



Stanislaus County Employees' Retirement Association

832 12th Street, Ste. 600, Modesto, CA 95354 • PO Box 3150, Modesto, CA 95353 • www.stancera.org • 209-525-6393 • 209-558-4976 Fax

AGENDA

BOARD OF RETIREMENT

832 12th Street Ste. 600, **Wesley W. Hall Board Room**
Modesto, CA 95354

June 25, 2019
1:30 p.m.

The Board of Retirement welcomes you to its meetings, which are regularly held on the fourth Tuesday of each month. Your interest is encouraged and appreciated.

CONSENT/ACTION ITEMS: Consent matters include routine administrative actions and are identified under the Consent Items heading. All other items are considered to be action items "Action" means that the Board may dispose of any item by any action, including but not limited to the following acts: approve, disapprove, authorize, modify, defer, table, take no action, or receive and file.

PUBLIC COMMENT: Matters under jurisdiction of the Board, may be addressed by the general public before or during the regular agenda. However, California law prohibits the Board from taking action on any matter which is not on the posted agenda unless it is determined an emergency by the Board of Retirement. Any member of the public wishing to address the Board during the "Public Comment," period shall be permitted to be heard once up to three minutes. Please complete a Public Comment Form and give it to the Chair of the Board. Any person wishing to make a presentation to the Board must submit the presentation in written form, with copies furnished to all Board members. Presentations are limited to three minutes.

BOARD AGENDAS & MINUTES: Board agendas, minutes and copies of items to be considered by the Board of Retirement are customarily posted on the Internet by Friday afternoon preceding a meeting at the following website: www.stancera.org.

Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection at StanCERA, 832 12th Street, Suite 600, Modesto, CA 95354, during normal business hours.

AUDIO/VIDEO: All Board of Retirement regular meetings are audio and visually recorded. Audio/Video recordings of the meetings are available after the meetings at <http://www.stancera.org/agenda>.

NOTICE REGARDING NON-ENGLISH SPEAKERS: Board of Retirement meetings are conducted in English and translation to other languages is not provided. Please make arrangements for an interpreter if necessary.

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary at (209) 525-6393. Notification 72 hours prior to the meeting will enable StanCERA to make reasonable arrangements to ensure accessibility to this meeting.

1. Call Meeting to Order
2. Pledge of Allegiance
3. Roll Call
4. Announcements
5. Public Comment
6. Consent Items
 - a. Approval of the May 28, 2019 Meeting Minutes [View](#)
 - b. Monthly Staff Report [View](#)
 - c. Applications for Service Retirement(s) – **Government Code Sections 31499.14, 31670, 31662.2 & 31810**
 1. Blosser, Rhonda – Superior Court – Effective 06-08-19
 2. Bolden, Janice – CSA – Effective 06-12-19
 3. Donnell, Denise – DER – Effective 05-31-19
 4. Ethier, Ramona – CSA – Effective 03-16-19
 5. Lopez, Mary – CSA – Effective 06-22-19
 6. Macklin, Annette – BHRS – Effective 06-08-19
 7. McKinney, Carla – CSA – Effective 06-08-19
 8. Nunez, Susan – HSA – Effective 06-22-19
 9. Rivera, Edwin – BHRS – Effective 05-11-19

c. Applications for Service Retirement(s) (Cont.) – **Government Code Sections 31499.14, 31670, 31662.2 & 31810**

10. Sabala, Maria – CSA – Effective 03-28-19
11. Santiago, Janice – CSA – 06-22-19
12. Schoonover, Terri – HSA – Effective 06-14-18
13. Surti, Kalpana – Clerk Recorder – Effective 06-22-19
14. Thatcher, Kevin – Public Works – Effective 06-21-19

** Indicates Safety Personnel*

d. Applications for Deferred Retirement(s) – **Government Code Section 31700**

1. Castaneda, Olga – Library – Effective 04-26-19
2. Colacito, Anthony – DA – Effective 05-06-19
3. Cuellar, Marissa – Probation – Effective 03-01-19 *
4. Darnell, Jeffrey – DA – Effective 05-10-19
5. Douglass, Scotty – Stan Reg 911 – Effective 01-04-19
6. Karimi, Michael – DA – Effective 03-01-19
7. Miles, Marquita – Treasurer/Tax Coll – Effective 06-21-18
8. Roland, Tracy – DA – Effective 05-03-19
9. Villasenor, Erika – CSA – Effective 05-24-19
10. Wells, Kyle – Probation – Effective 05-10-19 *

** Indicates Safety Personnel*

e. Application for Death Benefit – **Government Code Section 31781, 31781.1, 31781.3**

1. Strickland, Shirley – Community Services Agency – Non-Service Connected – Effective 06-05-19 – Active Member

f. Conference Summaries [View](#)

g. Legislative/Legal [View](#)

7. Verus – Investment Consultant

a. May Flash Report [View](#)

8. Investment

a. Value Added, Investment Fee Summary and Cash Flow Reports

Agenda Item [View](#) Attachment 1 [View](#)

b. Auxiliary AB 2833 investment Report March 31, 2019

Agenda Item [View](#) Attachment 1 [View](#)

c. 2019 Due Diligence Report

Agenda Item [View](#)

9. Administrative

- a. Information Technology Solutions (ITS) Project Update [View](#)
- b. Ad Hoc Committee for StanCERA Logo [View](#)

10. Closed Session

- a. Conference with Legal Counsel to consider purchase or sale of a specific pension fund investment:
Government Code Section 54956.81
- b. Conference with Legal Counsel – Pending Litigation – One Case:
O’Neal et al v. Stanislaus County Employees’ Retirement Association
Stanislaus County Superior Court Case No. 648469
Government Code Section 54956.9(d)(1)
- c. Conference with Legal Counsel – Pending Litigation – One Case:
Stanislaus County Employees’ Retirement Association v. Buck Consultants, LLC, Mediation Pursuant to Evidence Code Sections 1115, 1119, 1152
Government Code Section 54956.9d)(4)

11. Members’ Forum (Information and Future Agenda Requests Only)

12. Adjournment



BOARD OF RETIREMENT MINUTES

May 28, 2019

1. Call Meeting to Order

Meeting called to order 1:30 p.m. by Trustee DeMartini, Chair

2. Roll Call

Trustees Present: Jim DeMartini, Sam Sharpe, Darin Gharat Donna Riley, Mike Lynch, Mandip Dhillon and Jeff Mangar

Trustees Absent: Jeff Grover and Michael O'Neal

Alternate Trustee: Rhonda Biesemeier, Alternate Retiree Representative

Staff Present: Rick Santos, Executive Director
Natalie Elliott, Fiscal Services Manager
Lisa Frazer, Member and Employer Services Manager
Stan Conwell, Retirement Investment Officer
Kellie Gomes, Executive Board Assistant

Others Present: Fred Silva, General Legal Counsel
Ed Hoffman, VERUS-Investment Consultant

3. Announcements

Rick Santos Introduced Lisa Frazer our new Member and Employer Services Manager who comes to StanCERA with 17 years of experience with SR911.

4. Public Comment

None

5. Consent Items

a. Approval of the April 23, 2019 Meeting Minutes

b. Monthly Staff Report

c. Conference Report

d. Approval of Service Retirement(s) – **Government Code Sections 31499.14, 31670, 31662.2 & 31810**

1. Allahwerdi, Leada – CSA – Effective 01-29-19
2. Coggins, Keith – Public Works – Effective 05-31-19
3. Cox, Bethsue – BHRS – Effective 04-18-19
4. Espinoza, Rosalie – CSA – Effective 05-04-19
5. Hash, Henry – Public Works – Effective 05-01-19
6. Keating, Thomas – City of Ceres – Effective 05-01-19 *
7. Myers, David – Public Works – Effective 05-20-19
8. Nevins, Diane – HSA – Effective 05-25-19
- 9.

5. Consent Items (Cont.)

10. Ormonde, Janice – Sheriff – Effective 05-25-19
11. Owen, Wynn – Treasurer/Tax Coll – Effective 05-02-19
12. Sasges, Judy – Library – 05-01-19
13. Veloz, Nadine – DER – Effective 03-28-19
14. Webster, Noah – Parks and Rec – Effective 05-15-19

** Indicates Safety Personnel*

e. Approval of Deferred Retirement(s) – **Government Code Section 31700**

1. Ambita, Obed – BHRS – Effective 01-12-19
2. Burell, Danielle – CSA – Effective 04-12-19
3. Jackson, Steve – Probation – Effective 01-02-19 *
4. Montgomery, Anne-Marie – Library – Effective 05-31-18
5. Nava, Guadalupe – DCSS – Effective 02-07-19
6. Pulido, Sandra – CSA – Effective 11-21-18
7. Queirolo, Erika – Stan Reg 911 – Effective 01-29-19
8. Ringer, Kimberly – Superior Courts – Effective 02-15-19
9. Sandu, Sandip – Public Defender – Effective 11-15-18
10. Schroeder, Kelle – Ag Comm – Effective 12-28-18
11. Soito, Eric – CSA – Effective 01-04-19
12. Thomas, Susan Ann – Superior Courts – Effective 01-18-19
13. Williams, Sandra – CSA – Effective 01-18-19

** Indicates Safety Personnel*

f. Approval of Death Benefit – **Government Code Section 31781, 31781.1, 31781.3**

1. Gwen Gnapp – Behavioral Health and Recovery Services – Non-Service Connected – Effective 04-25-19

Motion was made by Trustee Gharat seconded by Trustee Dhillon to accept the consent items as presented.

Motion carried unanimously

6. Verus – Investment Consultant

- a. April Flash Report
- b. Quarterly Workplan
- c. Investment Performance 2019 Quarter 1
- d. Annual Asset Allocation Analysis

Motion was made by Trustee Gharat seconded by Trustee Lynch to accept Mix B as presented by Verus.

Roll call vote was as follows:

Jim DeMartini Yes
Sam Sharpe Yes
Darin Gharat Yes
Donna Riley No
Mike Lynch Yes

Jeff Mangar Yes
Rhonda Biesemeier Yes

Motion Passed 6/1

7. Investment

- a. Private Markets Approval Process Review

8. Administrative

- a. Information Technology Solutions (ITS) Project Update
- b. Board Room Update
- c. Fiscal Year 2019-2020 Proposed Administrative Budget

Motion was made by Trustee Gharat and seconded by Trustee Riley to accept the budget as presented.

Motion carried unanimously

- d. StanCERA Quarterly Newsletter
- e. Proposed Actuarial Audit Schedule

Motion was made by Trustee Gharat and seconded by Trustee Dhillon to accept staff recommendation as presented.

Motion carried unanimously

9. Closed Session

- a. Conference with Legal Counsel – Pending Litigation – One Case:
O'Neal et al v. Stanislaus County Employees' Retirement Association
Stanislaus County Superior Court Case No. 648469
Government Code Section 54956.9(d)(1)
- b. Conference with Legal Counsel – Pending Litigation – One Case:
Stanislaus County Employees' Retirement Association v. Buck Consultants,
LLC, Mediation Pursuant to Evidence Code Sections 1115, 1119, 1152
Government Code Section 54956.9d)(4)

No closed session items

10. Members' Forum (Information and Future Agenda Requests Only)

11. Adjournment

Meeting adjourned at 3:07 p.m.

Respectfully submitted,



Rick Santos, Executive Director

APPROVED AS TO FORM:
Fred Silva, GENERAL LEGAL COUNSEL

By: 

Fred Silva, General Legal Counsel



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June 25, 2019

Retirement Board Agenda Item

TO: Retirement Board

FROM: Rick Santos, Executive Director

I. SUBJECT: Monthly Staff Report

II. ITEM NUMBER: 6.b

III. ITEM TYPE: Information Only

IV. STAFF RECOMMENDATION: None

V. ANALYSIS:

- a) *Member & Employer Services:* In the month of May, Member and Employer Services Staff processed 48 new hires (39 General and 9 Safety), and 10 terminations. 35 estimate requests were prepared (generating 91 estimate calculations) and 23 buy back requests were processed, resulting in 50 buy back contracts. There were 23 individual counseling sessions held over the course of the month. Member and employer services staff is preparing for the Pre-Retirement Seminar which is scheduled for August 2, 2019.
- b) *Investment Governance and Compliance:* During the month of May, staff began work on the annual FFP process with the development of the shortfall matrix. Cross training and additional documentation of the process were of particular focus. Staff also received several potential private market investment recommendations from the investment consultant. These funds are currently under review in accordance with the private markets investment policy. In addition, preparations for the onsite due diligence meetings began and additional performance reporting training was completed with Northern Trust.

Below is the monthly money transfer report:

From		To		
<u>Manager</u>	<u>Class</u>	<u>Manager</u>	<u>Class</u>	<u>Amount</u>

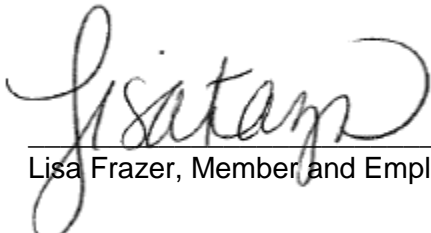
For the month of May there were no transfers to report.

- c) *Fiscal Services*: Employer and employee contributions totaling \$9,174,188 were received through 18 different payroll batches and 11 service purchases in May. 17 contribution refunds and death benefit payouts totaling \$769,712 were processed. The retiree payroll for May totaled \$11,229,055 and was processed as scheduled.

Staff continues to partner with Member Services in defining the business rules for the new pension software. Tegrit has completed their testing of the import files and has handed the parallel testing over to staff. GL integration is being worked on for uploading financial information to StanCERA's financial software. We will be starting on retiree payroll next.

Staff is working on getting quotes for the upgrade to the StanCERA logo and upgrade to StanCERA's website. A committee of four Trustees has been created to decide on the new logo for StanCERA.

- VI. RISK: None
- VII. STRATEGIC PLAN: Strategic Objective IV: Refine StanCERA's business and policy practices in ways that enhance stakeholder awareness, the delivery of member services and the ability of the Organization to administer the System effectively and efficiently*
- VIII. ADMINISTRATIVE BUDGET IMPACT: NONE



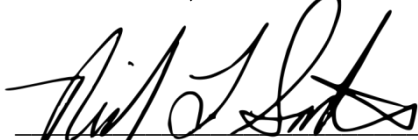
Lisa Frazer, Member and Employer Services Manager



Natalie Davis, Fiscal Services Manager



Stan Conwell, Retirement Investment Officer



Rick Santos, Executive Director



Conference Summary

1. **Attendee Name:** Rhonda Bieseemeier
2. **Event Name:** SACRS 2019 Spring Conference
- 3.
4. **Event Date:** May 7-10, 2019
5. **Event Location:** Squaw Valley, CA
6. **Describe what was good about the event:**
 - a) General Session – Retirement Readiness for Life After Full-Time Work – I liked the concept that those retiring in the next few years need to be aware of not only the costs associated with retirement, but obstacles they may face such as losing their work identity, having less interaction with people, how they want to spend their free time, etc.
 - b) General Session – China – the Great Disruptor – good information about China as a growing economy and world power – and the possible pitfalls associated with that. The differences in our cultures is profound as well.
 - c) Trustee Breakout – an interesting point was made by an appointed Trustee in that they were questioning the fairness of someone serving on the Board who has a full-time job, or is perhaps self-employed, and the low amount of compensation received from the Retirement Association as compared to the loss of wages they incur. I hadn't thought about that before.
 - d) General Session – Five Challenges and a Cry for Help – General Wesley Clark gave an overview of hotspots in the world, but I especially liked what he said about the idea of requiring 1 year of service (either in a community or the military, by choice) for each citizen of the US in their lifetime. I learned later that this idea had been suggested several years ago, but didn't go anywhere.
 - e) General Session – Robert Smith, Vista Equity Partners – nice to hear from a billionaire who is giving back with free tuition for many university students.
 - f) General Session – Gloria Borger, CNN Political Analyst – interesting viewpoint of political climate in DC.
7. **Would you recommend this event to other trustees/staff:** Yes
8. **Number of Education Credits:** 9 Units



Conference Summary

1. **Attendee Name:** Samuel Sharpe
2. **Event Name:** SACRS Spring Conference
3. **Event Date:** May 07-10, 2019
4. **Event Location:** Resort at Squaw Creek
5. **Describe what was good about the event:** The conference was well organized and time wise, generally followed the schedule. Several sessions did exceed the allocated time and as part of the course evaluation, I suggested more time be given to the subject. The session, "China-The Great Disruptor" generated many audience questions, however, was ended to accommodate the scheduled lunch.
6. **Would you recommend this event to other trustees/staff:** Yes. As a whole, the conference provided relevant information on institutional investing.
7. **Number of Education Credits:** 12



Conference Summary

1. **Attendee Name:** Donna Riley
2. **Event Name:** SACRS 2019 Spring Conference
- 3.
4. **Event Date:** May 7-10, 2019

5. **Event Location:** Squaw Valley, CA

6. **Describe what was good about the event:**

I thought the speakers this year were, overall, better than at prior conferences. In particular, I enjoyed Risks and Opportunities in the Current Macro Environment by Kristina Hooper and The Enterprise Risks Facing California's Pension Systems by Ed Hoffman.

7. **Would you recommend this event to other trustees/staff:**

Based on the quality of speakers this time, I would.

8. **Number of Education Credits:** I don't know, that was still being reviewed by Kellie



Conference Summary

1. **Attendee Name:** Mike Lynch
2. **Event Name:** 2019 Spring conference
3. **Event Date:** May 7-10
4. **Event Location:** Lake Tahoe
5. **Describe what was good about the event:** Great speakers. Robert Smith, General Clark and the panel on trade with China were interesting and informative. Ed comparative presentation on risk was also informative.
6. **Would you recommend this event to other trustees/staff:** Yes...absolutely
7. **Number of Education Credits:** 10.00 continuing education credits



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June 26, 2018

Retirement Board Agenda Item

TO: Retirement Board

FROM: Lisa Frazer, Member and Employer Services Manager

- I. SUBJECT: Legislation Update
- II. ITEM NUMBER: 6.g.
- III. ITEM TYPE: Information Only
- IV. STAFF RECOMMENDATION: None
- V. ANALYSIS:

Assembly Bill 672, Cervantes. Adds Section 21233 to Government Code
Status: June 12, 2019 – Referred to Senate Appropriations Committee

This bill, as written, applies to Public Employees' Retirement Law (PERL), would prohibit a person who has retired for disability, from being re-employed by any employer without reinstatement from retirement if the position includes the same duties the person was prohibited from performing at the time of retirement.

- VI. RISK: None
- VII. STRATEGIC PLAN: Strategic Objective IV: Refine StanCERA's business and policy practices in ways that enhance stakeholder awareness, the delivery of member services and the ability of the Organization to administer the System effectively and efficiently.
- VIII. ADMINISTRATIVE BUDGET IMPACT: None

Lisa Frazer, Member and Employer Services Manager

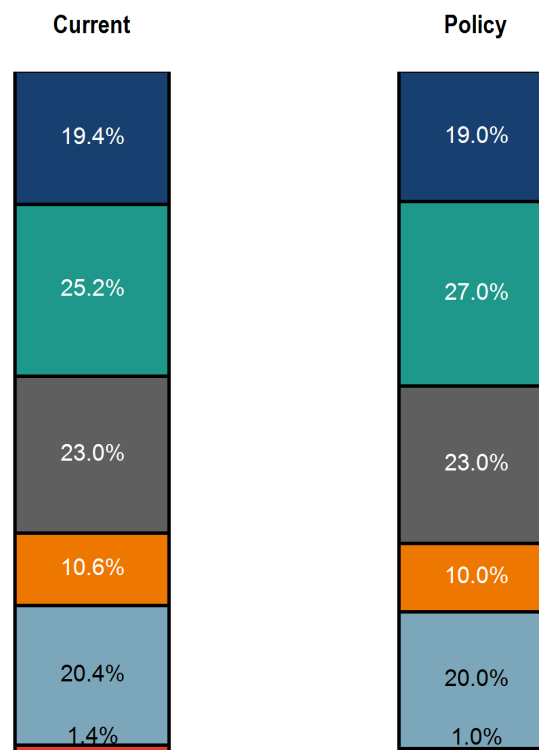
Rick Santos, Executive Director

Total Fund Flash Report (Net of Fees) - Preliminary

Period Ending: May 31, 2019

	Market Value	% of Portfolio	1 Mo	YTD	Fiscal YTD
Total Fund	2,110,896,527	100.0	-2.7	6.7	1.2
<i>Policy Index</i>			-2.8	6.3	1.9
US Equity	408,499,372	19.4	-6.8	10.4	0.8
<i>US Equity Blended</i>			-6.7	10.7	0.2
<i>Russell 3000</i>			-6.5	10.9	1.8
Northern Trust Russell 3000	117,279,011	5.6	-6.5	10.9	--
<i>Russell 3000</i>			-6.5	10.9	--
BlackRock Russell 1000 Growth	118,013,846	5.6	-6.3	13.7	4.4
<i>Russell 1000 Growth</i>			-6.3	13.7	4.4
BlackRock Russell 1000 Value	26,686,712	1.3	-6.4	8.5	1.3
<i>Russell 1000 Value</i>			-6.4	8.5	1.2
Dodge & Cox-Equity	73,872,992	3.5	-7.0	6.6	-1.5
<i>Russell 1000 Value</i>			-6.4	8.5	1.2
Capital Prospects	72,646,811	3.4	-8.1	8.9	-12.4
<i>Russell 2000 Value</i>			-8.2	6.7	-11.8
International Equity	531,505,396	25.2	-5.7	6.6	-6.4
<i>MSCI ACWI ex USA Gross</i>			-5.3	7.5	-4.0
LSV Asset Mgt	259,519,464	12.3	-6.4	4.2	-8.3
<i>MSCI ACWI ex USA Gross</i>			-5.3	7.5	-4.0
Fidelity	271,985,933	12.9	-4.9	9.0	-4.4
<i>MSCI ACWI ex USA Gross</i>			-5.3	7.5	-4.0
US Fixed Income	484,612,033	23.0	1.0	3.8	5.5
<i>BBgBarc US Aggregate TR</i>			1.8	4.8	6.5
Insight	206,499,347	9.8	0.9	4.4	5.8
<i>BBgBarc US Govt/Credit 1-5 Yr. TR</i>			0.9	2.8	4.6
DFA	216,229,161	10.2	0.7	3.0	4.7
<i>ICE BofAML 1-5 Yrs US Corp & Govt TR</i>			0.9	2.8	4.6
Northern Trust Intermediate Gov't Bond	45,569,117	2.2	1.5	3.1	5.3
<i>BBgBarc US Govt Int TR</i>			1.5	3.1	5.3
Northern Trust Long Term Gov't Bond	16,314,408	0.8	6.5	9.5	10.8
<i>BBgBarc US Govt Long TR</i>			6.5	9.5	10.8

	Current	%	Policy	%
Domestic Equity	\$408,499,372	19.4%	\$401,070,340	19.0%
International Equity	\$531,505,396	25.2%	\$569,942,062	27.0%
Domestic Fixed Income	\$484,612,033	23.0%	\$485,506,201	23.0%
Real Estate	\$224,787,615	10.6%	\$211,089,653	10.0%
Alternatives	\$431,101,048	20.4%	\$422,179,305	20.0%
Cash and Equivalents	\$30,391,064	1.4%	\$21,108,965	1.0%
Total	\$2,110,896,527	100.0%	\$2,110,896,527	100.0%



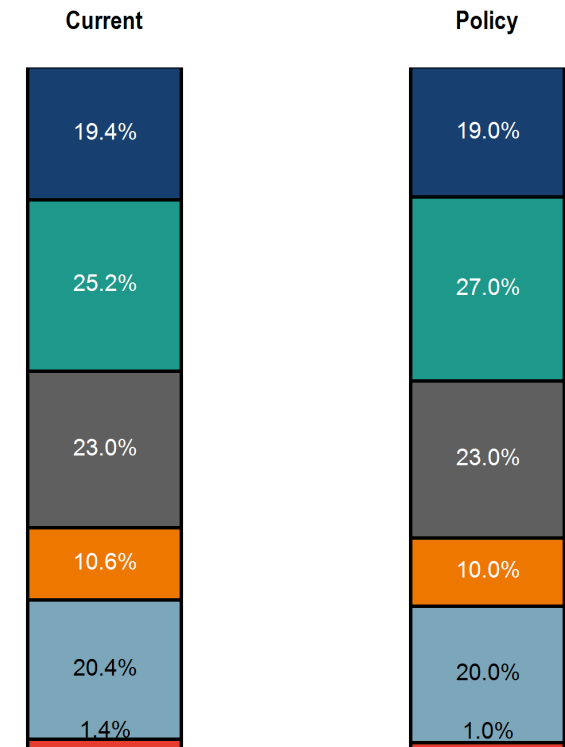
Policy Index (9/1/2018): 10% Russell 1000, 3% Russell 2000, 6% Russell 3000 + 3%, 27% MSCI ACWI ex-USA, 20% BBgBarc US Gov't/Credit 1-3 Yr, 3% BBgBarc US Treasury 7-10 Yr, 5% NCREIF Property, 5% NCREIF Property +2%, 1% CPI +5%, 6% S&P/LSTA Leveraged Loan Index + 2%, 13% 60% MSCI ACWI / 40% BBgBarc Global Aggregate, 1% Citi 1 Month T-Bills. All data is preliminary.

Total Fund Flash Report (Net of Fees) - Preliminary

Period Ending: May 31, 2019

	Market Value	% of Portfolio	1 Mo	YTD	Fiscal YTD
Real Estate	224,787,615	10.6	-0.1	3.9	5.1
DJ US Select RESI			-0.3	15.1	8.3
Prime Property Fund	56,223,742	2.7	0.0	1.3	5.3
NCREIF-ODCE			0.0	1.4	5.4
American Strategic Value Realty	46,969,221	2.2	0.0	2.3	6.0
NCREIF Property Index			0.0	1.8	4.9
BlackRock US Real Estate	36,597,891	1.7	-0.3	15.1	8.2
DJ US Select RESI TR USD			-0.3	15.1	8.3
Greenfield Gap VII	12,190,171	0.6			
Greenfield Gap VIII	17,489,623	0.8			
PGIM Real Estate US Debt Fund	55,316,967	2.6			
Private Credit	93,067,395	4.4			
Medley Capital	13,536,138	0.6			
Raven Capital	13,875,008	0.7			
Raven Opportunity III	40,245,860	1.9			
White Oak Pinnacle	25,410,389	1.2			
Risk Parity	294,312,671	13.9	-0.6	10.8	3.9
60% MSCI ACWI Net/40% BBgBarc Global Aggregate			-3.0	6.9	1.3
AQR Global Risk Premium - EL	147,886,409	7.0	-1.4	9.7	2.8
60% MSCI ACWI Net/40% BBgBarc Global Aggregate			-3.0	6.9	1.3
PanAgora Risk Parity Multi Asset	146,426,262	6.9	0.3	11.9	5.0
60% MSCI ACWI Net/40% BBgBarc Global Aggregate			-3.0	6.9	1.3
Infrastructure	43,720,982	2.1			
MS Infrastructure Partners II	43,720,982	2.1			
Cash Account	30,391,064	1.4	0.0	0.3	1.3

	Current	%	Policy	%
Domestic Equity	\$408,499,372	19.4%	\$401,070,340	19.0%
International Equity	\$531,505,396	25.2%	\$569,942,062	27.0%
Domestic Fixed Income	\$484,612,033	23.0%	\$485,506,201	23.0%
Real Estate	\$224,787,615	10.6%	\$211,089,653	10.0%
Alternatives	\$431,101,048	20.4%	\$422,179,305	20.0%
Cash and Equivalents	\$30,391,064	1.4%	\$21,108,965	1.0%
Total	\$2,110,896,527	100.0%	\$2,110,896,527	100.0%



Policy Index (9/1/2018): 10% Russell 1000, 3% Russell 2000, 6% Russell 3000 + 3%, 27% MSCI ACWI ex-USA, 20% BBgBarc US Gov't/Credit 1-3 Yr, 3% BBgBarc US Treasury 7-10 Yr, 5% NCREIF Property, 5% NCREIF Property +2%, 1% CPI +5%, 6% S&P/LSTA Leveraged Loan Index + 2%, 13% 60% MSCI ACWI / 40% BBgBarc Global Aggregate, 1% Citi 1 Month T-Bills. All data is preliminary.

Disclaimer

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June 25, 2019

Retirement Board Agenda Item

TO: Retirement Board

FROM: Rick Santos, Executive Director

- I. SUBJECT: Value Added, Investment Fee Summary and Cash Flow Reports
- II. ITEM NUMBER: 8.a.
- III. ITEM TYPE: Information Only
- IV. STAFF RECOMMENDATION: None
- V. ANALYSIS: Due to timing issues with the receipt of custodial invoices, the Value Added and Investment Fee Summary reports cover the time period from October 1, 2017 to September 30, 2018.

Value Added – Page 1

This analysis measures the value added after all fees relative to an investable benchmark. The analysis includes not only those managers seeking to earn an excess return (“alpha”) above a benchmark, but for our passive funds as well. In general, passive funds should produce a value added that’s slightly negative to account for the fees paid, but there are times when our passive funds actually provide positive value added after fees paid.

For the 1-year period analyzed, StanCERA’s active portfolio lost approximately \$9.5 million to the passive investment. Relative to the amount of assets the Organization directed to the managers under review, every dollar produced $-\$.007$ in value added (VA per \$ invested). This result can be interpreted as being equivalent to a passive return after fees.

Dodge & Cox Equity and Bernzott (Capital Prospects) added the most value at around \$1.6 million each and LSV was the greatest detractor losing approximately \$5 million relative to the passive investment.

Investment Fee Summary – Pages 2, 3

In total over the period analyzed, StanCERA paid approximately \$11.5 million in total fees to manage its portfolio. This equates to about 54 basis points annually. These amounts include all fees (manager, custodial, performance and other) StanCERA pays. The private credit, real estate and infrastructure spaces are the biggest consumer of fees, coming in at about \$7 million annually (page 3). Active investing which accounts for roughly 75% of total assets, consumes 98% of all investment fees.

Cash Flow Report – Page 4 (Quarter 1, 2019)

This report is self-explanatory

- VI. RISK: None
- VII. STRATEGIC PLAN: Strategic Objective IV: Refine StanCERA's business and policy practices in ways that enhance stakeholder awareness, the delivery of member services and the ability of the Organization to administer the System effectively and efficiently
- VIII. ADMINISTRATIVE BUDGET IMPACT: NONE

A handwritten signature in black ink, appearing to read "Rick Santos", written over a horizontal line.

Rick Santos, Executive Director

A handwritten signature in black ink, appearing to read "Stan Conwell", written over a horizontal line.

Stan Conwell, Retirement Investment Officer



Value Added Analysis

10/1/2017

thru

9/30/2018

Active Domestic Equity

Mngr_ID	Manager	Benchmark Index	Average AUM	Manager	Dollar Returns		Fees	Value Added (VA)	VA Per \$ Invested
					Benchmark	Excess Return			
1	Dodge Cox Equity	Russell 1000 Value	\$119,735,831	\$14,158,334	\$12,417,112	\$1,741,222	\$263,162	\$1,606,549	\$0.01
4	Bernzott	Russell 2000 Value	\$15,158,310	\$3,143,342	\$1,530,057	\$1,613,285	\$90,765	\$1,654,874	\$0.11
25	Channing	Russell 2000 Value	\$22,992,298	\$2,004,072	\$2,357,145	-\$353,074	\$139,222	-\$535,091	-\$0.02
26	Inview	Russell 2000 Value	\$23,222,115	\$2,155,570	\$2,282,013	-\$126,443	\$136,303	-\$285,587	-\$0.01
27	Keeley	Russell 2000 Value	\$13,018,709	\$928,486	\$1,277,031	-\$348,545	\$78,732	-\$464,420	-\$0.04
28	Pacific Ridge	Russell Micro Cap Value	\$20,508,757	\$2,199,234	\$2,606,634	-\$407,400	\$146,292	-\$601,824	-\$0.03
29	Walhausen	Russell 2000 Value	\$14,522,371	\$824,102	\$1,462,027	-\$637,925	\$88,760	-\$789,857	-\$0.05
Total Active Domestic Equity			\$229,158,392	\$25,413,139	\$23,932,019	\$1,481,120	\$943,235	\$584,643	\$0.00

Passive Domestic Equity

Mngr_ID	Manager	Benchmark Index	Average AUM	Manager	Dollar Returns		Fees	Value Added (VA)	VA Per \$ Invested
					Benchmark	Excess Return			
11	Blackrock Value	Russell 1000 Value	\$88,345,052	\$7,594,403	\$8,559,873	-\$965,471	\$19,286	-\$1,070,362	-\$0.01
12	Blackrock Growth	Russell 1000 Growth	\$120,541,810	\$27,825,275	\$28,504,574	-\$679,300	\$27,066	-\$767,770	-\$0.01
Total Passive Domestic Equity			\$208,886,861	\$35,419,677	\$37,064,448	-\$1,644,770	\$46,351	-\$1,838,132	-\$0.01

Active International Equity

Mngr_ID	Manager	Benchmark Index	Average AUM	Manager	Dollar Returns		Fees	Value Added (VA)	VA Per \$ Invested
					Benchmark	Excess Return			
8	LSV	MSCI ACWI ex USA GD	\$240,212,944	\$1,746,889	\$5,213,994	-\$3,467,104	\$1,099,488	-\$4,963,569	-\$0.02
10	Fidelity	MSCI ACWI ex USA GD	\$234,549,855	\$4,754,636	\$5,360,831	-\$606,195	\$693,402	-\$1,412,572	-\$0.01
Total Active International Equity			\$474,762,799	\$6,501,525	\$10,574,825	-\$4,073,300	\$1,792,890	-\$6,376,141	-\$0.01

Active Domestic Fixed Income

Mngr_ID	Manager	Benchmark Index	Average AUM	Manager	Dollar Returns		Fees	Value Added (VA)	VA Per \$ Invested
					Benchmark	Excess Return			
34	Insight Investment	US Govt. Credit Blend	\$127,201,749	\$637,469	-\$366,514	\$1,003,983	\$170,889	\$905,515	\$0.01
35	Dimensional Fund Advisors	BB Barclays US Credit 1-3 Years	\$254,686,239	-\$755,157	\$1,380,514	-\$2,135,671	\$294,753	-\$2,641,702	-\$0.01
Total Active Domestic Fixed Income			\$381,887,988	-\$117,688	\$1,014,000	-\$1,131,688	\$465,643	-\$1,736,187	\$0.00

Passive Domestic Fixed Income

Mngr_ID	Manager	Benchmark Index	Average AUM	Manager	Dollar Returns		Fees	Value Added (VA)	VA Per \$ Invested
					Benchmark	Excess Return			
39	Northern Trust Long Term Bond Fund	BB Barc US Agg Govt/Cred Long	\$14,669,890	-\$514,771	-\$465,743	-\$49,028	\$6,576	-\$60,438	\$0.00
40	Northern Trust Intermediate Term Bond Fund	BB Barc US Ag Gvt/Cr Intrmd	\$43,362,422	-\$525,478	-\$420,312	-\$105,166	\$19,257	-\$135,239	\$0.00
Total Passive Fixed Income			\$58,032,313	-\$1,040,249	-\$886,055	-\$154,194	\$25,833	-\$195,677	\$0.00

Total StanCERA Non-Alternative Portfolio **\$1,352,728,354** **\$66,176,404** **\$71,699,237** **-\$5,522,833** **\$3,273,952** **-\$9,561,493** **-\$0.007**

Analysis Date: 6/25/2019
Value Added Future Value Accumulation Rate: 7.00%



StanCERA Investment Fee Summary - Total Portfolio Level

Fiscal Year to Date

10/1/2017 thru 9/30/2018

	Fees In Dollars						Annualized Fees in Basis Points				
	Average AUM	Managerial	Performance*	Other	Custodial	Total	Managerial	Performance	Other	Custodial	Total
Total StanCERA Portfolio	\$2,129,615,828	\$7,635,379	\$2,067,445	\$1,496,725	\$308,694	\$11,508,243	36.0	9.7	7.1	1.5	54.2
Fees By Asset Class											
	Average AUM	Managerial	Performance	Other	Custodial	Total	Managerial	Performance	Other	Custodial	Total
Domestic Equity	\$598,603,869	\$952,359	\$0	\$0	\$61,750	\$1,014,109	16.0	0.0	0.0	1.0	17.0
Domestic Fixed Income	\$439,920,301	\$471,692	\$0	\$0	\$19,783	\$491,475	10.8	0.0	0.0	0.5	11.2
International Equity	\$474,762,799	\$1,194,291	\$399,897	\$0	\$198,702	\$1,792,890	25.2	8.5	0.0	4.2	37.9
Alternatives	\$95,063,814	\$1,786,380	\$806,493	\$1,005,232	\$9,129	\$3,607,233	188.6	85.1	106.1	1.0	380.8
Real Assets	\$220,205,191	\$2,592,605	\$861,056	\$247,753	\$13,789	\$3,715,203	118.1	39.2	11.3	0.6	169.3
Risk Parity	\$282,616,146	\$638,052	\$0	\$243,740	\$5,541	\$887,333	22.7	0.0	8.7	0.2	31.5
Cash	\$18,443,707	\$0	\$0	\$0	\$0	\$0	0.0	0.0	0.0	0.0	0.0
Fees By Investment Discretion											
	Average AUM	Managerial	Performance	Other	Custodial	Total	Managerial	Performance	Other	Custodial	Total
Active	\$1,587,597,327	\$7,443,848	\$2,067,445	\$1,496,725	\$299,913	\$11,307,931	47.0	13.1	9.5	1.9	71.5
Passive	\$542,018,500	\$191,531	\$0	\$0	\$8,781	\$200,312	3.5	0.0	0.0	0.2	3.7
Fees By Investment Style											
	Average AUM	Managerial	Performance	Other	Custodial	Total	Managerial	Performance	Other	Custodial	Total
Large Cap Value	\$208,080,883	\$268,498	\$0	\$0	\$13,949	\$282,447	12.9	0.0	0.0	0.7	13.6
Small Cap Value	\$109,422,561	\$635,250	\$0	\$0	\$44,823	\$680,073	58.3	0.0	0.0	4.1	62.4
Large Cap Growth	\$120,541,810	\$24,088	\$0	\$0	\$2,978	\$27,066	2.0	0.0	0.0	0.2	2.3
Core Equity	\$635,321,415	\$1,218,813	\$399,897	\$0	\$198,702	\$1,817,412	19.3	6.3	0.0	3.1	28.7
Short-Term Government Cre	\$254,686,239	\$282,756	\$0	\$0	\$11,998	\$294,753	11.1	0.0	0.0	0.5	11.6
Immunization	\$127,201,749	\$163,104	\$0	\$0	\$7,786	\$170,889	12.9	0.0	0.0	0.6	13.5
Value Added Real Estate	\$52,006,803	\$1,661,277	\$831,716	\$20,364	\$6,152	\$2,519,509	320.5	160.5	3.9	1.2	486.1
Core Real Estate	\$140,265,063	\$256,328	\$29,340	\$0	\$5,285	\$290,953	18.3	2.1	0.0	0.4	20.8
Private Credit	\$95,063,814	\$1,786,380	\$806,493	\$1,005,232	\$9,129	\$3,607,233	188.6	85.1	106.1	1.0	380.8
Infrastructure	\$27,933,325	\$675,000	\$0	\$227,389	\$2,351	\$904,740	242.5	0.0	81.7	0.8	325.0
Risk Parity	\$282,616,146	\$638,052	\$0	\$243,740	\$5,541	\$887,333	22.7	0.0	8.7	0.2	31.5
US Treasury	\$58,032,313	\$25,833	\$0	\$0	\$0	\$25,833	4.5	0.0	0.0	0.0	4.5
Cash	\$18,443,707	\$0	\$0	\$0	\$0	\$0	0.0	0.0	0.0	0.0	0.0

* Performance fees can be negative due to the clawback of incentive fees



Investment Fees By Type

10/1/2017 thru 9/30/2018

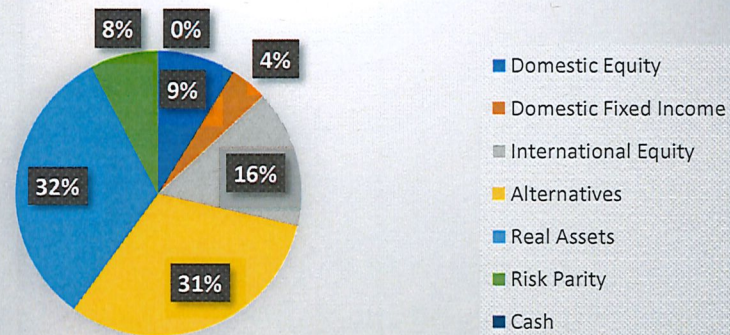
<u>By Asset Class</u>	<u>Fees</u>
Domestic Equity	\$1,014,109
Domestic Fixed Income	\$491,475
International Equity	\$1,792,890
Alternatives	\$3,607,233
Real Assets	\$3,715,203
Risk Parity	\$887,333
Cash	\$0
Total	\$11,508,243

<u>By Investment Discretion</u>	<u>Fees</u>
Active	\$11,307,931
Passive	\$200,312
Total	\$11,508,243

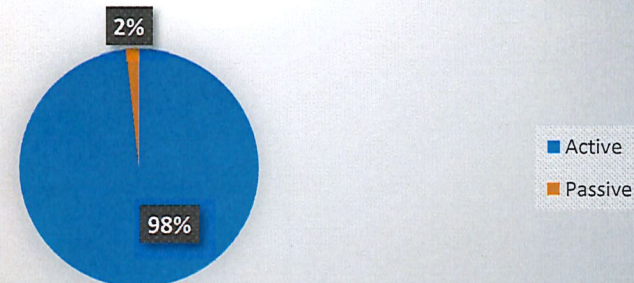
<u>By Investment Style</u>	<u>Fees</u>
Large Cap Value	\$282,447
Small Cap Value	\$680,073
Large Cap Growth	\$27,066
Core Equity	\$1,817,412
Short-Term Government Credit	\$294,753
Immunization	\$170,889
Value Added Real Estate	\$2,519,509
Core Real Estate	\$290,953
Private Credit	\$3,607,233
Infrastructure	\$904,740
Risk Parity	\$887,333
US Treasury	\$25,833
Cash	\$0

Total \$11,508,243

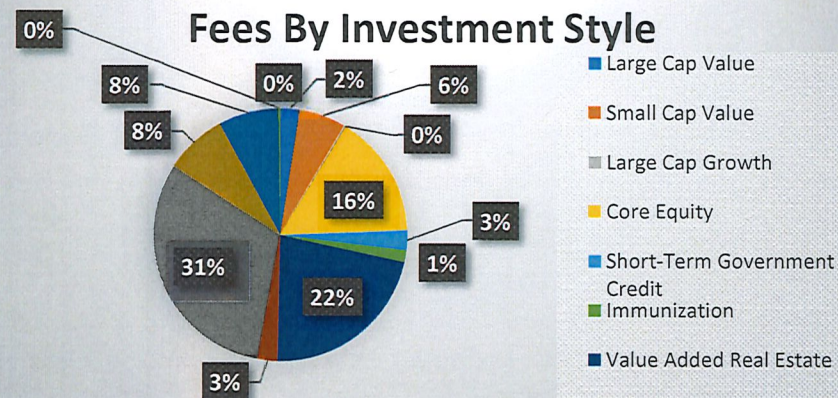
Fees By Asset Class



Fees By Investment Discretion



Fees By Investment Style





StanCERA Investment Fee Summary - Manager Level

10/1/2017 thru 9/30/2018

Mngr ID	Manager Name	Fees in Dollars						Fees in Annualized Basis Points				
		Average AUM	Management	Performance	Other	Custodial	Total	Management	Performance	Other	Custodial	Total
1	Dodge Cox Equity	\$119,735,831	\$251,976	\$0	\$0	\$11,186	\$263,162	21.1	0.0	0.0	0.9	22.1
4	Bernzott	\$15,158,310	\$84,985	\$0	\$0	\$5,780	\$90,765	56.3	0.0	0.0	3.8	60.1
8	LSV	\$240,212,944	\$601,426	\$365,583	\$0	\$132,479	\$1,099,488	25.1	15.3	0.0	5.5	45.9
10	Fidelity	\$234,549,855	\$592,865	\$34,314	\$0	\$66,223	\$693,402	25.4	1.5	0.0	2.8	29.7
11	Blackrock Value	\$88,345,052	\$16,523	\$0	\$0	\$2,763	\$19,286	1.9	0.0	0.0	0.3	2.2
12	Blackrock Growth	\$120,541,810	\$24,088	\$0	\$0	\$2,978	\$27,066	2.0	0.0	0.0	0.2	2.3
13	Raven Asset-Based Opportunity Fund I L.P.	\$15,995,051	\$276,462	\$0	\$254,596	\$2,232	\$533,290	173.4	0.0	159.7	1.4	334.6
15	White Oak Pinnacle Fund L.P.	\$31,810,201	\$467,561	\$806,493	\$72,517	\$2,317	\$1,348,887	147.5	254.4	22.9	0.7	425.5
16	Medley Opportunity Fund II L.P.	\$18,904,498	\$167,357	\$0	\$236,694	\$2,240	\$406,291	88.8	0.0	125.6	1.2	215.7
17	Blackrock US Real Estate	\$114,540,710	\$100,565	\$0	\$0	\$3,041	\$103,606	8.8	0.0	0.0	0.3	9.1
18	Greenfield GAP VII Management Fund, L.L.C	\$14,767,744	\$221,748	\$730,630	\$20,364	\$2,228	\$974,970	150.7	496.4	13.8	1.5	662.5
25	Channing	\$22,992,298	\$128,885	\$0	\$0	\$10,337	\$139,222	56.2	0.0	0.0	4.5	60.8
26	Inview	\$23,222,115	\$130,360	\$0	\$0	\$5,943	\$136,303	56.3	0.0	0.0	2.6	58.9
27	Keeley	\$13,018,709	\$72,523	\$0	\$0	\$6,209	\$78,732	55.9	0.0	0.0	4.8	60.7
28	Pacific Ridge	\$20,508,757	\$137,316	\$0	\$0	\$8,976	\$146,292	67.2	0.0	0.0	4.4	71.6
29	Walthausen	\$14,522,371	\$81,182	\$0	\$0	\$7,579	\$88,760	56.1	0.0	0.0	5.2	61.3
30	Morgan Stanley Prime Property Fund, L.L.C	\$25,724,354	\$155,763	\$29,340	\$0	\$2,244	\$187,347	60.8	11.4	0.0	0.9	73.1
31	American Realty Advisors Fund	\$30,318,173	\$373,777	\$101,086	\$0	\$2,366	\$477,230	123.7	33.5	0.0	0.8	157.9
32	North Haven Infrastructure II GP LP	\$27,933,325	\$675,000	\$0	\$227,389	\$2,351	\$904,740	242.5	0.0	81.7	0.8	325.0
33	Raven Asset-Based Opportunity Fund III L.P.	\$28,354,064	\$875,000	\$0	\$441,425	\$2,340	\$1,318,765	309.7	0.0	156.2	0.8	466.7
34	Insight Investment	\$127,201,749	\$163,104	\$0	\$0	\$7,786	\$170,889	12.9	0.0	0.0	0.6	13.5
35	Dimensional Fund Advisors	\$254,686,239	\$282,756	\$0	\$0	\$11,998	\$294,753	11.1	0.0	0.0	0.5	11.6
38	Northern Trust Cash Account	\$18,443,707	\$0	\$0	\$0	\$0	\$0	0.0	0.0	0.0	0.0	0.0
39	Northern Trust Long Term Bond Fund	\$14,669,890	\$6,576	\$0	\$0	\$0	\$6,576	4.5	0.0	0.0	0.0	4.5
40	Northern Trust Intermediate Term Bond Fund	\$43,362,422	\$19,257	\$0	\$0	\$0	\$19,257	4.5	0.0	0.0	0.0	4.5
41	Northern Trust Russell 1000 Fund	\$160,558,616	\$24,522	\$0	\$0	\$0	\$24,522	1.5	0.0	0.0	0.0	1.5
42	PanAgora Diversified Risk Multi-Asset Fund, Ltd.	\$139,393,605	\$365,354	\$0	\$129,055	\$3,022	\$497,431	35.1	0.0	12.4	0.3	47.7
44	AQR Capital Management	\$143,222,541	\$272,698	\$0	\$114,685	\$2,519	\$389,902	38.0	0.0	16.0	0.4	54.3
45	Greenfield Acquisition Partners VIII, L.P.	\$6,920,886	\$1,065,752	\$0	\$0	\$1,557	\$1,067,309	3676.2	0.0	0.0	5.4	3681.5
Total		\$2,129,615,828	\$7,635,379	\$2,067,445	\$1,496,725	\$308,694	\$11,508,243	36.0	9.7	7.1	1.5	54.2



Cash Flow Report

Jan 2019 through March 2019

Beginning Cash Balance*	\$8,874,817
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Cash Flow In

Cash Draw From Managers	\$2,471,664
Employer Contributions	\$23,637,729
Employee Contributions	\$7,247,395
Employee Redeposits	\$96,947
Rental Income	\$17,154
Commission Recapture	\$1,175

Total Cash Flow In	\$33,472,064
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Cash Flow Out

Retiree Payroll	\$31,720,215
StanCERA Payroll	\$406,783
StanCERA Operations Expense	\$143,329
Tyler Maintenance	\$13,319
Fixed Asset Purchases	\$515,592
Refunds	\$619,607
Death Benefits - Salary Based	\$38,511
Burial Allowance	\$120,000
Investment Consulting Fees	\$125,125
Audit Fees	\$15,000
Legal Fees	\$49,787

Total Cash Flow Out	\$33,767,268
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Ending Cash Balance	\$8,579,613
Change in Cash Balance	-\$295,204



Stanislaus County Employees' Retirement Association

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June 25, 2019

Retirement Board Agenda Item

TO: Retirement Board

FROM: Rick Santos, Executive Director

I. SUBJECT: Auxiliary AB 2833 Investment Report March 31, 2019

II. ITEM NUMBER: 8.b

III. ITEM TYPE: Information Only

IV. STAFF RECOMMENDATION: None

V. ANALYSIS: This report (attachment 1) contains information on StanCERA's "alternative" type investments required by California AB 2833 implemented in 2016. This information has been discussed and explained in Board meetings in the past.

Of interest this quarter, staff has added an additional exhibit (pages 25 – 29) which rolls up the information at the program type level. For instance, there are now exhibits which portray the information rolled up for the direct lending, real asset and risk parity asset classes. While staff does not necessarily consider risk parity as an alternative type investment, it is being included here since it has some accounting characteristics that are similar to those found in our other alternative type investments. Staff intends to go over these new exhibits at today's meeting.

VI. RISK: None

VII. STRATEGIC PLAN: Strategic Objective IV: Refine StanCERA's business and policy practices in ways that enhance stakeholder awareness, the delivery of member services and the ability of the Organization to administer the System effectively and efficiently

VIII. ADMINISTRATIVE BUDGET IMPACT: NONE

Rick Santos, Executive Director

Stan Conwell, Retirement Investment Officer

Fund Information

Manager Name:	American Realty Advisors Fund
Analysis Date:	3/31/2019
Reporting Frequency:	Quarterly
Latest Data Date:	3/31/2019
Manager Investment Style:	Value Added Real Estate
Fund Vintage Year:	2009
StanCERA Investment Start Date:	12/15/2014
Initial Commitment:	\$30,000,000
Additional Commitments:	\$28,000,000
Total Commitment Funded:	\$38,134,000
Total Commitment Unfunded:	\$19,866,000
Fund Balance:	\$44,729,221

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	10.78%
Investment Multiple (TVPI):	\$1.23
Realization Multiple (DPI):	\$0.05
Residual Value to Paid in Multiple (RVPI):	\$1.17
Paid in Capital Multiple (PIC):	65.7%

Fund Balance Reconciliation Since Inception

Beginning Fund Balance	\$0
Capital Contributions	\$38,134,000
Distributions	-\$2,031,680
Expenses	-\$1,488,543
Income	\$4,444,822
Gain/(Loss)	<u>\$5,670,623</u>
Ending Fund Balance	\$44,729,221

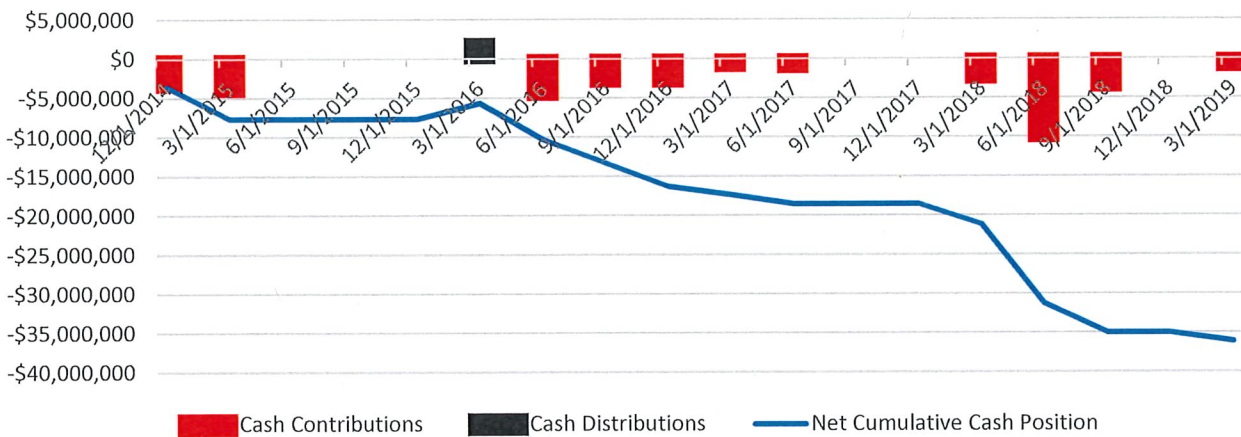
Internal Rate of Return Decomposition

Return from Income and Cash Flow	5.82%
Return from Expenses	-1.66%
Return from Gain/Loss	6.84%
Interaction/Timing Effect:	<u>-0.22%</u>
Net IRR Since Inception:	10.78%

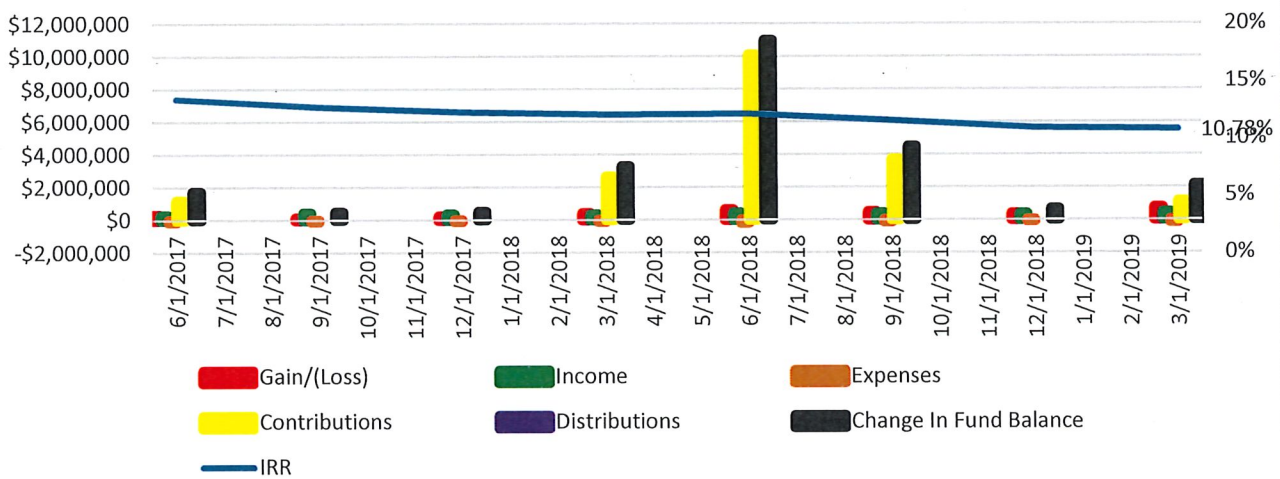
Expense Matrix

Management Fee	\$1,079,398
Incentive Allocation	\$409,092
Offering Costs	<u>\$54</u>
Total	\$1,488,543

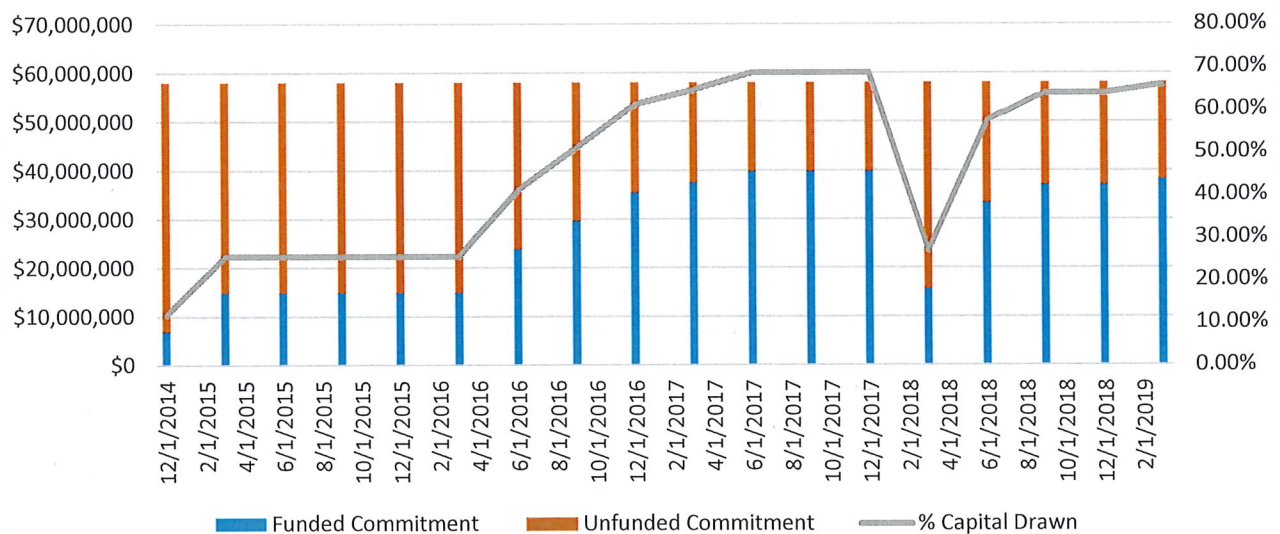
Net Cash Position



Change in Fund Balance Prior 8 Periods



Cumulative % Capital Drawn



Fund Information

Manager Name:	AQR Capital Management
Analysis Date:	3/31/2019
Reporting Frequency:	Monthly
Latest Data Date:	3/31/2019
Manager Investment Style:	Risk Parity
Fund Vintage Year:	2018
StanCERA Investment Start Date:	3/5/2018
Initial Commitment:	\$140,000,000
Additional Commitments:	\$0
Total Commitment Funded:	\$140,000,000
Total Commitment Unfunded:	\$0
Fund Balance:	\$148,348,500

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	5.56%
Investment Multiple (TVPI):	\$1.06
Realization Multiple (DPI):	\$0.00
Residual Value to Paid in Multiple (RVPI):	\$1.06
Paid in Capital Multiple (PIC):	100.0%

Fund Balance Reconciliation Since Inception

Beginning Fund Balance	\$0
Capital Contributions	\$140,000,000
Distributions	\$0
Expenses	-\$718,975
Income	\$461,921
Gain/(Loss)	<u>\$8,605,554</u>
Ending Fund Balance	\$148,348,500

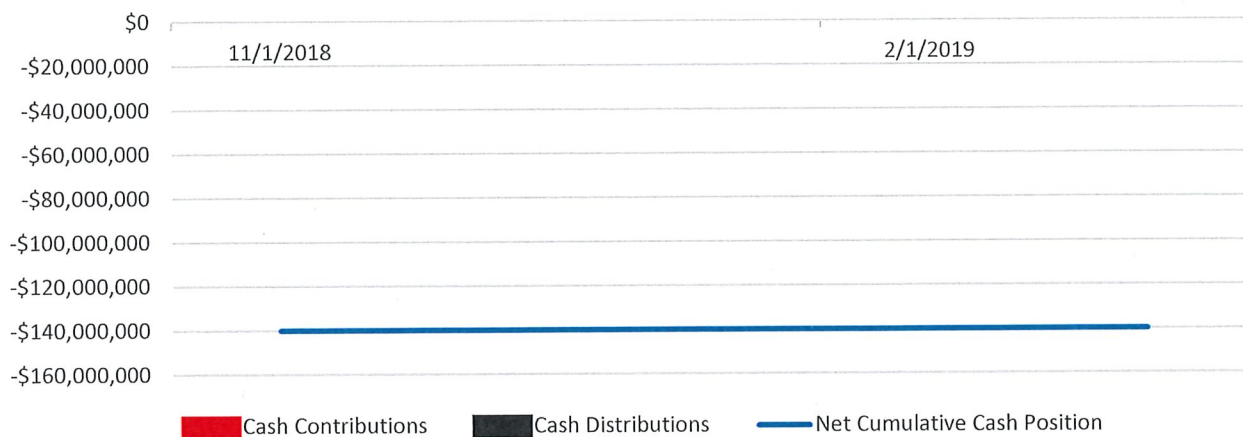
Internal Rate of Return Decomposition

Return from Income and Cash Flow	0.31%
Return from Expenses	-0.48%
Return from Gain/Loss	5.73%
Interaction/Timing Effect:	<u>0.00%</u>
Net IRR Since Inception:	5.56%

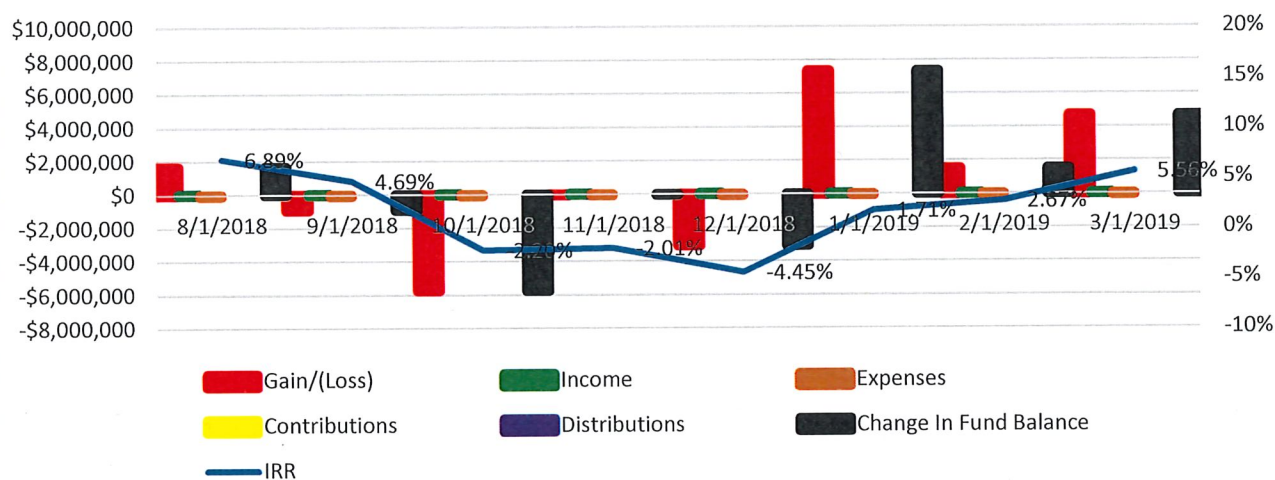
Expense Matrix

Management Fee	\$574,458
Professional Fee	\$8,079
General/Administrative Expense	\$107,151
Interest Expense	\$16,669
Custody Fee	\$11,962
Dividend Expense	<u>\$656</u>
Total	\$718,975

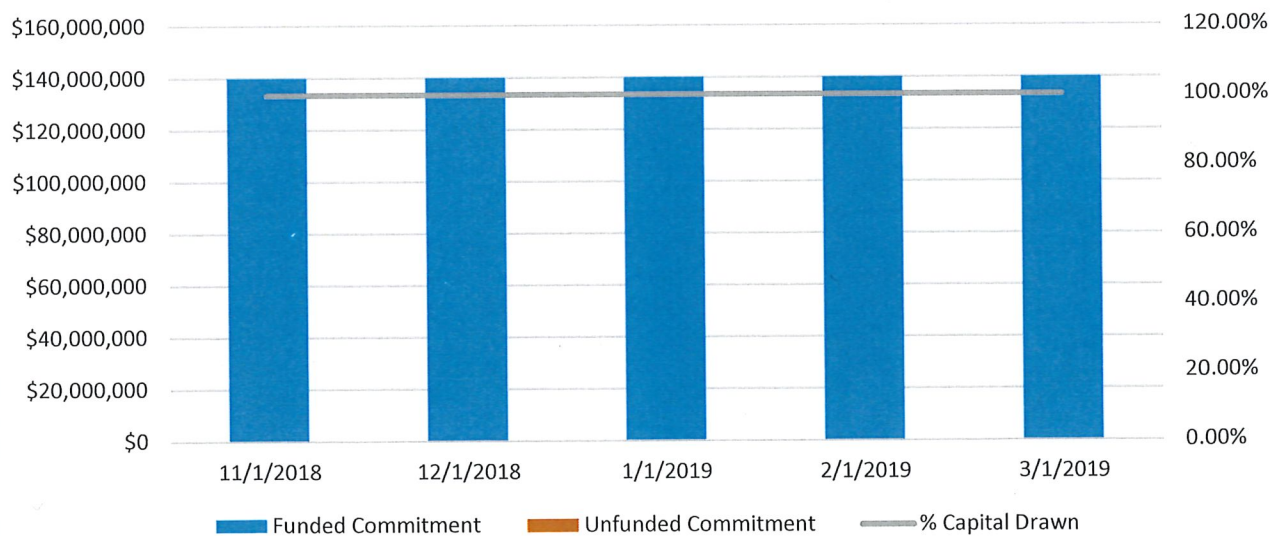
Net Cash Position



Change in Fund Balance Prior 8 Periods



Cumulative % Capital Drawn



Fund Information

Manager Name:	Greenfield Acquisition Partners VIII, L.P.
Analysis Date:	3/31/2019
Reporting Frequency:	Quarterly
Latest Data Date:	3/31/2019
Manager Investment Style:	Value Added Real Estate
Fund Vintage Year:	2017
StanCERA Investment Start Date:	4/27/2018
Initial Commitment:	\$40,000,000
Additional Commitments:	\$0
Total Commitment Funded:	\$13,941,932
Total Commitment Unfunded:	\$26,058,068
Fund Balance:	\$15,304,796

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	18.27%
Investment Multiple (TVPI):	\$1.10
Realization Multiple (DPI):	\$0.00
Residual Value to Paid in Multiple (RVPI):	\$1.10
Paid in Capital Multiple (PIC):	34.9%

Fund Balance Reconciliation Since Inception

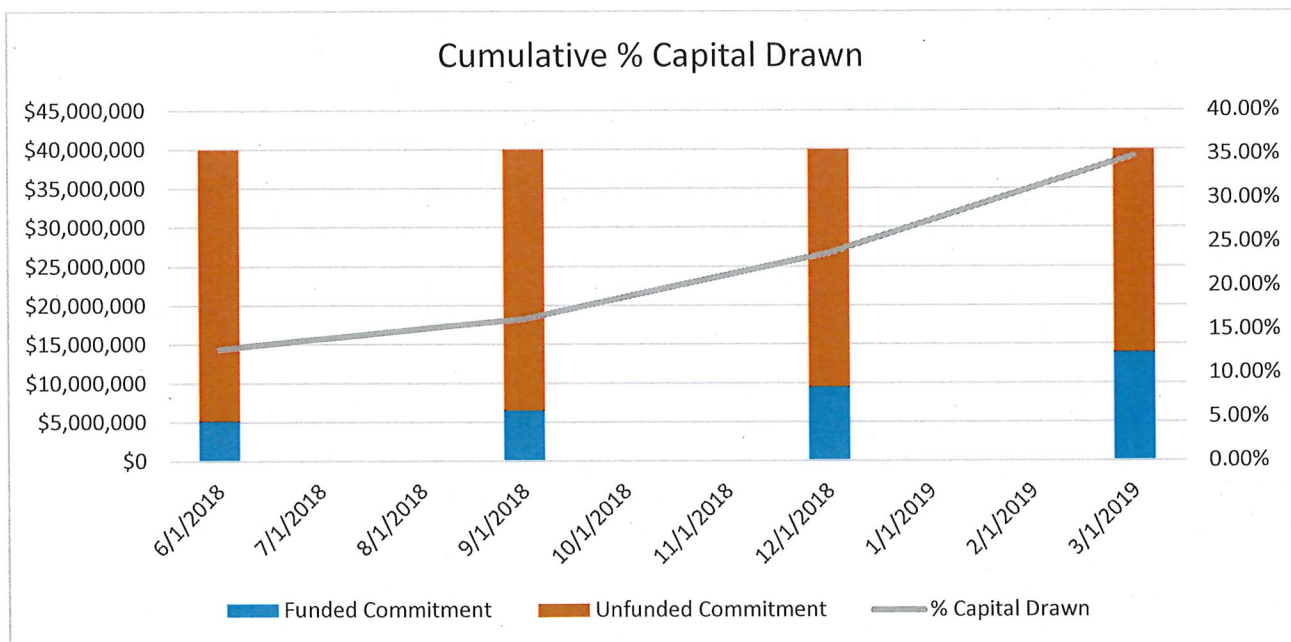
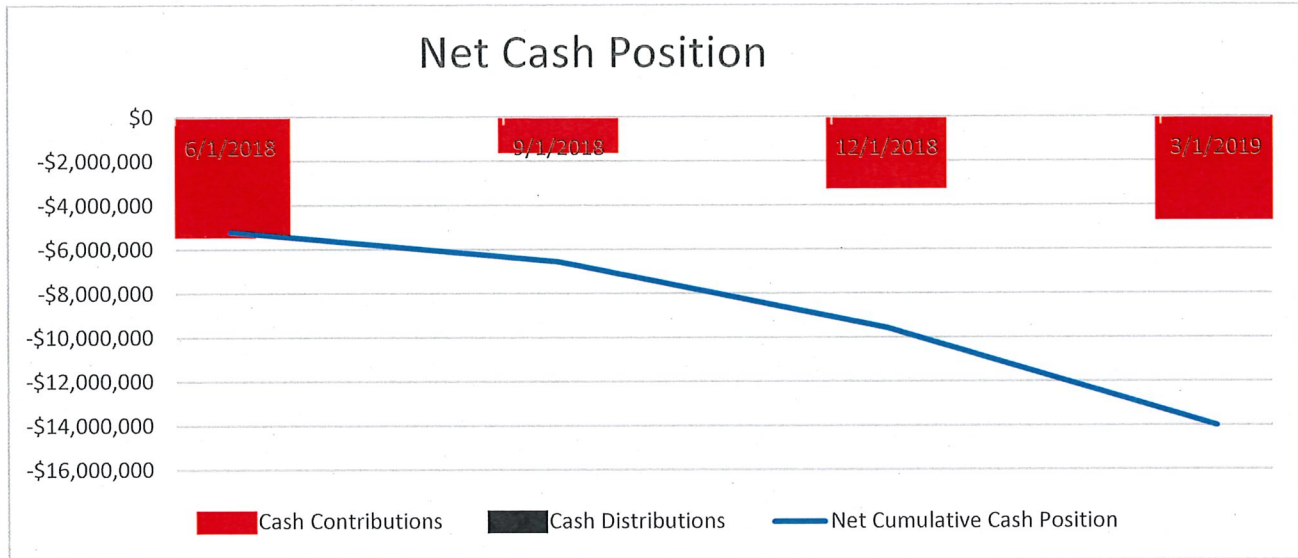
Beginning Fund Balance	\$0
Capital Contributions	\$13,941,932
Distributions	\$0
Expenses	-\$1,294,556
Income	-\$283,459
Gain/(Loss)	<u>\$2,940,879</u>
Ending Fund Balance	\$15,304,796

Internal Rate of Return Decomposition

Return from Income and Cash Flow	-4.86%
Return from Expenses	-19.04%
Return from Gain/Loss	40.35%
Interaction/Timing Effect:	<u>1.83%</u>
Net IRR Since Inception:	18.27%

Expense Matrix

Management Fee	\$1,315,065
Incentive Allocation	<u>-\$20,509</u>
Total	\$1,294,556



Fund Information

Manager Name:	Greenfield GAP VII Management Fund, L.L.C
Analysis Date:	3/31/2019
Reporting Frequency:	Quarterly
Latest Data Date:	3/31/2019
Manager Investment Style:	Value Added Real Estate
Fund Vintage Year:	2011
StanCERA Investment Start Date:	7/8/2014
Initial Commitment:	\$15,000,000
Additional Commitments:	\$0
Total Commitment Funded:	\$10,443,061
Total Commitment Unfunded:	\$4,556,939
Fund Balance:	\$12,811,238

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	12.59%
Investment Multiple (TVPI):	\$1.36
Realization Multiple (DPI):	\$0.64
Residual Value to Paid in Multiple (RVPI):	\$0.71
Paid in Capital Multiple (PIC):	69.6%

Fund Balance Reconciliation Since Inception

Beginning Fund Balance	\$0
Capital Contributions	\$18,013,692
Distributions	-\$11,611,255
Expenses	-\$1,934,240
Income	\$2,220,065
Gain/(Loss)	<u>\$6,122,976</u>
Ending Fund Balance	\$12,811,238

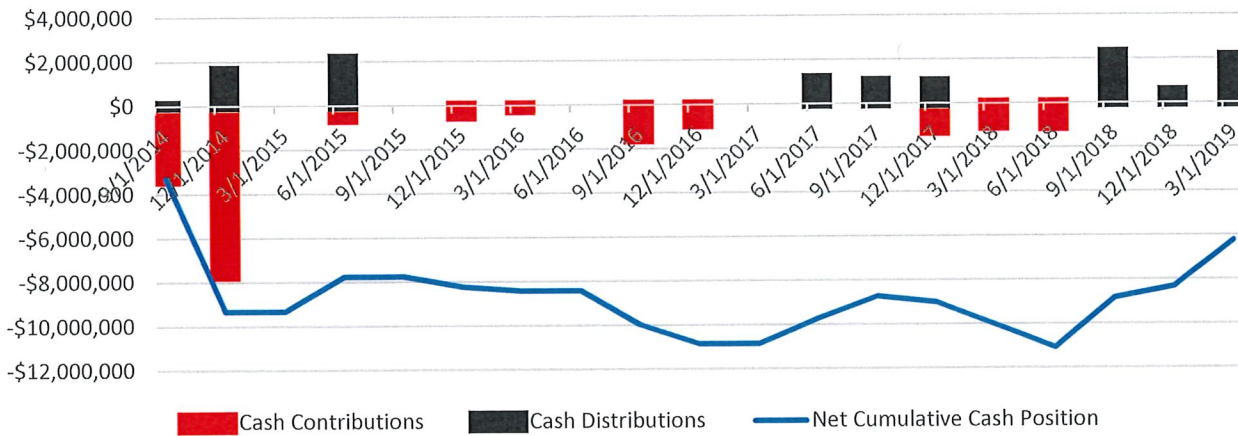
Internal Rate of Return Decomposition

Return from Income and Cash Flow	5.18%
Return from Expenses	-2.92%
Return from Gain/Loss	11.56%
Interaction/Timing Effect:	<u>-1.23%</u>
Net IRR Since Inception:	12.59%

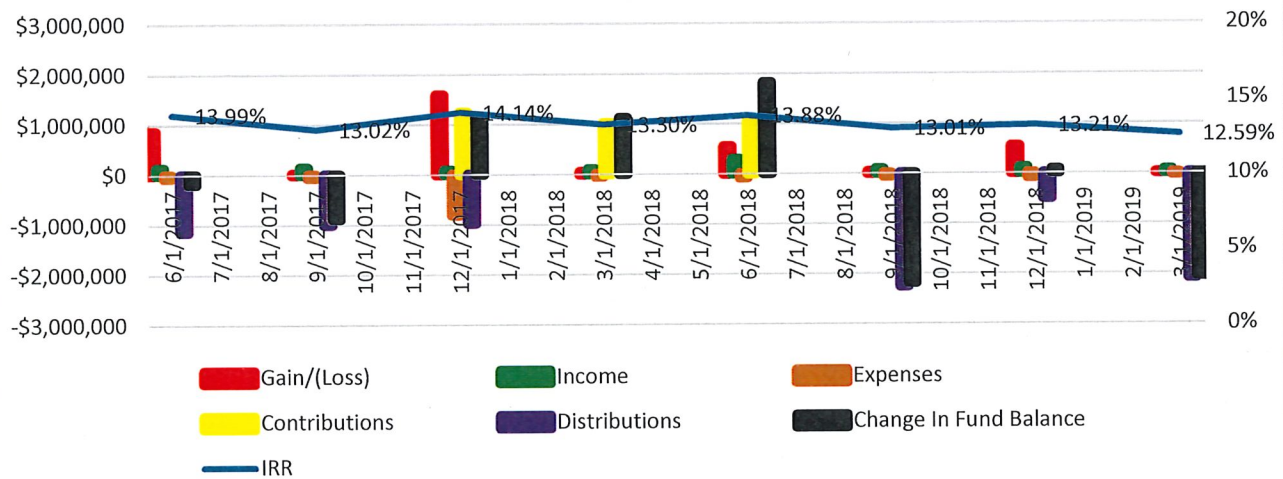
Expense Matrix

Management Fee	\$1,182,259
Partnership Operations	\$46,937
Incentive Allocation	\$702,175
Interest Expense	<u>\$2,869</u>
Total	\$1,934,240

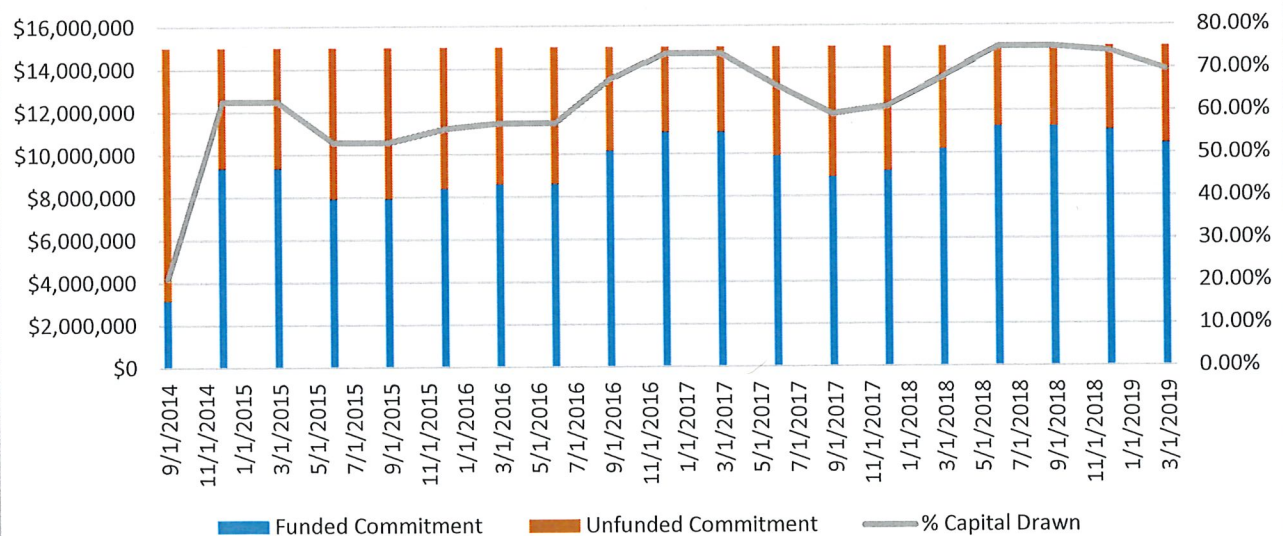
Net Cash Position



Change in Fund Balance Prior 8 Periods



Cumulative % Capital Drawn



Fund Information

Manager Name:	Medley Opportunity Fund II L.P.
Analysis Date:	3/31/2019
Reporting Frequency:	Quarterly
Latest Data Date:	3/31/2019
Manager Investment Style:	Private Credit
Fund Vintage Year:	2011
StanCERA Investment Start Date:	5/16/2013
Initial Commitment:	\$30,000,000
Additional Commitments:	\$0
Total Commitment Funded:	\$29,000,453
Total Commitment Unfunded:	\$999,547
Fund Balance:	\$14,568,801

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	1.81%
Investment Multiple (TVPI):	\$1.17
Realization Multiple (DPI):	\$0.70
Residual Value to Paid in Multiple (RVPI):	\$0.47
Paid in Capital Multiple (PIC):	96.7%

Fund Balance Reconciliation Since Inception

Beginning Fund Balance	\$0
Capital Contributions	\$31,086,716
Distributions	-\$21,911,233
Expenses	-\$3,379,823
Income	\$17,136,774
Gain/(Loss)	<u>-\$8,363,634</u>
Ending Fund Balance	\$14,568,800

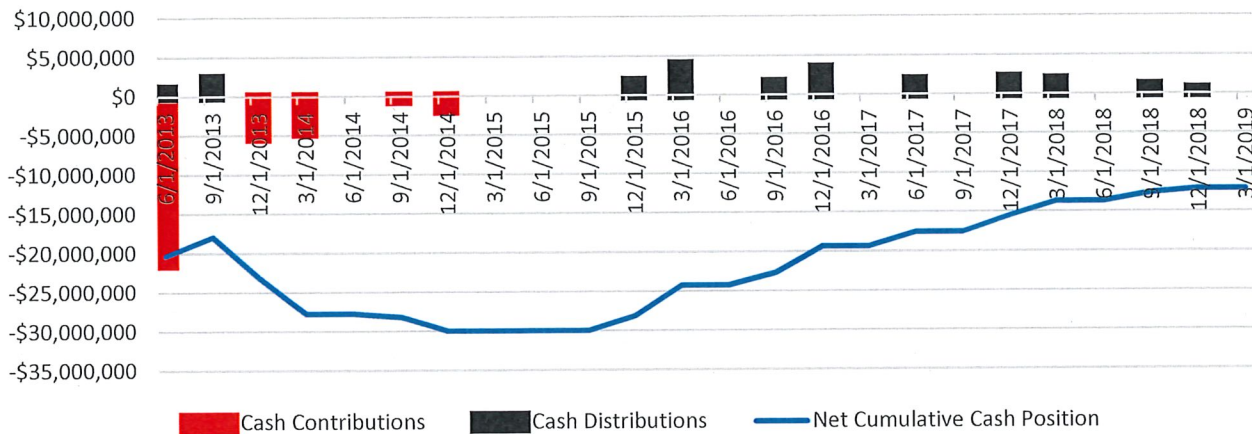
Internal Rate of Return Decomposition

Return from Income and Cash Flow	8.76%
Return from Expenses	-2.27%
Return from Gain/Loss	-5.19%
Interaction/Timing Effect:	<u>0.50%</u>
Net IRR Since Inception:	1.81%

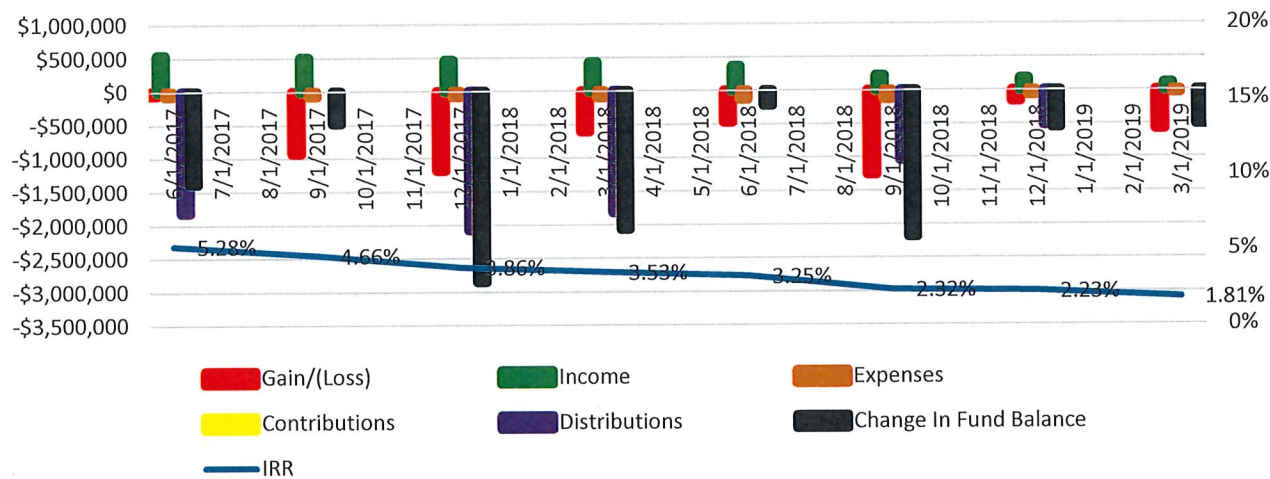
Expense Matrix

Management Fee	\$2,386,673
Partnership Operations	\$993,151
Incentive Allocation	<u>-\$1</u>
Total	\$3,379,823

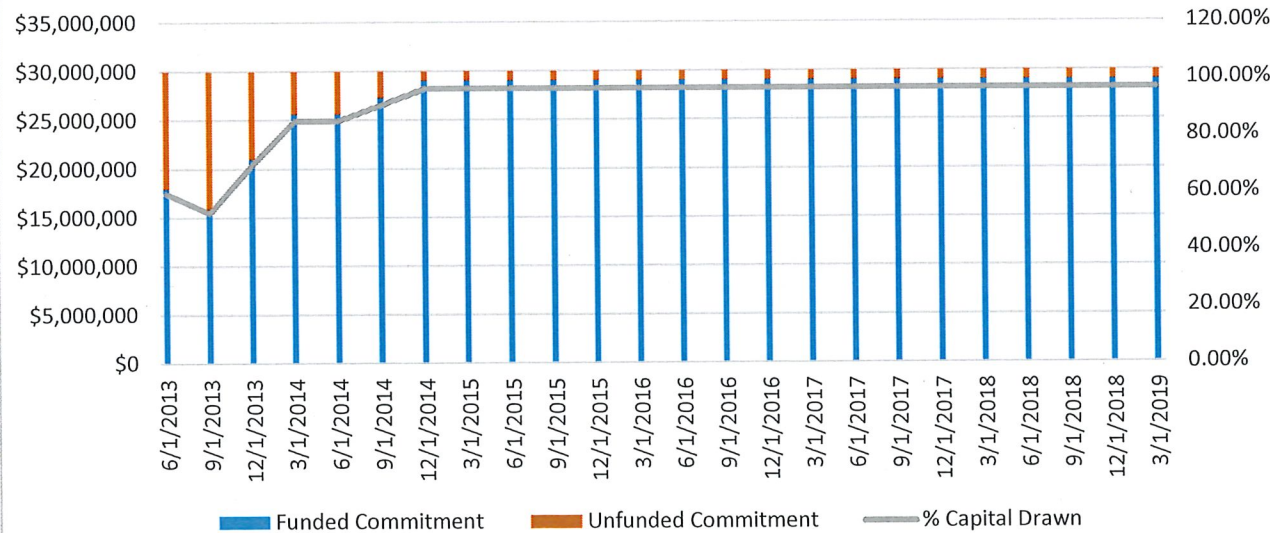
Net Cash Position



Change in Fund Balance Prior 8 Periods



Cumulative % Capital Drawn



Fund Information

Manager Name:	Morgan Stanley Prime Property Fund, L.L.C
Analysis Date:	3/31/2019
Reporting Frequency:	Quarterly
Latest Data Date:	3/31/2019
Manager Investment Style:	Core Real Estate
Fund Vintage Year:	1973
StanCERA Investment Start Date:	10/1/2015
Initial Commitment:	\$15,000,000
Additional Commitments:	\$35,000,000
Total Commitment Funded:	\$50,000,000
Total Commitment Unfunded:	\$0
Fund Balance:	\$56,223,742

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	8.24%
Investment Multiple (TVPI):	\$1.12
Realization Multiple (DPI):	\$0.00
Residual Value to Paid in Multiple (RVPI):	\$1.12
Paid in Capital Multiple (PIC):	100.0%

Fund Balance Reconciliation Since Inception

Beginning Fund Balance	\$0
Capital Contributions	\$50,000,000
Distributions	\$0
Expenses	-\$857,479
Income	\$3,136,797
Gain/(Loss)	<u>\$3,944,424</u>
Ending Fund Balance	\$56,223,742

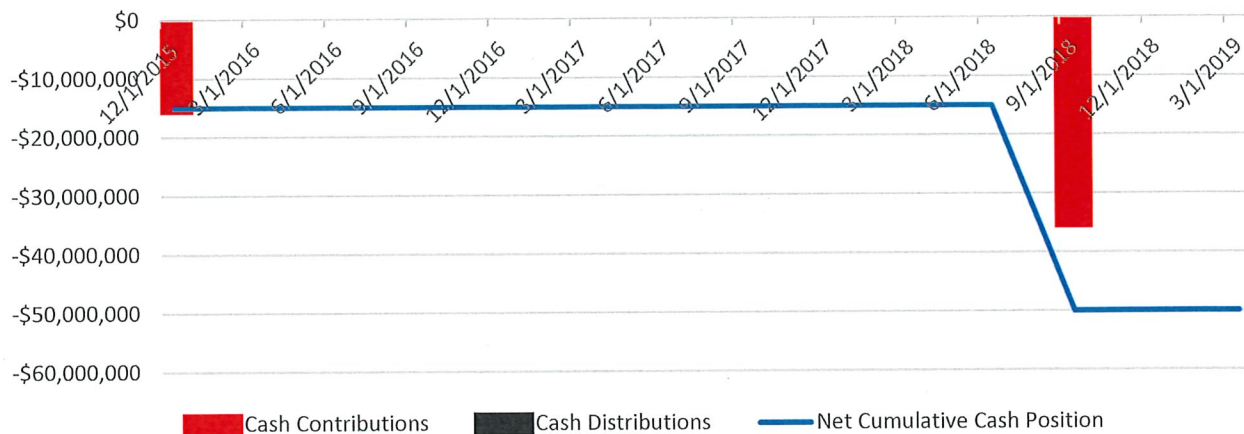
Internal Rate of Return Decomposition

Return from Income and Cash Flow	4.30%
Return from Expenses	-1.05%
Return from Gain/Loss	5.09%
Interaction/Timing Effect:	<u>-0.10%</u>
Net IRR Since Inception:	8.24%

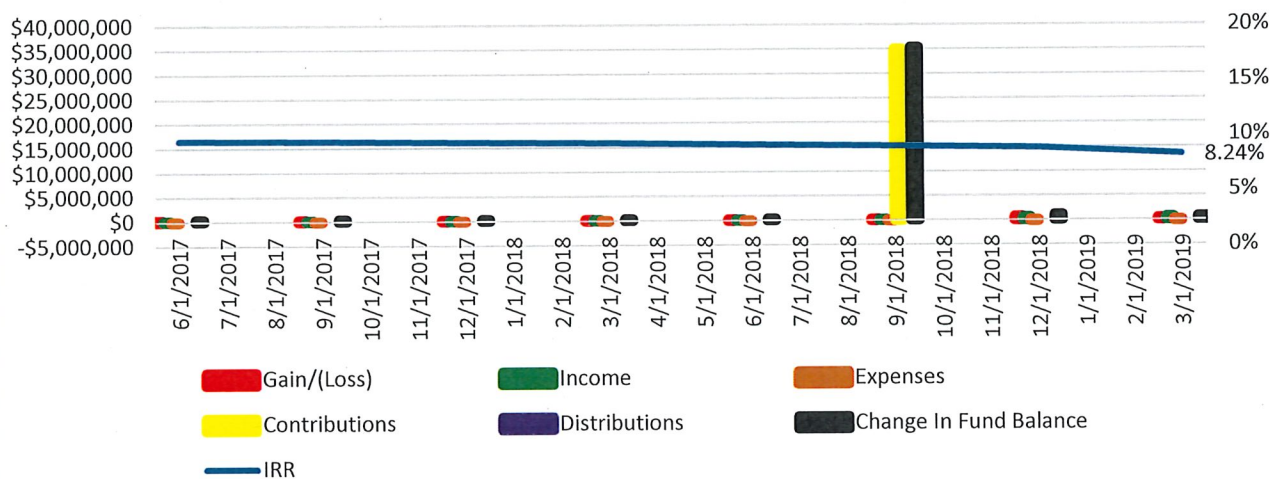
Expense Matrix

Management Fee	\$660,844
Incentive Allocation	<u>\$196,636</u>
Total	\$857,479

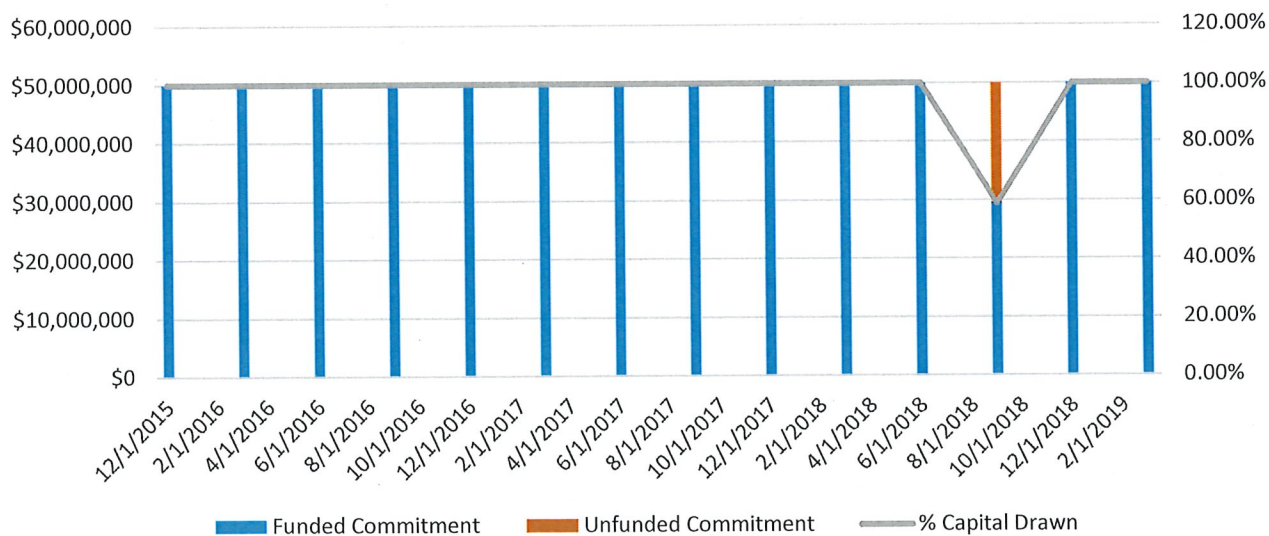
Net Cash Position



Change in Fund Balance Prior 8 Periods



Cumulative % Capital Drawn



Fund Information

Manager Name:	North Haven Infrastructure II GP LP
Analysis Date:	3/31/2019
Reporting Frequency:	Quarterly
Latest Data Date:	3/31/2019
Manager Investment Style:	Infrastructure
Fund Vintage Year:	2015
StanCERA Investment Start Date:	5/19/2015
Initial Commitment:	\$50,000,000
Additional Commitments:	\$0
Total Commitment Funded:	\$43,414,665
Total Commitment Unfunded:	\$6,585,335
Fund Balance:	\$51,557,999

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	15.22%
Investment Multiple (TVPI):	\$1.15
Realization Multiple (DPI):	\$0.24
Residual Value to Paid in Multiple (RVPI):	\$0.91
Paid in Capital Multiple (PIC):	86.8%

Fund Balance Reconciliation Since Inception

Beginning Fund Balance	\$0
Capital Contributions	\$56,526,359
Distributions	-\$13,402,690
Expenses	-\$3,989,661
Income	\$1,433,815
Gain/(Loss)	<u>\$11,685,862</u>
Ending Fund Balance	\$52,253,685

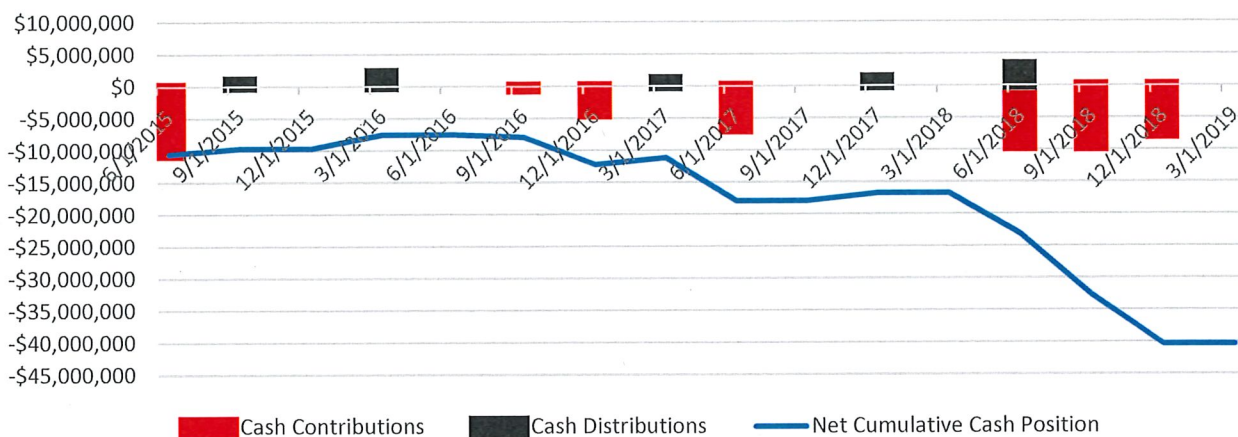
Internal Rate of Return Decomposition

Return from Income and Cash Flow	5.22%
Return from Expenses	-4.57%
Return from Gain/Loss	15.97%
Interaction/Timing Effect:	<u>-1.40%</u>
Net IRR Since Inception:	15.22%

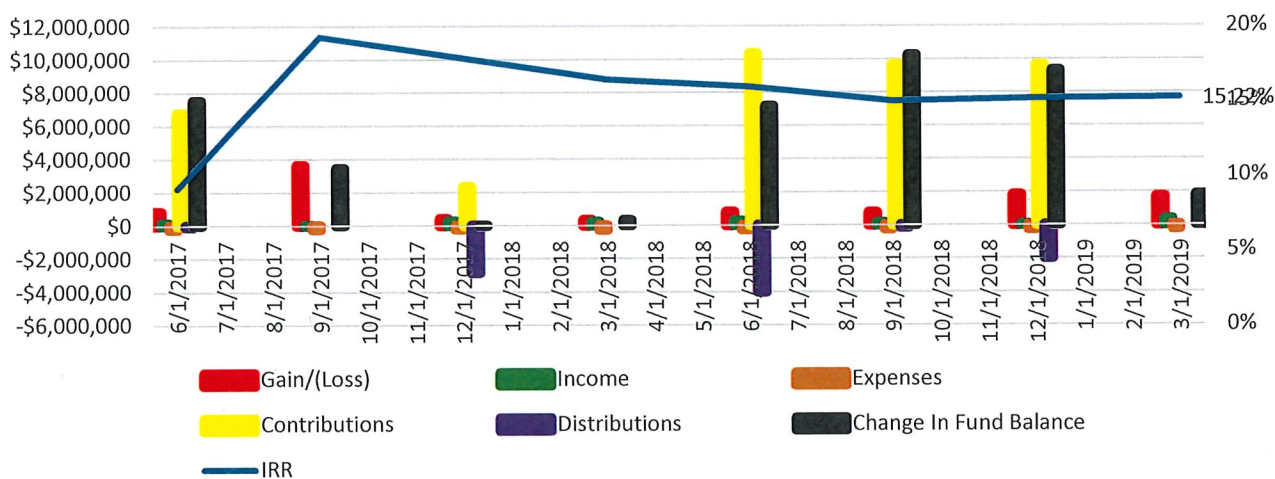
Expense Matrix

Management Fee	\$3,163,096
Organizational Expense	\$52,991
Syndication Costs	\$65,354
General/Administrative Expense	\$249,014
Broken Deal Expense	\$267,706
Interest Expense	<u>\$191,500</u>
Total	\$3,989,661

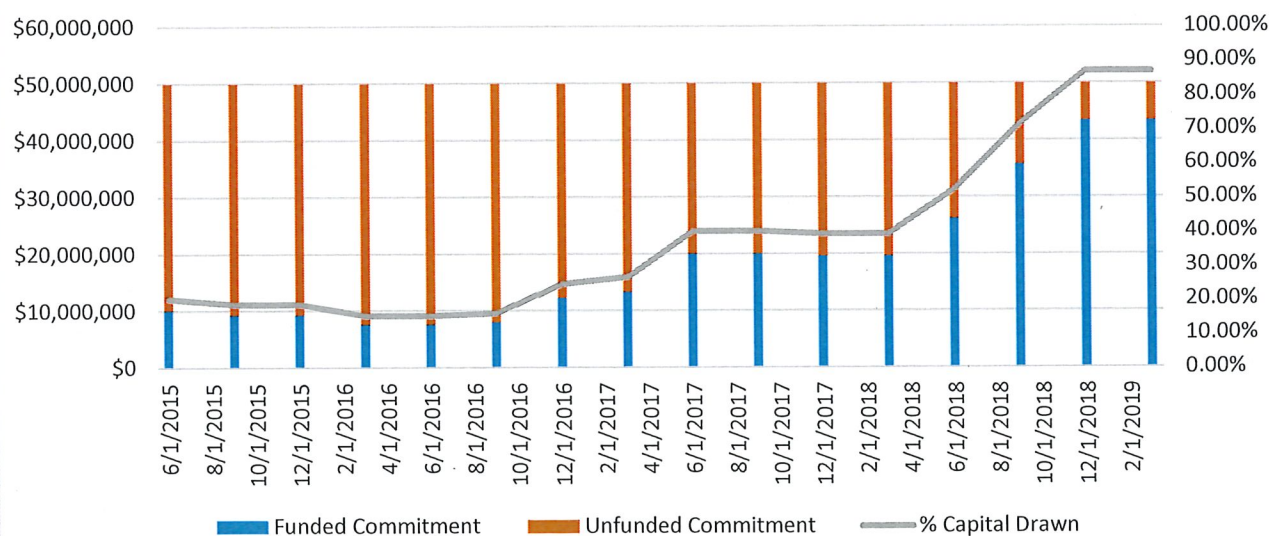
Net Cash Position



Change in Fund Balance Prior 8 Periods



Cumulative % Capital Drawn



Fund Information

Manager Name:	PanAgora Diversified Risk Multi-Asset Fund, Ltd.
Analysis Date:	3/31/2019
Reporting Frequency:	Monthly
Latest Data Date:	3/31/2019
Manager Investment Style:	Risk Parity
Fund Vintage Year:	2012
StanCERA Investment Start Date:	12/1/2017
Initial Commitment:	\$140,000,000
Additional Commitments:	\$0
Total Commitment Funded:	\$140,000,000
Total Commitment Unfunded:	\$0
Fund Balance:	\$145,843,504

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	3.13%
Investment Multiple (TVPI):	\$1.04
Realization Multiple (DPI):	\$0.00
Residual Value to Paid in Multiple (RVPI):	\$1.04
Paid in Capital Multiple (PIC):	100.0%

Fund Balance Reconciliation Since Inception

Beginning Fund Balance	\$0
Capital Contributions	\$140,000,000
Distributions	\$0
Expenses	-\$781,789
Income	\$2,875,768
Gain/(Loss)	<u>\$3,749,525</u>
Ending Fund Balance	\$145,843,504

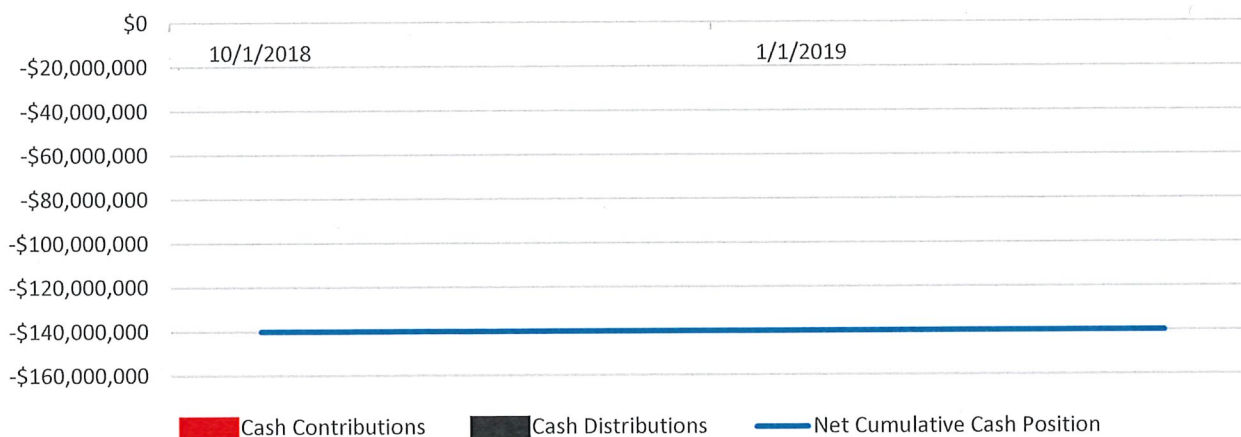
Internal Rate of Return Decomposition

Return from Income and Cash Flow	1.54%
Return from Expenses	-0.42%
Return from Gain/Loss	2.00%
Interaction/Timing Effect:	<u>0.00%</u>
Net IRR Since Inception:	3.13%

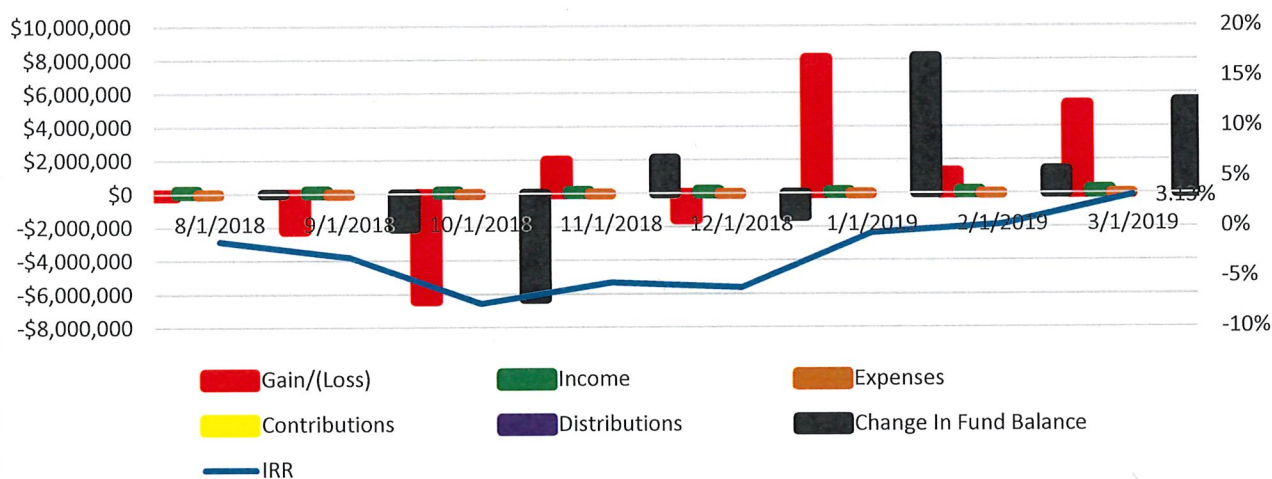
Expense Matrix

Management Fee	\$645,502
Professional Fee	<u>\$136,287</u>
Total	\$781,789

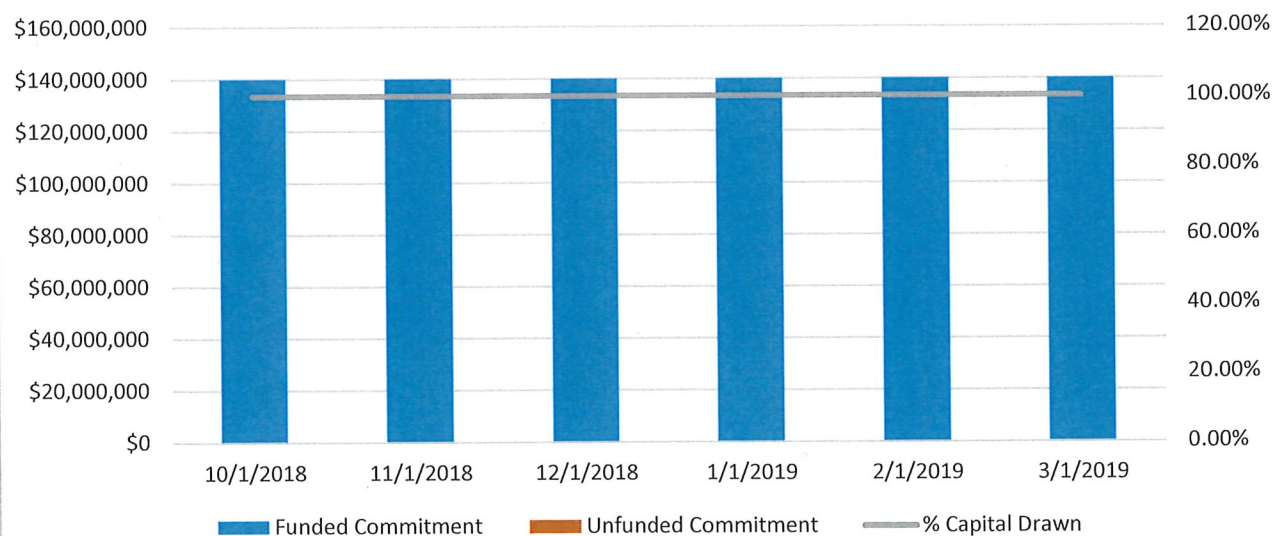
Net Cash Position



Change in Fund Balance Prior 8 Periods



Cumulative % Capital Drawn



Fund Information

Manager Name:	Prudential
Analysis Date:	3/31/2019
Reporting Frequency:	Quarterly
Latest Data Date:	3/31/2019
Manager Investment Style:	Real Estate Debt
Fund Vintage Year:	0
StanCERA Investment Start Date:	9/28/2018
Initial Commitment:	\$54,000,000
Additional Commitments:	\$0
Total Commitment Funded:	\$54,000,000
Total Commitment Unfunded:	\$0
Fund Balance:	\$55,316,966

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	6.52%
Investment Multiple (TVPI):	\$1.02
Realization Multiple (DPI):	\$0.00
Residual Value to Paid in Multiple (RVPI):	\$1.02
Paid in Capital Multiple (PIC):	100.0%

Fund Balance Reconciliation Since Inception

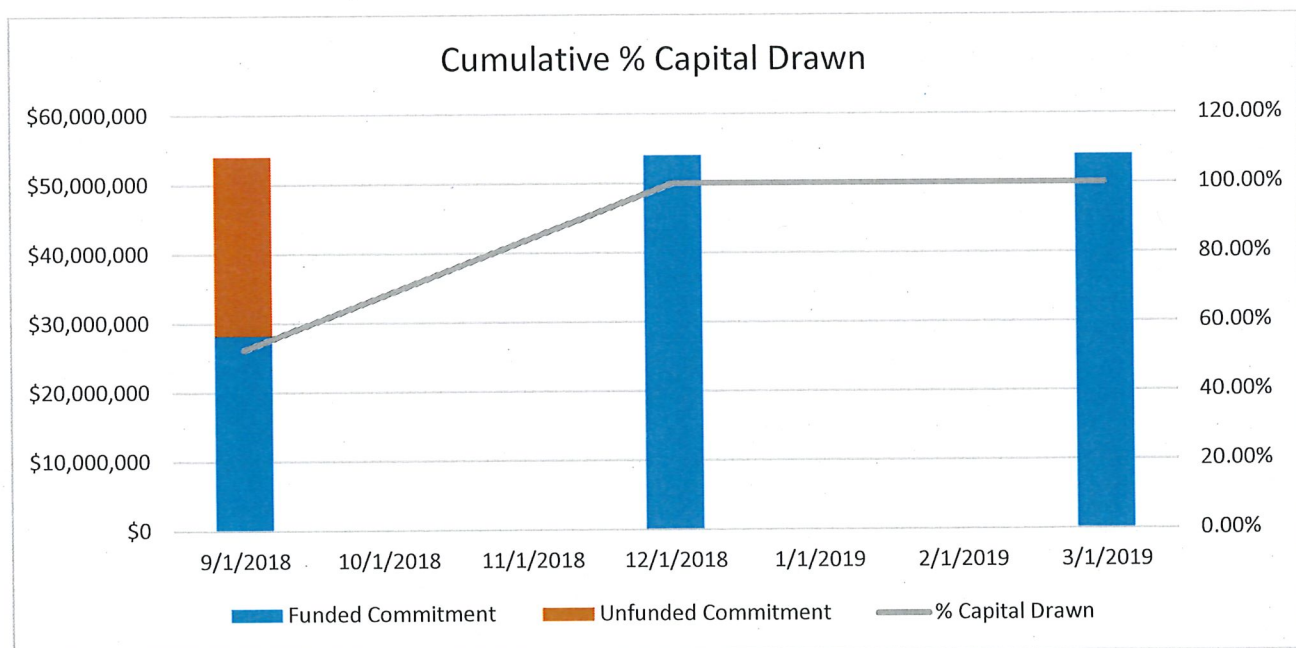
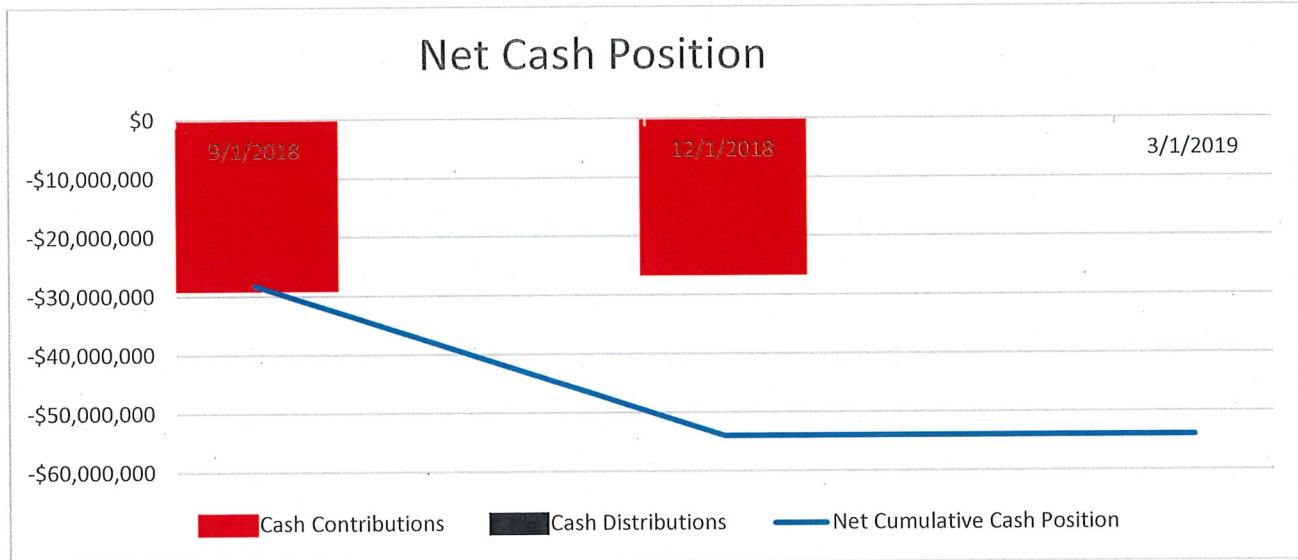
Beginning Fund Balance	\$0
Capital Contributions	\$54,000,000
Distributions	\$0
Expenses	-\$163,201
Income	\$1,882,845
Gain/(Loss)	<u>-\$402,677</u>
Ending Fund Balance	\$55,316,967

Internal Rate of Return Decomposition

Return from Income and Cash Flow	9.39%
Return from Expenses	-0.82%
Return from Gain/Loss	-2.04%
Interaction/Timing Effect:	<u>-0.01%</u>
Net IRR Since Inception:	6.52%

Expense Matrix

Management Fee	<u>\$163,201</u>
Total	\$163,201



Fund Information

Manager Name:	Raven Asset-Based Opportunity Fund I L.P.
Analysis Date:	3/31/2019
Reporting Frequency:	Quarterly
Latest Data Date:	3/31/2019
Manager Investment Style:	Private Credit
Fund Vintage Year:	2012
StanCERA Investment Start Date:	5/22/2013
Initial Commitment:	\$40,000,000
Additional Commitments:	\$0
Total Commitment Funded:	\$34,505,763
Total Commitment Unfunded:	\$5,494,237
Fund Balance:	\$13,875,008

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	1.78%
Investment Multiple (TVPI):	\$1.09
Realization Multiple (DPI):	\$0.68
Residual Value to Paid in Multiple (RVPI):	\$0.40
Paid in Capital Multiple (PIC):	86.3%

Fund Balance Reconciliation Since Inception

Beginning Fund Balance	\$0
Capital Contributions	\$34,505,763
Distributions	-\$23,582,991
Expenses	-\$5,059,443
Income	\$12,463,411
Gain/(Loss)	<u>-\$4,451,733</u>
Ending Fund Balance	\$13,875,007

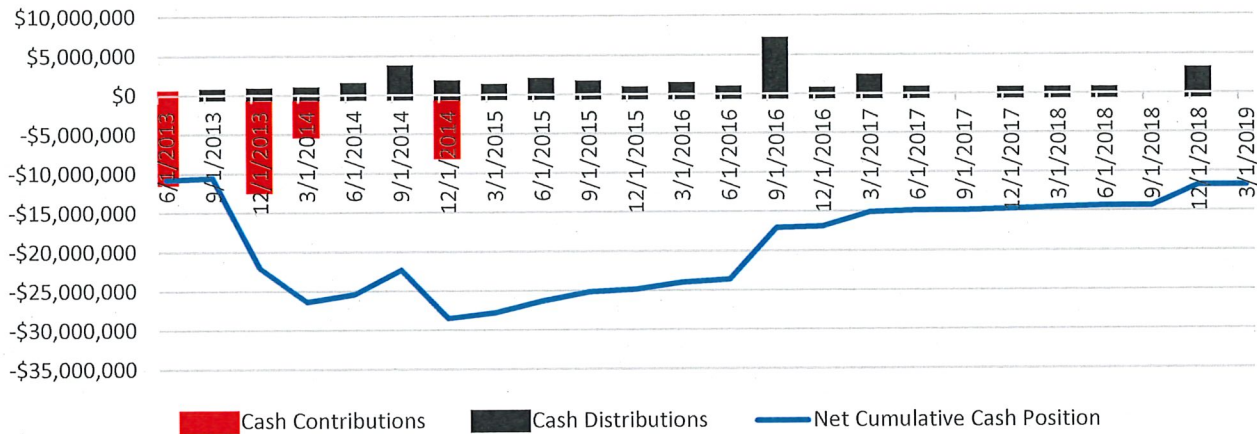
Internal Rate of Return Decomposition

Return from Income and Cash Flow	8.25%
Return from Expenses	-3.69%
Return from Gain/Loss	-3.29%
Interaction/Timing Effect:	<u>0.52%</u>
Net IRR Since Inception:	1.78%

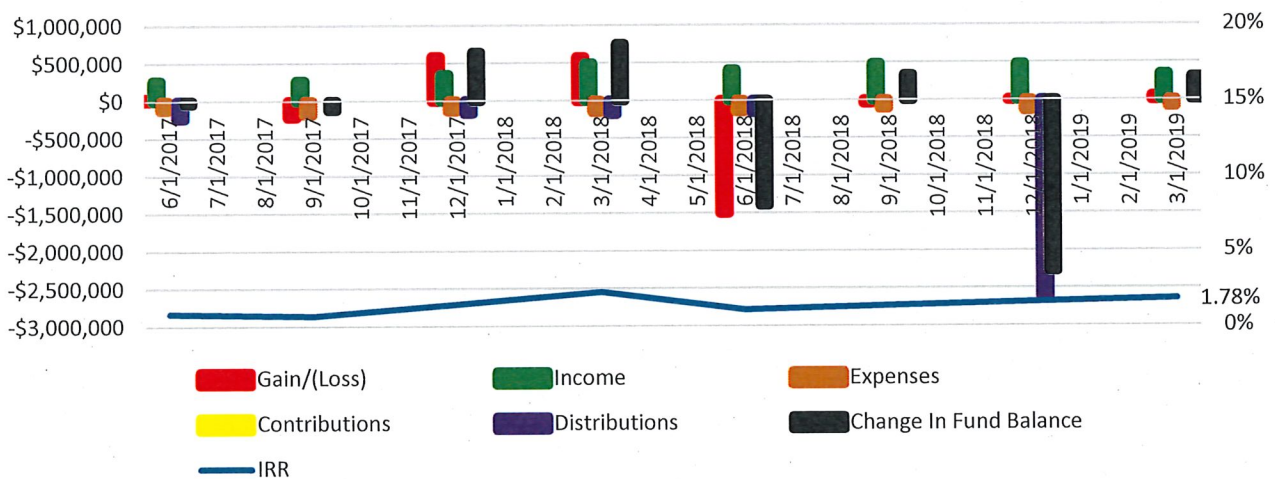
Expense Matrix

Management Fee	\$3,271,809
Organizational Expense	\$92,275
Service Fee	\$339,601
Professional Fee	<u>\$1,355,758</u>
Total	\$5,059,443

Net Cash Position



Change in Fund Balance Prior 8 Periods



Cumulative % Capital Drawn



Fund Information

Manager Name:	Raven Asset-Based Opportunity Fund III L.P.
Analysis Date:	3/31/2019
Reporting Frequency:	Quarterly
Latest Data Date:	3/31/2019
Manager Investment Style:	Private Credit
Fund Vintage Year:	2015
StanCERA Investment Start Date:	7/6/2015
Initial Commitment:	\$15,000,000
Additional Commitments:	\$35,000,000
Total Commitment Funded:	\$33,711,014
Total Commitment Unfunded:	\$16,288,986
Fund Balance:	\$34,421,679

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	5.78%
Investment Multiple (TVPI):	\$1.11
Realization Multiple (DPI):	\$0.23
Residual Value to Paid in Multiple (RVPI):	\$0.88
Paid in Capital Multiple (PIC):	67.4%

Fund Balance Reconciliation Since Inception

Beginning Fund Balance	\$0
Capital Contributions	\$39,188,668
Distributions	-\$8,887,711
Expenses	-\$4,469,980
Income	\$6,168,102
Gain/(Loss)	<u>\$2,422,598</u>
Ending Fund Balance	\$34,421,677

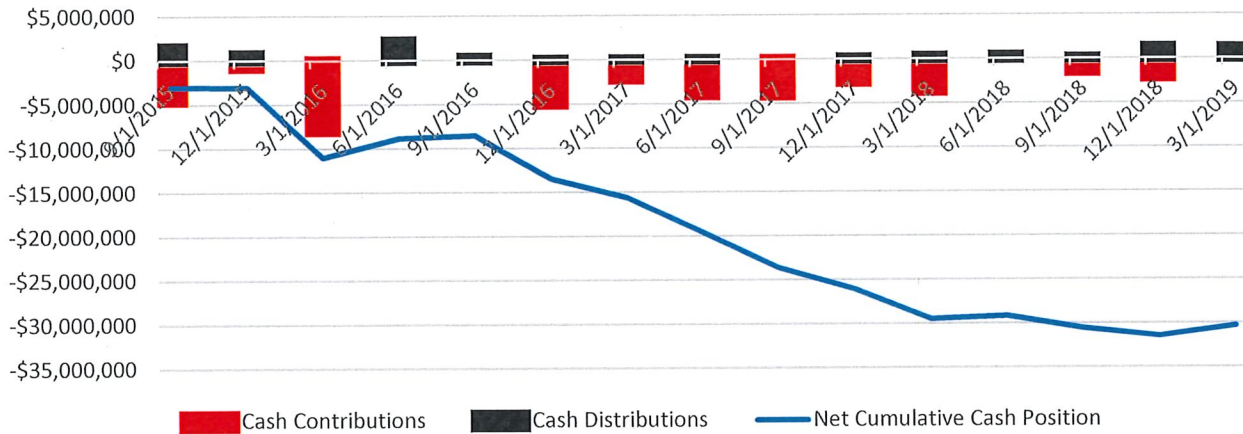
Internal Rate of Return Decomposition

Return from Income and Cash Flow	8.49%
Return from Expenses	-5.79%
Return from Gain/Loss	3.35%
Interaction/Timing Effect:	<u>-0.28%</u>
Net IRR Since Inception:	5.78%

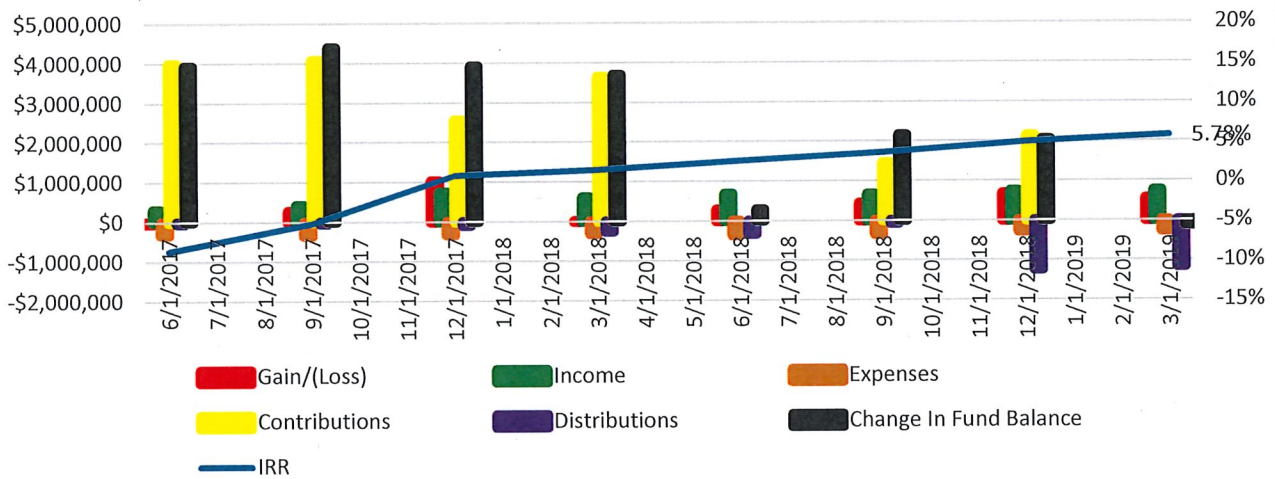
Expense Matrix

Management Fee	\$3,163,251
Organizational Expense	\$78,622
Professional Fee	<u>\$1,228,107</u>
Total	\$4,469,980

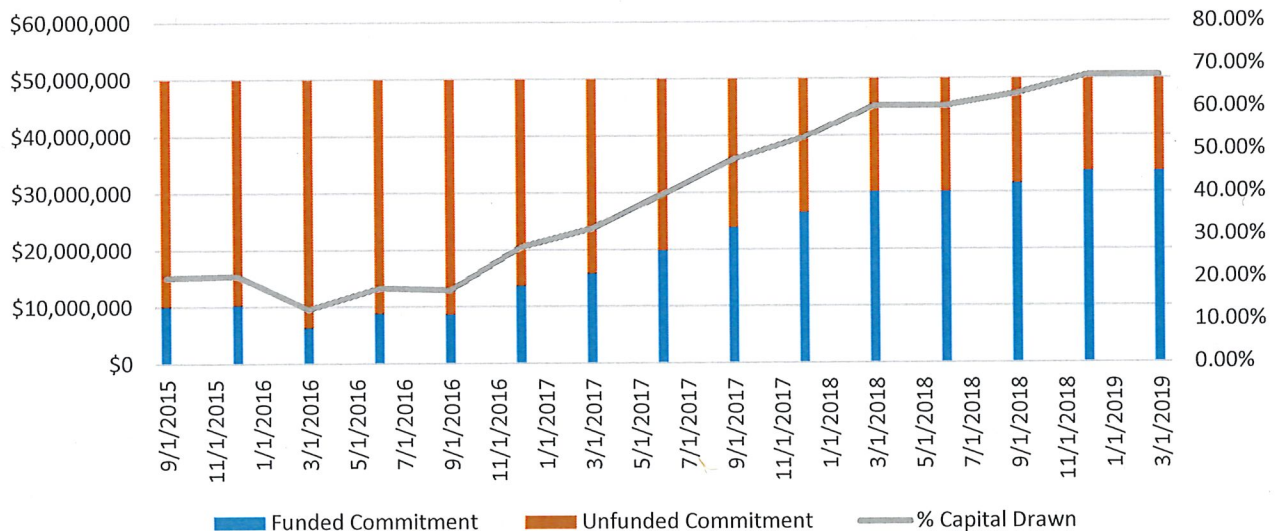
Net Cash Position



Change in Fund Balance Prior 8 Periods



Cumulative % Capital Drawn



Fund Information

Manager Name:	White Oak Pinnacle Fund L.P.
Analysis Date:	3/31/2019
Reporting Frequency:	Quarterly
Latest Data Date:	3/31/2019
Manager Investment Style:	Private Credit
Fund Vintage Year:	2012
StanCERA Investment Start Date:	8/2/2013
Initial Commitment:	\$40,000,000
Additional Commitments:	\$0
Total Commitment Funded:	\$32,758,125
Total Commitment Unfunded:	\$7,241,875
Fund Balance:	\$25,483,053

Fund Performance Measures Since Inception

Net Internal Rate of Return (IRR):	7.39%
Investment Multiple (TVPI):	\$1.25
Realization Multiple (DPI):	\$0.79
Residual Value to Paid in Multiple (RVPI):	\$0.46
Paid in Capital Multiple (PIC):	81.9%

Fund Balance Reconciliation Since Inception

Beginning Fund Balance	\$0
Capital Contributions	\$55,047,161
Distributions	-\$43,348,194
Expenses	-\$4,066,421
Income	\$20,889,948
Gain/(Loss)	<u>-\$3,039,442</u>
Ending Fund Balance	\$25,483,053

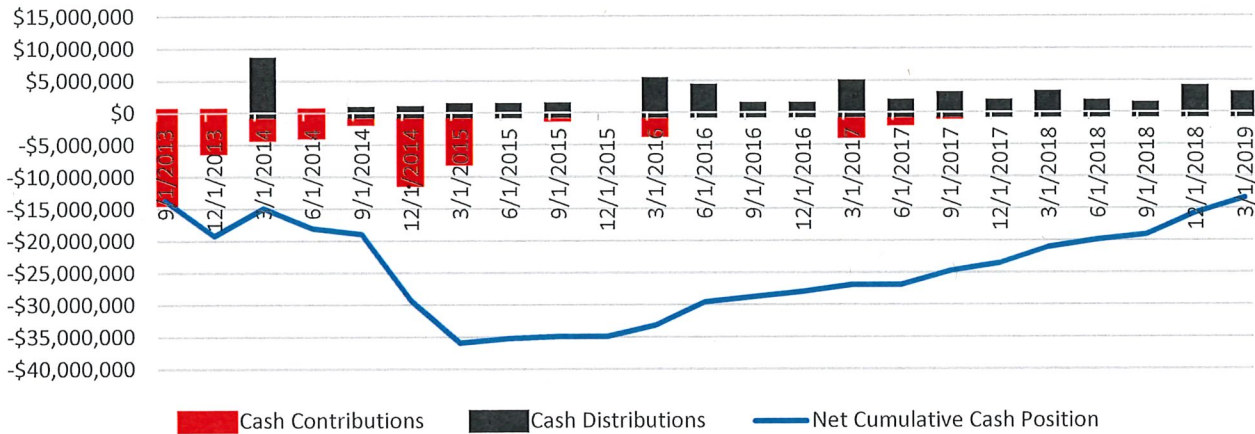
Internal Rate of Return Decomposition

Return from Income and Cash Flow	10.85%
Return from Expenses	-2.03%
Return from Gain/Loss	-1.54%
Interaction/Timing Effect:	<u>0.12%</u>
Net IRR Since Inception:	7.39%

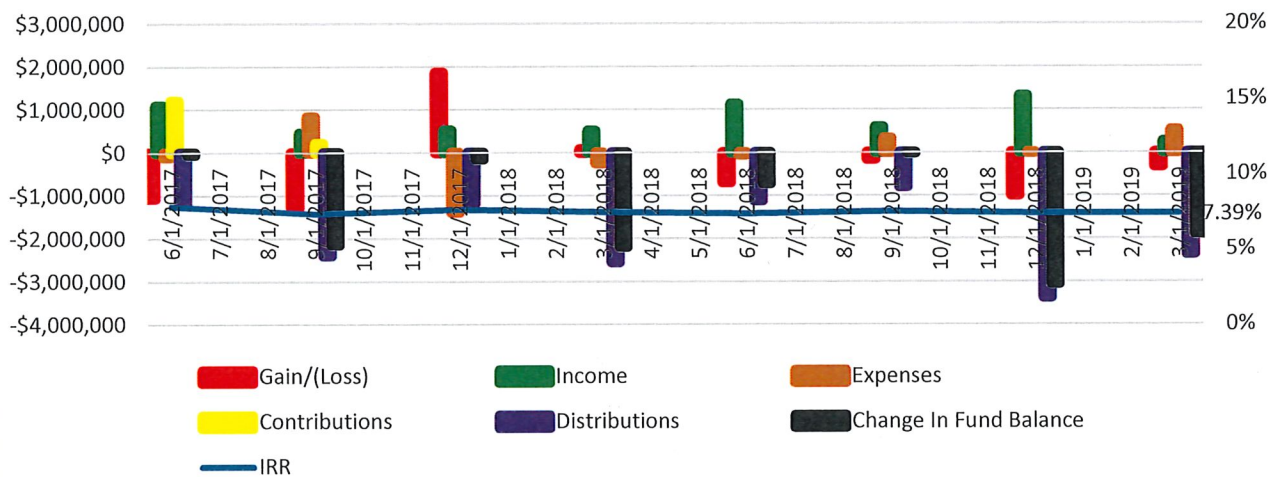
Expense Matrix

Management Fee	\$3,875,700
Incentive Allocation	\$1,275,375
Other Expense	\$30,743
Management Fee Reimbursement	-\$1,611,884
General/Administrative Expense	<u>\$496,487</u>
Total	\$4,066,421

Net Cash Position



Change in Fund Balance Prior 8 Periods



Cumulative % Capital Drawn



Real Assets Program Performance

Analysis Date:	3/31/2019	Expense Matrix Since Inception		
Program Name:	Real Assets	<u>Expense Type</u>	<u>Expense</u>	<u>% of Total</u>
Program Inception Date:	7/8/2014	Management Fee	\$7,563,863	77.5%
Total Commitment:	\$267,000,000	Partnership Operations	\$46,937	0.5%
Unfunded Commitment as of Analysis Date:	\$57,066,342	Organizational Expense	\$52,991	0.5%
% Funded as of Analysis Date:	78.63%	Incentive Allocation	\$1,287,393	13.2%
Program Fund Balance:	\$235,943,962	Offering Costs	\$54	0.0%
		Service Fee	\$0	0.0%
		Syndication Costs	\$65,354	0.7%
		Professional Fee	\$0	0.0%
		Other Expense	\$0	0.0%
		Management Fee Reimbursement	\$0	-
		General/Administrative Expense	\$249,014	2.5%
		Broken Deal Expense	\$267,706	2.7%
		Interest Expense	\$194,369	2.0%
		Custody Fee	\$37,579	0.4%
		Dividend Expense	\$0	0.0%
		Performance Fee	\$0	0.0%
		Total	\$9,765,260	100.0%
Performance Measures				
Net IRR Since Inception:	11.45%			
Realization Multiple (DPI):	\$0.11			
Residual Value to Paid in Multiple (RVPI):	\$0.98			
Investment Multiple (TVPI):	\$1.09			
Net IRR Decomposition				
Return from Income & Cash Flow:	5.17%			
Return from Expenses:	-3.30%			
Return from Gain/Loss:	9.06%			
Interaction Effect:	0.52%			
Net IRR Since Inception:	11.45%			

Direct Lending Program Performance

Analysis Date:	3/31/2019	Expense Matrix Since Inception		
Program Name:	Direct Lending	<u>Expense Type</u>	<u>Expense</u>	<u>% of Total</u>
Program Inception Date:	5/16/2013	Management Fee	\$12,697,433	65.1%
Total Commitment:	\$160,000,000	Partnership Operations	\$993,151	5.8%
Unfunded Commitment as of Analysis Date:	\$30,024,646	Organizational Expense	\$170,897	1.0%
% Funded as of Analysis Date:	81.23%	Incentive Allocation	\$1,275,374	7.5%
Program Fund Balance:	\$88,348,540	Offering Costs	\$0	0.0%
		Service Fee	\$339,601	2.0%
		Syndication Costs	\$0	0.0%
		Professional Fee	\$2,583,865	15.2%
		Other Expense	\$30,743	0.2%
		Management Fee Reimbursement	-\$1,611,884	-
		General/Administrative Expense	\$496,487	2.9%
		Broken Deal Expense	\$0	0.0%
		Interest Expense	\$0	0.0%
		Custody Fee	\$42,272	0.2%
		Dividend Expense	\$0	0.0%
		Performance Fee	\$0	0.0%
		Total	\$17,017,938	100.0%
Performance Measures				
Net IRR Since Inception:	4.22%			
Realization Multiple (DPI):	\$0.55			
Residual Value to Paid in Multiple (RVPI):	\$0.50			
Investment Multiple (TVPI):	\$1.05			
Net IRR Decomposition				
Return from Income & Cash Flow:	9.26%			
Return from Expenses:	-2.68%			
Return from Gain/Loss:	-2.09%			
Interaction Effect:	-0.27%			
Net IRR Since Inception:	4.22%			

Risk Parity Program Performance

Analysis Date:	3/31/2019	Expense Matrix Since Inception		
Program Name:	Risk Parity	<u>Expense Type</u>	<u>Expense</u>	<u>% of Total</u>
Program Inception Date:	12/1/2017	Management Fee	\$1,219,960	81.6%
Total Commitment:	\$280,000,000	Partnership Operations	\$0	0.0%
Unfunded Commitment as of Analysis Date:	\$0	Organizational Expense	\$0	0.0%
% Funded as of Analysis Date:	100.00%	Incentive Allocation	\$0	0.0%
Program Fund Balance:	\$294,192,004	Offering Costs	\$0	0.0%
		Service Fee	\$0	0.0%
		Syndication Costs	\$0	0.0%
		Professional Fee	\$144,366	9.7%
		Other Expense	\$0	0.0%
		Management Fee Reimbursement	\$0	-
		General/Administrative Expense	\$107,151	7.2%
		Broken Deal Expense	\$0	0.0%
		Interest Expense	\$16,669	1.1%
		Custody Fee	\$7,100	0.5%
		Dividend Expense	\$656	0.0%
		Performance Fee	\$0	0.0%
		Total	\$1,495,902	100.0%
Performance Measures				
Net IRR Since Inception:	4.21%			
Realization Multiple (DPI):	\$0.00			
Residual Value to Paid in Multiple (RVPI):	\$1.05			
Investment Multiple (TVPI):	\$1.05			
Net IRR Decomposition				
Return from Income & Cash Flow:	0.99%			
Return from Expenses:	-0.45%			
Return from Gain/Loss:	3.66%			
Interaction Effect:	0.00%			
Net IRR Since Inception:	4.21%			

Alternatives Program Performance

Analysis Date:	3/31/2019	Expense Matrix Since Inception		
Program Name:	Alternatives	<u>Expense Type</u>	<u>Expense</u>	<u>% of Total</u>
Program Inception Date:	5/16/2013	Management Fee	\$21,481,255	70.3%
Total Commitment:	\$707,000,000	Partnership Operations	\$1,040,088	3.7%
Unfunded Commitment as of Analysis Date:	\$87,090,987	Organizational Expense	\$223,888	0.8%
% Funded as of Analysis Date:	87.68%	Incentive Allocation	\$2,562,768	9.1%
Program Fund Balance:	\$618,484,506	Offering Costs	\$54	0.0%
		Service Fee	\$339,601	1.2%
		Syndication Costs	\$65,354	0.2%
		Professional Fee	\$2,728,231	9.6%
		Other Expense	\$30,743	0.1%
		Management Fee Reimbursement	-\$1,611,884	-
		General/Administrative Expense	\$852,652	3.0%
		Broken Deal Expense	\$267,706	0.9%
		Interest Expense	\$211,038	0.7%
		Custody Fee	\$86,950	0.3%
		Dividend Expense	\$656	0.0%
		Performance Fee	\$0	0.0%
		Total	\$28,279,100	100.0%
Performance Measures				
Net IRR Since Inception:	6.13%			
Realization Multiple (DPI):	\$0.18			
Residual Value to Paid in Multiple (RVPI):	\$0.89			
Investment Multiple (TVPI):	\$1.06			
Net IRR Decomposition				
Return from Income & Cash Flow:	6.08%			
Return from Expenses:	-2.35%			
Return from Gain/Loss:	2.27%			
Interaction Effect:	0.14%			
Net IRR Since Inception:	6.13%			

Alternatives Ex Risk Parity Program Performance

Analysis Date:	3/31/2019	Expense Matrix Since Inception		
Program Name:	Alternatives Ex Risk Parity	<u>Expense Type</u>	<u>Expense</u>	<u>% of Total</u>
Program Inception Date:	5/16/2013	Management Fee	\$20,261,295	69.6%
Total Commitment:	\$427,000,000	Partnership Operations	\$1,040,088	3.9%
Unfunded Commitment as of Analysis Date:	\$87,090,987	Organizational Expense	\$223,888	0.8%
% Funded as of Analysis Date:	79.60%	Incentive Allocation	\$2,562,768	9.6%
Program Fund Balance:	\$324,292,502	Offering Costs	\$54	0.0%
		Service Fee	\$339,601	1.3%
		Syndication Costs	\$65,354	0.2%
		Professional Fee	\$2,583,865	9.6%
		Other Expense	\$30,743	0.1%
		Management Fee Reimbursement	-\$1,611,884	-
		General/Administrative Expense	\$745,501	2.8%
		Broken Deal Expense	\$267,706	1.0%
		Interest Expense	\$194,369	0.7%
		Custody Fee	\$79,851	0.3%
		Dividend Expense	\$0	0.0%
		Performance Fee	\$0	0.0%
		Total	\$26,783,199	100.0%
Performance Measures				
Net IRR Since Inception:	6.85%			
Realization Multiple (DPI):	\$0.30			
Residual Value to Paid in Multiple (RVPI):	\$0.78			
Investment Multiple (TVPI):	\$1.08			
Net IRR Decomposition				
Return from Income & Cash Flow:	7.94%			
Return from Expenses:	-2.95%			
Return from Gain/Loss:	1.68%			
Interaction Effect:	0.17%			
Net IRR Since Inception:	6.85%			



June 25, 2019

Retirement Board Agenda Item

TO: Retirement Board

FROM: Due Diligence Committee

- I. SUBJECT: Due Diligence Trip
- II. ITEM NUMBER: 8.c
- III. ITEM TYPE: Information Only
- IV. STAFF RECOMMENDATION: None
- V. ANALYSIS: The week of June 17, 2019, the Due Diligence Committee (Trustee Grover, Trustee Gharat, Stan Conwell, Rick Santos, Kellie Gomes) traveled to Boston, Rhode Island and Connecticut to meet with 3 of StanCERA's Investment Managers. The trip took place over 2 days and the team visited Fidelity, PanAgora and Capital Prospects. This trip was done in similar style as previous year's focusing on operations, risk and compliance. Each firm completed a questionnaire and provided any additional information requested prior to our visit. Due to proprietary and confidentiality of the firms a brief summary of the trip is provided below:

Fidelity Investments – Investment Manager

The committee began the onsite due diligence trip at Fidelity Institutional Asset Management's (FIAM) headquarters in Smithfield, RI. The meeting, facilitated by StanCERA's relationship manager Kristin Shofner, began with a discussion with Jeff Mitchel FIAM's Equity CIO and Co-portfolio manager's Matthew Torrey and Camille Carlstrom. The conversation covered a wide range of topics including corporate culture, risk management, portfolio team changes, and organizational updates.

Given the recent changes in the portfolio management team, a thorough discussion focusing on the investment process of the strategy and any changes to the roles and responsibilities of key personnel followed. The meeting continued with a review of the compliance, operations and global equity trading processes provided by representatives from each functional area.

The meeting ended with an overview of FIAM's assessment, monitoring and reporting of risk in the portfolio. A demo of some of the risk control tools FIAM utilizes to monitor portfolio risk was provided

PanAgora – Investment Manager

The next meeting took place in Boston at PanAgora's headquarters with StanCERA's relationship manager Allison Kiely coordinating our onsite visit. The committee met with Bryan Belton, Brian Henze, and Jon Beaulieu to discuss the risk parity multi asset strategy and PanAgora's business in general.

The meeting commenced with an in-depth discussion of the risk parity strategy, their investment process, and an overview of how the portfolio is maintained. Of note, was a conversation about the type of leverage utilized in the portfolio and the various methods employed to mitigate the embedded leverage risk. Benchmarking a Risk Parity strategy is difficult and numerous methods including some new investable indices were evaluated. In addition, Risk Parity's expected returns, particularly during large drawdowns in equity markets was also discussed.

Next the meeting turned to organizational matters including the details on the operations committee and their role in succession management. PanAgora utilizes complex models and systems as a key part of their investment process, so questions on model overrides, IT infrastructure, and cyber security were discussed to finish out the meeting.

Capital Prospects - Investment Manager

The following day the committee met with Marilyn Freeman, Elizabeth Knope and Karen Mair from Capital Prospects in Stamford, Ct. Discussion began with an overview of the organization, investment strategy and objectives which also highlighted the investment process and internal audit procedures.

When asked to describe the firm's management succession plan, it became clear that Capital Prospects is evaluating opportunities that will bring changes to its firm. While it was clear that they could not discuss the potential changes with us directly they assured us that we will be notified as soon as possible if something is finalized. They assured our team that these changes would only enhance the services they are currently providing StanCERA. As to the future, we see no cause for concern and look forward to what the future may hold.

Conclusion

The Committee feels that there are no reasons to question whether StanCERA should continue investing with these firms as they stand today.

- VI. RISK: None
- VII. STRATEGIC PLAN: Strategic Objective I: Invest StanCERA assets in such a way that efficiently maximizes the ability to meet current and future benefit obligations while balancing the need for contribution stability and sustainability
- VIII. BUDGET IMPACT: None


Kellie Gomes, Executive Board Assistant


Stan Conwell, Retirement Investment Officer



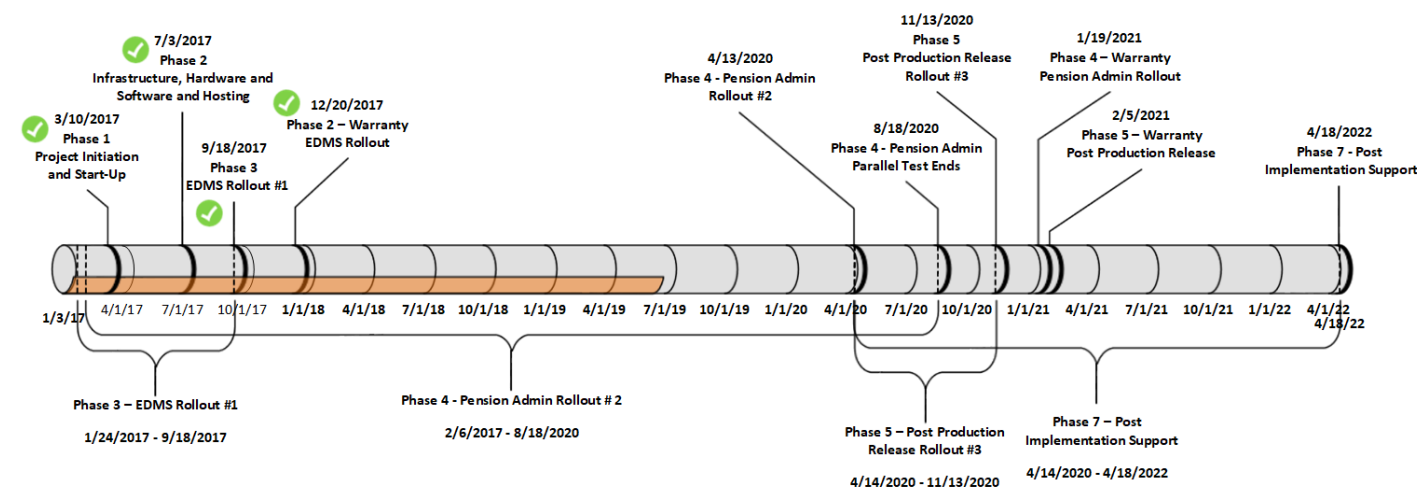
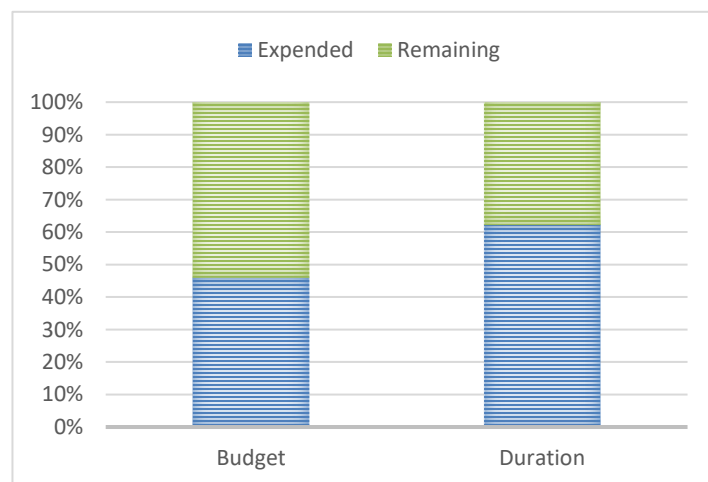
PAS IMPLEMENTATION LINEA BI-WEEKLY STATUS UPDATE

**SPONSOR:**

Rick Santos

REPORT DATE:

06-14-2019

**Baseline 12/01/2016****STATUS****Risks & Issues:**

Linea Budget as of 05/31/19

No new high-level risks have been identified at this time.

Accomplishments:**Upcoming:**

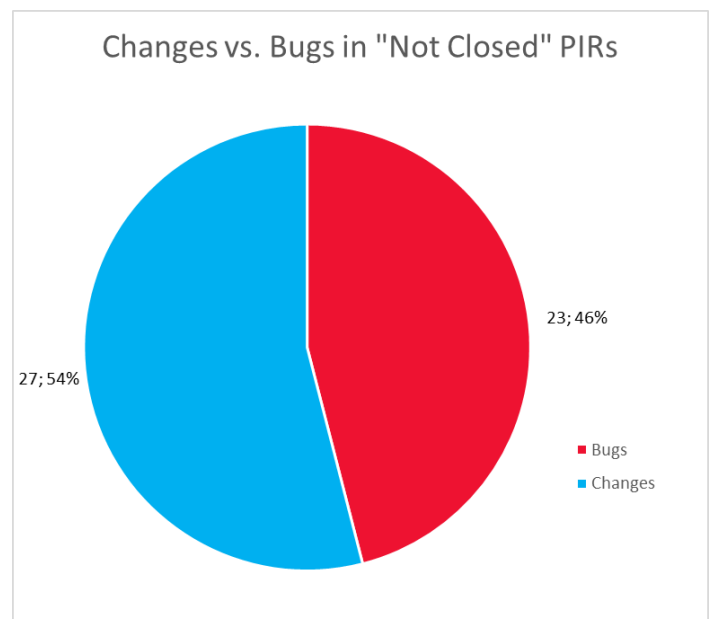
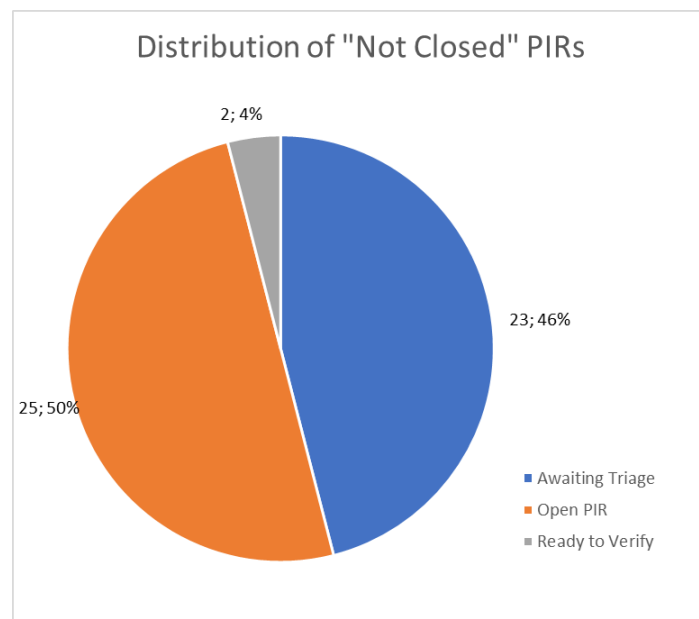
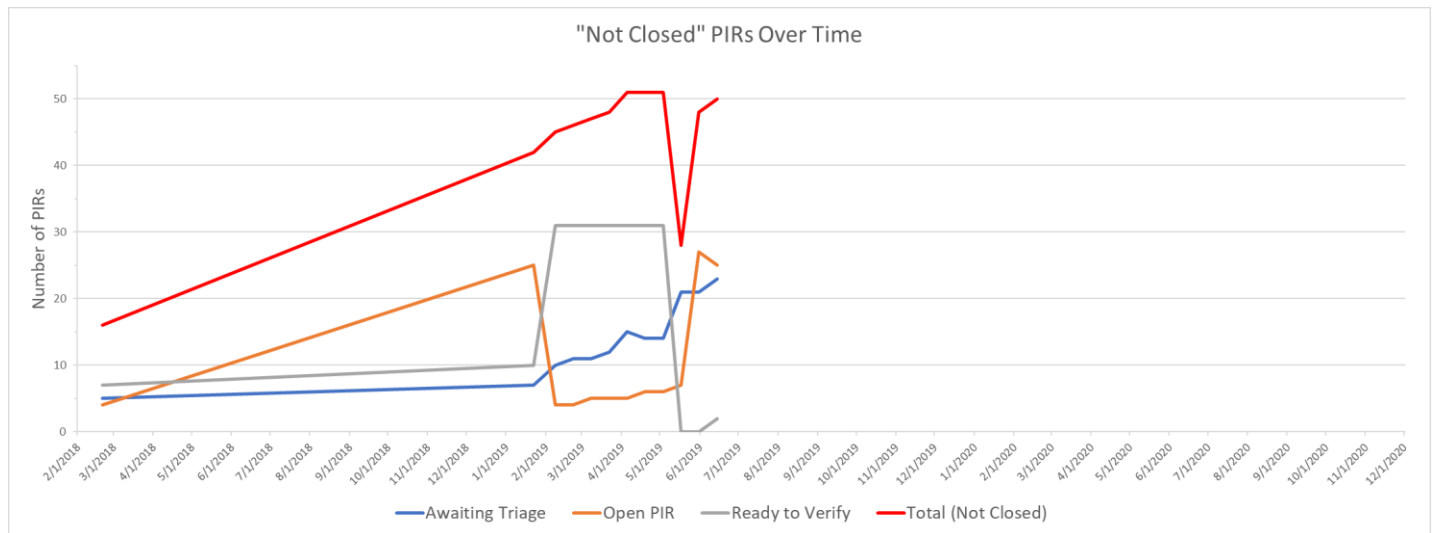
- Tegrit made release R14 to UAT and Linea and StanCERA began testing.
- A meeting was held with stakeholders in the City of Ceres transmittal file development process to discuss and resolve questions related to employee status.
- Deliverable acceptance was achieved for UAT R13, BSR046, and BSR050.
- Consecutive Arrivos test files were requested of the file upload employers to support parallel testing.

- Additional workflow functionality to be released to UAT as part of R14 due to last minute design changes.
- Continued analysis and evaluation of upload employer test files being received for consecutive pay periods.
- Continued testing of R14 functionality by Linea and StanCERA and reporting of PIRs to Tegrit..

Ongoing Project Contributions

- Facilitate weekly Project Manager's meetings and create meeting minutes.
- Facilitate monthly Steering Committee Meetings and create meeting minutes.
- Participate in Tegrit work sessions, review meeting minutes, and compile resulting decision logs and action items.
- Regularly review action items for follow up and completion.
- Review and hold group review sessions for BSRD deliverables made by Tegrit (BSR044, BSR047).
- Track requirements, as discussed in work sessions and BSRDs, using the RTM and meet with StanCERA PM to update requirements confirmation.
- Manage and participate in system testing efforts, including review of test scripts, compiling of results, input of PIRs, and tracking of issue resolution.

Current PIR Summary





Stanislaus County Employees' Retirement Association

832 12th Street, Ste. 600, Modesto, CA 95354 • PO Box 3150, Modesto, CA 95353 • www.stancera.org • 209-525-6393 • 209-558-4976 Fax

June 25, 2019

Retirement Board Agenda Item

TO: Retirement Board

FROM: Kellie Gomes, Executive Board Assistant

I. SUBJECT: Logo Ad Hoc Committee

II. ITEM NUMBER: 9.b

III. ITEM TYPE: Discussion and Action

IV. STAFF RECOMMENDATION: Form an Ad Hoc StanCERA Logo Committee to be comprised of staff and no less than two (2) trustees. The following trustees have volunteered to sit for this committee for 2019:

Mandip Dhillon
Michael O'Neal
Rhonda Bieseimeier
Jeff Mangar

V. EXECUTIVE SUMMARY:

As part of the recent creation of StanCERA's boardroom as well as design and implementation strategy for our new pension system which will include a new website design, it was decided that it is time to update StanCERA's logo.

This committee will be responsible for selecting a vendor to update StanCERA's logo as well as select the logo to replace the current logo being utilized in many areas of correspondence such as our letter head, brochures, website as well as displayed in our new boardroom.

The expectation is that the Committee will meet 3-4 times this year

VI. RISK: None

VII. STRATEGIC PLAN: Strategic Objective IV: Refine StanCERA's business and policy practices in ways that enhance stakeholder awareness, the delivery of member services and the ability of the Organization to administer the System effectively and efficiently.

VIII. ADMINISTRATIVE BUDGET IMPACT: None


Kellie Gomes, Executive Board Assistant


Natalie Davis, Fiscal Services Manager


Rick Santos, Executive Director