

AGENDA

BOARD OF RETIREMENT

Boardroom

832 12th Street Suite 600 Modesto, CA 95353

May 23, 2023

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.

The StanCERA boardroom, is currently open to public access. Members of the public who wish to attend Board meetings may also do so by teleconference, by calling (669) 900 6833. The Meeting ID: 870 3015 3439

If you wish to make a 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.

CONSENT/ACTION ITEMS: Consent matters include routine administrative actions and are identified under the Consent Items heading. All other items are 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.

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.

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 April 25, 2023 Meeting Minutes
- b. Applications for Service Retirement(s) – **Government Code Sections 31499.14, 31670, 31662.2 & 31810** See attachment for details. [View](#)
- c. Application for Service-Connected Disability– **Government Code 31724**
 - 1. Beauchene, Daniel – Stanislaus County, Effective Date 5/24/2023
- d. Application of Death Benefit – Government Code Section 31781, 31781.1, 31781.3 1.
 - 1. Alfonso Alarcon – Library – Non-Service Connected – Effective 04.21.2023 – Active Member
 - 2. Ryan Berndt – Sheriff's Department – Non-Service Connected – Effective 4-27-2023 – Active Member
- e. Investment Matrix [View](#)
- f. Conference Summary [View](#)

8. VERUS – Investment Consultant

- a. Q4 2022 Performance Report [View](#)
- b. Private Credit and Private Equity Strategic Investment Plan: 2023-2025 [View](#)

9. NEPC – Investment Consultant

- a. March Flash Report [View](#)
- b. 2023 Pacing Plan – Real Estate and Infrastructure **Corrected title**
QTR1 PERFORMANCE REPORT [View](#)

10. Investment

None

11. Administrative

- a. Fiscal Year 2023-2024 Proposed Administrative Budget
Agenda Item [View](#) Attachment 1 [View](#)

12. Committee Reports

- a. Strategic Planning Objectives Committee, SPOC
Agenda Item [View](#) Attachment 1 [View](#) Attachment 2 [View](#)

13. Closed Session

- a. Conference with Real Property Negotiations – Lease Space:
Stanislaus County Employees' Retirement Association
832 12th Street STE 601 Modesto CA 95354
Government Code Section 54956.8

13. Closed Session (Cont.)

- b. Public Employee Contract Negotiation – Retirement Pension System Project Manager - Tegrity:
Stanislaus County Employees' Retirement Association
832 12th Street STE 600 Modesto CA 95354
Government Code Section 54957(4)
- c. Public Employee Discussion – Lisa Frazer
Stanislaus County Employees' Retirement Association
832 12th Street STE 600 Modesto CA 95354
Government Code Section 54957(4)

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

15. Adjournment

STANCERA APPLICATIONS FOR SERVICE RETIREMENT(S)
GOVERNMENT CODE SECTIONS 31499.14, 31670,
31662.2, 318/10 & 31700
5/23/23 Item 7.b

1. Covarrubias-Anderson, Delores - Stanislaus County - Effective 4/24/2023
2. Gibson, Paul - Stanislaus County - Effective 05/06/2023
3. Hawkes, David - Stanislaus County - Effective 05/18/2023
4. Meacham, Elizabeth - Stanislaus County - Effective 05/21/2023
5. Seever, Marla - Stanislaus Superior Court - Effective 05/06/2023
6. Tran-Huynh, Kathy - Stanislaus County - Effective 04/19/2023

May 23, 2023

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:*

As part of StanCERA's continual investment oversight, staff arranged an on-site visit to Verus's San Francisco office for an opportunity to meet the broader team and conduct a deep review of their services including their manager selection process, performance reporting, educational offerings and the portfolio roadmap. Verus provides specialty private markets consulting for the private credit and private equity asset classes in StanCERA's portfolio. Verus, follows a consulting model that allows their consultants to act as an extension of staff and develop a deep understanding of the client's portfolio overtime. The onsite visit provided an opportunity to maintain and expand staff understanding of Verus's processes, their people, and the broader organization.

The due diligence committee convened recently as well and selected Attucks Asset management, LSV Asset Management, Grandview Partners and, PGIM for review this year. The committee is on track to conduct onsite visits in June.

b) *Money Transfer Report:*

April 2023: Capital Calls

From			To		
Manager	Asset Class	Amount	Manager	Asset Class	Amount
NT Russell 3000	Public Equity	\$-1,354,335.77	Great Hill Equity Partners VIII	Private Equity	\$1,354,335.77
StanCERA Cash	Cash	\$-263,813.17	Abry Senior Equity VI	Private Credit	\$263,813.17

StanCERA Cash	Cash	\$-1,496,223.61	Palistar Comm Infra II	Infrastructure	\$1,496,223.61
StanCERA Cash	Cash	\$-500,000.00	Owl Rock First Lien	Private Credit	\$500,000.00
StanCERA Cash	Cash	\$-1,046,469.77	Genstar Cap. Partners X	Private Equity	\$1,046,469.77
NT Russell 3000	Public Equity	\$-1,780,968.28	Great Hill Partners VIII	Private Equity	\$1,780,968.28

c) *Manager Meetings:*

Morgan Stanley Prime

The Morgan Stanley Prime Fund is one of two core real estate funds within StanCERA's portfolio and provides the primary exposure to core real estate equity for the portfolio. PGIM is the other core real estate manager and provides additional diversification and downside protection by fulfilling a US real estate debt mandate. The Prime fund is one of the largest and one of the oldest open-end real estate funds in the US with a founding date in 1973. StanCERA first invested in the Prime fund in 2015. Since then, the fund has outperformed the NFI-ODCE benchmark as of March 31, 2023. The recent update call was forward looking with a particular focus on valuations, the future of office, and portfolio positioning. The rapid increase in interest rates and recessionary fears have created headwinds for real estate. The Prime fund is managed conservatively versus peers with lower leverage and a history of marking down assets early. The fund has added new property types in recent years (e.g., self-storage and student housing) and the added diversification and focus on quality should reduce volatility given the deteriorating market environment for real estate.

LSV International Equity

Staff set up an update call with LSV Partners to review organizational changes, fund performance, and to inquire about any recent or proposed enhancements to the quantitative model that is essential to the strategy. LSV takes a deep value quantitative investment approach to build a broadly diversified portfolio of non-US equities. The strategy provides exposure across non-US equities including developed markets in Europe and Asia as well as emerging markets like China, Taiwan, and Korea. LSV is a stable organization with long-tenured portfolio managers and very low employee turnover. The due diligence committee will conduct a comprehensive evaluation of LSV next month as it was selected for review this year.

- VI. RISK: None
- VII. STRATEGIC PLAN: N/A
- VIII. ADMINISTRATIVE BUDGET IMPACT: None



Conference Summary

1. **Attendee Name:** Delilah Vasquez
2. **Event Name:** SACRS Spring Conference
3. **Event Date:** May 9-12, 2023
- 4.
5. **Event Location:** San Diego, CA
6. **Describe what was good about the event:**

Had the opportunity to take Ethics training for trustees and staff. Feel well informed on the importance of not accepting gifts and the limits.

They had excellent presenters that were very knowledgeable in their field. I particularly enjoyed hearing from a leadership perspective how important it is to learn your craft and follow your north star. During negotiations, although the players only play ball approximately 3.5 years, they had to put the players before the game even if it cost them a 20% reduction in pay and other benefits. People matter and doing what is for the greater good must prevail. China and Russia are trying to create an anti-western alliance which could impact the US in many ways.

Heard great discussions on the Chinese Equity Opportunity and how their economy will surpass the US GDP soon. The tariff that Trump had placed on goods is not truly occurring as the Biden administration has exempted almost all products. Trade is at an all-time high, and our deficit is at an all-time high. Canada, Mexico, and China are our biggest trading partners.

Attend a course on issues for local races and who represents us in local government. We discussed redistricting and how individuals manipulated the votes by "packing". If they would draw the lines that would place all individuals who are of the same party in one group, they could eliminate their political power and reduce the number of representatives they have in that area.

He also explained how national polls don't matter in presidential elections and we already know how certain states will vote, like CA, etc. There are five states that determine presidential elections.

There was a session on the economy and where we stood. We are in a recession, but the impact is uncertain, doesn't appear it will be anything like 2008. Wage inflation is occurring due to the number of individuals exiting the workplace. We also are experiencing a banking crisis and seeing commercial lending/space decreasing due to remote working and companies not renewing leases. 65% have month to month leases and we are seeing distress in Minneapolis and Jacksonville Florida. It has come from unexpected markets, and we are not seeing that in San Francisco or New York.

Half of our lending is coming from banks and lending fuels liquidity. Eight percent of loans are coming due have 20% liquidity. The number of market hikes is uncertain and how long it will take to stabilize. Treasury plans on holding rates where they are until inflation comes down. It is currently twice what the target is and default rates are increasing.

Because interest rates are so high many prefer to default because refinancing is costly. Once food and gas go down, everything else will follow. Multi-family markets are very strong. There was a delay in construction due to COVID which has kept his market high. We have the highest number of adults living at home. Millennials are in their forties are getting married and looking to buy homes.

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

Yes, the training was excellent and walked away more informed than I had been.

8. Number of Education Credits:

I am unable to create an account to receive credit for this training.



Conference Summary

1. **Attendee Name:** Tom Stadelmaier
2. **Event Name:** NEPC Investment Conference
3. **Event Date:** May 8-10, 2023
4. **Event Location:** Boston

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

The agenda for the event was filled with relevant topics including improving member retirement outcomes, credit markets, forecasting the next 10 years, international investment landscape, managing teams, private markets, opportunistic credit, implications of higher interest rates, market dislocation and other topics.

There was also an opportunity to interact with peers from other Plans and a slew of specialty experts from NEPC including our investment consultant.

6. **Would you recommend this event to other trustees/staff?**

Yes. NEPC ran a very well-organized event that was heavy of relevant information related to our investment processes and things that we need to consider. The opportunity to meet and hear from investment managers in different asset classes was time well-spent.

7. **Number of Education Credits:** N/A



Conference Summary

1. **Attendee Name:** Donna Riley
2. **Event Name:** SACRS Spring Conference
3. **Event Date:** May 9 – 12, 2023
- 4.
5. **Event Location:** San Diego, CA
6. **Describe what was good about the event:** Wide ranging topics including global politics, economic updates, diversity, and leadership. The speakers were good, and I enjoyed networking with other systems.
7. **Would you recommend this event to other trustees/staff:** Yes
8. **Number of Education Credits:** Undetermined, 11?



PERSPECTIVES THAT DRIVE ENTERPRISE SUCCESS



PERIOD ENDING DECEMBER 31, 2022

Private Markets Review

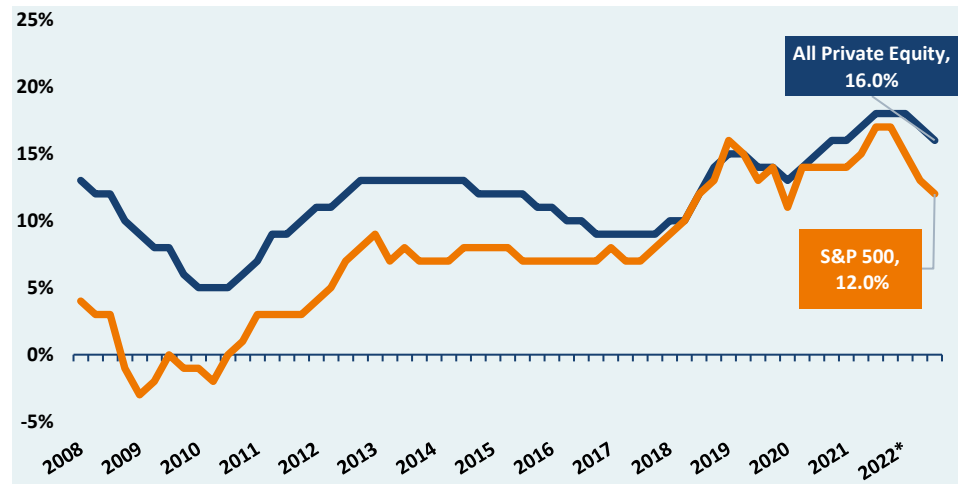
Stanislaus County Employees' Retirement Association

Market Commentary

Interesting times –

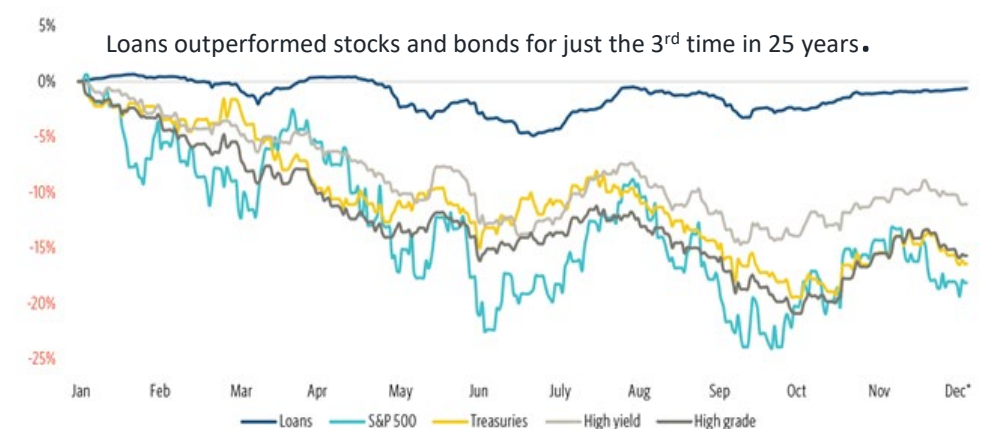
- 2022 will be remembered for inflation, stock market corrections, and a whole lot of uncertainty about what things are worth in the private markets.
- Through Q3 2022 the one-year return for the MSCI World index was -19.6% so it would be natural to think private valuations would bear some relation to what has occurred in the public markets. Private capital, however, was up 6.1% in the 12 months through September 2022.
- For PE funds, the increase in interest rates has led to higher borrowing costs, making it more expensive to use leverage, which is expected to eat into returns. PE holdings have been re-rated to the downside with the higher discount factor leading to lower buyout multiples being paid for assets.
- Macroeconomic shifts have led to VC to devalue the growth at all costs start-up mentality and mark down their portfolios accordingly.
- Private debt has proven its mettle as an effective hedge in a rising interest rate environment. Floating rate loans which comprise most of the private debt holdings and more liquid leveraged loan market held up well in 2022.

ALL PRIVATE EQUITY 10-YEAR ROLLING TIME WEIGHTED RETURNS



Source: Pitchbook as of September 2022

2022 CUMULATIVE RETURNS BY ASSET CLASS



Sourced LCD, Morningstar, S&P Dow Jones Indexes as of December 31, 2022

Total Fund

Private Credit – Investment Summary

Period Ending: December 31, 2022

Verus Internal Analysis

Vintage Year	Manager Name/Fund Name	Total Commitment	Capital Called	% Called	Total Distributions	Unfunded	Reported Value	Total Value	Net TVPI	Net DPI	Net IRR	S&P LSTA Lev. Loan PME	Fund vs. PME
Private Credit													
Legacy Private Credit Investments													
2013	Upwelling (Medley Opp Fund II) ¹	\$ 30,000,000	\$ 34,730,130	116%	\$ 31,203,218	\$ 999,547	\$ 2,590,770	\$ 33,793,988	0.97	0.90	-0.6%	3.3%	-3.9%
2013	Raven Asset Based Opportunity Fund I LP	\$ 40,000,000	\$ 35,318,792	88%	\$ 30,170,004	\$ 5,494,237	\$ -	\$ 30,170,004	0.85	0.85	-4.3%	3.8%	-8.1%
2013	White Oak Pinnacle Fund I, L.P.	\$ 40,000,000	\$ 56,714,361	142%	\$ 44,452,802	\$ 4,530,589	\$ 26,077,384	\$ 70,530,186	1.24	0.78	5.7%	3.4%	2.3%
2015	Raven Asset Based Opportunity Fund III	\$ 50,000,000	\$ 49,999,999	100%	\$ 11,003,508	\$ 1	\$ 56,961,867	\$ 67,965,375	1.36	0.22	7.2%	3.2%	4.0%
Direct Lending													
2018	Owl Rock First Lien LP	\$ 10,000,000	\$ 8,891,193	89%	\$ 1,698,701	\$ 1,250,000	\$ 8,779,360	\$ 10,478,061	1.18	0.19	7.2%	2.9%	4.3%
2020	Monroe Private Credit Fund IV, L.P.	\$ 20,000,000	\$ 17,333,659	87%	\$ 933,912	\$ 3,000,000	\$ 17,110,549	\$ 18,044,461	1.04	0.05	9.3%	-0.9%	10.2%
Special Situations													
2021	SVP Special Situations Fund V, L.P.	\$ 10,000,000	\$ 3,997,500	40%	\$ -	\$ 6,002,500	\$ 4,317,868	\$ 4,317,868	1.08	0.00	8.1%	-1.8%	9.9%
2021	ABRY Senior Equity VI, L.P.	\$ 15,000,000	\$ 5,338,100	36%	\$ -	\$ 9,661,900	\$ 5,626,997	\$ 5,626,997	1.05	0.00	9.2%	-3.0%	12.2%
Total Private Credit		\$ 215,000,000	\$ 212,323,734	99%	\$ 119,462,145	\$ 30,938,774	\$ 121,464,795	\$ 240,926,940	1.13	0.56	3.4%		
% of Portfolio (Market Value)							4.6%						

¹The Terms of the Fund expired on 3/31/2022 and the remaining investments were transferred into a liquidating trust. The valuation of the assets are based on the last reliable capital account statement provided by Medley as of 12/31/2021. The valuation will be updated upon completion of an audit currently being conducted by the liquidating trustee.

Total Fund

Private Equity – Investment Summary

Period Ending: December 31, 2022

Verus Internal Analysis

Vintage Year	Manager Name/Fund Name	Total Commitment	Capital Called	% Called	Total Distributions	Unfunded	Reported Value	Total Value	Net TVPI	Net DPI	Net IRR	R3000 + 300bps TR PME	Fund vs. PME
Private Equity													
Buyout													
2020	Vista Foundation IV, L.P.	\$ 20,000,000	\$ 11,351,886	57%	\$ 24,205	\$ 8,671,517	\$ 10,616,684	\$ 10,640,889	0.94	0.00	-4.7%	-10.5%	5.8%
2020	CD&R XI, L.P.	\$ 20,000,000	\$ 12,480,643	62%	\$ 245,040	\$ 7,764,397	\$ 12,524,356	\$ 12,769,396	1.02	0.02	3.1%	-16.0%	19.1%
2021	Gryphon Partners VI, L.P.	\$ 20,000,000	\$ 12,527,734	63%	\$ 131,026	\$ 7,471,840	\$ 12,941,173	\$ 13,072,199	1.04	0.01	3.3%	-11.7%	15.0%
2021	Genstar Capital Partners X, L.P.	\$ 15,000,000	\$ 7,507,766	50%	\$ -	\$ 7,492,234	\$ 7,851,095	\$ 7,851,095	1.05	0.00	8.5%	-16.3%	24.8%
2021	Sole Source Fund II, L.P.	\$ 15,000,000	\$ 4,328,655	29%	\$ 3,655,797	\$ 12,097,455	\$ 12,597,642	\$ 16,253,439	3.75	0.84	490.9%	-31.1%	522.0%
2021	Blue Wolf Fund V, L.P. ²	\$ 20,000,000	\$ -	0%	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-
2022	Audax Private Equity Fund VII-A, L.P. ²	\$ 20,000,000	\$ -	0%	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-
Venture Capital / Growth Equity													
2020	Insight Partners Fund XI, L.P.	\$ 15,000,000	\$ 14,605,369	97%	\$ 25,410	\$ 409,778	\$ 21,239,578	\$ 21,264,988	1.46	0.00	21.3%	-0.6%	21.9%
2021	Great Hill Equity Partners VIII, L.P.	\$ 20,000,000	\$ 1,030,487	5%	\$ -	\$ 18,969,513	\$ (201,042)	\$ (201,042)	-0.20	0.00	0.0%	0.0%	0.0%
Total Private Equity		\$ 165,000,000	\$ 63,832,540	39%	\$ 4,081,478	\$ 62,876,734	\$ 77,569,486	\$ 81,650,964	1.28	0.06	22.2%		
% of Portfolio (Market Value)							2.9%						
Total Private Markets		\$ 380,000,000	\$ 276,156,274	73%	\$ 123,543,623	\$ 93,815,508		\$ 322,577,904	1.17	0.45	4.8%		
% of Portfolio (Market Value)							7.5%						

¹Early activity has caused inflated, non-meaningful returns.

²Fund has not called capital as of December 31, 2022.

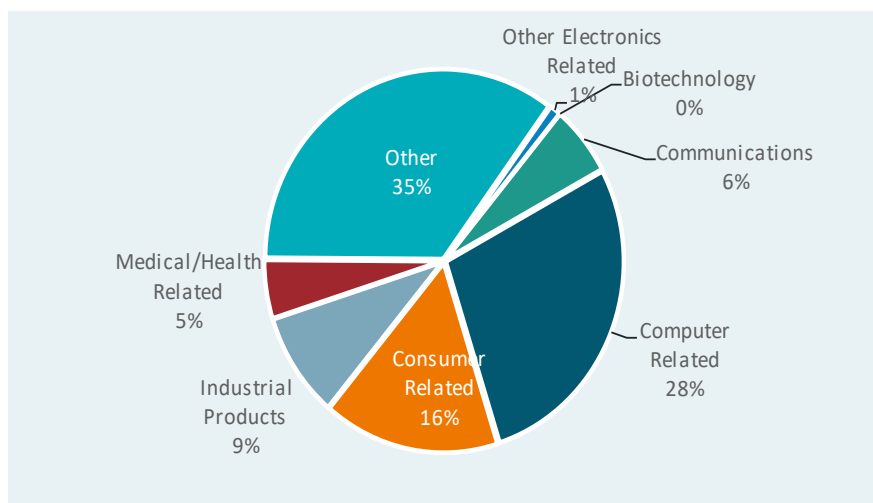
Private Equity Portfolio Review

Diversification by Industry

Period Ending: December 31, 2022

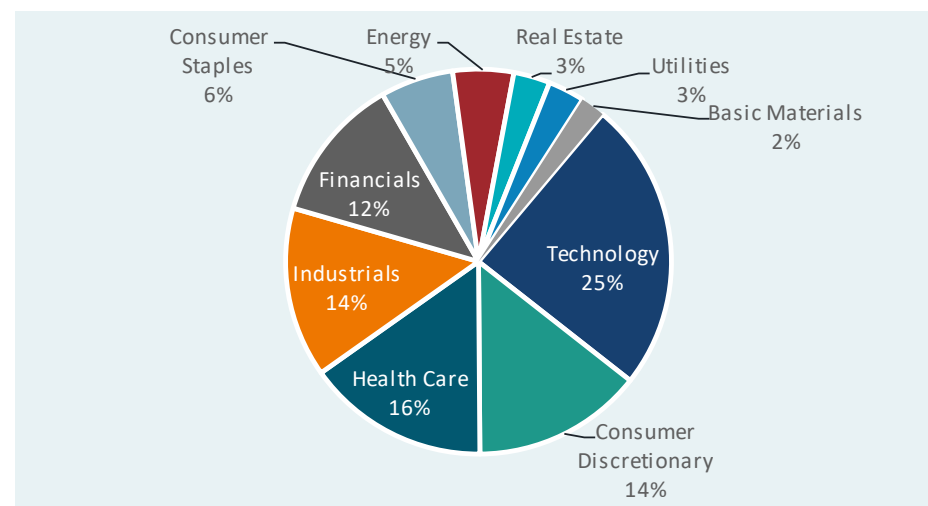
StanCERA

Industry	% of Current Exposure
Biotechnology	0%
Communications	6%
Computer Related	28%
Consumer Related	16%
Energy Related	0%
Industrial Products	9%
Medical/Health Related	5%
Other	35%
Other Electronics Related	1%
Total Private Equity	100%



Russell 3000

Industry	% of Current Exposure
Technology	24%
Consumer Discretionary	14%
Health Care	15%
Industrials	14%
Financials	12%
Consumer Staples	6%
Energy	5%
Real Estate	3%
Utilities	3%
Basic Materials	2%
Total	100%





PERSPECTIVES THAT DRIVE ENTERPRISE SUCCESS



MAY 2023

Private Credit and Private Equity Strategic Investment Plan: 2023-2025

Stanislaus County Employees' Association Retirement Plan

Overview

- Every year, Verus provides a roadmap of the private markets allocations to determine the commitment pacing for the upcoming year.
 - We consider existing commitments, anticipated capital calls and distributions, and the forecasted net growth rate.
 - The annual review provides an opportunity to adjust any of the above factors and assess the program to not over-allocate to illiquid investments.
- The strategy is to maintain an active commitment pace within each vintage year going forward, being mindful of the liquidity needs.
 - Fund manager recommendations are made in the context of the existing portfolio along with Verus' market views.
 - Our goal is to maintain a program that will invest in various strategies and achieve returns in excess of public market returns.
 - The simulation will run through 2029 and the plan will be created for the vintage years 2023 – 2025. Investments will be planned in the private markets sub-asset classes; Direct Lending Credit, Special Situations Credit, Venture Capital, and Private Equity (Buyouts).

Private Markets – Investment Goals

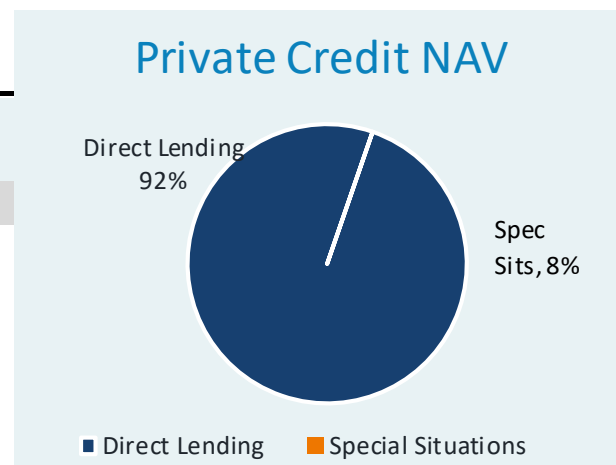
- The key objectives in building a strategic allocation to private markets.
 - Portfolio diversification
 - Return enhancement

Broad Category	Subcategory	Brief Description
Private Credit	Direct Lending (Senior Corporate Debt)	A form of corporate debt provision in which lenders other than banks make loans to companies without intermediaries such as an investment bank, a broker or a private equity firm.
	Special Situations Credit	Credit investments include a variety of fixed income instruments that seek to capitalize on dislocations in credit markets and mispriced/misunderstood credits. This might include real estate and infrastructure debt, portfolios of performing and non-performing loans (NPLs), specialty finance, and other unique strategies that may be noncorrelated to the broader market or more esoteric in nature.
Venture Capital	Seed Stage	Financing provided to research business ideas, develop prototype products, or conduct market research
	Start-up stage	Financing to recently created companies with well-articulated business and marketing plans
	Later (expansion) stage	Financing to companies that have started their selling effort and may already be covering costs: Financing may serve to expand production capacity, product development, or provide working capital.
Growth Equity	Expansion Capital	Financing to established and mature companies in exchange for equity, often a minority stake, to expand into new markets and/or improve operations
Buyout	Acquisition capital	Financing in the form of debt, equity, or quasi-equity provided to a company to acquire another company
	Leveraged buyout	Financing provided by an LBO firm to acquire a company
	Management buyout	Financing provided to the management to acquire a company, specific product line, or division (carve-out)

Private Credit

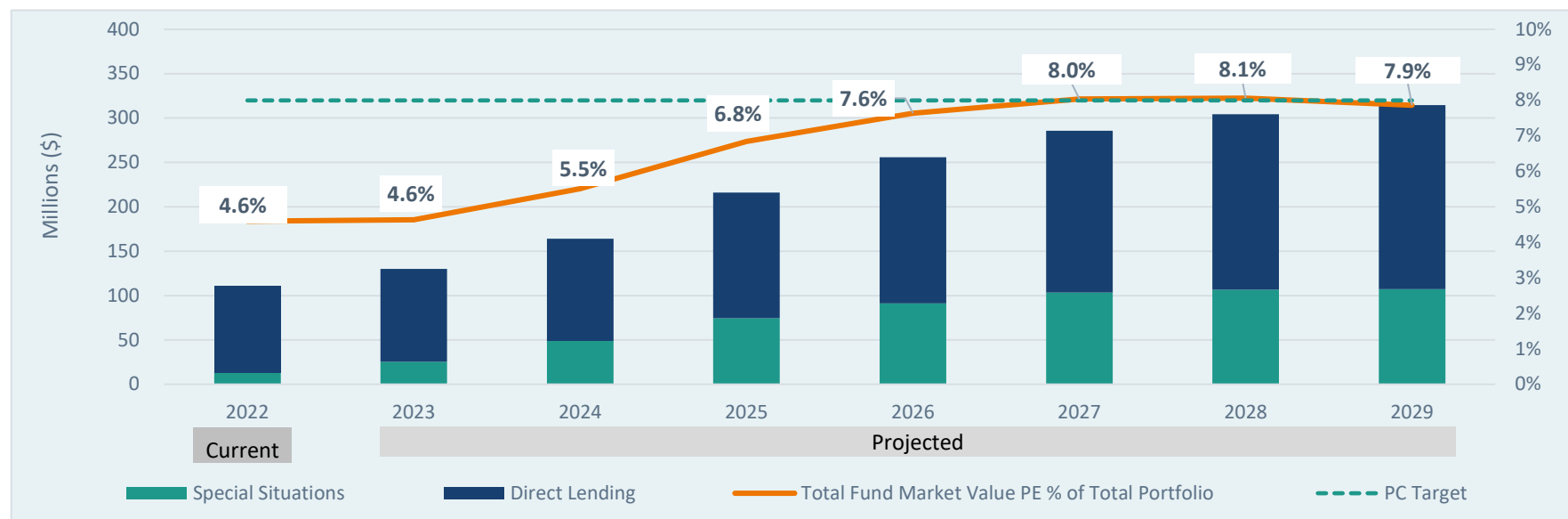
Strategy and Vintage Year Exposure

Investment Strategy	Commitment	Current (NAV)	Unfunded Capital	Current Exposure as % of Private Credit
Direct Lending	190.0	111.5	8.8	92%
Special Situations	25.0	9.9	15.7	8%
Total Private Credit	215.0	121.5	24.4	100%



Vintage Year	Commitment	Paid In Capital	Unfunded Capital	Distributed Capital	Net Asset Value	Total Value	Percentage Called	Distributions to Paid In (DPI)	Total Value to Paid In (TVPI)
Legacy	160.0	176.8	4.5	116.8	85.6	202	110%	0.66x	1.15x
2018	10.0	8.9	1.3	1.7	8.8	10	89%	0.19x	1.18x
2020	20.0	17.3	3.0	0.9	17.1	18	87%	0.05x	1.04x
2021	25.0	9.3	15.7	0.0	9.9	10	37%	-	1.07x
Total Private Credit	\$215.0	\$212.3	\$24.4	\$119.5	\$121.5	\$240.9	99%	0.56x	1.13x

Projections of Future Commitments



PRIVATE CREDIT PROJECTIONS BY VINTAGE YEAR

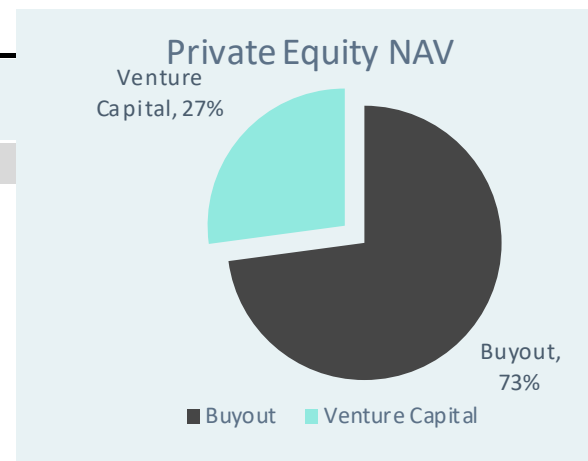
(in \$ millions)	Actual	Near Term Projection			Long-Term Projections			
	2022*	2023	2024	2025	2026	2027	2028	2029
Annual Commitments								
Direct Lending (5% Allocation Target)	190	60	60	40	40	40	40	30
Special Situations (3% Allocation Target)	25	40	20	20	20	20	10	20
Total	\$215	\$100	\$80	\$60	\$60	\$60	\$50	\$50
Number of Commitments								
Direct Lending	6	3	3	2	2	2	2	2
Special Situations	2	2	1	1	1	1	1	1
Total Private Credit	8	5	4	3	3	3	3	3
Projected PC as a % of Total Assets	4.2%	4.6%	5.5%	6.8%	7.6%	8.0%	8.1%	7.9%
Target Private Credit Allocation (%)	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

* Total commitments to private credit strategies through December 31, 2022.

Private Equity

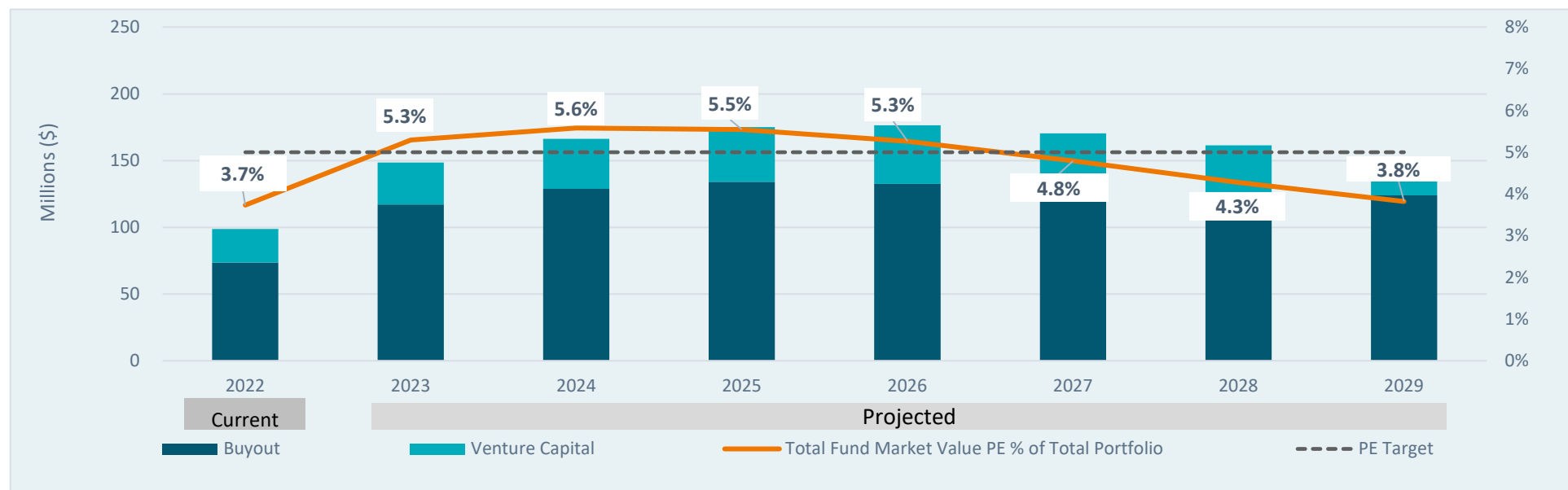
Strategy and Vintage Year Exposure

Investment Strategy	Commitment	Current (NAV)	Unfunded Capital	Current NAV as % of Private Equity
Buyout	130.0	56.5	43.5	73%
Venture Capital	35.0	21.0	19.4	27%
Total Private Equity	165.0	77.6	62.9	100%



Vintage Year	Commitment	Paid In Capital	Unfunded Capital	Distributed Capital	Net Asset Value	Total Value	Percentage Called	Distributions to Paid In (DPI)	Total Value to Paid In (TVPI)
2020	55.0	38.4	16.8	0.3	44.4	44.7	70%	0.01x	1.16x
2021	55.0	21.1	33.9	0.1	20.6	20.7	38%	0.01x	0.98x
2022	55.0	4.3	12.1	3.7	12.6	16.3	8%	0.84x	3.75x
Total Private Equity	\$165.0	\$63.8	\$62.9	\$4.1	\$77.6	\$81.7	39%	0.06x	1.28x

Projections of Future Commitments



PRIVATE EQUITY PROJECTIONS BY VINTAGE YEAR

(in \$ millions)	Actual	Near-Term Projections				Long-Term Projections			
	2022	2023	2024	2025	2026	2027	2028	2029	
Annual Commitments									
Buyout (3.5% Allocation Target)	130	10	10	10	10	20	20	20	
Venture Capital (1.5% Allocation Target)	35	5	0	0	5	0	0	5	
Total Private Equity	\$165	\$15	\$10	\$10	\$15	\$20	\$20	\$25	
Number of Commitments									
Buyout	7	1	1	1	1	1-2	1-2	1-2	
Venture Capital	2	1	0	0	1	0	0	1	
Total Private Equity	9	2	1	1	2	1-2	1-2	2-3	
Projected PE as a % of Total Assets	3.7%	5.3%	5.6%	5.5%	5.3%	4.8%	4.3%	3.8%	
Target Private Equity Allocation (%)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	

Private Credit & Private Equity Investment Plan: 2023-2025

New Commitments Required to Achieve Target Allocations / Diversification*

Private Credit

Direct Lending:	8 new funds	\$160 million
Special Situations:	4-5 new funds	\$80 million

Private Equity

Buyout:	3 new funds	\$30 million
Venture Capital:	1 new funds	\$5 million

*All projected commitments (number and size) subject to bottom-up evaluation of GPs and market opportunities.

Private Credit & Private Equity Investments in 2023

Manager	Fund Size	Strategy	Commitment	Description
Audax VIII	\$4.75-\$5.25B	Lower Mid-mkt Buyout	\$20M	<ul style="list-style-type: none"> Founded in 1999, Audax Group is a private equity firm based in Boston, Massachusetts. The Audax Private Equity strategy focuses on a combination of specific industry experience and an execution-oriented approach where buy & build is the cornerstone of value creation. Audax Private Equity seeks to transform middle-market companies into scalable strategic assets through buy & build growth strategies, revenue initiatives, operational improvements, and business professionalization tools. The investment team's focus is on six core industries: business services; consumer; financial services; healthcare; industrial services and technologies; and software and technology sectors.
Callodine Asset Based Loan Fund II	\$350M - \$500M	Direct Lending Corporate ABL	\$20M	<ul style="list-style-type: none"> Provider of asset and investment management services intended for institutional investors. The company specializes in yield-oriented investment strategies and has the ability to invest across the capital structure and pursues income-oriented investments, enabling clients with high cash yields and the potential for equity-like upside.
Eclipse V	\$700	Early-Stage VC	\$5M	<ul style="list-style-type: none"> Founded in 2015, Eclipse Ventures primarily invests in early-stage startup companies that harness new capabilities of the digital age to transform old industries traditionally neglected by VCs. The firm seeks to invest in automotive, semiconductor, manufacturing, networking, materials, and communications industries.

Appendix

Model Assumptions

Portfolio and Fund Data as of 12/31/2022

(\$ Millions)

Assumptions

Total Portfolio Assets \$2,645

Total Private Credit NAV	121
Unfunded Capital	24
Total Private Credit Exposure (NAV + Unfunded commitments)	\$146

Private Credit NAV as a percentage of Total Portfolio	4.6%
Total Private Credit Exposure to the Total Portfolio	5.5%
Current Private Credit Target	8.0%

Total Private Equity NAV	78
Unfunded Capital	63
Total Private Equity Exposure (NAV + Unfunded commitments)	\$140

Private Equity NAV as a percentage of Total Portfolio	2.9%
Total Private Equity Exposure to the Total Portfolio	5.3%
Current Private Equity Target	5.0%

Total Portfolio Return Assumptions* 6.1%

*Portfolio return assumptions provided by the general consultant

(\$ Millions)

Projections

	2023	2024	2025	2026	2027	2028	2029	2030	2031
Total Portfolio Net Growth Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%
Total Portfolio Beginning NAV	2,645	2,806	2,978	3,159	3,352	3,556	3,773	4,003	4,248
Yearly Net Growth	161	171	182	193	204	217	230	244	259
Total Portfolio NAV	\$2,806	\$2,978	\$3,159	\$3,352	\$3,556	\$3,773	\$4,003	\$4,248	\$4,507
Target Private Credit Allocation	8%	8%	8%	8%	8%	8%	8%	8%	8%
Target Private Credit NAV	\$212	\$225	\$238	\$253	\$268	\$285	\$302	\$320	\$340
Target Private Equity Allocation	5%	5%	5%	5%	5%	5%	5%	5%	5%
Target Private Equity NAV	\$140	\$149	\$158	\$168	\$178	\$189	\$200	\$212	\$225



MONTHLY PERFORMANCE REPORT

STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

APRIL 30, 2023

Dan Hennessy, CFA, CAIA, Senior Consultant
Sam Austin, Partner
Leah Tongco, Consulting Analyst



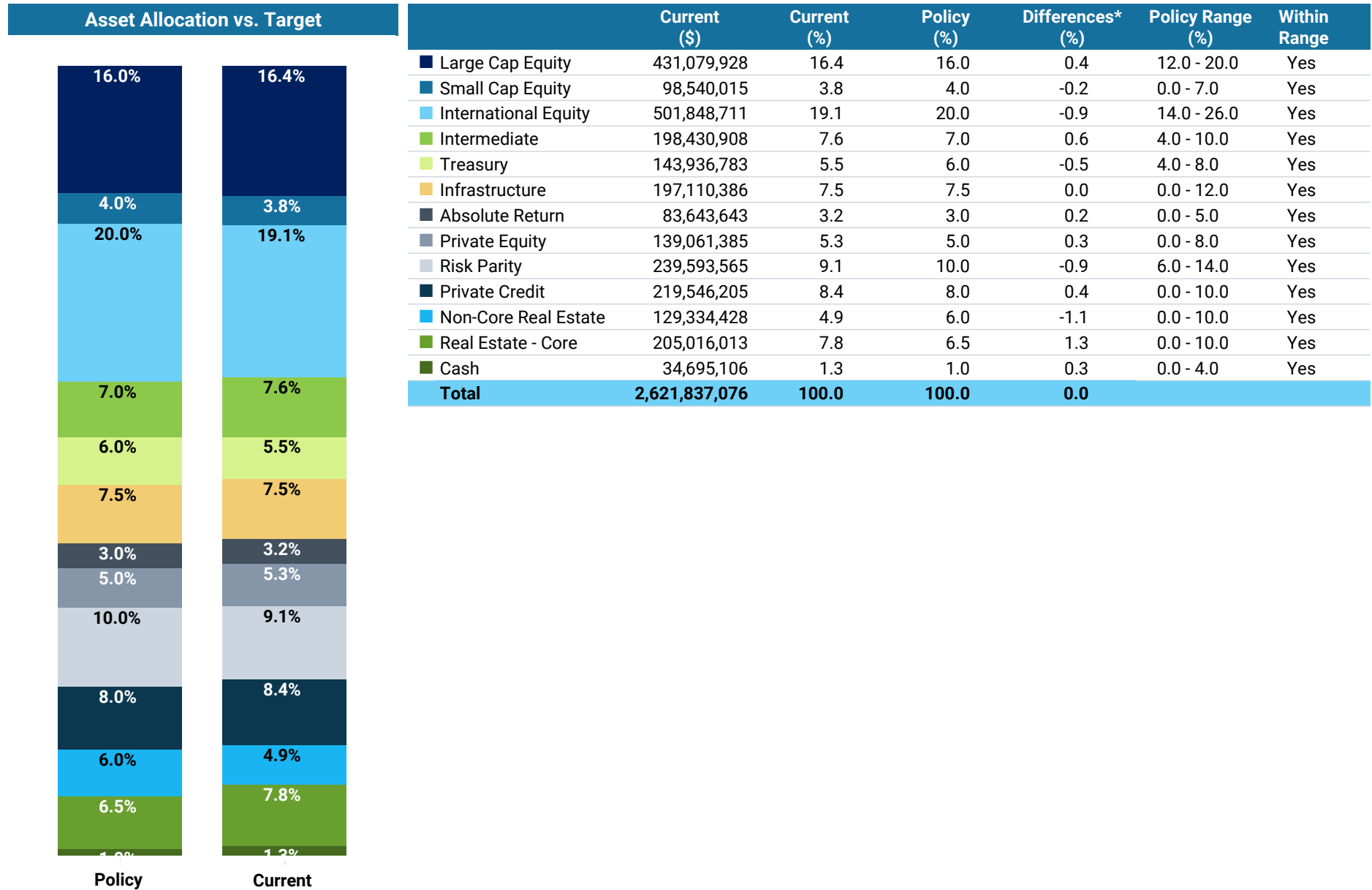
CALENDAR YEAR INDEX PERFORMANCE

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Apr	YTD
S&P 500	32.4%	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%	-18.1%	1.6%	9.2%
Russell 1000	33.1%	13.2%	0.9%	12.1%	21.7%	-4.8%	31.4%	21.0%	26.5%	-19.1%	1.2%	8.8%
Russell 2000	38.8%	4.9%	-4.4%	21.3%	14.6%	-11.0%	25.5%	20.0%	14.8%	-20.4%	-1.8%	0.9%
Russell 2500	36.8%	7.1%	-2.9%	17.6%	16.8%	-10.0%	27.8%	20.0%	18.2%	-18.4%	-1.3%	2.0%
MSCI EAFE	22.8%	-4.9%	-0.8%	1.0%	25.0%	-13.8%	22.0%	7.8%	11.3%	-14.5%	2.8%	11.5%
MSCI EM	-2.6%	-2.2%	-14.9%	11.2%	37.3%	-14.6%	18.4%	18.3%	-2.5%	-20.1%	-1.1%	2.8%
MSCI ACWI	22.8%	4.2%	-2.4%	7.9%	24.0%	-9.4%	26.6%	16.3%	18.5%	-18.4%	1.4%	8.8%
Private Equity	12.6%	22.3%	14.6%	10.4%	10.3%	21.0%	13.1%	17.2%	45.0%	-9.7%	-	-9.7%
BBG TIPS	-8.6%	3.6%	-1.4%	4.7%	3.0%	-1.3%	8.4%	11.0%	6.0%	-11.8%	0.1%	3.5%
BBG Municipal	-2.6%	9.1%	3.3%	0.2%	5.4%	1.3%	7.5%	5.2%	1.5%	-8.5%	-0.2%	2.5%
BBG Muni High Yield	-5.5%	13.8%	1.8%	3.0%	9.7%	4.8%	10.7%	4.9%	7.8%	-13.1%	0.6%	3.3%
BBG US Corporate HY	7.4%	2.5%	-4.5%	17.1%	7.5%	-2.1%	14.3%	7.1%	5.3%	-11.2%	1.0%	4.6%
BBG US Agg Bond	-2.0%	6.0%	0.5%	2.6%	3.5%	0.0%	8.7%	7.5%	-1.5%	-13.0%	0.6%	3.6%
BBG Global Agg	-2.6%	0.6%	-3.2%	2.1%	7.4%	-1.2%	6.8%	9.2%	-4.7%	-16.2%	0.4%	3.5%
BBG Long Treasuries	-12.7%	25.1%	-1.2%	1.3%	8.5%	-1.8%	14.8%	17.7%	-4.6%	-29.3%	0.5%	6.7%
BBG US Long Credit	-6.6%	16.4%	-4.6%	10.2%	12.2%	-6.8%	23.4%	13.3%	-1.2%	-25.3%	0.9%	6.3%
BBG US STRIPS 20+ Yr	-21.0%	46.4%	-3.7%	1.4%	13.7%	-4.1%	20.9%	24.0%	-5.2%	-39.6%	0.1%	8.4%
JPM GBI-EM Global Div	-9.0%	-5.7%	-14.9%	9.9%	15.2%	-6.2%	13.5%	2.7%	-8.7%	-11.7%	0.9%	6.1%
JPM EMBI Glob Div	-5.3%	7.4%	1.2%	10.2%	10.3%	-4.3%	15.0%	5.3%	-1.8%	-17.8%	0.5%	2.4%
CS Hedge Fund	9.7%	4.1%	-0.7%	1.2%	7.1%	-3.2%	9.3%	6.4%	8.2%	1.1%	-	0.2%
BBG Commodity	-9.5%	-17.0%	-24.7%	11.8%	1.7%	-11.2%	7.7%	-3.1%	27.1%	16.1%	-0.8%	-6.1%
Alerian Midstream	-	16.4%	-37.3%	33.8%	-2.4%	-13.3%	24.0%	-23.4%	38.4%	21.5%	2.4%	3.2%
FTSE NAREIT Equity REITs	2.5%	30.1%	3.2%	8.5%	5.2%	-4.6%	26.0%	-8.0%	43.2%	-24.4%	0.8%	3.5%

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



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	2,621,837,076	100.0	0.7	4.5	5.9	1.5	9.1	5.8	7.3	6.8	8.6	Jan-95
Policy Index			1.0	5.5	7.3	3.0	8.9	6.2	7.3	6.9	7.8	
Allocation Index			0.9	4.9	5.7	0.5						
Liquidity Sub-Portfolio	233,126,014	8.9	0.1	1.9	1.8	1.7	1.1	2.8	2.1		1.8	Aug-14
StanCERA Liquidity Blended BM			0.6	2.8	1.5	1.2	-0.1	2.1	1.6		1.5	
Cash	34,695,105	1.3	0.4	1.7	3.6	3.9	2.6	2.2	1.9		1.7	Aug-14
FTSE 1 Month T-Bill			0.4	1.5	2.9	3.0	1.0	1.4	1.2		1.0	
Cashflow-Matched Bonds	198,430,908	7.6	0.0	1.9	1.5	1.2	0.4	2.5			2.1	Jul-17
Blmbg. Intermed. U.S. Government/Credit			0.6	3.0	1.3	1.0	-1.5	1.6			1.2	
Insight	198,430,908	7.6	0.0	1.9	1.5	1.2	0.4	2.5			2.1	Jul-17
Blmbg. Intermed. U.S. Government/Credit			0.6	3.0	1.3	1.0	-1.5	1.6			1.2	
Growth Sub-Portfolio	1,921,537,071	73.3	0.9	4.8	7.7	2.7	12.4	7.2	9.2	8.6	8.0	Jan-04
StanCERA Growth Blended BM			1.0	5.8	8.6	3.6	12.7	8.0	9.4			
US Equities	529,619,943	20.2	0.5	6.7	10.4	1.9	15.9	9.8	11.7	11.1	9.4	Jan-04
Russell 3000 Index			1.1	8.3	10.9	1.5	14.1	10.6	12.1	11.7	9.2	
US Large Equity	431,079,928	16.4	1.2	8.4	10.8	2.0	15.0	11.1	12.8	12.1	12.3	Jan-95
Russell 1000 Index			1.2	8.8	11.3	1.8	14.2	11.1	12.3	12.0	10.2	
BlackRock Russell 1000 Growth	208,628,229	8.0	1.0	15.5	13.8	2.3	13.6	13.8	15.3	14.5	15.2	Aug-10
Russell 1000 Growth Index			1.0	15.5	13.8	2.3	13.6	13.8	15.3	14.5	15.1	
BlackRock Russell 1000 Value	112,052,845	4.3	1.5	2.5	8.8	1.2	14.4	7.8	9.0	9.2	11.2	Aug-09
Russell 1000 Value Index			1.5	2.5	8.8	1.2	14.4	7.7	8.9	9.1	11.1	
Dodge & Cox-Equity	110,398,855	4.2	1.2	2.6	7.7	2.1	18.1	9.1	11.5	11.0	11.6	Jan-95
Russell 1000 Value Index			1.5	2.5	8.8	1.2	14.4	7.7	8.9	9.1	9.6	
US Small Equity	98,540,015	3.8	-2.5	-0.2	8.3	1.5	20.0	5.4	8.2	7.8	11.2	Jan-09
Russell 2000 Index			-1.8	0.9	4.8	-3.6	11.9	4.2	8.0	7.9	10.7	
Attucks Small Cap	98,540,015	3.8	-2.5	-0.2	8.3	1.5	20.0	5.4	8.7	8.1	11.4	Jan-09
Russell 2000 Value Index			-2.5	-3.1	0.2	-8.0	15.4	3.7	7.2	7.0	9.5	
International Equity	501,848,711	19.1	2.3	9.0	13.6	5.3	12.4	3.1	6.5	4.7	6.1	Oct-04
MSCI AC World ex USA (Net)			1.7	8.7	11.9	3.0	9.7	2.5	5.7	4.0	5.5	
LSV Int'l Large Cap Value	265,768,500	10.1	2.7	8.9	14.3	5.8	13.4	2.3	6.3	4.7	5.9	Oct-04
MSCI AC World ex USA Value (Net)			2.5	7.8	11.7	3.8	12.4	1.3	4.8	2.9	4.8	
Fidelity Int'l Growth	236,080,211	9.0	1.9	9.1	12.9	4.6	11.1	3.7	6.4	4.6	4.0	May-06
MSCI AC World ex USA Growth (Net)			1.0	9.7	12.2	2.2	6.9	3.4	6.4	4.9	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	205,016,013	7.8	0.0	0.4	-0.2	-1.4	8.0	7.2	5.8	5.6	3.2	Apr-08
NCREIF Property Index			0.0	-1.8	-4.7	-1.6	7.2	6.7	6.8	8.3	6.3	
Prime Property Fund	102,800,000	3.9	0.0	-1.0	-4.7	-1.8	8.7	7.7	8.1		8.2	Oct-15
NCREIF ODCE			0.0	-3.2	-7.5	-3.1	8.4	7.5	7.7		7.9	
BlackRock Real Estate Securities	6,249,506	0.2	0.6	3.4	-3.1	-16.7	8.6	4.4	3.4	4.6	5.9	Oct-12
Dow Jones U.S. Select RESI			0.7	3.5	-2.9	-16.6	8.8	4.5	3.5	4.7	6.0	
PGIM Real Estate US Debt Fund	95,966,507	3.7	0.0	1.7	5.0	6.2	5.2				5.2	Sep-18
Blmbg. U.S. Investment Grade: CMBS Index			0.8	2.6	-0.4	-1.0	-1.3				1.4	
Value-Add Real Estate	129,334,428	4.9	0.0	-1.1	-1.4	0.0	11.4	11.2	11.3		10.9	Aug-14
NCREIF Property Index +2%			0.2	-1.2	-3.1	0.3	9.3	8.8	9.0		10.1	
American Strategic Value Realty	88,716,589	3.4	0.0	0.0	-2.0	0.8	9.0	8.7	9.2		10.3	Jan-15
NCREIF Property Index			0.0	-1.8	-4.7	-1.6	7.2	6.7	6.8		7.6	
Greenfield Acquisition Partners VII	1,019,089	0.0	0.0	-5.3	-10.4	-7.6	1.3	5.2	7.6		7.9	Aug-14
NCREIF-ODCE +1%			0.1	-2.9	-6.7	-2.1	9.5	8.6	8.8		10.0	
Grandview Property Partners I	23,054,375	0.9	0.0	-0.5	1.3	-2.7	21.9	22.2			21.8	Apr-18
NCREIF-ODCE +1%			0.1	-2.9	-6.7	-2.1	9.5	8.6			8.5	
Grandview Property Partners II	16,544,375	0.6	0.0	-7.2	2.0	4.7					-1.2	Dec-21
NCREIF-ODCE +1%			0.1	-2.9	-6.7	-2.1					9.7	
Infrastructure	197,110,386	7.5	0.9	3.6	7.8	5.6	1.3	4.9	6.8		5.2	Jun-15
CPI + 5% (Unadjusted)			0.9	3.9	6.6	10.2	11.1	9.1	8.6		8.3	
MS Infrastructure Partners II	14,036,677	0.5	0.0	0.0	13.4	13.4	8.6	9.3	10.0		8.0	Jun-15
CPI + 5% (Unadjusted)			0.9	3.9	6.6	10.2	11.1	9.1	8.6		8.3	
Palistar Communications Infrastructure Fund II	13,997,018	0.5	0.0	0.0	7.0	24.9					8.2	Jan-22
CPI + 5% (Unadjusted)			0.9	3.9	6.6	10.2					11.9	
JP Morgan IIF Hedged LP	33,193,969	1.3	0.0	3.4	10.6	12.5					11.5	Apr-22
CPI + 5% (Unadjusted)			0.9	3.9	6.6	10.2					10.3	
Northern Trust Infrastructure Fund	82,188,718	3.1	1.8	5.2	2.9	-1.3					-2.2	Jul-21
67% STOXX Global Broad Infra / 33% Bloomberg US TIPS			1.8	5.1	3.4	-1.3					-1.9	
IFM Global Infrastructure Fund	53,694,005	2.0	0.4	3.0	7.4						7.4	Jul-22
CPI + 5% (Unadjusted)			0.9	3.9	6.6						6.6	

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	139,061,385	5.3	0.4	2.8	1.9	-2.2	16.3				13.6	Dec-18
Russell 3000 + 3%			1.3	9.4	13.7	4.5	17.5				14.2	
Private Equity	90,017,156	3.4	0.0	-0.7	-4.8	-3.0	17.4				16.9	Apr-20
Russell 3000 + 3%			1.3	9.4	13.7	4.5	17.5				21.9	
Private Equity Proxy	49,044,229	1.9	1.1	8.3	10.9	1.4	14.0	11.8	12.7	12.3	9.5	Dec-03
Russell 3000 Index			1.1	8.3	10.9	1.5	14.1	10.6	12.1	11.7	9.4	
Private Credit	219,546,205	8.4	0.4	1.9	6.4	5.2	1.6	-0.1	0.7		2.2	Jun-13
S&P/LSTA Leveraged Loan Index +2%			1.2	5.0	10.3	5.5	9.5	5.8	6.5		5.9	
Private Credit	107,131,534	4.1	0.0	-0.1	3.4	8.6	5.1	2.0	2.2		3.3	Jun-13
S&P/LSTA Leveraged Loan Index +2%			1.2	5.0	10.3	5.5	9.5	5.8	6.5		5.9	
Private Credit Proxy	112,414,671	4.3	0.8	3.9	9.5	2.1					-2.6	Jul-21
ICE BofA US High Yield Master II Constrained			1.0	4.7	8.2	1.0					-3.1	
Risk-Diversifying Sub-Portfolio	467,173,991	17.8	0.5	4.4	1.0	-2.9	-0.8	1.7	1.8	2.1	4.0	Dec-03
StanCERA Risk-Diversifying Blended BM			0.9	5.4	4.7	1.3	-0.7	2.0	1.3	1.4		
Risk Parity	239,593,565	9.1	0.6	6.2	0.2	-7.0	3.0	3.2			2.9	Dec-17
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			1.0	6.7	7.1	0.5	5.6	4.1			3.9	
HFR Risk Parity Vol 10 Institutional Index			0.3	4.7	0.7	-6.6	2.0	1.8			1.7	
AQR Global Risk Premium - EL	121,863,565	4.6	0.1	3.9	-0.6	-5.9	3.3	3.2			3.2	Apr-18
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			1.0	6.7	7.1	0.5	5.6	4.1			4.0	
PanAgora Risk Parity Multi Asset	117,730,000	4.5	1.0	8.7	0.9	-8.1	2.8	3.3			2.9	Dec-17
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			1.0	6.7	7.1	0.5	5.6	4.1			3.9	
US Treasury Bonds	143,936,783	5.5	0.5	3.9	-0.9	-2.0	-5.0	0.9	1.2	1.7	3.8	Dec-03
Blmbg. U.S. Treasury: 7-10 Year			0.9	4.4	-0.4	-0.7	-5.1	1.4	0.4	1.0	3.6	
Northern Trust Intermediate Gov't Bond	101,778,514	3.9	0.5	2.8	0.6	0.5	-2.3	1.3			0.8	Aug-17
Blmbg. U.S. Government: Intermediate			0.5	2.8	0.7	0.6	-2.2	1.3			0.8	
Northern Trust Long Term Gov't Bond	42,158,270	1.6	0.5	6.6	-4.2	-7.4	-10.9	0.7			0.3	Aug-17
Blmbg. U.S. Government: Long Term Bond Index			0.5	6.7	-4.1	-7.3	-11.7	0.1			-0.2	
Liquid Absolute Return	83,643,643	3.2	0.1	0.2	5.2	6.1					11.6	Oct-21
30 Day T-Bill + 4%			0.7	2.8	6.3	7.1					6.0	
Graham Global Investment Fund I SPC LTD	55,278,470	2.1	-0.1	-1.4	1.9	3.9					16.1	Nov-21
HFR Macro (Total) Index			1.0	-1.5	-1.1	-2.1					3.8	
Invesco Global Targeted Return	28,365,173	1.1	0.6	3.5	11.8	9.4					4.5	Dec-21
30 Day T-Bill + 4%			0.7	2.8	6.3	7.1					6.2	

NOTES

- All performance is shown net of investment management fees. Prime Property Fund, American Strategic Value Reality, MS Infrastructure Partners II, Palistar Communications Infrastructure Fund II, Northern Trust Infrastructure Fund, and PanAgora Risk Parity Multi-Asset are preliminary as of 04/23 and subject to change once finalized.

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

- Policy Index 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.

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.

The opinions presented herein represent the good faith views of NEPC as of the date of this presentation and are subject to change at any time. Neither fund performance nor universe rankings contained in this report should be considered a recommendation by NEPC.

This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

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





QUARTERLY PERFORMANCE REPORT

STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

MARCH 31, 2023

Dan Hennessy, CFA, CAIA, Senior Consultant
Sam Austin, Partner
Leah Tongco, Consulting Analyst



MARKET ENVIRONMENT

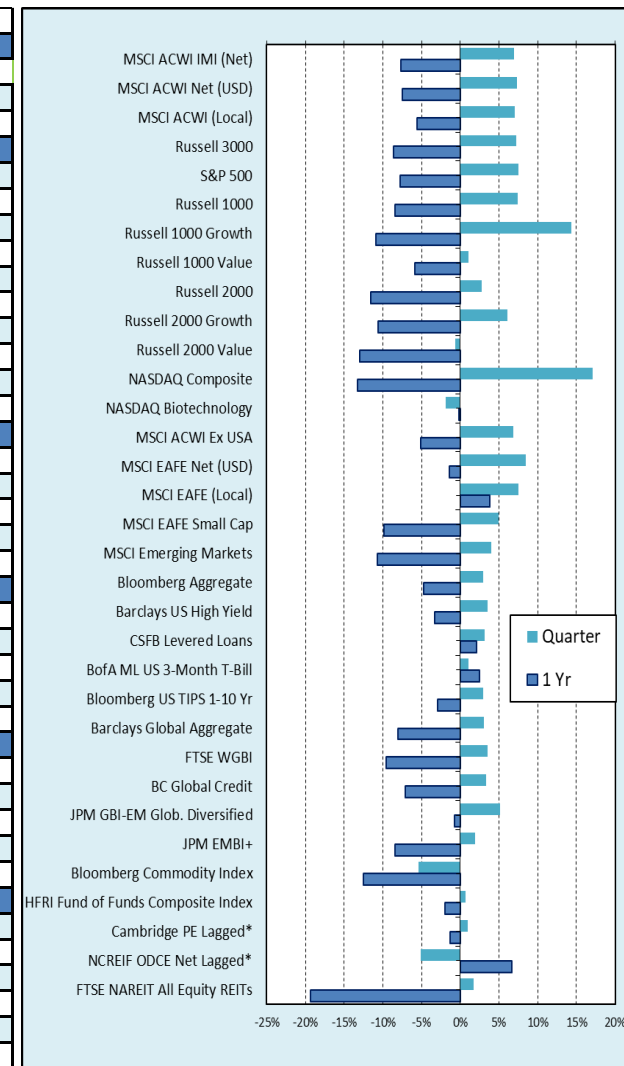
ECONOMIC ENVIRONMENT

- **Q4 Real GDP (third estimate) increased at an annual rate of 2.6%.**
 - Retail sales ended March at +1.0% on a YoY basis. In the same period last year the YoY growth rate was +7.1%.
 - Corporate profits as a percent of GDP ended October 2022 at 10.4%, down from 11.3% in the same period last year and remain elevated relative to historical levels.
 - The inventory-to-sales ratio ended February was 1.36 up from 1.29 one year ago. Levels have remained relatively constant since early 2010 with a spike to 1.7 in April 2020.
 - The U.S. trade deficit narrowed in November as imports decreased more than exports.
- **The unemployment rate was 3.5% ended Q1, flat versus Q4; U-6, a broader measure of unemployment, increased to 6.7% in Q1 from 6.5% in Q4.**
 - The labor force participation rate ended Q1 up to 62.6% up from 62.3% in Q4. Labor force participation declined to 60.2% in April 2020 and is at levels below the 10 year pre-pandemic average of 63.0%.
- **The Case-Shiller Home Price Index (ended February) declined to 293.2 from 294.3 in Q4 and remains at levels higher than that of pre-financial crisis levels of 150.9.**
- **Rolling 12-month seasonally-adjusted CPI ended Q1 at 4.59% down from 6.42% in Q4. In the same period last year, it was 8.55%; Capacity Utilization increased to 79.80 in Q1 from 78.91% in Q4.**
- **Fed Funds rate increased in Q1 by 0.50% to a targeted range of 4.75%-to-5.00% up from a targeted range of 4.25%-to-4.50% ended Q4. The 10-year Treasury Yield (constant maturity) finished Q1 at 3.66% up from 3.62% in Q4.**
- **The Fed continues scaling back asset purchases. The Fed continues to reduce the size of its balance sheet after a period of rapid growth post-pandemic.**
- **S&P valuations increased in Q1 to 28.3x from 28.65x in Q4 and are lower than the 10-year average of 29.01x.**
 - Cyclically adjusted Shiller PE ratio remains above the long-term average of 17.01x.

MARKET ENVIRONMENT

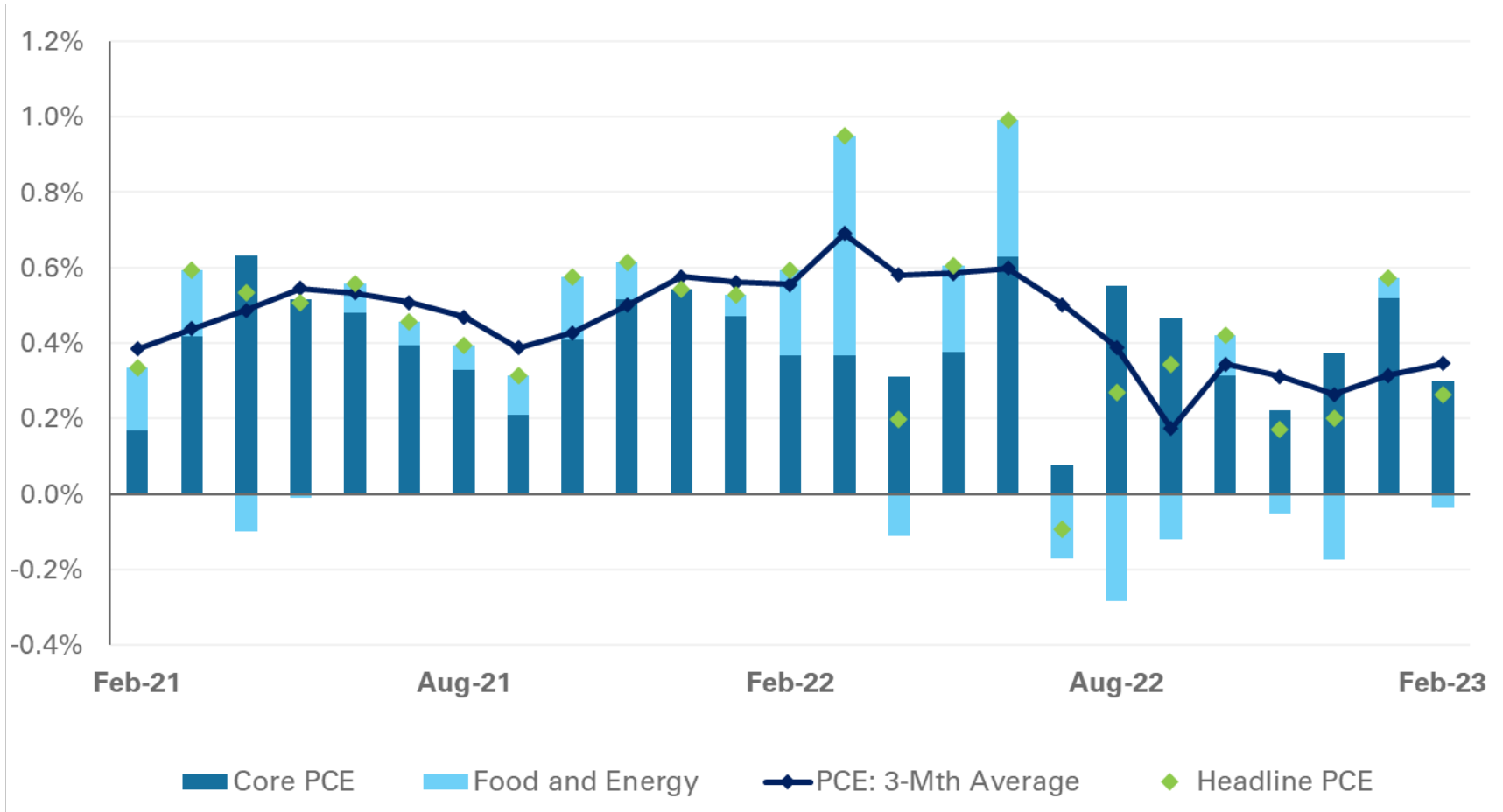
Q1 2023 OVERVIEW

		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
World Equity Benchmarks						
MSCI ACWI IMI (Net)	World with Small Cap	6.95%	-7.69%	15.64%	6.58%	7.95%
MSCI ACWI Net (USD)	World W/O Small Cap	7.31%	-7.44%	15.36%	6.93%	8.06%
MSCI ACWI (Local)	World (Local Currency)	7.02%	-5.61%	15.76%	8.07%	9.25%
Domestic Equity Benchmarks						
Russell 3000	Domestic All Cap	7.18%	-8.58%	18.48%	10.45%	11.73%
S&P 500	Large Core	7.50%	-7.73%	18.60%	11.19%	12.24%
Russell 1000	Large Core	7.46%	-8.39%	18.55%	10.87%	12.01%
Russell 1000 Growth	Large Growth	14.37%	-10.90%	18.58%	13.66%	14.59%
Russell 1000 Value	Large Value	1.01%	-5.91%	17.93%	7.50%	9.13%
Russell 2000	Small Core	2.74%	-11.61%	17.51%	4.71%	8.04%
Russell 2000 Growth	Small Growth	6.07%	-10.60%	13.36%	4.26%	8.49%
Russell 2000 Value	Small Value	-0.66%	-12.96%	21.01%	4.55%	7.22%
NASDAQ Composite	Large Growth	17.05%	-13.28%	17.56%	12.60%	15.30%
NASDAQ Biotechnology	Biotech	-1.87%	-0.16%	7.52%	4.91%	10.00%
International Equity Benchmarks						
MSCI ACWI Ex USA	World ex-US	6.87%	-5.07%	11.80%	2.47%	4.17%
MSCI EAFE Net (USD)	Int'l Developed	8.47%	-1.38%	12.98%	3.52%	5.00%
MSCI EAFE (Local)	Int'l Developed (Local Currency)	7.49%	3.84%	14.63%	6.25%	7.34%
MSCI EAFE Small Cap	Small Cap Int'l	4.92%	-9.83%	12.07%	0.87%	5.86%
MSCI Emerging Markets	Emerging Equity	3.96%	-10.70%	7.83%	-0.91%	2.00%
Domestic Fixed Income Benchmarks						
Bloomberg Aggregate	Core Bonds	2.96%	-4.78%	-2.77%	0.90%	1.36%
Barclays US High Yield	High Yield	3.57%	-3.35%	5.91%	3.21%	4.10%
CSFB Levered Loans	Bank Loans	3.11%	2.12%	8.38%	3.55%	3.86%
BofA ML US 3-Month T-Bill	Cash	1.07%	2.50%	0.89%	1.41%	0.87%
Bloomberg US TIPS 1-10 Yr	Inflation	2.94%	-2.93%	2.89%	3.18%	1.55%
Global Fixed Income Benchmarks						
Barclays Global Aggregate	Global Core Bonds	3.01%	-8.07%	-3.43%	-1.34%	0.07%
FTSE WGBI	World Gov. Bonds	3.51%	-9.55%	-5.29%	-2.35%	-0.60%
BC Global Credit	Global Bonds	3.33%	-7.09%	-1.40%	-0.28%	1.06%
JPM GBI-EM Glob. Diversified	Em. Mkt. Bonds (Local Currency)	5.16%	-0.72%	0.87%	-2.37%	-1.52%
JPM EMBI+	Em. Mkt. Bonds	1.87%	-8.42%	-4.94%	-3.12%	0.17%
Alternative Benchmarks						
Bloomberg Commodity Index	Commodities	-5.36%	-12.49%	20.82%	5.36%	-1.72%
HFRI Fund of Funds Composite Index	Fund of Hedge Funds	0.71%	-1.94%	7.17%	3.10%	3.24%
Cambridge PE Lagged*	Private Equity	1.00%	-1.33%	18.48%	15.94%	14.77%
NCREIF ODCE Net Lagged*	Real Estate	-5.13%	6.67%	9.01%	7.74%	9.12%
FTSE NAREIT All Equity REITs	REIT	1.74%	-19.37%	10.17%	6.25%	6.45%
CPI + 2%	Inflation/Real Assets	1.44%	7.09%	7.46%	5.95%	4.71%

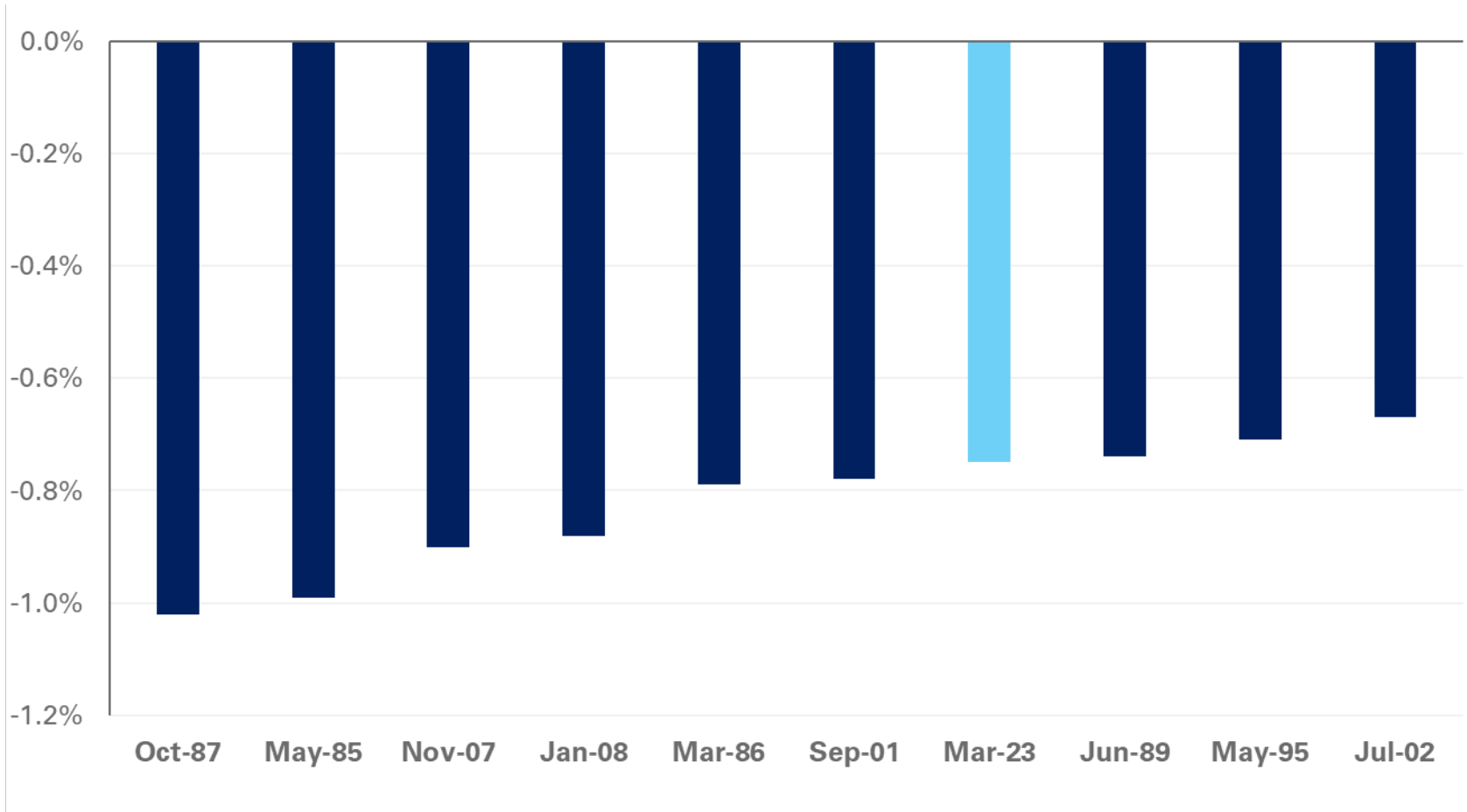


* As of 12/31/2022

CORE INFLATION REMAINED ELEVATED

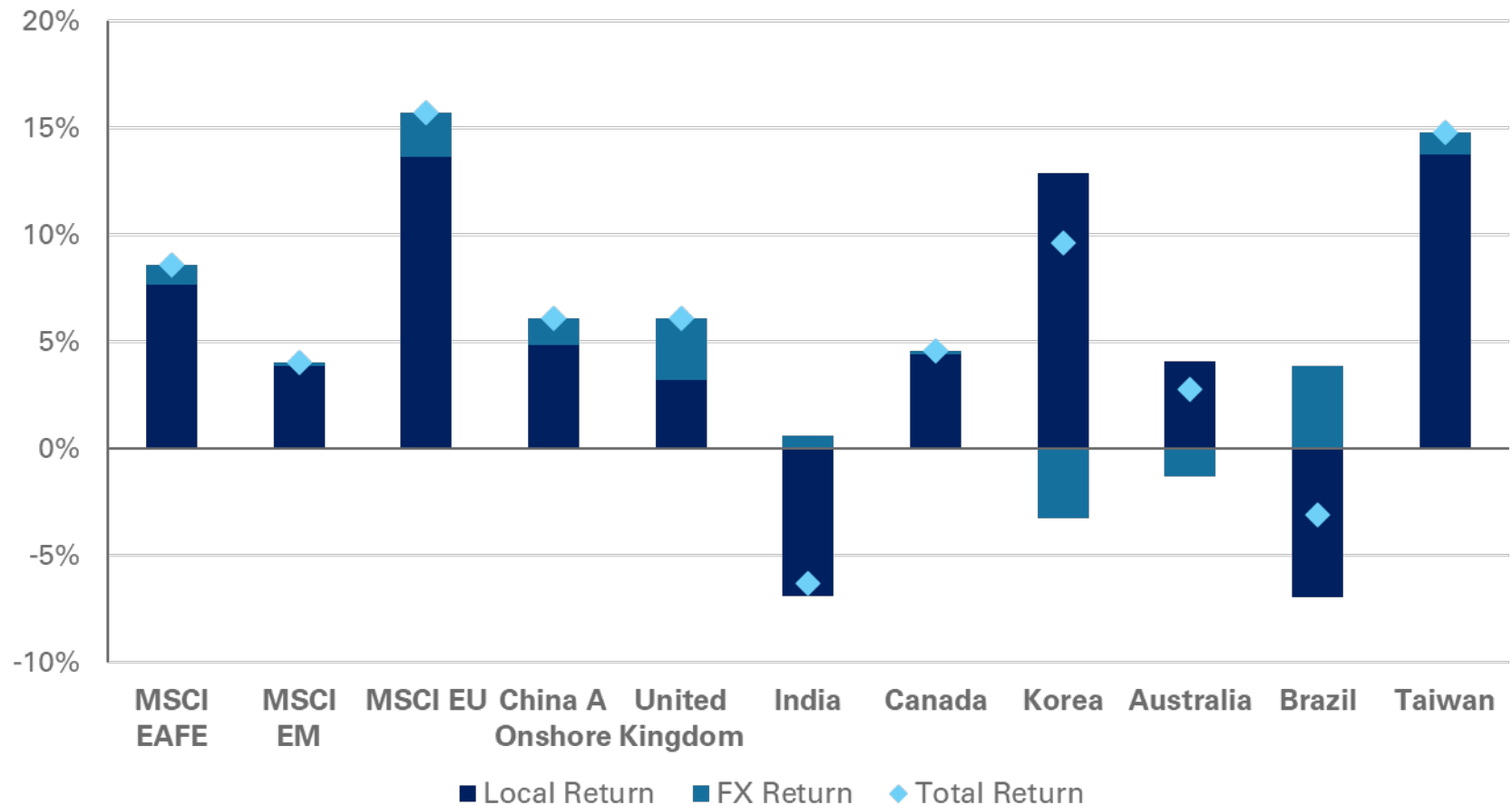


THE 2-YEAR TREASURY YIELD FELL DRAMATICALLY



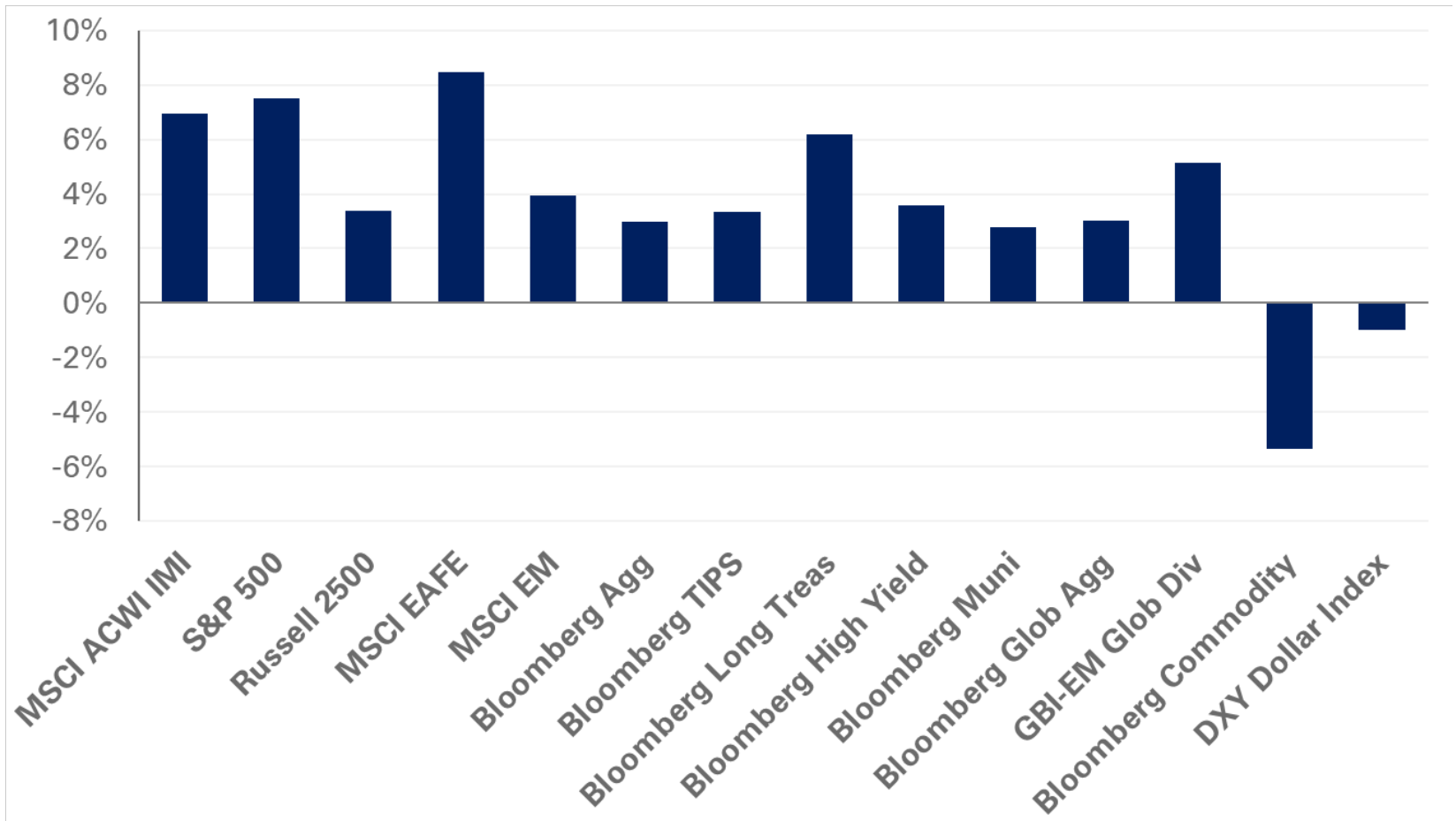
Data calculated since 12/31/1984; There are 11 instances since 1979 where the 2-year treasury experienced monthly declines larger than March 2023.
Source: FactSet

DOLLAR WEAKNESS SUPPORTED NON-U.S. ASSETS



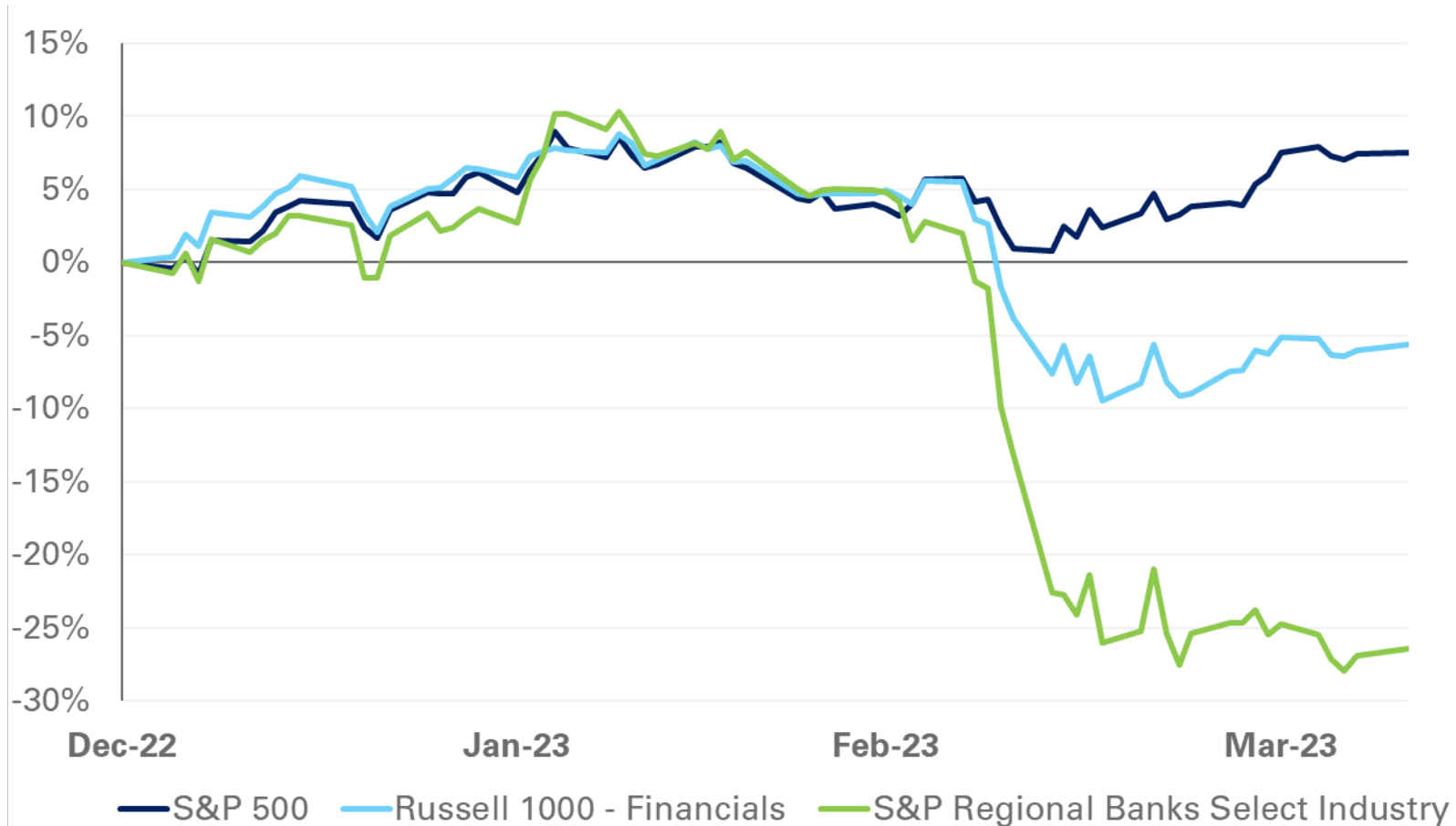
EQUITIES HELD STRONG FOR THE QUARTER

2023 FIRST QUARTER TOTAL RETURNS



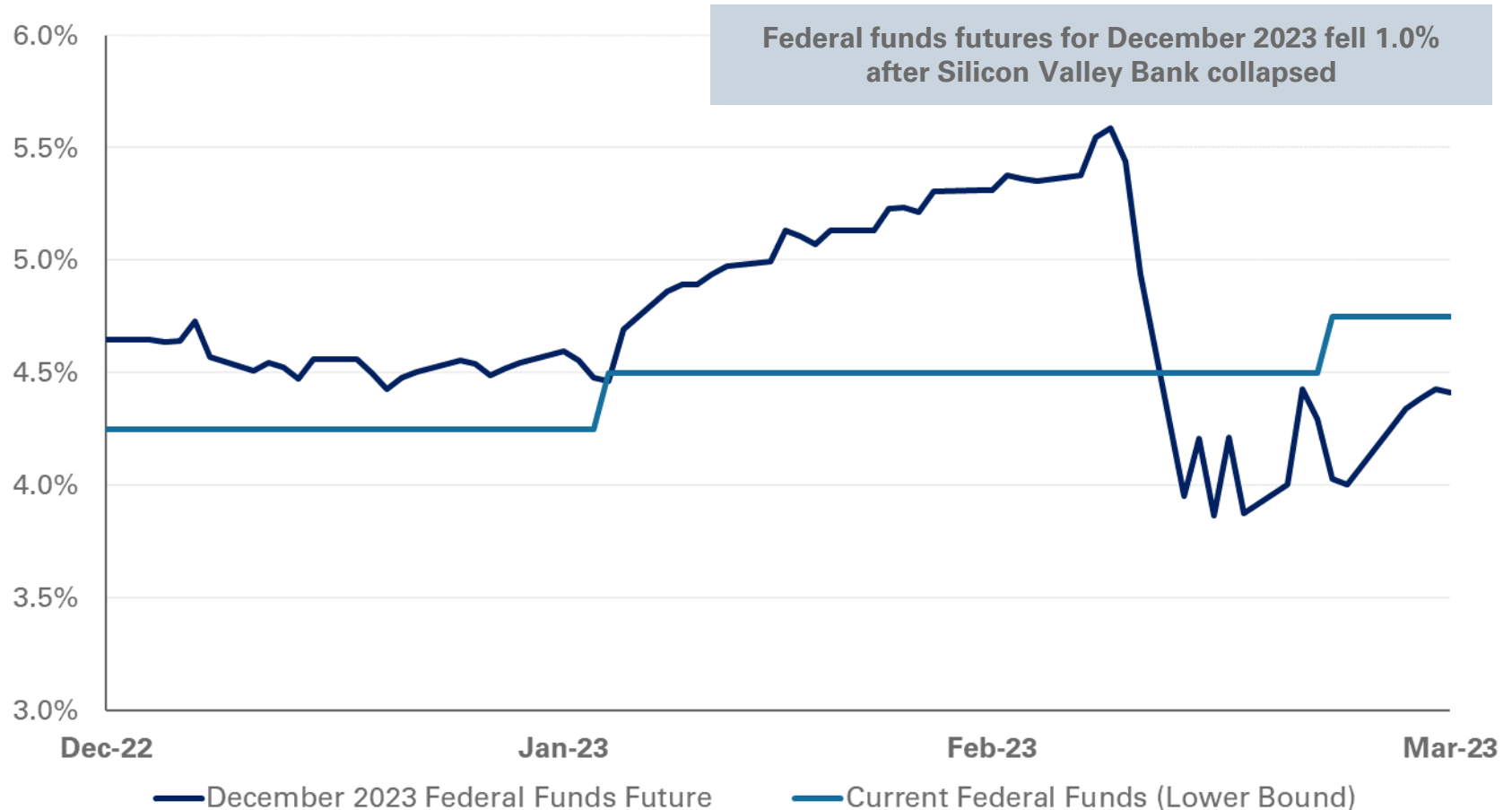
THE FINANCIAL SECTOR UNDERPERFORMED

2023 CUMULATIVE TOTAL RETURNS



Sources: S&P, Russell, FactSet

FUTURE RATE EXPECTATIONS ARE VOLATILE

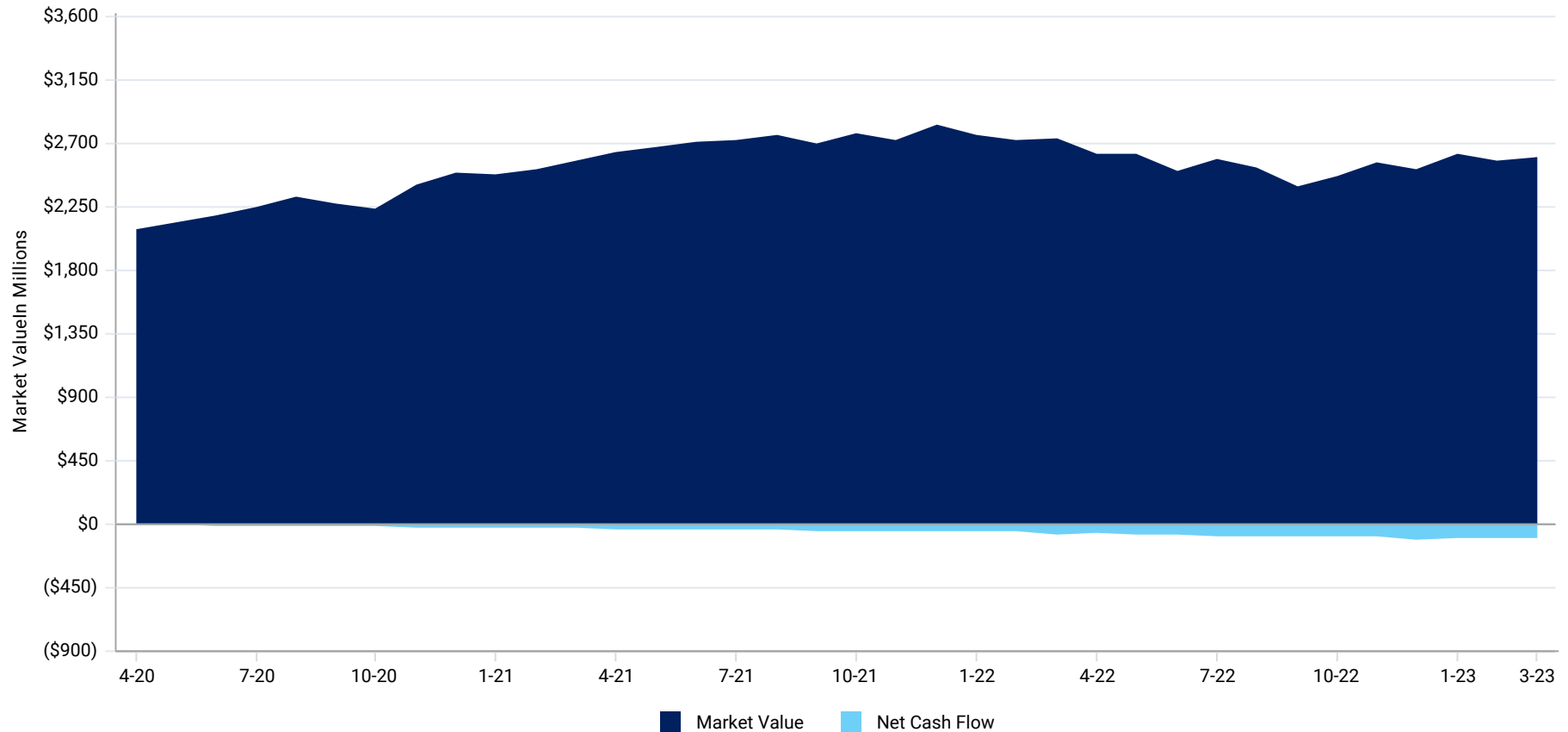




TOTAL FUND PERFORMANCE

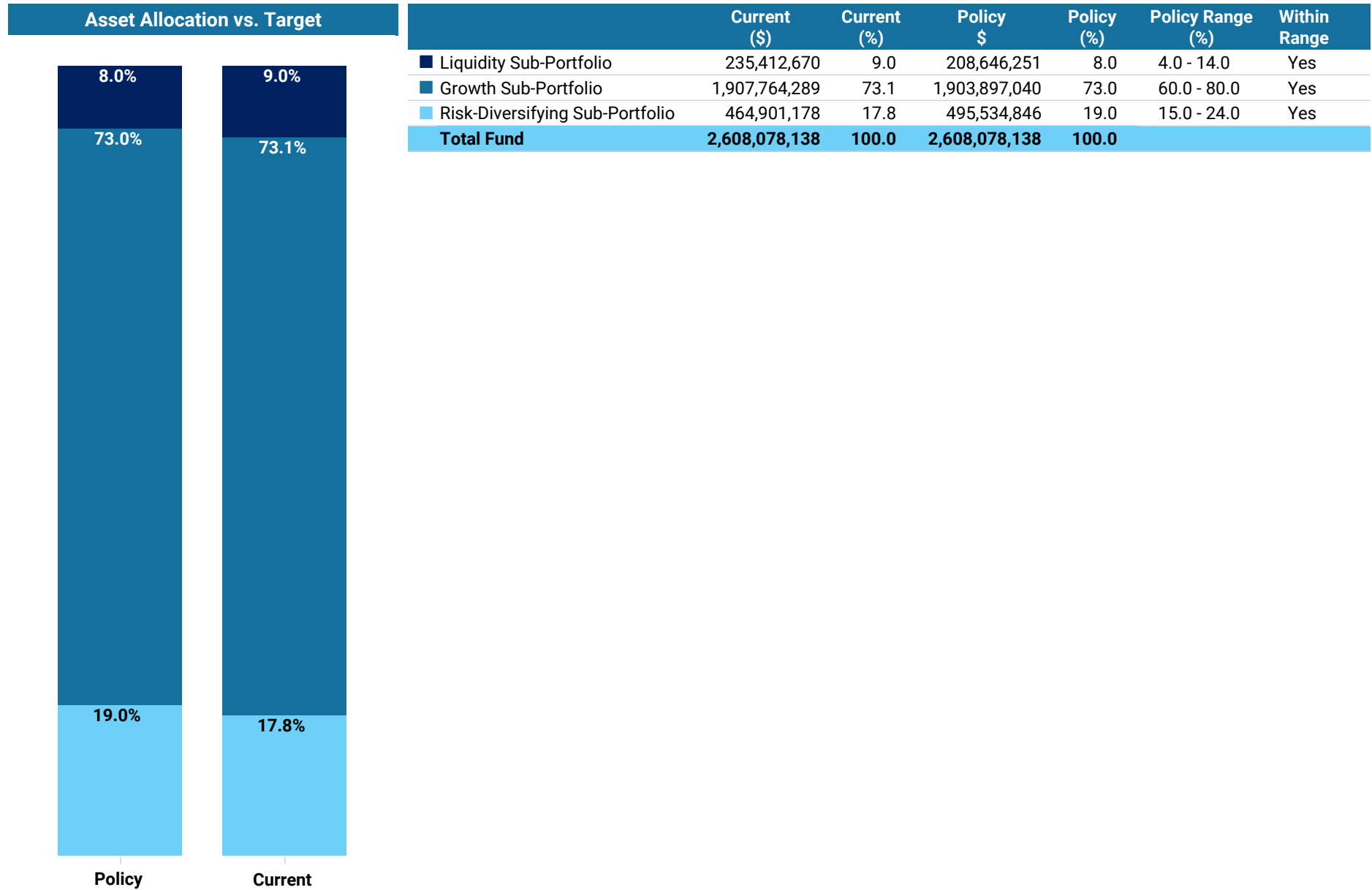
ASSET GROWTH SUMMARY

3 Years Ending March 31, 2023



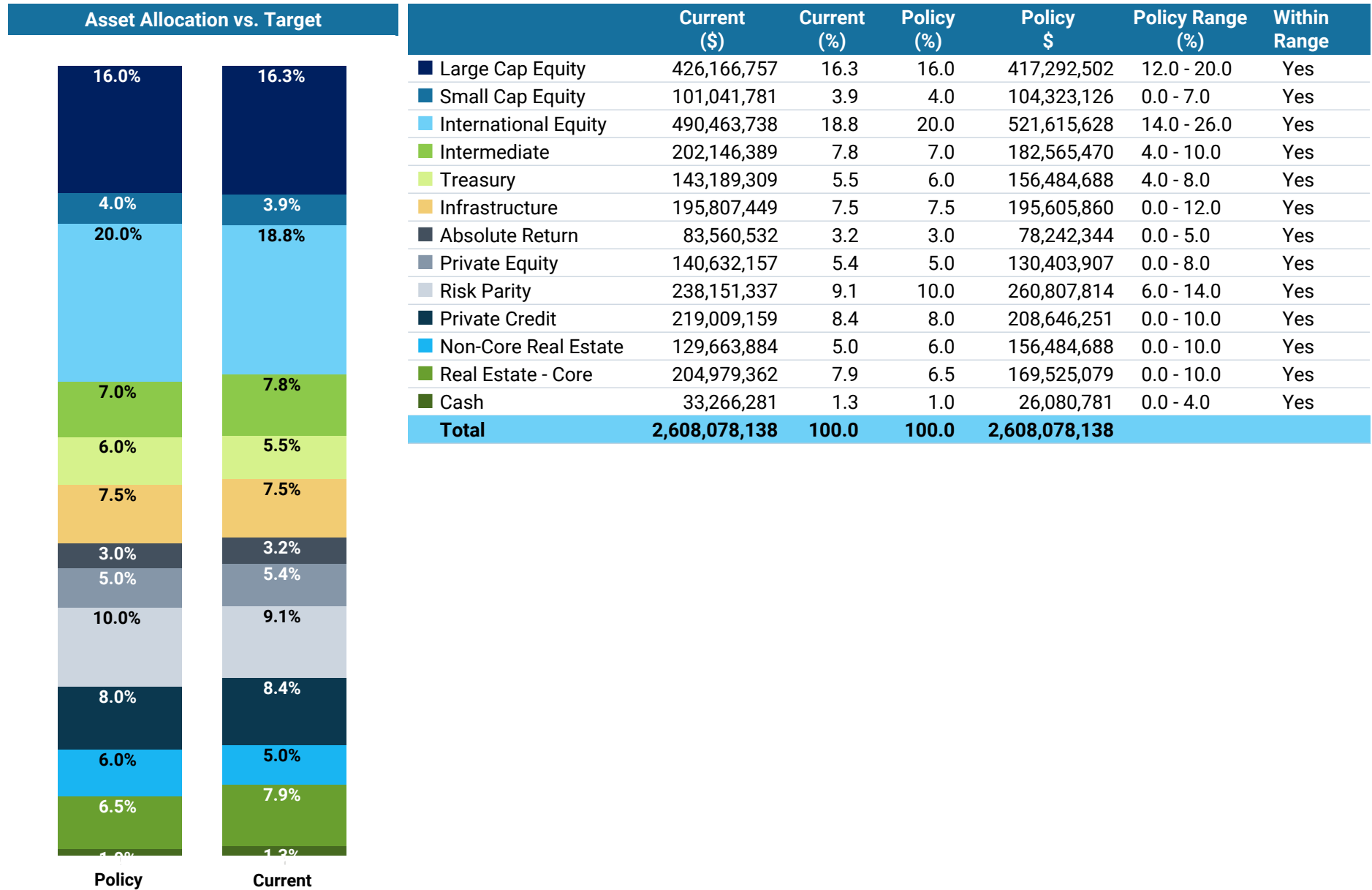
	Last Three Months	FYTD	1 Year
Beginning Market Value	2,511,558,542	2,507,413,470	2,738,579,313
Net Cash Flow	3,316,346	-25,486,890	-28,823,684
Net Investment Change	93,203,250	126,151,558	-101,677,492
Ending Market Value	2,608,078,138	2,608,078,138	2,608,078,138
Net Change	96,519,596	100,664,667	-130,501,175

ASSET ALLOCATION VS. POLICY



*Difference between Policy and Current Allocation

ASSET ALLOCATION VS. POLICY



*Difference between Policy and Current Allocation

PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	2,608,078,138	100.0	3.7	5.2	-3.6	10.8	5.8	7.4	6.9	8.6	Jan-95
Policy Index			<u>4.5</u>	<u>6.3</u>	<u>-2.5</u>	<u>10.8</u>	<u>6.1</u>	<u>7.3</u>	<u>7.0</u>	<u>7.8</u>	
Allocation Index			<u>3.9</u>	<u>4.7</u>	<u>-5.4</u>						
InvMetrics Public DB > \$1 Billion Rank			55	32	40	63	65	59	56	1	
Liquidity Sub-Portfolio	235,412,670	9.0	1.8	1.7	0.8	2.3	2.7	2.0		1.8	Aug-14
StanCERA Liquidity Blended BM			<u>2.2</u>	<u>1.0</u>	<u>-1.1</u>	<u>0.8</u>	<u>1.9</u>	<u>1.5</u>		<u>1.4</u>	
Cash	33,266,281	1.3	1.3	3.2	3.5	2.5	2.2	1.9		1.7	Aug-14
FTSE 1 Month T-Bill			<u>1.1</u>	<u>2.5</u>	<u>2.6</u>	<u>0.9</u>	<u>1.3</u>	<u>1.1</u>		<u>0.9</u>	
Cashflow-Matched Bonds	202,146,389	7.8	1.9	1.5	0.2	1.8	2.5			2.1	Jul-17
Blmbg. Intermed. U.S. Government/Credit			<u>2.3</u>	<u>0.7</u>	<u>-1.7</u>	<u>-1.3</u>	<u>1.4</u>			<u>1.1</u>	
eV US Government Fixed Inc Rank			89	4	3	1	1			1	
Insight	202,146,389	7.8	1.9	1.5	0.2	1.8	2.5			2.1	Jul-17
Blmbg. Intermed. U.S. Government/Credit			<u>2.3</u>	<u>0.7</u>	<u>-1.7</u>	<u>-1.3</u>	<u>1.4</u>			<u>1.1</u>	
eV US Government Fixed Inc Rank			89	4	3	1	1			1	
Growth Sub-Portfolio	1,907,764,289	73.1	3.9	6.8	-3.3	14.4	7.2	9.2	8.7	7.9	Jan-04
StanCERA Growth Blended BM			<u>4.7</u>	<u>7.5</u>	<u>-2.2</u>	<u>14.9</u>	<u>8.0</u>	<u>9.5</u>			

PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
US Equities	527,208,539	20.2	6.2	9.8	-7.5	20.7	9.8	11.8	11.1	9.4	Jan-04
Russell 3000 Index			7.2	9.7	-8.6	18.5	10.5	12.0	11.7	9.1	
US Large Equity	426,166,757	16.3	7.2	9.5	-8.6	19.6	11.0	12.7	12.1	12.3	Jan-95
Russell 1000 Index			7.5	9.9	-8.4	18.6	10.9	12.2	12.0	10.2	
eV US Large Cap Equity Rank			34	42	67	26	27	23	27	5	
BlackRock Russell 1000 Growth	206,608,384	7.9	14.4	12.7	-10.9	18.5	13.6	15.0	14.6	15.2	Aug-10
Russell 1000 Growth Index			14.4	12.7	-10.9	18.6	13.7	15.0	14.6	15.1	
eV US Large Cap Growth Equity Rank			31	33	43	18	13	12	9	6	
BlackRock Russell 1000 Value	110,400,244	4.2	1.0	7.2	-5.9	17.9	7.6	9.1	9.2	11.1	Aug-09
Russell 1000 Value Index			1.0	7.2	-5.9	17.9	7.5	9.0	9.1	11.0	
eV US Large Cap Value Equity Rank			43	50	66	63	64	66	63	49	
Dodge & Cox-Equity	109,158,129	4.2	1.4	6.5	-6.7	22.7	9.0	11.7	11.0	11.6	Jan-95
Russell 1000 Value Index			1.0	7.2	-5.9	17.9	7.5	9.0	9.1	9.6	
eV US Large Cap Value Equity Rank			38	62	75	18	33	15	17	5	
US Small Equity	101,041,781	3.9	2.4	11.1	-2.7	26.7	6.1	8.9	7.9	11.5	Jan-09
Russell 2000 Index			2.7	6.8	-11.6	17.5	4.7	8.6	8.0	10.9	
eV US Small Cap Value Equity Rank			45	22	21	23	45	39	52	48	
Attucks Small Cap	101,041,781	3.9	2.4	11.1	-2.7	26.7	6.1	9.6	8.3	11.7	Jan-09
Russell 2000 Value Index			-0.7	2.7	-13.0	21.0	4.5	7.9	7.2	9.7	
eV US Small Cap Value Equity Rank			45	22	21	23	45	28	44	44	
International Equity	490,463,738	18.8	6.5	11.1	-2.7	14.3	2.9	6.5	5.0	6.0	Oct-04
MSCI AC World ex USA (Net)			6.9	10.0	-5.1	11.8	2.5	5.9	4.2	5.4	
eV ACWI ex-US Large Cap Equity Rank			81	70	39	25	63	52	62	57	
LSV Int'l Large Cap Value	258,827,286	9.9	6.1	11.4	-1.5	15.2	2.2	6.4	4.8	5.8	Oct-04
MSCI AC World ex USA Value (Net)			5.2	9.0	-4.0	13.8	1.3	5.0	3.1	4.7	
eV ACWI ex-US Large Cap Equity Rank			86	65	27	17	80	57	63	59	
Fidelity Int'l Growth	231,636,452	8.9	7.0	10.7	-3.9	13.3	3.6	6.5	4.9	3.9	May-06
MSCI AC World ex USA Growth (Net)			8.6	11.1	-6.4	9.5	3.4	6.5	5.1	4.0	
eV ACWI ex-US Large Cap Equity Rank			73	71	57	38	46	53	63	44	

PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Core Real Estate	204,979,362	7.9	0.4	-0.3	-2.4	8.3	7.5	5.5	6.3	3.2	Apr-08
NCREIF Property Index			-1.8	-4.7	-1.6	7.2	6.7	6.8	8.3	6.3	
Prime Property Fund	102,800,000	3.9	-1.0	-4.7	-1.8	8.7	7.7	8.1		8.3	Oct-15
NCREIF ODCE			-3.2	-7.5	-3.1	8.4	7.5	7.7		8.0	
BlackRock Real Estate Securities	6,212,855	0.2	2.8	-3.6	-21.1	11.2	4.6	2.9	5.2	5.9	Oct-12
Dow Jones U.S. Select RESI			2.8	-3.6	-21.1	11.3	4.6	2.9	5.3	5.9	
PGIM Real Estate US Debt Fund	95,966,507	3.7	1.7	5.0	6.2	5.2				5.3	Sep-18
Blmbg. U.S. Investment Grade: CMBS Index			1.7	-1.2	-4.1	-1.3				1.2	
Value-Add Real Estate	129,663,884	5.0	-1.1	-1.4	0.0	11.2	11.3	11.3		11.1	Aug-14
NCREIF Property Index +2%			-1.3	-3.3	0.3	9.3	8.8	9.0		10.2	
American Strategic Value Realty	88,716,589	3.4	0.0	-2.0	0.8	9.0	8.7	9.2		10.4	Jan-15
NCREIF Property Index			-1.8	-4.7	-1.6	7.2	6.7	6.8		7.7	
Greenfield Acquisition Partners VII	1,348,545	0.1	-5.3	-10.4	-7.6	-0.2	5.4	7.6		8.0	Aug-14
NCREIF-ODCE +1%			-2.9	-6.8	-2.1	9.5	8.6	8.8		10.1	
Grandview Property Partners I	23,054,375	0.9	-0.5	1.3	-2.7	22.0	22.2			22.2	Apr-18
NCREIF-ODCE +1%			-2.9	-6.8	-2.1	9.5	8.6			8.6	
Grandview Property Partners II	16,544,375	0.6	-7.2	2.0	4.7					-1.3	Dec-21
NCREIF-ODCE +1%			-2.9	-6.8	-2.1					10.2	

PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Infrastructure	195,807,449	7.5	2.7	6.8	1.1	0.3	5.0	6.7		5.2	Jun-15
<i>CPI + 5% (Unadjusted)</i>			<u>2.9</u>	<u>5.7</u>	<u>10.2</u>	<u>10.6</u>	<u>9.1</u>	<u>8.6</u>		<u>8.2</u>	
eV Infrastructure Rank			56	21	9	100	87	53		61	
MS Infrastructure Partners II	14,036,677	0.5	0.0	13.4	13.4	7.9	9.7	10.0		8.1	Jun-15
<i>CPI + 5% (Unadjusted)</i>			<u>2.9</u>	<u>5.7</u>	<u>10.2</u>	<u>10.6</u>	<u>9.1</u>	<u>8.6</u>		<u>8.2</u>	
eV Infrastructure Rank			100	5	1	100	10	2		5	
Northern Trust Infrastructure Fund	82,596,391	3.2	3.4	1.1	-7.2					-3.3	Jul-21
<i>67% STOXX Global Broad Infra / 33% Bloomberg US TIPS</i>			<u>3.3</u>	<u>1.6</u>	<u>-7.2</u>					<u>-3.0</u>	
Palistar Communications Infrastructure Fund II	12,500,794	0.5	0.0	7.0	24.9					8.8	Jan-22
<i>CPI + 5% (Unadjusted)</i>			<u>2.9</u>	<u>5.7</u>	<u>10.2</u>					<u>11.9</u>	
JP Morgan IIF Hedged LP	33,193,969	1.3	3.4	10.6	12.5					12.5	Apr-22
<i>CPI + 5% (Unadjusted)</i>			<u>2.9</u>	<u>5.7</u>	<u>10.2</u>					<u>10.2</u>	
IFM Global Infrastructure Fund	53,479,619	2.1	2.6							7.0	Aug-22
<i>CPI + 5% (Unadjusted)</i>			<u>2.9</u>							<u>5.2</u>	

PERFORMANCE DETAIL

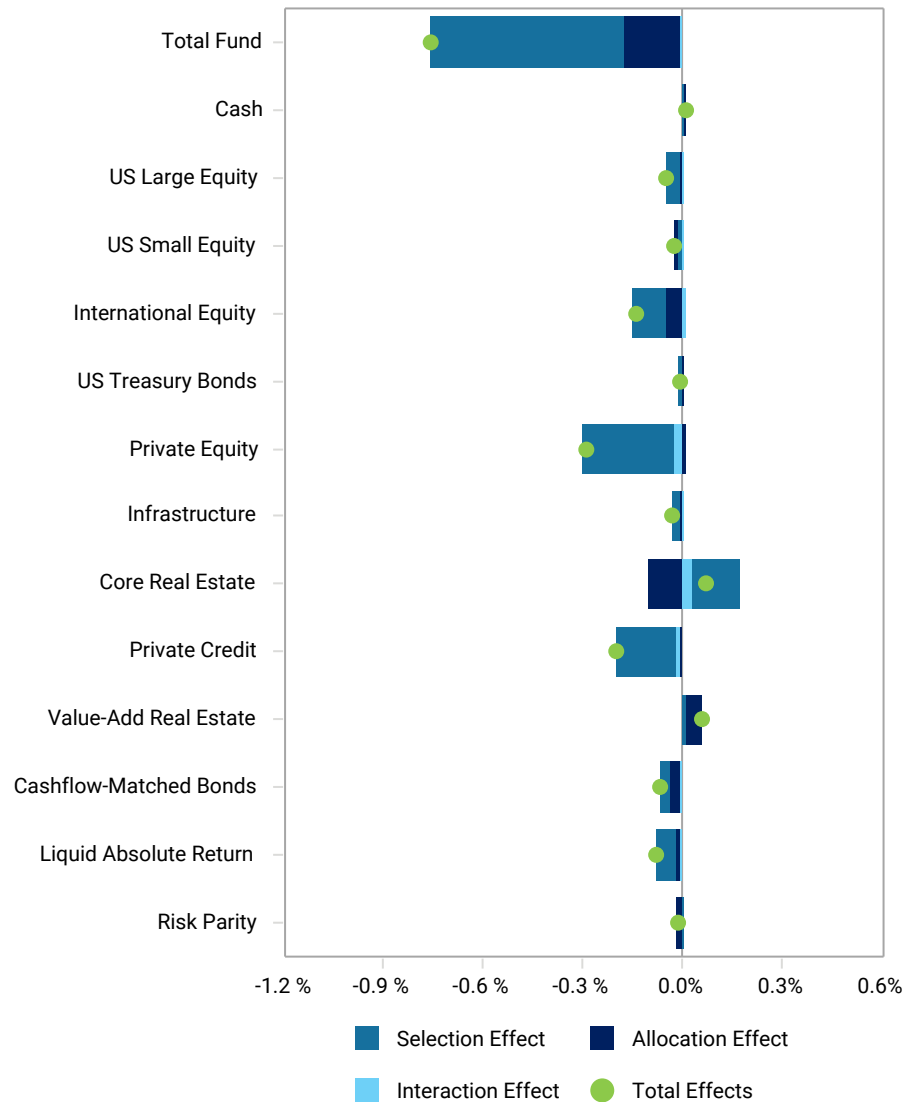
	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Equity	140,632,157	5.4	2.4	1.5	-7.9	21.0				13.7	Dec-18
Russell 3000 + 3%			8.0	12.2	-5.8	22.0				14.2	
Private Equity	88,970,686	3.4	-0.7	-4.8	-3.0	17.4				17.4	Apr-20
Russell 3000 + 3%			8.0	12.2	-5.8	22.0				22.0	
Private Equity Proxy	51,661,471	2.0	7.2	9.7	-8.7	18.4	11.6	12.6	12.4	9.5	Dec-03
Russell 3000 Index			7.2	9.7	-8.6	18.5	10.5	12.0	11.7	9.4	
eV US Large Cap Equity Rank			34	39	67	39	20	25	24	38	
Private Credit	219,009,159	8.4	1.5	6.0	2.6	-0.2	0.1	0.7		2.2	Jun-13
S&P/LSTA Leveraged Loan Index +2%			3.7	8.9	4.6	10.7	5.7	6.7		5.8	
Private Credit	106,367,720	4.1	-0.1	3.4	8.6	3.4	2.2	2.2		3.3	Jun-13
S&P/LSTA Leveraged Loan Index +2%			3.7	8.9	4.6	10.7	5.7	6.7		5.8	
Private Credit Proxy	112,641,439	4.3	3.1	8.7	-2.4					-2.4	Jun-21
ICE BofA US High Yield Master II Constrained			3.7	7.1	-3.6					-2.9	
Risk-Diversifying Sub-Portfolio	464,901,178	17.8	3.9	0.5	-6.3	-0.6	1.6	1.9	2.2	4.0	Dec-03
StanCERA Risk-Diversifying Blended BM			4.4	3.7	-4.6	-0.8	1.7	1.2	1.3		
Risk Parity	238,151,337	9.1	5.6	-0.4	-11.9	3.8	3.2			2.8	Dec-17
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			5.6	6.0	-7.5	7.7	3.8			3.8	
HFR Risk Parity Vol 10 Institutional Index			4.4	0.5	-11.3	2.9	1.9			1.7	
AQR Global Risk Premium - EL	121,651,337	4.7	3.8	-0.7	-10.1	3.7	3.2			3.2	Apr-18
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			5.6	6.0	-7.5	7.7	3.8			3.8	
PanAgora Risk Parity Multi Asset	116,500,000	4.5	7.6	-0.1	-13.7	3.9	3.1			2.8	Dec-17
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			5.6	6.0	-7.5	7.7	3.8			3.8	

PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
US Treasury Bonds	143,189,309	5.5	3.4	-1.4	-6.4	-5.1	0.6	1.3	1.7	3.8	Dec-03
Blmbg. U.S. Treasury: 7-10 Year			<u>3.5</u>	<u>-1.2</u>	<u>-5.7</u>	<u>-5.2</u>	<u>0.9</u>	<u>0.3</u>	<u>1.0</u>	<u>3.6</u>	
eV US Government Fixed Inc Rank			6	90	96	95	74	5	4	1	
Northern Trust Intermediate Gov't Bond	101,244,800	3.9	2.2	0.1	-1.6	-2.4	1.0			0.7	Aug-17
Blmbg. U.S. Government: Intermediate			<u>2.3</u>	<u>0.1</u>	<u>-1.5</u>	<u>-2.3</u>	<u>1.1</u>			<u>0.7</u>	
eV US Government Fixed Inc Rank			82	10	6	25	24			28	
Northern Trust Long Term Gov't Bond	41,944,509	1.6	6.1	-4.7	-16.0	-10.7	0.2			0.2	Aug-17
Blmbg. U.S. Government: Long Term Bond Index			<u>6.2</u>	<u>-4.6</u>	<u>-15.9</u>	<u>-11.2</u>	<u>-0.4</u>			<u>-0.3</u>	
eV US Long Duration Fixed Inc Rank			22	95	96	95	91			91	
Liquid Absolute Return	83,560,532	3.2	0.1	5.1	10.3					12.2	Oct-21
30 Day T-Bill + 4%			<u>2.1</u>	<u>5.5</u>	<u>6.7</u>					<u>5.8</u>	
Graham Global Investment Fund I SPC LTD	55,361,352	2.1	-1.3	2.1	10.3					17.2	Nov-21
HFRI Macro (Total) Index			<u>-2.4</u>	<u>-2.0</u>	<u>-0.4</u>					<u>3.3</u>	
Invesco Global Targeted Return	28,199,180	1.1	2.9	11.1	8.1					3.1	Nov-21
30 Day T-Bill + 4%			<u>2.1</u>	<u>5.5</u>	<u>6.7</u>					<u>5.9</u>	

ATTRIBUTION ANALYSIS

Attribution Effects 1 Quarter Ending March 31, 2023



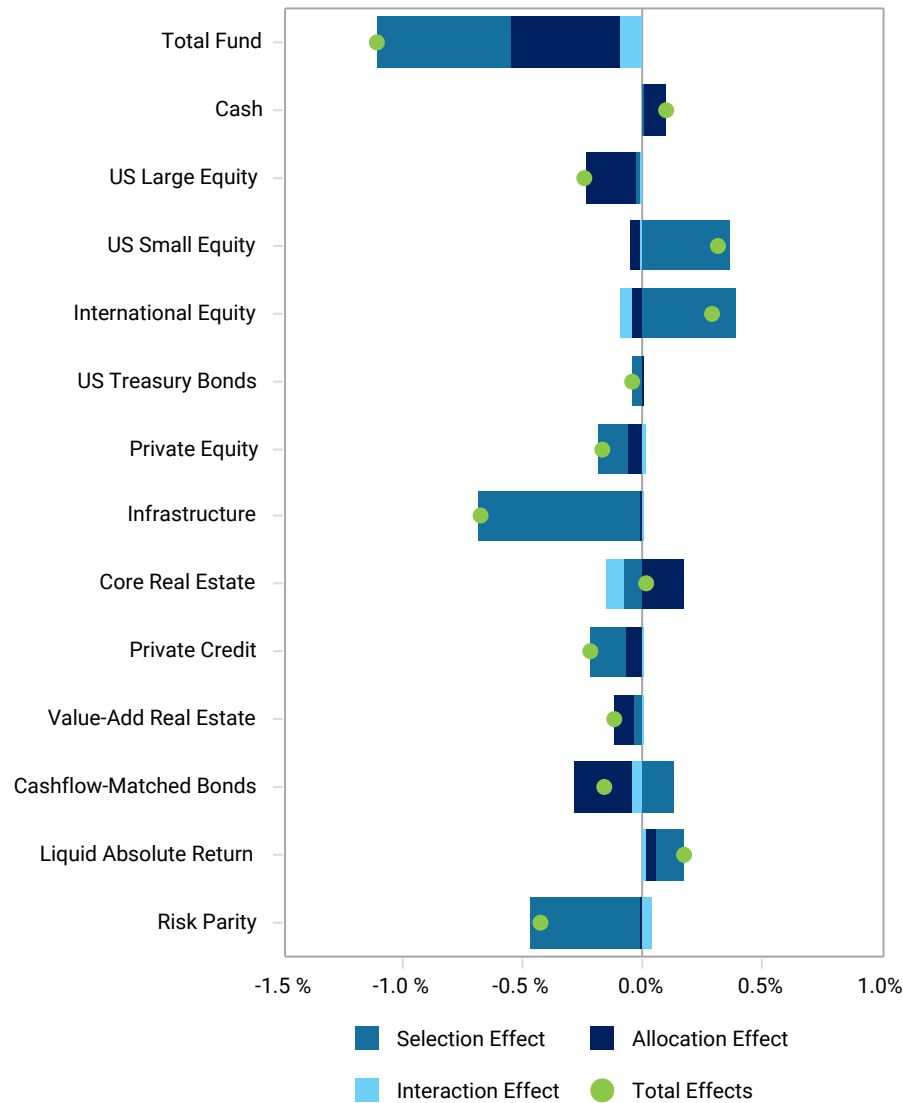
Attribution Summary 1 Quarter Ending March 31, 2023

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Cash	1.3	1.1	0.2	0.0	0.0	0.0	0.0
US Large Equity	7.2	7.5	-0.3	0.0	0.0	0.0	0.0
US Small Equity	2.4	2.7	-0.4	0.0	0.0	0.0	0.0
International Equity	6.5	7.0	-0.5	-0.1	0.0	0.0	-0.1
US Treasury Bonds	3.4	3.5	-0.2	0.0	0.0	0.0	0.0
Private Equity	2.4	8.0	-5.6	-0.3	0.0	0.0	-0.3
Infrastructure	2.7	2.9	-0.3	0.0	0.0	0.0	0.0
Core Real Estate	0.4	-1.8	2.2	0.1	-0.1	0.0	0.1
Private Credit	1.5	3.7	-2.2	-0.2	0.0	0.0	-0.2
Value-Add Real Estate	-1.1	-1.3	0.2	0.0	0.0	0.0	0.1
Cashflow-Matched Bonds	1.9	2.3	-0.4	0.0	0.0	0.0	-0.1
Liquid Absolute Return	0.1	2.1	-2.0	-0.1	0.0	0.0	-0.1
Risk Parity	5.6	5.6	0.0	0.0	0.0	0.0	0.0
Total Fund	3.7	4.5	-0.8	-0.6	-0.2	0.0	-0.8

*Total Actual and Index returns are weighted average calculations.

ATTRIBUTION ANALYSIS

Attribution Effects 1 Year Ending March 31, 2023



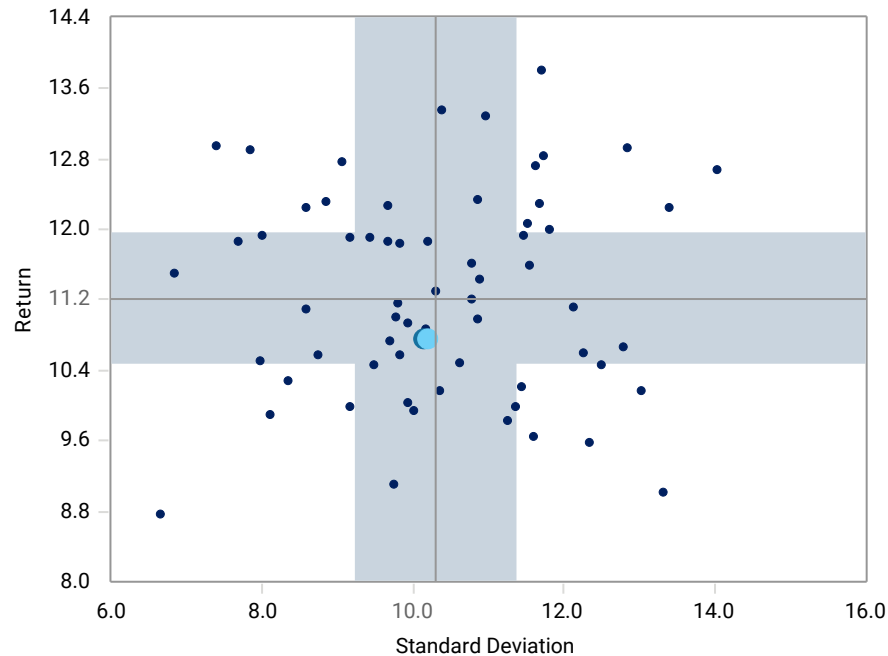
Attribution Summary 1 Year Ending March 31, 2023

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Cash	3.5	2.6	0.9	0.0	0.1	0.0	0.1
US Large Equity	-8.6	-8.4	-0.2	0.0	-0.2	0.0	-0.2
US Small Equity	-2.7	-11.6	8.9	0.4	0.0	0.0	0.3
International Equity	-2.7	-4.6	1.9	0.4	0.0	-0.1	0.3
US Treasury Bonds	-6.4	-5.7	-0.7	0.0	0.0	0.0	0.0
Private Equity	-7.9	-5.8	-2.0	-0.1	-0.1	0.0	-0.2
Infrastructure	1.1	10.2	-9.2	-0.7	0.0	0.0	-0.7
Core Real Estate	-2.4	-1.6	-0.8	-0.1	0.2	-0.1	0.0
Private Credit	2.6	4.6	-2.0	-0.2	-0.1	0.0	-0.2
Value-Add Real Estate	0.0	0.3	-0.4	0.0	-0.1	0.0	-0.1
Cashflow-Matched Bonds	0.2	-1.7	1.8	0.1	-0.2	0.0	-0.2
Liquid Absolute Return	10.3	6.7	3.6	0.1	0.0	0.0	0.2
Risk Parity	-11.9	-7.5	-4.4	-0.5	0.0	0.0	-0.4
Total Fund	-3.6	-2.5	-1.1	-0.6	-0.5	-0.1	-1.1

*Total Actual and Index returns are weighted average calculations.

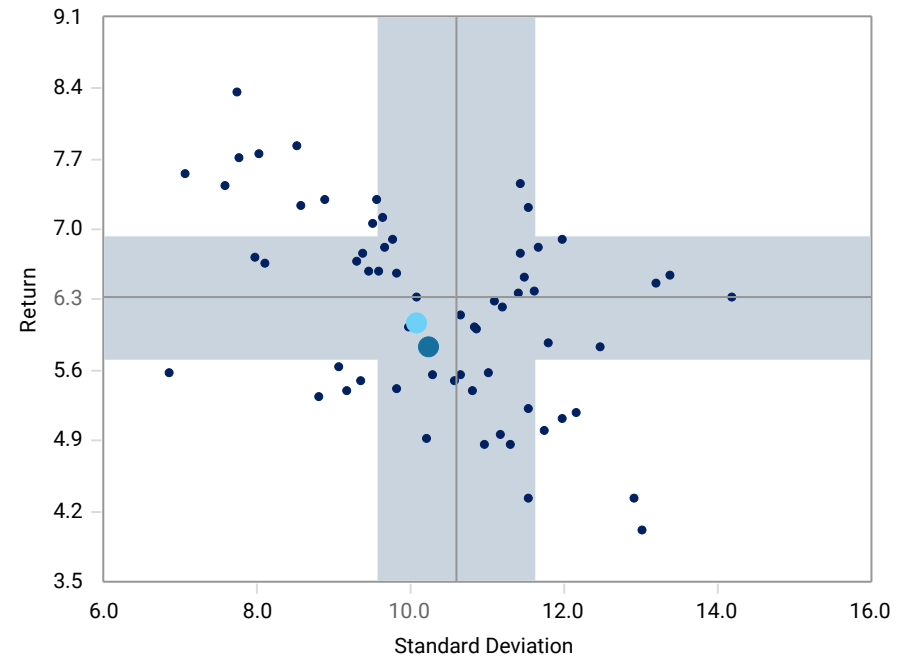
RISK VS. RETURN

3 Years Ending March 31, 2023



● InvMetrics Public DB > \$1 Billion ● Total Fund
● Policy Index

5 Years Ending March 31, 2023



● InvMetrics Public DB > \$1 Billion ● Total Fund
● Policy Index

3 Years Ending March 31, 2023

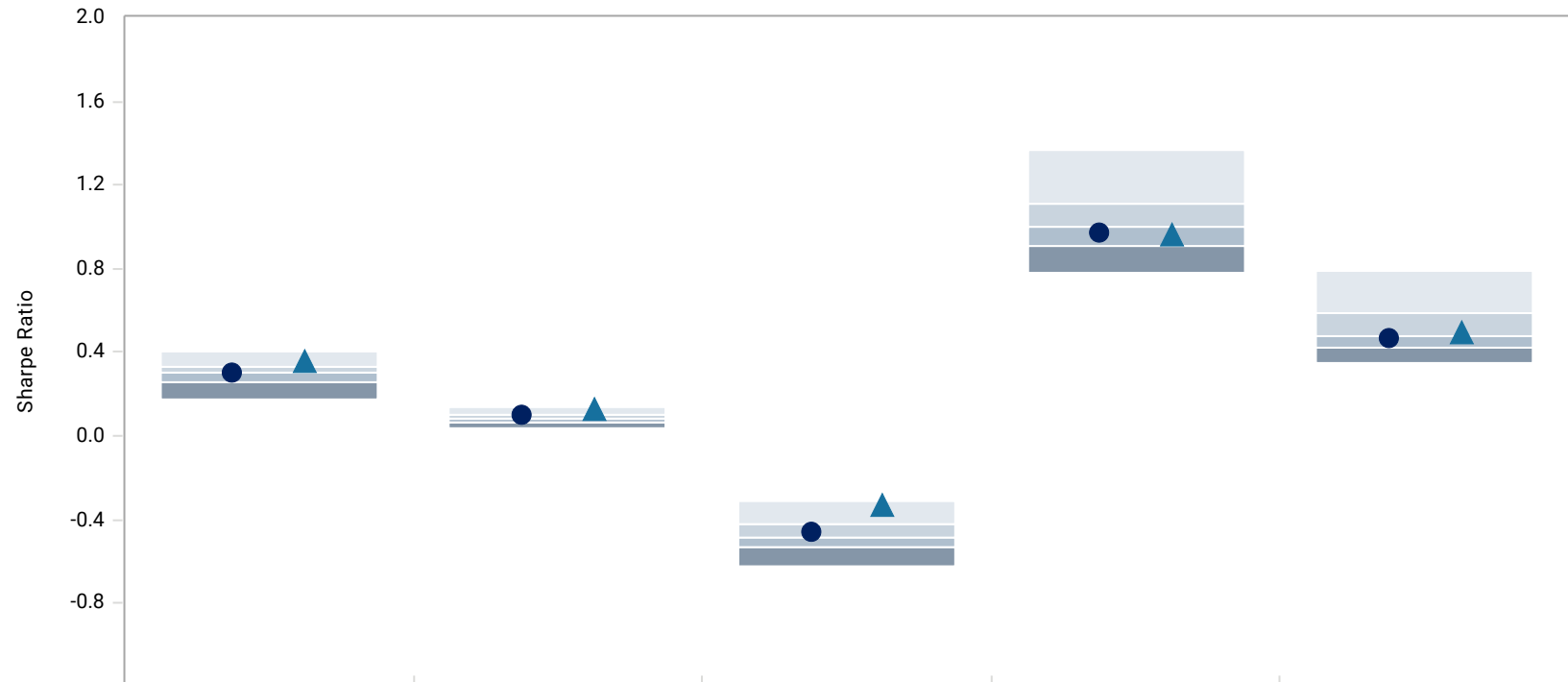
	Return	Standard Deviation	Sharpe Ratio
Total Fund	10.8 (63)	10.2 (46)	1.0 (60)
Policy Index	10.8 (63)	10.2 (48)	1.0 (63)
Population	63	63	63

5 Years Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio
Total Fund	5.8 (65)	10.2 (46)	0.5 (60)
Policy Index	6.1 (57)	10.1 (44)	0.5 (45)
Population	62	62	62

TOTAL FUND SHARPE RATIO RANKINGS

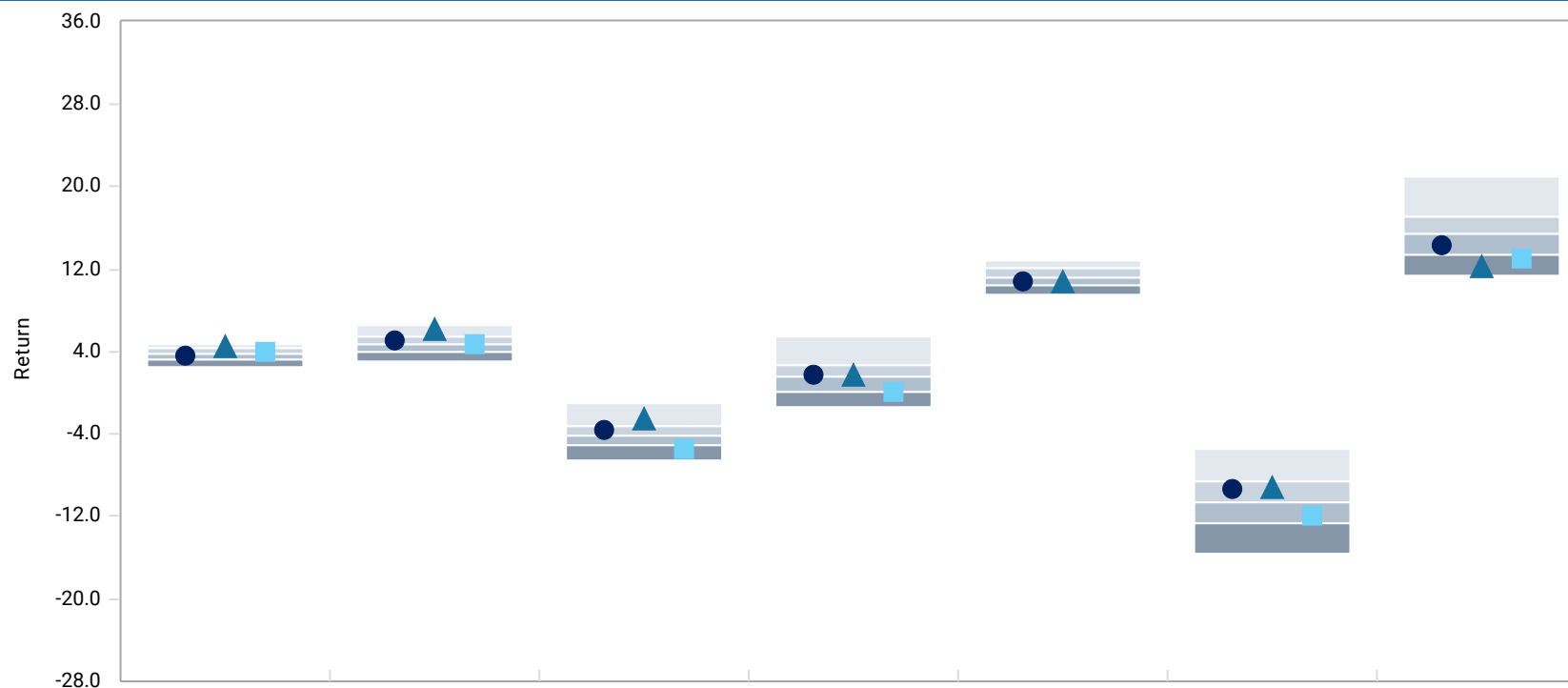
Total Fund vs. InvMetrics Public DB > \$1 Billion



	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
● Total Fund	0.3 (53)	0.1 (28)	-0.5 (39)	1.0 (60)	0.5 (60)
▲ Policy Index	0.4 (14)	0.1 (13)	-0.3 (10)	1.0 (63)	0.5 (45)
5th Percentile	0.4	0.1	-0.3	1.4	0.8
1st Quartile	0.3	0.1	-0.4	1.1	0.6
Median	0.3	0.1	-0.5	1.0	0.5
3rd Quartile	0.3	0.1	-0.5	0.9	0.4
95th Percentile	0.2	0.0	-0.6	0.8	0.4
Population	64	64	64	63	62

RETURN SUMMARY VS. PEER UNIVERSE

Total Fund vs. InvMetrics Public DB > \$1 Billion



	3 Mo	FYTD	1 Year	2 Years	3 Years	2022	2021
● Total Fund	3.7 (55)	5.2 (32)	-3.6 (40)	1.8 (46)	10.8 (63)	-9.4 (37)	14.3 (63)
▲ Policy Index	4.5 (10)	6.3 (11)	-2.5 (15)	1.9 (45)	10.8 (63)	-9.1 (33)	12.2 (91)
■ Allocation Index	3.9 (41)	4.7 (51)	-5.4 (80)	0.2 (75)		-11.9 (66)	13.0 (80)
5th Percentile	4.8	6.7	-1.0	5.4	13.0	-5.4	21.0
1st Quartile	4.3	5.4	-3.3	2.7	12.2	-8.6	17.2
Median	3.8	4.7	-4.1	1.6	11.2	-10.7	15.5
3rd Quartile	3.2	3.9	-5.1	0.2	10.5	-12.7	13.5
95th Percentile	2.6	3.0	-6.6	-1.3	9.6	-15.6	11.4
Population	64	64	64	64	63	104	134

FEE SCHEDULE

Account Name	Fee Schedule	Market Value (\$)	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Cash Account	0.1 % of Assets	33,097,082	33,097	0.1
Transition Account		169,199		
Insight	0.1 % of Assets	202,146,389	242,576	0.1
BlackRock Russell 1000 Growth	0.0 % of Assets	206,608,384	41,322	0.0
BlackRock Russell 1000 Value	0.0 % of Assets	110,400,244	22,080	0.0
Dodge & Cox-Equity	0.4 % of First \$10 M 0.2 % of Next \$90 M 0.2 % Thereafter	109,158,129	233,737	0.2
Channing	0.5 % of Assets	27,440,175	137,201	0.5
Pacific Ridge	0.6 % of Assets	16,700,323	100,202	0.6
Walhausen	0.5 % of Assets	5		0.4
Seizert		32,799,435		
Phocas'		24,101,843		
LSV Int'l Large Cap Value	0.3 % of Assets	258,827,286	647,068	0.3
Fidelity Int'l Growth	0.3 % of Assets	231,636,452	579,091	0.3
Prime Property Fund	0.8 % of Assets	102,800,000	863,520	0.8
BlackRock Real Estate Securities	0.1 % of First \$100 M 0.1 % Thereafter	6,212,855	5,592	0.1
PGIM Real Estate US Debt Fund		95,966,507		
American Strategic Value Realty	0.8 % of First \$25 M 0.7 % of Next \$25 M 0.6 % of Next \$50 M 0.5 % Thereafter	88,716,589	562,941	0.6
Greenfield Acquisition Partners VII		1,348,545		
Grandview Property Partners I		23,054,375		
Grandview Property Partners II		16,544,375		
MS Infrastructure Partners II		14,036,677		
Palistar Communications Infrastructure Fund II		12,500,794		
JP Morgan IIF Hedged LP		33,193,969		
Northern Trust Infrastructure Fund		82,596,391		
IFM Global Infrastructure Fund		53,479,619		

FEE SCHEDULE

Account Name	Fee Schedule	Market Value (\$)	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Vista Foundation Fund IV		14,267,654		
Insight Partners XI		21,239,578		
Gryphon Partners VI LP	0.0 % of Assets	12,941,173	2,588	0.0
Clayton, Dublier, & Rice		14,321,576		
Genstar Capital Partners X		8,857,602		
Sole Source Capital Partners II		12,597,642		
Great Hill EP VIII		1,030,487		
Blue Wolf Capital Fund V-A, L.P.		3,714,974		
Northern Trust Russell 3000	0.0 % of Assets	51,661,471	10,332	0.0
Medley Capital		2,590,770		
Owl Rock First Lien Fund	0.7 % of Assets	8,561,408	59,930	0.7
Raven Opportunity III		56,961,867		
White Oak Pinnacle		26,077,384		
Abry Senior Equity VI, L.P.		6,859,710		
Strategic Values Special Situations Fund V, L.P.		5,316,581		
Blackrock High Yield Fund		95,530,890		
Monroe Private Credit IV		17,110,549		
AQR Global Risk Premium - EL	0.4 % of Assets	121,651,337	462,275	0.4
PanAgora Risk Parity Multi Asset	0.4 % of Assets	116,500,000	407,750	0.4
Northern Trust Intermediate Gov't Bond	0.1 % of First \$25 M 0.0 % Thereafter	101,244,800	42,998	0.0
Northern Trust Long Term Gov't Bond	0.1 % of First \$25 M 0.0 % Thereafter	41,944,509	19,278	0.0
Graham Global Investment Fund I SPC LTD		55,361,352		
Invesco Global Targeted Return		28,199,180		
Investment Management Fees		2,608,078,138	4,473,578	0.2

RISK STATISTICS

3 Years Ending March 31, 2023											
	Return	Excess Return	Standard Deviation	Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Information Ratio	Up Capture	Down Capture
American Strategic Value Realty	9.0	8.0	6.8	1.7	1.0	1.7	0.9	1.2	1.1	110.0	60.4
NCREIF Property Index	7.2	6.2	6.6	0.0	1.0	0.0	1.0	0.9		100.0	100.0
AQR Global Risk Premium - EL	3.7	3.3	10.3	-1.6	0.7	5.9	0.8	0.3	-0.7	67.9	77.7
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg	7.7	7.4	13.4	0.0	1.0	0.0	1.0	0.6		100.0	100.0
BlackRock Real Estate Securities	11.2	11.9	20.9	-0.1	1.0	0.0	1.0	0.6	-2.1	99.8	100.1
Dow Jones U.S. Select RESI	11.3	12.0	21.0	0.0	1.0	0.0	1.0	0.6		100.0	100.0
BlackRock Russell 1000 Growth	18.5	18.8	23.0	0.0	1.0	0.0	1.0	0.8	-1.6	99.9	100.0
Russell 1000 Growth Index	18.6	18.8	23.1	0.0	1.0	0.0	1.0	0.8		100.0	100.0
BlackRock Russell 1000 Value	17.9	17.3	17.9	0.0	1.0	0.0	1.0	1.0	0.1	100.0	100.0
Russell 1000 Value Index	17.9	17.3	17.9	0.0	1.0	0.0	1.0	1.0		100.0	100.0
Capital Prospects Transition	0.0	-0.9	0.0	0.0	0.0	23.0		-2.0	-0.9	0.0	0.0
Russell 2000 Value Index	21.0	20.9	23.0	0.0	1.0	0.0	1.0	0.9		100.0	100.0
Channing	22.1	22.0	24.3	1.2	1.0	8.1	0.9	0.9	0.1	101.5	97.9
Russell 2000 Value Index	21.0	20.9	23.0	0.0	1.0	0.0	1.0	0.9		100.0	100.0
Dodge & Cox-Equity	22.7	21.7	20.4	2.5	1.1	5.1	0.9	1.1	0.9	111.4	97.5
Russell 1000 Value Index	17.9	17.3	17.9	0.0	1.0	0.0	1.0	1.0		100.0	100.0
LSV Int'l Large Cap Value	15.2	14.8	17.5	1.5	1.0	2.3	1.0	0.8	0.5	102.9	98.1
MSCI AC World ex USA Value (Net)	13.8	13.6	17.8	0.0	1.0	0.0	1.0	0.8		100.0	100.0
Fidelity Int'l Growth	13.3	13.3	18.3	4.0	0.9	5.5	0.9	0.7	0.6	99.0	81.5
MSCI AC World ex USA Growth (Net)	9.5	9.9	18.4	0.0	1.0	0.0	1.0	0.5		100.0	100.0
Greenfield Acquisition Partners VII	-0.2	-0.5	10.9	-4.2	0.5	11.0	0.2	0.0	-0.8	45.9	172.4
NCREIF-ODCE +1%	9.5	8.6	8.8	0.0	1.0	0.0	1.0	1.0		100.0	100.0
Grandview Property Partners I	22.0	21.2	21.4	14.9	0.9	20.1	0.1	1.0	0.6	150.4	-97.3
NCREIF-ODCE +1%	9.5	8.6	8.8	0.0	1.0	0.0	1.0	1.0		100.0	100.0
Medley Capital	-8.9	-9.2	14.2	-3.4	-0.5	15.8	0.0	-0.6	-1.2	-64.9	4.0
S&P/LSTA Leveraged Loan Index +2%	10.7	9.4	4.9	0.0	1.0	0.0	1.0	1.9		100.0	100.0

RISK STATISTICS

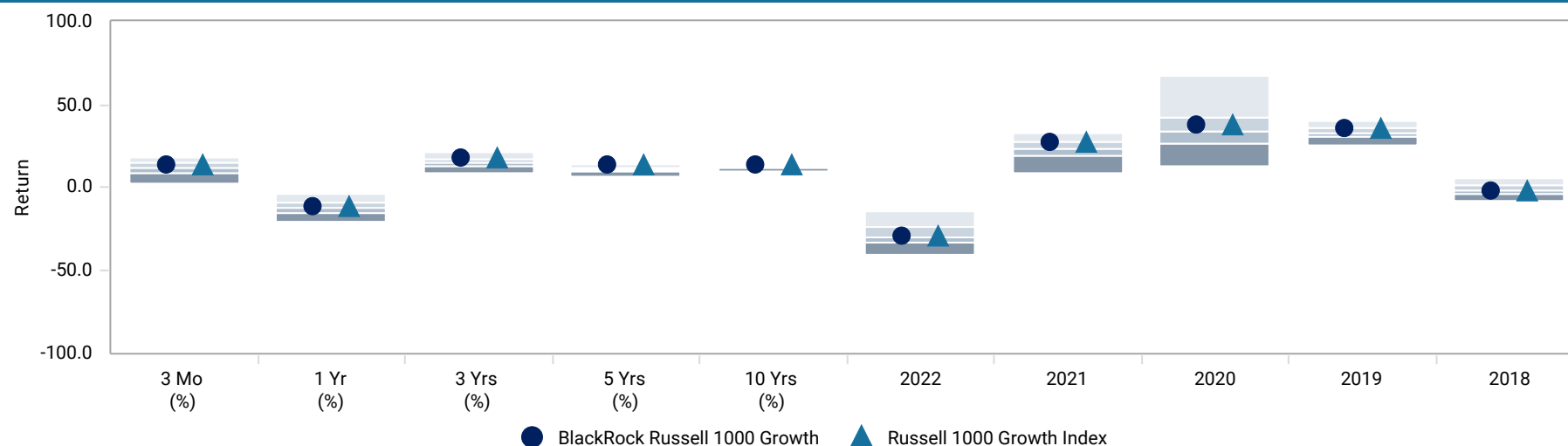
	Return	Excess Return	Standard Deviation	Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Information Ratio	Up Capture	Down Capture
MS Infrastructure Partners II	7.9	7.1	9.1	3.9	0.4	9.1	0.0	0.8	-0.2	84.5	760.7
<i>CPI + 5% (Unadjusted)</i>	10.6	9.3	1.5	0.0	1.0	0.0	1.0	5.5		100.0	100.0
Northern Trust Intermediate Gov't Bond	-2.4	-3.2	3.7	-0.1	1.0	0.2	1.0	-0.9	-0.5	97.6	100.1
<i>Blmbg. U.S. Government: Intermediate</i>	-2.3	-3.1	3.7	0.0	1.0	0.0	1.0	-0.9		100.0	100.0
Northern Trust Long Term Gov't Bond	-10.7	-11.3	13.4	0.4	1.0	2.0	1.0	-0.8	0.3	99.3	97.2
<i>Blmbg. U.S. Government: Long Term Bond Index</i>	-11.2	-11.9	13.5	0.0	1.0	0.0	1.0	-0.9		100.0	100.0
Northern Trust Russell 3000	18.4	18.0	19.6	0.0	1.0	0.1	1.0	0.9	-0.4	99.9	100.0
<i>Russell 3000 Index</i>	18.5	18.0	19.6	0.0	1.0	0.0	1.0	0.9		100.0	100.0
Owl Rock First Lien Fund	9.4	8.8	11.0	19.8	-0.8	13.6	0.1	0.8	0.0	64.1	-68.1
<i>S&P/LSTA Leveraged Loan Index +2%</i>	10.7	9.4	4.9	0.0	1.0	0.0	1.0	1.9		100.0	100.0
Pacific Ridge	22.2	21.7	22.6	3.7	0.9	9.3	0.9	1.0	0.1	91.2	80.1
<i>Russell Microcap Value Index</i>	21.0	21.1	24.3	0.0	1.0	0.0	1.0	0.9		100.0	100.0
PanAgora Risk Parity Multi Asset	3.9	4.1	14.9	-3.6	1.0	5.3	0.9	0.3	-0.6	92.7	111.1
<i>60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg</i>	7.7	7.4	13.4	0.0	1.0	0.0	1.0	0.6		100.0	100.0
PGIM Real Estate US Debt Fund	5.2	4.2	2.2	5.2	-0.1	5.7	0.0	2.0	1.1	43.7	-33.2
<i>Blmbg. U.S. Investment Grade: CMBS Index</i>	-1.3	-2.1	5.0	0.0	1.0	0.0	1.0	-0.4		100.0	100.0
Prime Property Fund	8.7	7.8	8.2	1.0	0.9	2.3	0.9	0.9	0.1	92.9	67.4
<i>NCREIF ODCE</i>	8.4	7.6	8.8	0.0	1.0	0.0	1.0	0.8		100.0	100.0
Raven Opportunity III	8.1	7.3	8.3	15.6	-0.6	11.1	0.1	0.9	-0.2	21.9	-236.4
<i>S&P/LSTA Leveraged Loan Index +2%</i>	10.7	9.4	4.9	0.0	1.0	0.0	1.0	1.9		100.0	100.0
Walthausen	24.4	22.7	18.2	10.4	0.6	14.0	0.6	1.2	0.1	78.3	49.0
<i>Russell 2000 Value Index</i>	21.0	20.9	23.0	0.0	1.0	0.0	1.0	0.9		100.0	100.0
White Oak Pinnacle	0.4	0.2	11.8	8.6	-0.7	14.0	0.1	0.0	-0.7	24.3	84.4
<i>S&P/LSTA Leveraged Loan Index +2%</i>	10.7	9.4	4.9	0.0	1.0	0.0	1.0	1.9		100.0	100.0

MANAGER PROFILES

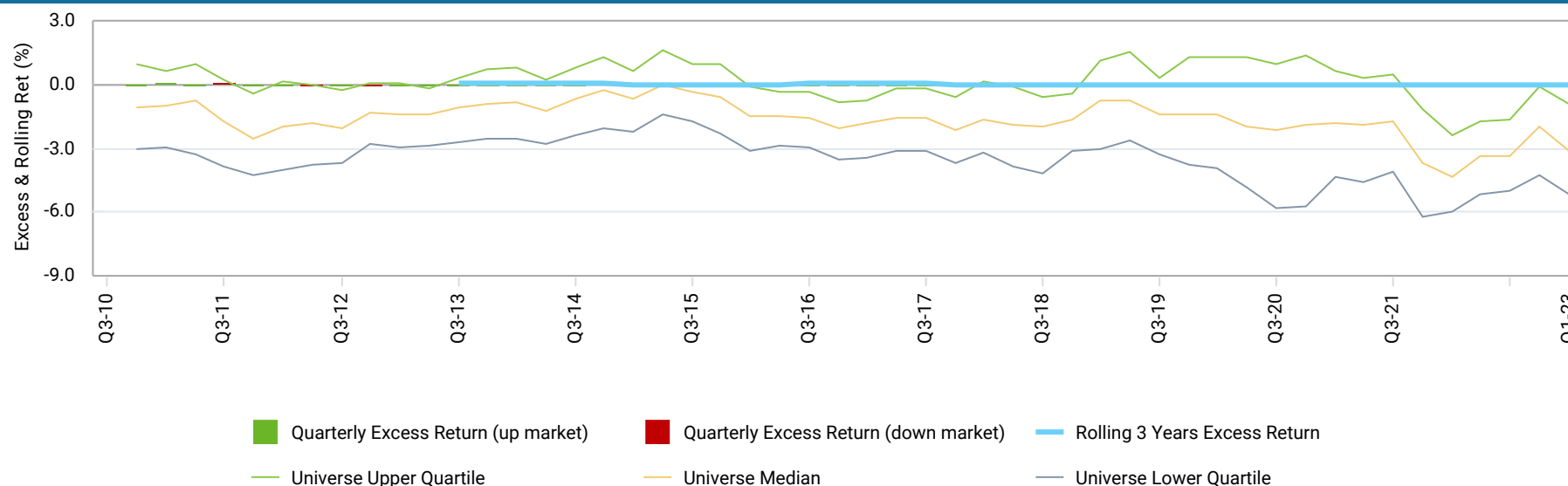
DOMESTIC EQUITY

BLACKROCK RUSSELL 1000 GROWTH

eV US Large Cap Growth Equity (net of fees)

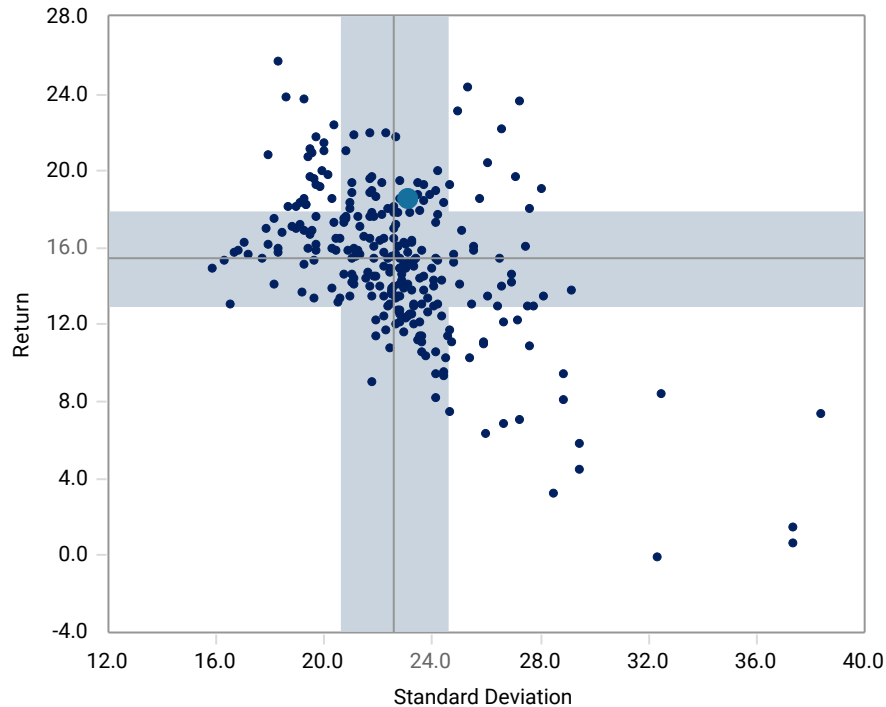


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



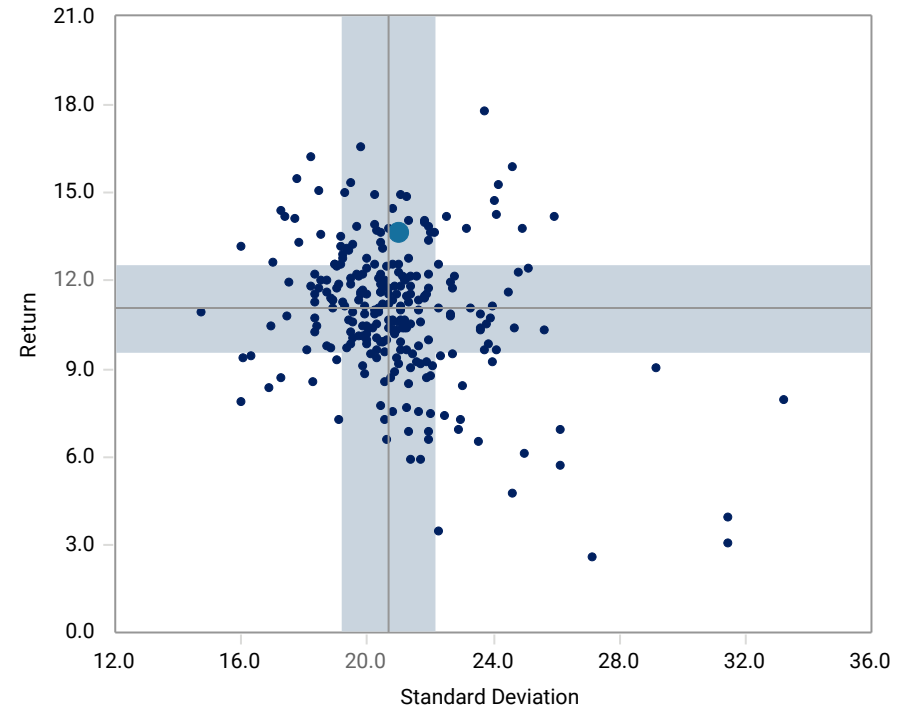
RISK VS. RETURN

3 Years Ending March 31, 2023



● eV US Large Cap Growth Equity ● BlackRock Russell 1000 Growth

5 Years Ending March 31, 2023



● eV US Large Cap Growth Equity ● BlackRock Russell 1000 Growth

3 Years Ending March 31, 2023

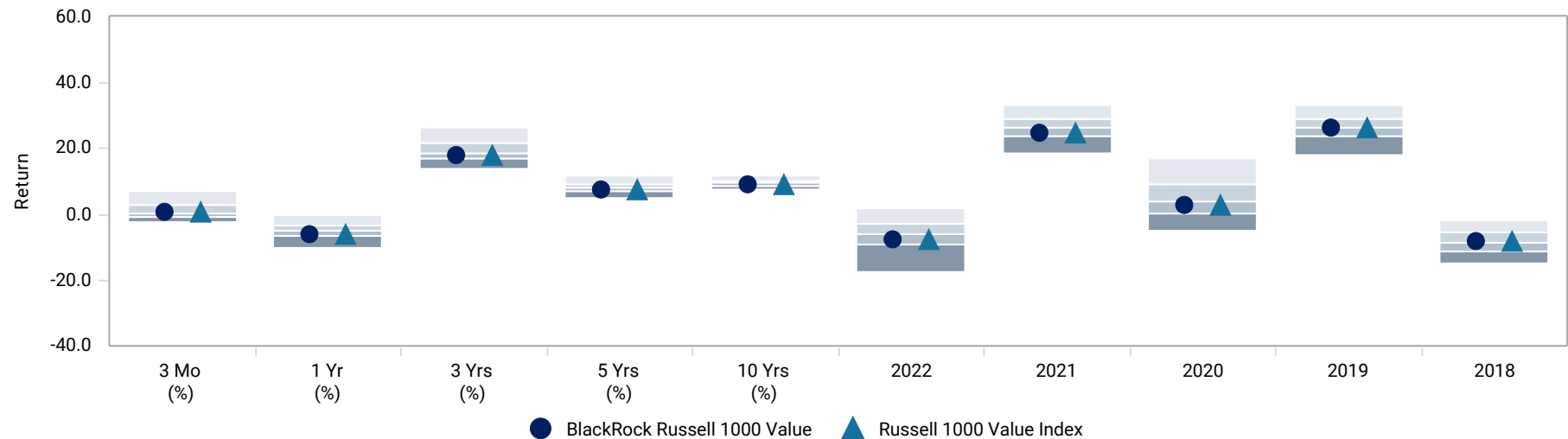
	Return	Standard Deviation	Sharpe Ratio
BlackRock Russell 1000 Growth	18.5 (18)	23.0 (61)	0.8 (29)
Russell 1000 Growth Index	18.6 (17)	23.1 (61)	0.8 (28)
eV US Large Cap Growth Equity Median	15.5	22.6	0.7
Population	274	274	274

5 Years Ending March 31, 2023

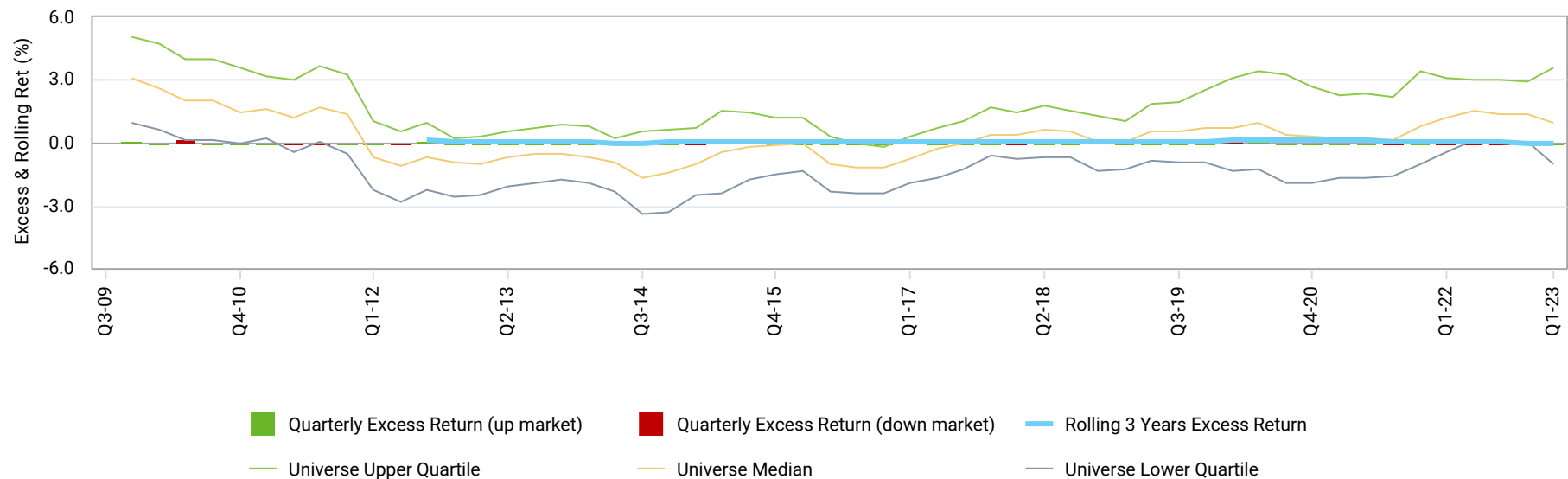
	Return	Standard Deviation	Sharpe Ratio
BlackRock Russell 1000 Growth	13.6 (13)	21.0 (57)	0.6 (14)
Russell 1000 Growth Index	13.7 (13)	21.0 (57)	0.6 (14)
eV US Large Cap Growth Equity Median	11.1	20.7	0.5
Population	259	259	259

BLACKROCK RUSSELL 1000 VALUE

eV US Large Cap Value Equity (net of fees)

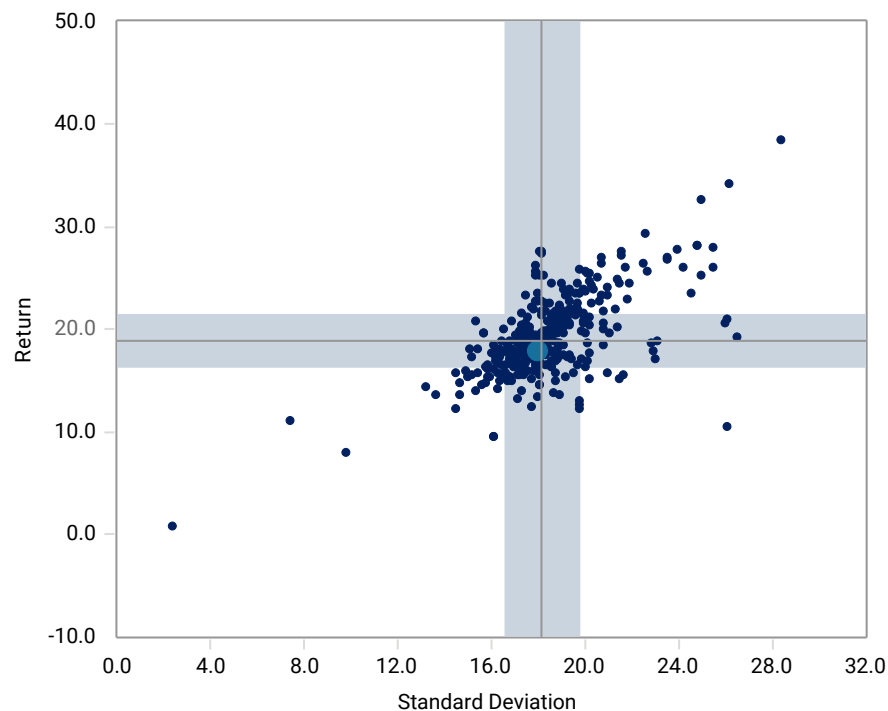


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



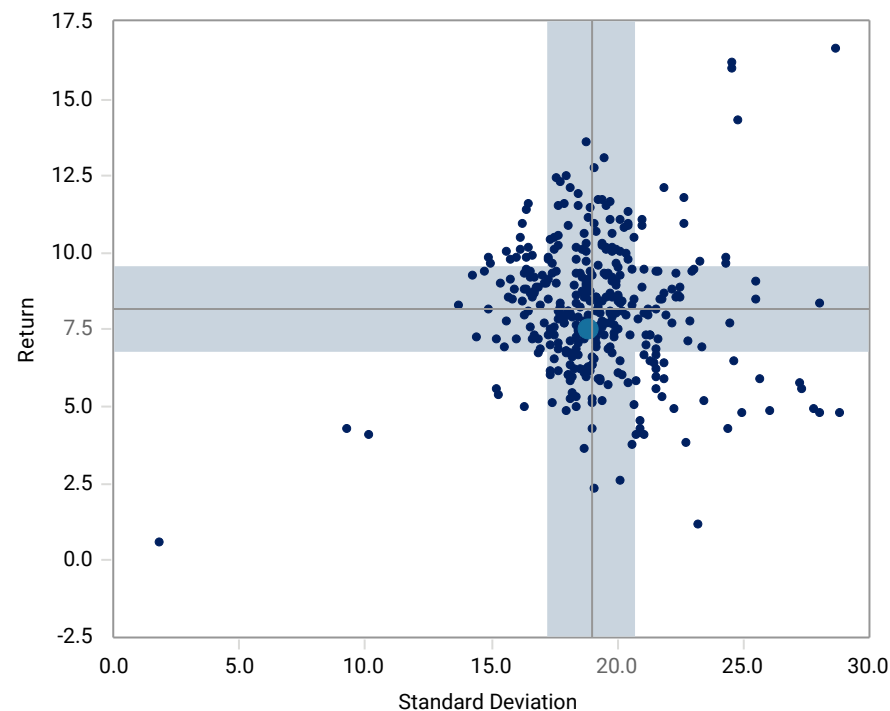
RISK VS. RETURN

3 Years Ending March 31, 2023



● eV US Large Cap Value Equity ● BlackRock Russell 1000 Value

5 Years Ending March 31, 2023



● eV US Large Cap Value Equity ● BlackRock Russell 1000 Value

3 Years Ending March 31, 2023

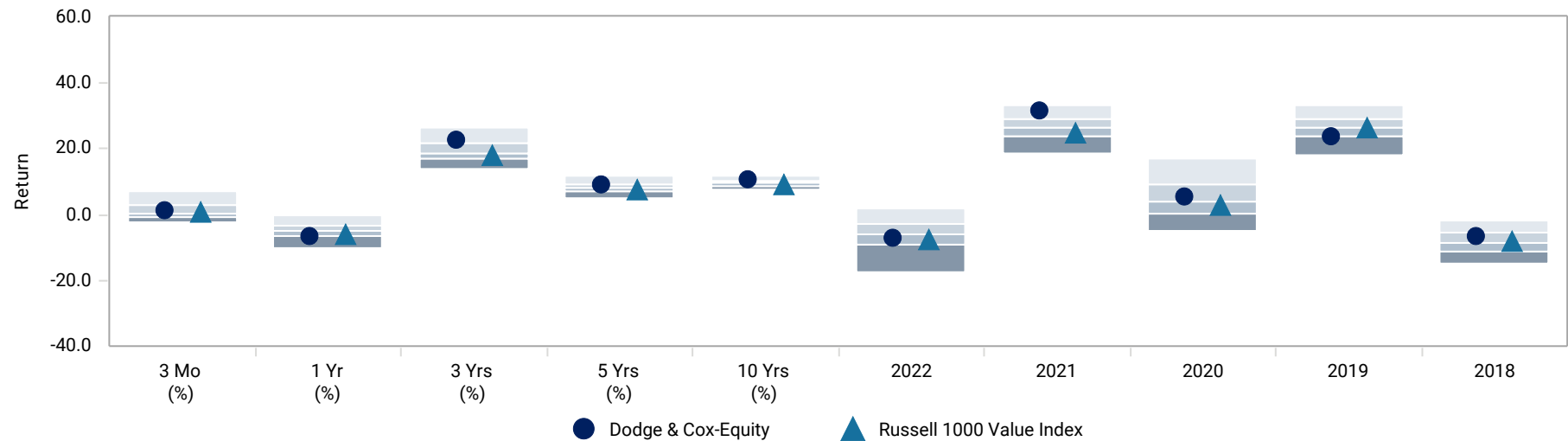
	Return	Standard Deviation	Sharpe Ratio
BlackRock Russell 1000 Value	17.9 (63)	17.9 (44)	1.0 (67)
Russell 1000 Value Index	17.9 (63)	17.9 (44)	1.0 (67)
eV US Large Cap Value Equity Median	18.9	18.2	1.0
Population	364	364	364

5 Years Ending March 31, 2023

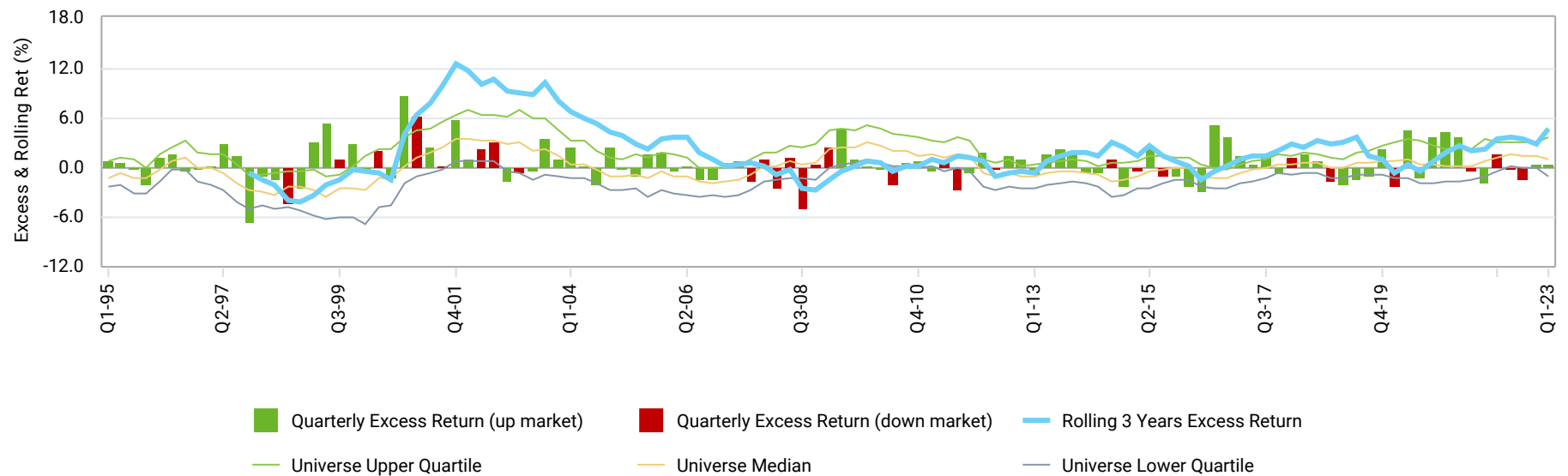
	Return	Standard Deviation	Sharpe Ratio
BlackRock Russell 1000 Value	7.6 (64)	18.8 (46)	0.4 (63)
Russell 1000 Value Index	7.5 (65)	18.8 (46)	0.4 (65)
eV US Large Cap Value Equity Median	8.2	19.0	0.4
Population	355	355	355

DODGE & COX-EQUITY

eV US Large Cap Value Equity (net of fees)

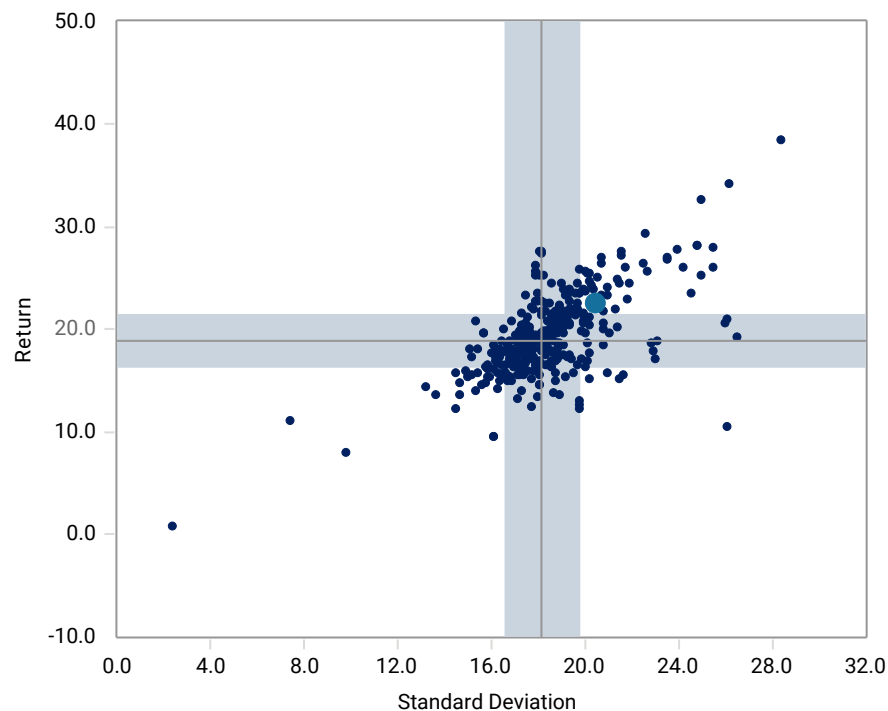


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



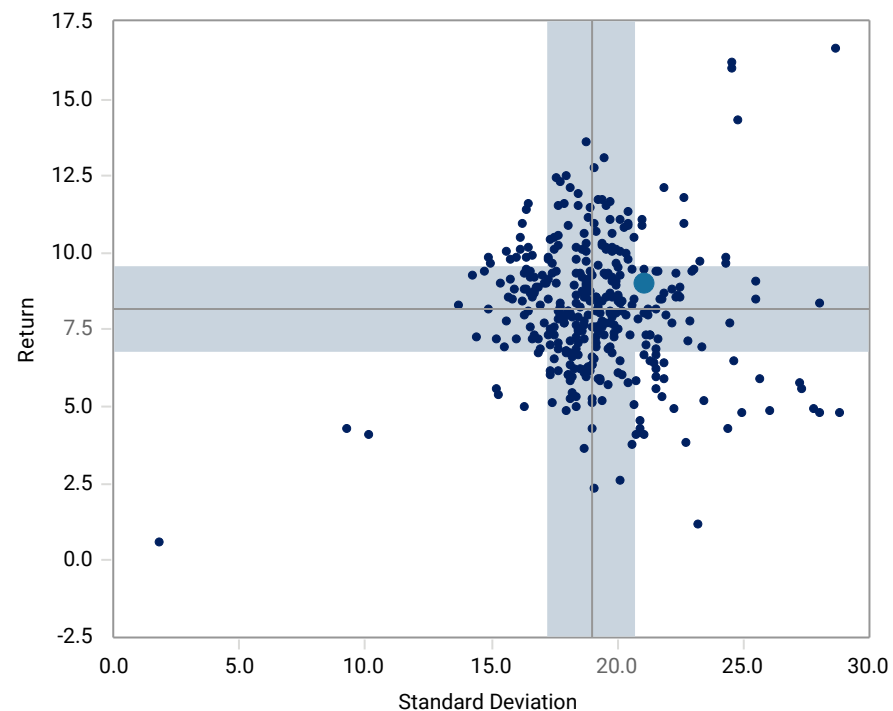
RISK VS. RETURN

3 Years Ending March 31, 2023



● eV US Large Cap Value Equity ● Dodge & Cox-Equity

5 Years Ending March 31, 2023



● eV US Large Cap Value Equity ● Dodge & Cox-Equity

3 Years Ending March 31, 2023

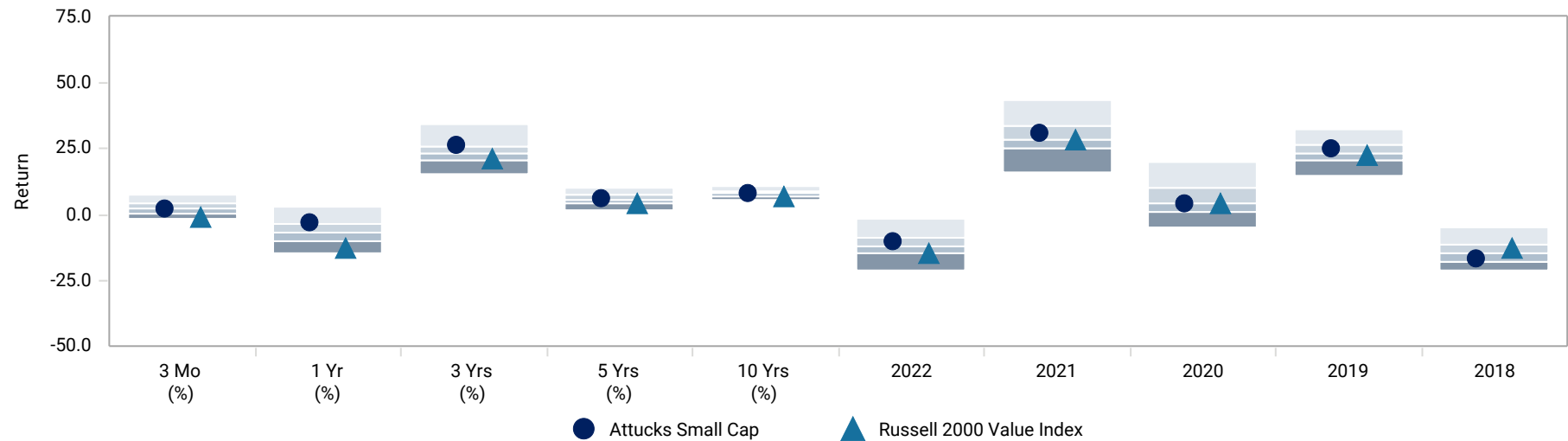
	Return	Standard Deviation	Sharpe Ratio
Dodge & Cox-Equity	22.7 (18)	20.4 (86)	1.1 (32)
Russell 1000 Value Index	17.9 (63)	17.9 (44)	1.0 (67)
eV US Large Cap Value Equity Median	18.9	18.2	1.0
Population	364	364	364

5 Years Ending March 31, 2023

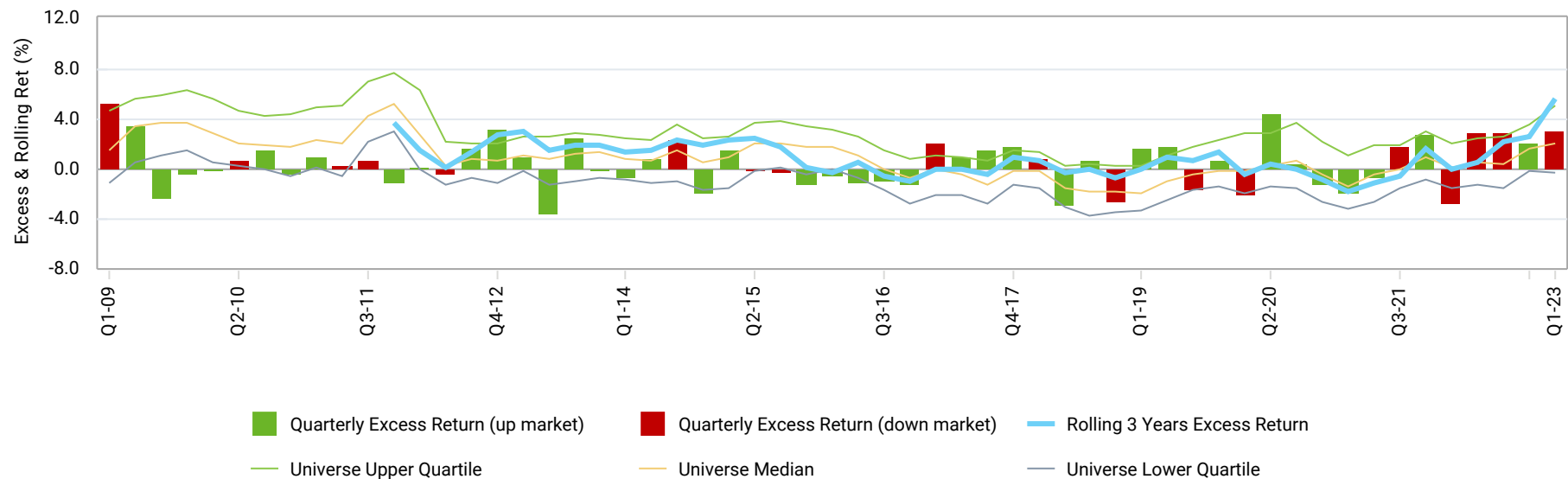
	Return	Standard Deviation	Sharpe Ratio
Dodge & Cox-Equity	9.0 (33)	21.1 (81)	0.4 (43)
Russell 1000 Value Index	7.5 (65)	18.8 (46)	0.4 (65)
eV US Large Cap Value Equity Median	8.2	19.0	0.4
Population	355	355	355

ATTUCKS SMALL CAP

eV US Small Cap Value Equity (net of fees)

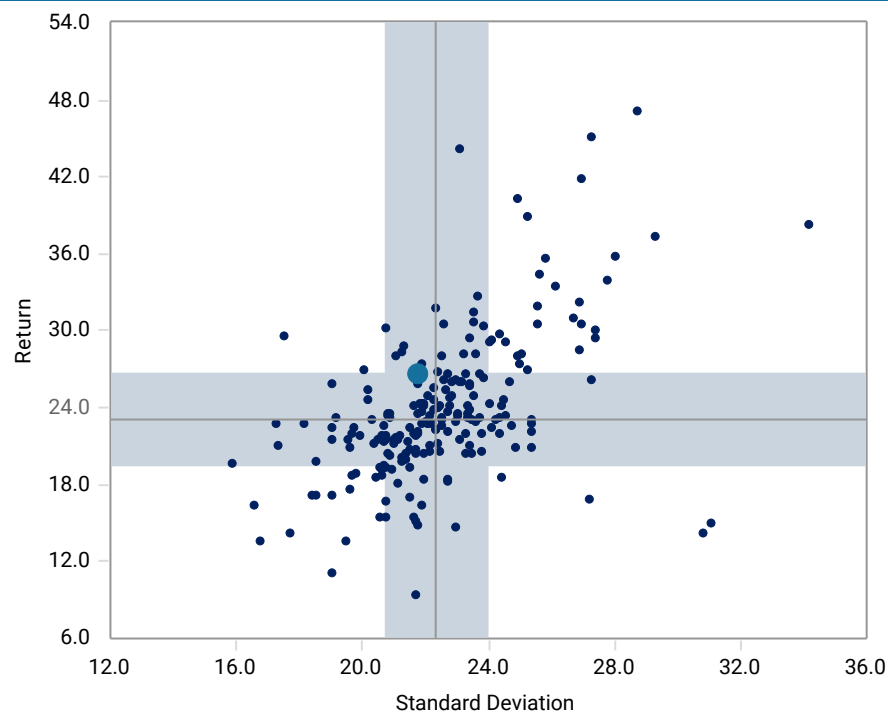


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



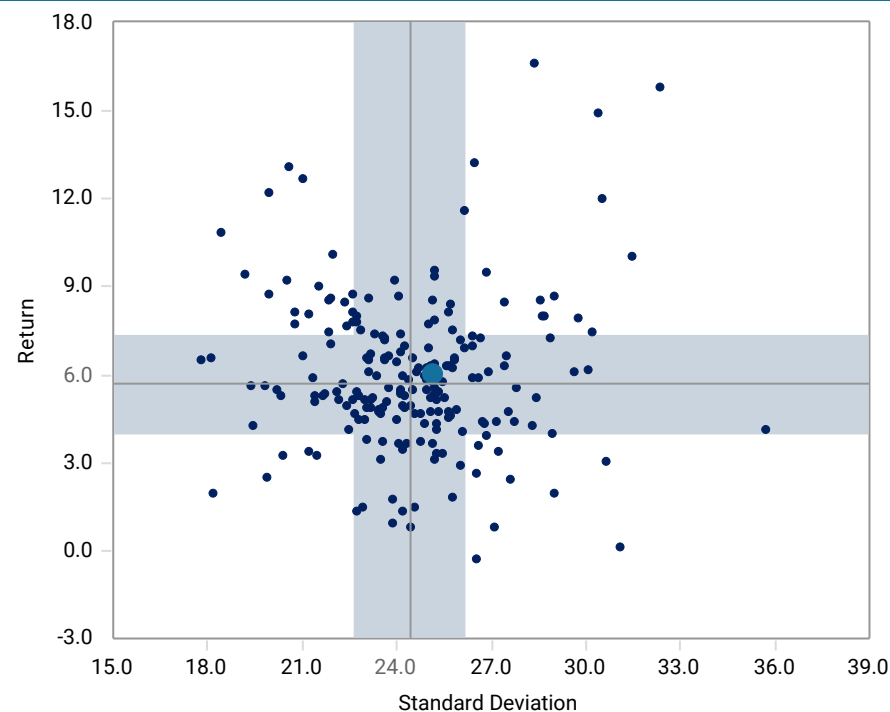
RISK VS. RETURN

3 Years Ending March 31, 2023



● eV US Small Cap Value Equity ● Attucks Small Cap

5 Years Ending March 31, 2023



● eV US Small Cap Value Equity ● Attucks Small Cap

3 Years Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio
Attucks Small Cap	26.7 (23)	21.7 (37)	1.2 (15)
Russell 2000 Value Index	21.0 (74)	23.0 (63)	0.9 (83)
eV US Small Cap Value Equity Median	23.0	22.3	1.0
Population	214	214	214

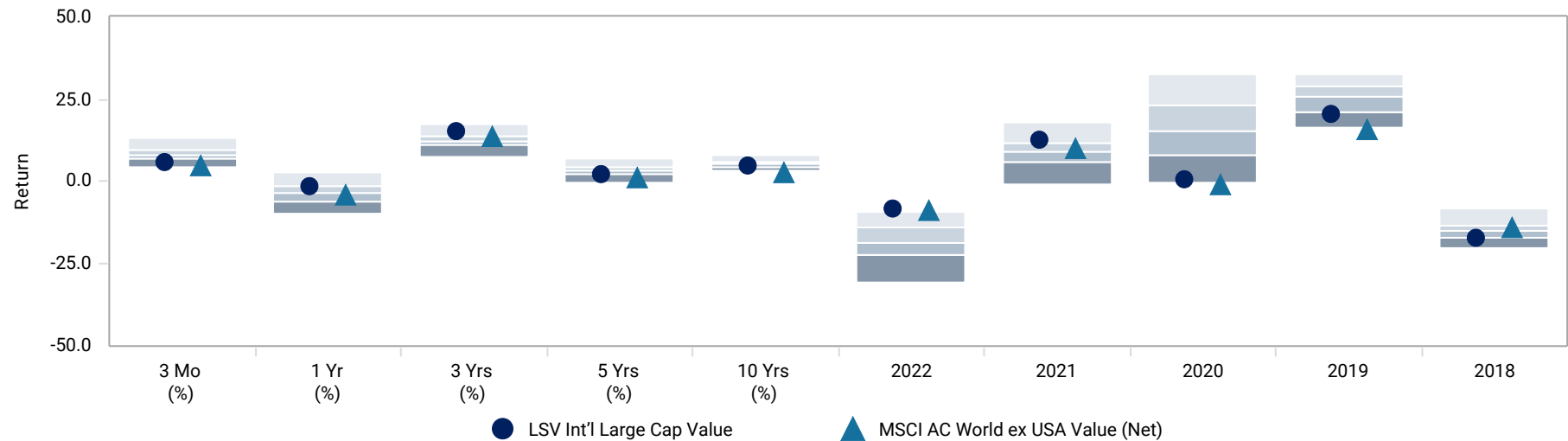
5 Years Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio
Attucks Small Cap	6.1 (45)	25.1 (59)	0.3 (44)
Russell 2000 Value Index	4.5 (76)	24.7 (53)	0.2 (77)
eV US Small Cap Value Equity Median	5.7	24.4	0.3
Population	207	207	207

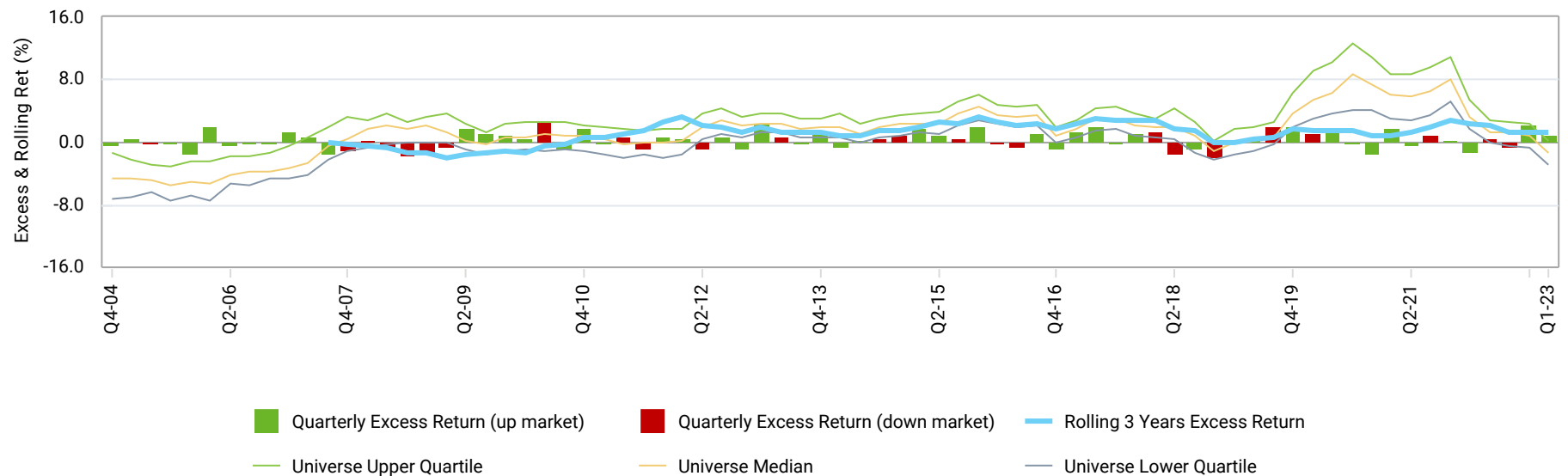
INTERNATIONAL EQUITY

LSV INT'L LARGE CAP VALUE

eV ACWI ex-US Large Cap Equity (net of fees)

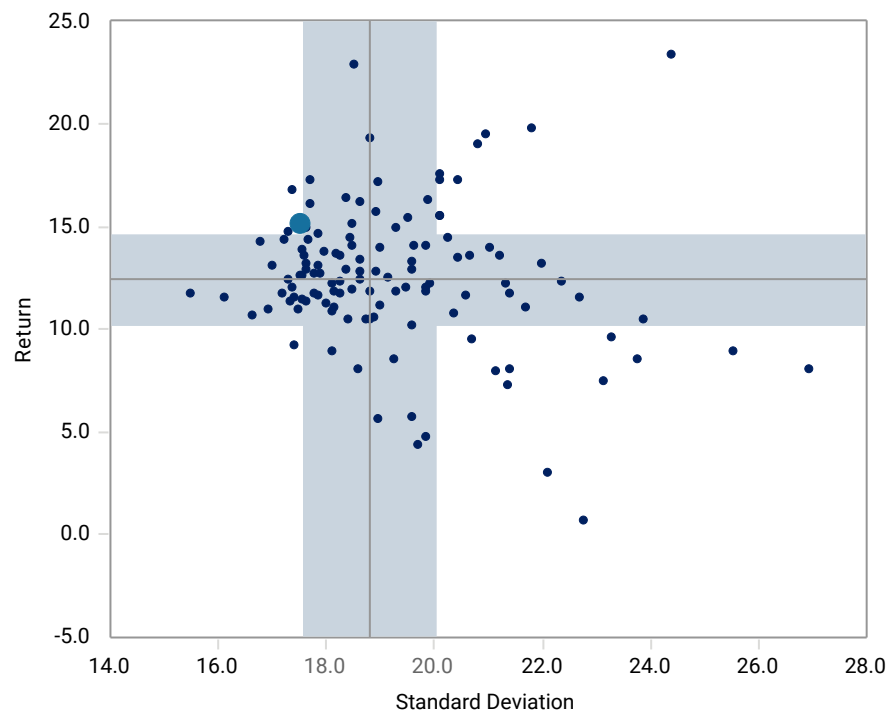


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



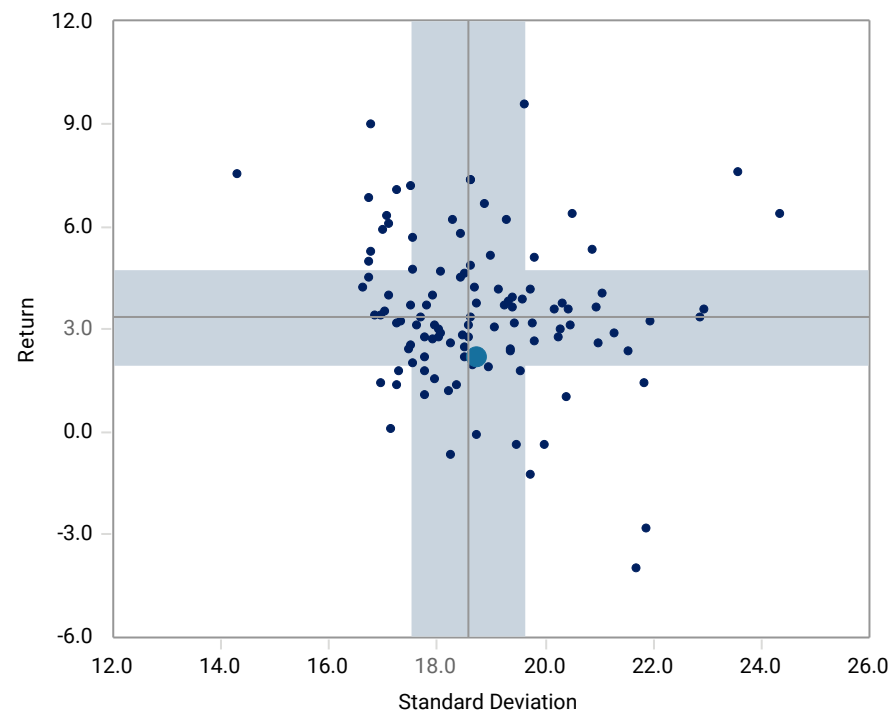
RISK VS. RETURN

3 Years Ending March 31, 2023



● eV ACWI ex-US Large Cap Equity ● LSV Int'l Large Cap Value

5 Years Ending March 31, 2023



● eV ACWI ex-US Large Cap Equity ● LSV Int'l Large Cap Value

3 Years Ending March 31, 2023

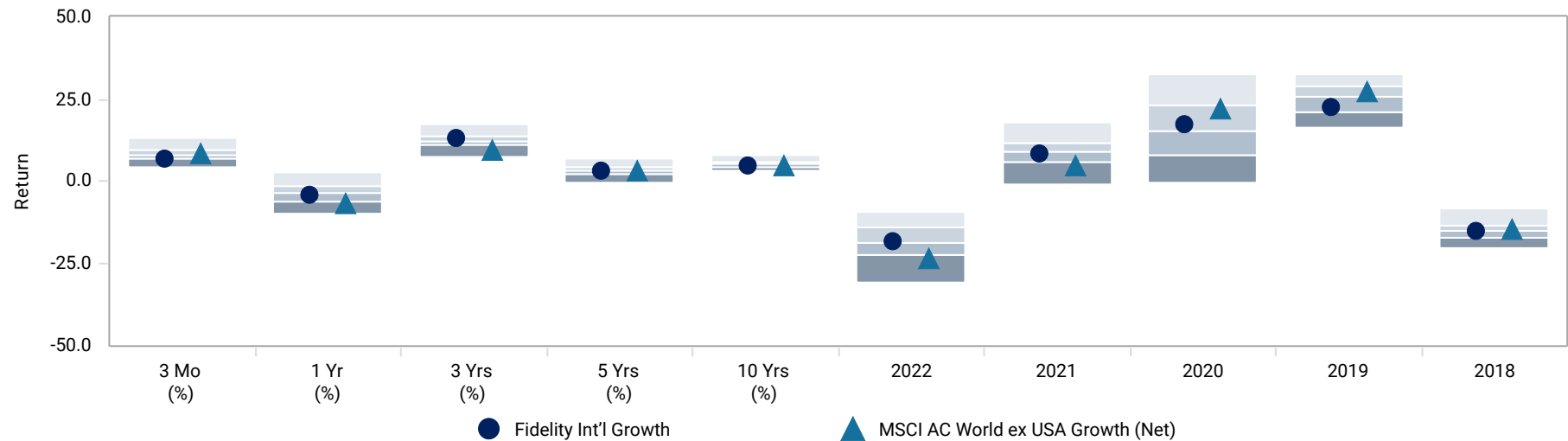
	Return	Standard Deviation	Sharpe Ratio
LSV Int'l Large Cap Value	15.2 (17)	17.5 (13)	0.8 (12)
MSCI AC World ex USA Value (Net)	13.8 (31)	17.8 (23)	0.8 (25)
eV ACWI ex-US Large Cap Equity Median	12.4	18.8	0.7
Population	121	121	121

5 Years Ending March 31, 2023

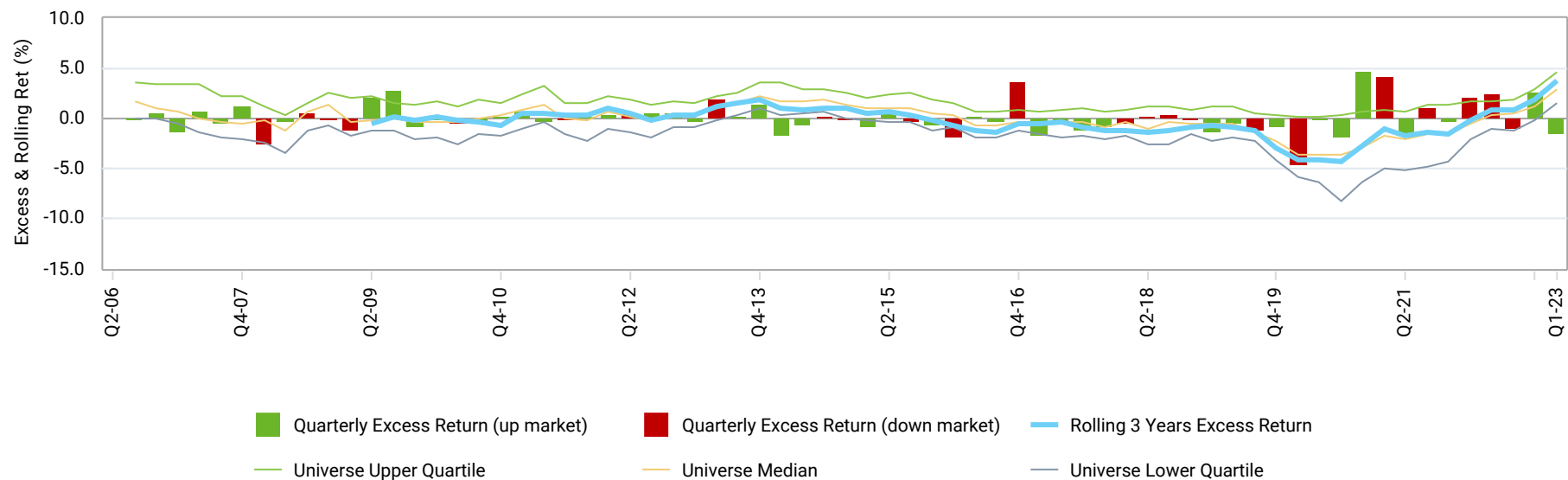
	Return	Standard Deviation	Sharpe Ratio
LSV Int'l Large Cap Value	2.2 (80)	18.7 (58)	0.1 (79)
MSCI AC World ex USA Value (Net)	1.3 (91)	18.6 (54)	0.1 (91)
eV ACWI ex-US Large Cap Equity Median	3.4	18.6	0.2
Population	110	110	110

FIDELITY INT'L GROWTH

eV ACWI ex-US Large Cap Equity (net of fees)

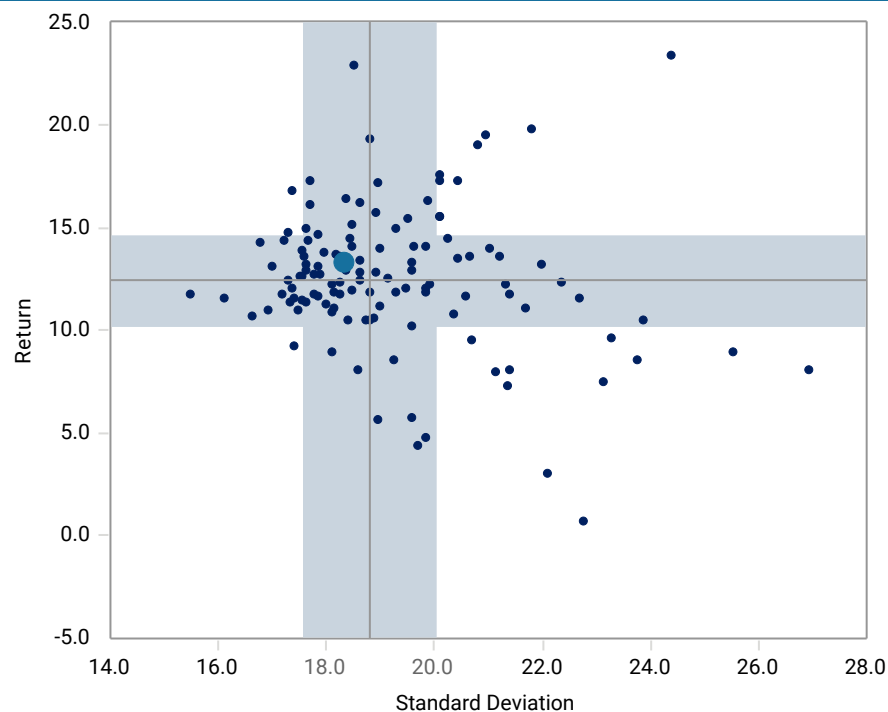


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



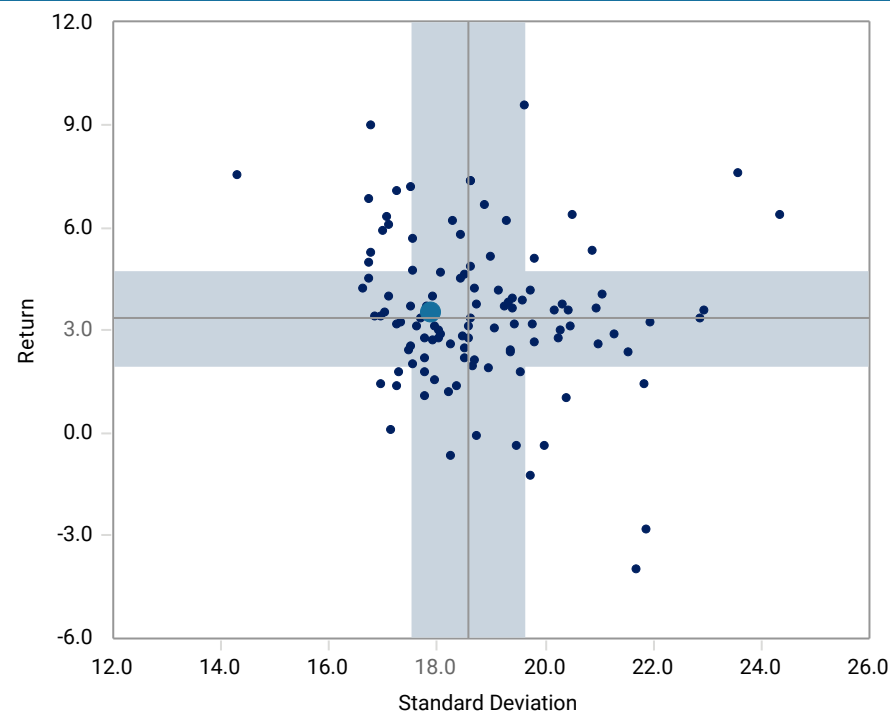
RISK VS. RETURN

3 Years Ending March 31, 2023



● eV ACWI ex-US Large Cap Equity ● Fidelity Int'l Growth

5 Years Ending March 31, 2023



● eV ACWI ex-US Large Cap Equity ● Fidelity Int'l Growth

3 Years Ending March 31, 2023

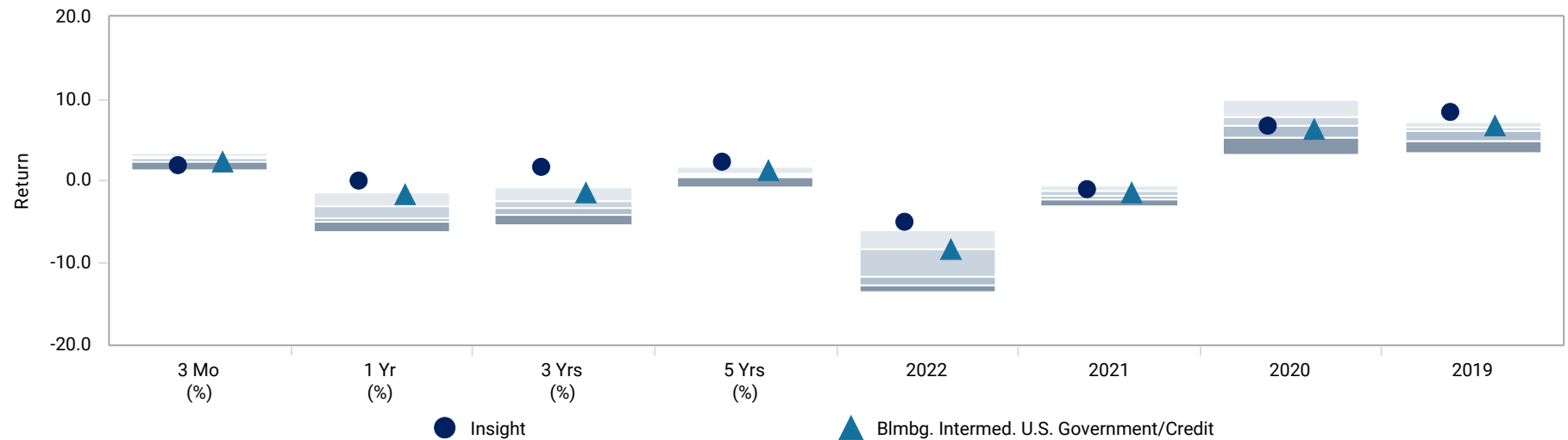
	Return	Standard Deviation	Sharpe Ratio
Fidelity Int'l Growth	13.3 (38)	18.3 (37)	0.7 (36)
MSCI AC World ex USA Growth (Net)	9.5 (86)	18.4 (39)	0.5 (85)
eV ACWI ex-US Large Cap Equity Median	12.4	18.8	0.7
Population	121	121	121

5 Years Ending March 31, 2023

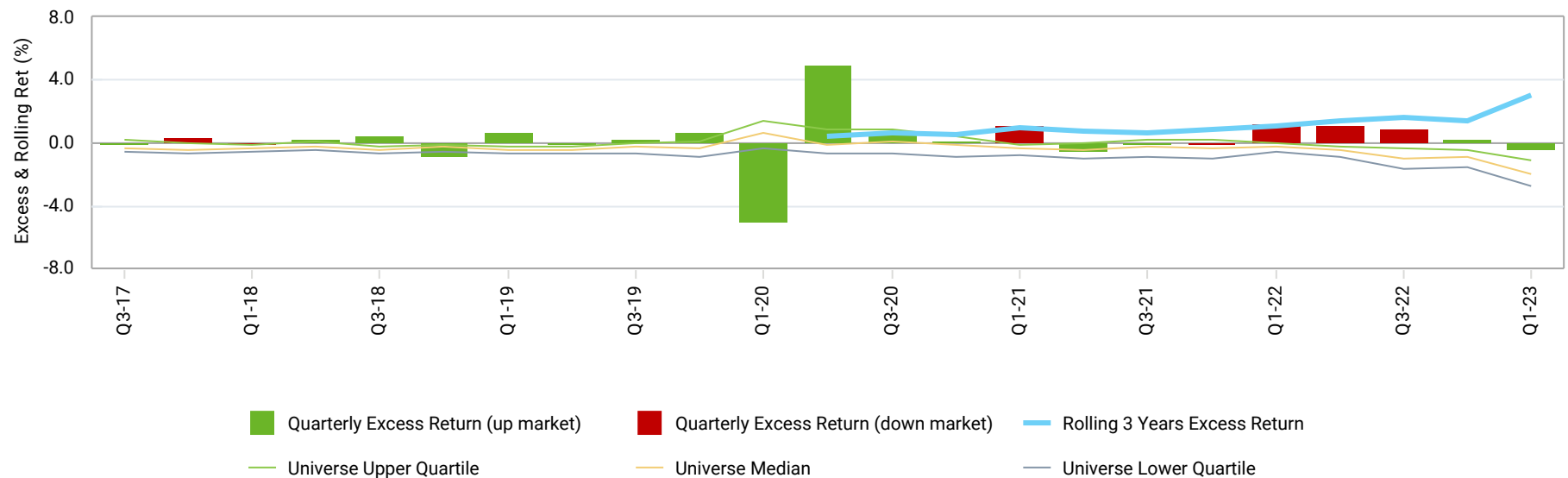
	Return	Standard Deviation	Sharpe Ratio
Fidelity Int'l Growth	3.6 (46)	17.9 (31)	0.2 (46)
MSCI AC World ex USA Growth (Net)	3.4 (50)	17.4 (18)	0.2 (50)
eV ACWI ex-US Large Cap Equity Median	3.4	18.6	0.2
Population	110	110	110

DOMESTIC FIXED INCOME

eV US Government Fixed Inc (net of fees)

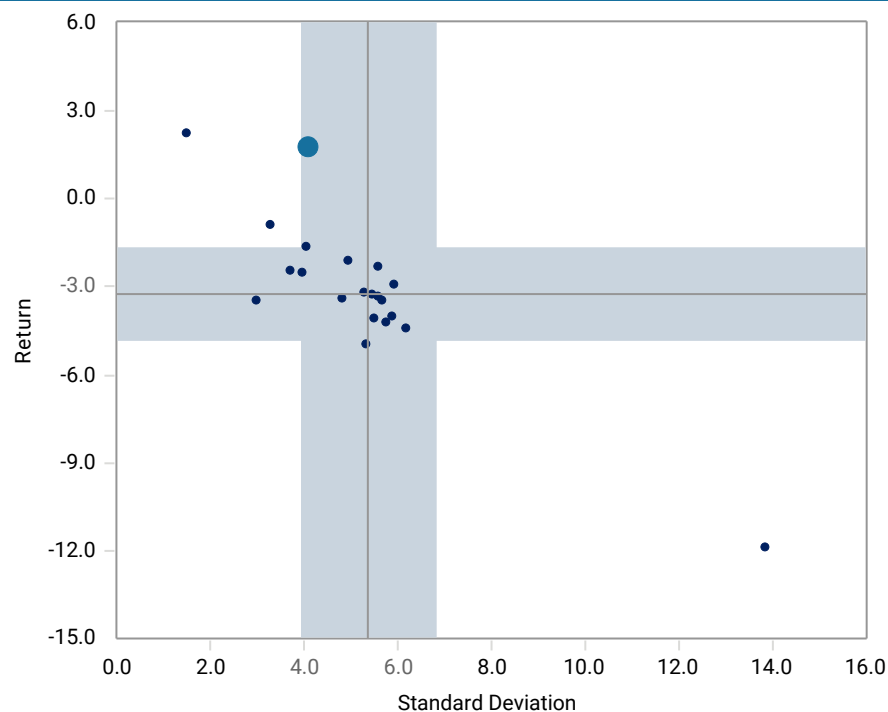


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



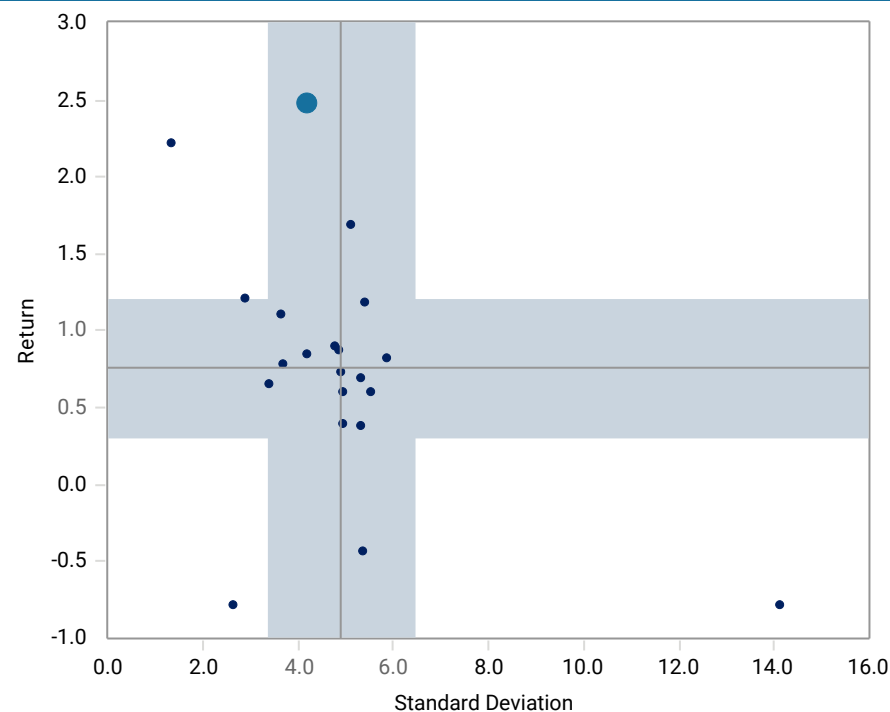
RISK VS. RETURN

3 Years Ending March 31, 2023



● eV US Government Fixed Inc ● Insight

5 Years Ending March 31, 2023



● eV US Government Fixed Inc ● Insight

3 Years Ending March 31, 2023

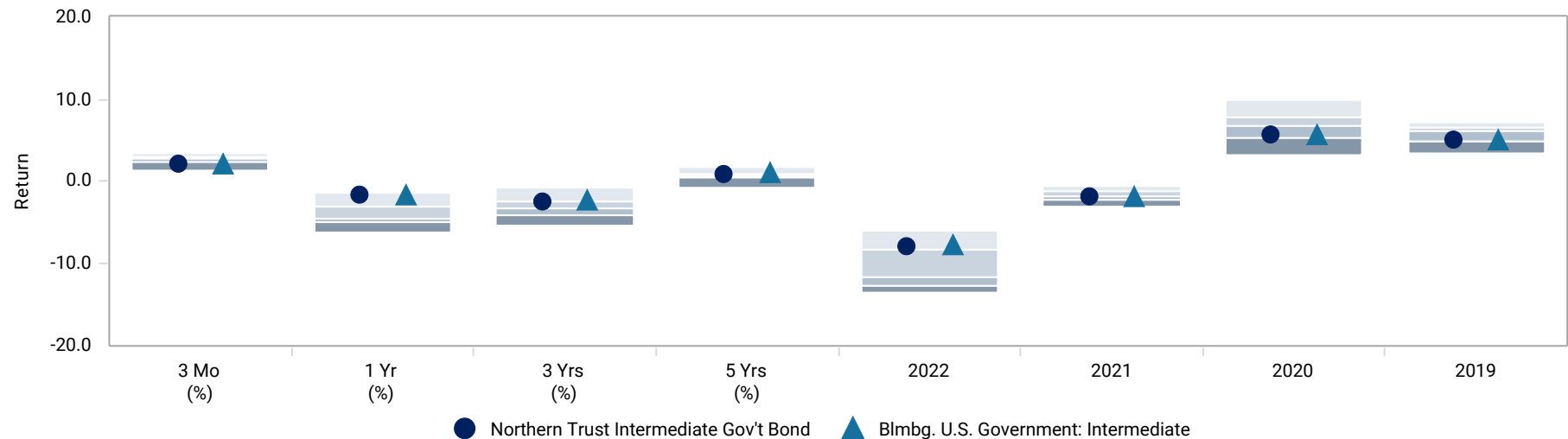
	Return	Standard Deviation	Sharpe Ratio
Insight	1.8 (1)	4.1 (26)	0.2 (3)
Blmbg. Intermed. U.S. Government/Credit	-1.3 (9)	4.2 (27)	-0.5 (6)
eV US Government Fixed Inc Median	-3.3	5.4	-0.8
Population	20	20	20

5 Years Ending March 31, 2023

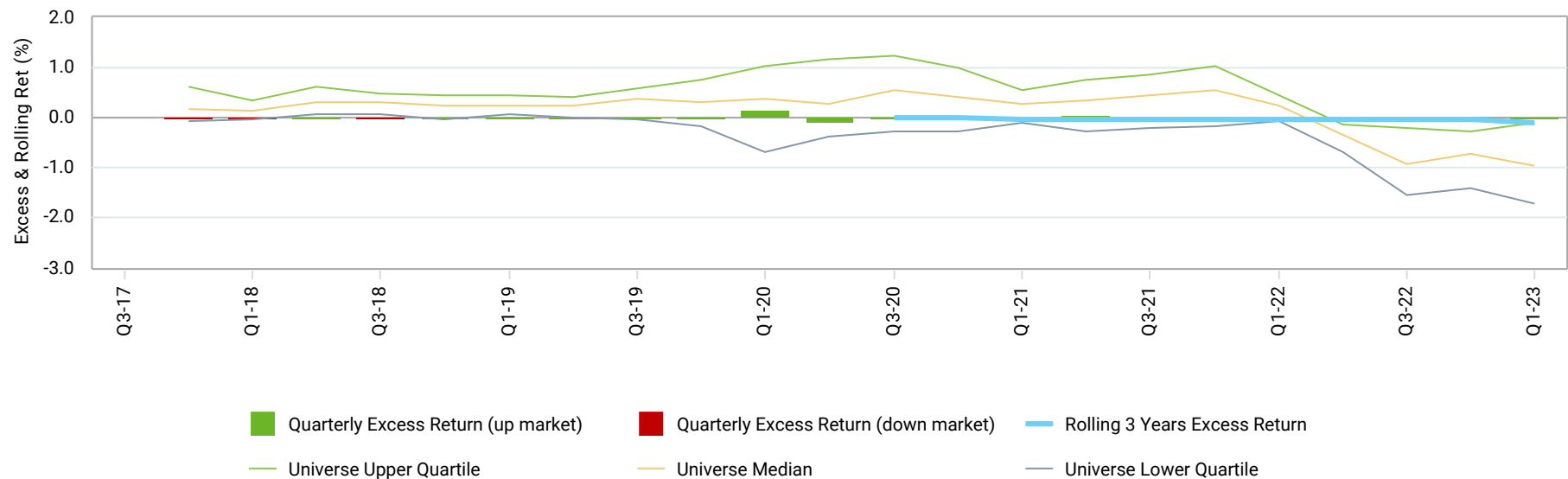
	Return	Standard Deviation	Sharpe Ratio
Insight	2.5 (1)	4.2 (31)	0.3 (4)
Blmbg. Intermed. U.S. Government/Credit	1.4 (9)	3.7 (26)	0.0 (9)
eV US Government Fixed Inc Median	0.8	4.9	-0.1
Population	20	20	20

NORTHERN TRUST INTERMEDIATE GOV'T BOND

eV US Government Fixed Inc (net of fees)

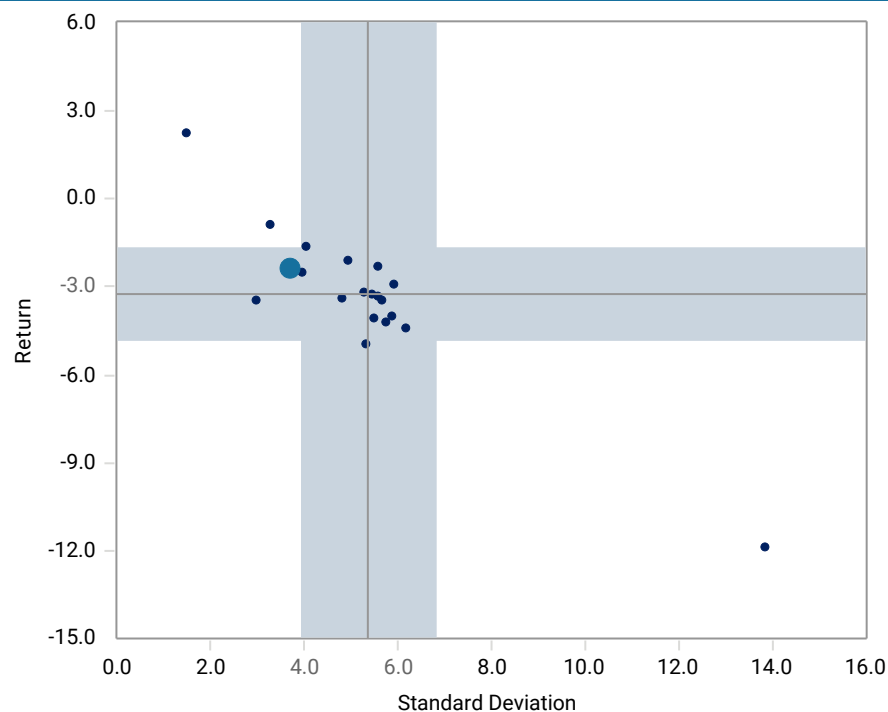


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



RISK VS. RETURN

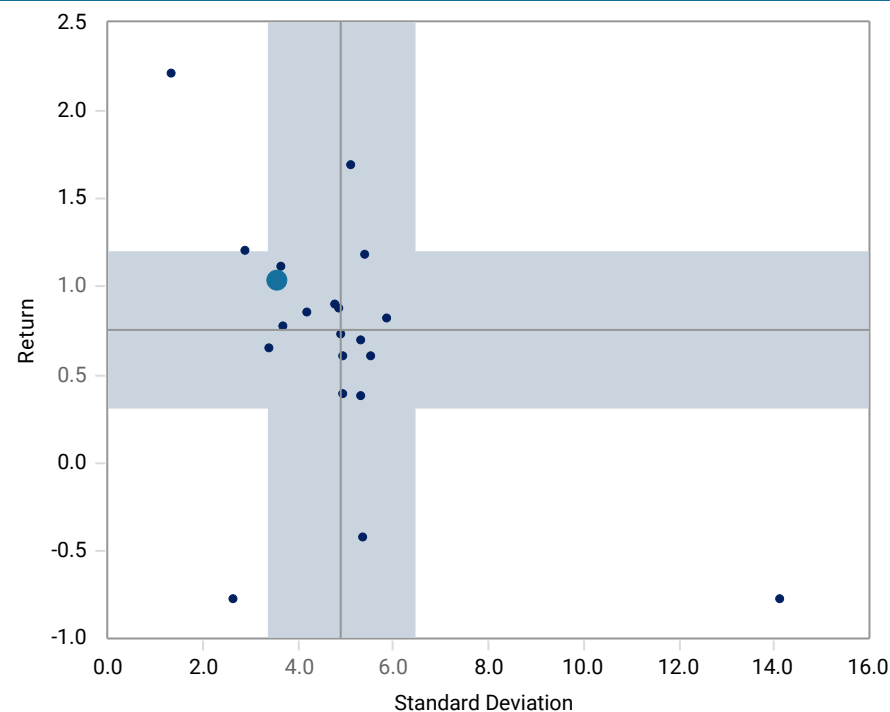
3 Years Ending March 31, 2023



● eV US Government Fixed Inc

● Northern Trust Intermediate Gov't Bond

5 Years Ending March 31, 2023



● eV US Government Fixed Inc

● Northern Trust Intermediate Gov't Bond

3 Years Ending March 31, 2023

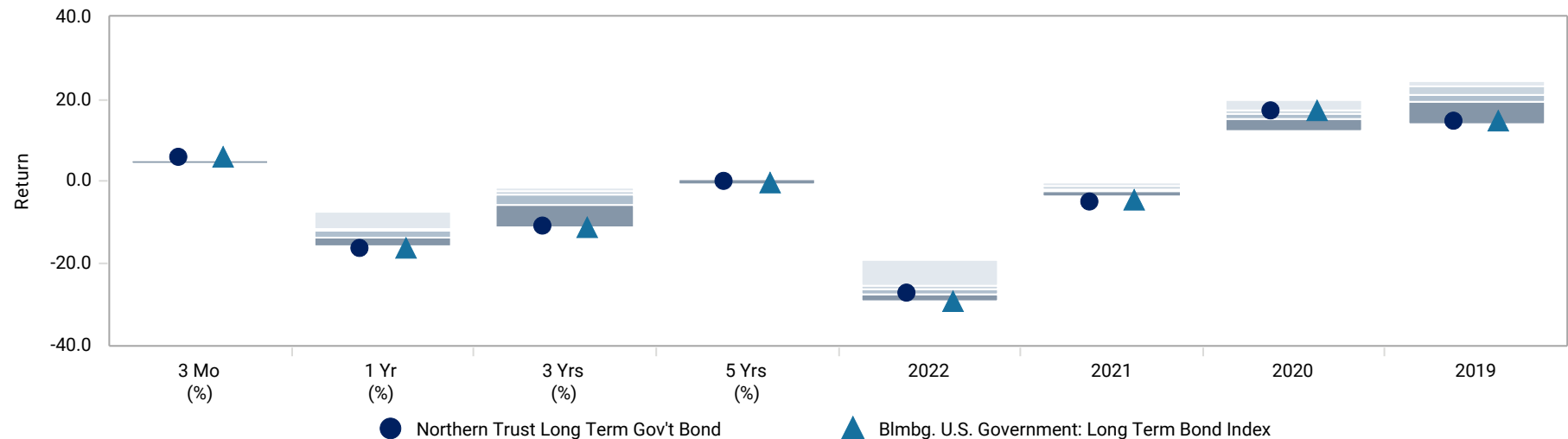
	Return	Standard Deviation	Sharpe Ratio
Northern Trust Intermediate Gov't Bond	-2.4 (25)	3.7 (15)	-0.9 (85)
Blmbg. U.S. Government: Intermediate	-2.3 (23)	3.7 (15)	-0.9 (67)
eV US Government Fixed Inc Median	-3.3	5.4	-0.8
Population	20	20	20

5 Years Ending March 31, 2023

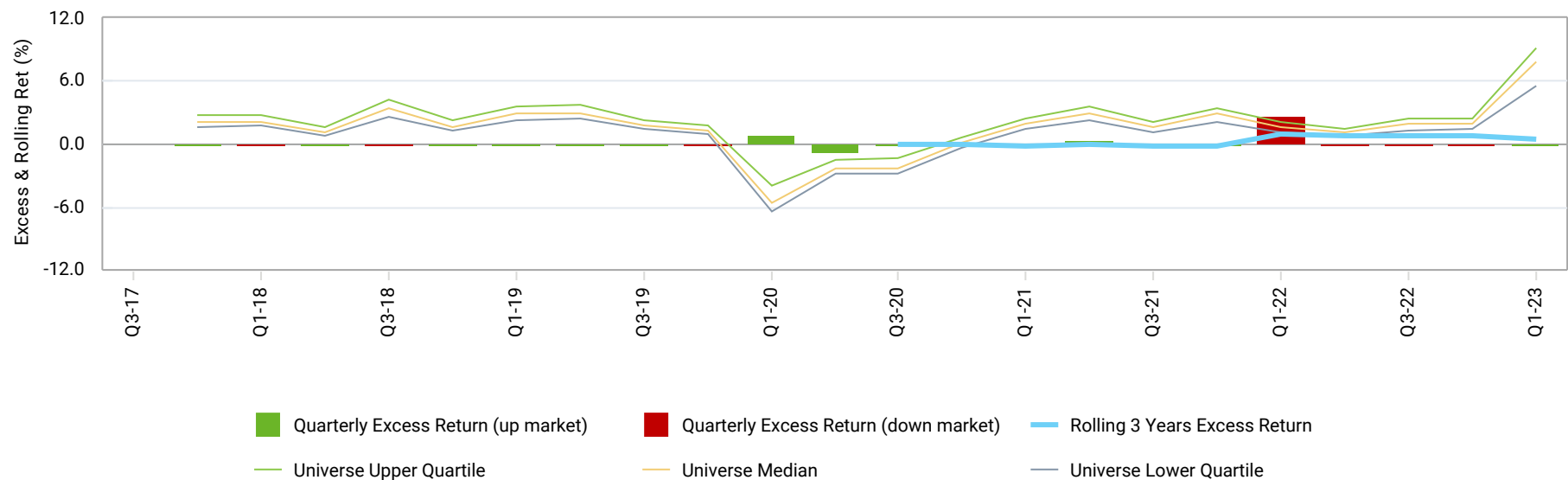
	Return	Standard Deviation	Sharpe Ratio
Northern Trust Intermediate Gov't Bond	1.0 (24)	3.6 (19)	-0.1 (43)
Blmbg. U.S. Government: Intermediate	1.1 (23)	3.5 (18)	-0.1 (31)
eV US Government Fixed Inc Median	0.8	4.9	-0.1
Population	20	20	20

NORTHERN TRUST LONG TERM GOV'T BOND

eV US Long Duration Fixed Inc (net of fees)

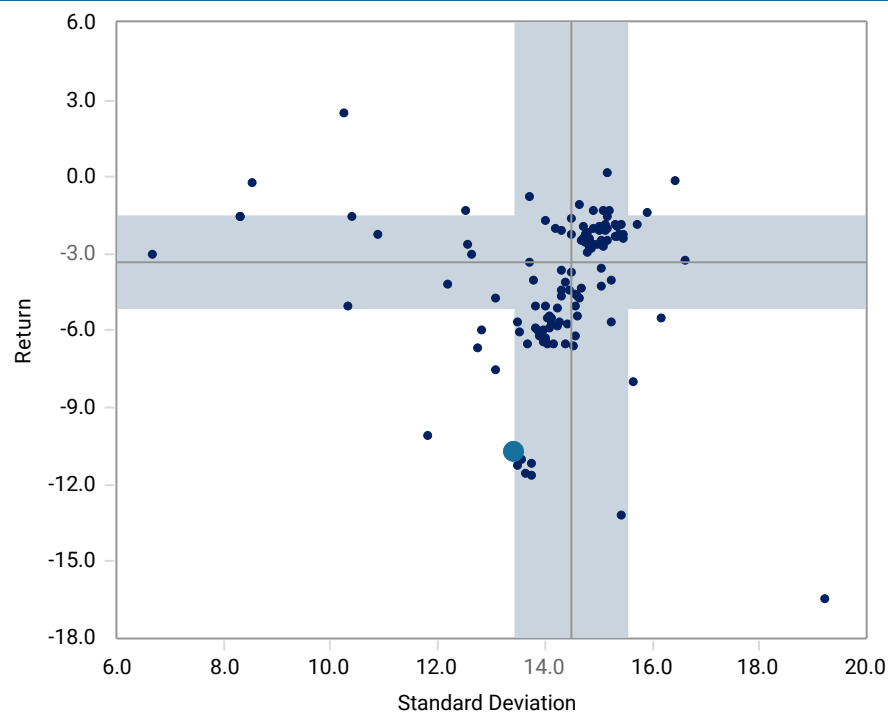


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



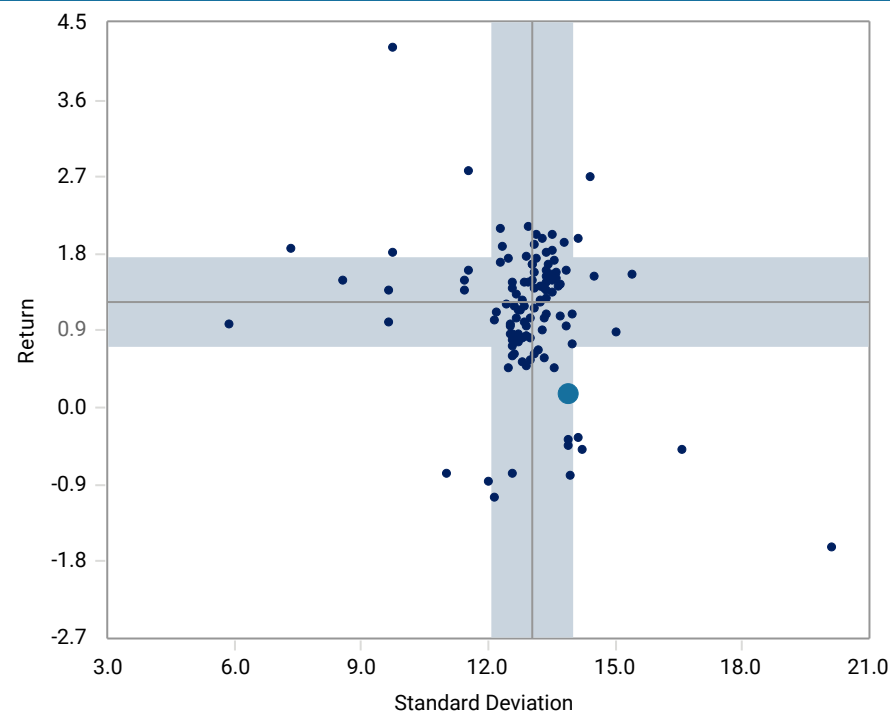
RISK VS. RETURN

3 Years Ending March 31, 2023



● eV US Long Duration Fixed Inc ● Northern Trust Long Term Gov't Bond

5 Years Ending March 31, 2023



● eV US Long Duration Fixed Inc ● Northern Trust Long Term Gov't Bond

3 Years Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio
Northern Trust Long Term Gov't Bond	-10.7 (95)	13.4 (14)	-0.8 (95)
Blmbg. U.S. Government: Long Term Bond Index	-11.2 (97)	13.5 (15)	-0.9 (97)
eV US Long Duration Fixed Inc Median	-3.3	14.5	-0.3
Population	121	121	121

5 Years Ending March 31, 2023

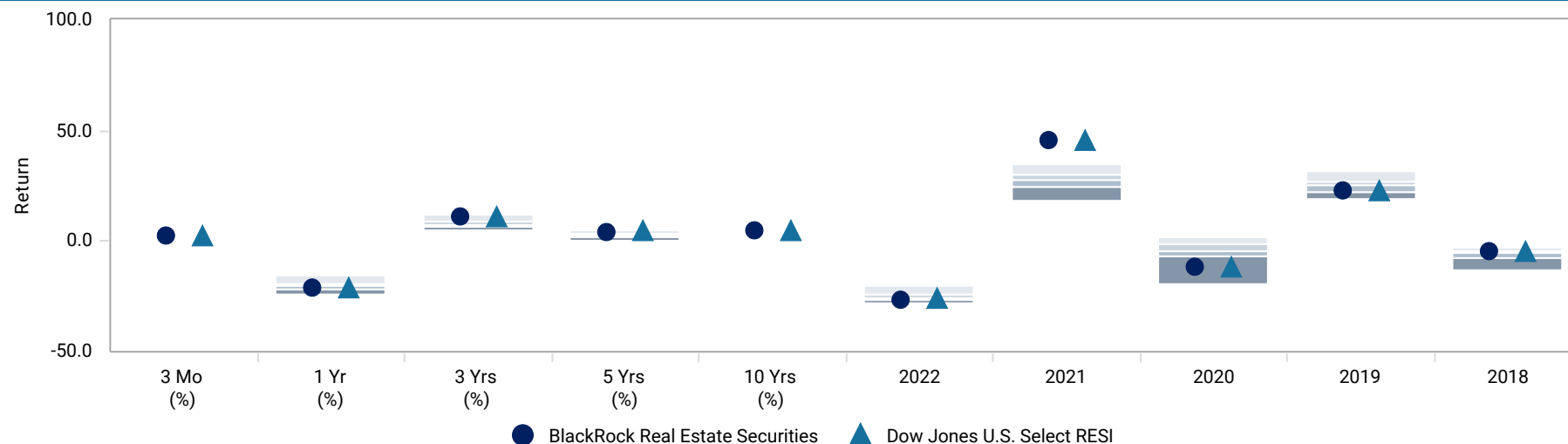
	Return	Standard Deviation	Sharpe Ratio
Northern Trust Long Term Gov't Bond	0.2 (91)	13.9 (88)	0.0 (90)
Blmbg. U.S. Government: Long Term Bond Index	-0.4 (92)	13.9 (88)	-0.1 (94)
eV US Long Duration Fixed Inc Median	1.2	13.0	0.0
Population	117	117	117

REAL ESTATE

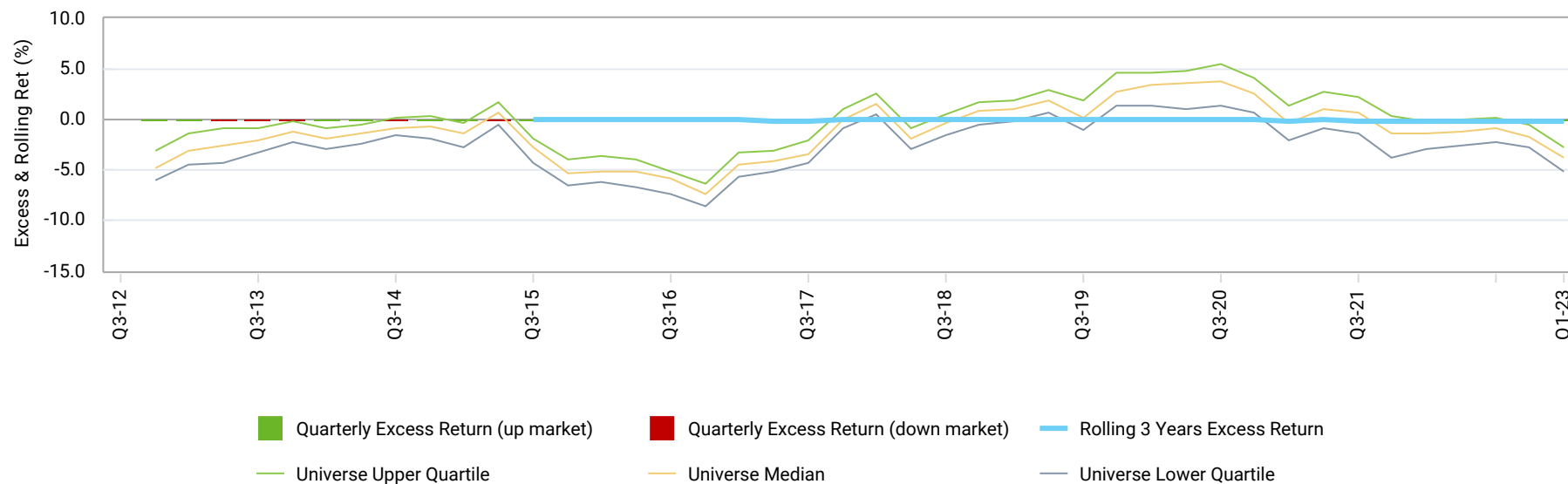


BLACKROCK REAL ESTATE SECURITIES

eV Global REIT (net of fees)

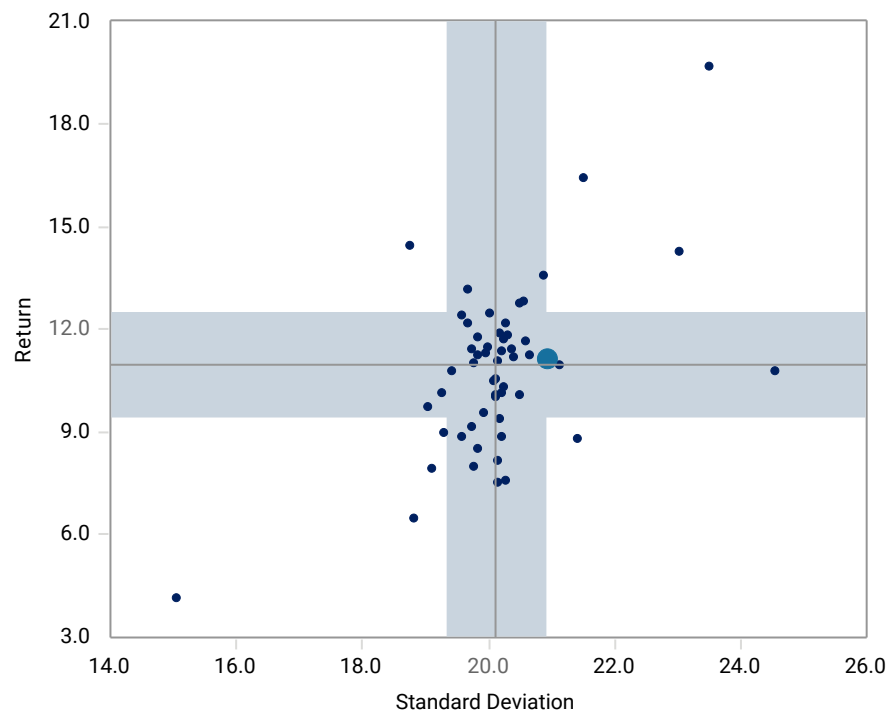


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



RISK VS. RETURN

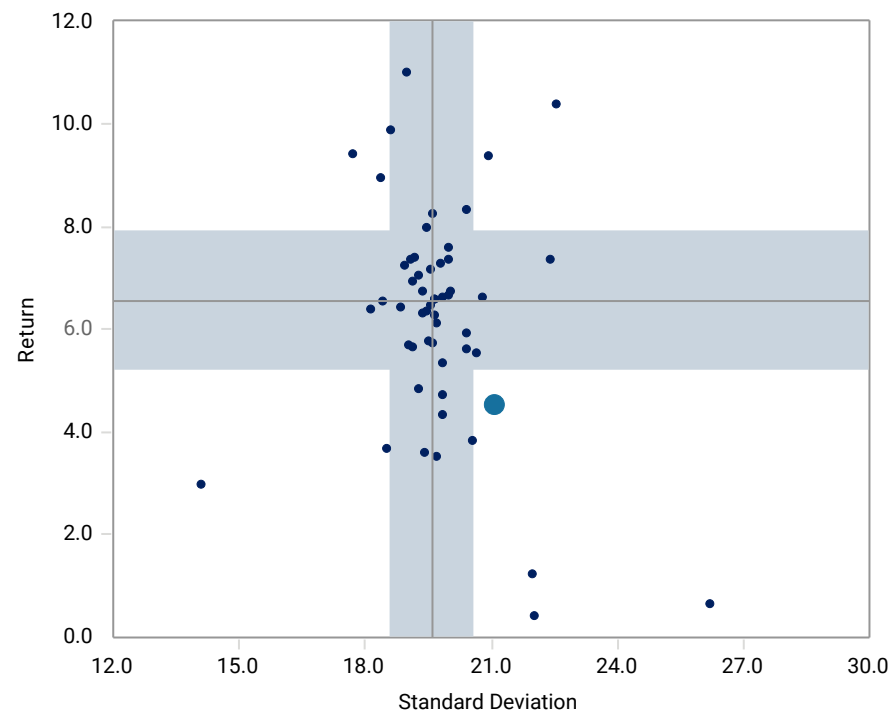
3 Years Ending March 31, 2023



● eV US REIT

● BlackRock Real Estate Securities

5 Years Ending March 31, 2023



● eV US REIT

● BlackRock Real Estate Securities

3 Years Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio
BlackRock Real Estate Securities	11.2 (46)	20.9 (89)	0.6 (52)
Dow Jones U.S. Select RESI	11.3 (44)	21.0 (89)	0.6 (52)
eV US REIT Median	11.0	20.1	0.6
Population	54	54	54

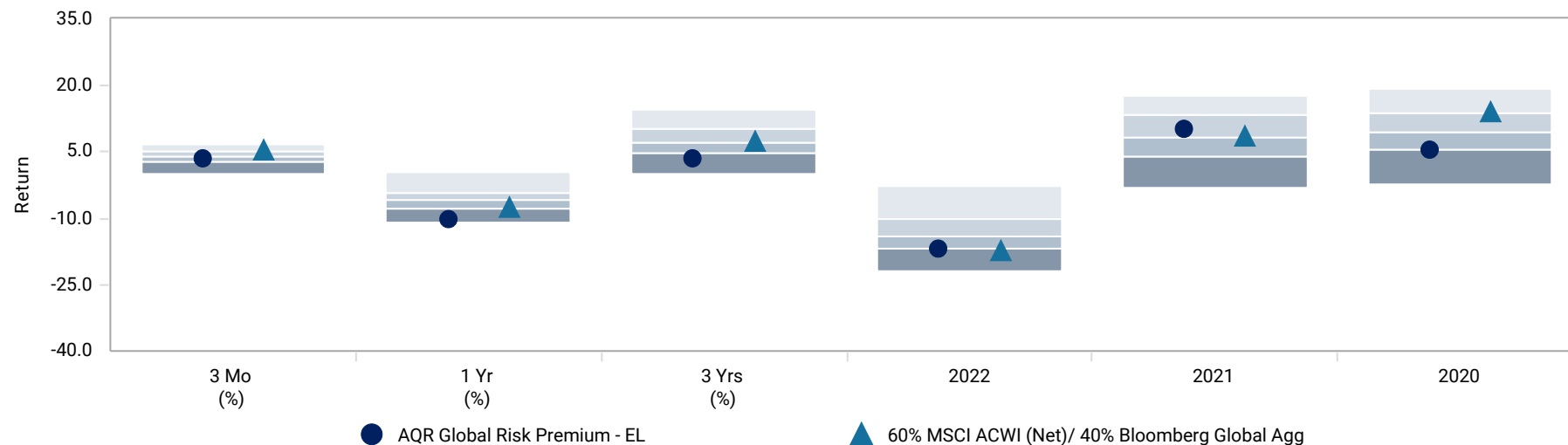
5 Years Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio
BlackRock Real Estate Securities	4.6 (84)	21.1 (90)	0.3 (84)
Dow Jones U.S. Select RESI	4.6 (84)	21.1 (90)	0.3 (84)
eV US REIT Median	6.6	19.6	0.4
Population	53	53	53

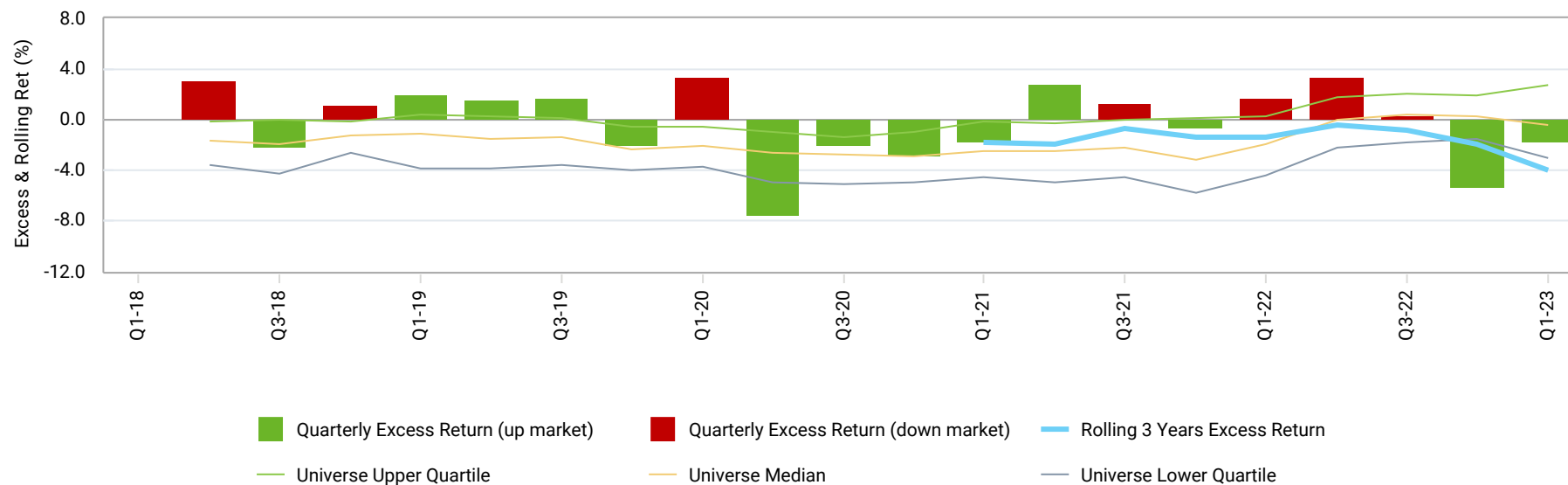
RISK PARITY

AQR GLOBAL RISK PREMIUM - EL

eV Global TAA (net of fees)

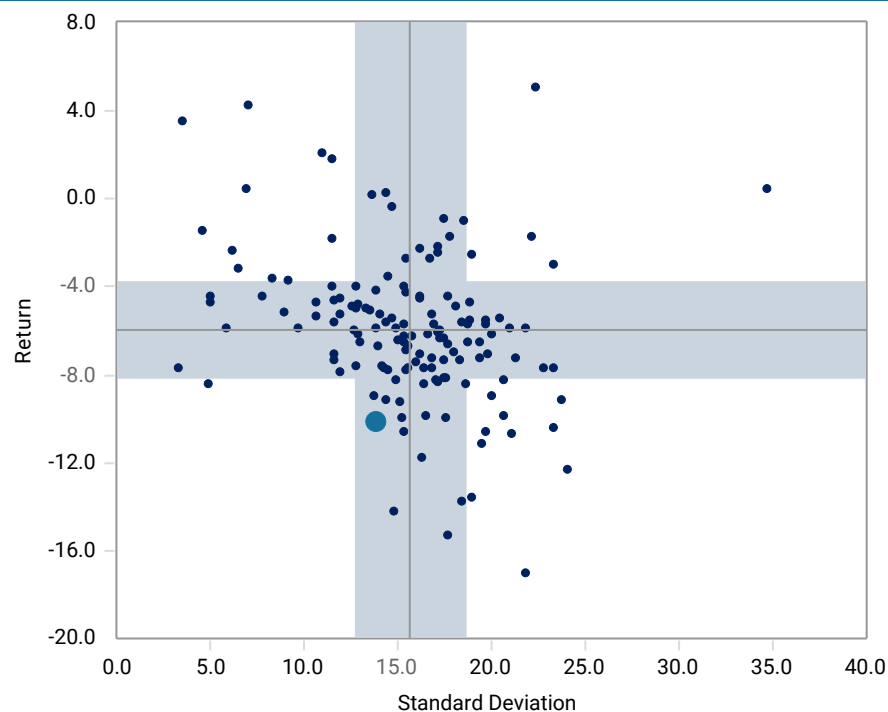


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



RISK VS. RETURN

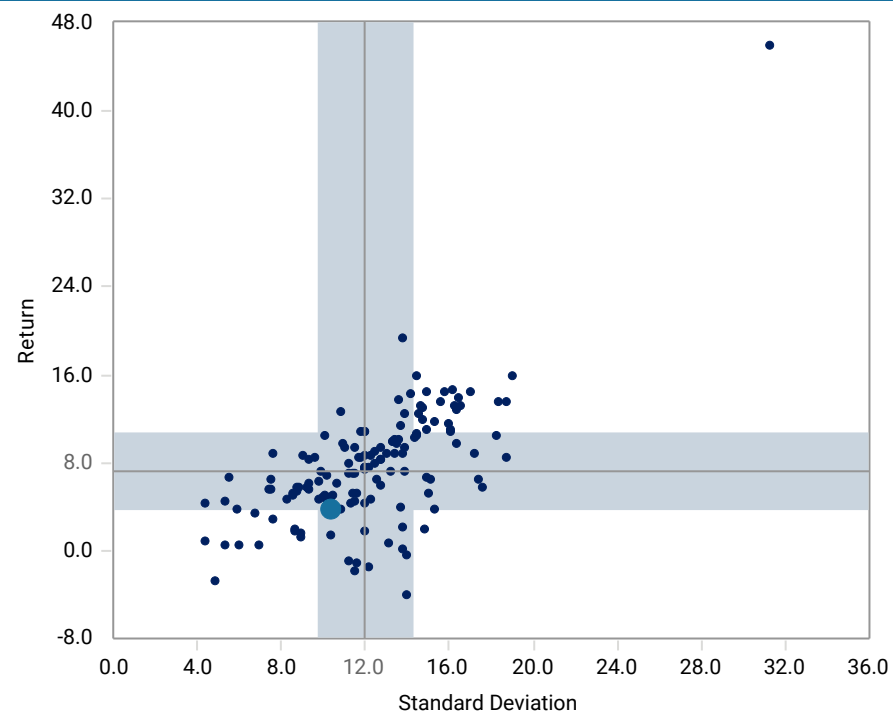
1 Year Ending March 31, 2023



● eV Global TAA

● AQR Global Risk Premium - EL

3 Years Ending March 31, 2023



● eV Global TAA

● AQR Global Risk Premium - EL

1 Year Ending March 31, 2023

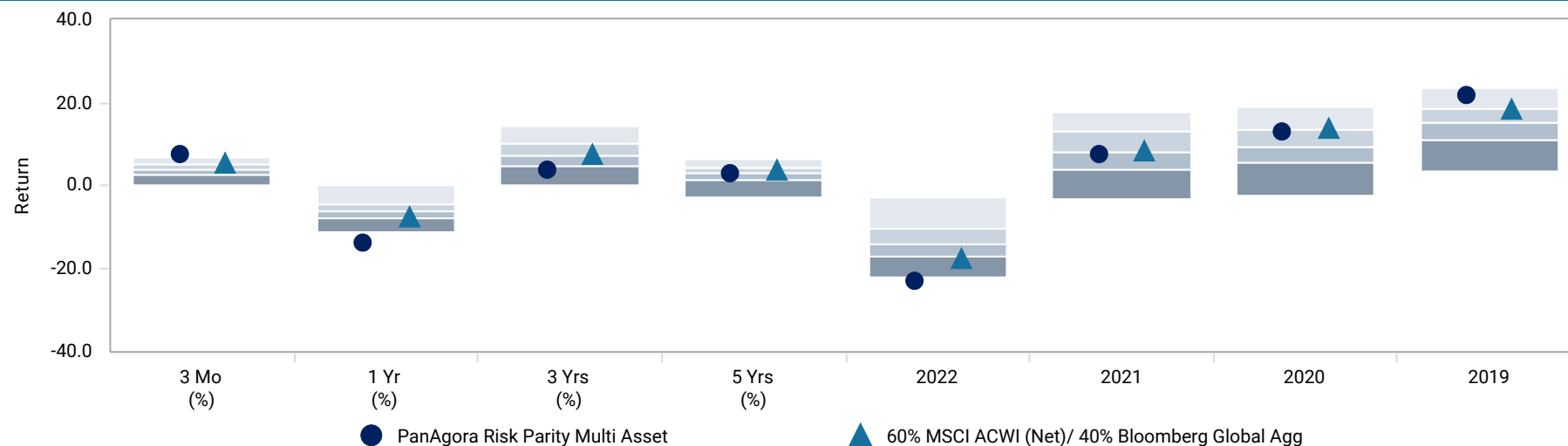
	Return	Standard Deviation	Sharpe Ratio
AQR Global Risk Premium - EL	-10.1 (92)	13.8 (28)	-0.9 (96)
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg	-7.5 (71)	18.0 (73)	-0.5 (44)
eV Global TAA Median	-6.0	15.7	-0.5
Population	144	144	144

3 Years Ending March 31, 2023

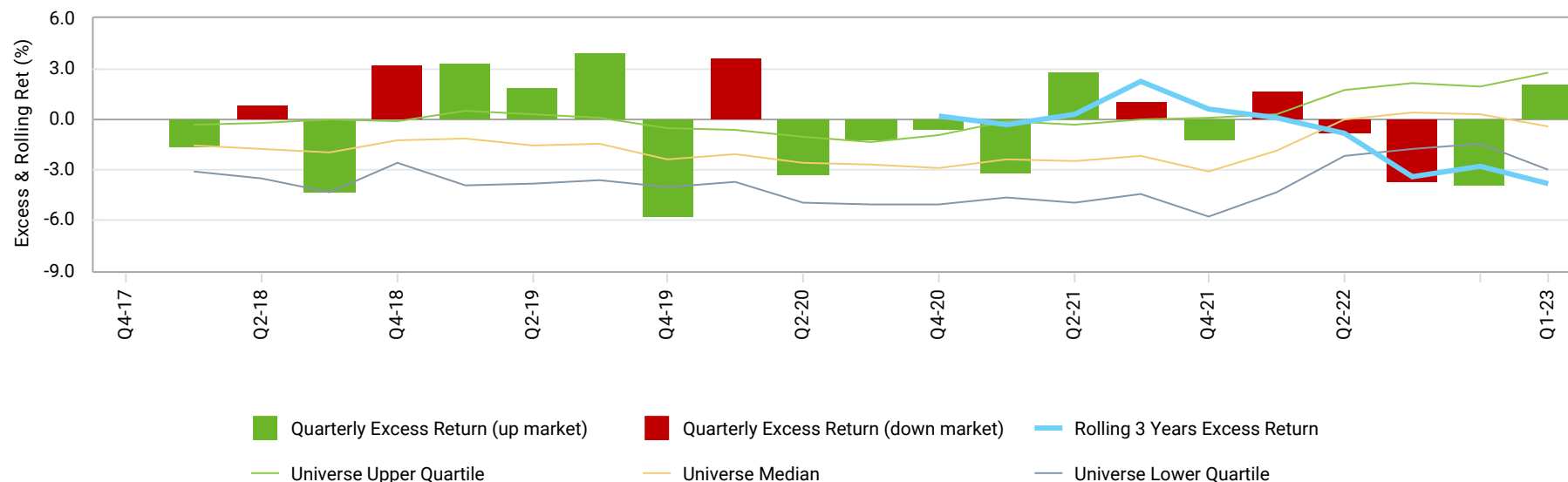
	Return	Standard Deviation	Sharpe Ratio
AQR Global Risk Premium - EL	3.7 (84)	10.3 (28)	0.3 (83)
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg	7.7 (48)	13.4 (63)	0.6 (60)
eV Global TAA Median	7.3	12.0	0.6
Population	141	141	141

PANAGORA RISK PARITY MULTI ASSET

eV Global TAA (net of fees)

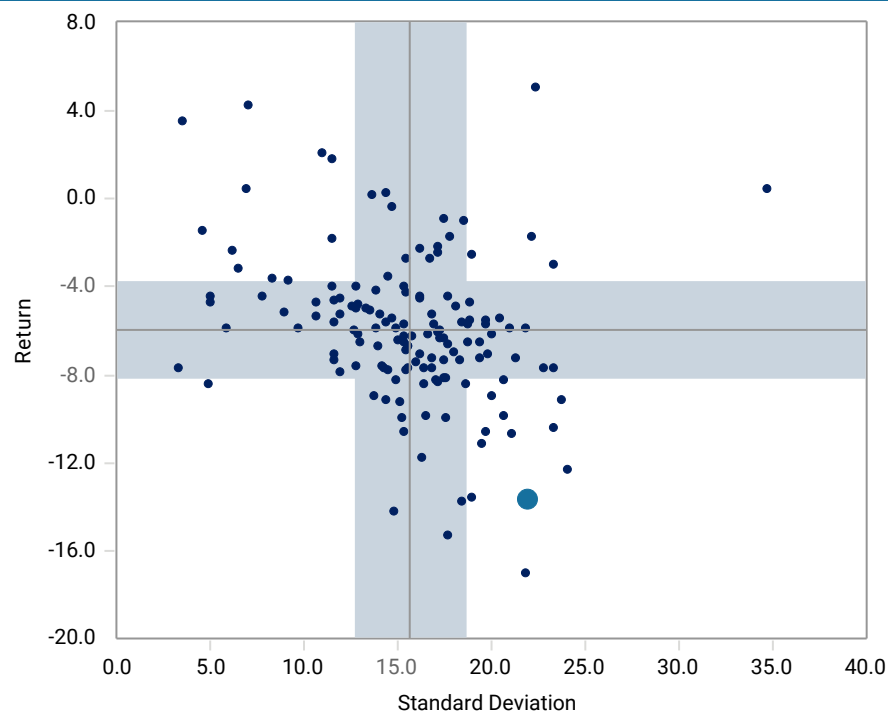


Quarter Excess Return with a Rolling 3 Years Excess Return over Since Inception Ending March 31, 2023



RISK VS. RETURN

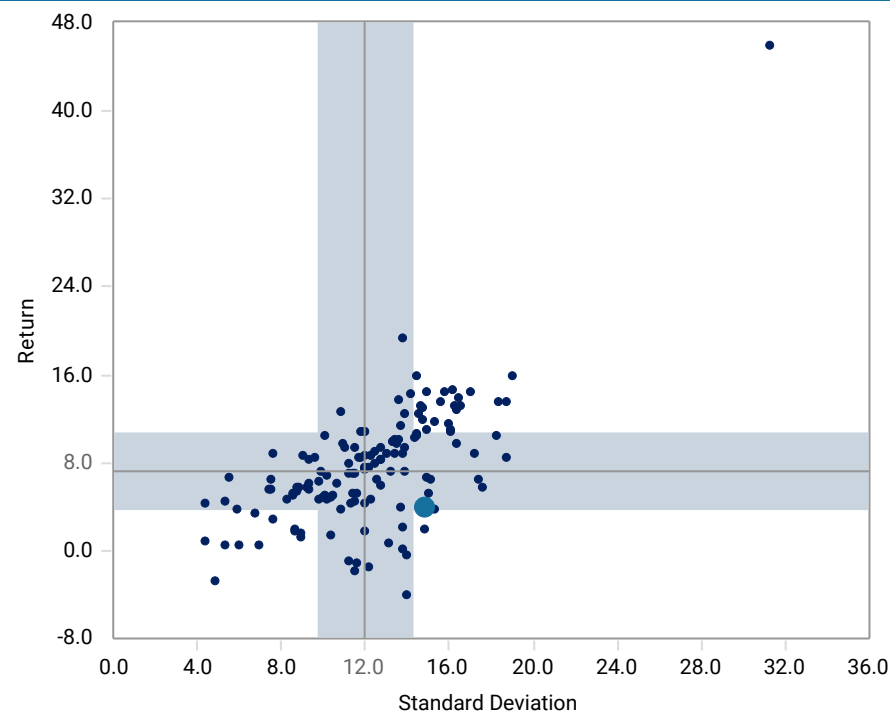
1 Year Ending March 31, 2023



● eV Global TAA

● PanAgora Risk Parity Multi Asset

3 Years Ending March 31, 2023



● eV Global TAA

● PanAgora Risk Parity Multi Asset

1 Year Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio
PanAgora Risk Parity Multi Asset	-13.7 (98)	21.9 (94)	-0.7 (80)
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg	-7.5 (71)	18.0 (73)	-0.5 (44)
eV Global TAA Median	-6.0	15.7	-0.5
Population	144	144	144

3 Years Ending March 31, 2023

	Return	Standard Deviation	Sharpe Ratio
PanAgora Risk Parity Multi Asset	3.9 (82)	14.9 (80)	0.3 (85)
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg	7.7 (48)	13.4 (63)	0.6 (60)
eV Global TAA Median	7.3	12.0	0.6
Population	141	141	141

APPENDIX

NOTES

- All performance is shown net of investment management fees. Prime Property Fund, American Strategic Value Reality, MS Infrastructure Partners II, Palistar Communications Infrastructure Fund II, and PanAgora Risk Parity Multi-Asset are preliminary as of 03/23 and subject to change once finalized.
- Performance history is provided by Verus through June 2020. As of July 1, 2020 performance is calculated and reported by NEPC.
- Policy Index 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.

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.

The opinions presented herein represent the good faith views of NEPC as of the date of this presentation and are subject to change at any time. Neither fund performance nor universe rankings contained in this report should be considered a recommendation by NEPC.

This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

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



May 23, 2023

Retirement Board Agenda Item

TO: Retirement Board

FROM: Brittany Smith-Atkins, Financial Services Manager
Tom Stadelmaier, Executive Director

- I. SUBJECT: Fiscal Year 2023-2024 – Proposed Administrative Budget Proposal
- II. ITEM NUMBER: 11.a
- III. ITEM TYPE: Discussion and Action
- IV. STAFF RECOMMENDATION: Approve the recommended Proposed Administrative Budget for Fiscal Year 2023-2024.
- V. EXECUTIVE SUMMARY: Each year a budget of general operating expenses is prepared by staff; it is reviewed and submitted for approval before the Board of Retirement (Board). Historically, there are few unexpected expenses and the annual budget presented and approved has been sufficient.

The proposed budget considers the following: current year's approved budget, incurred expenditures, and other known factors (e.g. contracted terms, renewals). The staff analyzes this data and compiles it for the next fiscal year's proposal; it is reflected in the Fiscal Year 2023-2024 summary below.

For Fiscal Year 2022-2023 the total expenditures are estimated at \$5,185,608, which is above the final budget of \$4,761,225 approved by the Board; these figures include the Capital Budget. During the most recent fiscal year, two significant capital projects were completed, and expenses were realized during this period. These projects were forecasted for completion during the prior fiscal year and funds were allocated in the prior fiscal year.

In review of the Administrative Budget, estimated expenditures are expected to total \$3,910,159 right under the approved budget of \$3,953,649 for Fiscal Year 2022-2023. Technology, General Operations and Communication & Printing can be attributed to helping maintain expenses near break-even for the current period.

A total of \$5,333,240 is being requested for Fiscal Year 2023-2024. Overall, the budget requested is 12.0% more than the prior year's approved budget and 2.9% greater than the expected fiscal expenses for 2022-2023. This is driven by the anticipated increase in insurance premiums, general operating costs and increased depreciation expenses associated with the organization's capital assets.

Government Code section 31580.2 within the 1937 Act allows for expenditures of administrative services (other than software, hardware, and computer technology consulting services) to be the greater of 0.21% of the accrued actuarial liability or \$2,000,000. The accrued actuarial liability of StanCERA as of the June 30, 2022, actuarial valuation was

\$3,379,554,000 of which 0.21% (\$7,097,063) is available for administrative expenses. We have shown the costs related to the computer technology software, hardware and consulting services separately in this budget. Removing 31580.2 costs from the total budget leaves an amount of \$3,994,353 left for regular administrative costs, well below the limits set forth in the statute.

**STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
FISCAL YEAR 2023-2024 PROPOSED BUDGET**

	Fiscal Year 2022-2023 Final Budget ⁽¹⁾⁽³⁾	Fiscal Year 2022-2023 Estimated Expenditures ⁽²⁾	Fiscal Year 2023-2024 Admin. Services	Technology Budget 2023-2024 \$31580.2(b)	Fiscal Year 2023-2024 Budget Request	Percent Change from Prior Year Budget
Salaries & Benefits	2,353,424	2,415,173	2,451,080	-	2,451,080	4.1%
Technology	492,969	414,052	232,617	290,471	523,088	6.1%
Legal & Other Professional Services	613,850	627,133	799,233	-	799,233	30.2%
General Operations	61,650	51,573	70,100	-	70,100	13.7%
Communications & Printing	60,450	56,419	61,731	-	61,731	2.1%
County Support Services	276,206	276,206	284,492	-	284,492	3.0%
Fiduciary Education & Travel	95,100	69,605	95,100	-	95,100	0.0%
Administrative Budget	3,953,649	3,910,159	3,994,353	290,471	4,284,825	8.4%
Capital Expenditures	391,809	906,310	370,000	40,000	410,000	4.6%
Capital Depreciation	521,629	475,000	746,923	-	746,923	43.2%
6th Floor Lease Revenue	(105,862)	(105,862)	(108,508)	-	(108,508)	2.5%
Capital Budget	807,576	1,275,449	1,008,415	40,000	1,048,415	29.8%
TOTAL BUDGET	4,761,225	5,185,608	5,002,769	330,471	5,333,240	12.0%

Valuation Year	2021	2022
Actuarial Accrued Liability	3,153,032,000	3,379,554,000
Maximum Administrative Budget Allowable (0.21% of Accrued Actuarial Liability)	6,621,367	7,097,063
Budget as Percent of Maximum	54%	56%

Notes

(1) Includes Technology Adjustment \$31580.2(b)

(2) Estimated Expenditures are the calculated annualized cost per category through 3/31/2022 and additional inputs such as purchase contracts.

(3) Includes Approved Budget Adjustments: Approved after May 2022

VI. ANALYSIS:

Review of the Current Year's Administrative Budget and Expenditures

In Fiscal Year 2022-2023, the total estimated expenditures of \$5,185,608 will exceed the budget approved by the Board. In addition to the delay of realized capital expenses, StanCERA personnel expenses increased roughly 5%. This was the result of a resolution passed by the Stanislaus County Board of Supervisors in August 2022 which increased base pay elements across all job classifications. Fortunately, these increased costs were offset by the vacancies allocated in the budget. Expected costs for IT consulting, software licensing, maintenance and education were lower than budgeted.

StanCERA's capital expenditures exceeded the budget for Fiscal Year 2022-2023; as aforementioned this is due to the delay of when these expenses were incurred. The funds for these projects, the 6th Floor Redesign and the Pension Administration Software, were allocated in Fiscal Year 2021-2022 and were not fully utilized. In the future, if similar events transpire these items will be brought forth to the Board to seek approval for an amended budget for the current fiscal year.

Fiscal Year 2022-2023 Proposed Operating Budget Request

A total of \$5,333,240 is requested for all expenses in Fiscal Year 2023-2024 including the \$210,000 related to software licensing for operational tools such as the recently implemented pension administration system and the new financial reporting system. Please see **Attachment I** for details.

In regard to Capital Expenditures, the cost for several projects either approved in concept or directly by the Board are included in this proposed budget. Projects include funds allocated to the pension administration system to further develop the software as part of StanCERA's on-going investment into technology. In addition, StanCERA engaged with a new website provider to better serve our members and various stakeholders.

Salaries & Benefits

Total estimated budget for **Salaries and Benefits** is \$2,451,080. Salaries include fourteen full-time staff and three part-time staff. Included in this count are four (4) vacant positions; one (1) full-time Confidential Assistant IV, one (1) full-time Confidential Assistant III and two (2) part-time employees to assist with projects.

Benefits include employer retirement contributions, medical, dental and vision care, workers comp and other negotiated and required taxes and fees. Retirement costs remain relatively flat compared to the current fiscal year; health care costs continue to rise. Health care is particularly dependent upon individual staff selections. Since staff does have some flexibility, the overall cost to the department can vary throughout the year.

	Fiscal Year 2022-2023 Final Budget ⁽¹⁾⁽³⁾	Fiscal Year 2022-2023 Estimated Expenditures ⁽²⁾	Fiscal Year 2023-2024 Admin. Services	Technology Budget 2023-2024 \$31580.2(b)	Fiscal Year 2023-2024 Budget Request	Percent Change from Prior Year Budget
SALARIES & BENEFITS						
Salary and Wages	1,406,102	1,590,983	1,475,329	-	1,475,329	4.9%
Project Help Wages	116,083	63,351	133,575	-	133,575	15.1%
Employee Benefits	831,239	760,839	842,176	-	842,176	1.3%
Salaries & Benefits	2,353,424	2,415,173	2,451,080	-	2,451,080	4.1%

Technology

The technology budget includes new pension system software costs of \$116,400 for annual support and maintenance, \$25,000 for licensing, as well as \$114,000 allocated for the cloud hosting; these products and services are provided by **Tegrit**.

The **Software Licenses and Fees** budget of \$68,800 is to reflect costs associated with the various software used in the day-to-day operations. These systems include, but not limited to: DocuSign, Dropbox, and Workiva.

The **Copier Lease and Maintenance** budget is \$16,000 due to the length of time the equipment has been in place and includes leases, maintenance, and supplies for copiers,

printers, scanners, etc. StanCERA processes letterhead, specialized forms, member statements and retiree payroll notices on site.

The **StanCERA Website** budget of \$11,400 is reflective of StanCERA's new hosting provider PensionX. Relative to the prior year, the hosting costs are substantially higher. This new agreement provides a more expansive, robust and comprehensive management of StanCERA's website. This transition was necessary to support the launch of StanCERA's new member web portal as well as future initiatives to better serve our members.

In late 2022, StanCERA staff contracted with a local agency to complete a high-level, independent cyber assessment of StanCERA's network. As a result of the report, Staff recommends to carryover the current year's budget for **I.T. Consulting Services** of \$60,000 to complete a more extensive cyber assessment to continue to safeguard StanCERA intellectual property and information.

StanCERA contracts with the County for network access, email, server maintenance, security and phones. The Information Technology Center (ITC) budgeted is equal to the amount allocated in 2022-2023 with the addition of a 3% inflation factor. Historically, these amounts are provided by the County's Auditor Office; for the upcoming fiscal year it was recommended to carry-forward the prior year's amounts as the information will not be available until late Summer 2023.

	Fiscal Year 2022-2023 Final Budget ⁽¹⁾⁽³⁾	Fiscal Year 2022-2023 Estimated Expenditures ⁽²⁾	Fiscal Year 2023-2024 Admin. Services	Technology Budget 2023-2024 \$31580.2(b)	Fiscal Year 2023-2024 Budget Request	Percent Change from Prior Year Budget
TECHNOLOGY						
Computers & Office Equipment	27,500	36,697	12,500	12,500	25,000	-9.1%
Copier Lease & Maint	16,000	13,275	16,000	-	16,000	0.0%
I.T. Consulting Services	60,000	5,000	-	60,000	60,000	0.0%
SBT - Data Processing Services	76,424	76,424	78,717	-	78,717	3.0%
SBT - Embedded Employees	-	-	-	-	-	n/a
SBT - Telecommunications	7,545	7,545	-	7,771	7,771	3.0%
Software Licenses & Fees	75,000	53,560	-	68,800	68,800	-8.3%
StanCERA Website Hosting Fees	2,500	2,150	11,400	-	11,400	356.0%
Tegrit Hosting Fees	78,000	78,000	114,000	-	114,000	46.2%
Tegrit Software Licensing & Maintenance	150,000	141,400	-	141,400	141,400	-5.7%
Technology	492,969	414,052	232,617	290,471	523,088	6.1%

Legal & Professional Services

StanCERA contracts with several specialized legal service providers which are utilized as needed, (fiduciary, litigation, real estate, information technology, disability administration, tax, domestic relations and general governance). The estimated cost for **Legal Counsel** also includes \$175,000 for Disability Counsel, \$30,000 for the StanCERA vs Buck lawsuit, and \$75,000 for Domestic Relations Orders. Total estimated expenses for Legal Counsel-General's exceeded its budget. This variance is due to the increased use of general counsel for legal matters, such as governance, contract negotiation as well as the review

of adherence to legal requirements and legislative changes; these expenses are expected to continue into the future.

StanCERA currently has agreements with the following law firms:

Reed Smith	Fiduciary & Information Technology
Hanson Bridgett	Tax & Investment
Nossaman, LLP	Investment
Rein & Rein	Real Estate
Damrell Nelson, et.al.	General & Domestic Relations Orders
Ted Cabral	Disability

Medical Exams, Reviews, and Hearing costs related to the processing of disability retirement applications (medical exams, hearing costs, etc.) are budgeted at \$40,000 for the year; carried forward from the prior year.

Auditing Services are budgeted at \$48,850. Brown Armstrong is retained for the next year to perform the annual financial audit for StanCERA.

The \$160,383 budgeted for **Insurance** includes the estimated cost of Cyber Security and Fiduciary insurances in Fiscal Year 2023-2024. The Fiduciary Insurance annual coverage cost is expected to increase as it has in years past. In addition, Cyber Security coverage is expected to increase due to external conditions.

Often during any fiscal year, legislation changes or a Board request will produce a need for professional services not provided by staff. The budgeted amount for **Other Professional Services** of \$20,000 is set aside to cover the cost of professional service providers not associated with investments.

	Fiscal Year 2022-2023 Final Budget ⁽¹⁾⁽³⁾	Fiscal Year 2022-2023 Estimated Expenditures ⁽²⁾	Fiscal Year 2023-2024 Admin. Services	Technology Budget 2023-2024 \$31580.2(b)	Fiscal Year 2023-2024 Budget Request	Percent Change from Prior Year Budget
LEGAL & OTHER PROFESSIONAL SERVICES						
Auditing Services	48,850	48,850	48,850	-	48,850	0.0%
Insurance (Fiduciary & Cyber)	125,000	139,464	160,383	-	160,383	28.3%
Cyber	62,500	73,852	84,930	-	84,930	35.9%
Fiduciary	62,500	65,612	75,454	-	75,454	20.7%
Legal Counsel - Disability	165,000	169,172	175,000	-	175,000	6.1%
Legal Counsel - Domestic Relation Orders	90,000	39,606	75,000	-	75,000	-16.7%
Legal Counsel - General	100,000	204,552	250,000	-	250,000	150.0%
Legal Counsel - O'Neal vs StanCERA	-	8,184	-	-	-	n/a
O'Neal Litigation Recovery	(10,000)	(31,678)	-	-	-	-100.0%
Legal Counsel - StanCERA vs Buck	45,000	6,602	30,000	-	30,000	-33.3%
Medical Exams, Reviews, Hearings	40,000	13,467	40,000	-	40,000	0.0%
Other Professional Services	10,000	28,914	20,000	-	20,000	100.0%
Legal & Other Professional & Services	613,850	627,133	799,233	-	799,233	30.2%

General Operations

Office Supplies are budgeted at \$7,500. This includes a variety of supplies, ranging from paper to calculators.

The **Other Office Expense** budgeted at \$20,000 for Fiscal Year 2023-2024 includes document storage expenses as well as other items needed for securing critically important historical documents, confidential shredding, and other ongoing services that are periodically used to complete special projects. This budget is also set aside to accommodate unexpected ergonomic needs, safety expenses, furniture needs, etc.

The **6th Floor** budget of \$42,600 includes the costs of regular janitorial services provided by an outside provider, the additional cost for cleaning and/or replacing flooring, window cleaning, some painting, as well as any cost due to the currently leased space. This budget item will be offset by the estimated lease revenue.

	Fiscal Year 2022-2023 Final Budget ⁽¹⁾⁽³⁾	Fiscal Year 2022-2023 Estimated Expenditures ⁽²⁾	Fiscal Year 2023-2024 Admin. Services	Technology Budget 2023-2024 \$31580.2(b)	Fiscal Year 2023-2024 Budget Request	Percent Change from Prior Year Budget
GENERAL OPERATIONS						
Office Supplies	7,500	4,696	7,500	-	7,500	0.0%
Other Office Expense	12,250	19,835	20,000	-	20,000	63.3%
6th Floor Maint	12,000	900	12,000	-	12,000	0.0%
6th Floor Janitorial & Supplies	27,550	24,386	28,250	-	28,250	2.5%
6th Floor Security	600	425	600	-	600	0.0%
6th Floor Taxes (Downtown Redevelopment)	1,750	1,331	1,750	-	1,750	0.0%
General Operations	61,650	51,573	70,100	-	70,100	13.7%

Communication & Printing

We have budgeted for **Communications and Printing** a total of \$61,731 which includes the Comprehensive Annual Financial Report, Popular Annual Financial Report, semi-annual member statements, two elections, and printing and distribution of StanCERA's newsletter via U.S. Postal services to all members (active, deferred and retirees). In addition, the printing of retiree payroll and the associated postage has now been included in this category, the bulk of which is retiree payroll. It's important to note that StanCERA does not pre-order letter head, specialized forms, member statements or retiree payroll notices. These items are printed in-house as needed.

	Fiscal Year 2022-2023 Final Budget ⁽¹⁾⁽³⁾	Fiscal Year 2022-2023 Estimated Expenditures ⁽²⁾	Fiscal Year 2023-2024 Admin. Services	Technology Budget 2023-2024 \$31580.2(b)	Fiscal Year 2023-2024 Budget Request	Percent Change from Prior Year Budget
COMMUNICATION & PRINTING						
Member Statements, Trustee Elections	17,750	13,719	17,750	-	17,750	0.0%
Postage	42,700	42,700	43,981	-	43,981	3.0%
Communication & Printing	60,450	56,419	61,731	-	61,731	2.1%

County Support Services

The Stanislaus County, General Services Agency (GSA) is responsible for acquiring goods and services, negotiating contracts, leasing property and equipment, providing consultation on procurement needs and contract facilitation to County departments, in addition to the sale and/or disposal of surplus County property, mailroom messenger, and

salvage services. As an Internal Service Fund, the costs of these services are based on the level of service provided.

Also provided by the County is general and auto liability insurance, administrative functions by CEO/Personnel, Auditor, Purchasing, Risk Management, and a true-up process for capital expenses from the previous year. The true-up amount can fluctuate considerably from positive to negative each year.

The recommended budget for the upcoming fiscal year is equal to the prior year's budget plus inflation (estimated at 3%); this estimate is illustrated in the table below. This is similar to the recommendation outlined in the Technology section of this document specific to I.T. Consulting Services. It is anticipated the StanCERA Staff will receive the proposed rates late Summer 2023; at that time an analysis will be completed and brought forth to the Board of Retirement should any additional revisions be needed to the operating budget.

	Fiscal Year 2022-2023 Final Budget ⁽¹⁾⁽³⁾	Fiscal Year 2022-2023 Estimated Expenditures ⁽²⁾	Fiscal Year 2023-2024 Admin. Services	Technology Budget 2023-2024 \$31580.2(b)	Fiscal Year 2023-2024 Budget Request	Percent Change from Prior Year Budget
COUNTY SUPPORT & BUILDING SERVICES						
Auditor	9,081	9,081	9,353	-	9,353	3.0%
Building Janitorial	3,400	3,400	3,502	-	3,502	3.0%
Building Maintenance	71,800	71,800	73,954	-	73,954	3.0%
Building Security	75,000	75,000	77,250	-	77,250	3.0%
Building Utilities	49,800	49,800	51,294	-	51,294	3.0%
Central Services & Mail Room	21,500	21,500	22,145	-	22,145	3.0%
CEO/Personnel (true up)	12,840	12,840	13,225	-	13,225	3.0%
GSA - ADA Compliance	700	700	721	-	721	3.0%
Insurance (General Liability & Auto)	13,971	13,971	14,390	-	14,390	3.0%
Purchasing	600	600	618	-	618	3.0%
Risk Management	16,714	16,714	17,215	-	17,215	3.0%
Salvage & Disposal	800	800	824	-	824	3.0%
County Support Services & Building Services	276,206	276,206	284,492	-	284,492	3.0%

Fiduciary Education & Travel

Staff, trustees and service providers to StanCERA have a fiduciary responsibility to the fund. As such, it is imperative that continuous education be provided. The Board of Retirement consists of nine members and one alternate. Continuing education for Board of Retirement Trustees is required by law. In the coming year, \$30,000 has been set aside to accommodate **Trustee Fiduciary Education**. This is a carryover of the prior year's budget as seminars were limited considering the pandemic.

With StanCERA's needs for education in investment, tax, actuarial and the benefits arenas, maintaining this budget allows for Board of Trustees and staff to receive appropriate training and is in line with the Retirement Board's goal to keep current and up to date. \$35,000 is set aside for **Staff Education** and associated travel expenses which includes possible expenses for new employees.

Professional Publications and Memberships are important to the continuing education of staff and trustees. The Wall Street Journal (WSJ) and other subscriptions provide key

information to fiduciaries as well as memberships in specific associations. A budgeted amount of \$18,100 is in line with this fiscal year's estimated expenditures. Publications from and memberships in specific organizations continues to provide high quality education and access to pension and investment information to Board Trustees and staff.

	Fiscal Year 2022-2023 Final Budget ⁽¹⁾⁽³⁾	Fiscal Year 2022-2023 Estimated Expenditures ⁽²⁾	Fiscal Year 2023-2024 Admin. Services	Technology Budget 2023-2024 \$31580.2(b)	Fiscal Year 2023-2024 Budget Request	Percent Change from Prior Year Budget
FIDUCIARY EDUCATION & TRAVEL						
Professional Memberships	12,100	10,143	12,100	-	12,100	0.0%
Professional Publications & Subscriptions	6,000	2,000	6,000	-	6,000	0.0%
Staff Education & Travel	35,000	29,091	35,000	-	35,000	0.0%
Trustee Education & Travel	30,000	16,371	30,000	-	30,000	0.0%
Trustee Meeting Allowance	12,000	12,000	12,000	-	12,000	0.0%
Fiduciary Education & Travel	95,100	69,605	95,100	-	95,100	0.0%

Capital Expenditures

The budgeted **Depreciation** of \$746,923 includes the Tegrit pension software, 12th Street offices, tenant improvements, furniture, phone systems, audio system, security monitoring systems, and the Arrivos document imaging system.

The current **Capital Expenditures** budget request is \$370,000, comparable to the prior year. This proposal is inclusive of allocating funds to the further development of the pension administration system as well as one-time expense associated with the transition to StanCERA's new web provider, PensionX.

	Fiscal Year 2022-2023 Final Budget ⁽¹⁾⁽³⁾	Fiscal Year 2022-2023 Estimated Expenditures ⁽²⁾	Fiscal Year 2023-2024 Admin. Services	Technology Budget 2023-2024 \$31580.2(b)	Fiscal Year 2023-2024 Budget Request	Percent Change from Prior Year Budget
CAPITAL EXPENDITURES						
12th St Lobby Upgrade	50,000	-	50,000	-	50,000	0.0%
6th Floor Redesign & Lobby Upgrade	40,000	286,784	-	-	-	-100.0%
Financial Reporting: Workiva	20,900	20,900	-	-	-	-100.0%
Formax Folding Machine	-	30,135	-	-	-	n/a
PAS Project Management & Oversight	112,869	58,104	-	-	-	-100.0%
Pension Administration System	128,040	510,387	320,000	-	320,000	149.9%
Risk: PAS End of Project	40,000	-	-	-	-	-100.0%
StanCERA Website Maintenance & Development	-	-	-	40,000	40,000	n/a
Capital Expenditures	391,809	906,310	370,000	40,000	410,000	4.6%
Capital Depreciation	521,629	475,000	746,923	-	746,923	43.2%

Non- Administrative Expenses

Section 31596.1 of the CERL states: the following expenses shall not be considered a cost of administration to the retirement system but shall be considered as a reduction in earnings from those investments or a charge against the assets of the retirement system as determined by the Board. These expenses are reported in the audited financial statements presented to the Board of Retirement in the Annual Comprehensive Financial Report.

- Actuarial Fees
- Investment Consultant Fees
- Attorney Fees –directly related to an investment
- Investment Manager Fees
- Custodial Bank Fees

VII. RISK: Government Code section 31580.2 allow expenditures for administrative services (other than software, hardware and computer technology consulting services) to be the greater of 0.21% of the accrued actuarial liability or \$2,000,000. In Fiscal Year 2023-2024, we continue to exercise prudence in budgeting administrative expenses and are submitting an administrative budget which is only 0.12% of the accrued actuarial liability and well below the allotted legal amount.

VIII. STRATEGIC PLAN: N/A

IX. ADMINISTRATIVE BUDGET IMPACT: A total of \$5,333,240 is requested for all operating and capital expenses in Fiscal Year 2023-2024; including \$330,471 related to the continued development of the pension software and other technology related projects. The proposed budget for Fiscal Year 2023-2024 increased by \$572,015 (or 12.0%) from the prior fiscal year. This can be attributed to the realized capital costs of the new pension software system, the 6th Floor Update, and increased insurance premiums.

STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
FISCAL YEAR 2023-2024 PROPOSED BUDGET

	Fiscal Year 2022-2023 Final Budget ⁽¹⁾⁽³⁾	Fiscal Year 2022-2023 Estimated Expenditures ⁽²⁾	Fiscal Year 2023-2024 Admin. Services	Technology Budget 2023-2024 \$31580.2(b)	Fiscal Year 2023-2024 Budget Request	Percent Change from Prior Year Budget
SALARIES & BENEFITS						
Salary and Wages	1,406,102	1,590,983	1,475,329	-	1,475,329	4.9%
Project Help Wages	116,083	63,351	133,575	-	133,575	15.1%
Employee Benefits	831,239	760,839	842,176	-	842,176	1.3%
Salaries & Benefits	2,353,424	2,415,173	2,451,080	-	2,451,080	4.1%
TECHNOLOGY						
Computers & Office Equipment	27,500	36,697	12,500	12,500	25,000	-9.1%
Copier Lease & Maint	16,000	13,275	16,000	-	16,000	0.0%
I.T. Consulting Services	60,000	5,000	-	60,000	60,000	0.0%
SBT - Data Processing Services	76,424	76,424	78,717	-	78,717	3.0%
SBT - Embedded Employees	-	-	-	-	-	n/a
SBT - Telecommunications	7,545	7,545	-	7,771	7,771	3.0%
Software Licenses & Fees	75,000	53,560	-	68,800	68,800	-8.3%
StanCERA Website Hosting Fees	2,500	2,150	11,400	-	11,400	356.0%
Tegrit Hosting Fees	78,000	78,000	114,000	-	114,000	46.2%
Tegrit Software Licensing & Maintenance	150,000	141,400	-	141,400	141,400	-5.7%
Technology	492,969	414,052	232,617	290,471	523,088	6.1%
LEGAL & OTHER PROFESSIONAL SERVICES						
Auditing Services	48,850	48,850	48,850	-	48,850	0.0%
Insurance (Fiduciary & Cyber)	125,000	139,464	160,383	-	160,383	28.3%
Cyber	62,500	73,852	84,930	-	84,930	35.9%
Fiduciary	62,500	65,612	75,454	-	75,454	20.7%
Legal Counsel - Disability	165,000	169,172	175,000	-	175,000	6.1%
Legal Counsel - Domestic Relation Orders	90,000	39,606	75,000	-	75,000	-16.7%
Legal Counsel - General	100,000	204,552	250,000	-	250,000	150.0%
Legal Counsel - O'Neal vs StanCERA	-	8,184	-	-	-	n/a
O'Neal Litigation Recovery	(10,000)	(31,678)	-	-	-	-100.0%
Legal Counsel - StanCERA vs Buck	45,000	6,602	30,000	-	30,000	-33.3%
Medical Exams, Reviews, Hearings	40,000	13,467	40,000	-	40,000	0.0%
Other Professional Services	10,000	28,914	20,000	-	20,000	100.0%
Legal & Other Professional & Services	613,850	627,133	799,233	-	799,233	30.2%
GENERAL OPERATIONS						
Office Supplies	7,500	4,696	7,500	-	7,500	0.0%
Other Office Expense	12,250	19,835	20,000	-	20,000	63.3%
6th Floor Maint	12,000	900	12,000	-	12,000	0.0%
6th Floor Janitorial & Supplies	27,550	24,386	28,250	-	28,250	2.5%
6th Floor Security	600	425	600	-	600	0.0%
6th Floor Taxes (Downtown Redevelopment)	1,750	1,331	1,750	-	1,750	0.0%
General Operations	61,650	51,573	70,100	-	70,100	13.7%
COMMUNICATION & PRINTING						
Member Statements, Trustee Elections	17,750	13,719	17,750	-	17,750	0.0%
Postage	42,700	42,700	43,981	-	43,981	3.0%
Communication & Printing	60,450	56,419	61,731	-	61,731	2.1%

STANISLAUS COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
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Capital Expenditures	391,809	906,310	370,000	40,000	410,000	4.6%
Capital Depreciation	521,629	475,000	746,923	-	746,923	43.2%
6th Floor Lease Revenue	(105,862)	(105,862)	(108,508)	-	(108,508)	2.5%
TOTAL BUDGET	4,761,225	5,185,608	5,002,769	330,471	5,333,240	12.0%

Notes

572,015

(1) Includes Technology Adjustment §31580.2(b)

(2) Estimated Expenditures are the calculated annualized cost per category through 3/31/2022 and additional inputs such as purchase contracts.

(3) Includes Approved Budget Adjustments: Approved after May 2022

May 23, 2023

Retirement Board Agenda Item

TO: Retirement Board

FROM: Strategic Planning Objectives Committee

- I. SUBJECT: StanCERA Strategic Plan 2023-2025
- II. ITEM NUMBER: 12.a.
- III. ITEM TYPE: Discussion and Action
- IV. COMMITTEE RECOMMENDATION: Accept the StanCERA Strategic Plan for a three-year period (Attachment 1), effective upon Board approval
- V. ANALYSIS: Typically, every three years, StanCERA produces an updated Strategic Plan reflecting the key strategic objectives for the Organization. The updated Plan reflects collective input from board members, staff and other key stakeholders, especially those responsible for administration of the pension program. The Plan intends to set aspirational goals and create a framework for progress towards achieving the objectives.

The theme or slogan for the updated Plan is: "StanCERA CARES." The Plan defines the following key objectives under StanCERA CARES: Customer engagement, Administrative excellence, Reporting and transparency, Efficiency and innovation and Sustainability.

The Strategic Plan is intended to be a static document. In support of the Plan, staff has drafted the StanCERA Strategic Goals Action Items document which reflects more detailed initiatives that support the Plan. The Action Items document will be updated each quarter to reflect progress on the action items and any new initiatives or changing priorities.

The tagline and logo of "Plant, Grow and Harvest" signifies the process StanCERA uses for implementing the action items and also will be used for member education and communications.

The updated Strategic Plan reflects an emphasis on StanCERA as a service Organization. StanCERA exists to serve the Plan members and the community. StanCERA should utilize all of the available technology, tools, people, policies and processes to continuously improve services in support of the interests of Plan members as defined under the program.

- VI. RISK: NA
- VII. ADMINISTRATIVE BUDGET IMPACT: In general, the Strategic Plan should be cost neutral as it relates to the current budget process. Over time, there may be initiatives in support of the Plan that have a cost to implement that may need to be reflected in future budgets.

2023-2025

StanCERA Strategic Plan: StanCERA CARES



UPDATED 5/15/2023

Plan Adopted: TBD



2023-2025 StanCERA Strategic Plan

Our Vision

Empowering our members through education and technology to play a proactive role in understanding and managing their retirement benefits.

Our Mission

Provide and promote comprehensive and financially sound retirement in a professional, efficient, and courteous manner.



2023-2025 StanCERA Strategic Plan

Strategic Planning Objectives for 2023-2025

StanCERA is a well-functioning organization today, delivering on its promise to provide members with the valuable retirement benefits offered through the pension plan adopted by its Plan Sponsors. This strategic plan aims to build upon that success and recognize that continued success is dependent on investing in its processes and adapting to an ever-changing environment.

StanCERA CARES represents the aspiration for the strategic plan. The planning objectives set guiding principles for StanCERA and reflect the focus of organizational efforts. StanCERA cares about each objective, using the objectives as a framework for practical initiatives.

StanCERA CARES:

Customer engagement (The primary Customers are the Plan members, beneficiaries and those that are working to help them reach their retirement goals.)

Aministrative excellence

Reporting and transparency

Efficiency and innovation

Sustainability



2023-2025 StanCERA Strategic Plan

Objective 1

Customer/Member engagement: positive and meaningful interactions with members and other customers in support of StanCERA's mission

Success Factors

- Define and maintain service levels for members
- Improve access to information regarding plan benefits with focus towards online tools
- Offer education and communications that members can utilize to improve their long-term financial wellness



2023-2025 StanCERA Strategic Plan

Objective 2

Administrative excellence: an organization that evolves and grows to meet the needs of its members

Success Factors

- Support organizational development through: Staff development and board-member support
- Increase engagement with plan sponsors and organizations that support members
- Improve information available for the public and other stakeholders
- Create a culture of support and continuous improvement



2023-2025 StanCERA Strategic Plan

Objective 3

Reporting and transparency: information that is easy to access and improves understanding

Success Factors

- Report on key organizational activities
- Define metrics for tracking organizational activities
- Expand and highlight due-diligence efforts
- Utilize online resources wherever possible

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2023-2025 StanCERA Strategic Plan

Objective 4

Efficiency and innovation: predictable, high-quality results with no wasted resources

Success Factors

- Improve cost of delivery for services
- Identify opportunities to automate processes
- Identify opportunities to reduce staff time required for recurring processes
- Establish a robust ongoing process improvement structure within staff



2023-2025 StanCERA Strategic Plan

Objective 5

Sustainability: tools and resources that are built for long-term success

Success Factors

- Clearly identify and develop structure for all administrative policies, processes, and procedures
- Organize for process continuity and staff succession
- Identify long-term IT and infrastructure needs inclusive of investment management systems, benefit administration and additional reporting needs
- Simplify where possible to create practical processes that are easier to maintain

2023-2025 StanCERA Strategic Plan

Our Process

In order to realize its vision and fulfill its mission, StanCERA follows a process similar to the agricultural cycle characteristic of the region: Prepare, Plant, Grow, and Harvest. These stages also represent the stages of planning for retirement benefits provided to members and beneficiaries. Sustained attention is required to ensure success at each stage.

StanCERA developed the “plant, grow, harvest” tagline logo as a reminder of the cycle and for use with member education and communications where helpful.



StanCERA staff maintains a living Strategic Goals Action Items document that outlines ongoing work associated with achieving the objectives.



2023-2025 StanCERA Strategic Plan

This plan was approved by the Strategic Planning Objectives Committee on: May 15, 2023

This plan was approved by the StanCERA Board of Retirement on: TBD

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2023-2025

StanCERA Strategic Goals Action Items



UPDATED 5/15/2023



2023-2025 Strategic Goals Action Items

Strategic Planning Objectives for 2023-2025

StanCERA CARES:

Customer engagement (The primary Customers are the Plan members, beneficiaries and those that are working to help them reach their retirement goals.)

Aministrative excellence

Reporting and transparency

Efficiency and innovation

Sustainability

Action Item Phases: Prepare, Plant, Grow and Harvest

Updates on Action Items are presented to the Board Quarterly





2023-2025 Strategic Goals Action Items

Action Items Priorities: Highest priority initiatives with a goal to show continued progress each quarter

Strategic Objective	Action Item	Champion	Phase	Target Date	Team Members and Current Update
Customer	Implement member web portal	Lisa	Grow	TBD	
Admin	Review all elements of the public website and implement updates with new web site provider	Kellie	Plant	TBD	
Reporting	Review StanCERA custom investment reporting database and determine long-term objectives for the data and information	Stan	Prepare	TBD	
Efficiency	Implement Workiva solution for enhanced financial reporting support needs	Brittany	Prepare	TBD	
Sustainability	Establish and maintain master list of all StanCERA administrative tasks (and document backup capabilities)	Tom	Plant	TBD	



2023-2025 Strategic Goals Action Items

Action Items On-Deck: Committed initiatives with next-level priority

Strategic Objective	Action Item	Champion	Phase	Target Date	Team Members and Current Update
Customer	Re-institute member seminars and establish an ongoing program	Lisa	Plant	TBD	
Admin	Develop a training and development template for use with all staff members that focuses on both current and future needs	Kellie	Prepare	TBD	
Reporting	Develop a dashboard report of organizational operational activities	Tom	Prepare	TBD	
Efficiency	Develop and implement an audit process for plan sponsor pay codes; this includes the addition of new pay codes	Brittany	Prepare	TBD	
Sustainability	Create succession management plan for all staff positions	Stan	Prepare	TBD	



2023-2025 Strategic Goals Action Items

Action Items Additional Ideas: Place-holder for identified projects that typically represent quick-hits or future initiatives that address StanCERA strategic objectives and may require additional planning to determine scope

Strategic Objective	Action Item	Notes/Updates
Admin	Explore additional educational and due-diligence workshops with investment managers and vendors	
Admin	Implement staff survey and feedback process	
Admin	Establish and track regular meetings with plan sponsors and member organizations	
Admin	Develop onboard training and training plan for all roles in organization	
Admin	Establish plan to support team-oriented, high-performance culture	
Customer	Review communications materials available for members and work to standardize, simplify, improve and streamline	
Customer	Discussion and design for next phase (continued enhancements) of member web portal including review of industry best practices	
Customer	Define key member transactions and service levels	



2023-2025 Strategic Goals Action Items

Strategic Objective	Action Item	Notes/Updates
Customer	Explore providing more services to support long-term financial wellness for members	
Customer	Implement member survey and feedback process	
Customer	Implement additional improvements to Retirement Application	
Efficiency	Establish internal process for discussion and design of system enhancements to support increased efficiency	
Efficiency	Implement standard process for review of all vendor relationships and costs in support of approved RFP Policy	
Efficiency	Review and document financial control process for all expenditures	
Reporting	Develop investment manager due-diligence dashboard	
Reporting	Define key metrics and establish baselines for tracking	
Reporting	Review current Popular Annual Report and create a standard template for providing an update on StanCERA activities for all stakeholders	

2023-2025 Strategic Goals Action Items

Strategic Objective	Action Item	Notes/Updates
Sustainability	Consolidate and refresh all established organizational policies	
Sustainability	Conduct review of data security including Tegrit systems, County-supported systems and other technology	
Sustainability	Review IT infrastructure and identify areas for clean-up and improvement	
Sustainability	Review all current processes and procedures to identify opportunities for streamlining	
Sustainability	Develop long-term agreement for system services provided by Tegrit	
Sustainability	Update and formalize business continuity and disaster recovery planning	



2023-2025 Strategic Goals Action Items

Completed Action Items: Action items that reached the harvest stage are documented here to maintain a record of completed items

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