



AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING
July 8, 2020, 9:00 a.m.

The Board of Retirement meeting will be accessible telephonically at +1 (786) 535-3211, access code 902-784-661 due to the Contra Costa County and State of California Coronavirus (COVID-19) Shelter In Place Orders, and as permitted by Executive Order N-29-20 issued on March 17, 2020.

Persons who wish to make public comment may submit their comment to publiccomment@cccera.org on the day of the meeting, either before or during the meeting. Public comments are limited to any item of interest to the public that is within the subject matter jurisdiction of the Board of Retirement. (Gov't Code Section 54954.3(a).) All comments submitted will be included in the record of the meeting. The comments will be read into the record at the meeting, subject to a three-minute time limit per comment.

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Roll Call.
3. Board Reorganization:
 - a. Election of Chair (Smithey, incumbent).
 - b. Election of Vice-Chair (Gordon, incumbent).
 - c. Election of Secretary (MacDonald, incumbent).
4. Recognition of Leilani Green for 20 years of service.
5. Accept comments from the public.
6. Approve minutes from the June 10, 2020 meeting.
7. Routine items for July 8, 2020.
 - a. Approve certifications of membership.

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

- b. Approve service and disability allowances.
- c. Accept disability applications and authorize subpoenas as required.
- d. Approve death benefits.
- e. Accept asset allocation report.
- f. Accept liquidity report.

CLOSED SESSION

- 8. The Board will go in to closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding the following disability retirement applications:

<u>Member</u>	<u>Type Sought</u>	<u>Recommendation</u>
a. James Brooks	Service Connected	Service Connected
b. Kirt DeMichiel	Service Connected	Service Connected

OPEN SESSION

- 9. Consider and take possible action to authorize the CEO to execute an agreement with Contra Costa County for contribution and reporting deadlines.
- 10. Presentation from staff and Acadian managers regarding a potential commitment to Acadian Multi-Asset Absolute Return Strategy.
- 11. Consider and take possible action regarding a commitment to Acadian Multi-Asset Absolute Return Strategy.
- 12. Review of report on liquidity sub-portfolio.
- 13. Presentation from Sit Investment Associates.
- 14. Consider and take possible action on SACRS voting proxy form.
- 15. Operations update.
- 16. Report out from Audit Committee Chair on June 24, 2020 Audit Committee meeting.
- 17. Consider authorizing the attendance of Board:
 - a. SACRS Summer Webinar Series, Ethics Training for Trustees and Staff, July 9, 2020, Virtual Program.
 - b. SACRS Summer Webinar Series, Sexual Harassment Prevention Training for Local Agency Officials, July 15, 2020, Virtual Program.
 - c. Public Pension Investment Management Program, SACRS, July 28-August 13, 2020, Virtual Program.

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

- d. Principles for Trustees, CALAPRS, August 18, 25 & 26, 2020, Virtual Program.
- e. 2020 Public Pension Funding Forum, NCPERS, August 24-25, 2020, Virtual Program.

18. Miscellaneous

- a. Staff Report
- b. Outside Professionals' Report
- c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.



Meeting Date
07/08/20
Agenda Item
#6

MINUTES

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING

June 10, 2020

9:00 a.m.

The Board of Retirement meeting will be accessible telephonically at (872) 240-3412, access code 524-186-309 due to the Contra Costa County and State of California Coronavirus (COVID-19) Shelter In Place Orders, and as permitted by Executive Order N-29-20 issued on March 17, 2020.

Present: Candace Andersen, Donald Finley, Scott Gordon, Jerry Holcombe, Louie Kroll, Jay Kwon, David MacDonald, John Phillips, William Pigeon, Mike Sloan, Todd Smithey and Russell Watts (by roll call)

Absent: None

Staff: Gail Strohl, Chief Executive Officer; Christina Dunn, Deputy Chief Executive Officer; Timothy Price, Chief Investment Officer; Karen Levy, General Counsel; Wrally Dutkiewicz, Compliance Officer; Anne Sommers, Administrative/HR Manager; Henry Gudino, Accounting Manager; Tim Hoppe, Retirement Services Manager; and Jasmine Lee, Member Services Manager

Outside Professional Support: Representing:

Christopher Fikes	Segal
Sue Ziegler	Segal
Jeffrey Mills	Segal

1. Pledge of Allegiance

The Board, staff and audience joined in the *Pledge of Allegiance*.

2. Accept comments from the public

Dunn read a public comment sent in by Cynthia Ruehlig, retiree, into the record. Ms. Ruehlig expressed her concerns over the length of time it took to process her retirement application.

Gordon requested the Board have further discussion on this issue at a later date.

3. Approval of Minutes

It was **M/S/C** to approve the minutes from the May 6, 2020 meeting. (Yes: Andersen, Gordon, Holcombe, Kroll, MacDonald, Phillips, Pigeon, Smithey and Watts)

4. Routine Items

It was **M/S/C** to approve the routine items of the June 10, 2020 meeting. (Yes: Andersen, Gordon, Holcombe, Kroll, MacDonald, Phillips, Pigeon, Smithey and Watts)

5. Update from Segal on pension administration system project - Christopher Fikes, Sue Ziegler, Jeffrey Mills

Fikes provided an update on the pension administration system project.

6. Consider and take possible action to issue a Request for Proposal for a Pension Administration System vendor

After a brief discussion, it was **M/S/C** to defer this item to June 24, 2020 Board Meeting. (Yes: Andersen, Gordon, Holcombe, Kroll, MacDonald, Phillips, Pigeon, Smithey and Watts)

7. Consider and take possible action to issue a Request for Proposal for Data Cleansing Services

It was **M/S/C** to defer this item to the June 24, 2020 Board meeting. (Yes: Andersen, Gordon, Holcombe, Kroll, MacDonald, Phillips, Pigeon, Smithey and Watts)

8. Presentation of 2019 CCCERA budget vs. actual expenses report

Gudino presented the 2019 CCCERA budget vs. actual expenses report.

9. Legislative update

Levy provided a legislative update.

10. Miscellaneous

(a) Staff Report –

Strohl reported the CCCERA website has a video on how to use the pension calculator, staff continues to work remotely, CCCERA is continuing to make retiree payroll payments timely, we are preparing a plan for when we bring the employees back into the office ensuring that we do it safely for the employees and members, and, we have been monitoring the health situation and been communicating with other businesses and pension plans to see what they are doing.

Strohl acknowledged staff and the management team for the phenomenal job they are doing.

(b) Outside Professionals' Report -

None

(c) Trustees' comments –

None

It was **M/S/C** to adjourn the meeting. (Yes: Andersen, Gordon, Holcombe, Kroll, MacDonald, Phillips, Pigeon, Smithey and Watts)

Todd Smithey, Chairman

David MacDonald, Secretary

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

<p><u>Meeting Date</u> 07/08/20 <u>Agenda Item</u> #7</p>

Items requiring Board Action

A. Certifications of Membership – see list and classification forms.

B. Service and Disability Retirement Allowances:

<u>Name</u>	<u>Number</u>	<u>Effective Date</u>	<u>Option Type</u>	<u>Tier</u>	<u>Selected</u>
Baiza, Edralin	51686	03/31/20	SR	Tier II and III	Unmodified
Bartlett, Don	D3406	02/15/20	SR	Tier I	Unmodified
Boland, James	60203	02/14/20	SR	Safety A	Unmodified
Brauch, Keith	D3406	03/27/20	SR	Tier I	Unmodified
Brown, Janet	51160	02/29/20	SR	Tier II and III	Unmodified
Burnash, Charles	D3406	03/27/20	SR	Tier I	Unmodified
Casey, Jerry	29690	03/31/20	SR	Tier II and III	Unmodified
Cayme, Elizabeth	65929	03/07/20	SR	Tier II and III	Unmodified
Craver, Christine	61827	03/31/20	SR	Tier III	Unmodified
Day, Sheila	51848	03/31/20	SR	Tier II and III	Option 1
Dang, Edward	39966	03/31/20	SR	Tier II and III	Unmodified
Delanoy, Sandra	70405	03/06/20	SR	Tier III	Option 2
Dennison, Jacqueline	61959	03/31/20	SR	Safety A	Unmodified
Dennison, Nathan	61962	03/31/20	SR	Safety A	Unmodified
Doakes, Enrico	51033	03/31/20	SR	Tier II and III	Unmodified
Doss, Mack	44584	03/31/20	SR	Tier II and III	Unmodified
Doyle, Gail	51507	01/02/20	SR	Tier III	Unmodified
Garcia, Elizabeth	52252	03/28/20	SR	Tier III	Unmodified
Griesau, Barbara	51314	03/28/20	SR	Tier II and III	Unmodified
Hayes, Warren	78916	03/31/20	SR	PEPRA 5.3	Unmodified
Hern, Gary	46941	03/30/20	SR	Safety A	Unmodified
Hickey, Jennifer	44403	03/30/20	SR	Tier II and III	Unmodified
Jeffries, Danny	71964	03/30/20	SR	Safety C	Unmodified
Kobata, Ronald	63109	03/28/20	SR	Tier II and III	Unmodified
Kromschroder, Carolyn	D9500	03/28/20	SR	Tier III	Unmodified
Malone, Patricia	D9500	03/14/20	SR	Tier II and III	Unmodified
Manalastas, Manolo	66402	03/28/20	SR	Tier III	Option 2
Martinez, Lisa	60526	03/28/20	SR	Safety A	Unmodified
Matli, Rita	73421	03/28/20	SR	Tier III	Unmodified
Nicholas, Constantine	74815	03/27/20	SR	Tier III	Unmodified

Option Type

NSP = Non-Specified
 SCD = Service Connected Disability
 SR = Service Retirement
 NSCD = Non-Service Connected Disability
 * = County Advance
 Selected w/option

Tier

I = Tier I
 II = Tier II
 III = Tier III
 S/A = Safety Tier A
 S/C = Safety Tier C
 Pepra 4.2 = Pepra Tier 4 (2% COLA)
 Pepra 4.3 = Pepra Tier 4 (3% COLA)
 Pepra 5.2 = Pepra Tier 5 (2% COLA)
 Pepra 5.3 = Pepra Tier 5 (3% COLA)
 S/D = Pepra Safety Tier D
 S/E = Pepra Safety Tier E

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

Obioma, MacColumba	49160	02/18/20	SR	Tier II and III	Unmodified
Ong, Henry	42829	03/30/20	SR	Tier II and III	Unmodified
Palmieri, Judith	45560	03/31/20	SR	Tier III	Unmodified
Perez, Raphael	74660	03/28/20	SR	Tier III	Unmodified
Parker, Donald	D3406	03/31/20	SR	Tier I	Unmodified
Pizzo, Anthony	50860	03/31/20	SR	Tier III	Unmodified
Rasmussen, David	43682	03/31/20	SR	Tier III	Unmodified
Revives, Claudio	46916	03/31/20	SR	Safety A	Unmodified
Ruehlig, Cynthia	55936	02/20/20	SR	Tier III	Unmodified
Sullivan, Kathleen	71635	03/26/20	SR	Tier III	Unmodified
Thompson, Robert	64818	03/31/20	SR	Safety A	Unmodified
Tidd, Tracy	D7830	03/18/20	SR	Safety A	Unmodified
Vargen-Kotchevar, Barbara	27843	03/31/20	SR	Tier I	Unmodified
Wells, Vincent	55192	03/03/20	SR	Safety A	Unmodified
Wedemeyer, Patricia	D3406	03/18/20	SR	Tier I and II	Unmodified
Williams, Elton	37518	03/28/20	SR	Tier II and III	Unmodified

C. Disability Retirement Applications: The Board's Hearing Officer is hereby authorized to issue subpoenas in the following cases involving disability applications:

<u>Name</u>	<u>Number</u>	<u>Filed</u>	<u>Type</u>
Pate, Shawn	55490	05/14/20	SCD
Cushman, David	56347	05/06/20	SCD
Maupin, Darcy	67740	03/06/20	SCD

D. Deaths:

<u>Name</u>	<u>Date of Death</u>	<u>Employer as of Date of Death</u>
Ciuppek-Reed, Philip	02/28/20	Contra Costa County
Cole, Sherrina	06/25/20	Contra Costa County Employees Retirement System
Heyer, Steven	05/30/20	Contra Costa County
Klein, Jennifer	05/28/20	Contra Costa County
Miller, Barry	06/03/20	Contra Costa County
Nerida, Quintin	05/21/20	Contra Costa County
Sharpe, Georgia	05/07/20	Contra Costa County
White, Gwendolyn	02/28/20	Contra Costa County
Yimbo, Jane	03/26/20	Contra Costa County
Young, Edward	04/30/20	Contra Costa County

<p>Option Type</p> <p>NSP = Non-Specified</p> <p>SCD = Service Connected Disability</p> <p>SR = Service Retirement</p> <p>NCSO = Non-Service Connected Disability</p> <p>* = County Advance</p> <p>Selected w/option</p>	<p>Tier</p> <p>I = Tier I</p> <p>II = Tier II</p> <p>III = Tier III</p> <p>S/A = Safety Tier A</p> <p>S/C = Safety Tier C</p>	<p>Pepra 4.2 = Pepra Tier 4 (2% COLA)</p> <p>Pepra 4.3 = Pepra Tier 4 (3% COLA)</p> <p>Pepra 5.2 = Pepra Tier 5 (2% COLA)</p> <p>Pepra 5.3 = Pepra Tier 5 (3% COLA)</p> <p>S/D = Pepra Safety Tier D</p> <p>S/E = Pepra Safety Tier E</p>
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CERTIFICATION OF MEMBERSHIPS

Name	Employee Number	Tier	Membership Date	Employer
Adogli, Boga	89373	P5.2	05/01/20	Contra Costa County
Akhtar, Amreen	89334	P5.2	05/01/20	Contra Costa County
Alon, Tamina	89336	P5.2	05/01/20	Contra Costa County
Baruti, Salman	89337	P5.2	05/01/20	Contra Costa County
Cambel, Nunilo	89333	P5.2	05/01/20	Contra Costa County
Chandra, Bhan	89168	P5.2	05/01/20	Contra Costa County
Contreras, MarcoAntonio	89359	P5.2	05/01/20	Contra Costa County
Crosse, Noell	69134	P4.2	05/01/20	Contra Costa County Fire Protection District
Dashman, Gina	D9500	P5.3	05/01/20	Contra Costa County Superior Courts
Dela Cuesta, Sharlyn	89301	P5.2	05/01/20	Contra Costa County
Drake, Adam	89354	P5.2	05/01/20	Contra Costa County
Dubon, Amanda	85256	P5.2	05/01/20	Contra Costa County
Duenas, Claudia	81616	PE.2	05/01/20	Contra Costa County
Epps, Nathaniel	87879	P5.2	05/01/20	Contra Costa County
Espinoza, Matthew	89357	P5.2	05/01/20	Contra Costa County
Falmos, Jesus	89197	P5.2	05/01/20	Contra Costa County
Fernandez, Karen	89294	P5.2	05/01/20	Contra Costa County
Fuentes, Jacob	89350	PE.2	05/01/20	Contra Costa County
Garcia, Daniel	89348	P5.2	05/01/20	Contra Costa County
Garcia, Jason	D3770	P4.3	04/01/20	Bethel Island Municipal District
Guitarte, Rizza	89050	P5.2	05/01/20	Contra Costa County
Gustafson, Karen	88050	P5.2	05/01/20	Contra Costa County
Handel, Kevin	89356	PE.2	05/01/20	Contra Costa County
Jhutti, Sandeep	88000	P5.2	05/01/20	Contra Costa County
Lau, David	89355	P5.2	05/01/20	Contra Costa County
Lockett, Alijahnae	88210	PE.2	05/01/20	Contra Costa County
Lodin, Zuzana	89042	P5.2	05/01/20	Contra Costa County
Martinez, Jennifer	87821	P5.2	05/01/20	Contra Costa County
McCockran, Kweli	89318	P5.2	05/01/20	Contra Costa County
McIlvenny, Frank	89305	P5.2	05/01/20	Contra Costa County
McLendon, Adrian	89347	P5.2	05/01/20	Contra Costa County
Milanese, Kyle	89360	P5.2	05/01/20	Contra Costa County
Murimi, Virginia	89199	P5.2	05/01/20	Contra Costa County
Paddock, Jeremy	89340	S/A	05/01/20	Contra Costa County Fire Protection District
Pagan, Matthew	89342	PE.2	05/01/20	Contra Costa County Fire Protection District
Pimentel, Teela	D9500	P5.3	05/01/20	Contra Costa County Superior Courts
Rajvongthong, Brandon	89358	P5.2	05/01/20	Contra Costa County
Robinson, Jeffrey	89382	P5.2	05/01/20	Contra Costa County
Sanders, Andrea	89304	P5.2	05/01/20	Contra Costa County
Santos, Terry	88188	P5.2	05/01/20	Contra Costa County

Key:

I = Tier I	P4.2 = PEPRA Tier 4 (2% COLA)	S/A = Safety Tier A
II = Tier II	P4.3 = PEPRA Tier 4 (3% COLA)	S/C = Safety Tier C
III = Tier III	P5.2 = PEPRA Tier 5 (2% COLA)	S/D = Safety Tier D
	P5.3 = PEPRA Tier 5 (3% COLA)	S/E = Safety Tier E

CERTIFICATION OF MEMBERSHIPS

Name	Employee Number	Tier	Membership Date	Employer
Sen, Moushumi	89374	P5.2	05/01/20	Contra Costa County
Silva, Travis	89344	PE.2	05/01/20	Contra Costa County Fire Protection District
Soto, Gabriel	89314	P5.2	05/01/20	Contra Costa County
Spencer, Collin	77248	PE.2	05/01/20	Contra Costa County Fire Protection District
Stephens, Anthony	89343	S/A	05/01/20	Contra Costa County Fire Protection District
Teekasingh, Eva	89349	P5.2	05/01/20	Contra Costa County
Thomson, Jack	89332	PE.2	05/01/20	Contra Costa County
VanNoy, Roddy	87663	P5.2	05/01/20	Contra Costa County
Wahab, Ahad	87807	PE.2	05/01/20	Contra Costa County
Weis, Sherrie	89339	P4.3	05/01/20	Local Agency Formation Commission (LAFCO)
Wessner, Margaret	89335	P5.2	05/01/20	Contra Costa County
Young, April	89307	P5.2	05/01/20	Contra Costa County

Key:

I = Tier I	P4.2 = PEPR Tier 4 (2% COLA)	S/A = Safety Tier A
II = Tier II	P4.3 = PEPR Tier 4 (3% COLA)	S/C = Safety Tier C
III = Tier III	P5.2 = PEPR Tier 5 (2% COLA)	S/D = Safety Tier D
	P5.3 = PEPR Tier 5 (3% COLA)	S/E = Safety Tier E

TIER CHANGES

Name	Employee Number	Old Tier	New Tier	Effective Date	Employer	Reason for Change
Berger, Carol	88899	P5.2	III	12/01/19	Contra Costa County	Recip In Age and Tier Change
Webb, Janice	89067	P4.2	I	01/01/20	Contra Costa County Fire Protection District	Recip In Age and Tier Change

Key:

I = Tier I	P4.2 = PEPR A Tier 4 (2% COLA)	S/A = Safety Tier A
II = Tier II	P4.3 = PEPR A Tier 4 (3% COLA)	S/C = Safety Tier C
III = Tier III	P5.2 = PEPR A Tier 5 (2% COLA)	S/D = Safety Tier D
	P5.3 = PEPR A Tier 5 (3% COLA)	S/E = Safety Tier E

Contra Costa County Employees' Retirement Association
Asset Allocation as of May 31, 2020

Meeting Date
07/08/20
Agenda Item
#7

	Market Value	Percentage of Total Fund	Current Target Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
Liquidity						
Sit	603,437,327	6.8%	6.0%	0.8%		
Dimensional Fund Advisors	394,272,069	4.4%	6.0%	-1.6%		
Insight	837,664,209	9.4%	12.0%	-2.6%		
Total Liquidity	1,835,373,606	20.7%	24.0%	-3.3%	24.0%	-3.3%
		Range				
		16% - 28%				
Growth						
Domestic Equity						
Boston Partners	208,422,805	2.3%	2.5%	-0.2%		
Jackson Square	269,768,239	3.0%	2.5%	0.5%		
BlackRock Index Fund	194,554,649	2.2%	2.0%	0.2%		
Emerald Advisors	154,949,451	1.7%	1.5%	0.2%		
Ceredex	123,405,557	1.4%	1.5%	-0.1%		
Total Domestic Equity	951,100,702	10.7%	10.0%	0.7%	5.0%	5.7%
Global & International Equity						
Pyrford (BMO)	430,996,518	4.9%	5.0%	-0.1%		
William Blair	475,372,615	5.4%	5.0%	0.4%		
First Eagle	407,790,061	4.6%	4.0%	0.6%		
Artisan Global Opportunities	486,870,144	5.5%	4.0%	1.5%		
PIMCO/RAE Emerging Markets	273,727,786	3.1%	4.0%	-0.9%		
TT Emerging Markets	290,122,031	3.3%	4.0%	-0.7%		
Total Global & International Equity	2,364,879,155	26.6%	26.0%	0.6%	24.0%	2.6%
Private Equity	1,048,980,777	11.8%	11.0%	0.8%	11.0%	0.8%
Private Credit	620,039,973	7.0%	5.0%	2.0%	12.0%	-5.0%
Real Estate - Value Add	182,263,360	2.1%	4.0%	-1.9%	4.0%	-1.9%
Real Estate - Opportunistic & Distress	461,382,405	5.2%	4.0%	1.2%	4.0%	1.2%
Real Estate - REIT (Adelante)	66,297,287	0.7%	1.0%	-0.3%	1.0%	-0.3%
High Yield (Allianz)	198,178,359	2.2%	2.0%	0.2%	0.0%	2.2%
Risk Parity			5.0%	-0.1%	5.0%	-0.1%
AQR GRP EL	219,880,916	2.5%				
PanAgora	215,466,238	2.4%				
Total Other Growth Assets	3,012,489,315	33.9%	32.0%	1.9%	37.0%	-3.1%
Total Growth Assets	6,328,469,172	71.3%	68.0%	3.3%	66.0%	5.3%
		Range				
		60% - 80%				
Risk Diversifying						
AFL-CIO	271,547,925	3.1%	3.5%	-0.4%	3.0%	0.1%
Parametric Defensive Equity	177,255,796	2.0%	2.5%	-0.5%	3.5%	-1.5%
Wellington Real Total Return	1,119,580	0.0%	2.0%	-2.0%	3.5%	-3.5%
Total Risk Diversifying	449,923,301	5.1%	8.0%	-2.9%	10.0%	-4.9%
		Range				
		0% - 10%				
Cash and Overlay						
Overlay (Parametric)	46,947,057	0.5%		0.5%		
Cash	221,121,182	2.5%		2.5%		
Total Cash and Overlay	268,068,238	3.0%	0.0%	3.0%	0.0%	3.0%
Total Fund	8,881,834,317	100%	100%		100%	

*Current targets and ranges reflect asset allocation targets accepted by the Board on June 26, 2019 (BOR Resolution 2019-4)

Private Market Investments
As of May 31, 2020

REAL ESTATE - Value Add	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
Invesco IREF III	08/01/13	08/01/20				35,000,000	2,080,497	0.02%	
Invesco IREF IV	12/01/14	12/01/21				35,000,000	17,738,382	0.20%	4,453,599
Invesco IREF V	09/11/18	09/11/25				75,000,000	33,274,324	0.37%	42,644,651
Long Wharf FREG IV	08/14/13	09/30/21				25,000,000	3,568,830	0.04%	
Long Wharf FREG V	10/31/16	09/30/24				50,000,000	41,532,669	0.47%	
Long Wharf LREP VI	02/05/20					50,000,000	5,644,919	0.06%	43,607,532
LaSalle Income & Growth Fund VI	01/31/12	01/31/19				75,000,000	25,148,186	0.28%	3,946,000
LaSalle Income & Growth Fund VII	10/31/16	09/30/24				75,000,000	53,275,553	0.60%	15,697,379
						630,000,000	182,263,360	2.05%	110,349,161
Outstanding Commitments							110,349,161		
Total							292,612,521		

REAL ESTATE - Opportunistic & Distressed	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
DLJ Real Estate Capital Partners, L.P. III	06/30/05	06/30/14	in full liq.			75,000,000	20,221,158	0.23%	4,031,338
DLJ Real Estate Capital Partners, L.P. IV	12/31/07	09/30/18				100,000,000	78,333,601	0.88%	3,162,610
DLJ Real Estate Capital Partners, L.P. V	07/31/13	12/31/22				75,000,000	50,033,992	0.56%	20,556,753
DLJ Real Estate Capital Partners, L.P. VI	02/28/19	01/31/29				50,000,000	26,377,494	0.30%	25,050,462
Oaktree Real Estate Opportunities Fund V	02/01/11	02/01/21				50,000,000	4,153,132	0.05%	25,750,000
Oaktree Real Estate Opportunities Fund VI	09/30/13	09/30/20				80,000,000	28,142,423	0.32%	18,400,000
Oaktree Real Estate Opportunities Fund VII	02/28/15	02/28/23				65,000,000	50,772,170	0.57%	18,720,000
Siguler Guff Distressed Real Estate Opp. Fund	07/30/11	07/30/22				75,000,000	29,666,553	0.33%	5,625,000
Siguler Guff Distressed Real Estate Opp. Fund II	08/31/13	08/31/25				70,000,000	46,830,792	0.53%	8,015,000
Siguler Guff Distressed Real Estate Opp. II Co-Inv	01/31/16	10/31/25				25,000,000	18,229,338	0.21%	4,462,138
Paulson Real Estate Fund II	11/10/13	11/10/20				20,000,000	23,463,776	0.26%	654,377
Angelo Gordon Realty Fund VIII	12/31/11	12/31/18				80,000,000	21,842,935	0.25%	12,334,302
Angelo Gordon Realty Fund IX	10/10/14	10/10/22				65,000,000	63,315,041	0.71%	7,572,500
						830,000,000	461,382,405	5.19%	154,334,480
Outstanding Commitments							154,334,480		
Total							615,716,885		

PRIVATE CREDIT	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
Torchlight Debt Opportunity Fund III	09/30/08	06/30/16	2nd 1 YR	LP	06/30/18	75,000,000	0	0.00%	0
Torchlight Debt Opportunity Fund IV	08/01/12	08/30/20				60,000,000	9,640,793	0.11%	0
Torchlight Debt Opportunity Fund V	12/31/14	09/17/22				75,000,000	20,661,317	0.23%	15,000,000
Angelo Gordon Energy Credit Opportunities	09/10/15	09/10/20				16,500,000	2,696,354	0.03%	2,319,783
CCCERA StepStone	12/01/17	11/30/27				1,020,000,000	587,041,509	6.61%	378,132,061
						1,374,500,000	620,039,973	6.98%	395,451,844
Outstanding Commitments							395,451,844		
Total							1,015,491,817		

Private Market Investments
As of May 31, 2020

PRIVATE EQUITY	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
Adams Street Partners	12/22/95	12/22/25				244,368,034	144,380,855	1.63%	25,197,580
Adams Street Secondary II	12/31/08	12/31/20				28,365,000	5,933,326	0.07%	1,635,000
Adams Street Secondary V	10/31/12	10/31/22				30,845,875	20,308,948	0.23%	9,154,125
Adams Street Venture Innovation Fund	03/09/16	03/09/28				51,037,500	63,077,688	0.71%	23,962,500
AE Industrial Partners Fund II	05/18/18	05/18/28				9,892,797	9,689,359	0.11%	25,107,203
Bay Area Equity Fund	06/14/04	12/31/14	2nd 2 YR	LP	12/31/2017	10,000,000	2,398,356	0.03%	0
Bay Area Equity Fund II	2/29/09	12/31/19				10,000,000	9,619,852	0.11%	0
Carpenter Community BancFund	10/31/09	10/31/19				29,314,657	0	0.00%	0
EIF USPF II	06/15/05	06/15/15	3rd 1 YR	LP	06/15/18	65,029,556	7,274,161	0.08%	0
EIF USPF III	02/28/07	02/28/17	1st 1 YR	LP	02/28/18	71,409,097	14,139,376	0.16%	0
EIF USPF IV	06/28/10	06/28/20				63,433,206	40,172,052	0.45%	4
Ares EIF V	09/09/15	11/19/25				49,088,987	47,117,112	0.53%	7,911,452
Genstar Capital Partners IX, L.P.	02/21/19					12,306,038	11,929,381		38,378,208
Oaktree Private Investment Fund 2009	02/28/10	12/15/19				34,816,729	1,691,116	0.02%	6,308,961
Ocean Avenue Fund II	05/07/14	05/07/24				27,000,000	28,572,744	0.32%	3,000,000
Ocean Avenue Fund III	12/09/15	12/09/25				43,500,000	56,366,582	0.63%	6,500,000
Paladin III	08/15/08	08/15/18				34,036,377	28,104,538	0.32%	459,904
Pathway	11/09/98	05/31/21				125,272,699	12,599,968	0.14%	10,572,755
Pathway 2008	12/26/08	12/26/23				29,281,938	18,645,368	0.21%	3,169,483
Pathway 6	05/24/11	05/24/26				38,331,160	37,716,777	0.42%	4,020,237
Pathway 7	02/07/13	02/07/23				65,723,215	73,783,086	0.83%	7,425,943
Pathway 8	11/23/15	11/23/25				40,082,065	52,375,013	0.59%	11,814,606
Siguler Guff CCCERA Opportunities	06/03/14	05/31/25				163,083,208	173,384,157	1.95%	44,497,305
Siguler Guff Secondary Opportunities	12/31/16	12/31/26				29,999,802	68,660	0.00%	43,940,900
Siris Partners IV	05/18/18	05/18/28				16,204,485	13,210,406	0.15%	18,795,515
TPG Healthcare Partners, L.P.	06/28/19					2,960,719	2,025,399	0.02%	21,039,281
Trident VIII, L.P.	05/24/19					2,868,551	2,844,950	0.03%	37,131,449
Real Assets									
Aether III & III Surplus	11/30/13	11/30/20				74,900,938	69,958,566	0.79%	5,575,523
Aether IV	01/01/16	01/01/28				39,090,752	39,532,342	0.45%	13,174,389
Commonfund Capital Natural Resources IX	06/30/13	06/30/20				44,774,995	40,085,928	0.45%	5,225,005
Wastewater Opportunity Fund	12/31/15	11/30/22				23,769,697	21,974,711	0.25%	1,252,530
						1,567,774,765	1,048,980,777	13.30%	375,249,856
Outstanding Commitments							375,249,856		
Total							1,424,230,633		

Market value equals the most recent reported net asset value, plus capital calls after net asset value date, less distributions after net asset value date.
The Target Termination column is the beginning of liquidation of the fund, however, some funds may be extended for an additional two or three years.



Meeting Date
07/08/20
Agenda Item
#7

**Contra Costa County Employees' Retirement Association
Liquidity Report – May 2020**

May 2020 Performance

	Cash Flow	Coverage Ratio
Benefit Cash Flow Projected by Model	\$42,750,000	
Liquidity Sub-Portfolio Cash Flow	\$42,750,000	100%
Actual Benefits Paid	\$41,891,778	102%
<i>Next Month's Projected Benefit Payment</i>	<i>\$43,000,000</i>	

Monthly Manager Positioning – May 2020

	Beginning Market Value	Liquidity Program Cash Flow	Market Value Change/Other Activity	Ending Market Value
Sit	\$602,921,519	(\$1,250,000)	\$1,765,808	\$603,437,327
DFA	\$405,589,452	(\$14,750,000)	\$3,432,618	\$394,272,069
Insight	\$858,089,834	(\$26,750,000)	\$6,324,376	\$837,664,209
Liquidity	\$1,866,600,804	(\$42,750,000)	\$11,522,801	\$1,835,373,606
Cash	\$112,694,667	\$858,222	\$107,568,293	\$221,121,182
Liquidity + Cash	\$1,979,295,471	(\$41,891,778)	\$119,091,094	\$2,056,494,787

Functional Roles

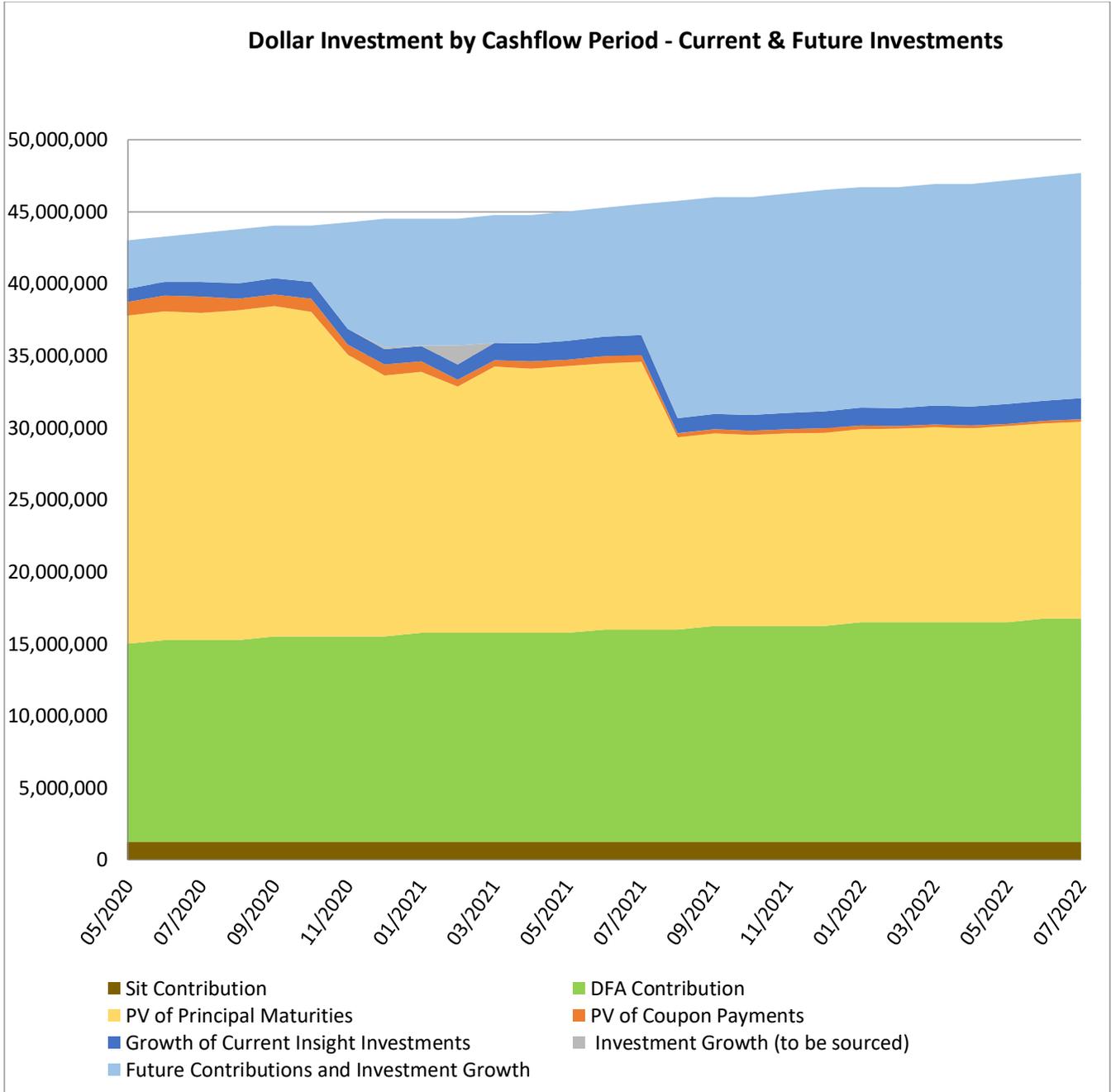
Manager	Portfolio Characteristics	Liquidity Contribution
Sit	High quality portfolio of small balance, government guaranteed mortgages with higher yields.	Pays out net income on monthly basis.
DFA	High quality, short duration portfolio of liquid, low volatility characteristics.	Pays out a pre-determined monthly amount. DFA sources liquidity from across their portfolio.
Insight	Buy and maintain (limited trading) portfolio of high quality, short duration, primarily corporates.	Completion portfolio makes a payment through net income and bond maturities that bridges the gap between other managers and projected payment.
Cash	STIF account at custodial bank.	Buffer in the event of any Liquidity shortfall/excess.

Notes

The fifth cash flow for 2020 from the liquidity program was completed on May 22nd. The actuarial model cash flow was slightly higher than actual experience, producing \$858 thousand more than the actual benefits paid.

Cash Flow Structure

The chart below shows the sources of cash flow for the next several years of CCCERA’s projected benefit payments. This table will change slightly as the model is tweaked and as the portfolios receive new rounds of funding each August as part of the Annual Funding Plan.





<i>Meeting Date</i> 07/08/20 <i>Agenda Item</i> #9

MEMORANDUM

Date: July 8, 2020

To: CCCERA Board of Retirement

From: Christina Dunn, Deputy Chief Executive Officer

Subject: Consider and Take Possible Action to Authorize CEO to execute an agreement with Contra Costa County for contribution and reporting deadlines.

Background

Employer and member contributions into CCCERA are mandatory. The Retirement Board Regulations set the due dates for retirement contribution payments as well as required payroll and demographic reports. These regulations apply to all participating employers, including Contra Costa County and special districts. Section IV.2. of the Regulations states:

- Each employer shall report to the Association in a manner and frequency as determined by the Board sufficient for the Board to credit contributions and service to each member's record.
- Unless otherwise specified, reports shall be due no later than the tenth of each month for the previous month's payroll and shall be accompanied by member and employer contributions. If the tenth of the month falls on a weekend or holiday, the due date shall be the last working day before the tenth. Reports, which are unreadable or incorrect, shall not be accepted and shall be returned to the employer.
- Reports and contributions received after the due date shall be considered late and subject to a late reporting penalty equal to: the prime rate in effect on the due date computed on a daily, non-compounding basis and applied to the contributions due.

Historically, CCCERA has provided Contra Costa County an additional month to the reports due date schedule for all months except for the report for December contributions, which would be extended due to the end of the year processing of the County. For instance, the reports for the payroll month of January would be due on February 10, however with the extension they would be due on March 10.

In the enclosed letter, the County has set forth the reasons why it needs the additional month in order to submit the required reports. This adjustment in due date is not currently memorialized in a written agreement. In order to provide for clear contribution and reporting due dates, a written agreement is recommended.

Recommendation

Consider and Take Possible Action to:

- a. Authorize the variance from the deadlines prescribed in the Board Regulations for Contra Costa County
- b. Authorize CEO to execute an agreement with Contra Costa County for contribution and reporting deadlines.

Office of the Auditor-Controller
Contra Costa County

Robert R. Campbell
Auditor-Controller



Harjit S. Nahal
Assistant Auditor-Controller

625 Court Street
Martinez, California 94553-1282
Phone (925) 335-8600
Fax (925) 646-2649

March 10, 2020

Contra Costa Employees' Retirement Association Board
1200 Concord Ave, Suite 300
Concord, CA 94520

Dear Chair Smithey and CCCERA Board Members:

It was requested that an explanation of the operational needs of the county be provided for the time frames indicated in the reporting agreement between CCCERA and the county.

As you know, reports submitted by the county contain thousands of employees with multiple fields and lines. Over, at least, the last 20 years the county provides reconciled reports to CCCERA by the 10th of the month following the previous months pay day. As an example, and noted in the meeting minutes between CCCERA and County Representatives on 8/24/2007, *"Reconciliation is normally completed before the next 10th run." Example: File extracts for the Aug 10th will be uploaded to CCCERA TierPas before Sept 10th."*

Additionally, the "normally completed" also recognizes that reports for the first pay period of any year may be delayed due-to year end filing requirements to federal and state authorities. The reports for the January 10th pay may be filed by the 10th of February but CCCERA has long understood that they may not be completed until the 25th of February.

These long standing past practices are operational necessities that help to ensure the accuracy of CCCERA members' data have been incorporated into the pending agreement for employer reporting.

If you have any questions please contact me directly at (925) 335-8601.

Sincerely,

A handwritten signature in purple ink, appearing to read "Robert Campbell".

Robert Campbell
Auditor-Controller
Contra Costa County



Meeting Date
07/08/20
Agenda Item
#10

MEMORANDUM

Date: July 8, 2020
To: CCCERA Board of Retirement
From: Tim Price, Chief Investment Officer, Mitchell Taylor, Investment Officer and Greg Ter-Zakharants, Investment Analyst
Subject: Acadian Multi-Asset Absolute Return Fund

Summary and Investment Thesis

After satisfactory due diligence and legal review, CCCERA investment staff recommends making an investment in the Acadian Multi-Asset Absolute Return Fund, LLC (“the Fund”, “the Manager”, “MAARS”) totaling up to 1.5% of the CCCERA portfolio, which amounts to \$130 million as of May 31, 2020. The Fund is a multi-asset strategy suited for inclusion in the Risk Diversifying Sub-portfolio as the investment provides liquidity and a real rate of return that is uncorrelated to the CCCERA’s Growth Portfolio on a cost-efficient basis (50 basis point management fee). The Fund is managed by Acadian Asset Management, LLC, a registered investment adviser founded in 1986 and headquartered in Boston, MA with \$90 billion of assets under management.

Acadian Multi-Asset Absolute Return Fund, LLC invests in a variety of global assets including equities, fixed income, foreign exchange, commodities and volatility. The Fund exploits mispricings across and within broad asset classes using long and short positions and implied leverage of futures. Within these five asset classes, the Fund employs a factor-based approach to generate returns from two main sources: market selection (cross-sectional within asset class positioning, or relative value) and allocation (directional positioning). Relative value judgements dominate asset allocation in terms of historical returns. MAARS targets an absolute return of cash plus 5%, net of fees, 6-8% volatility, and low correlations with both equities and bonds.

The Fund fulfills our Risk Diversifying Portfolio requirements: positive real return, liquidity and risk diversification. Through May 30, 2020, the Fund generated positive risk-adjusted returns of 3.4% (net) since inception with a 0.3 Sharpe ratio. Moreover, it provides full liquidity within 30 days, risk diversification, and downside protection for the Growth Sub-Portfolio. MAARS is not correlated to equity or bond returns and outperforms both asset classes in drawdowns. For example, in 4Q18, the Fund outperformed global equities (MSCI ACWI) by 17.9%, itself returning 5.1% net; and in 1Q20, the Fund returned 1%, outperforming global equities by 22.3%. It also has low correlations to CCCERA's Total Fund and Growth Sub-Portfolio (0.2 to each).

CCCERA Risk Diversifying Portfolio

As defined by CCCERA's Investment Policy Statement in Section 6.B.3, the purpose of the Risk Diversifying Portfolio (RDP) is to offset risk inherent in the Growth Portfolio. RDP investments are also meant to offer additional income and liquidity during periods of market stress. The RDP's current and long-term target allocations are 8% and 10%, respectively. Investments in the Risk Diversifying Portfolio should have low correlation to the Growth Portfolio to moderate volatility of the entire portfolio. Currently, the RDP includes two strategies: AFL-CIO Housing Investment Trust and Parametric Volatility Risk Premium. The RDP does not currently include a Multi-Asset Absolute Return strategy.

Multi-Asset Absolute Return strategies share some basic characteristics, including: 1) invest both long and short positions, 2) invest across asset classes 3) utilize the leverage inherent in futures contracts, but constrain leverage either explicitly, or as in the case of MAARS, constrain it by contribution to portfolio risk, and 4) generate an "absolute" as opposed to "relative return"; that is, they seek to provide positive returns whether other markets are experiencing drawdowns or gains. Typical Multi-Asset strategies invest across equities, bonds, currencies, commodities, credit and volatility. Returns are ideally uncorrelated with major asset classes, which extends the efficient frontier and allows asset allocators to realize a superior risk-adjusted return.

Acadian's Multi-Asset Absolute Return Fund has shown to generate superior risk-adjusted returns in both up and down markets. These returns are not correlated to bond or equity returns, and the Fund provides monthly liquidity. Pro forma, the addition of Acadian enhances both absolute and risk-adjusted returns to the Risk Diversifying Portfolio. We provide pro forma analysis of a \$100MM investment in the Fund at its inception on November 2017, demonstrating improved RDP performance. Table 1 below shows that MAARS provides superior absolute and risk-adjusted returns on a standalone and pro forma basis in all periods with the exception of calendar year 2019. Most significantly, MAARS improved risk-adjusted returns for the RDP in all periods. As points of reference, we also provide the same statistics for the S&P 500, global MSCI ACWI, and a global 60/40 portfolio (MSCI ACWI and Bloomberg Barclays Global Agg).

Table 1: Risk Diversifying Portfolio Pro Forma Acadian MAARS

Period	Statistic	Risk		Pro Forma including MAARS	S&P 500	MSCI ACWI
		Diversifying Sub-Portfolio	MAARS			
11/17-03/20	Return	-0.3%	5.6%	0.5%	2.2%	-2.8%
	Volatility	4.0%	5.2%	3.7%	16.9%	16.4%
	"Sharpe"	-0.09	1.06	0.14	0.13	-0.17
2018	Return	-2.3%	2.5%	-1.6%	-4.4%	-9.4%
	Volatility	2.5%	6.0%	2.3%	15.3%	13.5%
	"Sharpe"	-0.89	0.42	-0.69	-0.29	-0.70
2019	Return	6.8%	10.3%	7.3%	31.5%	26.6%
	Volatility	2.2%	4.6%	2.1%	12.9%	12.6%
	"Sharpe"	3.06	2.23	3.53	2.44	2.11
Q1 2020	Return	-5.1%	1.0%	-4.2%	-19.6%	-21.4%

**Simplified Sharpe Ratio: Return/Standard Deviation*

Pro forma the addition of \$100MM of Acadian Multi-Asset Absolute Return Fund the RDP is 6.2% of the total CCCERA portfolio (see Table 2 below).

Table 2: CCCERA's Risk Diversifying Portfolio

Risk Diversifying Portfolio					
<i>\$ in MMs</i>	5/31/2020	%	Adjustments	Pro Forma	%
Acadian Multi-Asset	-	0.0%	100.0	100.0	1.1%
AFL-CIO HIT	271.5	3.1%	-	271.5	3.1%
Parametric Defense	177.3	2.0%	-	177.3	2.0%
Wellington*	1.1	0.0%	-	1.1	0.0%
Total	449.9	5.1%	100.0	549.9	6.2%
CCCERA	8,881.8				

** Liquidated in April 2020; residual cash remains.*

Firm, Investment Process & Strategy

Parent Firm

Acadian Asset Management, LLC manages \$90 billion on behalf of major pension funds, endowments, foundations and other institutions. Multi-Asset Class Strategies (MACS) is a new venture for the firm, building on core competencies in Emerging Markets Equity, Small Cap Equity, and Equity Volatility. Acadian believes the MACS platform can be scaled to \$10 billion.

Team and Fund

Senior team members have extensive experience in multi-asset investing. Despite expertise in individual asset classes, the team works collaboratively to drive a holistic view of risk and return. Portfolio managers' expertise is broad and includes mathematical and computer programming, markets, asset classes and global macro. On average, team members have over 13 years of industry experience. The team includes four portfolio managers, three researchers, three integrations analysts (quantitative developers) and two traders, all of whom are Boston-based.

Acadian hired Ilya Figelman in January of 2016 to lead the MACS effort due to strong institutional interest in the platform. Mr. Figelman carefully built out his team over the next 12 months. The platform went live in November of 2017 with the backtested model and the full team in place. MAARS enjoys full funding support from the parent, Acadian, and the Fund has met or exceeded all milestones set by Acadian.

Recruitment and retention of staff is key to the strategy, and the team is incented through a long-term compensation structure that includes equity awards through its Key Employee Limited Partnership, or KELP, plan. KELP is limited to staff with the senior vice president (SVP) title and subject to review by the executive management team.

Investment Process

The investment objective of the Fund is to deliver alpha and diversification by investing, taking both long and short positions, in a variety of global asset classes including equities, fixed income, foreign exchange, commodities and volatility. The portfolio is implemented using liquid derivatives, primarily futures, to provide desired exposure in a cost-efficient manner. The mix of asset classes can and will vary over time.

Acadian's Multi-Asset Absolute Return Fund seeks to exploit mispricings across and within broad asset classes, including equities, fixed income, currencies, commodities and volatility. Within these asset classes, MAARS invests in over 100 specific assets, and MAARS believes behavioral biases and institutional constraints result in market inefficiencies. The Manager seeks to maximize the absolute total return to the Fund's investors by holding long/short positions in the various asset classes, while aiming to minimize uncompensated risks. The Manager closely monitors the expected return and risk characteristics of the portfolio using sophisticated proprietary investment tools.

The Fund's primary return driver is asset selection, or idiosyncratic risk; secondary driver is asset allocation. For this reason, the breadth of an asset class is important as breadth increases the opportunity set for asset selection based on relative value. The breadth of assets is defined by the breadth of factors, or return drivers, MAARS uses to analyze market biases and mispricings. Moreover, the breadth of factors used – over 300 – allows MAARS to avoid bets as to which assets will win and which will lose; in fact, both in backtested data and since inception, drivers that led to losses are not the same that led to subsequent gains. Because the Fund uses futures on margin, risk is constrained for asset classes and individual assets based on notional exposures. Each asset has specific limits based on historic volatility and liquidity, and in any circumstance, no individual asset's notional exposure contributes more than 10% of total portfolio risk. To maintain market neutrality, net leverage on the portfolio is constrained through leverage constraints on both the individual asset as well as aggregate asset class levels; for example, net leverage on Equities ranges between -10% and +15%.

The Fund's process and decisions are overseen by the Multi-Asset Class Strategies (MACS) investment team. The MACS approach seeks to maximize portfolio returns and minimize uncompensated risk and is supported by a quantitative process requiring tens-of-thousands of lines of proprietary computer code, third-party software and third-party data feeds. The approach uses four key components to translate fundamental data in tradable ideas:

- Factor-Based Risk & Return Forecasts
- Adaptive Risk Model
- Portfolio Construction
- Implementation

Performance

While the strategy has a short track record, we have been able to gain comfort with the systematic implementation and the firm's commitment to this team. Performance, both back-tested and live, fits the goals of the Risk Diversifying Sub-portfolio. Most significantly, we underscore the low-to-negative correlation MAARS exhibits to equity markets, shown in Chart 1.

Table 3: Acadian MAARS Key Performance Metrics

Acadian MAARS			
November 2017 - May 2020			
Calendar Year Return	Strategy	Benchmark*	Relative
2017	-0.2%	0.2%	-0.4%
2018	2.5%	2.0%	0.6%
2019	10.3%	2.1%	8.2%
2020 YTD	-3.4%	0.3%	-3.7%
First Quarter	1.0%	0.3%	0.7%
Quarter to Date	-4.3%	0.0%	-4.3%
Annualized Return	Strategy	Benchmark	Relative
One Year	1.8%	1.4%	0.4%
Two Year	3.3%	1.8%	1.4%
Since Inception	3.4%	1.8%	1.6%
Tracking Error	Strategy		
One Year	5.9%		
Two Year	5.8%		
Since Inception**	5.5%		
Sharpe Ratio***	Strategy		
One Year	0.1		
Two Year	0.2		
Since Inception**	0.3		
Standard Deviation	Strategy	Benchmark	
One Year	6.0%	0.2%	
Two Year	5.9%	0.2%	
Since Inception**	5.6%	0.2%	

*Benchmark: 3-month T-bill

**Inception in November 1, 2017

***Data from Acadian; calculations may differ slightly from CCCERA Investment Staff's research involving a risk-free rate.

Chart 1: Acadian MAARS 3-Year Rolling Correlation to S&P 500



Accompanying the performance metrics, it is imperative to note the diversifying nature of MAARS: as equity markets – to which the Growth Sub-Portfolio have the most exposure – sway one way or another, the MAARS strategy’s uncorrelated return stream can help dampen the total portfolio volatility and offer additional sources of return to CCCERA’s portfolios.

Investment Rationale: Strengths and Weaknesses

Strengths

Strong Performance. The Fund has been operational for just under two and a half years and has established a strong track record including returns above target and returns uncorrelated with CCCERA's portfolio. Since inception, the Fund has generated net returns of 3.4% with a 0.3 Sharpe Ratio.

Low Correlation. The Fund exhibits low correlation to broad asset classes and to CCCERA's sub-portfolios. The table below shows the Fund's live track record correlations to CCCERA's sub-portfolios as well as to indices representing US and global equities, US and global Fixed Income, Cash, Hedge Funds, Real Estate, and Commodities.

Table 4. MAARS Correlations

Correlations to Broad Assets and CCCERA Portfolios*	ρ
S&P 500	0.02
MSCI ACWI-ND	0.04
Bloomberg Barclays US Aggregate	0.06
Bloomberg Barclays Global Aggregate	0.21
ICE BofAML US 3-Month Treasury Bill	0.28
Barclay Hedge Fund Index	0.04
Wilshire REIT	0.10
S&P Goldman Sachs Commodity	-0.05
Total Fund	0.23
Liquidity Sub-Portfolio	0.22
Growth Sub-Portfolio	0.22
Risk-Diversifying Sub-Portfolio	0.28

**11/2017 - 05/2020 for Indices, through 03/2020 for Portfolios*

Strong Team. Senior team members have extensive experience in multi-asset investing. The team works collaboratively to drive a holistic view of risk and return. Risk and Data Analytics professionals are embedded in the MAARS team but also collaborate with the Parent, Acadian Asset Management, LLC. Portfolio managers' expertise is broad and includes mathematical and computer programming, markets, asset classes and global macro. On average, team members have over 13 years of industry experience. The team includes four portfolio managers, three researchers, three integrations analysts (quantitative developers) and two traders.

Proprietary Systematic Investing Approach. The factor-based systematic approach to exploiting market inefficiencies is well-grounded in Acadian's multi-decade quant-based investment history and well-supported by a diverse and experienced team.

Strong Parent. Acadian Asset Management, LLC manages over \$90 billion on behalf of major pension funds, endowments, foundations and other institutions. Multi-Asset Class Strategies is a new venture for the firm but builds on core competencies in EM equity, small cap equity and equity volatility.

Structure and Fees. The Fund's structure provides external oversight including external auditor KPMG and fund administrator SS&C Financial Services, LLC, a wholly owned subsidiary of publicly traded SS&C Technology Holdings, Inc. At 50bps per dollar invested, limits on expenses (20bps), and no incentive fees, Acadian provides a cost-effective solution to portfolio diversification.

Weaknesses

Short Track Record. The Fund has a very limited operating history as it was formed in November of 2017. In general, multi-asset absolute return funds are a more recent strategy and therefore have shorter average operating histories.

Mitigants: The parent Acadian, has decades of experience in similar quant-based strategies and the MAARS strategy back-tests provide another level of comfort. We also note that CCCERA benefits from a lower fee structure given our role as a seed investor (50bps versus 100bps).

Key Person Risk. The Fund is headed by Ilya Figelman, and as such we have identified Mr. Figelman as the Fund's key individual. Mr. Figelman was given complete discretion in all hiring matters and many of the team members were personally known to him.

Mitigants: We acknowledge this risk but believe Acadian has strong compensation incentives in place to retain team members. In addition, we are satisfied with the withdrawal provisions and liquidity terms.

Non-US Investments. Non-US Investments subject the Fund to more volatility, less transparency currency and political risks.

Mitigants: non-US investments are the only ones that could employ cash securities (all else are derivatives like futures); however, MAARS' trading team can determine when to use cash securities and when to enter into total return swap agreements, streamlining the process for updating the Fund's exposure while minimizing costs. While we acknowledge that, on average, non-US investments are riskier, they have the potential to generate higher and often uncorrelated returns. Additionally, non-US investments are imperative for the Fund to maintain a full opportunity set, and we believe the short-term and diversified nature of the Fund's assets provide a partial offset to these risks.

Model Risk. Although the model has been proven out in live and simulated periods, the efficacy of the model is based on historic persistent patterns.

Mitigants: We cannot provide absolute assurance that these patterns will in fact persist in future periods, and we acknowledge the inherent bias in selection of return factors on an ex-post basis. However, MAARS has a full team dedicated to the maintenance and development of the model; they have a process of manual intervention (which has so far only been used twice in two and a half years); the model first and foremost constrains Contribution to Value at Risk; and, Acadian has a data integrity team which the Fund utilizes to help ensure the robustness of model inputs.

The model has been backtested for the period 1997 to 2017. For this period, risk contributions from each asset and correlations for the strategy to the market were stable and consistent with the live period. Drawdowns and recoveries from drawdowns were consistent across the simulated and live periods with recoveries driven by assets other than assets that precipitated the drawdown. Finally, we note that the Fund outperformed the S&P 500 on an absolute and risk-adjusted basis (see below).

CFTC Exemption. The Manager is registered with the CFTC as a commodity pool operator and commodity trading advisor but because the Fund is open only to “Qualified Eligible Persons” the Manager is not required to deliver CFTC compliant disclosures.

Mitigant: The Fund has agreed in a side letter to provide performance and fee disclosure consistent with CCCERA policy and pension law.

Securities are not registered. Securities are “restricted securities” under Rule 144 and are not transferrable and have limited withdrawal rights.

Mitigant: This is standard practice, but we maintain our required monthly liquidity. In addition, we have satisfactory withdrawal rights (see Summary of Terms).

Summary of Terms

Management Fees:	50bps plus expenses limited to 20bps.
Performance Fee:	None.
Liquidity:	Monthly with 30-day advance notice.
Hard Lock:	None.
Soft Lock:	Redemptions restricted for 180 days from initial investment.
Fiduciary:	ERISA standards and Federal and Delaware law. Federal and Delaware fiduciary standards provide similar protection to California law. Acadian will maintain registration under the federal Investment Advisers Act of 1940.
Reporting:	Fund will report monthly with position level transparency, quarterly and annually in accordance with California Pension law including annual fee disclosure per Section 7514.7.
Investment Guidelines:	The Fund seeks to deliver alpha and diversification by investing in a variety of global asset classes including equities, fixed income, foreign exchange, commodities and volatility. The Fund will invest in long and short positions primarily employing futures contracts and the leverage inherent in these securities.



Contra Costa County Employees' Retirement Association

MULTI-ASSET ABSOLUTE RETURN STRATEGY

JULY 8, 2020

The presentation is being provided by Acadian Asset Management LLC to Contra Costa County Employees' Retirement Association ("CCCERA"). This presentation and the information contained herein are for education and informational purposes only, no other persons should rely on the information herein.
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ACADIAN PRESENTATION TEAM



Ilya A. Figelman, CFA — Senior Vice President, Director, Multi-Asset Class Strategies

Ilya joined Acadian in 2016 and leads Acadian's Multi-Asset Class Team, focusing on asset allocation, macroeconomic research, and predictive signals across asset classes. Prior to joining Acadian, he was a research director and portfolio manager in the Multi-Asset Solutions Group at AllianceBernstein concentrating on dynamic asset allocation and also previously held roles in quantitative research at the firm. Before joining AllianceBernstein, Ilya held quantitative and analytical roles at General Motors Asset Management and American Express. He earned an M.S. in mathematics of finance from New York University and a B.S. in systems engineering from Washington University. Ilya has published several papers on momentum strategies, options strategies, and risk budgeting, and is a CFA charterholder.



Andrew D. Miller — Senior Vice President, Business Development

Andrew joined Acadian in 2004 and is a senior member of Acadian's Global Client Group, focusing on public pension and Taft-Hartley funds, bringing with him his experience from Acadian's client service, business development, and operations functions. Previously, he worked in global custody at State Street Corporation. Andrew is a member of numerous public pension associations including: the National Association of State Retirement Administrators (NASRA), National Council on Teacher Retirement (NCTR), National Conference on Public Employee Retirement Systems (NCPERS), and the State Association of County Retirement Systems (SACRS). He also serves on the Fenway High School (Boston) Investment Committee. Andrew received an M.B.A. from Northeastern University and a B.A. from Wheaton College.



Clifton D. Hill — Vice President, Portfolio Manager, Multi-Asset Class Strategies

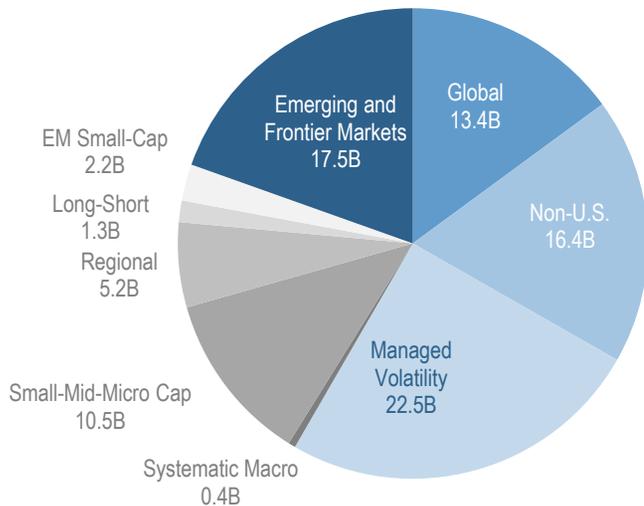
Clifton joined Acadian in 2018 and is a member of Acadian's Multi-Asset Class Team. Prior to joining Acadian, he was the head of global macro strategy and co-portfolio manager at Torrey Pointe Capital. He also previously worked in a number of roles at Tudor Investment Corporation, including as a global macro strategist and co-portfolio manager, and before that as a global macro analyst in the Flow of Funds group. Clifton started his career at the Federal bank of New York where he worked as a financial analyst in the Markets Group. Clifton earned a B.A. in political science from Brown University.

ACADIAN ORGANIZATIONAL OVERVIEW

May 31, 2020

- Founded in Boston in 1986
- Offices in Boston, London, Singapore, Sydney, and Tokyo
- 377 employees worldwide

USD 90.1B AUM

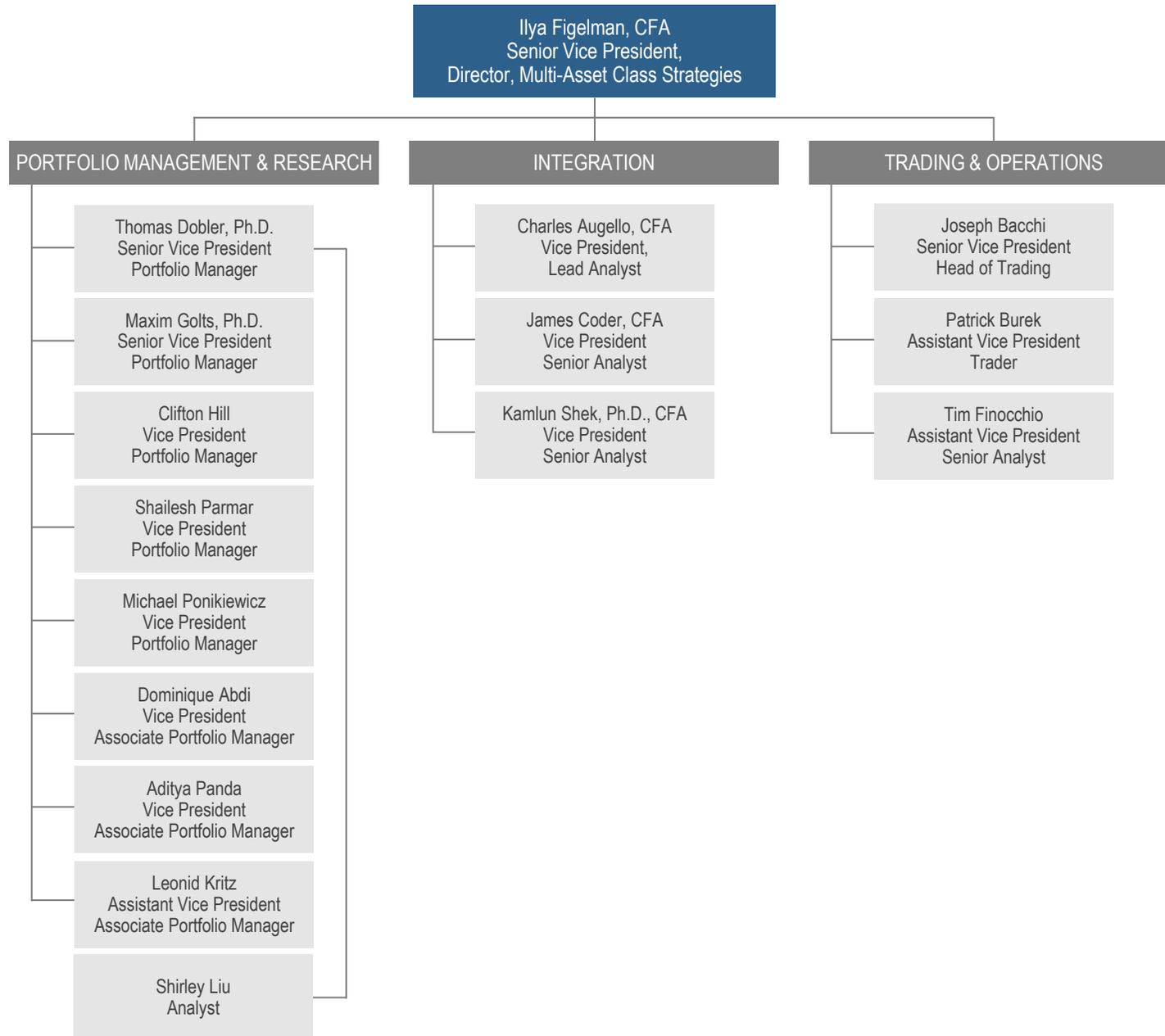


Worldwide Presence



There is no rounding applied to the total firm AUM which includes \$792.6 million in model advisory contracts where Acadian does not have trading authority. The individual strategy level assets under management (AUM) are rounded to the nearest decimal point and do not include model advisory assets. For complete details regarding office locations please refer to affiliate office disclosures on the Legal Disclaimer page.

DEDICATED TEAM



OVERVIEW



MULTI-ASSET ABSOLUTE RETURN STRATEGY (MAARS)

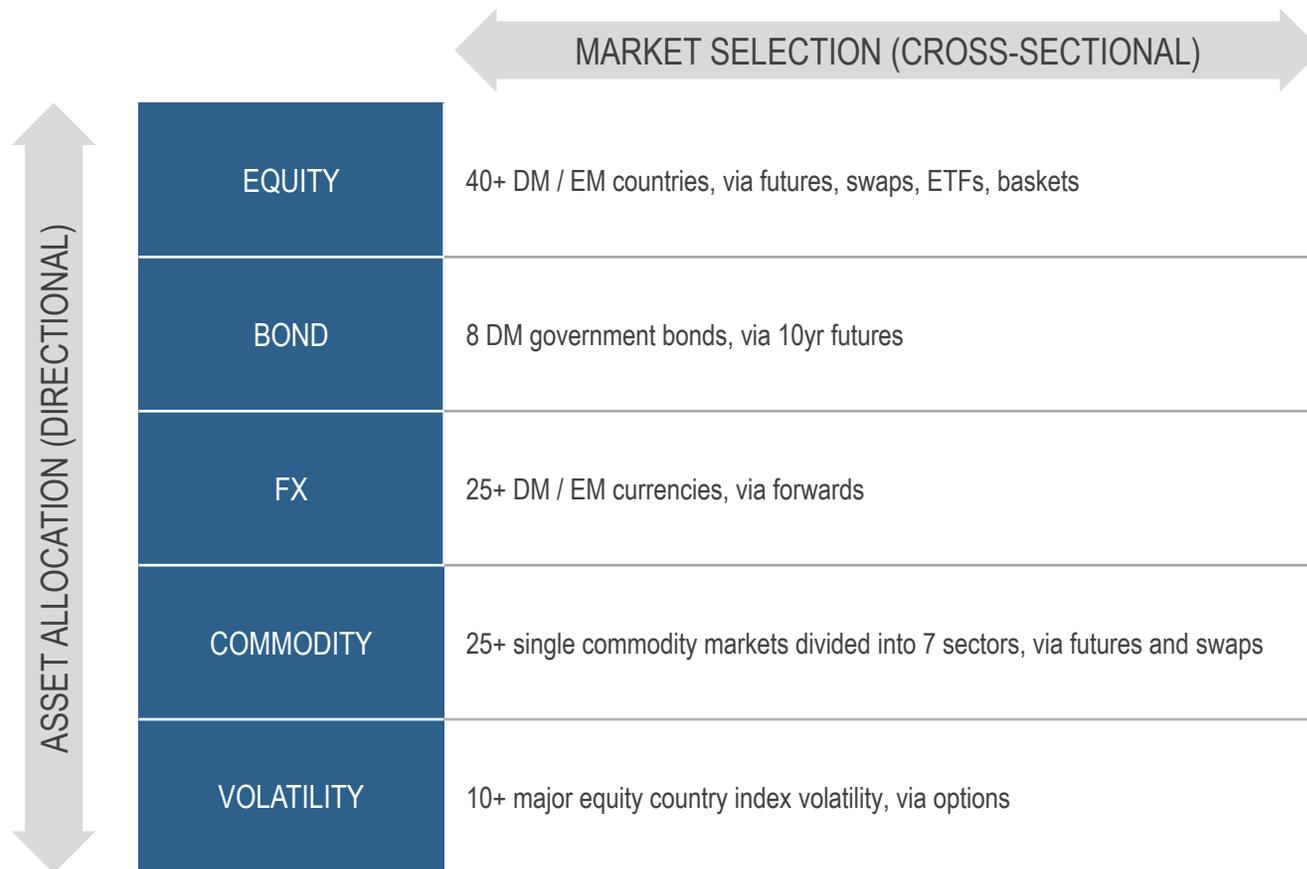
- Philosophy
 - Market inefficiencies caused by behavioral errors can be exploited
 - Fundamental insights about mispricing can be best captured by employing quantitative methods
 - Investment process must be adaptive to account for changing market dynamics
- Objectives
 - Diversifying return pattern with low correlation to equity and similar growth assets
 - Absolute returns of 5% above cash rates over long term/full market cycle



MULTI-ASSET ABSOLUTE RETURN STRATEGY (MAARS)

- Systematic absolute return strategy
- Return forecasts sourced from deep fundamental, macroeconomic, and alternative data sources
- 300+ unique signals to forecast returns across equities, bonds, currencies, commodities and volatility
- A diverse portfolio with typically 100+ individual positions

OPPORTUNITY SET



MULTI-ASSET ABSOLUTE RETURN STRATEGY COMPOSITE

Monthly Performance: MAARS vs. MSCI World*

November 2017 to May 2020



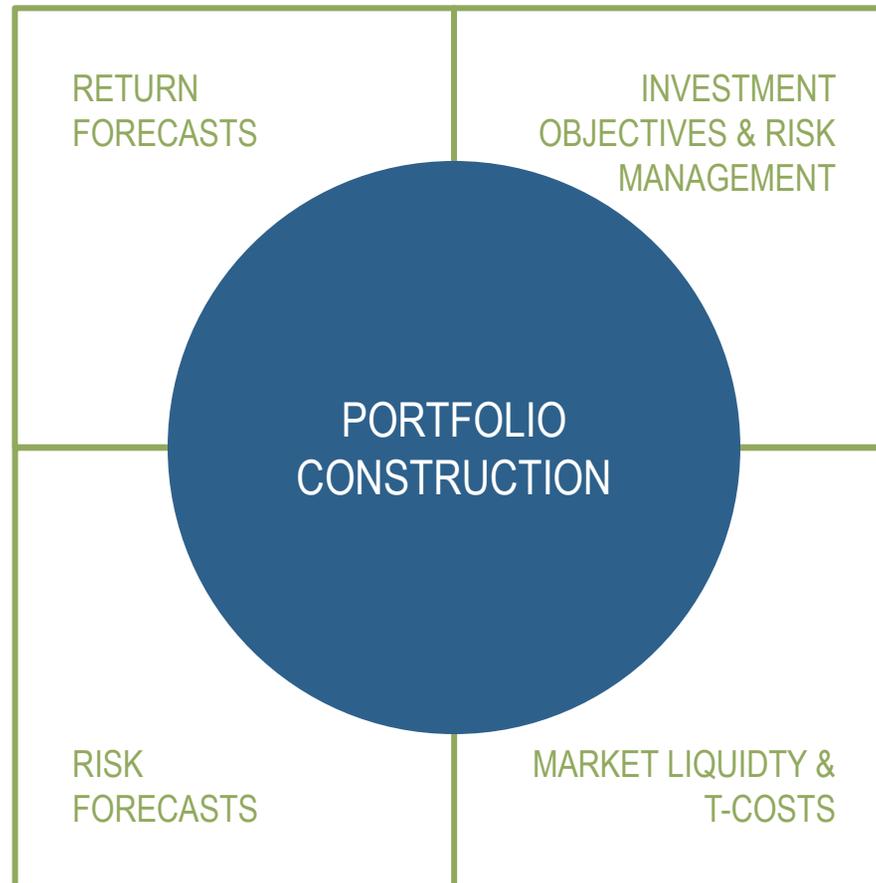
Composite: Multi-Asset Absolute Return Strategy. **Benchmark:** 90-Day U.S. T-Bill.

*Returns that include the most recent month are preliminary. Acadian Asset Management LLC has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future returns. Past performance may differ significantly from future performance due to market volatility. The complete performance disclosure can be found in the composite performance disclosure page attached. Index Source: MSCI Copyright MSCI 2020. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

PROCESS

INVESTMENT PROCESS

Acadian's Process is Systematic, Objective and Consistent





RETURN MODEL DESIGN

Guiding Principles

ECONOMIC INTUITION

Design factors that reflect fundamental relationships

DIVERSIFICATION

Achieve balance across factors, themes and models

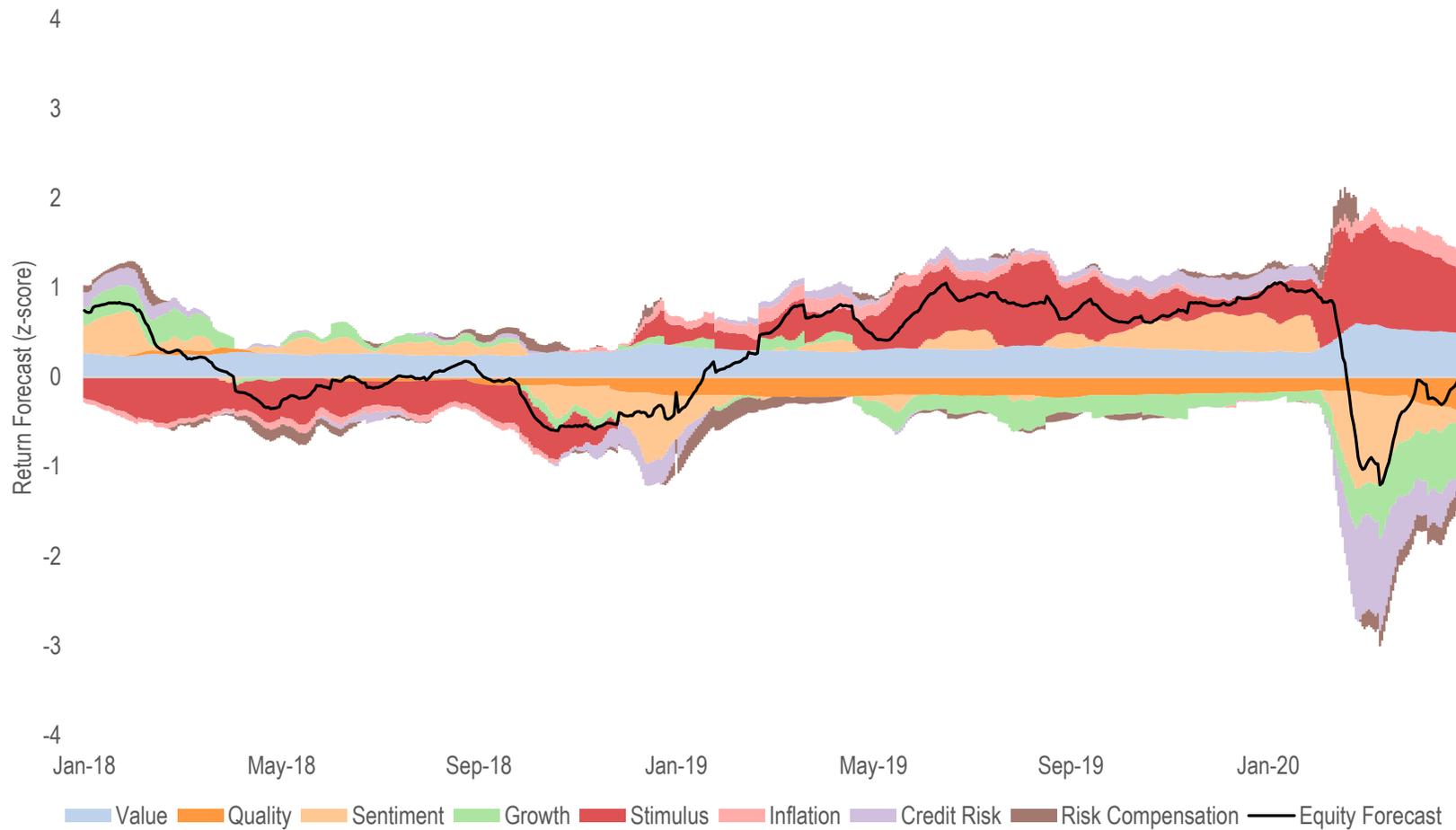
ROBUSTNESS

Seek out relationships that work consistently across markets and over time

DOWNSIDE PROTECTION

Emphasize factors that do well in down markets

RETURN FORECAST EXAMPLE – DM EQUITIES



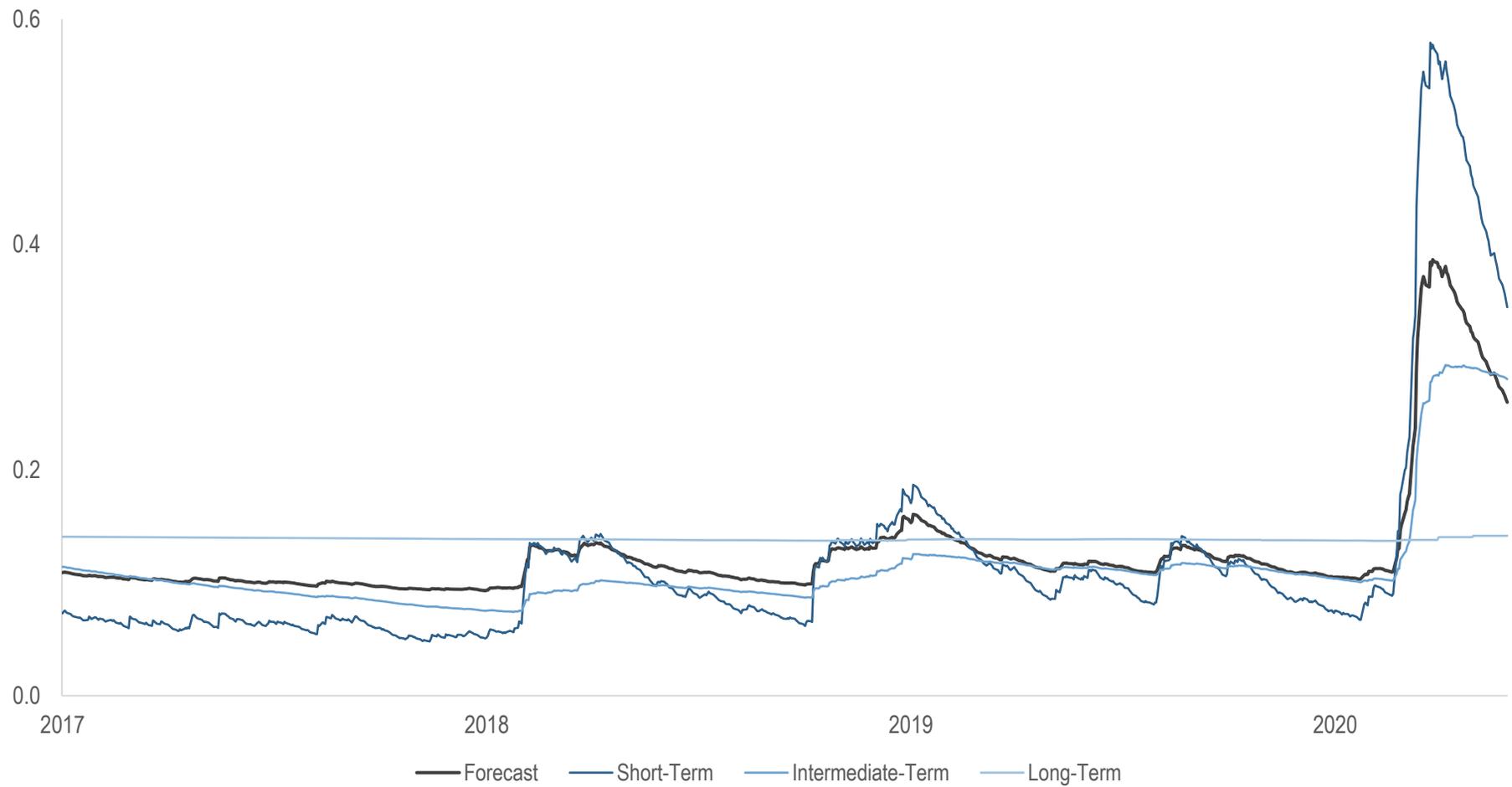


OUR APPROACH TO FORECASTING RISK

Risk forecasts are a weighted average of realized short-, intermediate- and long-term risk measures

SHORT-TERM	Captures rapid changes in the risk environment
INTERMEDIATE-TERM	Reflects the current risk regime
LONG-TERM	Maintain the long-term perspective

SAMPLE VOLATILITY FORECAST: DEVELOPED MARKET EQUITIES

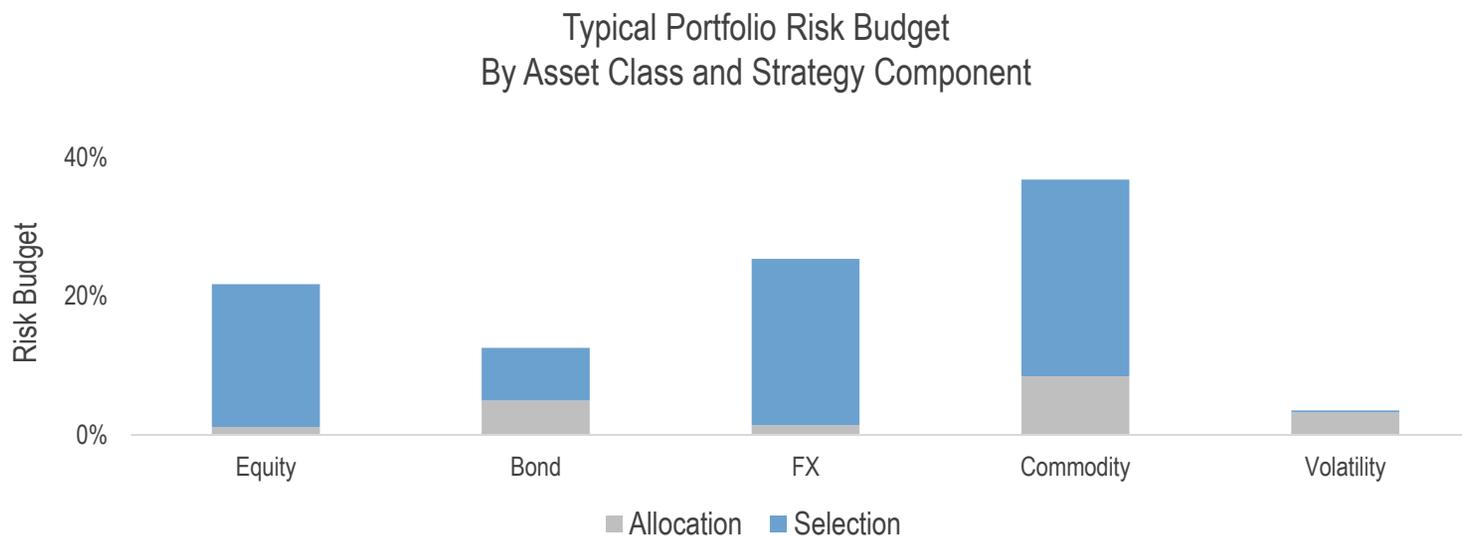


A HOLISTIC APPROACH

Capture return via a risk-centric approach

Diversify exposures across five asset classes

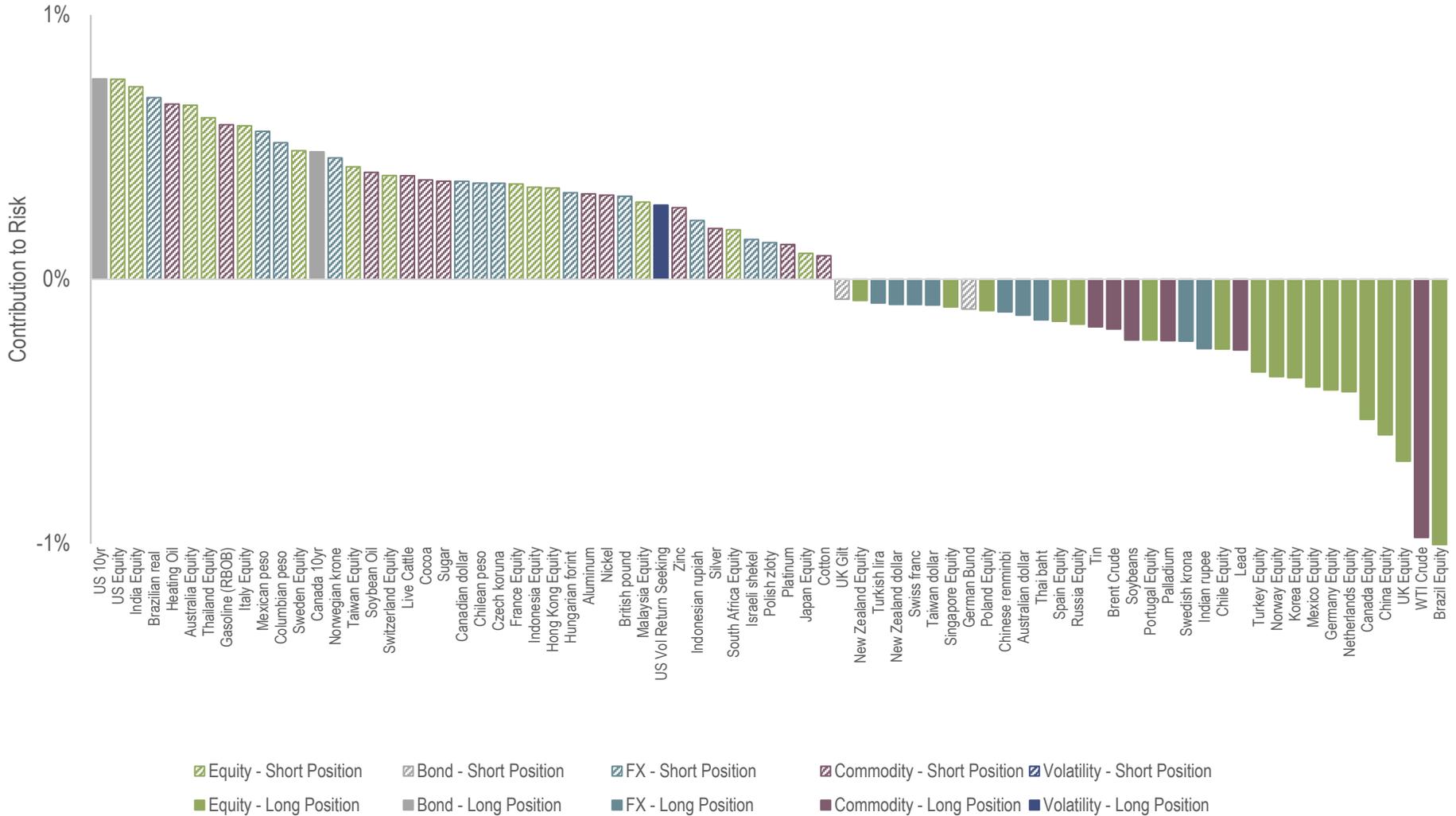
Spend more of the portfolio risk budget on higher breadth strategies



MULTI-ASSET ABSOLUTE RETURN STRATEGY SNAPSHOT

Major Asset Level Exposures*

May 31, 2020



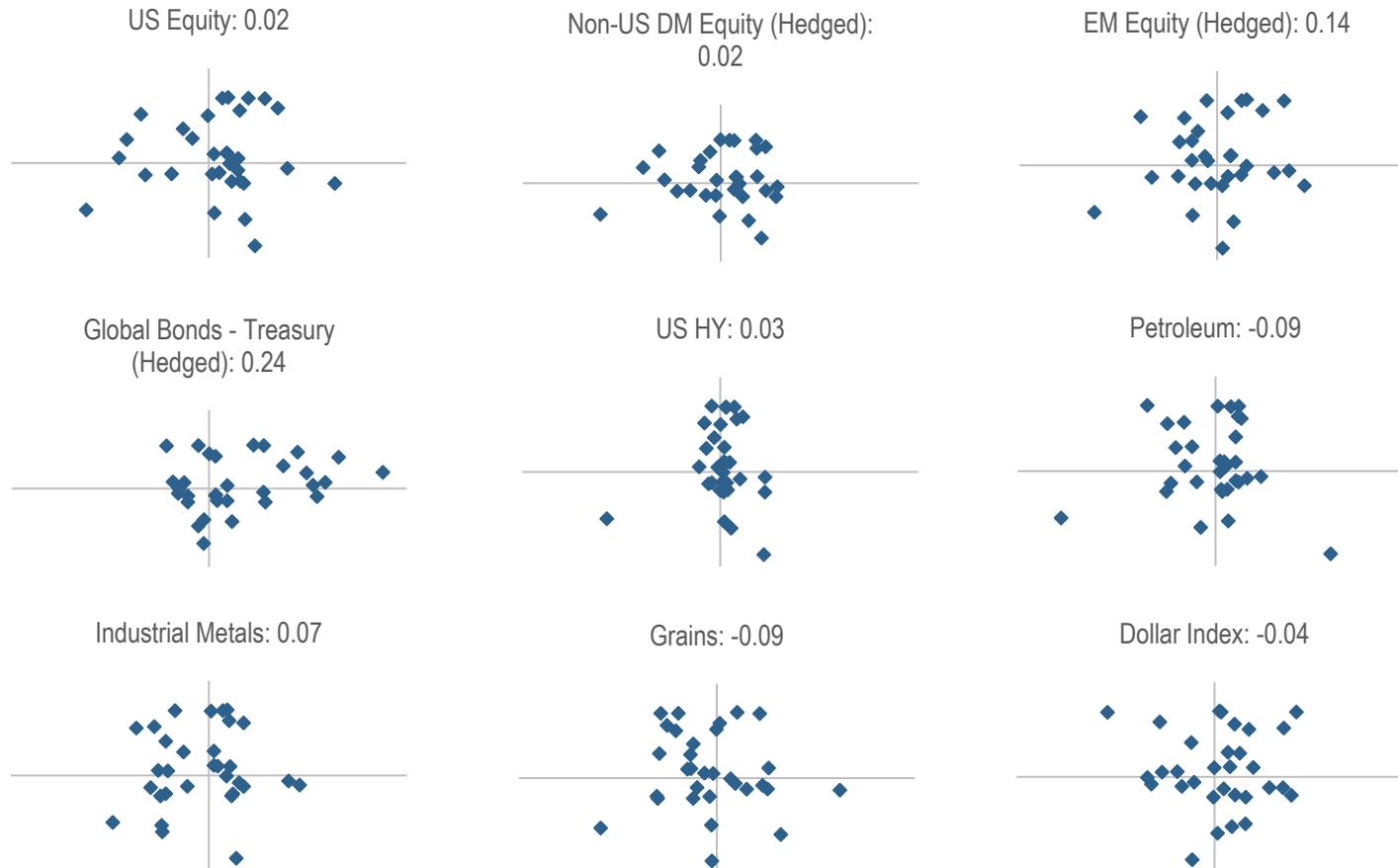
*Preliminary. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future results.

PERFORMANCE & ATTRIBUTION

MULTI-ASSET ABSOLUTE RETURN STRATEGY COMPOSITE

Correlations: MAARS vs. Various Indices*

November 2017 to May 2020



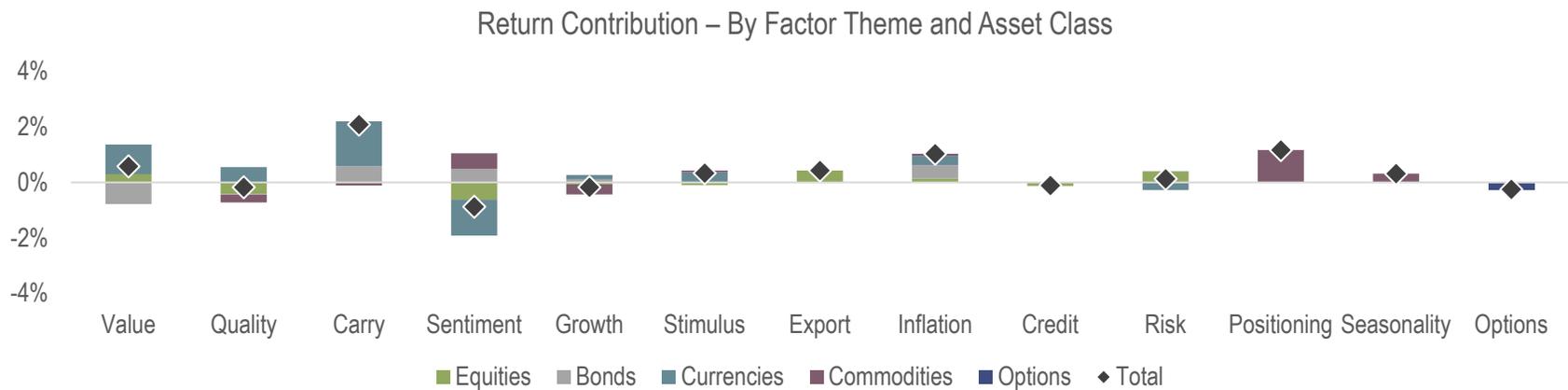
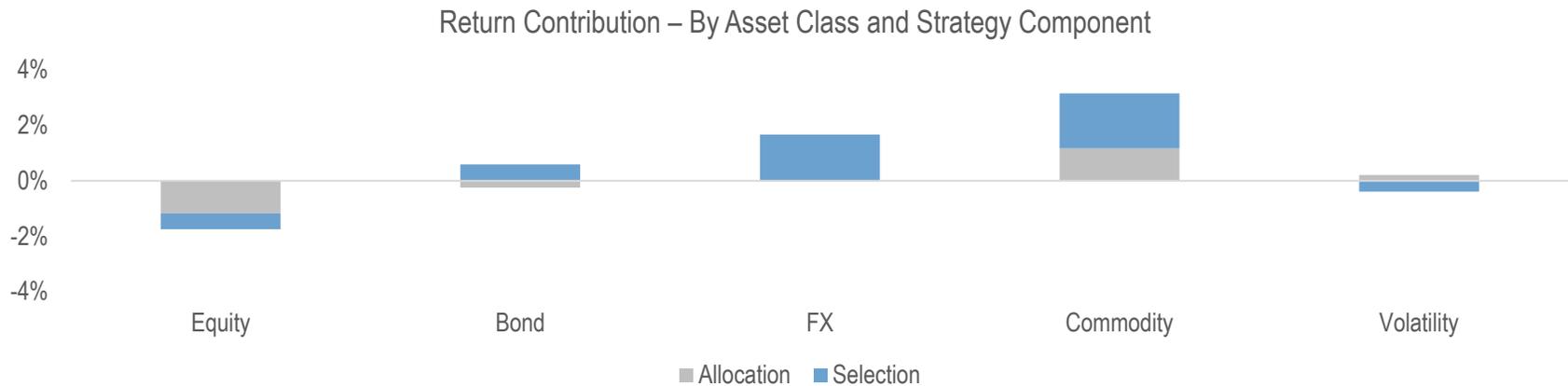
Composite: Multi-Asset Absolute Return Strategy. **Benchmark:** 90-Day U.S. T-Bill.

*Returns that include the most recent month are preliminary. Acadian Asset Management LLC has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future returns. Past performance may differ significantly from future performance due to market volatility. The complete performance disclosure can be found in the composite performance disclosure page attached.

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MULTI-ASSET ABSOLUTE RETURN STRATEGY

Live Performance Attribution: ITD Annualized* **
November 2017 to May 2020

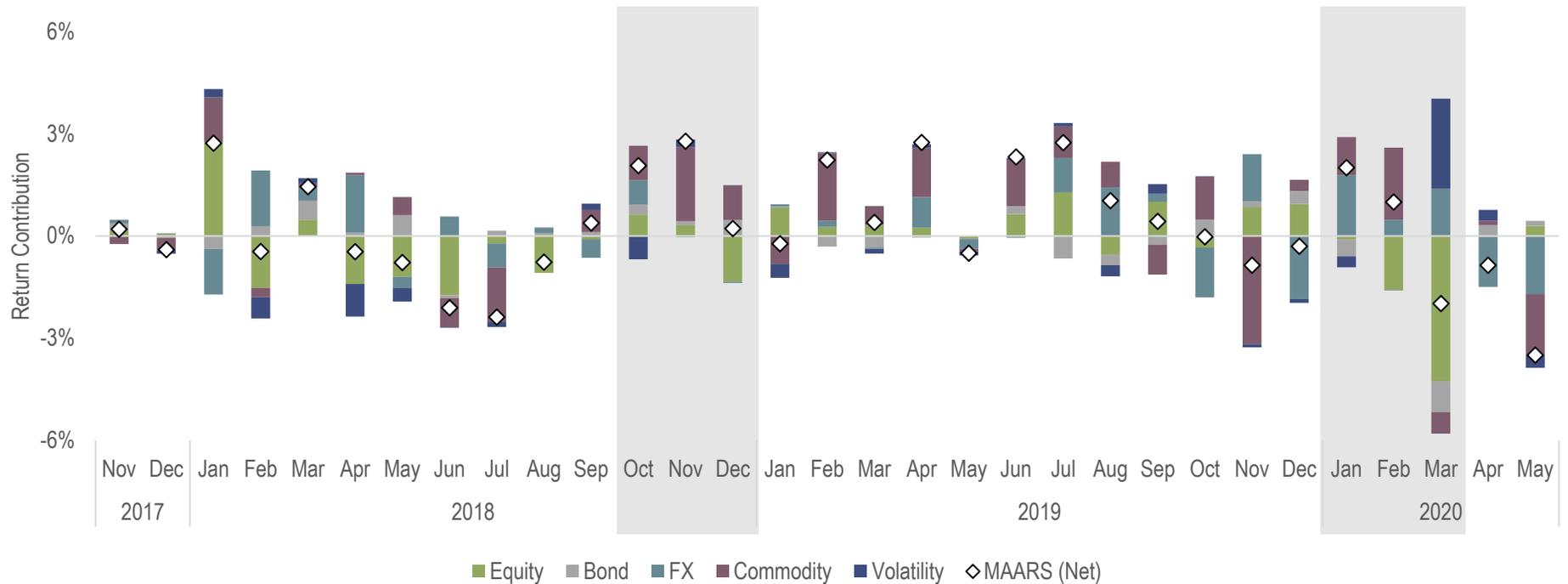


*Preliminary. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future results. Past performance may differ significantly from future performance due to market volatility.

**Return contribution numbers are calculated from daily gross excess returns over cash of a representative account and are sourced from internal data. Investments in derivatives can be used to take both long and short positions, be highly volatile, involve leverage (which can magnify losses), and involve risks in addition to the risks of the underlying market(s) on which the derivative is based, such as counterparty and liquidity risk. Derivatives and commodity-linked derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Commodity-linked derivative instruments may involve additional costs and risks associated with such as changes in commodity index volatility or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Investing in derivatives could lose more than the amount invested. Fixed income securities are impacted by changes in interest rates. Bonds with longer durations tend to be more sensitive and more volatile than securities with shorter durations; bond prices generally fall as interest rates rise.

MULTI-ASSET ABSOLUTE RETURN STRATEGY

Monthly Live Performance Attribution by Asset Class and Strategy Component* **
November 2017 to May 2020



*Preliminary. The attribution data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. "MAARS" reflects monthly net composite returns. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future results. Past performance may differ significantly from future performance due to market volatility.

**Return contribution numbers are calculated from daily gross excess returns over cash of a representative account and are sourced from internal data. Investments in derivatives can be used to take both long and short positions, be highly volatile, involve leverage (which can magnify losses), and involve risks in addition to the risks of the underlying market(s) on which the derivative is based, such as counterparty and liquidity risk. Derivatives and commodity-linked derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Commodity-linked derivative instruments may involve additional costs and risks associated with such as changes in commodity index volatility or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Investing in derivatives could lose more than the amount invested. Fixed income securities are impacted by changes in interest rates. Bonds with longer durations tend to be more sensitive and more volatile than securities with shorter durations; bond prices generally fall as interest rates rise.

SUPPORTING EXHIBITS



HYPOTHETICAL DISCLOSURE

MACS uses monthly simulations to evaluate how the current systematic investment process may have performed historically. These historical simulations are out-of-sample, in the sense that they only use data available at the time for statistical estimation and model forecasts that are inputs into simulated historical portfolios. Based on monthly weights for the simulated historical portfolios and historical returns for the portfolio assets, we then calculate a series of monthly portfolio returns. This process, moreover, incorporates management fees and transaction cost estimates. Historical simulations do have important limitations. Most importantly, they take the current process, which was built with the benefit of hindsight, and project it back into the past. They do not reflect the process we would have built at the time or how that process would have evolved. Therefore, while simulations can provide a reasonable representation of how the current process would have worked in the past, future portfolio returns likely will not match the simulated past.

In setting long-term risk and return expectations for the strategy, we haircut the simulation results using the following heuristic:

Reduce simulated gross returns by 50% and then subtract implementation costs and fees

Increase simulated volatility by 15%

The theoretical portfolio based is on a backtest of the live Acadian Multi-Asset Absolute Return strategy and is being provided as supplemental to our fully compliant GIPS® presentation attached. The returns presented is for a simulated portfolio. Simulated performance does not represent actual trading or an actual account but were achieved by means of retroactive application of a model designed with the benefit of hindsight. Results may not reflect the impact that material economic and market factors might have had on the adviser's decision-making of managing actual client assets. Live performance incepted November 2017. Returns reflect the reinvestment of dividends and other earnings as well as estimated transaction costs. The net simulated performance returns reflect a maximum 1% flat advisory fee, where applicable. 90-Day US T-Bills are used as the risk-free rate in the Sharpe Ratio calculation. Additional information about how the simulated portfolio was constructed is available upon request. Simulated performance is not indicative of actual future results. Investors have the opportunity for losses as well as profits.

Hypothetical performance results have many inherent limitations, some of which are described below. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. In fact, there are frequently sharp differences between hypothetical performance results and the actual performance results subsequently achieved by any particular trading program.

One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk, and no hypothetical trading record can completely account for the impact of financial risk in actual trading. For example, the ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points which can also adversely affect actual trading results. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual trading results.

SIMULATED MULTI-ASSET ABSOLUTE RETURN PORTFOLIO

Haircut Example

Haircut gross mean returns by 50% (from 23.3% to 11.6%):

	ANNUALIZED MEAN	
	1997-2017	Conservative
PORTFOLIO GROSS	23.3%	11.6%
- Management Fee	-1.0%	-1.0%
- Implementation Cost	-2.4%	-2.4%
PORTFOLIO NET	19.9%	8.2%

Increase volatility by ~15% (from 7.1% to 8.0%)

Resulting portfolio characteristics (annualized, net of management fees and implementation costs):

	1997-2017	Conservative
MEAN	19.9%	8.2%
STDEV	7.1%	8.0%
SHARPE RATIO	2.8	1.0

Simulated Portfolio: Multi-asset Absolute Return. **Benchmark:** Bloomberg 90-Day U.S. Treasury Bill (USGG3M:IND). All numbers represent excess returns over cash. The theoretical portfolio based is on a backtest of the live Acadian Multi-Asset Absolute Return strategy and is being provided as supplemental to our fully compliant GIPS® presentation attached. The returns presented is for a simulated portfolio. Simulated performance does not represent actual trading or an actual account but were achieved by means of retroactive application of a model designed with the benefit of hindsight. Results may not reflect the impact that material economic and market factors might have had on the adviser's decision-making of managing actual client assets. Live performance incepted November 2017. Returns reflect the reinvestment of dividends and other earnings as well as estimated transaction costs. The net simulated performance returns reflect a maximum 1% flat advisory fee, where applicable. 90-Day US T-Bills are used as the risk-free rate in the Sharpe Ratio calculation. Additional information about how the simulated portfolio was constructed is available upon request. Simulated performance is not indicative of actual future results. Investors have the opportunity for losses as well as profits.



SIMULATED MULTI-ASSET ABSOLUTE RETURN PORTFOLIO

Methodology and Assumptions

Monthly simulations

- Simulated monthly returns from January 1997 to October 2017
- Calculated as (beginning-of-month weights) x (monthly returns)

Out of sample

- Asset weights are generated by a systematic process
- That process is applied retroactively, using only data available at the time

Management fees and implementation costs

- 1% annual management fee
- Implementation costs: transaction + holding

Simulated Portfolio: Multi-asset Absolute Return. **Benchmark:** Bloomberg 90-Day U.S. Treasury Bill (USGG3M:IND).

The theoretical portfolio based is on a backtest of the live Acadian Multi-Asset Absolute Return strategy and is being provided as supplemental to our fully compliant GIPS® presentation attached. The returns presented is for a simulated portfolio. Simulated performance does not represent actual trading or an actual account but were achieved by means of retroactive application of a model designed with the benefit of hindsight. Results may not reflect the impact that material economic and market factors might have had on the adviser's decision-making of managing actual client assets. Live performance incepted November 2017. Returns reflect the reinvestment of dividends and other earnings as well as estimated transaction costs. The net simulated performance returns reflect a maximum 1% flat advisory fee, where applicable. 90-Day US T-Bills are used as the risk-free rate in the Sharpe Ratio calculation. Additional information about how the simulated portfolio was constructed is available upon request. Simulated performance is not indicative of actual future results. Investors have the opportunity for losses as well as profits.



SIMULATED MULTI-ASSET ABSOLUTE RETURN PORTFOLIO

Caveats

Simulations provide insight into how a systematic process may have behaved over time

- Performance contribution
- Risk and correlations
- Sensitivity to market factors
- Leverage and turnover

Simulations should not be taken as indications of future results

- Even if simulations are out-of-sample, they do not capture how a live process would evolve over time
- Since factor performance tends to decay over time, future (realized) performance likely will not match simulated performance

Haircuts

- To arrive at conservative assumptions, systematic managers typically haircut simulated returns

Simulated Portfolio: Multi-asset Absolute Return. **Benchmark:** Bloomberg 90-Day U.S. Treasury Bill (USGG3M:IND).

The theoretical portfolio based is on a backtest of the live Acadian Multi-Asset Absolute Return strategy and is being provided as supplemental to our fully compliant GIPS® presentation attached. The returns presented is for a simulated portfolio. Simulated performance does not represent actual trading or an actual account but were achieved by means of retroactive application of a model designed with the benefit of hindsight. Results may not reflect the impact that material economic and market factors might have had on the adviser's decision-making of managing actual client assets. Live performance incepted November 2017. Returns reflect the reinvestment of dividends and other earnings as well as estimated transaction costs. The net simulated performance returns reflect a maximum 1% flat advisory fee, where applicable. 90-Day US T-Bills are used as the risk-free rate in the Sharpe Ratio calculation. Additional information about how the simulated portfolio was constructed is available upon request. Simulated performance is not indicative of actual future results. Investors have the opportunity for losses as well as profits.

ANNUAL PERFORMANCE DISCLOSURE

Multi-Asset Absolute Return Strategy Composite

	Composite Return (%)	Composite Return (%)	Benchmark Return (%)	Dispersion of Returns Within Composite (%)	Three-Year ex-Post Standard Deviation of Absolute Returns		Number of Portfolios in Composite	Assets In Composite (\$MMs)	Total Firm Assets Under Management (\$MMs)
	Gross-of-Fees	Net-of-Fees			Composite	Benchmark			
2017*	0.0	-0.2	0.2	n/a	n/a	n/a	1	10	96,765
2018	3.6	2.5	2.0	n/a	n/a	n/a	1	11	85,338
2019	11.4	10.3	2.1	n/a	n/a	n/a	1	12	101,232

*Performance Inception: November 1, 2017. This composite was created on: December 1, 2017. All figures stated in USD.

Acadian Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Acadian Asset Management has been independently verified for the periods January 1, 1994 through December 31, 2019¹. A copy of the verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future returns. Past performance may differ significantly from future performance due to market volatility. Acadian Asset Management is an investment adviser specializing in global equity management. Acadian Asset Management is defined to include assets managed by Acadian Asset Management LLC, an investment adviser registered with and regulated by the United States Securities and Exchange Commission, as well as assets managed by its four wholly-owned affiliates, Acadian Asset Management (Australia) Limited (ABN 41 114 200 127), Acadian Asset Management (Japan), registered with the Kanto Local Financial Bureau, Acadian Asset Management Singapore Pte Ltd, (Registration Number: 199902125D) is licensed by the Monetary Authority of Singapore, and Acadian Asset Management (UK) Limited, authorized and regulated by the Financial Conduct Authority of the United Kingdom. On June 30, 2015, Acadian acquired the assets of Acadian's Australian office.

Methodology: Returns are net of estimated foreign withholding taxes on dividends, interest, and capital gains. Since January 1, 2010 Acadian's methodology was augmented to produce a more accurate gross return figure by eliminating modest cash flows such as securities lending income and custodial fees which are regarded as independent of the investment management process; the reinvestment of all income and trading expenses continue to be included. Monthly composite results are asset-weighted by beginning-of-month asset values of member portfolios which are geometrically linked to arrive at the annual composite return. Net-of-fee performance is accrued on a monthly basis and is calculated using the highest management fee listed in the standard fee schedule for accounts shown below. For applicable composites, Net-net-of-fee performance is shown and includes incentive fees which are also accrued on a monthly basis. The standard fee schedule for accounts managed with this product is 1% on assets managed. The non-fee-paying account percentage of the composite as of year-end 2017, 2018, 2019: 100%. Management fees may vary according to the range of services provided, investment performance, and the amount of assets under management. Constituent portfolios are included from the first full month after inception to the present or the last full month prior to cessation of the client relationship with the firm. For example, an account that opened January 15, 2019 will be included beginning February 1, 2019. An account that terminated February 12, 2019 will be included through January 31, 2019. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Dispersion and Standard Deviation: Acadian's broad definitions are mainly the product of a highly customized process that may result in modest differences with regards to portfolio characteristics among constituents. All accounts managed with directly comparable investment objectives are included, though it's possible for members to utilize slightly different benchmarks in optimization and reporting. Although at times dispersion among constituents may be high, the long-term forecast for each portfolio is consistent with the overall composite. The 'Dispersion' statistic presented above is an annual, asset-weighted standard deviation calculation performed only on those portfolios who have been members for the entire calendar year. These figures are not applicable if there is only one portfolio in the composite for the full year. Thirty-six months are required to calculate the 'Three Year ex-Post Standard Deviation' statistic. These figures are not applicable if thirty-six months of composite returns are not available.

Composite Description: This composite is an absolute return strategy with low correlations to equities and other asset classes, and targets half the volatility of global equities. The strategy is implemented via long/short positions across and within five major asset classes: Equities, Bonds, FX, Commodities, and Volatility. The strategy seeks to incorporate diverse sources of return in a holistic, risk-balanced approach. It seeks return from long/short positioning at the broad asset class level (asset allocation) and at the market level within asset classes (market selection). A complete list of the firm's composites and their descriptions is available upon request.

Benchmark Description: The benchmark for the composite is the 90-Day U.S. T-Bill.

¹Ashland Partners verified Acadian's GIPS Compliance claim through March 31, 2017. ACA Compliance Group acquired Ashland's GIPS Verification unit and provided subsequent verifications.



DERIVATIVES DISCLOSURE

Investments in derivatives can be used to take both long and short positions, be highly volatile, involve leverage (which can magnify losses), and involve risks in addition to the risks of the underlying indicator(s) on which the derivative is based, such as counterparty and liquidity risk. Derivatives and commodity-linked derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Commodity-linked derivative instruments may involve additional costs and risks such as changes in commodity index volatility or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Investing in derivatives could lose more than the amount invested. Fixed income securities are typically impacted by changes in interest rates. Bonds with longer durations tend to be more sensitive and more volatile than securities with shorter durations; bond prices generally fall as interest rates rise.

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Boston London Singapore Sydney Tokyo

ACADIAN-ASSET.COM



Meeting Date
07/08/20
Agenda Item
#12

MEMORANDUM

Date: July 8, 2020
To: CCCERA Board of Retirement
From: Timothy Price, Chief Investment Officer
Subject: Annual Review of Liquidity Sub-Portfolio

Overview

Every year, I review each of the three functional sub-portfolios (liquidity, diversifying and growth) in detail with the Board. Today's review focuses on the Liquidity sub-portfolio. I will review the critical cash flow matching role of Liquidity in CCCERA's portfolio, the attributes we look for in our managers, and the performance of the program.

We will conclude with a discussion featuring Bryce Doty of Sit Fixed Income. Our discussion will touch on the unique attributes of the Sit approach to short duration fixed income, performance of the portfolio over the past several years and the firm's contributions to the Liquidity sub-portfolio role in the CCCERA portfolio. Bryce will also offer his thoughts on the Federal Reserve support of the fixed income market and how best to invest during a crisis.

Sit Fixed Income

CCCERA has invested in the Sit Short Duration strategy since December 2016. This is a domestic short duration fixed income strategy with an emphasis on seasoned, government guaranteed mortgages that tend to pre-pay slowly due to small balances on each individual mortgage. Since the inception of CCCERA's investment through May 31, 2020, the strategy has returned 3.4% (net of fees, annualized) relative to 2.5% for the Bloomberg Barclays 1-3 Year Government Bond index.



Timothy Price, CFA

Chief Investment Officer

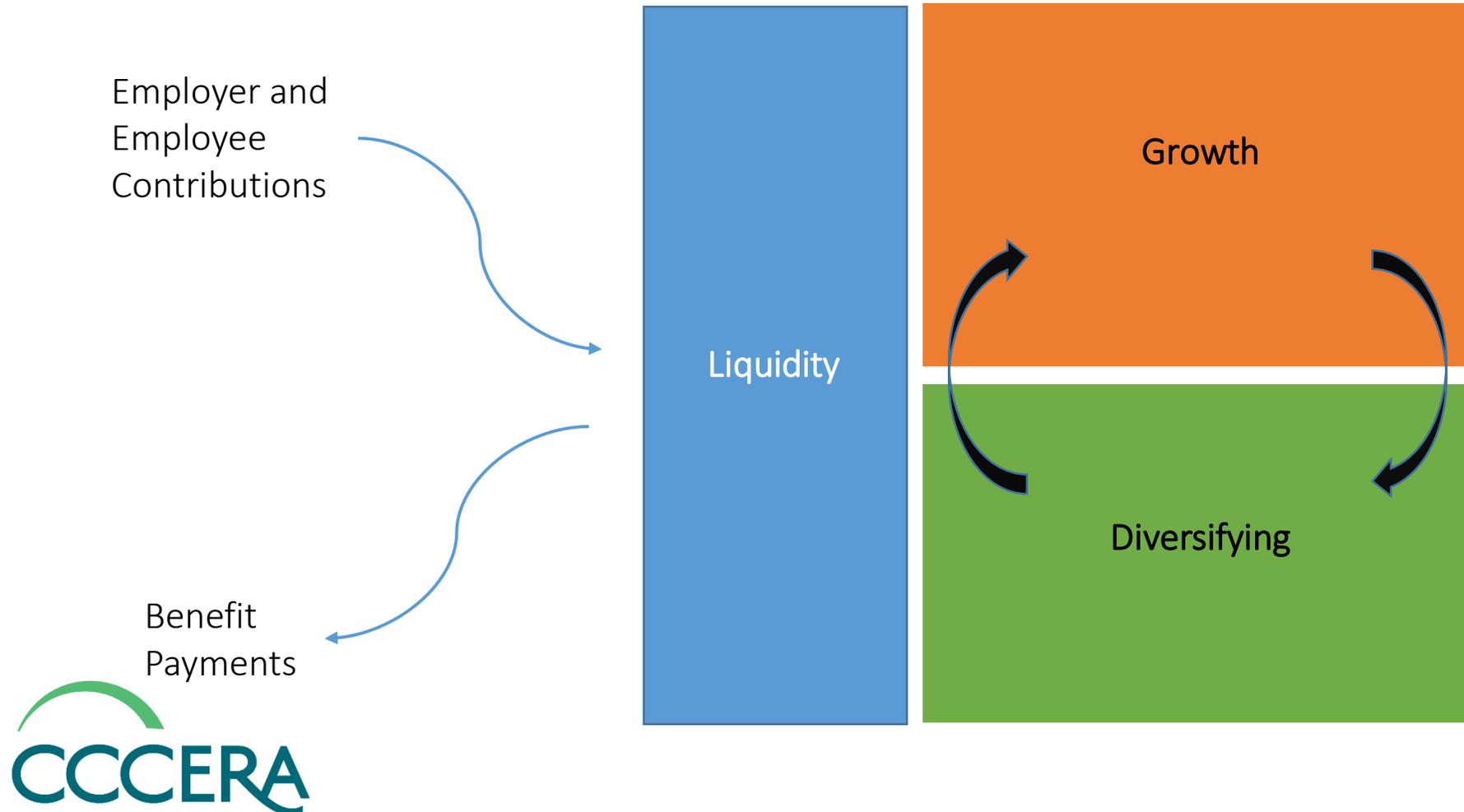
Liquidity Sub-Portfolio Review

July 8, 2020

Liquidity Program Review

1. Role of Liquidity in FFP framework
2. Composition of program and role of each manager
3. Cash flow profile
4. Annual Funding Plan
5. Strategic Decisions

Functional Role



Liquidity Functional Review

- The Liquidity sub-portfolio is the cornerstone of the FFP
- Using actuarial projections, we model each month's projected benefit payment
- The benefit payment cash flow model is then used to build the investment program
- Through contractual income, trading and maturing debt, the Liquidity sub-portfolio provides the necessary monthly cash flow to make benefit payments

Objectives

Match 4 years of benefit payments with high certainty

Produce cash flow to match monthly benefit payment



Manager Structure

Sit Fixed Income

~25% allocation when fully funded.

Invests in seasoned government-guaranteed securities that pay robust coupons. Income stream pulled monthly and we can liquidate the corpus on an as-needed basis.

Dimensional Fund Advisors

~25% allocation when fully funded.

Invests across the fixed income universe in order to build characteristics and behaviors into the portfolio in aggregate. We pull a set amount from the portfolio monthly and give DFA discretion on where and how to raise the necessary cash.

Insight Investment

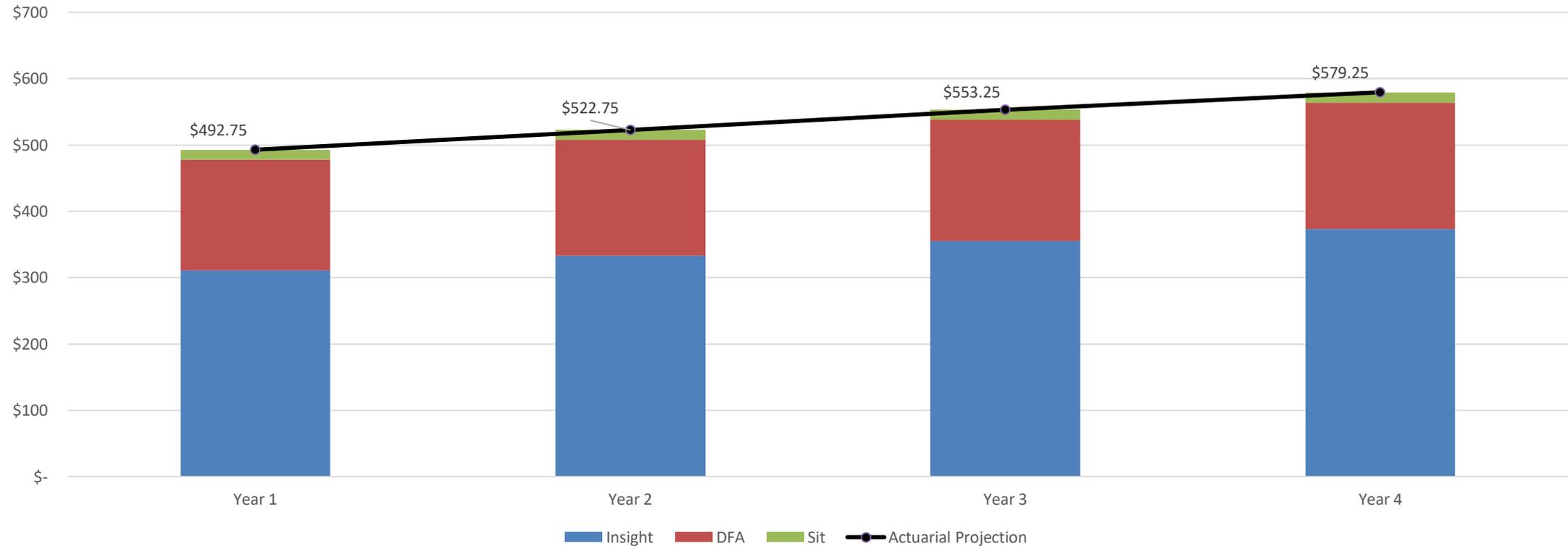
~50% allocation when fully funded.

Invests in a “buy and maintain” portfolio of short-duration, high quality securities designed to complete the needed CCCERA cash flows monthly. Insights builds and maintains the CCCERA cash flow profile based upon actuarial projections.



Multiple Sources of Cash Flow

Liquidity Program
Manager Contribution to Annual Benefit Payments



Program Characteristics as of 3/31/20

Metric	Description	Sit	DFA	Insight
Credit Quality	Credit quality informs investors of a bond or bond portfolio's credit worthiness or risk of default. Private independent rating services provide evaluations of a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion.	AAA	A+	A+
Duration	Duration is a measure of the sensitivity of the price of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years.	2.6	0.9	1.4
Coupon	A coupon is the annual interest rate paid on a bond, expressed as a percentage of the face value.	6.5	2.1	2.6
Yield	Coupon divided by current price of a bond	1.7	2.7	2.7



Sit Fixed Income

Summary	
Liquidity Program Role	Sit invests in high yielding, government backed mortgages. The cash flow from these securities is harvested monthly to make up a portion of CCCERA's monthly benefit payment.
Key Personnel	Bryce Doty, Senior Portfolio Manager Mark Book, Portfolio Manager Chris Rasmussen, Portfolio Manager
Fee Structure	Estimated Annual Fee: 15 basis points
CCCERA AUM as of May 31, 2020	\$603 mm
2019 Cash Flow	\$15 mm
Projected 2020 Cash Flow	\$15 mm



Dimensional Fund Advisors

Summary	
Liquidity Program Role	Dimensional Fund Advisors runs a strategy that focuses on obtaining fixed income exposures via the most liquid securities available. DFA contributes to the Liquidity Program by selling securities at regular intervals to pay a portion of CCCERA's monthly benefit payment.
Key Personnel	Joseph Kolerich, Senior Portfolio Manager David Plecha, Global Head of Fixed Income
Fee Structure	Estimated Annual Fee: 11 basis points
CCCERA AUM as of May 31, 2020	\$394 mm
2019 Cash Flow	\$169 mm
Projected 2020 Cash Flow	\$182 mm



Insight Investment Management

Summary	
Liquidity Program Role	Insight plays a completion role in the liquidity program, matching out liabilities with short duration government and corporate fixed income securities.
Key Personnel	Gerry Berrigan, Senior Portfolio Manager Kevin Loescher, Asset Liability Solutions
Fee Structure	Estimated Annual Fee: 6 basis points
CCCERA AUM as of May 31, 2020	\$838 mm
2019 Cash Flow	\$309 mm
Projected 2020 Cash Flow	\$325 mm



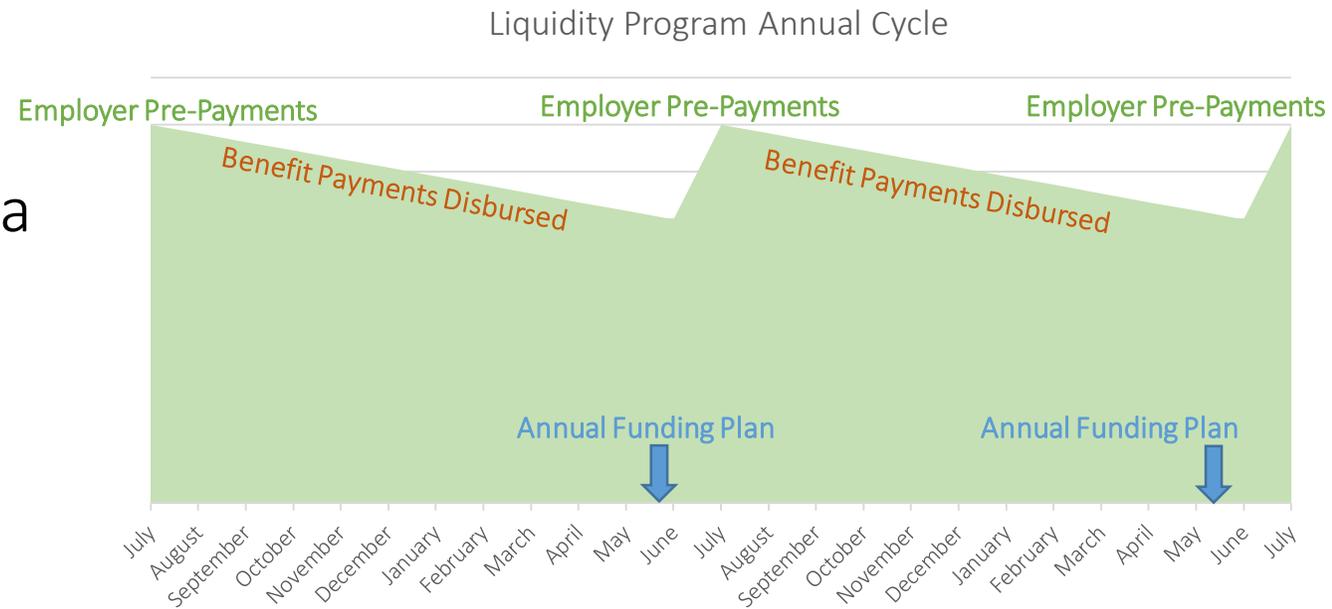
Providing Benefit Payments

Annual	Semi-Annual	Monthly
<p>CCCERA receives benefit projections from actuaries</p> <p>Benefit projections are reviewed by Insight, which seeks to match each discrete benefit payment</p> <p>CCCERA Investment Staff “tops up” the liquidity program during the Annual Funding Process</p>	<p>CCCERA Investment Staff reviews tracking of actual benefit payment sizing versus initial estimate, and adjusts subsequent six months of liquidity program cash flows accordingly</p> <p>Several months of benefit payments are scheduled at custodial bank</p>	<p>Benefit payments are disbursed from bank in advance of benefit checks being processed by CCCERA</p>



Refreshing the Program

- The Liquidity sub-portfolio is topped up annually in July in conjunction with the employer pre-payments
- The sub-portfolio then operates in a drawdown mode for the next 11 months
- The plan for how to refresh the Liquidity sub-portfolio is communicated to the Board in the Annual Funding Plan



Strategic Decisions

The Board's input is needed for two strategic aspects of the Liquidity Sub-portfolio

1. Duration of benefit payments to be matched. This is reviewed in the asset liability study and will be discussed this Fall.
2. Decision to re-allocate up to one year of the Liquidity allocation for rebalancing in extraordinary market environments. This is referred to in the Investment Policy Statement as "Zone 2" rebalancing.

Board Decisions

Board chose to match 4 years of benefit payments

Zone 2 rebalancing has not been utilized to date

Conclusion

- Liquidity sub-portfolio matches benefit payments to reduce liquidity demands on the rest of the portfolio
- Multi-manager structure provides diversification of process while keeping all managers focused on unique CCCERA goals
- Annual refreshing of the program and periodic reviews of the duration of benefits to be funded allows for tweaks of the program as needed



Investment Manager Discussion

- Investment manager discussion
 - Bryce Doty, Senior Portfolio Manager, Sit Fixed Income Short Duration
- Agenda
 - Overview of team, strategy, and role at CCCERA
 - Discussion of Federal Reserve response to coronavirus-related economic shocks
 - Q&A from Trustees



Meeting Date
07/08/20
Agenda Item
#13



INVESTMENT PRESENTATION
CONTRA COSTA COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

JULY 8, 2020

Bryce A. Doty, CFA – Sr. Vice President & Sr. Portfolio Manager, Fixed Income

Sit Investment Associates, Inc.
80 South Eighth Street, Suite 3000
Minneapolis, MN 55402-2211
612.332.3223
www.sitinvest.com

PRESENTATION OUTLINE

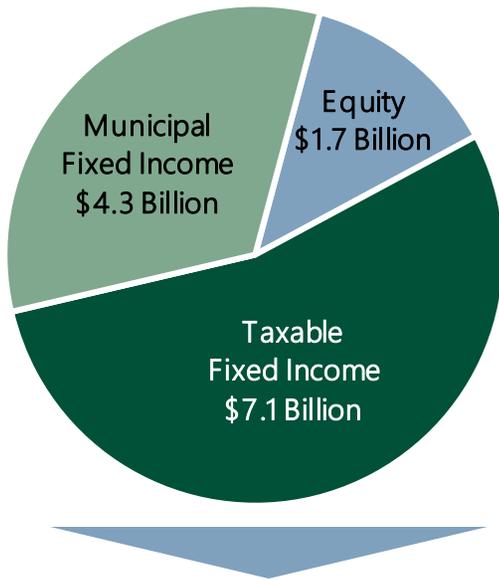
- I. Introduction
- II. CCCERA & Sit Portfolio
- III. Outlook
- IV. Miscellaneous & Disclosures

INTRODUCTION

SIT INVESTMENT ASSOCIATES : FIRM OVERVIEW



\$13.1B Total Gross AUM
as of March 31, 2020



72%: Separately Managed Accounts
12%: Private Investment Funds
16%: Mutual Funds

Independent & Employee-owned Firm

- Founded in 1981 by Eugene Sit
- Independent: Sit family and employee ownership
- One of the largest minority-owned advisory firms in the U.S.

Seasoned Team, Aligned With Our Investors

- Experienced investment team with long Sit tenure
- Focus on investment results, controlled AUM growth
- Significant internal investment in Sit strategies

Consistent Process & Compelling Track Record

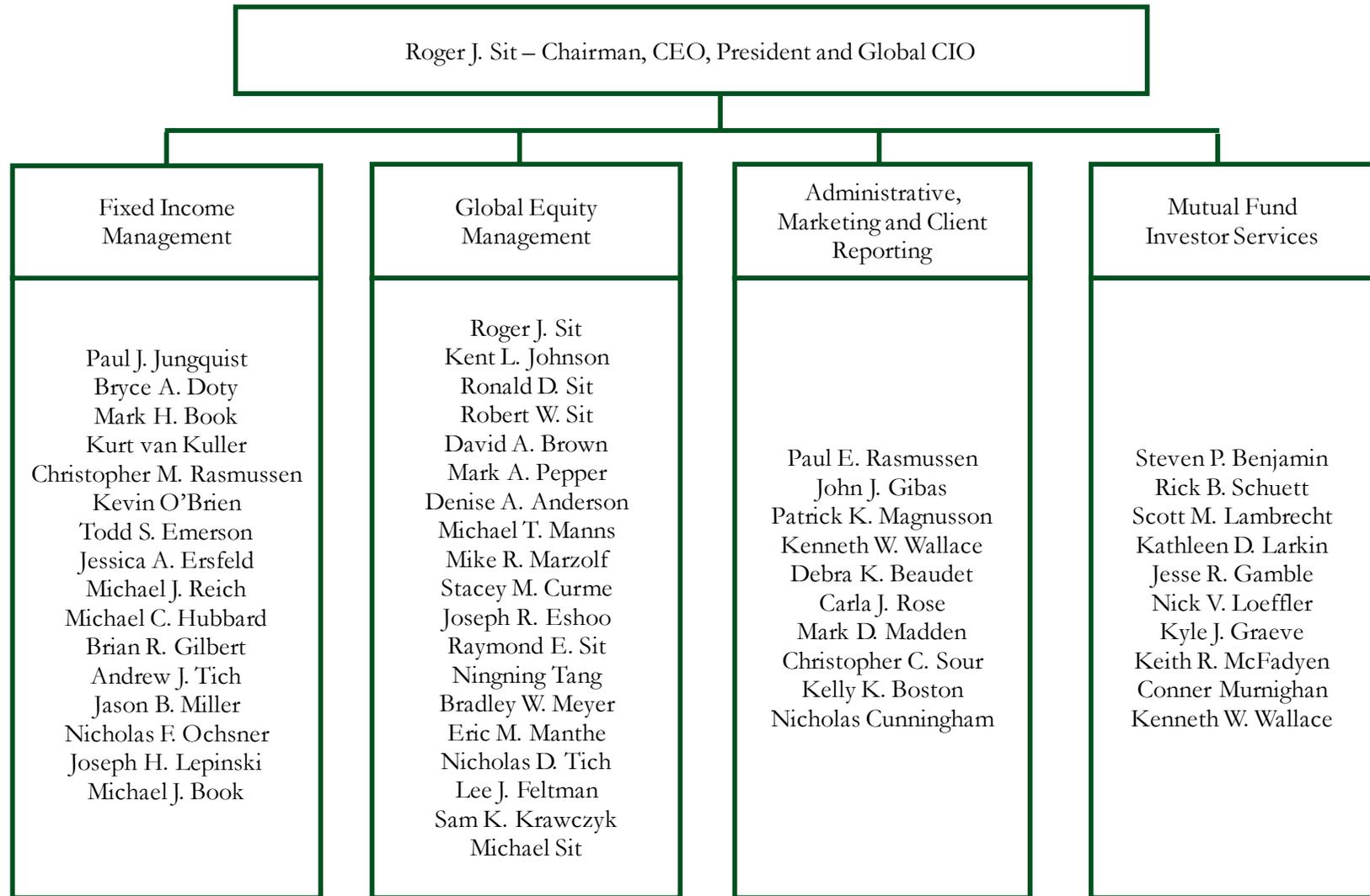
- Value-added, active management philosophy
- Time-tested and consistent investment process
- Unique traditional and alternative strategies complement portfolios

AN ARRAY OF TRADITIONAL & ALTERNATIVE STRATEGIES TO COMPLEMENT PORTFOLIOS

	Taxable Fixed Income	Municipal Fixed Income	Growth Equity
Traditional Strategies	<ul style="list-style-type: none"> Total Return Intermediate Duration Short Duration Quality Income Long Duration Quality Income Taxable Municipal* 	<ul style="list-style-type: none"> Total Return Intermediate Duration Short Duration Taxable Municipal* 	<p><u>US Focus</u></p> <ul style="list-style-type: none"> Large Cap Mid/Small Cap Small Cap Dividend Growth Small Cap Dividend Growth Balanced
Alternative Strategies: Closed-End Funds	<ul style="list-style-type: none"> Return Plus (Investment Grade) HY Return Plus (HY/Bank Loans) Targeted Opportunity (Event) Energy/MLP (Infrastructure) 	<ul style="list-style-type: none"> Municipal Return Plus (Municipal Fixed Income) 	<p><u>Global & International Focus</u></p> <ul style="list-style-type: none"> Global ESG Growth EAFE+ Pacific Basin Developing Markets
Alternative Strategies: Custom Alpha	<ul style="list-style-type: none"> Alpha Bond Rising Rates S&P 500 EAFE 5-Year Treasury 30-Year Treasury 	<p>Short Duration</p> <p>The <u>Custom Alpha Series</u> employs the <u>Taxable Short Duration</u> strategy, duration hedged and levered. This return stream can be ported on to a range of beta exposures</p>	

Available Investment Structures: Separately Managed Accounts, Private Investment Funds, Collective Investment Trusts, Mutual Funds (select strategies)

INVESTMENT PROFESSIONALS ORGANIZATION CHART



KEY PERSONNEL – FIXED INCOME MANAGEMENT

Policy and Oversight - <i>Sit Investment</i>	<u>Years of Investment Exp.</u>	<u>Years with SIA</u>
Roger J. Sit – Chairman, CEO, President and Global CIO	29	22
Policy, Oversight and Portfolio Management – <i>Sit Fixed Income</i>		
Bryce A. Doty, CFA – Senior Vice President, Senior Portfolio Manager	29	24
Paul J. Jungquist, CFA, CGMA, CPA – Senior Vice President, Senior Portfolio Manager	26	26
Kurt van Kuller, CFA - Vice President, Portfolio Manager	40	2
Mark H. Book, CFA, CMA – Vice President, Portfolio Manager	34	19
Christopher M. Rasmussen, CFA – Vice President, Portfolio Manager	19	21
Michael J. Reich, CFA – Vice President, Portfolio Manager	15	16
Credit Analysis		
Todd S. Emerson, CFA – Vice President, Research Analyst	25	13
Jessica A. Ersfeld, CFA – Vice President, Research Analyst	13	12
Michael C. Hubbard, CFA – Research Analyst	14	8
Andrew J. Tich, CFA – Research Analyst	12	13
Jason B. Miller, CFA - Municipal Credit Analyst	12	6
Nicholas F. Ochsner, CFA - Taxable Credit Analyst	8	2
Joseph H. Lepinski, CFA - Municipal Credit Assistant	14	13
Michael J. Book - Municipal Credit Assistant	4	0
Trading and Support		
Kevin P. O'Brien, CFA– Vice President, Trader and Research Analyst	17	19
Brian R. Gilbert – Decision Support Associate	25	25

A LEADING FIXED INCOME TRACK RECORD & A DIFFERENTIATED APPROACH

Sit Fixed Income: Investment Philosophy

Consistently achieve superior risk-adjusted returns using a conservative investment approach with:

- Investment grade securities
- Income component of total return
- Active management and building portfolios distinctly different from benchmark indices

Sit Fixed Income: Our Advantage

- Focus on select, high relative value areas of the market where we have recognized expertise
- Consistent and repeatable approach has produced top quartile performance across strategies
- Strong, differentiated commitment to client service, which includes:
 - Direct access to portfolio managers and monthly commentary letter
 - Assistance in crafting investment guidelines and responsiveness to changing needs
 - Invitation to Sit's Annual Client Workshop, a unique educational event

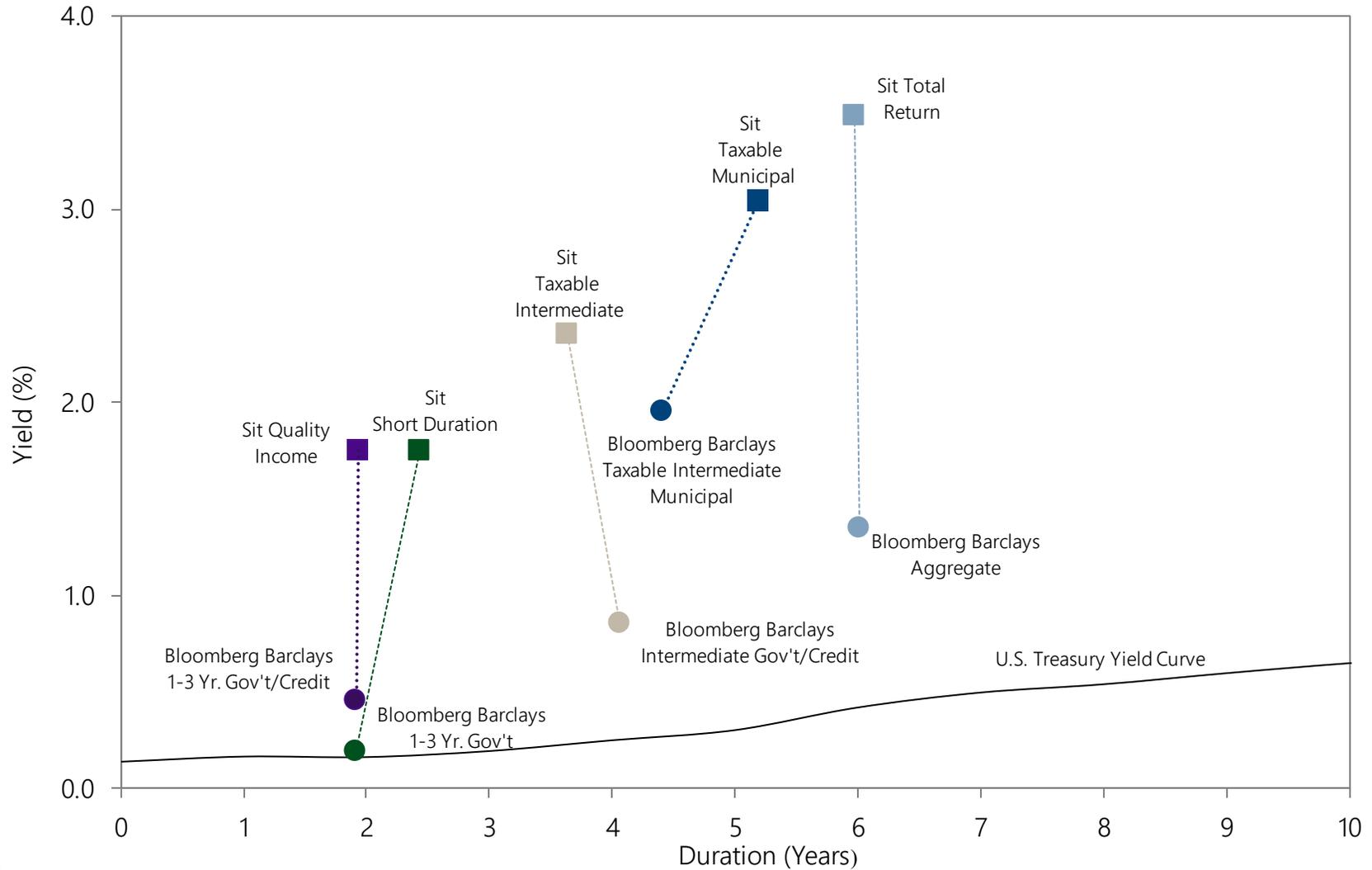
Sit Fixed Income
Controlled AUM Growth Driven by
Strong Investment Performance &
Committed Client Service

Sit Fixed Income: Annual AUM
2010-19 (in \$B)



SIT TRADITIONAL STRATEGIES – STRONG YIELD ADVANTAGE

As of May 31, 2020



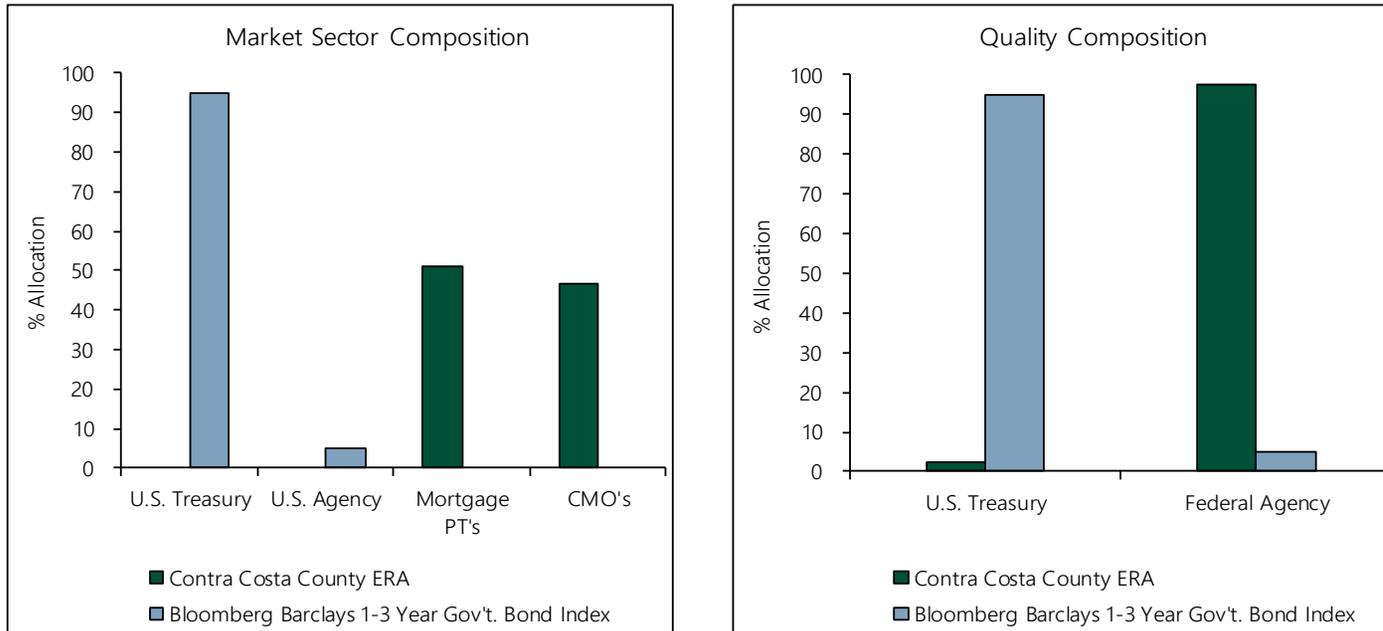
Past performance is not indicative of future performance. Returns are gross of fees and calculated on a time-weighted total return basis. The information above is supplemental to and complements the composite presentation at the end of the disclosure section. The account information set forth above is for the composite, and is provided for illustrative purposes only. Please refer to the disclosure section for performance information and the composite presentation including net of fees results.

PORTFOLIO

CONTRA COSTA COUNTY ERA

Fixed Income Portfolio Characteristics

As of May 31, 2020



Weighted-Average Summary Characteristics		
	Contra Costa County ERA	Bloomberg Barclays 1-3 Year Gov't. Bond Index
Yield to Average Life	1.7%	0.2%
Quality	AGY / AGY	TSY / TSY
Duration	3.0 Yrs	1.9 Yrs

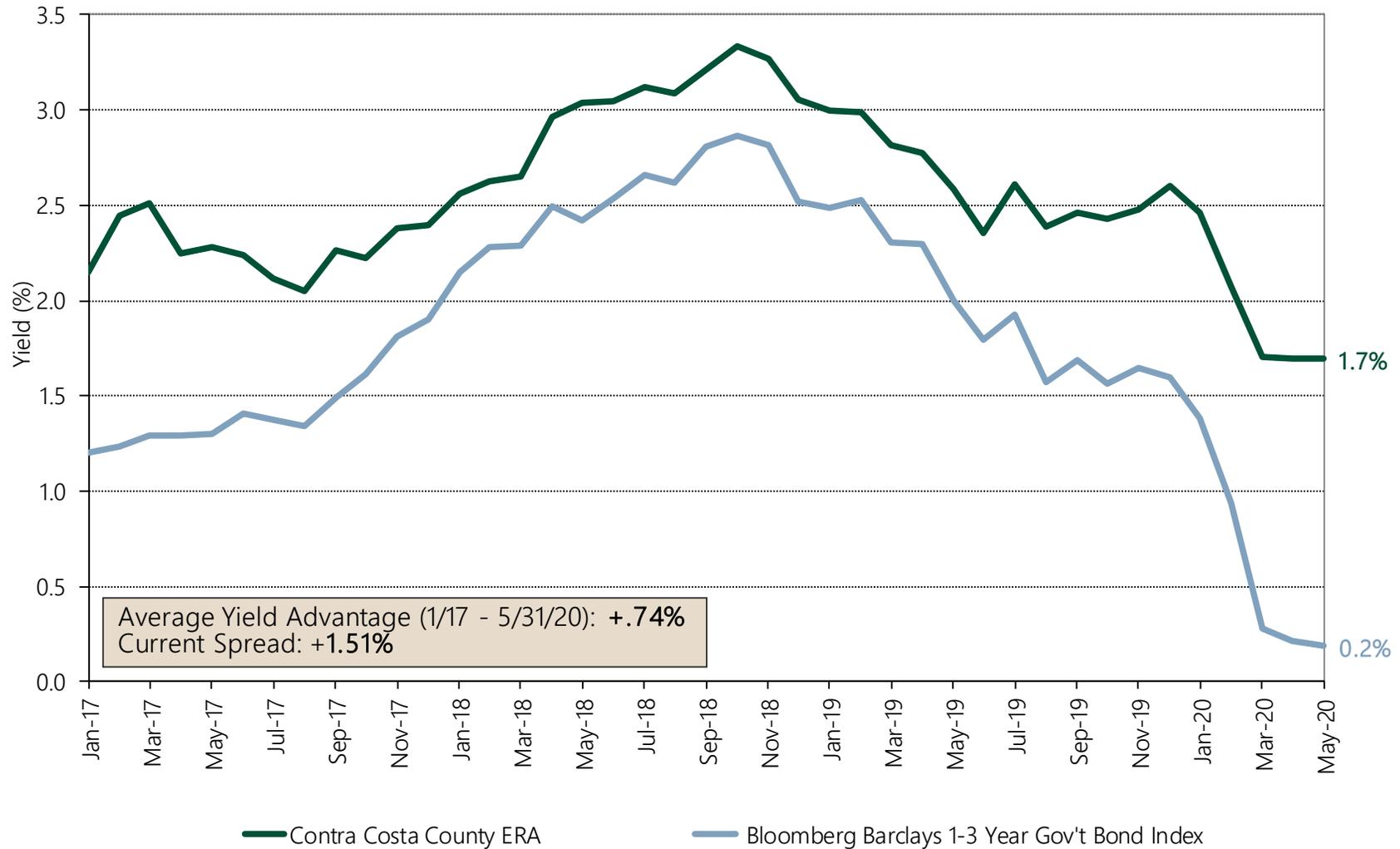
CONTRA COSTA COUNTY ERA SECTOR WEIGHTINGS

As of May 31, 2020

	<u>Jun-17</u>	<u>Dec-17</u>	<u>Jun-18</u>	<u>Dec-18</u>	<u>Jun-19</u>	<u>Dec-19</u>	<u>May-20</u>
Mortgage Pass-Throughs	65%	62%	57%	55%	51%	47%	51%
CMO's	34	35	41	44	48	48	47
Cash Equivalents	1	3	2	1	1	5	2
	<hr/>						
	100%	100%	100%	100%	100%	100%	100%
 <u>Duration (years)</u>							
Contra Costa County ERA	2.5	2.4	2.6	2.6	2.6	2.6	3.1
Bloomberg Barclays 1-3 Yr. Gov't	1.9	1.9	1.9	1.9	1.9	1.9	1.9
 <u>Yield</u>							
Contra Costa County ERA	2.2%	2.4%	3.1%	3.1%	2.4%	2.6%	1.7%
Bloomberg Barclays 1-3 Yr. Gov't	1.4%	1.9%	2.5%	2.5%	1.8%	1.6%	0.2%

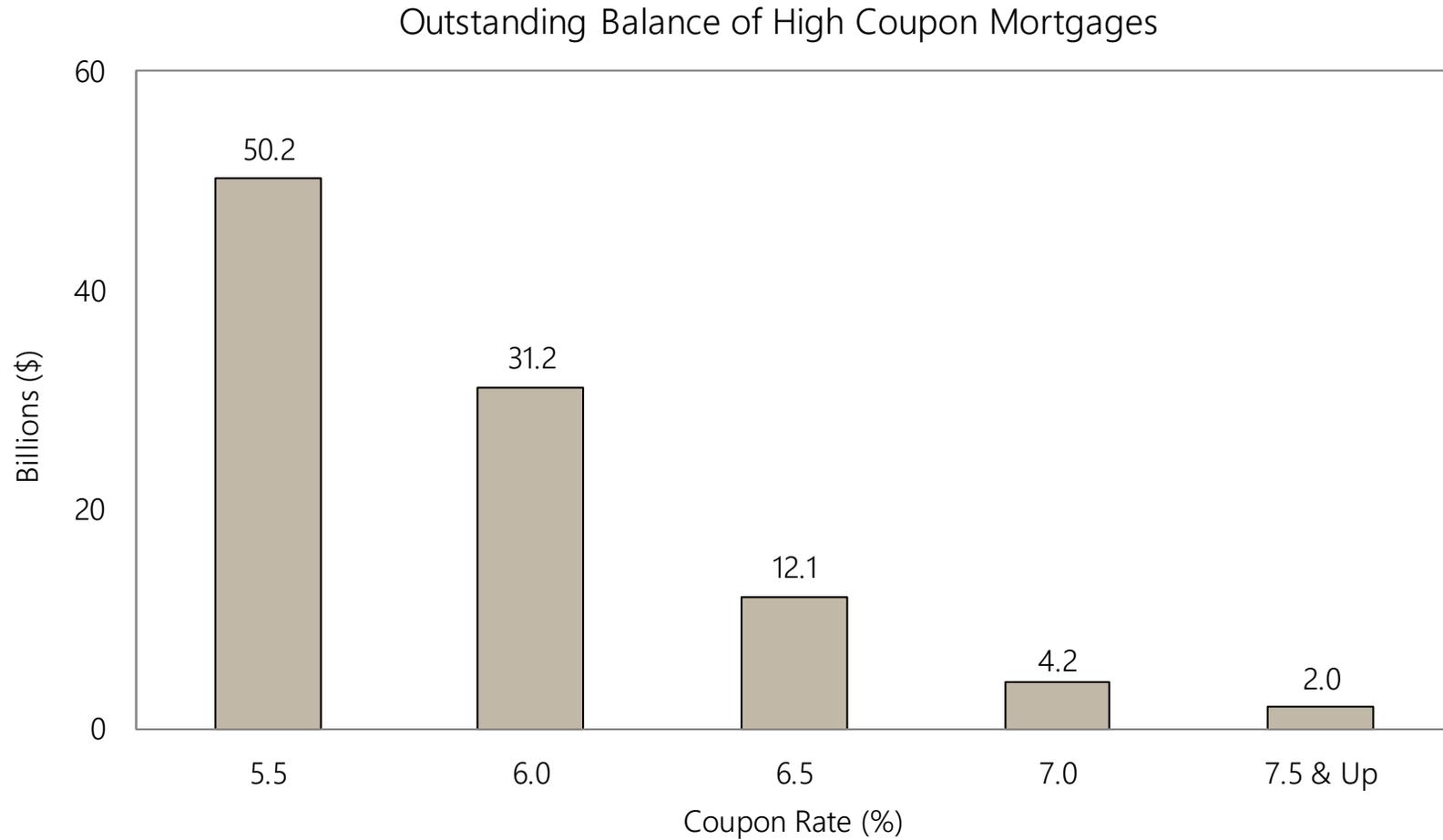
CONTRA COSTA COUNTY ERA YIELD ADVANTAGE

As of May 31, 2020



Past performance is not indicative of future performance. Returns are gross of fees and calculated on a time-weighted total return basis. Please refer to the disclosure section for additional performance information and the composite presentation including net of fees results.

HIGH COUPON MORTGAGE UNIVERSE AS OF JUNE, 2020



SEASONED GOVERNMENT AGENCY MORTGAGES - SIMPLIFIED EXAMPLE

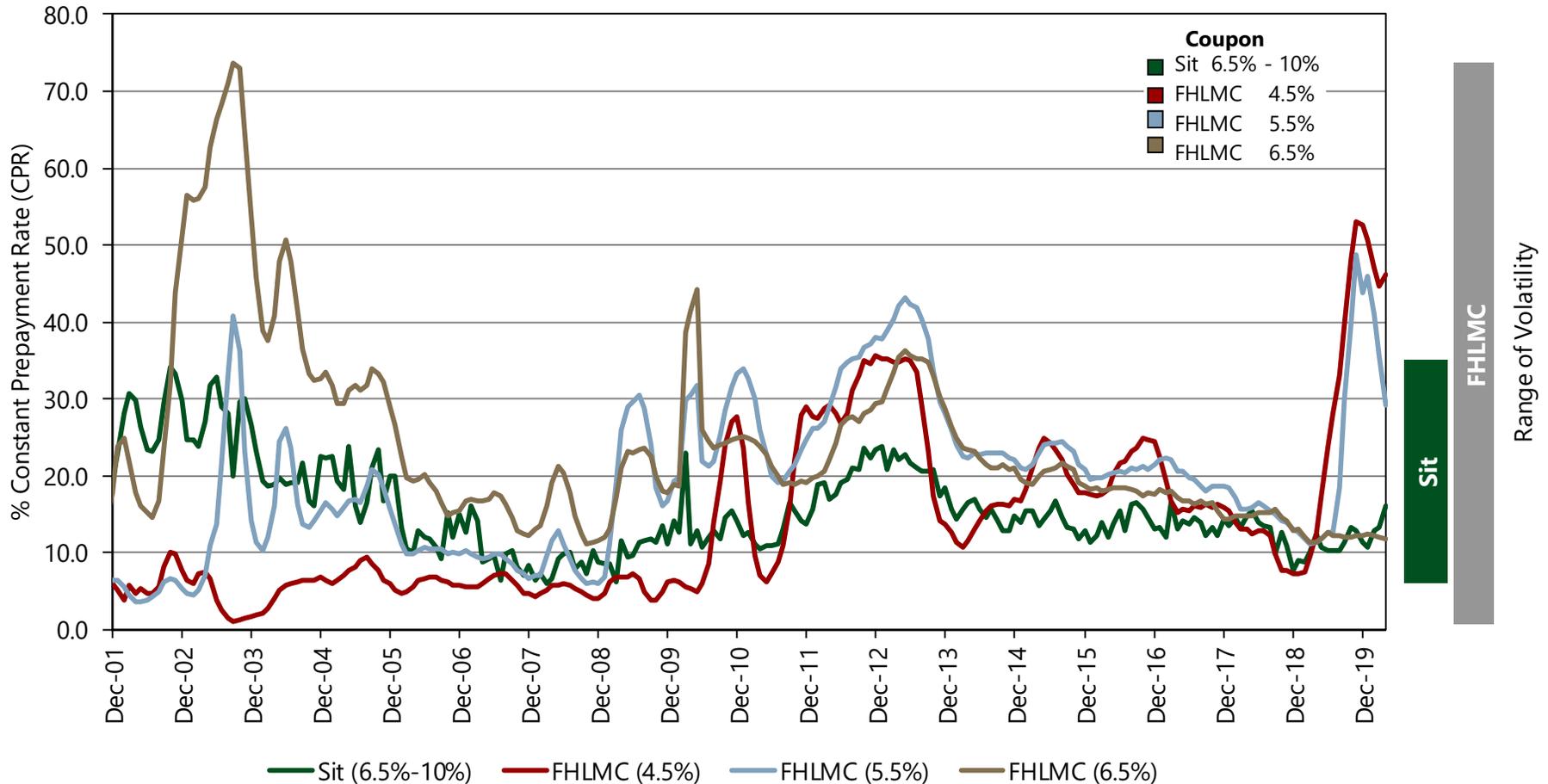
Coupon 6.00%	Purchase Cost \$112,000	—	Par \$100,000	=	Premium Paid \$12,000
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One Year Profit / Loss Scenarios

	Interest Received	—	Premium Loss	=	Profit	Profit / Cost
1) Nobody refinances	\$6,000	—	\$0	=	\$6,000	5.36%
2) One-fifth is refinanced after 6 months	\$5,400	—	\$2,400	=	\$3,000	2.68%
3) Half is refinanced after 6 months	\$4,500	—	\$6,000	=	-\$1,500	-1.34%
4) All is refinanced after 6 months	\$3,000	—	\$12,000	=	-\$9,000	-8.04%

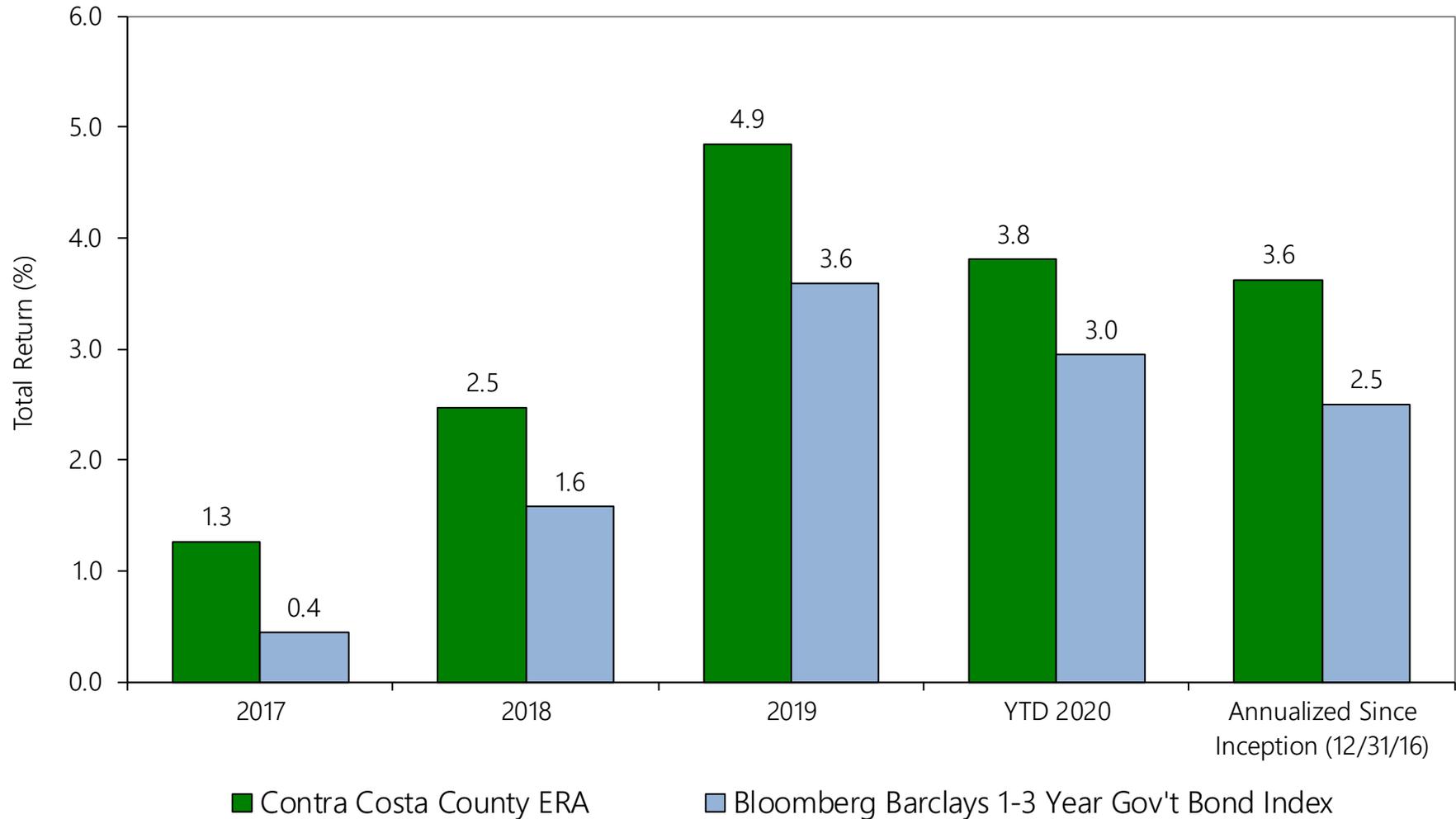
SEASONED MORTGAGES HAVE LOWER PREPAYMENT EXPERIENCE

High coupon seasoned mortgages exhibit the most stable prepayments.



CONTRA COSTA COUNTY ERA PERFORMANCE

As of May 31, 2020

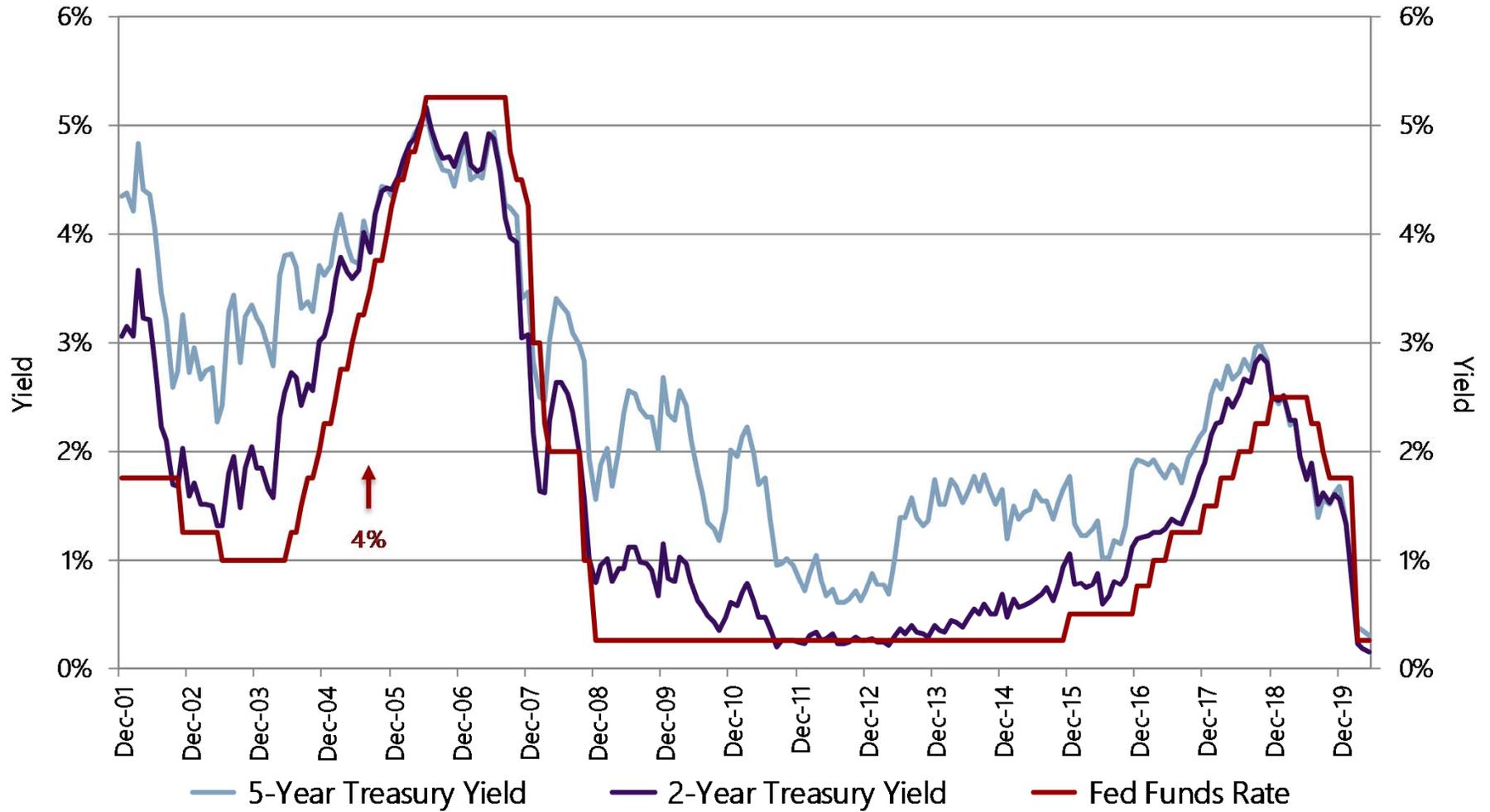


OUTLOOK

DON'T FIGHT THE FED!!!



2 AND 5 YEAR U.S. TREASURY RATES VS. FED FUNDS RATE



Source: Bloomberg, June, 2020

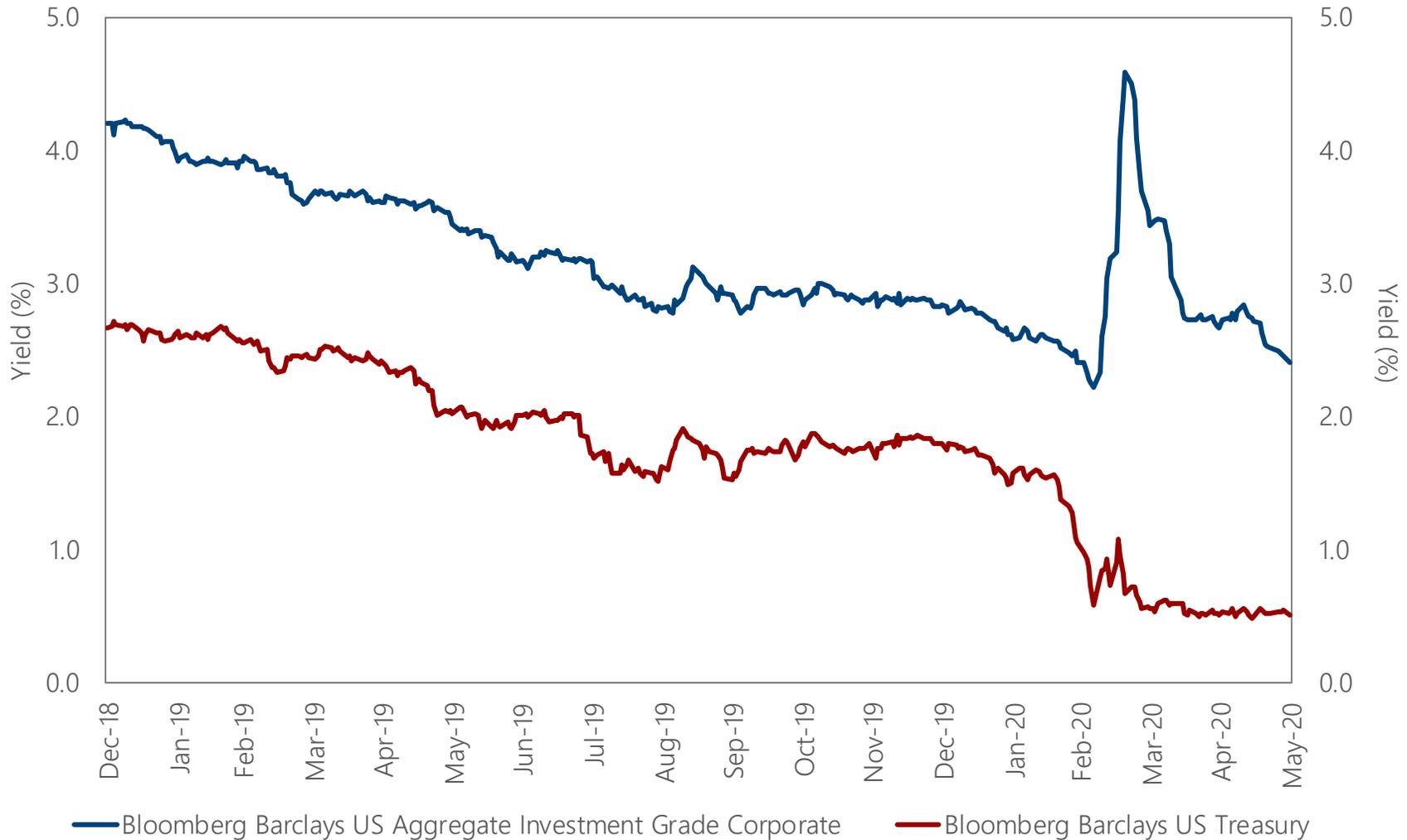
WHY THERE ARE A LOT OF BUYERS OF U.S. BONDS

Country	Nominal Government Bond Yields ▼												
	3M	6M	1Y	2Y	3Y	4Y	5Y	7Y	10Y	15Y	20Y	25Y	30Y
Italy	-0.28	-0.24	-0.20	-0.11	0.25	0.32	0.60	0.92	1.28	1.69	1.96	2.13	2.24
Australia	n/a	n/a	0.24	0.25	0.25	0.30	0.38	0.58	0.87	1.19	1.48	n/a	1.69
Norway	0.04	0.04	n/a	0.08	n/a	n/a	0.36	0.49	0.66	n/a	n/a	n/a	n/a
United States	0.15	0.17	0.17	0.17	0.18	n/a	0.30	0.49	0.64	n/a	n/a	n/a	1.37
Canada	0.21	0.25	0.28	0.30	n/a	0.32	0.36	0.40	0.50	n/a	0.82	n/a	0.99
Spain	n/a	n/a	n/a	-0.45	-0.33	-0.27	-0.17	0.12	0.44	n/a	n/a	n/a	1.24
UK	0.04	0.04	0.01	-0.08	-0.06	-0.06	-0.04	0.02	0.18	0.39	0.55	0.63	0.63
Japan	-0.10	-0.22	-0.18	-0.14	-0.15	-0.14	-0.11	-0.10	0.01	0.22	0.40	0.49	0.59
Sweden	-0.07	-0.13	n/a	-0.36	n/a	n/a	-0.33	-0.26	-0.09	n/a	n/a	n/a	n/a
Ireland	-0.61	-0.60	-0.58	-0.56	-0.52	-0.46	-0.41	-0.18	-0.09	n/a	0.48	n/a	0.63
France	-0.51	-0.52	-0.59	-0.61	-0.61	-0.58	-0.53	-0.37	-0.12	0.06	0.26	0.45	0.59
Netherlands	n/a	n/a	-0.61	-0.62	-0.67	-0.64	-0.63	-0.48	-0.31	-0.24	-0.07	n/a	-0.02
Switzerland	-0.85	n/a	n/a	-0.64	-0.61	-0.63	-0.60	-0.54	-0.44	n/a	-0.22	n/a	-0.27
Germany	-0.54	-0.53	-0.67	-0.70	-0.75	-0.73	-0.71	-0.62	-0.47	-0.28	-0.22	-0.14	-0.04

Source: FactSet, 6/26/20

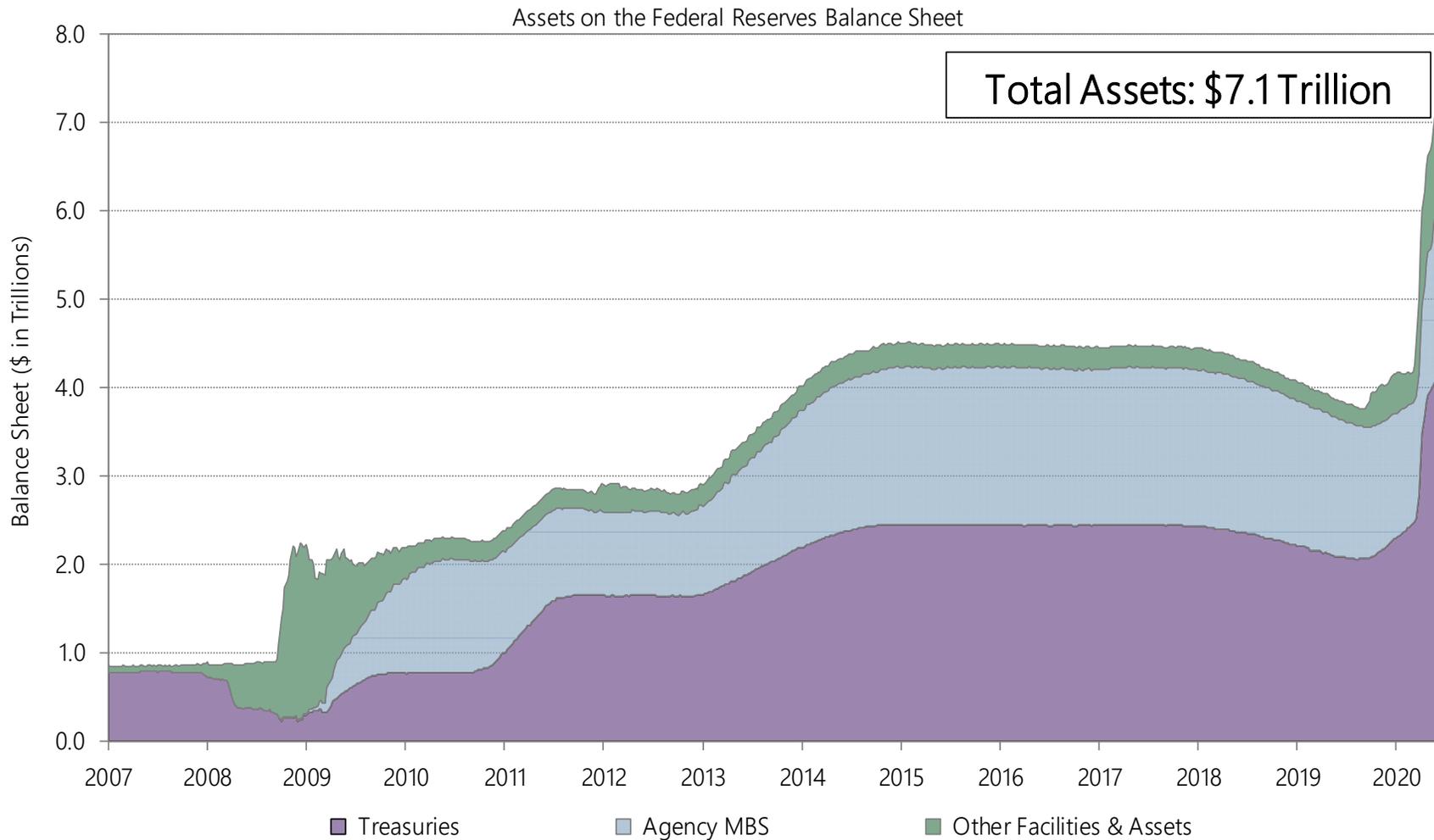
HISTORICAL INVESTMENT GRADE CORPORATE AND TREASURY YIELDS

As of May 31, 2020



FEDERAL RESERVE BALANCE SHEET

As of June 3, 2020

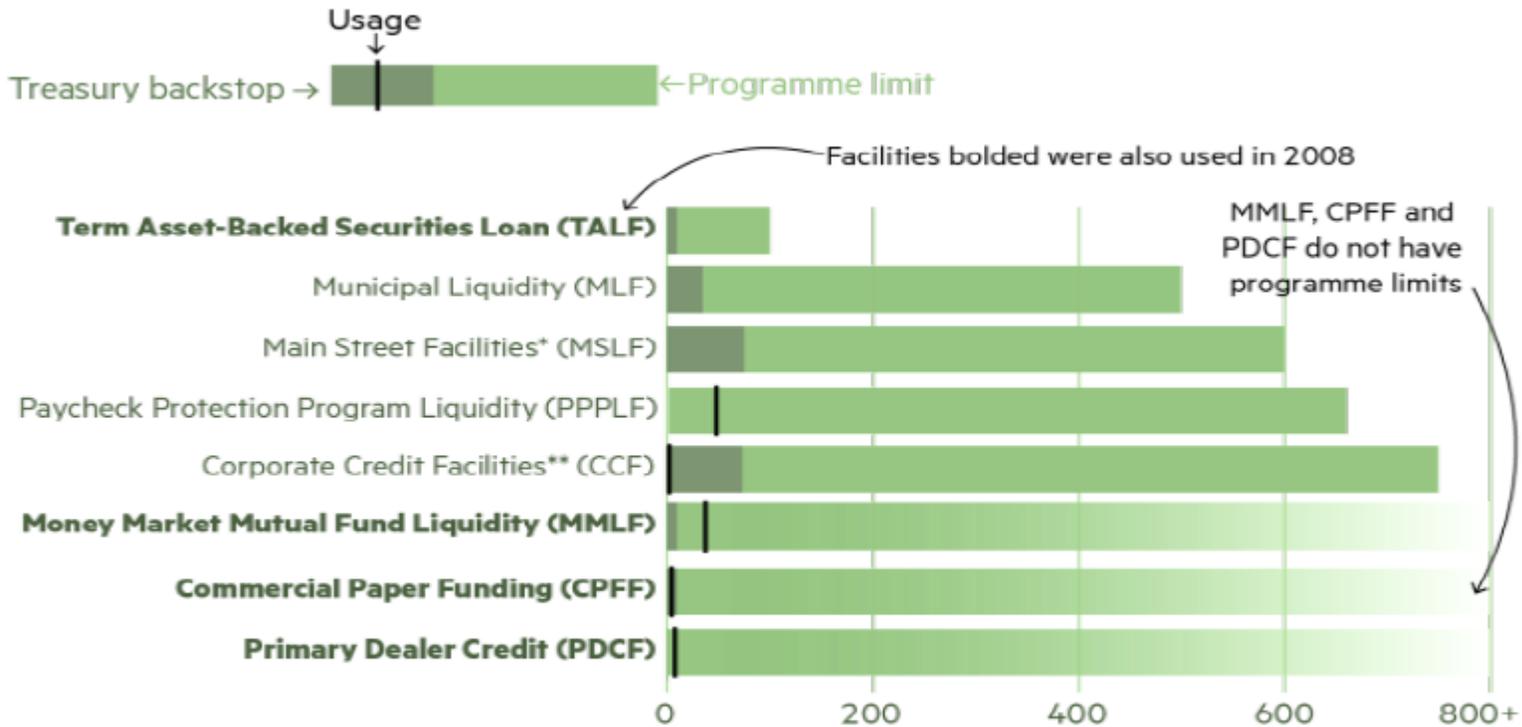


Source: Federal Reserve Board

FEDERAL RESERVES EMERGENCY BOND MEASURES

Federal Reserve's alphabet spaghetti of emergency measures

Assets, \$bn



Data as of May 20, 2020

*Includes Main Street New Loan Facility (MSNLF), Main Street Priority Loan Facility (MSPLF) and Main Street Expanded Loan Facility (MSELF)

**Includes Primary Market Corporate Credit Facility (PMCCF) and Secondary Market Corporate Credit Facility (SMCCF)

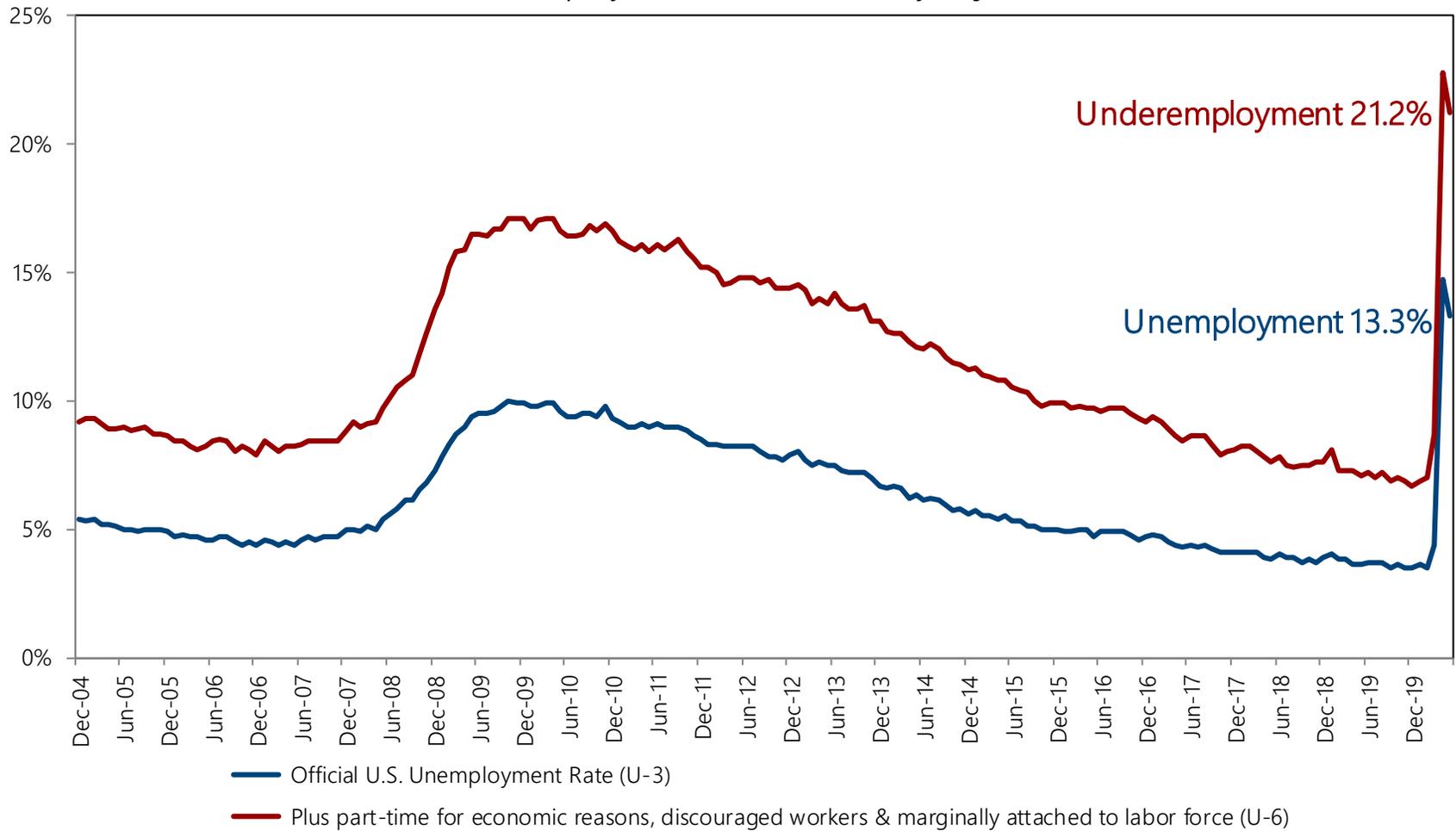
Source: US Federal Reserve

© FT

Source: Financial Times, May 29, 2020

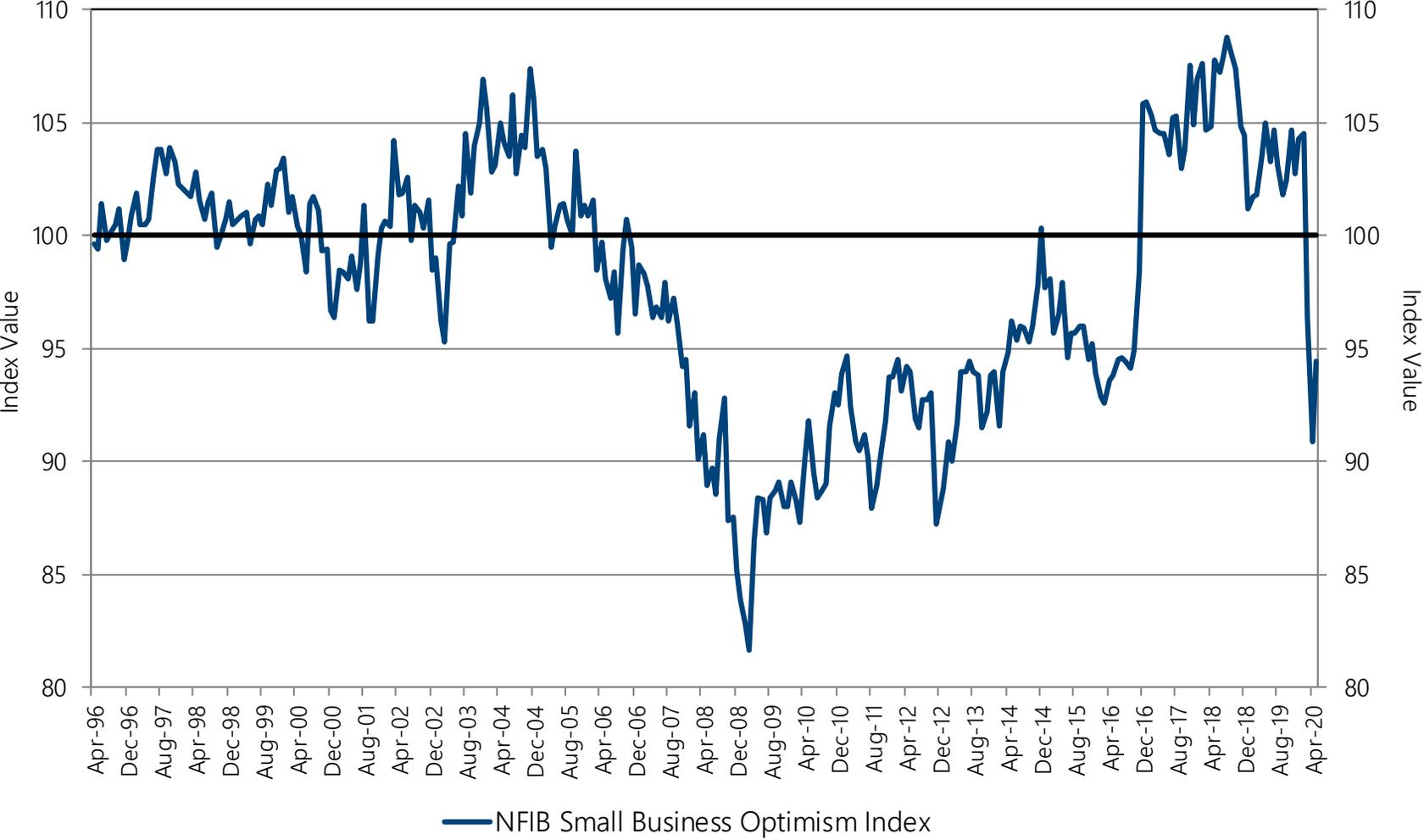
UNEMPLOYMENT RATE

Unemployment Rate, Seasonally Adjusted



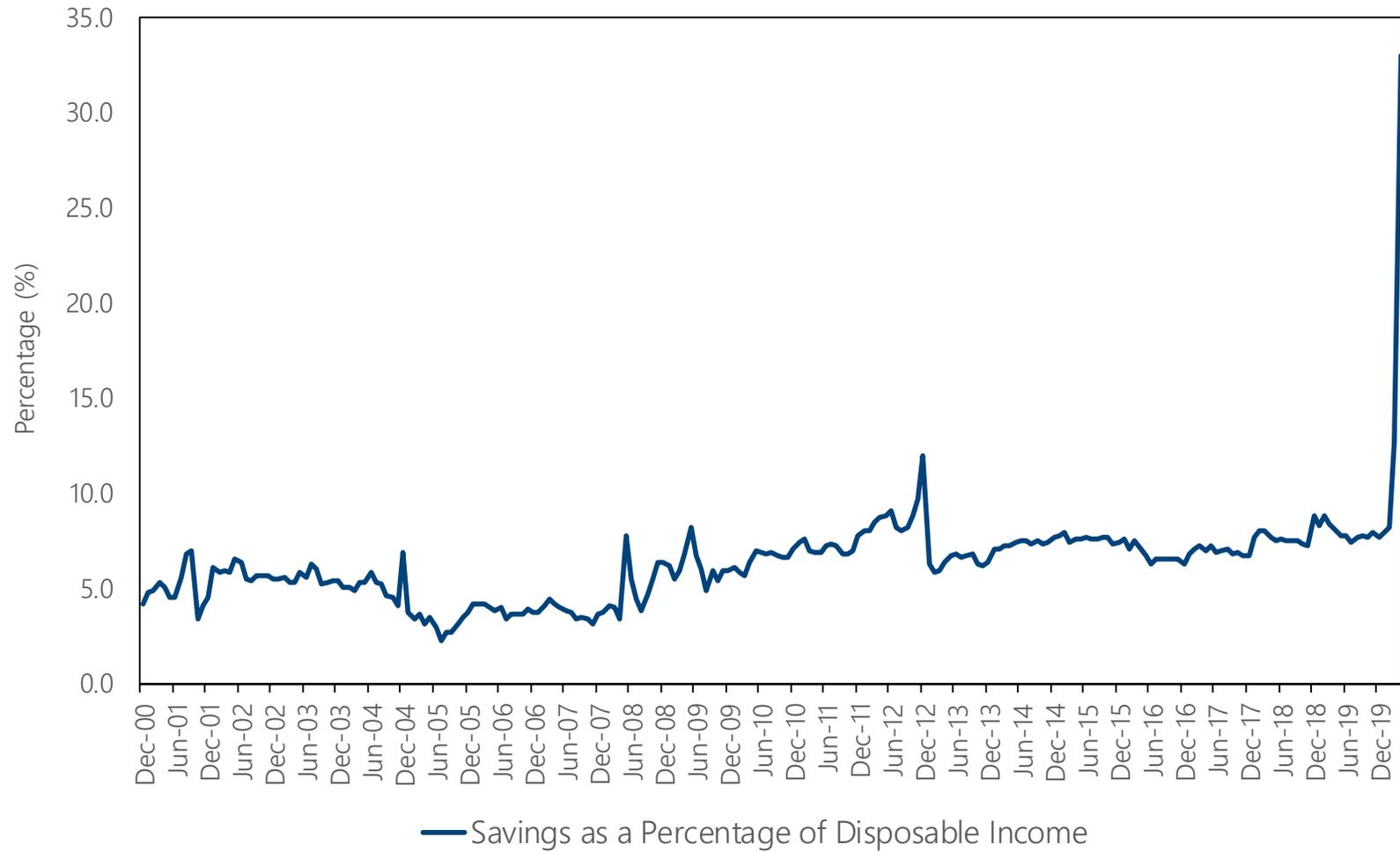
Source: Bloomberg, June, 2020

NFIB SMALL BUSINESS OPTIMISM



Source: Bloomberg, June, 2020

PERSONAL SAVINGS AS A PERCENTAGE OF DISPOSABLE INCOME



Source: Bloomberg, May, 2020

MISCELLANEOUS & DISCLOSURES

SIT TAXABLE FIXED INCOME INVESTMENT TEAM

Roger J. Sit
CEO, Global CIO
Global Investment Outlook
Investment Experience: 29 years
Years at Sit: 21

Bryce Doty, CFA
Senior Vice President, Sit Fixed Income
Taxable Bond Manager & Trading
Investment Experience: 29 years
Years at Sit: 23

Mark Book, CFA, CMA
Vice President, Sit Fixed Income
Taxable Bond Manager & Trading
Investment Experience: 34 years
Years at Sit: 19

Chris Rasmussen, CFA
Vice President, Sit Fixed Income
Taxable Bond Manager & Trading
Investment Experience: 19 years
Years at Sit: 20

Mike Reich, CFA
Vice President, Sit Fixed Income
Research and Analysis
Investment Experience: 14 years
Years at Sit: 15

Jessica Ersfeld, CFA
Vice President, Sit Fixed Income
Research and Analysis
Investment Experience: 12 years
Years at Sit: 12

Andrew Tich, CFA
Research Analyst
Investment Experience: 12 years
Years at Sit: 13

Nicholas Ochsner, CFA
Taxable Credit Analyst
Investment Experience: 7 years
Years at Sit: 1

Brian Gilbert
Investment Analytics
Investment Experience: 25 years
Years at Sit: 25

SIT MUNICIPAL BOND INVESTMENT TEAM

Roger J. Sit
 CEO, Global CIO
 Global Investment Outlook

Paul J. Jungquist, CFA, CPA
 Senior Vice President, Sit Fixed Income
 Municipal Bond Portfolio Manager & Trading

Kurt van Kuller, CFA
 Portfolio Manager, Municipal Bond Research & Trading
Lead: Multi-family Housing,
Co-Lead: Single-family housing and Student Loans
Regional- New York: GOs and Essential Services

Todd S. Emerson, CFA
 Municipal Bond Research & Trading
Lead: Senior Living, Charter Schools, Land-Secured, Puerto Rico
Regional-Southeast: Senior Living, Charter Schools
Regional- Midwest: Charter Schools and Senior Living
Regional- Southeast/Mid Atlantic: Tax-Increment and Land-Secured

Kevin O'Brien, CFA
 Municipal Bond Trading and Research
Co-Lead: Single-family housing and Student Loans
Regional: NE & Mid Atlantic: Senior Living

Michael C. Hubbard, CFA
 Municipal Bond Research & Trading
Lead: Healthcare and Municipal Closed-end Bond Funds
Regional-Midwest & Mid Atlantic: GOs, Tax-Increment, IDRs and Essential Svc
Regional-NE / Midwest: Healthcare
Regional- SE: Higher Education

Jason Miller, CFA
 Municipal Bond Research
Lead: GOs
Regional-West & Mountain: Healthcare, Senior Living, Charter Schools, Higher Ed., IDRs, Essential Svc., Land-Secured and GOs

Michael J. Book
 Municipal Bond Research
Lead: Transportation and Public Power
Regional-Midwest/Plains: Healthcare GOs, Tax-Increment, Higher Educ., IDRs and Essential Svc.
Regional- Northeast: GOs and Essential Svc.

Joseph H. Lepinski, CFA
 Municipal Bond Research
Lead: Higher Education and Foundations
Regional- Northeast: Higher Ed. and Charter Schools
Regional-Mid Atlantic: Higher Ed.
Regional- Southeast: Healthcare, GOs and Essential Svc.
Selected States: Sr. Living

BIOGRAPHIES



Roger J. Sit
CEO and Global Chief Investment Officer
29 years investment experience

1998 - Present Sit Investment Associates, Inc.
1991 - 1998 Goldman Sachs & Co., Vice President
1984 - 1990 Captain, United States Air Force

Harvard Business School, MBA (1991)
University of Southern California, MS (1987)
United States Air Force Academy, BS (1984)

rjs@sitinvest.com



Paul J. Jungquist, CFA, CPA, CGMA
Senior Vice President, Senior Portfolio Manager
26 years investment experience

1994 - Present Sit Investment Associates, Inc.
1990 - 1994 Twin Cities Testing, Assistant Controller
1984 - 1990 Grant Thornton, Auditor

University of Minnesota, MBA (1993)
University of Notre Dame, BBA (1984)

pjj@sitinvest.com



Bryce A. Doty, CFA
Senior Vice President, Senior Portfolio Manager
29 years investment experience

1995 - Present Sit Investment Associates, Inc.
1988 - 1995 Minnesota Mutual Life Insurance Company,
Investment Analyst

University of Minnesota, MBA (1992)
Hamline University, BA (1988)

bad@sitinvest.com



Kurt van Kuller, CFA
Vice President, Portfolio Manager
40 years investment experience

2018 - Present Sit Investment Associates, Inc.
2010 - 2018 MUFG Union Bank, Managing Director
2009 - 2010 Northeast Securities, Inc., Director Inst Sales
2007 - 2009 1861 Capital Management, Asst. Portfolio Mgr.
1991 - 2007 Merrill Lynch, Sr. Director & Manager
1987 - 1991 Lebenthal & Co., Inc., Managing Director
1984 - 1987 Mosely Securities Corp., Research Director
1980 - 1984 Standard & Poor's, Rating Officer

SUNY Albany, MBA (1980)
SUNY Albany, BA (1977)

kvk@sitinvest.com



Mark H. Book, CFA, CMA
Vice President, Portfolio Manager
34 years investment experience

2000 - Present Sit Investment Associates, Inc.
1998 - 2000 US Bancorp Piper Jaffray, Corp., VP, Strategist
1997 Norwest Investment Mgmt., Portfolio Manager
1991 - 1996 Insight Investment Mgmt., Portfolio Manager
1986 - 1991 Reliastar Financial Corp., Security Trader

University of Minnesota, MBA (1992)
University of Minnesota, BA (1986)

mhb@sitinvest.com



Christopher M. Rasmussen, CFA
Vice President, Portfolio Manager
19 years of investment experience

1999 - Present Sit Investment Associates, Inc.

University of Minnesota, MBA (2004)
University of Minnesota, BSB (2001)

cmr@sitinvest.com

FIXED INCOME BIOGRAPHIES



Todd S. Emerson, CFA

Vice President
25 years investment experience

2006 - Present Sit Investment Associates, Inc.
2002 - 2006 Thomson West, Finance Manager
1998 - 2001 U.S. Bank, Senior Financial Analyst
1994 - 1998 RBC Dain Rauscher, Public Finance Associate
1991 - 1993 Avco Financial Services, Assistant Manager

University of Minnesota, MBA (1994)
University of Wisconsin - Eau Claire, BBA (1991)

tse@sitinvest.com



Jessica A. Ersfeld, CFA

Vice President
13 years of investment experience

2007 - Present Sit Investment Associates, Inc.
2002 - 2007 Wells Fargo Bank, Relationship Specialist II

University of Minnesota, MBA (2006)
University of St. Thomas, BA (2000)

jae@sitinvest.com



Michael J. Reich, CFA

Vice President, Portfolio Manager
15 years investment experience

2004 - Present Sit Investment Associates, Inc.

University of Minnesota, MBA (2009)
University of St. Thomas, BA (2005)

mjr@sitinvest.com



Michael C. Hubbard, CFA

Research Analyst
14 years investment experience

2011 - Present Sit Investment Associates, Inc.
2008 - 2011 State Street Investment Analytics, Consultant
2005 - 2008 Adviser Investments, Analyst

Boston College, BS (2001)

mch@sitinvest.com



Kevin P. O'Brien, CFA

Vice President
17 years investment experience

2008 - Present Sit Investment Associates, Inc.
2005 - 2008 Captain, Minnesota Army National Guard
1997 - 2005 Sit Investment Associates, Inc.

University of Maryland University College, MS (2015)
University of St. Thomas, BA (1997)

kpo@sitinvest.com



Andrew J. Tich, CFA

Research Analyst
12 years investment experience

2006 - Present Sit Investment Associates, Inc.

University of Minnesota, MBA (2016)
University of St. Thomas, BS (2009)

ajt@sitinvest.com

FIXED INCOME BIOGRAPHIES



Jason B. Miller, CFA

Municipal Credit Analyst
12 years investment experience

2013 - Present Sit Investment Associates, Inc.
2011 - 2013 Alerus Financial, Investment Research Analyst
2007 - 2011 Edward Jones, Investment Advisor

Minnesota State University, BS (2007)

jbm@sitinvest.com



Nicholas F. Ochsner, CFA

Taxable Credit Analyst
8 years investment experience

2017 - Present Sit Investment Associates, Inc.
2015 - 2017 Health Care Service Corporation, Analyst
2012 - 2015 Blue Rock Advisors, Analyst

University of Minnesota, BS (2011)

nfo@sitinvest.com



Joseph H. Lepinski, CFA

Municipal Credit Assistant
14 years investment experience

2007 - Present Sit Investment Associates, Inc.
2005 - 2007 Raymond James, Financial Advisor

University of St. Thomas, MBA (2015)
University of St. Thomas, BA (2005)

jhl@sitinvest.com



Michael J. Book

Municipal Credit Associate
4 years investment experience

2019 - Present Sit Investment Associates, Inc.
2015 - 2009 Piper Jaffray

University of Wisconsin-Eau Claire, BA (2015)

mjb@sitinvest.com



Brian R. Gilbert

Decision Support Systems
25 years investment experience

1994 - Present Sit Investment Associates, Inc.
1992 - 1994 Norwest Mortgage, Inc.,
Conventional Post-Closing Coordinator
1990 - 1992 Carlson Companies, T5 Project Coordinator

Northwestern College, BA and BS (1990)

brg@sitinvest.com



John J. Gibas

Vice President - Institutional Marketing

2012 - Present Sit Investment Associates, Inc.
2010 - 2012 RBC Global Asset Management,
Institutional Marketing
2008 - 2010 Piper Jaffray Investment Management,
Institutional Marketing
1998 - 2008 USBancorp, FAF Advisors,
Institutional Marketing

1979 - 1998 Piper Jaffray, Institutional
University of Minnesota, MBA (1981), BS (1977)

jjg@sitinvest.com

FIXED INCOME BIOGRAPHIES



Patrick K. Magnusson, CFA, CAIA

Vice President – Fixed Income Institutional Marketing
20 years investment experience

2019 - Present Sit Investment Associates, Inc.
2016 - 2018 Intera Capital Partners, Inst. Marketing
2013 - 2016 Thomson Reuters, Corp. Strategy & Bus. Dev.
2012 - 2013 Best Buy Co., Corporate Finance
2008 - 2011 Agency Trading Inc., Investment Analyst
2003 - 2008 The Leuthold Group, Investment Analyst
1999 - 2003 American Express Financial, Inst. Client Service

University of Minnesota, MBA (2004)

University of Minnesota-Duluth, BBA (1999)

pkm@sitinvest.com

IMPORTANT DISCLOSURES

Performance Results – Gross of Fees

Gross returns were calculated on a time-weighted total return basis, including all dividends and interest, accrued income, realized and unrealized gains or losses. Returns for periods greater than one year are annualized. Gross of fees performance is presented net of brokerage commissions and execution costs, but does not reflect deduction for custodial and investment advisory fees, or the impact of income taxes. These expenses will reduce a client's return. For example, a \$5 million portfolio earning a 10% annualized return over 5 years would be valued at \$8.1 million. The same portfolio with an annual fee of 0.75% would be valued at \$7.8 million net of investment management fees. Advisory fees are described in Form ADV part 2. Please see the composite presentation including net of fees results at the end of the disclosure section.

The composite presentation includes a description of the securities held in the composite portfolio.

Index returns are presented as total returns, reflecting both price performance and income from dividend payments. The indexes are unmanaged and reflect no fees or expenses.

Past performance is not indicative of future performance. Investment return and principal value of an investment will fluctuate so that the value of an account may be worth more or less than the original invested cost.

This gross performance presentation is intended for use in meetings with certain investors, or to be provided to consultants who are instructed to provide this information only on a one-on-one basis with qualified clients with the above disclosures.

Supplemental Information

Portfolio characteristic information is supplemental to and complements the composite presentation at the end of the disclosure section. The account characteristic information presented is for the composite and is provided for illustrative purposes only. Characteristics of the composite may differ from other accounts in the composite. Allocations and security selection are subject to change. There is no assurance that any security discussed herein will remain in an account's portfolio.

The information provided in this report should not be considered a recommendation of any particular security or strategy.

eVestment Alliance Peer Ranks

Peer rankings represent percentile rankings which are based on monthly gross of fee returns and reflect where the Sit Investment composite returns fall within the indicated eVestment Alliance, LLC ("eVestment") universe. eVestment provides the institutional investment database which consists of institutional managers, investment consultants, plan sponsors and other similar financial institutions reporting on investment products. Performance figures are provided to eVestment by individual investment management firms for informational purposes only. eVestment does not guarantee the accuracy, adequacy, completeness or availability of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Additional information regarding eVestment rankings is available on eVestment's website. This presentation is intended for institutional investor use only.

SIT INVESTMENT ASSOCIATES, INC. Taxable Short Duration Composite Annual Disclosure Presentation

Year End	Total Firm Assets (millions)	Composite Assets (USD) (millions)	Number of Accounts	Composite 3-Yr. Standard Dev. (%)	Benchmark 3-Yr. Standard Dev. (%)	Barclays 1-3 Year Govt Bond Index	Annual Performance Results Composite		Composite Dispersion
							Gross	Net	
2017	13,340.8	2,353.5	42	1.6%	0.7%	0.45%	1.66%	1.26%	0.47%
2016	12,668.9	1,841.9	41	1.7%	0.8%	0.87%	2.16%	1.76%	0.44%
2015	13,350.6	1,852.4	42	1.6%	0.6%	0.57%	2.86%	2.45%	0.48%
2014	13,505.0	1,534.0	41	1.4%	0.4%	0.64%	3.98%	3.57%	0.36%
2013	13,103.3	1,709.6	40	1.3%	0.5%	0.37%	-0.26%	-0.66%	0.63%
2012	13,081.6	1,305.2	32	1.0%	0.7%	0.51%	4.10%	3.69%	0.39%
2011	10,895.1	994.6	32	1.2%	0.9%	1.56%	5.10%	4.69%	0.52%
2010	9,873.4	766.0	27	1.6%	1.7%	2.40%	6.92%	6.50%	0.48%
2009	8,694.6	764.4	18	1.5%	1.8%	1.41%	9.80%	9.37%	0.81%
2008	6,697.0	324.6	14	1.4%	1.6%	6.66%	5.19%	4.78%	1.17%
2007	7,808.6	434.1	15	0.8%	1.3%	7.10%	7.30%	6.88%	0.49%
2006	6,939.6	773.8	16	0.9%	1.3%	4.12%	4.91%	4.50%	0.49%
2005	6,595.0	841.3	21	0.9%	1.4%	1.73%	3.12%	2.72%	0.40%
2004	6,175.4	476.6	14	1.1%	1.8%	1.07%	3.31%	2.90%	0.43%
2003	6,307.3	405.1	10	1.1%	1.9%	2.01%	3.44%	3.03%	0.74%
2002	6,242.4	210.5	6	1.0%	1.7%	6.01%	7.20%	6.78%	0.21%
2001	8,041.2	41.8	2	0.9%	1.5%	8.53%	8.54%	8.11%	0.22%
2000	9,626.4	32.5	2	0.7%	1.3%	8.17%	8.04%	7.61%	0.07%
1999	9,182.0	36.9	3	0.5%	1.3%	2.97%	5.30%	4.89%	0.26%
1998	7,199.5	27.3	3	0.7%	1.4%	6.96%	6.84%	6.42%	0.46%

Sit Investment Associates, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sit Investment Associates, Inc. has been independently verified for the period January 1, 2017 to December 31, 2017 by ACA Performance Services, LLC, for the period January 1, 2007 to December 31, 2016 by Ashland Partners & Company LLP and for the period January 1, 1997 through December 31, 2006 by KPMG LLP.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Taxable Short Duration composite has been examined for the period January 1, 2017 through December 31, 2017 by ACA Performance Services, LLC and for the period January 1, 1997 through December 31, 2016 by Ashland Partners & Company LLP. The verification and performance examination reports are available upon request.

The Taxable Short Duration Composite was created December 31, 1990. Taxable Short Duration Composite contains fully discretionary accounts and for comparison purposes is measured against the Barclays 1-3 Year Govt Bond Index. The composite contains portfolios generally emphasizing investing in investment grade taxable bonds with intermediate durations. Value is achieved through an emphasis on seasoned Agency mortgage pass-through securities. Gradual shifts in portfolio duration are made within a range of one to three years. The Barclays 1-3 Year Government Index includes securities in the U.S. Government Index with a maturity from 1 up to (but not including) 3 years. Including public obligations of the U.S. Treasury with a remaining maturity of one year or more and publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government.



Sit Investment Associates, Inc. is an independent registered investment adviser which includes the following subsidiaries: Sit Investment Fixed Income Advisors, Inc.; and Sit Investment Fixed Income Advisors II, Inc. On December 31, 2007, Sit/Kim International Investment Associates, Inc. and Sit/Kim International Investment Associates II, LLC were liquidated into Sit Investment Associates, Inc. Prior to 2000, Sit Investment Associates, Inc. and Sit/Kim International Investment Associates, Inc. issued separate GIPS reports, including disclosure of each entity's assets under management. Beginning in 2000 the two entities issued a combined GIPS report to reflect the entities' current operational and management affiliation. Total assets for all years presented in the table above reflect the combined total assets of all subsidiaries. The firm maintains a complete list and description of composites, which is available upon request.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the highest fee applicable annual management fee of 0.40% applied quarterly. The annual composite dispersion presented is an equal-weighted standard deviation calculated for the accounts in the composite the entire year. Beginning April 1, 2006, SIA calculates a true Time Weighted Return (TWR) for each portfolio within the composite and asset weights their returns to come up with a composite return. Prior to April 1, 2006, SIA uses SunCard Portfolio One which uses an aggregate portfolio method which appropriately uses an Average Capital Balance (ACB) and an Internal Rate of Return (IRR) based on a discounted cash flow between revaluations for significant external cash flows. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule for the composite is 0.40% on the first \$20 million, 0.30% on the next \$30 million, 0.25% on the next \$50 million, and negotiable over \$100 million. Actual investment advisory fees incurred by clients may vary.

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period.

Past performance is not indicative of future results.



Meeting Date
07/08/20
Agenda Item
#14

SACRS VOTING PROXY FORM

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

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

_____ Voting Delegate

_____ Alternate Voting Delegate

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

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

Signature: _____

Print Name: _____

Position: _____

Date: _____

Please send your system's voting proxy by July 31, 2020 to Sulema H. Peterson, SACRS Administrator at Sulema@sacrs.org.



March 24, 2020

To: SACRS Trustees & SACRS Administrators/CEO's
 From: Ray McCray, SACRS Immediate Past President, Nominating Committee Chair
 SACRS Nominating Committee
 Re: SACRS Board of Director Elections 2020-2021 Elections – Final Ballot

SACRS BOD 2020-2021 election process began January 2020. Please provide the final ballot and voting instructions to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2020	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, 2020	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
November 10-13, 2020 (Exact date TBD)	Nomination Committee to conduct elections during the SACRS Business Meeting at the Fall Conference, November 10-13, 2020
November 10-13, 2020	Board of Directors take office for 1 year (until Spring 2021 Elections)

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

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

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

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

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

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



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

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

Due to the cancellation of the Spring Conference because of COVID-19 (Coronavirus) the elections will be held at the SACRS Fall Conference November 10-13, 2020 at the Renaissance Esmeralda Resort & Spa, Indian Wells. Elections will be held during the Annual Business meeting, date TBD, November 10-13, 2020.

SACRS Nominating Committee Final Ballot:

- | | |
|------------------------------------------|----------------|
| • Vivian Gray, Los Angeles CERA | President |
| • Roger Hilton, Orange CERS | Vice President |
| • Harry Hagen, Santa Barbara, CERS | Treasurer |
| • Kathryn Cavness, Mendocino CERA | Secretary |
| • David MacDonald, MD, Contra Costa CERA | Regular Member |
| • John Kelly, Sacramento CERS | Regular Member |

Additional Candidates Submitted:

- | | |
|--------------------------------------|----------------|
| • Vere Williams, San Bernardino CERA | Regular Member |
| • Edward Robinson, Kern CERA | Regular Member |

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

If you have any questions, please contact me at Ray McCray, raym1@sbcglobal.net or (209) 471-4472.

Thank you for your prompt attention to this timely matter.

Sincerely,

Ray McCray

Ray McCray, San Joaquin CERA Trustee
SACRS Nominating Committee Chair

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



SACRS VOTING BALLOT FORM

_____ County Retirement Board hereby vote the following candidates for SACRS 2020-2021 Board of Directors

Position	Name of Candidate
President	
Vice President	
Treasurer	
Secretary	
Regular Member	
Regular Member	

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

The voting delegate completing this form on behalf of the Retirement Board:

Signature: _____
Print Name: _____
Position: _____
Email Address: _____
Date: _____

The person authorized to complete and submit this form via email on behalf of the Retirement Board:

Signature: _____
Print Name: _____
Position: _____
Email Address: _____
Date: _____

Please send your system's Voting Ballot by July 31, 2020 to Sulema H. Peterson, SACRS Executive Director at Sulema@sacrs.org.



Meeting Date
07/08/20
Agenda Item
#15

MEMORANDUM

Date: July 8, 2020
To: CCCERA Board of Retirement
From: Gail Strohl, Chief Executive Officer
Subject: CCCERA Operations Update

The CCCERA physical office has remained closed since the beginning of the shelter in place due to the recent coronavirus (COVID-19) pandemic. However, CCCERA has continued to perform its essential business functions during this time. CCCERA continues to fulfill its mission to administer pension benefits earned by our members and to be prudent stewards of plan assets. All members, active and retired, are affected in some way by this pandemic. It is imperative that CCCERA continue to conduct essential operations. To that end, I would like to provide an update regarding some of the primary functions.

Retirement Benefit Payments

The April 1, May 1, June 1, and July 1, 2020 retirement benefit payments were paid timely and on schedule. Related tax payments and health deductions have been made as well. CCCERA is planning on issuing future benefit payments on schedule.

Member Communication

Staff are available to receive member phone calls during limited phone hours Tuesday through Thursday. Voicemail messages are being returned promptly. CCCERA has received over 1,800 phone calls since the beginning of the shelter in place. Physical and electronic mail is being handled appropriately.

The CCCERA website now includes two videos: (1) How to Use the Pension Calculator; and (2) Retirement Overview. The Retirement Overview video is a voice narrated slideshow of the normally in-person presentation. The CCCERA website is continually updated with current information.

Retirement Applications

CCCERA is continuing to accept and process service and disability retirement applications.

Employer Payroll Information and Contribution Payments

CCCERA is still able to receive employer payroll information and accept employer and member contribution payments.

Vendor Payments

CCCERA is processing payments to vendors in a timely manner.

Retirement Appointments

Member retirement appointments are conducted via telephone with a retirement counselor.

Investment Program

CCCERA investment staff are continuing to monitor the portfolio and effectively manage cash movements. Frequent communication with CCCERA's external investment managers and investment consultants remains one of the top priorities.



Meeting Date
07/08/20
Agenda Item
#17a.

Summer Webinar Series

THURSDAY, JULY 9 - 10 AM (PST)

TITLE: Ethics Training for Trustees and Staff

SYNOPSIS: This two-hour mandatory bi-annual training for public officials covers conflict of interest rules, public meeting and record requirements, due process requirements and other significant rules for legal compliance by public officials, with a particular focus on how these rules apply to retirement board trustees and senior staff.

*This class is pending approval for MCLE credit

SPEAKER: Ashley Dunning, Nossaman LLP, is partner in the national law firm Nossaman LLP and is on the firm’s Executive Committee. She is Co-Chair of Nossaman’s Public Pensions and Investments Practice Group and is a member of its Litigation Department. Ms. Dunning is a nationally recognized public pension system counselor and litigator, who has provided fiduciary, governance and litigation services to public retirement systems throughout California and nationally for over two decades.

Ethics Training for Trustees and Staff

This two-hour mandatory bi-annual training for public officials. Certificate provide upon completion of class.

📅 Start Date - End Date
July 09, 2020

🔔 Early Bird Discount Deadline
Not Applicable

🔔 Regular Registration Deadline
Wednesday, July 08, 2020

- REGISTER
- PRICING
- FUNCTIONS
- LOCATION

Registration Fees

Price Description	Amount
Member Registration	\$0
Non-Member Registration	\$50



Meeting Date
07/08/20
Agenda Item
#17b.

Summer Webinar Series

WEDNESDAY, JULY 15 - 1 PM (PST)

TITLE: Sexual Harassment Prevention Training for Local Agency Officials (AB1661)

SYNOPSIS: Nossaman LLP attorneys John Kennedy and Allison Callaghan will present “Sexual Harassment Prevention Training for Local Agency Officials (AB1661)”. AB 1661 requires that if a local agency provides any type of compensation, salary, or stipend to its officials, then all local agency officials of the agency shall receive at least two hours of sexual harassment prevention and education training within the first six months of taking office or commencing employment and every two years thereafter. This interactive training session will meet the requirements under AB 1661 and AB 1825 (sexual harassment prevention training to employees who perform supervisory functions) and assist attendees in preventing and effectively responding to complaints of sexual harassment. *This class pending approval for MCLE credit

SPEAKER: John Kennedy and Allison Callaghan, Nossaman LLP - John Kennedy and Allison Callaghan, Nossaman, LLP. Mr. Kennedy is a Nossaman partner and Administrative Partner for the Sacramento office. His practice consists of complex business litigation, primarily employment law litigation, advise, counsel, and training. He has been practicing for over 30 year. Ms. Callaghan is the senior associate in the Sacramento office. Her practice consists of advising, counseling, training, and defending both public and private employers in a broad array of employment matters. She has practiced for 7 years.

Sexual Harassment Prevention Training for Local Agency Officials (AB1661)

📅 Start Date - End Date
July 15, 2020

🔔 Early Bird Discount Deadline
Not Applicable

🔔 Regular Registration Deadline
Tuesday, July 14, 2020

- 📝 REGISTER
- 💰 PRICING
- ☰ FUNCTIONS
- 📍 LOCATION

Registration Fees

Price Description	Amount
Member Registration	\$0
Non-Member Registration	\$50

↖

Meeting Date
07/08/20
Agenda Item
#17c.

Event Info

SACRS/UC Berkeley 2020 Program

A three-day course offering SACRS' members in-depth knowledge on today's successful investment models and strategies.

 Start Date - End Date
July 28, 2020 - August 13, 2020

 Early Bird Discount Deadline
Not Applicable

 Regular Registration Deadline
Sunday, July 26, 2020

-  REGISTER
-  PRICING
-  LOCATION

Registration Fees

Price Description	Amount
Affiliate Pricing	\$500
Non-Member Pricing	\$500
Non-Profit Pricing	\$500
System Pricing	\$500

MODERN INVESTMENT THEORY & PRACTICE for Retirement Systems

SACRS PUBLIC PENSION INVESTMENT MANAGEMENT PROGRAM 2020

July 28-August 13 | UC Berkeley Haas School of Business Executive Education

Program Schedule

All sessions are in webinar format.

PRE-RECORDED	WEEK ONE	WEEK TWO	WEEK THREE
Investing Fundamentals for New Trustees	Tuesday, July 28 9:00 am – 12:30 pm	Tuesday, August 4 9:00 am – 12:30 pm	Tuesday, August 11 9:00 am – 12:30 pm
Program Overview & Goals Gregory La Blanc 15 minutes	Financial Economics for Pensions Gregory La Blanc 9:00 am – 10:00 am	Disruptive Technologies: Transforming the Future of Investment Gregory La Blanc 9:00 am – 10:00 am	ESG Case Discussion Norway SWF & WalMart Case Gregory La Blanc 9:00 am – 10:00 am
Pension Fund and Investment Basics Thomas Gilbert 90 minutes	10:00 am Break (15 min)	10:00 am Break (15 min)	10:00 am Break (15 min)
	Forecasting Liabilities: Actuarial Science Gregory LaBlanc 10:15 am – 11:15 am	Crisis Management Panel Gregory La Blanc, Moderator 10:15 am – 11:15 am	ESG Panel Gregory La Blanc, Moderator 10:15 am – 11:15 am
Return, Risk and Diversification Thomas Gilbert 90 minutes	11:15 am Break (15 min)	11:15 am Break (15 min)	11:15 am Break (15 min)
	The Cook County Case Gregory LaBlanc 11:30 am – 12:30 pm	Real Assets 11:30 am – 12:30 pm	Governance Panel Gregory La Blanc, Moderator 11:30 am – 12:30 pm
	Thursday, July 30 9:00 am – 12:30 pm	Thursday, August 6 9:00 am – 12:30 pm	Thursday, August 13 9:00 am – 12:30 pm
Practical Mean-Variance Analysis Thomas Gilbert 90 minutes	Portfolio Management and Performance Measurement Thomas Gilbert 9:00 am – 10:00 a	Alternative Investment Strategies: PE Case Discussion Gregory La Blanc 9:00 am – 10:00 am	Behavioral Finance: Overconfidence and Expertise Gregory La Blanc 9:00 am – 10:00 am
	10:00 am Break (15 min)	10:00 am Break (15 min)	10:00 am Break (15 min)
CAPM and Luck vs. Skill Thomas Gilbert 90 minutes	Advanced Asset Allocation Thomas Gilbert 10:15 am – 11:15 am	Alternative Investment Strategies – Hedge Funds Gregory La Blanc 10:15 am – 11:15 am	Risk Management Gregory La Blanc 10:15 am – 11:15 am
	11:15 am Break (15 min)	11:15 am Break (15 min)	11:15 am Break (15 min)
	Factor Investing and Smart Beta 11:30 am – 12:30 pm	Alternative Investment Strategies Panel Gregory La Blanc, Moderator 11:30 am – 12:30 pm	Leadership and the Role of the Trustee 11:30 am – 12:30 pm

Included in the registration fee; Attendees will receive 24 hours of continuing education, a UC Berkeley certificate of completion and Vikram Mansharamani new book "Think for Yourself: Restoring Common Sense in an Age of Experts and Artificial Intelligence".



Virtual Program Principles for Trustees 2020

Featuring abbreviated sessions from CALAPRS popular annual program for new public pension fund trustees

About The Program

Public Pension Fund Trustees bear a heavy fiduciary burden. On a cumulative basis, California's Constitution holds our members' **350** Trustees accountable for the stewardship of more than **\$450** Billion in retirement fund assets. **40** California public pension systems belong to CALAPRS. For many years, Trustees of our member retirement systems have participated in CALAPRS' unique training programs presented exclusively for California public retirement system board members.

Due to the COVID-19 pandemic and restrictions on gatherings in California, the in-person Principles of Pension Governance for Trustees program held at Pepperdine University has been postponed until 2021. While this was not an easy decision to make, the health and safety of our participants is of the utmost importance. However, to continue CALAPRS' mission of providing education for trustees during these unprecedented times, we have arranged with our faculty of subject-matter experts to present abbreviated versions of several key educational topics from this program in an online format in August 2020.

It is our hope that those who attend the online program this year will be able to join us next year as well, to experience the full educational program and the full agenda of important topics and networking that are offered in-person at Pepperdine.

Who Should Attend?

The course is for Trustees. Attendance is recommended within the first year after assuming office. Experienced Trustees will use the program as a comprehensive refresher course.

Faculty

The Course will be taught by public pension practitioners, including Consultants, Actuaries, Investment Managers, & Administrators.

How to Participate – The Virtual Platform

The program will be held using the Zoom Meeting platform and attendees will need to participate using their computer or mobile tablet in order to access the visual portion of the sessions. Audio may be accessed by dialing in by phone or through computer audio using the Zoom platform. Detailed access instructions will be sent to each participant upon registration.

CALAPRS plans to make this course interactive and allow attendees the option to enable their audio and video and participate actively in the discussion, as facilitated by the moderators. In addition, a chat box will be available for attendees to communicate with each other in writing, as well as a written Q&A feature to submit questions directly to the presenters / moderators.

The Curriculum

All course materials are based on actual California public pension fund law, policies, practices and problems.

Tuesday, August 18, 2020

8:30 – 10:00am PT

Fiduciary Duty and Sound Decision Making

- Identify and discuss the fiduciary duties that are applicable to public pension board members in California. (Duty of Loyalty & Duty of Care)
- Board meeting process – Motions, seconds, etc.
- Eight questions Board members should ask themselves before making a decision
- Not so hypothetical hypotheticals

Presented by:

Chris Waddell, Senior Counsel, Olson Remcho

Tuesday, August 25, 2020

8:30am-12:00pm PT (Break 10:00-10:30am)

Investment Policy Basics & Overseeing the Investment Program

- Linking the liabilities to the asset portfolio
- The roles of trustees, staff and advisors in the decision-making process
- How to design and implement a successful strategic investment program
- How asset allocations are selected
- Best practices for implementation and monitoring of investment programs

Presented by:

*Tim Price, Chief Investment Officer, Contra Costa County Employees' Retirement Association
Scott Whalen, Executive Vice President, Verus Investments*

Wednesday, August 26, 2020

8:30am-12:00pm PT (Break 10:00-10:30am)

Addressing Pension Liabilities

- Role of an actuary & purposes of an actuarial valuation
- Walk through an actuarial valuation and report
- Role of assumptions and methods
- Understanding actuarial gains and losses
- Overview of actuarial gains and losses, UAAL, and asset smoothing methods

Presented by:

Paul Angelo, FSA, Senior Vice President & Actuary, Segal Consulting

Moderators: *Course Dean -- Julie Wyne, Chief Executive Officer, Sonoma County Employees' Retirement Association & CALAPRS President -- Carl Nelson, Executive Director and Chief Investment Officer, San Luis Obispo County Pension Trust*

Registration & Pricing

Registration is open to any current trustee from a CALAPRS member retirement system. Registration is open online at www.calaprs.org and must be submitted by August 14, 2020.

Participants may choose to register for individual sessions or for the full program series.

Pricing is as follows:

- Full virtual program (all 3 sessions): \$500 (Savings of \$125)
- August 18 ONLY (Fiduciary): \$125
- August 25 ONLY (Investments): \$250
- August 26 ONLY (Actuarial): \$250

Register now at www.calaprs.org/events

Questions?

Contact register@calaprs.org or 415-764-4860 and a member of the CALAPRS staff will be happy to assist you.

Meeting Date

07/08/20

Agenda Item

#17e.



The Voice for Public Pensions

2020 PUBLIC PENSION FUNDING FORUM

August 24 – 25

Virtual Event

FINAL AGENDA

MONDAY, AUGUST 24

1:00 pm – 2:00 pm **Welcome & Opening Remarks**

Hank Kim, NCPERS

How Long Can Public Pensions Be Sustained?

Byron Lutz, Federal Reserve Board of Governors

Tom Sgouros, Brown University

Alex Brown, National Assoc. of State Retirement Administrators

2:00 pm – 2:15 pm Break

2:15 pm – 3:00 pm **Strategies to Maintain an Adequate Funding Level Through Economic
Ups and Downs**

David Villa, CEO and CIO, State of Wisconsin Investment Board

3:00 pm – 3:15 pm Break

3:15 pm – 4:00 pm **Weighing Risks and Returns in Current Macroeconomic Trends**

Lars Peter Hansen, Nobel Laureate in Economics, University of Chicago

**This event will be held via Zoom Meetings. All times in EST.*

Agenda as of 6/23/2020

TUESDAY, AUGUST 25

- 1:00 pm – 1:15 pm **Welcome Back**
- 1:15 pm – 2:30 pm **Funding Strategies in Selected Plans**
New York – Sanford Rich, New York City Board of Education RS
Kentucky – David Eager, Kentucky Employees Retirement System
Illinois – Richard Ingram, Illinois Teachers Retirement System
New Jersey – Corey Amon, NJ Division of Investments
- 2:30 pm – 2:45 pm **Break**
- 2:45 pm – 3:45 pm **Funding Challenges in Corona Economy: An Actuarial Perspective**
Gene Kalwarski, Cheiron
Brian Grinnell, Chief Actuary, State Teachers Retirement System of Ohio
Richard Young, New York State Teachers Retirement System
- 3:45 pm **Thank You and Closing Remarks**

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**This event will be held via Zoom Meetings. All times in EST.
Agenda as of 6/23/2020*