



March 26, 2024

1:30 P.M.

BOARD ROOM

BOARD OF RETIREMENT

AGENDA

832 12th Street
Suite 600
Modesto, CA 95354

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: 859 3221 9325. Member ID: 278857.

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 *9 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 taaa@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.

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
- 7) Consent Items:
 - (a) Approval of February 27, 2024 Meeting Minutes [View](#)
 - (b) Application for Service Retirement(s)
Government Code Section 31499.17, 31670, 31662.2 & 31810
See attached for details [View](#)
 - (c) Application for Disability - Government Code Section 31724
 - i. Hatzigeorgiou, Steve – Service-Connected Disability – Effective 03-27-2024
 - (d) StanRTA Rate Update
Agenda Item [View](#) Attachment 1 [View](#)
 - (e) Investment Matrix [View](#)
 - (f) Conference/Meeting Summary [View](#)
- 8) Investment:
 - (a) NEPC – Investment Consultant – February Flash Report [View](#)
- 9) Closed Session:
 - (a) Personnel Discussion
Stanislaus County Employees' Retirement Association
832 12th Street, Suite 600 Modesto CA 95354
Government Code Section 54957 (b)(1)
 - (b) Potential Litigation 1 case
Government Code 54956.9(d)(4)
- 10) Members' Forum (Information and Future Agenda Requests Only)
- 11) Adjournment



February 27, 2024
1:30 P.M.
BOARD ROOM

BOARD OF RETIREMENT

MEETING MINUTES

832 12th Street
Suite 600
Modesto, CA 95354

- 1) Call Meeting to Order
- 2) Pledge of Allegiance
- 3) Roll Call

Trustees Present

Donna Riley
Mandip Dhillon
Darin Gharat
Mike Lynch
Joshua Clayton
Rhonda Biesemeier
Samuel Sharpe

Trustees Absent

Jeff Grover
Delilah Vasquez
Terry Withrow

Others Present

Tom Stadelmaier, Executive Director
Stan Conwell, Retirement Investment Officer
Kellie Gomes, Business and Operations Manager
Alaine Taa, Executive Board Assistant
Jamie Gingerich, Member and Employer Services Specialist
Daniel Hennessey, NEPC Investment Consultant
Graham Schmidt, Cheiron Consultant
Jonathan Chipko, Cheiron Consultant

- 4) Announcements - NONE
- 5) Public Comment - NONE
- 6) Emergency Declaration - NONE
- 7) Consent Items:
 - (a) Approval of January 23, 2024 Meeting Minutes
 - (b) Application for Service Retirement(s)
Government Code Section 31499.17, 31670, 31662.2 & 31810
 - (c) Application for Disability - Government Code Section 31724
 - i. Rocha, Kendall – Service-Connected Disability Approval - Effective 04-27-2023
 - (d) Investment Matrix
 - (e) 2024 Cost of Living
 - (f) Conference/Meeting Summary
 - (g) Fiscal Year 2023-2024 Mid-Year Budget Review

Motion was made by Donna Riley and seconded by Trustee Joshua Clayton to approve all consent items presented.

Roll Call Vote was as follows:

Trustee Riley	YES
Trustee Dhillon	YES
Trustee Gharat	YES
Trustee Lynch	YES
Trustee Clayton	YES
Trustee Bieseemeier	YES

Motion passed unanimously

- 8) Investment:
 - (a) NEPC – Investment Consultant – January Flash Report
 - (b) NEPC Quarter 4 Performance Report as of December 31, 2023
 - (c) NEPC Quarter 4 Private Real Assets Report as of December 31, 2023
 - (d) Alternate Investment Fee and Expense Report (AB 2833)

(e) US TIPS Manager Search

Motion was made by Trustee Riley and seconded by Trustee Clayton to approve a 4% allocation of the portfolio to a 0-5 Year TIPS Index fund managed by Northern Trust Asset Management and authorize staff to negotiate and execute the final contract.

Roll Call Vote was as follows:

Trustee Riley	YES
Trustee Dhillon	YES
Trustee Gharat	YES
Trustee Lynch	NO
Trustee Clayton	YES
Trustee Bieseemeier	NO

Motion passed 4/2

9) Administrative:

(a) June 30, 2023 Cheiron Actuarial Valuation

Motion was made by Mandip Dhillon and seconded by Trustee Bieseemeier to accept the June 30, 2023 actuarial valuation report.

Roll Call Vote was as follows:

Trustee Riley	YES
Trustee Dhillon	YES
Trustee Gharat	YES
Trustee Lynch	YES
Trustee Clayton	YES
Trustee Bieseemeier	YES

Motion passed unanimously

10) Committee Reports:

(a) Due Diligence Committee

Trustee Lynch and Mr. Stadelmaier gave an update on the items covered during the Due Diligence Committee. The Board discussed staff recommendation for forming a separate committee for review of private markets consulting services and plans to move forward on that request at the next Board meeting.

11) Closed Session:

None

12) Members' Forum (Information and Future Agenda Requests Only)

13) Adjournment - meeting adjourned at 3:22 p.m.

Respectively submitted,

By Thomas Stadelmaier

Thomas Stadelmaier, Executive Director

APPROVED AS TO FORM

By Fred A. Silva

Fred A. Silva, General Legal Counsel

StanCERA APPLICATIONS FOR SERVICE RETIREMENT(S)

GOVERNMENT CODE SECTIONS 31499.14, 31670,

31662.2, 318/10 & 31700

03/26/2024 Item 7.b

Amarillas, Michael - Stanislaus County - Effective 03/05/2024
Bates, Andrew - Stanislaus County - Effective 03/09/2024
Belew, Diane - Stanislaus County - Effective 03/23/2024
Berndt, Robert - Stanislaus County - Effective 03/30/2024
Beuttler, Robert - Stanislaus County - Effective 03/22/2024
Carpenter, Charles - Stanislaus County - Effective 03/23/2024
Carter, Peggy - Stanislaus County - Effective 02/17/2024
Chen, Stacey - Stanislaus County - Effective 03/02/2024
Clark, Frederic - Stanislaus County - Effective 03/29/2024
Correa, Lisa - Stanislaus Superior Court - Effective 03/19/2024
Cortez, Maria - Stanislaus Superior Court - Effective 02/23/2024
Corwin, Joan - Stanislaus County - Effective 03/29/2024
Crabtree, Joe - Stanislaus County - Effective 03/23/2024
Darling, Debora - Stanislaus County - Effective 03/30/2024
England, Brian - Stanislaus County - Effective 03/15/2024
Fahey, Mark - Stanislaus County - Effective 03/01/2024
Garza-Willett, Ester - Stanislaus County - Effective 03/09/2024
Graham, Jeffrey - Stanislaus County - Effective 03/07/2024
Greff, Bonnie - Stanislaus County - Effective 03/23/2024
Hahto, Karen - Stanislaus County - Effective 03/23/2024
Hamblin, Markaine - Stanislaus County - Effective 03/30/2024
Hilgart, Gerard - Stanislaus County - Effective 03/29/2024
Jackson, Rhonda - Stanislaus County - Effective 03/09/2024
Johnson, Katherine - Stanislaus County - Effective 03/30/2024
KEMPVANEE, JAMES - City of Ceres - Effective 01/16/2024
KY, LAKINA - Stanislaus County - Effective 03/11/2024
Krohn, Sonia - Stanislaus Superior Court - Effective 03/30/2024
Lake, Diane - Stanislaus County - Effective 03/23/2024
Leon, Weldon - Stanislaus County - Effective 03/30/2024
Letras, Thomas - Stanislaus County - Effective 03/23/2024
MUNOZ, MARY - Stanislaus County - Effective 12/21/2023
Martinez, Adrian - Stanislaus County - Effective 03/14/2024
Mejia, Danny - Stanislaus County - Effective 03/09/2024
Mitchell, Leslie - Stanislaus County - Effective 03/16/2024
Moore, Jacqueline - Stanislaus Superior Court - Effective 03/09/2024

Mott, John - Stanislaus County - Effective 03/07/2024
Murdock, Richard - Stanislaus County - Effective 03/30/2024
Neal, Sylvia - Stanislaus County - Effective 03/14/2024
Nelson, Roger - Stanislaus County - Effective 03/09/2024
Newberry, Janette - Stanislaus County - Effective 03/29/2024
Parker, Michael - Stanislaus County - Effective 03/23/2024
Parodi, Steve - Stanislaus County - Effective 03/02/2024
Pasillas, Joe - Stanislaus County - Effective 03/01/2024
Perez, Yvette - Stanislaus County - Effective 03/13/2024
Phovixay, Sidaphone - Stanislaus County - Effective 03/02/2024
Pilgrim, Gail - Stanislaus County - Effective 03/30/2024
Pinheiro, Mitchell - Stanislaus County - Effective 03/21/2024
Pooley, William - Stanislaus County - Effective 03/01/2024
Radza, Ernest - Stanislaus County - Effective 03/09/2024
Reid, Amy - Stanislaus County - Effective 03/10/2024
Schmier, Timothy - Stanislaus County - Effective 03/09/2024
Sweetser, Julie - Stanislaus County - Effective 03/07/2024
Valencia, Maritona - Stanislaus County - Effective 03/22/2024
Vann, Sarah - Stanislaus County - Effective 03/02/2024
Vento, Mary - Stanislaus Superior Court - Effective 03/30/2024
Warner, Steve - Stanislaus County - Effective 03/09/2024
Watson, Calvin - Stanislaus County - Effective 03/23/2024
Watson, Melissa - Stanislaus County - Effective 03/23/2024

March 26, 2024

Retirement Board Agenda Item

TO: Retirement Board

FROM: Tom Stadelmaier, Executive Director

- I. SUBJECT: June 30, 2022 Actuarial Valuation and Contribution Rate for StanRTA
- II. ITEM NUMBER: 7.d
- III. ITEM TYPE: Consent
- IV. STAFF RECOMMENDATION: Accept the updated contribution rates for StanRTA and adopt the recommended updated procedure for calculating contribution rates for General-Ceres and Other Districts Cost-Sharing Group as outlined in the attached memo from the Plan actuary Cheiron.
- V. EXECUTIVE SUMMARY: Previously, the Board adopted a separate rate for StanRTA since they are new to the Plan. The separate rate recognizes that StanRTA should not be responsible for all of the historical Unfunded Actuarial Liability (UAL) that accumulated prior to them joining the Plan. The updated procedure for calculating contribution rates would ensure that all of the additional UAL would be captured for the for General-Ceres and Other Districts Cost-Sharing Group.
- VI. RISK: None if implemented as described
- VII. STRATEGIC PLAN: N/A
- VIII. ADMINISTRATIVE BUDGET IMPACT: None

March 18, 2024

Mr. Tom Stadelmaier
Executive Director
Stanislaus County Employees' Retirement Association
832 12th Street, Suite 600
Modesto, CA 95354

Re: Development of FYE 2025 Contribution Rate for the Stanislaus Regional Transit Authority and Updated Procedure for FYE 2026 Contribution Rate for General – Ceres and Other Districts Cost-Sharing Group

Dear Tom:

This letter provides the development of the FYE 2025 employer contribution rate for the Stanislaus Regional Transit Authority (“StanRTA”) and discusses an update to the contribution rate procedure of the General – Ceres and Other Districts (“Ceres – General”) cost-sharing group that will be effective for FYE 2026.

The Stanislaus Regional Transit Authority entered the Stanislaus County Employees' Retirement Association (StanCERA) on July 1, 2021. The calculation method for their employer contribution rate was discussed and approved at the April 27, 2021 Board of Retirement meeting. The new employer is included in the Ceres - General cost-sharing group.

The employer contribution rates are comprised of three pieces: Employer Normal Cost Rate, Unfunded Actuarial Liability Amortization Rate (UAL Amortization Rate), and Administrative Expense Rate (Admin Expense Rate).

The Employer Normal Cost Rate and the Administrative Expense Rate for the StanRTA will be the same rates calculated for the Ceres - General cost-sharing group in Table V-7 of the Actuarial Valuation Report as of June 30, 2023 (2023 AVR).

However, the UAL Amortization Rate will be different for the StanRTA. The UAL Amortization Rate represents the contributions needed to bring assets in line with the target level (i.e., the Actuarial Liability) and makes up a significant portion of the total employer rate. StanRTA joined StanCERA as of July 1, 2021 with no liability and, therefore, no role in creating the existing UAL. As such, a “full” UAL contribution would be inequitable. Additionally, with no initial past service, in the near future StanRTA will have only a relatively small impact on future changes in UAL due to deviations from expectations.

The new employer UAL contribution method approved at the April 27, 2021 meeting is as follows:

- The employer does not make contributions for any UAL layer established prior to or concurrent with the date of entry to StanCERA,

- The employer will make phased-in contributions for any UAL layers established after the date of entry to StanCERA,
- The phase-in will occur over 15 years.

Development of FYE 2025 Contribution Rate for StanRTA

StanRTA's phased-in UAL rate for FYE 2024 was 1/15 of the UAL rate for the layer established as of June 30, 2022.

StanRTA's phased-in UAL rate for FYE 2025 will be 2/15 of the UAL rate for the layers established as of June 30, 2022 and June 30, 2023.

The Ceres - General amortization payment amount for the 2022 and 2023 UAL layers is \$352,475 from Table V-4 of the 2023 AVR. The Ceres - General projected payroll is \$11,240,921 from Table V-2 of the 2023 AVR. This results in a "full" post-2021 UAL amortization rate of 3.14%. This "full" rate is multiplied by 2/15 to arrive at the phased-in UAL amortization rate of 0.42%.

The table below shows the FYE 2025 contribution rate for StanRTA. Rates are shown for Tier 5 and Tier 6 only, which cover all StanRTA members.

Development of the StanRTA Contribution Rate as of June 30, 2023 for FYE 2025		
	Tier 5	PEPRA
<u>StanRTA is a General Member of Ceres and Other Districts</u>		
A. Total Normal Cost Rate	23.40%	18.63%
B. Member Contribution Rate	<u>9.28%</u>	<u>9.31%</u>
C. Employer Normal Cost Rate (A-B)	14.12%	9.32%
D. UAL Amortization Rate	0.42%	0.42%
E. Administrative Expense Rate	<u>0.86%</u>	<u>0.73%</u>
F. Net June 30, 2023 Contribution Rate (C+D+E)	15.40%	10.47%

Updated Procedure for FYE 2026 Contribution Rate for General – Ceres and Other Districts Cost-Sharing Group

The StanRTA phase-in is currently implemented by calculating the UAL contribution rate for the Ceres - General cost-sharing group as a whole and then reducing the rate paid by StanRTA. The other employers in the cost-sharing group pay the rate calculated in the AVR.

This approach results in lower UAL contribution amounts than if StanRTA contributed at the same rate as the other employers. We initially expected the impact of any shortfalls to be immaterial due to the small size of StanRTA. While the impact is not material to StanCERA as a whole, the materiality to the Ceres – General cost-sharing group has increased because

StanRTA has grown to be a larger portion of the group. This has been exacerbated by the relatively large actuarial losses in the last two valuations.

Such a contribution shortfall does not endanger the security of any benefits, nor does it impact any other cost-sharing group (i.e., County - General, County - Safety, and Ceres - Safety). However, with continued use of the current procedure, the UAL rates for the Ceres - General group will tend to increase to account for any shortfall.

We recommend updating the contribution rate procedure for the Ceres – General group to adjust the UAL contribution rate for employers other than StanRTA to account for the phased-in contributions by StanRTA. If used for FYE 2025, this adjusted rate would be higher than the UAL rate calculated in the AVR by 2.30% of payroll, equivalent to about \$225,000. The total contribution rate for employers other than StanRTA in the Ceres – General group would increase from 28.41% to 30.71%. There will be no change to the calculation of the StanRTA rate.

We expect that the updated procedure will continue to allocate an equitable share of the UAL contribution to StanRTA while better maintaining level contribution rates for other employers in the Ceres – General group.

Based on discussions with you and your staff, we will first use the updated procedure for the FYE 2026 contribution rates. The timing of the update will not materially affect the cost-sharing group or StanCERA.

Reliance

In preparing this letter, we relied on information (some oral and some written) supplied by the StanCERA staff. This information includes, but is not limited to, Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23, Data Quality. The data, plan provisions, and actuarial assumptions and methods used (unless modified within this letter) are described in our June 30, 2023 actuarial valuation report.

Future results may differ significantly from the current results presented in this letter due to such factors as the following: plan experience different from that anticipated by the assumptions; changes in assumptions; and, changes in plan provisions or applicable law.

Cheiron utilizes ProVal actuarial valuation software leased from Winklevoss Technologies (WinTech) to calculate liabilities and project benefit payments. We have relied on WinTech as the developer of ProVal. We have a basic understanding of ProVal and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this valuation.

Mr. Tom Stadelmaier

March 18, 2024

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This letter and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this letter. This letter does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Finally, this letter was prepared for StanCERA for the purpose described herein. Other users of this letter are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

Please contact us if you have any questions regarding these calculations or procedures.

Sincerely,
Cheiron



Graham A. Schmidt, FSA, EA, FCA, MAAA
Principal Consulting Actuary



Jonathan B. Chipko, FSA, EA, MAAA
Consulting Actuary

March 26, 2024

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:*

In March, StanCERA welcomed a team from Northern Trust for a comprehensive review of the accounting and reporting capabilities available to staff. The visit included a detailed walkthrough of workflows that interface with Northern Trust data. A major objective of the visit is to streamline workflows and enhance the investment reporting capabilities. Additionally, staff also engaged in a similar exercise with NEPC seeking to identify efficiently gains and to improve the quality of investment reports provided to the board. The legal review for a new value-add infrastructure fund and a new direct lending fund are nearing completion. Progress continues on the Liquid Absolute Return Manager search and the search remains on schedule.

b) *Money Transfer Report:*

February 2024: Capital Calls

From			To		
Manager	Asset Class	Amount	Manager	Asset Class	Amount
NT STIF Fund	Cash	-\$668,569.00	CD&R Fund XI	Private Equity	\$668,569.00
NTAM Infrastructure Proxy Fund	Public Equities	-\$1,590,396.65	Palistar Communication Infra Fund II	Private Infrastructure	\$1,590,396.65
NT STIF Fund	Cash	-\$750,000.00	SVP Special Situations Fund V	Private Credit	\$750,000.00

NT STIF Fund	Cash	-\$140,316.81	Great Hill Equity Partners VIII	Private Equity	\$140,316.81
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c) *Manager Meetings:*

Strategic Value Partners (SVP)

Staff arranged an update meeting with Strategic Value Partners to review the Strategic Value Special Situations Fund V. While the fund is a small part of the overall portfolio, it plays an important role as part of the overall private credit program. SVP is a global private credit firm with a focus on opportunistic credit, real assets, and private equity. They have a long track record of applying their expertise in the area of financial restructuring and operational improvements to take full advantage of deep value opportunities. Following a thorough firm overview the investment team and any recent key personnel changes were discussed. Staff reviewed individual deals in Fund V and discussed potential market developments and opportunities. SVP is executing the strategy of Fund V as anticipated and initial performance is in line with expectations.

Prime Property Fund

Staff attended the annual investor update call for the Morgan Stanley Prime Property fund. Prime is a core real estate open-end fund focusing on high quality assets in desirable and established locations. The primary purpose of the call was to review the investment activities of the fund in 2023. While the fund reported negative performance in 2023, it finished the year well above the ODCE benchmark. The outperformance can be attributed to Prime's conservative management of the fund particularly leading up to and during the recent real estate market weakness as well as additive active management decisions at the property and fund level. The office sector still faces challenges, but the individual holdings in Prime have shown some resilience in the current market cycle and continue to attract high quality tenants.

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



Conference Summary

1. **Attendee Name:** Rhonda Biesemeier
2. **Event Name:** CALAPRS GENERAL ASSEMBLY
3. **Event Date:** 3/3/2024 – 3/5/2024
4. **Event Location:** Omni Rancho Las Palmas, Rancho Mirage, CA
5. **Describe what was good about the event:**

Day 1 – “Approaching the (Employer Contribution) Cliff - A Case Study with SamCERA” was a good reminder that as a Board, it’s always necessary to communicate regularly with your actuary, consultant, employers, and staff in order to navigate potential economic downturns.

“What AI Could Mean for Investors” –AI is still somewhat in its “learning phase” but is growing rapidly in so many areas, particularly in data sorting. An example of that is how much quicker and more accurate AI is for searching and finding content such as in reviewing contracts.

Day 2 – “A Conversation with Frances Donald” – Ms. Donald takes a unique approach as an Economist by inserting humor and insight. She introduced several areas of “inflection points” and described their impact on the world’s economy, including inflation, structural and geopolitical risks.

“Envisioning an AI Future for Public Pensions” – good presentation with the caveat that boards should always buy pretrained service companies rather than trying to incorporate AI in-house. There is just too much information for one or a few staff to be able to capture to create useful AI.

“Geopolitics and Investing” is always a scary and challenging topic for investors. There is so much going on in the world that can change the economic environment. This presenter talked about how many issues are intertwined – national security, climate, etc., but reassured us that there are still opportunities to make good investments.

“SEC Private Fund Adviser Rules” - The session was very technical and cited numerous SEC Rules regulating Private Funds, some of which are still in process. These include rules around fiduciary duties, audits, preferential treatment, etc.

“US Public Pension Peer Risk Study” was very specific to SFERS (San Francisco Employees’ Retirement System). I think it would have been more enlightening had it covered multiple systems, rather than focusing primarily on SFERS.

Day 3 – “Perspectives: CalPERS’ CEO Discusses Pensions, Policy and Private Markets” Ms. Frost is an excellent presenter. She spoke about issues from investment policy to managing staff and how the work environment at CalPERS has improved over the years with much effort. She also mentioned that CalPERS has a portal where investment managers can submit bids to manage specific funds with CalPERS. I thought that was innovative and necessary considering the size of CalPERS. She also discussed staff working remotely and how they manage to monitor their work hours and productivity.

Unfortunately, due to travel arrangements, I had to leave before the sessions ended. Overall, it was a very informative conference.

- 6. Would you recommend this event to other trustees/staff:** Yes – definitely to trustees
- 7. Number of Education Credits:** Zero



Conference Summary

1. **Attendee Name:** Tom Stadelmaier
2. **Event Name:** CALAPRS General Assembly
3. **Event Date:** March 3-5, 2024
4. **Event Location:** Palm Springs
5. **Describe what was good about the event:**

The CALAPRS General Assembly event was very productive. This event has a strong focus on education and also hits on a lot of administrative topics that are relevant for staff and Board members. There is also good representation from other plan administrators including other CERL systems, local systems and state plans including CalPERS. This additional representation creates a unique learning opportunity from my perspective. I took away several ideas that can help us improve our processes at StanCERA.

At this event I also was able to represent StanCERA in a panel discussion with three other system administrators which was a great learning experience overall and an opportunity to share what we are doing at StanCERA. I also was able to connect in person with multiple contacts that we work with including our board representation, outside legal representation, investment managers, software providers and consulting professionals among others.

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

Yes. This event packs a lot of good and relevant information into a relatively short period of time.

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



MONTHLY PERFORMANCE REPORT

STANISLAUS COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

FEBRUARY 29, 2024

Dan Hennessy, CFA, CAIA, Senior Consultant

Sam Austin, Partner

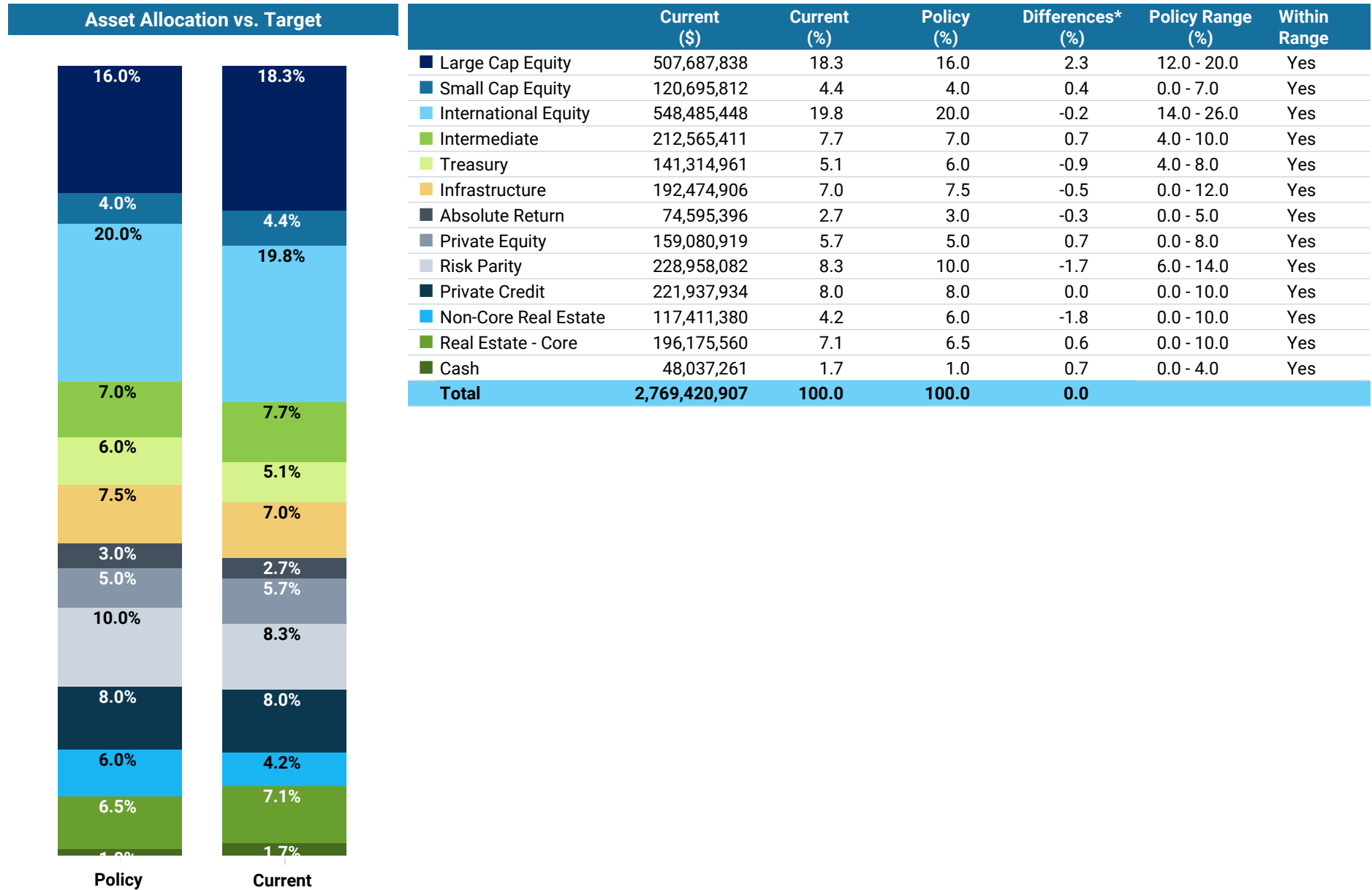
John Tolar, Consulting Analyst

CALENDAR YEAR INDEX PERFORMANCE

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Feb	YTD
S&P 500	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%	-18.1%	26.3%	5.3%	7.1%
Russell 1000	13.2%	0.9%	12.1%	21.7%	-4.8%	31.4%	21.0%	26.5%	-19.1%	26.5%	5.4%	6.9%
Russell 2000	4.9%	-4.4%	21.3%	14.6%	-11.0%	25.5%	20.0%	14.8%	-20.4%	16.9%	5.7%	1.5%
Russell 2500	7.1%	-2.9%	17.6%	16.8%	-10.0%	27.8%	20.0%	18.2%	-18.4%	17.4%	5.4%	2.7%
MSCI EAFE	-4.9%	-0.8%	1.0%	25.0%	-13.8%	22.0%	7.8%	11.3%	-14.5%	18.2%	1.8%	2.4%
MSCI EM	-2.2%	-14.9%	11.2%	37.3%	-14.6%	18.4%	18.3%	-2.5%	-20.1%	9.8%	4.8%	-0.1%
MSCI ACWI	4.2%	-2.4%	7.9%	24.0%	-9.4%	26.6%	16.3%	18.5%	-18.4%	22.2%	4.3%	4.9%
Private Equity	22.3%	14.6%	10.4%	10.3%	21.0%	13.1%	17.2%	45.0%	-9.3%	3.1%	-	-
BBG TIPS	3.6%	-1.4%	4.7%	3.0%	-1.3%	8.4%	11.0%	6.0%	-11.8%	3.9%	-1.1%	-0.9%
BBG Municipal	9.1%	3.3%	0.2%	5.4%	1.3%	7.5%	5.2%	1.5%	-8.5%	6.4%	0.1%	-0.4%
BBG Muni High Yield	13.8%	1.8%	3.0%	9.7%	4.8%	10.7%	4.9%	7.8%	-13.1%	9.2%	0.8%	0.3%
BBG US Corporate HY	2.5%	-4.5%	17.1%	7.5%	-2.1%	14.3%	7.1%	5.3%	-11.2%	13.4%	0.3%	0.3%
BBG US Agg Bond	6.0%	0.5%	2.6%	3.5%	0.0%	8.7%	7.5%	-1.5%	-13.0%	5.5%	-1.4%	-1.7%
BBG Global Agg	0.6%	-3.2%	2.1%	7.4%	-1.2%	6.8%	9.2%	-4.7%	-16.2%	5.7%	-1.3%	-2.6%
BBG Long Treasuries	25.1%	-1.2%	1.3%	8.5%	-1.8%	14.8%	17.7%	-4.6%	-29.3%	3.1%	-2.3%	-4.4%
BBG US Long Credit	16.4%	-4.6%	10.2%	12.2%	-6.8%	23.4%	13.3%	-1.2%	-25.3%	10.7%	-2.6%	-3.5%
BBG US STRIPS 20+ Yr	46.4%	-3.7%	1.4%	13.7%	-4.1%	20.9%	24.0%	-5.2%	-39.6%	1.1%	-2.6%	-7.1%
JPM GBI-EM Global Div	-5.7%	-14.9%	9.9%	15.2%	-6.2%	13.5%	2.7%	-8.7%	-11.7%	12.7%	-0.6%	-2.1%
JPM EMBI Glob Div	7.4%	1.2%	10.2%	10.3%	-4.3%	15.0%	5.3%	-1.8%	-17.8%	11.1%	1.0%	-0.1%
CS Hedge Fund	4.1%	-0.7%	1.2%	7.1%	-3.2%	9.3%	6.4%	8.2%	1.1%	5.8%	-	1.4%
BBG Commodity	-17.0%	-24.7%	11.8%	1.7%	-11.2%	7.7%	-3.1%	27.1%	16.1%	-7.9%	-1.5%	-1.1%
Alerian Midstream	16.4%	-37.3%	33.8%	-2.4%	-13.3%	24.0%	-23.4%	38.4%	21.5%	14.5%	3.2%	3.4%
FTSE NAREIT Equity REITs	30.1%	3.2%	8.5%	5.2%	-4.6%	26.0%	-8.0%	43.2%	-24.4%	13.7%	2.0%	-2.2%

*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	2,769,420,907	100.0	1.4	1.5	5.8	9.2	4.4	6.9	6.8	6.3	8.6	Jan-95
Policy Index			2.0	2.1	7.3	12.2	5.1	7.7	7.3	6.9	7.9	
Allocation Index			2.0	2.0	6.9	11.3	3.9					
Liquidity Sub-Portfolio	260,602,672	9.4	-0.4	0.0	3.9	5.6	0.8	2.9	2.5		2.0	Aug-14
StanCERA Liquidity Blended BM			-0.8	-0.6	3.0	4.5	-0.9	1.9	1.8		1.5	
Cash	48,037,261	1.7	0.5	0.9	4.0	6.0	3.9	3.0	2.5		2.1	Aug-14
FTSE 1 Month T-Bill			0.4	0.9	3.7	5.3	2.5	1.9	1.8		1.4	
Cashflow-Matched Bonds	212,565,411	7.7	-0.6	-0.2	4.0	5.5	0.0	2.6			2.4	Jul-17
Blmbg. Intermed. U.S. Government/Credit			-1.0	-0.8	2.9	4.4	-1.5	1.2			1.3	
Insight	212,565,411	7.7	-0.6	-0.2	4.0	5.5	0.0	2.6			2.4	Jul-17
Blmbg. Intermed. U.S. Government/Credit			-1.0	-0.8	2.9	4.4	-1.5	1.2			1.3	
Growth Sub-Portfolio	2,063,949,797	74.5	2.0	2.0	6.9	11.2	6.4	8.9	8.6	7.8	8.1	Jan-04
StanCERA Growth Blended BM			2.8	2.9	8.3	13.7	7.2	10.0	9.6			
US Equities	628,383,651	22.7	4.9	5.4	15.6	25.9	10.6	13.8	12.5	11.2	10.2	Jan-04
Russell 3000 Index			5.4	6.6	15.6	28.6	9.9	13.9	12.9	12.0	9.9	
US Large Equity	507,687,838	18.3	5.0	6.3	16.0	29.4	11.0	14.8	13.6	12.3	12.7	Jan-95
Russell 1000 Index			5.4	6.9	15.9	29.8	10.7	14.4	13.3	12.4	10.7	
BlackRock Russell 1000 Growth	251,040,387	9.1	6.8	9.5	21.1	45.9	12.5	18.7	17.9	15.7	16.7	Aug-10
Russell 1000 Growth Index			6.8	9.5	21.1	45.9	12.5	18.8	18.0	15.7	16.7	
BlackRock Russell 1000 Value	126,458,045	4.6	3.7	3.8	10.1	14.0	8.4	9.4	8.3	8.8	11.4	Aug-09
Russell 1000 Value Index			3.7	3.8	10.1	14.0	8.4	9.4	8.2	8.7	11.3	
Dodge & Cox-Equity	130,189,407	4.7	2.7	2.8	13.0	17.3	10.7	11.9	10.5	10.4	11.9	Jan-95
Russell 1000 Value Index			3.7	3.8	10.1	14.0	8.4	9.4	8.2	8.7	9.8	
US Small Equity	120,695,813	4.4	4.7	2.1	13.6	12.5	8.7	10.1	8.5	7.5	12.1	Jan-09
Russell 2000 Index			5.7	1.5	9.9	10.0	-0.9	6.9	7.2	7.1	11.3	
Attucks Small Cap	120,695,813	4.4	4.7	2.1	13.6	12.5	8.7	10.1	8.6	8.4	12.3	Jan-09
Russell 2000 Value Index			3.3	-1.4	10.3	5.6	2.5	6.6	5.8	6.5	10.0	
International Equity	548,485,448	19.8	1.5	1.0	8.4	13.8	3.6	6.9	6.6	4.8	6.3	Oct-04
MSCI AC World ex USA (Net)			2.5	1.5	7.2	12.5	1.3	5.4	5.8	4.0	5.7	
LSV Int'l Large Cap Value	297,778,848	10.8	1.4	1.2	11.0	16.1	6.6	7.1	6.5	4.8	6.3	Oct-04
MSCI AC World ex USA Value (Net)			1.2	-0.1	8.3	11.8	4.3	4.5	4.6	2.9	5.0	
Fidelity Int'l Growth	250,706,600	9.1	1.6	0.7	5.4	11.1	0.4	6.4	6.4	4.5	4.2	May-06
MSCI AC World ex USA Growth (Net)			3.8	3.0	6.1	13.2	-1.8	6.0	6.7	4.8	4.2	

- 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	196,175,560	7.1	0.0	0.0	-0.1	-0.3	6.2	5.1	4.8	5.9	3.0	Apr-08
NCREIF Property Index			0.0	0.0	-4.3	-7.9	4.6	4.3	5.0	6.8	5.5	
Prime Property Fund	95,874,930	3.5	0.0	0.0	-2.4	-5.8	6.7	5.5	6.3		6.7	Oct-15
NCREIF ODCE			0.0	0.0	-6.6	-12.0	4.9	4.2	5.3		5.9	
PGIM Real Estate US Debt Fund	100,300,630	3.6	0.0	0.0	2.6	6.2	5.6	5.5			5.3	Sep-18
Blmbg. U.S. Investment Grade: CMBS Index			-0.7	0.1	4.2	4.6	-2.1	1.3			1.7	
Value-Add Real Estate	117,411,380	4.2	0.0	0.0	-4.2	-10.1	5.6	7.4	8.4		8.9	Aug-14
NCREIF Property Index +2%			0.2	0.3	-3.1	-6.1	6.7	6.4	7.1		8.6	
American Strategic Value Realty	79,600,547	2.9	0.0	0.0	-6.0	-10.3	4.7	5.0	6.3		8.0	Jan-15
NCREIF Property Index			0.0	0.0	-4.3	-7.9	4.6	4.3	5.0		6.1	
Greenfield Acquisition Partners VII	984,741	0.0	0.0	0.0	2.5	10.5	2.4	6.6	8.4		8.9	Aug-14
NCREIF-ODCE +1%			0.1	0.2	-6.0	-11.1	6.0	5.3	6.4		8.1	
Grandview Property Partners I	16,039,799	0.6	0.0	0.0	-0.4	-12.1	9.9	14.7			16.0	Apr-18
NCREIF-ODCE +1%			0.1	0.2	-6.0	-11.1	6.0	5.3			5.7	
Grandview Property Partners II	15,786,293	0.6	0.0	0.0	0.1	-7.7					-1.0	Dec-21
NCREIF-ODCE +1%			0.1	0.2	-6.0	-11.1					1.9	
TA Realty Value Fund XIII	5,000,000	0.2	0.0	0.0							0.0	Dec-23
NCREIF-ODCE +1%			0.1	0.2							-4.6	
Infrastructure	190,300,665	6.9	0.0	0.0	-1.7	1.9	0.8	3.0	7.1		4.5	Jun-15
CPI + 5% 1 Qtr Lag (Unadjusted)			0.2	0.6	5.1	8.3	11.0	9.2	8.7		8.3	
MS Infrastructure Partners II	13,096,525	0.5	0.0	0.0	-1.6	-4.5	6.9	6.7	9.8		6.7	Jun-15
CPI + 5% 1 Qtr Lag (Unadjusted)			0.2	0.6	5.1	8.3	11.0	9.2	8.7		8.3	
Palistar Communications Infrastructure Fund II	16,651,259	0.6	0.0	0.0	1.4	4.7					7.5	Feb-22
CPI + 5% 1 Qtr Lag (Unadjusted)			0.2	0.6	5.1	8.3					10.4	
JP Morgan IIF Hedged LP	34,538,655	1.2	0.0	0.0	2.6	7.6					8.6	Apr-22
CPI + 5% 1 Qtr Lag (Unadjusted)			0.2	0.6	5.1	8.3					10.4	
Northern Trust Infrastructure Fund	70,721,484	2.6	0.0	0.0	-5.9	-2.3					-4.1	Jul-21
67% STOXX Global Broad Infra/33% Blmbg. US TIPS 1 Qtr Lag			0.0	0.0	-5.4	-1.9					-3.7	
IFM Global Infrastructure Fund	55,292,742	2.0	0.0	0.0	0.8	5.5					6.6	Aug-22
CPI + 5% 1 Qtr Lag (Unadjusted)			0.2	0.6	5.1	8.3					9.1	

- Greenfield and Grandview funds are stated as of 9/30/2023 and cash adjusted to date.

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	159,080,919	5.7	1.3	1.6	5.2	7.5	6.7	11.8			12.6	Dec-18
Russell 3000 + 3%			5.7	7.1	17.9	32.5	13.2	17.4			17.1	
Private Equity	119,602,455	4.3	0.0	0.0	2.3	-0.1	13.1				13.3	Apr-20
Russell 3000 + 3%			5.7	7.1	17.9	32.5	13.2				24.2	
Private Equity Proxy	39,478,464	1.4	5.4	6.6	15.6	28.6	9.9	13.9	13.7	12.8	10.3	Dec-03
Russell 3000 Index			5.4	6.6	15.6	28.6	9.9	13.9	12.9	12.0	10.1	
Private Credit	224,112,175	8.1	0.1	0.2	3.6	4.8	4.5	0.2	1.3	2.2	2.4	Jun-13
S&P/LSTA Leveraged Loan Index +2%			1.1	1.9	9.6	13.7	7.8	7.4	6.9	6.6	6.6	
Private Credit	124,622,927	4.5	0.0	0.0	-0.5	-0.7	6.4	1.4	2.1	2.8	2.9	Jun-13
S&P/LSTA Leveraged Loan Index +2%			1.1	1.9	9.6	13.7	7.8	7.4	6.9	6.6	6.6	
Private Credit Proxy	99,489,249	3.6	0.3	0.4	9.0	11.6					1.7	Jul-21
ICE BofA US High Yield Master II Constrained			0.3	0.3	8.0	11.0					1.0	
Risk-Diversifying Sub-Portfolio	444,868,438	16.1	0.0	0.1	2.2	3.2	-1.1	0.8	1.3	1.9	3.8	Dec-03
StanCERA Risk-Diversifying Blended BM			0.6	0.5	5.2	9.7	0.7	2.5	2.2	2.0		
Risk Parity	228,958,082	8.3	0.0	-0.8	1.2	2.8	-3.3	2.0			1.7	Dec-17
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			2.1	1.9	8.1	14.8	1.9	6.0			5.0	
AQR Global Risk Premium - EL	125,032,722	4.5	0.1	-0.1	3.6	5.8	-0.4	3.3			3.2	Apr-18
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			2.1	1.9	8.1	14.8	1.9	6.0			5.1	
PanAgora Risk Parity Multi Asset	103,925,360	3.8	-0.1	-1.7	-1.5	-0.6	-6.5	0.5			0.5	Dec-17
60% MSCI ACWI (Net)/ 40% Bloomberg Global Agg			2.1	1.9	8.1	14.8	1.9	6.0			5.0	
US Treasury Bonds	141,314,961	5.1	-1.4	-1.8	0.1	1.7	-3.9	-0.1	0.6	1.4	3.6	Dec-03
Blmbg. U.S. Treasury: 7-10 Year			-2.1	-2.2	-0.3	1.4	-4.7	-0.1	0.3	1.1	3.3	
Northern Trust Intermediate Gov't Bond	102,389,390	3.7	-1.1	-0.8	2.2	3.5	-1.7	0.7			0.8	Aug-17
Blmbg. U.S. Government: Intermediate			-1.1	-0.8	2.3	3.6	-1.8	0.8			0.8	
Northern Trust Long Term Gov't Bond	38,925,570	1.4	-2.3	-4.4	-5.0	-2.9	-8.7	-1.5			-1.0	Aug-17
Blmbg. U.S. Government: Long Term Bond Index			-2.3	-4.4	-5.0	-2.8	-9.9	-2.0			-1.4	
Liquid Absolute Return	74,595,396	2.7	2.5	7.1	7.3	5.7					11.0	Oct-21
30 Day T-Bill + 4%			0.8	1.6	6.4	9.5					7.2	
Graham Proprietary Matrix	74,595,396	2.7	2.5	7.1	10.6	6.8					15.4	Nov-21
HFRI Macro (Total) Index			2.7	3.2	3.7	2.6					4.4	

CASH FLOW SUMMARY BY MANAGER

	1 Month Ending February 29, 2024				
	Beginning Market Value	Contributions	Withdrawals	Ending Market Value	Net Investment Change
Abry Senior Equity VI, L.P.	\$9,157,899	-	-	\$9,157,899	-
American Strategic Value Realty	\$79,600,547	-	-	\$79,600,547	-
AQR Global Risk Premium - EL	\$124,861,534	-	-	\$125,032,722	\$171,188
Audax Private Equity VII	\$4,963,236	-	-	\$4,963,236	-
Blackrock High Yield Fund	\$82,518,585	-	-	\$82,821,054	\$302,469
BlackRock Russell 1000 Growth	\$235,022,411	-	-	\$251,040,387	\$16,017,976
BlackRock Russell 1000 Value	\$121,954,251	-	-	\$126,458,045	\$4,503,793
Blue Wolf Capital Fund V-A, L.P.	\$5,564,435	-	-	\$5,564,435	-
Callodine Loan Fund II LP	\$12,157,354	-	-\$601,762	\$11,555,591	-
Cash Account	\$46,728,178	\$3,926,005	-\$3,149,319	\$47,718,939	\$214,075
Carlyle Renewable Energy Fund	\$2,174,241	-	-	\$2,174,241	-
Channing	\$30,944,991	-	-	\$33,024,163	\$2,079,172
Clayton, Dublier, & Rice	\$17,092,369	\$668,569	-	\$17,760,938	-
Crestline Opportunity Fund IV	\$6,808,808	-	-\$558,152	\$6,250,656	-
Dodge & Cox-Equity	\$126,719,435	-	-	\$130,189,407	\$3,469,972
Fidelity Int'l Growth	\$246,874,200	-	-	\$250,706,600	\$3,832,400
Genstar Capital Partners X	\$14,618,732	-	-	\$14,618,732	-
Graham Proprietary Matrix	\$72,716,388	-	-\$38,337	\$74,595,396	\$1,917,345
Grandview Property Partners I	\$16,039,799	-	-	\$16,039,799	-
Grandview Property Partners II	\$15,786,293	-	-	\$15,786,293	-
Great Hill EP VIII	\$3,280,224	\$140,317	-	\$3,420,541	-
Greenfield Acquisition Partners VII	\$1,053,770	-	-\$69,029	\$984,741	-
Gridiron Capital Fund V	\$4,360,412	-	-	\$4,360,412	-
Gryphon Partners VI LP	\$18,357,339	-	-	\$18,357,339	-
IFM Global Infrastructure Fund	\$55,292,742	-	-	\$55,292,742	-
Insight	\$217,683,030	-	-\$3,936,606	\$212,565,411	-\$1,181,013
Insight Partners XI	\$21,206,565	-	-	\$21,206,565	-
JP Morgan IIF Hedged LP	\$34,538,655	-	-	\$34,538,655	-
LSV Int'l Large Cap Value	\$293,486,433	-	-	\$297,778,848	\$4,292,415

CASH FLOW SUMMARY BY MANAGER

	Beginning Market Value	Contributions	Withdrawals	Ending Market Value	Net Investment Change
Upwelling Capital	\$364,100	-	-	\$364,100	-
Monroe Private Credit IV	\$16,668,195	-	-	\$16,668,195	-
MS Infrastructure Partners II	\$13,096,525	-	-	\$13,096,525	-
Northern Trust Infrastructure Fund	\$72,712,922	\$1,590,397	-\$3,581,835	\$70,721,484	-
Northern Trust Intermediate Gov't Bond	\$103,479,323	-	-	\$102,389,390	-\$1,089,933
Northern Trust Long Term Gov't Bond	\$39,830,658	-	-	\$38,925,570	-\$905,088
Northern Trust Russell 3000	\$37,452,329	-	-	\$39,478,464	\$2,026,135
Owl Rock First Lien Fund	\$9,279,965	-	-	\$9,279,965	-
Pacific Ridge	\$18,954,244	-	-	\$18,943,507	-\$10,737
Palistar Communications Infrastructure Fund II	\$15,060,862	\$1,590,397	-	\$16,651,259	-
PanAgora Risk Parity Multi Asset	\$104,033,876	-	-	\$103,925,360	-\$108,517
PGIM Real Estate US Debt Fund	\$100,300,630	-	-	\$100,300,630	-
Phocas'	\$27,224,692	-	-	\$28,235,083	\$1,010,391
Prime Property Fund	\$95,874,930	-	-	\$95,874,930	-
Raven Opportunity III	\$51,649,570	-	-	\$51,649,570	-
Seizert	\$38,070,982	-	-	\$40,493,060	\$2,422,078
Sole Source Capital Partners II	\$13,978,274	-	-	\$13,978,274	-
Strategic Values Special Situations Fund V, L.P.	\$6,299,038	\$750,000	-	\$7,049,038	-
TA Realty Value Fund XIII	\$5,000,000	-	-	\$5,000,000	-
Transition Account	\$317,239	-	-	\$318,322	\$1,083
Vista Foundation Fund IV	\$15,371,983	-	-	\$15,371,983	-
White Oak Pinnacle	\$27,845,639	-	-\$703,772	\$27,141,867	-
Total	\$2,734,428,832	\$8,665,684	-\$12,638,812	\$2,769,420,907	\$38,965,203

- All performance is shown net of investment management fees.

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

- Policy Index history:

- **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 - 06/30/2023:** 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.
- **07/01/2023 - 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% 1 Qtr Lag (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.

- As of 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.

- As of July 1, 2023, Infrastructure funds (MS Infrastructure Partners II, Northern Infrastructure Fund, Palistar Communications Infrastructure Fund II, JP Morgan IF Hedged LP, and IFM Global Infrastructure Fund) are valued one quarter lagged and adjusted for capital calls and distributions between quarter-end months. Northern Trust Infrastructure Fund's benchmark of 67% STOXX Global Broad Infra/33% Bloomberg US TIPS is valued one quarter lagged.

- 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.

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

