/22	10/31/26					
C-142087	Robbins Geller Rudman & Dowd LLP (Securities Monitoring Counsel)	11/01/22	10/31/26					
C-142089	Saxena White P.A. (Securities Monitoring Counsel)	11/01/22	10/31/26					
C-145135	Ice Miller, LLP (Outside Data Privacy, Health Law, and Cybersecurity Counsel)	12/01/23	11/30/26					
C-145139	Groom Law Group (Outside Data Privacy, Health Law, and Cybersecurity Counsel)	12/01/23	11/30/26					
C-145165	Baker & Hostetler LLP (Outside Data Privacy, Health Law, and Cybersecurity Counsel)	12/01/23	11/30/26					
C-145167	Clark Hill PLC (Outside Data Privacy, Health Law, and Cybersecurity Counsel)	12/01/23	11/30/26					

DEPARTMENT OF FIRE AND POLICE PENSIONS
Active, Expired, and Upcoming Contracts
December 31, 2025

Attachment 6

Contract	Vendor / Services	Contract Term		Marketing Cessation Start Date ¹	Board Authorization Date			Comments
		Start Date	Expiration Date		New Search Date	Vendor/ Candidate Finalist Date	Contract Award / Renewal Date	
C-200906	Cohen Milstein, LLP (Outside Conflict Counsel)	01/01/25	12/31/27					
C-200907	Cohen Milstein, LLP (Outside Fiduciary Counsel)	01/01/25	12/31/27					
C-200909	Kutak Rock, LLP (Outside Fiduciary Counsel)	01/01/25	12/31/27					
C-200910	Kutak Rock, LLP (Real Estate and Investment Counsel)	01/01/25	12/31/27					
C-200912	Kutak Rock, LLP (Outside Conflict Counsel)	01/01/25	12/31/27					
C-200914	Nossaman, LLP (Outside Conflict Counsel)	01/01/25	12/31/27					
C-200917	Nossaman, LLP (Outside Fiduciary Counsel)	01/01/25	12/31/27					
C-200918	Nossaman, LLP (Real Estate and Investment Counsel)	01/01/25	12/31/27					
COMMUNICATIONS & EDUCATION								
799PEN	Rosie's Kitchen (Seminar Program Catering Services)	01/19/23	01/18/26				11/06/25	On 11/06/25, the Board approved a one-year contract extension through 01/18/27 with Rosie's Kitchen. Contract amendment has been executed.
790PEN	Geographics (Graphic Design Services)	06/16/22	06/15/26					
823PEN	Digital Deployment, Inc. (Website Design and Support Services)	10/01/21	06/30/26					
812PEN	Four Square Financial Literacy Partners, Inc. (Financial Planning Education)	12/05/23	12/04/26					
816PEN	Cambridge Financial Partners, LLC (Financial Counseling Services)	12/10/23	12/09/26					
DISABILITY PENSIONS								
810PEN	Argus West, Inc. (Investigative Services)	11/01/23	10/31/26					
818PEN	US Legal Support (Court Reporting Services)	07/01/24	06/30/27					
820PEN	QTC Medical Group, Inc. (Independent Medical Exam Services)	07/01/24	06/30/27					
821PEN	Crosspoint Evaluations, LLC. (Independent Medical Exam Services)	07/01/24	06/30/27					
822PEN	IMA Evaluations, LLC (Independent Medical Exam Services)	07/01/24	06/30/27					
INTERNAL AUDIT								
827PEN	Simpson & Simpson Certified Public Accountants (External Financial Statements Audits)	07/17/25	07/17/28					
MEDICAL & DENTAL BENEFITS								
N/A	Los Angeles City Employee Retirement System (Health and Dental Plan Subgroups)	01/01/24	12/31/26					
819PEN	USI Insurance Services (Health Consulting Services)	06/07/24	06/06/27					
N/A	Los Angeles Police Protective League (Dental Insurance Administration)	07/01/23	06/30/28					
N/A	United Firefighters of Los Angeles City (Medical and Dental Insurance Administration)	07/01/23	06/30/28					
N/A	Los Angeles Firemen's Relief Association (Medical Insurance Administration)	07/01/23	06/30/28					
N/A	Los Angeles Police Relief Association (Medical and Dental Insurance Administration)	07/01/23	06/30/28					
PENSIONS DIVISION								
RFP	Actuarial Audit Services	tbd	tbd		11/02/23		11/06/25	On 11/06/25, the Board approved a one-year contract with Cheiron, Inc. for Actuarial Audit Services. Contract execution is pending.
767PEN	The Segal Company (Western States), Inc. (Actuarial Consulting Services)	07/01/21	06/30/27					
SYSTEMS								
687PEN	Northern Trust Company (Integrated Disbursement Services)	10/05/17	10/04/25				09/18/25	On 09/18/25, the Board approved a three-year contract extension through 10/04/28 with Northern Trust Company for Integrated Disbursement Services. Contract amendment is pending.
626PEN	Neumo (Pension Administration System)	07/02/15	07/01/26					

DEPARTMENT OF FIRE AND POLICE PENSIONS
 Active, Expired, and Upcoming Contracts
 December 31, 2025

Attachment 6

Contract	Vendor / Services	Contract Term		Marketing Cessation Start Date ¹	Board Authorization Date			Comments
		Start Date	Expiration Date		New Search Date	Vendor/ Candidate Finalist Date	Contract Award / Renewal Date	
616PEN	AT&T (CALNET/NextGen Phone)	11/15/13	06/30/28					
617PEN	AT&T (CALNET/NextGen Data)	11/15/13	06/30/28					

¹Marketing Cessation: The purpose of this policy is to prevent, and avoid the appearance of, undue influence on the Board or any of its members in the award of all Investments contracts. In accordance with Section 1.15 of the Board Operating Policies and Procedures, from the time the search begins with the Board's approval of the minimum criteria for the search until the search ends with the selection of the firm(s) to receive the contract(s), all direct marketing contact with firms that meet the search criteria will be limited to meetings with the Consultant, information sent to the Consultant or Department, questions about the search directed to the Staff or Consultant, one meeting at the Department's office with Staff and any site visits. The Board members, Department Staff or Consultant will accept no entertainment or gifts of any kind from any firm qualifying for the search. This policy does not prohibit contact with potential interview candidates at group social events, educational seminars, conferences, or charitable events so long as there is no direct marketing.

During the three months prior to the renewal of a contract with a firm currently under contract, the Board Members, Department Staff and Consultant will accept no entertainment or gifts from that firm until the contract has been renewed or terminated by the Board. Firms who currently have contracts with the Los Angeles Fire and Police Pension System are allowed to continue contact related to the existing contract with Staff and Consultant.

*Expired contracts are listed in red. Expired investments contracts will remain on the list if the marketing cessation period is active and until a new contract is awarded.

DEPARTMENT OF FIRE AND POLICE PENSIONS
BUDGET TO ACTUAL - RECEIPTS AND EXPENSES
As of December 31, 2025 (50.00% of fiscal year)

	(A) ADOPTED BUDGET	(B) ACTUAL YEAR TO DATE	(C) YEAR END PROJECTIONS	(D) DIFFERENCE (UNDER) / OVER PROJECTED (C - A = D)	(E) VARIANCE % (D / A = E)
RECEIPTS					
<i>Pension</i>					
General Fund ^{1,2}	443,146,663	443,146,663	443,146,663	-	0.0%
Less: Excess Benefit Plan ¹	(2,031,228)	(2,031,228)	(2,031,228)	-	0.0%
Special Fund (Harbor)	5,475,633	5,475,633	5,475,633	-	0.0%
Special Fund (Airports) ²	5,313,217	5,313,217	5,313,217	-	0.0%
<i>Subtotal Pension</i>	<u>\$ 451,904,285</u>	<u>\$ 451,904,285</u>	<u>\$ 451,904,285</u>	<u>\$ -</u>	<u>0.0%</u>
<i>OPEB</i>					
General Fund	190,268,944	190,268,944	190,268,944	-	0.0%
Special Fund (Harbor)	1,230,758	1,230,758	1,230,758	-	0.0%
Special Fund (Airports)	1,456,386	1,456,386	1,456,386	-	0.0%
<i>Subtotal OPEB</i>	<u>\$ 192,956,088</u>	<u>\$ 192,956,088</u>	<u>\$ 192,956,088</u>	<u>\$ -</u>	<u>0.0%</u>
Total City Contribution - to LAFPP	<u>\$ 644,860,373</u>	<u>\$ 644,860,373</u>	<u>\$ 644,860,373</u>	<u>\$ -</u>	<u>0.0%</u>
Member Contributions ³	188,264,821	83,041,987	165,972,000	(22,292,821)	(11.8%)
Earnings on Investments ⁴	585,000,000	392,194,668	585,000,000	-	0.0%
Miscellaneous ^{5,6}	500,000	309,122	527,000	27,000	5.4%
Total Receipts	<u>\$ 1,418,625,194</u>	<u>\$ 1,120,406,150</u>	<u>\$ 1,396,359,373</u>	<u>\$ (22,265,821)</u>	<u>(1.6%)</u>
EXPENSES					
<i>Pension Benefits</i>					
Service Pensions	1,204,000,000	535,185,050	1,070,508,000	(133,492,000)	(11.1%)
Service Pensions - DROP Distributions	192,572,000	52,888,440	164,868,000	(27,704,000)	(14.4%)
Disability Pensions	114,000,000	56,527,586	112,087,000	(1,913,000)	(1.7%)
Surv. Spouse/Domestic Partner Pensions	178,000,000	88,001,719	176,424,000	(1,576,000)	(0.9%)
Minor / Dependent Pensions	4,000,000	1,715,690	3,385,000	(615,000)	(15.4%)
Refund of Contributions	6,500,000	2,309,884	4,495,000	(2,005,000)	(30.8%)
<i>Subtotal Pension Benefits</i>	<u>\$ 1,699,072,000</u>	<u>\$ 736,628,369</u>	<u>\$ 1,531,767,000</u>	<u>\$ (167,305,000)</u>	<u>(9.8%)</u>
<i>OPEB</i>					
Health Insurance Premium Subsidy	175,000,000	78,631,780	158,801,000	(16,199,000)	(9.3%)
Dental Insurance Premium Subsidy	5,800,000	2,493,372	4,984,000	(816,000)	(14.1%)
Medicare Reimbursement	20,000,000	8,627,702	16,979,000	(3,021,000)	(15.1%)
Health Insurance Premium Reimbursement	2,300,000	966,367	2,029,000	(271,000)	(11.8%)
<i>Subtotal OPEB</i>	<u>\$ 203,100,000</u>	<u>\$ 90,719,221</u>	<u>\$ 182,793,000</u>	<u>\$ (20,307,000)</u>	<u>(10.0%)</u>
Total Benefits Expenses	<u>\$ 1,902,172,000</u>	<u>\$ 827,347,590</u>	<u>\$ 1,714,560,000</u>	<u>\$ (187,612,000)</u>	<u>(9.9%)</u>
Investment Management Expense	188,633,768	20,946,049	190,807,478	2,173,710	1.2%
Administrative Expense ⁷	32,711,000	19,682,864	31,986,958	(724,043)	(2.2%)
Total Expenses	<u>\$ 2,123,516,768</u>	<u>\$ 867,976,503</u>	<u>\$ 1,937,354,436</u>	<u>\$ (186,162,333)</u>	<u>(8.8%)</u>
RECEIPTS OVER EXPENSES⁸	<u>\$ (704,891,574)</u>	<u>\$ 252,429,647</u>	<u>\$ (540,995,063)</u>	<u>\$ 163,896,512</u>	<u>(23.3%)</u>
	CURRENT MONTH	YTD MOVING AVERAGE			
PENSION PAYROLL	<u>\$ 134,789,088</u>	<u>\$ 137,506,284</u>			

¹ Represents the City of Los Angeles (City) General Fund Annual Required Contribution, including the amount earmarked to pay excess benefits and associated administrative costs in compliance with IRC Section 415. For 2025-26, funds totaling \$168,611.50 from the prior fiscal year were re-appropriated on July 11, 2025 to the current year Excess Benefit Plan (EBP) fund budgeted at \$2,031,228. Since the EBP revenue is not transferred to LAFPP, it is excluded from the department's total revenue.

² Measure FF (2024) provides eligible LACERS members an opportunity to elect to terminate their LACERS membership and transfer into LAFPP Tier 6. In addition, Measure FF provides for tax compliant, interest-free refunds to Tier 6 LAFPP members, who previously purchased years of service pursuant to prior City Charter amendments; to this end, the FY 2025-26 Employer Contributions from the General Fund and Special Fund (Airports) include \$885,272 and \$1,627,067, respectively, as a one-time advance payment for LAFPP to process refunds to these Tier 6 members.

³ Actual Year to Date includes contributions from Pay Period Ending June 28, 2025 through Pay Period Ending December 13, 2025, and revenue from member buybacks through December 30, 2025.

⁴ Earnings on Investments does not include Gain (Loss) on Sale of Investments, which is recorded in LAFPP financial statements after the amount is audited. Therefore an amount is not included in the budget, actuals, or projections.

⁵ Reflects miscellaneous receipts from various sources.

⁶ Miscellaneous receipts includes one-time CAO reimbursements of \$90,958.75 for actuarial services, \$19,825.06 and \$110 for outside counsel services related to FF ballot measure.

⁷ Actual Year to Date reflects Year-to-Date commitments which include encumbrances and expenditures.

⁸ Figures may be rounded.

DEPARTMENT OF FIRE AND POLICE PENSIONS
 BUDGET TO ACTUAL - ADMINISTRATIVE & INVESTMENT MANAGEMENT EXPENSES
 As of December 31, 2025 (50.00% of fiscal year)

Attachment 7

ADMINISTRATIVE EXPENSE	(A)	(B)	(C)	(D)	(E)	(F)	DIFFERENCE		(H)
							MODIFIED	YEAR TO DATE	REMAINING
ACCOUNT TITLE	ADOPTED	BUDGET	BUDGET	TOTAL	BALANCE	PROJECTED	PROJECTED	(UNDER) / OVER	VARIANCE
	BUDGET	CHANGES	(A + B = C)	COMMITTED ¹	(C - D = E)	EXPENSES	(F - C = G)	(G / C = H)	
Salaries - General ³	18,125,000	-	18,125,000	7,470,457	10,654,543	17,704,000	(421,000)	(2.3%)	
Salaries - As-Needed ³	246,500	-	246,500	99,388	147,112	216,996	(29,504)	(12.0%)	
Overtime	125,700	-	125,700	24,037	101,663	52,481	(73,219)	(58.2%)	
Subtotal Salaries	18,497,200	-	18,497,200	7,593,882	10,903,318	17,973,478	(523,723)	(2.8%)	
Health Insurance	2,402,000	-	2,402,000	2,402,000	-	2,324,000	(78,000)	(3.2%)	
Dental Insurance	63,000	-	63,000	63,000	-	61,000	(2,000)	(3.2%)	
Other Employee Benefits	65,000	-	65,000	65,000	-	65,000	-	0.0%	
Retirement Contribution	4,896,000	-	4,896,000	4,874,706	21,294	4,881,300	(14,700)	(0.3%)	
Medicare Contribution	269,000	-	269,000	43,969	225,031	260,700	(8,300)	(3.1%)	
Subtotal Employee Benefits	7,695,000	-	7,695,000	7,448,675	246,325	7,592,000	(103,000)	(1.3%)	
Printing and Binding	31,100	-	31,100	31,100	-	31,100	-	0.0%	
Travel Expense	142,200	-	142,200	20,203	121,997	44,880	(97,320)	(68.4%)	
Contractual Expense	5,250,300	-	5,250,300	4,064,520	1,185,780	5,250,300	-	0.0%	
Transportation	6,000	-	6,000	2,500	3,500	6,000	-	0.0%	
Medical Services	400,000	-	400,000	150,000	250,000	400,000	-	0.0%	
Election Expense	-	-	-	-	-	-	-	--	
Office and Administrative Expense	683,700	-	683,700	371,984	311,716	683,700	-	0.0%	
Total Furniture, Office, & Tech. Equip. >\$5,000	-	-	-	-	-	-	-	--	
Tuition Reimbursement	5,500	-	5,500	-	5,500	5,500	-	0.0%	
Subtotal Expenses	6,518,800	-	6,518,800	4,640,307	1,878,493	6,421,480	(97,320)	(1.5%)	
TOTAL ADMINISTRATIVE EXPENSE	\$ 32,711,000	\$	-	\$ 32,711,000	\$ 19,682,864	\$ 13,028,136	\$ 31,986,958	\$ (724,043)	(5.7%)
TOTAL INVESTMENT MANAGEMENT EXPENSE	\$ 188,633,768	\$	-	\$ 188,633,768	\$ 20,946,049	\$ 167,687,719	\$ 190,807,478	\$ 2,173,710	1.2%

¹ Year to Date Total Committed includes encumbrances and expenditures.

² Percentage difference between Year End Projected Expenses and the Adjusted Budget.

³ Year to Date Total Committed includes partial Pay Period 1 (June 30 - July 12, 2025) through Pay Period Ending December 13, 2025.