LAFPP

TO SERVE THOSE WHO PROTECT

2022-23 Preliminary Budget

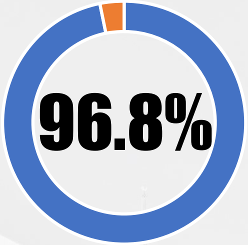
RAYMOND CIRANNA
General Manager

ANNUAL REPORT
JUNE 30, 2021
HIGHLIGHTS

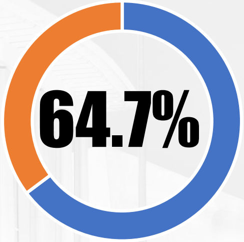
LAFPP TO SERVE THOSE WHO PROTECT

$30.7 B — **FUND ASSETS** AS OF JUNE 30, 2021

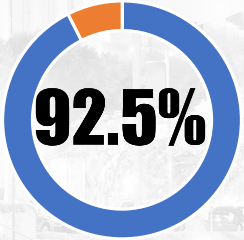
$2.1 B — **UNFUNDED LIABILITY** FOR PENSION & HEALTH BENEFITS



PENSION FUNDING



HEALTH FUNDING



COMBINED FUNDING

TOTAL MEMBERS[1]
26,350

RETIRED MEMBERS AND BENEFICIARIES[2]
13,527

ACTIVE MEMBERS
12,823

Average Monthly Pension Payments

Service Pension	Disability Pension	Survivor Pension
$7,171	$5,360	$4,875

MONTHLY HEALTH SUBSIDIES

MAXIMUM NON-MEDICARE SUBSIDY	MAXIMUM MEDICARE SUBSIDY
$1,920.41	$564.92

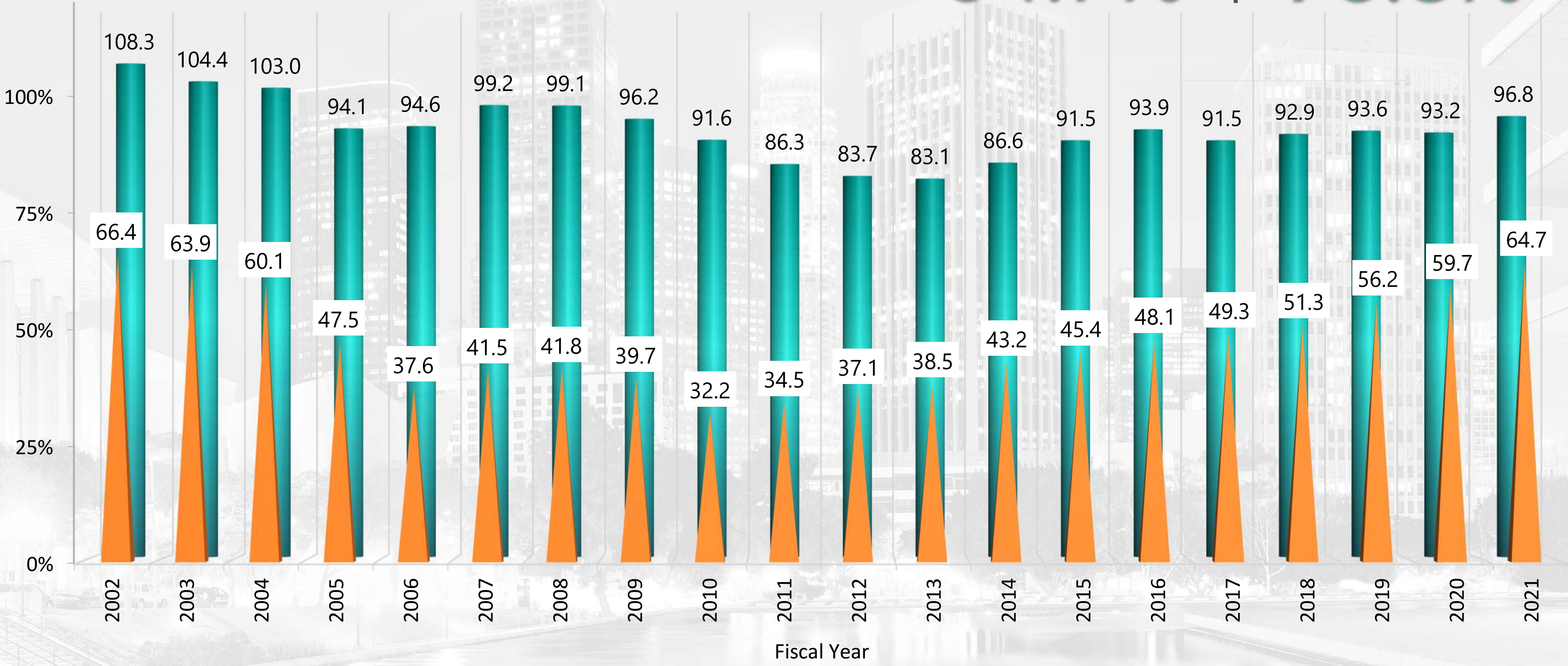
[1] Does not include Vested Terminated members
[2] Includes Service Retirement, Disability, and Survivor Benefits

2

FUNDING STATUS

JUNE 30, 2021

HEALTH 64.7% | PENSION 96.8%



3

RECEIPTS
2022-23 PRELIMINARY BUDGET AND 5-YEAR HISTORY

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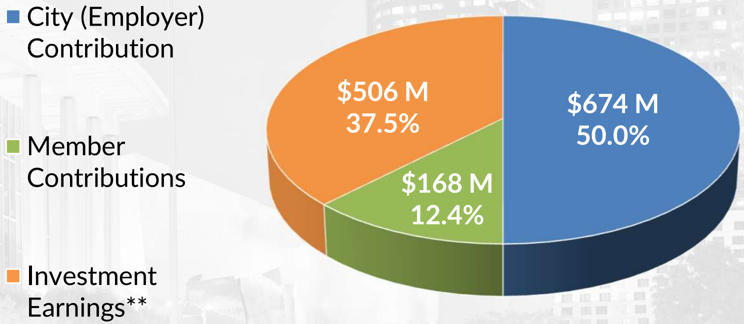
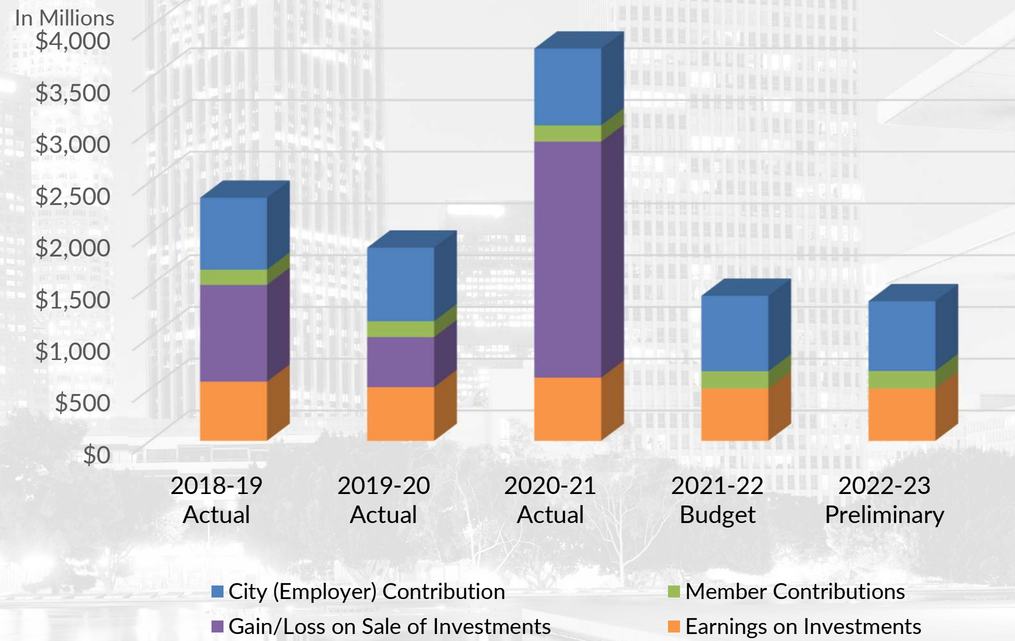
$1.35 B

TOTAL PRELIMINARY RECEIPTS

2022-23 Preliminary Receipts



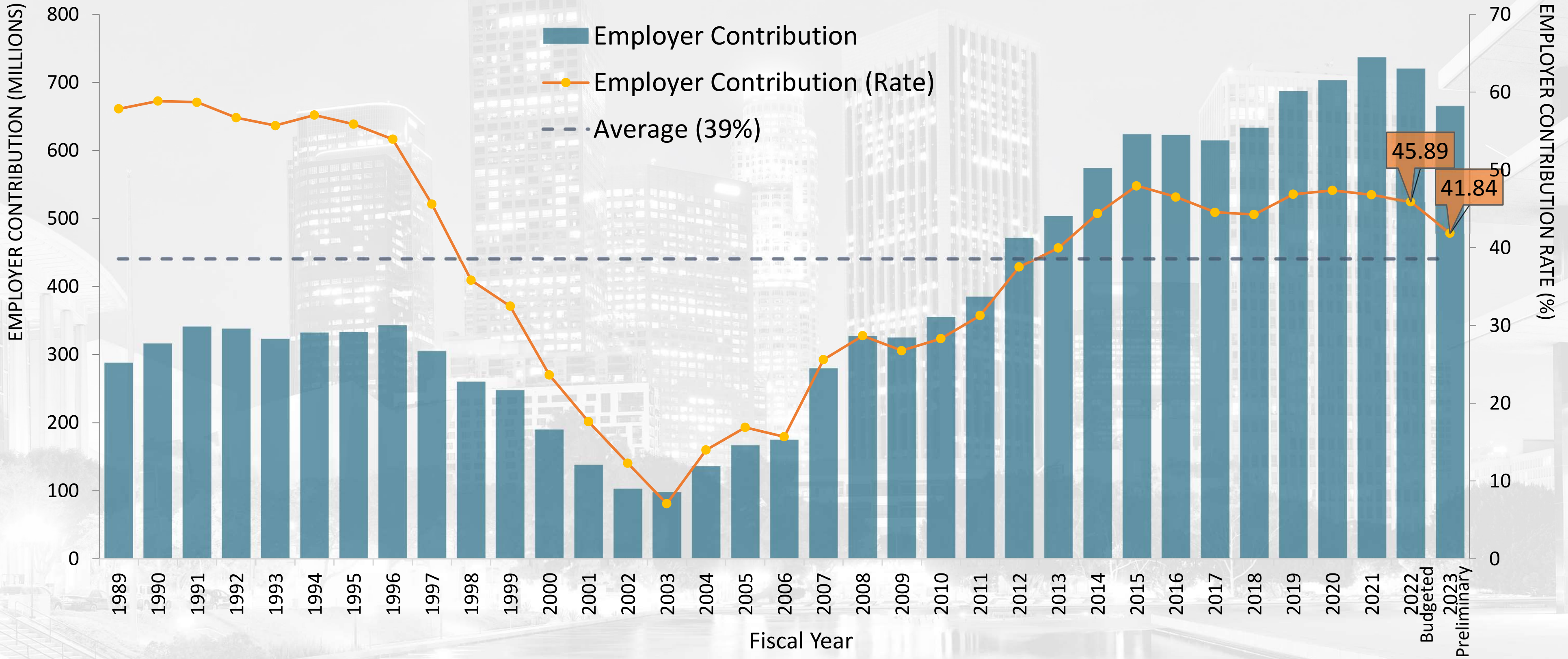
Five-Year History of Receipts



Receipts also include Miscellaneous revenue, which is not shown here. Gain (Loss) on Sale of Investments is recorded in LAFPP financial statements after the amount is audited and therefore not included in budget amounts. Graphs exclude Excess Benefit Plan (EBP) amount. Total amounts and percentages may be rounded.

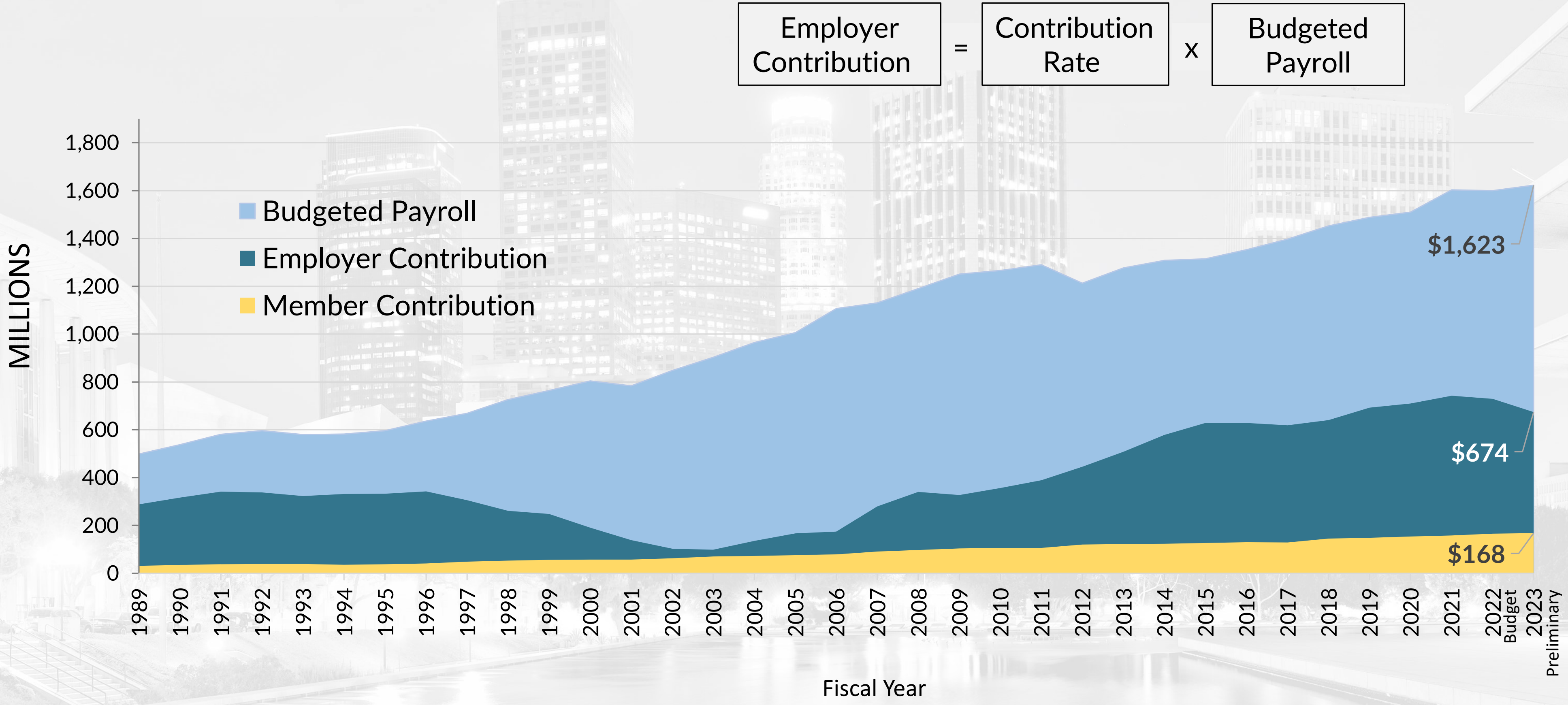
4

GENERAL FUND EMPLOYER CONTRIBUTIONS*
35-YEAR HISTORY



* General Fund Employer Contribution excludes Excess Benefit Plan (EBP) amount.

5 PAYROLL & CONTRIBUTIONS*
35-YEAR HISTORY



* Employer Contribution excludes Excess Benefit Plan (EBP) amount.

6

EXPENDITURES

2022-23 PRELIMINARY BUDGET AND 5-YEAR HISTORY

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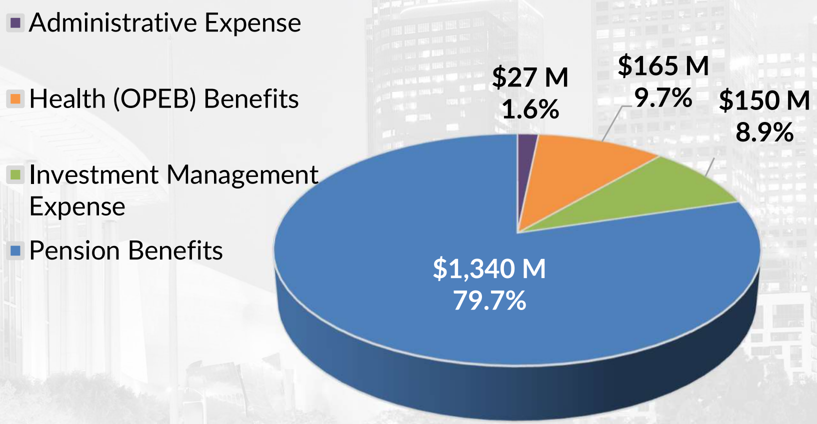
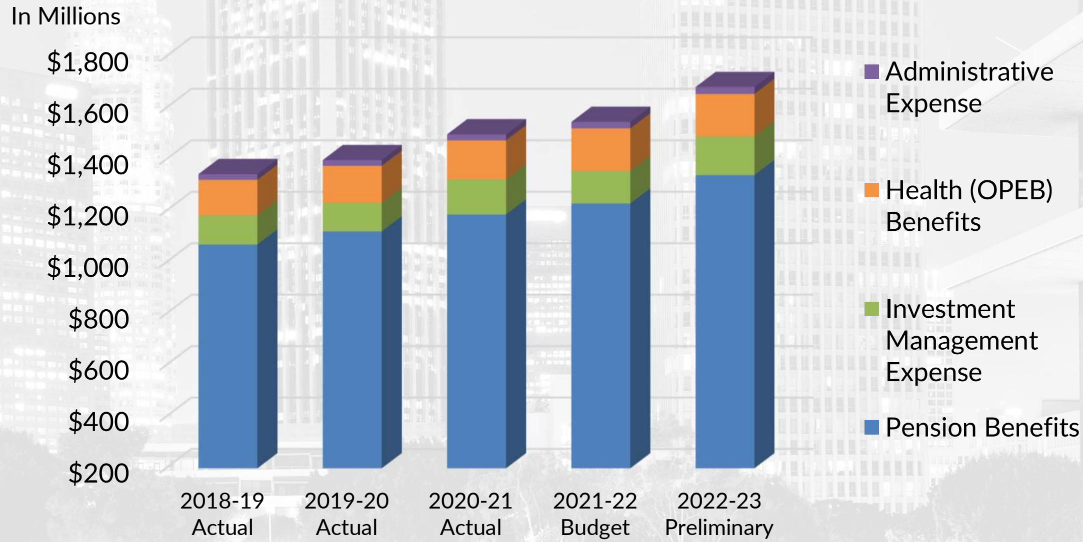
$1.68 B

TOTAL PRELIMINARY EXPENDITURES

2022-23 Preliminary Expenditures



Five-Year History of Expenditures

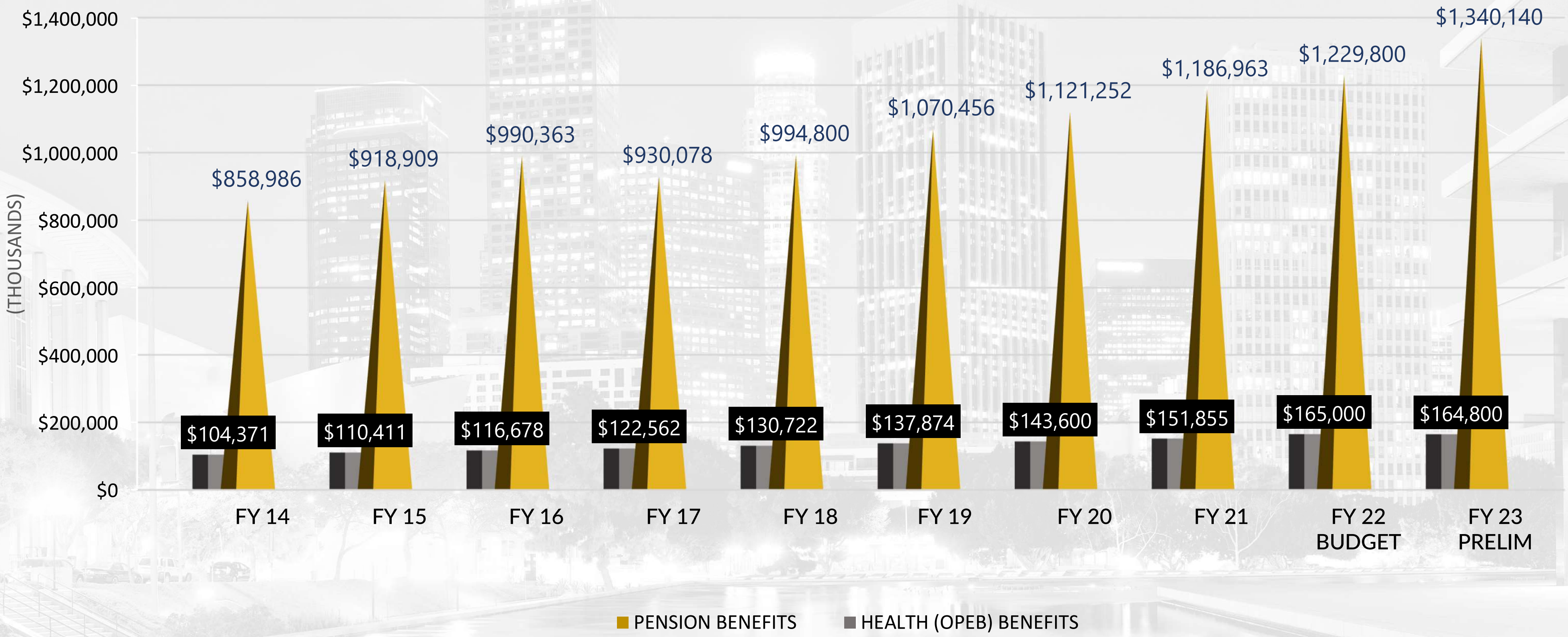


Pension and Health (OPEB) Benefits are non-discretionary expenses. Salaries and employee benefits as part of Administrative Expense are also non-discretionary expenses.
Total amounts and percentages may be rounded.

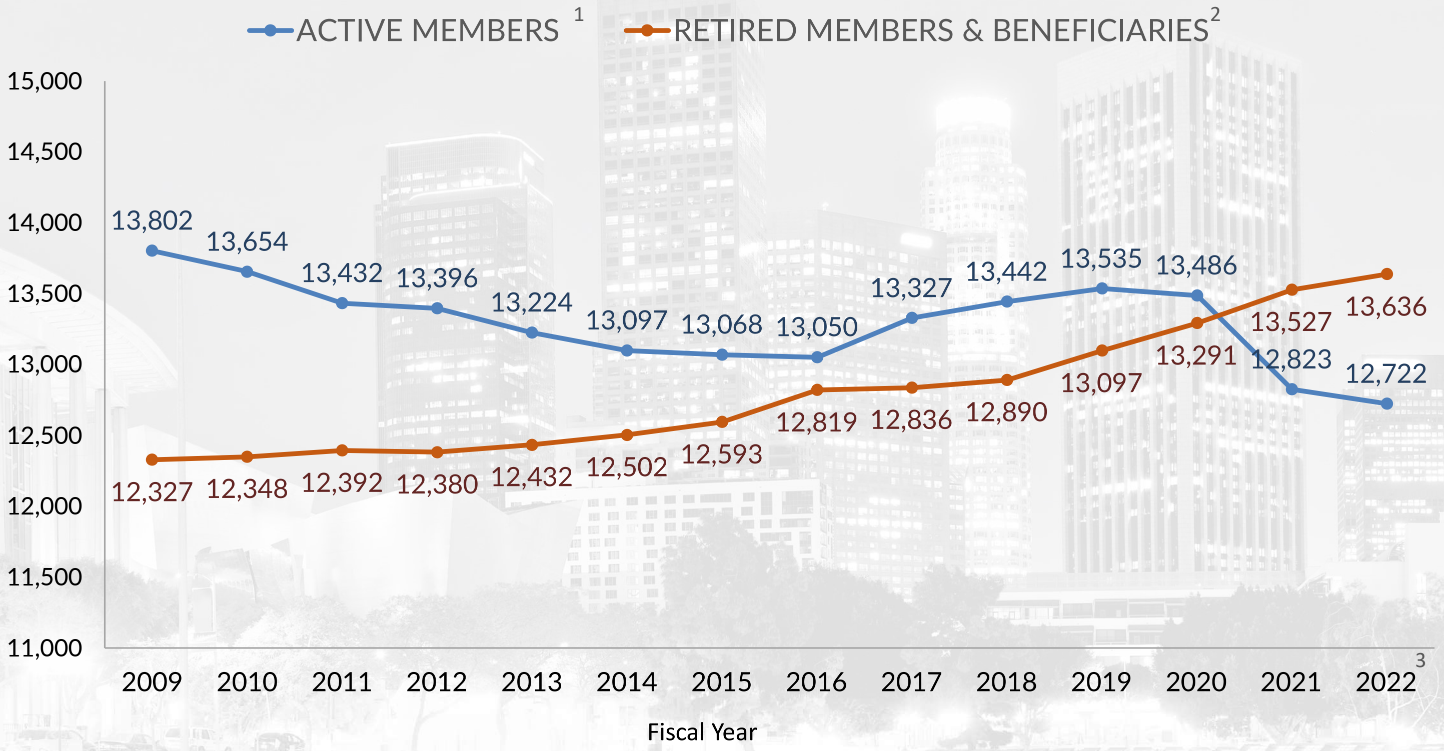
7

PENSION AND HEALTH (OPEB) BENEFITS

10-YEAR HISTORY



8 LAFPP MEMBERSHIP



[1] Does not include Vested Terminated members.
[2] Includes Service Retirement, Disability, and Survivor Benefits.
[3] Fiscal Year 2022 figures are as of December 2021.

TOTAL MEMBERS

26,358

December 31, 2021

ACTIVE MEMBERS

12,722

SERVICE PENSIONERS

9,434

DISABILITY PENSIONERS

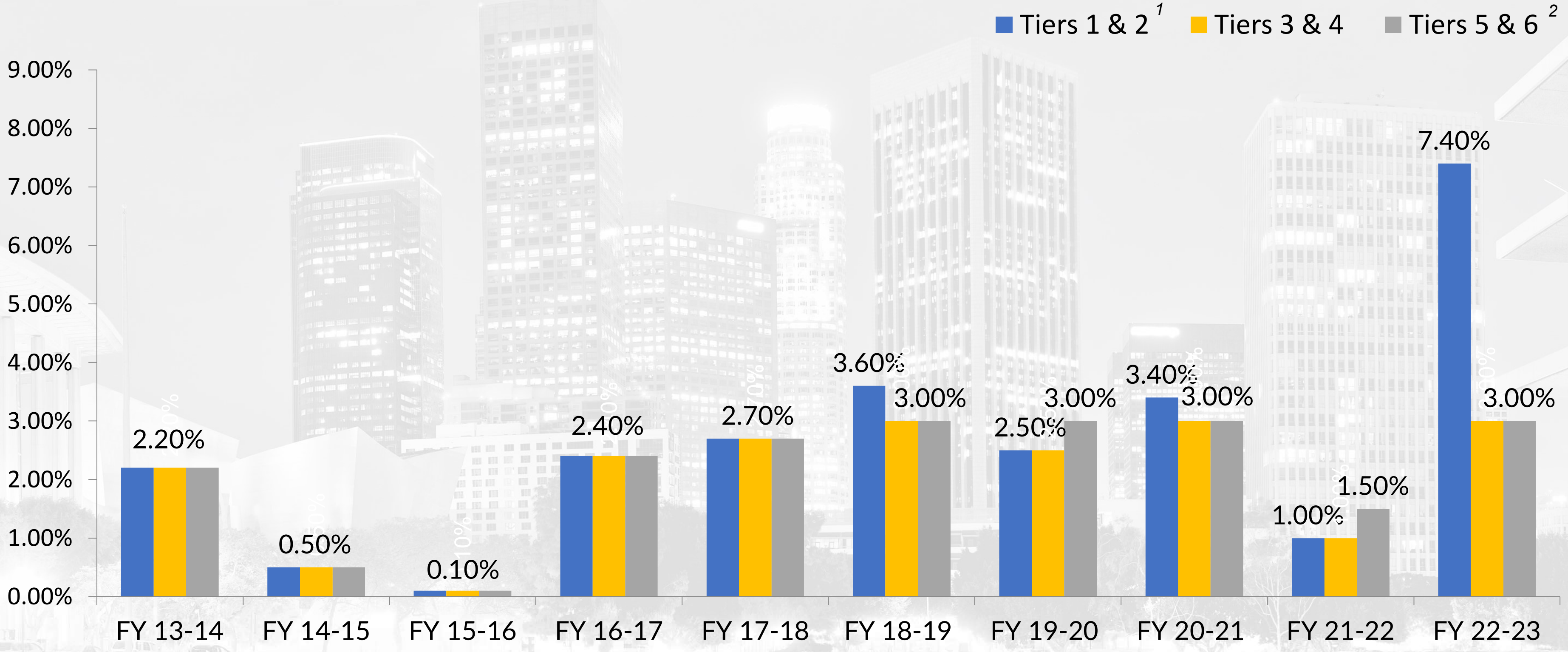
1,684

SURVIVOR PENSIONERS

2,518

9

ANNUAL COST OF LIVING ADJUSTMENTS
10-YEAR HISTORY

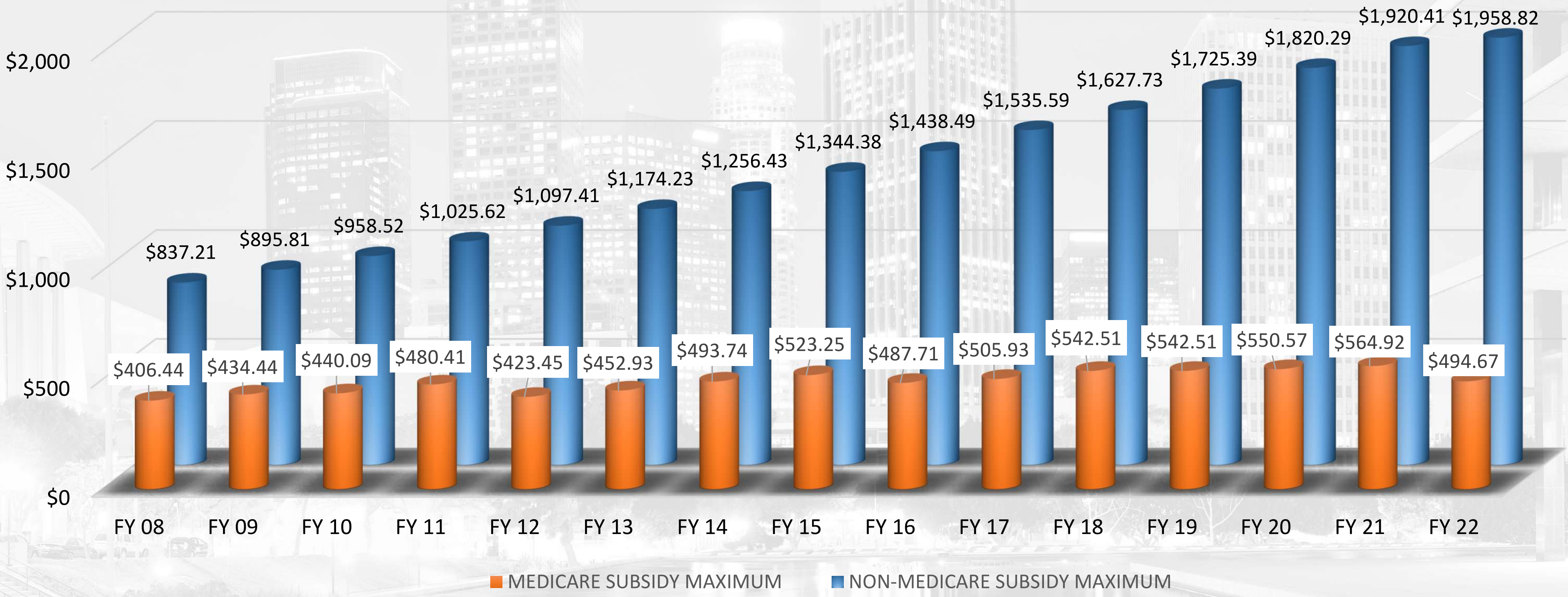


[1] *Tiers 1 and 2 pensioners have an uncapped COLA.*

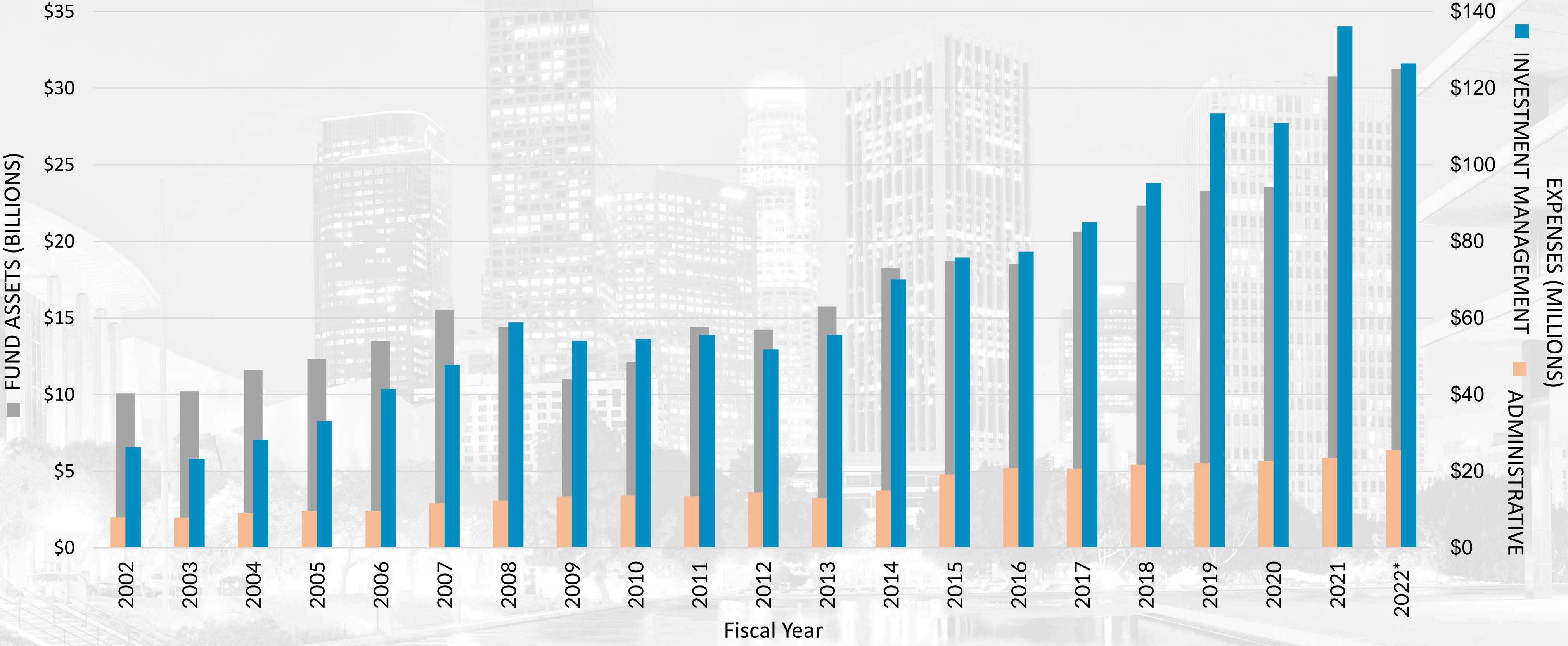
[2] *Qualified Tiers 5 and 6 pensioners, including Tier 5 DROP participants, are entitled to a COLA bank. These members will receive an increase of up to 3 percent, based on the accumulation in their COLA bank.*

10 MAXIMUM HEALTH INSURANCE PREMIUM SUBSIDIES BENEFIT

15-YEAR HISTORY



11 ASSETS AND EXPENSES
20-YEAR HISTORY



* Fund assets are as of March 31, 2022 (unaudited).

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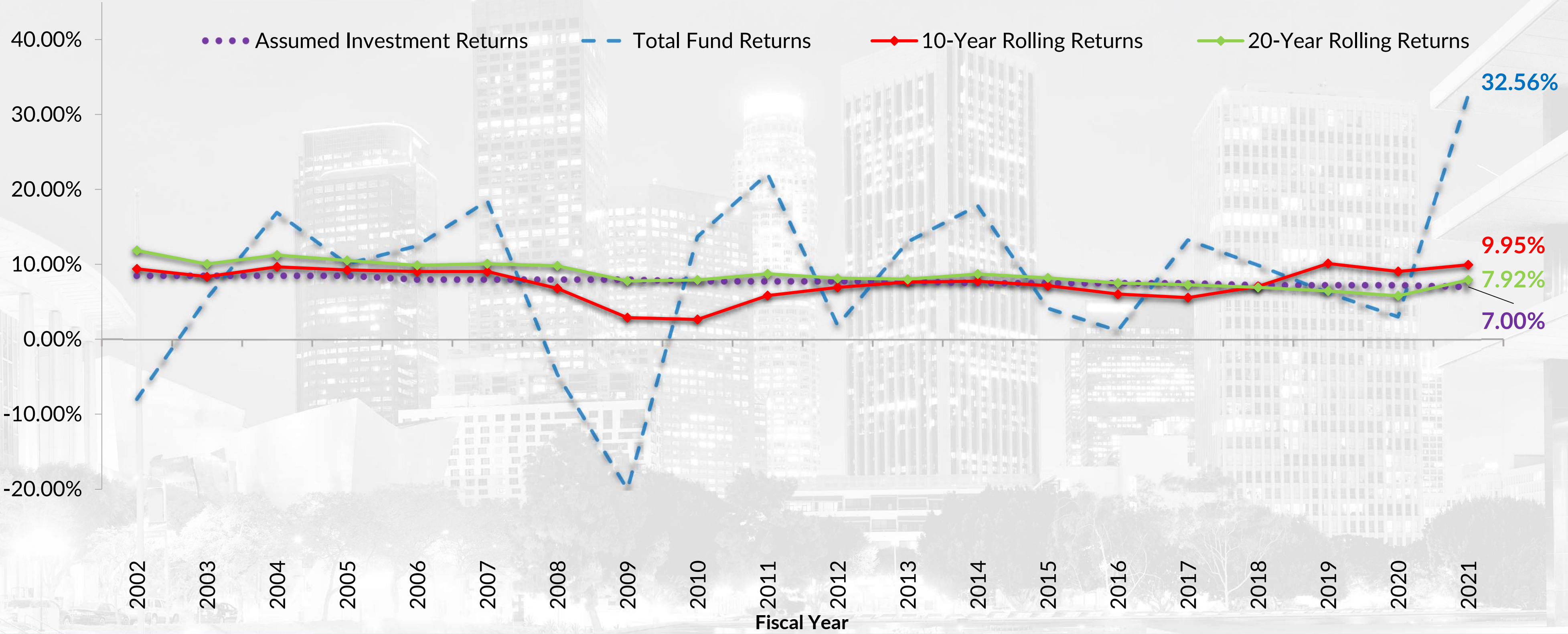
12 RATE OF RETURN
20-YEAR HISTORY



1.77% FYTD RETURN*

*UNAUDITED AS OF MARCH 31, 2022

13 LAFPP 2022-23 INITIATIVES

Ensure a Financially Sound Retirement System

1. Implementation of 115 Trust in Financial Reporting
2. Implementation of New Global Credit Mandate
3. Implementation of Asset Allocation Plan

Manage Risk Throughout the Organization

4. Internal Audit Risk Assessment Framework
5. Enterprise-Wide Cyber Security Program

Enhance Customer Care and Stakeholder Relations

6. Rollovers of Refund of Contributions via Wire Transfer
7. Engaging Early-Career Members to Plan for Retirement

Pursue Operational Efficiencies

8. Disability Claims Management System Review
9. Elimination of the Deceased Members Database
10. Unclaimed Final Checks

Build and Support a Talented Workforce

11. Reinforcing Employee Connections and Organizational Culture in a Hybrid Workforce
12. Permanent Hybrid Workforce

Promote Diversity Equity and Inclusion (DEI) Throughout the Organization including Our Investment Portfolio and Business Partners

13. Institutional Limited Partners Association Diversity in Action Initiative

14 LAFPP SUSTAINABILITY INITIATIVES

ESG Policy

- Institutional Limited Partners Association Diversity in Action Initiative
- Sustainable Investment Review and Engagement of Portfolio

Proxy Voting Policies

- Comprehensive proxy voting policy that includes provisions for reporting on race and gender pay equality, climate change issues, board inclusiveness, environmental and sustainability practices

Specific Investments

- Over 90% of our Public Assets are managed by Investment Managers with ESG Policies incorporated into the investment process

Real Estate

- LAFPP Headquarters - Gold LEED Certification
- LAFPP Real Estate Core Portfolio GRESB Score of 81, higher than the global average of 73 (GRESB IS the global environmental, social and governance benchmark for real assets)

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Questions?