



Merced County Employees' Retirement Association

**AGENDA  
RETIREMENT BOARD MEETING**

Thursday, October 26, 2023, 8:30 A.M.

Location: Merced County Administration Building  
2222 M Street, Merced, CA  
Los Banos and Livingston Conference Rooms, Basement  
Zoom Conference Information:

<https://us06web.zoom.us/j/93030195748?pwd=NGhFeGltSVhaSTIsK2JGWE83TVFydz09>

Dial In Number: 669-900-6833, MEETING ID: 930 3019 5748, PASSCODE: 095484

(For use only if Zoom Connection Malfunctions)

Telephone Number: 1-310-372-7549, Conference Code: 975839

**1. Call to Order- 8:30 A.M.**

The Retirement Board may discuss and take action on the following:

**2. Roll Call**

**3. Teleconference Request**

Trustee Teleconference Request (Govt. Code §54953(f)(2)(A)(i)).

**4. Approval of Minutes – September 28, 2023 and October 10, 2023.**

**5. Public Comment**

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

**6. 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 Open Session as appropriate:

- a. Retirements: Pursuant to Govt. Code § 31663.25 or § 31672.

<u>Name</u>	<u>Effective Date</u>
Margaret Kohn	10/07/2023
John Gee	09/30/2023

- b. Monthly expenditures report - Submitted.
- c. Approval of non-pensionable pay code TST-TECH STPND for Merced Superior Court.
- d. Monthly investment performance report from Meketa.

**7. 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:



Merced County Employees' Retirement Association

a. Disability Retirement Applications: Personnel exceptions (Govt. Code § 54957, 31532; Cal Const. art I § 1).

1. Initial Disability Application Recommendation – Roland Brooks
2. Consideration of Hearing Officer Recommendation – Michael Cureton

**8. Open Session**

- a. Discussion and possible action to approve the proposed capital budget for the MercedCERA alternative portfolio as presented by Cliffwater, LLC – Cliffwater.
- b. Discussion and possible action to approve the SACRS business meeting agenda and designate Scott Johnston as the voting delegate with Janey Cabral as the alternate – Staff.
- c. Discussion on the status of the MercedCERA Headquarter Building – Staff.

**9. Travel Request (items not preapproved in MercedCERA Bylaws)**

None.

**10. Information Sharing & Agenda Item Requests**

**11. Adjournment**

The Agenda and supporting documentation, including any material that was submitted to the Merced County Employees' Retirement Association Board after the distribution of the Agenda, are available online at [www.mercedcera.com](http://www.mercedcera.com).

All supporting documentation for Agenda items, including any material that was submitted to the retirement board after the distribution of the Agenda, is also available for public inspection Monday through Friday from 8:00 a.m. to 5:00 p.m. at the administrative office for the Merced County Employees' Retirement Association located at 3199 M Street, Merced, California 95348.

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 in writing addressed to Merced County Employees' Association, 3199 M Street, Merced, CA 95348 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.

Persons who require accommodation for any audio, visual or other disability or Spanish or Hmong interpretation 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. Please address your written request to Merced County Employees' Association, 3199 M Street, Merced, CA 95348 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.

Spanish and Hmong interpreters are available.

Interpretes de espanol y hmong estan disponibles.

Peb muaj tug paab txhais lug Mev hab Hmoob.



Merced County Employees' Retirement Association

**MINUTES  
RETIREMENT BOARD MEETING**

Thursday, September 28, 2023, 8:30 A.M.

Location: Merced County Administration Building  
2222 M Street, Merced, CA  
Los Banos and Livingston Conference Rooms, Basement  
Zoom Conference Information:

<https://us06web.zoom.us/j/93030195748?pwd=NGhFeGltSVhaSTIsK2JGWE83TVFydz09>

Dial In Number: 669-900-6833, MEETING ID: 930 3019 5748, PASSCODE: 095484

(For use only if Zoom Connection Malfunctions)

Telephone Number: 1-310-372-7549, Conference Code: 975839

**1. Call to Order- 8:30 A.M.**

**2. Roll Call**

**Board Members Present: Scott Johnston, Mike Harris, Dave Ness, Corrina Brown, Aaron Rosenberg, Janey Cabral, Alfonse Peterson, Karen Adams and Ryan Paskin. Absent: Scott Silveira. Counsel: Tom Ebersole. Staff: Mark Harman, Gaurav Patankar, Brenda Mojica, Sheri Villagrana, Monica Gallegos, Jennifer Figueroa, Marissa Coelho, and Nikki Barraza.**

**3. Teleconference Request**

Trustee Teleconference Request (Govt. Code §54953(f)(2)(A)(i)).  
**No Requests.**

**4. Approval of Minutes – August 24, 2023.**

**1<sup>st</sup> – Brown / 2<sup>nd</sup> – Johnston, passes 8-0.**

**5. Public Comment**

Members of the public may comment on any item under the Board's jurisdiction including items on the Board's agenda. Matters presented under this item will not be discussed or acted upon by the Board at this time. Persons addressing the Board will be limited to a maximum of five (5) minutes in total. Please state your name for the record.  
**None.**

**6. 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 Open Session as appropriate:

a. Retirements: Pursuant to Govt. Code § 31663.25 or § 31672.

Name	Effective Date
Maria Corina Fernandez	08/28/2023
Jamie Tillett	08/28/2023
Brett Rodheim	09/09/2023
Wesley Whitley	09/23/2023
Arnulfo Rocha	09/09/2023
Jason Struble	09/01/2023
Randall Littlefoot	09/13/2023

b. Reports are postponed due to year end closing.

c. Monthly investment performance report from Meketa.

**Motion to approve the consent calendar as presented:**



Merced County Employees' Retirement Association

**1<sup>st</sup> – Adams / 2<sup>nd</sup> – Peterson, passes 8-0.**

**7. Open Session**

- a. Discussion on current market conditions from the Chief Investment Officer, Gaurav Patankar.  
**Direction given to CIO.**
- b. Discussion regarding Board Trustees being treated as employees – Mark Harman.  
**No action or direction given to staff.**
- c. Discussion and possible action to authorize staff to use MercedCERA assets to self-finance and pay for the new headquarter building located at 690 W 19<sup>th</sup> Street, Merced, CA. – Staff.  
**Motion to approve the use of assets to self-finance and pay for the new building at 690 W 19th Street, Merced, CA and direct staff to bring back to board further information related to the accounting treatment of the building.**  
**1<sup>st</sup> – Ness / 2<sup>nd</sup> – Adams, passes 8-0.**
- d. Approval from the Board of Retirement to close the MercedCERA Office during the groundbreaking ceremony so staff can participate in the ceremony (date and time to be determined) – Staff.  
**Motion to approve up to two hours of closure subject current county policies and procedures with communicating closure.**  
**1<sup>st</sup> – Ness / 2<sup>nd</sup> – Johnston, passes 7-1. Adams voting no.**

**8. Travel Request (items not preapproved in MercedCERA Bylaws)**

CIO requests Board permission to attend the Barclays Global Hedge Fund Symposium, October 10, 2023, New York.

**Motion to approve, but reimbursement for only flight. Board requested earlier notice for future travel requests.**

**1<sup>st</sup> – Ness / 2<sup>nd</sup> – Cabral, passes 7-1. Adams voting no.**

**Motion to reconsider prior motion.**

**1<sup>st</sup> – Brown / 2<sup>nd</sup> – Ness, passes 8-0.**

**Motion to approve subject to reasonable expenses. Board requested earlier notice for future travel requests.**

**1<sup>st</sup> – Ness / 2<sup>nd</sup> – Cabral, passes 7-1, Adams voting no.**

**9. Information Sharing & Agenda Item Requests**

Trustee Brown congratulated new and reelected board members.

Trustee Harris reported briefly on attendance at Public Funds Forum Conference.

Trustee Ness commented on his 16 years' time with the board with Trustee Adams and the board in general.

Trustee Rosenberg welcomes Moses Nelson to MercedCERA Board.

Trustee Adams requests bio from Moses Nelson. Moses Nelson spoke on bio.

Trustee Cabral announced she will not be attending October 26<sup>th</sup> board meeting.

**10. Adjournment at 9:39 A.M.**

Accepted By,

Trustee Name/Position

Signature

Date

Ryan Paskin/Chair		
Al Peterson/Secretary		



Merced County Employees' Retirement Association

**MercedCERA SPECIAL RETIREMENT BOARD MEETING MINUTES  
October 10, 2023 – 10:30 A.M.**

**MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**MERCED COUNTY ADMINISTRATION BUILDING  
2222 M STREET, MERCED  
LOS BANOS AND LIVINGSTON CONFERENCE ROOMS, BASEMENT  
ZOOM CONFERENCE**

<https://us06web.zoom.us/j/93030195748?pwd=NGhFeGltSVhaSTIsK2JGWE83TVFvdz09>

**DIAL IN NUMBER: 669-900-6833, MEETING ID: 930 3019 5748, PASSCODE: 095484**

**(FOR USE ONLY IF ZOOM CONNECTION MALFUNCTIONS)**

**TELEPHONE NUMBER: 1-310-372-7549, CONFERENCE CODE: 975839**

**Call to Order: 10:30 A.M.**

**Board Members Present: Mike Harris, Dave Ness, Corrina Brown, Alfonse Peterson, Karen Adams, Ryan Paskin, Scott Silveira. Absent: Scott Johnston, Janey Cabral, Aaron Rosenberg. Counsel: Tom Ebersole. Staff: Kristen Santos and Martha Sanchez Barboa.**

**Teleconference Request:**

Trustee Teleconference Request (Govt. Code §54953(f)(2)(A)(i)).

**None.**

**Public Comment:**

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

**None.**

**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) **PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
TITLE: CHIEF RETIREMENT INVESTMENT OFFICER.  
(Govt. Code § 54957)**

**Return to Open Session:**

- (1) **PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
TITLE: CHIEF RETIREMENT INVESTMENT OFFICER.  
(Govt. Code § 54957)  
Staff Given Direction.**

**MercedCERA Upcoming Board Meetings:**

**October 26, 2023**

**Adjournment: 11:05 A.M.**

Accepted By,

Trustee Name/Position

Signature

Date

Ryan Paskin/Chair		
Al Peterson/Secretary		

Merced County Employees' Retirement Association  
 Non-Administrative Expenditures Report (Preliminary)  
 For the Month and Fiscal Year Ended June 30, 2023

Non-Administrative Expenses		Original Projection	Current Projection	Expended 06/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>21800 · Investment Expenses</b>		<b>3,160,000.00</b>	<b>3,160,000.00</b>	<b>617,087.01</b>	<b>2,926,213.75</b>	<b>233,786.25</b>	<b>93%</b>
06/01/2023	KKR Gil III - 2023-Q1 Mgt Fee			10,054.00			
06/05/2023	Nossaman - 2023-04 Taconic DLF IV			208.80			
06/05/2023	Nossaman - 2023-04 Genstar Cap XI			11,235.60			
06/05/2023	Nossaman - 2023-04 Hudson Bay Fund			5,522.10			
06/05/2023	Nossaman - 2023-04 Ares Eur VI			2,244.60			
06/15/2023	GSO EOF - 2023-Q1 Mgt Fees			5,415.00			
06/15/2023	GSO EOF - Operating Expense			2,055.00			
06/15/2023	GSO EOF - Int Expense			8,087.00			
06/29/2023	GSO EOF - 2023-Q2 Mgt Fees			3,638.00			
06/16/2023	Golden Valley Engineering - Prof Svcs thru 2023-05-27			8,109.50			
06/29/2023	Golden Valley Engineering - Prof Svcs Thru 2023-06-24			1,670.00			
06/29/2023	J&B Fencing - 2023-03 thru 2023-06 Fencing			1,400.00			
06/29/2023	Golden Valley Engineering - Svcs Thru 2023-06-10			5,602.00			
06/29/2023	KKR Gil III - 2023-Q2 Mgt Fees			9,800.00			
06/29/2023	Mellon LC - 2023-Q2 Mgt Fees			14,369.25			
06/29/2023	Mellon Dynamic - 2023-Q2 Mgt Fees			40,875.00			
06/29/2023	Acadian - 2023-Q2 Mgt Fees			29,149.00			
06/29/2023	Driehaus - 2023-Q2 Mgt Fees			27,745.00			
06/29/2023	Wellington CBF - 2023-Q2 Mgt Fees			13,847.63			
06/29/2023	Brandywine - 2023-Q2 Mgt Fees			24,200.18			
06/29/2023	SSgA - 2023-Q2 Mgt Fees			9,870.95			
06/29/2023	UBS TPF - 2023-Q2 Mgt Fees			54,914.58			
06/29/2023	Taconic CRE II - 2023-Q1 & Q2 Mgt Fees			37,191.78			
06/29/2023	Taconic CRE III - 2023-Q1 & Q2 Mgt Fees			49,589.05			
06/29/2023	KKR Gil II - 2023-Q2 Mgt Fees			12,054.00			
06/29/2023	Taconic MDOF III - 2023-Q1 & Q2 Mgt Fees			39,884.43			
06/29/2023	Meketa - Apr-Jun 2023 Consulting Svcs			54,133.50			
06/29/2023	Cliffwater - 2023-05 Consulting Svcs			33,333.33			
06/29/2023	Cliffwater - 2023-06 Consulting Svcs			33,333.33			
06/29/2023	Nossaman - 2023-05 Nautic Partners			342.00			
06/29/2023	Nossaman - 2023-05 Genstar XI			170.00			
06/29/2023	Nossaman - 2023-05 Cortec GF VIII			118.80			
06/29/2023	Nossaman - 2023-05 Ares CE VI			102.00			
06/29/2023	Nossaman - 2023-05 EnCap XII			14,577.00			
06/29/2023	Nossaman - 2023-05 Taconic CDF IV			16,423.30			
06/29/2023	Nossaman - 2023-05 Ares SDL III			11,693.70			
06/29/2023	Nossaman - 2023-05 One William St			208.80			
06/29/2023	Nossaman - 2023-05 Hudson Bay HF			2,826.80			
06/29/2023	Nossaman - 2023-06 EnCap XII			13,816.10			
06/29/2023	Nossaman - 2023-06 Taconic CD IV			3,817.80			
06/29/2023	Nossaman - 2023-06 Hudson Bay HF			249.20			
06/29/2023	Nossaman - 2023-06 EnCap XII			3,208.90			
Total 21800 · Investment Expenses				<b>617,087.01</b>			
<b>21802 · Actuarial Services</b>		<b>250,000.00</b>	<b>250,000.00</b>	<b>12,105.00</b>	<b>232,010.25</b>	<b>17,989.75</b>	<b>93%</b>
06/29/2023	Cheiron - 2023-Q2 Actuarial Svcs			12,105.00			
Total 21802 · Actuarial Services				<b>12,105.00</b>			

Merced County Employees' Retirement Association  
 Non-Administrative Expenditures Report (Preliminary)  
 For the Month and Fiscal Year Ended June 30, 2023

Non-Administrative Expenses		Original Projection	Current Projection	Expended 06/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>21812 · Data Processing</b>		<b>90,000.00</b>	<b>90,000.00</b>	<b>10,119.59</b>	<b>67,535.40</b>	<b>22,464.60</b>	<b>75%</b>
06/28/2023	2023-05 Cradlepoint Chgs			270.00			
06/28/2023	2023-05 IS Charges			4,641.74			
06/29/2023	2023-06 Cradlepoint Chgs			270.00			
06/29/2023	Comcast - June 2023 Svcs			303.11			
06/29/2023	2023-06 IS Billing			4,634.74			
Total 21812 · Data Processing				<b>10,119.59</b>			
<b>21834 · Legal Services *</b>		<b>365,000.00</b>	<b>350,000.00</b>	<b>36,953.23</b>	<b>248,815.55</b>	<b>101,184.45</b>	<b>71%</b>
06/16/2023	Ted Cabral - 2023-05 Legal Svcs			82.58			
06/16/2023	Ted Cabral - 2023-05 Legal Svcs			2,166.00			
06/16/2023	Ted Cabral - 2023-05 Legal Svcs			4,943.30			
06/16/2023	Ted Cabral - 2023-05 Legal Svcs			40.00			
06/16/2023	Ted Cabral - 2023-05 Legal Svcs			2,395.50			
06/16/2023	Ted Cabral - 2023-05 Legal Svcs			10,905.00			
06/16/2023	Ted Cabral - 2023-05 Legal Svcs			85.70			
06/29/2023	Ted Cabral - 2023-05 Legal Svcs			1,202.50			
06/29/2023	Ted Cabral - 2023-05 Legal Svcs			937.50			
06/29/2023	Ted Cabral - 2023-05 Legal Svcs			50.00			
06/29/2023	Ted Cabral - 2023-05 Legal Svcs			30.00			
06/29/2023	Ted Cabral - 2023-05 Legal Svcs			5,884.50			
06/29/2023	Ted Cabral - 2023-05 Legal Svcs			20.00			
06/29/2023	Ted Cabral - 2023-05 Legal Svcs			340.00			
06/29/2023	Ted Cabral - 2023-05 Legal Svcs			717.50			
06/29/2023	Ted Cabral - 2023-05 Legal Svcs			300.00			
06/29/2023	Ted Cabral - 2023-05 Legal Svcs			60.00			
06/28/2023	2023-06 Cost Alloc - Co Couns			3,416.25			
06/29/2023	Nossaman - 2023-05 Legal Svcs			127.60			
06/29/2023	Nossaman - 2023-06 Gen Adv & Counsel			382.80			
06/29/2023	Hanson Bridgett - Inv 1350351 - 2023-05 Legal Svcs			2,866.50			
Total 21834 · Legal Services				<b>36,953.23</b>			
Non-Administrative Expenses		Original Projection	Current Projection	Expended 06/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>21840 · Custodial Banking Services</b>		<b>140,000.00</b>	<b>140,000.00</b>	<b>3,501.59</b>	<b>109,511.86</b>	<b>30,488.14</b>	<b>78%</b>
06/05/2023	2023-05 NT STIF Income - Custodial Fee			2,841.59			
06/29/2023	2023-03 Wire Fees			165.00			
06/29/2023	2023-04 Wire Fees			165.00			
06/29/2023	2023-05 Wire Fees			165.00			
06/29/2023	2023-06 Wire Fees			165.00			
Total 21840 · Custodial Banking Services				<b>3,501.59</b>			
<b>22350 · Software and Technology *</b>		<b>400,000.00</b>	<b>415,000.00</b>	<b>19,801.14</b>	<b>414,530.03</b>	<b>469.97</b>	<b>100%</b>
06/05/2023	CPAS - 2023-06 Hosting			6,107.00			
06/16/2023	FRSecure - 2023 Q3 FACT Engagement			11,193.00			
06/16/2023	LexisNexis - 2023-05 Accurint & Batch Svcs			873.65			
06/28/2023	2023-05 Stores Billing - Tech			79.52			
06/29/2023	LexisNexis - 2023-06 Accurint & Batch Svcs			647.97			
06/29/2023	PensionX - 2023-06 Svc Program & SLA			900.00			
Total 22350 · Software and Technology				<b>19,801.14</b>			
<b>Depreciation Expense</b>		<b>250,000.00</b>	<b>250,000.00</b>	<b>243,633.62</b>	<b>243,633.62</b>	<b>6,366.38</b>	
<b>Total Non-Administrative Items</b>		<b>4,655,000.00</b>	<b>4,655,000.00</b>	<b>943,201.18</b>	<b>4,242,250.46</b>	<b>412,749.54</b>	<b>91%</b>

Notes to 2023-06 Non-Administrative Projection Report:

\* Legal Services projection reduced by \$15,000. Software and Technology projection increased by \$15,000.

**Merced County Employees' Retirement Association**  
**Non-Administrative Expenses Prev Year Comparison (Preliminary)**  
**6/30/2023**

Expense	<u>June 2023</u>	<u>June 2022</u>	<u>\$ Change</u>	<u>% Change</u>
<b>62025 · Non-Administrative Expenses</b>				
<b>21800 · Investment Expenses</b>	\$ 617,087.01	\$ 568,453.57	\$ 48,633.44	8.56%
<b>21802 · Actuarial Services</b>	12,105.00	12,662.50	(557.50)	-4.40%
<b>21812 · Data Processing</b>	10,119.59	9,001.05	1,118.54	12.43%
<b>21834 · Legal Services</b>	36,953.23	43,514.36	(6,561.13)	-15.08%
<b>21840 · Custodial Banking Services</b>	3,501.59	27,449.15	(23,947.56)	-87.24%
<b>22350 · Software and Technology</b>	19,801.14	9,287.86	10,513.28	113.19%
<b>Depreciation Expense</b>	243,633.62	243,633.62	-	
<b>Total 62025 · Non-Administrative Expenses</b>	<u>\$ 943,201.18</u>	<u>\$ 914,002.11</u>	<u>\$ 29,199.07</u>	3.20%

Merced County Employees' Retirement Association  
Administrative Expenditures Report (Preliminary)  
For the Month Ended June 30, 2023

Administrative Budget		Adopted	Current Budget	Expended 06/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>10110 · Salaries &amp; Wages</b>		<b>1,800,000.00</b>	<b>1,800,000.00</b>	<b>174,790.36</b>	<b>1,453,082.57</b>	<b>346,917.43</b>	<b>81%</b>
06/09/2023	Office Payroll 2023 PP 12			52,730.22			
06/23/2023	Office Payroll 2023 PP 13			64,065.59			
06/23/2023	April 2023 PARS			1.69			
06/29/2023	Office Payroll 2023 PP 14			57,992.86			
Total 10110 · Salaries & Wages				<b>174,790.36</b>			
<b>20600 · Communications</b>		<b>7,100.00</b>	<b>7,100.00</b>	<b>1,282.84</b>	<b>7,003.66</b>	<b>96.34</b>	<b>99%</b>
06/05/2023	AT&T - 2023-05 Comm Chgs			154.53			
06/28/2023	2023-05 Cell Chgs			245.00			
06/28/2023	2023-05 Comm Chgs			239.41			
06/29/2023	AT&T - 2023-06 Svcs			154.10			
06/29/2023	2023-06 Comm Chgs			244.80			
06/29/2023	2023-06 Cell Chgs			245.00			
Total 20600 · Communications				<b>1,282.84</b>			
<b>20900 · Household Expense *</b>		<b>14,750.00</b>	<b>15,250.00</b>	<b>940.00</b>	<b>15,195.11</b>	<b>54.89</b>	<b>100%</b>
06/29/2023	Bob's Pest Control - 2023-06 Pest Control			40.00			
06/29/2023	Geil Enterprises - 2023-06 Janitorial Svcs			900.00			
Total 20900 · Household Expense				<b>940.00</b>			
<b>21000 · Insurance - Other</b>		<b>100,000.00</b>	<b>100,000.00</b>	<b>-</b>	<b>99,177.00</b>	<b>823.00</b>	<b>99%</b>
Total 21000 · Insurance - Other				<b>-</b>			
<b>21301 · Maintenance Structure Improvement</b>		<b>15,000.00</b>	<b>15,000.00</b>	<b>1,199.83</b>	<b>12,505.83</b>	<b>2,494.17</b>	<b>83%</b>
06/02/2023	Yard Masters - 2023-05 Landscape Service			360.00			
06/29/2023	Yard Masters - 2023-06 Landscape Svcs			360.00			
06/29/2023	2023-06 DPW Chgs - Partial			82.04			
06/29/2023	2023-05 DPW Chgs			144.79			
06/29/2023	Yard Masters - Irrigation Svc Call - 6-9-2023			253.00			
Total 21301 · Maintenance Structure Improvement				<b>1,199.83</b>			
<b>21500 · Membership</b>		<b>7,500.00</b>	<b>7,500.00</b>	<b>-</b>	<b>7,110.00</b>	<b>390.00</b>	<b>95%</b>
Total 21500 · Membership				<b>-</b>			
<b>21700 · Office Expense - General</b>		<b>18,000.00</b>	<b>18,000.00</b>	<b>1,482.09</b>	<b>16,440.40</b>	<b>1,559.60</b>	<b>91%</b>
06/28/2023	2023-05 Stores Billing			551.39			
06/29/2023	2023-06 Stores Billing			806.62			
06/29/2023	First Choice - 2023-06 Water Svcs			69.95			
06/29/2023	Ingraham Trophies - Desk Name Plates			54.13			
Total 21700 · Office Expense - General				<b>1,482.09</b>			

Merced County Employees' Retirement Association  
Administrative Expenditures Report (Preliminary)  
For the Month Ended June 30, 2023

Administrative Budget		Adopted	Current Budget	Expended 06/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>21710 · Office Expense - Postage *</b>		<b>18,000.00</b>	<b>19,000.00</b>	<b>3,249.48</b>	<b>18,901.69</b>	<b>98.31</b>	<b>99%</b>
06/28/2023	2023-05 Mailroom Chgs			1,711.68			
06/29/2023	2023-06 Mailroom Chrgs			1,537.80			
Total 21710 · Office Expense - Postage				<u>3,249.48</u>			
<b>21805 · Audits *</b>		<b>90,000.00</b>	<b>86,500.00</b>	<b>-</b>	<b>47,107.50</b>	<b>39,392.50</b>	<b>54%</b>
Total 21805 · Audits				<u>-</u>			
<b>21808 · Board Membership</b>		<b>18,000.00</b>	<b>18,000.00</b>	<b>1,200.00</b>	<b>8,000.00</b>	<b>10,000.00</b>	<b>44%</b>
06/29/2023	2023-06 Bd Mtg			100.00			
06/29/2023	2023-06 Bd Mtg			100.00			
06/29/2023	2023-05 Bd Mtg			100.00			
06/29/2023	2023-05 Bd Mtg			100.00			
06/29/2023	2023-04 Bd Mtg			100.00			
06/29/2023	2023-05 Bd Mtg			100.00			
06/29/2023	2023-06 Bd Mtg			100.00			
06/29/2023	2023-04 Bd Mtg			100.00			
06/29/2023	2023-05 Bd Mtg			100.00			
06/29/2023	2023-04 Bd Mtg			100.00			
06/29/2023	2023-05 Bd Mtg			100.00			
06/29/2023	2023-05 Bd Mtg			100.00			
Total 21808 · Board Membership				<u>1,200.00</u>			
<b>21811 · Court Reporters</b>		<b>2,000.00</b>	<b>2,000.00</b>	<b>-</b>	<b>-</b>	<b>2,000.00</b>	<b>0%</b>
Total 21811 · Court Reporters				<u>-</u>			
<b>21872 · Investigations</b>		<b>1,000.00</b>	<b>1,000.00</b>	<b>-</b>	<b>-</b>	<b>1,000.00</b>	<b>0%</b>
Total 21872 · Investigations				<u>-</u>			
<b>21900 · Publications &amp; Legal Notices</b>		<b>4,750.00</b>	<b>4,750.00</b>	<b>-</b>	<b>3,762.62</b>	<b>987.38</b>	<b>79%</b>
Total 21900 · Publications & Legal Notices				<u>-</u>			

Merced County Employees' Retirement Association  
Administrative Expenditures Report (Preliminary)  
For the Month Ended June 30, 2023

Administrative Budget	Adopted	Current Budget	Expended 06/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>22300 · Spec Dept Exp - Other</b>	<b>500.00</b>	<b>500.00</b>	-	<b>326.48</b>	<b>173.52</b>	<b>65%</b>
Total 22300 · Spec Dept Exp - Other			-			
<b>22310 · Election Expense</b>	<b>20,000.00</b>	<b>20,000.00</b>	-	<b>8,512.41</b>	<b>11,487.59</b>	<b>43%</b>
Total 22310 · Election Expense			-			
<b>22327 · Spec Dept Exp - Cost Allocation</b>	<b>40,450.00</b>	<b>40,450.00</b>	<b>3,367.00</b>	<b>40,404.00</b>	<b>46.00</b>	<b>100%</b>
06/28/2023 2023-06 Cost Allocation			3,367.00			
Total 22327 · Spec Dept Exp - Cost Allocation			<b>3,367.00</b>			
<b>22500 · Transportation &amp; Travel</b>	<b>400.00</b>	<b>400.00</b>	-	<b>88.86</b>	<b>311.14</b>	<b>22%</b>
Total 22500 · Transportation & Travel			-			
<b>22505 · Trans &amp; Travel - Staff Development</b>	<b>4,000.00</b>	<b>4,000.00</b>	-	<b>1,429.95</b>	<b>2,570.05</b>	<b>36%</b>
Total 22505 · Trans & Travel - Staff Development			-			
<b>22515 · Trans &amp; Travel - In State</b>	<b>35,000.00</b>	<b>35,000.00</b>	<b>50.00</b>	<b>28,742.31</b>	<b>6,257.69</b>	<b>82%</b>
06/29/2023 2023-06 Administrators RT Reg Reimb			50.00			
Total 22515 · Trans & Travel - In State			<b>50.00</b>			
<b>22516 · Trans &amp; Travel - Out of State</b>	<b>7,500.00</b>	<b>7,500.00</b>	<b>2,166.99</b>	<b>2,956.35</b>	<b>4,543.65</b>	<b>39%</b>
06/28/2023 NCPERS Hotel & Airline Fee			1,526.79			
06/29/2023 NCPERS Annual Conf Travel Reim			583.08			
06/29/2023 NCPERS - Car Rental			57.12			
Total 22516 · Trans & Travel - Out of State			<b>2,166.99</b>			
<b>22600 · Utilities</b>	<b>18,500.00</b>	<b>18,500.00</b>	<b>2,612.01</b>	<b>17,862.31</b>	<b>637.69</b>	<b>97%</b>
06/05/2023 PG&E - June 2023 Svcs			854.90			
06/07/2023 City of Merced - May 2023 WS&G			342.46			
06/29/2023 PG&E - June 2023 Utility Billing			1,012.72			
06/29/2023 City of Merced - June 2023 WS&G			401.93			
Total 22600 · Utilities			<b>2,612.01</b>			
<b>Depreciation Expense *</b>	<b>25,000.00</b>	<b>27,000.00</b>	<b>26,843.59</b>	<b>26,843.59</b>	<b>156.41</b>	
<b>Total Administrative Budget</b>	<b>2,247,450.00</b>	<b>2,247,450.00</b>	<b>192,340.60</b>	<b>1,815,452.64</b>	<b>431,997.36</b>	<b>81%</b>

Notes to 2023-06 Administrative Budget Report:

\* Audit line item reduced by \$3,500. Household Expense line item increased by \$500.

Office Expense - Postage line item increased by \$1,000. Depreciation Expense line item increased \$2,000.

Merced County Employees' Retirement Association  
Quarterly Expense Report (Preliminary)  
For the Fiscal Quarter and Fiscal Year Ended June 30, 2023

<b>Non-Administrative Projection</b>													
	<b>Current</b>										<b>Remaining</b>		
	<b>Projection</b>	<b>Q1 Expended</b>	<b>Q1 %</b>	<b>Q2 Expended</b>	<b>Q2 %</b>	<b>Q3 Expended</b>	<b>Q3 %</b>	<b>Q4 Expended</b>	<b>Q4 %</b>	<b>Total Expended</b>	<b>Projected</b>	<b>% Exp</b>	
21800	Investment Expenses	\$ 3,160,000.00	\$ 184,349.01	6%	\$ 705,900.80	22%	\$ 564,040.46	18%	\$ 1,471,923.48	47%	\$ 2,926,213.75	\$ 233,786.25	93%
21802	Actuarial Services	250,000.00	-	0%	36,086.25	14%	67,646.00	27%	128,278.00	51%	232,010.25	17,989.75	93%
21812	Data Processing	90,000.00	12,272.91	14%	15,901.54	18%	16,511.62	18%	22,849.33	25%	67,535.40	22,464.60	75%
21834	Legal Services	350,000.00	50,423.65	14%	46,726.47	13%	65,106.50	19%	86,558.93	25%	248,815.55	101,184.45	71%
21840	Custodial Banking Services	140,000.00	2,528.79	2%	29,680.69	21%	29,031.09	21%	48,271.29	34%	109,511.86	30,488.14	78%
22350	Software & Technology	415,000.00	195,721.64	47%	131,162.18	32%	38,613.22	9%	49,032.99	12%	414,530.03	469.97	100%
	Depreciation Expense	250,000.00	-	0%	-	0%	-	0%	243,633.62	97%	243,633.62	6,366.38	97%
<b>Total Non-Administrative Items</b>		<u>\$ 4,655,000.00</u>	<u>\$ 445,296.00</u>	10%	<u>\$ 965,457.93</u>	21%	<u>\$ 780,948.89</u>	17%	<u>\$ 2,050,547.64</u>	44%	<u>\$ 4,242,250.46</u>	<u>\$ 412,749.54</u>	91%
<b>Capital Assets Budget</b>													
	<b>Current</b>										<b>Remaining</b>		
	<b>Appropriation</b>	<b>Q1 Expended</b>	<b>Q1 %</b>	<b>Q2 Expended</b>	<b>Q2 %</b>	<b>Q3 Expended</b>	<b>Q3 %</b>	<b>Q4 Expended</b>	<b>Q4 %</b>	<b>Total Expended</b>	<b>Appropriation</b>	<b>% Exp</b>	
81386	Cubicle Expansion	\$ 27,384.43	27,304.24	100%	\$ -	0%	\$ -	0%	\$ -	0%	\$ 27,304.24	\$ 80.19	100%
<b>Total Capital Assets Budget</b>		<u>\$ 27,384.43</u>	<u>\$ 27,304.24</u>	100%	<u>\$ -</u>	0%	<u>\$ -</u>	0%	<u>\$ -</u>	0%	<u>\$ 27,304.24</u>	<u>\$ 80.19</u>	100%
<b>Administrative Budget</b>													
	<b>Current</b>										<b>Remaining</b>		
	<b>Appropriation</b>	<b>Q1 Expended</b>	<b>Q1 %</b>	<b>Q2 Expended</b>	<b>Q2 %</b>	<b>Q3 Expended</b>	<b>Q3 %</b>	<b>Q4 Expended</b>	<b>Q4 %</b>	<b>Total Expended</b>	<b>Appropriation</b>	<b>% Exp</b>	
10110	Salaries & Wages	\$ 1,800,000.00	\$ 318,438.36	18%	\$ 349,810.38	19%	\$ 399,746.10	22%	\$ 385,087.73	21%	\$ 1,453,082.57	\$ 346,917.43	81%
20600	Communications	7,100.00	1,072.34	15%	1,620.62	23%	1,759.63	25%	2,551.07	36%	7,003.66	96.34	99%
20900	Household Expense	15,250.00	3,617.10	24%	2,881.83	19%	3,840.41	25%	4,855.77	32%	15,195.11	54.89	100%
21000	Insurance-Other	100,000.00	99,177.00	99%	-	0%	-	0%	-	0%	99,177.00	823.00	99%
21301	Maintenance Structure Improvement	15,000.00	3,167.41	21%	4,217.50	28%	3,201.01	21%	1,919.91	13%	12,505.83	2,494.17	83%
21500	Membership	7,500.00	4,000.00	53%	1,920.00	26%	1,190.00	16%	-	0%	7,110.00	390.00	95%
21700	Office Expense-General	18,000.00	7,023.61	39%	3,055.99	17%	3,795.66	21%	2,565.14	14%	16,440.40	1,559.60	91%
21710	Office Expense-Postage	19,000.00	2,603.87	14%	3,852.26	20%	7,022.93	37%	5,422.63	29%	18,901.69	98.31	99%
21805	Audits	86,500.00	28,447.50	33%	23,860.00	28%	(5,200.00)	-6%	-	0%	47,107.50	39,392.50	54%
21808	Board Membership	18,000.00	1,800.00	10%	3,300.00	18%	1,000.00	6%	1,900.00	11%	8,000.00	10,000.00	44%
21811	Court Reporters	2,000.00	-	0%	-	0%	-	0%	-	0%	-	2,000.00	0%
21872	Investigations	1,000.00	-	0%	-	0%	-	0%	-	0%	-	1,000.00	0%
21900	Publications & Legal Notices	4,750.00	3,762.62	79%	-	0%	-	0%	-	0%	3,762.62	987.38	79%
22300	Spec Dept Expense-Other	500.00	-	0%	6.87	1%	319.61	64%	-	0%	326.48	173.52	65%
22310	Election Expense	20,000.00	-	0%	8,512.41	43%	-	0%	-	0%	8,512.41	11,487.59	43%
22327	Spec Dept Exp-Cost Allocation	40,450.00	10,101.00	25%	10,101.00	25%	10,101.00	25%	10,101.00	25%	40,404.00	46.00	100%
22500	Transportation & Travel	400.00	28.50	7%	17.88	4%	42.48	11%	-	0%	88.86	311.14	22%
22505	Trans & Travel-Staff Development	4,000.00	-	0%	1,429.95	36%	-	0%	-	0%	1,429.95	2,570.05	36%
22515	Trans & Travel-In State	35,000.00	12,863.63	37%	8,046.53	23%	5,430.88	16%	2,401.27	7%	28,742.31	6,257.69	82%
22516	Trans & Travel-Out Of State	7,500.00	-	0%	-	0%	-	0%	2,956.35	39%	2,956.35	4,543.65	39%
22600	Utilities	18,500.00	3,849.46	21%	5,669.89	31%	3,071.36	17%	5,271.60	28%	17,862.31	637.69	97%
	Depreciation Expense	27,000.00	-	0%	-	0%	-	0%	26,843.59	99%	26,843.59	156.41	99%
<b>Total Administrative Budget</b>		<u>\$ 2,247,450.00</u>	<u>\$ 499,952.40</u>	22%	<u>\$ 428,303.11</u>	19%	<u>\$ 435,321.07</u>	19%	<u>\$ 451,876.06</u>	20%	<u>\$ 1,815,452.64</u>	<u>\$ 431,997.36</u>	81%
<b>Total MercedCERA</b>		<u>\$ 6,929,834.43</u>	<u>\$ 972,552.64</u>	14%	<u>\$ 1,393,761.04</u>	20%	<u>\$ 1,216,269.96</u>	18%	<u>\$ 2,502,423.70</u>	36%	<u>\$ 6,085,007.34</u>	<u>\$ 844,827.09</u>	88%

**Merced County Employees' Retirement Association**  
**Non-Admin Expenses Prev Year Comparison (Preliminary)**  
**For the Fiscal Quarter Ended June 30, 2023**

	<b>Apr - Jun 23</b>	<b>Apr - Jun 22</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Expense</b>				
<b>62025 · Non-Administrative Expenses</b>				
<b>21800 · Investment Expenses</b>				
IED0003 Mellon LC SIF	27,813.29	21,044.26	6,769.03	32.17%
IED0004 Mellon Dynamic	78,241.09	181,014.78	(102,773.69)	-56.78%
IEE0006 Acadian Ex US SCF	58,702.00	62,329.00	(3,627.00)	-5.82%
IEE0007 Driehaus ISCG	54,726.00	57,876.00	(3,150.00)	-5.44%
IEF0001 Barrow Hanley	-	54,233.00	(54,233.00)	-100.00%
IEF0008 Wellington CBF	20,396.56	-	20,396.56	100.00%
IEF0009 Brandywine USFIF	48,860.77	-	48,860.77	100.00%
IEP0001 SSgA RAS	20,051.63	38,495.98	(18,444.35)	-47.91%
IER0001 UBS Realty Investors	112,389.65	134,456.93	(22,067.28)	-16.41%
IER0006 Taconic CRE II	37,191.78	38,000.00	(808.22)	-2.13%
IER0012 Taconic CRE DOF III LP	49,589.05	52,067.49	(2,478.44)	-4.76%
IEX0015 KKR Global Infrastructure II	24,051.00	26,595.00	(2,544.00)	-9.57%
IEX0018 GSO EOF	295,246.00	13,394.00	281,852.00	2104.32%
IEX0026 KKR GII III	19,854.00	4,499.00	15,355.00	341.30%
IEX0038 Taconic MDOF III	77,486.30	30,843.32	46,642.98	151.23%
IEX0054 KKR GII IV	93,544.00	-	93,544.00	100.00%
ISC001 Meketa Investment Group	110,344.26	112,000.00	(1,655.74)	-1.48%
ISC002 Cliffwater LLC	133,333.32	199,999.98	(66,666.66)	-33.33%
ISL001 Nossaman - Investments	182,936.10	99,446.40	83,489.70	83.95%
<b>21800 Investment Expenses</b>	<b>27,166.68</b>	<b>37,132.50</b>	<b>(9,965.82)</b>	<b>-26.84%</b>
<b>Total 21800 · Investment Expenses</b>	<b>1,471,923.48</b>	<b>1,163,427.64</b>	<b>308,495.84</b>	<b>26.52%</b>
<b>21802 · Actuarial Services</b>	<b>128,278.00</b>	<b>18,711.25</b>	<b>109,566.75</b>	<b>585.57%</b>
<b>21812 · Data Processing</b>	<b>22,849.33</b>	<b>18,747.76</b>	<b>4,101.57</b>	<b>21.88%</b>
<b>21834 · Legal Services</b>	<b>86,558.93</b>	<b>102,834.50</b>	<b>(16,275.57)</b>	<b>-15.83%</b>
<b>21840 · Custodial Banking Services</b>	<b>48,271.29</b>	<b>54,613.88</b>	<b>(6,342.59)</b>	<b>-11.61%</b>
<b>22350 · Software and Technology</b>	<b>49,032.99</b>	<b>20,782.18</b>	<b>28,250.81</b>	<b>135.94%</b>
<b>Total 62025 · Non-Administrative Expenses</b>	<b>\$ 1,806,914.02</b>	<b>\$ 1,379,117.21</b>	<b>\$ 427,796.81</b>	<b>31.02%</b>

Merced County Employees' Retirement Association  
 Non-Administrative Expenditures Report (Preliminary)  
 For the Month Ended August 31, 2023

Non-Administrative Expenses	Original Projection	Current Projection	Expended 8/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>21800 · Investment Expenses</b>	<b>3,740,500.00</b>	<b>3,740,500.00</b>	<b>80,521.22</b>	<b>95,116.11</b>	<b>3,645,383.89</b>	<b>3%</b>
08/01/2023 Golden Valley Engineering - Prof Svcs Thru 2023-07-08			260.00			
08/04/2023 Office Payroll 2023 PP16 Investment Cost Allocation			41,840.36			
08/17/2023 Golden Valley Engineering - Inv 1102232 - Prof Svcs Thru 2023-07-22			7,552.50			
08/18/2023 Office Payroll 2023 PP17 Investment Cost Allocation			30,868.36			
Total 21800 · Investment Expenses			<b>80,521.22</b>			
<b>21802 · Actuarial Services</b>	<b>175,000.00</b>	<b>175,000.00</b>	<b>-</b>	<b>-</b>	<b>175,000.00</b>	<b>0%</b>
Total 21802 · Actuarial Services			<b>-</b>			
<b>21812 · Data Processing</b>	<b>102,000.00</b>	<b>102,000.00</b>	<b>6,422.34</b>	<b>6,422.34</b>	<b>95,577.66</b>	<b>6%</b>
08/01/2023 Comcast - July 2023 Svcs			303.11			
08/23/2023 Comcast - August 2023 Svcs			303.11			
08/28/2023 2023-07 Cradlepoint Chgs			403.00			
08/29/2023 2023-07 IS Billing			5,413.12			
Total 21812 · Data Processing			<b>6,422.34</b>			
<b>21834 · Legal Services</b>	<b>430,000.00</b>	<b>430,000.00</b>	<b>29,355.76</b>	<b>29,355.76</b>	<b>400,644.24</b>	<b>7%</b>
08/23/2023 Ted Cabral - 2023-07 Legal Svcs			1,313.50			
08/23/2023 Ted Cabral - 2023-07 Legal Svcs			464.00			
08/23/2023 Ted Cabral - 2023-07 Legal Svcs			1,160.56			
08/23/2023 Ted Cabral - 2023-07 Legal Svcs			1,267.00			
08/23/2023 Ted Cabral - 2023-07 Legal Svcs			20.00			
08/23/2023 Ted Cabral - 2023-07 Legal Svcs			1,647.00			
08/23/2023 Ted Cabral - 2023-07 Legal Svcs			1,840.00			
08/23/2023 Ted Cabral - 2023-07 Legal Svcs			1,160.00			
08/23/2023 Ted Cabral - 2023-07 Legal Svcs			4,736.50			
08/23/2023 Ted Cabral - 2023-07 Legal Svcs			3,953.00			
08/28/2023 Hanson Bridgett - Inv 1355110 - 2023-07 Legal Svcs			529.20			
08/28/2023 2023-07 Cost Alloc - Co Couns			5,632.50			
08/28/2023 2023-08 Cost Alloc - Co Couns			5,632.50			
Total 21834 · Legal Services			<b>29,355.76</b>			
<b>21840 · Custodial Banking Services</b>	<b>150,000.00</b>	<b>150,000.00</b>	<b>3,148.38</b>	<b>4,069.99</b>	<b>145,930.01</b>	<b>3%</b>
08/03/2023 2023-07 Northern Trust STIF Income Custodial Fee			3,148.38			
Total 21840 · Custodial Banking Services			<b>3,148.38</b>			
<b>22350 · Software and Technology</b>	<b>505,000.00</b>	<b>505,000.00</b>	<b>7,362.68</b>	<b>128,847.25</b>	<b>376,152.75</b>	<b>26%</b>
08/01/2023 CPAS - 2023 Annual Support - FY24 Portion			6,107.00			
08/23/2023 CPAS - 2023 Annual Maintenance - FY24 Portion			620.00			
08/28/2023 IBM - Cognos Subscription - 07/2023 - 06/2024			37.88			
08/30/2023 CPAS - 2023-07 Hosting			597.80			
Total 22350 · Software and Technology			<b>7,362.68</b>			
<b>Depreciation Expense</b>	<b>250,000.00</b>	<b>250,000.00</b>	<b>-</b>	<b>-</b>	<b>250,000.00</b>	
<b>Total Non-Administrative Items</b>	<b>5,352,500.00</b>	<b>5,352,500.00</b>	<b>126,810.38</b>	<b>263,811.45</b>	<b>5,088,688.55</b>	<b>5%</b>

**Merced County Employees' Retirement Association**  
**Non-Administrative Expenses Prev Year Comparison (Preliminary)**  
**8/31/2023**

Expense	<u>Aug 2023</u>	<u>Aug 2022</u>	<u>\$ Change</u>	<u>% Change</u>
<b>62025 · Non-Administrative Expenses</b>				
<b>21800 · Investment Expenses</b>	\$ 80,521.22	\$ 42,150.18	\$ 38,371.04	91.03%
<b>21802 · Actuarial Services</b>	-	-	-	0.00%
<b>21812 · Data Processing</b>	6,422.34	274.40	6,147.94	2240.50%
<b>21834 · Legal Services</b>	29,355.76	18,926.54	10,429.22	55.10%
<b>21840 · Custodial Banking Services</b>	3,148.38	1,000.93	2,147.45	214.55%
<b>22350 · Software and Technology</b>	7,362.68	11,986.08	(4,623.40)	-38.57%
<b>Depreciation Expense</b>	-	-	-	
<b>Total 62025 · Non-Administrative Expenses</b>	<u>\$ 126,810.38</u>	<u>\$ 74,338.13</u>	<u>\$ 52,472.25</u>	70.59%

Merced County Employees' Retirement Association  
Administrative Expenditures Report (Preliminary)  
For the Month Ended August 31, 2023

Administrative Budget		Adopted	Current Budget	Expended 08/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>10110 · Salaries &amp; Wages</b>		<b>1,975,000.00</b>	<b>1,975,000.00</b>	<b>86,795.96</b>	<b>130,193.93</b>	<b>1,844,806.07</b>	<b>7%</b>
08/04/2023	Office Payroll 2023 PP 16 - Administrative Allocation			43,397.98			
08/18/2023	Office Payroll 2023 PP 17 - Administrative Allocation			43,397.98			
Total 10110 · Salaries & Wages				<b>86,795.96</b>			
<b>20600 · Communications</b>		<b>9,800.00</b>	<b>9,800.00</b>	<b>744.12</b>	<b>744.12</b>	<b>9,055.88</b>	<b>8%</b>
08/04/2023	AT&T - 2023-07 CALNET			154.17			
08/28/2023	2023-07 Comm Chgs			326.95			
08/28/2023	2023-07 iPhone Chgs			263.00			
Total 20600 · Communications				<b>744.12</b>			
<b>20900 · Household Expense</b>		<b>15,750.00</b>	<b>15,750.00</b>	<b>2,340.00</b>	<b>2,453.56</b>	<b>13,296.44</b>	<b>16%</b>
08/01/2023	Geil Enterprises - 2023-07 Janitorial Svcs			900.00			
08/22/2023	Bob's Pest Control - 2023-07 Pest Control			40.00			
08/23/2023	Cyclone Pressure Washing - Aug 2023 Window/Entrance Clean			500.00			
08/23/2023	Geil Enterprises - 2023-08 Janitorial Svcs			900.00			
Total 20900 · Household Expense				<b>2,340.00</b>			
<b>21000 · Insurance - Other</b>		<b>105,000.00</b>	<b>105,000.00</b>	<b>(8.00)</b>	<b>101,995.00</b>	<b>3,005.00</b>	<b>97%</b>
08/21/2023	The Hartford - Refund of Overpayment			(8.00)			
Total 21000 · Insurance - Other				<b>(8.00)</b>			
<b>21301 · Maintenance Structure Improvement</b>		<b>16,000.00</b>	<b>16,000.00</b>	<b>360.00</b>	<b>360.00</b>	<b>15,640.00</b>	<b>2%</b>
08/01/2023	Yard Masters - Inv 23546 - 2023-07 Landscape Svcs			360.00			
Total 21301 · Maintenance Structure Improvement				<b>360.00</b>			
<b>21500 · Membership</b>		<b>8,000.00</b>	<b>8,000.00</b>	<b>-</b>	<b>4,000.00</b>	<b>4,000.00</b>	<b>50%</b>
Total 21500 · Membership				<b>-</b>			
<b>21700 · Office Expense - General</b>		<b>19,275.00</b>	<b>19,275.00</b>	<b>1,711.45</b>	<b>6,027.40</b>	<b>13,247.60</b>	<b>31%</b>
08/09/2023	Ingraham Trophies - Desk Name Plate			18.94			
08/23/2023	Vast Conference - Conf Calling Subscription 2023-2024			740.19			
08/23/2023	First Choice - 2023-08 Water Svcs			41.99			
08/28/2023	Reimb for Replacement Air Filt			248.46			
08/28/2023	2023-07 Stores Billing			661.87			
Total 21700 · Office Expense - General				<b>1,711.45</b>			

Merced County Employees' Retirement Association  
Administrative Expenditures Report (Preliminary)  
For the Month Ended August 31, 2023

<b>Administrative Budget</b>	<b>Adopted</b>	<b>Current Budget</b>	<b>Expended 08/2023</b>	<b>Expended YTD</b>	<b>Bal Remaining</b>	<b>% Exp YTD</b>
<b>21710 · Office Expense - Postage</b>	<b>20,000.00</b>	<b>20,000.00</b>	<b>1,616.95</b>	<b>1,616.95</b>	<b>18,383.05</b>	<b>8%</b>
08/29/2023 2023-07 Mailroom Chgs			1,616.95			
Total 21710 · Office Expense - Postage			<u>1,616.95</u>			
<b>21805 · Audits</b>	<b>65,000.00</b>	<b>65,000.00</b>	<b>-</b>	<b>-</b>	<b>65,000.00</b>	<b>0%</b>
Total 21805 · Audits			<u>-</u>			
<b>21808 · Board Membership</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>-</b>	<b>-</b>	<b>10,000.00</b>	<b>0%</b>
Total 21808 · Board Membership			<u>-</u>			
<b>21900 · Publications &amp; Legal Notices</b>	<b>5,000.00</b>	<b>5,000.00</b>	<b>-</b>	<b>3,759.57</b>	<b>1,240.43</b>	<b>75%</b>
Total 21900 · Publications & Legal Notices			<u>-</u>			
<b>22300 · Spec Dept Exp - Other</b>	<b>750.00</b>	<b>750.00</b>	<b>38.99</b>	<b>38.99</b>	<b>711.01</b>	<b>5%</b>
08/28/2023 Reimb for Bagels for Bd Mtg			38.99			
Total 22300 · Spec Dept Exp - Other			<u>38.99</u>			
<b>22310 · Election Expense</b>	<b>30,000.00</b>	<b>30,000.00</b>	<b>-</b>	<b>-</b>	<b>30,000.00</b>	<b>0%</b>
Total 22310 · Election Expense			<u>-</u>			
<b>22327 · Spec Dept Exp - Cost Allocation</b>	<b>40,000.00</b>	<b>40,000.00</b>	<b>6,597.00</b>	<b>6,597.00</b>	<b>33,403.00</b>	<b>16%</b>
08/28/2023 2023-07 Cost Alloc			3,298.50			
08/28/2023 2023-08 Cost Alloc			3,298.50			
Total 22327 · Spec Dept Exp - Cost Allocation			<u>6,597.00</u>			
<b>22500 · Transportation &amp; Travel</b>	<b>250.00</b>	<b>250.00</b>	<b>-</b>	<b>-</b>	<b>250.00</b>	<b>0%</b>
Total 22500 · Transportation & Travel			<u>-</u>			
<b>22505 · Trans &amp; Travel - Staff Development</b>	<b>4,000.00</b>	<b>4,000.00</b>	<b>149.00</b>	<b>149.00</b>	<b>3,851.00</b>	<b>4%</b>
08/28/2023 Reimb for PD Class 2023-08-01			149.00			
Total 22505 · Trans & Travel - Staff Development			<u>149.00</u>			

Merced County Employees' Retirement Association  
 Administrative Expenditures Report (Preliminary)  
 For the Month Ended August 31, 2023

Administrative Budget	Adopted	Current Budget	Expended 08/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>22515 · Trans &amp; Travel - In State</b>	<b>40,000.00</b>	<b>40,000.00</b>	-	-	<b>40,000.00</b>	<b>0%</b>
Total 22515 · Trans & Travel - In State			-			
<b>22516 · Trans &amp; Travel - Out of State</b>	<b>7,500.00</b>	<b>7,500.00</b>	-	-	<b>7,500.00</b>	<b>0%</b>
Total 22516 · Trans & Travel - Out of State			-			
<b>22600 · Utilities</b>	<b>20,000.00</b>	<b>20,000.00</b>	<b>2,008.07</b>	<b>2,008.07</b>	<b>17,991.93</b>	<b>10%</b>
08/04/2023 PG&E - July 2023 Utility Billing			1,619.19			
08/17/2023 City of Merced - July 2023 WS&G			388.88			
Total 22600 · Utilities			<b>2,008.07</b>			
<b>Depreciation Expense</b>	<b>27,000.00</b>	<b>27,000.00</b>	-	-	<b>27,000.00</b>	
<b>Total Administrative Budget</b>	<b>2,418,325.00</b>	<b>2,418,325.00</b>	<b>102,353.54</b>	<b>259,943.59</b>	<b>2,158,381.41</b>	<b>11%</b>

Merced County Employees' Retirement Association  
Non-Administrative Expenditures Report (Preliminary)  
For the Month Ended September 30, 2023

Non-Administrative Expenses	Original Projection	Current Projection	Expended 9/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>21800 · Investment Expenses</b>	<b>3,740,500.00</b>	<b>3,740,500.00</b>	<b>116,798.58</b>	<b>211,914.69</b>	<b>3,528,585.31</b>	<b>6%</b>
09/01/2023 Office Payroll 2023 PP18 Investment Cost Allocation			30,868.36			
09/15/2023 Office Payroll 2023 PP19 Investment Cost Allocation			31,674.36			
09/29/2023 Office Payroll 2023 PP20 Investment Cost Allocation			30,920.36			
09/13/2023 GSO EOF - Int Expense			5,680.00			
09/13/2023 GSO EOF - Operating Expense			6.00			
09/05/2023 Nossaman - 2023-07 EnCap XII			1,623.50			
09/05/2023 Nossaman - 2023-07 Ares SDL III			9,529.30			
09/05/2023 Nossaman - 2023-07 One William Street			6,496.70			
Total 21800 · Investment Expenses			<b>116,798.58</b>			
<b>21802 · Actuarial Services</b>	<b>175,000.00</b>	<b>175,000.00</b>	<b>-</b>	<b>-</b>	<b>175,000.00</b>	<b>0%</b>
Total 21802 · Actuarial Services			<b>-</b>			
<b>21812 · Data Processing</b>	<b>102,000.00</b>	<b>102,000.00</b>	<b>11,470.11</b>	<b>17,892.45</b>	<b>84,107.55</b>	<b>18%</b>
09/26/2023 Comcast - September 2023 Svcs			303.11			
09/28/2023 2023-08 IS Billing			10,764.00			
09/28/2023 2023-08 Cradlepoint Chgs			403.00			
Total 21812 · Data Processing			<b>11,470.11</b>			
<b>21834 · Legal Services</b>	<b>430,000.00</b>	<b>430,000.00</b>	<b>28,915.63</b>	<b>58,271.39</b>	<b>371,728.61</b>	<b>14%</b>
09/12/2023 Ted Cabral - 2023-08 Legal Svcs			12,690.00			
09/12/2023 Ted Cabral - 2023-08 Legal Svcs			738.00			
09/12/2023 Ted Cabral - 2023-08 Legal Svcs			410.00			
09/12/2023 Ted Cabral - 2023-08 Legal Svcs			258.00			
09/12/2023 Ted Cabral - 2023-08 Legal Svcs			584.63			
09/12/2023 Ted Cabral - 2023-08 Legal Svcs			2,090.50			
09/12/2023 Ted Cabral - 2023-08 Legal Svcs			5,328.00			
09/12/2023 Ted Cabral - 2023-08 Legal Svcs			1,184.00			
09/07/2023 2023-09 Cost Alloc - Co Couns			5,632.50			
Total 21834 · Legal Services			<b>28,915.63</b>			
<b>21840 · Custodial Banking Services</b>	<b>150,000.00</b>	<b>150,000.00</b>	<b>1,554.76</b>	<b>5,624.75</b>	<b>144,375.25</b>	<b>4%</b>
09/01/2023 2023-07 Wire Fees			165.00			
09/06/2023 2023-08 Northern Trust STIF Income Custodial Fee			1,224.76			
09/28/2023 2023-08 Wire Fees			165.00			
Total 21840 · Custodial Banking Services			<b>1,554.76</b>			
<b>22350 · Software and Technology</b>	<b>505,000.00</b>	<b>505,000.00</b>	<b>20,390.09</b>	<b>149,237.34</b>	<b>355,762.66</b>	<b>30%</b>
09/05/2023 CPAS - 2023-09 Hosting			6,107.00			
09/06/2023 PensionX - 2023-08 Svc Program & SLA			900.00			
09/14/2023 FRSecure - 2023-Q3 FACT Engagement			11,193.00			
09/14/2023 PensionX - 2023-09 Svc Program & SLA			900.00			
09/14/2023 CDWG - 8 Case Logic Laptop Cases			346.31			
09/22/2023 LexisNexis - 2023-08 Accurint & Batch Svcs			595.78			
09/29/2023 iStock Images Subscription			348.00			
Total 22350 · Software and Technology			<b>20,390.09</b>			
<b>Depreciation Expense</b>	<b>250,000.00</b>	<b>250,000.00</b>	<b>-</b>	<b>-</b>	<b>250,000.00</b>	
<b>Total Non-Administrative Items</b>	<b>5,352,500.00</b>	<b>5,352,500.00</b>	<b>179,129.17</b>	<b>442,940.62</b>	<b>4,909,559.38</b>	<b>8%</b>

**Merced County Employees' Retirement Association**  
**Non-Administrative Expenses Prev Year Comparison (Preliminary)**  
**9/30/2023**

<b>Expense</b>	<b>September 2023</b>	<b>September 2022</b>	<b>\$ Change</b>	<b>% Change</b>
<b>62025 · Non-Administrative Expenses</b>				
<b>21800 · Investment Expenses</b>	\$ 116,798.58	\$ 90,257.83	\$ 26,540.75	29.41%
<b>21802 · Actuarial Services</b>	-	-	-	0.00%
<b>21812 · Data Processing</b>	11,470.11	268.07	11,202.04	4178.77%
<b>21834 · Legal Services</b>	28,915.63	28,080.86	834.77	2.97%
<b>21840 · Custodial Banking Services</b>	1,554.76	1,527.86	26.90	1.76%
<b>22350 · Software and Technology</b>	20,390.09	65,830.39	(45,440.30)	-69.03%
<b>Depreciation Expense</b>	-	-	-	
<b>Total 62025 · Non-Administrative Expenses</b>	<b>\$ 179,129.17</b>	<b>\$ 185,965.01</b>	<b>\$ (6,835.84)</b>	<b>-3.68%</b>

Merced County Employees' Retirement Association  
Administrative Expenditures Report (Preliminary)  
For the Month Ended September 30, 2023

Administrative Budget		Adopted	Current Budget	Expended 09/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>10110 · Salaries &amp; Wages</b>		<b>1,975,000.00</b>	<b>1,975,000.00</b>	<b>130,193.94</b>	<b>260,387.87</b>	<b>1,714,612.13</b>	<b>13%</b>
09/01/2023	Office Payroll 2023 PP 18 - Administrative Allocation			43,397.98			
09/15/2023	Office Payroll 2023 PP 19 - Administrative Allocation			43,397.98			
09/29/2023	Office Payroll 2023 PP 20 - Administrative Allocation			43,397.98			
Total 10110 · Salaries & Wages				<b>130,193.94</b>			
<b>20600 · Communications</b>		<b>9,800.00</b>	<b>9,800.00</b>	<b>758.14</b>	<b>1,502.26</b>	<b>8,297.74</b>	<b>15%</b>
09/05/2023	AT&T - 2023-08 CALNET			167.46			
09/28/2023	2023-08 Comm Chgs			327.68			
09/28/2023	2023-08 iPhone Chgs			263.00			
Total 20600 · Communications				<b>758.14</b>			
<b>20900 · Household Expense</b>		<b>15,750.00</b>	<b>15,750.00</b>	<b>1,093.56</b>	<b>3,547.12</b>	<b>12,202.88</b>	<b>23%</b>
09/01/2023	ADT - September 2023 Security Svcs			56.78			
09/13/2023	Bob's Pest Control - 2023-05 Pest Control			40.00			
09/13/2023	Bob's Pest Control - 2023-08 Pest Control			40.00			
09/20/2023	Geil Enterprises - 2023-09 Janitorial Svcs			900.00			
09/22/2023	ADT - October 2023 Security Svcs			56.78			
Total 20900 · Household Expense				<b>1,093.56</b>			
<b>21000 · Insurance - Other</b>		<b>105,000.00</b>	<b>105,000.00</b>	<b>-</b>	<b>101,995.00</b>	<b>3,005.00</b>	<b>97%</b>
Total 21000 · Insurance - Other				<b>-</b>			
<b>21301 · Maintenance Structure Improvement</b>		<b>16,000.00</b>	<b>16,000.00</b>	<b>1,444.00</b>	<b>1,804.00</b>	<b>14,196.00</b>	<b>11%</b>
09/01/2023	Yard Masters - 2023-08 Landscape Svcs			360.00			
09/19/2023	ARMS AC & Heating - Diagnostic			105.00			
09/20/2023	E & J Elite Plumbing - Service call			405.00			
09/29/2023	Yard Masters - 2023-09 Landscape Svcs			360.00			
09/29/2023	Yard Masters - Irrigation Svc Call - 9/5/23			214.00			
Total 21301 · Maintenance Structure Improvement				<b>1,444.00</b>			
<b>21500 · Membership</b>		<b>8,000.00</b>	<b>8,000.00</b>	<b>-</b>	<b>4,000.00</b>	<b>4,000.00</b>	<b>50%</b>
Total 21500 · Membership				<b>-</b>			
<b>21700 · Office Expense - General</b>		<b>19,275.00</b>	<b>19,275.00</b>	<b>973.26</b>	<b>7,000.66</b>	<b>12,274.34</b>	<b>36%</b>
09/13/2023	Reimb for Business Cards for Staff			264.06			
09/14/2023	First Choice - 2023-09 Water Svc			41.63			
09/29/2023	2023-08 Stores Billing			667.57			
Total 21700 · Office Expense - General				<b>973.26</b>			

Merced County Employees' Retirement Association  
Administrative Expenditures Report (Preliminary)  
For the Month Ended September 30, 2023

Administrative Budget		Adopted	Current Budget	Expended 09/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>21710 · Office Expense - Postage</b>		<b>20,000.00</b>	<b>20,000.00</b>	<b>1,591.65</b>	<b>3,208.60</b>	<b>16,791.40</b>	<b>16%</b>
09/13/2023	M Sanchez - Reimb for Postage Stamps			13.20			
09/29/2023	2023-08 Mailroom Chgs			1,578.45			
Total 21710 · Office Expense - Postage				<u>1,591.65</u>			
<b>21805 · Audits</b>		<b>65,000.00</b>	<b>65,000.00</b>	<b>-</b>	<b>-</b>	<b>65,000.00</b>	<b>0%</b>
Total 21805 · Audits				<u>-</u>			
<b>21808 · Board Membership</b>		<b>10,000.00</b>	<b>10,000.00</b>	<b>1,400.00</b>	<b>1,400.00</b>	<b>8,600.00</b>	<b>14%</b>
09/01/2023	2023-07 Board Mtg			100.00			
09/01/2023	2023-07 Board Mtg			100.00			
09/01/2023	2023-07 Board Mtg			100.00			
09/01/2023	2023-07 Board Mtg			100.00			
09/01/2023	2023-07 Board Mtg			100.00			
09/19/2023	2023-08 Invest Sub Mtg			100.00			
09/19/2023	2023-08 Board Mtg			100.00			
09/19/2023	2023-08 Board Mtg			100.00			
09/19/2023	2023-08 Audit Sub Mtg			100.00			
09/19/2023	2023-08 Board Mtg			100.00			
09/20/2023	2023-08 Invest Sub Mtg			100.00			
09/20/2023	2023-08 Board Mtg			100.00			
09/20/2023	2023-08 Invest Sub Mtg			100.00			
09/20/2023	2023-08 Board Mtg			100.00			
Total 21808 · Board Membership				<u>1,400.00</u>			
<b>21900 · Publications &amp; Legal Notices</b>		<b>5,000.00</b>	<b>5,000.00</b>	<b>-</b>	<b>3,759.57</b>	<b>1,240.43</b>	<b>75%</b>
Total 21900 · Publications & Legal Notices				<u>-</u>			
<b>22300 · Spec Dept Exp - Other</b>		<b>750.00</b>	<b>750.00</b>	<b>-</b>	<b>38.99</b>	<b>711.01</b>	<b>5%</b>
Total 22300 · Spec Dept Exp - Other				<u>-</u>			
<b>22310 · Election Expense</b>		<b>30,000.00</b>	<b>30,000.00</b>	<b>-</b>	<b>-</b>	<b>30,000.00</b>	<b>0%</b>
Total 22310 · Election Expense				<u>-</u>			
<b>22327 · Spec Dept Exp - Cost Allocation</b>		<b>40,000.00</b>	<b>40,000.00</b>	<b>3,298.50</b>	<b>9,895.50</b>	<b>30,104.50</b>	<b>25%</b>
09/07/2023	2023-09 Cost Alloc			3,298.50			
Total 22327 · Spec Dept Exp - Cost Allocation				<u>3,298.50</u>			
<b>22500 · Transportation &amp; Travel</b>		<b>250.00</b>	<b>250.00</b>	<b>-</b>	<b>-</b>	<b>250.00</b>	<b>0%</b>
Total 22500 · Transportation & Travel				<u>-</u>			

Merced County Employees' Retirement Association  
Administrative Expenditures Report (Preliminary)  
For the Month Ended September 30, 2023

Administrative Budget		Adopted	Current Budget	Expended 09/2023	Expended YTD	Bal Remaining	% Exp YTD
<b>22505 · Trans &amp; Travel - Staff Development</b>		<b>4,000.00</b>	<b>4,000.00</b>		<b>149.00</b>	<b>3,851.00</b>	<b>4%</b>
Total 22505 · Trans & Travel - Staff Development				-			
<b>22515 · Trans &amp; Travel - In State</b>		<b>40,000.00</b>	<b>40,000.00</b>	<b>150.00</b>	<b>150.00</b>	<b>39,850.00</b>	<b>0%</b>
09/01/2023	CALAPRS - Accountants Round Table Registration			100.00			
09/29/2023	CALAPRS - Investments Round Table Registration			50.00			
Total 22515 · Trans & Travel - In State				<b>150.00</b>			
<b>22516 · Trans &amp; Travel - Out of State</b>		<b>7,500.00</b>	<b>7,500.00</b>	<b>-</b>	<b>2,040.54</b>	<b>5,459.46</b>	<b>27%</b>
09/05/2023	Hotel Deposit Public Funds Forum 2023-09			366.98			
09/29/2023	Public Funds Forum Conf Hotel Final Charges			723.56			
09/29/2023	Public Fnds Forum Conference Registration 2023-09			950.00			
Total 22516 · Trans & Travel - Out of State				<b>2,040.54</b>			
<b>22600 · Utilities</b>		<b>20,000.00</b>	<b>20,000.00</b>	<b>2,008.07</b>	<b>4,046.94</b>	<b>15,953.06</b>	<b>20%</b>
08/04/2023	PG&E - July 2023 Utility Billing			1,619.19			
08/17/2023	City of Merced - July 2023 WS&G			388.88			
Total 22600 · Utilities				<b>2,008.07</b>			
<b>Depreciation Expense</b>		<b>27,000.00</b>	<b>27,000.00</b>	<b>-</b>	<b>-</b>	<b>27,000.00</b>	
<b>Total Administrative Budget</b>		<b>2,418,325.00</b>	<b>2,418,325.00</b>	<b>144,951.66</b>	<b>404,926.05</b>	<b>2,013,398.95</b>	<b>17%</b>

Merced County Employees' Retirement Association  
Quarterly Expense Report (Preliminary)  
For the Fiscal Quarter Ended September 30, 2023

<b>Non-Administrative Projection</b>							
		<b>Current</b>				<b>Remaining</b>	
		<b>Projection</b>	<b>Q1 Expended</b>	<b>Q1 %</b>	<b>Total Expended</b>	<b>Projected</b>	<b>% Exp</b>
21800	Investment Expenses	\$ 3,740,500.00	\$ 211,914.69	6%	\$ 211,914.69	\$ 3,528,585.31	6%
21802	Actuarial Services	175,000.00	-	0%	-	175,000.00	0%
21812	Data Processing	102,000.00	17,892.45	18%	17,892.45	84,107.55	18%
21834	Legal Services	430,000.00	58,271.39	14%	58,271.39	371,728.61	14%
21840	Custodial Banking Services	150,000.00	5,624.75	4%	5,624.75	144,375.25	4%
22350	Software & Technology	505,000.00	149,237.34	30%	149,237.34	355,762.66	30%
	Depreciation Expense	250,000.00	-	0%	-	250,000.00	0%
<b>Total Non-Administrative Items</b>		<u>\$ 5,352,500.00</u>	<u>\$ 442,940.62</u>	8%	<u>\$ 442,940.62</u>	<u>\$ 4,909,559.38</u>	8%

<b>Administrative Budget</b>							
		<b>Current</b>				<b>Remaining</b>	
		<b>Appropriation</b>	<b>Q1 Expended</b>	<b>Q1 %</b>	<b>Total Expended</b>	<b>Appropriation</b>	<b>% Exp</b>
10110	Salaries & Wages	\$ 1,975,000.00	\$ 260,387.87	13%	\$ 260,387.87	\$ 1,714,612.13	13%
20600	Communications	9,800.00	1,502.26	15%	1,502.26	8,297.74	15%
20900	Household Expense	15,750.00	3,547.12	23%	3,547.12	12,202.88	23%
21000	Insurance-Other	105,000.00	101,995.00	97%	101,995.00	3,005.00	97%
21301	Maintenance Structure Improvement	16,000.00	1,804.00	11%	1,804.00	14,196.00	11%
21500	Membership	8,000.00	4,000.00	50%	4,000.00	4,000.00	50%
21700	Office Expense-General	19,275.00	7,000.66	36%	7,000.66	12,274.34	36%
21710	Office Expense-Postage	20,000.00	3,208.60	16%	3,208.60	16,791.40	16%
21805	Audits	65,000.00	-	0%	-	65,000.00	0%
21808	Board Membership	10,000.00	1,400.00	14%	1,400.00	8,600.00	14%
21900	Publications & Legal Notices	5,000.00	3,759.57	75%	3,759.57	1,240.43	75%
22300	Spec Dept Expense-Other	750.00	38.99	5%	38.99	711.01	5%
22310	Election Expense	30,000.00	-	0%	-	30,000.00	0%
22327	Spec Dept Exp-Cost Allocation	40,000.00	9,895.50	25%	9,895.50	30,104.50	25%
22500	Transportation & Travel	250.00	-	0%	-	250.00	0%
22505	Trans & Travel-Staff Development	4,000.00	149.00	4%	149.00	3,851.00	4%
22515	Trans & Travel-In State	40,000.00	150.00	0%	150.00	39,850.00	0%
22516	Trans & Travel-Out Of State	7,500.00	2,040.54	27%	2,040.54	5,459.46	27%
22600	Utilities	20,000.00	4,096.94	20%	4,096.94	15,903.06	20%
	Depreciation Expense	27,000.00	-	0%	-	27,000.00	0%
<b>Total Administrative Budget</b>		<u>\$ 2,418,325.00</u>	<u>\$ 404,976.05</u>	17%	<u>\$ 404,976.05</u>	<u>\$ 2,013,348.95</u>	17%
<b>Total MercedCERA</b>		<u>\$ 7,770,825.00</u>	<u>\$ 847,916.67</u>	11%	<u>\$ 847,916.67</u>	<u>\$ 6,922,908.33</u>	11%

**Merced County Employees' Retirement Association**  
**Non-Admin Expenses Prev Year Comparison (Preliminary)**  
**For the Quarter Ended September 30, 2023**

	<b>Jul - Sep 23</b>	<b>Jul - Sep 22</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Expense</b>				
<b>62025 · Non-Administrative Expenses</b>				
<b>21800 · Investment Expenses</b>				
IED0003 Mellon LC SIF	-	-	-	0.00%
IED0004 Mellon Dynamic	-	-	-	0.00%
IEE0006 Acadian Ex US SCF	-	-	-	0.00%
IEE0007 Driehaus ISCG	-	-	-	0.00%
IEF0001 Barrow Hanley	-	51,941.00	(51,941.00)	-100.00%
IEF0008 Wellington CBF	-	-	-	0.00%
IEF0009 Brandywine USFIF	-	-	-	0.00%
IEP0001 SSgA RAS	-	-	-	0.00%
IER0001 UBS Realty Investors	-	-	-	0.00%
IER0006 Taconic CRE II	-	-	-	0.00%
IER0012 Taconic CRE DOF III LP	-	-	-	0.00%
IEX0015 KKR Global Infrastructure II	-	-	-	0.00%
IEX0018 GSO EOF	5,686.00	11,107.00	(5,421.00)	-48.81%
IEX0026 KKR GII III	-	4,499.00	(4,499.00)	-100.00%
IEX0038 Taconic MDOF III	-	30,843.32	(30,843.32)	-100.00%
IEX0054 KKR GII IV	-	-	-	0.00%
ISC001 Meketa Investment Group	-	-	-	0.00%
ISC002 Cliffwater LLC	-	66,666.66	(66,666.66)	-100.00%
ISL001 Nossaman - Investments	17,649.50	11,156.85	6,492.65	58.19%
<b>21800 Investment Expenses</b>	<b>188,579.19</b>	<b>43,477.50</b>	<b>145,101.69</b>	<b>333.74%</b>
<b>Total 21800 · Investment Expenses</b>	<b>211,914.69</b>	<b>219,691.33</b>	<b>(7,776.64)</b>	<b>-3.54%</b>
<b>21802 · Actuarial Services</b>	-	-	-	0.00%
<b>21812 · Data Processing</b>	17,892.45	12,272.91	5,619.54	45.79%
<b>21834 · Legal Services</b>	58,271.39	50,423.65	7,847.74	15.56%
<b>21840 · Custodial Banking Services</b>	5,624.75	2,528.79	3,095.96	122.43%
<b>22350 · Software and Technology</b>	149,237.34	195,721.64	(46,484.30)	-23.75%
<b>Total 62025 · Non-Administrative Expenses</b>	<b>\$ 442,940.62</b>	<b>\$ 480,638.32</b>	<b>\$ (37,697.70)</b>	<b>-7.84%</b>



Merced County Employees' Retirement Association

**DATE:** October 26, 2023

**TO:** MercedCERA Board of Retirement

**FROM:** Martha Sanchez Barboa, Benefits and Administration Manager

**SUBJECT:** Adoption of Non-Pensionable Pay Code for Merced Superior Court

**ITEM NUMBER:** Consent Item c

**ITEM TYPE:** Action

**STAFF RECOMMENDATION:**

1. Adoption of pay codes TST-TECH STPND as non-pensionable pay code for Merced Superior Court.

**DISCUSSION:**

Due to the significant impact of the court reporter crisis in California, the Merced Superior Court is modifying their recruitment and retention incentives as a means to retain and attract new court reporters.

Court reporters obtain and use their own equipment. Therefore, the Court's Incentive Program will now include a Technological Stipend to be paid out as one-time lump sum payout to each full-time court reporter for the ongoing costs of software upgrades and equipment maintenance. This pay code would be non-pensionable.



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# MercedCERA Pay Codes

Updated: October 26, 2023

Pay Codes [S]	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
235	Double Time OT Pay (Spring Fair)	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 <sup>th</sup> 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 <sup>th</sup> 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	City 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/JAD	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 PPLMPPEN	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
457 ONCALLEH	On Call Enhanced Pay	N	N
458	HSA Social Worker Mentor Pay	N	N
501	Board of Supervisors Chair Differential	Y	N
502 PANPAY1	Pandemic Pay 1	N	N
503 PANPAY2	Pandemic Pay 2	N	N
504 SUPPOCRT	Supervisor P.O.S.T. Differential	Y	Y
505 DAINVCRT	D.A. Investigator Certificate Pay	Y	Y
506 HIREINCT	Hiring Incentive-Hard to Recruit	N	N
507 REFFINCT	Referral Incentive-For Hard to Recruit	N	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
BRN	Bereavement Leave Unpaid	N	N
CAP	Cross-Assignment Pay	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
HIN	Hiring Incentive	N	N
LPF	Interpreter Language Pair - Full Day	Y	N
LPH	Interpreter Language Pair - Half Day	Y	N
LSP	Lump Sum Payout	N	N
MTP	Management Time 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
RIN	Referral Incentive	N	N
RTI	RETN INCNTV- Retention Incentive	N	N
SPS/1XQ	Supplemental Paid Sick Leave	Y	Y
TAP	Courts - Temporary Assignment Pay	Y	Y
TST	Tech STPND	N	N
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.
- [4] **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.
- [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.

# Merced County Employees' Retirement Association

October 26, 2023

August Performance

- 1. Forward Looking Calendar**
- 2. Meketa Corporate Update**
- 3. Meketa Research Insights**
- 4. Meketa Noteworthy Chart of the Month**
- 5. Economic and Market Update as of August 31, 2023**
- 6. Performance Highlights as of August 31, 2023**
- 7. Performance Update as of August 31, 2023**
- 8. Disclaimer, Glossary, and Notes**

## Forward-Looking Calendar

**2023 Forward Looking Calendar**

Status	Meeting	Topic 1	Topic 2	Topic 3
Completed	January	Performance Review (November)	GQG International Watch Memo	
	February	<b>Quarterly Performance Review (22Q4)</b>	Meketa's Capital Market Expectations	
	March	Performance Review-Consent (January)	Silicon Valley Bank Memo	
	April	Performance Review-Consent (February)		
	May	<b>Quarterly Performance Review (23Q1)</b>	US Fixed Income Manager Update	
	June	Performance Review-Consent (April)		
	July	Performance Review-Consent (May)		
	August	<b>Quarterly Performance Review (23Q2)</b>	Update on GQG Partners Understanding China	CIO Introductions
	September	Performance Review-Consent (July)		
Current	October	Performance Review-Consent (August)		
Future	November	<b>Quarterly Performance Report (23Q3)</b>	Macroeconomic Update	
	December	Performance Report (October)		

## Meketa **Corporate Update**



**7**  
Offices



**240+**  
Employees



**240+**  
Clients



**\$1.8T**  
Assets Under Advisement



**\$200B**  
Assets in Alternative Investments



**99%**  
Client Retention Rate



**5:1**  
Client | Consultant Ratio

Meketa Investment Group is proud to work for over 15 million American families everyday!

### UPCOMING EVENTS



Q4 Investment Perspectives Webcast  
January 2024



Mission Driven Investing Manager Research Day  
December 2023

Client and employee counts as of September 30, 2023; assets as of June 30, 2023.  
Client retention rate is one minus the number of clients lost divided by the number of clients at prior year-end.

### THOUGHT LEADERSHIP



#### Read our July Connectives “Your Plan is 100% Funded, Now What?”

Continuing in our newest series of “Meketa Connectives”, our July issue covers the effect high interest rates are having on the funded status of plans. For well over a decade, low fixed income yields have suppressed discount rates and increased the value of liabilities on an accounting basis. As the Federal Reserve hikes interest rates to fight inflation, the corporate discount rate has started to rise. As a result, plans are finding that their funded status has improved on an accounting basis, which in turn broadens the range of options available to them.

Read more here:

<https://meketa.com/news/meketa-connectives-your-plan-is-100-funded-now-what/>



#### Read our recent white paper “Venture Capital Primer”

Venture capital has been an attention-grabbing, headline generating asset class from its very beginning. Many household names started out as (or still are) venture backed investments, including Apple, Microsoft, Google, Facebook, SpaceX, Uber, Airbnb, DoorDash, and Peloton. Recently, venture capital has become a dominating presence in the cryptocurrency and AI industries, driving innovation through investments in companies such as Coinbase and OpenAI.

The primary allure of venture capital is its risk/reward potential. Investors are drawn by possibly generating some of the highest returns of any asset class but should also be aware of the increased risks. This primer provides an overview of the venture capital asset class and contrasts it to other private markets strategies, particularly buyouts.

Read more here:

<https://meketa.com/leadership/venture-capital-primer/>



#### Watch our recent webinar “Navigating Investment Risks Through Modeling Climate Scenario Analysis”

Watch our fireside chat on using climate scenario analysis to navigate investment risks.

Moderated by research consultant, [Alison Adams](#), and accompanied by Meketa’s own climate scenario experts, [Stephen MacLellan](#), consultant, and [Zach Stevens](#), senior quantitative research analyst, the panel discussed how modeling climate scenarios to analyze the impact on portfolios may provide a deeper understanding of broad investment risks.

Read more here:

<https://meketa.com/leadership/navigating-investment-risks-through-modeling-climate-scenario-analysis/>

### MEKETA VALUES COMMUNITY

#### Habitat Build Days

As part of Meketa's volunteer opportunities, each employee is given 8 hours to volunteer in their local communities. During the summer our Carlsbad office in San Diego and our Boston office in Westwood hosts Habitat for Humanity Build Days.

In Carlsbad, employees traveled to San Diego to help a homeowner with repairs and maintenance through a government program that pairs with Habitat for Humanity. In Boston, our employees traveled to Malden to help with the building of 3 homes for qualifying families.



## MEKETA IN THE NEWS

### Pensions&Investments

#### Investors cooling on China ahead of Biden executive order

By Brian Croce & Arleen Jacobius  
August 11, 2023

While Washington legislators cheered President Joe Biden's executive order restricting new U.S. private equity and venture capital investments in certain Chinese technology companies, investor sentiment on the country had already been starting to cool.

On Aug. 9, the president signed an executive order barring U.S. investment including joint ventures in

Chinese companies focused on semiconductors and microelectronics, quantum information technologies and artificial intelligence. It also requires Americans to notify the Treasury Department of direct investments in those sectors.

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"China is the second largest economy in the world and it is important to global supply chains and a major importer of commodities, which makes China an unavoidable presence in the global economy and global capital markets," said **Alison Adams**, Portland, Ore.-based managing principal and a research consultant on the capital markets research team at **Meketa Investment Group** in an emailed response to questions.

"But how U.S. investors think about how to allocate global capital appears to be changing," Ms. Adams said. Prior to the pandemic, investors were more willing to place a big bet on China and may have sought out direct investment, she said.

"Now the risk/return balance appears to be shifting to a more cautious approach where a big bet on direct China may be less likely" possibly due to the political risks of direct investment in China shifting inside China and in the U.S., Ms. Adams said.

Politics was less of a factor before the pandemic when China's GDP was growing 7% to 10% a year, and investors were interested in increasing their investment allocations to take advantage of China's rise, she said.

"Now that China's growth is only a couple of a percent above the U.S. — that risk/return analysis has shifted," Ms. Adams said.

## Private Debt Investor

### Yes, banks and private debt can co-exist

The maritime world is trying to figure out a new sustainable fuel mix, which ought to inspire elevator pitches to private debt managers.

By Christopher Faille | August 31, 2023

Private debt funds in the US have for years now made their case to potential investors with some version of the following narrative: "This fund relies upon strategy X. Strategy X is solid, but for various reasons (practical and/or regulatory) banks have largely withdrawn from the field of X lending. This has created an opportunity for private debt funds, which can step in and do the work the banks used to do."

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Much the same risk spectrum is sometimes described as a distinction between "core" infrastructure and "non-core" or "core plus". As **Lisa Bacon**, of the private markets team at **Meketa Investment Group**, says: "Core includes low-risk assets that are operational and have predictable cashflows. Examples of non-core assets with higher risk-return profiles include those in the development, permitting, construction and early operations stages."

## **Meketa Research Insights**



For our thought leadership  
library, please visit:

<https://meketa.com/thought-leadership/>

## RESEARCH INSIGHTS

Real Estate | Retirement | Deglobalization | Funded Plans | Manager Alpha | TIPS | Securities Lending | LDI  
| Venture Capital | Government Debt | BRICS Summit

**THIRD QUARTER 2023**

Meketa Investment Group is excited to share its latest edition of Research Insights. In this publication, we provide some of our most recent thinking and research on topical and timely subjects.



### Real Estate: Evaluating the Office Landscape

As part of the shift to hybrid work schedules, many companies are reevaluating their current office space needs. Perhaps unsurprisingly, many have begun or are planning to downsize their office footprint over the next few years. This means that office, one of the four main property types found in institutional real estate portfolios, is likely to experience a significant structural change. This may translate into a decline in future office construction projects, reductions in overall office utilization, as well as redevelopments and conversions of office spaces into other property types.

<https://meketa.com/leadership/real-estate-evaluating-the-office-landscape/>



### Retirement Income

In this paper we discuss recent legislative initiatives that focus on retirement income, the benefits and constraints of several existing retirement income solutions, and considerations that plan sponsors should evaluate as they contemplate which strategies they can and might consider offering to plan participants. Since many public Defined Contribution ("DC") plans contain guaranteed income solutions in their structures, we focus our analysis primarily on the private DC sector.

<https://meketa.com/leadership/retirement-income/>



### Deglobalization

Here we examine the current evidence for deglobalization by analyzing the current environment and historical effects of globalization, primarily during the post WWII era. We also study the costs and benefits of globalization to find potential impacts of its unraveling. Beyond the diminishment of the peace dividend, we find that deglobalization may have ramifications for price stability, interest rates, economic growth, and lower returns on investment in the US and beyond.

<https://meketa.com/leadership/deglobalization/>



#### **Your Plan is 100% Funded, Now What?**

For well over a decade, low fixed income yields have suppressed discount rates and increased the value of liabilities on an accounting basis. As the Federal Reserve hikes interest rates to fight inflation, the corporate discount rate has started to rise. As a result, plans are finding that their funded status has improved on an accounting basis, which in turn broadens the range of options available to them.

<https://meketa.com/news/meketa-connectives-your-plan-is-100-funded-now-what/>



#### **In Search of Manager Alpha: Outperformance and Dispersion**

The purpose of this paper is to measure and analyze the historical performance of actively managed strategies compared to market benchmarks. This topic has been discussed before in numerous platforms and contexts, but this paper aims to objectively create an accurate historical and quantitative picture of relative performance over time.

<https://meketa.com/leadership/in-search-of-manager-alpha-outperformance-and-dispersion/>



#### **TIPS**

TIPS may provide reliable income while also offering a long-term inflation hedge to investors where inflation is a substantial risk (e.g., pensions where benefits are indexed to inflation, and endowments and foundations). That said, a market-duration TIPS portfolio is as sensitive to changes in interest rates as it is to changes in inflation expectations. Being issued by the US Treasury, TIPS can also play the role of high-quality bonds, serving as a unique kind of ballast. As with other Treasury bonds, TIPS' modest level of returns means that substituting them for other, riskier investments in a portfolio comes with a potential opportunity cost.

<https://meketa.com/leadership/tips-strategic-allocation/>



### Securities Lending

Securities lending programs have the ability to generate modest incremental revenue for investors. During most periods, risk of loss is minimal; however, during periods of market disruption, the potential for liquidity impairment or loss exists. Investors may find that controlled exposure to securities lending can provide added income with an acceptable risk level, especially in an environment of elevated interest rates. The amount of income, and risk, in any securities lending program is significantly determined by how the borrowing collateral is invested and the counterparties to which the lender is exposed.

<https://meketa.com/leadership/securities-lending/>



### The Current Environment for Pension Plans: The LDI Perspective

Across the spectrum of pension plans, whether a fixed income or growth orientation, many plan sponsors find themselves in a rate environment that feels unfamiliar. In this short video, Meketa's Jonathan Camp explores the current environment for plan sponsors as they consider investment strategy changes and liability driven investing.

<https://vimeo.com/858704115>



### Venture Capital Primer

The allure of investing in venture capital lies in its risk/reward potential. Investors are drawn by the potential to generate some of the highest returns of any asset class, but should also be aware of the increased risks. This primer provides an overview of the venture capital asset class and contrasts it to other private markets strategies, particularly buyouts.

<https://meketa.com/leadership/venture-capital-primer/>



## **The Impact of Government Debt**

In this follow-up piece to a previous white paper, "[Debt and the US Debt Ceiling](https://meketa.com/leadership/the-impact-of-government-debt/)," we explore the broader impact of government debt on the economy. We examine historical debt trends relative to economic growth, discuss what countries do to manage their level of debt when it has grown, and explore what could happen if debt continues to climb.

<https://meketa.com/leadership/the-impact-of-government-debt/>



## **China Dominates BRICS Summit**

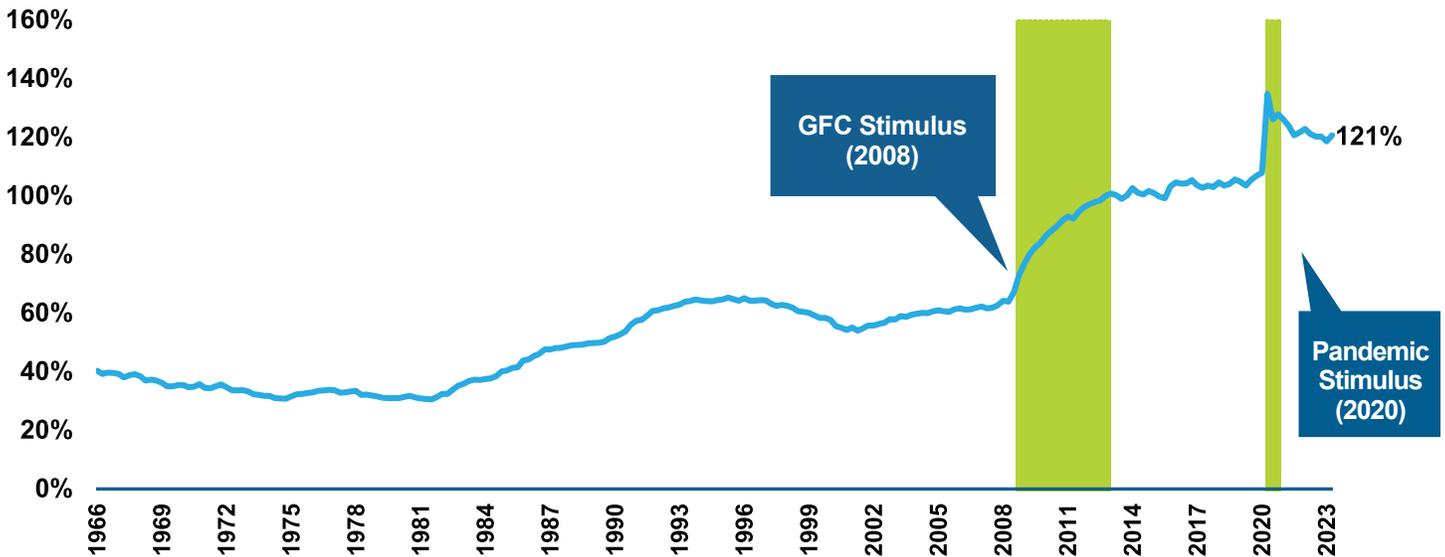
The BRICS (Brazil, Russia, India, China, and South Africa) intergovernmental organization recently met for its fifteenth annual summit in Johannesburg, South Africa from August 22nd to 24th. What created headline buzz this year was the invitation of six other countries to join the organization: Saudi Arabia, Ethiopia, Egypt, United Arab Emirates, Iran, and Argentina. Read more about the new BRICS members as well as China's ascent in the organization at the link below.

<https://meketa.com/news/meketa-connectives-china-dominates-brics-summit/>

## **Meketa Noteworthy Chart of the Month**

# NOTEWORTHY CHART | US DEBT TO GDP

OCTOBER 2023



**SOURCE** | Federal debt: total US public debt as percent of gross domestic product, as of September 1, 2023. <https://fred.stlouisfed.org/series/GFDEGDQ188S>

The debt level in the US compared to broad economic growth (GDP) now ranks in the top ten highest overall in the world. The only developed economies with higher debt-to-GDP ratios are Japan, Greece, and Italy. For much of the 1960s and 1970s, the debt-to-GDP ratio in the US was in the 35%-40% range. From the early 1980s, however, debt levels have steadily increased to the current level of 121% of GDP (around a 3X increase). Key drivers of the debt increase in the US have been spending on social programs and economic stimulus during the Global Financial Crisis and related to the COVID pandemic. In addition to higher overall borrowing in the US, the cost of borrowing has also increased due to the rapid rise in interest rates in recent years. For example, the cost of the government borrowing for ten years increased from around 0.5% at the low in 2020, to over 4.6% currently. This adds significant interest cost to service the growing debt burden.

In addition to the above, confidence in the government's ability to service the growing debt has declined, albeit modestly, due in part to gridlock in Washington related to increasing the debt ceiling. On August 1st, 2023, Fitch Ratings downgraded the US's long-term debt rating from AAA to AA+. This follows Standard & Poor's (S&P) similar downgrade in August 2011 during a prior debt ceiling crisis.

As we look ahead, the days of low-cost government borrowing in the US might be behind us. It is also likely that deficit spending will continue, given some of the recent fiscal initiatives (e.g., spending related to the Inflation Reduction Act and the CHIPS Act). This increased borrowing in the US will be coming at a time when one of the largest buyers of US Treasuries over the last 15 years, the Federal Reserve, will be winding down its purchases.

So, what does this mean for the markets? Historically, concerns related to the fiscal health of the US and issues related to increasing the debt ceiling have led to short-term volatility in the equity markets. For bonds, despite the downgrades, the US Treasury market remains one of the largest and most liquid in the world, and Treasuries will likely remain a safe haven investment. Although higher overall rates increase the debt servicing cost for the government, they also produce higher income for bondholders, which is a benefit to most investors.

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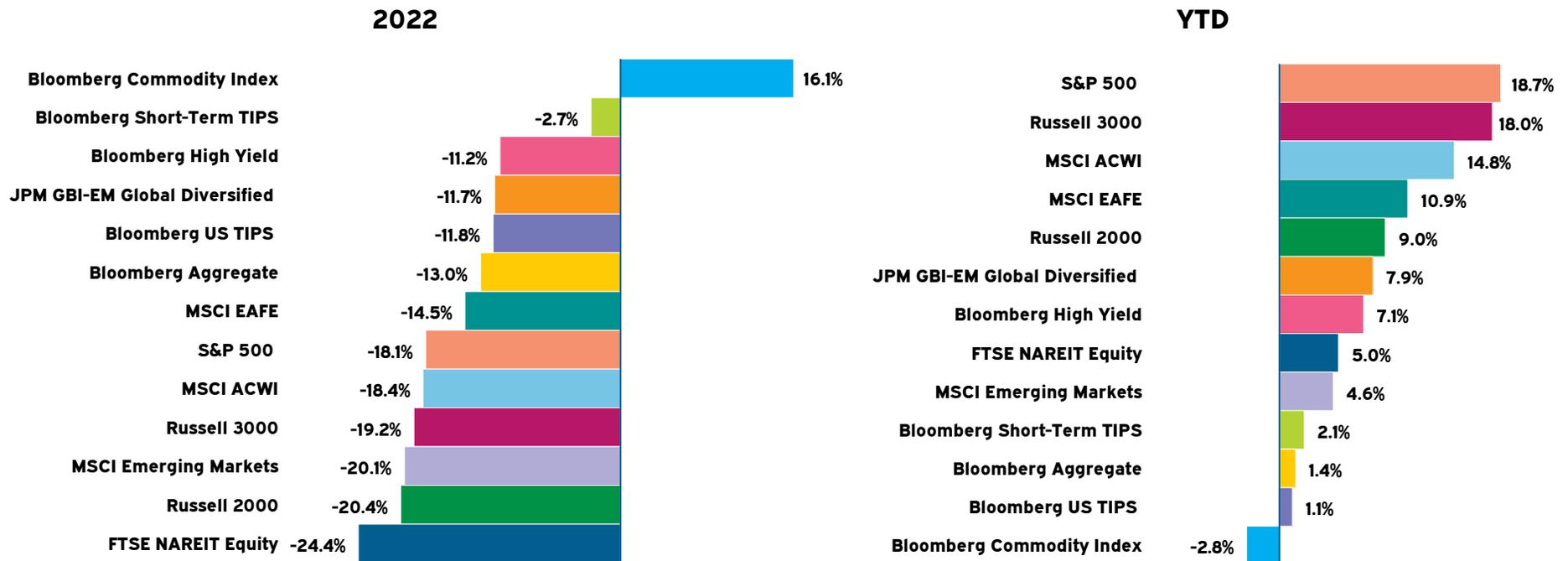
# **Economic and Market Update**

Data as of August 31, 2023

### Commentary

- Global assets turned negative in August as expectations shifted to the Fed keeping interest rates higher for longer and potentially increasing interest rates further later this year. Weakening economic data from Europe and China, as well as further instability in the Chinese real estate sector, weighed on results.
- The Federal Reserve increased interest rates in July by 0.25% to a range of 5.25% - 5.5%, and it is largely expected they will keep rates at that level at their September meeting. Given continued strong data and inflation levels above target markets are now expecting that the Fed could raise rates again later this year.
  - US equity markets (Russell 3000 index) fell in August (-1.9%), bringing the year-to-date gains to 18.7%. The technology sector remains the key driver of results this year, helped by artificial intelligence optimism.
  - Non-US developed equity markets declined more than the US in August (MSCI EAFE -3.8%) with the strength of the US dollar adding 2% to the monthly declines. This widened the gap between US and international developed equities for the year (18.0% versus 10.9%).
  - Emerging market equities fell the most in August (-6.2%), driven by results in China and the strong US dollar. They continue to significantly trail developed market equities year-to-date, returning 4.6%, again driven by China.
  - Interest rates generally rose in August, particularly for longer-dated maturities. The broad US bond market fell (-0.6%) but remains positive (+1.4%) year-to-date as higher income has offset capital losses from rising rates.
- This year, the paths of inflation and monetary policy, slowing global growth, and the war in Ukraine will all be key.

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



→ After a particularly difficult 2022, most public market assets are up thus far in 2023, led by developed market equities.

→ Despite declines in August, risk sentiment has been supported overall this year by expectations that policy tightening could be ending soon, as inflation continues to fall, while growth has remained relatively resilient.

<sup>1</sup> Source: Bloomberg. Data is as of August 31, 2023.

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

Domestic Equity	August (%)	QTD (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-1.6	1.6	18.7	15.9	10.5	11.1	12.8
Russell 3000	-1.9	1.6	18.0	14.8	9.8	10.2	12.2
Russell 1000	-1.7	1.6	18.6	15.4	9.9	10.8	12.5
Russell 1000 Growth	-0.9	2.4	32.2	21.9	8.3	13.8	15.6
Russell 1000 Value	-2.7	0.7	5.9	8.6	11.6	7.1	9.1
Russell MidCap	-3.5	0.4	9.4	8.4	9.2	7.3	10.0
Russell MidCap Growth	-3.3	-0.4	15.5	13.0	3.8	7.9	11.0
Russell MidCap Value	-3.5	0.7	5.9	5.7	12.1	6.1	8.9
Russell 2000	-5.0	0.8	9.0	4.7	8.1	3.1	8.0
Russell 2000 Growth	-5.2	-0.8	12.7	6.8	2.7	2.5	8.2
Russell 2000 Value	-4.8	2.4	4.9	2.2	13.5	3.2	7.4

#### US Equities: Russell 3000 Index fell 1.9% in August but is up 18.7% YTD.

- Given strong economic data, investors questioned whether the Federal Reserve was done with its rate increases and expectations increased for rates to remain higher for longer. This overall weighed on the US equity markets.
- Large cap stocks outperformed small cap stocks by a wide margin in August. Stocks in the health care sector drove this dynamic, in part due to the relative underperformance of small cap biotechnology stocks. Technology stocks, particularly those of software companies, also contributed to the outperformance of large cap stocks.
- Energy was the only sector to post a gain during August. Oil prices rose partly due to investor expectations of an extension of Saudi Arabia’s oil production cuts, which were confirmed in September.

<sup>1</sup> Source: Bloomberg. Data is as of August 31, 2023.

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

Foreign Equity	August (%)	QTD (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	-4.5	-0.6	8.8	11.9	4.0	3.3	4.4
MSCI EAFE	-3.8	-0.7	10.9	17.9	6.1	4.1	4.9
MSCI EAFE (Local Currency)	-1.8	-0.2	11.9	14.1	10.8	6.2	7.3
MSCI EAFE Small Cap	-3.3	1.0	6.5	9.2	2.4	1.5	5.7
MSCI Emerging Markets	-6.2	-0.3	4.6	1.3	-1.4	1.0	3.0
MSCI Emerging Markets (Local Currency)	-4.7	0.4	5.9	2.3	0.6	2.8	5.6
MSCI China	-9.0	0.8	-4.7	-7.5	-14.3	-3.9	2.5

**Foreign Equity: Developed international equities (MSCI EAFE) fell 3.8% in August bringing the YTD gain to 10.9%. Emerging market equities (MSCI EM) fell 6.2% in August, rising 4.6% YTD.**

- International equities fell alongside US markets in August, with emerging markets experiencing the largest decline driven by losses in China. A major rally in the US dollar weighed further on results.
- Japanese equities rose moderately, namely in the domestic-oriented mid- and small-cap sectors, while large cap growth names declined given the rise in Japanese government bond yields. Eurozone and UK equities both fell, with all sectors except energy and real estate declining.
- As overall risk sentiment fell and weakness in China continued emerging market equities were weak across the board. China saw substantial declines in August, as signs of a slowdown continued and concerns surrounding the property sector grew. To support the economy the government announced additional stimulus in the form of reduced mortgage rates and lower down payment ratios. India declined but relatively outperformed other emerging markets, due in part to broad inflows from foreign investors.

<sup>1</sup> Source: Bloomberg. Data is as of August 31, 2023.

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

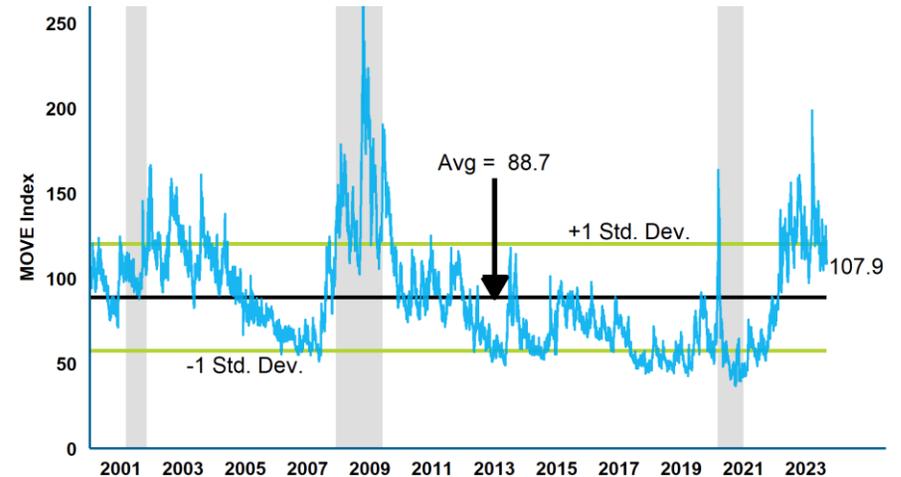
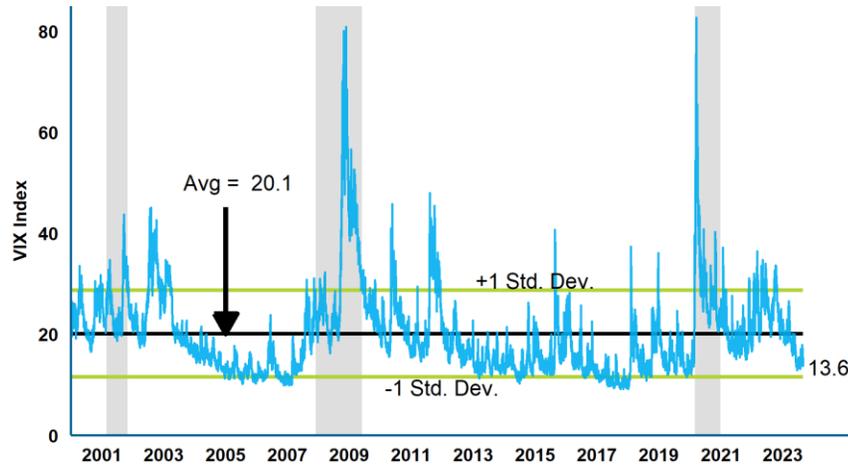
Fixed Income	August (%)	QTD (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-0.6	-0.5	1.8	-0.4	-4.0	0.7	1.8	5.3	6.2
Bloomberg Aggregate	-0.6	-0.7	1.4	-1.2	-4.4	0.5	1.5	5.0	6.4
Bloomberg US TIPS	-0.9	-0.8	1.1	-3.7	-1.5	2.3	2.1	4.6	6.8
Bloomberg Short-term TIPS	0.1	0.6	2.1	0.5	1.9	2.8	1.8	5.1	2.6
Bloomberg High Yield	0.3	1.7	7.1	7.2	1.8	3.3	4.5	8.4	4.0
JPM GBI-EM Global Diversified (USD)	-2.7	0.1	7.9	11.3	-2.2	1.2	-0.1	6.6	5.0

**Fixed Income: The Bloomberg Universal index fell 0.6% in August remaining positive YTD (+1.8%), as inflation continues to decline, and yields remain high.**

- The downgrade of US government debt from AAA to AA+ by Fitch combined with expectations for higher borrowing put upward pressure on longer-term rates and weighed on overall results. Expectations for interest rates to remain higher for longer than previously expected also contributed to the decline in bonds.
- The broad US bond market (Bloomberg Aggregate) fell 0.6% for the month. The more interest rate sensitive broader TIPS index fell slightly more (-0.9%), while the short-term TIPS index eked out a small gain (+0.1%).
- High yield bonds rose slightly (+0.3%) for the month, while emerging market bonds were the weakest performer, falling 2.7%. The two asset classes remain the top performers for the year by a wide margin.

<sup>1</sup> Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of August 31, 2023. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.

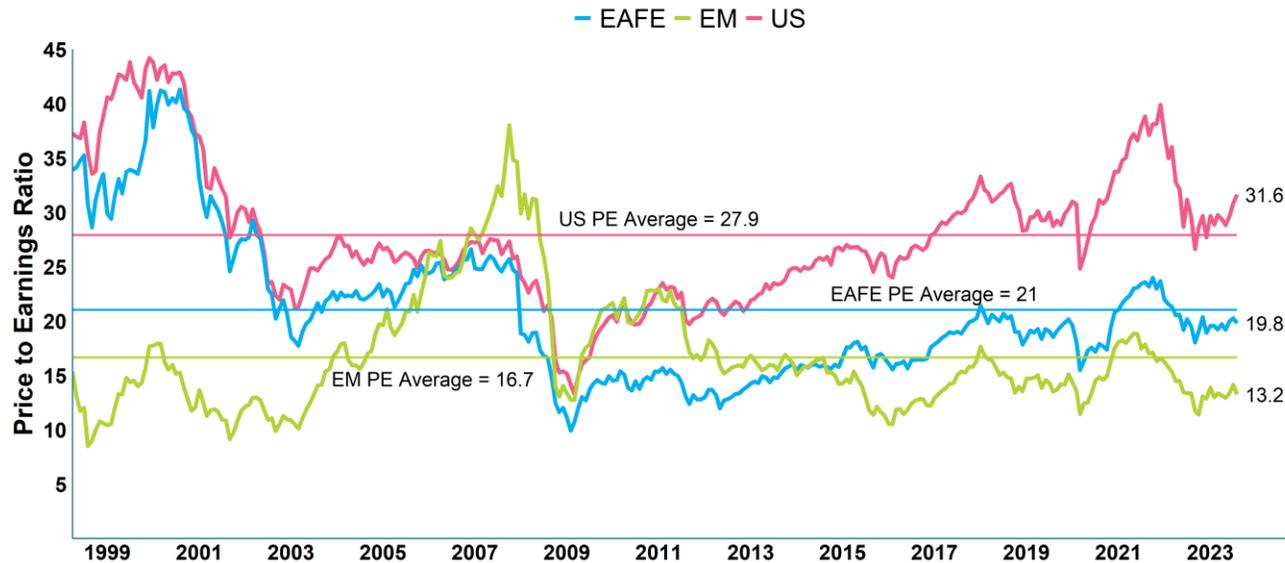
**Equity and Fixed Income Volatility<sup>1</sup>**



- Volatility in equities (VIX) remains well below the historical average as investors continue to anticipate the end of the Fed’s policy tightening and have become more optimistic about the potential for a “soft landing” of the economy.
- In comparison, volatility in the bond market (MOVE) remains well above its long-run average (88.7) after last year’s historic losses and due to continued policy uncertainty.

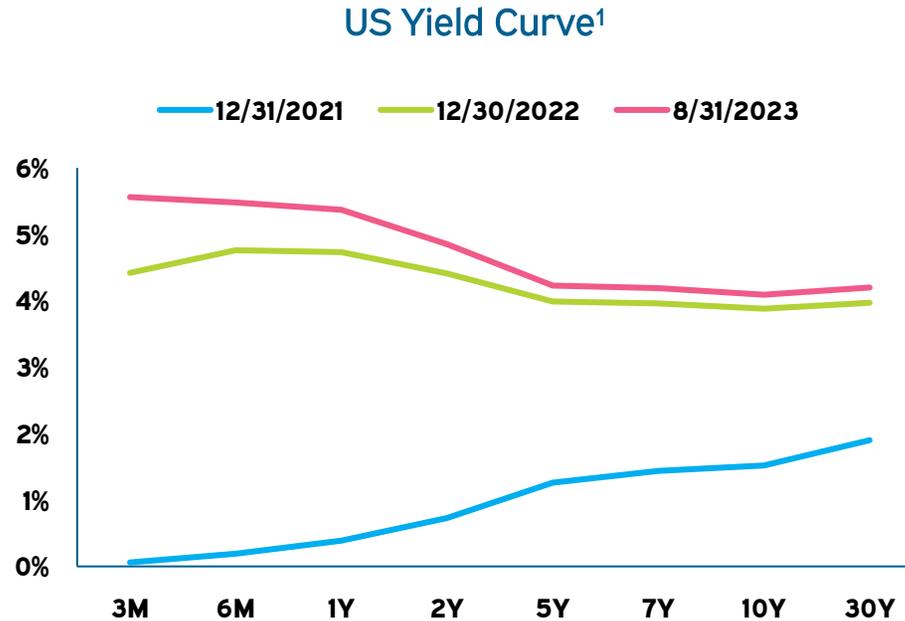
<sup>1</sup> Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of August 2023. The average line indicated is the average of the VIX and MOVE values between January 2000 and August 2023.

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



- Given the strong technology-driven rally this year, the US equity price-to-earnings ratio increased above its long-run (21st century) average.
- International developed market valuations are below their own long-term average, with those for emerging markets the lowest and well under the long-term average.

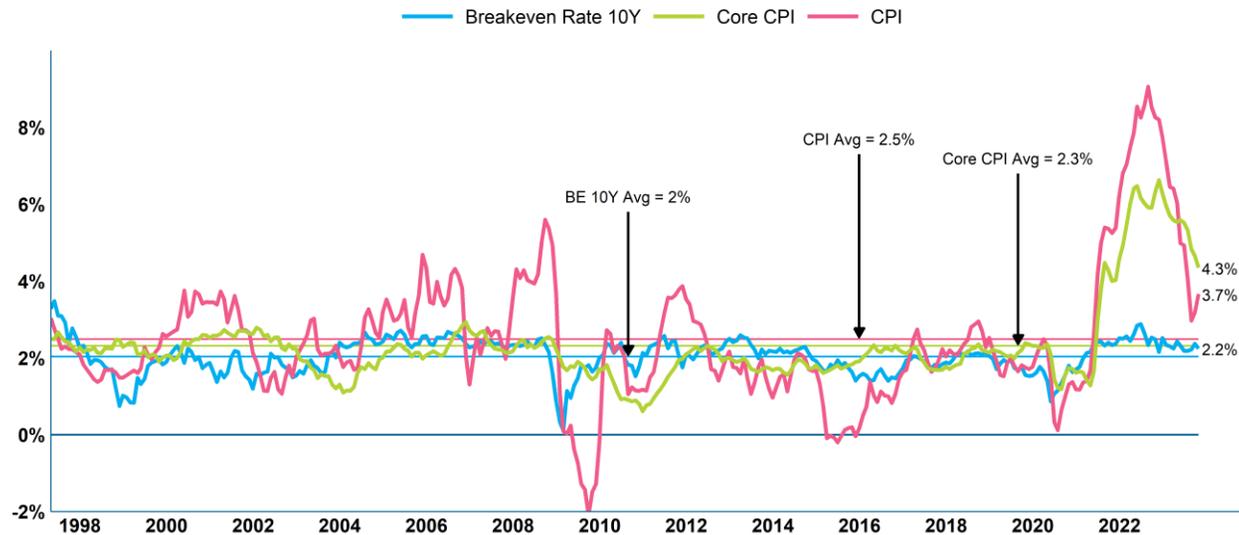
<sup>1</sup> US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of August 2023. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.



- Overall rates have continued to increase this year, particularly at the policy sensitive front-end of the yield curve, but at much slower pace compared to last year.
- In August, very short-term interest rates (6-months or less) remained largely unchanged as monetary policy has likely reached the terminal rate for this cycle. A downgrade from Fitch Ratings of US debt, the Treasury’s announcement of above expectations borrowing, and Chair Powell commenting that more work needs to be done on the inflation front all contributed to yields on longer dated maturities rising.
- The yield curve remains inverted with the spread between two-year and ten-year Treasuries finishing the month at -0.75%, but the curve steepened over the month given the dynamics mentioned above.

<sup>1</sup> Source: Bloomberg. Data is as of August 31, 2023.

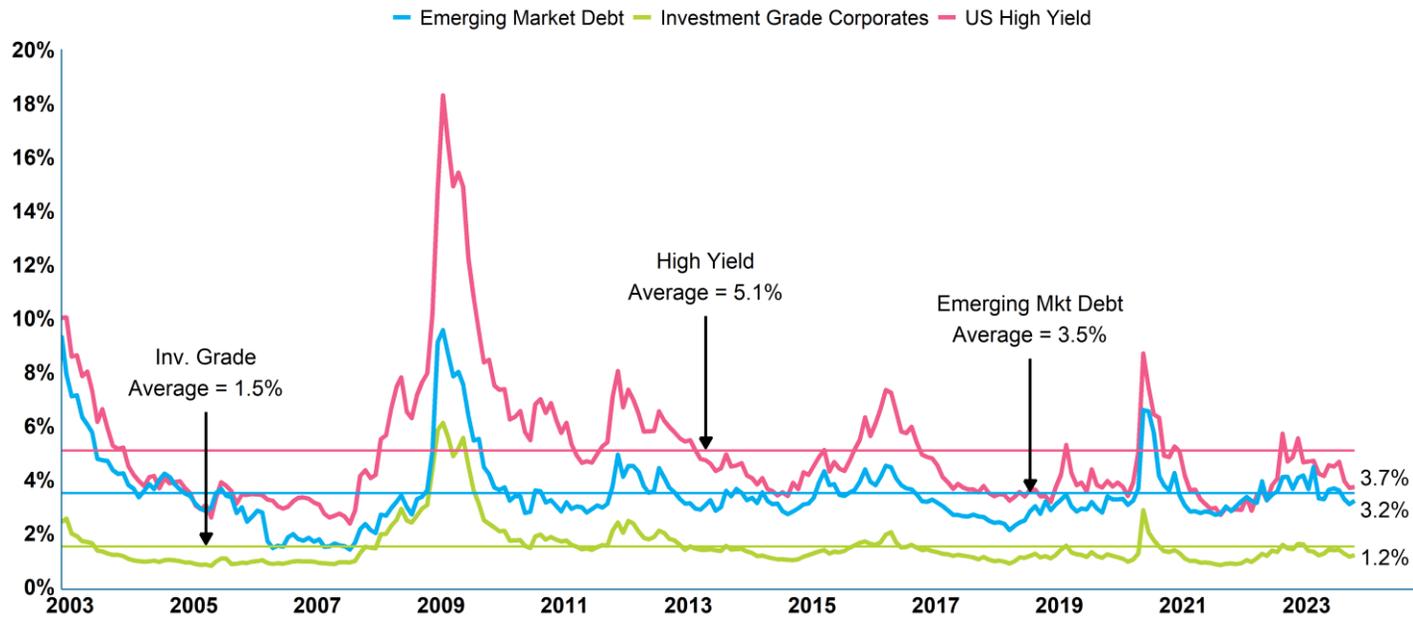
**Ten-Year Breakeven Inflation and CPI<sup>1</sup>**



- Declines in inflation while other economic data remains strong has led to optimism over the Federal Reserve potentially achieving a rarely observed soft landing for the economy.
- Year-over-year headline inflation rose from 3.2% to 3.7%, coming in slightly above expectations largely driven by a double-digit increase in gasoline for the month. The trend of lower month-over-month price increases ended with the rate jumping from 0.2% to 0.6%.
- Core inflation – excluding food and energy – continued its decline (4.7% to 4.3%) year-over-year. It remains stubbornly high, though, driven by shelter costs (+7.3%), particularly owners’ equivalent rent, and transportation services (+10.3%).
- Inflation expectations (breakevens) remain well below current inflation as investors continue to expect inflation to track back toward the Fed’s 2% average target.

<sup>1</sup> Source: FRED. Data is as August 31, 2023. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

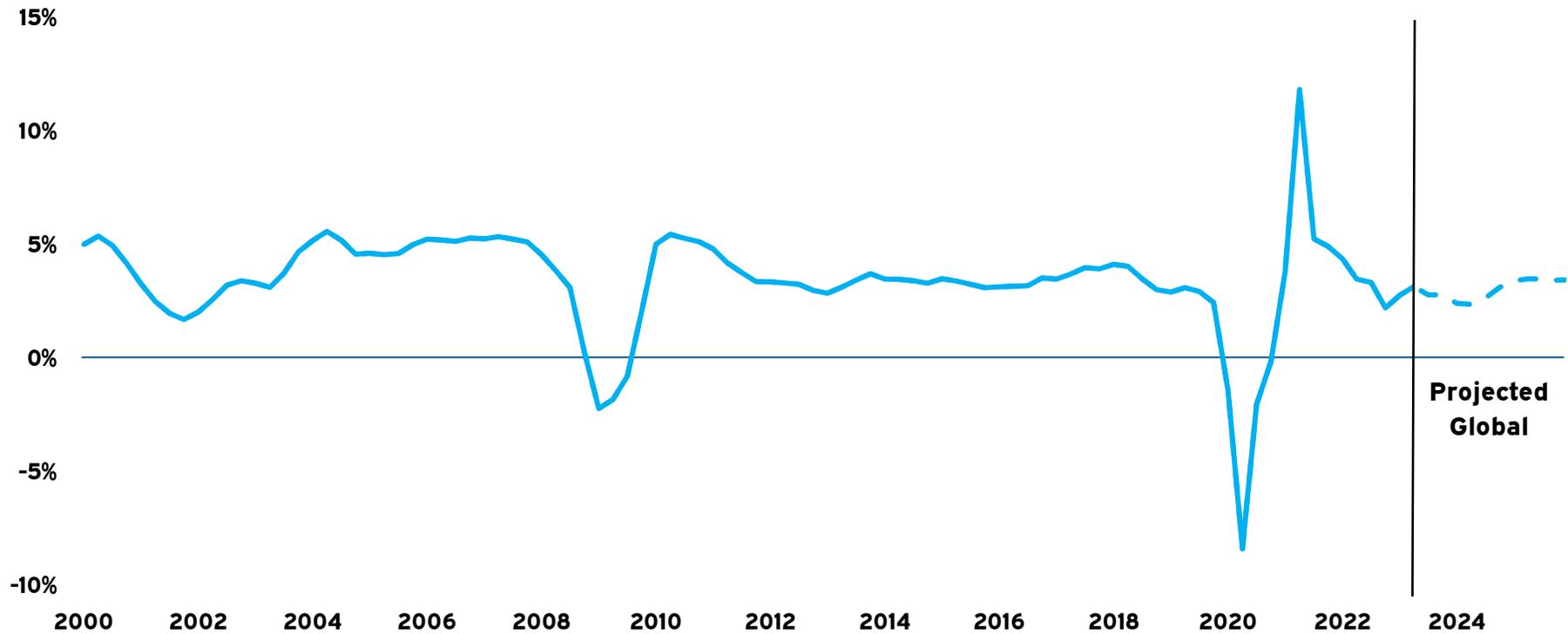
**Credit Spreads vs. US Treasury Bonds<sup>1</sup>**



- Credit spreads (the added yield above a comparable maturity Treasury) largely remained unchanged in August. In the US high yield bonds slightly outpaced government bonds for the month.
- High yield spreads remain well below the long-term average given the overall risk appetite this year. Investment grade and emerging market spreads are also below their respective long-term averages, but by smaller margins.

<sup>1</sup> Sources: Bloomberg. Data is as of August 31, 2023. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

### Global Real Gross Domestic Product (GDP) Growth<sup>1</sup>

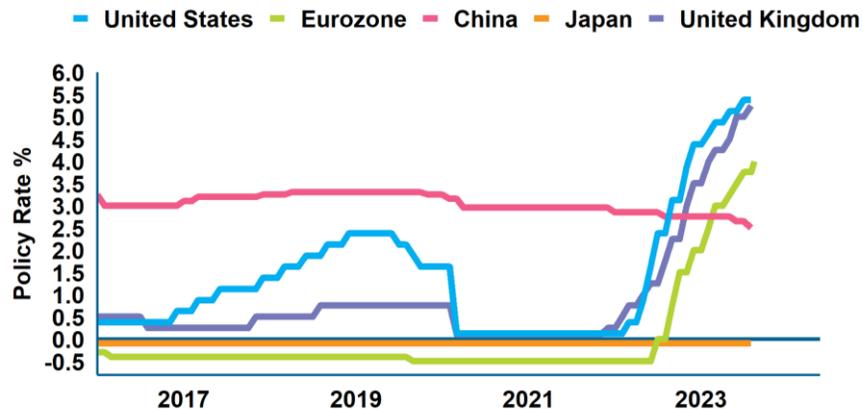


- Global economies are expected to slow this year compared to 2022. The risk of recession remains given policymakers' aggressive tightening, but optimism has started to grow over some central banks potentially navigating a soft landing.
- The delicate balancing act of central banks trying to reduce inflation without dramatically depressing growth will remain key.

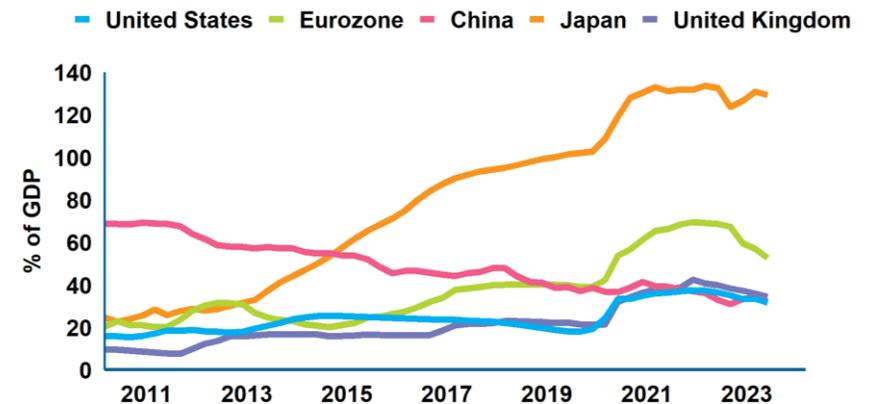
<sup>1</sup> Source: Oxford Economics (World GDP, US\$ prices & PPP exchange rate, real, % change YoY). Updated August 2023.

### Central Bank Response<sup>1</sup>

#### Policy Rates



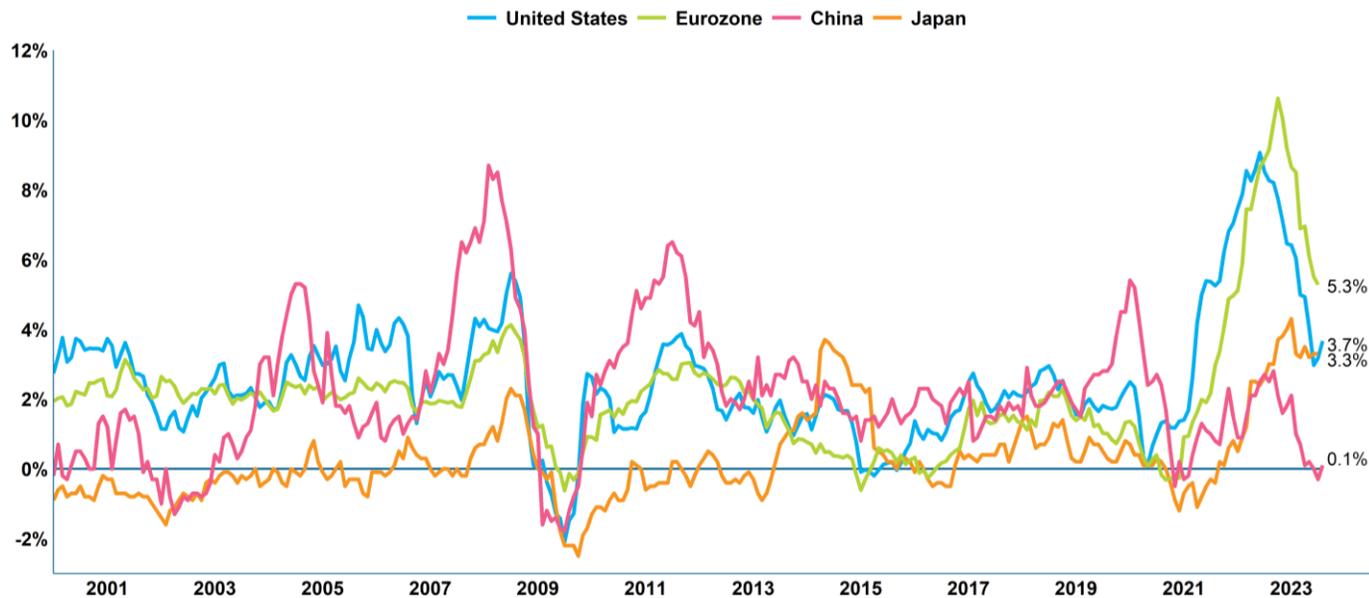
#### Balance Sheet as % of GDP



- Slowing inflation and growth have led to expectations for a reduction in the pace of aggressive policy tightening.
- In July the Fed raised rates another 25 basis points to a range of 5.25% to 5.50% with markets largely expecting a pause in September but potentially one more hike later this year.
- The European Central Bank also increased rates in July with an additional hike after August month-end, but they remain lower than in the US. In Japan expectations have increased that the BOJ will end its negative interest rate policy due to rising inflation.
- The central bank in China has continued to cut interest rates and inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.
- Looking ahead, risks remain for a policy error as central banks attempt to balance multiple goals, bringing down inflation, maintaining financial stability, and supporting growth.

<sup>1</sup> Source: Bloomberg. Policy rate data is as of September 15, 2023. China policy rate is defined as the medium-term lending facility 1 year interest rate. Balance sheet as % of GDP is based on quarterly data and is as of June 30, 2023.

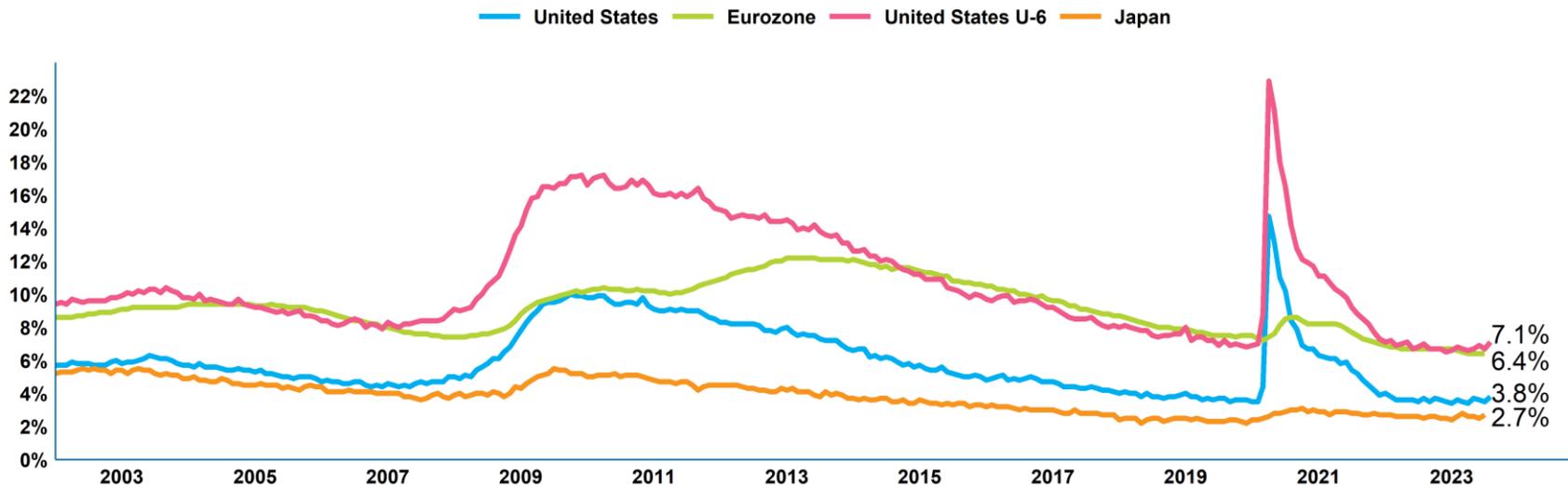
**Inflation (CPI Trailing Twelve Months)<sup>1</sup>**



- The inflation picture remains mixed across the major economies.
- In the US, inflation increased from 3.2% to 3.7%, influenced by rising fuel costs, while eurozone inflation remained higher than the US at 5.3%, a level well off its peak, however. Despite 2023’s significant declines in the US and Europe, inflation levels remain elevated compared to central bank targets.
- Inflation in Japan has increased to levels not seen in almost a decade largely driven by food and home related items. In China, deflationary pressures eased in August but only to a slightly positive level (+0.1%).

<sup>1</sup> United States CPI and Eurozone CPI – Source: FRED. Japan CPI and China CPI - Source: Bloomberg. Data is as August 31, 2023. The most recent data for Japanese and Eurozone inflation is as of July 2023.

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



- Overall, the US labor market remains healthy with the unemployment rate relatively low, wage growth now positive in real terms, and initial claims for unemployment staying subdued. The pace of wage growth has slowed though, and despite remaining elevated, the number of job openings has declined.
- In August, unemployment ticked-up from 3.5% to 3.8% largely driven by an increase in the labor force participation rate. Broader measures of unemployment (U-6) also increased for the month (6.7% to 7.1%).
- The strong labor market and higher wages, although beneficial for workers, motivates the Fed's efforts to fight inflation, potentially leading to higher unemployment.
- Unemployment in Europe has also declined but remains higher than the US, while levels in Japan have been flat through the pandemic given less layoffs.

<sup>1</sup> Eurozone Unemployment - Source: Bloomberg. Japan, United States, United States U-6 Unemployment – Source: FRED. Data is as August 31, 2023, for the US. The most recent data for Eurozone and Japanese unemployment is as of July 2023.

US Dollar versus Broad Currencies<sup>1</sup>



- The dollar finished 2022 much higher than it started, due to the increased pace of policy tightening, stronger relative growth, and safe-haven flows.
- Late last year and into early this year, the dollar declined, as weaker economic data and lower inflation led to investors anticipating the end of Fed tightening. Recently though, the dollar has reversed course and is appreciating against major currencies as relative growth remains strong and investors anticipate the Fed keeping interest rates higher for longer.
- For the rest of this year, the track of inflation across economies and the corresponding monetary policies will be key drivers of currency moves.

<sup>1</sup> Source: Bloomberg. Data as of August 31, 2023.

## Summary

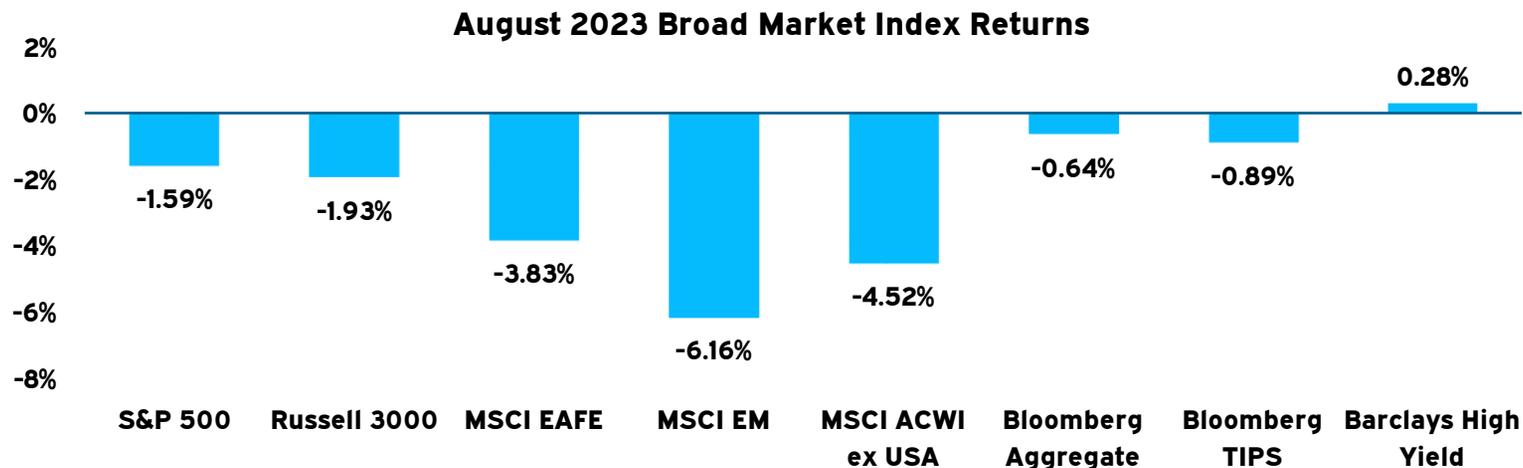
### Key Trends:

- The impact of inflation still above policy targets will remain key, with bond market volatility likely to stay high.
- Global monetary policies could diverge going forward. The risk of policy errors remains elevated as central banks try to reduce persistent inflation while not tipping their economies into recession.
- Growth is expected to slow globally this year, with many economies forecasted to tip into recession. Optimism has been building though that some economies could experience a soft landing. Inflation, monetary policy, and the war will all be key.
- In the US, consumers could feel pressure as certain components of inflation remain high (e.g., shelter), borrowing costs are elevated, and the job market may weaken.
- The key for US equities going forward will be whether earnings can remain resilient if growth continues to slow. Also, the future path of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including potential for recent strength in the US dollar to persist, higher inflation weighing particularly on Europe, and China's sluggish economic reopening and on-going weakness in the real estate sector. Japan's recent hint at potentially tightening monetary policy along with changes in corporate governance in the country could influence relative results.

# **Performance Highlights**

## As of August 31, 2023

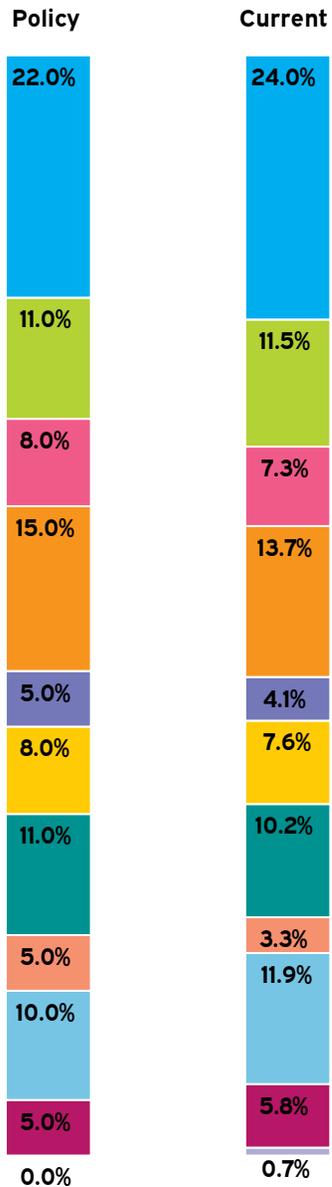
#### Market Review and Performance Summary for August 2023



- August saw declines across markets, driven by weakened economic data and expectations shifting toward the Fed keeping interest rates higher for longer. Domestically, large cap outperformed small cap stocks, attributable to the continued strong performance of mega-cap Technology stocks. Developed International Equities trailed the US market, as a rally in the dollar and deteriorating sentiment around China's economic outlook weighed on markets over the period. Broad US Fixed Income fell over the period, while High Yield saw positive returns.
- Merced CERA reported a monthly return of -1.4% net of fees, outpacing the Policy Index return of -1.6%. US Equities saw net returns over the period of -2.0%, marginally trailing the index by 10 bps. Developed International Equities posted -2.1%, outpacing the index by 1.5% due to strong relative returns within Driehaus, GQG and First Eagle. Emerging Markets was the worst performing asset class over the period at -8.1%, primarily due to Artisan Developing World. US Fixed Income returned -0.6%, trailing its benchmark by 10 basis points. Opportunistic Credit posted 0.1% for the month, marginally outpacing the index by 10 basis points.
- **As of August 31, 2023, total assets for the Merced CERA Portfolio are estimated at \$1.12 billion.**

**Performance Update**  
As of August 31, 2023

Total Fund | As of August 31, 2023



Allocation vs. Targets and Policy						
	Current Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
US Equity	269,221,477	24.0	22.0	2.0	16.0 - 27.0	Yes
International Equity	128,682,821	11.5	11.0	0.5	6.0 - 16.0	Yes
Emerging Markets Equity	82,255,675	7.3	8.0	-0.7	4.0 - 12.0	Yes
Private Equity	153,201,859	13.7	15.0	-1.3	5.0 - 20.0	Yes
Direct Lending	45,869,561	4.1	5.0	-0.9	0.0 - 10.0	Yes
Real Estate	84,829,732	7.6	8.0	-0.4	6.0 - 10.0	Yes
US Fixed Income	114,658,027	10.2	11.0	-0.8	6.0 - 16.0	Yes
Opportunistic Credit	36,741,902	3.3	5.0	-1.7	3.0 - 7.0	Yes
Hedge Funds	133,989,949	11.9	10.0	1.9	5.0 - 15.0	Yes
Real Assets	64,496,928	5.8	5.0	0.8	3.0 - 7.0	Yes
Cash	7,693,767	0.7	0.0	0.7	0.0 - 5.0	Yes
<b>Total</b>	<b>1,121,641,699</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>		

## Asset Allocation & Performance | As of August 31, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Fund (Net)</b>	1,121,641,699	100.0	-1.4	0.5	7.2	0.5	6.5	5.9	6.8	7.6	7.9	Jan-95
<b>Total Fund (Gross)</b>			-1.4	0.5	7.4	0.5	6.8	6.3	7.1	7.9	8.1	Jan-95
<i>Policy Index</i>			-1.6	0.7	9.1	0.7	7.2	7.3	6.7	7.6	6.2	
<b>Total Fund w/o Alternatives (Net)</b>	631,559,902	56.3	-2.5	0.5	11.1	0.5	9.7	3.2	6.1	7.3	--	Jan-08
<b>Total Fund w/o Alternatives (Gross)</b>			-2.5	0.6	11.4	0.6	10.1	3.6	6.5	7.7	--	Jan-08
<i>Policy Index w/o AI</i>			-2.6	0.3	9.4	0.3	8.5	3.7	5.1	6.6	--	
<b>US Equity (Net)</b>	269,221,477	24.0	-2.0	1.3	17.2	1.3	14.6	9.2	9.4	12.4	10.2	Jan-95
<b>US Equity (Gross)</b>			-1.9	1.3	17.4	1.3	14.8	9.4	9.6	12.6	10.3	Jan-95
<i>Russell 3000</i>			-1.9	1.6	18.0	1.6	14.8	9.8	9.8	12.0	10.2	
<b>International Equity (Net)</b>	210,938,496	18.8	-4.6	0.1	11.1	0.1	10.8	0.6	6.1	5.7	5.5	Jan-99
<b>International Equity (Gross)</b>			-4.5	0.2	11.7	0.2	11.7	1.4	6.8	6.3	5.8	Jan-99
<i>International Equity Custom</i>			-4.8	-0.5	8.5	-0.5	11.0	3.3	3.2	4.7	4.2	
<b>Developed International Equity (Net)</b>	128,682,821	11.5	-2.1	0.6	8.1	0.6	12.2	4.5	5.2	5.5	4.1	Feb-08
<b>Developed International Equity (Gross)</b>			-2.1	0.7	8.6	0.7	13.0	5.2	5.8	6.0	4.6	Feb-08
<i>Custom Blended Developed International Equity BM</i>			-3.6	-0.1	10.5	-0.1	16.3	5.8	4.1	4.9	3.0	
<b>Emerging Markets Equity (Net)</b>	82,255,675	7.3	-8.1	-0.8	16.2	-0.8	8.6	-6.3	6.3	5.5	4.4	May-12
<b>Emerging Markets Equity (Gross)</b>			-8.1	-0.6	16.9	-0.6	9.6	-5.3	7.3	6.5	5.4	May-12
<i>MSCI EM</i>			-6.2	-0.3	4.6	-0.3	1.3	-1.4	1.1	3.2	2.4	
<b>US Fixed Income (Net)</b>	114,658,027	10.2	-0.6	-0.7	0.8	-0.7	-2.6	-4.8	-0.1	1.4	4.3	Jan-95
<b>US Fixed Income (Gross)</b>			-0.6	-0.7	0.8	-0.7	-2.6	-4.7	0.0	1.6	4.4	Jan-95
<i>US Fixed Income Custom Benchmark</i>			-0.5	-0.6	1.4	-0.6	-0.9	-4.1	0.4	1.6	4.5	

Data Prior to March 2018 provided by prior consultant.

## Asset Allocation & Performance | As of August 31, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Opportunistic Credit (Net)</b>	<b>36,741,902</b>	<b>3.3</b>	<b>0.1</b>	<b>1.6</b>	<b>7.9</b>	<b>1.6</b>	<b>7.3</b>	<b>4.8</b>	--	--	<b>4.5</b>	<b>May-19</b>
<b>Opportunistic Credit (Gross)</b>			<b>0.1</b>	<b>1.7</b>	<b>8.4</b>	<b>1.7</b>	<b>7.9</b>	<b>5.4</b>	--	--	<b>4.9</b>	<b>May-19</b>
<i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Lever</i>			<i>0.0</i>	<i>0.7</i>	<i>4.7</i>	<i>0.7</i>	<i>3.4</i>	<i>-0.3</i>	--	--	<i>1.7</i>	
<b>Real Estate (Net)</b>	<b>84,829,732</b>	<b>7.6</b>	<b>-0.6</b>	<b>-0.2</b>	<b>-2.9</b>	<b>-0.2</b>	<b>-3.7</b>	<b>4.5</b>	<b>3.1</b>	<b>5.9</b>	<b>6.7</b>	<b>Dec-10</b>
<b>Real Estate (Gross)</b>			<b>-0.6</b>	<b>-0.2</b>	<b>-2.9</b>	<b>-0.2</b>	<b>-3.7</b>	<b>4.6</b>	<b>3.1</b>	<b>6.3</b>	<b>7.6</b>	<b>Apr-99</b>
<i>Custom Blended Real Estate Benchmark</i>			<i>0.0</i>	<i>0.0</i>	<i>-8.0</i>	<i>0.0</i>	<i>-3.1</i>	<i>8.4</i>	<i>7.1</i>	<i>8.6</i>	<i>7.4</i>	
<i>CPI +5% (Seasonally Adjusted)</i>			<i>1.0</i>	<i>1.6</i>	<i>5.8</i>	<i>1.6</i>	<i>8.9</i>	<i>11.0</i>	<i>9.2</i>	<i>7.9</i>	<i>7.7</i>	
<b>Private Real Estate (Net)</b>	<b>68,534,281</b>	<b>6.1</b>	<b>0.0</b>	<b>0.0</b>	<b>-4.1</b>	<b>0.0</b>	<b>-2.2</b>	<b>5.9</b>	<b>3.9</b>	<b>6.3</b>	<b>7.0</b>	<b>Dec-10</b>
<b>Private Real Estate (Gross)</b>			<b>0.0</b>	<b>0.0</b>	<b>-4.1</b>	<b>0.0</b>	<b>-2.2</b>	<b>5.9</b>	<b>3.9</b>	<b>6.7</b>	<b>7.8</b>	<b>Apr-99</b>
<i>Custom Blended Real Estate Benchmark</i>			<i>0.0</i>	<i>0.0</i>	<i>-8.0</i>	<i>0.0</i>	<i>-3.1</i>	<i>8.4</i>	<i>7.1</i>	<i>8.6</i>	<i>7.4</i>	
<b>Private Equity (Net)</b>	<b>153,201,859</b>	<b>13.7</b>	<b>0.0</b>	<b>0.0</b>	<b>1.4</b>	<b>0.0</b>	<b>1.5</b>	<b>25.7</b>	<b>16.1</b>	<b>13.9</b>	<b>10.3</b>	<b>Jul-05</b>
<b>Private Equity (Gross)</b>			<b>0.0</b>	<b>0.0</b>	<b>1.4</b>	<b>0.0</b>	<b>1.5</b>	<b>25.7</b>	<b>16.1</b>	<b>13.9</b>	<b>10.4</b>	<b>Jul-05</b>
<i>Custom Private Equity Benchmark</i>			<i>-0.6</i>	<i>0.9</i>	<i>19.9</i>	<i>0.9</i>	<i>4.2</i>	<i>20.4</i>	<i>14.7</i>	<i>15.1</i>	<i>--</i>	
<b>Direct Lending (Net)</b>	<b>45,869,561</b>	<b>4.1</b>	<b>0.0</b>	<b>0.0</b>	<b>4.6</b>	<b>0.0</b>	<b>6.4</b>	<b>9.8</b>	--	--	<b>9.3</b>	<b>Jul-20</b>
<b>Direct Lending (Gross)</b>			<b>0.0</b>	<b>0.0</b>	<b>4.6</b>	<b>0.0</b>	<b>6.4</b>	<b>9.8</b>	--	--	<b>9.3</b>	<b>Jul-20</b>
<i>S&amp;P LSTA Leveraged Loan +2%</i>			<i>1.3</i>	<i>2.8</i>	<i>10.6</i>	<i>2.8</i>	<i>11.6</i>	<i>8.1</i>	<i>6.5</i>	<i>6.3</i>	<i>8.9</i>	
<b>Hedge Fund (Net)</b>	<b>133,989,949</b>	<b>11.9</b>	<b>0.9</b>	<b>1.4</b>	<b>3.4</b>	<b>1.4</b>	<b>3.6</b>	<b>6.2</b>	<b>4.2</b>	--	<b>4.3</b>	<b>Jul-14</b>
<b>Hedge Fund (Gross)</b>			<b>1.0</b>	<b>1.6</b>	<b>4.1</b>	<b>1.6</b>	<b>4.5</b>	<b>7.2</b>	<b>5.1</b>	--	<b>4.8</b>	<b>Jul-14</b>
<i>Custom Blended Hedge Fund Benchmark</i>			<i>-0.2</i>	<i>1.0</i>	<i>3.3</i>	<i>1.0</i>	<i>3.3</i>	<i>3.9</i>	<i>3.4</i>	--	<i>3.3</i>	
<b>Real Assets (Net)</b>	<b>64,496,928</b>	<b>5.8</b>	<b>-0.6</b>	<b>0.3</b>	<b>6.4</b>	<b>0.3</b>	<b>11.0</b>	<b>14.6</b>	<b>10.8</b>	<b>9.5</b>	<b>9.6</b>	<b>Dec-10</b>
<b>Real Assets (Gross)</b>			<b>-0.5</b>	<b>0.3</b>	<b>6.5</b>	<b>0.3</b>	<b>11.1</b>	<b>14.8</b>	<b>11.0</b>	<b>10.0</b>	<b>10.1</b>	<b>Dec-10</b>
<i>Custom Blended Real Assets Benchmark</i>			<i>-4.0</i>	<i>0.6</i>	<i>1.0</i>	<i>0.6</i>	<i>3.6</i>	<i>10.2</i>	<i>6.4</i>	<i>7.5</i>	<i>--</i>	
<i>CPI +5% (Seasonally Adjusted)</i>			<i>1.0</i>	<i>1.6</i>	<i>5.8</i>	<i>1.6</i>	<i>8.9</i>	<i>11.0</i>	<i>9.2</i>	<i>7.9</i>	<i>7.8</i>	

Real Assets includes State Street Real Assets NL Fund.

### Asset Allocation & Performance | As of August 31, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Private Infrastructure (Net)</b>	<b>29,887,637</b>	<b>2.7</b>	<b>0.0</b>	<b>0.0</b>	<b>8.6</b>	<b>0.0</b>	<b>12.6</b>	<b>12.3</b>	<b>12.5</b>	<b>--</b>	<b>9.9</b>	<b>Jan-15</b>
<b>Private Infrastructure (Gross)</b>			<b>0.0</b>	<b>0.0</b>	<b>8.6</b>	<b>0.0</b>	<b>12.6</b>	<b>12.5</b>	<b>12.7</b>	<b>--</b>	<b>10.0</b>	<b>Jan-15</b>
<i>S&amp;P Global Infrastructure</i>			<i>-4.7</i>	<i>-2.7</i>	<i>1.0</i>	<i>-2.7</i>	<i>-1.1</i>	<i>8.0</i>	<i>4.9</i>	<i>6.3</i>	<i>4.5</i>	
<b>Private Natural Resources (Net)</b>	<b>21,245,706</b>	<b>1.9</b>	<b>0.0</b>	<b>0.0</b>	<b>8.7</b>	<b>0.0</b>	<b>20.8</b>	<b>25.6</b>	<b>13.0</b>	<b>--</b>	<b>15.6</b>	<b>Oct-15</b>
<b>Private Natural Resources (Gross)</b>			<b>0.0</b>	<b>0.0</b>	<b>8.7</b>	<b>0.0</b>	<b>20.8</b>	<b>25.6</b>	<b>13.0</b>	<b>--</b>	<b>15.6</b>	<b>Oct-15</b>
<i>S&amp;P Global Natural Resources Sector Index (TR)</i>			<i>-3.4</i>	<i>4.1</i>	<i>0.8</i>	<i>4.1</i>	<i>8.2</i>	<i>17.3</i>	<i>7.2</i>	<i>5.8</i>	<i>11.4</i>	
<b>Cash (Net)</b>	<b>7,693,767</b>	<b>0.7</b>	<b>0.6</b>	<b>0.9</b>	<b>4.8</b>	<b>0.9</b>	<b>2.6</b>	<b>1.0</b>	<b>1.0</b>	<b>--</b>	<b>--</b>	<b>Dec-10</b>
<b>Cash (Gross)</b>			<b>0.6</b>	<b>0.9</b>	<b>4.8</b>	<b>0.9</b>	<b>2.6</b>	<b>1.0</b>	<b>1.0</b>	<b>--</b>	<b>--</b>	<b>Dec-10</b>

## Asset Allocation & Performance | As of August 31, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Fund</b>	<b>1,121,641,699</b>	<b>100.0</b>	<b>-1.4</b>	<b>0.5</b>	<b>7.2</b>	<b>0.5</b>	<b>6.5</b>	<b>5.9</b>	<b>6.8</b>	<b>7.6</b>	<b>7.9</b>	<b>Jan-95</b>
<i>Policy Index</i>			<i>-1.6</i>	<i>0.7</i>	<i>9.1</i>	<i>0.7</i>	<i>7.2</i>	<i>7.3</i>	<i>6.7</i>	<i>7.6</i>	<i>6.2</i>	
<b>Total Fund w/o Alternatives</b>	<b>631,559,902</b>	<b>56.3</b>	<b>-2.5</b>	<b>0.5</b>	<b>11.1</b>	<b>0.5</b>	<b>9.7</b>	<b>3.2</b>	<b>6.1</b>	<b>7.3</b>	<b>--</b>	<b>Jan-08</b>
<i>Policy Index w/o AI</i>			<i>-2.6</i>	<i>0.3</i>	<i>9.4</i>	<i>0.3</i>	<i>8.5</i>	<i>3.7</i>	<i>5.1</i>	<i>6.6</i>	<i>--</i>	
<b>US Equity</b>	<b>269,221,477</b>	<b>24.0</b>	<b>-2.0</b>	<b>1.3</b>	<b>17.2</b>	<b>1.3</b>	<b>14.6</b>	<b>9.2</b>	<b>9.4</b>	<b>12.4</b>	<b>10.2</b>	<b>Jan-95</b>
<i>Russell 3000</i>			<i>-1.9</i>	<i>1.6</i>	<i>18.0</i>	<i>1.6</i>	<i>14.8</i>	<i>9.8</i>	<i>9.8</i>	<i>12.0</i>	<i>10.2</i>	
BNY Mellon Newton Dynamic US Equity	55,443,359	4.9	-1.7	1.4	17.3	1.4	14.3	8.8	10.8	14.3	15.2	Jan-13
<i>S&amp;P 500 Index</i>			<i>-1.6</i>	<i>1.6</i>	<i>18.7</i>	<i>1.6</i>	<i>15.9</i>	<i>10.5</i>	<i>11.1</i>	<i>12.8</i>	<i>13.5</i>	
BNY Mellon Large Cap	185,472,374	16.5	-1.7	1.6	18.6	1.6	15.2	9.9	10.8	--	13.0	Apr-16
<i>Russell 1000 Index</i>			<i>-1.7</i>	<i>1.6</i>	<i>18.6</i>	<i>1.6</i>	<i>15.4</i>	<i>9.9</i>	<i>10.8</i>	<i>12.6</i>	<i>13.0</i>	
Champlain Small Cap	28,305,744	2.5	-3.8	-1.1	8.8	-1.1	11.1	--	--	--	7.1	Nov-20
<i>Russell 2000 Index</i>			<i>-5.0</i>	<i>0.8</i>	<i>9.0</i>	<i>0.8</i>	<i>4.7</i>	<i>8.1</i>	<i>3.1</i>	<i>8.0</i>	<i>9.1</i>	
<b>International Equity</b>	<b>210,938,496</b>	<b>18.8</b>	<b>-4.6</b>	<b>0.1</b>	<b>11.1</b>	<b>0.1</b>	<b>10.8</b>	<b>0.6</b>	<b>6.1</b>	<b>5.7</b>	<b>5.5</b>	<b>Jan-99</b>
<i>International Equity Custom</i>			<i>-4.8</i>	<i>-0.5</i>	<i>8.5</i>	<i>-0.5</i>	<i>11.0</i>	<i>3.3</i>	<i>3.2</i>	<i>4.7</i>	<i>4.2</i>	
<b>Developed International Equity</b>	<b>128,682,821</b>	<b>11.5</b>	<b>-2.1</b>	<b>0.6</b>	<b>8.1</b>	<b>0.6</b>	<b>12.2</b>	<b>4.5</b>	<b>5.2</b>	<b>5.5</b>	<b>4.1</b>	<b>Feb-08</b>
<i>Custom Blended Developed International Equity BM</i>			<i>-3.6</i>	<i>-0.1</i>	<i>10.5</i>	<i>-0.1</i>	<i>16.3</i>	<i>5.8</i>	<i>4.1</i>	<i>4.9</i>	<i>3.0</i>	
Acadian ACWI ex U.S. Small Cap Equity	14,530,157	1.3	-2.8	1.4	7.1	1.4	7.2	8.1	--	--	8.3	May-19
<i>MSCI AC World ex USA Small Cap (Net)</i>			<i>-2.8</i>	<i>2.1</i>	<i>9.1</i>	<i>2.1</i>	<i>10.0</i>	<i>4.9</i>	<i>3.1</i>	<i>5.6</i>	<i>4.8</i>	
Driehaus International Small Cap Growth	14,454,031	1.3	-0.2	2.6	8.1	2.6	13.0	3.6	--	--	7.7	May-19
<i>MSCI AC World ex USA Small Growth Index (Net)</i>			<i>-2.9</i>	<i>1.3</i>	<i>9.0</i>	<i>1.3</i>	<i>8.0</i>	<i>1.3</i>	<i>2.7</i>	<i>5.7</i>	<i>4.5</i>	
GQG International Equity	49,738,475	4.4	-2.1	1.2	10.1	1.2	14.6	4.3	--	--	6.8	Dec-19
<i>MSCI AC World ex USA (Net)</i>			<i>-4.5</i>	<i>-0.6</i>	<i>8.8</i>	<i>-0.6</i>	<i>11.9</i>	<i>4.0</i>	<i>3.3</i>	<i>4.4</i>	<i>3.5</i>	

Historical returns for the US Equity Composite prior to January 2012 and for the International Equity Composite prior to December 2010 are gross only.

## Asset Allocation & Performance | As of August 31, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
First Eagle International Value Fund <i>MSCI EAFE (Net)</i>	49,960,159	4.5	-2.5	-0.7	6.2	-0.7	10.7	4.1	--	--	2.8	Dec-19
			-3.8	-0.7	10.9	-0.7	17.9	6.1	4.1	4.9	4.4	
<b>Emerging Markets Equity</b> <i>MSCI EM</i>	<b>82,255,675</b>	<b>7.3</b>	<b>-8.1</b>	<b>-0.8</b>	<b>16.2</b>	<b>-0.8</b>	<b>8.6</b>	<b>-6.3</b>	<b>6.3</b>	<b>5.5</b>	<b>4.4</b>	<b>May-12</b>
			-6.2	-0.3	4.6	-0.3	1.3	-1.4	1.1	3.2	2.4	
Artisan Developing World TR <i>MSCI Emerging Markets (Net)</i>	55,973,011	5.0	-9.4	-2.7	21.3	-2.7	12.4	-8.4	--	--	4.3	Dec-19
			-6.2	-0.3	4.6	-0.3	1.3	-1.4	1.0	3.0	0.9	
RWC <i>MSCI Emerging Markets (Net)</i>	26,282,663	2.3	-5.2	3.4	6.6	3.4	1.2	0.0	--	--	1.0	Dec-19
			-6.2	-0.3	4.6	-0.3	1.3	-1.4	1.0	3.0	0.9	
<b>US Fixed Income</b> <i>US Fixed Income Custom Benchmark</i>	<b>114,658,027</b>	<b>10.2</b>	<b>-0.6</b>	<b>-0.7</b>	<b>0.8</b>	<b>-0.7</b>	<b>-2.6</b>	<b>-4.8</b>	<b>-0.1</b>	<b>1.4</b>	<b>4.3</b>	<b>Jan-95</b>
			-0.5	-0.6	1.4	-0.6	-0.9	-4.1	0.4	1.6	4.5	
Vanguard Short-Term Treasury Index Fund <i>Blmbg. 1-3 Govt</i>	6,554,780	0.6	0.4	0.7	1.7	0.7	1.2	-0.9	1.0	--	1.0	Mar-18
			0.4	0.7	1.7	0.7	1.3	-0.9	1.0	0.8	1.1	
Vanguard Total Bond Market Index Fund <i>Blmbg. U.S. Aggregate Index</i>	17,578,776	1.6	-0.6	-0.6	1.6	-0.6	-1.0	-4.4	--	--	-0.3	May-19
			-0.6	-0.7	1.4	-0.7	-1.2	-4.4	0.5	1.5	-0.3	
Payden & Rygel Low Duration Fund <i>Blmbg. U.S. Treasury: 1-3 Year</i>	8,094,035	0.7	0.4	0.9	1.6	0.9	--	--	--	--	5.3	Nov-22
			0.4	0.7	1.7	0.7	1.3	-0.9	1.0	0.8	2.6	
Brandywine US Fixed Income <i>Blmbg. U.S. Aggregate Index</i>	32,825,445	2.9	-1.1	-1.7	1.4	-1.7	--	--	--	--	-1.5	Nov-22
			-0.6	-0.7	1.4	-0.7	-1.2	-4.4	0.5	1.5	4.6	
Wellington Core Bond <i>Blmbg. U.S. Aggregate Index</i>	49,604,992	4.4	-0.6	-0.6	0.3	-0.6	--	--	--	--	2.5	Nov-22
			-0.6	-0.7	1.4	-0.7	-1.2	-4.4	0.5	1.5	4.6	

Developed International Equity and Emerging Markets Equity composites were only reported as one composite prior to March 2018.

## Asset Allocation & Performance | As of August 31, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Opportunistic Credit</b>	<b>36,741,902</b>	<b>3.3</b>	<b>0.1</b>	<b>1.6</b>	<b>7.9</b>	<b>1.6</b>	<b>7.3</b>	<b>4.8</b>	--	--	<b>4.5</b>	<b>May-19</b>
<i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Lever</i>			<i>0.0</i>	<i>0.7</i>	<i>4.7</i>	<i>0.7</i>	<i>3.4</i>	<i>-0.3</i>	--	--	<i>1.7</i>	
PIMCO Income Fund	11,744,887	1.0	-0.3	0.9	4.7	0.9	4.2	1.2	--	--	2.0	May-19
<i>Blmbg. U.S. Aggregate Index</i>			<i>-0.6</i>	<i>-0.7</i>	<i>1.4</i>	<i>-0.7</i>	<i>-1.2</i>	<i>-4.4</i>	<i>0.5</i>	<i>1.5</i>	<i>-0.3</i>	
GoldenTree Multi-Sector Credit	24,604,450	2.2	0.6	2.3	7.6	2.3	8.6	4.8	--	--	4.4	Jun-19
<i>50% BBg US High Yield TR/50% Credit Suisse Leveraged Loans</i>			<i>0.7</i>	<i>2.1</i>	<i>8.0</i>	<i>2.1</i>	<i>8.1</i>	<i>3.9</i>	<i>3.8</i>	<i>4.4</i>	<i>3.8</i>	
Sculptor Credit Opportunities Domestic Partners, LP	392,565	0.0	0.0	0.0	11.0	0.0	8.1	10.1	--	--	10.5	Jul-20
<i>50% BBg US High Yield TR/50% Credit Suisse Leveraged Loans</i>			<i>0.7</i>	<i>2.1</i>	<i>8.0</i>	<i>2.1</i>	<i>8.1</i>	<i>3.9</i>	<i>3.8</i>	<i>4.4</i>	<i>5.1</i>	
<b>Real Estate</b>	<b>84,829,732</b>	<b>7.6</b>	<b>-0.6</b>	<b>-0.2</b>	<b>-2.9</b>	<b>-0.2</b>	<b>-3.7</b>	<b>4.5</b>	<b>3.1</b>	<b>5.9</b>	<b>6.7</b>	<b>Dec-10</b>
<i>Custom Blended Real Estate Benchmark</i>			<i>0.0</i>	<i>0.0</i>	<i>-8.0</i>	<i>0.0</i>	<i>-3.1</i>	<i>8.4</i>	<i>7.1</i>	<i>8.6</i>	<i>9.5</i>	
<i>CPI +5% (Seasonally Adjusted)</i>			<i>1.0</i>	<i>1.6</i>	<i>5.8</i>	<i>1.6</i>	<i>8.9</i>	<i>11.0</i>	<i>9.2</i>	<i>7.9</i>	<i>7.8</i>	
Vanguard REIT Index	16,295,451	1.5	-3.3	-1.3	2.2	-1.3	-7.1	4.0	--	--	4.0	Sep-20
<i>Spliced Vanguard REIT Benchmark</i>			<i>-3.3</i>	<i>-1.3</i>	<i>2.2</i>	<i>-1.3</i>	<i>-7.0</i>	<i>4.1</i>	<i>3.6</i>	<i>6.8</i>	<i>4.1</i>	
<b>Private Real Estate</b>	<b>68,534,281</b>	<b>6.1</b>	<b>0.0</b>	<b>0.0</b>	<b>-4.1</b>	<b>0.0</b>	<b>-2.2</b>	<b>5.9</b>	<b>3.9</b>	<b>6.3</b>	<b>7.0</b>	<b>Dec-10</b>
<i>Custom Blended Real Estate Benchmark</i>			<i>0.0</i>	<i>0.0</i>	<i>-8.0</i>	<i>0.0</i>	<i>-3.1</i>	<i>8.4</i>	<i>7.1</i>	<i>8.6</i>	<i>9.5</i>	
Greenfield Gap VII	937,589	0.1	0.0	0.0	-11.7	0.0	0.2	22.6	16.9	--	15.7	Jan-15
Patron Capital V	5,941,200	0.5	0.0	0.0	11.8	0.0	-8.0	-4.5	-5.5	--	1.3	Feb-16
UBS Trumbull Property	25,022,082	2.2	0.0	0.0	-12.0	0.0	-8.3	3.2	2.0	5.1	6.3	Apr-99
Carlyle Realty VIII	2,703,431	0.2	0.0	0.0	-7.7	0.0	1.3	38.0	19.2	--	10.5	Jan-18
Taconic CRE Dislocation Fund II	3,260,825	0.3	0.0	0.0	15.0	0.0	19.1	10.2	--	--	9.4	Nov-18
Carmel Partners Investment Fund VII	3,310,132	0.3	0.0	0.0	-1.3	0.0	6.0	-6.5	--	--	-20.8	Apr-19

Sculptor market value reflects holdback from June liquidation.

All private markets performance and market values reflect a 3/31/2023 capital account balance unless otherwise noted.

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.

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	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
AG Realty Value Fund X, L.P.	3,649,287	0.3	0.0	0.0	-0.9	0.0	6.0	16.3	--	--	6.3	Jun-19
Rockpoint Real Estate Fund VI, L.P.	4,496,129	0.4	0.0	0.0	-2.1	0.0	-2.3	13.5	--	--	11.0	May-20
Cerberus Real Estate Debt Fund, L.P.	5,060,821	0.5	0.0	0.0	1.9	0.0	4.0	10.2	--	--	9.6	Jul-20
Taconic CRE Dislocation Onshore Fund III	5,426,453	0.5	0.0	0.0	1.7	0.0	7.6	--	--	--	6.4	Jun-21
Starwood Distressed Opportunity Fund XII Global	1,798,718	0.2	0.0	0.0	-4.0	0.0	0.4	--	--	--	121.5	Jun-21
Carlyle Realty Partners IX	936,530	0.1	0.0	0.0	-32.5	0.0	-90.2	--	--	--	-147.7	Dec-21
Carmel Partners Investment Fund VIII	3,280,466	0.3	0.0	0.0	-2.6	0.0	-7.5	--	--	--	-11.3	Apr-22
Rockpoint Real Estate Fund VII L.P.	2,710,618	0.2	0.0	0.0	9.6	0.0	13.6	--	--	--	12.5	Aug-22
<b>Private Equity</b>	<b>153,201,859</b>	<b>13.7</b>	<b>0.0</b>	<b>0.0</b>	<b>1.4</b>	<b>0.0</b>	<b>1.5</b>	<b>25.7</b>	<b>16.1</b>	<b>13.9</b>	<b>10.3</b>	<b>Jul-05</b>
<i>Custom Private Equity Benchmark</i>			<i>-0.6</i>	<i>0.9</i>	<i>19.9</i>	<i>0.9</i>	<i>4.2</i>	<i>20.4</i>	<i>14.7</i>	<i>15.1</i>	<i>--</i>	
Taconic Credit Dislocation Fund IV L.P.	800,000	0.1	0.0	--	--	--	--	--	--	--	--	Jul-23
Khosla Ventures Seed F, L.P.	390,000	0.0	0.0	--	--	--	--	--	--	--	--	Jul-23
Adams Street	4,010,511	0.4	0.0	0.0	-2.5	0.0	-14.0	19.1	11.2	12.7	8.2	Oct-05
Invesco VI	603,938	0.1	0.0	0.0	-21.5	0.0	-48.0	31.1	19.2	16.3	16.0	Jul-13
Ocean Avenue II	8,670,290	0.8	0.0	0.0	-8.5	0.0	3.9	46.0	31.6	--	21.9	Jul-14
Pantheon I	62,645	0.0	0.0	0.0	1.8	0.0	-13.8	-9.7	-13.8	-3.7	-1.5	Jan-06
Pantheon II	2,902,649	0.3	0.0	0.0	0.2	0.0	-8.7	19.2	12.4	13.9	12.4	Jan-12
Pantheon Secondary	110,622	0.0	0.0	0.0	-0.1	0.0	-2.5	-5.2	-6.6	-1.4	0.6	Jul-07
Davidson Kempner Long-Term Distressed Opportunities Fund IV	2,625,258	0.2	0.0	0.0	22.5	0.0	36.9	31.9	18.1	--	18.5	Apr-18

Pantheon I includes Pantheon US Fund VI and Pantheon Europe Fund IV. Pantheon Europe Fund IV is adjusting from the 12/31/2022 NAV.

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

Pantheon Secondary includes Pantheon GLO SEC III B.

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

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	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
GTCR Fund XII	5,387,569	0.5	0.0	0.0	-0.7	0.0	-4.2	30.5	15.9	--	15.1	Jun-18
Carrick Capital Partners III	6,345,972	0.6	0.0	0.0	1.7	0.0	-2.6	19.3	11.1	--	10.9	Aug-18
Cressey & Company Fund VI	5,322,105	0.5	0.0	0.0	3.6	0.0	-3.7	27.8	--	--	16.2	Jan-19
TCV X	6,223,214	0.6	0.0	0.0	1.9	0.0	-25.8	30.5	--	--	16.8	Apr-19
Accel-KKR Growth Capital Partners III	4,502,216	0.4	0.0	0.0	4.7	0.0	1.3	21.2	--	--	10.0	Jul-19
Genstar Capital Partners IX	9,194,065	0.8	0.0	0.0	4.7	0.0	30.5	37.4	--	--	26.1	Aug-19
Cortec Group Fund VII	8,436,446	0.8	0.0	0.0	17.9	0.0	24.9	36.0	--	--	26.4	Dec-19
Spark Capital Growth Fund III	8,782,200	0.8	0.0	0.0	-25.2	0.0	-2.2	19.4	--	--	16.4	Mar-20
Spark Capital VI	2,461,482	0.2	0.0	0.0	-3.0	0.0	1.2	-3.0	--	--	-2.6	Mar-20
Summit Partners Growth Equity Fund X-A	8,157,504	0.7	0.0	0.0	10.9	0.0	11.9	8.0	--	--	6.4	Mar-20
Taconic Market Dislocation Fund III L.P.	6,960,477	0.6	0.0	0.0	1.7	0.0	-2.5	14.2	--	--	13.4	Jul-20
Marlin Heritage Europe II, L.P.	7,473,657	0.7	0.0	0.0	14.5	0.0	11.6	--	--	--	-0.2	Oct-20
Khosla Ventures VII	4,685,223	0.4	0.0	0.0	5.6	0.0	6.0	--	--	--	5.3	Jan-21
Accel-KKR Capital Partners VI	3,199,154	0.3	0.0	0.0	0.0	0.0	0.0	--	--	--	-5.3	Feb-21
Khosla Ventures Seed E	1,917,122	0.2	0.0	0.0	7.2	0.0	9.9	--	--	--	129.5	Feb-21
TCV XI	3,719,636	0.3	0.0	0.0	-4.3	0.0	-16.8	--	--	--	-4.7	Feb-21
Thoma Bravo Discover Fund III	8,552,081	0.8	0.0	0.0	3.7	0.0	-0.3	--	--	--	5.9	Jun-21
Summit Partners Venture Capital Fund V-A	3,048,142	0.3	0.0	0.0	1.0	0.0	-5.0	--	--	--	-5.9	May-21

## Asset Allocation & Performance | As of August 31, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
GTCR Fund XIII/A & B	3,945,540	0.4	0.0	0.0	-4.2	0.0	-3.6	--	--	--	93.7	Jun-21
Genstar Capital Partners X	5,899,627	0.5	0.0	0.0	2.7	0.0	3.0	--	--	--	6.2	Oct-21
Nautic Partners X	2,832,191	0.3	0.0	0.0	6.5	0.0	6.0	--	--	--	0.6	Jan-22
Spark Capital Growth Fund IV	1,688,038	0.2	0.0	0.0	51.3	0.0	36.5	--	--	--	18.0	Jan-22
Spark Capital VII	961,328	0.1	0.0	0.0	-4.3	0.0	-8.9	--	--	--	-6.9	Feb-22
TCV Velocity Fund I	1,820,759	0.2	0.0	0.0	-9.3	0.0	-19.8	--	--	--	-25.8	Feb-22
Accel-KKR Growth Capital Partners IV	1,426,056	0.1	0.0	0.0	1.2	0.0	-6.7	--	--	--	-19.5	Apr-22
Summit Partners Growth Equity Fund XI-A	2,116,166	0.2	0.0	0.0	11.4	0.0	1.2	--	--	--	-48.8	Apr-22
GTCR Strategic Growth Fund I/A&B LP	1,422,241	0.1	0.0	0.0	-15.2	0.0	-50.4	--	--	--	-45.1	Jul-22
Threshold Ventures IV LP	672,612	0.1	0.0	0.0	-12.7	0.0	-24.2	--	--	--	-22.6	Aug-22
Thoma Bravo Discovery Fund IV	3,432,974	0.3	0.0	0.0	8.9	0.0	--	--	--	--	8.9	Jan-23
Marlin Heritage III	982,092	0.1	0.0	0.0	-83.2	0.0	--	--	--	--	-83.2	Jan-23
Cortec Group Fund VIII, L.P.	1,458,058	0.1	0.0	0.0	--	0.0	--	--	--	--	-1.1	Apr-23
<b>Direct Lending</b>	<b>45,869,561</b>	<b>4.1</b>	<b>0.0</b>	<b>0.0</b>	<b>4.6</b>	<b>0.0</b>	<b>6.4</b>	<b>9.8</b>	--	--	<b>9.3</b>	<b>Jul-20</b>
<i>S&amp;P LSTA Leveraged Loan +2%</i>			<i>1.3</i>	<i>2.8</i>	<i>10.6</i>	<i>2.8</i>	<i>11.6</i>	<i>8.1</i>	<i>6.5</i>	<i>6.3</i>	<i>8.9</i>	
Silver Point Specialty Credit Fund II, L.P.	6,067,830	0.5	0.0	0.0	6.5	0.0	7.2	10.2	--	--	9.7	Jul-20
Ares Senior Direct Lending Fund II	10,566,108	0.9	0.0	0.0	4.7	0.0	7.4	--	--	--	7.8	Jan-22
Varagon Capital Direct Lending Fund	9,981,483	0.9	0.0	0.0	0.8	0.0	0.2	--	--	--	-0.1	Jan-22
AG Direct Lending Fund IV Annex	9,443,483	0.8	0.0	0.0	5.5	0.0	9.5	--	--	--	7.0	May-22

## Asset Allocation & Performance | As of August 31, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
AG Direct Lending Fund V	4,567,273	0.4	0.0	0.0	5.8	0.0	7.5	--	--	--	6.9	Aug-22
Accel-KKR Credit Partners II LP	833,144	0.1	0.0	0.0	--	0.0	--	--	--	--	30.2	Mar-23
Silver Point Specialty Credit Fund III	4,410,240	0.4	0.0	0.0	--	0.0	--	--	--	--	-1.7	Mar-23
<b>Hedge Fund</b>	<b>133,989,949</b>	<b>11.9</b>	<b>0.9</b>	<b>1.4</b>	<b>3.4</b>	<b>1.4</b>	<b>3.6</b>	<b>6.2</b>	<b>4.2</b>	--	<b>4.3</b>	<b>Jul-14</b>
<i>Custom Blended Hedge Fund Benchmark</i>			<i>-0.2</i>	<i>1.0</i>	<i>3.3</i>	<i>1.0</i>	<i>3.3</i>	<i>3.9</i>	<i>3.4</i>	--	<i>3.3</i>	
OWS Credit Opportunity Fund LP	20,160,000	1.8	--	--	--	--	--	--	--	--	--	Aug-23
Hudson Bay Fund	15,269,656	1.4	0.9	1.5	--	1.5	--	--	--	--	--	Jun-23
Sculptor (OZ) Domestic II	264,914	0.0	-0.1	-0.1	7.2	-0.1	4.4	1.1	4.7	--	5.3	Jul-14
Graham Absolute Return	9,968,628	0.9	2.2	4.1	2.2	4.1	2.1	8.8	5.2	--	4.7	Sep-17
Wellington-Archipelago	15,759,211	1.4	0.2	0.9	7.2	0.9	9.6	5.8	5.3	--	5.5	Sep-17
Marshall Wace Eureka	4,531,430	0.4	0.9	1.0	1.5	1.0	1.6	6.5	5.4	--	5.7	Dec-17
Silver Point Capital	18,717,711	1.7	0.7	0.4	4.4	0.4	3.5	13.8	8.3	--	8.1	Dec-17
Laurion Capital	13,529,045	1.2	1.2	1.2	2.9	1.2	2.1	5.6	9.4	--	9.3	Aug-18
Taconic Opportunity Fund	13,990,655	1.2	1.0	2.0	2.5	2.0	2.2	4.7	--	--	3.2	Jan-19
Marshall Wace Global Opportunities	10,867,023	1.0	1.0	1.8	5.8	1.8	6.6	4.3	--	--	5.7	May-20
Caxton Global Investments	10,931,675	1.0	0.5	1.0	-6.9	1.0	-4.2	--	--	--	3.7	May-21

## Asset Allocation & Performance | As of August 31, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Real Assets</b>	<b>64,496,928</b>	<b>5.8</b>	<b>-0.6</b>	<b>0.3</b>	<b>6.4</b>	<b>0.3</b>	<b>11.0</b>	<b>14.6</b>	<b>10.8</b>	<b>9.5</b>	<b>9.6</b>	<b>Dec-10</b>
<i>Custom Blended Real Assets Benchmark</i>			<i>-4.0</i>	<i>0.6</i>	<i>1.0</i>	<i>0.6</i>	<i>3.6</i>	<i>10.2</i>	<i>6.4</i>	<i>7.5</i>	<i>--</i>	
SSgA	13,363,585	1.2	-2.6	1.3	-0.7	1.3	-2.6	9.6	5.8	--	5.6	May-17
<i>Real Asset NL Custom Blended Index</i>			<i>-2.4</i>	<i>1.4</i>	<i>-0.3</i>	<i>1.4</i>	<i>-2.8</i>	<i>9.8</i>	<i>5.9</i>	<i>--</i>	<i>5.7</i>	
<b>Private Infrastructure</b>	<b>29,887,637</b>	<b>2.7</b>	<b>0.0</b>	<b>0.0</b>	<b>8.6</b>	<b>0.0</b>	<b>12.6</b>	<b>12.3</b>	<b>12.5</b>	<b>--</b>	<b>9.9</b>	<b>Jan-15</b>
<i>S&amp;P Global Infrastructure</i>			<i>-4.7</i>	<i>-2.7</i>	<i>1.0</i>	<i>-2.7</i>	<i>-1.1</i>	<i>8.0</i>	<i>4.9</i>	<i>6.3</i>	<i>4.5</i>	
KKR Global II	5,067,887	0.5	0.0	0.0	17.2	0.0	18.6	23.8	22.2	--	17.0	Jan-15
North Haven Infrastructure II	2,735,821	0.2	0.0	0.0	-0.5	0.0	12.2	9.3	9.4	--	8.3	Jun-15
ISQ Global Infrastructure Fund II	5,169,996	0.5	0.0	0.0	5.4	0.0	9.9	13.8	13.0	--	4.0	Jul-18
KKR Global Infrastructure Investors III	4,316,449	0.4	0.0	0.0	10.5	0.0	12.9	3.6	--	--	-2.2	Jan-19
Ardian Infrastructure Fund V	3,683,046	0.3	0.0	0.0	16.9	0.0	16.6	-8.3	--	--	-8.8	Nov-19
ISQ Global Infrastructure Fund III	1,461,403	0.1	0.0	0.0	8.9	0.0	13.2	--	--	--	-575.9	Jun-21
KKR Global Infrastructure Investors IV	4,619,992	0.4	0.0	0.0	4.9	0.0	0.3	--	--	--	-219.8	Sep-21
BlackRock Global Infrastructure Fund IV	2,833,043	0.3	0.0	0.0	-12.3	0.0	--	--	--	--	-12.3	Dec-22
<b>Private Natural Resources</b>	<b>21,245,706</b>	<b>1.9</b>	<b>0.0</b>	<b>0.0</b>	<b>8.7</b>	<b>0.0</b>	<b>20.8</b>	<b>25.6</b>	<b>13.0</b>	<b>--</b>	<b>15.6</b>	<b>Oct-15</b>
<i>S&amp;P Global Natural Resources Sector Index (TR)</i>			<i>-3.4</i>	<i>4.1</i>	<i>0.8</i>	<i>4.1</i>	<i>8.2</i>	<i>17.3</i>	<i>7.2</i>	<i>5.8</i>	<i>11.4</i>	
EnCap Flatrock Midstream Fund V	2,131,333	0.2	0.0	0.0	--	0.0	--	--	--	--	0.0	Jun-23
EnCap XI	4,741,100	0.4	0.0	0.0	10.0	0.0	33.4	26.3	3.0	--	-7.5	Aug-17
EnCap IV	1,697,060	0.2	0.0	0.0	2.4	0.0	5.7	51.0	31.2	--	24.0	Mar-18
GSO Energy Opportunities	650,592	0.1	0.0	0.0	14.0	0.0	61.2	49.2	17.7	--	18.8	Dec-15

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	Market Value \$	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Taurus Mining	376,734	0.0	0.0	0.0	8.2	0.0	36.9	51.8	29.8	--	25.8	Oct-15
Taurus Mining Annex	190,903	0.0	0.0	0.0	7.3	0.0	19.1	23.5	21.4	--	25.0	Feb-17
BlackRock Global Energy and Power Infrastructure Fund III LP	4,453,577	0.4	0.0	0.0	7.6	0.0	12.9	18.3	--	--	13.9	Aug-19
Tailwater Energy Fund IV, LP	3,614,461	0.3	0.0	0.0	16.1	0.0	30.2	27.3	--	--	6.6	Oct-19
Carnelian Energy Capital IV	3,389,945	0.3	0.0	0.0	2.5	0.0	-8.0	--	--	--	-6.1	May-22
<b>Cash</b>	<b>7,693,767</b>	<b>0.7</b>	<b>0.6</b>	<b>0.9</b>	<b>4.8</b>	<b>0.9</b>	<b>2.6</b>	<b>1.0</b>	<b>1.0</b>	--	--	<b>Dec-10</b>
Cash	7,172,177	0.6	0.6	1.0	5.2	1.0	2.7	1.0	1.2	1.0	-1.4	Dec-10
Treasury Cash	521,590	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	--	0.1	Sep-17

Treasury Cash reflects July balance.

**Benchmark History**

From Date	To Date	Benchmark
<b>Total Fund</b>		
01/01/2022	Present	22.0% Russell 3000, 11.0% Custom Blended Developed International Equity BM, 8.0% MSCI EM, 11.0% US Fixed Income Custom Benchmark, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Custom Private Equity Benchmark, 5.0% S&P LSTA Leveraged Loan +2%, 5.0% Custom Blended Real Assets Benchmark, 8.0% Custom Blended Real Estate Benchmark, 5.0% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Lever
01/01/2020	01/01/2022	21.0% Russell 3000, 10.0% Custom Blended Developed International Equity BM, 8.0% MSCI EM, 18.0% BBgBarc US Aggregate TR, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Custom Private Equity Benchmark, 5.0% Custom Blended Real Assets Benchmark, 8.0% Custom Blended Real Estate Benchmark, 5.0% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Lever
07/01/2019	01/01/2020	21.0% US Equity Custom, 18.0% International Equity Custom, 18.0% US Fixed Custom, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Thomson Reuters Cambridge Private Equity Index, 5.0% Real Asset Custom, 8.0% NCREIF ODCE (Net), 5.0% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Lever
01/01/2019	07/01/2019	21.0% US Equity Custom, 23.0% US Fixed Custom, 18.0% International Equity Custom, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Thomson Reuters Cambridge Private Equity Index, 5.0% Real Asset Custom, 8.0% NCREIF ODCE (Net)
01/01/2017	01/01/2019	27.0% US Equity Custom, 22.0% US Fixed Custom, 23.0% International Equity Custom, 5.0% Custom Blended Hedge Fund Benchmark, 9.0% Thomson Reuters Cambridge Private Equity Index, 14.0% Real Asset Custom
07/01/2014	01/01/2017	22.7% Russell 1000 Index, 5.7% Russell 2000 Index, 23.6% International Equity Custom, 28.5% US Fixed Custom, 4.5% Custom Blended Hedge Fund Benchmark, 8.0% NCREIF ODCE (Net), 7.0% Thomson Reuters Cambridge Private Equity Index
<b>US Equity</b>		
01/01/2020	Present	100.0% Russell 3000 Index
12/31/1994	01/01/2020	100.0% Russell 3000
<b>International Equity</b>		
01/01/2019	Present	56.0% MSCI EAFE Index, 44.0% MSCI Emerging Markets Index
01/01/2017	01/01/2019	69.6% MSCI EAFE Index, 30.4% MSCI Emerging Markets Index
07/01/2013	01/01/2017	100.0% MSCI AC World ex USA index
<b>US Fixed Income</b>		
12/01/1994	Present	10.0% Blmbg. U.S. Treasury: 1-3 Year, 90.0% BBgBarc US Aggregate TR

From Date	To Date	Benchmark
<b>Hedge Fund</b>		
07/01/2017	Present	100.0% HFRI Fund of Funds Composite Index
01/01/2015	07/01/2017	50.0% HFRI Fund of Funds Composite Index, 50.0% HFRI RV: Multi-Strategy Index
<b>Real Assets</b>		
01/01/2022	Present	50.0% S&P Global Infrastructure, 50.0% S&P Global Natural Resources Sector Index (TR)
01/01/2020	01/01/2022	50.0% Cambridge Energy Upstream & Royalties & Private Energy (1 Quarter Lagged), 50.0% Cambridge Infrastructure (1 Quarter Lagged)
03/01/1999	01/01/2020	100.0% Real Asset Custom
<b>SSgA</b>		
04/01/2017	Present	10.0% S&P Global Infrastructure, 15.0% Dow Jones U.S. Select RESI, 25.0% Bloomberg Roll Select Commodity TR Index, 25.0% S&P Global LargeMidcap Resources & Commodities Ind, 25.0% Blmbg. U.S. TIPS
<b>Private Real Estate</b>		
01/01/2020	Present	100.0% NCREIF ODCE 1Q Lagged
03/01/1999	01/01/2020	100.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net)

## **Disclaimer, Glossary, and Notes**

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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

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

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

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

October 26,  
2023

# Private Asset Capital Budget Update

## Merced County Employees' Retirement Association



Strictly Confidential. Not for Distribution.

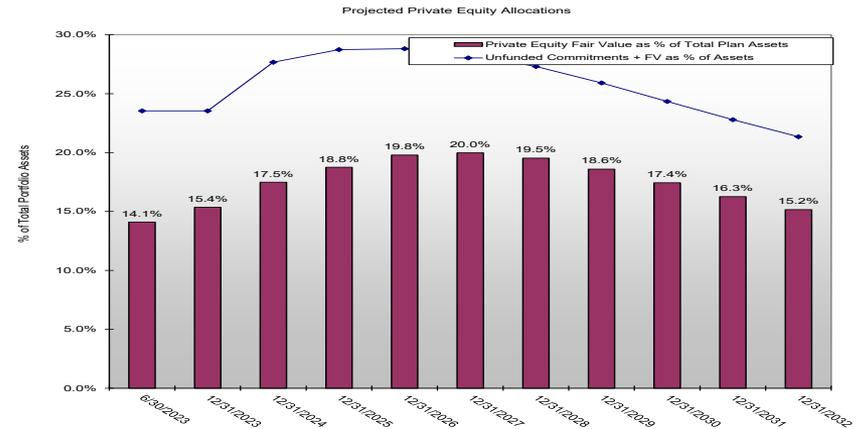
# MercedCERA Private Equity Capital Budget & Implementation Plan

15% fund level target; an increase from 9% in 2018

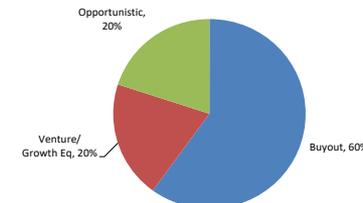
- Keep annual capital budget target at \$50 mm
  - Range of \$35-\$65 million
- Target 5-10 investments, range of \$5-\$15 million per inv; average size of \$8 million per
- Actual exposure is higher than projections due to public market declines
- Targets for strategy exposures remain the same
- Update capital budgets on an annual basis

## Performance comparisons:

- Long term investment objective: Earn a return premium over public equity (Russell 3000 + 3%)
- Recommended primary asset class benchmark: Cambridge Associates Global Private Equity & VC Index
- Recommended fund benchmarks: Each fund will be compared to the Cambridge Associates strategy universe for the respective vintage years and each vintage year will be compared to Cambridge Associates Global Private Equity & VC Index



## Target Strategy Diversification



	Target	Ranges
Buyout	60%	40-80%
Venture/Growth Eq	20%	10-30%
Opportunistic	20%	10-30%
	100%	

Note: MCERA's existing private equity portfolio was modeled using vintage year drawdown/return of capital assumptions patterned after historical category averages. Total fund growth of 5.5%.

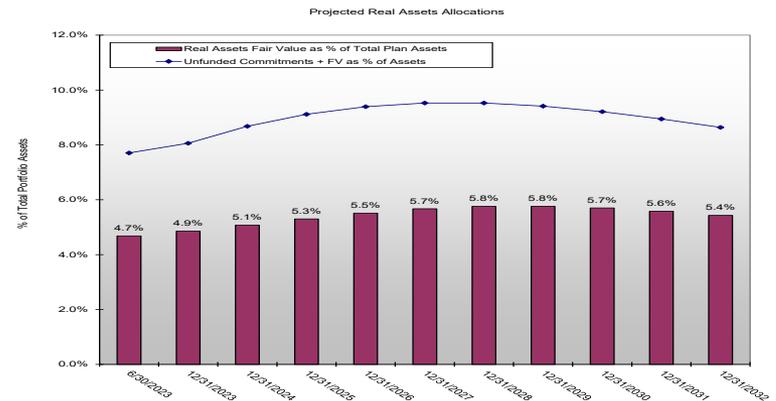
# MercedCERA Real Asset Capital Budget & Implementation Plan

5% fund level target; a decrease from the prior 6% target in 2018

- Keep annual capital budget target at \$18 million
  - Range of \$10-\$25 million
- Target 2-4 investments, range of \$5-\$10 million per inv
  - Average investment size of \$8 million
  - If an average of 2-4 GP partnership commitments per year, expect a total of 8-16 GP relationships over a 4 year fund raising cycle
- Portfolio targeted to be equally split between infrastructure and energy/natural resource funds

## Performance comparisons:

- Long term investment objective: Earn a return premium over inflation (CPI-U + 5%)
- Recommended primary asset class benchmark: 50/50 Cambridge Global Infrastructure/Cambridge Energy Upstream & Royalties and Private Energy Index
- Recommended fund benchmarks: Each fund will be compared to the Cambridge Associates strategy universe for the respective vintage years and each vintage year will be compared to the 50/50 index



Note: MCERA's existing real asset portfolio was modeled using vintage year drawdown/return of capital assumptions patterned after historical category averages. Only the private RA portfolio is modeled. Total fund growth rate of 5.5%.

# MercedCERA Real Estate Capital Budget & Implementation Plan

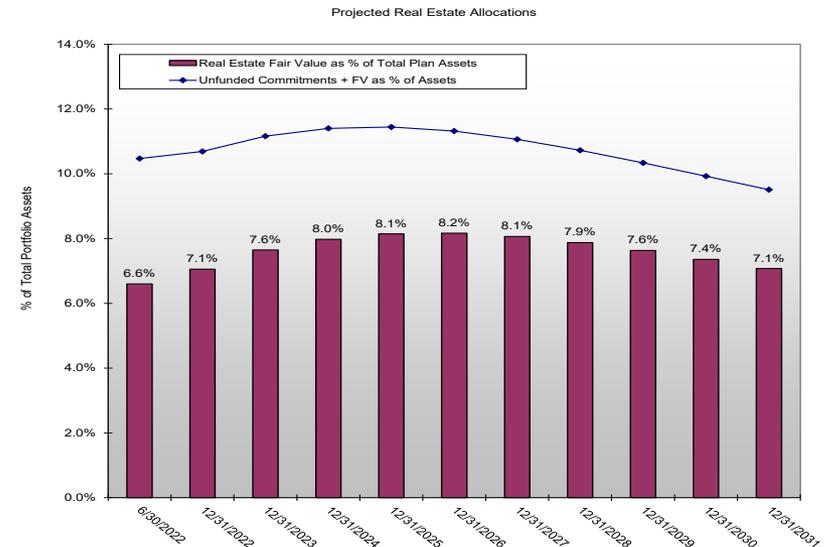
8% fund level target; same as prior target

- Increase annual capital budget from \$20 million to \$25 million
  - Range of \$15-\$35 million
- Target 2-4 investments, range of \$5-\$10 million per inv
  - Average investment size of \$8 million
  - If an average of 2-4 GP partnership commitments per year, expect a total of 8-16 GP relationships over a 4 year fund raising cycle
- Continue using REITS as a substitute until funding private real estate investments is needed; core RE target is 25% of RE portfolio

## Performance comparisons:

- Long term investment objective: Earn a return premium over inflation (CPI-U + 5%)
- Recommended primary asset class benchmark: NCREIF NFI-ODCE; revisit over time as the structure of the portfolio changes
- Recommended fund benchmarks: Cambridge Associates strategy universe for the respective vintage years and each vintage year will be compared to Cambridge Associates Global Real Estate Index

Note: MCERA's existing real estate portfolio was modeled using vintage year drawdown/return of capital assumptions patterned after historical averages. Only the private RE portfolio is modeled. Total fund growth rate of 5.5%.



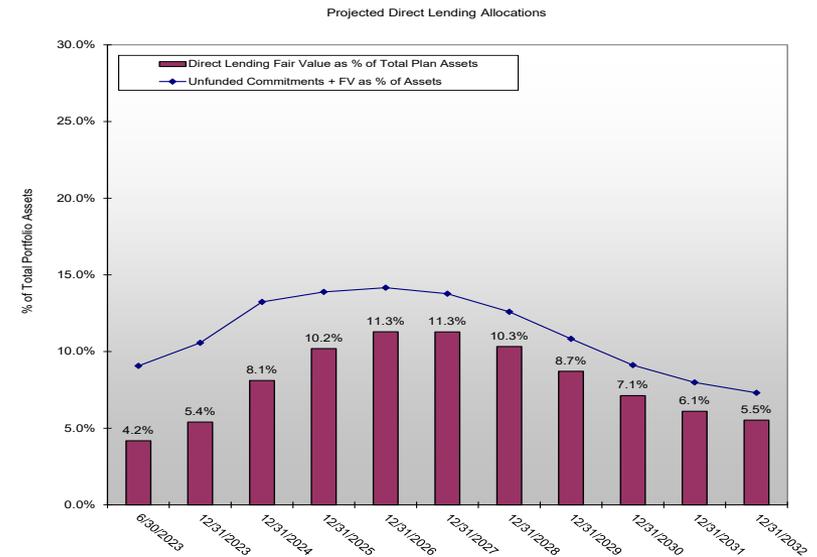
# MercedCERA Direct Lending Capital Budget & Implementation Plan

## 5% fund level target approved in Oct 2021

- Lower capital budget from \$30 mm to \$20 mm
  - Range of \$10-\$30 million
- Target 2-4 investments, range of \$8-\$15 million per inv
  - Average investment size of \$10 million
- Managers have been rapidly deploying capital and public markets have declined in value

## Performance comparisons:

- Recommended primary asset class benchmark: Morningstar LSTA US Leveraged Loan Index + 2% (formerly called S&P LSTA )



Note: MCERA’s existing portfolio was modeled using vintage year drawdown/return of capital assumptions patterned after historical category averages. Total fund growth rate of 5.5%.

## Important Notice

This presentation was prepared exclusively for information and discussion purposes, and is not meant to be, nor shall it be construed as, an attempt to define all information that may be material to you. All information including opinions or facts expressed herein are current as of the date appearing in this presentation and is subject to change without notice. All information has been obtained from sources believed to be reliable. No representation, warranty, or undertaking, express or implied, is given as to the accuracy or completeness of the information or opinions contained in this presentation. Past performance does not guarantee future performance.

This presentation may include sample or pro forma performance. Such information is presented for illustrative purposes only and is based on various assumptions, not all of which are described herein. Such assumptions, data, or projections may have a material impact on the returns shown.

References to market or composite indices (such as the S&P 500), benchmarks or other measures of relative market performance over a specified period of time (each, an “index”) are provided for information only. Reference to an index does not imply that a portfolio will achieve returns, volatility or other results similar to the index. The composition of an index may not reflect the manner in which a portfolio is constructed in relation to expected or achieved returns, portfolio guidelines, restrictions, sectors, correlations, concentrations, volatility or tracking error targets, all of which are subject to change over time.

The S&P/LSTA U.S. Leveraged Loan Index is a market value weighted index tracking institutional leveraged loans in the United States based upon market weightings, spreads and interest payment, including Term Loan A, Term Loan B and Second Lien tranches.

The Bloomberg Barclays U.S. Corporate High Yield Index (Bloomberg Barclays High Yield) measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody’s, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on the indices’ EM country definition are excluded.

The Bloomberg Barclays U.S. Aggregate Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

The NCREIF Property Index is a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only. All properties in the index have been acquired, at least in part, on behalf of tax-exempt institutional investors.

The Cambridge Private Equity Index is based on data compiled from global institutional-quality buyout, growth equity, private equity energy, venture capital and mezzanine funds, including fully liquidated partnerships, formed between 1986 and 2016.

The Russell 3000 Index is a capitalization-weighted stock market index that seeks to track the entire U.S stock market. It measures the performance of the 3,000 largest publicly held companies incorporated in the United States based on market capitalization.



**SACRS**  
**Fall Conference**  
**Annual Business Meeting 2023**

Friday, November 10, 2023  
10:15 am – 11:30 am

Omni Rancho Las Palmas Resort & Spa  
Rancho Mirage, CA  
Las Palmas Ballroom



## **Vision, Mission, Core Values**

The members and staff of the State Association of County Retirement Systems (SACRS) share a common purpose, mission and core values.

## **Statement of Purpose**

The specific and primary purposes of SACRS are to provide forums for disseminating knowledge of and developing expertise in the operation of 20 county retirement systems existing under the County Employees Retirement Law of 1937 (CERL) sets forth in California Government Code section 31450 et. seq., and to foster and take an active role in the legislative process as it affects county retirement systems.

## **Mission Statement**

The mission of this organization shall be to serve the 1937 Act Retirement Systems by exchanging information, providing education and analyzing legislation.

## **Core Values**

Teamwork

Integrity

Education

Service and Support



SACRS Business Meeting Agenda  
Friday, November 10, 2023  
10:15 AM – 11:30 AM  
Omni Rancho Las Palmas Resort & Spa  
Rancho Mirage, CA  
Las Palmas Ballroom

SACRS Parliamentarian – David Lantzer, San Bernardino CERA  
Sergeant at Arms – Brian Williams, Sonoma CERA

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**1. SACRS System Roll Call**

Zandra Cholmondeley, Santa Barbara CERS, SACRS Secretary

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

Zandra Cholmondeley, Santa Barbara CERS, SACRS Secretary

- A. Spring 2023 SACRS Business Meeting Minutes

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

Jordan Kaufman, Kern CERA, SACRS Treasurer

- A. July – August 2023 Financials

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

David MacDonald, Contra Costa CERA, SACRS President

- A. SACRS President Update. Verbal report, no printed materials for this item.

**5. SACRS Legislative Committee Update – Action Item**

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

- A. 2023 Legislative Report – **No Action**
- B. 2024 Legislative Proposals – **Action Item**

**6. SACRS Nomination Committee – No Action**

Vivian Gray, Los Angeles CERA, SACRS Nomination Committee Chair

- A. SACRS Election Notice 2024-2025

**7. SACRS Audit Report – No Action**

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

- A. Audit Committee report. Verbal report, no printed materials for this item.



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

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. SACRS Annual Fall Conference 2023 report. Verbal update, no printed materials for this item.

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

Adele Tagaloa, Orange CERS, SACRS Program Committee Chair

- A. Program Committee report. Verbal update, no printed materials for this item.

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

Joanne Svensgaard, SACRS Affiliate Committee Chair

- A. Affiliate Committee report. Verbal update, no printed materials for this item.

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

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

- A. Bylaws Committee report. Verbal update, no printed materials for this item.

**12. SACRS Fall Conference Breakout Reports – No Action**

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

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

**13. Adjournment**

Next scheduled SACRS Business Meeting will be held Friday, May 10, 2023, at the Hilton Santa Barbara Beachfront Resort, Santa Barbara, CA.



**1. Roll Call**

Zandra Cholmondeley, Santa Barbara CERS, SACRS Secretary

Roll Call of the 20 SACRS Retirement Systems

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



1. SACRS System Roll Call  
 Zandra Cholmondeley, Santa Barbara CERS, SACRS  
 Secretary

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



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

Zandra Cholmondeley, Santa Barbara CERS, SACRS Secretary

- A. Spring 2023 SACRS Business Meeting Minutes



## SACRS Business Meeting Minutes

Friday, May 12,  
2023  
10:15 am – 11:30  
am Paradise Point Resort & Spa  
San Diego, CA  
Sunset I-III Ballroom

SACRS Parliamentarian – David Lantzer, San Bernardino  
CERA  
Sergeant at Arms – Brian Williams, Sonoma CERA

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### 1. SACRS System Roll Call

Adele Tagaloa, Orange CERS, SACRS Secretary

**Systems Present:** Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin  
Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa  
Barbara

Sonoma, Stanislaus, Tulare, Ventura

**Systems Absent:** Mendocino, Merced

### 2. Secretary's Report - Receive and File – Action Item

Adele Tagaloa, Orange CERS, SACRS Secretary

A. November 2022 SACRS Business Meeting Minutes

**Motion:** A motion to approve the November 2022 SACRS Business Meeting Minutes  
was made by San Diego.

**2<sup>nd</sup>:** Fresno

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

Sonoma, Stanislaus, Tulare, Ventura

**No:** 0

**Absent:** Mendocino, Merced

**Motion passes 18-0-2**

### 3. Treasurer's Report - Receive and File – Action Item

Jordan Kaufman, Kern CERA, SACRS Treasurer

A. July 2022 – February 2023 Financials

**Discussion:** Jordan Kaufman presented the July 2022- February 2023 financials. He  
noted that the Balance sheet was not included in the packet but was emailed to  
membership. The delegation discussed the finances, and status of reserves.

No motion was made, the President asked to receive and file. All presents said  
Yes/Aye to approve.



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

Vivian Gray, Los Angeles CERA, SACRS President

##### **A. SACRS President Update**

**Discussion:** Vivian thanked the members of the Board for their time and dedication served, she appreciated all the kind sentiment she received during the week while she's been President. Was an honor to serve SACRS and encouraged the membership to get involved and let her know if they are interested in serving on a committee.

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

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

##### **A. 2023 Legislative Report**

**Discussion:** Eric Stern gave an overview of the written report in the packet. He also gave a brief update on legislative suggestions for the 2024 legislative calendar. See packet for full review of bills watched and status in committees.

#### **6. SACRS Nomination Committee - 2023-2024 SACRS Board of Directors Elections –**

##### **Action**

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

##### **A. SACRS Board of Directors Elections 2023-2024**

**Discussion:** Dan McAllister discussed the process of the elections, noting that there would be a vacancy on the Board after the vote took place. The withdrawal of a candidate after the deadline to submit a nomination has passed. The Bylaws do not have a provision for nominations after the deadline, nor do they offer nominations from the floor. Therefore, the Board will be appointing a qualified candidate to the position of “General member” at their first meeting in June. Harry Hatch noted that Vere Williams retirement from the San Bernardino CERA Board was unfortunate and wished Vere well and thanked him for his service on the SBCERA Board and SACRS Board. Several Trustees submitted their name for consideration for the vacant position. The Nomination Committee reviewed all options, and unanimously recommended to the SACRS Board of Directors that Brian Williams, Sonoma CERA, would be the best candidate to fill the position. Marin CERA submitted a letter of recommendation that the SACRS Board consider appointing a Trustee from Northern California for a balanced representation of the North/Central/South make-up of the Board.



**Motion:** A motion to approve the recommended 2023-2024 SACRS Board of Directors slate was made by San Diego.

- President: David MacDonald, Contra Costa CERA
- Vice President: Adele Tagaloa, Orange CERS
- Treasurer: Jordan Kaufman, Kern CERA
- Secretary: Zandra Cholmondeley, Santa Barbara CERS
- General Member: David Gilmore, San Diego CERA
- General Member: Vacant

**2<sup>nd</sup>:** San Bernardino

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

Sonoma, Stanislaus, Tulare, Ventura

**No:** 0

**Absent:** Mendocino, Merced

**Motion passes 18-0-2**

## **7. SACRS Audit Report – Action**

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

### A. SACRS 2021-2022 Annual Audit

**Discussion:** Steve Delaney presented the SACRS 2021-2022 Annual Audit performed by outside auditors James Marta & Co. The financial received a clean audit and no negative findings. Steve thanked the committee members for their time and participation reviewing drafts and meetings with the auditors.

**Motion:** A motion to approve the SACRS 2021-2022 Audit was made by Sacramento.

**2<sup>nd</sup>:** Contra Costa

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

Sonoma, Stanislaus, Tulare, Ventura

**No:** 0

**Absent:** Mendocino, Merced

**Motion passes 18-0-2**

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

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

### A. SACRS Annual Spring 2023 Conference Evaluations/Feedback

**No report.**

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

David MacDonald, Contra Costa CERA, SACRS Program Committee Chair

### A. SACRS Annual Spring 2023 Conference Report

**Discussion:** David MacDonald thanked everyone for attending the conference, he also showed his appreciation to the program committee members for their hard work and dedication. The agenda was well received, and the committee has started planning the Fall Conference.



## 10. SACRS Affiliate Committee Report – No Action

Joanne Svendsgaard, Millennium, SACRS Affiliate Committee Chair

### A. Affiliate Committee Update

**Discussion:** Joanne Svendsgaard gave a verbal update on the Affiliate Committee breakout. The session was well attended, and they received many comments of appreciation for the topic.

The committee is working on the election process for the committee to coincide with the SACRS Board of Directors elections. More information will follow later in the year.

## 11. SACRS Bylaws Committee Report – No Action

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

### A. Bylaws Committee Update

**No report**

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

A representative from each breakout will give a report on their breakouts from Wednesday, May 10th.

- A. Administrator Breakout – Eric Stern, Sacramento CERS will moderate the Fall breakout.
- B. Affiliate Breakout – See committee report.
- C. Attorney Breakout – Aaron Zaheen, Tulare CERA, will moderates the Fall breakout.
- D. Disability/Operations & Benefits Combo Breakout – no report.
- E. Internal Auditors Breakout - no report
- F. Investment Officer Breakout – no report
- G. Safety Trustee Breakout – Good meeting, participation by several of the Systems. Discussion of volunteers to help monitor reception and meet with the hotels prior to conferences.
- H. General Trustee Breakout – Great attendance, the session was well received. The presenter was data driven and had attendees waiting in line after the session was over to ask more questions. Many comments to have him return for a general session. Adele Tagaloa will moderate the Fall breakout.

## 13. Adjournment

Next scheduled SACRS Business Meeting will be held Friday, November 10, 2023, at the Omni Rancho Las Palmas Resort & Spa in Rancho Mirage, CA.

**Meeting Adjourned at 10:59 am**



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

Jordan Kaufman, Kern CERA, SACRS Treasurer

#### A. July – August 2023 Financials

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Balance Sheet  
As of August 31, 2023

ASSETS

Current Assets

Checking/Savings

1000 · First Foundation Bank-Checking	207,777.31
1001 · BofA Interest Checking 4389	46,674.72
1002 · First Foundation Bank ICS Acct	57,615.05

Total Checking/Savings 312,067.08

Other Current Assets

1100 · CalTrust - Medium Term	604,348.65
1107 · CalTrust Liquidity Fund	8,635.95
1110 · CAMP-SACRS Liquidity Fund	508,885.95

Total Other Current Assets 1,121,870.55

Total Current Assets 1,433,937.63

TOTAL ASSETS 1,433,937.63

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

2201 · First Foundation Master Card	-371.83
-------------------------------------	---------

Total Credit Cards -371.83

Total Current Liabilities -371.83

Total Liabilities -371.83

Equity

32000 · Retained Earnings	1,266,654.18
---------------------------	--------------

Net Income 167,655.28

Total Equity 1,434,309.46

TOTAL LIABILITIES & EQUITY 1,433,937.63



**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**  
**Profit & Loss Budget vs. Actual**  
**July through August 2023**

Ordinary Income/Expense	Jul - Aug 23	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
<b>4100 · Membership Dues</b>				
4101 · Affiliates	201,000.00	322,500.00	-121,500.00	62.33%
4102 · Non Profit - Organizations	1,200.00	3,000.00	-1,800.00	40.0%
4103 · Non Profit - Systems	5,400.00	6,500.00	-1,100.00	83.08%
4104 · Systems - Medium	48,000.00	52,000.00	-4,000.00	92.31%
4105 · Systems - Large	30,000.00	42,000.00	-12,000.00	71.43%
<b>Total 4100 · Membership Dues</b>	<b>285,600.00</b>	<b>426,000.00</b>	<b>-140,400.00</b>	<b>67.04%</b>
<b>4200 · Webinar Symposium Registration</b>				
4201 · Affiliates - Early	0.00	0.00	0.00	0.0%
4202 · Affiliates - Regular	0.00	1,250.00	-1,250.00	0.0%
4203 · Affiliates - Late/Onsite	0.00	0.00	0.00	0.0%
4204 · Non Profit	0.00	0.00	0.00	0.0%
4205 · Systems	0.00	1,250.00	-1,250.00	0.0%
4206 · Non-Members	0.00	2,000.00	-2,000.00	0.0%
<b>Total 4200 · Webinar Symposium Registration</b>	<b>0.00</b>	<b>4,500.00</b>	<b>-4,500.00</b>	<b>0.0%</b>
<b>4250 · Product Income</b>				
4251 · CERL	0.00	200.00	-200.00	0.0%
4252 · Roster	0.00	0.00	0.00	0.0%
4253 · Website Advertising	0.00	0.00	0.00	0.0%
4254 · Website Job Board	100.00	0.00	100.00	100.0%
4255 · Magazine Advertising	0.00	0.00	0.00	0.0%
4256 · On Demand Education	0.00	0.00	0.00	0.0%
4257 · Trustee Handbooks	0.00	0.00	0.00	0.0%
4269 · Product Shipping	0.00	0.00	0.00	0.0%
<b>Total 4250 · Product Income</b>	<b>100.00</b>	<b>200.00</b>	<b>-100.00</b>	<b>50.0%</b>
<b>4270 · UC Berkeley Program</b>				
4271 · Registrations	22,500.00	80,000.00	-57,500.00	28.13%
4272 · Sponsorships	25,000.00	40,000.00	-15,000.00	62.5%
4273 · Spouse	0.00	1,000.00	-1,000.00	0.0%
4270 · UC Berkeley Program - Other	0.00			
<b>Total 4270 · UC Berkeley Program</b>	<b>47,500.00</b>	<b>121,000.00</b>	<b>-73,500.00</b>	<b>39.26%</b>
<b>4300 · Fall Conference Registration</b>				
4301 · Affiliates - Early	0.00	0.00	0.00	0.0%
4302 · Affiliates - Regular	77,292.00	271,200.00	-193,908.00	28.5%
4303 · Affiliates - Late/Onsite	0.00	84,480.00	-84,480.00	0.0%
4304 · Non Profit	150.00	1,500.00	-1,350.00	10.0%
4305 · Systems	6,480.00	20,000.00	-13,520.00	32.4%
4306 · Non-Members	70,488.00	224,280.00	-153,792.00	31.43%
4307 · Fun Run	330.00	500.00	-170.00	66.0%
4308 · Yoga	195.00	100.00	95.00	195.0%
4309 · Spouse	800.00	5,000.00	-4,200.00	16.0%
<b>Total 4300 · Fall Conference Registration</b>	<b>155,735.00</b>	<b>607,060.00</b>	<b>-451,325.00</b>	<b>25.65%</b>

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**  
**Profit & Loss Budget vs. Actual**  
 July through August 2023

	Jul - Aug 23	Budget	\$ Over Budget	% of Budget
<b>4350 - Spring Conference Registration</b>				
4351 - Affiliates - Early	1,020.00	0.00	1,020.00	100.0%
4352 - Affiliates - Regular	4,520.00	271,200.00	-266,680.00	1.67%
4353 - Affiliates - Late/Onsite	1,280.00	84,480.00	-83,200.00	1.52%
4354 - Non Profit	240.00	1,500.00	-1,260.00	16.0%
4355 - Systems	1,680.00	20,000.00	-18,320.00	8.4%
4356 - Non-Members	8,010.00	224,280.00	-216,270.00	3.57%
4357 - Fun Run	180.00	500.00	-320.00	36.0%
4358 - Yoga	45.00	100.00	-55.00	45.0%
4359 - Spouse	0.00	5,000.00	-5,000.00	0.0%
<b>Total 4350 - Spring Conference Registration</b>	<b>16,975.00</b>	<b>607,060.00</b>	<b>-590,085.00</b>	<b>2.8%</b>
<b>4900 - Interest Earned</b>	<b>9,262.98</b>	<b>0.00</b>	<b>9,262.98</b>	<b>100.0%</b>
<b>Total Income</b>	<b>515,172.98</b>	<b>1,765,820.00</b>	<b>-1,250,647.02</b>	<b>29.18%</b>
<b>Gross Profit</b>	<b>515,172.98</b>	<b>1,765,820.00</b>	<b>-1,250,647.02</b>	<b>29.18%</b>
<b>Expense</b>				
<b>5000 - Administrative Fee</b>	<b>37,500.00</b>	<b>225,000.00</b>	<b>-187,500.00</b>	<b>16.67%</b>
5001 - Administrative Services	0.00	500.00	-500.00	0.0%
5002 - Awards	-902.56	500.00	-1,402.56	-180.51%
5003 - Bank Charges/Credit Card Fees	4,689.58	36,000.00	-31,310.42	13.03%
<b>5010 - Berkeley &amp; Symposium</b>				
5011 - Audio/Visual	0.00	8,204.00	-8,204.00	0.0%
5012 - Delivery & Shipping	112.55	0.00	112.55	100.0%
5013 - Hotel	0.00	0.00	0.00	0.0%
5014 - Food & Beverage	0.00	12,500.00	-12,500.00	0.0%
5015 - Materials/Printing/Design	1,934.16	1,000.00	934.16	193.42%
5016 - Travel	0.00	1,000.00	-1,000.00	0.0%
5017 - UC Berkeley	240,000.00	240,000.00	0.00	100.0%
<b>Total 5010 - Berkeley &amp; Symposium</b>	<b>242,046.71</b>	<b>262,704.00</b>	<b>-20,657.29</b>	<b>92.14%</b>
<b>5020 - Webinar Symposium</b>				
5021 - Webinar Speaker	0.00	0.00	0.00	0.0%
5022 - Webinar Technology	0.00	25,000.00	-25,000.00	0.0%
5023 - Webinar Misc	0.00	0.00	0.00	0.0%
<b>Total 5020 - Webinar Symposium</b>	<b>0.00</b>	<b>25,000.00</b>	<b>-25,000.00</b>	<b>0.0%</b>
<b>5030 - CERL</b>				
5031 - Materials/Printing/Design	0.00	16,500.00	-16,500.00	0.0%
5032 - Shipping	0.00	1,300.00	-1,300.00	0.0%
<b>Total 5030 - CERL</b>	<b>0.00</b>	<b>17,800.00</b>	<b>-17,800.00</b>	<b>0.0%</b>
5039 - Charitable Contributions	0.00	0.00	0.00	0.0%
5040 - Commissions & Fees	25.00	15,000.00	-14,975.00	0.17%
5041 - Consulting	4,582.00	21,192.00	-16,610.00	21.62%
5042 - Dues & Subscriptions	0.00	3,700.00	-3,700.00	0.0%
<b>5050 - Fall Conference</b>				
5051 - Audio/Visual	0.00	103,000.00	-103,000.00	0.0%
5052 - Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**  
**Profit & Loss Budget vs. Actual**  
July through August 2023

	Jul - Aug 23	Budget	\$ Over Budget	% of Budget
5053 - Entertainment	0.00	6,500.00	-6,500.00	0.0%
5054 - Hotel				
5054.1 - Wednesday Night Event	0.00	82,500.00	-82,500.00	0.0%
5054.2 - Conference	0.00	35,000.00	-35,000.00	0.0%
5054.3 - Food & Beverage	0.00	275,000.00	-275,000.00	0.0%
<b>Total 5054 - Hotel</b>	<b>0.00</b>	<b>392,500.00</b>	<b>-392,500.00</b>	<b>0.0%</b>
5055 - Program Material	0.00	25,000.00	-25,000.00	0.0%
5056 - Speakers	0.00	50,000.00	-50,000.00	0.0%
5057 - Supplies	0.00	500.00	-500.00	0.0%
5058 - Travel	0.00	15,000.00	-15,000.00	0.0%
<b>Total 5050 - Fall Conference</b>	<b>0.00</b>	<b>595,000.00</b>	<b>-595,000.00</b>	<b>0.0%</b>
5070 - Insurance	35.00	5,000.00	-4,965.00	0.7%
5071 - Legal & Professional Fees	0.00	25,000.00	-25,000.00	0.0%
5072 - Legislative Advocacy	10,468.00	62,808.00	-52,340.00	16.67%
5080 - Magazine				
5081 - Delivery & Shipping	0.00	600.00	-600.00	0.0%
5082 - Design/Printing/Etc.	0.00	15,000.00	-15,000.00	0.0%
5083 - Magazine - Other	0.00	8,000.00	-8,000.00	0.0%
5080 - Magazine - Other	0.00	0.00	0.00	0.0%
<b>Total 5080 - Magazine</b>	<b>0.00</b>	<b>23,600.00</b>	<b>-23,600.00</b>	<b>0.0%</b>
6000 - Board & Committees				
6001 - Board of Directors				
6001.1 - Food & Beverage	25,654.92	25,000.00	654.92	102.62%
6001.2 - Printing/Supplies	885.23	0.00	885.23	100.0%
6001.3 - Travel - BOD Meetings	2,451.35	10,000.00	-7,548.65	24.51%
6001.4 - Travel - Miscellaneous BOD	0.00	10,000.00	-10,000.00	0.0%
6001.5 - Board Of Directors - Other	0.00	10,000.00	-10,000.00	0.0%
6001 - Board of Directors - Other	5,000.00			
<b>Total 6001 - Board of Directors</b>	<b>33,991.50</b>	<b>55,000.00</b>	<b>-21,008.50</b>	<b>61.8%</b>
6002 - Legislative Committee Meetings	0.00	0.00	0.00	0.0%
6003 - Program Committee Meetings	0.00	0.00	0.00	0.0%
6004 - Nominating Committee Meetings	0.00	0.00	0.00	0.0%
6005 - Audit Committee Meetings	0.00	0.00	0.00	0.0%
6006 - Education Committee Meetings	0.00	0.00	0.00	0.0%
6007 - ByLaws Committee Meetings	0.00	0.00	0.00	0.0%
<b>Total 6000 - Board &amp; Committees</b>	<b>33,991.50</b>	<b>55,000.00</b>	<b>-21,008.50</b>	<b>61.8%</b>
6010 - Office Expenses / Supplies	641.24	2,500.00	-1,858.76	25.65%
6011 - Postage & Delivery	604.37	8,500.00	-7,895.63	7.11%
6020 - Spring Conference				
6021 - Audio/Visual	0.00	103,000.00	-103,000.00	0.0%
6022 - Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
6023 - Entertainment	0.00	6,500.00	-6,500.00	0.0%
6024 - Hotel				
6024.1 - Wednesday Night Event	0.00	82,500.00	-82,500.00	0.0%

**STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS**  
**Profit & Loss Budget vs. Actual**  
 July through August 2023

	Jul - Aug 23	Budget	\$ Over Budget	% of Budget
6024.2 - Conference	1,835.86	0.00	1,835.86	100.0%
6024.3 - Food & Beverage	0.00	275,000.00	-275,000.00	0.0%
<b>Total 6024 - Hotel</b>	<b>1,835.86</b>	<b>357,500.00</b>	<b>-355,664.14</b>	<b>0.51%</b>
6025 - Program Material	-808.07	25,000.00	-25,808.07	-3.23%
6026 - Speakers	0.00	50,000.00	-50,000.00	0.0%
6027 - Supplies	0.00	1,000.00	-1,000.00	0.0%
6028 - Travel	0.00	15,000.00	-15,000.00	0.0%
<b>Total 6020 - Spring Conference</b>	<b>1,027.79</b>	<b>560,500.00</b>	<b>-559,472.21</b>	<b>0.18%</b>
6050 - Strategic Facilitator	0.00	0.00	0.00	0.0%
6051 - Taxes & Licenses	0.00	600.00	-600.00	0.0%
6053 - Technology/AMS/Website	12,809.07	42,000.00	-29,190.93	30.5%
6054 - Travel	0.00	2,000.00	-2,000.00	0.0%
<b>Total Expense</b>	<b>347,517.70</b>	<b>1,989,904.00</b>	<b>-1,642,386.30</b>	<b>17.46%</b>
<b>Net Ordinary Income</b>	<b>167,655.28</b>	<b>-224,084.00</b>	<b>391,739.28</b>	<b>-74.82%</b>
<b>Net Income</b>	<b>167,655.28</b>	<b>-224,084.00</b>	<b>391,739.28</b>	<b>-74.82%</b>



STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss by Class

July through August 2023

	Aug	GENERAL	Future	TOTAL
Ordinary Income/Expense				
Income				
4100 - Membership Dues				
4101 - Affiliates	0.00	201,000.00	0.00	201,000.00
4102 - Non Profit - Organizations	0.00	1,200.00	0.00	1,200.00
4103 - Non Profit - Systems	0.00	5,400.00	0.00	5,400.00
4104 - Systems - Medium	0.00	48,000.00	0.00	48,000.00
4105 - Systems - Large	0.00	30,000.00	0.00	30,000.00
<b>Total 4100 - Membership Dues</b>	<b>0.00</b>	<b>285,600.00</b>	<b>0.00</b>	<b>285,600.00</b>
4250 - Product Income				
4254 - Website Job Board	0.00	100.00	0.00	100.00
<b>Total 4250 - Product Income</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>
4270 - UC Berkeley Program				
4271 - Registrations	0.00	22,500.00	0.00	22,500.00
4272 - Sponsorships	0.00	25,000.00	0.00	25,000.00
4270 - UC Berkeley Program - Other	0.00	0.00	0.00	0.00
<b>Total 4270 - UC Berkeley Program</b>	<b>0.00</b>	<b>47,500.00</b>	<b>0.00</b>	<b>47,500.00</b>
4300 - Fall Conference Registration				
4302 - Affiliates - Regular	0.00	77,292.00	0.00	77,292.00
4304 - Non Profit	0.00	150.00	0.00	150.00
4305 - Systems	0.00	6,480.00	0.00	6,480.00
4306 - Non-Members	0.00	70,488.00	0.00	70,488.00
4307 - Fun Run	0.00	330.00	0.00	330.00
4308 - Yoga	0.00	195.00	0.00	195.00
4309 - Spouse	0.00	800.00	0.00	800.00
<b>Total 4300 - Fall Conference Registration</b>	<b>0.00</b>	<b>155,735.00</b>	<b>0.00</b>	<b>155,735.00</b>
4350 - Spring Conference Registration				
4351 - Affiliates - Early	1,020.00	0.00	0.00	1,020.00
4352 - Affiliates - Regular	4,520.00	0.00	0.00	4,520.00
4353 - Affiliates - Late/Onsite	1,280.00	0.00	0.00	1,280.00
4354 - Non Profit	240.00	0.00	0.00	240.00
4355 - Systems	1,680.00	0.00	0.00	1,680.00
4356 - Non-Members	8,010.00	0.00	0.00	8,010.00
4357 - Fun Run	180.00	0.00	0.00	180.00
4358 - Yoga	45.00	0.00	0.00	45.00
<b>Total 4350 - Spring Conference Registration</b>	<b>16,975.00</b>	<b>0.00</b>	<b>0.00</b>	<b>16,975.00</b>
4900 - Interest Earned	0.00	9,262.98	0.00	9,262.98
<b>Total Income</b>	<b>16,975.00</b>	<b>498,197.98</b>	<b>0.00</b>	<b>515,172.98</b>
<b>Gross Profit</b>	<b>16,975.00</b>	<b>498,197.98</b>	<b>0.00</b>	<b>515,172.98</b>
Expense				
5000 - Administrative Fee	0.00	37,500.00	0.00	37,500.00
5002 - Awards	0.00	-902.56	0.00	-902.56
5003 - Bank Charges/Credit Card Fees	0.00	4,689.58	0.00	4,689.58
5010 - Berkeley & Symposium				
5012 - Delivery & Shipping	0.00	112.55	0.00	112.55

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss by Class

July through August 2023

	Fig	GENERAL	Future	TOTAL
5015 · Materials/Printing/Design	0.00	1,934.16	0.00	1,934.16
5017 · UC Berkeley	0.00	240,000.00	0.00	240,000.00
<b>Total 5010 · Berkeley &amp; Symposium</b>	<b>0.00</b>	<b>242,046.71</b>	<b>0.00</b>	<b>242,046.71</b>
5040 · Commissions & Fees	0.00	25.00	0.00	25.00
5041 · Consulting	0.00	4,582.00	0.00	4,582.00
5070 · Insurance	0.00	35.00	0.00	35.00
5072 · Legislative Advocacy	0.00	10,468.00	0.00	10,468.00
6000 · Board & Committees				
6001 · Board of Directors				
6001.1 · Food & Beverage	0.00	25,654.92	0.00	25,654.92
6001.2 · Printing/Supplies	0.00	885.23	0.00	885.23
6001.3 · Travel - BOD Meetings	0.00	2,451.35	0.00	2,451.35
6001 · Board of Directors - Other	0.00	5,000.00	0.00	5,000.00
<b>Total 6001 · Board of Directors</b>	<b>0.00</b>	<b>33,991.50</b>	<b>0.00</b>	<b>33,991.50</b>
<b>Total 6000 · Board &amp; Committees</b>	<b>0.00</b>	<b>33,991.50</b>	<b>0.00</b>	<b>33,991.50</b>
6010 · Office Expenses / Supplies	0.00	641.24	0.00	641.24
6011 · Postage & Delivery	0.00	604.37	0.00	604.37
6020 · Spring Conference				
6024 · Hotel				
6024.2 · Conference	0.00	1,835.86	0.00	1,835.86
<b>Total 6024 · Hotel</b>	<b>0.00</b>	<b>1,835.86</b>	<b>0.00</b>	<b>1,835.86</b>
6025 · Program Material	0.00	-808.07	0.00	-808.07
<b>Total 6020 · Spring Conference</b>	<b>0.00</b>	<b>1,027.79</b>	<b>0.00</b>	<b>1,027.79</b>
6053 · Technology/AMS/Website	0.00	12,809.07	0.00	12,809.07
6054 · Travel	0.00	0.00	0.00	0.00
<b>Total Expense</b>	<b>0.00</b>	<b>347,517.70</b>	<b>0.00</b>	<b>347,517.70</b>
<b>Net Ordinary Income</b>	<b>16,975.00</b>	<b>150,680.28</b>	<b>0.00</b>	<b>167,655.28</b>
<b>Net Income</b>	<b>16,975.00</b>	<b>150,680.28</b>	<b>0.00</b>	<b>167,655.28</b>



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

David MacDonald, Contra Costa CERA, SACRS President

- A. SACRS President Update. Verbal report, no printed materials for this item.



## **5. SACRS Legislative Committee Update – Action**

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

- A. 2023 Legislative Report – No Action
- B. 2024 Legislative Proposals – Action Item



October 5, 2023

TO: State Association of County Retirement Systems

FROM: Edelstein Gilbert Robson & Smith, LLC

RE: **Legislative Update – October 2023**

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The California Legislature closed out its work for the 2023 legislative session on the evening of September 14<sup>th</sup>, sending approximately 900 bills to the Governor for consideration. The Governor has until October 14<sup>th</sup> to act on those measures.

While there were several areas of public policymaking that captured the Legislature's attention this year, labor and employment policy primarily dominated the legislative landscape. This was driven by ongoing strikes affecting the entertainment and Southern California lodging industries. Additionally, threatened strikes by healthcare workers, state and local public employee unions, UPS, pending statewide ballot measures, and a referendum to overturn a recently enacted restaurant wage law, the media deemed summer 2023 to be California's "[Hot Labor Summer](#)".

The Democrat dominated and labor-friendly Legislature responded with dozens of legislative proposals aimed at assisting its most important constituency: organized labor. With overwhelming 3/4 supermajorities in each house of the Legislature, labor-backed, Democrat-authored labor bills are almost certain to pass. Among the many labor-backed bills that the Governor has acted on are:

[SB 799 \(Portantino\) Unemployment Insurance for Striking Workers -- VETOED](#)

This bill would have made striking workers who have been on strike for more than two weeks eligible for unemployment insurance benefits.

[SB 616 \(Gonzalez\) – Paid Sick Leave -- SIGNED](#)

This bill would extend the annual amount of paid sick leave required to be given to an employee from three days to five days.

The Governor has not yet acted on [AB 1](#) which would allow legislative employees to join a union and collectively bargain for their wages and working conditions.

**Legislation of Interest**

**SB 885 (Committee on Labor, Public Employment and Retirement).** This is the annual committee omnibus bill that contains various cleanup provisions for CalSTRS, CalPERS and CERL systems. The amendments to the CERL make non-substantive, technical changes as well as conform provisions on Required Minimum Distributions to federal law under the SECURE ACT 2.0 by referencing the federal law instead of a specific age.



The Governor signed this bill into law.

**AB 1020 (Grayson) – CERL Disability Presumptions.** This bill would establish several new disability retirement presumptions for various injuries and illnesses in the CERL, similar to provisions that exist in the Labor Code. The bill is sponsored by the California Professional Firefighters. The author and sponsor agreed to technical clarifications proposed by SACRS that were amended into the bill in June. CSAC remains opposed to the bill.

The bill is on the Governor's desk.

**AB 1637 (Irwin) - Local Government Websites and Email Addresses.** Would, no later than January 1, 2029, require a local agency, as defined, that maintains an internet website for use by the public to ensure that the internet website utilizes a “.gov” top-level domain or a “.ca.gov” second-level domain and would require a local agency that maintains an internet website that is noncompliant with that requirement to redirect that internet website to a domain name that does utilize a “.gov” or “.ca.gov” domain. This bill, no later than January 1, 2029, would also require a local agency that maintains public email addresses to ensure that each email address provided to its employees utilizes a “.gov” domain name or a “.ca.gov” domain name. By adding to the duties of local officials, the bill would impose a state-mandated local program.

The bill is on the Governor's desk.

**AB 557 (Hart) - Brown Act Emergency Teleconferencing Sunset Extension.** This bill would remove the sunset in current law to allow teleconferencing during certain emergencies as well as increase the time period when the Board must renew the findings of an emergency or need for social distancing from 30 days to 45 days.

The bill is on the Governor's desk.

**SB 537 (Becker) - Teleconference Flexibilities.** This bill would allow expanded teleconference flexibilities for multijurisdictional, cross county legislative bodies if certain requirements are met, along with adding to the list of circumstances where a member is permitted to participate remotely. The bill has been narrowed considerably as it advanced through various policy committees in each house.

The bill was held on the Assembly Floor and may be considered when the Legislature returns in January.

### **2024 Legislative Preview**

The legislative committee is currently working on proposals for consideration at the fall conference.



September 15, 2023

RE: SACRS Legislative Proposals 2024

Dear SACRS Board of Directors,

The SACRS Legislative Committee has developed a legislative package for consideration in the upcoming 2024 legislative session. These proposals reflect the input of SACRS member systems and are intended to provide technical and administrative clarity to various sections of the County Employees Retirement Law of 1937 (CERL or '37 Act).

Proposed amendments to the CERL include the following:

- Clarification that a retiree's pension payment can be deposited in a trust account controlled by that member. This is not intended to change the statutory intent that an ongoing pension payment must be made to a natural person; however, the amendment provides uniformity to an issue that has been interpreted differently across the '37 Act systems. SACRS' tax counsel from the Hanson Bridgett law firm has reviewed the language for appropriateness and compliance with federal and California law.
- Authority for a Board of Retirement to make payments to retirees through a prepaid account (like a debit card). This amendment is intended to accommodate retirees who may not have a traditional checking or savings account, leaving the only option to receive regular pension payments through paper check by mail or in-person. The COVID-19 pandemic and past natural disasters have shown that the use of paper checks can be adversely affected in delivering promised benefits. This amendment only authorizes the system to utilize prepaid accounts as a payment method; it does not mandate it.
- Removal of requirement for a certified mail "return receipt" when sending notices to terminated members or beneficiaries that they have contributions or unclaimed benefits remaining with the system. Though IRS regulations require registered or certified mail for locating members and beneficiaries, the "return receipt" language found in the CERL is not an IRS requirement and reflects an outdated practice. Certified mail now allows the sender to electronically track the letter at significant cost savings.



- Direction for retirement systems to take certain actions when retired members exceed the 960-hour post-retirement employment limit. The proposed amendments would require the system to offset the member’s retirement allowance by the equivalent excess hours paid above 960 hours to ensure that the retired member is not receiving a pension and a salary outside of the prescribed limit. These amendments do not preclude retirement system from also reinstating the member into active service as the system deems necessary.

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

Respectfully,

/s/

David Nelsen and Eric Stern  
Co-Chairs, Legislative Committee

#### ATTACHMENT

- SACRS Draft Language – 2024 CERL Amendments

**Government Code Section 31452.6 (Amend)**

31452.6. (a) The board shall comply with and give effect to a revocable written authorization signed by a retired member or beneficiary of a retired member entitled to a retirement allowance or benefit under this chapter or the California Public Employees' Pension Reform Act of 2013, authorizing the treasurer or other entity authorized by the board to deliver the monthly warrant, check, or electronic fund transfer, for the retirement allowance or benefit to any specified bank, savings and loan institution, ~~or~~ credit union, or prepaid account to be credited to the account of the retired member or survivor of a deceased retired member. That delivery is full discharge of the liability of the board to pay a monthly retirement allowance or benefit to the retired member or survivor of a deceased retired member.

(b) Any payments directly deposited by electronic fund transfer following the date of death of a person who was entitled to receive a retirement allowance or benefit under this chapter or the California Public Employees' Pension Reform Act of 2013 shall be refunded to the retirement system.

(c) In order to obtain information from a financial institution following the death of a retired member or the beneficiary of a retired member, as provided in subdivision (o) of Section 7480, the board may certify in writing to the financial institution that the retired member or the beneficiary of a retired member has died and that transfers to the account of the retired member or beneficiary of a retired member at the financial institution from the retirement system occurred after the date of death of the retired member or the beneficiary of a retired member.

(d)(1) For purposes of this section, "the account of the retired member or survivor of a deceased retired member," may include an account held in a living trust or an income only trust (Miller Trust) that is controlled by the retired member or survivor of a deceased retired member or is established for the retired member's (or survivor of a deceased retired member's) benefit in order to qualify for State Medicaid or comparable assistance.

(d)(2) For purposes of this section, the term "prepaid account" shall have the same meaning as defined in, and meet the applicable requirements of, Section 1339.1 of the Unemployment Insurance Code.

**Government Code Section 31590 (Amend)**

(a) All warrants, checks, and electronic fund transfers drawn on the retirement fund shall be signed or authorized by at least two board officers or employees, designated by the board or by the treasurer if designated by the board. If the treasurer is designated by the board, the board shall also designate the auditor to sign or authorize warrants, checks, and electronic fund transfers. The authorization may be by blanket authorization of all warrants, checks, or electronic fund transfers appearing on a list or register, or may be by a standing order to draw warrants, checks, or electronic fund transfers, which shall be good until revoked. If the treasurer and auditor are designated by the board, a warrant, check, or electronic fund transfer is not valid until it is signed or authorized, numbered, and recorded by the county auditor, except as provided in subdivision (c).

(b)(1) Any person entitled to the receipt of benefits may authorize the payment of the

benefits to be directly deposited by electronic fund transfer into the person's account at the financial institution of the person's choice under a program for direct deposit by electronic transfer established by the board or treasurer if authorized by the board. The direct deposit shall discharge the system's obligation in respect to that payment.

(2) Such person may also authorize the payment of their benefits to be deposited into a prepaid account under a program established by the board or treasurer if authorized by the board. The payment of the benefit into the prepaid account shall discharge the system's obligation in respect to that payment. For purposes of this paragraph, the term "prepaid account" shall have the same meaning as defined in, and meet the applicable requirements of, Section 1339.1 of the Unemployment Insurance Code.

(c) The board may, or, if authorized by the board, the treasurer shall, authorize a trust company or trust department of any state or national bank authorized to conduct the business of a trust company in this state or the Federal Reserve Bank of San Francisco or any branch thereof within this state, to process and issue payments by check or electronic fund transfer.

#### **Government Code Section 31628 (Amend)**

If the service of a member is discontinued other than by death or retirement, upon proper application submitted to the retirement board, he or she shall be paid all of his or her accumulated contributions, in accordance with this chapter, minus a withdrawal charge, if a withdrawal charge has been provided for by the regulations of the board. The board may order payment in whole or in part withheld for a period not to exceed six months after date of separation. If a member does not file the proper application, the board shall send to the member, not more than 90 days after termination of service, at his or her last known address, a registered or certified letter, ~~return receipt requested~~, stating that he or she has money to his or her credit on the books of the retirement system and that if he or she does not claim the money within 10 years after date of notice, in the case of persons first employed before January 1, 1976, or within five years in the case of persons first employed on and after January 1, 1976, the money will be deposited in and become a part of the current pension reserve fund.

#### **Government Code Section 31680.2 (Amend)**

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

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

(2) A retired person who accepts an appointment after receiving unemployment insurance compensation as described in this subdivision shall terminate that employment on the last day

of the current pay period and shall not be eligible for reappointment subject to this section for a period of 12 months following the last day of employment.

(3) Beginning January 1, 2013, if any provision of this section conflicts with the California Public Employees' Pension Reform Act of 2013, the provisions of that act shall prevail, except that the limit on postretirement employment provided in subdivision (a) to the greater of 90 working days or 720 hours shall remain effective.

(c) Notwithstanding subdivision (a), the retired person's retirement allowance shall be considered an overpayment to the extent it is payable during any period in which the retired person is employed and paid for that employment in excess of 90 working days or 720 hours, whichever is greater, in any one fiscal year or any other 12-month period designated by the board of supervisors. Such overpayment shall be subject to collection by the retirement system. This paragraph does not preclude the retirement system from taking additional action as it deems necessary to reinstate the person as a member of the system or terminate or suspend their retirement allowance.

**Government Code Section 31680.3 (Amend)**

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

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

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

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

(d) Notwithstanding subdivision (a), the retired member's retirement allowance shall be considered an overpayment to the extent it is payable during any period in which the retired member is employed and paid for that employment in excess of 120 working days or 960 hours, whichever is greater, in any one fiscal year. Such overpayment shall be subject to collection by the retirement system. This subdivision does not preclude the retirement system from taking additional action as it deems necessary to reinstate the person as a member of the system or terminate or suspend their retirement allowance.

**Government Code Section 31680.6 (Amend)**

(a) Notwithstanding Section 31680.2, any county subject to Section 31680.2 may, upon adoption of a resolution by a majority vote by the board of supervisors, extend the period of time provided for in Section 31680.2 for which a person who has retired may be employed in a position requiring special skills or knowledge, as determined by the county or district employing him or her, not to exceed 120 working days or 960 hours, whichever is greater, in any one fiscal year or any other 12-month period designated by the board of supervisors and may be paid for that employment. That employment shall not operate to reinstate the person as a member of this system or to terminate or suspend his or her retirement allowance, and no deductions shall be made from his or her salary as contributions to this system.

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

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

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

(d) Notwithstanding subdivision (a), the retired person's retirement allowance shall be considered an overpayment to the extent it is payable during any period in which the retired person is employed and paid for that employment in excess of 120 working days or 960 hours, whichever is greater, in any one fiscal year of any other 12-month period designated by the board of supervisors. Such overpayment shall be subject to collection by the retirement system. This section does not preclude the retirement system from taking additional action as it deems necessary to reinstate the person as a member of the system or terminate or suspend their retirement allowance.

**Government Code Section 31680.9 (Add)**

A retired member who is employed pursuant to Section 7522.56 shall have their retirement allowance be considered an overpayment to the extent it is payable during any period in which the retired member is employed and paid for that employment in excess of 960 hours or other equivalent limit in a calendar year or fiscal year. Such overpayment shall be subject to collection by the retirement system. This section does not preclude the retirement system from taking additional action as it deems necessary to reinstate the person as a member of the system or terminate or suspend their retirement allowance.

**Government Code Section 31783.5 (Amend)**

(a) Whenever a person or estate entitled to payment of a member's accumulated contributions or any other benefit fails to claim the payment or cannot be located, the amount owed from the retirement fund shall be administered in accordance with subdivision (c).

(b) The board shall attempt to locate the claimant through such means as the board in its sound discretion deems reasonable including, but not limited to, a registered or certified letter, ~~return receipt requested~~, mailed to the last known address of the claimant.

(c) Notwithstanding any provision of law to the contrary, the amounts described in subdivision (a) shall be held for the claimant. If the amounts are not claimed within five years after the last attempted contact with the claimant, the amounts shall be deposited in and become a part of the pension reserve fund. The board may at any time after transfer of unclaimed amounts, upon receipt of information satisfactory to it, authorize the return of amounts so held in reserve to the credit of the claimant. Those amounts shall be paid only to claimants who have not yet attained the age of mandatory distribution under the Internal Revenue Code



**6. SACRS Nomination Committee - 2024-2025 SACRS Board of Directors Elections – No Action**

Vivian Gray, Los Angeles CERA & SACRS Nomination Committee Chair

A. SACRS Board of Directors Elections 2024-2025



October 1, 2023

To: SACRS Trustees & SACRS Administrators/CEO's  
 From: Vivian Gray, SACRS Immediate Past President, Nominating Committee Chair  
 SACRS Nominating Committee  
 Re: SACRS Board of Director Elections 2024-2025 - Elections Notice

SACRS BOD 2024-2025 election process will begin January 1, 2024. Please provide this election notice to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2024	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, 2024	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 10, 2024	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 10, 2024	Board of Directors take office for 1 year

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

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

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

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

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

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



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

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

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

The elections will be held at the SACRS Spring Conference May 7-10, 2024. Elections will be held during the Annual Business meeting on Friday, May 10, 2024, in Santa Barbara at the Hilton Santa Barbara Beachfront Resort.

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

Thank you for your prompt attention to this timely matter.

Sincerely,

*Vivian Gray*

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

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



**SACRS Nomination Submission Form  
SACRS Board of Directors Elections 2024-2025**

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, 2024.** Please submit to the Nominating Committee Chair at [vgray@lacera.com](mailto:vgray@lacera.com) **AND** to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

<b>Name of Candidate</b>	Name:
<b>Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)</b>	Mailing Address:  Email Address:  Phone:
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name:
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> <b>General Elected</b> <input type="radio"/> Retiree <input type="radio"/> Other _____
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<input type="radio"/> President <input type="radio"/> <b>Vice President</b> <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
<b>Brief Bio in Paragraph Format</b>	



## **7. SACRS Audit Report – Action**

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

No report, Audit is currently under review.

No printed materials for this item.



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

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

No report, and no printed materials for this item.



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

Adele Tagaloa, Orange CERS & SACRS Program Committee Chair

- A. SACRS Annual Fall 2023 Conference Report.  
Verbal report, no printed materials for this item.



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

Joanne Svendsgaard, SACRS Affiliate Committee Chair

- A. Affiliate Committee report. Verbal update no printed materials for this item.



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

Barbara Hannah, San Bernardino CERA, SACRS Bylaws Committee Chair

- A. Bylaws Committee report. Verbal report, no printed materials for this item.



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

A representative from each breakout will give a report on their breakouts on Wednesday, November 8th. Verbal reports, no printed materials for this item.

- A. Administrator Breakout
- B. Affiliate Breakout
- C. Attorney Breakout
- D. Disability/Operations & Benefits Combo Breakout
- E. Internal Auditors Breakout
- F. Investment Officer Breakout
- G. Safety Trustee Breakout
- H. General Trustee Breakout



### **13. Adjournment**

Next scheduled SACRS Business Meeting will be held Friday, May 10, 2023, at the Hilton Santa Barbara Beachfront Resort, Santa Barbara, CA.