AGENDA

BOARD OF RETIREMENT
Boardroom
832 12th Street Suite 600 Modesto, CA 95353

March 23, 2021
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.

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.

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.

Pursuant to California Governor Gavin Newsom's Executive Order N-29-20, The Board of Retirement ("StanCERA") is authorized to hold public meetings via teleconference and to make public meetings accessible telephonically or otherwise electronically to all members of the public who wish to participate and to provide public comment to the local legislative body during the current health emergency. We are unable to safely distance ourselves due to the COVID-19 Pandemic guidelines in our own boardroom. StanCERA's offices are currently closed to public access. The StanCERA Boardroom is being utilized for some Trustees and Staff who will be attending in person. All other Trustees, Staff and Consultants unable to attend in person will be attending remotely via teleconference.

If you wish to make either a general public comment or to comment on a specific agenda item in writing, please submit your comment (if your comment pertains to a specific agenda item, please include the agenda item number in the subject line) via email or fax prior to the meeting. Written comments regarding StanCERA's agenda items can be submitted by 4:30 p.m. on the day before the board meetings via email to Gomesk@Stancera.org or via fax to 209-558-4976. Pursuant to Government Code section 54954.3(a), Public Comment or public comment on an Agenda Item are limited to (400 words or less).

The public will not be granted access to Board of Retirement Boardroom to attend StanCERA's meeting. If you wish to join the meeting by teleconference as a member of the public and listen to the meeting, then please dial in using your phone and call **209-689-0007 Access Code: 414752**
When directed to do so please press 5* on your phone to alert the Chair you wish to a public comment. Pursuant to Government Code section 54954.3(a), Public Comment or public comment on an Agenda Item are limited to three (3) minutes StanCERA will provide its best effort to fulfill the request.

In compliance with the Americans with Disabilities Act, a person requiring an accommodation, auxiliary aid, or service to participate in this meeting should contact StanCERA at (209) 525-6393, as far in advance as possible but no later than 48 hours before the scheduled event.

Agendas and Minutes are on our website at www.stancera.org.

1. Call Meeting to Order
2. Pledge of Allegiance
3. Roll Call
4. Announcements
5. Public Comment
6. Consent Items
   a. Approval of the February 23, 2021 Meeting Minutes View
   b. Applications for Service Retirement(s) – **Government Code Sections 31499.14, 31670, 31662.2, 31810 & 31700** See attachment for details. View
   c. Information Technology Solutions (ITS) Project View
   d. Investment Matrix View
7. NEPC – Investment Consultant
   a. February Flash View
8. Investment
   a. Infrastructure Manager Search
      Agenda Item View Attachment 1 View
   b. Transition Manager
      Agenda Item View Attachment 1 View
9. Administrative
   a. Government Code Section 37100 – Reporting of Deferred Members View
   .
10. Closed Session
   a. Government Code Section 54956.9(d)(2) – Anticipated Litigation
      Significant Exposure to Litigation
      One (1) Case
   b. Conference with Legal Counsel – Pending Litigation – One (1) 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 (1) 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
February 23, 2021

1. Call Meeting to Order

   Meeting called to order 1:30 pm by Trustee Grover, Chair

2. Pledge of Allegiance

3. Roll Call

   Trustees Present by Conference Call Jeff Grover-Chair Donna Riley-Vice Chair, Michael O'Neal, Terry Withrow, Darin Gharat, Mike Lynch, Joshua Clayton, Sam Sharpe, Mandip Dhillon, Rhonda Biesemeier

   Trustees Absent: None

   Others Present by Conference Call:
   Rick Santos, Executive Director
   Stan Conwell, Retirement Investment Officer
   Kellie Gomes, Executive Board Assistant
   Natalie Davis, Part time, Fiscal Services Manager
   Brittany Atkins-Smith, Fiscal Services Manager
   Lisa Fraser, Benefits Manager
   Daniel Hennessy, NEPC Investment Consultant
   Seth Goldman, NEPC Investment Consultant

4. Announcements

   Chairman Trustee Grover had the following announcement:
   Due to the COVID-19 Pandemic, StanCERA's offices are currently closed to public access. We are meeting today virtually to accommodate COVID 19 distancing guidelines for this meeting. If you are joining the meeting today by teleconference as a member of the public your phone will be muted. When directed to do so please press 5* on your phone to alert the Chair you wish to a public comment.

   Rick Santos announced he was informed this week that the Regional Transit Authority did decide to join StanCERA as a new Plan Sponsor and the expected start date is July, 2021. Resolutions are expected to come back to the full Board of Retirement for approval possibly next month.

5. Public Comment

   None

6. Consent Items

5. Public Comment

6. Consent Items

   a. Approval of the January 26, 2021 Meeting Minutes

   b. Applications for Service Retirement(s) – **Government Code Sections 31499.14, 31670, 31662.2 & 31810** See attachment for details. -

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

1. Bumpus, Nicole – Stanislaus County – Effective 01-22-21
2. Hannula, Jennifer – Stanislaus County – Effective 1-22-21
3. Jordan, Jaren – Stanislaus County – Effective 12-31-20
4. Kiely, Brenda – Stanislaus County – Effective 01-15-21
5. Le, Gina – Stanislaus County – Effective 1-29-21
6. Loftis, Denise – Stanislaus County Courts – Effective 12-18-20

d. Application of Death Benefit – **Government Code Section 31781, 31781.1, 31781.3**
1. Esther Cortez – Stanislaus County – Non-Service Connected – Effective 1/29/2021

e. Trustee Education Report

f. Fiscal year 2020-2021 Mid-Year Budget Review

Agenda Item Attachment 1

g. 2020 Cost of Living Adjustment
Agenda Item Attachment 1

h. Information Technology Solutions (ITS) Project

i. SACRS Legislation Update

j. Investment Matrix

Motion was made by Trustee Dhillon and seconded by Trustee Sharpe to accept the consent items as presented

Roll Call Vote was as follows:

Trustee Grover,	YES
Trustee Riley,	YES
Trustee O'Neal,	YES
Trustee Withrow,	YES
Trustee Sharpe	YES
Trustee Gharat,	YES
Trustee Lynch,	YES
Trustee Dhillon	YES
Trustee Clayton	YES

Motion carried unanimously

7. <u>NEPC – Investment Consultant</u>

a. Real Asset Education
b. January Flash
c. Investment Performance 2020 Quarter 4 Review

Dan Hennessy and San Goldman presented the information on all items as information only items

8. Investment

   a. Transition Manager Overview
      Agenda Item Attachment 1

Rick Santos and Stan Conwell presented this item as information only.

9. Administrative

   None

10. Closed Session

   a. Government Code Section 54956.9(d)(2) – Anticipated Litigation
      Significant Exposure to Litigation
      One (1) Case

   b. Conference with Legal Counsel – Pending Litigation – One (1) Case:
      O'Neal et al v. Stanislaus County Employees' Retirement Association
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      Government Code Section 54956.9d)(4)

   No closed session items heard at this meeting.

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

   None

12. Adjournment

   Meeting adjourned at 2:45 p.m.

Respectfully submitted,

Rick Santos, Executive Director

APPROVED AS TO FORM

By

Fred Silva, GENERAL LEGAL COUNSEL

RETURN TO AGENDA

StanCERA Applications for Service Retirement(s) Government Code Sections 31499.14, 31670, 31662.2, 31810 & 31700

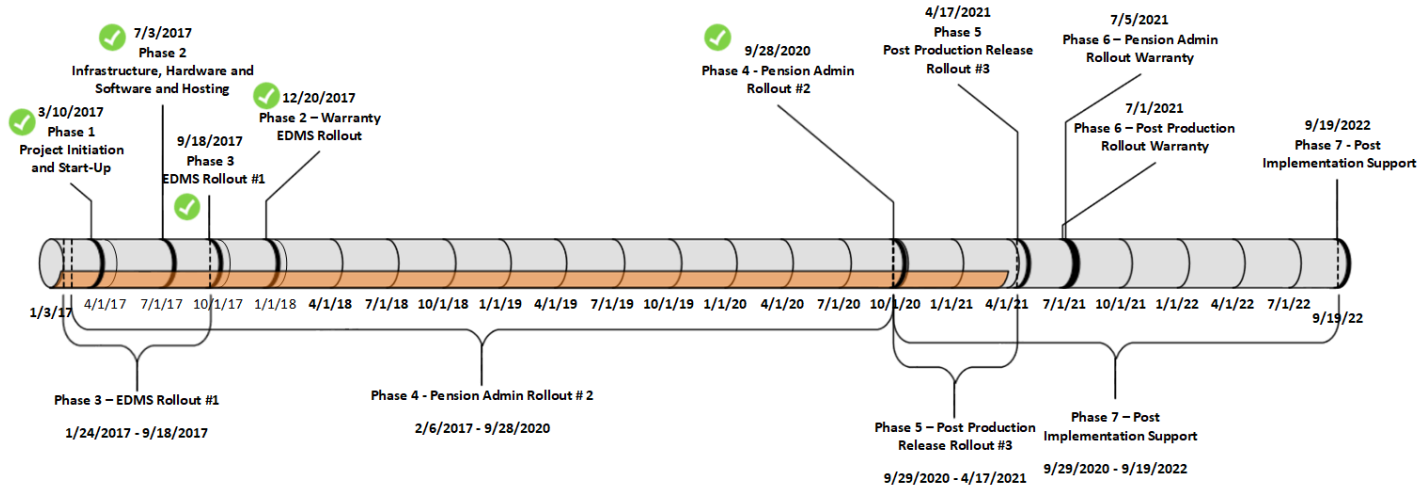
1. Aggers, Jami - Stanislaus County - Effective 03/31/2021
2. Aguirre, Mary - Stanislaus County - Effective 03/27/2021
3. Ahmed, Lahallion - Stanislaus County - Effective 03/09/2021
4. Ambita, Obed - Stanislaus County - Effective 02/26/2021
5. Baker, Teresa - Stanislaus County - Effective 03/27/2021
6. Brady, Michael - Stanislaus County - Effective 03/31/2021
7. Cambron, Randall - Stanislaus County - Effective 02/27/2021
8. Camire, Scott - Stanislaus County - Effective 03/27/2021
9. Castanon, Sandra - Stanislaus County - Effective 03/20/2021
10. Ciccarelli, Jana - Stanislaus County - Effective 03/03/2021
11. Clark, Margaret - Stanislaus County - Effective 03/22/2021
12. Duncan, William - Stanislaus County - Effective 03/13/2021
13. Edwards, Celeste - Stanislaus County - Effective 02/06/2021
14. Fleming, Pam - Stanislaus County - Effective 03/02/2021
15. Garcia, Jessie - Stanislaus County - Effective 11/26/2020
16. Harris, Laura - Stanislaus County - Effective 01/29/2021
17. Harwell, Kathryn - Stanislaus County - Effective 03/27/2021
18. Hickman, Donnell - Stanislaus County - Effective 03/13/2021
19. Howard, Janice - Stanislaus County - Effective 03/24/2021
20. Hubbs, Roxanne - Stanislaus County - Effective 03/27/2021
21. Jacob, Nancy - Stanislaus County - Effective 03/27/2021
22. Kampfen, Chris - Stanislaus County - Effective 02/13/2021
23. Kaya, Judith - Stanislaus County - Effective 02/02/2021
24. Kishore, Nand - Stanislaus County - Effective 02/25/2021
25. Komorowski, David - Stanislaus County - Effective 03/21/2021
26. Loeser, Mark - Stanislaus County - Effective 03/27/2021
27. Lowe, Linda - Stanislaus County - Effective 03/31/2021
28. Matrisciano, Joseph - Stanislaus County - Effective 03/14/2021
29. Mendonza, Joe - Stanislaus County - Effective 03/11/2021
30. Miguel, Irma - Stanislaus County - Effective 03/27/2021
31. Mimms, Alice - Stanislaus County - Effective 03/30/2021
32. Montgomery, Anne-Marie - Stanislaus County - Effective 02/27/2021
33. O'Haire, Milton - Stanislaus County - Effective 03/27/2021
34. Pardo, Elizabeth - Stanislaus County - Effective 03/30/2021
35. Perez, Mary - Stanislaus County - Effective 03/13/2021

36. Peterson, Barry - Stanislaus County - Effective 03/11/2021
37. Quintanilla, Elvia - Stanislaus County - Effective 03/20/2021
38. Raboy, Lori - Stanislaus County - Effective 03/31/2021
39. Rager, Curtis - Stanislaus County - Effective 03/13/2021
40. Rameno, Maria - Stanislaus County - Effective 03/31/2021
41. Reed, Kimberly - Stanislaus County - Effective 03/27/2021
42. Rico-Smith, MaElena - Stanislaus County - Effective 03/25/2021
43. Rodriguez, Jeanette - Stanislaus County - Effective 03/27/2021
44. Ruiz, Estela - Stanislaus County - Effective 03/03/2020
45. Santana, Irene - Stanislaus County - Effective 02/20/2021
46. Scalia, Laura - Stanislaus County - Effective 03/27/2021
47. Sigler-Kachel, Brenda - Stanislaus County - Effective 03/27/2021
48. Tagre, Jackie - Stanislaus County - Effective 03/27/2021
49. Talamantes, Valentina - Stanislaus County - Effective 03/13/2021
50. Tsukamoto, Annie - Stanislaus County - Effective 03/13/2021
51. Walker, John - Stanislaus County - Effective 03/13/2021
52. Yotsuya, Greg - City of Ceres - Effective 03/13/2021

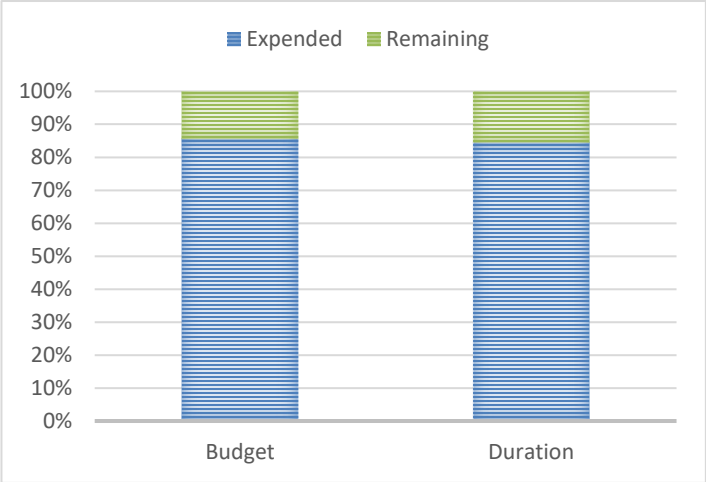
RETURN TO AGENDA

PAS Implementation
Linea Bi-weekly Status Update

Sponsor:	Rick Santos	**Report Date:**	03-19-2021



Baseline 12/01/2016 STATUS



Linea Budget as of 02/28/2021

Risks & Issues:

Progress is currently slowed by uncertainty related to the outcome of ongoing efforts to evaluate and prioritize remaining project work, which is expected to complete in the near future.

Project timeline and final scope continue to be undefined as the project team reviews priorities for remaining deliverables.

Short-term project goals require definition to maintain project momentum.

Accomplishments:

- Project Planning Working Group conducted multiple meetings to review and make decisions regarding remaining project work priorities, timeline, and methodologies.
- StanCERA and Linea performed testing of the R24 content released to UAT, including COLA processing, multiple workflows, and resolved PIRs.

Upcoming:

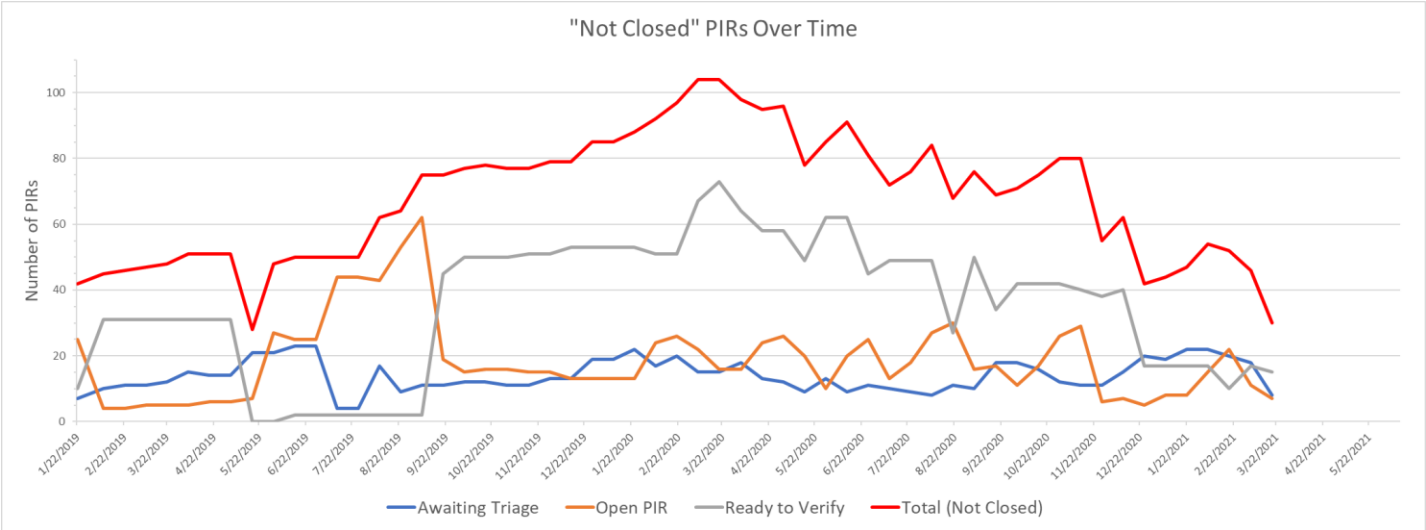
- R24 testing effort and analysis of results will be completed and used in making a go/no-go decision for the release of R24 functionality to production.
- Project Planning Working Group to complete work on defining remaining project scope and creation of remaining project timeline.
- R24 release to production planned for 03/27/2021.

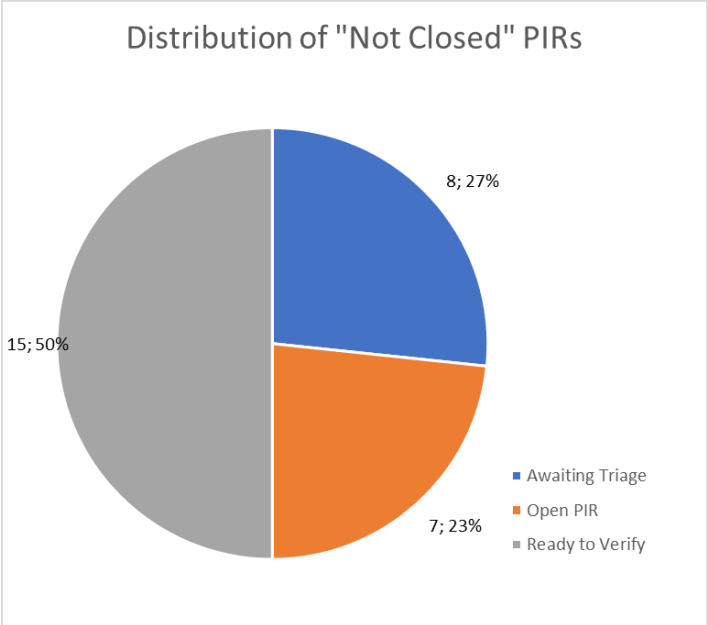
Erik Brischler ● Linea Solutions ● (310) 633-1497

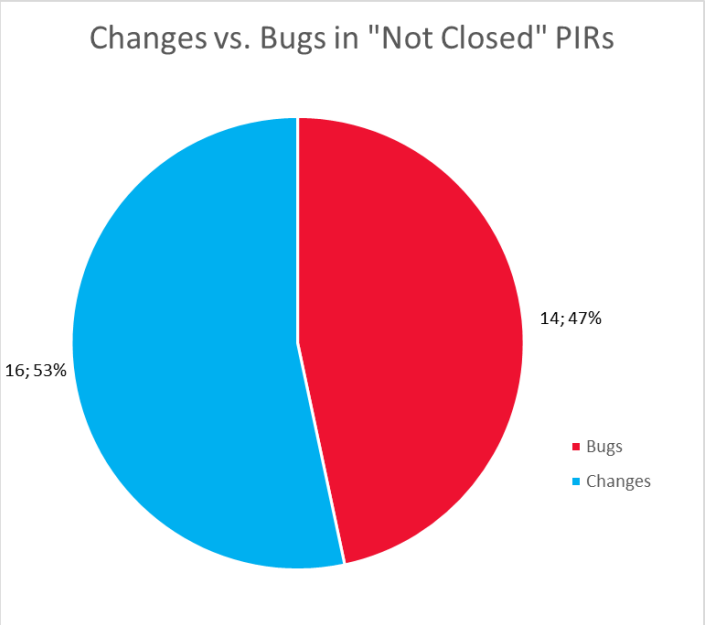
Ongoing Project Contributions

- 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 (BSR080).
- 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







Erik Brischler ● Linea Solutions ● (310) 633-1497

March 23, 2021

Retirement Board Agenda Item

TO: Retirement Board

FROM: Stan Conwell, Retirement Investment Officer

I. SUBJECT: Investment Matrix

II. ITEM NUMBER: 6.d

III. ITEM TYPE: Information Only

IV. STAFF RECOMMENDATION: N/A

V. ANALYSIS:

a) *Investment Program Activities & Governance:*

There was a lot of new investment fund activity in March. Including the two new public market proxy funds which were already in progress, there are a total of five funds in some phase of the selection and implementation process in March. The other three managers include two private market funds and a new core infrastructure fund. The private markets funds progressed to the later stages of the legal due diligence process this month and a commitment to each seems likely. The selection of a new core infrastructure manager is expected at the March meeting. Staff also researched the details of the cost estimates of two transition managers. Additional time and effort went into preparatory calls with the infrastructure manger finalists, quarterly manager updates and database maintenance.

b) *Money Transfer Report:*

February:

From			To		
Manager	Asset Class	Amount	Manager	Asset Class	Amount
Northern Trust Russell 3000 Fund	Public Equity	$-1,598,773	Vista Foundation Fund IV, LP	Private Equity	$1,598,773

c) *Manager Meeting Notes:*

Raven

Investment staff met with the portfolio manager at Raven for an update call about Raven I and Raven III. Discussion began with an in-depth commentary on the current state of the market and the potential opportunities in the direct lending space. Raven I has only a few assets left and the plan to liquidate the fund is underway now that the initial shock of the trade war and the COVID disruption is now abating. Raven III has performed better than Raven I due in part to a large exposure to real estate and digital assets which held up well during the pandemic. Distributions from Raven III are expected to pick up through 2022 as portfolio investments are realized.

Grandview

Grandview remains stable even as they've been active during the last 12 months. The firm's organizational chart has remained largely unchanged during that period. Regarding investments, both the Grandview I-A fund and the Greenfield VII fund both focus on the industrial and housing property types which have been enjoying favorable tailwinds relative to other property types recently. The expectation is to continue executing in these areas as market opportunities are identified for Grandview I-A. Greenfield VII does have a small exposure to hotels, but these assets have performed better than expected due to their location. Distributions are expected to pick up from Greenfield VII as assets continue to be harvested from the fund.

d) *Trainings/Conferences:*
None

VI. RISK: None

VII. STRATEGIC PLAN: N/A

VIII. ADMINISTRATIVE BUDGET IMPACT: NONE

RETURN TO AGENDA

Item 7.a

MONTHLY PERFORMANCE REPORT

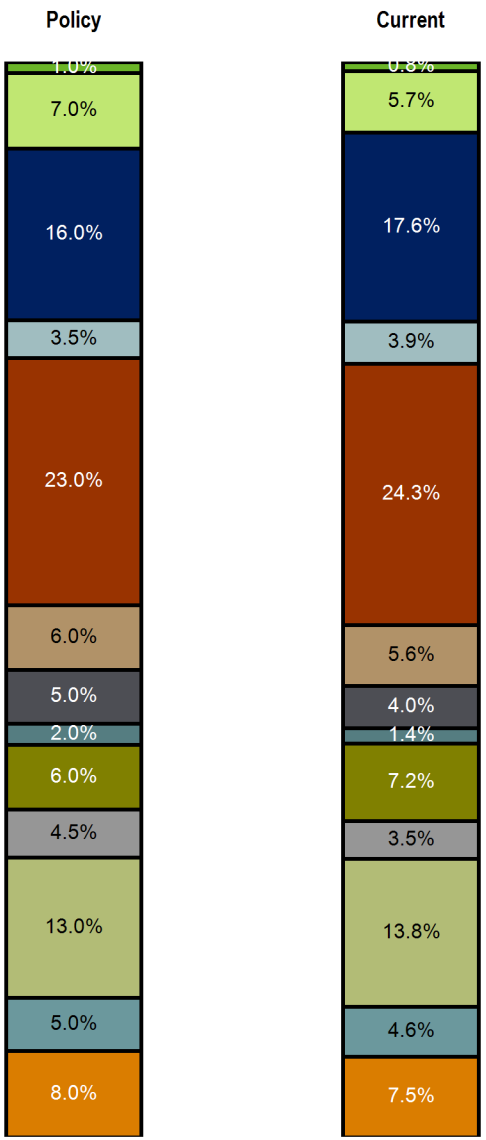
Stanislaus County ERA

February 28, 2021

BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | PORTLAND | SAN FRANCISCO

Stanislaus County ERA

TOTAL FUND ASSET ALLOCATION VS. POLICY



Asset Allocation vs. Target					
	Current	Policy	Current	Policy Range	Within Range
Cash	$19,701,165	1.0%	0.8%	0.0% - 4.0%	**Yes**
Cashflow-Matched Bonds	$144,335,490	7.0%	5.7%	3.0% - 9.0%	**Yes**
US Large Equity	$443,120,081	16.0%	17.6%	12.0% - 20.0%	**Yes**
US Small Equity	$98,658,370	3.5%	3.9%	0.0% - 7.0%	**Yes**
International Equity	$613,090,257	23.0%	24.3%	14.0% - 32.0%	**Yes**
Core Real Estate	$141,430,497	6.0%	5.6%	0.0% - 11.0%	**Yes**
Value-Add Real Estate	$100,175,839	5.0%	4.0%	0.0% - 10.0%	**Yes**
Infrastructure	$35,902,426	2.0%	1.4%	0.0% - 5.0%	**Yes**
Private Equity	$181,764,158	6.0%	7.2%	0.0% - 11.0%	**Yes**
Private Credit	$87,612,931	4.5%	3.5%	0.0% - 10.0%	**Yes**
Risk Parity	$347,892,958	13.0%	13.8%	8.0% - 18.0%	**Yes**
US Treasury Bonds	$115,897,934	5.0%	4.6%	2.0% - 8.0%	**Yes**
Short-Term Bonds	$189,105,294	8.0%	7.5%	0.0% - 9.0%	**Yes**
Total	**$2,518,687,401**	**100.0%**	**100.0%**		

- The Private Equity allocation includes the Private Equity Proxy account value.

Stanislaus County ERA

TOTAL FUND NET PERFORMANCE DETAIL

	Market Value ($)	% of Portfolio	1 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	**2,518,687,401**	**100.0**	**1.6**	**1.4**	**16.1**	**16.3**	**7.6**	**10.2**	**7.9**	**9.0**	**Jan-95**
Policy Index			*1.3*	*1.3*	*16.3*	*18.5*	*8.3*	*10.3*	*8.0*	*8.3*	*Jan-95*
Liquidity Sub-Portfolio	**164,036,655**	**6.5**	**-0.3**	**-0.3**	**1.5**	**3.9**	**5.1**	**3.2**	**--**	**--**	**Apr-11**
StanCERA Liquidity Blended BM			*-0.7*	*-1.1*	*1.5*	*8.0*	*5.0*	*3.2*	*2.1*	*2.1*	*Apr-11*
Cash	**19,701,165**	**0.8**	**0.1**	**0.3**	**0.8**	**1.3**	**1.5**	**1.4**	**--**	**--**	**Apr-11**
FTSE T-Bill 1 Month TR			*0.0*	*0.0*	*0.1*	*0.2*	*1.4*	*1.1*	*0.6*	*0.6*	*Apr-11*
Cashflow-Matched Bonds	**144,335,490**	**5.7**	**-0.4**	**-0.4**	**1.5**	**3.9**	**5.5**	**--**	**--**	**4.4**	**Jun-17**
BBgBarc US Govt/Credit Int TR			*-0.8*	*-1.1*	*0.0*	*2.4*	*4.8*	*3.1*	*3.0*	*3.6*	*Jun-17*
Insight	144,335,490	5.7	-0.4	-0.4	1.5	3.9	5.5	--	--	4.4	Jun-17
BBgBarc US Govt/Credit Int TR			*-0.8*	*-1.1*	*0.0*	*2.4*	*4.8*	*3.1*	*3.0*	*3.6*	*Jun-17*
Growth Sub-Portfolio	**1,701,754,560**	**67.6**	**3.1**	**2.9**	**21.7**	**21.2**	**8.7**	**12.4**	**9.4**	**8.4**	**Dec-03**
StanCERA Growth Blended BM			*1.7*	*1.7*	*20.0*	*22.0*	*9.0*	*12.1*	*--*	*--*	*Dec-03*
US Equities	**541,778,451**	**21.5**	**4.8**	**4.5**	**32.6**	**35.7**	**13.2**	**16.4**	**12.7**	**10.1**	**Dec-03**
Russell 3000			*3.1*	*2.7*	*28.6*	*35.3*	*15.0*	*17.4*	*13.4*	*9.9*	*Dec-03*
US Large Equity	**443,120,081**	**17.6**	**3.5**	**2.8**	**28.6**	**35.5**	**14.8**	**17.5**	**13.6**	**12.9**	**Dec-94**
Russell 1000			*2.9*	*2.1*	*27.0*	*34.3*	*15.0*	*17.4*	*13.6*	*10.7*	*Dec-94*
BlackRock Russell 1000 Growth	235,498,869	9.4	0.0	-0.8	25.1	44.2	21.0	22.2	16.5	18.0	Jul-10
Russell 1000 Growth			*0.0*	*-0.8*	*25.2*	*44.3*	*21.0*	*22.2*	*16.4*	*17.9*	*Jul-10*
BlackRock Russell 1000 Value	99,256,757	3.9	6.0	5.1	29.0	22.4	8.4	12.1	10.5	12.2	Jul-09
Russell 1000 Value			*6.0*	*5.1*	*29.0*	*22.2*	*8.2*	*12.0*	*10.4*	*12.1*	*Jul-09*
Dodge & Cox-Equity	108,364,455	4.3	9.4	9.0	36.6	30.3	9.5	15.3	11.9	12.0	Dec-94
Russell 1000 Value			*6.0*	*5.1*	*29.0*	*22.2*	*8.2*	*12.0*	*10.4*	*9.9*	*Dec-94*
US Small Equity	**98,658,370**	**3.9**	**11.3**	**13.1**	**54.0**	**37.0**	**8.2**	**12.7**	**9.6**	**12.9**	**Dec-08**
Russell 2000			*6.2*	*11.6*	*53.8*	*51.0*	*14.9*	*17.9*	*11.9*	*14.5*	*Dec-08*
Attucks Small Cap	98,658,370	3.9	11.3	13.1	54.0	37.0	8.2	13.9	10.1	13.2	Dec-08
Russell 2000 Value			*9.4*	*15.2*	*57.5*	*41.1*	*10.1*	*14.2*	*9.7*	*12.0*	*Dec-08*
International Equity	**613,090,257**	**24.3**	**3.4**	**3.2**	**28.9**	**26.6**	**4.7**	**11.1**	**5.2**	**6.9**	**Sep-04**
MSCI ACWI ex USA			*2.0*	*2.2*	*27.1*	*26.2*	*5.4*	*11.2*	*4.8*	*6.5*	*Sep-04*
LSV Int'l Large Cap Value	289,896,310	11.5	5.0	4.7	27.1	20.5	1.4	9.8	4.4	6.2	Sep-04
MSCI ACWI ex USA			*2.0*	*2.2*	*27.1*	*26.2*	*5.4*	*11.2*	*4.8*	*6.5*	*Sep-04*
Fidelity Int'l Growth	323,193,948	12.8	2.0	1.9	30.6	32.6	7.9	12.1	5.9	5.0	Apr-06
MSCI ACWI ex USA			*2.0*	*2.2*	*27.1*	*26.2*	*5.4*	*11.2*	*4.8*	*4.1*	*Apr-06*

Stanislaus County ERA

TOTAL FUND NET PERFORMANCE DETAIL

	Market Value ($)	% of Portfolio	1 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Core Real Estate	**141,430,497**	**5.6**	**0.8**	**0.7**	**4.8**	**1.8**	**7.2**	**4.5**	**3.5**	**2.2**	**Mar-08**
NCREIF Property Index			*0.0*	*0.0*	*1.9*	*1.6*	*4.9*	*5.9*	*9.0*	*5.7*	*Mar-08*
Prime Property Fund	59,685,560	2.4	0.0	0.0	2.6	1.3	5.1	6.6	--	6.7	Sep-15
NCREIF ODCE			*0.0*	*0.0*	*1.8*	*1.2*	*4.9*	*6.2*	*9.9*	*6.4*	*Sep-15*
BlackRock Real Estate Securities	21,431,447	0.9	5.3	5.1	19.5	1.4	7.2	5.0	--	6.7	Sep-12
DJ US Select RESI TR USD			*5.3*	*5.1*	*19.7*	*1.5*	*7.3*	*5.1*	*7.2*	*6.8*	*Sep-12*
PGIM Real Estate US Debt Fund	60,313,489	2.4	0.0	0.0	2.5	4.5	--	--	--	4.9	Sep-18
BBgBarc US CMBS Investment Grade			*-1.1*	*-1.0*	*2.1*	*2.0*	*5.8*	*4.1*	*4.1*	*6.4*	*Sep-18*
Value-Add Real Estate	**100,175,839**	**4.0**	**0.0**	**0.0**	**4.8**	**5.1**	**9.4**	**10.3**	**--**	**10.0**	**Jul-14**
NCREIF Property Index +2%			*0.2*	*0.3*	*3.2*	*3.6*	*7.0*	*8.0*	*11.2*	*9.5*	*Jul-14*
American Strategic Value Realty	69,366,282	2.8	0.0	0.0	1.6	2.7	6.8	8.4	--	9.7	Dec-14
NCREIF Property Index			*0.0*	*0.0*	*1.9*	*1.6*	*4.9*	*5.9*	*9.0*	*6.9*	*Dec-14*
Greenfield Acquisition Partners VII	6,321,475	0.3	0.0	0.0	2.2	-2.5	8.4	10.6	--	10.3	Jul-14
NCREIF-ODCE +1%			*0.1*	*0.2*	*2.5*	*2.2*	*6.0*	*7.3*	*11.0*	*9.0*	*Jul-14*
Greenfield Acquisition Partners VIII	24,488,082	1.0	0.0	0.0	15.4	15.6	--	--	--	20.7	Apr-18
NCREIF-ODCE +1%			*0.1*	*0.2*	*2.5*	*2.2*	*6.0*	*7.3*	*11.0*	*5.3*	*Apr-18*
Infrastructure	**35,902,426**	**1.4**	**0.0**	**0.0**	**-1.4**	**-3.3**	**6.9**	**9.4**	**--**	**6.3**	**May-15**
CPI + 5% (Unadjusted)			*1.0*	*1.8*	*5.4*	*6.8*	*6.9*	*7.2*	*6.8*	*6.8*	*May-15*
MS Infrastructure Partners II	35,902,426	1.4	0.0	0.0	-1.4	-3.3	6.9	9.4	--	6.3	May-15
CPI + 5% (Unadjusted)			*1.0*	*1.8*	*5.4*	*6.8*	*6.9*	*7.2*	*6.8*	*6.8*	*May-15*
Private Equity	**181,764,158**	**7.2**	**3.0**	**2.6**	**28.1**	**34.7**	**--**	**--**	**--**	**--**	
Russell 3000 + 3%			*3.4*	*3.2*	*31.1*	*39.3*	*18.4*	*20.9*	*16.8*	--	
Private Equity	**9,978,518**	**0.4**	**0.0**	**0.0**	**11.8**	**--**	**--**	**--**	**--**	**11.8**	**Apr-20**
Russell 3000 + 3%			*3.4*	*3.2*	*31.1*	*39.3*	*18.4*	*20.9*	*16.8*	*61.0*	*Apr-20*
Private Equity Proxy	**171,785,640**	**6.8**	**3.2**	**2.7**	**28.6**	**35.3**	**16.9**	**18.3**	**14.1**	**10.3**	**Nov-03**
Russell 3000			*3.1*	*2.7*	*28.6*	*35.3*	*15.0*	*17.4*	*13.4*	*10.2*	*Nov-03*
Private Credit	**87,612,931**	**3.5**	**0.0**	**0.0**	**-4.4**	**-9.0**	**-2.8**	**-0.8**	**--**	**1.6**	**May-13**
S&P/LSTA Leveraged Loan Index +2%			*0.8*	*2.1*	*11.5*	*7.9*	*6.3*	*8.0*	*6.3*	*6.1*	*May-13*

Stanislaus County ERA

TOTAL FUND NET PERFORMANCE DETAIL

	Market Value ($)	% of Portfolio	1 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Risk-Diversifying Sub-Portfolio	**652,896,186**	**25.9**	**-1.6**	**-1.8**	**-1.4**	**0.5**	**3.6**	**3.6**	**3.7**	**4.7**	**Nov-03**
StanCERA Risk-Diversifying Blended BM			*-0.7*	*-0.9*	*-0.9*	*1.4*	*4.0*	*2.3*	*2.3*	--	*Nov-03*
Risk Parity	**347,892,958**	**13.8**	**-2.1**	**-2.1**	**10.8**	**8.5**	**7.7**	**--**	**--**	**6.6**	**Nov-17**
60% MSCI ACWI (Net)/ 40% BBgBarc Global Agg			*0.7*	*0.1*	*16.8*	*19.8*	*8.0*	*10.1*	*6.5*	*8.0*	*Nov-17*
AQR Global Risk Premium - EL	171,296,216	6.8	-1.6	-1.4	9.9	6.1	--	--	--	6.9	Apr-18
60% MSCI ACWI (Net)/ 40% BBgBarc Global Agg			*0.7*	*0.1*	*16.8*	*19.8*	*8.0*	*10.1*	*6.5*	*8.6*	*Apr-18*
PanAgora Risk Parity Multi Asset	176,596,742	7.0	-2.5	-2.8	11.5	11.0	8.6	--	--	7.3	Nov-17
60% MSCI ACWI (Net)/ 40% BBgBarc Global Agg			*0.7*	*0.1*	*16.8*	*19.8*	*8.0*	*10.1*	*6.5*	*8.0*	*Nov-17*
US Treasury Bonds	**115,897,934**	**4.6**	**-2.8**	**-4.1**	**-4.9**	**-1.5**	**5.0**	**4.4**	**4.1**	**4.9**	**Nov-03**
BBgBarc US Treasury 7-10 Yr TR			*-2.3*	*-3.4*	*-4.4*	*-0.2*	*6.3*	*2.9*	*4.2*	--	*Nov-03*
Northern Trust Intermediate Gov't Bond	80,050,171	3.2	-1.0	-1.3	-1.3	1.2	4.1	--	--	2.9	Jul-17
BBgBarc US Govt Int TR			*-0.8*	*-1.1*	*-1.1*	*1.5*	*4.2*	*2.2*	*2.3*	*3.0*	*Jul-17*
Northern Trust Long Term Gov't Bond	35,847,763	1.4	-6.6	-10.1	-12.8	-7.5	8.1	--	--	6.0	Jul-17
BBgBarc US Govt Long TR			*-5.5*	*-8.9*	*-11.5*	*-5.9*	*8.7*	*4.2*	*6.8*	*6.4*	*Jul-17*
Short-Term Bonds	**189,105,294**	**7.5**	**-0.1**	**-0.1**	**0.8**	**2.2**	**3.5**	**--**	**--**	**2.6**	**Jul-17**
BBgBarc US Govt/Credit 1-3 Yr. TR			*0.0*	*0.0*	*0.4*	*1.9*	*3.1*	*2.1*	*1.6*	*2.5*	*Jul-17*
DFA	189,105,294	7.5	-0.1	-0.1	0.8	2.2	3.5	--	--	2.6	Jul-17
BBgBarc US Govt/Credit 1-3 Yr. TR			*0.0*	*0.0*	*0.4*	*1.9*	*3.1*	*2.1*	*1.6*	*2.5*	*Jul-17*

- Invesmtent data is estimated as of 02/28/2021 and is subject to change.

Stanislaus County ERA

NOTES

- All performance is shown net of investment management fees.

- Performance history is provided by Verus through June 2020. As of July 1, 2020 performance is calculated and reported by NEPC. Policy Index History:

- **Policy Index makeup history:**

  - **Inception - 6/30/2017**: 14.4% Russell 1000 Value, 11.3% Russell 1000 Growth, 4.8% S&P 500, 4% Russell 2000 Value, 3.7% Russell 2000 Growth, 18% MSCI ACWI ex USA Gross, 29.8% BBgBarc US Aggregate TR, 3.5% DJ US Select RESI TR USD, 7.5% 9% Annual, 3% CPI + 4%

  - **7/1/2017 - 8/31/2018**: 18.5% Russell 1000, 5.5% Russell 2000, 24% MSCI ACWI ex USA Gross, 19% BBgBarc US Govt/Credit 1-3 Yr. TR, 1% FTSE T-Bill 1 Month TR, 3%BBgBarc US Treasury 7-10 Yr TR, 7.7% NCREIF Property Index, 1.7% NCREIF Property Index +2%, 0.6% CPI + 5%, 5% BBgBarc US High Yield + 2%, 14% 60% MSCI ACWI Net/40% BBgBarc Global Aggregate

  - **9/1/2018 - 5/30/2019**: 10% Russell 1000, 3% Russell 2000, 6% Russell 3000 +3%, 27% MSCI ACWI ex USA Gross, 20% BBgBarc US Govt/Credit 1-3 Yr. TR, 1% FTSE T-Bill 1 Month TR, 3% BBgBarc US Treasury 7-10 Yr TR, 5% NCREIF Property Index, 5% NCREIF Property Index +2%, 1% CPI + 5%, 6% S&P/LSTA Leveraged Loan Index+2%, 13% 60% MSCI ACWI Net/40% BBgBarc Global Aggregate

  - **6/1/2019 - 6/30/2020**: 14% Russell 1000, 3% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 19% BBgBarc US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 3% BBgBarc US Treasury 7-10 Yr, 5% NCREIF Property, 5% NCREIF Property +2%, 2% CPI +5%, 6% S&P/LSTA Leveraged Loan Index + 2%, 13% 60% MSCI ACWI / 40%BBgBarc Global Aggregate

  - **7/1/2020 - 12/31/2020**: 14% Russell 1000, 3% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 8% BBgBarc US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 3% BBgBarc US Treasury 7-10 Yr, 5% NCREIF Property, 5% NCREIF Property +2%, 2% CPI +5%, 6% S&P/LSTA Leveraged Loan Index + 2%, 13% 60% MSCI ACWI / 40%BBgBarc Global Aggregate, 11% BBgBarc US Intermediate.

  - **1/1/2021 - Present**: 16% Russell 1000, 3.5% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 8% BBgBarc US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 5% BBgBarc US Treasury 7-10 Yr, 6% NCREIF Property, 5% NCREIF Property +2%, 2% CPI +5%, 4.5% S&P/LSTA Leveraged Loan Index + 2%, 13% 60% MSCI ACWI / 40%BBgBarc Global Aggregate, 7% BBgBarc US Intermediate.

- Starting July 1, 2020, the small Capital Prospects transition cash balance is moved from the Cash composite to the Capital Prospects account. Historical performance for Capital Prospects, US Small, US Equities, Growth Sub-Portfolio, Cash, and Liquidity Sub-Portfolio prior to July 1, 2020 reflects performance of these composites before this change.

- Private Equity investments are valued one quarter lagged and adjusted for capital calls and distributions between quarter-end months.

- Value-Add Real Estate managers are valued quarterly adjusted for current cashflows.

DISCLAIMERS & DISCLOSURES

- Past performance is no guarantee of future results.
- Returns for pooled funds, e.g. mutual funds and collective investment trusts, are collected from third parties; they are not generally calculated by NEPC. Returns for separate accounts, with some exceptions, are calculated by NEPC. Returns are reported net of manager fees unless otherwise noted.
- A "since inception" return, if reported, begins with the first full month after funding, although actual inception dates (e.g. the middle of a month) and the timing of cash flows are taken into account in Composite return calculations.
- NEPC's preferred data source is the plan's custodian bank or record-keeper. If data cannot be obtained from one of the preferred data sources, data provided by investment managers may be used. Information on market indices and security characteristics is received from additional providers. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within. In addition, some index returns displayed in this report or used in calculation of a policy index, allocation index or other custom benchmark may be preliminary and subject to change.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
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RETURN TO AGENDA

March 23, 2021
Retirement Board Agenda Item

TO: Retirement Board

FROM: Stan Conwell, Retirement Investment Officer

I. SUBJECT: Infrastructure Manager Selection

II. ITEM NUMBER: 8.a.

III. ITEM TYPE: Discussion and Action

IV. STAFF RECOMMENDATION:

Allocate $80 Million (approximately 3.2% of the fund) between the IFM Global Infrastructure Fund and JP Morgan Infrastructure Fund at a percentage rate determined by the Board. Authorize staff to negotiate and execute the final contract with selected firms.

V. ANALYSIS:

Attachment 1: NEPC Infrastructure Search Memo

As part of the real assets pacing plan presented in January by NEPC a commitment to the Infrastructure asset class is slated for 2021. StanCERA has one existing core infrastructure fund and the plan is to commit $80 Million to at least one more core infrastructure manager this year. NEPC selected two finalists for the Board to evaluate. Both are open-ended core managers and will form the foundational core of the infrastructure allocation in StanCERA's portfolio. Brief summaries of the two finalists are provided below:

IFM Global Infrastructure Fund

The IFM Global Infrastructure fund was formed in 2004 and is owned by a group of Australian pension funds who are also significant shareholders in the funds managed by IFM. The fund started with a concentrated portfolio of regulated utilities but has since expanded its portfolio to include a greater portion invested in GDP sensitive assets. IFM believes better risk-adjusted returns can be achieved through investing in GDP sensitive assets relative to utilities and power sectors. IFM typically targets larger control-oriented transactions which are subject to less competition. IFM employs a team of 90 investment professionals in offices across North America, Europe, Australia, and Asia. The fund is approximately $32 Billion in size.

JP Morgan Infrastructure Investments Fund

The JP Morgan fund was established in 2006 and maintains a focus on regulated investments that provide stable cash yields. In particular, JP Morgan favors utilities and power sub sectors as they consider these types of investments to exhibit the most core-like attributes within the infrastructure asset class. Given this focus on cash yields, the

fund targets an annual yield between 5%-7%. JP Morgan has a team of 50 dedicated employees and seeks to acquire control positions often leveraging the deep resources of JP Morgan as a strategic advantage in winning deals. The JP Morgan team has offices in New York and London. The fund is approximately $17 Billion in size.

VI. RISK: None

VII. STRATEGIC PLAN: N/A

VIII. ADMINISTRATIVE BUDGET IMPACT: NONE

RETURN TO AGENDA

NEPC, LLC

To: Stanislaus County Employees' Retirement Association

From: Daniel Hennessy, CFA, CAIA

Date: March 23, 2021

Subject: Private Infrastructure Search Memo

Summary Recommendation

We recommend that the StanCERA board commit $80 million to open-ended private infrastructure. This commitment is intended to form the long-term core of the plan's 7.5% infrastructure allocation, and would be complemented in future years with smaller allocations to other more specialized closed-end infrastructure strategies using a "core-satellite" investment approach.

We have invited representatives from IFM and J.P.Morgan to describe their respective funds. They both offer large globally-diversified strategies that would be suitable choices for StanCERA.

Infrastructure Overview

Infrastructure assets are physical facilities or networks that provide essential goods or services to a broad range of users. They are typically long duration assets with stable cash flows and significant barriers to competitive entry. Examples include the following:

- Transportation – toll roads, bridges, tunnels, ports/airports, railroads/mass transit, and parking facilities
- Utilities and Energy – oil and gas pipelines, electricity generation/transportation/distribution systems, water storage/distribution and wastewater treatment facilities
- Communications – internet and telephone networs/systems/towers
- Social Infrastructure –sports stadiums, hospitals, and schools

Infrastructure investments provide both current income and capital appreciation potential. They can provide diversification benefits to StanCERA's overall portfolio and help hedge against inflation because infrastructure revenue growth is often linked to inflation.

Recommended Strategies

The IFM Global Infrastructure Fund ("IFM GIF") and the J.P.Morgan Infrastructure Investments Fund ("JPM IIF") are both large established private infrastructure strategies with a wide range of different infrastructure asset types doing business in 20+ countries worldwide. Both strategies offer U.S. investors the option to hedge foreign currency exposures, and doing so would very likely result in less volatile investment performance. In fact, U.S. investors currently earn a slight premium for hedging most developed international currencies back to the dollar because of the higher U.S. interest rates.

IFM Global Infrastructure Fund

IFM GIF is the larger of the two strategies, with a $32 billion net asset value and a track record dating back to late-2004. The firm is headquartered in Australia and is jointly owned by 27 Australian pension funds (known as superannuation funds). IFM GIF is 1-rated by NEPC Research, which means that we view it as a best idea strategy, and we have high conviction that the strategy is positioned to deliver on its net 8-12% target return over a full investment cycle.

IFM GIF's long-term performance has been stronger than that of JPM IIF. Although US Dollar hedging only became available several years ago, the strategy's unhedged net performance over the ten years through 12/31/20 is +10.6% per year.

IFM Has Better Long-Term Performance		
Annualized Net Returns		
	IFM GIF	JPM IIF
10 Year Local Currency	10.6%	7.0%
2 Year Hedged	8.6%	7.4%
1 Year Hedged	2.9%	4.5%

In Most Cases IFM Has The Cheaper Fee Structure			
(Base + Performance Fees at various gross returns)			
	IFM GIF	Current JPM IIF	JPM IIF $20b+ NAV
Base Fee	0.77%	0.95%	0.90%
Performance Fee	10% over an 8% hurdle with a 33.3% catch-up	15% for net performance above 7% and below 13.5%, no catch-up	
6% gross return	0.77%	0.95%	0.90%
7% gross return	0.77%	0.95%	0.90%
8% gross return	0.77%	0.96%	0.91%
9% gross return	0.85%	1.11%	1.06%
10% gross return	1.18%	1.26%	1.21%
11% gross return	1.51%	1.41%	1.36%
12% gross return	1.85%	1.56%	1.51%

J.P.Morgan Infrastructure Investments Fund

JPM IIF has a $17 billion net asset value and a track record dating back to mid-2007. The strategy is 3-rated by NEPC Research, which means that we have a constructive view of the strategy and believe that it can play an appropriate role in certain client portfolios.

The reason that we are proposing this strategy for StanCERA's consideration is that it has a lower risk profile than IFM GIF. Fully 70% of the JPM portfolio is invested in assets with either government regulated pricing or long-term corporate contracts, compared to 50% for IFM GIF. JPM IIF is also less concentrated than IFM, with the top three portfolio companies accounting for 32% of total net asset value compared to almost 60% for IFM. JPM IIF explicitly targets a cash yield of 5-7% per year, which is significantly higher than what IFM GIF earns ignoring asset sales. As a result, JPM IIF is a less volatile strategy, and in particular has declined in value much less during recent difficult time periods like early 2020 and 2008-2009.

Recent Significant Drawdowns		
(net performance return)		
	IFM GIF	JPM IIF
1Q20 Hedged	-4.9%	-0.4%
2009 local currency	-14.0%	-5.3%
2H08 local currency	-8.0%	-5.4%

Other Considerations

These strategies typically call capital only when they are making a new purchase or investing in the expansion of a current asset. There are also usually queues of other new limited partners waiting to invest. For these reason, new investors often must wait 12+ months for their commitments to be called. Likewise if StanCERA ever decided to exit one of these strategies it is possible that the plan might have to wait some time before receiving their payout. In order to discourage rapid turnover, the JPM IIF strategy charges a 4% fee if new investors seek a return of capital within the first 4 years of investing in the strategy.

RETURN TO AGENDA

March 23, 2021
Retirement Board Agenda Item

TO: Retirement Board

FROM: Stan Conwell, Retirement Investment Officer
Rick Santos, Executive Director

I. SUBJECT: Transition Manager Evaluation

II. ITEM NUMBER: 8.b

III. ITEM TYPE: Information Only

IV. STAFF RECOMMENDATION: None

V. ANALYSIS:

StanCERA is in the process of rebalancing the portfolio toward the new strategic asset allocation adopted by the Board Last November. A transition manager can facilitate some of the rebalance as they are specialists in rebalancing portfolios and can add value to the process through their ability to control risks and costs. Following the February meeting staff and NEPC evaluated two transition managers StanCERA has engaged with in the past to evaluate their current capabilities and determine which firm would be best to work with for the planned rebalance.

Transition Manager Evaluation Criteria		
	Northern Trust	BlackRock
Dedicated Team	20 in global team 12 years average experience in TM.	60 person dedicated team 8-10 average experience in TM.
Track Record	1,057 events in past five years. $360 Billion traded in past five years. Beat shortfall estimate 95% of the time. 91.6% of transitions are within one standard deviation of the median cost estimate.	290 events in 2019. $402 Billion in transition flow in 2019. Beat shortfall estimate 91% of the time. 80% of transition results fell within one standard deviation of mean cost estimate.
Risk Management	Dedicated project manager	Single platform with integrated technology tools including Aladdin risk management support.

	Optimized trading focused on risk management.	
Estimated Cost Difference	Approximately $40,000 less after factoring in fee discount.	Approximately $40,000 more after factoring in fee discount.
Agent-only trading & will act as a fiduciary	Yes	Yes
Extensive pre and post trade reports	Yes	Yes
Global Trading Presence	3 global locations	10 global locations

It's clear from the table that both Northern Trust and BlackRock provide institutional quality services suitable for the needs of StanCERA. BlackRock does have a larger team and processes more transitions versus Northern Trust, but Northern Trust's track record demonstrates outcomes closer to their median cost estimates. Northern Trust also has an advantage given they are StanCERA's custodian bank. They can offer fee discounts on custodian services to enhance their offer. There are also other advantages to using a custodian bank as a transition manager. Operational risk is reduced through greater operational efficiencies. Information leakage is greatly reduced or eliminated because trade information stays within the custodian bank. Security is also greater. Both firms are very capable, but in this case Northern Trust would appear to be a better choice given their historical results are closer to their estimates and their advantage as StanCERA's custodian bank.

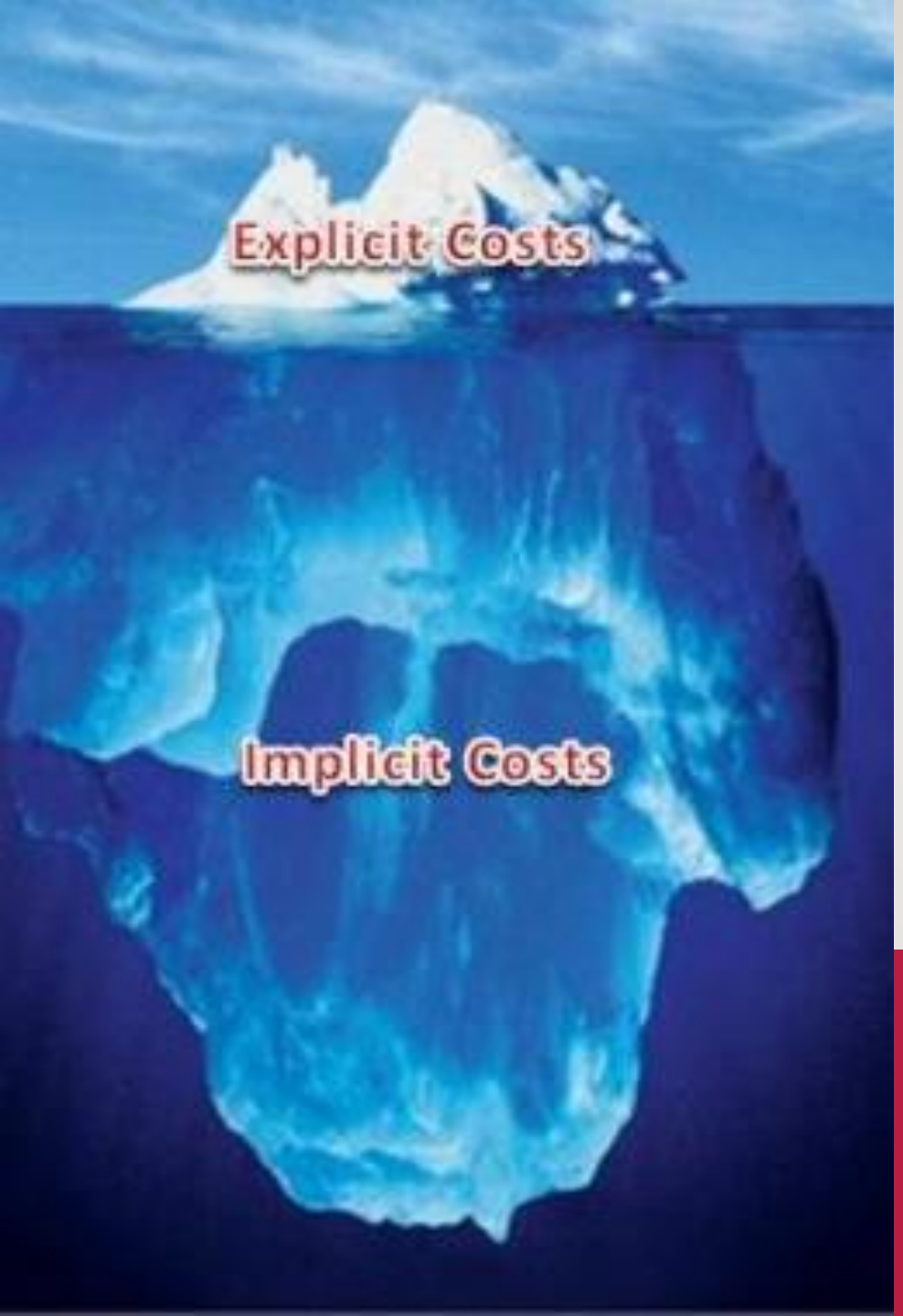
VI. STRATEGIC PLAN: N/A

VII. ADMINISTRATIVE BUDGET IMPACT: NONE

RETURN TO AGENDA

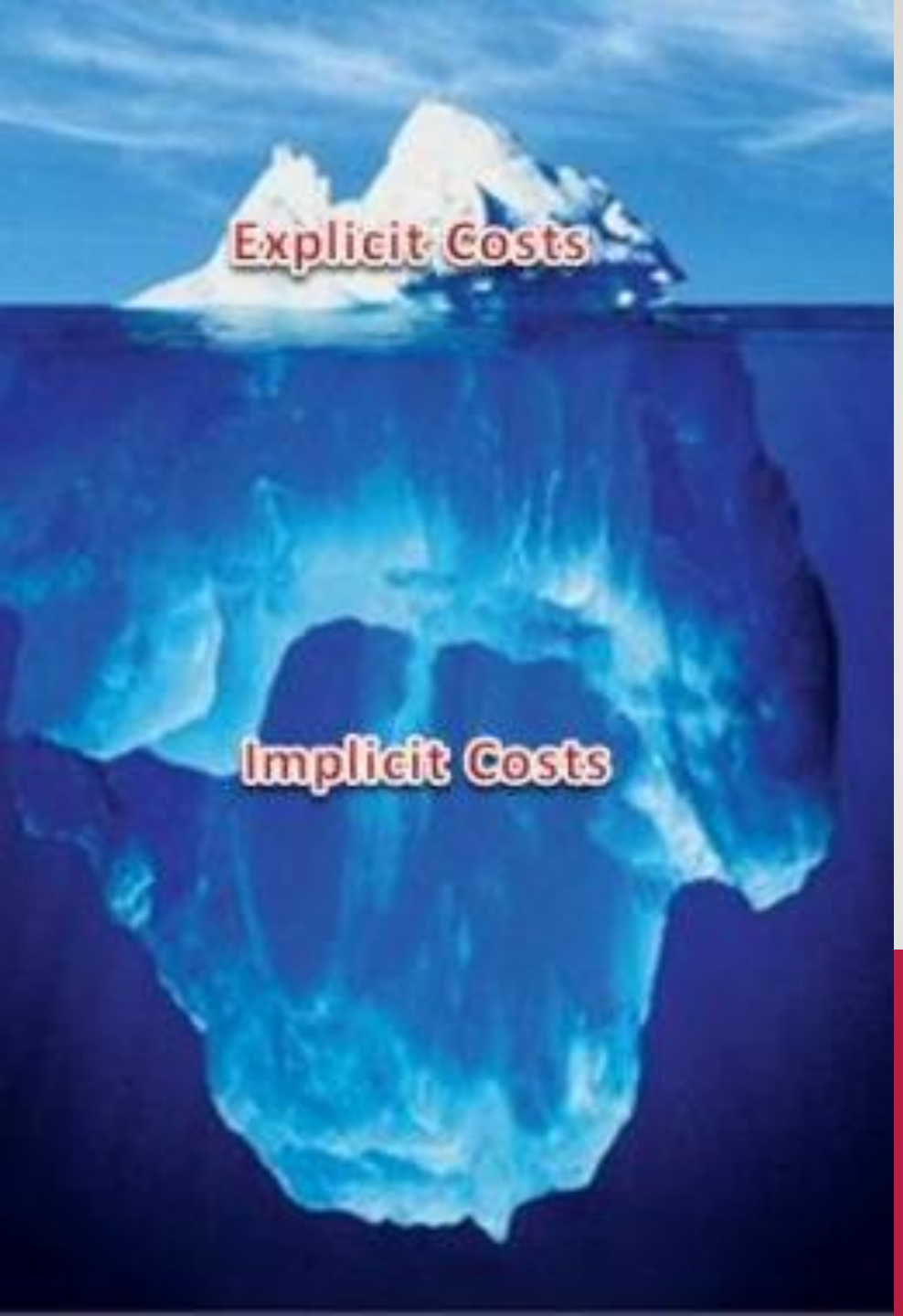
PORTFOLIO TRANSITION

UNDERSTANDING TRADING COSTS



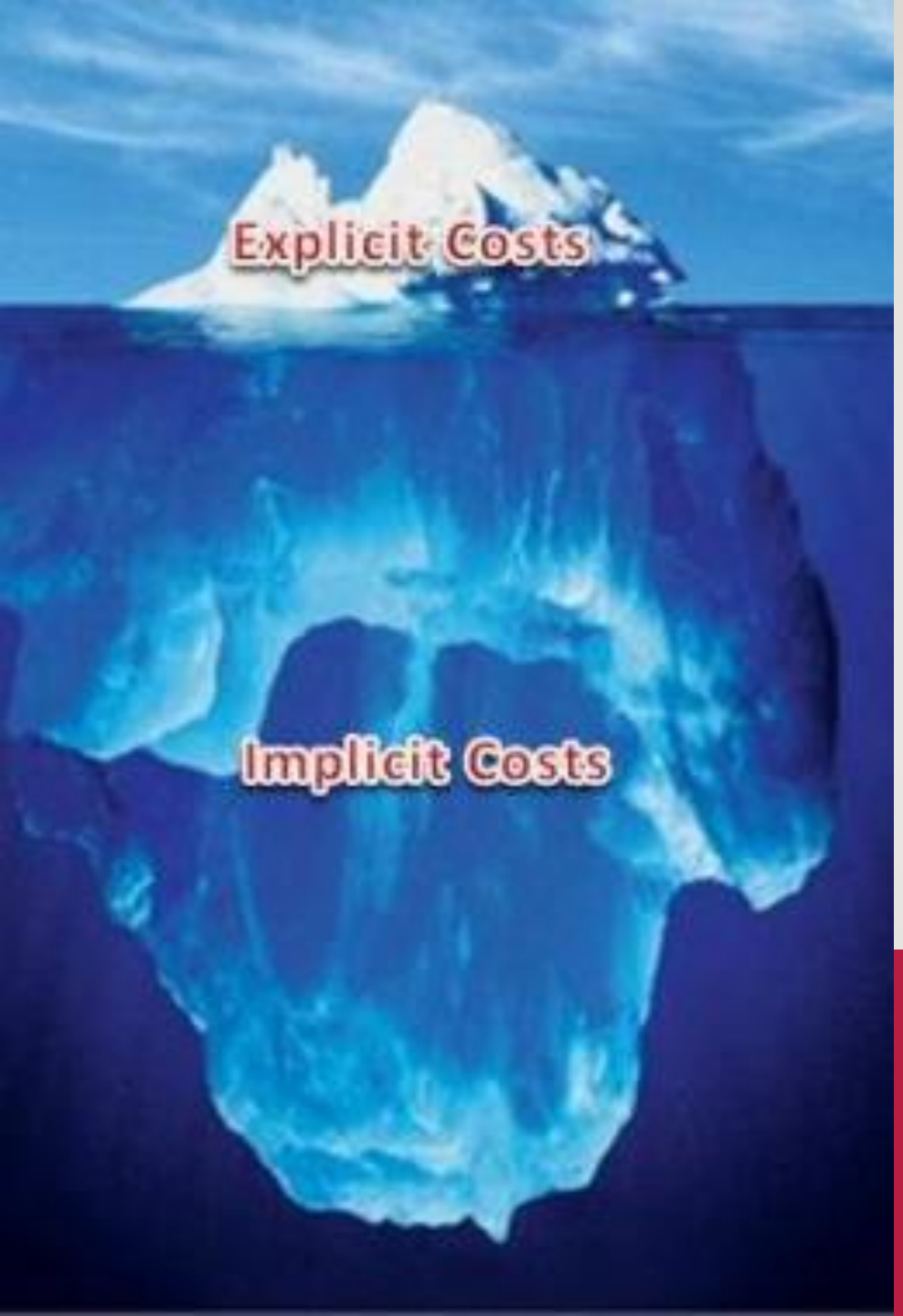
PORTFOLIO TRANSITION COSTS CAN BE "VIEWED" AS TWO TYPES

EXPLICIT & IMPLICIT

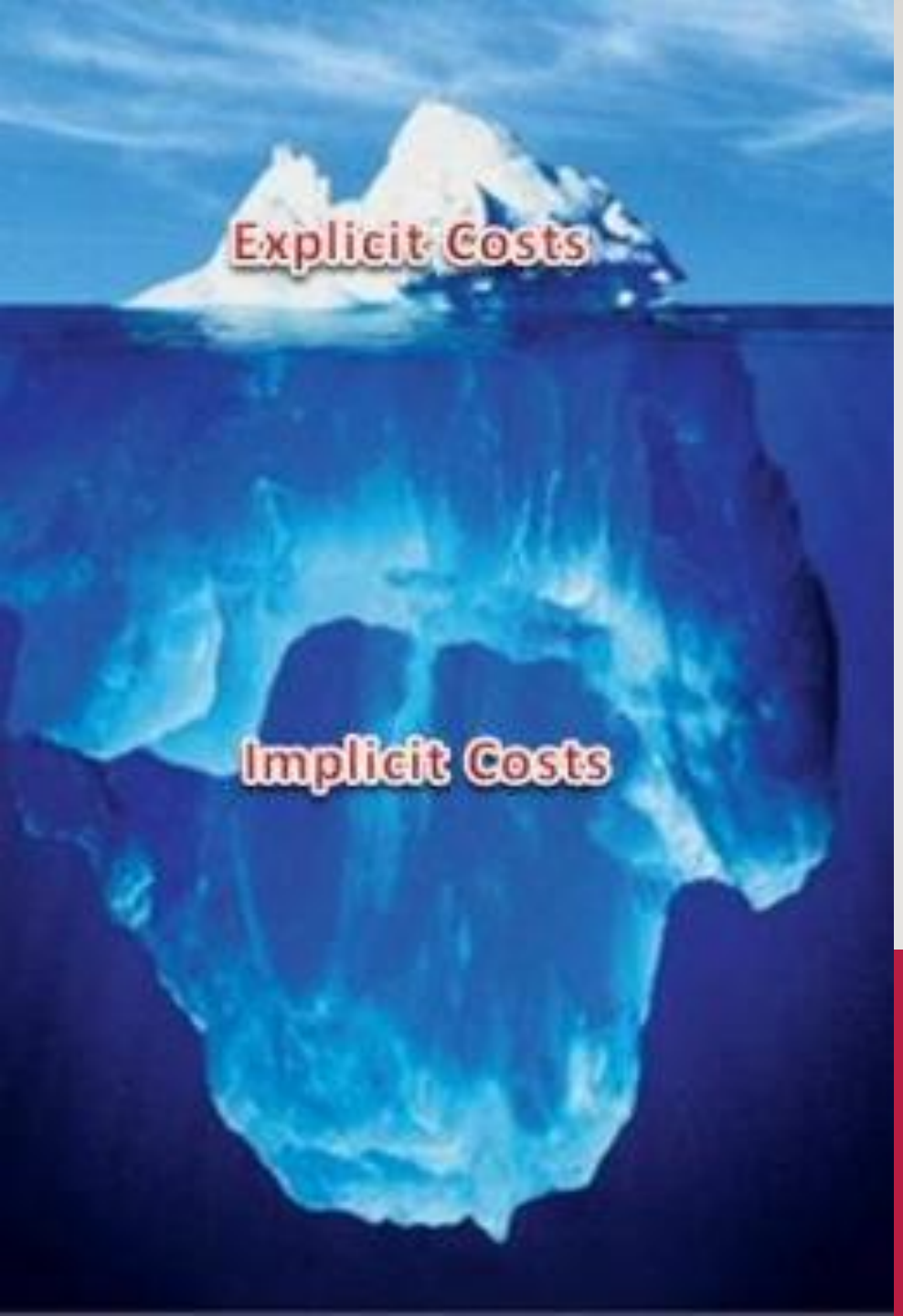


EXPLICIT COSTS ARE WELL DEFINED, OBSERVABLE AND PREDICTABLE

IMPLICIT COSTS…NOT SO MUCH



EXPLICIT COSTS ARE DIRECT COSTS OF TRADING



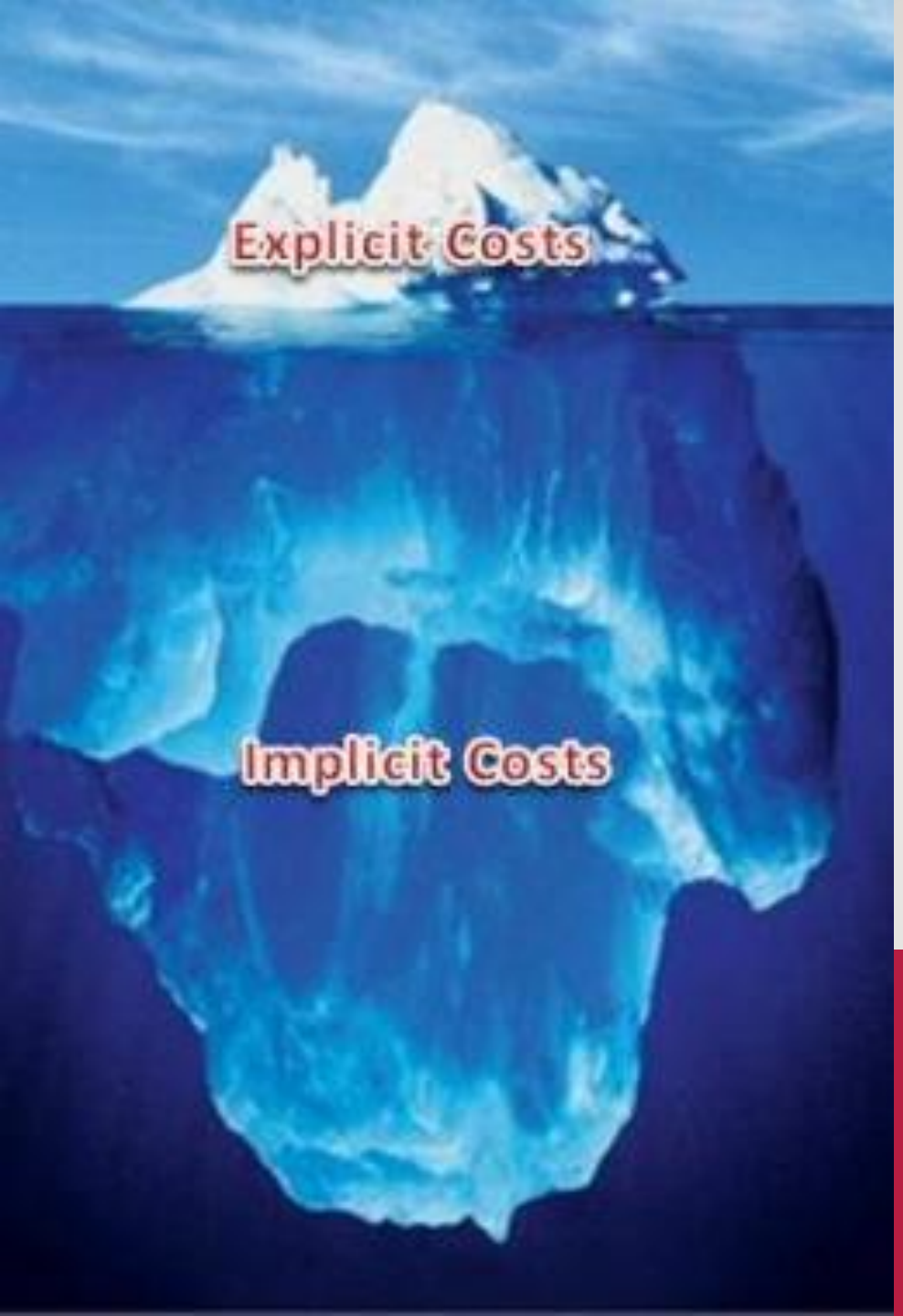
IMPLICIT COSTS ARE CAUSED MOSTLY BY IMPACTS ON THE MARKET BY TRADING A LARGE PORTFOLIO

IMPLICIT COSTS

- These "costs" can be significant, yet they could actually work in your favor
- They're ultimately revealed in your actual buy and sell prices
  - Bid-ask spread
  - Market Impact
  - Delay Costs
  - Opportunity costs
  - Foreign exchange risk

EXPLICIT COSTS

- These costs are going to be incurred regardless who does the transition
- More predictable than implicit costs
  - Brokerage fees & commissions
  - Taxes & fees
- The only way to avoid these costs is to not transition the portfolio



IMPLICIT COSTS ARE REAL AND CAN BE QUITE EXPENSIVE

MANAGING AND MONITORING THOSE COSTS REQUIRE SKILL

TRANSITION MANAGER

- The manager that produces the lowest implicit costs generally is superior
- Unfortunately, you don't find that out until the transition is complete
- A post-trade report will eventually reveal the implicit costs

March 23, 2021
Retirement Board Agenda Item

TO: Retirement Board

FROM: Lisa Frazer, Member and Employer Services Manager
Rick Santos, Executive Director

I. SUBJECT: Government Code Section 37100 – Reporting of Deferred Members

II. ITEM: 9.a

III. ITEM TYPE: Information Only

IV. RECOMMENDATION: None

V. ANALYSIS: StanCERA staff conducted an internal audit of how member names were being reported on the Board Agenda each month. During this process it was found that the member names reported under Applications for Deferred Retirement were being reported incorrectly.

StanCERA staff had been reporting active members, leaving a StanCERA employer and transitioning into deferred status on the agenda under the "Applications for Deferred Retirement" erroneously. Pursuant to Government Code Section 31700, members who are in deferred status and are submitting an application to retire should be reported under this section. Historically, StanCERA has reported these retirees under "Applications for Service Retirement," as StanCERA does not have a separate application process for those members who have transitioned to deferred status.

Moving forward, staff will continue to report all Applications for Service Retirement as it has historically. Government Code Section 31700 will be moved to this section as to accurately reflect the data that is being shown.

VI. RISK: None

VII. STRATEGIC PLAN: None

VIII. BUDGET IMPACT: None

RETURN TO AGENDA