



# San Joaquin County Employees Retirement Association

## A G E N D A

### BOARD MEETING SAN JOAQUIN COUNTY EMPLOYEES RETIREMENT ASSOCIATION BOARD OF RETIREMENT

FRIDAY, NOVEMBER 8, 2024

AT 9:00 AM

Location: SJCERA Board Room, 220 East Channel Street, Stockton, California

The public may also attend the Board meeting live via Zoom by (1) clicking here <https://us02web.zoom.us/j/85449050084> and following the prompts to enter your name and email, or (2) calling (669) 219-2599 or (669) 900-9128 and entering Meeting ID [85449050084#](https://us02web.zoom.us/j/85449050084)

Persons who require disability-related accommodations should contact SJCERA at (209) 468-9950 or [ElainaP@sjcera.org](mailto:ElainaP@sjcera.org) at least forty-eight (48) hours prior to the scheduled meeting time.

#### 1.0 ROLL CALL

#### 2.0 PLEDGE OF ALLEGIANCE

#### 3.0 MEETING MINUTES

3.01 Minutes of the Board Meeting of October 9, 2024 04

3.02 Minutes of the Special Board Meeting of October 10, 2024 07

3.03 Board to consider and take possible action

#### 4.0 PUBLIC COMMENT

4.01 The public is welcome to address the Board during this time on matters within the Board's jurisdiction, following the steps listed below. Speakers are limited to three minutes, and are expected to be civil and courteous. Public comment on items listed on the agenda may be heard at this time, or when the item is called, at the discretion of the Chair.

If joining via Zoom, Public Comment can be made in the following ways:

PC or Mac: select "Participants" in the toolbar at the bottom of your screen, then select the option to raise or lower your hand.

Mobile Device: select the "More" option in the toolbar at the bottom of your screen, then select the option to raise or lower your hand.

Tablet: select the icon labeled "Participants," typically located at the top right of your screen, then select the hand icon next to your device in the Participants column.

If dialing in from a phone for audio only, dial \*9 to "raise your hand."

If attending in person, members of the public are encouraged to complete a Public Comment form, which can be found near the entry to the Board Room.

Except as otherwise permitted by the Ralph M. Brown Act (California Government Code Sections 54950 et seq.), no deliberation, discussion or action may be taken by the Board on items not listed on the agenda. Members of the Board may, but are not required to: (1) briefly respond to statements made or questions posed by persons addressing the Board; (2) ask a brief question for clarification; or (3) refer the matter to staff for further information.

## **5.0 CONSENT ITEMS**

<b>5.01</b>	Service Retirements (18)	09
<b>5.02</b>	Trustee and Executive Staff Travel	
01	Conferences and Event Schedules	12
02	Summary of Pending Trustee and Executive Staff Travel	13
03	Summary of Completed Trustee and Executive Staff Travel	15
a	Summary Fiduciary Investors Symposium, Paris Ba	16
b	Summary Nossaman Fiduciaries Forum, Renee Ostrander	20
<b>5.03</b>	Legislative Summary Report/SACRS Legislative Update	22
<b>5.04</b>	Calendar	
01	Board Calendar	25
<b>5.05</b>	SACRS Business Meeting	27
01	SACRS Business Meeting Materials - November 15, 2024	28
02	SACRS Voting Proxy	69
<b>5.06</b>	Board to review and take possible action	

## **6.0 REAL ESTATE MANAGER**

<b>6.01</b>	Presentation by Nick Hecker, CIO and Alex Sadighi, Investor Relations of Sculptor	71
-------------	---	----

## **7.0 CLOSED SESSION**

<b>7.01</b>	Purchase or Sale of Pension Fund Investment California Government Code Section 54956.81	
<b>7.02</b>	Employee Disability Retirement Application(s) (2) California Government Code Section 54957(b)	
01	Robin M. Cross Senior Office Assistant Mental Health - Clerical	
02	Erik C. Thomas Deputy Sheriff II Sheriff-Stockton Unified Courts	

## **8.0 INVESTMENT CONSULTANT REPORTS**

<b>8.01</b>	Presented by David Sancewich of Meketa Investment Group	
-------------	---	--

01	Manager Performance Flash Report - September 2024	93
02	Economic and Market Update - September 2024	98
<b>8.02</b>	<b>Roundtable Summary</b>	
01	Memo from Meketa	117
02	Roundtable Evaluation Results	119
<b>8.03</b>	<b>Board to receive and file reports, discuss and give direction to staff and consultant as appropriate</b>	
<b>9.0</b>	<b>NET CASH FLOW CONSIDERATIONS - EDUCATION</b>	
<b>9.01</b>	<b>Presentation by Graham Schmidt of Chieron Actuary</b>	136
<b>9.02</b>	<b>Board to receive and file report, discuss and give direction to staff and consultant as appropriate</b>	
<b>10.0</b>	<b>EVALUATION OF CONSULTANTS</b>	150
<b>10.01</b>	<b>Consulting Actuary</b>	152
<b>10.02</b>	<b>Investment Consultant</b>	165
<b>10.03</b>	<b>Board to receive and file evaluations, discuss and give direction to staff and consultants as appropriate</b>	
<b>11.0</b>	<b>BYLAWS UPDATE</b>	183
<b>11.01</b>	<b>Bylaws - Mark-up</b>	185
<b>11.02</b>	<b>Bylaws - Clean</b>	197
<b>11.03</b>	<b>Board to review and take possible action</b>	
<b>12.0</b>	<b>STAFF REPORTS</b>	
<b>12.01</b>	<b>CEO Report</b>	206
<b>12.02</b>	<b>Board to receive and file report</b>	
<b>13.0</b>	<b>COMMENTS</b>	
<b>13.01</b>	<b>Comments from the Board of Retirement</b>	
<b>14.0</b>	<b>SUMMARY OF BOARD DIRECTION</b>	
<b>15.0</b>	<b>ADJOURNMENT</b>	



# San Joaquin County Employees Retirement Association

---

## MINUTES

### BOARD MEETING SAN JOAQUIN COUNTY EMPLOYEES RETIREMENT ASSOCIATION BOARD OF RETIREMENT

WEDNESDAY, OCTOBER 9, 2024

AT 9:00 AM

Location: SJCERA Board Room, 220 East Channel Street, Stockton, California

#### 1.0 ROLL CALL

**1.01 MEMBERS PRESENT:** Phonxay Keokham, Emily Nicholas, Chanda Bassett, Sam Kaisch, JC Weydert, Raymond McCray, Steve Ding, Steve Moore, Michael Duffy and Michael Restuccia, presiding

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Chief Executive Officer Renee Ostrander, Assistant Chief Executive Officer Brian McKelvey, Chief Counsel Aaron Zaheen, Retirement Investment Officer Paris Ba, Management Analyst III Greg Frank, Information Systems Analyst Lolo Garza, Administrative Secretary Elaina Petersen, Financial Officer Carmen Murillo, and Retirement Investment Accountant Frank Oppong Kyekyeku

**OTHERS PRESENT:** David Sancewich, Judy Chambers, Ryan Farrell, and Paola Nealon of Meketa

#### 2.0 PLEDGE OF ALLEGIANCE

2.01 Led by Steve Ding

#### 3.0 MEETING MINUTES

3.01 Minutes of the Board Meeting of September 13, 2024

3.02 The Board voted unanimously (9-0) to approve the minutes of the Board meeting of September 13, 2024 (Motion: Keokham; Second: Bassett)

#### 4.0 PUBLIC COMMENT

4.01 There was no public comment

#### 5.0 CONSENT ITEMS

5.01 Service Retirements (9)

5.02 Trustee and Executive Staff Travel

01 Conferences and Events Schedule

02 Summary of Pending Trustee and Executive Staff Travel

a Travel Request (1)

03 Summary of Completed Trustee and Executive Staff Travel

a Summary Stockbridge Meeting, Paris Ba

5.03 Legislative Summary Report/SACRS Legislative Update

## **5.04 General**

01 Proposed 2025 Board Meeting Calendar

## **5.05 Calendar**

01 Board Calendar

**5.06** The Board voted unanimously (9-0) to approve Consent Items (Motion: Kaisch; Second: Nicholas)

## **6.0 PACING STUDY PRIVATE EQUITY**

**6.01** Presentation by Judy Chambers of Meketa Investment Group

## **7.0 PACING STUDY PRIVATE CREDIT**

**7.01** Presented by David Sancewich of Meketa Investment Group

## **8.0 INVESTMENT CONSULTANT REPORTS**

**8.01** Monthly Investment Performance Updates

01 Manager Performance Flash Report - August 2024

02 Economic and Market Update - August 2024

**8.02** The Board received and filed reports

## **9.0 STAFF REPORTS**

**9.01** CEO Report

In addition to the written report, CEO Ostrander reported: 1) last month San Joaquin County Board of Supervisors declared October National Retirement Security Month, and SJCERA partnered with the County's Human Resources team. While we are "Retirement", we are only one component of an employee's retirement (which also includes Social Security and personal savings). SJCERA has added a banner to all e-mails so there is a link to the SJCERA web site. With the addition of our new Communications Officer we anticipate a much heavier presence next year for National Retirement Security Month.

At the end of Staff Reports, Renee advised the Board of Retirement that Retirement Investment Officer Paris Ba has submitted her resignation and will be leaving SJCERA for a different 37 Act Retirement System. Her last day is Friday, November 1, 2024.

01 2025 Action Plan

**9.02** Quarterly Operations Report

01 Accounts Received Third Quarter 2024

02 Disability Quarterly Report

03 Quarterly Operations Metrics

04 Pension Administration System Update

**9.03** The Board received and filed reports

## **10.0 COMMENTS**

**10.01** Trustee Moore wanted to make certain in the 2025 Action Plan there is a place for a very robust Cyber Security Program for SJCERA.

Trustee Duffy is very much looking forward to the Investment Roundtable, just as he has for many years. This is our Super Bowl; he knows how much work goes into this event and he is thankful for everyone's hard work.

Trustee Restuccia advised the Investment Roundtable was an idea he brought back from a conference after speaking to a Texas system representative.

Trustee McCray stated he consistently receives feedback from attendees at the Roundtable that they find value in learning about other industries.

## **11.0 SUMMARY OF BOARD DIRECTION**

**11.01** CEO Ostrander noted the Meketa Summary regarding the SJCERA portfolio comparison to a 75/25 portfolio requested by Trustee McCray

## **12.0 ADJOURNMENT**

**12.01** There being no further business the meeting was adjourned at 9:59 a.m.

Respectfully Submitted:

\_\_\_\_\_  
Michael Restuccia, Chair

Attest:

\_\_\_\_\_  
Raymond McCray, Secretary



# San Joaquin County Employees Retirement Association

---

## MINUTES

### SPECIAL MEETING SAN JOAQUIN COUNTY EMPLOYEES RETIREMENT ASSOCIATION BOARD OF RETIREMENT THURSDAY, OCTOBER 10, 2024 AT 8:06 AM

Location: Wine and Roses - Garden Ballroom  
2505 Turner Road. Lodi. CA 95242

#### 1.0 ROLL CALL

**1.01 MEMBERS PRESENT:** Phonxay Keokham (in at 8:10), Emily Nicholas, Chanda Bassett, Sam Kaisch, JC Weydert (in at 9:30), Raymond McCray (out at 11:15), Steve Moore, Michael Duffy and Michael Restuccia, presiding

**MEMBERS ABSENT:** Steve Ding

**STAFF PRESENT:** Chief Executive Officer Renee Ostrander, Assistant Chief Executive Officer Brian McKelvey, Chief Counsel Aaron Zaheen, Retirement Investment Officer Paris Ba, Management Analyst III Greg Frank, Administrative Secretary Elaina Petersen, Finance Manager Carmen Murillo, Retirement Investment Accountant Frank Oppong Kyekyeku

#### 2.0 PLEDGE OF ALLEGIANCE

**2.01** Led by Michael Restuccia

#### 3.0 WELCOME AND INTRODUCTION OF PARTICIPANTS

**3.01** Trustees and staff introduced themselves. Chair Restuccia provided information about the Board's role. David Sancewich of Meketa Investment Group moderated the discussion.

#### 4.0 OVERVIEW OF SJCERA - ASSET ALLOCATION, RETURN AND RISK, GOALS AND OBJECTIVES

**4.01** David Sancewich summarized SJCERA's portfolio and plan characteristics and outlined the challenges (funding and investments) facing SJCERA.

#### 5.0 KEYNOTE SPEAKER - THE STATE OF THE WORLD IN 2024 AND BEYOND

**5.01** Presentation by Jamie Weinstein of PIMCO

#### 6.0 PRIVATE MARKET INVESTING

**6.01** Private Equity, Infrastructure - What's Next and Where are the Markets Today? Have the Private Markets Bottomed out?

**6.01** Moderated by Paris Ba of SJCERA with panelists: Judy Chambers of Meketa, Tom Casarella of Oaktree, Brooke Coburn of Capital Meridian, and James Berner of Blackrock

## **7.0 REAL ESTATE**

**7.01** What Lies Ahead in Real Estate and Where are the Opportunities? What is the Future for Vacant Office Buildings? What are some Emerging Market Constraints in Real Estate?

**7.01** Moderated by Ryan Farrell of Meketa with panelists: Ronnie Gul of Mesa West, Kosta Karmaniolas of Prologis and Kyle Elfers of Principal

## **8.0 MANAGER DEBATE: IN A CLASSIC DEBATE FORMAT**

**8.01** Investment managers debated the merits of Private Equity, Private Real Estate and Private Debt

**8.01** Moderated by David Sancewich of Meketa with panelists: Rob Kostow of HPS, Brooks Monroe of Invesco, and George Bruce of PE Diversified

## **9.0 INFLATION AND STAGFLATION**

**9.01** When will it Stop and What does it Mean? The Global Economy has been Faced with Historically High Inflation that has Leveled off, but Slower Economic Growth is now a Reality. What Investment Trends Make Sense Given the Flat/Falling Interest Rates?

**9.01** Moderated by Paola Nealon of Meketa with panelists: David Aspell of Mt. Lucas, Christopher Miller of Neuberger-Berman, and Matthew Novac of Loomis

## **10.0 OPEN DISCUSSION AND RECAP**

**10.01** Led by David Sancewich of Meketa

**10.01** Comments from the Board of Retirement

01 The Board of Trustees thanked employers, staff, Meketa consultants and investment managers for making the Investment Roundtable such a successful event.

**10.02** Comments from the Public

01 There were no comments

## **11.0 ADJOURNMENT**

**11.01** There being no further business the meeting was adjourned at 4:00 p.m.

Respectfully Submitted:

\_\_\_\_\_  
Michael Restuccia, Chair

Attest:

\_\_\_\_\_  
Raymond McCray, Secretary





# San Joaquin County Employees Retirement Association

*November 2024*

## 5.01 Service Retirement

## Consent

- |   |   |
|---|---|
| <p><b>01 BENJAMEN M BEHRENS</b></p> <p>Member Type: General<br/>Years of Service: 20y 01m 21d<br/>Retirement Date: 9/12/2024</p>  | <p>Elections Specialist<br/>Registrar of Voters</p>                 |
| <p><b>02 ANA C BUTLER</b></p> <p>Member Type: General<br/>Years of Service: 21y 11m 15d<br/>Retirement Date: 9/13/2024</p>  | <p>Senior Office Assistant<br/>D A - Victim Assistance</p>          |
| <p><b>03 ROLANDO B CABRERA</b></p> <p>Member Type: General<br/>Years of Service: 19y 02m 05d<br/>Retirement Date: 9/22/2024</p>   | <p>Staff Nurse IV - Inpatient<br/>Hosp Nursing Float Personnel</p>  |
| <p><b>04 MELISSA CHIASSON-YARRINGTON</b></p> <p>Member Type: General<br/>Years of Service: 22y 04m 08d<br/>Retirement Date: 9/6/2024</p>  | <p>Program Manager<br/>HSA - Admin Support</p>                      |
| <p><b>05 MARCIA CUNNINGHAM</b></p> <p>Member Type: General<br/>Years of Service: 08y 05m 22d<br/>Retirement Date: 9/21/2024<br/>Comments: Incoming reciprocity and concurrent retirement with StanCERA.</p>   | <p>Director of General Services<br/>General Svcs Administration</p> |
| <p><b>06 HELEN FOX</b></p> <p>Member Type: General<br/>Years of Service: 15y 10m 23d<br/>Retirement Date: 9/22/2024</p>   | <p>Eligibility Worker II<br/>HSA - Eligibility Staff</p>            |
| <p><b>07 ALEXANDER H LIU</b></p> <p>Member Type: General<br/>Years of Service: 09y 01m 03d<br/>Retirement Date: 8/17/2024<br/>Comments: Deferred from SJCERA since September 2022. Tier 2 member - eligible to retire with 5 years of service credit.</p> | <p>Deferred Member<br/>N/A</p>                                      |



# San Joaquin County Employees Retirement Association

*November 2024*

- 08 LORRAINE D MCEWEN** Fiscal Services Technician  
Court - Court Oper - Fiscal

Member Type: General  
Years of Service: 09y 03m 05d  
Retirement Date: 9/13/2024  
Comments: Tier 2 member - eligible to retire with 5 years of service credit.
  
- 09 DAVID L ORTH** DA Investigator II  
District Attorney

Member Type: Safety  
Years of Service: 04y 06m 23d  
Retirement Date: 9/21/2024  
Comments: Incoming reciprocity and concurrent retirement with CalPERS.
  
- 10 MARK E OTT** Chief Deputy District Atty  
District Attorney

Member Type: General  
Years of Service: 20y 03m 19d  
Retirement Date: 9/21/2024  
Comments: Incoming and outgoing reciprocity and concurrent retirement with SCERS.
  
- 11 ADELE L POST** Deferred Member  
N/A

Member Type: General  
Years of Service: 05y 04m 26d  
Retirement Date: 9/5/2024  
Comments: Deferred from SJCERA since September 2007. Outgoing reciprocity and concurrent retirement with CalPERS.
  
- 12 ERWIN D RIVERA** Staff Nurse III -Inpatient  
Hosp Med-Surg 2D

Member Type: General  
Years of Service: 19y 00m 00d  
Retirement Date: 8/23/2024
  
- 13 LISA M ROYCE** Pharmacy Technician III  
Behavioral Health Services

Member Type: General  
Years of Service: 27y 02m 02d  
Retirement Date: 8/31/2024
  
- 14 BRYAN E SNYDER** Support Services Technician II  
Purchasing - Duplicating

Member Type: General  
Years of Service: 14y 09m 13d  
Retirement Date: 8/21/2024



# San Joaquin County Employees Retirement Association

*November 2024*

- 15 MELROSE S TABATABAEE** Senior Office Assistant  
California Childrens Services

Member Type: General  
Years of Service: 31y 01m 14d  
Retirement Date: 9/21/2024
  
- 16 RHONDA L TODOROVITCH** Legal Process Clerk III  
Court-Oper-Criminal-Stkn

Member Type: General  
Years of Service: 14y 07m 09d  
Retirement Date: 8/24/2024
  
- 17 LUZ B VALLE** Social Worker II  
HSA - Services Staff

Member Type: General  
Years of Service: 20y 05m 18d  
Retirement Date: 9/1/2024
  
- 18 BRIAN H WILLIAMS** Employment Training Spec II  
Employment - Economic Developm

Member Type: General  
Years of Service: 27y 02m 27d  
Retirement Date: 8/21/2024

**2024 - 2025 CONFERENCES AND EVENTS SCHEDULE**

<b>2024</b>							
<b>EVENT DATES</b>		<b>EVENT TITLE</b>	<b>EVENT SPONSOR</b>	<b>LOCATION</b>	<b>REG. FEE</b>	<b>WEBLINK FOR MORE INFO</b>	<b>EST. BOARD EDUCATION HOURS</b>
Nov 12 - Nov 15		SACRS Fall Conference	SACRS	Monterey, CA	\$120	sacrs.org	11.5
Nov 22 - Nov 22		Virtual Investments Roundtable	CALAPRS	virtual	TBD	calaprs.org	N/A
<b>2025</b>							
<b>EVENT DATES</b>		<b>EVENT TITLE</b>	<b>EVENT SPONSOR</b>	<b>LOCATION</b>	<b>REG. FEE</b>	<b>WEBLINK FOR MORE INFO</b>	<b>EST. BOARD EDUCATION HOURS</b>
Jan 25 - Jan 27		Pension Communications Summit	NCPERS	Washington, DC	\$500	ncpers.com	N/A
Jan 27 - Jan 29		Legislative Conference	NCPERS	Washington, DC	\$750	ncpers.com	N/A
Jan 27 - Jan 29		IREI, VIP Americas	IREI	Dana Point, CA	\$0	irei.com	TBD
Mar 2 - Mar 5		General Assembly 2025	CALAPRS	Napa, CA	TBD	calaprs.org	TBD
May 13 - May 16		SACRS Spring Conference	SACRS	Rancho Mirage, CA	TBD	sacrs.org	*11.5
Jul 13 - Jul 16		SACRS/UC Berkeley Program	SACRS	Berkeley, CA	TBD	sacrs.org	24
Nov 11 - Nov 14		SACRS Fall Conference	SACRS	TBD	TBD	sacrs.org	*11.5

\* Estimates based on prior agendas

**SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
SUMMARY OF PENDING TRUSTEE AND EXECUTIVE STAFF TRAVEL**

2024 Event Dates	Sponsor / Event Description	Location	Traveler(s)	Estimated Cost	BOR Approval Date
Nov 12-15	SACRS Fall Conference	Monterey, CA	R. Ostrander, A. Zaheen, R. McCray S. Moore, E. Nicholas P. Keokham, C. Bassett, JC Weydert	\$11,200	N/A

**SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
SUMMARY OF PENDING TRUSTEE AND EXECUTIVE STAFF TRAVEL**

<b>2025</b>				<b>Estimated</b>	<b>BOR Approval</b>
<b>Event Dates</b>	<b>Sponsor / Event Description</b>	<b>Location</b>	<b>Traveler(s)</b>	<b>Cost</b>	<b>Date</b>
Jan 26-27, 2025	Communications Summit	Washington, DC	R. Ostrander	\$1,823	10/9/2024
Jan 27-29, 2025	Legislative Conference	Washington, DC	R. Ostrander	\$2,467	10/9/2024
Jan 27-29, 2025	IREI - VIP Americas	Dana Point, CA	M. Restuccia, JC Weydert	\$3,600	6/7/2024 9/13/2024

**SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
SUMMARY OF COMPLETED TRUSTEE AND EXECUTIVE STAFF TRAVEL**

Event Dates 2024	Sponsor / Event Description	Location	Traveler(s)	Estimated Cost	Actual Cost	Event Report Filed
Jan 22-24	IREI '2024 Visions, Insights & Perspectives - Americas	Carlsbad, CA	M. Restuccia, JC Weydert	\$1,500	\$1134	MR: 02-09-2024 JC: 05-03-2024
Mar 2-5	General Assembly 2024	Rancho Mirage	B. McKelvey	\$1,100	\$1002	N/A
Apr 15-18	PIMCO Institute Educational Seminar	Newport Beach, CA	P. Ba	\$2,200	\$1,516	5/3/2024
Apr 15-18	Pension Bridge	Half Moon Bay, CA	M. Duffy, JC Weydert	\$1,540	\$1,386	MD: 9/13/2024 JC: Pending
May 6	SACRS CEO & Administrators Forum (Pre Spring Conf)	Santa Barbara, CA	R. Ostrander	\$700	\$606	N/A
May 7-10	SACRS Spring Conference	Santa Barbara, CA	R. McCray, P. Ba, R. Ostrander, JC Weydert, A. Zaheen	\$7,800	\$7228	N/A
May 6-9	Wharton Portfolio Concepts and Mgmt. 2024 AEW Client Conference &	Wharton, PA	B. McKelvey	\$9,501	\$8494	6/7/2024
May 15-16	Annual Fund Meeting	Boston, MA	P. Ba	\$0	\$52	6/7/2024
May 30	Lightspeed Annual Meeting	Napa, CA	P. Ba	\$96	\$94	7/16/2024
Jun 17-19	NCPERS CEO Summit	Nashville, TN	R. Ostrander	\$1,800	\$1,847	8/9/2024
June 21	Administrators Roundtable - CALAPRS	San Jose, CA	R. Ostrander	\$700.00	\$724	N/A
Jul 22-24	Wharton Advanced Investment Mgmt.	San Francisco	B. McKelvey	\$7,553	\$7,782	8/9/2024
Aug 26-29	Principles of Pension Governance for Trustees	Tiburon, CA	S. Kaisch	\$3,200	\$3,138	N/A
Aug 26-29	Principles of Pension Governance for Trustees Speaking	Tiburon, CA	R. Ostrander	\$200	\$106.06	N/A
Sep 9-11	IREI Americas Editorial Advisory Board	Half Moon Bay, CA	M. Restuccia	\$1,000	\$0	Pending
Sep 9-11	Stockbridge 2024 Annual Meeting	Boca Raton, FL	P. Ba	\$140	\$0	10/9/2024
Sep 17-19	Top1000Funds Fiducial Investors Symposium	Stanford, CA	P. Ba	\$3,200	\$3,590	11/8/2024
Sep 25-27	CALAPRS Administrators Institute	Carmel, CA	R. Ostrander	\$3,500	\$2,500	N/A
Oct 10-11	CALAPRS Information Technology Systems Roundtable	San Jose, CA	B. McKelvey	\$775	\$621.00	N/A
Oct 17-18	Nossaman Fiduciaries Forum	Berkeley, CA	R. Ostrander	\$1,350	\$1,224	11/8/2024

Board Member    Travel (not including SACRS & CALAPRS)    Dates    Amount used of \$4500:    Balance of \$4500

RESTUCCIA	IREI	1/22-24/24	\$531.27	\$3,968.73
BASSETT				
DING				
DUFFY	Pension Bridge	4/15/-17/24	\$834.16	\$3,665.84
KAISCH				
KEOKHAM				
MCCRAY				
NICHOLAS				
WEYDERT	IREI; Pension Bridge	1/22-24/24; 4/15-17/24	\$1,153.95	\$3,346.05
MOORE				

\*Pending Final Expense




## San Joaquin County Employees' Retirement Association

---

November 8, 2024

TO: Board of Retirement

FROM: Paris Ba   
Retirement Investment Officer

SUBJECT: Fiduciary Investors Symposium

Thank you for the opportunity to attend the Fiduciary Investors Symposium at Stanford University on September 17-19, 2024. The event was very well organized and well attended by investors and managers across the globe, providing me the opportunity to not only learn from academic professors from Stanford University, but also from various asset owners.

### Keynote Speaker Condoleezza Rice

- The US and China may not be able to entirely resolve their increasingly troubled relationship, but it is important to manage the differences with some guardrails to prevent an accidental flare-up.
- The blame for the fraught US ties with China is largely a result of an adversarial relationship by President Xi Jinping, and a decoupling between the two countries was natural, according to former Secretary of State Condoleezza Rice.
- Some elements of the US-China economic relationship could be managed, such as investment in retail or consumer products. However, other sectors such as technology are a no-go zone.
- The energy mix will include hydrocarbons for a long time to come, so the focus should turn to producing them responsibly.
- The US needs to boost its military capability and overcome serious problems in its defence industrial base, in order to deter potential military conflicts.



## The Economic Impact of Financial Systems

- The financial sector has been fundamentally important for promoting economic prosperity across the US states and across the world more generally.
- A country's financial sector is also one of the most reliable indicators about how an economy is going to perform in the long run, how open it is for competition, and whether its regulatory system is one that promotes competition.
- The Federal Reserve's practice of insuring liability holders has encouraged more risky behaviour from financial institutions and is creating a fragile system in the longer run.
- A financial system in which the decision makers don't share in the downside simply cannot be sustained for the long run.
- You cannot give insurance to liability holders, which encourages excessive risk taking, without the regulation that constrains the excessive risk taking. Philosophically, the US hasn't been able to resolve this.
- Both major political parties in the US have moved away from a focus on growth, and consider the economy as a zero sum game, which is feeding into the major fiscal crisis in the US.

## The Future of Energy

- At 2 parts-per-million (ppm) per year increase of carbon emissions we will get to 2.0 degrees of global warming in roughly 15 years.
- To stop emissions rising in the next 15 years, we need negative carbon technology to capture and remove carbon and other greenhouse gases like methane from the air.
- The biggest success of energy transition in the last 20 years is clean electricity generation, with solar and wind power now being generated for cents per kilowatt hour, meaning there is no need to burn coal anymore.
- The most important test for the energy industry relates to long-duration energy storage, or how to extend the storage of clean electricity from hours to days and weeks and months.
- Developing high energy-density lithium-ion batteries is key to how much electrification is possible, with current innovations trying out new types of materials to store greater charge.
- At 500 watts per hour per kilogram (Wh/kg) battery capacity, all ground transportation could be electrified. At 1000 Wh/kg domestic flights, of about three hours' duration, can be electrified

## The Changing Impact of Monetary Policy

- The Fed announced a rate cut of 50 basis points on Wednesday, September 18, lowering the target range for the federal funds rate of 4.75 to 5 per cent.
- There are three monetary policy regimes the Fed will assess and pursue: old-school interest rate policy, printing money to pump into the financial market instead of stimulating borrowing by lowering interest rates, and fiscal policy (to drive monetary policy).
- 'Monetary policy one' is the goal for central banks, but elected officials prefer 'monetary policy three', which creates tension from different stakeholders.
- The economy is potentially in a mid-easing cycle, which is good news for asset owners, but that isn't known for sure until after the event.

## The Macroeconomics of AI

- Artificial intelligence is already having the greatest economic impact the world has ever seen.
- The true impact of AI can be best assessed by thinking of every job in the economy as being a bundle of separate tasks, considering the impact of AI on each of those tasks, and valuing that impact.
- The effect of AI won't necessarily be complete elimination of jobs and mass joblessness, but rather, a refocusing of individuals on other tasks that make up their current jobs but which AI affects less.
- As some tasks get done by machines, entrepreneurs and managers will reorganise the economy.
- We're entering an era when it's clear that machines outperform humans at specific tasks, but we're still a long way off machines outperforming humans at all tasks.
- There will be an increase in demand for humans to carry out tasks that are complementary to what machines are doing.

## AI In Investment Management

- A recent global survey by Mercer showed nine out of 10 investment managers were either already using AI or planned to use AI in the future.
- There are potential uses for both quantitative and fundamental managers, with tools that can help be more effective. On the quant space, starting to see front-to-back machine learning-based models to forecast returns, as well as quasi-tools such as natural language processing."
- Much more data, much faster computing speed, and much cheaper computer storage means the barriers to doing machine learning today are much lower than they ever were historically.
- Despite significant progress, stock picking by large language models not credible yet.

- Recent applications of AI have enabled more accurate return forecasts, particularly over shorter horizons, because it can incorporate a much larger number of features or signals or data sources.

### Opportunities From Dislocation

- The influx of capital and interest into the private credit market has spawned new managers and offerings, but asset owners are increasingly alert to the fact that not every one of them is built equal.
- Even tiny losses during the credit cycle can eat significantly into long-term returns, said HOOPP, which warned of the danger of “compound losses”. Private credit’s current income is attractive but the fact that lenders get protections from covenants is another plus to HOOPP.
- Illinois Municipal Retirement Fund is similarly bullish on the asset class but said the fund is expecting its position to change over the credit cycle – it has selected 13 managers to oversee the base of its private credit portfolio.

### ESG: The California Model

- An allocation to climate solutions and the ability to generate alpha from that across asset classes are what will define the future “California model”.
- As the biggest asset owner in the US, the fund has committed \$100 billion to be invested in climate solutions in 2030, and about half of that mandate has been deployed. But on a state level there are still more capital waiting to be allocated.
- Californian pension and endowment funds collectively have more than \$1 trillion assets under management – CalPERS alone has two million beneficiaries.
- There are three reasons behind CalPERS’ conviction that it can generate alpha from climate investments: the transition’s size and scale, the importance of resource efficiency, and the benefits of working with companies who future-proof their businesses.
- The fund is also utilising its close proximity to Silicon Valley and tapping into the “strong cohort” of venture capital funds in the area.
- Cashion invited other Californian pension and endowment funds to together create an enabling environment for sustainable investment as the state is a global leader on climate policy



## San Joaquin County Employees' Retirement Association

---

November 8, 2024

TO: Board of Retirement  
*Renee*  
FROM: Renee Ostrander  
Chief Executive Officer

SUBJECT: Nossaman 2024 Pensions, Benefits & Investments Fiduciaries' Forum

Thank you for the opportunity to attend Nossaman's 2024 Pensions, Benefits, and Fiduciaries' Forum on October 17-18, 2024. It was a content packed event providing information related to pension investments, pension governance, and current regulatory environment. Overall, the event was very well organized and focused on current issues, utilizing experts with varied experience to debate and further explore each of the issues. I found the conference to be well worth the time and would recommend one SJCERA representative attend every year.

**Keynote/Guest Speakers:** They had two key note speakers join us during the forum. One was Cloey Hewlett, Commissioner of the California Department of Financial Protection and Innovation. Cloey spoke about her role related to consumer protection but extensively spoke about the days surrounding the Silicon Valley Bank collapse. The second speaker was Libby Schaaf, former Mayor of Oakland and current candidate for California Treasurer. Libby spoke about her work in Oakland and the true heroes of public service and appreciation for the work performed by pension systems to support public servants.

**Investments:** There were two valuable sessions related to investments. One session was an interactive dialogue with two Chief Investment Officers. They discussed asset allocation and manager selection. They acknowledged that while performing due diligence is an important piece of manager selection, getting the asset allocation right for your agency is far more critical to achieving success. They also debated risk vs liquidity, especially during situations when net cash flow is negative. Finally, there was some healthy discussions about dealbreakers and ensuring you have boundaries identified.

The second session covered several topics related to the interactive dialogue. Two partners from Nossaman led the discussion and it dove into information on new trends

(including risks) in investment contracts, new vehicles for investing that are becoming more common, and potential fund financing.

**Governance:** There were two sessions related to governance. The first session was another interactive dialogue session but the experts on the panel were general counsels for three systems. Their background, experience, and systems they represented was varied and provided diversity to the discussion. They discussed current issues facing their system and their focus for tackling emerging issues. The second session reinforced the importance of strong governance and then putting that governance to work around data security and the use of AI in pension systems. One of the speakers also delved into potential environmental changes pension administrators could experience.

**Regulatory Environment:** There were two sessions that covered the current legislative landscape. The first covered SECURE 2.0 and the federal guidance on benefit corrections. Additional guidance was released by the federal government earlier that same week so the information was very timely and valuable. They also covered California legislation and the newly chaptered bills. The second session covered the current status of California benefits-related litigation and outlook based on current landscape changes in the overall defined benefit environment.



TO: State Association of County Retirement Systems  
FROM: Cara Martinson, Public House Consulting  
Laurie Johnson, LJ Consulting & Advocacy  
RE: **Legislative Update – October 2024**

---

## **Capitol Update**

The Governor just met his 30-day deadline to take action on the 990 bills that were sent to his Desk. Overall, he vetoed 183 bills, making his veto rate roughly 18% - which has been about his average. Some of the bills that met his red pen were automatic voter registration, a major AI safety bill, and a bill that would have let undocumented immigrants eligible for home loans. During these last few weeks, the Assembly has convened their 2<sup>nd</sup> Extraordinary Session to consider legislation aimed at easing gas price spikes, including the Governor's proposal that would require oil refineries to maintain a minimum supply of fuel. Although, not thrilled with being stuck at the Capitol, legislators are in full campaign-mode, with almost a third of the Legislature's seats turning over in the 100 legislative districts up for election.

## **SACRS is tracking the following bills:**

- **SB 1189 (Limon)** – This bill authorizes the Ventura County Employees' Retirement Association to appoint a Chief Technology Officer. Status: This bill was signed by the Governor on 7/15
- **SB 1379 (Dodd)** – This bill creates an exception to PEPRA from the 960-hour limitation on retired public employees working after retirement for hours worked in an appointment by Solano County Sheriff's Office. Status: This bill was signed by the Governor on 9/29.
- **AB 2284 (Grayson)** – The bill amends the definition of "compensation earnable" to define a work classification "grade" to mean a number of employees considered together because they share similarities in job duties, schedules, unit recruitment requirements, work location, collective bargaining unit, or other logical work-related grouping. The bill was amended on 6/27 to include a provision that requires the Board of Supervisors to pass a resolution to allow for the language to become operational within the jurisdiction. The SACRS Board met on July 18<sup>th</sup> and took an Oppose position. Status: This bill was signed by the Governor on 9/28.



- **AB 2301 (Nguyen)** – This bill, the Sacramento Area Sewer District Pension Protection Act of 2024, provides for the continuation of benefits and pension obligations for employees transferring from the County of Sacramento to the Sacramento Area Sewer District. Status: This bill was signed by the Governor on 7/2.
- **AB 2474 (Lackey)** – This is a SACRS-sponsored bill and was amended in Committee to allow LACERA-only to deposit retirement allowances into prepaid accounts until January 1, 2028, as a pilot program. The bill also provides clarity regarding the ability of a system to deposit pension payments in a member’s living trust bank account. The bill also clarifies potential consequences when a retiree exceeds the 960-hour post-retirement employment limit and provides systems with administrative flexibility on that matter. This bill was signed by the Governor on 7/15.
- **AB 2770 (Committee on Public Employment and Retirement)** – This is the annual housekeeping bill that includes various technical amendments for CalPERS, CalSTRS, and ’37 Act systems. SACRS is a co-sponsor of the bill. The bill removes the “return receipt” requirements as part of current procedures in statute that systems must follow to locate members and beneficiaries. The bill also conforms the sunset date of January 1, 2025, to the Labor Code for the recently added disability presumption for post-traumatic stress disorder. Status: This bill was signed by the Governor on 7/15.
- **AB 3025 (Valencia)** – This bill creates a framework for making benefit corrections and contribution refunds when disallowed compensation is inadvertently included in pension calculations. This bill includes a penalty to be paid by the employer to the member if compensation is later determined to be disallowed. The bill also includes language that is intended to protect a system’s *Alameda* correction process currently underway. The SACRS Legislative Committee is working with the bill’s author and sponsor to ensure ’37 Act systems can properly implement the bill, consistent with IRS regulations. The bill was amended on 6/27 to expressly state that confidential information is not subject to the California Public Records Act. The author has also agreed to accept one last amendment that clarifies “Initiated a process” to mean a system has formally adopted a resolution “*or made an administrative determination*”.



Status: The bill was signed by the Governor on 9/22.

SACRS is also monitoring the following bills that do not impact the '37 Act systems but are of interest:

- **SB 252 (Gonzalez)** – This bill prohibits CalPERS and CalSTRS from making new investments in a fossil fuel company and requires those systems to divest from fossil fuel companies by July 1, 2031, unless the board determines in good faith that the action is inconsistent with the board's fiduciary responsibilities. Status: Dead. This bill was not taken up by the Assembly Public Employment and Retirement Committee.
- **AB 817 (Pacheco)** -. The bill would have provided flexibility for local government agencies to conduct remote meetings under Open Meeting laws. Specifically, this bill would have allowed a subsidiary body of a local agency to teleconference their meetings without having to publicly notice or make all locations publicly available. Status: Dead. This bill did not pass out of the Senate Local Government Committee.
- **SB 1240 (Alvarado-Gil)** – This bill provides for the continuation of pension benefits for employees of El Dorado County Fire Protection District and the Diamond Springs Fire Protection District under a new consolidated district. Status: This bill was signed by the Governor on 9/28.
- **AB 2715 (Boerner)** – This bill allows a legislative body to discuss a threat to critical infrastructure controls or critical infrastructure information relating to cyber security during a closed session. Status: This bill was signed by the Governor on 9/14.



## 2024 - SJCERA BOARD OF RETIREMENT MEETING CALENDAR

MONTH	DATE	Periodic Items / Other Events	MONTH	DATE	Periodic Items / Other Events
<b>JAN</b>	<b>12</b>	<b>Board Meeting</b> Earnings Code Ratification Fourth Quarter Operations Reports* Trustee Education Compliance Report Action Plan Results	<b>JUL</b>	<b>12</b>	<b>Board Meeting (Cancel)</b> Mid-Year Administrative Budget Report Second Quarter Operations Reports* Election of Board Officers Annual Policy Review Actuarial Report
<b>FEB</b>	<b>9</b>	<b>Board Meeting</b> Notice of CPI/Set Retiree COLA Declining ER Payroll Report Assumptions & CMAs		<b>16</b>	<b>Special Board Meeting</b> SACRS UC Berkeley
	<b>8</b>	<b>CEO Performance Review Committee</b>	<b>AUG</b>	<b>9</b>	<b>Board Meeting</b> Adoption of Plan Contribution Rates & Board Committee Assignments Investment Fee Transparency Report
<b>MAR</b>	<b>8</b>	<b>Board Meeting</b> Fourth Quarter Inv Reports Asset-Liability Education		<b>26-29</b>	CALAPRS Principles of Pension Governance for Trustees, Pepperdine
	<b>8</b>	<b>Audit Committee Meeting</b> 2-5 CALAPRS General Assembly 27-29 CALAPRS Advanced Principles of Pension Governance for Trustees, UCLA	<b>SEP</b>	<b>13</b>	<b>Board Meeting</b> Second Quarter Inv Reports
<b>APR</b>	<b>12</b>	<b>Board Meeting</b> First Quarter Operations Reports* Asset-Liability Education	<b>OCT</b>	<b>9</b>	<b>Board Meeting</b> Adoption of Board Calendar for next year Third Quarter Operations Reports* 2025 Action Plan
<b>MAY</b>	<b>3</b>	<b>Board Meeting</b> Asset-Liability Education		<b>9</b>	<b>Investment Roundtable Dinner</b>
	<b>17</b>	<b>Audit Committee Meeting</b> 7-10 SACRS Spring Conf		<b>10</b>	<b>Special Meeting - Investment Roundtable</b>
<b>JUN</b>	<b>7</b>	<b>Board Meeting</b> First Quarter Inv Reports Auditor's Annual Report / CAFR Mid Year Action Plan Results CEO Performance - Mid Year Asset-Liability Study Draft	<b>NOV</b>	<b>8</b>	<b>Board Meeting</b> Consultants and Actuaries Evaluations
	<b>7</b>	<b>Administrative Committee Meeting</b> 13 RPESJC Picnic		<b>8</b>	<b>Administrative Committee Meeting</b> 12-15 SACRS Fall Conference
			<b>DEC</b>	<b>13</b>	<b>Board Meeting</b> Third Quarter Inv Reports Annual Administrative Budget
				<b>12</b>	RPESJC Holiday Lunch

**Unless otherwise noted on the agenda, Board Meetings convene at 9:00 a.m.**

\* Disability App Status Report and Pending Retiree Accounts Receivable Report

Notes: May meeting is on the first Friday due to the SACRS Spring Conference.

June meeting is on the first Friday due to BOS meeting schedule.

October meeting is on the Wednesday prior to the Investment Roundtable.

November meeting may be on the first Friday due to the SACRS Fall Conference.

## 2025 - SJCERA BOARD OF RETIREMENT MEETING CALENDAR

MONTH	DATE	Periodic Items / Other Events	MONTH	DATE	Periodic Items / Other Events
<b>JAN</b>	<b>17</b>	<b>Board Meeting</b> Earnings Code Ratification Fourth Quarter Operations Reports* Trustee Education Compliance Report Action Plan Results	<b>JUL</b>	<b>11</b>	<b>Board Meeting</b> Mid-Year Administrative Budget Report Second Quarter Operations Reports* Election of Board Officers Investment Fee Transparency Report Annual Policy Review Asset-Liability Study Final
<b>FEB</b>	<b>14</b>	<b>Board Meeting</b> Notice of CPI/Set Retiree COLA Declining ER Payroll Report Assumptions & CMAs	<b>13-16</b>		SACRS UC Berkeley
	<b>TBD</b>	<b>CEO Performance Review Committee</b>	<b>AUG</b>	<b>8</b>	<b>Board Meeting</b> Adoption of Plan Contribution Rates & Actuarial Experience Study
<b>MAR</b>	<b>14</b>	<b>Board Meeting</b> Fourth Quarter Inv Reports Asset-Liability Education	<b>TBD</b>		CALAPRS Principles of Pension Governance for Trustees, Pepperdine
	<b>TBD</b>	<b>Audit Committee Meeting</b> 2-5 CALAPRS General Assembly TBD CALAPRS Advanced Principles of Pension Governance for Trustees, UCLA	<b>SEP</b>	<b>12</b>	<b>Board Meeting</b> Second Quarter Inv Reports
<b>APR</b>	<b>11</b>	<b>Board Meeting</b> First Quarter Operations Reports* Asset-Liability Education	<b>OCT</b>	<b>15</b>	<b>Board Meeting</b> Adoption of Board Calendar for next year Third Quarter Operations Reports* 2026 Action Plan
<b>MAY</b>	<b>9</b>	<b>Board Meeting</b> Asset-Liability Education	<b>16</b>		<b>Special Meeting - Investment Roundtable</b>
	<b>13-16</b>	SACRS Spring Conf	<b>NOV</b>	<b>7</b>	<b>Board Meeting</b> Consultants and Actuaries Evaluations
	<b>TBD</b>	<b>Audit Committee Meeting</b>	<b>TBD</b>		<b>Administrative Committee Meeting</b>
<b>JUN</b>	<b>6</b>	<b>Board Meeting</b> First Quarter Inv Reports Auditor's Annual Report / CAFR Mid Year Action Plan Results Asset-Liability Study Draft	<b>11-14</b>		SACRS Fall Conference
	<b>12</b>	RPESJC Picnic	<b>DEC</b>	<b>12</b>	<b>Board Meeting</b> Third Quarter Inv Reports Annual Administrative Budget
	<b>TBD</b>	<b>Administrative Committee Meeting</b>	<b>TBD</b>		RPESJC Holiday Lunch

**Unless otherwise noted on the agenda, Board Meetings convene at 9:00 a.m.**

\* Disability App Status Report and Pending Retiree Accounts Receivable Report

Notes: May meeting may move to the first Friday due to the SACRS Spring Conference.

June meeting is on the first Friday due to BOS meeting schedule.

October meeting is on Wednesday prior to the Investment Roundtable.

November meeting may move to the first Friday due to the SACRS Fall Conference.



**Board of Retirement Meeting**  
San Joaquin County Employees' Retirement Association

**Agenda Item 5.05**

**November 8, 2024**

**SUBJECT: Direction to the Board's SACRS Voting Delegate  
for the Business Meeting of November 15, 2024**

**SUBMITTED FOR:   X   CONSENT         ACTION         INFORMATION**

**RECOMMENDATION**

Staff recommends the Board direct SJCERA's Voting Delegate to approve the following action item on the SACRS' Business Meeting Agenda for November 15, 2024:

Agenda Item 5.B: SACRS Legislative Committee Update: 2025 Legislative Proposals

**PURPOSE**

For the Board to provide direction to its SACRS Voting Delegate regarding the items presented for action at the SACRS Business Meeting to be held on Friday, November 15, 2024.

**DISCUSSION**

This memo and attached materials are provided to enable the Board to provide voting instructions to its Voting Delegate in preparation for the November 15, 2024 meeting. The November 8, 2024 SJCERA Board meeting is the only meeting at which the Board can provide such direction prior to the SACRS Business Meeting.

**SACRS 2025 Sponsored Legislation**

The SACRS-sponsored legislative proposals for 2025 provide technical and administrative clarity to various sections of the County Employees Retirement Law of 1937 (CERL). These proposed amendments are intended to correct drafting omissions following the implementation of PEPRA in 2013. Staff has reviewed the proposed amendments and has no objection to these changes.

Unless the Board Trustees raises questions or concerns about the proposals, the Board would generally recommend the Voting Delegate vote to accept/approve the proposed sponsored legislation. If the Board has any questions or concerns about the legislative proposals, please raise them at the November 8, 2024 Board meeting so the Voting Delegate can raise those issues during discussion at the SACRS business meeting.

**ATTACHMENT**

SACRS Business Meeting Packet – November 15, 2024

A handwritten signature in blue ink, appearing to read "R. Ostrander", is written over a horizontal line.

RENEE OSTRANDER  
Chief Executive Officer



**1. Roll Call**

Zandra Cholmondeley, Santa Barbara CERS, SACRS Secretary

Roll Call of the 20 SACRS Retirement Systems.

Please state your Retirement System, your name, and if you are the voting delegate or alternate delegate.



1. SACRS System Roll Call

Zandra Cholmondeley, Santa Barbara CERS, SACRS Secretary

<b>System</b>	<b>Delegate Name</b>	<b>Alternate Delegate Name</b>	<b>Absent</b>
Alameda			
Contra Costa			
Fresno			
Imperial			
Kern			
Los Angeles			
Marin			
Mendocino			
Merced			
Orange			
Sacramento			
San Bernardino			
San Diego			
San Joaquin			
San Mateo			
Santa Barbara			
Sonoma			
Stanislaus			
Tulare			
Ventura			
<b>Total</b>			



**2. SACRS Secretary's Report - Receive and File**

Zandra Cholmondeley, Santa Barbara CERS, SACRS Secretary

- A. SACRS Business Meeting Minutes Spring 2024



SACRS Business Meeting Minutes  
Friday, May 10, 2024  
10:15 AM – 11:30 AM  
Hilton Santa Barbara Beachfront Resort  
Santa Barbara, CA  
Santa Barbara Ballroom

**SACRS Parliamentarian** – David Lantzer, San Bernardino CERA

**SACRS Sergeant at Arms** – Brian Williams, Sonoma CERA

---

**Meeting called to order at 10:18 am**

**1. SACRS System Roll Call**

Zandra Cholmondely, Santa Barbara CERS, SACRS Secretary

**All 20 Retirement Systems Present**

Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare, Ventura

**2. SACRS Secretary's Report - Receive and File**

Zandra Cholmondeley, Santa Barbara CERS, SACRS Secretary

A. SACRS Business Meeting Minutes November 2023

**Motion:** A motion to approve the November 2023 Business Meeting Minutes was made by San Mateo CERA.

**2<sup>nd</sup>:** San Diego CERA

**Yes:** Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare, Ventura

**No:** 0

**Abstention:** Mendocino

**Motion Passes 19-0-1**

**3. SACRS Treasurer's Report - Receive and File**

Jordan Kaufman, Kern CERA, SACRS Treasurer

A. July 2023 – January 2024 Financials



**Motion:** A motion to approve the Treasurers Report was made by San Diego CERA.

**2<sup>nd</sup>:** San Joaquin CERA

**Yes:** Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare, Ventura

**No:** 0

**Abstention:** Mendocino

**Motion Passes 19-0-1**

#### **4. SACRS President Report - No Action**

David MacDonald, Contra Costa CERA, SACRS President

##### A. SACRS President Update

Discussion: David MacDonald thanked the membership for their participation at the conference, highlighted the 70<sup>th</sup> anniversary, thanked the Board of Directors and the Program Committee for a stellar roster of speakers, and gave thanks to the volunteers and staff.

#### **5. SACRS Legislative Committee Report – No Action**

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA, SACRS Legislative Committee Co-Chairs

##### A. Legislative Committee Report

**Discussion:** Eric and Dave introduced SACRS' new lobbying team, Laurie Johnson, and Cara Martinson. The new team was immediately thrown into SACRS' legislative process and presented at the Legislative update session on Thursday afternoon. They gave a brief overview of the status of current legislation and reminded members to submit their legislative proposals for the next legislative session for consideration.

#### **6. SACRS Nomination Committee Report - Action**

Vivian Gray, Los Angeles CERA, SACRS Nomination Committee Chair

##### A. SACRS Board of Directors Elections 2024-2025

**Motion:** A motion to approve the recommended slate for the SACRS Board of Directors 2024-2025 was made by San Diego CERA –

- President – David MacDonald, Contra Costa CERA
- Vice President – Adele Tagalooa, Orange CERS
- Treasurer – Jordan Kaufman, Kern CERA
- Secretary – Zandra Cholmondeley, Santa Barbara CERS





- General – David Gilmore, San Diego CERA
- General – Rhonda Biesemeier, Stanislaus CERA

**2<sup>nd</sup>:** Santa Barbara CERS

**Yes:** Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare, Ventura

**No:** 0

**Abstentions:** 0

**Motion Passes 20-0-0**

## **7. SACRS Audit Committee Report – Action**

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

### A. SACRS Audit 2022-2023 Report

**Discussion:** Steve Delaney presented the SACRS 2022-2023 Annual Audit performed by outside auditors James Marta & Co. The financials received a clean audit with no negative findings. Steve thanked the committee members for their time and participation reviewing drafts and meetings with the auditors.

**Motion:** A motion to approve the SACRS Audit 2022-2023 Report was made by San Mateo CERA.

**2<sup>nd</sup>:** Imperial CERA

**Yes:** Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare, Ventura

**No:** 0

**Abstentions:** 0

**Motion Passes 20-0-0**

## **8. SACRS Education Committee Report – No Action**

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

### A. Education Committee Report

**Discussion:** JJ Popowich gave a brief update on the review of the conference from the Education Committee meeting held on Thursday afternoon at the conference. Attendees enjoyed the drone show for the 70<sup>th</sup> gala, the Disability Session was a great session and well attended. The Affiliate breakout featured “Shark Tank” presentation which received positive reviews and mentions of bringing it back in the future. Overall, the conference agenda topics



were very timely and educational. A full report will be presented to the Board of Directors at their next meeting.

### **9. SACRS Program Committee Report – No Action**

Adele Tagaloa, Orange CERS, SACRS Program Committee Chair

#### A. Program Committee Report

**Discussion:** Adele Tagaloa thanked the Program Committee members and the Board for their continued support and assistance in developing the conference agenda. Great speakers, and Trustees really enjoyed the “Shark Tank” presentation at the Affiliate Breakout. Adele highlighted the July UC Berkeley Program and encouraged members to attend more than once because the agenda is different each time and has exceptionally relevant content.

### **10. SACRS Affiliate Committee Report – No Action**

JoAnne Svensgaard, Adrian Lee & Partners, SACRS Affiliate Committee Chair

#### A. Affiliate Committee Report

**Discussion:** JoAnne Svensgaard announced that the committee has three new members –

- Tracey Monroe, RBC Global Asset Mgmt.
- Tim Stidham, Oak Real Estate Partners
- Natalie Fitch, Hamilton Lane

Sean Gannon, Manulife, will serve as the next Affiliate Chair, Ken McCray, Nuveen, will serve as the next Vice Chair and Rodrigo Soto, Cohen & Steers Capital Mgt., will serve as the committee Secretary.

Joanne thanked the members for their continued support of the Affiliate Committee and their presentations. She will now serve as the past chair and remain on the committee for the remainder of her term.

### **11. SACRS Bylaws Committee Report – No Action**

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

#### A. Bylaws Committee Report

**Discussion:** Barbara Hannah updated the membership on the pending changes to the Bylaws. A complete review is underway, the committee will present suggested amendments to the Board and once finalized, will bring it back to the membership for consideration and approval. The project could take a year to complete.



## 12. SACRS Spring Conference Breakout Reports – No Action

A representative from each breakout will give a verbal report on their meetings. No printed materials for this item.

- A. Administrators – Thomas Stadelmaier, Stanislaus CERA  
Donald Kendig gave a brief update on the Administrators breakout, well attended and Amy Herron, Administrator, Ventura CERA will serve as the Fall volunteer moderator.
- B. Affiliates – JoAnne Svendsgaard, Affiliate Committee Chair  
See Affiliate Committee report.
- C. Attorneys – Barbara Hannah and David Lantzer, San Bernardino CERA  
David Lantzer gave a brief update on the Attorney’s breakout, Rick Muir spoke on , Ashley Dunning also reviewed current litigation status. Aaron Zaheem, San Joaquin CERA and Karen Levy, Contra Costa CERA, will serve as the Fall volunteer moderators.
- D. Disability/ Operations & Benefits Combo – Theodore King, Los Angeles CERA  
Carolos Barios, Alameda CERA and Patty Montoya, Fresno CERA will serve as the Fall volunteer moderators.
- E. Internal Auditors – Harsh Jadhav, Alameda CERA  
Harsh Jadhav will serve as the Fall volunteer moderator.
- F. Investment Officers – Donald Pierce, San Bernardino CERS  
No report
- G. Safety Trustees – Brian Williams, Sonoma CERS  
Brian Williams gave a brief update on the Safety breakout, Tracy Towner presented to the group and Skip Murphy, Trustee, San Diego CERA, will serve as the Fall volunteer moderator.
- H. General Trustees – Adele Tagaloa, Orange CERS  
Adele Tagaloa gave a brief update on the General Trustees breakout; it was well attended. Over 40 trustees participated in the Shark Tank presentation, and then discussed the session back in their breakout. Adele will serve as the Fall volunteer moderator.

## 13. Adjournment

Next scheduled SACRS Business Meeting will be held on Friday, November 15, 2024. The meeting will be held at the Hyatt Regency Monterey Hotel and Spa during SACRS Annual Fall Conference November 12 – 15, 2024.

**Meeting Adjourned 10:55 AM**



### **3. SACRS Treasurer's Report - Receive and File**

Jordan Kaufman, Kern CERA, SACRS Treasurer

- A. July – September 2024 Financials
- B. 2024 – 2025 Annual Budget

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Balance Sheet

As of August 31, 2024

ASSETS

Current Assets

Checking/Savings

1000 · First Foundation Bank-Checking 317,742.72

1001 · BofA Interest Checking 4389 6,646.98

1002 · First Foundation Bank ICS Acct 7,628.75

Total Checking/Savings 332,018.45

Other Current Assets

1100 · CalTrust - Medium Term 309,714.78

1107 · CalTrust Liquidity Fund 9,119.39

1110 · CAMP-SACRS Liquidity Fund 537,576.94

Total Other Current Assets 856,411.11

Total Current Assets 1,188,429.56

**TOTAL ASSETS 1,188,429.56**

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

2201 · First Foundation Master Card 2,337.40

Total Credit Cards 2,337.40

Other Current Liabilities

2150 · Refund Liability 2,670.00

Total Other Current Liabilities 2,670.00

Total Current Liabilities 5,007.40

Total Liabilities 5,007.40

Equity

32000 · Retained Earnings 909,148.98

Net Income 274,273.18

Total Equity 1,183,422.16

**TOTAL LIABILITIES & EQUITY 1,188,429.56**

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss

July through August 2024

Jul - Aug 24

Ordinary Income/Expense

Income

4100 · Membership Dues

4101 · Affiliates	148,500.00
4102 · Non Profit - Organizations	1,500.00
4103 · Non Profit - Systems	1,800.00
4104 · Systems - Medium	32,000.00
4105 · Systems - Large	36,000.00

Total 4100 · Membership Dues 219,800.00

4250 · Product Income

4269 · Product Shipping	25.00
-------------------------	-------

Total 4250 · Product Income 25.00

4270 · UC Berkeley Program

4271 · Registrations	24,500.00
4272 · Sponsorships	13,500.00
4270 · UC Berkeley Program - Other	100.00

Total 4270 · UC Berkeley Program 38,100.00

4300 · Fall Conference Registration

4302 · Affiliates - Regular	118,800.00
4304 · Non Profit	1,050.00
4305 · Systems	7,080.00
4306 · Non-Members	28,800.00
4307 · Fun Run	345.00
4308 · Yoga	225.00
4309 · Spouse	900.00
4310 · Sponsorship	3,500.00

Total 4300 · Fall Conference Registration 160,700.00

4350 · Spring Conference Registration

4353 · Affiliates - Late/Onsite	1,536.00
4355 · Systems	1,230.00
4356 · Non-Members	3,204.00
4357 · Fun Run	15.00
4350 · Spring Conference Registration - Other	175.00

Total 4350 · Spring Conference Registration 6,160.00

4900 · Interest Earned 11,901.53

Total Income 436,686.53

Gross Profit 436,686.53

Expense

5000 · Administrative Fee	37,500.00
5003 · Bank Charges/Credit Card Fees	5,722.64
5010 · Berkeley & Symposium	
5013 · Hotel	24,035.25
5015 · Materials/Printing/Design	712.32
5016 · Travel	831.80

Total 5010 · Berkeley & Symposium 25,579.37

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## Profit & Loss

July through August 2024

	<u>Jul - Aug 24</u>
5030 - CERL	
5031 - Materials/Printing/Design	15,691.00
5032 - Shipping	1,603.37
Total 5030 - CERL	<u>17,294.37</u>
5071 - Legal & Professional Fees	10,840.00
5072 - Legislative Advocacy	6,000.00
6010 - Office Expenses / Supplies	208.23
6011 - Postage & Delivery	682.15
6020 - Spring Conference	
6023 - Entertainment	850.00
6024 - Hotel	
6024.2 - Conference	26,073.79
Total 6024 - Hotel	<u>26,073.79</u>
6025 - Program Material	16,100.00
6027 - Supplies	3,816.00
6028 - Travel	2,410.48
Total 6020 - Spring Conference	<u>49,250.27</u>
6051 - Taxes & Licenses	809.42
6053 - Technology/AMS/Website	8,409.07
6054 - Travel	117.83
Total Expense	<u>162,413.35</u>
Net Ordinary Income	274,273.18
Income	<u><u>274,273.18</u></u>

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## Profit & Loss Budget vs. Actual

July through August 2024

	Jul - Aug 24	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>4100 · Membership Dues</b>				
4101 · Affiliates	148,500.00	375,000.00	-226,500.00	39.6%
4102 · Non Profit - Organizations	1,500.00	3,000.00	-1,500.00	50.0%
4103 · Non Profit - Systems	1,800.00	6,500.00	-4,700.00	27.69%
4104 · Systems - Medium	32,000.00	52,000.00	-20,000.00	61.54%
4105 · Systems - Large	36,000.00	42,000.00	-6,000.00	85.71%
<b>Total 4100 · Membership Dues</b>	<b>219,800.00</b>	<b>478,500.00</b>	<b>-258,700.00</b>	<b>45.94%</b>
<b>4200 · Webinar Symposium Registration</b>				
4202 · Affiliates - Regular	0.00	3,500.00	-3,500.00	0.0%
4204 · Non Profit	0.00	2,500.00	-2,500.00	0.0%
4205 · Systems	0.00	2,500.00	-2,500.00	0.0%
4206 · Non-Members	0.00	4,500.00	-4,500.00	0.0%
<b>Total 4200 · Webinar Symposium Registration</b>	<b>0.00</b>	<b>13,000.00</b>	<b>-13,000.00</b>	<b>0.0%</b>
<b>4250 · Product Income</b>				
4251 · CEREAL	0.00	200.00	-200.00	0.0%
4269 · Product Shipping	25.00	50.00	-25.00	50.0%
<b>Total 4250 · Product Income</b>	<b>25.00</b>	<b>250.00</b>	<b>-225.00</b>	<b>10.0%</b>
<b>4270 · UC Berkeley Program</b>				
4271 · Registrations	24,500.00	165,000.00	-140,500.00	14.85%
4272 · Sponsorships	13,500.00	45,000.00	-31,500.00	30.0%
4273 · Spouse	0.00	1,000.00	-1,000.00	0.0%
4270 · UC Berkeley Program - Other	100.00			
<b>Total 4270 · UC Berkeley Program</b>	<b>38,100.00</b>	<b>211,000.00</b>	<b>-172,900.00</b>	<b>18.06%</b>
<b>4300 · Fall Conference Registration</b>				
4302 · Affiliates - Regular	118,800.00	337,500.00	-218,700.00	35.2%
4303 · Affiliates - Late/Onsite	0.00	37,500.00	-37,500.00	0.0%
4304 · Non Profit	1,050.00	1,500.00	-450.00	70.0%
4305 · Systems	7,080.00	21,000.00	-13,920.00	33.71%
4306 · Non-Members	28,800.00	256,000.00	-227,200.00	11.25%
4307 · Fun Run	345.00	1,500.00	-1,155.00	23.0%
4308 · Yoga	225.00	500.00	-275.00	45.0%
4309 · Spouse	900.00	2,500.00	-1,600.00	36.0%
4310 · Sponsorship	3,500.00	40,000.00	-36,500.00	8.75%
<b>Total 4300 · Fall Conference Registration</b>	<b>160,700.00</b>	<b>698,000.00</b>	<b>-537,300.00</b>	<b>23.02%</b>
<b>4350 · Spring Conference Registration</b>				
4352 · Affiliates - Regular	0.00	337,500.00	-337,500.00	0.0%
4353 · Affiliates - Late/Onsite	1,536.00	37,500.00	-35,964.00	4.1%
4354 · Non Profit	0.00	1,500.00	-1,500.00	0.0%
4355 · Systems	1,230.00	50,750.00	-49,520.00	2.42%
4356 · Non-Members	3,204.00	256,000.00	-252,796.00	1.25%
4357 · Fun Run	15.00	1,500.00	-1,485.00	1.0%
4358 · Yoga	0.00	500.00	-500.00	0.0%



# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## Profit & Loss Budget vs. Actual

July through August 2024

	Jul - Aug 24	Budget	\$ Over Budget	% of Budget
4359 · Spouse	0.00	2,500.00	-2,500.00	0.0%
4360 · Sponsorship	0.00	40,000.00	-40,000.00	0.0%
4350 · Spring Conference Registration - Other	175.00			
<b>Total 4350 · Spring Conference Registration</b>	<b>6,160.00</b>	<b>727,750.00</b>	<b>-721,590.00</b>	<b>0.85%</b>
4900 · Interest Earned	11,901.53	30,000.00	-18,098.47	39.67%
<b>Total Income</b>	<b>436,686.53</b>	<b>2,158,500.00</b>	<b>-1,721,813.47</b>	<b>20.23%</b>
<b>Gross Profit</b>	<b>436,686.53</b>	<b>2,158,500.00</b>	<b>-1,721,813.47</b>	<b>20.23%</b>
<b>Expense</b>				
5000 · Administrative Fee	37,500.00	225,000.00	-187,500.00	16.67%
5001 · Administrative Services	0.00	500.00	-500.00	0.0%
5002 · Awards	0.00	500.00	-500.00	0.0%
5003 · Bank Charges/Credit Card Fees	5,722.64	55,000.00	-49,277.36	10.41%
5010 · Berkeley & Symposium				
5011 · Audio/Visual	0.00	7,000.00	-7,000.00	0.0%
5013 · Hotel	24,035.25	25,000.00	-964.75	96.14%
5014 · Food & Beverage	0.00	20,000.00	-20,000.00	0.0%
5015 · Materials/Printing/Design	712.32	1,500.00	-787.68	47.49%
5016 · Travel	831.80	2,700.00	-1,868.20	30.81%
5017 · UC Berkeley	0.00	252,000.00	-252,000.00	0.0%
<b>Total 5010 · Berkeley &amp; Symposium</b>	<b>25,579.37</b>	<b>308,200.00</b>	<b>-282,620.63</b>	<b>8.3%</b>
5020 · Webinar Symposium				
5022 · Webinar Technology	0.00	25,000.00	-25,000.00	0.0%
<b>Total 5020 · Webinar Symposium</b>	<b>0.00</b>	<b>25,000.00</b>	<b>-25,000.00</b>	<b>0.0%</b>
5030 · CERL				
5031 · Materials/Printing/Design	15,691.00	16,500.00	-809.00	95.1%
5032 · Shipping	1,603.37	1,300.00	303.37	123.34%
<b>Total 5030 · CERL</b>	<b>17,294.37</b>	<b>17,800.00</b>	<b>-505.63</b>	<b>97.16%</b>
5039 · Charitable Contributions	0.00	2,000.00	-2,000.00	0.0%
5040 · Commissions & Fees	0.00	10,000.00	-10,000.00	0.0%
5041 · Consulting	0.00	18,000.00	-18,000.00	0.0%
5042 · Dues & Subscriptions	0.00	3,700.00	-3,700.00	0.0%
5050 · Fall Conference				
5051 · Audio/Visual	0.00	100,000.00	-100,000.00	0.0%
5052 · Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
5053 · Entertainment	0.00	6,500.00	-6,500.00	0.0%
5054 · Hotel				
5054.1 · Wednesday Night Event	0.00	75,000.00	-75,000.00	0.0%
5054.2 · Conference	0.00	50,000.00	-50,000.00	0.0%
5054.3 · Food & Beverage	0.00	250,000.00	-250,000.00	0.0%
<b>Total 5054 · Hotel</b>	<b>0.00</b>	<b>375,000.00</b>	<b>-375,000.00</b>	<b>0.0%</b>
5055 · Program Material	0.00	10,000.00	-10,000.00	0.0%
5056 · Speakers	0.00	50,000.00	-50,000.00	0.0%
5057 · Supplies	0.00	500.00	-500.00	0.0%
5058 · Travel	0.00	15,000.00	-15,000.00	0.0%

# STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

## Profit & Loss Budget vs. Actual

### July through August 2024

	Jul - Aug 24	Budget	\$ Over Budget	% of Budget
Total 5050 · Fall Conference	0.00	559,500.00	-559,500.00	0.0%
5070 · Insurance	0.00	6,200.00	-6,200.00	0.0%
5071 · Legal & Professional Fees	10,840.00	15,000.00	-4,160.00	72.27%
5072 · Legislative Advocacy	6,000.00	54,000.00	-48,000.00	11.11%
5080 · Magazine				
5082 · Design/Printing/Etc.	0.00	3,500.00	-3,500.00	0.0%
5083 · Magazine - Other	0.00	8,000.00	-8,000.00	0.0%
<b>Total 5080 · Magazine</b>	<b>0.00</b>	<b>11,500.00</b>	<b>-11,500.00</b>	<b>0.0%</b>
6000 · Board & Committees				
6001 · Board of Directors				
6001.1 · Food & Beverage	0.00	10,000.00	-10,000.00	0.0%
6001.3 · Travel - BOD Meetings	0.00	8,000.00	-8,000.00	0.0%
6001.4 · Travel - Miscellaneous BOD	0.00	8,000.00	-8,000.00	0.0%
6001.5 · Board Of Directors - Other	0.00	5,000.00	-5,000.00	0.0%
<b>Total 6001 · Board of Directors</b>	<b>0.00</b>	<b>31,000.00</b>	<b>-31,000.00</b>	<b>0.0%</b>
6002 · Legislative Committee Meetings	0.00	350.00	-350.00	0.0%
6003 · Program Committee Meetings	0.00	1,500.00	-1,500.00	0.0%
6006 · Education Committee Meetings	0.00	350.00	-350.00	0.0%
<b>Total 6000 · Board &amp; Committees</b>	<b>0.00</b>	<b>33,200.00</b>	<b>-33,200.00</b>	<b>0.0%</b>
6010 · Office Expenses / Supplies	208.23	2,500.00	-2,291.77	8.33%
6011 · Postage & Delivery	682.15	8,500.00	-7,817.85	8.03%
6020 · Spring Conference				
6021 · Audio/Visual	0.00	100,000.00	-100,000.00	0.0%
6022 · Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
6023 · Entertainment	850.00	6,500.00	-5,650.00	13.08%
6024 · Hotel				
6024.1 · Wednesday Night Event	0.00	75,000.00	-75,000.00	0.0%
6024.2 · Conference	26,073.79	50,000.00	-23,926.21	52.15%
6024.3 · Food & Beverage	0.00	250,000.00	-250,000.00	0.0%
<b>Total 6024 · Hotel</b>	<b>26,073.79</b>	<b>375,000.00</b>	<b>-348,926.21</b>	<b>6.95%</b>
6025 · Program Material	16,100.00	10,000.00	6,100.00	161.0%
6026 · Speakers	0.00	50,000.00	-50,000.00	0.0%
6027 · Supplies	3,816.00	2,000.00	1,816.00	190.8%
6028 · Travel	2,410.48	15,000.00	-12,589.52	16.07%
<b>Total 6020 · Spring Conference</b>	<b>49,250.27</b>	<b>561,000.00</b>	<b>-511,749.73</b>	<b>8.78%</b>
6050 · Strategic Facilitator	0.00	0.00	0.00	0.0%
6051 · Taxes & Licenses	809.42	1,200.00	-390.58	67.45%
6053 · Technology/AMS/Website	8,409.07	42,000.00	-33,590.93	20.02%
6054 · Travel	117.83	1,500.00	-1,382.17	7.86%
<b>Total Expense</b>	<b>162,413.35</b>	<b>1,961,800.00</b>	<b>-1,799,386.65</b>	<b>8.28%</b>
<b>Net Ordinary Income</b>	<b>274,273.18</b>	<b>196,700.00</b>	<b>77,573.18</b>	<b>139.44%</b>
	<b>274,273.18</b>	<b>196,700.00</b>	<b>77,573.18</b>	<b>139.44%</b>

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**

**Profit & Loss by Class**

July through August 2024

	<b>PAST YEAR</b>	<b>GENERAL</b>	<b>FUTURE</b>	<b>TOTAL</b>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>4100 · Membership Dues</b>				
4101 · Affiliates	0.00	148,500.00	0.00	148,500.00
4102 · Non Profit - Organizations	0.00	1,500.00	0.00	1,500.00
4103 · Non Profit - Systems	0.00	1,800.00	0.00	1,800.00
4104 · Systems - Medium	0.00	32,000.00	0.00	32,000.00
4105 · Systems - Large	0.00	36,000.00	0.00	36,000.00
<b>Total 4100 · Membership Dues</b>	<b>0.00</b>	<b>219,800.00</b>	<b>0.00</b>	<b>219,800.00</b>
<b>4250 · Product Income</b>				
4269 · Product Shipping	0.00	25.00	0.00	25.00
<b>Total 4250 · Product Income</b>	<b>0.00</b>	<b>25.00</b>	<b>0.00</b>	<b>25.00</b>
<b>4270 · UC Berkeley Program</b>				
4271 · Registrations	0.00	24,500.00	0.00	24,500.00
4272 · Sponsorships	0.00	13,500.00	0.00	13,500.00
4270 · UC Berkeley Program - Other	0.00	100.00	0.00	100.00
<b>Total 4270 · UC Berkeley Program</b>	<b>0.00</b>	<b>38,100.00</b>	<b>0.00</b>	<b>38,100.00</b>
<b>4300 · Fall Conference Registration</b>				
4302 · Affiliates - Regular	0.00	118,800.00	0.00	118,800.00
4304 · Non Profit	0.00	1,050.00	0.00	1,050.00
4305 · Systems	0.00	7,080.00	0.00	7,080.00
4306 · Non-Members	0.00	28,800.00	0.00	28,800.00
4307 · Fun Run	0.00	345.00	0.00	345.00
4308 · Yoga	0.00	225.00	0.00	225.00
4309 · Spouse	0.00	900.00	0.00	900.00
4310 · Sponsorship	0.00	3,500.00	0.00	3,500.00
<b>Total 4300 · Fall Conference Registration</b>	<b>0.00</b>	<b>160,700.00</b>	<b>0.00</b>	<b>160,700.00</b>
<b>4350 · Spring Conference Registration</b>				
4353 · Affiliates - Late/Onsite	1,536.00	0.00	0.00	1,536.00
4355 · Systems	1,230.00	0.00	0.00	1,230.00
4356 · Non-Members	3,204.00	0.00	0.00	3,204.00
4357 · Fun Run	15.00	0.00	0.00	15.00
4350 · Spring Conference Registration - Other	175.00	0.00	0.00	175.00
<b>Total 4350 · Spring Conference Registration</b>	<b>6,160.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6,160.00</b>
<b>4900 · Interest Earned</b>	<b>0.00</b>	<b>11,901.53</b>	<b>0.00</b>	<b>11,901.53</b>
<b>Total Income</b>	<b>6,160.00</b>	<b>430,526.53</b>	<b>0.00</b>	<b>436,686.53</b>
<b>Gross Profit</b>	<b>6,160.00</b>	<b>430,526.53</b>	<b>0.00</b>	<b>436,686.53</b>
<b>Expense</b>				
<b>5000 · Administrative Fee</b>	<b>0.00</b>	<b>37,500.00</b>	<b>0.00</b>	<b>37,500.00</b>
<b>5003 · Bank Charges/Credit Card Fees</b>	<b>0.00</b>	<b>5,722.64</b>	<b>0.00</b>	<b>5,722.64</b>
<b>5010 · Berkeley &amp; Symposium</b>				
5013 · Hotel	0.00	24,035.25	0.00	24,035.25
5015 · Materials/Printing/Design	0.00	712.32	0.00	712.32
5016 · Travel	0.00	831.80	0.00	831.80
<b>Total 5010 · Berkeley &amp; Symposium</b>	<b>0.00</b>	<b>25,579.37</b>	<b>0.00</b>	<b>25,579.37</b>

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss by Class

July through August 2024

	PAST YEAR	GENERAL	FUTURE	TOTAL
5030 - CERL				
5031 - Materials/Printing/Design	0.00	15,691.00	0.00	15,691.00
5032 - Shipping	0.00	1,603.37	0.00	1,603.37
<b>Total 5030 - CERL</b>	<b>0.00</b>	<b>17,294.37</b>	<b>0.00</b>	<b>17,294.37</b>
5071 - Legal & Professional Fees	4,250.00	6,590.00	0.00	10,840.00
5072 - Legislative Advocacy	6,000.00	0.00	0.00	6,000.00
6010 - Office Expenses / Supplies	0.00	208.23	0.00	208.23
6011 - Postage & Delivery	0.00	682.15	0.00	682.15
6020 - Spring Conference				
6023 - Entertainment	850.00	0.00	0.00	850.00
6024 - Hotel				
6024.2 - Conference	26,073.79	0.00	0.00	26,073.79
<b>Total 6024 - Hotel</b>	<b>26,073.79</b>	<b>0.00</b>	<b>0.00</b>	<b>26,073.79</b>
6025 - Program Material	16,100.00	0.00	0.00	16,100.00
6027 - Supplies	3,816.00	0.00	0.00	3,816.00
6028 - Travel	2,410.48	0.00	0.00	2,410.48
<b>Total 6020 - Spring Conference</b>	<b>49,250.27</b>	<b>0.00</b>	<b>0.00</b>	<b>49,250.27</b>
6051 - Taxes & Licenses	809.42	0.00	0.00	809.42
6053 - Technology/AMS/Website	0.00	8,409.07	0.00	8,409.07
6054 - Travel	0.00	117.83	0.00	117.83
<b>Total Expense</b>	<b>60,309.69</b>	<b>102,103.66</b>	<b>0.00</b>	<b>162,413.35</b>
<b>Net Ordinary Income</b>	<b>-54,149.69</b>	<b>328,422.87</b>	<b>0.00</b>	<b>274,273.18</b>
	<b>-54,149.69</b>	<b>328,422.87</b>	<b>0.00</b>	<b>274,273.18</b>



SACRS 2024-2025 Budget

	<b>Budget</b>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>4100 · Membership Dues</b>	
4101 · Affiliates	375,000.00
4102 · Non Profit - Organizations	3,000.00
4103 · Non Profit - Systems	6,500.00
4104 · Systems - Medium	52,000.00
4105 · Systems - Large	42,000.00
<b>Total 4100 · Membership Dues</b>	<b>478,500.00</b>
<b>4200 · Webinar Symposium Registration</b>	
4202 · Affiliates - Regular	3,500.00
4204 · Non Profit	2,500.00
4205 · Systems	2,500.00
4206 · Non-Members	4,500.00
<b>Total 4200 · Webinar Symposium Registration</b>	<b>13,000.00</b>
<b>4250 · Product Income</b>	
4251 · CERL	200.00
4269 · Product Shipping	50.00
<b>Total 4250 · Product Income</b>	<b>250.00</b>
<b>4270 · UC Berkeley Program</b>	
4271 · Registrations	165,000.00
4272 · Sponsorships	45,000.00
4273 · Spouse	1,000.00
4270 · UC Berkeley Program - Other	
<b>Total 4270 · UC Berkeley Program</b>	<b>211,000.00</b>
<b>4300 · Fall Conference Registration</b>	
4302 · Affiliates - Regular	337,500.00
4303 · Affiliates - Late/Onsite	37,500.00
4304 · Non Profit	1,500.00
4305 · Systems	21,000.00
4306 · Non-Members	256,000.00
4307 · Fun Run	1,500.00
4308 · Yoga	500.00
4309 · Spouse	2,500.00
4310 · Sponsorship	40,000.00
<b>Total 4300 · Fall Conference Registration</b>	<b>698,000.00</b>
<b>4350 · Spring Conference Registration</b>	
4352 · Affiliates - Regular	337,500.00
4353 · Affiliates - Late/Onsite	37,500.00
4354 · Non Profit	1,500.00
4355 · Systems	50,750.00
4356 · Non-Members	256,000.00
4357 · Fun Run	1,500.00
4358 · Yoga	500.00

4359 · Spouse	2,500.00
4360 · Sponsorship	40,000.00
4350 · Spring Conference Registration - Other	
<b>Total 4350 · Spring Conference Registration</b>	<b>727,750.00</b>
4900 · Interest Earned	30,000.00
<b>Total Income</b>	<b>2,158,500.00</b>
<b>Gross Profit</b>	<b>2,158,500.00</b>
<b>Expense</b>	
5000 · Administrative Fee	225,000.00
5001 · Administrative Services	500.00
5002 · Awards	500.00
5003 · Bank Charges/Credit Card Fees	55,000.00
5010 · Berkeley & Symposium	
5011 · Audio/Visual	7,000.00
5013 · Hotel	25,000.00
5014 · Food & Beverage	20,000.00
5015 · Materials/Printing/Design	1,500.00
5016 · Travel	2,700.00
5017 · UC Berkeley	252,000.00
<b>Total 5010 · Berkeley &amp; Symposium</b>	<b>308,200.00</b>
5020 · Webinar Symposium	
5022 · Webinar Technology	25,000.00
<b>Total 5020 · Webinar Symposium</b>	<b>25,000.00</b>
5030 · CERL	
5031 · Materials/Printing/Design	16,500.00
5032 · Shipping	1,300.00
<b>Total 5030 · CERL</b>	<b>17,800.00</b>
5039 · Charitable Contributions	2,000.00
5040 · Commissions & Fees	10,000.00
5041 · Consulting	18,000.00
5042 · Dues & Subscriptions	3,700.00
5050 · Fall Conference	
5051 · Audio/Visual	100,000.00
5052 · Delivery & Shipping	2,500.00
5053 · Entertainment	6,500.00
5054 · Hotel	
5054.1 · Wednesday Night Event	75,000.00
5054.2 · Conference	50,000.00
5054.3 · Food & Beverage	250,000.00
<b>Total 5054 · Hotel</b>	<b>375,000.00</b>
5055 · Program Material	10,000.00
5056 · Speakers	50,000.00
5057 · Supplies	500.00
5058 · Travel	15,000.00
<b>Total 5050 · Fall Conference</b>	<b>559,500.00</b>
5070 · Insurance	6,200.00

5071 · Legal & Professional Fees	15,000.00
5072 · Legislative Advocacy	54,000.00
5080 · Magazine	
5082 · Design/Printing/Etc.	3,500.00
5083 · Magazine - Other	8,000.00
Total 5080 · Magazine	<u>11,500.00</u>
6000 · Board & Committees	
6001 · Board of Directors	
6001.1 · Food & Beverage	10,000.00
6001.3 · Travel - BOD Meetings	8,000.00
6001.4 · Travel - Miscellaneous BOD	8,000.00
6001.5 · Board Of Directors - Other	5,000.00
Total 6001 · Board of Directors	<u>31,000.00</u>
6002 · Legislative Committee Meetings	350.00
6003 · Program Committee Meetings	1,500.00
6006 · Education Committee Meetings	350.00
Total 6000 · Board & Committees	<u>33,200.00</u>
6010 · Office Expenses / Supplies	2,500.00
6011 · Postage & Delivery	8,500.00
6020 · Spring Conference	
6021 · Audio/Visual	100,000.00
6022 · Delivery & Shipping	2,500.00
6023 · Entertainment	6,500.00
6024 · Hotel	
6024.1 · Wednesday Night Event	75,000.00
6024.2 · Conference	50,000.00
6024.3 · Food & Beverage	250,000.00
Total 6024 · Hotel	<u>375,000.00</u>
6025 · Program Material	10,000.00
6026 · Speakers	50,000.00
6027 · Supplies	2,000.00
6028 · Travel	15,000.00
Total 6020 · Spring Conference	<u>561,000.00</u>
6050 · Strategic Facilitator	0.00
6051 · Taxes & Licenses	1,200.00
6053 · Technology/AMS/Website	42,000.00
6054 · Travel	1,500.00
Total Expense	<u>1,961,800.00</u>
Net Ordinary Income	<u>196,700.00</u>
	<u><u>196,700.00</u></u>





**4. SACRS President Report - No Action**

David MacDonald, Contra Costa CERA, SACRS President

A. SACRS President Update

No printed materials for this item



## **5. SACRS Legislative Committee Report - Action Item**

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA

- A. Legislative Committee Report
- B. SACRS Legislative Proposals



TO: State Association of County Retirement Systems  
FROM: Cara Martinson, Public House Consulting  
Laurie Johnson, LJ Consulting & Advocacy  
RE: **Legislative Update – October 2024**

---

## **Capitol Update**

The Governor just met his 30-day deadline to take action on the 990 bills that were sent to his Desk. Overall, he vetoed 183 bills, making his veto rate roughly 18% - which has been about his average. Some of the bills that met his red pen were automatic voter registration, a major AI safety bill, and a bill that would have let undocumented immigrants eligible for home loans. During these last few weeks, the Assembly has convened their 2<sup>nd</sup> Extraordinary Session to consider legislation aimed at easing gas price spikes, including the Governor's proposal that would require oil refineries to maintain a minimum supply of fuel. Although, not thrilled with being stuck at the Capitol, legislators are in full campaign-mode, with almost a third of the Legislature's seats turning over in the 100 legislative districts up for election.

## **SACRS is tracking the following bills:**

- **SB 1189 (Limon)** – This bill authorizes the Ventura County Employees' Retirement Association to appoint a Chief Technology Officer. Status: This bill was signed by the Governor on 7/15
- **SB 1379 (Dodd)** – This bill creates an exception to PEPRA from the 960-hour limitation on retired public employees working after retirement for hours worked in an appointment by Solano County Sheriff's Office. Status: This bill was signed by the Governor on 9/29.
- **AB 2284 (Grayson)** – The bill amends the definition of "compensation earnable" to define a work classification "grade" to mean a number of employees considered together because they share similarities in job duties, schedules, unit recruitment requirements, work location, collective bargaining unit, or other logical work-related grouping. The bill was amended on 6/27 to include a provision that requires the Board of Supervisors to pass a resolution to allow for the language to become operational within the jurisdiction. The SACRS Board met on July 18<sup>th</sup> and took an Oppose position. Status: This bill was signed by the Governor on 9/28.



- **AB 2301 (Nguyen)** – This bill, the Sacramento Area Sewer District Pension Protection Act of 2024, provides for the continuation of benefits and pension obligations for employees transferring from the County of Sacramento to the Sacramento Area Sewer District. Status: This bill was signed by the Governor on 7/2.
- **AB 2474 (Lackey)** – This is a SACRS-sponsored bill and was amended in Committee to allow LACERA-only to deposit retirement allowances into prepaid accounts until January 1, 2028, as a pilot program. The bill also provides clarity regarding the ability of a system to deposit pension payments in a member’s living trust bank account. The bill also clarifies potential consequences when a retiree exceeds the 960-hour post-retirement employment limit and provides systems with administrative flexibility on that matter. This bill was signed by the Governor on 7/15.
- **AB 2770 (Committee on Public Employment and Retirement)** – This is the annual housekeeping bill that includes various technical amendments for CalPERS, CalSTRS, and ’37 Act systems. SACRS is a co-sponsor of the bill. The bill removes the “return receipt” requirements as part of current procedures in statute that systems must follow to locate members and beneficiaries. The bill also conforms the sunset date of January 1, 2025, to the Labor Code for the recently added disability presumption for post-traumatic stress disorder. Status: This bill was signed by the Governor on 7/15.
- **AB 3025 (Valencia)** – This bill creates a framework for making benefit corrections and contribution refunds when disallowed compensation is inadvertently included in pension calculations. This bill includes a penalty to be paid by the employer to the member if compensation is later determined to be disallowed. The bill also includes language that is intended to protect a system’s *Alameda* correction process currently underway. The SACRS Legislative Committee is working with the bill’s author and sponsor to ensure ’37 Act systems can properly implement the bill, consistent with IRS regulations. The bill was amended on 6/27 to expressly state that confidential information is not subject to the California Public Records Act. The author has also agreed to accept one last amendment that clarifies “Initiated a process” to mean a system has formally adopted a resolution “*or made an administrative determination*”.



Status: The bill was signed by the Governor on 9/22.

SACRS is also monitoring the following bills that do not impact the '37 Act systems but are of interest:

- **SB 252 (Gonzalez)** – This bill prohibits CalPERS and CalSTRS from making new investments in a fossil fuel company and requires those systems to divest from fossil fuel companies by July 1, 2031, unless the board determines in good faith that the action is inconsistent with the board's fiduciary responsibilities. Status: Dead. This bill was not taken up by the Assembly Public Employment and Retirement Committee.
- **AB 817 (Pacheco)** -. The bill would have provided flexibility for local government agencies to conduct remote meetings under Open Meeting laws. Specifically, this bill would have allowed a subsidiary body of a local agency to teleconference their meetings without having to publicly notice or make all locations publicly available. Status: Dead. This bill did not pass out of the Senate Local Government Committee.
- **SB 1240 (Alvarado-Gil)** – This bill provides for the continuation of pension benefits for employees of El Dorado County Fire Protection District and the Diamond Springs Fire Protection District under a new consolidated district. Status: This bill was signed by the Governor on 9/28.
- **AB 2715 (Boerner)** – This bill allows a legislative body to discuss a threat to critical infrastructure controls or critical infrastructure information relating to cyber security during a closed session. Status: This bill was signed by the Governor on 9/14.





August 16, 2024

RE: SACRS Legislative Proposals 2025

Dear SACRS Board of Directors,

The SACRS Legislative Committee has developed a legislative package for consideration in the upcoming 2025 legislative session. These proposals reflect the input of SACRS member systems and are intended to provide technical and administrative clarity to various sections of the County Employees Retirement Law of 1937 (CERL).

The following proposed amendments to the CERL correct drafting omissions following the implementation of PEPRA in 2013:

- Three-Year Final Compensation (Government Code Section 31462.05): This amendment clarifies how the three-year final compensation period is calculated when a member has less than 36 months of service, consistent with similar sections of law.
- Safety Designation (Government Code Section 31470.14): This amendment clarifies that service for miscellaneous positions that are converted to safety positions after January 1, 2013, cannot be retroactively enhanced.

We thank the Legislative Committee for reviewing these proposals and engaging in a collaborative, deliberative process to achieve consensus on issues. These amendments represent process improvements that will provide administrative efficiencies to retirement systems and members.

Respectfully,

/s/

David Nelsen and Eric Stern  
Co-Chairs, Legislative Committee

ATTACHMENT

- SACRS 2025 Legislative Proposal – Draft Language

**SACRS 2025 Legislative Proposal**  
**DRAFT LANGUAGE**  
As of August 16, 2024

31462.05.

(a) For a member who is subject to the California Public Employees' Pension Reform Act of 2013 (Article 4 (commencing with Section 7522) of Chapter 21 of Division 7 of Title 1) for all or any portion of their membership in the county retirement system, "final compensation" as defined in Section 7522.32 shall apply. The computation for any absence shall be based on the pensionable compensation of the position held by the member at the beginning of the absence.

(b) If a member has less than three years of service, that member's final compensation shall be determined by dividing the total pensionable compensation by the number of months of service credited to the member and multiplying by 12.

~~(c) When determining final compensation for a member who does not have three consecutive years of earned pensionable compensation due to an absence, the compensation for any absence shall be based on the pensionable compensation of the position held by the member immediately prior to the absence.~~

31470.14.

(a) Local prosecutors, local public defenders, and local public defender investigators are eligible.

(b) Except as provided in subdivision (c) and notwithstanding Sections 31639.7 and 31639.75, past service as a general member shall be converted to safety service if the past service was rendered in a position that has subsequently been reclassified as a safety position pursuant to this section before January 1, 2013. On or after January 1, 2013, any enhancement to safety service shall be subject to Section 7522.44. For local prosecutors, as described in paragraph (2) of subdivision (a) of Section 31469.2, service in the office of a district attorney and a local child support agency shall be considered service for the district attorney for purposes of this section.

(c) Notwithstanding any other provision of this chapter, within 90 days after this section becomes operative in the county, or on the first day of the calendar month following his or her entrance into service, whichever is later, a local prosecutor, local public defender, or local public defender investigator may file a written election not to become a local safety member pursuant to this section.



(d) Notwithstanding any other provision of this chapter, local prosecutors, local public defenders, and local public defender investigators shall be subject to the benefit formula contained in Section 31664 or 31664.2, or any other benefit formula applicable to safety members that does not provide benefits greater than those benefits provided under Section 31664.2, as designated in the resolution described in subdivision (e). A local prosecutor, local public defender, or local public defender investigator shall not be deemed to be a county peace officer, as defined in Section 31469.1, for any purpose under this chapter.

(e) This section shall not be operative in a county unless and until the board of supervisors, by resolution adopted by majority vote, makes this section operative in the county. A resolution to make this section operative in the county shall include all local prosecutors, local public defenders, and local public defender investigators described in Section 31469.2.

(f) A provision in a memorandum of understanding that an employer is not obligated to meet and confer regarding wages, hours, or conditions of employment during the term of the memorandum shall not be construed to preclude meetings regarding the provisions of this section between an employer and local prosecutors, local public defenders, and local public defender investigators prior to the expiration of the term of the memorandum of understanding.

(g) This section does not apply to any person described in Section 31469.2 who dies prior to the date this section becomes applicable in the county.



**6. SACRS Nomination Committee Report – Information Only**

Vivian Gray, Los Angeles CERA, SACRS Nomination Committee Chair

A. SACRS Board of Directors Elections 2025-2026



September 12, 2024

To: SACRS Trustees & SACRS Administrators/CEO's  
 From: Vivian Gray, SACRS Immediate Past President, Nominating Committee Chair  
 SACRS Nominating Committee  
 Re: SACRS Board of Director Elections 2025-2026 - Elections Notice

SACRS BOD 2025-2026 election process will begin January 1, 2025. Please provide this election notice to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2025	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.
March 25, 2025	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 10, 2025	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 10, 2025	Board of Directors take office for 1 year

**Per SACRS Bylaws, Article VIII, Section 1. Board of Director and Section 2. Elections of Directors:**

**Section 1. Board of Directors. The Board shall consist of the officers of SACRS as described in Article VI, Section 1, the immediate Past President, and two (2) regular members**

**A. Immediate Past President.** *The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate Past President is unable to serve on the Board, the most recent Past President who qualifies shall serve as a member of the Board.*

**B. Two (2) Regular Members.** *Two (2) regular members shall also be members of the Board with full voting rights.*

**Section 2. Elections of Directors.** *Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.*

*The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25. The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of*



*SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.*

*Director elections shall take place during the first regular meeting of each calendar year. The election shall be conducted by an open roll call vote, and shall conform to Article V, Sections 6 and 7 of these Bylaws.*

*Newly elected Directors shall assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer shall co-serve with the newly elected Treasurer through the completion of the current fiscal year.*

The elections will be held at the SACRS Spring Conference May 13-16, 2025. Elections will be held during the Annual Business meeting on Friday, May 16, at the Omni Rancho Las Palmas, Rancho Mirage.

If you have any questions, please contact Vivian Gray at [vgray@lacara.com](mailto:vgray@lacara.com).

Thank you for your prompt attention to this timely matter.

Sincerely,

*Vivian Gray*

Vivian Gray, Trustee, Los Angeles CERA and SACRS Nominating Committee Chair

CC: SACRS Board of Directors  
SACRS Nominating Committee Members  
Sulema H. Peterson, SACRS Executive Director

## SACRS Nomination Submission Form



### SACRS Board of Directors Elections 2025-2026

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2025.** Please submit to the Nominating Committee Chair at [vgray@lacera.com](mailto:vgray@lacera.com) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

<b>Name of Candidate</b>	Name:
<b>Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)</b>	Mailing Address:  Email Address:  Phone:
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name:
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> <b>General Elected</b> <input type="radio"/> Retiree <input type="radio"/> Other _____
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<input type="radio"/> President <input type="radio"/> <b>Vice President</b> <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
<b>Brief Bio in Paragraph Format (CV format and screenshot photos will not be accepted)</b>	



**7. SACRS Audit Committee Report – No Action**

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS Audit Update

No printed materials for this item



**8. SACRS Education Committee Report – No Action**

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

A. Education Committee Report

No printed materials for this item



**9. SACRS Program Committee Report – No Action**

Adele Tagaloa, Orange CERS, SACRS Program Committee Chair

A. Program Committee Report

No printed materials for this item





**10. SACRS Affiliate Committee Report – No Action**

Sean Gannon, Manulife Investment Mgt, SACRS Affiliate Committee Chair

A. Affiliate Committee Report

No printed materials for this item



**11. SACRS Bylaws Committee Report – No Action**

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

A. Bylaws Committee Report

No printed materials for this item



## **12. SACRS Spring Conference Breakout Reports – No Action**

A representative from each breakout will give a verbal report on their meetings. No printed materials for this item.

- A. Administrators
- B. Affiliates
- C. Attorneys
- D. Disability/ Operations & Benefits Combo
- E. Internal Auditors
- F. Investment Officers
- G. Safety Trustees
- H. General Trustees



### **13. Adjournment**

Next scheduled SACRS Business Meeting will be held on Friday, May 16, 2025. The meeting will be held at the Omni Rancho Las Palmas during SACRS Annual Spring Conference May 13 – 16, 2025.

No printed materials for this item



## SACRS VOTING PROXY FORM

The following are authorized by the San Joaquin County Retirement Board to vote on behalf of the County Retirement System at the upcoming SACRS Conference.

*(if you have more than one alternate, please attach the list of alternates in priority order):*

Board Chair  
Board Vice Chair  
Board Secretary  
SJCERA Chief Executive  
Remaining Trustees by seat order  
Alternate Trustees by seat order  
SJCERA Assistant Chief Executive  
Retirement Investment Officer  
Counsel

This delegation order was approved by the Retirement Board on 11/08/2024. SJCERA will provide an attachment identifying the current incumbent in each position.

***This Voting Proxy supersedes that approved by the Retirement Board on 04/12/2024 and is to remain in effect until superseded or revoked.***

The person authorized to fill out this form on behalf of the Retirement Board:

Signature: \_\_\_\_\_

Print Name: Renee Ostrander

Position: Clerk of the Board

Date: November 08, 2024

Please send your system's voting proxy by November 11, 2024, to Sulema H. Peterson, SACRS Administrator at [Sulema@sacrs.org](mailto:Sulema@sacrs.org).



## SACRS VOTING PROXY FORM Identifying List

Board Chair	Incumbent: Micheal Restuccia
Board Vice Chair	Incumbent: Micheal Duffy
Board Secretary	Incumbent: Raymond McCray
SJCERA Chief Executive	Incumbent: Renee Ostrander
Trustee Seat 1 Ex-Officio	Incumbent: Phonxay Keokham
Trustee Seat 2	Incumbent: Emily Nicholas
Trustee Seat 3	Incumbent: Sam Kaisch
Trustee Seat 6	Incumbent: Steve Ding
Trustee Seat 7	Incumbent: Chanda Bassett
Trustee Seat 8	Incumbent: JC Weydert
Alternate Trustee Seat 8	Incumbent: Steve Moore
SJCERA Assistant Chief Executive	Incumbent: Brian McKelvey
Retirement Investment Officer	Incumbent: Vacant
Counsel	Incumbent: Aaron Zaheen

Effective: 11/8/2024

# Sculptor Real Estate Fund V

Presentation to: San Joaquin County Employees' Retirement Association

November 2024

## Important Notice

This material is provided to you for informational purposes only and solely in response to a specific request from the San Joaquin County Employees' Retirement Association ("San Joaquin CERA") Board of Trustees to Sculptor Real Estate Advisors LP ("Sculptor Real Estate" or "SRE") for San Joaquin CERA's consideration of a prospective investment in Sculptor Real Estate Fund V (the "Fund" or "SRE Fund V"). The information contained in this document is presented to inform decisions to use as an investment adviser. This is neither an offer to sell nor a solicitation of any offer to buy any securities in any fund managed by Sculptor Capital Management, Inc. or Sculptor Capital LP, and its affiliates (collectively, "Sculptor Capital Management," the "Firm," "Sculptor," "Sculptor Capital," or the "Company" ).

This Financial Promotion has been issued or approved for distribution in the United Kingdom by Sculptor Capital Management Europe Limited, a member of the Company. Sculptor Capital Management Europe Limited is authorised and regulated by the Financial Conduct Authority (Registration No. 190662). Any offering is made only pursuant to the relevant offering documents and the relevant subscription application (collectively, the "Offering Documents"), all of which must be read in their entirety. The information contained herein will be superseded by, and is qualified in its entirety by reference to, the Offering Documents, which will contain information about the investment objectives, terms and conditions of the relevant investment fund and will also contain tax information and risk disclosures that are important to any investment decision regarding the Fund. Any investment decision in connection with the Fund should be based on information contained in the Offering Documents. No offer or purchase of securities will be made or accepted prior to the receipt by the offeree of the Offering Documents and the completion of the appropriate documentation and is only available to investors who meet certain legal requirements. No securities commission or regulatory authority in the United States or in any other country has in any way passed upon the merits of an investment in the Fund or the accuracy or adequacy of the information or material contained herein or otherwise. This information is not, and under no circumstances is to be construed as, a prospectus, a public offering, or an offering memorandum as defined under applicable securities legislation. Notwithstanding anything to the contrary herein, each investor (and each employee, representative, or other agent of each such investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of (i) the Fund and (ii) any of its transactions, and all materials of any kind (including opinions or other tax analyses) that are provided to the investor relating to such tax treatment and tax structure. Certain figures and calculations contained herein were internally generated by Sculptor Capital LP based on estimated data and analysis. These figures and calculations have not been audited or otherwise confirmed by a third party.

While private equity funds offer investors the potential for attractive returns and diversification, they pose greater risks than more traditional investments. Investors may lose all or a substantial portion of their investment. Investors should consider the risks inherent with investing in private equity funds, which include, but are not limited to, leveraged and speculative investments, limited liquidity, higher fees and expenses and complex tax structures. Accordingly, such investment products are not suitable for all investors. The Fund is not subject to the same or similar regulatory requirements as mutual funds or other more regulated collective investment vehicles. Sculptor Real Estate Tax Advantaged Credit Fund ("STAC") and Sculptor RS Investment Opportunity ("SRS") (collectively "Tax Advantaged Credit Funds"), Sculptor Real Estate Fund I ("SRE Fund I" or "Fund I"), Sculptor Real Estate Fund II ("SRE Fund II" or "Fund II"), Sculptor Real Estate Fund III ("SRE Fund III" or "Fund III"), Sculptor Real Estate Fund IV ("SRE Fund IV" or "Fund IV"), Sculptor Real Estate Fund V ("SRE Fund V" or "Fund V"), Sculptor Real Estate Credit Fund I ("SREC I" or "SRE Credit Fund I") and Sculptor Real Estate Credit Fund II ("SREC II" or "SRE Credit Fund II") are the funds referenced herein and are advised by Sculptor Real Estate Advisors LP ("Sculptor Real Estate" or "SRE").

Internal Rates of Returns ("IRRs") represent estimated unaudited, annualized, pre-tax, compounded returns and are calculated on the basis of actual timing of the cash inflows and outflows with respect to each individual investment. Cash-on-cash yield represent operating income as a percentage of the equity investment. Returns are stated in U.S. Dollars and may increase or decrease as a result of currency fluctuations - please refer to 'Disclosure and Performance Footnotes Overview' for additional important disclosures.

Some of the information contained herein has been obtained from third party sources. The Company has relied on the accuracy of such information and has not independently verified its accuracy. The Company makes no representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein. Certain economic and market conditions contained herein has been obtained from published sources and/or prepared by third-parties and in certain cases has not been updated through the date hereof. All information contained herein is subject to revision and the information set forth herein does not purport to be complete.

Investors' capital is at risk. The tax treatment of any investment will depend on the individual circumstances of each investor and may be subject to change in the future.

All performance information contained herein reflects past performance and is presented on the total return basis at the Fund level. In considering any performance data contained herein, the recipient should bear in mind that past, projected, or targeted performance is not indicative of future results and there can be no assurance that the Fund will achieve comparable results or that targets will be met. The recipient should also bear in mind that past or targeted investment characteristics may not be indicative of future investment characteristics and there can be no assurance that the Fund will have comparable investment characteristics or that target investment characteristics will be achieved. There can be no assurance that a Fund's investment objectives will be achieved and investment results may vary substantially over time. Investment in a Fund is not intended to be a complete investment program for any investor.

Please note that effective November 17, 2023, Sculptor Capital Management, Inc. ("SCU") was acquired by Rithm Capital Corp. (NYSE: RITM), and SCU's common stock was de-listed from the New York Stock Exchange. SCU's historical SEC filings are available here: <https://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0001403256>.

## Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this herein constitutes "forward-looking statements" that can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "project," "estimate," "intend," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of any Firm investment may differ materially from those reflected or contemplated in such forward-looking statements.



# Table of Contents

- 01** Overview
- 02** Investment Strategy
- 03** Investment Landscape
- 04** Disclosure and Performance Footnotes Overview

# Firm Overview

A leading global alternative asset manager and a specialist in opportunistic investing.

AUM <b>\$34.9B</b>		CREDIT <b>\$19.7B<sup>1,A</sup></b>	REAL ESTATE <b>\$7.0B<sup>1</sup></b>	MULTI-STRATEGY <b>\$8.3B<sup>1</sup></b>
Employees worldwide	310	Corporate Credit	Opportunistic Equity	Corporate Credit
Investment professionals <sup>2</sup>	103	Asset Based Finance	Opportunistic Credit	Asset Based Finance
Founded	1994	Real Estate Credit	Stabilized Core Plus	Convertibles and Derivatives
Global offices	4	Bank Loans		Merger Arbitrage
		Structured Solutions		Fundamental Equities

As of September 2024, unless otherwise noted. Sculptor may determine that the characteristics of a particular investment (i.e., risk, exposure, asset classes, or other characteristics) are best represented by more than one strategy. In these situations, an investment may be divided into more than one strategy for purposes of this presentation. Information is estimated based on unaudited data. Numbers are subject to rounding.

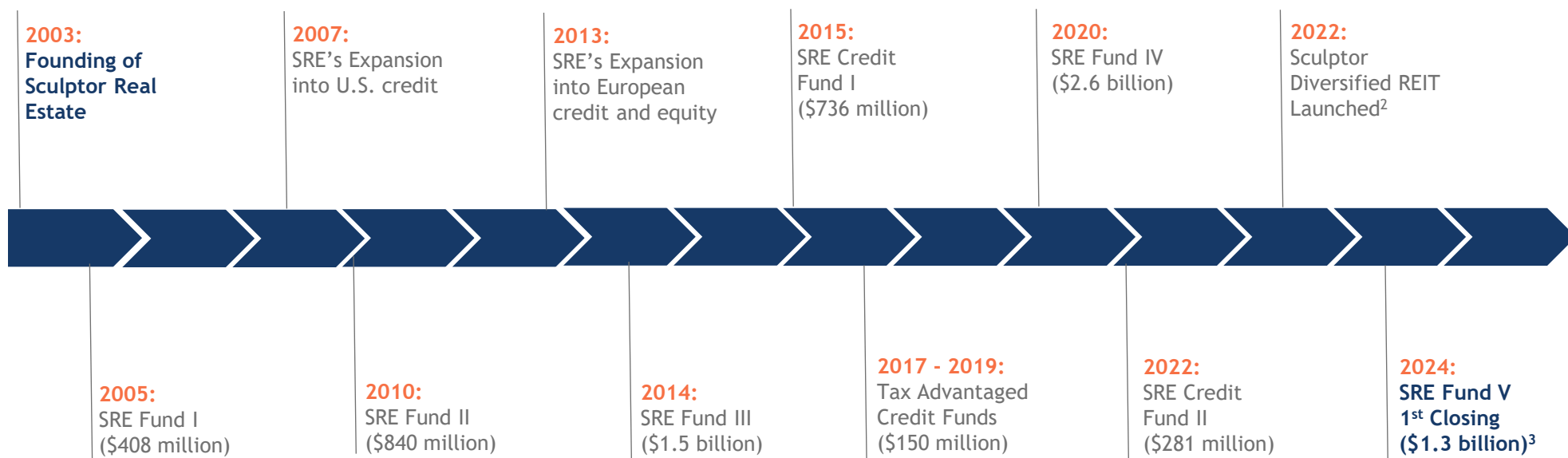
1. AUM information represents assets under management of Sculptor Capital LP and its affiliates invested in each of the strategies shown as of September 1, 2024. The AUM information includes combined assets invested through multi-strategy funds and accounts, which engage in more than one of the strategies shown, assets invested through funds or accounts dedicated to a single strategy and CLOs. Strategy allocations of multi-strategy funds and accounts change over time and there can be no assurance that the information shown will not change materially. Strategy allocations of an actual account may differ materially from those shown above.

2. Includes Portfolio Finance and Risk Management professionals.

(A) Effective May 2024, Sculptor changed the name of its existing Structured Credit investment strategy to Asset Based Finance.

# Platform Overview and Growth

- Founded in 2003, Sculptor Real Estate seeks value-based, situationally-opportunistic real estate and real estate-related investments throughout the capital structure.
- Sculptor Real Estate has over 20 years of experience investing both in North America and Europe, across traditional and non-traditional asset classes and along the debt / equity spectrum.
- Sculptor Real Estate has a team of 39 dedicated real estate professionals located in New York and London.<sup>1</sup>
- Since its founding in 2003, Sculptor Real Estate has raised \$9.9 billion in investor capital.



Source: Sculptor, unless otherwise noted. Information herein reflects Sculptor's views and is stated as of October 1, 2024. Certain vehicles raised by Sculptor Real Estate may be excluded from the above timeline based on a variety of factors (e.g., size/commitment amounts, materiality). Additional information on any SRE vehicles that were excluded from this timeline will be provided upon request. The commitment amounts presented above are inclusive of all participating Sculptor and Sculptor Real Estate vehicles.

1. As of October 2024.

2. Sculptor REIT issued Class F Shares on December 22, 2022 to an institutional investor. Subsequently in March 2023 the private offering launched.

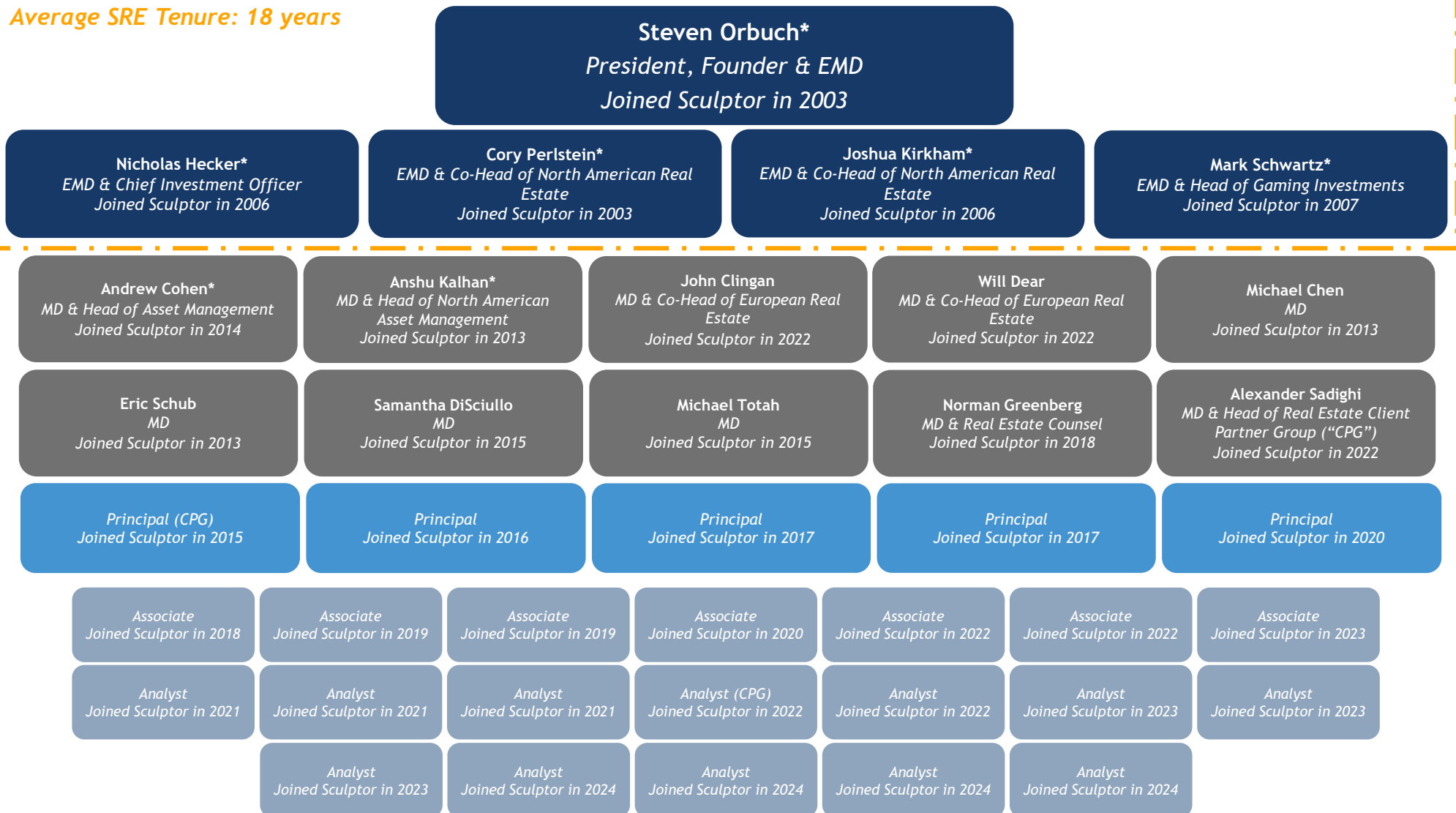
3. The initial Fund closing is not indicative of any future Fund closings, and there can be no assurance that subsequent Fund closings will equal the initial Fund closing, or that the total final Fund closing amount will equal the \$3 billion Targeted Fund Size.

## SCULPTOR REAL ESTATE OVERVIEW

# Team Overview

- Sculptor Real Estate’s senior team has been working closely together since its first fund in 2005, enhancing consistency in sourcing, underwriting, structuring, diligence, and, most importantly, returns.
- Sculptor Real Estate believes that the combination of focused staffing along with a strategy of investing in a breadth of asset classes provides quality training and opportunity, which has allowed Sculptor Real Estate to attract and retain talent.

*Average SRE Tenure: 18 years*



\* Indicates a current member of the Fund V Investment Committee.

Source: Sculptor, unless otherwise noted. Information herein reflects Sculptor's views and is stated as of September 2024. The SRE investment professionals included above are current as of the date hereof, and the level of involvement of each of the professionals described herein with respect to SRE may change after the date hereof. There is no assurance that any particular individual will be involved in the management of portfolio investments for any given period of time, if at all. EMD and MD are Executive Managing Director and Managing Director, respectively.

# Table of Contents

- 01 Overview
- 02 Investment Strategy
- 03 Investment Landscape
- 04 Disclosure and Performance Footnotes Overview

## SCULPTOR REAL ESTATE OVERVIEW

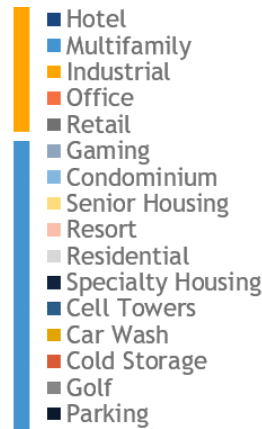
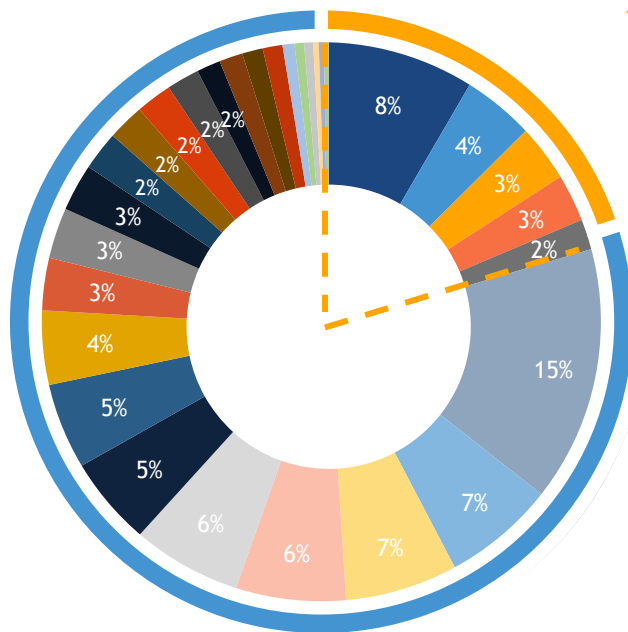
# Broad and Differentiated Investment Mandate

- Sculptor Real Estate adopts a broader investment mandate than most fund managers, which it believes has allowed it to construct more diversified and differentiated portfolios.
- As of June 30, 2024, Sculptor Real Estate has completed over 200 investments across 30 different real estate asset classes, representing over \$23.5 billion of total enterprise value.
- Sculptor Real Estate has invested 80% of its capital in non-traditional asset classes and 20% in traditional asset classes.<sup>1</sup>

### SCULPTOR REAL ESTATE HISTORIC ALLOCATIONS

**Non-Traditional**  
80%

**Traditional**  
20%



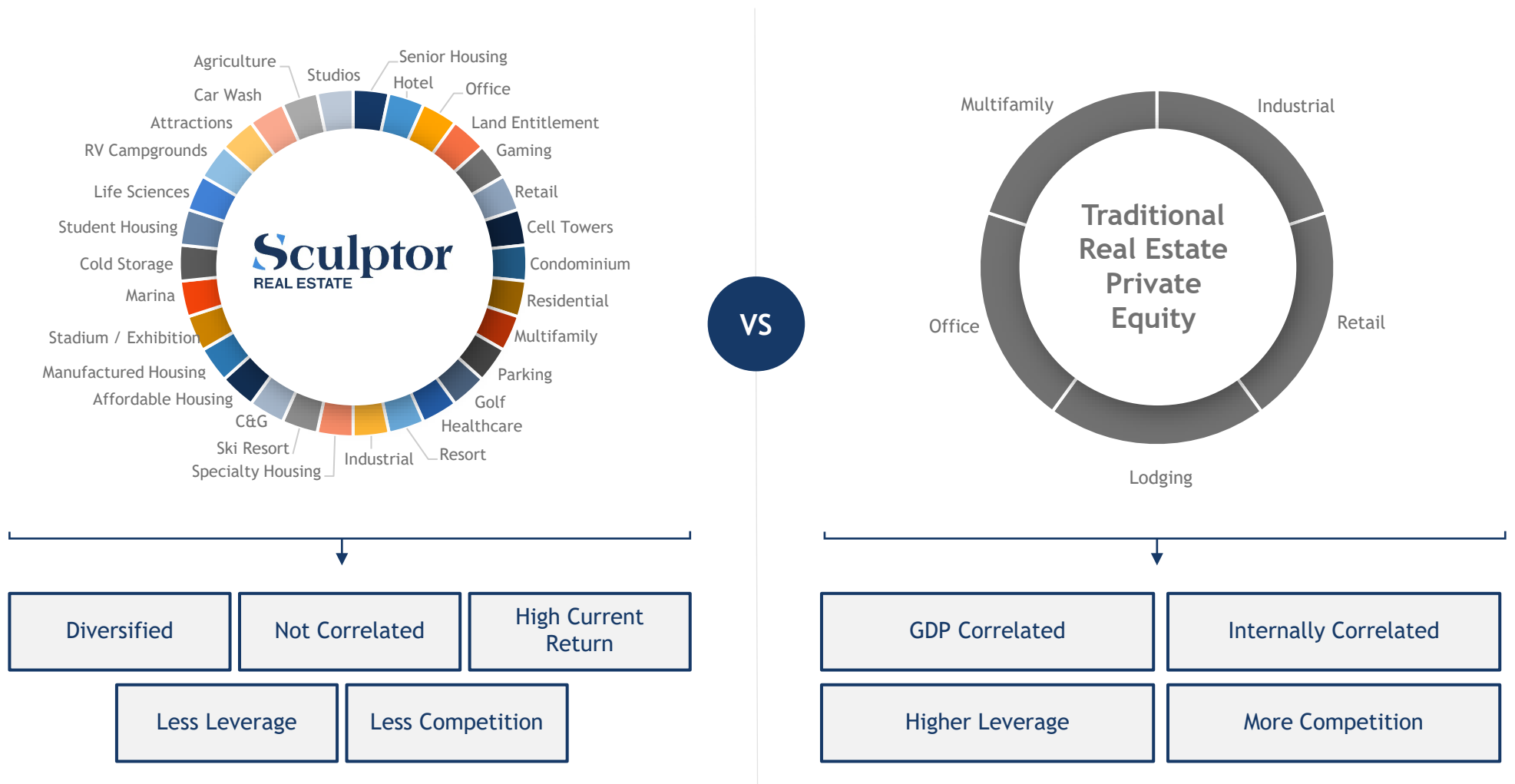
Source: Sculptor as of June 30, 2024, unless otherwise noted.

The information on this slide is provided for illustrative purposes only. There can be no assurance that Sculptor Real Estate will be able to identify or acquire investments in any particular asset classes or in any particular concentration or ratio. Actual allocation of assets may vary significantly from the Sculptor Real Estate Historic Allocations presented, and will depend on Sculptor Real Estate's evaluation of available investment opportunities. Effective June 30, 2023, Sculptor amended the presentation of the historical asset class classification of select investments as follows: all investments that were previously classified as "Debt" have been re-classified to reflect the relevant asset class of the underlying collateral. Sculptor also re-classified certain investments from "Hotel" to "Resort", depending on the underlying investment characteristics. Lastly, a "Residential" investment was re-classified to "Condominium". Please refer to endnote 1 in *Sculptor Real Estate General Endnotes* for additional information.

1. Traditional asset classes include hotel, multifamily, industrial, office, and retail. Non-traditional asset classes include all others.

# Casting a Wider Net to Uncover Opportunity

With Sculptor Real Estate’s broad experience and flexible approach, Sculptor Real Estate is able to target opportunities across 30 asset classes and structures. Unlike strategies that focus on a single-asset class or even several GDP correlated asset classes (e.g., multifamily, industrial, office), Sculptor Real Estate can cast a wider net across a variety of non-traditional and traditional asset classes to find the best risk-adjusted returns at any point in a cycle.



# Growth Through Diversification

- Sculptor Real Estate has significant experience and capabilities in non-traditional asset classes, where it believes it has a distinct competitive advantage.
- Since inception, Sculptor Real Estate has methodically and systematically expanded into new real estate-related asset classes, allowing it to construct more diversified portfolios as well as provide what Sculptor Real Estate believes to be differentiated real estate exposures relative to other managers.

## ASSET CLASS DIVERSIFICATION

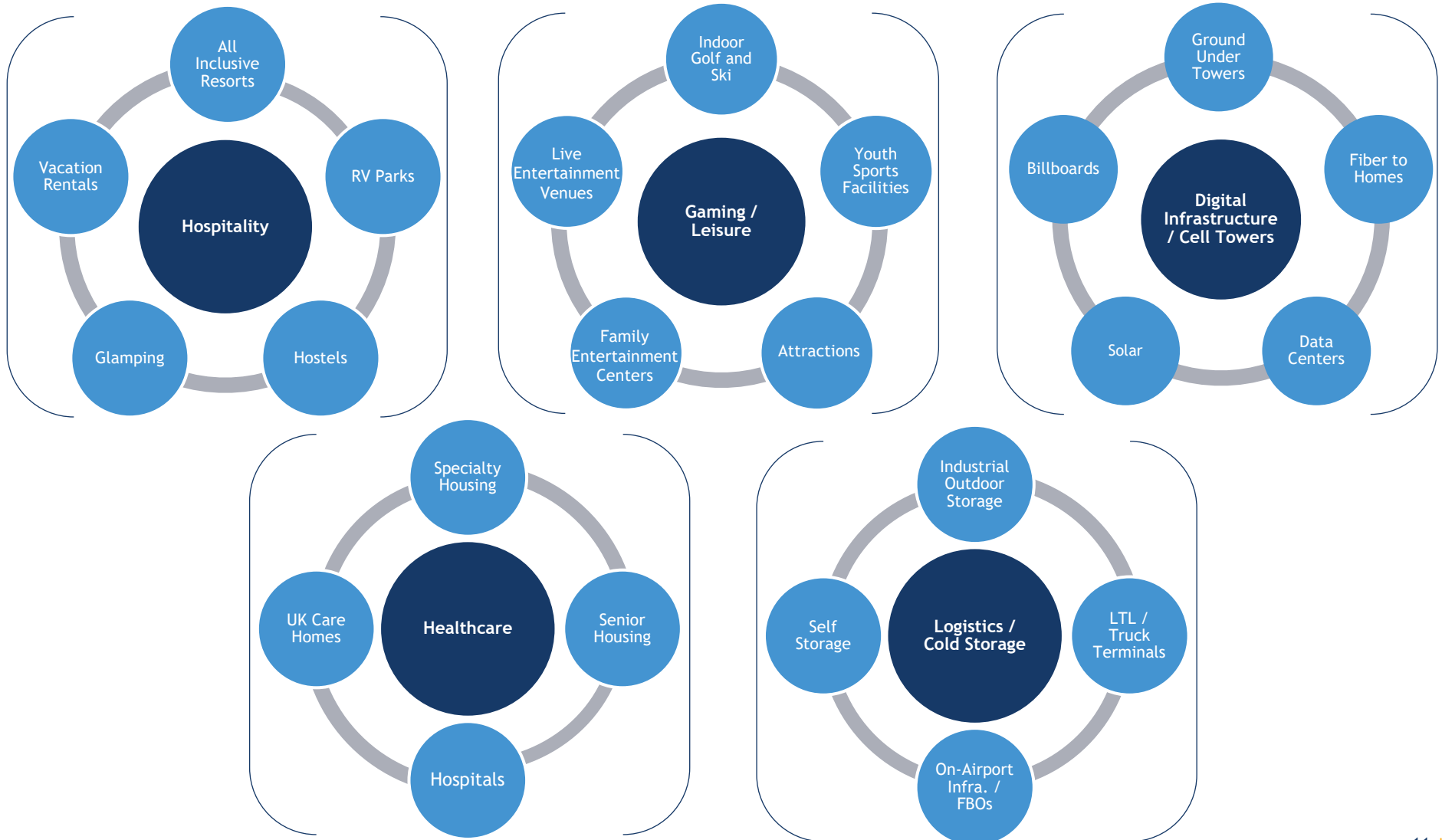
Asset classes in which SRE has invested	'04	'05	'06	'07	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19	'20	'21	'22	'23	'24	
Senior Housing																						
Hotel																						
Office																						
Land Entitlement																						
Gaming																						
Retail																						
Cell Towers																						
Condominium																						
Residential																						
Multifamily																						
Parking																						
Golf																						
Healthcare																						
Resort																						
Industrial																						
Specialty Housing																						
Ski Resort																						
Convenience Stores and Gas Stations																						
Affordable Housing																						
Manufactured Housing																						
Stadium / Exhibition																						
Marina																						
Cold Storage																						
Student Housing																						
Life Sciences																						
RV Campgrounds																						
Attractions																						
Car Wash																						
Agriculture																						
Studios																						

The information on this slide is provided for illustrative purposes only and is as of June 30, 2024, unless otherwise noted. Certain statements made herein reflect the subjective views and opinions of SRE and its personnel. Such statements cannot be independently verified and are subject to change. There can be no assurance that SRE will be able to identify or acquire investments in any particular asset classes or in any particular concentration or ratio. Actual allocation of assets may vary significantly from the SRE Historic Allocations presented, and will depend on SRE's evaluation of available investment opportunities. Effective June 30, 2023, Sculptor amended the presentation of the historical asset class classification of select investments as follows: all investments that were previously classified as "Debt" have been re-classified to reflect the relevant asset class of the underlying collateral. Sculptor also re-classified certain investments from "Hotel" to "Resort", depending on the underlying investment characteristics. Lastly, a "Residential" investment was re-classified to "Condominium". Please refer to endnote 1 in *Sculptor Real Estate General Endnotes* for additional information.



# Non-Traditional Asset Classes

- In addition to the 30 asset classes<sup>1</sup> that Sculptor Real Estate has invested in, Sculptor Real Estate’s team is focused on finding attractive risk-adjusted returns in new asset classes that share certain common characteristics, including: (i) less correlation to GDP, (ii) significant barriers to entry, (iii) higher current cash returns, and (iv) less efficient capital markets.
- To facilitate this growth, Sculptor Real Estate has specifically focused on developing new investment themes that are tangentially related to sectors where Sculptor Real Estate believes it has existing investment and operating expertise, mitigating risk in the sourcing, underwriting and execution processes.

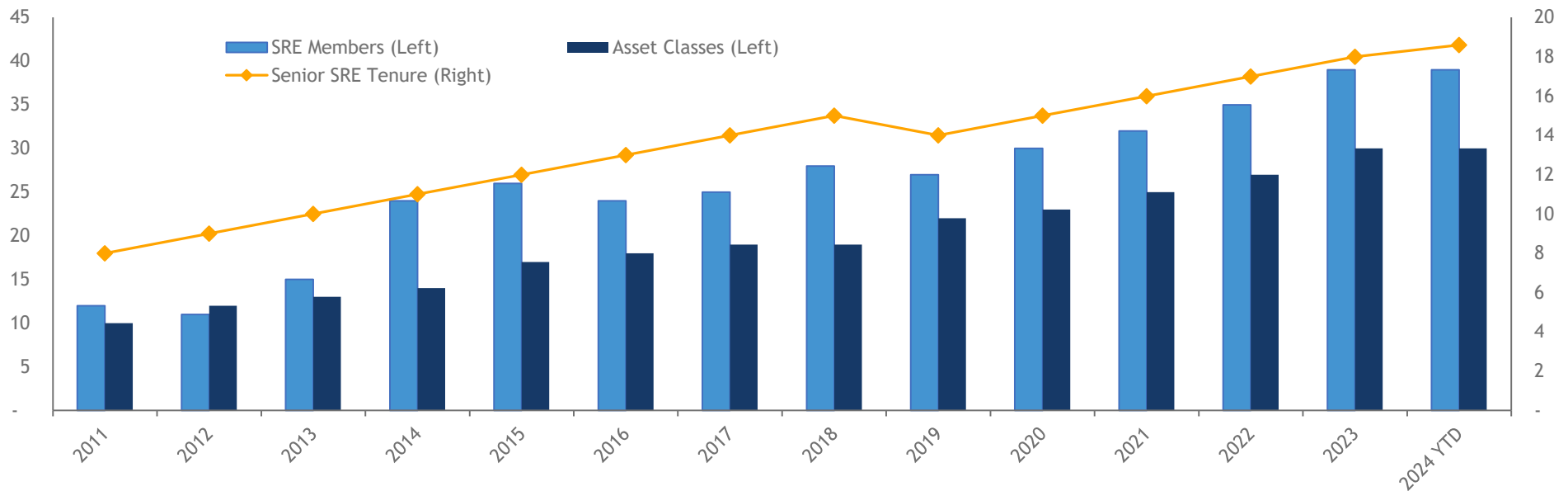


There can be no assurance that Sculptor Real Estate will be able to identify or acquire investments in any particular asset classes or in any particular concentration or ratio. Reflects Sculptor's views as of October 2024. 1. As of June 30, 2024.

# Platform Growth

- The senior members of Sculptor Real Estate’s team have worked together on average for 18 years, employing highly collaborative investing to drive capital deployment to the most attractive risk-adjusted opportunities across disparate investment environments.
- Sculptor Real Estate’s platform has expanded into new asset classes as the team has organically grown, contributing to the team’s wide breadth of experience.

## LONG-TENURED TEAM WITH A WIDE BREADTH OF EXPERIENCE



Source: Sculptor, unless otherwise noted. Information herein reflects Sculptor’s views and is stated as of October 2024. Senior SRE Tenure consists of Sculptor Real Estate’s Executive Managing Directors (EMDs). There can be no assurance that SRE will be able to identify or acquire investments in any particular asset classes or in any particular concentration or ratio. Actual allocation of assets may vary significantly from the SRE Historic Allocations presented, and will depend on SRE’s evaluation of available investment opportunities. Effective June 30, 2023, Sculptor amended the presentation of the historical asset class classification of select investments as follows: all investments that were previously classified as “Debt” have been re-classified to reflect the relevant asset class of the underlying collateral. Sculptor also re-classified certain investments from “Hotel” to “Resort”, depending on the underlying investment characteristics. Lastly, a “Residential” investment was re-classified to “Condominium”. Please refer to endnote 1 in *Sculptor Real Estate General Endnotes* for additional information.

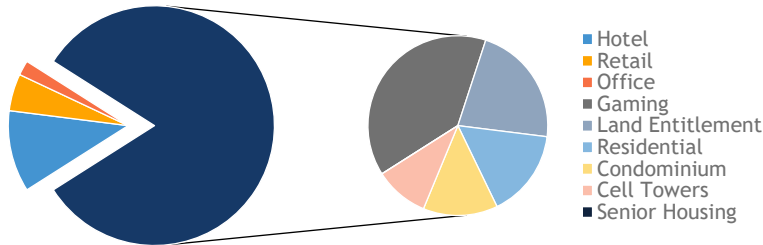
# Flexible Portfolio Construction

By focusing on a wide variety of asset classes, Sculptor Real Estate can tailor its portfolio construction to respond to changing market conditions to generate consistent and attractive risk-adjusted returns, irrespective of broader macro cycles.

## FUND I (82% NON-TRADITIONAL)

Highly-selective investments in traditional real estate asset classes at substantial discounts to estimated replacement cost followed by a distinct shift to less correlated non-traditional asset classes.

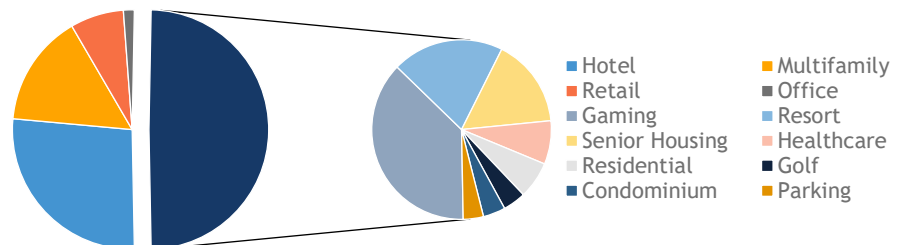
### Non-Traditional



## FUND II (49% NON-TRADITIONAL)

Aggressive pursuit of distressed opportunities in traditional real estate asset classes as a result of re-pricing related to the GFC, while maintaining focus on non-traditional asset classes; diversified across debt / equity spectrum to achieve greater downside protection in weak economic environment.

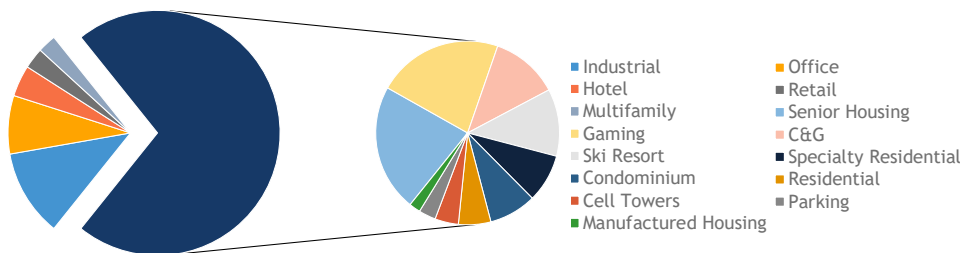
### Non-Traditional



## FUND III (72% NON-TRADITIONAL)

Similar to 2005 to 2008, highly-selective investments in traditional asset classes with a continued focus on existing and new non-traditional investment strategies that were insulated from new supply; idiosyncratic opportunities in Europe; and active monetization of portfolio investments as then current cycle continued for an extended period.

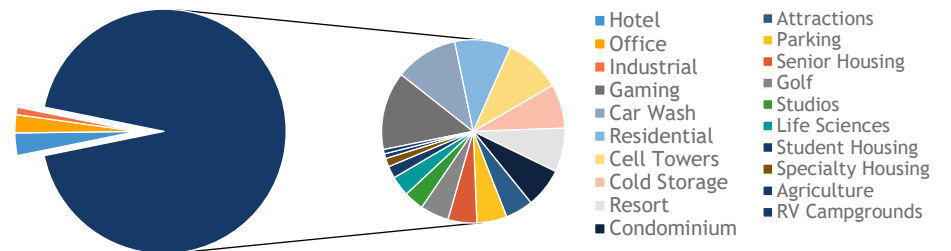
### Non-Traditional



## FUND IV (94% NON-TRADITIONAL)

Initially capitalized on distress in the public markets at the beginning of the COVID-19 pandemic. Following the dramatic influx of capital that flooded into traditional sectors leading to a rapid recovery in pricing, shifted focus almost exclusively to non-traditional asset classes and more structured capital solutions to capitalize on more attractive pricing, stronger fundamentals, higher base rates and greater downside protection.

### Non-Traditional



Past exposures may not be indicative of Fund V exposures. There can be no assurance that Sculptor Real Estate will be able to identify or acquire investments in any particular asset classes or in any particular concentration or ratio. Actual allocation of assets may vary significantly from the historic allocations presented, and will depend on Sculptor Real Estate's evaluation of available investment opportunities. Certain statements made herein reflect the subjective views and opinions of SRE and its personnel. Such statements cannot be independently verified and are subject to change. Exposures as of June 30, 2024 unless otherwise indicated.

# Consistently Strong Performance and Current Returns

- Sculptor Real Estate’s broad investment mandate has allowed it to deliver consistent returns during dramatically different economic environments.
- Sculptor Real Estate seeks to generate at least half of its targeted returns from current cash flow, while employing only moderate levels of leverage, which it believes significantly enhances the quality of its returns and is an important factor in reducing its portfolios’ risk profiles.

## Sculptor Real Estate Closed-End Commingled Funds<sup>a</sup>

	Vintage <sup>1</sup>	Fund Size (mm)	Number of Investments	Number of Asset Classes	Actual / Projected Gross / Net IRR <sup>2</sup>	Actual / Projected Gross / Net MOIC <sup>2</sup>	Cash-on-Cash Yield <sup>3</sup>	% Non-Traditional / Traditional	Average U/W LTV <sup>4</sup>
Fund I	2005	\$408	27	9	25.5% / 16.1%	2.2x / 1.7x	19.1%	82% / 18%	33%
Fund II	2010	\$840	47	12	32.7% / 21.5%	2.1x / 1.7x	12.6%	49% / 51%	45%
Fund III	2014	\$1,500	35	15	30.0% / 20.0%	2.1x / 1.7x	10.4%	72% / 28%	49%
Fund IV	2020	\$2,596	33	20	20.0% / 14.1%	1.8x / 1.5x	10.0%	94% / 6%	33%
SRE Credit Fund I	2015	\$736	28	12	17.9% / 12.9%	1.3x / 1.2x	13.9%	74% / 26%	19%

- Sculptor Real Estate’s dynamic diversification has translated into returns that have consistently and significantly exceeded industry benchmarks, with the strongest outperformance occurring during the most challenging overall market environments.

As of June 30, 2024, unless otherwise noted. Certain statements made herein reflect the subjective views and opinions of SRE and its personnel. Such statements cannot be independently verified and are subject to change. The charts above exclude Sculptor Real Estate Credit Fund II (“SRE Credit Fund II”) since the fund is at an early state in its investment cycle and performance is not currently available. Please refer to the *Platform Overview and Growth* slide for information about SRE Credit Fund II, as well as endnote 2 in *Sculptor Real Estate General Endnotes*. Past performance is not a reliable indicator of future results. 1. The vintage year herein reflects the year in which the first capital call for the respective fund was made. 2. Please refer to endnotes 2, 3 and 4 in *Sculptor Real Estate General Notes to Performance Information* at the end of this presentation for important additional performance disclosures. 3. Cash-on-cash yield represents actual or projected operating cash flows from investments related to fee paying investors divided by the actual or projected weighted average of equity outstanding related to the same investments for fee paying investors over the life of the fund as of June 30, 2024. Sculptor does not consider cash-on-cash yield to be a measure of investment performance. 4. Weighted leverage is calculated based on asset-level LTV for each investment weighted by its relative share of actual or projected fund equity commitment as of the initial investment date, as such commitment may be increased for subsequent acquisitions within an investment. The calculated LTV represents the actual or projected leverage on SRE’s position as of the initial investment date assuming the investment’s equity and debt components are fully funded as of such date and is determined by taking into account (1) the amount of asset-level financing provided or projected to be provided to SRE or the amount of loans senior to SRE in the investment capital structure, and (2) the value of the underlying asset and/or collateral as determined by SRE based on the applicable asset class and investment type.

a. The fund-level Net IRR performance information contained herein includes both fee-paying and non fee-paying investors. This performance data should be read in conjunction with the following fund-level Net IRR of only fee-paying investors: Fund I: +16.1%; Fund II: +21.5%; Fund III: +20.0%, Fund IV: +14.0% and SREC I: +12.4%. For Fund IV, management fees, placement fees and certain other fund expenses have been pro-rated based on the portion of fund commitments invested at the relevant quarter-end. This pro-rated performance data should be read in conjunction with the following non-pro-rated fund-level net IRR of fee-paying investors: +13.7%. Additionally for Fund IV, the calculation of net performance assumes the fund’s general partner will not charge any incentive or performance-based fees until the second quarter of 2026, and the projected net performance herein would have been lower if the general partner began to charge such fees. Please refer to endnotes 2, 3 and 4 in *Sculptor Real Estate General Notes to Performance Information* at the end of this presentation which contains important additional performance disclosures.

# Table of Contents

- 01 Overview
- 02 Investment Strategy
- 03 Investment Landscape
- 04 Disclosure and Performance Footnotes Overview

# No Major Themes

Sculptor Real Estate believes that given the combination of i) rising rates, ii) softening fundamentals and iii) general economic uncertainty, there are no major themes that are dominating the current investment environment, other than the widespread illiquidity in the real estate credit markets



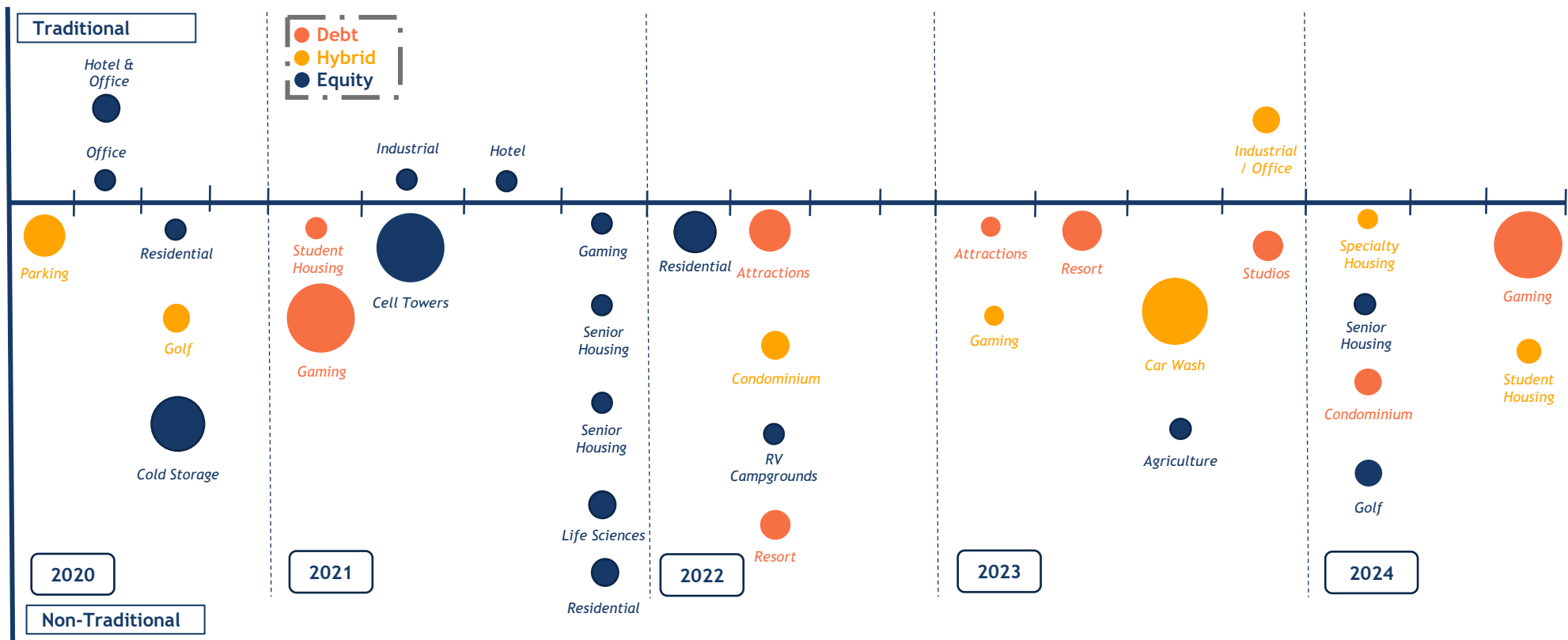
# Opportunity Set

- In an investment environment that is not demonstrating any dominant themes, Sculptor Real Estate believes that its broad-based investment approach focused on a large variety of asset classes across the capital structure spectrum will continue to allow it to capitalize on a diverse set of opportunities.
- Notwithstanding substantially depressed transaction volumes across the broader real estate markets, Sculptor Real Estate has identified certain common themes driving its elevated transaction activity, where it believes it is achieving attractive pricing and returns.



# Portfolio Construction

- ▶ Sculptor Real Estate focused on constructing a highly-diversified portfolio for Fund IV.
  - 35 transactions; 94% in non-traditional asset classes; structured as 38% equity, 38% debt, and 24% hybrid.
- ▶ Sculptor Real Estate’s strategy constantly evolved along with changing market conditions.
  - In 2020, Sculptor Real Estate added exposure through public equity to traditional asset classes and through private equity to non-traditional asset classes to capitalize on distress at the start of the pandemic.
  - In 2021, Sculptor Real Estate placed greater focus on non-traditional asset classes given combination of (i) relative inefficiencies in pricing, (ii) stronger underlying fundamentals during the pandemic and (iii) quicker rebound in pricing of traditional asset classes due to historically low interest rates.
  - Starting in the second-half of 2022 and continuing into 2023 / 2024, with inflation rising and fundamentals softening, Sculptor Real Estate shifted to more debt / hybrid investments to benefit from both (i) greater downside protection and (ii) increasing base rates with 85% in debt / hybrid structures since 2022.
- ▶ Largest fund positions are in non-traditional asset classes where Sculptor Real Estate has extensive experience and/or established operating platforms (Parking, Cold Storage, Cell Towers, Car Wash, and Native American Gaming).



Source: Sculptor unless otherwise noted. As of September 2024.



# Table of Contents

- 01 Overview
- 02 Investment Strategy
- 03 Investment Landscape
- 04 Disclosure and Performance Footnotes Overview

## IMPORTANT DISCLOSURES

# Risk Factors

The following considerations, which summarize some, but not all, of the risks of investing in a Sculptor Real Estate Advisors LP managed fund or investment vehicle (the “Fund”) should be carefully evaluated before making an investment in the Fund. An investment in the Fund will involve significant risks, including the loss of the entire investment. The interests in the Fund will be illiquid, as there is no secondary market for interests in the Fund and none is expected to develop.

**General Real Estate Considerations.** Real estate values are affected by a number of factors, including changes in the general economic climate, local conditions, the quality and philosophy of management, competition based on rental rates, attractiveness and location of the properties, physical condition of the properties, financial condition of buyers and sellers of properties, quality of maintenance, insurance and management services, and changes in operating costs. If investments do not generate sufficient revenues or proceeds to meet their operating expenses, including debt service and capital expenditures, the Fund’s cash flow and ability to pay distributions to the Limited Partners will be adversely affected. Real estate historically has experienced significant fluctuations and cycles in value and the Fund may buy and/or sell investments at less than optimal times.

**Investment in Troubled Assets.** The Fund may make investments in non-performing or other troubled assets utilizing leveraged capital structures. By their nature, these investments can involve a high degree of financial risk, and there can be no assurance that the Fund’s rate of return objectives will be realized or that there will be any return of capital. Investments in troubled assets are sometimes subject to certain additional potential liabilities, which may exceed the value of the Fund’s original investment. Numerous other risks also arise in workout and bankruptcy contexts, including the possibility that payments to the Fund and distributions by the Fund to the Limited Partners may be reclaimed. Sculptor may also find it necessary or desirable to foreclose on collateral securing one or more real estate loans purchased by the Fund. The foreclosure process varies by jurisdiction and can be lengthy and expensive.

**General Economic and Market Conditions.** The success of the Fund’s activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Fund’s investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of the prices and the liquidity of the Fund’s investments. In particular, the cost and availability of funding has been and may continue to be adversely affected by the illiquidity and widening credit spreads in the credit markets. Continued turbulence in the U.S. and international markets and economy, as well as changes in market, economic, political, technological, regulatory, social conditions, and/or numerous other factors outside the control of Sculptor, could materially and adversely affect the liquidity, financial condition, activities and prospects of the Fund and its investments.

**Possible Lack of Diversification.** The Fund’s investments may not be fully diversified by geographic region, asset type or number of assets. A portfolio of investments that contains large investments in relatively few properties or regions may be subject to greater change in value (losses or gains, as the case may be) than a portfolio composed of smaller investments in a greater number of properties or regions. Insurance may be unavailable or limited for properties acquired in areas susceptible to earthquakes, floods, hurricanes, tornadoes or other natural disasters.

**Investment and Due Diligence Process.** Before making investments, Sculptor will conduct due diligence based on the facts and circumstances applicable to each investment. When conducting due diligence, Sculptor may be required to evaluate important and complex business, financial, tax, accounting and legal issues. When conducting due diligence and making an assessment regarding an investment, Sculptor will rely on the resources reasonably available to it, which in some circumstances, whether or not known to Sculptor at the time, may not be sufficient, accurate, complete or reliable. Due diligence may not reveal or highlight matters that could have a material adverse effect on the value of an investment.

**Foreign Investment Risks.** The Fund is expected to make investments outside the United States. Real estate related investing outside the United States involves certain additional risks, such as those related to currency exchange rate fluctuations; differences in conventions, markets, practices and requirements; and political, economic or social instability.

**Lack of Liquidity of Investments.** The investments to be made by the Fund will be illiquid over time. Such illiquidity will limit the Fund’s ability to modify its portfolio of investments in response to changes in economic and other conditions. Illiquidity may result from the absence of an established market for the investments, market disruptions, cash flow disruptions, lack of demand, lack of available capital for potential purchasers or legal, contractual or other restrictions on the resale of investments by the Fund or other factors.

**General Credit Risk.** The issuers of debt instruments may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer’s ability to make timely payment of interest and principal. In addition, major economic downturns and financial market swings have adversely affected, and could in the future adversely affect, the ability of some of the issuers of such instruments to repay principal and pay interest thereon and may increase the incidence of default for such instruments. Lower quality instruments are often considered to be speculative in nature and involve greater risk of default. Instruments that are unrated or below investment grade may be unlikely to have the capacity to pay interest and repay principal when due, in the event of adverse business, financial, or economic conditions.

**Leverage.** The Fund may leverage its investments with non-recourse debt financing, in which case a third-party lender would be entitled to the cash flow generated by such investment prior to the Fund receiving a return of or on its investment. The Fund may also obtain recourse debt financing to allow the Fund to close transactions quickly and/or obtain more favorable terms. Although the use of leverage may enhance returns and increase the number of investments that can be made, it involves a heightened degree of risk, is inherently more sensitive to adverse economic factors (such as a significant rise in interest rates, a downturn in the economy, deterioration in the condition of such investments, declines in revenues and increases in expenses) and can exaggerate the financial effect of any increase or decrease in the value of such investments. No assurance can be given that financing for the Fund’s investments will be obtained by the Fund, or obtained on favorable or acceptable terms, and the inability of the Fund to obtain financing could adversely affect the Fund’s ability to achieve its target returns.

**Targeted Fund Size.** Any fund may fail to meet its Targeted Fund Size. As a result, limited Partners that hold an interest in the Fund may hold a greater percentage than originally anticipated based on the targeted fund size which would result in increased exposure to the Fund’s investments. This increased exposure could negatively impact a limited partner to the extent the Fund’s investment(s) do not perform as expected.

*Past performance is not a reliable indicator of future results. Returns in U.S. Dollars – investors may experience materially different returns as a result of currency fluctuations.*

# Sculptor Real Estate General Notes to Performance Information

Effective June 30, 2023, Sculptor Real Estate Advisors LP (“Sculptor”) amended the presentation of the historical asset class classification of select investments as follows: all investments that were previously classified as “Debt” have been re-classified to reflect the relevant asset class of the underlying collateral. Sculptor also re-classified certain investments from “Hotel” to “Resort”, depending on the underlying investment characteristics. Lastly, a “Residential” investment was re-classified to “Condominium”. Sculptor implemented these changes as it believes the amended classifications more accurately reflect the attributes of the respective investments. These changes impacted the historical presentation of Sculptor’s diversification and the traditional vs. non-traditional metrics. Additional details regarding any of these changes will be provided upon request.

- All performance information contained herein reflects past performance and is presented on the total return basis at the Fund level, reflecting the performance results of all fee-paying investors in Fund I, Fund II, Fund III, Fund IV, and SREC I unless otherwise noted.
- In considering any performance data contained herein, the recipient should bear in mind that past, projected, or targeted performance is not indicative of future results and there can be no assurance that the Fund will achieve comparable results or that targets will be met. The recipient should also bear in mind that past or targeted investment characteristics may not be indicative of future investment characteristics and there can be no assurance that the Fund will have comparable investment characteristics or that target investment characteristics will be achieved. There can be no assurance that a Fund’s investment objectives will be achieved and investment results may vary substantially over time. Investment in a Fund is not intended to be a complete investment program for any investor.
1. Sculptor Real Estate (“SRE”) routinely develops models for its partially realized and unrealized assets on a quarterly basis, most recently as of June 30, 2024. These models are used by Sculptor Real Estate to project realization scenarios for each investment held by each of Fund I, Fund II, Fund III, Fund IV, and SREC I. These scenarios assist Sculptor Real Estate in its management of the Sculptor Real Estate portfolios, including the deployment of uncalled capital. These models are the basis for the Projected Exit Date, Projected Additional Invested Capital, Projected Total Invested Capital, Projected Additional Distributions, Projected Total Value, Projected Gross IRR and Projected Gross Multiple figures (collectively, “Projected Investment Performance”). Projected Investment Performance is not a reliable indicator of future investment performance and does not represent the actual returns of any investment, SRE Fund or investor. Projected Investment Performance for each investment is based on several assumptions, including, but not limited to: income, expense and tax growth per year; capital expenditures; selling fees and / or commissions; financing, including the amount and availability of financing, related fees and interest expenses; and final exit value and timing. There is no guarantee that the conditions on which such assumptions are based will materialize as anticipated and will be applicable to these investments. Actual transaction conditions may differ from the assumptions used to establish Projected Investment Performance and such differences could be material. Actual investment performance for individual investments may be either greater or less than the Projected Investment Performance shown in this presentation. Projected performance shown herein is hypothetical in nature. Hypothetical performance has inherent risks and limitations. Prospective investors should not place undue reliance on any such information.
  2. Projected Gross Internal Rate of Return (“Projected Gross IRR”) represents the estimated, unaudited, annualized pre-tax return based on the actual and/or projected timing of cash inflows from, and outflows to, investors for each. Projected Gross Multiple (“Projected Gross MOIC”) is calculated by dividing Projected Total Value by Projected Total Invested Capital. Projected Gross IRRs and Projected Gross MOICs for the partially realized and unrealized investments include Projected Additional Distributions and Projected Additional Invested Capital. Accordingly, Projected Gross IRRs and Projected Gross MOICs for partially realized and unrealized investments should be considered hypothetical illustrations based on Sculptor Real Estate’s models. Any projections, forecasts and estimates contained herein are necessarily speculative in nature, involve elements of subjective judgment and analysis, and are based upon certain assumptions and the best judgment of Sculptor Real Estate. It can be expected that some or all of such assumptions will not materialize or will vary significantly from actual results. Accordingly, these projections are only an estimate. Actual results will differ and may vary substantially from the results shown herein or projected. Sculptor Real Estate’s targeted performance information is not a prediction or projection of actual results and there can be no assurance any such targets will be achieved. Sculptor Real Estate’s ability to achieve investment results consistent with its targeted returns depends significantly on factors in addition to the accuracy of such assumptions. Sculptor Real Estate’s evaluation of proposed investments is based, in part, on Sculptor Real Estate’s internal analysis and evaluation of the investment and on numerous investment-specific assumptions that may not be consistent with future market conditions and that may significantly affect actual investment results. There can be no assurance that such returns will be achieved or that any investment will not be disposed of at a loss. Both Projected Gross IRR and Projected Gross MOIC are calculated prior to adjustments to reflect carried interest, management fees and fund expenses, which in the aggregate are substantial and reduce investor returns. In certain cases, funding from a credit facility or other third party financing source was initially used by SRE to acquire an investment or pay certain expenses, which may have increased the stated Projected Gross IRR above what would have otherwise been presented had drawdowns from limited partners been initially used to acquire the investment or pay such expenses. The projected gross performance data presented herein (“Gross Returns”) are not a guarantee of future performance. Gross Returns are based on the current investment strategies of the Fund and Sculptor’s internal models. Gross Returns are presented gross of management fees, performance fees and operational expenses of the Fund. The reduction of these fees may have a material impact on performance. Investment advisory fees, compounded over a period of years, will negatively affect the total value of any fund portfolio. A summary of Sculptor’s investment advisory fees are described in its Form ADV, Part 2A (and a current copy is available here: <https://adviserinfo.sec.gov/>). Any projected or hypothetical performance information is necessarily speculative in nature, involving elements of judgment and analysis based on the best judgment of Sculptor, the Fund’s investment manager.

# Sculptor Real Estate General Notes to Performance Information

3. Projected Net IRR represents estimated, unaudited, annualized, pre-tax compounded returns and are calculated on the basis of timing of contributions from fee-paying and non-fee-paying investors and distributions to those investors with respect to each individual investment reflecting adjustments to cash flows related to carried interest, management fees and fund expenses (with management fees, placement fees and certain fund expenses pro-rated based on the portion of fund commitments invested at the relevant quarter-end). Projected Net Multiple is calculated by dividing Actual Realized Distributions to fee-paying and non-fee-paying investors by Actual Invested Capital from those investors related to each individual investment after adjustments to reflect carried interest, management fees and fund expenses (with management fees, placement fees and certain fund expenses pro-rated based on the portion of fund commitments invested at the relevant quarter-end) IRRs and multiples for the partially realized and unrealized investments include Projected Additional Distributions and Projected Additional Invested Capital. Accordingly, IRRs and multiples for partially realized and unrealized investments should be considered a hypothetical illustration based on Sculptor Real Estate's models.

With respect to the projected Fund-level Net IRR referenced in the endnotes, this performance represents estimated, unaudited, annualized, pre-tax compounded returns and are calculated on the basis of timing of contributions from only fee-paying investors and distributions to those investors with respect to each individual investment reflecting adjustments to cash flows related to carried interest, management fees and fund expenses (with management fees, placement fees and certain fund expenses pro-rated based on the portion of fund commitments invested at the relevant quarter-end). With respect to the projected Net Multiple on Invested Capital ("MOIC"), this performance is calculated by dividing Actual Realized Distributions to only fee-paying investors by Actual Invested Capital from those investors related to each individual investment after adjustments to reflect carried interest, management fees and fund expenses (with management fees, placement fees and certain fund expenses pro-rated based on the portion of fund commitments invested at the relevant quarter-end) IRRs and multiples for the partially realized and unrealized investments include Projected Additional Distributions and Projected Additional Invested Capital. Accordingly, IRRs and multiples for partially realized and unrealized investments should be considered a hypothetical illustration based on Sculptor Real Estate's models. With respect to the inclusion of pro-rated net performance throughout this presentation (which is SRE's historical internal practice during a fund's investment period), SRE's rationale is to present the recipient with what it believes is a more accurate projection of a prospective Fund investor's projected performance experience. This pro-rated net performance data should always be read in conjunction with the non pro-rated fund-level net IRR of fee-paying investors, which is included throughout this presentation alongside any pro-rated net performance data. With respect to the general partner's decision to temporarily forego (i.e., not charge) any incentive or performance-based fees until the second quarter of 2026, please note that is a right of the general partner that is permitted under Fund IV's governing documents. At such time when the general partner begins to charge incentive or performance-based fees (which the general partner is currently permitted to do in accordance with Fund IV's governing documents), the calculation of net performance will be adjusted to account for all expenses related to the realization of incentive or performance-based fees (i.e., such fees will be included in the fund's net performance projections), and the net performance would have been / will be lower if/when the general partner began / begins to charge such fees. Additional information regarding the calculation of net performance will be provided upon request.

Please note effective March 2023, solely with respect to Fund I, the calculation of the fund-level Net IRR data of fee-paying investors was amended, which resulted in a lifetime-to-date fund-level Net IRR for only fee-paying investors of +16.1%. Under the prior calculation methodology, the Net IRR of only fee-paying investors was +15.1%. The difference in methodology when compared to the calculation that is utilized for Fund II, Fund III and Fund IV is a result of the legal structure of Fund I, and specifically the fee arrangements applicable to certain of Fund I's "parallel" funds for non fee-paying investors, which differ slightly from the fee arrangements that are applicable to certain of the parallel funds of Fund II, Fund III and Fund IV for non fee-paying investors. Additional information regarding this calculation methodology and the impact on the net performance data presented herein will be provided upon request.

4. Fund I generated a total 25.5% gross IRR (16.1% net) and a total 2.2x gross multiple (1.7x net). If Fund II, Fund III, Fund IV and SREC I's unrealized and partially realized investments were liquidated as of June 30, 2024 based on Fair Values as of June 30, 2024, Sculptor Real Estate believes it would generate a 32.7% gross IRR (21.5% net) and a total 2.1x gross multiple (1.7x net), total 30.1% gross IRR (20.0% net) and a total 2.0x gross multiple (1.6x net), 23.4% gross IRR (12.6% net) and a total 1.3x gross multiple (1.2x net), 18.0% gross IRR (12.4% net) and a total 1.3x gross multiple (1.2x net), respectively. These estimates are inherently uncertain and subject to change. Actual results may vary. The gross IRR and net IRR shown herein are each calculated from the actual dates that investors funded capital calls into and received distributions from Fund I. Fund I has made regular use of a subscription line (and Fund V is expected to make use of a subscription line), which has in certain cases delayed the need to call capital from investors. Investors should note that the use of a subscription line (or other fund-level leverage) with respect to investments or other capital calls will result in a higher reported gross IRR and net IRR at the fund level than if such subscription line (or other fund-level leverage) had not been used, and instead the investors' capital had been contributed at such time (including to make investments) where the calculation of gross IRR and net IRR are based on the period of time between (i) the date of investor contributions, including to make investments (and not based the date the investment was made), and (ii) the date of distribution from the fund to investors, and not the date the investment was realized. Therefore, if a subscription line is used to fund an investment, capital may be called more slowly from investors to repay such borrowings, which would shorten the time between such contribution and distribution, and consequently increase gross IRR and net IRR. There are costs incurred in connection with the subscription line, and these costs have been included in the calculation of the net returns reflected above (which generally have the effect of otherwise lowering net returns). For further information, please speak to a representative of Sculptor Real Estate.

# San Joaquin County Employees' Retirement Association (SJCERA)

## Preliminary Monthly Flash Report (Net)'

September 2024

	Commitment (\$000)	Sub-Segment	Market Value	Physical % of Total	Policy Target %	1-Mo	3-Mos	YTD	1-Yr	3-Yrs	5-Yrs	SI Return	SI Date
<b>TOTAL PLAN<sup>1</sup></b>			\$ 4,639,312,995	100.0%	100.0%	1.2	3.5	9.1	14.5	4.7	6.9	7.7	Apr-90
Policy Benchmark <sup>4</sup>						1.6	4.4	11.5	17.5	5.6	7.6	7.6	
Difference:						-0.5	-0.9	-2.4	-3.0	-0.9	-0.8	0.1	
75/25 Portfolio <sup>5</sup>						2.2	6.8	15.1	27.0	5.7	9.9	7.2	
Difference:						-1.0	-3.3	-6.0	-12.5	-1.0	-3.0	0.5	
<b>Broad Growth</b>			\$ 3,531,213,996	76.1%	78.0%	1.3	4.2	10.5	18.0	5.7	8.4	8.4	Jan-95
<b>Aggressive Growth Lag<sup>2</sup></b>			\$ 480,634,319	10.4%	12.0%	2.9	2.9	3.4	5.9	13.0	13.1	-1.7	Feb-05
Aggressive Growth Blend <sup>6</sup>						3.2	3.2	6.6	6.4	7.0	11.2	8.7	
Difference:						-0.2	-0.2	-3.3	-0.5	5.9	2.0	-10.4	
<b>BlackRock Global Energy&amp;Power Lag<sup>3</sup></b>	\$50,000	Global Infrastructure	\$ 44,166,777	1.0%		9.5	9.5	9.8	12.9	12.2	--	11.4	Jul-19
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	8.4	--	13.0	
Difference:						-2.2	-2.2	12	-12.3	3.8	--	-15	
<b>BlackRock Infrastructure<sup>3</sup></b>	\$50,000	Global Infrastructure	\$ 17,331,309	0.4%		0.9	0.9	7.0	7.2	--	--	-2.0	Mar-23
MSCI ACWI +2% Lag						8.8	8.8	21.6	26.2	--	--	28.1	
Difference:						-8.0	-8.0	-14.5	--	--	--	-30.1	
<b>Bessemer Venture Partners Forge Fund<sup>3</sup></b>	\$20,000	Middle Market VC	\$ 10,211,807	0.2%		13.1	13.1	--	--	--	--	--	Sep-23
MSCI ACWI +2% Lag						8.8	8.8	--	--	--	--	--	
Difference:						4.2	4.2	--	--	--	--	--	
<b>Bessemer Venture Partners Fund XII, LP<sup>3</sup></b>	\$30,000	Early-Stage VC	\$ 2,399,218	0.1%		--	--	--	--	--	--	--	Jun-24
MSCI ACWI +2% Lag						--	--	--	--	--	--	--	
Difference:						--	--	--	--	--	--	--	
<b>Capitol Meridian Fund I Lag<sup>3</sup></b>	\$25,000	Special Situations PE	\$ 8,495,065	0.2%		--	--	--	--	--	--	--	Jul-24
MSCI ACWI +2% Lag						--	--	--	--	--	--	--	
Difference:						--	--	--	--	--	--	--	
<b>Lightspeed Venture Ptr Select V Lag<sup>3</sup></b>	\$40,000	Growth-Stage VC	\$ 24,457,254	0.5%		-2.2	-2.2	-0.7	-4.5	--	--	-9.4	Jun-22
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	--	--	2.4	
Difference:						-13.9	-13.9	-9.2	-29.7	--	--	-11.8	
<b>Long Arc Capital Fund Lag<sup>3</sup></b>	\$25,000	Growth-Stage VC	\$ 25,222,476	0.5%		0.0	0.0	4.5	9.8	--	--	1.0	Apr-23
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	--	--	29.6	
Difference:						-11.6	-11.6	-4.1	-15.4	--	--	-28.6	
<b>Oaktree Special Situations Lag<sup>3</sup></b>	\$40,000	PE Buyout	\$ 10,217,970	0.2%		6.4	6.4	---	---	---	---	---	Mar-24
MSCI ACWI +2% Lag						11.7	11.7	---	---	---	---	---	
Difference:						-5.2	-5.2	---	---	---	---	---	
<b>Ocean Avenue II Lag<sup>3</sup></b>	\$40,000	PE Buyout FOF	\$ 22,678,620	0.5%		-12.8	-12.8	-10.4	-16.7	8.6	17.6	13.7	May-13
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	8.4	14.5	9.9	
Difference:						-24.5	-24.5	-19.0	-41.9	0.3	3.2	3.8	
<b>Ocean Avenue III Lag<sup>3</sup></b>	\$50,000	PE Buyout FOF	\$ 51,764,703	1.1%		3.2	3.2	-3.6	7.2	20.3	19.5	22.0	Apr-16
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	8.4	14.5	10.3	
Difference:						-8.5	-8.5	-12.1	-18.1	11.9	5.0	11.7	
<b>Ocean Avenue IV Lag<sup>3</sup></b>	\$50,000	PE Buyout	\$ 53,815,304	1.2%		6.7	6.7	12.4	10.7	28.2	--	30.5	Dec-19
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	8.4	--	14.4	
Difference:						-5.0	-5.0	3.8	-14.5	19.8	--	16.1	
<b>Ocean Avenue V Lag<sup>3</sup></b>	\$30,000	PE Buyout	\$ 8,894,690	0.2%		-0.3	-0.3	5.0	8.0	--	--	7.9	Jun-23
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	--	--	24.6	
Difference:						-12.0	-12.0	-3.5	-17.2	--	--	-16.7	

<sup>1</sup>Returns are preliminary and are finalized during each quarterly reporting cycle. Monthly returns since previous quarter are provided by the managers. Market values are provided by Northern Trust.

<sup>2</sup>Total class returns are as of 6/30/24, and lagged 1 quarter.

<sup>3</sup>Manager returns are as of 6/30/24, and lagged 1 quarter. Since Inception date reflects one quarter lag.

<sup>4</sup>5/1/24 to present benchmark is 38% MSCI ACWI IMI, 9% BB Aggregate Bond Index, 1.6% 50% BB High Yield/50% S&P Leveraged Loans, 7% NCREIF ODCE +1% lag; 5% T-Bill +4%, 12% MSCI ACWI +2% Lag, 13% CRO Custom Benchmark. Prior to 5/1/24 benchmark is legacy policy benchmark.

<sup>5</sup>4/1/20 to present 75% MSCI ACWI, 25% BB Global Aggregate. Prior to 4/1/20 60% MSCI ACWI, 40% BB Global Aggregate.

<sup>6</sup>1/1/2021 to present 50% MSCI ACWI +2%, 50% NCREIF ODCE +1%

# San Joaquin County Employees' Retirement Association (SJCERA)

## Preliminary Monthly Flash Report (Net)<sup>1</sup>

September 2024

	Commitment (\$000)	Sub-Segment	Market Value	Physical % of Total	Policy Target %	1-Mo	3-Mos	YTD	1-Yr	3-Yrs	5-Yrs	SI Return	SI Date
<b>Aggressive Growth Lag (continued)</b>													
<b>Morgan Creek III Lag<sup>3</sup></b>	\$10,000	Multi-Strat FOF	\$ 6,002,349	0.1%		6.8	6.8	238	37.6	-5.0	-8.2	-2.4	Feb-15
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	8.4	14.5	10.1	
Difference:						-4.8	-4.8	15.3	12.3	-13.3	-22.7	-12.5	
<b>Morgan Creek V Lag<sup>3</sup></b>	\$12,000	Multi-Strat FOF	\$ 5,510,585	0.1%		-0.6	-0.6	-0.8	-1.2	3.9	7.0	11.3	Jun-13
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	8.4	14.5	10.0	
Difference:						-12.2	-12.2	-9.4	-26.5	-4.5	-7.5	1.3	
<b>Morgan Creek VI Lag<sup>3</sup></b>	\$20,000	Multi-Strat FOF	\$ 20,909,918	0.5%		0.6	0.6	-5.1	-5.0	6.0	10.3	7.8	Feb-15
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	8.4	14.5	10.1	
Difference:						-11.1	-11.1	-13.6	-30.2	-2.4	-4.2	-2.3	
<b>Ridgemont Equity Partners Lag<sup>3</sup></b>	\$50,000	Special Situations PE	\$ 21,235,948	0.5%		1.6	1.6	5.6	1.3	--	--	9.6	Apr-23
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	--	--	29.6	
Difference:						-10.1	-10.1	-2.9	-23.9	--	--	-20.0	
<b>Stellex Capital Partners II Lag<sup>3</sup></b>	\$50,000	Special Situations PE	\$ 46,860,409	1.0%		9.5	9.5	13.5	17.5	--	--	6.6	Jul-21
MSCI ACWI +2% Lag						11.7	11.7	8.5	25.2	--	--	8.2	
Difference:						-2.2	-2.2	5.0	-7.7	--	--	-1.6	
<b>Opportunistic Private Real Estate<sup>4</sup></b>													
<b>Greenfield VII<sup>3</sup></b>	\$19,100	Opportunistic Pvt. RE	\$ 1,099,005	0.0%		-4.6	-4.6	-12.0	-9.8	4.3	7.6	8.5	Oct-14
NCREIF ODCE + 1% Lag Blend						-1.6	-1.6	-6.6	-8.3	6.6	6.7	7.7	
Difference:						-3.0	-3.0	-5.4	-1.5	-2.3	0.9	0.8	
<b>Grandview<sup>3</sup></b>	\$30,000	Opportunistic Pvt. RE	\$ 13,666,636	0.3%		-0.5	-0.5	10.6	-2.2	11.3	--	17.6	Apr-18
NCREIF ODCE + 1% Lag Blend						-1.6	-1.6	-6.6	-8.3	6.6	--	6.7	
Difference:						1.1	1.1	17.2	6.1	4.7	--	10.9	
<b>Walton Street VI<sup>3</sup></b>	\$15,000	Opportunistic Pvt. RE	\$ 6,308,139	0.1%		2.1	2.1	0.4	1.4	10.4	4.6	4.2	Jul-09
NCREIF ODCE + 1% Lag Blend						-1.6	-1.6	-6.6	-8.3	6.6	6.7	7.6	
Difference:						3.7	3.7	7.0	9.7	3.8	-2.1	-3.4	
<b>Value-Added Private Real Estate</b>													
<b>AG Core Plus IV<sup>3</sup></b>	\$20,000	Value-Added Pvt. RE	\$ 6,710,392	0.1%		-2.4	-2.4	-17.6	-19.9	-12.7	-5.1	-1.4	Sep-15
NCREIF ODCE + 1% Lag Blend						-1.6	-1.6	-6.6	-8.3	6.6	6.7	9.3	
Difference:						-0.8	-0.8	-11.0	-11.6	-19.3	-11.8	-10.7	
<b>Almanac Realty VI<sup>3</sup></b>	\$30,000	Value-Added Pvt. RE	\$ 3,266,434	0.1%		2.0	2.0	-12.6	-19.4	-2.1	-8.6	1.6	Feb-13
NCREIF ODCE + 1% Lag Blend						-1.6	-1.6	-6.6	-8.3	6.6	6.7	11.0	
Difference:						3.6	3.6	-6.0	-11.1	-8.7	-15.3	-9.4	
<b>Berkeley Partners Fund V, LP<sup>3</sup></b>	\$40,000	Value-Added Pvt. RE	\$ 33,801,255	0.7%		2.7	2.7	3.9	10.2	14.0	--	15.5	Aug-20
NCREIF ODCE + 1% Lag Blend						-1.6	-1.6	-6.6	-8.3	6.6	6.7	7.1	
Difference:						4.3	4.3	10.5	18.5	7.4	--	8.4	
<b>Berkeley Partners Value Industrial Fund VI, L.P.<sup>3</sup></b>	\$40,000	Value-Added Pvt. RE	\$ 3,584,458	0.1%		-2.0	-2.0	--	--	--	--	-2.0	Feb-24
NCREIF ODCE + 1% Lag Blend						-1.6	-1.6	--	--	--	--	-5.5	
Difference:						-0.4	-0.4	--	--	--	--	3.5	
<b>IPI Partners III-A Lag<sup>3</sup></b>	\$50,000	Value-Added Pvt. RE	\$ -	0.0%		--	--	--	--	--	--	--	Jul-24
MSCI ACWI +2% Lag						--	--	--	--	--	--	--	
Difference:						--	--	--	--	--	--	--	
<b>Stockbridge RE III<sup>3</sup></b>	\$45,000	Value-Added Pvt. RE	\$ 14,211,090	0.3%		0.2	0.2	-12.1	11.9	13.2	--	11.4	Jul-18
NCREIF ODCE + 1% Lag Blend						-1.6	-1.6	-6.6	-8.3	6.6	--	8.9	
Difference:						1.8	1.8	-5.5	20.2	6.6	--	2.5	

<sup>1</sup>Returns are preliminary and are finalized during each quarterly reporting cycle. Monthly returns since previous quarter are provided by the managers. Market values are provided by Northern Trust.

<sup>2</sup>MSCI ACWI IMI Net as of 4/1/2020, MSCI ACWI Gross prior.

<sup>3</sup>Manager returns are as of 6/30/2024, and lagged 1 quarter. Since Inception date reflects one quarter lag.

<sup>4</sup>Market value includes Walton V \$597,219.

# San Joaquin County Employees' Retirement Association (SJCERA)

## Preliminary Monthly Flash Report (Net)<sup>1</sup>

September 2024

Commitment (\$000)	Sub-Segment	Market Value	Physical % of Total	Policy Target %	1-Mo	3-Mos	YTD	1-Yr	3-Yrs	5-Yrs	SI Return	SI Date
<b>Traditional Growth<sup>3</sup></b> <i>MSCI ACWI IMI Net<sup>2</sup></i>		\$ 1,859,702,089	40.1%	38.0%	1.9	6.6	17.9	31.6	8.4	11.1	9.4	Jan-95
Difference:					2.3	6.8	17.8	31.0	7.4	12.2	8.2	
					-0.4	-0.3	0.1	0.7	1.0	-1.1	1.2	
<b>Global Equity</b>		\$ 1,859,702,088	40.1%									
<b>Northern Trust MSCI World IMI</b> <i>MSCI World IMI Net</i>	<i>All Cap Global</i>	\$ 1,666,512,571	35.9%		1.9	6.8	18.3	32.1	8.8	--	12.6	Sep-20
Difference:					1.8	6.7	18.0	31.6	8.3	--	12.1	
					0.0	0.1	0.3	0.5	0.5	--	0.5	
<b>Emerging Markets</b>		\$ 193,186,282										
<b>GQG Active Emerging Markets</b> <i>MSCI Emerging Markets Index Net</i>	<i>Emerging Markets</i>	\$ 83,530,807	1.8%		-0.1	-0.7	14.9	28.0	5.5	--	8.0	Aug-20
Difference:					6.7	8.7	16.9	26.1	0.4	--	4.5	
					-6.8	-9.4	-1.9	1.9	5.1	--	3.4	
<b>PIMCO RAE Fundamental Emerging Markets</b> <i>MSCI Emerging Markets Index Net</i>	<i>Emerging Markets</i>	\$ 109,655,475	2.4%		4.3	6.4	17.3	27.7	9.2	11.3	6.2	Apr-07
Difference:					6.7	8.7	16.9	26.1	0.4	5.7	3.8	
					-2.3	-2.4	0.4	1.7	8.8	5.5	2.3	
<b>Stabilized Growth</b>		\$ 1,190,877,589	25.7%	33.0%	0.9	2.2	3.2	6.6	1.3	4.0	3.7	Jan-05
<b>Risk Parity</b> <i>T-Bill +4%</i>		\$ 224,992,890	4.8%		4.0	8.3	10.7	20.4	-2.5	2.1	3.7	
Difference:					0.8	2.4	7.1	9.7	7.6	6.4	5.1	
					3.2	5.9	3.6	10.8	-10.2	-4.3	-1.4	
<b>Bridgewater All Weather</b> <i>T-Bill +4%</i>	<i>Risk Parity</i>	\$ 224,992,890	4.8%		4.0	8.3	11.6	23.7	0.2	3.9	4.4	Mar-12
Difference:					0.8	2.4	7.1	9.7	7.6	6.4	5.4	
					3.2	5.9	4.5	14.0	-7.5	-2.5	-1.0	
<b>Liquid Credit</b> <i>50% BB High Yield, 50% S&amp;P/LSTA Leveraged Loans</i>		\$ 266,872,899	5.8%		0.8	3.1	8.3	12.1	3.8	4.0	2.6	
Difference:					1.2	3.7	7.3	12.7	4.8	5.3	5.8	
					-0.4	-0.6	1.1	-0.5	-1.0	-1.3	-3.2	
<b>Neuberger Berman</b> <i>33% ICE BofA HY Constrained, 33% S&amp;P/LSTA LL, 33% JPM EMBI Gbl Div.</i>	<i>Global Credit</i>	\$ 115,431,211	2.5%		1.3	4.2	11.3	14.5	2.4	3.5	4.0	Feb-19
Difference:					1.4	4.4	7.7	14.5	3.1	3.7	4.4	
					-0.1	-0.3	3.6	0.1	-0.7	-0.2	-0.4	
<b>Stone Harbor Absolute Return</b> <i>3-Month Libor Total Return</i>	<i>Absolute Return</i>	\$ 151,441,688	3.3%		0.4	2.2	6.2	10.4	4.8	4.3	3.3	Oct-06
Difference:					0.5	1.5	4.2	5.6	3.5	2.5	1.8	
					-0.1	0.8	2.0	4.8	1.3	1.9	1.5	

<sup>1</sup>Returns are preliminary and are finalized during each quarterly reporting cycle. Monthly returns since previous quarter are provided by the managers. Market values are provided by Northern Trust.

<sup>2</sup>MSCI ACWI IMI Net as of 4/1/2020, MSCI ACWI Gross prior.

<sup>3</sup>Total Market Value includes SJCERA Transition \$3,107.

# San Joaquin County Employees' Retirement Association (SJCERA)

## Preliminary Monthly Flash Report (Net)'

September 2024

	Commitment (\$000)	Sub-Segment	Market Value	Physical % of Total	Policy Target %	1-Mo	3-Mos	YTD	1-Yr	3-Yrs	5-Yrs	SI Return	SI Date
<b>Private Credit Lag<sup>2</sup></b>			\$ 440,759,208	9.5%		1.5	1.5	1.1	3.9	3.6	3.2	3.5	
<i>S&amp;P/LSTA Leveraged Loans +3% Blend</i>						3.2	3.2	7.0	15.8	12.1	10.5	9.3	
Difference:						-1.7	-1.7	-5.9	-12.0	-8.5	-8.5	-5.9	
<b>Ares Pathfinder Fund II Lag<sup>3</sup></b>	\$62,500	Asset Backed	\$ 9,816,411	0.2%		8.3	8.3	---	---	---	---	---	Feb-24
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>4</sup></i>						3.2	3.2	---	---	---	---	---	
Difference:						5.1	5.1	---	---	---	---	---	
<b>BlackRock Direct Lending Lag<sup>3</sup></b>	\$100,000	Direct Lending	\$ 89,171,720	1.9%		0.9	0.9	4.1	15.5	7.9	--	8.7	May-20
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>4</sup></i>						3.2	3.2	7.0	15.8	12.1	--	11.0	
Difference:						-2.3	-2.3	-2.8	-0.3	-4.1	--	-2.3	
<b>Mesa West RE Income IV Lag<sup>3</sup></b>	\$75,000	Comm. Mortgage	\$ 35,591,903	0.8%		-1.8	-1.8	-8.9	-16.2	-7.8	-1.9	1.0	Mar-17
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>4</sup></i>						3.2	3.2	7.0	15.8	12.1	10.5	9.9	
Difference:						-5.0	-5.0	-15.8	-32.0	-19.9	-12.4	-8.8	
<b>Crestline Opportunity II Lag<sup>3</sup></b>	\$45,000	Opportunistic	\$ 10,283,134	0.2%		1.0	1.0	-7.8	-13.9	-7.8	-4.8	1.0	Nov-13
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>4</sup></i>						3.2	3.2	7.0	15.8	12.1	10.5	9.6	
Difference:						-2.2	-2.2	-14.8	-29.7	-19.9	-15.4	-8.6	
<b>Davidson Kempner Distr Opp V Lag<sup>3</sup></b>	\$48,275	Opportunistic	\$ 51,849,698	0.0%		1.7	1.7	3.7	7.1	5.1	--	14.6	Oct-20
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>4</sup></i>						3.2	3.2	7.0	15.8	12.1	--	11.6	
Difference:						-1.5	-1.5	-3.3	-8.7	-7.0	--	3.0	
<b>Oaktree Middle Market Lag<sup>3</sup></b>	\$50,000	Leveraged Direct	\$ 32,527,150	0.7%		1.4	1.4	4.9	11.8	9.9	13.5	10.7	Mar-18
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>4</sup></i>						3.2	3.2	7.0	15.8	12.1	10.5	10.0	
Difference:						-1.8	-1.8	-2.1	-4.0	-2.1	3.0	0.6	
<b>HPS EU Asset Value II Lag<sup>3</sup></b>	\$50,000	Direct Lending	\$ 36,936,433	0.8%		2.7	2.7	5.5	12.7	9.8	--	6.8	Aug-20
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>4</sup></i>						3.2	3.2	7.0	15.8	12.1	--	11.5	
Difference:						-0.5	-0.5	-1.5	-3.1	-2.2	--	-4.7	
<b>Raven Opportunity III Lag<sup>3</sup></b>	\$50,000	Direct Lending	\$ 44,939,338	1.0%		-1.8	-1.8	-13.0	-19.2	-1.7	0.9	1.0	Nov-15
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>4</sup></i>						3.2	3.2	7.0	15.8	12.1	10.5	9.7	
Difference:						-5.0	-5.0	-19.9	-35.0	-13.7	-9.6	-8.7	
<b>Medley Opportunity II Lag<sup>2</sup></b>	\$50,000	Direct Lending	\$ 179,867	0.0%		-1.2	-1.2	-2.9	-6.2	-5.2	-7.4	-2.1	Jul-12
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>3</sup></i>						3.2	3.2	7.0	15.8	12.1	10.5	9.5	
Difference:						-4.4	-4.4	-9.9	-22.0	-17.3	-17.9	-11.6	
<b>Silver Point Credit III Lag<sup>2</sup></b>	\$62,000	Sub-Sector	\$ 20,164,565	0.4%		4.4	4.4	10.0	--	--	--	--	Nov-23
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>4</sup></i>						3.2	3.2	7.0	--	--	--	--	
Difference:						1.2	1.2	3.1	--	--	--	--	
<b>SilverRock Tactical Allocation Lag<sup>2</sup></b>	\$62,500	Opportunistic	\$ 42,257,486	0.9%		3.6	3.6	5.8	--	--	--	12.0	Jul-23
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>4</sup></i>						3.2	3.2	7.0	--	--	--	10.0	
Difference:						0.4	0.4	-1.2	--	--	--	1.9	
<b>White Oak Summit Peer Fund Lag<sup>2</sup></b>	\$50,000	Direct Lending	\$ 22,036,895	0.5%		0.6	0.6	1.5	5.9	-1.7	1.2	3.7	Mar-16
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>3</sup></i>						3.2	3.2	7.0	15.8	12.1	10.5	9.8	
Difference:						-2.6	-2.6	-5.4	-9.9	-13.8	-9.3	-6.1	
<b>White Oak Yield Spectrum Master V Lag<sup>2</sup></b>	\$50,000	Direct Lending	\$ 45,004,608	1.0%		3.4	3.4	2.1	4.0	1.2	--	2.4	Mar-20
<i>S&amp;P/LSTA Leveraged Loans +3% Blend<sup>3</sup></i>						3.2	3.2	7.0	15.8	12.1	--	11.0	
Difference:						0.2	0.2	-4.9	-11.8	-10.9	--	-8.6	
<b>Core Private Real Estate Lag</b>			\$ 258,252,592	5.6%									
<b>AEW Essential Housing<sup>2</sup></b>	\$50,000	Core Pvt. RE	\$ 1,155,135	0.0%		-2.0	-2.0	--	--	--	--	-2.0	Jan-24
<i>NCREIF ODCE + 1% Lag Blend</i>						-1.6	-1.6	--	--	--	--	-5.5	
Difference:						-0.4	-0.4	--	--	--	--	3.5	
<b>Principal US<sup>2</sup></b>	\$25,000	Core Pvt. RE	\$ 38,256,406	0.8%		-2.0	-2.0	-8.0	-9.8	2.9	3.2	5.1	Jan-16
<i>NCREIF ODCE + 1% Lag Blend</i>						-1.6	-1.6	-6.6	-8.3	6.6	6.7	8.4	
Difference:						-0.4	-0.4	-1.4	-1.5	-3.7	-3.5	-3.3	
<b>Prologis Logistics<sup>2</sup></b>	\$50,500	Core Pvt. RE	\$ 119,653,774	2.6%		1.4	1.4	-8.2	-14.7	13.1	13.8	13.7	Dec-07
<i>NCREIF ODCE + 1% Lag Blend</i>						-1.6	-1.6	-6.6	-8.3	6.6	6.7	7.4	
Difference:						3.0	3.0	-1.6	-6.4	6.5	7.1	6.3	
<b>RREEF America II<sup>2</sup></b>	\$45,000	Core Pvt. RE	\$ 50,946,973	1.1%		-0.5	-0.5	-9.0	-11.5	2.7	3.3	2.3	Jul-16
<i>NCREIF ODCE + 1% Lag Blend</i>						-1.6	-1.6	-6.6	-8.3	6.6	6.7	8.9	
Difference:						1.1	1.1	-2.4	-3.2	-3.9	-3.4	-6.6	

<sup>1</sup>Returns are preliminary and are finalized during each quarterly reporting cycle. Monthly returns since previous quarter are provided by the managers. Market values are provided by Northern Trust.

<sup>2</sup>Total class returns are as of 6/30/2024, and lagged 1 quarter.

<sup>3</sup>Manager returns are as of 6/30/2024, and lagged 1 quarter. Since Inception date reflects one quarter lag.

<sup>4</sup>9% Annual until 6/30/2018; CPI +6% Annual 7/1/2018 - 3/31/2022; S&P/LSTA Leveraged Loans +3% thereafter.



# San Joaquin County Employees' Retirement Association (SJCERA)

## Preliminary Monthly Flash Report (Net)'

September 2024

	Commitment (\$000)	Sub-Segment	Market Value	Physical % of Total	Policy Target %	1-Mo	3-Mos	YTD	1-Yr	3-Yrs	5-Yrs	SI Return	SI Date
<b>Diversifying Strategies</b>			\$ 922,858,328	19.9%	22.0%	0.7	1.3	4.9	3.1	1.9	1.8	6.0	Oct-90
<b>Principal Protection</b>			\$ 444,058,550	9.6%	9.0%	1.5	5.5	5.3	13.0	0.5	1.1	5.9	Oct-90
BB Aggregate Bond Index						1.3	5.2	4.4	11.6	-1.4	0.3	5.3	
Difference:						0.1	0.4	0.9	1.4	1.9	0.8	0.5	
<b>Dodge &amp; Cox</b>		Core Fixed Income	\$ 269,975,979	5.8%		1.5	5.8	5.8	13.7	0.6	2.2	6.6	Oct-90
BB Aggregate Bond Index						1.3	5.2	4.4	11.6	-1.4	0.3	5.3	
Difference:						0.2	0.6	1.3	2.2	2.0	1.9	1.3	
<b>Loomis Sayles</b>		Core Fixed Income	\$ 174,082,571	3.8%		1.4	5.2	4.5	11.5	--	--	1.0	Mar-22
BB Aggregate Bond Index						1.3	5.2	4.4	11.6	--	--	0.8	
Difference:						0.1	0.0	0.1	-0.1	--	--	0.2	
<b>Crisis Risk Offset</b>			\$ 478,799,777	10.3%	13.0%	-0.1	-2.3	3.4	-3.7	2.8	2.2	5.9	Jan-05
CRO Custom Benchmark <sup>2</sup>						1.2	2.0	3.4	6.7	1.1	2.4	4.7	
Difference:						-1.3	-4.4	0.0	-10.4	1.7	-0.2	1.2	
<b>Long Duration</b>			\$ 120,070,817	2.6%		2.0	7.9	3.4	15.9	-7.6	-3.8	-0.4	
BB US Long Duration Treasuries						2.0	7.8	2.4	15.4	-8.4	-4.3	-0.5	
Difference:						0.0	0.1	1.0	0.5	0.7	0.4	0.1	
<b>Dodge &amp; Cox Long Duration</b>		Long Duration	\$ 120,070,817	2.6%		2.0	7.9	3.4	15.9	-7.6	-3.8	-0.4	Feb-16
BB US Long Duration Treasuries						2.0	7.8	2.4	15.4	-8.4	-4.3	-0.5	
Difference:						0.0	0.1	1.0	0.5	0.7	0.4	0.1	
<b>Systematic Trend Following</b>			\$ 233,156,204	5.0%		1.5	-2.2	3.9	-7.9	7.2	7.4	8.2	
BTOP50 Index						1.2	-2.8	3.5	-1.1	5.7	5.6	4.7	
Difference:						0.3	0.6	0.4	-6.8	1.5	1.8	3.4	
<b>Mt. Lucas Managed Futures - Cash</b>		Systematic Trend Following	\$ 121,853,072	2.6%		1.3	4.7	2.2	-6.0	7.1	9.4	7.8	Jan-05
BTOP50 Index						1.2	-2.8	3.5	-1.1	5.7	5.6	4.7	
Difference:						0.1	7.5	-1.2	-5.0	1.4	3.8	3.1	
<b>Graham Tactical Trend</b>		Systematic Trend Following	\$ 111,303,132	2.4%		1.7	-8.7	5.7	-9.8	7.3	5.4	3.1	Apr-16
SG Trend Index						1.2	-5.7	2.4	-2.7	7.3	6.9	4.3	
Difference:						0.6	-3.0	3.3	-7.0	0.1	-1.5	-1.1	
<b>Alternative Risk Premia</b>			\$ 125,572,756	2.7%		-4.8	-10.7	2.5	-10.6	6.5	0.6	6.9	
5% Annual						0.4	1.2	3.7	5.0	5.0	5.0	6.1	
Difference:						-5.2	-11.9	-1.2	-15.6	1.5	-4.4	0.8	
<b>AQR Style Premia</b>		Alternative Risk Premia	\$ 71,648,821	1.5%		-4.4	-7.5	14.6	7.7	20.4	8.2	3.7	May-16
5% Annual						0.4	1.2	3.7	5.0	5.0	5.0	5.0	
Difference:						-4.8	-8.7	10.9	2.7	15.4	3.2	-1.3	
<b>PE Diversified Global Macro</b>		Alternative Risk Premia	\$ 53,923,935	1.2%		-5.3	-14.7	-10.0	-27.0	4.8	-4.0	-0.1	Jun-16
5% Annual						0.4	1.2	3.7	5.0	5.0	5.0	5.0	
Difference:						-5.7	-15.9	-13.8	-32.0	-0.2	-9.0	-5.1	
<b>Cash<sup>3</sup></b>			\$ 153,634,322	3.3%	0.0%	0.2	0.7	2.8	3.5	2.6	1.7	2.4	Sep-94
US T-Bills						0.4	1.4	4.0	5.5	3.5	2.3	2.4	
Difference:						-0.2	-0.6	-1.3	-2.0	-0.9	-0.6	0.0	
<b>Northern Trust STIF</b>		Collective Govt. Short Term	\$ 134,273,911	2.9%		0.3	1.1	3.6	4.5	3.0	2.0	2.6	Jan-95
US T-Bills						0.4	1.4	4.0	5.5	3.5	2.3	2.4	
Difference:						-0.1	-0.3	-0.5	-0.9	-0.4	-0.3	0.2	
<b>Parametric Overlay<sup>4</sup></b>		Cash Overlay	\$ 31,606,349	0.7%		0.0	0.0	0.0	0.0	--	--	0.0	Jan-20

<sup>1</sup>Returns are preliminary and are finalized during each quarterly reporting cycle. Monthly returns since previous quarter are provided by the managers. Market values are provided by Northern Trust.

<sup>2</sup>Benchmark is (1/3) BB Long Duration Treasuries, (1/3) BTOP50 Index, (1/3) 5% Annual.

<sup>3</sup>Includes lagged cash.

<sup>4</sup>Given daily cash movement returns may vary from those shown above.

## Economic and Market Update

September 2024 Report

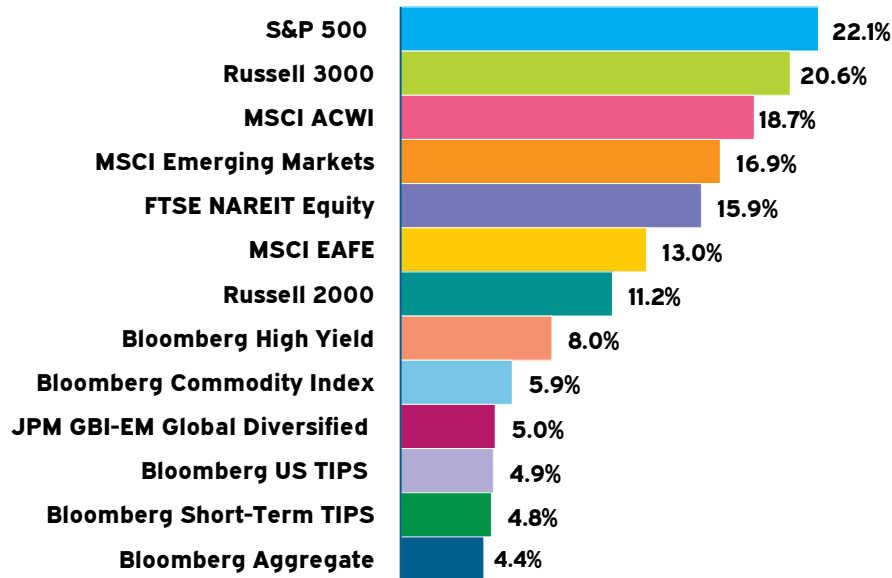
## Commentary

In the third quarter, stock and bond markets rallied despite heightened volatility. Central bank indications of future interest rate cuts given declining inflation pressures was a key driver of gains.

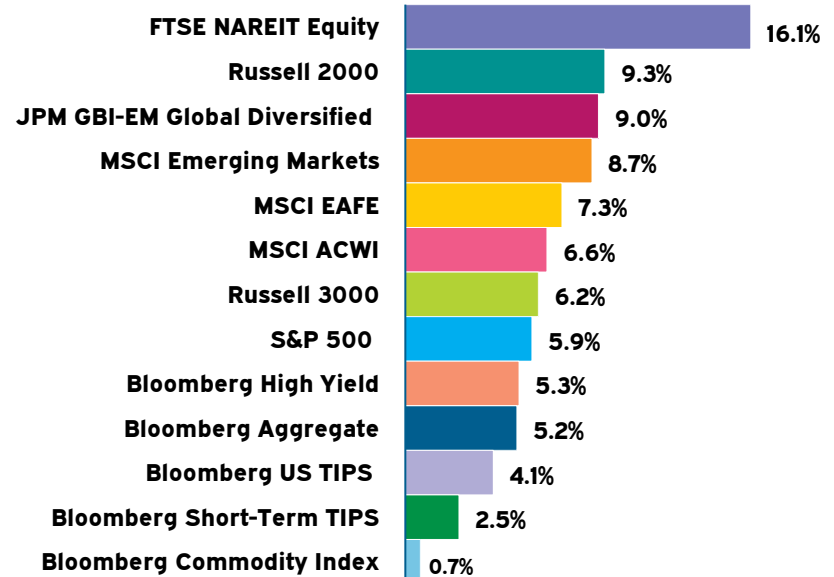
- In September, the Federal Reserve surprised many in the markets with a 50 basis point interest rate cut while the US economy and employment picture remains quite healthy.
- In the third quarter, US equities (Russell 3000) rose 6.2%. The US equity rally broadened, with value and small cap stocks outperforming large cap growth stocks, reversing the narrow leadership trend earlier this year.
- Emerging market stocks (+8.7%) outperformed developed market stocks in the third quarter; in non-US developed markets (+7.3%) value and small cap stocks also beat the broad market.
- After two years of piecemeal policy stimulus, China's policy makers rolled out a significant stimulus package to support equity prices, reduce bank reserve requirements and funding rates, and support current and future mortgage borrowers. In particular, bank loans for listed company share buybacks and purchases drove the MSCI China equity index to rally 23.9% in September and 23.5% for the entire third quarter.
- Fixed income markets also posted positive returns on expectations for additional policy rate cuts this year and next, as inflation pressures recede, and the economy slows.
- Looking ahead, the paths of inflation, labor markets, and monetary policy, China's slowing economy and potential policy stimulus benefits, increased geopolitical tensions, and the looming US election will be key factors.

### Index Returns<sup>1</sup>

#### YTD



#### Q3



→ Major markets finished the third quarter in positive territory despite several spikes in volatility. Falling inflation, resilient growth in the US, and dovish central banks supported stocks and bonds. Rate sensitive sectors, like REITs, particularly benefited from lower interest rates.

→ Year-to-date through September, all major asset classes were positive, led by US equities.

<sup>1</sup> Source: Bloomberg. Data is as of September 30, 2024.

### Domestic Equity Returns<sup>1</sup>

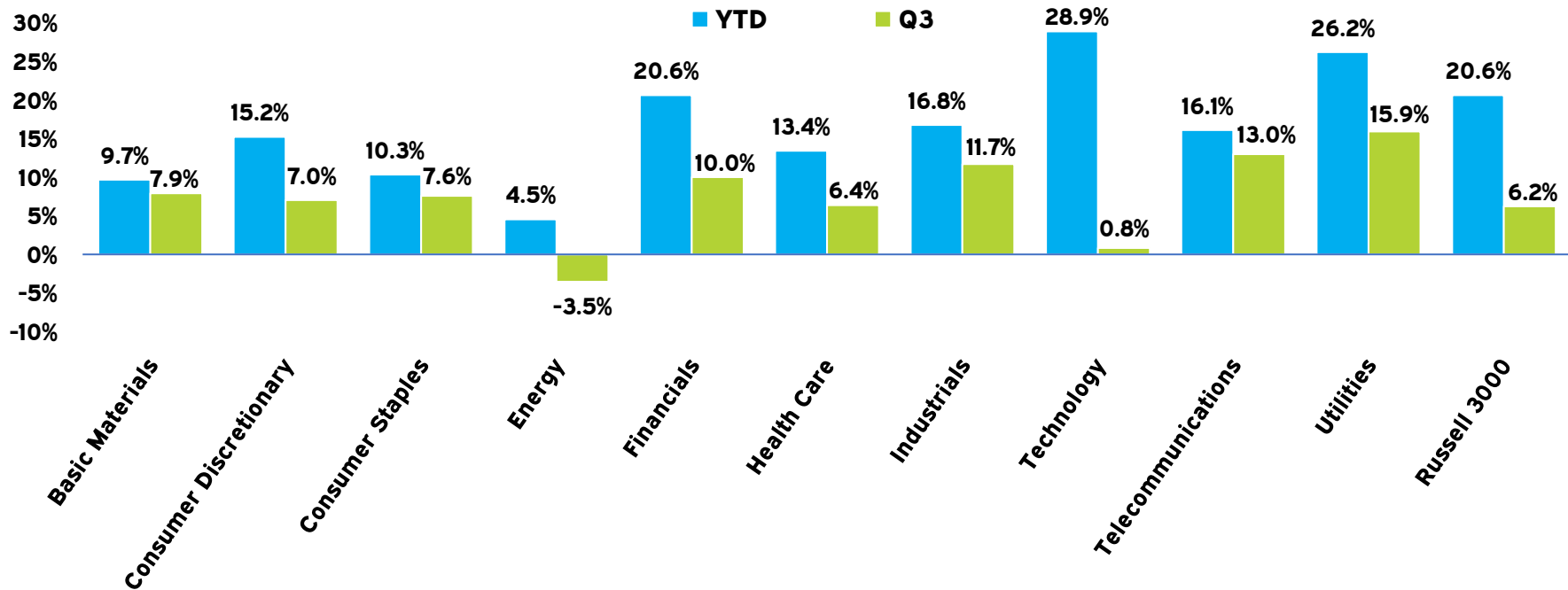
Domestic Equity	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	2.1	5.9	22.1	36.4	11.9	16.0	13.4
Russell 3000	2.1	6.2	20.6	35.2	10.3	15.3	12.8
Russell 1000	2.1	6.1	21.2	35.7	10.8	15.6	13.1
Russell 1000 Growth	2.8	3.2	24.5	42.2	12.0	19.7	16.5
Russell 1000 Value	1.4	9.4	16.7	27.8	9.0	10.7	9.2
Russell MidCap	2.2	9.2	14.6	29.3	5.7	11.3	10.2
Russell MidCap Growth	3.3	6.5	12.9	29.3	2.3	11.5	11.3
Russell MidCap Value	1.9	10.1	15.1	29.0	7.4	10.3	8.9
Russell 2000	0.7	9.3	11.2	26.8	1.8	9.4	8.8
Russell 2000 Growth	1.3	8.4	13.2	27.7	-0.4	8.8	8.9
Russell 2000 Value	0.1	10.2	9.2	25.9	3.8	9.3	8.2

**US Equities: The Russell 3000 rose +6.2% in the third quarter, bringing the year-to-date results to +20.6%.**

- In the third quarter, the previously technology-driven stock rally broadened out as optimism grew over the potential for a “soft landing” of the US economy and as investors reexamined the future of AI-related stocks.
- In this environment, value outperformed growth across the capitalization spectrum and small cap stocks (Russell 2000: +9.3%) outperformed large cap stocks (Russell 1000: +6.1%).
- Despite the third quarter’s rally in value and small cap stocks, large cap growth stocks are the best performing asset class (R1000 Growth: +24.5%) for the year-to-date 2024 due to on-going enthusiasm for AI.

<sup>1</sup> Source: Bloomberg. Data is as of September 30, 2024.

### Russell 3000 Sector Returns<sup>1</sup>



- With the notable exception of energy stocks, all sectors posted positive returns in the third quarter.
- On the prospect of growing energy demand for cloud computing for AI, utilities were the best performing sector in the third quarter (+15.9%) followed by telecom (+13.0%) and industrials (+11.7%).
- All sectors feature positive returns for the year-to-date period. Technology stocks (+28.9%) continue to lead the broader market, followed by utilities (+26.2%), and financials (+20.6%).

<sup>1</sup> Source: Bloomberg. Data is as of September 30, 2024.

### Foreign Equity Returns<sup>1</sup>

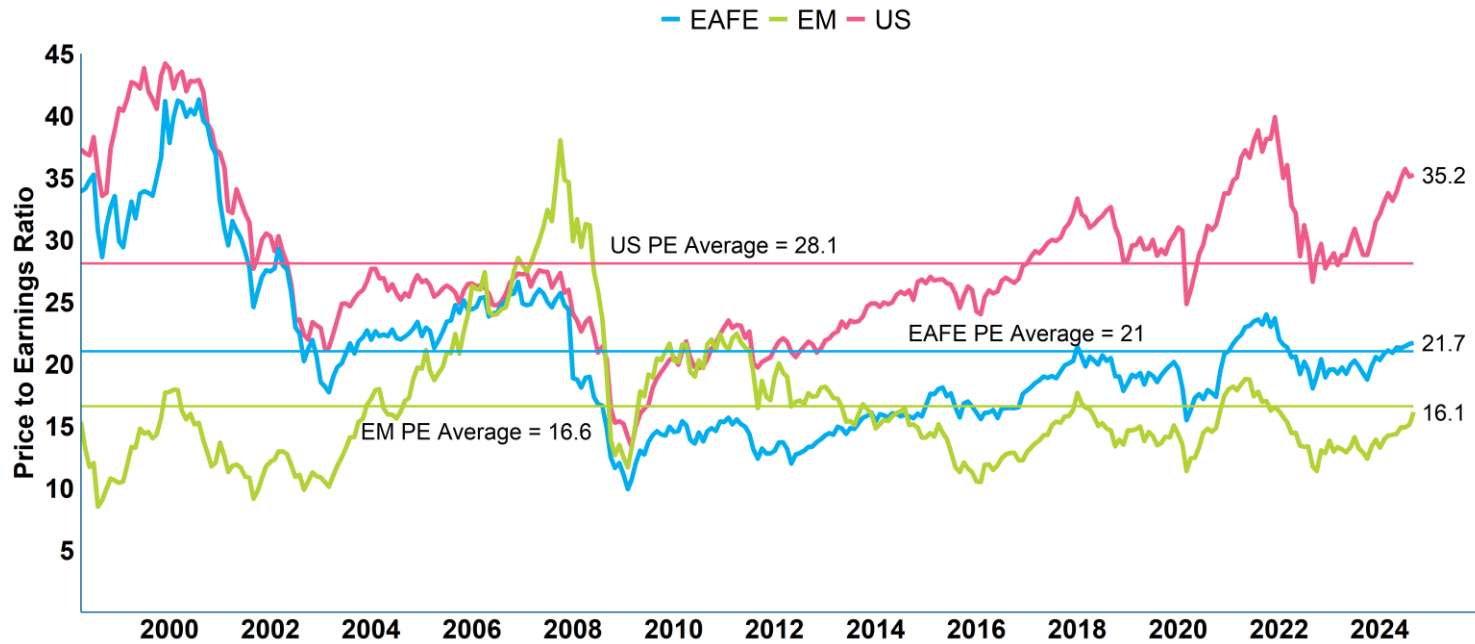
Foreign Equity	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	2.7	8.1	14.2	25.4	4.1	7.6	5.2
MSCI EAFE	0.9	7.3	13.0	24.8	5.5	8.2	5.7
MSCI EAFE (Local Currency)	-0.4	0.8	12.0	17.5	7.9	8.8	7.4
MSCI EAFE Small Cap	2.6	10.5	11.1	23.5	-0.4	6.4	6.2
MSCI Emerging Markets	6.7	8.7	16.9	26.1	0.4	5.7	4.0
MSCI Emerging Markets (Local Currency)	5.6	6.6	18.3	25.0	2.9	7.4	6.5
MSCI EM ex. China	1.3	4.0	12.7	27.4	3.4	8.4	4.8
MSCI China	23.9	23.5	29.3	23.9	-5.6	0.8	3.4

**Foreign Equity: Developed international equities (MSCI EAFE) rose +7.3% in the third quarter, while emerging market equities (MSCI Emerging Markets) gained 8.7%.**

- Non-US developed market stocks saw similar themes as the US, with value and small cap stocks outperforming large cap stocks in the third quarter, as investors anticipated further rate cuts from the European Central Bank and the Bank of England. Japan’s TOPIX index experienced an over 20% decline at the start of August due to the Bank of Japan’s (BoJ) unexpected rate increase and related pressures on the yen carry trade. It subsequently recovered, though, as the BoJ signaled that further rate increases were not likely.
- In late September, China announced significant stimulus measures to support asset prices resulting in Chinese stocks rallying +23.9% just in September. This led to emerging markets having the best quarterly results (+8.7%).
- The weakening US dollar further supported international stocks, particularly in developed markets.

<sup>1</sup> Source: Bloomberg. Data is as September 30, 2024.

**Equity Cyclically Adjusted P/E Ratios<sup>1</sup>**



- The broad global equity rally lifted stocks' cyclically adjusted price/earnings ratios over the quarter, with US stock valuations finishing well above their long-term 28.1 average.
- Non-US developed market valuations increased to slightly above their long-term average while emerging market stocks are now trading close to their long-term average given the strong recent gains.

<sup>1</sup> US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of September 2024. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.



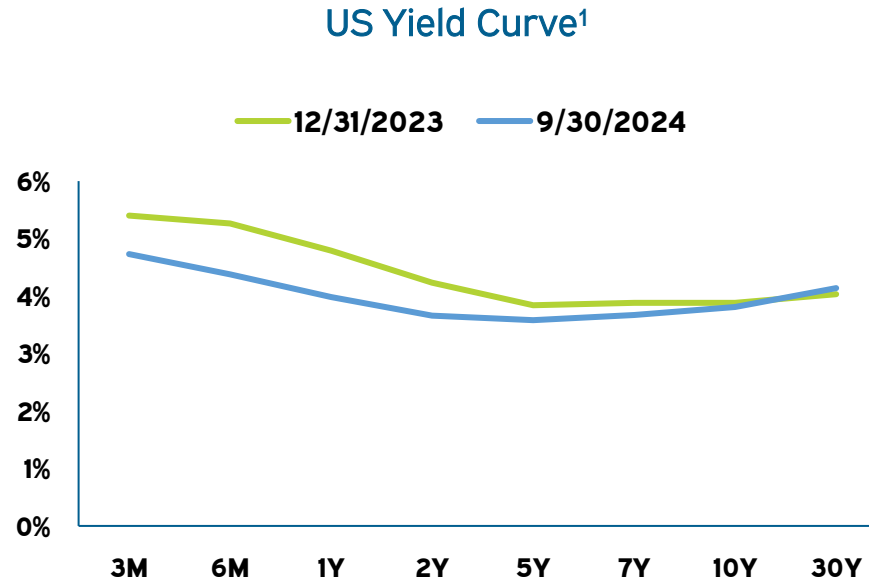
### Fixed Income Returns<sup>1</sup>

Fixed Income	September (%)	QTD (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	1.4	5.2	4.9	12.1	-1.0	0.7	2.1	4.5	6.0
Bloomberg Aggregate	1.3	5.2	4.4	11.6	-1.4	0.3	1.8	4.2	6.2
Bloomberg US TIPS	1.5	4.1	4.9	9.8	-0.6	2.6	2.5	3.8	6.9
Bloomberg Short-term TIPS	1.0	2.5	4.8	7.5	2.5	3.6	2.4	3.9	2.4
Bloomberg US Long Treasury	2.0	7.8	2.4	15.4	-8.3	-4.3	1.1	4.2	15.5
Bloomberg High Yield	1.6	5.3	8.0	15.7	3.1	4.7	5.0	7.0	3.4
JPM GBI-EM Global Diversified (USD)	3.4	9.0	5.0	13.4	0.6	0.6	0.6	--	--

**Fixed Income: The Bloomberg Universal index rose 5.2% in the third quarter, bringing the year-to-date return into positive territory (+4.9%).**

- Fixed income indexes rose in the quarter as rates fell, driven by a continued decline in inflation. This and the weakening labor market led to the Fed cutting interest rates with more cuts expected.
- The broad US bond market (Bloomberg Aggregate) rose 5.2% over the quarter, with the broad TIPS market gaining 4.1%. The less interest rate sensitive short-term TIPS index increased 2.5%.
- Riskier bonds experienced volatility during the quarter but ultimately posted strong results as risk appetite remained strong. Emerging market debt gained 9.0% and high yield rose 5.3%.

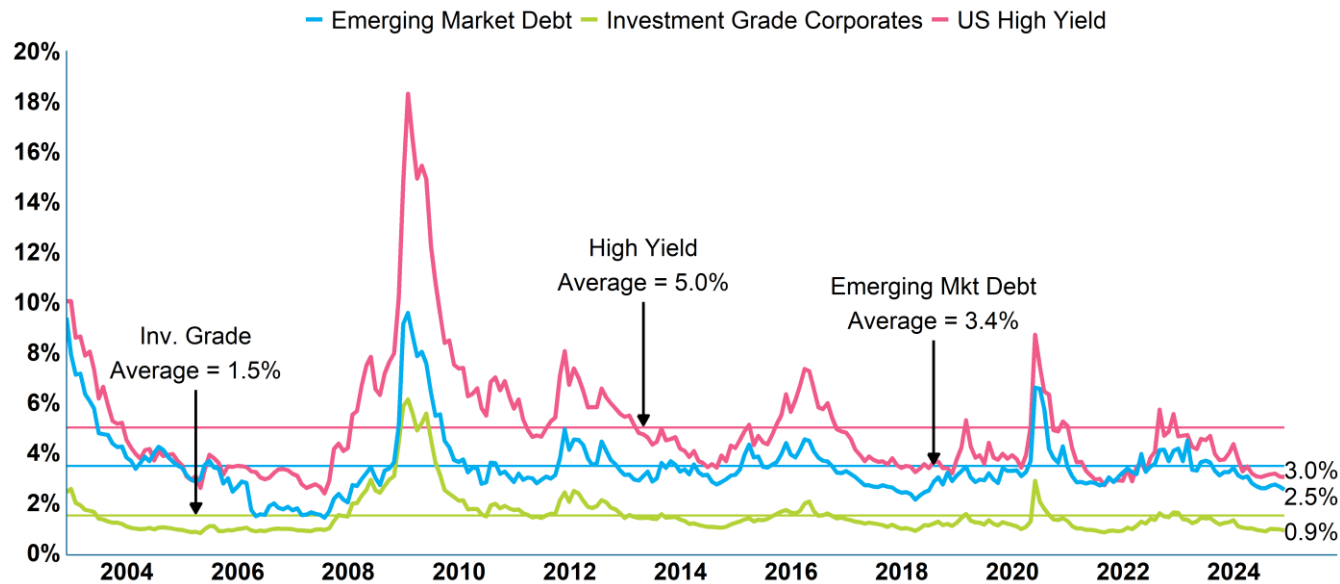
<sup>1</sup> Source: Bloomberg. Data is as of September 30, 2024. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.



- US interest rates fell over the quarter as economic data continued to soften and the Fed started its rate cutting cycle.
- The more policy sensitive 2-year Treasury yield declined from 4.75% to 3.64% over the quarter, while the 10-year Treasury yield fell from 4.40% to 3.78% over the same period.
- Notably, the portion of the yield curve from 2-years to 10-years was no longer inverted at the end of September, given policy rate cuts and resilient growth. This trend could continue as the Fed likely continues to cut interest rates.

<sup>1</sup> Source: Bloomberg. Data is as of September 30, 2024.

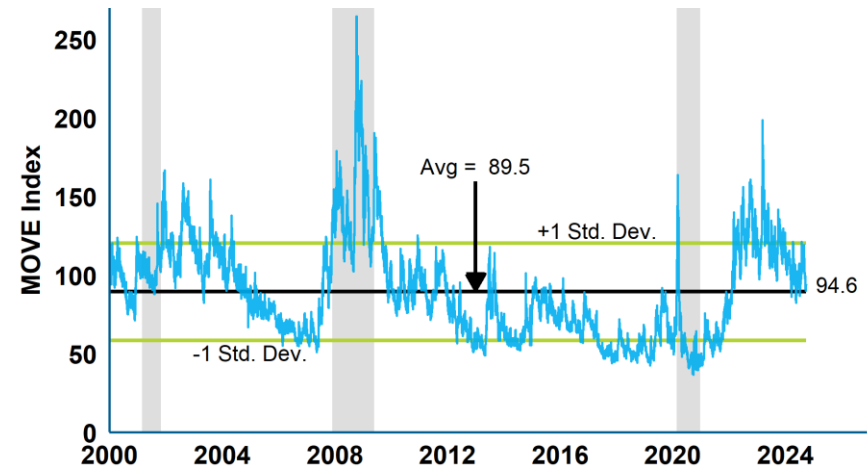
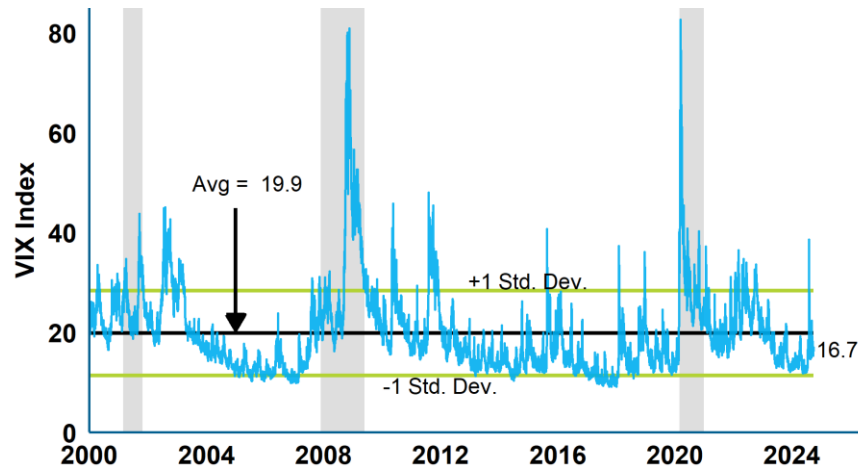
**Credit Spreads vs. US Treasury Bonds<sup>1</sup>**



- Spreads (the yield above a comparable maturity Treasury) widened significantly at the start of the quarter in the volatile environment but declined after, largely finishing where they started.
- All yield spreads remained below their respective long-run averages, particularly high yield.
- Although spreads are relatively tight, yields remain at above-average levels compared to the last two decades, particularly for short-term issues.

<sup>1</sup> Source: Bloomberg. Data is as September 30, 2024. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

### Equity and Fixed Income Volatility<sup>1</sup>



- In the third quarter, equity and bond market volatility experienced periods of elevation due to concerns over the US labor market, the unwinding of the yen-carry trade, and increased geopolitical tensions. Ultimately, both settled well below their respective peaks as additional economic data and the easing of monetary policy calmed investors.
- Volatility levels (VIX) in the stock market spiked above one standard deviation of its long-term average in early August but finished below the long-term average.
- Bond market volatility (MOVE) also fluctuated through the quarter. Uncertainty in the bond market remains above the long-run average as markets continue to reprice the pace of interest rate cuts.

<sup>1</sup> Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of September 2024. The average line indicated is the average of the VIX and MOVE values between January 2000 and September 2024.

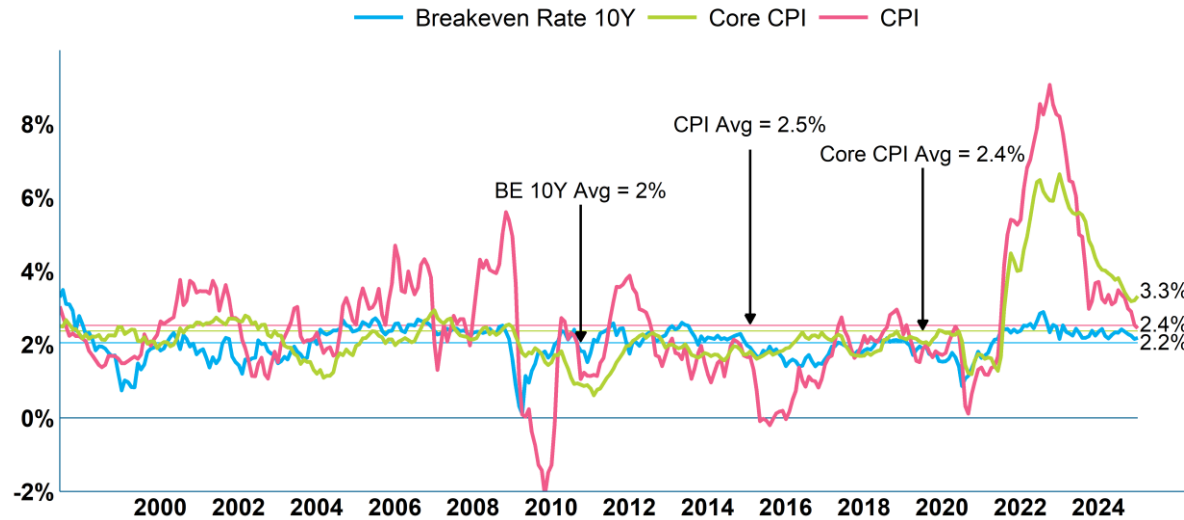
### Recent Market Strength: China<sup>1</sup>



- On September 24th, Chinese policy makers surprised markets with a suite of policy stimulus measures designed to support stock prices, banks, and mortgage borrowers.
- Banks were asked to extend loans to publicly traded companies for share purchases and buybacks, contributing to significant equity market gains in the last week of the quarter. These policies also contributed to increased foreign demand for Chinese shares.
- The banking sector benefited from a cut to the 1-year medium term lending rate and to their reserve requirement rate.
- Homeowners may also benefit from changes to downpayment minimums and mortgage rate reductions.
- Despite the recent gains in the stock market, questions remain about the ultimate impact of these policies on longer-term growth in China, as well as policy makers' commitment to continue supporting the economy.

<sup>1</sup> Source: Bloomberg. Data as of September 30, 2024.

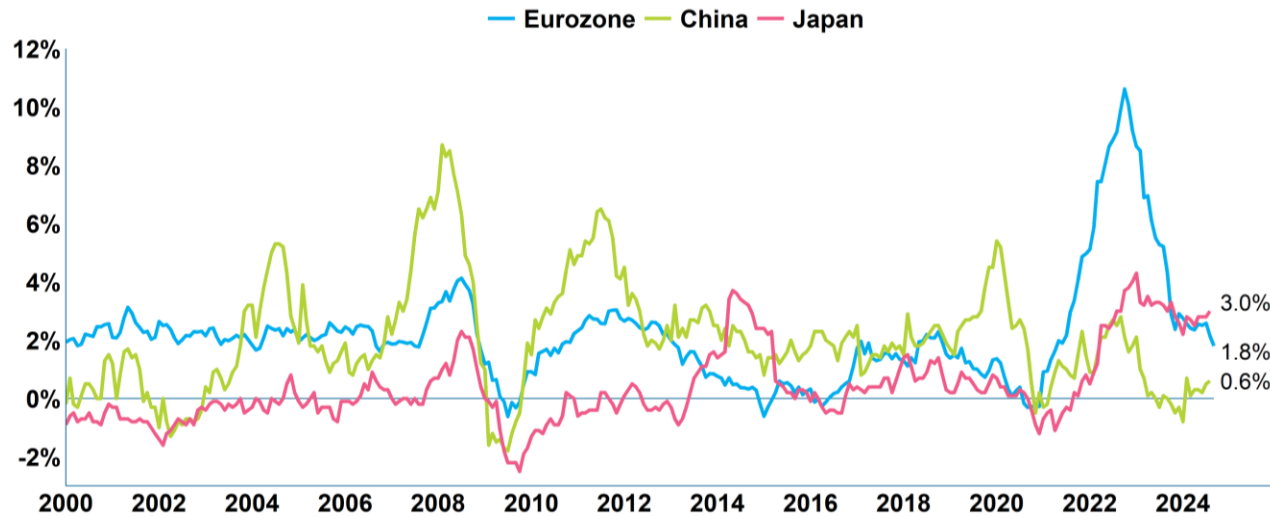
**US Ten-Year Breakeven Inflation and CPI<sup>1</sup>**



- Over the quarter, year-over-year headline inflation continued to decline (3.0% to 2.4%) supporting the Fed’s start to cutting policy rates. The 2.4% September level was the lowest since early 2021.
- Month-over-month inflation increased 0.2% each month over the quarter. Food and shelter costs saw monthly increases, while energy prices largely fell.
- Year-over-year core inflation (excluding food and energy) finished the quarter where it started (3.3%). Shelter (+4.9% YoY) and transportation (+8.5% YoY) remain key drivers of stickier core inflation.
- Inflation expectations (breakevens) have been relatively stable over the last several years. They remain below current inflation levels.

<sup>1</sup> Source: FRED. Data is as September 2024. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

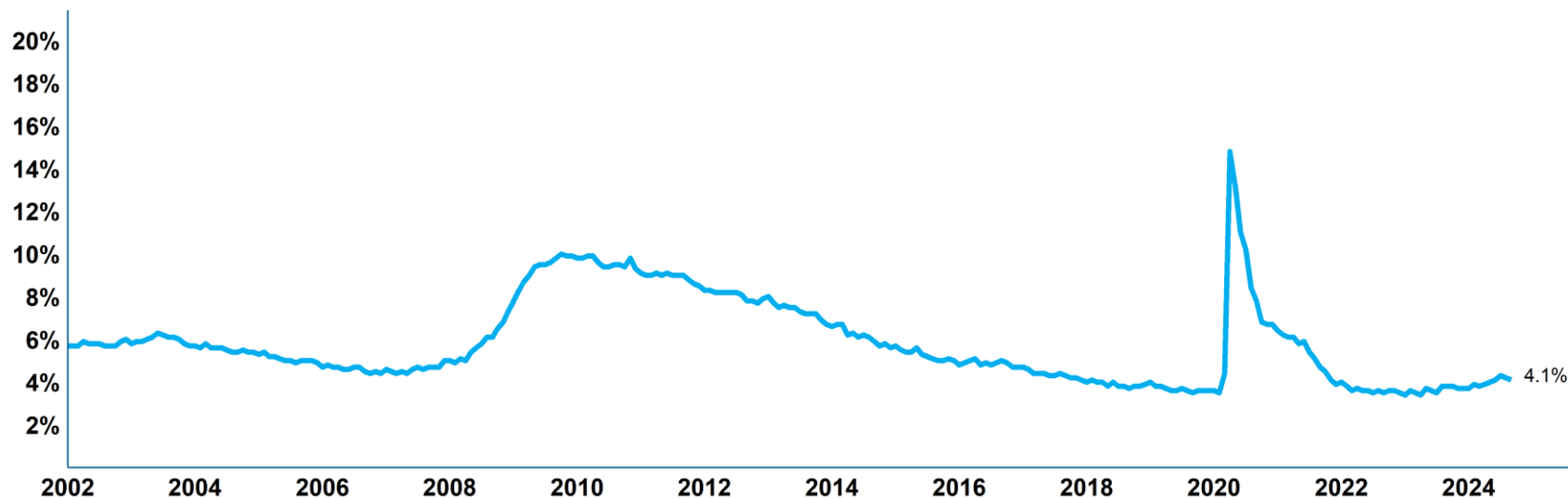
**Global Inflation (CPI Trailing Twelve Months)<sup>1</sup>**



- In the eurozone, inflation fell from 2.5% to 1.8% over the quarter (a level below the US), potentially clearing the way for further rate cuts from the European Central Bank.
- By contrast, inflation in Japan recently increased (2.8% to 3.0%) due in part to higher food, electricity, and gas prices supporting the case for additional interest rate increases by the Bank of Japan.
- In China, inflation increased each of the last seven months, after declines late last year. Recent extreme weather has caused supply issues and contributed to higher prices. Inflation in China remains much lower than in other countries, due to weak consumer spending and as issues in the real estate sector continue to weigh on sentiment.

<sup>1</sup> Source: Bloomberg. Data is as of September 30, 2024, except Japan and China which are as of August 31, 2024.

### US Unemployment<sup>1</sup>

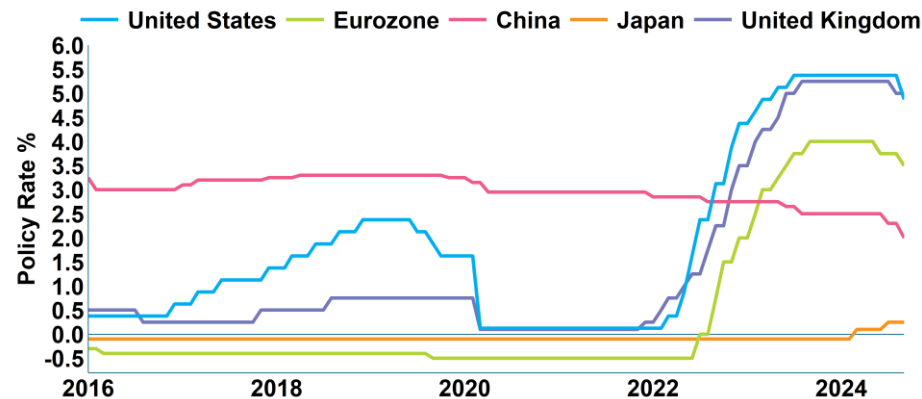


- The US labor market has softened but remains relatively strong. After reaching 4.3% in July, the unemployment rate finished the quarter at the level it started (4.1%), with 6.8 million people looking for work.
- After job gains came in below expectations in July (114k versus 175k) and August (142k versus 165k), contributing to some of the market volatility, they finished strong in September, beating estimates (254k versus 150k). Food services (+69K) and healthcare (+45K) were the largest contributors to the September gains.
- Initial claims for unemployment remain relatively low and year-over-year wage gains remain strong (+4.0%). The number of job openings increased slightly (7.9 to 8.0 million) over the quarter.

<sup>1</sup> Source: FRED. Data is as of September 30, 2024.



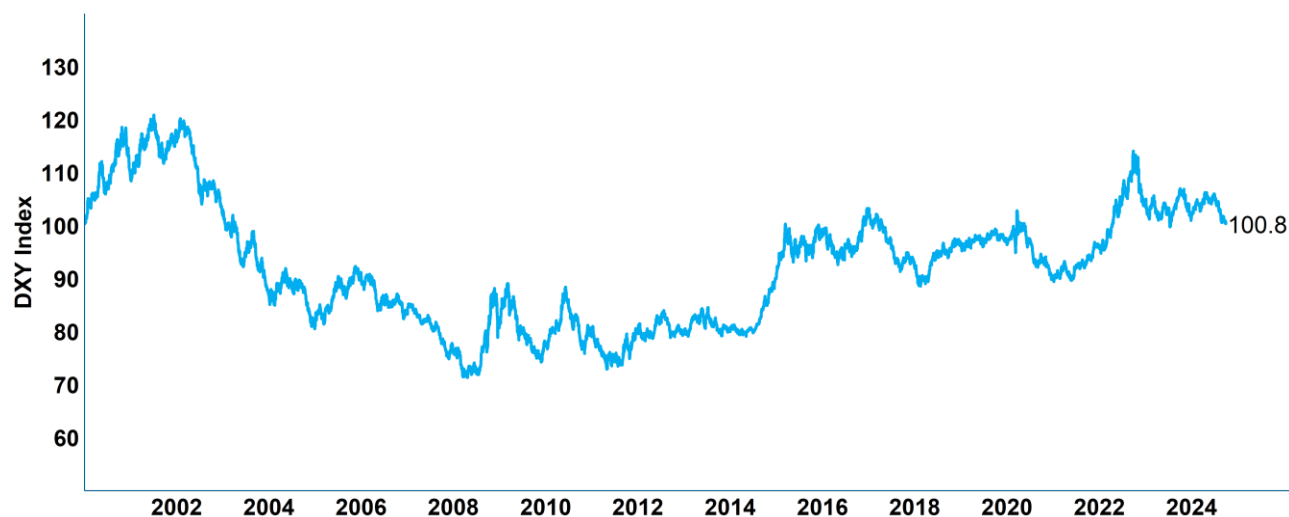
### Policy Rates<sup>1</sup>



- In the US, the Fed reduced interest rates by 0.5% after holding them at a 5.25%-5.50% level for over a year. In their statement they highlighted that they would make additional interest rate cut decisions based on incoming data. Market participants are pricing in roughly two additional cuts in 2024.
- The Bank of England (BoE) and the European Central Bank (ECB) have both started cutting rates. The BoE made a 25 basis points interest rate cut in July while the ECB made two similar cuts in June and September.
- Inflation in Japan remains elevated, prompting Bank of Japan officials to raise the policy rate 0.15% to 0.25% over the quarter after decades at near-zero rates.
- China announced a broad based unexpected stimulus package that included lower interest rates, a reduction in bank reserve requirements, and liquidity for stock investors.

<sup>1</sup> Source: Bloomberg. Data is as of September, 2024. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

### US Dollar vs. Broad Currencies<sup>1</sup>



- The US dollar weakened in the third quarter by 4.7% versus other major currencies, influenced by the decline in interest rates and expectations for slower growth.
- It remains at historically strong levels, though, given relatively stronger growth, higher interest rates, and on the prospects of other central banks, potentially easing policy faster than the Fed.
- Looking ahead, the track of policy rates across major central banks will be key for the path of the US dollar from here. If the US economy slows more than expected and the Fed relatedly lowers rates at a faster pace, we could see the dollar weaken further.

<sup>1</sup> Source: Bloomberg. Data as of September 30, 2024.

## Summary

### Key Trends:

- According to the International Monetary Fund's (IMF) July report, global growth this year is expected to match the 2023 estimate at around 3.2% with most major economies predicted to avoid a recession.
- Key economic data in the US has largely weakened and come in below expectations, causing markets to expect an additional two rate cuts this year after the Fed's initial 0.5% reduction. Uncertainty remains regarding the timing and pace of interest rate cuts in the coming year.
- US consumers could feel pressure as certain components of inflation (e.g., shelter) remain high, borrowing costs stay elevated, and the job market may weaken further.
- A focus for US equities going forward will be whether earnings can remain resilient if growth slows. Also, the future paths of the large technology companies that have driven market gains will be important.
- We have started to see divergences in monetary policy. Some central banks, such as the Fed, European Central Bank, and the Bank of England, have started to cut interest rates and others, like the Bank of Japan, have increased interest rates. This disparity will likely influence capital flows and currencies.
- China appears to have shifted focus to more policy support for the economy/asset prices with a new suite of policy stimulus and signals for more support ahead. It is still not clear what the long-term impact of these policies will be on the economy and if policy makers will remain committed to these efforts.

THIS REPORT (THE "REPORT") HAS BEEN PREPARED FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT, AND IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. THE INFORMATION CONTAINED HEREIN, INCLUDING ANY OPINIONS OR RECOMMENDATIONS, REPRESENTS OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND IS SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK, AND THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.

THE INFORMATION USED TO PREPARE THIS REPORT MAY HAVE BEEN OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. SOME OF THIS REPORT MAY HAVE BEEN PRODUCED WITH THE ASSISTANCE OF ARTIFICIAL INTELLIGENCE ("AI") TECHNOLOGY. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY, ADEQUACY, VALIDITY, RELIABILITY, AVAILABILITY, OR COMPLETENESS OF ANY INFORMATION CONTAINED HEREIN, WHETHER OBTAINED EXTERNALLY OR PRODUCED BY THE AI.

THE RECIPIENT SHOULD BE AWARE THAT THIS REPORT MAY INCLUDE AI-GENERATED CONTENT THAT MAY NOT HAVE CONSIDERED ALL RISK FACTORS. THE RECIPIENT IS ADVISED TO CONSULT WITH THEIR MEKETA ADVISOR OR ANOTHER PROFESSIONAL ADVISOR BEFORE MAKING ANY FINANCIAL DECISIONS OR TAKING ANY ACTION BASED ON THE CONTENT OF THIS REPORT. WE BELIEVE THE INFORMATION TO BE FACTUAL AND UP TO DATE BUT DO NOT ASSUME ANY RESPONSIBILITY FOR ERRORS OR OMISSIONS IN THE CONTENT PRODUCED. UNDER NO CIRCUMSTANCES SHALL WE BE LIABLE FOR ANY SPECIAL, DIRECT, INDIRECT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES OR ANY DAMAGES WHATSOEVER, WHETHER IN AN ACTION OF CONTRACT, NEGLIGENCE, OR OTHER TORT, ARISING OUT OF OR IN CONNECTION WITH THE USE OF THIS CONTENT. IT IS IMPORTANT FOR THE RECIPIENT TO CRITICALLY EVALUATE THE INFORMATION PROVIDED.

CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD-LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM," "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE," OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS REPORT ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS REPORT.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

## MEMORANDUM

**TO:** San Joaquin County Employees' Retirement Association ("SJCERA") Board of Retirement  
**FROM:** Meketa Investment Group  
**DATE:** November 8, 2024  
**RE:** 2024 Annual Roundtable: Summary

---

On October 10, 2024, the San Joaquin County Employees' Retirement Association ("SJCERA") held its annual investment manager roundtable in Lodi, CA. The event featured various panel presentations on a variety of topics. This memo summarizes some of the issues discussed at the event that are facing SJCERA and key points.

Every year SJCERA staff and Meketa strive to make the event better than the previous. Similar to previous years there was a keynote speaker, and various managers were paired up with each other to present topics to the SJCERA board, staff, employers and various attendees. These topics included a private markets discussion on Private Equity, Real Estate and Credit. In addition, we discussed stagflation and had a manager debate on various topics and which asset classes were the best moving forward. The event was wrapped up with a prediction on inflation over the next 12-months and comments from SJCERA trustees and employers in attendance.

### Key-Note Presentation

We were treated to an opening presentation by Jamie Weinstein from PIMCO. He spent the morning talking about the state of the DB marketplace, world markets and the current outlook. Specifically, he addressed inflation, global economic themes, asset class expectations, and the changing world with AI. The conversation was informative and robust. Jamie also took questions about various topics from the group.

### Private Equity and Private Credit

This panel was centered on discussing the trends and opportunities within the private equity and Private Debt/Credit markets. Paris Ba from SJCERA interviewed Meketa, Capital Meridian, Oaktree, and Meridian. The comments from the panel varied. Private equity has been a drag on SJCERA's relative performance as it has failed to keep up with its public markets + premium benchmark in the short term. The takeaway from these discussions was that there is still long-term value to be had from Private Equity and Credit assets.

### Real Estate

Despite the drop in the capital markets in 2022 and 2023, SJCERA's Real Estate managers provided an opportunistic view of some Real Estate segments moving forward. Specifically, there are opportunities in retail, industrial and housing. Office continues to be unattractive. SJCERA board members and attendees had a good interactive discussion with the managers.

**Manager Debate**

Following lunch, we put Invesco, P/E Diversified, and HPS on a panel to debate Private markets, China, and other investment opportunities. The managers went back and forth with a final judgement by the group in attendance that Brooks Monroe (once again) from Invesco won the debate.

**Stagflation**

Mt. Lucas, Neuberger Berman and Loomis Sayles discussed the trends and opportunities with regard to Inflation being seen in various economies. The managers talked about the drivers of inflation, how the U.S. compares to other countries, and what if anything should be done to deal with it. The takeaway from this session is that Inflation is difficult to manage, unpredictable, and involved various components of investments depending on the market environment. While the latest core CPI has been around 3.3% those in attendance made comments that something in the 1.5-5% range was more realistic moving forward.

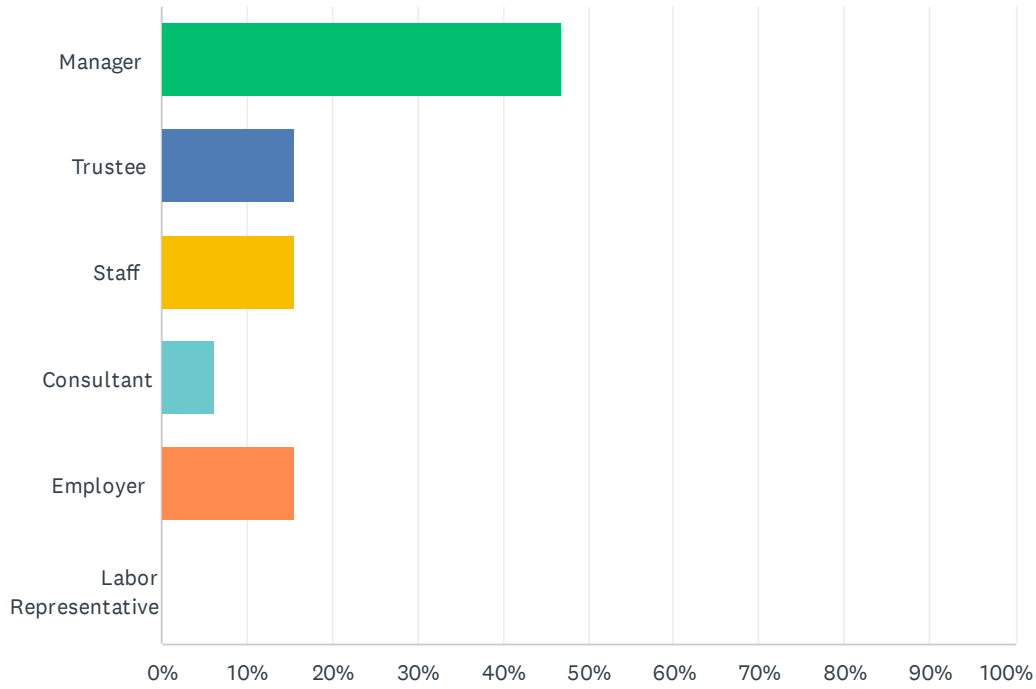
**Conclusion and Next Steps**

SJCERA, like many other pension plans, faces challenges in meeting an actuarial rate of return of 6.75% while managing risk and balancing diversification. SJCERA employers also expressed their interest in finding ways to lower contributions and improve the funding status. SJCERA has continued to move towards its 2022 policy targets. This includes an increase in exposure to some Private Market classes. Meketa and SJCERA will be reviewing the policy benchmark in the first quarter of 2025 and better understanding the outlook for Private market investments.

DS/PN/RF/mn

## Q1 Evaluator is a:

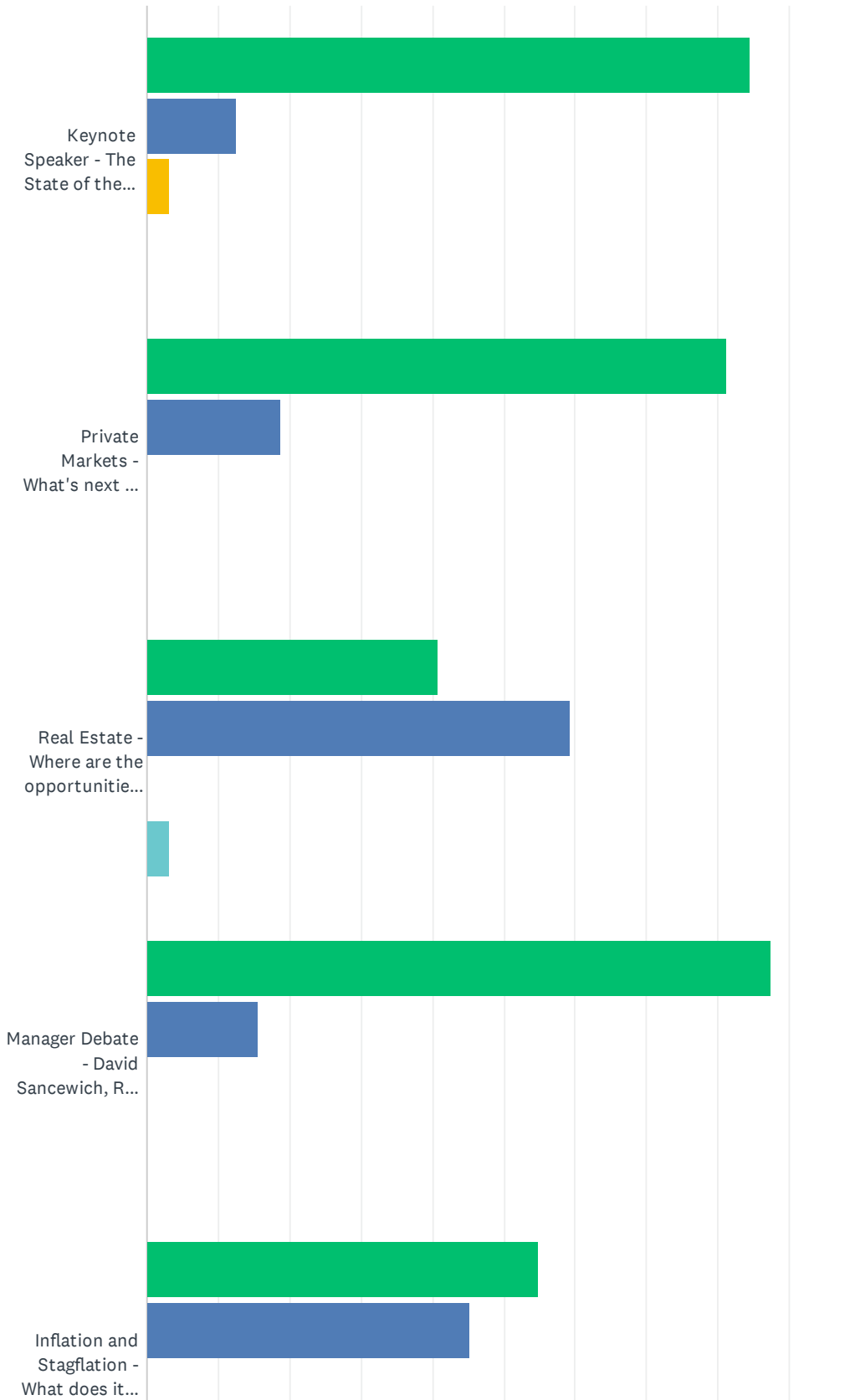
Answered: 32 Skipped: 0



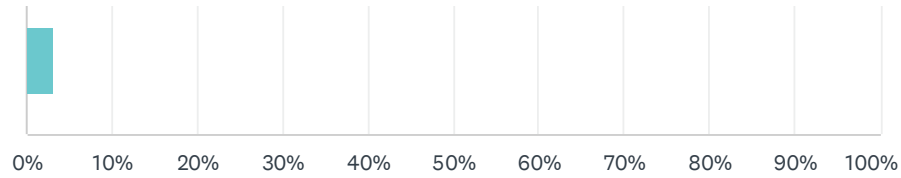
ANSWER CHOICES	RESPONSES	
Manager	46.88%	15
Trustee	15.63%	5
Staff	15.63%	5
Consultant	6.25%	2
Employer	15.63%	5
Labor Representative	0.00%	0
<b>TOTAL</b>		<b>32</b>

### Q3 Presentations:

Answered: 32 Skipped: 0







■ Very Good    
 ■ Satisfactory    
 ■ Unsatisfac...    
 ■ Very Poor

	VERY GOOD	SATISFACTORY	UNSATISFACTORY	VERY POOR	TOTAL RESPONDENTS
Keynote Speaker - The State of the World in 2024 and beyond. Jamie Weinstein	84.38% 27	12.50% 4	3.13% 1	0.00% 0	32
Private Markets - What's next and where are the markets today? Paris Ba, Judy Chambers, Tom Casarella, Brooke Colburn, James Berner	81.25% 26	18.75% 6	0.00% 0	0.00% 0	32
Real Estate - Where are the opportunities? Ryan Farrell, Ronnie Gul, Kosta Karmaniolas, Kyle Elfers	40.63% 13	59.38% 19	0.00% 0	3.13% 1	32
Manager Debate - David Sancewich, Rob Kostow, Brooks Monroe, George Bruce	87.50% 28	15.63% 5	0.00% 0	0.00% 0	32
Inflation and Stagflation - What does it mean? Paola Nealon, David Aspell, Christopher Miller, Matthew Novac	54.84% 17	45.16% 14	0.00% 0	3.23% 1	31

## Q4 What aspect of the roundtable was most beneficial to you?

Answered: 32 Skipped: 0

#	RESPONSES	DATE
1	Being my first time, it was great to meet and spend time with the staff and trustees. The content of the roundtable was also outstanding!	10/24/2024 10:32 AM
2	The discussion of the upcoming election and the effects on the economy.	10/22/2024 10:38 AM
3	Debate, nice hearing differing views. Interesting to me the discussion of some concern for the political climate in the US and what could come after election.	10/18/2024 8:36 AM
4	Getting to meet staff and the consultants. I also like being able to engage with the other managers.	10/17/2024 7:29 AM
5	Managers shared their views on opportunities and threats based on the current economical and geopolitical environment.	10/15/2024 2:06 PM
6	Hearing different managers views.	10/15/2024 10:56 AM
7	I felt being able to learn how each of the managers viewed current market conditions and how they were able to speak to their strategies previous year was enlightening.	10/14/2024 11:32 AM
8	The state of the market and economic update is always extremely beneficial and interesting to hear.	10/14/2024 10:21 AM
9	The investment education	10/14/2024 8:21 AM
10	I enjoyed all of the presenters and panelists ideas and information. I most enjoyed the debate.	10/12/2024 12:35 PM
11	The keynote speaker was my favorite.	10/12/2024 7:25 AM
12	Meeting the managers.	10/11/2024 3:24 PM
13	Personally I thought that hearing the perspective of the Trustees was extremely valuable. As a manager, most of the conversations we have are with investment staff, and hearing how the board members think about different types of investments is a perspective that we don't often get to see.	10/11/2024 3:15 PM
14	Discussions relating to inflation, potential recession, and impacts of the election on markets.	10/11/2024 12:14 PM
15	Networking and relationship building	10/11/2024 12:05 PM
16	Social interaction with trustees, other employers and SJCERA staff	10/11/2024 11:36 AM
17	Hearing from the very diverse set of asset managers	10/11/2024 11:27 AM
18	Meeting more trustees and in particular connecting with a couple of the employers I found to be very useful and interesting, a different perspective	10/11/2024 9:40 AM
19	Questions asked by the trustees and other managers. Although this year (unlike in the past) it seemed like the trustees had very little questions.	10/11/2024 9:33 AM
20	The sharing of brain trust by the managers along with the outlook for the future	10/11/2024 8:48 AM
21	Hearing about all the different considerations SJCERA and the board need to take into account to make good financial decisions.	10/11/2024 8:23 AM
22	discussions w/ employers / plan sponsors	10/11/2024 8:21 AM
23	Nothing particular	10/11/2024 8:13 AM
24	I enjoyed meeting more members of the SJCERA team, its Trustees, and the first presentation on Thursday that reminded us of SJCERA's portfolio goals, current composition, and explaining their expectations from managers.	10/11/2024 8:02 AM

25	Talking to Trustees, SJCERA staff and fellow managers provided for terrific and well rounded discussions. In addition, the format drove home the importance of our work to meet the overall objectives of the pension.	10/11/2024 7:28 AM
26	Hearing from the board, staff and other members who attended. What they felt was important.	10/11/2024 6:14 AM
27	I enjoyed meeting and speaking with trustees, staff, and employers.	10/10/2024 10:04 PM
28	The multiple view points and the ability to appreciate the broad SJCERA portfolio and considerations.	10/10/2024 6:17 PM
29	The interaction with the Board and staff	10/10/2024 4:01 PM
30	Manager Debate	10/10/2024 4:00 PM
31	Education	10/10/2024 3:53 PM
32	[TEST]	10/10/2024 9:40 AM

## Q5 What aspect of the roundtable was least beneficial to you?

Answered: 27 Skipped: 5

#	RESPONSES	DATE
1	N/A	10/24/2024 10:32 AM
2	The managers pushing their products.	10/22/2024 10:38 AM
3	N/A	10/18/2024 8:36 AM
4	Some of the panels weren't as interesting as they could've been. I think having someone prepare questions and dole them out seemed to be the best approach.	10/17/2024 7:29 AM
5	NA	10/15/2024 2:06 PM
6	Some panels overlapped a little too much with the commentary from the keynote	10/15/2024 10:56 AM
7	This would be a self-critique. I moderated the Real Estate Panel and I felt I could have done more to make it more engaging rather than three Individual presentations.	10/14/2024 11:32 AM
8	Everything was beneficial. It is an interesting day to hear from managers of other asset classes and hearing themes and concerns that sometimes mirror those in the asset class we work on.	10/14/2024 10:21 AM
9	Real estate	10/12/2024 12:35 PM
10	None - it was all beneficial.	10/12/2024 7:25 AM
11	The chicken for lunch.	10/11/2024 3:24 PM
12	I thought that the entire event was beneficial. Maybe I'm still on a post-roundtable high, but there's no part that I thought was not useful. If I had to pick one, potentially the discussion on core real estate, because that is not really something that we do at PIMCO. Even that, though, was a small part of a much broader conversation, and I still found it interesting from a personal standpoint.	10/11/2024 3:15 PM
13	Real Estate presentation was flat and not moderated well. Overall information from the panelists was good, just not a well-coordinated presentation.	10/11/2024 12:14 PM
14	None come to mind	10/11/2024 12:05 PM
15	Lots of technical investment jargon	10/11/2024 11:36 AM
16	Nothing specifically comes to mind	10/11/2024 11:27 AM
17	I thought it was all good content	10/11/2024 9:40 AM
18	It's too high level. I understand the trustees are not necessarily private equity, fixed income or real estate experts but the event this year felt like something out of the Economist or Wall Street Journal.	10/11/2024 9:33 AM
19	It was all very interesting.	10/11/2024 8:23 AM
20	All was good	10/11/2024 8:13 AM
21	I honestly cannot identify something that was not beneficial.	10/11/2024 6:14 AM
22	The presentations with prepared materials were less beneficial.	10/10/2024 10:04 PM
23	It was all relevant	10/10/2024 6:17 PM
24	I really find all of it beneficial. Even the sections that aren't areas that we manage for SJCERA as it is a learning opportunity	10/10/2024 4:01 PM
25	Private Markets Investing- It was probably great just outside my lane a bit.	10/10/2024 4:00 PM

26	Length of PowerPoint slides on real estate	10/10/2024 3:53 PM
27	[TEST]	10/10/2024 9:40 AM

## Q6 What topics would you like to hear at the roundtable next year?

Answered: 28 Skipped: 4

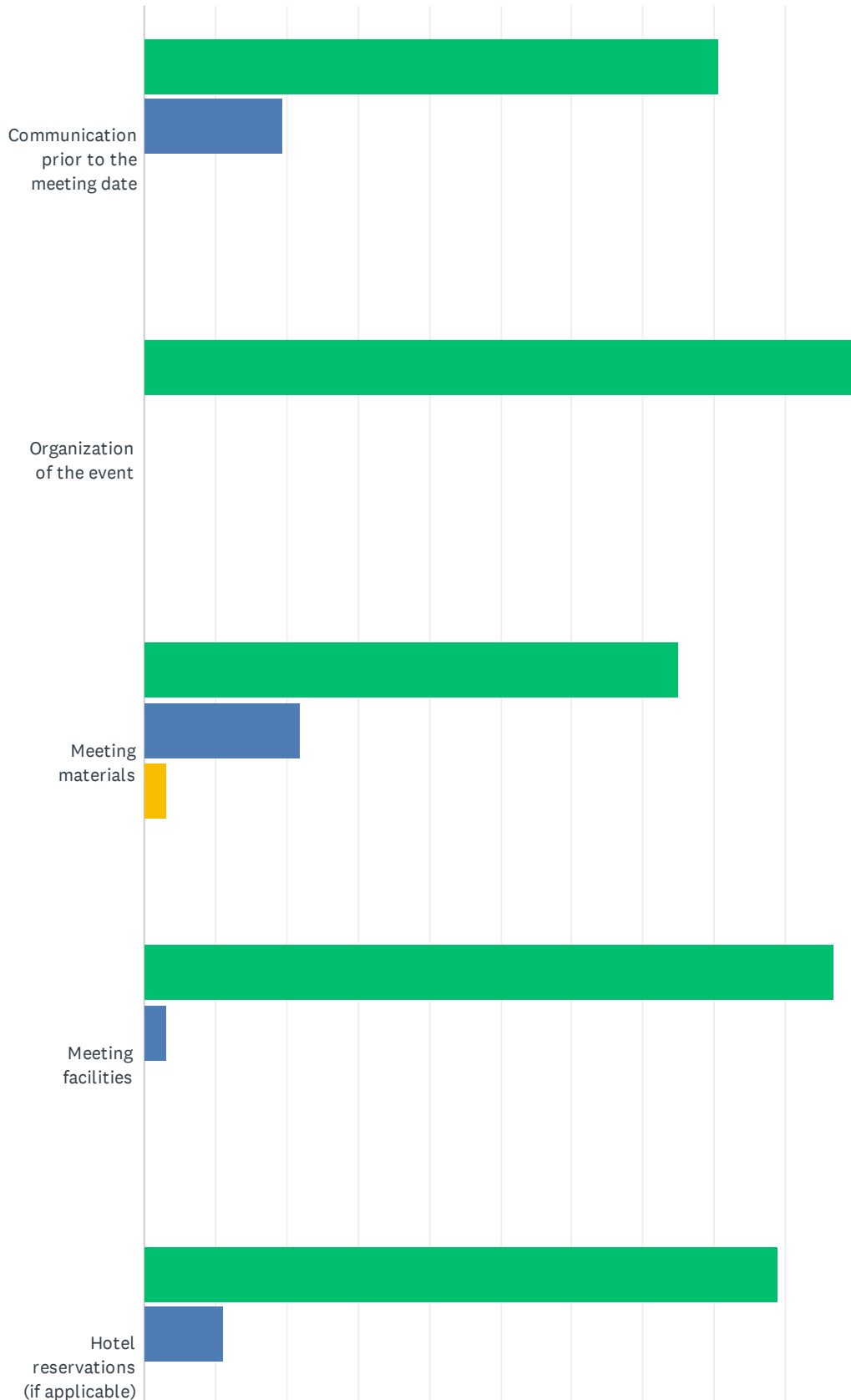
#	RESPONSES	DATE
1	Being a year out, a lot can change, but I think one topic to discuss will be the effect of US Debt on the actual interest rates and does the 10 year yield become stuck at 4% or higher to entice investors to buy Treasuries. What does that mean for the investment landscape?	10/24/2024 10:32 AM
2	If 2035 is the year that Social Security runs out of money, that is a huge cliff. Why are we not talking about it?	10/22/2024 10:38 AM
3	N/A	10/18/2024 8:36 AM
4	An economic update is always great for an audience to hear.	10/17/2024 7:29 AM
5	What we did not cover this year	10/15/2024 2:06 PM
6	Impacts of 2024 election, outlook on rates	10/15/2024 10:56 AM
7	I think private debt has had it's 15 minutes in the spot light for the past year and half and I'd like to see where that asset class stands a year from now. Will there be a shakeout by this time next year?	10/14/2024 11:32 AM
8	Private debt is an expanding asset class that would be interesting to dig into a bit more next year.	10/14/2024 10:21 AM
9	Similar topics to previous years	10/14/2024 8:21 AM
10	Continue to have topics that are relative to what's happening in the world that may impact our fund.	10/12/2024 12:35 PM
11	Asset allocation.	10/11/2024 3:24 PM
12	-A dedicated discussion of U.S. debt sustainability, and different scenarios how it can play out. -It would be redundant for the trustees, but I think some education for the managers on how the administrative side of public pensions work (actuarial considerations, contributions from employers, legal considerations, etc) would be very useful for the managers. From our perspective, it's easy to forget how much work goes on at a Public Pension plan outside of the investment arm, because that is what we are looking at day-in and day-out.	10/11/2024 3:15 PM
13	Presentation from Cheiron on funding status and employer rates.	10/11/2024 12:14 PM
14	Topics covered were very relevant	10/11/2024 11:36 AM
15	NA	10/11/2024 11:27 AM
16	Some of the different asset classes held in the alternatives bucket	10/11/2024 9:40 AM
17	David does a great job of addressing the issues facing SJCERA's pension plan. The topics are always good - I think we just need to go a little deeper. Feel like in 2021-23 we did that but this year we did not.	10/11/2024 9:33 AM
18	No thoughts on this.	10/11/2024 8:23 AM
19	average cashflow by strategy	10/11/2024 8:21 AM
20	Whatever the issues are next year	10/11/2024 8:13 AM
21	I always appreciate case studies from individual managers. I think this can provide detail on strategy and gives audience concrete examples of how the strategy can be executed.	10/11/2024 7:28 AM
22	Maybe ask managers who are presenting to identify the top 3 opportunities and top 3 concerns for their respective asset classes / sectors	10/11/2024 6:14 AM
23	It is hard to know what aspects of the market and the portfolio would be most important next	10/10/2024 10:04 PM

year. Today, I think valuations and the implications of the cost of debt on achieving target returns are important.

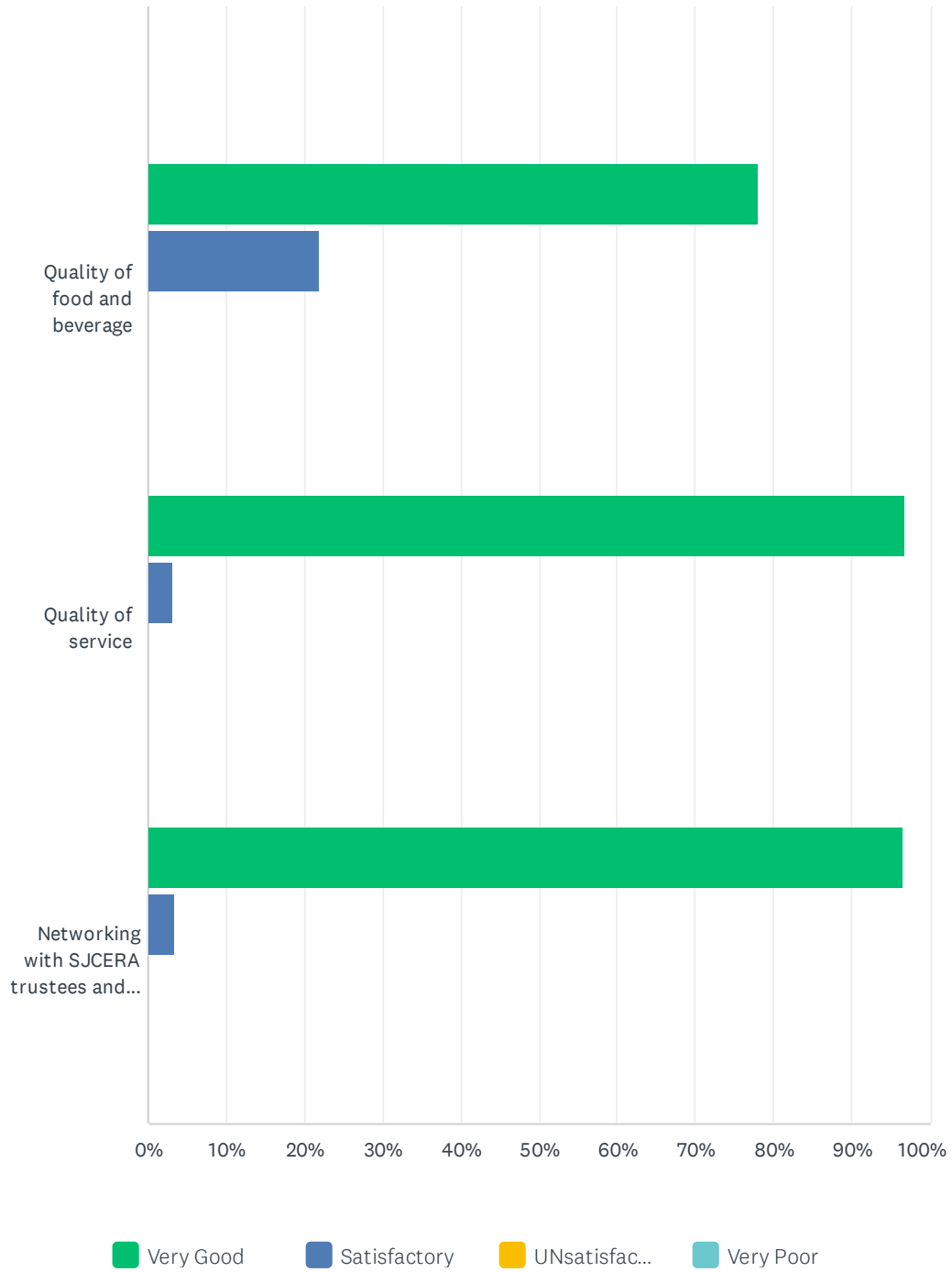
24	More on the macro considerations specific to SJCERA	10/10/2024 6:17 PM
25	A session on how artificial intelligence is incorporated into investment management might be interesting	10/10/2024 4:01 PM
26	Nothing to note - Trust Renee to bring employer concerns forward if appropriate.	10/10/2024 4:00 PM
27	Natural resources as investments.	10/10/2024 3:53 PM
28	[TEST]	10/10/2024 9:40 AM

### Q7 General:

Answered: 32 Skipped: 0



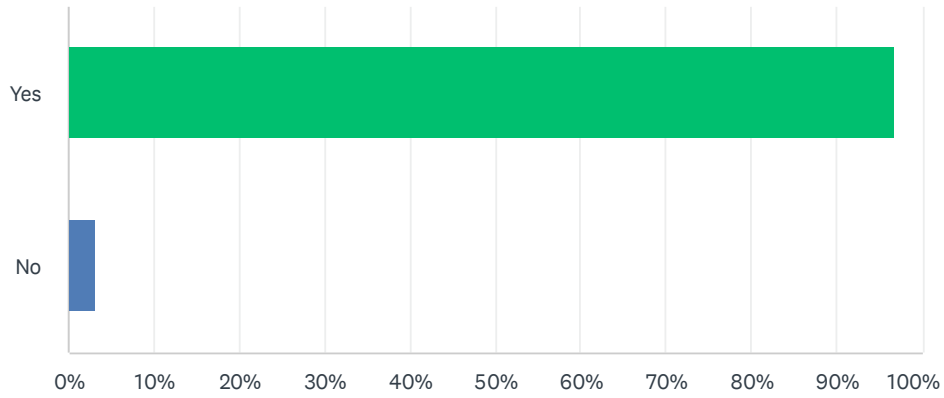




	VERY GOOD	SATISFACTORY	UNSATISFACTORY	VERY POOR	TOTAL	WEIGHTED AVERAGE
Communication prior to the meeting date	80.65% 25	19.35% 6	0.00% 0	0.00% 0	31	3.81
Organization of the event	100.00% 32	0.00% 0	0.00% 0	0.00% 0	32	4.00
Meeting materials	75.00% 24	21.88% 7	3.13% 1	0.00% 0	32	3.72
Meeting facilities	96.88% 31	3.13% 1	0.00% 0	0.00% 0	32	3.97
Hotel reservations (if applicable)	88.89% 16	11.11% 2	0.00% 0	0.00% 0	18	3.89
Quality of food and beverage	78.13% 25	21.88% 7	0.00% 0	0.00% 0	32	3.78
Quality of service	96.88% 31	3.13% 1	0.00% 0	0.00% 0	32	3.97
Networking with SJCERA trustees and staff	96.67% 29	3.33% 1	0.00% 0	0.00% 0	30	3.97

## Q8 Should the location be repeated next year?

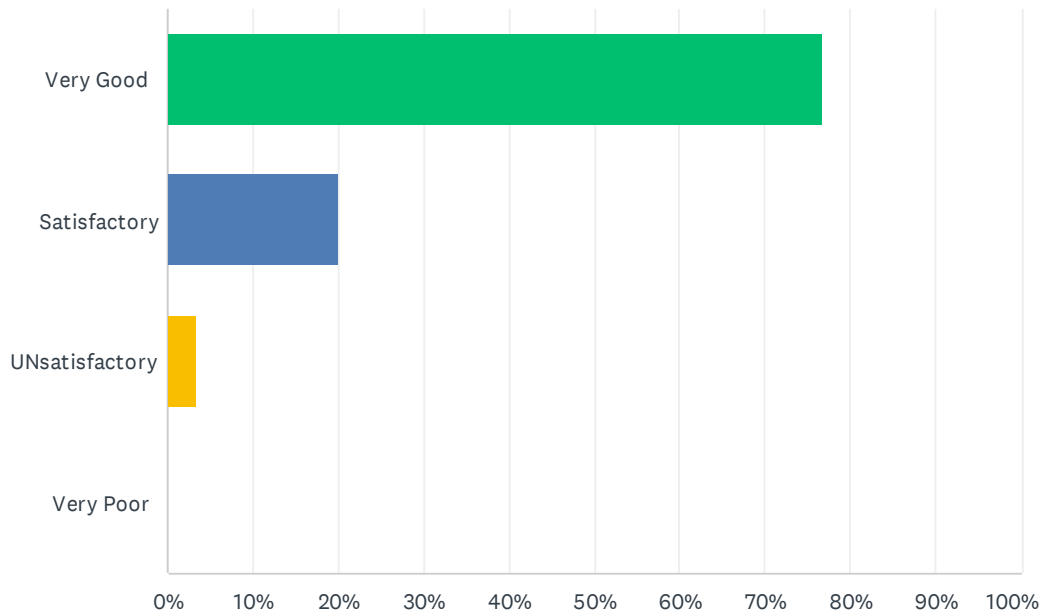
Answered: 32 Skipped: 0



ANSWER CHOICES	RESPONSES
Yes	96.88% 31
No	3.13% 1
TOTAL	32

## Q9 How satisfied were you with the room design for the Roundtable?

Answered: 30 Skipped: 2



ANSWER CHOICES	RESPONSES
Very Good	76.67% 23
Satisfactory	20.00% 6
UNSatisfactory	3.33% 1
Very Poor	0.00% 0
Total Respondents: 30	

## Q10 Suggestions for improving next year's event:

Answered: 23 Skipped: 9

#	RESPONSES	DATE
1	None	10/24/2024 10:32 AM
2	None.	10/22/2024 10:38 AM
3	I think having a discussion of the major trends in the market place and having one expert (industry heavyweight) discussing those trends might be beneficial to the staff and trustees.	10/17/2024 7:29 AM
4	None I could think of	10/15/2024 2:06 PM
5	Make panels more interactive between panelists and audience - more Q&A, more polls from audience to keep listeners/audience engaged	10/15/2024 10:56 AM
6	None come to mind.	10/14/2024 10:21 AM
7	Just keep doing the awesome job that you are doing! Thank you!	10/12/2024 12:35 PM
8	It might be good to slow down slightly and explain some of the more complicated terms to the audience, since you have employers in the room. It would have been nice to understand the definition of private credit and private markets before we dove into so much discussion.	10/12/2024 7:25 AM
9	I would like us to bring in our top and bottom performing managers.	10/11/2024 3:24 PM
10	- My one, very humble, suggestion is that there be a bio-book made available (potentially in pdf prior), so that we can read about the background of the Trustees, Staff, and other Managers. Honestly, though, I thought that the even was so well run and so valuable to all the parties that were there. I am very surprised that more public plans don't do an event like this, because it seems like everyone got something out of it.	10/11/2024 3:15 PM
11	none	10/11/2024 12:14 PM
12	No suggestions	10/11/2024 11:36 AM
13	I can see why the format works given large groups of managers to here, i somewhat felt that smaller roundtables going on concurrently where trustees and people would rotate and ask questions in 10-15 people groups may be beneficial - and be more interactive as with so many folk in the room, it seemed like a lot of people were nervous to ask questions, and I think as a manager/panellist it may be beneficial for trustees to here a presentation quickly and then be more free to ask questions and have candid conversations.	10/11/2024 9:40 AM
14	Maybe its been tried before but I'd like to see ALL managers for certain asset classes go up (or maybe its by strategy), give a 3-5 minute overview of their product that SJCERA invests in (with no more than 1-2 slides) and then Q/A. The Meketa team is great and has tremendous questions - let them kick off and then have the trustees get involved. I know its a no marketing event and so my comments were all on fundamentals but what did the trustees learn about their investment, particularly if we are outperforming (or underperforming) the market?	10/11/2024 9:33 AM
15	Maybe arrange rectangular tables on the outside of the room too so participants aren't needing to turn around and adjust with round tables. It might be more comfortable.	10/11/2024 8:23 AM
16	TV screens closer to the audience, the large screen up front is very difficult to read	10/11/2024 8:13 AM
17	Perhaps moving the screen so that presenters have the opportunity to talk and point.	10/11/2024 7:28 AM
18	Nothing to add	10/11/2024 6:14 AM
19	I think it would be helpful to know what areas are most concern and/or curiosity to staff and trustees and why.	10/10/2024 10:04 PM
20	None	10/10/2024 4:01 PM
21	Nothing to note.	10/10/2024 4:00 PM

22	Offer printouts of slides	10/10/2024 3:53 PM
23	[TEST]	10/10/2024 9:40 AM

## Q11 Additional suggestions or comments:

Answered: 14 Skipped: 18

#	RESPONSES	DATE
1	N/A	10/24/2024 10:32 AM
2	I think the timed agenda was good, but perhaps we need to make it all welcome to breakfast, or make it more clear that the breakfast is only for managers, trustees and staff. Although we did not run out of burritos, we did run low on fruit and lighter fare.	10/18/2024 8:36 AM
3	NA	10/15/2024 2:06 PM
4	It was a very nice event, and I always learn a lot. Thank you.	10/12/2024 7:25 AM
5	Thank you again for hosting such a great event!	10/11/2024 3:15 PM
6	None	10/11/2024 12:14 PM
7	No suggestions	10/11/2024 11:36 AM
8	Overall i thought it was a great event in a beautiful location, and i very much enjoyed meeting the trustees and employers and staff. SJCERA do a difficult job very well, and it shows. Thank you.	10/11/2024 9:40 AM
9	In addition to my other suggestions; perhaps its bring in each asset class OR investment strategy for different blocks and have everyone related to that topic in the room. Effectively rotating managers in and out. Can all be there for the opening and closing remarks but then they leave when the other strategies / asset classes are up. I do like (and see the benefit) of other asset classes asking questions to spur debate but I've noticed the trustees ask less questions. I don't think Meketa needs the audience for questions - they can ask equally tough and insightful questions. Are they asking less questions because others fill the gap for them? Are we running out of time? Feels like we get in front of the SJCERA trustees and management team once per year and I'm surprised they don't ask more pointed questions. When David had real estate expectations of 6.5% per annum on there and our product has delivered a 10% gross / 8.5% net since SJCERA invested 17 years ago - are they aware of that? Do they want to know if we are in acquisition mode or if we defensive right now? Why don't they ask if we are outperforming the benchmark Meketa has set? Why don't they ask for our outlook? I know Meketa gets this from us, plus adds in their own views and shares it but wouldn't you want to get your managers' view too?	10/11/2024 9:33 AM
10	Thanks for including me! Well done!	10/11/2024 7:28 AM
11	nothing to add	10/11/2024 6:14 AM
12	Meketa did a great job of establishing ground rules and tone for the meeting. As a first time participant, I was not sure how much jumping in was wanted from managers vs. staff and trustees.	10/10/2024 10:04 PM
13	None	10/10/2024 4:01 PM
14	[TEST]	10/10/2024 9:40 AM

# Net Cash Flow Considerations for Pension Plans

SJCERA Retirement Board  
November 8, 2024





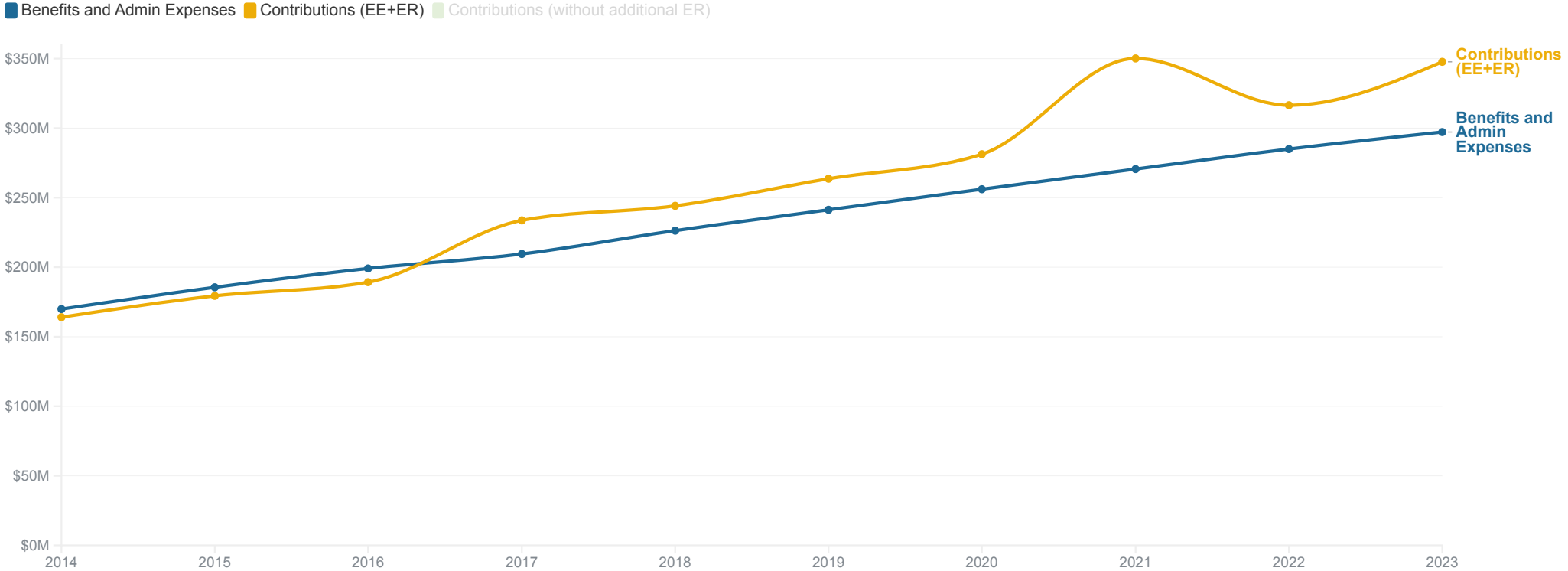
Recall the actuary's favorite equation: **C + I = B + E**. For this discussion, we will ignore Investment Earnings, as the discussion of net cash flows addresses how the relationship between the other three elements (C, B, and E) affects investment decisions and outcomes.

### **Pension Plan Cash Flows**

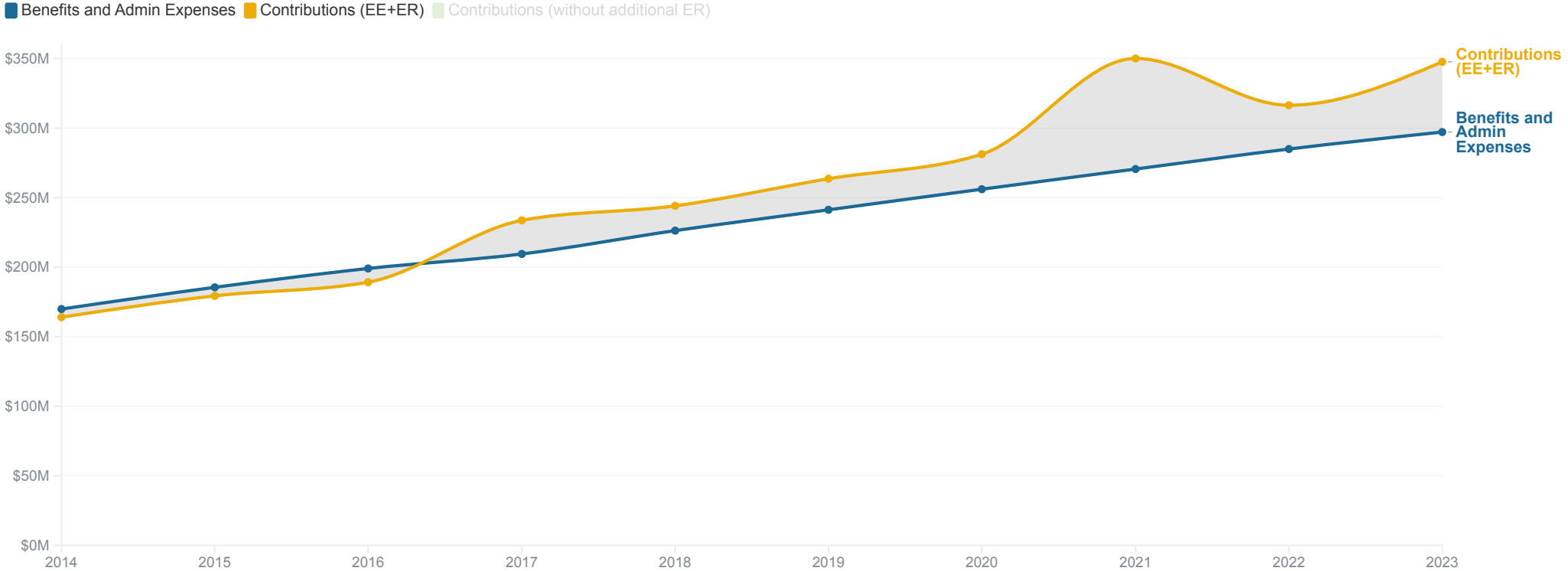
**Inflows:** Contributions and Investment Earnings

**Outflows:** Benefit Payments and Expenses

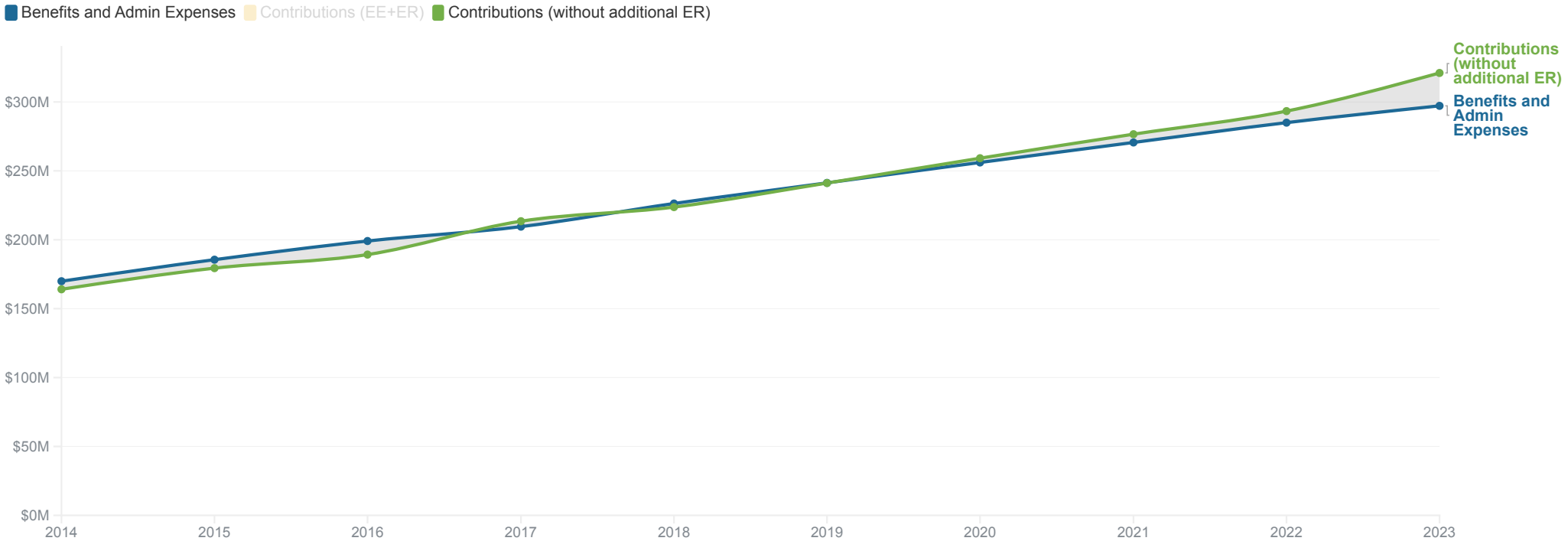
Below we show the past ten years of SJCERA non-investment inflows (combined employee plus employer contributions) and outflows (benefits plus administrative expenses).



The area between the lines is the **Net Cash Flow**. For 7 of the last 10 years, inflows have exceeded outflows, and the Plan has been in a positive net cash flow position.



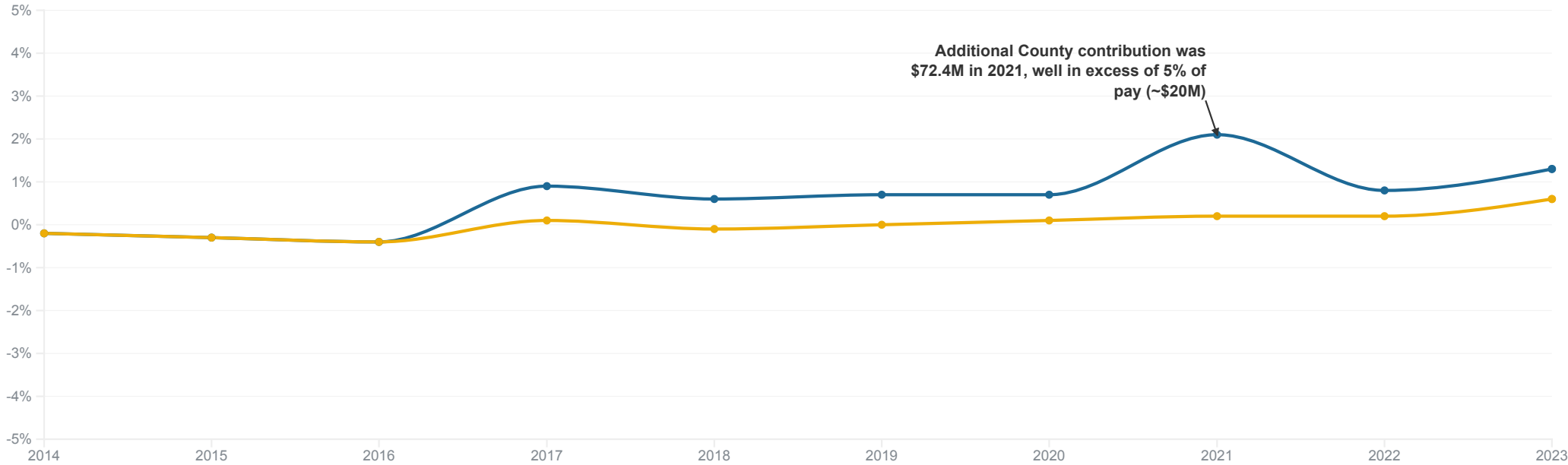
This is partly because of the additional contributions some employers (the County, Superior Courts, and the Mosquito Vector Control District) have made in excess of the required contributions. However, even in the absence of these contributions, inflows would have been similar to outflows for the past decade.



Another metric for analyzing net cash flows is to express them as a percentage of the assets. Over the past ten years, the net cash flow rate has varied from -0.4% to as high as +2.1%.

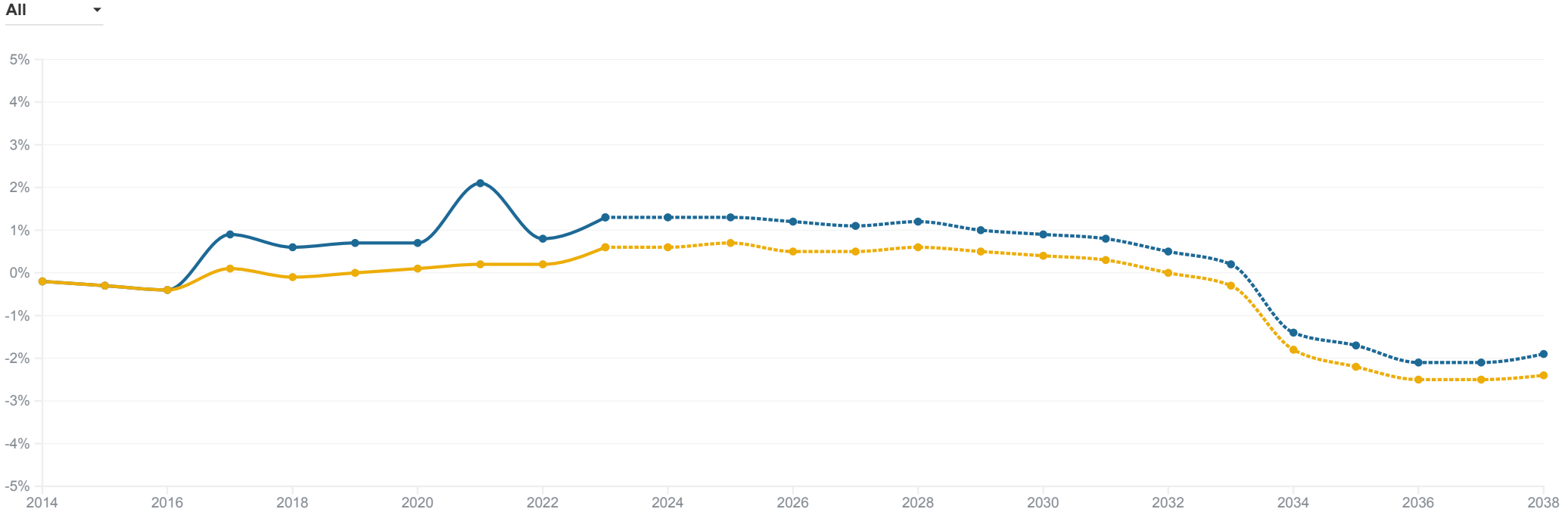
### Net cash flow rates as a % of assets **with** and **without** additional employer contributions

Historical ▾



However, if all assumptions are met the plan is expected to transition to a negative cash flow position within the next 10 years. This is primarily due to the largest layer of the unfunded liability being fully amortized after 2033.

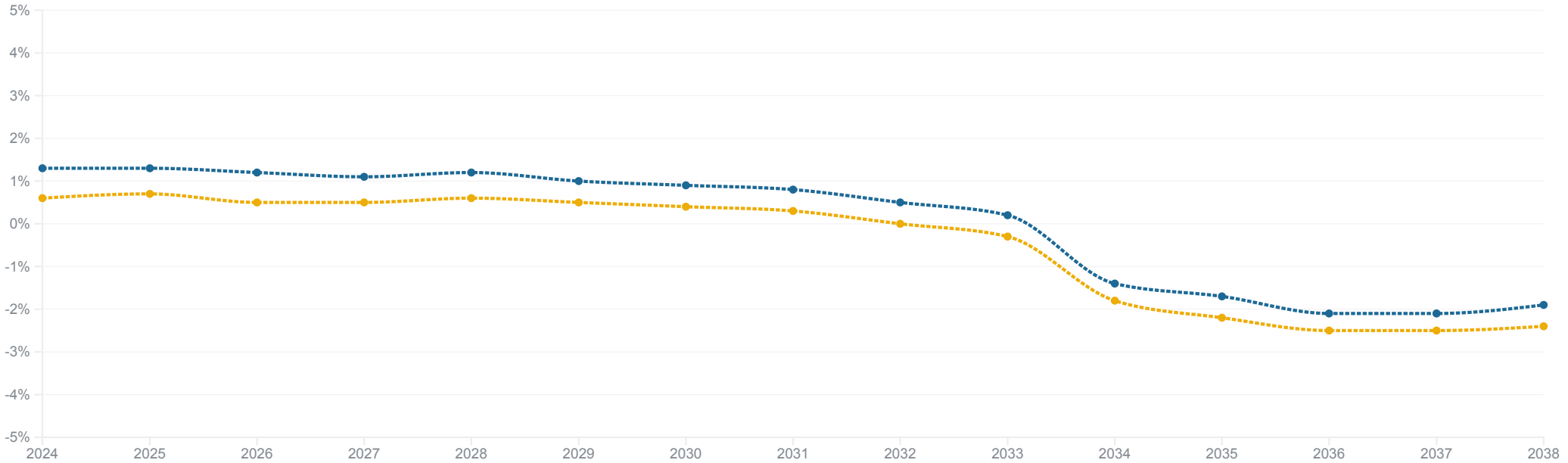
### Net cash flow rates as a % of assets **with** and **without** additional employer contributions



Even if the employers cease making additional contributions, the net cash flow rate is not expected to drop below -3% during the next fifteen years.

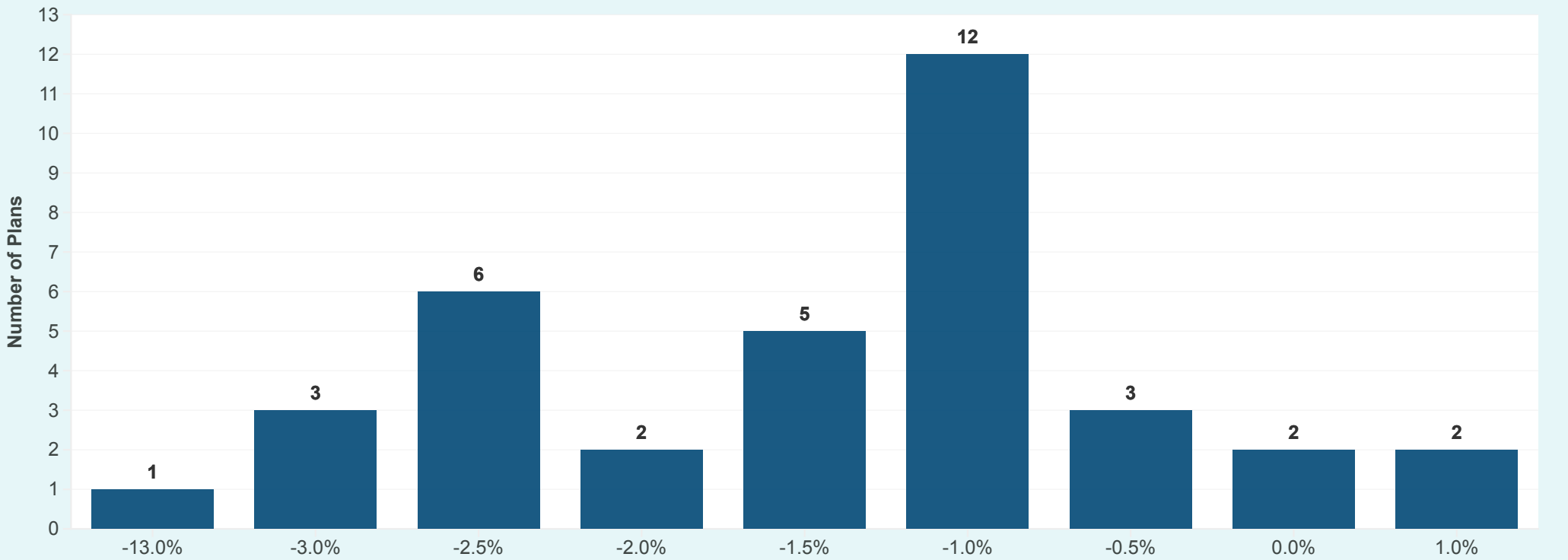
### Net cash flow rates as a % of assets **with** and **without** additional employer contributions

Projected ▾



### Histogram of Net Cash Flow Rates for CALAPRS Plan

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------





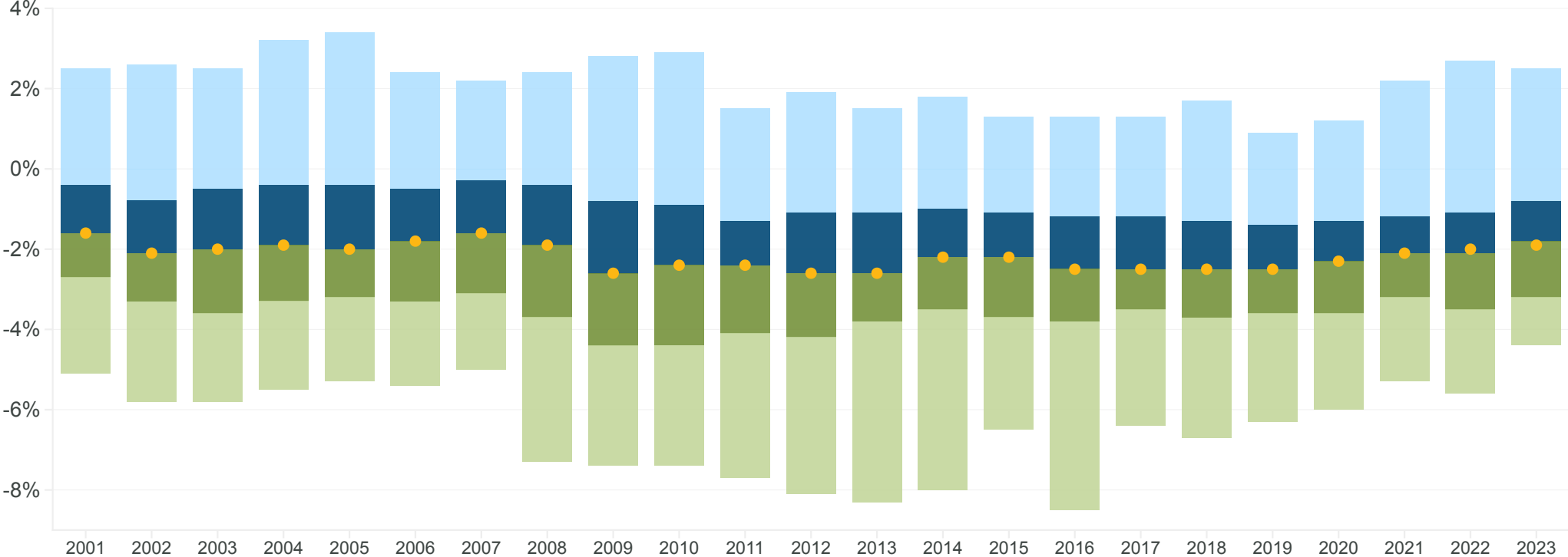
It is also higher than the rate for most plans in the large Public Plan Database, where the median rate is currently -1.9%.

### Distribution of Net Cash Flow Rates

Net Cash Flow Rate = (Total Contributions – Benefit Payments – Admin Expenses) / Market Value of Assets

Gold dot = **Median**

Percentiles of Distribution 5th to 25th 25th to 50th 50th to 75th 75th to 95th



Negative net cash flow is a natural part of pre-funding a pension plan

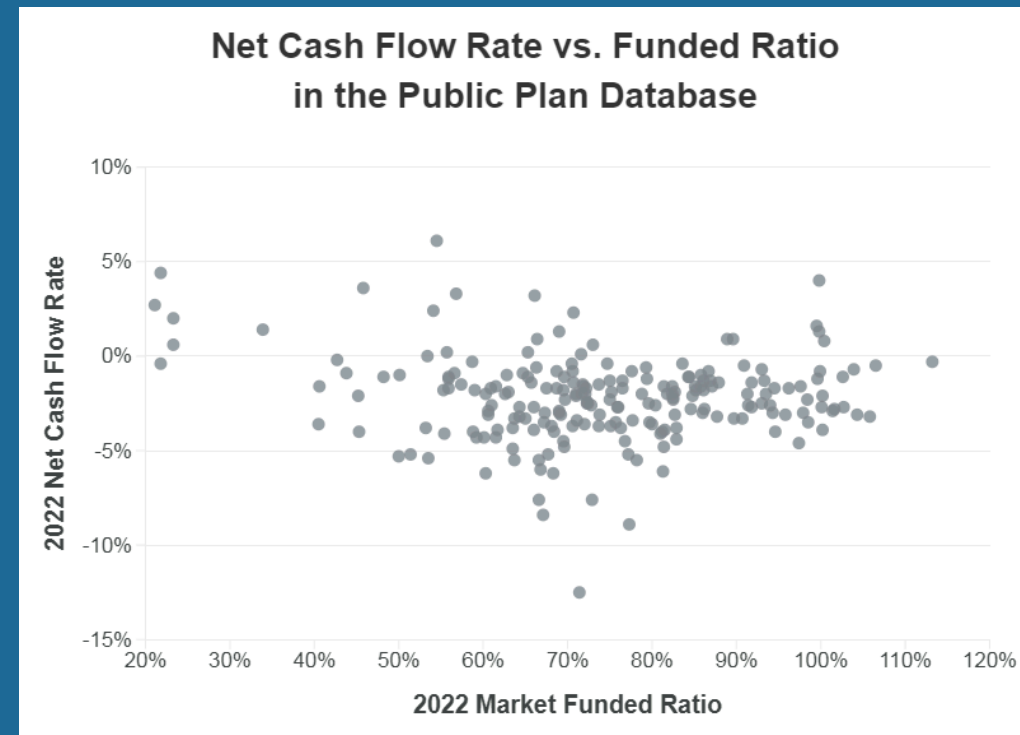
It is the **GOAL** for a mature system (benefits to be paid from investment earnings, not contributions)



**Liquidity** - Large negative net cash flow rates require more liquidity to pay benefits, limiting investment options, including rebalancing in times of stress

**Sensitivity to Investment Returns** - Negative net cash flow rates make plans more sensitive to near-term investment returns

**Solvency** - Large negative cash flow rates combined with a low funded ratio indicate a risk of insolvency



Invest in fixed income securities with expected income sufficient to meet benefit and expense needs

Control exposure to illiquid investments

Ensure plan is funded on an actuarial basis (rather than on a fixed-rate basis) since contributions will increase if funding declines, reducing cash flow stress



## Certification

The purpose of this presentation is to provide the Board with education related to negative cashflows. A full description of the methods, assumptions, and data used in the projections shown in this presentation can be found in the Actuarial Valuation Report as of December 31, 2023.

In preparing our presentation, we relied on information (some oral and some written) supplied by SJCERA. This information includes, but is not limited to, the 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.

Future projections may differ significantly from the projections presented in this presentation 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.

Projections in this presentation were developed using R-scan, a proprietary tool used to illustrate the impact of changes in assumptions, methods, plan provisions, or actual experience (particularly investment experience) on the future financial status of the Plan. We relied on Cheiron colleagues for the development of the model. R-scan uses standard roll-forward techniques that implicitly assume a stable active population. Because R-scan does not automatically capture how changes in one variable affect all other variables, some scenarios may not be consistent.

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

This presentation was prepared for the SJCERA Retirement Board for the purposes described herein. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.



**Board of Retirement Meeting**  
San Joaquin County Employees' Retirement Association

**Agenda Item 10.0**

**November 8, 2024**

**SUBJECT: Evaluation of Consultants**

**SUBMITTED FOR:  CONSENT  ACTION  INFORMATION**

**PURPOSE**

To provide trustees and staff an opportunity to annually evaluate our actuary and investment consultants and give them feedback on their performances.

**DISCUSSION**

Once again, the actuary and investment consultant evaluations yielded very positive feedback. Below is a summary of the evaluation results.

**Actuary Consultant Summary of Evaluations**

Ten out of 21 people consisting of trustees and staff responded to the actuary evaluation survey. The actuary received a perfect score of five in four areas:

- Confidence in the advice SJCERA receives
- Explains things in an understandable way
- Presents data supporting their recommendations
- Confidence in the firm for which our Actuarial Consultant works

The issues or areas of concern survey respondents would like the consultant to address next year include:

- Provide evaluation data file as soon as evaluation completed
- Discuss assumptions that are included in our actuarial study

**Investment Consultant Summary of Evaluations**

Eleven out of 20 people consisting of trustees and staff responded to the investment consultant evaluation survey. The investment consultant received a perfect score of five in four areas:

- Confidence in the advice SJCERA receives
- Explains things in an understandable way
- Presents data supporting their recommendations
- Confidence in the firm for which our Investment Consultant works

The issues or areas of concern survey respondents would like the consultant to address next year include:

- Rate of Return
- Inflation/interest rates
- Artificial Intelligence
- Benchmarks
- Improved response time

Other respondent suggestions included update investment recommendations to align with Board risk tolerance and concerns of housing and mini storage as institutional investments.

## **ATTACHMENTS**

Actuarial Consultant Evaluation - 2024

Investment Consultant Evaluation - 2024



---

RENEE OSTRANDER  
Chief Executive Officer

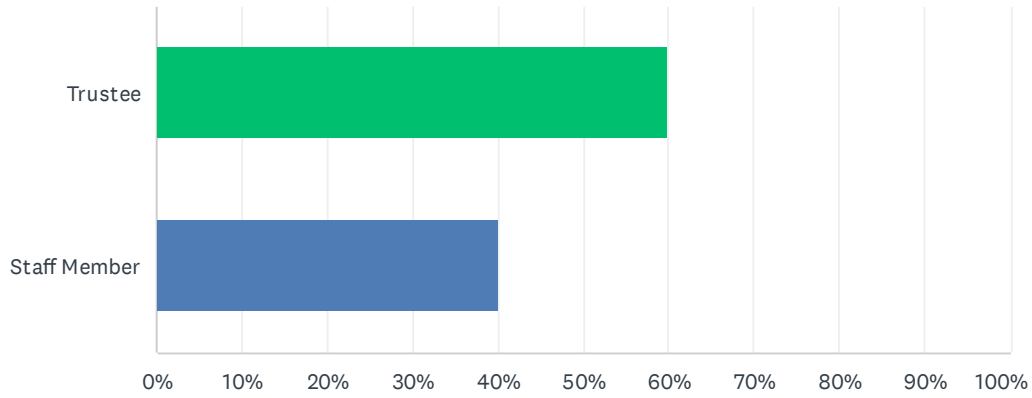
## Q1 Evaluator name:

Answered: 10 Skipped: 0



### Q2 Evaluator is:

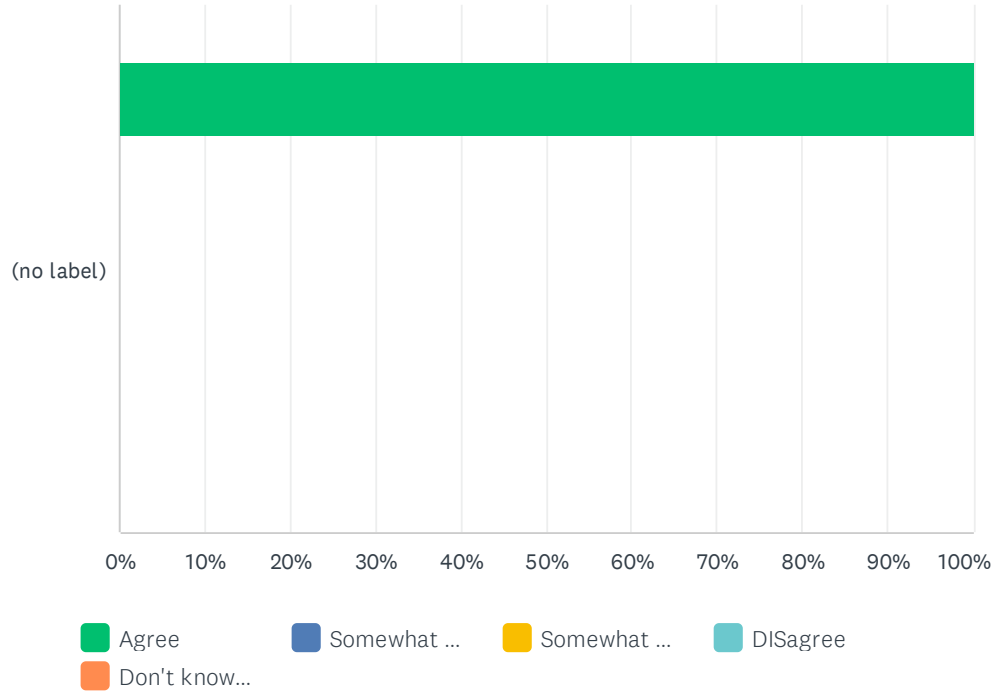
Answered: 10 Skipped: 0



ANSWER CHOICES	RESPONSES
Trustee	60.00% 6
Staff Member	40.00% 4
TOTAL	10

### Q3 I have confidence in the advice SJCERA receives from its Actuarial Consultant

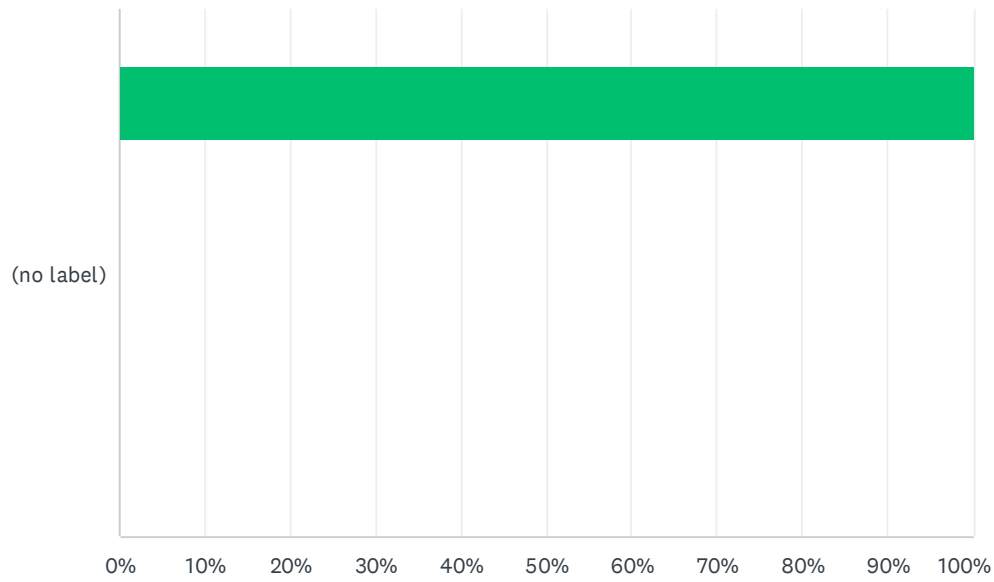
Answered: 10 Skipped: 0



	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	100.00% 10	0.00% 0	0.00% 0	0.00% 0	0.00% 0	10	5.00

### Q4 The Actuarial Consultant explains things in an understandable way.

Answered: 10 Skipped: 0

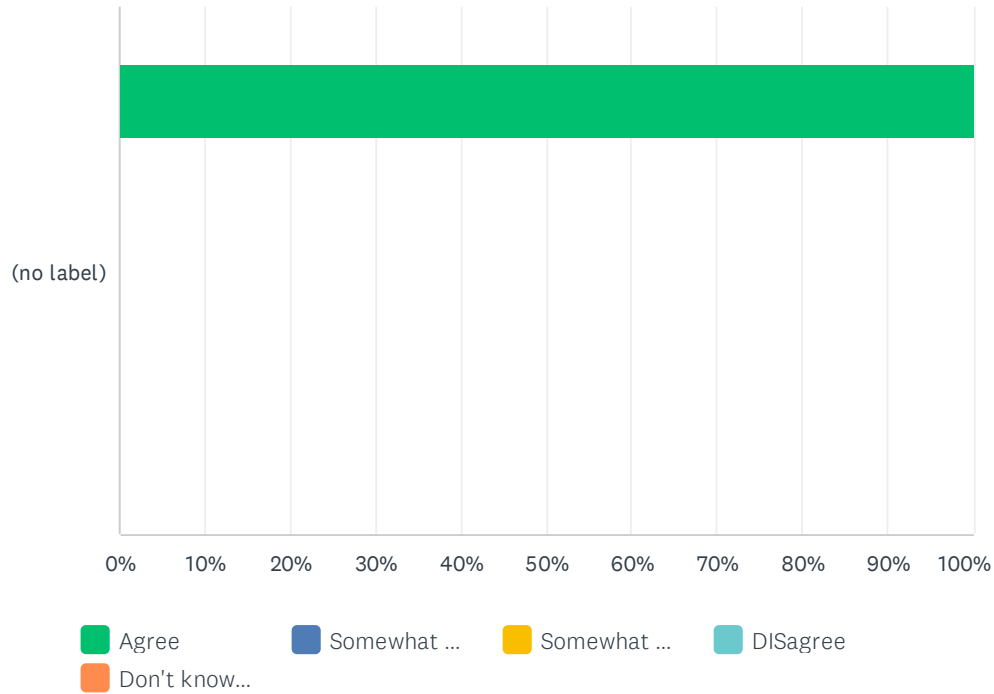


■ Agree     
 ■ Somewhat ...     
 ■ Somewhat ...     
 ■ DISagree  
■ Don't know...

	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	100.00% 10	0.00% 0	0.00% 0	0.00% 0	0.00% 0	10	5.00

## Q5 The Actuarial Consultant presents data that supports their recommendations.

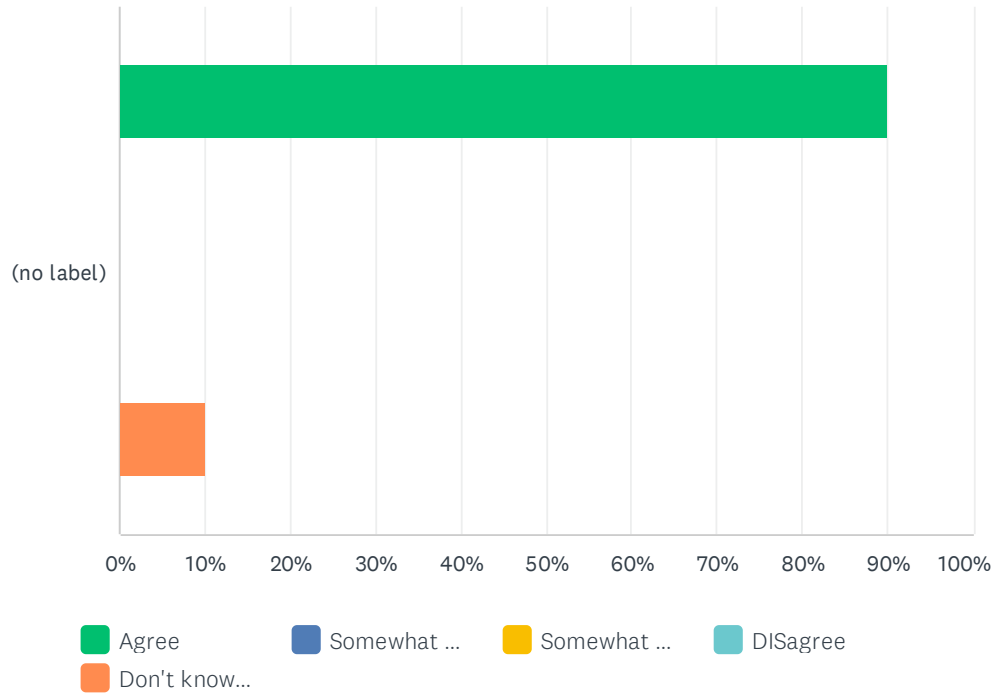
Answered: 10 Skipped: 0



	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	100.00% 10	0.00% 0	0.00% 0	0.00% 0	0.00% 0	10	5.00

## Q6 The Actuarial Consultant keeps the Board informed of issues affecting SJCERA.

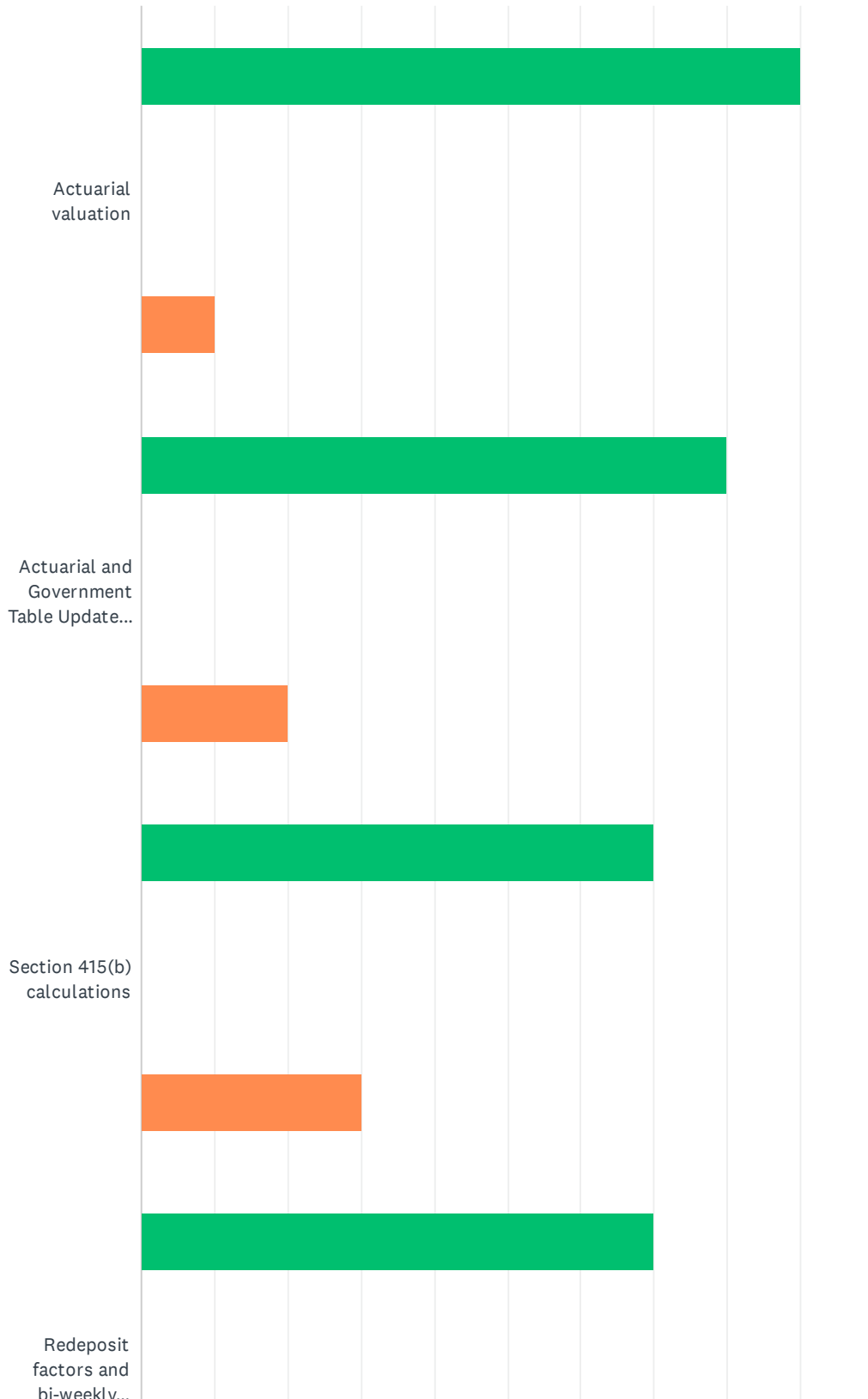
Answered: 10 Skipped: 0

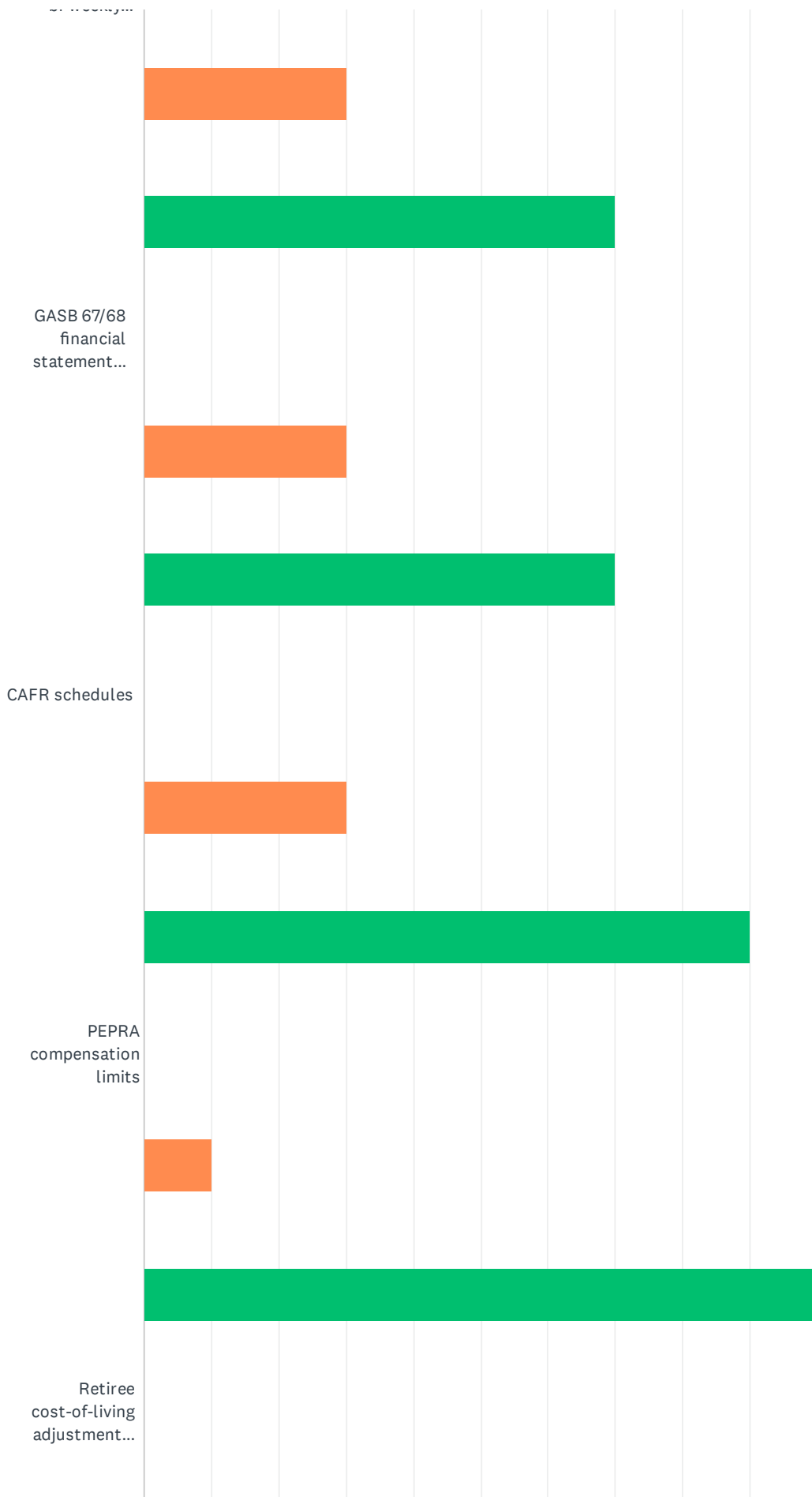


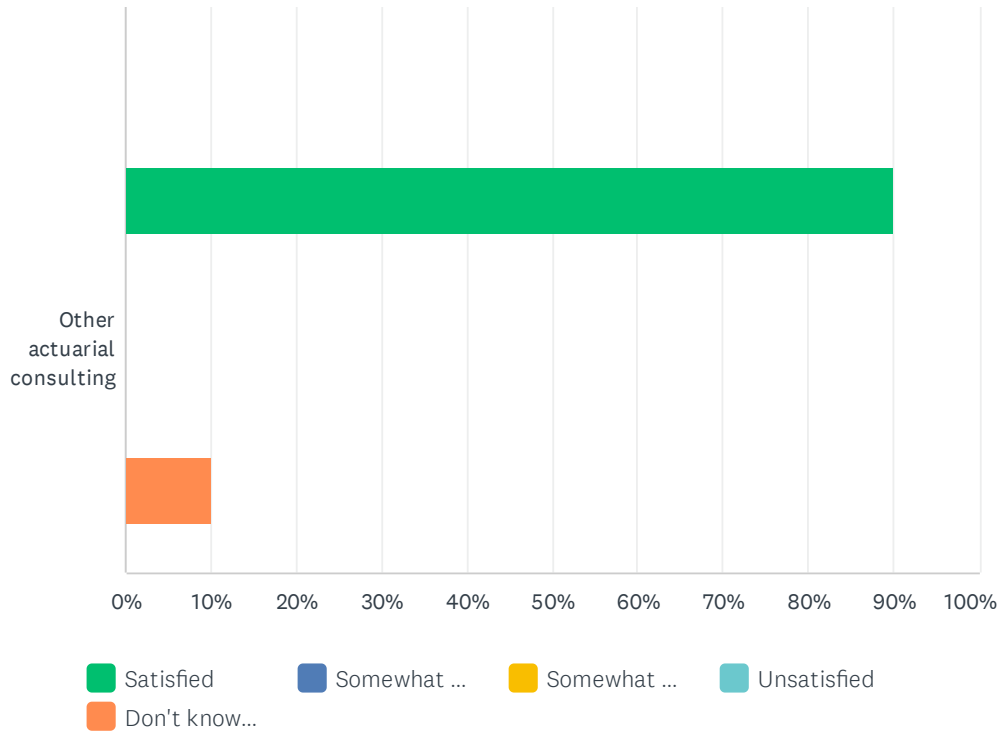
	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	90.00% 9	0.00% 0	0.00% 0	0.00% 0	10.00% 1	10	4.60

### Q7 Please rate your satisfaction with the quality of the following contractually required services.

Answered: 10 Skipped: 0





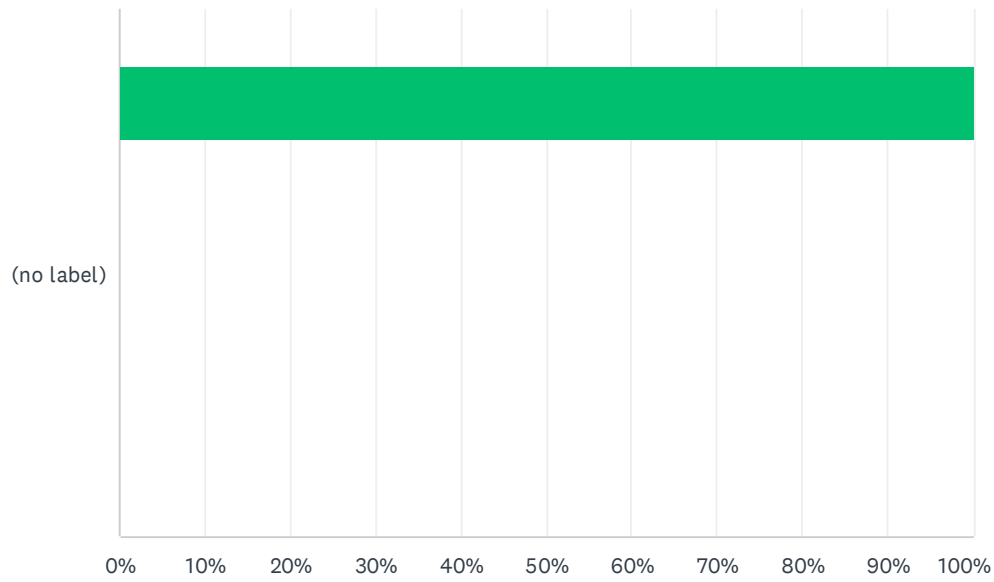


	SATISFIED	SOMEWHAT SATISFIED	SOMEWHAT UNSATISFIED	UNSATISFIED	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
Actuarial valuation	90.00% 9	0.00% 0	0.00% 0	0.00% 0	10.00% 1	10	4.60
Actuarial and Government Table Updates and Testing	80.00% 8	0.00% 0	0.00% 0	0.00% 0	20.00% 2	10	4.20
Section 415(b) calculations	70.00% 7	0.00% 0	0.00% 0	0.00% 0	30.00% 3	10	3.80
Redeposit factors and bi-weekly payment schedules	70.00% 7	0.00% 0	0.00% 0	0.00% 0	30.00% 3	10	3.80
GASB 67/68 financial statement disclosure report	70.00% 7	0.00% 0	0.00% 0	0.00% 0	30.00% 3	10	3.80
CAFR schedules	70.00% 7	0.00% 0	0.00% 0	0.00% 0	30.00% 3	10	3.80
PEPRA compensation limits	90.00% 9	0.00% 0	0.00% 0	0.00% 0	10.00% 1	10	4.60
Retiree cost-of-living adjustment (COLA)	100.00% 10	0.00% 0	0.00% 0	0.00% 0	0.00% 0	10	5.00
Other actuarial consulting	90.00% 9	0.00% 0	0.00% 0	0.00% 0	10.00% 1	10	4.60



### Q8 I have confidence in the firm for which our Actuarial Consultant works.

Answered: 10 Skipped: 0



■ Agree     
 ■ Somewhat ...     
 ■ Somewhat ...     
 ■ DISagree  
■ Don't Know...

	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	100.00% 10	0.00% 0	0.00% 0	0.00% 0	0.00% 0	10	4.00

**Q9 The actuarial issues or areas of concern I would like the consultant to address in the next twelve months are:(Identify your top 3 issues/concerns)**

Answered: 2 Skipped: 8

ANSWER CHOICES	RESPONSES	
1.	100.00%	2
2.	0.00%	0
3.	0.00%	0
Other Comments:	0.00%	0

## Q10 What would you like the Actuarial Consultant to do differently?

Answered: 0 Skipped: 10

## Q11 Other Remarks

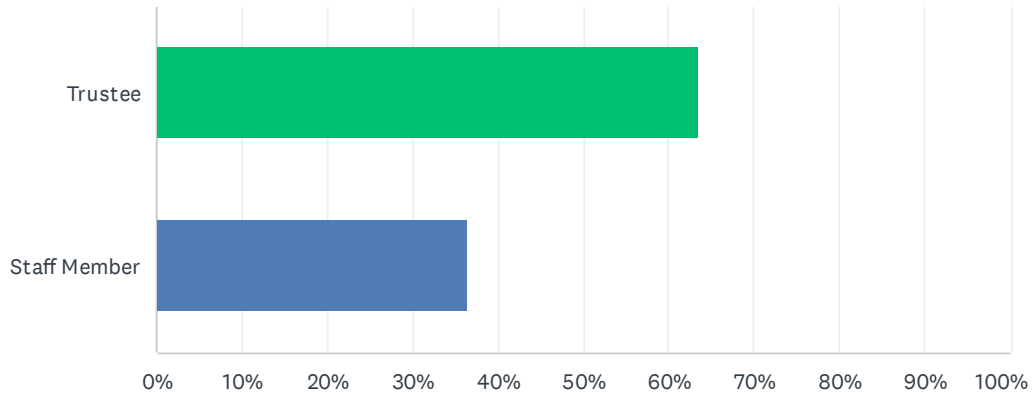
Answered: 0 Skipped: 10

## Q1 Evaluator name:

Answered: 11 Skipped: 0

## Q2 Evaluator is:

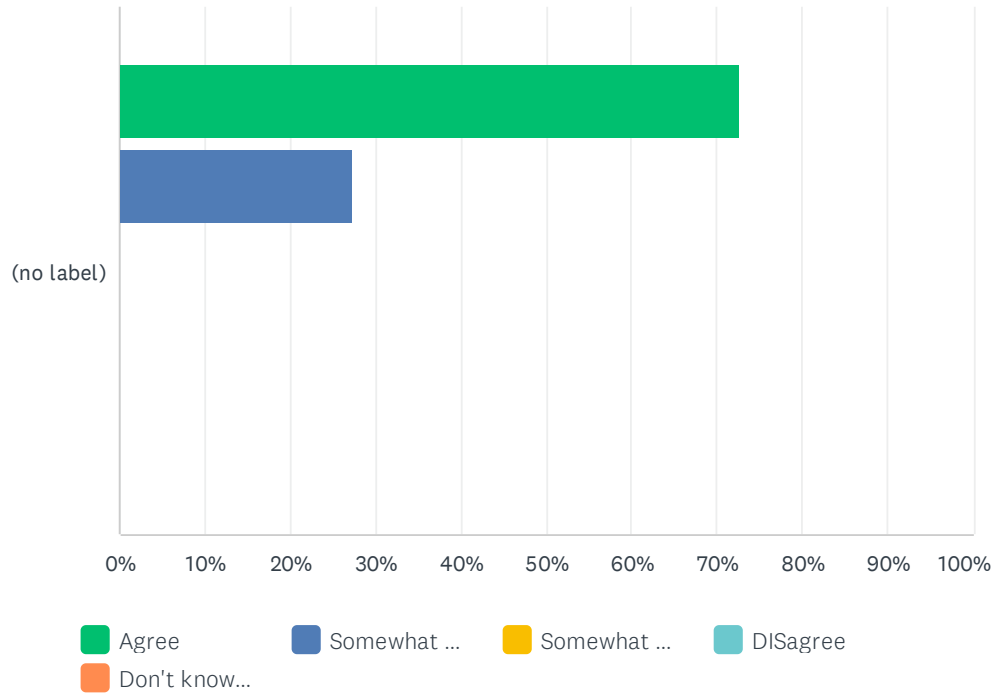
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES
Trustee	63.64% 7
Staff Member	36.36% 4
TOTAL	11

### Q3 I am satisfied with the investment results that SJCERA has achieved while working with our Investment Consultant.

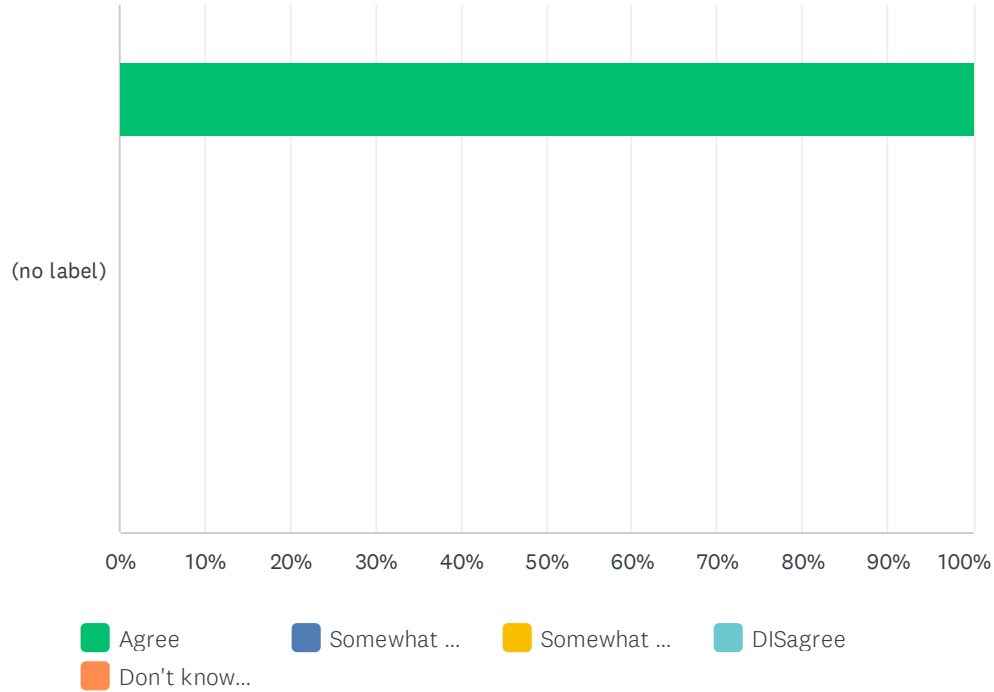
Answered: 11 Skipped: 0



	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	72.73% 8	27.27% 3	0.00% 0	0.00% 0	0.00% 0	11	4.73

# Q4 I have confidence in the advice SJCERA receives from its Investment Consultant

Answered: 11 Skipped: 0

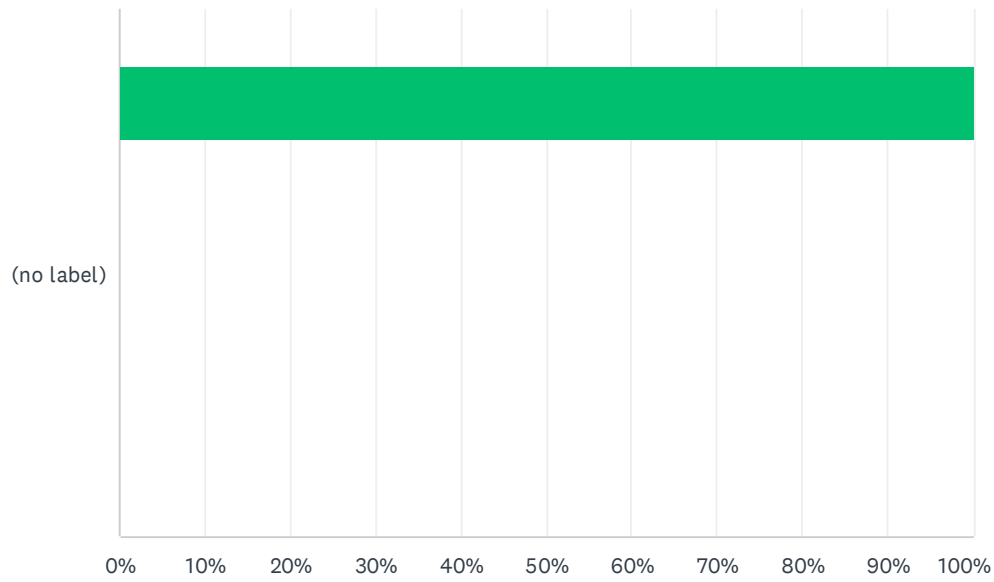


	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	100.00% 11	0.00% 0	0.00% 0	0.00% 0	0.00% 0	11	5.00



### Q5 The Investment Consultant explains things in an understandable way.

Answered: 11 Skipped: 0

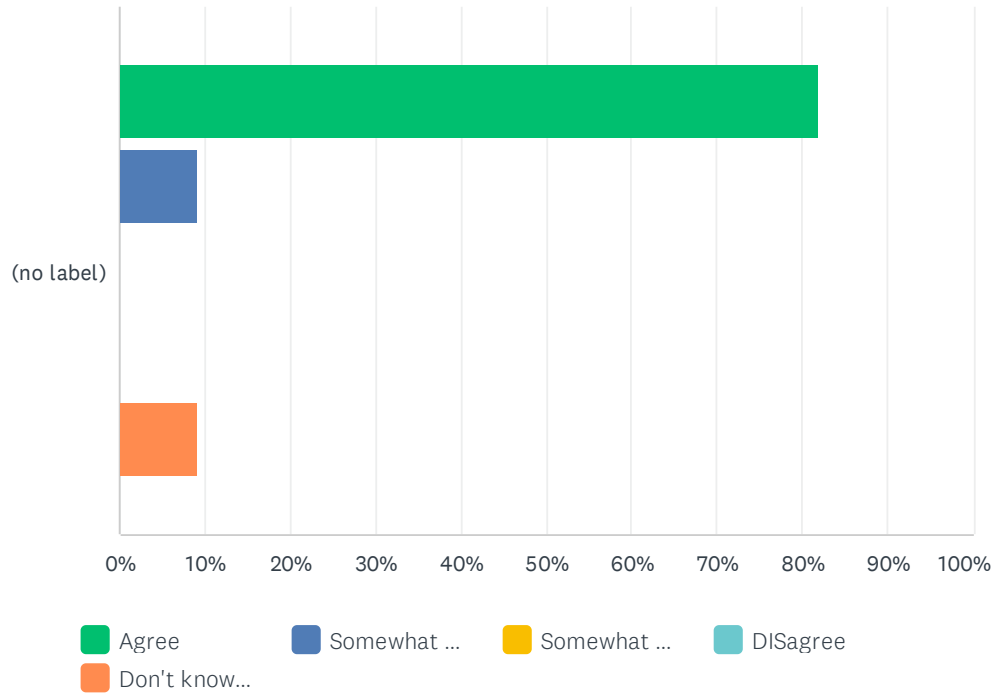


■ Agree     
 ■ Somewhat ...     
 ■ Somewhat ...     
 ■ DISagree  
■ Don't know...

	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	100.00% 11	0.00% 0	0.00% 0	0.00% 0	0.00% 0	11	5.00

### Q6 The asset allocation was developed using a comprehensive, well-founded approach.

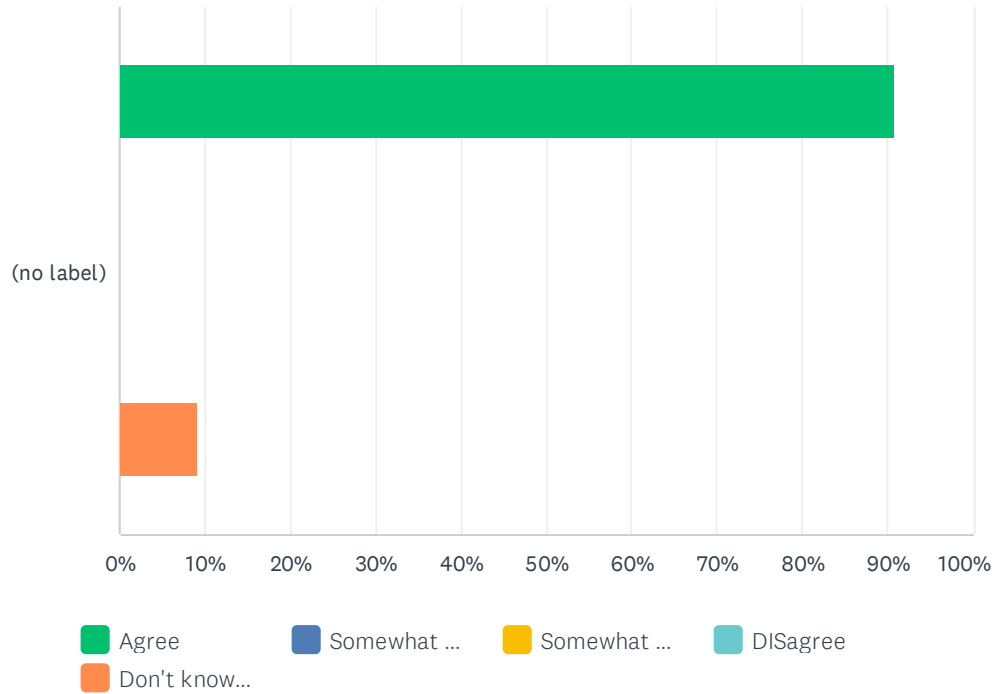
Answered: 11 Skipped: 0



	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	81.82% 9	9.09% 1	0.00% 0	0.00% 0	9.09% 1	11	4.55

## Q7 The consultant's investment recommendations align with the Board's risk tolerance.

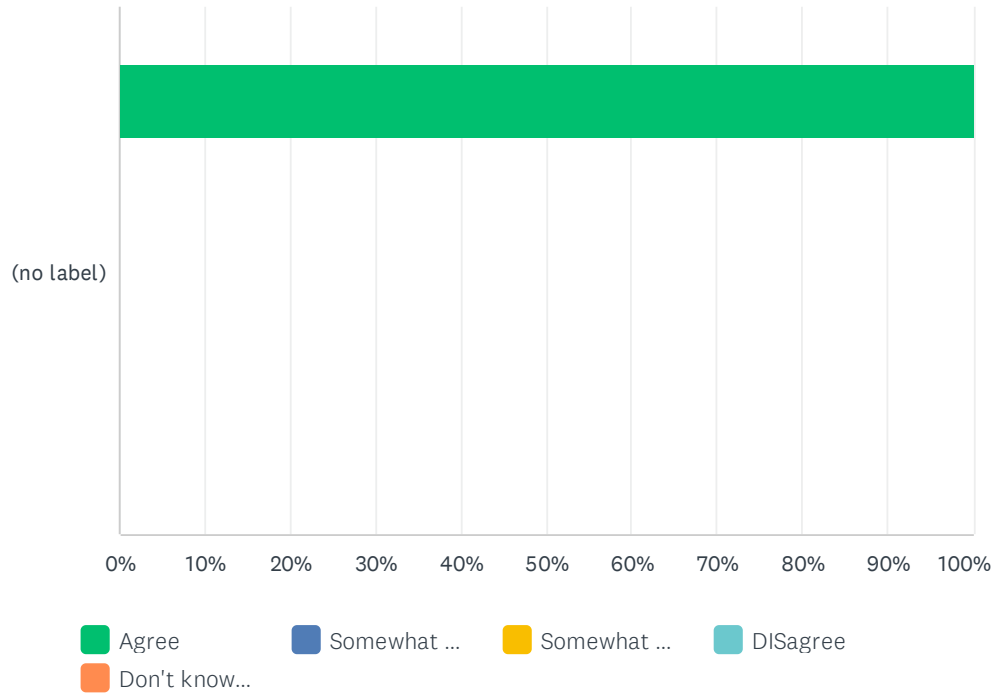
Answered: 11 Skipped: 0



	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	90.91% 10	0.00% 0	0.00% 0	0.00% 0	9.09% 1	11	4.64

## Q8 The investment consultant presents data that supports their recommendations.

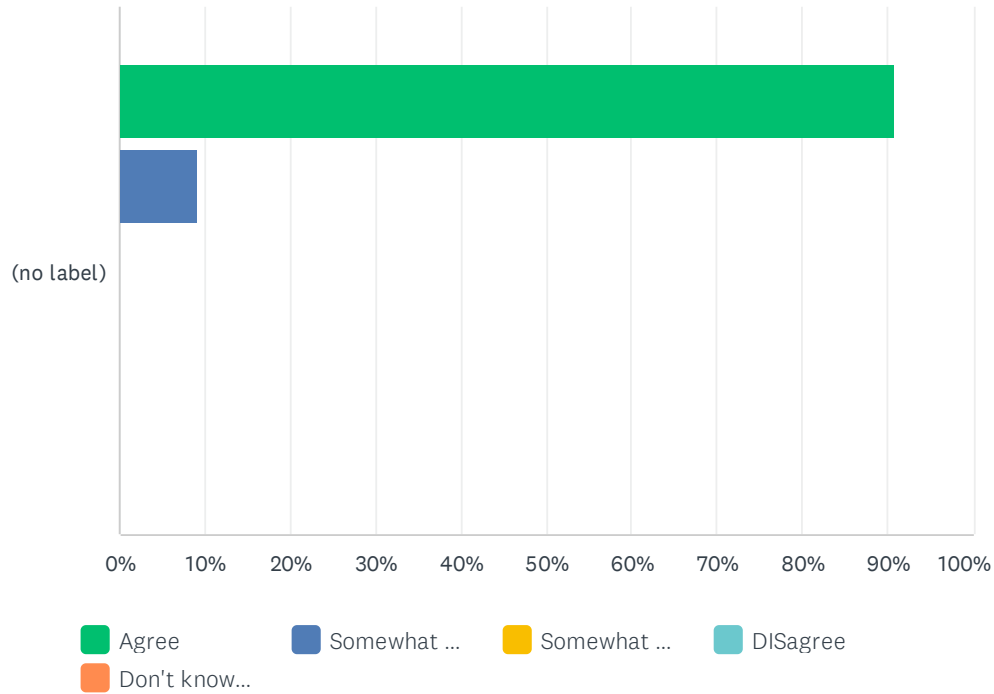
Answered: 11 Skipped: 0



	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	100.00% 11	0.00% 0	0.00% 0	0.00% 0	0.00% 0	11	5.00

### Q9 I have confidence in the quality of managers the consultant brings to the Board for consideration.

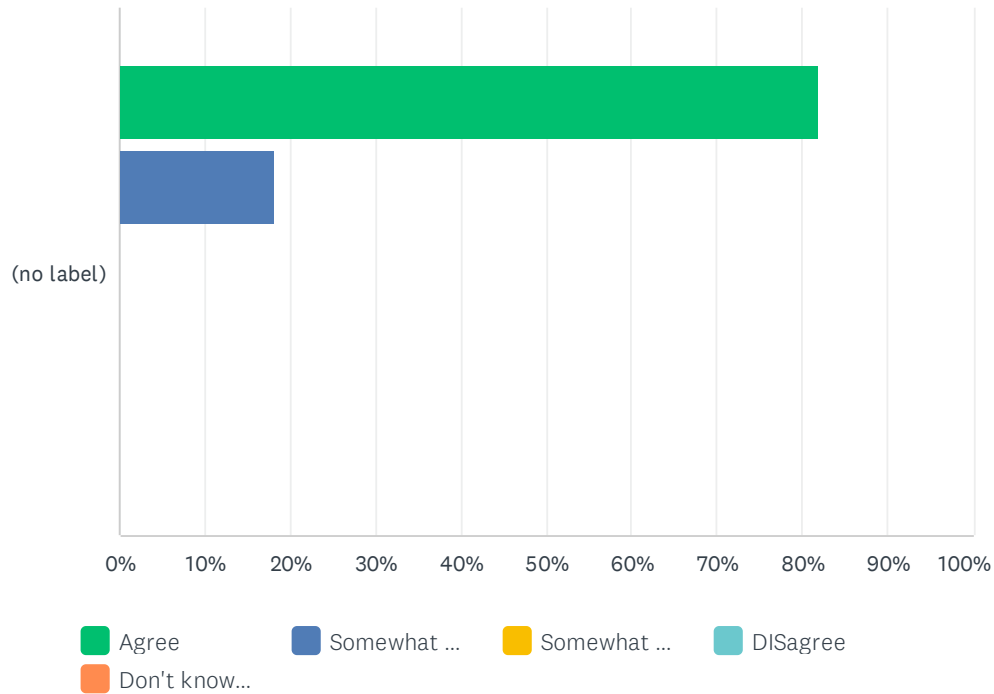
Answered: 11 Skipped: 0



	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	90.91% 10	9.09% 1	0.00% 0	0.00% 0	0.00% 0	11	4.91

### Q10 The Investment Consultant brings forward ideas and strategies that will enable SJCERA to meet or exceed its assumed rate of return over the long term.

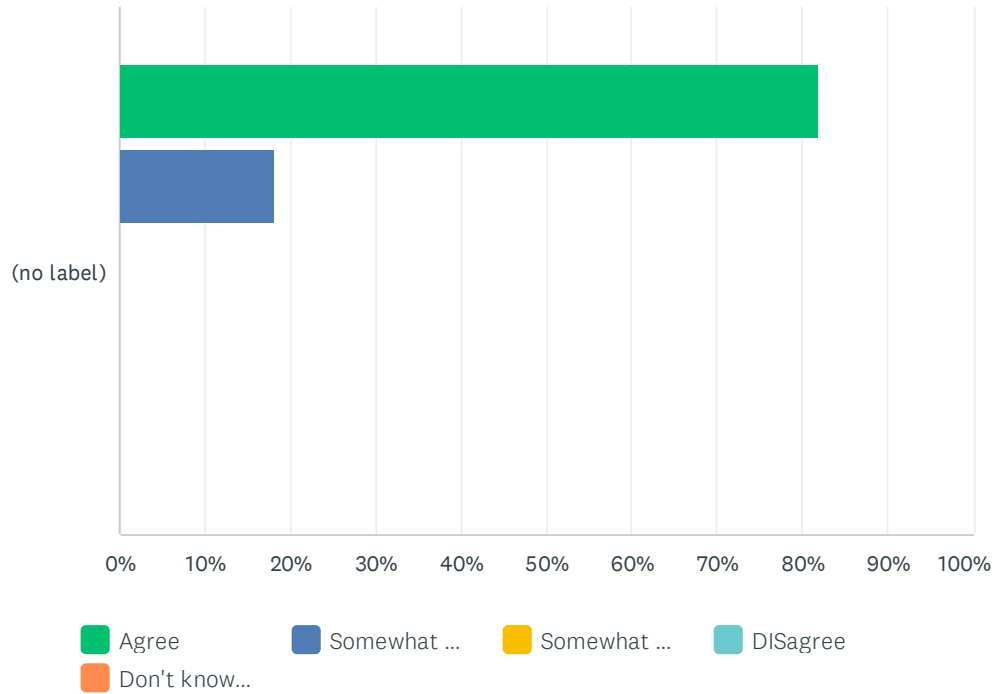
Answered: 11 Skipped: 0



	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	81.82% 9	18.18% 2	0.00% 0	0.00% 0	0.00% 0	11	4.82

### Q11 The consultant keeps the Board informed of events affecting SJCERA's investments.

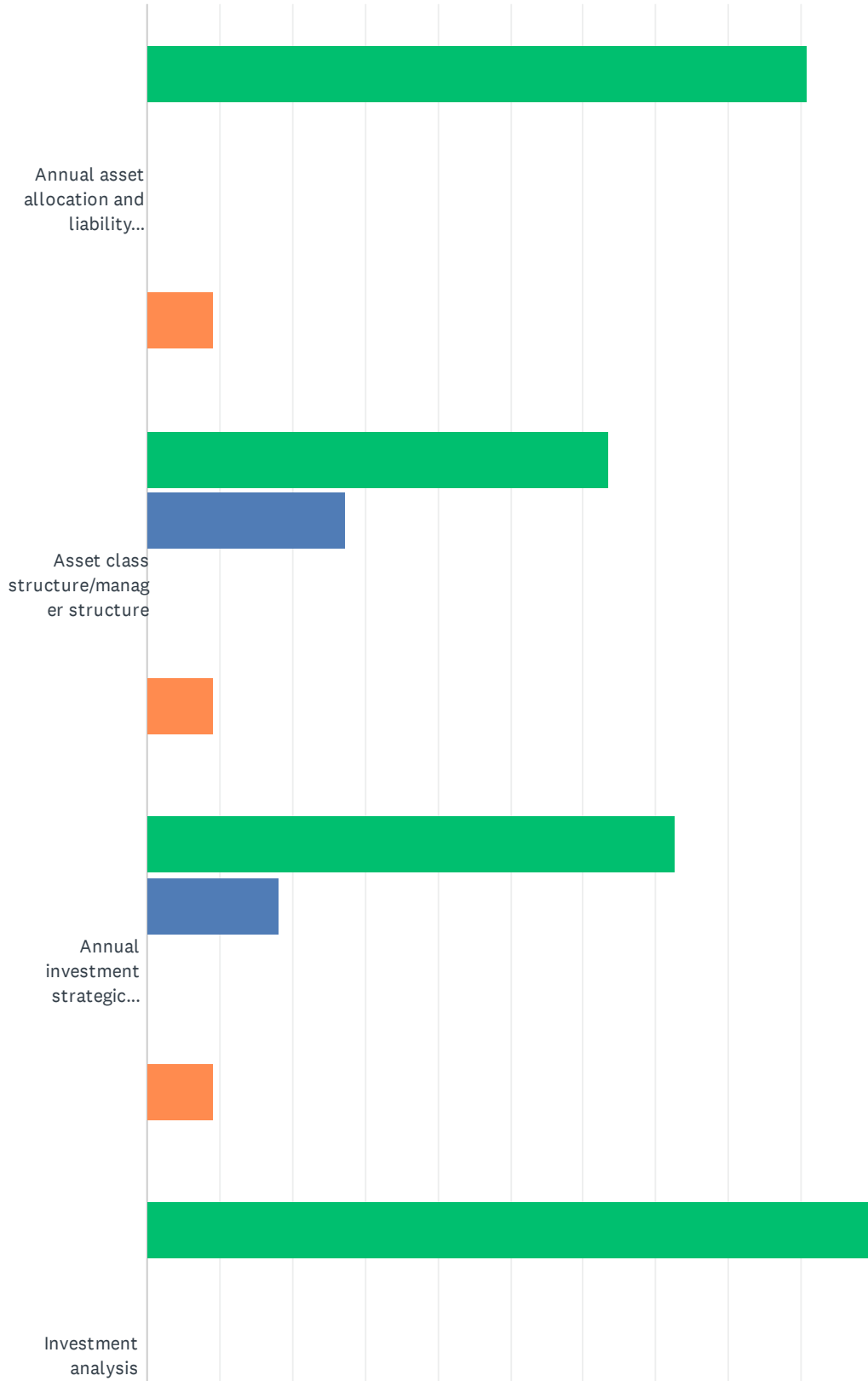
Answered: 11 Skipped: 0



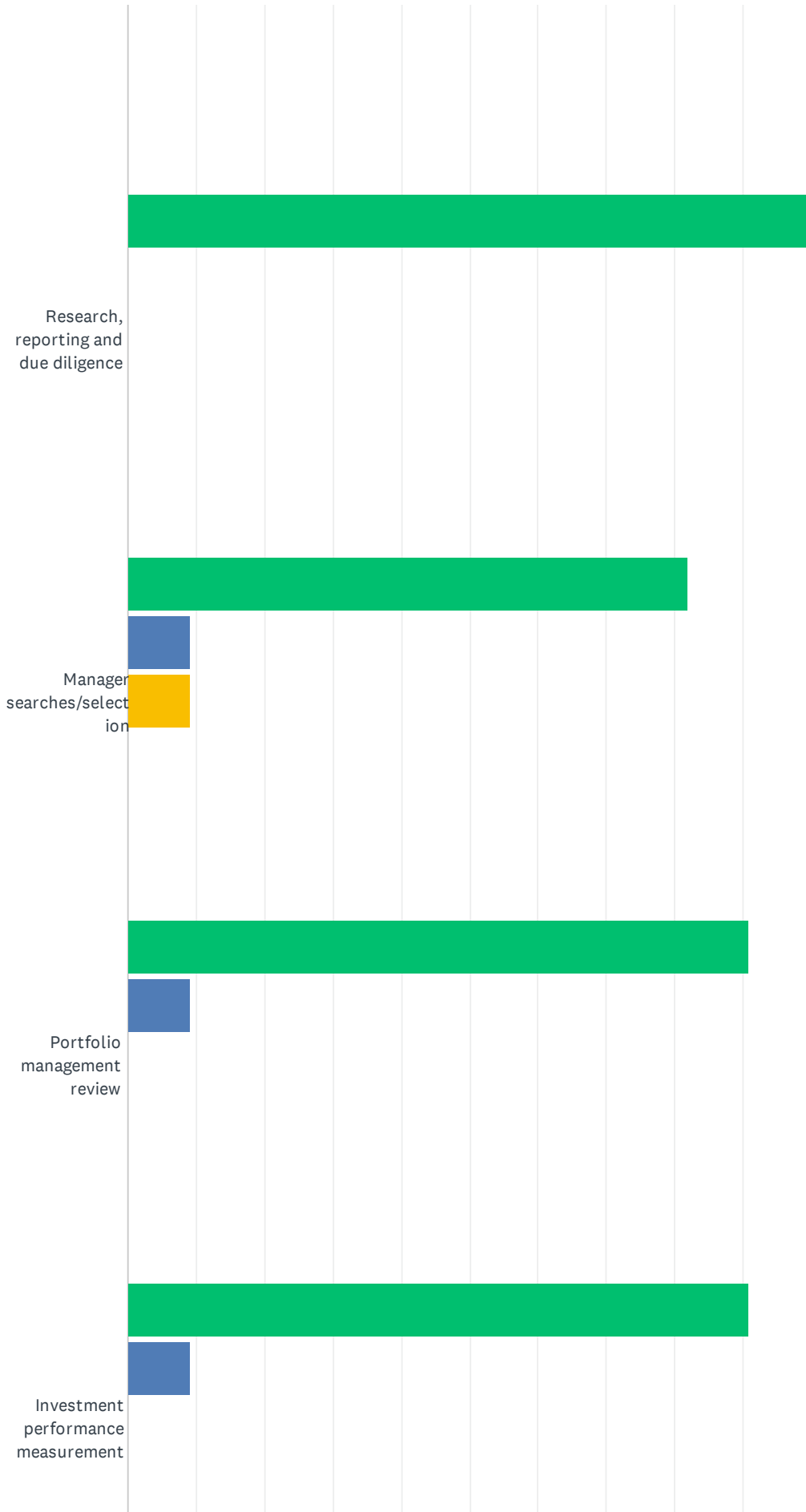
	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	81.82% 9	18.18% 2	0.00% 0	0.00% 0	0.00% 0	11	4.82

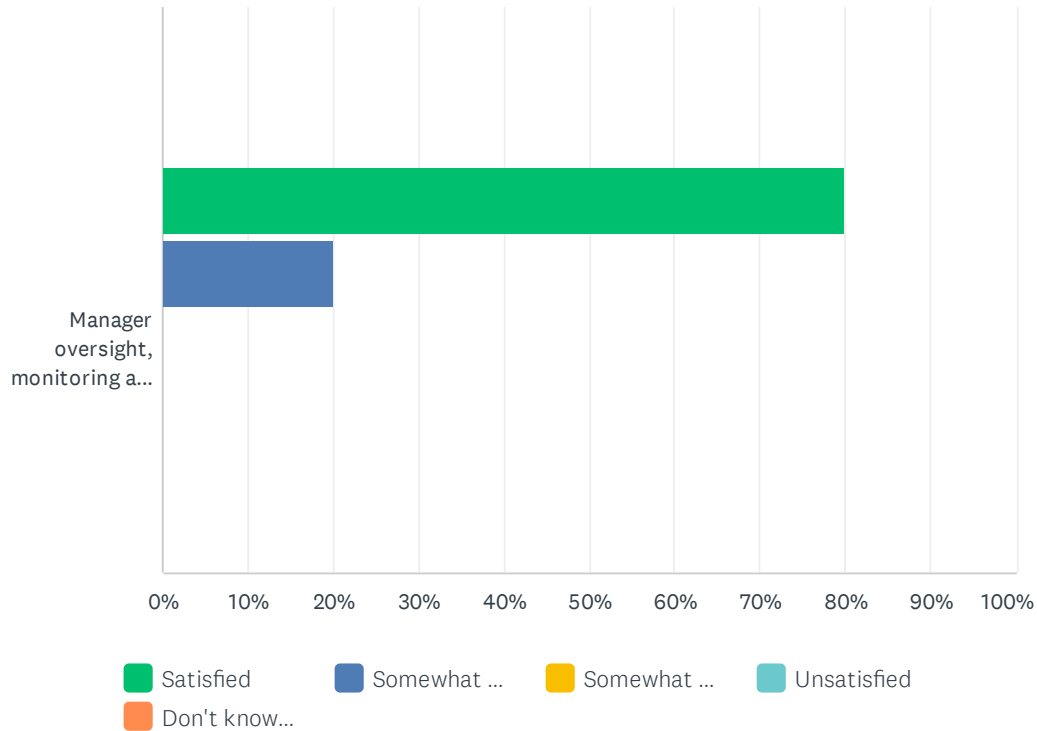
# Q12 Please rate your satisfaction with the following contractually required services.

Answered: 11 Skipped: 0





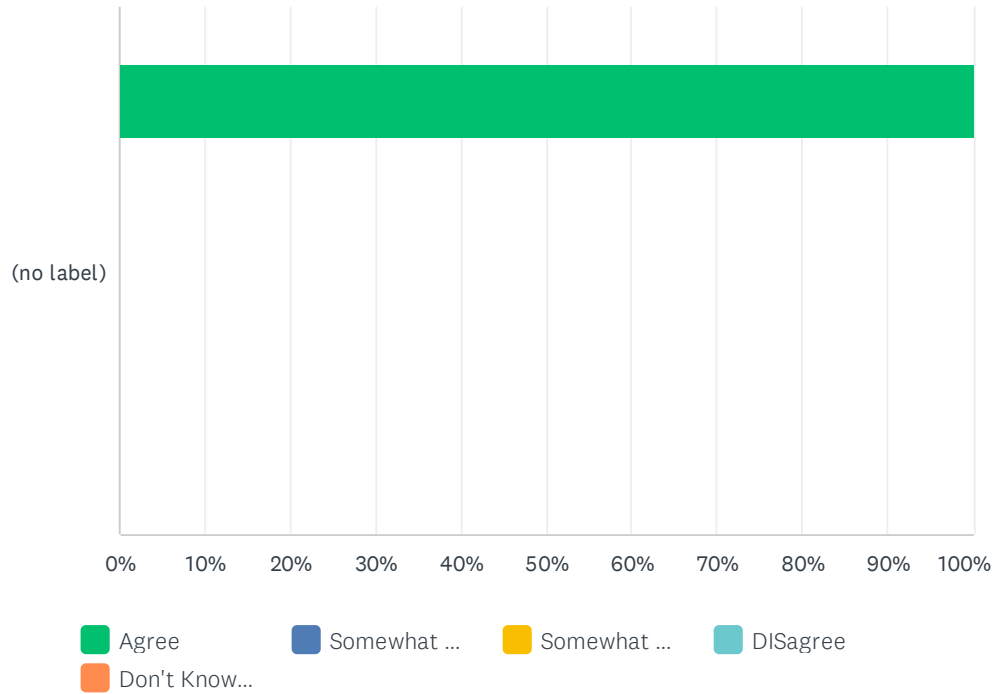




	SATISFIED	SOMEWHAT SATISFIED	SOMEWHAT UNSATISFIED	UNSATISFIED	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
Annual asset allocation and liability management review	90.91% 10	0.00% 0	0.00% 0	0.00% 0	9.09% 1	11	4.64
Asset class structure/manager structure	63.64% 7	27.27% 3	0.00% 0	0.00% 0	9.09% 1	11	4.36
Annual investment strategic planning and policy review	72.73% 8	18.18% 2	0.00% 0	0.00% 0	9.09% 1	11	4.45
Investment analysis	100.00% 11	0.00% 0	0.00% 0	0.00% 0	0.00% 0	11	5.00
Research, reporting and due diligence	100.00% 11	0.00% 0	0.00% 0	0.00% 0	0.00% 0	11	5.00
Manager searches/selection	81.82% 9	9.09% 1	9.09% 1	0.00% 0	0.00% 0	11	4.73
Portfolio management review	90.91% 10	9.09% 1	0.00% 0	0.00% 0	0.00% 0	11	4.91
Investment performance measurement	90.91% 10	9.09% 1	0.00% 0	0.00% 0	0.00% 0	11	4.91
Manager oversight, monitoring and reconciliations with managers and custodian	80.00% 8	20.00% 2	0.00% 0	0.00% 0	0.00% 0	10	4.80

### Q13 I have confidence in the firm for which our Investment Consultant works.

Answered: 11 Skipped: 0



	AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	DISAGREE	DON'T KNOW/NO OPINION	TOTAL	WEIGHTED AVERAGE
(no label)	100.00% 11	0.00% 0	0.00% 0	0.00% 0	0.00% 0	11	5.00

**Q14 The investment issues or areas of concern I would like the consultant to address in the next twelve months are:(Identify your top 3 issues/concerns)**

Answered: 4 Skipped: 7

ANSWER CHOICES	RESPONSES	
1.	100.00%	4
2.	50.00%	2
3.	50.00%	2
Other Comments:	0.00%	0

## Q15 What would you like the Investment Consultant to do differently?

Answered: 2 Skipped: 9

## Q16 Other Remarks

Answered: 1 Skipped: 10



**Board of Retirement**  
San Joaquin County Employees' Retirement Association

---

**November 8, 2024**

**Agenda Item 11.0**

**SUBJECT: Bylaws Amendments**

**SUBMITTED FOR:   \_\_\_ CONSENT     X  ACTION    \_\_\_ INFORMATION**

---

**RECOMMENDATION**

Staff recommends the Board of Retirement adopt the proposed Bylaw amendments.

**PURPOSE**

To amend SJCERA's Bylaws to ensure that they remain relevant, appropriate and in compliance, per Section III.C of the Administrative Committee Charter.

**DISCUSSION**

In accordance with the Board's requirement, staff typically review one-third of the policies annually. As part of our new in-house Chief Counsel onboarding, staff reviewed all the policies this year and has now reviewed the Bylaws. The proposed Bylaws amendments are as follows:

- Section 5.1 – Added Chief Counsel position to exempt positions, changed reference to address to reflect primary location, as SJCERA has moved,
- Section 5.3 – Repealed portions referencing order of meeting,
- Section 5.6 – Repealed as it was duplicative of the Trustee Education Policy and the Trustee and Executive Staff Travel Policy,
- Section 5.7 – Repealed as it was duplicate of the Conflict of Interest Policy,
- Section 6.1 – Added definitions for part time and full employees for purposes of SJCERA membership,
- Section 6.2 – Repealed and moved language to proposed Membership and Designation of Beneficiary Policy,
- Section 6.3 – Repealed and moved language to proposed Membership and Designation of Beneficiary Policy,
- Section 7 – Repealed and moved language to proposed Service Retirement Policy,
- Section 8 – Repealed as it was duplicative of the Disability Retirement policy, and
- Section 9 – Amended to reserve ability of Board to pass governing policies outside of Bylaws.

**ATTACHMENTS**

Proposed revisions to *Bylaws* – Mark-up  
Proposed revisions to *Bylaws* – Clean



---

Aaron Zaheen  
Chief Legal Counsel





**San Joaquin  
County Employees'  
Retirement Association**

# **BYLAWS**

Revised & Adopted by the Board of Retirement on ~~X12/X08/2024~~  
Adopted by the Board of Supervisors on \_\_/\_\_/2024

Pursuant to California Government Code Sections 31525 and 31526, these bylaws are adopted by the Board of Retirement and approved by the San Joaquin County Board of Supervisors. In the event a conflict arises between these bylaws and the County Employees Retirement Law, the Public Employees' Pension Reform Act, the Internal Revenue Code or any other applicable state or federal statutes, the law shall prevail.

**Table of Contents**

	<b>Page</b>
<b><u>PART I - GENERAL</u></b>	
<b>SECTION 1. NAME</b> .....	1
<b>SECTION 2. PURPOSE</b> .....	1
<b>SECTION 3. JURISDICTION</b> .....	1
<b>SECTION 4. DEFINITIONS</b> .....	1
<b>SECTION 5. ADMINISTRATION</b> .....	1
5.1 General .....	1
5.2 Election and Appointment of Board Members.....	3
5.3 Procedures.....	3
5.4 Board Officers.....	4
5.5 Subpoenas .....	5
<del>5.6 Education and Travel.....</del>	<del>5</del>
<del>5.7 Conflict of Interest and Disclosure.....</del>	<del>5</del>
<b>SECTION 6. MEMBERSHIP</b> .....	6
6.1 General .....	6
<del>6.2 Application for Membership.....</del>	<del>7</del>
<del>6.3 Designation of Beneficiary.....</del>	<del>7</del>
<del><b>SECTION 7. SERVICE RETIREMENT</b> .....</del>	<del>8</del>
<del><b>SECTION 8. DISABILITY RETIREMENT</b>.....</del>	<del>8</del>
<b>SECTION <u>79</u>. AMENDMENTS <u>AND GOVERNING POLICIES</u></b> .....	8

## **PART I - GENERAL**

### **SECTION 1. NAME**

- A. The name of this retirement system is the "SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION" ("SJCERA").

### **SECTION 2. PURPOSE**

- A. SJCERA is established under the County Employees' Retirement Law of 1937 (Chapter 3 of Part 3 of Division 4 of Title 3 of the California Government Code, Section 31450 et seq.) (hereinafter "the CERL") for the purpose of carrying out the provisions of the CERL and the provisions of the Public Employees' Pension Reform Act (Article 4 of Chapter 21 of Division 7 of Title 1 of the California Government Code, Section 7522, et seq.) (hereinafter "PEPRA") within the County of San Joaquin. These bylaws govern the management and operation of the retirement system for the benefit of its membership, including its retired members and their survivors, dependents, and beneficiaries.

Formatted: Font: (Default) Helvetica

### **SECTION 3. JURISDICTION**

- A. The Board of Retirement shall endeavor to include language substantially similar to the following in any and all contracts, agreements, and/or partnerships entered into by the Board or its designee, subject to adjustments and modifications as deemed reasonable and appropriate by the Board or its designee in any given circumstance: "The parties hereto hereby submit to the jurisdiction of the Superior Court of California for San Joaquin County, or the United States District Court for the Eastern District of California, over any action, suits or proceedings arising out of or relating to this Agreement."

Formatted: Font: (Default) Helvetica

### **SECTION 4. DEFINITIONS**

- A. Words, terms, and phrases used in these bylaws and SJCERA policies and procedures shall be given meaning as defined in the CERL or PEPRA unless otherwise specified in these bylaws.
1. Unless otherwise provided, any reference to "day" or "days" shall mean calendar days and shall include weekends and holidays. If a due date or deadline falls on a Saturday, Sunday or San Joaquin County designated holiday, the due date or deadline shall be the next regular business day.
  2. Board shall mean Board of Retirement
  3. CEO shall mean Chief Executive Officer or designee

### **SECTION 5. ADMINISTRATION**

Formatted: Font: (Default) Helvetica

#### **5.1 General**

Formatted: Font: (Intl) Helvetica

- A. Management of the retirement system is vested in the Board of Retirement ("Board"). Routine day-to-day administration of the retirement system is delegated to the Chief Executive Officer (CEO), who shall be that individual

appointed by the Board pursuant to Government Code Section 31522.2.

- B. The Board shall promulgate rules for matters relating to its administrative procedures, which shall be known as Board Administration Policies. Each Board Administration Policy shall be identified by title and purpose and may be adopted or amended at any regularly scheduled meeting of the Board by an affirmative vote of at least five (5) trustees. The CEO shall direct staff to maintain a record of all Board Administration Policies adopted or amended by the Board.
- C. The CEO is responsible for the engagement, management, oversight and termination of all staff employed by SJCERA.
- D. With regard to the exempt positions of the Assistant CEO (Assistant Retirement Administrator) and Investment Officer (IO) appointed pursuant to Government Code Section 31522.3, [and Chief Counsel pursuant to Government Code Section 31529.9](#), the CEO is delegated the authority to select and appoint individuals to these positions, with the caveat that:
  - 1. The selection and appointment of the Assistant CEO, ~~and the IO~~, [and Chief Counsel](#) shall be submitted to the Board for Retirement for its concurrence and approval in accordance with Government Code Sections [31522.3](#) [and 31529.9](#).
  - 2. The CEO shall at least annually meet with and evaluate the performance of the incumbent Assistant CEO, IO, and Chief Counsel.
  - 3. If at any time the CEO intends to dismiss an employee in any of these three positions, the CEO will present facts on the matter to the Board in closed session for the Board to exercise its authority under Government Code Section 31522.3 and 31529.9.
- E. All meetings of the Board shall be subject to the open meeting laws applicable to local agencies, known as the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of Title 5 of the California Government Code, Section 54950 et seq.) ("The Brown Act").
- F. The Board shall meet at least once each month, and shall adopt and make available to the public an annual meeting calendar each year, which may subsequently be modified as necessary by formal action of the Board in advance. Unless otherwise noticed in advance, meetings of the Board shall be convened in the SJCERA Boardroom, ~~6 S. El Dorado Street, Suite 400, Stockton, California~~ [at the principal address of SJCERA which shall be listed on the written agenda.](#)
- G. Special meetings of the Board may be called at any time on the request of any Officer of the Board or by any five (5) Members of the Board. Notice of the meeting shall be provided as required by the Brown Act.
- H. Board meetings may be reset or continued by the Board for good cause.

If a meeting is reset or continued, the CEO shall give at least four (4) days' notice of the date of the reset or continued meeting to Board Members who were not present at the time of re-setting or continuance.

## 5.2 Election and Appointment of Board Members

- A. Pursuant to Government Code Section 31520.1, 31520.5 and 31520.6 the Board shall be composed of nine (9) members, one alternate safety member, and one alternate retired member.
- B. Elections of the second, third, seventh, eighth, and alternate members shall be conducted pursuant to Government Code Sections 31520.1, 31520.5 and 31523 and Board of Supervisors Resolution R-04-68.
- C. Except as otherwise provided by law, an appointed member of the Board shall continue to serve beyond the prescribed term until a successor is duly qualified and appointed.

## 5.3 Procedures

- A. ROBERT'S RULES OF ORDER shall guide the Board in its proceedings, except as otherwise provided in these bylaws or the CERL. The Chairperson shall have a vote on all questions and motions and shall not be required to relinquish the chair in order to participate in discussions. ~~The order of business may include, but is not be limited to:~~
  - ~~Roll Call~~
  - ~~Pledge of Allegiance~~
  - ~~Approval of Minutes~~
  - ~~Public Comment~~
  - ~~Benefit Applications~~
  - ~~Investment Matters and Administration Matters~~
  - ~~Staff and Committee Reports and Recommendations~~
  - ~~Correspondence~~
  - ~~Adjournment~~
- ~~B. The Board Chairperson may make changes in the above order at their discretion.~~
- ~~C.B.~~ The Board's meeting order of business may also include one or more closed sessions in accordance with and as allowed by the Brown Act as needed to conduct the Board's business.
- ~~D.C.~~ Five Members of the Board shall constitute a quorum. Subject to paragraph E below, no motion may be passed or business transacted except in matters dealing with hearings without at least five (5) affirmative votes.
- ~~E.D.~~ Hearings conducted by the Board must have at least seven (7) members

in attendance and will be conducted as detailed in Board policy.

F.E. Communications and requests shall be made in writing and directed to the Board in care of the CEO. The substance of such communications and requests requiring Board action shall be noted in the minutes of the Board meeting.

#### **5.4. Board Officers**

- A. At the first meeting in July of each year, the Board shall elect, pursuant to open nomination, one of its members as Chairperson, one of its members as Vice-Chairperson, and one of its members as Secretary, each to hold office for a term of the later of one (1) year or until a successor is duly elected. Should any officer fail for any reason to complete a full term, the Board shall elect a successor for the balance of the unexpired term at its next meeting. The County Treasurer shall serve ex-officio as the Treasurer for SJCERA.
- B. Chairperson
  - 1. The Chairperson of the Board is the presiding officer at all Board meetings, and shall conduct the meetings in accordance with these bylaws and applicable rules and statutes. The Chairperson shall appoint Board members to standing and ad hoc committees of the Board, which shall consist of no fewer than three and no more than four Board members. Upon approval or adoption by the Board, the Chairperson shall sign all minutes, resolutions, orders or other documents of the Board. The Chairperson, or designee is authorized to sign on behalf of SJCERA any contracts, agreements, or other documents and forms required to effect the decisions and commitments approved by the Board or to comply with statutory or regulatory requirements.
- C. Vice Chairperson
  - 1. The Vice Chairperson will assume the duties of the Chairperson when the Chairperson is absent. When serving as Chairperson, the Vice Chairperson shall have all of the powers of the Chairperson and shall assume all of the duties of the Chairperson.
- D. Secretary
  - 1. The Secretary shall certify meeting minutes, resolutions, and orders of the Board as approved or adopted by the Board.
  - 2. The Secretary will assume the duties of Chairperson in the simultaneous absence of both the Chair and Vice Chair. When serving as Chairperson, the Secretary shall have all the powers of the Chairperson and shall assume all of the duties of the Chairperson.
- E. Clerk of the Board

1. The CEO or designee shall serve as Clerk of the Board and shall cause to be recorded in the minutes the time and place of each meeting, the name of each member present, all official acts and discussions of the Board, the votes given (except where the action is unanimous) and, where requested by a dissenting or approving member, a Board member's dissent or approval. The Clerk shall cause the minutes to be reduced to written form forthwith and presented for Board approval at its next regularly scheduled meeting. The minutes shall be signed by the Chairperson and certified by the Secretary and shall become a part of the Board's permanent record. Upon approval or adoption by the Board, the CEO shall have the authority to sign on behalf of SJCERA any contracts, agreements, or other documents, and forms required to effect the decisions and commitments approved by the Board or to comply with statutory or regulatory requirements.

#### **5.5 Subpoenas**

- A. Subpoenas may be issued for disability or administrative hearings, or other matters as determined by Board officers, CEO, and/or referee in accordance with Government Code Section 31535 and Board policy.
- B. Witnesses subpoenaed may be provided a witness fee and/or reimbursement for necessary travel. The amount to be paid and the party responsible for payment shall be established by Board policy.

#### **5.6 Education and Travel**

- ~~A.—The Board and designated staff shall obtain education on matters of public pension investments and administration in accordance with Government Code Sections 31522.8 and 53237.1 and Board policy. To execute this duty, this Board shall establish and maintain policies and guidelines for approval and reimbursement of education and travel related expenses.~~

#### **5.7 Conflict of Interest and Disclosure**

- ~~A.—The Board shall establish and maintain a Conflict of Interest Code applicable to its Board members, investment managers and designated staff as required by the Political Reform Act and the California Code of Regulations. Statements of Economic Interests will be filed with and maintained by the Clerk of the Board of Retirement.~~

### **SECTION 6. MEMBERSHIP**

#### **6.1 General**

- A. Membership shall be as defined by the CERL or PEPR as supplemented by these bylaws.

Formatted: Font: (Default) Helvetica

B. Mandatory Membership:

1. Every employee of San Joaquin County or SJCERA participating employer who is appointed to a permanent full-time position shall be a member.

~~1-a.~~ For purposes of SJCERA Membership only, "Permanent Full-Time" is hereby defined as an employee who is on payroll for 1,560 or more hours in a calendar year.

Formatted

2. Superior Court Officers and their attaches and the Public Administrator shall be included in SJCERA pursuant to the CERL.

C. Exclusions from membership:

1. Employees who are appointed to a position or employed under contract for a period ~~not to which does not~~ exceed 1,560 hours in ~~a calendar year any consecutive twelve (12) month period~~, seasonal employees, intermittent employees, or part-time employees, are excluded from membership in SJCERA.

~~1-a.~~ For purposes of SJCERA Membership only, "Part-Time" is hereby defined as an employee who is on payroll for less than 1,560 hours in a calendar year.

Formatted: Indent: Left: 1.08", No bullets or numbering

Formatted

D. Optional Membership:

1. Persons who are age 60 or older when they are first employed in a position requiring SJCERA membership may make an irrevocable election to waive membership within thirty (30) days of their first day of employment. The election shall be evidenced by the employee's signature on a waiver of membership form provided by SJCERA.

2. Elected Officials, who wish to become (or remain) SJCERA members must file a declaration with the Board.

E. Employees eligible for SJCERA membership shall become members as follows:

1. Hired before September 22, 2003: on the first day of the next payroll period following appointment to a permanent full-time position, or

2. Hired on or after September 22, 2003: on the first day of employment in a permanent full-time position.

3. An Elected Official opting into membership shall become a member as of the beginning of the payroll period in which the declaration is filed.

F. The Board may, from time-to-time, determine by classification of position, other than those specifically provided by the CERL, the eligibility for membership and



shall list those job classifications that are included in the safety retirement category.

- G. A member who is eligible for reciprocity shall allow SJCERA to coordinate with a member's reciprocal retirement system in establishing the dates of membership and termination so that there is no overlap of membership between the systems. SJCERA will adjust the membership date if necessary, provided that date shall be no later than 12 weeks after the member commenced SJCERA-covered employment, and adjust the termination date if necessary, provided that date is no earlier than 12 weeks prior to the date the member terminated SJCERA-covered employment.

### **6.2 Application for Membership**

- ~~A. Every employee of the County of San Joaquin or a participating employer who is or becomes a member of SJCERA shall complete a Member Certification form supplied by SJCERA, including the employee's date of birth, date employment began, and employing department or participating employer. It is the appointing authority's duty to ensure that all eligible employees complete the required form and to forward immediately to SJCERA.~~
- ~~B. In lieu of a sworn statement, the submission by the member's employer to the retirement association of the information otherwise required in paragraph (A) in a form determined by Board policy.~~
- ~~C. Every employee who is eligible for SJCERA membership shall submit proof of age as outlined in the Board policy.~~
- ~~D. In the event of a discrepancy in age, the birth date resulting in the oldest age for determining age-based contribution rates shall prevail.~~

### **6.3 Designation of Beneficiary**

- ~~A. Every member at the time of retirement shall submit evidence of marriage or registered domestic partnership (RDP) if the member's designated beneficiary is the member's spouse/RDP and the member elects an option pursuant to Sections 31760 et seq. of the Government Code. In lieu of a marriage or registered domestic partnership certificate, alternative documents as determined by Board policy will be accepted.~~
- ~~B. Every member, at the time of retirement, shall submit proof of age for any designated beneficiary or beneficiaries selected pursuant to the exercise of an option contained within Section 31760 et seq. of the Government Code. Proof of age shall be as described in Section 5.2 of these bylaws.~~
- ~~C. RDPs, as defined in California Family Code Section 297, of SJCERA members have the same rights, protections, and benefits, and are subject to the same responsibilities, obligations, and duties as are granted to or imposed upon spouses of SJCERA members.~~

**SECTION 7. SERVICE RETIREMENT**

Formatted: Font: (Default) Helvetica

~~A. In addition to the provisions of the CERL and PEPPA pertaining to service retirement, an application for service retirement shall be deemed complete when the following have been submitted:~~

- ~~1. A written application on forms supplied by the SJCERA,~~
- ~~2. Proof of age of the member and beneficiary as provided in Sections 6.2 and 6.3,~~
- ~~3. Evidence of marriage or registered domestic partnership of the beneficiary as required in Section 6.3, and~~
- ~~4. Designation of the option elected by the retiring member on the form provided by SJCERA.~~

~~B. Upon retirement, a member shall be furnished with a copy of their retirement application and options form which includes the effective date of retirement, their retirement allowance and any other information that the CEO or designee determines is appropriate and in the member's best interest. This shall serve as an annuity certificate.~~

**SECTION 8. DISABILITY RETIREMENT**

Formatted: Font: (Default) Helvetica

~~A. The Board shall promulgate rules to ensure the fair and efficient proceedings of disability cases. These rules shall be referred to as Disability Retirement and Active Member Death Policy and Procedures.~~

Formatted: Font: (Default) Helvetica

**SECTION 79. AMENDMENTS AND GOVERNING POLICIES**

Formatted: Font: (Default) Helvetica

A. These bylaws may be amended at any regularly scheduled Board meeting by an affirmative vote of at least 5 (five) members of the Board. The bylaws become effective when approved by the Board of Supervisors.

~~B. B.~~ The Board shall enact and maintain policies and procedures which shall govern the day-to-day operations of SJCERA. These policies shall be promptly posted to the website and kept up to date on a tri-annual basis, reviewed at least once every three years to ensure that it remains relevant, appropriate, and in compliance (Ref.: Cal. Gov. Code. §31539, IRS Rev. Proc. 2016-51).

Formatted: Font: (Default) Helvetica, 12 pt

Formatted: Not Strikethrough, Condensed by 0.05 pt

Formatted: Condensed by 0.05 pt

Formatted: Body Text, Indent: Left: 0.46", Right: 0.08", Space Before: 8.55 pt, Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.33"

Formatted: Font: Not Italic, Condensed by 0.05 pt

Formatted: Condensed by 0.05 pt

## HISTORY

- 12/08/2017: SECTION 3. DEFINITIONS – Added definitions of day, Board and CEO, extended the applicability of the definitions to SJCERA policies and procedures.  
SECTION 4. ADMINISTRATION - Added Subsection 4.1.B, promulgation of Board Administration Policies; Subsection 4.2.C deleted erroneous reference to elected and added the word safety; Subsection 4.4 – added authority for CEO to sign contracts/agreements with Board approval; Subsections 4.5 – 4.10 – Repealed and converted to Corrections of Errors or Omissions policy; Added Subsection 4.5 – Subpoenas; Added Subsection 4.6 – Education and Travel; Subsection 4.11 - Conflict of Interest and Disclosure, renumbered to 4.7  
SECTION 5. MEMBERSHIP – Added Subsection 5.1.B.2 and 5.1.B.3, regarding first day of employment; Subsection 5.2.B - Repealed and converted to Age Verification policy  
SECTION 6. MEMBER CONTRIBUTIONS – Repealed and converted to Member Contributions and Interest Posting policy  
SECTION 7. SERVICE RETIREMENT – Renumbered to Section 6  
SECTION 8. DISABILITY RETIREMENT – Revised, Renumbered to Section 7; Subsections 8.2 – 8.10, SECTION 9. HEARING BEFORE A REFEREE, SECTION 10. HEARING BEFORE THE BOARD, and SECTION 11. RULES OF EVIDENCE - Repealed and converted to Disability Retirement policy and procedures  
SECTION 12. DISSOLUTION OF MARRIAGE OR REGISTERED DOMESTIC PARTNERSHIP - Repealed and converted to Dissolution of Marriage or Registered Domestic Partnership policy  
SECTION 13 – AMENDMENTS – Renumbered to Section 8  
SECTION 20. PURPOSE AND SCOPE - Repealed and incorporated by existing bylaws and Internal Revenue Code compliance policies  
SECTION 21. ANNUAL COMPENSATION EARNABLE LIMIT- 401(a)(17) - Repealed and converted to Compensation Earnable Annual Limit – IRC 401(a)(17) policy  
SECTION 22. ROLLOVERS - 401(a)(31) & 402(c) - Repealed and converted to Rollovers – IRC 401(a)(31) & 402(c) policy  
SECTION 23. NORMAL RETIREMENT AGE - 401(a)(36) - Repealed and converted to Normal Retirement Age – IRC 401(a)(36) policy  
SECTION 24. RETURN TO WORK and BONA FIDE SEPARATION FROM SERVICE - 401(a) – Repealed and converted to Return to Work and Bona Fide Separation from Service - IRC 401(a) policy  
SECTION 25. REQUIRED MINIMUM DISTRIBUTIONS - 401(a)(9) - Repealed and converted to Required Minimum Distributions – IRC 401(a)(9) policy  
SECTION 26. ANNUAL BENEFIT LIMIT - 415(b) - Repealed and converted to Annual Benefit Limit – IRC 415(b) policy  
SECTION 27. ANNUAL ADDITIONS LIMIT - 415(c) - Repealed and converted to Annual Additional Limit – IRC 415(c) policy  
SECTION 28. RETIREE MEDICAL BENEFITS ACCOUNTS - 401(h) - Repealed and converted to Retiree Medical Benefits Accounts – IRC 401(h) policy  
07/10/2020: Added a Jurisdiction section, clarified the Administration and Membership sections, and other non-substantive changes

01/20/2023: Added 30 day time period for employees to waive membership  
11/08/2024: SECTION 5.1 Added Chief Counsel position to exempt positions,  
changed reference to address to reflect primary location, as SJCERA  
has moved  
SECTION 5.3 Repealed portions referencing order of meeting  
SECTION 5.6 Repealed as it was duplicative of ~~Education Policies~~the  
Trustee Education Policy and the Trustee and Executive Staff Travel  
Policy  
SECTION 5.7 Repealed as it was duplicative of Conflict of Interest Policy  
SECTION 6.1 Added definitions for part time and full time employees for  
purposes of SJCERA Membership  
SECTION 6.2 Repealed and ~~added~~ moved language to proposed  
Membership and Designation of Beneficiary Policy  
SECTION 6.3 Repealed and ~~added~~ moved language to proposed  
Membership and Designation of Beneficiary Policy  
SECTION 7 Repealed and moved language to proposed Service  
Retirement Policy  
SECTION 8 Repealed as it was duplicative of Disability Retirement  
Policy  
SECTION 9 Amended to reserve ability of Board to pass governing  
policies outside of Bylaws

Formatted: Indent: First line: 0"

Formatted: Indent: Left: 0", First line: 0"



**San Joaquin  
County Employees'  
Retirement Association**

**BYLAWS**

Revised & Adopted by the Board of Retirement on X/X/2024  
Adopted by the Board of Supervisors on \_\_/\_\_/2024

Pursuant to California Government Code Sections 31525 and 31526, these bylaws are adopted by the Board of Retirement and approved by the San Joaquin County Board of Supervisors. In the event a conflict arises between these bylaws and the County Employees Retirement Law, the Public Employees’ Pension Reform Act, the Internal Revenue Code or any other applicable state or federal statutes, the law shall prevail.

**Table of Contents**

	<b>Page</b>
<b><u>PART I - GENERAL</u></b>	
<b>SECTION 1. NAME</b> .....	1
<b>SECTION 2. PURPOSE</b> .....	1
<b>SECTION 3. JURISDICTION</b> .....	1
<b>SECTION 4. DEFINITIONS</b> .....	1
<b>SECTION 5. ADMINISTRATION</b> .....	1
5.1 General .....	1
5.2 Election and Appointment of Board Members.....	3
5.3 Procedures.....	3
5.4 Board Officers.....	4
5.5 Subpoenas .....	5
<b>SECTION 6. MEMBERSHIP</b> .....	6
6.1 General .....	6
<b>SECTION 7. AMENDMENTS AND GOVERNING POLICIES</b> .....	8

## PART I - GENERAL

### **SECTION 1. NAME**

- A. The name of this retirement system is the "SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION" ("SJCERA").

### **SECTION 2. PURPOSE**

- A. SJCERA is established under the County Employees' Retirement Law of 1937 (Chapter 3 of Part 3 of Division 4 of Title 3 of the California Government Code, Section 31450 et seq.) (hereinafter "the CERL") for the purpose of carrying out the provisions of the CERL and the provisions of the Public Employees' Pension Reform Act (Article 4 of Chapter 21 of Division 7 of Title 1 of the California Government Code, Section 7522, et seq.) (hereinafter "PEPRA") within the County of San Joaquin. These bylaws govern the management and operation of the retirement system for the benefit of its membership, including its retired members and their survivors, dependents, and beneficiaries.

### **SECTION 3. JURISDICTION**

- A. The Board of Retirement shall endeavor to include language substantially similar to the following in any and all contracts, agreements, and/or partnerships entered into by the Board or its designee, subject to adjustments and modifications as deemed reasonable and appropriate by the Board or its designee in any given circumstance: "The parties hereto hereby submit to the jurisdiction of the Superior Court of California for San Joaquin County, or the United States District Court for the Eastern District of California, over any action, suits or proceedings arising out of or relating to this Agreement."

### **SECTION 4. DEFINITIONS**

- A. Words, terms, and phrases used in these bylaws and SJCERA policies and procedures shall be given meaning as defined in the CERL or PEPRA unless otherwise specified in these bylaws.
1. Unless otherwise provided, any reference to "day" or "days" shall mean calendar days and shall include weekends and holidays. If a due date or deadline falls on a Saturday, Sunday or San Joaquin County designated holiday, the due date or deadline shall be the next regular business day.
  2. Board shall mean Board of Retirement
  3. CEO shall mean Chief Executive Officer or designee

### **SECTION 5. ADMINISTRATION**

#### **5.1 General**

- A. Management of the retirement system is vested in the Board of Retirement ("Board"). Routine day-to-day administration of the retirement system is delegated to the Chief Executive Officer (CEO), who shall be that individual

## **5.2 Election and Appointment of Board Members**

- A. Pursuant to Government Code Section 31520.1, 31520.5 and 31520.6 the Board shall be composed of nine (9) members, one alternate safety member, and one alternate retired member.
- B. Elections of the second, third, seventh, eighth, and alternate members shall be conducted pursuant to Government Code Sections 31520.1, 31520.5 and 31523 and Board of Supervisors Resolution R-04-68.
- C. Except as otherwise provided by law, an appointed member of the Board shall continue to serve beyond the prescribed term until a successor is duly qualified and appointed.

## **5.3 Procedures**

- A. ROBERT'S RULES OF ORDER shall guide the Board in its proceedings, except as otherwise provided in these bylaws or the CERL. The Chairperson shall have a vote on all questions and motions and shall not be required to relinquish the chair in order to participate in discussions.
- B. The Board's meetings may also include one or more closed sessions in accordance with and as allowed by the Brown Act as needed to conduct the Board's business.
- C. Five Members of the Board shall constitute a quorum. Subject to paragraph E below, no motion may be passed or business transacted except in matters dealing with hearings without at least five (5) affirmative votes.
- D. Hearings conducted by the Board must have at least seven (7) members in attendance and will be conducted as detailed in Board policy.
- E. Communications and requests shall be made in writing and directed to the Board in care of the CEO. The substance of such communications and requests requiring Board action shall be noted in the minutes of the Board meeting.

## **5.4. Board Officers**

- A. At the first meeting in July of each year, the Board shall elect, pursuant to open nomination, one of its members as Chairperson, one of its members as Vice-Chairperson, and one of its members as Secretary, each to hold office for a term of the later of one (1) year or until a successor is duly elected. Should any officer fail for any reason to complete a full term, the Board shall elect a successor for the balance of the unexpired term at its next meeting. The County Treasurer shall serve ex-officio as the Treasurer for SJCERA.
- B. Chairperson
  1. The Chairperson of the Board is the presiding officer at all Board meetings,



and shall conduct the meetings in accordance with these bylaws and applicable rules and statutes. The Chairperson shall appoint Board members to standing and ad hoc committees of the Board, which shall consist of no fewer than three and no more than four Board members. Upon approval or adoption by the Board, the Chairperson shall sign all minutes, resolutions, orders or other documents of the Board. The Chairperson, or designee is authorized to sign on behalf of SJCERA any contracts, agreements, or other documents and forms required to effect the decisions and commitments approved by the Board or to comply with statutory or regulatory requirements.

C. Vice Chairperson

1. The Vice Chairperson will assume the duties of the Chairperson when the Chairperson is absent. When serving as Chairperson, the Vice Chairperson shall have all of the powers of the Chairperson and shall assume all of the duties of the Chairperson.

D. Secretary

1. The Secretary shall certify meeting minutes, resolutions, and orders of the Board as approved or adopted by the Board.
2. The Secretary will assume the duties of Chairperson in the simultaneous absence of both the Chair and Vice Chair. When serving as Chairperson, the Secretary shall have all the powers of the Chairperson and shall assume all of the duties of the Chairperson.

E. Clerk of the Board

1. The CEO or designee shall serve as Clerk of the Board and shall cause to be recorded in the minutes the time and place of each meeting, the name of each member present, all official acts and discussions of the Board, the votes given (except where the action is unanimous) and, where requested by a dissenting or approving member, a Board member's dissent or approval. The Clerk shall cause the minutes to be reduced to written form forthwith and presented for Board approval at its next regularly scheduled meeting. The minutes shall be signed by the Chairperson and certified by the Secretary and shall become a part of the Board's permanent record. Upon approval or adoption by the Board, the CEO shall have the authority to sign on behalf of SJCERA any contracts, agreements, or other documents, and forms required to effect the decisions and commitments approved by the Board or to comply with statutory or regulatory requirements.

## 5.5 Subpoenas

- A. Subpoenas may be issued for disability or administrative hearings, or other matters as determined by Board officers, CEO, and/or referee in accordance

with Government Code Section 31535 and Board policy.

- B. Witnesses subpoenaed may be provided a witness fee and/or reimbursement for necessary travel. The amount to be paid and the party responsible for payment shall be established by Board policy.

## **SECTION 6. MEMBERSHIP**

### **6.1 General**

- A. Membership shall be as defined by the CERL or PEPRA as supplemented by these bylaws.
- B. Mandatory Membership:
  - 1. Every employee of San Joaquin County or SJCERA participating employer who is appointed to a permanent full-time position shall be a member.
    - a. For purposes of SJCERA Membership only, "Permanent Full-Time" is hereby defined as an employee who is on payroll for 1,560 or more hours in a calendar year.
  - 2. Superior Court Officers and their attaches and the Public Administrator shall be included in SJCERA pursuant to the CERL.
- C. Exclusions from membership:
  - 1. Employees who are appointed to a position or employed under contract for a period which does not exceed 1,560 hours in a calendar year, seasonal employees, intermittent employees, or part-time employees, are excluded from membership in SJCERA.
    - a. For purposes of SJCERA Membership only, "Part-Time" is hereby defined as an employee who is on payroll for less than 1,560 hours in a calendar year.
- D. Optional Membership:
  - 1. Persons who are age 60 or older when they are first employed in a position requiring SJCERA membership may make an irrevocable election to waive membership within thirty (30) days of their first day of employment. The election shall be evidenced by the employee's signature on a waiver of membership form provided by SJCERA.
  - 2. Elected Officials, who wish to become (or remain) SJCERA members must file a declaration with the Board.
- E. Employees eligible for SJCERA membership shall become members as follows:

1. Hired before September 22, 2003: on the first day of the next payroll period following appointment to a permanent full-time position, or
  2. Hired on or after September 22, 2003: on the first day of employment in a permanent full-time position.
  3. An Elected Official opting into membership shall become a member as of the beginning of the payroll period in which the declaration is filed.
- F. The Board may, from time-to-time, determine by classification of position, other than those specifically provided by the CERL, the eligibility for membership and shall list those job classifications that are included in the safety retirement category.
- G. A member who is eligible for reciprocity shall allow SJCERA to coordinate with a member's reciprocal retirement system in establishing the dates of membership and termination so that there is no overlap of membership between the systems. SJCERA will adjust the membership date if necessary, provided that date shall be no later than 12 weeks after the member commenced SJCERA-covered employment, and adjust the termination date if necessary, provided that date is no earlier than 12 weeks prior to the date the member terminated SJCERA-covered employment.

## **SECTION 7. AMENDMENTS AND GOVERNING POLICIES**

- A. These bylaws may be amended at any regularly scheduled Board meeting by an affirmative vote of at least 5 (five) members of the Board. The bylaws become effective when approved by the Board of Supervisors.
- B. The Board shall enact and maintain policies and procedures which shall govern the day-to-day operations of SJCERA. These policies shall be reviewed at least once every three years to ensure that it remains relevant, appropriate, and in compliance (Ref.: Cal. Gov. Code. §31539, IRS Rev. Proc. 2016-51.).

## HISTORY

- 12/08/2017: SECTION 3. DEFINITIONS – Added definitions of day, Board and CEO, extended the applicability of the definitions to SJCERA policies and procedures.  
SECTION 4. ADMINISTRATION - Added Subsection 4.1.B, promulgation of Board Administration Policies; Subsection 4.2.C deleted erroneous reference to elected and added the word safety; Subsection 4.4 – added authority for CEO to sign contracts/agreements with Board approval; Subsections 4.5 – 4.10 – Repealed and converted to Corrections of Errors or Omissions policy; Added Subsection 4.5 – Subpoenas; Added Subsection 4.6 – Education and Travel; Subsection 4.11 - Conflict of Interest and Disclosure, renumbered to 4.7  
SECTION 5. MEMBERSHIP – Added Subsection 5.1.B.2 and 5.1.B.3, regarding first day of employment; Subsection 5.2.B - Repealed and converted to Age Verification policy  
SECTION 6. MEMBER CONTRIBUTIONS – Repealed and converted to Member Contributions and Interest Posting policy  
SECTION 7. SERVICE RETIREMENT – Renumbered to Section 6  
SECTION 8. DISABILITY RETIREMENT – Revised, Renumbered to Section 7; Subsections 8.2 – 8.10, SECTION 9. HEARING BEFORE A REFEREE, SECTION 10. HEARING BEFORE THE BOARD, and SECTION 11. RULES OF EVIDENCE - Repealed and converted to Disability Retirement policy and procedures  
SECTION 12. DISSOLUTION OF MARRIAGE OR REGISTERED DOMESTIC PARTNERSHIP - Repealed and converted to Dissolution of Marriage or Registered Domestic Partnership policy  
SECTION 13 – AMENDMENTS – Renumbered to Section 8  
SECTION 20. PURPOSE AND SCOPE - Repealed and incorporated by existing bylaws and Internal Revenue Code compliance policies  
SECTION 21. ANNUAL COMPENSATION EARNABLE LIMIT- 401(a)(17) - Repealed and converted to Compensation Earnable Annual Limit – IRC 401(a)(17) policy  
SECTION 22. ROLLOVERS - 401(a)(31) & 402(c) - Repealed and converted to Rollovers – IRC 401(a)(31) & 402(c) policy  
SECTION 23. NORMAL RETIREMENT AGE - 401(a)(36) - Repealed and converted to Normal Retirement Age – IRC 401(a)(36) policy  
SECTION 24. RETURN TO WORK and BONA FIDE SEPARATION FROM SERVICE - 401(a) – Repealed and converted to Return to Work and Bona Fide Separation from Service - IRC 401(a) policy  
SECTION 25. REQUIRED MINIMUM DISTRIBUTIONS - 401(a)(9) - Repealed and converted to Required Minimum Distributions – IRC 401(a)(9) policy  
SECTION 26. ANNUAL BENEFIT LIMIT - 415(b) - Repealed and converted to Annual Benefit Limit – IRC 415(b) policy  
SECTION 27. ANNUAL ADDITIONS LIMIT - 415(c) - Repealed and converted to Annual Additional Limit – IRC 415(c) policy  
SECTION 28. RETIREE MEDICAL BENEFITS ACCOUNTS - 401(h) - Repealed and converted to Retiree Medical Benefits Accounts – IRC 401(h) policy  
07/10/2020: Added a Jurisdiction section, clarified the Administration and Membership sections, and other non-substantive changes

01/20/2023: Added 30 day time period for employees to waive membership  
11/08/2024: SECTION 5.1 Added Chief Counsel position to exempt positions,  
changed reference to address to reflect primary location, as SJCERA  
has moved  
SECTION 5.3 Repealed portions referencing order of meeting  
SECTION 5.6 Repealed as it was duplicative of the Trustee Education  
Policy and the Trustee and Executive Staff Travel Policy  
SECTION 5.7 Repealed as it was duplicative of Conflict of Interest Policy  
SECTION 6.1 Added definitions for part time and full time employees for  
purposes of SJCERA Membership  
SECTION 6.2 Repealed and moved language to proposed Membership  
and Designation of Beneficiary Policy  
SECTION 6.3 Repealed and moved language to proposed Membership  
and Designation of Beneficiary Policy  
SECTION 7 Repealed and moved language to proposed Service  
Retirement Policy  
SECTION 8 Repealed as it was duplicative of Disability Retirement  
Policy  
SECTION 9 Amended to reserve ability of Board to pass governing  
policies outside of Bylaws



# San Joaquin County Employees' Retirement Association

---

November 1, 2024

TO: Board of Retirement  
FROM:  Renee Ostrander  
Chief Executive Officer  
SUBJECT: Chief Executive Officer Report

## **Strengthen the long-term financial health of the Retirement Plan**

### Review and confirm or refresh asset allocation

*Complete implementation of 2023 asset allocation policy.* In accordance with SJCERA's pacing plan for the Real Estate asset class, Sculptor will present their Sculptor Real Estate Fund V at the November Board meeting for the Board's consideration. Sculptor is an opportunistic real estate manager who specializes in non-traditional real estate investments.

## **Modernize the operations infrastructure**

### Enhance the member experience

*Identify and implement effective marketing strategy for SJCERA's online resources.* To identify and implement an effective marketing strategy, we first wanted to validate we understood our members and their perspective on SJCERA. In surveying our members, we achieved a 20.77% response rate, well above the 10-15% industry expected response. We identified two outcomes of importance from the survey. One question focused on their confidence in understanding their pension benefit, and the other focused on interest in learning more about their benefit/SJCERA. Unfortunately, our members are only somewhat confident in their understanding of the pension benefit with SJCERA, but the good news is that their desire to engage and learn more was very high. The survey also provided us feedback in how they would like to receive their communications/education from us: social media, videos, podcasts, and emails. We are currently using this data as a steppingstone for our 2025 Communication (educational) Strategy that will be more member-centric and provide valuable and actionable information that our members can utilize.

*Assess effectiveness of online videos and expand video library if appropriate.* October was National Retirement Security Month. As part of our efforts, we offered two 60-minute webinars for members. We implemented an awareness campaign utilizing mass emailing and organization-wide email signatures to promote these educational opportunities. We educated 160 attendees between both sessions. This is a 363% increase from our last webinar in August, which we believe can be attributed to our additional outreach efforts. Another outcome of the survey was the identification of members' top three topics of interest: "What will my retirement be like?", "What happens to my benefits if I pass?", and "What happens to my benefits if I get a new job?". For 2025, we will be using this data to diversify our webinars to include sessions addressing these specific topics and more.

### Improve technology for business operations

*Engage an information security consultant to provide cybersecurity and remediation services, and ongoing cybersecurity maintenance.* Linea Secure provided SJCERA IT Staff over 20 IT cybersecurity

policies earlier this year. In October, those policies were consolidated into a Board of Retirement level Cybersecurity Program policy that will be presented to the Administrative Committee Meeting for review and will be brought forward to the full Board in December's meeting for approval.

## **Align resources and organizational capabilities**

### Enhance education and development across all levels of the organization

*Regularly inform staff of available training opportunities.* Renee, Brian, Aaron, Paris, Greg, Carmen, Frank and Elaina attended the SJCERA Investment Roundtable; Brian attended the CALAPRS IT Roundtable; Andrea, Ron, and Leonor attended BLS (Basic Life Support) training; Elaina attended the Small Districts Board Secretary conference; Carmen attended the Public Pension Financial Forum; Renee attended the Nossaman 2024 Fiduciaries' Forum.

## **Maintain Business Operations**

### Employee of the Month

Congratulations to Elaina Petersen for being named Employee of the Month for October. Elaina is being recognized for her work on the SJCERA Investment Roundtable, in addition to the work in the lead up to the Roundtable. All of the preparation, including tasks like name signage, multiple badges, and agendas and post-event surveys, are part of what makes it appear seamless to attendees. This year the host hotel changed reservations systems in the middle of our reservation period, "misplacing" dozens of reservations. Elaina reconciled multiple reservations lists, invitee by invitee, and then contacted each attendee to reconcile the multiple hotel lists to any confirmation receipts they held. She worked with the hotel to ensure all reservations were located and present in the system. Elaina says, "Seeing the success of the Investment Roundtable makes me very proud, for my part, but this year was a doozie".

### Provide Excellent Customer Service

*A few quotes from our members:*

"Margarita (Arce) was extremely helpful and took care of what I needed very quickly."

"Really appreciated staff member. She (Bethany Vavzincak) was really helpful."

"Leonor (Sonley) was very helpful and guided me through the process of getting sign up for Medicare insurance."

## **Conclusion**

The Investment Roundtable is always the highlight of October for SJCERA. As a first-time attendee, I found the event to be very educational and a great opportunity to meet several of our investment managers I haven't yet seen in person. I know I will be looking forward to this event in the coming years.

However, we still have some other notable accomplishments that happened in October. During the month, my team and I visited all SJCERA participating employers. The meetings were an opportunity to once again set aside time to build long-term, collaborative relationships with each of our plan sponsors. The agenda included time for each employer to share what is happening in their environment along with SJCERA sharing the plans for the upcoming year. The interactive dialogue allowed all attendees to become more knowledgeable about each other. SJCERA shared that it will have an inaugural new event that it hopes to become an annual event, the SJCERA Employer Symposium. The one-day meeting has a drafted agenda including discussions on SJCERA's 2025 Action Plan, new legislative changes, high risk compliance topics, SJCERA actuarial topics, and communication strategies. The employers shared



positive feedback on the current engagement and are looking forward to the semi-annual meetings continuing.

Finally, as announced in last month's meeting, we are saying goodbye to our Retirement Investment Officer, Paris Ba. Paris joined us in 2020. She has folded into the organization well and has brought knowledge and experience that has benefited our members and retirees. On a personal note, the SJCERA team has enjoyed Paris's personality and camaraderie. The team organized a goodbye celebration to coincide with a Halloween-themed gathering. They decorated her office in Haunted Mansion style. While we are all excited for her and the opportunities that await her in her new endeavors, we are sad to be losing her as part of our team. We wish you all the best, Paris!