

AGENDA

BOARD OF RETIREMENT

Boardroom

832 12th Street Suite 600 Modesto, CA 95353

June 28, 2022

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 Government Code section 54953, the StanCERA Board of Retirement ("Board") is authorized to conduct its meetings via teleconference during the COVID-19 public health emergency.

Because of the COVID-19 public health emergency, StanCERA's offices, including the StanCERA boardroom, are currently closed to public access. Members of the public who wish to attend Board meetings may do so by teleconference, by calling (209) 689-0007. The access code is 414752.

If you wish to make a general public comment during the Public Comment section of the meeting, or if you wish to comment on a specific agenda item, please press 5* on your phone to alert the Chair that you wish to speak. As permitted by Gov. Code § 54954.3(b)(1), each public comment is limited to three minutes.

You may also submit public comments in writing. If you wish to make a general public comment or a comment on a specific agenda item in writing, please submit your comment via email or fax no later than 4:30 p.m. on the day before a Board meeting. Comments can be submitted via email at gomesk@stancera.org or via fax at (209) 558-4976. If your comment pertains to a specific agenda item, please include the agenda item number in the subject line. As permitted by Gov. Code § 54954.3(b)(1), each public comment is limited to 400 words. Comments submitted in writing will be read aloud during the meeting.

In compliance with the Americans with Disabilities Act, if you require an accommodation, auxiliary aid, or service in order to participate in this meeting, please 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. Emergency Declaration
 - a. Emergency Declaration - AB-361
Agenda Item [View](#) Attachment 1 [View](#)
7. Consent Items
 - a. Approval of the May 24, 2022 Meeting Minutes [View](#)
 - b. Applications for Service Retirement(s) – **Government Code Sections 31499.14, 31670, 31662.2 & 31810** See attachment for details. [View](#)
 - c. Application of Death Benefit – **Government Code Section 31781, 31781.1, 31781.3**
 1. Robert Ball – City of Ceres – Non-Service Connected – Effective 6-3-2022 – Active Member
 - d. Legislative Update
Agenda Item [View](#) Attachment 1 [View](#)
 - e. Investment Matrix [View](#)
 - f. Information Technology Solutions (ITS) Project [View](#)
8. NEPC – Investment Consultant
 - a. May Flash Report [View](#)
9. Investment

NONE
10. Administrative
 - a. Discussion regarding procedure for eventual return to in-person meetings according to pre-pandemic Brown Act requirements and/or in anticipation of current pending legislation
Agenda Item [View](#) Attachment 1 [View](#)
11. Closed Session

None
12. Members' Forum (Information and Future Agenda Requests Only)
13. Adjournment

June 28, 2022

Retirement Board Agenda Item

TO: Retirement Board
FROM: Fred Silva, General Counsel
Rick Santos, Executive Director

I. SUBJECT: A Resolution of the Board of the Stanislaus County Employees' Retirement Association Acknowledging the Proclamation of a State of Emergency and Authorizing Remote Teleconference Meetings of the Stanislaus County Employees' Retirement Association for the Period of June 28, 2022 until the earlier of July 28, 2022 or the date of termination of the COVID-19 State of Emergency in California; discussion regarding procedure for returning to regular meetings according to normal Brown Act requirements at a future date.

II. ITEM NUMBER: 6.a

III. ITEM TYPE: Discussion and Action

IV. STAFF RECOMMENDATION:

- A. Approve a Resolution of the Board of the Stanislaus County Employees' Retirement Association acknowledging the proclamation of a state of emergency by Executive Order N-15-20 issued on March 4, 2020, as acknowledged by the Stanislaus County Public Health Officer's recommendation issued on September 22, 2021, which together permit the legislative bodies of Stanislaus County Employees' Retirement Association to conduct remote teleconference meetings pursuant to Assembly Bill 361 (AB-361) during the period of June 28, 2022 until the earlier of July 28, 2022 or the date of termination of the COVID-19 State of Emergency in California.

V. MEETINGS VIA TELECONFERENCE:

A. BACKGROUND.

AB-361 allows local government entities to conduct meetings via teleconference without complying with certain Brown Act requirements when the following conditions are in place:

- Condition 1: The Governor has proclaimed a state of emergency; and
Condition 2: State or local officials have imposed or recommended measures to promote social distancing.

The first condition is satisfied by the Governor's March 4, 2020 state of emergency proclamation, which has now been extended several times and remains in effect.

The second condition is satisfied by the Stanislaus County Public Health Officer's September 22, 2021 recommendation issued in response to AB-361, stating "I recommend that physical/social distancing measures be practiced throughout our Stanislaus County communities to minimize the spread of COVID-19, including implementation of the newly enacted AB 361 to maintain social distancing by legislative bodies of our local

agencies. This recommendation is made due to the continued threat of COVID-19 in the community.”

AB-361 was signed on September 16, 2021 and went into effect immediately. AB-361 replaced some aspects of Executive Order N-29-20, which allowed local legislative bodies to hold remote teleconference meetings while the COVID-19 public health crisis is in effect. Since the size of StanCERA’s Board room prevents compliance with social distancing measures if the public were to attend meetings in person, attendance by the public in a county with high transmission rates creates potential health issues for StanCERA employees and the public. Therefore, to continue remote teleconference meetings, AB-361 requires that the Board consider the circumstances of the state of emergency and make findings via resolution by majority vote to hold remote teleconference meetings. If such findings are made, a resolution must be passed by a majority of the Board citing these circumstances. The Board will need to complete such recertification every 30 days or at each Board meeting following adoption of this Resolution, until Government Code section 54953 sunsets by operation of law on January 1, 2024 or there is no longer a state of emergency in effect.

Mask Mandate: California’s indoor mask mandate is no longer in effect for either vaccinated or unvaccinated persons. However, the State of California continues to “strongly recommend” that people wear masks in state and local government offices that serve the public. All attendees are asked to socially distance while in the Board room by maintaining at least six feet of distance from other persons whenever possible.

VI. RISK: NONE

VII. STRATEGIC PLAN: N/A

VIII. ADMINISTRATIVE BUDGET IMPACT: NONE

RESOLUTION NO. 2022-__

A RESOLUTION OF THE BOARD OF THE STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION ACKNOWLEDGING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM ON MARCH 4, 2020 AND ADDITIONAL ORDERS AND RECOMMENDATIONS ISSUED BY THE STANISLAUS COUNTY PUBLIC HEALTH OFFICER, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION FOR THE PERIOD OF JUNE 28, 2022 TO THE EARLIER OF JULY 28, 2022 OR THE DATE OF TERMINATION OF THE COVID-19 STATE OF EMERGENCY IN CALIFORNIA, PURSUANT TO BROWN ACT PROVISIONS

WHEREAS, the Board of Retirement ("Board") for the Stanislaus County Employees' Retirement Association ("StanCERA") is committed to preserving and promoting public access and encouraging participation in meetings of the Board and its legislative bodies; and

WHEREAS, all meetings of the Board and its legislative bodies are open and public, as required by the Ralph M. Brown Act (Gov. Code §§ 54950-54963), so that any member of the public may attend meetings and observe and participate in the conducting of business by the Board and its legislative bodies; and

WHEREAS, Government Code section 54953(e) allows local government entities such as the Board and its legislative bodies to conduct meetings via teleconference without complying with the requirements of Government Code section 54953(b)(3) when the following conditions are in place:

- A state of emergency proclaimed by the Governor pursuant to Government Code section 8625 is in effect; and
- State or local officials have imposed or recommended measures to promote social distancing.

WHEREAS, such conditions are currently in place for the Board and its legislative bodies, which operate in Stanislaus County:

- On March 4, 2020, Governor Gavin Newsom proclaimed a State of Emergency for the State of California pursuant to the California Emergency Services Act (Gov. Code § 8625) based on an outbreak of respiratory and other illness due to the novel coronavirus known as COVID-19. That State of Emergency has been extended several times. At this time, it is not clear when the State of Emergency will be terminated. Governor Newsom commented during a February 17, 2022 press conference that, currently, "there is no end

date” for the COVID-19 state of emergency. The Board acknowledges that, while the State of Emergency will most likely still be in place through July 28, 2022, it is possible that it will have been lifted by the time this Resolution has expired.

- On September 22, 2021, the Public Health Officer for Stanislaus County issued a recommendation stating: “I recommend that physical/social distancing measures be practiced throughout our Stanislaus County communities to minimize the spread of COVID-19, including implementation of the newly enacted AB 361 to maintain social distancing by legislative bodies of our local agencies. This recommendation is made due to the continued threat of COVID-19 in the community. I will continue to evaluate this recommendation on an ongoing basis and will communicate when there is no longer such a recommendation.”

WHEREAS, Government Code section 54953(e) allows local government entities such as the Board and its legislative bodies to conduct meetings when a state of emergency is in place without complying with the requirements of Government Code section 54953(b)(3), as long as such entities instead comply with the requirements of Government Code section 54953(e)(2);

WHEREAS, StanCERA’s offices, including its boardroom, are not large enough to accommodate the COVID-19 social distancing measures recommended by the Centers for Disease Control and others if members of the public were to attend StanCERA Board and/or committee meetings in person; and

WHEREAS, to ensure that the public retains access to StanCERA Board and committee meetings during this state of emergency, StanCERA will post each Board or committee agenda on the StanCERA website and at its business office location at least 72 hours prior to the meeting, and such agenda will describe the means by which members of the public may access the meeting and offer public comment. In addition, persons requiring accommodations are asked to contact StanCERA prior to the meeting.

NOW, THEREFORE, BE IT RESOLVED that:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Acknowledgment of Proclamation of Emergency and Local Orders. The Board hereby acknowledges that a state of emergency has been proclaimed by the Governor of the State of California effective as of its issuance date of March 4, 2020, and that on September 22, 2021 the Stanislaus County Public Health Office recommended that physical and social distancing measures, including holding meetings via teleconference pursuant to AB-361, be practiced throughout the County.

Section 3. Remote Teleconference Meetings. The StanCERA Retirement Administrator and his designee(s) and the legislative bodies of StanCERA are hereby authorized and directed to

take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 4. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of July 28, 2022 or the date of termination of the COVID-19 State of Emergency in California.

Section 5. Reconsideration of Circumstances Every 30 Days. Government Code section 54953(e)(3) requires that the Board periodically recertify its decision to continue to hold remote teleconference meetings; in order to do so, the Board must reconsider the circumstances of the state of emergency and make findings by majority vote as are necessary to continue to hold remote teleconference meetings. The Board will complete such recertification every 30 days or at each Board meeting following adoption of this Resolution, until Government Code section 54953 sunsets by operation of law on January 1, 2024 or there is no longer a state of emergency in effect.

The foregoing Resolution was adopted by the Board of Retirement upon motion of Board member _____, seconded by Board member _____, at a regular meeting of this Board held on June 28, 2022, by the following vote:

Ayes:

Nays:

Absent:

Abstain:

STANISLAUS COUNTY EMPLOYEE RETIREMENT ASSOCIATION

Donna Riley, Chair of the Board of Retirement

Kellie Gomes, Clerk of the Board of Retirement

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Fred A. Silva, General Counsel

Rick Santos, Executive Director

BOARD OF RETIREMENT MINUTES

April 26, 2022

1. Call Meeting to Order
2. Pledge of Allegiance
3. Roll Call

Trustees Present

Donna Riley - Chair
Mandip Dhillon - Vice Chair
Terry Withrow

Sam Sharpe,
Darin Gharat,
Joshua Clayton,
Mike Lynch
Michael O'Neal,
Rhonda Biesemeier

Present by Conference Call:

Trustees Absent: Jeff Grover

Others Present by Conference Call:

Daniel Hennessy, NEPC Investment Consultant

Others Present:

Rick Santos, Executive Director
Stan Conwell, Retirement Investment Officer
Lisa Fraser, Benefits Manager
Brittany Atkins-Smith, Fiscal Services Manager
Lisa Battista, General Legal Counsel
Kellie Gomes, Executive Board Assistant

4. Announcements

Chair- Donna Riley announced due to the COVID-19 Pandemic, we are meeting today virtually and in person to accommodate the pandemic 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 make a public comment.

5. Public Comment

NONE

6. Emergency Declaration

a. AB-361

Motion was made by Trustee Dhillon and seconded by Trustee Withrow to approve the Emergency Declaration as presented.

Roll Call Vote was as follows:

Trustee Riley	YES
Trustee O'Neal	YES
Trustee Whithrow	NO
Trustee Sharpe	YES
Trustee Clayton	YES
Trustee Lynch	YES
Trustee Gharat	NO
Trustee Dhillon	NO

Motion passed 5/3

7. Consent Items

a. Approval of the April 26, 2022 Meeting Minutes [View](#)

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

c. Application for Service Connected Disability Retirement – **Government Code Section 31724**

1.Sashmir Singh – Stanislaus County Superior Courts – Effective 05-25-2022

d. Legislative Update

e. Investment Matrix

f. Information Technology Solutions (ITS) Project

g. Conference Summary

Motion was made by Trustee Dhillon and seconded by Trustee O'Neal to approve all the consent items as presented

Roll Call Vote was as follows:

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

Motion carried unanimously

8. NEPC – Investment Consultant

- a. April Flash Report
- b. Investment Performance 2022 Quarter 1

9. Investment

NONE

10. Administrative

- a. Fiscal Year 2022-2023 Proposed Administrative Budget

Motion was made by Trustee O'Neal and seconded by Trustee Sharpe to accept the Fiscal Year 2022-2023 Proposed Administrative Budget as presented

Roll Call Vote was as follows:

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

Motion carried unanimously

- b. Stanislaus Regional Water Authority Resolution to Join the StanCERA

Motion was made by Trustee Lynch and Trustee Dhillon to accept staff recommendation as follows: Accept the Resolution of the Stanislaus Regional Water Authority ("SRWA") (Attachment 1) requesting inclusion of SRWA in the Stanislaus County Employees' Retirement Association Pursuant to Government Code Section 31557(b) and include SRWA into the retirement Pool containing the City of Ceres and 5 other Special Districts, phasing in their employer rate related to the Pool's unfunded liability.

Roll Call Vote was as follows:

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

Motion carried unanimously

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

Heard out of order

2:26 pm Trustee Dhillon Excused himself from the remainder of the meeting.

11. Committee Reports

a. RED Committee

Trustee Clayton Excused himself from the meeting

Motion was made by Trustee Withrow and seconded by Trustee Sharpe to accept the RED Committee Recommendation as follows:

Accept the proposed timeline of events (Attachment 2) and the position profile (Attachment 1) as presented

Roll Call Vote was as follows:

Trustee Riley YES
Trustee O'Neal YES
Trustee Sharpe YES
Trustee Withrow YES

Trustee Lynch YES
Trustee Gharat YES

Motion carried unanimously

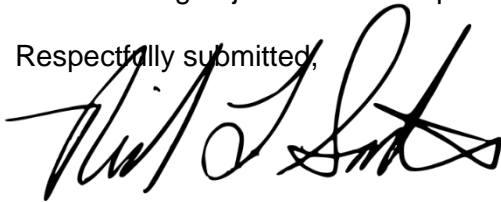
12. Closed Session

NONE

14. Adjournment

Meeting adjourned at 2:40 p.m.

Respectfully submitted,



Rick Santos, Executive

APPROVED AS TO FORM

By



Fred Silva, GENERAL LEGAL COUNSEL

**STANCERA APPLICATIONS FOR SERVICE RETIREMENT(S)
GOVERNMENT CODE SECTIONS 31499.14, 31670, 31662.2,
31810 & 31700**

1. Cosby Jr., Gerald - Stanislaus County - Effective 06/18/2022
2. Day, Eugene - Stanislaus County - Effective 06/04/2022
3. DeRuiter, Lisa - Stanislaus Superior Court - Effective 06/18/2022
4. FEARS, LELAND - City of Ceres - Effective 06/12/2022
5. Fontana, Larry - Stanislaus County - Effective 06/04/2022
6. GEBHARDT, GLENN - City of Ceres - Effective 06/25/2022
7. Green, Rebecca - Stanislaus County - Effective 06/04/2022
8. Hardy, Deborah - Stanislaus County - Effective 06/01/2022
9. Hill, Evette - Stanislaus County - Effective 05/06/2022
10. Hunt, Jeffery - Stanislaus County - Effective 05/30/2022
11. Jones, David - Stanislaus County - Effective 05/14/2022
12. QUINONES, NESTOR - Stanislaus County - Effective 06/03/2022
13. Rightmire, Kimberly - Stanislaus County - Effective 06/17/2022
14. Saengsoury, Mary - Stanislaus County - Effective 06/01/2022
15. Tamraz, Alice - Stanislaus County - Effective 06/02/2022
16. Waddell, Scott - Stanislaus County - Effective 06/04/2022
17. Whitfield, Wayne - Stanislaus County - Effective 06/04/2022

June 28, 2022
Retirement Board Agenda Item

TO: Retirement Board

FROM: Lisa Frazer, Member and Employer Services Manager

- I. SUBJECT: Legislation Update
- II. ITEM: 7.d
- III. ITEM TYPE: Consent
- IV. RECOMMENDATION: None
- V. ANALYSIS:

AB 2493: Act to add Section 31541.2 to Government Code, relating to county employees' retirement (disallowed compensation: benefit adjustments)
In committee, first hearing set, cancelled at request of author – June 2, 2022

AB 2647: Act to amend Government Code Section 54957.5, relating to local government (open meetings)
In committee, first hearing set, cancelled at request of author – June 20, 2022

SB 1328: Act to add and repeal Sections 7513.73 and 12414 of and to add and repeal Chapter 8 (commencing with Section 16649.100) (prohibited investments and contracts: Russia and Belarus)
Hearing postponed by committee – June 21, 2022

AB 1944: Act to amend Government Code Section 54953, relating to public meetings
Referred to committee – June 8, 2022

AB 2449: Act to amend Government Code Section 54953, relating to local government (open meetings)
Second reading in committee, amended and re-referred to committee – June 15, 2022

AB 1824: Act to amend Government Code Sections 314527.7, 31641.4, 31663.25, 31663.26, 31726, 31726.5, 31761, 31762, 31763, 31764, and 31781
Second reading in committee, amended and re-referred to committee – May 25, 2022

AB 1971: Act to amend Government Code Sections 31525, 31646, 31725.7, 31730, 31760 and 31838.5 and add Sections 31646.2 and 31680.16
Second reading in committee, amended and re-referred to committee – June 9, 2022

- VI. RISK: None
- VII. STRATEGIC PLAN: None
- VIII. BUDGET IMPACT: None

AB 2493: Act to add Section 31541.2 to Government Code, relating to county employees' retirement

- This bill would authorize a county retirement system to adjust retirement payments based on disallowed compensation for sworn peace officers and firefighters of that system. The bill would provide that if the retirement system determines that the compensation reported for a sworn peace officer or firefighter of the system is disallowed compensation, as defined, the system would require the county employer or agency to discontinue reporting the disallowed compensation. The bill would apply this to determinations made on or after July 30, 2020, if an appeal has been filed and the applicable member, retired member, survivor, or beneficiary has not exhausted their administrative or legal remedies. The bill would require, for an active sworn peace officer or firefighter, that all contribution made on the disallowed compensation, and any contribution paid by, or on behalf of, that member, be returned to the member by the employer or agency, as specified. This bill would require, for a retired sworn peace officer or firefighter, survivor, or beneficiary whose final compensation was predicated upon the disallowed compensation, that contributions made on the disallowed compensation be credited against future contributions to the benefit of the employer or agency that the reported disallowed compensation and would require the system to permanently adjust the benefit to the affected retired member, survivor, or beneficiary to reflect the exclusion of the disallowed compensation. The bill would specify other conditions required to be satisfied with respect to a retired sworn peace officer or firefighter, survivor, or beneficiary whose final compensation was predicated upon disallowed compensation, including, among others, requiring payment of a penalty by the employer or agency that reported the contributions on the disallowed compensation. The bill would also require certain information regarding the relevant retired member, survivor, or beneficiary needed for purposes of these provisions to be kept confidential by the recipient.

AB 2647: Act to amend Government Code Section 54957.5, relating to local government

- This bill would require a local agency to make writings distributed to members of the governing board available for public inspection at a public office or location that the agency designates and list the address of the office or location on the agenda for all meetings of the legislative body of the agency unless the local agency meets certain requirements, including the local agency immediately posts the writings on the local agency's internet website in a position and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting.

SB 1328: Act to add and repeal Sections 7513.73 and 12414 of and to add and repeal Chapter 8 (commencing with Section 16649.100) Part 2 of Division 4 of Title 2, of the Government Code, and to add and repeal Article 14 (commencing with Section 10495) of Chapter 2 of Part 2 of Division 2 of the Public Contract Code, relating to government

- This bill, except as specified, would prohibit the boards of specified state and local public retirement systems from making additional or new investments in prohibited companies, as defined, domiciled in Russia or Belarus, as defined, companies that the United States government has designated as complicit in the aggressor countries, as defined, war in Ukraine, or companies that supply military equipment to the aggressor countries, and to liquidate the investments of the board in those companies as specified. The bill would also require the board on or before January

1, 2023, and every year thereafter, to file a specified report with the Legislature. The bill would repeal these provisions on specified triggering events. By requiring the boards of local public retirement systems to take specified actions, this bill would impose a state-mandated local program.

AB 1944: Act to amend Government Code Section 54953, relating to public meetings

- This bill would require the agenda to identify any member of the legislative body that will participate in the meeting remotely. The bill will also require an updated agenda reflecting all of the members participating in the meeting remotely to be posted, if a member of the legislative body elects to participate in the meeting remotely after the agenda is posted. This bill will also authorize upon determination by a majority vote of the legislative body, a member to be exempt from identifying the address of the member's teleconference location in notice and the agenda or having the location be accessible to the public, if the member elects to teleconference from a location that is not a public place, including, beginning January 1, 2024, that at least a quorum of the members of the legislative body participates from a single physical location that is clearly defined on the agenda, open to the public, and situated within the boundaries of the territory over which the local agency has jurisdiction. This bill would require all open and public meetings of a legislative body that elects to use teleconferencing to provide a video stream accessible to members of the public and an option for members of the public to address the body remotely during the public comment period through an audio-visual or call-in option.

AB 2449: Act to amend Government Code Section 54953, relating to local government

- This bill would revise and recast those teleconferencing provisions and, until January 1, 2028, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements that each teleconference location be identified in the notice and agenda and that each teleconference location be accessible to the public if at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the agency's jurisdiction. Under this exception, the bill would authorize a member to participate remotely only under specified circumstances and for a period of three consecutive months.

SB 1824: Act to amend Government Code Sections 314527.7, 31641.4, 31663.25, 31663.26, 31726, 31726.5, 31761, 31762, 31763, 31764, and 31781

- 314527.7: Section (c) added: *For purposes of this section, "beneficiary" includes, but is not limited to, a corporation, a trust, or an estate.*
- 31641.4: Section (2) added: *Nothing in this subdivision prohibits a member from receiving credit for a period of federal public service if federal law expressly permits the credit even though the member is already entitled to receive a pension or retirement allowance from that service. It is intended that this section be consistent with the holdings in Cantwell v. San Mateo County (1980) 631 F.2d 631.*
- 31663.25: Additional language added: *The effective retirement date shall not be either of the following: (1) Earlier than the date the application is filed with the board. (2) More than 60 days after the date of filing the application or more than a number of days that has been approved by the board.*

- 31663.26: Additional language added: *The effective retirement date shall not be either of the following: (1) Earlier than the date the application is filed with the board. (2) More than 60 days after the date of filing the application or more than a number of days that has been approved by the board.*
- 31726: Language clean-up
- 31726.5: Language clean-up
- 31761: Language clean-up
- 31762: Language clean-up
- 31763: Language clean-up
- 31764: Language clean-up
- 31781: Additional language added: *The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence.*

SB 1971: Act to amend Government Code Sections 31646, 31725.7, and 31760 and add Sections 31646.2 and 31680.16

- 31646: Section (c)(1) and (2) added: (c) (1) A member who returns to active service following an uncompensated leave of absence on account of the serious illness of a family member when the absence is eligible for coverage under the federal Family and Medical Leave Act of 1993 (29 U.S.C. Sec. 2601 et seq.) or the Moore-Brown-Roberti Family Rights Act, commonly referred to as the California Family Rights Act, as described in Section 12945, may receive service credit for the period of the absence upon the payment of the contributions that the member and the employer would have paid during that period, together with the interest that the contributions would have earned had the contributions been on deposit, if the member was not absent. For purposes of this subdivision, "leave of absence on account of illness of a family member" means any time, up to one year, during which a member is granted an approved leave to care for a seriously ill family member and returns to employment at the end of the approved leave for a period of time at least equal to that leave. The contributions required to receive the service credit may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.
(2) This subdivision shall not be operative until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable to that county and applies it to leave that commences after the adoption by the board of supervisors.
- 31646.2: Section (a) and (b) added: (a) The board may grant a member who is subject to a temporary mandatory furlough the same service credit and compensation earnable or pensionable compensation to which the member would have been entitled in the absence of the temporary mandatory furlough. The board may condition this grant on the receipt of additional member or employer contributions, or both as applicable, that the board determines are necessary to fund any benefits granted under this section on an actuarially sound basis.
(b) For the purposes of this section, "temporary mandatory furlough" means the time during which a member is directed to be absent from work without pay for up to one quarter of the member's normal working hours, provided that these reduced working hours shall not be in place for longer than two years.

- 31680.16: Section (a) and (b) added: (a) *This section shall apply to a retired person who is receiving a retirement benefit from a county retirement system and is appointed or elected to a board or commission operating under a participating agency of the same county retirement system.* (b) *A person who is retired under this chapter may serve on a board or commission without reinstatement from retirement or loss or interruption of benefits under this chapter or the California Public Employees Pension Reform Act of 2013 (Article 4 (commencing with Section 7522) of Chapter 21 of Division 7 of Title 1), provided the appointment or election is a part-time board or commission. A retired person whose service without reinstatement is authorized by this subdivision shall not acquire benefits, service credit, or retirement rights with respect to the appointment or election. The authorization provided by this section is limited to an appointment or election to a board or commission for which any salary or stipend for serving does not exceed sixty thousand dollars (\$60,000) annually.*
- 31725.7: Section (b) added: (b) *Notwithstanding subdivision (a), this section shall also apply to a member retired for service who subsequently files an application for disability retirement with the board. If the member retired for service is found to be eligible for disability retirement, appropriate adjustments shall be made in their retirement allowance retroactive to the effective date of their disability retirement, as provided in Section 31724.*
- 31760: Section (c) added: c) *Notwithstanding subdivision (a), a member retired for service who applies for, and is subsequently granted, a disability retirement may change the type of optional or unmodified allowance that was elected at the time the service retirement was granted, subject to the provisions of Section 31725.7.*

June 28, 2022

Retirement Board Agenda Item

TO: Retirement Board

FROM: Stan Conwell, Retirement Investment Officer

- I. SUBJECT: Investment Matrix
- II. ITEM NUMBER: 7.e
- III. ITEM TYPE: Information Only
- IV. STAFF RECOMMENDATION: N/A
- V. ANALYSIS:

a) *Investment Program Activities:*

The annual review of the liquidity sub-portfolio continued this month. The replenishing of this sub-portfolio usually occurs once a year in order to maintain a consistent level of liquid assets. Staff is working closely with NEPC to review the most recent capital market assumptions in order to determine the best way to fund the liquidity portion of the portfolio and maintain the strategic asset allocation. Staff also met with a private credit research specialist with Verus for an in-depth review of open-end fund structures in the private credit asset class. PGIM, StanCERA's real estate debt fund, held an advisory board meeting which staff attended. Other activities included update calls with AQR and Medley as well as virtual attendance of a couple manager's annual general meetings.

b) *Money Transfer Report:*

May

From			To		
Manager	Asset Class	Amount	Manager	Asset Class	Amount
BlackRock US Real Estate	Public Equity	\$-1,931,707.00	Grandview II	Real Estate	\$1,931,707.00
StanCERA Cash	Cash	\$-168,591.68	Genstar Capital Partners X	Private Equity	\$168,591.68
BlackRock High Yield Bond Index Fund	Fixed Income	\$-10,129,602.00	Monroe Capital Private Credit Fund IV	Private Credit	\$10,129,602.00

StanCERA Cash	Cash	\$-652,709.99	Genstar Capital Partners X	Private Equity	\$652,709.99
NT Russell 3000	Public Equity	\$-1,060,597.00	Vista Foundation Fund IV	Private Equity	\$1,060,597.00

c) *Conferences and Trainings:*

NEPC Client Conference & Onsite Visit

Staff attended the NEPC client conference in Boston Massachusetts May 17 -18. The conference was an excellent opportunity to get to know NEPC as a firm and to interact with many of the key individuals of the firm. The conference was for NEPC clients only, with very little investment managers attending, which increased networking opportunities with similarly situated clients and NEPC staff. One presentation of particular interest and relevance was a talk from NEPC's head of investment manager research on overcoming investment bias, which laid out some tools and techniques used by their team to identify and mitigate them. A few sessions also covered private markets including one that focused on the evolving strategies and investment vehicle structures offered to investors. The potential pros and cons of including such funds within an institutional portfolio were presented.

Investment staff also scheduled an onsite visit to NEPC headquarters following the conference. NEPC was onboarded in 2020 during the pandemic when onsite visits were less feasible. Combining an onsite visit with the conference was an efficient way to increase the depth of understanding of NEPC's people, processes, and operations. Staff met with the real assets team, the head of the public pension fund group, and finished things up with a tour of the office. The conference and the onsite visit to the headquarters provided a great educational and ongoing due diligence opportunity.

VI. RISK: None

VII. STRATEGIC PLAN: N/A

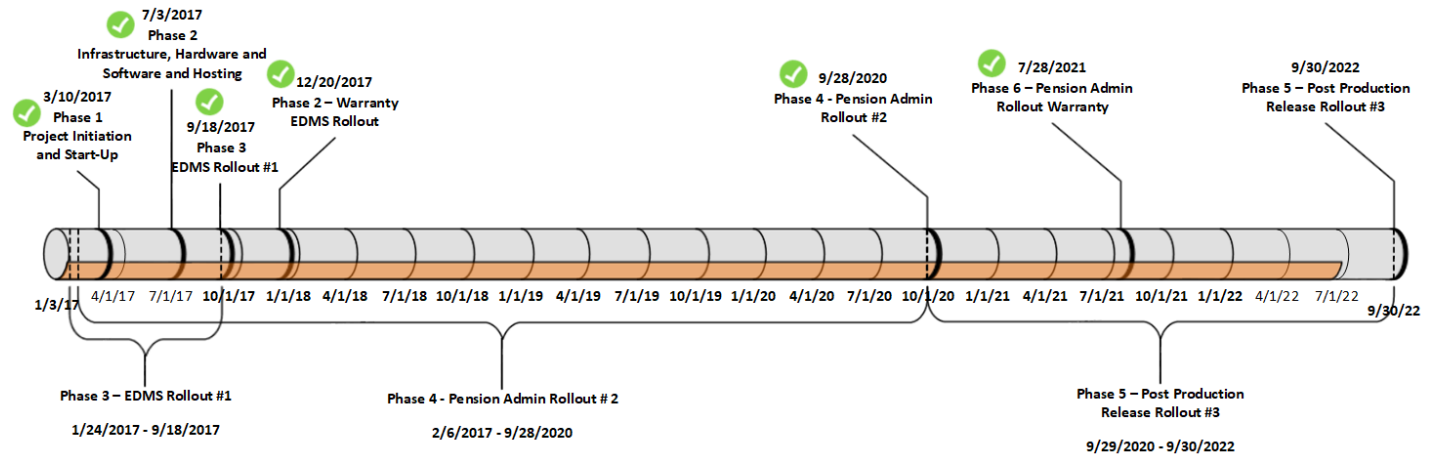
VIII. ADMINISTRATIVE BUDGET IMPACT: None



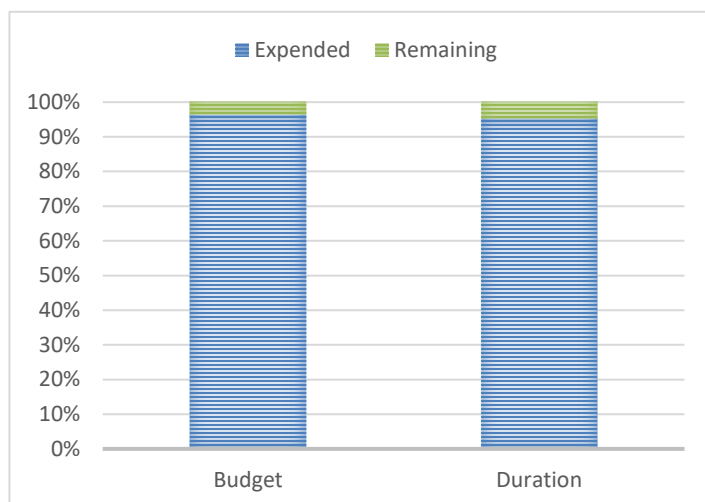
PAS IMPLEMENTATION LINEA BI-WEEKLY STATUS UPDATE



SPONSOR: Rick Santos **REPORT DATE:** 06-24-2022



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



Linea Budget as of 05/31/2022

There are currently not any significant project risks or issues. The project team is working to close out the formal project.

The project team continues monitoring the following:

- City of Ceres transmittal file changes.
- IRS W-4P implementation.

The City of Ceres is now implementing a new transmittal upload file.

StanCERA plans to implement the new IRS W-4P as of 07/01/2022.

Accomplishments: Upcoming:

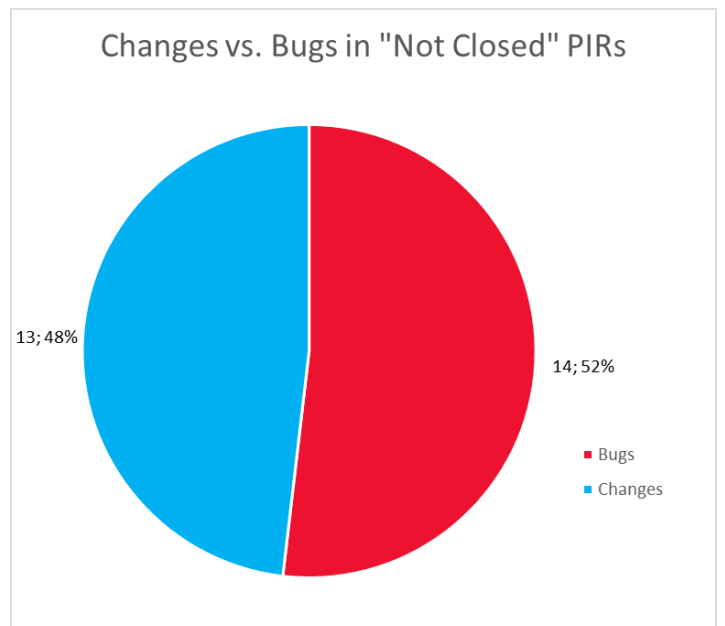
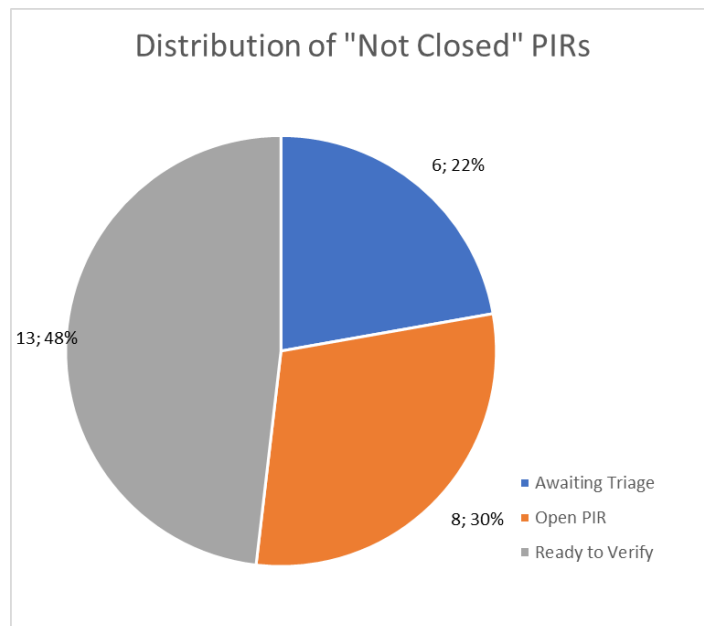
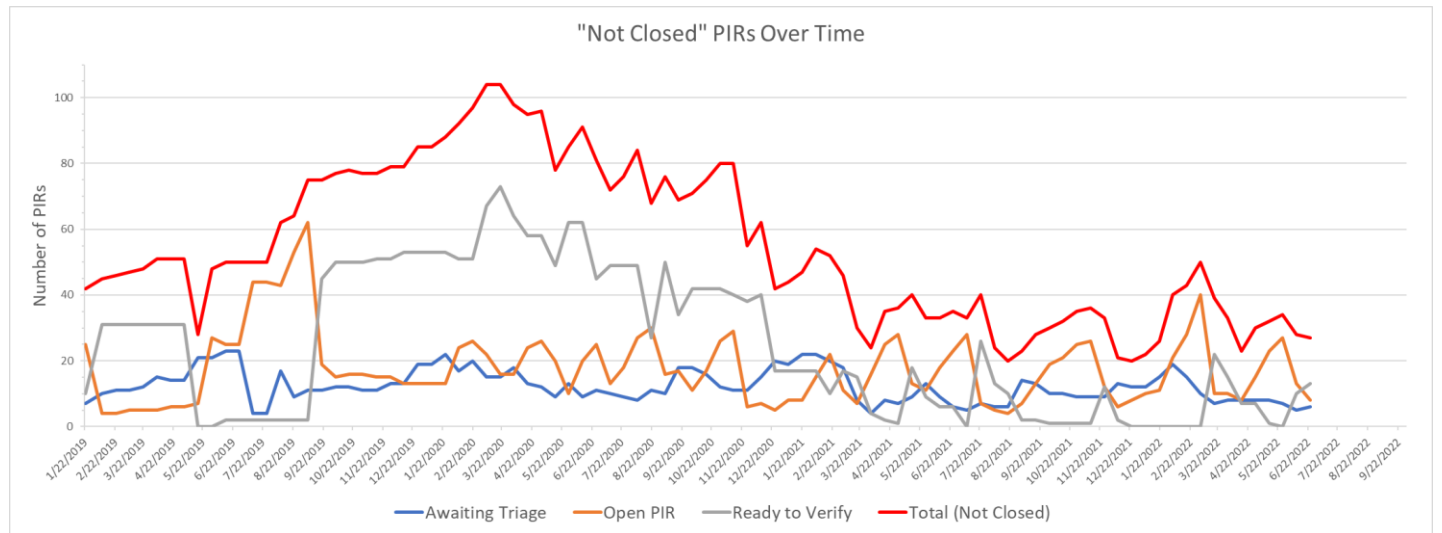
- StanCERA and Linea continue testing activities on the R29 release content in UAT, including the Disability Retirement Workflow, W-4P changes, and multiple resolved PIRs.
- The Project Planning Working Group continued progress toward closing remaining project requirements, now with fewer than 75 remaining.
- The project team continued work on functionality planned for release R30.

- R29 release to production planned for 07/11/2022.
- Further testing of new Member Web Portal features and planning for Portal rollout process and user registrations.
- The Project Planning Working Group will complete review and closure of all initial project requirements.
- Release R30 to UAT is planned for August.

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.
- 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





MONTHLY PERFORMANCE REPORT

STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

MAY 31, 2022

Dan Hennessy, CFA, CAIA, Senior Consultant



MARKET ENVIRONMENT

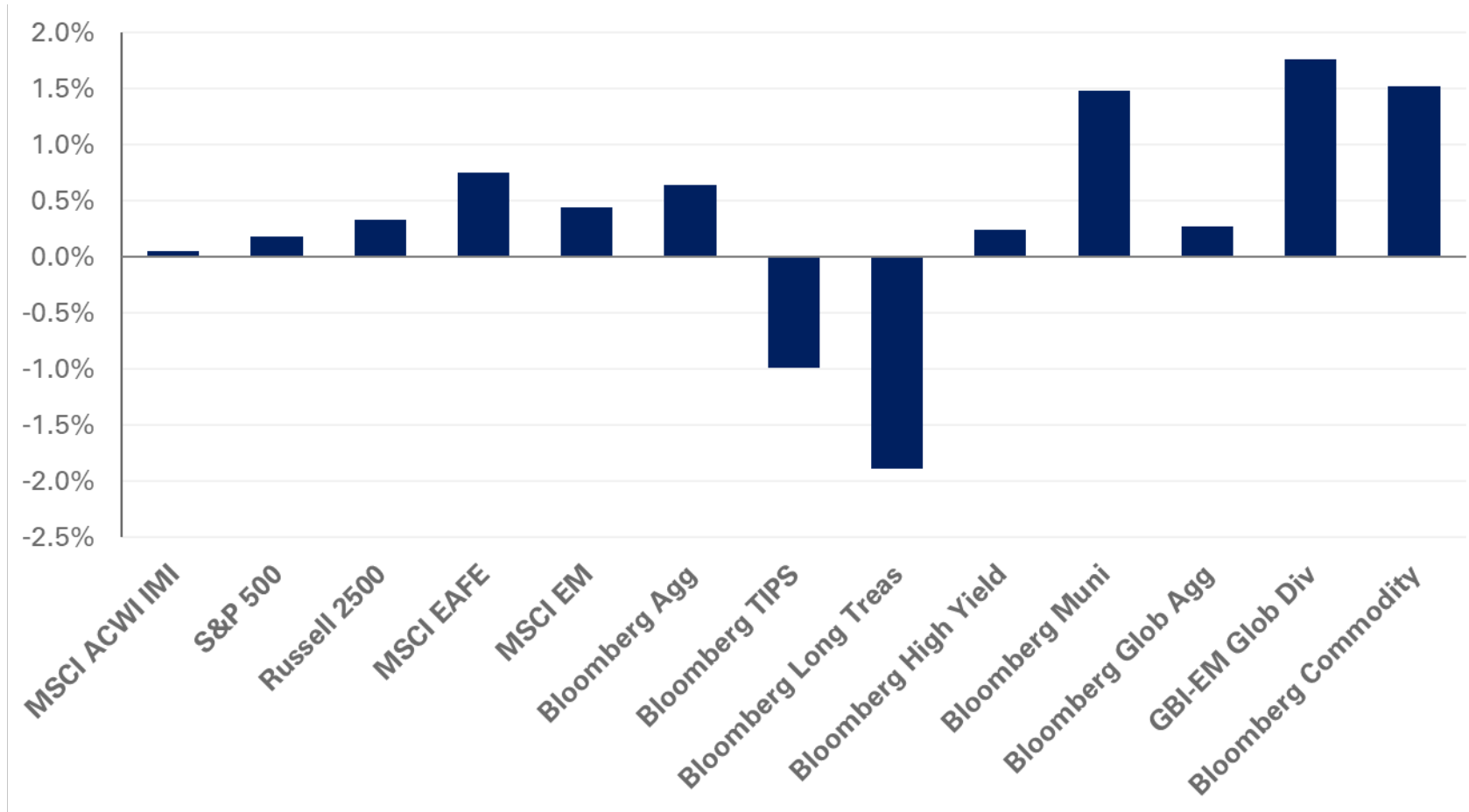
CALENDAR YEAR INDEX PERFORMANCE

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	May	YTD
S&P 500	16.0%	32.4%	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%	0.2%	-12.8%
Russell 1000	16.4%	33.1%	13.2%	0.9%	12.1%	21.7%	-4.8%	31.4%	21.0%	26.5%	-0.2%	-13.7%
Russell 2000	16.3%	38.8%	4.9%	-4.4%	21.3%	14.6%	-11.0%	25.5%	20.0%	14.8%	0.2%	-16.6%
Russell 2500	17.9%	36.8%	7.1%	-2.9%	17.6%	16.8%	-10.0%	27.8%	20.0%	18.2%	0.3%	-13.6%
MSCI EAFE	17.3%	22.8%	-4.9%	-0.8%	1.0%	25.0%	-13.8%	22.0%	7.8%	11.3%	0.7%	-11.3%
MSCI EM	18.2%	-2.6%	-2.2%	-14.9%	11.2%	37.3%	-14.6%	18.4%	18.3%	-2.5%	0.4%	-11.8%
MSCI ACWI	16.1%	22.8%	4.2%	-2.4%	7.9%	24.0%	-9.4%	26.6%	16.3%	18.5%	0.1%	-12.8%
Private Equity	9.5%	12.6%	22.3%	14.6%	10.4%	10.3%	21.0%	13.1%	17.2%	29.8%	-	-
BBG TIPS	7.0%	-8.6%	3.6%	-1.4%	4.7%	3.0%	-1.3%	8.4%	11.0%	6.0%	-1.0%	-5.9%
BBG Municipal	6.8%	-2.6%	9.1%	3.3%	0.2%	5.4%	1.3%	7.5%	5.2%	1.5%	1.5%	-7.5%
BBG Muni High Yield	18.1%	-5.5%	13.8%	1.8%	3.0%	9.7%	4.8%	10.7%	4.9%	7.8%	1.1%	-8.9%
BBG US Corporate HY	15.8%	7.4%	2.5%	-4.5%	17.1%	7.5%	-2.1%	14.3%	7.1%	5.3%	0.2%	-8.0%
BBG US Agg Bond	4.2%	-2.0%	6.0%	0.5%	2.6%	3.5%	0.0%	8.7%	7.5%	-1.5%	0.6%	-8.9%
BBG Global Agg	4.3%	-2.6%	0.6%	-3.2%	2.1%	7.4%	-1.2%	6.8%	9.2%	-4.7%	0.3%	-11.1%
BBG Long Treasuries	3.6%	-12.7%	25.1%	-1.2%	1.3%	8.5%	-1.8%	14.8%	17.7%	-4.6%	-1.9%	-20.1%
BBG US Long Credit	12.7%	-6.6%	16.4%	-4.6%	10.2%	12.2%	-6.8%	23.4%	13.3%	-1.2%	0.9%	-19.0%
BBG US STRIPS 20+ Yr	3.0%	-21.0%	46.4%	-3.7%	1.4%	13.7%	-4.1%	20.9%	24.0%	-5.2%	-3.9%	-27.6%
JPM GBI-EM Global Div	16.8%	-9.0%	-5.7%	-14.9%	9.9%	15.2%	-6.2%	13.5%	2.7%	-8.7%	1.8%	-10.5%
JPM EMBI Glob Div	17.4%	-5.3%	7.4%	1.2%	10.2%	10.3%	-4.3%	15.0%	5.3%	-1.8%	0.0%	-15.0%
CS Hedge Fund	7.7%	9.7%	4.1%	-0.7%	1.2%	7.1%	-3.2%	9.3%	6.4%	8.2%	-	2.5%
BBG Commodity	-1.1%	-9.5%	-17.0%	-24.7%	11.8%	1.7%	-11.2%	7.7%	-3.1%	27.1%	1.5%	32.7%
Alerian Midstream	-	-	16.4%	-37.3%	33.8%	-2.4%	-13.3%	24.0%	-23.4%	38.4%	6.4%	29.0%
FTSE NAREIT Equity REITs	18.1%	2.5%	30.1%	3.2%	8.5%	5.2%	-4.6%	26.0%	-8.0%	43.2%	-6.2%	-13.8%

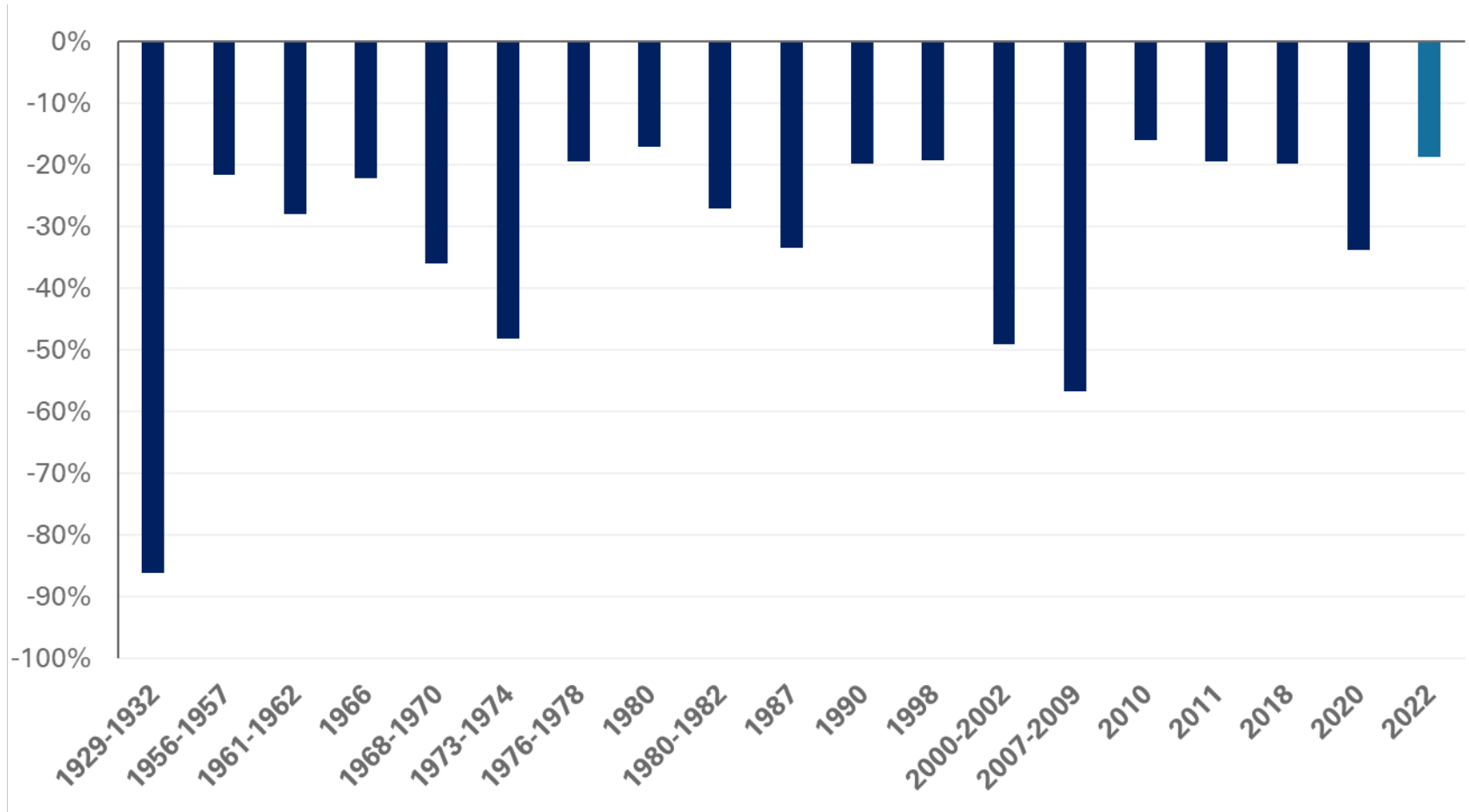
*Private Equity return represents calendar year pooled IRR and is subject to a one quarter lag
Source: FactSet, Barclays, Thomson One



NON-U.S. ASSETS OUTPERFORMED



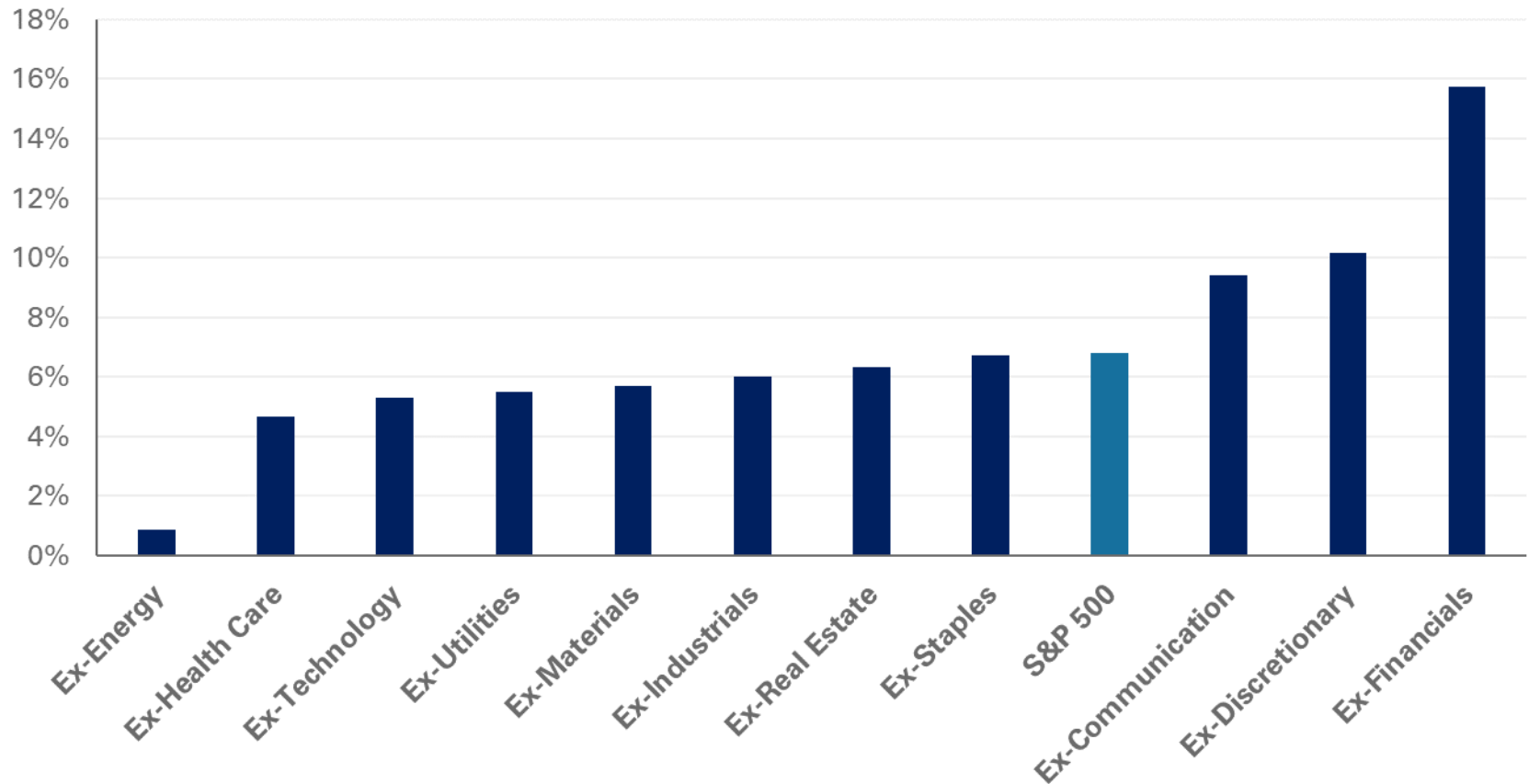
THE S&P IS NEAR BEAR MARKET TERRITORY



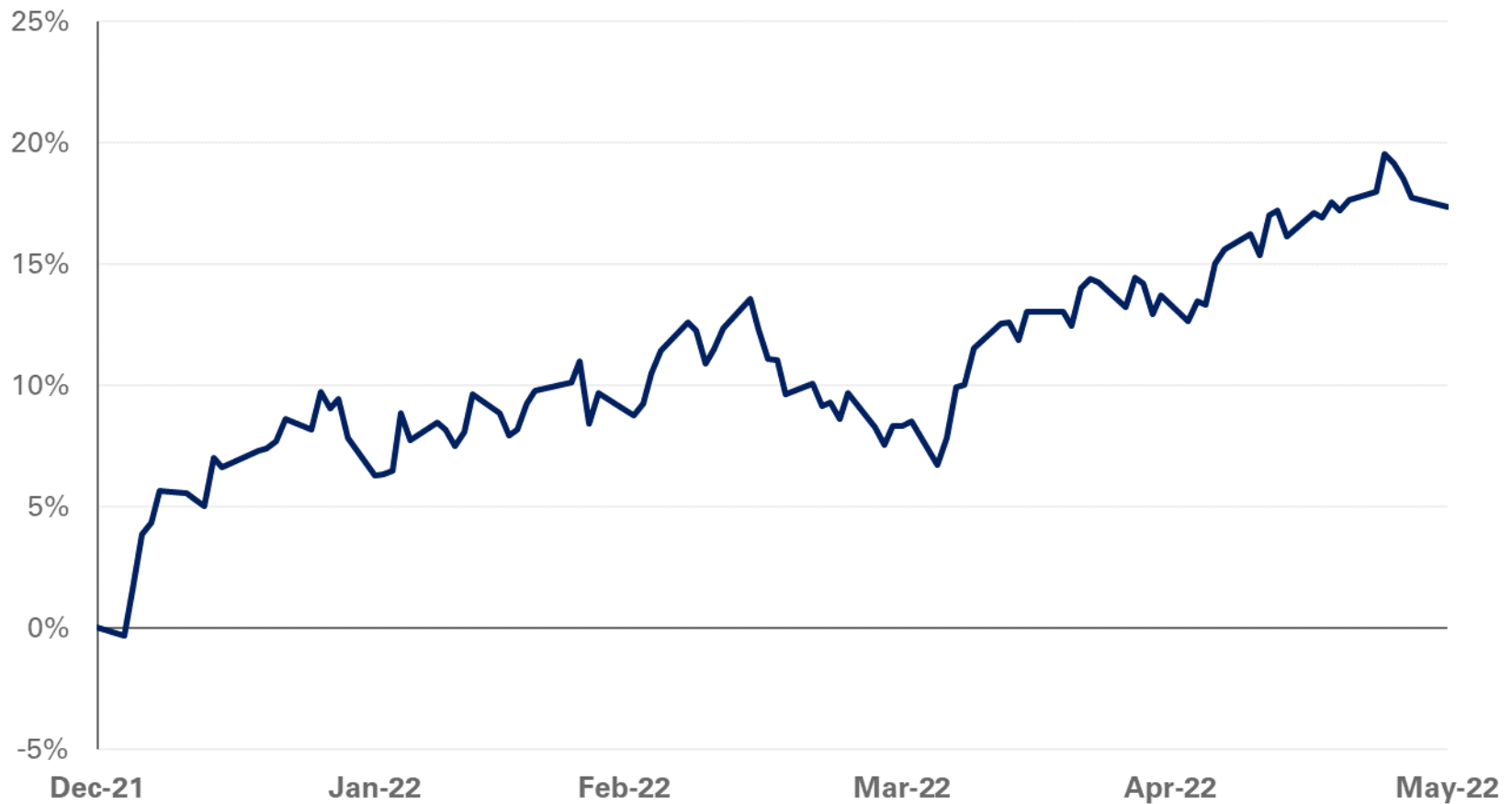
2022 represents 1/3/2022 – 5/19/2022
Source: S&P, FactSet



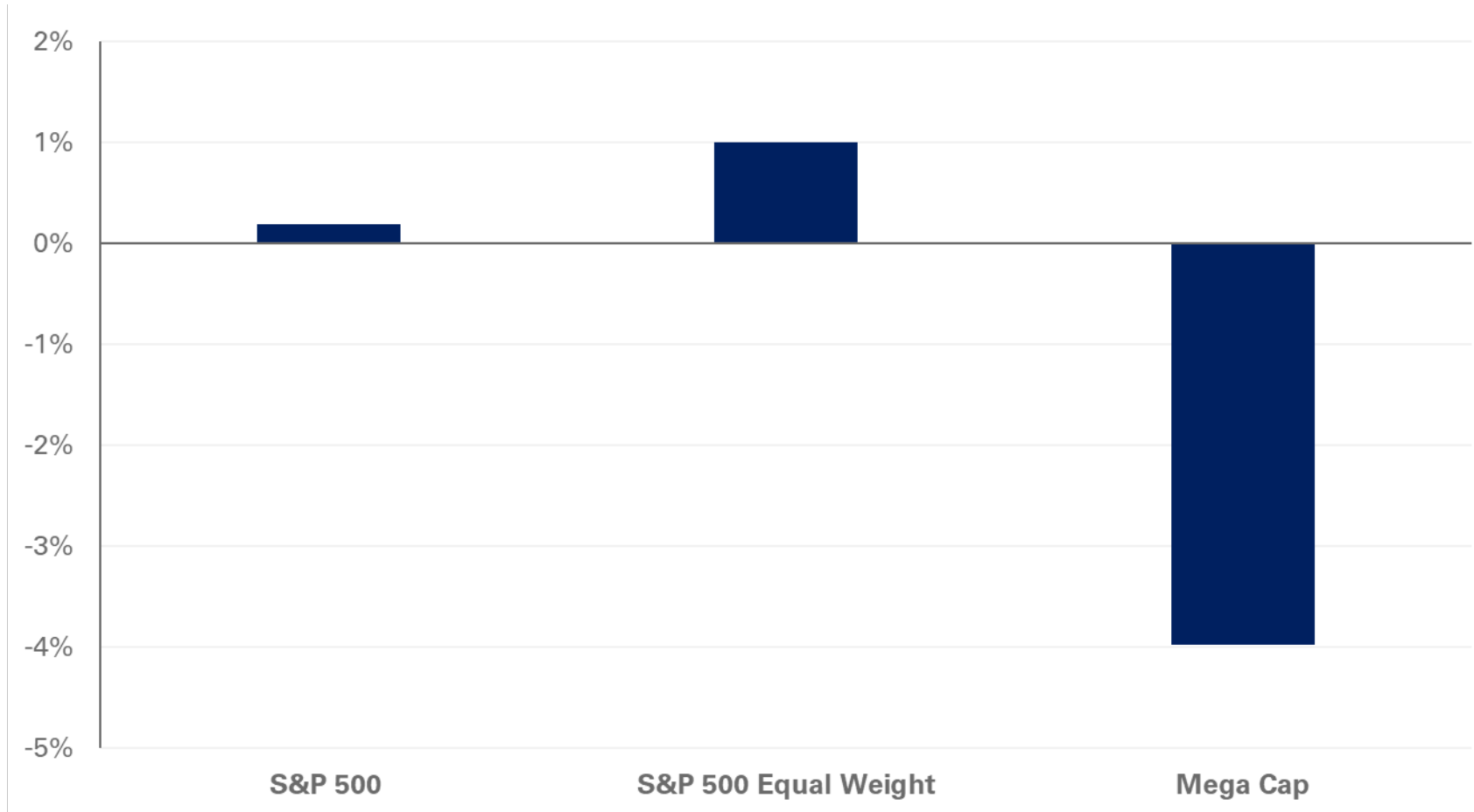
EARNINGS SUPPORTED BY ENERGY SECTOR



VALUE CONTINUED TO OUTPERFORM GROWTH

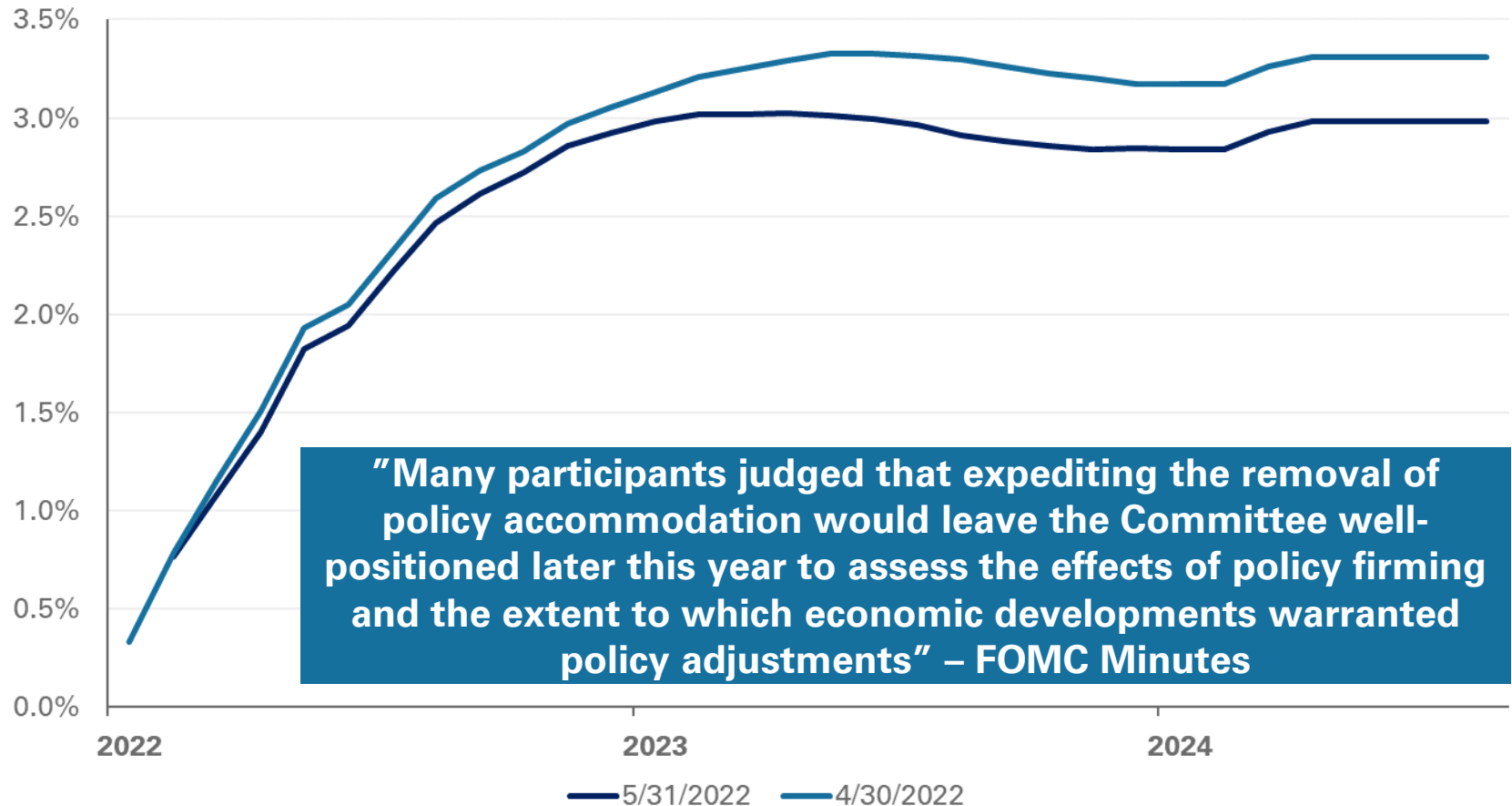


MEGA CAP COMPANIES UNDERPERFORMED

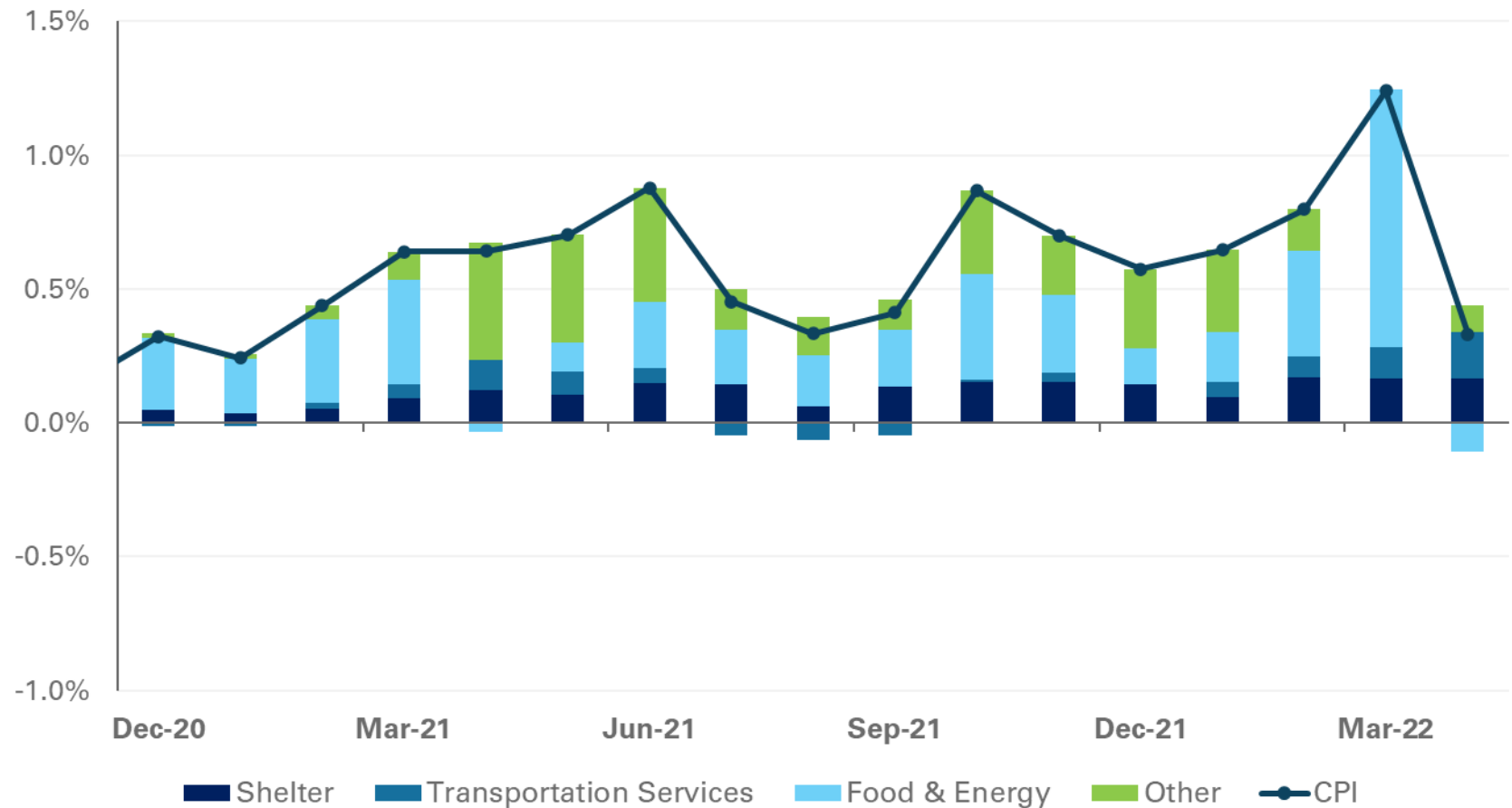


Mega Cap represents Microsoft, Apple, Amazon, Tesla, Alphabet, and Meta (formerly known as Facebook)
Source: S&P, FactSet

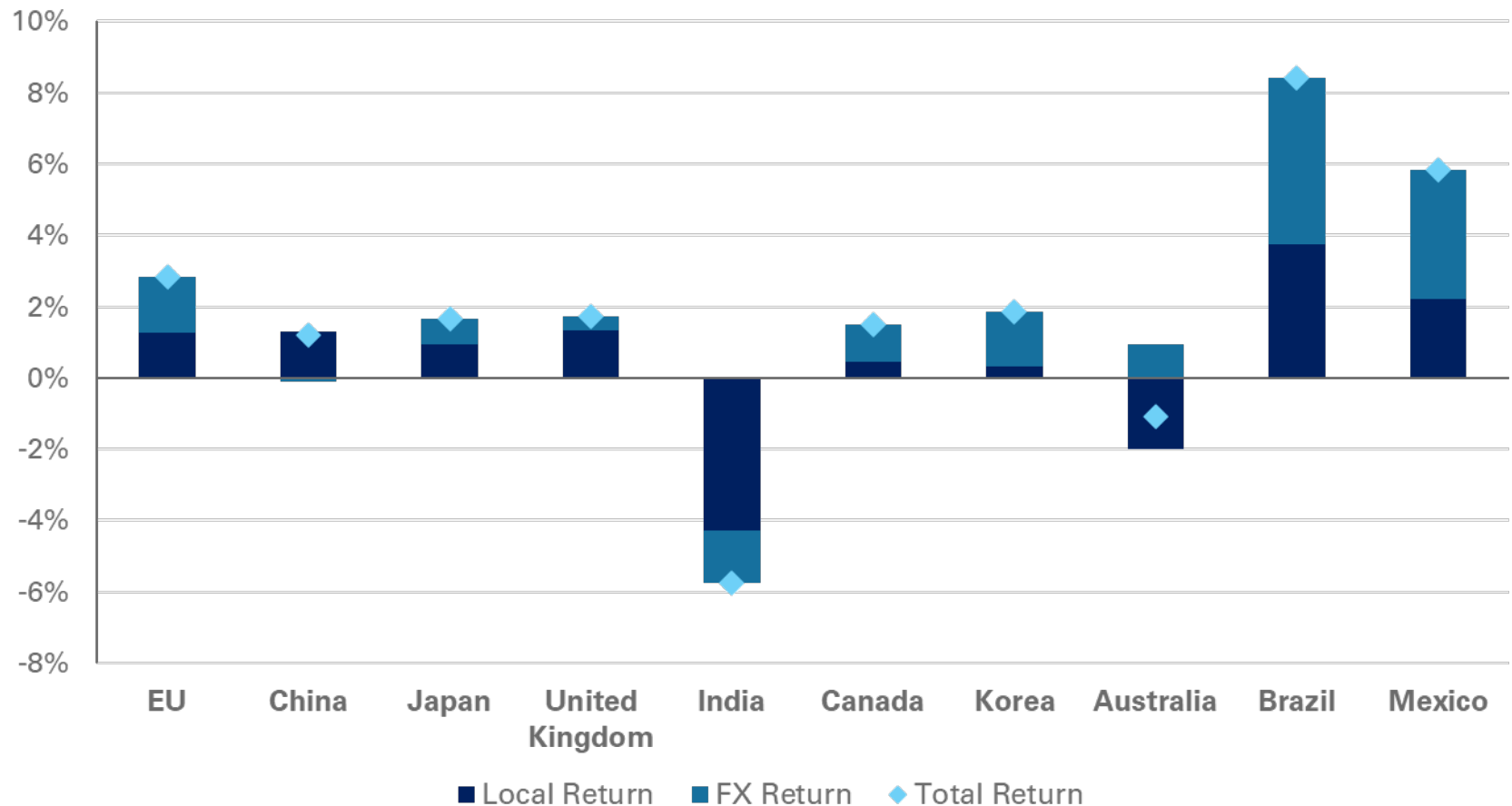
RATE HIKE EXPECTATIONS MODERATED



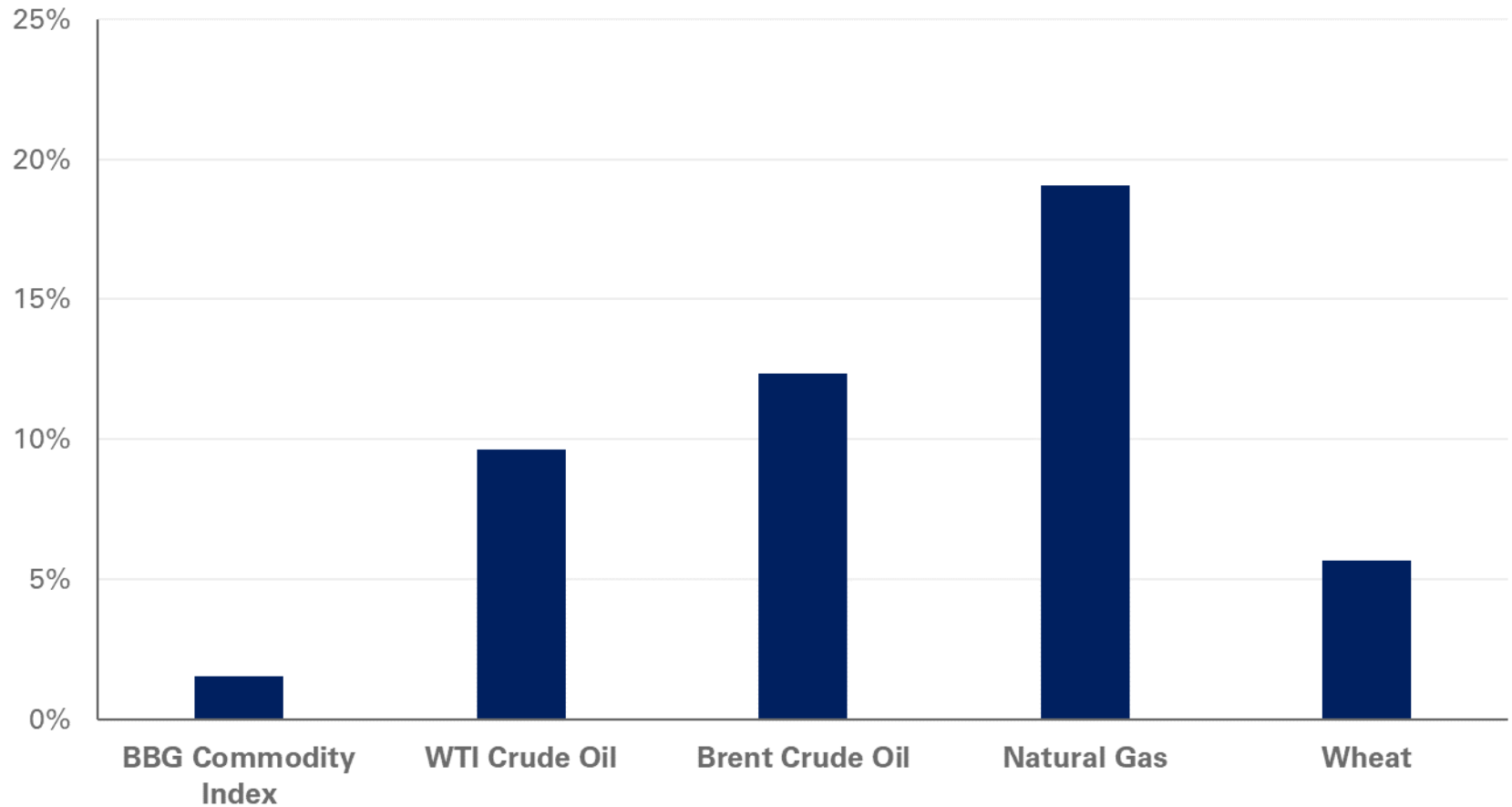
INFLATION REMAINED ELEVATED



WEAKER DOLLAR SUPPORTED NON-U.S. EQUITIES



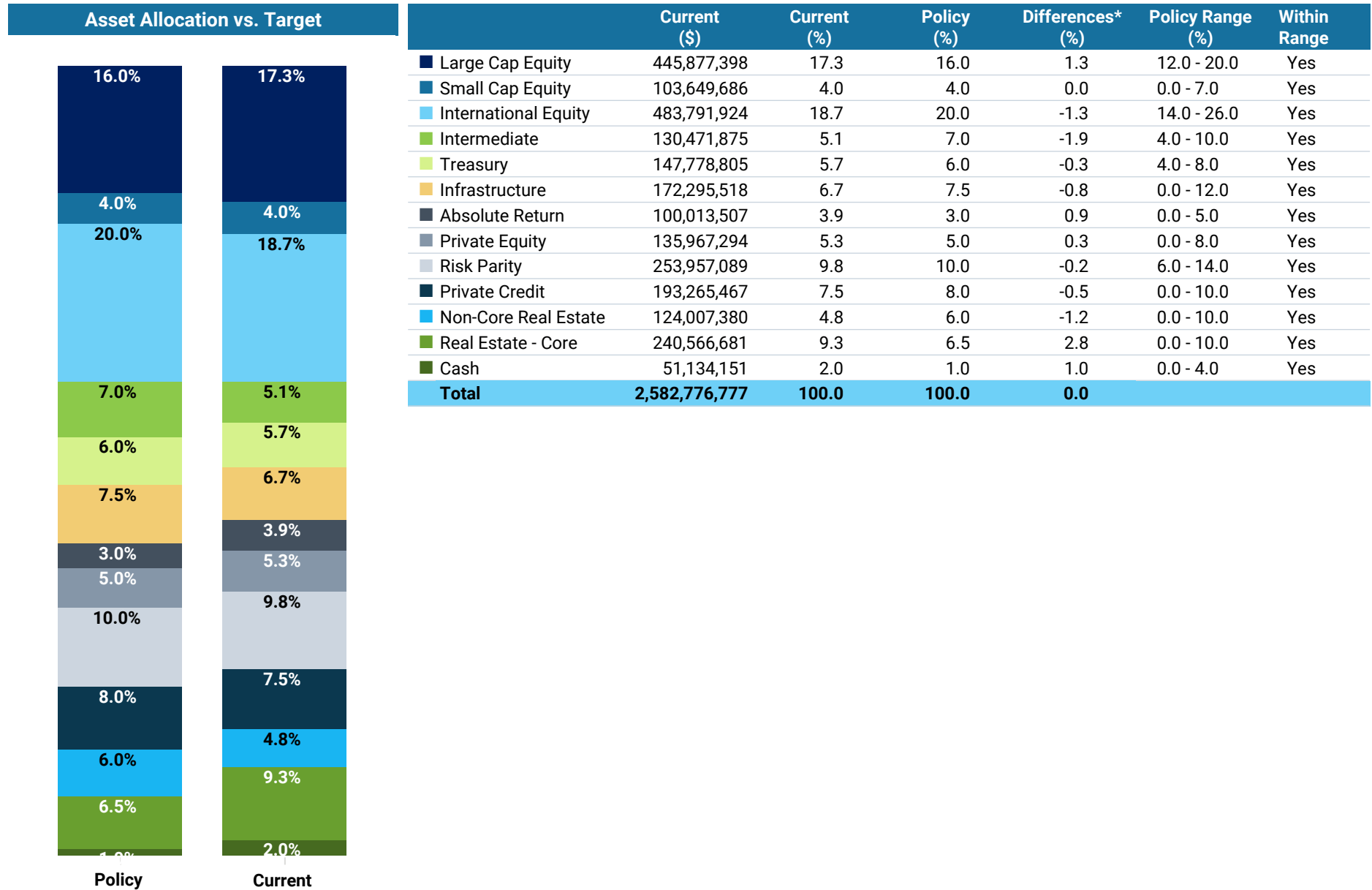
ENERGY AND WHEAT PRICES TRENDED HIGHER





TOTAL FUND PERFORMANCE

ASSET ALLOCATION VS. POLICY



*Difference between Policy and Current Allocation

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)									
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	2,582,776,777	100.0	0.3	-6.5	-2.6	-1.6	8.7	7.2	6.6	8.5	8.8	Jan-95
Policy Index			0.2	-6.8	-2.8	-1.8	8.7	7.2	6.8	8.3	8.0	
Allocation Index			0.1	-8.1	-4.0	-3.2						
Liquidity Sub-Portfolio	181,606,026	7.0	0.5	-2.7	-3.2	-2.8	2.4	2.3	2.0			Apr-11
StanCERA Liquidity Blended BM			0.8	-6.3	-6.7	-6.4	1.5	1.6	1.4			
Cash	51,134,151	2.0	0.1	0.3	0.9	2.4	2.0	1.6	1.5			Apr-11
FTSE 1 Month T-Bill			0.0	0.1	0.1	0.1	0.6	1.0	0.8			
Cashflow-Matched Bonds	130,471,875	5.1	0.6	-3.7	-4.3	-4.5	2.0				2.3	Jul-17
Blmbg. Intermed. U.S. Government/Credit			0.7	-5.7	-6.2	-6.2	0.6				1.4	
Insight	130,471,875	5.1	0.6	-3.7	-4.3	-4.5	2.0				2.3	Jul-17
Blmbg. Intermed. U.S. Government/Credit			0.7	-5.7	-6.2	-6.2	0.6				1.4	
Growth Sub-Portfolio	1,907,632,375	73.9	0.6	-6.8	-2.0	-0.8	11.1	8.9	8.0	11.0	8.2	Jan-04
StanCERA Growth Blended BM			0.3	-9.1	-5.3	-3.8	9.6	8.3	7.8			
US Equities	549,527,085	21.3	1.0	-12.2	-4.5	-2.5	16.0	12.2	10.7	13.7	9.8	Jan-04
Russell 3000 Index			-0.1	-13.9	-6.0	-3.7	15.6	12.7	11.5	14.0	9.5	
US Large Equity	445,877,398	17.3	0.6	-12.9	-4.7	-2.0	16.8	13.6	11.9	14.6	12.6	Jan-95
Russell 1000 Index			-0.2	-13.7	-5.1	-2.7	16.0	13.1	11.9	14.2	10.5	
BlackRock Russell 1000 Growth	205,210,688	7.9	-2.3	-21.9	-11.8	-6.3	18.3	16.1	14.5	16.1	16.0	Aug-10
Russell 1000 Growth Index			-2.3	-21.9	-11.8	-6.3	18.3	16.1	14.5	16.1	15.9	
BlackRock Russell 1000 Value	112,843,214	4.4	1.9	-4.6	2.0	0.9	12.8	9.6	8.9	12.1	12.1	Aug-09
Russell 1000 Value Index			1.9	-4.5	2.1	0.9	12.8	9.5	8.8	12.1	12.0	
Dodge & Cox-Equity	127,823,496	4.9	4.5	-2.5	2.0	1.8	16.3	11.8	11.0	14.4	12.1	Jan-95
Russell 1000 Value Index			1.9	-4.5	2.1	0.9	12.8	9.5	8.8	12.1	10.0	
US Small Equity	103,649,686	4.0	2.7	-8.9	-3.6	-4.8	12.7	7.6	6.9	10.7	12.1	Jan-09
Russell 2000 Index			0.2	-16.6	-18.5	-16.9	9.7	7.7	7.3	10.8	11.8	
Attucks Small Cap	103,649,686	4.0	2.7	-8.9	-3.6	-4.8	12.7	8.1	8.0	11.3	12.3	Jan-09
Russell 2000 Value Index			1.9	-8.2	-7.1	-7.7	12.2	7.8	8.0	10.7	11.0	
International Equity	483,791,924	18.7	1.6	-8.6	-8.9	-10.5	8.1	4.8	4.4	7.2	6.2	Oct-04
MSCI AC World ex USA (Net)			0.7	-10.7	-11.8	-12.4	6.5	4.4	3.8	6.4	5.7	
LSV Int'l Large Cap Value	255,061,690	9.9	1.8	-3.8	-3.9	-5.9	8.3	4.4	4.1	7.1	6.0	Oct-04
MSCI AC World ex USA Value (Net)			2.2	-3.0	-4.1	-5.7	5.6	3.3	2.7	5.5	5.0	
Fidelity Int'l Growth	228,730,234	8.9	1.3	-13.4	-14.0	-15.1	7.6	5.1	4.4	7.1	4.1	May-06
MSCI AC World ex USA Growth (Net)			-0.9	-18.1	-19.2	-18.9	6.8	5.2	4.7	7.1	4.0	

- Cash Composite includes the Transaction Account Value.

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)									
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Core Real Estate	240,566,681	9.3	-1.5	-1.3	12.0	14.3	8.2	7.2	5.9	8.0	3.4	Apr-08
NCREIF Property Index			0.0	5.3	17.6	21.9	9.6	8.5	8.8	9.6	6.8	
Prime Property Fund	105,798,233	4.1	0.0	7.4	24.6	28.0	11.5	10.1			9.7	Oct-15
NCREIF ODCE			0.0	7.4	23.6	28.5	11.3	9.9			9.5	
BlackRock Real Estate Securities	48,073,356	1.9	-6.9	-14.5	1.4	3.7	5.7	6.4	6.2		7.7	Oct-12
Dow Jones U.S. Select RESI			-6.9	-14.5	1.5	3.8	5.8	6.5	6.3		7.8	
PGIM Real Estate US Debt Fund	86,695,092	3.4	0.0	0.7	3.2	4.6	5.0				4.8	Sep-18
Blmbg. U.S. Investment Grade: CMBS Index			0.2	-7.6	-8.2	-8.0	0.4				2.1	
Value-Add Real Estate	124,007,380	4.8	0.0	4.7	12.6	19.4	13.6	12.6	13.1		11.6	Aug-14
NCREIF Property Index +2%			0.2	6.2	19.8	24.3	11.8	10.7	11.0		11.3	
American Strategic Value Realty	87,976,964	3.4	0.0	6.5	18.8	24.0	11.4	10.6	11.5		11.5	Jan-15
NCREIF Property Index			0.0	5.3	17.6	21.9	9.6	8.5	8.8		8.8	
Greenfield Acquisition Partners VII	968,615	0.0	0.0	0.0	1.1	-2.0	7.9	9.9	11.2		9.8	Aug-14
NCREIF-ODCE +1%			0.1	7.8	24.7	29.8	12.4	11.0	11.3		11.5	
Grandview Property Partners I	35,061,802	1.4	0.0	0.0	-0.2	13.0	21.0				20.4	Apr-18
NCREIF-ODCE +1%			0.1	7.8	24.7	29.8	12.4				11.0	
Infrastructure	180,506,544	7.0	1.0	2.4	3.0	7.1	4.6	10.2	6.1		6.1	Jun-15
CPI + 5% (Unadjusted)			1.5	7.0	12.5	14.0	9.7	8.8	8.1		8.1	
MS Infrastructure Partners II	27,000,619	1.0	0.0	2.4	9.9	14.9	7.1	11.8	7.2		7.2	Jun-15
CPI + 5% (Unadjusted)			1.5	7.0	12.5	14.0	9.7	8.8	8.1		8.1	
Northern Trust Infrastructure Fund	145,294,899	5.6	1.2	-3.7	-1.5						-1.5	Jul-21
67% STOXX Global Broad Infra / 33% Bloomberg US TIPS			1.0	-3.8	-1.2						-1.2	
Melody Infrastructure II	8,211,025	0.3	0.0	0.0							0.0	Jan-22
CPI + 5% (Unadjusted)			1.5	7.0							7.0	

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)									
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Equity	135,967,294	5.3	-0.1	-9.7	-3.6	-0.7	16.7				15.9	Dec-18
Russell 3000 + 3%			0.1	-12.8	-3.4	-0.8	19.1				16.8	
Private Equity	47,944,793	1.9	0.0	0.0	0.0	6.5					17.6	Apr-20
Russell 3000 + 3%			0.1	-12.8	-3.4	-0.8					29.9	
Private Equity Proxy	88,022,501	3.4	-0.1	-13.9	-6.0	-3.7	15.6	13.8	12.5	14.6	9.9	Dec-03
Russell 3000 Index			-0.1	-13.9	-6.0	-3.7	15.6	12.7	11.5	14.0	9.8	
Private Credit	193,265,467	7.5	0.0	-4.7	-3.3	-0.4	-3.4	-0.5	0.3		1.7	Jun-13
S&P/LSTA Leveraged Loan Index +2%			-2.4	-1.6	1.2	1.7	5.0	5.4	5.6		5.6	
Private Credit	88,688,928	3.4	0.0	0.0	1.2	4.7	-1.8	0.5	1.0		2.3	Jun-13
S&P/LSTA Leveraged Loan Index +2%			-2.4	-1.6	1.2	1.7	5.0	5.4	5.6		5.6	
Private Credit Proxy	104,576,540	4.0	0.1	-8.0	-6.5						-6.5	Jul-21
ICE BofA US High Yield Master II Constrained			0.2	-7.8	-6.3						-6.3	
Risk-Diversifying Sub-Portfolio	493,538,376	19.1	-0.7	-7.0	-4.9	-3.9	1.6	2.0	2.4	2.8	4.3	Dec-03
StanCERA Risk-Diversifying Blended BM			0.6	-4.5	-4.7	-4.6	0.4	1.2	1.2	1.2		
Risk Parity	253,957,089	9.8	-1.1	-9.6	-6.9	-5.6	5.9				4.9	Dec-17
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			0.2	-12.1	-9.7	-9.3	6.6				4.7	
HFR Risk Parity Vol 10 Institutional Index			-0.8	-10.3	-7.6	-6.2	3.7				3.5	
AQR Global Risk Premium - EL	128,296,454	5.0	-0.6	-8.7	-5.6	-4.5	5.7				5.3	Apr-18
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			0.2	-12.1	-9.7	-9.3	6.6				4.8	
PanAgora Risk Parity Multi Asset	125,660,635	4.9	-1.6	-10.4	-8.1	-6.7	6.2				5.1	Dec-17
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			0.2	-12.1	-9.7	-9.3	6.6				4.7	
US Treasury Bonds	147,778,805	5.7	-0.1	-9.4	-8.8	-7.6	-0.4	1.2	1.8	2.4	4.1	Dec-03
Blmbg. U.S. Treasury: 7-10 Year			0.7	-9.9	-9.6	-8.8	-0.4	0.9	1.2	1.3	3.9	
Northern Trust Intermediate Gov't Bond	101,836,386	3.9	0.7	-5.1	-5.7	-5.6	0.2				1.0	Aug-17
Blmbg. U.S. Government: Intermediate			0.7	-5.1	-5.6	-5.7	0.2				1.0	
Northern Trust Long Term Gov't Bond	45,942,419	1.8	-1.9	-17.7	-14.8	-11.3	-1.2				1.5	Aug-17
Blmbg. U.S. Government: Long Term Bond Index			-1.9	-20.0	-17.2	-14.3	-2.0				1.0	
Liquid Absolute Return	91,802,482	3.6	-0.3	6.2							7.9	Oct-21
30 Day T-Bill + 4%			0.4	1.7							2.7	
Graham Global Investment Fund I SPC LTD	66,086,896	2.6	-0.2	23.8							20.2	Nov-21
HFRI Macro (Total) Index			-0.3	9.3							7.7	
Invesco Global Targets Returns	25,715,586	1.0	-0.8	-6.1							-3.5	Dec-21
30 Day T-Bill + 4%			0.4	1.7							2.0	

- 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%Bloomberg 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% Bloomberg US Govt/Credit 1-3 Yr. TR, 1% FTSE T-Bill 1 Month TR, 3% Bloomberg US Treasury 7-10 Yr TR, 7.7% NCREIF Property Index, 1.7% NCREIF Property Index +2%, 0.6% CPI + 5%, 5% Bloomberg US High Yield + 2%, 14% 60% MSCI ACWI Net/40% Bloomberg 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% Bloomberg US Govt/Credit 1-3 Yr. TR, 1% FTSE T-Bill 1 Month TR, 3%Bloomberg 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% Bloomberg Global Aggregate
- **6/1/2019 - 6/30/2020:** 14% Russell 1000, 3% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 19% Bloomberg US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 3% Bloomberg 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% Bloomberg Global Aggregate
- **7/1/2020 - 12/31/2020:** 14% Russell 1000, 3% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 8% Bloomberg US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 3% Bloomberg 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% Bloomberg Global Aggregate, 11%Bloomberg US Intermediate.
- **1/1/2021 - 06/30/2021:** 16% Russell 1000, 3.5% Russell 2000, 6% Russell 3000 + 3%, 23% MSCI ACWI ex-USA, 8% Bloomberg US Gov't/Credit 1-3 Yr, 1% Citi 1 Month T-Bills, 5% Bloomberg 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% Bloomberg Global Aggregate, 7%Bloomberg US Intermediate.
- **07/01/2021 - Present:** 16% Russell 1000, 4% Russell 2000, 5% Russell 3000 + 3%, 20% MSCI ACWI ex USA Gross, 6.5% NCREIF Property Index, 6% NCREIF Property Index + 2%, 7.5% CPI + 5% (Unadjusted), 8% S&P/LSTA Leveraged Loan Index +2%, 6% Bloomberg US Treasury 7-10 Yr TR, 10% 60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg, 3% 30 Day T-Bill+ 4%, 1% FTSE T-Bill 1 Month TR, 7% Bloomberg US Govt/Credit Int TR.

- 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 cash flows.

- Fiscal Year End Date June 30.

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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.

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Source of private fund performance benchmark data: Cambridge Associates, via Refinitiv



June 28, 2022

Retirement Board Agenda Item

TO: Retirement Board

FROM: Fred Silva, General Counsel
Rick Santos, Executive Director

I. SUBJECT: Discussion regarding procedure for eventual return to in-person meetings according to pre-pandemic Brown Act requirements and/or in anticipation of current pending legislation

II. ITEM NUMBER: 10.a

III. ITEM TYPE: Discussion and Action

IV. STAFF RECOMMENDATION:

1. Approve the attached Resolution of the Board of the Stanislaus County Employees Retirement Association that any vote by the Board that results in not authorizing remote teleconference meetings be effective no sooner than the next regularly scheduled meeting. This will allow Trustees and staff to take appropriate measures before the Board resumes regular in-person meetings with teleconferencing permitted only if the requirements of Government Code section 54953(b)(3) are met.

IV. ANALYSIS:

Currently there is a possibility that at any given meeting, some Trustees and staff could be on the phone or on Microsoft Teams planning to attend a Board meeting remotely and the majority of the trustees might vote against approving the resolution authorizing remote teleconference meetings. If that were to occur, then Trustees and staff that had been planning to attend remotely would likely not have time to attend the meeting in person. As such, this agenda item seeks to address this situation and plan for the orderly return to in-person meetings.

Regardless of whatever Board action is taken today, options do exist to allow trustees and staff to attend Board meetings in a non-remote environment and one that adheres to social distancing recommendations and protocol (note that either option would still allow a trustee to attend remotely if he/she followed the pre-AB 361 Brown Act protocol):

The Board should also be aware of pending legislation regarding remote attendance at meetings, as outlined below:

AB 1944: Act to amend Government Code Section 54953, relating to public meetings
Referred to committee – June 8, 2022

AB 1944

- The agenda would have to identify any Board member who will attend the meeting remotely.
- Upon a determination by a majority vote of the Board, a member could be exempted from disclosing the member's teleconference location in the notice and agenda or opening the location to the public
- At least a quorum (5) of Board members would have to participate from locations within Stanislaus County.
- If the Board allows teleconferencing, it would be required to provide a video stream accessible to members of the public and an option for members of the public to address the body remotely through an audio-visual or call-in option.

AB 2449: Act to amend Government Code Section 54953, relating to local government (open meetings)

Second reading in committee, amended and re-referred to committee – June 15, 2022

AB 2449

- Trustees could attend meetings remotely without disclosing their location if at least a quorum (5) of the members of the Board participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within Stanislaus County.
- The agenda would have to describe the reason any Board member is attending remotely.
- This bill would allow a Board member to participate remotely only under certain circumstances and for a period of three consecutive months.
- The Board would be required to provide a two-way audio-visual platform or a two-way telephonic service and a live webcasting of the meeting.

VI. **RISK:** NONE

VII. **STRATEGIC PLAN:** N/A

VIII. **ADMINISTRATIVE BUDGET IMPACT:** NONE

RESOLUTION NO. 2022-____

A RESOLUTION OF THE BOARD OF THE STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION THAT ANY VOTE BY THE BOARD TO DISCONTINUE AUTHORIZING REMOTE TELECONFERENCE MEETINGS BE EFFECTIVE NO SOONER THAN THE NEXT REGULARLY SCHEDULED BOARD MEETING

WHEREAS, the Board of Retirement ("Board") for the Stanislaus County Employees' Retirement Association ("StanCERA") is committed to preserving and promoting public access and encouraging participation in meetings of the Board and its legislative bodies; and

WHEREAS, all meetings of the Board and its legislative bodies are open and public, as required by the Ralph M. Brown Act (Gov. Code §§ 54950-54963), so that any member of the public may attend meetings and observe and participate in the conducting of business by the Board and its legislative bodies; and

WHEREAS, Assembly Bill 361, chaptered in September 2021, allows the Board to conduct meetings via teleconference without complying with the requirements of Government Code section 54953(b)(3), as long as a majority of the Board votes at the beginning of each meeting to certify that:

- A state of emergency proclaimed by the Governor pursuant to Government Code section 8625 is in effect; and
- State or local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, at every Board meeting since approximately October 2021, the Board has certified by majority vote that the AB-361 requirements are met and teleconferencing will be permitted, and that decision has taken effect immediately; and

WHEREAS, if, at any Board meeting, the Board should decide against allowing Board members to attend via teleconference and that decision takes effect immediately, those members attending remotely would be barred from participating in the remainder of the meeting and quorum could be lost, depriving the Board of the ability to conduct important and time-sensitive StanCERA business;

NOW, THEREFORE, BE IT RESOLVED that:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Delayed Effective Date of Resolution. For the reasons stated herein, if, at any Board meeting, the Board should decide against allowing Board members to attend via teleconference, that decision will be effective no sooner than the next regularly scheduled meeting.

The foregoing Resolution was adopted by the Board of Retirement upon motion of Board member _____, seconded by Board member _____, at a regular meeting of this Board held on March 22, 2022, by the following vote:

Ayes:

Nays:

Absent:

Abstain:

STANISLAUS COUNTY EMPLOYEE RETIREMENT ASSOCIATION

Donna Riley, Chair of the Board of Retirement

Kellie Gomes, Clerk of the Board of Retirement

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Fred A. Silva, General Counsel

Rick Santos, Executive Director