



# San Joaquin County Employees' Retirement Association

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## AGENDA

**BOARD OF RETIREMENT MEETING  
SAN JOAQUIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
BOARD MEETING  
WEDNESDAY, OCTOBER 15, 2025  
AT 9:00 AM**

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/82138527882> and following the prompts to enter your name and email, or (2) calling (669) 219-2599 or (669) 900-9128 and entering Meeting ID 82138527882#

Persons who require disability-related accommodation should contact SJCERA at (209) 468 -9950 or Tonic@sjcera.org at least forty-eight (48) hours prior to the scheduled meeting time.

**1. ROLL CALL**

**2. PLEDGE OF ALLEGIANCE**

**3. MEETING MINUTES**

**3.1** Minutes of Board Meeting of September 12, 2025

**4. PUBLIC COMMENT**

**4.1** 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. CLOSED SESSION**

- 5.1** Purchase or Sale of Pension Fund Investment  
California Government Code Section 54956.81

## **6. CONSENT**

- 6.1** Service Retirements
- 6.2** Part-Time Temporary Position for Benefits Department
- 6.3** Trustee and Executive Staff Travel
  - 1** Conference and Event Schedules
  - 2** Summary of Pending Trustee and Executive Staff Travel
  - 3** Summary of Completed Trustee and Executive Staff Travel
- 6.4** Legislative Summary Report/SACRS Legislative Update
- 6.5** Board Calendar
- 6.6** Proposed 2026 Board Meeting Calendar
- 6.7** Service Credit Purchase Contract Cancellation
- 6.8** Board to consider and take possible action on consent items

## **7. ASSET ALLOCATION**

- 7.1** Presented by Paola Nealon of Meketa Investment Group

## **8. PACING STUDY PRIVATE MARKETS**

- 8.1 Presentation by Judy Chambers (Private Equity) and Maya Ortiz de Montellano (Private Debt) of Meketa Investment Group

## **9. PACING STUDY PRIVATE REAL ESTATE**

- 9.1 Presentation by Scott Maynard of Meketa Investment Group

## **10. INVESTMENT CONSULTANT REPORTS**

- 10.1 Monthly Investment Performance Updates
  - 1 Manager Performance Flash Report - August 2025
  - 2 Economic and Market Update - August 2025
- 10.2 Board to receive and file reports

## **11. STAFF REPORTS**

- 11.1 CEO Report
  - 11.1.1 2026 Draft Action Plan
- 11.2 Quarterly Operations Report
  - 1 Accounts Receivable Third Quarter 2025
  - 2 Disability Quarterly Report
  - 3 Quarterly Operations Metrics
  - 4 Pension Administration System Update
- 11.3 Board to receive and file reports

## **12. COMMENTS**

- 12.1 Comments from the Board of Retirement

## **13. SUMMARY OF BOARD DIRECTION**

## **14. ADJOURNMENT**



# San Joaquin County Employees Retirement Association

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## MINUTES

**BOARD MEETING  
SAN JOAQUIN COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
BOARD OF RETIREMENT  
FRIDAY, SEPTEMBER 12, 2025  
AT 9:01 AM**

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

### 1.0 ROLL CALL

**1.01 MEMBERS PRESENT:** Michael Duffy, Jason Whelen, Emily Nicholas, JC Weydert, Raymond McCray (in at 9:31 a.m.), Sam Kaisch, Sonny Dhaliwal, Steve Moore, Phonxay Keokham, Michael Restuccia presiding

**STAFF PRESENT:** Chief Executive Officer Renee Ostrander, Assistant Chief Executive Officer Brian McKelvey, Chief Counsel Aaron Zaheen, Retirement Financial Officer Trent Kaeslin, Management Analyst III Greg Frank, Information Systems Manager Adnan Khan, Executive Secretary Toni Christian

**OTHERS PRESENT:** David Sancewich, Judy Chambers and Ryan Farrell of Meketa Investment Group, Tim Hsu and Tom Casarella of Oaktree Financial, Graham Schmidt of Cheiron, Brenda Kiely of County Administrators' Office

### 2.0 PLEDGE OF ALLEGIANCE

**2.01** Led by Jason Whelen

### 3.0 MEETING MINUTES

**3.01** Minutes of Board Meeting of August 8, 2025

**3.02** The Board voted unanimously (8-0) to approve the minutes, (Motion: Duffy; Second: Kaisch)

### 4.0 PUBLIC COMMENT

**4.01** There were no public comments

### 5.0 MANAGER PRESENTATION - OAKTREE

**5.01** Presentation by Tim Hsu, Chartered Financial Analyst, and Tom Casarella, Co-Managing Partner of Oaktree

## **6.0 CLOSED SESSION**

The Chair convened Closed Session at 9:58 a.m. and reconvened Open Session at 10:31 a.m.

- 6.01** Purchase or Sale of Pension Fund Investment  
California Government Code Section 54956.81

There was no report out of Closed Session

## **7.0 CONSENT**

- 7.01** Service Retirements
- 7.02** Return to Active Membership - Angela Victoria
- 7.03** Trustee and Executive Staff Travel
  - 01** Conference and Event Schedules
  - 02** Summary of Pending Trustee and Executive Staff Travel
    - a Travel Request (3)  
Added Jason Whelen to attend SACRS
  - 03** Summary of Completed Trustee and Executive Staff Travel
- 7.04** Legislative Summary Report/SACRS Legislative Update
- 7.05** Board Calendar
- 7.06** Day After Holiday Closure Request
- 7.07** Consent items were approved unanimously (9-0), (Motion: Duffy;  
Second: Dhaliwal)

## **8.0 ASSET ALLOCATION PROPOSAL ASSUMPTIONS**

- 8.01** Presented by David Sancewich of Meketa Investment Group

## **9.0 INVESTMENT CONSULTANT REPORTS**

- 9.01** Presented by David Sancewich of Meketa Investment Group
  - 01** Quarterly Reports from Investment Consultant for Period  
Ending June 30, 2025
    - a Investment Performance Report

b Manager Certification Report

c Manager Review Schedule

**02 Monthly Investment Performance Updates**

a Manager Performance Flash Report - July 2025

b Economic and Market Update - July 2025

**9.02** Board received and filed reports

**10.0 2025 ANNUAL INVESTMENT ROUNDTABLE**

**10.01** Final draft Investment Roundtable agenda

**10.02** Board reviewed and discussed proposed topics

**11.0 ACTUARIAL REPORTS AND 2026 RETIREMENT CONTRIBUTION RATES**

**11.01** Cover Letter for Actuarial Reports and 2026 Contribution Rates

**11.02** Actuarial Experience Study Report - January 1, 2022 through December 31, 2024 prepared by Cheiron

**11.03** Annual Actuarial Valuation Report as of December 31, 2024 prepared and presented by Graham Schmidt, of Cheiron

**11.04** Proposed Resolution 2025-09-01 titled "Actuarial Report and 2026 Retirement Contribution Rates"

**11.05** The Board accepted the actuarial reports, approved the 2026 retirement contribution rates and adopt Resolution 2025-09-01 9-0 (Motion: Duffy, Second: McCray)

**12.0 STAFF REPORTS**

**12.01** CEO Report  
CEO Ostrander confirmed the report is as filed. No further comments

**12.02** Board received and filed reports

**13.0 REPORT OUT OF PREVIOUS CLOSED SESSION**

**13.01** On April 11, 2025, the Board voted unanimously (8-0), with Trustee Keokham absent, to cease the ongoing agreement with Parametric and engage Northern Trust to manage the cash overlay program and to authorize the CEO to sign the necessary documents.

#### **14.0 COMMENTS**

**14.01** No comments from the Board of Retirement

#### **15.0 SUMMARY OF BOARD DIRECTION**

#### **16.0 ADJOURNMENT**

**16.01** There being no further business the meeting was adjourned at 11:53 a.m.

Respectfully Submitted:

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Michael Restuccia, Chair

ATTEST:

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Raymond McCray, Secretary



# San Joaquin County Employees Retirement Association

October 2025

## 6.01 Service Retirement

## Consent

**01 BARBARA G ALBERSON**

Sr Deputy Dir-PublicHealthSrv  
Public Health-Admin Support

Member Type: General  
Years of Service: 12y 01m 20d  
Retirement Date: 7/27/2025

**02 ALEXANDER R ANDERSON**

Deferred Member  
N/A

Member Type: General  
Years of Service: 08y 07m 18d  
Retirement Date: 7/31/2025

**03 MATTHEW J FAVA**

Deferred Member  
N/A

Member Type: General  
Years of Service: 05y 03m 01d  
Retirement Date: 8/6/2025

**04 ERIK N FORBERG**

Fire Captain  
Lathrop Manteca Fire District

Member Type: Safety  
Years of Service: 24y 10m 01d  
Retirement Date: 8/11/2025

**05 DEETTE L GONI**

Courts- Court Management Analy  
Court - Court Oper - Fiscal

Member Type: General  
Years of Service: 23y 09m 14d  
Retirement Date: 7/30/2025

**06 VICTORIA L HIBBARD**

Eligibility Supervisor  
HSA - Eligibility Staff

Member Type: General  
Years of Service: 25y 11m 25d  
Retirement Date: 8/23/2025

**07 KELLI A LEDBETTER**

Med Examiner Investigator  
Office of the Medical Examiner

Member Type: General  
Years of Service: 08y 03m 27d  
Retirement Date: 7/14/2025





# San Joaquin County Employees Retirement Association

## October 2025

**08 AMY C LEE**

Eligibility Supervisor  
HSA - Eligibility Staff

Member Type: General  
Years of Service: 17y 03m 18d  
Retirement Date: 7/27/2025

**09 MENG J LOR**

Juvenile Detention Officer  
Prob-JJRBG-Juv Det Camp

Member Type: Safety  
Years of Service: 21y 11m 07d  
Retirement Date: 8/4/2025

**10 LYNN E LY**

Deferred Member  
N/A

Member Type: General  
Years of Service: 00y 03m 05d  
Retirement Date: 8/1/2025

**11 RANDY ROMERO**

Deferred Member  
N/A

Member Type: General  
Years of Service: 11y 01m 10d  
Retirement Date: 7/27/2025

**12 PETER M TELLERS**

Deferred Member  
N/A

Member Type: General  
Years of Service: 08y 08m 08d  
Retirement Date: 7/30/2025

**13 ROBERT M TURN**

Principal Geographic Info Sys Analyst  
Assessor

Member Type: General  
Years of Service: 21y 02m 01d  
Retirement Date: 8/9/2025



## **Board of Retirement Meeting**

**San Joaquin County Employees' Retirement Association**

### **Agenda Item 6.2**

**October 15, 2025**

**SUBJECT: Part-Time Temporary Retirement Technician Position**

**SUBMITTED FOR: ☐ CONSENT ☒ ACTION ☐ INFORMATION**

### **RECOMMENDATION**

Staff recommends the Board authorize the hiring of a Part-Time Temporary Retirement Technician position beginning on December 1, 2025.

### **PURPOSE**

To establish an additional temporary part-time position in the benefits department, addressing workload capacity, support of on-site resources, cross training and ensure member service coverage while the organization implements a new Pension Administration System in 24 months.

### **DISCUSSION**

As SJERA begins implementation of its new Pension Administration System (PAS)—a major modernization initiative expected to be completed in under 24 months—staffing continuity and operational stability will be essential to ensure both project success and uninterrupted service to members and employers.

The part-time temporary position would assist with the Retired Services department by learning multiple business processes, process daily transactions, assist with data verification and cleanup, answering member in-person questions and answer member calls. The position also allows for continuity of service during staff leave periods and would provide coverage in case of staff turnover.

Upon Board approval, staff will work with San Joaquin County Human Resources to begin the recruitment of the part-time position with an expected start date of December 1, 2025. Current 2025 budget surpluses are able to absorb the December 2025 salary costs estimated between \$2,188.58 - \$2,660.23.

Staff will add this part-time position to the 2026 Administrative Budget with an anticipated cost between \$26,262.96 - \$31,922.80.

### **ATTACHMENTS**

Retirement Technician Job Description  
SJERA 2025 Staff Position Summary

A blue ink signature of Brian P. McKelvey.

Brian P. McKelvey  
Assistant Chief Executive Officer

[Close](#)[Print](#)

## Retirement Technician (#RO4520)

\$25.25-\$30.70 Hourly / \$4,377.16-\$5,320.46 Monthly / \$52,525.92-\$63,845.59 Yearly



Notify Me when a Job Opens for the above position(s)

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### DEFINITION

Under general supervision, performs administrative and technical work in support of all members and beneficiaries of the San Joaquin County Employees' Retirement Association; and does related or other work as required in accordance with Rule 3, Section 3 of the Civil Service Rules.

### CLASS CHARACTERISTICS

This class may be assigned to support active and deferred members or retirees and beneficiaries. Incumbents provide retirement services including customer service, basic accounting and payroll processing duties such as maintaining the master file of all members and beneficiaries in the county retirement system as well as assisting active members with various services including processing and maintaining necessary documents for pending cases of service, disability, and deferred retirement actions.

### TYPICAL DUTIES

- Maintains master file and records of all members and beneficiaries in the retirement system.
- Communicates with members in-person, by phone, and through written communication on a wide variety of retirement related topics and customer service issues; receives, researches and responds to customer service inquiries.
- Processes retirement forms and documentation to facilitate data collection and retirement procedures.
- Researches, calculates, and sets up and confirms payments for first month on retirement payroll.
- Processes health insurance for retirees participating in County sponsored health plans; establishes monthly spreadsheets for retirees by plan and premium category, enters data, and updates vendor portal.
- Maintains death log and notices for members and payees; initiates death benefit processing.
- Coordinates activities and communicates with County departments, Human Resources, County and Outside Counsel, Office of Administrative Hearing, and Medical experts to assure proper recording and filing of various application forms related to disability retirement processing.
- Makes and verifies various calculations such as contribution rates, service credit purchase, interest, and retirement benefits for members and communicates with the employers to facilitate corrections and adjustments.
- Calculates estimates for purchase of service and/or potential retirement income for employees considering retirement.
- Maintains paper and electronic records on retired, active, non-active and beneficiary information.
- Updates and balances retirement repurchases of service for active employees against bi-weekly payroll.
- Calculates, verifies, and corrects service and contributions records on accounts for all members; processes recent resignations for withdrawal requests or establish deferred retirement accounts.
- Processes request for reciprocity for active and deferred members.

## MINIMUM QUALIFICATIONS

**Experience:** Two years of general office clerical work, one year of which must have been at least at the level of Office Assistant in San Joaquin County service; one additional year of work must have been at least at the level of Senior Office Assistant in San Joaquin County service performing financial and statistical recordkeeping.

**Substitution:** One year of approved business training which included instruction in general office procedures and either business mathematics, language mechanics, office machine operations, or recordkeeping procedures may be substituted for six months of the required clerical experience. Additional college level coursework in finance, accounting, or business or public administration may be substituted for the required financial and statistical recordkeeping experience.

## KNOWLEDGE

Principles and practices of bookkeeping; methods of compiling, computing, and presenting basic statistical information; basic mathematics; filing systems and procedures; methods of locating and verifying information; principles and techniques of effective oral and written communications; basic public relations techniques; office machines and computers.

## ABILITY

Interpret laws and regulations governing the retirement system and to answer questions about the retirement system; prepare materials for actuarial reports and financial statements; set up and maintain ledgers and journals; speak, write, and interview effectively; establish and maintain effective working relationships with others; use computer equipment.

## PHYSICAL/MENTAL REQUIREMENTS

Mobility—frequent operation of a data entry device; frequent sitting, standing, and walking for long periods; occasional climbing stairs, pushing, pulling, bending, and squatting; Lifting—ability to occasionally lift up to 15 pounds; Vision—constant reading and close-up work and good overall vision; frequent eye/hand coordination; occasional color/depth perception and peripheral vision; Dexterity—frequent holding, grasping and writing; occasional reaching and repetitive motion; Hearing/Talking—constant hearing normal speech, talking in person and on the telephone; occasional hearing faint sounds; Emotional/ Psychological—constant public contact, decision making and concentration; frequent exposure to grief; Special Requirements—may occasionally work weekends/nights/overtime; may be required to travel; Environmental—occasional exposure to noise.

San Joaquin County complies with the Americans with Disabilities Act and, upon request, will consider reasonable accommodations to enable individuals with disabilities to perform essential job functions.

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**CLASS:** RO4520; **EST:** 11/11/2019; **REV:** 1/18/2022;

**SJCERA 2025 ADMINISTRATIVE BUDGET  
STAFF POSITION SUMMARY**

The 2025 Budgeted FTE Count was reduced by two positions (22 - 20) from the 2024 Budget. The two positions that we did not fill were the Benefits Supervisor position and one of the Retirement Services/Technician positions. This Revised 2025 Budget is adding a second Investment Accounting Officer position, for a total of 21 FTEs.

While the total revised 2025 FTE budget for SJCERA is 21 positions; the requested FTEs related to pension administration is 20.25 FTEs. The 0.75 FTE supports and is reimbursed through the Retiree Health Administration.

| <b>Positions</b>                      | <b>2024<br/>Budget</b> | <b>2024<br/>Actual</b> | <b>2025<br/>Budget</b> | <b>Revised<br/>2025 Budget</b> | <b>2025<br/>Allocated</b> |
|---------------------------------------|------------------------|------------------------|------------------------|--------------------------------|---------------------------|
| Chief Executive Officer               | 1                      | 1                      | 1                      | 1                              | 1                         |
| Asst. Chief Executive Officer         | 1                      | 1                      | 1                      | 1                              | 1                         |
| Chief Counsel                         | 1                      | 1                      | 1                      | 1                              | 1                         |
| Retirement Investment Officer         | 1                      | 1                      | 1                      | 1                              | 1                         |
| Departmental Info System Mngr         | 1                      | 1                      | 1                      | 1                              | 1                         |
| Retirement Financial Officer          | 1                      | 1                      | 1                      | 1                              | 1                         |
| Management Analyst III                | 1                      | 1                      | 1                      | 1                              | 1                         |
| Retirement Benefits Manager           | 1                      | 1                      | 1                      | 1                              | 1                         |
| <b>Retirement Benefits Supervisor</b> | <b>1</b>               | <b>0</b>               | <b>0</b>               | <b>0</b>                       | <b>0</b>                  |
| <b>Investment Accounting Officer</b>  | <b>1</b>               | <b>1</b>               | <b>1</b>               | <b>2</b>                       | <b>2</b>                  |
| <b>Retirement Services Officer</b>    | <b>0</b>               | <b>1</b>               | <b>1</b>               | <b>1</b>                       | <b>2</b>                  |
| <b>Retirement Services Associate</b>  | <b>2</b>               | <b>1</b>               | <b>1</b>               | <b>1</b>                       | <b>2</b>                  |
| <b>Retirement Services/Technician</b> | <b>5</b>               | <b>5</b>               | <b>4</b>               | <b>4</b>                       | <b>5</b>                  |
| Information Systems Analyst II        | 1                      | 1                      | 1                      | 1                              | 1                         |
| Information Systems Specialist II     | 1                      | 1                      | 1                      | 1                              | 1                         |
| Accounting Technician I/II            | 1                      | 1                      | 1                      | 1                              | 1                         |
| Executive Secretary*                  | 1                      | 1                      | 1                      | 1                              | 1                         |
| Communications Officer                | 1                      | 1                      | 1                      | 1                              | 1                         |
| Jr. Admin Asst.                       | 0                      | 0                      | 0                      | 0                              | 1                         |
| Senior / Office Assistant             | <u>0</u>               | <u>0</u>               | <u>0</u>               | <u>0</u>                       | <u>1</u>                  |
| <b>Total Positions:</b>               | <b>22</b>              | <b>21</b>              | <b>20</b>              | <b>21</b>                      | <b>26</b>                 |

\* The Administrative Secretary position was upgraded to an Executive Secretary position and approved by the Board at the February meeting. Our retired Administrative Secretary is working part-time to train our new Executive Secretary.

# CONFERENCES AND EVENTS SCHEDULE

| 2025        |        | EVENT TITLE                                                              | EVENT SPONSOR          | LOCATION               | REG. FEE | WEBLINK FOR MORE INFO  | EST. BOARD EDUCATION HOURS |
|-------------|--------|--------------------------------------------------------------------------|------------------------|------------------------|----------|------------------------|----------------------------|
| EVENT DATES |        |                                                                          |                        |                        |          |                        |                            |
| BEGIN       | END    |                                                                          |                        |                        |          |                        |                            |
| Oct 25      | Oct 26 | NCPERS Accredited Fiduciary (NAF) Program                                | NCPERS                 | Ft Lauderdale, FL      | \$900    | ncpers.org             | 12.15                      |
| Oct 25      | Oct 26 | Program for Advanced Trustee Studies (PATs)                              | NCPERS                 | Ft Lauderdale, FL      | \$900    | ncpers.org             | 9                          |
| Oct 26      | Oct 29 | NCPERS Fall Conference: Financial, Actuarial, Legislative & Legal issues | NCPERS                 | Ft Lauderdale, FL      | \$850    | ncpers.org             | 12.45                      |
| Oct 26      | Oct 29 | Pension Bridge Alternatives 2025                                         | withintelligence       | New York, NY           | \$0      | withintelligence.com   | N/A                        |
| Nov 11      | Nov 14 | SACRS Fall Conference                                                    | SACRS                  | Huntington Beach, CA   | \$290    | sacrs.org              | 11.5*                      |
| Nov 13      | Nov 13 | Pension Bridge Real Assets 2025                                          | withintelligence       | Austin, TX             |          | withintelligence.com   | TBD                        |
| Dec 8       | Dec 9  | Northern California Institutional Forum                                  | Markets Group          | Berkeley, CA           | \$0      | marketsgroup.com       | TBD                        |
|             |        |                                                                          |                        |                        |          |                        |                            |
| 2026        |        | EVENT TITLE                                                              | EVENT SPONSOR          | LOCATION               | REG. FEE | WEBLINK FOR MORE INFO  | EST. BOARD EDUCATION HOURS |
| EVENT DATES |        |                                                                          |                        |                        |          |                        |                            |
| BEGIN       | END    |                                                                          |                        |                        |          |                        |                            |
| Jan 26      | Jan 28 | IREI, VIP Americas                                                       | IREI                   | Carlsbad, CA           | \$0      | irei.com               | 6                          |
| Jan 26      | Jan 28 | Legislative Conference                                                   | NCPERS                 | Washington, DC         | TBD      | NCPERS                 | 11.5*                      |
| Feb 2       | Feb 4  | Pension Bridge Private Credit 2026                                       | withinintelligence.com | Del Mar, San Diego, CA | TBD      | withinintelligence.com | 8.5*                       |
| Mar 2       | Mar 4  | Communication & Member Services Summit                                   | NCPERS                 | San Diego, CA          | TBD      | NCPERS                 | TBD                        |
| Mar 8       | Mar 11 | General Assembly 2026                                                    | CALAPRS                | Carlsbad, CA           | TBD      | calaprs.com            | 8.5 - 10.5                 |
| May 12      | May 15 | SACRS Spring Conference                                                  | SACRS                  | Olympic Valley, CA     | TBD      | sacrs.org              | 11*                        |
| May 16      | May 17 | Accredited Fiduciary (NAF) Program                                       | NCPERS                 | Las Vegas, NV          | TBD      | NCPERS                 | TBD                        |
| May 16      | May 17 | Trustee Educational Seminar (TEDS)                                       | NCPERS                 | Las Vegas, NV          | TBD      | NCPERS                 | 9                          |
| May 17      | May 20 | Annual Conference & Exhibition (ACE)                                     | NCPERS                 | Las Vegas, NV          | TBD      | NCPERS                 | 12*                        |
| Jun 15      | Jun 17 | Chief Officers Summit                                                    | NCPERS                 | Newport Beach, CA      | TBD      | NCPERS                 | N/A                        |
| Oct 24      | Oct 25 | Accredited Fiduciary (NAF) Program                                       | NCPERS                 | Nashville, TN          | TBD      | NCPERS                 | 12*                        |
| Oct 24      | Oct 25 | Program for Advanced Trustee Studies (PATs)                              | NCPERS                 | Nashville, TN          | TBD      | NCPERS                 | 9                          |
| Nov 10      | Nov 13 | SACRS Fall Conference                                                    | SACRS                  | Rancho Mirage, CA      | TBD      | sacrs.org              | 11.5                       |
|             |        |                                                                          |                        |                        |          |                        |                            |

\* Estimates based on prior agendas

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

| <b>2025</b>           |                                                                      |                      |                                                                                                                                     |                       |                          |
|-----------------------|----------------------------------------------------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------|
| <b>Event Dates</b>    | <b>Sponsor / Event Description</b>                                   | <b>Location</b>      | <b>Traveler(s)</b>                                                                                                                  | <b>Estimated Cost</b> | <b>BOR Approval Date</b> |
| Oct 25 - Oct 26, 2025 | NCPERS Accredited Fiduciary (NAF) Program                            | Ft. Lauderdale, FL   | R. Ostrander                                                                                                                        | \$2,798               | Pending                  |
| Oct 26 - Oct 29, 2025 | NCPERS Fall Conference:<br>Financial, Actuarial, Legislative & Legal | Ft. Lauderdale, FL   | R. Ostrander                                                                                                                        | \$2,805               | Pending                  |
| Oct 30, 2025          | Venture Capital Managers                                             | Palo Alto, CA        | A. Zaheen                                                                                                                           | \$293                 | Pending                  |
| Nov 11 - Nov 14, 2025 | SACRS Fall Conference                                                | Huntington Beach, CA | JC Weydert, E. Nicholas,<br>S. Kaisch, J. Whelen,<br>R. McCray, S. Moore,<br>R. Ostrander,<br>B. McKelvey, T. Kaeslin,<br>A. Zaheen | \$8,784               | N/A                      |
| <b>2026</b>           |                                                                      |                      |                                                                                                                                     |                       |                          |
| <b>Event Dates</b>    | <b>Sponsor / Event Description</b>                                   | <b>Location</b>      | <b>Traveler(s)</b>                                                                                                                  | <b>Estimated Cost</b> | <b>BOR Approval Date</b> |
| Jan 26-28, 2026       | IREI VIP Americas                                                    | Carlsbad, CA         | M. Restuccia,<br>T. Kaeslin,<br>JC Weydert                                                                                          | \$6,300               | 7/11/2025                |

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

| <b>Event Dates</b> | <b>Sponsor / Event Description</b>                                   | <b>Location</b>   | <b>Traveler(s)</b>                                        | <b>Estimated Cost</b> | <b>Actual Cost</b>                         | <b>Event Report Filed</b>                  |
|--------------------|----------------------------------------------------------------------|-------------------|-----------------------------------------------------------|-----------------------|--------------------------------------------|--------------------------------------------|
| 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               | Restuccia: \$1869.00<br>Weydert: \$2011.00 | Restuccia: 2/14/2025<br>Weydert: 7/11/2025 |
| 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               | \$1,120.16                                 | N/A                                        |
| Mar 24-26, 2025    | Pension Bridge 2025                                                  | Half Moon Bay, CA | R. McCray, JC Weydert                                     | \$2,200               | McCray: \$1057.77<br>Weydert: \$192.70     | McCray: 6/6/2025<br>Weydert: 7/11/2025     |
| May 7, 2025        | The San Francisco Institutional Exchange/Global Business Connections | San Francisco, CA | T. Kaeslin                                                | \$180                 | \$121.61                                   | 6/6/2025                                   |
| May 13-16, 2025    | SACRS Spring Confernce                                               | Rancho Mirage, CA | JC Weydert, S. Moore, R. Ostrander, A. Zaheen, T. Kaeslin | \$6,500               | \$7,797.02                                 | N/A                                        |
| May 19 - 23, 2025  | Investment Strategies & Portfolio Management                         | Philadelphia, PA  | P. Keokham                                                | \$16,650              | \$14,924.80                                | 7/11/2025                                  |
| May 26-29, 2025    | AEW Client Conference & Annual Fund Meeting                          | Boston, MA        | T. Kaeslin                                                | \$0                   | \$249.48                                   | 7/11/2025                                  |
| May 30, 2025       | CALAPRS Trustee Roundtable                                           | Virtual           | S. Kaisch, S. Moore                                       | \$100                 | \$100.00                                   | N/A                                        |
| Jun 24-27, 2025    | NAPPA Conference                                                     | Denver, CO        | A. Zaheen                                                 | \$2,790               | \$1,941.58                                 | 8/8/2025                                   |
| Jul 13-16, 2025    | SACRS UC Berkeley                                                    | Berkeley, CA      | R. Ostrander, T. Kaeslin, JC Weydert                      | \$13,777              | \$14,089.92                                | N/A                                        |
| Sept 15-16, 2025   | Stockbridge 2025 Annual Meeting                                      | Denver, CO        | R. Ostrandetr                                             | \$0                   | \$67.07                                    | Pending                                    |
| Sept 16-18, 2025   | Fiduciary Investors Symposium                                        | Palo Alto, CA     | T. Kaeslin                                                | \$3,100               | TBD                                        | Pending                                    |

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 |
| WHELEN    |                                              |                  |             |            |
| GARDEA    |                                              |                  |             |            |
| DUFFY     |                                              |                  |             |            |
| KAISCH    |                                              |                  |             |            |
| KEOKHAM   | Investment Strategies & Portfolio Management | 5/19 - 23/25     | \$14,924.80 | \$0        |
| MCCRAY    | Pension Bridge                               | 3/24-26/25       | \$1,057.77  | \$3,442.23 |
| NICHOLAS  |                                              |                  |             |            |
| WEYDERT   | IREI - VIP Americas; Pension Bridge          | 1/27-29, 3/24-26 | \$3,103.70  | \$1,396.30 |
| MOORE     |                                              |                  |             |            |

Approved on 1/17/25 to exceed \$4,500.00 yearly amount

\*Pending Final Expense





TO: State Association of County Retirement Systems  
FROM: Cara Martinson, Public House Consulting  
Laurie Johnson, LJ Consulting & Advocacy  
DATE: September 8, 2025  
RE: **Legislative Update – September 2025**

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The Legislature has entered the final two weeks of its legislative session. Following their return from summer recess on August 18, lawmakers promptly began work on a bill package that included a redistricting plan aimed at shifting five Republican-held congressional seats to favor Democrats in the upcoming midterm elections. The package was approved, and one of the measures (Proposition 50) will appear on the ballot for voter approval during a special election scheduled for November 4, 2025. Backed by Governor Newsom, this initiative comes in response to President Trump's efforts to encourage Texas lawmakers to pursue redistricting measures favoring Republicans. The Legislature then turned its attention to the Appropriations Suspense File last Friday, where they heard 686 bills with 25 percent of the bills failing to advance. Some of the notable bills that were "held" in committee included a bill that would have streamlined permitting restrictions for high-speed rail, an exemption for classic cars from smog-check requirements and the legalization of psychedelic drugs.

The focus now shifts to hearing the remaining bills on the floor before the Legislature adjourns for the year on September 12th. The Governor will then have 30 days to take action on all bills sent to his desk.

**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 did not receive a hearing and is now a 2-year bill.
- **AB 259 (Rubio)** - was amended to extend the 2026 sunset on existing laws governing teleconferencing procedures for public meetings to 2030. This bill is sponsored by the CA Special District's Association (CSDA). Status: This bill is now a 2-year bill.



- **AB 288 (McKinnor)** - expands the jurisdiction of the Public Employment Relations Board (PERB) by authorizing certain workers to petition PERB to protect and enforce their rights. Status: This bill passed out of the Senate Appropriations Committee and is awaiting action on the floor.
- **AB 339 (Ortega)** - would require the governing body of a public agency to give a recognized employee organization (REO) no less than 45 days' written notice regarding contracts to perform services that are within the scope of work of job classifications represented by the REO. Status: This bill was approved by the Senate Appropriations Committee and is awaiting action on the floor.
- **AB 340 (Ahrens)** - 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 is now a 2-year bill.
- **AB 409 (Arambula)** - would extend the 2026 sunset on existing laws governing teleconferencing procedures for California Community College student body associations and student-run community college organizations to 2030. Status: This bill is now a 2-year bill.
- **AB 467 (Fong)** - would extend the sunset date from 2026 to 2030 (as opposed to 2031) for teleconferencing procedures for neighborhood councils, defined as an advisory body with the purpose to promote more citizen participation in government. Status: This bill is now a 2-year bill.
- **AB 569 (Stefani)** - was amended to maintain the proposed authorization to negotiate contributions to supplemental Defined Benefit plans but also maintain consistency with the existing PEPRA prohibitions and limitations. Status: This bill was held on the Appropriations Suspense File and is now a 2-year bill.
- **AB 814 (Schiavo)** - This bill excludes from gross income, under the Personal Income Tax (PIT) Law, peace officer retirement pay and amounts received by the beneficiary of an annuity plan set up for the surviving spouse or dependent of a person that lost their life in service as a peace officer. Status: This bill was held on the Assembly Appropriations Suspense File.



- **AB 1054 (Gipson)** - This bill would establish the Deferred Retirement Option Program as a voluntary program within PERS for employees of State Bargaining Units 5 (Highway Patrol) and 8 (Firefighters). The bill would require these state bargaining units to bargain with the Department of Human Resources to implement the program. The bill would also require the program to result in a cost savings or be cost neutral. The bill would further require the department to work with the board of PERS to develop the program. Status: This bill was not taken up in the Assembly PERS Committee and is now a 2-year bill.
- **AB 1323 (Chen)** – would increase the compensation rate for certain members of the Orange County Board of Retirement to not more than \$320 per meeting. Status: This bill did not receive a policy committee hearing and is now a 2-year bill.
- **AB 1383 (McKinnor)** - This bill would establish new retirement formulas, for employees first hired on or after January 1, 2026, as 2.5% at age 55, 2.7% at age 55, or 3% at age 55. For new members hired on or after January 1, 2013, who are safety members, the bill would require employers to adjust the formulas for service performed on or after January 1, 2026, to offer one of the 3 formulas for safety members that is closest to the formula the employer provided pursuant to existing law. The bill would authorize a public employer and a recognized employee organization to negotiate a prospective increase to the retirement benefit formulas for members and new members, consistent with the formulas permitted under the act. This bill would authorize an employer and its employees to agree in a memorandum of understanding to be subject to a higher safety plan or a lower safety plan, subject to certain requirements, including that the memorandum of understanding is collectively bargained in accordance with applicable laws. Status: This bill was held on the Assembly Suspense File and is now a 2-year bill.
- **AB 1439 (Garcia)** - would prohibit the board of a public pension or retirement system from making any additional or new investments of public employee pension or retirement funds in development projects in California or providing financing for those projects with public employee pension or retirement funds unless those projects include labor standards protections. Status: This bill did not receive a policy committee hearing and is now a 2-year 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 the subsidiary body of a local agency to teleconference their meetings without having to make all locations publicly available and would require the subsidiary body to post the agenda at each physical meeting location. The bill also sunsets these provisions in 2030. Status: The bill was moved in the inactive file. The sponsors of this bill are now working with Senator Durazo on SB 707 as the consensus measure.
- **SB 301 (Grayson)** - beginning on or after January 1, 2026, would prohibit a city or district that contracts with a retirement system under the CERL from amending their contract with the system in a manner that provides for the exclusion of some, but not all, employees. This bill passed off the Assembly floor and is back in the Senate for a concurrence vote.
- **SB 443 (Rubio)** - This bill authorizes, on or after January 1, 2026, the Pajaro Regional Flood Management Agency (PRFMA) to offer an employee the pre-Public Employee Pension Reform Act of 2013 (PEPRA) defined benefit (DB) retirement plan or formula if the employee was already subject to that retirement plan or formula as an employee of the member agency (a “pre-PEPRA” employee). Similarly, the bill authorizes a non-founding member agency of a JPA formed on or after January 1, 2013, to offer a pre-PEPRA DB retirement plan or formula to an employee within 180 days of the agency becoming a member of the JPA.  
Status: This bill was passed by the Legislature and is on the Governor's desk for approval.
- **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 and extend the sunset provision to 2030. Status: This bill passed out of the Assembly Appropriations Committee and is awaiting action on the Assembly Floor.
- **SB 707 (Durazo)** - would add additional teleconferencing meeting requirements for certain local governments until 2030 to allow members of the public to attend a public meeting via a two-way teleconferencing option. The bill would also require additional alternative language noticing requirements, among other requirements. The bill has been limited to cities and counties with



a population of 30,000 or more as well as the Special Districts that have an internet website and meet any of the following conditions:

- The boundaries of the special district include the entirety of a county with a population of 600,000 or more, and the special district has over 200 full-time equivalent employees.
- The special district has over 1,000 full-time equivalent employees.
- The special district has annual revenues, based on the most recent Financial Transaction Report data published by the California State Controller, that exceed \$400 million, adjusted annually for inflation, as specified, and the special district employs over 200 full-time equivalent employees.

Status: The bill passed out of the Assembly Appropriation Committee and is awaiting action on the Assembly Floor.

- **SB 853 (Committee Omnibus Bill)** - includes clarifying changes to the CERL:
  - Clarifies that for members subject to PEPRA, the retirement association shall compute absences using the member's pensionable compensation at the beginning of the member's absence.
  - Clarifies that where a member's service through reclassification, has been converted from general to safety member service, service converted after PEPRA's effective date is subject to PEPRA's prohibition of retroactive benefits. Thus, clarifies that conversion shall apply only to service after the operative date of the reclassification and not to all prior service.
  - Clarifies how CERL employers should report retired annuitants to their retirement association.
  - Status: This bill passed out of the Assembly and is back to the Senate for a concurrence vote.

### **Contact:**

If you have any questions, contact Cara Martinson at [cara@publichouseconsulting.net](mailto:cara@publichouseconsulting.net), or Laurie Johnson at [lauriejconsult@gmail.com](mailto:lauriejconsult@gmail.com).

## 2025 - SJCERA BOARD OF RETIREMENT MEETING CALENDAR

| MONTH      | DATE      | Periodic Items / Other Events                                                                                                                          | MONTH      | DATE      | Periodic Items / Other Events                                                                                                                                                                   |
|------------|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>JAN</b> | <b>17</b> | <b>Board Meeting</b><br>Earnings Code Ratification<br>Fourth Quarter Operations Reports*<br>Trustee Education Compliance Report<br>Action Plan Results | <b>JUL</b> | <b>11</b> | <b>Board Meeting</b><br>Mid-Year Administrative Budget Report<br>Second Quarter Operations Reports*<br>Election of Board Officers<br>Annual Policy Review                                       |
| <b>FEB</b> | <b>14</b> | <b>Board Meeting</b><br>Notice of CPI/Set Retiree COLA<br>Declining ER Payroll Report<br>Assumptions & CMAs                                            | 13-16      |           | SACRS UC Berkeley                                                                                                                                                                               |
|            | <b>14</b> | <b>CEO Performance Review Committee</b>                                                                                                                | <b>AUG</b> | <b>8</b>  | <b>Board Meeting</b><br>Actuarial Experience Study Results &<br>Preliminary Plan Contribution Rates<br>Investment Fee Transparency Report<br>Asset-Liability Education<br>Committee Assignments |
| <b>MAR</b> | <b>14</b> | <b>Board Meeting</b><br>Fourth Quarter Inv Reports                                                                                                     | <b>SEP</b> | <b>12</b> | <b>Board Meeting</b><br>Second Quarter Inv Reports<br>Asset-Liability Portfolio Selection<br>Adoption of Plan Contribution Rates                                                                |
|            | <b>14</b> | <b>Audit Committee Meeting</b>                                                                                                                         |            |           |                                                                                                                                                                                                 |
|            | <b>20</b> | <b>CEO Performance Review Committee</b>                                                                                                                |            |           |                                                                                                                                                                                                 |
|            | 2-5       | CALAPRS General Assembly                                                                                                                               |            |           |                                                                                                                                                                                                 |
| <b>APR</b> | <b>11</b> | <b>Board Meeting</b><br>First Quarter Operations Reports*                                                                                              | <b>OCT</b> | <b>15</b> | <b>Board Meeting</b><br>Pension Funding Education<br>Adoption of Board Calendar for next year<br>Third Quarter Operations Reports*<br>2026 Action Plan                                          |
| <b>MAY</b> | <b>9</b>  | <b>Board Meeting</b>                                                                                                                                   | <b>16</b>  |           | <b>Special Meeting - Investment Roundtable</b>                                                                                                                                                  |
|            | <b>9</b>  | <b>Audit Committee Meeting</b>                                                                                                                         | <b>NOV</b> | <b>7</b>  | <b>Board Meeting</b><br>Investment Consultant and Actuary Consultant Evals<br>Disability Process Education                                                                                      |
|            | 13-16     | SACRS Spring Conf                                                                                                                                      | <b>7</b>   |           | <b>Administrative Committee Meeting</b>                                                                                                                                                         |
| <b>JUN</b> | <b>6</b>  | <b>Board Meeting</b><br>First Quarter Inv Reports<br>Auditor's Annual Report / CAFR<br>Mid Year Action Plan Results<br>Asset Class Review              | 11-14      |           | SACRS Fall Conference                                                                                                                                                                           |
|            | <b>6</b>  | <b>Administrative Committee Meeting</b>                                                                                                                | <b>DEC</b> | <b>12</b> | <b>Board Meeting</b><br>Third Quarter Inv Reports<br>Annual Administrative Budget<br>Fiduciary Duty Education                                                                                   |
|            | 12        | RPESJC Picnic                                                                                                                                          |            | 11        | RPESJC Holiday Lunch                                                                                                                                                                            |

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

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

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

October meeting is on Wednesday prior to the Investment Roundtable.

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

One meeting per month on all subjects; special Manager Due Diligence Meetings as needed.

# Tentative - 2026 - SJCERA BOARD OF RETIREMENT MEETING CALENDAR

| MONTH      | DATE       | Periodic Items / Other Events                                                                                                                          | MONTH      | DATE       | Periodic Items / Other Events                                                                                                                                                                   |
|------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>JAN</b> | <b>9</b>   | <b>Board Meeting</b><br>Earnings Code Ratification<br>Fourth Quarter Operations Reports*<br>Trustee Education Compliance Report<br>Action Plan Results | <b>JUL</b> | <b>10</b>  | <b>Board Meeting</b><br>Mid-Year Administrative Budget Report<br>Second Quarter Operations Reports*<br>Election of Board Officers<br>Annual Policy Review<br>SACRS UC Berkeley                  |
| <b>FEB</b> | <b>13</b>  | <b>Board Meeting</b><br>Notice of CPI/Set Retiree COLA<br>Declining ER Payroll Report<br>Assumptions & CMAs                                            | <b>AUG</b> | <b>14</b>  | <b>Board Meeting</b><br>Actuarial Experience Study Results &<br>Preliminary Plan Contribution Rates<br>Investment Fee Transparency Report<br>Asset-Liability Education<br>Committee Assignments |
|            | <b>TBD</b> | <b>CEO Performance Review Committee</b>                                                                                                                | <b>SEP</b> | <b>11</b>  | <b>Board Meeting</b><br>Second Quarter Inv Reports<br>Asset-Liability Portfolio Selection<br>Adoption of Plan Contribution Rates &<br>Actuarial Experience Study                                |
| <b>MAR</b> | <b>13</b>  | <b>Board Meeting</b><br>Fourth Quarter Inv Reports                                                                                                     |            |            |                                                                                                                                                                                                 |
|            | <b>TBD</b> | <b>Audit Committee Meeting</b>                                                                                                                         |            |            |                                                                                                                                                                                                 |
|            | <b>TBD</b> | <b>CEO Performance Review Committee</b>                                                                                                                |            |            |                                                                                                                                                                                                 |
|            | 8-11       | CALAPRS General Assembly                                                                                                                               |            |            |                                                                                                                                                                                                 |
| <b>APR</b> | <b>10</b>  | <b>Board Meeting</b><br>First Quarter Operations Reports*                                                                                              | <b>OCT</b> | <b>14</b>  | <b>Board Meeting</b><br>Adoption of Board Calendar for next year<br>Third Quarter Operations Reports*<br>2026 Action Plan                                                                       |
| <b>MAY</b> | <b>8</b>   | <b>Board Meeting</b>                                                                                                                                   |            | <b>15</b>  | <b>Special Meeting - Investment Roundtable</b>                                                                                                                                                  |
|            | <b>TBD</b> | <b>Audit Committee Meeting</b>                                                                                                                         | <b>NOV</b> | <b>6</b>   | <b>Board Meeting</b><br>Investment Consultant and Actuary Consultant Evals                                                                                                                      |
|            | 12-15      | SACRS Spring Conf                                                                                                                                      |            | <b>TBD</b> | <b>Administrative Committee Meeting</b>                                                                                                                                                         |
| <b>JUN</b> | <b>12</b>  | <b>Board Meeting</b><br>First Quarter Inv Reports<br>Auditor's Annual Report / CAFR<br>Mid Year Action Plan Results<br>Asset Class Review              |            | 10-13      | SACRS Fall Conference                                                                                                                                                                           |
|            | <b>TBD</b> | <b>Administrative Committee Meeting</b>                                                                                                                | <b>DEC</b> | <b>11</b>  | <b>Board Meeting</b><br>Third Quarter Inv Reports<br>Annual Administrative Budget<br>RPESJC Holiday Lunch                                                                                       |
|            | <b>TBD</b> | RPESJC Picnic                                                                                                                                          |            | <b>TBD</b> |                                                                                                                                                                                                 |

**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.

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One meeting per month on all subjects; special Manager Due Diligence Meetings as needed.



## Board of Retirement Meeting

San Joaquin County Employees' Retirement Association

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### Agenda Item 6.07

October 15, 2025

**SUBJECT: Request for Termination of Post-Tax Installment Service Purchase**

**SUBMITTED FOR:   X   CONSENT        ACTION        INFORMATION**

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### RECOMMENDATION

Staff recommends that the Board of Retirement grant the request of Phay Tran to stop the post-tax bi-weekly payroll deduction for the purchase of service credit due to a financial hardship.

### DISCUSSION

On April 30, 2025, Phay Tran authorized and signed a binding agreement to have \$147.44 deducted for 48 biweekly pay periods as his method of payment to purchase prior county service for intermittent periods between April 8, 2013 - November 6, 2022, for a total service purchase period of 1 years 11 months and 13 days. Ten (10) payments have been made, with the first payroll deduction being taken on May 18, 2025.

On September 4, 2025, the member submitted a request to stop that deduction for financial hardship due to unforeseen events.

### ATTACHMENTS

*Letter from Phay Tran dated September 4, 2025.*

A blue ink signature of Brian P. McKelvey, written in a cursive style.

---

Brian P. McKelvey  
Assistant Chief Executive Officer



September 04, 2025

Board of Retirement  
SJCERA  
220 Channel St.  
STOCKTON, CA 95202

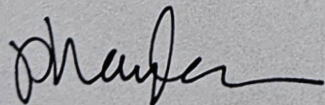
To Whom It May Concern,

I would like to request to cancel my contract for the Additional Contribution GEN T1 effectively upon receipt/approval of this letter. The additional amount every two (2) weeks, plus, I've recently signed/contracted to purchase the service hours for 48 pay-periods have placed me on a financial hardship.

With your sincere understanding of my request to approve the cancellation will greatly lessen the stress and it will be highly appreciated.

Thank you for your undivided attention to this letter.

San Joaquin County Employee,



Phay Tran





# **San Joaquin County Employees' Retirement Association (SJCERA)**

**October 15, 2025**

**Asset Allocation Recommendation**

| Month                 | Asset Allocation Agenda Items                                                                                                          |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| <b>June 2025</b>      | <ul style="list-style-type: none"> <li>→ <i>Introduction to Asset Allocation</i></li> <li>→ <i>Concepts and Terminology</i></li> </ul> |
| <b>August 2025</b>    | <ul style="list-style-type: none"> <li>→ Asset Allocation Review</li> <li>→ Introduction of Infrastructure</li> </ul>                  |
| <b>September 2025</b> | <ul style="list-style-type: none"> <li>→ Portfolio Options</li> <li>→ Discussion on board feedback</li> </ul>                          |
| <b>October 2025</b>   | <ul style="list-style-type: none"> <li>→ Portfolio Selection</li> </ul>                                                                |

### Asset Allocation Background

- This document presents the current asset allocation policy and proposed asset allocation option for the SJCERA portfolio.
  - Trustees and Meketa discussed multiple policy options at the previous board meeting.
- We focused on an option that continues the utilization of risk mitigating strategies.
  - This stems from recent discussions with the Board about maintaining a slow and steady portfolio allocation.
- We present three alternative policy portfolios for the Board to consider.

## Recommendation

### Modeled Options 20-Year Return Expectations (2025)

| Strategic Classes              | Current   | Current with<br>Infra | Option 2  | Option 3  |
|--------------------------------|-----------|-----------------------|-----------|-----------|
| <b>Broad Growth</b>            | <b>78</b> | <b>78</b>             | <b>70</b> | <b>81</b> |
| Aggressive Growth              | 16        | 20                    | 15        | 21        |
| Private Equity                 | 10        | 9                     | 6         | 10        |
| Infrastructure                 | 0         | 5                     | 5         | 5         |
| Value/Opp RE                   | 6         | 6                     | 4         | 6         |
| Traditional Growth             | 38        | 34                    | 32        | 38        |
| Stabilized Growth              | 24        | 24                    | 23        | 21        |
| <i>Credit</i>                  | 15        | 15                    | 14        | 13        |
| <i>Core Real Assets</i>        | 9         | 9                     | 9         | 9         |
| <b>Diversifying Strategies</b> | <b>22</b> | <b>22</b>             | <b>30</b> | <b>19</b> |
| Principal Protection           | 9         | 9                     | 15        | 9         |
| CRO                            | 13        | 13                    | 15        | 10        |
| <b>20 Year Stats</b>           |           |                       |           |           |
| Median Compound Rtn            | 8.5       | 8.5                   | 8.2       | 8.7       |
| Standard Deviation             | 11.9      | 11.4                  | 10.2      | 12.2      |
| Sharpe Ratio                   | 0.46      | 0.46                  | 0.50      | 0.46      |

### Current and Optional Portfolios – Negative Scenario Analysis

→ Option 3 outperformed the Current Policy in the GFC and COVID shock.

| Negative Scenario*                              | Current Policy (%) | Current/Infra (%) | Option 2 (%) | Option 3 (%) |
|-------------------------------------------------|--------------------|-------------------|--------------|--------------|
| Post-COVID Rate Hikes (Jan 2022 - Oct 2023)     | -7.02              | -5.85             | -6.57        | -5.44        |
| COVID-19 Market Shock (Feb 2020 - Mar 2020)     | -15.87             | -14.52            | -13.20       | -15.38       |
| Taper Tantrum (May - Aug 2013)                  | 0.08               | 0.24              | -0.23        | 0.60         |
| Global Financial Crisis (Oct 2007 - Mar 2009)   | -24.42             | -22.21            | -18.68       | -25.56       |
| Popping of the TMT Bubble (Apr 2000 - Sep 2002) | -11.33             | -7.96             | -4.34        | -10.69       |
| LTCM (Jul - Aug 1998)                           | -6.25              | -5.67             | -5.19        | -5.99        |
| Asian Financial Crisis (Aug 97 - Jan 98)        | 3.70               | 3.96              | 3.47         | 3.96         |
| Rate spike (1994 Calendar Year)                 | 4.33               | 3.41              | 2.46         | 4.03         |
| Early 1990s Recession (Jun - Oct 1990)          | -4.01              | -3.59             | -2.88        | -3.64        |
| Crash of 1987 (Sep - Nov 1987)                  | -7.48              | -6.66             | -6.11        | -7.40        |
| Strong dollar (Jan 1981 - Sep 1982)             | 6.18               | 6.66              | 8.40         | 5.27         |
| Volcker Recession (Jan - Mar 1980)              | -1.67              | -1.44             | -1.80        | -1.76        |
| Stagflation (Jan 1973 - Sep 1974)               | -16.10             | -14.31            | -11.59       | -16.33       |

\* Policy benchmark Only. Does not include active management and assumes rebalancing to target.

### Current and Optional Portfolios – Positive Scenario Analysis

→ All the options performed well in market rebounds.

| Positive Scenario*                                     | Current Policy (%) | Current/Infra (%) | Option 2 (%) | Option 3 (%) |
|--------------------------------------------------------|--------------------|-------------------|--------------|--------------|
| COVID Recovery (Apr 2020 - Dec 2021)                   | 48.42              | 46.03             | 40.66        | 49.75        |
| Global Financial Crisis Recovery (Mar 2009 - Nov 2009) | 29.45              | 27.23             | 25.85        | 28.24        |
| Real Estate and Buyout Boom (Oct 2004 - Sept 2007)     | 63.81              | 62.04             | 56.63        | 65.91        |
| Best of Great Moderation (Apr 2003 - Feb 2004)         | 27.46              | 25.80             | 24.34        | 26.86        |
| Peak of the TMT Bubble (Oct 1998 - Mar 2000)           | 34.85              | 33.41             | 29.37        | 36.87        |
| Plummeting Dollar (Jan 1986 - Aug 1987)                | 51.67              | 47.57             | 45.90        | 49.45        |
| Volcker Recovery (Aug 1982 - Apr 1983)                 | 28.49              | 26.52             | 26.68        | 26.92        |
| Bretton Wood Recovery (Oct 1974 - Jun 1975)            | 23.79              | 21.87             | 20.73        | 22.87        |

\* Policy benchmark Only. Does not include active management and assumes rebalancing to target.



### Current and Optional Portfolios – Negative Stress Test

→ All Options outperformed the Current Policy in US equity market declines.

| Negative Stress                                       | Current Policy (%) | Current/Infra (%) | Option 2 (%) | Option 3 (%) |
|-------------------------------------------------------|--------------------|-------------------|--------------|--------------|
| 10-year Treasury Bond rates rise 100 bps              | 3.55               | 3.23              | 2.54         | 3.57         |
| 10-year Treasury Bond rates rise 200 bps              | -0.84              | -1.03             | -1.59        | -0.82        |
| 10-year Treasury Bond rates rise 300 bps              | -1.96              | -2.19             | -3.00        | -2.08        |
| Baa Spreads widen by 50 bps, High Yield by 200 bps    | 0.94               | 1.02              | 1.30         | 0.88         |
| Baa Spreads widen by 300 bps, High Yield by 1,000 bps | -18.64             | -17.07            | -15.01       | -18.18       |
| Trade Weighted Dollar gains 10%                       | -3.16              | -2.82             | -2.60        | -3.11        |
| Trade Weighted Dollar gains 20%                       | 0.56               | 1.01              | 1.56         | 0.30         |
| US Equities decline 10%                               | -4.60              | -4.15             | -3.49        | -4.55        |
| US Equities decline 25%                               | -16.70             | -13.77            | -12.02       | -14.66       |
| US Equities decline 40%                               | -22.16             | -20.74            | -18.38       | -22.16       |

\* Policy benchmark Only. Does not include active management and assumes rebalancing to target.

### Current and Optional Portfolios – Positive Stress Test

→ In positive stress markets all of the options perform well in various scenarios.

| Positive Stress                                      | Current Policy (%) | Current/Infra (%) | Option 2 (%) | Option 3 (%) |
|------------------------------------------------------|--------------------|-------------------|--------------|--------------|
| 10-year Treasury Bond rates drop 100 bps             | 2.01               | 1.99              | 2.17         | 1.80         |
| 10-year Treasury Bond rates drop 200 bps             | 9.65               | 8.79              | 8.86         | 8.78         |
| 10-year Treasury Bond rates drop 300 bps             | 12.33              | 11.37             | 11.78        | 11.27        |
| Baa Spreads narrow by 30 bps, High Yield by 100 bps  | 6.25               | 6.11              | 5.55         | 6.44         |
| Baa Spreads narrow by 100 bps, High Yield by 300 bps | 11.03              | 10.40             | 9.81         | 10.41        |
| Trade Weighted Dollar drops 10%                      | 6.93               | 6.58              | 6.29         | 6.73         |
| Trade Weighted Dollar drops 20%                      | 20.84              | 19.14             | 18.54        | 19.90        |
| US Equities rise 10%                                 | 5.97               | 5.64              | 5.16         | 5.88         |
| US Equities rise 30%                                 | 13.40              | 12.43             | 11.57        | 13.10        |

\* Policy benchmark Only. Does not include active management and assumes rebalancing to target.

## Recommendation and Rationale

### Summary of Proposed Changes:

#### **1. Infrastructure Increase allocation from 0% to 5%**

→ SJCERA has allocated to Infrastructure for some time. The new target allocation creates a new sub-allocation within Aggressive Growth and recognizes the different return and risk characteristics relative to Private Equity.

#### **2. Risk Mitigating Strategies: Reduce exposure from 13% to 10%**

→ The increased rates of fixed income provides a compelling case to reduce Long Treasuries, Trend Following and ARP.

#### **3. Private Markets: Targets to Private Equity, Real Estate, and Credit stay relatively the same under all but one of the options**

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# San Joaquin County Employees' Retirement Association

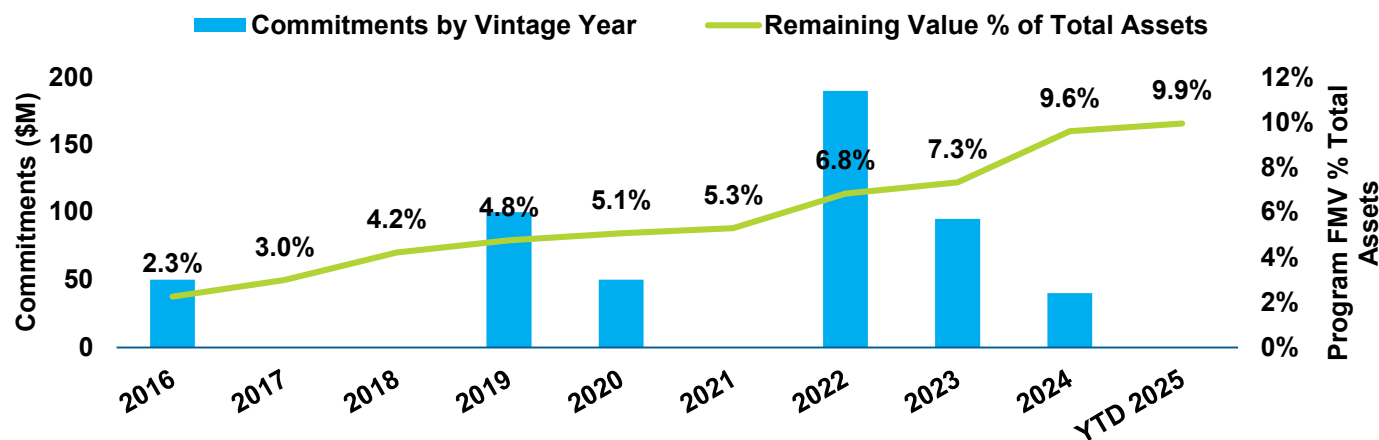
First Quarter 2025

Private Markets Program

## Private Equity Program

Introduction

San Joaquin County Employees' Retirement Association maintains a 10% target allocation to private equity as part of the Aggressive Growth allocation. The current actual private equity allocation sits at 9.9% of total plan assets as of March 31, 2025.



Program Status

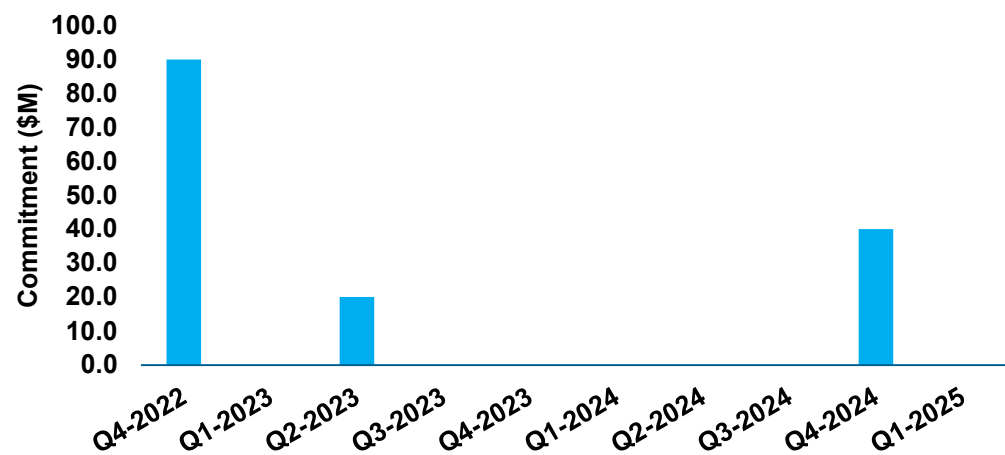
|                       |       |
|-----------------------|-------|
| No. of Investments    | 18    |
| Committed (\$M)       | 632.0 |
| Contributed (\$M)     | 459.1 |
| Distributed (\$M)     | 248.1 |
| Remaining Value (\$M) | 463.5 |

Performance Since Inception

|      | Program |
|------|---------|
| DPI  | 0.54x   |
| TVPI | 1.55x   |
| IRR  | 15.5%   |

Commitments

Recent Quarterly Commitments



Commitments This Quarter

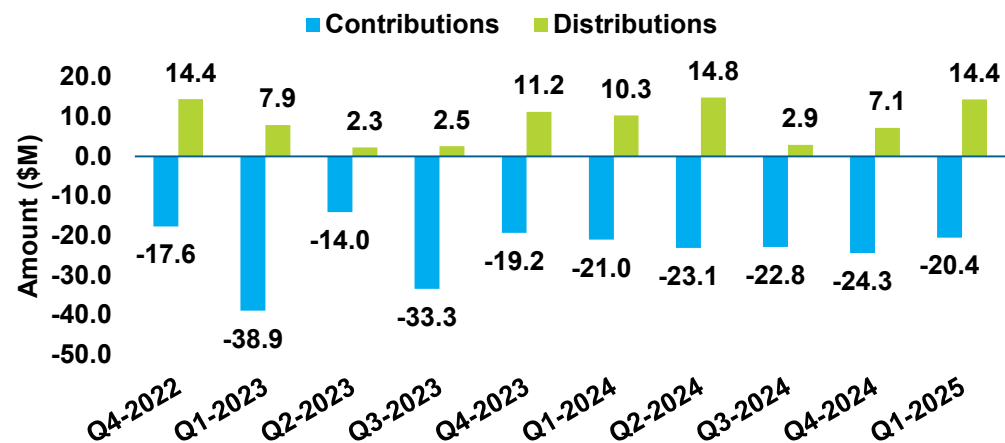
| Fund | Strategy | Region | Amount (\$M) |
|------|----------|--------|--------------|
|------|----------|--------|--------------|

None to report.



Cash Flows

Recent Quarterly Cash Flows



Largest Contributions This Quarter

| Fund               | Vintage | Strategy       | Region        | Amount (\$M) |
|--------------------|---------|----------------|---------------|--------------|
| Ridgemont IV       | 2022    | Buyout         | North America | 7.07         |
| Blackrock Infra IV | 2022    | Infrastructure | Global: All   | 4.45         |
| Ocean Avenue V     | 2022    | Buyout         | North America | 3.00         |

Largest Distributions This Quarter

| Fund                | Vintage | Strategy       | Region      | Amount (\$M) |
|---------------------|---------|----------------|-------------|--------------|
| BlackRock GEPIF III | 2019    | Infrastructure | Global: All | 12.71        |
| Blackrock Infra IV  | 2022    | Infrastructure | Global: All | 0.76         |
| Morgan Creek VI     | 2015    | Fund of Funds  | Global: All | 0.60         |

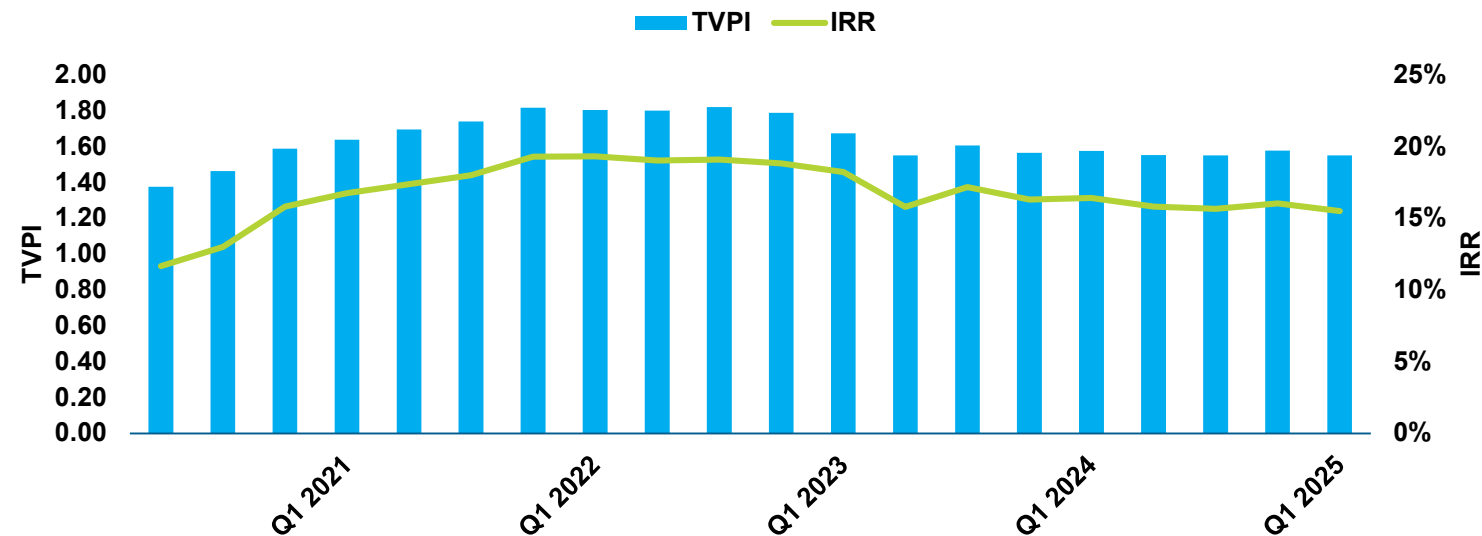
### By Strategy

| Group              | Number    | Committed (\$M) | Contributed (\$M) | Unfunded (\$M) | Distributed (\$M) | Remaining Value (\$M) | Exposure (\$M) | DPI (X)     | TVPI (X)    | IRR (%)     |
|--------------------|-----------|-----------------|-------------------|----------------|-------------------|-----------------------|----------------|-------------|-------------|-------------|
| Buyout             | 7         | 235.0           | 170.4             | 64.3           | 101.9             | 191.4                 | 255.7          | 0.60        | 1.72        | 18.7        |
| Fund of Funds      | 3         | 72.0            | 65.9              | 6.3            | 98.0              | 42.2                  | 48.5           | 1.49        | 2.13        | 14.1        |
| Growth Equity      | 1         | 25.0            | 26.3              | 0.7            | 0.0               | 30.5                  | 31.2           | 0.00        | 1.16        | 7.8         |
| Infrastructure     | 2         | 100.0           | 82.6              | 22.9           | 33.9              | 73.1                  | 96.0           | 0.41        | 1.30        | 12.7        |
| Special Situations | 3         | 130.0           | 72.0              | 67.0           | 14.2              | 80.0                  | 147.0          | 0.20        | 1.31        | 16.8        |
| Venture Capital    | 2         | 70.0            | 41.9              | 28.1           | 0.0               | 46.3                  | 74.4           | 0.00        | 1.11        | 7.2         |
| <b>Total</b>       | <b>18</b> | <b>632.0</b>    | <b>459.1</b>      | <b>189.3</b>   | <b>248.1</b>      | <b>463.5</b>          | <b>652.8</b>   | <b>0.54</b> | <b>1.55</b> | <b>15.5</b> |

### By Vintage

| Group        | Number    | Committed (\$M) | Contributed (\$M) | Unfunded (\$M) | Distributed (\$M) | Remaining Value (\$M) | Exposure (\$M) | DPI (X)     | TVPI (X)    | IRR (%)     |
|--------------|-----------|-----------------|-------------------|----------------|-------------------|-----------------------|----------------|-------------|-------------|-------------|
| 2013         | 2         | 52.0            | 47.7              | 4.5            | 82.2              | 21.7                  | 26.2           | 1.72        | 2.18        | 15.2        |
| 2015         | 2         | 30.0            | 28.1              | 1.9            | 18.9              | 26.5                  | 28.4           | 0.67        | 1.61        | 7.0         |
| 2016         | 1         | 50.0            | 46.0              | 4.0            | 59.5              | 53.1                  | 57.1           | 1.29        | 2.45        | 22.5        |
| 2019         | 2         | 100.0           | 101.4             | 3.6            | 71.9              | 94.1                  | 97.7           | 0.71        | 1.64        | 19.8        |
| 2020         | 1         | 50.0            | 49.5              | 3.1            | 7.8               | 56.8                  | 59.9           | 0.16        | 1.30        | 13.4        |
| 2022         | 5         | 190.0           | 122.5             | 67.9           | 1.4               | 143.1                 | 211.0          | 0.01        | 1.18        | 13.8        |
| 2023         | 4         | 120.0           | 57.4              | 70.8           | 6.5               | 62.8                  | 143.1          | 0.11        | 1.21        | 14.6        |
| 2024         | 1         | 40.0            | 6.5               | 33.4           | 0.0               | 5.5                   | 38.9           | 0.00        | 0.84        | NM          |
| <b>Total</b> | <b>18</b> | <b>632.0</b>    | <b>459.1</b>      | <b>189.3</b>   | <b>248.1</b>      | <b>463.5</b>          | <b>652.8</b>   | <b>0.54</b> | <b>1.55</b> | <b>15.5</b> |

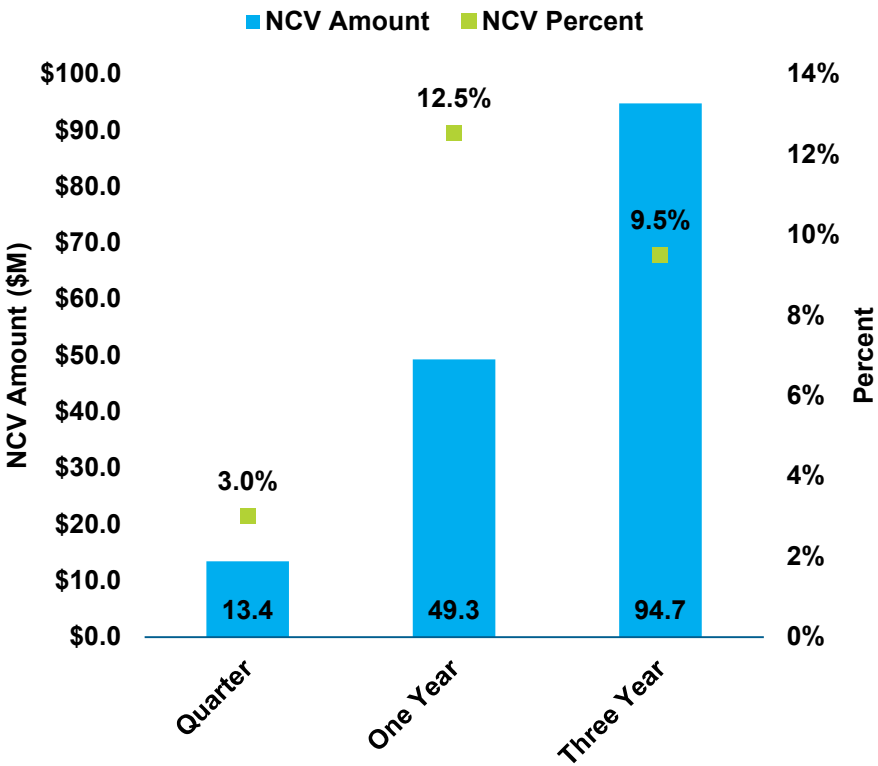
Since Inception Performance Over Time



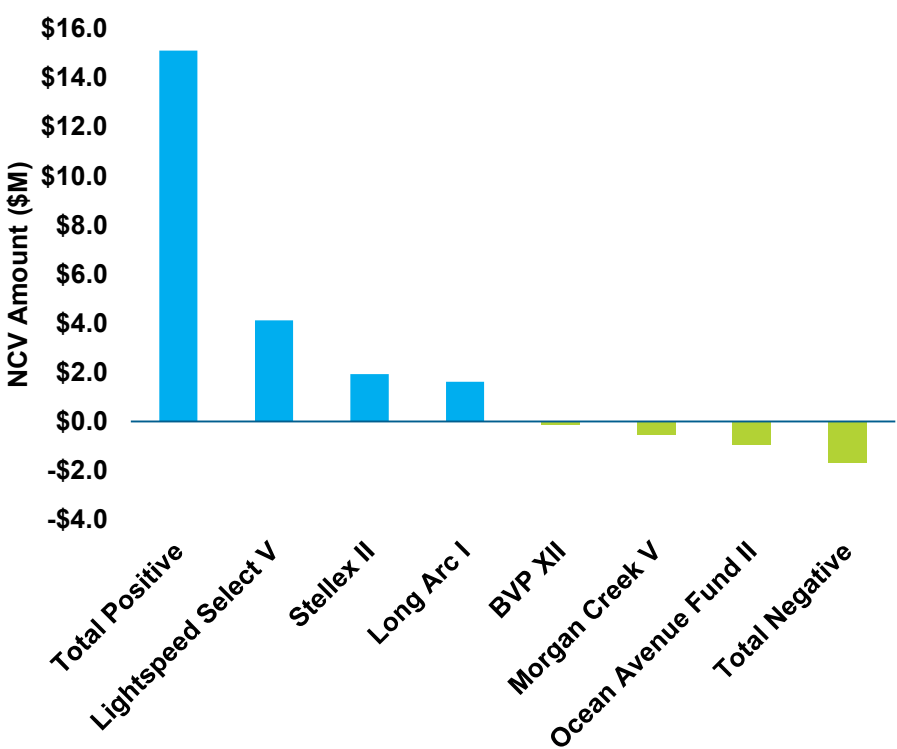
Horizon IRRs

|                     | 1 Year (%) | 3 Year (%) | 5 Year (%) | 10 Year (%) | Since Inception (%) |
|---------------------|------------|------------|------------|-------------|---------------------|
| Aggregate Portfolio | 13.2       | 8.9        | 17.2       | 15.8        | 15.5                |

Periodic NCV



1 Quarter Drivers Of NCV

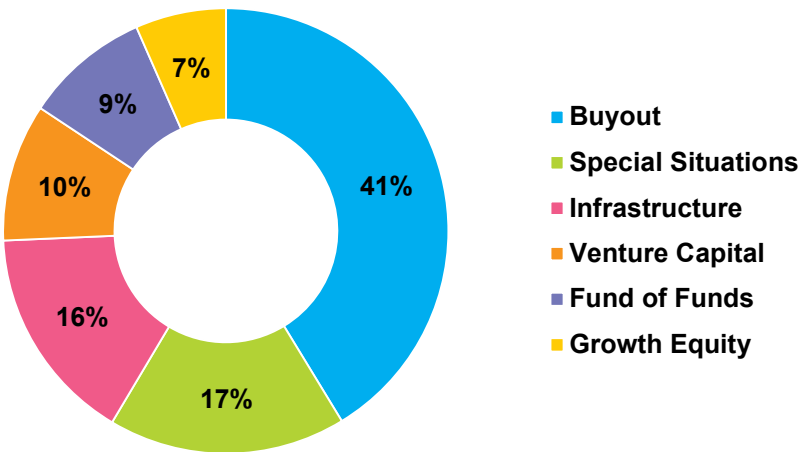


### Fund Performance: Sorted By Vintage And Strategy

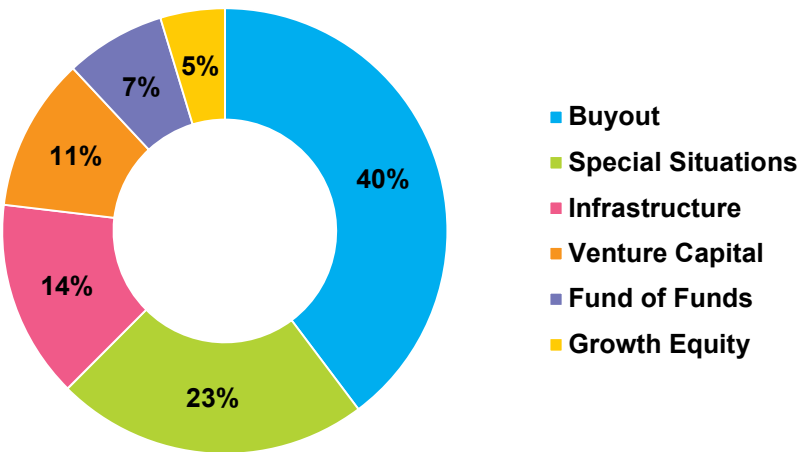
| By Investment        | Vintage | Strategy           | Committed (\$M) | Contributed (\$M) | Unfunded (\$M) | Distributed (\$M) | Remaining Value (\$M) | DPI (X)     | TVPI (X)    | IRR (%)     |
|----------------------|---------|--------------------|-----------------|-------------------|----------------|-------------------|-----------------------|-------------|-------------|-------------|
| Morgan Creek V       | 2013    | Fund of Funds      | 12.0            | 11.6              | 0.5            | 16.1              | 4.2                   | 1.38        | 1.74        | 10.8        |
| Ocean Avenue Fund II | 2013    | Fund of Funds      | 40.0            | 36.0              | 4.0            | 66.1              | 17.5                  | 1.84        | 2.32        | 16.5        |
| Morgan Creek III     | 2015    | Buyout             | 10.0            | 9.9               | 0.1            | 3.0               | 5.9                   | 0.31        | 0.90        | -1.3        |
| Morgan Creek VI      | 2015    | Fund of Funds      | 20.0            | 18.2              | 1.8            | 15.8              | 20.6                  | 0.87        | 2.00        | 11.0        |
| Ocean Avenue III     | 2016    | Buyout             | 50.0            | 46.0              | 4.0            | 59.5              | 53.1                  | 1.29        | 2.45        | 22.5        |
| Ocean Ave IV         | 2019    | Buyout             | 50.0            | 49.4              | 0.6            | 39.3              | 55.3                  | 0.80        | 1.91        | 27.0        |
| BlackRock GEPIF III  | 2019    | Infrastructure     | 50.0            | 52.0              | 3.0            | 32.5              | 38.7                  | 0.63        | 1.37        | 12.1        |
| Stellex II           | 2020    | Special Situations | 50.0            | 49.5              | 3.1            | 7.8               | 56.8                  | 0.16        | 1.30        | 13.4        |
| Bessemer Forge Fund  | 2022    | Buyout             | 20.0            | 9.2               | 10.8           | 0.0               | 12.0                  | 0.00        | 1.30        | 22.2        |
| Ocean Avenue V       | 2022    | Buyout             | 30.0            | 13.6              | 16.4           | 0.0               | 18.1                  | 0.00        | 1.33        | 28.6        |
| Ridgemont IV         | 2022    | Buyout             | 50.0            | 32.7              | 17.3           | 0.0               | 37.3                  | 0.00        | 1.14        | 11.5        |
| Blackrock Infra IV   | 2022    | Infrastructure     | 50.0            | 30.6              | 19.8           | 1.4               | 34.4                  | 0.05        | 1.17        | 16.0        |
| Lightspeed Select V  | 2022    | Venture Capital    | 40.0            | 36.4              | 3.6            | 0.0               | 41.4                  | 0.00        | 1.14        | 8.6         |
| Cap Meridian Fund I  | 2023    | Buyout             | 25.0            | 9.6               | 24.6           | 0.0               | 9.7                   | 0.00        | 1.0         | NM          |
| Long Arc I           | 2023    | Growth Equity      | 25.0            | 26.3              | 0.7            | 0.0               | 30.5                  | 0.00        | 1.16        | 7.8         |
| Oaktree SSF III      | 2023    | Special Situations | 40.0            | 16.0              | 30.5           | 6.5               | 17.7                  | 0.41        | 1.51        | NM          |
| BVP XII              | 2023    | Venture Capital    | 30.0            | 5.5               | 24.5           | 0.0               | 4.9                   | 0.00        | 0.90        | NM          |
| Stellex III          | 2024    | Special Situations | 40.0            | 6.5               | 33.4           | 0.0               | 5.5                   | 0.00        | 0.84        | NM          |
| <b>Total</b>         |         |                    | <b>632.0</b>    | <b>459.1</b>      | <b>198.7</b>   | <b>248.1</b>      | <b>463.5</b>          | <b>0.54</b> | <b>1.55</b> | <b>15.5</b> |

By Strategy

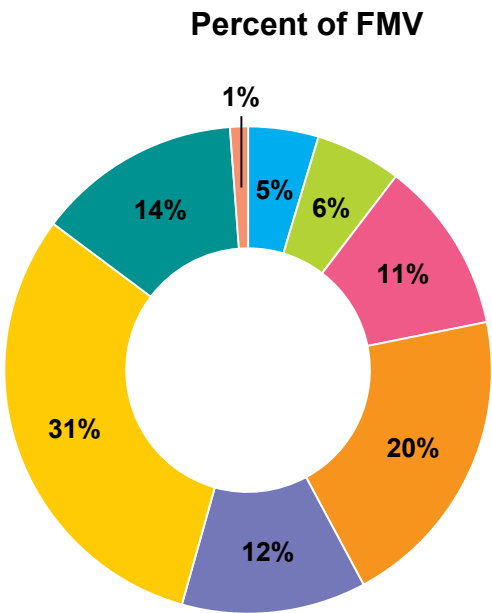
Percent of FMV



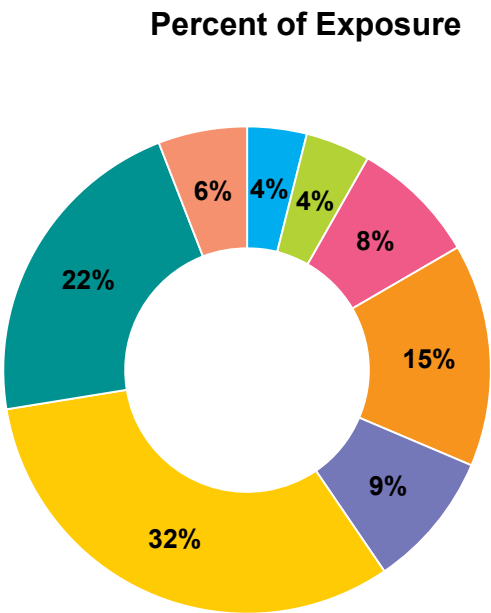
Percent of Exposure



By Vintage



- 2013
- 2015
- 2016
- 2019
- 2020
- 2022
- 2023
- 2024

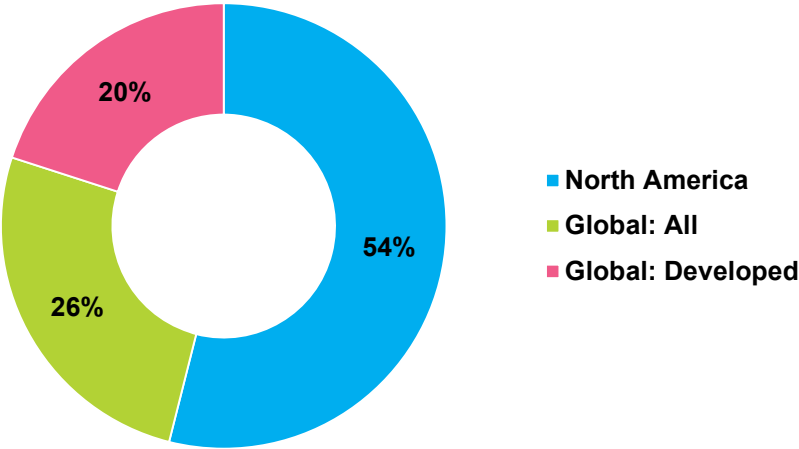


- 2013
- 2015
- 2016
- 2019
- 2020
- 2022
- 2023
- 2024

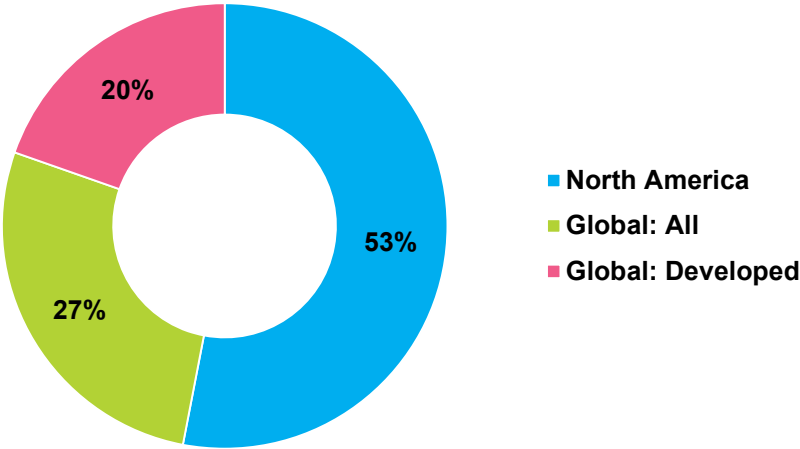


By Geographic Focus

Percent of FMV



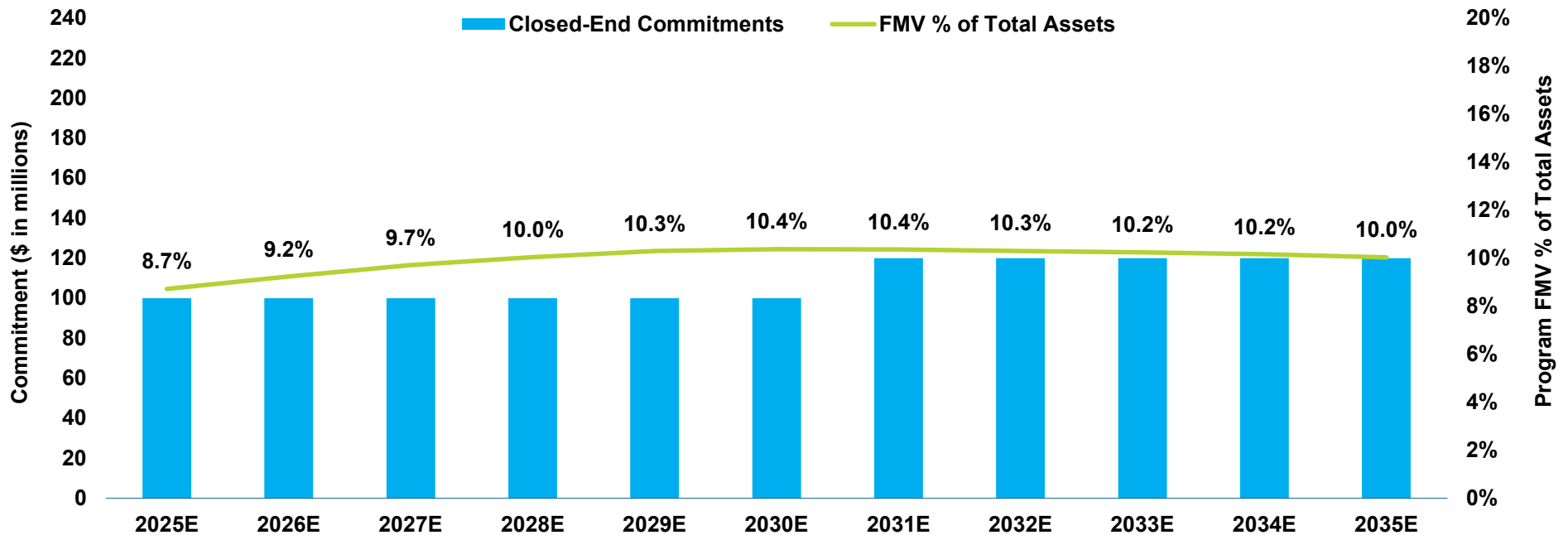
Percent of Exposure



## Private Equity Pacing Study

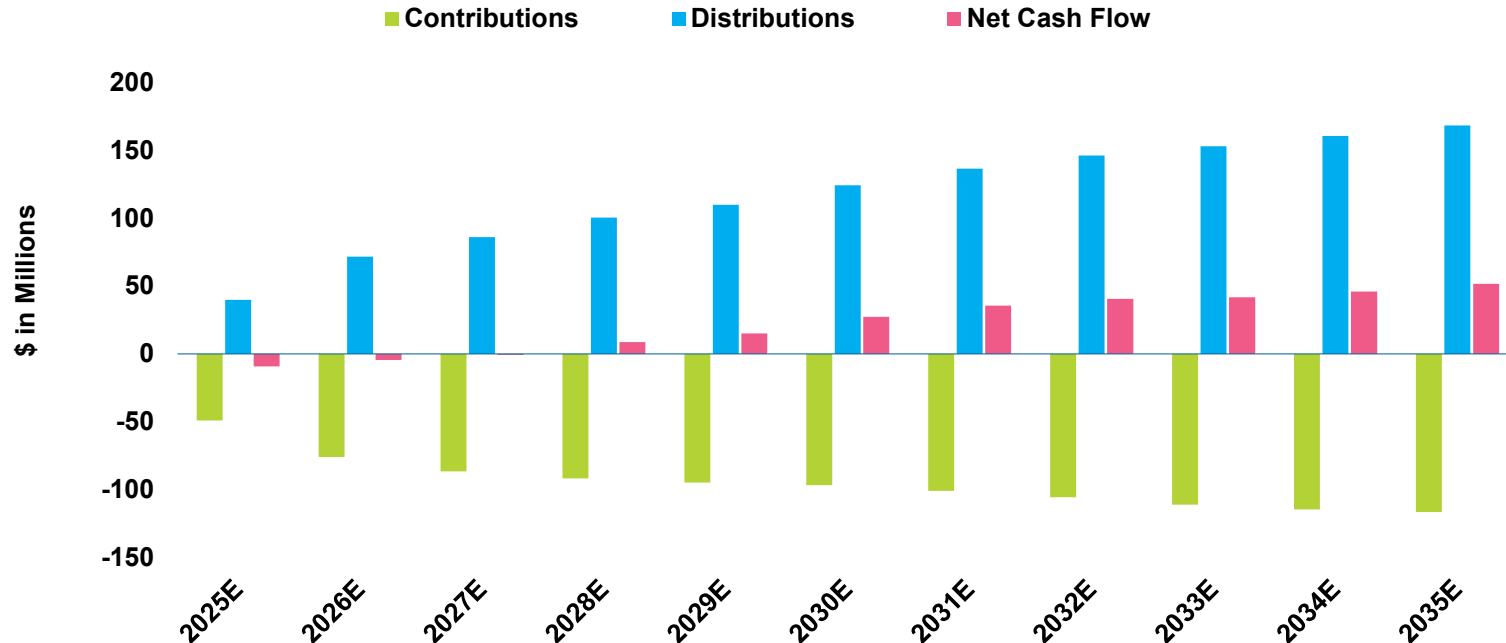
### Private Equity Portfolio Allocation Model

Private market data as of 12/31/2024



- The SJCERA private equity portfolio has a 10% target allocation.
- Infrastructure exposure is expected to move to a separate infrastructure portfolio.
- Recommend consistent deployment to buyout and venture capital and vintage year diversification.
- Expect to reach target allocation between 2027-2028.

### Projected Cash Flows



- Expect contributions to outpace distributions in the short term as newer commitments call capital.
- Older funds expected to increase program's distributions as those funds wind down.
- As investment managers have significant dry powder available, exits to financial sponsors are viable and increasing.

### Commitment Allocations(\$M)

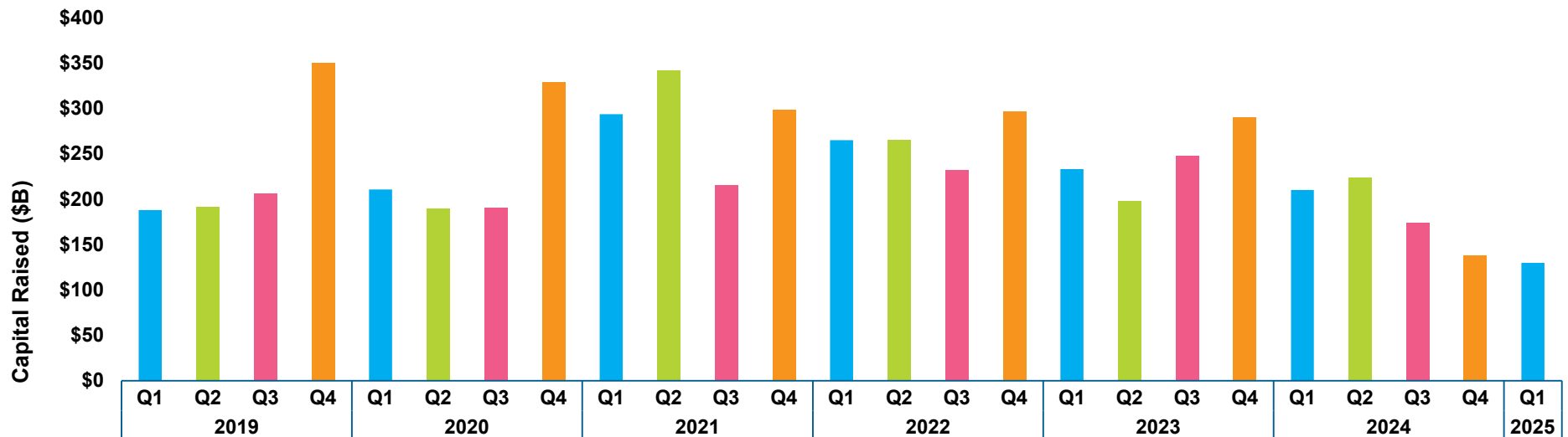
|                  | 2025E | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E | 2032E | 2033E | 2034E | 2035E |
|------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Buyout           | 75    | 75    | 80    | 80    | 80    | 80    | 90    | 90    | 90    | 90    | 90    |
| Venture Capital  | 25    | 25    | 20    | 20    | 20    | 20    | 30    | 30    | 30    | 30    | 30    |
| Closed-End Total | 100   | 100   | 100   | 100   | 100   | 100   | 120   | 120   | 120   | 120   | 120   |

- Recommend consistent allocation to buyout and venture capital strategies.
- Moderate increase in annual budget to maintain target allocation as Total Plan has a projected 5.0% net asset growth rate.
- Program has moved away from fund-of-funds, which have higher fee loads.

Fair Market Value by Strategy

|                 | 2025E  | 2026E  | 2027E  | 2028E  | 2029E  | 2030E  | 2031E  | 2032E  | 2033E  | 2034E  | 2035E  |
|-----------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Buyout          | 73%    | 72%    | 70%    | 69%    | 68%    | 67%    | 67%    | 67%    | 67%    | 67%    | 66%    |
| Venture Capital | 22%    | 25%    | 28%    | 30%    | 31%    | 32%    | 32%    | 32%    | 33%    | 33%    | 34%    |
| Fund of Funds   | 5%     | 4%     | 2%     | 1%     | 1%     | 1%     | 0%     | 0%     | 0%     | 0%     | 0%     |
| Total           | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

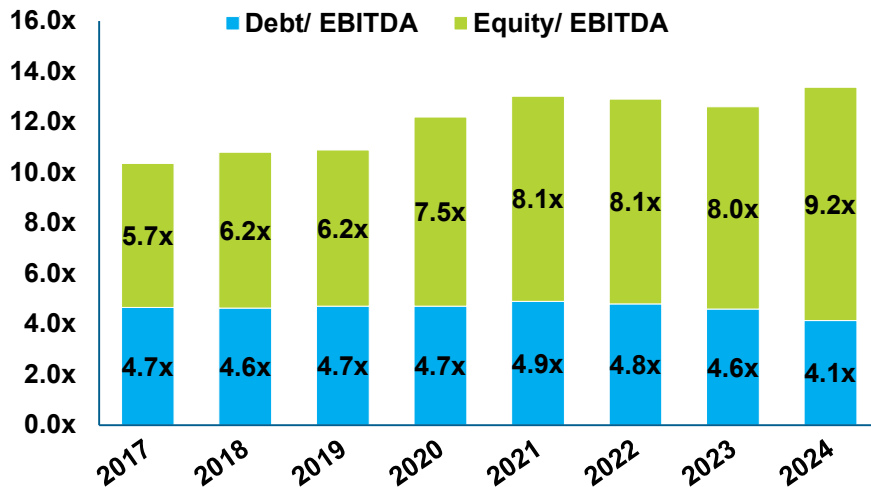
#### Private Equity Global Fundraising<sup>1</sup>



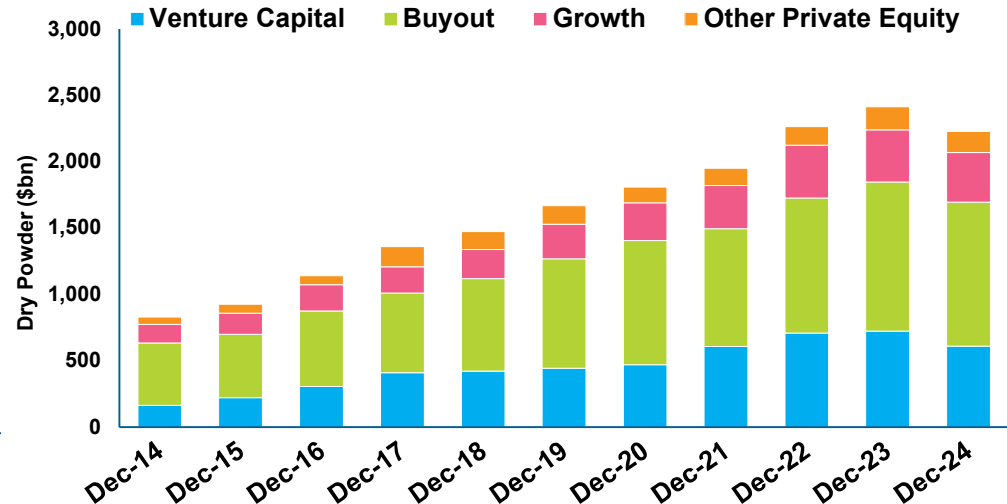
- Fundraising activity for private equity funds continued to decline in the first quarter of 2025, decreasing by 6% compared to the prior quarter and totaling only 62% of the amount raised in the first quarter of 2024 (-38% YoY change) with \$129.6 billion raised. The number of funds closed during the quarter decreased by 30% QoQ and 26% YoY, as well.
- The denominator effect, a phenomenon where public market assets devalue more than private ones, may become one of the key considerations for LP portfolios this year with expected volatility in public equity markets and the slow pace of distributions from private equity portfolios. This dynamic could weigh on fundraising totals throughout the year.
- Deal activity (by number) was down 11% compared to the prior quarter while aggregate deal value was down 10%. Year-over-year, deals were down 13% in the first quarter of 2025 and deal value was down 4% compared to Q1 2024.
- Exit activity (by number) was down 16% compared to the prior quarter while the aggregate exit value was down 28%. Year-over-year, exits were down 10% in the first quarter of 2025 compared to 2024 and aggregate exit value was down 12%.
- Overall, private equity fundraising traction this year will likely depend on managers' ability to generate liquidity in their existing portfolios as well as steady growth of investors' total plan assets to keep private equity allocations at or around target exposures.

<sup>1</sup> Preqin

#### Purchase Price Breakdown, All LBOs<sup>1</sup>



#### Dry Powder by Fund Type<sup>2</sup>



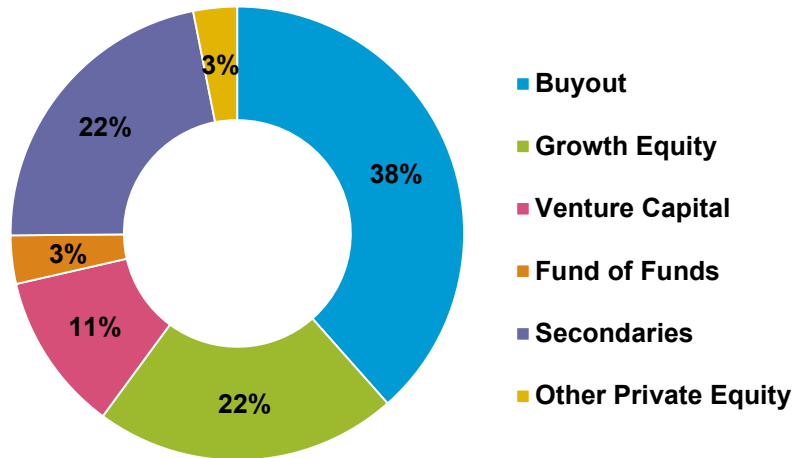
- Compared to 2023, the global median private equity buyout purchase price multiple has increased from 12.6x EBITDA to 13.4x EBITDA in 2024. This represents a 6.1% increase from 2023 relative to the 2.3% decrease observed in 2023 from 2022.
- Due to the unchanging higher interest rate environment, recent deals, in aggregate, have been financed with more equity capital, as well. In 2024, the median equity contribution has been 69%, compared to 64% in 2023.
- Overall, the increase in purchase price multiples through 2024 shows resilience to the downward pressure of higher interest rates and sellers' resistance to exit deals at lower valuations despite the continued imbalance between expectations of buyers and sellers throughout the market.
- Overall, global uncertainty is expected to have a greater impact on larger deals than smaller ones due to varying sensitivity to geopolitical events, fluctuations in public markets, and valuation-interest rate dynamics. Deal activity of late has largely comprised prized assets still trading at premium valuations and smaller deals that are less reliant on debt financing and more insulated from macroeconomic dynamics.
- Dry powder levels as of Q4 2024 decreased by approximately 8% from Q4 2023 and sit at the lowest level since Q2 2022 but remain elevated relative to historical data.
- Despite macroeconomic uncertainty and decreased fundraising totals, GPs still have ample dry powder to deploy, which helps support deal flow even as debt financing has become more expensive and more restrictive.

<sup>1</sup> Preqin: Transaction Intelligence. Data pulled on June 23, 2025.

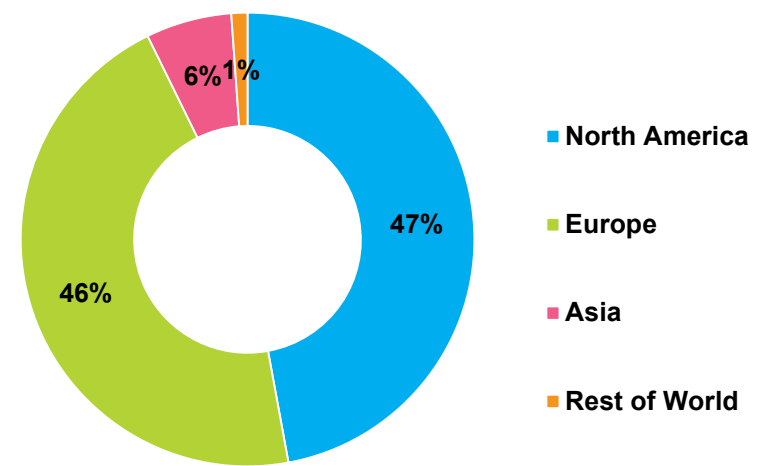
<sup>2</sup> Global Private Equity Dry Powder Split by Strategy. Provided by Preqin on July 22, 2025. There is a significant lag in Preqin's dry powder data with December 31, 2024 representing the latest figures, which were released in July 2025.



#### Capital Raised by Strategy<sup>1</sup>



#### Capital Raised by Geography<sup>2</sup>



- Buyout (38% of all private equity capital raised), Growth Equity (22%), and Secondaries (22%) represented the private equity sub-strategies with the most capital raised during the first quarter of 2025. A single-fund close in January, the largest secondaries fund closed in history, contributed to Secondaries' outsized share but highlights that a muted deal environment and dearth of exit activity has constrained market liquidity and aided growth in the secondaries market, both for LPs (i.e., sale of fund interests) and GPs (i.e., continuation vehicles).
- North America-focused vehicles continued to represent the highest geographic allocation of funds raised during the first quarter, representing 47% of total capital and 67% of the total number of funds closed. Commitments to Europe totaled 46% of capital raised and 11% of the total number of funds closed during the first quarter. Asia-focused funds increased by approximately 3% as a percentage of total capital raised relative to the prior quarter, representing 6% of total capital raised, but remain low compared to historical standards.
- Buyout and North America continue to represent the lion's share of private equity fundraising by strategy and geography, respectively, although Secondaries and Europe had strong relative fundraising totals during the first quarter of the year.

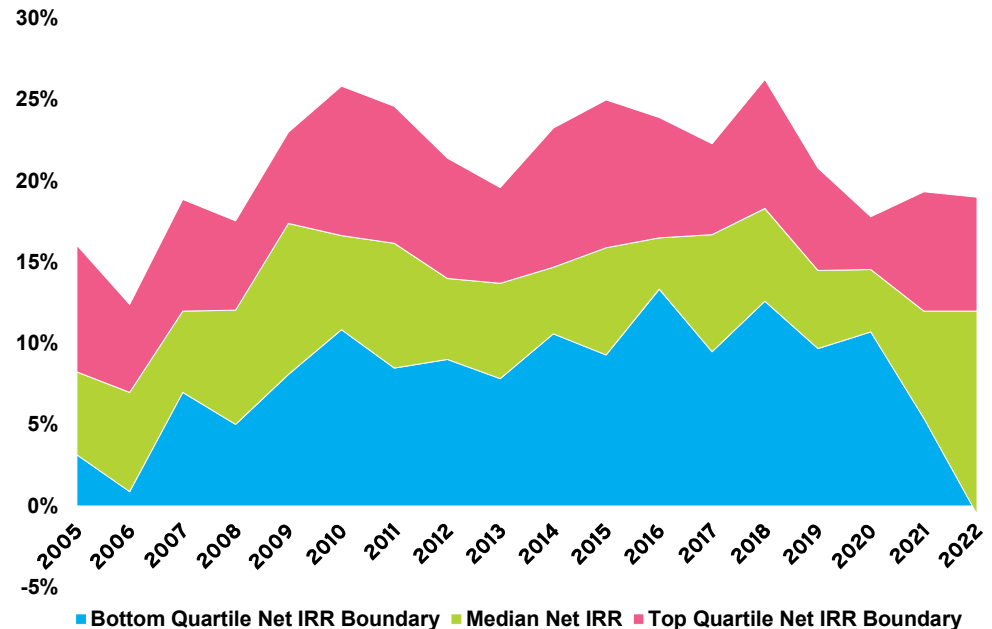
<sup>1</sup> Preqin

<sup>2</sup> Preqin

#### Private Equity Performance by Horizon<sup>1</sup>

| Horizon             | Private Equity | Buyout | Venture Capital | Growth Equity |
|---------------------|----------------|--------|-----------------|---------------|
| 1 Year to 12/2024   | 7.9%           | 8.4%   | 3.6%            | 10.5%         |
| 3 Years to 12/2024  | 4.7            | 6.6    | (6.5)           | 0.6           |
| 5 Years to 12/2024  | 13.7           | 15.3   | 9.6             | 10.4          |
| 10 Years to 12/2024 | 14.4           | 15.8   | 9.9             | 13.9          |

#### Private Equity Performance by Vintage Year<sup>2</sup>



- As of December 31, 2024, one-year private equity returns slightly decreased from the prior quarter, generating a 7.9% IRR over the trailing 12 months through Q4 2024. This compares to the trailing 12-month return of 8.0% as of Q3 2024 and a one-year return of 6.7% at Q4 2023. Overall, private equity returns have proven resilient but remain below the highs of recent years.
- In general, however, performance has been strong in each vintage year since the Global Financial Crisis. Buyout, Venture, and Growth funds have all generally performed well over the various time horizons on an absolute basis, with Buyout outperforming both Growth Equity and Venture funds across longer time periods as of Q4 2024.
- The spread between first and third quartile performance in private equity has increased since the Global Financial Crisis (11.9% for 2007 vintage funds compared to 19.5% for 2022 vintage funds), supporting the increasing importance of manager selection when allocating to the asset class. Deals remain competitive, keeping multiples high. Higher debt costs make it more difficult to capture value through leverage. A consistent, differentiated value creation model and clear strategies for maintaining growth and performance over the long term are more important than ever.

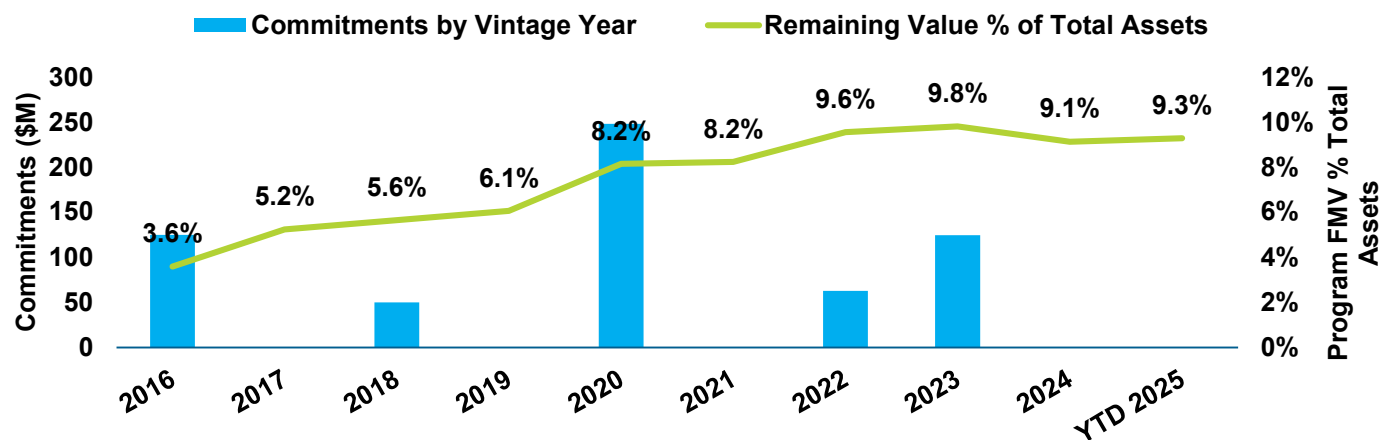
<sup>1</sup> Preqin Horizon IRRs as of 12/31/2024. Data as of 3/31/2025 is not yet available.

<sup>2</sup> Preqin, Private Equity – All, Quartile Returns as of 3/31/2025. Data pulled on June 23, 2025.

## Private Debt Program

Introduction

San Joaquin County Employees' Retirement Association maintains a 10% target allocation to private debt. The current actual private debt allocation sits at 9.3% of total plan assets as of March 31, 2025.



Program Status

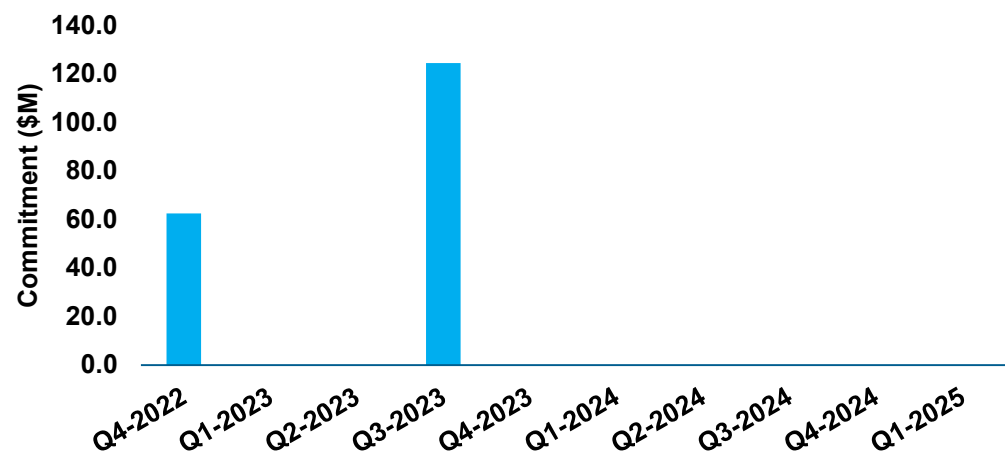
|                       |       |
|-----------------------|-------|
| No. of Investments    | 13    |
| Committed (\$M)       | 750.3 |
| Contributed (\$M)     | 642.2 |
| Distributed (\$M)     | 304.4 |
| Remaining Value (\$M) | 432.6 |

Performance Since Inception

|      | Program |
|------|---------|
| DPI  | 0.47x   |
| TVPI | 1.15x   |
| IRR  | 4.1%    |

Commitments

Recent Quarterly Commitments

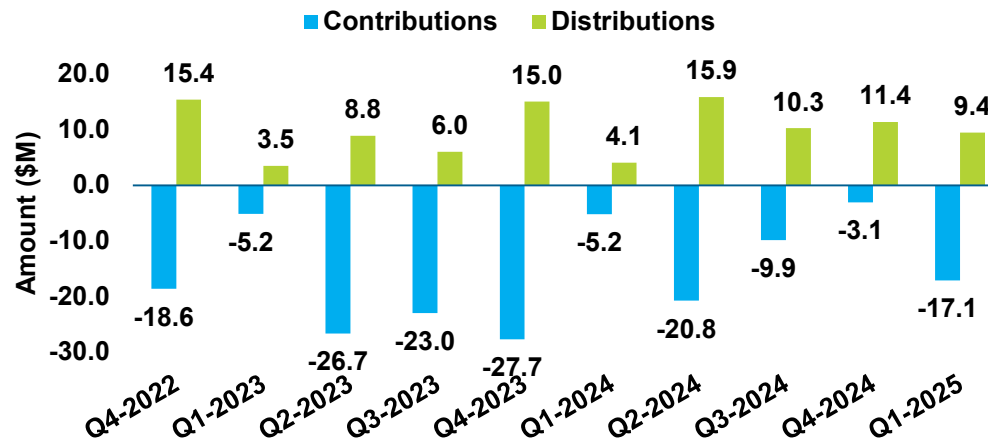


Commitments This Quarter

| Fund            | Strategy | Region | Amount (\$M) |
|-----------------|----------|--------|--------------|
| None to report. |          |        |              |

### Cash Flows

#### Recent Quarterly Cash Flows



#### Largest Contributions This Quarter

| Fund                 | Vintage | Strategy       | Region        | Amount (\$M) |
|----------------------|---------|----------------|---------------|--------------|
| Silver Rock Tac 2022 | 2022    | Opportunistic  | North America | 7.02         |
| Ares Pathfinder II   | 2023    | Opportunistic  | North America | 6.36         |
| Silver Point SC III  | 2023    | Direct Lending | North America | 3.51         |

#### Largest Distributions This Quarter

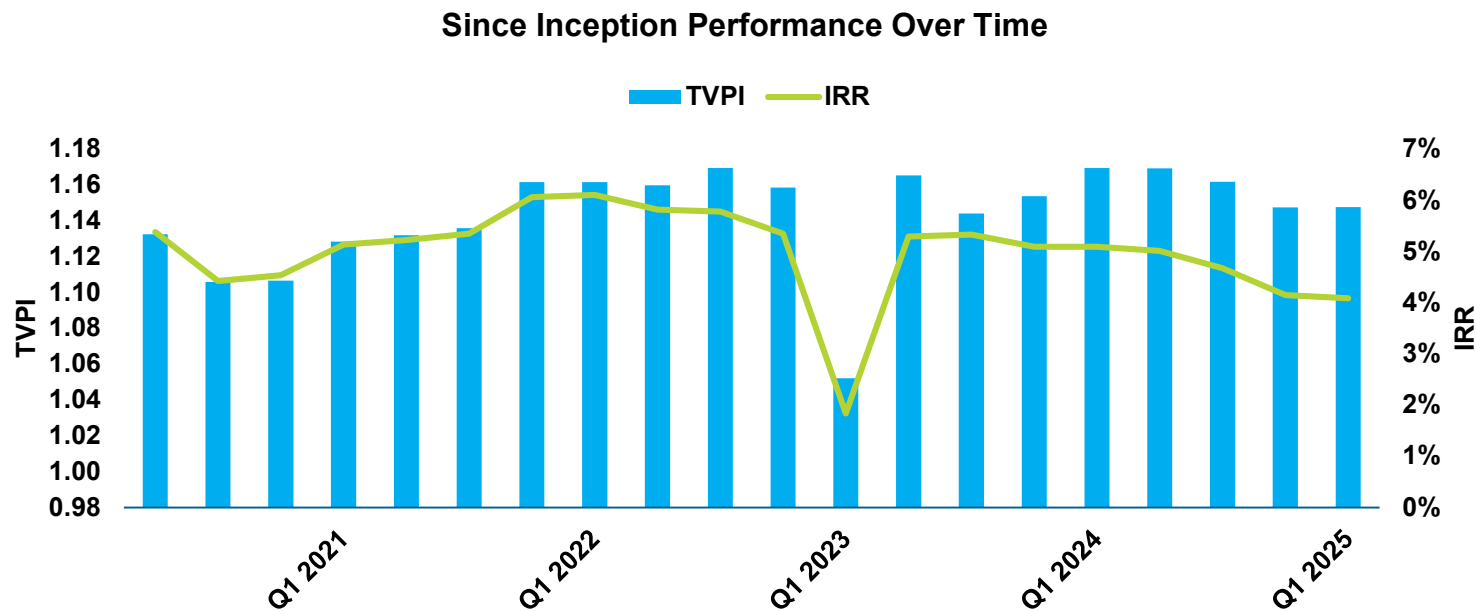
| Fund                 | Vintage | Strategy       | Region            | Amount (\$M) |
|----------------------|---------|----------------|-------------------|--------------|
| BlackRock Feeder IX  | 2020    | Direct Lending | North America     | 3.23         |
| Davidson Kempner V   | 2020    | Opportunistic  | Global: Developed | 3.11         |
| Oaktree Lending Fund | 2018    | Direct Lending | North America     | 1.72         |

### By Strategy

| Group          | Number    | Committed (\$M) | Contributed (\$M) | Unfunded (\$M) | Distributed (\$M) | Remaining Value (\$M) | Exposure (\$M) | DPI (X)     | TVPI (X)    | IRR (%)    |
|----------------|-----------|-----------------|-------------------|----------------|-------------------|-----------------------|----------------|-------------|-------------|------------|
| Direct Lending | 3         | 212.0           | 163.3             | 59.5           | 73.1              | 137.9                 | 197.5          | 0.45        | 1.29        | 9.7        |
| Opportunistic  | 9         | 463.3           | 408.9             | 104.2          | 196.0             | 261.5                 | 365.7          | 0.48        | 1.12        | 3.1        |
| Real Estate    | 1         | 75.0            | 70.0              | 30.0           | 35.2              | 33.2                  | 63.2           | 0.50        | 0.98        | -0.8       |
| <b>Total</b>   | <b>13</b> | <b>750.3</b>    | <b>642.2</b>      | <b>193.7</b>   | <b>304.4</b>      | <b>432.6</b>          | <b>626.3</b>   | <b>0.47</b> | <b>1.15</b> | <b>4.1</b> |

### By Vintage

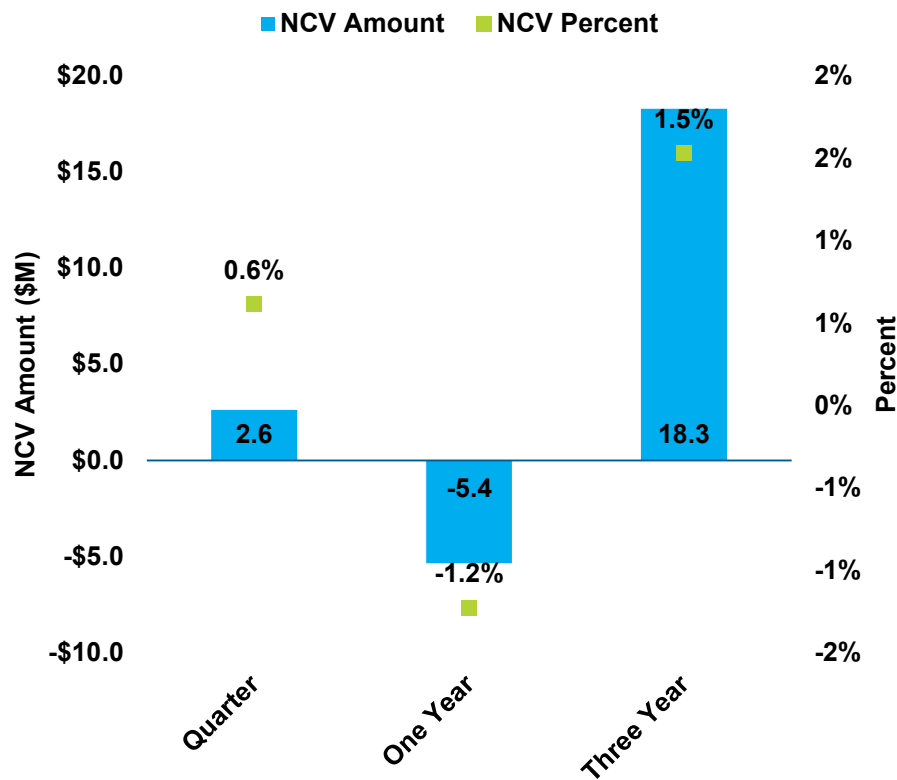
| Group        | Number    | Committed (\$M) | Contributed (\$M) | Unfunded (\$M) | Distributed (\$M) | Remaining Value (\$M) | Exposure (\$M) | DPI (X)     | TVPI (X)    | IRR (%)    |
|--------------|-----------|-----------------|-------------------|----------------|-------------------|-----------------------|----------------|-------------|-------------|------------|
| 2014         | 2         | 90.0            | 75.3              | 14.9           | 72.9              | 8.4                   | 23.3           | 0.97        | 1.08        | 1.6        |
| 2015         | 1         | 50.0            | 50.0              | 0.0            | 11.0              | 15.4                  | 15.4           | 0.22        | 0.53        | -11.5      |
| 2016         | 2         | 125.0           | 137.6             | 32.3           | 91.5              | 55.4                  | 87.7           | 0.66        | 1.07        | 2.0        |
| 2018         | 1         | 50.0            | 42.6              | 11.0           | 29.8              | 29.8                  | 40.8           | 0.70        | 1.40        | 11.2       |
| 2020         | 4         | 248.3           | 241.0             | 38.8           | 88.8              | 216.6                 | 255.4          | 0.37        | 1.27        | 7.7        |
| 2022         | 1         | 62.5            | 46.6              | 15.9           | 0.0               | 61.5                  | 77.4           | 0.00        | 1.32        | 24.4       |
| 2023         | 2         | 124.5           | 49.1              | 81.0           | 10.4              | 45.3                  | 126.3          | 0.21        | 1.14        | 15.4       |
| <b>Total</b> | <b>13</b> | <b>750.3</b>    | <b>642.2</b>      | <b>193.7</b>   | <b>304.4</b>      | <b>432.6</b>          | <b>626.3</b>   | <b>0.47</b> | <b>1.15</b> | <b>4.1</b> |



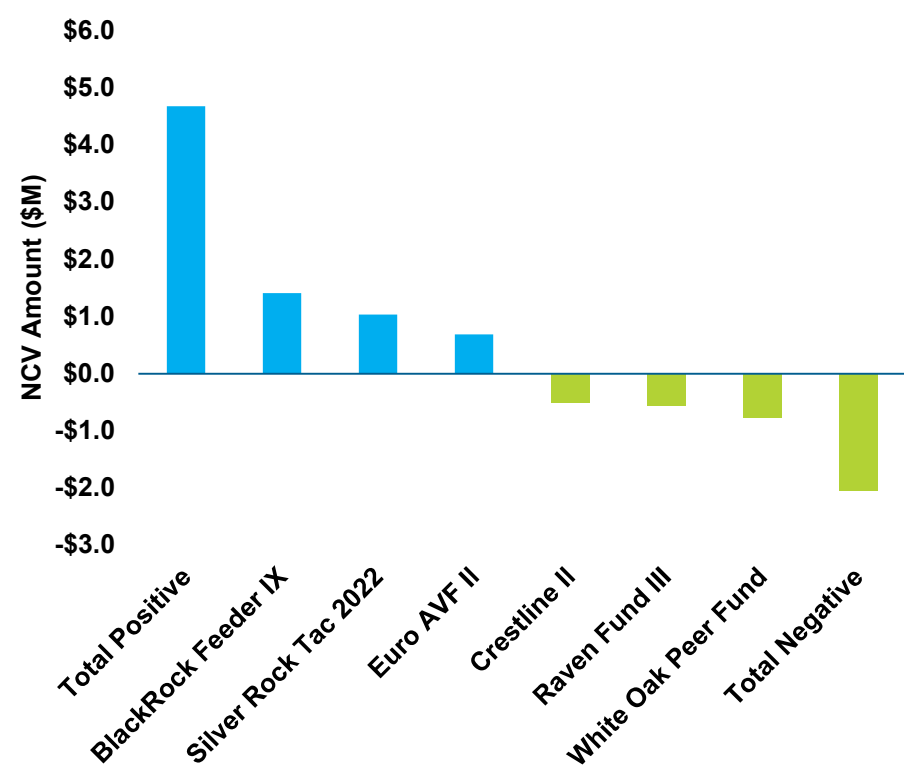
| Horizon IRRs        |            |            |            |             |                     |
|---------------------|------------|------------|------------|-------------|---------------------|
|                     | 1 Year (%) | 3 Year (%) | 5 Year (%) | 10 Year (%) | Since Inception (%) |
| Aggregate Portfolio | -1.2       | 1.5        | 3.0        | 4.0         | 4.1                 |



Periodic NCV



1 Quarter Drivers Of NCV

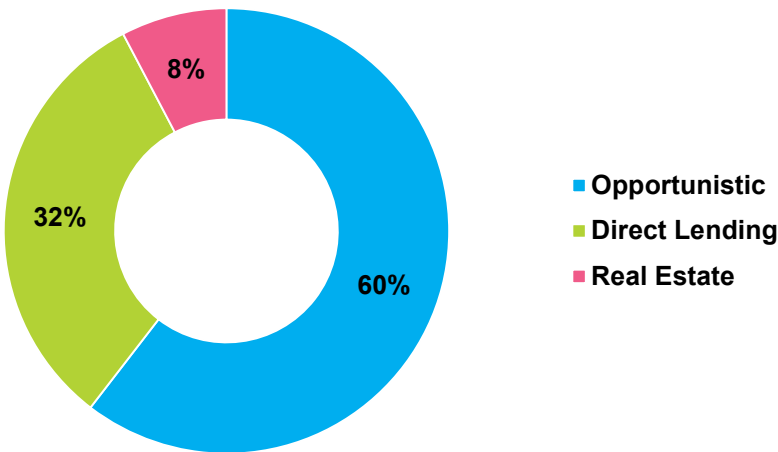


### Fund Performance: Sorted By Vintage And Strategy

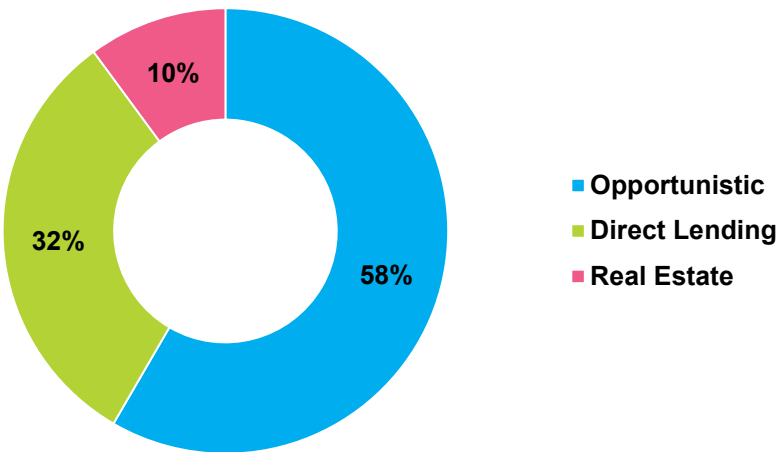
| By Investment        | Vintage | Strategy       | Committed (\$M) | Contributed (\$M) | Unfunded (\$M) | Distributed (\$M) | Remaining Value (\$M) | TVPI (X)    | IRR (%)    |
|----------------------|---------|----------------|-----------------|-------------------|----------------|-------------------|-----------------------|-------------|------------|
| Crestline II         | 2014    | Opportunistic  | 45.0            | 32.4              | 12.7           | 28.7              | 8.4                   | 1.14        | 2.3        |
| Raven Fund II        | 2014    | Opportunistic  | 45.0            | 42.9              | 2.1            | 44.2              | 0.0                   | 1.03        | 0.8        |
| Raven Fund III       | 2015    | Opportunistic  | 50.0            | 50.0              | 0.0            | 11.0              | 15.4                  | 0.53        | -11.5      |
| White Oak Peer Fund  | 2016    | Opportunistic  | 50.0            | 67.6              | 2.3            | 56.2              | 22.3                  | 1.16        | 3.9        |
| Mesa West IV         | 2016    | Real Estate    | 75.0            | 70.0              | 30.0           | 35.2              | 33.2                  | 0.98        | -0.8       |
| Oaktree Lending Fund | 2018    | Direct Lending | 50.0            | 42.6              | 11.0           | 29.8              | 29.8                  | 1.40        | 11.2       |
| BlackRock Feeder IX  | 2020    | Direct Lending | 100.0           | 89.5              | 12.2           | 33.4              | 82.9                  | 1.30        | 8.7        |
| Davidson Kempner V   | 2020    | Opportunistic  | 48.3            | 44.1              | 12.8           | 8.6               | 54.7                  | 1.44        | 10.4       |
| Euro AVF II          | 2020    | Opportunistic  | 50.0            | 46.5              | 13.8           | 24.0              | 34.0                  | 1.25        | 9.7        |
| White Oak Spectrum V | 2020    | Opportunistic  | 50.0            | 60.9              | 0.0            | 22.8              | 45.0                  | 1.11        | 3.1        |
| Silver Rock Tac 2022 | 2022    | Opportunistic  | 62.5            | 46.6              | 15.9           | 0.0               | 61.5                  | 1.32        | 24.4       |
| Silver Point SC III  | 2023    | Direct Lending | 62.0            | 31.2              | 36.4           | 9.9               | 25.3                  | 1.13        | 13.1       |
| Ares Pathfinder II   | 2023    | Opportunistic  | 62.5            | 17.9              | 44.6           | 0.5               | 20.1                  | 1.15        | 20.9       |
| <b>Total</b>         |         |                | <b>750.3</b>    | <b>642.2</b>      | <b>193.7</b>   | <b>304.4</b>      | <b>432.6</b>          | <b>1.15</b> | <b>4.1</b> |

By Strategy

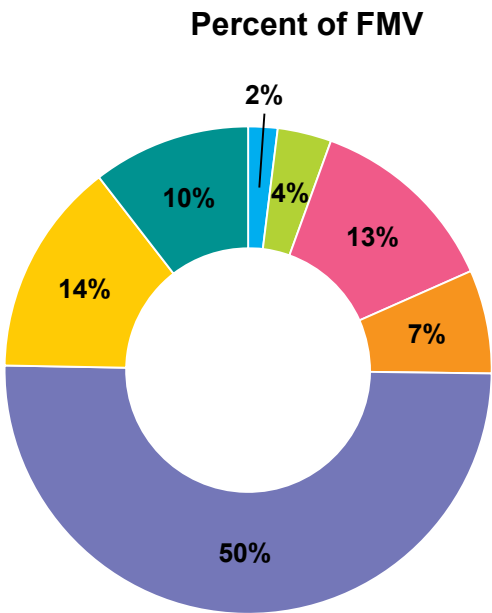
Percent of FMV



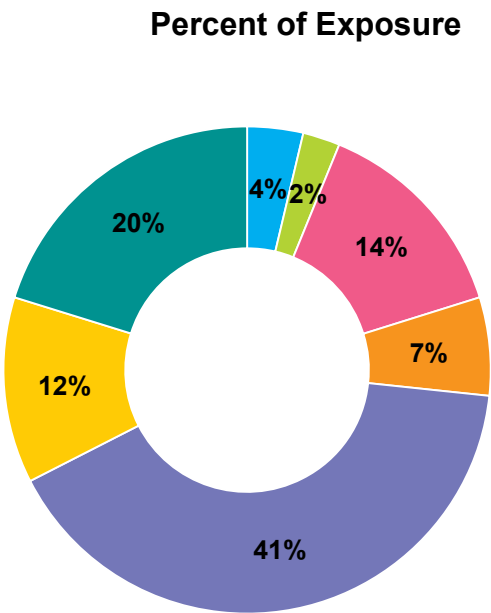
Percent of Exposure



By Vintage



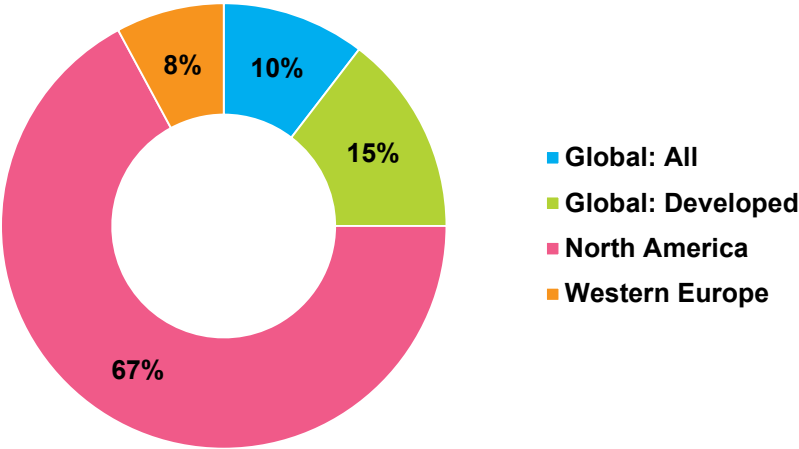
- 2014
- 2015
- 2016
- 2018
- 2020
- 2022
- 2023



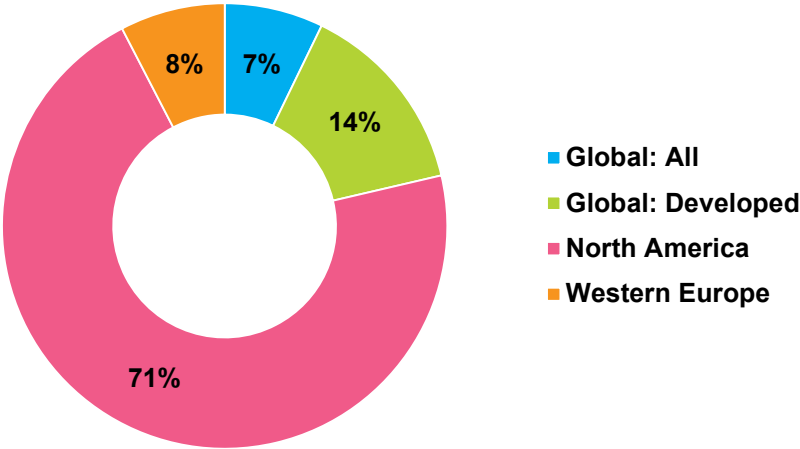
- 2014
- 2015
- 2016
- 2018
- 2020
- 2022
- 2023

By Geographic Focus

Percent of FMV



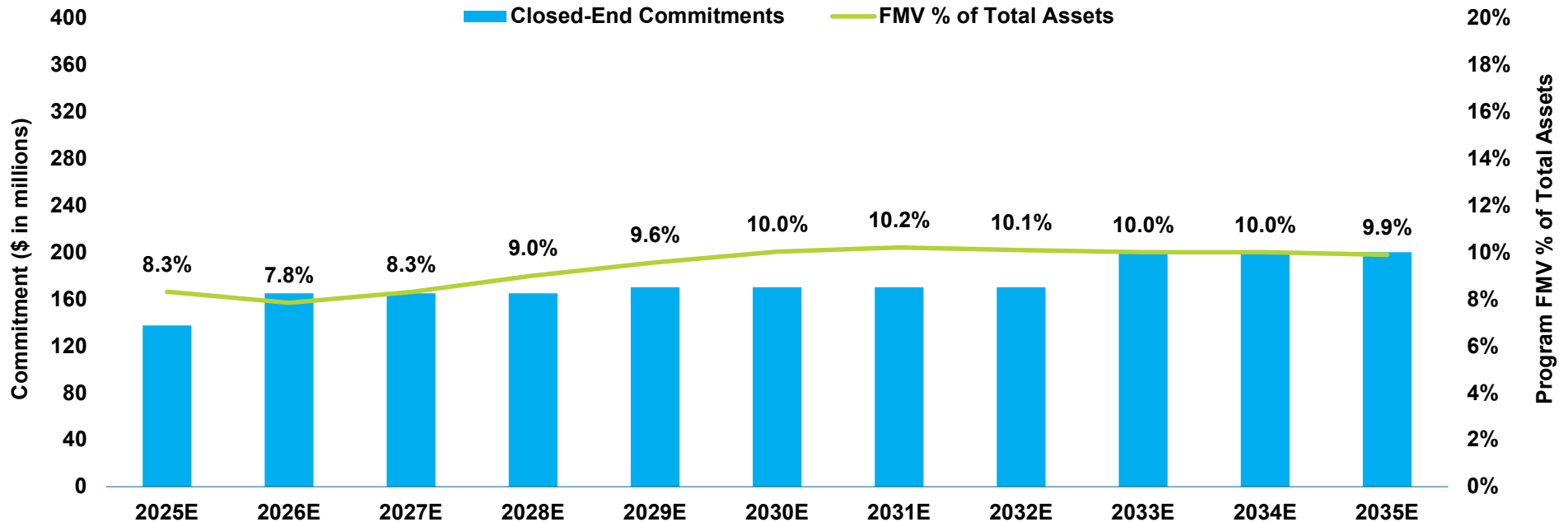
Percent of Exposure



## Private Credit Pacing Study

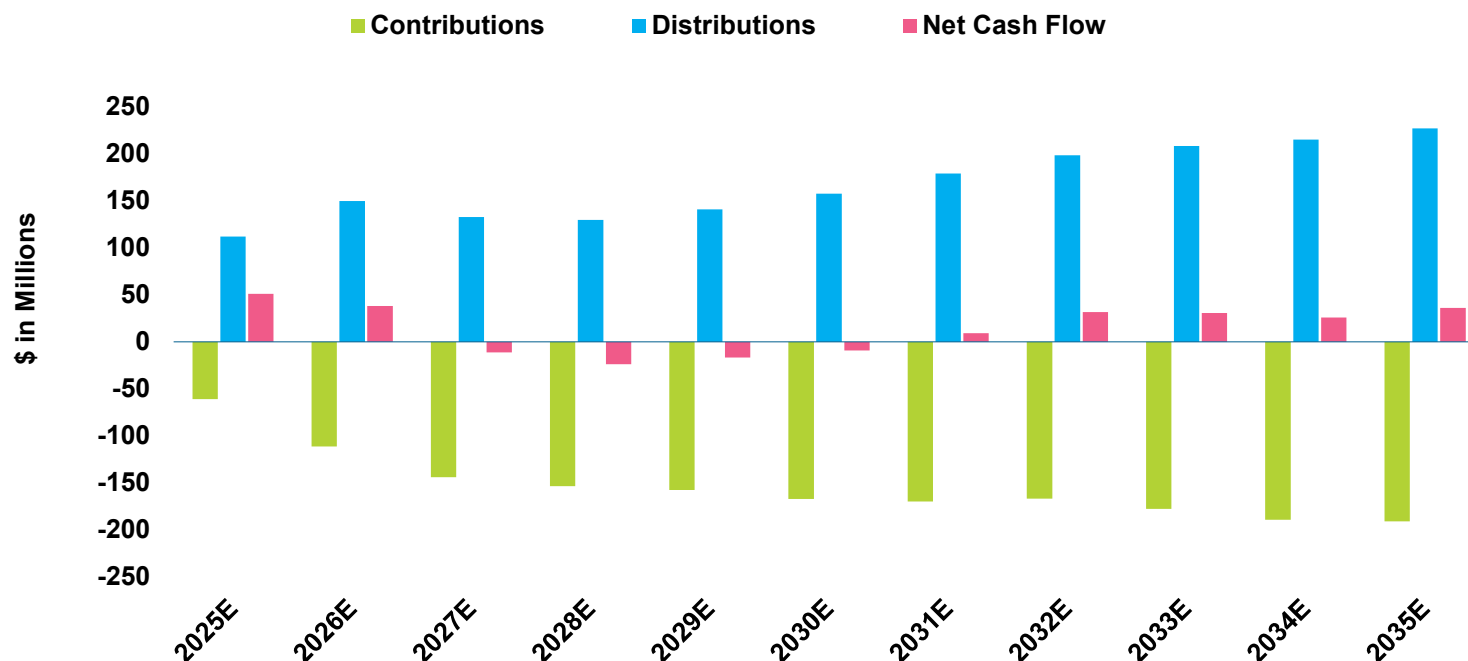
### Private Credit Portfolio Allocation Model

Private market data as of 12/31/2024



- The SJCERA private credit portfolio has a 10% target allocation.
- Recommend consistent deployment for vintage year diversification incorporating asset-based lending for collateral diversification alongside direct lending and special situations.
- Expect to reach target allocation between 2029-2030.

### Projected Cash Flows



- Expect distributions to outpace contributions in the short term as older funds harvest.
- Consistent deployment into private credit expected to increase program's net contributions as those funds call capital.



### Commitment Allocations (\$M)

|                                | 2025E        | 2026E        | 2027E        | 2028E        | 2029E        | 2030E        | 2031E        | 2032E        | 2033E        | 2034E        | 2035E        |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Lending</b>                 | 75.0         | 100.0        | 100.0        | 100.0        | 85.0         | 85.0         | 42.5         | 85.0         | 100.0        | 50.0         | 100.0        |
| <b>Special Situations (SS)</b> | 0.0          | 65.0         | 65.0         | 0.0          | 85.0         | 85.0         | 42.5         | 85.0         | 100.0        | 50.0         | 100.0        |
| <b>Shorter Duration (SS)</b>   | 62.5         | 0.0          | 0.0          | 65.0         | 0.0          | 0.0          | 85.0         | 0.0          | 0.0          | 100.0        | 0.0          |
| <b>Closed-End Total</b>        | <b>137.5</b> | <b>165.0</b> | <b>165.0</b> | <b>165.0</b> | <b>170.0</b> | <b>170.0</b> | <b>170.0</b> | <b>170.0</b> | <b>200.0</b> | <b>200.0</b> | <b>200.0</b> |

- Recommend consistent allocation to lending focused strategies for stability of income generation in addition to special situations.
- Moderate increase in annual budget to maintain target allocation as Total Plan has a projected 5.0% net asset growth rate.
- Shorter Duration (SS) commitment represents a re-up with an existing high-conviction manager made in 2024 that was recategorized into 2025 based on guidance from the General Partner. Pacing model accounts for the exposure separately from special situations due to shorter investment and harvest period.

### Fair Market Value by Strategy

|                              | 2025E         | 2026E         | 2027E         | 2028E         | 2029E         | 2030E         | 2031E         | 2032E         | 2033E         | 2034E         | 2035E         |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Lending</b>               | 48%           | 48%           | 50%           | 54%           | 56%           | 56%           | 53%           | 50%           | 48%           | 45%           | 44%           |
| <b>Special Situations</b>    | 28%           | 29%           | 31%           | 29%           | 29%           | 32%           | 34%           | 36%           | 40%           | 41%           | 42%           |
| <b>RE Debt</b>               | 6%            | 4%            | 2%            | 1%            | 1%            | 0%            | 0%            | 0%            | 0%            | 0%            | 0%            |
| <b>Shorter Duration (SS)</b> | 18%           | 20%           | 17%           | 16%           | 14%           | 12%           | 13%           | 13%           | 12%           | 14%           | 14%           |
| <b>Total</b>                 | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |

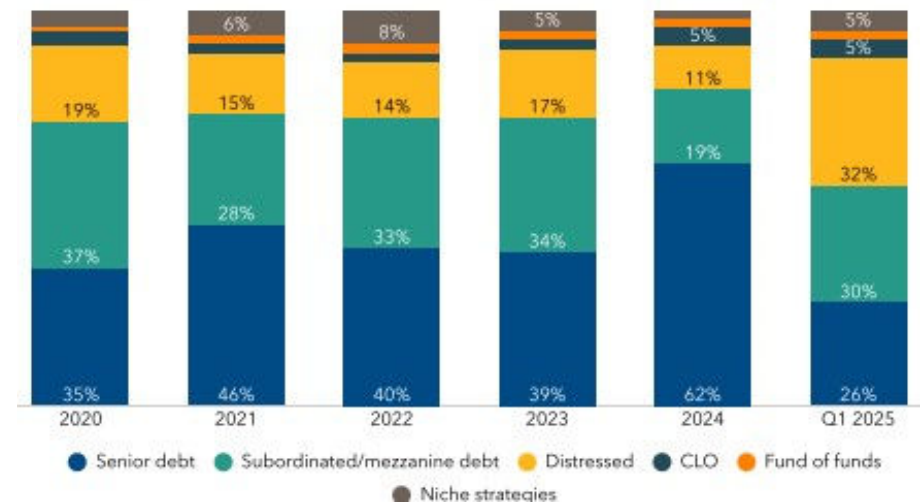
#### Private Credit: Performance Update (Q1-25)

- For the full year in 2024, the Prequin All Private Debt Index returned 8.4% with the strongest returns over the twelve months coming from Mezzanine and Direct Lending (Chart 1).
- Fundraising in Private Credit rebounded sharply over prior quarters with \$74 billion raised in Q1 2025. Notably, the strategy mix was more evenly distributed across senior debt, subordinate, and distressed debt. (Chart 2)
- Average fund size continued its upward trend with the average private credit fund size reaching \$1.1 billion in Q1 2025.

Prequin All Private Debt Index (a/o December, 2024)<sup>1</sup>

| Trailing Time Period | Horizon IRR (%) |
|----------------------|-----------------|
| 1 year               | 8.4             |
| 3 years              | 7.4             |
| 5 years              | 9.2             |
| 10 years             | 8.4             |

Private Credit Fundraising Rebounds (Q1 2025)<sup>1</sup>

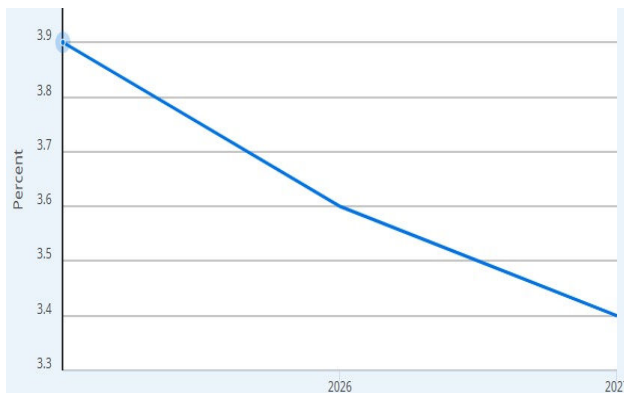


<sup>1</sup> Private Debt Fundraising Report Q1 2025

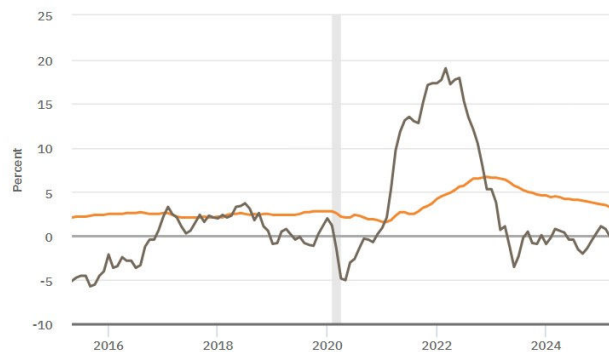
#### Private Credit: Key Economic Drivers

- Events in Q1 2025 led to meaningful change for the median Fed Funds projection, raising the expected future rate to 3.6%, up from 3.0% by the end of 2026. (Chart 1)
- Although there was a widely reported drop in the price of consumer items such as eggs in April 2025, the Sticky Price Consumer Index as tracked by the Federal Reserve Bank of Atlanta, which excludes more volatile Energy and Food, showed a year-over-year increase of 3.2% on an annualized basis. (Chart 2; note: orange line is sticky price index, brown line is flexible price index)
- The Senior Loan Officers Survey in Q1 2025 reported weakening demand for credit against a backdrop of increased economic uncertainty and tighter lending standards for Commercial & Industrial Loans, particularly by large banks. (Chart 3)

**FOMC Fed Funds Projections  
(Chart 1)<sup>1</sup>**

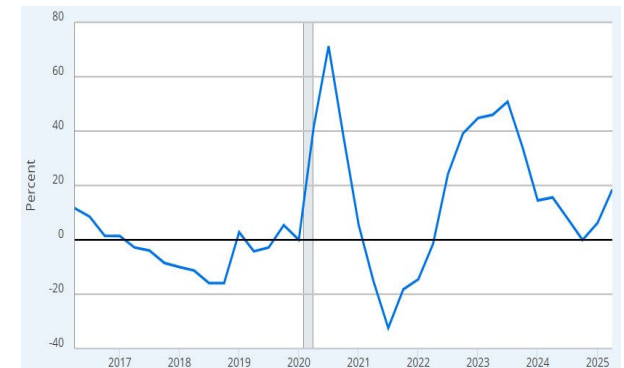


**Sticky Price Consumer Price Index  
(Chart 2)<sup>2</sup>**



Gray bars indicate periods of recession.  
Source: Federal Reserve Bank of Atlanta

**Survey of Lending Standards  
(Chart 3)<sup>3</sup>**



<sup>1</sup> Source: St. Louis Fed, FRED Economic Data (June 18, 2025)

<sup>2</sup> Source: Federal Reserve Bank of Atlanta (June 11, 2025)

<sup>3</sup> Senior Loan Officers Survey on Bank Lending Practices (March 2025).

#### Private Credit: U.S. Middle Market Direct Lending

- Middle Market Direct Lending (MMDL) volumes declined from the fourth quarter, but showed a 26% gain year-over-year. Use of proceeds in direct lending demonstrated less exposure to refinancings by sponsors with new money transactions accounting for 75% of deal volume, this contrasts to the syndicated loan market where refinancing represented 82% of volume. (Chart 1)
- Correlation between MMDL and the broadly syndicated loan (BSL) market as captured by the Lincoln Senior Debt Index and Morningstar LSTA Index, respectively, is approximately 80.3%. MMDL has significantly lower volatility which was demonstrated again in the turbulent first quarter. (Chart 2)
- Default rates defined as loan covenant default (not monetary default) picked up in Q1 2025 to 2.9%, but remained slightly below the historical average of 3.0% and below the more recent highs set in 2023 around the spike in rates. (Chart 3)

Chart 1: Direct Lending Volumes<sup>1</sup>



Chart 2: Middle Market Direct Lending vs. BSL QTR Returns<sup>2</sup>

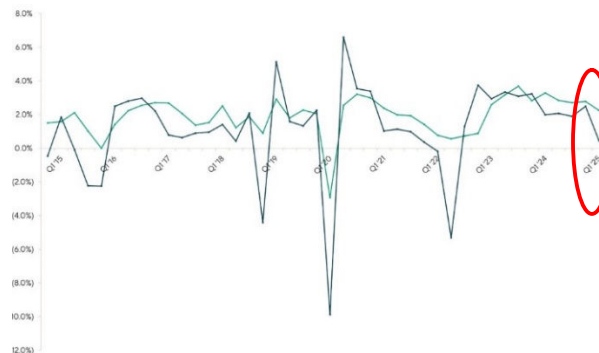
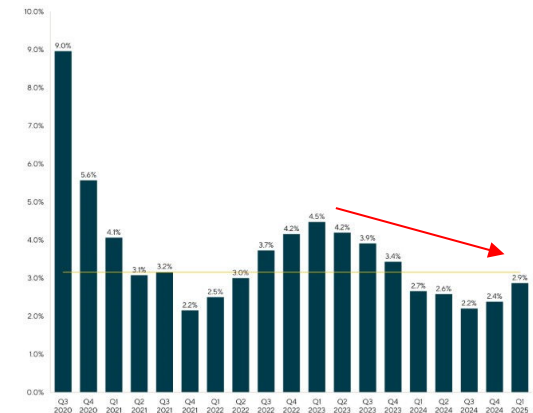


Chart 3: Quarterly Direct Lending Default Rates<sup>3</sup>



<sup>1</sup> Antares Capital, Market Brief (1Q25)

<sup>2</sup> Q1 2025 Lincoln Senior Debt Index, Quarterly Overview (May, 2025)

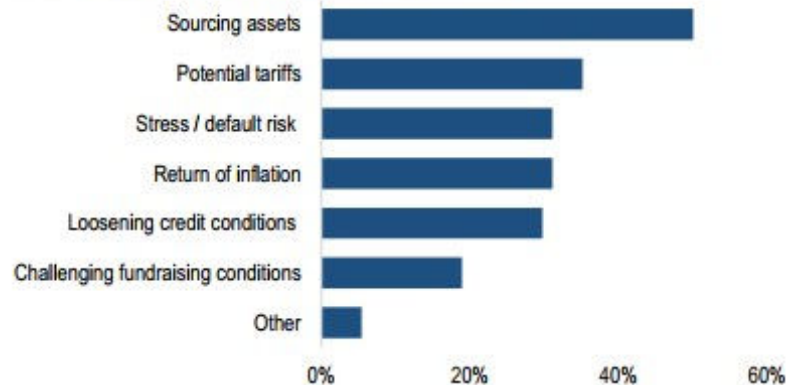
<sup>3</sup> Q1 2025 Lincoln Senior Debt Index, Quarterly Overview (May, 2025)

#### Leveraged Finance Market Environment (Q1-25)

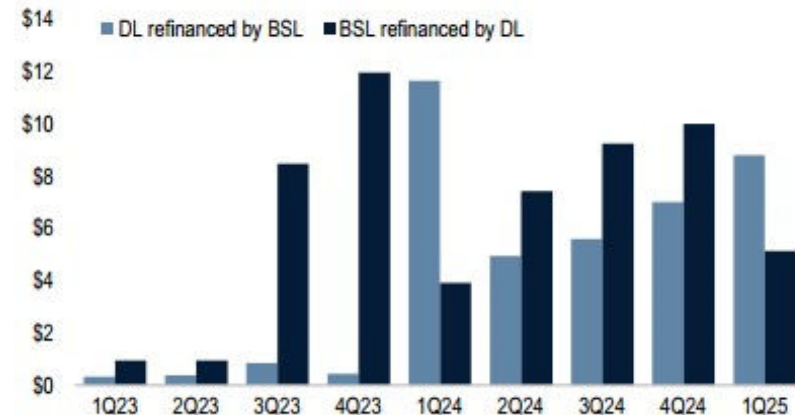
- According to a survey by PitchBook LCD with several years of solid fundraising driven by investor demand and the expansion into retail markets with BDCs and ETFs, the biggest headwind identified for private credit over the next six months was “Sourcing assets.” Survey respondents included private credit managers, banks, sponsors, advisory firms and others. (Chart 1)
- Borrowers save on average save ~260bps by refinancing into syndicated loans<sup>1</sup> The tight supply demand dynamic for private credit loans left the market vulnerable to takeout refinancings by the syndicated loan market. (Chart 2)

**Chart 1: LCD Survey of Private Credit Participants (Q1-25)<sup>2</sup>**

Which of the following will be the biggest headwinds facing private credit market participants in the next six months?



**Chart 2: Syndicated (BSL) Takeout of Direct Loans<sup>3</sup>**

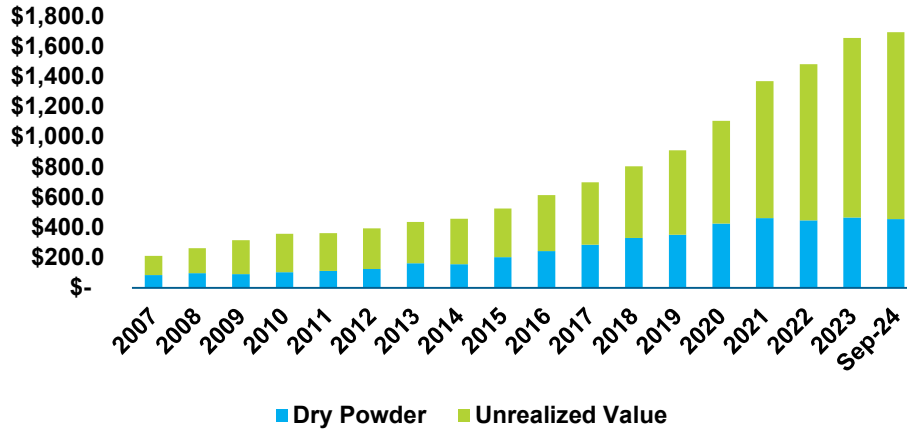


<sup>1</sup> Pitchbook LCD Pitchbook LCD Credit Markets Quarterly Wrap (Q1 2025)

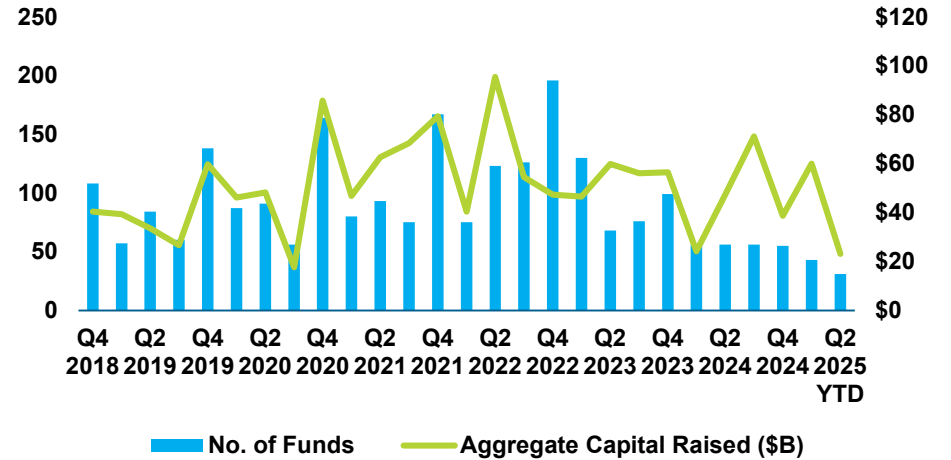
<sup>2</sup> Source: Pitchbook LCD Credit Markets Quarterly Wrap ( survey data as of February 26, 2025)

<sup>3</sup> Source: Pitchbook LCD News & Analysis (a/o 1/3/25)

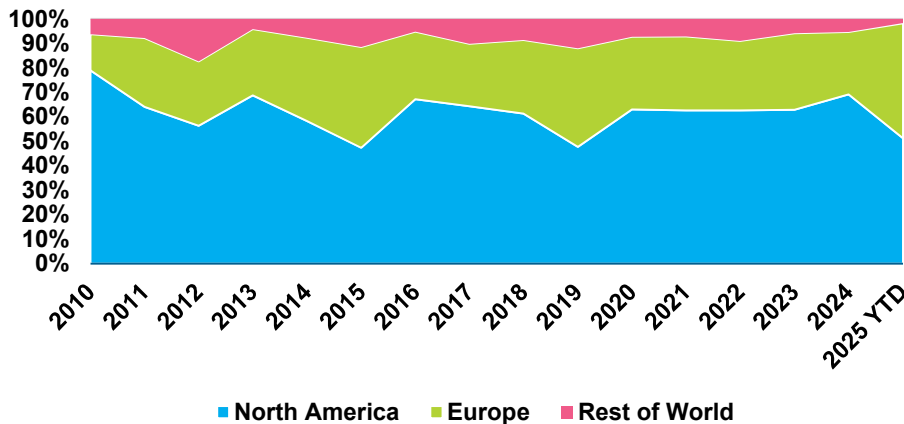
#### Global Private Debt AUM, as of Year End (\$B)



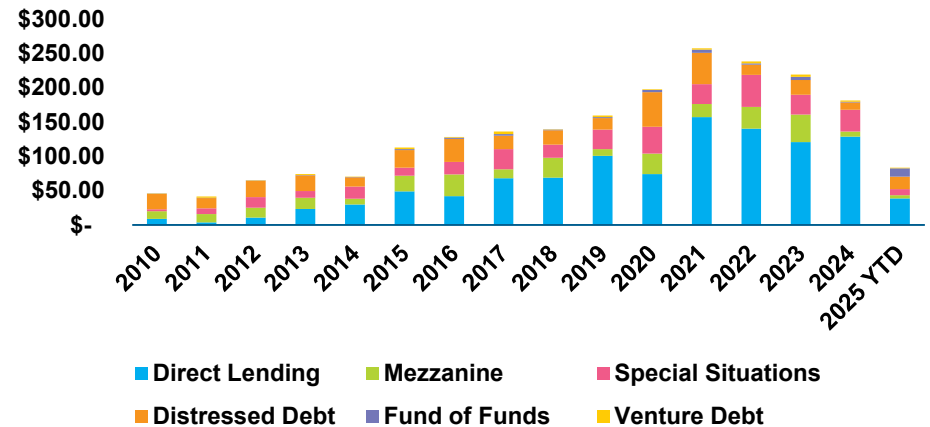
#### Global Private Debt Fundraising



#### Global Private Debt Fundraising, by Primary Region



#### Global Private Debt Fund Raising, by Fund Strategy



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. Program-level DPIs are net of both fund fees and expenses and fees paid to Meketa attributable to the Program.                                                                    |
| 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. Program-level IRRs are net of both fund fees and expenses and fees paid to Meketa attributable to the Program.                                 |
| 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: Barclays Capital U.S. Corporate High Yield 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. Program-level TVPIs are net of both fund fees and expenses and fees paid to Meketa attributable to the Program. |
| 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.



# San Joaquin County Employees' Retirement Association

October 2025

Real Estate Update & Portfolio Review

- 1. Real Estate Overview**
- 2. Real Estate Market Update**
- 3. SJCERA Real Estate Portfolio**
- 4. Portfolio Construction and Future Commitments**

## **Real Estate Overview**

## Why Invest in Real Estate

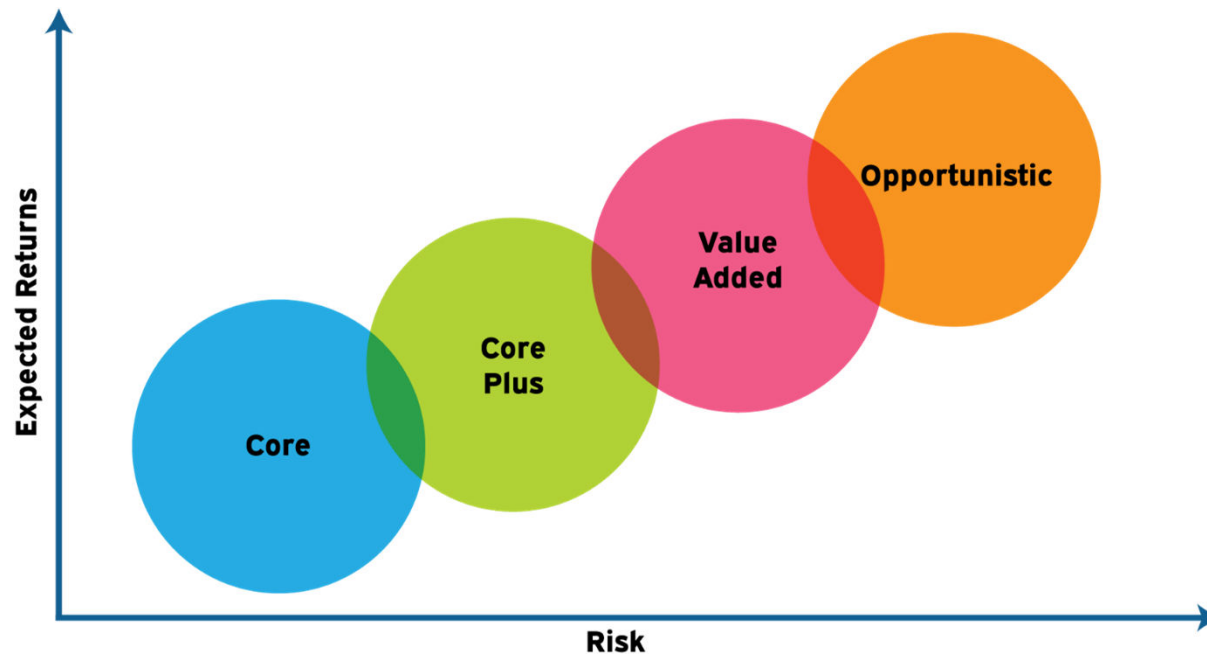
### Investing in Private Real Estate provides several potential benefits, including:

- **Diversification:** Real estate often behaves differently than equities and fixed income, helping reduce overall portfolio volatility.
- **Inflation Hedge:** Real estate can protect against inflation, especially through rental income that tends to rise with inflation.
- **Income with Capital Appreciation Potential:** Long-term leases provide steady income streams and are the base of Core real estate returns. Real estate can appreciate over time due to property improvements, rising demand, or economic growth in a region.

### Some considerations when investing in Private Real Estate include:

- **Illiquidity:** Private real estate is not traded on public markets and building exposure or reducing exposure to the asset class can take considerable time.
- **Fees:** Like other private markets, and unlike public real estate, private real estate is relatively more expensive.
- **Valuations:** Unlike public assets with daily prices, private real estate relies on appraisals, which may lag market changes.

## Risk-Return Expectations



- Core strategies focus on high quality assets with stable income streams.
  - Regarded as lower risk due to property location, age, debt level, and tenant profile.
- Non-core strategies (value-added and opportunistic) present greater risk:
  - Lower initial occupancy, greater reliance on physical upgrades and future projections.
  - Higher expected returns than core and core plus strategies to compensate for added risk.



### Real Estate Investment Styles

- Institutional real estate investment vehicles typically reflect one of four broad risk/reward profiles.
- Core investment vehicles are typically open-end funds, while non-core vehicles are typically closed-end funds.
- Investment managers will often use leverage to enhance returns.
- The table below outlines many of the characteristics associated with each risk/reward profile.

|                                                      | Core                  | Core Plus      | Value-Added                        | Opportunistic              |
|------------------------------------------------------|-----------------------|----------------|------------------------------------|----------------------------|
| Property Types Included                              | 4 Majors <sup>1</sup> | 4 Majors       | 4 + Limited Specialty <sup>2</sup> | 4 + Moderate Specialty     |
| Target Markets                                       | Primary               | Primary        | Primary/Secondary/Tertiary         | Primary/Secondary/Tertiary |
| Leverage (loan-to-value)                             | 0% - 40%              | 30% - 50%      | Up to 65%                          | Above 65%                  |
| Physical Asset Needs                                 | Minor                 | Light Upgrades | Renovation                         | Renovation/Development     |
| Leasing Risk                                         | Low                   | Low/Moderate   | Moderate/High                      | Moderate/High              |
| Holding Period (years)                               | 7 - 10                | 7 – 10         | 3 – 7                              | 1 - 5                      |
| Income (as % of total return)                        | >50%                  | 40% - 60%      | 25% - 40%                          | <40%                       |
| Investment Vehicle Return Expectations (before fees) | 6% - 8%               | 8% - 12%       | 12% - 15%                          | 15%+                       |

<sup>1</sup>Major property types are office, retail, multifamily, and industrial.

<sup>2</sup>Specialty property types can include a broad array of property types. Typical specialty sectors include hotels, senior housing, medical offices, student housing, self-storage, and data centers.

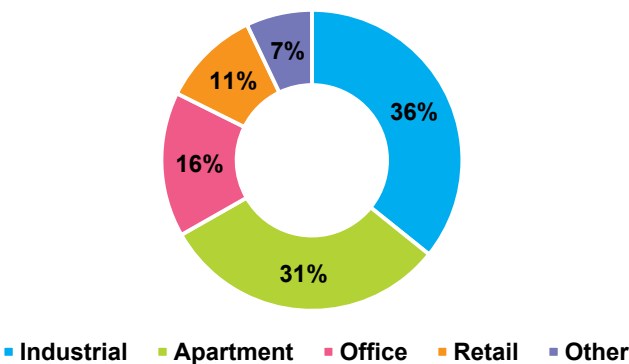
NCREIF ODCE Index Overview

The NCREIF Open End Diversified Core Equity Index (“ODCE”) is widely accepted as the standard benchmark for private real estate in the United States. The ODCE Index is a capitalization weighted, gross of fees, time-weighted return index with an inception date of January 1, 1978.

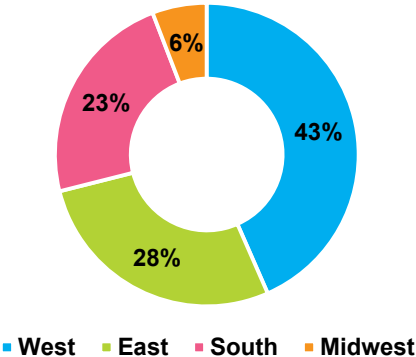
| Gross RE | Net RE   | Leverage | Cash | Funds | Investments | Occupancy |
|----------|----------|----------|------|-------|-------------|-----------|
| \$279.0B | \$227.3B | 26.9%    | 3.2% | 25    | 3,285       | 90.3%     |

For a fund to be included as part of the ODCE Index, it must meet several requirements, including the following: being an open-end vehicle, having a diversified core real estate portfolio predominantly in the United States, most of gross market value in the four major property types, and most of gross market value in stabilized assets more than 75% leased. There is also a strict leverage cap of 35%.

Sector Exposure



Geographic Exposure



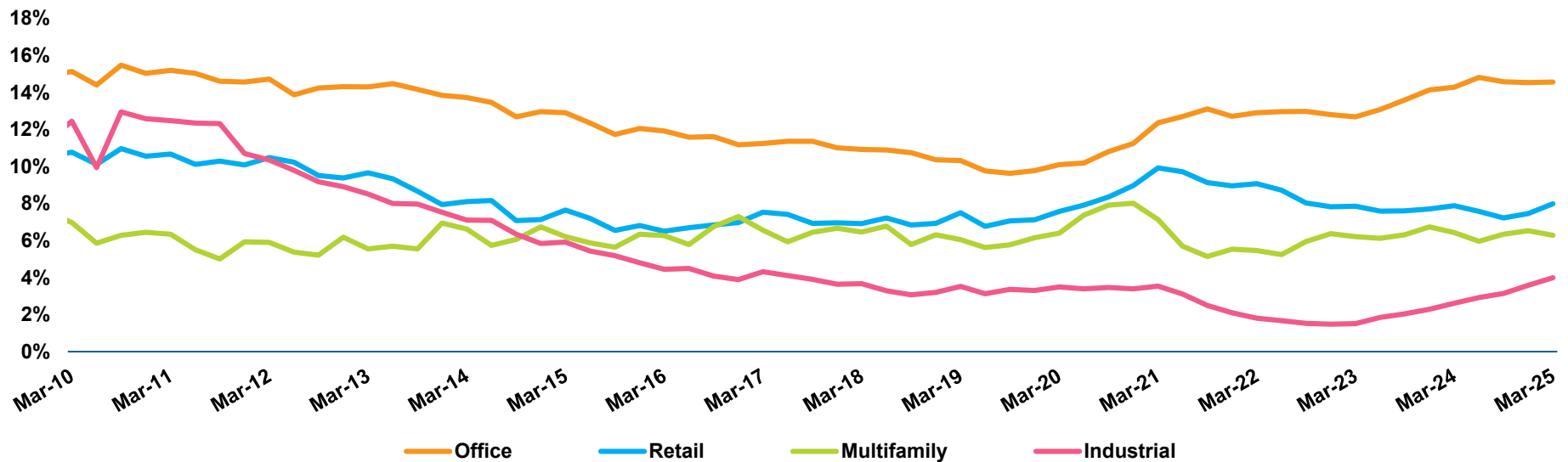
Source: NCREIF

## **Real Estate Market Update**

### Market Commentary

- Since March of 2022, the actions of the Federal Reserve aimed at lowering inflation have resulted in significantly increased debt costs which led to greatly reduced commercial real estate transaction volume and a broad re-pricing of commercial real estate assets.
- Although occupancy across most property type sectors remains healthy, the delivery of new apartment units in many sunbelt cities has outpaced demand, leading landlords to offer incentives (free rent) to support leasing. The oversupply has constrained market rent growth and suppressed net operating income. However, the upshot is that permitting activity declined significantly over the past two years and new deliveries will fall well below historical levels in 2026 and 2027. If population growth and migration patterns hold, supply and demand in these markets should regain balance.
- The pendulum is starting to swing back in favor of more workdays physically in the office. However, “in office” days per week are still below pre-COVID levels and some functions may have become permanently remote. This dynamic, can result in smaller space requirements as tenants look to renew leases or relocate, putting pressure on landlords to compete by offering free rent, reduced rent, broker incentives, and tenant improvement (TI) allowances, which are all drags on property cash flow.
- Some asset owners with maturing debt, expiring interest rate caps, and other situations requiring a refinancing of current debt, could have difficulty obtaining financing and be forced to sell their commercial real estate asset(s), or to give the asset(s) back to the lender. Even if the owner obtains a loan extension, the terms are likely to be far less favorable than the initial loan.
- Lenders have become more conservative with their underwriting and willingness to make loans.
- As long as the uncertainty surrounding the US economy and capital markets endures, it is hard to have conviction as to when growth in asset values will resume.

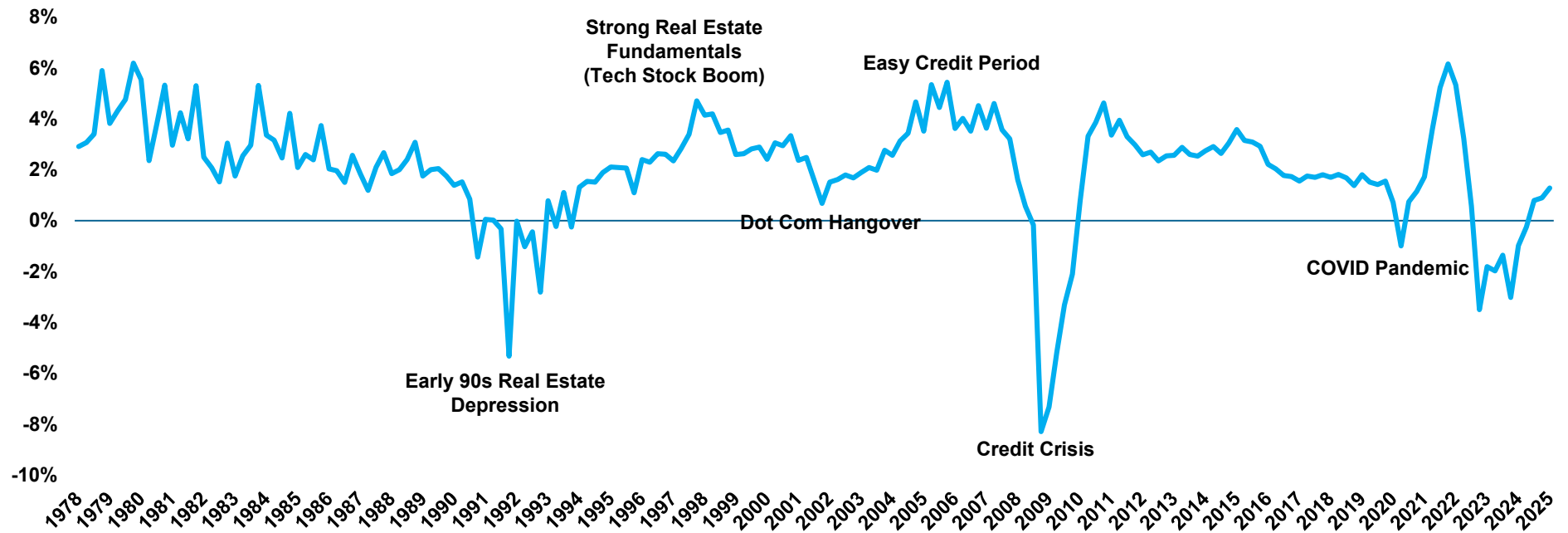
#### Real Estate Fundamentals Vacancy by Property Type



- In the first quarter of 2025, the aggregate vacancy rate across all property types continued to trend upwards to 6.7%, the highest rate since March 2021. Increasing vacancies are primarily attributed to the office and industrial sectors which have seen the steadiest rises in vacancy rates over the past few years.
- The multifamily sector has similarly been affected by oversupply issues; however, vacancies have remained relatively stagnant year-over-year. Over the long term, multifamily real estate demonstrates the most stable vacancy trends across the four main property types, largely rooted in the necessity of housing and growing population that continue to drive strong fundamentals of the sector.
- Retail is the sole property type to have experienced a steady decline in vacancies post-COVID, although experiencing a slight uptick in its vacancy rate towards the end of 2024 and in the first quarter of 2025.

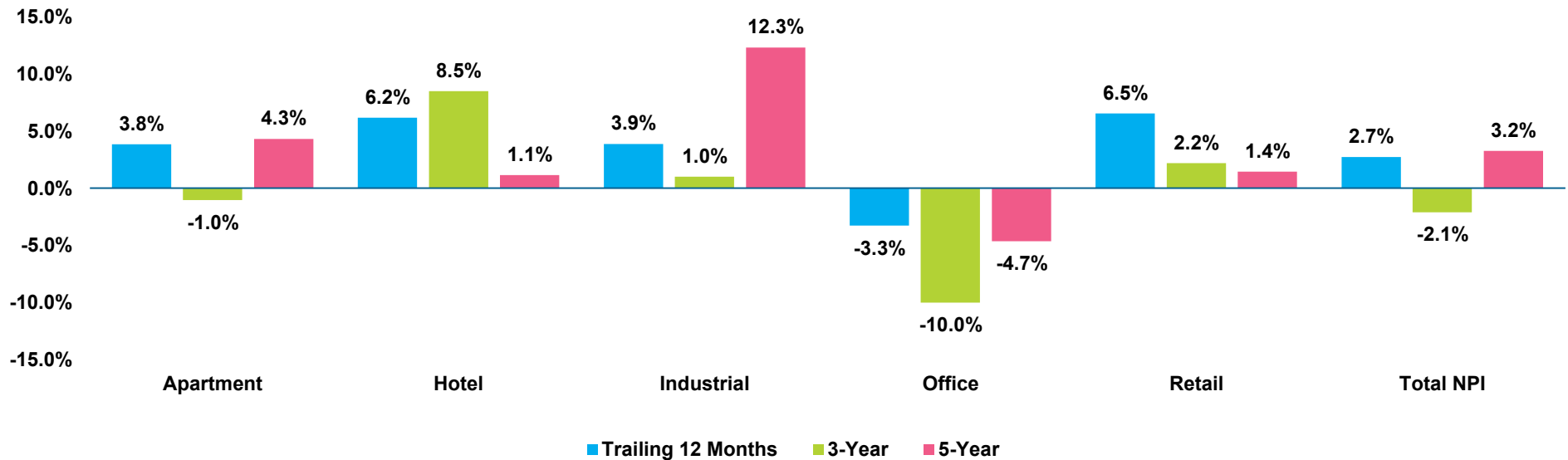
Source: NCREIF

#### NPI Quarterly Returns



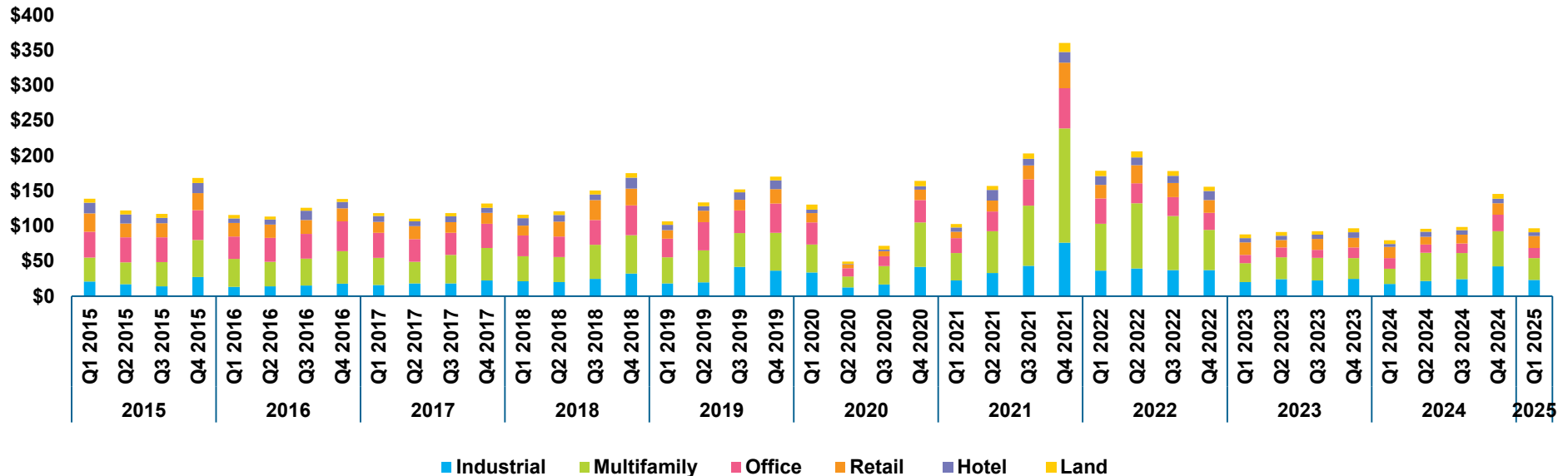
- After more than two years of negative total returns, property level returns turned positive in Q3-2024 as income more than offset slight negative appreciation.
- Steady income continued to more than offset slight negative appreciation in Q4.

#### NPI Returns by Property Type



- As of Q1 2025, the NCREIF Property Index (“NPI”) generated a 2.7% trailing 12-month return, primarily diluted by continued underperformance in the office sector, which posted a -3.3% return over the same time period. Office is the only sector with negative property-level returns across any of the three presented time periods, except for the three-year return for apartments which was also slightly negative given heightened deliveries during the respective time frame.
- Over the past few years, the hotel and retail sectors have exhibited outsized returns relative to their counterparts, demonstrating positive post-COVID rebounds as consumers return to travel and storefronts.
- Over the longer-term, the industrial sector is a pronounced outperformer, having generated a 12.3% return over the last five years, as of Q1 2025, with multifamily trailing in second place at only 4.3%.

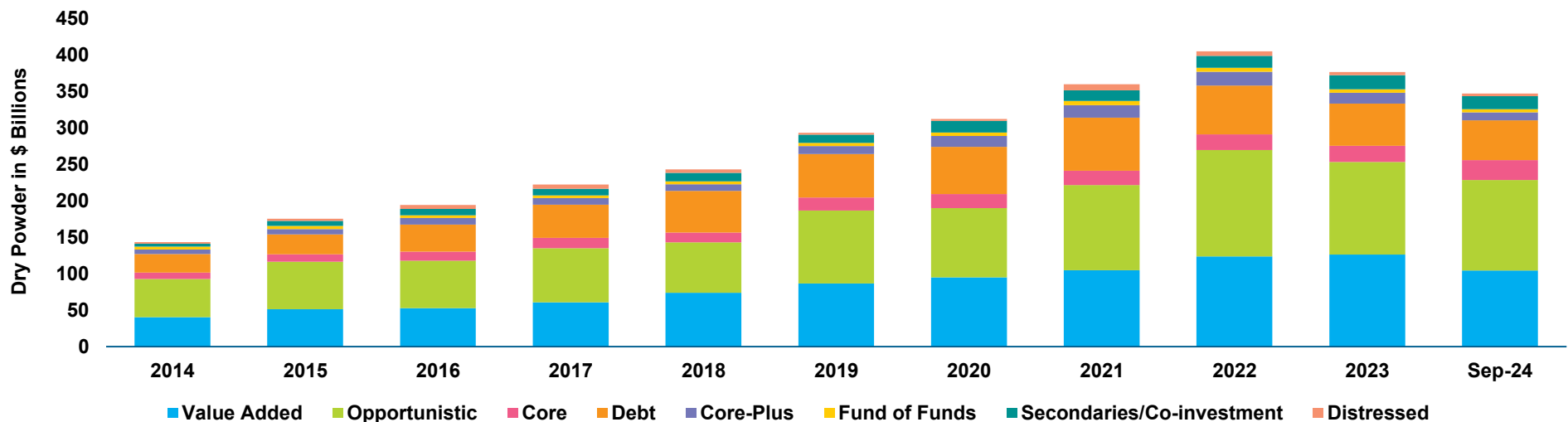
#### Transaction Volume (\$B)



- Private real estate transaction volume for properties valued over \$2.5 million meaningfully decelerated in the first quarter of 2025 to \$97 billion, representing a significant decrease of over \$48 billion, or 33%, from the prior quarter.
- While there is typically a drop off in closed transactions in the first quarter (following buyers/sellers trying to close deals before year-end), we can point to two other drivers of diminished activity in Q1 2025. First, interest rates dipped from August 2024 to October 2024, creating a window for higher offering prices. Second, investors may have been waiting for clarity on the new Administration's policies, particularly regarding tariffs. Importantly, real estate transactions often take 60-90 days from agreement to when they actually close, creating a modest lag effect in the transaction data presented above.



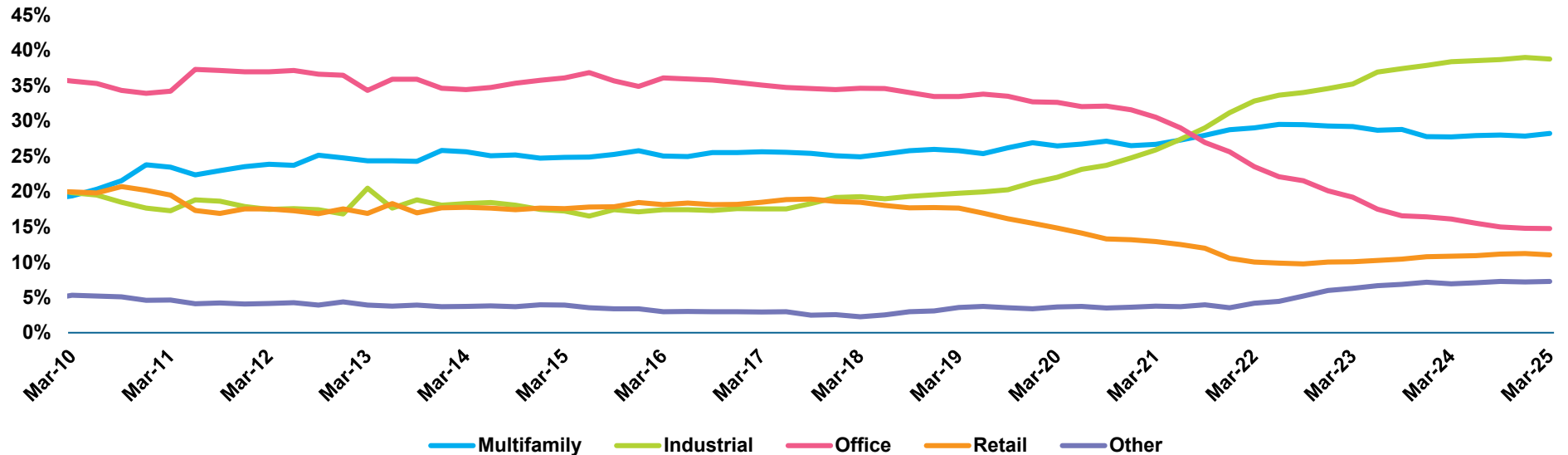
#### Dry Powder for Real Estate Closed-end Funds (SB)



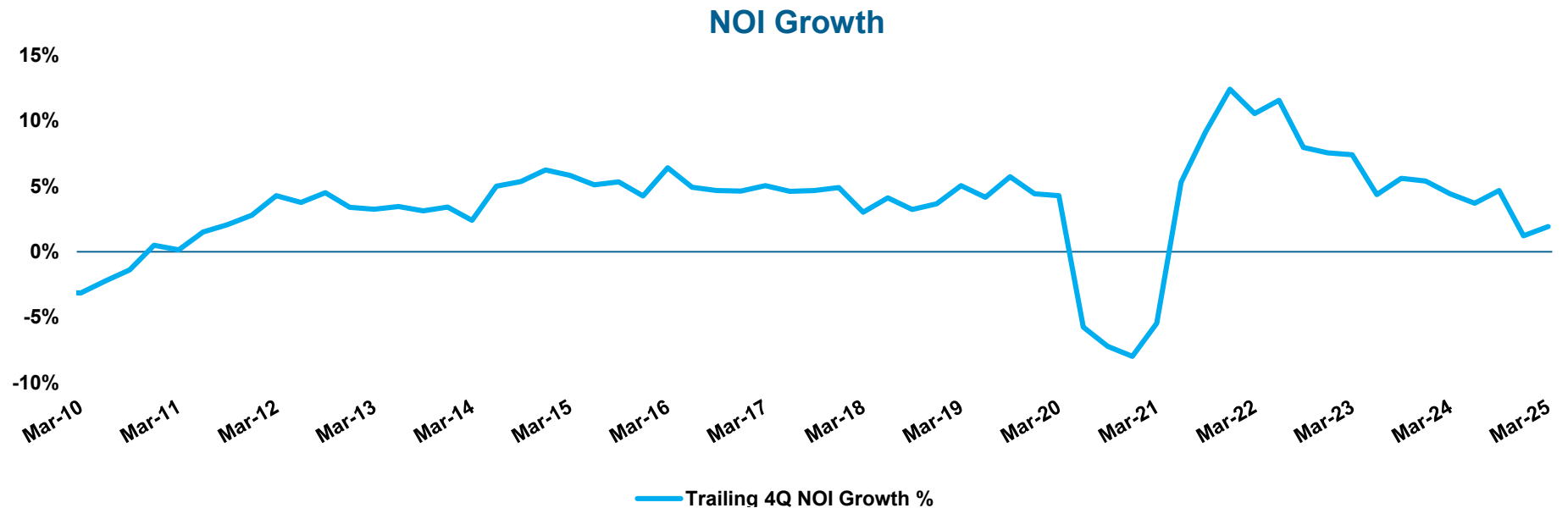
- Dry powder in North America has generally trended upwards over time, reaching peak levels in 2022 as an influx of capital flowed to the asset class due to strong performance. In turn, commercial real estate sustained significant cap rate compression ahead of the pandemic in 2020, resulting in frothy market conditions and a large rise in dry powder in 2019 as managers struggled to achieve price points to viably reach target returns.
- Post-COVID, the overhang of dry powder was initially exacerbated by market uncertainty and a halt in transactions, which eventually dissipated and turned into a highly active fundraising market resulting from the low interest rate environment and pent-up demand, further increasing dry powder in 2021 and 2022.
- In recent years, the amount of real estate capital to deploy within North America has declined as fundraising has slowed amidst the higher rate environment, the subsequent valuation decline, and the slower pace of deployment (delaying the launch of many new closed-end funds).

Source: Preqin. Data pulled as of June 2025. North America Funds. Dry Powder is defined as the capital called amount, subtracted from the fund's size/latest close size. If the capital called % metric is not reported for a given fund, a benchmark capital called % is used instead. For fundraising totals, Preqin only uses final close sizes and does not account for each close – calculations only count in the year of the final close.

### ODCE Property Type Allocation

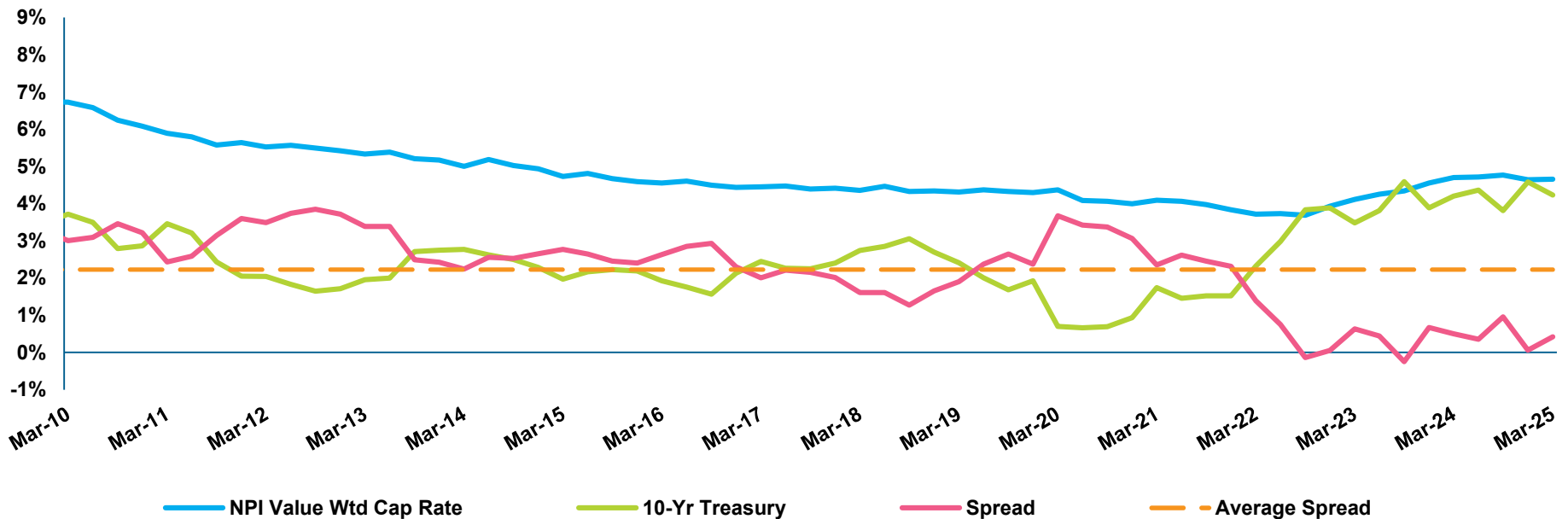


- The NFI-ODCE Equal Weight Index currently comprises 28% multifamily, 39% industrial, 15% office, 11% retail, and 7% in other property types, based on its net asset value (“NAV”) as of Q1 2025.
- Capital flows and values began to favor the industrial sector starting around 2017, at the expense of office and retail properties. The onset of the pandemic in 2020 further accelerated the decline in office and retail sector, although retail has encountered a recent recovery given its strong fundamentals of low supply, high demand, and strong rent growth, particularly in neighborhood and community centers.
- Other property types, including self-storage, healthcare, and senior housing, have continued to gain traction over the last several years as managers seek to re-allocate office dollars and diversify their portfolios beyond traditional multifamily and industrial.



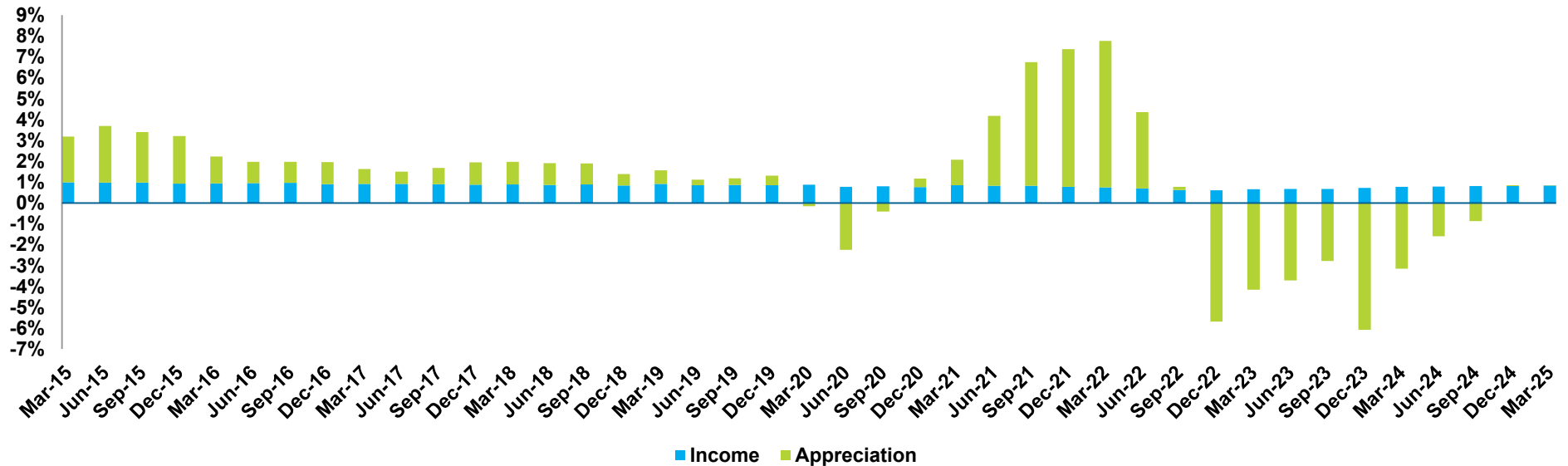
- Following the GFC, annual income growth rates were relatively steady, hovering in the 2% to 5% range leading up to the COVID pandemic.
- NOI Growth turned negative in early 2020, driven by dramatic declines in in-store shopping and a surge in remote office work. Many jurisdictions also established apartment eviction moratoriums, which led some renters to remain in place without making monthly payments.
- NOI Growth bounced back in 2021 as shoppers returned to stores, eviction moratoriums were lifted, and in-office mandates were reinstated, for most, to at least two or three days in the office per week.
- The overall trailing 12-month NOI growth rate accelerated in Q1 2025 to 1.9%, a 70 bps increase from the prior quarter. All sectors experienced an increase in respective year-over-year NOI growth rates, apart from office which decelerated to -7.5%, down over 300 bps from Q4 2024.

### Real Estate Capital Markets Cap Rates vs. 10-Year Treasury



- The NPI Value Weighted Cap Rate remained stagnant over the first quarter at 4.65%, only increasing by a single basis point from Q4 2024.
- The 10-year Treasury yield compressed during Q1 2025 as market concerns surrounding an economic slowdown heightened and demand for safer investments, including treasury bonds, increased. Despite a slight decline in the 10-year treasury yield, the cap rate spread as of Q1 2025 remained tight at 0.4%, well-below the historical average spread of 226 basis points over the last 15 years.

#### ODCE Return Components (Equal Weight, Net)



- Quarterly income returns have been consistently positioned in the 0.75% to 1.00% range over the last ten years.
- Appreciation returns demonstrate greater volatility over time, spiking in 2021 and early 2022, primarily driven by the availability of inexpensive debt.
- Appreciation returns reversed in late 2022 through the third quarter of 2024 in response to rising rates, waning demand for office, and pockets of oversupply.
- In the first quarter of 2025, the NFI-ODCE EW Index reported a second consecutive positive net return. Appreciation was nominal at 0.01% for the quarter, while income remained steady at 0.83% during Q1 2025.

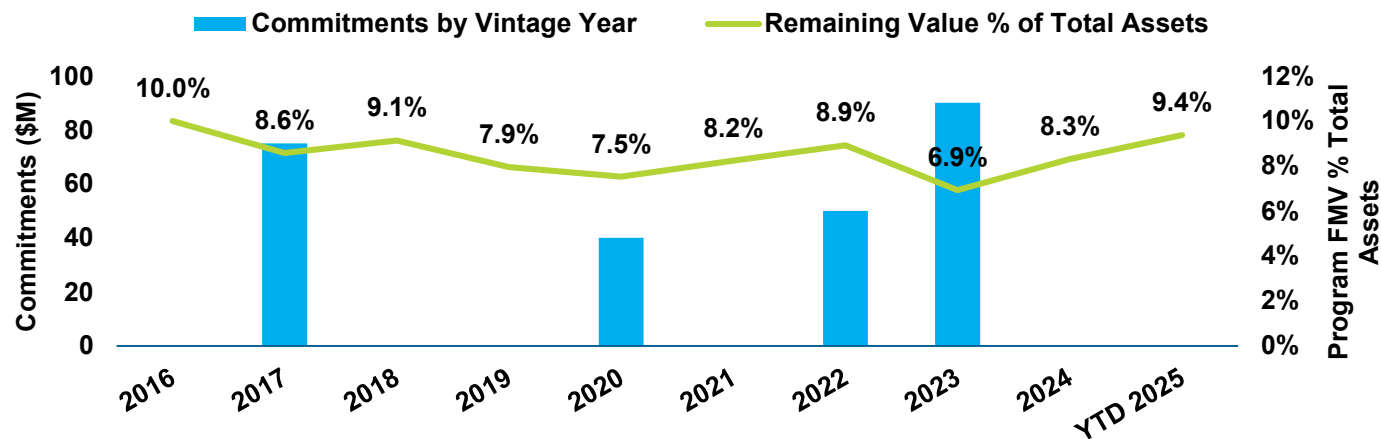
### Current Real Estate Opportunities

- **Logistics properties** reduce the overall cost of delivery, despite record rental rates, impact of tariffs is somewhat uncertain.
- **Residential properties** that provide affordability and proximity to employment.
- Recently constructed **senior living properties** in undersupplied locations, and where competing properties are dated and under-amenitized.
- **Build-to-suit healthcare/medical office properties** that are affiliated with top area hospitals and located in densely populated suburbs.
- Resilient niche sectors with low capital requirements, high lease renewal rates, and where individual properties can be acquired from non-institutional owners and aggregated into a larger portfolio (**self-storage/manufactured housing**).
- **Neighborhood and community retail centers** anchored by top regional grocery chains.
- The development of **Data Centers** leased to tenants with strong credit on long-term leases.

## **SJCERA Real Estate Portfolio**

#### Overview

The Retirement Association's target allocation towards real estate assets is 17%. As of March 31, 2025, the Retirement Association had invested with 23 real estate managers (six private open-end and 17 private closed-end). The aggregate reported value of the Retirement Association's real estate investments was \$436.5 million at quarter-end.



#### Program Status

|                       |       |
|-----------------------|-------|
| No. of Investments    | 23    |
| Committed (\$M)       | 791.6 |
| Contributed (\$M)     | 616.6 |
| Distributed (\$M)     | 437.4 |
| Remaining Value (\$M) | 436.5 |

#### Performance Since Inception

| Program |       |
|---------|-------|
| DPI     | 0.71x |
| TVPI    | 1.42x |
| IRR     | 6.7%  |



### Performance 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           | 181.8             | 0.0            | 41.9              | 262.8                 | 262.8          | 0.23        | 1.68        | 6.6        |
| Core-Plus     | 1         | 100.0           | 50.0              | 50.0           | 0.0               | 50.1                  | 100.1          | 0.00        | 1.00        | 1.2        |
| Opportunistic | 9         | 204.1           | 184.9             | 20.7           | 234.6             | 19.0                  | 39.6           | 1.27        | 1.37        | 5.8        |
| Value-Added   | 9         | 317.0           | 199.9             | 122.6          | 160.9             | 104.6                 | 227.2          | 0.80        | 1.33        | 9.1        |
| <b>Total</b>  | <b>23</b> | <b>791.6</b>    | <b>616.6</b>      | <b>193.3</b>   | <b>437.4</b>      | <b>436.5</b>          | <b>629.8</b>   | <b>0.71</b> | <b>1.42</b> | <b>6.7</b> |

### Performance 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 | 6         | 300.5           | 261.8             | 50.0           | 62.8              | 313.4                 | 363.4          | 0.24        | 1.44        | 5.0        |
| 2005          | 1         | 15.0            | 14.5              | 0.5            | 17.6              | 0.0                   | 0.5            | 1.21        | 1.21        | 3.4        |
| 2007          | 4         | 96.0            | 84.0              | 12.0           | 117.3             | 5.2                   | 17.2           | 1.40        | 1.46        | 7.3        |
| 2011          | 2         | 50.0            | 38.3              | 11.7           | 47.4              | 3.0                   | 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              | 5.8                   | 7.5            | 0.79        | 1.09        | 1.9        |
| 2017          | 2         | 75.0            | 68.2              | 8.2            | 83.2              | 19.1                  | 27.3           | 1.22        | 1.50        | 14.6       |
| 2020          | 1         | 40.0            | 34.5              | 9.2            | 12.4              | 31.1                  | 40.3           | 0.36        | 1.26        | 9.2        |
| 2022          | 1         | 50.0            | 3.0               | 46.7           | 0.2               | 21.9                  | 68.6           | 0.07        | 7.37        | NM         |
| 2023          | 2         | 90.0            | 41.2              | 49.5           | 0.7               | 36.0                  | 85.5           | 0.02        | 0.89        | NM         |
| <b>Total</b>  | <b>23</b> | <b>791.6</b>    | <b>616.6</b>      | <b>193.3</b>   | <b>437.4</b>      | <b>436.5</b>          | <b>629.8</b>   | <b>0.71</b> | <b>1.42</b> | <b>6.7</b> |

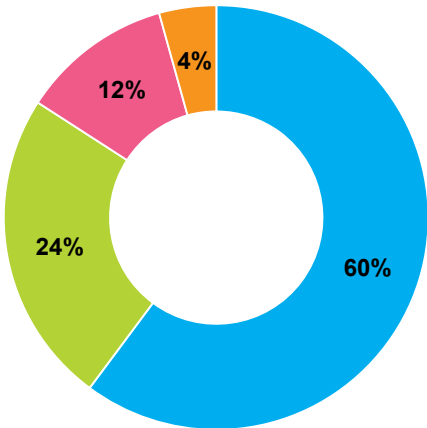
### Fund Performance: Sorted by Vintage and Strategy

| By Investment        | Vintage  | Strategy      | Committed (\$M) | Contributed (\$M) | Unfunded (\$M) | Distributed (\$M) | Remaining Value (\$M) | TVPI (X)    | IRR (%)    |
|----------------------|----------|---------------|-----------------|-------------------|----------------|-------------------|-----------------------|-------------|------------|
| AEW EHF              | Open-End | Core          | 50.0            | 52.1              | 0.0            | 2.1               | 52.0                  | 1.04        | 4.0        |
| Principal US         | Open-End | Core          | 25.0            | 25.0              | 0.0            | 0.0               | 38.2                  | 1.53        | 4.7        |
| Prologis Logistics   | Open-End | Core          | 50.5            | 59.7              | 0.0            | 25.7              | 122.8                 | 2.49        | 7.6        |
| RREEF America II     | Open-End | Core          | 45.0            | 45.0              | 0.0            | 14.2              | 49.8                  | 1.42        | 4.6        |
| Invesco U.S. Income  | Open-End | Core-Plus     | 100.0           | 50.0              | 50.0           | 0.0               | 50.1                  | 1.00        | 1.2        |
| Walton Street V      | Open-End | Opportunistic | 30.0            | 30.0              | 0.0            | 20.8              | 0.4                   | 0.71        | -3.7       |
| Miller Global Fund V | 2005     | Opportunistic | 15.0            | 14.5              | 0.5            | 17.6              | 0.0                   | 1.21        | 3.4        |
| Greenfield V         | 2007     | Opportunistic | 30.0            | 29.6              | 0.4            | 40.7              | 0.0                   | 1.38        | 8.3        |
| Miller Global VI     | 2007     | Opportunistic | 30.0            | 21.1              | 8.9            | 33.4              | 0.0                   | 1.58        | 7.7        |
| Walton Street VI     | 2007     | Opportunistic | 15.0            | 13.3              | 1.7            | 16.3              | 5.2                   | 1.62        | 7.8        |
| Colony Realty III    | 2007     | Value-Added   | 21.0            | 20.0              | 1.0            | 26.9              | 0.0                   | 1.35        | 5.3        |
| Greenfield VI        | 2011     | Opportunistic | 20.0            | 19.2              | 0.8            | 26.2              | 0.0                   | 1.37        | 9.6        |
| Almanac Realty VI    | 2011     | Value-Added   | 30.0            | 19.1              | 10.9           | 21.2              | 3.0                   | 1.26        | 7.7        |
| Miller Global VII    | 2012     | Opportunistic | 15.0            | 12.1              | 2.9            | 16.1              | 0.0                   | 1.33        | 14.4       |
| Colony Realty IV     | 2012     | Value-Added   | 21.0            | 21.7              | 0.0            | 32.9              | 0.0                   | 1.51        | 11.9       |
| Greenfield VII       | 2013     | Opportunistic | 19.1            | 18.3              | 0.8            | 32.1              | 1.1                   | 1.81        | 13.8       |
| AG Core Plus IV      | 2014     | Value-Added   | 20.0            | 19.0              | 1.8            | 15.0              | 5.8                   | 1.09        | 1.9        |
| Greenfield VIII      | 2017     | Opportunistic | 30.0            | 26.8              | 4.6            | 31.5              | 12.2                  | 1.63        | 18.9       |
| Stockbridge RE III   | 2017     | Value-Added   | 45.0            | 41.4              | 3.6            | 51.7              | 6.8                   | 1.41        | 12.0       |
| Berkeley V           | 2020     | Value-Added   | 40.0            | 34.5              | 9.2            | 12.4              | 31.1                  | 1.26        | 9.2        |
| Blue Owl Digital III | 2022     | Value-Added   | 50.0            | 3.0               | 46.7           | 0.2               | 21.9                  | 7.37        | NM         |
| Berkeley VI          | 2023     | Value-Added   | 40.0            | 8.3               | 31.7           | 0.0               | 8.3                   | 1.00        | NM         |
| SROA IX              | 2023     | Value-Added   | 50.0            | 33.0              | 17.8           | 0.7               | 27.7                  | 0.86        | NM         |
| <b>Total</b>         |          |               | <b>791.6</b>    | <b>616.6</b>      | <b>193.3</b>   | <b>437.4</b>      | <b>436.5</b>          | <b>1.42</b> | <b>6.7</b> |

As of March 31, 2025.

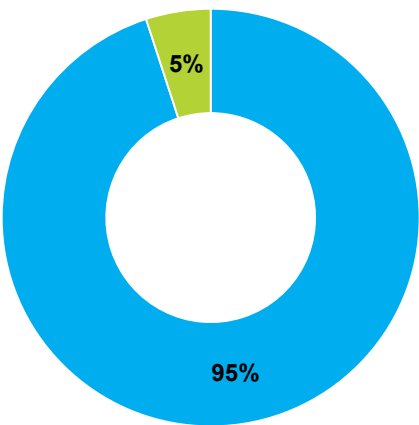
Real Estate Exposure

Strategy by FMV



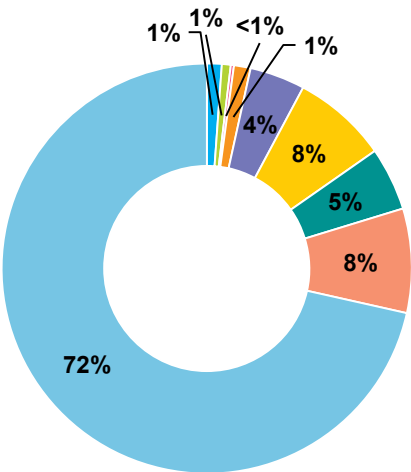
- Core
- Value-Added
- Core-Plus
- Opportunistic

Geography by FMV



- North America
- Global: All

Vintage by FMV



- 2007
- 2011
- 2013
- 2014
- 2017
- 2020
- 2022
- 2023
- Open-end

## **Portfolio Construction and Future Commitments**

## Introduction

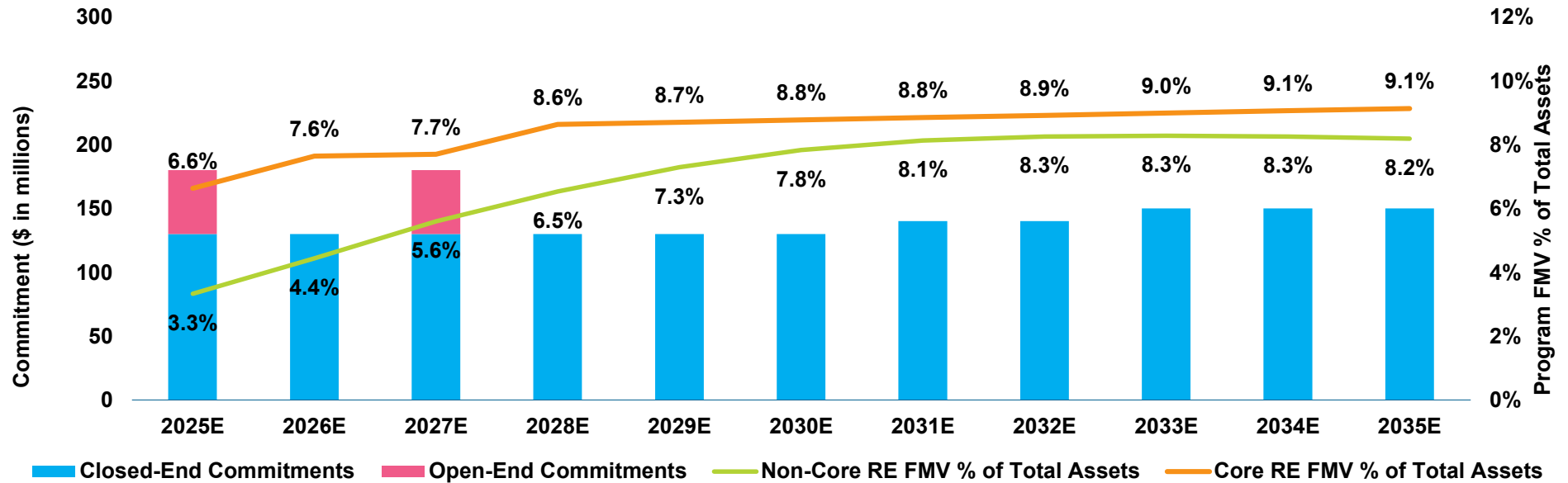
### What is a Pacing Model?

- A pacing model is utilized to help determine how much capital should be deployed in any given year in an effort to maintain a plan's target asset allocation to value-add private real estate.
- The primary output of the pacing study is an annual commitment budget designed to help inform an investor how best to achieve and maintain the allocation to private real estate.
- The primary inputs of the pacing study are estimated contributions, distributions, and asset fair market values by asset class for current manager commitments.
- Commitment pacing studies are generally updated on an annual basis.

### The pacing study helps answer questions like:

- How long will it take to reach the target allocation?
- How should commitments be allocated across time and strategies to maintain appropriate diversification?
- When will a program become cash flow positive?

#### SJCERA Pacing Plan



| (\$ in millions)             | 2025E        | 2026E        | 2027E        | 2028E        | 2029E        | 2030E        | 2031E        | 2032E        | 2033E        | 2034E        | 2035E        |
|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Private Market Investments   |              |              |              |              |              |              |              |              |              |              |              |
| Closed-End Commitments       | 130          | 130          | 130          | 130          | 130          | 130          | 140          | 140          | 150          | 150          | 150          |
| Open-End Commitments         | 50           | 0            | 50           | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            |
| Contributions                | -96          | -135         | -105         | -165         | -121         | -125         | -129         | -133         | -137         | -142         | -145         |
| Distributions                | 13           | 84           | 51           | 74           | 91           | 109          | 129          | 146          | 160          | 169          | 178          |
| Net Cash Flow                | -83          | -52          | -55          | -91          | -30          | -16          | 1            | 14           | 22           | 28           | 33           |
| Fair Market Value            | 540          | 627          | 724          | 867          | 960          | 1046         | 1123         | 1193         | 1260         | 1326         | 1393         |
| <b>FMV % of Total Assets</b> | <b>11.0%</b> | <b>12.1%</b> | <b>13.4%</b> | <b>15.2%</b> | <b>16.1%</b> | <b>16.7%</b> | <b>17.0%</b> | <b>17.2%</b> | <b>17.3%</b> | <b>17.4%</b> | <b>17.4%</b> |

As of March 31, 2025.

### Recommendation

- As of March 31, 2025, the overall portfolio has a 9% allocation to real estate, with a target allocation of 17.0%, split between 9% core and 8% non-core.
- Meketa recommends that SJCERA:
  - Annually Commit \$130 million to non-core real estate investment.
  - Commit to between 2-3 Funds annually.
- Non-Core investments will be brought forward as they are in market.

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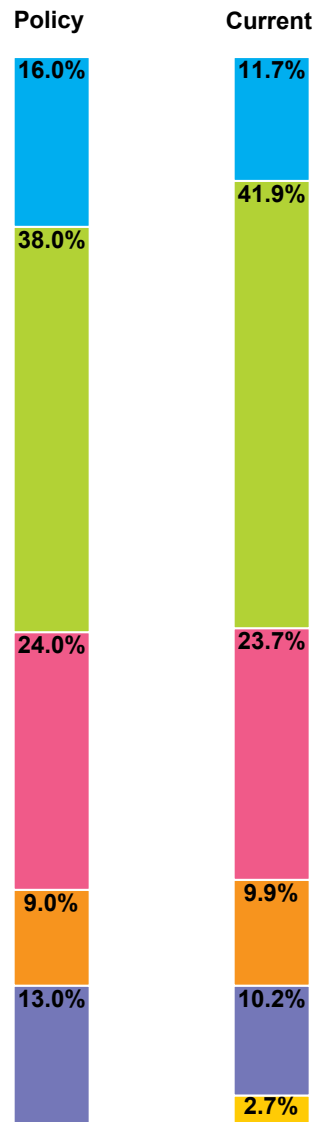


## San Joaquin County Employees' Retirement Association (SJCERA)

October 15, 2025

### Executive Summary

Total Fund | As of August 31, 2025



| Allocation vs. Targets and Policy |                      |              |              |                |
|-----------------------------------|----------------------|--------------|--------------|----------------|
|                                   | Balance (\$)         | Current (%)  | Policy (%)   | Difference (%) |
| <b>Broad Growth</b>               | <b>3,860,283,476</b> | <b>77.2</b>  | <b>78.0</b>  | <b>-0.8</b>    |
| Aggressive Growth                 | 584,630,088          | 11.7         | 16.0         | -4.3           |
| Traditional Growth                | 2,093,074,308        | 41.9         | 38.0         | 3.9            |
| Stabilized Growth                 | 1,182,579,081        | 23.7         | 24.0         | -0.3           |
| <b>Diversified Growth</b>         | <b>1,004,297,494</b> | <b>20.1</b>  | <b>22.0</b>  | <b>-1.9</b>    |
| Principal Protection              | 494,168,655          | 9.9          | 9.0          | 0.9            |
| Crisis Risk Offset                | 510,128,839          | 10.2         | 13.0         | -2.8           |
| <b>Cash</b>                       | <b>133,349,972</b>   | <b>2.7</b>   | <b>0.0</b>   | <b>2.7</b>     |
| Cash                              | 133,349,972          | 2.7          | 0.0          | 2.7            |
| <b>Total</b>                      | <b>4,997,930,943</b> | <b>100.0</b> | <b>100.0</b> | <b>0.0</b>     |

| Summary of Cash Flows  |               |               |
|------------------------|---------------|---------------|
|                        | Quarter       | 1 Year        |
| SJCERA Total Plan      |               |               |
| Beginning Market Value | 4,777,613,975 | 4,581,785,876 |
| Net Cash Flow          | 10,213,205    | 65,851,556    |
| Net Investment Change  | 210,103,763   | 350,293,510   |
| Ending Market Value    | 4,997,930,943 | 4,997,930,943 |

## Asset Class Performance Net-of-Fees | As of August 31, 2025

|                                           | Market Value<br>(\$) | % of<br>Portfolio | YTD<br>(%)  | 1 Yr<br>(%) | 3 Yrs<br>(%) | 5 Yrs<br>(%) | Since<br>Inception | Inception<br>Date |
|-------------------------------------------|----------------------|-------------------|-------------|-------------|--------------|--------------|--------------------|-------------------|
| <b>SJCERA Total Plan</b>                  | <b>4,997,930,943</b> | <b>100.0</b>      | <b>6.8</b>  | <b>7.5</b>  | <b>7.8</b>   | <b>7.1</b>   | <b>7.6</b>         | <b>Apr-90</b>     |
| <i>SJCERA Policy Benchmark</i>            |                      |                   | 7.9         | 9.5         | 10.1         | 7.8          | 7.6                |                   |
| <b>Broad Growth</b>                       | <b>3,860,283,476</b> | <b>77.2</b>       | <b>8.4</b>  | <b>9.6</b>  | <b>9.9</b>   | <b>9.0</b>   | <b>8.4</b>         | <b>Feb-95</b>     |
| <b>Aggressive Growth Lag</b>              | <b>584,630,088</b>   | <b>11.7</b>       | <b>4.6</b>  | <b>8.4</b>  | <b>4.6</b>   | <b>13.8</b>  | <b>-1.2</b>        | <b>Nov-05</b>     |
| <i>Aggressive Growth Blend</i>            |                      |                   | 4.4         | 9.2         | 5.5          | 11.2         | 9.0                |                   |
| <b>Traditional Growth</b>                 | <b>2,093,074,308</b> | <b>41.9</b>       | <b>13.9</b> | <b>14.7</b> | <b>17.6</b>  | <b>12.6</b>  | <b>9.6</b>         | <b>Jan-95</b>     |
| <i>MSCI ACWI IMI Net</i>                  |                      |                   | 14.3        | 15.5        | 17.1         | 11.8         | 8.4                |                   |
| <b>Stabilized Growth</b>                  | <b>1,182,579,081</b> | <b>23.7</b>       | <b>1.4</b>  | <b>2.1</b>  | <b>1.8</b>   | <b>3.1</b>   | <b>3.6</b>         | <b>Mar-05</b>     |
| <i>SJCERA Stabilized Growth Benchmark</i> |                      |                   | 4.4         | 6.7         | 6.5          | 5.8          | 6.3                |                   |
| <b>Diversifying Strategies</b>            | <b>1,004,297,494</b> | <b>20.1</b>       | <b>1.7</b>  | <b>0.6</b>  | <b>1.0</b>   | <b>1.5</b>   | <b>5.8</b>         | <b>Nov-90</b>     |
| <b>Principal Protection</b>               | <b>494,168,655</b>   | <b>9.9</b>        | <b>5.2</b>  | <b>3.3</b>  | <b>4.2</b>   | <b>1.3</b>   | <b>5.8</b>         | <b>Feb-87</b>     |
| <i>Blmbg. U.S. Aggregate Index</i>        |                      |                   | 5.0         | 3.1         | 3.0          | -0.7         | 5.3                |                   |
| <b>Crisis Risk Offset Asset Class</b>     | <b>510,128,839</b>   | <b>10.2</b>       | <b>-1.5</b> | <b>-1.9</b> | <b>-1.6</b>  | <b>1.5</b>   | <b>5.5</b>         | <b>Feb-05</b>     |
| <i>CRO Benchmark</i>                      |                      |                   | 1.1         | 0.2         | 1.0          | 1.0          | 4.5                |                   |
| <b>Cash and Misc Asset Class</b>          | <b>99,752,039</b>    | <b>2.0</b>        | <b>1.9</b>  | <b>2.4</b>  | <b>3.1</b>   | <b>2.0</b>   | <b>2.4</b>         | <b>Nov-94</b>     |
| <i>90 Day U.S. Treasury Bill</i>          |                      |                   | 2.8         | 4.5         | 4.7          | 2.9          | 2.5                |                   |

1 Market values may not add up due to rounding.

2 Policy Benchmark composition is listed in the Appendix.

3 29% 50% Bloomberg High Yield/50% S&P LSTA Leverage Loans; 38% NCREIF ODCE (Net); 33% S&P/LSTA Leverage Loans +2%.

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

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## Economic and Market Update

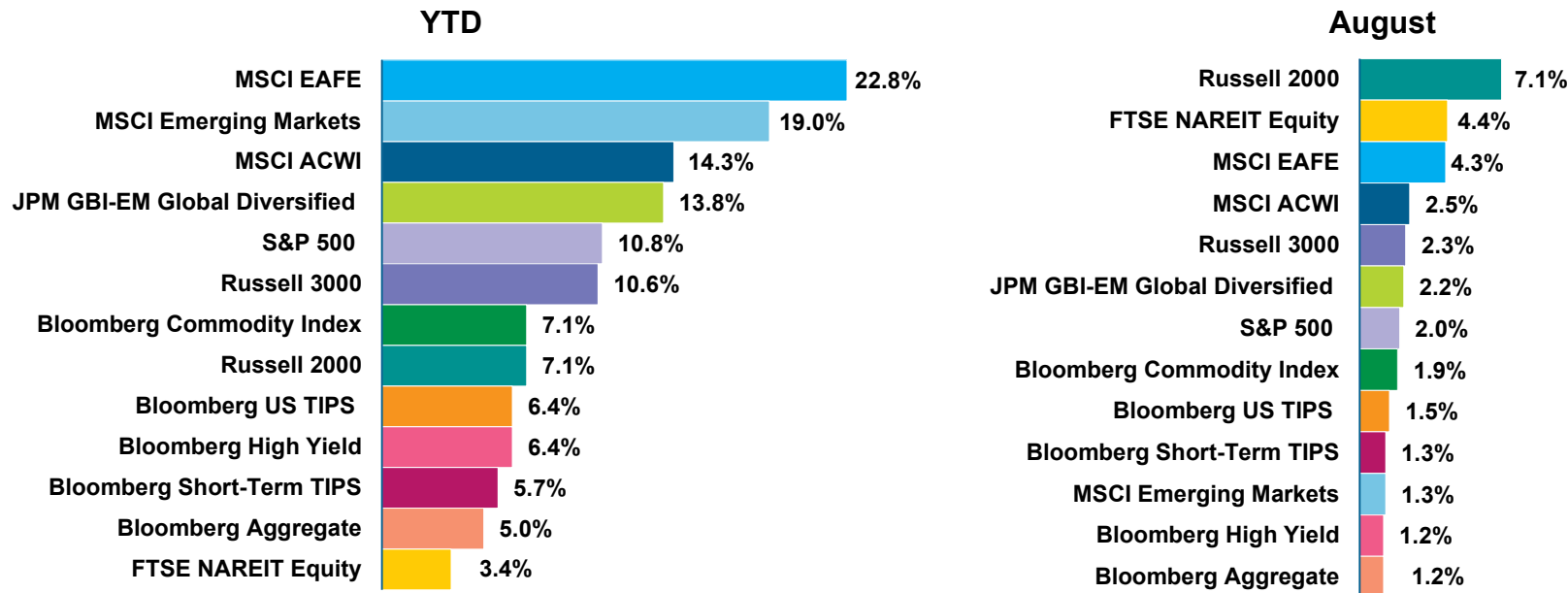
August 2025 Report

### Commentary

**Stock and bond markets finished August in positive territory given resilient corporate health and expectations that the Fed would soon resume cutting interest rates due to stable inflation and rising unemployment.**

- US stocks delivered a broad-based rally in August, as the Russell 3000 returned 2.3% for the month with value and small cap leading the way.
- Non-US developed stocks beat US stocks with the MSCI EAFE returning 4.3% in August and 22.8% year-to-date. However, about half of this year's gains come from a weakening US dollar with the MSCI EAFE local currency index returning only 11.6%.
- Emerging market equities (MSCI Emerging Markets) returned 1.3% largely supported by Chinese stocks (MSCI China: 4.9%) benefiting from considerable policy support and another 90-day pause on tariffs.
- Bond markets were helped from both cooling inflation pressures and dovish central banks with the Bloomberg Universal Index returning 1.2% in August and 5.2% year-to-date. In the US bond market, TIPS and short TIPS outperformed the Bloomberg Aggregate Index.
- Chair Powell's comments from Jackson Hole buoyed market expectations for more rate cuts this year. In addition to continued public pressure on Chair Powell, the Administration also signaled that it would investigate FOMC member Lisa Cook adding to market concerns about future Fed independence.
- Key questions going forward include how will the Fed manage interest rates given competing pressures on its dual mandate of inflation and employment, will tariff pressures eventually show up in inflation, can earnings growth remain resilient in the US, will the recent rotation into small cap/value stocks continue, and how will China's economy and relations with the US track.

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



- All asset classes were up in August adding to year-to-date gains given anticipation of lower rates in the US, contained inflation, and continued strength in corporate earnings. Small cap US stocks led the way particularly benefiting from lower rate expectations as well as a resilient US economy and lower valuations relative to some of the large cap technology companies.
- For the year through August, international assets continue to lead the way, particularly benefiting from the weaker US dollar.

<sup>1</sup> Source: Bloomberg. Data is as of August 31, 2025.

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

| Domestic Equity       | August (%) | QTD (%) | YTD (%) | 1 YR (%) | 3 YR (%) | 5 YR (%) | 10 YR (%) |
|-----------------------|------------|---------|---------|----------|----------|----------|-----------|
| S&P 500               | 2.0        | 4.3     | 10.8    | 15.9     | 19.6     | 14.7     | 14.6      |
| Russell 3000          | 2.3        | 4.6     | 10.6    | 15.8     | 18.8     | 14.1     | 14.0      |
| Russell 1000          | 2.1        | 4.4     | 10.8    | 16.2     | 19.3     | 14.3     | 14.3      |
| Russell 1000 Growth   | 1.1        | 4.9     | 11.3    | 22.6     | 25.1     | 15.2     | 17.9      |
| Russell 1000 Value    | 3.2        | 3.8     | 10.0    | 9.3      | 12.9     | 13.0     | 10.2      |
| Russell MidCap        | 2.5        | 4.4     | 9.4     | 12.6     | 13.6     | 12.0     | 10.9      |
| Russell MidCap Growth | 1.0        | 3.1     | 13.1    | 26.4     | 19.4     | 11.0     | 13.0      |
| Russell MidCap Value  | 3.0        | 4.8     | 8.1     | 8.2      | 11.2     | 12.8     | 9.4       |
| Russell 2000          | 7.1        | 9.0     | 7.1     | 8.2      | 10.3     | 10.1     | 8.9       |
| Russell 2000 Growth   | 5.9        | 7.7     | 7.2     | 10.5     | 11.6     | 7.1      | 8.7       |
| Russell 2000 Value    | 8.5        | 10.4    | 6.9     | 5.8      | 8.8      | 13.0     | 8.6       |

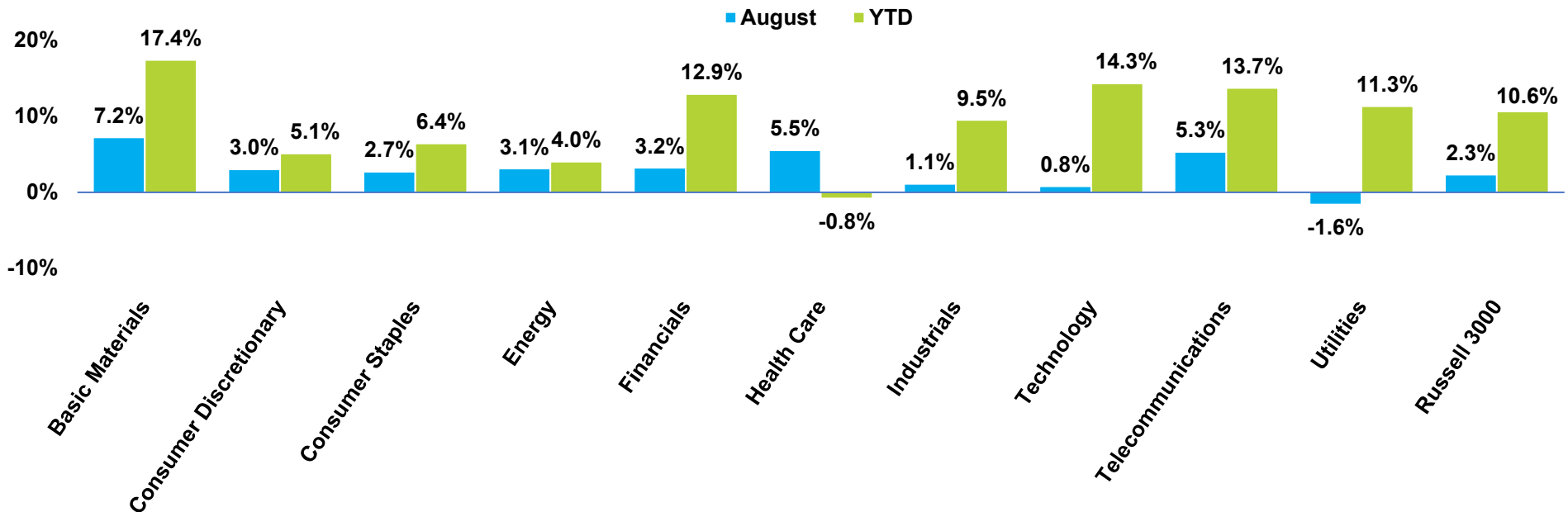
### US Equities: The Russell 3000 index returned +2.3% in August and +10.6% year-to-date.

- US stocks increased in August as soft July jobs numbers and as expected inflation reports set the stage for an interest rate cut by the Federal Reserve at its next meeting. Also, second quarter corporate earnings continued to come in stronger than expected, further fueling the equity markets.
- Small cap stocks, as represented by the Russell 2000 Index, significantly outperformed larger cap stocks, rising over 7% during August. The small cap index was driven higher by financials, and specifically banks, which stand to benefit from the expected interest rate cuts.
- Value stocks outperformed growth stocks across the market capitalization spectrum, countering the YTD and one-year trends. The expectation of lower rates along with relatively cheaper valuations and forecasts for a resilient economy may have also contributed to the rotation in August.

<sup>1</sup> Source: Bloomberg. Data is as of August 31, 2025.



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



- Materials led all sectors in August and moved into the lead for the year over technology. Rising commodity prices, progress toward trade agreements, and a pickup in manufacturing activity all contributed to the strong gains in the sector. Healthcare was the next best sector in August. UnitedHealth's stock appreciated 24% during the month after it was reported that Warren Buffett's Berkshire Hathaway had acquired a substantial number of shares.
- Utilities, which have benefitted from the AI boom, lagged during August given the rotation into some of the more cyclical sectors and due to their strong recent run.

<sup>1</sup> Source: Bloomberg. Data is as of August 31, 2025.

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

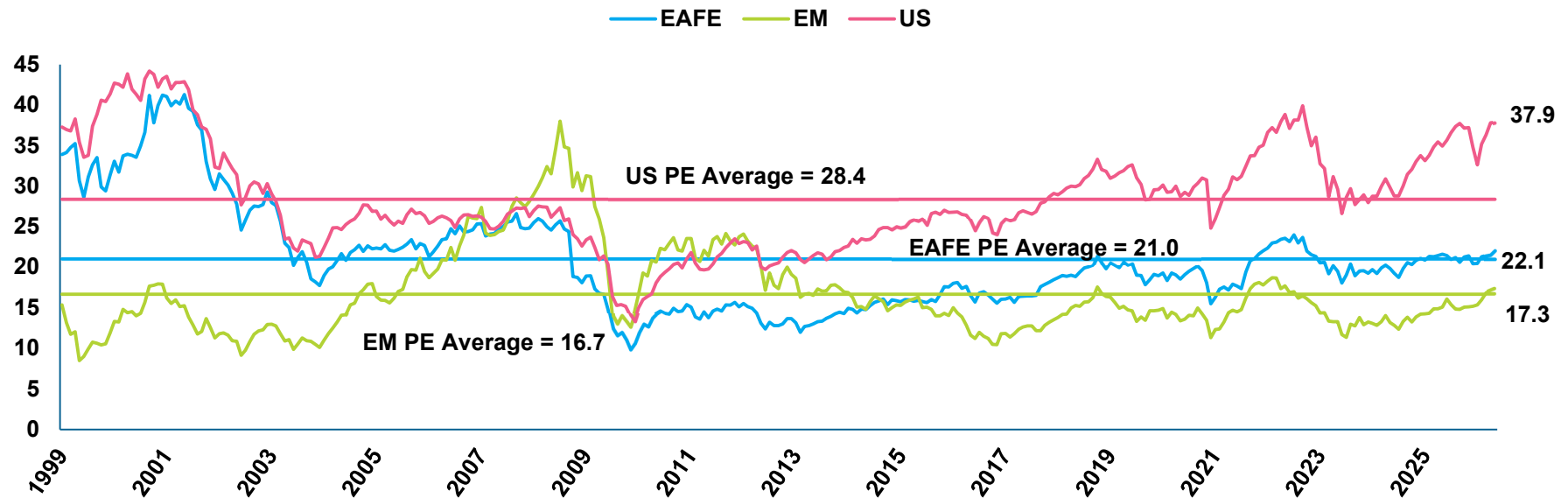
| Foreign Equity                         | August (%) | QTD (%) | YTD (%) | 1 YR (%) | 3 YR (%) | 5 YR (%) | 10 YR (%) |
|----------------------------------------|------------|---------|---------|----------|----------|----------|-----------|
| MSCI ACWI Ex US                        | 3.5        | 3.2     | 21.6    | 15.4     | 15.2     | 8.9      | 7.3       |
| MSCI EAFE                              | 4.3        | 2.8     | 22.8    | 13.9     | 17.1     | 10.1     | 7.4       |
| MSCI EAFE (Local Currency)             | 2.1        | 3.5     | 11.6    | 10.5     | 13.7     | 11.9     | 7.9       |
| MSCI EAFE Small Cap                    | 4.6        | 4.5     | 26.4    | 18.8     | 14.3     | 8.0      | 7.4       |
| MSCI Emerging Markets                  | 1.3        | 3.3     | 19.0    | 16.8     | 10.8     | 5.2      | 6.9       |
| MSCI Emerging Markets (Local Currency) | 1.4        | 4.8     | 16.1    | 17.1     | 11.7     | 6.8      | 8.2       |
| MSCI EM ex China                       | -0.2       | 0.6     | 15.2    | 7.2      | 11.5     | 9.7      | 7.8       |
| MSCI China                             | 4.9        | 10.0    | 29.0    | 47.6     | 9.9      | -2.0     | 5.6       |

**Foreign Equity: Developed international equities (MSCI EAFE) returned 4.3% in August and 22.8% year-to-date, and the emerging markets index rose 1.3% in August and 19.0% year-to-date.**

- Developed market equities outpaced US equities in August largely due to continued US dollar weakness. Eurozone shares rose, benefitting from a late July US tariff agreement. The UK saw slight gains with the BoE cutting rates in a close decision despite an increase in inflation. Japan was the top performer among developed markets, benefitting from a July US trade deal, a rebound in GDP, and earnings resilience.
- Emerging markets rose in August but lagged developed peers, with China driving the gains benefiting significantly from another 90-day US trade truce extension. Latin America saw some of the strongest performance globally, with local currency strength and improving inflation data driving returns. Korea underperformed following a set of tax reforms, and India suffered in the face of a new 50% US tariff.

<sup>1</sup> Source: Bloomberg. Data is as of August 31, 2025.

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



- After a considerable pullback in April, US stock valuations increased and finished the month of August at 37.9, well above their long-run cyclically adjusted P/E average of 28.4.
- Non-US developed stocks have performed very well this year and their valuations remain slightly above their long-run P/E ratio of 21.0.
- Emerging market stocks continued to rally this year and are now trading at valuations slightly above their long-run average.

<sup>1</sup> US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of August 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 Returns<sup>1</sup>

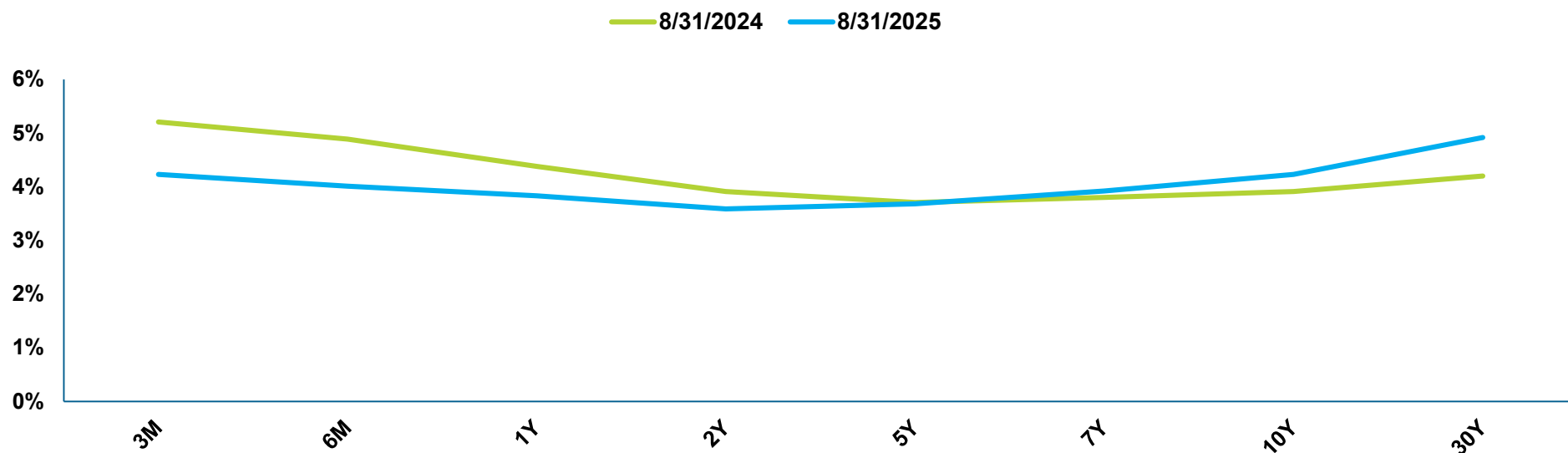
| Fixed Income                        | August (%) | QTD (%) | YTD (%) | 1 YR (%) | 3 YR (%) | 5 YR (%) | 10 YR (%) | Current Yield (%) | Duration (Years) |
|-------------------------------------|------------|---------|---------|----------|----------|----------|-----------|-------------------|------------------|
| Bloomberg Universal                 | 1.2        | 1.1     | 5.2     | 3.7      | 3.7      | -0.2     | 2.2       | 4.6               | 5.8              |
| Bloomberg Aggregate                 | 1.2        | 0.9     | 5.0     | 3.1      | 3.0      | -0.7     | 1.8       | 4.4               | 6.0              |
| Bloomberg US TIPS                   | 1.5        | 1.7     | 6.4     | 4.9      | 2.4      | 1.3      | 2.9       | 4.1               | 6.6              |
| Bloomberg Short-term TIPS           | 1.3        | 1.6     | 5.7     | 6.7      | 4.4      | 3.7      | 3.1       | 3.8               | 2.5              |
| Bloomberg US Long Treasury          | 0.3        | -0.6    | 2.5     | -4.5     | -3.3     | -8.3     | -0.3      | 4.9               | 14.6             |
| Bloomberg High Yield                | 1.2        | 1.7     | 6.4     | 8.3      | 9.3      | 5.2      | 5.8       | 6.7               | 3.1              |
| JPM GBI-EM Global Diversified (USD) | 2.2        | 1.4     | 13.8    | 9.5      | 8.9      | 1.6      | 3.1       | --                | --               |

#### Fixed Income: The Bloomberg Universal index rose 1.2% in August, returning 5.2% year-to-date.

- The US yield curve shifted lower on expected monetary policy easing in the coming quarters and strong risk appetite by investors provided positive performance for credit indexes.
- In this environment the broad US bond market (Bloomberg Aggregate) returned 1.2%. Short (+1.3%) and longer dated (+1.5%) Treasury Inflation-Protected Securities (“TIPS”) also provided positive performance as inflation risks remained elevated.
- Positive risk sentiment supported high yield (+1.2%) and emerging market debt (+2.2%). Year-to-date performance in emerging markets solidly exceeded other indices, with the depreciation of the US dollar being a key driver.

<sup>1</sup> Source: Bloomberg. Data is as of August 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.

### US Yield Curve<sup>1</sup>



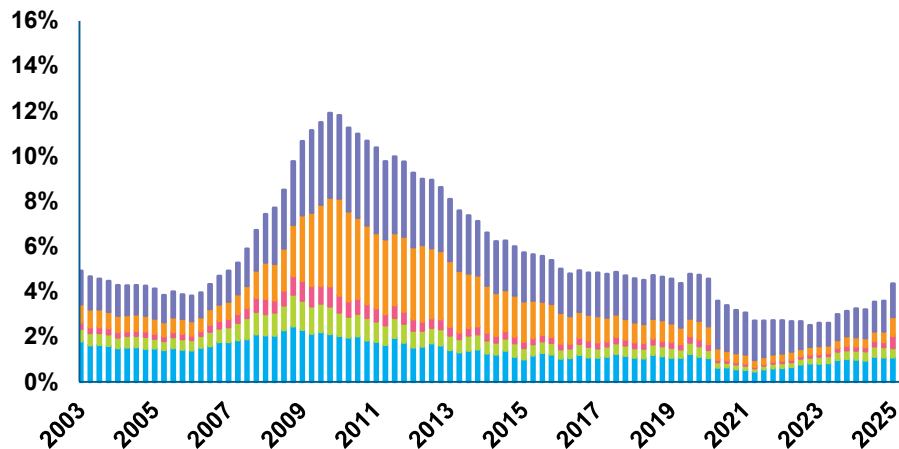
- Market participants continue to focus on fiscal concerns related to a growing US government debt load, ongoing inflation-related uncertainty, and the large interest rate expense on servicing the national debt.
- The policy sensitive 2-year nominal Treasury yield was volatile, falling from 3.9% to 3.6% in August on growing expectations for the Fed to resume cutting rates.
- The 10-year nominal Treasury yield was also volatile and declined from 4.4% to 4.2% for the month, while the 30-year nominal Treasury held steady at 4.9%.
- The dynamic of a larger relative decline in short-term rates led to the yield curve continuing to steepen with the difference in yield between a 2-year Treasury and 10-year Treasury increasing close to 0.2% over the month.

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

### Stress is Building Among US Consumers

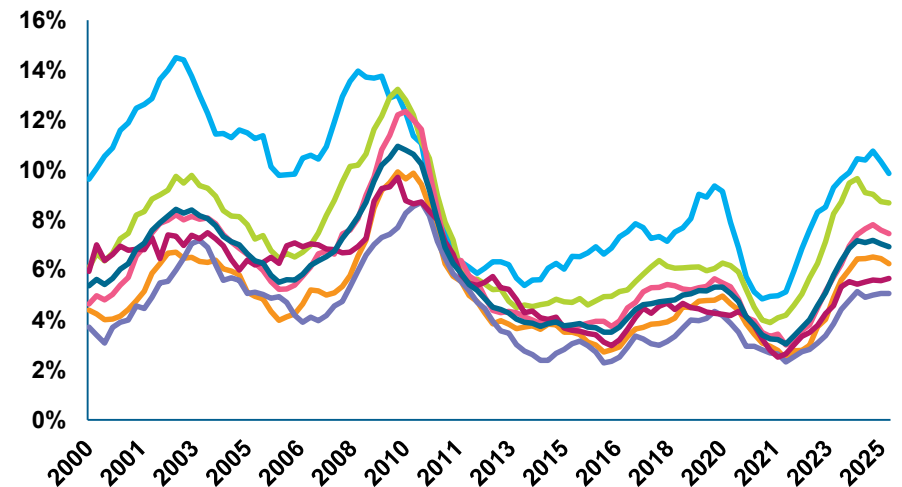
**Total Balance by Delinquency Status<sup>1</sup>**

30 days late 60 days late 90 days late 120+ days late Severely Derogatory



**Transition into Serious Delinquency for Credit Cards by Age<sup>2</sup>**

18-29 30-39 40-49 50-59 60-69 70+ all

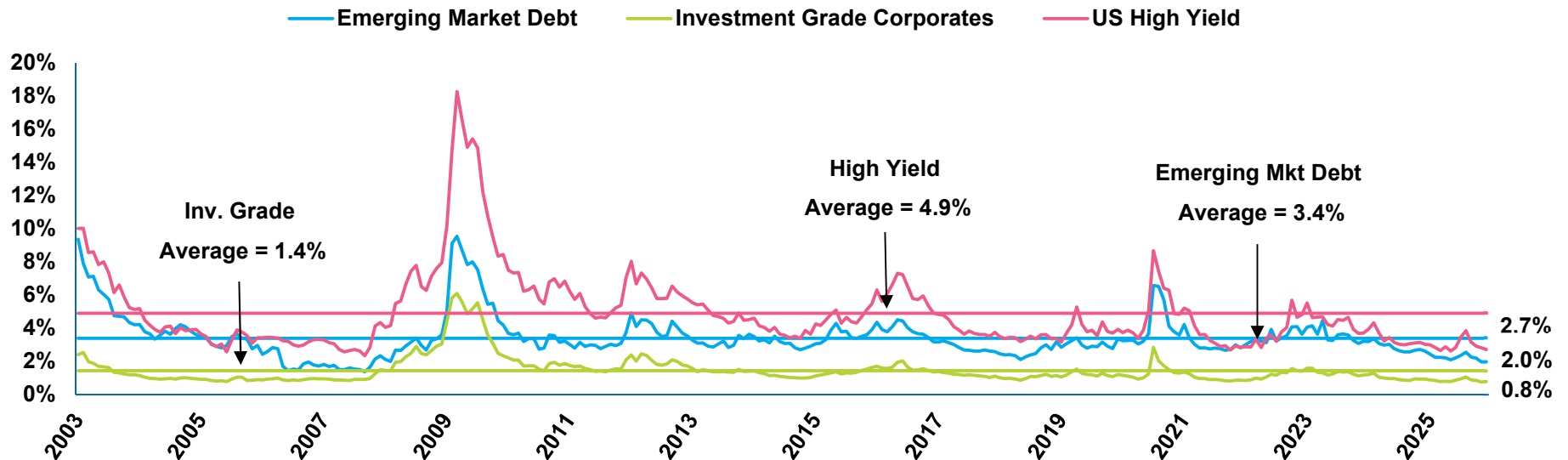


- Signs of stress on the US consumer have started to emerge, with persistently higher prices and interest rates.
- After falling to historic lows during the pandemic, loan delinquencies recently started to increase.
- Parts of the credit card market, particularly for younger cohorts, have begun to show stress as most borrowers are subject to variable and higher borrowing costs. Total delinquencies remain below pre-pandemic levels, though.
- The restarting of student loan payments and reporting for those in default could add pressures to consumers going forward, as well as signs of growing weakness in the labor market.

<sup>1</sup> Source: New York Federal Reserve, Quarterly Household Debt and Credit Report, February 2025. See also FRED. Data is as of June 30, 2025.

<sup>2</sup> Source: New York Federal Reserve, Quarterly Household Debt and Credit Report, February 2025. See also FRED. Data is as of June 30, 2025.

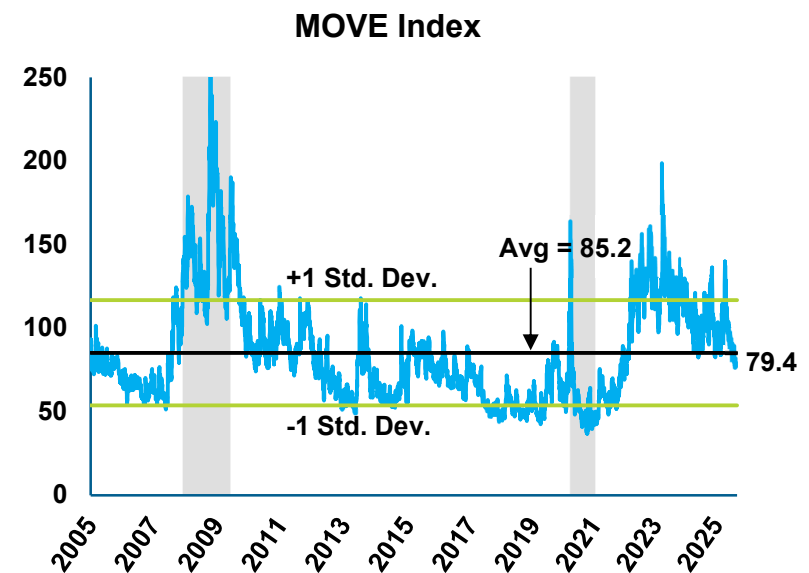
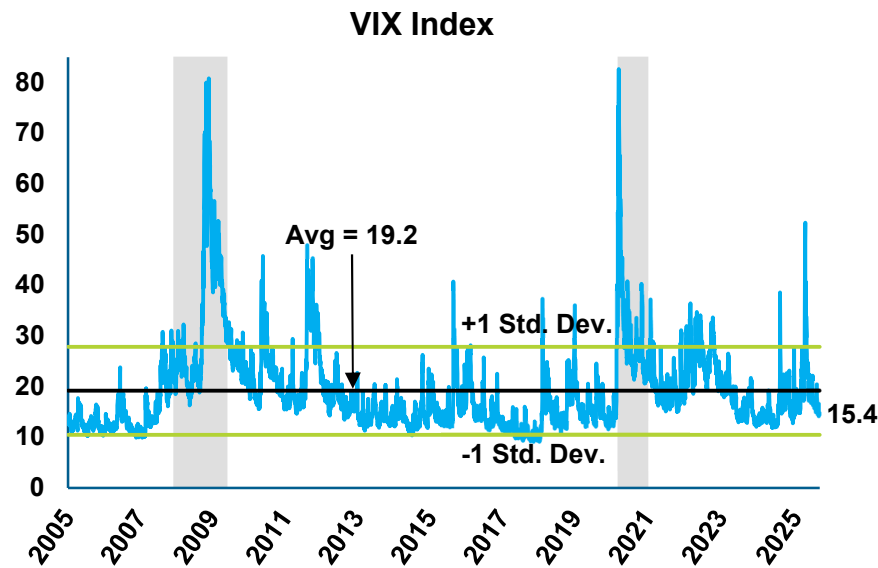
### Credit Spreads vs. US Treasury Bonds<sup>1</sup>



- Despite ongoing uncertainty about the impact of tariffs and fiscal policy, credit spreads remain tight, helped by a resilient US economy, strong corporate balance sheets/low default rates, and investor demand for yield.
- Investment grade spreads (the difference in yield from a comparable Treasury) spiked in the risk-off environment in April but have since fallen to under 1.0%.
- High yield spreads fell from 2.8% to 2.7% in August. At the peak of uncertainty in April, they crossed above 4.5%. Emerging market spreads held steady at 2.0% in August.
- All yield spreads remained below their respective long-run averages, especially high yield (2.7% versus 4.9%).

<sup>1</sup> Source: Bloomberg. Data is as of August 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 Volatility<sup>1</sup>

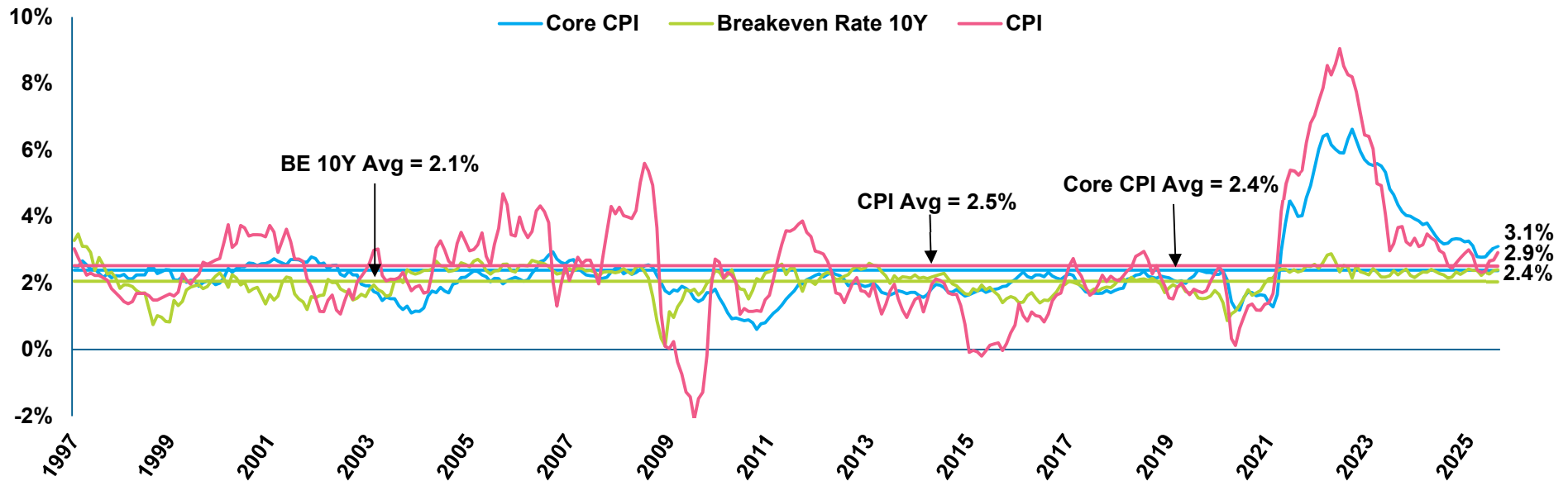


- Volatility spiked in April after the “Liberation Day” tariff announcement but has since declined to below long-run averages.
- Resilient earnings data, despite tariffs, and expectations for the Fed to cut rates, has kept equity market volatility (VIX) relatively low.
- Despite fiscal policy uncertainty and debt concerns the MOVE index has largely declined as confidence has increased in the Fed cutting rates.

<sup>1</sup> Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of August 31, 2025. The average line indicated is the average of the VIX and MOVE values between January 2005 and August 2025.



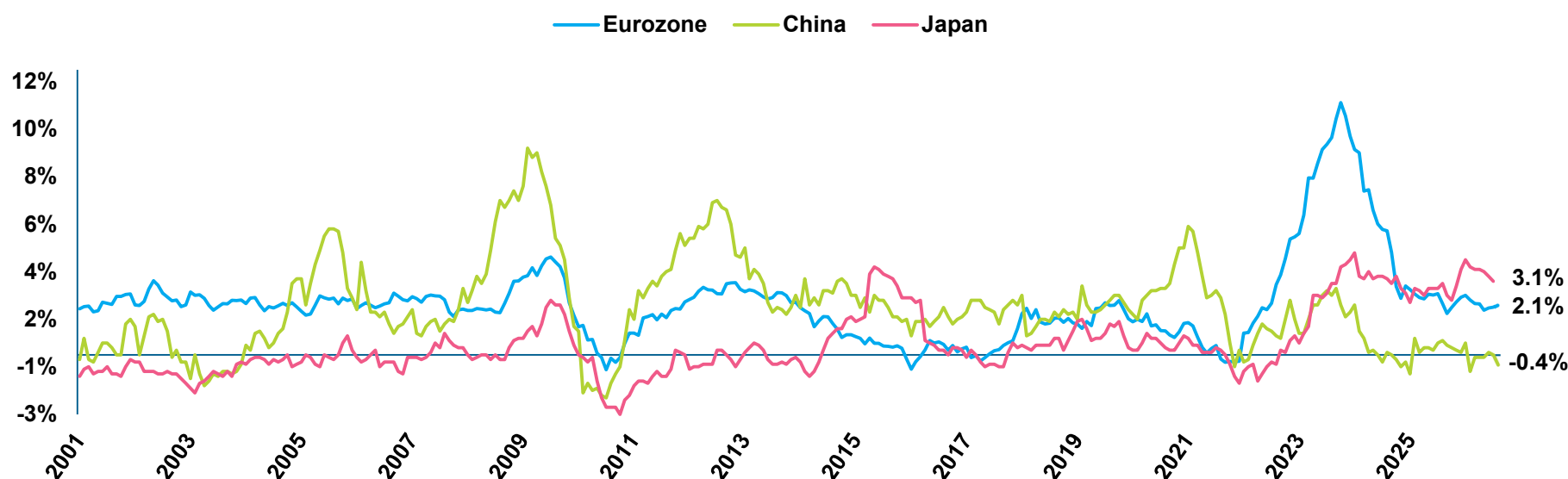
### US Ten-Year Breakeven Inflation and CPI<sup>1</sup>



- Inflation has been slow to return to the Fed's 2% average target, accelerating in August. Headline inflation rose 0.4% for the month and 2.9% year-on-year (up from 2.7%); shelter prices gaining 0.4% in August was the primary factor in the monthly increase. The pace of monthly increases in food (0.0% to +0.5%) and energy prices (-1.1% to +0.7%) both rose for the month.
- Core inflation remains elevated and above target, rising 0.3% month-on-month and 3.1% year-on-year (the same rates as in July). There were some signs of tariff impacts with core goods prices increasing in areas like apparel and furniture/home goods.
- Longer-dated inflation expectations (breakevens) remained steady over the month at 2.4%, while shorter-dated inflation swap pricing and survey-based measures suggest continued upside risk to prices.

<sup>1</sup> Source: FRED. Data is as of August 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.

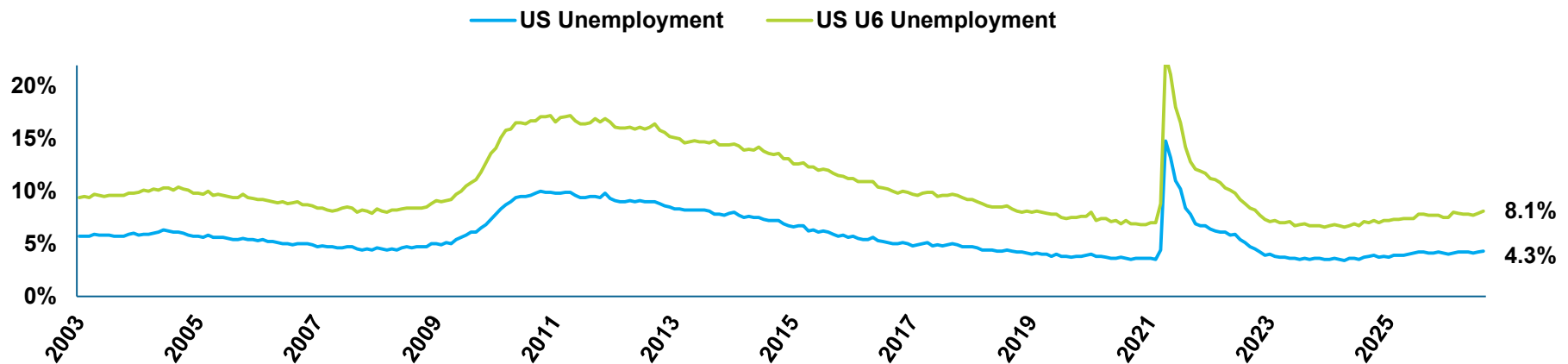
### Global Inflation (CPI Trailing Twelve Months)<sup>1</sup>



- Inflation in the eurozone reaccelerated slightly to 2.1% in August with service costs driving the rise in inflation; the ECB held rates steady at 2.0% in early September.
- In Japan, inflation has been above the 2% target for approximately three years but has declined this year from the 4.0% peak. Given the above-target levels, the Bank of Japan may hold rates steady for the rest of the year.
- In China, despite considerable policy stimulus, deflation returned in August (-0.4%) representing the fifth month this year of declining prices. A sharp fall in food prices was a key driver of the deflationary pressures.

<sup>1</sup> Source: Bloomberg. Data is as of August 2025, except Japan which is as of July 2025.

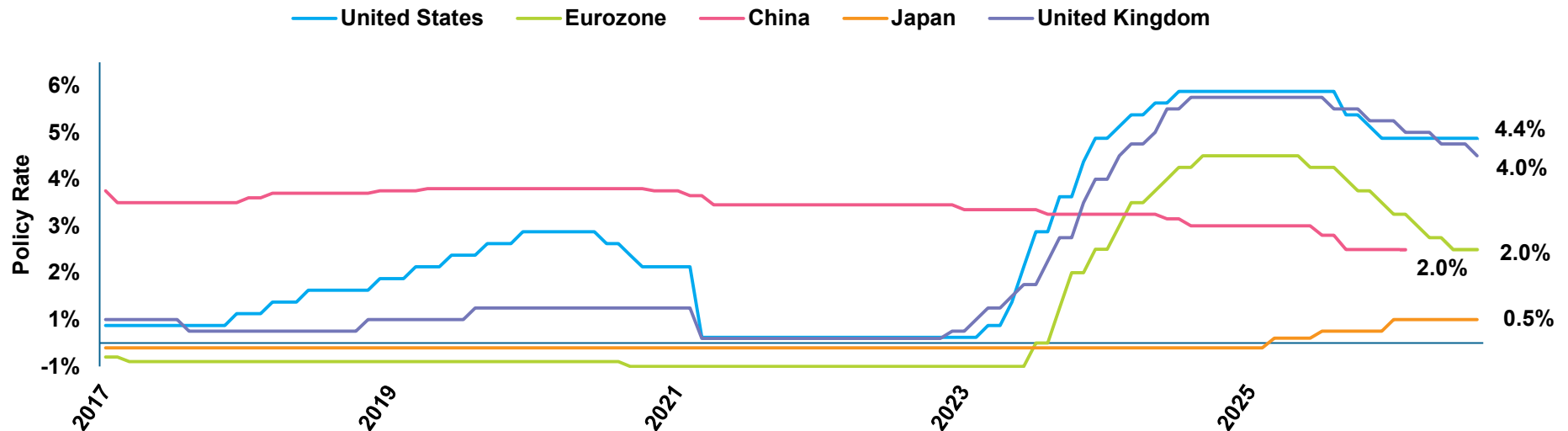
### US Unemployment<sup>1</sup>



- In August, the US economy added just 22,000 jobs (below expectations of 75,000) and the unemployment rate rose slightly to 4.3%. Total jobs added in June and July were also revised lower, with June numbers in negative territory. There was also a significant downward revision (-911,000) of total jobs added between March 2024 and March 2025.
- The number of job openings was little changed at 7.2 million, and the number of hires and separations also remained stable at 5.3 million and 3.2 million jobs, respectively. Health care (+31,000) and social assistance (+16,000) added the most jobs in August, while the Federal government continued to lose jobs (-15,000).
- There are currently 7.4 million unemployed workers actively looking for work, of which 25.7% have been unemployed for longer than 27 weeks; there are another 6.4 million individuals who would like work but are not counted in the unemployment rate as they are not actively looking for a job.

<sup>1</sup> Source: FRED and BLS. Data is as of August 31, 2025.

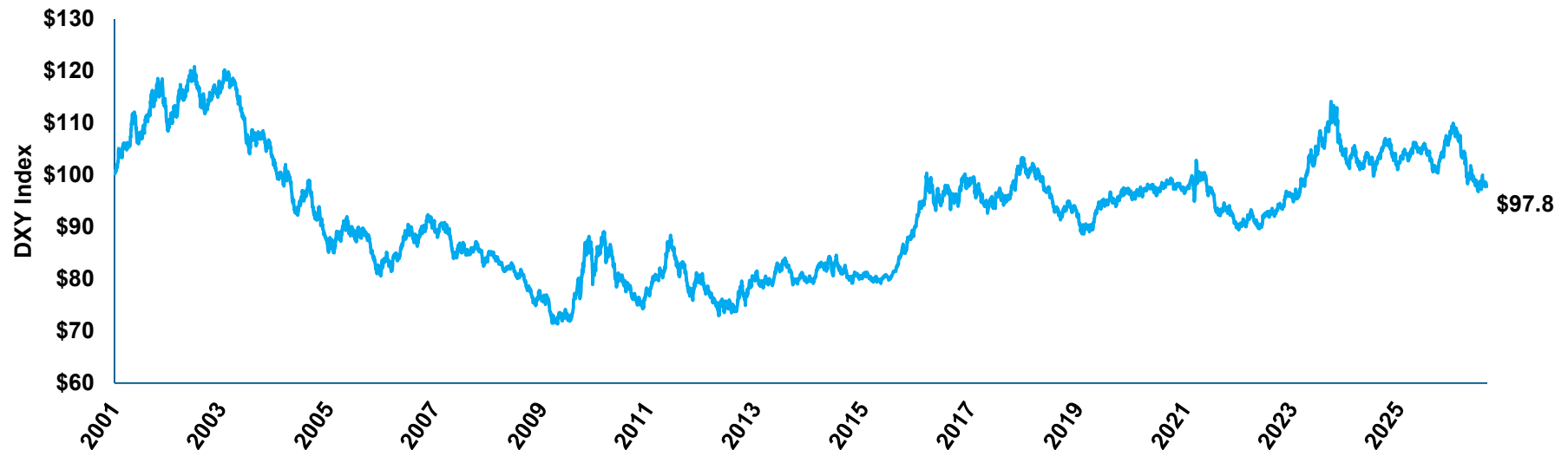
### Global Policy Rates<sup>1</sup>



- Through August the Fed had not cut rates yet in 2025, but other central banks continued to ease policy rates. Futures markets are predicting the Fed to cut rates close to three times to 3.6% by year-end and three more times in 2026 as unemployment revisions indicate a weaker than expected labor market.
- In August, the ECB did not meet but held rates steady in early September. In August, the Bank of England cut rates to 4.0% on a close vote as inflation reaccelerated to 3.8% from 3.6%. After cutting rates in May of last year, China's central bank has held rates steady although disinflationary pressures continue to be a concern.
- Japan kept rates at current levels in the face of uncertain inflationary and trade pressures but voted to slow its purchase of Japanese sovereign debt in a continuing retreat from quantitative easing.

<sup>1</sup> Source: Bloomberg. Data is as of August 31, 2025, except China which is as of February 28, 2025. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

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



- The US dollar hit near-historic highs in January of 2025 but has since seen its value decline by over 11%.
- Typically, higher interest rates support the US dollar but recent concerns over changing US administration policies and slowing growth have weighed on the value of the US dollar.

<sup>1</sup> Source: Bloomberg. Data as of August 31, 2025.

### Key Trends

- According to the International Monetary Fund's (IMF) April annual report, global growth in 2025 was downgraded but has since been revised slightly higher from +2.8% to +3.0% in July. The IMF updated its 2025 growth outlook for the US slightly higher (+1.8% to +1.9%). China's growth forecast was also marginally increased for 2025 on US-China trade tensions declining somewhat for this year (+4.6% to +4.8%), while growth in the EU is now projected to be +1.0% in 2025, up from a +0.9% projection in April.
- Despite the recent pause and negotiations related to tariffs, many questions remain including how will they ultimately impact inflation. Overall, higher tariff levels and continued uncertainty could weigh on growth while increasing prices. Inflation levels and recent developments with tariffs combined with a weakening labor market will complicate the Fed's rate cutting path. Questions in the US and the potential for slower growth could continue the rotation out of US assets and put continued downward pressure on the dollar.
- Some signs of stress have started to emerge on the US consumer with growing weakness in the jobs market and sentiment weakening since the start of the year. Consumers are particularly concerned about losing their jobs and the potential for higher prices. Overall, risk to economic growth and to inflation from tariffs, as well as elevated borrowing costs, could put further pressure on consumers and lead to an even weaker job market. The recent resumption of collecting and reporting delinquent student loans could be a further headwind to consumption.
- US equities have fully recovered from substantial losses experienced during the first week of April; most companies reporting earnings growth above 10% in July and early August and prospects of future rate cuts from the Fed has seen the US stock market hit new highs. How earnings track from here will be key going forward.
- Trade tensions between the US and China will remain an important focus as well as the overall health of China's economy. Recently, the two countries agreed to another 90-day truce expiring in early November. Questions remain about what will happen after the 90-day period. Notably, tariff levels on China (30%) remain higher than where they previously were.

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## San Joaquin County Employees' Retirement Association

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October 8, 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**

#### Asset Allocation

*Perform Asset-Liability Study.* The Board of Retirement is considering minor changes to the asset allocation policy this month. With the fund's AUM exceeding the \$5 billion mark and the funded status estimated to be hovering around 80 percent, the proposed allocation minor adjustments are designed to slightly increase focus on our growth strategy targeting additional income-seeking assets while still providing a strong diversifying base considering liquidity and overall portfolio resilience, preserving long-term returns. Asset allocation changes should align funding, risk, and cash flow, with monitoring to ensure alignment with liability objectives.

*Conduct Pacing studies for all private asset classes (Private Real Estate, Private Equity, and Private Credit) and consider new managers based on board-approved pacing.* As is our annual practice, our investment consultant, Meketa, is presenting recommended pacing studies for three of our market classes. With the fund now exceeding \$5 billion in total assets and a funding ratio estimated around 80 percent, we've taken a close look at our pacing across Private Real Estate, Private Equity, and Private Credit. The analysis supports modest, sector-specific adjustments to ensure our investment strategy remains responsive to market conditions while staying aligned with board-approved pacing plans.

#### Risk Assessment

*Evaluate risk tolerance during Asset-Liability and Actuarial Experience Study.* With the completion of the Actuarial Experience Study over the summer and the asset allocation concluding this month, the Board of Retirement has reaffirmed their risk tolerance, guiding the fund's actuarial assumptions and long-term investment strategy. The Board's identification of acceptable risk levels is integral to shaping a resilient portfolio that can adapt to changing market conditions. These insights inform adjustments that balance stability with growth, positioning the fund for future success.



## Modernize the Operations Infrastructure

### New Pension Administration System (PAS)

*Re-evaluate PAS implementation schedule; determine feasibility of accelerated timeline.*

As seen in the quarterly staff report, the staff have continued to make significant progress on the selection of a new Pension Administration System vendor. While the current schedule provided a target date of October 8 for a tentative selection, we have added additional evaluations shifting the decision to a later date. All other activities are still moving forward with an intention to begin the project prior to the end of the year. Each of the finalist have a proposed implementation date in 2027.

*Develop content (podcast, video, social media and educational materials) based on member feedback.* This month is National Retirement Security Month. This month our campaign is called "Squeeze the Day: Retirement Planning with a zesty twist!" When life gives you lemons...plan for your retirement. To celebrate, we will be having two webinars this month as well as launching a social media campaign with educational information and resources. A special thank you to Sergeant Jason Whelen, and Vice President Sam Kaisch for providing quotes we can use to encourage other members to start thinking about their financial future.

### Improve Business Operations

*Develop workflows for tracking current operational workload.* As part of our ongoing effort to strengthen operational transparency and ensure the Board and organizational leadership have a comprehensive view of member service demand, we have enhanced our quarterly metrics reports to include phone call and walk-in activity in addition to existing operational measures for Retirement Services. To support these new metrics, staff developed new workflows that standardize how incoming phone calls, and in-person visits are tracked, categorized, and reported.

The inclusion of these metrics gives us a fuller picture of the daily member interactions and provides a glimpse of future operational workload. This will help identify staffing needs, service delivery trends, potential member and employer knowledge gaps, and potential areas for process improvement. Over time, the expanded dataset will also allow us to track the impact of technology and policy changes on member engagement and education patterns.

*Conduct a risk management audit with Linea Secure.* SJCERA partnered with Linea Secure, its virtual Chief Information Security Officer (vCISO), to complete a comprehensive cybersecurity risk assessment. The assessment process combined structured interviews with SJCERA staff, reviews of policies and system configurations, and hands-on testing to simulate potential cyber threats. By aligning assessment findings to the National Institute of Standards & Technology (NIST) Cybersecurity Framework, the engagement provided SJCERA with a clear view of current strengths and opportunities for improvement, along with practical recommendations to support ongoing security maturity. This balanced approach ensured that both technical safeguards and day-to-day pension operations were evaluated, resulting in a holistic picture of SJCERA's cybersecurity posture. The final report was delivered in June which included documented technical reviews, penetration testing results, vulnerability scans, as well as an

assessment of pension-specific processes to help safeguard sensitive member and fund data. This effort reflects SJCERA's ongoing commitment to proactive security and alignment with industry best practices.

### Employer Experience

*Conduct an employer survey to determine education and engagement needs.* Last month our Communications Officer attended the Open Enrollment event at Mosquito Vector Control District. Despite being an open enrollment event, it was expanded to include opportunities for other benefit representatives, such as SJCERA, to attend the event. It served as a great opportunity to meet with members, answer any questions they may have, as well as provide and direct them to the appropriate resources.

*Establish semiannual, in-person meetings with each employer, discussing their SJCERA operational issues and current topics.* We have started scheduling our Semi-Annual Employer meetings, with the first meeting being in the middle of October. We hope meeting semiannually continues to be beneficial in strengthening our relationship with employers, and as a result, their employees/our members.

## **Maintain Business Operations**

### Employee of the Month

This month we are recognizing Vickie Monegas and Leonor Sonley, two of our benefit technicians. One of Vickie's primary roles is to ensure the correct and timely processing of new member enrollments. Vickie also serves as SJCERA's safety officer, researching topics and providing safety briefings to all staff each month. Leonor oversees the work performed related to health care administration for the county and health care deductions for our other employers (health issues are often our highest inquiry received from retirees). Leonor has been diligent in identifying and correcting health insurance rates ensuring accurate deductions, along with reconciling the Courts' new form for enrollments and disenrollments.

### Provide Excellent Customer Service

A few quotes from our members:

"Andrea Bonilla is always quick to respond and helpful."

"Leonor was very pleasant & helpful in answering all of my questions & sent the requested documents immediately."

## **Conclusion**

September and October have been a busy month for the SJCERA team. Completion of Action Plan activities, particularly in the investment space, have been a priority: engagement with current managers, review and consideration of new managers, final stages of the roundtable preparations, and finalization of asset allocation. The remainder of the year is anticipated to continue these efforts.

## 1. STRENGTHEN THE LONG-TERM HEALTH OF RETIREMENT PLAN

|                                                                  | ACTION ITEM                                                                                                           | ANTICIPATED COMPLETION |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|------------------------|
| <b>1a. Evaluate the Appropriateness of Actuarial Assumptions</b> |                                                                                                                       |                        |
| 1.a.i.                                                           | Conduct Actuarial Audit.                                                                                              | Q1                     |
| <b>1b. Asset Allocation</b>                                      |                                                                                                                       |                        |
| 1.b.i.                                                           | Implement 2025 Asset Allocation.                                                                                      | Q3                     |
| <b>1c. Operating Model 2026</b>                                  |                                                                                                                       |                        |
| 1.c.i.                                                           | Meketa investment plan.                                                                                               | -                      |
| <b>1d. Optimize Investment Manager Lineup</b>                    |                                                                                                                       |                        |
| 1.d.i.                                                           | Analyze and develop strategy to reduce investment fees.                                                               | ONGOING                |
| 1.d.ii.                                                          | Meketa Investment Plan.                                                                                               | -                      |
| <b>1e. Risk Assessment</b>                                       |                                                                                                                       |                        |
| 1.e.i.                                                           | Assess & Modify SJCERA full funding policy as needed.                                                                 | Q2                     |
| 1.e.ii.                                                          | Meketa Investment Plan.                                                                                               | -                      |
| <b>1f. Define Emerging Governance Issues</b>                     |                                                                                                                       |                        |
| 1.f.i.                                                           | Identify and implement fund governance changes on an as needed basis.                                                 | Q3                     |
| 1.f.ii.                                                          | Build a strong baseline of legal compliance with documents, guides, training, and implementation of a review process. | ONGOING                |

## 2. MODERNIZE THE OPERATIONS INFRASTRUCTURE

|                                              | ACTION ITEM                                                                                                        | ANTICIPATED COMPLETION |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------|------------------------|
| <b>2a. New Pension Administration System</b> |                                                                                                                    |                        |
| 2.a.i.                                       | Achieve defined milestones in new Pension Administration System.                                                   | ONGOING                |
| 2.a.ii.                                      | Assess current member expectations.                                                                                | Q3                     |
| 2.a.iii.                                     | Develop communication strategy for new Pension Administration System readiness.                                    | Q4                     |
| 2.a.iv.                                      | Define metrics for new Pension Administration System.                                                              | Q3                     |
| <b>2b. Member Experience</b>                 |                                                                                                                    |                        |
| 2.b.i.                                       | Develop education & training for active, retired, and deferred members regarding new Pension Administration System | Q4                     |

|                                        | ACTION ITEM                                                                             | ANTICIPATED COMPLETION |
|----------------------------------------|-----------------------------------------------------------------------------------------|------------------------|
| 2.b.ii.                                | Implement process for Alive & Well project.                                             | Q2                     |
| <b>2c. Improve Business Operations</b> |                                                                                         |                        |
| 2.c.i.                                 | Develop workflows for tracking and improving current workload.                          | Q1                     |
| 2.c.ii.                                | Implement in house development of ACFR & PAFR.                                          | Q1 & Q2                |
| <b>2d. Employer Experience</b>         |                                                                                         |                        |
| 2.d.i.                                 | Develop education & training for employers regarding new Pension Administration System. | Q3                     |
| 2.d.ii.                                | Develop Employer ambassador program for Payroll Users Group.                            | Q3                     |

### 3. ALIGN RESOURCES AND ORGANIZATIONAL CAPABILITIES

|                                          | ACTION ITEM                                                                                         | ANTICIPATED COMPLETION |
|------------------------------------------|-----------------------------------------------------------------------------------------------------|------------------------|
| <b>3a. Workforce Planning</b>            |                                                                                                     |                        |
| 3.a.i.                                   | Develop a preliminary post-system implementation workforce allocation.                              | Q3                     |
| 3.a.ii.                                  | Create succession plan onboarding for all positions.                                                | Q4                     |
| <b>3b. Staff Education</b>               |                                                                                                     |                        |
| 3.b.i.                                   | Define staff educational needs and develop corresponding training opportunities.                    | ONGOING                |
| <b>3c. Board of Retirement Practices</b> |                                                                                                     |                        |
| 3.c.i.                                   | Define board educational needs and implement corresponding educational opportunities and materials. | Q1 & Q4                |
| <b>3d. Organization Metrics</b>          |                                                                                                     |                        |
| 3.d.i.                                   | Implement new data analytics tools and methodologies.                                               | Q3                     |

### MANAGING EMERGING NEEDS

|  | ACTION ITEM                                     | ANTICIPATED COMPLETION |
|--|-------------------------------------------------|------------------------|
|  | 2027-2031 Strategic Plan                        | Q4                     |
|  | Complete RFP for investment consulting services | Q2 & Q3                |

|  |                            |
|--|----------------------------|
|  | On Track                   |
|  | Completed                  |
|  | Identified Potential Risks |
|  | Known Delays               |



## Board of Retirement Meeting

San Joaquin County Employees' Retirement Association

### Agenda Item 12.02-01

October 15, 2025

**SUBJECT: Pending Member Accounts Receivable – 3<sup>rd</sup> Quarter**

**SUBMITTED FOR: ☐ CONSENT ☐ ACTION ☒ INFORMATION**

### RECOMMENDATION

This report is submitted for the Board's information.

### PURPOSE

To report the quarterly summary of pending accounts receivables for SJCERA retired or deferred members as of September 30, 2025.

### DISCUSSION

This quarter's Pending Accounts Receivable Report, below, includes all receivables owed by either retirees, beneficiaries or deferred members.

#### QUARTERLY SUMMARY REPORT OF PENDING ACCOUNTS RECEIVABLE - SJCERA MEMBERS

3rd Quarter - Through September 2025

|   | Action Date | Total Receivable | Payments Began | Current Balance | Current Payment | Payment Description          | Payment End Date | First Reported To Board |
|---|-------------|------------------|----------------|-----------------|-----------------|------------------------------|------------------|-------------------------|
| 1 | 07/18/09    | \$11,475.48      | 05/01/11       | \$275.93        | \$163.00        | Overpaid Disability Benefits | 10/02/25         | Jul-11                  |
| 2 | 05/19/02    | \$35,537.23      | 11/01/15       | \$3,931.24      | \$320.31        | Overpaid Retirement Benefits | 12/02/27         | Jul-21                  |
| 3 | 12/31/22    | \$25,062.14      | 02/01/23       | \$5,303.93      | \$644.02        | Underpaid Health Premiums    | 12/02/26         | Apr-23                  |
| 4 | 04/03/23    | \$8,494.56       | 04/03/23       | \$1,415.76      | \$235.96        | Underpaid Contributions      | 04/02/26         | Jul-23                  |
| 5 | 02/01/24    | \$13,317.48      | 02/01/24       | \$5,918.88      | \$369.93        | Overpaid Retirement Benefits | 02/02/27         | Apr-24                  |
| 6 | 01/01/25    | \$4,140.07       | 01/01/25       | \$1,034.98      | \$345.01        | Overpaid Retirement Benefits | 01/01/26         | Apr-25                  |
| 7 | 08/01/25    | \$5,767.35       | 08/01/25       | \$4,613.87      | \$576.74        | Overpaid Retirement Benefits | 05/01/26         | Oct-25                  |

Total Accounts Receivable as of 9/30/2025 **\$22,494.59**

One new member accounts receivable in the fourth quarter of 2025.

BRIAN MCKELVEY

Asst. Chief Executive Officer

**Pending Disability Application Statistics**  
**3rd Quarter 2025**  
**Open Cases**

SJCERA received 0 disability application during Q3 2025

| Time Elapsed From Application Date |          |
|------------------------------------|----------|
| 01 - 03 Months                     | 0        |
| 04 - 06 Months                     | 1        |
| 07 - 09 Months                     | 1        |
| 10 - 12 Months                     | 0        |
| 13 - 15 Months                     | 0        |
| 16 - 18 Months                     | 3        |
| 19 - 21 Months                     | 1        |
| 22 - 24 Months                     | 0        |
| Over 24 Months                     | 1        |
| <b>Total</b>                       | <b>7</b> |

| Break Down By Application Type |          |
|--------------------------------|----------|
| Service-Connected              | 6        |
| Nonservice Connected           | 0        |
| Service & Nonservice Connected | 1        |
| <b>Total</b>                   | <b>7</b> |

| Breakdown By Department                                               |          |            |                      |          |                |               |
|-----------------------------------------------------------------------|----------|------------|----------------------|----------|----------------|---------------|
|                                                                       | Service  | Nonservice | Service & Nonservice | Total    | SJCERA Members | Ratio         |
| Correctional Health                                                   | 1        | 0          | 0                    | 1        | 88             | 1.14%         |
| HSA                                                                   | 1        | 0          | 0                    | 1        | 1,278          | 0.08%         |
| Public Works                                                          | 0        | 0          | 1                    | 1        | 392            | 0.26%         |
| Sheriff                                                               | 4        | 0          | 0                    | 4        | 780            | 0.51%         |
| <b>Totals</b>                                                         | <b>6</b> | <b>0</b>   | <b>1</b>             | <b>7</b> | <b>2,538</b>   | <b>0.28%</b>  |
| <b>Total SJCERA Active Members For All Departments As of 9/7/2025</b> |          |            |                      |          | <b>7,147</b>   | <b>35.51%</b> |
| <b>Total Number of Department Groups</b>                              |          |            |                      |          | <b>4</b>       |               |

**2025 Total Cases Resolved = 4**

**Goal #1 - 100% of applications that do not require a hearing will go to the Board within 9 months**

**Goal #2 - 80% of applications requiring a hearing will go to the Board within 18 months**

**Goal #1**            100% Completed within 9 months  
**Goal #2**            0% Completed with Hearing within 18 months

During the third quarter of 2025, one case was resolved and met the 9-month resolution timeframe established by Goal #1. To continue improving processing times, staff and the disability attorney have maintained biweekly meetings. Additionally, one application was withdrawn by the applicant during this period.

Currently, one case has a hearing scheduled, one case has been approved for a continuance, and three cases are awaiting hearing dates or applicant responses. While the Office of Administrative Hearings continues to experience scheduling delays, staff is working closely with applicants to minimize further setbacks. Despite these efforts, we are not anticipated to meet Goal #2.

**Calendar Year Comparison**

**1/1 to 12/31**

|                     | 2020      | 2021      | 2022      | 2023      | 2024     | 2025     |
|---------------------|-----------|-----------|-----------|-----------|----------|----------|
| New                 | 7         | 16        | 14        | 14        | 6        | 2        |
| Granted             | 10        | 8         | 12        | 13        | 4        | 3        |
| Denied              | 4         | 3         | 3         | 3         | 0        | 0        |
| Dismissed           | 2         | 0         | 0         | 1         | 1        | 0        |
| Withdrawn           | 0         | 0         | 2         | 1         | 1        | 1        |
| Rejected            | 0         | 0         | 0         | 3         | 0        | 0        |
| <b>Total Closed</b> | <b>16</b> | <b>11</b> | <b>17</b> | <b>21</b> | <b>6</b> | <b>4</b> |



## Board of Retirement Meeting

San Joaquin County Employees' Retirement Association

### Agenda Item 11.03-02

## Q3 2025 – Operations Metrics

As part of SJCERA's efforts to make data-based decisions, the Retirement Services and IT units formalized its initial data collection in August 2023. This report represents operational data collected for the third quarter of 2025. The data is useful for workload allocation, analyzing staff performance and identifying training opportunities. In August, we began tracking member phone and walk-in metrics which have been added below for your review.

### Retirement Services

| Completed Activities            | Jul | Aug | Sep | Q3 Totals | Monthly Average <sup>1</sup> |
|---------------------------------|-----|-----|-----|-----------|------------------------------|
| Retirements                     | 12  | 13  | 18  | 43        | 14                           |
| Deaths                          | 17  | 24  | 15  | 56        | 19                           |
| Refunds                         | 0   | 64  | 27  | 91        | 30                           |
| New Employees                   | 88  | 59  | 82  | 229       | 76                           |
| Deferred                        | 47  | 66  | 25  | 138       | 46                           |
| Terminations                    | 60  | 54  | 55  | 169       | 56                           |
| Estimates                       | 43  | 61  | 36  | 140       | 47                           |
| Service Purchases               | 18  | 32  | 24  | 74        | 25                           |
| Member Phone Calls (443 unique) | N/A | 323 | 348 | 671       | 335                          |
| Member Walk-Ins (85 unique)     | N/A | 59  | 65  | 124       | 62                           |

### Information Technology

| Completed Activities                       | Jul | Aug | Sep | Q3 Totals | Monthly Average <sup>2</sup> |
|--------------------------------------------|-----|-----|-----|-----------|------------------------------|
| IT Support                                 | 253 | 217 | 249 | 719       | 240                          |
| Ongoing Production                         | 318 | 258 | 339 | 915       | 305                          |
| Cybersecurity & Infrastructure Maintenance | 158 | 177 | 224 | 559       | 186                          |
| Projects                                   | 117 | 178 | 233 | 528       | 176                          |

A blue ink signature of Brian P. McKelvey.

Brian P. McKelvey  
Assistant Chief Executive Officer

<sup>1</sup> Monthly Average values rounded to nearest whole number.

<sup>2</sup> Monthly Average values rounded to nearest whole number.

# Quarterly Executive Status Report

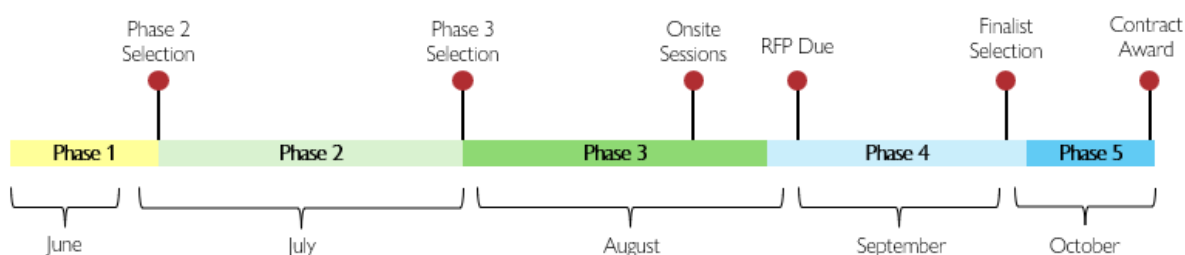
July 1 – October 3, 2025



## Procurement Summary

| Description                                      | Date(s)               | Status |
|--------------------------------------------------|-----------------------|--------|
| Answers to Offeror Questions Published           | 7/1/2025              | ●      |
| Virtual System Demonstrations                    | 7/7/2025 – 7/9/2025   | ●      |
| Virtual Project Approach/Technical Q&A Sessions  | 7/17/2025 – 7/18/2025 | ●      |
| Phase 2 Offerors Evaluated and Scored            | 7/22/2025             | ●      |
| Supplemental Sessions with Two Phase 2 Vendors   | 7/28/2025             | ●      |
| Phase 3 Offerors Notified                        | 7/30/2025             | ●      |
| Phase 3 SJCERA Overview Webinar Conducted        | 8/1/2025              | ●      |
| Virtual Functional, Upgrade and Roadmap Sessions | 8/5/2025 – 8/7/2025   | ●      |
| Virtual Technical and T&C Sessions               | 8/12/2025 – 8/14/2025 | ●      |
| In-person Mock and Final Sessions                | 8/19/2025 – 8/21/2025 | ●      |
| RFP Written Responses Received                   | 9/17/2025             | ●      |
| Proposal Clarification Sessions Conducted        | 9/30/2025 – 10/1/2025 | ●      |
| Phase 3 Offerors Evaluated and Scored            | 10/3/2025             | ●      |
| Phase 5 Notification to Offeror                  | 10/8/2025             | ●      |
| Contract Award                                   | 10/29/2025            | ●      |
| Implementation Project Start                     | 12/1/2025             | ●      |

## Project Timeline





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## Actions/Discussions/Decisions

| Description                      | Date      | Comments                                                                                                                                                                                       |
|----------------------------------|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Phase 2 Offeror Evaluation       | 7/22/2025 | All Phase 2 offerors assessed and rated. Supplemental sessions scheduled with two Phase 2 vendors on 7/28 for clarifications and finalizing rating.                                            |
| Phase 3 Notification             | 7/30/2025 | Three vendors were notified they would be proceeding to Phase 3. Two vendors were notified they would not be proceeding.                                                                       |
| Mock Session Agenda              | 8/12/2025 | Sent to each Offeror 1-week in advance of their session.                                                                                                                                       |
| Phase 3 Q&A Sent to Offerors     | 8/29/2025 | A summary of all non-proprietary questions and answers from all Phase 3 sessions sent to Offerors.                                                                                             |
| RFP Responses                    | 9/17/2025 | One vendor response received 9/15 with the other two received 9/17.                                                                                                                            |
| Third-party Risk Assessment      | 9/25/2025 | Decision to have Linea Secure conduct third-party risk assessment for all 3 Offerors.                                                                                                          |
| Response Scoring/Offeror Ratings | 10/3/2025 | Phase 3 Offerors initial ratings completed based upon RFP response and clarification meetings. Final ratings will be determined upon Linea Secure third-party risk assessment report and BAFO. |
| RFP Extension                    | 10/3/2025 | SJCERA decided to extend the original RFP timeline to allow for additional due-diligence in selecting a vendor. Offerors will be notified of the extension on 10/6.                            |

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## Risks

| Date Added | Rating | Description        | Comments                                                                                                                                                    |
|------------|--------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9/26/2025  | ●      | Finalist selection | Original target of 10/8 finalist selection at risk due to required clarifications from finalist RFP submissions. Decision made 10/3 to extend RFP timeline. |
| 10/3/2025  | ●      | Contract Award     | Original target of 10/29 contract award at risk. Will be re-evaluated once the third-party risk assessment report is received.                              |

## Exhibit A – RFP Schedule and Milestones Overview

| ID | Phase | Activity                                                                                                                                                                                                    | Due Date / Timeline   | Parties           |
|----|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|
| 1  | 1     | PAS RFP Issues                                                                                                                                                                                              | 6/20/2025             | SJCERA            |
| 2  | 1     | Notice of Intent to Bid & Minimum Qualifications Response Form (Attachment A) Due                                                                                                                           | 6/27/2025             | Offerors          |
| 3  | 1     | Questions about Phase 2: Offeror Questions Response Form (Attachment B) Due                                                                                                                                 | 6/27/2025             | Offerors          |
| 4  | 1     | Answers to Phase 2 Questions Published                                                                                                                                                                      | 7/2/2025              | SJCERA            |
| 5  | 1     | <ul style="list-style-type: none"> <li>▪ Minimum Qualification Verification</li> <li>▪ Phase 1 Evaluation Complete</li> <li>▪ Notification to Offerors Proceeding into Phase 2</li> </ul>                   | 7/2/2025              | SJCERA            |
| 6  | 2     | Sessions with Qualified Offerors and SJCERA: <ul style="list-style-type: none"> <li>▪ Solution Demonstration</li> <li>▪ Technical Q&amp;A</li> <li>▪ Project Approach &amp; Project Team Q&amp;A</li> </ul> | 7/7/2025 – 7/18/2025  | SJCERA & Offerors |
| 7  | 2     | Attachment C – Solution Demo Response Form Due                                                                                                                                                              | 7/18/2025             | Offerors          |
| 8  | 2     | <ul style="list-style-type: none"> <li>▪ Phase 2 Scoring</li> <li>▪ Phase 2 Evaluation Complete</li> <li>▪ Phase 3 Notifications to Offerors</li> </ul>                                                     | 7/21/2025 - 7/30/2025 | SJCERA            |
| 9  | 3     | Sessions with Qualified Offerors and SJCERA: <ul style="list-style-type: none"> <li>▪ SJCERA Overview</li> <li>▪ Offeror Discovery Q&amp;A Sessions</li> <li>▪ Mock Requirements Session</li> </ul>         | 7/31/2025 - 8/27/2025 | SJCERA & Offerors |
| 10 | 3     | Answers to Questions from ID #9 (Phase 3 Sessions) Published                                                                                                                                                | 9/3/2025              | SJCERA            |
| 11 | 4     | RFP Written Response Submission by Phase 3 Offerors Due                                                                                                                                                     | 9/17/2025             | Offerors          |
| 12 | 4     | <ul style="list-style-type: none"> <li>▪ Review of RFP Responses</li> <li>▪ Legal T&amp;C and Contract Review</li> <li>▪ Evaluation Scoring</li> <li>▪ Phase 5 Notifications to Offerors</li> </ul>         | 9/18/2025 - 10/8/2025 | SJCERA            |
| 13 | 5     | <ul style="list-style-type: none"> <li>▪ Contract Negotiations</li> <li>▪ Contract Award</li> </ul>                                                                                                         | 10/29/2025            | SJCERA            |