



San Joaquin County Employees Retirement Association

A G E N D A

BOARD MEETING SAN JOAQUIN COUNTY EMPLOYEES RETIREMENT ASSOCIATION BOARD OF RETIREMENT FRIDAY, MARCH 14, 2025 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/88186740056> and following the prompts to enter your name and email, or (2) calling (669) 219-2599 or (669) 900-9128 and entering Meeting ID [88186740056#](https://us02web.zoom.us/j/88186740056)

Persons who require disability-related accommodations should contact SJCERA at (209) 468-9950 or 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 Board meeting of February 14, 2025 | 4 |
| 3.02 Minutes of CEO Performance Committee meeting of February 14, 2025 | 8 |
| 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 RESOLUTION IN APPRECIATION OF TRUSTEE STEVEN DING

- 5.01** Board to consider and take possible action on adoption of resolution of appreciation

6.0 CLOSED SESSION

- 6.01** Purchase or Sale of Pension Fund Investment
California Government Code Section 54956.81
- 6.02** Purchase or Sale of Pension Fund Investment
California Government Code Section 54956.81
- 6.03** Conference with Legal Counsel - Anticipated Litigation
Significant Exposure to Litigation (Government Code Section 54956.9(d)(2))
Number of Potential Cases: 1

7.0 CONSENT

- 7.01** Service Retirements (14) 9
- 7.02** Trustee and Executive Staff Travel
 - 01 Conference and Event Schedules 11
 - 02 Summary of Pending Trustee and Executive Staff Travel 12
 - 03 Summary of Completed Trustee and Executive Staff Travel 13
 - a Summary NCPERS Communications Summit, Renee Ostrander 14
 - b Summary NCPERS Legislative Summit and Policy Day, Renee Ostrander 16
- 7.03** Legislative Summary Report/SACRS Legislative Update 18
- 7.04** Calendar
 - 01 Board Calendar 22
- 7.05** Board to consider and take possible action on consent items

8.0 INVESTMENT CONSULTANT REPORTS

- 8.01** Presentation by David Sancewich of Meketa Investment Group
 - 01 Quarterly Reports from Investment Consultant for period ended December 31, 2024
 - a Quarterly Investment Performance Analysis 23
 - b Manager Certification Report 96
 - c Manager Review Schedule 114

02 Monthly Investment Performance updates	
a Manager Performance Flash Report - January 2025	115
b Economic and Markets Update - January 2025	120
8.02 Risk Management and Model Portfolios	139
8.03 Board to receive and file reports, discuss and give direction to staff and consultants as necessary	
9.0 STAFF REPORTS	
9.01 CEO Report	159
9.02 Board to receive and file report	
10.0 REPORT OF CLOSED SESSION	
10.01 On September 13, 2024, the Board voted 9-0 to approve Resolution 2025-03-01 titled "Invesco US Income Fund" and to authorize the CEO to sign the necessary documents to invest two \$50 million tranches in the fund and terminate Invesco REIT fund.	
11.0 COMMENTS	
11.01 Comments from the Board of Retirement	
12.0 SUMMARY OF BOARD DIRECTION	
13.0 ADJOURNMENT	



San Joaquin County Employees Retirement Association

MINUTES

220 BOARD MEETING SAN JOAQUIN COUNTY EMPLOYEES RETIREMENT ASSOCIATION BOARD OF RETIREMENT FRIDAY, FEBRUARY 14, 2025 AT 9:00 AM

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

1.0 ROLL CALL

1.01 MEMBERS PRESENT: Phonxay Keokham, Mario Gardea, Chanda Bassett, Sam Kaisch, Emily Nicholas (out 10:55 a.m.), JC Weydert, Steve Moore, Raymond McCray, Michael Duffy (in 9:05 a.m.) 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 Trent Kaeslin, Management Analyst III Greg Frank, Information Systems Specialist Jordan Regevig, Administrative Secretary Elaina Petersen

OTHERS PRESENT: David Sancewich of Meketa, Anne Harper of Cheiron, Jason Whelan, Member

2.0 PLEDGE OF ALLEGIANCE

2.01 Led by Mario Gardea

3.0 MEETING MINUTES

3.01 Minutes of Board meeting of January 17, 2025

3.02 The Board voted unanimously (8-0) to approve the minutes of the Board meeting of January 17, 2025 (Motion: Keokham; Second: Kaisch)

4.0 PUBLIC COMMENT

4.01 There was no Public Comment

5.0 CLOSED SESSION

The Chair convened Closed session at 9:04 a.m. and Adjourned Closed session and Reconvened Open session at 9:42 a.m.

5.01 Employee Disability Retirement Application(s) (1)
California Government Code Section 54957(b)

01 Mary I Gamboa
District Attorney Investigator II
DA - Public Assistance Fraud

5.02 Public Employee Performance Evaluation
California Government Code Section 54957
Title: Retirement Administrator/Chief Executive Officer

Chief Legal Counsel Aaron Zaheen stated that item 5.01-01 was approved. Chief Legal Counsel Zaheen advised that Trustee Bassett had been added to the CEO Performance Evaluation Committee. Chief Legal Counsel Zaheen advised other than item 11.01 there was nothing else to report out of closed session.

6.0 CONSENT

6.01 Service Retirements (14)

6.02 General

01 Retiree Cost-of-Living Adjustment (COLA) as of April 1, 2025

6.03 Trustee and Executive Staff Travel

01 Conference and Event Schedules

02 Summary of Pending Trustee and Executive Staff Travel

03 Summary of Completed Trustee and Executive Staff Travel

a Summary IREI VIP America, Michael Restuccia

6.04 Calendar

01 Board Calendar

6.05 The Board unanimously approved (9-0) the Consent items (Motion: Duffy; Second: Kaisch)

7.0 POSITION ALLOCATION

7.01 Executive Secretary Position

7.02 The Board unanimously approved (9-0) the Executive Secretary and limited part time Administrative Secretary position allocation (Motion: Duffy; Second: McCray)

8.0 INVESTMENT CONSULTANT REPORTS

8.01 Presentation by David Sancewich of Meketa Investment Group

01 Monthly Investment Performance updates

a Manager Performance Flash Report - December 2024

b Economic and Markets Update - December 2024

02 2025 Projected Returns

a 2025 Capital Market Expectations

b Total Portfolio Expected Return Update

03 Benchmark Review

8.02 The board approved unanimously (8-0) to accept changes to the Benchmark policy for Core Real Estate and Private Credit as recommended by Meketa (Motion: Keokham; Second: Duffy)

The Board received and filed reports

9.0 EMPLOYER CONTRIBUTION RATE PROJECTION

9.01 Presentation by Anne Harper, Consulting Actuary

9.02 The Board received and filed the report

10.0 STAFF REPORTS

10.01 CEO Report

In addition to her written report, CEO Ostrander reported: 1) the webinar “About to Retire” was advertised with a social media awareness launch, there were 400 registered, and of those 250 attended; an exciting new high in attendance; 2) SJCERA has stepped up to request AI robot assistance through a County supported initiative, if selected SJCERA has a plan to bring forward Health Benefits including a robotic administration component; February 19th will be the first Employers Symposium consisting part of a day discussing areas of importance to employers, Mountain House was generous to offer their location for our Symposium.

01 Declining Employer Payroll Report

10.02 The Board received and filed reports

11.0 REPORT OF CLOSED SESSION

11.01 At the December 8, 2023 meeting, the Board elected to redeem its allocation in the following funds: Bridgewater All Weather & PanAgora Diversified Risk Multi-Asset. The Board approved reinvestments of the proceeds (approximately \$343 million) in public equities and fixed income.

12.0 COMMENTS

12.01 Trustee Moore advised that there had been a glitch with the 1095C's sent out; CEO Ostrander thanked Trustee Moore for alerting SJCERA to the issue, allowing for the glitch to be found and it has now been fixed and replacement forms sent to all those affected.

Trustee Keokham listened to the Retirement Webinar, and advised it was excellent information; he suggested going through the presentation and fine tuning to make it perfect, then make a video available for everyone to view. Trustee Keokham said the question and answer portion at the end was very good.

13.0 SUMMARY OF BOARD DIRECTION

13.01 Trustee Bassett asked that the benefit link on the San Joaquin County Human Resources page, which was hard to locate be located on the SJCERA page for ease of location for members looking for this information.

14.0 ADJOURNMENT

14.01 There being no further business the meeting was adjourned at 11:36 a.m.

Respectfully Submitted:

Michael Restuccia, Chair

Attest:

Raymond McCray, Secretary



San Joaquin County Employees Retirement Association

MINUTES

**CEO PERFORMANCE REVIEW COMMITTEE MEETING
SAN JOAQUIN COUNTY EMPLOYEES RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
FRIDAY, FEBRUARY 14, 2025
AT 11:45 AM**

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

1.0 ROLL CALL

- 1.01 MEMBERS PRESENT:** Michael Duffy, JC Weydert, Chanda Bassett, and Phonxay Keokham presiding
MEMBERS ABSENT: None
STAFF PRESENT: Administrative Secretary Elaina Petersen
OTHERS PRESENT: Chief Counsel Aaron Zaheen

2.0 PUBLIC COMMENT

- 2.03** There was no public comment

3.0 CLOSED SESSION

- 3.01** Public Employee Performance Evaluation
California Government Code Section 54957
Title: Retirement Administrator/Chief Executive Officer

4.0 REPORT OUT OF CLOSED SESSION

- 4.01** Counsel advised there was nothing to report out of closed session

5.0 COMMENTS

- 5.01** There were no Comments from the Committee Members

6.0 ADJOURNMENT

- 6.01** There being no further business, the meeting was adjourned at 11.59 a.m.

Respectfully Submitted:

Phonxay Keokham, Committee Chairperson



San Joaquin County Employees Retirement Association

March 2025

8.01 Service Retirement

Consent

01 TEOFANIE P ACOBA

Housekeeping Svce Wkr - SJGH
Hosp Environmental Services

Member Type: General
Years of Service: 07y 07m 01d
Retirement Date: 1/1/2025

02 LINDA L BLYTHE

Court Reporter
Court - Court Reporters

Member Type: General
Years of Service: 26y 11m 01d
Retirement Date: 1/10/2025

03 GENEVIEVE J BUSTAMANTE

Correctional Officer
Sheriff-AB109-Jail Beds

Member Type: Safety
Years of Service: 27y 04m 10d
Retirement Date: 1/12/2025

04 YOLONDA R CRANE

Communicable Disease Investgr
Public Health - TB CD

Member Type: General
Years of Service: 16y 09m 03d
Retirement Date: 1/11/2025

05 DAVID P EDROSOLAN

Deferred Member
N/A

Member Type: General
Years of Service: 02y 10m 29d
Retirement Date: 12/29/2024
Comments: Deferred from SJCERA since August 1998. Outgoing reciprocity and concurrent retirement with CalPERS.

06 CHERYL L HICKS

Deferred Member
N/A

Member Type: General
Years of Service: 06y 11m 15d
Retirement Date: 12/12/2024
Comments: Deferred from SJCERA since April 2021.

07 DIANE T LEEWORTHY

Audiologist
Hospital Audiology

Member Type: General
Years of Service: 11y 09m 22d
Retirement Date: 1/3/2025

**San Joaquin County Employees Retirement Association***March 2025***08 BRENDA MUHAMMAD**Food Service Supervisor
Hosp DietaryMember Type: General
Years of Service: 31y 10m 15d
Retirement Date: 1/12/2025**09 CARMEN M MURILLO**Accounting Manager
Retirement OfficeMember Type: General
Years of Service: 16y 02m 28d
Retirement Date: 12/28/2024**10 LAKESHIA PERSON**Correctional Officer
Sheriff-Custody-Regular StaffMember Type: Safety
Years of Service: 21y 06m 02d
Retirement Date: 1/10/2025**11 JEFF T SCOTT**Utility Dist Maint Worker II
Utility DistrictsMember Type: General
Years of Service: 22y 02m 16d
Retirement Date: 1/3/2025**12 ANNAMARIE P TAYLOR**Accounting Technician I
Environmental HealthMember Type: General
Years of Service: 11y 02m 25d
Retirement Date: 12/30/2024**13 LISA M WAGNER**Senior Office Assistant
HSA - Clerical SupportMember Type: General
Years of Service: 05y 07m 00d
Retirement Date: 1/4/2025**14 JEFFREY C WONG**Lead Sr Reg Environ Hlth Spec
Environmental HealthMember Type: General
Years of Service: 38y 00m 06d
Retirement Date: 1/11/2025

2025 CONFERENCES AND EVENTS SCHEDULE

2025 EVENT DATES	EVENT TITLE	EVENT SPONSOR	LOCATION	REG. FEE	WEBLINK FOR MORE INFO	EST. BOARD EDUCATION HOURS
Mar 24 Mar 26	Pension Bridge The Annual 2025	withintelligence	Half Moon Bay	\$0	withintelligence.com	15
Apr 25 Apr 25	Investment Round Table	CALAPRS	virtual	\$50	calaprs.org	N/A
May 13 May 16	SACRS Spring Conference	SACRS	Rancho Mirage, CA	\$290	sacrs.org	*11.5
May 19 May 23	Investment Strategies & Portfolio Management	Wharton	Philadelphia, PA	\$13500	wharton.com	*36
May 23 May 23	Attorneys Roundtable	CALAPRS	virtual	\$50	calaprs.org	N/A
May 30 May 30	Trustee Roundtable	CALAPRS	virtual	\$50	calaprs.org	*4
Jun 6 Jun 6	Administrators Roundtable	CALAPRS	virtual	\$50	calaprs.org	N/A
Jun 24 Jun 27	NAPPA Conference	NAPPA	Denver, CO	TBA	ncpers.com	N/A
Jul 13 Jul 16	SACRS/UC Berkeley Program	SACRS	Berkeley, CA	TBD	sacrs.org	24
Sep 12 Sep 12	Attorneys Roundtable	CALAPRS	virtual	\$50	calaprs.org	N/A
Sep 24 Sep 26	Administrators' Institute	CALAPRS	Carmel, CA	\$3000	calaprs.org	N/A
Oct 3 Oct 3	Trustee Roundtable	CALAPRS	virtual	\$50	calaprs.org	*4
Oct 16 Oct 16	SJCERA Investment Roundtable	SJCERA	Lodi, CA	\$0	SJCERA	*7
Nov 11 Nov 14	SACRS Fall Conference	SACRS	Huntington Beach, CA	\$290	sacrs.org	*11.5

* Estimates based on prior agendas

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

2025 Event Dates	Sponsor / Event Description	Location	Traveler(s)	Estimated Cost	BOR Approval Date
Mar 24-26, 2025	Pension Bridge The Annual 2025	Half Moon Bay, CA	R. McCray, JC Weydert	\$2,200	01/17/2025
May 13-16, 2025	SACRS Spring Confernce	Rancho Mirage, CA	JC Weydert, S. Moore, R. Ostrander, A. Zaheen T. Kaeslin	\$6,500	N/A
May 19 - 23, 2025	Investment Strategies & Portfolio Management	Philadelphia, PA	P. Keokham	\$16,650	01/17/2025
Jun 24-27, 2025	NAPPA Conference	Denver, CO	A. Zaheen	N/A	01/17/2025

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

Event Dates 2025	Sponsor / Event Description	Location	Traveler(s)	Estimated Cost	Actual Cost	Event Report Filed
Jan 26-27, 2025	Communications Summit	Washington, DC	R. Ostrander	\$1,823	\$1,766.42	3/14/2025
Jan 27-29, 2025	Legislative Conference	Washington, DC	R. Ostrander	\$2,467	\$1,765.23	3/14/2025
Jan 27-29, 2025	IREI - VIP Americas	Dana Point, CA	M. Restuccia, JC Weydert	\$3,600	\$1869.00 \$2011.00	Restuccia: 2/14/2025 Weydert: Pending
Feb 7, 2025	Virtual Attorney's Roundtable	Virtual	A. Zaheen	\$50	\$50	N/A
Feb 21, 2025	CALAPRS Disability Roundtable	San Diego, CA	A. Zaheen	\$680	\$775	N/A
Mar 3-5, 2025	General Assembly 2025	Napa, CA	T. Kaeslin	\$1,100	Pending	N/A

Board Member	Travel (not including SACRS & CALAPRS)	Dates	Amount used of \$4500:	Balance of \$4500
RESTUCCIA	IREI - VIP Americas	1/27-29	\$1,869.00	\$2,631.00
BASSETT				
GARDEA				
DUFFY				
KAISCH				
KEOKHAM				
MCCRAY	Pension Bridge			
NICHOLAS				
WEYDERT	IREI - VIP Americas; Pension Bridge	1/27-29, 3/24-26	\$2,011.00	\$2,489.00
MOORE				

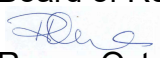
*Pending Final Expense



San Joaquin County Employees' Retirement Association

March 3, 2025

TO: Board of Retirement

FROM: 
Renee Ostrander
Chief Executive Officer

SUBJECT: Summary of NCPERS Communications Summit

High Level Conference Information:

Thank you for the opportunity to speak and attend the Pension Communications Summit sponsored by NCPERS, National Conference on Public Employee Retirement Systems. The conference took place in Washington, D.C. January 26-27, 2025. I had the additional honor of being on the panel for the opening session on Sunday speaking to the importance of communications from the CEO perspective. They discussed relevant communication topics: AI, managing communications in crisis, member education/engagement, and more.

Artificial Intelligence:

With the continuing development and improvement of AI, it naturally becomes a part of any conversation; this conference was no different. The facilitated discussions and session touched on both the philosophy as well as the practical application. The sessions discussed approach to policy and how to implement in a methodical, productive manner. Most systems are in the early stages, just as SJCERA is, learning about the tools available and the development happening. The comments shared by attendees and speakers aligned that policies and guardrails are needed to ensure focus is kept on “why” you are using the tool. Some systems, both presenting and in the room, shared their further momentum, utilizing AI to help internally with education of their team in responding to customer inquiries.



Communications in Crisis:

One of the sessions was particularly interesting. It covered the importance of doing the work to proactively plan for a crisis and how the system wants to handle communication. Planning requires considering the types of crises that could impact your fund and, without the urgency of the event on top of you, considering the approach. The session also covered ensuring education is part of the preparation. The session was useful in seeing case studies and how proactive measures can assist in leading the organization through the difficult conversations, both internally and externally.

Member Education/Engagement:

As would be expected, several sessions dealt with communication with members and educational engagement. There was education on multimedia: improving readability of emails, livestreaming, creating video content, etc. Speakers shared their knowledge and their experiences, both good and bad. For SJCERA, these sessions were especially timely with the launch of our social media platforms and desire to raise the education and understanding of SJCERA benefits for our members.

Recommendation:

This conference, its materials and purpose should be considered for attendance annually.



Assuming the content remains relevant to us, I would recommend we send, at a minimum, our Communications Officer. With SJCERA's small team, this provides our organization the opportunity to hear from other systems with much larger membership bases and more developed or mature communication programs on ideas and experiences and adapt them to our organization. This event also provides the opportunity to connect with other communicators and leaders facing similar challenges and

this conference providing a platform to share how it's been successfully addressed. The picture is a compilation of the delegates attending from California systems sharing their knowledge amongst each other and with other systems across the country.



San Joaquin County Employees' Retirement Association

March 4, 2025

TO: Board of Retirement

FROM: 
Renee Ostrander
Chief Executive Officer

SUBJECT: Summary of NCPERS Legislative Conference & Policy Day

High Level Conference Information:

Thank you for the opportunity to attend the Legislative Conference & Policy Day sponsored by NCPERS, National Conference on Public Employee Retirement Systems. The conference took place in Washington, D.C. January 27-29, 2025. The conference was a mix of educational sessions along with the opportunity to meet legislators in our area.

Legislative Landscape:

Several of the morning sessions were rich with information related to the changes in leadership at the federal level and the impacts of those changes: priorities, budgets, etc. There was quite a bit of discussion related to the tax agenda: discussion on different tax cuts being proposed, potential funding redirection, and how the process could unfold. Since the bill had just been signed a few weeks prior for changes to WEP/GPO, there was also a session on how that might be implemented. For SJCERA, generally these items don't directly affect our operations, but they can indirectly impact our investment outlook or our members so knowledge is key to adequately addressing any negative impacts.

NCPERS Tools:

Two items discussed on the educational day was the NCPERS 2025 Legislative Policies Guide and then SECURE 2.0 Desk Reference. Both are tools that have been authored by NCPERS and provided to members, such as SJCERA, for use. Although these are available to us without attendance at the conference, I found the opportunity to engage with speakers on an interactive level a way to better understand the information being provided.

Policy Day:

On the final day, attendees had the opportunity to meet with legislators from their state. Attendees were broken into geographical groups. I was included in a group with other administrators and trustees from the central valley and bay area. During these meetings, we, as a team, had the opportunity to share with the legislators (and their staffers) about our systems, what we do, and the benefit provided not just to our members but also our communities. The meetings were well received and provided an opportunity to build relationships for the future.

**Recommendation:**

I found this conference to be a wealth of information especially being in my first year in this new role. Because of the changes at the national level, it added another layer of knowledge I also thought to be an added benefit for me. I would consider this conference and policy day again though likely not on an annual basis. Because its on the east coast, it worked well being combined with the Communications Summit so travel expenses and time away from the office could be minimized. Trustees in my group from policy day found it helpful in understanding the macro environment so our trustees may as well.



TO: State Association of County Retirement Systems
FROM: Cara Martinson, Public House Consulting
Laurie Johnson, LJ Consulting & Advocacy
RE: **Legislative Update – March 2025**

The Legislature is now in its second month of this year's legislative session and has passed its first major deadline—the bill introduction deadline on February 21st. Despite leadership in both chambers limiting the number of bills each legislator can introduce during the two-year session, a total of 2,510 bills were still submitted- an increase from years past. As expected, there are a number of bills related to disaster assistance and wildfire, immigration and ongoing housing and homelessness proposals. As we move into March, the Legislature is rapidly ramping up its budget subcommittees and policy committees to meet upcoming legislative deadlines.

Beyond the routine legislative process, some notable developments have taken place “under the dome.” Recently, Assembly Speaker Robert Rivas removed several GOP lawmakers from committees, citing a 2020 resolution. This move breaks from precedent, as minority party leaders have traditionally had informal influence over their members’ committee assignments.

According to the California Assembly Democratic Caucus, HR-1 “empowers the Speaker to choose committee membership and leadership, and these changes will allow the Assembly to best conduct the people’s business.”

Additionally, on March 3rd, the Governor issued an executive order requiring all agencies and departments within his administration to update their hybrid telework policies. By July 1, 2025, the default expectation will be at least four days per week in the office, with telework flexibilities granted on a case-by-case basis in alignment with family-friendly employment policies and legal obligations.

“To further enhance the state’s workforce needs, the Governor is also directing CalHR to streamline the hiring process for former federal employees seeking employment in key roles, including firefighting, forest management, and weather forecasting,” according to the Governor’s Office press release.

The following is a list of bills that SACRS is actively tracking.



SACRS is tracking the following bills:

- **ACA 2 (Jackson)** –seeks to reinstate retirement for State Legislators. ACA 2 would establish a retirement system specifically for legislators elected or serving from November 1, 2010 onward. To qualify, legislators would be required to serve at least 10 years. If their service is less than 10 years, legislators could transfer their accumulated service credits to another public pension or retirement system they are a part of. Status: This bill has not yet been referred to a policy committee.
- **AB 259 (Rubio)** –would remove the 2026 sunset on existing laws governing teleconferencing procedures for public meetings. This bill is sponsored the CA Special District's Association (CSDA). Status: This bill has been referred to the Assembly Local Government Committee.
- **AB 288 (McKinnor)** – deletes a reference in government code 3558 to a date in which the section is operative. The section is related to the ability of an exclusive representative to file a charge of an unfair labor practice with the Public Employment Relations Board alleging a violation related to notice requirements. Status: This bill has been referred to the Assembly Committee on Public Employment & Retirement (PERS).
- **AB 339 (Ortega)** – would require the governing body of a public agency to give a recognized employee organization no less than 120 days' written notice before issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization. Status: This bill has been set for hearing on 3/19 in the Assembly PERS Committee.
- **AB 340 (Ahrens)** – would establish an employee-union representative privilege in the context of California public employment. Specifically, the bill would prohibit a public agency employer from questioning any employee or employee representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized



employee organization's representation. Status: This bill has been set for hearing on 3/19 in the Assembly PERS Committee.

- **AB 409 (Arambula)** – would delete the 2026 sunset on existing laws governing teleconferencing procedures for California Community College student body associations and student-run community college organizations. Status: This bill has been referred to the Local Government and Higher Educations Committees.
- **AB 467 (Fong)** – extends the sunset date from 2026 to 2031 for teleconferencing procedures for neighborhood councils, defined as an advisory body with the purpose to promote more citizen participation in government and make government more responsive to local needs that is established pursuant to the charter of a city with a population of more than 3,000,000 people that is subject to the Brown Act. Status: This bill has been referred to the Assembly Local Government Committee.
- **AB 569 (Stefani)** – **would** permit a local public employer and a union representing one or more of its bargaining units to negotiate and agree to contributions to a supplemental pension plan administered by or on behalf of the union representing the bargaining unit. Status: This bill has been referred to the Assembly PERS Committee.
- **AB 1323 (Chen)** – this bill would state the intent of the Legislature to enact legislation relating to public retirement. This is a “spot” placeholder bill.
- **SB 239 (Arreguín)** – allows flexibility for remote meetings of local advisory bodies (“subsidiary bodies” in the language of the bill). Specifically, this bill would allow a subsidiary body of a local agency to teleconference their meetings without having to publicly notice or make all locations publicly available. This bill is nearly identical to last year’s AB 817, which stalled in the Senate Local Government Committee. Status: The bill has been referred to the Senate Local Government and Judiciary Committees.
- **SB 301 (Grayson)** – would make non-substantive changes to the CERL Act. This is “spot” placeholder bill.



- **SB 470 (Laird)** – would delete the 2026 sunset on existing laws governing teleconferencing procedures for state agencies relative to the Bagley-Keene Open Meeting Act. Status: This bill has been referred to the Senate Governmental Organization and Judiciary Committees.
- **SB 707 (Durazo)** – would add additional teleconferencing meeting options for local governments until 2030 to allow members of the public to attend a public meeting via a two-way teleconferencing option or two-way audio-visual platform. The bill would also require additional alternative language noticing requirements. Status: The bill has yet to be referred to a policy committee.

Contact:

If you have any questions, please feel free to contact Cara Martinson at cara@publichouseconsulting.net, or Laurie Johnson at lauriejconsult@gmail.com.

2025 - SJCERA BOARD OF RETIREMENT MEETING CALENDAR

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

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.



San Joaquin County Employees' Retirement Association (SJCERA)

Q4 2024

Quarterly Report

1. Introduction
2. Q4 2024 Portfolio Review
3. Real Estate Program
4. Economic and Market Update as of December 31, 2024
5. Disclaimer, Glossary, and Notes

Introduction

Introduction

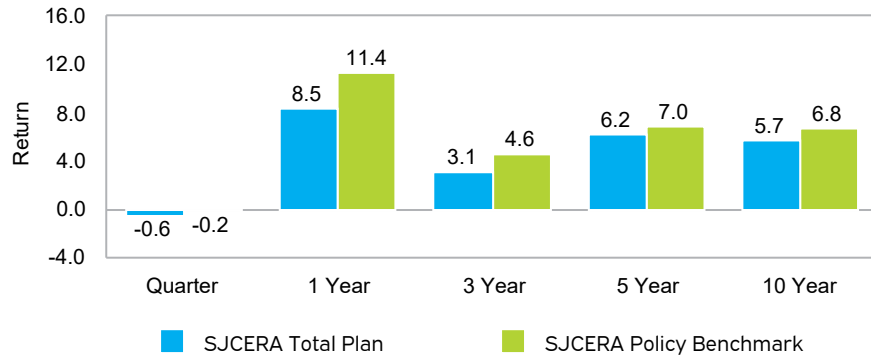
The SJCERA Total Portfolio had an aggregate value of \$4.62 billion as of December 31, 2024. During the latest quarter, the Total Portfolio increased in value by \$19.2 million, and over the one-year period, the Total Portfolio increased by \$434 million. The movements over the quarter and one-year periods were primarily driven by investment returns. The fourth quarter of 2024 was characterized by changes in the domestic political landscape as Donald Trump won a second non - consecutive term in office and Republicans took control of Congress. Domestic stocks responded positively early in Q4 to perceived pro-growth policy promises from the incoming administration. That said, nearly all other major global markets sold off or had muted quarterly returns as a result of expected inflationary effects of the tariffs and immigration policies the incoming administration has promised to impose. These inflationary risks have also led market participants to anticipate fewer interest rate cuts from the Federal Reserve than previously expected.

Recent Investment Performance

The Total Portfolio has underperformed the policy benchmark for the quarter, 1-, 3-, 5-, 10-, 15-, 20- and 25-year periods by (0.4%), (2.9%), (1.4%), (0.8%), (1.1%), (0.8%), (1.0%) and (0.1%), respectively. Net of fees, the Plan has underperformed the Median Public Fund for the most recent quarter, 1-, 5-, 10-, 15-, 20-, and 25-year periods by (0.3%), (0.4%), (0.3%), (0.7%), (1.2%), (1.5%), (1.6%) and (0.7%), respectively. That said, it's important to view these returns in the context of the risk the portfolio is taking relative to that of the median public plan. The annualized standard deviation of the Plan is 2.9% lower than the median public plan with \$1-\$5 billion in assets during the last five years, (7.8% for the plan vs. 10.7% for the median public plan), and the plan has achieved a better Sharpe ratio (0.5) as the median public plan with significantly less volatility (0.4).

Introduction | As of December 31, 2024

Return Summary



Summary of Cash Flows

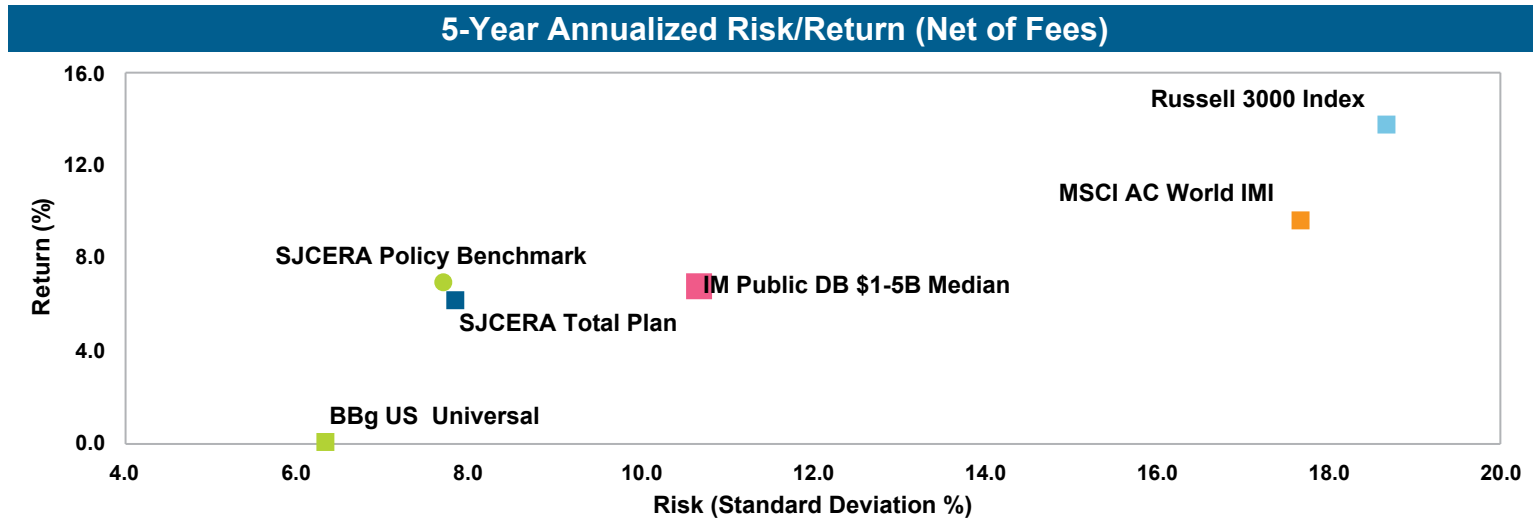
	Quarter	1 Year
SJCERA Total Plan		
Beginning Market Value	4,642,023,672	4,189,063,956
Net Cash Flow	7,744,415	74,669,503
Net Investment Change	-26,943,799	359,090,829
Ending Market Value	4,622,824,288	4,622,824,288

	Quarter	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	25 Years
SJCERA Total Plan - Gross	-0.5	8.9	3.6	6.7	6.4	6.9	5.6	5.9
SJCERA Total Plan - Net	-0.6	8.5	3.1	6.2	5.7	6.2	5.0	5.3
<i>SJCERA Policy Benchmark</i>	<i>-0.2</i>	<i>11.4</i>	<i>4.6</i>	<i>7.0</i>	<i>6.8</i>	<i>7.0</i>	<i>6.0</i>	<i>5.4</i>
Excess Return (Net)	-0.4	-2.9	-1.4	-0.8	-1.1	-0.8	-1.0	-0.1
<i>All Public Plans > \$1B-Total Fund Median</i>	-0.9	8.9	2.8	6.9	6.9	7.7	6.6	6.0

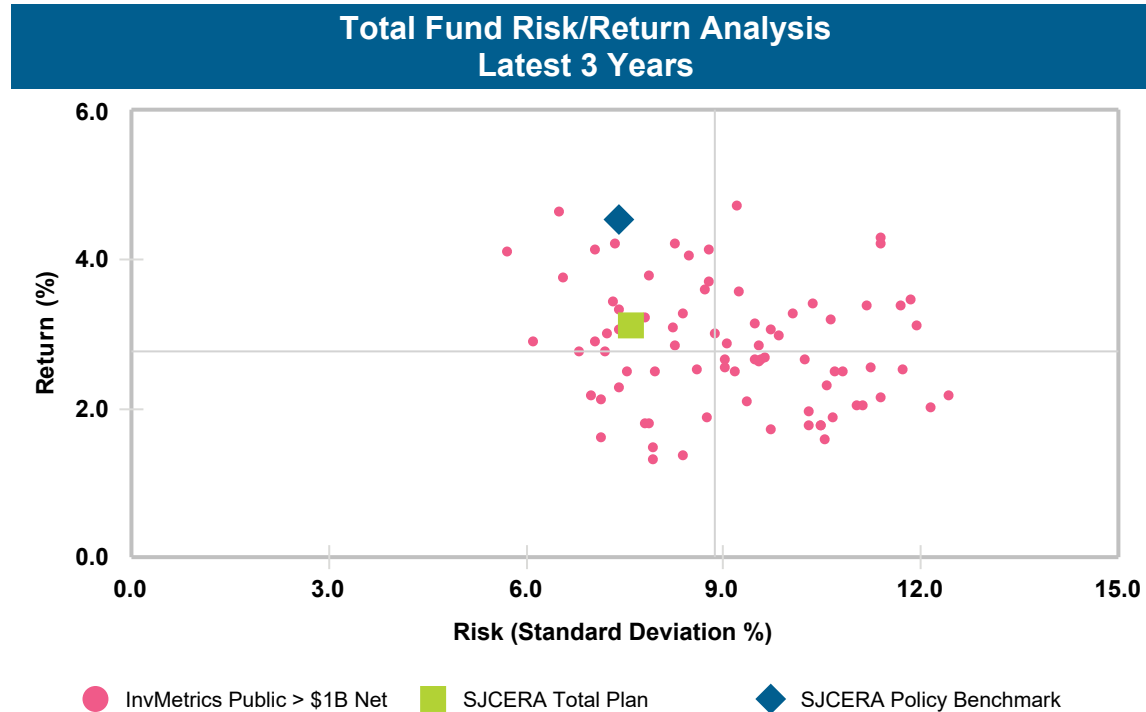
1 Investment Metrics Total Fund Public Universe >\$1 Billion, net of fees.

2 Policy Benchmark composition is listed in the Appendix.

Risk Adjusted Median								
As of December 31, 2024								
	1 Year		3 Year		5 Year		10 Year	
	Return	Standard Deviation	Return	Standard Deviation	Return	Standard Deviation	Return	Standard Deviation
SJCERA Total Plan	14.50	5.26	4.71	7.71	6.85	7.72	5.85	6.39
SJCERA Policy Benchmark	17.52	5.26	5.60	7.35	7.62	7.60	6.91	6.06
InvMetrics Public DB > \$1B Median	17.41	6.69	4.63	9.19	8.03	9.91	7.00	8.31



	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio
SJCERA Total Plan	6.2	7.8	0.5
SJCERA Policy Benchmark	7.0	7.7	0.6
InvMetrics Public DB \$1B-5B Median	6.9	10.7	0.4
Blmbg. U.S. Universal Index	0.1	6.3	-0.3
Russell 3000 Index	13.9	18.7	0.7
MSCI AC World IMI	9.7	17.7	0.5

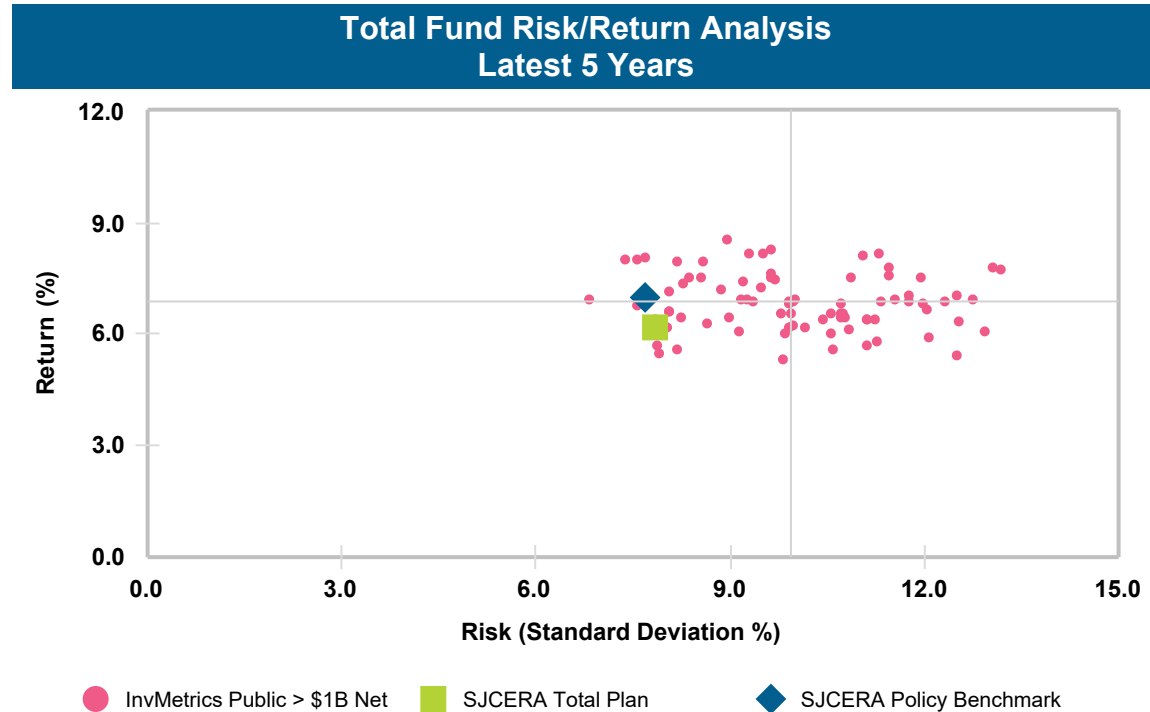


	Return	Standard Deviation	Sharpe Ratio
SJCERA Total Plan	3.1	7.6	-0.1
SJCERA Policy Benchmark	4.6	7.4	0.1
All Public Plans > \$1B-Total Fund Median	2.8	8.9	-0.1

1 Returns are net of fees.

2 Computed as annualized return less the risk free rate, divided by the annualized standard deviation.

3 Investment Metrics Total Fund Public Universe > \$1 Billion, net of fees.

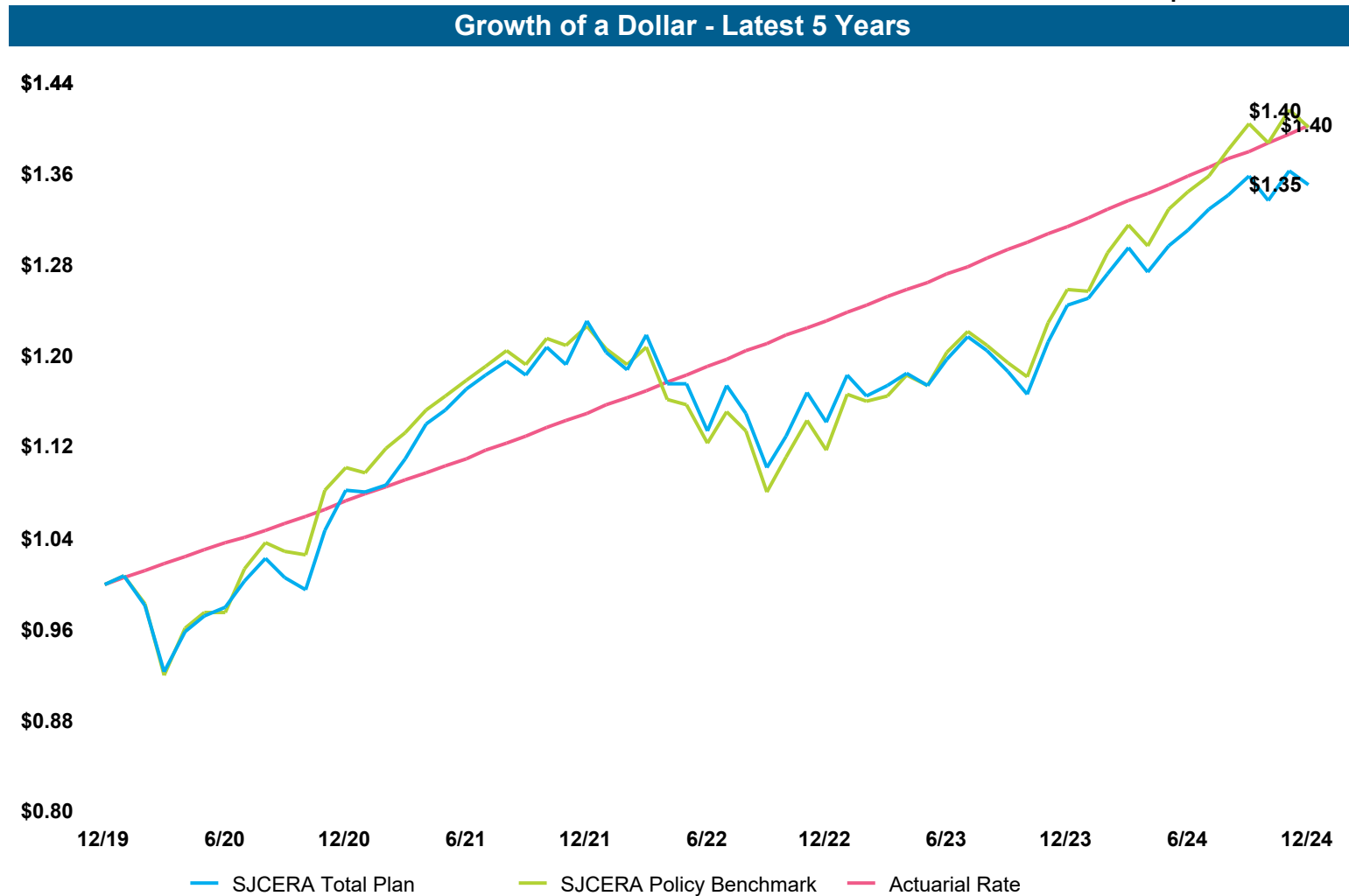


	Return	Standard Deviation	Sharpe Ratio
SJCERA Total Plan	6.2	7.8	0.5
SJCERA Policy Benchmark	7.0	7.7	0.6
All Public Plans > \$1B-Total Fund Median	6.9	9.9	0.5

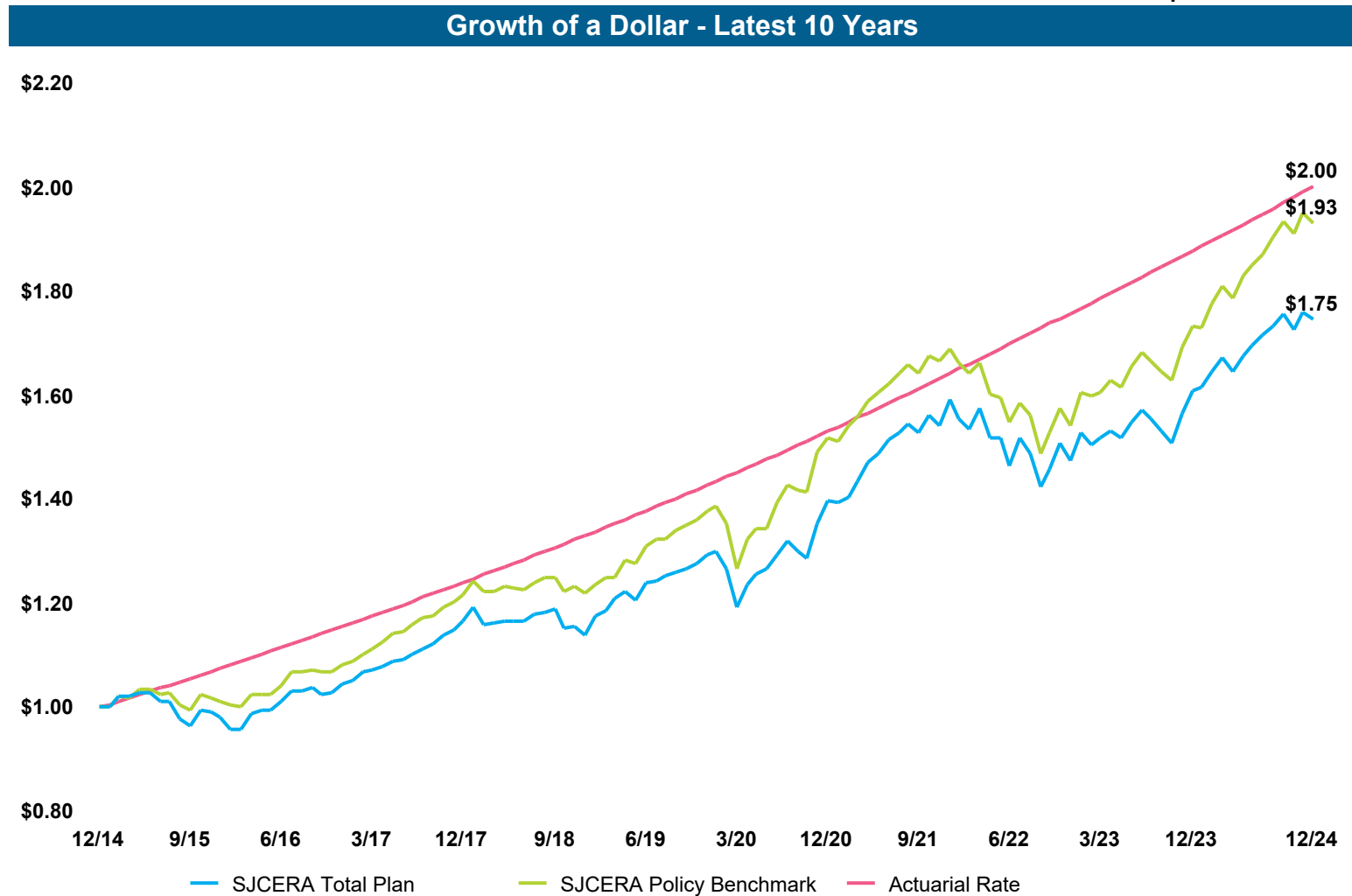
1 Returns are net of fees.

2 Computed as annualized return less the risk free rate, divided by the annualized standard deviation.

3 Investment Metrics Total Fund Public Universe > \$1 Billion, net of fees.

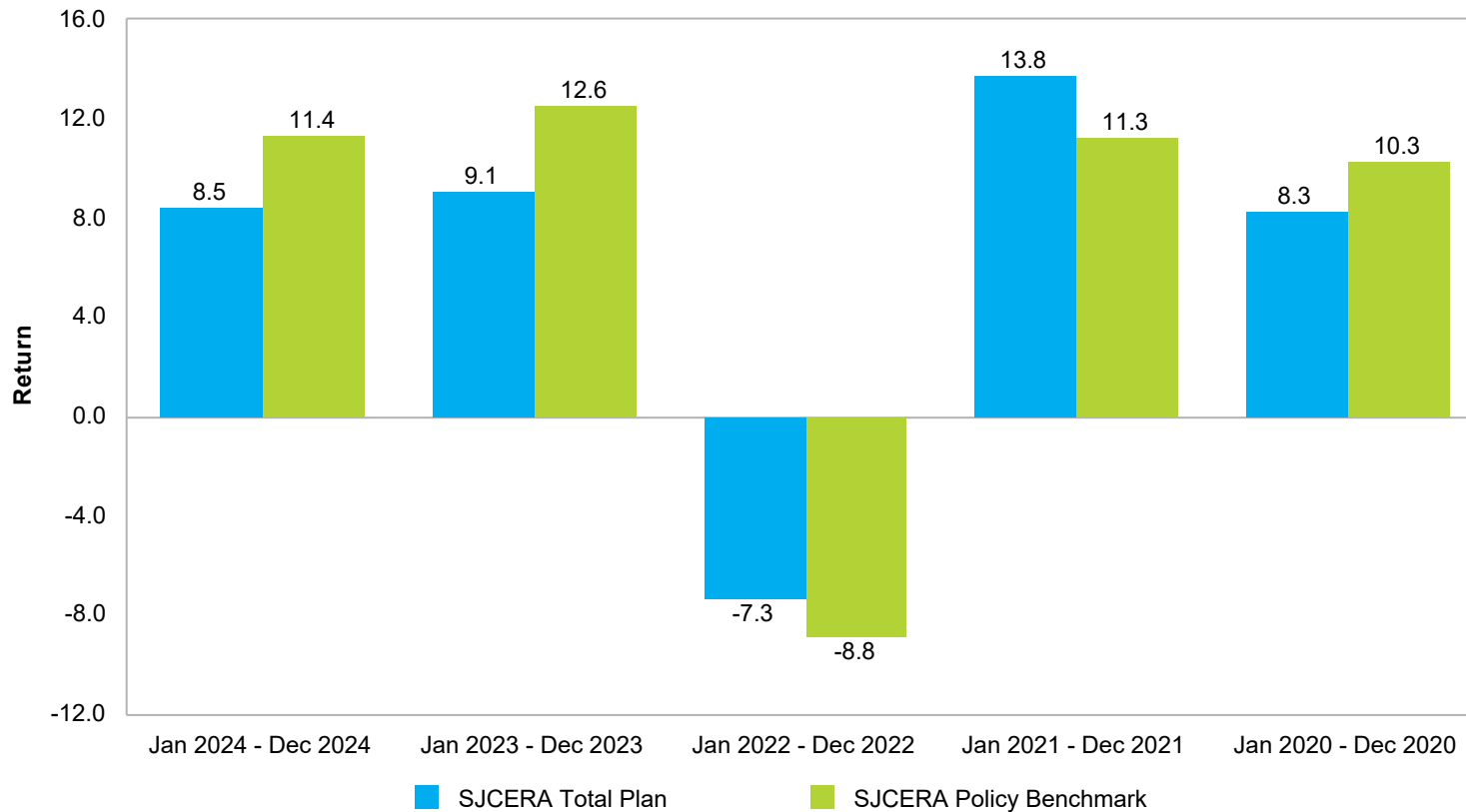


6.75% Actuarial Rate from 9/1/2022 to present. 7.0% Actuarial Rate from 1/1/2020 to 8/31/2022. 7.25% Actuarial Rate from 1/1/2018 to 12/31/2019. 7.4% Actuarial Rate from 8/1/2016 to 12/31/2017. 7.5% Actuarial Rate from 1/1/2012 to 7/31/2016. Previously 8.0%.



6.75% Actuarial Rate from 9/1/2022 to present. 7.0% Actuarial Rate from 1/1/2020 to 8/31/2022. 7.25% Actuarial Rate from 1/1/2018 to 12/31/2019. 7.4% Actuarial Rate from 8/1/2016 to 12/31/2017. 7.5% Actuarial Rate from 1/1/2012 to 7/31/2016. Previously 8.0%.

12-month Performance Overview



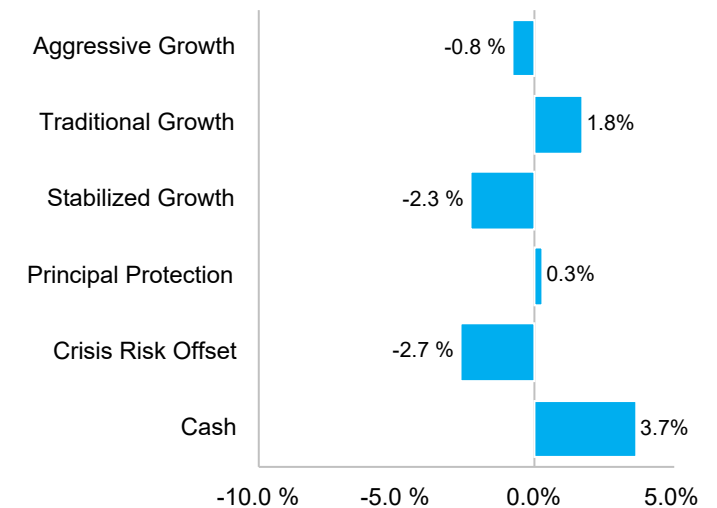
12-month absolute results have been positive four of the last five 12-month periods, net of fees. The SJCERA Total Portfolio outperformed the policy target benchmark two times during these five periods, net of fees.

Q4 2024 Portfolio Review

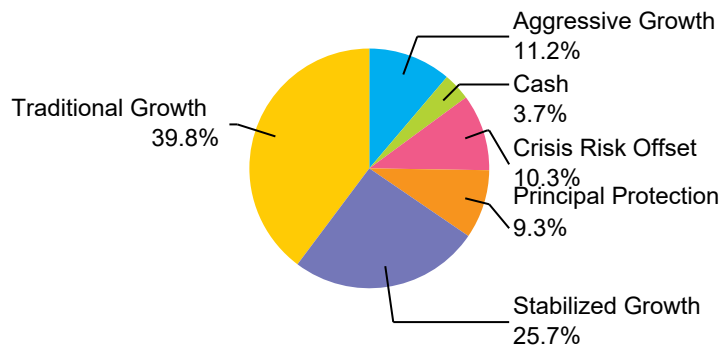
Asset Allocation | As of December 31, 2024

	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)
Broad Growth	\$3,542,766,400	76.6	78.0	-1.4
Aggressive Growth	\$516,853,350	11.2	12.0	-0.8
Traditional Growth	\$1,838,129,987	39.8	38.0	1.8
Stabilized Growth	\$1,187,783,062	25.7	28.0	-2.3
Diversified Growth	\$907,785,667	19.6	22.0	-2.4
Principal Protection	\$430,184,539	9.3	9.0	0.3
Crisis Risk Offset	\$477,601,128	10.3	13.0	-2.7
Cash	\$172,272,222	3.7	0.0	3.7
Cash	\$172,272,222	3.7	0.0	3.7
Total	\$4,622,824,288	100.0	100.0	0.0

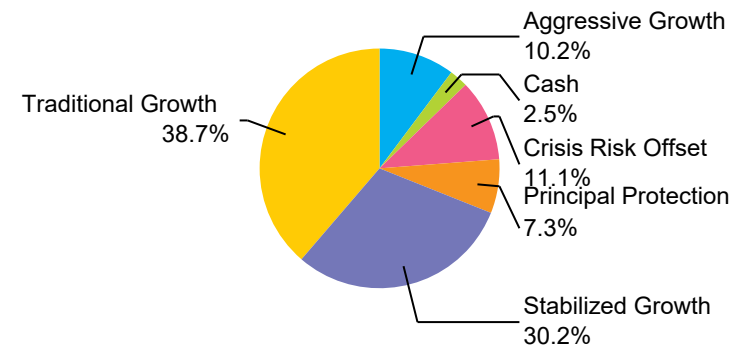
Variance vs Target Allocation (%)



As of December 31, 2024



As of December 31, 2023



Market values may not add up due to rounding
Cash asset allocation includes Parametric Overlay

Asset Class Performance Net-of-Fees | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
SJCERA Total Plan	4,622,824,288	100.0	-0.6	8.5	3.1	6.2	5.7
<i>SJCERA Policy Benchmark</i>			-0.2	11.4	4.6	7.0	6.8
Broad Growth	3,542,766,400	76.6	-0.3	10.3	3.8	7.4	7.1
Aggressive Growth Lag	516,853,350	11.2	3.5	6.6	8.3	13.1	11.2
<i>Aggressive Growth Blend</i>			3.7	12.4	5.7	10.4	9.2
Traditional Growth	1,838,129,987	39.8	-1.2	16.6	5.6	9.1	8.5
<i>MSCI ACWI IMI Net</i>			-1.2	16.4	4.9	10.0	9.5
Stabilized Growth	1,187,783,062	25.7	-0.4	3.0	0.2	3.7	4.3
<i>SJCERA Stabilized Growth Benchmark</i>			1.4	6.0	5.1	5.3	5.7
Diversifying Strategies	907,785,667	19.6	-1.7	3.2	1.5	2.0	2.3
Principal Protection	430,184,539	9.3	-3.2	2.0	-0.5	0.3	2.2
<i>Blmbg. U.S. Aggregate Index</i>			-3.1	1.3	-2.4	-0.3	1.3
Crisis Risk Offset Asset Class	477,601,128	10.3	-0.3	3.1	3.0	3.0	2.8
<i>CRO Benchmark</i>			-2.1	1.4	-0.2	2.3	2.8
Cash and Misc Asset Class	143,071,862	3.1	0.3	3.1	2.7	1.7	1.3
<i>90 Day U.S. Treasury Bill</i>			1.2	5.3	3.9	2.5	1.8

1 Market values may not add up due to rounding.

2 Policy Benchmark composition is listed in the Appendix.

3 17% ICE BofAML US T-Bill + 4%; 24% 50% Bloomberg High Yield/50% S&P Leverage Loans; 31% NCREIF ODCE Lag; 28% S&P/LSTA Leverage Loans +2%.

4 (1/3) Bloomberg Long Duration Treasuries; (1/3) BTOP50 Index; (1/3) 5% Annual.

Asset Class Performance Net-of-Fees | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Aggressive Growth Lag	516,853,350	100.0	3.5	6.6	8.3	13.1	11.2
<i>Aggressive Growth Blend</i>			3.7	12.4	5.7	10.4	9.2
Bessemer Venture Partners Forge Fund	11,253,906	2.2	5.5	24.4	--	--	--
<i>MSCI ACWI +2% Blend</i>			7.2	34.9	--	--	--
Bessemer Venture Partners Fund XII, L.P.	3,505,999	0.7	-4.5	--	--	--	--
<i>MSCI ACWI +2% Blend</i>			7.2	--	--	--	--
Blackrock Global Energy and Power Lag	48,873,502	9.5	7.5	13.3	11.5	9.0	--
<i>MSCI ACWI +2% Blend</i>			7.2	34.9	10.8	15.0	--
BlackRock Global Infrastructure Fund IV, L.P.	23,764,003	4.6	7.4	18.7	--	--	--
<i>MSCI ACWI +2% Blend</i>			7.2	34.9	--	--	--
Capitol Meridian Fund I	8,935,002	1.7	-1.5	--	--	--	--
<i>MSCI ACWI +2% Blend</i>			7.2	--	--	--	--
Lightspeed Venture Ptnrs Select V Lag	26,473,674	5.1	8.9	9.5	--	--	--
<i>MSCI ACWI +2% Blend</i>			7.2	34.9	--	--	--
Long Arc Capital Fund I	27,373,939	5.3	5.6	9.1	--	--	--
<i>MSCI ACWI +2% Blend</i>			7.2	34.9	--	--	--
Morgan Creek III Lag	5,759,607	1.1	-1.1	18.8	-1.4	-5.9	--
<i>MSCI ACWI +2% Blend</i>			7.2	34.9	10.8	15.0	--
Morgan Creek V Lag	5,341,178	1.0	-2.0	-3.9	-1.2	5.0	7.3
<i>MSCI ACWI +2% Blend</i>			7.2	34.9	10.8	15.0	11.4
Morgan Creek VI Lag	21,117,005	4.1	1.3	-4.2	-0.5	9.2	--
<i>MSCI ACWI +2% Blend</i>			7.2	34.9	10.8	15.0	--
Oaktree Special Situations Fund III, L.P.	11,114,090	2.2	6.0	--	--	--	--
<i>MSCI ACWI +2% Blend</i>			7.2	--	--	--	--

1 Market Values may not add up due to rounding.

2 Lagged 1 quarter.

Asset Class Performance Net-of-Fees | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Ocean Avenue II Lag	18,221,555	3.5	-2.7	-26.6	-4.9	12.1	13.4
MSCI ACWI +2% Blend			7.2	34.9	10.8	15.0	11.4
Ocean Avenue III Lag	52,095,492	10.1	2.8	0.4	13.3	18.2	--
MSCI ACWI +2% Blend			7.2	34.9	10.8	15.0	--
Ocean Avenue IV Lag	55,085,116	10.7	-0.8	11.9	23.0	27.5	--
MSCI ACWI +2% Blend			7.2	34.9	10.8	15.0	--
Ocean Avenue V Lag	11,966,587	2.3	2.3	10.5	--	--	--
MSCI ACWI +2% Blend			7.2	34.9	--	--	--
Non-Core Real Assets Lag	106,042,833	20.5	5.2	3.3	-0.4	5.9	5.5
NCREIF ODCE +1% lag (blend)			0.3	-7.1	-0.1	3.1	6.2
Ridgemont Equity Partners IV, L.P.	28,559,286	5.5	3.0	13.8	--	--	--
MSCI ACWI +2% Blend			7.2	34.9	--	--	--
Stellex Capital Partners II Lag	51,370,576	9.9	1.9	20.5	14.7	--	--
MSCI ACWI +2% Blend			7.2	34.9	10.8	--	--

1 Lagged 1 quarter.

2 Trailing Non-Core real estate performance includes returns provided by prior real estate consultant from inception through Q419.

Aggressive Growth

During the latest three-month period ending December 31, 2024, three of SJCERA's seventeen aggressive growth managers outperformed their respective benchmarks while the remaining fourteen funds trailed the MSCI ACWI + 2% watermark. Collectively, the Aggressive Growth sleeve slightly trailed the Aggressive Growth Blended benchmark by (0.2%). Please note that the return data for this asset class is lagged one quarter. More than half of these managers are in the funding stage and are experiencing what is known as the "J-Curve Effect" while they are in the downward sloping portion of the curve.

Bessemer Venture Partners Forge Fund is a new addition to the Aggressive Growth sleeve and returned 5.5% for the fourth quarter, trailing the MSCI ACWI + 2% benchmark by 1.7% for the period. The manager underperformed the benchmark over the trailing 1-year period by (10.5%).

Bessemer Venture Partners Fund XII is a new addition to Aggressive Growth sleeve and is still in the downward sloping portion of the J-curve. The fund returned (-4.5%) during Q4, trailing the benchmark by (11.7%).

BlackRock Global Energy and Power, outperformed the MSCI ACWI +2% benchmark over the trailing quarter and 3-year periods by 0.3% and 0.7%, respectively; however, it underperformed the benchmark over the trailing 1- and 5-year periods by (21.6%) and (6.0%).

BlackRock Global Infrastructure Fund IV, a newer addition to the Aggressive Growth sleeve outperformed the benchmark during the most recent quarter by 0.2% but trailed the benchmark over the 1-yr period by (16.2%)

Capitol Meridian Partners Fund I, A new addition to the Aggressive Growth sleeve underperformed the benchmark by (8.7%) during the 4th quarter.

Aggressive Growth (continued)

Lightspeed Venture Partners Select V, a venture capital fund that was recently added and is experiencing the J-Curve effect, outperformed the benchmark during the most recent quarter by (1.7%) but underperformed the benchmark over the trailing 1-yr period by (25.4%).

Long Arc Capital Fund I, a growth stage VC manager which is new to the Aggressive Growth sleeve, recently called capital and trailed the benchmark during the most recent quarter and trailing 1-yr period by (1.6%) and (25.4%).

Morgan Creek III underperformed the benchmark over the trailing quarter, 1-, 3-, and 5-year periods by (8.3%), (16.1%), (12.2%), and (20.9%), respectively.

Morgan Creek V underperformed the benchmark over the trailing quarter, 1-, 3-, 5-, and 10-yr periods by (9.2%), (31.0%), (12.0%), (10.0%), and (4.1%), respectively.

Morgan Creek VI underperformed the benchmark over the trailing quarter, 1-, 3-, and 5-year periods by (5.9%), (39.1%), (11.3%), and (5.8%) respectively.

Oaktree Special Situations Fund III, L.P., a new debt manager within the Aggressive Growth sleeve trailed the benchmark over the recent quarter by (1.2%).

Ocean Avenue II, trailed its benchmark over the recent quarter, 1-, 3- and 5-year periods by (9.9%), (61.5%), (15.7%) and (2.9%), respectively; however, it outperformed the benchmark over the trailing 10-year period by 2.0%, respectively.

Ocean Avenue III, trailed its benchmark over the quarter and 1-year periods by (4.4%) and (34.5%), respectively; however, it outperformed the benchmark over the 3- and 5-year periods by 2.5% and 3.2%, respectively.

Aggressive Growth (continued)

Ocean Avenue IV, underperformed its benchmark over the quarter and trailing 1-year periods by (8.0%) and (23.0%), respectively; however, it outperformed the benchmark over the 3-year and 5-year periods by 12.2% and 12.5%, respectively.

Ocean Avenue V, a newer Private Equity vintage of the veteran manager in this portfolio underperformed the benchmark over the most recent quarter and trailing 1-year periods by (4.9%) and (24.4%), respectively.

Non-Core Real Assets outperformed its NCREIF ODCE +1% benchmark over the trailing quarter, 1-, and 5-year periods by 4.9%, 10.4%, and 2.8%, respectively. That said, the manager underperformed the benchmark over the trailing 3- and 10-year period by (0.3%) and (0.7%), respectively.

Ridgemont Equity Partners, a new Private Equity manager within the asset class that is undergoing capital calls, underperformed the benchmark over the quarter by (4.2%) and (21.1%).

Stellex Capital Partners II, a new Private Equity manager within the asset class that is undergoing capital calls, outperformed the benchmark over trailing 3-year period by 3.9%; however, it trailed the benchmark over the recent quarter and trailing 1-year period by (5.3%) and (14.4%), respectively.

Private Appreciation as of December 31, 2024

Private Appreciation										
Investment Activity Statement for Since Inception by Fund										
Investment	Vintage Year	Original Inv. Commitment	Gross Contributions	Management Fees	Return of Capital	Distributions	Net Income	Unrealized Appreciation	Realized Gain	Ending Market Value
Bessemer Valley Forge	2022	20,000,000	10,177,569	901,099	-	-	(1,150,214)	2,226,551	-	11,253,906
Bessemer Venture Partners Fund XII	2024	30,000,000	3,892,533	363,462	-	-	(389,045)	2,395	113	3,505,999
Blackrock Global Energy & Power III	2019	50,000,000	52,136,336	4,258,888	1,425,739	16,989,204	4,321,720	8,232,892	2,597,497	48,873,502
Blackrock Global Infrastructure IV-D	2022	50,000,000	21,509,401	583,972	-	208,568	(1,727,410)	4,192,713	(2,133)	23,764,003
Capitol Meridian Fund I	2024	25,000,000	9,545,460	94,612	-	41,549	(449,189)	(119,720)	-	8,935,002
Lightspeed Venture Partners Select V	2021	40,000,000	27,200,000	2,020,000	-	-	(2,249,172)	1,522,845	-	26,473,674
Long Arc Capital I	2022	25,000,000	23,648,476	2,163,356	-	-	(721,946)	4,436,251	11,158	27,373,939
Morgan Creek III	2015	10,000,000	9,900,000	788,104	2,325,492	717,761	(1,570,102)	122,889	350,073	5,759,607
Morgan Creek V	2013	12,000,000	11,520,000	872,577	5,102,450	10,271,741	(1,758,096)	948,368	10,005,098	5,341,178
Morgan Creek VI	2015	20,000,000	18,200,000	3,860,299	6,864,868	8,368,335	(1,394,313)	13,202,468	6,342,053	21,117,005
Oaktree Special Situations III	2023	40,000,000	16,000,000	305,136	-	6,483,403	308,670	1,621,942	(333,118)	11,114,090
Ocean Avenue II*	2013	40,000,000	36,000,000	6,701,549	5,875,189	60,585,969	22,614,712	(5,136,775)	31,204,776	18,221,555
Ocean Avenue III	2016	50,000,000	46,500,000	7,666,222	25,500,000	34,000,000	11,256,443	23,645,716	30,193,334	52,095,492
Ocean Avenue IV	2019	50,000,000	49,000,000	5,371,552	3,250,000	33,395,927	167,599	16,120,359	26,443,084	55,085,116
Ocean Avenue V	2022	30,000,000	10,650,000	516,717	-	-	(1,036,742)	2,353,329	-	11,966,587
Ridgemont	2021	50,000,000	25,609,482	1,750,000	-	538	(1,347,332)	4,297,674	-	28,559,286
Stellex II	2020	50,000,000	43,197,262	3,303,981	-	3,202,071	1,101,861	8,695,324	1,578,200	51,370,576
Total			400,616,417	40,256,966	50,343,738	174,265,065	27,516,703	84,136,276	108,390,022	396,050,612

* Ocean II commitment started at \$30 Mil in Q213 and increased to \$40 Mil in Q114.

Asset Class Performance Net-of-Fees | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Traditional Growth	1,838,129,987	100.0	-1.2	16.6	5.6	9.1	8.5
<i>MSCI ACWI IMI Net</i>			-1.2	16.4	4.9	10.0	9.5
Northern Trust MSCI World	1,659,941,648	90.3	-0.4	17.9	6.1	--	--
<i>MSCI World IMI Index (Net)</i>			-0.4	17.5	5.7	--	--
PIMCO RAE Emerging Markets	100,520,703	5.5	-8.3	7.5	5.9	7.1	6.3
<i>MSCI Emerging Markets (Net)</i>			-8.0	7.5	-1.9	1.7	3.6
GQG Active Emerging Markets	77,664,320	4.2	-7.0	6.9	3.1	--	--
<i>MSCI Emerging Markets (Net)</i>			-8.0	7.5	-1.9	--	--

Market Values may not add up due to rounding.

Traditional Growth

During the latest three-month period ending December 31, 2024, the traditional growth asset class matched its MSCI ACWI IMI benchmark return of -1.2%. One manager performed in line with the benchmark, one manager trailed its benchmark and one manager outperformed its benchmark.

Northern Trust MSCI World, the Plan's Passive Global Equity manager, performed in line with its benchmark over the past quarter, returning -0.4%. The strategy has gained 17.9% over the trailing 1-year period and an annualized 6.1% return over the trailing 3-year period.

PIMCO RAE Emerging Markets, one of SJCERA's Active Emerging Markets Equity managers, underperformed its MSCI Emerging Markets Index benchmark for the quarter by (0.3%); however, it matched the benchmark return of 7.5% over the trailing 1-year period and outperformed the benchmark over the trailing 3-, 5- and 10-year time periods by 7.8%, 5.4%, and 2.7%, respectively.

GQG Active Emerging Markets, outperformed its MSCI Emerging Markets benchmark over the quarter and trailing 3-year period by 1.0% and 5.0%, respectively; however, the manager underperformed the benchmark over the trailing 1-year period by (0.6%).

Asset Class Performance Net-of-Fees | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Stabilized Growth	1,187,783,062	100.0	-0.4	3.0	0.2	3.7	4.3
<i>SJCERA Stabilized Growth Benchmark</i>			1.4	6.0	5.1	5.3	5.7
Risk Parity Asset Class	216,371,883	18.2	-3.8	6.5	-4.9	1.1	2.9
<i>ICE BofAML 3mo US TBill+4%</i>			2.2	9.4	8.0	6.6	5.8
Bridgewater All Weather	216,371,883	18.2	-3.8	7.3	-2.5	2.5	3.7
<i>Bridgewater All Weather (blend)</i>			2.2	9.4	8.0	6.6	5.8
Liquid Credit	271,151,688	22.8	1.5	10.0	4.3	3.8	3.8
<i>50% BB US HY/50% S&P LSTA Lev Loan</i>			1.2	8.6	5.0	5.1	5.2
Neuberger Berman	115,766,755	9.7	0.2	11.4	2.5	3.1	--
<i>33% ICEBofAMLUSHY /33%JPMEMBI Global Div /33% S&P LSTA LevLoan</i>			0.2	7.8	3.0	3.4	--
Stone Harbor Absolute Return	155,384,934	13.1	2.5	8.9	5.7	4.4	3.9
<i>ICE BofA-ML LIBOR</i>			1.2	5.5	3.9	2.6	2.0
Private Credit Lag	439,045,854	37.0	-0.7	0.7	2.3	3.0	2.9
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	11.7	10.8	9.7
Ares Pathfinder Fund II, L.P.	12,969,047	1.1	4.6	--	--	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	--	--	--	--
Blackrock Direct Lending Lag	84,172,762	7.1	-0.6	5.5	7.2	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	11.7	--	--
Crestline Opportunity II Lag	9,389,794	0.8	-3.0	-15.9	-12.2	-6.3	-1.2
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	11.7	10.8	9.7
Davidson Kempner Long-Term Distressed Opportunities Fund V, L.P. Lag	59,234,292	5.0	7.1	18.4	7.4	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	11.7	--	--
HPS European Asset Value II, LP Lag	37,745,330	3.2	3.5	11.3	10.6	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	11.7	--	--
Medley Opportunity II Lag	179,867	0.0	0.0	-2.9	-4.2	-5.3	-4.1
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	11.7	10.8	9.7
Mesa West IV Lag	33,517,055	2.8	-1.3	-14.2	-11.0	-3.9	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	11.7	10.8	--

1 Market Values may not add up due to rounding.

2 17% ICE BofAML 3 month US T-Bill + 4%, 24% 50% BB High Yield/50% S&P Leverage Loans, 31% NCREIF ODCE Lag; 28% S&P/LSTA Leverage Loans +2%.

Asset Class Performance Net-of-Fees | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Oaktree Middle-Market Direct Lending Lag	33,323,950	2.8	2.4	10.2	9.5	12.3	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	11.7	10.8	--
Raven Opportunity III Lag	29,611,872	2.5	-26.4	-42.7	-16.1	-7.7	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	11.7	10.8	--
Silver Point Credit III Lag	26,858,786	2.3	3.3	16.1	--	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	--	--	--
Silver Rock Tactical Allocation Fund Lag	44,181,880	3.7	2.0	10.7	--	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	--	--	--
White Oak Summit Peer Lag	22,226,600	1.9	3.1	3.6	0.2	1.0	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	11.7	10.8	--
White Oak Yield Spectrum Master V Lag	45,634,619	3.8	0.1	2.1	0.9	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			2.8	12.9	11.7	--	--
Private Core Real Assets Lag	261,213,636	22.0	1.0	-4.1	3.3	7.6	9.8
<i>NCREIF ODCE +1% lag (blend)</i>			0.3	-7.1	-0.1	3.1	6.2

1 Market values may not add up due to rounding.

2 NCREIF ODCE Net + 1% 10/1/2012 - present. NCREIF Property Index previously.

Stabilized Growth

During the latest three-month period ending December 31, 2024, the Stabilized Growth sleeve of the Plan trailed its Stabilized Growth benchmark by (1.8%). That said, seven of SJCERA's sixteen Stabilized Growth managers matched or outperformed their benchmarks. Several managers in this asset class are in the process of investing capital and may underperform as assets are invested (typically known as the J-curve effect). Included in this group are private core real assets, which outperformed their benchmark this quarter.

Bridgewater All Weather, the Plan's remaining Risk Parity manager, underperformed the benchmark over the trailing quarter, 1-, 3-, 5- and 10-year periods by (6.0%), (2.1%), (10.5%), (4.1%) and (2.1%), respectively.

Neuberger Berman, one of the Plan's Liquid Credit managers, matched the benchmark return of 0.2% for the recent quarter. The manager outperformed the benchmark over the trailing 1-year period by 3.6%. That said, the manager underperformed the benchmark over the 3- and 5-year periods by (0.5%) and (0.3%) respectively.

Stone Harbor, the Plan's Absolute Return Fixed Income manager, outperformed the benchmark over the trailing quarter, 1-, 3-, 5- and 10-year periods by 1.3%, 3.4%, 1.8%, 1.8%, and 1.9%, respectively.

Ares Pathfinder Fund II, LP a new private credit manager within the plan outperformed its benchmark by 1.8% over the recent quarter.

Stabilized Growth (continued)

BlackRock Direct Lending, trailed the benchmark over the quarter, 1-, and 3-year periods by (0.8%), (3.6%) and (3.2%), respectively.

Crestline Opportunity II, has underperformed the benchmark over the trailing quarter, 1-, 3-, 5- and 10-year periods by (5.8%), (28.8%), (23.9%), (17.1%), and (10.9%).

Davidson Kempner, a Distressed Private Credit manager, outperformed its benchmark over the quarter and trailing 1-year periods by 4.3% and 5.5%, respectively; however, the manager underperformed the benchmark over the trailing 3-year period by (4.3%).

HPS EU Value II, one of the Plan's newer Direct Lending managers, outperformed its benchmark over the recent quarter by 0.7%; however, the manager trailed the benchmark over 1- and 3-year periods by (1.6%) and (1.1%).

Medley Opportunity II, lagged its benchmark over the quarter, 1-, 3-, 5- and 10-year time periods by (2.8%), (15.8%), (15.9%), (16.2%), and (13.8%) respectively.

Mesa West RE Income IV, one of the Plan's Commercial Mortgage managers, trailed the benchmark by (4.1%), (27.1%), (22.7%) and (14.7%) over the trailing quarter, 1-, 3- and 5-year periods, respectively.

Oaktree, a Middle-Market Direct Lending manager, trailed the benchmark return over the recent quarter, 1-, 3-year periods by (0.4%), (2.7%), and (2.2%), respectively. However, the manager outperformed the benchmark over the trailing 5-year period by 1.5%.

Raven Opportunity III underperformed its target for the quarter, 1-, 3-, and 5-year periods by (29.2%), (55.6%), (27.8%), and (18.5%), respectively.

Silver Point Credit III is a new addition to the private credit allocation which recently called capital and outperformed the benchmark by 0.5% over the most recent quarter and 3.2% over the trailing 1-year period.

Silver Rock Tactical Allocation Fund is a new addition to the private credit allocation which recently called capital and trailed the benchmark over the recent quarter and 1-year period by (0.8%) and (2.2%), respectively.

Stabilized Growth (continued)

White Oak Summit Peer, one of the Plan's Direct Lending managers, outperformed the benchmark over the recent quarter 0.3%. However, the strategy trailed the benchmark over the 1-, 3- and 5-year periods by (9.3%), (11.5%), and (9.8%), respectively.

White Oak Yield Spectrum Master V trailed its benchmark over the recent quarter, 1-, and 3-year periods by (2.7%), (10.8%), and (10.8%), respectively.

Private Core Real Assets, outperformed its target over the most recent quarter, 1-, 3-,5-, and 10-yr periods by 0.7%, 3.0%, 3.4%, 4.5%, and 3.6%, respectively.

Asset Class Performance Net-of-Fees | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Principal Protection	430,184,539	100.0	-3.2	2.0	-0.5	0.3	2.2
<i>Blmbg. U.S. Aggregate Index</i>			-3.1	1.3	-2.4	-0.3	1.3
Dodge & Cox Fixed Income	261,279,834	60.7	-3.2	2.3	-0.4	1.4	2.7
<i>Blmbg. U.S. Aggregate Index</i>			-3.1	1.3	-2.4	-0.3	1.3
Loomis Sayles	168,904,704	39.3	-3.0	1.3	--	--	--
<i>Blmbg. U.S. Aggregate Index</i>			-3.1	1.3	--	--	--

¹ Market Values may not add up due to rounding.

Principal Protection

During the latest three-month period ending December 31, 2024, one of SJCERA's Principal Protection managers performed approximately in line with the benchmark. The asset class trailed the benchmark by 10 basis points for the quarter but outperformed the benchmark by 70 basis points over the course of 2024.

Dodge & Cox, the Plan's Core Fixed Income manager, trailed the US Agg by (0.1%) over the recent quarter. The strategy led its benchmark by 1.0%, 2.0%, 1.7% and 1.4% for the trailing 1-, 3-, 5- and 10-year periods, respectively.

Loomis Sayles, the Plan's newest Principal Protection manager, was funded in Q1 2022 and outperformed the benchmark by 0.1%. The manager matched the benchmark return of 1.3% over the trailing 1-year period.

Asset Class Performance Net-of-Fees | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Crisis Risk Offset Asset Class	477,601,128	100.0	-0.3	3.1	3.0	3.0	2.8
<i>CRO Benchmark</i>			-2.1	1.4	-0.2	2.3	2.8
Long Duration	109,877,547	23.0	-8.5	-5.4	-11.0	-4.7	--
<i>Blmbg. U.S. Treasury: Long</i>			-8.6	-6.4	-12.0	-5.2	--
Dodge & Cox Long Duration	109,877,547	23.0	-8.5	-5.4	-11.0	-4.7	--
<i>Blmbg. U.S. Treasury: Long</i>			-8.6	-6.4	-12.0	-5.2	--
Systematic Trend Following	227,661,149	47.7	-2.4	1.4	7.5	7.4	3.5
<i>BTOP 50 (blend)</i>			1.3	5.4	6.0	6.6	3.5
Graham Tactical Trend	111,661,186	23.4	0.3	6.1	7.9	5.6	--
<i>SG Trend</i>			0.3	2.6	7.8	7.7	--
Mount Lucas	115,999,963	24.3	-4.8	-2.8	7.1	9.2	2.6
<i>BTOP 50 (blend)</i>			1.3	5.4	6.0	6.6	3.5
Alternative Risk Premium	140,062,432	29.3	11.5	14.4	11.0	4.2	3.0
<i>5% Annual (blend)</i>			1.2	5.0	5.0	5.0	5.7
AQR Style Premia	75,732,244	15.9	5.7	21.1	21.5	10.1	--
<i>5% Annual</i>			1.2	5.0	5.0	5.0	--
P/E Diversified Global Macro	64,330,188	13.5	19.3	7.3	13.4	2.5	--
<i>5% Annual</i>			1.2	5.0	5.0	5.0	--

1 Market Values may not add up due to rounding.

2 (1/3) BB Long Duration Treasuries, (1/3) BTOP50 Index, (1/3) 5% Annual.

Crisis Risk Offset

During the latest three-month period ending December 31, 2024, the Crisis Risk Offset sleeve outperformed the benchmark by 1.8%.

Dodge & Cox Long Duration returned (8.5%) during Q4 versus the Bloomberg US Long Duration Treasuries benchmark return of (8.6%). The manager also outperformed the benchmark over the 1-, 3- and 5-year periods by 1.0%, 1.0%, and 0.5% respectively.

Graham Tactical Trend, one of the Plan's Systematic Trend Following managers, matched the SG Trend Index for the quarter by gaining 0.3%. The manager outperformed the benchmark over the trailing 1- and 3-year periods by 3.5% and 0.1%, respectively. However, the manager underperformed the benchmark over the trailing 5-year period by (2.1%).

Mount Lucas, one of the Plan's Systematic Trend Following managers, trailed the benchmark during the the recent quarter, 1-, and 10-year periods by (6.1%), (8.2%), and (6.1%), respectively. However, the strategy outperformed the Barclays BTOP 50 Index over the trailing 3- and 5-year periods by 1.1% and 2.6% respectively.

AQR, one of the Plan's Alternative Risk Premium managers, outperformed its 5% Annual target for the quarter, trailing 1-, 3- and 5-year periods by 4.5%, 16.1%, 16.5%, and 5.1%, respectively.

P/E Diversified, one of the Plan's Alternative Risk Premium managers, outperformed its 5% Annual target for the quarter, 1-, and 3-year periods by 18.1%, 2.3%, and 8.4% respectively. However, the strategy has trailed the benchmark over the 5-year period by (2.5%).

Benchmark History | As of December 31, 2024

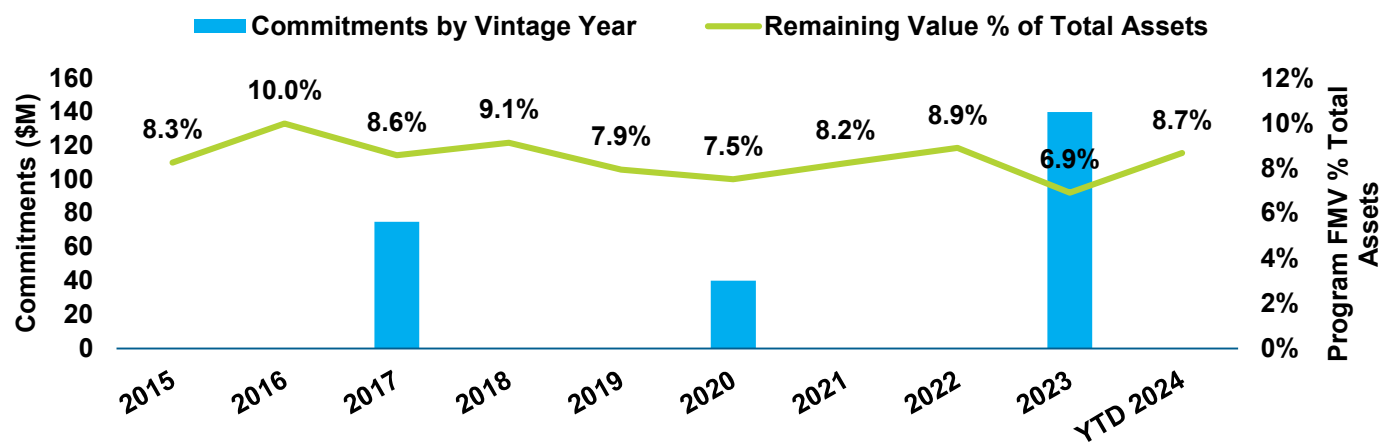
Benchmark History		
From Date	To Date	Benchmark
SJCERA Total Plan		
10/01/2024	Present	9.0% Blmbg. U.S. Aggregate Index, 38.0% MSCI AC World IMI Index (Net), 13.0% CRO Benchmark, 12.0% Aggressive Growth Blend, 28.0% SJCERA Stabilized Growth Benchmark
05/01/2024	10/01/2024	9.0% Blmbg. U.S. Aggregate Index, 38.0% MSCI AC World IMI Index (Net), 16.0% 50% BB US HY/50% S&P LSTA Lev Loan, 12.0% MSCI ACWI +2% Lag, 7.0% NCREIF ODCE +1% lag (blend), 5.0% ICE BofAML 3mo US TBill+4%, 13.0% CRO Benchmark
09/01/2023	05/01/2024	8.0% Blmbg. U.S. Aggregate Index, 34.0% MSCI AC World IMI Index (Net), 16.0% 50% BB US HY/50% S&P LSTA Lev Loan, 12.0% MSCI ACWI +2% Lag, 7.0% NCREIF ODCE +1% lag (blend), 9.0% ICE BofAML 3mo US TBill+4%, 14.0% CRO Benchmark
04/01/2023	09/01/2023	9.0% Blmbg. U.S. Aggregate Index, 33.0% MSCI AC World IMI Index (Net), 16.0% 50% BB US HY/50% S&P LSTA Lev Loan, 10.0% MSCI ACWI +2% Lag, 7.0% NCREIF ODCE +1% lag (blend), 10.0% ICE BofAML 3mo US TBill+4%, 15.0% CRO Benchmark
08/01/2022	04/01/2023	9.0% Blmbg. U.S. Aggregate Index, 33.0% MSCI AC World IMI Index (Net), 16.0% 50% BB US HY/50% S&P LSTA Lev Loan, 10.0% MSCI ACWI +2% Lag, 7.0% NCREIF ODCE +1% lag (blend), 10.0% ICE BofAML 3mo US TBill+4%, 15.0% CRO Benchmark
04/01/2020	08/01/2022	10.0% Blmbg. U.S. Aggregate Index, 32.0% MSCI AC World IMI Index (Net), 17.0% 50% BB US HY/50% S&P LSTA Lev Loan, 10.0% MSCI ACWI +2% Lag, 6.0% NCREIF ODCE +1% lag (blend), 10.0% ICE BofAML 3mo US TBill+4%, 15.0% CRO Benchmark
01/01/2016	04/01/2020	16.0% Blmbg. U.S. Aggregate Index, 37.0% MSCI AC World Index, 2.0% ICE BofA 3 Month U.S. T-Bill, 15.0% 50% BB US HY/50% S&P LSTA Lev Loan, 10.0% MSCI ACWI +2% Lag, 14.0% ICE BofAML 3mo US TBill+4%, 6.0% CRO Benchmark
01/01/1988	01/01/2016	100.0% SJCERA Policy Benchmark
Aggressive Growth Lag		
01/01/2021	Present	50.0% MSCI ACWI +2% Lag, 50.0% NCREIF ODCE +1% lag (blend)
02/01/1930	01/01/2021	100.0% MSCI ACWI +2% Blend
Stabilized Growth		
10/01/2024	Present	24.0% 50% BB US HY/50% S&P LSTA Lev Loan, 31.0% NCREIF ODCE (Net) (M Lag), 17.0% ICE BofAML 3mo US TBill+4%, 28.0% Credit Blend S&P/LSTA Lev Loan +2%
01/01/2010	10/01/2024	52.0% 50% BB US HY/50% S&P LSTA Lev Loan, 18.0% NCREIF ODCE +1% lag (blend), 30.0% ICE BofAML 3mo US TBill+4%
Crisis Risk Offset Asset Class		
01/01/1987	Present	33.3% Barclay BTOP 50, 33.3% Blmbg. U.S. Treasury: Long, 33.4% 5% Annual

Real Estate Program

September 31, 2024

Introduction

The Retirement Association’s target allocation towards real estate assets is 17%. As of September 30, 2024, the Retirement Association had invested with 22 real estate managers. The aggregate reported value of the Retirement Association’s real estate investments was \$403.1 million at quarter-end.



Program Status

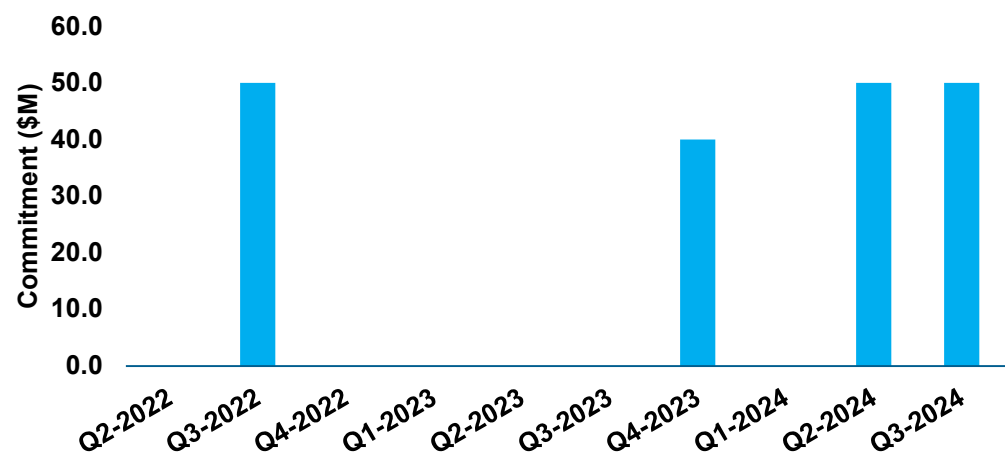
No. of Investments	22
Committed (\$M)	691.6
Contributed (\$M)	526.0
Distributed (\$M)	420.8
Remaining Value (\$M)	403.1

Performance Since Inception

	Program
DPI	0.80x
TVPI	1.57x
IRR	7.6%

Commitments

Recent Quarterly Commitments

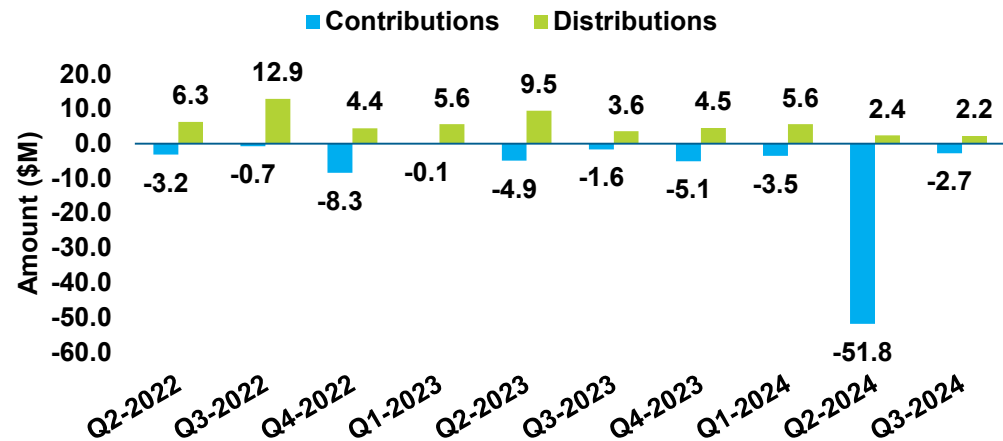


Commitments This Quarter

Fund	Strategy	Region	Amount (\$M)
SROA IX	Value-Added	North America	50.00

Cash Flows

Recent Quarterly Cash Flows



Largest Contributions This Quarter

Fund	Vintage	Strategy	Region	Amount (\$M)
Blue Owl Digital III	2023	Value-Added	Global: All	2.63
AEW EHF	2023	Core	North America	0.60
Berkeley VI	2023	Value-Added	North America	0.50

Largest Distributions This Quarter

Fund	Vintage	Strategy	Region	Amount (\$M)
Berkeley V	2020	Value-Added	North America	0.66
AEW EHF	2023	Core	North America	0.60
RREEF America II	2002	Core	North America	0.47

Significant Events

- Post quarter end, Hamid R. Moghadam, co-Founder of Prologis, announced his retirement that would be effective January 1, 2026. He will continue to serve Prologis as executive chairman, providing strategic guidance. As part of the company's succession plan, Dan Letter, currently president, will succeed Moghadam as CEO.
- Blue Owl Digital Infrastructure Fund III L.P. contributed \$2.63 million in Q3 to fund ongoing investment activity. Some of these include: IPI Partners III related to land and data center assets in the US, IPI Partners III AIV related to land and data center assets in Italy, and IPI Partners III Cayman AIV related to land and data center assets in Australia and Japan.
- Berkeley Partners Value Industrial Fund VI, L.P. contributed \$0.50 million in Q3 to cover a True-Up payment along with an adjustment to the first distribution.
- Berkeley Partners Fund V, L.P. distributed \$0.66 million in Q3 of net proceeds from various transactions including the disposition of 295 Constitution Drive in Taunton, Massachusetts as well as a loan refinance for North Point 3, 4 & 5 in San Antonio, Texas.
- RREEF America REIT II, Inc. distributed \$0.47 million in Q3, due to the sale of Beverly Hills Retail, a specialty retail center located in Beverly Hills, CA as well as Marela, a garden-style residential asset located in Pembroke Pines, FL.

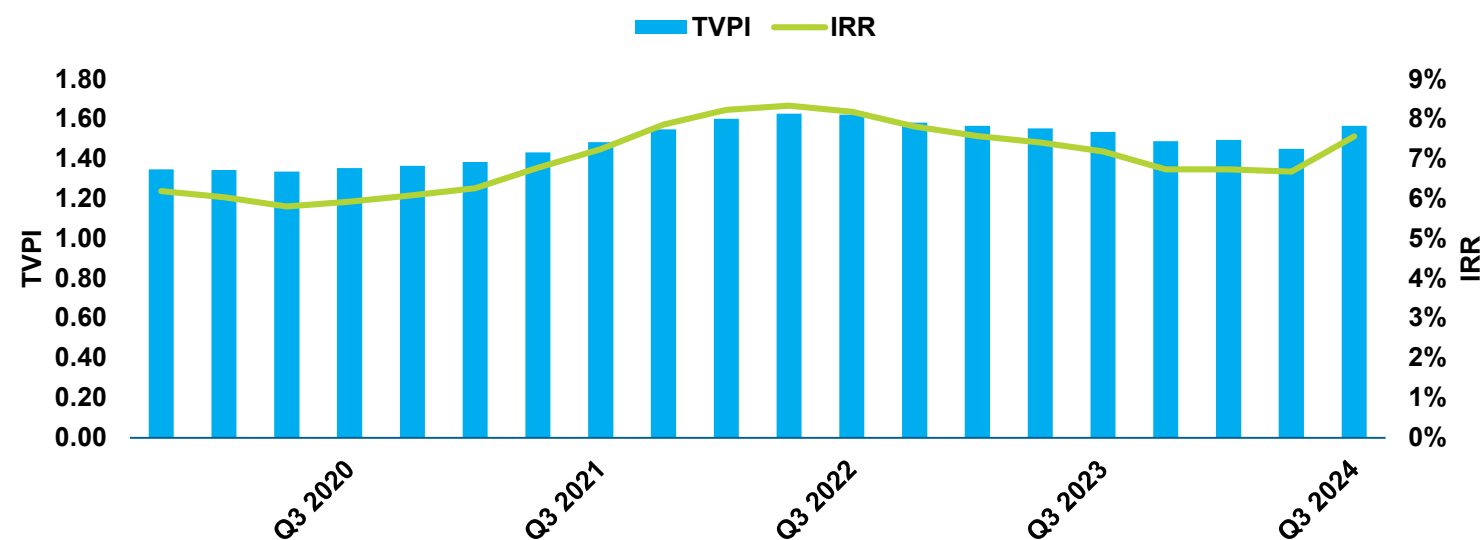
By Strategy

Group	Number	Committed (\$M)	Contributed (\$M)	Unfunded (\$M)	Distributed (\$M)	Remaining Value (\$M)	Exposure (\$M)	DPI (X)	TVPI (X)	IRR (%)
Core	4	170.5	180.3	0.0	39.5	261.2	261.2	0.22	1.67	6.8
Opportunistic	9	204.1	184.9	20.7	231.2	22.6	43.3	1.25	1.37	5.8
Value-Added	9	317.0	160.8	161.5	150.1	119.2	280.8	0.93	1.68	12.6
Total	22	691.6	526.0	182.2	420.8	403.1	585.3	0.80	1.57	7.6

By Vintage

Group	Number	Committed (\$M)	Contributed (\$M)	Unfunded (\$M)	Distributed (\$M)	Remaining Value (\$M)	Exposure (\$M)	DPI (X)	TVPI (X)	IRR (%)
Open-end Fund	4	170.5	180.3	0.0	39.5	261.2	261.2	0.22	1.67	6.8
2005	1	15.0	14.5	0.5	17.6	0.0	0.5	1.21	1.21	3.4
2006	1	30.0	30.0	0.0	20.8	0.6	0.6	0.69	0.71	-3.6
2007	4	96.0	84.0	12.0	116.8	5.7	17.7	1.39	1.46	7.3
2011	2	50.0	38.3	11.7	47.4	2.9	14.7	1.24	1.31	8.8
2012	2	36.0	33.9	2.9	49.0	0.0	2.9	1.45	1.45	12.5
2013	1	19.1	18.3	0.8	32.1	1.1	1.9	1.75	1.81	13.8
2014	1	20.0	19.0	1.8	15.0	6.0	7.8	0.79	1.10	2.2
2017	2	75.0	68.2	8.2	74.5	27.3	35.5	1.09	1.49	15.0
2020	1	40.0	34.0	9.7	8.1	34.3	44.0	0.24	1.25	10.2
2023	3	140.0	5.5	134.6	0.2	63.9	198.5	0.04	11.58	NM
Total	22	691.6	526.0	182.2	420.8	403.1	585.3	0.80	1.57	7.6

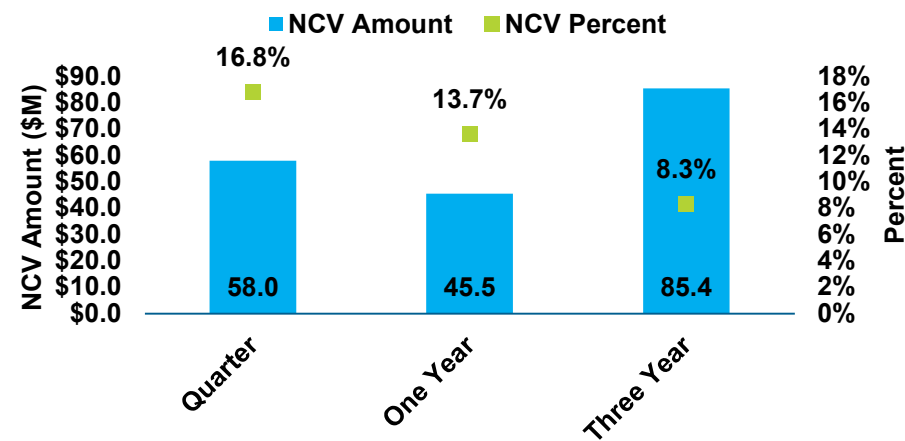
Since Inception Performance Over Time



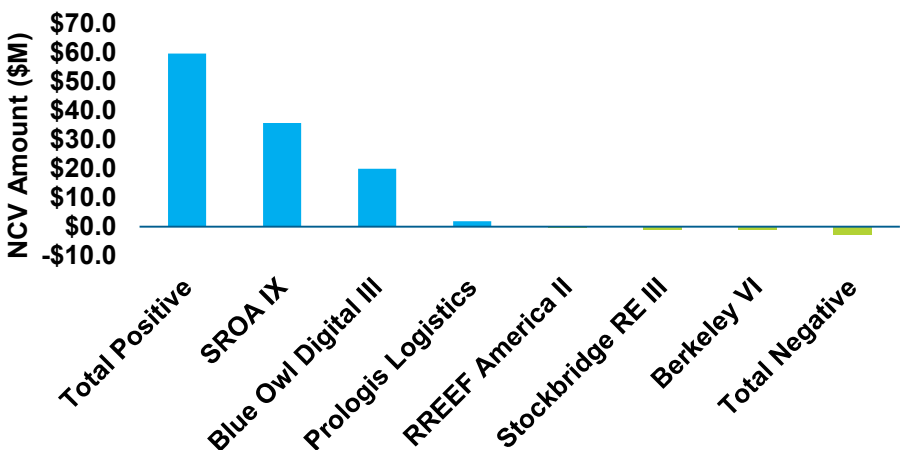
Horizon IRRs

	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)
Aggregate Portfolio	14.5	9.3	11.7	10.3	7.6
Public Market Equivalent	33.5	5.1	5.2	7.5	8.1

Periodic NCV



1 Quarter Drivers Of NCV

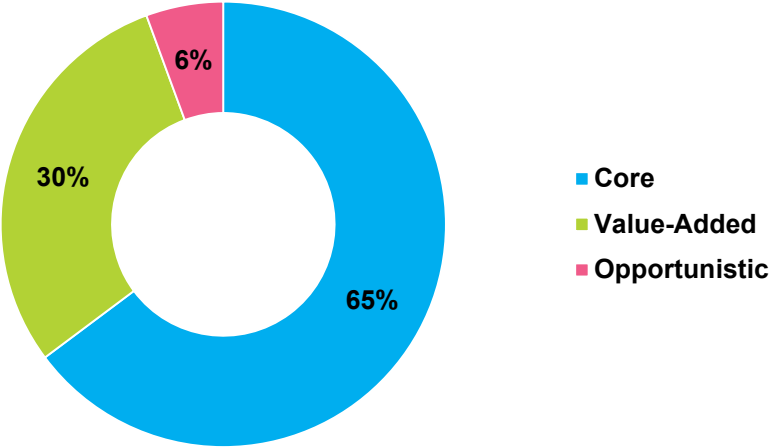


Fund Performance: Sorted By Vintage And Strategy

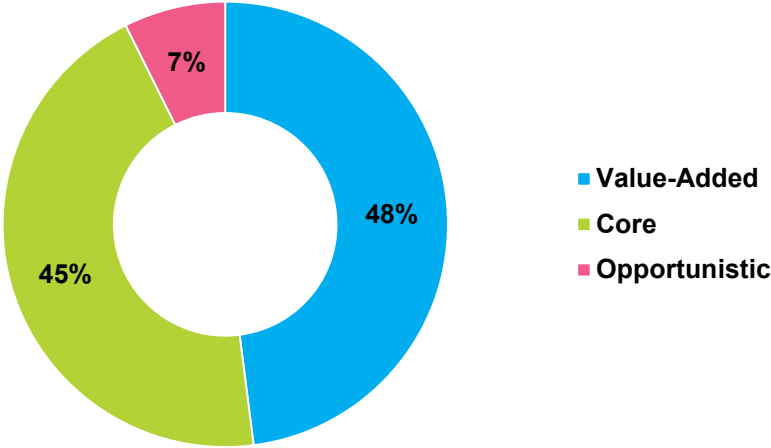
By Investment	Vintage	Strategy	Committed (\$M)	Contributed (\$M)	Unfunded (\$M)	Distributed (\$M)	Remaining Value (\$M)	TVPI (X)	Peer TVPI (X)	IRR (%)	Peer IRR (%)
AEW EHF		Core	50.0	50.6	0.0	0.6	51.0	1.02	NM	NM	NM
Principal US		Core	25.0	25.0	0.0	0.0	37.8	1.51	NM	4.8	NM
Prologis Logistics		Core	50.5	59.7	0.0	25.7	122.6	2.48	NM	7.8	NM
RREEF America II		Core	45.0	45.0	0.0	13.2	49.7	1.40	NM	4.7	NM
Miller GLocal Fund V	2005	Opportunistic	15.0	14.5	0.5	17.6	0.0	1.21	NM	3.4	NM
Walton Street V	2006	Opportunistic	30.0	30.0	0.0	20.8	0.6	0.71	NM	-3.6	NM
Greenfield V	2007	Opportunistic	30.0	29.6	0.4	40.7	0.0	1.38	NM	8.3	NM
Miller Global VI	2007	Opportunistic	30.0	21.1	8.9	33.4	0.0	1.58	NM	7.7	NM
Walton Street VI	2007	Opportunistic	15.0	13.3	1.7	15.9	5.7	1.62	NM	7.9	NM
Colony Realty III	2007	Value-Added	21.0	20.0	1.0	26.9	0.0	1.35	NM	5.3	NM
Greenfield VI	2011	Opportunistic	20.0	19.2	0.8	26.2	0.0	1.37	NM	9.6	NM
Almanac Realty VI	2011	Value-Added	30.0	19.1	10.9	21.2	2.9	1.26	NM	7.8	NM
Miller Global VII	2012	Opportunistic	15.0	12.1	2.9	16.1	0.0	1.33	NM	14.4	NM
Colony Realty IV	2012	Value-Added	21.0	21.7	0.0	32.9	0.0	1.51	NM	11.9	NM
Greenfield VII	2013	Opportunistic	19.1	18.3	0.8	32.1	1.1	1.81	NM	13.8	NM
AG Core Plus IV	2014	Value-Added	20.0	19.0	1.8	15.0	6.0	1.10	NM	2.2	NM
Greenfield VIII	2017	Opportunistic	30.0	26.8	4.6	28.6	15.2	1.63	NM	19.7	NM
Stockbridge RE III	2017	Value-Added	45.0	41.4	3.6	45.9	12.1	1.40	NM	12.0	NM
Berkeley V	2020	Value-Added	40.0	34.0	9.7	8.1	34.3	1.25	NM	10.2	NM
Berkeley VI	2023	Value-Added	40.0	5.5	34.6	0.2	5.5	1.04	NM	NM	NM
Blue Owl Digital III	2023	Value-Added	50.0	0.0	50.0	0.0	22.6	NM	NM	NM	NM
SROA IX	2023	Value-Added	50.0	0.0	50.0	0.0	35.8	NM	NM	NM	NM
Total			691.6	526.0	182.2	420.8	403.1	1.57	NM	7.6	NM

By Strategy

Percent of FMV

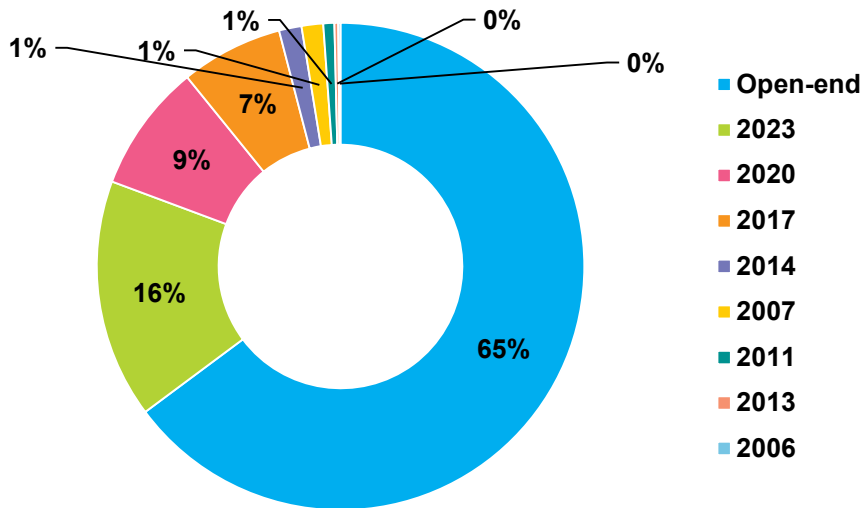


Percent of Exposure

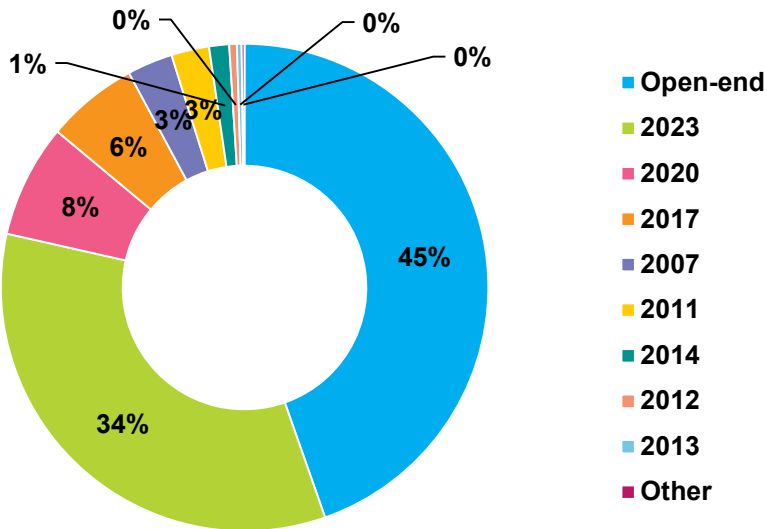


By Vintage

Percent of FMV

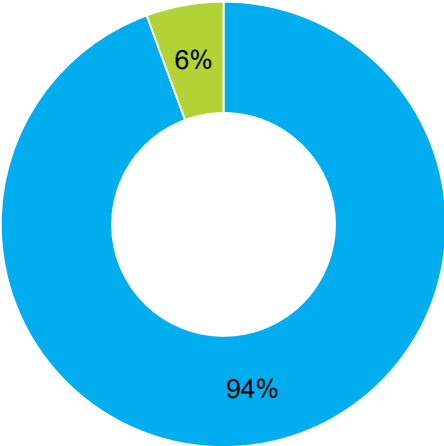


Percent of Exposure



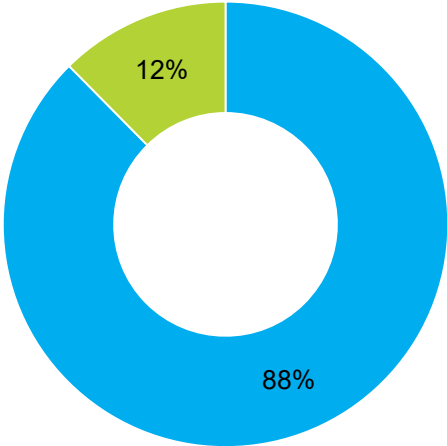
By Geographic Focus

Percent of FMV



- North America
- Global: All

Percent of Exposure



- North America
- Global: All

Below are details on specific terminology and calculation methodologies used throughout this report:

Committed	The original commitment amount made to a given fund. Some funds may be denominated in non-USD currencies, and such commitment amounts represent the sum of fund contributions translated to USD at their daily conversion rates plus the unfunded balance translated at the rate as of the date of this report.
Contributed	The amount of capital called by a fund manager against the commitment amount. Contributions may be used for new or follow-on investments, fees, and expenses, as outlined in each fund's limited partnership agreement. Some capital distributions from funds may reduce contributed capital balances. Some funds may be denominated in non-USD currencies, and such aggregate contributions represent the sum of each fund contribution translated to USD at its daily conversion rate.
Distributed	The amount of capital returned from a fund manager for returns of invested capital, profits, interest, and other investment related income. Some distributions may be subject to re-investment, as outlined in each fund's limited partnership agreement. Some funds may be denominated in non-USD currencies, and such aggregate distributions represent the sum of each fund distribution translated to USD at its daily conversion rate.
DPI	Acronym for "Distributed-to-Paid-In", which is a performance measurement for Private Market investments. The performance calculation equals Distributed divided by Contributed. DPIs for funds and groupings of funds are net of all fund fees and expenses as reported to by fund managers to Meketa.
Exposure	Represents the sum of the investor's Unfunded and Remaining Value.
IRR	Acronym for "Internal Rate of Return", which is a performance measurement for Private Market investments. IRRs are calculated by Meketa based on daily cash flows and Remaining Values as of the date of this report. IRRs for funds and groupings of funds are net of all fund fees and expenses as reported by fund managers to Meketa.
NCV	Acronym for "Net Change in Value", which is a performance measurement for Private Market investments. The performance calculation equals the appreciation or depreciation over a time period neutralized for the impact of cash flows that occurred during the time period.
NM	Acronym for "Not Meaningful", which indicates that a performance calculation is based on data over too short a timeframe to yet be meaningful or not yet possible due to inadequate data. Meketa begins reporting IRR calculations for investments once they have reached more than two years since first capital call. NM is also used within this report in uncommon cases where the manager has reported a negative Remaining Value for an investment.

Peer Universe

The performance for a set of comparable private market funds. The peer returns used in this report are provided by Thomson ONE, based on data from Cambridge Associates as of the date of this report. Program-level peer universe performance represents the pooled return for a set of funds of corresponding vintages and strategies across all regions globally. Fund-level peer performance represents the median return for a set of funds of the same vintage and the program's set of corresponding strategies across all regions globally. Data sets that include less than five funds display performance as "NM". Meketa utilizes the following Thomson ONE strategies for peer universes:

Infrastructure: Infrastructure

Natural Resources: Private Equity Energy, Upstream Energy & Royalties, and Timber

Private Debt: Subordinated Capital, Credit Opportunities, Senior Debt, and Control-Oriented Distressed

Private Equity (including Private Debt): Venture Capital, Growth Equity, Buyout, Subordinated Capital, Credit Opportunities, Senior Debt, and Control-Oriented Distressed

Private Equity (excluding Private Debt): Venture Capital, Growth Equity, and Buyout

Real Assets (excluding Real Estate): Infrastructure, Private Equity Energy, Upstream Energy & Royalties, and Timber

Real Assets (including Real Estate): Infrastructure, Private Equity Energy, Upstream Energy & Royalties, Timber, and Real Estate

Real Estate: Real Estate

Public Market Equivalent ("PME")

A calculation methodology that seeks to compare the performance of a portfolio of private market investments with public market indices. The figures presented in this report are based on the PME+ framework, which represents a net IRR value based on the actual timing and size of the private market program's daily cash flows and the daily appreciation or depreciation of an equivalent public market index. Meketa utilizes the following indices for private market program PME+ calculations:

Infrastructure: Dow Jones Brookfield Global Infrastructure Index

Natural Resources: S&P Global Natural Resources Index

Private Debt: Meryl Lynch High Yield Master II Bond Index

Private Equity: MSCI ACWI Investable Market Index

Real Assets (excluding Real Estate): Equal blend of Dow Jones Brookfield Global Infrastructure Index and S&P Global Natural Resources Index

Real Assets (including Real Estate): Equal blend of Dow Jones Brookfield Global Infrastructure Index, S&P Global Natural Resources Index, and Dow Jones U.S. Select Real Estate Securities Index

Real Estate: Dow Jones U.S. Select Real Estate Securities Index

Remaining Value	The investor's value as reported by a fund manager on the investor's capital account statement. All investor values in this report are as of the date of this report, unless otherwise noted. Some funds may be denominated in non-USD currencies, and such remaining values represent the fund's local currency value translated to USD at the rate as of the date of this report.
TVPI	Acronym for "Total Value-to-Paid-In", which is a performance measurement for Private Market investments. The performance calculations represents Distributed plus Remaining Value, then divided by Contributed. TVPIs for funds and groupings of funds are net of all fund fees and expenses as reported to by fund managers to Meketa.
Unfunded	The remaining balance of capital that a fund manager has yet to call against a commitment amount. Meketa updates unfunded balances for funds to reflect all information provided by fund managers provided in their cash flow notices. Some funds may be denominated in non-USD currencies, and such unfunded balances represent the fund's local currency unfunded balance translated to USD at the rate as of the date of this report.

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Meketa Investment Group has prepared this report on the basis of sources believed to be reliable. The data are based on matters as they are known as of the date of preparation of the report, and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available.

If we manage your assets on a discretionary basis, please contact us if there are any changes in your financial situation or investment objectives, or if you want to impose any reasonable restrictions on our management of your account or reasonably modify existing restrictions.

In general, the valuation numbers presented in this report are prepared by the custodian bank for listed securities, and by the fund manager or appropriate General Partner in the case of unlisted securities. The data used in the market comparison sections of this report are sourced from various databases. These data are continuously updated and are subject to change.

This report does not contain all the information necessary to fully evaluate the potential risks of any of the investments described herein. Because of inherent uncertainties involved in the valuations of investments that are not publicly traded, any estimated fair values shown in this report may differ significantly from the values that would have been used had a ready market for the underlying securities existed, and the differences could be material.

This document may contain certain forward-looking statements, forecasts, estimates, projections, and opinions ("Forward Statements"). No representation is made or will be made that any Forward Statements will be achieved or will prove to be correct. A number of factors, in addition to any risk factors stated in this material, could cause actual future results to vary materially from the Forward Statements. No representation is given that the assumptions disclosed in this document upon which Forward Statements may be based are reasonable. There can be no assurance that the investment strategy or objective of any fund or investment will be achieved, or that the client will receive a return of the amount invested.

In some cases Meketa Investment Group assists the client in handling capital calls or asset transfers among investment managers. In these cases we do not make any representations as to the managers' use of the funds, but do confirm that the capital called or transferred is within the amounts authorized by the client.

Because there is no readily accessible market for private markets assets (companies and partnerships), the values placed on private markets assets are calculated by General Partners using conservative and industry standard pricing procedures. Annually, an independent auditor reviews the pricing procedures employed by the General Partner of each partnership.

The values of companies and partnerships are audited at year-end, and are not audited at other quarter-end periods. While financial information may be audited, there is some discretion as to the method employed to price private companies and, therefore, private markets partnerships. At all times, Meketa Investment Group expects General Partners to utilize conservative and industry standard pricing procedures, and requires the General Partners to disclose those procedures in their reports. However, because of the inherent uncertainty of valuation, these estimated values may differ from the values that would be used if a ready market for the investments existed, and the differences could be significant.

Economic and Market Update

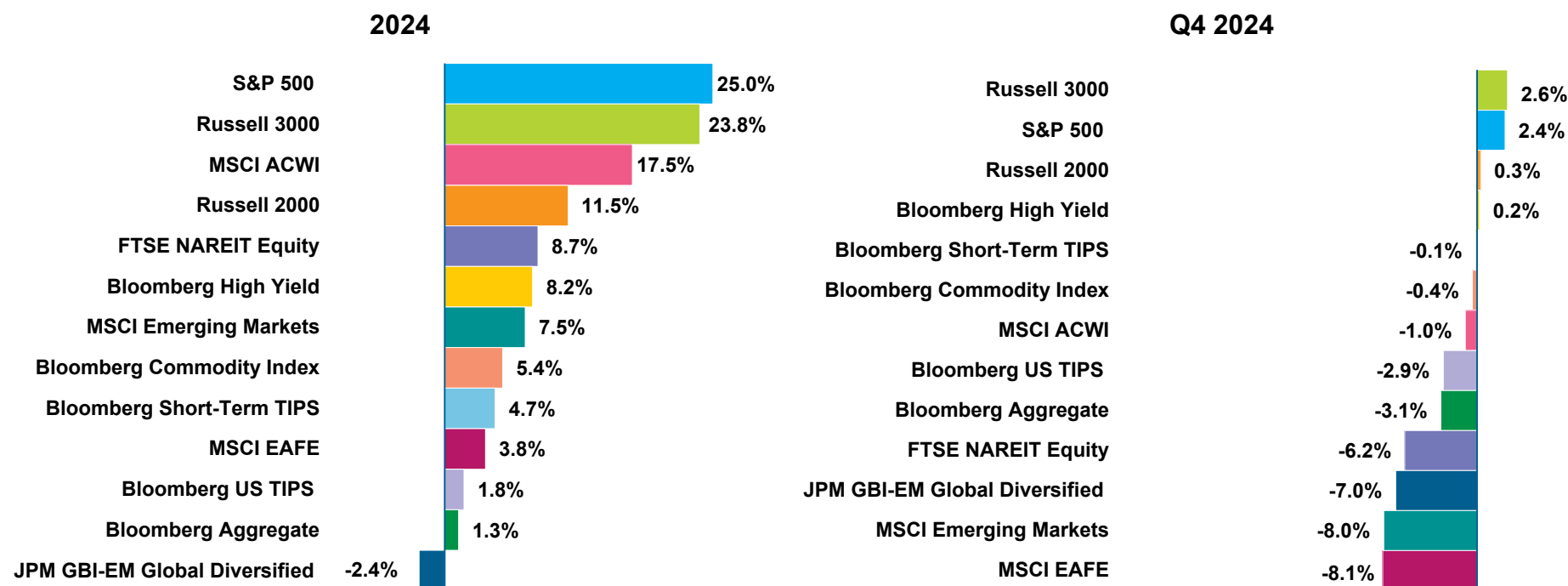
Data as of December 31, 2024

Commentary

Although most major markets finished 2024 in positive territory, in the fourth quarter, with the exception of US stocks, the majority of markets declined.

- Trump's victory along with a now Republican controlled Congress, supported US equity markets in the fourth quarter on anticipation of pro-growth policies. Domestic equity markets (Russell 3000) posted a return of 2.6% in the quarter and an impressive 23.8% for the year driven by large cap technology stocks.
- Non-US developed stocks sold-off in the fourth quarter (MSCI EAFE: -8.1%) largely driven by the strength of the US dollar, as well as slowing growth in Europe and the potential for trade wars. For the year, they trailed US equities by a wide 20% margin (3.8% versus 23.8%).
- Emerging market stocks also fell (MSCI Emerging Markets: -8.0%) in the fourth quarter, again driven by the strong dollar and concerns about US tariffs. In 2024, emerging markets beat developed international markets (7.5% versus 3.8%) but significantly trailed the US.
- The Federal Reserve cut its policy rate another 0.25% in December, but its Summary of Economic Projections and hawkish comments provoked a repricing of future rate cuts and their timing.
- Most fixed income markets fell for the quarter with interest rates rising given fears of inflation from the proposed policies of the incoming US administration. The broad US bond market (Bloomberg Aggregate) declined 3.1% for the quarter, reducing its 2024 gain to 1.3%. For the year, most major bond markets delivered positive returns on cooling global inflation.
- Looking ahead, uncertainty related to the policies of the new Trump Administration and its impact on the economy, inflation, and Fed policy will be key. The path of China's economy and concerns over elevated valuations and technology driven concentration in the US equity market will also be important focuses of 2025.

Index Returns¹



- In 2024, most major assets classes posted gains, led by the S&P 500's 25.0% return.
- Markets had mixed returns in the fourth quarter. US equities rose on optimism over potential pro-growth policies from the incoming administration while inflation concerns and a strong dollar, respectively, weighed on bonds and international equities.

¹ Source: Bloomberg. Data is as of December 31, 2024.

Domestic Equity Returns¹

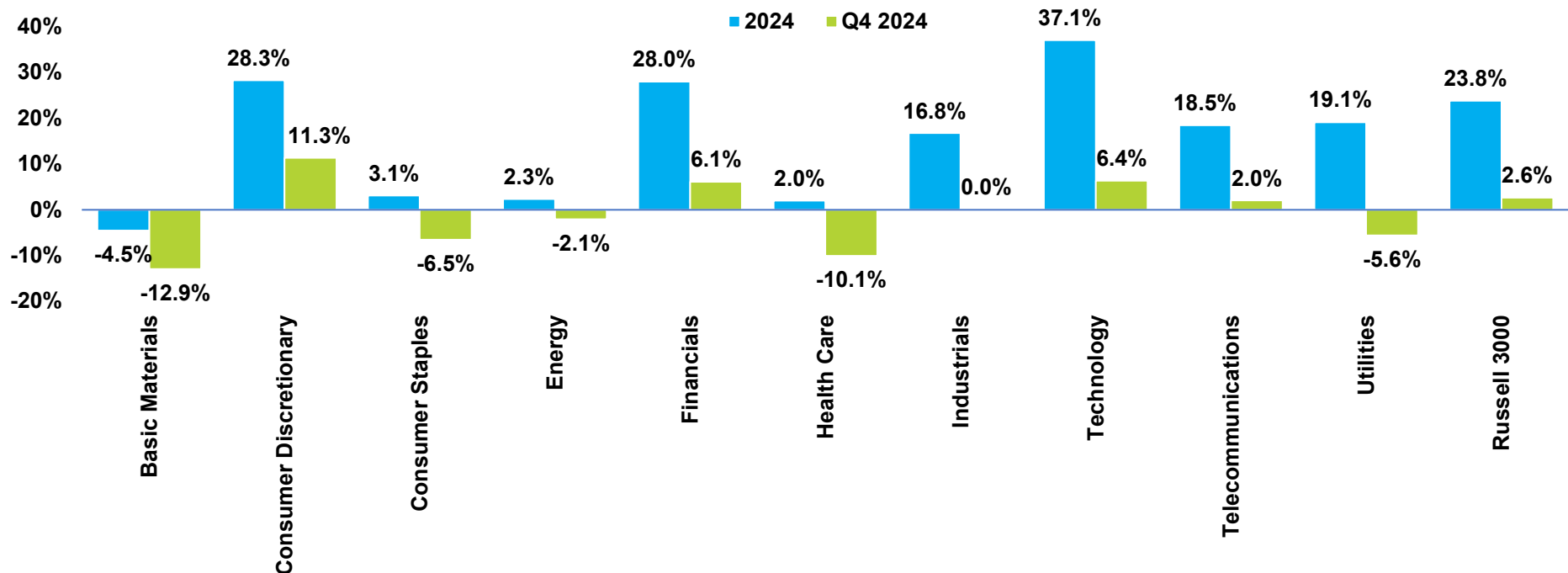
Domestic Equity	December (%)	Q4 2024 (%)	2024 (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-2.4	2.4	25.0	8.9	14.5	13.1
Russell 3000	-3.1	2.6	23.8	8.0	13.9	12.5
Russell 1000	-2.8	2.7	24.5	8.4	14.3	12.9
Russell 1000 Growth	0.9	7.1	33.4	10.5	19.0	16.8
Russell 1000 Value	-6.8	-2.0	14.4	5.6	8.7	8.5
Russell MidCap	-7.0	0.6	15.3	3.8	9.9	9.6
Russell MidCap Growth	-6.2	8.1	22.1	4.0	11.5	11.5
Russell MidCap Value	-7.3	-1.7	13.1	3.9	8.6	8.1
Russell 2000	-8.3	0.3	11.5	1.2	7.4	7.8
Russell 2000 Growth	-8.2	1.7	15.2	0.2	6.9	8.1
Russell 2000 Value	-8.3	-1.1	8.1	1.9	7.3	7.1

US Equities: The Russell 3000 rose 2.6% in the fourth quarter, bringing the year-to-date results to +23.8%.

- US stocks rose broadly in the fourth quarter on a post-election rally. However, value stocks did not participate and ended the quarter lower. In the large cap space, the Russell 1000 Value index's omission of several "Magnificent 7" stocks, such as NVIDIA, Amazon, and Tesla, drove much of the divergence.
- For the full year, US equities gained 23.8%. NVIDIA was the leading contributor among all stocks in the Russell 3000 index. The stock appreciated 171% during the year and was responsible for 20% of total index gains. The "Magnificent 7" stocks contributed just under 50% of the 2024 index gains.
- Growth stocks outperformed value stocks across the market cap spectrum in 2024, which was more pronounced in the large cap space. Larger companies (Russell 1000) produced more than double the returns of smaller companies (Russell 2000) for the year.

¹ Source: Bloomberg. Data is as of December 31, 2024.

Russell 3000 Sector Returns¹



- US equity sectors experienced mixed results in the final quarter of the year but all sectors except materials, experienced gains in 2024.
- Technology stocks rose 37.1% last year, which led all sectors. Within technology, NVIDIA and Broadcom accounted for more than half of the sector's contribution to overall index gains.
- After technology, consumer discretionary (+28.3%) and financials (+28.0%) were next driven by Amazon and Tesla and a steepening yield curve/strong economy, respectively.

¹ Source: Bloomberg. Data is as of December 31, 2024.

Foreign Equity Returns¹

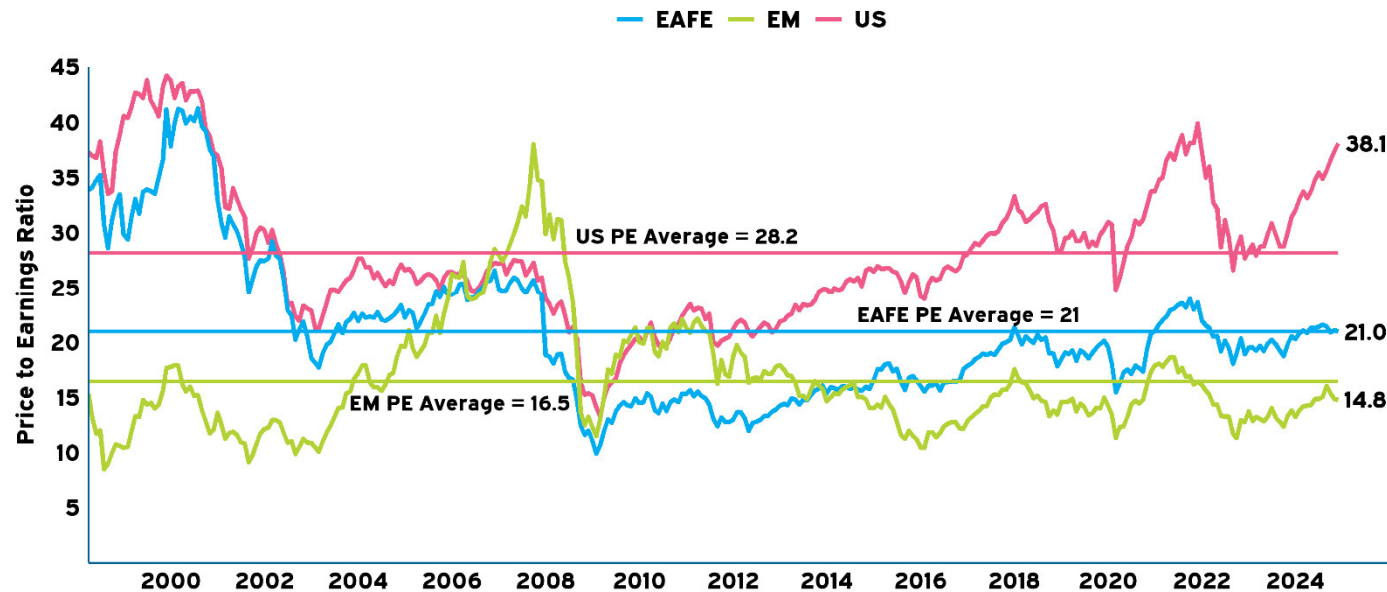
Foreign Equity	December (%)	Q4 2024 (%)	2024 (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	-1.9	-7.6	5.5	0.8	4.1	4.8
MSCI EAFE	-2.3	-8.1	3.8	1.6	4.7	5.2
MSCI EAFE (Local Currency)	0.4	-0.6	11.3	6.3	7.5	7.1
MSCI EAFE Small Cap	-2.3	-8.4	1.8	-3.2	2.3	5.5
MSCI Emerging Markets	-0.1	-8.0	7.5	-1.9	1.7	3.6
MSCI Emerging Markets (Local Currency)	1.2	-4.4	13.1	1.6	4.5	6.0
MSCI EM ex China	-1.2	-8.1	3.6	0.1	4.4	4.7
MSCI China	2.7	-7.7	19.4	-6.1	-3.4	1.9

Foreign Equity: Developed international equities (MSCI EAFE) fell -8.1% in the fourth quarter but rose 3.8% for the year, while emerging market equities (MSCI Emerging Markets) fell -8.0% in the quarter but returned 7.5% for the year.

- Continued strength in the US dollar weighed on developed market shares, with declines in local terms significantly lower (-0.6% versus -8.1%). An unstable political environment, potential tariffs from the US, and weak growth all weighed on eurozone equities. Japan was a bright spot, outperforming the US for the quarter, with renewed yen weakness boosting the outlook for exporters.
- Emerging markets reacted poorly to Mr. Trump's win in the fourth quarter, due largely to tariff fears and the Fed's decreased likelihood of reducing rates in 2025. A strong dollar also weighed on results but not as much as in developed markets. China declined less than the broader index for the quarter (-7.7% versus -8.0%).
- Over the full 2024 calendar year, international equities significantly trailed US equities.

¹ Source: Bloomberg. Data is as of December 31, 2024.

Equity Cyclically Adjusted P/E Ratios¹



- Valuations in US stocks continued to move higher over the quarter while valuations for international equities fell.
- US stocks, priced at 38.1 times earnings, continue to trade well above their long-run PE average of 28.2.
- Non-US developed market valuations are trading at their long-term average. Emerging market stock valuations declined the most over the quarter (16.1 to 14.8) and remain below their long-term average.

¹ 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 December 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.

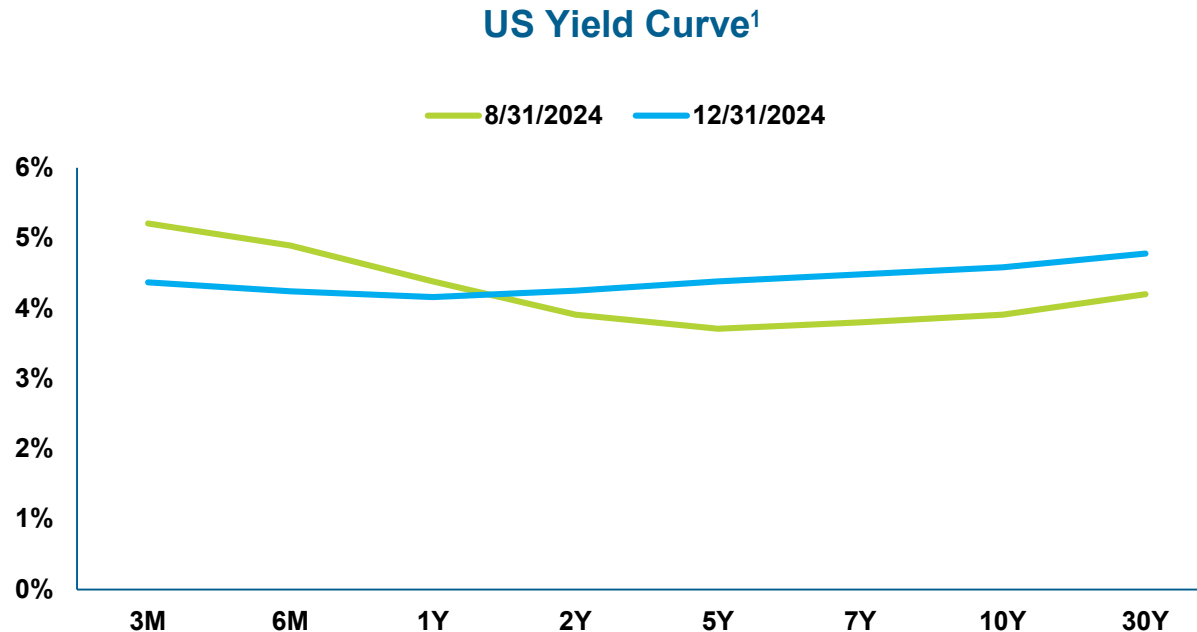
Fixed Income Returns¹

Fixed Income	December (%)	Q4 2024 (%)	2024 (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-1.5	-2.7	2.0	-1.9	0.1	1.7	5.1	5.9
Bloomberg Aggregate	-1.6	-3.1	1.3	-2.4	-0.3	1.3	4.9	6.1
Bloomberg US TIPS	-1.6	-2.9	1.8	-2.3	1.9	2.2	4.6	6.5
Bloomberg Short-term TIPS	-0.1	-0.1	4.7	2.1	3.3	2.6	4.4	2.4
Bloomberg US Long Treasury	-5.3	-8.6	-6.4	-12.0	-5.2	-0.6	4.9	14.9
Bloomberg High Yield	-0.4	0.2	8.2	2.9	4.2	5.2	7.5	3.5
JPM GBI-EM Global Diversified (USD)	-1.9	-7.0	-2.4	-1.0	-1.9	-0.4	--	--

Fixed Income: The Bloomberg Universal index fell 2.7% in the quarter, bringing the year-to-date return to +2.0%.

- Fixed income indexes largely declined over the quarter due to rising interest rates as investors considered proposed policies like tariffs and deportations and their respective risks to inflation.
- The broad US bond market (Bloomberg Aggregate) fell 3.1% over the quarter, with TIPS performing similarly at longer maturities. Long-term Treasury bonds experienced the largest declines, with a drop of 8.6%.
- High yield bonds outperformed as investor risk appetite remained robust, while emerging market debt weakened on uncertainty about the path of proposed US tariffs by the incoming administration as well as by higher US interest rates.

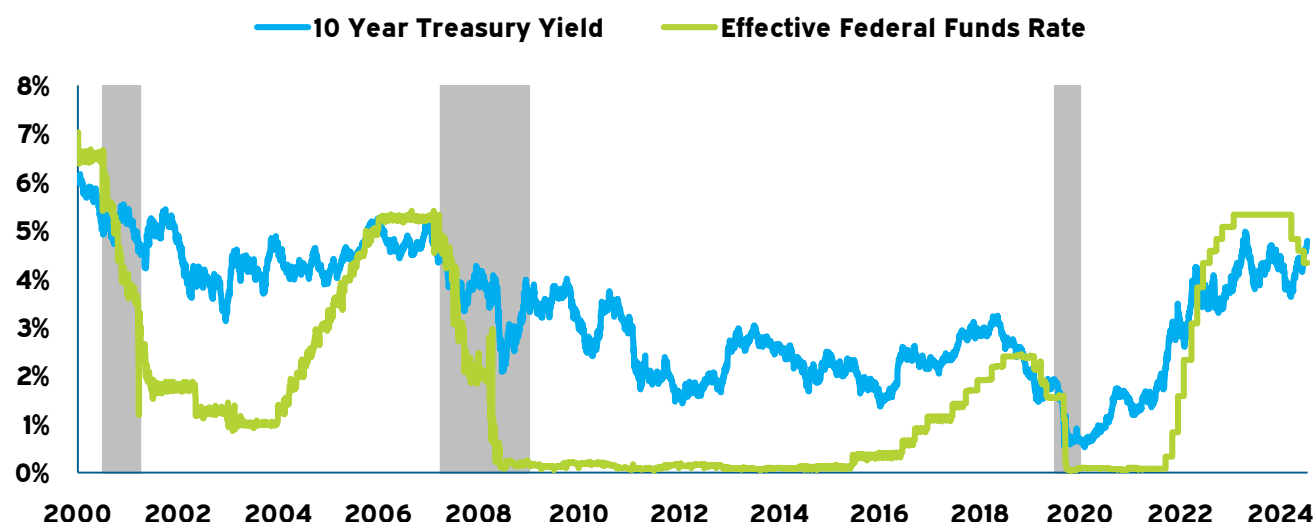
¹ Source: Bloomberg. Data is as of December 31, 2024. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.



- With the exception of the very shortest maturities, US Treasury yields rose in the fourth quarter driven by resilient growth and increased inflation expectations. Term premium (a measure of interest rate uncertainty) spiking over the quarter was a key driver of higher rates.
- Over the quarter, the more policy sensitive 2-year Treasury yield rose from 3.64% to 4.24%, while the 10-year Treasury yield rose from 3.78% to 4.57%.
- The yield curve was no longer inverted (short-term interest rates higher than long-term interest rates) at year-end given expectations for the Fed to continue to reduce rates and resilient economic growth and persistent inflation.

¹ Source: Bloomberg. Data is as of December 31, 2024. The August 2024 Treasury yields are shown as a reference before the first interest rate cut.

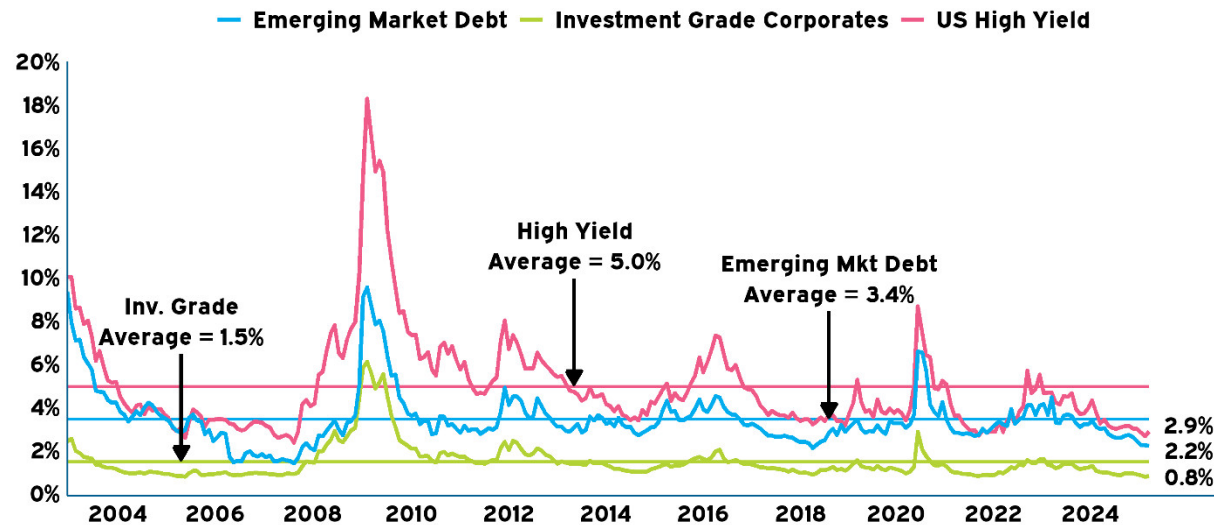
10-Year Treasury Yield versus Fed Funds Rate¹



- Typically, when the Fed cuts interest rates, the yield on the ten-year Treasury follows as rate cuts often come in an environment of falling inflation and rising unemployment.
- The recent dynamic has been very unusual with the Fed cutting interest rates by a total of 1.0% since September and the ten-year Treasury increasing by a similar amount over the same time period.
- Questions remain about why this is happening with some saying it is related to fiscal concerns and others pointing to lower demand for our debt from overseas. It is also possible the market feels the Fed has overcut rates already.

¹ Source: FRED. Data is as of January 15, 2025.

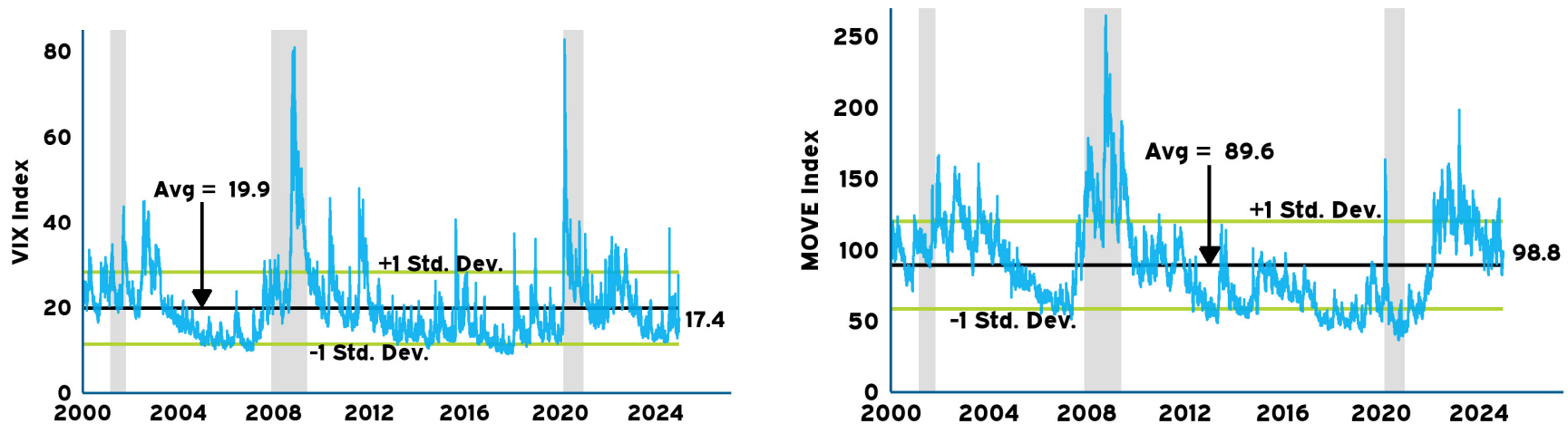
Credit Spreads vs. US Treasury Bonds¹



- Spreads (the yield above a comparable maturity Treasury) all continued to tighten over the quarter.
- All yield spreads remained below their respective long-run averages, particularly high yield (2.9% versus 5.0%).
- Although spreads are tight, absolute yields remain at above-average levels compared to the last two decades.

¹ Source: Bloomberg. Data is as December 31, 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.

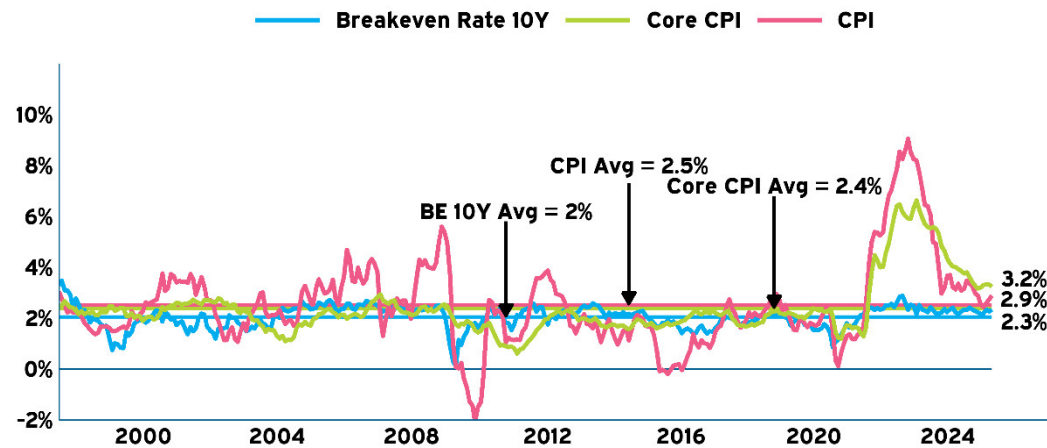
Equity and Fixed Income Volatility¹



- Bond and equity volatility experienced several spikes over the quarter ahead of the election but finished lower after the clear results.
- Volatility levels (VIX) in the US stock market finished the quarter below its long-run average, while volatility in the bond market (MOVE) ended December above its long-run average.

¹ 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 December 31, 2024. The average line indicated is the average of the VIX and MOVE values between January 2000 and December 2024.

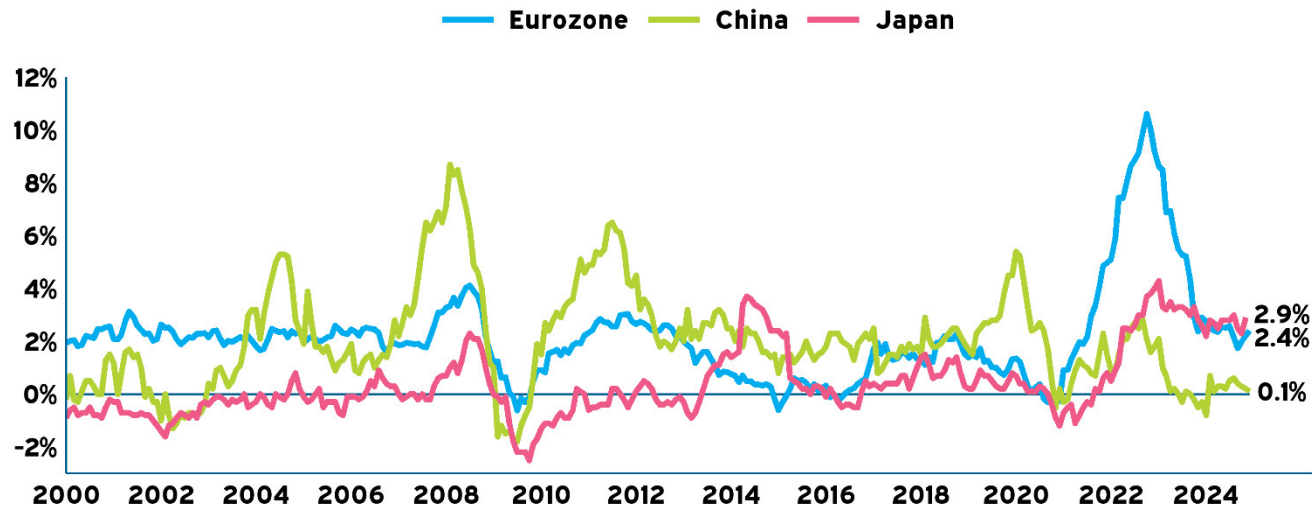
US Ten-Year Breakeven Inflation and CPI¹



- In December, inflation rose 0.4% month-over-month with energy prices accounting for 40% of the monthly increase.
- Year-over-year inflation increased from 2.4% to 2.9% over the quarter largely driven by base year effects. In the December reading shelter (+4.6%), transportation (+7.3%), and medical care (+3.4%) contributed to the annual gain while energy prices (-0.5%) fell over the past year despite the December (+2.6%) gains.
- Year-over-year core inflation (excluding food and energy) fell slightly over the quarter (3.3% to 3.2%).
- Inflation expectations (breakevens) rose over the quarter from the September lows of 2.0%, on continued uncertainty regarding the likelihood and magnitude of potential policies of the next US president.

¹ Source: FRED. Data is as of December 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.

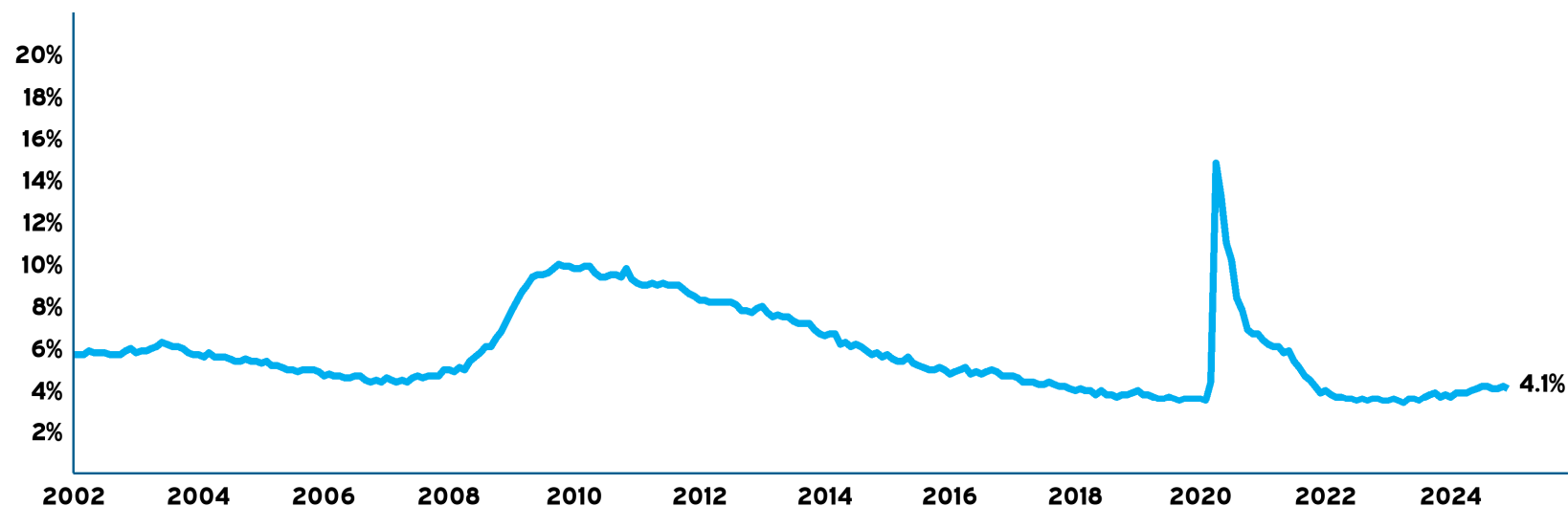
Global Inflation (CPI Trailing Twelve Months)¹



- In the eurozone, inflation rose each month over the quarter (1.7% to 2.4%) but levels remain below the US. The increase was largely driven by last year's significant fall in energy prices no longer being included in the calculation.
- Inflation in Japan rose over the quarter due in part to an increase in food prices and the end of energy subsidies driving electricity and gas prices higher.
- Inflation in China grinded lower in the fourth quarter (0.4% to 0.1%). China continues to experience deflationary pressures despite recent stimulus measures.

¹ Source: Bloomberg. Data is as December 2024, except Japan which is as of November 2024.

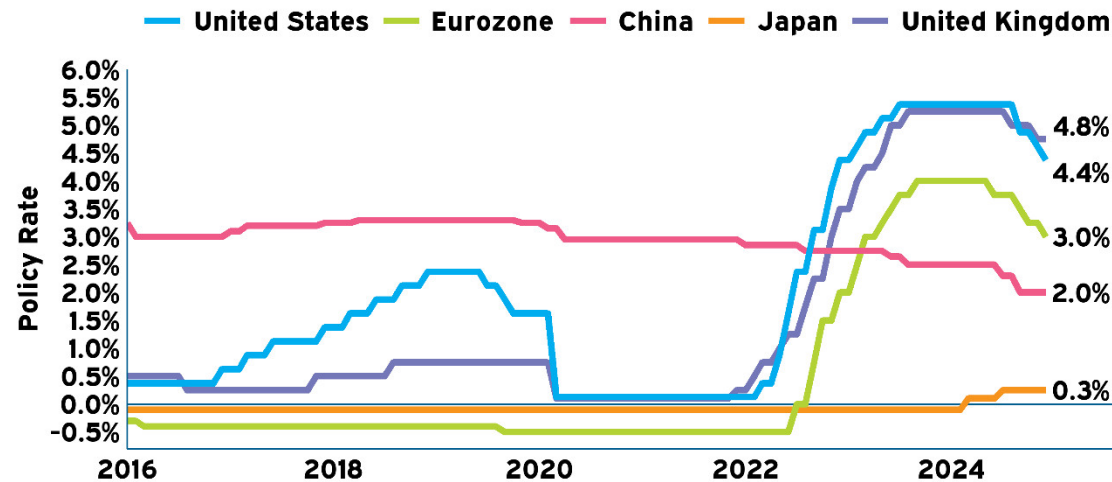
US Unemployment¹



- The unemployment rate stayed stable over the quarter at 4.1% with close to 500k jobs added to the economy since the end of September.
- In December, the health care (+46K), retail (+43K), and government (+33K) sectors added jobs, while retail – which lost jobs in November – rebounded (+43K) jobs.
- Job openings (8.1M) rose over last month's openings (7.7M) but are well below pandemic highs (>12M); the number of openings exceeds the number of unemployed workers looking for work (6.9M).
- Separations (5.1M) and hires (5.3M) remain steady and average hourly wages continue to grow at approximately 3.9% a year.

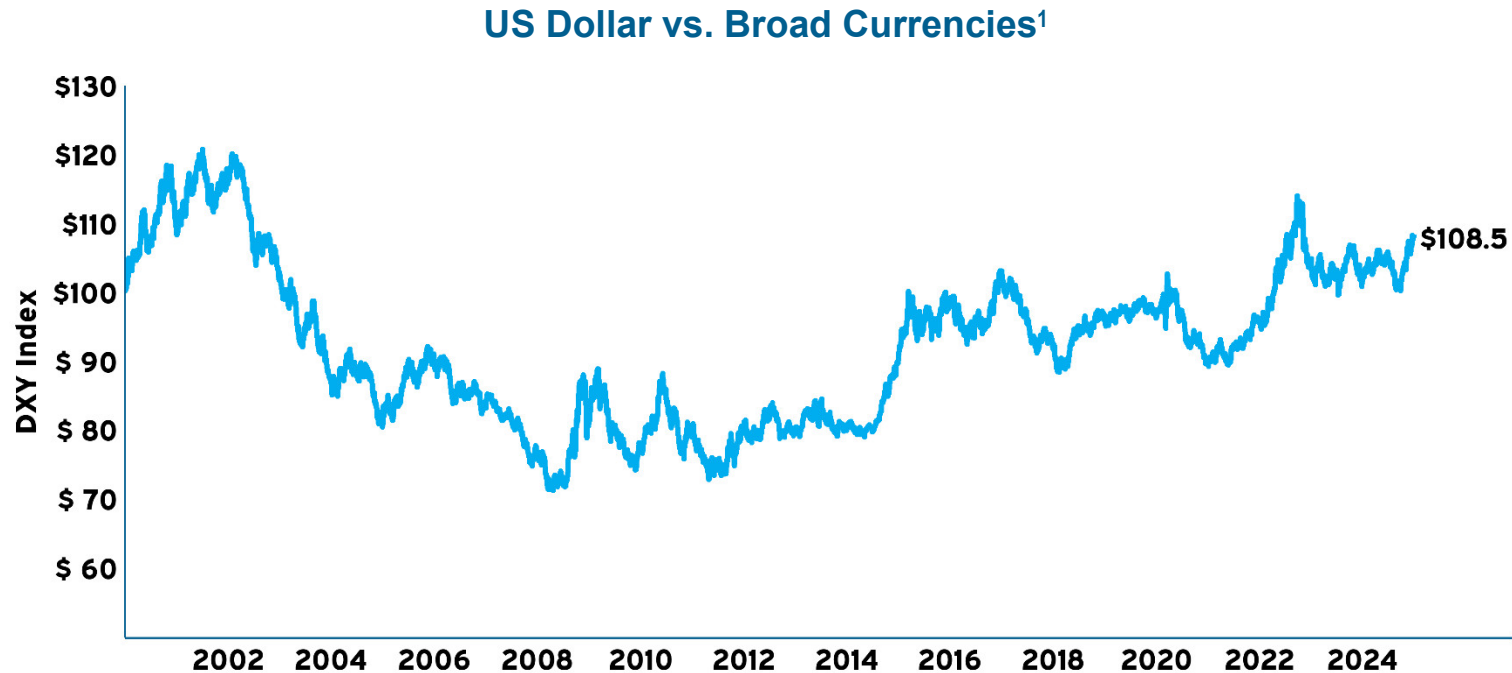
¹ Source: FRED and BLS. Data is as of December 31, 2024.

Policy Rates¹



- In the US, the Fed reduced interest rates by 0.25% twice over the quarter to a range of 4.25% to 4.50%, in moves largely expected by investors. Going forward, questions remain about the timing and amount of additional cuts given the strength of the economy and persistent above-target inflation.
- The Bank of England left rates unchanged in December after their November 0.25% cut, while the European Central Bank cut rates by another 0.25% in early December.
- After exiting negative interest rates in 2024 and making several rate increases, rate cutting by other major central banks are complicating prospects for further policy rate hikes in Japan.

¹ Source: Bloomberg. Data is as of December 31, 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.



- Over the quarter, the US dollar sharply strengthened (+8.0%) versus other currencies.
- A rise in interest rates driven by potential inflationary impacts of proposed higher tariffs, lower taxes, and immigration policies from candidate, and now president-elect Trump, drove the dollar's gains.

¹ Source: Bloomberg. Data as of December 31, 2024.

Summary

Key Trends:

- According to the International Monetary Fund's (IMF) October report, global growth in 2025 is expected to be similar to 2024 at around 3.2% with most major economies predicted to avoid a recession.
- Questions remain about what policies will be implemented by the new administration in the US. Although deregulation and tax cuts could support growth, these policies, along with higher tariffs and restrictive immigration, could fan inflation. This will likely lead to additional uncertainty 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 suite of fiscal and financial policy stimulus measures. Thus far, these efforts have not increased weak consumer spending or helped the lingering trouble in the real estate sector. 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.

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

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security).

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. Portfolio Return- [Risk Free Rate+Beta*(market return-Risk Free Rate)].

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.

MEMORANDUM

TO: SJCERA Board of Retirement
FROM: Meketa Investment Group
DATE: March 14, 2025
RE: SJCERA Manager Certification Update: 4Q 2024 Overview and Responses

Summary of Responses

Meketa reviewed the SJCERA Quarterly Manager Certification Updates for the quarter ending December 31, 2024, from all funded managers. *In Meketa's opinion, of the responses we have received, the manager information reported for the quarter presents no significant concerns to the SJCERA portfolio.* Meketa's opinion is based on the written responses and on Meketa's conversations with managers that reported senior investment personnel or management departures.

The managers' responses indicate that¹:

- All funded managers reported:
 - Registered Investment Advisor in Good Standing, or are exempt,
 - Compliance with Plan Investment Policy,
 - Compliance with SJCERA's Manager Guidelines, or N/A,
 - Reconciliation against the custodian, or N/A,
 - Compliance with own internal risk management policies and procedures, and
 - Delivered current ADV, SSAE-16 or equivalent Annual Financial Audits, as available.
- Six Managers reported litigation or regulatory investigation information:
- AQR, Ares Management, LLC, Loomis Sayles, Morgan Creek, Mount Lucas and Oaktree
- Eight managers reported investment team changes:
- Angelo Gordon, Ares, Berkeley, Dodge & Cox, HPS, Mesa West, Ocean Avenue, and White Oak
- Six managers reported material management changes:
- Angelo Gordon, Neuberger Berman, Northern Trust, Ocean Avenue, Prologis, and Stockbridge
- One manager reported material business changes: HPS
- Twelve Managers did not complete the survey in time for the publishing of this report:
- Almanac, Bessemer, Blackrock, Davidson Kempner, Grandview, Lightspeed, Ridgemont, PIMCO, Crestline, Graham, Stone Harbor, and DWS/REEF

¹ Managers' responses to footnoted ("**") questions begin on page 6.

SJCERA Overview of Investment Manager Compliance Report

		Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
Manager	Sub-Segment	RIA in Good Standing; RIA	Complied with Plan Investment Policy	Complied w/ Mgr. Guidelines	Reconciled With Custodian	Litigation	Investment Personnel Changes	Mgmt. Changes	Material Business Changes	Complied Internal Risk Mgmt.	Sent Fncl Stmtnts
Aggressive Growth											
BlackRock**	Global Infrastructure										
BlackRock**	Global Energy and Power										
Ocean Avenue	PE Buyout FOF	Yes	Yes	Yes	Yes	No	Yes*	Yes*	No	Yes	Yes
Lightspeed Venture Partners**	Growth Stage VC										
Morgan Creek	Multi-Strat FOF	Yes	Yes	Yes	N/A	Yes*	No	No	No	Yes	Yes
Stellrex Capital Partners	PE Special Situations	Yes	Yes	Yes	N/A	No	No	No	No	Yes	No
AG Core Plus	Pvt. Non-core RE	Yes	Yes	Yes	N/A	No*	Yes*	Yes*	No	Yes	Yes
Almanac Realty**	Pvt. Non-core RE										
Greenfield/Grandview**	Pvt. Non-core RE										
Stockbridge	Pvt. Non-core RE	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes
Walton Street	Pvt. Non-core RE	Yes	Yes	Yes	Yes	No*	No	No	No*	Yes	Yes
Ridgmont Equity Partners**	PE Buyout										
Long Arc Capital	Growth Stage VC	Yes	Yes	Yes	Yes	No	No	No	No	Yes	Yes
Bessemer**	Venture Capital										
Traditional Growth											
Northern Trust	All Cap Global	Yes	Yes	Yes	Yes	No	No	Yes*	No	Yes	Yes
GQG	Emerging Mkts.	Yes	Yes	Yes	Yes	No*	No	No	No*	Yes*	Yes
PIMCO**	Emerging Mkts.										
Stabilized Growth											
Bridgewater**	Risk Parity										
Ares Pathfinder II	Private Credit	Yes	Yes	Yes	N/A	Yes*	Yes*	No	No*	Yes	Yes
Neuberger Berman	Opp. Credit	Yes	Yes	Yes	Yes	No	No	Yes*	No	Yes	No
Stone Harbor (Newfleet)**	Bank Loans/Abs Return										
BlackRock**	Direct Lending										
Crestline**	Opportunistic										
Davidson Kempner**	Opportunistic										
Mesa West	Comm. Mortgage	Yes	Yes	Yes	Yes	No	Yes*	No	No	Yes	No
Oaktree	Leveraged Direct	Yes	Yes	Yes	Yes	Yes*	No	No	No	Yes	No
HPS	Direct Lending	Yes	Yes	Yes	No*	Yes*	Yes*	No	Yes*	Yes	Yes

Manager	Sub-Segment	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
		RIA in Good Standing; RIA	Complied with Plan Investment Policy	Complied w/ Mgr. Guidelines	Reconciled With Custodian	Litigation	Investment Personnel Changes	Mgmt. Changes	Material Business Changes	Complied Internal Risk Mgmt.	Sent Fncl Stmnts
Raven Capital	Direct Lending	Yes	Yes	Yes	Yes	No	No	No	No	Yes	Yes
White Oak	Direct Lending	Yes	Yes	Yes	Yes	No*	Yes*	No	No	Yes	Yes
Berkeley Partners	Value Add RE	Yes	Yes	Yes	N/A	No	Yes*	No	No	Yes	Yes
Principal	Pvt. Core RE	Yes	Yes*	Yes	N/A*	No*	No*	No*	No	Yes	Yes
Prologis Targeted U.S.	Pvt. Core RE	N/A*	Yes	Yes	N/A	No*	No	Yes*	No	Yes	Yes
DWS / RREEF**	Pvt. Core RE										
Principal Protection											
Dodge & Cox	Core Fixed Income	Yes	Yes	Yes	Yes	No*	Yes*	No*	No	Yes	Yes
Loomis Sayles	Core Fixed Income	Yes	Yes	Yes	N/A	Yes*	No	No	No	Yes	Yes
Crisis Risk OffsetSM											
Dodge & Cox	Long Duration	Yes	Yes	Yes	Yes	No*	Yes*	No*	No	Yes	Yes
Mount Lucas	Syst. Trend Following	Yes	Yes	Yes	Yes	Yes*	No	No	No	Yes	Yes
Graham	Syst. Trend Following										
AQR	Alt. Risk Premia	Yes	Yes	Yes	Yes	Yes*	No	No	No	Yes	Yes
PE Investments	Alt. Risk Premia	Yes	Yes	Yes	Yes	No	No	No	No	Yes	No
Overlay											
Parametric	PIOS Overlay Prgm	Yes	Yes	Yes	Yes	No	No	No	No	Yes	Yes
Consultant											
Meketa	Consultant	Yes	Yes	Yes	Yes	No	No	No	No	Yes	Yes

* Detailed written response provided below

** Manager did not complete survey in time.

Performance Information through December 31, 2024								
Manager	Sub-Segment	Inception Date	Status	Benchmark	Ann. Excess (bps)		Peer Ranking	
					3 Yrs	5 Yrs	3 Yrs	5 Yrs
Aggressive Growth								
BlackRock	Global Infrastructure	06/2023	Good Standing	MSCI ACWI +2%	n/a	n/a	n/a	n/a
BlackRock	Global Energy	7/2019	Good Standing	MSCI ACWI +2%	80	n/a	n/a	n/a
Bessemer Forge Fund	PE Buyout	09/2023	Good Standing	MSCI ACWI +2%	n/a	n/a	n/a	n/a
Lightspeed	Growth Stage VC	12/2023	Good Standing	MSCI ACWI +2%	n/a	n/a	n/a	n/a
Long Arc	Growth Stage VC	06/2023	Good Standing	MSCI ACWI +2%	n/a	n/a	n/a	n/a
Ocean Avenue II ¹	PE Buyout FOF	5/2013	Good Standing	MSCI ACWI +2%	-1,570	-280	n/a	n/a
Ocean Avenue III ¹	PE Buyout FOF	4/2016	Good Standing	MSCI ACWI +2%	260	330	n/a	n/a
Ocean Avenue IV	PE Buyout	12/2019	Good Standing	MSCI ACWI +2%	1,080	1,500	n/a	n/a
Ocean Avenue V	PE Buyout	06/2023	Good Standing	MSCI ACWI +2%	n/a	n/a	n/a	n/a
Morgan Creek III ⁴	Multi-Strat FOF	2/2015	Good Standing	MSCI ACWI +2%	-1,210	-2,080	n/a	n/a
Morgan Creek V ¹	Multi-Strat FOF	6/2013	Good Standing	MSCI ACWI +2%	-1,190	-990	n/a	n/a
Ridgemont Equity	Special Situation PE	6/2023	Good Standing	MSCI ACWI +2%	n/a	n/a	n/a	n/a
Morgan Creek VI ¹	Multi-Strat FOF	2/2015	Good Standing	MSCI ACWI +2%	-570	-400	n/a	n/a
Stellax Capital II	PE – Special Situations	7/2021	Good Standing	MSCI ACWI +2%	390	n/a	n/a	n/a
AG Core Plus IV ³	Pvt. Non-core RE	2014	Good Standing	Private RE Benchmark	-1,800	-1,090	n/a	n/a
Almanac Realty VI ³	Pvt. Non-core RE	2011	Good Standing	Private RE Benchmark	-860	-1,370	n/a	n/a
Berkeley Partners V ³	Pvt. Non-core RE	2020	Good Standing	Private RE Benchmark	660	n/a	n/a	n/a
Greenfield VII ³	Pvt. Non-core RE	2013	Good Standing	Private RE Benchmark	80	310	n/a	n/a
Grandview ³	Pvt. Non-core RE	2018	Good Standing	Private RE Benchmark	1,040	1,490	n/a	n/a
Stockbridge III ³	Pvt. Non-core RE	2017	Good Standing	Private RE Benchmark	-190	440	n/a	n/a
Walton Street VI ³	Pvt. Non-core RE	2007	Good Standing	Private RE Benchmark	730	80	n/a	n/a
Traditional Growth								
Northern Trust	All Cap Global	10/2020	Good Standing	MSCI ACWI IMI	30	n/a	n/a	n/a
GQG	Emerging Mkts.	8/2020	Good Standing	MSCI Emerging Markets	450	n/a	n/a	n/a
PIMCO	Emerging Mkts.	4/2007	Good Standing	MSCI Emerging Markets	610	580	n/a	n/a
Stabilized Growth								
Bridgewater ²	Risk Parity	3/2012	Good Standing	Bridgewater All Weather Blend	-870	-380	n/a	n/a
Neuberger Berman ¹	Opp. Credit	2/2019	Good Standing	33% HY Const./33% S&P LSTA LL/ 33% JPMEMBI Gbl Div.	-60	-20	n/a	n/a
Stone Harbor ¹	Abs. Return	4/2008	Good Standing	3-Month Libor	220	190	n/a	n/a
BlackRock	Direct Lending	05/2020	Good Standing	Custom Credit Benchmark	-450	n/a	n/a	n/a
Silver Rock	Direct Lending	06/2023	Good Standing	Custom Credit Benchmark	n/a	n/a	n/a	n/a
Crestline ¹	Opportunistic	11/2013	Good Standing	CPI +6%	-2,380	-1,710	n/a	n/a
Davidson Kempner ¹	Opportunistic	10/2020	Good Standing	CPI +6%	-430	n/a	n/a	n/a
Medley ¹	Direct Lending	7/2012	Good Standing	CPI +6%	-1,590	-1,610	n/a	n/a
Mesa West IV ¹	Comm. Mortgage	3/2017	Good Standing	CPI +6%	-2,260	-1,470	n/a	n/a
Oaktree ¹	Leveraged Direct	3/2018	Good Standing	MSCI ACWI +2%	-220	150	n/a	n/a
HPS	Direct Lending	8/2020	Good Standing	CPI +6%	-100	n/a	n/a	n/a
Raven Capital II ¹	Direct Lending	8/2014	Good Standing	CPI +6%	n/a	n/a	n/a	n/a

¹ Data is lagged 1 quarter.³ Annual Excess returns for Private Non-Core Real Estate are as of 3/31/2024, lagged 1 quarter.

Performance Information through December 31, 2024								
Manager	Sub-Segment	Inception Date	Status	Benchmark	Ann. Excess (bps)		Peer Ranking	
					3 Yrs	5 Yrs	3 Yrs	5 Yrs
Stabilized Growth (cont)								
Raven Capital III ¹	Direct Lending	8/2015	Good Standing	CPI +6%	-2,780	-1,860	n/a	n/a
White Oak Summit ¹	Direct Lending	3/2016	Good Standing	CPI +6%	-1,140	-990	n/a	n/a
White Oak Yield Spectrum ¹	Direct Lending	3/2020	Good Standing	CPI +6%	-1,080	n/a	n/a	n/a
Principal ³	Pvt. Core RE	10/2015	Good Standing	Private RE Benchmark	-30	-70	n/a	n/a
Prologis Targeted US ³	Pvt. Core RE	9/2007	Good Standing	Private RE Benchmark	700	990	n/a	n/a
DWS / RREEF ³	Pvt. Core RE	4/2016	Good Standing	Private RE Benchmark	-50	-50	n/a	n/a
Principal Protection								
Dodge & Cox	Core Fixed Income	10/1990	Good Standing	BB Aggregate Bond	200	180	n/a	n/a
Loomis Sayles	Core Fixed Income	4/2022	Good Standing	BB Aggregate Bond	n/a	n/a	n/a	n/a
Crisis Risk Offset¹								
Dodge & Cox	Long Duration	2/2016	Good Standing	BB US Long Duration Treasury	90	50	n/a	n/a
Mount Lucas	Sys. Trend Following	1/2005	Good Standing	BTOP50 Index	-210	210	n/a	n/a
Graham	Sys. Trend Following	4/2016	Good Standing	SG Trend	-70	-180	n/a	n/a
AQR	Alt. Risk Premia	5/2016	Good Standing	5% Annual	1,180	620	n/a	n/a
P/E Investments	Alt. Risk Premia	7/2016	Good Standing	5% Annual	260	-470	n/a	n/a
Other								
Northern Trust	Govt. Short Term	1/1995	Good Standing	US T-Bills	-70	-40	n/a	n/a
Parametric	Long Duration	1/2020	Good Standing	n/a	n/a	n/a	n/a	n/a

¹ Data is lagged 1 quarter.

Manager Responses

This section includes the verbatim text of the manager's response to any highlighted questions to provide more detail to the table above.

Angelo Gordon Litigation

Please see attached for TPG AG's Litigation Disclosure.

Angelo Gordon Investment Personnel Changes

Name	Title	Responsibility	Departed Date
Abhishek Yellumahanti	Analyst	Eastern US	10/21/2024
Cory Elbaum	Managing Director	New York Tri-State Area	11/21/2024

Angelo Gordon Management Personnel Changes

The Firm recently announced that Josh Baumgarten has decided to transition from the Firm effective as of year-end to pursue other opportunities that are consistent with his own personal goals and objectives.

Please see "TPG Update--Credit Leadership" attached for additional details.

AQR Litigation

As of November 2024, AQR and an AQR employee based in California, Bill Latimer ("Latimer"), are defendants in a pending litigation in Connecticut state court regarding a non-compete dispute with Latimer's former employer, Graham Capital Management, L.P. ("GCM"). The litigation does not materially impact AQR's financial condition, nor does it relate to AQR's management of client assets or its provision of investment advisory services. Latimer is also the plaintiff in an action against GCM in California state court arising from the same non-compete dispute; AQR is not a party to that action.

Ares Management Litigation

Litigation

Ares Management Corporation, an alternative investment management firm and sponsor of various investment funds (the "Ares Funds"), and certain of its affiliated entities, including Ares Management LLC and its direct and indirect subsidiaries ("Ares"), as well as certain employees of Ares, have been included in certain proceedings in the normal course of business.

Other than as disclosed in public filings, there are no actions pending or threatened at the current time that are material to Ares Management Corporation, the Ares Funds or Ares. Publicly filed reports are available at the following address: <https://ir.aresmgmt.com/sec-filings/>

Regulatory Proceedings

As a registered investment adviser with the US Securities and Exchange Commission (“SEC”), Ares Management LLC and its affiliates and personnel (collectively, “Ares”) are subject to examinations by regulators in the ordinary course of business.

On October 2, 2024, Ares Management Asia (Mauritius) Limited (“AMAMU”) was notified by the Mauritius Financial Services Commission (“FSC”) of a routine regulatory inspection, which Ares believes this inspection was initiated in the ordinary course of business. On December 13, 2024, the FSC notified AMAMU that it had closed its inspection. While the exit letter set out a recommendation within business risk assessment process, there were no findings of any violations or deficiencies.

On November 13, 2024, Ares Management LLC (inclusive of its relying advisers), Ares Capital Management LLC and Ares Capital Management II LLC received a notification of an examination from the Private Funds Unit of the Division of Examinations of the SEC, which Ares believes was initiated in the ordinary course of business.

In addition, in the ordinary course of business Ares Management and/or its affiliated entities or personnel receive inquiries, subpoenas or other requests for information from regulatory bodies including, but not limited to, the SEC and FINRA in connection with inquiries and/or investigations conducted by such regulatory bodies. Ares and its personnel have responded to such inquiries, including producing requested documents.

Ares Management Investment Personnel Changes

Additions

Below please find the senior investment professional (Principal and above) addition to the Ares Alternative Credit Team (the “Team”), the team responsible for managing the Fund, during the one - quarter period ending December 31, 2024.

Name	Title	Date of Hire
Lekith Lokesh	Managing Director	12/1/2024

Additionally, three professionals at the Vice President level and below were hired to the Team during the one-quarter period ending December 31, 2024.

Departures

There were no senior investment professional (Principal and above) departures and two departures at the Vice President level and below from the Team during the one-quarter period ending December 31, 2024.

Ares expects to experience moderate turnover at the junior levels as it is typical for professionals at those levels to attend graduate school or pursue other interests^[1].

The Team has been organized such that there are co-portfolio managers for each investment strategy. This structure is designed to mitigate risks associated with personnel departures.

Overall, we believe the turnover of senior investment professionals has historically been very modest and Ares believes it is lower than is typical for our peer group.

Other Changes

At the beginning of 2025, Ares appointed Kevin Alexander, Partner, as Co-Head of Alternative Credit alongside current Co-Heads Keith Ashton and Joel Holsinger. Please refer to the press release via the link provided below for additional details.

<https://ir.aresmgmt.com/news/ares-management-appoints-kevin-alexander-as-co-head-of-alternative-credit/4795400e-3fff-4eb4-ad28-cec28f8630ab/>

[1] Forward looking statements are not reliable indicators of future events and no guarantee or assurance is given that such activities will occur as expected or at all.

Ares Management Management Personnel Changes

While there were no material personnel changes at the management level during the one-quarter period ending December 31, 2024, please note in February 2025, Ares appointed Kipp deVeer and Blair Jacobson to the newly created positions of Co-Presidents. Both Mr. deVeer and Mr. Jacobson will report to Michael Arougheti, Ares' Chief Executive Officer. Mr. deVeer and Mr. Jacobson will work closely with Mr. Arougheti to help drive firmwide strategic and operational initiatives, support critical investor and counterparty relationships, and continue to develop the next generation of leaders at Ares. In connection with these appointments, Mitchell Goldstein and Michael Smith will continue to serve as Co-Heads of Ares Credit Group, which they have co-led since 2017. Michael Dennis and Matt Theodorakis will continue to jointly lead the European Direct Lending strategy.

Ares Management Material Business Changes

Acquisitions

In October 2024, Ares announced that it has entered into a definitive agreement to acquire the international business of GLP Capital Partners Limited and certain of its affiliates, excluding its operations in Greater China. GCP International is a leading global alternative asset management firm focused on industrial and new economy sectors with approximately \$44 billion of AUM^[1], as of June 30, 2024. The transaction is expected to close in the first half of 2025 subject to customary regulatory approvals and other closing conditions.

In December 2024, Ares Management Corporation acquired Walton Street Capital Mexico S. de R.L. de C.V. and certain of its affiliates ("Walton Street Mexico"), a leading real estate asset management platform focused primarily on the industrial sector in the Mexico market.

Ownership

While there were no material changes to the firm's ownership, please refer to the following update.

Ares Management Corporation held its initial public offering in May 2014. Ares^[2] is owned approximately 37.4% by members of its senior management team, 57.3% by public ownership and 5.4% by SMBC^[3] as of December 31, 2024^[4].

From time to time, as a public company, Ares Management may issue additional shares of common stock and other securities.

[1] Assets Under Management ("AUM") is estimated based on Ares definition of AUM and may differ from GCP International's historical definition and the AUM amount is subject to change. No assurance that the announced acquisition closes as described.

[2] In this instance Ares refers to Ares Operating Group, which includes Ares Holdings, L.P., which is a subsidiary of Ares Management Corporation. (NYSE: ARES and NYSE: ARES.PRA).

[3] Sumitomo Mitsui Banking Corporation ("SMBC").

[4] All percentages shown are direct and indirect interests on an aggregate and as-exchanged basis. Ownership percentages are rounded up to the nearest single decimal. As such, percentages may not foot due to rounding.

Berkeley Partners Investment Personnel Changes

In December 2024, the following promotions occurred:

- Mallory Gonzalez, Senior Vice President, Investments
- Erin Watson, Vice President, Capital Formation & Investor Relations
- Mark Senter, Director, Investments
- Preston Tobin, Director, Asset Management
- Connie Yu, Director, Investor Reporting
- Kate Emrich, Fund Controller

Dodge & Cox Litigation

Dodge & Cox, by the nature of its business, may receive third-party subpoenas in the normal course of doing business and may also become involved in civil litigation. Nevertheless, as of quarter end, Dodge & Cox and its officers/employees have not been involved in any material litigation during the relevant time period. Dodge & Cox has not been investigated by any regulator or involved in any regulatory enforcement action during the relevant time period.

Dodge & Cox Investment Personnel Changes

Dodge & Cox has experienced an extremely low level of personnel turnover throughout our history. There were no additions and two departures in the past quarter. As announced last year, Mario DiPrisco, Vice President, member of the International Equity Investment Committee (IEIC) and the Emerging Markets Equity Investment Committee (EMEIC) and Global Industry Analyst, retired on December 31, 2024, after more than 25 years of distinguished service at Dodge & Cox. Karol Marcin, Vice President, member of the US Equity and Global Equity Investment Committees and Global Industry Analyst, resigned from the firm after 24 years at Dodge & Cox. Our global industry analysts are a critical shared resource between the fixed income and equity portfolio management teams.

Dodge & Cox Management Personnel Changes

Gradual and thoughtful transition of leadership is a hallmark of our firm. To ensure continuity of our investment philosophy, research process, and culture, we spend considerable time planning for leadership succession, and evolve the composition of our Investment Committees gradually. We select Investment Committee members based on their long-term contributions to our research and investment processes as analysts and members of our Sector Committees, and their demonstrated interest in portfolio strategy.

As we have traditionally done this time of year, we are announcing a planned firm leadership retirement and several changes to our Investment Committees.

After an extraordinary career of more than four decades at Dodge & Cox, including over a decade co-leading the firm and over 25 years as Director of Fixed Income, **Dana Emery**, Chair and CEO, has decided to retire on December 31, 2025. Under her leadership, the firm has globalized our research, investment strategies, and our client service capabilities. Dana will continue to serve in her firm leadership and Investment Committee roles and as Chair of the Dodge & Cox Funds Board until her retirement, and she will gradually transition her responsibilities over the course of the year.

On January 1, 2026, **David Hoeft** will succeed Dana as Chair and continue in his CIO role. **Roger Kuo** will succeed Dana as CEO of the firm and Chair of the Dodge & Cox Funds, while continuing to serve as President of the firm. David and Roger, who joined the firm in 1993 and 1998, respectively, will represent our sixth generation of leadership since 1930. David and Roger will partner with the other Dodge & Cox Board members—**Phil Barret, Lucy Johns, and Ray Mertens**—and other senior leaders to build on the firm's long history of success.

As previously announced, we have the upcoming changes to our Operational Leadership and Investment Committees.

Bill Strickland, COO will be retiring on June 30, 2025. **Hallie Marshall** assumed the role of Associate COO on June 30, 2024 and will succeed Bill as COO when he retires. In conjunction with Bill's retirement, **Sarah Clifford** will assume oversight of various administrative functions such as business continuity, corporate communications, facilities management, and resource planning, as Director of Human Capital and Administration.

DWS RREEF Litigation

DWS Group GmbH & Co. KGaA and its various subsidiaries (Collectively "DWS"), which includes RREEF America L.L.C. (RREEF), are global financial institutions with numerous domestic and foreign affiliates. In the course of its businesses, these affiliates are, or may be subject to litigation and arbitration and to regulatory examinations, investigations and inquiries. To the best of our knowledge, none is currently expected to have a material adverse effect on the ability of DWS to execute its investment duties and responsibilities to your accounts. DWS reports these matters as required by law or regulation and disclose any significant legal proceedings, including litigation and regulatory matters in its annual reports. DWS Group's filings are available on its website at <https://group.dws.com/ir/reports-andevents/> (<https://group.dws.com/ir/reports-andevents/>). For RREEF, please refer to the Form ADV Part 1 for disclosures for these entities with respect to criminal, regulatory and civil actions, if applicable, against RREEF, its officers, directors and employees, and entities controlling, controlled by or under common control with either of those entities. Please note, we may be subject to confidentiality restrictions and prohibited from disclosing information concerning certain inquiries or investigations.

GQG Litigation

To GQG Partners LLC's ("GQG") knowledge, during the past quarter, there have not been, and GQG does not expect, any criminal, civil, regulatory or administrative proceedings involving GQG that would likely have a material adverse impact on GQG.

As previously reported, in 3Q2024, GQG initiated one legal proceeding, to request declaratory judgment in Florida on the basis that a matter, brought by a former employee in state court in California relating to forfeited sales commissions, should be adjudicated in Florida and Florida law should apply. The California matter was dismissed without prejudice on December 18, 2024, but the Florida action is ongoing.

GQG Internal Compliance

On occasion there may be breaches of the firm's policies and procedures. As a matter of policy, all instances are escalated to the firm's Chief Compliance Officer.

HPS Custodian Reconciliation

We expect SJCERA's account to be reconciled with the Fund's Administrator, Harmonic Fund Services, for the fourth quarter of 2024 by March 2025. The custodian is Harmonic Fund Services.

HPS Litigation

To our knowledge, there is no litigation involving the Firm that HPS believes will have a material adverse effect upon the Firm. The Firm is not currently undergoing a regulatory examination.

HPS Investment Personnel Changes

During the fourth quarter of 2024, there was one departure at the Vice President level or above from the dedicated Asset Value team.

HPS Material Business Changes

In December 2024, HPS announced that it had entered into a definitive agreement for BlackRock Inc. ("BlackRock") to acquire HPS, which is expected to close in Q2 2025, subject to receipt of certain consents from investors in HPS funds and accounts, regulatory approvals and satisfaction of other customary closing conditions. As part of the transaction, BlackRock's existing private credit, CLO and GP/LP solutions businesses will be brought together with HPS in a newly formed private financing solutions business unit and the HPS senior leadership team will assume full managerial responsibility for the combined enterprise.

Loomis Sayles Litigation

Loomis, Sayles & Company, L.P. ("Loomis Sayles" or the "Firm"), and its affiliates under its control, are not a party to any litigation, administrative action or regulatory matters that would have a material impact on its ability to conduct investment management business. The following matters involving Loomis Sayles, and its affiliates under its control, are not deemed to be material in nature, except that the Citigroup matter may be considered material to the accounts involved in the trading acting as described below.

In August 2022, Loomis Sayles Trust Company, LLC ("LSTC") filed a class action complaint against Citigroup in the United States District Court for the Southern District of New York ("Court") alleging

Citigroup's failure to properly execute trades as LSTC's broker. On March 18, 2022, Loomis Sayles engaged Citigroup to execute certain transactions on behalf of the Loomis Sayles Growth Equity Strategies portfolios. The complaint alleges that Citigroup failed to achieve best execution in connection with two large orders among the transactions resulting in harm to certain of LSTC's funds and to certain clients of Loomis Sayles (collectively with LSTC, "Loomis Sayles"). Loomis Sayles believes Citigroup failed to meet its legal obligations to take diligent and reasonable efforts to maximize the economic benefit to LSTC's affected funds and the clients of Loomis Sayles. In the complaint, LSTC alleges that Citigroup failed to discharge its fiduciary duty, including its duty of care, by failing to achieve best execution on these orders. The complaint further alleges that Citigroup's conduct resulted in significantly dislocated prices on the executed trades. It is important to note that this complaint is specific to the failed execution of two trades and does not extend to other aspects of Loomis Sayles' work with Citigroup. Loomis Sayles intends to continue to engage constructively with Citigroup on other client matters, but determined that litigation in this instance is necessary to protect clients that were impacted by these transactions.

All fact discovery for the case, including depositions of each party, document production and expert depositions, has been completed. In November 2022, Citigroup filed a motion to dismiss the complaint. In February 2023, the Court converted the motion to dismiss to a motion for summary judgment. On July 28, 2023, the Court denied Citigroup's converted motion for summary judgment (without prejudice to renew upon the submission of additional evidence). The Court also ordered the parties to engage in private mediation which took place on September 21, 2023. The confidential mediation was unsuccessful. As with most large litigations, the parties are free to pursue mediation again as the litigation progresses.

In October 2023, the Court set the schedule for the next phase of the litigation and established a briefing schedule for Citigroup's anticipated summary judgment motion, while deferring LSTC's class certification motion and the setting of a trial date.

On November 1, 2023, Citigroup filed a motion for summary judgment arguing that it complied with the trading instructions and any duty it owed. On November 30, 2023, LSTC filed its opposition to Citigroup's motion for summary judgment arguing that the case must go to the jury for resolution, and Citigroup filed a reply brief on December 21, 2023. On September 26, 2024, the Court denied Citigroup's motion for summary judgment and set a trial date for February 10, 2025. Subsequently, the parties requested that the Court set out a schedule to consider certifying plaintiffs as a class. The Court agreed, instructing LSTC to file its brief in support of class certification by October 21, 2024, Citigroup to file its opposition to class certification by November 20, 2024, and LSTC to file its reply by January 10, 2025. As a result, the Court said it would reschedule the trial for an unspecified future date after its class certification decision.

On July 19, 2024, a former consultant to Loomis Sayles filed a complaint with the Commonwealth of Massachusetts Commission Against Discrimination ("MCAD"). The consultant alleges discrimination on the basis of disability. Loomis Sayles denies the allegations made in the complaint in the entirety on both substantive and jurisdictional grounds, and submitted a response to the MCAD in support of its position. Pursuant to its standard investigation practices, the MCAD will conduct an investigative conference on February 6, 2025.

Regulatory Contact Involving Loomis Sayles and its Affiliate under its Control

On November 8, 2024, Loomis Sayles Trust Company, LLC ("LSTC") was notified that the New Hampshire Banking Department ("NHBD") would begin an examination of LSTC beginning on January 6, 2025. This is a routine examination conducted by NHBD on a regular basis. LSTC has provided all documents requested by NHBD to date.

Mesa West Investment Personnel Changes

Turnover in the ordinary course of business has occurred among junior to mid-level employees. Hal Pohl joined the Asset Management team in October 2024 as Executive Director.

Morgan Creek Capital Management Litigation

A former employee has filed a suit against the firm. We do not believe it is material to our business.

Mount Lucas Management Litigation

Mount Lucas has been selected by the SEC for an exam. The start date of the exam has not yet been scheduled

Neuberger Berman Management Personnel Changes

Effective December 31, 2024, **Ashok Bhatia** will assume the role of Chief Investment Officer and Global Head of Fixed Income. **Brad Tank**, predecessor and Co-Chief Investment Officer over the past year, will transition to a Senior Advisor role and will no longer serve as a PM on our Core Bond and Multi-Sector Fixed Income strategies.

Northern Trust Management Personnel Changes

SENIOR MANAGEMENT CHANGES

→ As a result of the constantly changing landscape of asset management, we believe the occasional organizational changes are a natural progression and necessary in order to adapt to new market and regulatory environments. The most recent changes to senior personnel are the following:

2024

→ **October**; Rob Anstine has been named Head of Equity Index, US effective October 1, replacing Brent Reeder who left the firm.

Oaktree Litigation

Oaktree is subject to the authority of a number of regulators both within and outside the United States, including the US Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority ("FINRA"), and those authorities regularly conduct examinations of Oaktree and make other inquiries. No litigation or regulatory action has had a material adverse financial impact upon Oaktree or any of the funds it manages and Oaktree is not aware of any pending litigation or regulatory enforcement action that might reasonably be expected to have such an effect.

A summary of active regulatory inquiries is below.

On September 12, 2024, Oaktree (Beijing) Investment Management Co., Ltd. ("OBIM") was subject to an onsite inspection conducted by the Beijing Financial Bureau ("BFB"), the People's Bank of China, the State Administration of Foreign Exchange, and the State Administration for Market Regulation. This is part of an onsite inspection that these regulators are conducting for all Qualified Domestic Limited Partnership fund managers based in Beijing, China that includes OBIM. This inspection is ongoing, and we continue to cooperate with the regulators' requests and inquiries.

On September 19, 2024, Oaktree Overseas Investment Fund Management (Shanghai) Co., Ltd ("OOSH") was notified by the Shanghai Financial Bureau regarding an examination for all Qualified Domestic Limited Partnership fund managers based in Shanghai, China that include OOSH. We are cooperating with the inquiry and provided the requested information.

On June 28, 2024, we received a request for information from the SEC's Enforcement Division relating to Collateralized Fund Obligations. We are cooperating with the SEC's inquiry.

On October 2, 2023 we received an inquiry from the SEC Enforcement Division regarding our participation in certain Ad Hoc Creditor Committees. We are cooperating with the inquiry and providing the requested information.

On September 8, 2022, the CSSF (Luxembourg regulator) initiated a routine examination of LFE European Asset Management Sarl (the AIFM). The exam has not been officially closed yet with the last batch of information being shared with the CSSF in May 2024. Therefore, no findings or comment received.

On March 12, 2024, FINRA's Surveillance and Market Intelligence – Market Abuse Unit informed us they are conducting a routine review of trading in the common stock of an issuer and requested that we provide information relating to this review. We are cooperating with FINRA's request and are providing the requested information.

Ocean Avenue Investment Personnel Changes

There were two investment team departures during the period. Tal Weiss was a Senior Associate within the Investment Team whose responsibilities have since been taken over by Ryan Silverman (Senior Associate). Colin Johnson was an Associate within the Investment Team whose responsibilities have since been taken over by David Rich (Senior Analyst).

Ocean Avenue Management Personnel Changes

There was one personnel change at the management level of the firm during the quarter. Melody Bombad (CFO) departed Ocean Avenue Capital Partners. Her responsibilities have been taken over by Matt Kahn (Operations Vice President).

Principal Compliance with SJCERA IPS

Yes, we verify that the portfolio is currently, and has been during the past quarter, in compliance with the investment policy guidelines/offering document governing the management of the investment.

Principal Real Estate (the "Manager") is responsible for the day-to-day investment management of the Principal US Property Separate Account (the "Account"). The Manager acknowledges and accepts that

it is a fiduciary under ERISA for those assets under its management for the Account, including certain assets of San Joaquin County Employees Retirement Association ("SJCERA"). The Trustees have decided to utilize the Account as the investment instrument for certain assets of SJCERA. The Trustees acknowledge that the Investment Policy Statement of SJCERA differ from the exact investment objectives, policies and restrictions of the Account. No material changes have been made to the investment policy guidelines governing the management of the Account, though the guidelines are reviewed and potentially revised on at least an annual basis.

Principal Litigation

Given the size and scope of our operations we are occasionally involved in litigation, both as a defendant and as a plaintiff. However, management does not believe that any pending litigation will have a material adverse effect on our business, financial position or net income. Please see our public filings for details. Also, regulatory bodies, such as the SEC, the Financial Industry Regulatory Authority, the Department of Labor and other regulatory bodies regularly make routine inquiries and conduct examinations or investigations concerning our compliance with, among other things, securities laws, ERISA and laws governing the activities of investment advisors. While the outcome of any regulatory matter cannot be predicted, management does not believe that any regulatory matter will have a material adverse effect on our business, financial position or our ability to fully perform our duties to clients.

Principal Investment Personnel Changes

There were no additions or departures from the Account portfolio management team during the fourth quarter. The portfolio management team is comprised of Darren Kleis (Managing Director Portfolio Management), Kyle Elfers (Managing Director Portfolio Management), Bridget Lechtenberg (Portfolio Manager), Ross Johnson (Sr. Portfolio Analyst), and Ellen Bennett (Portfolio Analyst).

Principal Management Changes

Principal Real Estate has experienced limited turnover of its senior management over the past 15 years. Our organizational culture is woven by a commitment to teamwork and state-of-the-art tools which provide the firm with a resilient response to staff turnover.

Prologis Standing as an RIA

Investment advisors are required to register with the SEC as a Registered Investment Advisor (RIA) if they are in the business of providing advice or issuing reports or analyses regarding securities. The SEC has stated that direct interests in real estate are not securities. Prologis' vehicles invest in real estate directly. For example, USLF does not invest in the stock of other real estate companies or in other public or private funds that own real estate – USLF invests in real estate directly. Because USLF invests in real estate directly and because the SEC has stated that direct real estate investments are not securities, we have with the advice of external legal counsel determined that Prologis is not required to register as an RIA.

The ultimate parent company of Prologis is Prologis, Inc. which is a publicly traded company on the NYSE. As a publicly traded company, Prologis is subject to SEC reporting and the corporate governance and legal requirements applicable to other US public companies. In addition, the general partner of USLF is Prologis, L.P., which is the operating subsidiary through which Prologis Inc. carries out the vast majority of its operations. Prologis, L.P. is large and well-capitalized.

Prologis Litigation

Prologis, Inc. is a publicly traded company with global operations. In the normal course of business, from time to time, Prologis may be involved in legal actions and environmental matters relating to the ownership and operations of its properties. Management does not expect that the liabilities, if any, that may ultimately result from such legal actions would have a material adverse effect on the financial position, results of operations or cash flows of Prologis. Except as has been previously disclosed in public filings as of December 31, 2024, there were no material pending legal proceedings or environmental matters to which Prologis is a party or of which any of its properties is the subject, the determination of which Prologis anticipates would have a material adverse effect upon its or the Fund's financial condition and results of operations. Additionally, during the past one year, to its knowledge, Prologis has not been the subject of any investigation for violation or potential violation of applicable law by the SEC or other regulatory organization which could result in a material adverse effect on the company or its investors. Item 401(f) of the SEC's Regulation S-K requires Prologis to report certain legal proceedings that are material to an evaluation of the ability or integrity of any director or persons nominated to become directors. None of the events described in Item 401(f) of Regulation S-K have occurred with respect to any director or executive officer of Prologis (including Former Prologis or Former AMB) during the past ten years.

Prologis Management Changes

Yes, in February 2025, Prologis announced the retirement of its co-founder, Hamid Moghadam, from his CEO role, effective January 1, 2026. Mr. Moghadam will continue as executive chairman, providing strategic guidance consistent with the company's mission of "enduring excellence." As part of the company's succession plan, Dan Letter, currently president, will succeed Mr. Moghadam as CEO. Mr. Letter will also join the company's Board of Directors, effective immediately.

At the end of 2024, Ed Nekritz , chief legal officer, and Colleen McKeown, chief human resources officer, retired. They will both serve as senior advisors in 2025. Deborah Briones became Prologis' new chief legal officer and general counsel and Nathaalie Carey became Prologis' new chief human resources officer.

Raven Capital Custodian Reconciliation

SS&C Technologies, Inc. reconciles all cash to the balances maintained with the fund's bank, JP Morgan, formerly First Republic Bank. Additionally, Raven's operations team will track daily cash movements for the fund and will reconcile them to SS&C's books and records as well. SJCERA's investment in the Raven Asset - Based Opportunity Fund III is audited annually by Deloitte & Touche LLP.

Stockbridge Management Changes

Effective January 1, 2025, Tuba Malinowski, Managing Director and Co-Portfolio Manager of the firm's ODCE Fund (Smart Markets Fund), has been promoted to Executive Managing Director and Head of Core and Value Advisors, LLC ("CVA"). Tuba will lead the day-to-day management of CVA's overall business and strategy, in

addition to continuing her role on the broader firm's Investment and Executive Committees. Tuba succeeds Sol Raso who has led CVA since late 2015. Sol is transitioning to a new role at Stockbridge, focusing on firm - wide growth initiatives and capital formation leadership.

Stone Harbor (Newfleet) Investment Personnel Changes

David Griffiths sadly passed away on September 18, 2024. David was a member of Stone Harbor which like Newfleet is a division of VFIA. Stone Harbor manages emerging markets debt assets for Newfleet portfolios. His duties were absorbed by the rest of the team.

Walton Street Litigation

No. Walton Street is not currently involved in any litigation that would reasonably be expected to have a material adverse effect on Walton Street or its Funds and has never been involved in any such material litigation arising from its role as investment manager.

Walton Street has been a registered investment adviser with the SEC since 2008. All registered investment advisers are required to annually file Form ADV Part IA, which has a disciplinary disclosure section in Item 11. Item 11 requires advisers to provide disclosures about certain criminal actions, regulatory actions and civil judicial actions. Walton Street has never had to make any Item 11 disciplinary disclosures.

Walton Street Material Business Changes

Walton Street and Ares Management Corporation, a global alternative investment manager, (NYSE: ARES) ("Ares"), on September 26, 2024, have entered into a confidential Purchase and Sale Agreement for the acquisition of the interests in Walton Street Capital Mexico, S. de R.L. de C.V., an affiliate of Walton Street, and its management services business in Mexico (the "Proposed Transaction"). If consummated, the Proposed Transaction will result in the Mexico Platform, with the exception of WSMFI, becoming wholly owned indirect subsidiaries of Ares. The Proposed Transaction is expected to close on or before December 31, 2024. There is no assurance that the Proposed Transaction will close in the anticipated time frame or at all.

White Oak Global Advisors Litigation

Other than as noted below, in White Oak's Form ADV, or as previously noticed in prior investor communications, there is no present or pending regulatory action or litigation brought by or against the firm or any of its principals or investment professionals, other than routine regulatory examinations and legal proceedings in connection with the normal course of originating and managing a portfolio of direct loans.

In May 2024, WOGA was named as the defendant in a lawsuit filed under seal brought by the current manager of White Oak Healthcare Finance.

White Oak Global Advisors Investment Personnel Changes

During 4Q24 there were no departures, however one addition occurred at White Oak Global Advisors:

→ Michael Davis (Analyst, Complex Credit)

DISCLOSURES:

This document is provided for informational purposes only. It does not constitute an offer of securities of any of the issuers that may be described herein. Information contained herein may have been provided by third parties, including investment firms providing information on returns and assets under management, and may not have been independently verified. The past performance information contained in this report is not necessarily indicative of future results and there is no assurance that the investment in question will achieve comparable results or that the Firm will be able to implement its investment strategy or achieve its investment objectives. The actual realized value of currently unrealized investments (if any) will depend on a variety of factors, including future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which any current unrealized valuations are based.

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The information contained in this report may include forward-looking statements. Forward-looking statements include a number of risks, uncertainties and other factors beyond the control of the Firm, which may result in material differences in actual results, performance or other expectations. The opinions, estimates and analyses reflect MEKETA's current judgment, which may change in the future.

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SJCERA Quarterly Manager Review Schedule

Manager	Strategic Class	Sub-Segment	Under Review	Last Rvw	Next Rvw	Most Recent Visit to Meketa/SJCERA	Mgr. Meeting with SJCERA	Mgr. Location
AEW	Stabilized Growth	Core Real Estate				10/10/2024		Boston, MA
Angelo Gordon	Aggressive Growth	Value Added Real Estate		May-23		10/6/2022		New York, NY
Almanac Realty VI	Aggressive Growth	Value Added Real Estate		May-21				New York, NY
AQR	Diversifying Strategies	Alternative Risk Premia		Jul-19	Jun-25	10/12/2023		Stamford, CT
Ares	Stabilized Growth	Asset Backed		Jul-24				Los Angeles, CA
BlackRock	Stabilized Growth, PC	Direct Lending		Mar-23		3/30/2023		San Francisco, CA
BlackRock	Aggressive Growth	Infrastructure			Mar-25	10/10/2024	8/22/2019	New York, NY
Berkeley Partners	Aggressive Growth	Private Real Estate		Jun-23		6/1/2023	6/1/2023	San Francisco, CA
Bessemer	Aggressive Growth	Buyout		Sep-23				New York, NY
Bridgewater (AW)	Stabilized Growth, RP	Risk Parity		Dec-24		7/29/2020	10/6/2017	Westport, CT
Crestline	Stabilized Growth, PC	Opportunistic		May-24		7/22/2020	6/7/2019	Fort Worth, TX
Davidson Kempner	Stabilized Growth, PC	Opportunistic		Aug-23		8/29/2023		New York, NY
Dodge & Cox	Diversifying Strategies, PP	Core Fixed Income		Oct-21	Apr-25	10/6/2022		San Francisco, CA
Dodge & Cox	Diversifying Strategies, CRO	Long Duration				6/3/2020		San Francisco, CA
GQG	Traditional Growth	Emerging Markets		Jun-24		10/12/2023		San Francisco, CA
Graham	Diversifying Strategies, CRO	Systematic Trend Following		Aug-23		10/6/2022		Rowayton, CT
Greenfield/Grandview V, VI, VII	Aggressive Growth	Opportunistic Real Estate		May-23		10/6/2022		Greenwich, CT
HPS EU	Stabilized Growth, PC	Direct Lending		Jun-23		10/10/2024		New York, NY
LongArc Capital	Aggressive Growth	Private Equity		Nov-22	May-25	10/10/2024		New York, NY
Loomis Sayles	Principal Protection	Core Fixed Income		Oct-23		10/10/2024		Kansas City, MO
Lightspeed	Aggressive Growth	Private Equity			Apr-25	10/6/2022		Menlo Park, CA
Medley	Stabilized Growth, PC	Direct Lending		May-24	Jan-25	12/1/2022		San Francisco/New York
Mesa West III & IV	Stabilized Growth, PC	Comm. Mortgage		Oct-21		10/10/2024	8/22/2019	Los Angeles, CA
Morgan Creek III, V, & VI	Aggressive Growth	Multi-Strat FOF			Mar-25	8/22/2019	8/22/2019	Chapel Hill, NC
Mount Lucas	Diversifying Strategies, CRO	Systematic Trend Following		Mar-23		10/10/2024	2/12/2021	Newton, PA
Northern Trust	Traditional Growth	MSCI World IMI			Jun-25	10/10/2024		Chicago, IL
Northern Trust	Cash	Collective Govt. Short Term				10/6/2022		Chicago, IL
Neuberger Berman	Stabilized Growth, LC	Global Credit		Oct-21	Apr-25	10/10/2024		Chicago, IL
Oaktree	Aggressive Growth	Special Situations		Sep-23		10/10/2024		Los Angeles, CA
Oaktree	Stabilized Growth, PC	Leveraged Direct Lending				10/10/2024		New York, NY
Ocean Avenue	Aggressive Growth	PE Buyout FOF		Oct-21	Dec-24	10/10/2024		Santa Monica, CA
P/E Diversified	Diversifying Strategies	Alternative Risk Premia		Sep-23	May-25	10/10/2024		Boston, MA
Parametric	Cash	Cash Overlay		Apr-23	Apr-25	4/4/2023		Minneapolis, MN
PIMCO (RAE)	Traditional Growth	Emerging Markets			May-25	10/10/2024	8/1/2023	Newport Beach, CA
Principal US	Stabilized Growth, RE	Core Real Estate				10/10/2024		Des Moines, IA
Prologis	Stabilized Growth, RE	Core Real Estate		Oct-22		10/10/2024		San Francisco, CA
Raven III	Stabilized Growth, PC	Direct Lending		Feb-23	Feb-25		2/23/2018	New York, NY
Ridgemont	Aggressive Growth	Private Equity			Apr-25	10/12/2023		Charlotte, NC
RREEF America II	Stabilized Growth, RE	Core Real Estate		Sep-24		10/12/2023		Kansas City, MO
SilverRock	Stabilized Growth, PC	Private Credit		Dec-24		10/10/2024	12/1/2022	New York, NY
SilverPoint	Stabilized Growth, PC	Private Credit		Dec-24		10/12/2023		Greenwich, CT
Stellax Capital	Aggressive Growth	Private Equity		Apr-24		10/10/2024	5/8/2020	New York, NY
Stockbridge RE III	Aggressive Growth	Value Added Real Estate		Jul-22	Jul-25			San Francisco, CA
Stone Harbor	Stabilized Growth, LC	Absolute Return		Apr-23	Jan-25	10/10/2024	2/3/2021	New York, NY
Walton Street	Aggressive Growth	Opportunistic Real Estate		Mar-24	Jul-25			Chicago, IL
White Oak Summit Peer	Stabilized Growth, PC	Direct Lending		Jan-24	Mar-25			San Francisco, CA
White Oak Yield Spectrum	Stabilized Growth, PC	Direct Lending		Jan-24		7/24/2020	6/7/2019	San Francisco, CA

*General Meketa Review LC = Liquid Credit; PC = Private Credit; PP = Principal Protection; CRO = Crisis Risk Offset; RP = Risk Parity;

Liquidated Managers

Invesco	Traditional Growth	REITs					2024	New York, NY
Panagora	Risk Parity	Risk Parity - Terminated					2024	Boston, MA

Preliminary Monthly Flash Report (Net)¹

Physical

¹ 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.

² Total class returns are as of 12/31/24, and lagged 1 quarter.

³ Manager returns are as of 12/31/24, and lagged 1 quarter. Since Inception date reflects one quarter lag.

⁴ 1/1/25 to present benchmark is 38% MSCI ACWI IMI, 9% BB Aggregate Bond Index, **16%** 50% BB High Yield/50% S&P Leveraged Loans, 7% NCREIF ODCE; **5%** T-Bill +4%, **12%** MSCI ACWI +2% Lag, **13%** CRO Custom Benchmark. 5/1/24 to 12/31/24 benchmark is 38% MSCI ACWI IMI, 9% BB Aggregate Bond Index, **16%** 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.

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

⁶ 1/1/2021 to present **50%** MSCI ACWI +2%, **50%** NCREIF ODCE +1%

² Total class returns are as of 12/31/24, and lagged 1 quarter.

³ Manager returns are as of 12/31/24, and lagged 1 quarter. Since Inception date reflects one quarter lag.

⁴ 11/25 to present benchmark is 38% MSCI ACWI IMI, 9% BB Aggregate Bond Index, **16% 50% BB High Yield/50% S&P Leveraged Loans**, 7% NCREIF ODCE; **5% T-Bill +4%, 12% MSCI ACWI +2% Lag, 13% CRO Custom Benchmark**. 5/1/24 to 12/31/24 benchmark is 38% MSCI ACWI IMI, 9% BB Aggregate Bond Index, **16% 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.

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

⁶ 1/1/2021 to present **50% MSCI ACWI +2%, 50% NCREIF ODCE +1%**

Preliminary Monthly Flash Report (Net)¹

Physical

¹Returns 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.
²MSCI ACWI IMI Net as of 4/1/2020, MSCI ACWI Gross prior.
³Manager returns are as of 12/31/2024, and lagged 1 quarter. Since Inception date reflects one quarter lag.
⁴Market value includes Walton V \$597,219.

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

⁴ Market value includes Walton V \$597,219.

San Joaquin County Employees' Retirement Association (SJCERA)

Preliminary Monthly Flash Report (Net)¹

January 2025													
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	
Traditional Growth ³		\$ 1,898,019,403	40.3%	38.0%	3.3	4.6	3.3	19.6	8.6	10.2	9.4	Jan-95	
MSCI ACWI IMI Net ²					3.3	4.4	3.3	19.9	7.9	11.0	8.2		
Difference:					0.0	0.2	0.0	-0.3	0.6	-0.8	1.2		
Global Equity		\$ 1,898,019,403	40.3%										
Northern Trust MSCI World IMI		\$ 1,719,336,384	36.5%		3.6	5.4	3.6	21.2	9.3	--	12.4	Sep-20	
MSCI World IMI Net					3.5	5.3	3.5	20.7	9.0	--	12.0		
Difference:					0.1	0.2	0.1	0.5	0.3	--	0.4		
Emerging Markets		\$ 178,679,691											
GQG Active Emerging Markets		\$ 78,003,781	1.7%		0.4	-3.0	0.4	4.5	3.8	--	5.7	Aug-20	
MSCI Emerging Markets Index Net					1.8	-2.0	1.8	14.8	-0.7	--	2.7		
Difference:					-1.3	-1.0	-1.3	-10.2	4.5	--	3.1		
PIMCO RAE Fundamental Emerging Markets		\$ 100,675,910	2.1%		0.2	-2.6	0.2	7.6	5.4	8.8	5.5	Apr-07	
MSCI Emerging Markets Index Net					1.8	-2.0	1.8	14.8	-0.7	3.0	3.4		
Difference:					-1.6	-0.6	-1.6	-7.2	6.1	5.8	2.2		
Stabilized Growth		\$ 1,093,415,227	23.2%	33.0%	0.6	0.6	0.6	3.7	0.9	3.7	3.7	Jan-05	
Risk Parity		\$ 119,924,946	2.5%		3.1	2.2	3.1	11.3	-2.8	1.4	3.6		
T-Bill +4%					0.7	2.2	0.7	9.4	8.2	6.6	5.2		
Difference:					2.4	0.1	2.4	1.9	-10.9	-5.2	-1.7		
Bridgewater All Weather		\$ 119,924,946	2.5%		3.1	2.2	3.1	12.1	-0.6	2.8	4.2	Mar-12	
T-Bill +4%					0.7	2.2	0.7	9.4	8.2	6.6	5.5		
Difference:					2.4	0.1	2.4	2.7	-8.7	-3.8	-1.3		
Liquid Credit		\$ 273,703,044	5.8%		0.9	2.0	0.9	9.0	5.1	4.0	2.6		
50% BB High Yield, 50% S&P/LSTA Leveraged Loans					1.0	2.1	1.0	9.3	5.8	5.2	5.8		
Difference:					-0.1	-0.1	-0.1	-0.3	-0.7	-1.2	-3.2		
Neuberger Berman		\$ 117,082,484	2.5%		1.1	1.8	1.1	9.1	3.5	3.2	4.0	Feb-19	
33% ICE BofA HY Constrained, 33% S&P/LSTA LL, 33% JPM EMBI Gbl Div.					1.2	1.8	1.2	9.2	4.0	3.4	4.4		
Difference:					0.0	0.0	0.0	-0.1	-0.6	-0.2	-0.4		
Stone Harbor Absolute Return		\$ 156,620,560	3.3%		0.8	2.1	0.8	8.9	6.2	4.5	3.4	Oct-06	
3-Month Libor Total Return					0.4	1.2	0.4	5.4	4.1	2.6	1.8		
Difference:					0.4	0.9	0.4	3.6	2.2	1.9	1.6		

¹ 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.

² MSCI ACW IMI Net as of 4/1/2020, MSCI ACWI Gross prior.

³ Total Market Value includes SJCERA Transition \$3,248.

San Joaquin County Employees' Retirement Association (SJCERA)

Preliminary Monthly Flash Report (Net) ¹													
January 2025													
	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
Private Credit Lag ²			\$ 439,045,854	9.3%		-0.7	-0.7	0.7	0.7	2.3	3.0	3.3	
S&P/LSTA Leveraged Loans +3% Blend						2.8	2.8	12.9	12.9	11.7	10.8	9.4	
Difference:						-3.5	-3.5	-12.2	-12.2	-9.3	-9.3	-6.1	
Ares Pathfinder Fund II Lag ³	\$62,500	Asset Backed	\$ 12,969,047	0.3%		4.6	4.6	---	---	---	---	---	Feb-24
S&P/LSTA Leveraged Loans +3% Blend ⁴						2.8	2.8	---	---	---	---	---	
Difference:						1.8	1.8	---	---	---	---	---	
BlackRock Direct Lending Lag ³	\$100,000	Direct Lending	\$ 84,172,762	1.8%		-0.6	-0.6	5.5	5.5	7.2	--	8.1	May-20
S&P/LSTA Leveraged Loans +3% Blend ⁴						2.8	2.8	12.9	12.9	11.7	--	11.1	
Difference:						-3.4	-3.4	-7.4	-7.4	-4.5	--	-3.0	
Mesa West RE Income IV Lag ³	\$75,000	Comm. Mortgage	\$ 33,517,055	0.7%		-1.3	-1.3	-14.2	-14.2	-11.0	-3.9	0.2	Mar-17
S&P/LSTA Leveraged Loans +3% Blend ⁴						2.8	2.8	12.9	12.9	11.7	10.8	10.0	
Difference:						-4.1	-4.1	-27.0	-27.0	-22.6	-14.7	-9.8	
Crestline Opportunity II Lag ³	\$45,000	Opportunistic	\$ 9,389,794	0.2%		-3.0	-3.0	-15.9	-15.9	-12.2	-6.3	0.1	Nov-13
S&P/LSTA Leveraged Loans +3% Blend ⁴						2.8	2.8	12.9	12.9	11.7	10.8	9.7	
Difference:						-5.8	-5.8	-28.7	-28.7	-23.8	-17.1	-9.6	
Davidson Kempner Distr Opp V Lag ³	\$48,275	Opportunistic	\$ 59,234,292	0.0%		7.1	7.1	18.4	18.4	7.4	--	16.4	Oct-20
S&P/LSTA Leveraged Loans +3% Blend ⁴						2.8	2.8	12.9	12.9	11.7	--	11.6	
Difference:						4.3	4.3	5.6	5.6	-4.3	--	4.8	
Oaktree Middle Market Lag ³	\$50,000	Leveraged Direct	\$ 33,323,950	0.7%		2.4	2.4	10.2	10.2	9.5	12.3	10.6	Mar-18
S&P/LSTA Leveraged Loans +3% Blend ⁴						2.8	2.8	12.9	12.9	11.7	10.8	10.1	
Difference:						-0.4	-0.4	-2.6	-2.6	-2.2	1.5	0.5	
HPS EU Asset Value II Lag ³	\$50,000	Direct Lending	\$ 37,745,330	0.8%		3.5	3.5	11.3	11.3	10.6	--	7.3	Aug-20
S&P/LSTA Leveraged Loans +3% Blend ⁴						2.8	2.8	12.9	12.9	11.7	--	11.5	
Difference:						0.7	0.7	-1.6	-1.6	-1.0	--	-4.2	
Raven Opportunity III Lag ³	\$50,000	Direct Lending	\$ 29,611,872	0.6%		-26.4	-26.4	-42.7	-42.7	-16.1	-7.7	-3.6	Nov-15
S&P/LSTA Leveraged Loans +3% Blend ⁴						2.8	2.8	12.9	12.9	11.7	10.8	9.8	
Difference:						-29.2	-29.2	-55.5	-55.5	-27.8	-18.6	-13.4	
Medley Opportunity II Lag ²	\$50,000	Direct Lending	\$ 179,867	0.0%		0.0	0.0	-2.9	-2.9	-4.2	-5.3	-2.0	Jul-12
S&P/LSTA Leveraged Loans +3% Blend ³						2.8	2.8	12.9	12.9	11.7	10.8	9.6	
Difference:						-2.8	-2.8	-15.8	-15.8	-15.9	-16.1	-11.6	
Silver Point Credit III Lag ²	\$62,000	Sub-Sector	\$ 26,858,786	0.6%		3.3	3.3	16.1	--	--	--	--	Nov-23
S&P/LSTA Leveraged Loans +3% Blend ⁴						2.8	2.8	12.9	--	--	--	--	
Difference:						0.5	0.5	3.2	--	--	--	--	
SilverRock Tactical Allocation Lag ²	\$62,500	Opportunistic	\$ 44,181,880	0.9%		2.0	2.0	10.7	--	--	--	11.2	Jul-23
S&P/LSTA Leveraged Loans +3% Blend ⁴						2.8	2.8	12.9	--	--	--	10.1	
Difference:						-0.8	-0.8	-2.1	--	--	--	1.0	
White Oak Summit Peer Fund Lag ²	\$50,000	Direct Lending	\$ 22,226,600	0.5%		3.1	3.1	3.6	3.6	0.2	1.0	3.7	Mar-16
S&P/LSTA Leveraged Loans +3% Blend ³						2.8	2.8	12.9	12.9	11.7	10.8	9.9	
Difference:						0.3	0.3	-9.3	-9.3	-11.4	-9.9	-6.2	
White Oak Yield Spectrum Master V Lag ²	\$50,000	Direct Lending	\$ 45,634,619	1.0%		0.1	0.1	2.1	2.1	0.9	--	2.2	Mar-20
S&P/LSTA Leveraged Loans +3% Blend ³						2.8	2.8	12.9	12.9	11.7	--	11.1	
Difference:						-2.7	-2.7	-10.8	-10.8	-10.8	--	-8.9	
Core Private Real Estate Lag			\$ 260,741,383	5.5%									
AEW Essential Housing ²	\$50,000	Core Pvt. RE	\$ 51,020,474	1.1%		2.1	2.1	-0.2	--	--	--	-0.2	Jan-24
NCREIF ODCE +1% lag (blend)						0.3	0.3	-7.1	--	--	--	-7.1	
Difference:						1.8	1.8	7.0	--	--	--	7.0	
Principal US ²	\$25,000	Core Pvt. RE	\$ 37,830,184	0.8%		-0.2	-0.2	-5.3	-5.3	-0.4	2.3	5.2	Jan-16
NCREIF ODCE +1% lag (blend)						0.3	0.3	-7.1	-7.1	-0.1	3.1	5.3	
Difference:						-0.5	-0.5	1.8	1.8	-0.3	-0.7	-0.1	
Prologis Logistics ²	\$50,500	Core Pvt. RE	\$ 122,615,809	2.6%		1.5	1.5	-1.1	-1.1	6.9	12.9	13.5	Dec-07
NCREIF ODCE +1% lag (blend)						0.3	0.3	-7.1	-7.1	-0.1	3.1	5.8	
Difference:						1.2	1.2	6.0	6.0	7.0	9.9	7.7	
RREEF America II ²	\$45,000	Core Pvt. RE	\$ 49,747,170	1.1%		-0.6	-0.6	-7.0	-7.0	-0.6	2.6	2.2	Jul-16
NCREIF ODCE +1% lag (blend)						0.3	0.3	-7.1	-7.1	-0.1	3.1	4.9	
Difference:						-0.8	-0.8	0.1	0.1	-0.5	-0.5	-2.7	

¹Returns 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.

²Total class returns are as of 12/31/2024, and lagged 1 quarter.

³Manager returns are as of 12/31/2024, and lagged 1 quarter. Since Inception date reflects one quarter lag.

⁴9% 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) ¹													
January 2025													
	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
Diversifying Strategies			\$ 909,135,292	19.3%	22.0%	0.1	0.9	0.1	1.8	1.2	1.5	5.9	Oct-90
Principal Protection			\$ 432,448,760	9.2%	9.0%	0.5	-0.1	0.5	2.7	0.2	0.1	5.7	Oct-90
BB Aggregate Bond Index						0.5	-0.1	0.5	2.1	-1.5	-0.6	5.2	
Difference:						0.0	-0.1	0.0	0.6	1.8	0.7	0.5	
Dodge & Cox		Core Fixed Income	\$ 262,731,823	5.6%		0.6	-0.1	0.6	3.0	0.5	1.2	6.5	Oct-90
BB Aggregate Bond Index						0.5	-0.1	0.5	2.1	-1.5	-0.6	5.2	
Difference:						0.0	-0.1	0.0	1.0	2.0	1.8	1.2	
Loomis Sayles		Core Fixed Income	\$ 169,716,937	3.6%		0.5	-0.1	0.5	2.0	--	--	-0.1	Mar-22
BB Aggregate Bond Index						0.5	-0.1	0.5	2.1	--	--	-0.2	
Difference:						0.0	0.0	0.0	-0.1	--	--	0.2	
Crisis Risk Offset			\$ 476,686,532	10.1%	13.0%	-0.2	1.9	-0.2	0.3	1.9	2.3	5.8	Jan-05
CRO Custom Benchmark ²						0.6	1.0	0.6	2.3	0.2	2.0	4.6	
Difference:						-0.8	1.0	-0.8	-2.0	1.7	0.3	1.2	
Long Duration			\$ 110,555,709	2.3%		0.6	-2.8	0.6	-3.4	-9.7	-5.9	-1.3	
BB US Long Duration Treasuries						0.4	-3.2	0.4	-3.9	-10.6	-6.4	-1.4	
Difference:						0.2	0.4	0.2	0.5	0.9	0.5	0.1	
Dodge & Cox Long Duration		Long Duration	\$ 110,555,709	2.3%		0.6	-2.8	0.6	-3.4	-9.7	-5.9	-1.3	Feb-16
BB US Long Duration Treasuries						0.4	-3.2	0.4	-3.9	-10.6	-6.4	-1.4	
Difference:						0.2	0.4	0.2	0.5	0.9	0.5	0.1	
Systematic Trend Following			\$ 225,670,968	4.8%		-0.9	1.9	-0.9	-1.0	4.8	7.3	7.8	
BTOP50 Index						1.0	4.8	1.0	5.2	5.8	6.8	4.8	
Difference:						-1.9	-2.9	-1.9	-6.2	-1.0	0.5	3.0	
Mt. Lucas Managed Futures - Cash		Systematic Trend Following	\$ 113,345,955	2.4%		-2.3	-1.6	-2.3	-4.2	3.7	8.9	7.3	Jan-05
BTOP50 Index						1.0	4.8	1.0	5.2	5.8	6.8	4.8	
Difference:						-3.3	-6.5	-3.3	-9.4	-2.1	2.1	2.4	
Graham Tactical Trend		Systematic Trend Following	\$ 112,325,014	2.4%		0.6	5.8	0.6	2.5	6.0	5.8	3.1	Apr-16
SG Trend Index						0.2	5.0	0.2	1.5	6.6	7.6	4.1	
Difference:						0.4	0.9	0.4	0.9	-0.7	-1.8	-1.0	
Alternative Risk Premia			\$ 140,459,855	3.0%		0.3	5.9	0.3	5.5	9.0	3.4	7.5	
5% Annual						0.4	1.2	0.4	5.0	5.0	5.0	6.1	
Difference:						-0.1	4.7	-0.1	0.5	4.0	-1.6	1.4	
AQR Style Premia		Alternative Risk Premia	\$ 77,814,307	1.7%		2.7	7.8	2.7	12.8	16.8	11.2	4.5	May-16
5% Annual						0.4	1.2	0.4	5.0	5.0	5.0	5.0	
Difference:						2.3	6.6	2.3	7.8	11.8	6.2	-0.5	
PE Diversified Global Macro		Alternative Risk Premia	\$ 62,645,548	1.3%		-2.6	3.7	-2.6	-2.4	7.6	0.3	1.6	Jun-16
5% Annual						0.4	1.2	0.4	5.0	5.0	5.0	5.0	
Difference:						-3.0	2.4	-3.0	-7.4	2.6	-4.7	-3.4	
Cash ³			\$ 214,039,565	4.5%	0.0%	0.3	0.6	0.3	2.9	2.8	1.7	2.4	Sep-94
US T-Bills						0.4	1.2	0.4	5.2	4.0	2.5	2.5	
Difference:						-0.1	-0.6	-0.1	-2.2	-1.3	-0.8	-0.1	
Northern Trust STIF		Collective Govt. Short Term	\$ 174,701,288	3.7%		0.4	0.9	0.4	4.1	3.4	2.1	2.6	Jan-95
US T-Bills						0.0	1.2	0.0	5.2	4.0	2.5	2.5	
Difference:						0.0	-0.2	0.0	-1.1	-0.7	-0.4	0.2	
Parametric Overlay ⁴		Cash Overlay	\$ 29,069,506	0.6%		0.0	0.0	0.0	0.0	--	--	0.0	Jan-20

¹ 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.

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

³ Includes lagged cash.

⁴ Given daily cash movement returns may vary from those shown above.

Economic and Market Update

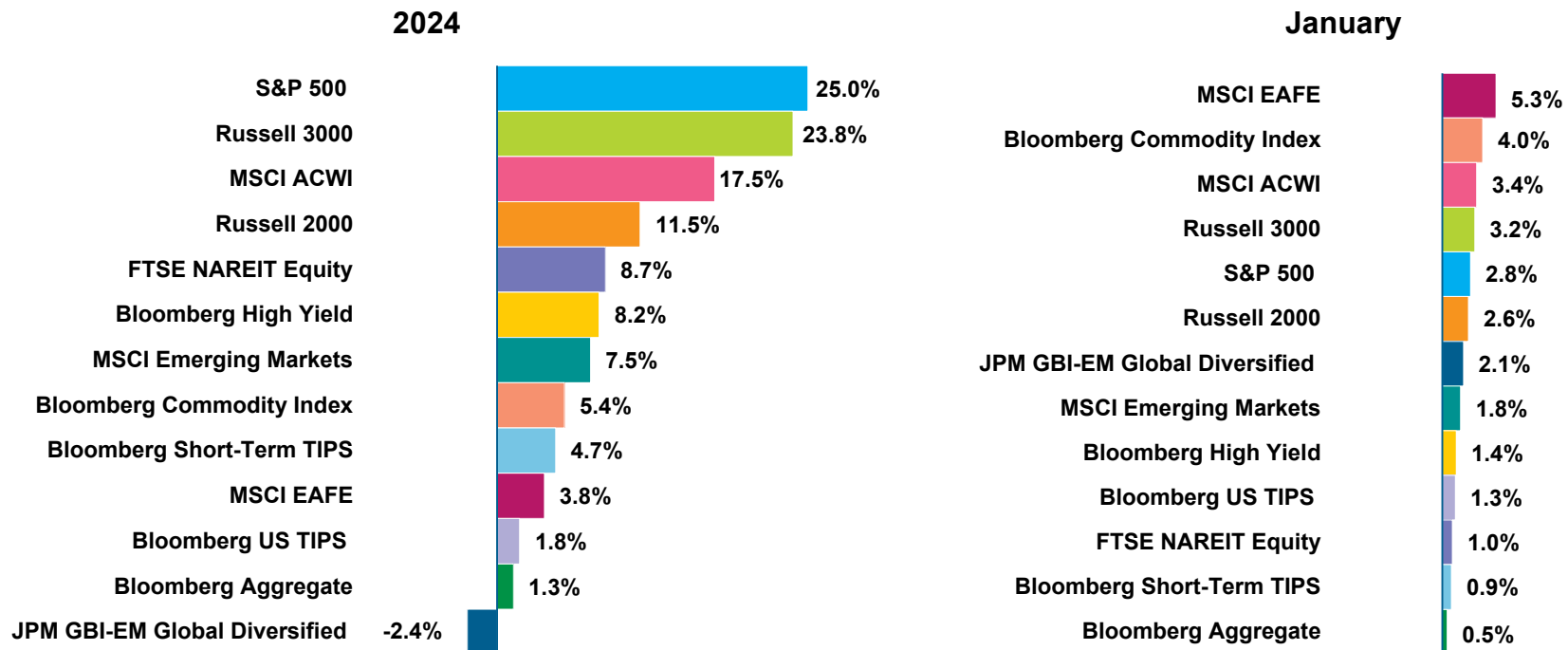
January 2025 Report

Commentary

Equity and bond markets posted gains in the first month of 2025 after a largely positive 2024.

- Domestic equity markets (Russell 3000) returned 3.2% in January. Technology stocks sold off, then recovered in the last week of the month as the release of Chinese AI application – DeepSeek-R1 – challenged market expectations for US technology stocks.
- Non-US developed market stocks (MSCI EAFE +5.3%) led the way in January, supported by rate cuts from the ECB and a rotation out of the US tech sector.
- Emerging market equities returned +1.8% for the month, underperforming developed markets given tariff risks from the US, particularly toward China.
- The Federal Reserve held policy rates steady in January as inflation remains above the target level and the labor market continues to be relatively healthy.
- Most fixed income markets posted positive returns to start the year, with high yield bonds (+1.4%) and TIPS (+1.3%) outperforming the broad US bond market (Bloomberg Aggregate +0.5%).
- Looking ahead, uncertainty related to the Trump Administration's policies and their impact on the economy, inflation, and Fed policy will be key. The path of China's economy and concerns over elevated valuations and technology-driven concentration in the US equity market will also be important focuses of 2025.

Index Returns¹



- In 2024, most major assets classes appreciated, led by the S&P 500's 25.0% return.
- To start the year, all asset classes posted gains with equities generally leading the way. In a reversal of the prior trend, non-US developed markets were the top performers given pressures on the tech sector in the US.

¹ Source: Bloomberg. Data is as of January 31, 2025.

Domestic Equity Returns¹

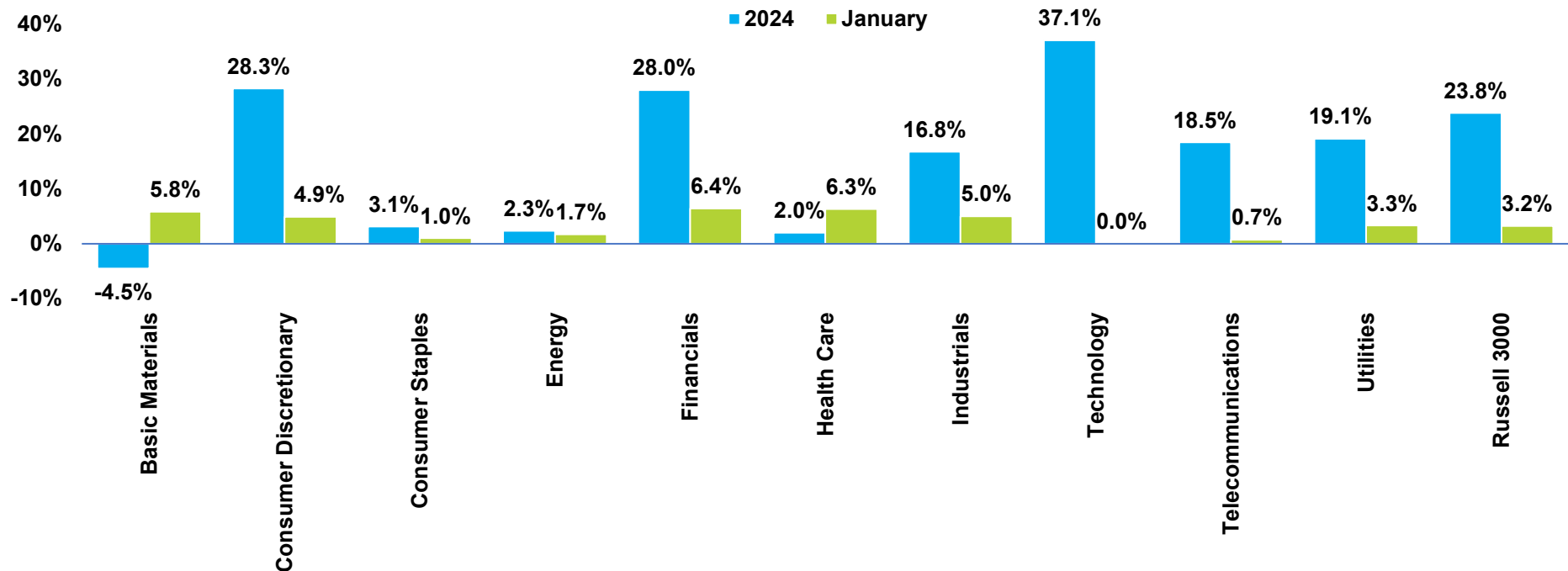
Domestic Equity	January (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	2.8	26.4	11.9	15.1	13.7
Russell 3000	3.2	26.3	11.3	14.6	13.2
Russell 1000	3.2	26.7	11.7	15.0	13.5
Russell 1000 Growth	2.0	32.7	14.6	18.9	17.2
Russell 1000 Value	4.6	19.5	8.1	10.1	9.4
Russell MidCap	4.3	22.0	8.0	11.0	10.2
Russell MidCap Growth	6.4	30.6	11.2	12.6	12.4
Russell MidCap Value	3.5	19.2	6.6	9.8	8.6
Russell 2000	2.6	19.1	5.6	8.7	8.4
Russell 2000 Growth	3.2	22.7	6.2	7.8	8.7
Russell 2000 Value	2.1	15.5	4.7	8.9	7.8

US Equities: The Russell 3000 rose 3.2% in January, bringing the one-year return to +26.3%.

- US stocks rose 3.2% for the month, driven in part by bank earnings. JP Morgan, Wells Fargo, and Citigroup all advanced more than 10% after reporting strong quarters.
- The “Magnificent 7” stocks diverged during January amid a disruption to the AI narrative by Chinese firm DeepSeek. Meta, Amazon, and Alphabet were the top performers in the Russell 3000 index for the month. Microsoft, Apple, and NVIDIA were among the largest detractors.
- Growth stocks continued to outperform value stocks within the mid cap and small cap markets, but trailed in large cap given the issues in the tech sector. While large cap stocks continued to outperform small cap stocks, mid cap stocks outperformed both groups. These stocks benefitted versus the large cap sector due to the lower exposure to the weaker “Magnificent 7” stocks. Relative performance against small cap was driven by increased exposure to select software and capital markets companies.

¹ Source: Bloomberg. Data is as of January 31, 2025.

Russell 3000 Sector Returns¹



- The release of the Chinese AI Model (DeepSeek-R1) in late January roiled US technology stocks with Nvidia losing 16% of its market share in a single day; technology stocks recovered after their sell-off but still lagged other sectors in January.
- Outside of technology, all sectors rose in January on continued US consumer and economic strength.
- Financials (+6.4%) led the way, driven by strong earnings reports from large banks. Health care (+6.3%) and basic materials (+5.8%) also posted strong returns.

¹ Source: Bloomberg. Data is as of January 31, 2025.

Foreign Equity Returns¹

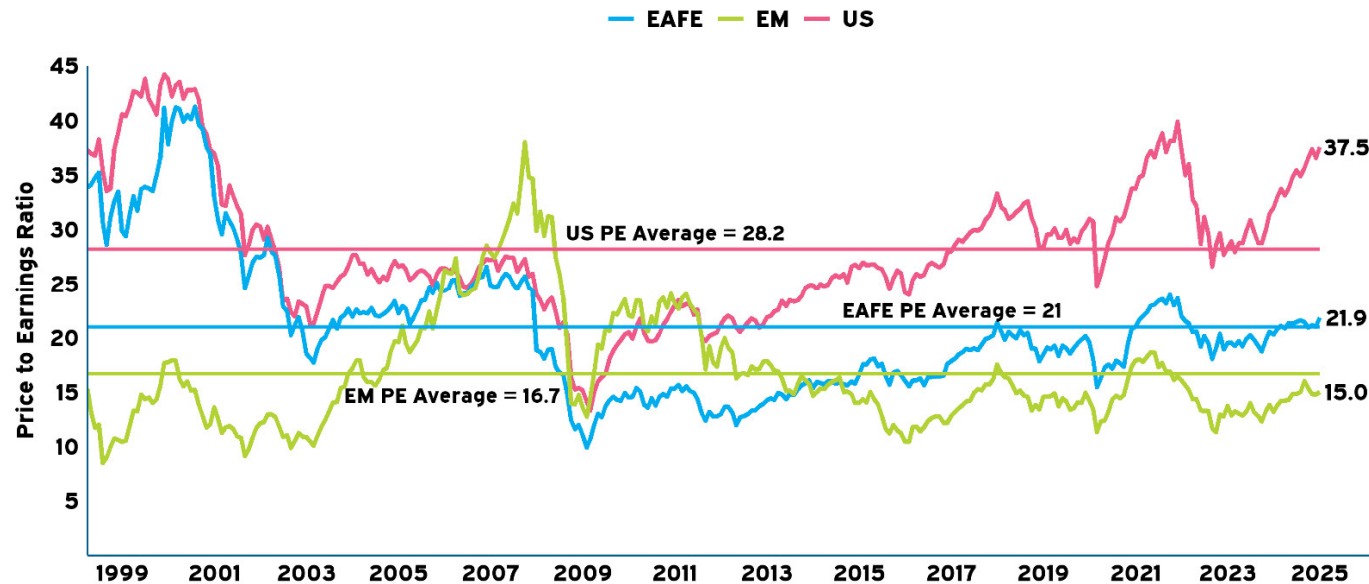
Foreign Equity	January (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	4.0	10.9	3.4	5.5	5.2
MSCI EAFE	5.3	8.7	5.1	6.2	5.7
MSCI EAFE (Local Currency)	4.8	13.7	9.3	8.8	7.3
MSCI EAFE Small Cap	3.4	7.1	0.4	3.6	5.9
MSCI Emerging Markets	1.8	14.8	-0.7	3.0	3.8
MSCI Emerging Markets (Local Currency)	1.6	19.1	2.8	5.6	6.0
MSCI EM ex China	2.1	8.5	1.3	5.9	4.9
MSCI China	0.9	34.8	-4.9	-2.3	1.7

Foreign Equity: Developed international equities (MSCI EAFE) returned 5.3% in January and emerging market equities (MSCI Emerging Markets) rose 1.8%.

- Developed equities outperformed US and emerging market peers in January. Eurozone equities saw the highest returns globally, bolstered by rate reductions from the ECB and a lower weight to the tech sector. UK equities followed shortly behind, also benefiting from the rotation out of large cap tech stocks in the US. Japan was the weakest performer in January, at 0.1%, due in part to concerns over potential tariffs from the US given it has an export-focused economy.
- Emerging markets saw modest gains but lagged international developed market and US peers for the month given tariff concerns from the US. China saw slightly positive returns as dynamics in the tech sector and economic stimulus were balanced by ongoing tensions with the US and a sluggish economy. South Korea saw strong returns as political turmoil ebbed, while India faced its fourth consecutive month of declines given growth concerns.

¹ Source: Bloomberg. Data is as of January 31, 2025.

Equity Cyclically Adjusted P/E Ratios¹



- Valuations in US stocks remained at a significant premium to non-US developed and emerging market stocks at the start of 2025.
- US stocks, priced at 37.5 times earnings, continue to trade well above their long-run P/E average of 28.2.
- Non-US developed market valuations (21.9 times) are trading near their long-term average. Emerging market stock valuations (15.0 times) are below their long-run average.

¹ 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 January 2025. 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.

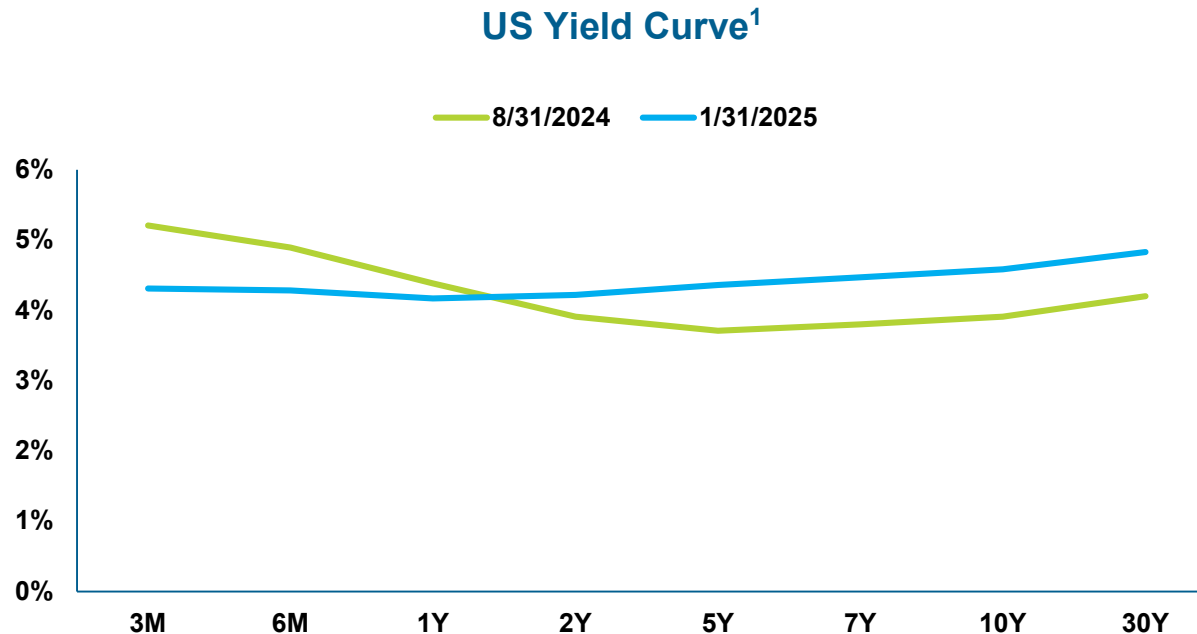
Fixed Income Returns¹

Fixed Income	January (%)	1 Yr (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	0.6	2.9	-1.0	-0.2	1.6	5.1	5.9
Bloomberg Aggregate	0.5	2.1	-1.5	-0.6	1.2	4.9	6.1
Bloomberg US TIPS	1.3	3.0	-1.2	1.7	2.1	4.6	6.8
Bloomberg Short-term TIPS	0.9	5.2	2.6	3.4	2.6	4.4	2.6
Bloomberg US Long Treasury	0.4	-3.9	-10.6	-6.4	-1.4	4.9	14.8
Bloomberg High Yield	1.4	9.7	4.3	4.5	5.2	7.2	3.3
JPM GBI-EM Global Diversified (USD)	2.1	1.2	-0.3	-1.2	0.6	--	--

Fixed Income: The Bloomberg Universal index rose 0.6% in January.

- After an initial increase in rates at the start of the month, they fell after and fixed income indexes provided positive returns for the month. This dynamic was driven by initial concerns over the potential inflationary impacts of the new administration's policies followed by a flight to quality on the news of Chinese AI technology.
- The broad US bond market (Bloomberg Aggregate) rose 0.5% in January, with TIPS outperforming as inflation risks remain elevated.
- High yield bonds and emerging market debt outperformed as investor risk appetite remained robust.

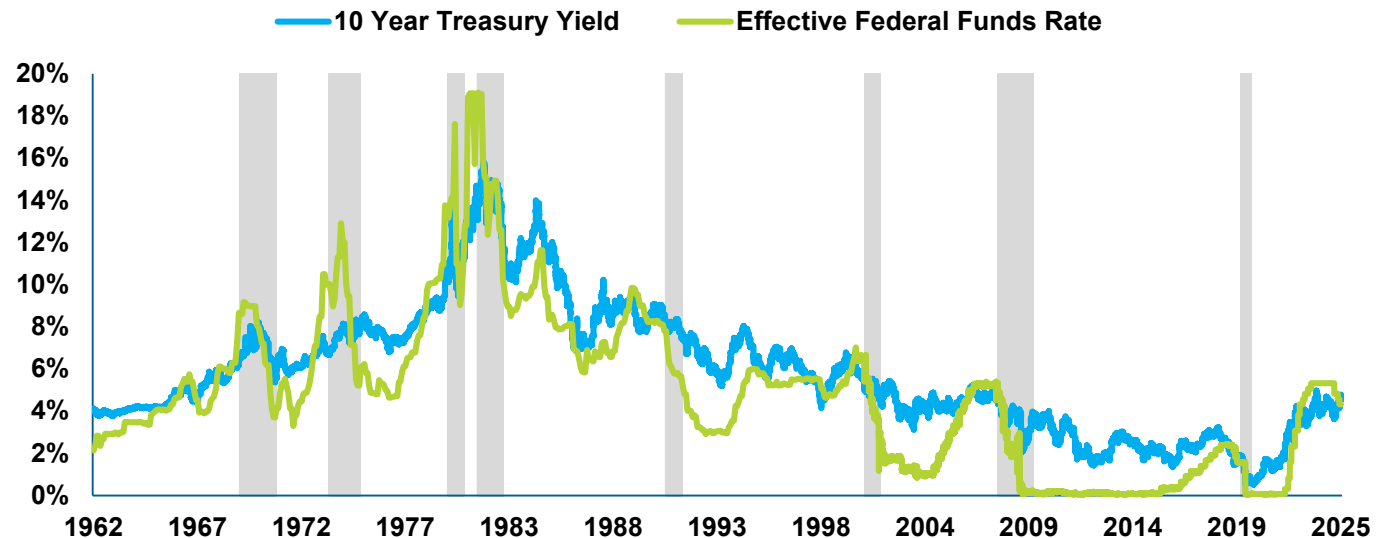
¹ Source: Bloomberg. Data is as of January 31, 2025. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.



- With the exception of the very shortest maturities, US Treasury yields declined slightly over the month.
- The more policy sensitive 2-year Treasury yield moved from 4.24% to 4.20%, while the 10-year Treasury yield declined from 4.57% to 4.54%.
- After the Fed started reducing interest rates in September 2024, the yield curve stopped being inverted (short-term interest rates higher than long-term interest rates) given expectations for the Fed to continue to reduce rates amid resilient economic growth and persistent inflation.

¹ Source: Bloomberg. Data is as of January 31, 2025. The August 2024 Treasury yields are shown as a reference before the first interest rate cut.

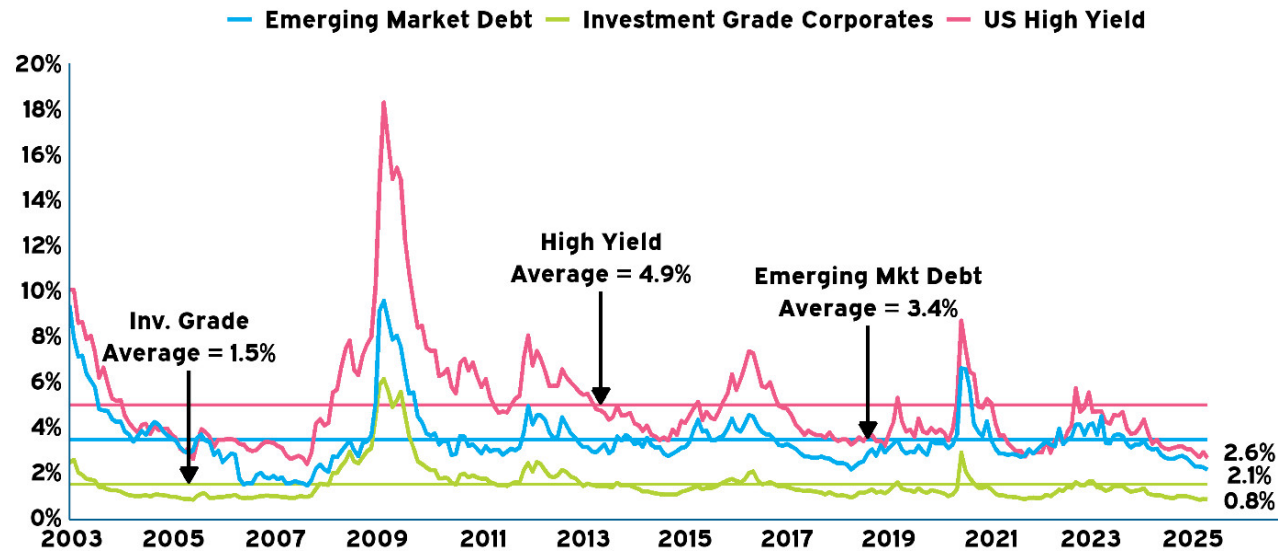
10-Year Treasury Yield versus Fed Funds Rate¹



- Typically, when the Fed cuts interest rates, the yield on the ten-year Treasury follows, as rate cuts often come in an environment of falling inflation and rising unemployment.
- The recent dynamic has been very unusual with the Fed cutting interest rates by a total of 1.0% since September and the 10-year Treasury increasing by a similar amount over the same period.
- Inflation concerns and broad uncertainty about the future path of interest rates (also known as “term premium”) are the key factors driving this dynamic.

¹ Source: FRED. Data is as of January 31, 2025.

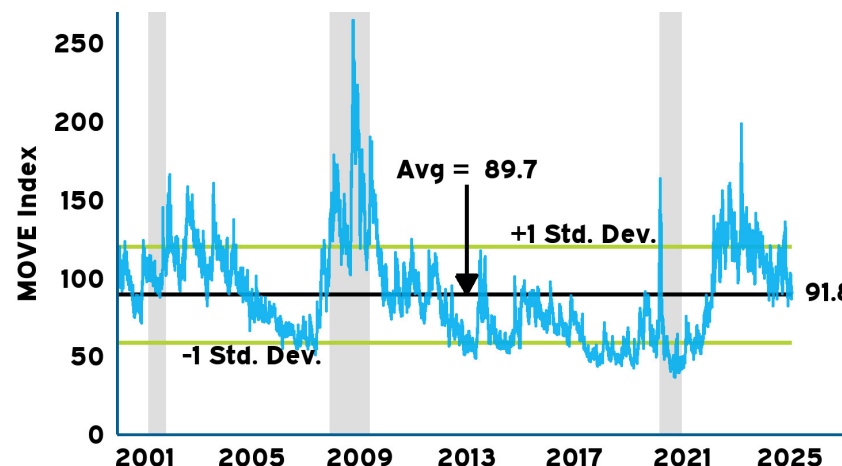
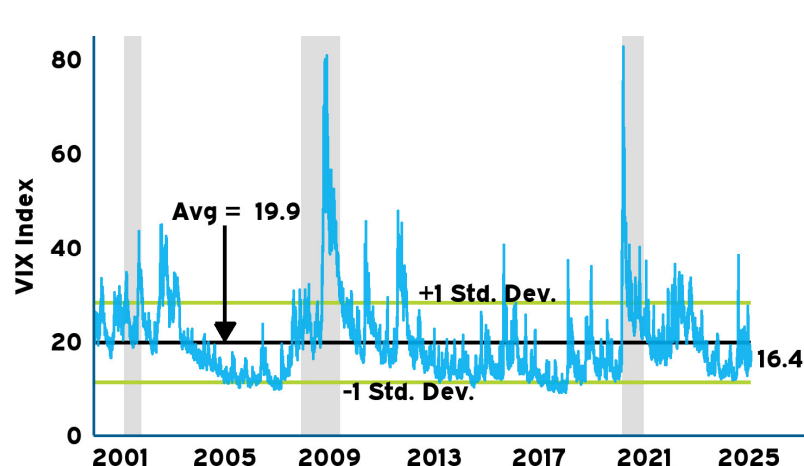
Credit Spreads vs. US Treasury Bonds¹



- Spreads (the yield above a comparable maturity Treasury) continued to tighten in January for riskier bonds, and were stable for investment grade issues.
- All yield spreads remained below their respective long-run averages, particularly high yield (2.6% versus 4.9%).
- Although spreads are tight, absolute yields remain at above-average levels compared to the last two decades.

¹ Source: Bloomberg. Data is as January 31, 2025. 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.

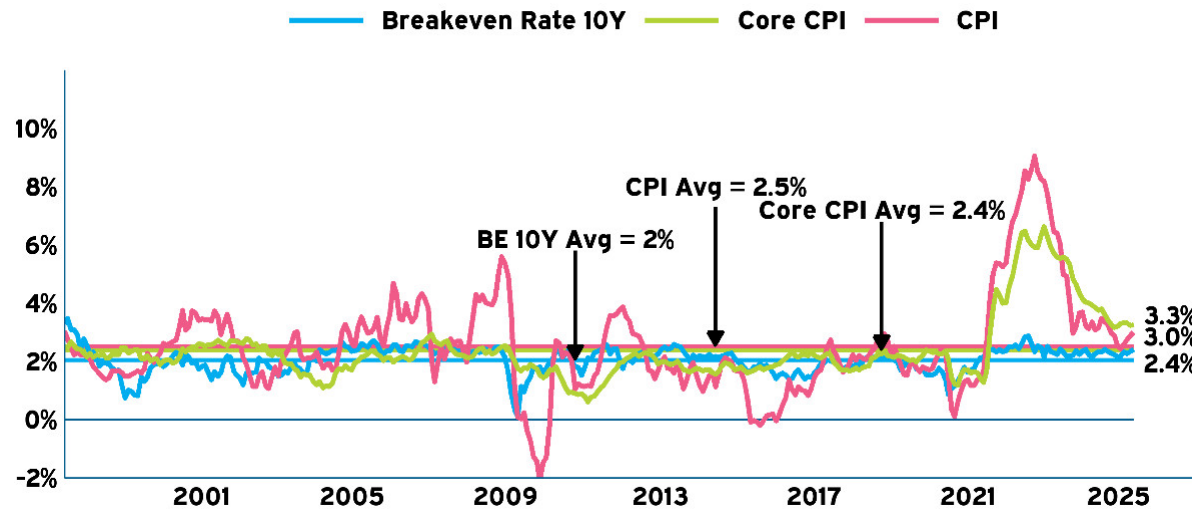
Equity and Fixed Income Volatility¹



- Bond and equity volatility declined in January despite tech stock volatility and policy uncertainty.
- Volatility levels (VIX) in the US stock market finished January below its long-run average, while volatility in the bond market (MOVE) finished the month slightly above its long-run average.

¹ 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 January 31, 2025. The average line indicated is the average of the VIX and MOVE values between January 2000 and January 2025.

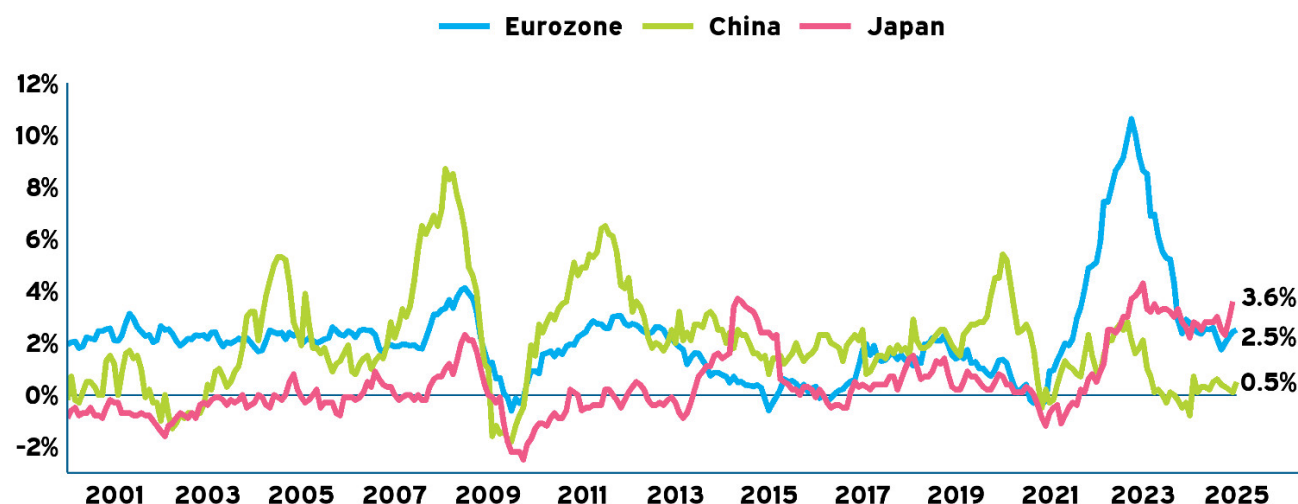
US Ten-Year Breakeven Inflation and CPI¹



- In January, inflation surprised to the upside across most categories. Month-over-month (mom) inflation came in at 0.5% compared to a 0.3% expectation, while 12-month inflation was expected to stay stable at 2.9% but increased to 3.0%.
- Shelter (+0.4% mom) accounted for 30% of the monthly gain and contributed to the surprise in inflation. Energy prices also rose (+1.1% for the month), while food increased 0.4% over the same period.
- In January, core inflation (excluding food and energy) rose 0.4% lifting the 12-month gain to 3.3%, slightly above December's year-over-year 3.2% reading and expectations of a decline to 3.1%.
- Inflation expectations (breakevens) rose over the quarter from the September lows of 2.0%, on continued uncertainty regarding the likelihood and magnitude of the new administration's policies.

¹ Source: FRED. Data is as of January 2025. 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.

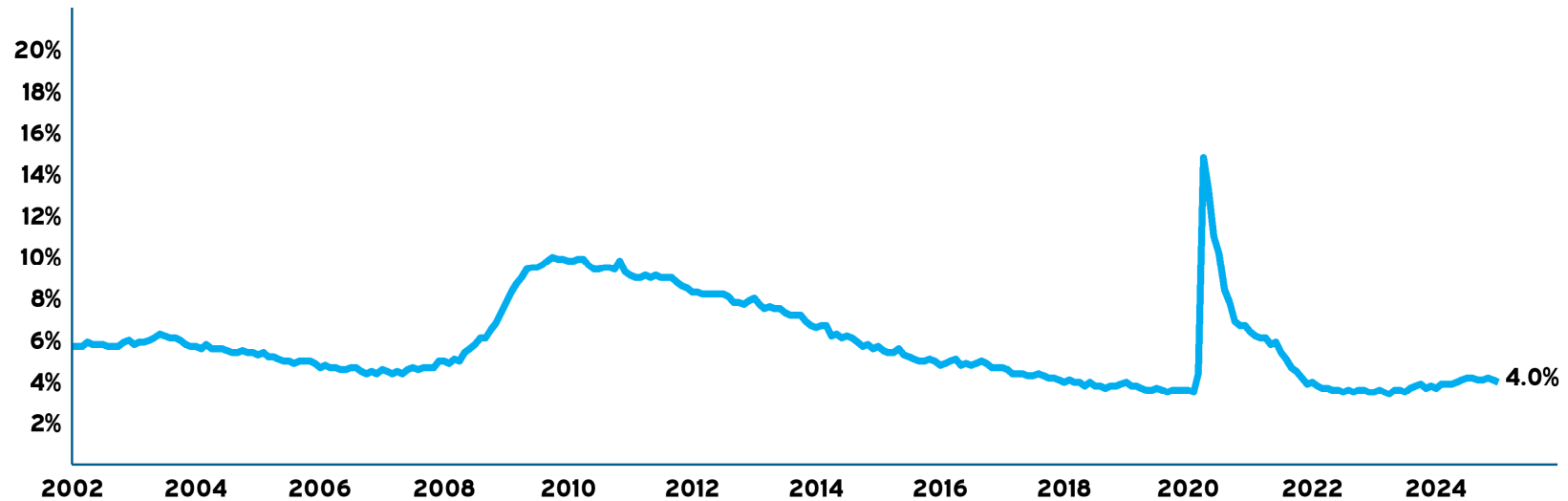
Global Inflation (CPI Trailing Twelve Months)¹



- In the eurozone, inflation increased each month since last September, but levels remain below the US. The increase has been largely driven by last year's significant fall in energy prices no longer being included in the calculation.
- In the latest reading of inflation in Japan, it rose from 2.9% to 3.6% due in part to an increase in food prices and the end of energy subsidies driving electricity and gas prices higher.
- After four months of declines, inflation in China increased in January from 0.1% to 0.5% (above expectations) driven by the Lunar New Year and recent stimulus. Despite the rise, inflation levels remain only slightly positive in China as the economy slows and consumers pulls back.

¹ Source: Bloomberg. Data is as January 2025, except Japan which is as of December 2024.

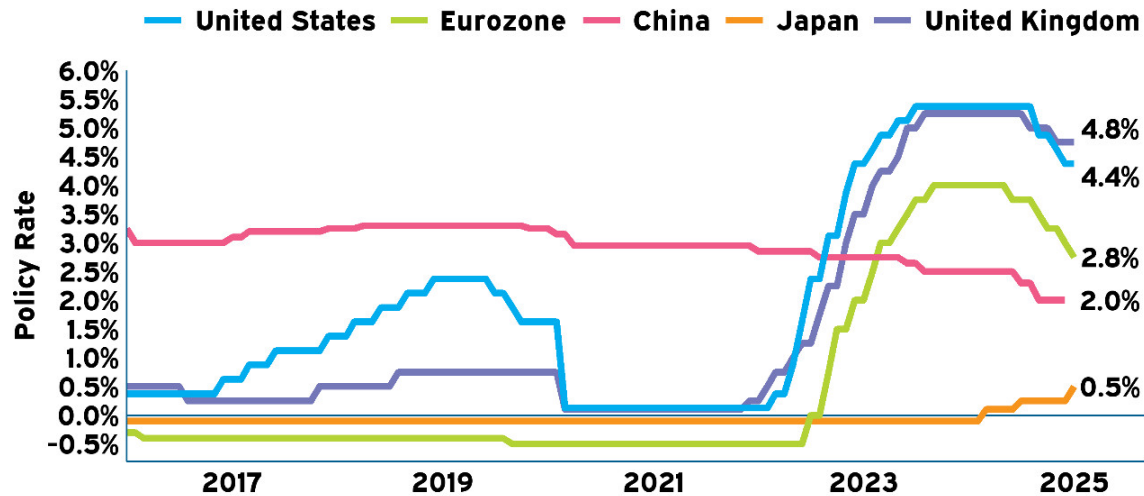
US Unemployment¹



- The unemployment rate fell slightly in January to 4.0% (it was expected to stay at 4.1%) as the annual population adjustment was made. The economy added 143,000 jobs, below expectations of 175,000, but prior month job gains were revised higher by 51,000 jobs to 307,000 jobs added in December 2024.
- In January, the health care (+44K), retail (+34K), and government (+32K) sectors added the most jobs.
- The last reading of job openings fell from 8.1M to 7.6M, a level well below the pandemic highs (>12M); the number of openings exceeds the number of unemployed workers looking for work (6.9M).
- Separations (5.3M) and hires (5.5M) remained steady and average hourly wages continued to grow at approximately 4.2% a year.

¹ Source: FRED and BLS. Data is as of January 31, 2025.

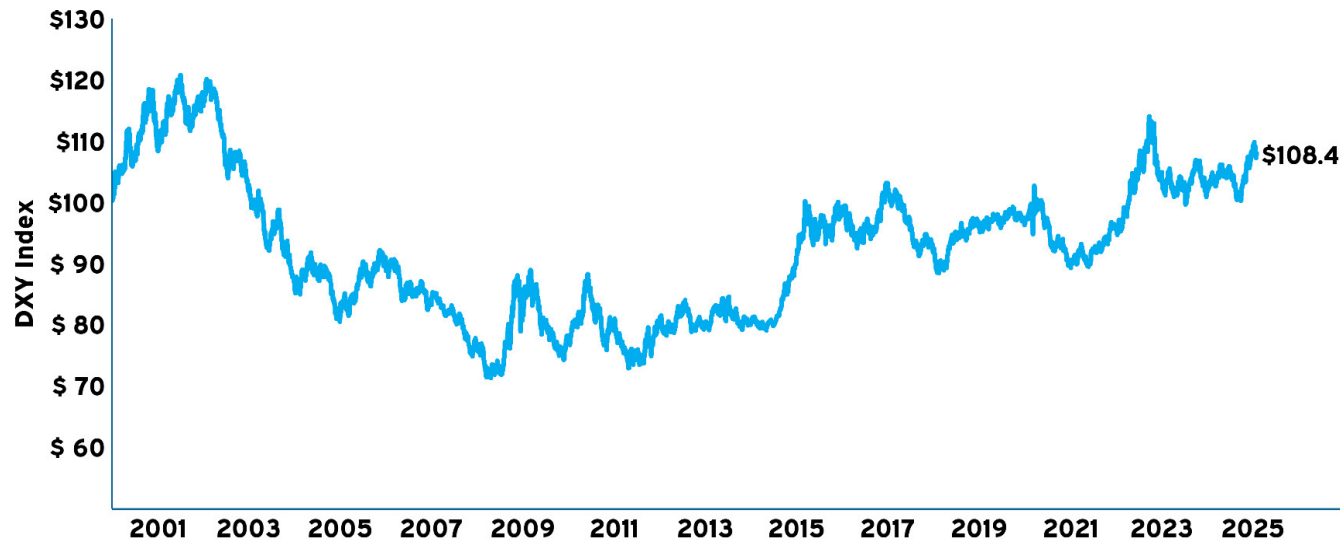
Policy Rates¹



- In the US, the Fed kept interest rates steady at their January meeting after reducing interest rates by 0.25% twice over the final quarter of 2024 to a range of 4.25% to 4.50%. Going forward, questions remain about the timing and amount of additional cuts (if any) given the strength of the economy and persistent above-target inflation.
- After month-end, the Bank of England cut interest rates for the third time by 0.25%, while the European Central Bank cut rates by another 0.25% in January. The People's Bank of China also continues to maintain measures to try to stimulate the economy.
- In contrast to many other central banks, the Bank of Japan increased interest rates in January, in the face of persistent inflation. Rate cutting by other major central banks are complicating prospects for further policy rate hikes in Japan.

¹ Source: Bloomberg. Data is as of January 31, 2025 except China Rate is as of December 31, 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 Currencies¹



- The strength of the US dollar persisted in the first month of 2025 as the Fed paused its rate cutting while other central banks continued to cut interest rates.
- A rise in interest rates driven by potential inflationary impacts of proposed higher tariffs, lower taxes, and immigration policies from the new US administration has led to the dollar's recent gains.

¹ Source: Bloomberg. Data as of January 31, 2025.

Summary

Key Trends:

- According to the International Monetary Fund's (IMF) October report, global growth in 2025 is expected to be similar to 2024 at around 3.2%, with most major economies predicted to avoid a recession.
- Questions remain about what policies will be implemented by the new administration in the US. Although deregulation and tax cuts could support growth, these policies, along with higher tariffs and restrictive immigration, could fan inflation. This will likely lead to additional uncertainty 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 divergence in monetary policies. The Fed is likely going to cut interest rates at a much slower pace than previously expected with the chance of no further cuts in 2025. On the other hand, additional rate cuts are expected from the European Central Bank and the Bank of England, while the Bank of Japan has 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 suite of fiscal and financial policy stimulus measures. Thus far, these efforts have not increased weak consumer spending or helped the lingering trouble in the real estate sector. It is 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”).

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San Joaquin County Employees' Retirement Association (“SJCERA”)

March 14, 2025

Risk Management and Model
Portfolios

Agenda

- 1. What Is Risk**
- 2. Risk Management – 60/40**

What Is Risk

Risk Theory

What is risk?

→ Risk is a condition where there are a greater number of possible outcomes than actual outcomes.

Institutional investors operate under a condition of uncertainty

→ The “objective” probability of individual outcomes is unknown.

→ Therefore, we substitute “subjective” probabilities of possible outcomes.

Risk management considers both subjective probabilities of outcomes and consequences of outcomes.

Risk in an institutional portfolio context

→ Anything that prevents an organization from attaining its goals:

- Inability to meet a return target
 - Over what time horizon?
- Return volatility – mark-to-market value changes
 - Typically driven by risk exposure

**“Risk management is the quality of a decision we make
in the face of uncertainty.”**

-- Peter Bernstein

Risk Facing Institutional Investors

- Volatility of investment return (market risk)
- Risk of monetary loss or permanent impairment of value
- Liquidity risk
- Credit risk
- Inflation risk
- Counterparty risk
- Operational risk
- Reputational risk or "headline risk"
- Regulatory risk
- Valuation risk
- Concentration risk
- Leverage risk
- Litigation risk

Risk Management

How does one smooth out total fund return volatility?

Many investors have sought to reduce return volatility through investing in:

- Uncorrelated assets or strategies
- Covered Calls portfolio in Growth Portfolio
- Risk-oriented Tactical Portfolios – Tactical Asset Allocation
- Currency Overlay Product to reduce short-term volatility of currency exposure
- Tail risk management strategies
- Other

Risk Management – Public DB Plan

Pre-2008

- Primarily focused on long-term return averages
- Volatility of historical returns

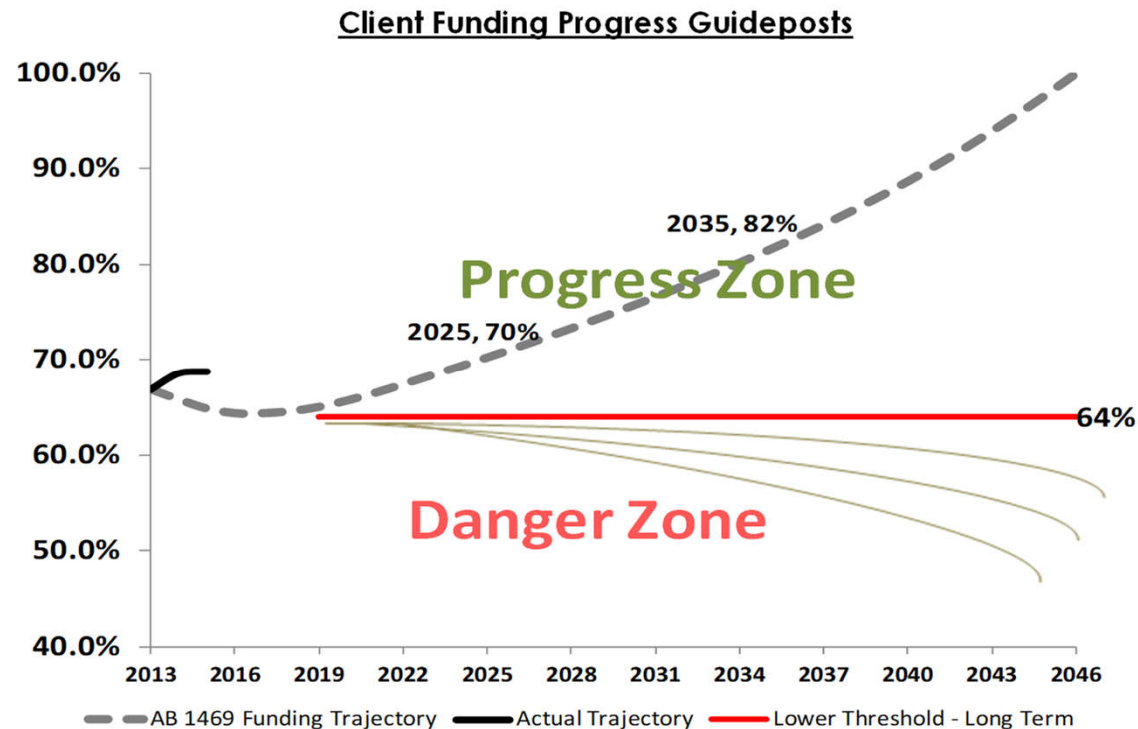
Post-2008

- Focus of probability of not meeting benefit payments
- Focus on probability of increased contributions
- Focus on managing worst case portfolio outcomes
- Less concern with peer universe comparisons

Risk Management – Mature DB Plans

- “We have long dated liabilities – therefore, we’re long-term investors.”
- “The fund can ride out the market volatility that comes with being an equity investor.”
 - You won’t know until you test the statement.
- You are not a long-term investor if a major market decline can permanently impair fund solvency.
 - The level at which the fund solvency is in question is not 0%.

Example



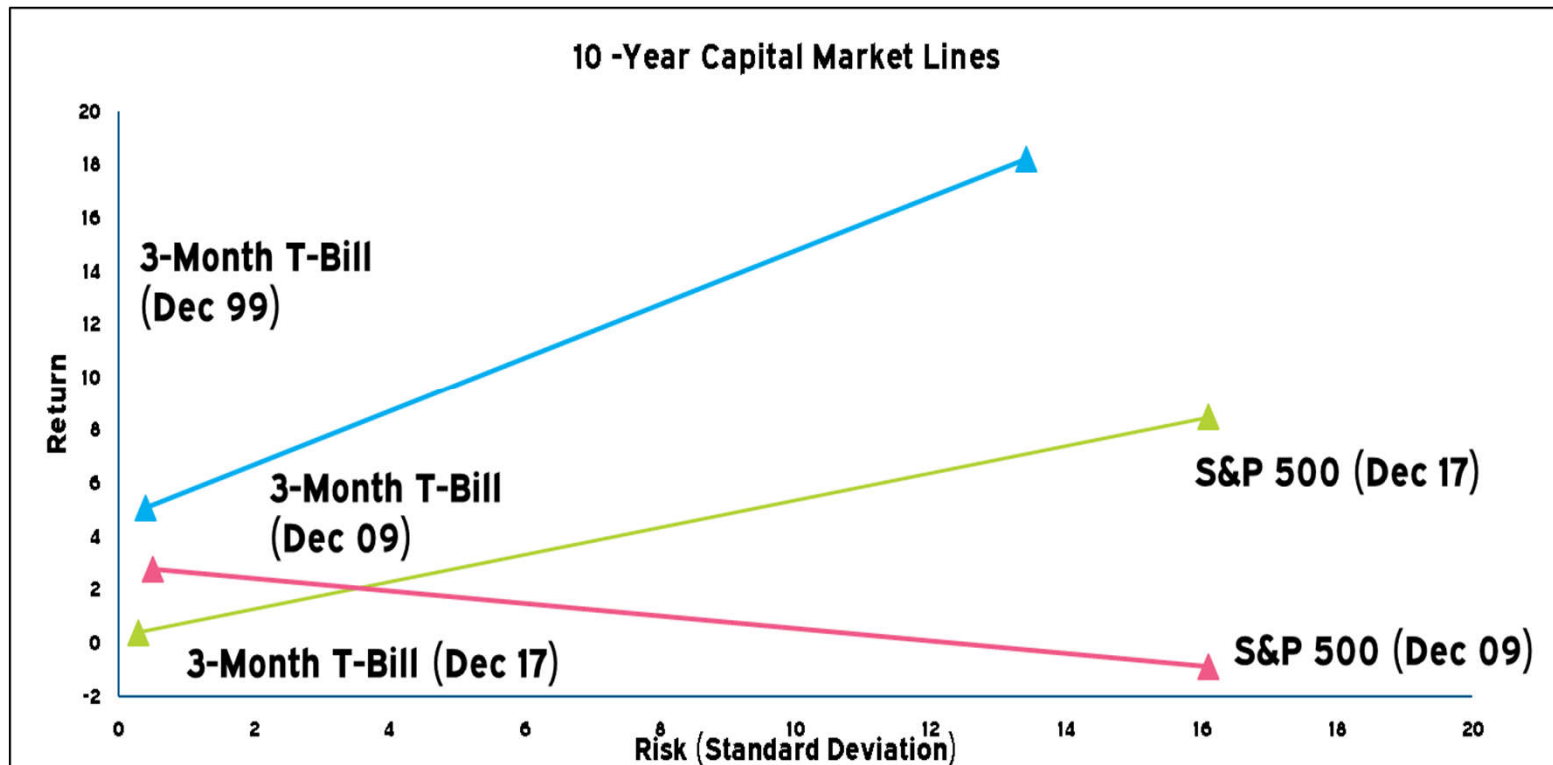
- Based on cash-flow dynamics, falling below 64% funding after 2019 presented material implications for the plan.
- 64% funding ratio was used as a key threshold during the modeling.

Risk Management Challenge

- Low correlated assets reduce risk. However:
 - The allocation must be large enough to have a risk reduction impact on the total portfolio return.
 - Low volatility assets do not have sufficient volatility to materially impact total portfolio return.
 - Most diversifying assets / strategies reduce risk very slowly.
 - Most institutional investors' portfolios risk profiles are dominated by equity risk.
 - If you have a 7.5% return target, it is difficult to construct a portfolio where that is not the case.
- It takes time for a reduced risk strategy to pay off:
 - Unless there is a market crisis in the near term.
- There are more up periods than down periods.
- Risk reduction strategies lag in periods where risk is rewarded.

Risk Management – 60/40

Investment Challenge – Risk Is not Always Rewarded



- Investors are usually rewarded for taking investment risk.
- However, risk is not rewarded in every 10-year time period.
- Asset allocation reviews conducted in 1999 underestimated the market risk environment over the next decade.
- Model assumptions that miss the actual outcome are called estimation errors.

The 60/40 Portfolio

A 60 / 40 portfolio has many positive attributes:

- Investible
- Inexpensive to manage
- Easy to implement
- Has performed well in the past

May not be suitable for a mature public DB plan in the current investment environment

- 60 / 40 portfolio risk profile is dominated by one risk – equity (growth) risk
 - The success or failure of the portfolio meeting its investment objectives rests on one outcome: equity investments continuing to rise in value
- 60 / 40 portfolio has a lower expected return than other portfolio allocations
 - Primarily because Fixed Income yields are so low

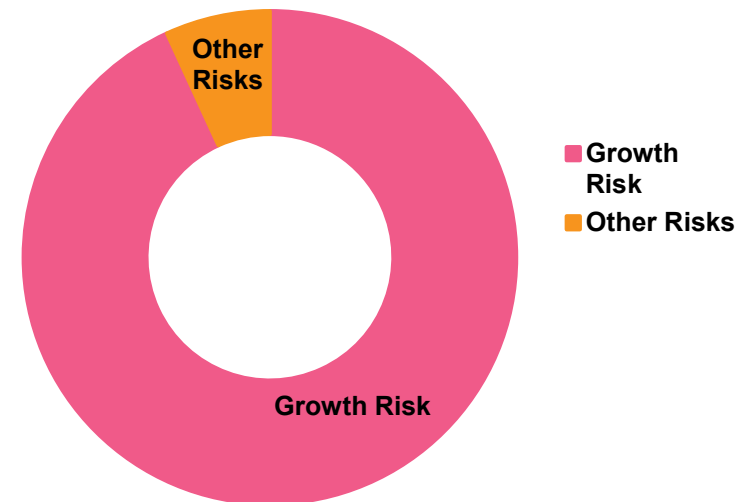
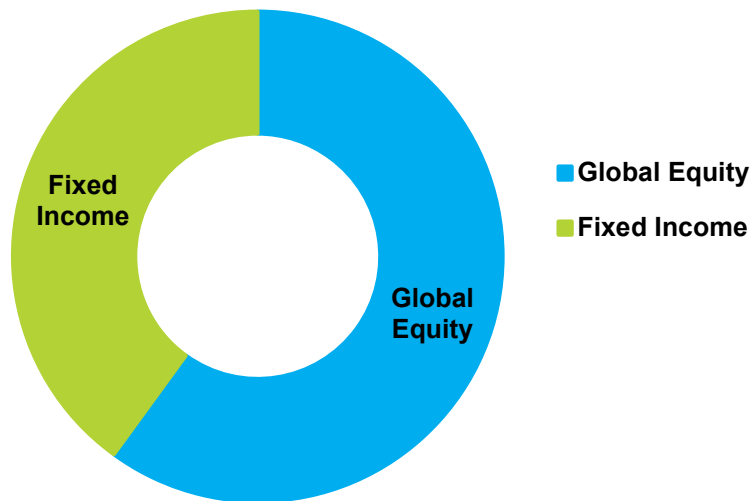
Sources of Portfolio Risk – 60/40

Portfolio Arithmetic Return: 6.7%

Portfolio Geometric Return: 6.2%

Portfolio Standard Deviation: 10.7%

Expected Sharpe Ratio: 0.32



→ Total portfolio risk (volatility) is dominated by equity (growth) risk.

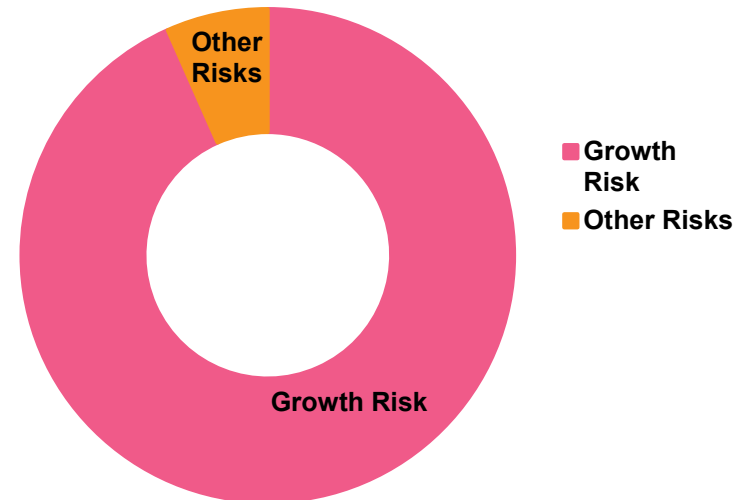
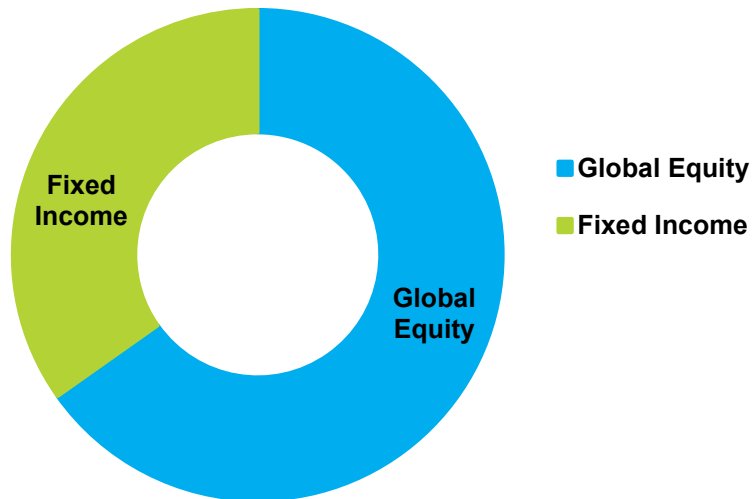
Sources of Portfolio Risk – 75/25

Portfolio Arithmetic Return: 7.2%

Portfolio Geometric Return: 6.5%

Portfolio Standard Deviation: 13.0%

Expected Sharpe Ratio: 0.28



→ Total portfolio risk (volatility) is dominated by equity (growth) risk.

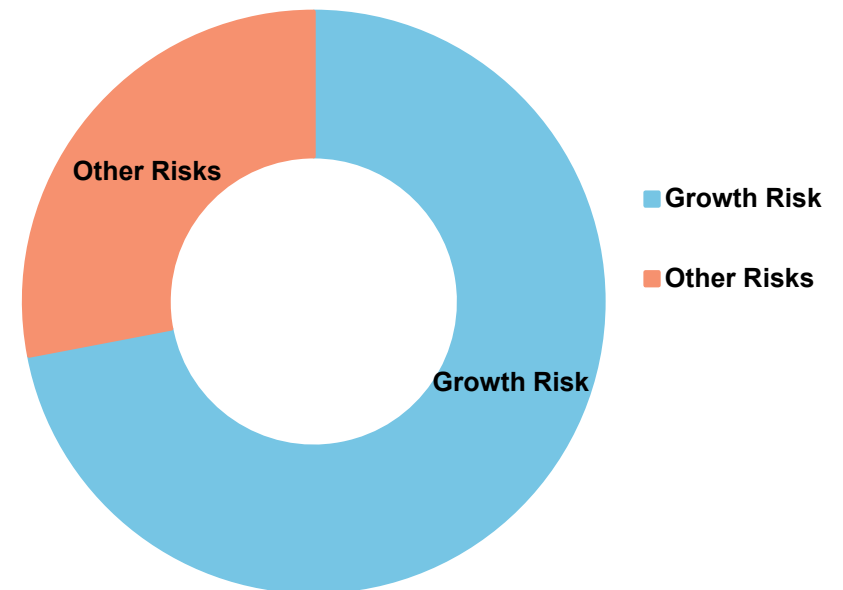
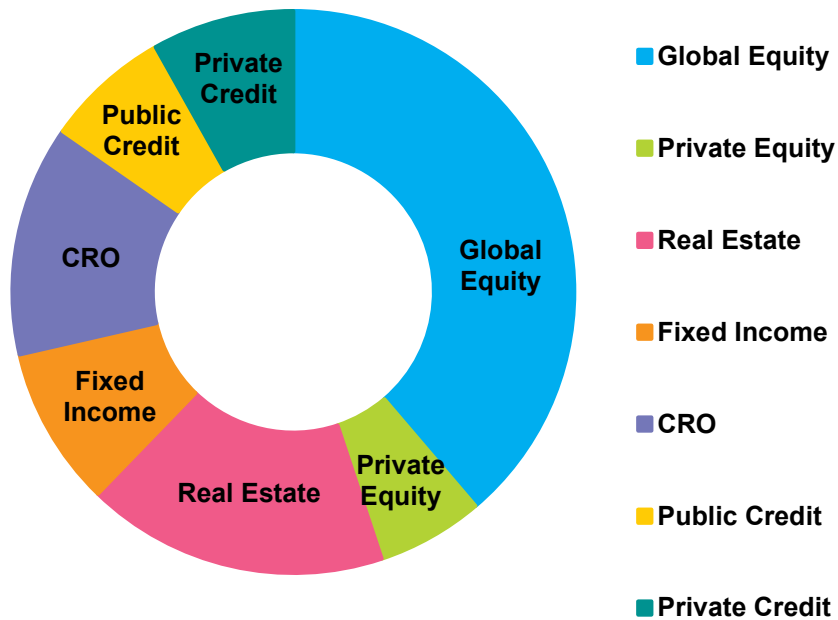
Sources of Portfolio Risk – SJCERA

Portfolio Arithmetic Return: 7.6%

Portfolio Geometric Return: 7.2%

Portfolio Standard Deviation: 11.9%

Expected Sharpe Ratio: 0.37



Calendar Year Performance– SJCERA, 60/40, 75/25

	2024	2023	2022	2021	2020
SJCERA Total (Net)	8.5	9.1	-7.3	13.8	8.3
SJCERA Policy Benchmark	11.4	12.6	-8.8	11.3	10.3
60% MSCI Acwi/40% Blbrg Global Agg	9.5	15.4	-17.3	8.8	14.0
75% MSCI Acwi/25% Blbrg Global Agg	12.4	17.9	-17.7	12.4	15.0

- SJCERA's portfolio is built as an "All-Weather" strategy.
- Total plan performance does not behave like a 75/25 or 60/40 portfolio.

Summary

Diversification is your friend

- A risk management investment strategy, which includes uncorrelated investments, is expected to yield higher returns and provide a lower risk (volatility) than any individual investment within the portfolio.
- Requires you look at the portfolio as a whole, not as an individual asset class or investment.
- In a diversified portfolio, some part of the portfolio will not be performing well in any given investment environment.
 - If all assets are doing well or poorly at the same time, the portfolio is not really diversified.

“If you’re not worried about something in your portfolio you aren’t really diversified.”

-- Peter Bernstein

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San Joaquin County Employees' Retirement Association

March 7, 2025

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

Define Emerging Governance Issues

Provide educational support to trustees to strengthen the decision-making process. We provided fiduciary orientation to our newest board trustee, in addition to other educational opportunities to provide further knowledge and support for decision making.

Modernize the Operations Infrastructure

Employer Experience

Establish an annual Employer Roundtable. The first Employer Symposium took place on February 19, 2025. The one-day event covered several topics designed to educate and initiate dialogue with our employers. Once again, thank you to the City of Mountain House for hosting our event. The reviews from employers were positive to very positive. We are already in the planning stages for next year. Several employers have offered their location for hosting.

Managing emerging needs

Complete RFP for actuarial and investment consulting services. We are preparing the Actuarial Consulting RFP with the intention of sending it out to selected vendors on May 7. The estimated timeline is as follows:

- 1) Letters of Intent to Bid and proposer's questions due by May 21
- 2) Proposals due by June 20
- 3) Estimated contract execution on August 8

Maintain Business Operations

Employee of the Month

A hearty congratulations to Yvonne Drake, our Communications Officer; Yvonne has taken mere suggestions and turned them into fully functioning projects. Yvonne brought the idea of a one-day forum with employers to life with the Employer Symposium. From a basket of ideas, thoughts, and perspectives provided, she developed an agenda and managed all the logistics needed to create a successful event. The Employers in attendance were complimentary of our presentations and the education provided. In addition, her revamped presentation for the "About to Retire" webinar was well received. Over 400 people

signed up, with 250 attending, a 190% increase over prior webinars. Our social awareness campaign, spearheaded by Yvonne, we believe, is the reason for the increased attendance. Great work Yvonne!

Board Elections. Staff is working with the Registrar of Voters for the upcoming elections:

1. Seventh seat on the Board of Retirement, elected by Active, Safety Members
2. Alternate Seventh seat, elected by Active, Safety Members, if in an alternate Safety group

The first day to obtain candidacy paperwork is Monday, April 14, and the last day to file the paperwork with the Registrar of Voters is Friday, May 2.

Conflict of Interest: Form 700. Trustees and specified staff members must submit their original, signed Form 700 to Greg Frank by the March 19 deadline.

Provide Excellent Customer Service

A few quotes from our members:

“Margarita (Arce) was patient to listen to my concern and she was able to provide me quickly the information I needed. Excellent Customer Service!”

“Vickie (Monegas) was so helpful and kind. She is professional and helped me promptly and answered all my questions. Thank you Vickie.”

“Andrea (Bonilla) was very helpful and knowledgeable and professional. My wife and I enjoyed visiting with her and getting her help.”

Manage Emerging Organizational Needs

2025 NCPERS Study. NCPERS just released their 2025 public retirement systems study. The 201 responding systems reported assets from \$100 million to \$500 billion. Some key takeaways from the report are listed below. In reading them, you will see SJCERA aligns with many of these findings:

- The average funding ratio has held steady, increasing from 71% to 79% for the last five years
- Systems that receive the full actuarially determined contributions have 20% higher funded ratios
- Average one-year return for systems ending June 30, 2024 was 9.47%
- Average assumption rate has crept down to 6.67%, from 7.13% in 2021
- Average amortization period is 18.5 years, a new three-year low
- Three in four systems provide a COLA, half of the COLA's paid last year were exactly 3%
- Top priorities for 2025 are cybersecurity, improve/sustain funding, and updating/acquiring a pension administration system

Conclusion

This year is well underway with a full action plan in motion. As we approach the end of winter and beginning of spring, we have several items that will be happening. We have agreed to conduct personalized training for a few of our employers. One request is for targeted training for Tier II and Tier IIB members to educate on the benefit offered to those members and the opportunities available to them to supplement their future benefit. We also have agreed to offer a class to another employer that will be in Spanish for employees that would desire to receive the education in their native language. We are hopeful our employers will continue to provide us insight on what specialized offerings would be of benefit to their employees.

We are also excited about our new venture with the county to utilize robotic processes to automate some of SJCERA's day-to-day activities. Pending final acceptance by the county, we will begin the effort soon to transform some of our manual processes to be performed through an automated means. Considering SJCERA's size, many times automation is set aside because the cost of automation is more than continuing to perform the task manually. Fortunately, as automation has become more mainstream and cost-effective, it has become more of a reality for processes with fewer transactions. Aside from efficiency, there's also an added benefit of increased integrity or reduction of manual input error. Once approved, our intention is to consider either independent processes or processes that act as an input into our current pension administration system replacement project.