

**MercedCERA ADMINISTRATIVE & INVESTMENT RETIREMENT BOARD AGENDA
THURSDAY, APRIL 08, 2021**

**MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
TELEPHONE NUMBER: 1-310-372-7549, CONFERENCE CODE: 975839**

**ALTERNATE CONFERENCE CALL IN NUMBER (FOR USE ONLY IF PRIMARY
NUMBER MALFUNCTIONS): 669-900-6833, Meeting ID: 930 3019 5748, Passcode: 095484**

Important Notice Regarding SARS-COV-2

Based on guidance from the California Department of Public Health and the California Governor's Office, in order to minimize the spread of the SARS-COV-2 virus, MercedCERA's building will be closed to the public during MercedCERA Board meetings. Members of the MercedCERA Board will participate in this meeting offsite via conference call. Members of the public may listen to the meeting and offer public comment telephonically by calling into the telephone number provided above and entering the stated conference code. If you have any issues participating in the meeting telephonically or require reasonable accommodation for your participation, please contact MercedCERA staff at 209-726-2724.

Please turn your cell phone or other electronic device to non-audible mode or mute.

CALL TO ORDER: 8:15 A.M.

- ROLL CALL.
- APPROVAL OF MINUTES – March 11, 2021 and March 30, 2021.

PUBLIC COMMENT

Members of the public may comment on any item under the Board's jurisdiction. Matters presented under this item will not be discussed or acted upon by the Board at this time. For agenda items, the public may make comments at the time the item comes up for Board consideration. Persons addressing the Board will be limited to a maximum of five (5) minutes in total. Please state your name for the record.

CONSENT CALENDAR

Consent matters are expected to be routine and may be acted upon, without discussion, as one unit. If an item is taken off the Consent Calendar for discussion, it will be heard as the last item(s) of the Board Action/Discussion as appropriate.

RETIREMENTS: Pursuant to Govt. Code § 31663.25 or § 31672

All items of earnable compensation for service or disability retirements listed below are in compliance with the pay code schedule approved by the Board of Retirement. The retirement is authorized; however, administrative adjustments may be necessary to alter the amount due to: audit, late arrival of data, court order, etc.

| | | | |
|-----------------------|------------------|--------------|-----------------|
| a. Behrens, Dennis | Court Operations | 9 Yrs. Svc. | Eff. 03/14/2021 |
| b. Goins, Jason | Sheriff | 27 Yrs. Svc. | Eff. 03/27/2021 |
| c. Gallichio, Rebecca | Beh. Health | 9 Yrs. Svc. | Eff. 03/12/2021 |
| d. Shaw, Stephen | Environ. Health | 2 Yrs. Svc. | Eff. 03/27/2021 |
| e. Sotelo, Marina | Admin Svcs. | 35 Yrs. Svc. | Eff. 04/01/2021 |
| f. Davis, Sandra | Child Support | 17 Yrs. Svc. | Eff. 03/27/2021 |
| g. Wagner, Nicole | Sheriff | 15 Yrs. Svc. | Eff. 03/27/2021 |

h. Liu, Hefeng

Admin Services

21 Yrs. Svc.

~~Eff. 03/01/2021~~

Eff. 02/27/2021

YTD fiscal year 2020/2021 retirees: 67
YTD fiscal year 2019/2020 retirees: 104
YTD fiscal year 2018/2019 retirees: 103

REFUND OF SERVICE PURCHASE: None

DEATH BENEFIT: None

QUARTERLY & MONTHLY BUDGET REPORT: Submitted.

BOARD ACTION¹/DISCUSSION

Pursuant to Govt. Code § 31594 and MercedCERA's Investment Objectives & Policy Statement due diligence analysis requirement:

1. Discussion and possible action regarding February monthly performance and any action on managers and/or funds – Meketa Group.
2. Appointment by the Board Chair to the Investment Subcommittee – Chair.
3. Appointment by the Board Chair to Ad Hoc Budget Subcommittee and removal of Trustee Adams from the Ad Hoc Budget Subcommittee – Chair.
4. Discussion and possible action to adopt new Merced County Pay Code 3064 used for COVID Supplemental Paid Sick Leave as a pensionable pay code – Staff.
5. Discussion and possible action to appoint Plan Administrator as the SACRS Voting Delegate and take action on the potential candidates for SACRS Board of Directors and business packet – Staff.
6. Review calendar of any training sessions and authorize expenditures for Trustees and Plan Administrator. Pursuant to Govt. Code § 31522.8 and MercedCERA's Trustees Education and Training Policy requirements. Examples of upcoming training and educational sessions:
 - SACRS Spring Conference, May 11-14, 2021 (virtual conference).
 - CALAPRS Trustee Roundtable, May 28, 2021 (virtual conference).
 - SACRS/UC Berkeley Public Pension Investment Management Program, July 18-21, 2021 (virtual conference).
 - SACRS Fall Conference, November 9-12, 2021 (in person/virtual conference)

INFORMATION ONLY

There is an Investment Subcommittee Meeting immediately following this meeting on this same conference line.

MercedCERA UPCOMING BOARD MEETINGS

Please note: The MercedCERA Board Meeting and/or Education Day times and dates may be changed in accordance with the Ralph M. Brown Act by the MercedCERA Board as required.

- April 22, 2021
- May 13, 2021

ADJOURNMENT

¹ "Action" means that the Board may dispose of any item by any action, including but not limited to the following acts: approve, disapprove, authorize, modify, defer, table, take no action, or receive and file.

All supporting documentation is available for public review at

www.co.merced.ca.us/retirement

Any material related to an item on this Agenda submitted to the Merced County Employees' Retirement Association, after distribution of the Agenda packet is available for public inspection at

www.co.merced.ca.us/retirement

Persons who require accommodation for a disability in order to review an agenda, or to participate in a meeting of the Merced County Employees' Retirement Association per the American Disabilities Act (ADA), may obtain assistance by requesting such accommodation by emailing the Merced County Employees' Association at MCERA@co.merced.ca.us, or telephonically by calling (209) 726-2724. Any such request for accommodation should be made at least 48 hours prior to the scheduled meeting for which assistance is requested.

**MercedCERA ADMINISTRATIVE RETIREMENT BOARD AGENDA
MINUTES, THURSDAY, MARCH 11, 2021
MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
TELEPHONE NUMBER: 1-310-372-7549, CONFERENCE CODE: 975839**

CALL TO ORDER: 8:15 A.M.

Board members present: Ryan Paskin, Al Peterson, Scott Johnston, Karen Adams, David Ness, Scott Silveira and Janey Cabral. **Counsel:** Jeff Grant. **Staff:** Kristen Santos, Martha Sanchez, Mark Harmen, Ninebra Maryoonani, Sheri Villagrana, Brenda Mojica, Michelle Lee and Alexis Curry. **Absent:** Kalisa Rochester.

APPROVAL OF MINUTES – February 25, 2021.

The MercedCERA Board voted unanimously via roll call vote to approve the February 25, 2021 minutes as presented.

Cabral/Peterson U/A (7-0)

PUBLIC COMMENT

No Comments.

CLOSED SESSION

As provided in the Ralph M. Brown Act, Government Code sections 54950 et seq., the Board may meet in closed session with members of its staff, county employees and its attorneys. These sessions are not open to the public and may not be attended by members of the public. The matters the Board will meet on in closed session are identified below. Any public reports of action taken in the closed session will be made in accordance with Government Code sections 54957.1.

1. **DISCUSSION AND POSSIBLE ACTION REGARDING INVESTMENTS IN RECOMMENDED FUNDS, ROLL CALL VOTE REQUIRED.**
(Govt. Code § 54956.81)
 1. Discussion and possible action to adopt the recommendation regarding one Fund/Manager – Cliffwater.
2. **DISABILITY RETIREMENT APPLICATIONS: PERSONNEL EXCEPTION**
(Govt. Code § § 54957, 31532; Cal Const. art. I, § 1)
 1. Informal Hearing
 - a. Salgado, Jose

RETURN TO OPEN SESSION

Report on any action taken in closed session.

1. **The MercedCERA Board voted unanimously via roll call vote to a commitment of up to \$10 Million to Caxton Associates LP Hedge Fund, subject to legal review of all fund documents.**
Adams/Cabral U/A (7-0)
2. **The MercedCERA Board voted unanimously via roll call vote to approve a service connected disability and deny a non-service connected disability for Jose Salgado.**
Johnston/Ness U/A (7-0)

No other action taken on Disability Update.

CONSENT CALENDAR

Consent matters are expected to be routine and may be acted upon, without discussion, as one unit. If an item is taken off the Consent Calendar for discussion, it will be heard as the last item(s) of the Board Action/Discussion as appropriate.

RETIREMENTS: Pursuant to Govt. Code § 31663.25 or § 31672

All items of earnable compensation for service or disability retirements listed below are in compliance with the pay code schedule approved by the Board of Retirement. The retirement is authorized; however, administrative adjustments may be necessary to alter the amount due to: audit, late arrival of data, court order, etc.

| | | | | |
|----|------------------------|-------------------|--------------|---|
| a. | Gonzalves, David | Plan & Comm | 16 Yrs. Svc. | Eff: 02/15/2021 |
| b. | Liu, Hefeng | Admin Services | 21 Yrs. Svc. | Eff: 03/01/2021 |
| c. | Dantzler, Furman | Child Support | 30 Yrs. Svc. | Eff: 02/27/2021 |
| d. | Egberuare, Brenda | Mental Health | 4 Yrs. Svc. | Eff: 03/07/2021 |
| e. | Crain, David | Animal Control | 23 Yrs. Svc. | Eff: 02/27/2021 |
| f. | Montgomery, Anne-Marie | Library | 2 Yrs. Svc | Eff: 02/27/2021 |
| g. | Vinckel, Jane | Beh. Health | 19 Yrs. Svc. | Eff: 02/04/2021 |
| h. | Santiago, Annette | Sup Courts | 30 Yrs. Svc. | Eff: 01/29/2021 Eff: 02/13/2021 |
| i. | Flores, Albert | District Attorney | 21 Yrs. Svc. | Eff: 2/20/2021 |

YTD fiscal year 2020/2021 retirees: 60
YTD fiscal year 2019/2020 retirees: 104
YTD fiscal year 2018/2019 retirees: 103

REFUND OF SERVICE PURCHASE: None

DEATH BENEFIT: None

MONTHLY BUDGET REPORT: Submitted

The MercedCERA Board voted unanimously via roll call vote to approve the consent calendar.

Silveira/Johnston U/A (7-0)

BOARD ACTION¹/DISCUSSION

1. Discussion and possible action to adopt the Board of Retirement Policy for Felony Forfeiture and Resolution for MercedCERA (Government Code § 7522.72, subd. (b)(1)) - Staff.

The MercedCERA Board voted unanimously via roll call vote to approve the Board of Retirement Policy for Felony Forfeiture and adopt the Felony Forfeiture Resolution.

Silveira/Cabral U/A (7-0)

2. Discussion and possible action to approve consent Portfolio Rebalancing Report which will appear in future agendas – Staff.

The MercedCERA Board voted unanimously via roll call vote to approve staff's recommendation to a consent portfolio rebalancing table on future agendas once the rebalancing transactions are completed.

Cabral/Johnston U/A (7-0)

¹ "Action" means that the Board may dispose of any item by any action, including but not limited to the following acts: approve, disapprove, authorize, modify, defer, table, take no action, or receive and file.

3. Discussion and possible action to adopt the Plan Administrator’s proposed four to five-year staffing plan as recommended by the ad hoc staffing subcommittee – Staff.

**The MercedCERA Board voted unanimously via roll call vote to authorize the Plan Administrator to work with Merced County Human Resources in the creation of a Retirement Investment Officer I/II/III classification and approved the recruitment for 2 Staff Analyst I/II for FY 2021/2022. The Board also unanimously approved the future four to five-year staffing plan, which will be brought to the Board of Retirement for approval prior to the appropriate budget year for each staffing request.
Silveira/Peterson U/A (7-0)**

4. Review calendar of any training sessions and authorize expenditures for Trustees and Plan Administrator. Pursuant to Govt. Code § 31522.8 and MercedCERA’s Trustees Education and Training Policy requirements. Examples of upcoming training and educational sessions:

- SACRS Spring Conference, May 11-14, 2021 (virtual conference).
- CALAPRS Trustee Roundtable, May 28, 2021 (virtual conference).
- SACRS/UC Berkeley Public Pension Investment Management Program, July 18-21, 2021 (virtual conference).
- SACRS Fall Conference, November 9-12, 2021 (in person/virtual conference TBD).

No Action Taken.

INFORMATION ONLY

- **Trustee Silveira:** Asked when we would go back to in-person meetings? Plan Administrator stated she would get back to the trustees with further information.
- **Plan Administrator:** Advised that MercedCERA is going to stop using the acronym “CAFR”, referencing the Annual Financial Report, due to it having negative connotation in other countries. Moving forward, the report will be referenced as the “Annual Report”.
- **Trustee Adams** reminded everyone that property taxes are due.

ADJOURNMENT

The meeting adjourned at 10:02 AM

Respectfully submitted,

Ryan Paskin, Chair

Al Peterson, Secretary

Date

**MercedCERA SPECIAL RETIREMENT BOARD MEETING MINUTES
TUESDAY, MARCH 30, 2021**

MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
PRIMARY CONFERENCE CALL IN NUMBER: 310-372-7549, Access Code 975839
ALTERNATE CONFERENCE CALL IN NUMBER (FOR USE ONLY IF PRIMARY
NUMBER MALFUNCTIONS): 669-900-6833, Meeting ID: 930 3019 5748, Passcode: 095484

CALL TO ORDER: 8:15 A.M.

Board members present: Ryan Paskin, Al Peterson, Scott Johnston, Karen Adams, Janey Cabral, Aaron Rosenberg, Wendy Alvares and David Ness, Kalisa Rochester (joined at 8:19am).

Counsel: Jeff Grant. **Staff:** Kristen Santos, Martha Sanchez, Mark Harman, Ninebra Maryoonani and Alexis Curry. **Absent:** Scott Silveira.

CLOSED SESSION

As provided in the Ralph M. Brown Act, Government Code sections 54950 et seq., the Board may meet in closed session with members of its staff, county employees and its attorneys. These sessions are not open to the public and may not be attended by members of the public. The matters the Board will meet on in closed session are identified below. Any public reports of action taken in the closed session will be made in accordance with Government Code sections 54957.1.

**(1) DISCUSSION AND POSSIBLE ACTION REGARDING INVESTMENTS IN
RECOMMENDED FUNDS, ROLL CALL VOTE REQUIRED.**

(Govt. Code § 54956.81)

1. Discussion and possible adoption of Fund/Managers recommendations – Cliffwater.

RETURN TO OPEN SESSION

Report on any action taken in closed session.

The MercedCERA Board voted unanimously via roll call vote to a commitment of up to \$8 million to Taconic Commercial Real Estate Dislocation III Fund pending legal review of all fund documents.

Adams/Johnston U/A (8-0)

ADJOURNMENT

The meeting adjourned at 8:33 AM

Respectfully submitted,

Ryan Paskin, Chair

Al Peterson, Secretary

Date

| Non-Administrative Projection | | | | | | | | | | | |
|---------------------------------------|-----------------------------------|------------------------|----------------------|-------------|------------------------|-------------|------------------------|-------------|------------------------|------------------------|--------------|
| | | Current | | | | | | | Remaining | | |
| | | Projection | Q1 Expended | Q1 % | Q2 Expended | Q2 % | Q3 Expended | Q3 % | Total Expended | Projected | % Exp |
| 21800 | Investment Expenses | \$ 3,400,000.00 | \$ 268,754.15 | 8% | \$ 660,846.40 | 19% | \$ 452,746.87 | 13% | \$ 1,382,347.42 | \$ 2,017,652.58 | 41% |
| 21802 | Actuarial Services | 150,000.00 | (367.50) | 0% | 45,971.25 | 31% | 34,134.50 | 23% | 79,738.25 | 70,261.75 | 53% |
| 21812 | Data Processing | 90,000.00 | 10,893.72 | 12% | 12,603.37 | 14% | 13,852.81 | 15% | 37,349.90 | 52,650.10 | 41% |
| 21834 | Legal Services | 325,000.00 | 63,290.53 | 19% | 79,551.51 | 24% | 91,028.36 | 28% | 233,870.40 | 91,129.60 | 72% |
| 21840 | Custodial Banking Services | 135,000.00 | 2,433.40 | 2% | 53,001.37 | 39% | 3,609.80 | 3% | 59,044.57 | 75,955.43 | 44% |
| 22350 | Software & Technology | 505,000.00 | 211,459.35 | 42% | 28,641.47 | 6% | 118,241.69 | 23% | 358,342.51 | 146,657.49 | 71% |
| | Depreciation Expense | 250,000.00 | 4,719.42 | 2% | - | 0% | - | 0% | 4,719.42 | 245,280.58 | 2% |
| Total Non-Administrative Items | | \$ 4,855,000.00 | \$ 561,183.07 | 12% | \$ 880,615.37 | 18% | \$ 713,614.03 | 15% | \$ 2,155,412.47 | \$ 2,699,587.53 | 44% |
| Capital Assets Budget | | | | | | | | | | | |
| | | Current | | | | | | | Remaining | | |
| | | Appropriation | Q1 Expended | Q1 % | Q2 Expended | Q2 % | Q3 Expended | Q3 % | Total Expended | Appropriation | % Exp |
| 86261 | Copier/Printer Lease Buyout | \$ 7,500.00 | \$ 6,537.11 | 87% | \$ - | 0% | \$ - | 0% | \$ 6,537.11 | \$ 962.89 | 87% |
| No # | HVAC Repair And Maintenance | 50,000.00 | - | 0% | - | 0% | - | 0% | - | 50,000.00 | 0% |
| Total Capital Assets Budget | | \$ 57,500.00 | \$ 6,537.11 | 11% | \$ - | 0% | \$ - | 0% | \$ 6,537.11 | \$ 50,962.89 | 11% |
| Administrative Budget | | | | | | | | | | | |
| | | Current | | | | | | | Remaining | | |
| | | Appropriation | Q1 Expended | Q1 % | Q2 Expended | Q2 % | Q3 Expended | Q3 % | Total Expended | Appropriation | % Exp |
| 10110 | Salaries & Wages | \$ 1,305,000.00 | \$ 226,706.23 | 17% | \$ 312,140.09 | 24% | \$ 269,242.67 | 21% | \$ 808,088.99 | \$ 496,911.01 | 62% |
| 20600 | Communications | 4,500.00 | 764.65 | 17% | 1,217.99 | 27% | 1,356.15 | 30% | 3,338.79 | 1,161.21 | 74% |
| 20900 | Household Expense | 12,500.00 | 2,988.81 | 24% | 2,563.38 | 21% | 1,242.41 | 10% | 6,794.60 | 5,705.40 | 54% |
| 21000 | Insurance-Other | 85,000.00 | 80,339.00 | 95% | - | 0% | - | 0% | 80,339.00 | 4,661.00 | 95% |
| 21301 | Maintenance Structure Improvement | 20,900.00 | 975.00 | 5% | 1,779.38 | 9% | 2,469.79 | 12% | 5,224.17 | 15,675.83 | 25% |
| 21500 | Membership | 7,500.00 | 4,000.00 | 53% | 570.00 | 8% | 300.00 | 4% | 4,870.00 | 2,630.00 | 65% |
| 21700 | Office Expense-General | 28,000.00 | 1,293.97 | 5% | 22,629.42 | 81% | 1,296.04 | 5% | 25,219.43 | 2,780.57 | 90% |
| 21710 | Office Expense-Postage | 15,750.00 | 2,091.44 | 13% | 3,540.20 | 22% | 5,895.32 | 37% | 11,526.96 | 4,223.04 | 73% |
| 21805 | Audits | 60,000.00 | 7,699.70 | 13% | 18,223.75 | 30% | 23,010.62 | 38% | 48,934.07 | 11,065.93 | 82% |
| 21808 | Board Membership | 18,000.00 | 1,000.00 | 6% | 4,000.00 | 22% | 2,200.00 | 12% | 7,200.00 | 10,800.00 | 40% |
| 21811 | Court Reporters | 2,000.00 | - | 0% | - | 0% | - | 0% | - | 2,000.00 | 0% |
| 21816 | Medical Services | 80,000.00 | 15.00 | 0% | - | 0% | - | 0% | 15.00 | 79,985.00 | 0% |
| 21872 | Investigations | 1,000.00 | - | 0% | - | 0% | - | 0% | - | 1,000.00 | 0% |
| 21900 | Publications & Legal Notices | 4,500.00 | 3,321.25 | 74% | - | 0% | - | 0% | 3,321.25 | 1,178.75 | 74% |
| 22300 | Spec Dept Expense-Other | 500.00 | - | 0% | 6.14 | 1% | - | 0% | 6.14 | 493.86 | 1% |
| 22310 | Election Expense | 10,000.00 | - | 0% | 8,683.96 | 87% | - | 0% | 8,683.96 | 1,316.04 | 87% |
| 22327 | Spec Dept Exp-Cost Allocation | 43,005.00 | 9,129.51 | 21% | 9,047.51 | 21% | 9,006.51 | 21% | 27,183.53 | 15,821.47 | 63% |
| 22500 | Transportation & Travel | 400.00 | - | 0% | 21.16 | 5% | 40.51 | 10% | 61.67 | 338.33 | 15% |
| 22505 | Trans & Travel-Staff Development | 7,500.00 | - | 0% | - | 0% | - | 0% | - | 7,500.00 | 0% |
| 22515 | Trans & Travel-In State | 40,000.00 | 670.00 | 2% | 400.00 | 1% | 400.00 | 1% | 1,470.00 | 38,530.00 | 4% |
| 22516 | Trans & Travel-Out Of State | 10,000.00 | - | 0% | - | 0% | 3,700.61 | 37% | 3,700.61 | 6,299.39 | 37% |
| 22600 | Utilities | 15,000.00 | 3,736.18 | 25% | 4,852.31 | 32% | - | 0% | 8,588.49 | 6,411.51 | 57% |
| | Depreciation Expense | 23,000.00 | - | 0% | - | 0% | - | 0% | - | 23,000.00 | 0% |
| Total Administrative Budget | | \$ 1,794,055.00 | \$ 344,730.74 | 19% | \$ 389,675.29 | 22% | \$ 320,160.63 | 18% | \$ 1,054,566.66 | \$ 739,488.34 | 59% |
| Total MercedCERA | | \$ 6,690,055.00 | \$ 905,913.81 | 14% | \$ 1,308,493.25 | 20% | \$ 1,033,774.66 | 15% | \$ 3,209,979.13 | \$ 3,441,873.28 | 48% |

Merced County Employees' Retirement Association
Non-Admin Expenses Prev Year Comparison (Preliminary)
For the Quarter Ended March 31, 2021

| | <u>Jan - Mar 21</u> | <u>Jan - Mar 20</u> | <u>\$ Change</u> | <u>% Change</u> |
|--|----------------------|------------------------|------------------------|-----------------|
| Expense | | | | |
| 62025 · Non-Administrative Expenses | | | | |
| 21800 · Investment Expenses | | | | |
| IED0001 · PanAgora Asset Management | \$ - | \$ 39,213.35 | \$ (39,213.35) | -100.00% |
| IED0002 · Dimensional Fund Advisors | - | 16,834.91 | (16,834.91) | -100.00% |
| IED0003 · Mellon LC SIF | 11,126.91 | - | 11,126.91 | 100.00% |
| IED0004 · Mellon Dynamic | 102,969.90 | - | 102,969.90 | 100.00% |
| IEE0003 · Wells Capital | - | 151,269.29 | (151,269.29) | -100.00% |
| IEE0006 · Acadian Ex US SCF | 24,270.00 | 20,385.00 | 3,885.00 | 19.06% |
| IEE0007 · Driehaus ISCG | 27,682.00 | 43,130.00 | (15,448.00) | -35.82% |
| IEF0001 · Barrow Hanley | 54,291.00 | 42,680.00 | 11,611.00 | 27.21% |
| IEP0001 · SSgA RAS | 9,605.48 | - | 9,605.48 | 100.00% |
| IER0001 · UBS Realty Investors | 76,621.18 | 87,080.19 | (10,459.01) | -12.01% |
| IEX0015 · KKR Global Infrastructure II | 16,877.00 | 24,727.00 | (7,850.00) | -31.75% |
| IEX0018 · GSO EOF | - | 18,532.00 | (18,532.00) | -100.00% |
| IEX0006 · Taconic MDOF III | 5,130.14 | - | 5,130.14 | 100.00% |
| ISC001 · Meketa Investment Group | 54,500.00 | 53,500.00 | 1,000.00 | 1.87% |
| ISC002 · Cliffwater LLC | 66,666.66 | 99,999.99 | (33,333.33) | -33.33% |
| ISL001 · Nossaman - Investments | 2,586.60 | 73,756.52 | (71,169.92) | -96.49% |
| 21800 · Investment Expenses - Other | 420.00 | 12,067.50 | (11,647.50) | -96.52% |
| Total 21800 · Investment Expenses | 452,746.87 | 683,175.75 | (230,428.88) | -33.73% |
| 21802 · Actuarial Services | 34,134.50 | 63,700.00 | (29,565.50) | -46.41% |
| 21812 · Data Processing | 13,852.81 | 11,855.48 | 1,997.33 | 16.85% |
| 21834 · Legal Services | 91,028.36 | 81,668.84 | 9,359.52 | 11.46% |
| 21840 · Custodial Banking Services | 3,609.80 | 58,568.29 | (54,958.49) | -93.84% |
| 22350 · Software and Technology | 118,241.69 | 139,079.39 | (20,837.70) | -14.98% |
| Total 62025 · Non-Administrative Expenses | \$ 713,614.03 | \$ 1,038,047.75 | \$ (324,433.72) | -31.25% |

| Non-Administrative Expenses | Original Projection | Current Projection | Expended 03/2021 | Expended YTD | Bal Remaining | % Exp YTD |
|---|---------------------|---------------------|-------------------|---------------------|---------------------|------------|
| 21800 · Investment Expenses | 3,500,000.00 | 3,500,000.00 | 48,188.95 | 1,382,347.42 | 2,117,652.58 | 39% |
| 02/28/2021 SSGA - 2020-Q4 Mgt Fee | | | 9,605.48 | | | |
| 03/01/2021 Taconic MDOF III - 2020-Q3 & 2020-Q4 Mgt Fees | | | 5,130.14 | | | |
| 03/02/2021 Cliffwater - 2021-02 PE & HF Consulting | | | 33,333.33 | | | |
| 03/16/2021 Golden Valley Engineering - Thru 2021-02-20 Due Diligence - New Building | | | 120.00 | | | |
| Total 21800 · Investment Expenses | | | 48,188.95 | | | |
| 21802 · Actuarial Services | 150,000.00 | 150,000.00 | 3,919.50 | 79,738.25 | 70,261.75 | 53% |
| 03/01/2021 Segal - Actuarial Svcs from 10/01/20 Thru 12/31/20 | | | 10,210.00 | | | |
| 03/09/2021 Reimb from County for 2020 GASB 68 Report | | | (5,882.67) | | | |
| 03/12/2021 Reimb from Courts for 2020 GASB 68 Report | | | (407.83) | | | |
| Total 21802 · Actuarial Services | | | 3,919.50 | | | |
| 21812 · Data Processing | 90,000.00 | 90,000.00 | 4,523.67 | 37,349.90 | 52,650.10 | 41% |
| 03/17/2021 Comcast - 2021-03 WiFi Chgs | | | 251.44 | | | |
| 03/18/2021 2021-02 Cradlepoint Data Chgs | | | 264.00 | | | |
| 03/18/2021 2021-02 IS Billing | | | 4,008.23 | | | |
| Total 21812 · Data Processing | | | 4,523.67 | | | |
| 21834 · Legal Services | 325,000.00 | 325,000.00 | 27,387.21 | 233,870.40 | 91,129.60 | 72% |
| 03/03/2021 2021-03 Cost Allocation - County Counsel | | | 7,703.25 | | | |
| 03/05/2021 Ted Cabral - 2021-02 Disab Legal Svcs | | | 50.00 | | | |
| 03/05/2021 Ted Cabral - 2021-02 Disab Legal Svcs | | | 4,440.00 | | | |
| 03/05/2021 Ted Cabral - 2021-02 Disab Legal Svcs | | | 20.00 | | | |
| 03/05/2021 Ted Cabral - 2021-02 Disab Legal Svcs | | | 150.00 | | | |
| 03/05/2021 Ted Cabral - 2021-02 Disab Legal Svcs | | | 255.36 | | | |
| 03/05/2021 Ted Cabral - 2021-02 Disab Legal Svcs | | | 259.69 | | | |
| 03/05/2021 Ted Cabral - 2021-02 Disab Legal Svcs | | | 2,386.50 | | | |
| 03/05/2021 Ted Cabral - 2021-02 Disab Legal Svcs | | | 124.00 | | | |
| 03/05/2021 Ted Cabral - 2021-02 Disab Legal Svcs | | | 160.00 | | | |
| 03/05/2021 Ted Cabral - 2021-02 Disab Legal Svcs | | | 5,198.50 | | | |
| 03/23/2021 Hanson Bridgett - 2021-02 Tax Compliance / Determination letter | | | 176.40 | | | |
| 03/29/2021 Nossaman - 2021-02 - Litigation re AB 197 | | | 5,699.21 | | | |
| 03/29/2021 Nossaman - 2021-02 - Gen Adv & Couns | | | 764.30 | | | |
| Total 21834 · Legal Services | | | 27,387.21 | | | |
| 21840 · Custodial Banking Services | 135,000.00 | 135,000.00 | 935.54 | 59,044.57 | 75,955.43 | 44% |
| 03/03/2021 2021-02 NT STIF Income - Custodial Fee | | | 770.54 | | | |
| 03/23/2021 2021-02 Wire Fees | | | 165.00 | | | |
| Total 21840 · Custodial Banking Services | | | 935.54 | | | |
| 22350 · Software and Technology | 505,000.00 | 505,000.00 | 100,262.66 | 358,342.51 | 146,657.49 | 71% |
| 03/09/2021 Digital Deployment - Mar 2021 Website SLA | | | 900.00 | | | |
| 03/16/2021 LexisNexis - 2021-03 Chgs | | | 272.70 | | | |
| 03/23/2021 CPAS - 2021-04 Hosting | | | 6,107.00 | | | |
| 03/29/2021 CPAS - 2021 Annual Maint - FY 20-21 Q3 & Q4 Portion | | | 11,982.96 | | | |
| 03/30/2021 CPAS - 2021 Annual Support - FY 20-21 Q3 & Q4 Portion | | | 81,000.00 | | | |
| Total 22350 · Software and Technology | | | 100,262.66 | | | |
| Depreciation Expense | 250,000.00 | 250,000.00 | - | 4,719.42 | 245,280.58 | |
| Total Non-Administrative Items | 4,955,000.00 | 4,955,000.00 | 185,217.53 | 2,155,412.47 | 2,799,587.53 | 43% |

Merced County Employees' Retirement Association
Non-Administrative Expenses Prev Year Comparison (Preliminary)
03/31/2021

| Expense | <u>March 21</u> | <u>March 20</u> | <u>\$ Change</u> | <u>% Change</u> |
|--|----------------------|----------------------|---------------------|-----------------|
| 62025 · Non-Administrative Expenses | | | | |
| 21800 · Investment Expenses | \$ 48,188.95 | \$ 37,662.73 | \$ 10,526.22 | 27.95% |
| 21802 · Actuarial Services | 3,919.50 | (6,250.00) | 10,169.50 | N/A |
| 21812 · Data Processing | 4,523.67 | 3,372.91 | 1,150.76 | 34.12% |
| 21834 · Legal Services | 27,387.21 | 27,231.63 | 155.58 | 0.57% |
| 21840 · Custodial Banking Services | 935.54 | 27,268.16 | (26,332.62) | -96.57% |
| 22350 · Software and Technology | 100,262.66 | 44,267.31 | 55,995.35 | 126.49% |
| Total 62025 · Non-Administrative Expenses | <u>\$ 185,217.53</u> | <u>\$ 133,552.74</u> | <u>\$ 51,664.79</u> | 38.69% |

Merced County Employees' Retirement Association
 Capital Asset Expenditures Report (Preliminary)
 For the Month Ended March 31, 2021

| Capital Assets Expenditures | Adopted | Current Budget | Expended 03/2021 | Expended YTD | Bal Remaining | % Exp YTD |
|--|------------------|------------------|------------------|-----------------|------------------|-----------|
| 86261 - Copier/Printer Lease Buyout | 7,500.00 | 7,500.00 | | 6,537.11 | 962.89 | 87% |
| Total 86261 - Copier/Printer Lease Buyout | | | _____ | - | | |
| No Acct# - HVAC Repair and Maintenance | 50,000.00 | 50,000.00 | - | - | 50,000.00 | 0% |
| Total No Acct# - HVAC Repair and Maintenance | | | _____ | - | | |
| Total Capital Assets Expenditures | <u>57,500.00</u> | <u>57,500.00</u> | - | <u>6,537.11</u> | <u>50,962.89</u> | 11% |

Merced County Employees' Retirement Association
Administrative Expenditures Report (Preliminary)
For the Month Ended March 31, 2021

| Administrative Budget | | Adopted | Current Budget | Expended 03/2021 | Expended YTD | Bal Remaining | % Exp YTD |
|--|---|---------------------|---------------------|------------------|-------------------|-------------------|------------|
| 10110 · Salaries & Wages | | 1,305,000.00 | 1,305,000.00 | 89,903.62 | 808,088.99 | 496,911.01 | 62% |
| 03/01/2021 | PARS - 2020-11 | | | 3.16 | | | |
| 03/05/2021 | Office Payroll - 2021 PP 05 | | | 44,950.23 | | | |
| 03/19/2021 | Office Payroll - 2021 PP 06 | | | 44,950.23 | | | |
| Total 10110 · Salaries & Wages | | | | 89,903.62 | | | |
| 20600 · Communications | | 4,500.00 | 4,500.00 | 598.24 | 3,338.79 | 1,161.21 | 74% |
| 03/04/2021 | AT&T - 2021-02 Comm Chgs | | | 147.53 | | | |
| 03/18/2021 | 2021-02 Cell Phone Chgs | | | 217.73 | | | |
| 03/18/2021 | 2021-02 Comm Chgs | | | 232.98 | | | |
| Total 20600 · Communications | | | | 598.24 | | | |
| 20900 · Household Expense | | 12,500.00 | 12,500.00 | 279.46 | 6,794.60 | 5,705.40 | 54% |
| 03/04/2021 | Bob's Pest Control - 2021-02 Svcs | | | 40.00 | | | |
| 03/16/2021 | Cyclone - 2021-03 Window Cleaning | | | 150.00 | | | |
| 03/23/2021 | ADT - 2020-04 Security Svcs | | | 89.46 | | | |
| Total 20900 · Household Expense | | | | 279.46 | | | |
| 21000 · Insurance - Other | | 85,000.00 | 85,000.00 | - | 80,339.00 | 4,661.00 | 95% |
| Total 21000 · Insurance - Other | | | | - | | | |
| 21301 · Maintenance Structure Improvement | | 20,900.00 | 20,900.00 | 542.72 | 5,224.17 | 15,675.83 | 25% |
| 03/03/2021 | 2021-01 DPW Charges | | | 27.72 | | | |
| 03/26/2021 | Yard Masters - 2021-03 Landscape Maint | | | 325.00 | | | |
| 03/29/2021 | Core Business Interiors - Worksurface Height Adjustment | | | 190.00 | | | |
| Total 21301 · Maintenance Structure Improvement | | | | 542.72 | | | |
| 21500 · Membership | | 7,500.00 | 7,500.00 | 300.00 | 4,870.00 | 2,630.00 | 65% |
| 03/01/2021 | NAPPA - Membership Thru 12/31/2021 | | | 300.00 | | | |
| Total 21500 · Membership | | | | 300.00 | | | |
| 21700 · Office Expense - General | | 18,000.00 | 28,000.00 | 420.16 | 25,219.43 | 2,780.57 | 90% |
| 03/02/2021 | First Choice - 2021-02 Bottles | | | 9.05 | | | |
| 03/05/2021 | First Choice - 2021-02 Water Cooler Rental | | | 7.00 | | | |
| 03/18/2021 | 2021-02 Stores Billing | | | 404.11 | | | |
| Total 21700 · Office Expense - General | | | | 420.16 | | | |

Merced County Employees' Retirement Association
Administrative Expenditures Report (Preliminary)
For the Month Ended March 31, 2021

| Administrative Budget | | Adopted | Current Budget | Expended 03/2021 | Expended YTD | Bal Remaining | % Exp YTD |
|---|---|------------------|------------------|-------------------|------------------|------------------|------------|
| 21710 · Office Expense - Postage | | 15,750.00 | 15,750.00 | 2,461.99 | 11,526.96 | 4,223.04 | 73% |
| 03/18/2021 | 2021-02 IS Postage Chgs | | | 2,269.39 | | | |
| 03/18/2021 | 2021-02 Mailroom Chgs | | | 192.60 | | | |
| Total 21710 · Office Expense - Postage | | | | <u>2,461.99</u> | | | |
| 21805 · Audits | | 60,000.00 | 60,000.00 | (5,200.00) | 48,934.07 | 11,065.93 | 82% |
| 03/09/2021 | Reimb from County for 2020 GASB 68 Report | | | (4,862.87) | | | |
| 03/12/2021 | Reimb from Courts for 2020 GASB 68 Report | | | (337.13) | | | |
| Total 21805 · Audits | | | | <u>(5,200.00)</u> | | | |
| 21808 · Board Membership | | 18,000.00 | 18,000.00 | 1,600.00 | 7,200.00 | 10,800.00 | 0% |
| 03/04/2021 | 2021-01 Bd Mtgs | | | 200.00 | | | |
| 03/04/2021 | 2021-01 Bd Mtgs | | | 200.00 | | | |
| 03/04/2021 | 2021-01 Bd Mtgs | | | 200.00 | | | |
| 03/04/2021 | 2021-01 Bd Mtgs | | | 200.00 | | | |
| 03/17/2021 | 2021-02 Bd Mtgs | | | 200.00 | | | |
| 03/17/2021 | 2021-02 Bd Mtgs | | | 200.00 | | | |
| 03/17/2021 | 2021-02 Bd Mtgs | | | 200.00 | | | |
| 03/17/2021 | 2021-02 Bd Mtgs | | | 200.00 | | | |
| Total 21808 · Board Membership | | | | <u>1,600.00</u> | | | |
| 21811 · Court Reporters | | 2,000.00 | 2,000.00 | - | - | 2,000.00 | 0% |
| Total 21811 · Court Reporters | | | | <u>-</u> | | | |
| 21816 · Medical Services | | 80,000.00 | 80,000.00 | - | 15.00 | 79,985.00 | 0% |
| Total 21816 · Medical Services | | | | <u>-</u> | | | |
| 21872 · Investigations | | 1,000.00 | 1,000.00 | - | - | 1,000.00 | 0% |
| Total 21872 · Investigations | | | | <u>-</u> | | | |
| 21900 · Publications & Legal Notices | | 4,500.00 | 4,500.00 | - | 3,321.25 | 1,178.75 | 74% |
| Total 21900 · Publications & Legal Notices | | | | <u>-</u> | | | |
| 22300 · Spec Dept Exp - Other | | 500.00 | 500.00 | - | 6.14 | 493.86 | 1% |
| Total 22300 · Spec Dept Exp - Other | | | | <u>-</u> | | | |

Merced County Employees' Retirement Association
Administrative Expenditures Report (Preliminary)
For the Month Ended March 31, 2021

| Administrative Budget | Adopted | Current Budget | Expended 03/2021 | Expended YTD | Bal Remaining | % Exp YTD |
|---|---------------------|---------------------|------------------|---------------------|-------------------|------------|
| 22310 · Election Expense | 10,000.00 | 10,000.00 | - | 8,683.96 | 1,316.04 | 87% |
| Total 22310 · Election Expense | | | - | | | |
| 22327 · Spec Dept Exp - Cost Allocation | 43,005.00 | 43,005.00 | 3,002.17 | 27,183.53 | 15,821.47 | 63% |
| 03/03/2021 2021-03 Cost Allocation | | | 3,002.17 | | | |
| Total 22327 · Spec Dept Exp - Cost Allocation | | | 3,002.17 | | | |
| 22500 · Transportation & Travel | 400.00 | 400.00 | 18.03 | 61.67 | 338.33 | 15% |
| 03/29/2021 2021-01 Thru 2021-02 - Mail Runs | | | 18.03 | | | |
| Total 22500 · Transportation & Travel | | | 18.03 | | | |
| 22505 · Trans & Travel - Staff Development | 7,500.00 | 7,500.00 | - | - | 7,500.00 | 0% |
| Total 22505 · Trans & Travel - Staff Development | | | - | | | |
| 22515 · Trans & Travel - In State | 50,000.00 | 40,000.00 | 400.00 | 1,470.00 | 38,530.00 | 4% |
| 03/01/2021 CALAPRS - Accountants Virtual Round Table - 03/19/21 | | | 50.00 | | | |
| 03/01/2021 CALAPRS - Accountants Virtual Round Table - 03/19/21 | | | 50.00 | | | |
| 03/04/2021 CALAPRS - Retirement System - General Assembly 2021 Ticket | | | 250.00 | | | |
| 03/26/2021 CALAPRS - Attorneys Round Table - 02/09/21 | | | 50.00 | | | |
| Total 22515 · Trans & Travel - In State | | | 400.00 | | | |
| 22516 · Trans & Travel - Out of State | 10,000.00 | 10,000.00 | - | - | 10,000.00 | 0% |
| Total 22516 · Trans & Travel - Out of State | | | - | | | |
| 22600 · Utilities | 15,000.00 | 15,000.00 | 1,179.65 | 12,289.10 | 9,913.67 | 82% |
| 03/04/2021 PG&E - 2021-02 Svcs | | | 953.95 | | | |
| 03/17/2021 City of Merced - 2021-02 WS&G | | | 225.70 | | | |
| Total 22600 · Utilities | | | 1,179.65 | | | |
| Depreciation Expense | 23,000.00 | 23,000.00 | - | - | 23,000.00 | |
| Total Administrative Budget | 1,794,055.00 | 1,794,055.00 | 95,506.04 | 1,054,566.66 | 739,488.34 | 59% |

Merced County Employees' Retirement Association

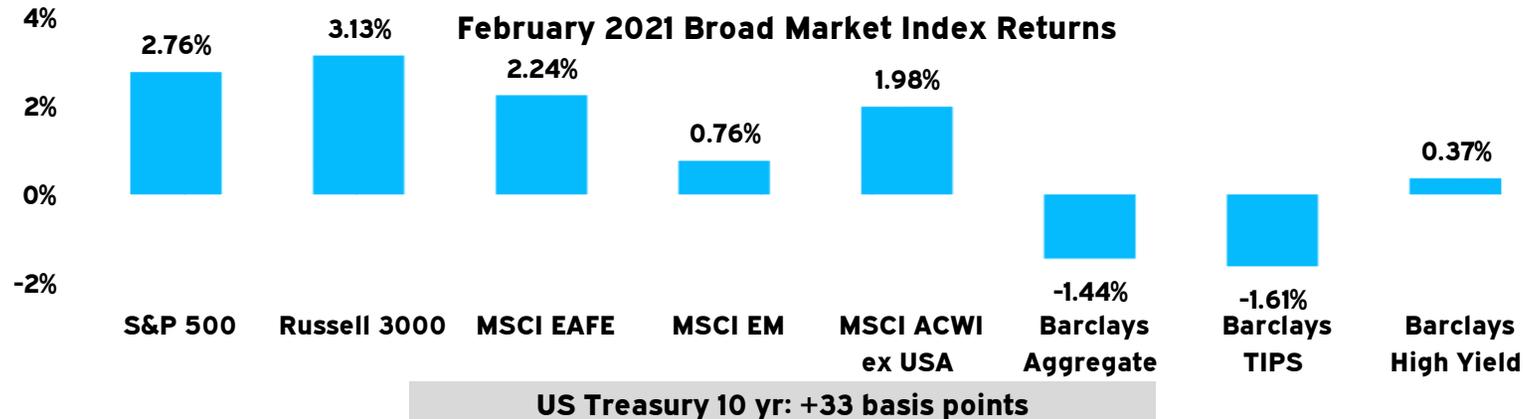
March 25, 2021

Performance Update

1. Performance Highlights
2. Capital Markets Outlook & Risk Metrics
3. Preliminary Performance Update as of February 28, 2021
4. 2021 Ongoing Strategic Investment Agenda
5. Disclaimer, Glossary, and Notes

Performance Highlights
As of February 28, 2021

Market Review and Performance Summary for February 2021



- In February, markets rose, as the vaccines roll-out continued supporting expectations of an economic recovery in the global economy. Rotation away from stocks that benefited from the stay at home environment, like the FAANGs, and into value and smaller company stocks persisted.
- Inflation expectations rose with reopening optimism and the yield curve steepened resulting in negative monthly returns for most fixed income indices, although high yield benefited from the value rotation.

As of February 28, 2021, total assets for the Merced CERA Portfolio are estimated at \$1.07 billion.

- Merced CERA reported an overall monthly return of +1.4%. Within the portfolio, most asset classes were positive or flat, with the exception of US Fixed Income. Hedge Funds led performance with +4.7%.
- US equities, Emerging Market equities and Real Estate were outside their policy ranges at month-end. Meketa recommended rebalancing trades at the February meeting that happened early in March.

Capital Markets Outlook & Risk Metrics

As of February 28, 2021

Capital Markets Outlook

Takeaways

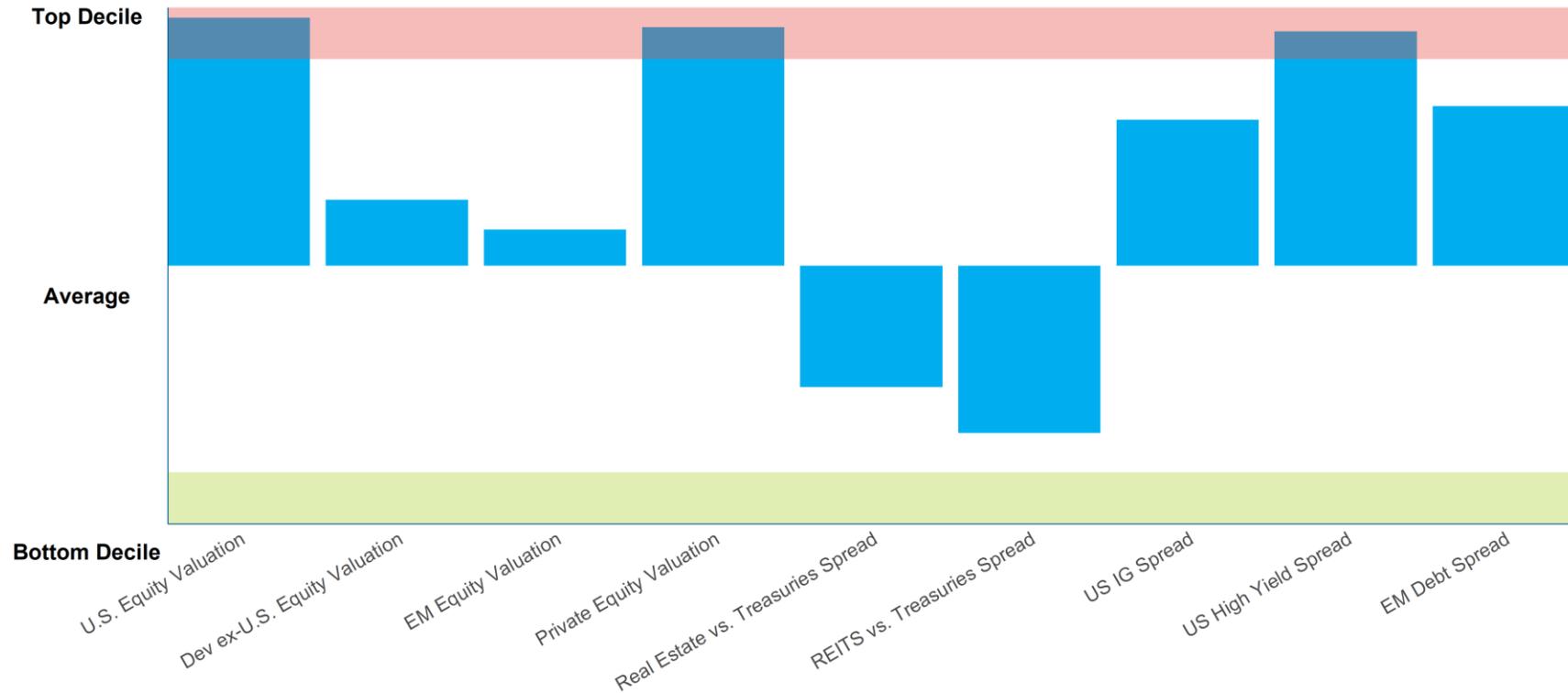
- The advent of ambitious global vaccination campaigns has begun to shift market focus to repricing of cyclical stocks, commodities, and real assets that may benefit from an expansion of economic activity.
- Value outperformed growth, and small/midcap stocks generally outperformed large and mega cap stocks. The market rotation resulted in a volatile end of February, with VIX approaching 28% by month end.
- The rotation to value and cyclical stocks hurt the performance of MSCI China index, which declined -1.0%. The negative performance of China was a drag on the MSCI Emerging Market Index, which posted a modest 0.8% return.
- With the expectation of a return to normalcy, fixed income markets generally experienced negative returns as the yield curve steepened rapidly to reprice higher inflation expectations. Only high yield, leveraged loans, and short-term TIPS posted modest, positive returns.
- Commodity-related indices posted strong returns in February. The S&P MLP index returned 7.7%, the Bloomberg Commodity Index gained 6.5%, and the S&P Global Natural Resources index posted a positive return of 9.0%. Oil prices returned to pre-COVID levels, with WTI priced at \$61.50 a barrel.
- The US vaccination efforts combined with the prospects of new fiscal stimulus have upgraded US GDP expectations, while some COVID related setbacks in Europe have muted growth expectations there for 2021.

Capital Markets Outlook

Takeaways

- According to the World Health Organization, global COVID cases have been falling since January. While the efficacy of many of the vaccines is promising, governments are closely monitoring new COVID variants as these may prove less susceptible to currently available vaccines.
- While the markets appear as though they are looking past COVID, the next several months are projected to be challenging as widespread distribution of the vaccine will not be immediate. Returning to pre-COVID levels of economic activity is not expected to occur until mid-2021 at the earliest.
- As the US government enters a new administration, investors will be examining its actions as it relates to monetary and fiscal policy, with a particular focus on economic stimulus, taxation, and broad infrastructure spending.

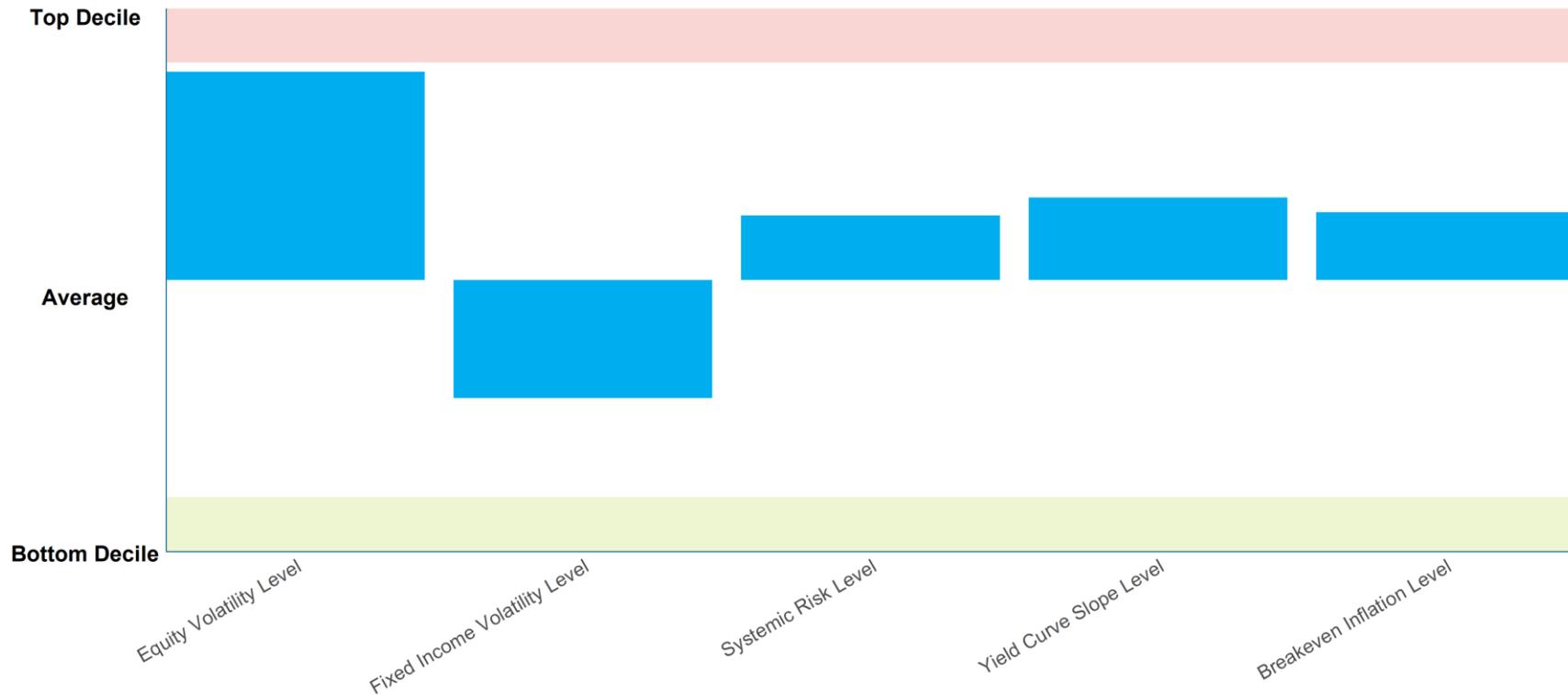
Risk Overview/Dashboard (1) (As of February 28, 2021)¹



- Dashboard (1) summarizes the current state of the different valuation metrics per asset class relative to their own history.

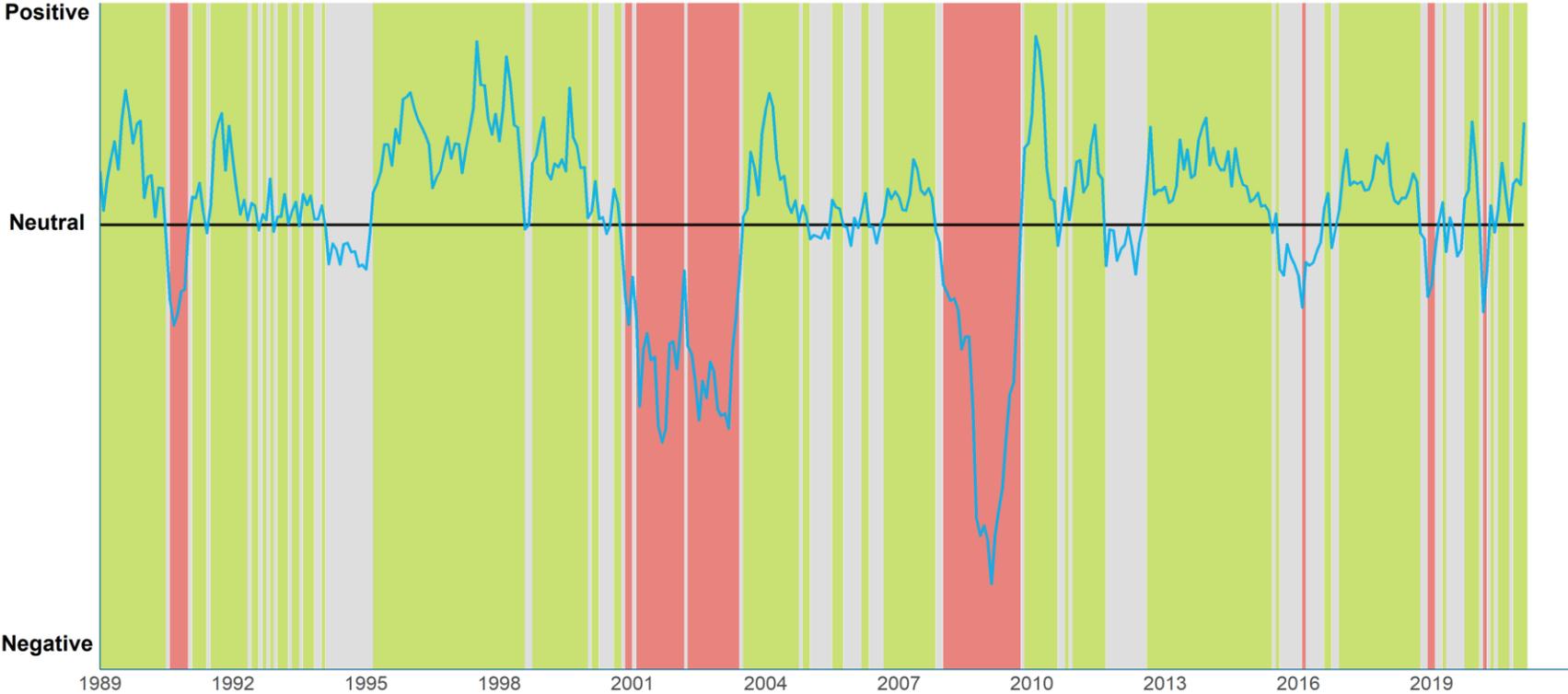
¹ With the exception of Private Equity Valuation, that is YTD as of December 31, 2020.

Risk Overview/Dashboard (2) (As of February 28, 2021)

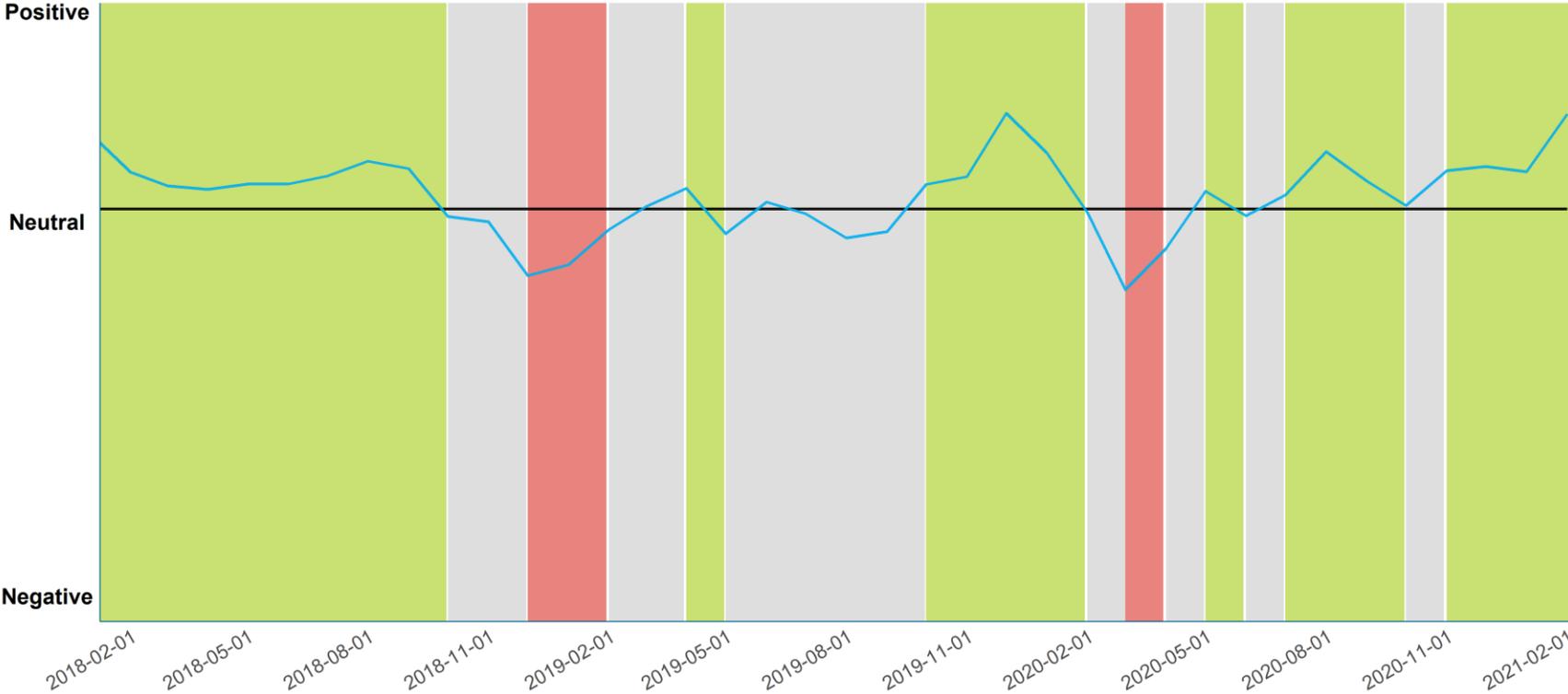


- Dashboard (2) shows how the current level of each indicator compares to its respective history.

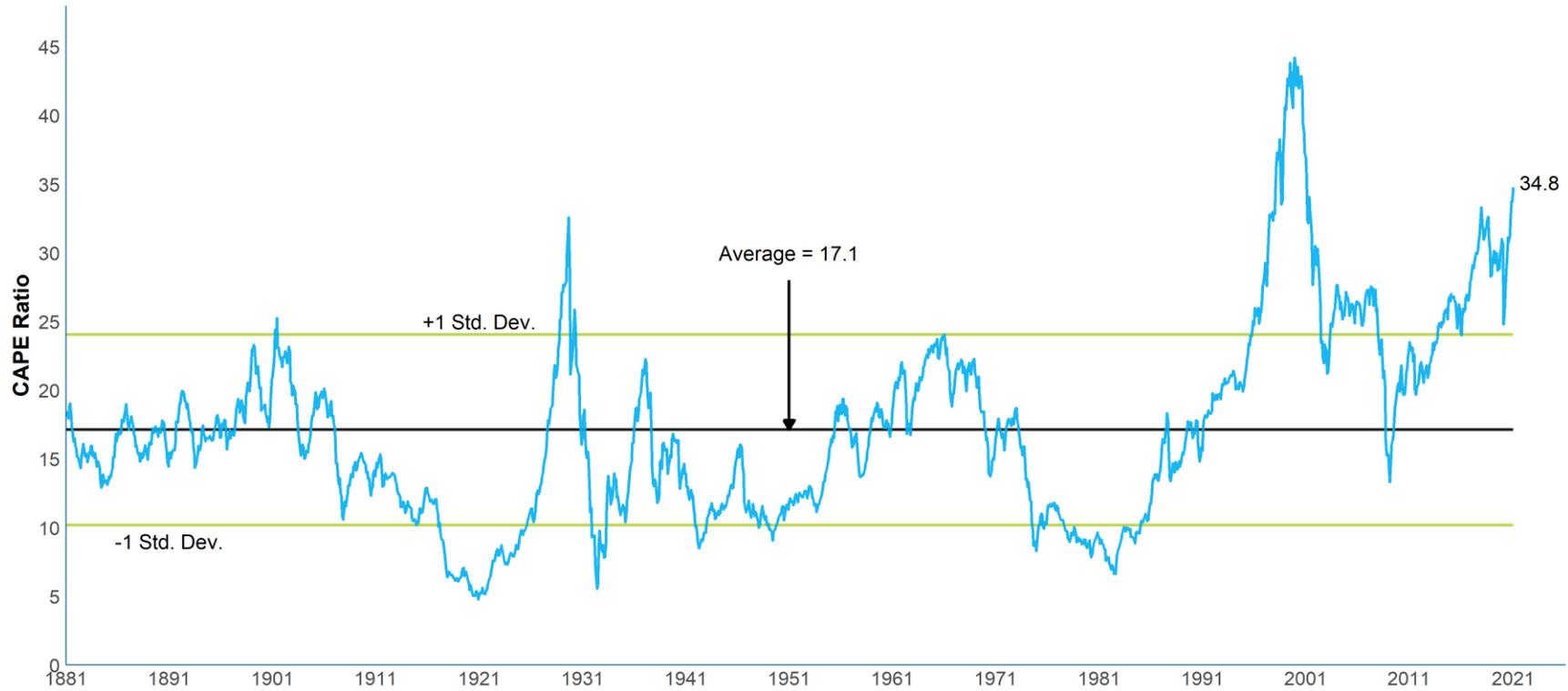
Market Sentiment Indicator (All History)
(As of February 28, 2021)



Market Sentiment Indicator (Last Three Years)
(As of February 28, 2021)



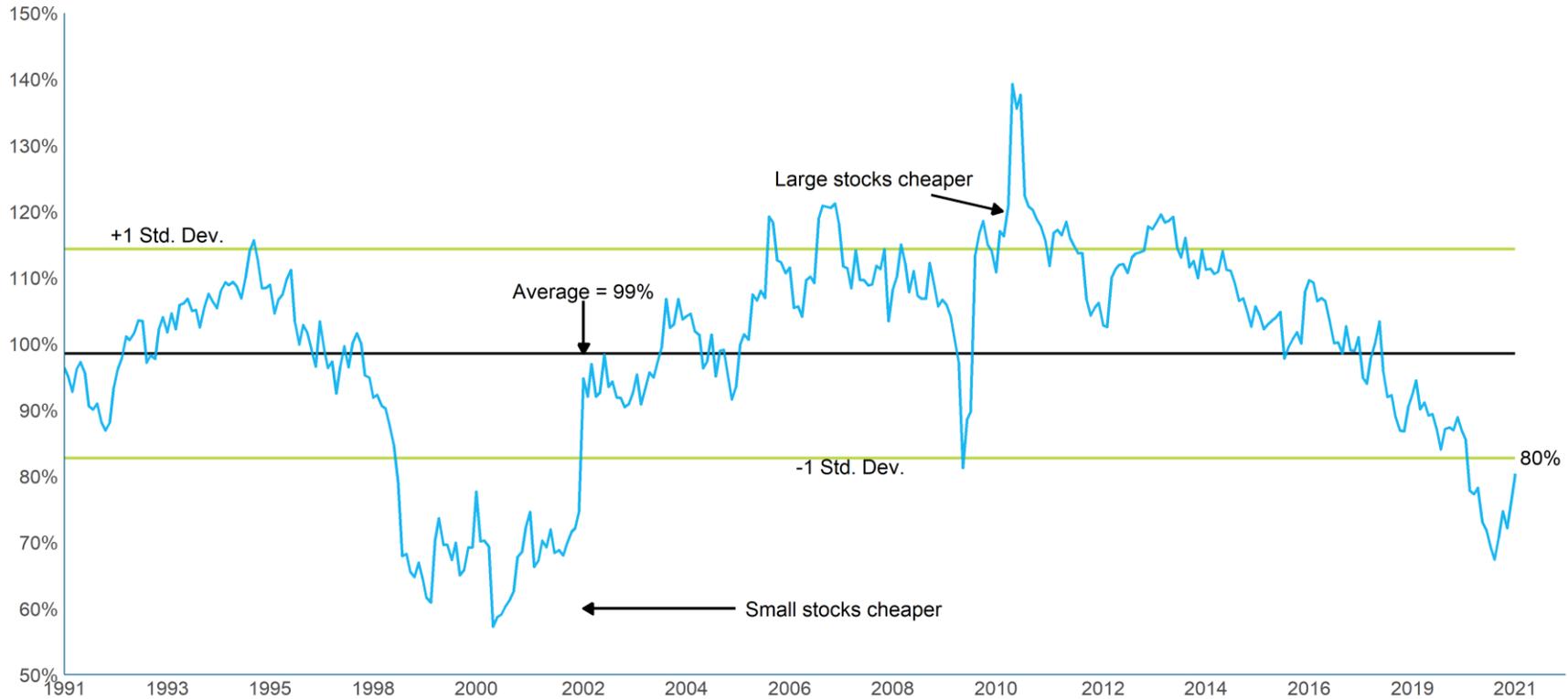
US Equity Cyclically Adjusted P/E¹
(As of February 28, 2021)



- This chart details one valuation metric for US equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group.

Small Cap P/E vs. Large Cap P/E¹ (As of February 28, 2021)



- This chart compares the relative attractiveness of small cap US equities vs. large cap US equities on a valuation basis. A higher (lower) figure indicates that large cap (small cap) is more attractive.

¹ Small Cap P/E (Russell 2000 Index) vs. Large Cap P/E (Russell 1000 Index) - Source: Russell Investments. Earnings figures represent 12-month "as reported" earnings.

Growth P/E vs. Value P/E¹
(As of February 28, 2021)



- This chart compares the relative attractiveness of US growth equities vs. US value equities on a valuation basis. A higher (lower) figure indicates that value (growth) is more attractive.

¹ Growth P/E (Russell 3000 Growth Index) vs. Value (Russell 3000 Value Index) P/E - Source: Bloomberg, MSCI, and Meketa Investment Group. Earnings figures represent 12-month "as reported" earnings.

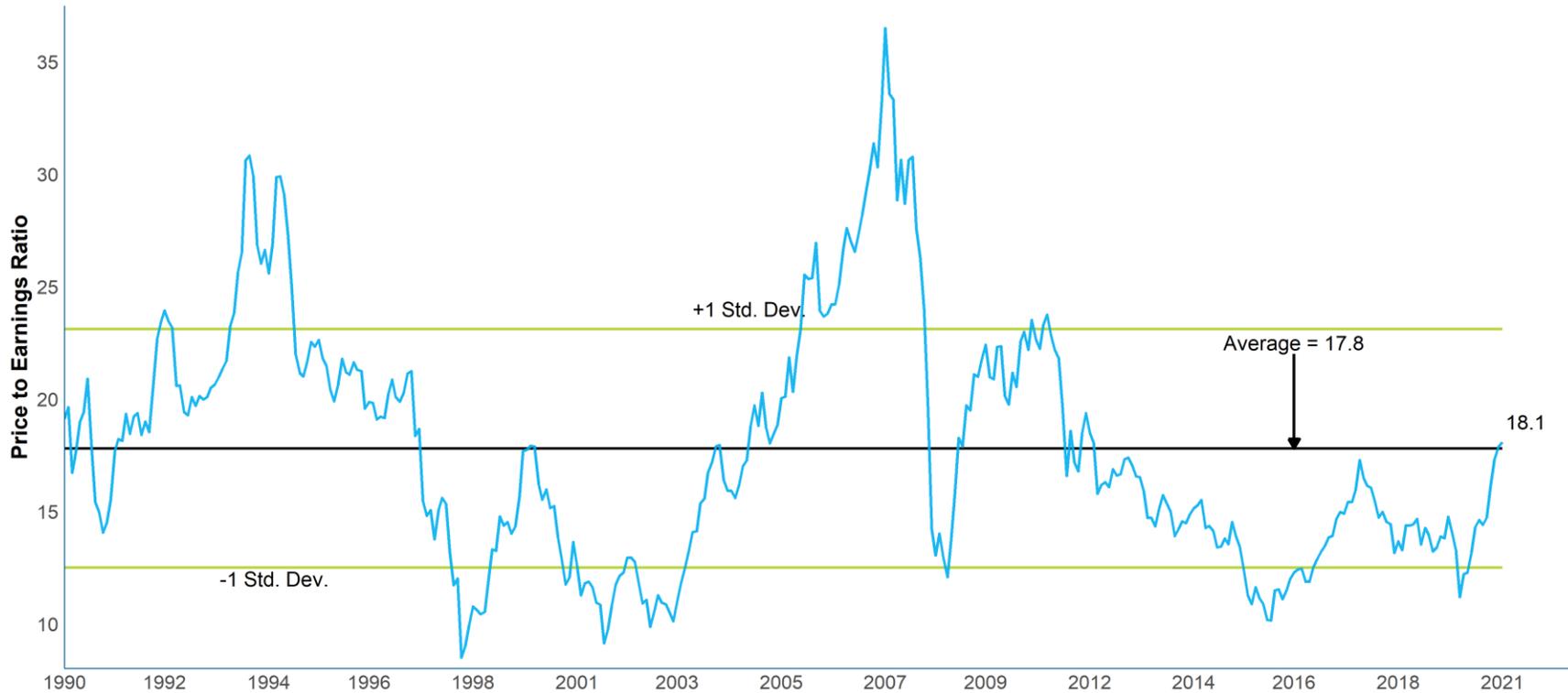
Developed International Equity Cyclically Adjusted P/E¹ (As of February 28, 2021)



- This chart details one valuation metric for developed international equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Developed International Equity (MSCI EAFE Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.

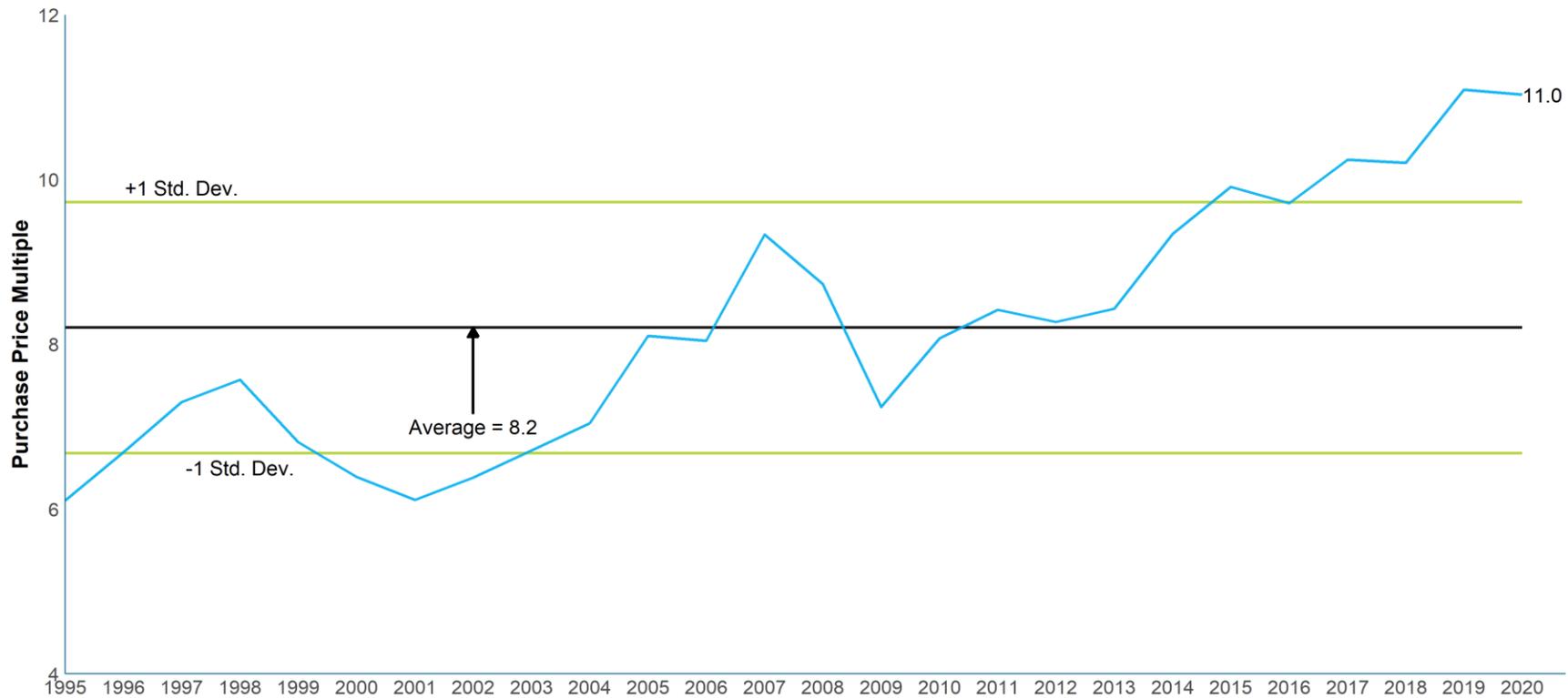
Emerging Market Equity Cyclically Adjusted P/E¹
(As of February 28, 2021)



- This chart details one valuation metric for emerging markets equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Emerging Market Equity (MSCI Emerging Markets Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.

Private Equity Multiples¹ (As of February 28, 2021)²

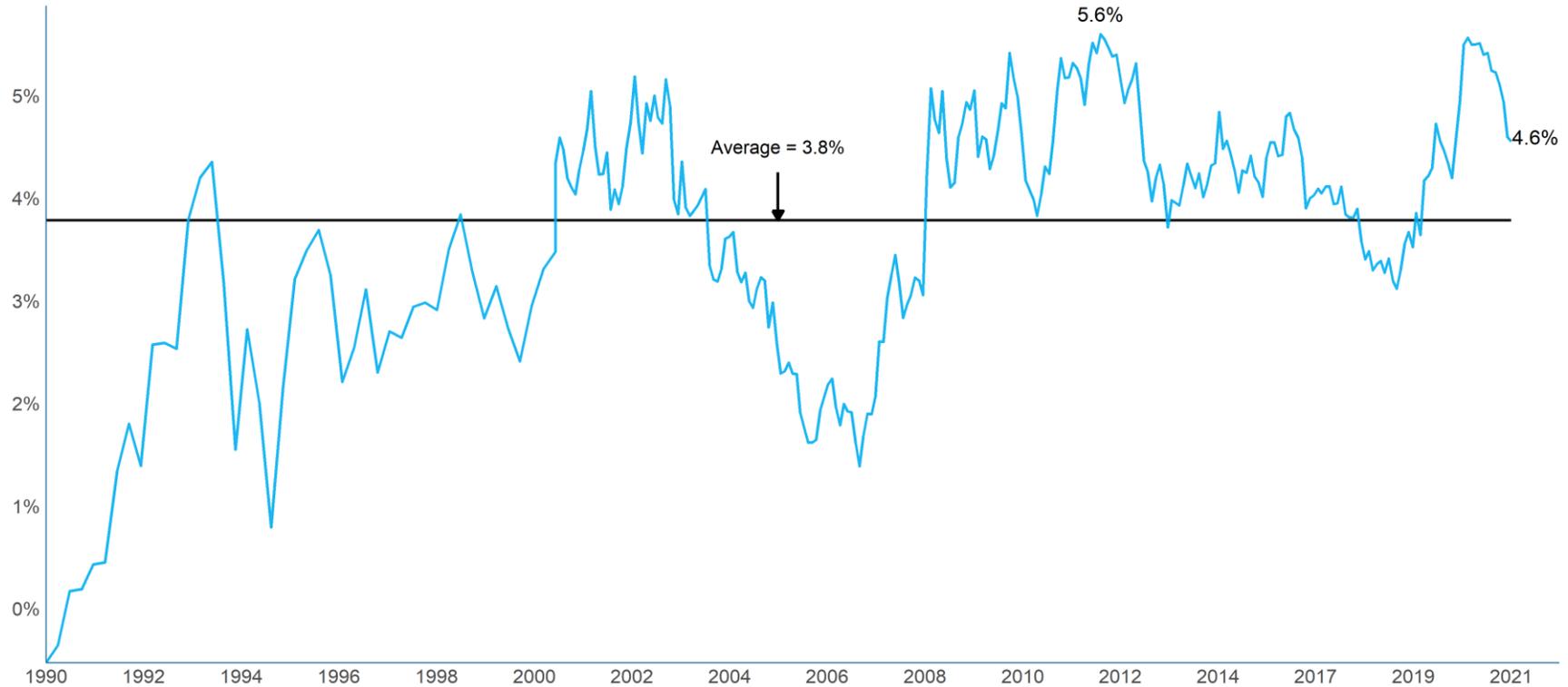


- This chart details one valuation metric for the private equity market. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Private Equity Multiples – Source: S&P LCD Average EBITDA Multiples Paid in All LBOs.

² Annual Data, as of December 31, 2020

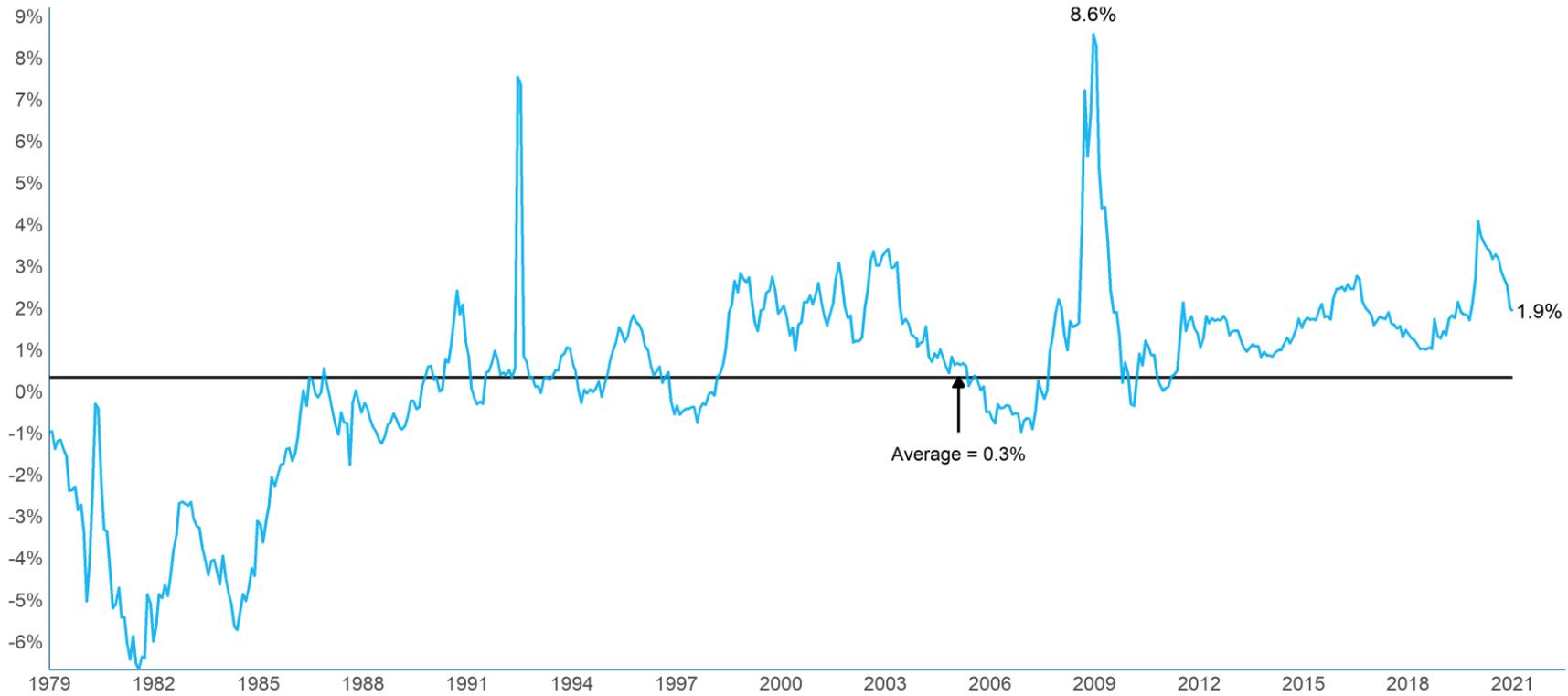
Core Real Estate Spread vs. Ten-Year Treasury¹ (As of February 28, 2021)



- This chart details one valuation metric for the private core real estate market. A higher (lower) figure indicates cheaper (more expensive) valuation.

¹ Core Real Estate Spread vs. Ten-Year Treasury – Source: Real Capital Analytics, US Treasury, Bloomberg, and Meketa Investment Group. Core Real Estate is proxied by weighted sector transaction based indices from Real Capital Analytics and Meketa Investment Group.

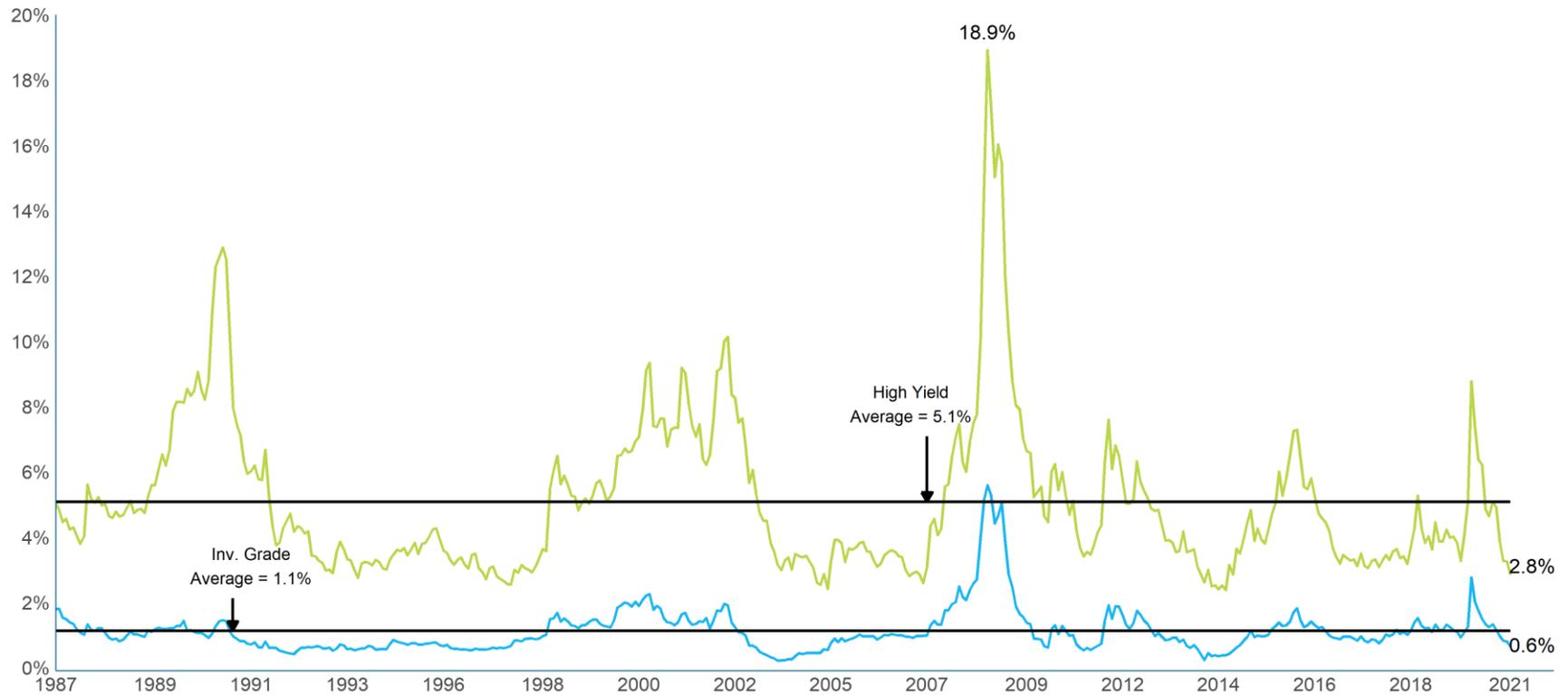
REITs Dividend Yield Spread vs. Ten-Year Treasury¹
 (As of February 28, 2021)



- This chart details one valuation metric for the public REITs market. A higher (lower) figure indicates cheaper (more expensive) valuation.

¹ REITs Dividend Yield Spread vs. Ten-Year Treasury – Source: NAREIT, US Treasury. REITs are proxied by the yield for the NAREIT Equity index.

Credit Spreads¹
(As of February 28, 2021)



- This chart details one valuation metric for the US credit markets. A higher (lower) figure indicates cheaper (more expensive) valuation relative to history.

¹ Credit Spreads – Source: Barclays Capital. High Yield is proxied by the Barclays High Yield index and Investment Grade Corporates are proxied by the Barclays US Corporate Investment Grade index. Spread is calculated as the difference between the Yield to Worst of the respective index and the 10-Year US Treasury yield.

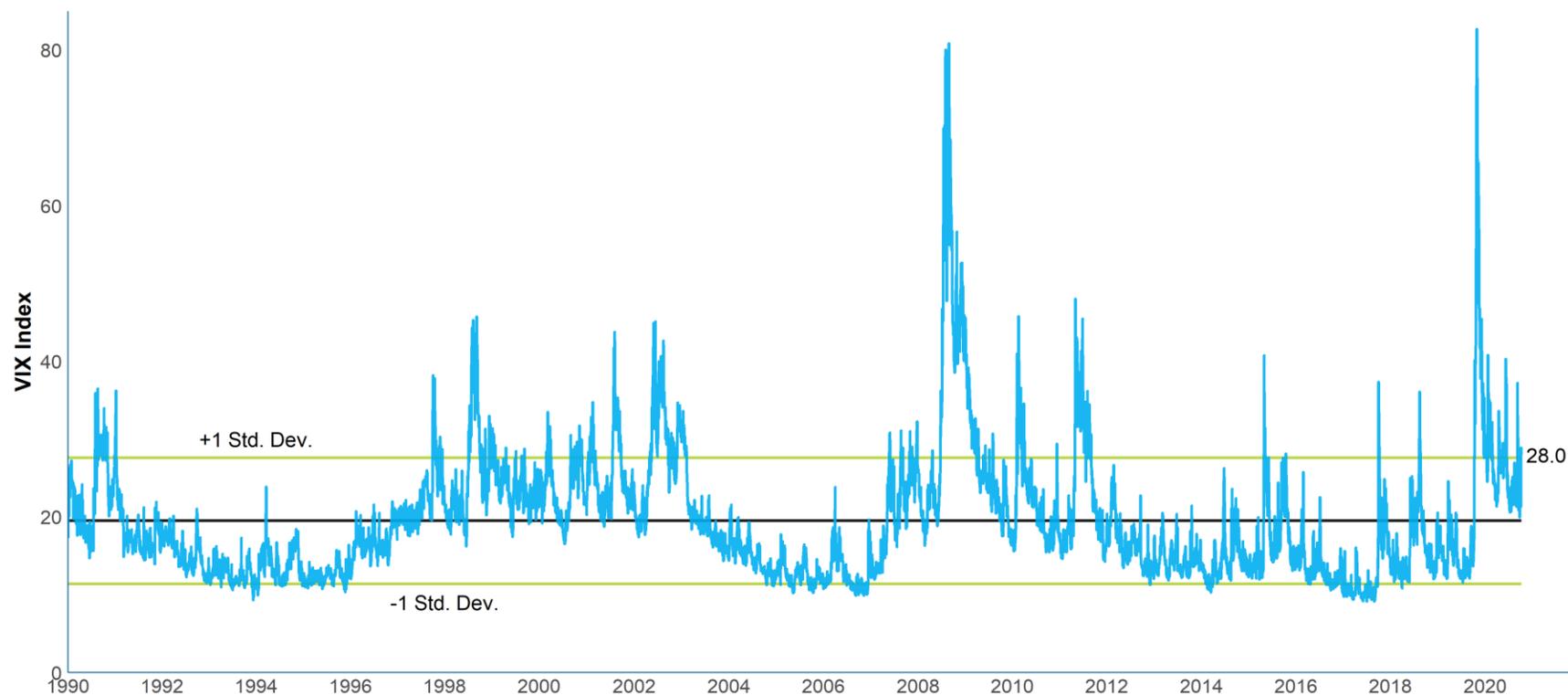
Emerging Market Debt Spreads¹ (As of February 28, 2021)



- This chart details one valuation metric for the EM debt markets. A higher (lower) figure indicates cheaper (more expensive) valuation relative to history.

¹ EM Spreads – Source: Bloomberg. Option Adjusted Spread (OAS) for the Bloomberg Barclays EM USD Aggregate Index.

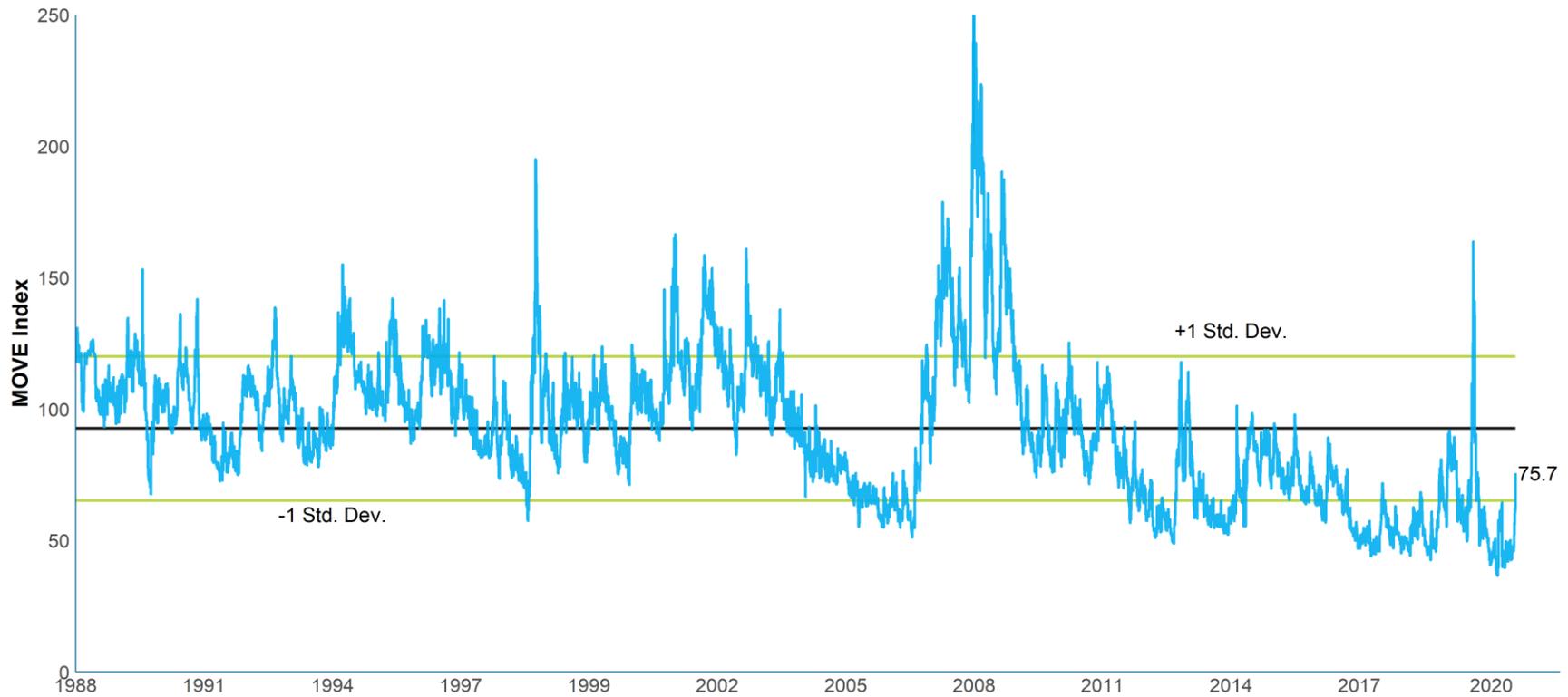
Equity Volatility¹ (As of February 28, 2021)



- This chart details historical implied equity market volatility. This metric tends to increase during times of stress/fear and while declining during more benign periods.

¹ Equity Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by VIX Index, a Measure of implied option volatility for US equity markets.

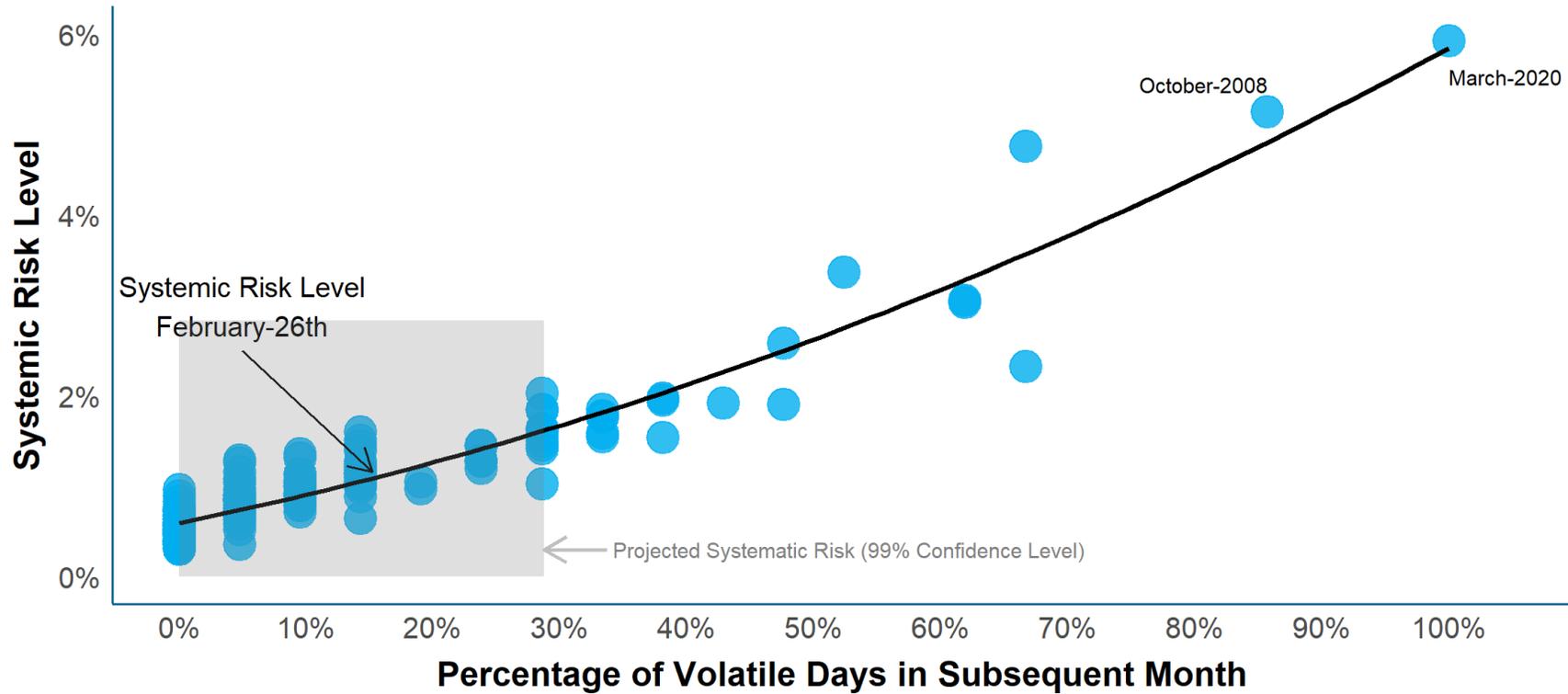
Fixed Income Volatility¹
(As of February 28, 2021)



- This chart details historical implied fixed income market volatility. This metric tends to increase during times of stress/fear and while declining during more benign periods.

¹ Fixed Income Volatility – Source: Bloomberg, and Meketa Investment Group. Fixed Income Volatility proxied by MOVE Index, a Measure of implied option volatility for US Treasury markets.

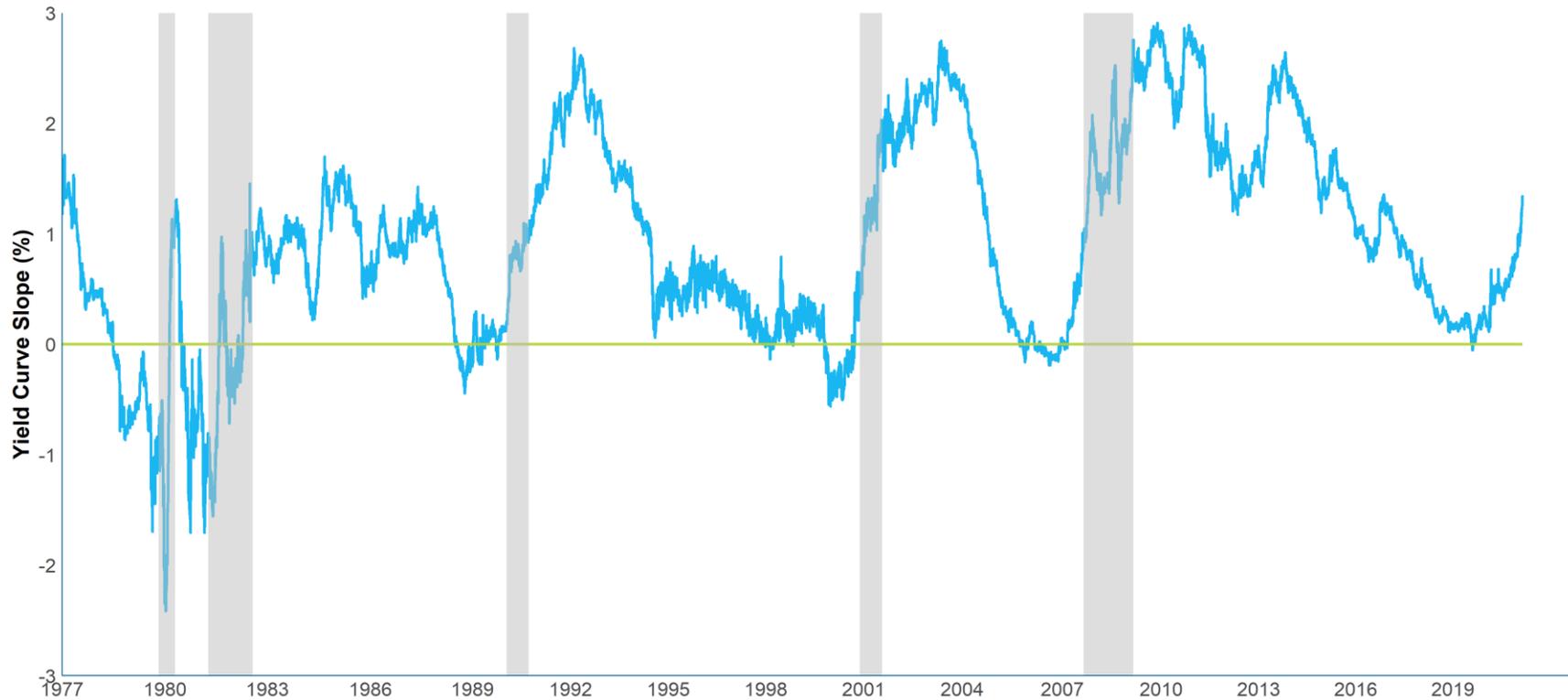
Systemic Risk and Volatile Market Days¹
(As of February 28, 2021)



- Systemic Risk is a measure of 'System-wide' risk, which indicates herding type behavior.

¹ Source: Meketa Investment Group. Volatile days are defined as the top 10 percent of realized turbulence, which is a multivariate distance between asset returns.

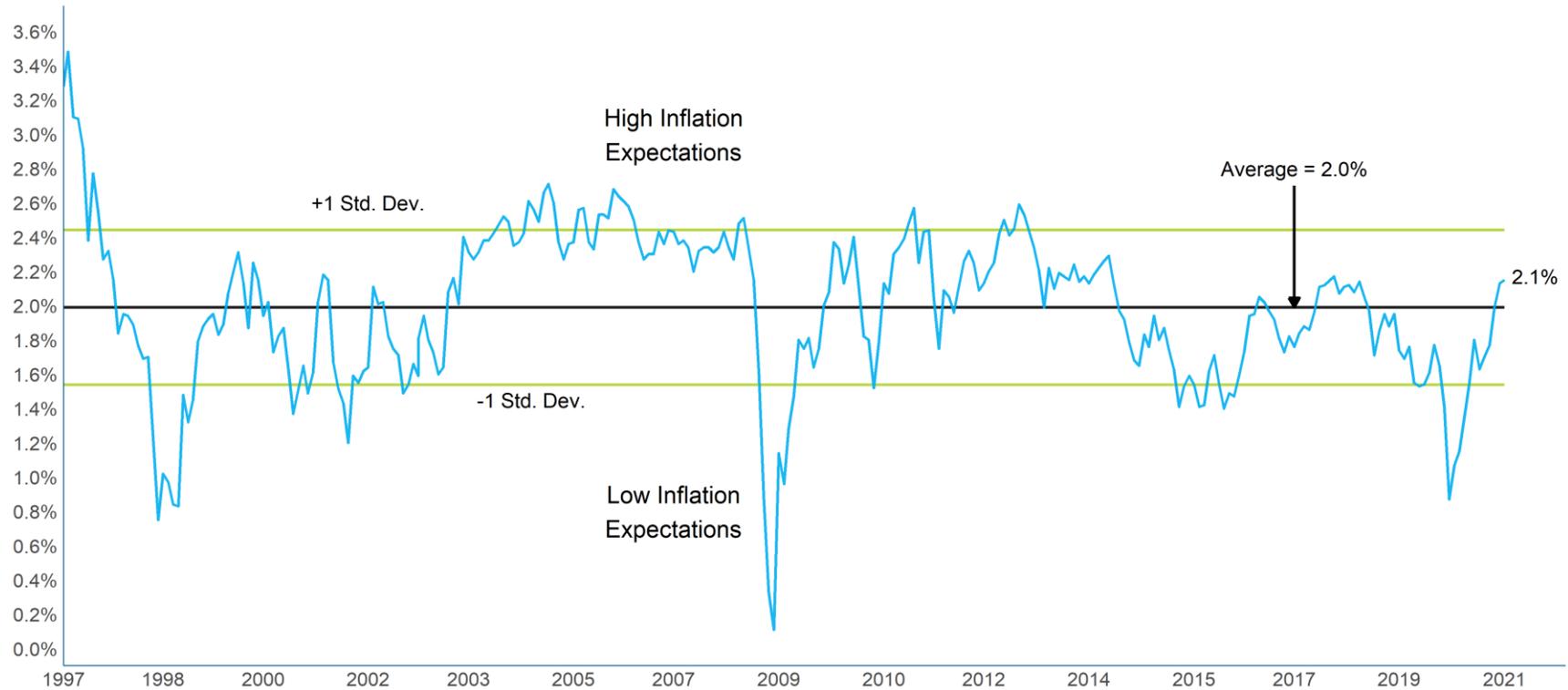
Yield Curve Slope (Ten Minus Two)¹
(As of February 28, 2021)



- This chart details the historical difference in yields between ten-year and two-year US Treasury bonds/notes. A higher (lower) figure indicates a steeper (flatter) yield curve slope.

¹ Yield Curve Slope (Ten Minus Two) – Source: Bloomberg, and Meketa Investment Group. Yield curve slope is calculated as the difference between the 10-Year US Treasury Yield and 2-Year US Treasury Yield.

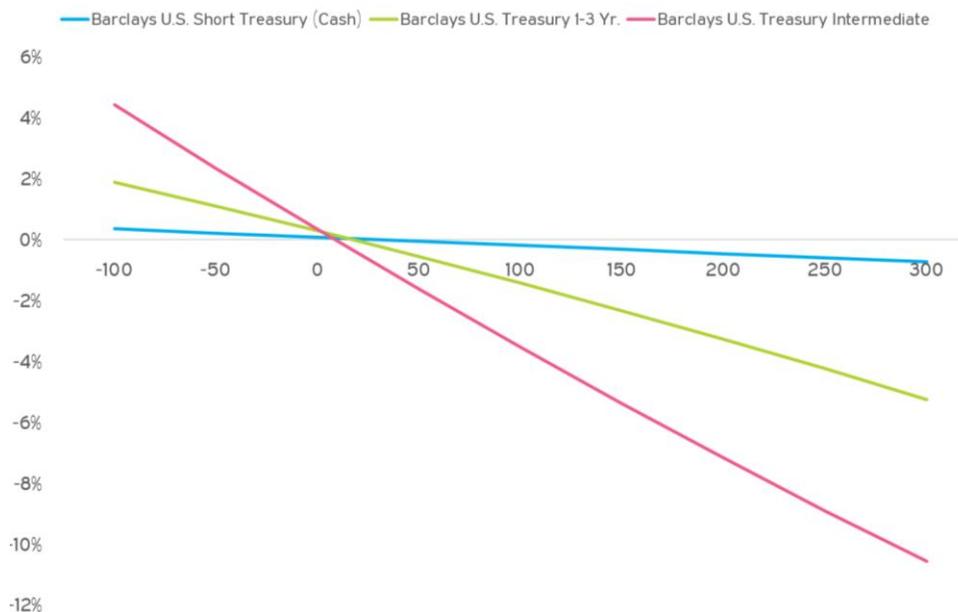
Ten-Year Breakeven Inflation¹
(As of February 28, 2021)



- This chart details the difference between nominal and inflation-adjusted US Treasury bonds. A higher (lower) figure indicates higher (lower) inflation expectations.

¹ Ten-Year Breakeven Inflation – Source: US Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA).

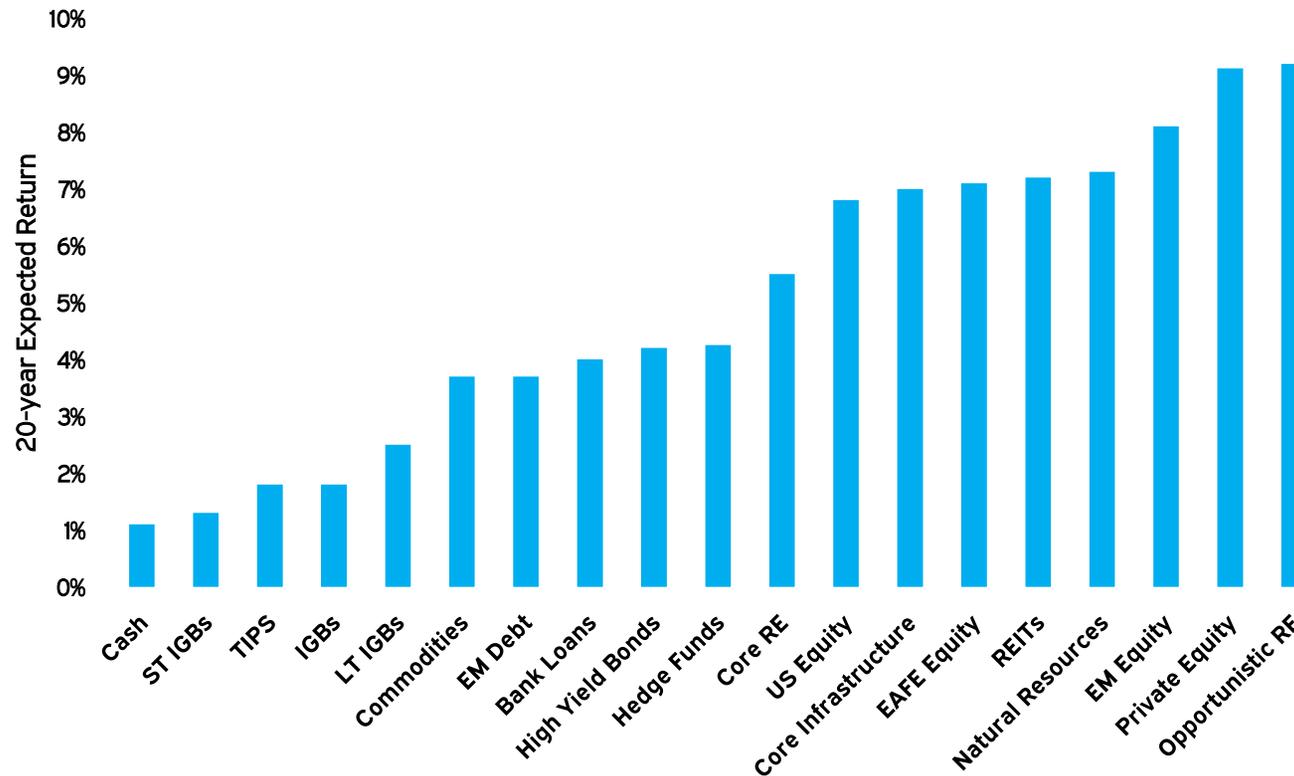
Total Return Given Changes in Interest Rates (bps)¹ (As of February 28, 2021)



| | Total Return for Given Changes in Interest Rates (bps) | | | | | | | | | Statistics | |
|-----------------------------------|--|-------|------|-------|--------|--------|--------|--------|--------|------------|-------|
| | -100 | -50 | 0 | 50 | 100 | 150 | 200 | 250 | 300 | Duration | YTW |
| Barclays US Short Treasury (Cash) | 0.3% | 0.2% | 0.1% | -0.1% | -0.2% | -0.3% | -0.5% | -0.6% | -0.7% | 0.27 | 0.07% |
| Barclays US Treasury 1-3 Yr. | 1.9% | 1.1% | 0.3% | -0.6% | -1.4% | -2.3% | -3.3% | -4.3% | -5.3% | 1.65 | 0.28% |
| Barclays US Treasury Intermediate | 4.4% | 2.3% | 0.3% | -1.6% | -3.5% | -5.4% | -7.2% | -8.9% | -10.6% | 3.98 | 0.32% |
| Barclays US Treasury Long | 23.0% | 11.7% | 1.5% | -7.5% | -15.5% | -22.3% | -27.9% | -32.4% | -35.8% | 19.24 | 1.51% |

¹ Data represents the expected total return from a given change in interest rates (shown in basis points) over a 12-month period assuming a parallel shift in rates. Source: Bloomberg, and Meketa Investment Group.

Long-Term Outlook – 20-Year Annualized Expected Returns¹



- This chart details Meketa’s long-term forward-looking expectations for total returns across asset classes.

¹ Source: Meketa Investment Group’s 2021 Annual Asset Study.

Appendix

Data Sources and Explanations¹

- US Equity Cyclically Adjusted P/E on S&P 500 Index – Source: Robert Shiller and Yale University.
- Small Cap P/E (Russell 2000 Index) vs. Large Cap P/E (Russell 1000 Index) - Source: Russell Investments. Earnings figures represent 12-month “as reported” earnings.
- Growth P/E (Russell 3000 Growth Index) vs. Value (Russell 3000 Value Index) P/E - Source: Bloomberg, MSCI, and Meketa Investment Group. Earnings figures represent 12-month “as reported” earnings.
- Developed International Equity (MSCI EAFE) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.
- Emerging Market Equity (MSCI Emerging Markets Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.
- Private Equity Multiples – Source: S&P LCD Average EBITDA Multiples Paid in All LBOs.
- Core Real Estate Spread vs. Ten-Year Treasury – Source: Real Capital Analytics, US Treasury, Bloomberg, and Meketa Investment Group. Core Real Estate is proxied by weighted sector transaction based indices from Real Capital Analytics and Meketa Investment Group.

¹ All Data as of February 28, 2021 unless otherwise noted.

Appendix

Data Sources and Explanations¹

- REITs Dividend Yield Spread vs. Ten-Year Treasury – Source: NAREIT, US Treasury. REITs are proxied by the yield for the NAREIT Equity index.
- Credit Spreads – Source: Barclays Capital. High Yield is proxied by the Barclays High Yield index and Investment Grade Corporates are proxied by the Barclays US Corporate Investment Grade index.
 - Spread is calculated as the difference between the Yield to Worst of the respective index and the 10-Year Treasury Yield.
- EM Debt Spreads – Source: Bloomberg, and Meketa Investment Group. Option Adjusted Spread (OAS) for the Bloomberg Barclays EM USD Aggregate Index.
- Equity Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by VIX Index, a Measure of implied option volatility for US equity markets.
- Fixed Income Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by MOVE Index, a Measure of implied option volatility for US Treasury markets.
- Systemic Risk and Volatile Market Days – Source: Meketa Investment Group. Volatile days are defined as the top 10 percent of realized turbulence, which is a multivariate distance between asset returns.
- Systemic Risk, which measures risk across markets, is important because the more contagion of risk that exists between assets, the more likely it is that markets will experience volatile periods.

¹ All Data as of February 28, 2021 unless otherwise noted.

Appendix

Data Sources and Explanations¹

- Yield Curve Slope (Ten Minus Two) – Source: Bloomberg, and Meketa Investment Group. Yield curve slope is calculated as the difference between the 10-Year US Treasury Yield and 2-Year US Treasury Yield.
- Ten-Year Breakeven Inflation – Source: US Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA).

¹ All Data as of February 28, 2021 unless otherwise noted.

Meketa Market Sentiment Indicator Explanation, Construction and Q&A

Meketa has created the MIG Market Sentiment Indicator (MIG-MSI) to complement our valuation-focused Risk Metrics. This measure of sentiment is meant to capture significant and persistent shifts in long-lived market trends of economic growth risk, either towards a risk-seeking trend or a risk-aversion trend.

This appendix explores:

- What is the Meketa Market Sentiment Indicator?
- How do I read the indicator graph?
- How is the Meketa Market Sentiment Indicator constructed?
- What do changes in the indicator mean?

Meketa has created a market sentiment indicator for monthly publication (the MIG-MSI – see below) to complement Meketa’s Risk Metrics.

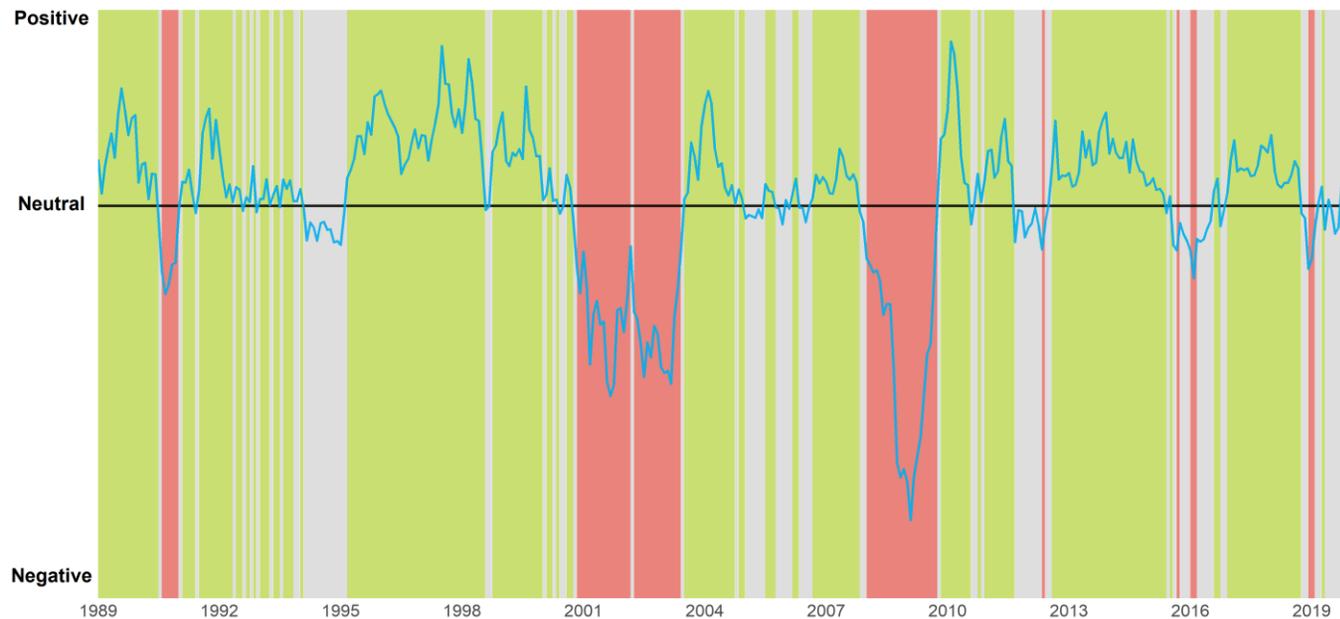
- Meketa’s Risk Metrics, which rely significantly on standard market measures of relative valuation, often provide valid early signals of increasing long-term risk levels in the global investment markets. However, as is the case with numerous valuation measures, the Risk Metrics may convey such risk concerns long before a market corrections take place. The MIG-MSI helps to address this early-warning bias by measuring whether the markets are beginning to acknowledge key Risk Metrics trends, and / or indicating non-valuation based concerns. Once the MIG-MSI indicates that the market sentiment has shifted, it is our belief that investors should consider significant action, particularly if confirmed by the Risk Metrics. Importantly, Meketa believes the Risk Metrics and MIG-MSI should always be used in conjunction with one another and never in isolation. The questions and answers below highlight and discuss the basic underpinnings of the Meketa MIG-MSI:

What is the Meketa Market Sentiment Indicator (MIG-MSI)?

- The MIG-MSI is a measure meant to gauge the market’s sentiment regarding economic growth risk. Growth risk cuts across most financial assets, and is the largest risk exposure that most portfolios bear. The MIG-MSI takes into account the momentum (trend over time, positive or negative) of the economic growth risk exposure of publicly traded stocks and bonds, as a signal of the future direction of growth risk returns; either positive (risk seeking market sentiment), or negative (risk averse market sentiment).

How do I read the Meketa Market Sentiment Indicator graph?

- Simply put, the MIG-MSI is a color-coded indicator that signals the market's sentiment regarding economic growth risk. It is read left to right chronologically. A green indicator on the MIG-MSI indicates that the market's sentiment towards growth risk is positive. A gray indicator indicates that the market's sentiment towards growth risk is neutral or inconclusive. A red indicator indicates that the market's sentiment towards growth risk is negative. The black line on the graph is the level of the MIG-MSI. The degree of the signal above or below the neutral reading is an indication the signal's current strength.
- Momentum as we are defining it is the use of the past behavior of a series as a predictor of its future behavior.



How is the Meketa Market Sentiment Indicator (MIG-MSI) Constructed?

- The MIG-MSI is constructed from two sub-elements representing investor sentiment in stocks and bonds:
 - Stock return momentum: Return momentum for the S&P 500 Equity Index (trailing 12-months)
 - Bond yield spread momentum: Momentum of bond yield spreads (excess of the measured bond yield over the identical duration US Treasury bond yield) for corporate bonds (trailing 12-months) for both investment grade bonds (75% weight) and high yield bonds (25% weight).
 - Both measures are converted to Z-scores and then combined to get an “apples to apples” comparison without the need of re-scaling.
- The black line reading on the graph is calculated as the average of the stock return momentum measure and the bonds spread momentum measure.¹ The color reading on the graph is determined as follows:
 - If both stock return momentum and bond spread momentum are positive = GREEN (positive)
 - If one of the momentum indicators is positive, and the other negative = GRAY (inconclusive)
 - If both stock return momentum and bond spread momentum are negative = RED (negative)

¹ Momentum as we are defining it is the use of the past behavior of a series as a predictor of its future behavior.

“Time Series Momentum” Moskowitz, Ooi, Pedersen, August 2010. <http://pages.stern.nyu.edu/~lpederse/papers/TimeSeriesMomentum.pdf>

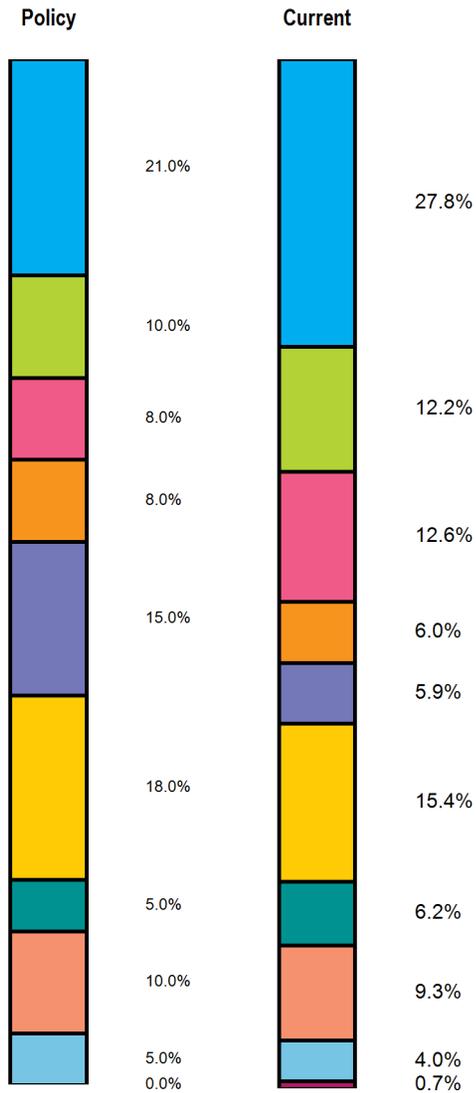
What does the Meketa Market Sentiment Indicator (MIG-MSI) mean? Why might it be useful?

- There is strong evidence that time series momentum is significant and persistent. In particular, across an extensive array of asset classes, the sign of the trailing 12-month return (positive or negative) is indicative of future returns (positive or negative) over the next 12-month period. The MIG-MSI is constructed to measure this momentum in stocks and corporate bond spreads. A reading of green or red is agreement of both the equity and bond measures, indicating that it is likely that this trend (positive or negative) will continue over the next 12 months. When the measures disagree, the indicator turns gray. A gray reading does not necessarily mean a new trend is occurring, as the indicator may move back to green, or into the red from there. The level of the reading (black line) and the number of months at the red or green reading, gives the user additional information on which to form an opinion, and potentially take action.

Disclaimer Information

This material is provided by Meketa Investment Group, Inc. (“Meketa”) for informational purposes only and may contain information that is not suitable for all clients. No portion of this commentary is to be construed as a solicitation or recommendations to buy or sell a security, or the provision of personalized investment advice, tax or legal advice. Past performance may not be indicative of future results and may have been impacted by market events and economic conditions that will not prevail in the future. There can be no assurance that any particular investment or strategy will prove profitable and the views, opinions, and projects expressed herein may not come to pass. Any direct or indirect reference to a market index is included for illustrative purposes only, as an index is not a security in which an investment can be made. Indices are benchmarks that serve as market or sector indicators and do not account for the deduction of management fees, transaction costs and other expenses associated with investable products. Meketa does not make any representation as to the accuracy, timeliness, suitability, completeness or relevance of any information prepared by any unaffiliated third party and takes no responsibility, therefore. Any data provided regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of futures results. Investing involves risk, including the potential loss of principal and clients should be guided accordingly.

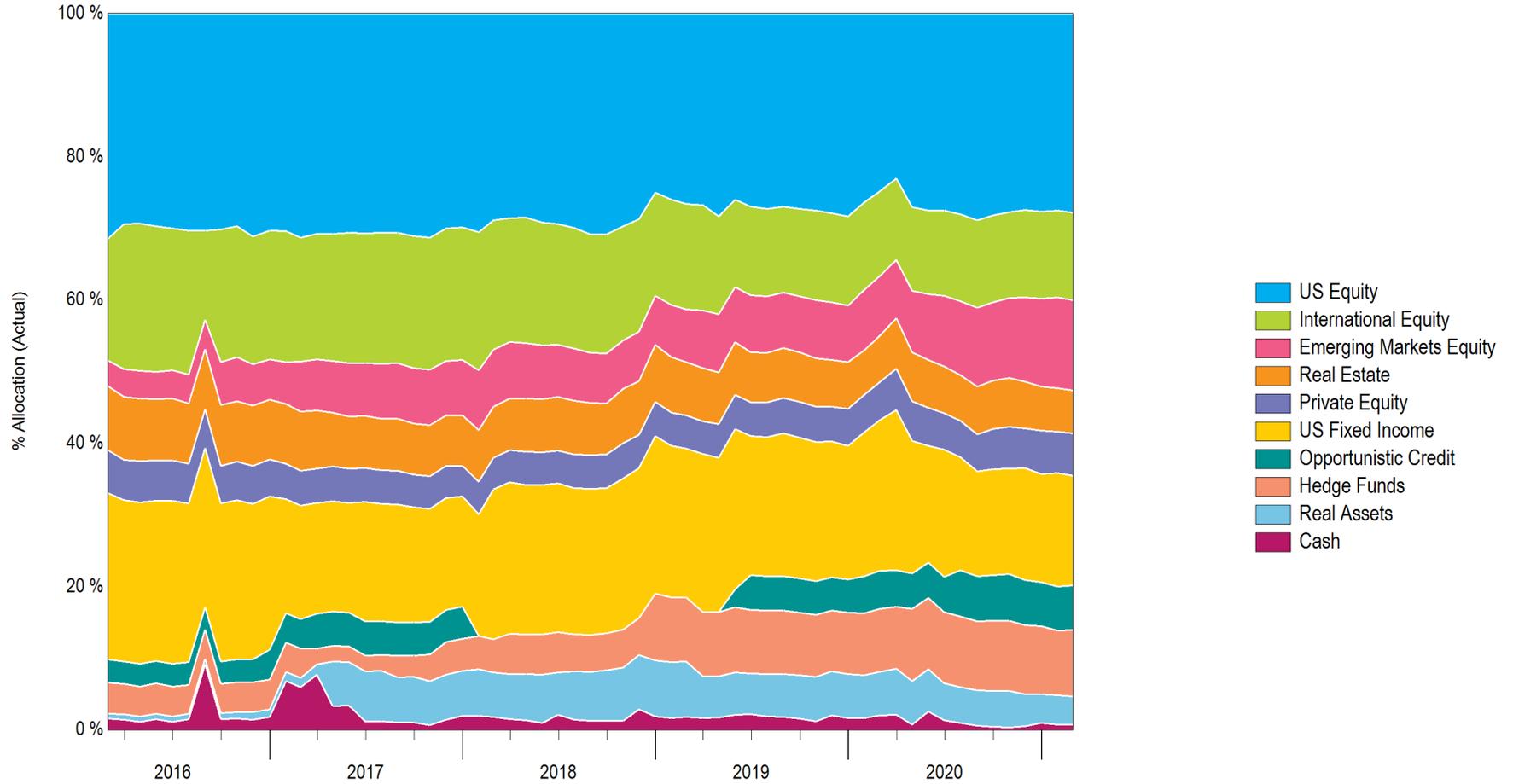
Preliminary Performance Update as of February 28, 2021



| Allocation vs. Targets and Policy | | | | | | | |
|-----------------------------------|------------------------|--------------------|---------------|------------|---------------|-------------------|--|
| | Current Balance | Current Allocation | Policy | Difference | Policy Range | Within IPS Range? | |
| US Equity | \$297,133,252 | 27.8% | 21.0% | 6.8% | 15.0% - 26.0% | No | |
| International Equity | \$129,917,884 | 12.2% | 10.0% | 2.2% | 5.0% - 15.0% | Yes | |
| Emerging Markets Equity | \$134,894,331 | 12.6% | 8.0% | 4.6% | 4.0% - 12.0% | No | |
| Real Estate | \$63,659,052 | 6.0% | 8.0% | -2.0% | 6.0% - 10.0% | No | |
| Private Equity | \$62,785,869 | 5.9% | 15.0% | -9.1% | 5.0% - 20.0% | Yes | |
| US Fixed Income | \$164,024,003 | 15.4% | 18.0% | -2.6% | 13.0% - 23.0% | Yes | |
| Opportunistic Credit | \$65,887,904 | 6.2% | 5.0% | 1.2% | 3.0% - 7.0% | Yes | |
| Hedge Funds | \$98,981,772 | 9.3% | 10.0% | -0.7% | 5.0% - 15.0% | Yes | |
| Real Assets | \$42,329,542 | 4.0% | 5.0% | -1.0% | 3.0% - 7.0% | Yes | |
| Cash | \$7,513,648 | 0.7% | 0.0% | 0.7% | 0.0% - 5.0% | Yes | |
| Total | \$1,067,127,257 | 100.0% | 100.0% | | | | |

Cash range displayed for illustrative purposes only.

Asset Allocation History
5 Years Ending February 28, 2021



| Asset Class Performance Summary | | | | | | | | | | | |
|---|----------------------|----------------|-------------|-------------|----------------|-------------|-------------|-------------|-------------|---------------|----------------|
| | Market Value (\$) | % of Portfolio | 1 Mo (%) | QTD (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | Inception (%) | Inception Date |
| Total Fund (Net)* | 1,067,127,257 | 100.0 | 1.4 | 1.4 | 17.4 | 21.9 | 9.6 | 11.4 | 8.2 | 8.4 | Dec-94 |
| Total Fund (Gross)* | | | 1.5 | 1.4 | 17.7 | 22.4 | 9.9 | 11.7 | 8.6 | 8.5 | |
| <i>Policy Index</i> | | | <i>1.0</i> | <i>0.8</i> | <i>16.6</i> | <i>18.2</i> | <i>8.8</i> | <i>11.0</i> | <i>8.9</i> | <i>6.4</i> | <i>Dec-94</i> |
| Total Fund w/o Alternatives (Net) | 791,857,374 | 74.2 | 1.3 | 1.3 | 20.4 | 27.5 | 11.4 | 13.1 | 9.4 | -- | Dec-94 |
| Total Fund w/o Alternatives (Gross) | | | 1.3 | 1.3 | 20.7 | 28.0 | 11.7 | 13.5 | 9.1 | -- | |
| <i>Policy Index w/o AI</i> | | | <i>1.5</i> | <i>1.6</i> | <i>20.4</i> | <i>23.6</i> | <i>9.5</i> | <i>11.9</i> | <i>--</i> | <i>--</i> | <i>Dec-94</i> |
| US Equity (Net) | 297,133,252 | 27.8 | 2.7 | 1.9 | 25.6 | 31.1 | 14.0 | 17.3 | 13.2 | 10.6 | Dec-94 |
| US Equity (Gross) | | | 2.7 | 1.9 | 25.7 | 31.4 | 14.2 | 17.6 | 13.4 | 10.7 | |
| <i>Russell 3000</i> | | | <i>3.1</i> | <i>2.7</i> | <i>28.6</i> | <i>35.3</i> | <i>14.6</i> | <i>17.3</i> | <i>13.2</i> | <i>10.6</i> | <i>Dec-94</i> |
| International Equity (Net) | 264,812,215 | 24.8 | 1.6 | 2.7 | 33.2 | 48.6 | 13.6 | 16.4 | 7.5 | 6.8 | Dec-98 |
| International Equity (Gross) | | | 1.7 | 2.8 | 34.0 | 49.8 | 14.2 | 17.0 | 8.2 | 7.1 | |
| <i>International Equity Custom</i> | | | <i>1.6</i> | <i>2.4</i> | <i>29.1</i> | <i>29.0</i> | <i>6.1</i> | <i>12.3</i> | <i>5.7</i> | <i>5.0</i> | <i>Dec-98</i> |
| Developed International Equity (Net) | 129,917,884 | 12.2 | 1.4 | 1.1 | 19.4 | 24.5 | 6.3 | 11.3 | 5.6 | 4.5 | Jan-08 |
| Developed International Equity (Gross) | | | 1.4 | 1.2 | 20.0 | 25.4 | 6.7 | 11.6 | 6.1 | 5.0 | |
| <i>Custom Blended Developed International Equity Benchmark</i> | | | <i>2.5</i> | <i>1.6</i> | <i>25.4</i> | <i>24.8</i> | <i>5.2</i> | <i>10.1</i> | <i>5.2</i> | <i>3.4</i> | <i>Jan-08</i> |
| Emerging Markets Equity (Net) | 134,894,331 | 12.6 | 1.8 | 4.2 | 49.8 | 82.4 | 22.9 | 25.4 | -- | 10.9 | Apr-12 |
| Emerging Markets Equity (Gross) | | | 1.9 | 4.4 | 50.8 | 84.2 | 23.9 | 26.5 | -- | 11.9 | |
| <i>Custom Blended Emerging Markets Benchmark</i> | | | <i>0.8</i> | <i>3.9</i> | <i>36.2</i> | <i>36.0</i> | <i>6.6</i> | <i>15.6</i> | <i>4.7</i> | <i>5.9</i> | <i>Apr-12</i> |
| US Fixed Income (Net) | 164,024,003 | 15.4 | -1.5 | -2.2 | -0.9 | 1.6 | 4.7 | 4.2 | 3.9 | 5.3 | Dec-94 |
| US Fixed Income (Gross) | | | -1.5 | -2.2 | -0.9 | 1.8 | 4.9 | 4.3 | 4.2 | 5.4 | |
| <i>BBqBarc US Aggregate TR</i> | | | <i>-1.4</i> | <i>-2.2</i> | <i>-0.9</i> | <i>1.4</i> | <i>5.0</i> | <i>4.4</i> | <i>3.8</i> | <i>5.6</i> | <i>Dec-94</i> |
| Opportunistic Credit (Net) | 65,887,904 | 6.2 | 1.0 | 2.1 | 11.6 | 8.4 | -- | -- | -- | 6.9 | May-19 |
| Opportunistic Credit (Gross) | | | 1.0 | 2.1 | 11.9 | 8.8 | -- | -- | -- | 7.1 | |
| <i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans</i> | | | <i>-0.5</i> | <i>-0.4</i> | <i>5.0</i> | <i>4.7</i> | <i>--</i> | <i>--</i> | <i>--</i> | <i>5.9</i> | <i>May-19</i> |

The current US Fixed Income benchmark is the Barclays US Agg. Please refer to the benchmark history for the composition of the US Fixed Income benchmark in earlier periods. Data prior to March 2018 provided by prior consultant.

Total Fund | As of February 28, 2021

| | Market Value (\$) | % of Portfolio | 1 Mo (%) | QTD (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | Inception (%) | Inception Date |
|--|-------------------|----------------|------------|------------|----------------|-------------|-------------|-------------|-------------|---------------|----------------|
| Real Estate (Net) | 63,659,052 | 6.0 | 0.3 | 0.3 | 0.6 | 2.7 | 2.2 | 4.6 | 6.8 | -- | Mar-99 |
| Real Estate (Gross) | | | 0.3 | 0.3 | 0.6 | 2.7 | 2.2 | 4.8 | 7.5 | 7.9 | |
| <i>Custom Blended Real Estate Benchmark</i> | | | NA | NA | -0.3 | 2.2 | 4.6 | 5.7 | 9.1 | 7.0 | Mar-99 |
| <i>CPI + 5% (Seasonally Adjusted)</i> | | | 0.8 | 1.4 | 5.8 | 6.7 | 6.9 | 7.2 | 6.8 | -- | Mar-99 |
| Private Real Estate (Net) | 58,338,898 | 5.5 | NA | NA | -0.1 | 1.9 | 1.9 | 4.5 | 6.7 | -- | Mar-99 |
| Private Real Estate (Gross) | | | NA | NA | -0.1 | 1.9 | 1.9 | 4.6 | 7.4 | 7.8 | |
| <i>Custom Blended Real Estate Benchmark</i> | | | NA | NA | -0.3 | 2.2 | 4.6 | 5.7 | 9.1 | 7.0 | Mar-99 |
| Private Equity (Net) | 62,785,869 | 5.9 | NA | NA | 16.6 | 13.6 | 10.8 | 10.6 | 10.3 | 8.3 | Jun-05 |
| Private Equity (Gross) | | | NA | NA | 16.6 | 13.7 | 10.8 | 10.6 | 10.6 | 8.4 | |
| <i>Custom Blended Private Equity Benchmark</i> | | | NA | NA | 23.1 | 22.7 | 17.5 | 16.5 | -- | -- | Jun-05 |
| <i>Russell 3000 +3% 1-Quarter Lag</i> | | | 12.4 | 10.3 | 49.0 | 22.6 | 16.6 | 17.3 | 17.4 | 13.1 | Jun-05 |
| Hedge Fund (Net) | 98,981,772 | 9.3 | 4.7 | 3.8 | 13.7 | 10.1 | 4.6 | 6.6 | -- | 4.7 | Jun-14 |
| Hedge Fund (Gross) | | | 4.7 | 3.9 | 14.3 | 11.1 | 5.2 | 7.0 | -- | 4.9 | |
| <i>Custom Blended Hedge Fund Benchmark</i> | | | 3.1 | 2.2 | 15.2 | 14.8 | 5.4 | 6.1 | -- | 4.4 | Jun-14 |
| Real Assets (Net) | 42,329,542 | 4.0 | 1.0 | 1.2 | 9.6 | 8.2 | 7.2 | 7.4 | 8.1 | -- | Mar-99 |
| Real Assets (Gross) | | | 1.0 | 1.2 | 9.7 | 8.4 | 7.3 | 7.6 | 8.7 | -- | |
| <i>Custom Blended Real Assets Benchmark</i> | | | NA | NA | 6.7 | -8.7 | 3.9 | 7.3 | -- | -- | Mar-99 |
| <i>CPI + 5% (Seasonally Adjusted)</i> | | | 0.8 | 1.4 | 5.8 | 6.7 | 6.9 | 7.2 | 6.8 | -- | Mar-99 |
| Private Infrastructure (Net) | 20,990,488 | 2.0 | NA | NA | 3.5 | 14.3 | 10.5 | 11.0 | -- | 8.6 | Dec-14 |
| Private Infrastructure (Gross) | | | NA | NA | 3.5 | 14.4 | 10.6 | 11.0 | -- | 8.6 | |
| <i>S&P Global Infrastructure Net TR USD</i> | | | 0.7 | -1.5 | 14.7 | 0.4 | 3.3 | 6.6 | 4.7 | 3.1 | Dec-14 |
| Private Natural Resources (Net) | 11,069,620 | 1.0 | NA | NA | 10.0 | -9.4 | 3.2 | 12.2 | -- | 10.9 | Sep-15 |
| Private Natural Resources (Gross) | | | NA | NA | 10.0 | -9.4 | 3.2 | 12.2 | -- | 10.9 | |
| <i>S&P Global Natural Resources Index TR USD</i> | | | 9.0 | 9.4 | 36.2 | 34.4 | 4.2 | 13.0 | 1.0 | 11.9 | Sep-15 |
| Cash (Net) | 7,513,648 | 0.7 | 0.0 | 0.0 | 0.2 | 0.4 | 0.9 | -- | -- | -- | |
| Cash (Gross) | | | 0.0 | 0.0 | 0.2 | 0.4 | 0.9 | -- | -- | -- | |

*One or more accounts have been excluded from the composite for the purposes of performance calculations and market value.

Private Markets values are cash flow adjusted from 9/30/2020 NAVs unless otherwise noted.

Real Assets includes State Street Real Asset NL Fund.

Trailing Net Performance

| | Market Value (\$) | % of Portfolio | % of Sector | 1 Mo (%) | QTD (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | Inception (%) | Inception Date |
|--|----------------------|----------------|-------------|------------|------------|----------------|-------------|-------------|-------------|-------------|---------------|----------------|
| Total Fund(Net)* | 1,067,127,257 | 100.0 | -- | 1.4 | 1.4 | 17.4 | 21.9 | 9.6 | 11.4 | 8.2 | 8.4 | Dec-94 |
| <i>Policy Index</i> | | | | 1.0 | 0.8 | 16.6 | 18.2 | 8.8 | 11.0 | 8.9 | 6.4 | Dec-94 |
| Total Fund w/o Alternatives(Net) | 791,857,374 | 74.2 | 74.2 | 1.3 | 1.3 | 20.4 | 27.5 | 11.4 | 13.1 | 9.4 | -- | Dec-94 |
| <i>Policy Index w/o AI</i> | | | | 1.5 | 1.6 | 20.4 | 23.6 | 9.5 | 11.9 | -- | -- | Dec-94 |
| US Equity(Net) | 297,133,252 | 27.8 | 37.5 | 2.7 | 1.9 | 25.6 | 31.1 | 14.0 | 17.3 | 13.2 | 10.6 | Dec-94 |
| <i>Russell 3000</i> | | | | 3.1 | 2.7 | 28.6 | 35.3 | 14.6 | 17.3 | 13.2 | 10.6 | Dec-94 |
| Mellon Dynamic US Equity(Net) | 137,477,597 | 12.9 | 46.3 | 2.3 | 0.6 | 21.4 | 27.9 | 15.0 | 18.7 | -- | 17.8 | Dec-12 |
| <i>S&P 500</i> | | | | 2.8 | 1.7 | 24.3 | 31.3 | 14.1 | 16.8 | 13.4 | 15.1 | Dec-12 |
| Mellon Large Cap(Net) | 123,813,591 | 11.6 | 41.7 | 2.9 | 2.0 | 26.9 | 34.2 | 15.0 | -- | -- | 16.1 | Mar-16 |
| <i>Russell 1000</i> | | | | 2.9 | 2.1 | 27.0 | 34.3 | 15.0 | 17.4 | 13.6 | 16.1 | Mar-16 |
| Champlain Small Cap(Net) | 35,842,065 | 3.4 | 12.1 | 3.7 | 6.3 | -- | -- | -- | -- | -- | 32.0 | Nov-20 |
| <i>Russell 2000</i> | | | | 6.2 | 11.6 | 53.8 | 51.0 | 14.9 | 17.9 | 11.9 | 43.6 | Nov-20 |
| International Equity(Net) | 264,812,215 | 24.8 | 33.4 | 1.6 | 2.7 | 33.2 | 48.6 | 13.6 | 16.4 | 7.5 | 6.8 | Dec-98 |
| <i>International Equity Custom</i> | | | | 1.6 | 2.4 | 29.1 | 29.0 | 6.1 | 12.3 | 5.7 | 5.0 | Dec-98 |
| Developed International Equity(Net) | 129,917,884 | 12.2 | 49.1 | 1.4 | 1.1 | 19.4 | 24.5 | 6.3 | 11.3 | 5.6 | 4.5 | Jan-08 |
| <i>Custom Blended Developed International Equity Benchmark</i> | | | | 2.5 | 1.6 | 25.4 | 24.8 | 5.2 | 10.1 | 5.2 | 3.4 | Jan-08 |
| GQG International Equity(Net) | 53,099,226 | 5.0 | 40.9 | 2.2 | 1.8 | 16.7 | 24.9 | -- | -- | -- | 14.1 | Dec-19 |
| <i>MSCI ACWI ex USA</i> | | | | 2.0 | 2.2 | 27.1 | 26.2 | 5.4 | 11.2 | 4.8 | 14.1 | Dec-19 |
| First Eagle International Value Fund(Net) | 47,658,279 | 4.5 | 36.7 | -0.7 | -1.3 | 13.7 | 15.3 | -- | -- | -- | 4.7 | Dec-19 |
| <i>MSCI EAFE</i> | | | | 2.2 | 1.2 | 23.0 | 22.5 | 4.6 | 9.7 | 5.0 | 10.0 | Dec-19 |
| <i>MSCI World ex USA</i> | | | | 2.5 | 1.5 | 23.3 | 22.1 | 4.8 | 9.8 | 4.7 | 10.0 | Dec-19 |

Historical returns for the US Equity Composite prior to January 2012 and for the International Equity Composite prior to December 2010 are gross only. Developed International Equity and Emerging Markets Equity composites were only reported as one composite prior to March 2018.

Total Fund | As of February 28, 2021

| | Market Value (\$) | % of Portfolio | % of Sector | 1 Mo (%) | QTD (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | Inception (%) | Inception Date |
|--|----------------------|-------------------|----------------|-------------|-------------|----------------------|-------------|--------------|--------------|---------------|------------------|-------------------|
| Driehaus International Small Cap Growth(Net) | 15,559,079 | 1.5 | 12.0 | 2.9 | 2.3 | 38.8 | 46.9 | -- | -- | -- | 25.6 | May-19 |
| MSCI ACWI ex US Small Cap Growth NR USD | | | | 2.3 | 2.4 | 34.5 | 42.8 | 8.3 | 13.3 | 7.2 | 19.1 | May-19 |
| Acadian ACWI ex U.S. Small Cap Equity(Net) | 13,601,301 | 1.3 | 10.5 | 4.1 | 5.4 | 34.0 | 37.6 | -- | -- | -- | 17.2 | May-19 |
| MSCI ACWI ex US Small Cap | | | | 3.6 | 3.4 | 35.5 | 34.3 | 5.5 | 11.8 | 6.2 | 14.6 | May-19 |
| Emerging Markets Equity(Net) | 134,894,331 | 12.6 | 50.9 | 1.8 | 4.2 | 49.8 | 82.4 | 22.9 | 25.4 | -- | 10.9 | Apr-12 |
| Custom Blended Emerging Markets Benchmark | | | | 0.8 | 3.9 | 36.2 | 36.0 | 6.6 | 15.6 | 4.7 | 5.9 | Apr-12 |
| Artisan Developing World TR(Net) | 104,283,069 | 9.8 | 77.3 | 0.9 | 3.9 | 48.1 | 90.1 | -- | -- | -- | 65.9 | Dec-19 |
| MSCI Emerging Markets | | | | 0.8 | 3.9 | 36.2 | 36.0 | 6.4 | 15.2 | 4.4 | 24.9 | Dec-19 |
| RWC(Net) | 30,611,262 | 2.9 | 22.7 | 5.0 | 5.5 | 55.9 | 60.2 | -- | -- | -- | 32.2 | Dec-19 |
| MSCI Emerging Markets | | | | 0.8 | 3.9 | 36.2 | 36.0 | 6.4 | 15.2 | 4.4 | 24.9 | Dec-19 |
| US Fixed Income(Net) | 164,024,003 | 15.4 | 20.7 | -1.5 | -2.2 | -0.9 | 1.6 | 4.7 | 4.2 | 3.9 | 5.3 | Dec-94 |
| BBgBarc US Aggregate TR | | | | -1.4 | -2.2 | -0.9 | 1.4 | 5.0 | 4.4 | 3.8 | 5.6 | Dec-94 |
| Vanguard Total Bond Market Index Fund(Net) | 77,388,288 | 7.3 | 47.2 | -1.5 | -2.3 | -1.0 | 1.4 | -- | -- | -- | 5.9 | May-19 |
| BBgBarc US Aggregate TR | | | | -1.4 | -2.2 | -0.9 | 1.4 | 5.3 | 3.6 | 3.6 | 5.9 | May-19 |
| Barrow Hanley(Net) | 76,034,782 | 7.1 | 46.4 | -1.7 | -2.5 | -0.8 | 2.3 | 5.7 | 3.8 | 3.5 | 3.8 | Mar-10 |
| BBgBarc US Aggregate TR | | | | -1.4 | -2.2 | -0.9 | 1.4 | 5.3 | 3.6 | 3.6 | 3.7 | Mar-10 |
| Vanguard Short-Term Treasury Index Fund(Net) | 10,600,933 | 1.0 | 6.5 | -0.1 | 0.0 | 0.1 | 1.6 | 2.8 | -- | -- | 2.8 | Feb-18 |
| BBgBarc US Govt 1-3 Yr TR | | | | -0.1 | 0.0 | 0.1 | 1.7 | 2.9 | 1.8 | 1.3 | 2.9 | Feb-18 |
| BBgBarc US Govt 1-5 Yr TR | | | | -0.3 | -0.4 | -0.2 | 1.8 | 3.5 | 2.0 | 1.7 | 3.5 | Feb-18 |

The current US Fixed Income benchmark is the Barclays US Agg. Please refer to the benchmark history for the composition of the US Fixed Income benchmark in earlier periods. Historical returns for the US Fixed Income Composite prior to December 2010 and for Barrow Hanley prior to June 2010 are gross only.

| | Market Value (\$) | % of Portfolio | % of Sector | 1 Mo (%) | QTD (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | Inception (%) | Inception Date |
|---|-------------------|----------------|-------------|------------|------------|----------------|------------|------------|------------|------------|---------------|----------------|
| Opportunistic Credit(Net) | 65,887,904 | 6.2 | 8.3 | 1.0 | 2.1 | 11.6 | 8.4 | -- | -- | -- | 6.9 | May-19 |
| <i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans</i> | | | | -0.5 | -0.4 | 5.0 | 4.7 | -- | -- | -- | 5.9 | May-19 |
| PIMCO Income Fund(Net) | 25,436,997 | 2.4 | 38.6 | -0.4 | -0.1 | 7.5 | 5.4 | -- | -- | -- | 5.3 | Apr-19 |
| <i>BBgBarc US Aggregate TR</i> | | | | -1.4 | -2.2 | -0.9 | 1.4 | 5.3 | 3.6 | 3.6 | 5.9 | Apr-19 |
| GoldenTree Multi-Sector Credit(Net) | 23,141,299 | 2.2 | 35.1 | 1.1 | 2.1 | 13.5 | 9.1 | -- | -- | -- | 7.3 | Jun-19 |
| <i>50% BBgBarc US High Yield TR/50% Credit Suisse Leveraged Loans</i> | | | | 0.5 | 1.3 | 11.1 | 7.5 | 5.4 | 7.4 | 5.5 | 6.3 | Jun-19 |
| Sculptor Credit Opportunities Domestic Partners, LP(Net) | 17,309,608 | 1.6 | 26.3 | 3.1 | 5.3 | 15.4 | -- | -- | -- | -- | 15.4 | Jul-20 |
| <i>50% BBgBarc US High Yield TR/50% Credit Suisse Leveraged Loans</i> | | | | 0.5 | 1.3 | 11.1 | 7.5 | 5.4 | 7.4 | 5.5 | 11.1 | Jul-20 |
| Real Estate(Net) | 63,659,052 | 6.0 | 6.0 | 0.3 | 0.3 | 0.6 | 2.7 | 2.2 | 4.6 | 6.8 | -- | Mar-99 |
| <i>Custom Blended Real Estate Benchmark</i> | | | | NA | 0.0 | -0.3 | 2.2 | 4.6 | 5.7 | 9.1 | 7.0 | Mar-99 |
| <i>CPI + 5% (Seasonally Adjusted)</i> | | | | 0.8 | 1.4 | 5.8 | 6.7 | 6.9 | 7.2 | 6.8 | -- | Mar-99 |
| Vanguard REIT Index(Net) | 5,320,154 | 0.5 | 8.4 | 3.3 | 3.4 | -- | -- | -- | -- | -- | 9.9 | Aug-20 |
| <i>Spliced Vanguard REIT Benchmark</i> | | | | 3.4 | 3.4 | 14.5 | 5.0 | 10.6 | 7.3 | 8.3 | 10.0 | Aug-20 |
| Private Real Estate(Net) | 58,338,898 | 5.5 | 91.6 | NA | NA | -0.1 | 1.9 | 1.9 | 4.5 | 6.7 | -- | Mar-99 |
| <i>Custom Blended Real Estate Benchmark</i> | | | | NA | NA | -0.3 | 2.2 | 4.6 | 5.7 | 9.1 | 7.0 | Mar-99 |
| UBS Trumbull Property(Net) | 35,029,523 | 3.3 | 60.0 | NA | NA | -3.0 | -3.0 | 0.3 | 2.3 | 6.3 | 6.4 | Mar-99 |
| Patron Capital V(Net) | 6,731,076 | 0.6 | 11.5 | NA | NA | 11.2 | 24.5 | -0.1 | 7.2 | -- | 7.0 | Jan-16 |

GoldenTree Multi-Sector Credit market value based on manager estimate.

Sculptor Credit Opportunities Domestic Partners market value based on manager estimate.

Private Markets values are cash flow adjusted from 9/30/2020 NAVs.

Data prior to March 2018 provided by prior consultant.

Private Real Estate results prior to 1/1/2019 were included in the Real Assets composite. All results for the Private Real Estate composite that include the period prior to 1/1/2019 will reflect only the latest lineup of managers that Meketa received information for, therefore it may not reflect the entire Private Real Estate composite at that given time.

Total Fund | As of February 28, 2021

| | Market Value (\$) | % of Portfolio | % of Sector | 1 Mo (%) | QTD (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | Inception (%) | Inception Date |
|--|----------------------|-------------------|----------------|-------------|-------------|----------------------|-------------|--------------|--------------|---------------|------------------|-------------------|
| Greenfield Gap VII(Net) | 5,478,611 | 0.5 | 9.4 | NA | NA | 2.5 | 4.8 | 8.6 | 10.7 | -- | 11.6 | Dec-14 |
| Taconic CRE Dislocation Fund II(Net) | 4,598,011 | 0.4 | 7.9 | NA | NA | 2.2 | 8.3 | -- | -- | -- | 7.2 | Nov-18 |
| AG Realty Value Fund X, L.P.(Net) | 1,922,028 | 0.2 | 3.3 | NA | NA | 6.0 | 6.2 | -- | -- | -- | -7.5 | Jun-19 |
| Carlyle Realty VIII(Net) | 1,782,013 | 0.2 | 3.1 | NA | NA | -4.4 | 18.5 | -4.3 | -- | -- | -13.1 | Dec-17 |
| Cerberus Real Estate Debt Fund, L.P.(Net) | 1,773,582 | 0.2 | 3.0 | NA | NA | 16.7 | -- | -- | -- | -- | 16.7 | Jul-20 |
| Rockpoint Real Estate Fund VI, L.P.(Net) | 736,386 | 0.1 | 1.3 | NA | NA | -2.8 | -5.8 | -- | -- | -- | -5.8 | May-20 |
| Carmel Partners Investment Fund VII(Net) | 287,667 | 0.0 | 0.5 | NA | NA | -15.2 | -30.5 | -- | -- | -- | -40.4 | Apr-19 |
| Private Equity(Net) | 62,785,869 | 5.9 | 5.9 | NA | NA | 16.6 | 13.6 | 10.8 | 10.6 | 10.3 | 8.3 | Jun-05 |
| <i>Custom Blended Private Equity Benchmark</i> | | | | <i>NA</i> | <i>NA</i> | <i>23.1</i> | <i>22.7</i> | <i>17.5</i> | <i>16.5</i> | <i>--</i> | <i>--</i> | <i>Jun-05</i> |
| <i>Russell 3000 +3% 1-Quarter Lag</i> | | | | <i>12.4</i> | <i>10.3</i> | <i>49.0</i> | <i>22.6</i> | <i>16.6</i> | <i>17.3</i> | <i>17.4</i> | <i>13.1</i> | <i>Jun-05</i> |
| Invesco VI(Net) | 6,853,465 | 0.6 | 10.9 | NA | NA | 30.6 | 24.8 | 14.8 | 13.9 | -- | 13.4 | Jun-13 |
| Adams Street(Net) | 6,291,593 | 0.6 | 10.0 | NA | NA | 30.7 | 22.5 | 12.4 | 12.4 | 13.7 | 7.7 | Sep-05 |
| Ocean Avenue II(Net) | 5,158,439 | 0.5 | 8.2 | NA | NA | 8.5 | 14.9 | 17.7 | 17.4 | -- | 12.2 | Jun-14 |
| Davidson Kempner Long-Term Distressed Opportunities Fund IV(Net) | 4,906,517 | 0.5 | 7.8 | NA | NA | 14.2 | 5.1 | -- | -- | -- | 8.0 | Apr-18 |
| Summit Partners Growth Equity Fund X-A(Net) | 4,634,691 | 0.4 | 7.4 | NA | NA | 10.5 | 9.0 | -- | -- | -- | 9.0 | Mar-20 |
| TCV X(Net) | 4,052,582 | 0.4 | 6.5 | NA | NA | 38.6 | 36.8 | -- | -- | -- | 11.8 | Apr-19 |
| Pantheon II(Net) | 3,765,094 | 0.4 | 6.0 | NA | NA | 27.5 | 24.1 | 14.8 | 14.3 | -- | 12.4 | Dec-11 |
| GTCR Fund XII(Net) | 3,455,664 | 0.3 | 5.5 | NA | NA | 36.5 | 38.1 | -- | -- | -- | 9.6 | Jun-18 |

Adams Street includes Adams Street 2005, Adams Street 2007, and Adams Street 2011.

Pantheon I includes Pantheon US Fund VI and Pantheon Europe Fund IV.

Pantheon II includes Pantheon US Fund IX, Pantheon Asia Fund VI, and Pantheon Europe Fund VII.

Pantheon Secondary includes Pantheon GLO SEC III B.

Total Fund | As of February 28, 2021

| | Market Value (\$) | % of Portfolio | % of Sector | 1 Mo (%) | QTD (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | Inception (%) | Inception Date |
|--|-------------------|----------------|-------------|----------|---------|----------------|----------|-----------|-----------|------------|---------------|----------------|
| Cortec Group Fund VII(Net) | 3,162,379 | 0.3 | 5.0 | NA | NA | 20.7 | 15.7 | -- | -- | -- | 12.4 | Dec-19 |
| Genstar Capital Partners IX(Net) | 3,152,074 | 0.3 | 5.0 | NA | NA | 25.9 | 25.4 | -- | -- | -- | 15.1 | Jul-19 |
| Cressey & Company Fund VI(Net) | 2,862,473 | 0.3 | 4.6 | NA | NA | 22.9 | 35.2 | -- | -- | -- | 8.2 | Jan-19 |
| Raven Asset Fund II(Net) | 2,620,858 | 0.2 | 4.2 | NA | NA | -17.6 | -24.5 | -4.7 | -4.1 | -- | -4.3 | Aug-14 |
| Carrick Capital Partners III(Net) | 2,579,771 | 0.2 | 4.1 | NA | NA | 9.4 | 5.9 | -- | -- | -- | 3.4 | Aug-18 |
| Silver Point Specialty Credit Fund II, L.P.(Net) | 2,372,918 | 0.2 | 3.8 | NA | NA | 7.7 | -- | -- | -- | -- | 7.7 | Jul-20 |
| Accel-KKR Growth Capital Partners III(Net) | 1,677,416 | 0.2 | 2.7 | NA | NA | 4.4 | 4.0 | -- | -- | -- | -7.9 | Jul-19 |
| Spark Capital Growth Fund III(Net) | 1,391,129 | 0.1 | 2.2 | NA | NA | -9.4 | -9.4 | -- | -- | -- | -9.4 | Mar-20 |
| Marlin Heritage Europe II, L.P.(Net) | 1,199,693 | 0.1 | 1.9 | NA | NA | -- | -- | -- | -- | -- | 0.0 | Oct-20 |
| Taconic Market Dislocation Fund III L.P.(Net) | 1,185,472 | 0.1 | 1.9 | NA | NA | 0.0 | -- | -- | -- | -- | 0.0 | Jul-20 |
| Spark Capital VI(Net) | 604,409 | 0.1 | 1.0 | NA | NA | -12.2 | -12.2 | -- | -- | -- | -12.2 | Mar-20 |
| Pantheon Secondary(Net) | 280,373 | 0.0 | 0.4 | NA | NA | 15.4 | -8.3 | 2.0 | 2.1 | 2.4 | 2.9 | Jun-07 |
| Accel-KKR Capital Partners VI(Net) | 189,576 | 0.0 | 0.3 | | | | | | | | | |
| Pantheon I(Net) | 177,482 | 0.0 | 0.3 | NA | NA | 0.2 | -27.6 | -11.5 | -4.7 | 1.4 | 0.3 | Dec-05 |
| Khosla Ventures VII(Net) | 138,000 | 0.0 | 0.2 | | | | | | | | | |
| Khosla Ventures Seed E(Net) | 42,000 | 0.0 | 0.1 | | | | | | | | | |
| TCV XI(Net) | 27,200 | 0.0 | 0.0 | | | | | | | | | |
| Invesco IV(Net) | 4,602 | 0.0 | 0.0 | NA | NA | -19.6 | -42.3 | 7.9 | 12.1 | 12.0 | 10.0 | Jun-05 |

Historical returns for Invesco IV prior to April 2012 are gross only.

Total Fund | As of February 28, 2021

| | Market Value (\$) | % of Portfolio | % of Sector | 1 Mo (%) | QTD (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | Inception (%) | Inception Date |
|---|----------------------|-------------------|----------------|-------------|------------|----------------------|-------------|--------------|--------------|---------------|------------------|-------------------|
| Hedge Fund(Net) | 98,981,772 | 9.3 | 9.3 | 4.7 | 3.8 | 13.7 | 10.1 | 4.6 | 6.6 | -- | 4.7 | Jun-14 |
| <i>Custom Blended Hedge Fund Benchmark</i> | | | | 3.1 | 2.2 | 15.2 | 14.8 | 5.4 | 6.1 | -- | 4.4 | Jun-14 |
| Silver Point Capital(Net) | 14,993,639 | 1.4 | 15.1 | 3.2 | 6.5 | 22.6 | 18.5 | 6.8 | -- | -- | 7.2 | Nov-17 |
| Sculptor (OZ) Domestic II(Net) | 13,539,979 | 1.3 | 13.7 | 4.7 | 4.1 | 16.0 | 19.2 | 10.3 | 11.3 | -- | 8.3 | Jun-14 |
| Wellington-Archipelago(Net) | 13,437,516 | 1.3 | 13.6 | 4.9 | 0.5 | 8.8 | 9.6 | 5.1 | -- | -- | 5.6 | Aug-17 |
| Taconic Opportunity Fund(Net) | 13,433,280 | 1.3 | 13.6 | 2.4 | 3.9 | 12.0 | 7.0 | -- | -- | -- | 5.2 | Dec-18 |
| Laurion Capital(Net) | 12,852,853 | 1.2 | 13.0 | 12.2 | 9.9 | 18.1 | 36.9 | -- | -- | -- | 19.2 | Aug-18 |
| Marshall Wace Global Opportunities(Net) | 10,111,101 | 0.9 | 10.2 | 4.6 | -2.6 | 11.0 | -- | -- | -- | -- | 12.3 | May-20 |
| KLS Diversified(Net) | 8,665,813 | 0.8 | 8.8 | 1.1 | 3.7 | 12.3 | -5.2 | -1.5 | -- | -- | -0.9 | Oct-17 |
| Graham Absolute Return(Net) | 7,963,556 | 0.7 | 8.0 | 4.3 | 3.9 | 13.9 | 6.3 | 1.8 | -- | -- | 2.9 | Aug-17 |
| Marshall Wace Eureka(Net) | 3,984,035 | 0.4 | 4.0 | 4.7 | 3.0 | 16.3 | 15.9 | 6.9 | -- | -- | 7.6 | Nov-17 |
| Real Assets(Net) | 42,329,542 | 4.0 | 4.0 | 1.0 | 1.2 | 9.6 | 8.2 | 7.2 | 7.4 | 8.1 | -- | Mar-99 |
| <i>Custom Blended Real Assets Benchmark</i> | | | | NA | NA | 6.7 | -8.7 | 3.9 | 7.3 | -- | -- | Mar-99 |
| <i>CPI + 5% (Seasonally Adjusted)</i> | | | | 0.8 | 1.4 | 5.8 | 6.7 | 6.9 | 7.2 | 6.8 | -- | Mar-99 |
| SSgA(Net) | 10,269,434 | 1.0 | 24.3 | 4.3 | 5.0 | 21.2 | 17.6 | 5.2 | -- | -- | 5.3 | Apr-17 |
| <i>Real Asset NL Custom Blended Index</i> | | | | 4.4 | 5.2 | 21.7 | 17.2 | 5.4 | -- | -- | 5.3 | Apr-17 |
| Private Infrastructure(Net) | 20,990,488 | 2.0 | 49.6 | NA | NA | 3.5 | 14.3 | 10.5 | 11.0 | -- | 8.6 | Dec-14 |
| <i>S&P Global Infrastructure Net TR USD</i> | | | | 0.7 | -1.5 | 14.7 | 0.4 | 3.3 | 6.6 | 4.7 | 3.1 | Dec-14 |
| KKR Global II(Net) | 7,250,222 | 0.7 | 34.5 | NA | NA | 10.5 | 38.6 | 17.8 | 14.5 | -- | 14.2 | Dec-14 |
| North Haven Infrastructure II(Net) | 7,180,485 | 0.7 | 34.2 | NA | NA | -1.3 | 2.3 | 7.2 | 10.3 | -- | 6.7 | May-15 |

Total Fund | As of February 28, 2021

| | Market Value (\$) | % of Portfolio | % of Sector | 1 Mo (%) | QTD (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | Inception (%) | Inception Date |
|---|----------------------|-------------------|----------------|-------------|------------|----------------------|-------------|--------------|--------------|---------------|------------------|-------------------|
| ISQ Global Infrastructure Fund II(Net) | 3,556,295 | 0.3 | 16.9 | NA | NA | 6.4 | 10.1 | -- | -- | -- | -4.5 | Jul-18 |
| KKR Global Infrastructure Investors III(Net) | 2,332,443 | 0.2 | 11.1 | NA | NA | 7.5 | 2.6 | -- | -- | -- | -6.1 | Jan-19 |
| Ardian Infrastructure Fund V(Net) | 671,043 | 0.1 | 3.2 | NA | NA | -34.7 | -40.5 | -- | -- | -- | -32.2 | Oct-19 |
| Private Natural Resources(Net) | 11,069,620 | 1.0 | 26.2 | NA | NA | 10.0 | -9.4 | 3.2 | 12.2 | -- | 10.9 | Sep-15 |
| <i>S&P Global Natural Resources Index TR USD</i> | | | | 9.0 | 9.4 | 36.2 | 34.4 | 4.2 | 13.0 | 1.0 | 11.9 | Sep-15 |
| GSO Energy Opportunities(Net) | 2,771,065 | 0.3 | 25.0 | NA | NA | 26.9 | -17.1 | -3.0 | 8.1 | -- | 7.4 | Nov-15 |
| Taurus Mining(Net) | 1,580,154 | 0.1 | 14.3 | NA | NA | -0.6 | -12.2 | 5.1 | 12.3 | -- | 10.9 | Sep-15 |
| Taurus Mining Annex(Net) | 1,567,697 | 0.1 | 14.2 | NA | NA | 7.6 | 17.7 | 20.8 | -- | -- | 24.9 | Jan-17 |
| BlackRock Global Energy and Power Infrastructure Fund III LP(Net) | 1,392,617 | 0.1 | 12.6 | NA | NA | 34.1 | 16.9 | -- | -- | -- | 22.3 | Jul-19 |
| Tailwater Energy Fund IV, LP(Net) | 1,392,426 | 0.1 | 12.6 | NA | NA | 5.2 | -34.5 | -- | -- | -- | -25.8 | Oct-19 |
| EnCap IV(Net) | 1,252,944 | 0.1 | 11.3 | NA | NA | 3.8 | -4.7 | -0.6 | -- | -- | -0.6 | Feb-18 |
| EnCap XI(Net) | 1,112,717 | 0.1 | 10.1 | NA | NA | -6.5 | -35.9 | -21.8 | -- | -- | -29.3 | Jul-17 |
| Cash(Net) | 7,513,648 | 0.7 | 0.7 | 0.0 | 0.0 | 0.2 | 0.4 | 0.9 | -- | -- | -- | |
| Cash(Net) | 6,060,853 | 0.6 | 80.7 | 0.0 | 0.0 | 0.2 | 0.4 | 1.3 | 1.1 | -4.4 | -- | Sep-03 |
| Treasury Cash(Net) | 1,452,795 | 0.1 | 19.3 | | | | | | | | | |

*One or more accounts have been excluded from the composite for the purposes of performance calculations and market value.

Benchmark History
As of February 28, 2021

| Total Fund | | |
|--------------------------------|------------|---|
| 1/1/2020 | Present | 21% Russell 3000 / 10% Custom Blended Developed International Equity Benchmark / 8% Custom Blended Emerging Markets Benchmark / 18% BBgBarc US Aggregate TR / 10% Custom Blended Hedge Fund Benchmark / 15% Custom Blended Private Equity Benchmark / 5% Custom Blended Real Assets Benchmark / 8% Custom Blended Real Estate Benchmark / 5% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans |
| 7/1/2019 | 12/31/2019 | 21% US Equity Custom / 18% International Equity Custom / 18% US Fixed Custom / 10% Custom Blended Hedge Fund Benchmark / 15% Thomson Reuters Cambridge Private Equity Index / 5% Real Asset Custom / 8% NCREIF ODCE (net) / 5% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Leveraged Loans |
| 1/1/2019 | 6/30/2019 | 21% US Equity Custom / 18% International Equity Custom / 23% US Fixed Custom / 10% Custom Blended Hedge Fund Benchmark / 15% Thomson Reuters Cambridge Private Equity Index / 5% Real Asset Custom / 8% NCREIF ODCE (net) |
| 1/1/2017 | 12/31/2018 | 27% US Equity Custom / 23% International Equity Custom / 22% US Fixed Custom / 5% Custom Blended Hedge Fund Benchmark / 9% Thomson Reuters Cambridge Private Equity Index / 14% Real Asset Custom |
| 7/1/2014 | 12/31/2016 | 22.7% Russell 1000 / 5.7% Russell 2000 / 23.6% International Equity Custom / 28.5% US Fixed Custom / 4.5% Custom Blended Hedge Fund Benchmark / 8% NCREIF ODCE (net) / 7% Cambridge Assoc. U.S. Private Equity Legacy Index |
| Total Fund w/o Alternatives | | |
| 1/1/2017 | Present | 37.5% US Equity Custom / 31.94% International Equity Custom / 30.56% US Fixed Custom |
| 7/1/2014 | 12/31/2016 | 28.2% Russell 1000 / 7.1% Russell 2000 / 29.3% International Equity Custom / 35.4% US Fixed Custom |
| US Equity | | |
| 1/1/2020 | Present | Russell 3000 |
| 12/31/1994 | 12/31/2019 | 80% R1000 / 20% R2000 |
| International Equity | | |
| 1/1/2019 | Present | 56% MSCI EAFE Gross / 44% MSCI Emerging Markets Gross |
| 1/1/2017 | 12/31/2018 | 69.56% MSCI EAFE Gross / 30.44% MSCI Emerging Markets Gross |
| 7/1/2013 | 12/31/2016 | MSCI ACWI ex USA Gross |
| Developed International Equity | | |
| 1/1/2020 | Present | 80% MSCI EAFE / 20% MSCI ACWI ex US Small Cap |
| 1/31/2008 | 12/31/2019 | MSCI EAFE |
| Emerging Markets Equity | | |
| 1/1/2020 | Present | MSCI Emerging Markets |
| 4/30/2012 | 12/31/2019 | MSCI Emerging Markets Gross |
| US Fixed Income | | |
| 1/1/2020 | Present | BBgBarc US Aggregate TR |
| 3/1/2018 | 12/31/2019 | 77.27% BBgBarc US Aggregate TR / 22.73% BBgBarc US Govt 1-5 Yr TR |
| 1/1/2017 | 2/28/2018 | 77.27% BBgBarc US Aggregate TR / 22.73% Credit Suisse Leveraged Loans |
| 8/1/2014 | 12/31/2016 | 71.93% BBgBarc US Aggregate TR / 17.54% ICE BofA US High Yield TR / 10.53% Credit Suisse Leveraged Loans |
| 12/31/1994 | 7/31/2014 | US Fixed Custom |

| | | |
|---------------------------|------------|---|
| Opportunistic Credit | | |
| 5/1/2019 | Present | 50% BBgBarc US Aggregate TR / 25% BBgBarc US High Yield TR / 25% Credit Suisse Leveraged Loans |
| Real Estate | | |
| 1/1/2020 | Present | NCREIF ODCE (lagged one quarter) |
| 3/31/1999 | 12/31/2019 | NCREIF ODCE (net) |
| Vanguard REIT Index | | |
| 8/31/2020 | Present | MSCI US IMI Real Estate 25-50 GR USD |
| Private Real Estate | | |
| 1/1/2020 | Present | NCREIF ODCE (lagged one quarter) |
| 3/31/1999 | 12/31/2019 | NCREIF ODCE (net) |
| Private Equity | | |
| 1/1/2020 | Present | 50% Cambridge Glob Priv Eq Qtr Lag / 50% Cambridge Venture Capital (1 Quarter Lagged) |
| 6/30/2005 | 12/31/2019 | Thomson Reuters Cambridge Private Equity Index |
| Hedge Fund | | |
| 7/1/2017 | Present | 100% HFRI Fund of Funds Composite Index |
| 1/1/2015 | 6/30/2017 | 50% HFRI Fund of Funds Composite Index / 50% HFRI RV: Multi-Strategy Index |
| Real Assets | | |
| 1/1/2020 | Present | 50% Cambridge Infrastructure (1 Quarter Lagged) / 50% Cambridge Energy Upstream & Royalties & Private Energy |
| 3/31/1999 | 12/31/2019 | Real Asset Custom |
| Private Infrastructure | | |
| 12/31/2014 | Present | S&P Global Infrastructure Net TR USD |
| Private Natural Resources | | |
| 9/30/2015 | Present | S&P Global Natural Resources Index TR USD |
| SSgA | | |
| 4/30/2017 | Present | 25% Bloomberg Roll Select Commodities Index TR USD / 25% S&P Global LargeMidCap Commodity and Resources NR USD / 10% S&P Global Infrastructure TR USD / 15% DJ US Select REIT TR USD / 25% BBgBarc US TIPS TR |

| Annual Investment Expense Analysis | | | | |
|---|--|----------------------|---------------------|---------------|
| As Of February 28, 2021 | | | | |
| Name | Fee Schedule | Market Value | Estimated Fee Value | Estimated Fee |
| Total Fund w/o Alternatives | | \$791,857,374 | | |
| US Equity | | \$297,133,252 | | |
| Mellon Dynamic US Equity | 0.30% of Assets | \$137,477,597 | \$412,433 | 0.30% |
| Mellon Large Cap | 0.04% of First 100.0 Mil, 0.02% Thereafter | \$123,813,591 | \$44,763 | 0.04% |
| Champlain Small Cap | 1.00% of Assets | \$35,842,065 | \$358,421 | 1.00% |
| International Equity | | \$264,812,215 | | |
| Developed International Equity | | \$129,917,884 | | |
| Acadian ACWI ex U.S. Small Cap Equity | 0.99% of Assets | \$13,601,301 | \$134,653 | 0.99% |
| Driehaus International Small Cap Growth | 0.90% of Assets | \$15,559,079 | \$140,032 | 0.90% |
| GQG International Equity | 0.50% of Assets | \$53,099,226 | \$265,496 | 0.50% |
| First Eagle International Value Fund | 0.79% of Assets | \$47,658,279 | \$376,500 | 0.79% |
| Emerging Markets Equity | | \$134,894,331 | | |
| Artisan Developing World TR | 1.05% of Assets | \$104,283,069 | \$1,094,972 | 1.05% |
| RWC | 0.87% of Assets | \$30,611,262 | \$266,318 | 0.87% |
| US Fixed Income | | \$164,024,003 | | |
| Barrow Hanley | 0.30% of First 50.0 Mil, 0.20% of Next 100.0 Mil, 0.15% Thereafter | \$76,034,782 | \$202,070 | 0.27% |
| Vanguard Short-Term Treasury Index Fund | 0.05% of Assets | \$10,600,933 | \$5,300 | 0.05% |
| Vanguard Total Bond Market Index Fund | 0.04% of Assets | \$77,388,288 | \$27,086 | 0.04% |
| Opportunistic Credit | | \$65,887,904 | | |
| PIMCO Income Fund | 0.50% of Assets | \$25,436,997 | \$127,185 | 0.50% |
| GoldenTree Multi-Sector Credit | 0.70% of Assets | \$23,141,299 | \$161,989 | 0.70% |
| Sculptor Credit Opportunities Domestic Partners, LP | Performance-based 1.00 and 20.00 | \$17,309,608 | \$173,096 | 1.00% |

| Name | Fee Schedule | Market Value | Estimated Fee Value | Estimated Fee |
|---|-----------------|---------------------|---------------------|---------------|
| Real Estate | | \$63,659,052 | | |
| Vanguard REIT Index | 0.10% of Assets | \$5,320,154 | \$5,320 | 0.10% |
| Private Real Estate | | \$58,338,898 | | |
| Greenfield Gap VII | | \$5,478,611 | | |
| Patron Capital V | | \$6,731,076 | | |
| UBS Trumbull Property | | \$35,029,523 | | |
| Carlyle Realty VIII | | \$1,782,013 | | |
| Taconic CRE Dislocation Fund II | | \$4,598,011 | | |
| Carmel Partners Investment Fund VII | | \$287,667 | | |
| AG Realty Value Fund X, L.P. | | \$1,922,028 | | |
| Rockpoint Real Estate Fund VI, L.P. | | \$736,386 | | |
| Cerberus Real Estate Debt Fund, L.P. | | \$1,773,582 | | |
| Invesco IV | | \$4,602 | | |
| Invesco VI | | \$6,853,465 | | |
| Ocean Avenue II | | \$5,158,439 | | |
| Pantheon I | | \$177,482 | | |
| Pantheon II | | \$3,765,094 | | |
| Pantheon Secondary | | \$280,373 | | |
| Raven Asset Fund II | | \$2,620,858 | | |
| Davidson Kempner Long-Term Distressed Opportunities Fund IV | | \$4,906,517 | | |
| GTCR Fund XII | | \$3,455,664 | | |
| Carrick Capital Partners III | | \$2,579,771 | | |
| Cressey & Company Fund VI | | \$2,862,473 | | |
| TCV X | | \$4,052,582 | | |
| Accel-KKR Growth Capital Partners III | | \$1,677,416 | | |
| Genstar Capital Partners IX | | \$3,152,074 | | |

| Name | Fee Schedule | Market Value | Estimated Fee Value | Estimated Fee |
|---|---|---------------------|---------------------|---------------|
| Cortec Group Fund VII | | \$3,162,379 | | |
| Spark Capital Growth Fund III | | \$1,391,129 | | |
| Spark Capital VI | | \$604,409 | | |
| Summit Partners Growth Equity Fund X-A | | \$4,634,691 | | |
| Taconic Market Dislocation Fund III L.P. | | \$1,185,472 | | |
| Silver Point Specialty Credit Fund II, L.P. | | \$2,372,918 | | |
| Marlin Heritage Europe II, L.P. | | \$1,199,693 | | |
| Khosla Ventures VII | | \$138,000 | | |
| Accel-KKR Capital Partners VI | | \$189,576 | | |
| Khosla Ventures Seed E | | \$42,000 | | |
| TCV XI | | \$27,200 | | |
| Hedge Fund | | \$98,981,772 | | |
| Sculptor (OZ) Domestic II | Performance-based 1.50 and 20.00 | \$13,539,979 | \$331,657 | 2.45% |
| Graham Absolute Return | Performance-based 1.75 and 20.00 | \$7,963,556 | \$210,875 | 2.65% |
| Wellington-Archipelago | Performance-based 1.00 and 20.00 | \$13,437,516 | \$265,515 | 1.98% |
| KLS Diversified | Performance-based 2.00 and 20.00 | \$8,665,813 | \$192,554 | 2.22% |
| Marshall Wace Eureka | Performance-based 2.00 and 20.00 | \$3,984,035 | \$116,987 | 2.94% |
| Silver Point Capital | Performance-based 1.50 and 20.00 | \$14,993,639 | \$322,363 | 2.15% |
| Laurion Capital | | \$12,852,853 | | |
| Taconic Opportunity Fund | | \$13,433,280 | | |
| Marshall Wace Global Opportunities | | \$10,111,101 | | |
| Real Assets | | \$42,329,542 | | |
| SSgA | 0.30% of First 50.0 Mil, 0.27% of Next 50.0 Mil, 0.25% Thereafter | \$10,269,434 | \$30,808 | 0.30% |
| Private Infrastructure | | \$20,990,488 | | |
| KKR Global II | | \$7,250,222 | | |
| North Haven Infrastructure II | | \$7,180,485 | | |

| Name | Fee Schedule | Market Value | Estimated Fee Value | Estimated Fee |
|--|--------------|---------------------|---------------------|---------------|
| ISQ Global Infrastructure Fund II | | \$3,556,295 | | |
| KKR Global Infrastructure Investors III | | \$2,332,443 | | |
| Ardian Infrastructure Fund V | | \$671,043 | | |
| Private Natural Resources | | \$11,069,620 | | |
| EnCap XI | | \$1,112,717 | | |
| EnCap IV | | \$1,252,944 | | |
| GSO Energy Opportunities | | \$2,771,065 | | |
| Taurus Mining | | \$1,580,154 | | |
| Taurus Mining Annex | | \$1,567,697 | | |
| BlackRock Global Energy and Power Infrastructure Fund III LP | | \$1,392,617 | | |
| Tailwater Energy Fund IV, LP | | \$1,392,426 | | |
| Cash | | \$7,513,648 | | |
| Cash | | \$6,060,853 | | |
| Treasury Cash | | \$1,452,795 | | |

2021 Ongoing Strategic Investment Agenda

On an ongoing (monthly) basis, Meketa develops a list of projects that we expect to work closely with Merced CERA to complete throughout the calendar year (see table below). In an attempt to coordinate the scheduling of these tasks, this memo details a Preliminary Investment Project Agenda by calendaring and prioritizing the expected tasks and deliverables that would be required to fulfill the Agenda.

Meketa welcomes any suggestions and/or modifications to the proposed timeline.

2021 Preliminary Investment Project Agenda

| Meeting Date | Task |
|--------------|--|
| March 2021 | <ul style="list-style-type: none">February preliminary performance reportCliffwater Quarterly Performance reporting |
| April 2021 | <ul style="list-style-type: none">Educational Topic: How Meketa formulates its Capital Market AssumptionsEducational Topic: CryptocurrencyMarch preliminary performance reportQuarterly Market Update |
| May 2021 | <ul style="list-style-type: none">Quarterly Performance Report (1Q 2021)April preliminary performance reportEducational Topic: The Role of the Fed: Pre and Post Pandemic, Role of the Department of US Treasury |
| June 2021 | <ul style="list-style-type: none">May preliminary performance reportEducational Topic: Thinking Outside the Box: Where to Invest in a low interest rate environment |

| Expected Completion Date | Task |
|--------------------------|--|
| July 2021 | <ul style="list-style-type: none"> • June preliminary performance report • Quarterly Market Update • Educational Topic: Putting it all together: Understanding Asset class roles within the Fund |
| August 2021 | <ul style="list-style-type: none"> • Quarterly Performance Report (2Q 2021) • July preliminary performance report • Educational Topic: Analysis of Merced CERA's use of Hedged Assets and Alternatives (Meketa/ Cliffwater) |
| September 2021 | <ul style="list-style-type: none"> • August preliminary performance report • Educational Topic: Asset Allocation Review (last amended 2018) • Alternatives Fee Reporting (Cliffwater) |
| October 2021 | <ul style="list-style-type: none"> • September preliminary performance report • Quarterly Market Update • Educational Topic: Asset Allocation Approval (Action Item) |
| November 2021 | <ul style="list-style-type: none"> • Quarterly Performance Report (3Q 2021) • October preliminary performance report • Educational Topic: Year in Review |
| December 2021* | <ul style="list-style-type: none"> • Quarterly reporting (Cliffwater) <p>*Delayed monthly reporting in December due to timing</p> |

Bold are priority strategic items.

This agenda includes only major strategic items.

Meketa also expects to work with the Staff and Board to complete more routine tasks and projects, as expected.

MM, PN, SK, pq

Disclaimer, Glossary, and Notes

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

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

INFORMATION USED TO PREPARE THIS REPORT WAS OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY OF ALL SOURCE INFORMATION CONTAINED HEREIN.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Russell Indices®, TM, SM are trademarks/service marks of the Frank Russell Company.

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

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

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

**Merced County Employees' Retirement Association (MercedCERA)
RETIREMENT BOARD AGENDA ITEM**

DATE: April 8, 2021
TO: MercedCERA Board of Retirement
FROM: Martha Sanchez, Fiscal Manager of Benefits and Administration
SUBJECT: Adoption of Pay Code for Merced County
ITEM NUMBER: 4
ITEM TYPE: Action

STAFF RECOMMENDATION:

1. Adoption of pay code 3065 CSPSL (COVID Sup Pd Sick Lv) as pensionable pay code for Merced County. (Pay code 065 for MercedCERA retirement system identification).

DISCUSSION:

On March 19, 2021, Governor Newsome approved Senate Bill No. 95. This bill provides 80 hours of COVID-19 supplemental paid sick leave for covered employees who are unable to work or telework due to certain reasons related to COVID-19. Pay code 3065 would be pensionable.

Staff recommends the following:

1. Adoption of pay code 3065 CSPSL (COVID Sup Pd Sick Lv) as pensionable pay code for Merced County. (Pay code 065 for MercedCERA retirement system identification).

MercedCERA Pay Codes

Updated: April 8, 2021

| Pay Codes [5] | Description | Legacy (Tiers 1 - 3) | PEPRA (Tier 4) |
|---------------|--|------------------------|----------------|
| | | Included (Pensionable) | |
| 001 | Scheduled Regular Hours | N | N |
| 002/RG | Reg Hrs Worked | Y | Y |
| 020/VAC/1AV | Vacation | Y | Y |
| 021/SLE/1AS | Sick Leave Employee | Y | Y |
| 022/SLF | Sick Leave Family | Y | Y |
| 023/HOL | Holiday Schedule | Y | Y |
| 024/PH | Holiday Personal | Y | Y |
| 025/CTO/1AC | Comp Time off Regular | Y | Y |
| 026 | Furlough Bank | Y | Y |
| 027/MTO/1AM | Management Leave | Y | Y |
| 028/ADM | Administrative Leave | Y | Y |
| 029/JUR | Jury Duty | Y | Y |
| 030/BER | Bereavement Leave | Y | Y |
| 031 | Furlough Day | Y | Y |
| 032/MIL | Military Leave | Y | Y |
| 033 | Sheriff Administrative Leave | Y | Y |
| 034/CAO | CAO Administrative Leave | Y | Y |
| 035 | Education Leave | Y | Y |
| 036 | Unit Holiday CTO | Y | Y |
| 037 | Witness Duty | Y | Y |
| 038 | MCMC Orientation | Y | Y |
| 039 | MCMC Training Time | Y | Y |
| 040 | Paid Non-Worked Mgt Hours | N | N |
| 041/CLD | Catastrophic Leave Donated | N | N |
| 042/CLU | Catastrophic Leave Used | Y | Y |
| 043 | Management Leave - Ineligible | N | N |
| 044 | Involuntary Furlough (Court) | Y | Y |
| 045 | Holiday Comp Time Off | Y | Y |
| 046/AIP | Attendance Incentive Program (Court) | Y | Y |
| 059 | Election Day Leave | Y | Y |
| 060 | LV-Emergency Paid Sick-Employee | Y | Y |
| 061 | LV-Emergency Paid Sick-Child/Dependant | Y | Y |
| 062 | LV-Emergency Family and Medical | Y | Y |
| 063 | CEO Admin-Lv DSWCTO | Y | Y |
| 064 | CSPSL (COVID Sup Pd Sick Lv) | Y | Y |
| 099 | B/R Retirement | Y | Y |
| 101/WC | Workers Comp | Y | Y |
| 102/SDI | State Disability Insurance | N | N |
| 103/FCL | Family Care Leave | N | N |
| 104/LAM | Approved LOA Medical | N | N |
| 105/LAP | Approved LOA Personal | N | N |
| 106/LAU | Unauthorized LOA | N | N |
| 107/SUS | Suspension | N | N |
| 108/MLD | Management LTD | N | N |
| 109/MSD | Management STD | N | N |
| 110/MLA | Approved Military LOA | N | N |
| 111 | LOA Military - Seniority | N | N |
| 112/MSL | Voluntary Furlough (Court) | N | N |
| 198 | Converted Hours Adjustments | Y | Y |
| 199/WCN | Workers Comp - No Cont Deducted | N | N |
| 201/CTE | Time & One Half Rate O/T CTE | N | N |
| 202/OT | Time & One Half Rate O/T PMT | N | N |
| 203/CBC | Callback CTE | N | N |
| 204/CBO | Callback Payment | N | N |
| 205/HCE | Holiday CTE | N | N |
| 206/SOC | Straight Time OT CTE | N | N |
| 207/SOT | Straight Time OT PMT | N | N |
| 208 | Sheriff Outside Police Protect | N | N |
| 209 | Sheriff Qtr Shift Change CTE | N | N |
| 210 | Sheriff Qtr Shift Change PMT | N | N |
| 211 | Sheriff Mandatory Training CTE | N | N |
| 212 | Sheriff Mandatory Training PMT | N | N |
| 213 | Traffic Night Court O/T | N | N |
| 214 | MCMC OR Double Time CTE | N | N |
| 215 | MCMC OR Double Time PMT | N | N |
| 216 | MCMC Registry Pay | N | N |
| 217/CPO | CTE Payoff After 7 Pay Periods | N[4] | N |
| 218 | Special Dist Time & One Half | N | N |
| 219 | Special Dist Straight Time OT | N | N |
| 220/PPT | Prior Pay Period Overtime | N | N |
| 221 | Budget Reduction Hours CTE | N | N |
| 222 | MCMC O/C Callback CTE | N | N |
| 223 | MCMC O/C Callback PMT | N | N |
| 224 | Physician O/T | N | N |
| 225 | MCMC Unit 6 | N | N |
| 226 | Sheriff K-9 Time 1/2 of PMT | N | N |
| 227 | Social Worker Phone/Doc PMT | N | N |
| 228 | Call Back Payment-Rounds | N | N |
| 229 | Special Day Remembrance CTE | N | N |
| 230 | Call Back Court CTE | N | N |
| 231 | Call Back Court Payment | N | N |
| 301 | On Call Standard Rate | N[4] | N |
| 302 | On Call Subpoena | N[4] | N |
| 303 | On Call MCMC RN Surg/OR/Rec | N | N |
| 304 | On Call MCMC RN Other Areas | N | N |
| 305 | On Call MCMC Non RN Lic/Cert | N | N |
| 306 | On Call Physician Weekdays | N[4] | N |
| 307 | On Call Physician Weekends | N[4] | N |
| 308 | On Call Home Health RN | N | N |
| 309/BIL | Bilingual Pay | Y | Y |
| 310 | Evening Shift Differential | Y | Y |

| | | | |
|---------|---|------|---|
| 311 | Night Shift Differential | Y | Y |
| 312 | Appraisers Differential | Y | Y |
| 313 | Auditors Differential | Y | Y |
| 314 | MCMC ICU/TCU/CCU Differential | Y | N |
| 315 | MCMC Charge Nurse Differential | Y | N |
| 316 | MCMC Relief Cook Differential | Y | N |
| 317 | MCMC Medical Records Dir Diff | Y | N |
| 318 | Mental Health BRITE Differential | Y | Y |
| 319 | Mental Health Supervisor Differential | Y | Y |
| 320 | Mental Health Mentor Differential | Y | Y |
| 321 | Group Counselor Lead Differential | Y | Y |
| 322 | DPW Licensed Engineer Differential | Y | Y |
| 323 | DPW Spraying Differential | Y | Y |
| 324 | DPW S/W Lead Worker Differential | Y | Y |
| 325 | Tool Replacement Allowance | Y | N |
| 327 | HSA Fair Hearing Duty Differential | Y | Y |
| 329 | HSA Underfill SW III Differential | Y | Y |
| 330 | HSA Los Banos Supervisor Differential | Y | Y |
| 331 | HSA Social Worker Mentor Differential | Y | Y |
| 332 | Risk Management Director Differential | Y | Y |
| 333 | Uniform Allowance | Y | N |
| 334 | Medical Transcriptionist Differential | Y | Y |
| 335 | Sheriff Investigator Pay | Y | Y |
| 336 | S.W.A.T. Pay | Y | Y |
| 337 | Sheriff Deputy Field Training Officer Pay | Y | Y |
| 338 | Sheriff Sergeant FTO Pay | Y | Y |
| 339 | Sheriff Jail Training Officer Pay | Y | Y |
| 340 | Intermediate POST Certificate | Y | Y |
| 341 | Advanced POST Certificate | Y | Y |
| 342/TPR | Temporary Promotion | Y | N |
| 343 | Confidential Pay | Y | Y |
| 344 | Dept. Head Expense Allowance | Y | N |
| 345 | Dept. Head Car Allowance | Y | N |
| 346/NHR | No Extra Help Work Hours | N | N |
| 347 | Intermediate POST Certificate | Y | Y |
| 348 | Transferred to B/U | N | N |
| 349 | One-Way Vehicle Commute | N | N |
| 350/VPO | Vacation Payoff | N | N |
| 351/SSR | S/L Payoff Service Retirement | N[1] | N |
| 352/SDR | S/L Payoff Disable Ret/Death | N[1] | N |
| 353 | MCMC Physician Unit of Service | Y | Y |
| 354/SBS | Sick Leave Sell-back (25 th Pay Period) | Y | N |
| 355 | New Hire Error | N | N |
| 356 | Budget Unit Transfer Error | N | N |
| 357/NOP | New Hire Hours Not On Payroll | N | N |
| 358/TNP | Terminate Hours Not On Payroll | N | N |
| 359/CPT | CTE Termination Pay | N[4] | N |
| 360 | Car Allowance Adjustment | Y | Y |
| 361 | Expense Allowance Adjustment | Y | Y |
| 362 | Uniform Allowance Adjustment | Y | Y |
| 363 | Tool Allowance Adjustment | Y | Y |
| 364 | Special District Pay | N | N |
| 365 | HSA CWS Recruitment and Retention Diff | Y | Y |
| 366 | HSA CWS Recruitment and Retention Diff (2) | Y | Y |
| 367/RSI | Retroactive Merit Increase | Y | Y |
| 368 | Retroactive Temporary Promotion | Y | N |
| 369 | Retroactive Permanent Promotion | Y | Y |
| 370 | Retroactive Demotion | Y | Y |
| 371 | Retroactive Suspension | Y | Y |
| 372 | Retroactive Reclassification | Y | Y |
| 373 | Retroactive Overpay Adjustment | Y | Y |
| 374 | Retroactive Underpay Adjustment | Y | Y |
| 375 | Recruitment and Retention | Y | N |
| 376 | Extra Help Phy Therapy Differential 10% | Y | Y |
| 377 | Residents Pay Other Departments | Y | Y |
| 378 | MH Temporary Duty Differential | Y | N |
| 379 | DPW Tree Trimming Differential | Y | Y |
| 380 | Health Dept. Jail Differential | Y | Y |
| 381 | Acting Treasurer Differential | Y | Y |
| 382 | Court Room Differential | Y | Y |
| 383 | Asst CAO Metal Health Int HR | Y | Y |
| 384 | Health Dept. Jail Incentive | Y | Y |
| 385 | Advanced POST Certificate | Y | Y |
| 386 | Correctional Sergeant FTO Differential | Y | Y |
| 387 | Special Enforcement Reaction Team | Y | Y |
| 388 | W&M Insp Computer Differential | Y | Y |
| 389 | Special Duty Prosecution Pay | Y | Y |
| 390 | Retro Pay with Retirement | Y | Y |
| 391 | Retro Pay Without Retirement | N | N |
| 392 | DPW Bldg Inspector/Plan Check Differential | Y | Y |
| 393/AVS | Vacation Sell-back (Mgmt 25 th Pay Period) | Y[3] | N |
| 394 | LCSW, MFT or MFCC Differential | Y | Y |
| 395 | Court Interpreter Coordinator Differential | Y | Y |
| 396 | Coroner Differential | Y | Y |
| 397 | Castle Differential | Y | Y |
| 398 | Litter Control Worker Differential | Y | Y |
| 399 | Extra Help M/H LCSW or MFCC Lic Diff | Y | Y |
| 400 | Temp Promotion Unrep Management | Y | N |
| 401 | Sheriff 8 Hr Evening Shift Differential | Y | Y |
| 402 | Customer Care Unit Differential | Y | Y |
| 403 | HSA C-IV Project Differential | Y | Y |
| 404 | Loyalty Bonus | Y | N |
| 405 | Successor Pay 5% | Y | Y |
| 406 | HSA Satellite Facility Differential | Y | Y |
| 407 | CPA Differential | Y | Y |
| 408 | On Call Physician Holiday Pay | N[4] | N |

| | | | |
|---------------------------------------|--|-----|-----|
| 409 | MH Fellowship Differential | Y | Y |
| 410 | Public Defender Three Strikes Differential | Y | Y |
| 411 | Dept Head Comm Allowance | Y | N |
| 412 | Cty Counsel Family Violence Prevention Pay | Y | Y |
| 413/JCA | Judicial Cell Phone Allowance | Y | N |
| 414 | Full Day Differential | N | N |
| 415 | Correctional Sergeant Bonus | N | N |
| 416 | Juvenile Institutions Officer Prep Time | Y | Y |
| 417 | Dispatch Trainer Differential | Y | Y |
| 419 | Corrections Certificate Pay | Y | Y |
| 420 | Attorney Specialization | Y | Y |
| 421 | Officer in Charge Differential | Y | Y |
| 422/IAD | Judicial Assistant Conf Diff | Y | Y |
| 423/LSP | Court Lump Sum Payout | N | N |
| 424 | Fire Dept Driver/Operator Diff | N/A | N/A |
| 425 | Court One-Time Bonus | N | N |
| 426/RTC | CRR Certification | Y | Y |
| 427/RTN | Non CRR Certification | Y | Y |
| 428 | Court Exp/Comm Allowance | Y | Y |
| 429 | DPW Lead Worker Differential | Y | Y |
| 430 | Meal Reimbursement | N | N |
| 431/CRT | Courtroom Training Differential | Y | Y |
| 432 | On Call 24 Hours Period | N | N |
| 433 | Call Back Staff Psych | N | N |
| 434 | Educational Reimbursement | N | N |
| 435 | On Call 24 Hr Pr Dr Ilano | N | N |
| 436 | Call Back Dr. Ilano | N | N |
| 437 | Court Testimony | N | N |
| 438 | Psych Therapy and Admin of Meds | Y | Y |
| 439 | Court Child Custody Coordinator | Y | Y |
| 440/CCA | Court CEO Cell Phone Allowance | Y | N |
| 441/11H/12H/13H | Court 4 Hour Interpreter Shift | N | N |
| 442/11F/12F/13F | Court 8 Hour Interpreter Shift | N | N |
| 443 | Temp Transitional Pay Differential | Y | N |
| 444/PHP | Courts - Personal Holiday Payout | N | N |
| 445/VSJ | Voluntary Separation Incentive | N | N |
| 450/VPN | Vacation Payoff In Excess Of Eligible Amount | N | N |
| 453 PPLMPEN | Prior Pay Period Lump-Sum Payout-Pensionable | Y | Y |
| 454 PPLMPNON | Prior Pay Period Lump-Sum Payout- Non-Pensionable | N | N |
| 455 | Extra Help Paid Call Firefighters Strike Team-Diff | N | N |
| 501 | Board of Supervisors Chair Differential | Y | N |
| 901/EHR | Extra-Help Regular Hours | N | N |
| 902/EHO | Extra-Help Overtime Hours | N | N |
| 903/EHS | Extra-Help Special Pays | N | N |
| 921/EXS | County Extra Help Sick Leave Employee | N | N |
| CRF | Court Reporter - Full Day | Y | Y |
| CRH | Court Reporter - Half Day | Y | Y |
| DCS | Courts - FSA Dependent Care Spending | N | N |
| ECA | Court Cell Phone Allowance | Y | N |
| 1FA (EFL) | FF FMLA (Emergency Expanded FMLA) | Y | Y |
| EHT | Court Extra Help Temporary Assignment | N | N |
| EPA | Emergency Pay Administrative Leave | Y | Y |
| ERC | Emergency Half Comp Time | N | N |
| ERO | Emergency Half Time OT | N | N |
| 1FE (ESF) | FF PSL EE (Emergency Paid Sick Leave Full Pay) | Y | Y |
| 1FF (ESP) | FF PSL FAM (Emergency Sick Leave Partial Pay) | Y | Y |
| EXS | Court Extra Help Sick Leave Employee | N | N |
| HCS | Courts - FSA Health Care Spending | N | N |
| HIL | Court Holiday Payout for Interpreter | N | N |
| LPF | Interpreter Language Pair - Full Day | Y | N |
| LPH | Interpreter Language Pair - Half Day | Y | N |
| LSP | Lump Sum Payout | N | N |
| OBL | OT Bilingual | N | N |
| ORC | OT RT Cert | N | N |
| ORN | OT RT Non Cert | N | N |
| OTP | Overtime Temp. Promotion - Superior Courts | N | N |
| TAP | Courts - Temporary Assignment Pay | Y | Y |
| VRF | Interpreter Virtual Remote - Full Day | Y | N |
| VRH | Interpreter Virtual Remote- Half Day | Y | N |
| No Code (¶ 8(K)(1-3) of Salary Reso.) | Bar Association Dues | N | N |
| No Code(¶8(J) of Salary Reso.) | Corrections Certificate - REFER TO 419 | Y | Y |

- [1] This item may be includable to the limited extent that such pay was earned and payable during the member final compensation period, but was not taken during that period.
- [2] The differentials provided for in Pay Codes 365 and 366 apply to the same duties, but vary according to the date the employee began receiving it, with those started before January 10, 1994 receiving 1.5 ranges and others receiving 1.0 range.
- [3] The pensionable portion of the vacation sell back for any member may not exceed the limit that applies to any group or class or most comparable class if only one member of a class.
- Supreme Court ruling 7/80/2020 excludes codes as pensionable.** Prior to ruling, exclusion of these paycodes was stayed until July 12, 2014. Effective July 12, 2014 items were not compensation earnable. January 8, 2018 court decision made some of these compensation earnable for Tier 1 through 3 members (specifically vacation payout earnings), except for those reciprocal members (Tier 2R and 3R) starting with MCERA system on February 8, 2018, or after.
- [4]
- [5] Numeric Wage codes represent pay codes for County, Cemetery, & Solid Waste. Alpha Wage Codes represent pay codes for Courts. Numeric Wage codes representing pay codes for County and Cemetery are four digit codes, all preceded with a number "3". However, CPAS pension administration system allows three digit codes.



March 25, 2021

To: SACRS Trustees & SACRS Administrators/CEO's
 From: Dan McAllister, SACRS Immediate Past President, Nominating Committee Chair
 SACRS Nominating Committee
 Re: SACRS Board of Director Elections 2021-2022 Elections – Final Ballot

SACRS BOD 2021-2022 election process began January 2021. Please provide the final ballot and voting instructions to your Board of Trustees and Voting Delegates.

| DEADLINE | DESCRIPTION |
|----------------|---|
| March 1, 2021 | Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted. |
| March 25, 2021 | The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25 |
| May 14, 2021 | Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference, May 11-14, 2021 |
| May 14, 2021 | Board of Directors take office for 1 year (until Spring 2022 Elections) |

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

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

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

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

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

The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25. The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.



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

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

The elections will be held at the SACRS Spring Conference on Friday, May 14, 2021 during the scheduled business meeting. Access to the business meeting is available on the conference platform, all voting delegates and alternate delegates must be registered for the conference to access link.

SACRS Nominating Committee Final Ballot:

- | | |
|--|----------------|
| • Vivian Gray, Los Angeles CERA | President |
| • Kathryn Cavness, Mendocino CERA | Vice President |
| • Harry Hagen, Santa Barbara, CERS | Treasurer |
| • Thomas Garcia, Imperial CERS | Secretary |
| • David MacDonald, MD, Contra Costa CERA | Regular Member |
| • Vere Williams, San Bernardino CERA | Regular Member |

Additional Candidates Submitted:

- | | |
|-------------------------------|----------------|
| • John Kelly, Sacramento CERS | Regular Member |
| • Chris Prevatt, Orange CERS | Regular Member |

Please prepare your voting delegate to have the ability to vote by the recommended ballot and by each position separately.

If you have any questions, please contact me at Dan McAllister, Dan.McAllister@sdcounty.ca.gov or (619) 531-5231.

Thank you for your prompt attention to this timely matter.

Sincerely,

Dan McAllister

Dan McAllister, San Diego CERA Trustee
SACRS Nominating Committee Chair

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

Attached: Candidate submissions

Submissions for President



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|--|
| Name of Candidate | Name: Vivian H. Gray |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 300 N. Lake Ave., Ste. 820, Pasadena CA 91101 Email Address: viviangray@aol.com, vgray@lacera.com Phone: 213.440.0142 |
| Name of Retirement System Candidate Currently Serves On | System Name: Los Angeles County Employees Retirement Assoc. (LACERA) |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other <u>Vice-Chair</u> |
| Applying for SACRS Board of Directors Position (select only one) | <input checked="" type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member |
| Brief Bio | 2020 President, SACRS 2018 Chair, LACERA Board of Retirement 2017 Chair, SACRS Bylaws Committee 2019 Vice Chair, SACRS President Elected general member trustee since 2012 35 years of service to Los Angeles County 10 years in Law Enforcement 25 years as an attorney for Los Angeles County 6 years in private law practice Education/Pension Trustee Certificates - Bachelors of Arts: UCLA - JD: UWLA - New York Law School -Public Pension Trustee Fiduciary Program - Stanford Law School (CALAPRS) -Principles of Pension Management - Harvard Law School Program - Trustee Work Life - UC Berkeley (SACRS) - Modern Investment Theory & Practice for Retirement Systems - IFEBP -Trustee Master's Program - NCPERS Public Pension Funding Forum - National Assoc. of Corporate Directors (NACD) Board Leadership Fellow |

VIVIAN H. GRAY

300 N. LAKE AVENUE, SUITE 820 ~PASADENA, CA 91101 ~ VGRAY@LACERA.COM

February 23, 2021

VIA EMAIL

SACRS Nominating Committee
Mr. Dan McAllister, Chair

Dear Mr. McAllister and Members of the Nominating Committee:

I would like to express my desire to be considered for SACRS' President for 2021/2022.

For the past year, I have been humbly honored to serve as SACRS President. 2020 was a very difficult time for everyone. SACRS was no exception. During this time, my thoughts focused on two concepts: Relevance and Sustainability.

Within these two concepts, SACRS was able to remain 'relevant' to the pension community by moving forward in its approach to education and 'sustainable' by building on technological advances in order to continue to provide quality education through different mediums.

Most notably SACRS accomplishments for 2020 include, but are not limited to the following:

- Continued communications with 37 Act systems and administrators through SACRS' website and SACRS Magazine
- Relevant and up to the minute webinars on pensions and investments as impacted by the pandemic
- Presentation of SACRS Spring and Fall conferences in a virtual format without sacrificing quality speakers, presentations or interactions among trustees, affiliates and staff
- Presenting the SACRS Berkeley Education Program in a virtual format with on-demand replays of the classes presented
- Maintaining an active role in the legislative process as it affected county retirement systems

In spite of the pandemic, I am very proud of the work the SACRS Board has accomplished under my leadership. We have been and continue to be productive while remaining relevant and sustainable for the SACRS membership.

I would be honored to serve a second term as President of SACRS. I thank you in advance for your consideration of my candidacy for re-election.

Sincerely,

Vivian Gray

cc: Sulema Peterson, SACRS

Submissions for Vice President



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|--|--|
| Name of Candidate | Name: Kathryn Cavness |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 6500 Ridgewood Road, Willits, CA 95490 Email Address: k24u2figure@gmail.com Phone: Home (707) 459-2215; Cell (707) 354-8105; Work (707) 463-4194 |
| Name of Retirement System Candidate Currently Serves On | System Name: Mendocino County Employee Retirement Association (MCERA) |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc.) | <input type="checkbox"/> Chair <input type="checkbox"/> Alternate <input checked="" type="checkbox"/> General Elected <input type="checkbox"/> Retiree <input type="checkbox"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="checkbox"/> President <input checked="" type="checkbox"/> Vice President <input type="checkbox"/> Treasurer <input type="checkbox"/> Secretary <input type="checkbox"/> Regular Member |
| Brief Bio | <p>My education and professional experience provides qualifications ideally suited for taking on the responsibilities of Vice President of the SACRS Board of Directors:</p> <ul style="list-style-type: none"> • Four years as Secretary for SACRS Board of Directors • Past Chair on the MCERA Board & Current MCERA Auditing Committee Member • County of Mendocino District Attorney’s Office Administrative Services Manager • Executive Education Investment Program, Hass School of Business, UC Berkeley • Principles of Pension Management for Trustees, Graziadio Business School, Pepperdine University • Advanced Principles of Pension Management for Trustees, UCLA • MBA/Accounting Emphasis |

Kathryn Cavness
6500 Ridgewood Road
Willits, CA 95490

February 4, 2021

Dan McAllister, SACRS Nominating Committee Chair
SACRS Nominating Committee

Dear Dan and Nominating Committee Members,

Please accept my letter of intent to run as Vice President in the State Association of County Retirement Systems (SACRS) Board of Directors (BOD) officers' election for the 2021-22. I have had the honor of serving on the SACRS BOD as Secretary since May 2017, which has enhanced my understanding of the value of this organization for all parties involved. Additionally, I have served as Chair of the Mendocino County Employees Retirement Association (MCERA) for the last two years.

My interest in seeking the position of Vice President is to continue working with the highly effective SACRS Board in achieving common goals. My focus will be on adding value for Trustees by expanding growth and positive outcomes, increasing diversity, and providing educational opportunities through boosting attendance at the UC Berkeley Educational Program, and SACRS conferences. I will also continue working to expand participation and membership opportunities in SACRS Committees.

As a General Elected Trustee of the Mendocino County Employee Retirement Association, which is the smallest and most northern rural county system in California, I welcome the opportunity to continue representing the smaller systems as well as all SACRS members.

My education and professional experience provides qualifications ideally suited for taking on the responsibilities of Vice President of the SACRS Board of Directors:

- SACRS Board of Directors Secretary for four years from FY 2017/2018 - FY 2020/2021
- Chair of the MCERA Board for two years through December 2020
- Trustee on the MCERA Auditing Committee
- Public Pension Investment Management Program/
 - Modern Investment Theory & Practice for Retirement Systems
 - UC Berkeley Hass School of Business
- Advanced Principles of Pension Management for Trustees
 - UCLA Anderson School of Management
- Principles of Pension Management for Trustees
 - Pepperdine University, Graziadio Business School
- County of Mendocino District Attorney's Office Administrative Services Manager
- Master's Degree in Business Administration with Emphasis on Finance & Accounting

Sincerely,



Kathryn Cavness,
SACRS BOD Secretary,
Mendocino CERA Trustee

Submissions for Treasurer



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcountry.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|--|--|
| Name of Candidate | Name: Harry E. Hagen |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: P.O. Box 579 Santa Barbara, CA 93102 Email Address: hhagen@co.santa-barbara.ca.us Phone: 805-568-2490 |
| Name of Retirement System Candidate Currently Serves On | System Name: SBCERS (Santa Barbara) |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <ul style="list-style-type: none"><input type="radio"/> Chair<input type="radio"/> Alternate<input type="radio"/> General Elected<input type="radio"/> Retiree<input checked="" type="checkbox"/> Other: Ex-Officio Member, Vice-Chair |
| Applying for SACRS Board of Directors Position (select only one) | <ul style="list-style-type: none"><input type="radio"/> President<input type="radio"/> Vice President<input checked="" type="checkbox"/> Treasurer<input type="radio"/> Secretary<input type="radio"/> Regular Member |
| Brief Bio | See Attachment |

Harry E. Hagen
Bio for SACRS Nomination Submission Form

I am the current Santa Barbara County Treasurer-Tax Collector-Public Administrator. I was first elected in 2010 and am currently serving in my third four-year term.

I am responsible for overseeing and investing a \$2 billion investment pool for local schools, general County government, and special districts. I manage the collection of taxes and general collections, administer Public Administrator estates and Public Guardian conservatorships, and oversee Veterans' Services programs. My duties also include serving as Chair of the County Debt Advisory Committee, implementing and managing the County's municipal financing program, and administering the County's deferred compensation program.

I hold a Bachelor's degree in Business Economics from UCSB, am a 29-year California Certified Public Accountant, and have completed the Certificate in Public Treasury Management from USC. Additionally, I have earned the designations of CPFO from the Government Finance Officers Association, CPFA and ACPFIM from the Association of Public Treasurers, CGIP from the Government Investment Officers Association, and CFIP from the Fixed Income Academy.

February 22, 2021

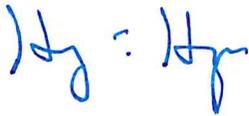
To Dan McAllister, SACRS Nominating Committee Chair,

I would like to continue serving on the SACRS Board of Directors and am submitting my letter of intent to run for the position of Treasurer.

I believe I am well qualified for the position based upon my educational and work experience. I am a 25-year employee of Santa Barbara County and the current Vice-Chair of the Santa Barbara County Employees Retirement System. I have served as the ex-officio member of SBCERS for over 10 years. I was also an alternate member to the board for eight years as the Assistant Treasurer-Tax Collector-Public Administrator.

Should you have any questions, please don't hesitate to call me directly.

Thank you for your consideration.



Harry E. Hagen, CPA, CPFA, CPFO, CFIP, CGIP, ACPFIM
Treasurer-Tax Collector-Public Administrator-Public Guardian
County of Santa Barbara
(805) 568-2490
hhagen@co.santa-barbara.ca.us

Submissions for Secretary



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|---|
| Name of Candidate | Name: Thomas Garcia |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 107 South B Street, Imperial, CA 92251 Email Address: tgarcia@icso.org Phone: 442-265-2222 |
| Name of Retirement System Candidate Currently Serves On | System Name: Imperial County Employees Retirement System (ICERS) |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> General Elected (Safety) <input type="radio"/> Retiree <input type="radio"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input checked="" type="radio"/> Secretary <input type="radio"/> Regular Member |
| Brief Bio | <p>ICERS Board Trustee, elected safety member (2015-Present) Vice Chair ICERS Board (Current) Chair ICERS Board (2016)</p> <p>25 Years Public Service in Law Enforcement with the Imperial County Sheriff's Office: Chief Deputy Sheriff Supervising Deputy Coroner</p> <p>Education & Training: Bachelor of Science, Public Administration (Northern Arizona University) Public Pension Investment Management Program, UC Berkeley Hass School of Business Principles of Pension Management, Pepperdine University FBI National Academy (Quantico, VA.) Sherman Block Supervisory Leadership Institute (Cal POST)</p> |

Thomas Garcia
107 South B Street
Imperial, CA 92251

February 5th, 2021

SACRS Nominating Committee
SACRS Nominating Committee Chair
Vivian Gray, SACRS President

Nomination Committee,

Please accept this as my letter of intent to run as Secretary in the State Association of County Retirement System (SACRS) Board of Directors (BOD) officers' 2021-22 election. I have served as an elected Board Trustee to the Imperial County Employees Retirement System (ICERS) since 2015. As an ICERS trustee I have fulfilled the duties of Board Chair and current Vice Chair. In addition, as a member of SACRS I have had the honor and privilege to serve as committee member of both the SACRS Legislation and Nomination Committees (2017–present).

In seeking this position, I hope to further my service to SACRS and all members SACRS represents. My motivation will be concentrated on assisting the distinguished SACRS Board in maintaining the legacy of SACRS work and increasing participation of all SACRS members from systems small and large.

I believe my experience with ICERS and SACRS, in conjunction with 25 years of public service as a law enforcement officer, provide me a unique skillset beneficial to SACRS:

- ICERS Board Trustee (past Chair, current Vice Chair)
- Chief Deputy Sheriff, Imperial County Sheriff's Office
- Bachelor of Science in Public Administration (Northern Arizona University)
- Public Pension Investment Management Program/Modern Investment Theory & Practice for Retirement Systems (UC Berkeley Hass School of Business)
- Principles of Pension Management for Trustees (Pepperdine University, Graziadio Executive Center)
- FBI National Academy (Quantico, VA.)
- Sherman Block Supervisory Leadership Institute (Californian Commission on POST)

Sincerely,



Thomas Garcia, Board Trustee (Safety)
Imperial County Employees Retirement System

Submissions for General Member



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|--|
| Name of Candidate | Name: David J. MacDonald, MD |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 255 Ramsgate Way, Vallejo, CA 94591 Email Address: dmacdcccera@gmail.com Phone: 510-409-4458 |
| Name of Retirement System Candidate Currently Serves On | System Name: CCCERA |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> General Elected X <input type="radio"/> Retiree <input type="radio"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member X |
| Brief Bio | * SACRS Board of Directors, Member – 2020-2021 * Secretary, CCCERA Board of Retirement * Elected general member trustee of CCCERA since 2016 * President, Physicians' and Dentists' of Contra Costa (PDOCC), since 2010 (Union for health care providers working at Contra Costa County). * 16 years serving on the PDOCC Executive Board (including several years as Vice President) prior to being elected President. * 30 years of service to Contra Costa County as a physician working in the Department of Health Services. * Education/Pension Trustee Certificates: - Bachelors of Science, Biology – UC Irvine - Doctor of Medicine – UC Irvine - UC Berkeley (SACRS) – Modern Investment Theory & Practice for Retirement Systems - Wharton Business School – Portfolio Concepts & Management - IFEBP – CAPPP program - CALAPRS Trustee Education – Principles of Pension Governance |

David J MacDonald, MD

255 Ramsgate Way
Vallejo, CA 94591
dmacdcccera@gmail.com
510-409-4458 (mobile)

January 26, 2021

SACRS Nominating Committee
Mr. Dan McAllister, Chair

Dear Mr. McAllister,

I would like to express my interest in continuing on as a Regular Member of the SACRS' Board of Directors for the 2021/2022 year.

I was elected to the SACRS board in 2020. I am also an elected trustee of the CCCERA Retirement Board (since 2016) and currently serve as CCCERA Board Secretary. I appreciate the level of responsibility entrusted to me in looking after our members' retirement plans. I understand the incredible value of a defined benefit plan for my coworkers and our retirees.

I have a long history of dedicated service to my coworkers and union members and I carry this spirit into my role as an elected trustee. My work with SACRS has meant for further education and inspiration from the SACRS organization via its conferences and programs. SACRS has enhanced my abilities to serve as an effective CCCERA trustee.

I desire to continue my service on the SACRS board. Doing so allows me to further promote, protect and build upon pension programs under CERL for county public employees statewide.

Thank you for your time and consideration.

Sincerely and Respectfully,

David J MacDonald, MD

David J MacDonald, MD

| | |
|--|--|
| Name of Candidate | Name: JOHN B. KELLY |
| Candidate Contact Information (Please include - Phone | Mailing Address: 1724 GLENBROOK LANE; LINCOLN, CA 95648 Email Address: (916) 342-9279 |
| Number, Email Address and Mailing Address) | Phone: INVESTORSCADDIE@GMAIL.COM |
| Name of Retirement System Candidate Currently Serves On | System Name: SCERS |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input checked="" type="radio"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member |
| Brief Bio | <ul style="list-style-type: none"> • FISCAL/INVESTMENT ADVISOR • 22 YEARS SCERS TRUSTEE • MASTERS OF PUBLIC ADMINISTRATION • FORMER EXECUTIVE BOARD MEMBER |

From: [John Kelly](#)
To: [Sulema Peterson](#)
Subject: Letter of Intent for SACRS Board Position
Date: Friday, January 15, 2021 11:07:42 AM

John B. Kelly, CFP, MPA serving on SCERS; Sacramento County Employee's Retirement System as an Appointed Trustee; Vice President.

Applying as regular member for SACRS.

My interest is to provide enhancements and history for educating and providing networking opportunities for system participants.

Bio:

- 24+years on SCERS Board; VP,
- 42+years as Independent Registered Investment Advisor,
- 12 years as Ca. State employee under the Reagan and Brown administrations,
- 3 years on the SACRS Board previously,
- 22 years First Tee of Greater Sacramento Board; President 2006-2009,
- 2016 induction into the Sacramento Region Golf Hall of Fame,
- produced three publications regarding investment management and retirement planning as 'The Investor's Caddie'.

Thank you for the opportunity and your consideration.

John B. Kelly, CFP, MPA
'Values Based Financial Advisor'
The Investors Caddie, Inc.
investorscaddie@gmail.com
916-342-9279



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|---|
| Name of Candidate | Name: Vere Williams |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: <u>8379 Icicle Drive, Pinon Hills, CA 92372</u> Email Address: <u>verevlw@aol.com</u> Phone: <u>760.486.6311</u> |
| Name of Retirement System Candidate Currently Serves On | System Name: <u>San Bernardino County Employees' Retirement Association</u> |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> <u>General Elected</u> |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> <u>Regular Member</u> |
| Brief Bio | <p>I was elected to SBcera's Board in January 2015 and has served on the Administrative, Audit and Investment Committees. My community involvement includes serving on the governing Boards of the Teamsters Local 1932, California State Conference of the NAACP, Working Assembly of Governmental Employees (WAGE) and other organizations. I am a past president of the San Bernardino County Association of African-American Employees and currently serves as treasurer for the Hispanic Employees Alliance. I have earned an MBA in Information Management/Accounting and has completed certification on Retirement System Management courses at UCLA, Pepperdine and Wharton. I have been an enrolled Agent for over 20 years along with over 25 years working in the finance department at Arrowhead Regional Medical Center. I have been trained in conflict resolution and have completed various workshops and seminars on organization dynamics and interplay. I am currently a member of the SACRS Audit Committee.</p> <p>A guiding quote – “I always wondered why somebody didn't do something about that, then I realized I was somebody.” – Lily Tomlin</p> |

March 1, 2021

VIA Email

Dan McAllister,
SACRS Immediate Past President/ Nominating Committee Chair
SACRS Nominating Committee

Dear Mr. Immediate Past President/Nominating Committee Chair McAllister,

Please accept this letter as my letter of intent to be a candidate for the position of Regular Member in SACRS Board of Directors Elections 2021-2022.

I am a Trustee with the San Bernardino County Employees' Retirement Association (SBcera). Seated on the SBcera's Board in January 2015, I attended my first SACRS conference that year. I found the sessions to be very informative and educational with the presenters being experts and/or thought leaders in their field. Since then, I have attended several conferences sponsored by other organizations that are single topic focused and I have also completed certification programs at Wharton, Pepperdine and UCLA. In comparison, SACRS conferences provide a comprehensive insight into the "nuts and bolts" of the functioning of the retirement systems with an emphasis on the current application of the topics. SACRS provides attendees an opportunity to understand different perspectives thereby encouraging clearer lines of communication and to hear about what works and what may be problematic. The networking and information sharing opportunities with colleagues at SACRS is immensely valuable.

SACRS recent expansion of the Board to include additional members was a very good strategic move that has helped to expand the experience pool and knowledge base. If elected as a Regular Member, I would work to ensure that SACRS remain the preeminent educational organization for the CERL 37 Act Systems by maintaining the high caliber of our conferences (both as formal seminars and networking opportunities.) Additionally, I would seek to encourage even greater participation from the trustees and staff of the 37 Act Systems. I strongly believe in getting involved as demonstrated by my volunteering to lead a CALAPRS Roundtable after attending only a few sessions. Over the years, I have served on the governing Boards of the Teamsters Local 1932, the Working Assembly of Governmental Employees and other organizations. Currently, I am a member of the SACRS Audit committee.

I would like very much to contribute, based on my education and experience, to SACRS - a superlative organization: *"Providing insight. Fostering oversight."*

I thank you in advance for your kind consideration and support. It would be a high honor for me to be elected to serve as a Regular Member on the SACRS Board for the 2021-2022 term.

Please find attached the completed SACRS nomination form.

Respectfully,

Vere Williams

Vere Williams, MBA

SBcera Board of Directors – General Elected Member

cc: Sulema Peterson, SACRS



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|--|---|
| Name of Candidate | Name: Chris Prevatt |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 1625 E. Appleton St. #3H, Long Beach, CA 90802 Email Address: Prevatt.c@gmail.com cprevatt@ocers.org Phone: 714-290-44428 |
| Name of Retirement System Candidate Currently Serves On | System Name: Orange County Employees Retirement System |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member |
| Brief Bio | <p>Chris is an Elected General Member of OCERS. His full-time position is with the Orange County Health Care Agency since 1997. He also serves as Second Vice President of the Orange County Employees Association which represents approximately 18,000 public employees in Orange County, CA. Chris has served on the OCEA Board since 2006.</p> <p>In addition to his service with OCERS and OCEA, Chris has more than 20 years' experience serving on multiple non-profit boards of directors at the state and local level.</p> <p>Chris has participated in SACRS Conferences since 2013 and served/participated on the Bylaws and Legislative Committees.</p> |

SACRS
Attn: Dan McAlister
Nominations Committee

February 22, 2021

Dear Dan,

I am writing to declare my intent to run for election as a Regular Member of the SACRS Board of Directors for the 2021-2022 term. I have included with this letter the required application form.

Regards,

A handwritten signature in black ink, appearing to read 'Chris Prevatt', with a long, sweeping horizontal stroke extending to the right.

Chris Prevatt
Elected General Member Trustee
Orange County Employees Retirement System



Serving the Active and Retired Members of:

CITY OF SAN JUAN
CAPISTRANO

COUNTY OF ORANGE

ORANGE COUNTY
CEMETERY DISTRICT

ORANGE COUNTY CHILDREN &
FAMILIES COMMISSION

ORANGE COUNTY
DEPARTMENT OF EDUCATION
(CLOSED TO NEW MEMBERS)

ORANGE COUNTY
EMPLOYEES RETIREMENT
SYSTEM

ORANGE COUNTY FIRE
AUTHORITY

ORANGE COUNTY IN-HOME
SUPPORTIVE SERVICES PUBLIC
AUTHORITY

ORANGE COUNTY LOCAL
AGENCY FORMATION
COMMISSION

ORANGE COUNTY PUBLIC LAW
LIBRARY

ORANGE COUNTY
SANITATION DISTRICT

ORANGE COUNTY
TRANSPORTATION
AUTHORITY

SUPERIOR COURT OF
CALIFORNIA, COUNTY
OF ORANGE

TRANSPORTATION
CORRIDOR AGENCIES

UCI MEDICAL CENTER AND
CAMPUS (CLOSED TO NEW
MEMBERS)

February 23, 2021

By email to Dan.McAllister@sdcounty.ca.gov and Regular Mail

Mr. Dan McAllister
SACRS Nominating Committee Chair
SACRS
1225 8th Street, Suite 550
Sacramento, CA 95814

Re: NOMINATION FOR SACRS BOARD OF DIRECTORS ELECTION 2021-2022

Dear Mr. McAllister:

As a regular member of SACRS, the Orange County Employees Retirement System (OCERS) is entitled, under the SACRS Bylaws, Article VIII, Section 2, to submit nominations for the election of directors for the SACRS Board of Directors.

On February 16, 2021, the OCERS Board of Retirement met and took action to nominate OCERS trustee, Christopher Prevatt, for one of the two Regular Member Director positions on the SACRS Board of Directors, and directed me to submit this nomination to the SACRS Nominating Committee.

Accordingly, please accept this letter as **OCERS' nomination of OCERS Trustee, Christopher Prevatt, for election to the position of Regular Member Director at the 2021-2022 SACRS Board of Directors Election to take place on May 14, 2021.**

Please do not hesitate to contact me at (714) 558-6222 if you have any questions or require additional information.

Thank you.

Best regards,

Steve Delaney
Chief Executive Officer

cc: Sulema H. Peterson, SACRS Administrator (by email to sulema@sacrs.org)

02-26-21

Dear Nomination Committee,

Chris Prevatt is running for the Regular Board Member on the SACRS Board. Chris has held many positions at OCERS including Chair and is a Board member at the Orange County Employees Association (OCEA). Working in these roles he has gained a wealth of knowledge and would be a good hard working board member for SACRS. Please accept this letter as my recommendation for Chris Prevatt as Regular Board Member.

Thank you,

Roger Hilton

SACRS and OCERS Board Member



SACRS VOTING PROXY FORM

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

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

_____ Voting Delegate

_____ Alternate Voting Delegate

These delegates were approved by the Retirement Board on ____ / ____ / ____.

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

Signature: _____

Print Name: _____

Position: _____

Date: _____

Please send your system's voting proxy by April 15, 2021 to Sulema H. Peterson, SACRS Executive Director at Sulema@sacrs.org.



SACRS Business Meeting Packet

Friday, May 14, 2021

10:00 AM - Upon Adjournment

SACRS Event Tech Platform

(Link will be sent via email to all registered Attendees. Access is email specific to attendee)



SACRS Business Meeting Agenda
Friday, May 14, 2021
10:00 AM - Upon Adjournment
Online Via SACRS Conference Platform

SACRS Parliamentarian – TBD
Sergeant at Arms – Bob Goodchild, San Diego CERA

1. SACRS System Roll Call

Kathryn Cavness, Mendocino CERA, SACRS Secretary

2. Secretary's Report - Receive and File

Kathryn Cavness, Mendocino CERA, SACRS Secretary

- A. November 2020 SACRS Business Meeting Minutes

3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

- A. July 2020 – January 2021 Financials

4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

- A. SACRS President Update

5. SACRS Legislative Committee Update – Action

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

- A. 2021 Legislative Report – No Action
- B. SACRS Board of Directors Legislative Proposal – Action

6. SACRS Nomination Committee - 2021-2022 SACRS Election Notice – Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

- A. SACRS Elections 2021-2022

7. SACRS Audit Report – Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

- A. SACRS 2019-2020 Annual Audit



8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. SACRS Annual Virtual Spring 2021 Conference Evaluations/Feedback

9. SACRS Program Committee Report – No Action

Roger Hilton, Orange CERS, SACRS Program Committee Chair

- A. SACRS Annual Virtual Spring 2021 Conference Report

10. SACRS Affiliate Committee Report – No Action

Scott Draper, Algert Global LLC, SACRS Affiliate Committee Chair

- A. Affiliate Committee Update

11. SACRS Bylaws Committee Report – No Action

Johanna Fontenot, Los Angeles CERA, SACRS Bylaws Committee Chair

- A. Bylaws Committee Update

12. SACRS Spring Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

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

13. Adjournment

Next scheduled SACRS Association Business Meeting will be held Friday, November 12, 2021 at the Hollywood Loews Hotel unless Covid-19 restrictions are in place.



1. SACRS System Roll Call

Kathryn Cavness, Mendocino CERA, SACRS Secretary



SACRS Business Meeting Roll Call of the System Membership

| System | Delegate | Alternate | Present | Absent |
|----------------|-----------------|------------------|----------------|---------------|
| Alameda | | | | |
| Contra Costa | | | | |
| Fresno | | | | |
| Imperial | | | | |
| Kern | | | | |
| Los Angeles | | | | |
| Marin | | | | |
| Mendocino | | | | |
| Merced | | | | |
| Orange | | | | |
| Sacramento | | | | |
| San Bernardino | | | | |
| San Diego | | | | |
| San Joaquin | | | | |
| San Mateo | | | | |
| Santa Barbara | | | | |
| Sonoma | | | | |
| Stanislaus | | | | |
| Tulare | | | | |
| Ventura | | | | |
| Total | | | | |



2. Secretary's Report - Receive and File

Kathryn Cavness, Mendocino CERA, SACRS Secretary

- A. November 2020 SACRS Business Meeting Minutes



SACRS Business Meeting Minutes
Friday, November 13, 2020
9:00 AM - Upon Adjournment
Online Via SACRS Conference Platform

Meeting Called to Order at 9:04 am

SACRS Board of Directors in Attendance: Vivian Gray, President; Roger Hilton, Vice President; Harry Hagen, Treasurer; Kathryn Cavness, Secretary; David McDonald, Board Member; John Kelly, Board Member; and Teri Noble, Affiliate Chair

1. SACRS System Roll Call

Kathryn Cavness, Mendocino CERA, SACRS Secretary

19 SACRS Member Systems Present

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

Arrived at 9:25 am: Imperial

Absent: Merced

2. Secretary's Report - Receive and File

Kathryn Cavness, Mendocino CERA, SACRS Secretary

A. November 2019 SACRS Business Meeting Minutes

Motion: Los Angeles CERA made motion to approve the minutes as presented.

2nd: San Diego CERA

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

No: 0

Absent: Merced, Imperial

Motion Passes 18-0-2

3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

A. July 2020 – August 2020 Financials



B. 2020 – 2021 Annual Budget

Motion: Fresno made a motion to approve the Treasurers report as presented.

2nd: Orange

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

No: 0

Absent: Merced, Imperial

Motion Passes 18-0-2

4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

A. SACRS President Update

Discussion: No action, verbal report given by Vivian Gray, SACRS President

5. SACRS Legislative Committee Update – No Action

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

A. 2020 Legislative Report – No Action

B. Los Angeles CERA Proposal – No Action

Discussion: Eric Stern and Dave Nelsen gave a verbal report on the SACRS Legislative status, review of written report submitted and discussed the LACERA proposal.

Vivian Gray requested that the System members have an opportunity to submit their positions on the LACERA proposal.

Harry Hatch asked that the request be an informal review and that the voting delegates have an opportunity to go back to their Systems to discuss.

Eric Stern offered to send the Systems a letter of explanation and language detailing the proposal so that the System could report back.

Roger Hilton asked for a turnaround time on the survey, the delegation agreed on a response of December 8.

Vivian Gray offered additional information on the proposal via Barry Lew who would also be available to answer questions System might have.

6. SACRS Nomination Committee - 2021-2022 SACRS Election Notice – No Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair



A. SACRS Election Notice 2021-2022

Discussion: Dan McAllister gave a verbal and written update on the elections held in August 2020. No action taken, information only.

7. SACRS Audit Report – Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS 2018-2019 Annual Audit

Carry over item from Spring 2020 Conference that was cancelled due to COVID-19

Motion: Orange made a motion to approve and file the Audit report as presented.

2nd: Kern

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

No: 0

Absent: Merced

Motion Passes 19-0-1

8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

A. SACRS Annual Virtual Fall 2020 Conference Evaluations/Feedback

Discussion: No report

9. SACRS Program Committee Report – No Action

Roger Hilton, Orange CERS, SACRS Program Committee Chair

A. SACRS Annual Virtual Fall Conference Report 2020

Discussion: Verbal report provided by Roger Hilton, feedback on conference was very positive. No action taken, Vivian Gray and Roger Hilton both thanked the Program Committee and Education Committee for their time and dedication to the conference. Suggestions for future conferences can be submitted online at the SACRS website.

10. SACRS Affiliate Committee Report – No Action

Teri Noble, Pathway, SACRS Affiliate Committee Chair



A. Affiliate Committee Update

Discussion: Verbal report on upcoming elections for Affiliate Committee, Fall sessions and volunteers wanted for future committee members.

11. SACRS Bylaws Committee Report – Action

Johanna Fontenot, Los Angeles CERA, SACRS Bylaws Committee Chair

A. Use of SACRS' Intellectual Property

Motion: A motion to approve the Bylaws with the inclusion of Intellectual property was made by Sonoma.

2nd: Marin

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

No: 0

Absent: Merced

Motion Passes 19-0-1

B. Termination of Membership

Motion: A motion to approve the Bylaws to include new language on Termination of Membership was made by Sonoma.

2nd: San Bernardino

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

No: 0

Absent: Merced

Motion Passes 19-0-1

C. Electronic Meetings

Motion: A motion to approve the Bylaws addition of Electronic Meeting of the Membership was made by San Diego.

2nd: Contra Costa

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



No: 0

Absent: Merced

Motion Passes 19-0-1

12. SACRS Fall Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

- A. Administrators – Eric Stern gave a verbal update on the Administrators breakout. Leanne Malison has volunteered to moderate the Spring session.
- B. Counsel – David Lantzer gave a verbal update on the Attorney’s session. No volunteer for the Spring session, please contact SACRS if you’d like to volunteer.
- C. Disability/ Operations & Benefits Combo – No Report
- D. Internal Auditors – No Report
- E. Investment Officers – No Report
- F. Safety Trustees – Roger Hilton gave a verbal update on the Safety meeting. Brian Williams has volunteered to moderate the Spring session.
- G. General Trustees – Kathryn Cavness gave a verbal update on the Trustees breakout. Mrs. Cavness has also volunteered to serve as moderator in the Spring.

13. Adjournment

Next scheduled SACRS Association Business Meeting will be held Friday, May 14, 2021 at the Long Beach Renaissance or via virtual platform due to Covid-19.

Motion: A motion to adjourn the SACRS Fall 2020 Business meeting at 10:25 am was made by San Diego.

2nd: Orange

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

No: 0

Absent: Merced

Motion Passes 19-0-1

Minutes submitted by;

Kathryn Cavness, SACRS Secretary

Sulema Peterson, SACRS Executive Director



3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

A. July 2020 – January 2021 Financials

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Balance Sheet As of January 31, 2021

Jan 31, 21

ASSETS

Current Assets

Checking/Savings

| | |
|---------------------------------------|------------|
| 1000 - First Foundation Bank-Checking | 119,684.24 |
| 1001 - BofA Interest Checking 4389 | 267,053.26 |
| 1002 - First Foundation Bank ICS Acct | 57,541.01 |

Total Checking/Savings 444,278.51

Other Current Assets

| | |
|----------------------------------|------------|
| 1100 - CalTrust - Medium Term | 979,692.99 |
| 1107 - CalTrust Liquidity Fund | 8,223.85 |
| 1110 - CAMP-SACRS Liquidity Fund | 790,897.39 |
| 1201 - Deposits in Transit | -5,337.26 |

Total Other Current Assets 1,773,476.97

Total Current Assets 2,217,755.48

TOTAL ASSETS 2,217,755.48

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

2200 - First Foundation Credit Card 1,854.14

Total Credit Cards 1,854.14

Total Current Liabilities 1,854.14

Total Liabilities 1,854.14

Equity

32000 - Retained Earnings 1,981,948.99

Net Income 233,952.35

Total Equity 2,215,901.34

TOTAL LIABILITIES & EQUITY 2,217,755.48

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss

July 2020 through January 2021

Jul '20 - Jan 21

Ordinary Income/Expense

Income

| | |
|---|-------------------|
| 4100 - Membership Dues | |
| 4101 - Affiliates | 236,250.00 |
| 4102 - Non Profit - Organizations | 3,000.00 |
| 4103 - Non Profit - Systems | 6,000.00 |
| 4104 - Systems - Medium | 52,000.00 |
| 4105 - Systems - Large | 42,000.00 |
| 4100 - Membership Dues - Other | 3,750.00 |
| Total 4100 - Membership Dues | <u>343,000.00</u> |
| 4200 - Webinar Symposium Registration | 350.00 |
| 4270 - UC Berkeley Program | |
| 4271 - Registrations | 12,000.00 |
| 4272 - Sponsorships | 23,500.00 |
| 4270 - UC Berkeley Program - Other | 2,000.00 |
| Total 4270 - UC Berkeley Program | <u>37,500.00</u> |
| 4300 - Fall Conference Registration | |
| 4301 - Affiliates - Early | 23,700.00 |
| 4302 - Affiliates - Regular | 24,150.00 |
| 4303 - Affiliates - Late/Onsite | 13,600.00 |
| 4304 - Non Profit | 720.00 |
| 4305 - Systems | 16,200.00 |
| 4306 - Non-Members | 16,670.00 |
| 4307 - Fun Run | 355.00 |
| 4308 - Yoga | 105.00 |
| 4300 - Fall Conference Registration - Other | 7,200.00 |
| Total 4300 - Fall Conference Registration | <u>102,700.00</u> |
| 4900 - Interest Earned | 5,562.42 |
| Total Income | <u>489,112.42</u> |

Gross Profit

489,112.42

Expense

| | |
|--------------------------------------|-------------------|
| 5000 - Administrative Fee | 105,000.00 |
| 5001 - Administrative Services | 0.00 |
| 5003 - Bank Charges/Credit Card Fees | 7,219.12 |
| 5010 - Berkeley & Symposium | |
| 5015 - Materials/Printing/Design | 108.75 |
| 5017 - UC Berkeley | -20,301.00 |
| Total 5010 - Berkeley & Symposium | <u>-20,192.25</u> |
| 5020 - Webinar Symposium | |
| 5022 - Webinar Technology | 28,700.00 |
| Total 5020 - Webinar Symposium | <u>28,700.00</u> |
| 5040 - Commissions & Fees | 150.00 |
| 5041 - Consulting | 16,162.00 |
| 5042 - Dues & Subscriptions | 3,885.00 |
| 5050 - Fall Conference | |

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss

July 2020 through January 2021

| | <u>Jul '20 - Jan 21</u> |
|-----------------------------------|--------------------------|
| 5051 · Audio/Visual | 24,521.25 |
| 5054 · Hotel | 0.00 |
| 5055 · Program Material | 3,049.07 |
| 5056 · Speakers | 38,125.00 |
| 5050 · Fall Conference - Other | <u>2,012.81</u> |
| Total 5050 · Fall Conference | 67,708.13 |
| 5070 · Insurance | 4,229.00 |
| 5071 · Legal & Professional Fees | 22,680.00 |
| 5072 · Legislative Advocacy | 35,007.00 |
| 5080 · Magazine | |
| 5082 · Design/Printing/Etc. | 800.00 |
| 5083 · Magazine - Other | 5,550.00 |
| 5080 · Magazine - Other | <u>3,774.58</u> |
| Total 5080 · Magazine | 10,124.58 |
| 6010 · Office Expenses / Supplies | -55.47 |
| 6011 · Postage & Delivery | 4,234.84 |
| 6020 · Spring Conference | |
| 6022 · Delivery & Shipping | 122.41 |
| 6024 · Hotel | |
| 6024.2 · Conference | 194.86 |
| 6024 · Hotel - Other | <u>-60,000.00</u> |
| Total 6024 · Hotel | -59,805.14 |
| 6026 · Speakers | <u>-210.36</u> |
| Total 6020 · Spring Conference | -59,893.09 |
| 6051 · Taxes & Licenses | 10.00 |
| 6053 · Technology/AMS/Website | 29,960.02 |
| 6054 · Travel | <u>231.19</u> |
| Total Expense | <u>255,160.07</u> |
| Net Ordinary Income | <u>233,952.35</u> |
| Net Income | <u><u>233,952.35</u></u> |



4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

A. SACRS President Update



No printed material for this item



5. SACRS Legislative Committee Update – Action

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

- A. 2021 Legislative Report – No Action
- B. SACRS Board of Directors Legislative Proposal – Action



April 1, 2021

TO: State Association of County Retirement Systems

FROM: Edelman Gilbert Robson & Smith, LLC

RE: **Legislative Update – April 2021**

Last year, Governor Newsom solemnly pronounced that after expecting record breaking surpluses in 2020, the state was facing a \$54 billion deficit. That number was daunting, and comparable to the budget shortfalls experienced at the onset of the Great Recession. That massive deficit never materialized. The Governor and his Department of Finance (DOF) didn't lie or mislead. The nonpartisan and respected Legislative Analyst's Office (LAO) also projected large and growing deficits as a result of the pandemic.

The projections were wrong for two reasons. First, with tax filing deadlines extended, both DOF and the LAO were flying blind without a reliable estimate of how much revenue the state would take in. Last year's budget was adopted before the Governor and the Legislature had the benefit of those estimates.

Secondly, the economic downturn was lopsided, disproportionately impacting low-income Californians forced to leave work during the pandemic. Wealthy Californians largely continued to prosper while stock markets rebounded despite rapid and precipitous falls at the outset of the pandemic. California's tax code leans heavily on high-income residents. While that reliance devastated state revenues during the Great Recession, it has helped spare the state during the pandemic.

Since the projections were off, the 2020 Budget was more conservative than it needed to be. Consequently, Governor Newsom's 2021 Budget was built on a \$15.5 billion windfall surplus, and the good news keeps rolling in.

Last week, the Department of Finance reported that the state will receive another \$14.3 billion in unexpected surplus revenue. On top of that, \$150 billion is coming to California from the \$1.9 Trillion American Rescue Plan recently signed by President Biden. While most of this money will go directly to residents and local governments, \$26 billion will drop into California's budget. The money must be spent addressing public health issues or the economic fallout from the pandemic, pay for essential workers, backfilling lost tax revenue, or making investments in water, sewer, or broadband infrastructure.

We have a few observations.

That's not a lot of Strings

The \$14.3 billion surplus is General Fund revenue which can be spent as the Legislature and Governor see fit. While the \$26 billion in federal aid comes with the restrictions mentioned above, they are not very limiting. The Governor and Legislature could argue that any number of spending proposals would mitigate the economic impact of the pandemic, for example. The state has until 2024 to spend the money, and lots of things to spend it on.

Lots of Money, Lots of People Want it

\$40 billion in unexpected revenue is a lot. It's easy for lobbyists and their clients to start imagining how to spend it, which is exactly why it's not as much money as it seems. Even before it was clear exactly how much money California would receive from the Federal Government or how much surplus revenue it had to spend, billions of dollars of new spending proposals were floating around the Legislature.

There's a lot of need right now, and no shortage of stakeholders looking to use state revenue to meet it. The Legislature and the Governor will have to figure out which of these requests aligns with their own priorities.

It's Enough Money for the Legislature and Governor to Fight Over

The Governor essentially ruled California via Executive Order and unilateral spending authority granted by the Legislature from March through June last year. While they allowed the situation to persist, it seems to have rubbed many legislators the wrong way. As we've reported previously, frustrated legislators largely won the debate over how to structure the 2020 budget. While they have questioned Governor Newsom on his handling of the pandemic, his handling of unemployment fraud, and his plans for school reopening, they have not truly challenged him since budget negotiations concluded in 2020.

The Legislature could choose to leverage the Governor on how to spend new revenue, but there's reason to think the Legislature will be even more accommodating than they were last year. While it's still not official, Governor Newsom will be facing a recall later this year. Despite their grievances, Democrats in the Legislature will want to defend the Democratic Governor from the Republican-backed recall effort. While there will be give and take over how to use the new money as always, it seems likely the Legislature will help the Governor with his major spending initiatives.

New Attorney General

In December, we reported that the election of Vice President Kamala Harris created a game of political musical chairs when she vacated her US Senate seat. The issue of appointing her successor quickly became fraught with risk for Governor Newsom who was urged by advocates and legislators representing the state's African American, Latino, API, and LGBTQ Californians to appoint a Senator who can represent their communities.

The Governor handled the challenge. The appointment of former Secretary of State Alex Padilla as the first Latino Senator representing California created another vacancy. The Governor appointed Shirley Weber to replace them and serve as California's first African American Secretary of State. Last week, the Governor appointed Assemblymember Rob Bonta to replace Xavier Becerra as Attorney General. Mr. Bonta will be the first Filipino American to hold the position.

March 5, 2021

TO: SACRS Board of Directors

FROM: SACRS Legislative Committee

RE: Sponsorship of SB 634 (Committee on Labor, Public Employment and Retirement)

Similar to last year with AB 2101 (Committee on Public Employment and Retirement), the Legislative Committee is pursuing another omnibus bill to provide technical and clarifying changes to the CERL. You may recall that SACRS' cleanup changes were initially placed into SB 783, then ultimately amended into AB 2101, a bill sponsored by SACRS, CalPERS, and CalSTRS that provided noncontroversial changes to each entity's respective code sections.

This year, the Senate Committee on Labor, Public Employment and Retirement is authoring another omnibus bill for SACRS, CalPERS, and CalSTRS technical cleanup.

After fielding proposals from member systems and deliberating among the legislative committee, several minor cleanup proposals were selected to be amended into SB 634 at the start of the new legislative session.

These changes include clarifying that a Board of Retirement may contract with a private physician to provide medical advice as part of the board's duties related to processing disability claims, deleting an obsolete reference to procedures for purchasing additional service, changing incorrect code references, and fixing typos. Along with these changes, the Legislative Committee will continue to review noncontroversial proposals to be added into this vehicle in the coming months.

On a separate track, the Legislative Committee continues to review more substantive CERL amendments for consideration by the Board of Directors for the 2022 legislative session.

The SACRS Legislative Committee is requesting Board of Directors approval for SACRS to formally sponsor SB 634. Thank you for your consideration.

The bill language for SB 634 and a summary matrix of CERL provisions in SB 634 are attached.

2021 CERL Amendments

| Sec | Gov Code | Topic | Issue/Justification |
|----------|--------------------|--|--|
| 9 14 | 31530 31732 | County Health Officer as Medical Advisor | Updates statutes to conform to existing practices in which many retirement systems currently use outside, independent medical advisors to evaluate disability claims. Amendments clarify that the county health officer, either directly or through a duly authorized representative, shall advise the board on medical matters. Also clarifies that the board may contract with a physician in private practice under its existing authority to secure the necessary medical service and advice in carrying out its adjudication of disability retirement applications. |
| 10 | 31565.5 | County Office of Education | Fixes incorrect cross references when the Education Code was restructured years ago. |
| 11 | 31641.8 | Service Purchase-Installment Payments | Deletes obsolete section. The payment terms related to pre-tax and after-tax contributions in conformity with federal tax law are generally specified in the contracts that members sign when they elect to make additional contributions. |
| 12 13 | 31680.2 31680.3 | Post-Retirement Employment | Fixes typo/missing words. Section 31680.2 provides that retired members may be reemployed without reinstatement to membership in a position requiring special skills or knowledge for a period of time not to exceed 90 working days or 720 hours in one fiscal year of any other 12-month period. Section 31680.3 provides that the period of time not exceed 120 working days or 960 hours. The current statutes are missing the phrase "a period of time," similar to sentence structure in Section 31680.6. |
| 15 | 31781.2 | Survivor benefits | Fixes typo. The word "the" is missing before "guardian." |

Introduced by Committee on Labor, Public Employment and Retirement (Senators Cortese (Chair), Durazo, Laird, Newman, and Ochoa Bogh)

February 19, 2021

An act to amend Sections 22011, 22802, 24204, and 26804 of the Education Code, and to amend Sections 20320, 20322, 20324, 31530, 31565.5, 31680.2, 31680.3, 31732, and 31781.2 of, to add Section 21499.1 to, and to repeal Section 31641.8 of, the Government Code, relating to retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 634, as introduced, Committee on Labor, Public Employment and Retirement. Public employees' retirement.

(1) Existing law, the Teachers' Retirement Law, establishes the State Teachers' Retirement System (STRS) and creates the Defined Benefit Program of the State Teachers' Retirement Plan, which provides a defined benefit to members of the program, based on final compensation, credited service, and age at retirement, subject to certain variations. STRS is administrated by the Teachers' Retirement Board. Existing law requires STRS to pay premiums associated with Medicare Part A for certain retired or disabled members, as specified. Existing law creates the Cash Balance Benefit Program, which is administered by the board, to provide a retirement plan for the benefit of participating employees who provide creditable service for less than 50% of full time.

Existing law applicable to the Defined Benefit Program, for applications and documents requiring a signature, requires that the signature be in a form prescribed by the system.

This bill would apply the above-described requirements regarding signed applications and documents to the Cash Balance Benefit Program and the requirement that STRS pay certain Medicare Part A premiums.

Existing law authorizes a member of STRS who is not retired and who was previously excluded from membership in the Defined Benefit Program request to purchase service credit in the program for certain types of other service. The bill would delete and obsolete cross-reference.

This bill would prohibit a member from purchasing service credit for any school year if the purchase would result in more than one year of service for that school year.

Existing law authorizes a member of STRS who files an application for service retirement to change or cancel their retirement application if specified requirements are met. In this regard, existing law requires a member to return the total gross distribution amount of all payments for any canceled retirement benefit, including a lump-sum payment, as specified.

This bill would extend the requirement to return total gross distribution amount, as described above, to apply to any canceled benefit.

(2) The Public Employees' Retirement Law (PERL) creates the Public Employees' Retirement System (PERS), which is administered by the Board of Administration of the Public Employees' Retirement System. PERL excludes specified appointees, elective officers, and legislative employees from membership in the system unless the person to whom these provisions apply elects to file with the board an election in writing to become a member.

This bill would prescribe the circumstances pursuant to which the start date would be determined for an appointee, elective officer, or legislative employee who elects to become a member of PERS. If the written election is received by the system within 90 days of the applicable appointment, current term, or start date for the position, the bill would require that the effective date be the start date of the appointment, the start date of the term, or the start date of the position. If the election is not received by the system within 90 days, as specified, the effective date would be the first day of the month in which the election is received by the system.

PERL prescribes the circumstances pursuant to which specified payments and benefits may be paid by PERS in connection with the death of a member, among others.

This bill would require that overpayments, issued after the date of death to a member, retired member, or beneficiary, made to or on behalf of any member, retired member, or beneficiary, as specified, be deducted from any subsequent payment or benefit that is payable by PERS as a result of the death.

(3) The County Employees Retirement Law of 1937 (CERL) authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension, disability, and death benefits to county and district employees. CERL vests management of the retirement systems created pursuant to its provisions in a board of retirement. CERL requires the county health officer to advise the board on medical matters and, if requested, attend its meetings.

This bill would authorize a county health officer's duly authorized representative to also advise the board of retirement with advice on medical matters.

CERL authorizes a member of a system established under its provision who ceases to be an employee of the county under certain provisions of the Education Code to elect to remain a member of the CERL system.

This bill would correct an obsolete cross-reference in this regard.

CERL provides benefits based upon service credit, defines service for this purpose, and authorizes a member to elect to receive service credit for other forms of public service, as defined, by making contributions. CERL authorizes a member who has elected to make contributions to receive service credit to complete payment, at any time prior to the effective date of the member's retirement, by a lump sum.

This bill would repeal the above-described authority of a member to complete a payment by lump sum.

CERL requires a board of retirement to secure medical, investigatory, and other service and advice as is necessary for the purpose of administering provisions relating to disability retirement.

This bill would authorize the board to contract with a physician in private practice for the medical advice necessary to carry out the purpose of provisions relating to disability retirement.

This bill would make various technical and stylistic changes.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 22011 of the Education Code is amended
2 to read:

3 22011. For an application or document requiring a signature,
4 that signature shall be in a form prescribed by the system,
5 including, but not limited to, on paper or made by electronic means.
6 Notwithstanding any other law, an application or document made
7 under this ~~part~~ *part, Part 13.5 (commencing with Section 25900),*
8 *or Part 14 (commencing with Section 26000)* that is signed and
9 submitted by the person authorized to do so using technology and
10 security measures prescribed by the system shall be deemed to be
11 a signed and valid original document.

12 SEC. 2. Section 22802 of the Education Code is amended to
13 read:

14 22802. (a) A member, other than a retired member, who was
15 previously excluded from membership in the Defined Benefit
16 Program may request to purchase service credit for:

17 (1) Service as a substitute excluded under Section 22602.

18 (2) Creditable service subject to coverage under the Cash
19 Balance Benefit ~~Program, excluding service credited pursuant to~~
20 ~~Section 26402, Program~~ if the member is currently contributing
21 to the Defined Benefit Program and has terminated all service
22 subject to coverage under the Cash Balance Benefit Program. Upon
23 requesting to purchase service credit under this paragraph, the
24 member shall cease to be eligible for a benefit for the same service
25 or time previously credited under the Cash Balance Benefit
26 Program pursuant to Part 14 (commencing with Section 26000).

27 (3) Service performed on a part-time basis excluded under
28 Section 22601.5 or Section 22604, other than service credited
29 under paragraph (2).

30 (4) Adult education service excluded under Section 22603, as
31 it read on December 31, 1995.

32 (5) Service as a school nurse excluded under Section 22606, as
33 it read on December 31, 1995.

34 (6) Service performed in a position prior to the date the position
35 was made subject to coverage under the Defined Benefit Program.

36 (7) Service subject to coverage under the Defined Benefit
37 Program performed while a member of another California public
38 retirement system, provided the member has ceased to be a member

1 of, and has ceased to be entitled to benefits from, the other
2 retirement system. The member shall not receive credit for the
3 service if the member may redeposit withdrawn contributions and
4 subsequently be eligible for any benefits based upon the same
5 service or based upon other full-time service performed during the
6 same period, from another California public retirement system.

7 (b) A member who requests to purchase service credit under
8 this part for service performed while excluded from membership
9 under the Defined Benefit Program shall pay all of the required
10 contributions for all or the portion of that service for which the
11 member requests to purchase service credit.

12 (c) A member ~~may~~ shall not request to purchase service credit
13 for service or time described in paragraphs (1) and (3) to (7),
14 inclusive, of subdivision (a) if, after the request, the member would
15 continue to receive credit for the same service or time in the Cash
16 Balance Benefit Program under Part 14 (commencing with Section
17 26000) or another public retirement system.

18 (d) *A member shall not purchase service credit for any school*
19 *year if the purchase would result in more than one year of service*
20 *for that school year.*

21 SEC. 3. Section 24204 of the Education Code is amended to
22 read:

23 24204. (a) A service retirement allowance under this part shall
24 become effective upon any date designated by the member,
25 provided all of the following conditions are met:

26 (1) An application for service retirement allowance is filed on
27 a form provided by the system, which is executed no earlier than
28 six months before the effective date of retirement allowance.

29 (2) The effective date is later than the last day the member
30 earned creditable compensation pursuant to Section 22119.2 or
31 22119.3.

32 (3) The effective date is no earlier than one day after the date
33 on which the retirement allowance was terminated under Section
34 24208.

35 (4) The effective date is no earlier than one year following the
36 date on which the retirement allowance was terminated under
37 subdivision (a) of Section 24117.

38 (5) The effective date is no earlier than the date upon and
39 continuously after which the member is determined to the
40 satisfaction of the board to have been mentally incompetent.

1 (6) The effective date is no earlier than one day after the date
 2 upon which the member completes payment of a service credit
 3 purchase pursuant to Section 22801, 22820, or 22826, or payment
 4 of a redeposit of contributions pursuant to Section 23200, except
 5 as provided in Section 22801 or 22829.

6 (b) A member who files an application for service retirement
 7 may change or cancel their retirement application if all of the
 8 following are met:

9 (1) The form provided by the system is received in the system's
 10 headquarters office no later than 30 days from the date the
 11 member's initial benefit payment for the member's most recent
 12 retirement under the Defined Benefit Program is paid by the
 13 system.

14 (2) The member returns the total gross distribution amount of
 15 all payments for any canceled ~~retirement~~ benefit, including a
 16 lump-sum payment being changed to an annuity, to the system's
 17 headquarters office no later than 45 days from the date of the
 18 member's initial benefit payment. The member shall be liable for
 19 any adverse tax consequences that may result from these actions.

20 (c) The retirement date of a member who files an application
 21 for retirement pursuant to Section 24201 on or after January 1,
 22 2012, shall be no earlier than January 1, 2012.

23 (d) Nothing in this section shall be construed to allow a member
 24 to receive more than one type of retirement or disability allowance
 25 for the same period of time by virtue of the member's own
 26 membership.

27 SEC. 4. Section 26804 of the Education Code is amended to
 28 read:

29 26804. Application for a retirement benefit under this part shall
 30 be made on a form prescribed by the system. A participant who
 31 files an application for a retirement benefit may change or cancel
 32 the retirement application if all of the following are met:

33 (a) The form provided by the system is received in the system's
 34 headquarters office no later than 30 days from the date of the
 35 ~~member's~~ *participant's* initial benefit payment.

36 (b) The participant returns the total gross distribution amount
 37 *of all payments* for any canceled retirement benefit, including a
 38 lump-sum payment being changed to an annuity, to the system's
 39 headquarters office no later than 45 days from the date of the
 40 ~~participants's~~ *participant's* initial benefit payment. The participant

1 shall be liable for any adverse tax consequences that may result
2 from these actions.

3 SEC. 5. Section 20320 of the Government Code is amended
4 to read:

5 20320. (a) A person directly appointed by the Governor,
6 without the nomination of any officer or board, or directly
7 appointed by the Attorney General, Lieutenant Governor,
8 Controller, Secretary of State, Treasurer, or Superintendent of
9 Public Instruction exempt from civil service under Article VII of
10 the California Constitution, except those appointed pursuant to
11 subdivision (i) of Section 4 thereof, is excluded from membership
12 in this system unless ~~he or she~~ *the person* files with the board an
13 election in writing to become a member. *The election effective*
14 *date shall be the start date of the current appointment, provided*
15 *the election is received by this system within 90 days of the*
16 *applicable start date. If the election is not received by this system*
17 *within 90 days from the start date, the effective date shall be the*
18 *first day of the month in which the election is received by this*
19 *system.*

20 (b) Upon electing to become a member, the person may further
21 elect at any time prior to retirement to receive service credit for
22 ~~his or her~~ *their* prior, excluded state service by making the
23 contributions as specified in Sections 21050 and 21051.

24 SEC. 6. Section 20322 of the Government Code is amended
25 to read:

26 20322. (a) An elective officer is excluded from membership
27 in this system unless the officer files with the board an election in
28 writing to become a member. *The election effective date shall be*
29 *the start date of the current term, provided the election is received*
30 *by this system within 90 days of the applicable start date. If the*
31 *election is not received by this system within 90 days from the start*
32 *date, the effective date shall be the first day of the month in which*
33 *the election is received by this system.* Upon electing to become a
34 member, the officer may further elect at any time prior to retirement
35 to receive service credit for ~~his or her~~ *their* prior, excluded service
36 by making the contributions as specified in Sections 21050 and
37 21051.

38 (b) As used in this part, “elective officer” includes any officer
39 of the Senate or Assembly who is elected by vote of the members
40 of either or both of the houses of the Legislature, and any

1 appointive officer of a city or county occupying a fixed term of
2 office, as well as officers of the state or contracting agencies elected
3 by the people, and persons elected to a city council or a county
4 board of supervisors.

5 (c) Notwithstanding any other provision of subdivision (a) or
6 (b), elected or appointed officers of a county superintendent of
7 schools, school district, or community college district, or of a
8 contracting agency, who serve on public commissions, boards,
9 councils, or similar legislative or administrative bodies are
10 excluded from membership in this system. This exclusion shall
11 only apply to those elected or appointed officers, other than city
12 or county officers, who are first elected or appointed to an office
13 on or after July 1, 1994, or who are elected or appointed to a term
14 of office not consecutive with the term of office held on June 30,
15 1994. For city or county elected or appointed officers, this
16 exclusion shall only apply to those officers who are first elected
17 or appointed to an office on or after January 1, 1997, or who are
18 elected or appointed to a term of office not consecutive with the
19 term of office held on December 31, 1996. This exclusion shall
20 not apply to persons elected to a city council or county board of
21 supervisors.

22 (d) Any person holding the office of city attorney or the office
23 of assistant city attorney, whether employed, appointed, or elected,
24 is excluded from the definition of “elective officer” as defined in
25 subdivision (b). This subdivision shall apply only to persons first
26 employed, elected, or appointed on or after July 1, 1994, or
27 following any break in state service while serving in the office if
28 the office was held on June 30, 1994.

29 (e) In accordance with Section 20125, the board shall be the
30 sole judge of which elected or appointed positions qualify the
31 incumbent as an “elective officer” in this system under this section.

32 (f) Notwithstanding any other provision of law, with respect to
33 elective officers of contracting agencies, payment by a contracting
34 agency of employer contributions and any other amounts for
35 employer paid benefits under this system shall not be construed
36 as receipt of salary or compensation by the elective officer for
37 purposes of any statutory salary or compensation limitation.

38 SEC. 7. Section 20324 of the Government Code is amended
39 to read:

1 20324. (a) An employee of the Senate or the Assembly, or the
2 respective committees thereof, whose salaries or wages are paid
3 from the Senate Operating Fund or the Assembly Operating Fund
4 or the Operating Funds of the Assembly and Senate, shall be
5 deemed a “legislative employee.” A legislative employee is
6 excluded from membership in this system unless ~~he or she~~ *the*
7 *person* files with the board an election in writing to become a
8 member. *The election effective date shall be the start date of the*
9 *current position, provided the election is received by this system*
10 *within 90 days of the applicable start date. If the election is not*
11 *received by this system within 90 days from the start date, the*
12 *effective date shall be the first day of the month in which the*
13 *election is received by this system.* The election shall not be
14 required of a legislative employee who was a member of this
15 system on October 1, 1963.

16 (b) Upon electing to become a member, a legislative employee
17 may further elect at any time prior to retirement to receive service
18 credit for ~~his or her~~ *their* prior, excluded legislative service and
19 ~~he or she~~ *the legislative employee* shall have the option as to how
20 much of that prior legislative service is to be credited. The
21 legislative employee shall make contributions to this system as
22 specified in Sections 21050 and 21051 for the previous service as
23 a legislative employee for which ~~he or she~~ *desires they desire* to
24 receive service credit.

25 SEC. 8. Section 21499.1 is added to the Government Code, to
26 read:

27 21499.1. Any overpayment, issued after the date of death to a
28 member, retired member, or beneficiary, made to or on behalf of
29 any member, retired member, or beneficiary, including, but not
30 limited to, contributions, interest, retirement allowance, payments
31 of any kind, or federal or state tax, shall be deducted from any
32 subsequent payment or benefit that is payable by this system as a
33 result of the death.

34 SEC. 9. Section 31530 of the Government Code is amended
35 to read:

36 31530. The county health ~~officer~~ *officer, either directly or*
37 *through a duly authorized representative*, shall advise the board
38 on medical matters and, if requested by the board, shall attend its
39 meetings.

1 SEC. 10. Section 31565.5 of the Government Code is amended
2 to read:

3 31565.5. Any member of a system established under this
4 chapter who ceases to be an employee of the county under the
5 provisions of ~~Education Code Section 873~~ *Section 1312 of the*
6 *Education Code* may elect as authorized in ~~Education Code Section~~
7 ~~873.1~~ *Section 1313 of the Education Code* to remain a member of
8 such system.

9 SEC. 11. Section 31641.8 of the Government Code is repealed.

10 ~~31641.8. Any member who has elected to make contributions~~
11 ~~pursuant to this chapter by installment payments may, at any time~~
12 ~~prior to the effective date of his retirement, complete payment~~
13 ~~thereof by lump sum.~~

14 SEC. 12. Section 31680.2 of the Government Code is amended
15 to read:

16 31680.2. (a) Any person who has retired may be employed in
17 a position requiring special skills or knowledge, as determined by
18 the county or district employing ~~him or her, for them, for a period~~
19 ~~of time~~ not to exceed 90 working days or 720 hours, whichever is
20 greater, in any one fiscal year or any other 12-month period
21 designated by the board of supervisors and may be paid for that
22 employment. That employment shall not operate to reinstate the
23 person as a member of this system or to terminate or suspend ~~his~~
24 ~~or her~~ *their* retirement allowance, and no deductions shall be made
25 from ~~his or her~~ *their* salary as contributions to this system.

26 (b) (1) This section shall not apply to any retired person who
27 is otherwise eligible for employment under this section if, during
28 the 12-month period prior to an appointment described in this
29 section, that retired person receives unemployment insurance
30 compensation arising out of prior employment subject to this
31 section with the same employer.

32 (2) A retired person who accepts an appointment after receiving
33 unemployment insurance compensation as described in this
34 subdivision shall terminate that employment on the last day of the
35 current pay period and shall not be eligible for reappointment
36 subject to this section for a period of 12 months following the last
37 day of employment.

38 (3) Beginning January 1, 2013, if any provision of this section
39 conflicts with the California Public Employees' Pension Reform
40 Act of 2013, the provisions of that act shall prevail, except that

1 the limit on postretirement employment provided in subdivision
2 (a) to the greater of 90 working days or 720 hours shall remain
3 effective.

4 SEC. 13. Section 31680.3 of the Government Code is amended
5 to read:

6 31680.3. (a) Notwithstanding Section 31680.2, any member
7 who has been covered under the provisions of Section 31751 and
8 has retired may be reemployed in a position requiring special skills
9 or knowledge, as determined by the county or district employing
10 the member, for *a period of time* not to exceed 120 working days
11 or 960 hours, whichever is greater, in any one fiscal year and may
12 be paid for that employment. That employment shall not operate
13 to reinstate the person as a member of this system or to terminate
14 or suspend the person's retirement allowance, and no deductions
15 shall be made from the person's salary as contributions to this
16 system.

17 (b) (1) This section shall not apply to any retired member who
18 is otherwise eligible for reemployment under this section if, during
19 the 12-month period prior to an appointment described in this
20 section, that retired person receives unemployment insurance
21 compensation arising out of prior employment subject to this
22 section with the same employer.

23 (2) A retired person who accepts an appointment after receiving
24 unemployment insurance compensation as described in this
25 subdivision shall terminate that employment on the last day of the
26 current pay period and shall not be eligible for reappointment
27 subject to this section for a period of 12 months following the last
28 day of employment.

29 (c) Beginning January 1, 2013, if any provision of this section
30 conflicts with the California Public Employees' Pension Reform
31 Act of 2013, the provisions of that act shall prevail.

32 SEC. 14. Section 31732 of the Government Code is amended
33 to read:

34 31732. The board shall secure such medical, investigatory and
35 other service and advice as is necessary to carry out the purpose
36 of this article. Notwithstanding Section 31529, the board may
37 contract with an attorney in private practice for the legal services
38 and advice necessary to carry out the purpose of this article.
39 *Notwithstanding Section 31530, the board may contract with a*
40 *physician in private practice for the medical advice necessary to*

1 *carry out the purpose of this article.* It shall pay for such services
2 and advice such compensation as it deems reasonable.

3 SEC. 15. Section 31781.2 of the Government Code is amended
4 to read:

5 31781.2. In lieu of accepting in cash the death benefit payable
6 under Section 31781 or 31781.01, the surviving spouse of a
7 member who dies prior to reaching the minimum retirement age
8 and who at the date of the member’s death has 10 or more years
9 of service to the member’s credit, shall have the option to leave
10 the amount of the death benefit on deposit in the retirement system
11 until the earliest date when the deceased member could have retired
12 had the member lived, and at that time receive the retirement
13 allowance provided for in Section 31765, 31765.1, or 31765.11,
14 whichever is applicable.

15 If, at the death of the spouse, the spouse is survived by one or
16 more unmarried children of the member, under the age of 18 years,
17 the retirement allowance shall continue to the child or children,
18 collectively, until every child dies, marries, or attains the age of
19 18 years. If the spouse dies, either before or after the death of the
20 member, without either making the election or receiving any
21 portion of the death benefit, and no part of the death benefit had
22 been paid to any person, prior to the payment of any benefits, the
23 legally appointed guardian of the children shall make the election
24 herein provided for on behalf of the surviving children as, in *the*
25 guardian’s judgment, may appear to be in their interest and
26 advantage, and the election so made shall be binding and
27 conclusive upon all parties in interest.

28 Notwithstanding any other provisions of this section, the benefits
29 otherwise payable to the children of the member shall be paid to
30 those children up to the 22nd birthdays of the children if the
31 children remain unmarried and are regularly enrolled as full-time
32 students in an accredited school as determined by the board.

O



6. SACRS Nomination Committee - 2021-2022 SACRS Election Notice – Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

A. SACRS Elections 2021-2022



March 25, 2021

To: SACRS Trustees & SACRS Administrators/CEO's
 From: Dan McAllister, SACRS Immediate Past President, Nominating Committee Chair
 SACRS Nominating Committee
 Re: SACRS Board of Director Elections 2021-2022 Elections – Final Ballot

SACRS BOD 2021-2022 election process began January 2021. Please provide the final ballot and voting instructions to your Board of Trustees and Voting Delegates.

| DEADLINE | DESCRIPTION |
|----------------|---|
| March 1, 2021 | Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted. |
| March 25, 2021 | The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25 |
| May 14, 2021 | Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference, May 11-14, 2021 |
| May 14, 2021 | Board of Directors take office for 1 year (until Spring 2022 Elections) |

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

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

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

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

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

The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25. The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.



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

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

The elections will be held at the SACRS Spring Conference on Friday, May 14, 2021 during the scheduled business meeting. Access to the business meeting is available on the conference platform, all voting delegates and alternate delegates must be registered for the conference to access link.

SACRS Nominating Committee Final Ballot:

- | | |
|--|----------------|
| • Vivian Gray, Los Angeles CERA | President |
| • Kathryn Cavness, Mendocino CERA | Vice President |
| • Harry Hagen, Santa Barbara, CERS | Treasurer |
| • Thomas Garcia, Imperial CERS | Secretary |
| • David MacDonald, MD, Contra Costa CERA | Regular Member |
| • Vere Williams, San Bernardino CERA | Regular Member |

Additional Candidates Submitted:

- | | |
|-------------------------------|----------------|
| • John Kelly, Sacramento CERS | Regular Member |
| • Chris Prevatt, Orange CERS | Regular Member |

Please prepare your voting delegate to have the ability to vote by the recommended ballot and by each position separately.

If you have any questions, please contact me at Dan McAllister, Dan.McAllister@sdcounty.ca.gov or (619) 531-5231.

Thank you for your prompt attention to this timely matter.

Sincerely,

Dan McAllister

Dan McAllister, San Diego CERA Trustee
SACRS Nominating Committee Chair

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

Attached: Candidate submissions

Submissions for President



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|--|
| Name of Candidate | Name: Vivian H. Gray |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 300 N. Lake Ave., Ste. 820, Pasadena CA 91101 Email Address: viviangray@aol.com, vgray@lacera.com Phone: 213.440.0142 |
| Name of Retirement System Candidate Currently Serves On | System Name: Los Angeles County Employees Retirement Assoc. (LACERA) |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other <u>Vice-Chair</u> |
| Applying for SACRS Board of Directors Position (select only one) | <input checked="" type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member |
| Brief Bio | 2020 President, SACRS 2018 Chair, LACERA Board of Retirement 2017 Chair, SACRS Bylaws Committee 2019 Vice Chair, SACRS President Elected general member trustee since 2012 35 years of service to Los Angeles County 10 years in Law Enforcement 25 years as an attorney for Los Angeles County 6 years in private law practice Education/Pension Trustee Certificates - Bachelors of Arts: UCLA - JD: UWLA - New York Law School -Public Pension Trustee Fiduciary Program - Stanford Law School (CALAPRS) -Principles of Pension Management - Harvard Law School Program - Trustee Work Life - UC Berkeley (SACRS) - Modern Investment Theory & Practice for Retirement Systems - IFEBP -Trustee Master's Program - NCPERS Public Pension Funding Forum - National Assoc. of Corporate Directors (NACD) Board Leadership Fellow |

VIVIAN H. GRAY

300 N. LAKE AVENUE, SUITE 820 ~PASADENA, CA 91101 ~ VGRAY@LACERA.COM

February 23, 2021

VIA EMAIL

SACRS Nominating Committee
Mr. Dan McAllister, Chair

Dear Mr. McAllister and Members of the Nominating Committee:

I would like to express my desire to be considered for SACRS' President for 2021/2022.

For the past year, I have been humbly honored to serve as SACRS President. 2020 was a very difficult time for everyone. SACRS was no exception. During this time, my thoughts focused on two concepts: Relevance and Sustainability.

Within these two concepts, SACRS was able to remain 'relevant' to the pension community by moving forward in its approach to education and 'sustainable' by building on technological advances in order to continue to provide quality education through different mediums.

Most notably SACRS accomplishments for 2020 include, but are not limited to the following:

- Continued communications with 37 Act systems and administrators through SACRS' website and SACRS Magazine
- Relevant and up to the minute webinars on pensions and investments as impacted by the pandemic
- Presentation of SACRS Spring and Fall conferences in a virtual format without sacrificing quality speakers, presentations or interactions among trustees, affiliates and staff
- Presenting the SACRS Berkeley Education Program in a virtual format with on-demand replays of the classes presented
- Maintaining an active role in the legislative process as it affected county retirement systems

In spite of the pandemic, I am very proud of the work the SACRS Board has accomplished under my leadership. We have been and continue to be productive while remaining relevant and sustainable for the SACRS membership.

I would be honored to serve a second term as President of SACRS. I thank you in advance for your consideration of my candidacy for re-election.

Sincerely,

Vivian Gray

cc: Sulema Peterson, SACRS

041

Submissions for Vice President



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|--|--|
| Name of Candidate | Name: Kathryn Cavness |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 6500 Ridgewood Road, Willits, CA 95490 Email Address: k24u2figure@gmail.com Phone: Home (707) 459-2215; Cell (707) 354-8105; Work (707) 463-4194 |
| Name of Retirement System Candidate Currently Serves On | System Name: Mendocino County Employee Retirement Association (MCERA) |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc.) | <input type="checkbox"/> Chair <input type="checkbox"/> Alternate <input checked="" type="checkbox"/> General Elected <input type="checkbox"/> Retiree <input type="checkbox"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="checkbox"/> President <input checked="" type="checkbox"/> Vice President <input type="checkbox"/> Treasurer <input type="checkbox"/> Secretary <input type="checkbox"/> Regular Member |
| Brief Bio | <p>My education and professional experience provides qualifications ideally suited for taking on the responsibilities of Vice President of the SACRS Board of Directors:</p> <ul style="list-style-type: none"> • Four years as Secretary for SACRS Board of Directors • Past Chair on the MCERA Board & Current MCERA Auditing Committee Member • County of Mendocino District Attorney’s Office Administrative Services Manager • Executive Education Investment Program, Hass School of Business, UC Berkeley • Principles of Pension Management for Trustees, Graziadio Business School, Pepperdine University • Advanced Principles of Pension Management for Trustees, UCLA • MBA/Accounting Emphasis |

Kathryn Cavness
6500 Ridgewood Road
Willits, CA 95490

February 4, 2021

Dan McAllister, SACRS Nominating Committee Chair
SACRS Nominating Committee

Dear Dan and Nominating Committee Members,

Please accept my letter of intent to run as Vice President in the State Association of County Retirement Systems (SACRS) Board of Directors (BOD) officers' election for the 2021-22. I have had the honor of serving on the SACRS BOD as Secretary since May 2017, which has enhanced my understanding of the value of this organization for all parties involved. Additionally, I have served as Chair of the Mendocino County Employees Retirement Association (MCERA) for the last two years.

My interest in seeking the position of Vice President is to continue working with the highly effective SACRS Board in achieving common goals. My focus will be on adding value for Trustees by expanding growth and positive outcomes, increasing diversity, and providing educational opportunities through boosting attendance at the UC Berkeley Educational Program, and SACRS conferences. I will also continue working to expand participation and membership opportunities in SACRS Committees.

As a General Elected Trustee of the Mendocino County Employee Retirement Association, which is the smallest and most northern rural county system in California, I welcome the opportunity to continue representing the smaller systems as well as all SACRS members.

My education and professional experience provides qualifications ideally suited for taking on the responsibilities of Vice President of the SACRS Board of Directors:

- SACRS Board of Directors Secretary for four years from FY 2017/2018 - FY 2020/2021
- Chair of the MCERA Board for two years through December 2020
- Trustee on the MCERA Auditing Committee
- Public Pension Investment Management Program/
 - Modern Investment Theory & Practice for Retirement Systems
 - UC Berkeley Hass School of Business
- Advanced Principles of Pension Management for Trustees
 - UCLA Anderson School of Management
- Principles of Pension Management for Trustees
 - Pepperdine University, Graziadio Business School
- County of Mendocino District Attorney's Office Administrative Services Manager
- Master's Degree in Business Administration with Emphasis on Finance & Accounting

Sincerely,



Kathryn Cavness,
SACRS BOD Secretary,
Mendocino CERA Trustee

Submissions for Treasurer



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcountry.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|--|--|
| Name of Candidate | Name: Harry E. Hagen |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: P.O. Box 579 Santa Barbara, CA 93102 Email Address: hhagen@co.santa-barbara.ca.us Phone: 805-568-2490 |
| Name of Retirement System Candidate Currently Serves On | System Name: SBCERS (Santa Barbara) |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input checked="" type="checkbox"/> Other: Ex-Officio Member, Vice-Chair |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input checked="" type="checkbox"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member |
| Brief Bio | See Attachment |

Harry E. Hagen
Bio for SACRS Nomination Submission Form

I am the current Santa Barbara County Treasurer-Tax Collector-Public Administrator. I was first elected in 2010 and am currently serving in my third four-year term.

I am responsible for overseeing and investing a \$2 billion investment pool for local schools, general County government, and special districts. I manage the collection of taxes and general collections, administer Public Administrator estates and Public Guardian conservatorships, and oversee Veterans' Services programs. My duties also include serving as Chair of the County Debt Advisory Committee, implementing and managing the County's municipal financing program, and administering the County's deferred compensation program.

I hold a Bachelor's degree in Business Economics from UCSB, am a 29-year California Certified Public Accountant, and have completed the Certificate in Public Treasury Management from USC. Additionally, I have earned the designations of CPFO from the Government Finance Officers Association, CPFA and ACPFIM from the Association of Public Treasurers, CGIP from the Government Investment Officers Association, and CFIP from the Fixed Income Academy.

February 22, 2021

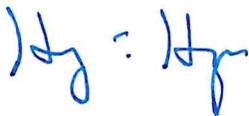
To Dan McAllister, SACRS Nominating Committee Chair,

I would like to continue serving on the SACRS Board of Directors and am submitting my letter of intent to run for the position of Treasurer.

I believe I am well qualified for the position based upon my educational and work experience. I am a 25-year employee of Santa Barbara County and the current Vice-Chair of the Santa Barbara County Employees Retirement System. I have served as the ex-officio member of SBCERS for over 10 years. I was also an alternate member to the board for eight years as the Assistant Treasurer-Tax Collector-Public Administrator.

Should you have any questions, please don't hesitate to call me directly.

Thank you for your consideration.



Harry E. Hagen, CPA, CPFA, CPFO, CFIP, CGIP, ACPFIM
Treasurer-Tax Collector-Public Administrator-Public Guardian
County of Santa Barbara
(805) 568-2490
hhagen@co.santa-barbara.ca.us

Submissions for Secretary



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|---|
| Name of Candidate | Name: Thomas Garcia |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 107 South B Street, Imperial, CA 92251 Email Address: tgarcia@icso.org Phone: 442-265-2222 |
| Name of Retirement System Candidate Currently Serves On | System Name: Imperial County Employees Retirement System (ICERS) |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> General Elected (Safety) <input type="radio"/> Retiree <input type="radio"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input checked="" type="radio"/> Secretary <input type="radio"/> Regular Member |
| Brief Bio | <p>ICERS Board Trustee, elected safety member (2015-Present) Vice Chair ICERS Board (Current) Chair ICERS Board (2016)</p> <p>25 Years Public Service in Law Enforcement with the Imperial County Sheriff's Office: Chief Deputy Sheriff Supervising Deputy Coroner</p> <p>Education & Training: Bachelor of Science, Public Administration (Northern Arizona University) Public Pension Investment Management Program, UC Berkeley Hass School of Business Principles of Pension Management, Pepperdine University FBI National Academy (Quantico, VA.) Sherman Block Supervisory Leadership Institute (Cal POST)</p> |

Thomas Garcia
107 South B Street
Imperial, CA 92251

February 5th, 2021

SACRS Nominating Committee
SACRS Nominating Committee Chair
Vivian Gray, SACRS President

Nomination Committee,

Please accept this as my letter of intent to run as Secretary in the State Association of County Retirement System (SACRS) Board of Directors (BOD) officers' 2021-22 election. I have served as an elected Board Trustee to the Imperial County Employees Retirement System (ICERS) since 2015. As an ICERS trustee I have fulfilled the duties of Board Chair and current Vice Chair. In addition, as a member of SACRS I have had the honor and privilege to serve as committee member of both the SACRS Legislation and Nomination Committees (2017–present).

In seeking this position, I hope to further my service to SACRS and all members SACRS represents. My motivation will be concentrated on assisting the distinguished SACRS Board in maintaining the legacy of SACRS work and increasing participation of all SACRS members from systems small and large.

I believe my experience with ICERS and SACRS, in conjunction with 25 years of public service as a law enforcement officer, provide me a unique skillset beneficial to SACRS:

- ICERS Board Trustee (past Chair, current Vice Chair)
- Chief Deputy Sheriff, Imperial County Sheriff's Office
- Bachelor of Science in Public Administration (Northern Arizona University)
- Public Pension Investment Management Program/Modern Investment Theory & Practice for Retirement Systems (UC Berkeley Hass School of Business)
- Principles of Pension Management for Trustees (Pepperdine University, Graziadio Executive Center)
- FBI National Academy (Quantico, VA.)
- Sherman Block Supervisory Leadership Institute (Californian Commission on POST)

Sincerely,



Thomas Garcia, Board Trustee (Safety)
Imperial County Employees Retirement System

Submissions for General Member



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|--|
| Name of Candidate | Name: David J. MacDonald, MD |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 255 Ramsgate Way, Vallejo, CA 94591 Email Address: dmacdcccera@gmail.com Phone: 510-409-4458 |
| Name of Retirement System Candidate Currently Serves On | System Name: CCCERA |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> General Elected X <input type="radio"/> Retiree <input type="radio"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member X |
| Brief Bio | * SACRS Board of Directors, Member – 2020-2021 * Secretary, CCCERA Board of Retirement * Elected general member trustee of CCCERA since 2016 * President, Physicians' and Dentists' of Contra Costa (PDOCC), since 2010 (Union for health care providers working at Contra Costa County). * 16 years serving on the PDOCC Executive Board (including several years as Vice President) prior to being elected President. * 30 years of service to Contra Costa County as a physician working in the Department of Health Services. * Education/Pension Trustee Certificates: - Bachelors of Science, Biology – UC Irvine - Doctor of Medicine – UC Irvine - UC Berkeley (SACRS) – Modern Investment Theory & Practice for Retirement Systems - Wharton Business School – Portfolio Concepts & Management - IFEBP – CAPPP program - CALAPRS Trustee Education – Principles of Pension Governance |

David J MacDonald, MD

255 Ramsgate Way
Vallejo, CA 94591
dmacdcccera@gmail.com
510-409-4458 (mobile)

January 26, 2021

SACRS Nominating Committee
Mr. Dan McAllister, Chair

Dear Mr. McAllister,

I would like to express my interest in continuing on as a Regular Member of the SACRS' Board of Directors for the 2021/2022 year.

I was elected to the SACRS board in 2020. I am also an elected trustee of the CCCERA Retirement Board (since 2016) and currently serve as CCCERA Board Secretary. I appreciate the level of responsibility entrusted to me in looking after our members' retirement plans. I understand the incredible value of a defined benefit plan for my coworkers and our retirees.

I have a long history of dedicated service to my coworkers and union members and I carry this spirit into my role as an elected trustee. My work with SACRS has meant for further education and inspiration from the SACRS organization via its conferences and programs. SACRS has enhanced my abilities to serve as an effective CCCERA trustee.

I desire to continue my service on the SACRS board. Doing so allows me to further promote, protect and build upon pension programs under CERL for county public employees statewide.

Thank you for your time and consideration.

Sincerely and Respectfully,

David J MacDonald, MD

David J MacDonald, MD

| | |
|--|--|
| Name of Candidate | Name: JOHN B. KELLY |
| Candidate Contact Information (Please include - Phone) | Mailing Address: 1724 GLENBROOK LANE; LINCOLN, CA 95648 Email Address: (916) 342-9279 |
| Number, Email Address and Mailing Address) | Phone: INVESTORSCADDIE@GMAIL.COM |
| Name of Retirement System Candidate Currently Serves On | System Name: SCERS |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input checked="" type="radio"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member |
| Brief Bio | <ul style="list-style-type: none"> • FISCAL/INVESTMENT ADVISOR • 22 YEARS SCERS TRUSTEE • MASTERS OF PUBLIC ADMINISTRATION • FORMER EXECUTIVE BOARD MEMBER |

From: [John Kelly](#)
To: [Sulema Peterson](#)
Subject: Letter of Intent for SACRS Board Position
Date: Friday, January 15, 2021 11:07:42 AM

John B. Kelly, CFP, MPA serving on SCERS; Sacramento County Employee's Retirement System as an Appointed Trustee; Vice President.

Applying as regular member for SACRS.

My interest is to provide enhancements and history for educating and providing networking opportunities for system participants.

Bio:

- 24+years on SCERS Board; VP,
- 42+years as Independent Registered Investment Advisor,
- 12 years as Ca. State employee under the Reagan and Brown administrations,
- 3 years on the SACRS Board previously,
- 22 years First Tee of Greater Sacramento Board; President 2006-2009,
- 2016 induction into the Sacramento Region Golf Hall of Fame,
- produced three publications regarding investment management and retirement planning as 'The Investor's Caddie'.

Thank you for the opportunity and your consideration.

John B. Kelly, CFP, MPA
'Values Based Financial Advisor'
The Investors Caddie, Inc.
investorscaddie@gmail.com
916-342-9279



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|---|--|
| Name of Candidate | Name: Vere Williams |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: <u>8379 Icicle Drive, Pinon Hills, CA 92372</u> Email Address: <u>verevlw@aol.com</u> Phone: <u>760.486.6311</u> |
| Name of Retirement System Candidate Currently Serves On | System Name: <u>San Bernardino County Employees' Retirement Association</u> |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> <u>General Elected</u> |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> <u>Regular Member</u> |
| Brief Bio | I was elected to SBcera's Board in January 2015 and has served on the Administrative, Audit and Investment Committees. My community involvement includes serving on the governing Boards of the Teamsters Local 1932, California State Conference of the NAACP, Working Assembly of Governmental Employees (WAGE) and other organizations. I am a past president of the San Bernardino County Association of African-American Employees and currently serves as treasurer for the Hispanic Employees Alliance. I have earned an MBA in Information Management/Accounting and has completed certification on Retirement System Management courses at UCLA, Pepperdine and Wharton. I have been an enrolled Agent for over 20 years along with over 25 years working in the finance department at Arrowhead Regional Medical Center. I have been trained in conflict resolution and have completed various workshops and seminars on organization dynamics and interplay. I am currently a member of the SACRS Audit Committee. A guiding quote – “I always wondered why somebody didn't do something about that, then I realized I was somebody.” – Lily Tomlin |

March 1, 2021

VIA Email

Dan McAllister,
SACRS Immediate Past President/ Nominating Committee Chair
SACRS Nominating Committee

Dear Mr. Immediate Past President/Nominating Committee Chair McAllister,

Please accept this letter as my letter of intent to be a candidate for the position of Regular Member in SACRS Board of Directors Elections 2021-2022.

I am a Trustee with the San Bernardino County Employees' Retirement Association (SBcera). Seated on the SBcera's Board in January 2015, I attended my first SACRS conference that year. I found the sessions to be very informative and educational with the presenters being experts and/or thought leaders in their field. Since then, I have attended several conferences sponsored by other organizations that are single topic focused and I have also completed certification programs at Wharton, Pepperdine and UCLA. In comparison, SACRS conferences provide a comprehensive insight into the "nuts and bolts" of the functioning of the retirement systems with an emphasis on the current application of the topics. SACRS provides attendees an opportunity to understand different perspectives thereby encouraging clearer lines of communication and to hear about what works and what may be problematic. The networking and information sharing opportunities with colleagues at SACRS is immensely valuable.

SACRS recent expansion of the Board to include additional members was a very good strategic move that has helped to expand the experience pool and knowledge base. If elected as a Regular Member, I would work to ensure that SACRS remain the preeminent educational organization for the CERL 37 Act Systems by maintaining the high caliber of our conferences (both as formal seminars and networking opportunities.) Additionally, I would seek to encourage even greater participation from the trustees and staff of the 37 Act Systems. I strongly believe in getting involved as demonstrated by my volunteering to lead a CALAPRS Roundtable after attending only a few sessions. Over the years, I have served on the governing Boards of the Teamsters Local 1932, the Working Assembly of Governmental Employees and other organizations. Currently, I am a member of the SACRS Audit committee.

I would like very much to contribute, based on my education and experience, to SACRS - a superlative organization: "*Providing insight. Fostering oversight.*"

I thank you in advance for your kind consideration and support. It would be a high honor for me to be elected to serve as a Regular Member on the SACRS Board for the 2021-2022 term.

Please find attached the completed SACRS nomination form.

Respectfully,

Vere Williams

Vere Williams, MBA

SBcera Board of Directors – General Elected Member

cc: Sulema Peterson, SACRS



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2021-2022**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2021.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

| | |
|--|---|
| Name of Candidate | Name: Chris Prevatt |
| Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address) | Mailing Address: 1625 E. Appleton St. #3H, Long Beach, CA 90802 Email Address: Prevatt.c@gmail.com cprevatt@ocers.org Phone: 714-290-44428 |
| Name of Retirement System Candidate Currently Serves On | System Name: Orange County Employees Retirement System |
| List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc) | <input type="radio"/> Chair <input type="radio"/> Alternate <input checked="" type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____ |
| Applying for SACRS Board of Directors Position (select only one) | <input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member |
| Brief Bio | <p>Chris is an Elected General Member of OCERS. His full-time position is with the Orange County Health Care Agency since 1997. He also serves as Second Vice President of the Orange County Employees Association which represents approximately 18,000 public employees in Orange County, CA. Chris has served on the OCEA Board since 2006.</p> <p>In addition to his service with OCERS and OCEA, Chris has more than 20 years' experience serving on multiple non-profit boards of directors at the state and local level.</p> <p>Chris has participated in SACRS Conferences since 2013 and served/participated on the Bylaws and Legislative Committees.</p> |

SACRS
Attn: Dan McAlister
Nominations Committee

February 22, 2021

Dear Dan,

I am writing to declare my intent to run for election as a Regular Member of the SACRS Board of Directors for the 2021-2022 term. I have included with this letter the required application form.

Regards,

A handwritten signature in black ink, appearing to read "Chris Prevatt". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Chris Prevatt
Elected General Member Trustee
Orange County Employees Retirement System

Serving the Active and Retired Members of:

CITY OF SAN JUAN
CAPISTRANO

COUNTY OF ORANGE

ORANGE COUNTY
CEMETERY DISTRICT

ORANGE COUNTY CHILDREN &
FAMILIES COMMISSION

ORANGE COUNTY
DEPARTMENT OF EDUCATION
(CLOSED TO NEW MEMBERS)

ORANGE COUNTY
EMPLOYEES RETIREMENT
SYSTEM

ORANGE COUNTY FIRE
AUTHORITY

ORANGE COUNTY IN-HOME
SUPPORTIVE SERVICES PUBLIC
AUTHORITY

ORANGE COUNTY LOCAL
AGENCY FORMATION
COMMISSION

ORANGE COUNTY PUBLIC LAW
LIBRARY

ORANGE COUNTY
SANITATION DISTRICT

ORANGE COUNTY
TRANSPORTATION
AUTHORITY

SUPERIOR COURT OF
CALIFORNIA, COUNTY
OF ORANGE

TRANSPORTATION
CORRIDOR AGENCIES

UCI MEDICAL CENTER AND
CAMPUS (CLOSED TO NEW
MEMBERS)

February 23, 2021

By email to Dan.McAllister@sdcounty.ca.gov and Regular Mail

Mr. Dan McAllister
SACRS Nominating Committee Chair
SACRS
1225 8th Street, Suite 550
Sacramento, CA 95814

Re: NOMINATION FOR SACRS BOARD OF DIRECTORS ELECTION 2021-2022

Dear Mr. McAllister:

As a regular member of SACRS, the Orange County Employees Retirement System (OCERS) is entitled, under the SACRS Bylaws, Article VIII, Section 2, to submit nominations for the election of directors for the SACRS Board of Directors.

On February 16, 2021, the OCERS Board of Retirement met and took action to nominate OCERS trustee, Christopher Prevatt, for one of the two Regular Member Director positions on the SACRS Board of Directors, and directed me to submit this nomination to the SACRS Nominating Committee.

Accordingly, please accept this letter as **OCERS' nomination of OCERS Trustee, Christopher Prevatt, for election to the position of Regular Member Director at the 2021-2022 SACRS Board of Directors Election to take place on May 14, 2021.**

Please do not hesitate to contact me at (714) 558-6222 if you have any questions or require additional information.

Thank you.

Best regards,



Steve Delaney
Chief Executive Officer

cc: Sulema H. Peterson, SACRS Administrator (by email to sulema@sacrs.org)

02-26-21

Dear Nomination Committee,

Chris Prevatt is running for the Regular Board Member on the SACRS Board. Chris has held many positions at OCERS including Chair and is a Board member at the Orange County Employees Association (OCEA). Working in these roles he has gained a wealth of knowledge and would be a good hard working board member for SACRS. Please accept this letter as my recommendation for Chris Prevatt as Regular Board Member.

Thank you,

Roger Hilton

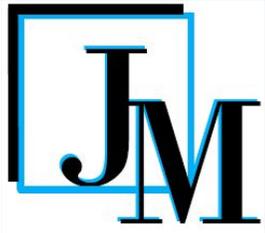
SACRS and OCERS Board Member



7. SACRS Audit Report – Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS 2019-2020 Annual Audit



JAMES MARTA & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

**STATE ASSOCIATION OF
COUNTY RETIREMENT SYSTEMS**

**FINANCIAL STATEMENT
WITH
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEARS ENDED
JUNE 30, 2020 AND 2019**

701 HOWE AVENUE, E3
SACRAMENTO, CA 95825

(916) 993-9494
(916) 993-9489 FAX
WWW.JPMCPA.COM

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

JUNE 30, 2020

BOARD OF DIRECTORS

Vivian Gray
President

Roger Hilton
Vice President

Harry Hagen
Treasurer

Kathryn Cavness
Secretary

Dan McAllister
Immediate Past President

Teri Noble
Affiliate Chair

John Kelly
Board Member

David MacDonald
Board Member

* * * *

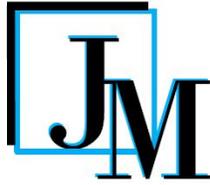
Sulema Peterson
Association Management

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

JUNE 30, 2020 AND 2019

TABLE OF CONTENTS

| | <u>PAGE</u> |
|--|-------------|
| INDEPENDENT AUDITOR'S REPORT | 1 |
| FINANCIAL SECTION | |
| STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS | 3 |
| NOTES TO THE FINANCIAL STATEMENT | 4 |
| SUPPLEMENTARY INFORMATION | |
| COMBINING STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS | 7 |
| GRAPHICAL PRESENTATION OF CASH RECEIPTS | 8 |
| GRAPHICAL PRESENTATION OF CASH DISBURSEMENTS | 10 |
| CONFERENCE SUMMARY REPORT | 12 |



James Marta & Company LLP
Certified Public Accountants

Accounting Auditing Tax and Consulting

INDEPENDENT AUDITOR'S REPORT

Board of Directors
State Association of County Retirement Systems
Sacramento, California

Report on the Financial Statement

We have audited the accompanying statement of cash receipts and disbursements, of the State Association of County Retirement Systems (SACRS) for the fiscal years ended June 30, 2020 and 2019, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the State Association of County Retirement Systems for the years ended June 30, 2020 and 2019, in accordance with the cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 to the financial statement, which describes the basis of accounting. The financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Information

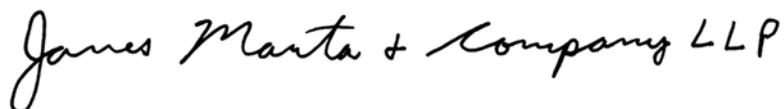
Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report, on pages 7 to 12, are presented for purposes of additional analysis and are not a required part of the financial statement.

The Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, on pages 7 to 11, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, on pages 7 to 11 is fairly stated in all material respects in relation to the financial statement as a whole.

The Conference Summary Report, on page 12, has not been subjected to the auditing procedures applied in the audit of the basic financial statement, and accordingly, we do not express an opinion or provide any assurance on it.

Restricted Use

This report is intended solely for the information and use of management and the board of directors of State Association of County Retirement Systems and is not intended to be and should not be used by anyone other than these specified parties.



James Marta & Company LLP
Certified Public Accountants
Sacramento, California
October 23, 2020

FINANCIAL SECTION

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

| | <u>2019-20</u> | <u>2018-19</u> |
|---|---------------------|---------------------|
| <u>Cash Receipts</u> | | |
| Dues | \$ 364,000 | \$ 372,250 |
| Conference | | |
| Fall | 628,070 | 616,640 |
| Spring | 2,670 | 590,110 |
| Seminars | 35,000 | 118,500 |
| Other Admin Receipts | 2,190 | 2,980 |
| Other Conference Receipts | 2,450 | - |
| Interest | 61,108 | 63,668 |
| | <u>1,095,488</u> | <u>1,764,148</u> |
| <u>Cash Disbursements</u> | | |
| Conference | | |
| Fall - 2018 and 2017 | | |
| Hotel and meals | 270,132 | 307,724 |
| Audio and visual | 56,477 | 52,180 |
| Program materials | 83,553 | 102,702 |
| Spring - 2019 and 2018 | | |
| Hotel and meals | 257,419 | 81,224 |
| Audio and visual | 12,121 | 48,498 |
| Program materials | 14,449 | 80,389 |
| Seminars | 231,947 | 243,450 |
| Conference Administration | 50,808 | 27,228 |
| Prior Year and Other Expenses | - | 162,462 |
| Total conference disbursements | <u>976,906</u> | <u>1,105,857</u> |
| Administration | 365,517 | 375,233 |
| Legislative representation | - | 237 |
| Lobbying | 60,012 | 71,627 |
| Newsletters | 15,893 | - |
| Committee meetings | 49,944 | 27,315 |
| Special projects | 17,690 | 17,458 |
| Total administration disbursements | <u>509,056</u> | <u>491,870</u> |
| Total Cash Disbursements | <u>1,485,962</u> | <u>1,597,727</u> |
| Excess (Deficit) of Cash Receipts over Cash Disbursements | (390,474) | 166,421 |
| Cash and Investments, Beginning | <u>2,372,422</u> | <u>2,206,001</u> |
| Cash and Investments, Ending | <u>\$ 1,981,948</u> | <u>\$ 2,372,422</u> |
| <i>Supplementary Information</i> | | |
| <u>Cash and Investments at June 30,</u> | <u>2020</u> | <u>2019</u> |
| Cash and cash equivalents | \$ 1,006,628 | \$ 1,195,688 |
| Non current portion of investments | <u>975,320</u> | <u>1,176,734</u> |
| Total Cash and Investments | <u>\$ 1,981,948</u> | <u>\$ 2,372,422</u> |

The accompanying notes are an integral part of this financial statement.

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

NOTES TO THE FINANCIAL STATEMENT

FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ORGANIZATION

State Association of County Retirement Systems (SACRS) is a not-for-profit association of 20 California county retirement systems, enacted under the County Employees Retirement Law of 1937. SACRS was formed in the early 1970's to provide forums for disseminating knowledge of, and developing expertise in, the operation of county retirement systems existing under current law, as well as to foster and take an active role in the legislative process. To accomplish SACRS' mission of addressing issues of importance to members, SACRS, contracting with Sulema Peterson & Associates, provides a variety of association management services, including three magazines a year, membership directory, semi-annual conferences, and oversight of SACRS.org. The Association is supported primarily through membership dues and conference fees.

B. BASIS OF ACCOUNTING

The accompanying financial statement has been prepared on the cash receipts and disbursements basis of accounting, which is a basis of accounting other than generally accepted accounting principles. Under that basis, the only assets recognized are cash and investments, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized. The cash basis differs from generally accepted accounting principles primarily because the effects of outstanding dues and obligations for assessments unpaid at the date of the financial statement are not included in the financial statement.

Management has elected to use the cash basis of accounting for this entity given the nature of its receipts and disbursements: revenue is almost always received and earned in the same period (e.g. at the beginning of the year for annual memberships, and shortly prior to events for conference attendance) and most expenses are incurred evenly over the year, with the exception of the billing for the conference hotel expense. Financial results by conference are presented in the Conference Summary Report in the Supplementary Information section of this document.

C. INCOME TAXES

The Association is exempt from federal and state income taxes under Section 501(c)(4) of the Internal Revenue Code and Section 23701f of the California Revenue and Taxation Code.

D. CONTRACTUAL AGREEMENTS

The Association has entered into various contractual agreements for professional services. These agreements include compensation for services rendered to the Association.

E. COMPARATIVE DATA

Comparative data for the prior year have been presented in certain sections of the accompanying financial statement in order to provide an understanding of changes in the Association's financial position and operations.

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

NOTES TO THE FINANCIAL STATEMENT

FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. COMPARATIVE DATA (CONTINUED)

Since SACRS uses the cash basis of accounting, the timing of events and the ultimate settlement of bills may vary from year to year. For example; the Spring conference costs could be settled by June (by year end) or be extended into the subsequent year. Also the timing of events could affect when payments are made from year to year. Payments after year end will be paid out of the surplus generated out of the prior year conference receipts. So the surplus cash at year end may have future demands for prior expenses. Management prepares a conference summary report that reconciles these payments when settled; this report is presented as supplementary information.

2. CASH AND INVESTMENTS

Cash and Cash Equivalents

SACRS considers short-term highly liquid investments to be cash equivalents provided that they are both readily convertible to cash and had an original maturity of three months or less when purchased. The balance in cash and cash equivalents at June 30 include:

| | <u>2020</u> | <u>2019</u> |
|---------------------------------|---------------------|---------------------|
| Bank accounts | \$ 208,515 | \$ 409,088 |
| Money market accounts | 798,113 | 786,600 |
| Total cash and cash equivalents | <u>\$ 1,006,628</u> | <u>\$ 1,195,688</u> |

Cash in bank accounts at June 30, 2020 consisted of the following:

| | <u>First Foundation</u> | <u>Bank of America</u> | <u>Total</u> |
|---------------------|-------------------------|------------------------|-------------------|
| Per bank | \$ 319,175 | \$ 8,493 | \$ 327,668 |
| Checks outstanding | (126,442) | - | (126,442) |
| Deposits in transit | 7,289 | - | 7,289 |
| Total bank accounts | <u>\$ 200,022</u> | <u>8,493</u> | <u>\$ 208,515</u> |

Cash in bank accounts at June 30, 2019 consisted of the following:

| | <u>Bank of America</u> | <u>Community First Bank</u> | <u>Total</u> |
|---------------------|----------------------------|---------------------------------|-------------------|
| Per bank | \$ 297,541 | \$ 89,588 | \$ 387,129 |
| Deposits in transit | - | 21,959 | 21,959 |
| Total bank accounts | <u>\$ 297,541</u> | <u>111,547</u> | <u>\$ 409,088</u> |

Cash balances on interest-bearing accounts held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). There was \$69,175 and \$47,541 in excess of FDIC coverage as of June 30, 2020 and 2019, respectively.

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

NOTES TO THE FINANCIAL STATEMENT

FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

Investments

In March 2015, SACRS invested in the CalTRUST Medium-Term Fund (the "Fund"), depositing \$1,104,130. The fair value balance as of June 30, 2020 and 2019 presented in the financial statement is \$975,320 and \$1,176,734; respectively. This balance includes reinvested interest income totaling \$48,586 and \$62,336, respectively. The current portion of the investment account represents underlying securities which are immediately redeemable (e.g. equities), or will mature within one year. The current portion of investments at June 30, 2020 and 2019 was \$0. The Fund is not rated or insured. Total return on the Fund for the years ended June 30, 2020 and 2019 was 1.94% and 2.43%, respectively.

3. CONTRACTS

SACRS has entered into contracts with various hotels to reserve facilities and guest rooms for its upcoming conferences and events. Cancellation fees associated with these contracts vary by date of notice. All hotel contracts specify the total number of guest room nights reserved at a group rate. If guest nights attributed to the convention fall below a specified minimum, SACRS is obligated to pay a room attrition rate for every guest night below the contracted minimum; standard room rates exceed the attrition rate. The organization is also responsible for food and beverage minimums as specified below. Hotel contracts entered into as of the audit date are summarized here:

| Conference | Cancellation Fees | Food and Beverage Minimums | Guest Room Nights Reserved | Guest Room Nights Minimum | Rooms Attrition |
|-------------------|--------------------------|-----------------------------------|-----------------------------------|----------------------------------|------------------------|
| Fall 2020* | \$49,194-\$408,276* | \$80,000 | 890 | 700 | \$226 plus tax |
| Spring 2021 | \$174,603-\$279,364 | \$150,000 | 1145 | 916 | \$239 plus tax |
| Fall 2021 | \$184,462-\$332,031 | \$165,000 | 1145 | 916 | \$239 plus tax |
| Spring 2022 | \$135,682-\$421,365 | \$150,000 | 1185 | 948 | \$229 plus tax |
| Fall 2022 | \$136,762-\$288,524 | \$150,000 | 1145 | 916 | \$249 plus tax |
| Spring 2023 | \$224,848-\$404,726 | \$170,000 | 1145 | 916 | \$247 plus tax |
| Fall 2023 | \$123,832-\$397,665 | \$150,000 | 1185 | 948 | \$209 plus tax |

*Conference cancelled and cancellation fees waived due to COVID-19 Pandemic

SACRS received a refund of the Spring 2020 conference deposit in July 2020 in the amount of \$60,000.

4. DONATED SERVICES

Directors and officers have made a significant contribution of their time to develop the organization and its programs. No amounts have been recognized in the accompanying statement of cash receipts and disbursements as no cash changed hands as a result of the donated services.

5. SUBSEQUENT EVENTS

SACRS' management has evaluated subsequent events through October 23, 2010, the date which the financial statement was issued. Management is not aware of any subsequent events that would require recognition or disclosure in the financial statement.

SUPPLEMENTARY INFORMATION

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
COMBINING STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

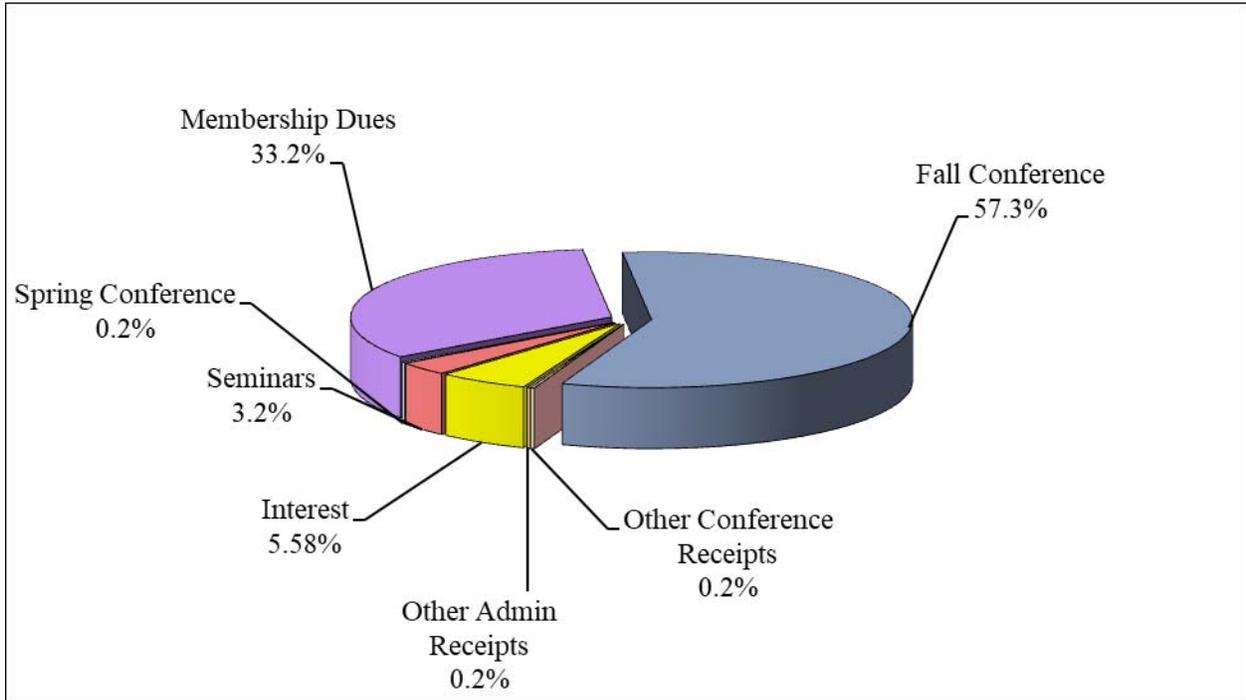
| | <u>Conference</u> | <u>Administration</u> | <u>Total</u> |
|--|---------------------|-----------------------|---------------------|
| <u>Cash Receipts</u> | | | |
| Dues | \$ - | \$ 364,000 | \$ 364,000 |
| Conference | | | |
| Fall | 628,070 | - | 628,070 |
| Spring | 2,520 | - | 2,520 |
| Seminars | 35,000 | | 35,000 |
| Other Admin Receipts | - | 2,340 | 2,340 |
| Other Conference Receipts | 2,450 | - | 2,450 |
| Interest | 61,108 | - | 61,108 |
| | <u>729,148</u> | <u>366,340</u> | <u>1,095,488</u> |
| Total Cash Receipts | | | |
| <u>Cash Disbursements</u> | | | |
| Conference | | | |
| Fall - 2018 | | | |
| Hotel and meals | 270,132 | - | 270,132 |
| Audio and visual | 56,477 | - | 56,477 |
| Program materials | 83,553 | - | 83,553 |
| Spring - 2019 | | | |
| Hotel and meals | 257,419 | - | 257,419 |
| Audio and visual | 12,121 | - | 12,121 |
| Program materials | 14,449 | - | 14,449 |
| Seminars | 231,947 | - | 231,947 |
| Conference Administration | 50,808 | - | 50,808 |
| Total conference disbursements | <u>976,906</u> | <u>-</u> | <u>976,906</u> |
| Administration | - | 365,517 | 365,517 |
| Lobbying | - | 60,012 | 60,012 |
| Newsletters | - | 15,893 | 15,893 |
| Committee meetings | - | 49,944 | 49,944 |
| Special projects | - | 17,690 | 17,690 |
| Total administration disbursements | <u>-</u> | <u>509,056</u> | <u>509,056</u> |
| Total Cash Disbursements | <u>976,906</u> | <u>509,056</u> | <u>1,485,962</u> |
| Excess (Deficit) of Cash Receipts over Cash Disbursements | (247,758) | (142,716) | (390,474) |
| Cash and Investments, Beginning | <u>3,320,984</u> | <u>(948,562)</u> | <u>2,372,422</u> |
| Cash and Investments, Ending | <u>\$ 3,073,226</u> | <u>\$ (1,091,278)</u> | <u>\$ 1,981,948</u> |

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

GRAPHICAL PRESENTATION OF CASH RECEIPTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

CASH RECEIPTS BY SOURCE

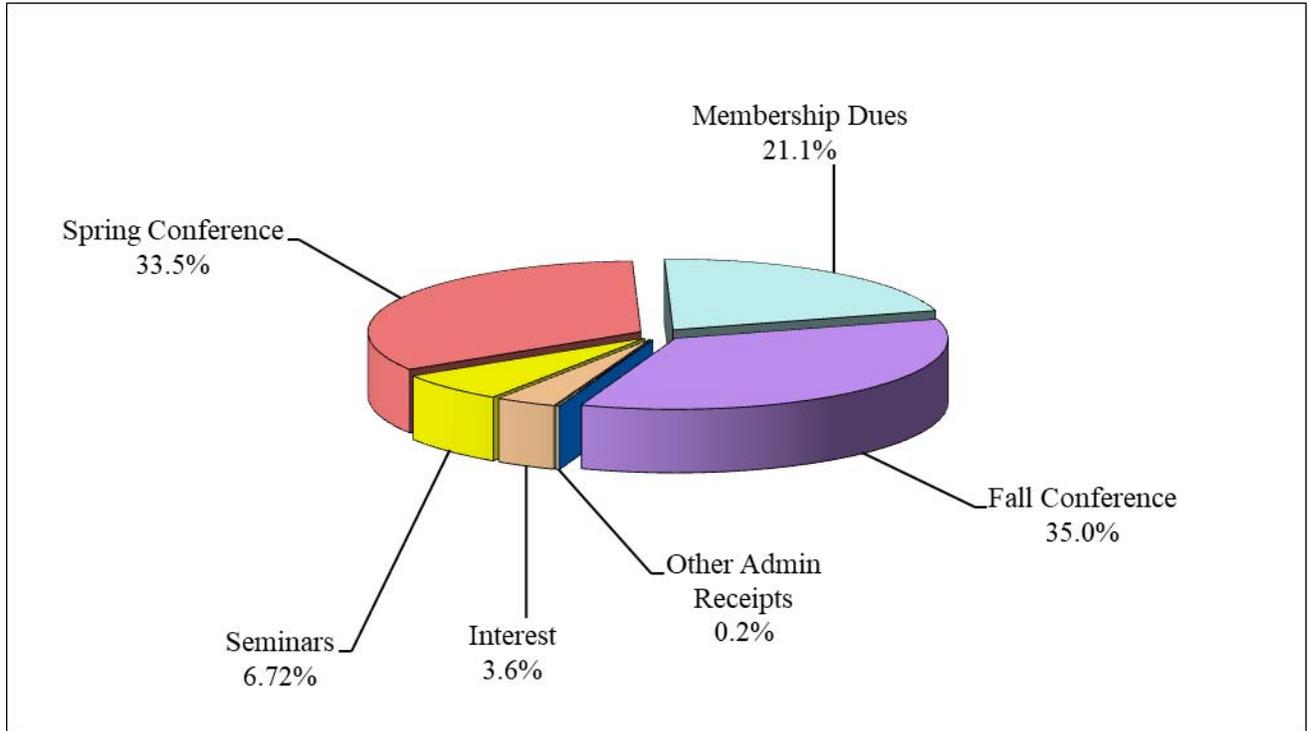


STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

GRAPHICAL PRESENTATION OF CASH RECEIPTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

CASH RECEIPTS BY SOURCE

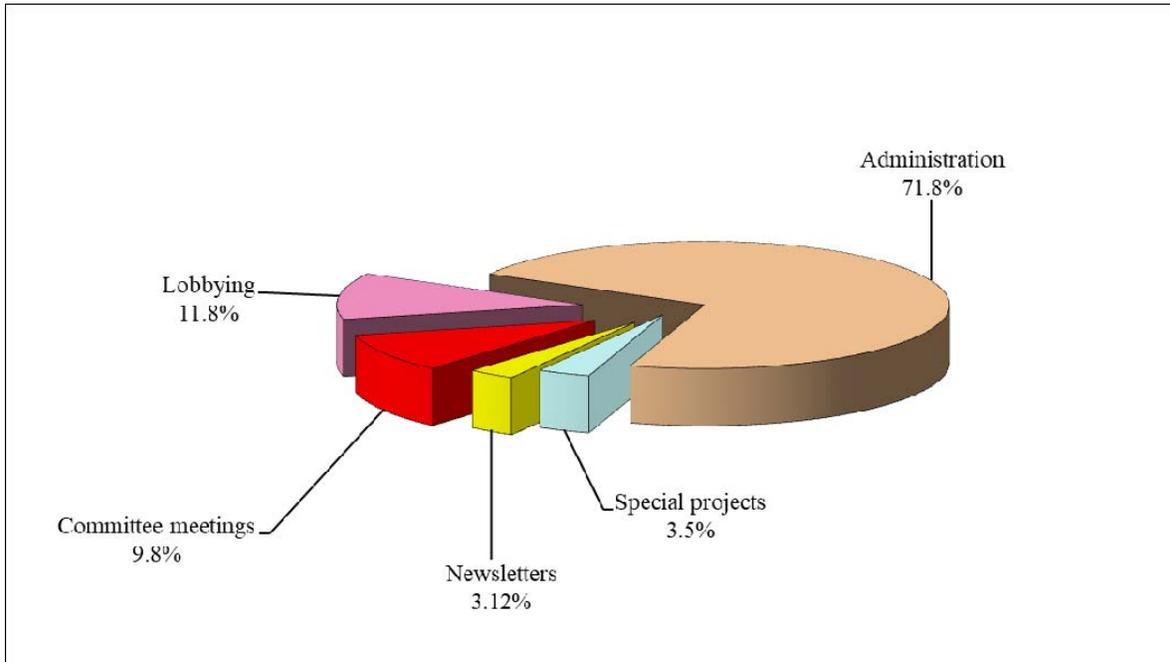


STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

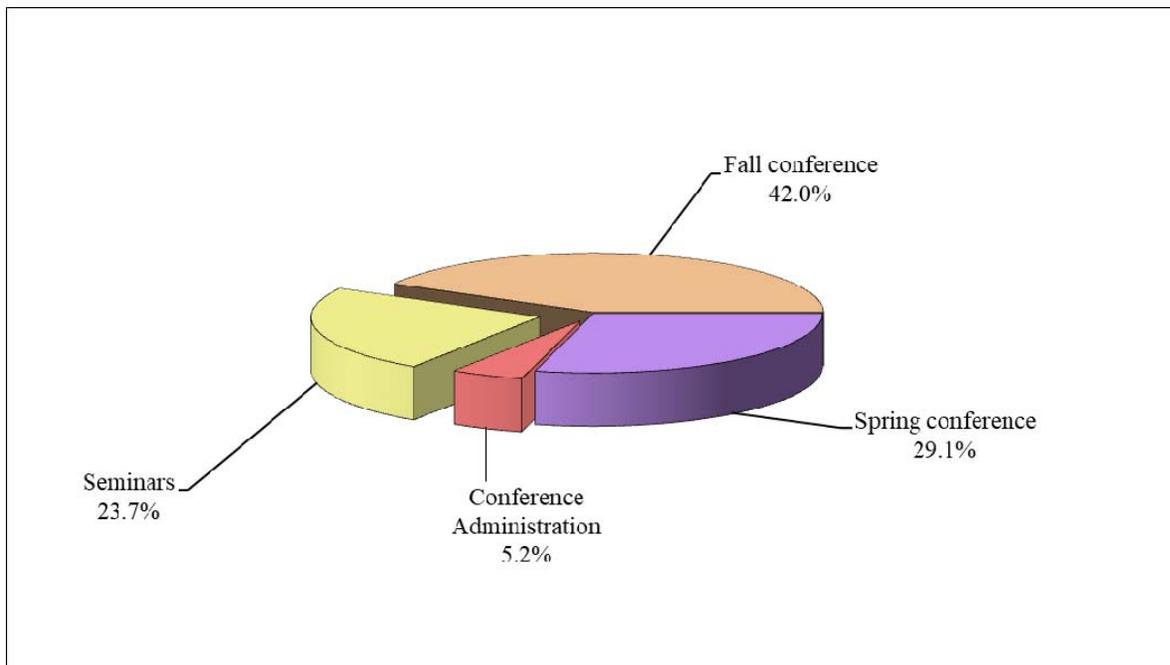
GRAPHICAL PRESENTATION OF CASH DISBURSEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

ADMINISTRATION CASH DISBURSEMENTS



CONFERENCE CASH DISBURSEMENTS

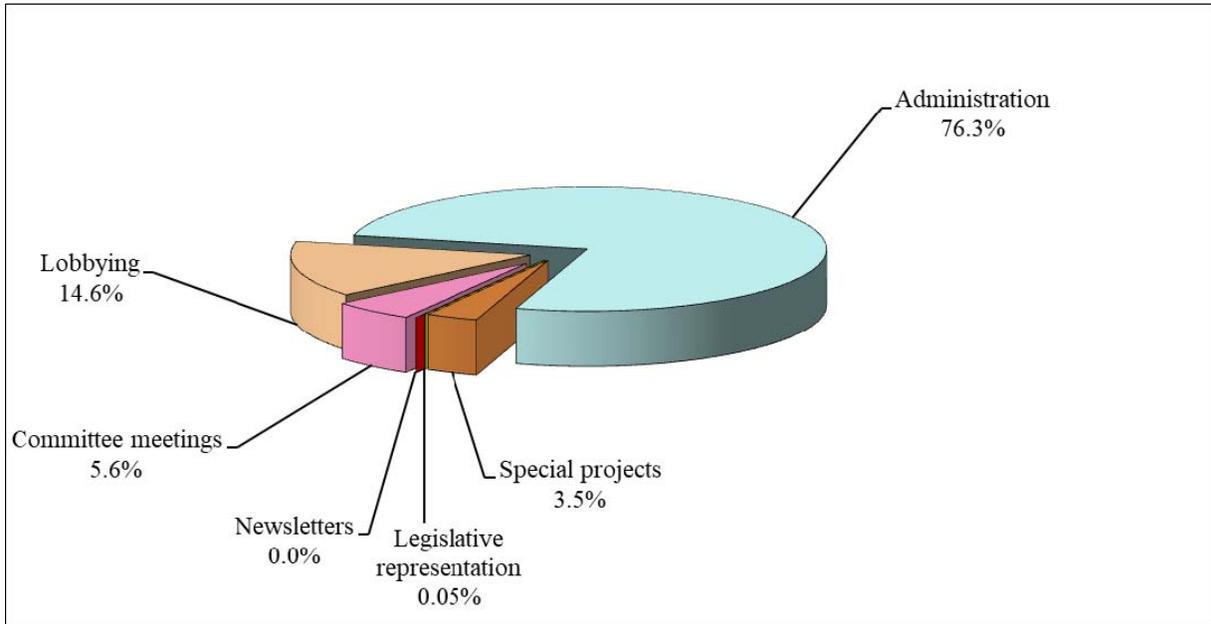


STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

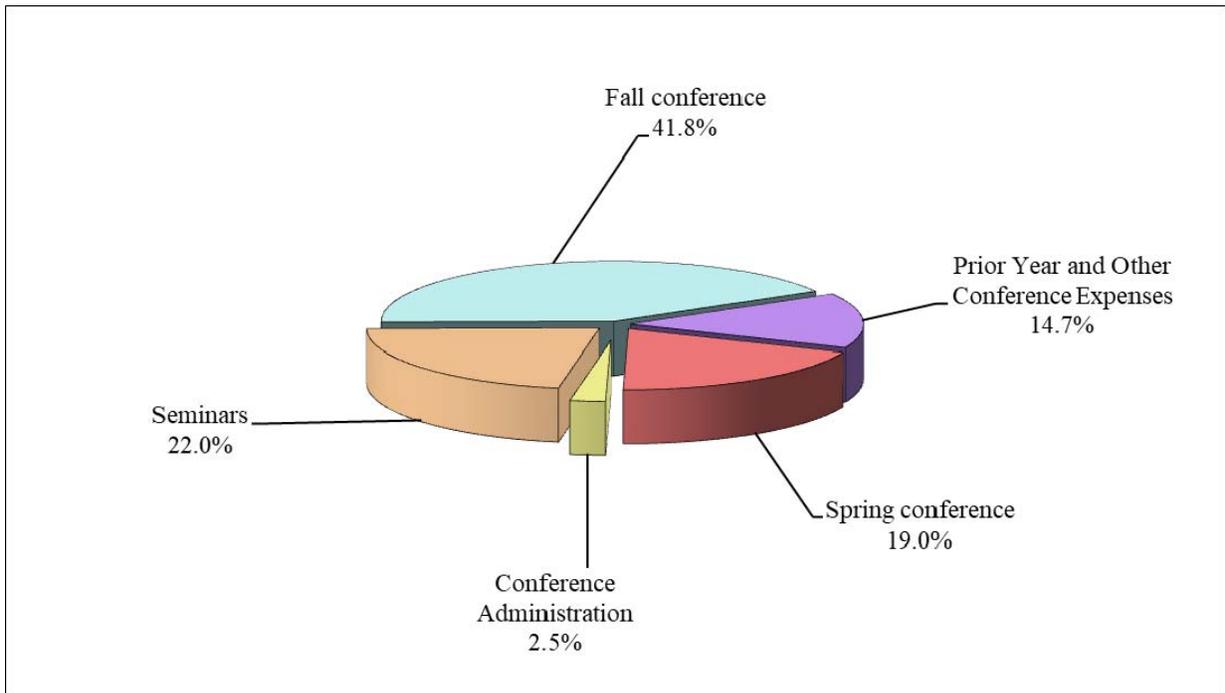
GRAPHICAL PRESENTATION OF CASH DISBURSEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

ADMINISTRATION CASH DISBURSEMENTS



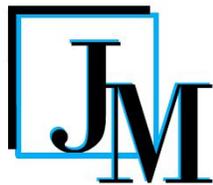
CONFERENCE CASH DISBURSEMENTS



STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

CONFERENCE SUMMARY REPORT

| | Spring 2020 Online | Fall 2019 Indian Wells | Spring 2019 Lake Tahoe | Fall 2018 Indian Wells | Spring 2018 Anaheim | Fall 2017 San Francisco |
|---------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|------------------------------------|--|
| Cash receipts | | | | | | |
| Conference | \$ - | \$ 639,270 | \$ 592,590 | \$ 591,530 | \$ 546,750 | \$ 581,490 |
| Total cash receipts | <u>-</u> | <u>639,270</u> | <u>592,590</u> | <u>591,530</u> | <u>546,750</u> | <u>581,490</u> |
| Cash disbursements | | | | | | |
| Hotel and meals | - | 296,927 | 195,278 | 312,670 | 152,017 | 304,155 |
| Audio and visual | 6,155 | 52,180 | 57,731 | 52,180 | 40,300 | 43,826 |
| Program materials | - | 39,552 | 42,342 | 32,086 | 20,909 | 26,722 |
| Program Speakers | - | 74,458 | 3,974 | 74,457 | 35,159 | 50,363 |
| Conference Administration | - | 17,818 | 14,094 | 9,634 | 7,183 | 11,333 |
| Total cash disbursements | <u>6,155</u> | <u>480,935</u> | <u>313,419</u> | <u>481,027</u> | <u>255,568</u> | <u>436,400</u> |
| Net cash provided by conference | <u>\$ (6,155)</u> | <u>\$ 158,335</u> | <u>\$ 279,171</u> | <u>\$ 110,503</u> | <u>\$ 291,182</u> | <u>\$ 145,090</u> |
| Total attendees | - | 742 | 590 | 588 | 599 | 603 |



James Marta & Company LLP
Certified Public Accountants

Accounting Auditing Tax and Consulting

**COMMUNICATION WITH THOSE CHARGED
WITH GOVERNANCE**

Board of Directors
State Association of County Retirement Systems
Sacramento, California

We have audited the financial statement of the State Association of County Retirement Systems (SACRS) for years ended June 30, 2020 and 2019, and have issued our report thereon dated October 23, 2020. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 4, 2019, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with the cash basis of accounting described in Note 1 to the financial statement. Our audit of the financial statement does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statement is free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of SACRS solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our report on internal control over financial reporting in a separate letter to you dated October 23, 2020.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.

We follow the AICPA Ethics Standard Rule 201C, in conjunction with this, we annually review with all engagement staff potential conflicts and obtain a conflict certification. In addition, we inquire on each engagement about potential conflicts with staff. We have not identified any relationships or other matters that in the auditor's judgment may be reasonably thought to bear on independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by SACRS is included in Note 1 to the financial statement. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are typically an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. As the accounting of SACRS is prepared on a cash basis, no estimates are necessary for the preparation of the financial statement.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. We are not aware of any sensitive disclosures affecting SACRS' financial statement.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statement as a whole and each applicable opinion unit. We did not identify any uncorrected misstatements as a result of our audit procedures.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. See Attachment I for adjustments provided by management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to SACRS' financial statement or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated October 23, 2020.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with SACRS, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as SACRS' auditors.

We are contracted to prepare the fiscal year 2020 federal Return of Organization Exempt From Income Tax, and related state filings, as well as the calendar year Forms 1099-MISC for SACRS. These returns will be prepared using audited financial data, where applicable, but our preparation of these returns does not constitute an audit. No audit opinion will be issued on the tax returns referred to above.

James Marta & Company LLP
Certified Public Accountants

This report is intended solely for the information and use of the Board of Directors, and management of State Association of County Retirement Systems and is not intended to be and should not be used by anyone other than these specified parties.

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
October 23, 2020

Adjusting Journal Entries:

| Account | Description | Debit | Credit |
|--|------------------------|------------------|------------------|
| Adjusting Journal Entry JE # 1 | | | |
| To back out unrealized gain/loss recognized in prior years | | | |
| 2100 | Unrealized Gain (Loss) | 74,256.00 | |
| 3200 | Retained Earnings | | 74,256.00 |
| Total | | 74,256.00 | 74,256.00 |

| | | | |
|---------------------------------------|--------------------------------|-----------------|-----------------|
| Adjusting Journal Entry JE # 3 | | | |
| PBC AJE to remove liability account | | | |
| 2150 | Refund Liability | 2,500.00 | |
| 1000 | First Foundation Bank-Checking | | 2,500.00 |
| Total | | 2,500.00 | 2,500.00 |

Reclassifying Journal Entries:

| | | | |
|---|--------------------------------|-------------------|-------------------|
| Reclassifying Journal Entry JE # 2 | | | |
| PBC RJE to record cash transfer in the correct period | | | |
| 1000 | First Foundation Bank-Checking | 250,000.00 | |
| 1100 | CalTrust - Medium Term | | 250,000.00 |
| Total | | 250,000.00 | 250,000.00 |



MANAGEMENT REPRESENTATION LETTER

October 23, 2020

James Marta & Company LLP
Certified Public Accountants
Sacramento, California

This representation letter is provided in connection with your audit of the statement of cash receipts and disbursements of the State Association of County Retirement Systems (SACRS) for the fiscal years ended June 30, 2020 and 2019, and the related notes to the financial statement, for the purpose of expressing an opinion on whether the financial statement is presented fairly, in all material respects, in accordance with the cash basis of accounting described in Note 1 to the financial statement.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of October 23, 2020:

Financial Statement

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated June 4, 2019, for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting described in Note 1 to the financial statement.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed.
- All events subsequent to the date of the financial statement which requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed.
- We have complied with all contractual agreements, grants, and donor restrictions.
- We have maintained an appropriate composition of assets in amounts needed to comply with all donor restrictions.



- We have accurately presented the entity's position regarding taxation and tax-exempt status.
- The bases used for allocation of functional expenses are reasonable and appropriate.
- We have included in the financial statement all assets under the entity's control.
- We have designed, implemented, and maintained adequate internal controls over the receipt and recording of contributions.
- Methods and significant assumptions used by management to determine fair values, their consistency in application, and the completeness and adequacy of fair value information for financial statement measurement and disclosure purposes are appropriate.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statement, such as records, documentation, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statement in accordance with the cash basis of accounting described in Note 1 to the financial statement.
- We have disclosed to you the results of our assessment of the risk that the financial statement may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others when the fraud could have a material effect on the financial statement.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statement communicated by employees, former employees, analysts, regulators, or others.
- We have no knowledge of any noncompliance or suspected noncompliance with laws, regulations, contracts, and grant agreements whose effects should be considered when preparing financial statements.
- We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statement and we have not consulted legal counsel concerning litigation or claims.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Supplementary Information in Relation to the Financial Statement as a Whole

With respect to the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report accompanying the financial statement:



- We acknowledge our responsibility for the presentation of the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements in accordance with the cash basis accounting as described in Note 1 to the financial statement. We acknowledge our responsibility for the presentation of the Conference Summary Report which presents all cash receipts and expenses related to a specific regardless of timing of the underlying receipt or disbursement.
- We believe the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, including its form and content, is fairly presented in accordance with the cash basis accounting as described in Note 1 to the financial statement. We believe the Conference Summary Report, including its form and content, is fairly presented and inclusive of all cash receipts and expenses related to a specific regardless of timing of the underlying receipt or disbursement.
- The methods of measurement or presentation have not changed from those used in the prior period.
- When the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report are not presented with the audited financial statement, management will make the audited financial statement readily available to the intended users of the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, Graphical Presentation of Cash Disbursements, and Conference Summary Report no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

Additional Representations

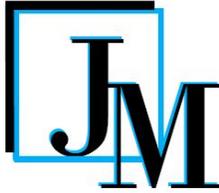
- We have reviewed, approved, and taken responsibility for the financial statement and related notes.
- We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statement.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- All disbursements have been properly classified in the financial statement and allocations, if any, have been made on a reasonable basis.
- Deposit and investment risks have been properly and fully disclosed.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- We have disclosed to you all guarantees, whether written or oral, under which SACRS is contingently liable.
- SACRS has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.



- We have provided to you our views on reported audit findings, conclusions, and recommendations, as well as planned corrective actions.
- Regarding our tax filings prepared by James Marta & Company LLP:
 - We are responsible for complying with tax filing requirements with the Internal Revenue Service, Franchise Tax Board, and other agencies, as applicable.
 - We are responsible for establishing and maintaining effective internal control over compliance.
 - We have performed an evaluation of the Association’s compliance with tax filing requirements and we are not aware of any instances of noncompliance.
 - We have reviewed and approved the tax returns prepared by your office.
 - We have made available to you all documentation related to compliance with specified requirements.
 - We assume all management responsibilities in regards to the tax filings and have designated an individual in management who possesses suitable skill, knowledge and experience to oversee these services.
 - We have performed an evaluation of the adequacy and results of the services performed and assume all management responsibilities.
 - We accept responsibility for the results of the services.

Sulema H. Peterson

Sulema Peterson, SACRS Executive Director



James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

MANAGEMENT LETTER

To the Management
State Association of County Retirement Systems
Sacramento, CA, 95814

We have recently completed the audit of the financial statement of State Association of County Retirement Systems (SACRS) and have issued our report thereon dated October 23, 2020. In planning and performing our audit of your financial statement for year ending June 30, 2020, we applied generally accepted auditing standards (GAAS) as we considered your internal control over financial reporting as a basis for designing our auditing procedures. We did this for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of your internal controls.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Although our audit was not designed to provide assurance on the internal control structure and its operation, we noted certain matters that we are submitting for your consideration for the improvement of SACRS' accounting and financial reporting functions. We will be pleased to discuss these comments in further detail at your convenience, perform any additional study of these matters, or assist you in implementing the recommendations. We will review the status of these comments during our next audit engagement. This letter does not affect our report dated October 23, 2020 on the financial statement of the State Association of County Retirement Systems.

Current Year Recommendations

2020-1 Unrealized Gain/Loss

Observation:

Management has been recording unrealized gains and losses on investments in a liability account on the financial statements for the past few years. As a result, we had an audit adjustment of \$74,256 to agree beginning equity to the prior year audit. In addition, the current year unrealized gain of \$60,099 had to be moved from the liability account to the income statement.

Recommendation:

We recommend that the prior year's cumulative unrealized gain/loss be recorded to equity and all future unrealized gain/loss be recognized on the income statement.

Management Response:

Management will implement the recommendation upon approval of the Treasurer and Board of Directors. Management will consider recognizing interest earned on the income statement in "Interest revenue" rather than the "Unrealized gain/loss". Upon approval of the Board of Directors, management will work with the auditors in applying the corresponding adjustments/journal entries.

The current financial statement account structure was developed and approved in prior fiscal years and the recommendation is a change from that financial accounting structure in an effort to be more consistent with the cash basis of accounting. No recommendations were made in the prior years.

Prior Year Recommendations

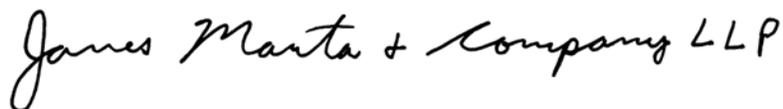
None

We believe that the implementation of these recommendations will provide State Association of County Retirement Systems with a stronger system of internal accounting control while also making its operations more efficient.

Management's responses to our recommendations are described above. We did not audit the Management's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Board of Directors, management, and others within the association and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,



James Marta & Company LLP
Certified Public Accountants
Sacramento, California
October 23, 2020



James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
INDEPENDENT AUDITOR'S REPORT**

Board of Directors
State Association of County Retirement Systems
Sacramento, California

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of State Association of County Retirement Systems (SACRS), as of and for the years ended June 30, 2020 and 2019 the related notes to the financial statement, which collectively comprise the State Association of County Retirement Systems' basic financial statement, and have issued our report thereon dated October 23, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered SACRS' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control. This report is an integral part of an audit performed in accordance with auditing standards generally accepted in the United States of America in considering the entity's internal control. Accordingly, this communication is not suitable for any other purpose.

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
October 23, 2020



8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. SACRS Annual Virtual Spring 2021 Conference Evaluations/Feedback



No printed material for this item



9. SACRS Program Committee Report – No Action

Roger Hilton, Orange CERS, SACRS Program Committee Chair

- A. SACRS Annual Virtual Spring 2021 Conference Report



No printed material for this item



10. SACRS Affiliate Committee Report – No Action

Scott Draper, Algert Global LLC, SACRS Affiliate Committee Chair

A. Affiliate Committee Update



No printed material for this item



11. SACRS Bylaws Committee Report – No Action

Johanna Fontenot, Los Angeles CERA, SACRS Bylaws Committee Chair

A. Bylaws Committee Update



No printed material for this item



12. SACRS Spring Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

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



No printed material for this item



13. Adjournment

Next scheduled SACRS Association Business Meeting will be held Friday, November 12, 2021 at the Hollywood Loews Hotel unless Covid-19 restrictions are in place.



No printed material for this item